

## THE BOARD OF DIRECTORS APPROVES FULL YEAR 2020 RESULTS, CONFIRMING PRELIMINARY RESULTS PUBLISHED ON 17 FEBRUARY 2021

Rome, 24 March 2021 – The Board of Directors of Poste Italiane S.p.A. (“Poste Italiane”), chaired by Maria Bianca Farina, has examined and approved today the Annual Financial Report for 2020, including Poste Italiane’s separate financial statement for the year 2020 and the Poste Italiane Group’s consolidated financial statement for the year 2020, which confirms the preliminary consolidated results for 2020 previously announced on 17 February 2021.

The Board of Directors also decided to propose the payment of €0.324 per share as balance dividend for the fiscal year 2020 – whose interim dividend, equal to €0.162 per share, was paid on 25 November 2020 – for a total dividend for the fiscal year 2020 equal to €0.486 per share, as a distribution of (i) Poste Italiane’s available net income (for a total amount of €272.9m), and (ii) available reserves named “Retained earnings”. The proposed ex-dividend date is 21 June 2021, the “record date” (i.e. the date when a shareholder is eligible to receive dividends) is 22 June 2021 and the payment date is 23 June 2021.

Poste Italiane’s separate financial statements for the year ended 31 December 2020 will be submitted for approval – together with the proposal for payment of the dividend – to the Annual General Meeting of shareholders scheduled for 28 May 2021. The notice of call will be published in due course.

The Annual Financial Report for 2020 will be made available to the public within the terms laid down by law (i.e., by 30 April 2021) on the following webpage:  
<https://www.posteitaliane.it/en/reports.html>

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*The Poste Italiane Group’s consolidated balance sheet, statement of profit/(loss), and statement of cash flows are attached to this release. The corresponding statements for Poste Italiane SpA are also attached. The financial statements and the related notes have been delivered to the Board of Statutory Auditors and will be audited by Poste Italiane’s Independent Auditors.*

### **Declaration by the Executive responsible for preparing the corporate accounting documents**

*The undersigned, Alessandro Del Gobbo, in his capacity as Executive responsible for preparing Poste Italiane’s corporate accounting documents (Dirigente Preposto)*

DECLARES

*that, pursuant to art. 154-BIS, par. 2, of the Consolidated Financial Bill of February 24, 1998, accounting information disclosed in this document corresponds to document results and accounting books and records.*

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# POSTE ITALIANE GROUP'S FINANCIAL STATEMENTS (€m)

## CONSOLIDATED BALANCE SHEET

ASSETS	31 December 2020	31 December 2019
<b>Non-current assets</b>		
Property, plant and equipment	2,134	2,015
Investment property	31	44
Intangible assets	755	648
Right-of-use assets	1,200	1,254
Investments accounted for using the equity method	615	617
Financial assets	217,877	194,207
Trade receivables	2	5
Deferred tax assets	1,123	1,199
Other receivables and assets	3,868	3,729
Technical provisions attributable to reinsurers	54	58
<b>Total</b>	<b>227,659</b>	<b>203,776</b>
<b>Current assets</b>		
Inventories	165	140
Trade receivables	2,373	2,166
Current tax assets	187	52
Other receivables and assets	1,060	938
Financial assets	30,006	23,569
Cash and deposits attributable to BancoPosta	6,391	4,303
Cash and cash equivalents	4,516	2,149
<b>Total</b>	<b>44,698</b>	<b>33,317</b>
<b>TOTAL ASSETS</b>	<b>272,357</b>	<b>237,093</b>
<b>LIABILITIES AND EQUITY</b>		
<b>Equity</b>		
Share capital	1,306	1,306
Reserves	3,909	2,646
Treasury shares	(40)	(40)
Retained earnings	6,327	5,786
<b>Equity attributable to owners of the Parent</b>	<b>11,502</b>	<b>9,698</b>
Equity attributable to non-controlling interests	5	-
<b>Total</b>	<b>11,507</b>	<b>9,698</b>
<b>Non-current liabilities</b>		
Technical provisions for insurance business	153,794	140,261
Provisions for risks and charges	625	501
Employee termination benefits	1,030	1,135
Financial liabilities	18,366	13,964
Deferred tax liabilities	1,229	887
Other liabilities	1,576	1,525
<b>Total</b>	<b>176,620</b>	<b>158,273</b>
<b>Current liabilities</b>		
Provisions for risks and charges	771	717
Trade payables	1,837	1,627
Current tax liabilities	13	274
Other liabilities	1,745	2,110
Financial liabilities	79,864	64,394
<b>Total</b>	<b>84,230</b>	<b>69,122</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>272,357</b>	<b>237,093</b>

## CONSOLIDATED STATEMENT OF NET PROFIT (LOSS) OF THE YEAR (€m)

	FY 2020	FY 2019
Revenue from Mail, Parcels & other	3,201	3,492
Revenue from Payments & Mobile	737	664
Net revenue from Financial Services	4,945	5,134
Revenue from Financial Services	5,151	5,213
Expenses from financial activities	(206)	(79)
Revenue from Insurance Services after movements in technical provisions and other claims expenses	1,643	1,669
Insurance premium revenue	16,865	17,913
Income from insurance activities	4,065	5,478
Net change in technical provisions for insurance business and other claims expenses	(18,767)	(21,463)
Expenses from insurance activities	(520)	(259)
<b>Net operating revenue</b>	<b>10,526</b>	<b>10,959</b>
Cost of goods and services	2,523	2,287
Personnel expenses	5,638	5,896
Depreciation, amortisation and impairments	700	774
Capitalised costs and expenses	(37)	(31)
Other operating costs	103	200
Impairment loss/(reversal) on debt instruments, receivables and other assets	75	59
<b>Operating profit/(loss)</b>	<b>1,524</b>	<b>1,774</b>
Finance costs	75	73
Finance income	123	105
Impairment loss/(reversal of impairment losses) on financial asset	1	46
Profit/(Loss) on investments accounted for using the equity method	5	112
<b>Profit/(Loss) before tax</b>	<b>1,576</b>	<b>1,872</b>
Income tax expense	370	530
<b>NET PROFIT FOR THE PERIOD</b>	<b>1,206</b>	<b>1,342</b>
of which, attributable to owners of the Parent	1,207	1,342
of which, attributable to non-controlling interests	(1)	-
<b>Earnings per share</b>	<b>0.927</b>	<b>1.032</b>
<b>Diluted earnings per share</b>	<b>0.927</b>	<b>1.032</b>

## CONSOLIDATED STATEMENT OF CASH FLOWS (€m)

	Note	FY 2020	FY 2019
<b>Cash and cash equivalents at beginning of year</b>		<b>2,149</b>	<b>3,195</b>
Profit/(Loss) before tax		1,576	1,872
Depreciation, amortisation and impairments		700	774
Goodwill Impairment		-	-
Net provisions for risks and charges		566	394
Use of provisions for risks and charges		(388)	(696)
Provisions for employee termination benefits		2	1
Employee termination benefits		(120)	(140)
(Gains)/Losses on disposals		(2)	1
Impairment losses/(reversals) on financial instruments		-	46
(Dividends)		-	-
Dividends received		-	-
(Finance income realised)		(1)	(7)
(Finance income in form of interest)		(108)	(94)
Interest received		112	95
Interest expense and other finance costs		62	68
Interest paid		(28)	(23)
Losses and impairment losses/(Reverseals of impairment losses) on receivables		61	62
Income tax paid		(823)	(252)
Other changes		7	(104)
<b>Cash flow generated by operating activities before movements in working capital</b>	<b>[a]</b>	<b>1,616</b>	<b>1,997</b>
<i>Movements in working capital:</i>			
(Increase)/decrease in Inventories		(26)	(4)
(Increase)/decrease in Trade receivables		(262)	(40)
(Increase)/decrease in Other receivables and assets		(162)	(16)
Increase/(decrease) in Trade payables		209	43
Increase/(decrease) in Other liabilities		(436)	(197)
<b>Cash flow generated by /(used in) movements in working capital</b>	<b>[b]</b>	<b>(677)</b>	<b>(214)</b>
Increase/(decrease) in liabilities attributable to financial, payments, cards and acquiring, insurance activities		14,469	7,980
Net cash generated by/(used for) financial assets attributable to financial, payments, cards and acquiring, insurance activities		(15,961)	(10,904)
(Increase)/decrease in cash and deposits attributable to BancoPosta		(2,088)	(984)
Increase/(decrease) in net technical provisions for insurance business		7,813	7,456
(Income)/Expenses and other non-cash components		(3,255)	(4,211)
<b>Cash generated by/(used for) financial assets/liabilities attributable to financial, payments, card and acquiring, insurance</b>	<b>[c]</b>	<b>978</b>	<b>(663)</b>
<b>Net cash flow from /(for) operating activities</b>	<b>[d]=[a+b+c]</b>	<b>1,917</b>	<b>1,120</b>
<i>Investing activities:</i>			
Property, plant and equipment		(300)	(391)
Investment property		(1)	(1)
Intangible assets		(379)	(342)
Investments		(1)	(15)
Other financial assets		(35)	(17)
<i>Disposals:</i>			
Property, plant and equipment, investment property, intangible assets and assets held for sale		6	4
Investments		-	1
Other financial assets		109	29
<b>Net cash flow from /(for) investing activities</b>	<b>[e]</b>	<b>(601)</b>	<b>(732)</b>
Proceeds from/(Repayments of) long-term borrowings		1,248	573
(Increase)/decrease in loans and receivables		-	-
Increase/(decrease) in short-term borrowings		415	(1,193)
(Purchase)/disposal of own shares		-	(40)
Dividends paid		(613)	(774)
Other transactions with minority shareholders		1	-
<b>Net cash flow from/(for) financing activities and shareholder transactions</b>	<b>[f]</b>	<b>1,051</b>	<b>(1,434)</b>
<b>Net increase/(decrease) in cash</b>	<b>[g]=[d+e+f]</b>	<b>2,367</b>	<b>(1,046)</b>
<b>Cash and cash equivalents at end of year</b>		<b>4,516</b>	<b>2,149</b>
<b>Cash and cash equivalents at end of year</b>		<b>4,516</b>	<b>2,149</b>
Restricted net cash and cash equivalents at the end of year		(1,705)	(884)
<b>Unrestricted net cash and cash equivalents at end of year</b>		<b>2,811</b>	<b>1,265</b>

**POSTE ITALIANE SPA'S FINANCIAL STATEMENTS (€m)**  
**POSTE ITALIANE SPA - BALANCE SHEET**

ASSETS	31 December 2020	31 December 2019
<b>Non-current assets</b>		
Property, plant and equipment	1,987	1,887
Investment property	31	44
Intangible assets	719	562
Right-of-use assets	1,033	1,119
Investments	2,215	2,204
Financial assets attributable to BancoPosta	68,406	58,252
Financial assets	377	740
Trade receivables	1	5
Deferred tax assets	579	674
Other receivables and assets	1,576	1,435
<b>Total</b>	<b>76,924</b>	<b>66,922</b>
<b>Current assets</b>		
Inventories	21	-
Trade receivables	2,983	2,385
Current tax assets	143	46
Other receivables and assets	902	1,020
Financial assets attributable to BancoPosta	23,046	16,986
Financial assets	495	201
Cash and deposits attributable to BancoPosta	6,391	4,303
Cash and cash equivalents	4,029	1,206
<b>Total</b>	<b>38,010</b>	<b>26,147</b>
<b>TOTAL ASSETS</b>	<b>114,934</b>	<b>93,069</b>
<b>LIABILITIES AND EQUITY</b>	<b>31 December 2020</b>	<b>31 December 2019</b>
<b>Equity</b>		
Share capital	1,306	1,306
Own shares	(40)	(40)
Reserves	3,820	2,618
Retained earnings	2,153	2,444
<b>Total</b>	<b>7,239</b>	<b>6,328</b>
<b>Non-current liabilities</b>		
Provisions for risks and charges	578	433
Employee termination benefits	1,003	1,107
Financial liabilities attributable to BancoPosta	15,426	12,263
Financial liabilities	2,753	1,601
Deferred tax liabilities	982	666
Other liabilities	1,534	1,505
<b>Total</b>	<b>22,276</b>	<b>17,575</b>
<b>Current liabilities</b>		
Provisions for risks and charges	731	697
Trade payables	2,121	1,598
Current tax liabilities	6	199
Other liabilities	1,455	1,456
Financial liabilities attributable to BancoPosta	79,520	64,516
Financial liabilities	1,586	700
<b>Total</b>	<b>85,419</b>	<b>69,166</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>114,934</b>	<b>93,069</b>

**POSTE ITALIANE SPA – BALANCE SHEET – SUPPLEMENTARY STATEMENT  
SHOWING BANCOPOSTA'S RING FENCED SHAREHOLDERS' EQUITY AT 31  
DECEMBER 2020 (€m)**

<b>ASSETS</b>	<b>Capital outside the ring-fence</b>	<b>BancoPosta RFC</b>	<b>Adjustments</b>	<b>Total</b>
<b>Non-current assets</b>				
Property, plant and equipment	1,987	-	-	1,987
Investment property	31	-	-	31
Intangible assets	719	-	-	719
Right-of-use assets	1,033	-	-	1,033
Investments	2,215	-	-	2,215
Financial assets attributable to BancoPosta	-	68,406	-	68,406
Financial assets	377	-	-	377
Trade receivables	1	-	-	1
Deferred tax assets	449	130	-	579
Other receivables and assets	102	1,474	-	1,576
<b>Total</b>	<b>6,914</b>	<b>70,010</b>	<b>-</b>	<b>76,924</b>
<b>Current assets</b>				
Inventories	21	-	-	21
Trade receivables	1,931	1,052	-	2,983
Current tax assets	143	-	-	143
Other receivables and assets	353	549	-	902
Financial assets attributable to BancoPosta	-	23,046	-	23,046
Financial assets	495	-	-	495
Cash and deposits attributable to BancoPosta	-	6,391	-	6,391
Cash and cash equivalents	2,020	2,009	-	4,029
<b>Total</b>	<b>4,963</b>	<b>33,047</b>	<b>-</b>	<b>38,010</b>
<b>Intersegment relations net amount</b>	<b>-</b>	<b>293</b>	<b>(293)</b>	<b>-</b>
<b>TOTAL ASSETS</b>	<b>11,877</b>	<b>103,350</b>	<b>(293)</b>	<b>114,934</b>
<b>LIABILITIES AND EQUITY</b>				
	<b>Capital outside the ring-fence</b>	<b>BancoPosta RFC</b>	<b>Adjustments</b>	<b>Total</b>
<b>Equity</b>				
Share capital	1,306	-	-	1,306
Own shares	(40)	-	-	(40)
Reserves	329	3,491	-	3,820
Retained earnings	384	1,769	-	2,153
<b>Total</b>	<b>1,979</b>	<b>5,260</b>	<b>-</b>	<b>7,239</b>
<b>Non-current liabilities</b>				
Provisions for risks and charges	415	163	-	578
Employee termination benefits	1,000	3	-	1,003
Financial liabilities attributable to BancoPosta	-	15,426	-	15,426
Financial liabilities	2,753	-	-	2,753
Deferred tax liabilities	3	979	-	982
Other liabilities	58	1,476	-	1,534
<b>Total</b>	<b>4,229</b>	<b>18,047</b>	<b>-</b>	<b>22,276</b>
<b>Current liabilities</b>				
Provisions for risks and charges	681	50	-	731
Trade payables	1,728	393	-	2,121
Current tax liabilities	6	-	-	6
Other liabilities	1,375	80	-	1,455
Financial liabilities attributable to BancoPosta	-	79,520	-	79,520
Financial liabilities	1,586	-	-	1,586
<b>Total</b>	<b>5,376</b>	<b>80,043</b>	<b>-</b>	<b>85,419</b>
<b>Intersegment relations net amount</b>	<b>293</b>	<b>-</b>	<b>(293)</b>	<b>-</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>11,877</b>	<b>103,350</b>	<b>(293)</b>	<b>114,934</b>

**POSTE ITALIANE SPA – BALANCE SHEET – SUPPLEMENTARY STATEMENT  
SHOWING BANCOPOSTA'S RING FENCED SHAREHOLDERS' EQUITY AT 31  
DECEMBER 2019 (€m)**

<b>ASSETS</b>	<b>Capital outside the ring-fence</b>	<b>BancoPosta RFC</b>	<b>Adjustments</b>	<b>Total</b>
<b>Non-current assets</b>				
Property, plant and equipment	1,887	-	-	1,887
Investment property	44	-	-	44
Intangible assets	562	-	-	562
Right-of-use assets	1,119	-	-	1,119
Investments	2,204	-	-	2,204
Financial assets attributable to BancoPosta	-	58,252	-	58,252
Financial assets	740	-	-	740
Trade receivables	5	-	-	5
Deferred tax assets	362	312	-	674
Other receivables and assets	78	1,357	-	1,435
<b>Total</b>	<b>7,001</b>	<b>59,921</b>	-	<b>66,922</b>
<b>Current assets</b>				
Trade receivables	1,525	860	-	2,385
Current tax assets	46	-	-	46
Other receivables and assets	476	544	-	1,020
Financial assets attributable to BancoPosta	-	16,986	-	16,986
Financial assets	201	-	-	201
Cash and deposits attributable to BancoPosta	-	4,303	-	4,303
Cash and cash equivalents	697	509	-	1,206
<b>Total</b>	<b>2,945</b>	<b>23,202</b>	-	<b>26,147</b>
<b>Intersegment relations net amount</b>	<b>(234)</b>	-	<b>234</b>	-
<b>TOTAL ASSETS</b>	<b>9,712</b>	<b>83,123</b>	<b>234</b>	<b>93,069</b>
<b>LIABILITIES AND EQUITY</b>	<b>Capital outside the ring-fence</b>	<b>BancoPosta RFC</b>	<b>Adjustments</b>	<b>Total</b>
<b>Equity</b>				
Share capital	1,306	-	-	1,306
Own shares	(40)	-	-	(40)
Reserves	323	2,295	-	2,618
Retained earnings	778	1,666	-	2,444
<b>Total</b>	<b>2,367</b>	<b>3,961</b>	-	<b>6,328</b>
<b>Non-current liabilities</b>				
Provisions for risks and charges	170	263	-	433
Employee termination benefits	1,104	3	-	1,107
Financial liabilities attributable to BancoPosta	-	12,263	-	12,263
Financial liabilities	1,601	-	-	1,601
Deferred tax liabilities	4	662	-	666
Other liabilities	71	1,434	-	1,505
<b>Total</b>	<b>2,950</b>	<b>14,625</b>	-	<b>17,575</b>
<b>Current liabilities</b>				
Provisions for risks and charges	633	64	-	697
Trade payables	1,469	129	-	1,598
Current tax liabilities	199	-	-	199
Other liabilities	1,394	62	-	1,456
Financial liabilities attributable to BancoPosta	-	64,516	-	64,516
Financial liabilities	700	-	-	700
<b>Total</b>	<b>4,395</b>	<b>64,771</b>	-	<b>69,166</b>
<b>Intersegment relations net amount</b>	-	<b>(234)</b>	<b>234</b>	-
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>9,712</b>	<b>83,123</b>	<b>234</b>	<b>93,069</b>

## POSTE ITALIANE SPA - STATEMENT OF NET PROFIT (LOSS) AS OF 2020 (€m)

	FY 2020	FY 2019
Revenue from sales and services	8,226	8,541
Other income from financial activities	516	384
Other operating income	299	478
<b>Total revenue</b>	<b>9,041</b>	<b>9,403</b>
Cost of goods and services	2,318	1,854
Expenses from financial activities	235	100
Personnel expenses	5,446	5,702
Depreciation, amortisation and impairments	622	674
Capitalised costs and expenses	(32)	(21)
Other operating costs	67	196
Impairment loss/(reversal) on debt instruments, receivables and other assets	55	41
<b>Operating profit/(loss)</b>	<b>330</b>	<b>857</b>
Finance costs	80	59
Finance income	82	70
Impairment loss/(reversal) on financial instruments	-	45
<b>Profit/(Loss) before tax</b>	<b>333</b>	<b>823</b>
Income tax for the year	8	162
<b>PROFIT FOR THE YEAR</b>	<b>325</b>	<b>661</b>



## POSTE ITALIANE SPA – STATEMENT OF CASH FLOWS (€m)

	Note	FY 2020	FY 2019
<b>Cash and cash equivalents at beginning of year</b>		<b>1,206</b>	<b>2,127</b>
Profit/(Loss) before tax		333	823
Depreciation, amortisation and impairments		622	674
Impairments/(Reversals of impairments) of investments		12	32
Net provisions for risks and charges		553	379
Use of provisions for risks and charges		(373)	(680)
Employee termination benefits paid		(119)	(137)
(Gains)/losses on disposals		(2)	(1)
Impairment loss/(reversal) on financial instruments		-	45
(Dividends)		(8)	(6)
Dividends received		8	6
(Finance income in form of interest)		(62)	(59)
Interest received		69	66
Interest expense and other finance costs		57	55
Impairment loss on Contingent Convertible Notes			-
Interest paid		(27)	(13)
Losses and impairments/(Recoveries) on receivables		41	43
Income tax paid		(638)	(227)
Other changes		4	2
<b>Cash generated by operating activities before movements in working capital</b>	<b>[a]</b>	<b>470</b>	<b>1,002</b>
<i>Movements in working capital:</i>			
(Increase)/decrease in Inventories		(21)	-
(Increase)/decrease in Trade receivables		(619)	(112)
(Increase)/decrease in Other receivables and assets		365	202
Increase/(decrease) in Trade payables		504	110
Increase/(decrease) in Other liabilities		(87)	(310)
<b>Cash generated by/(used in) movements in working capital</b>	<b>[b]</b>	<b>142</b>	<b>(110)</b>
Increase/(decrease) in financial liabilities attributable to BancoPosta		14,676	7,440
Net cash generated by/(used for) financial assets		(8,198)	(527)
(Increase)/decrease in other financial assets attributable to BancoPosta		(1,384)	(5,864)
(Increase)/decrease in cash and deposits attributable to BancoPosta		(2,088)	(984)
(Income)/Expenses and other non-cash components attributable to financial activities		(1,471)	(908)
<b>Cash generated by/(used for) financial assets and liabilities attributable to</b>	<b>[c]</b>	<b>1,535</b>	<b>(843)</b>
<b>Net cash flow from /(for) operating activities</b>	<b>[d]=[a+b+c]</b>	<b>2,147</b>	<b>49</b>
<i>Investing activities:</i>			
Property, plant and equipment		(246)	(339)
Investment property		(1)	(1)
Intangible assets		(365)	(303)
Investments		(20)	(41)
Other financial assets		(57)	(39)
<i>Disposals:</i>			
Property, plant and equipment, investment property and assets held for sale		6	2
Investments		-	1
Other financial assets		114	70
Mergers		(61)	(86)
<b>Net cash flow from /(for) investing activities</b>	<b>[e]</b>	<b>(630)</b>	<b>(736)</b>
Increase/(decrease) in financial instruments		1,246	573
Increase/(decrease) in short-term borrowings		673	7
Dividends paid		(613)	(774)
(Purchase)/disposal of own shares		-	(40)
<b>Net cash flow from/(for) financing activities and shareholder transactions</b>	<b>[f]</b>	<b>1,306</b>	<b>(234)</b>
<b>Net increase/(decrease) in cash</b>	<b>[g]=[d+e+f]</b>	<b>2,823</b>	<b>(921)</b>
<b>Cash and cash equivalents at end of year</b>		<b>4,029</b>	<b>2,127</b>
<b>Cash and cash equivalents at end of year</b>		<b>4,029</b>	<b>2,127</b>
Restricted net cash and cash equivalents at the end of year		(1,599)	(142)
<b>Unrestricted net cash and cash equivalents at end of year</b>		<b>2,430</b>	<b>1,985</b>