

# **POSTE ITALIANE Q3 & 9M 2022 FINANCIAL RESULTS**

**FULL-YEAR 2022 GUIDANCE UPGRADED: EBIT TO €2.3BN, MORE THAN DOUBLING THE LEVEL REACHED IN 2017**

**SOLID RESULTS SUPPORT INTERIM DIVIDEND OF €0.210 ON 2022 RESULTS TO BE PAID ON NOVEMBER 23**

**Q3-22 SUSTAINABLE REVENUE GROWTH (+4.3% Y/Y) WITH POSITIVE UNDERLYING MIX ACROSS ALL BUSINESS UNITS**

**STRONG Q3-22 EBIT, UP 17.1% Y/Y TO €663M REACHING RECORD HIGH LEVEL OF €2.1BN IN 9M-22 (UP 27.2% Y/Y), WITH ALL SEGMENTS IMPROVING Y/Y, ALREADY AHEAD FY-22 ORIGINAL GUIDANCE**

**NET PROFIT STRONGLY UP 15.0% TO €461M IN Q3-22 (UP 21.4% TO €1.4BN IN 9M-22)**

**PARCEL REVENUES RECOVERING - POSITIVE SEGMENT EBIT FOR THE THIRD QUARTER IN A ROW**

**FINANCIAL SERVICES REVENUES SUPPORTED BY HIGHER RECURRING NET INTEREST INCOME**

**STRONG REVENUE GROWTH IN INSURANCE SERVICES THANKS TO STRONG CONTRIBUTION FROM LIFE UP 23% TO €460M IN Q3-22 AND P&C UP 19% TO €116M IN 9M-22**

**STRONG REVENUE GROWTH ACROSS ALL BUSINESS LINES IN PAYMENTS & MOBILE**

**RELENTLESS FOCUS ON COST DISCIPLINE TO ENSURE LONG-TERM PROFITABILITY AND MITIGATE INFLATIONARY PRESSURES**

**LIS SUCCESSFUL ACQUISITION ALREADY STRENGTHENING PAYMENT LEADERSHIP AND ACCELERATING GROUP OMNICHANNEL STRATEGY**

- **Q3-22 REVENUES** AT €2.9BN, +4.3% Y/Y (+3.6% Y/Y TO €8.7BN IN 9M-22):
  - **Q3-22 MAIL, PARCEL & DISTRIBUTION REVENUES** AT €843M, -0.9% Y/Y (-1.3% Y/Y TO €2.6BN IN 9M-22), WITH PARCEL REVENUE RECOVERING MITIGATING MAIL SECULAR DECLINE.
  - **Q3-22 FINANCIAL SERVICES GROSS REVENUES** TO €1.4BN, -1.4% Y/Y (+2.2% Y/Y TO €4.3BN IN 9M-22), WITH LOWER ACTIVE PORTFOLIO MANAGEMENT MORE THAN OFFSETTING A STRONG INCREASE IN RECURRING NII.
  - **Q3-22 INSURANCE SERVICES REVENUES** TO €500M, +23.9% Y/Y (+8.6% Y/Y TO €1.6BN IN 9M-22), THANKS TO HIGHER VOLUMES AND INCREASING MARGINS. IN Q3-22 LIFE GWP AT €4BN (+8% Y/Y), LEADING TO POSITIVE NET INFLOWS OF €1.8BN. P&C GWP AT €87M (+16% Y/Y).
  - **Q3-22 PAYMENTS & MOBILE REVENUES** TO €297M, +34.8% Y/Y (+25.7% Y/Y TO €779M IN 9M-22) DRIVEN BY IMPRESSIVE CONTRIBUTIONS FROM ALL PRODUCT LINES AND SUPPORTED BY THE CONSOLIDATION OF LIS SINCE SEPTEMBER 1.
- **Q3-22 TOTAL COSTS** TO €2.2BN, +1.0% Y/Y (-2.0% Y/Y TO €6.7BN IN 9M-22). **Q3-22 ORDINARY HR COSTS** TO €1.2BN, UP +1.2% Y/Y (-2.1% Y/Y TO €3.8BN IN 9M-22), MAINLY RELATED TO THE CONSOLIDATION OF LIS AND PLURIMA AND WITH EFFECTIVE COST DISCIPLINE OFFSETTING THE IMPACT OF THE PLANNED SALARY INCREASE. **Q3-22 NON-HR COSTS** TO €915.4M, UP 4.9% Y/Y (+0.1% Y/Y TO €2.7BN IN 9M-22) RELATED TO M&A AND INFLATION IMPACT.
- **Q3-22 EBIT** AT €663M, +17.1% Y/Y (+27.2% Y/Y TO €2.1BN IN 9M-22), ABOVE FY-22 ORIGINAL GUIDANCE, WITH POSITIVE CONTRIBUTIONS FROM ALL SEGMENTS.
- **Q3-22 NET PROFIT** AT €461M, +15.0% Y/Y (+21.4% Y/Y TO €1.4BN IN 9M-22).
- STRONG NET INFLOWS OF €5.9BN IN 9M-22 ON SAVING AND INVESTMENT PRODUCTS<sup>1</sup> - **TFA**s TO €562BN IMPACTED BY MARKET EFFECT FOR €25BN.
- SOUND CAPITAL POSITION: **BANCOPOSTA TOTAL CAPITAL RATIO** AT 22.2% (OF WHICH CET1 RATIO AT 19.6%), **LEVERAGE RATIO** AT 3.0% AND **POSTE VITA GROUP SOLVENCY II RATIO** AT 207% IN LINE WITH MANAGERIAL AMBITION IN A NEW MARKET ENVIRONMENT.

<sup>1</sup> Includes net flows into Mutual Funds, Moneyfarm, Postal Bonds, Net Technical Reserves, and Assets under Custody.

## Q3 & 9M 2022 Operational Segment Highlights

- **Mail, Parcel & Distribution:** Mail repricing related to universal service products in force since June 2022; more than 170 municipalities now covered by the home-delivery service for medicines, which can be instant (within 90 minutes from purchase), scheduled (at the desired time) or next day (the day after the purchase).
- **Financial Services:** ‘*Conto BancoPosta Affari*’ and ‘*BPIOL-BancoPostalImpreseOnline*’ remote sales services launched, allowing SMEs to manage and buy banking and financial products and services through remote communication, with certified e-mail enabling document exchange and digitally signed contracts; third-party distribution agreement with **Banca AideXa** and **Banca CF+** signed in July to provide quick response and rapid credit disbursement to SMEs and sole proprietorships.
- **Insurance Services:** proposed acquisition of **Net Insurance** to further accelerate protection business growth; the new “*Digital Protection*” feature of ‘**Poste Vivere Protetti**’, included within the modular offer, now extended to the whole family.
- **Payments & Mobile:** **LIS Holding S.p.A.** acquisition, the largest M&A deal in Poste Italiane’s history, completed in September, strengthening PostePay’s positioning as a leading paytech company and further enriching the Group omnichannel strategy; ‘**QR Code Web**’ launched in July, allowing cardholder to directly frame the automatically generated code within the payment page.

## POSTE ITALIANE'S THIRD QUARTER RESULTS ARE ANOTHER MILESTONE IN OUR SUSTAINABLE GROWTH PATH, CREATING SHARED VALUE FOR ALL STAKEHOLDERS.

### Q3-22 KEY ACHIEVEMENTS:

- **Poste Italiane has been recognised for the first time in Fortune's "2022 Change the World"** prestigious list that ranks globally the 50 leading companies that, through their strategy and operations, are changing the world. Poste is the only Italian company to be honoured for our delivery fleet electrification process which is taking place at a faster rate compared to other players. At the end of September, the number of low emission vehicles were more than 21,000 (of which 2,800 electric vehicles) while charging points were more than 3,100.
- **Poste Italiane is the first among the largest FTSEMIB companies to receive the new "Diversity & Inclusion" ISO 30415:2021 international certification**, for our commitment in integrating diversity principles and the adoption of a company-wide inclusive culture.
- More than 45,000 people across the territory have taken part in Poste's financial education events year-to-date. The Group continues to play a key role in supporting the dissemination of financial literacy making Italians more aware of their financial, insurance and pension planning choices. This all-year-round activity for the value creation and financial inclusion for local communities has been intensified during the **fifth edition of the Financial Educational Month (#ottobreEdufin22)**, the far-reaching initiative promoted by the government to protect savings.
- **MSCI upgraded Poste Italiane's ESG rating from "A" to "AA"**, as a result of having introduced governance practices adequately addressing investors' interest. The "AA" rating is also due to improvements in talent management activities, through the adoption of a comprehensive employee engagement strategy.
- **Poste Italiane included for the first time in the STOXX Global ESG Leaders index**, a benchmark designed by Qontigo (part of the Deutsche Börse group) measuring the performance of the highest-scoring companies according to ESG criteria.
- Furthermore, **Poste Italiane consolidated its worldwide sustainability leadership reaffirming its inclusion in the Euronext Vigeo-Eiris indices at Global, European and Eurozone levels**. Vigeo-Eiris acknowledged Poste's strong commitment in

managing social and environmental aspects, increasing Group's ESG Overall Score (77/100) and confirming its top-ranking position in both the "Universe" of 4,907 companies analysed and its "Transport & Logistics" reference sector comprised of 1,624 EMEA companies.

**Rome, 10 November 2022.** Yesterday, the Board of Directors of Poste Italiane S.p.A. (“Poste Italiane” or the “Group”), chaired by Maria Bianca Farina, approved 9M 2022 Financial Results (unaudited).

**Matteo Del Fante, Poste Italiane CEO and General Manager, commented:**

*“Thanks to continued business momentum across all Group divisions and the successful implementation of 24SI Plus, Poste Italiane has delivered yet another solid financial performance in the third quarter, with revenues strongly rising year-on-year and a record EBIT for the nine months of the year, almost doubling that of 2017.*

*The key to our success relies on enabling growth engines within each business unit, combined with a continued cost discipline, providing additional flexibility to adapt to a changing macro context.*

*We are very proud of our achievements in the Mail, Parcel & Distribution division, where, in a challenging market environment, parcel volumes’ recovery in Q3 combined with lower costs contributed to positive EBIT for the third quarter in a row.*

*Financial Services revenues were stable in the quarter thanks to the recurring contribution from Net Interest Income, benefitting from the favourable interest rates environment.*

*Insurance Services revenues recorded a remarkable double-digit growth with solid contribution from both life and non-life products.*

*Payments & Mobile revenues strongly increased with double digit growth, supported by card payments with the Group already leveraging on LIS consolidating PostePay’s leadership within the payment business and accelerating Group omnichannel strategy.*

*On the basis of these solid results and confident that our ‘24SI’ Plan implementation is progressing, we upgraded our 2022 EBIT guidance.*

*We are now expecting operating profit for 2022 to reach €2.3 billion, compared to our original target of €2.0 billion, reflecting the strong performance year-to-date and enabling us to distribute an interim dividend of €0.21 per share. Our long-term vision is supported by the commitment of our employees and the successful execution of our 24SI Plan.*

*Poste Italiane is well positioned to continue to deliver, even in a complex market environment.”*

## POSTE ITALIANE Q3 & 9M 2022 RESULTS

Thursday 10 November 2022 - 14:00 CET

To attend click here: [Poste Italiane Q3 & 9M 2022 Results Webcast](#)

or via QR code for Android and iOS users:



A listen only audio conference is also available: **+39 02 8020927**

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### Financial calendar

Next events

- **23 November 2022** – Payment of the interim dividend for 2022, with ex-dividend date 21 November 2022 and record date of 22 November 2022 ([add to calendar](#)).

## CONSOLIDATED FINANCIAL RESULTS SUMMARY

€m	Q3-21	Q3-22	Y/Y%	9M-21	9M-22	Y/Y%
<b>GROUP</b>						
Revenues	2,761	<b>2,880</b>	+4.3%	8,445	<b>8,745</b>	+3.6%
EBIT	566	<b>663</b>	+17.1%	1,615	<b>2,054</b>	+27.2%
Net Profit	401	<b>461</b>	+15.0%	1,174	<b>1,425</b>	+21.4%
<b>MAIL, PARCEL &amp; DISTRIBUTION</b>						
External Revenues	851	<b>843</b>	-0.9%	2,682	<b>2,648</b>	-1.3%
EBIT	79	<b>13</b>	-83.4%	(21)	<b>155</b>	n.m.
Net Profit	45	<b>(2)</b>	-104.9%	(22)	<b>85</b>	n.m.
<b>FINANCIAL SERVICES</b>						
External Revenues	1,286	<b>1,240</b>	-3.6%	3,695	<b>3,745</b>	+1.3%
EBIT	180	<b>244</b>	+35.6%	542	<b>649</b>	+19.7%
Net Profit	130	<b>178</b>	+37.0%	393	<b>447</b>	+13.5%
<b>INSURANCE SERVICES</b>						
External Revenues	404	<b>500</b>	+23.9%	1,448	<b>1,573</b>	+8.6%
EBIT	234	<b>305</b>	+30.2%	890	<b>980</b>	+10.1%
Net Profit	174	<b>214</b>	+23.0%	653	<b>701</b>	+7.5%
<b>PAYMENTS &amp; MOBILE</b>						
External Revenues	220	<b>297</b>	+34.8%	619	<b>779</b>	+25.7%
EBIT	73	<b>101</b>	+37.1%	205	<b>270</b>	+31.8%
Net Profit	52	<b>72</b>	+37.8%	150	<b>192</b>	+28.0%

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*In addition to the standard financial indicators required by IFRS, Poste Italiane discloses alternative performance indicators to provide a better understanding of business performance and financial position. These indicators are described in the Interim Report for the nine months ended 30 September 2022, in line with the ESMA/2015/1415 Guidelines of 5 October 2015.*

*The Poste Italiane Group consolidated balance sheet and consolidated statement of profit/(loss) and consolidated statement of cash flows, are attached to this press release.*

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**MAIL, PARCEL & DISTRIBUTION – POSITIVE EBIT FOR THE THIRD QUARTER IN A ROW**

€m	Q3-21	Q3-22	Y/Y%	9M-21	9M-22	Y/Y%
<b>SEGMENT REVENUES</b>	851	<b>843</b>	-0.9%	2,682	<b>2,648</b>	-1.3%
Mail Revenues	497	<b>483</b>	-2.9%	1,518	<b>1,509</b>	-0.6%
Parcel Revenues	314	<b>328</b>	+4.5%	1,018	<b>991</b>	-2.6%
Other Revenues	40	<b>33</b>	-18.4%	145	<b>148</b>	+1.5%
<b>INTERSEGMENT REVENUES</b>	1,237	<b>1,194</b>	-3.5%	3,584	<b>3,675</b>	+2.5%
<b>TOTAL REVENUES</b>	2,088	<b>2,037</b>	-2.4%	6,266	<b>6,323</b>	+0.9%
<b>EBIT</b>	79	<b>13</b>	-83.4%	(21)	<b>155</b>	n.m.
EBIT Margin (%)	+3.8%	<b>+0.6%</b>	-	-0.3%	<b>+2.5%</b>	-
<b>NET PROFIT</b>	45	<b>(2)</b>	-104.9%	(22)	<b>85</b>	n.m.
<b>KPI's</b>						
Mail Volumes (#m)	595	<b>560</b>	-5.8%	1,889	<b>1,831</b>	-3.1%
Parcels delivered by mailmen (#m)	16	<b>18</b>	+15.3%	55	<b>49</b>	-11.5%
Parcel Volumes (#m)	54	<b>57</b>	+6.8%	181	<b>169</b>	-6.5%
B2C Revenues (€m)	160	<b>181</b>	+13.6%	522	<b>525</b>	+0.6%

In Q3 Mail, Parcel & Distribution segment revenues came to €843m, slightly down y/y (-0.9%) compared to €851m in the third quarter of 2021 (-1.3% y/y to €2.6bn in 9M-22).

Mail revenues in Q3 were down 2.9% y/y to €483m (-0.6% y/y to €1.5bn in 9M-22), with volumes on higher margin products such as Integrated Services up, partially offsetting a decline in lower margin items such as unrecorded mail.

Mail volumes were down 5.8% y/y in the quarter to 560m items (-3.1% y/y to 1.8bn items in 9M-22) with average prices up 3% (+2.5% y/y in 9M-22), supported by repricing actions.

In the third quarter of 2022, Parcel revenues recovered to €328m, +4.5% y/y (-2.6% y/y to €991m in 9M-22), mainly as a result of higher B2C volumes, up 15.5% y/y to 44m items (-3.6% y/y to 125m items in 9M-22) - recording a growth of 24 p.p. compared to the same period of 2020 - with decreasing tariffs due to volumes' mix effect. In the 9 months parcel tariffs are up 4% y/y. In Q3 B2B volumes were down 14.3% y/y to 8m items (-12.6% y/y to 27m items in 9M-22) and C2X volumes were down 7.6% y/y to 1.1m items (-20.1% y/y to 3.5m items in 9M-22).

In the third quarter of 2022, Distribution revenues were €1.2bn, -3.5% y/y (+2.5% y/y to

€3.7bn in 9M-22).

In Q3-22 Segment EBIT was positive at €13m, decreasing by 83.4% compared to €79m in the third quarter of 2021, due to a different timing of active portfolio management. 9M-22 EBIT rose markedly to €155m from €-21m in 9M-21.

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### FINANCIAL SERVICES – REVENUES SUPPORTED BY STRONG NII CONTRIBUTION

€m	Q3-21	Q3-22	Y/Y%	9M-21	9M-22	Y/Y%
<b>SEGMENT REVENUES</b>	1,286	1,240	-3.6%	3,695	3,745	+1.3%
<i>Net Capital Gain</i>	181	36	-80.1%	405	335	-17.4%
<i>Interest Income</i>	390	525	+34.7%	1,110	1,381	+24.4%
<i>Postal Savings</i>	432	400	-7.4%	1,312	1,200	-8.5%
<i>Transaction banking</i>	197	201	+1.7%	592	554	-6.3%
<i>Third Parties Distribution</i>	55	49	-11.3%	188	185	-1.7%
<i>Asset Management</i>	30	29	-5.2%	88	90	+2.1%
<b>INTERSEGMENT REVENUES</b>	180	205	+14.1%	560	602	+7.6%
<b>TOTAL REVENUES</b>	1,466	1,445	-1.4%	4,255	4,348	+2.2%
<b>EBIT</b>	180	244	+35.6%	542	649	+19.7%
EBIT Margin (%)	+12.3%	+16.9%	-	+12.7%	+14.9%	-
<b>NET PROFIT</b>	130	178	+37.0%	393	447	+13.5%
<b>KPI's</b>						
<b>TOTAL FINANCIAL ASSETS - TFAs (€bn)</b>	-	-	-	582	562	-3.5%
<b>Average Current Account Deposits (€bn)</b>	-	-	-	77	86	+11.4%
<b>Average Postal Savings Deposits (€bn)</b>	-	-	-	319	317	-0.6%
<b>Postal Savings Net Inflows (€m)</b>	(1,623)	(2,200)	-35.6%	(4,290)	(9,467)	-120.7%

Financial Services segment revenues totalled €1.2bn in the third quarter of 2022, decreasing by 3.6% compared to €1.3 billion of the previous year (+1.3% y/y to €3.7bn in 9M-22), with Net Interest Income up 34.7% y/y at €525m (+24.4% y/y to €1.4bn in 9M-22), offsetting active portfolio management.

In Q3 gross revenues (including intersegment revenues) were down 1.4% y/y to €1.4bn (+2.2% y/y to €4.3bn in 9M-22).

Postal savings' distribution fees amounted to €400m in the third quarter of 2022, down 7.4% y/y from the previous year (-8.5% y/y to €1.2bn in 9M-22), representing the floor remuneration.

In Q3 loan and mortgage distribution fees were down 11.3% y/y to €49m (-1.7% y/y to €185m

in 9M-22), primarily on higher partners' cost of funding but with a stable market share; both the yearly and quarterly results were affected by the accounting of IFRS15.

In Q3 transaction banking fees came to €201m, increasing by 1.7% y/y compared to €197m in the third quarter of 2021 (-6.3% y/y to €554m in 9M-22). The quarterly increase resulted mainly from current account repricing more than offsetting lower payment slips.

Q3 asset management fees were down 5.2% y/y to €29m (+2.1% y/y to €90m in 9M-22), affected by financial market trends.

Total Financial Assets reached €562bn in 9M-22 (down €24bn since December 2021), impacted by €24.6bn negative market effect, mitigated by €5.9bn positive net flows on saving and investment products<sup>2</sup>.

In particular, Net Technical Reserves decreased €21bn impacted by negative market effect with positive net inflows of €5.7bn, while Deposits increased by €3.1bn supported by Public Administration.

In Q3 EBIT was up +35.6% y/y to €244m (up 19.7% y/y to €649m in 9M-22), thanks to lower costs.

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<sup>2</sup> Includes net flows into Mutual Funds, Moneyfarm, Postal Bonds, Net Technical Reserves, and Assets under Custody.

**INSURANCE SERVICES – SOLID FINANCIAL RESULTS ACROSS LIFE AND P&C**

€m	Q3-21	Q3-22	Y/Y%	9M-21	9M-22	Y/Y%
<b>SEGMENT REVENUES</b>	404	<b>500</b>	+23.9%	1,448	<b>1,573</b>	+8.6%
<i>Life + Private Pension Plan</i>	376	<b>460</b>	+22.6%	1,351	<b>1,457</b>	+7.9%
<i>P&amp;C</i>	28	<b>40</b>	+41.2%	98	<b>116</b>	+18.9%
<b>INTERSEGMENT REVENUES</b>	1	<b>1</b>	-29.8%	2	<b>2</b>	-10.3%
<b>TOTAL REVENUES</b>	405	<b>501</b>	+23.8%	1,450	<b>1,575</b>	+8.6%
<b>EBIT</b>	234	<b>305</b>	+30.2%	890	<b>980</b>	+10.1%
EBIT Margin (%)	+57.8%	<b>+60.8%</b>	-	+61.4%	<b>+62.2%</b>	-
<b>NET PROFIT</b>	174	<b>214</b>	+23.0%	653	<b>701</b>	+7.5%
<b>KPI's</b>						
<b>Gross Written Premiums (€m)</b>	3,815	<b>4,108</b>	+7.7%	14,146	<b>13,548</b>	-4.2%
<i>GWP - Life + Private Pension Plans (€m)</i>	3,740	<b>4,021</b>	+7.5%	13,907	<b>13,262</b>	-4.6%
<i>GWP - P&amp;C (€m)</i>	75	<b>87</b>	+15.8%	239	<b>286</b>	+19.8%

In Q3 Insurance segment revenues were up 23.9% y/y to €500m (+8.6% y/y to €1.6bn in 9M-22).

In Q3 life revenues were also up 22.6% y/y to €460m (+7.9% y/y to €1.5bn in 9M-22), driven by increasing volumes and margins, also supported by inflation-linked bonds.

Non-life revenues rose markedly by 41.2% y/y to €40m in the third quarter of 2022 (+18.9% y/y to €116m in 9M-22). The increase resulted from both modular and welfare offer. The proposed acquisition of Net Insurance is expected to further accelerate growth projections.

Total life gross written premiums were up 7.5% y/y to €4.0bn (-4.6% y/y to €13.3bn in 9M-22).

P&C gross written premiums were up 15.8% y/y to €87m (+19.8% y/y to €286m in 9M-22).

In Q3 EBIT was up 30.2% y/y to €305m (+10.1% y/y to €980m in 9M-22), reflecting revenue trend.

At the end of September 2022, Poste Vita Group's Solvency II Ratio stood at 207%, with transitional measures providing an additional buffer of 20 p.p. to address potential market volatility.

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**PAYMENTS & MOBILE – IMPRESSIVE GROWTH ACROSS ALL BUSINESS LINES**

€m	Q3-21	Q3-22	Y/Y%	9M-21	9M-22	Y/Y%
<b>SEGMENT REVENUES</b>	220	<b>297</b>	+34.8%	619	<b>779</b>	+25.7%
<i>Cards Payments</i>	113	<b>155</b>	+37.3%	321	<b>404</b>	+25.8%
<i>Other Payments</i>	28	<b>59</b>	+113.5%	67	<b>135</b>	+101.4%
<i>Telco</i>	80	<b>80</b>	+0.3%	231	<b>237</b>	+2.4%
<i>Energy</i>	-	<b>3</b>	n.m.	-	<b>3</b>	n.m.
<b>INTERSEGMENT REVENUES</b>	79	<b>65</b>	-17.1%	246	<b>201</b>	-18.3%
<b>TOTAL REVENUES</b>	299	<b>362</b>	+21.2%	866	<b>980</b>	+13.2%
<b>EBIT</b>	73	<b>101</b>	+37.1%	205	<b>270</b>	+31.8%
EBIT Margin (%)	+24.6%	<b>+27.8%</b>	-	+23.7%	<b>+27.5%</b>	-
<b>NET PROFIT</b>	52	<b>72</b>	+37.8%	150	<b>192</b>	+28.0%
<b>KPI's</b>						
<b>Postepay cards (#m)</b>	-	-	-	21.5	<b>21.2</b>	-1.7%
<i>of which Postepay Evolution cards (#m)</i>	-	-	-	8.4	<b>9.3</b>	+10.6%
<b>Total payment cards transactions (#bn)</b>	-	-	-	1.5	<b>1.7</b>	+16.0%
<i>of which eCommerce transactions (#m)</i>	-	-	-	374.0	<b>429.2</b>	+14.8%
<b>Mobile &amp; land-line (#m)</b>	-	-	-	4.8	<b>4.9</b>	+1.5%
<b>Digital e-Wallets (#m) *</b>	-	-	-	9.1	<b>10.3</b>	+13.0%

\* As at 31/12/2021

In Q3 Payments and Mobile segment revenues continued to grow by a strong 34.8% y/y to €297m (+25.7% y/y to €779m), confirming the key role of PostePay as leader in the fast-growing and evolving digital payments environment in Italy and thanks to the contribution from LIS, whose acquisition generated €29m gross revenues in Q3<sup>3</sup>.

Card payments were up 37.3% y/y to €155m (+25.8% y/y to €404m in 9M-22) supported by both physical and digital transactions.

The shift towards higher recurring margin Evolution cards continued, with the total stock now at 9.3 million cards (up 10.6% y/y in 9M-22).

In Q3 Other payments were up 113.5% y/y to €59m (+101.4% y/y to €135m in 9M-22), mainly thanks to payment transactions directly managed by PostePay as Payment Service Provider.

Telco revenues were stable (+0.3% y/y) to €80m in Q3 (+2.4% y/y to €237m in 9M-22), benefitting from a consistent customer base of 4.9 million users (+1.5% y/y from 4.8 million in 9M-22) and a low churn rate.

E-commerce transactions continue the upward trend in the first nine months of the year to 429m (+14.8% y/y).

<sup>3</sup> Consolidated since September 1.

The new energy offer, launched in June for Poste's employees and retirees, started contributing with €3m revenues in the quarter and reaching ca. 40 thousand subscriptions.

In Q3 EBIT was up 37.1% y/y to €101m (+31.8% y/y to €270 in 9M-22).

## INTERIM DIVIDEND

At the above-mentioned meeting held on 9 November 2022, Poste Italiane's Board of Directors:

- in light of (i) the financial position and results of operations of the Company at 30 June 2022, (ii) the performance for the following months, (iii) the business outlook, and (iv) the related expected economic prospects at 31 December 2022;
- taking into account the issue on 9 November 2022 by the Auditing Company Deloitte & Touche of the opinion required under Article 2433-bis of the Italian Civil Code; as well as
- in line with the Group's dividend policy effective since 2019, providing the distribution of the annual dividend in two tranches, one as an interim dividend and one as a balance dividend;

resolved to pay, as an interim dividend, part of the ordinary dividend for 2022, in the amount of €0.210 per share gross of any due withholdings, for each ordinary share in circulation on the day scheduled as the ex-dividend date (as subsequently indicated), excluding treasury shares on that date.

The interim dividend will be payable from 23 November 2022, with "ex-dividend date" of coupon no. 11 coinciding with 21 November 2022 and record date (i.e. the date on which the dividend was entitled to be paid) coinciding with 22 November 2022.

## MATERIAL EVENTS DURING THE PERIOD AND SUBSEQUENT TO 30 SEPTEMBER 2022

### MAIN CORPORATE TRANSACTIONS

#### **LIS Holding SpA**

On 14 September 2022, following the authorisations received from the AGCM and the Bank of Italy, PostePay completed the purchase of 100% of LIS Holding SpA (together with the subsidiary LIS Pay SpA) at a price of €700 million, determined on the basis of an enterprise value of €630 million and available net cash of €70 million, agreed conventionally (compared to effective available net cash at closing of around €140 million).

#### **Sourcesense SpA**

On 24 June 2022, in agreement with several shareholders of Sourcesense SpA (“Sourcesense”), Poste Italiane’s Board of Directors approved the promotion of a cash takeover bid for all of Sourcesense’s shares and warrants.

Sourcesense is a company that operates in the IT sector in Italy and Great Britain, with high expertise in developing cloud-native solutions based on open-source technology.

At the end of the offer period (12 September–21 October 2022), also considering the instruments subject to the commitment of acceptance and non-acceptance signed by the shareholders of Sourcesense, who agreed with the cash takeover bid, a number of shares corresponding to 98.37% of the share capital of the issuer and a number of warrants equal to 96.03% of the warrants issued were offered. As a result of the above, legal and by-laws conditions were created in order for Poste Italiane to exercise the squeeze-out rights, pursuant to Art. 111 of the CLF, and the sell-out rights pursuant to Art. 108.1 of the CLF, on the remaining shares and warrants.

The consideration due to the holders of the shares and warrants offered, equal to €4.20 per share and €0.78 per warrant respectively, was paid to the participants on 28 October 2022, against the simultaneous transfer of the right of ownership over such shares and warrants in favour of Poste Italiane.

The squeeze-out procedure was finalized on 4 November, following which Poste Italiane holds a majority stake in Sourcesense equal to 70%, and the shareholders who agreed with Poste Italiane have a minority stake of 30%.



### **Plurima SpA**

On 18 March 2022, Poste Italiane signed a binding agreement with Opus Srl and private equity operator Siparex to acquire a majority stake in Plurima SpA ("Plurima") for a consideration based on a total enterprise value of the Company of €130 million. The closing took place on 2 May 2022, when the necessary authorisations were obtained from the Autorità Garante della Concorrenza e del Mercato ("AGCM" – the Italian Antitrust Authority). The transaction took place through Poste Welfare Servizi Srl ("PWS"), a company wholly-owned by Poste Italiane, and financed with the cash resources available.

With the conclusion of the transaction, PWS holds 70% of the share capital of Plurima Bidco srl (Bidco) which in turn holds 100% of Plurima.

### **Eurizon Capital Real Asset SGR ("ECRA")**

On 25 June 2021, Poste Vita and BancoPosta Fondi SGR signed definitive agreements for the acquisition of 40% of the share capital, of which 24.50% of shares with voting rights, of Eurizon Capital Real Asset SGR SpA ("ECRA"), a company specialising in investments in support of the real economy controlled by Eurizon (Intesa Sanpaolo Group).

The transaction was closed on 31 January 2022, once the regulatory authorities had given their approval. We can note that ECRA continues to be controlled and consolidated by Intesa Sanpaolo SpA.

### **Agile Lab**

On 5 August 2022, Poste Italiane signed a binding agreement with A. Firpo and P. Platter ("Founding Partners"), for the acquisition of a 70% stake in the Agile Lab Group (hereinafter "Agile Lab"), accompanied by a strategic partnership with the Founding Members, who will keep the remaining 30%.

Agile Lab is a group specialised in data management, with an offering of made-to-measure technological solutions that exploit artificial intelligence, as well as resale services of open-source software products developed by technological partners.

The closing of the operation, on 13 October 2022, involved a provisional consideration of around €18 million, for 70% of Agile Lab. The 30% of the share capital that will continue to be held by the Founding Partners will be subject to buy and sell options that can be activated from 30 April 2026, which will allow Poste Italiane to acquire a total stake of 100% in the medium term.

## Net Insurance SpA

On 28 September 2022, Poste Vita's BoD approved the promotion of a wilful and absolute cash takeover bid on ordinary shares and warrants of Net Insurance SpA ("Net Insurance"), in agreement with several shareholders. The offers will be promoted through a special purpose vehicle established in the form of an Italian joint stock company directly controlled by Poste Vita ("BidCo").

The consideration that will be offered for each share is €9.50 (corresponding to a premium of 28% of the weighted average daily official prices of Borsa Italiana for the past month) and the consideration that will be offered for each warrant is €4.81 (corresponding to a premium of 60% of the weighted average daily official prices of Borsa Italiana for the past month).

Net Insurance, a company with shares traded on the regulated market called Euronext STAR Milan ("ESM") organised and managed by Borsa Italiana SpA, is an insurance company with offerings dedicated to insurance cover associated with the world of credit and, in particular, salary or pension-backed loans, protection and insurtech, thanks to agreements with technology partners.

The following corporate transactions also took place in the first half of 2022.

- On 26 January 2022, **MFM Holding Ltd (Moneyfarm)** launched a capital increase for an amount of approximately €53 million, subscribed for approximately €44 million by M&G plc, a listed asset manager based in the UK, and pro quota by Poste Italiane, with an investment of approximately €9 million, in order not to dilute its stake of approximately 14%.
- On 8 April 2022, Poste Italiane, with an overall investment of €25 million, acquired 2.30% (2.15% on a fully diluted basis) of the share capital of **Scalapay Limited ("Scalapay")**, a company operating in several European countries in the Buy Now Pay Later ("BNPL") market on online and physical channels, allowing end customers to pay for a product/service in three interest-free monthly payments, against a fee collected from the merchants.
- On 10 March 2022, following the approval by the supervisory and antitrust authorities, the closing was completed of the transaction to sell the equity investment in **Tink AB** held by PostePay SpA to Visa Open Connect Limited.
- On 24 June 2022, the BoD of Poste Italiane and the General Meeting of Shareholders of **PSIA Srl ("PSIA")** approved the merger by incorporation of PSIA into Poste Italiane, which took effect on 1 November 2022. The merger is part of a company

reorganisation that will allow Poste Italiane to directly hold shares in the listed company NEXI SpA, thus simplifying the structure of the Group.

## **OTHER SIGNIFICANT EVENTS**

### **Purchase of treasury shares**

In executing the authorisation to purchase treasury shares, resolved by the General Shareholders' Meeting of Poste Italiane on 27 May 2022, aimed at purchasing shares to be allocated to Group administrators and employees who are beneficiaries of variable incentive plans, the initiation of which was communicated to the market on the same date, from 30 May 2022 to 13 June 2022, Poste Italiane purchased 2,600,000 treasury shares (equal to 0.199% of the share capital), at an average price of €9.730848 per share, for a total value of €25,300,204.62.

As a result of the transaction, also taking into account the treasury shares in the portfolio resulting from previous repurchase transactions and the delivery to the beneficiaries of the incentive plans, Poste Italiane holds 7,535,991 treasury shares, equal to 0.577% of the share capital.

## BUSINESS OUTLOOK

Since the start of the year, the global economy has shown gradual signs of slowdown initially linked to the spread of COVID-19 variants, then to the outbreak of the Russian/Ukrainian conflict in February. The instability of the geopolitical situation continued during the year, accompanied by the energy crisis, largely a consequence of the conflict, and by pressures on supply chains. These factors led to an escalation in energy prices, which have been passed on to other goods and services, as well as possible risks of energy rationing. The events of this period were joined by the repeated increase in interest rates decided by the main central banks to offset the rise in inflation. This situation triggered growing uncertainty around economic prospects, with inevitable risks of further deterioration in the macroeconomic scenario for the remaining part of 2022 and for 2023.

The Poste Italiane Group, in addition to distinguishing itself through a diversified business structure that allows it to benefit from a constant natural balancing effect between the trends affecting its businesses, has historically demonstrated resilience in times of economic uncertainty and financial turbulence, indeed establishing itself as a safe haven for savers, thanks to a portfolio of financial offerings characterised by products with limited volatility. The Group's cost structure, in addition to being flexible with a significant revenue-related variable cost component, includes limited exposure to industries with high pressure on prices. The Group procures supplies and competes mainly in the domestic market, does not have production units in the countries affected by the Russian/Ukrainian conflict or bordering countries, and has negligible commercial relationships with the countries affected by the conflict. Therefore, it does not have direct repercussions that could significantly affect its businesses or lead to significant consequences for its profitability. The Group also benefits from the effects of actions implemented in favourable market times, intended to mitigate the fluctuations in the prices of production factors, such as hedging against the risk of fluctuations in fuel prices and gas and energy supplies.

During 2022, the Group confirmed its role as an 'anti-fragile' player and strategic pillar for Italy, as demonstrated by the solid results achieved in the first nine months of 2022, with a record-breaking operating result for the Group, which is already higher than the guidance provided to the financial community for 2022 on the whole, providing further proof of the effectiveness of the strategic directions adopted and the management team's ability to control

costs.

Based on this performance, an upward closing forecast for the 2022 operating profit compared to the current year's guidance was communicated to the financial community at the presentation of results as at 30 September 2022. The payment of the 2022 interim dividend in November was also confirmed.

The Group will continue to monitor developments in the relevant macroeconomic situation in order to adjust the range of offerings to market conditions and changing customer needs by taking advantage of changing market trends and continuing the omnichannel transformation and business diversification/integration, including through targeted corporate acquisitions.

The development of the insurance savings segment will remain strategic, and the Parent Company will continue to provide the subsidiary Poste Vita with all the capital support it needs to sustain growth, by consolidating the insurance group's leading position in the Life segment and developing the Non-life segment with an integrated modular offer consisting of personalised protection, assistance, and service solutions. Postal Savings, albeit still affected by the general socioeconomic environment, has a renewed commercial offer between June and July, confirming itself as a simple, transparent, and competitive tool for savers, and will remain at the heart of the Group's development strategy.

Commitment to the Group's digital transformation and support for customers and citizens in overcoming the digital divide will continue; the development of initiatives to improve the customer experience from an omnichannel perspective will remain key. Investments are planned in support of the growth and diversification of parcels, digital payments, and protection, with offers aimed at reducing underinsurance in Italy. The Group also entered into the energy market with a simple, transparent, and 100% green offer, launched in June, for employees and pensioners, which will be gradually extended in line with the changing market conditions.

Regarding the commitment to social inclusion, within the framework of the National Recovery and Resilience Plan (NRRP), the Group will play a crucial role with the implementation of the Polis project. Significant investments are planned that will make it possible, on one hand, to bring to small towns in Italy the telematic services of the Public Administration within approximately 7,000 post offices and, on the other hand, to make 250 Group properties available by converting them into training and co-working spaces, especially in small municipalities.

During the transition towards carbon neutrality by 2030, investments and strategic initiatives will continue, such as the renewal of the delivery fleet with low emission vehicles, the

installation of photovoltaic panels for energy supply and efficiency measures for properties. The replacement of current Postepay cards with cards made from eco-sustainable materials will also continue, as well as the development of offerings intended to take advantage of sustainable actions by customers.

Finally, the Group's recent acquisitions remain consistent with the goals of the 2024 "Sustain & Innovate Plus" business plan. The acquisition of Plurima, a logistics operator working in the Healthcare segment, supports the growth of the mail, parcel, and distribution segment with a positioning of an 'all-round' logistics operator. The acquisition of the company LIS, a leading operator in the digital payments segment, will accelerate the Group's omnichannel strategy roll-out, consolidating growth in the proximity payment business. The launch of the cash takeover bid on Sourcesense, which develops cloud-native solutions based on open-source technology, aims to accelerate the Group's digital transformation, while the recent launch of the cash takeover bid on Net Insurance confirms the growth objectives in the protection and non-life sector. Lastly, thanks to the acquisition of Agile Lab in October, the Group will strengthen its presence in the modern data industry, developing its abilities to build data-driven assets for internal use and for the market.

## ALTERNATIVE PERFORMANCE INDICATORS

In keeping with the guidelines published by the European Securities and Markets Authority on 5 October 2015 (ESMA/2015/1415), in addition to the financial disclosures required by IFRS, Poste Italiane has included a number of indicators in this report that have been derived from them. These provide management with a further tool for measuring the Group's performance.

The following alternative performance indicators are used:

**EBIT (Earnings before interest and taxes)** - this is an indicator of operating profit before financial expenses and taxation.

**EBIT margin** – this is an indicator of the operating performance and is calculated as the ratio of operating profit (EBIT) to total revenue. This indicator is also presented separately for each Strategic Business Unit.

**GROUP NET CASH POSITION:** the sum of financial assets, tax credits Law no. 77/2020, cash and deposits attributable to BancoPosta, cash and cash equivalents, technical provisions for the insurance business (shown net of technical provisions attributable to reinsurers) and financial liabilities. This indicator is also shown separately for each Strategic Business Unit.

**NET CASH POSITION OF THE MAIL, PARCELS AND DISTRIBUTION STRATEGIC BUSINESS UNIT:** is the financial indebtedness shown according to the format recommended by ESMA, the European Securities and Markets Authority (ESMA32-382-1138 of 4 March 2021) excluding non-current trade and other payables for which there is a significant financing component, either implicitly or explicitly, and including: non-current financial assets, tax credits Law no. 77/2020, current derivative assets used for hedging purposes and intersegment financial receivables and borrowings.

**Composition of net financial position\* (€m):**

	MAIL, PARCEL AND DISTRIBUTION	FINANCIAL SERVICES	INSURANCE SERVICES	PAYMENTS AND MOBILE	ADJUSTMENTS	CONSOLIDATED
<b>Balance at 30 September 2022</b>						
Financial liabilities	5,337	99,113	302	9,485	(12,618)	101,618
Technical reserves for the insurance business	-	-	138,174	-	-	138,174
Financial assets	(1,064)	(83,836)	(139,945)	(10,455)	11,819	(223,480)
Tax credits Law no. 77/2020	(455)	(8,014)	-	-	-	(8,469)
Technical reserves attributable to reinsurers	-	-	(46)	-	-	(46)
Cash and deposits attributable to BancoPosta	-	(5,051)	-	-	-	(5,051)
Cash and cash equivalents	(1,131)	(2,020)	(3,015)	(232)	778	(5,619)
<b>Net Financial Position*</b>	<b>2,686</b>	<b>192</b>	<b>(4,529)</b>	<b>(1,202)</b>	<b>(20)</b>	<b>(2,874)</b>
<b>Balance at 31 December 2021</b>						
Financial liabilities	4,795	102,198	284	8,716	(11,261)	104,732
Technical reserves for the insurance business	-	-	159,089	-	-	159,089
Financial assets	(942)	(89,995)	(158,587)	(9,783)	10,451	(248,856)
Tax credits Law no. 77/2020	(448)	(6,008)	-	-	-	(6,456)
Technical reserves attributable to reinsurers	-	-	(50)	-	-	(50)
Cash and deposits attributable to BancoPosta	-	(7,659)	-	-	-	(7,659)
Cash and cash equivalents	(2,121)	(2,021)	(4,584)	(32)	800	(7,958)
<b>Net Financial Position*</b>	<b>1,284</b>	<b>(3,485)</b>	<b>(3,848)</b>	<b>(1,099)</b>	<b>(10)</b>	<b>(7,158)</b>

\* Net financial position: (Surplus) / Net debt



## POSTE ITALIANE GROUP'S FINANCIAL STATEMENTS

### CONSOLIDATED BALANCE SHEET

ASSETS (€m)	30 September 2022	31 December 2021
<b>Non-current assets</b>		
Property, plant and equipment	2,294	2,267
Investment property	31	32
Intangible assets	1,580	873
Right-of-use assets	1,321	1,116
Investments accounted for using the equity method	263	277
Financial assets	193,828	221,226
Trade receivables	4	3
Deferred tax assets	3,195	1,245
Other receivables and assets	3,823	4,012
Tax credits Law no. 77/2020	6,927	5,551
Technical provisions attributable to reinsurers	46	50
<b>Total</b>	<b>213,312</b>	<b>236,652</b>
<b>Current assets</b>		
Inventories	155	155
Trade receivables	2,239	2,508
Current tax assets	319	115
Other receivables and assets	1,200	1,146
Tax credits Law no. 77/2020	1,542	905
Financial assets	29,652	27,630
Cash and deposits attributable to BancoPosta	5,051	7,659
Cash and cash equivalents	5,619	7,958
<b>Total</b>	<b>45,778</b>	<b>48,076</b>
<b>TOTAL ASSETS</b>	<b>259,090</b>	<b>284,728</b>
<b>LIABILITIES AND EQUITY</b> (€m)	<b>30 September 2022</b>	<b>31 December 2021</b>
<b>Equity</b>		
Share capital	1,306	1,306
Reserves	69	3,599
Treasury shares	(63)	(40)
Retained earnings	8,190	7,237
<b>Total equity attributable to owners of the Parent</b>	<b>9,502</b>	<b>12,102</b>
Equity attributable to non-controlling interests	41	8
<b>Total</b>	<b>9,543</b>	<b>12,110</b>
<b>Non-current liabilities</b>		
Technical provisions for insurance business	138,174	159,089
Provisions for risks and charges	534	693
Employee termination benefits	727	922
Financial liabilities	10,113	15,122
Deferred tax liabilities	1,992	953
Other liabilities	1,612	1,749
<b>Total</b>	<b>153,153</b>	<b>178,528</b>
<b>Current liabilities</b>		
Provisions for risks and charges	511	575
Trade payables	2,083	2,029
Current tax liabilities	295	16
Other liabilities	2,000	1,860
Financial liabilities	91,505	89,610
<b>Total</b>	<b>96,394</b>	<b>94,090</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>259,090</b>	<b>284,728</b>

**CONSOLIDATED STATEMENT OF NET PROFIT (LOSS)**

Third quarter 2022	Third quarter 2021	(€m)	First nine months 2022	First nine months 2021
843	851	Revenue from Mail, Parcels & other	2,648	2,682
1,240	1,286	Net revenue from Financial Services	3,745	3,695
1,293	1,362	Revenue from Financial Services	3,904	3,831
(52)	(76)	Expenses from Financial activities	(158)	(136)
500	403	Revenue from Insurance Services after changes in technical provisions and other claims expenses	1,573	1,448
4,106	3,805	Insurance premium revenue	13,513	14,096
1,023	911	Income from insurance activities	3,192	3,117
(3,563)	(4,235)	Change in technical provisions for insurance business and other claims expenses	(8,808)	(15,475)
(1,065)	(78)	Expenses from insurance activities	(6,323)	(290)
297	220	Revenue from Payments and Mobile	779	619
<b>2,880</b>	<b>2,761</b>	<b>Net operating revenue</b>	<b>8,745</b>	<b>8,445</b>
707	675	Cost of goods and services	2,082	2,098
1,254	1,241	Personnel expenses	3,844	3,934
208	199	Depreciation, amortisation and impairments	614	597
(10)	(7)	Capitalised costs and expenses	(28)	(24)
45	72	Other operating costs	128	190
13	15	Impairment loss/(reversal of impairment losses) on debt instruments, receivables and other assets	51	35
<b>662</b>	<b>566</b>	<b>Operating profit/(loss)</b>	<b>2,054</b>	<b>1,615</b>
39	15	Finance costs	109	54
43	30	Finance income	130	92
0	0	Impairment loss/(reversal of impairment losses) on financial asset	0	(1)
3	5	Profit/(Loss) on investments accounted for using the equity method	(10)	20
<b>670</b>	<b>586</b>	<b>Profit/(Loss) before tax</b>	<b>2,066</b>	<b>1,674</b>
209	185	Income tax expense	641	500
<b>461</b>	<b>401</b>	<b>NET PROFIT FOR THE PERIOD</b>	<b>1,425</b>	<b>1,174</b>
460	400	of which attributable to owners of the Parent	1,422	1,172
1	1	of which attributable to non-controlling interests	3	2
<b>0.354</b>	<b>0.308</b>	<b>Earnings per share</b>	<b>1.094</b>	<b>0.903</b>
<b>0.354</b>	<b>0.308</b>	<b>Diluted earnings per share</b>	<b>1.094</b>	<b>0.903</b>

## CONSOLIDATED STATEMENT OF CASH FLOWS

(€m)	First nine months 2022	First nine months 2021
<b>Unrestricted net cash and cash equivalents at beginning of the period</b>	<b>2,590</b>	<b>2,811</b>
Restricted net cash and cash equivalents at beginning of the period	5,368	1,705
<b>Cash and cash equivalents at beginning of the period</b>	<b>7,958</b>	<b>4,516</b>
Result for the period	1,425	1,174
Depreciation, amortisation and impairments	614	597
Losses and impairments losses/(reversal of impairment losses) on receivables	46	42
(Gains)/Losses on disposals	(2)	-
(Increase)/decrease in Inventories	3	3
(Increase)/decrease in Receivables and Other assets	242	(516)
Increase/(decrease) in payables and Other liabilities	139	427
Change in tax credits Law no. 77/2020	11	(514)
Change in provisions for risks and charges	(224)	(273)
Change in employee termination benefits and Provision for retirement benefits	(84)	(99)
Difference in accrued financial expenses and income (cash adjustment)	25	24
Other changes	363	44
<b>Net cash flow from/(for) non-financial operating activities</b> [a]	<b>2,557</b>	<b>909</b>
Increase/(Decrease) in liabilities attributable to financial activities, payments, cards and acquiring and insurance	3,092	5,936
Net cash generated by/(used for) financial asset and tax credit Law no. 77/2020 attributable to financial activities, payment, cards and acquiring and insurance	(12,089)	(8,981)
(Income)/Expenses and other non-cash components	5,115	(3,041)
Increase/(Decrease) in net technical provisions for insurance business	1,354	7,792
<b>Cash generated by/(used for) financial assets and liabilities attributable to financial activities, payment, cards and acquiring and insurance</b> [b]	<b>(2,528)</b>	<b>1,706</b>
<b>Net cash flow from/(for) operating activities</b> [c]=[a+b]	<b>29</b>	<b>2,615</b>
<i>Investing activities</i>		
Property, plant and equipment, investment property and intangible assets	(409)	(455)
Investments	(3)	(50)
Other financial assets	(133)	(4)
Investment in consolidated companies, net of cash acquired	(640)	(40)
<i>Disposals</i>		
Property, plant and equipment, investment property and intangible assets and assets held for sale	3	4
Other financial assets	10	411
<b>Net cash flow from/(for) investing activities</b> [d]	<b>(1,172)</b>	<b>(134)</b>
Proceeds from/(Repayments of) borrowings	(629)	(278)
(Purchase)/sale of treasury shares	(25)	-
Dividends paid	(526)	(421)
Equity instrument - perpetual hybrid bond	(21)	794
<b>Net cash flow from/(for) financing activities and shareholder transactions</b> [e]	<b>(1,201)</b>	<b>95</b>
<b>Impact of change in exchange rate on cash and cash equivalents</b> [f]	<b>4</b>	<b>-</b>
<b>Net increase/(decrease) in cash</b> [g]=[c+d+e+f]	<b>(2,339)</b>	<b>2,576</b>
<b>Cash and cash equivalents at end of the period</b>	<b>5,619</b>	<b>7,092</b>
Restricted net cash and cash equivalents at the end of the period	(3,573)	(4,005)
<b>Unrestricted net cash and cash equivalents at end of the period</b>	<b>2,046</b>	<b>3,087</b>

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Poste Italiane presents its quarterly financial reports on a voluntary basis, with a focus on business highlights in compliance with art. 82-ter of the CONSOB Issuers Regulations (as amended by CONSOB Resolution no. 19770 of 26 October 2016), which gives listed companies whose Member State of origin is Italy, the faculty to voluntarily publish additional periodic financial information besides their annual and half-yearly reports.

The document containing the Interim Financial Report as of 30 September 2022 will be published by the term established by the law, made available to the public at the Company's head office, on the Company's website ([www.posteitaliane.it](http://www.posteitaliane.it)), on the website of the authorised storage system "eMarket Storage" ([www.emarketstorage.com](http://www.emarketstorage.com)), and filed with Borsa Italiana S.p.A. ([www.borsaitaliana.it](http://www.borsaitaliana.it)), the Italian Stock Exchange.

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### **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.

This document includes summary financial information and should not be considered a substitute for Poste Italiane Group Interim Financial Report as of 30 September 2022.

Rome, 10 November 2022

## Forward looking statements and other important information

This document contains certain forward-looking statements that reflect Poste Italiane's management's current views with respect to future events and financial and operational performance of the Company and of the Company's Group.

These forward-looking statements are made as of the date of this document and are based on current expectations, reasonable assumptions and projections about future events and are therefore subject to risks and uncertainties. Actual future results and performance may indeed differ materially from what is expressed or implied in this presentation, due to any number of different factors, many of which are beyond the ability of Poste Italiane to foresee, control or estimate precisely, including, but not limited to, changes in the legislative and regulatory framework, market developments, price fluctuations and other risks and uncertainties, such as, for instance, risks deriving from the Covid-19 pandemic and from the direct and indirect effects resulting from the international conflict in Eastern Europe.

Forward-looking statements contained herein are not a guarantee of future performance and you are therefore cautioned not to place undue reliance thereon.

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