

POSTE ITALIANE Q1-22 PRELIMINARY RESTATED FINANCIAL RESULTS UNDER IFRS 17

18 APRIL 2023

Q1-22 RESTATED FINANCIAL RESULTS UNDER IFRS 17

€ m unless
otherwise
stated

	Mail, Parcel & Distribution	Payments & Mobile	Financial Services	Insurance Services	Adjustments and eliminations	Total
External revenues	901	231	1,311	373		2,816
Intersegment revenues	1,269	67	196	(38)	(1,494)	-
TOTAL REVENUES	2,170	298	1,507	335	(1,494)	2,816
Cost of goods and services	573	90	8	2	(13)	659
Personnel expenses	1,300	7	11	1	(94)	1,225
Depreciation, amortisation and impairments	190	3	0	1	(16)	179
Capitalised costs and expenses	(8)	-	-	-	-	(8)
Other operating costs	46	8	18	(0)	-	72
Intersegment costs	14	112	1,239	6	(1,371)	-
Total costs	2,114	221	1,276	10	(1,494)	2,127
OPERATING PROFIT/(LOSS)	56	78	231	325	(0)	690
Finance income/(costs)	3	(0)	5	12	0	19
Profit/(Loss) before tax	58	78	236	336	0	709
Income tax expense	27	22	65	101	-	215
PROFIT FOR THE PERIOD	31	55	171	235	0	494

Q1-22 REPORTED FINANCIAL RESULTS UNDER IFRS 4

€ m unless
otherwise
stated

	Mail, Parcel & Distribution	Payments & Mobile	Financial Services	Insurance Services	Adjustments and eliminations	Total
External revenues	901	231	1,311	529		2,973
Intersegment revenues	1,269	67	196	1	(1,533)	-
TOTAL REVENUES	2,170	298	1,507	530	(1,533)	2,973
Cost of goods and services	573	90	8	21		692
Personnel expenses	1,300	7	11	9		1,326
Depreciation, amortisation and impairments	190	3	0	1		195
Capitalised costs and expenses	(8)	-	-	-		(8)
Other operating costs	46	8	18	3		75
Intersegment costs	14	112	1,239	167	(1,533)	-
Total costs	2,114	221	1,276	201	(1,533)	2,279
OPERATING PROFIT/(LOSS)	56	78	231	329	-	694
Finance income/(costs)	3	(0)	5	11		19
Profit/(Loss) before tax	58	78	236	340	-	713
Income tax expense	27	22	65	104		218
PROFIT FOR THE PERIOD	31	55	171	236	-	495

IFRS 17 VS. IFRS 4: ANALYSIS OF VARIANCES (1/3)

€ m unless
otherwise
stated

	Mail, Parcel & Distribution	Payments & Mobile	Financial Services	Insurance Services	Adjustments and eliminations	Total
External revenues	-	-	-	(156)	-	(156)
Intersegment revenues	-	-	-	(39) ¹	39	-
TOTAL REVENUES	-	-	-	(195)	39	(156)
Cost of goods and services	<p>External revenues are now impacted by (i) upfront fees no longer fully recognized as revenues (c. 80m), but released through CSM over time; (ii) the attribution of costs that are strictly related to insurance contracts, including:</p> <ul style="list-style-type: none"> a portion of external costs (COGS, personnel expenses, D&A and other) the main part of distribution costs to remunerate Poste Italiane network (previously booked as intersegment costs) 			(19)	(13)	(33)
Personnel expenses				(8)	(94)	(101)
Depreciation, amortisation and impairments				0	(16)	(16)
Capitalised costs and expenses				-	-	(0)
Other operating costs				(3)	-	(3)
Intersegment costs				(162)	162	-
Total costs				(191)	39	(153)
OPERATING PROFIT/(LOSS)				(4)	(0)	(4)
Finance income/(costs)	-	-	-	0	0	0
Profit/(Loss) before tax	-	-	-	(4)	0	(4)
Income tax expense	-	-	-	(3)	-	(3)
PROFIT FOR THE PERIOD	-	-	-	(1)	0	(1)

1. Intersegment revenues are now impacted by a portion of management and distribution costs to remunerate Poste Italiane network; this represents a provision which increases the CSM stock to be released in future periods

IFRS 17 VS. IFRS 4: ANALYSIS OF VARIANCES (2/3)

€ m unless
otherwise
stated

	Mail, Parcel & Distribution	Payments & Mobile	Financial Services	Insurance Services	Adjustments and eliminations	Total
External revenues				(156)	-	(156)
Intersegment revenues				(39)	39	-
TOTAL REVENUES				(195)	39	(156)
Cost of goods and services	-	-	-	(19)	(13)	(33)
Personnel expenses	-	-	-	(8)	(94)	(101)
Depreciation, amortisation and impairments	-	-	-	0	(16)	(16)
Capitalised costs and expenses	-	-	-	-	-	(0)
Other operating costs	-	-	-	(3)	-	(3)
Intersegment costs	-	-	-	(162)	162	-
Total costs				(191)	39	(153)
OPERATING PROFIT/(LOSS)				(4)	(0)	(4)
Finance income/(costs)				0	0	0
Profit/(Loss) before tax	-	-	-	(4)	0	(4)
Income tax expense	-	-	-	(3)	-	(3)
PROFIT FOR THE PERIOD	-	-	-	(1)	0	(1)

Impact on costs that are directly attributable to insurance contracts and therefore booked as net revenues

Impact on intersegment costs (mainly costs to remunerate Poste Italiane network) that are directly attributable to insurance contracts and therefore booked as net revenues

IFRS 17 VS. IFRS 4: ANALYSIS OF VARIANCES (3/3)

€ m unless
otherwise
stated

	Mail, Parcel & Distribution	Payments & Mobile	Financial Services	Insurance Services	Adjustments and eliminations	Total
External revenues	-	-	-	(156)	-	(156)
Intersegment revenues	-	-	-	(39)	39	-
TOTAL REVENUES				(195)	39	(156)
Cost of goods and services				(19)	(13)	(33)
Personnel expenses				(8)	(94)	(101)
Depreciation, amortisation and impairments				0	(16)	(16)
Capitalised costs and expenses				-	-	(0)
Other operating costs				(3)	-	(3)
Intersegment costs				(162)	162	-
Total costs				(191)	39	(153)
OPERATING PROFIT/(LOSS)	-	-	-	(4)	(0)	(4)
Finance income/(costs)	-	-	-	0	0	0
Profit/(Loss) before tax	-	-	-	(4)	0	(4)
Income tax expense	-	-	-	(3)	-	(3)
PROFIT FOR THE PERIOD	-	-	-	(1)	0	(1)

- Distribution costs to remunerate Poste Italiane network are now netted from Insurance Services' external revenues
- Assumption: the main part of distribution costs paid by Insurance Services to remunerate the network are attributable to personnel expenses, COGS and D&A
- At Group level, an adjustment on external costs is implemented to ensure full elimination of intersegment transactions

(13)
(94)
(16)

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Pursuant to art. 154- BIS, par.2, of the Consolidated Financial Bill of February 24, 1998, the executive (Dirigente Preposto) in charge of preparing the corporate accounting documents at Poste Italiane, Alessandro Del Gobbo, declares that the accounting information contained herein corresponds to document results and accounting books and records.

This presentation includes summary financial information and should not be considered a substitute for Poste Italiane's full financial statements.

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