

**POSTE ITALIANE
2024 - 2028 STRATEGIC PLAN
THE CONNECTING PLATFORM**

2023 PRELIMINARY CONSOLIDATED RESULTS CONFIRMED;

**POSTE ITALIANE'S NEW STRATEGIC PLAN - BUILT ON BOTH SUCCESSFUL
'DELIVER22' AND '2024 SUSTAIN & INNOVATE' EXECUTIONS - CONTINUES A
SUSTAINABLE AND PROFITABLE GROWTH TRAJECTORY;**

**ITALY'S STRATEGIC PILLAR, LARGEST PHYGITAL PLATFORM CONNECTING
CITIZENS, BUSINESSES AND THE PUBLIC ADMINISTRATION WITH MULTIPLE
TOUCHPOINTS: 13,000 POST OFFICES, 51,000 THIRD-PARTY NETWORK POINTS, 12
MILLION DIGITAL PAYMENT WALLETS, MANAGING 6.9 BILLION INTERACTIONS
YEARLY;**

**A LARGE TECH INFRASTRUCTURE POWERING THE PLATFORM COMPANY
FOSTERING OPERATIONAL EFFICIENCY, CUSTOMER EXPERIENCE AND LOYALTY;**

**A NEW COMMERCIAL SERVICE MODEL TO MAXIMISE VALUE OF CLIENT
RELATIONSHIPS;**

**LOGISTICS TRANSFORMATION TO ENSURE MAIL & PARCEL BUSINESS
SUSTAINABILITY;**

**A NEW CUSTOMIZED SUPERAPP SERVING AS THE SINGLE ACCESS POINT TO
THE PLATFORM FOR ALL PRODUCTS AND SERVICES**

A CLEAR COMMITMENT TO DELIVER VALUE CREATION:

2028 REVENUES AT €13.5BN

2028 EBIT AT €3.2BN

2028 NET PROFIT AT €2.3BN

**PAYOUT RATIO OF AT LEAST 65%, TARGETING A DIVIDEND PER SHARE OF NOT
LESS THAN €1.0 IN 2026 AND AT LEAST €6.5 BILLION CUMULATED OVER THE
PLAN**

53 NEW ESG TARGETS TO PROGRESS ON OUR SUSTAINABILITY PATH

STRATEGIC HIGHLIGHTS

New service model and logistics transformation at the core:

- New commercial service model maximizing the value of the platform:
 - Retail client coverage optimized and supported by digital enablers.
 - Transforming the post office from a transactional to a relational space, focused on building and maintaining strong customer relationships.
 - Renewing focus on micro-small business clients.
- Logistics transformation:
 - Building a future-proof tech driven network to become a fully-fledged E2E logistics operator, transforming the postal network into an increasingly parcel focused one.
 - Developing a joint venture with a specialized logistic real-estate partner for the development of the parcel business and new warehouses for contract logistics.
 - Leveraging technology to improve customer experience and operational efficiency.
- The SuperApp, incorporating the new payment wallet, will be fully customized to client's individual profiles and thanks to cutting-edge technology and Artificial Intelligence will be a unique access point to Poste Italiane's ecosystem enabling a seamless experience maximising cross and up-selling potential.
- Technological transformation as a backbone for sustainable growth, improving customer experience and loyalty and contributing to value generation thanks to cross-selling and up-selling.
- Conservative and efficient cost discipline, accompanying the transformation strategy.
- Continued investments in training and development, along with diversity and inclusion initiatives, to support people engagement and innovation.
- Supporting Italy's social and economic cohesion and reducing the digital divide with Polis Project. By 2026, about 7,000 post offices in small municipalities will be transformed into digital service hubs, enabling quick and easy access to a variety of Public Administration services. In addition, 250 co-working sites will be made available to citizens.
- Continuing Group's path towards carbon neutrality by 2030, setting new targets to enhance long term visibility.
- New benefit corporation 'Poste Mobility' and a Green Index introduction, further supporting the decarbonization of logistics.
- Target to increase renewable energy production by +40GWh over the period 2020-2026, through the installation of photovoltaic panels covering a total area of 1.6 million square feet.

- Decarbonizing investment portfolio, targeting Net Zero by 2050.

FINANCIAL HIGHLIGHTS

- Group Revenue up by c.3%¹ (2023-28 CAGR) to €13.5bn in 2028 with positive contributions from all business segments and increasing exposure to growing businesses.
- Operating Profit² up by c.4% (2023-28 CAGR) to €3.2bn in 2028, with contribution from all business units more than offsetting cost increase.
- Net Profit up by c.4%³ (2023-28 CAGR) to €2.3bn in 2028.
- Customers' Total Financial Assets growing to €624bn in 2028 (2023: €581bn), supported by proactive client portfolio management and revamped Postal Savings products as well as an increased client coverage to 80% of Affluent+ clients.
- Group funded CAPEX 2024-2028 of c. €5.0bn.
- Net financial position in Mail, Parcel & Distribution from -€2.8bn in 2023 to -€0.8bn in 2028, with improving underlying cash generation.
- Enhanced sustainable cash and capital generation driving an ample and diversified dividend upstream from subsidiaries supporting an improved Group dividend policy: from a proposed €0.80 DPS in 2023 to not less than €1.0 DPS from 2026 onwards, increasing from 2023 by 7% per annum with at least 65% pay-out ratio over the plan. Poste Vita remittance ratio up to 100% from 2024, providing additional flexibility. Over 1.5x dividend coverage ratio through the plan horizon, providing additional financial flexibility.

¹ 2023 numbers exclude sender and COVID logistics mandate for the computation of the CAGR.

² Excluding systemic charges related to insurance guarantee fund, on average c.80m per annum over the plan period.

³ 2023 numbers exclude sender and one-off bonus for the computation of the CAGR.

Rome, 20 March 2024: Yesterday, the Board of Directors of Poste Italiane S.p.A (“Poste Italiane”), chaired by Silvia Maria Rovere, approved the Annual Financial Report for 2023, including Poste Italiane’s separate financial statement for the year 2023 and the Poste Italiane Group’s consolidated financial statement for the year 2023, prepared in compliance with IAS/IFRS, which confirms the preliminary consolidated results for 2023 previously announced on 29 February 2024, and “2024 - 2028 Strategic Plan - The connecting platform”, a five-year strategic plan designed to thrive on the strong foundations laid with ‘Deliver22’ and ‘2024 Sustain & Innovate’.

Commenting on the new plan, Matteo Del Fante, Chief Executive Officer, said:

“Poste Italiane’s transformation journey started back in 2017 with a simple ambition: to maximise value for our clients and be the most effective and trusted distribution network in Italy.

We have gone beyond that and established ourselves as the largest phygital platform in Italy, thriving on the integration of multiple touchpoints and creating an omnichannel ecosystem where each portion of the platform complements the other. We have invested in digital, data and our businesses, with our vast client base at the centre.

With this new strategic plan we are reshaping our business to seize substantial growth: with the New Commercial Service Model, designed to optimize the value of our platform and the logistics transformation to evolve into a future-proof network and preserve the financial sustainability of our mail and parcel business.

In Financial Services by evolving our client segmentation allocating them to specialized financial advisors, we will be sure to better cover all our client needs by adapting the network to them rather than asking them to adapt to us.

In Insurance Services our focus is on keeping steady growth in the Life Investment & Pension business and leveraging increasing demand and low customer penetration in the Protection business.

Postepay Services has created an open payment ecosystem with payments at its core, adding home services such as fibre and energy and leveraging on Poste Italiane’s omnichannel platform.

The introduction of the SuperApp, with the Digital payment wallet at its core, and the constant evolution of our digital properties will create more value for customers, allowing them to choose the preferred omnichannel experience and increase our profitability.

All of this focuses around the increasing relevance of our digital channels, which is a result of important tech investments made to create the truly omnichannel platform approach we have embraced. The new SuperApp is the tip of our tech evolution iceberg enabling business integration and confirming the role of Poste Italiane as a ‘Platform Company’.

In financial terms, Poste Italiane's revenues will grow to €13.5 billion by 2028 and EBIT will reach €3.2 billion, recording an annual growth rate of around 4%. Similarly, net profit will reach €2.3 billion in 2028.

Thanks to solid and sustainable cash and capital generation, we are upgrading and changing the approach in the dividend policy, committing to a payout ratio of at least 65% over the plan, targeting at least €1.0 DPS in 2026 and at least €6.5 billion cumulated dividends over the plan.

All of this will not be possible without our colleagues, who are the real transformation drivers of the plan, as they have always been in fact. We look forward to continue delivering together sustainable, long-term returns for our shareholders, while meeting the needs of broader stakeholders, with Poste Italiane now being a solid, trusted, and effective strategic pillar for Italy”.

POSTE ITALIANE

2024 - 2028 STRATEGIC PLAN - THE CONNECTING PLATFORM

Wednesday 20 March 2024 - 10:00 CET

To attend click here: [Poste Italiane 2024 - 2028 Strategic Plan](#)

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Financial calendar

Next events

- **9 May 2024** - Q1-24 Group Results presentation.
- **31 May 2024** - Annual General Meeting.
- **26 June 2024** - Payment of the balance of the dividend for 2023, with ex-dividend date of 24 June 2024 and record date (i.e. date of dividend payment eligibility) of 25 June 2024.
- **30 July 2024** - Q2 & H1-24 Group Results presentation.
- **7 November 2024** - Q3 & 9M-24 Group Results presentation.
- **20 November 2024** - Payment of the interim dividend for 2024, with ex-dividend date 18 November 2024 and record date of 19 November 2024

2028 GROUP FINANCIAL TARGETS

€bn (unless otherwise stated)	2023	2024	2026	2028	CAGR 23-28
REVENUES ¹	11.99	12.0	12.7	13.5	+c.3% ²
EBIT ³	2.62	2.7	2.9	3.2	+c.4%
NET PROFIT	1.93	1.9	2.0	2.3	+c.4% ⁴
DIVIDEND PER SHARE (€)	0.80	≥1.0			+c.7%
DIVIDEND PAYOUT	0.54	≥65% over the plan			

¹ Revenues are restated net of commodity price and pass through charges of the energy business.

² 2023 numbers exclude sender and Covid related mandate for a total of 0.2bn for the computation of the CAGR.

³ Excluding systemic charges related to insurance guarantee fund, on average c. 80 m per annum over the plan period.

⁴ 2023 numbers exclude sender and one off bonus for the computation of the CAGR

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 annex, in line with the ESMA/2015/1415 Guidelines of 5 October 2015.

The Poste Italiane 2023 Group consolidated balance sheet, consolidated statement of profit/(loss), and consolidated statement of cash flows are attached to this release. The corresponding statements for Poste Italiane S.p.A. 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

MAIL, PARCEL & DISTRIBUTION
2028 Financial Objectives

€bn (unless otherwise stated)	2022	2023	2024	2026	2028	CAGR 23-28
SEGMENT REVENUES	3.65	3.75	3.7	3.8	3.9	+1%
MAIL REVENUES	2.07	2.07	2.0	1.8	1.6	(5%)
PARCEL & LOGISTICS REVENUES	1.40	1.40	1.5	1.7	2.0	+7%
EBITDA		0.8	EBITDA growth		1.4	
EBIT	(0.33)	(0.04)	0.0	0.0	0,1 ¹	n.m.

¹ Of which (0.3) transformation D&A and Early Retirements.

- Net Segment Revenues to €3.9bn in 2028 with Parcel and Logistics revenues more than offsetting mail revenue decline driven by e-commerce leadership, international expansion and contract logistics.
- EBIT to €0.1bn supported by Parcel & Logistics growth as well as network transformation, despite €0.3bn non-recurring transformational costs in 2028.

2028 Operational Objectives

- Contract Logistics sector's warehouse capacity to increase from 230,000 SQMs in 2023 to 400,000 SQMs in 2028, following ESG standards.
- Micro-fulfilment services for merchants offering 4-hours-delivery options.
- Pick-Up & Drop-Off (PUDO) network⁴ expanding to approximately 40,000 (from 28,000 in 2023), with a growing number of lockers (2,000 by 2028) thanks to the Joint Venture with DHL.
- PUDO population coverage (access within a 2.5km range) expected to reach over 98% in 2028 (95% in 2023), with 8 million kilometres avoided through its network. Boxless return options extended across the network.
- Waste materials reduction in logistics centres down by 40% by 2028.

⁴ Including Post Offices.

The strategic plan aims to deliver a revenue growth of €700 million in new business across two areas (parcels and logistics), supported by technology enablers, sustainability initiatives and real estate development.

A joint venture with a specialized real estate operator will be established to meet the rising demand for revamped logistics space, particularly to support parcel growth and warehouse development.

FINANCIAL SERVICES

2028 Financial Targets

€bn (unless otherwise stated)	2022	2023	2024	2026	2028	CAGR 23-28
GROSS REVENUES	5.76	6.09	6.1	6.5	7.0	+3%
EBIT ¹	0.89	0.86	0.8	0.8	0.9	0%
TFA	576	581			624	>1%

¹ Excluding systemic charges related to insurance guarantee fund, currently estimated at c.20m on average per year over the plan period.

	2022	2023	2024	2026	2028
COVERAGE OF AFFLUENT+ CLIENTS	32%	32%	45%	>70%	>80%
% OF SPECIALIZED FINANCIAL ADVICE ON TARGET CLIENTS	47%	50%	53%	>70%	>80%

- Gross Revenues⁵ to €7.0bn in 2028, with a robust 3% growth mostly driven by Savings and Investments benefiting from the new commercial service model.
- EBIT: broadly stable at €0.9bn in 2028.

2028 Operational Objectives

- Total Financial Assets: €624bn (€581bn in 2023) as a result of a strengthened Savings and Investments by better serving clients' financial needs.
- Consumer Loans' volumes: €4.3bn (€3.3bn in 2023), including personal loans' volumes increasing to €3.4bn - thanks to more effective client engagement, also

⁵ Including intersegment distribution revenues.

through a renewed digital experience, and increased approval rate from banking partners - and Salary-Backed Loans' volumes reaching €0.9bn from €0.7bn in 2023 – driven by product offer evolution and a consolidated market leadership.

- **Micro-Small Business:** the number of current accounts will reach 400,000 (2023: 278,000), with the average deposit per account amounting to €11,000, up from €8,400 in 2023, thanks to a renewed commercial focus leveraging on the state-of-the-art service platform and a new dedicated service model, including more than 400 new “Punto Poste Business Corners” in major Post Offices with dedicated Advisors and customised approach for top clients.
- **Investment Portfolio Revenues:** €2.5bn (€2.4bn in 2023), thanks to effective portfolio management leading to higher revenues benefitting from proactive management actions to stabilise yields in the medium/long term, with flexibility to adapt to different market scenarios.

In Financial Services, Poste Italiane will benefit from the supportive macroeconomic and market trends, including banking closure in local communities, addressing financial needs of retail and micro and small business clients leveraging on Post Offices.

The strategic focus is on: 1) strengthening Savings and Investments, attracting new liquidity through digital channels, and re-balancing client investments in order to optimize their risk/reward dynamics; 2) expanding Consumer Loans, by improving approval rates and widening partnerships, and 3) enhancing services for Micro and Small Businesses benefitting from comprehensive product offer and increased points of contact through the retail network and digital platforms.

INSURANCE SERVICES

€bn	2023	2024	2026	2028	CAGR 23-28
SEGMENT REVENUES	1.6	1.6	1.8	1.9	+4%
LIFE INVESTMENTS & PENSION	1.4	1.4	1.5	1.6	+3%
PROTECTION	0.1	0.2	0.2	0.3	+15%
EBIT ¹	1.4	1.4	1.5	1.6	+3%
NET INCOME	1.0	0.9	1.0	1.1	+2%

¹ Excluding systemic charges related to the new insurance guarantee fund expected to be established in 2024, currently estimated at c.60m on average per year over the plan period

2028 Financial Targets

- Segment Revenues: €1.9bn (€1.6bn in 2023) with robust growth across all lines and a 2023-28 segment CAGR of 4%:
 - Life Investment & Pensions: €1.6bn (€1.4bn in 2023), with positive and stable net inflows.
 - Protection: €0.3bn (€0.1bn in 2023), with GWP growth driven by increasing demand and low customer penetration.
- EBIT: €1.6bn (€1.4bn in 2023) reflecting revenue trend and taking into account a higher proportion of rebates to the financial services segment in Life Investment & Pensions, with Protection profitability supported by further grow in the retail business and very limited exposure to NatCat risks.
- Net Income: €1.1bn (€1.0bn in 2023) and a 2% annualized growth rate.

2028 Operational Objectives

- Life Investments & Pension technical provisions⁶: over €180bn (€157bn in 2023), with margins⁷ rising from 105bp in 2023 to more than 110bp in 2028.
- Share of insurance investment products art. 8 SFDR⁸ compliant: 100% by the end of 2024.
- Protection GWP: not lower than €1.5bn (€0.8bn in 2023), leveraging on increasing

⁶ Average Life Investments & Pension technical provisions including provisions for outstanding claims.

⁷ Includes release of contractual service margin, risk adjustment, expected claims and other directly attributable expenses on average Life Investments & Pension provisions, net of volatile components.

⁸ Sustainable Finance Disclosure Regulation.

demand and low customer penetration.

- Solvency II ratio: from 2023 level of 307% to more than 200% on the plan horizon, providing a substantial buffer to cushion any market volatility.

In Insurance Services, Poste Italiane will capitalize on the sustained demand for personal insurance products, which is expected to continue. This demand is driven by progressive ageing and changing lifestyles trends and under penetration of the Italian market compared to other developed ones.

The Life Investment & Pension business - including all insurance-based investment and pension products distributed through Poste Italiane's captive distribution channel - is expected to continue its steady growth path, outperforming the market and strengthening its leadership position.

Protection business - comprising all P&C and life-protection products is expected to double gross written premiums by 2028, driven by increasing demand and low volatility.

Starting from a strong capital position, the management ambition of a Poste Vita Group's Solvency II Ratio above 200% through the cycle is confirmed, keeping under control its volatility.

POSTEPAY SERVICES

€bn (unless otherwise stated)	2022	2023	2024	2026	2028	CAGR 23-28
SEGMENT REVENUES ¹	1.13	1.45	1.6	1.9	2.2	+9%
EBIT	0.38	0.44	0.5	0.6	0.7	+9%
NET PROFIT	0.27	0.34	0.4	0.4	0.5	+8%

KPIs	2022	2023	2024	2026	2028	CAGR 23-28
ISSUING TRANSACTION VALUE (€BN)	71.4	80.3	89	109	>130	+10%
OF WHICH E-COMMERCE	20.5	24.3	28	34	42	+11%
TOTAL TRANSACTIONS (#BN)	2.3	2.7	3.0	3.7	4.6	+11%
OF WHICH E-COMMERCE	0.5	0.6	0.7	0.9	1.1	+13%
SUPERAPP DIGITAL PAYMENT WALLET STOCK (#M)	10.7	12.0	13.0	14.8	16.0	+6%
MOBILE & LAND-LINE STOCK (#M)	4.8	4.7	4.9	5.2	5.5	+3%
ENERGY CONTRACTS, STOCK (#M)	0.04	0.35	0.8	1.7	2.5	+48%

¹ Revenues are restated net of commodity price and pass through charges of the energy business.

2028 Financial Targets

- Segment Revenues: €2.2bn (€1.45bn in 2023), with contributions from all business segments:
 - Payments revenues up to €1.5bn (€1.1bn in 2023), thanks to cash-to-card shift and e-commerce leadership.
 - Telco revenues up to €0.5bn (€0.33bn in 2023), with a growing mobile, land-line stock over the plan period (+3%).
 - Energy revenues up to €0.2bn (€0.02bn in 2023).
- EBIT: up to €0.7bn (€0.44bn in 2023), supported by all products. Positive contribution from Energy sector to the business unit starting from 2025.
- Net Profit: €0.5bn (€0.34bn in 2023).

2028 Operational Objectives

- Over 15 million new contracts for cards, mobile, land-lines and fibre, energy and gas over the plan, thanks to the unique selling proposition integrating payments, telco and energy and the cross-selling opportunities enhanced by Poste Italiane's omnichannel platform.
- Digital payment wallets stock up to 16.0m (12.0m in 2023).
- Issuing Transaction Value over €130bn (€80.3bn in 2023) also thanks to e-commerce transaction value up to €42bn (€24.3bn in 2023).
- Number of Total transactions up to 4.6bn (2.7bn in 2023) of which:
 - E-commerce transactions up to 1.1bn (0.6bn in 2023).
- Telco mobile & land-line stock up to 5.5m (4.7m in 2023).
- Energy contracts stock up to 2.5m (0.35m in 2023).

Postepay ecosystem has a significant growth potential thanks to Italian under-penetration of digital payments compared to EU standards and to its unique market positioning.

The division will overperform the market in transaction value relying on the strong presence in e-commerce.

In addition, Postepay aims to exploit this opportunity by leveraging its large and loyal customer base and particularly the 10 million IBAN-backed Postepay Evolution cards.

The payment ecosystem is designed to be instant, multi-rail and adaptable to new payment methods, with the SuperApp serving as a pivotal access point, and the Digital Payment wallet as its engine and checkout.

In Telco services Postepay is poised to capitalize on the emerging fibre opportunities and to strengthen its positioning in mobile through the extension of the Postepay Connect model.

In the Energy sector, successfully launched in 2023, Postepay will grow in a balanced way leveraging on an innovative and transparent offer with a pull sale model, in a dynamic market with 8.8m contracts signed with new suppliers each year.

Postepay will also contribute to the Group and country's green transition with mechanisms that reward the most eco-conscious consumers.

HUMAN CAPITAL

2028 Targets

- Group FTEs down to 113 thousand from 119.3 thousand in 2023.
- Ordinary HR costs at €6.0bn⁹ (€5.64bn in 2023), with Ordinary HR costs / Revenue down to 38%⁹ (41% in 2023), embedding HR costs' inflation while preserving profitability.
- 19 thousand cumulated hirings over the plan, more than offset by 25 thousand cumulated exits driven by natural workforce demographics.
- Value added/FTE^{9,10} to increase from €81 thousand in 2023 to €102 thousand in 2028.
- Variable COGS/Variable Revenues^{9,11}: down to 51% in 2028 from 62% in 2023.

CAPITAL INVESTMENT PROGRAM

2028 Financial Targets

- Group funded Capex 2024-2028 of c. €5.0bn:
 - Yearly average value of c.€0.9bn (excluding Polis) compared to €0.75bn in 2023 and €0.81bn in 2022:
 - Polis project €1.1bn^{12,13} in 2024-2026 period.
- c.70% of total Capex will be ESG-related initiatives
- Capex on revenues: 7% (6% in 2023).

SOLID AND EFFICIENT BALANCE SHEET

Poste Italiane will maintain a strong balance sheet and an efficient capital structure throughout its 2024 - 2028 Strategic Plan, with each business segment sufficiently capitalised and contributing to a generous dividend policy,

⁹ Calculated excluding IFRS17 impact.

¹⁰ Group revenues minus cost of goods sold.

¹¹ Refers to parcel, payments and telco.

¹² c.65% funded by the Complementary Fund of the National Recovery and Resilience Plan.

¹³ c. €1.2bn across 2023-26.

DIVIDEND

The Board of Directors also decided to propose the payment of €0.563 per share as balance dividend for the fiscal year 2023 – whose interim dividend, equal to €0.237 per share, was paid on 22 November 2023 – for a total dividend for the fiscal year 2023 equal to €0.800 per share, as a distribution of Poste Italiane’s available net income (for a total amount of €1.324m). The proposed ex-dividend date of coupon n. 14 is 24 June 2024, the “record date” (i.e. the date when a shareholder is eligible to receive dividends) is 25 June 2024 and the payment date is 26 June 2024.

Poste Italiane’s separate financial statements for the year ended 31 December 2023 will be submitted for approval – together with the proposal for payment of the dividend – to the Annual General Meeting of shareholders scheduled for 31 May 2024. The notice of call will be published in due course.

As previously mentioned, the Board of Directors’ meeting held on 6 November 2023 authorized the distribution of an interim dividend for 2023 of € 0.237 per share, payment of which was carried out on 22 November 2023, with 20 November 2023 as ex-dividend date of coupon no. 13 of and 21 November 2023 as “record date”.

MATURING BONDS**Issuer: Poste Italiane SpA**

10 December 2024 is the expiry date of the first tranche of €500 million related to the senior unsecured loan with a total nominal value of €1 billion issued on 10 December 2020, recognised in the financial statements at 31 December 2023 at the same carrying amount.

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 DEBT/(FUNDS): the sum of financial assets, tax credits under Law no. 77/2020, Cassa e Depositi BancoPosta, Cash and cash equivalents, liabilities under insurance contracts, assets for outward reinsurance and Financial liabilities.

TOTAL FINANCIAL ASSETS: they represent the amount of assets/liabilities managed or administered by the Group and are obtained from the sum of Postal Savings collected by the Parent Company in the name and on behalf of Cassa Depositi e Prestiti, deposits on postal current accounts, and assets managed by the subsidiary BancoPosta Fondi SpA SGR, as well as the investments made on behalf of customers in investment products other than the above (equities, bonds, Moneyfarm products, etc.) and the Insurance Technical Provisions of the Life insurance business, which represent the obligations taken on vis-à-vis policyholders and tariff premiums net of loadings. The presence within this indicator of Insurance Technical Provisions, calculated analytically contract by contract, in accordance with the application rules set out in Annex 14 of ISVAP Regulation no. 22 of 4 April 2008 (Mathematical Provisions), i.e., in accordance with the standards for preparing the statutory financial statements of Poste Vita SpA, does not make it possible to perform a reconciliation with the insurance obligations presented in the financial information for the period.

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.

POSTEPAY SERVICES SBU REVENUE NET OF ENERGY COSTS: this is an indicator of the operating performance of the Postepay Services Strategic Business Unit, within which the new business involving the sale of electricity and natural gas is represented. This indicator is calculated by subtracting the costs associated with the purchase of commodity and pass-through charges of electricity and gas from the revenue of the entire SBU.

TABLES
POSTE ITALIANE GROUP'S FINANCIAL STATEMENTS
CONSOLIDATED BALANCE SHEET

ASSETS (€m)	31 December 2023	31 December 2022
Non-current assets		
Property, plant and equipment	2,546	2,404
Investment property	28	31
Intangible assets	2,062	1,817
Right-of-use assets	1,265	1,334
Investments accounted for using the equity method	294	267
Financial assets	205,656	191,850
Trade receivables	3	3
Deferred tax assets	2,109	2,601
Other receivables and assets	4,084	4,119
Tax credits Law no. 77/2020	6,534	7,458
Reinsurance contract assets	233	44
Total	224,814	211,928
Current assets		
Inventories	172	157
Trade receivables	2,404	2,179
Current tax assets	167	140
Other receivables and assets	1,051	986
Tax credits Law no. 77/2020	1,784	1,563
Financial assets	31,503	34,290
Cash and deposits attributable to BancoPosta	4,671	5,848
Cash and cash equivalents	4,211	4,983
Total	45,963	50,146
Non-current assets and disposal groups held for sale	50	-
TOTAL ASSETS	270,827	262,074
LIABILITIES AND EQUITY (€m)	31 December 2023	31 December 2022
Equity		
Share capital	1,306	1,306
Reserves	1,083	(509)
Treasury shares	(94)	(63)
Retained earnings	8,027	7,100
Total equity attributable to owners of the Parent	10,322	7,834
Equity attributable to non-controlling interests	117	44
Total	10,439	7,878
Non-current liabilities		
Insurance contracts liabilities	155,338	141,380
Provisions for risks and charges	782	804
Employee termination benefits	637	705
Financial liabilities	10,243	10,939
Deferred tax liabilities	900	815
Other liabilities	2,058	2,004
Total	169,958	156,647
Current liabilities		
Provisions for risks and charges	554	551
Trade payables	2,252	2,234
Current tax liabilities	189	60
Other liabilities	2,285	1,998
Financial liabilities	85,150	92,706
Total	90,430	97,549
TOTAL EQUITY AND LIABILITIES	270,827	262,074

CONSOLIDATED STATEMENT OF NET PROFIT (LOSS)

(€m)	FY23	FY22
Revenue from Mail, Parcels & other	3,746	3,651
Net revenue from Financial Services	5,229	4,938
<i>Revenue from Financial Services</i>	5,795	5,125
<i>Expenses from financial activities</i>	(566)	(187)
Net revenue from Insurance Services	1,567	1,650
<i>Insurance service revenues from contract issued</i>	2,550	2,456
<i>Insurance service expenses from contract issued</i>	(1,058)	(805)
<i>Income/(expenses) from reinsurance contracts held</i>	(15)	(8)
<i>Finance income and (expenses) and other income</i>	6,458	(1,532)
<i>Insurance finance (costs)/income from contracts issued</i>	(6,373)	1,539
<i>Finance income/(costs) from reinsurance contracts held</i>	5	(0)
Revenue from Payments and Mobile	1,586	1,147
Net operating revenue	12,128	11,386
Cost of goods and services	3,237	2,827
Personnel expenses	5,170	4,823
Depreciation, amortisation and impairments	811	769
Capitalised costs and expenses	(56)	(41)
Other operating costs	275	508
<i>of which non-recurring costs</i>	-	320
Impairment losses/(reversals of impairment losses) on debt instruments, receivables and other assets	71	104
Operating profit/(loss)	2,620	2,396
Finance costs	119	126
Finance income	181	169
Impairment loss/(reversal of impairment losses) on financial asset	(25)	(0)
Profit/(Loss) on investments accounted for using the equity method	20	(6)
Profit/(Loss) before tax	2,727	2,433
Income tax expense	794	850
NET PROFIT FOR THE PERIOD	1,933	1,583
of which attributable to owners of the Parent	1,922	1,578
of which attributable to non-controlling interests	11	5
Earnings per share	1.483	1.214
Diluted earnings per share	1.483	1.214

CONSOLIDATED STATEMENT OF CASH FLOWS

(€m)		FY 2023	FY 2022
Cash and cash equivalents at beginning of the year		4,983	7,958
Profit/(Loss) before tax		2,727	2,433
Depreciation, amortisation and impairments		882	830
Net provisions for risks and charges		348	439
Use of provisions for risks and charges		(371)	(354)
Provisions for employee termination benefits		3	2
Employee termination benefits		(106)	(118)
(Gains)/Losses on disposals		(112)	(1)
Impairment losses/(reversals) on financial instruments		(25)	(1)
(Dividends)		(4)	-
Dividends received		4	-
(Finance income realised)		-	(1)
(Finance income in form of interest)		(169)	(158)
Interest received		168	146
Interest expense and other finance costs		110	118
Interest paid		(45)	(78)
Losses and impairment losses/(Reverseals of impairment losses) on receivables		64	97
Income tax paid		(191)	(509)
Other changes		(11)	6
Cash flow generated by operating activities before movements in working capital	[a]	3,272	2,851
<i>Movements in working capital:</i>			
(Increase)/decrease in Inventories		(15)	2
(Increase)/decrease in Trade receivables		(696)	261
(Increase)/decrease in Other receivables and assets		399	253
Change in tax credits Law no. 77/2020		(352)	11
Increase/(decrease) in Trade payables		25	91
Increase/(decrease) in Other liabilities		279	230
Cash flow generated by/(used in) movements in working capital	[b]	(360)	848
Increase/(decrease) in liabilities attributable to financial, payments, cards and acquiring, insurance activities		(9,441)	5,077
Net cash generated by/(used for) financial asset and tax credit Law no. 77/2020 attributable to financial activities, payments, cards and acquiring and insurance		2,852	(17,954)
(Increase)/decrease in cash and deposits attributable to BancoPosta		1,177	1,810
Increase/(Decrease) in net liabilities under insurance contracts		8,033	3,913
(Income)/Expenses and other non-cash components		(4,119)	3,635
Cash generated by/(used for) financial assets/liabilities attributable to financial, payments, card and acquiring, insurance	[c]	(1,498)	(3,519)
Net cash flow from/(for) operating activities	[d]=[a+b+c]	1,414	180
<i>Investing activities:</i>			
Property, plant and equipment		(373)	(341)
Investment property		-	-
Intangible assets		(473)	(469)
Investments		(50)	(3)
Other financial assets		(17)	(132)
Investment in consolidated companies, net of cash acquired		(95)	(678)
<i>Disposals:</i>			
Property, plant and equipment, investment property, intangible assets and assets held for sale		13	5
Investments		-	-
Other financial assets		1	12
Net cash flow from/(for) investing activities	[e]	(994)	(1,606)
Proceeds from/(Repayments of) long-term borrowings		126	110
Increase/(decrease) in short-term borrowings		(380)	(812)
(Purchase)/disposal of own shares		(34)	(25)
Dividends paid		(883)	(801)
Equity instrument - perpetual hybrid bond		(21)	(21)
Net cash flow from/(for) financing activities and shareholder transactions	[f]	(1,192)	(1,549)
Effect of exchange rate fluctuations on cash and cash equivalents	[g]	-	-
Net increase/(decrease) in cash	[h]=[d+e+f+g]	(772)	(2,975)
Cash and cash equivalents at end of year		4,211	4,983
Restricted net cash and cash equivalents at the end of year		(2,576)	(3,755)
Unrestricted net cash and cash equivalents at end of year		1,635	1,228

POSTE ITALIANE SPA'S FINANCIAL STATEMENTS
POSTE ITALIANE SPA - BALANCE SHEET

ASSETS (€m)	31 december 2023	31 december 2022
Non-current assets		
Property, plant and equipment	2,321	2,203
Investment property	27	31
Intangible assets	1,053	945
Right-of-use assets	970	1,040
Investments	3,695	3,676
Financial assets	65,385	62,775
Trade receivables	1	1
Deferred tax assets	928	1,455
Other receivables and assets	1,795	1,788
Tax credits Law no. 77/2020	6,534	7,458
Total	82,709	81,372
Current assets		
Inventories	4	4
Trade receivables	2,774	2,656
Current tax assets	68	99
Other receivables and assets	982	832
Tax credits Law no. 77/2020	1,784	1,563
Financial assets	15,887	21,421
Cash and deposits attributable to BancoPosta	4,671	5,848
Cash and cash equivalents	1,223	2,258
Total	27,393	34,681
TOTAL ASSETS	110,102	116,053
LIABILITIES AND EQUITY (€m)	31 december 2023	31 december 2022
Equity		
Share capital	1,306	1,306
Treasury shares	(94)	(63)
Reserves	1,549	163
Retained earnings	2,892	2,401
Total	5,653	3,807
Non-current liabilities		
Provisions for risks and charges	718	741
Employee termination benefits	608	678
Financial liabilities	9,789	10,600
Deferred tax liabilities	272	232
Other liabilities	1,925	1,907
Total	13,312	14,158
Current liabilities		
Provisions for risks and charges	510	516
Trade payables	1,967	1,970
Current tax liabilities	149	44
Other liabilities	1,436	1,455
Financial liabilities	87,075	94,103
Total	91,137	98,088
TOTAL EQUITY AND LIABILITIES	110,102	116,053

**POSTE ITALIANE SPA – BALANCE SHEET – SUPPLEMENTARY STATEMENT
SHOWING BANCOPOSTA'S RING FENCED SHAREHOLDERS' EQUITY AT 31
DECEMBER 2023**

ASSETS (€m)	CAPITAL OUTSIDE THE RING-FENCE	BANCOPOSTA RFC	ADJUSTMENTS	TOTAL
Non-current assets				
Property, plant and equipment	2,321	-	-	2,321
Investment property	27	-	-	27
Intangible assets	1,053	-	-	1,053
Right-of-use assets	970	-	-	970
Investments	3,695	-	-	3,695
Financial assets	1,001	64,384	-	65,385
Trade receivables	1	-	-	1
Deferred tax assets	286	642	-	928
Other receivables and assets	43	1,752	-	1,795
Tax credits Law no. 77/2020	287	6,247	-	6,534
Total	9,684	73,025	-	82,709
Current assets				
Inventories	4	-	-	4
Trade receivables	1,768	1,006	-	2,774
Current tax assets	68	-	-	68
Other receivables and assets	374	608	-	982
Tax credits Law no. 77/2020	119	1,665	-	1,784
Financial assets	61	15,826	-	15,887
Cash and deposits attributable to BancoPosta	-	4,671	-	4,671
Cash and cash equivalents	289	934	-	1,223
Total	2,683	24,710	-	27,393
Intersegment relations net amount	-	128	(128)	-
TOTAL ASSETS	12,367	97,863	(128)	110,102
LIABILITIES AND EQUITY (€m)				
Equity				
Share capital	1,306	-	-	1,306
Treasury shares	(94)	-	-	(94)
Reserves	726	823	-	1,549
Retained earnings	936	1,956	-	2,892
Total	2,874	2,779	-	5,653
Non-current liabilities				
Provisions for risks and charges	593	125	-	718
Employee termination benefits	606	2	-	608
Financial liabilities	2,218	7,571	-	9,789
Deferred tax liabilities	6	266	-	272
Other liabilities	172	1,753	-	1,925
Total	3,595	9,717	-	13,312
Current liabilities				
Provisions for risks and charges	472	38	-	510
Trade payables	1,834	133	-	1,967
Current tax liabilities	149	-	-	149
Other liabilities	1,209	227	-	1,436
Financial liabilities	2,106	84,969	-	87,075
Total	5,770	85,367	-	91,137
Intersegment relations net amount	128	-	(128)	-
TOTAL EQUITY AND LIABILITIES	12,367	97,863	(128)	110,102

**POSTE ITALIANE SPA – BALANCE SHEET – SUPPLEMENTARY STATEMENT
SHOWING BANCOPOSTA'S RING FENCED SHAREHOLDERS' EQUITY AT 31
DECEMBER 2022**

ASSETS (€m)	CAPITAL OUTSIDE THE RING-FENCE	BANCOPOSTA RFC	ADJUSTMENTS	TOTAL
Non-current assets				
Property, plant and equipment	2,203	-	-	2,203
Investment property	31	-	-	31
Intangible assets	945	-	-	945
Right-of-use assets	1,040	-	-	1,040
Investments	3,676	-	-	3,676
Financial assets	875	61,900	-	62,775
Trade receivables	1	-	-	1
Deferred tax assets	298	1,157	-	1,455
Other receivables and assets	50	1,738	-	1,788
Tax credits Law no. 77/2020	330	7,128	-	7,458
Total	9,449	71,923	-	81,372
Current assets				
Inventories	4	-	-	4
Trade receivables	1,837	819	-	2,656
Current tax assets	99	-	-	99
Other receivables and assets	260	572	-	832
Tax credits Law no. 77/2020	90	1,473	-	1,563
Financial assets	29	21,392	-	21,421
Cash and deposits attributable to BancoPosta	-	5,848	-	5,848
Cash and cash equivalents	241	2,017	-	2,258
Total	2,560	32,121	-	34,681
Intersegment relations net amount	-	130	(130)	-
TOTAL ASSETS	12,009	104,174	(130)	116,053
LIABILITIES AND EQUITY (€m)	CAPITAL OUTSIDE THE RING-FENCE	BANCOPOSTA RFC	ADJUSTMENTS	TOTAL
Equity				
Share capital	1,306	-	-	1,306
Treasury shares	(63)	-	-	(63)
Reserves	823	(660)	-	163
Retained earnings	427	1,974	-	2,401
Total	2,493	1,314	-	3,807
Non-current liabilities				
Provisions for risks and charges	596	145	-	741
Employee termination benefits	676	2	-	678
Financial liabilities	2,668	7,932	-	10,600
Deferred tax liabilities	6	226	-	232
Other liabilities	169	1,738	-	1,907
Total	4,115	10,043	-	14,158
Current liabilities				
Provisions for risks and charges	473	43	-	516
Trade payables	1,788	182	-	1,970
Current tax liabilities	44	-	-	44
Other liabilities	1,375	80	-	1,455
Financial liabilities	1,591	92,512	-	94,103
Total	5,271	92,817	-	98,088
Intersegment relations net amount	130	-	(130)	-
TOTAL EQUITY AND LIABILITIES	12,009	104,174	(130)	116,053

POSTE ITALIANE SPA - STATEMENT OF NET PROFIT (LOSS)

(€m)	FY 2023	FY 2022
Revenue from sales and services	9,880	8,904
Other income from financial activities	271	428
Other operating income	1,004	721
Total revenue	11,155	10,053
Cost of goods and services	2,640	2,498
Expenses from financial activities	633	215
Personnel expenses	5,348	4,987
Depreciation, amortisation and impairments	773	744
Capitalised costs and expenses	(41)	(37)
Other operating costs	223	473
<i>of which, non-recurring costs</i>	-	320
Impairment loss/(reversal) on debt instruments, receivables and other assets	50	97
Operating profit/(loss)	1,529	1,076
Finance costs	111	71
Finance income	176	94
Impairment loss/(reversal) on financial instruments	(25)	(1)
Profit/(Loss) before tax	1,619	1,100
Income tax for the year	229	253
PROFIT FOR THE YEAR	1,390	847

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

(€m)	Notes	FY 2023	FY 2022
Cash and cash equivalents at beginning of year		2,258	3,870
Profit/(Loss) before tax		1,619	1,100
Depreciation, amortisation and impairments		773	744
Net provisions for risks and charges		321	430
Use of provisions for risks and charges		(353)	(343)
Employee termination benefits paid		(103)	(114)
(Gains)/losses on disposals		(93)	(1)
Impairment loss/(reversal) on financial instruments		(25)	(1)
(Dividends)		(16)	(11)
Dividends received		16	11
(Finance income in form of interest)		(154)	(77)
Interest received		150	73
Interest expense and other finance costs		106	66
Interest paid		(54)	(32)
Losses and impairments/(Recoveries) on receivables		43	90
Income tax paid		(45)	(361)
Other changes		(2)	(12)
Cash generated by operating activities before movements in working capital	[a]	2,183	1,562
<i>Movements in working capital:</i>			
(Increase)/decrease in Inventories		-	7
(Increase)/decrease in Trade receivables		(160)	247
(Increase)/decrease in Other receivables and assets		263	409
Increase/(decrease) in Trade payables		(3)	(62)
Increase/(decrease) in Other liabilities		(16)	230
Increase/(decrease) in Tax credits Law no. 77/2020		(352)	11
Cash generated by/(used in) movements in working capital	[b]	(268)	842
Increase/(decrease) in financial liabilities attributable to BancoPosta		(8,983)	4,822
Net cash generated by/(used for) financial assets to BancoPosta		917	(5,180)
(Increase)/decrease in other financial assets attributable to BancoPosta and Tax credits Law no. 77/2020		5,671	(2,177)
(Increase)/decrease in cash and deposits attributable to BancoPosta		1,177	1,810
(Income)/Expenses and other non-cash components attributable to financial activities		153	384
Cash generated by/(used for) financial assets and liabilities attributable to BancoPosta	[c]	(1,065)	(341)
Net cash flow from /(for) operating activities	[d]=[a+b+c]	850	2,063
<i>Investing activities:</i>			
Property, plant and equipment		(325)	(287)
Investment property		-	-
Intangible assets		(455)	(464)
Investments		(20)	(1,373)
Other financial assets		(77)	(175)
<i>Disposals:</i>			
Property, plant and equipment, investment property and assets held for sale		10	5
Investments		-	-
Other financial assets		24	37
Mergers		-	1
Net cash flow from /(for) investing activities	[e]	(843)	(2,256)
Increase/(decrease) in financial instruments		125	100
Increase/(decrease) in short-term borrowings		(235)	(674)
Dividends paid		(877)	(799)
(Purchase)/disposal of own shares		(34)	(25)
Equity instruments - perpetual hybrid bonds		(21)	(21)
Net cash flow from/(for) financing activities and shareholder transactions	[f]	(1,042)	(1,419)
Net increase/(decrease) in cash	[g]=[d+e+f]	(1,035)	(1,612)
Cash and cash equivalents at end of year		1,223	2,258
Restricted net cash and cash equivalents at the end of year		(551)	(1,724)
Unrestricted net cash and cash equivalents at end of year		672	534

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

Rome, 20 March 2024

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

Numbers in the document may not add up only due to roundings.