

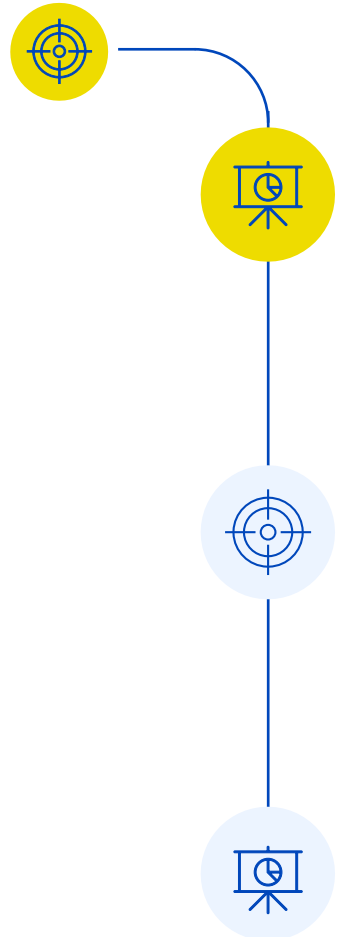
# POSTE ITALIANE

## Q2 & H1-23 FINANCIAL RESULTS

25 JULY 2023

### A PLATFORM COMPANY AT WORK

# CONTENTS



EXECUTIVE SUMMARY
BUSINESS REVIEW
APPENDIX



# EXECUTIVE SUMMARY



## RESULTS TRAJECTORY AHEAD OF GUIDANCE - ROBUST COMMERCIAL TRENDS AND COST DISCIPLINE

- H1-23 REVENUES UP 8% Y/Y TO €6.1BN WITH POSITIVE UNDERLYING GROWTH ACROSS BUSINESS UNITS
- EBIT +11% Y/Y REACHING €1.6BN - CONTINUED COST DISCIPLINE IN AN INFLATIONARY ENVIRONMENT
- POSITIVE INFLOWS IN NET SAVINGS AND INVESTMENT PRODUCTS
- SOLID BALANCE SHEET WITH IMPROVING NET FINANCIAL POSITION Y/Y

**STRONG OPERATING RESULTS BENEFITTING FROM A DIVERSIFIED BUSINESS MODEL**

# Q2 & H1-23 RESULTS OVERVIEW

RESULTS AHEAD OF GUIDANCE - ROBUST COMMERCIAL TRENDS WITH CONTINUED COST DISCIPLINE

€ m unless  
otherwise stated

	Q2-22	Q2-23	VAR.	VAR. (%)	H1-22	H1-23	VAR.	VAR. (%)
REVENUES	2,771	3,007	+236	+8.5%	5,588	6,050	+463	+8.3%
TOTAL COSTS	2,044	2,208	+163	+8.0%	4,171	4,484	+313	+7.5%
EBIT	727	799	+72	+9.9%	1,417	1,566	+150	+10.6%
NET PROFIT	492	601	+109	+22.1%	985	1,140	+155	+15.7%

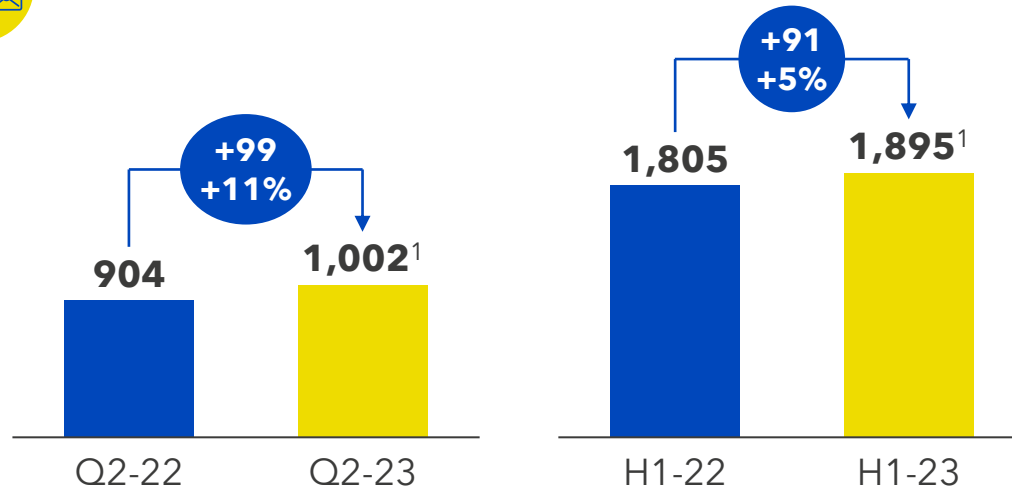
Note: Figures reported under IFRS17 starting from 2023. 2022 figures restated accordingly

## SEGMENT REVENUES

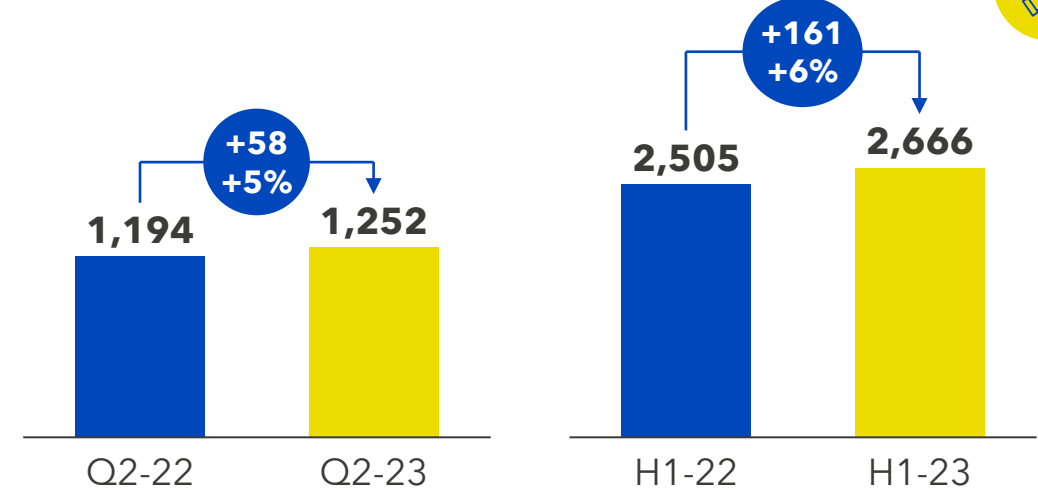
POSITIVE UNDERLYING REVENUE GROWTH ACROSS BUSINESS UNITS

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otherwise  
stated

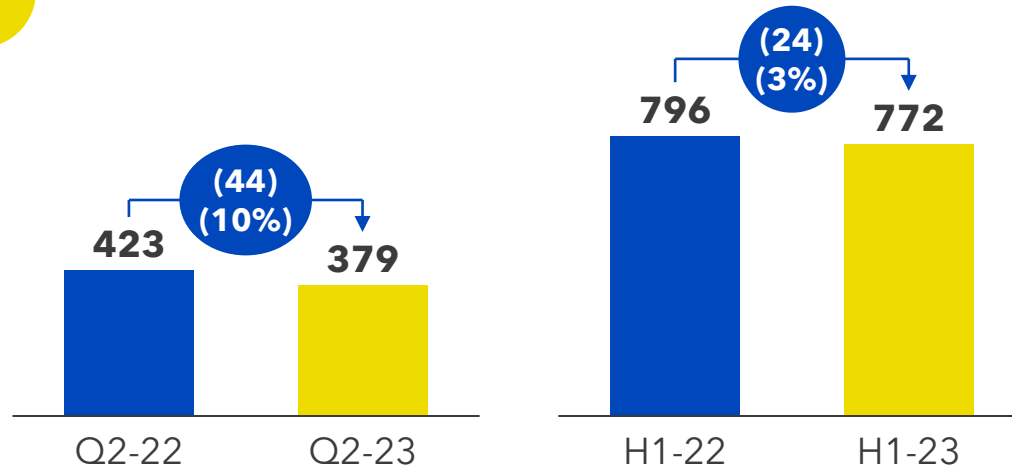
## MAIL, PARCEL &amp; DISTRIBUTION



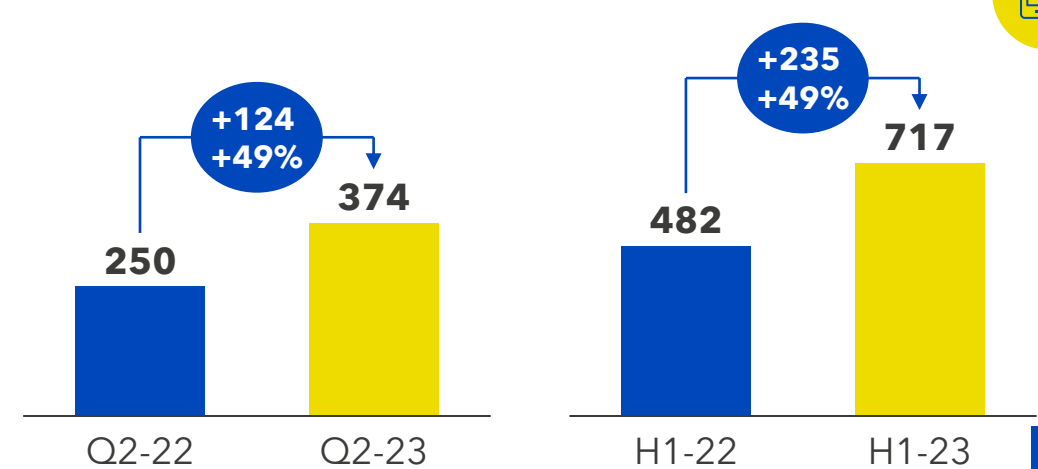
## FINANCIAL SERVICES



## INSURANCE SERVICES



## PAYMENTS &amp; MOBILE

Note: Figures reported under IFRS17 starting from 2023. 2022 figures restated accordingly; <sup>1</sup>. Includes 109 of capital gain from the additional stake received in sennder Tech accounted at the latest fair value (new stake in sennder Tech c. 10.2%)

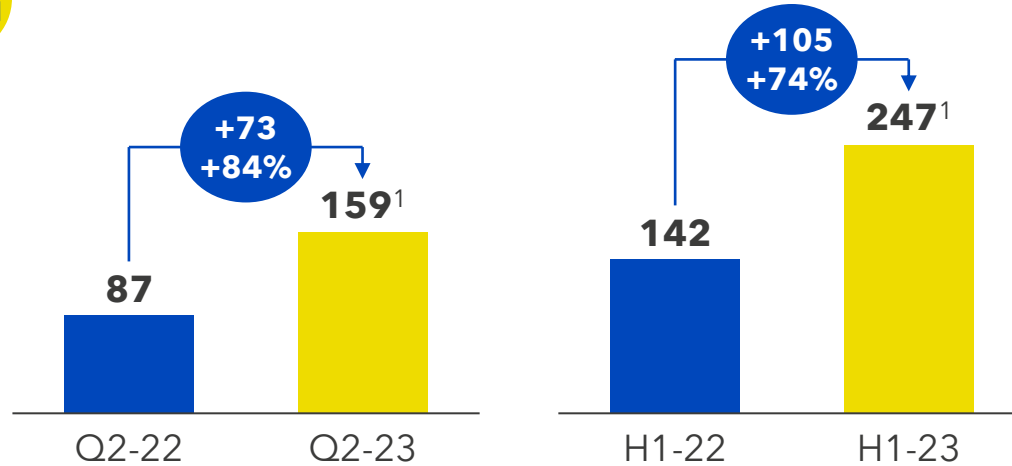
# OPERATING PROFIT BY SEGMENT

STRONG UNDERLYING OPERATING RESULTS BENEFITTING FROM A DIVERSIFIED BUSINESS MODEL

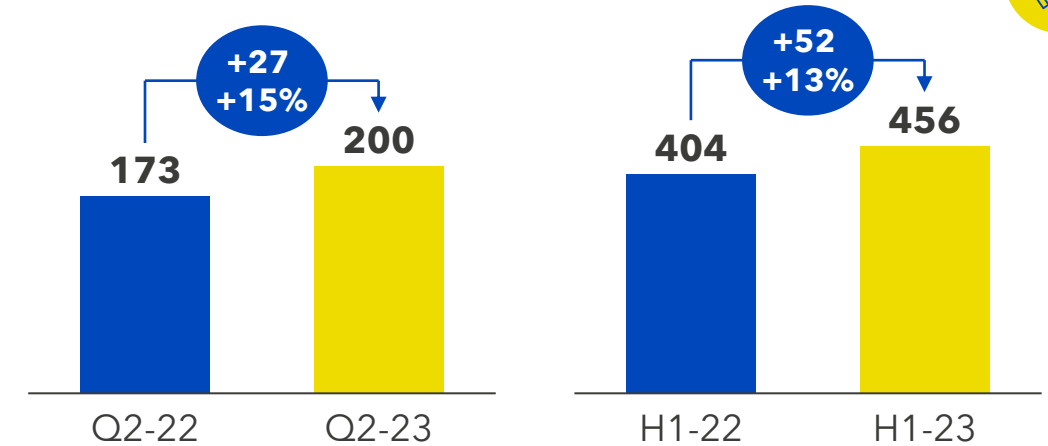
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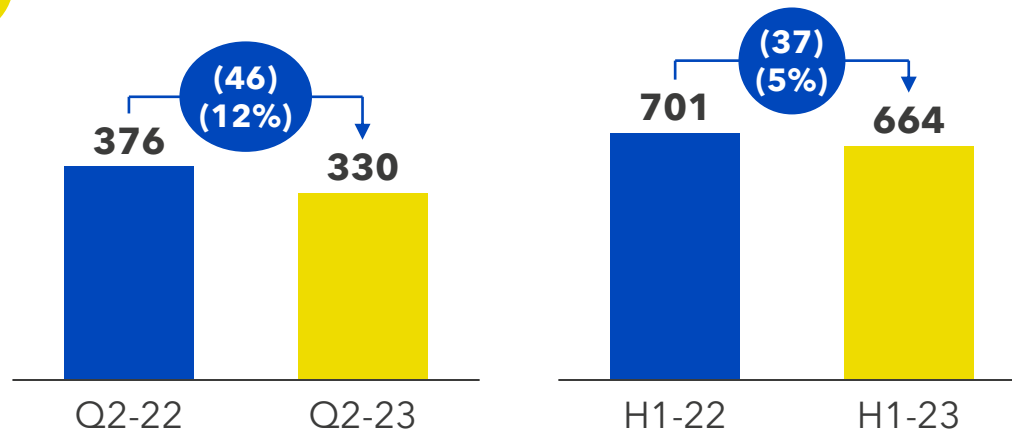
## MAIL, PARCEL & DISTRIBUTION



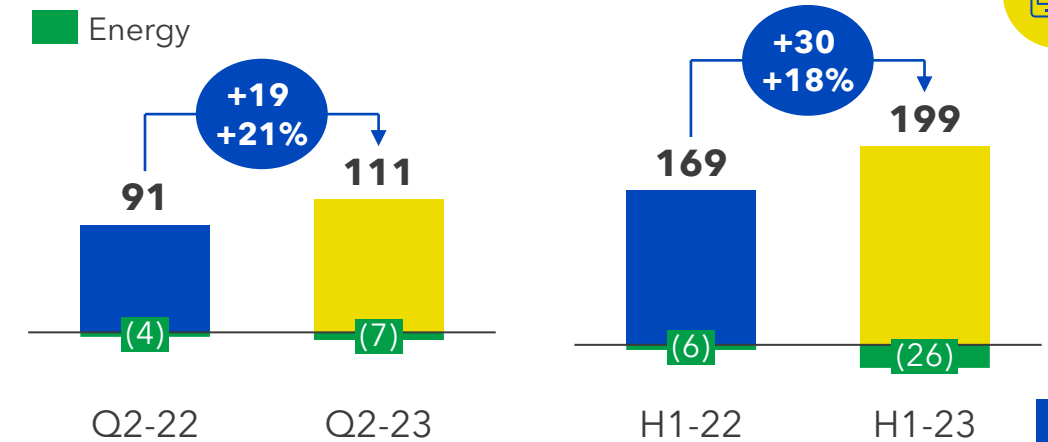
## FINANCIAL SERVICES



## INSURANCE SERVICES



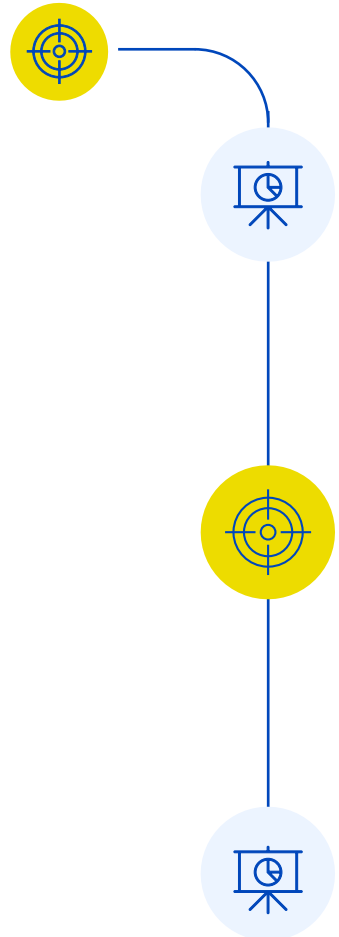
## PAYMENTS & MOBILE



Note: Figures reported under IFRS17 starting from 2023. 2022 figures restated accordingly; <sup>1</sup>. Includes 109 of capital gain from the additional stake received in sennder Tech accounted at the latest fair value (new stake in sennder Tech c. 10.2%)



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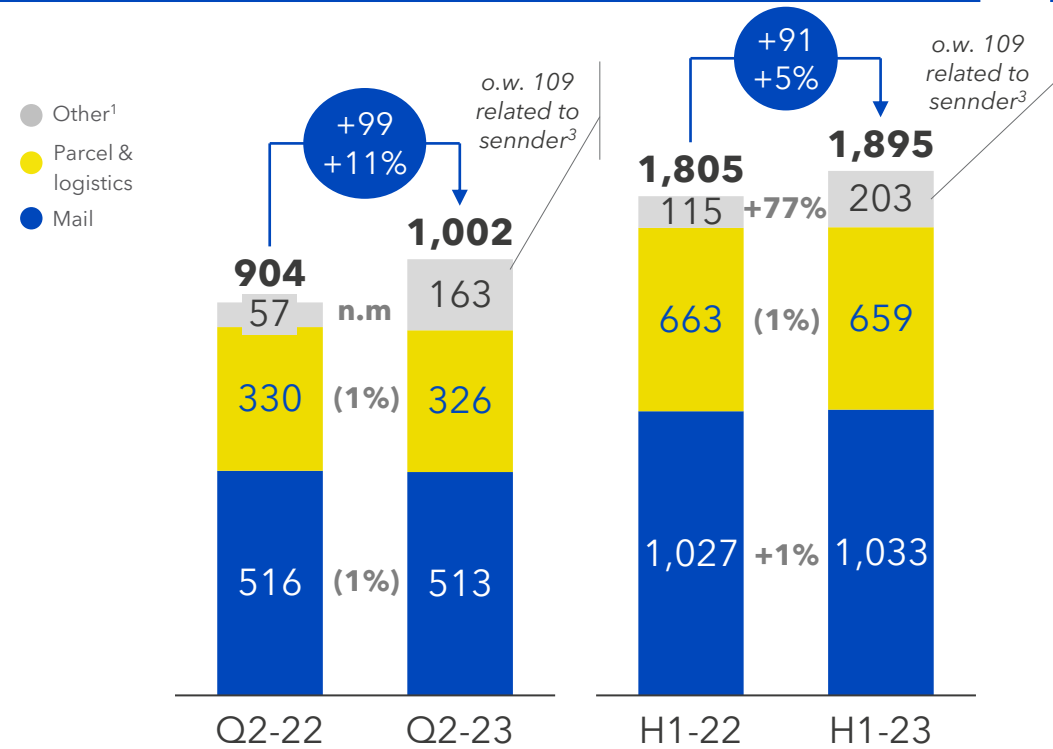


# MAIL, PARCEL & DISTRIBUTION

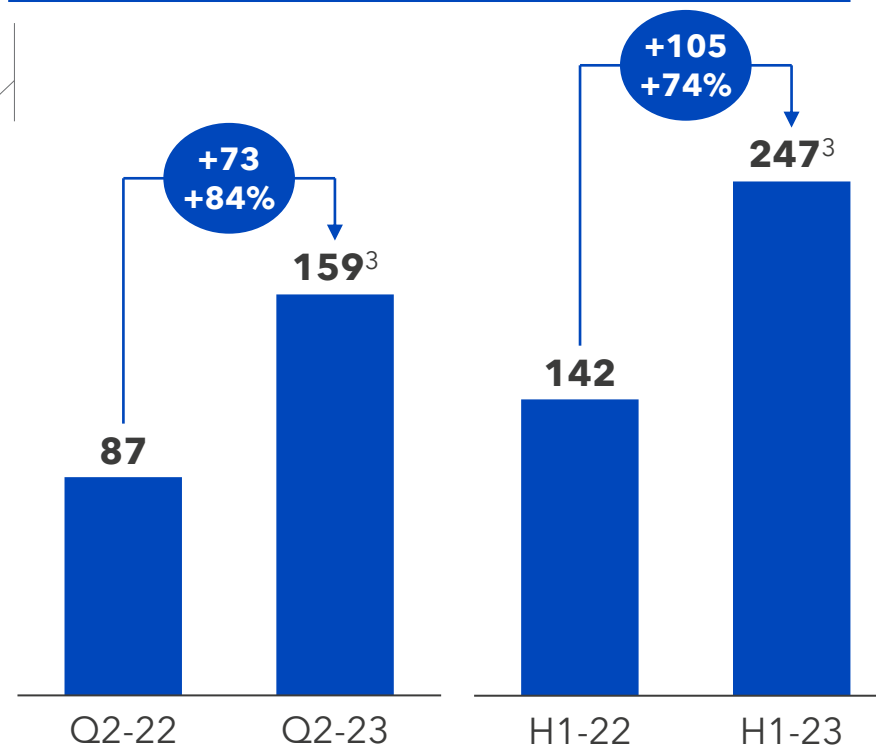
## POSITIVE OPERATING PROFIT IN AN INFLATIONARY ENVIRONMENT

€ m unless  
otherwise stated

### SEGMENT REVENUES



### EBIT



### Q2 HIGHLIGHTS

- Repricing actions and a favourable product mix supporting resilient mail revenues
- Underlying parcel revenues up 2% driven by increasing volumes, mitigating lower contribution from PPE logistics
- Other revenues benefitting from 109m sender capital gain<sup>3</sup>
- Distribution revenues up supported by positive commercial trends
- Positive EBIT confirmed in an inflationary environment

Distribution Revenues <sup>2</sup>	1,212	1,273	2,481	2,655
------------------------------------	-------	-------	-------	-------

Includes 98 of  
active portfolio  
management

Includes 241 of  
active portfolio  
management

Includes 135 of  
active portfolio  
management

**1.** Includes Tax Credit contribution, Digital Identities fees, vaccination plan related expense recovery, EGI, Poste Air Cargo, Patenti Via Poste, Philately, Poste Motori, Poste Welfare Service, Agile Lab and Sourcesense; **2.** Includes income received by other segments in return for use of the distribution network and Corporate Services; **3.** Includes 109 of capital gain related to additional stake received in sender Tech accounted at the latest fair value (new stake in sender Tech c. 10.2%)

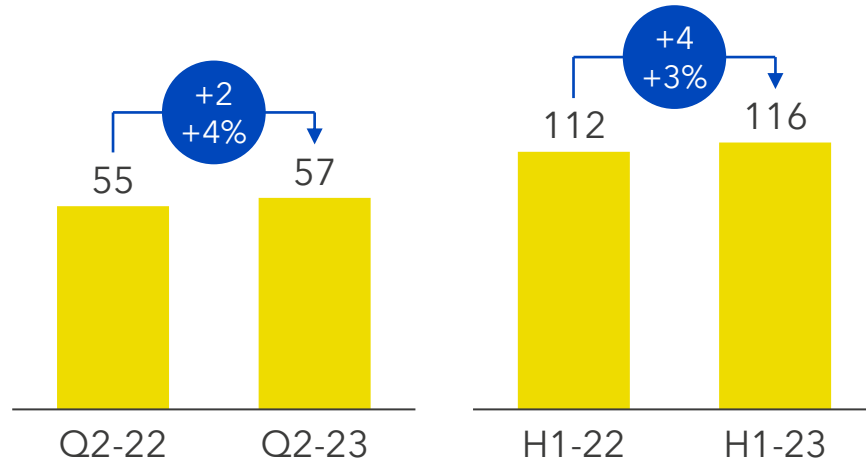


# MAIL, PARCEL & DISTRIBUTION: VOLUMES AND PRICING

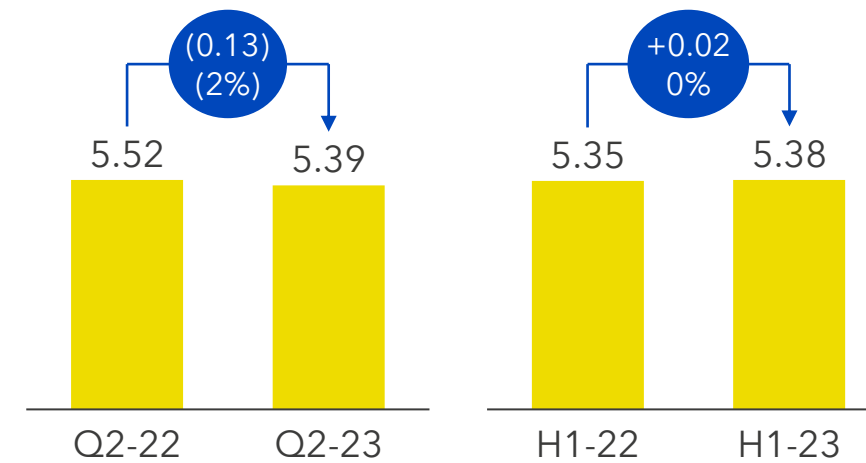
## PARCEL VOLUMES ACCELERATING; MAIL REPRICING OFFSETTING VOLUME DECLINE

€ m unless  
otherwise stated

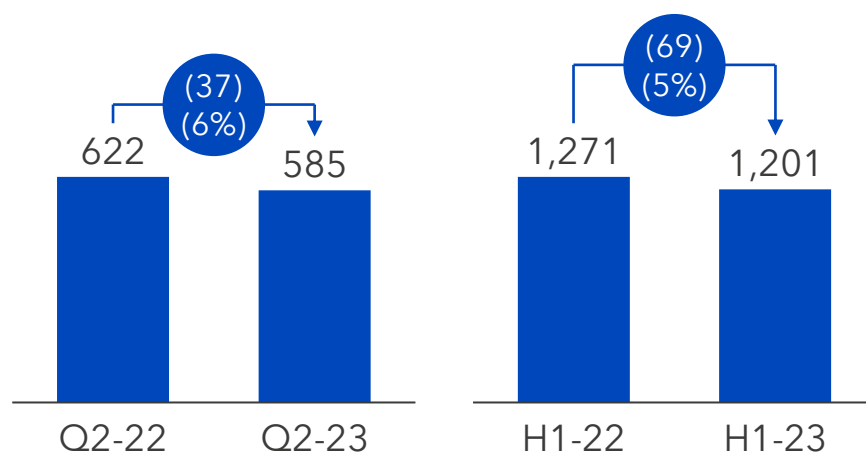
### PARCEL VOLUMES (M, PC)



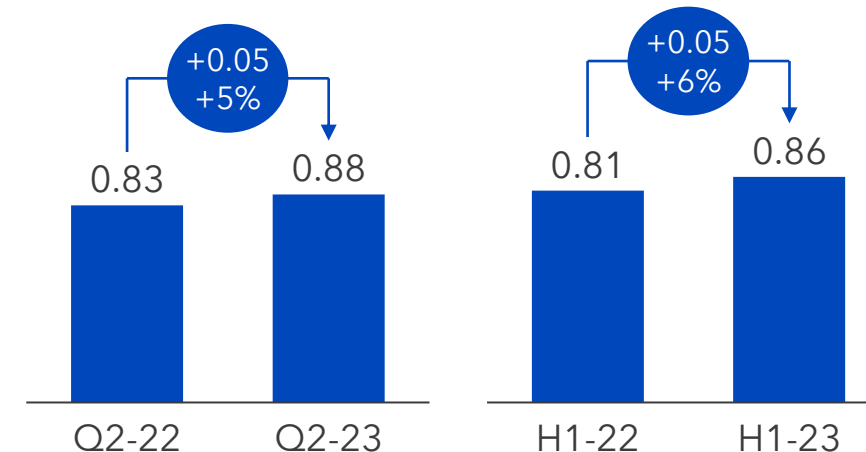
### PARCEL TARIFFS<sup>1</sup> (€/PC)



### MAIL VOLUMES (M, PC)



### MAIL TARIFFS<sup>2</sup> (€/PC)



### Q2 HIGHLIGHTS

- Parcel volume growth supported by B2C
- Parcel tariffs down due to product mix
- Lower mail volumes driven by structural decline in lower-margin unrecorded items
- Higher mail tariffs supported by continued repricing actions

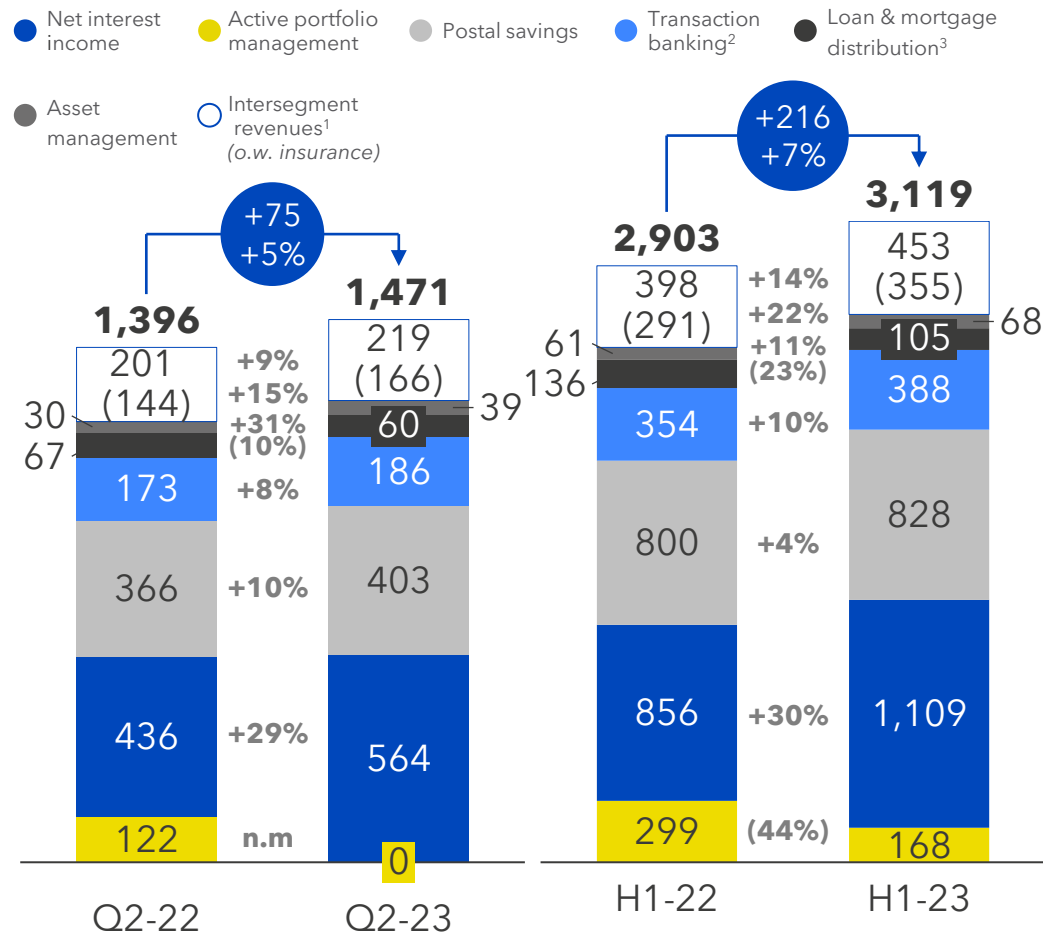
1. Parcel tariffs adjusted for COVID-19 related contract for PPE logistics; 2. Including mix effect

# FINANCIAL SERVICES

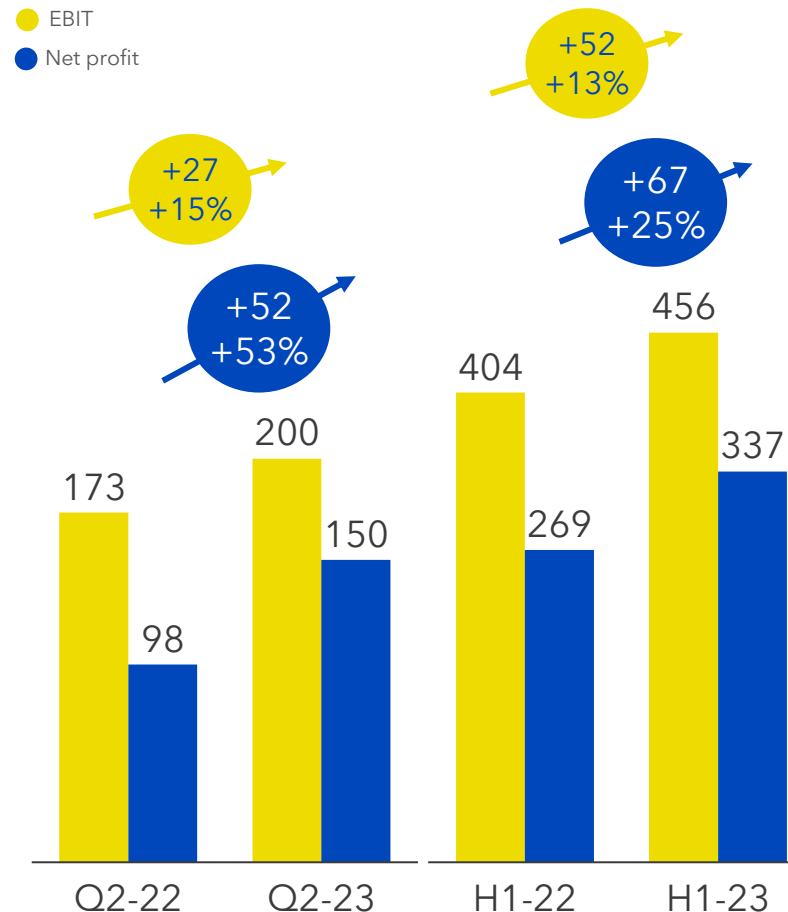
## REVENUE GROWTH SUPPORTED BY NII AND POSITIVE COMMERCIAL TRENDS

€ m unless  
otherwise stated

### GROSS REVENUES



### EBIT & NET PROFIT



### Q2 HIGHLIGHTS

- NII growth supported by higher interest rates, increasing retail and corporate deposits and stable cost of funding
- Postal savings fees up y/y with Q2-22 at floor remuneration
- Transaction banking fees supported by repricing of current account and other payment services fees
- Loan and mortgage fees bottoming due to partners' cost of funding peaking - volumes up Y/Y
- Asset management fees supported by strong net inflows
- Intersegment revenues up driven by steady insurance net inflows

1. Includes intersegment distribution revenues; 2. Includes revenues from payment slips (*bollettino*), current accounts related revenues, fees from INPS and money transfer; 3. Includes reported revenues from custody accounts, credit cards and other revenues from third party products distribution

# NET INTEREST INCOME EVOLUTION

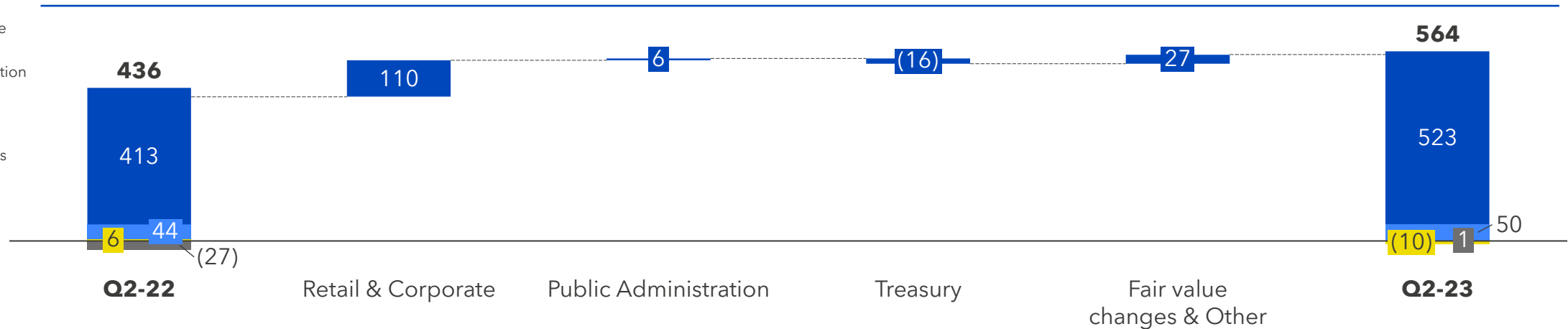
POSITIVE IMPACT FROM RISING INTEREST RATES AND INCREASING RETAIL DEPOSITS YEAR-ON-YEAR

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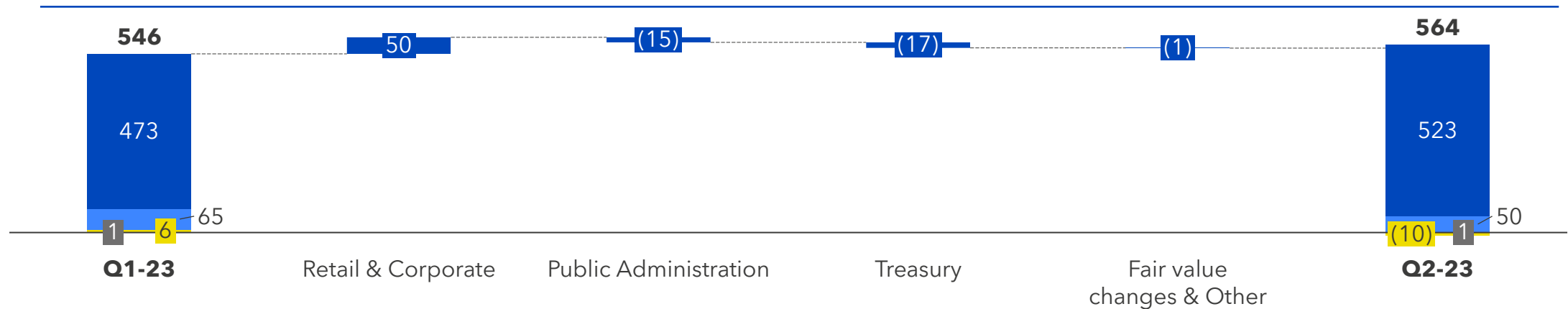
otherwise stated

## Y/Y EVOLUTION

- Retail & Corporate
- Public Administration
- Treasury
- Fair value changes & Other



## Q/Q EVOLUTION

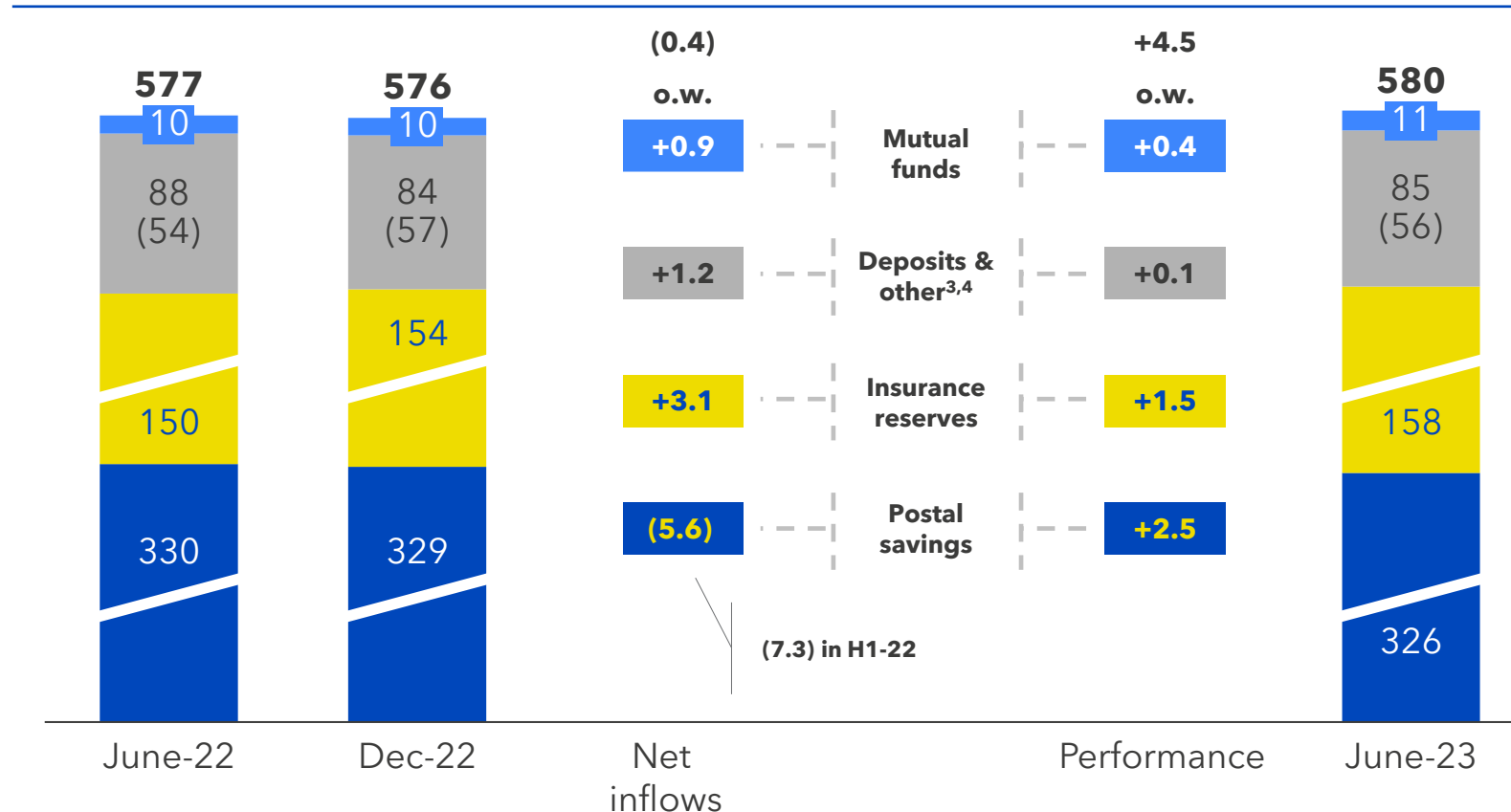


Note: all figures are reported net of interest expenses

# GROUP TOTAL FINANCIAL ASSETS

## INCREASING TFAs SUPPORTED BY NET INFLOWS IN SAVINGS AND INVESTMENT PRODUCTS

### TFA EVOLUTION<sup>1</sup>



### HIGHLIGHTS

- 92% of customers' TFA shielded from market fluctuations
- Postal savings outflows improving y/y thanks to renewed commercial effort
- Strong positive net flows in Insurance - adapting product-mix to increasing demand for capital guaranteed products
- Higher deposits and AuC increase by 1.2bn
- Strong net inflows in asset management, supported by target maturity fixed income funds

Retail net flows<sup>5</sup>

(4.9)

(1.5)

o.w. net savings & investments flows<sup>6</sup>

3.4

0.8

<sup>1</sup> EoP figures, 2022 Insurance Reserves restated to exclude the Deferred Policyholders' Liabilities "DPL" (-14bn as of Dec-22), in line with local GAAP; <sup>2</sup> Includes Moneyfarm; <sup>3</sup> Includes deposits and Assets Under Custody; <sup>4</sup> Deposits do not include REPOs and Poste Italiane liquidity; <sup>5</sup> Includes net flows into postal savings, Mutual Funds, Moneyfarm, Insurance Reserves, Deposits and Assets Under Custody; <sup>6</sup> Includes net flows into Mutual Funds, Moneyfarm, Postal Bonds, Insurance reserves, and Assets under Custody

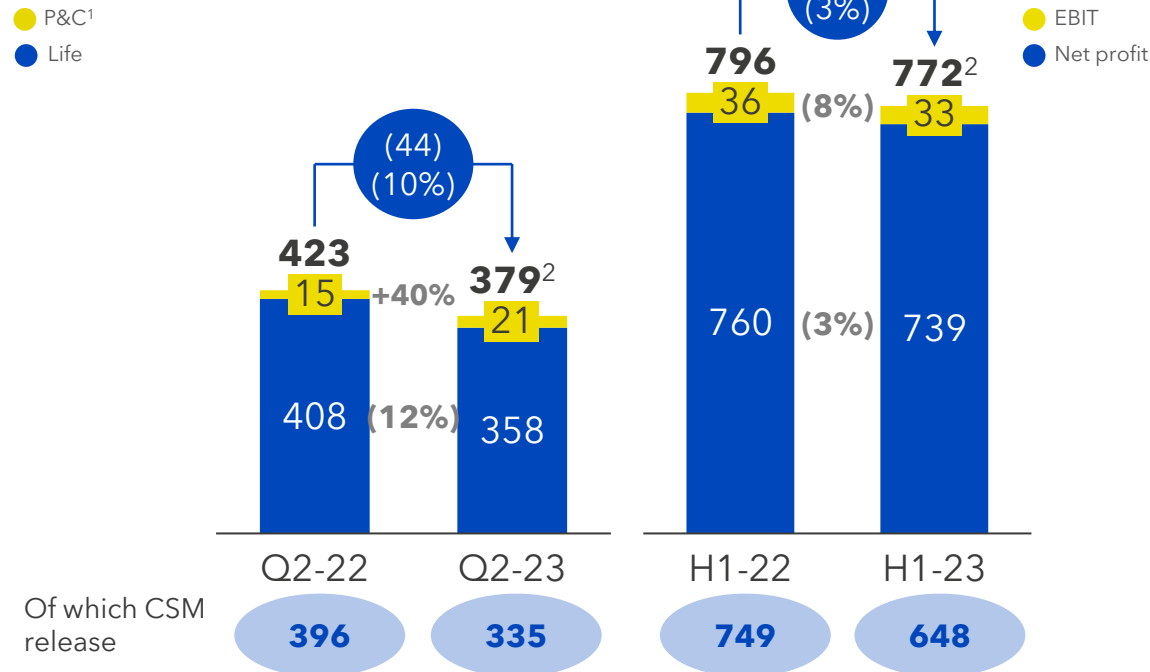
# INSURANCE SERVICES

POSITIVE NET FLOWS & LOW LAPSE RATE – RESULTS IN LINE WITH GUIDANCE IN A CHALLENGING MARKET

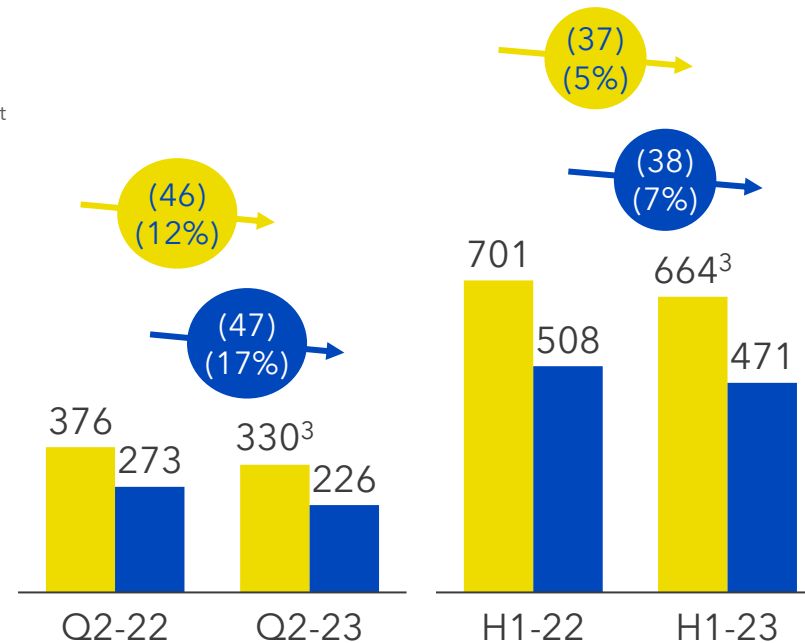
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otherwise stated

## SEGMENT REVENUES<sup>1</sup>

Figures reported under IFRS17 starting from 2023. 2022 figures restated accordingly



## EBIT & NET PROFIT



## Q2 HIGHLIGHTS

- Life revenues comparing with a strong Q2-22 (which benefited from volatile components arising from the sharp increase in interest rates); recurring revenues increasing thanks to higher volumes
- Strong positive net flows in life, with a resiliently low lapse rate, outperforming in a challenging market
- Higher GWP in Protection also supported by Net Insurance consolidation
- Stable combined ratio despite an increasing share of welfare business embedding a structurally higher combined ratio

Life net inflows (€ bn)	1.3	1.1	3.9	3.1
Lapse rate (%) <sup>4</sup>	3.8	4.2	3.8	4.1

Protection GWP <sup>5</sup>	108	190	263	427
Comb. Ratio (%) <sup>6</sup>	-	-	88	88

1. Net of claims; includes Poste Insurance Broker; 2. Includes 7 from Net Insurance (o.w 4 P&C) consolidated from 1 Apr 2023; 3. Includes 5 from Net Insurance (o.w 2 P&C); 4. Since 2022 lapse rate is calculated as surrenders divided by average reserves; 5. Protection includes total P&C and Life Protection (Class I-IV), 67 related to Net Insurance in Q2-23 and H1-23; 6. Protection CoR reclassified as insurance expenses, net reinsurance expenses, other technical income and expenses, not directly attributable expenses divided by gross insurance revenues, net of reinsurance

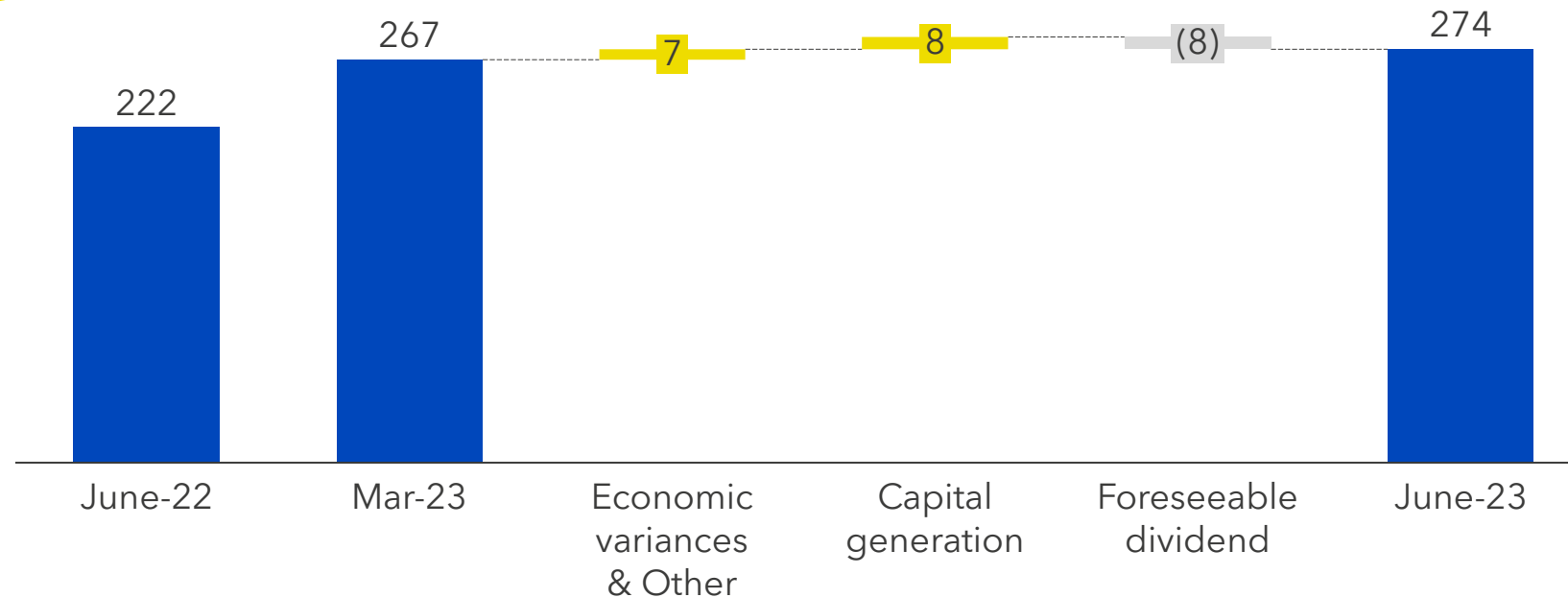
# SOLVENCY II

## SII RATIO WELL ABOVE MANAGERIAL AMBITION

% unless  
otherwise stated



### Q2 SOLVENCY II RATIO EVOLUTION<sup>1</sup>



### Q2 HIGHLIGHTS

- Strong Solvency II ratio at 274% (+7 p.p. since March 2023) net of the foreseeable dividend (-8 p.p.) on the basis of a 75% remittance ratio (increased from 50%) on H1-23 earnings
- Economic variances & other: positive impact of lower BTP spread
- Capital generation from new business and in force portfolio movements

Volatility adjustment (bp)	25	20	21
10Y Swap (bp)	219	296	298
BTP-Swap spread (bp)	109	114	106
Corporate bond spread (bp)	158	129	124

1. EoP figures



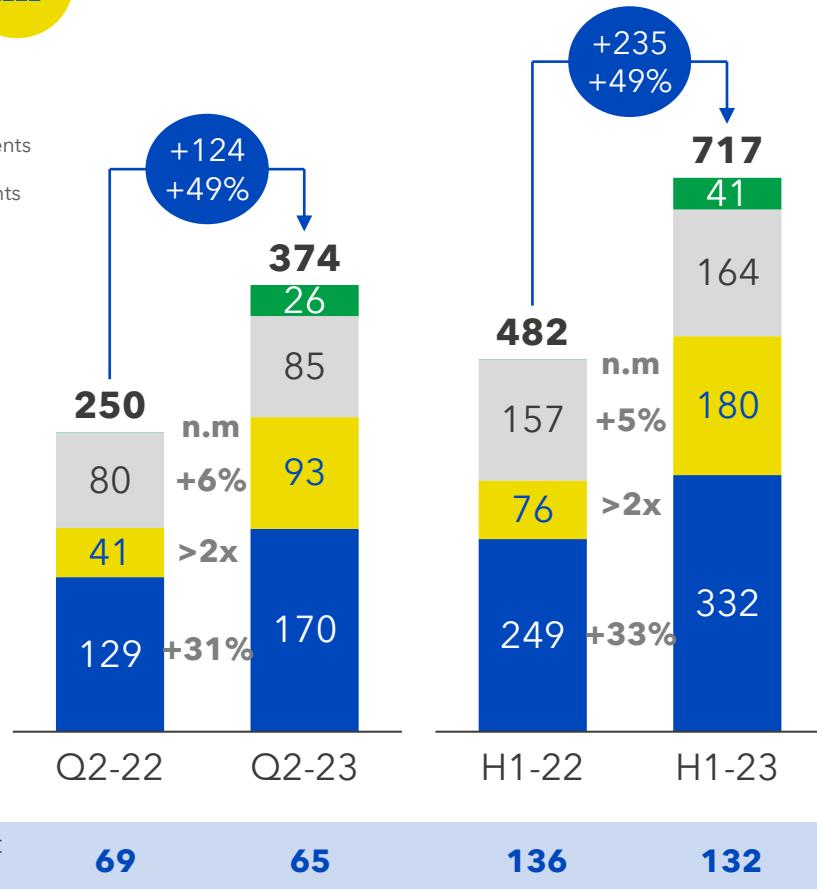
# PAYMENTS & MOBILE

## STRONG PERFORMANCE FROM ALL BUSINESS LINES

€ m unless  
otherwise stated

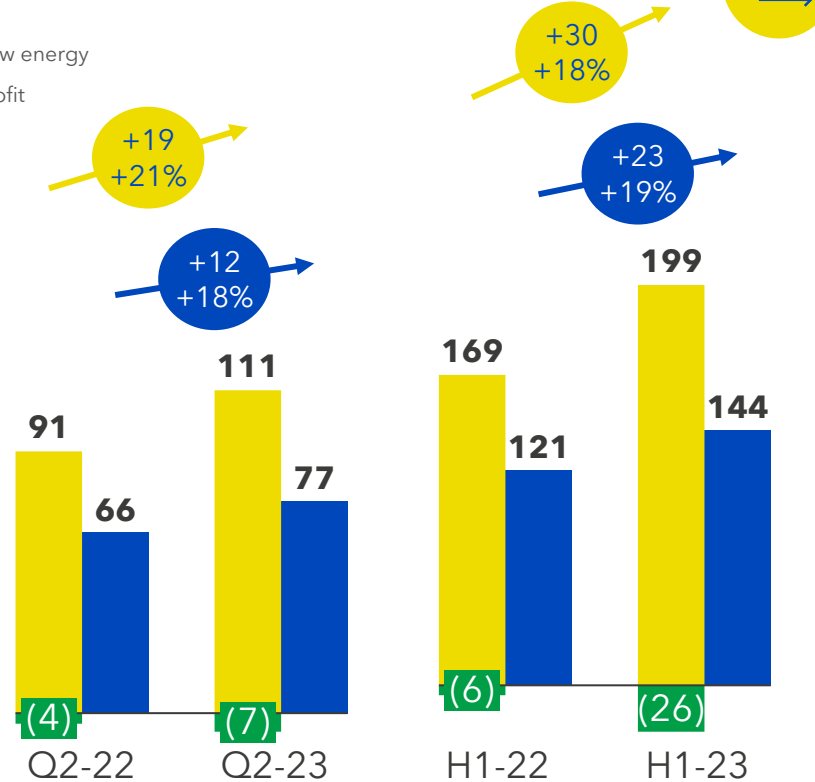
### SEGMENT REVENUES<sup>1</sup>

- Energy
- Telco
- Other payments
- Card Payments



### EBIT<sup>2</sup> & NET PROFIT

- EBIT
- EBIT o.w energy
- Net profit



### Q2 HIGHLIGHTS

- Strong card payments - increasing usage and structural cash-to-card shift driving higher transaction value (+13% Y/Y in Q2-23)
- LIS consolidation further supporting Card (+25 additional card revenues) and other payments (+45 additional other revenues)
- Energy business successfully up and running reaching c.300k contracts
- Telco revenues up in a competitive market
- EBIT growth driven by strong revenue trends and LIS consolidation, more than mitigating energy business start-up costs

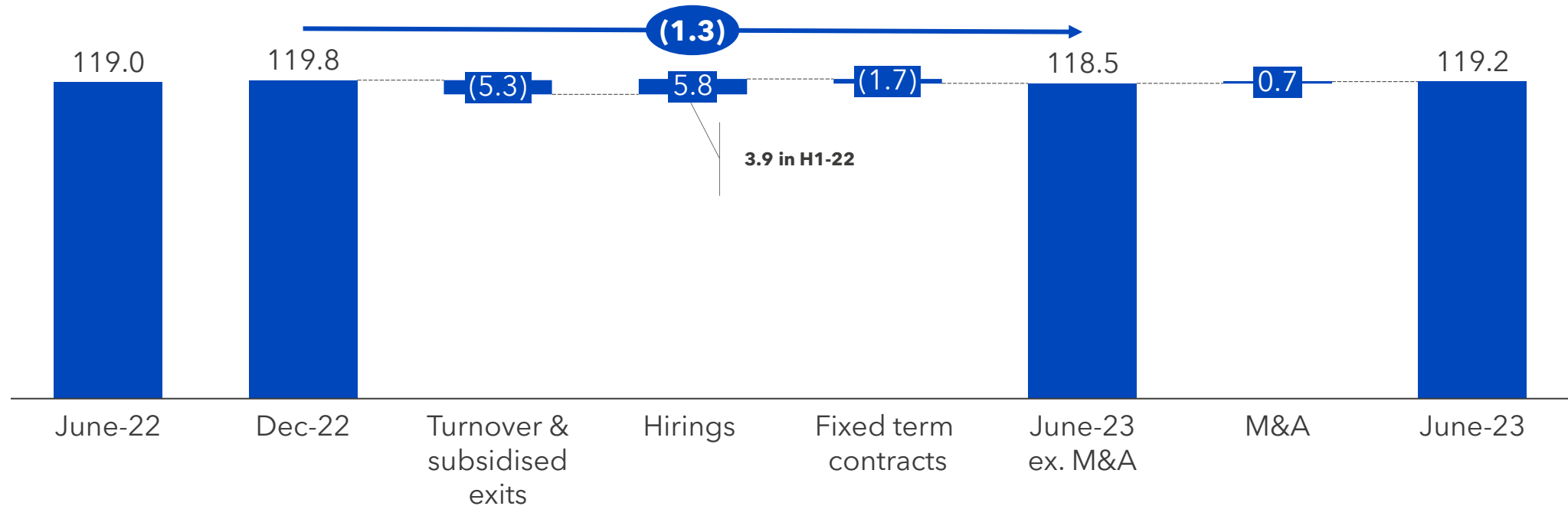
1. LIS revenues incremental contribution to Other Payments and Card Payments for a total of 70 in Q2-23 and 138 in H1-23; 2. LIS EBIT contribution of 13 in Q2-23 and 22 in H1-23

# HUMAN CAPITAL – FTEs

CONTINUED FTE EFFICIENCY WITH FOCUSED WORKFORCE RENEWAL



## AVERAGE WORKFORCE EVOLUTION (#, K)



Value added/  
FTEs (€ K) <sup>1,2</sup>

**75.4**

**74.5**

**82.4**

Y/Y

+9.3%

HR costs/  
FTEs (€ K) <sup>1</sup>

**43.6**

**43.0**

**44.9**

+3.2%

1. Annualized figures, calculated excluding IFRS17 effect; 2. Group revenues minus cost of goods sold

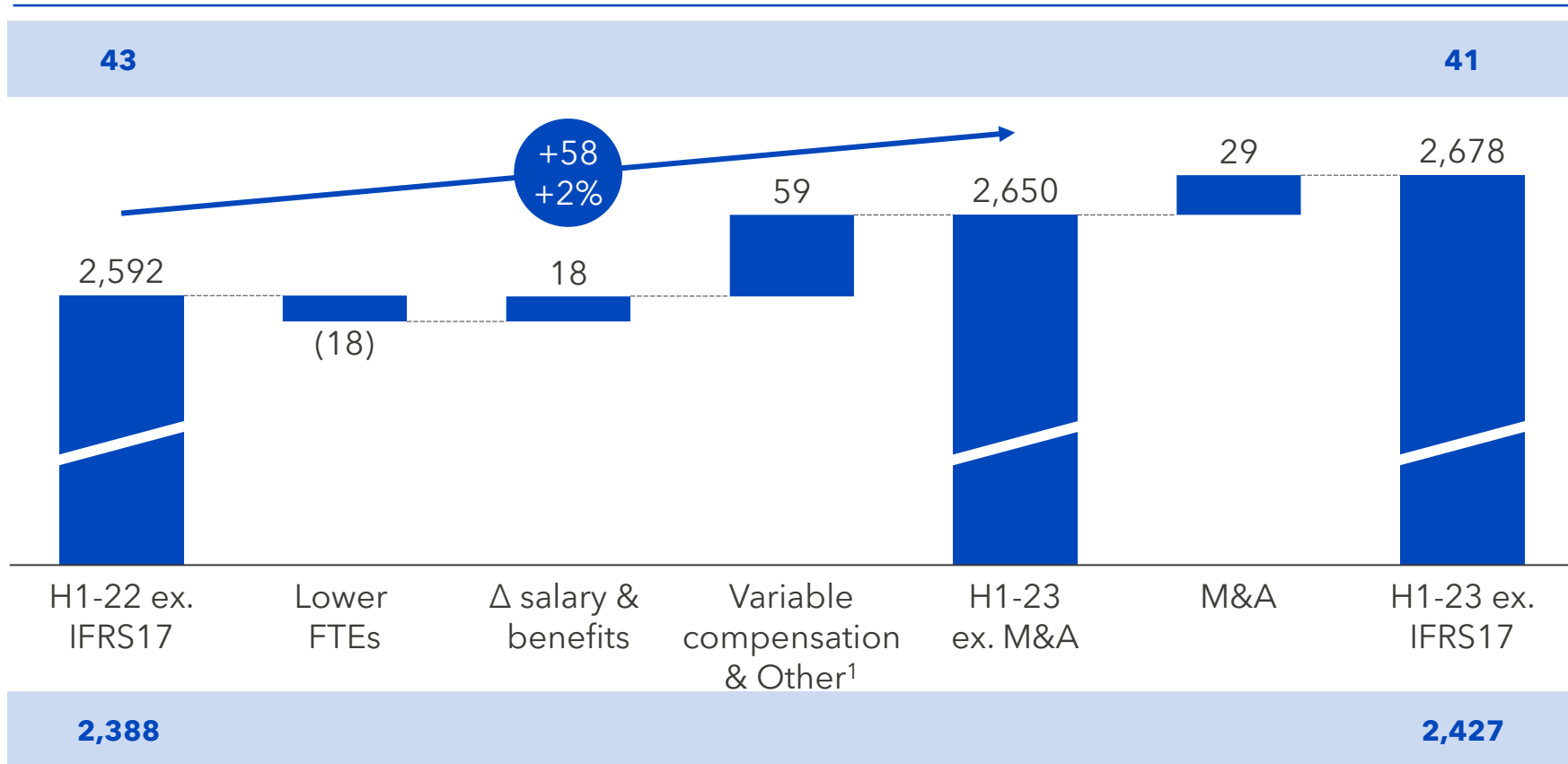
# HUMAN CAPITAL – HR COSTS

LOWER FTEs PARTIALLY MITIGATING PLANNED SALARY INCREASE AND HIGHER VARIABLE COMP

€ m unless  
otherwise stated

## ORDINARY HR COSTS

Ordinary HR costs /  
revenues (%)



1. Unpaid leave and provisions for holidays, extraordinary items on bonuses and compensation, turnover and other

# NON-HR COSTS

PROGRESSING AHEAD OF PLAN – INCREASE DUE TO NEW ENERGY BUSINESS, LIMITED INFLATION IMPACT

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otherwise stated

## NON-HR COSTS<sup>1</sup>

Variable costs / variable revenues (%)

66

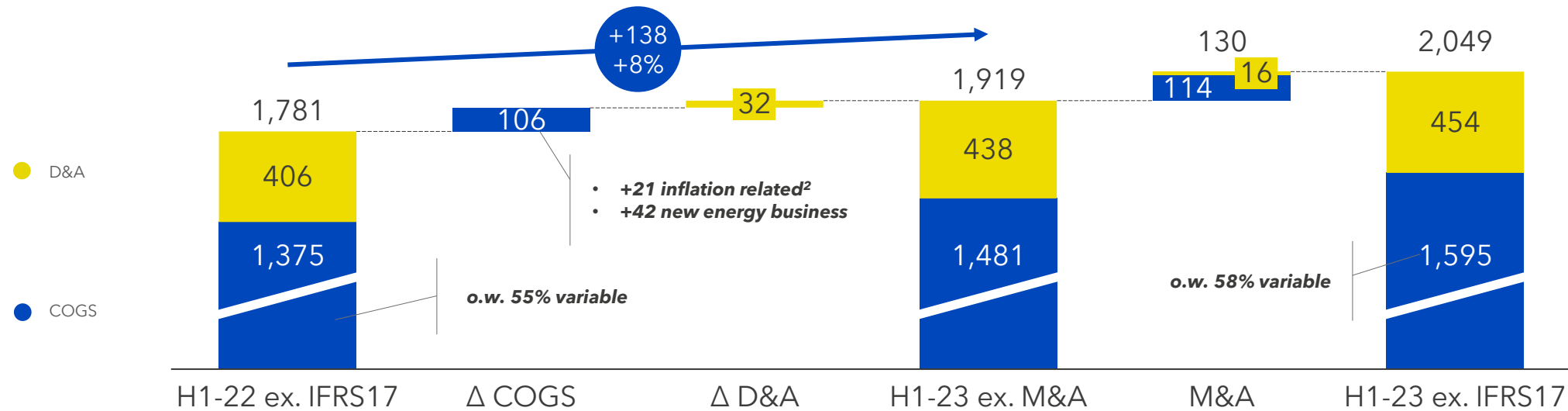
68

66% net of new energy business and inflation impact

Fixed COGS / total revenues (%)

10

10



IFRS17 non HR Costs

1,688

1,934

1. Excluding other non-HR costs; 2. Higher costs for fuel, electricity, gas and raw materials

# CLOSING REMARKS

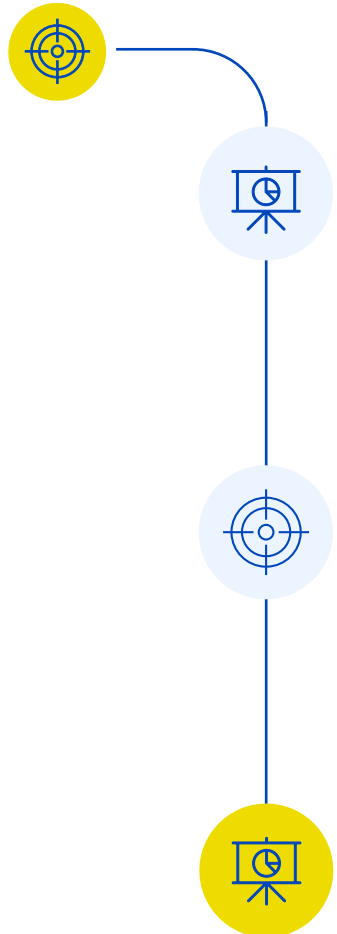


## RESULTS TRAJECTORY AHEAD OF GUIDANCE - ROBUST COMMERCIAL TRENDS AND COST DISCIPLINE

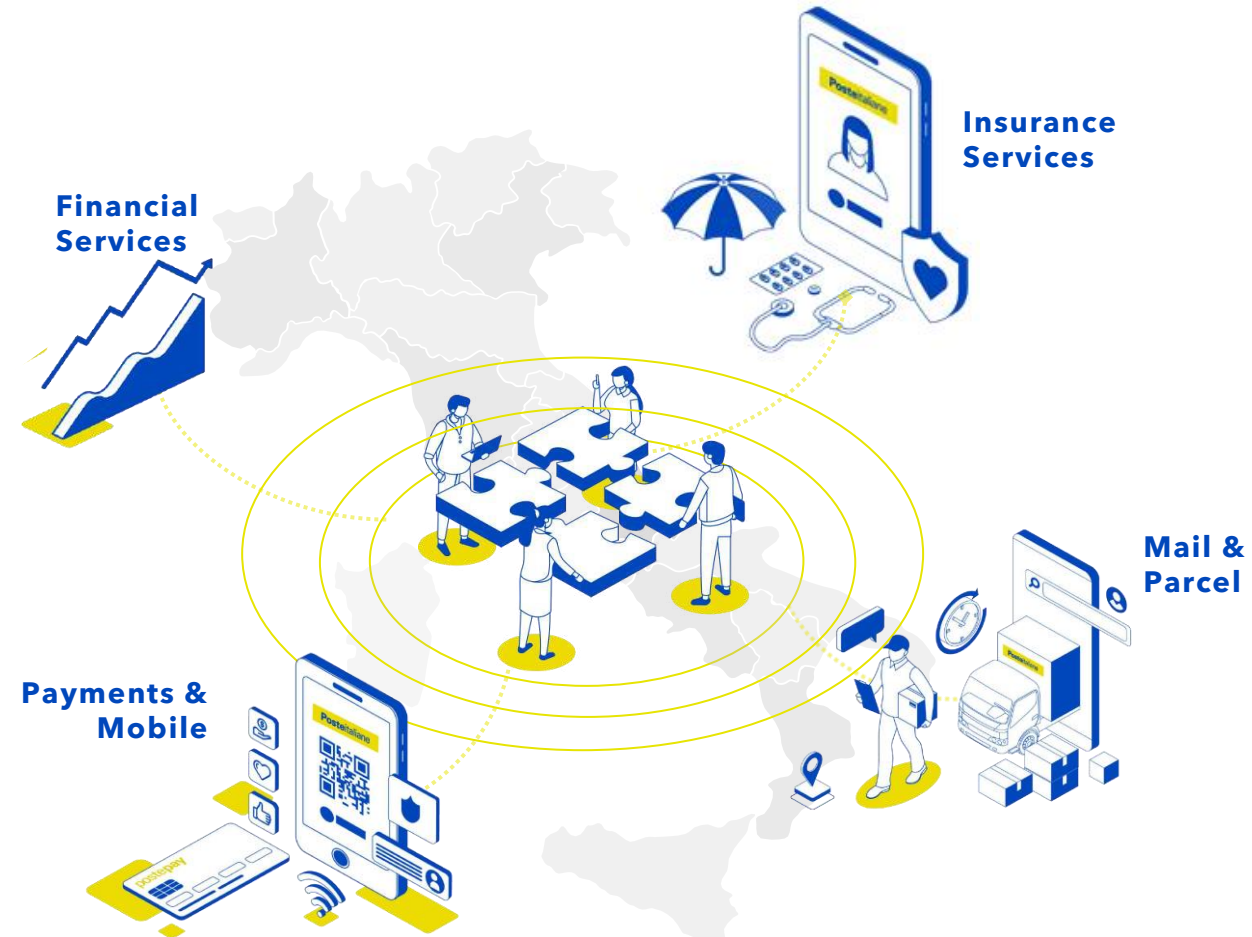
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**STRONG OPERATING RESULTS BENEFITTING FROM A DIVERSIFIED BUSINESS MODEL**

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# NON-HR COSTS

## ENERGY BUSINESS START-UP COSTS AND INFLATION INCREASE - IN LINE WITH EXPECTATIONS

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otherwise stated

### NON-HR COSTS<sup>1</sup>

Variable costs / variable revenues (%)

64

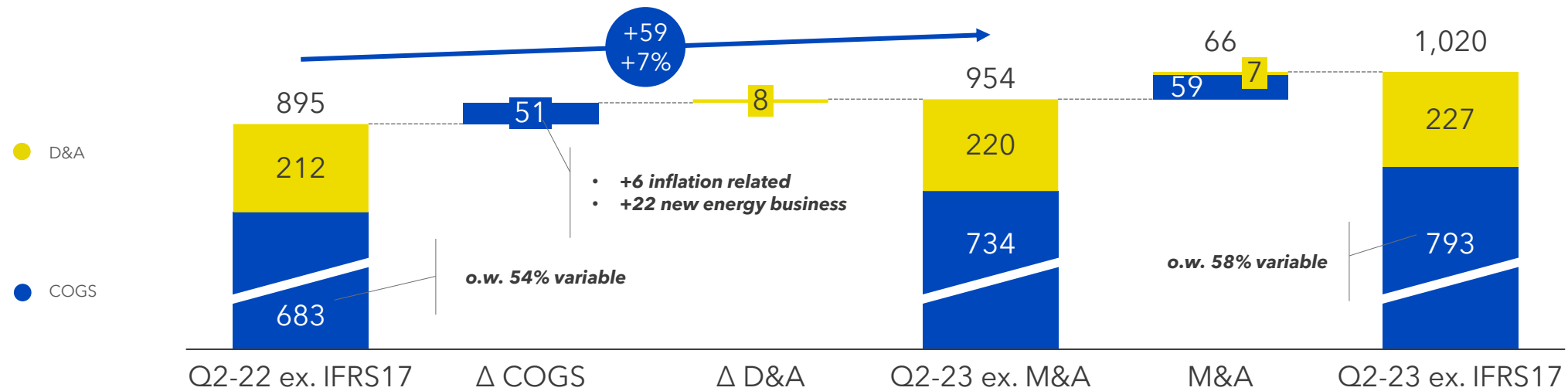
66

65% net of new energy business and inflation impact

Fixed COGS / total revenues (%)

11

10



IFRS17 non HR Costs

849

963

1. Excluding other non-HR costs

# HUMAN CAPITAL – HR COSTS

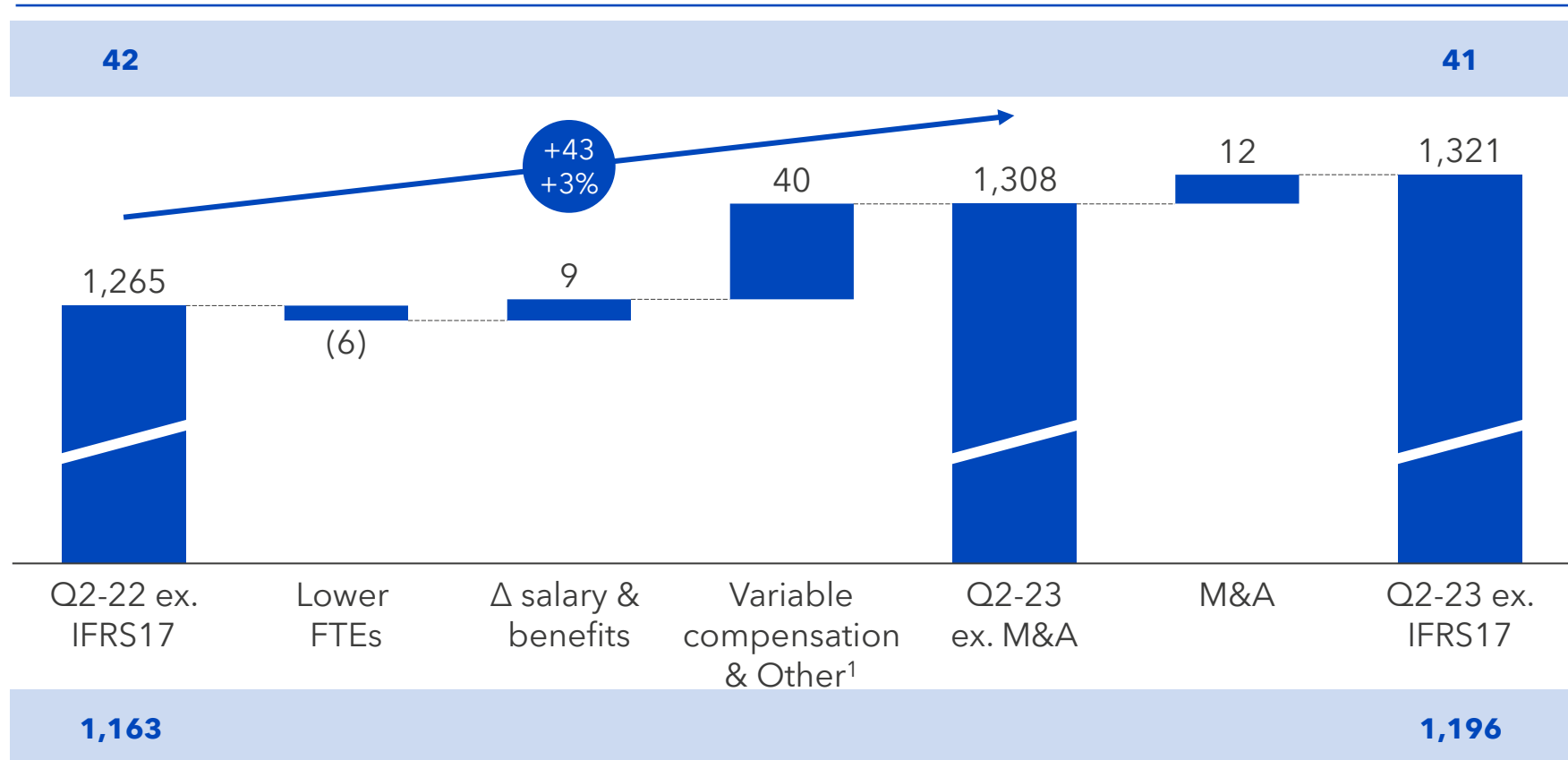
HIGHER VARIABLE COMPENSATION AND PLANNED SALARY INCREASE BUT LOWER FTEs

€ m unless

otherwise stated

## ORDINARY HR COSTS

Ordinary HR costs /  
revenues (%)



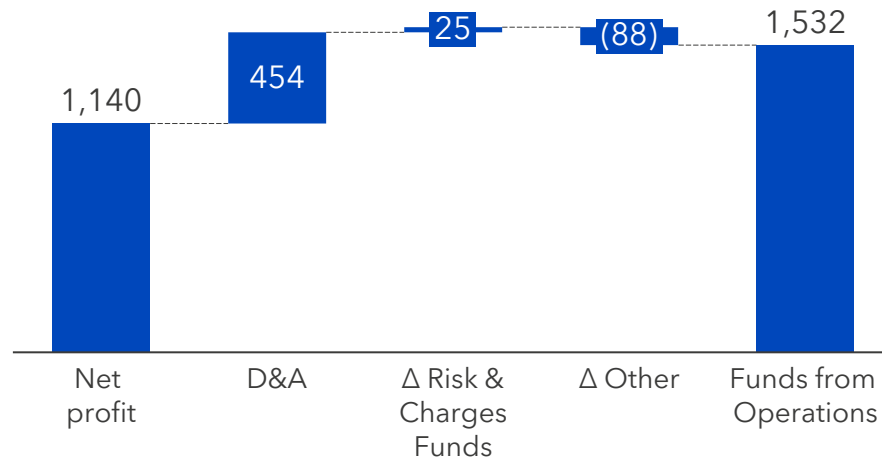
IFRS17 HR Costs

1. Unpaid leave and provisions for holidays, extraordinary items on bonuses and compensation, turnover and other

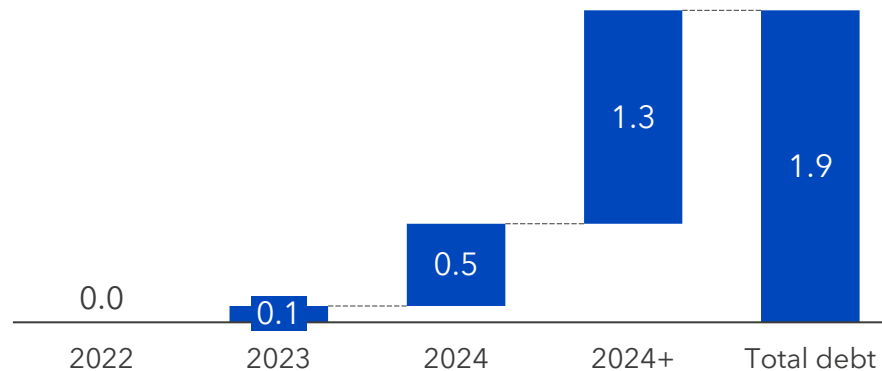
# STRONG CASH GENERATION, AMPLE LIQUIDITY & BALANCED DEBT PROFILE



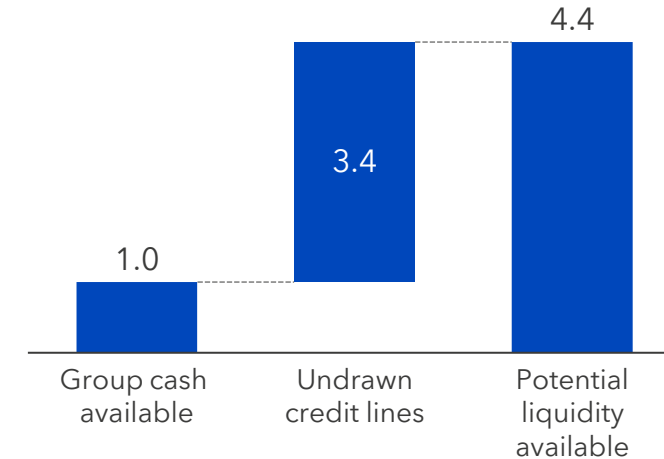
## GROUP FUNDS FROM OPERATIONS (H1-23 - € M)



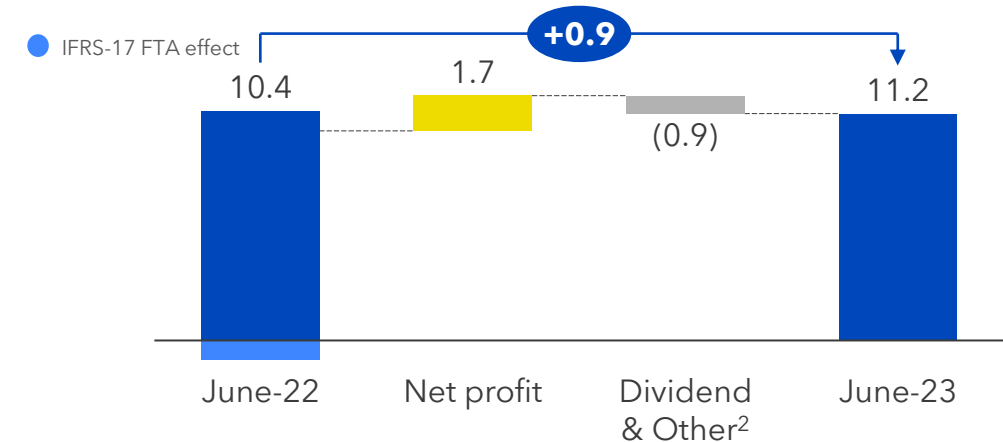
## BALANCED MATURITY PROFILE (€ BN)



## SIGNIFICANT LIQUIDITY RESOURCES (€ BN)



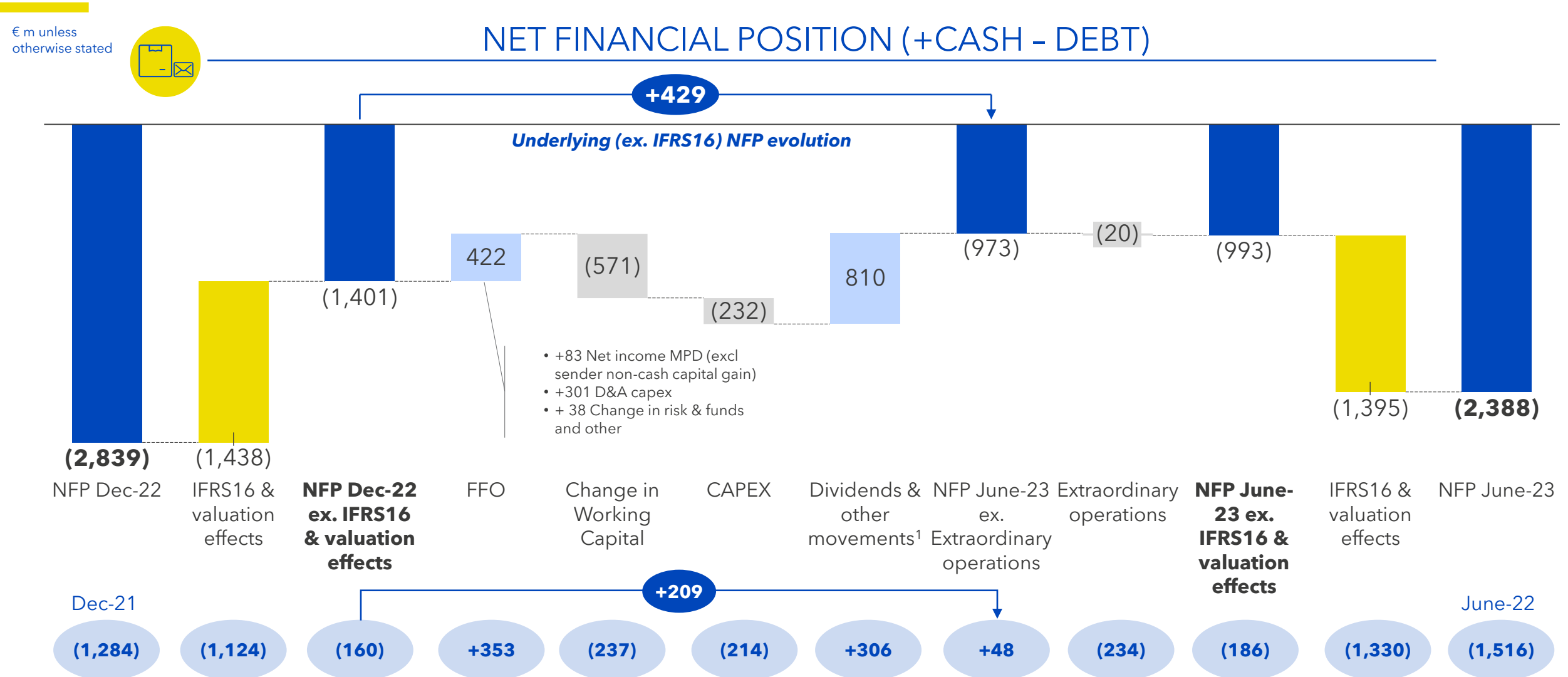
## GROUP SHAREHOLDERS' EQUITY<sup>1</sup> (€ BN)



1. Shareholders' equity net of revaluation reserves and IFRS 17 restatement effects; 2. Other includes buyback, the coupon on the hybrid bond, the purchase of options for minority acquisitions, TFR, reserve variation related to incentive schemes (IFRS 2)

# MAIL, PARCEL & DISTRIBUTION NET FINANCIAL POSITION

## IMPROVING UNDERLYING CASH GENERATION



1. Includes dividends from subsidiaries, dividends to shareholders, coupons on hybrid instruments and buyback

# BANCOPOSTA ASSETS AND LIABILITIES STRUCTURE

## AVERAGE RETAIL AND CORPORATE DEPOSITS UP

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otherwise  
stated

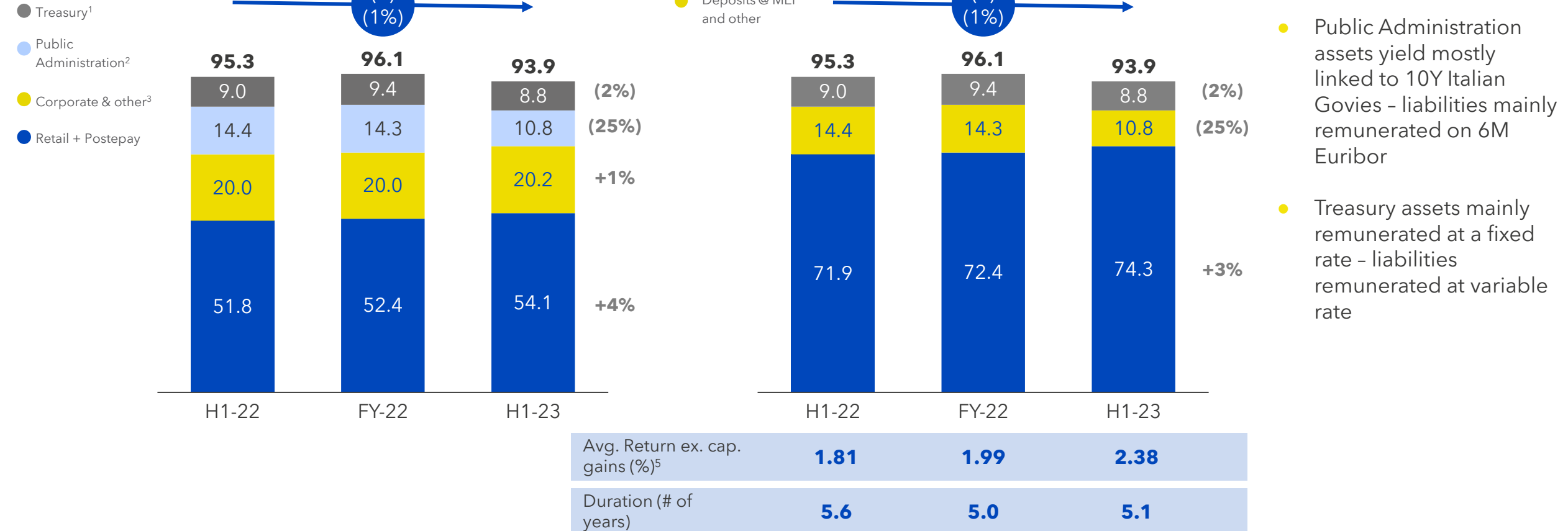


### AVERAGE DEPOSITS

### AVERAGE INVESTMENT PORTFOLIO



### HIGHLIGHTS



**1.** Includes short term REPO and collateral **2.** Entirely invested in floating rate deposits c/o MEF; **3.** Includes business current accounts, PostePay business, Long-term REPO, Poste Italiane liquidity and other customers debt; **4.** Includes Tax Credits & Others; **5.** Average yield calculated as net interest income on average deposits

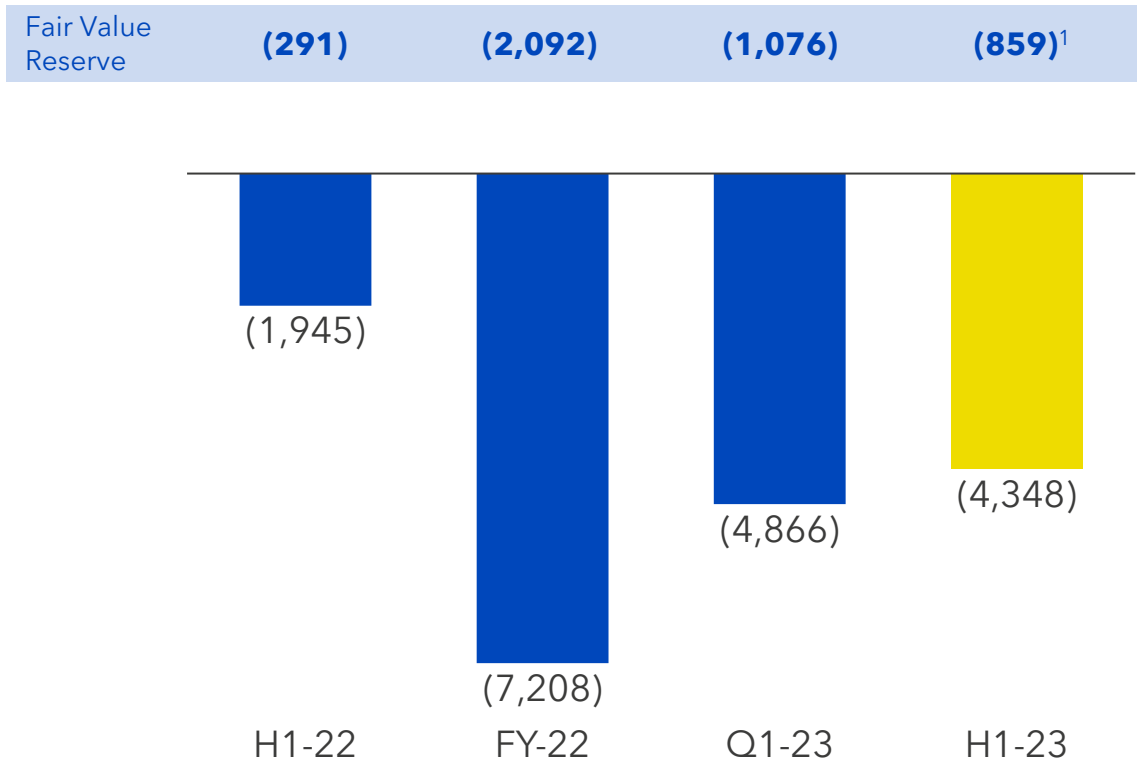
# UNREALISED GAINS & LOSSES AND SENSITIVITIES

## IMPROVING NET UNREALISED LOSSES – NO IMPACT ON CAPITAL POSITION

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otherwise  
stated

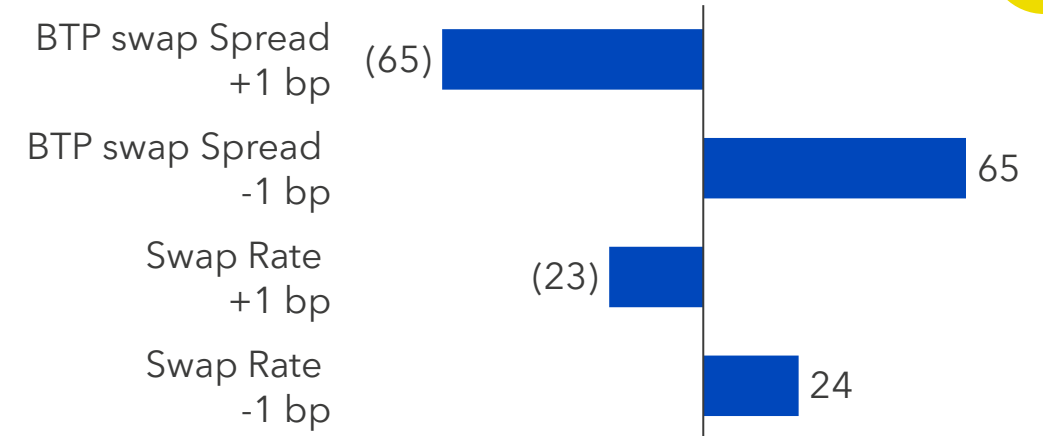


### UNREALISED NET GAINS AND LOSSES



1. Net of taxes

### PORTFOLIO SENSITIVITIES



	Q2-22	Q4-22	Q1-23	Q2-23	Var (bp) Q2-23 vs Q1-23
BTP 10Y	3.26	4.72	4.10	4.07	(3)
SWAP 10Y	2.17	3.20	2.96	3.02	+6
BTP 15Y	3.44	4.75	4.36	4.26	(10)
SWAP 15Y	2.35	3.14	2.96	2.96	(1)
BTP 30Y	3.67	4.79	4.32	4.44	+12
SWAP 30Y	1.98	2.53	2.50	2.54	+4



# POSTAL SAVINGS

## NET OUTFLOWS MAINLY DRIVEN BY POSTAL BONDS

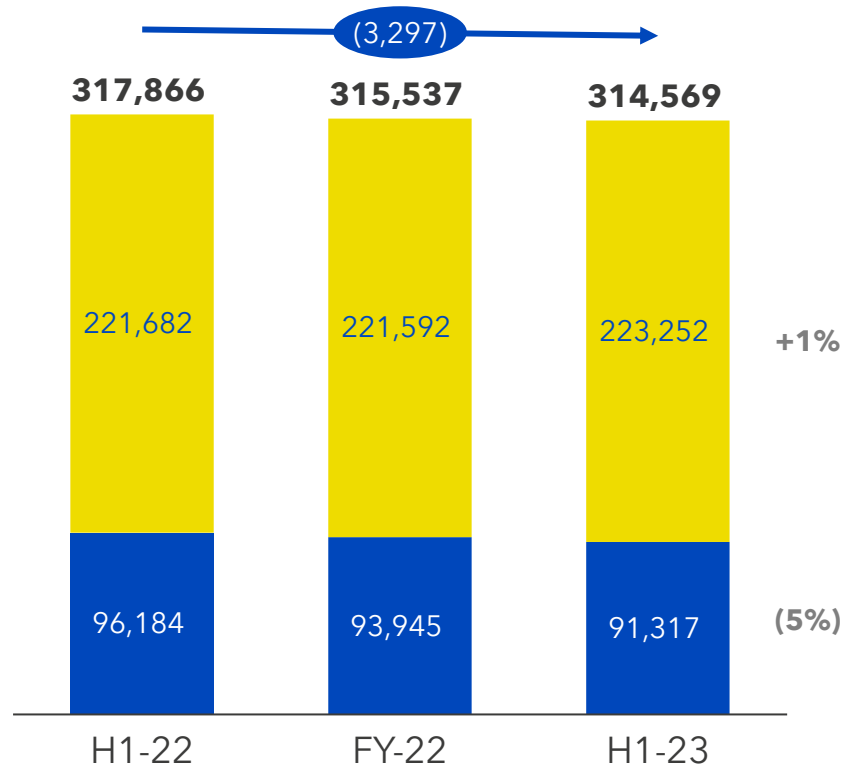
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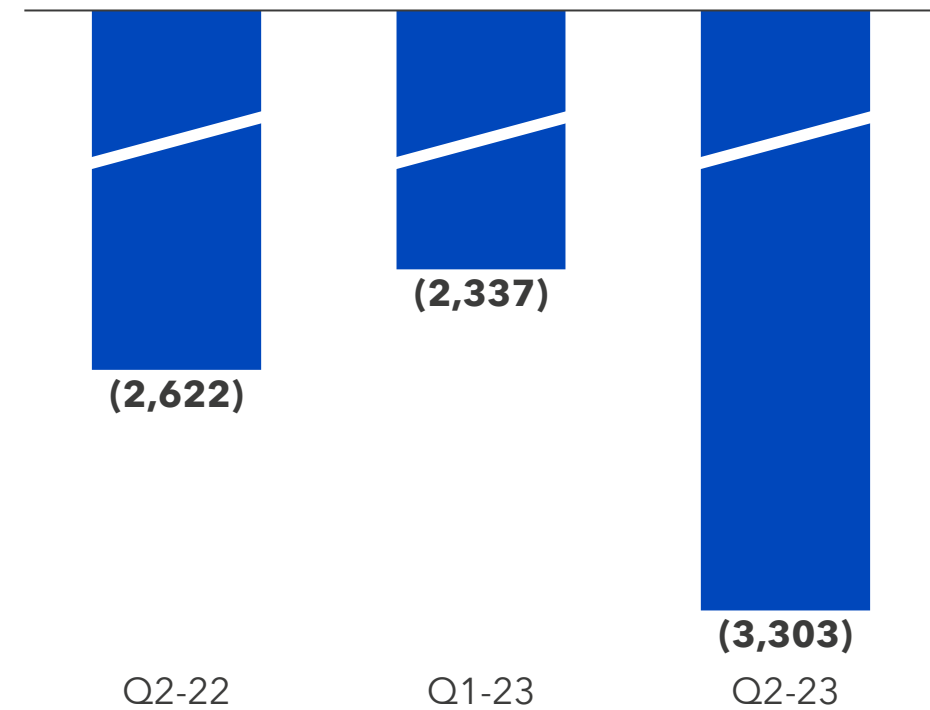
### AVERAGE POSTAL SAVINGS<sup>1</sup>

● Postal Bonds

● Postal savings books



### POSTAL SAVINGS NET FLOWS



1. Average postal savings excludes interests accrued year-to-date and interests compounded, but not yet payable, on postal bonds not matured as of the reporting date

# ASSET MANAGEMENT

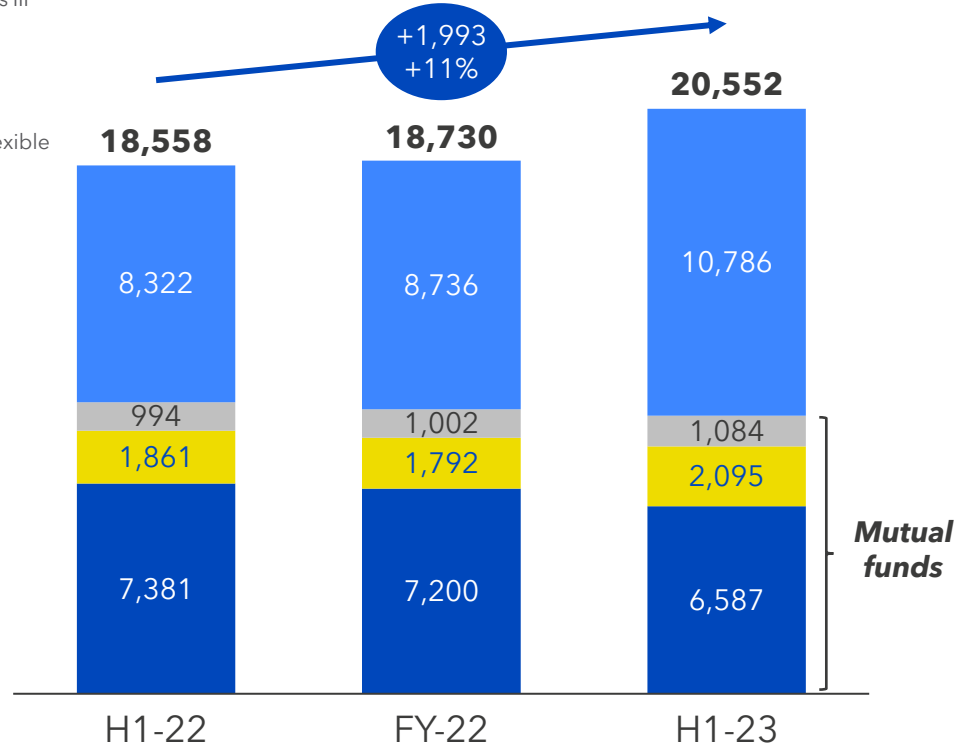
## AUM GROWTH SUPPORTED BY POSITIVE NET FLOWS

€ m unless  
otherwise stated

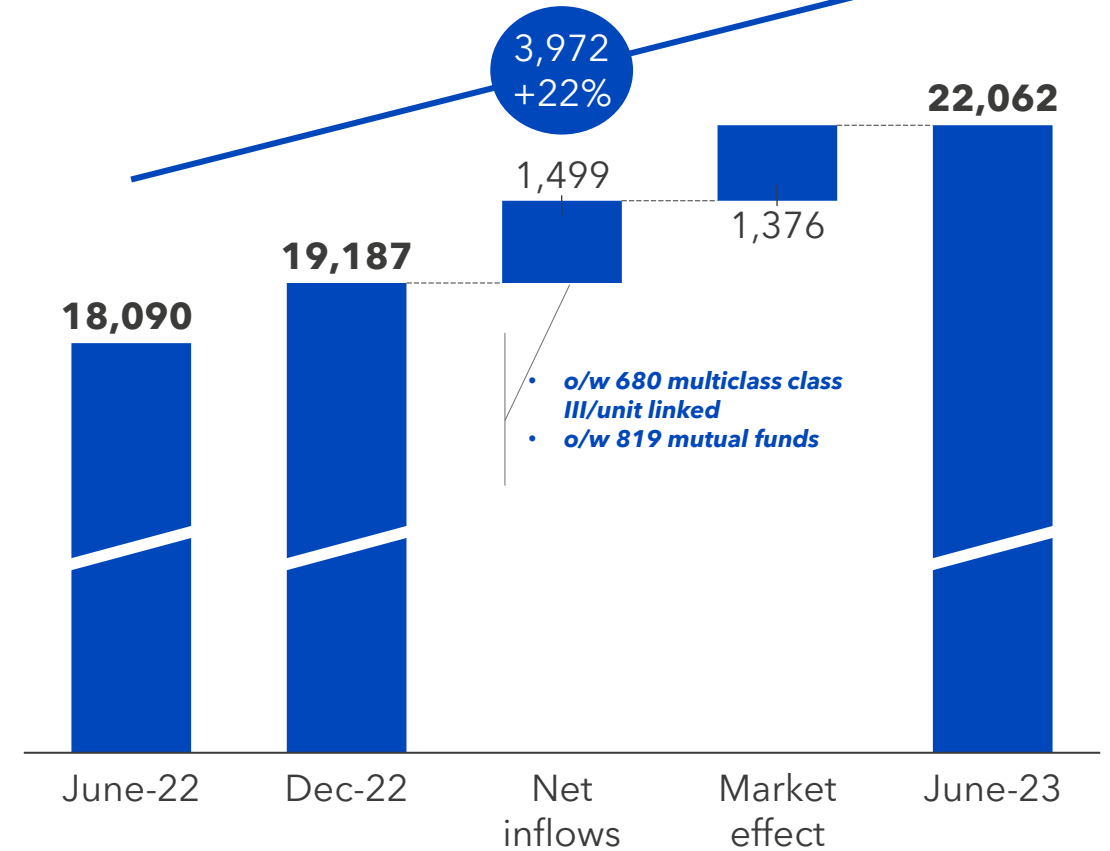


### AVERAGE ASSETS UNDER MANAGEMENT

- Unit linked & multiclass Class III
- Equity
- Bond & Cash
- Balanced & Flexible



### AUM EVOLUTION - EOP



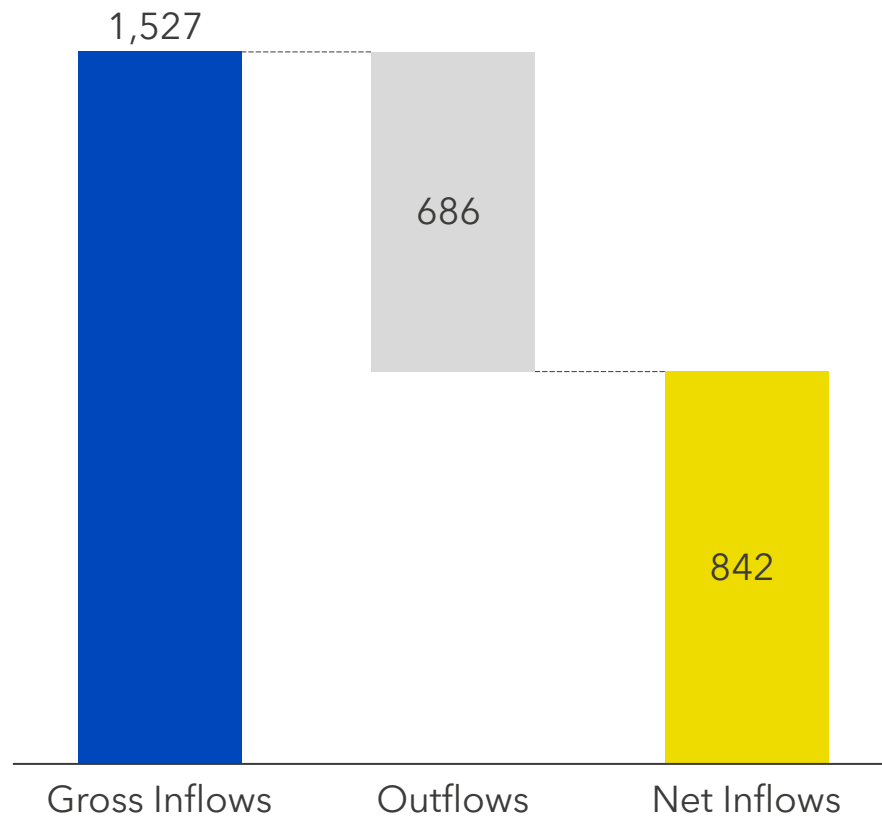
# ASSET MANAGEMENT NET INFLOWS

## POSITIVE NET FLOWS THANKS TO MULTICLASS CLASS III PRODUCTS

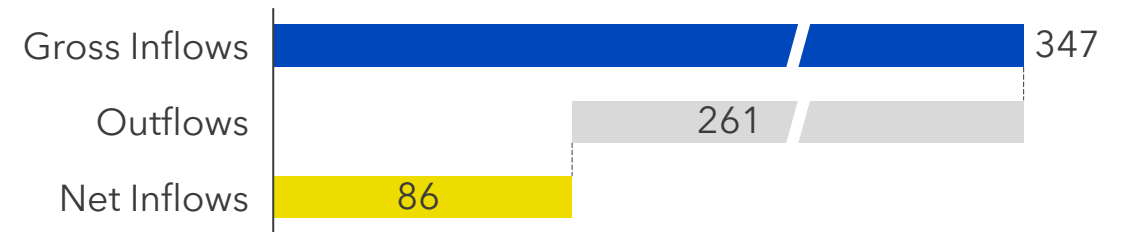
€ m unless  
otherwise stated



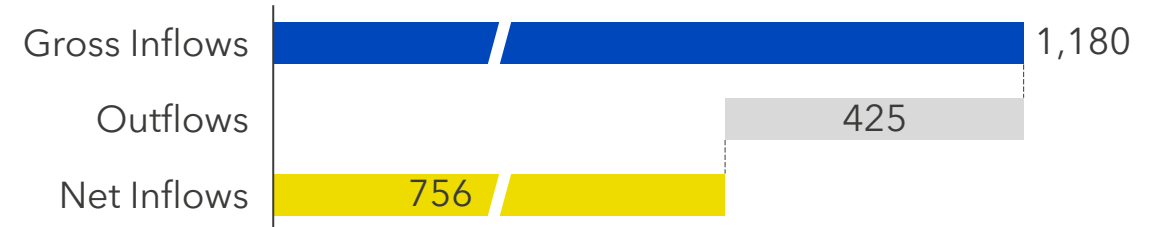
### TOTAL NET FLOWS Q2-23



### MULTICLASS CLASS<sup>1</sup> III & UNIT LINKED



### MUTUAL FUNDS



# BANCOPOSTA: SOLID AND EFFICIENT CAPITAL POSITION

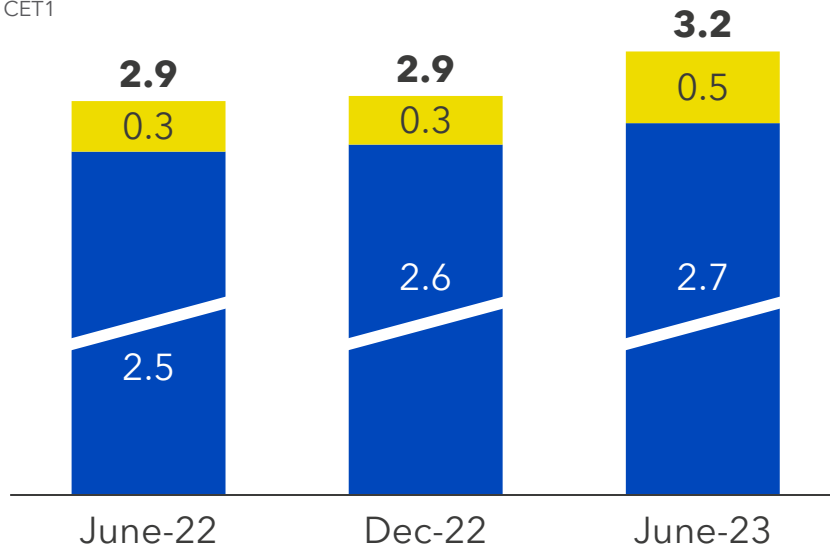
## AN ASSET GATHERER WITH A CAPITAL LIGHT BALANCE SHEET



### LEVERAGE RATIO (%)

AT1

CET1


BALANCE SHEET  
EXPOSURE (€ BN)

103.1

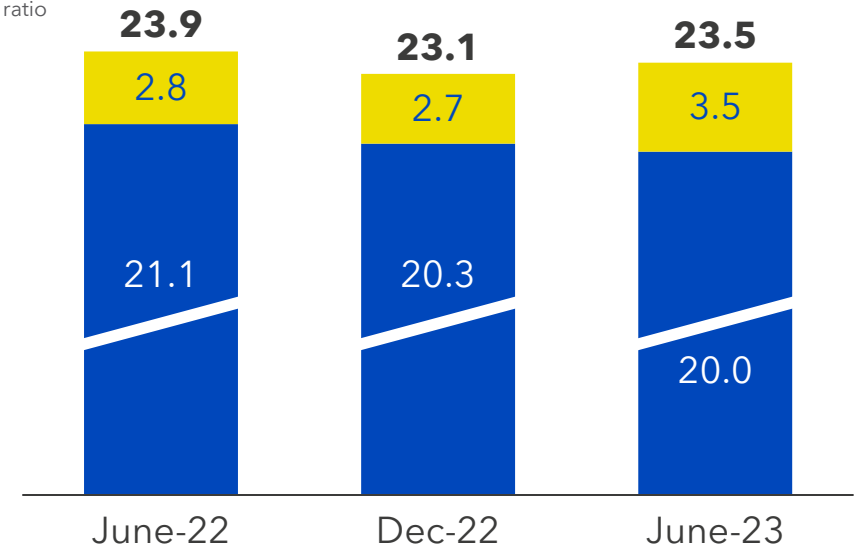
101.7

95.6

### TOTAL CAPITAL RATIO (%)

AT1 ratio

CET1 ratio



RWA (€ BN)

12.3

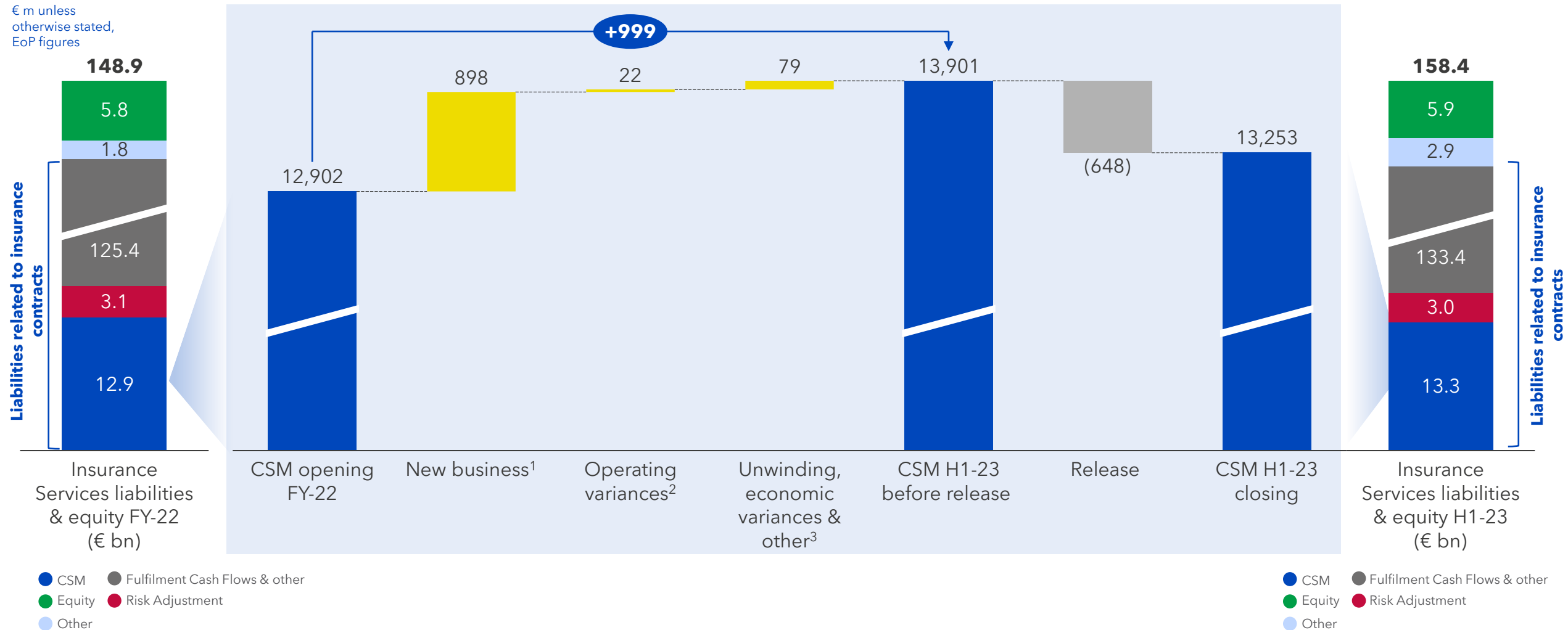
12.9

13.0

# CONTRACTUAL SERVICE MARGIN EVOLUTION

## €13.3BN OF CSM SUPPORTING SUSTAINABLE PROFITABILITY GOING FORWARD

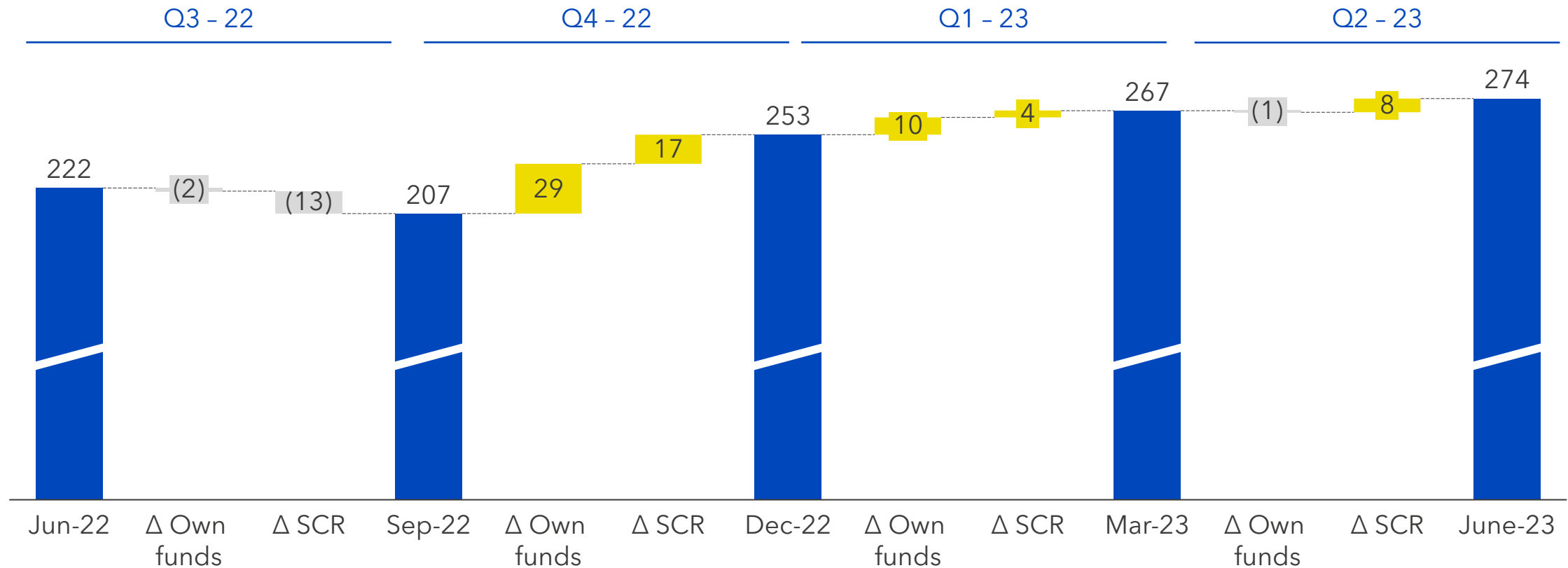
€ m unless  
otherwise stated,  
EoP figures



**1.** CSM of the business issued over the reporting period; **2.** Impact of non-financial assumptions in future cash flow projections; **3.** Impact from i) changes in real world interest rates on VFA (Variable Fee Approach) business and ii) changes in lock-in rates for BBA (Building Block Approach) business

# INSURANCE SERVICES

## SOLVENCY II EVOLUTION



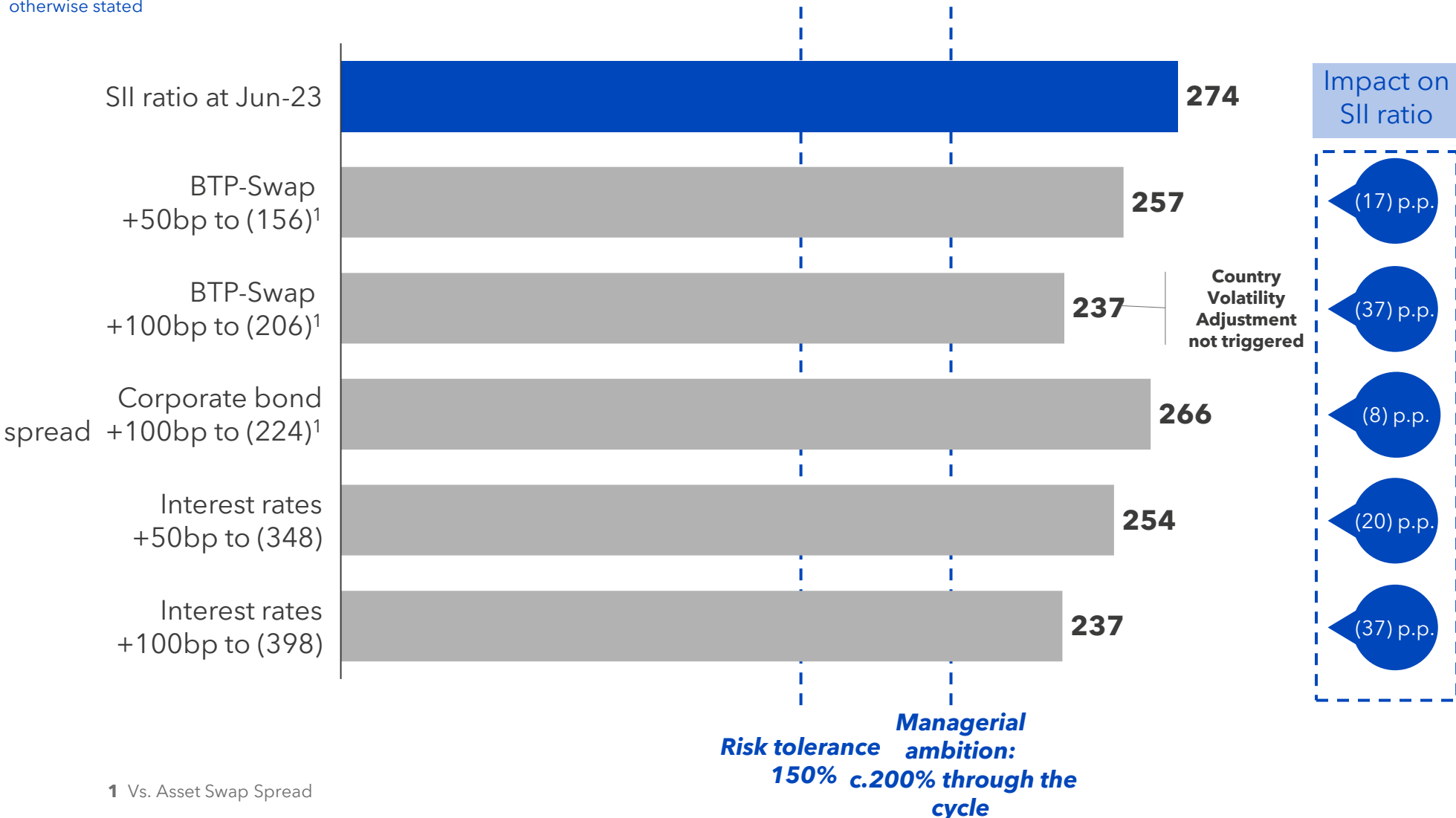
SWAP (BP)	219	308	320	296	298
BTP-SWAP SPREAD (BP)	109	144	151	114	106
V.A. CURR. (BP)	25	17	19	20	21



# SOLVENCY II RATIO SENSITIVITIES

## RATIOS WELL ABOVE RISK TOLERANCE UNDER SIMULATED SCENARIOS

% unless  
otherwise stated



<sup>1</sup> Vs. Asset Swap Spread

## Q2 HIGHLIGHTS

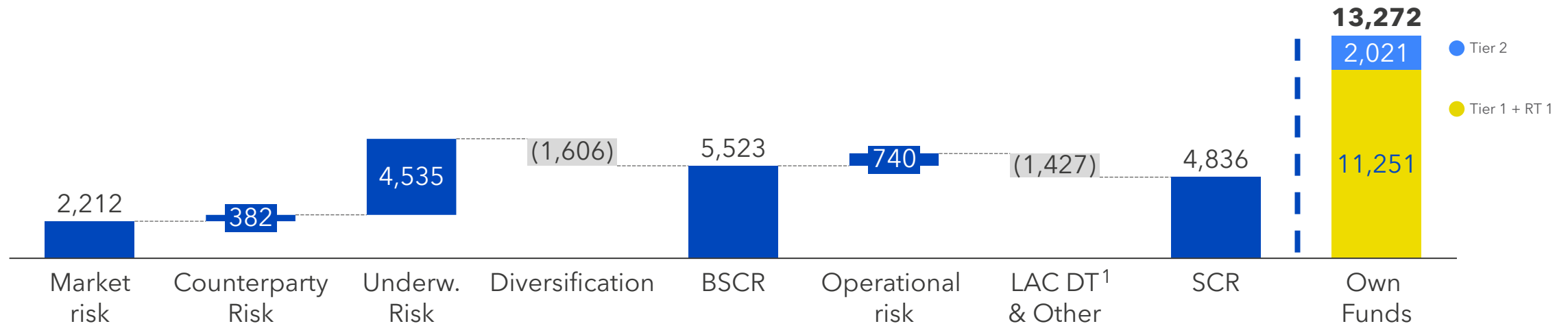
- Solvency II ratio sensitivity to BTP-Swap spread (+100bp):
  - (129) p.p. as of Dec-20
  - (98) p.p. as of Dec-21
  - (71) p.p. as of Mar-22
  - (60) p.p. as of Jun-22
  - (34) p.p. as of Sep-22
  - (29) p.p. as of Dec-22
  - (43) p.p. as of Mar-23
  - (37) p.p. as of Jun-23 (CVA not triggered)
- Solvency II ratio sensitivity to Swap rate (+100bp):
  - (42) p.p. as of Jun-22
  - (27) p.p. as of Sep-22
  - (32) p.p. as of Dec-22
  - (35) p.p. as of Mar-23
  - (37) p.p. as of Jun-23

# INSURANCE SERVICES

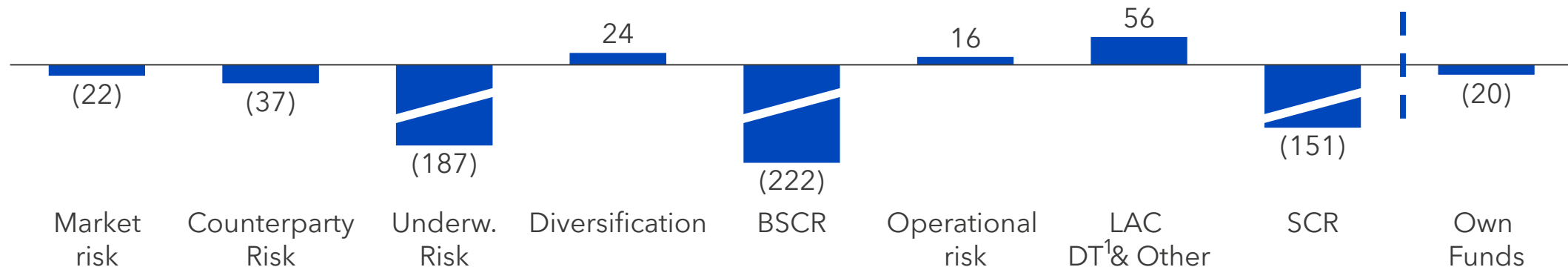
## SOLVENCY II OWN FUNDS TIERING AND SOLVENCY CAPITAL REQUIREMENTS

€ m unless  
otherwise stated

### SOLVENCY II CAPITAL AND SOLVENCY II CAPITAL REQUIREMENT BREAKDOWN



### CHANGE VS MARCH 2023



1. Loss Absorbing Capacity of deferred taxes ("LAC DT")

# INSURANCE SERVICES GWP

## GROWTH SUPPORTED BY SOLID COMMERCIAL ACTIVITY

€ m unless  
otherwise stated



LIFE



P&C

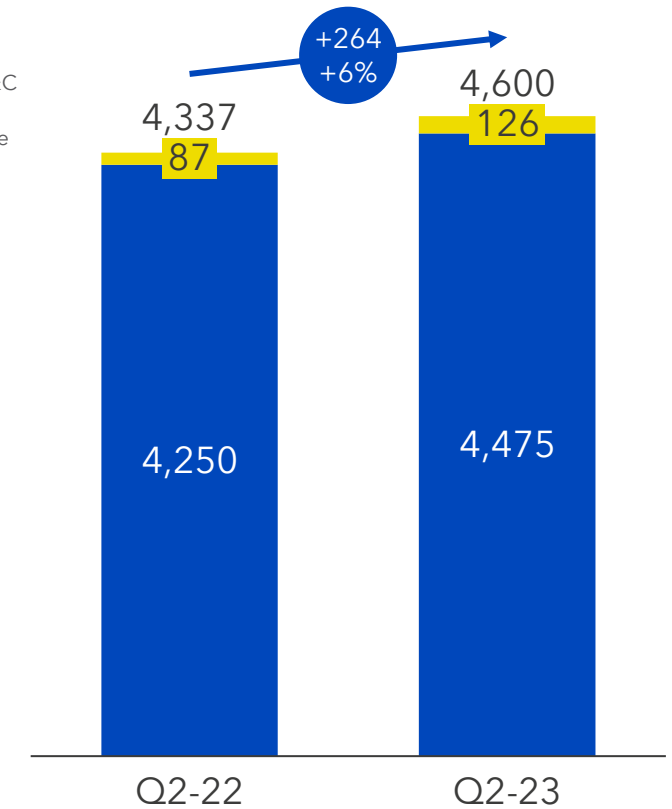
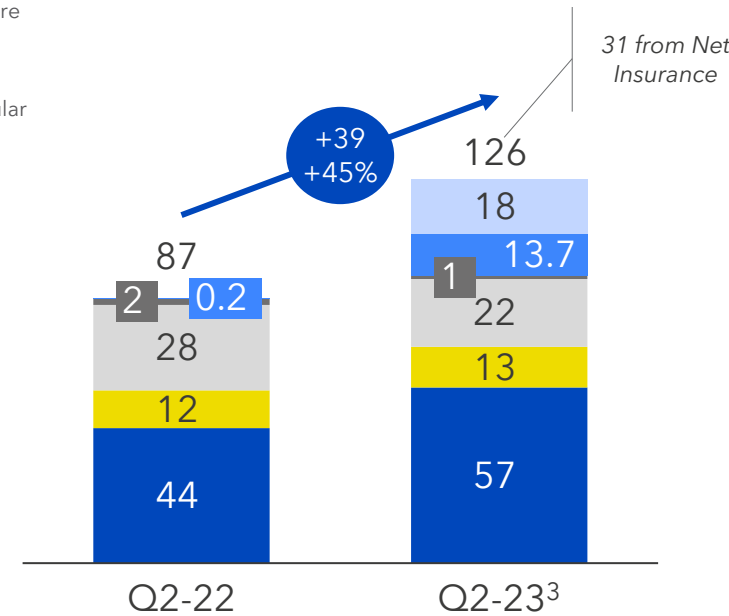
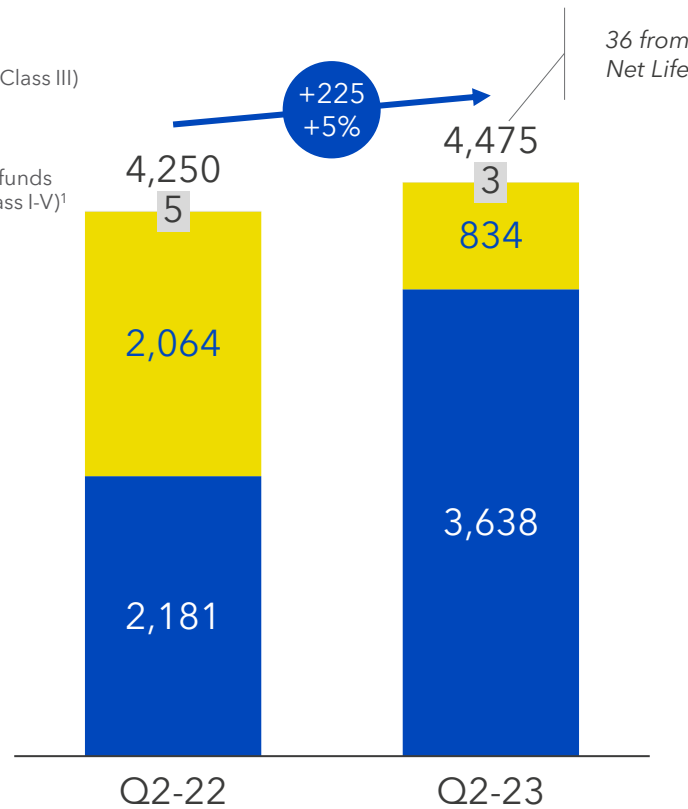


TOTAL

- Unit Linked (Class III)
- Multiclass
- Segregated funds products (class I-V)<sup>1</sup>

- Other
- Salary - backed Loan
- Intersegment<sup>2</sup>
- Welfare
- CPI
- Modular

- P&C
- Life



Multiclass (% of life GWP)

Q2-22	Q2-23
49	19

o.w. Protection GWP<sup>4</sup>

Q2-22	Q2-23
108	190

**1.** Includes 28 of life protection, 212 of PPP and 36 of Net Life in Q2-23; **2.** Includes P&C Intercompany contracts and Life P&C Integration; **3.** Includes 31 of Net Insurance of which 18 products sold via third parties (Other) and 13.5 salary-backed loans; **4.** Protection includes total P&C and Life Protection (Class I-IV), 67 related to Net Insurance in Q2-23 and H1-23

# INSURANCE SERVICES RESERVES

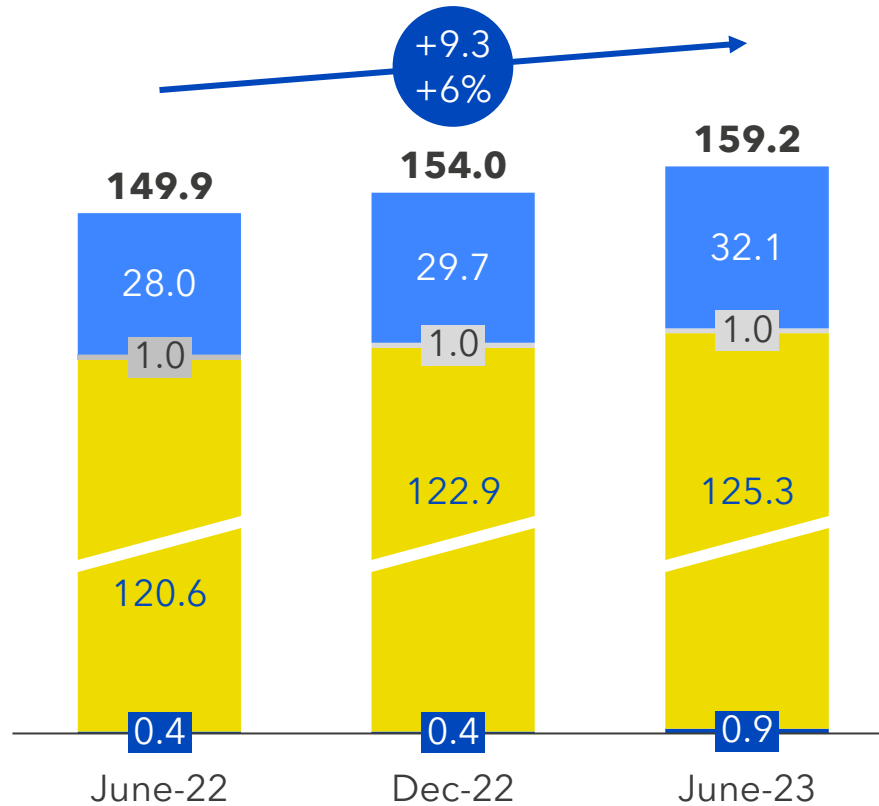
## STRONG NET INFLOWS OUTPERFORMING THE MARKET

€ bn unless  
otherwise stated

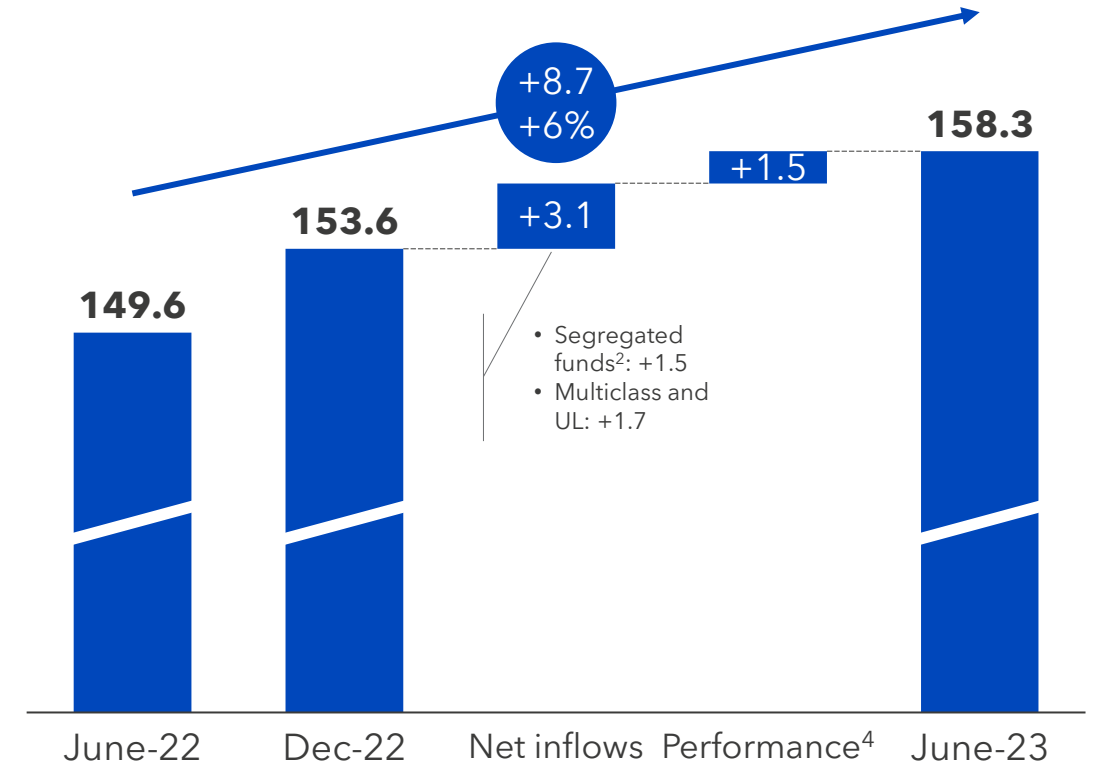


### TOTAL INSURANCE RESERVES<sup>1</sup>

- Multiclass
- Unit linked (Class III)
- Segregated fund products (class I-V)<sup>2</sup>
- P&C



### LIFE INSURANCE RESERVES EVOLUTION<sup>3</sup>



<sup>1</sup>. EoP figures, 2022 Insurance Reserves restated to exclude the Deferred Policyholders' Liabilities "DPL" (-14bn as of Dec-22), in line with local GAAP. Includes non-life insurance reserves; <sup>2</sup>. Includes life protection and PPP; <sup>3</sup>. EoP figure; <sup>4</sup>. Includes interests, upfront fees and other minor items

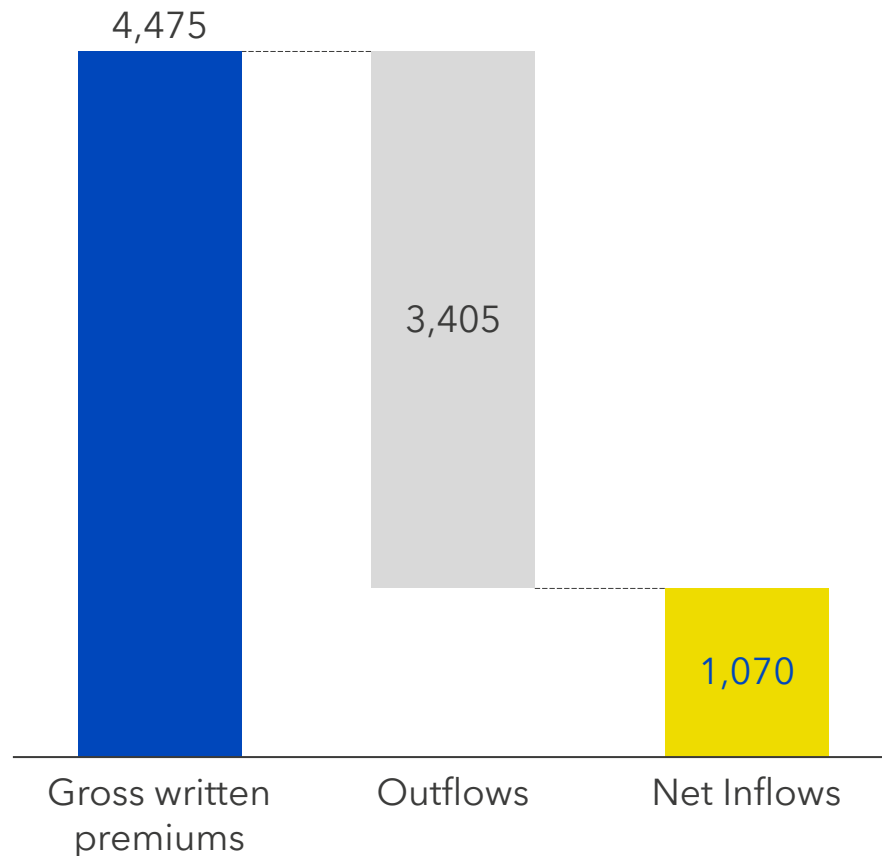
# INSURANCE SERVICES NET INFLOWS

## POSITIVE NET FLOWS ACROSS ALL PRODUCTS

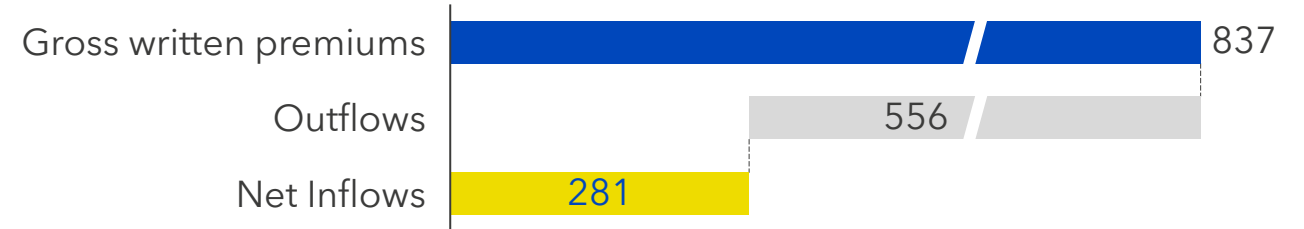
€ m unless  
otherwise stated



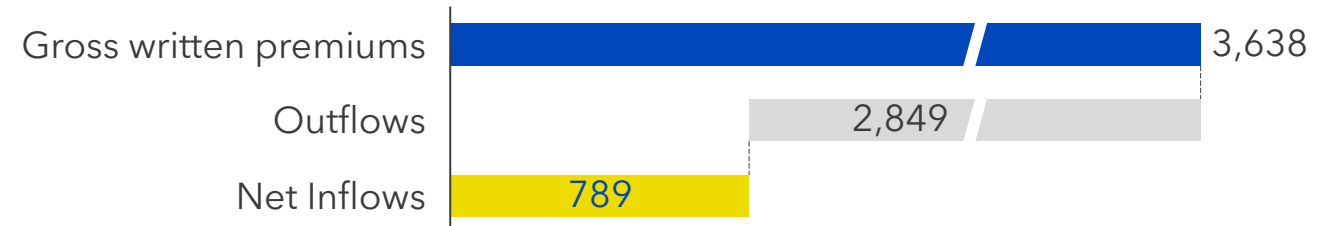
### TOTAL NET FLOWS Q2-23



### MULTICLASS & UNIT LINKED<sup>1</sup>



### CLASS I<sup>2</sup>



1. Including original Class I premiums shifted to Class III in accordance with contractual clauses; 2. Includes life protection and PPP

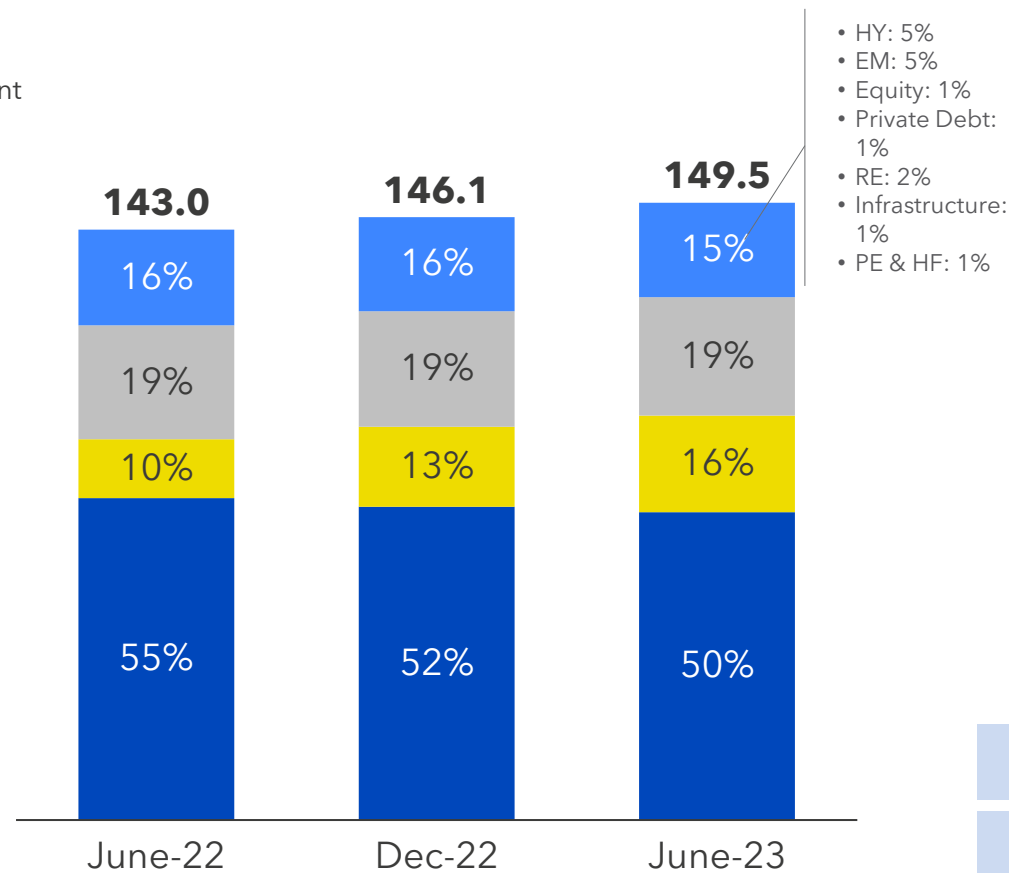
# INSURANCE SERVICES

## INVESTMENT PORTFOLIO ONGOING DIVERSIFICATION



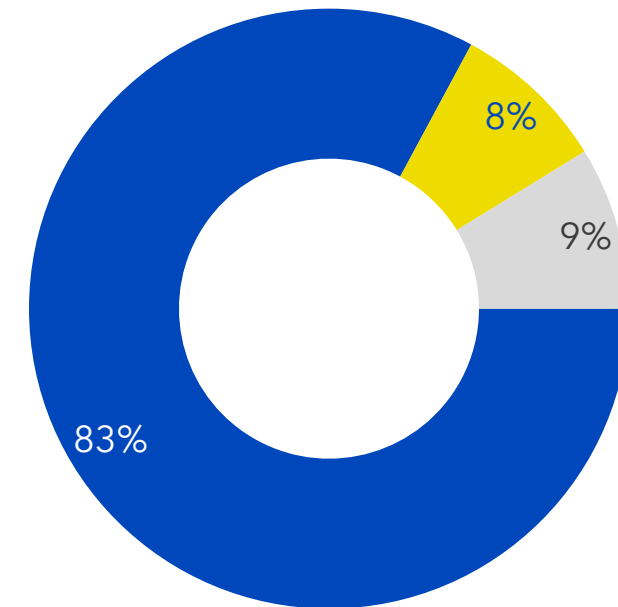
### INVESTMENT PORTFOLIO BREAKDOWN<sup>1</sup>

Total investment portfolio (€ bn)



### BOND PORTFOLIO BREAKDOWN BY COUPON TYPE

- Fixed
- Floating
- Inflation linked



	H1-22	FY-22	Q1-23	H1-23	Var (bp) H1-23 vs Q1-23
Minimum guaranteed return (Class I) (%)	0.56	0.54	0.53	0.52	(1) bp
Segregated Fund return (%)	2.58	2.59	2.27	2.51	+24 bp

1. Includes financial assets covering Class I technical provisions and free surplus investments according to local GAAP

# PAYMENTS & MOBILE KEY METRICS

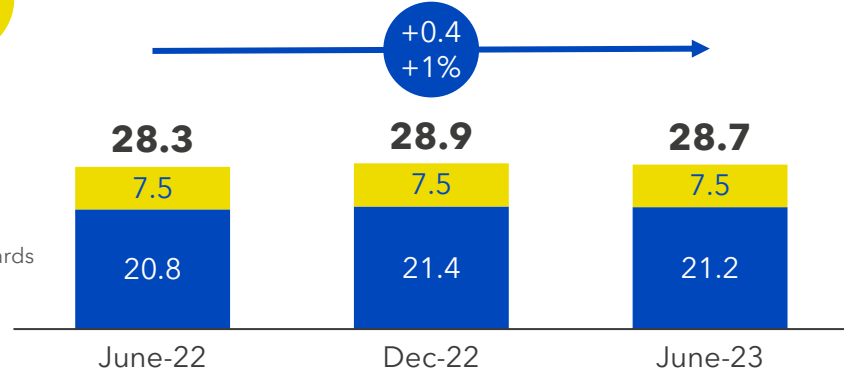
## STEADY INCREASE ACROSS KEY METRICS

€ m unless  
otherwise  
stated



### CARD STOCK<sup>1</sup> (#)

Debit cards  
Postepay cards

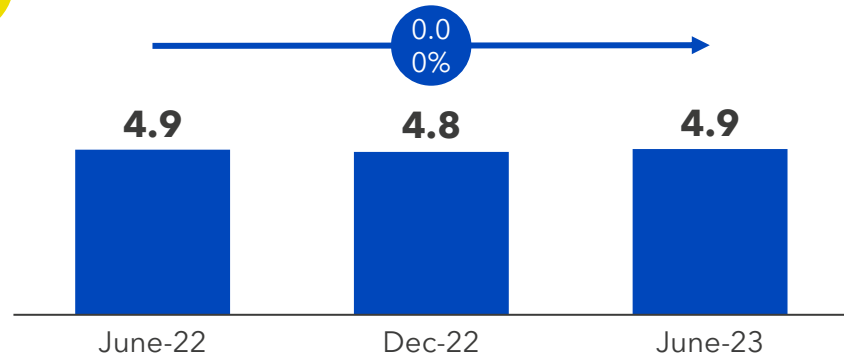


Postepay  
Evolution stock

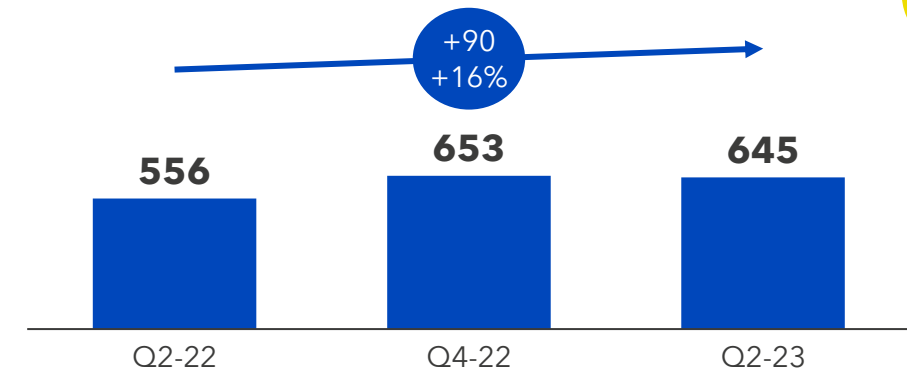
8.8 → +10% → 9.7



### MOBILE & LAND LINE, STOCK (#)



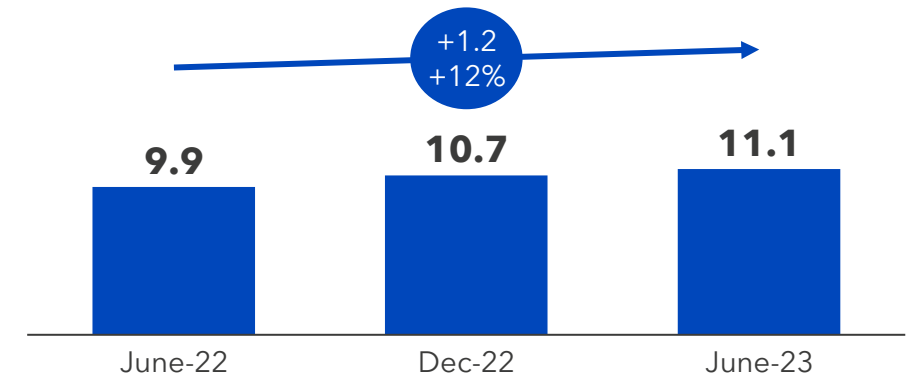
### TOTAL CARD TRANSACTIONS (#)<sup>2</sup>



Of which e-commerce<sup>3</sup>

140 → 20% → 167

### POSTE ITALIANE DIGITAL E-WALLETS (#)<sup>4</sup>



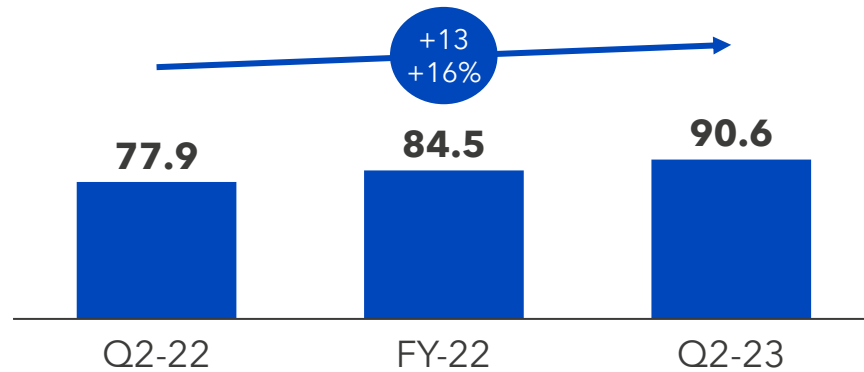
1. Including social measures related cards; 2. Including payments, top-ups and withdrawals; 3. Includes e-commerce and web transactions on Poste Italiane channels; 4. An innovative electronic tool associated to a single customer, able to authorize in app payment transactions

# POSTE ITALIANE DIGITAL FOOTPRINT

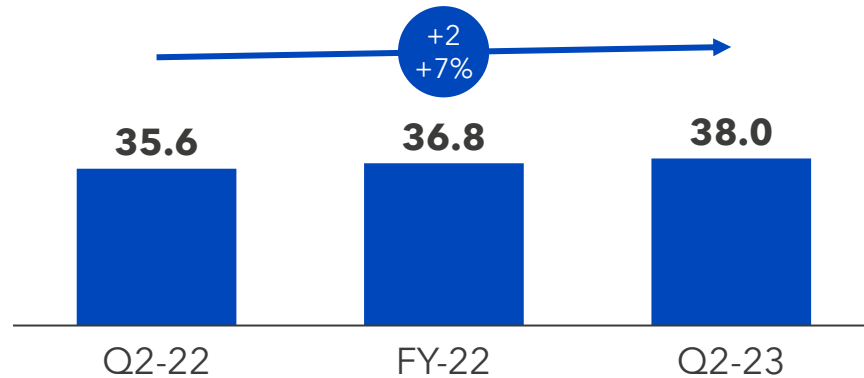
## KEY METRICS CONSTANTLY IMPROVING



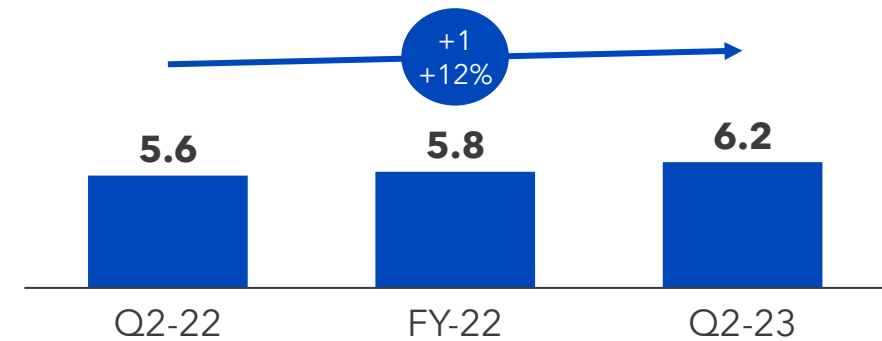
### CUMULATED APP DOWNLOADS (# M)<sup>1</sup>



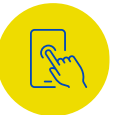
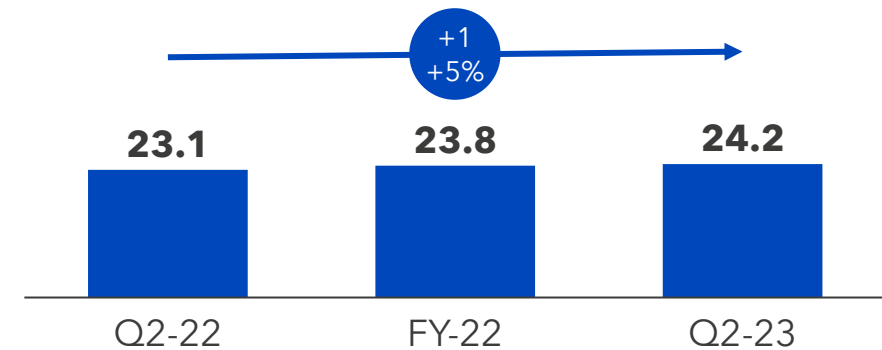
### REGISTERED ONLINE USERS (# M)



### DAILY ONLINE USERS (# M)



### ELECTRONIC IDENTIFICATION STOCK (# M)<sup>2</sup>



1. Source: App stores (iOS and Android); 2. Electronic identification refers to number of ID outstanding



# POSTEPAY PAYMENTS TRANSACTION VALUE

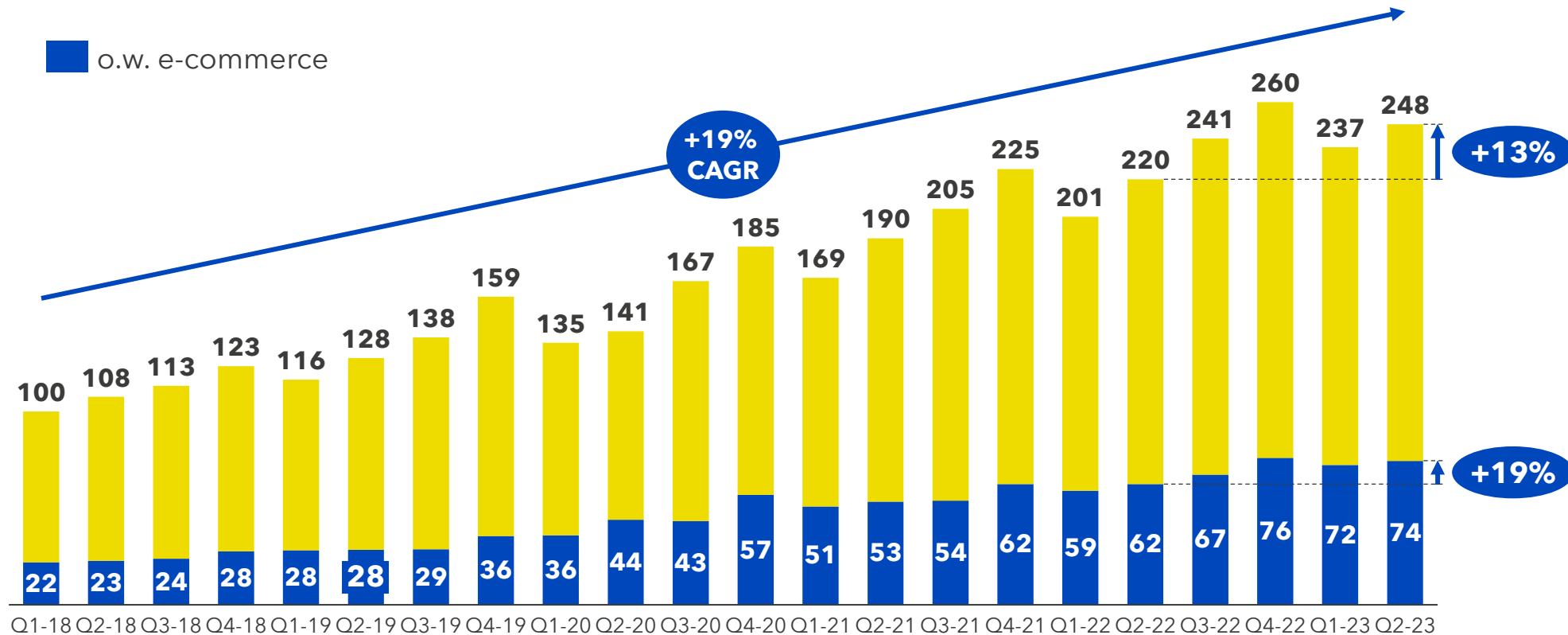
## STEADY INCREASE IN E-COMMERCE TRANSACTIONS



POSTEPAY TRANSACTION VALUE (BASE 100)<sup>1</sup>



o.w. e-commerce



## HIGHLIGHTS

- Postepay payment transaction value up strongly, Q2-23 +13% Y/Y supported by strong e-commerce growth (+19%)
- Further room for growth expected thanks to low penetration of digital payments in Italy (38%<sup>2</sup> in 2021)

1. Refers to PostePay SpA transaction value; 2. Osservatorio Innovative Payments

# INTERSEGMENT COSTS AS OF Q2-23

## INTERSEGMENT DYNAMICS' KEY DRIVERS

€ m unless  
otherwise stated

MAIN RATIONALE		INDICATIVE MAIN REMUNERATION SCHEME	2Q-22	2Q-23
• <b>Payments and Mobile remunerates:</b>				
a)	<b>Mail, Parcel and Distribution</b> for providing IT, delivery volume, promoting and selling SIMs and energy contracts and other corporates services <sup>1</sup> ;	a) Number of payment transactions flat fee (depending on the product)	a) 58	a) 61
b)	<b>Financial Services</b> for promoting and selling card payments and other payments (e.g. tax payments) throughout the network;	b) Fixed % of revenues	b) 63	b) 63
			<b>Total: 121</b>	<b>Total: 124</b>
• <b>Insurance Services remunerates:</b>				
c)	<b>Financial Services</b> for promoting and selling insurance products <sup>2</sup> and for investment management services <sup>3</sup> ;	c) Fixed % of upfront fees	c) 144	c) 172
d)	<b>Mail, Parcel and Distribution</b> for providing corporate services <sup>1</sup> ;	d) Depending on service/product	d) 21	d) 25
			<b>Total: 165</b>	<b>Total: 197</b>
Insurance Services reported intersegment costs under <b>IFRS17</b> , remunerating MPD only <sup>4</sup>			<b>Total: 7</b>	<b>Total: 9</b>
• <b>Financial Services remunerates:</b>				
e)	<b>Mail, Parcel and Distribution</b> for promoting and selling Financial, Insurance and PMD products throughout the network and for proving corporate services <sup>5</sup> ;	e) Fixed % (depending on the product) of revenues	e) 1,136	e) 1,190
f)	<b>Payments &amp; Mobile</b> for providing certain payment services <sup>6</sup>	f) Depending on service/product	f) 54	f) 45
			<b>Total: 1,189<sup>7</sup></b>	<b>Total: 1,235<sup>7</sup></b>
• <b>Mail, Parcel and Distribution remunerates:</b>				
g)	<b>Payments &amp; Mobile</b> for acquiring services and postman electronic devices	g) Annual fee	g) 8	g) 8
h)	<b>Financial Services</b> as distribution fees related to "Bollettino DTT"	h) Flat fee for each "Bollettino"	h) 0	h) 0
			<b>Total: 8</b>	<b>Total: 8</b>

**1.** Corporate Services such as communication, anti money laundering, IT, back office and call centres; **2.** Which, in turn, remunerates Mail, Parcel and Distribution; **3.** Investment management services provided by BancoPosta Fondi SGR; **4.** Under IFRS17 costs directly attributable to insurance policies - incl. distribution costs to remunerate Poste Italiane network - are attributed to Insurance Services' revenues; **5.** E.g. Corporate services are remunerated according to number of allocated FTEs, volumes of letters sent and communication costs; **6.** E.g. "Bollettino"; **7.** Excluding interest charges

# POSTE ITALIANE'S SUSTAINABILITY PATH

## SUCCESSFULLY PROGRESSING ON OUR INTEGRATED STRATEGY

**INCLUDED IN 17 ESG INDICES SINCE 2017, 20 AWARDS RECEIVED, >2X BRAND VALUE**

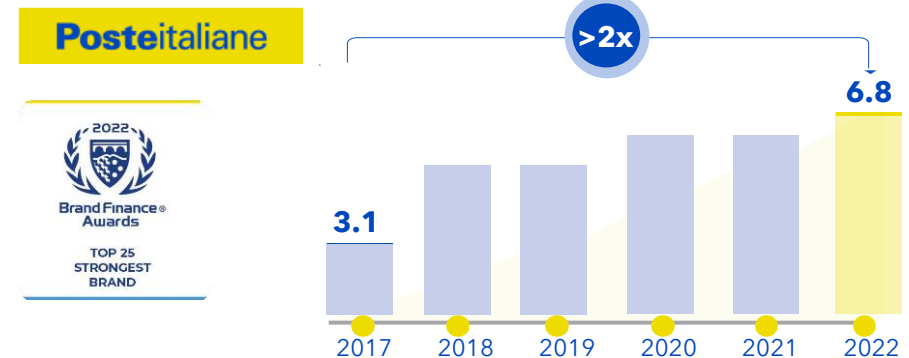
**POLIS PROJECT CONTRIBUTING TO SOCIAL COHESION**

17

### Indices & Ratings

Brand Value<sup>1</sup> (€bn)

6.8



20

### Awards



Polis project investment (€bn)

>1.1<sup>2</sup>

Selected indices, ratings and awards; <sup>1</sup>. Source: Brand Finance Italy 100 2022;

<sup>2</sup>. Polis project was approved by Decree Law 59/2021 and funded with €0.8bn from the Complementary Fund of the National Recovery and Resilience Plan

# CONSOLIDATED ACCOUNTS

## PROFIT & LOSS

€m	Q2-22	Q2-23	Var.	Var. %	H1-22	H1-23	Var.	Var. %
<b>Total revenues</b>	<b>2,771</b>	<b>3,007</b>	<b>+236</b>	<b>+9%</b>	<b>5,588</b>	<b>6,050</b>	<b>+463</b>	<b>+8%</b>
of which:								
Mail, Parcel and Distribution	904	1,002	+99	+11%	1,805	1,895	+91	+5%
Financial Services	1,194	1,252	+58	+5%	2,505	2,666	+161	+6%
Insurance Services	423	379	(44)	(10%)	796	772	(24)	(3%)
Payments and Mobile	250	374	+124	+49%	482	717	+235	+49%
<b>Total costs</b>	<b>2,044</b>	<b>2,208</b>	<b>+163</b>	<b>+8%</b>	<b>4,171</b>	<b>4,484</b>	<b>+313</b>	<b>+8%</b>
of which:								
Total personnel expenses	1,162	1,196	+34	+3%	2,386	2,432	+46	+2%
<i>of which personnel expenses</i>	<i>1,163</i>	<i>1,196</i>	<i>+33</i>	<i>+3%</i>	<i>2,388</i>	<i>2,427</i>	<i>+39</i>	<i>+2%</i>
<i>of which early retirement incentives</i>	<i>3</i>	<i>(0)</i>	<i>(3)</i>	<i>n.m</i>	<i>5</i>	<i>4</i>	<i>(1)</i>	<i>(26%)</i>
<i>of which legal disputes with employees</i>	<i>(4)</i>	<i>0</i>	<i>+5</i>	<i>n.m</i>	<i>(7)</i>	<i>0</i>	<i>+8</i>	<i>n.m</i>
Other operating costs	685	802	+118	+17%	1,409	1,635	+227	+16%
Depreciation, amortisation and impairments	197	209	+12	+6%	376	417	+41	+11%
<b>EBIT</b>	<b>727</b>	<b>799</b>	<b>+72</b>	<b>+10%</b>	<b>1,417</b>	<b>1,566</b>	<b>+150</b>	<b>+11%</b>
EBIT Margin	+26%	+27%			+25%	+26%		
Finance income/(costs) and profit/(loss) on investments accounted for using the equity method	(15)	55	+69	n.m	4	65	+60	n.m
<b>Profit before tax</b>	<b>713</b>	<b>854</b>	<b>+141</b>	<b>+20%</b>	<b>1,421</b>	<b>1,631</b>	<b>+210</b>	<b>+15%</b>
Income tax expense	221	253	+33	+15%	436	491	+55	+13%
<b>Profit for the period</b>	<b>492</b>	<b>601</b>	<b>+109</b>	<b>+22%</b>	<b>985</b>	<b>1,140</b>	<b>+155</b>	<b>+16%</b>

# CONSOLIDATED ACCOUNTS – SEGMENT VIEW

## H1-23 PROFIT & LOSS

€m	Mail, Parcels & Distribution	Payment & Mobile	Financial Services	Insurance Services	Adjustments & eliminations <sup>1</sup>	Total
External Revenues	1,895	717	2,666	772	0	6,050
Intersegment Revenues	2,655	132	453	(82)	(3,157)	0
<b>TOTAL REVENUES</b>	<b>4,550</b>	<b>849</b>	<b>3,119</b>	<b>690</b>	<b>(3,157)</b>	<b>6,050</b>
Labour cost	2,609	27	24	4	(232)	2,432
COGS	1,186	340	18	5	(32)	1,517
Other Costs	86	9	40	0	0	135
Capitalised Costs and Expenses	(27)	(1)	0	0	0	(27)
Impairment Loss/(Reversal) on debt instruments, receivables and other assets	(1)	6	6	0	0	11
Intersegment Costs	16	249	2,576	15	(2,856)	(0)
<b>TOTAL COST</b>	<b>3,869</b>	<b>631</b>	<b>2,663</b>	<b>24</b>	<b>(3,120)</b>	<b>4,067</b>
D&A	434	18	0	2	(38)	417
<b>EBIT</b>	<b>247</b>	<b>199</b>	<b>456</b>	<b>664</b>	<b>(0)</b>	<b>1,566</b>
Finance income/(cost)	10	14	8	33	(0)	65
<b>PBT</b>	<b>257</b>	<b>214</b>	<b>464</b>	<b>697</b>	<b>(0)</b>	<b>1,631</b>
Tax cost/(income)	67	70	128	226	0	491
<b>NET PROFIT</b>	<b>190</b>	<b>144</b>	<b>337</b>	<b>471</b>	<b>(0)</b>	<b>1,140</b>

1. IFRS17 requires the attribution of costs directly attributable to insurance policies – incl. distribution costs to remunerate Poste Italiane network – to Insurance Services' revenues. To ensure full elimination of intersegment costs we make an adjustment at Group level, allocating such costs to Labour costs, COGS and D&A

# MAIL, PARCEL & DISTRIBUTION

## PROFIT & LOSS

€m	Q2-22	Q2-23	Var.	Var. %	H1-22	H1-23	Var.	Var. %
Segment revenue	904	1,002	+99	+11%	1,805	1,895	+91	+5%
Intersegment revenue	1,212	1,273	+60	+5%	2,481	2,655	+174	+7%
<b>Total revenues</b>	<b>2,116</b>	<b>2,275</b>	<b>+159</b>	<b>+8%</b>	<b>4,286</b>	<b>4,550</b>	<b>+264</b>	<b>+6%</b>
Personnel expenses	1,237	1,283	+46	+4%	2,537	2,609	+72	+3%
<i>of which personnel expenses</i>	1,234	1,283	+49	+4%	2,532	2,605	+73	+3%
<i>of which early retirement incentives</i>	3	0	(3)	n.m	5	4	(2)	(31%)
Other operating costs	578	608	+30	+5%	1,188	1,244	+56	+5%
Intersegment costs	8	8	+0	+1%	22	16	(6)	(27%)
<b>Total costs</b>	<b>1,823</b>	<b>1,898</b>	<b>+75</b>	<b>+4%</b>	<b>3,747</b>	<b>3,869</b>	<b>+122</b>	<b>+3%</b>
<b>EBITDA</b>	<b>293</b>	<b>376</b>	<b>+83</b>	<b>+28%</b>	<b>539</b>	<b>682</b>	<b>+143</b>	<b>+26%</b>
Depreciation, amortisation and impairments	206	217	+11	+5%	397	434	+38	+10%
<b>EBIT</b>	<b>87</b>	<b>159</b>	<b>+73</b>	<b>+84%</b>	<b>142</b>	<b>247</b>	<b>+105</b>	<b>+74%</b>
EBIT MARGIN	+4%	+7%			+3%	+5%		
Finance income/(costs)	1	21	+20	n.m	4	10	+6	n.m
<b>Profit/(Loss) before tax</b>	<b>88</b>	<b>180</b>	<b>+92</b>	<b>n.m</b>	<b>146</b>	<b>257</b>	<b>+111</b>	<b>+76%</b>
Income tax expense	32	31	(1)	(3%)	59	67	+8	+13%
<b>Profit for the period</b>	<b>55</b>	<b>148</b>	<b>+93</b>	<b>n.m</b>	<b>87</b>	<b>190</b>	<b>+103</b>	<b>n.m</b>

# FINANCIAL SERVICES

## PROFIT & LOSS

€m	Q2-22	Q2-23	Var.	Var. %	H1-22	H1-23	Var.	Var. %
Segment revenue	1,194	1,252	+58	+5%	2,505	2,666	+161	+6%
Intersegment revenue	201	219	+18	+9%	398	453	+55	+14%
<b>Total revenues</b>	<b>1,396</b>	<b>1,471</b>	<b>+75</b>	<b>+5%</b>	<b>2,903</b>	<b>3,119</b>	<b>+216</b>	<b>+7%</b>
Personnel expenses	10	12	+2	+17%	21	24	+3	+16%
<i>of which personnel expenses</i>	10	12	+2	+16%	21	24	+3	+15%
<i>of which early retirement incentives</i>	0	0	+0	n.m.	0	0	+0	n.m.
Other operating costs	23	25	+2	+8%	49	63	+14	+29%
Depreciation, amortisation and impairments	0	0	(0)	(49%)	0	0	(0)	(48%)
Intersegment costs	1,189	1,235	+45	+4%	2,429	2,576	+147	+6%
<b>Total costs</b>	<b>1,223</b>	<b>1,271</b>	<b>+49</b>	<b>+4%</b>	<b>2,499</b>	<b>2,663</b>	<b>+164</b>	<b>+7%</b>
<b>EBIT</b>	<b>173</b>	<b>200</b>	<b>+27</b>	<b>+15%</b>	<b>404</b>	<b>456</b>	<b>+52</b>	<b>+13%</b>
EBIT MARGIN	12%	14%			14%	15%		
Finance income/(costs)	(27)	7	+34	n.m.	(22)	8	+30	n.m.
<b>Profit/(Loss) before tax</b>	<b>146</b>	<b>207</b>	<b>+61</b>	<b>+42%</b>	<b>382</b>	<b>464</b>	<b>+82</b>	<b>+21%</b>
Income tax expense	48	57	+9	+19%	113	128	+14	+13%
<b>Profit for the period</b>	<b>98</b>	<b>150</b>	<b>+52</b>	<b>+53%</b>	<b>269</b>	<b>337</b>	<b>+67</b>	<b>+25%</b>

# INSURANCE SERVICES

## PROFIT & LOSS

€m	Q2-22	Q2-23	Var.	Var. %	H1-22	H1-23	Var.	Var. %
Segment revenue	423	379	(44)	(10%)	796	772	(24)	(3%)
Intersegment revenue	(35)	(33)	+1	+4%	(73)	(82)	(9)	(13%)
<b>Total revenues</b>	<b>388</b>	<b>345</b>	<b>(43)</b>	<b>(11%)</b>	<b>723</b>	<b>690</b>	<b>(33)</b>	<b>(5%)</b>
Personnel expenses	2	2	+0	+2%	3	4	+1	+36%
<i>of which personnel expenses</i>	2	2	+0	+2%	3	4	+1	+36%
<i>of which early retirement incentives</i>	0	0	+0	n.m	0	0	+0	n.m
Other operating costs	2	3	+1	+84%	3	5	+2	+69%
Depreciation, amortisation and impairments	1	1	(0)	(20%)	3	2	(1)	(43%)
Intersegment costs	7	9	+2	+31%	13	15	+2	+14%
<b>Total costs</b>	<b>12</b>	<b>15</b>	<b>+3</b>	<b>+26%</b>	<b>22</b>	<b>26</b>	<b>+4</b>	<b>+18%</b>
<b>EBIT</b>	<b>376</b>	<b>330</b>	<b>(46)</b>	<b>(12%)</b>	<b>701</b>	<b>664</b>	<b>(37)</b>	<b>(5%)</b>
EBIT MARGIN	97%	96%			97%	96%		
Finance income/(costs)	12	19	+7	+64%	23	33	+10	+43%
<b>Profit/(Loss) before tax</b>	<b>388</b>	<b>349</b>	<b>(39)</b>	<b>(10%)</b>	<b>724</b>	<b>697</b>	<b>(27)</b>	<b>(4%)</b>
Income tax expense	115	123	+8	+7%	215	226	+10	+5%
<b>Profit for the period</b>	<b>273</b>	<b>226</b>	<b>(47)</b>	<b>(17%)</b>	<b>508</b>	<b>471</b>	<b>(38)</b>	<b>(7%)</b>



# PAYMENTS & MOBILE

## PROFIT & LOSS

€m	Q2-22	Q2-23	Var.	Var. %	H1-22	H1-23	Var.	Var. %
Segment revenue	250	374	+124	+49%	482	717	+235	+49%
Intersegment revenue	69	65	(4)	(5%)	136	132	(4)	(3%)
<b>Total revenues</b>	<b>319</b>	<b>439</b>	<b>+120</b>	<b>+38%</b>	<b>618</b>	<b>849</b>	<b>+231</b>	<b>+37%</b>
Personnel expenses	7	13	+6	+86%	14	27	+12	+87%
<i>of which personnel expenses</i>	7	13	+6	+86%	14	27	+12	+87%
Other operating costs	96	183	+87	+90%	194	355	+161	+83%
Intersegment costs	121	124	+3	+3%	233	249	+17	+7%
<b>Total costs</b>	<b>224</b>	<b>320</b>	<b>+96</b>	<b>+43%</b>	<b>441</b>	<b>631</b>	<b>+190</b>	<b>+43%</b>
<b>EBITDA</b>	<b>95</b>	<b>120</b>	<b>+24</b>	<b>+25%</b>	<b>177</b>	<b>218</b>	<b>+41</b>	<b>+23%</b>
Depreciation, amortisation and impairments	4	9	+5	n.m	7	18	+11	+149%
<b>EBIT</b>	<b>91</b>	<b>111</b>	<b>+19</b>	<b>+21%</b>	<b>169</b>	<b>199</b>	<b>+30</b>	<b>+18%</b>
EBIT MARGIN	29%	25%			27%	23%		
Finance income/(costs)	0	8	+8	n.m	(0)	14	+14	n.m
<b>Profit/(Loss) before tax</b>	<b>91</b>	<b>119</b>	<b>+28</b>	<b>+30%</b>	<b>169</b>	<b>214</b>	<b>+45</b>	<b>+26%</b>
Income tax expense	26	42	+16	+62%	48	70	+22	+45%
<b>Profit for the period</b>	<b>66</b>	<b>77</b>	<b>+12</b>	<b>+18%</b>	<b>121</b>	<b>144</b>	<b>+23</b>	<b>+19%</b>

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