




POSTE ITALIANE


Q1-21 FINANCIAL RESULTS

ROME, MAY 12, 2021

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EXECUTIVE SUMMARY Q1-21



- SOLID FINANCIAL PERFORMANCE AS BUSINESS CONTINUES TO RECOVER
- POSITIVE COMMERCIAL TRENDS IN Q1-21 DESPITE EMERGENCY RELATED RESTRICTIONS & COSTS
- B2C VOLUMES DOUBLING YEAR ON YEAR
- TFA INFLOWS BOOSTED BY INSURANCE PRODUCTS
- STRONG GROWTH IN CARD PAYMENTS WITH INCREASING TRANSACTIONS
- STRATEGIC PILLAR FOR ITALY - STRONGER BRAND REPUTATION
- '2024 SUSTAIN & INNOVATE' EXECUTION WELL ON TRACK

Q1-21 RESULTS

STRONG START ON DELIVERING 24SI STRATEGY

€ m unless otherwise stated

	Q1-20 ¹	Q1-21	VAR.	VAR. (%)
REVENUES	2,671	2,933	+262	+9.8%
TOTAL COSTS	2,230	2,313	+82	+3.7%
EBIT	441	620	+180	+40.8%
NET PROFIT	306	447	+141	+46.0%

24SI EXECUTION UPDATE - ON TRACK



Mail & Parcel

- E-commerce from China boosted by JV with Sengi
- Integration with Nexive on track
- Newly automated hub (c.270k daily parcels)
- Logistic and IT expertise to support vaccinations (up to 37% of Italians)



Financial Services

- New "customer needs' model" to support advisors
- Tax credits purchase boosting financial products sale for retail and SME customers
- Remote advisory model implementation started with automated digital offer for postal savings



Insurance Services

- Half of GWP now multiclass products
- New product integrating life and protection
- Modular offer showing tangible signs of growth



Payments & Mobile

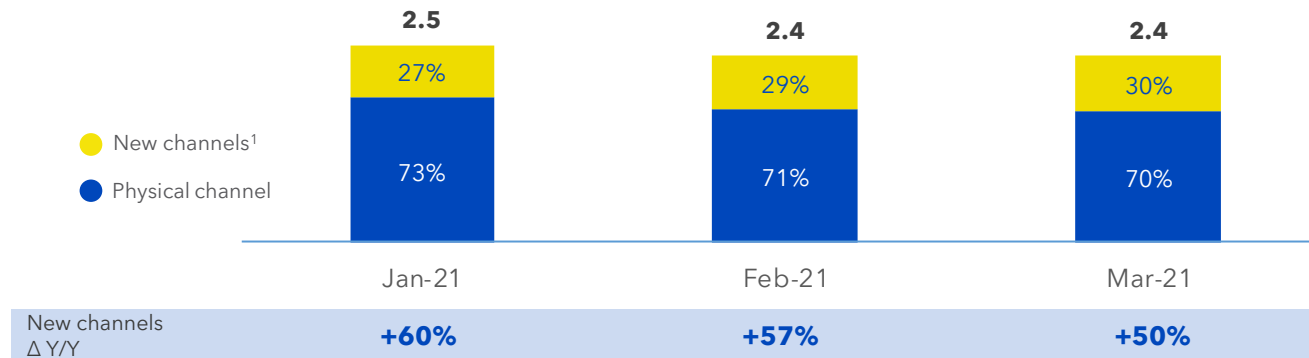
- 51% increase in e-commerce transactions supporting digital strategy
- Broadband commercial offer to be launched in May
- Wholesale telco contract to provide efficiencies from H2

BUSINESS TRENDS: MAIL, PARCEL & DISTRIBUTION



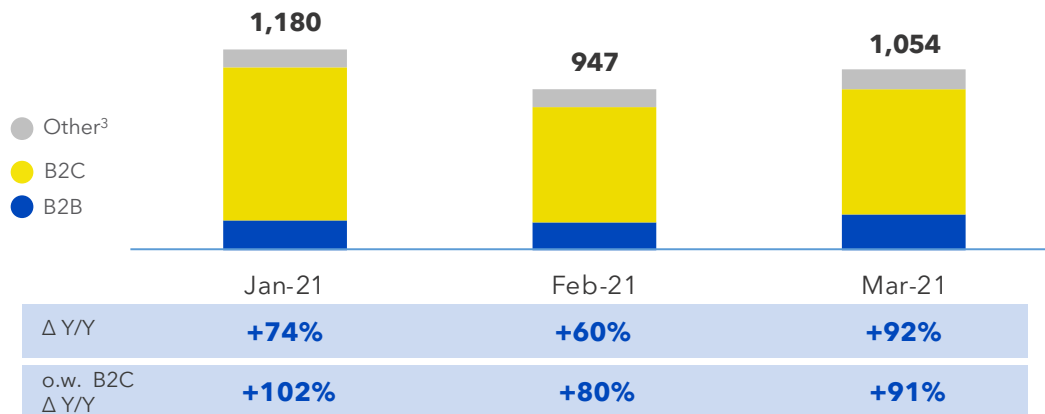
DISTRIBUTION CHANNELS

(DAILY AVG., M/ TRANSACTIONS)



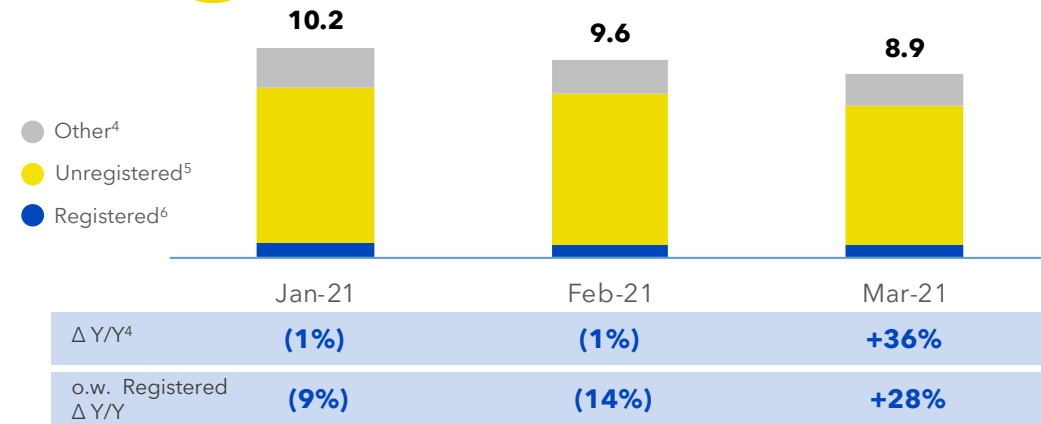
PARCEL VOLUMES²

(DAILY AVG., K/ PCS)



MAIL VOLUMES²

(DAILY AVG., M/ PCS)



1. Includes digital and third party networks 2. 2020 figures excluding Nexive 3. Includes C2X, International, other 4. Includes multichannel service, basic services, Postel, other integrated services 5. Includes unrecorded mail, direct marketing and editorial 6. Includes recorded mail and integrated services

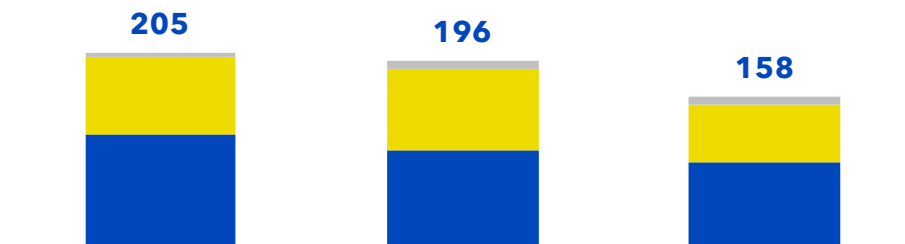
BUSINESS TRENDS: PAYMENTS & MOBILE, FINANCIAL & INSURANCE SERVICES



GROSS INVESTMENT INFLOWS

(DAILY AVG., €/M)

- Other
- Insurance products
- Postal bonds



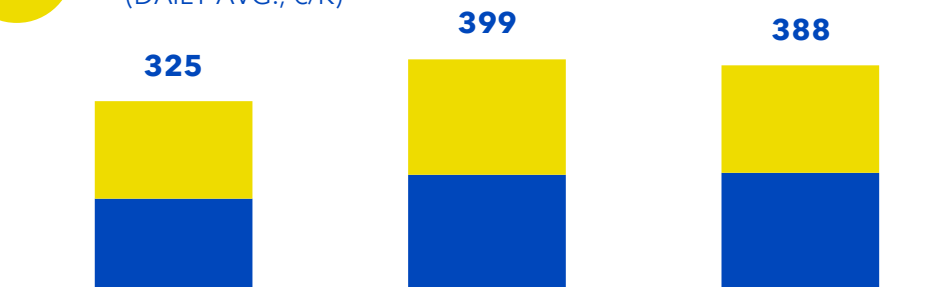
	Jan-21	Feb-21	Mar-21
Δ Y/Y	+12%	+19%	+148%
Retail net inflows (€ bn)	0.3	1.4	0



P&C RETAIL NEW BUSINESS

(DAILY AVG., €/K)

- Modular
- CPI¹

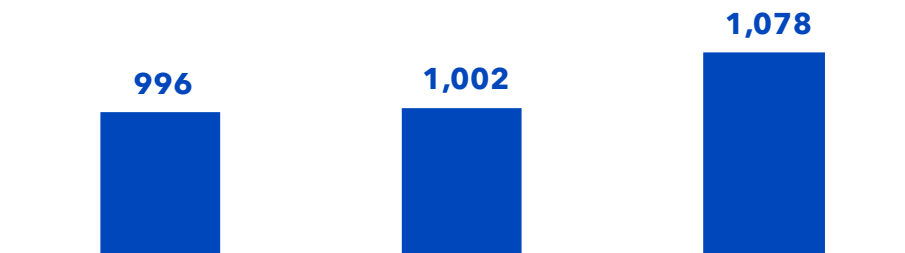


	Jan-21	Feb-21	Mar-21
Δ Y/Y	+3%	+5%	+141%
o.w. Modular Δ Y/Y	+42%	+40%	+174%



POSTEPAY DAILY AVG. E-COMMERCE

TRANSACTIONS (DAILY AVG., K/#)

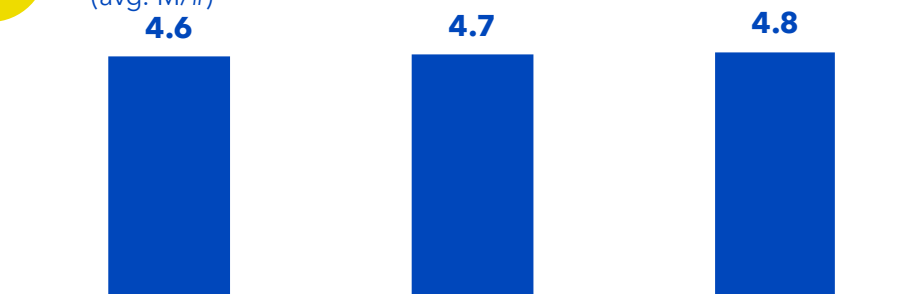


	Jan-21	Feb-21	Mar-21
Δ Y/Y	+44%	+50%	+56%



TELCO: CUSTOMER BASE

(avg. M/#)



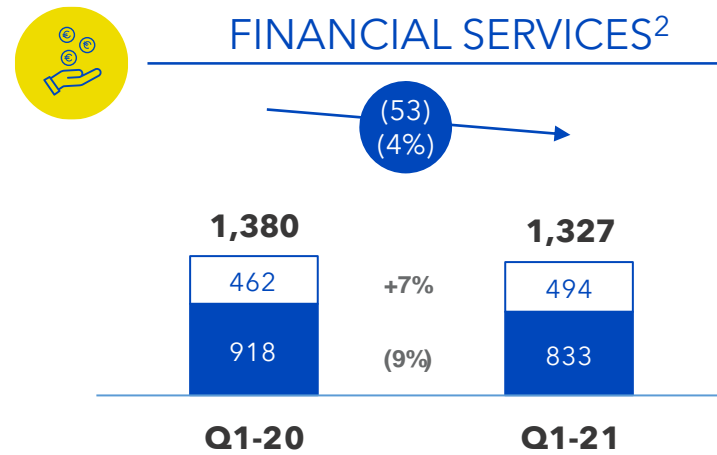
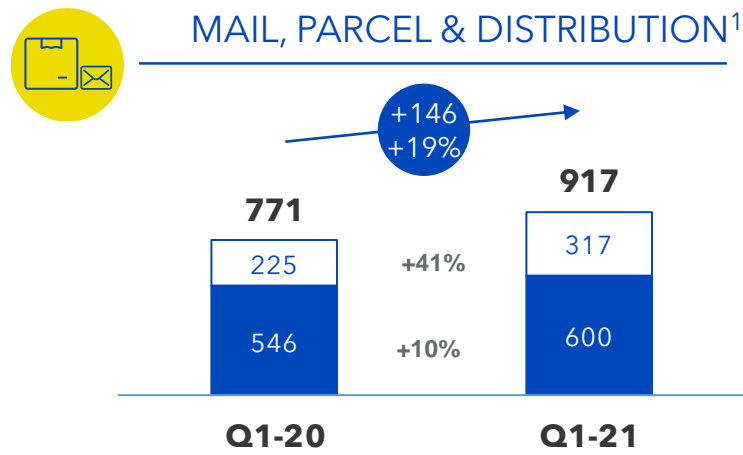
	Jan-21	Feb-21	Mar-21
Δ Y/Y	+5%	+6%	+6%

1. Credit protection insurance

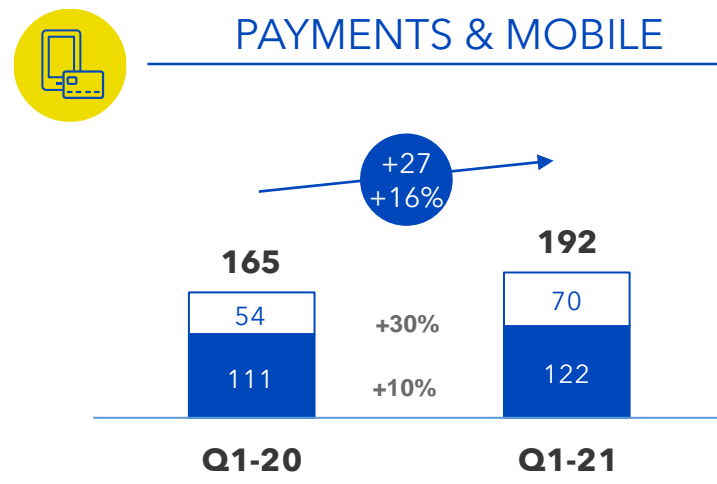
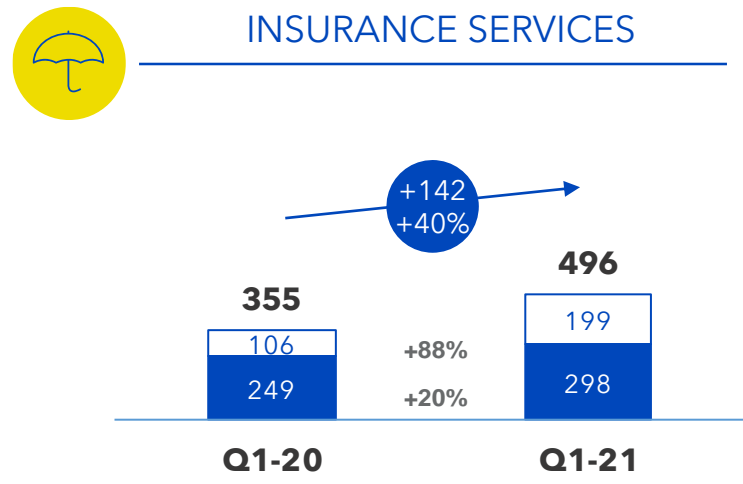
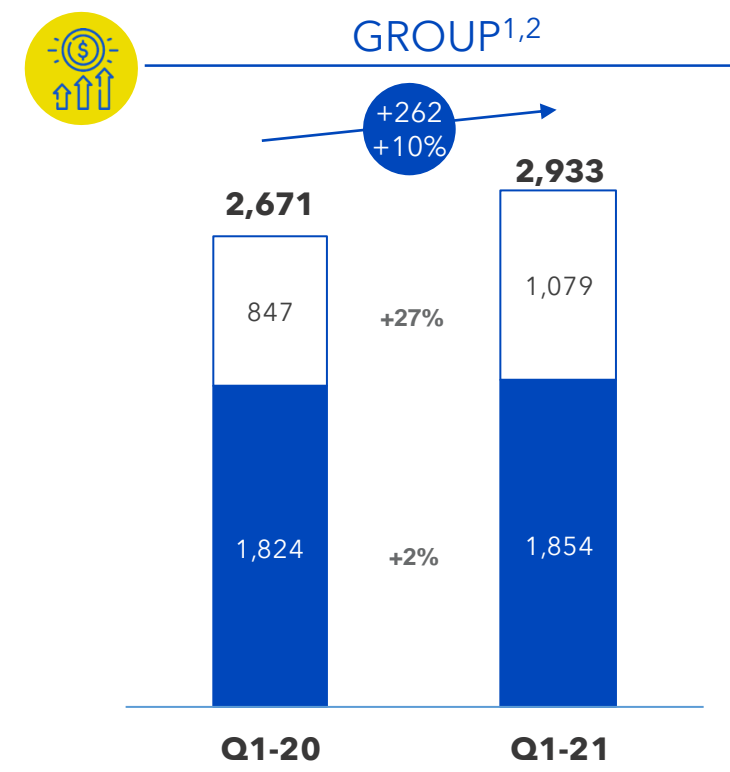
SEGMENT REVENUES

RESULTS IN LINE WITH 24SI STRATEGY

€ m unless otherwise stated






● Jan + Feb ○ Mar




1. Q1-20 excluding Nexive 2. Revenues are now presented net of interest income charges and capital losses on investment portfolio, previously booked as costs. 2020 figures have been restated accordingly

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MAIL, PARCEL & DISTRIBUTION

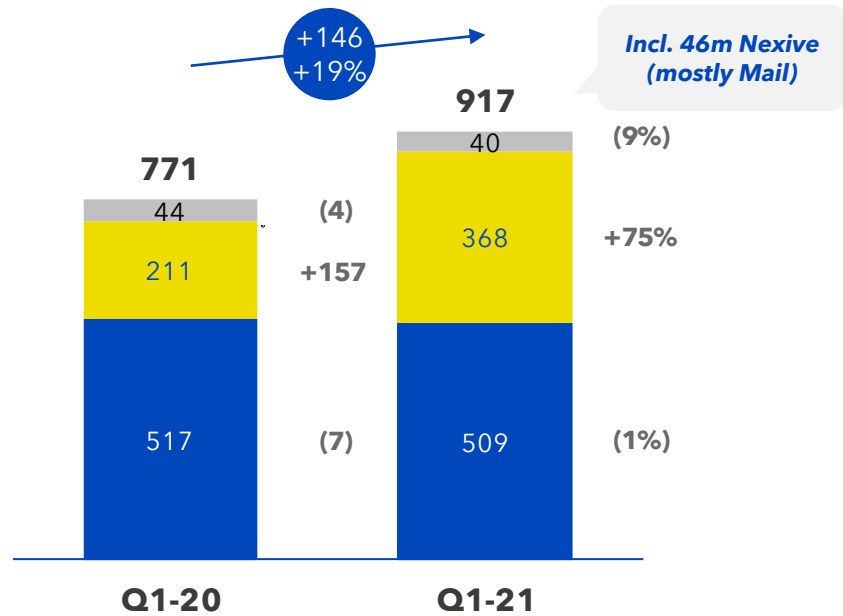
STRONG REVENUE INCREASE BOOSTED BY RECORD HIGH PARCELS

€ m unless otherwise stated

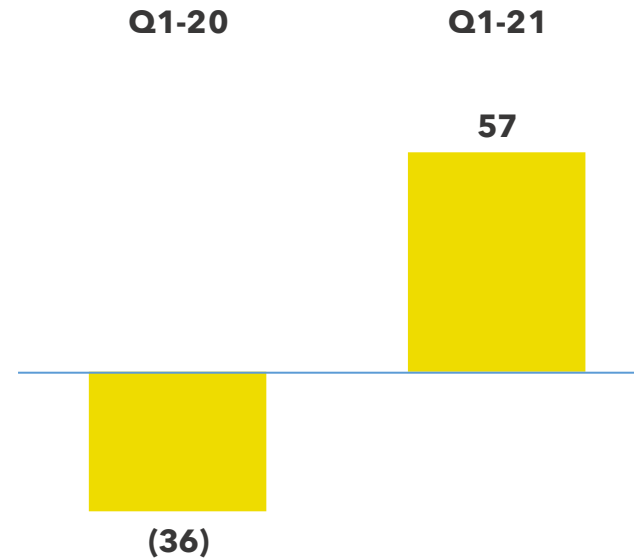


SEGMENT REVENUES¹

- Other²
- Parcel
- Mail



EBIT¹



Distribution Revenues ³	Q1-20	Q1-21
	1,260	1,275

HIGHLIGHTS

- Mail revenues on track with Nexive contribution offsetting slower registered mail recovery
- Impressive parcel revenue growth supported by all products
- Distribution revenues consistent with recovery of commercial activities
- Positive EBIT thanks to revenue growth and HR cost reduction

1. 2020 excluding Nexive 2. Includes Philately, Patenti Via Poste, Poste Motori, Poste Air Cargo and other revenues 3. Includes income received by Other Segments in return for use of the distribution network and Corporate Services

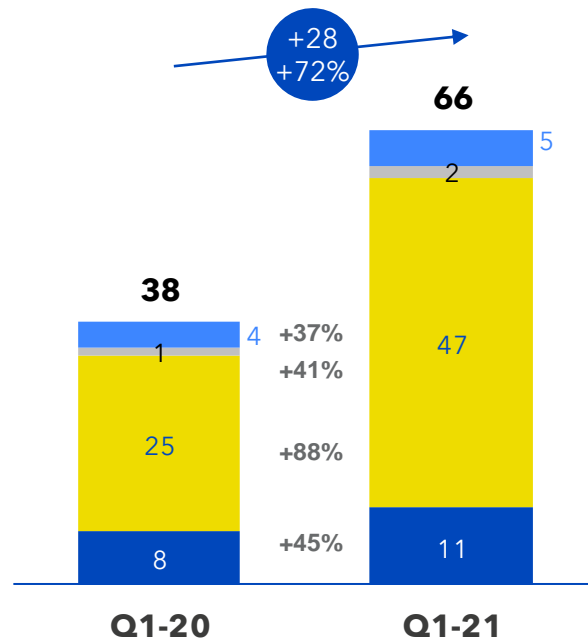
MAIL, PARCEL & DISTRIBUTION: VOLUMES AND PRICING

IMPRESSIVE PARCEL GROWTH FROM ALL PRODUCTS - MAIL BENEFITTING FROM NEXIVE CONSOLIDATION



PARCEL VOLUMES¹ (M, PC)

- Other²
- C2X
- B2C
- B2B

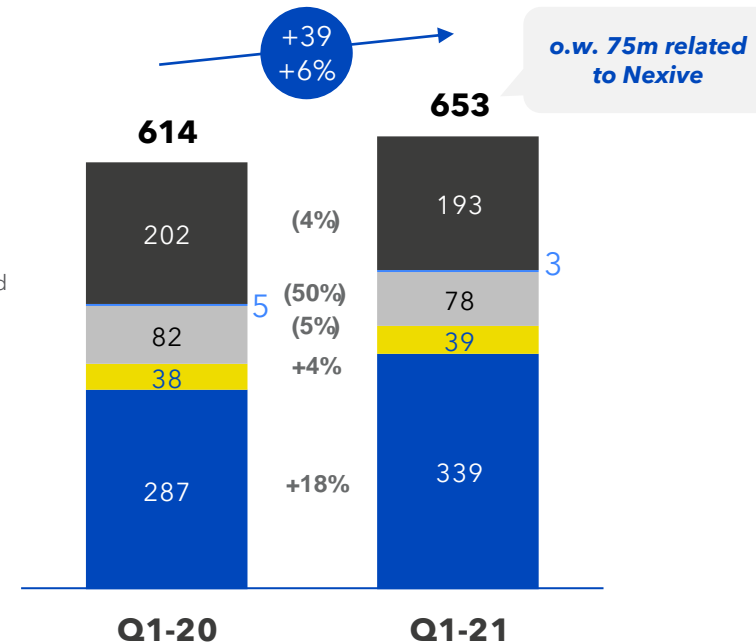


Avg. B2C price index (Base 100)³ **100** **94**

MAIL VOLUMES¹ (M, PC)



- Other⁴
- Integrated Services
- Direct marketing
- Recorded mail
- Unrecorded mail



Avg. price index (Base 100) **100** **93**

HIGHLIGHTS

- B2C volumes doubling y/y supported by top customers and China
- B2C parcel tariff down, with 4x inbound volumes from China
- Mail volumes up thanks to Nexive contribution
- Mail tariff down due to lower tariff product mix

1. 2020 excluding Nexive 2. Includes International parcels and partnerships with other logistic operators 3. Including logistic value chain contribution from China inbound volumes and proforma for Nexive in 2020 4. Includes Multichannel services, Editorial services, Postel volumes and other basic services

FINANCIAL SERVICES

INSURANCE PRODUCT SALES GROWTH MORE THAN OFFSETTING NII DECLINE

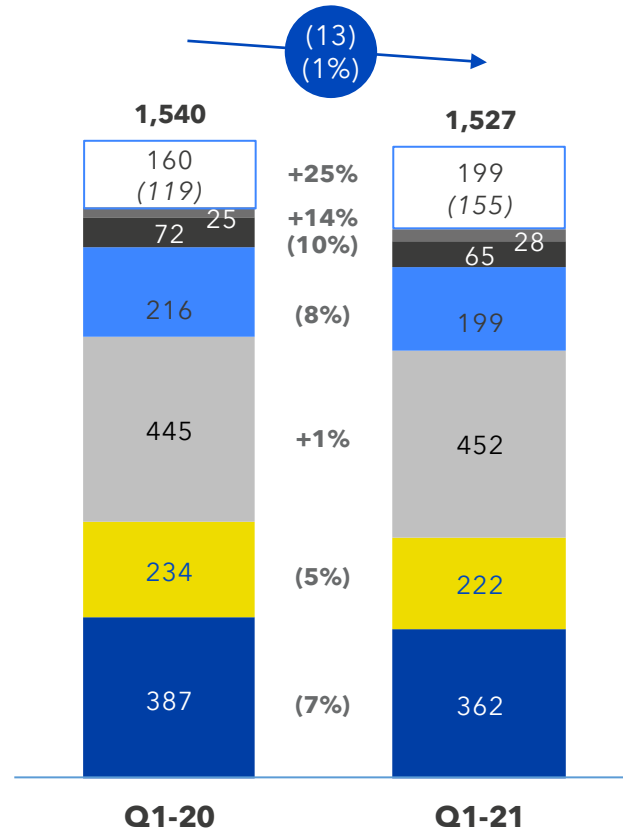


GROSS REVENUES^{1,2}

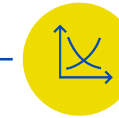
€ m unless otherwise stated

○ Intersegment distribution revenues (o.w. insurance)

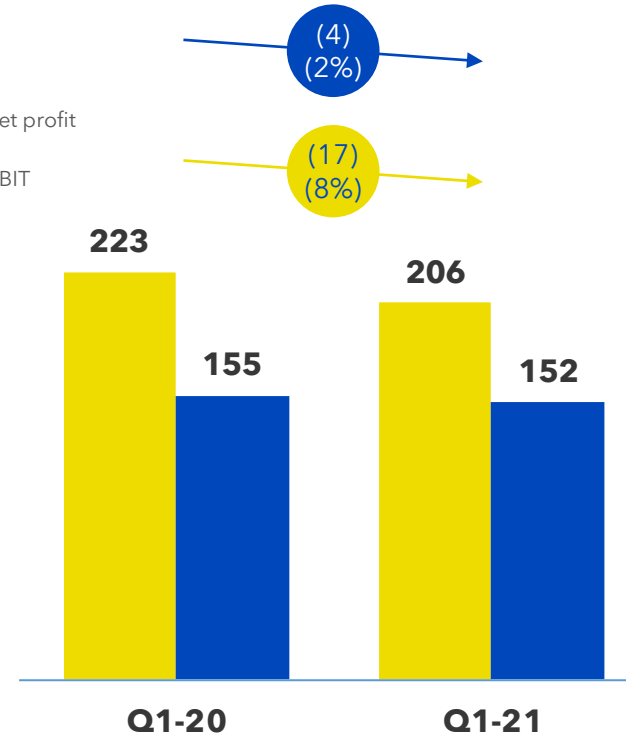
- Asset management
- Loan & mortgage distribution⁴
- Transaction banking³
- Postal savings
- Active portfolio management
- Net interest income



EBIT & NET PROFIT



- Net profit
- EBIT



HIGHLIGHTS

- NII down on lower rates, mitigated by higher deposits
- Contribution from active portfolio management secured for FY21
- Postal savings fees flat
- Consolidating market share in loans & mortgages
- Transaction banking down on fewer payment slips
- Distribution fees up thanks to strong insurance inflows

1. Figures presented include intersegment distribution revenues 2. Revenues are now presented net of interest income charges and capital losses on investment portfolio, previously booked as costs. 2020 figures have been restated accordingly 3. Includes revenues from payment slips (*bollettino*), banking accounts related revenues, fees from INPS and money transfers, Postamat 4. Includes reported revenues from custody accounts, credit cards, other revenues from third party products distribution.

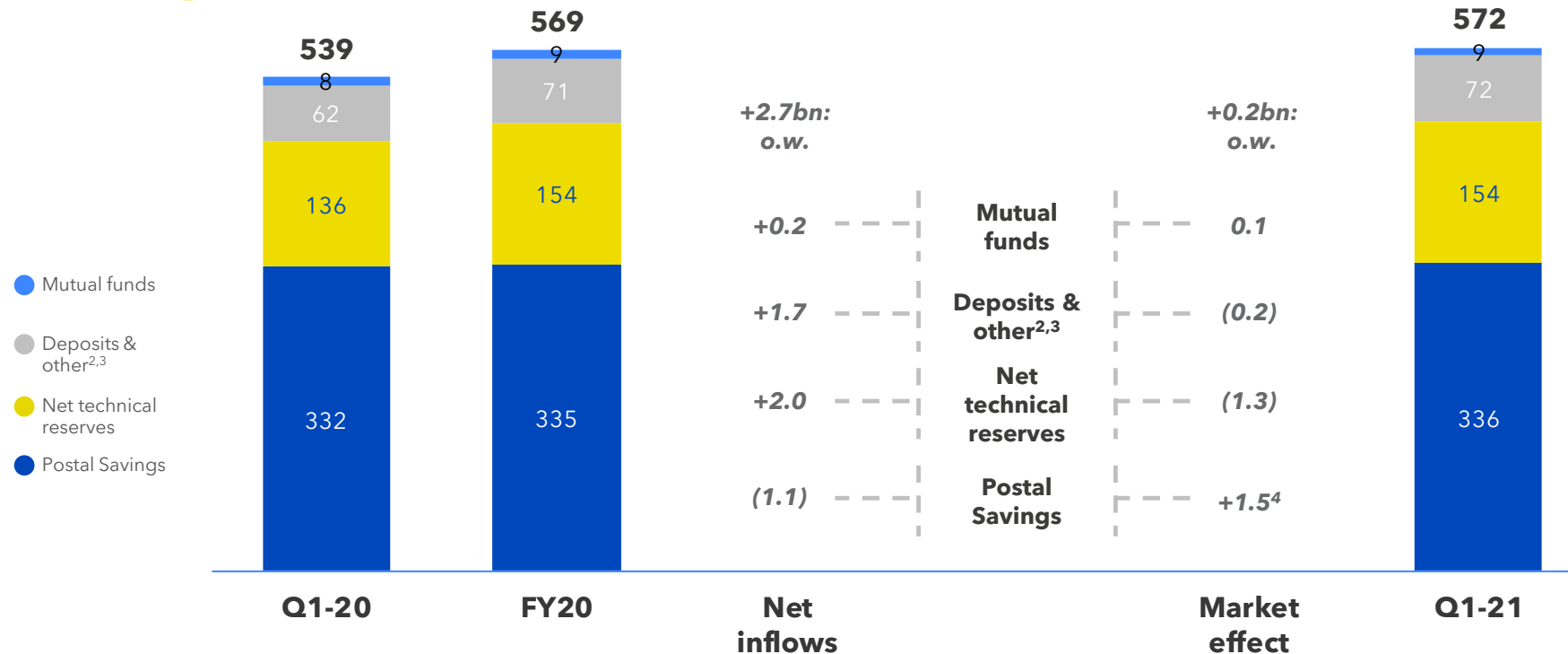
GROUP TOTAL FINANCIAL ASSETS

TFA_s INCREASE DRIVEN BY € 2.7BN NET INFLOWS, MAINLY RELATED TO INSURANCE PRODUCTS

€ bn unless
otherwise stated



TFA EVOLUTION¹



Net inflows	6.4	17.8	2.7
Retail net inflows	5.7	15.0	1.6

HIGHLIGHTS

- All components of TFA growing steadily:
- Postal savings +0.4bn related to accrued interests
- Net technical reserves +0.7bn boosted by multiclass and new class I products
- Deposits +1.5bn mainly related to continued preference for liquidity products

1. End of period figures 2. Includes deposits and Assets Under Custody 3. Deposits do not include REPOs and Poste Italiane liquidity 4. Includes accrued interests

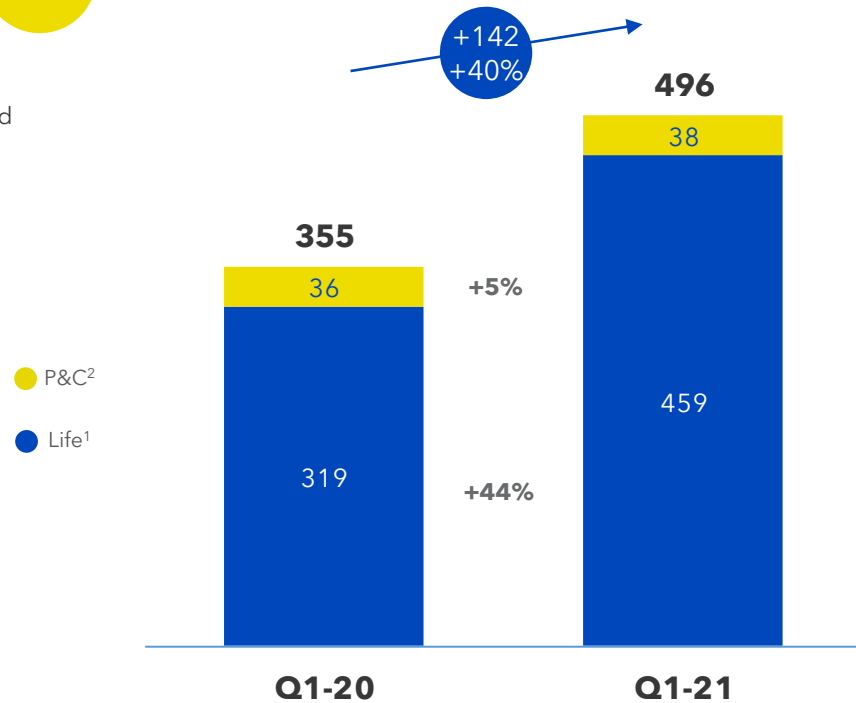
INSURANCE SERVICES

INSURANCE AT THE CORE OF WEALTH MANAGEMENT STRATEGY

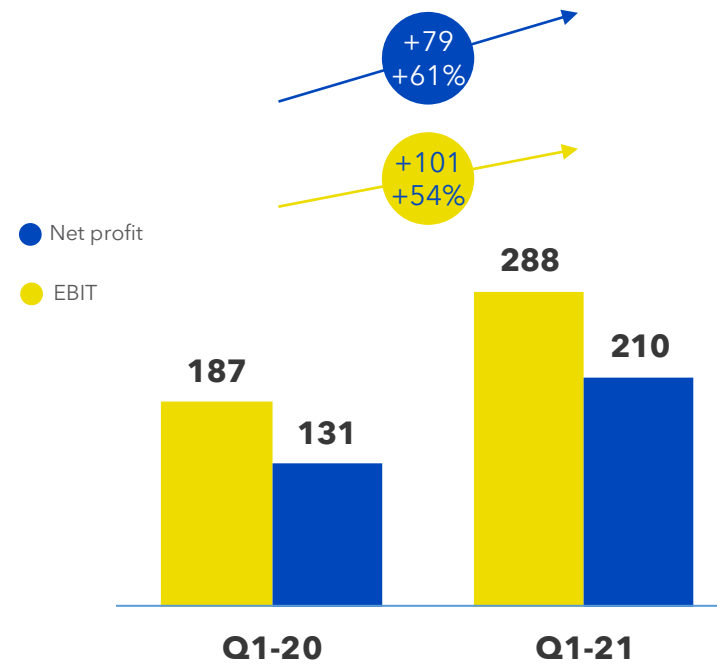
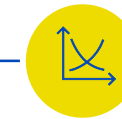


SEGMENT REVENUES^{1,2}

€ m unless otherwise stated



EBIT & NET PROFIT



HIGHLIGHTS

- Life revenues strongly up thanks to increasing volumes and higher margin products
- Non-life revenues up supported by modular offer and welfare
- EBIT up despite increased distribution costs related to higher inflows

Life GWP (€ bn)	4.5	5.7	Combined ratio (%) ³	82.0	85.4
% of Multiclass	39	46	Lapse rate (%)	2.69	2.86

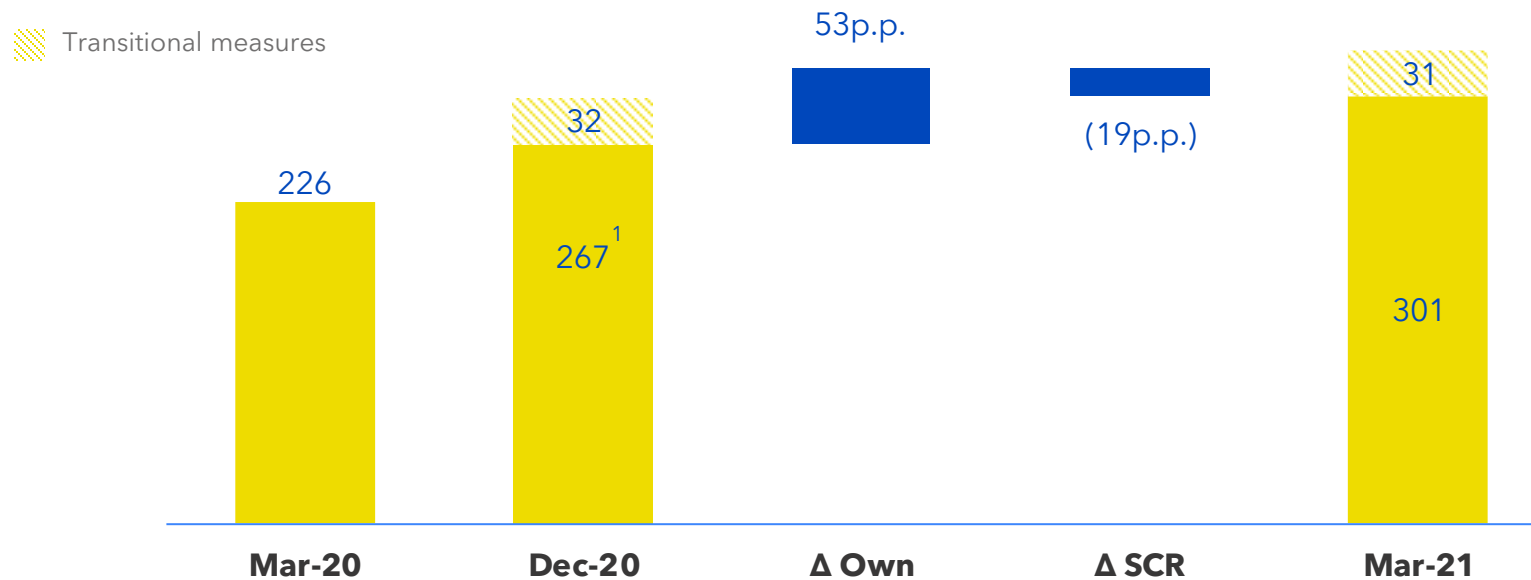
1. Includes Private Pension Plan (PPP) 2. Includes Poste Welfare Servizi (PWS) and Poste Insurance Broker (PIB) 3. Net of reinsurance

SOLVENCY II RATIO

SOLVENCY II RATIO BENEFITTING FROM FAVOURABLE MARKET CONDITIONS



SOLVENCY II RATIO EVOLUTION



Core Solvency Ratio (%) ²	149	175			173
10Y SWAP (bp)	(2)	(26)			7
BTP-SWAP SPREAD (bp)	154	81			60

HIGHLIGHTS

- Solvency II ratio benefitting from increasing risk free rates and narrowing spreads across all asset classes (BTP, Corporate and high yield)
- Transitional measures provide additional 31p.p. to address potential market volatility

1. Net of dividends 2. Core Solvency Ratio defined as (shareholders' Equity + retained earnings + Tier 2) / SCR. More details on page 38

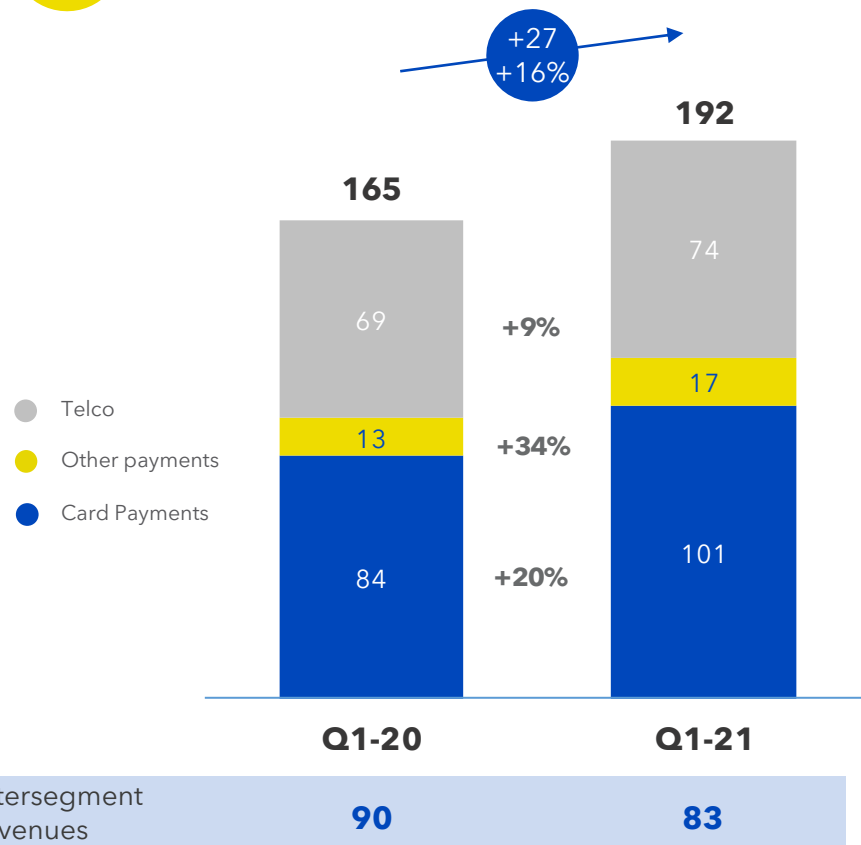
PAYMENTS & MOBILE

STRONG REVENUE GROWTH BOOSTED BY CARD PAYMENTS

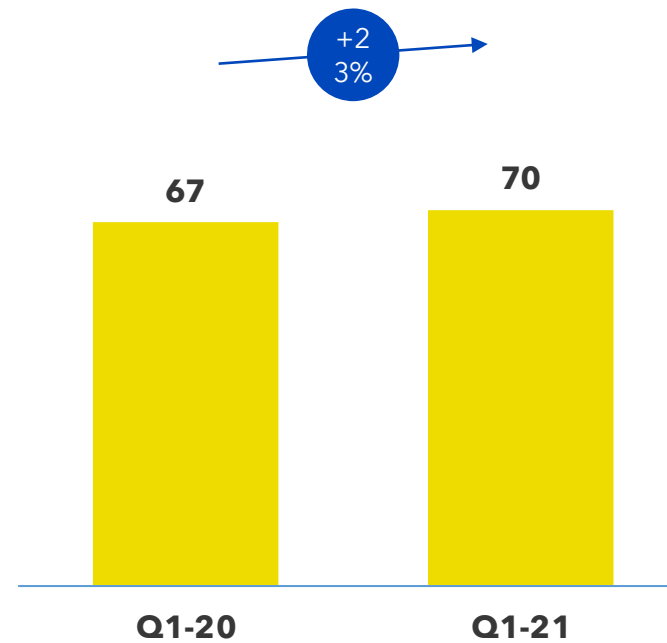
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otherwise stated



SEGMENT REVENUES



EBIT



HIGHLIGHTS

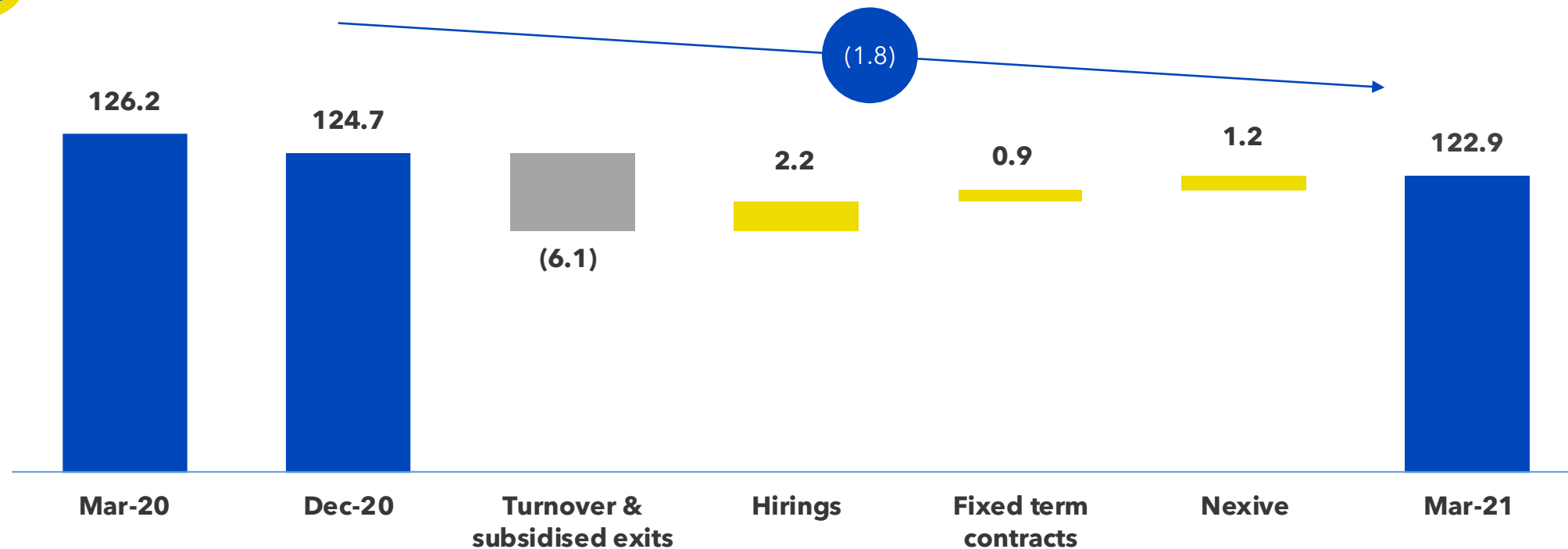
- Strong card payments with higher card stock and transactions
- Other payments up mainly thanks to tax-related items vs. 2020
- Telco up both on mobile and fixed lines
- EBIT up with digital payments offsetting fewer payment slips and increasing telco costs
- Wholesale telco contract to provide efficiencies from H2

HUMAN CAPITAL

FTE DOWN SUPPORTED BY ACCELERATED EXITS



AVERAGE WORKFORCE EVOLUTION (#, K)



HR cost / FTE (€ K) ¹	44.5	41.7	44.2
Value added/ FTE (€ K) ^{1,2}	67	64	73

1. Annualised figure 2. Group revenues minus cost of goods sold

HUMAN CAPITAL

ORDINARY HR COSTS DOWN MAINLY RELATED TO LOWER FTE



ORDINARY HR COSTS¹

€ m unless otherwise stated

Ordinary HR costs /
revenues (%)

53

46

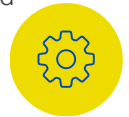


1. Excluding legal disputes with employees

NON-HR COSTS

CONFIRMED COST DISCIPLINE WHILE SUPPORTING BUSINESS GROWTH

€ m unless otherwise stated



NON-HR COSTS

Variable costs / variable revenue¹ (%)

74

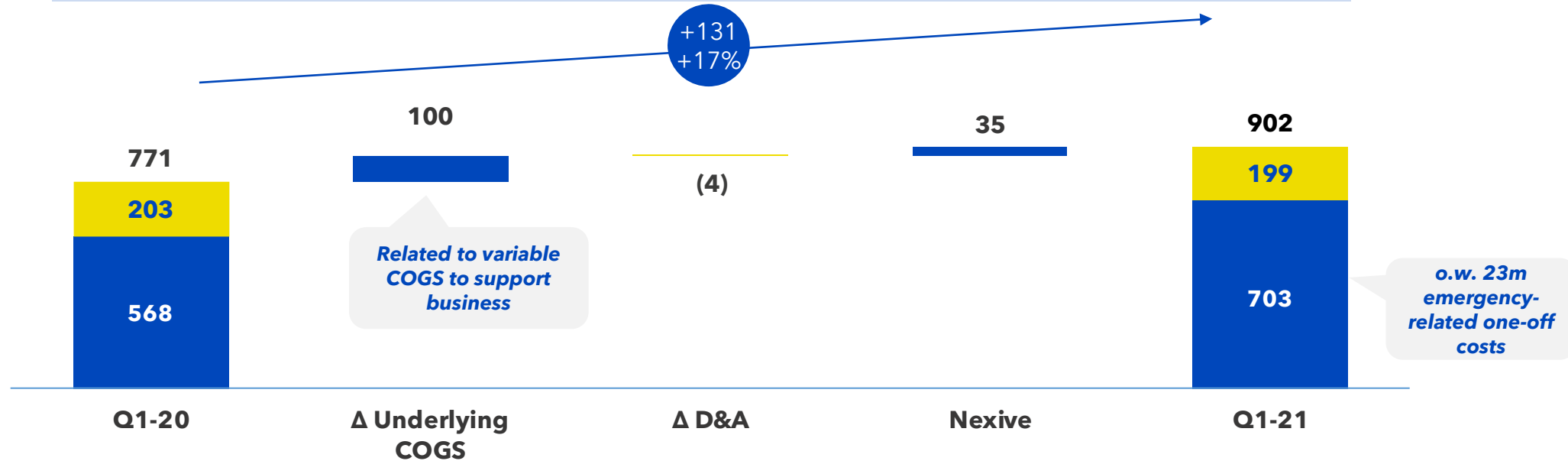
72

Total fixed costs / revenues^{1,2} (%)

63

56

- D&A
- COGS

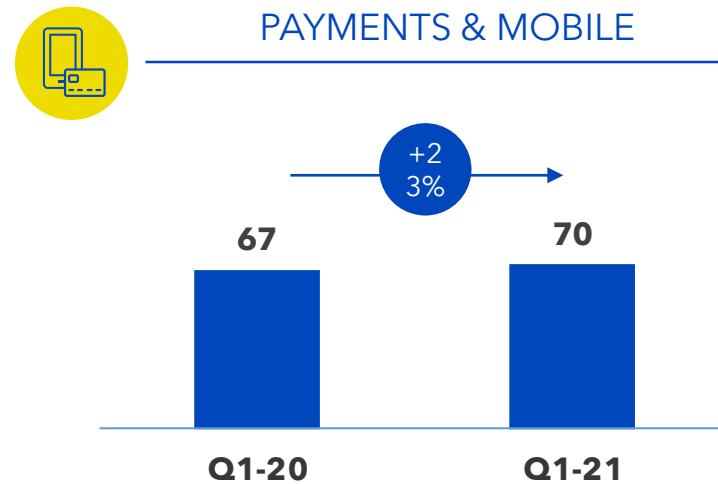
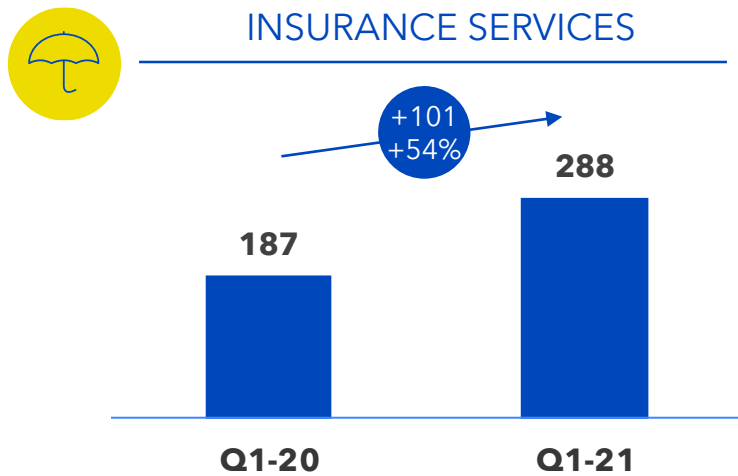
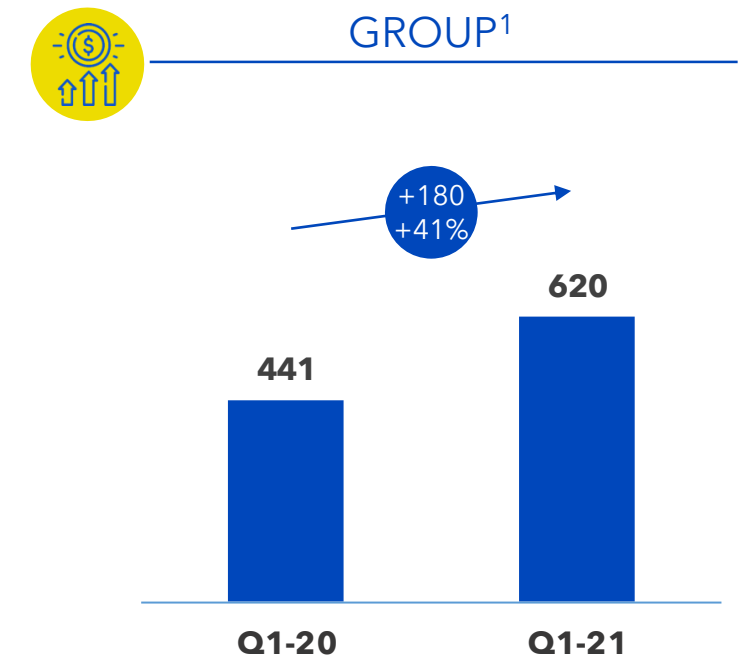
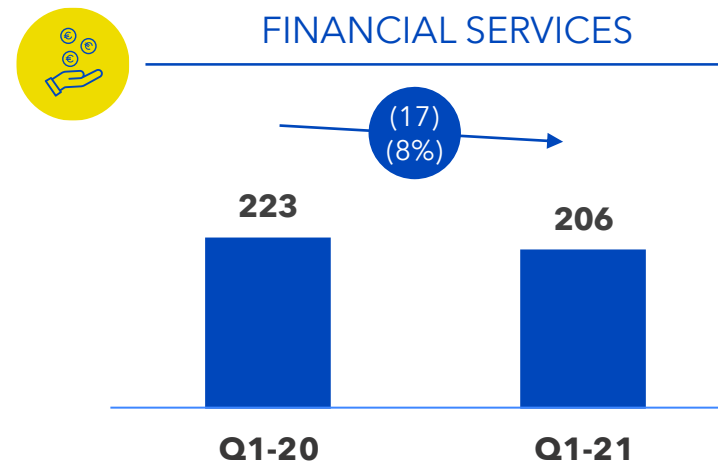
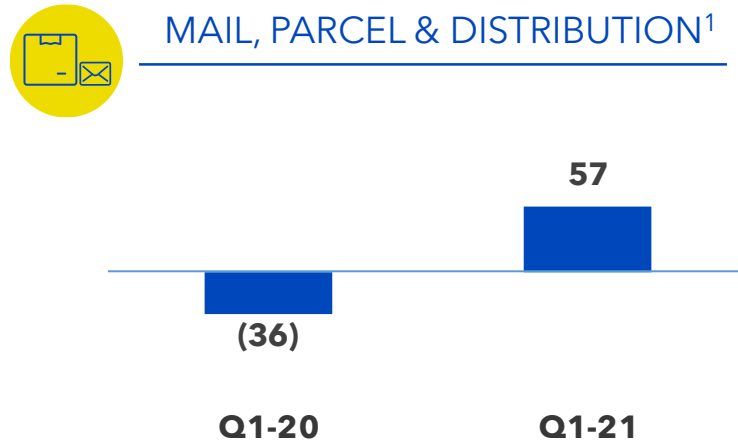


1. Excluding one-off expenses to face the emergency 2. Ordinary labor costs and fixed COGS

SEGMENT OPERATING PROFIT

STRONG EBIT PROGRESSION SUPPORTED BY REVENUE GROWTH AND COST DISCIPLINE

€ m unless otherwise stated



1. 2020 excluding Nexive



CLOSING REMARKS Q1-21





- SOLID FINANCIAL PERFORMANCE AS BUSINESS CONTINUES TO RECOVER
- POSITIVE COMMERCIAL TRENDS IN Q1-21 DESPITE EMERGENCY RELATED RESTRICTIONS & COSTS
- B2C VOLUMES DOUBLING YEAR ON YEAR
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Q&A

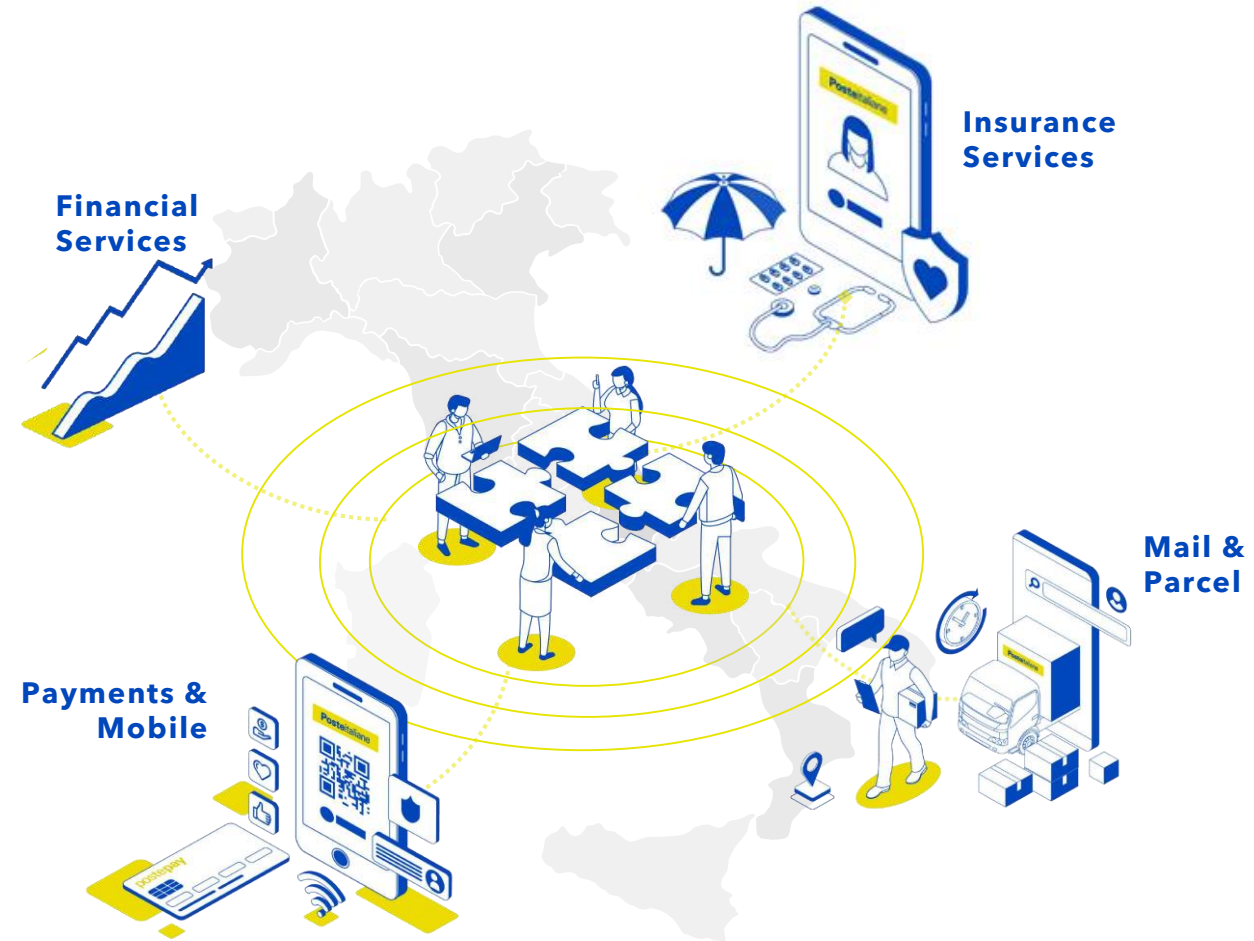
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POSTE ITALIANE'S ESG RATED PERFORMANCE, AWARDS AND MEMBERSHIPS

ESG Index Scores

Rating agency	Performance
CDP	A- Rating (Leader)
MSCI	A Rating (Average)
ISS E & S Disclosure Quality Score	1- Environmental & Social
Integrated Governance Index	#1 in Italy
Equaleap Gender Parity Index	#3 in Italy
Vigeo Eris Eurozone 120	#3 (Transport & Logistics)
European Women on Boards	Among Top 10 in Italy

Included in these indices since 2019



Awards & Recognition in 2021



Top Manager Reputation



Top Employer Italia 2021



1st in the world's Top 100 insurance companies



Best performance in the 500 Top Brand Finance



SMAU Innovation Award



Certificate of Excellence

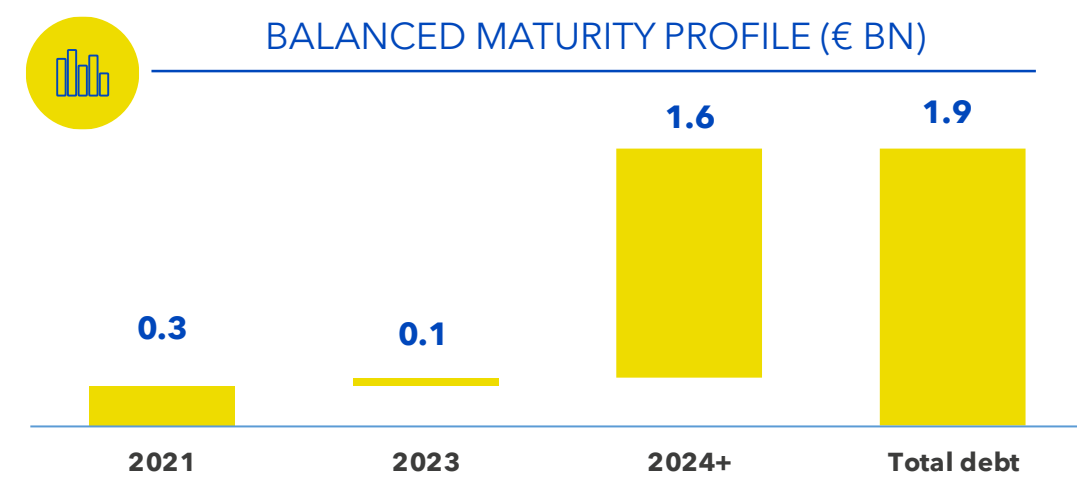
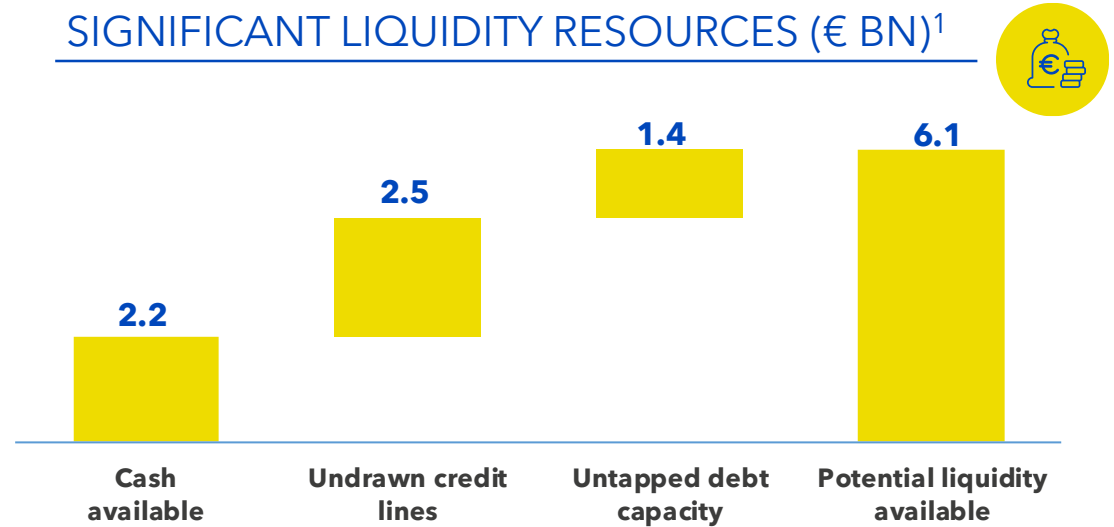
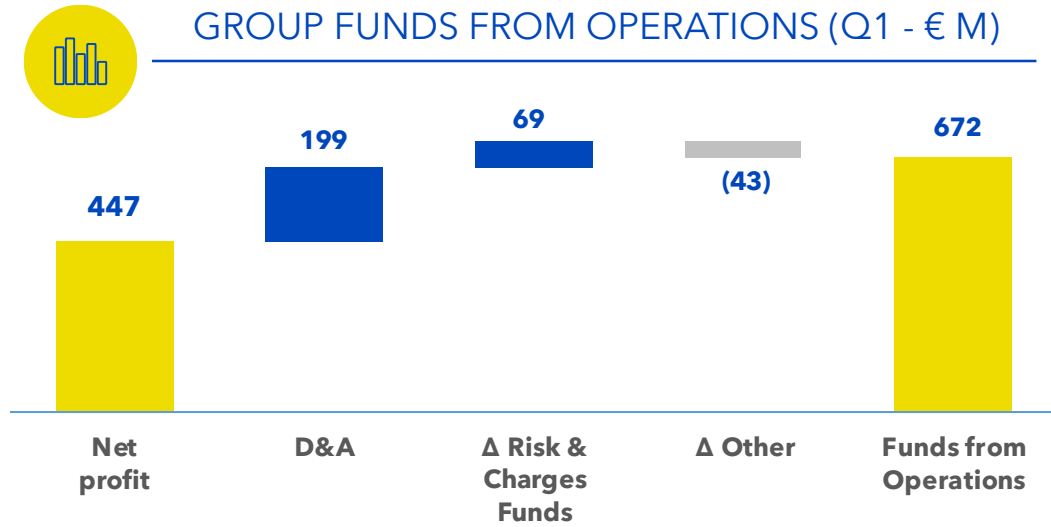


Find out more about our awards and recognition in our [annual report](#)

Memberships

- UN Global Compact
- Principles for Responsible Investment
- UNEP FI Principles for Sustainable Insurance
- UN Women
- CSR Exhibition
- Sodalitas
- Anima per Il Sociale
- CSR Manager
- Valore D
- Fondazione ASPHI Onlus

STRONG CASH GENERATION, WIDE LIQUIDITY & BALANCED DEBT PROFILE



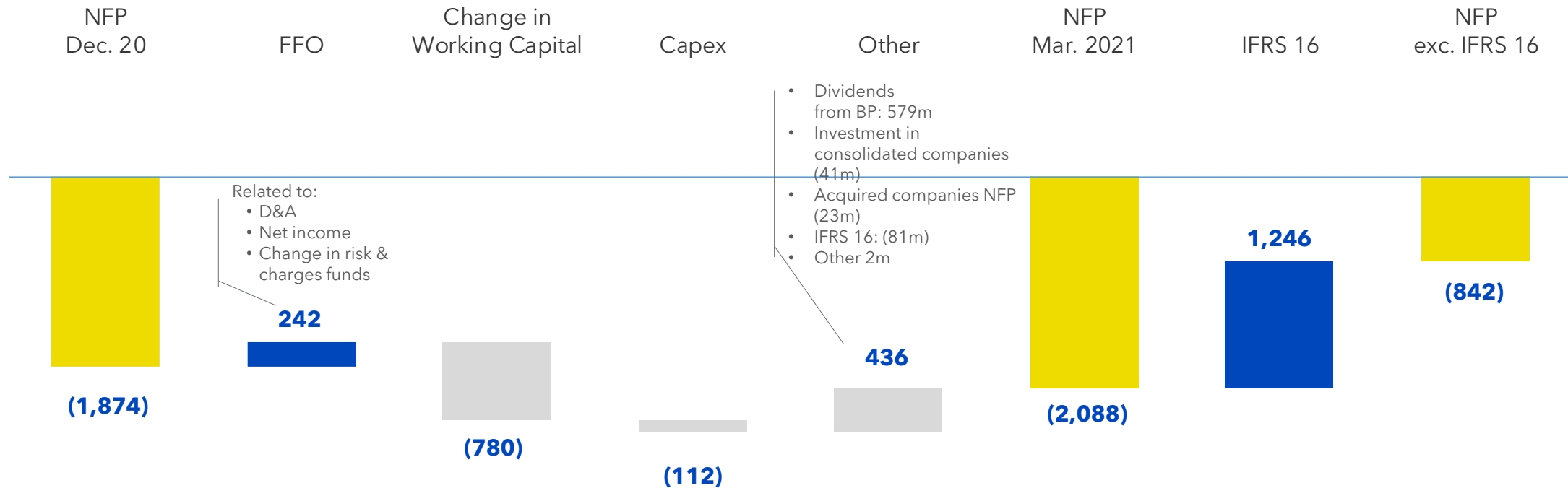
1. As of March 2021 2. Debt capacity consistent with current rating (based on the Moody's credit opinion as of October 2020 and available for future potential financing operations)

MAIL, PARCEL AND DISTRIBUTION NET FINANCIAL POSITION

€ m unless otherwise stated



NET FINANCIAL POSITION (+CASH - DEBT)



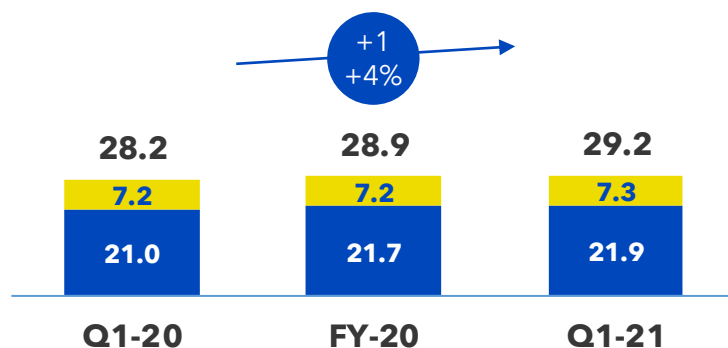
KEY METRICS IN PAYMENTS & MOBILE

STEADY INCREASE ACROSS ALL METRICS



CARD STOCK¹ (# M)

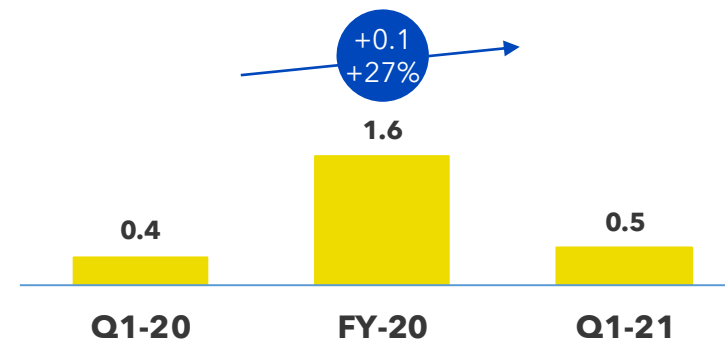
- Debit cards
- Postepay cards



Postepay Evolution stock

Period	Q1-20	FY-20	Q1-21
Postepay Evolution stock	7.0	7.7	8.0

TOTAL CARD TRANSACTIONS (BN)²

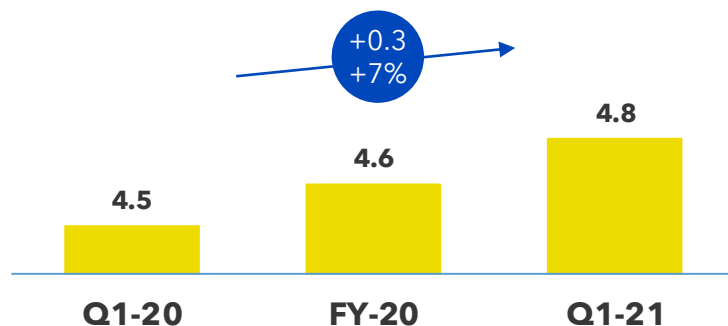


Of which e-commerce, m³

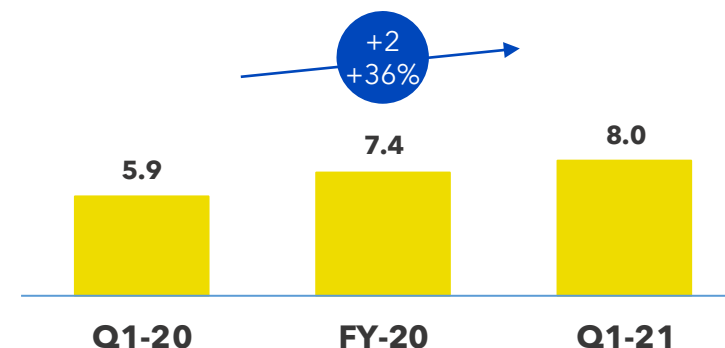
Period	Q1-20	FY-20	Q1-21
Of which e-commerce, m ³	81	397	123



MOBILE & LAND LINE, STOCK (# M)



POSTE ITALIANE DIGITAL E-WALLET (# M)⁴



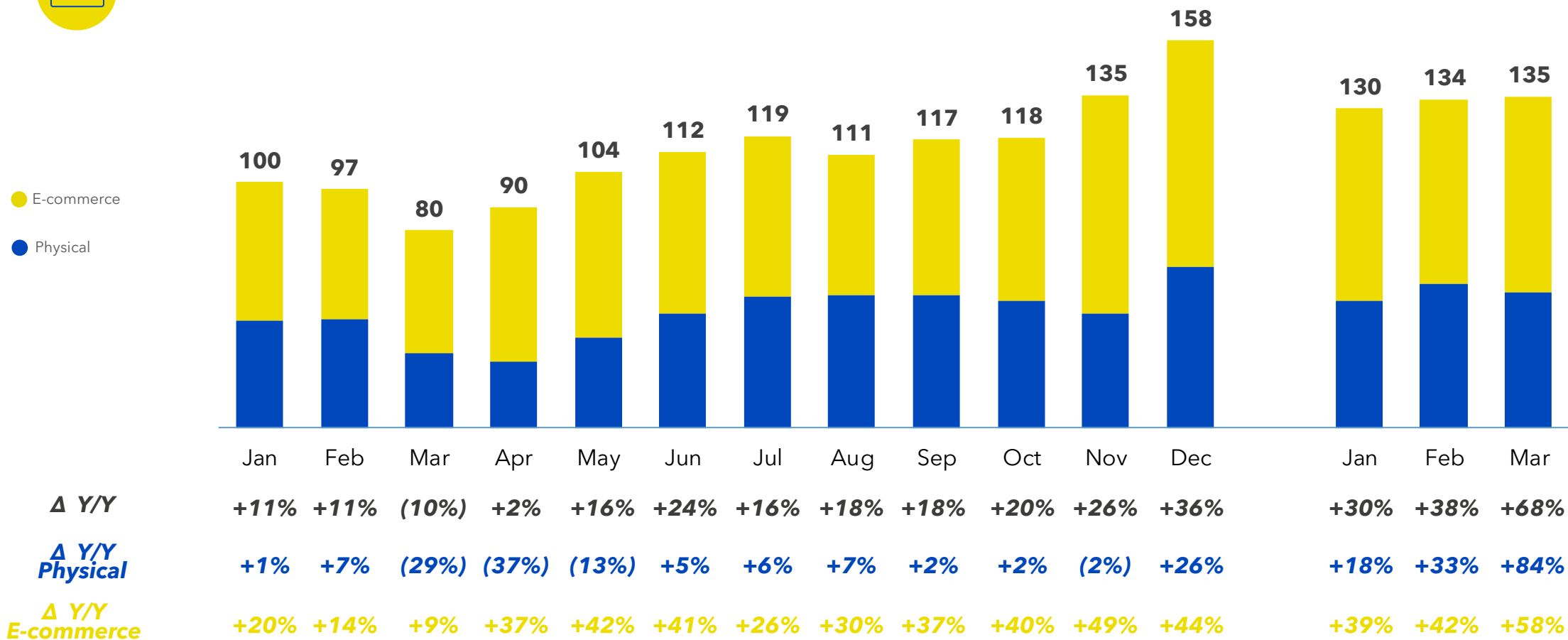
1. Including social measures related cards 2. Including payments, top ups and withdrawals 3. Includes e-commerce and web transactions on Poste Italiane channels 4. An innovative electronic tool associated to a single customer, able to authorize in app payment transactions

PAYMENTS AND MOBILE: POSTEPAY TRANSACTION VALUE

STEADY INCREASE IN E-COMMERCE TRANSACTIONS



POSTEPAY DAILY AVERAGE TRANSACTION VALUE (BASE 100)

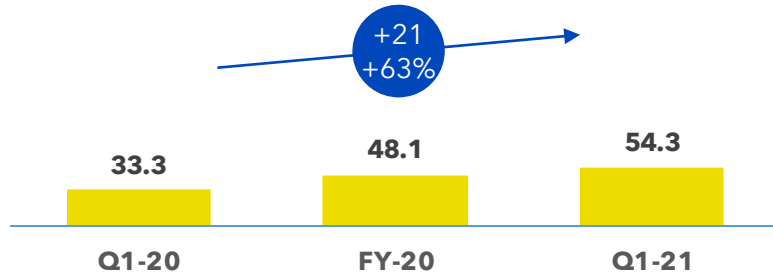


POSTE ITALIANE DIGITAL FOOTPRINT

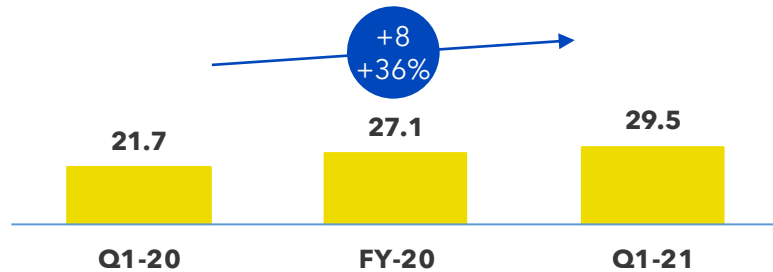
KEY METRICS CONSTANTLY IMPROVING



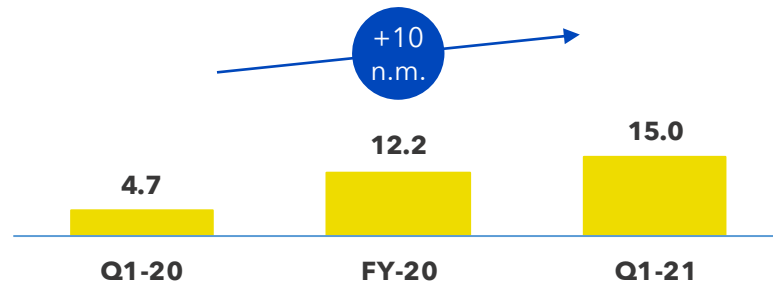
CUMULATED APP DOWNLOADS (# M)¹



REGISTERED ONLINE USERS (# M)

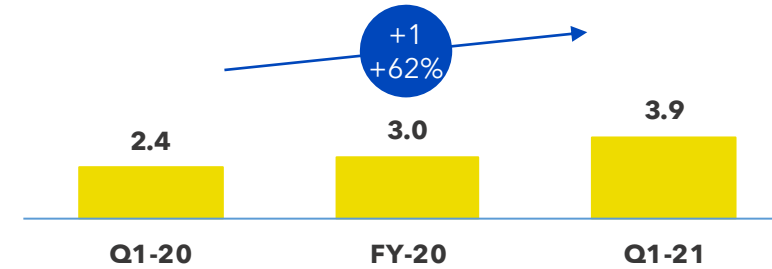


ELECTRONIC IDENTIFICATION STOCK (# M)²

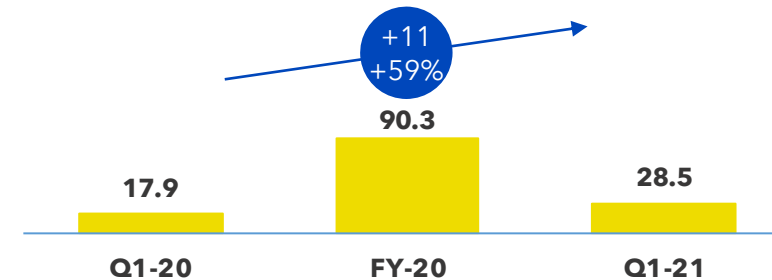


1. Source: App stores (iOS and Android) 2. Electronic identification refers to number of ID outstanding

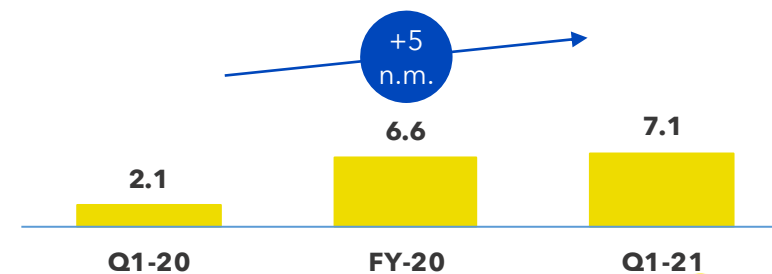
DAILY ONLINE USERS (€ M)



CONSUMER FIN. TRANSACTIONS (€ M)



PRIVATE DIGITAL IDs (€ M)



BANCOPOSTA ASSETS AND LIABILITIES STRUCTURE

PRUDENT ALM STRATEGY TO MATCH ASSETS AND LIABILITIES

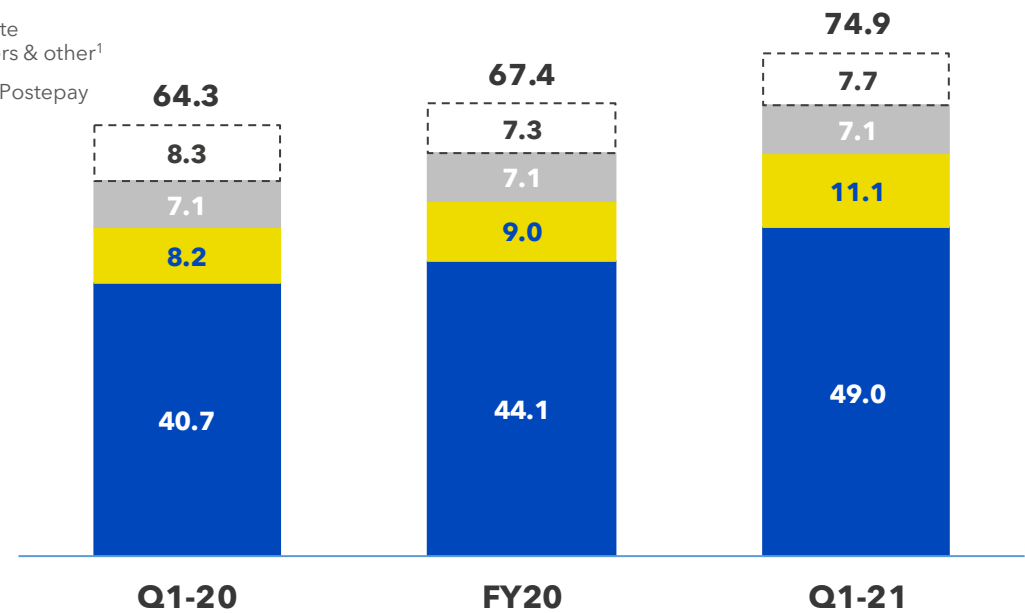
€ m unless otherwise stated



AVERAGE CURRENT ACCOUNT DEPOSITS

- Public Administration²
- REPO
- Corporate customers & other¹
- Retail + Postepay

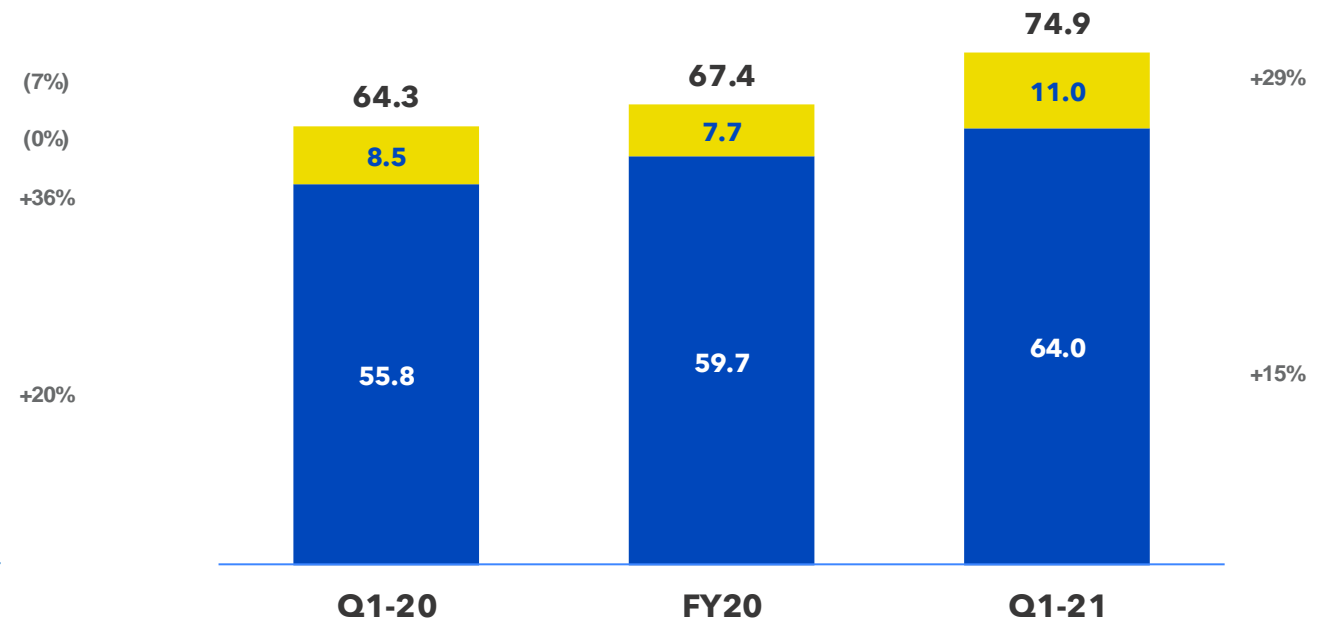
+11
+17%



AVERAGE INVESTMENT PORTFOLIO

- Italian government bonds
- Deposits @ MEF and other deposits³

+11
+17%



Avg. Return ex. Cap. gains (%) ⁴	2.46	2.30	1.96
Duration (# of years)	6.2	6.2	6.2

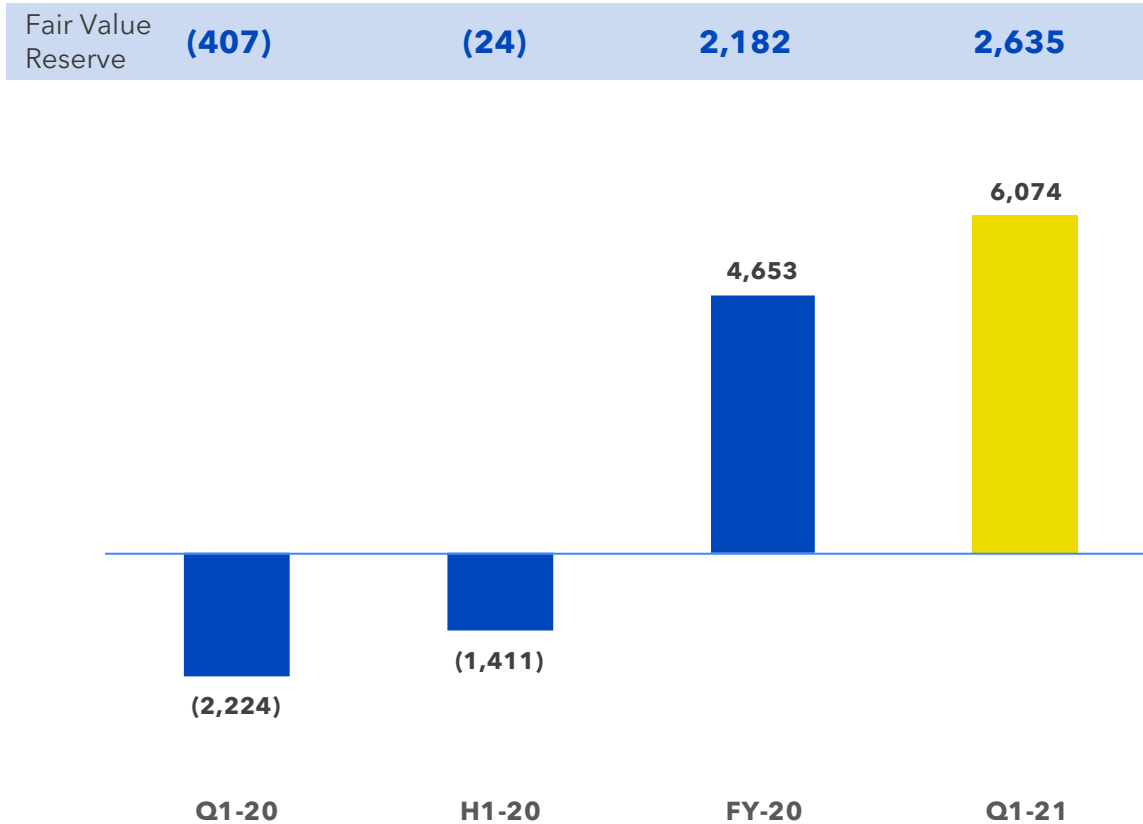
1. Includes business current accounts, PostePay business and other customers debt 2. Entirely invested in floating rate deposits c/o MEF 3. Including liquidity Buffer, deposits c/o other financial institutions, short term bonds (< 12 months) and excluding Poste Italiane liquidity 4. Average yield calculated as interest income on average current account deposits

UNREALISED GAINS & LOSSES AND SENSITIVITIES

NET UNREALISED GAINS AT € 6.1BN

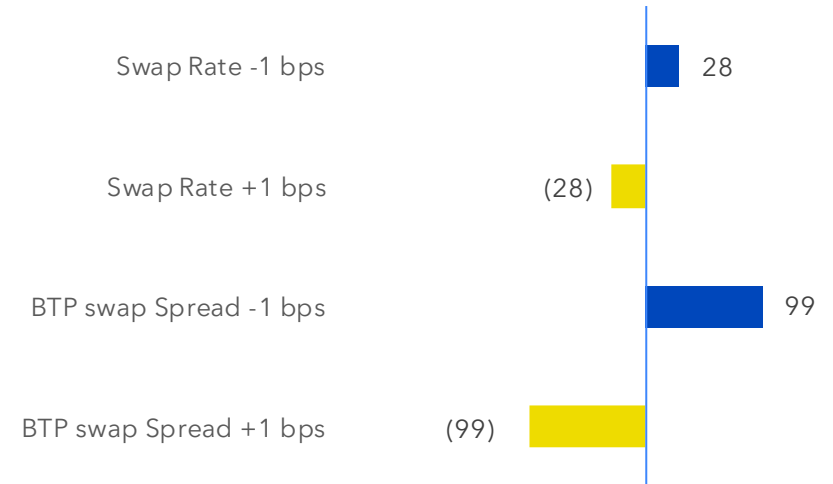
€ m unless otherwise stated

UNREALISED GAINS AND LOSSES



Fair Value Reserve	Q1-20	H1-20	FY-20	Q1-21
	(407)	(24)	2,182	2,635

UNREALISED GAINS SENSITIVITIES



	Q1-20	H1-20	FY20	Q1-21	Var (bp) Q1-21 vs FY20
BTP 10Y	1.52	1.26	0.54	0.67	13
SWAP 10Y	(0.02)	(0.17)	(0.26)	0.07	33
BTP 15Y	1.92	1.68	0.92	1.06	15
SWAP 15Y	0.16	0.0	(0.08)	0.34	42
BTP 30Y	2.44	2.22	1.42	1.65	23
SWAP 30Y	0.17	0.04	(0.03)	0.48	51

POSTAL SAVINGS

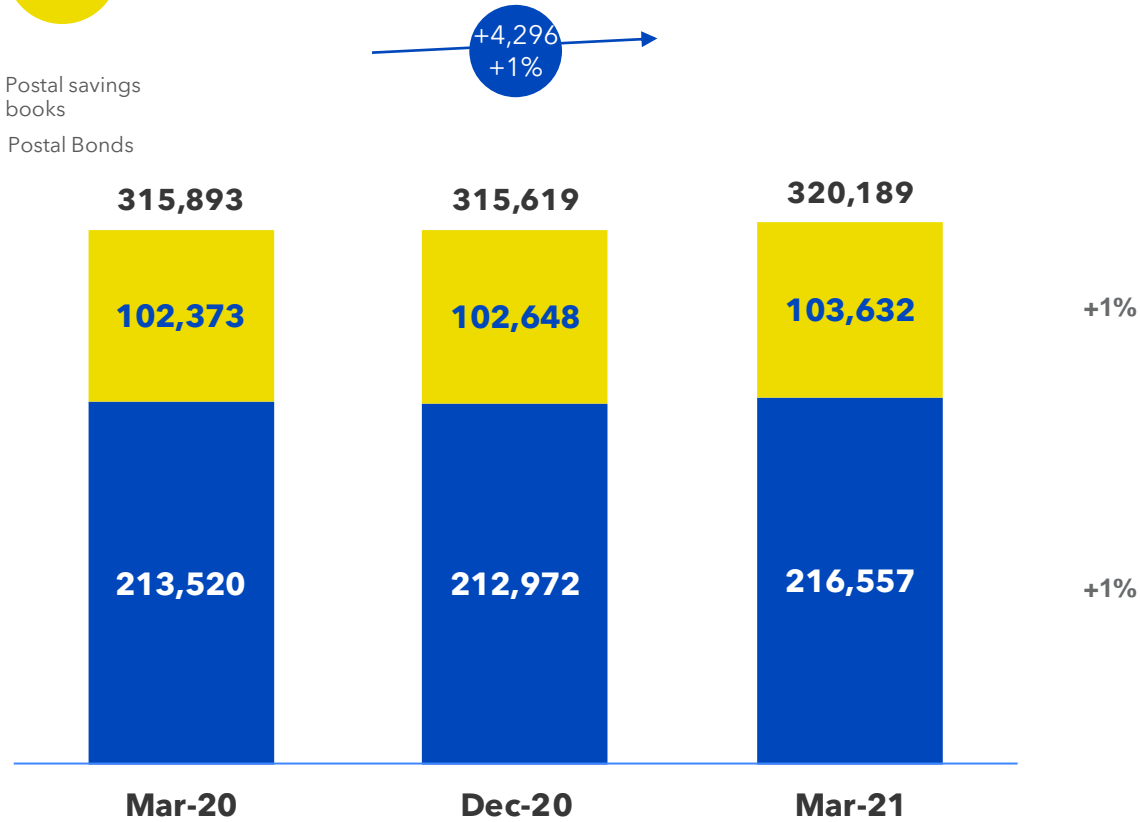
POSTAL SAVINGS SUPPORTED BY PREFERENCE FOR LIQUIDITY PRODUCTS AND ACCRUED INTERESTS

€ m unless otherwise stated

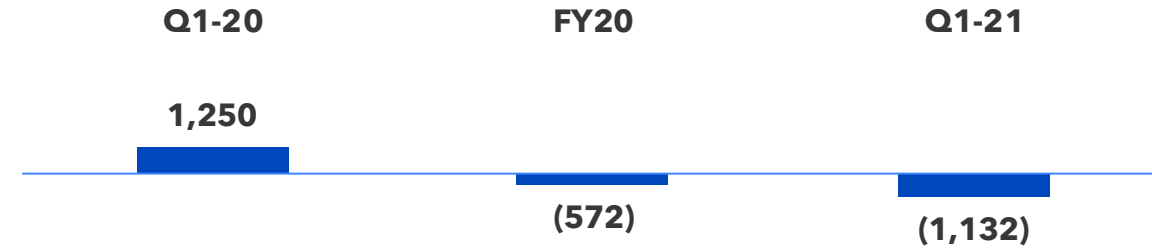


AVERAGE POSTAL SAVINGS¹

- Postal savings books
- Postal Bonds



POSTAL SAVINGS NET INFLOWS



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

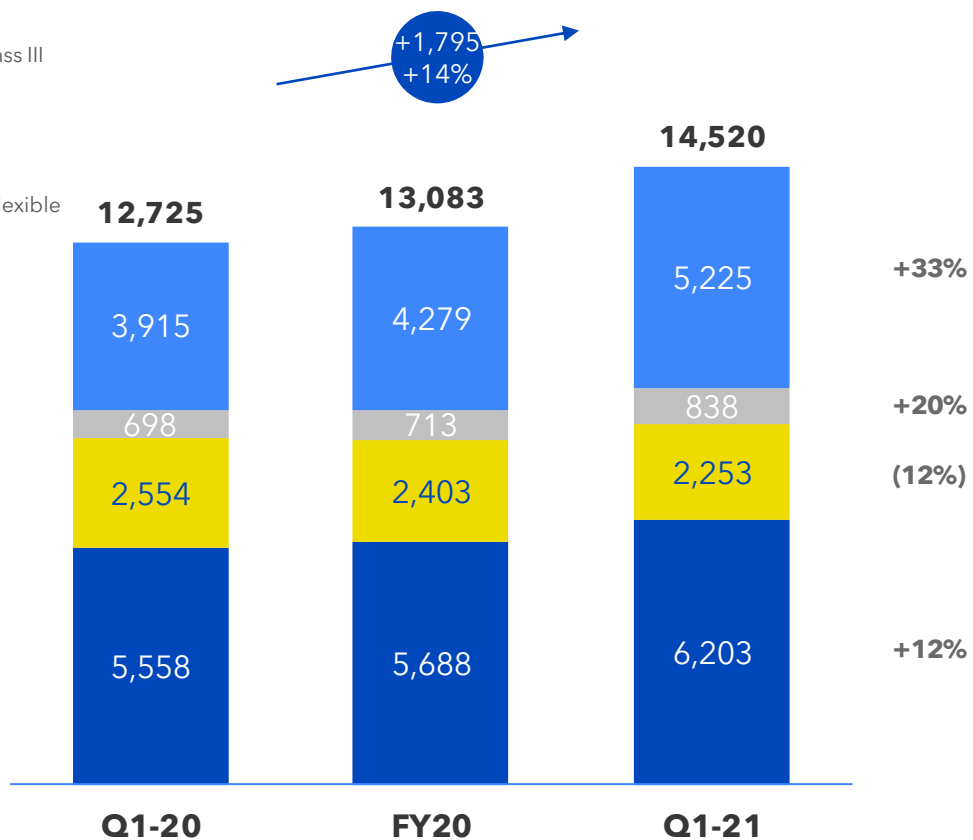
POSITIVE NET INFLOWS SUPPORTED BY MULTICLASS PRODUCTS

€ m unless otherwise stated

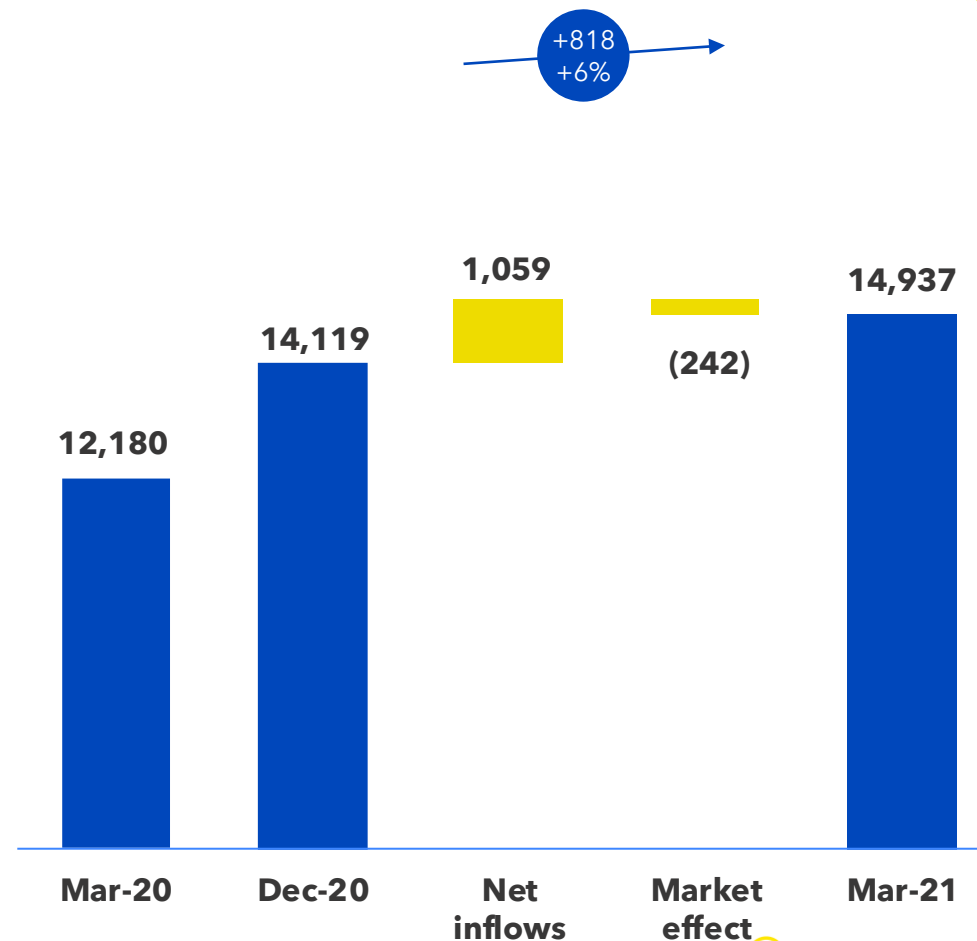


AVERAGE ASSETS UNDER MANAGEMENT

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



AUM EVOLUTION - EOP



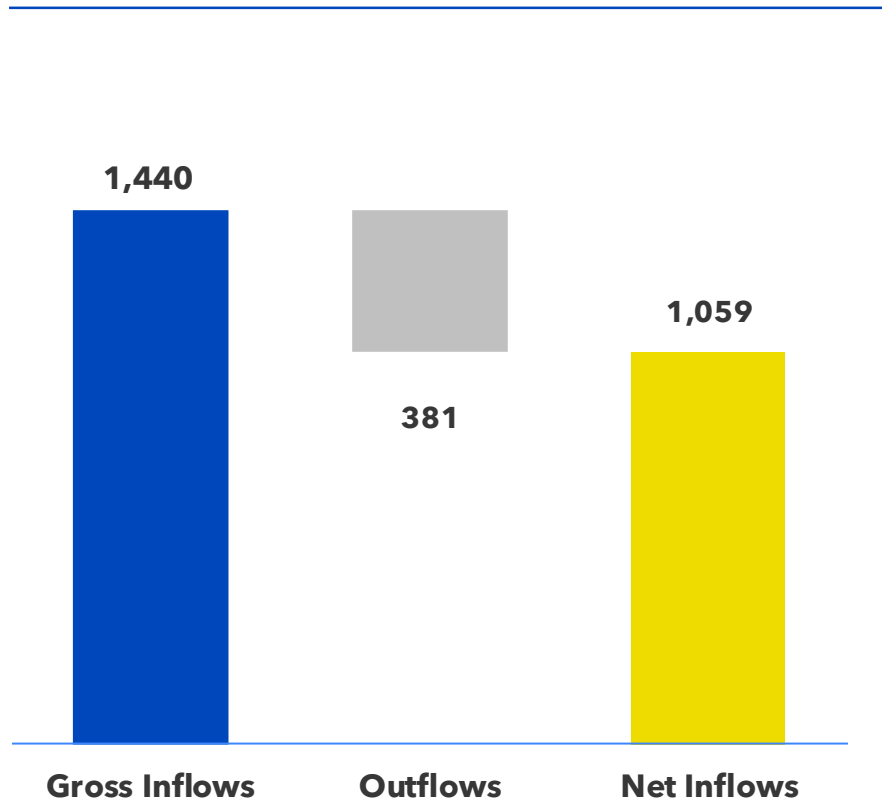
ASSET MANAGEMENT NET INFLOWS INCREASING IN Q1-21

POSITIVE NET INFLOWS THANKS TO MULTICLASS CLASS III COMPONENT OF INSURANCE PRODUCTS

€ m unless otherwise stated



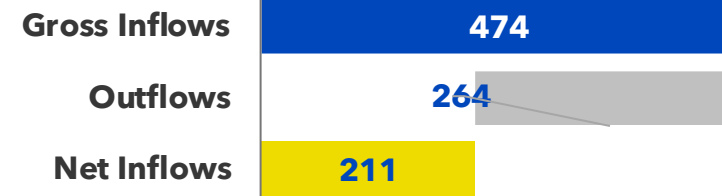
TOTAL NET INFLOWS - Q1-21



MULTICLASS CLASS III



MUTUAL FUNDS



UNIT LINKED (CLASS III)

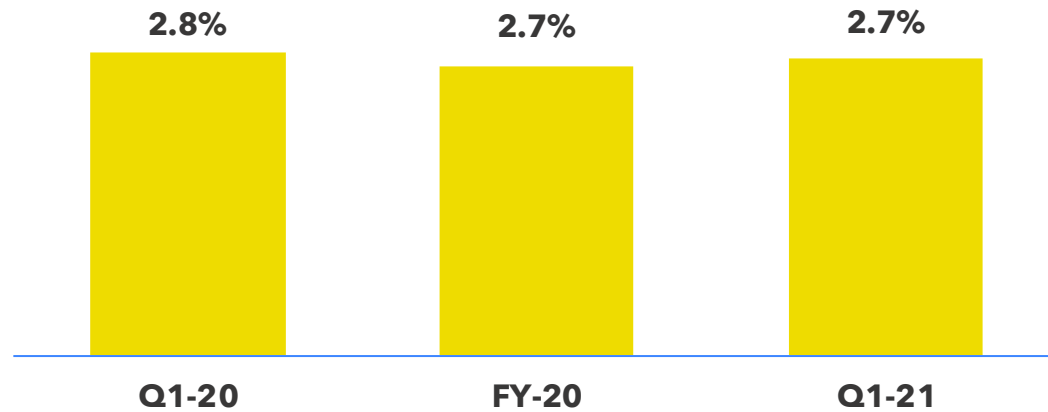


BANCOPOSTA: SOLID AND EFFICIENT CAPITAL POSITION

AN ASSET GATHERER WITH A LIGHT BALANCE SHEET



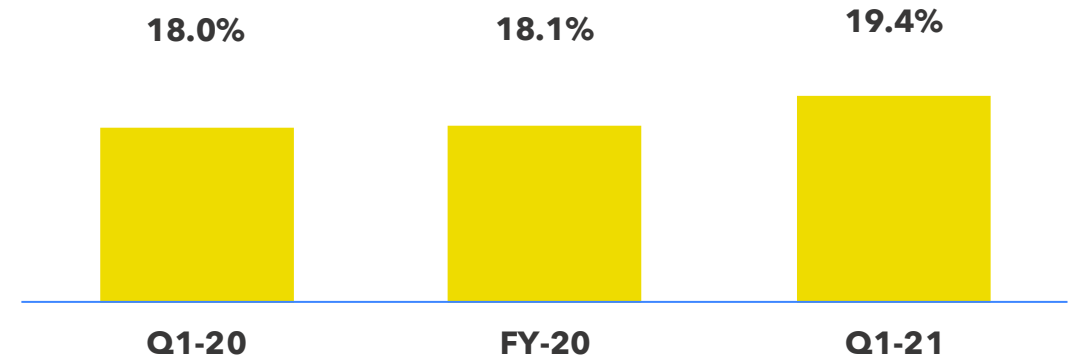
LEVERAGE RATIO



BALANCE SHEET EXPOSURE (€ BN)	85.8	92.3	90.1
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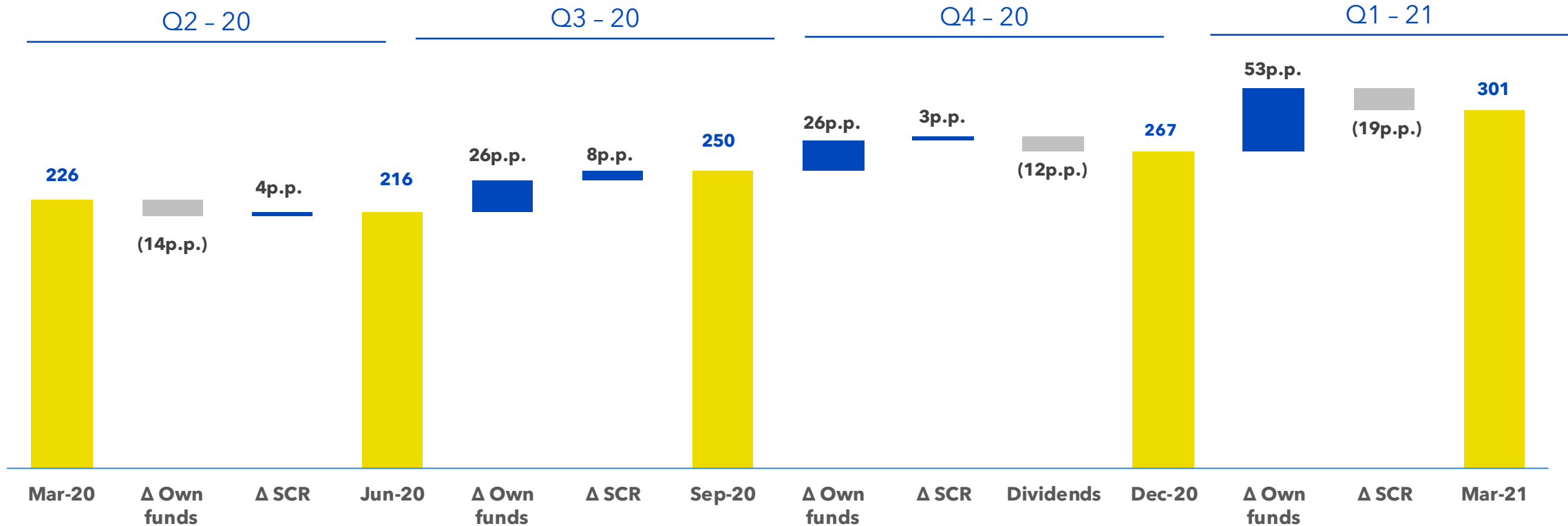


CET1 RATIO



RWA (€ BN)	13.3	13.5	12.6
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INSURANCE SERVICES SOLVENCY II EVOLUTION

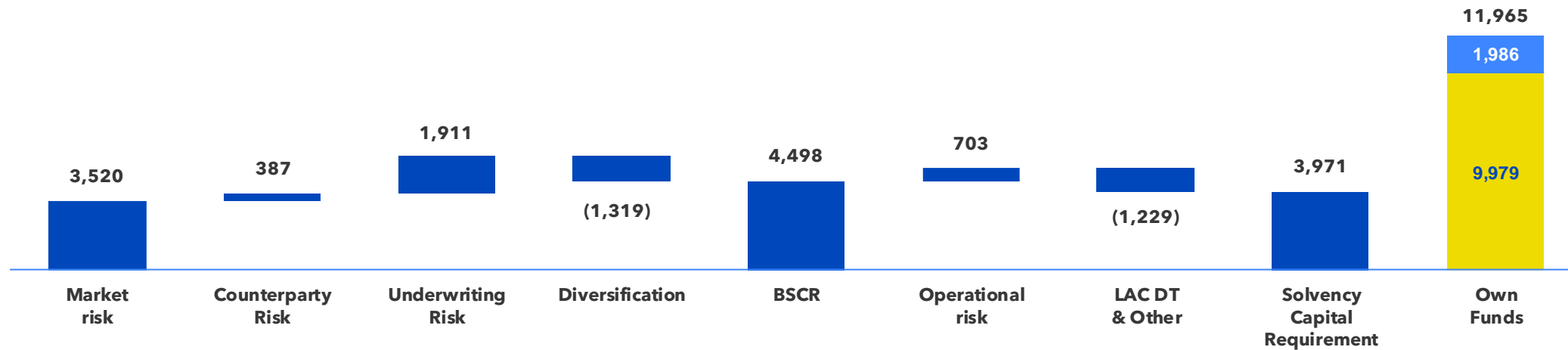


	Mar-20	Jun-20	Sep-20	Dec-20	Mar-21
SWAP (BP)	(2)	(17)	(23)	(26)	7
BTP-SWAP SPREAD (BP)	154	142	110	81	60
V.A. CURR. (BP)	46	19	14	7	5

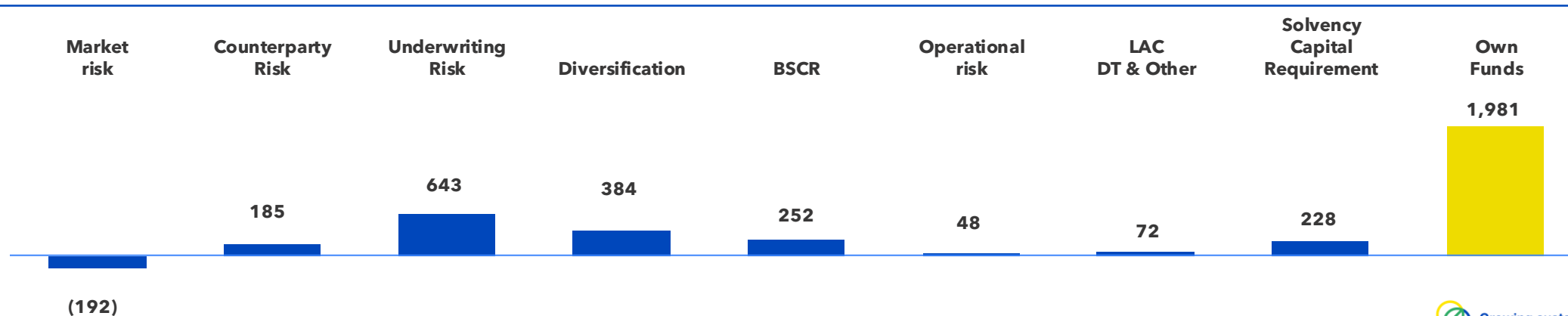
INSURANCE SERVICES

SOLVENCY II OWN FUNDS TIERING AND SOLVENCY CAPITAL REQUIREMENTS

SOLVENCY II CAPITAL AND SOLVENCY II CAPITAL REQUIREMENT EVOLUTION (€ M)



CHANGE VS. DECEMBER 2020 (€ M)



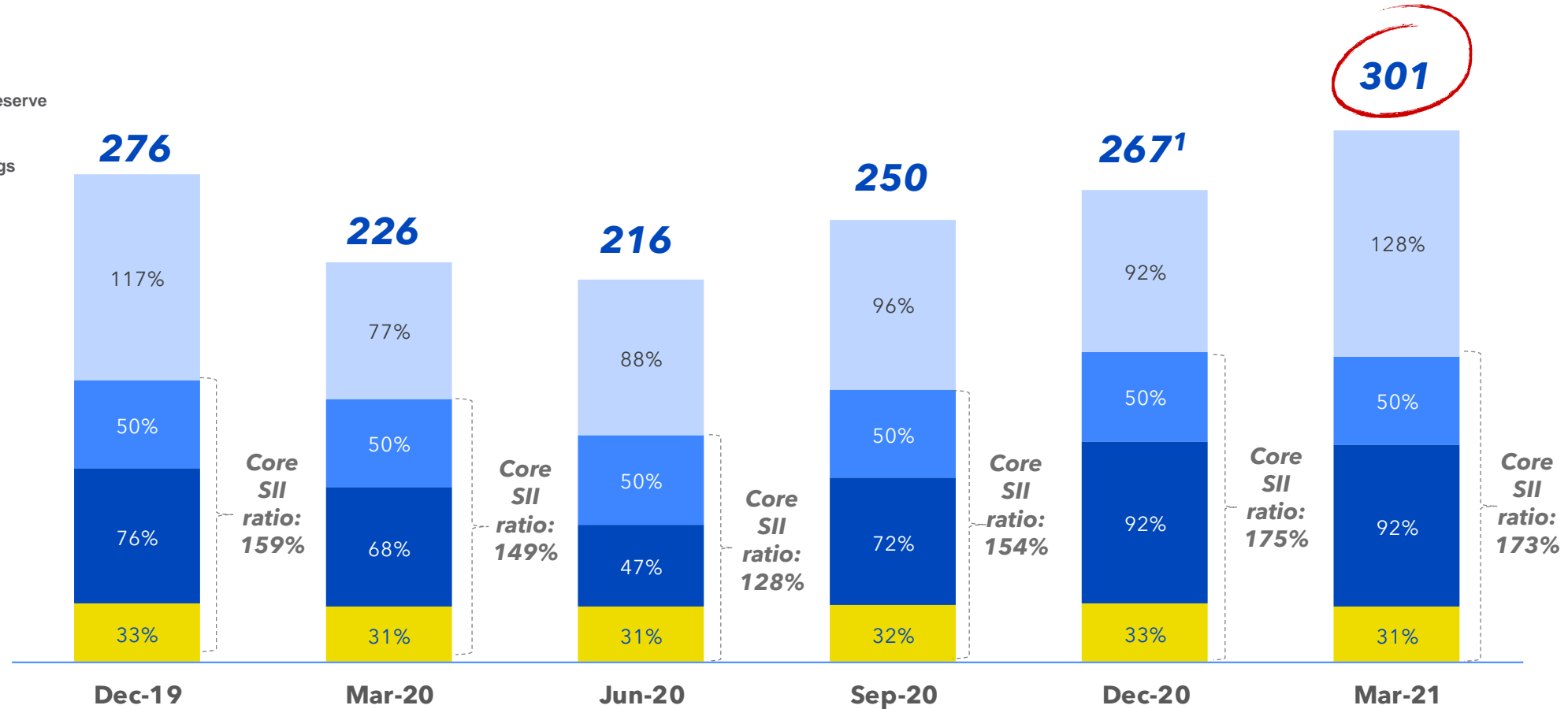
INSURANCE SERVICES: SOLVENCY II RATIO COMPOSITION

BROADLY STABLE CORE SOLVENCY II RATIO



CORE SOLVENCY RATIO - EXCLUDING TRANSITIONAL MEASURES

- Reconciliation reserve
- Tier 2
- Retained earnings
- Share capital



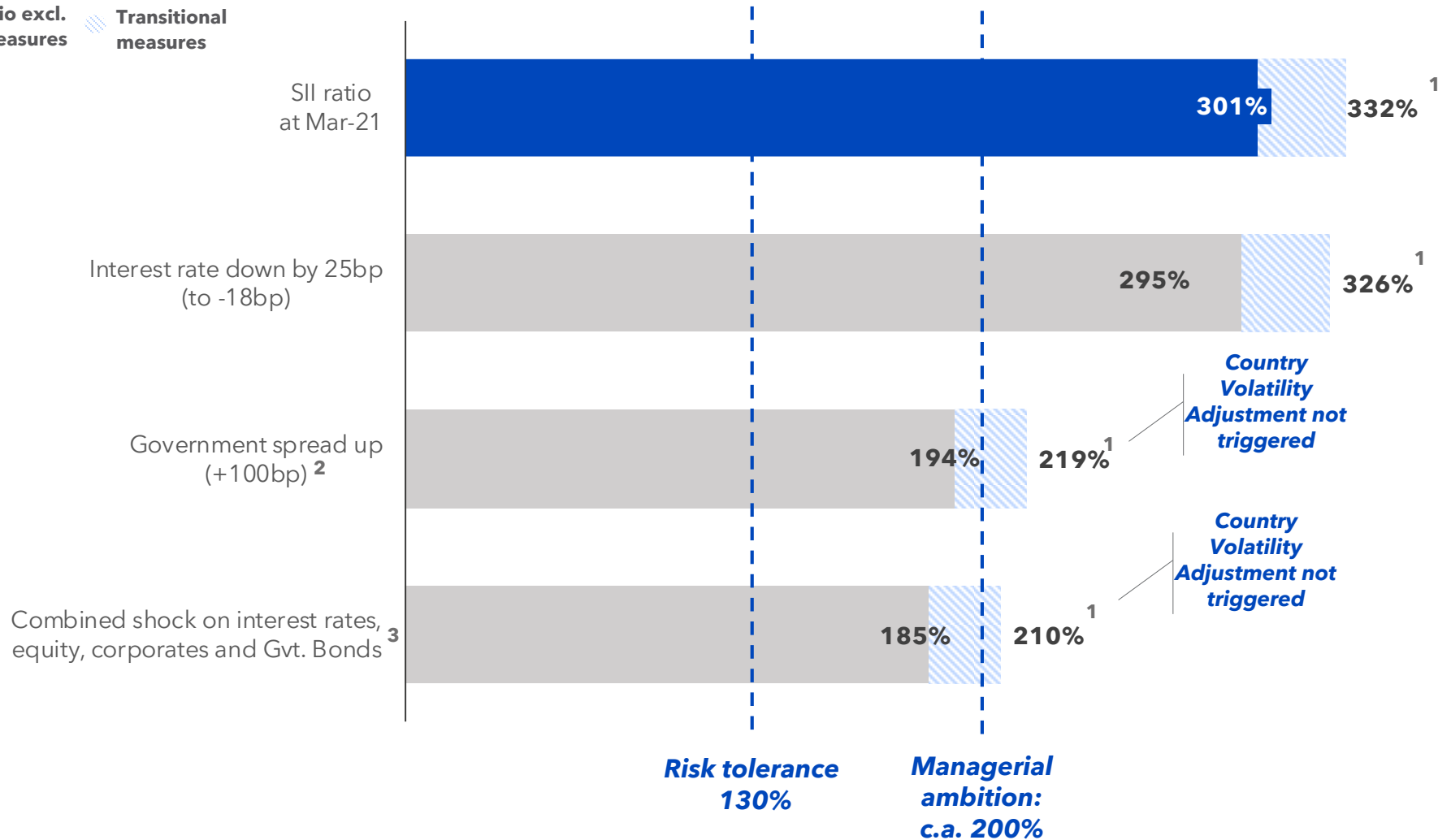
1. Net of dividends

SOLVENCY II RATIO KEY SENSITIVITIES

RESILIENT UNDER SEVERE SCENARIOS

● Solvency II ratio excl. transitional measures

▨ Transitional measures



1. Including Transitional measures 2 Vs. Asset Swap Spread 3. +100 Government IT e corporate spread up,-25bp interest rates,-30% Equity

INSURANCE SERVICES

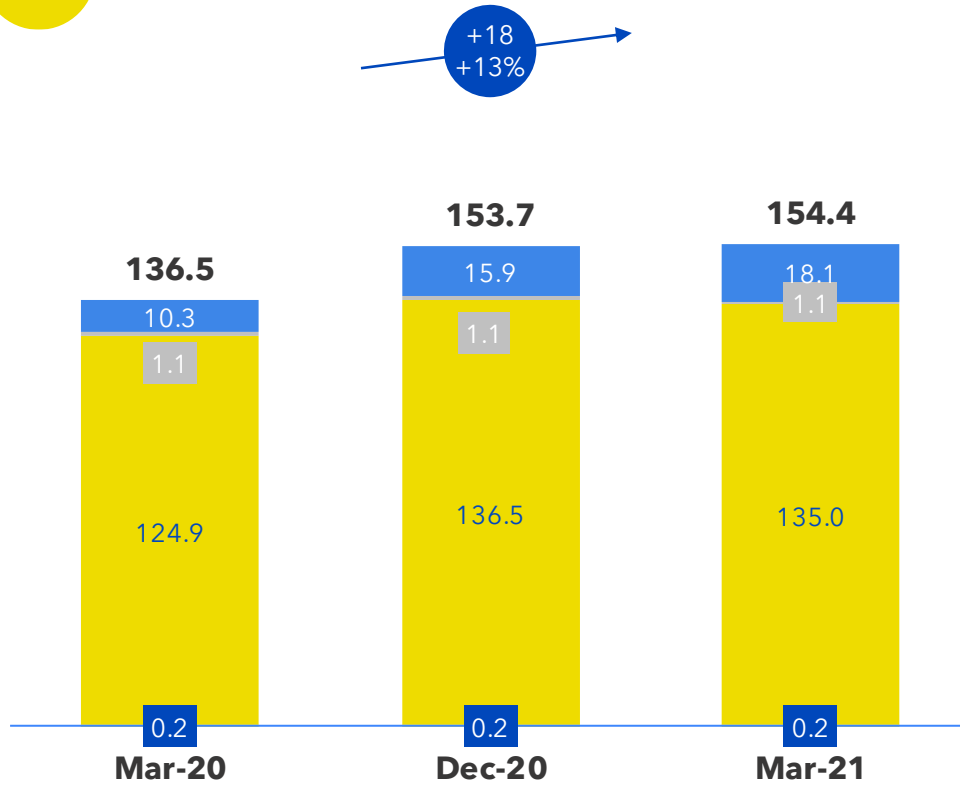
CONTINUED DIVERSIFICATION TOWARDS MORE CAPITAL EFFICIENT PRODUCTS

€ bn unless otherwise stated

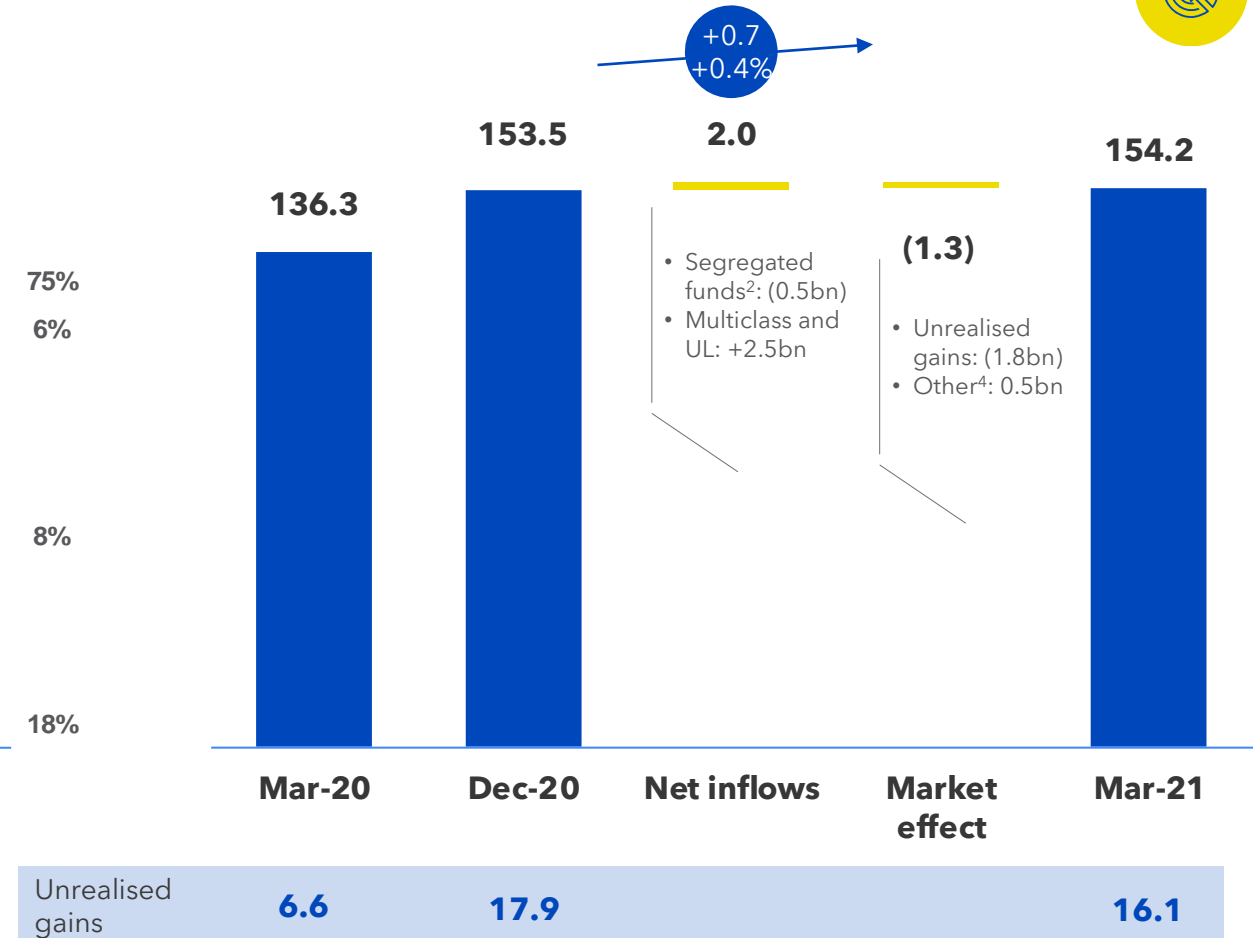


GROUP NET TECHNICAL PROVISIONS¹

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



LIFE NET TECHNICAL PROVISIONS EVOLUTION³



1. Includes non-life technical reserves and net of re-insurance reserves; EoP figures 2. Includes life protection and PPP; 3. EoP figure; 4. Includes interests, upfront fees and other minor items

INSURANCE SERVICES

INCREASING SHARE OF MULTICLASS GROSS WRITTEN PREMIUMS

€ m unless otherwise stated



LIFE

+1,227
+27%



NON-LIFE

+19
+24%



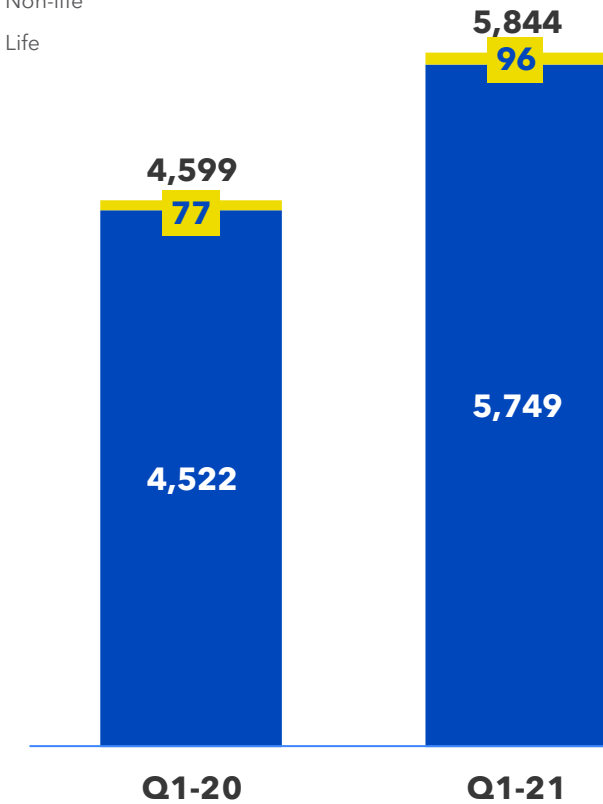
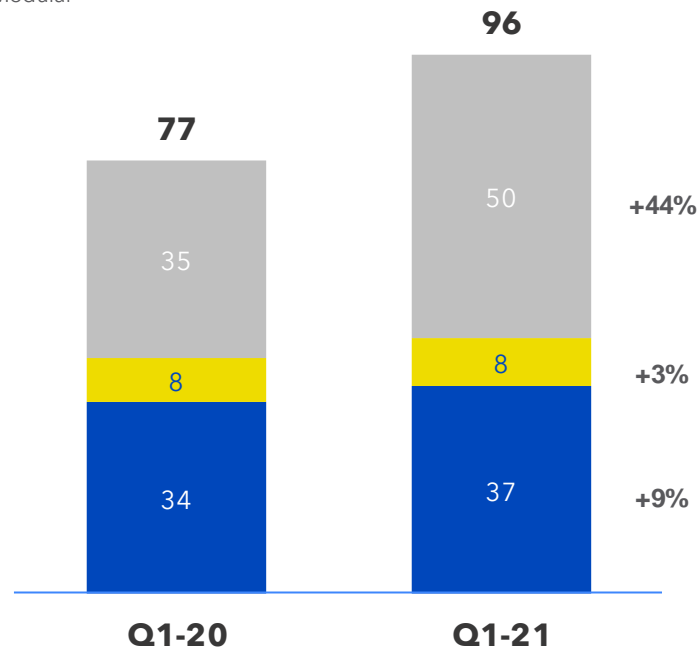
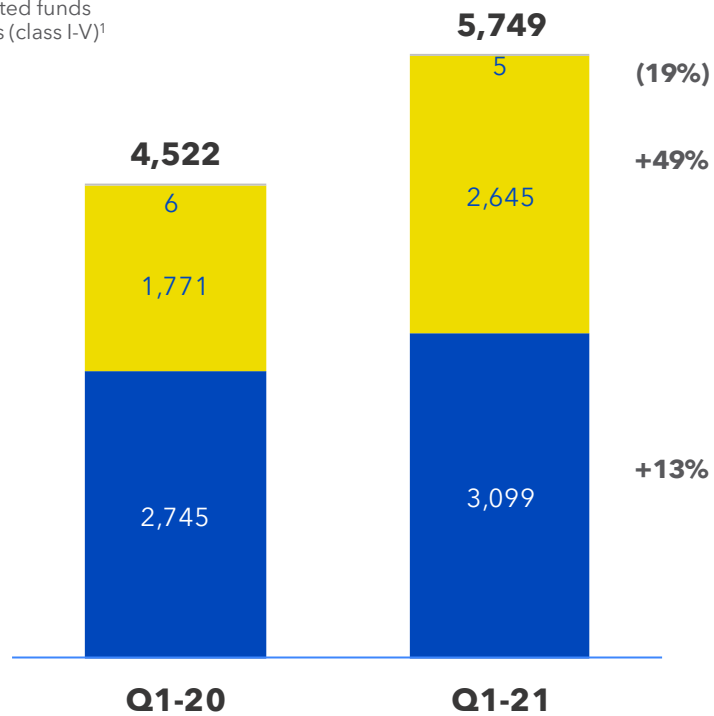
TOTAL

+1,246
+27%

- Unit Linked (Class III)
- Multiclass
- Segregated funds products (class I-V)¹

- Welfare
- CPI
- Modular

- Non-life
- Life



1. Includes life protection and PPP

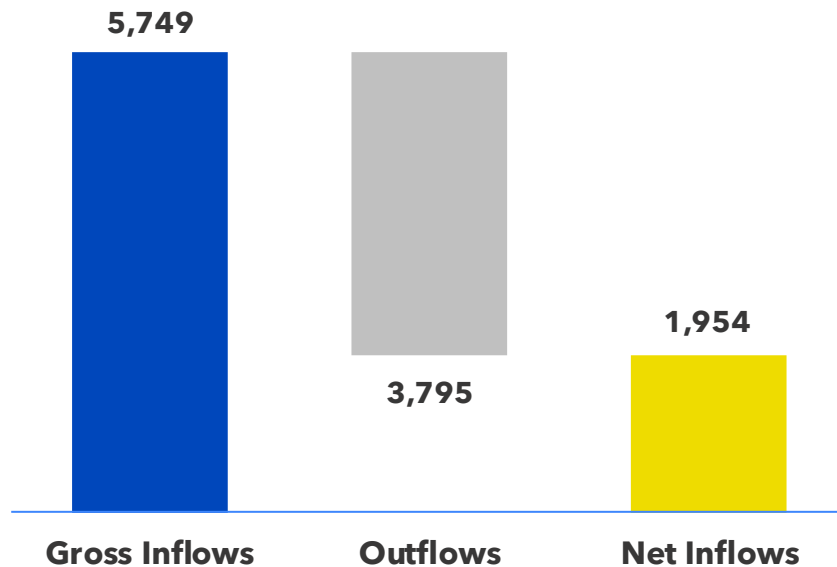
INSURANCE SERVICES

POSITIVE NET INFLOWS THANKS TO MULTICLASS INSURANCE PRODUCTS

€ m unless otherwise stated



TOTAL NET INFLOWS - Q1-21



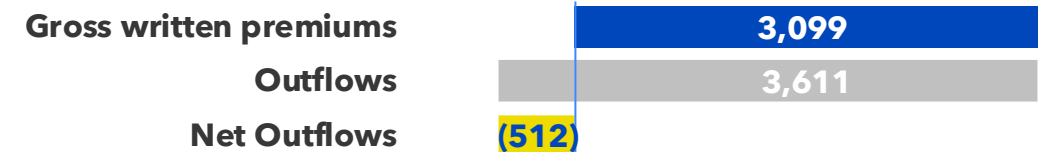
UNIT LINKED (CLASS III)



MULTICLASS



SEGREGATED FUNDS AND PPP¹



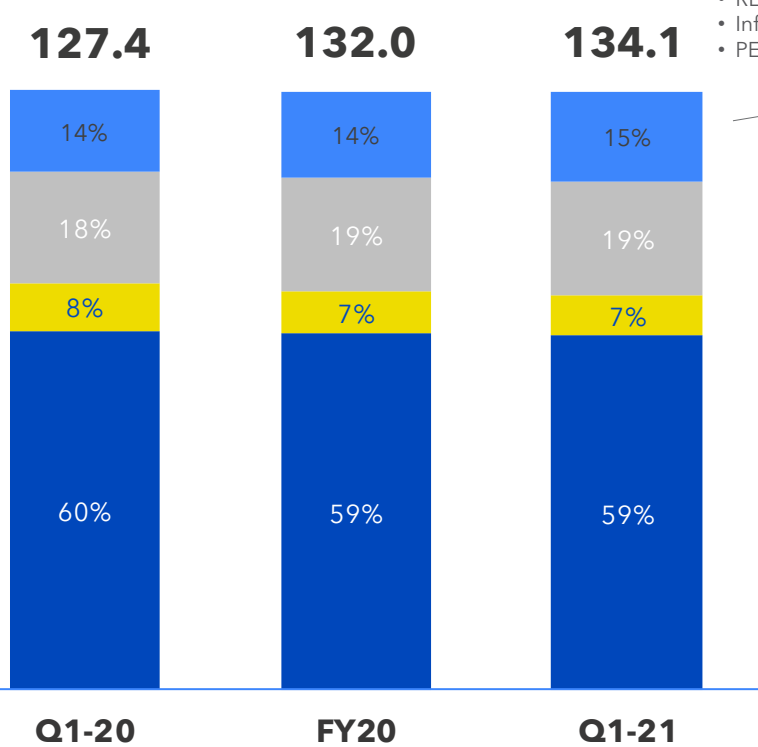
1. Includes life protection and PPP

INSURANCE SERVICES LOW RISK INVESTMENT PORTFOLIO



INVESTMENT PORTFOLIO BREAKDOWN

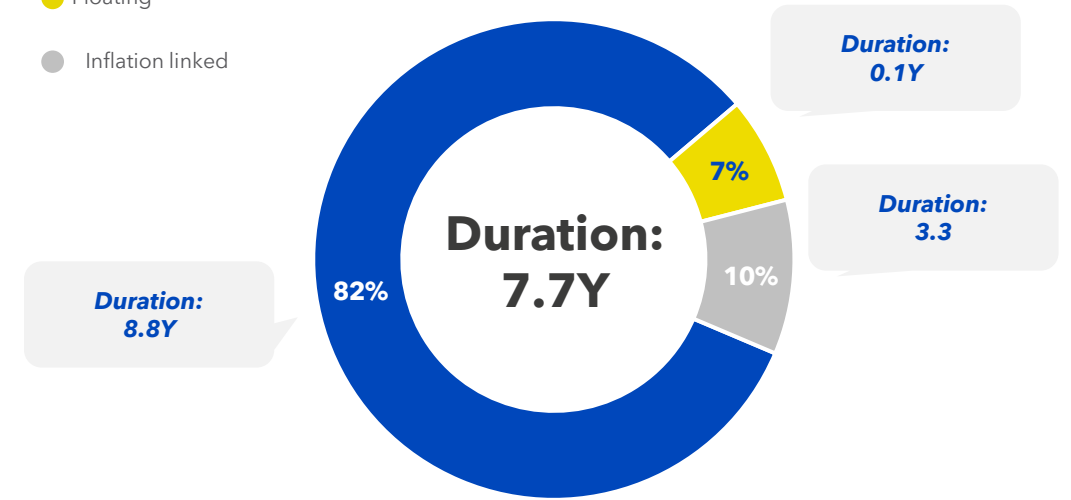
Total investment portfolio (€ bn)



- HY: 5%
- EM: 5%
- Equity: 2%
- Private Debt: 1%
- RE: 2%
- Infrastructure: 1%
- PE & HF: 1%

FIXED INCOME BREAKDOWN BY RATE TYPE





- Fixed
- Floating
- Inflation linked



	Q1-20	H1-20	FY20	Q1-21	Var (bp) Q1-21 vs FY20
Minimum guaranteed return (Class I) (%)	0.64	0.61	0.57	0.51	(6bp)
Segregated Fund return (%)	2.06	2.19	2.16	2.11	(5bp)

GROUP PERFORMANCE

MAIN KPIs

OPERATIONAL KPI's		Q1-20	Q1-21	Δ% YoY
 MAIL PARCEL & DISTRIBUTION	Mail Volumes (#m)	614	653	+6%
	Parcels delivered by mailmen (#m)	14	21	+46%
	Parcel volumes (#m)	38	66	+72%
	B2C Revenues (€m)	108	188	+74%
 PAYMENTS & MOBILE	PostePay cards (#m)	21.0	21.9	+4%
	<i>of which PostePay Evolution cards (#m)</i>	7.0	8.0	+14%
	Total payment cards transactions (#bn) ¹	0.4	0.5	+27%
	<i>of which eCommerce transactions (#m)</i> ²	81.4	123.3	+51%
	Mobile & land-line (#m)	4.5	4.8	+7%
Digital e-Wallets (#m)	5.9	8.0	+36%	
 FINANCIAL SERVICES	Total Financial Assets - TFAs (€/bn)	539	572	+6%
	Unrealized gains (€m)	(2,224)	6,074	n.a.
 INSURANCE SERVICES	Gross Written Premiums (€m)	4,599	5,844	+27%
	GWP - Life (€m)	4,273	5,483	+28%
	GWP - Private Pension Plan (€m)	249	265	+7%
	GWP - P&C (€m)	77	96	+24%
	o.w. Modular	34	37	+9%
	o.w. Welfare	35	50	+44%
o.w. Payment	8	8	+3%	

1. Including payments, top ups and withdrawals 2. Includes e-commerce and web transactions on Poste Italiane channels

INTERSEGMENT COSTS AS OF Q1-21

INTERSEGMENT DYNAMICS' KEY DRIVERS

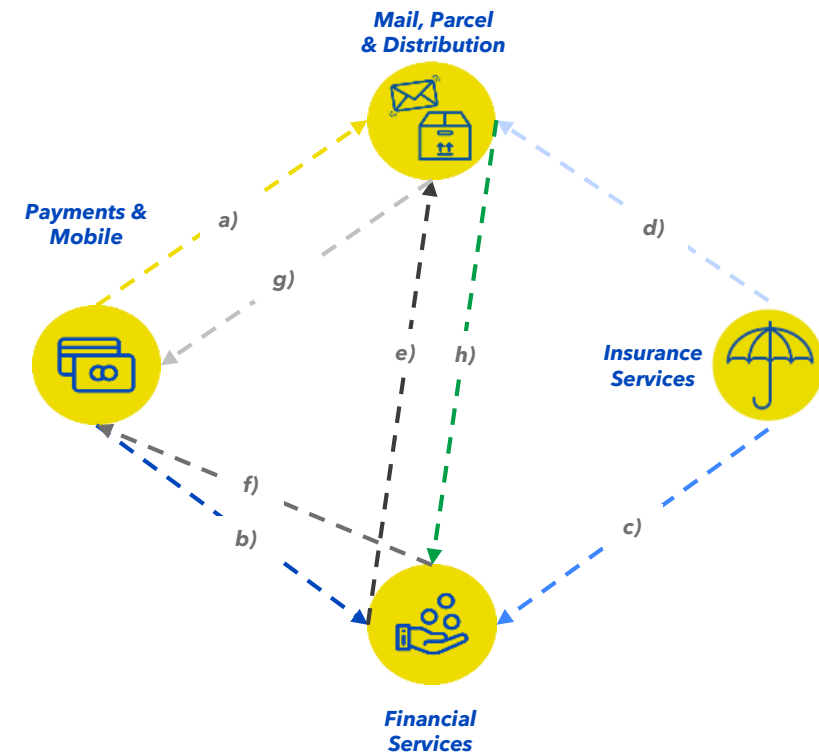
€ m unless otherwise stated

INTERSEGMENT COST FLOWS

MAIN RATIONALE

INDICATIVE MAIN REMUNERATION SCHEME

€ M



Payments and Mobile remunerates:

- a) **Mail, Parcel and Distribution** for providing IT, delivery volume and other corporates services¹;
- b) **Financial Services** for promoting and selling card payments and other payments (e.g. tax payments) throughout the network;

Insurance Services remunerates:

- c) **Financial Services** for promoting and selling insurance products² and for investment management services³;
- d) **Mail, Parcel and Distribution** for providing corporate services¹;

Financial Services remunerates:

- e) **Mail, Parcel and Distribution** for promoting and selling Financial, Insurance and PMD products throughout the network and for providing corporate services⁴;
- f) **Payments & Mobile** for providing certain payment services⁵

Mail, Parcel and Distribution remunerates:

- g) **Payments & Mobile** for acquiring services and postman electronic devices
- h) **Financial Services** as distribution fees related to "Bollettino DTT"

a)	Number of payment transactions flat fee (depending on the product)	a) 58
b)	Fixed % of revenues	b) 41
		Total: 98
<hr/>		
c)	Fixed % of upfront fees	c) 155
d)	Depending on service/product	d) 17
		Total: 172
<hr/>		
e)	Fixed % (depending on the product) of revenues	e) 1,199
f)	Depending on service/product	f) 74
		Total: 1,273⁶
<hr/>		
g)	Annual fee	g) 9
h)	Flat fee for each «Bollettino»	h) 10
		Total: 19

1. Corporate Services such as communication, anti money laundering, IT, back office and call centers 2. Which, in turn, remunerates Mail, Parcel and Distribution 3. Investment management services provided by BancoPosta Fondi SGR. 4. E.g. Corporate services are remunerated according to number of allocated FTEs, volumes of sent letters and communication costs 5. E.g. 'Bollettino' 6. Including interest charges

CONSOLIDATED ACCOUNT

PROFIT & LOSS

€m	Q1-20	Q1-21	Var.	Var. %
Total revenues	2,671	2,933	+262	+10%
of which:				
Mail, Parcel and Distribution	771	917	+146	+19%
Financial Services	1,380	1,327	(53)	(4%)
Insurance Services	355	496	+142	+40%
Payments and Mobile	165	192	+27	+16%
Total costs	2,230	2,313	+82	+4%
of which:				
Total personnel expenses	1,404	1,358	(46)	(3%)
<i>of which personnel expenses</i>	1,402	1,358	(44)	(3%)
<i>of which early retirement incentives</i>	1	2	+1	+66%
<i>of which legal disputes with employees</i>	1	(2)	(3)	n.m.
Other operating costs	623	755	132	+21%
Depreciation, amortisation and impairments	203	199	(4)	(2%)
EBIT	441	620	+180	+41%
EBIT Margin	+16%	+21%		
Finance income/(costs) and profit/(loss) on investments accounted for using the equity method	7	20	+13	n.m.
Profit before tax	447	640	+193	+43%
Income tax expense	141	193	+52	+37%
Profit for the period	306	447	+141	+46%

MAIL, PARCEL & DISTRIBUTION PROFIT & LOSS

€m	Q1-20	Q1-21	Var.	Var. %
Segment revenue	771	917	+146	+19%
Intersegment revenue	1,260	1,275	+15	+1%
Total revenues	2,031	2,192	+161	+8%
Personnel expenses	1,375	1,332	(43)	(3%)
<i>of which personnel expenses</i>	1,375	1,331	(45)	(3%)
<i>of which early retirement incentives</i>	0	2	+1	n.m.
Other operating costs	484	589	+105	+22%
Intersegment costs	17	19	+3	+15%
Total costs	1,876	1,941	+65	+3%
EBITDA	155	251	+96	+62%
Depreciation, amortisation and impairments	191	194	+2	+1%
EBIT	(36)	57	+94	n.m.
EBIT MARGIN	(2%)	+3%		
Finance income/(costs)	3	5	+2	+65%
Profit/(Loss) before tax	(33)	62	+95	n.m.
Income tax expense	(2)	24	+27	n.m.
Profit for the period	(31)	38	+69	n.m.

FINANCIAL SERVICES

PROFIT & LOSS

€m	Q1-20	Q1-21	Var.	Var. %
Segment revenue	1,380	1,327	(53)	(4%)
Intersegment revenue	160	199	+39	+25%
Total revenues	1,540	1,527	(13)	(1%)
Personnel expenses	11	11	(0)	(2%)
<i>of which personnel expenses</i>	11	11	(0)	(2%)
<i>of which early retirement incentives</i>	0	0	+0	n.m.
Other operating costs	28	42	+13	+47%
Depreciation, amortisation and impairments	0	0	+0	+14%
Intersegment costs	1,278	1,268	(9)	(1%)
Total costs	1,317	1,321	+4	+0%
EBIT	223	206	(17)	(8%)
EBIT MARGIN	14%	13%	(0)	(7%)
Finance income/(costs)	(1)	5	+6	n.m.
Profit/(Loss) before tax	221	211	(10)	(5%)
Income tax expense	66	59	(7)	(10%)
Profit for the period	155	152	(4)	(2%)

INSURANCE SERVICES

PROFIT & LOSS

€m	Q1-20	Q1-21	Var.	Var. %
Segment revenue	355	496	+142	+40%
Intersegment revenue	0	1	+1	n.m.
Total revenues	355	497	+142	+40%
Personnel expenses	11	9	(2)	(18%)
<i>of which personnel expenses</i>	10	9	(1)	(11%)
<i>of which early retirement incentives</i>	1	0	(1)	n.m.
Other operating costs	25	27	+2	+8%
Depreciation, amortisation and impairments	4	1	(3)	(73%)
Intersegment costs	127	172	+44	+35%
Total costs	167	209	+41	+25%
EBIT	187	288	101	+54%
EBIT MARGIN	53%	58%		
Finance income/(costs)	2	11	+10	n.m.
Profit/(Loss) before tax	189	300	111	+59%
Income tax expense	58	90	+32	+55%
Profit for the period	131	210	79	+61%

PAYMENTS & MOBILE PROFIT & LOSS

€m	Q1-20	Q1-21	Var.	Var. %
Segment revenue	165	192	+27	+16%
Intersegment revenue	90	83	(7)	(7%)
Total revenues	255	276	+20	+8%
Personnel expenses	7	6	(0)	(4%)
<i>of which personnel expenses</i>	7	6	(0)	(4%)
<i>of which early retirement incentives</i>	0	0	+0	n.m.
Other operating costs	87	97	+11	+12%
Intersegment costs	87	98	+11	+13%
Total costs	181	202	+22	+12%
EBITDA	75	74	(1)	(2%)
Depreciation, amortisation and impairments	8	4	(3)	(45%)
EBIT	67	70	+2	+3%
EBIT MARGIN	26%	25%		
Finance income/(costs)	3	-2	(5)	n.m.
Profit/(Loss) before tax	71	68	(3)	(4%)
Income tax expense	19	20	+0	+2%
Profit for the period	51	48	(3)	(6%)

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

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

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

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