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*Testo del comunicato*

Vedi allegato.

# POSTE ITALIANE Q1 2021 FINANCIAL RESULTS

**SOLID FINANCIAL PERFORMANCE IN Q1-21 AS BUSINESS CONTINUES TO RECOVER**

**STRONG START ON 24S/ PLAN EXECUTION, Q1-21 NET PROFIT UP 46% AT €447M**

**SUSTAINABLE VALUE CREATION WITH Q1-21 REVENUES UP 9.8% AT €2.9BN**

**SOLID Q1-21 OPERATING PROFIT, UP 40.8%, REACHING €620M**

**RECORD HIGH PARCELS WITH B2C VOLUMES DOUBLING YEAR-ON-YEAR**

**TFA INFLOWS BOOSTED BY INSURANCE PRODUCTS**

**STRONG GROWTH IN CARD PAYMENTS WITH INCREASING TRANSACTIONS**

**LEADERSHIP IN LOGISTICS AND TECHNOLOGICAL INNOVATION  
SUPPORTING ITALY'S VACCINATION PROGRAMME**

**POSTE ITALIANE CONFIRMED AS STRATEGIC PILLAR FOR ITALY FURTHER  
STRENGTHENING BRAND REPUTATION**

- Q1-21 REVENUES AT €2.9BN, +9.8% Y/Y. STRONG RESULTS, LEVERAGING ON BUSINESS TRENDS AND FOCUSED COMMERCIAL STRATEGY:
  - MAIL, PARCEL & DISTRIBUTION REVENUES AT €917M, +18.9% Y/Y, WITH RECORD HIGH B2C PARCEL VOLUMES;
  - FINANCIAL SERVICES REVENUES AT €1.3BN, -3.8% Y/Y: DAILY GROSS INFLOWS IN INVESTMENT PRODUCTS INCREASING AND ABOVE PRE-PANDEMIC LEVELS;
  - INSURANCE SERVICES REVENUES AT €496M, +40% Y/Y: €5.7BN TOTAL GWP, HALF OF WHICH GENERATED BY MULTICLASS PRODUCTS;
  - PAYMENTS & MOBILE REVENUES AT €192M, +16.5% Y/Y: STRONG DOUBLE-DIGIT GROWTH BOOSTED BY CARD PAYMENTS.
- Q1-21 TOTAL COSTS AT €2.3BN, +3.7% BALANCING COST DISCIPLINE AND SUPPORT TO BUSINESS GROWTH. HR COSTS DOWN ON LOWER FTES AND HIGHER VARIABLE COSTS ENTIRELY RELATED TO RISING BUSINESS VOLUMES;
- Q1-21 EBIT AT €620M, +40.8% Y/Y SUPPORTED BY INSURANCE PRODUCTS, PARCEL GROWTH AND CARD PAYMENTS;
- Q1-21 NET PROFIT AT €447M, +46.0% Y/Y WITH A DIVERSIFIED STRATEGY CONTINUING TO DELIVER;
- TFAs AT €572BN DRIVEN BY €2.7BN NET INFLOWS AND BOOSTED BY LIFE INSURANCE PRODUCTS.

## Q1 2021 Operational Segment Highlights

- **Mail, Parcel & Distribution:** impressive parcel volumes growth across all product types (B2C +88%; B2B +45% and C2X +41%) with record high parcel revenues at €368m (+74.5% y/y). New fully automated parcel sorting hub, with 270,000 daily capacity, now operational in Northern Italy. Sengi joint venture already contributing to client base diversification with increasing international volumes (7 million parcels in the quarter). Nexive integration on track with reorganizational kick-off;
- **Financial Services:** New 'customer needs' model launched across the sales network supporting financial advisors. Successful roll-out of tax credits purchase, contributing to enlarge our retail and business customer base, providing further cross selling potential. New automated digital postal saving offer, supporting increased digital channels' penetration by our financial products offer;
- **Insurance Services:** Multiclass life insurance products continue to prove successful, now representing half of gross written premiums. P&C growth led by modular offer, providing flexible and tailored solutions for customers' protection needs;
- **Payments & Mobile:** 51% increase in e-commerce transactions supporting digital payments strategy and embracing evolving customer spending habits; broadband pilot scheme successfully introduced for employees in preparation of full roll-out to our customer base by the end of May, to capture growth in the Italian broadband market; new contract signed with Vodafone enabling telco traffic cost reduction starting from the second half of the year.

## POSTE ITALIANE CONFIRMS ITS ROLE AS ITALY'S STRATEGIC PILLAR SUPPORTING PEOPLE, FAMILIES AND BUSINESSES.

## WE AIM TO CREATE LONG-TERM VALUE, WITH POSITIVE IMPACT ON CUSTOMERS, COLLEAGUES AND COMMUNITIES.

### SOME KEY ACHIEVEMENTS IN Q1 2021 INCLUDE:

- **Brand Finance Institute “Insurance 100”**: ranked first for the second year in a row as the world’s strongest insurance brand, with a Brand Strength Index (BSI) score of 86.2 out of 100 and a corresponding AAA brand strength rating.
- **2020 Intranet Italia Champions**: awarded the best corporate intranet portal app for Poste’s employees for ease of use and the ability to facilitate remote working, support internal communication flows and simplify access to corporate services for employees.
- **Postepay Green**: dedicated card for the 10-to-17-year age group launched with a bio-sourced and recycled card body, with features supported by the Postepay app for smart payments, public transport payments and QR code payments as well as access to the *ScontiPoste* loyalty programme.
- **Smart Postboxes**: roll-out of innovative smart post boxes with sensors for collecting and displaying atmospheric and meteorological data. The data collected is used by the public administration for traffic and smog reduction. Touch screen displays are used for information and advertising.
- **Fishbowl Generation**: as part of the Diversity & Inclusion programme a project has been launched to bridge the gap between age generations within Poste Italiane with the objective of facilitating a more inclusive society. A trial has started with 120 employees from all the Group business divisions.
- **Poste Centro Medico**: The first onsite clinic for employees successfully launched at Poste Italiane’s corporate headquarters in Rome. The centre is the first of its kind in Italy offering access to all branches of specialist medical care for employees, former employees and their families. As part of the Poste Welfare scheme, the 550 square metre centre allows easy and convenient access to the best medical care where clinicians and physicians visit employee/patients eliminating or drastically reducing travel and waiting time.

Rome, 12 May 2021, yesterday, the Board of Directors of Poste Italiane S.p.A. (“Poste Italiane” or the “Group”), chaired by Maria Bianca Farina, approved First Quarter 2021 Financial Results (unaudited).

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

*“We have made a strong start in the execution of our ‘2024 Sustain & Innovate’ new strategic plan, delivering a solid financial performance in the first quarter, capturing business momentum and improving economic outlook, while achieving materially enhanced results for our shareholders.*

*The strong increase in parcel revenues supported by doubling B2C volumes, the continued expansion of card payments and the material progression of our insurance business are all confirming our commitment to successfully execute our strategic plan.*

*The results are particularly positive, especially bearing in mind that, throughout the quarter, several Italian regions have been under partial lockdown.*

*We have adapted and continue to evolve in a changing world while providing all of our services with a constant focus on our customers’ needs and preferences.*

*I am pleased with our revenue and cost performance and we remain focused on supporting Italy as a strategic pillar, through our omnichannel presence and our extraordinary people.*

*Since the early days of the pandemic last year, our diversified business has demonstrated its resilience, ensuring Poste’s financial integrity. We always step up for our customers, colleagues and communities when they need our support the most; at the same time we deliver for our shareholders remarkable results in every quarter. As we enter the next phase of this pandemic, we remain a key player in supporting the economic recovery.*

*I am particularly proud of our ongoing partnership with the Italian army as part of the national vaccine roll-out: potentially, up to 37% of the population will be vaccinated booking their appointments on our internally developed cloud platform, with vaccine doses distributed by Poste Italiane.*

*While we continue to make progress against our strategic targets growing in key areas and accelerating our digital transformation, we are well aware that our success is measured not only by financial performance, but also by how we act responsibly for the country as a whole. We are agents of change and our extensive physical network will support Italy’s digital transition, also with our involvement in the National Resilience and Recovery Plan.*

*We remain best positioned to support the economy playing a pivotal role in society, building long-term value and driving sustainable returns for our shareholders”.*

## POSTE ITALIANE Q1 2021 Results

12 May 2021 - 14:30 CEST

To attend click here: [Poste Italiane Q1 2021 Results Webcast](#)

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

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## CONSOLIDATED FINANCIAL RESULTS SUMMARY

€m	Q1-20	Q1-21	Y/Y%
<b>GROUP</b>			
Revenues <sup>1</sup>	2,671	<b>2,933</b>	+9.8%
EBIT	441	<b>620</b>	+40.8%
Net Profit	306	<b>447</b>	+46.0%
<b>MAIL, PARCEL &amp; DISTRIBUTION</b>			
External Revenues	771	<b>917</b>	+18.9%
EBIT	(36)	<b>57</b>	n.m.
Net Profit	(31)	<b>38</b>	n.m.
<b>FINANCIAL SERVICES</b>			
External Revenues <sup>1</sup>	1,380	<b>1,327</b>	-3.8%
EBIT	223	<b>206</b>	-7.6%
Net Profit	155	<b>152</b>	-2.4%
<b>INSURANCE SERVICES</b>			
External Revenues	355	<b>496</b>	+40.0%
EBIT	187	<b>288</b>	+53.9%
Net Profit	131	<b>210</b>	+60.5%
<b>PAYMENTS &amp; MOBILE</b>			
External Revenues	165	<b>192</b>	+16.5%
EBIT	67	<b>70</b>	+3.4%
Net Profit	51	<b>48</b>	-6.1%

<sup>1</sup> Revenues differ from previously communicated figures as revenues are now presented net of interest income charges and capital losses on investment portfolio, which were previously included among costs. As a result, figures for Q1-20 have been restated

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*In addition to the standard financial indicators required by IFRS, Poste Italiane discloses alternative performance indicators to provide a better understanding of business performance and financial position. These indicators are described in the annex, in line with the ESMA/2015/1415 Guidelines of 5 October 2015.*

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

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**MAIL, PARCEL & DISTRIBUTION – STRONG REVENUE INCREASE BOOSTED BY RECORD HIGH PARCELS**

€m	Q1-20	Q1-21	Y/Y%
<b>SEGMENT REVENUES</b>	771	<b>917</b>	+18.9%
<b>INTERSEGMENT REVENUES</b>	1,260	<b>1,275</b>	+1.2%
<b>TOTAL REVENUES</b>	2,031	<b>2,192</b>	+7.9%
<b>EBIT</b>	(36)	<b>57</b>	n.m.
EBIT Margin (%)	-1.8%	<b>2.6%</b>	-
<b>NET PROFIT</b>	(31)	<b>38</b>	n.m.

KPI's			
Mail Volumes (#m)	614	<b>653</b>	+6.4%
Parcels delivered by mailmen (#m)	14	<b>21</b>	+45.6%
Parcel Volumes (#m)	38	<b>66</b>	+72.3%
B2C Revenues (€m)	108	<b>188</b>	+73.7%

In Q1 Mail, Parcel & Distribution segment revenues are up 18.9% y/y to €917m.

Mail revenues are down 1.4% to €509m, with Nexive contribution offsetting mail decline. Volumes were up 6.4% y/y, but with a lower tariff product mix.

Parcel revenues posted record high growth of 75% y/y to €368m in Q1, supported by remarkable double-digit volume growth in all segments. In Q1 B2C volumes were up 88% y/y to 47m items; B2B volumes up 45% y/y to 11m and C2X volumes up 41% y/y to 2m.

In Q1 a new hub has been inaugurated as part of the sorting facility transformation programme, with an automated sorting capacity of 270,000 parcels daily. In Q1 over 1 million parcels were handled daily, 2x y/y with *Postini* delivering 21 million parcels, up 46% y/y.

Distribution revenues at €1.3bn up 1.2% y/y, embedding a favorable comparison versus March 2020, which was impacted by last year's national lockdown, but also the effect of several regional lockdowns during Q1-21.

Segment EBIT registered a strong progression in Q1-21, totalling €57m from €-36m in Q1-20, boosted by parcel revenue growth and HR cost reduction.

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## FINANCIAL SERVICES – INSURANCE PRODUCT SALES GROWTH MORE THAN OFFSETTING NII DECLINE

€m	Q1-20	Q1-21	Y/Y%
<b>SEGMENT REVENUES <sup>1</sup></b>	1,380	<b>1,327</b>	-3.8%
<b>INTERSEGMENT REVENUES</b>	160	<b>199</b>	+24.6%
<b>TOTAL REVENUES</b>	1,540	<b>1,527</b>	-0.9%
<b>EBIT</b>	223	<b>206</b>	-7.6%
EBIT Margin (%)	14.5%	<b>13.5%</b>	-
<b>NET PROFIT</b>	155	<b>152</b>	-2.4%
<b>KPI's</b>			
<b>TOTAL FINANCIAL ASSETS - TFAs (€bn)</b>	539	<b>572</b>	+6.1%
<b>Average Current Account Deposits (€m)</b>	64.3	<b>74.9</b>	+16.6%
<b>Average Postal Savings Deposits (€bn)</b>	315.9	<b>320.2</b>	+1.4%
<b>Postal Savings Net Inflows (€m)</b>	1,250	<b>(1,132)</b>	n.m.
<b>Unrealized gains (€m)</b>	(2,224)	<b>6,074</b>	n.m.

1. Revenues differ from previously communicated figures as revenues are now presented net of interest income charges and capital losses on investment portfolio, which were previously included among costs. As a result, figures for Q1-20 have been restated

In Q1 Financial Services segment revenues were down 3.8% y/y to €1.3bn, mainly related to lower contribution from the investment portfolio. Gross revenues (including distribution revenues) were resilient, supported by a recovery of commercial activities related to insurance products.

In Q1 net interest income was down 7% y/y at €362m with persistently low interest rates partially mitigated by higher volumes coming from new deposits.

Postal savings' distribution fees were up 1.5% y/y to €452m thanks to postal bonds gross inflows.

Loan and mortgage distribution fees were down 10.3% to €65m impacted by subdued commercial activities over the past quarters, while volumes continued to grow to €797m up 4.0% y/y with an increasing market share.

In Q1 transaction banking fees were down 8.0% y/y to €199m, with fewer physical payment slips mitigated by higher volumes from digital and third-party channels.

Q1 asset management fees were up 14.2% y/y to €28m, supported by positive net inflows driven by new ESG funds.

Total Financial Assets reached €572bn in Q1-21 (up €3bn since December 2020) driven by €2.7bn net inflows and €0.2bn positive market effect. Net Technical Provisions increased €0.7bn driven by €2.0bn net inflows, and Deposits increased by €1.7bn with customers preference remaining in liquidity and higher inflows from corporates.

In Q1 EBIT is down 7.6% y/y to €206m, consistently with revenue trend.

**INSURANCE SERVICES – INSURANCE AT THE CORE OF WEALTH MANAGEMENT STRATEGY**

€m	Q1-20	Q1-21	Y/Y%
<b>SEGMENT REVENUES</b>	355	<b>496</b>	+40.0%
<i>Life (inc. Private Pension Plan)</i>	319	<b>459</b>	+44.0%
<i>P&amp;C</i>	36	<b>38</b>	+4.7%
<b>INTERSEGMENT REVENUES</b>	0	<b>1</b>	n.m.
<b>TOTAL REVENUES</b>	355	<b>497</b>	+40.2%
<b>EBIT</b>	187	<b>288</b>	+53.9%
EBIT Margin (%)	52.8%	<b>58.0%</b>	-
<b>NET PROFIT</b>	131	<b>210</b>	+60.5%

KPI's			
<b>Gross Written Premiums (€m)</b>	4,599	<b>5,844</b>	+27.1%
<b>GWP - Life + Private Pension Plans (€m)</b>	4,522	<b>5,749</b>	+27.1%
<b>GWP - P&amp;C (€m)</b>	77	<b>96</b>	+24.4%

In Q1 Insurance segment revenues were up by an impressive 40.0% y/y to €496m on the back of increasing volumes and higher margin products.

Life revenues were up 44.0% y/y to €459m supported by higher multiclass products sales, now representing half of Gross Written Premiums. Non-life revenues were up across all lines, thanks to the modular offer and welfare products.

In Q1 EBIT was up 53.9% y/y to €288m, the largest contribution to the Group's EBIT.

At the end of March 2021, Poste Vita Group's Solvency II Ratio stood at 301%. The ratio increased in the quarter, benefitting from higher risk-free rates and narrowing spreads across all asset classes. Transitional measures provide additional 31p.p. buffer to address potential market volatility.

**PAYMENTS & MOBILE – STRONG REVENUE GROWTH BOOSTED BY CARD PAYMENTS**

€m	Q1-20	Q1-21	Y/Y%
<b>SEGMENT REVENUES</b>	165	<b>192</b>	+16.5%
<i>Cards Payments</i>	84	<b>101</b>	+20.3%
<i>Other Payments</i>	13	<b>17</b>	+34.2%
<i>Telecom</i>	69	<b>74</b>	+8.6%
<b>INTERSEGMENT REVENUES</b>	90	<b>83</b>	-7.5%
<b>TOTAL REVENUES</b>	255	<b>276</b>	+8.0%
<b>EBIT</b>	67	<b>70</b>	+3.4%
EBIT Margin (%)	26.3%	<b>25.2%</b>	-
<b>NET PROFIT</b>	51	<b>48</b>	-6.1%

KPI's			
<b>Postepay cards (#m)</b>	21.0	<b>21.9</b>	+4.2%
<i>of which Postepay Evolution cards(#m)</i>	7.0	<b>8.0</b>	+14.3%
<b>Total payment cards transactions (#bn)</b>	0.4	<b>0.5</b>	+27.4%
<i>of which eCommerce transactions (#m)</i>	81.4	<b>123.3</b>	+51.4%
<b>Mobile &amp; land-line (#m)</b>	4.5	<b>4.8</b>	+7.0%
<b>Digital e-Wallets (#m)</b>	5.9	<b>8.0</b>	+35.6%

In Q1 Payments and Mobile segment revenues grew by a strong 16.5% y/y to €192m in total revenues, confirming PostePay's leadership in the fast-growing digital payments market. Card payments were up 20.3% y/y to €101m and Telco up 8.6% y/y to €74m. The shift towards higher recurring margin Evolution cards continued, with the total now above 8m (up 14.3% y/y).

In Q1 Other payments were up 34.2% y/y to €17m, mainly thanks to tax-related items recovery compared to the 2020 suspension.

Telco revenues were up 8.6% y/y to €74m in Q1-21 benefitting from the loyal customer base of 4.8 million users (+7% y/y) in both fixed and mobile lines.

In Q1-21 the number of e-commerce transactions rose further to 123.3m (+51% y/y), supporting the digital strategy outlined in 24 Sustain & Innovate.

In Q1 Segment EBIT was up 3.4% y/y to €70m, with digital payments offsetting reduced payment slips volumes and increasing telco costs, with the new telco traffic wholesale contract set to provide efficiencies from H2-21.

## OUTLOOK

2021 began in a general economic scenario still significantly affected by the ongoing health emergency but with encouraging prospects for recovery thanks to vaccination programmes and expansionary policies adopted to support the economy<sup>1</sup>.

In this context, the Group has confirmed its role as a systemic operator at national level, as a flexible and resilient company, not only with reference to its economic and financial performance, but also in relation to its social responsibility to support the country in overcoming the health emergency and relaunching production and investment. In this sense, of significance is the Group's active role in the distribution campaign for vaccines and in the management of the IT platform for booking vaccinations, through which one in three Italians, including the entire population of Lombardy, will be vaccinated.

The new '24SI' Strategic Plan, presented on 19 March 2021, aims to confirm the company's role as a strategic pillar for the country, with renewed attention to the issues of sustainability of business strategies and omnichannel service models.

The vision for the future is clear: to maximise the value of Italy's leading omnichannel distribution network by leveraging the increased reputation and trust of customers. To this end, significant investments in technology and logistics are planned in order to accelerate the Group's transformation process, innovating the business model and expanding the range of products and services in terms of content, channels and delivery methods.

The Group's activities aim to create a positive impact for customers, communities and all stakeholders by promoting integrity, transparency and ethical and responsible management. The company invests in its people to build an inclusive work environment that ensures equal opportunities.

First quarter 2021 show that the path of innovation and consolidation, outlined in the '24SI' plan, has been positively undertaken by the Group; the economic objectives forecast for 2021 are based on the hoped expectation of continuous improvement in the emergency situation, over the months, until a "new-normal" is reached during 2022.

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<sup>1</sup> The UN Conference on Trade and the Economy issued an official statement in March 2021 in which it sees the post-Covid global economic recovery as more positive than initially expected. According to the report, Gross Domestic Product in 2021 will grow globally by 4.7%, after the contraction of 3.9% in 2020, involving all the states of the planet, both developing countries and the richest. In the first four months of 2021, Poste Italiane contributed to the Covid-19 vaccination campaign through the management of the logistics chain for the distribution of several million doses of vaccine and made available its online IT platform for managing bookings.

## ALTERNATIVE PERFORMANCE INDICATORS

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

The following alternative performance indicators are used:

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

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

**GROUP NET CASH POSITION** - the sum of financial assets, cash and deposits attributable to BancoPosta, cash and cash equivalents, technical provisions for the insurance business (shown net of technical provisions attributable to reinsurers) and financial liabilities. This indicator is also shown separately for each Strategic Business Unit.

**NET CASH POSITION OF THE MAIL, PARCELS AND DISTRIBUTION STRATEGIC BUSINESS UNIT** – this is the sum of the following items, shown according to the format recommended by ESMA, the European Securities and Markets Authority (document 319 of 2013): financial liabilities after adjusting for intersegment transactions, current financial assets after adjusting for intersegment transactions and cash and cash equivalents.

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

	MAIL, PARCEL & DISTRIBUTION	FINANCIAL SERVICES	INSURANCE SERVICES	PAYMENTS & MOBILE	ADJUSTMENTS	CONSOLIDATED
<b>Balance at 31 March 2021</b>						
Financial liabilities	5,287	92,045	307	7,548	-10,997	94,190
Technical reserves for the insurance business	0	0	154,495	0	0	154,495
Financial assets	-907	-89,632	-156,084	-7,898	10,049	-244,472
Technical reserves attributable to reinsurers	0	0	-52	0	0	-52
Cash and deposits attributable to BancoPosta	0	-6,251	0	0	0	-6,251
Cash and cash equivalents	-2,292	-2,015	-1,771	-25	938	-5,165
<b>Net Financial Position*</b>	<b>2,088</b>	<b>-5,853</b>	<b>-3,105</b>	<b>-375</b>	<b>-10</b>	<b>-7,255</b>
<b>Balance at 31 December 2020</b>						
Financial liabilities	5,438	95,295	304	7,459	-10,266	98,230
Technical reserves for the insurance business	0	0	153,794	0	0	153,794
Financial assets	-1,310	-92,385	-155,953	-7,753	9,518	-247,883
Technical reserves attributable to reinsurers	0	0	-54	0	0	-54
Cash and deposits attributable to BancoPosta	0	-6,391	0	0	0	-6,391
Cash and cash equivalents	-2,254	-2,020	-964	-16	738	-4,516
<b>Net Financial Position*</b>	<b>1,874</b>	<b>-5,501</b>	<b>-2,873</b>	<b>-310</b>	<b>-10</b>	<b>-6,820</b>

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

## TABLES

### POSTE ITALIANE GROUP'S FINANCIAL STATEMENTS

#### CONSOLIDATED BALANCE SHEET (€M)

<b>ASSETS</b>	<b>at 31 March 2021 at 31 December 2020</b>	
<b>Non-current assets</b>		
Property, plant and equipment	2,141	2,134
Investment property	30	31
Intangible assets	781	755
Right-of-use assets	1,224	1,200
Investments accounted for using the equity method	619	615
Financial assets	215,674	217,877
Trade receivables	3	2
Deferred tax assets	1,101	1,123
Other receivables and assets	4,176	3,868
Technical provisions attributable to reinsurers	52	54
<b>Total</b>	<b>225,801</b>	<b>227,659</b>
<b>Current assets</b>		
Inventories	164	165
Trade receivables	2,732	2,373
Current tax assets	210	187
Other receivables and assets	979	1,060
Financial assets	28,798	30,006
Cash and deposits attributable to BancoPosta	6,251	6,391
Cash and cash equivalents	5,165	4,516
<b>Total</b>	<b>44,299</b>	<b>44,698</b>
<b>TOTAL ASSETS</b>	<b>270,100</b>	<b>272,357</b>
<b>LIABILITIES AND EQUITY</b>		
<b>Equity</b>		
Share capital	1,306	1,306
Reserves	4,328	3,909
Treasury shares	(40)	(40)
Retained earnings	6,794	6,327
<b>Equity attributable to owners of the Parent</b>	<b>12,388</b>	<b>11,502</b>
Equity attributable to non-controlling interests	5	5
<b>Total</b>	<b>12,393</b>	<b>11,507</b>
<b>Non-current liabilities</b>		
Technical provisions for insurance business	154,495	153,794
Provisions for risks and charges	661	625
Employee termination benefits	967	1,030
Financial liabilities	14,545	18,366
Deferred tax liabilities	1,361	1,229
Other liabilities	1,532	1,576
<b>Total</b>	<b>173,561</b>	<b>176,620</b>
<b>Current liabilities</b>		
Provisions for risks and charges	813	771
Trade payables	1,763	1,837
Current tax liabilities	224	13
Other liabilities	1,701	1,745
Financial liabilities	79,645	79,864
<b>Total</b>	<b>84,146</b>	<b>84,230</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>270,100</b>	<b>272,357</b>

## CONSOLIDATED STATEMENT OF NET PROFIT (LOSS) (€M)

	For the three months ended 31 March 2021	For the three months ended 31 March 2020
Revenue from Mail, Parcels & other	917	771
Net revenue from Financial Services	1,327	1,380
Revenue from Financial Services	1,363	1,464
Expenses from financial activities	(36)	(84)
Revenue from Insurance Services after movements in technical provisions and other claims expenses	497	355
Insurance premium revenue	5,812	4,576
Income from insurance activities	1,024	738
Net change in technical provisions for insurance business and other claims expenses	(5,709)	(2,589)
Expenses from insurance activities	(630)	(2,370)
Revenue from Payments & Mobile	192	165
<b>Net operating revenue</b>	<b>2,933</b>	<b>2,671</b>
Cost of goods and services	704	569
Personnel expenses	1,358	1,404
Depreciation, amortisation and impairments	199	203
Capitalised costs and expenses	(8)	(8)
Other operating costs	60	48
Impairment loss/(reversal) on debt instruments, receivables and other assets	-	14
<b>Operating profit/(loss)</b>	<b>620</b>	<b>441</b>
Finance costs	22	23
Finance income	38	25
Impairment loss/(reversal of impairment losses) on financial asset	-	-
Profit/(Loss) on investments accounted for using the equity method	4	4
<b>Profit/(Loss) before tax</b>	<b>640</b>	<b>447</b>
Income tax expense	193	141
<b>NET PROFIT FOR THE PERIOD</b>	<b>447</b>	<b>306</b>
of which, attributable to owners of the Parent	447	306
of which, attributable to non-controlling interests	-	-
<b>Earnings per share</b>	<b>0.344</b>	<b>0.236</b>
<b>Diluted earnings per share</b>	<b>0.344</b>	<b>0.236</b>



## CONSOLIDATED STATEMENT OF CASH FLOWS (€M)

	For the three months ended 31 March 2021	For the three months ended 31 March 2020
<b>Unrestricted net cash and cash equivalents at beginning of period</b>	<b>2,811</b>	<b>1,265</b>
Restricted net cash and cash equivalents at beginning of period	1,705	884
<b>Cash and cash equivalents at beginning of period</b>	<b>4,516</b>	<b>2,149</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>4,516</b>	<b>2,149</b>
Profit/(loss) for the period	447	306
Depreciation, amortisation and impairments	199	203
Losses and impairments/(recoveries) on receivables	(1)	14
(Gains)/Losses on disposals	(1)	(1)
(Increase)/decrease in inventories	2	(3)
(Increase)/decrease in receivables and other assets	(570)	(500)
Increase/(decrease) in payables and other liabilities	16	(181)
Movement in provisions for risks and charges	69	58
Movement in provisions for employee termination benefits and pension plans	(44)	(46)
Differences in accrued finance costs and income (cash correction)	13	14
Other changes	(20)	39
<b>Net cash flow generated by/(used in) non-financial operating activities</b> [a]	<b>110</b>	<b>(97)</b>
Increase/(decrease) in liabilities attributable to financial, payments, cards and acquiring, insurance act	(1,124)	9,842
<b>Net cash generated by/(used for) financial assets attributable to financial, payments, cards and acquiring, insurance activities</b>	<b>1,055</b>	<b>(7,699)</b>
(Income)/Expenses and other non-cash components	(1,017)	881
<b>Increase/(decrease) in net technical provisions for insurance business</b>	<b>2,077</b>	<b>(712)</b>
<b>Cash generated by/(used for) financial assets and liabilities attributable to financial, payment, cards and acquiring, insurance activities</b> [b]	<b>991</b>	<b>2,312</b>
<b>Net cash flow from/(for) operating activities</b> [c]=[a+b]	<b>1,101</b>	<b>2,215</b>
<i>Investing activities</i>		
Property, plant and equipment, investment property and intangible assets	(116)	(97)
Other financial assets	(6)	-
Investment in consolidated companies, net of cash acquired	(40)	-
<i>Disposals</i>		
Property, plant and equipment, investment property and intangible assets and assets held for sale	1	1
Other financial assets	411	6
<b>Net cash flow from/(for) investing activities</b> [d]	<b>250</b>	<b>(90)</b>
Proceeds from/(Repayments of) borrowings	(702)	479
Other transactions with non-controlling interests	-	1
<b>Net cash flow from/(for) financing activities and shareholder transactions</b> [e]	<b>(702)</b>	<b>480</b>
<b>Net increase/(decrease) in cash</b> [f]=[c+d+e]	<b>649</b>	<b>2,605</b>
<b>Cash and cash equivalents at end of period</b>	<b>5,165</b>	<b>4,754</b>
<b>Cash and cash equivalents at end of period</b>	<b>5,165</b>	<b>4,754</b>
Restricted net cash and cash equivalents at the end of period	(2,268)	(2,736)
<b>Unrestricted net cash and cash equivalents at end of period</b>	<b>2,897</b>	<b>2,018</b>

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

The document containing the Interim Financial Report as of 31 March 2021 will be published by 15 May 2021, made available to the public at the Company's head office, on the Company's website ([www.posteitaliane.it](http://www.posteitaliane.it)), on the website of the authorised storage system "eMarket Storage" ([www.emarketstorage.com](http://www.emarketstorage.com)), and filed with Borsa Italiana S.p.A. ([www.borsaitaliana.it](http://www.borsaitaliana.it)), the Italian stock exchange.

### **Declaration by the Executive responsible for preparing the corporate accounting documents**

The undersigned, Alessandro Del Gobbo, in his capacity as Executive responsible for preparing Poste Italiane's corporate accounting documents (*Dirigente Preposto*)

#### DECLARES

that, pursuant to art. 154-BIS, par. 2, of the Consolidated Financial Bill of February 24, 1998, accounting information disclosed in this document corresponds to document results and accounting books and records.

This document includes forward-looking statements that are not a guarantee of future performance as well as summary financial information that should not be considered a substitute for Poste Italiane's full financial statements.

Rome, 12 May 2021

## **Forward looking statements and other important information**

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

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

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

This document does not constitute a recommendation regarding the securities of the Company; it does not contain an offer to sell or a solicitation of any offer to buy any securities issued by Poste Italiane or any of its Group companies or other forms of financial assets, products or services.

Except as may be required by applicable law, Poste Italiane denies any intention or obligation to update or revise any forward-looking statements contained herein to reflect events or circumstances after the date of this presentation.

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.

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