POSTE ITALIANE

Q1 2026 FINANCIAL RESULTS

Rome, 7 May 2026

Giuseppe Esposito

Good morning and welcome to Poste Italiane's First Quarter 2026 Results Conference Call.
In a few moments, the CEO - Matteo Del Fante - will take you through some opening remarks and then the CFO - Camillo Greco - will cover the financials.
As usual, the presentation will be followed by a Q&A session where you can ask questions, either via phone or through our webcast platform. For any topics we won't be able to cover today, please do contact the Investor Relations team who will provide any clarifications you might require.
With that, over to you, Matteo.

Matteo Del Fante

Good morning everyone. Our Q1 2026 results highlight a very strong start to the year and confirm the strength of our platform model. We delivered a record first quarter, with revenues of 3.5 billion and a healthy 8% year-on-year growth supported by all business units.

On profitability, we achieved record Adjusted EBIT of 905 million, up 14% year-on-year, reflecting continued cost discipline in the current inflationary environment. Net profit reached 617 million, up 3% year-on-year.

Commercial trends remained solid, with 1.7 billion investment inflows, coupled with strong momentum in postal savings and stable retail deposits.

We continue to operate from a position of strength. The Group's balance sheet remains robust, with our Solvency ratio at 294% and a 341 million improvement in our net financial position generated in the quarter, 43 million more than in the first quarter of last year.

Finally, digital payments once again grew above the market, underlining the strength of our platform and its ability to generate sustainable growth.

On the back of this strong start to the year and a better-than-expected interest rate environment, we have raised our FY 2026 Adjusted EBIT guidance to 3.4 billion. We will present our standalone 2026–2030 plan together with the Q2 results on 24 July.

Let me now provide an update on the TIM tender offer.

Over the past few months, we have further strengthened our conviction on the strategic rationale of the transaction and its perfect fit with Poste Italiane's platform business model.
With our solid balance sheet and strong cash generation, we are uniquely positioned to support digital investments and accelerate strategic initiatives that will deliver growth. The merger of Poste Telco and TIM consumer businesses will create the number-one mobile operator in Italy, kick-starting the next leg of domestic telco consolidation.
Importantly, Financial and Insurance Services will remain the dominant profit contributor within the combined entity, representing around 82% of domestic EBIT and approximately 64% of overall EBIT including Brazil.
The financial profile of the proposed transaction is extremely strong, with positive EPS impact from 2027, rising to double-digit accretion from 2028. Our guidance-implied 2026 DPS is confirmed and the dividend policy going forward will be accretive compared to the standalone scenario. Pro-forma leverage is expected at 1.4 times by the end of 2026 and steadily decreasing going forward, thanks to the strong cash flow generation of Poste and TIM Brazil.
The offer terms are compelling for TIM shareholders, implying a 17% true premium to the pre-announcement price and up to over 50% premium on unencumbered average prices, with 40% value sharing from expected synergies and an attractive dividend outlook.

The combined entity will have a pro-forma free float of around 20 billion, enhancing stock liquidity, with a high-quality shareholder base.
We are on track to close the deal by Q3 2026.
Let's move to Group financial results on Slide 5.
We have posted for the fourth consecutive time a record first-quarter, with revenues at 3.5 billion, up 8% year-on-year.
Top-line growth translated very effectively into profitability, as Adjusted EBIT for the quarter reached 905 million, up 14% year-on-year. Net profit, excluding the TIM stake contribution, was 617 million, up 3%.
On Slide 6, the healthy underlying revenue momentum across all our business segments continues into the new year.
In Mail, Parcel and Distribution, revenue growth was driven by increasing parcel volumes. The anticipated decline in mail volumes is effectively mitigated through ongoing re-pricing actions.
In Financial Services, revenues increased by 11% year-on-year to 1.6 billion, supported by investment portfolio strength and a solid commercial performance.
Insurance Services delivered strong results across both life and protection. Revenues rose 6% in the quarter, reflecting stable CSM stock, coupled with higher release percentage.
Postepay Services delivered solid growth across payments and energy ahead of integration into the new financial hub.

The telco customer base remains stable, while the number of energy clients has now reached around 1.1 million clients.
Let's go to Slide 7 and look at EBIT evolution by segment.
Mail, Parcel and Distribution reported an adjusted EBIT of 43 million for the quarter, in line with our full-year guidance.
Financial Services operating profitability is up 22% to 318 million driven by overall strong revenue trends.
Insurance Services EBIT is up 4%, supported by both Life Investments and Protection.
Finally, Postepay Services double-digit EBIT growth to 153 million is driven by resilient top-line performance and effective cost management.
Let's now look at some examples of how our platform business model is delivering tangible results.
We operate a scalable, digitally enabled infrastructure, supported by in-house product capabilities and a unique combination of physical and digital distribution.
The platform allows us to add clients and revenues at near-zero marginal cost, while addressing structural everyday needs such as digital payments, secure digital identities, energy and everyday services.
You can see here a few examples highlighting the strength of the platform. We have become Italy's largest payment ecosystem reaching 1.6 billion revenues in 2025 from 0.4 billion in 2017 with transaction values growing at a 16% CAGR from 2018 to 2025, increasing our market share.

Energy is another clear example of how we leverage the platform. Built on an in-house, cloud-native backbone, we are scaling the customer base at near-zero acquisition cost, reaching 1 million clients in 3 years since launch and becoming an increasingly meaningful contributor to Group EBIT.
Finally, Digital Identities address a systemic national need. SPID has rapidly scaled to around 30 million users, with monetisation now accelerating as adoption deepens and up-selling opportunities materialise.
This is the foundation on which we continue to build the new Poste Italiane as the leading integrated platform company in Italy.
I would now like to move to a more detailed update on the TIM offer.
This slide illustrates why Poste Italiane and TIM represent the perfect strategic fit enabling future growth.
Poste Italiane already operates the largest platform in Italy, combining financial and insurance services, logistics and distribution, energy and digital identities, supported by an unmatched physical and digital network.
TIM adds connectivity and tech infrastructure leadership, completing the platform with an iconic upmarket brand, a large retail telco client base, sovereign digital capabilities, enterprise commercial excellence and a market-leading mobile operator in Brazil.

The industrial logic is very strong: together we serve the largest Italian client base, leveraging a unique distribution footprint made of post offices, digital channels, third-party networks and TIM outlets, underpinned by critical physical and digital infrastructure supporting the country's digitalization, connectivity and data sovereignty.

From an earnings standpoint, the combined entity remains firmly anchored to Poste Italiane's core strengths, with financial and insurance services accounting for around 82% of domestic EBIT and continuing to represent the bulk of the Group's cash generation.

At the same time, connectivity and digital services to Public Administrations and Enterprises represent a powerful growth opportunity.

Let me spend a moment on our SuperApp and why integrating the TIM consumer offer is so powerful.

With 17 million users and over 4 million daily actives, we already operate at unmatched national scale. The SuperApp is designed around everyday services, from payments and banking to connectivity, cloud and energy, driving higher frequency and greater stickiness than traditional e-commerce models. Today, close to 80% of our App users own more than one product, double the percentage of non-App users.

Integrating TIM's premium offerings and broad customer base into the SuperApp accelerates engagement, unlocks cross-selling and strengthens the flywheel effect.

Importantly, this is built on owned, critical infrastructure, not loosely assembled partnerships.
The result is a unique trusted marketplace for daily essential services and long-term needs, enhanced by AI-driven orchestration and personalization across key life events, supporting sustainable growth and multiple monetisation levers over time. To summarize: it is easier to sell 1 more product to an existing client than winning 1 new client! And this is thanks to our DIGITAL + PHYSICAL seamless assistance to our clients.
Let me now hand over to Camillo for the financial aspects of the proposed transaction, as well as a detailed overview of our Q1-26 financial results.

Camillo Greco

Thank you Matteo and good afternoon everyone. Let's briefly focus on the shareholder value creation which is a key pillar of this transaction.

Our ongoing analysis confirms the initial assessment of circa 700 million synergies, with 500 million coming from cost efficiencies and a further 200 million EBIT from incremental revenues.

From an earnings perspective, the transaction is EPS accretive from 2027, with double-digit accretion in 2028, implying a compelling pro-forma 2028 P/E multiple of 8 to 9 times.

On dividends, we re-confirm the 2026 guidance-implied DPS, with dividends paid also on the new shares issued as a result of the TIM Offer with an accretive dividend policy going forward.

Leverage remains low, at around 1.4 times net debt to EBITDA-After-Lease by year-end 2026 and declining thereafter, with current credit ratings, as of today confirmed by all three rating agencies.

Let's move to a more detailed overview of expected synergies.

On the revenue side, with TIM we will add a premium connectivity offer to our platform and unlock powerful cross and up-selling opportunities through Italy's largest distribution network and our 4.2 million SuperApp daily active users.

We will also accelerate growth across Enterprises and Public Administrations as we expand the tech services offer of cloud, cybersecurity, IoT and agentic AI as well as an integrated one-stop-shop for financial, insurance, cloud sovereign solutions and other services. Overall, we confirm more than 200 million of EBIT from incremental revenues.

On the cost side, the in-depth analysis confirms around 500 million efficiencies. The merger of Poste Telco and TIM consumer enables opex and workforce rationalisation. The deal will generate efficiencies from digital and technology integration, optimization of the distribution networks and real-estate footprint, as well as economies of scale on advertising and procurement costs. Additionally, the re-launch of our insourcing programme will provide further structural cost benefits.

Poste's investment-grade rating will allow for an optimization of the combined entity's funding costs.

We expect one-off integration costs of around 700 million pre-tax, mainly over 2026–27. Moving to slide 14…

This page illustrates how we see the true premium offered to TIM shareholders and why we believe our value proposition is compelling.

Considering both the cash component of the deal, as well as the expected value of TIM shareholders' share of the Combined Entity, including synergies, the true premium embedded in our offer is 17%, calculated on pre-deal spot prices.

The embedded premium rises to up to 50% if calculated on unencumbered average prices, as TIM shares have risen by around 110% since our first investment in February 2025.
Importantly, our offer to TIM minority shareholders embeds a 40% sharing of the value of synergies, in line with the market standard 50-50 split when considering that Poste Italiane already owns 20% of TIM's share capital.
Overall, this is a transaction structured to deliver an attractive premium, transparent value sharing and long-term upside to all shareholders.
Let's move to slide 15 for an update on transaction timeline.
We announced the deal on March 22, followed by the filing of the Exchange and Cash Offer documentation and regulatory submissions on April 10, both completed as planned.
On June 18, we will hold an EGM for the capital increase approval.
On July 24 we will present Poste Italiane's standalone 2026–2030 plan alongside Q2 and H1-26 results, providing full transparency and enabling a more informed assessment of the value of the equity component of the consideration.
By the end of July, we expect Bank of Italy and Consob approvals, allowing the offer period to start, with closing targeted for the end of Q3 2026.
Overall, execution is progressing smoothly and in line with our stated timetable.
Let's now move to our Q1 financial results from page 17.

In Mail, Parcel & Distribution, revenues totalled just over 1 billion, up 6% year-on-year.
Mail revenues at 505 million are down by 3%, in line with the trend that we anticipated for full-year 2026.
Parcel revenues accelerated a remarkable 15% to 453 million, driven by market share gains across a diversified customer base and contract logistics development. On the logistics front we announced a JV with Benetton Logistics leveraging our logistics and e-commerce leadership to create a scalable platform capable of attracting new customers and supporting profitable growth for the Group.
Distribution revenues from other business units are up 7% in the quarter, driven by strong commercial momentum and Active Portfolio Management concentration in Q1-26.
Adjusted EBIT at 43 million in Q1-26 is well in line with the full year guidance.
Let's look at volumes and tariffs on Slide 18.
Parcel volumes were up 15% supported by continuing market share gains across customer segments.
43% of items are now delivered via the postal network, up 3 percentage points versus last year.
Looking at parcel pricing, the average tariff remains broadly stable, as volume growth is spread across customer segments and growth in lower-priced items comes with a lower unit cost to deliver.
Moving to Mail. The volume trend is in line with expectations down 8%, whilst the higher mail average tariff

reflects ongoing re-pricing actions across both regulated and market products.
Moving to Financial Services, with gross revenues for the quarter at 1.8 billion, up 8%.
Net interest income came at 658 million in Q1-26, reflecting lower rates on variable portfolio vs Q1-25 while marginally ahead of 2026 guidance as a result of an improved interest rate environment towards the end of the quarter. We expect this will provide more meaningful support to NII in the coming quarters. The 166 million Active Portfolio Management revenues realized in the quarter represent most of the capital gains expected for the year.
Postal Savings distribution fees are stable at 440 million and supported by improving net inflows.
Consumer Loans distribution fees reached 66 million.
Asset management revenues are up 27% to 55 million in Q1, benefitting from higher assets under management.
Finally, adjusted EBIT came in at 318 million, up 22%, reflecting the positive revenue trend.
Moving to Slide 20.
TFAs reached 606 billion, up 5.3 billion in the three months from the end of 2025. Looking briefly at each component:
We reported strong 1.7-billion net inflows in investment products confirming the positive trend in Life insurance, with significant contribution from multi-class products, as well as in asset management;

Deposits were up, benefitting from higher balances from PA clients and resilient retail deposits at 59 billion, confirming the stickiness and loyalty of our customer base; Improved Postal Savings net outflows were driven by higher flows in Postal Bonds.
Moving to Slide 21.
Insurance Services revenues amounted to 469 million in Q1-26, up 6% year-on-year. We continue to have positive net flows in Q1-26 with a significant contribution from multi-class products.
Our improving lapse rate, down to 7%, is driven by a normalizing market environment and lower clients' portfolio rebalancing activity. In Q1-26 around 35% of our lapses have been reinvested into new Life products.
Life, Investments & Pension revenues are up 6% to 423 million in Q1, driven by a growing CSM and higher release.
Protection revenues were up 9% in the quarter, supported by higher gross written premiums, up 6% to 392 million in Q1, and a market-leading combined ratio.
Adjusted EBIT of 392 million is up 4% compared to Q1-25, supported by both Life Investments and Protection.
Net profit at 265 million reflects the lower free capital yield due to the additional remittance to the Parent company and the temporarily higher IRAP tax rate.
On Slide 22, we show the CSM evolution in the quarter. Normalised CSM growth is positive at 2.9% annualised, with

a strong increase in new business value and expected return more than compensating the quarterly release.
Group CSM at the end of the quarter is at 13.8 billion, providing strong visibility on the division's sustainable profitability going forward.
Importantly, both the CSM and the equity of our insurance business have grown in the quarter.
Poste Vita Group's Solvency II ratio was 294% at the end of March 2026, well above the managerial ambition of around 200% through the cycle. This ratio already embeds the accrual of the 100% net profit remittance to the parent company.
The ratio remains solid, with the movement mainly driven by negative impact from economic variances, due to higher risk-free rates and spreads, while the internal capital generation of the business fully covers the foreseeable dividend impact.
Moving to Postepay Services on Slide 24, where solid revenue and EBIT progression continues, ahead of integration into the financial hub.
Revenues rose by 7% year-on-year to 425 million in Q1 as our unique everyday ecosystem continues to drive top-line and profitability growth.
Strong payments revenues at 297 million up 5% in the quarter, supported by higher transaction value, up 10% year-on-year, and growth in total number of ecosystem transactions up 14%.

Telco revenues are stable in Q1 at 82 million, thanks to solid client acquisition dynamics. The migration to the TIM network infrastructure has been completed in April.
Energy revenues reached 46 million in the quarter, driven by the expansion of the customer base, now at 1.1 million clients.
Top-line performance and effective cost management drove a strong 15% Adjusted EBIT growth, to 153 million in Q1.
Let me give you a brief overview of Poste Italiane's Telco business.
Launched as an MVNO in 2007, the telco business is now the 5th player in Italy with a total of 5 million customers, with a 6% market share in mobile.
Our telco client base is extremely loyal, with a 6 to 7% churn rate, well below market levels. 2025 revenues were 328 million while in Q1-26 they reached 82 million. Profitability is meaningful and improving, with contribution to Group EBIT implying a 25% margin.
The business operates with a very lean structure, leveraging our nationwide physical distribution network and digital channels, including the SuperApp.
Against this backdrop, the envisaged combination of Poste Telco business with TIM Consumer creates the number-one mobile operator in Italy and effectively kick-starts the next leg of domestic telco consolidation.
Let's move to FTE's on page 26.

Since the end of 2025, the average headcount has fallen to just over 119 thousand.
Importantly, the value added per FTE continues to improve by 7%, at 93,000 euro per FTE.
HR costs per FTE are up 2% to 48,800 euro per FTE as a result of higher variable compensation and labour agreement salary increase.
Moving to Slide 27.
HR costs increased marginally by 1% to over 1.4 billion, mainly driven by 23 million of additional costs from higher variable compensation and labour agreement salary increase.
In the quarter, ordinary HR Costs on Revenues are down to 39%.
Non-HR costs increased by 116-million year-on-year. Fixed costs were up due to a concentration of marketing and advertising costs in the quarter. Variable costs are up 66 million reflecting business growth dynamics. D&A are up by 18 million in line with the increasing investments driving our continuous transformation.
In general, our focus on cost and capex discipline across all divisions remains laser sharp and protecting the bottom-line profitability, as well as cash flow, remains our top priority. Thanks for your time, let me hand over to Matteo for a wrap-up.

Matteo Del Fante

Thank you Camillo.
To conclude, Poste Italiane is delivering record results, with healthy growth, rising profitability and a very solid balance sheet, validating the strength of our platform business model. Looking ahead, in light of our strong Q1 results and an improved interest rate environment, we have raised our Adjusted EBIT guidance to 3.4 billion. Against this backdrop, we are even more convinced that the TIM transaction is the natural step in our platform's evolution. TIM adds connectivity and technological leadership, completes our offering with an iconic premium brand and enables us to fully unlock the value of our physical-digital ecosystem. The deal is financially disciplined, EPS and DPS accretive also thanks to material expected synergies and is fully consistent with our capital and dividend framework. Execution is on track and the closing is expected by Q3 2026. We are entering a new chapter of our journey, shaped by the progress we have achieved and driven by a clear long-term ambition. On July 24, we will be unveiling our 2026–2030 standalone plan, alongside our Q2-26 results. I look forward to seeing you there.

Question & Answer Session

Antonio Reale - Bank of America

I've got a couple of questions and one clarification if I may. The first one is you've upgraded your EBIT guidance for the year up to EUR3.4 billion. And I understand you'll be presenting your standalone plan targets in Q2, but if you could give us a bit more color around sort of the moving parts driving this and where you think you see better commercial momentum within the group, that would be my first question.

My second one is a follow-up clarification, I think, on your dividend remarks. I think if I remember back in February, you guided for a net profit of EUR2.3 billion with a payout that was at least 70%, which in your existing share count, it implies something like EUR1.3 dividend per share or so, which will still be up year-on-year. And I think this is broadly in line with consensus expectations.

Now, I also think you've said that you expect this number to be growing consistently with the accretion that would derive from the deal. I just want to make sure I've

understood this right. And you're sticking to a growing DPS even after accounting for the new share count which you need to issue to fund the Telecom Italia acquisition. Did I understand that right? And if you could elaborate, I think it's an important point.

The last question is really on your synergies on the Telecom Italia deal. You've talked about EUR700 million pre-tax, of which EUR500 million cost synergies from year two and EUR200 million in higher revenues from year three, if I look at your slide 13 correctly. You've given us good details on this slide. Maybe you can sort of walk us through and tell us where you would see any relevant upside that is not included in these numbers.

Matteo Del Fante

I'll take the first question and then hand it over to the CFO. I think we have a strong momentum in our core business, the financial business. We have posted the first quarter with strong retail investment flows, and I think this is there to stay for this year. And obviously, it will be a target for the plan.

I would say that, over the plan, up to 2030, energy business will also finally give a very meaningful contribution to the EBIT base of Poste. And then, I think the other very important direction we're taking is with the consolidation of our payment business into BancoPosta and the ambition to present to the market a unified financial services segment, including insurance. We started more than a year ago a journey giving on the three segments a unified leadership that will break some of the normal internal segment dynamics and will allow us to present a real client center offering for financial services.

And finally, before I hand over to Camillo, we will keep the evolution of our logistic presence. We reach almost 50% of our parcels delivered by lettermen. The '28 plan was targeting two-thirds. So, I'm curious to see where we will be able to commit for 2030. But that's another big transformation step, allowing our lettermen that day by day has less mail to deliver to be busier and busier with parcel. And this quarter, 15% growth on parcel gives us a lot of confidence that we are in the right direction. We're gaining

market share in B2C. So, we started gaining market share in B2B and, finally, we have never seen it in Poste, we start to see a meaningful growth on outbound products. Since we did our strategic agreement with DHL, since two years, we have a product, we have put together commercial focus on this.

Camillo Greco

On dividend. I'll start with 2026, and then I'll comment on the second part. With regards to 2026, yes, we had given guidance over EUR2.3 billion for 2026. And we also said, at the time, that the expected dividend was going to be within the range of EUR1.25 to EUR1.3. I think that the guidance that we gave the increased guidance we gave at operating range. With regards to the second question, which is dividend policy going forward, if the transaction goes ahead, the CEO did guide towards single-digit accretion for EPS and double-digit accretion EPS for 2027 and 2028 respectively. And we expect the dividend to follow that same direction.

And now we talk about synergies. So, with respect to synergies, the number that we gave on the 22nd of March was EUR700 million that was the result of some outside-in work that we did within Poste with a very small group of individuals involved.

I think that, since then, we have done a massive amount of work internally with different work streams involving both the revenue side and the cost side, involving every corporate function of the group. And at this point, we can say that we feel very comfortable of our ability to deliver that level of synergies. Obviously, there is a marginally different mix compared to what we expected initially, but the total is confirmed at least as a base.

Alberto Villa – Intermonte

The first one is again on the guidance just to understand correctly the upward revision was only related to the financial segment and if you can provide us with the now underlying assumption in terms of guidance for 2026 from investment portfolio. You also had a target of around

EUR200 million of active portfolio management. You basically did most of capital gains in the first quarter. Can we assume that you are basically done there and for the rest of the year is mostly coming from the better environment in terms of interest rates that is boosting the investment portfolio and guidance?

The second question is on the announced agreement with the Benetton Group in logistics. If you can expand a little bit on that and let us understand better what are the implications and potential positive coming from this agreement, that would be helpful.

And finally, curiosity, since you launched the offer on TIM, I was wondering if you can give us some color on what was the reaction by the different stakeholders on the offer. Let's say the positive and pushback comments you have been gathering from the different side, let's say investors and also inside of the company and so on. That would be interesting to hear.

Camillo Greco

So, with regards to the guidance upgrade, I think that the key point which has led us to increase the guidance is the evolution of the NII. I think we said that in the speech, in the script and the presentation. The backdrop to this is that we had guided in February toEUR2.7 billion of total portfolio return, which was in line with the year before 2025, whereas in 2025 we had no capital gains and we were planning to do something betweenEUR100 million and EUR200 million. In 2026, we have reached that level. So, first of all, there should be not much more in terms of capital gain compared to what we already done. But, overall, we are increasing our guidance to total portfolio return to EUR2.8billion as we go to our EUR100 million more of NII compared to the initial guidance of EUR2.7 billion.

Matteo Del Fante

Just one word on the answer. The capital gain we recorded on the first quarter, we had already anticipated. I think the market was aware of it. But please bear in mind, as you see on our appendix, that we still have, if you look at page 34 of

our appendix, we still have EUR1.5 billion of gross unrealized gains. So that's our historical buffer that we use, if and when need be.

The agreement with Benetton is basically a very important step. They basically spin off their premises into Logistic 360. That's the name of the company. We will own 51% of this company, so we will consolidate the business.

We will start serving, obviously, the Benetton Group. But the strategy behind the transaction is that the warehousing system is unsaturated and, therefore, we have already started offering that platform for warehousing to other prospect clients. And that, obviously, has very interesting marginality because the warehousing is already amortized in the new co. It will give us additional revenues, some EBIT contribution. We will have to do some CapEx to upgrade premises, but more importantly, it will allow us to go up the value chain. Whoever follows us for the last nine years, we started at the end of the line and today we are at the top of the logistic space in Italy, mainly driven by B2C, but we started already three to four years ago a journey achieving

more value-added services. That's, obviously, the B2B space which will be coming also out of this JV and it will be the warehousing.

The third question is TIM offering a March reaction and pushback. The reaction overall, even though we are clearly pushing the envelope from some standpoint, because obviously we are asking a different client base to learn the ropes of the financial institution domain, which is where we belong, is overall positive.

Clearly, there is always, as in any transaction, some price objectives and tensions on you could have offered more. Our page today on what we call the true premium, I think, is a good answer to that pushback. I'm referring to page 14 where we show that on a true premium basis, looking at the value that the TIM shareholders had the Friday before the tender and comparing that value that they will have after the transaction is completed and synergies are brought home. There is a 17% to the TIM shareholders that we didn't mention in the presentation. So, I think we have made an effort to be on the TIM side of investors.

And as Camillo reminded on the call, these numbers are assuming an unencumbered asset. The reality is that, obviously, we were with Tim for more than a year now. And so, if you look at it on a longer time frame and I think we can debate as long as we want whether, on the 22nd of March, when we launched the offer on the Sunday, TIM was encumbered or unencumbered, but certainly it was not a totally unencumbered asset. If you look at it on a longer time frame, you reach as much as a 50% true premium.

I think the most interesting trend we are seeing, the more time we spend on the road, mainly with obviously Poste investors, is that our strategy, the more we detail, it becomes clearer to investors. It's clearly a long journey. We have three months more to go before there is the final launch of the offer. And this is time that we will spend explaining the opportunity to all investors. And at the end of this period, you will have also the opportunity like, the first question Antonio pointed out of our Catalyst strategic plan standalone on the 24th of July, and let me add, and I finish that, that plan will be a standalone plan. Plus,

obviously, we'll have, as we did today, the optionality that we will show and update to investors of the TIM transaction.

Tommaso Nieddu – Kepler Cheuvreux

The first one is on payments revenues given we are ahead of its consolidation in the financial hub. In the quarter, they grew 5%, but the underlying KPIs were materially stronger because if you look at transaction volume, value was plus 10%, total transaction plus 14%, and that's like a 6 to 10 percentage point gap and we shouldn't have any more the headwind from the instant payment.

So my question would be, if you can help us decompose what is happening on the take rate. I understand it shouldn't follow closely, but still your view would be highly appreciated.

And the second one on guidance, sorry, it's a follow up, you have raised the adjusted EBIT guidance, but not the net profit guidance. And should we read this as flagging some offsetting headwinds below the line or it is just a matter of

rounding when it goes down and you expect as well a positive, even if smaller upgrade on net income.

Matteo Del Fante

Tommaso. I will let Camillo dig a little bit on payments, as you required, and remind everybody that on page 48 of the appendix, we have some very strong data on our payment growth since 2018 when we created our payment division.

Camillo Greco

We are indeed pleased with the performance of the Postepay Services division. Within what we call payments, there are a number of subset of revenue contributors which are grossly divided in two categories. One are the card payments and the card payments has enjoyed strong performance. And then we have another group of contributors which are called other payments. And within other payments that are also things that have been as we planned, and performing a bit less strong, as an example. Payments historically have been going down. So if you average out the two, this is where you get. And overall, the transaction metrics and the underlying trends in payments

are indeed very strong as also you can look at in the appendix of our presentation.

With respect to the second question, we have indeed upgraded our guidance at the operating profit level. We have not done the same at net profit. It was implicit in what I said to Antonio as we had EUR2.2 billion, and EUR2.3 billion is EUR100 million, let's say, corridor. And with the EBIT upgrade, we are now in the upper end of that EUR2.3 billion compared to where we were at the presentation in February.

Andrea Lisi – Equita

The first one is on the parcel segment where we saw a strong acceleration in volumes and that transmitted also to revenues that is even stronger than the past quarter. So, what should we expect going on? But also on this point, what are the action you are putting in place to see in some way a transmission of the higher revenues also to higher EBIT level on the division?

The second question is more curiosity. We have seen a small decline in the card stock quarter on quarter. If there is any reason or something you have observed on that.

And really last one on the GWP in life business, 7% year-on-year decline. Can you provide some more color on that? And which trends are you experiencing and expecting going on?

Matteo Del Fante

I'll start with parcel and then let Camillo on the second question. Yes, we keep our focus on parcel that is clearly of our logistic space. The game nine years ago was to be able to go on the field and play because, to be entirely honest, nine years ago, we were not even in the top five players at home, forget about the international or the outbound.

Now we're clearly at the lead of that game. So, the market share game has worked. And, Andrea, you're totally right saying when will you be able to extract margins out of this position? To be entirely honest, I think it's still a bit premature because the market is extremely competitive from what we hear. Nobody is really smiling out of our

competitors and our competitors are all foreign-owned giants, the likes of the FedEx, UPS, DHL, GLS and Bartolini owned by La Poste. So, I think -- there is still a very strong competitive environment that, at least on the B2C and to some extent on the B2B, doesn't leave a lot of value for increasing pricing and margin.

The way we're trying to address this, as I mentioned, is going up the value chain with the Plurima acquisition four years ago to move into health care logistics where we took leadership and we keep growing there.

We launch a contract logistics company that has started making some meaningful inroads in contract logistics. So, that's the first time in history that Poste enter the warehousing business in logistics. And clearly, Benetton is an evolution of that model. So, the way we think we can extract margins out of the logistics space in the next two to three years, in summary, is more out of moving up the value chain than the pure B2C or B2B.

And let's not forget that's one very important item that is paying off very, very, very well, the PUDO market, so the

delivery in fixed location, so everything which is not home delivery, we have an absolute leadership there with today almost a quarter of all our B2Cvolumes going into a PUDO place. That's a staggering number. And that applies to our network. And that applies to our network because other than our post offices, which are12,000, enabled to do parcels, we are adding to those -- the PUDO Poste, which is our third party network, which is, another 20,000 points.

Then we launched three years ago the local Italia JV with DHL, which is also going very well. We have an intermediary target of 3,000 lockers, but the objective is 10,000. So that space, which is extremely important in terms of covering the ground, because if you look at developed market, when a retail finds convenient to be delivered, in a PUDO, that habit becomes relatively sticky.

So if you gain that space, you gain that client and you gain the fact that you have efficiency because, obviously, every time we stop and refill a locker or give our parcels to a third-party agent, we can do multiples of 10, 15 items as opposed

to the home-delivery item, which is obviously a one trip, one drop, as opposed to 1 trip, 10 drops.

Camillo Greco

I'll take the other questions. First question is around the evolution of the stock of cards. I think that, on this point, we are where we want to be. If we look at -- I think you are comparing the stock of cards to fiscal year 2025. We are up on Postepay evolutions, which are the cards which are -- so the ones which have been investing more in terms of capabilities. We are also up on debit cards, we are down on Postepay standard, but only the portion of card which are associated to government grants or government payments. So that stock of cards has been going down as the funds have been transferred to Italian citizens. On that, cards have been going down progressively too. So that is what has led to that evolution. But the cards with which we work the most have been growing, as we expected.

With respect to the second question to address, which was with regard to the lapse rate, it has indeed gone down to 7% below, below where it was last year. It's still above our

historical trend levels and, hopefully, we manage to control that also going forward. Certainly, at this level, we are in line with the budget levels for 2026, despite being ahead of where it was in the past.

Let's not also forget, as I said in my script, part of this lapse is self-induced, as we are effectively rotating portfolios to different products within our product suite. So, if you isolate that impact through lapse rate is around 4.5% as opposed to 7%.

Giovanni Razzoli – Deutsche Bank

One question and one clarification. I've seen that you had EUR2 billion of outflows in postal savings in this quarter. In the previous conference, if I'm not mistaken, you mentioned that, in this year, there will be a concentration of redemptions of this product. Can you please confirm if we are already at the peak of outflows in redemptions in 2025, or if you would expect it more in '26 and '27.

And second question is a clarification, as the line was pretty bad. On your response, Camillo, about the dividend per

share, you mentioned the range of EUR1.3, EUR1.5 of dividend guidance for 2026.

Camillo Greco

No, I didn't say that, Giovanni, so I stop immediately. I shared that I said in February, EUR1.25 to EUR1.3. And what I'm saying now is that as a result of the upgrade of the net profit, we feel very comfortable getting at least at the top end of that range.

Matteo Del Fante

On the first question of postal bonds, I can tell you that '27 is lower redemptions and that we had a very good year so far on postal savings. So, we continue the positive trend of reducing the net outflows. And that's thanks to our focus on one end, our changing distribution model in the making and the fact that we keep enjoying sort of a honeymoon with our colleagues and shareholder of Cassa Depositi e Prestiti that will keep providing us very appealing and very interesting products for our clients.

And one thing that I mentioned a few times in the past few years, but I take the opportunity to repeat it, postal savings

being in the hands of 35 million Italians and having meaningful redemptions every year are an engine in the engine of the platform. In other words, if you have a nice and good offering of postal savings on the shelf that you can offer to your clients, the dynamics with your clients across products is a positive one. And that allows you to get the client going to redemption, to reinvest in postal savings if these parameters allows it to start a diversification trajectory into risk and into multi-class insurance products. And that's the basis also for our strong performance in protection because that comes together with often an embedded offer in life products and that drives many our products.

And when we talk about the flywheel effect, when we talk about the platform, when we say that it's much easier to sell a new product to a client that you already own than go out and win a totally new client, that's exactly what we mean. Postal savings working is a new client -- Is a client satisfied with the performance of the product that is in the perfect mood to receive a new offer on a product. And that's really,

in a nutshell, the -- if you allow me kind of the secret weapon that we're trying to put on the table every day with our 30,000 tellers and 9,000 consultants facing retail on the physical side and our more than 4 million daily average users, we've shown in February an increasing participation of the postal savings sales on the digital platform.

Michael Huttner – Berenberg

It was really a very light question. So you'll well, actually two. One is on inflation and the other one is on solvency. I did ask (inaudible) team and they said no inflation. It's like nothing, 10 million or something. But I always worry a little bit about potential disruption to the cost part of your business. So that'd be one question. What's the outlook there?

And then the second is on solvency. So, 294%. The managerial guidance, 200. I know you're doing this EUR1.5 billion cash extractions. From Poste Vita, you've done EUR500 million. And I think in this number you've already

deducted EUR1 billion. Is there more to come out of this or how should we think about it?

Camillo Greco

Michael, I do too worry about inflation. So we do ensure that messages passed to our divisions and, with regards to 2026, we did have in the first quarter some inflation related cost, I think, to the tune of around EUR20 million in the quarter. And that has to do mainly with the variable cost growing with inflation and also some of that EUR20 million related to transportation cost, where I also add that we are systematically transferring extra potential transportation costs related to energy to our customers to the extent we can. And on solvency, the 294, for the sake of clarity, is including, out of the 100, EUR1.5 billion special dividend upstream from Poste Vita, EUR1 billion. The last EUR500 million will have around 11 basis points impact. What we will do from here, I'm sorry, Michael, you need to be patient going back to the first question of Antonio Reale, is going to be on the 24th of July.