

POSTE ITALIANE

Q2 & H1-26 FINANCIAL RESULTS & STRATEGY UPDATE

Rome, 24 July 2026

Giuseppe Esposito

Good morning and welcome to Poste Italiane's Second Quarter and First Half 2026 Results Conference Call.

In a few moments, our CEO - Matteo Del Fante - will take you through some opening remarks, including an overview of our key strategic initiatives. Then our CFO - Camillo Greco - will give you an update on the TIM transaction and deep dive on 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

Thank you, Giuseppe, and thank you, all, for joining us.

Our first half results mark another record for Poste Italiane and confirm, once again, the strength and resilience of our platform business model. We are reporting record first half revenues at 6.8 billion, up 6%, with healthy growth across all business units.

Profitability reached a new high, with Adjusted EBIT of 1.8 billion, up 7% year-on-year, reflecting solid top-line growth and continued cost discipline. Net profit came in at 1.2 billion, up 4%.

Commercial momentum remains strong, with 2.7 billion investment net inflows, improving postal savings trends and stable retail deposits, taking Total Financial Assets to a remarkable 613 billion euros.

Our balance sheet remains rock solid, with a Solvency II ratio of 303% and 894 million cash generated in the first six months.

These results reinforce our confidence in the rest of the year. We confirm our 2026 standalone guidance and dividend policy, supported by the consistent delivery of our strategy and strong business momentum. Today is not only about record results – we are presenting a clear roadmap for the next phase of our platform company.

We have agreed the termsheet for the new 2027-2030 Postal Savings Agreement with CDP, providing further visibility on this important revenue stream over the next four years. Camillo will cover this in more detail later.

With the creation of the single Financial Hub, we are simplifying our group structure, reinforcing client-centric approach and optimising capital.

Yesterday we have signed a landmark agreement with the labour unions on the reorganisation of our physical network through a hub-and-spoke model, making it more flexible and effective for the millions of clients we serve.

We are adopting AI at scale to drive cross-selling and efficiency gains across the entire Group, powering our tech-enabled omnichannel commercial engine and re-wiring the way we work through agentic and physical AI.

Finally, we continue to execute decisively on the TIM transaction: the tender offer period started on 20 July and will run to 11 September, with a potential re-opening of terms between 21 and 25 September. On July 18, TIM Board unanimously deemed the consideration offered fair from a financial point of view and positively assessed the rationale and business prospects of the transaction.

Upon completion, we expect to present the combined entity business plan in the first quarter of 2027.

Let's move to Group financial results on Slide 5.

We have posted, for the fifth consecutive time, a record second-quarter and first-half, with revenues at 3.4 billion in Q2, up 4% year-on-year, and 6.8 billion in H1, up 6% year-on-year.

Top-line growth drives profitability with Adjusted EBIT for the first half at 1.8 billion, up 7% year-on-year. Net profit,

excluding the TIM stake contribution was 1.2 billion in the H1, up 4%.

Moving to Slide 6, revenue momentum remains healthy across all businesses.

In Mail, Parcel and Distribution, growth was driven by parcel and logistics, with mail revenues supported by ongoing repricing.

Financial Services revenues continued to grow in the half to 3.0 billion, supported by a strong investment portfolio contribution and solid commercial activity.

Insurance Services delivered strong results across both life and protection with revenues up 9% in the first half to 983 million, reflecting higher CSM stock and release.

Postepay Services kept up its solid performance across products, underscoring the strength of the everyday platform.

Let's move to our key strategic initiatives starting from Slide 8.

We are strengthening our client-centric approach and unlocking additional value across the organisation through the creation of a single Financial Hub, bringing Financial, Insurance and Payments together and moving from 4 to 2 reporting Business Units.

The project is structured in two phases.

Phase 1, by the end of 2026, will bring together our banking, insurance and payments activities into a single Financial & Insurance Services hub from a divisional and

managerial standpoint. PostePay will be demerged and its Payments business will be allocated to BancoPosta.

Phase 2, over 2027 and 2028, will see also the allocation of the PosteVita stake to BancoPosta, subject to regulatory approvals.

This reorganization will generate tangible value through both revenue upside and cost efficiencies. On the revenue side, we will see higher net interest income thanks to the increase of BancoPosta regulatory capital enabling additional leverage capacity. We also expect higher inflows supported by stronger network governance and enhanced advisory tools, as well as enhanced cross and up-selling between current accounts and pre-paid cards fostered by a new digital platform to be launched in 2027.

On the cost side, we will generate efficiencies through the redeployment of up to 25% of the combined BancoPosta and Postepay workforce.

The new divisional reporting will be implemented by Q1-27.

Finally, we are proud to have been selected as a pilot PSP for the Digital Euro, a recognition of our leadership in digital payments and financial innovation.

Let's look at how we are re-shaping our physical network on slide 9.

Today, each Province office oversees, on average, around one hundred post offices. We believe this is not the most effective way to drive growth through our new proactive mode and capture the full potential of our network as the 1

to 100 span-of-control limits the support we can provide to some offices.

Many of our smaller offices operate in markets where traditional banks have withdrawn, leaving Poste as the primary financial presence. These communities represent a significant growth opportunity, provided we can deliver stronger commercial focus and advisory support.

That is why we are introducing a hub-and-spoke model, an initiative shaped through years of planning and constructive engagement with union representatives, reflecting both the scale and complexity of the transformation and leading to the signing of a landmark agreement with the unions yesterday.

Under the new structure, Province offices will oversee around ten hubs and each hub will coordinate approximately ten spoke offices. This reduces the span of control from 1-to-100 to 1-to-10, creating a much more effective management model.

The benefits are clear: stronger governance, better training, greater accountability and more consistent execution across the network. We are also aligning incentives at hub level to encourage collaboration and improve performance across all offices.

This model also accelerates the rollout of our specialised advisory model. Our Dynamic advisors – almost 3,000 – serve affluent clients and must be highly proactive. Our Personal advisors – over 5,000 – serve the mass market in a more reactive way, across a far larger book. The principle

throughout the entire model is to start from the client's needs, not the sale of a single product.

The combination of these two initiatives is particularly powerful. The hub structure provides the local leadership and support needed to fully leverage advisor specialisation across every office in the network, improving governance and productivity with the ultimate goal of delivering growth.

Let's zoom in on our platform.

This slide captures the essence of what we are building: a connected and trusted platform – a client-centric ecosystem focused on our clients' needs rather than products.

We have built a connected and trusted ecosystem that serves both consumers and businesses, combining physical and digital capabilities under a single platform.

We support clients across everyday banking, daily services and long-term wealth and protection needs. For businesses, we provide a comprehensive suite of solutions spanning financial services, logistics, welfare and IT operations.

At the centre of this ecosystem sits PostePass – the single, unique access point to our platform that will seamlessly connect our clients to our full suite of solutions, facilitating on-boarding and cross-selling.

This will make our platform truly unique: one trusted relationship, one point of access, meeting the full range of

clients' needs, generating engagement, cross-selling and long-term value.

Moving to slide 11, This chart shows how we are evolving our unmatched consumer platform, to be further accelerated by TIM upon transaction completion.

Today, our consumer platform includes a Logistics and Distribution B2B2C model and Financial and Insurance Services B2C operations. TIM consumer will add an upmarket connectivity offering to our consumer platform.

The platform is underpinned by Italy's largest integrated physical and digital distribution network, comprising 13 thousand post offices, the country's leading app with 4.2 million daily active users and 49 thousand third-party network points. TIM will further enhance this footprint with approximately 4 thousand retail outlets, including premium locations highly complementary to the post office network, while also providing opportunities for network optimization and rationalisation.

All of this is powered by a best-in-class intelligent IT infrastructure and by an AI-powered omnichannel commercial engine which I will present a little later.

The more connected the ecosystem becomes, the greater our ability to deepen client relationships, increase revenue per customer, accelerate cross and up-selling and ultimately expand customer lifetime value. To ensure successful execution, strong leadership and clear accountability are essential. That is why we will entrust the

responsibility for coordinating the entire Consumer platform to one of our most experienced senior leaders.

Let's see how data and AI power our omnichannel model, because harnessing AI effectively is no longer optional—it is a key driver of competitiveness and growth.

We think about AI on two fronts: *"AI outside"*, to boost commercial effort and *"AI inside"*, to improve operations.

It starts with PostePass: the single access key to our Platform. Every one of our 27 million daily client interactions feeds our knowledge of the client.

Everything flows into the AI Orchestrator at the centre, intercepting clients' needs and managing traffic. This is where data, algorithms and customer relationships become monetizable. The model is future-proof: the same orchestration is ready to govern new forms of e-commerce such as business-to-agents – where AI agents, not people, do the shopping.

It is important to highlight that our channels work as one integrated system: we encourage everyday transactions on digital channels, while generating Post Office visits when human advice matters most, especially for wealth management and long-term needs. The proof is that Post Office footfall has in fact stabilized with branches now focusing on higher value-added and advisory-led activities. We use AI to power our omnichannel model. While the Super App is an AI-powered commercial engine generating direct digital sales and a "drive-to-post-office" effect, the same intelligence enriches our financial advisors'

tools with smart recommendations, real-time insight and live support during customer conversations.

Omnichannel sales penetration reached 46% in H1-26, supported by a growing base of 14 million hybrid customers seamlessly engaging across both physical and digital channels.

Let's zoom in on the SuperApp, which is evolving into a true agentic, AI-powered commercial engine.

In practice, this means using AI to make every client interaction more relevant: from personalized offers and smarter recommendations to next-generation search integration, conversational support for purchases and location-based engagement at the right moment.

This is not just a product evolution – it is the foundation for a broader Business-to-Agents model, where AI-enabled marketing will serve both our retail and business ecosystems, in a world where AI agents will increasingly support client choices.

Our App operates at an unmatched national scale, with 18.2 million users and 4.2 million daily active users in H1. Recent data shows a further increase in our App usage, reaching 4.3 million Daily Average Users since June and a single day peak of over 5 million in July. This is a further confirmation of its relevance for our clients and the powerful role it plays as an engagement and commercial tool supporting future cross-selling and business growth. 78% of our App users hold two or more products, up 330 basis points year-on-year, compared to less than 40% of non-App users.

Let's turn to the AI-inside strategy – the infrastructure that powers the orchestrator, the SuperApp and the advisor tools we have just discussed and at the same time it's re-shaping our processes and the way we work.

We have built an intelligent infrastructure, based on our Universal Knowledge Base – Poste Italiane's Digital Brain – and on hybrid cloud and AI computing capabilities. This allows us to use AI at scale in a cost-effective way, keeping control of our data, supporting productivity, sovereignty and low latency.

We are reinventing the software lifecycle, applying AI across development, maintenance and procurement. This means faster delivery and lower IT and customer operations costs.

Finally, we are bringing AI into the way our people work: individual productivity tools, personal agents and enterprise agents redesigned around end-to-end processes. The objective is not to replace people, but to increase productivity and re-deploy skills towards higher-value activities.

Thanks to AI, we will generate savings of around 150 million in annual IT Opex and Capex and 50 million in customer operations cost within the next 4 years. At the same time, we are targeting to redeploy up to 20% of overhead FTEs to higher-value-added tasks within the next five years.

Let me now hand over to Camillo for an update on the TIM transaction and the deep dive on financials.

Camillo Greco

Thank you Matteo and good morning everyone. Let me start with a few self-explanatory numbers on slide 15!

The market has given a strong endorsement to the TIM transaction, and the clearest evidence is the share price re-rating since we announced the deal.

Since announcement, the implied value of our offer has risen 21% to 13.1 billion and the implied offer price has risen from 6.35 Euros to 7.66 Euros per share.

As a result, the premium embedded in our offer has expanded materially, reaching 31.4% on the spot price and 42.7% on the six-month VWAP, compared with 9% and 18% respectively at announcement.

All of this has taken place while TIM Brasil's share price fell by around 10%, meaning that the implied market value of TIM ex-Brasil has doubled, while the European telco index has lost around 4% over the same period.

The combined entity will have a market cap of circa 45 billion, of which c. 23 billion free-float, ensuring substantial stock liquidity.

The market is recognising the strategic and financial merits of the combination and the value that can be created through this transaction.

On slide 16 we have an update on the timeline.

On July 18, the TIM Board unanimously deemed the consideration offered fair.

The tender offer period started on July 20 and is scheduled to close on September 11, with a potential re-opening period between September 21 and 25.

We target transaction closing by Q3-26, allowing us to accelerate integration and start capturing value creation opportunities as early as possible.

This timeline enables us to present the combined entity business plan in Q1-27, providing a clear strategic roadmap and visibility on the full value creation potential of the deal. Let's now move to the detailed financial overview of our Q2 and H1 2026 financial results.

Starting with Mail, Parcel & Distribution, revenues in Q2 were at 1 billion, up 7%, whilst in H1 totalled just over 2 billion, up 6% year-on-year.

Mail revenues, supported by repricing actions and a favourable mix, reached just over 500 million in Q2 and 1 billion in H1. This is a 3% decline, in line with the trend that we anticipated for full-year 2026.

Parcel revenues accelerated 11% to 453 million in Q2 and 13% to 907 million in H1, driven by market share gains across a diversified parcel client base and a continued logistics expansion, including a small initial contribution from Logistic 360, our Benetton joint venture consolidated from April.

Distribution revenues were broadly stable, reflecting lower Active Portfolio Management revenues versus last year.

Adjusted EBIT is progressing in line with our 2026 guidance.

On Slide 19, parcel volumes grew by 11% in Q2 to 90 million items and by 13% in H1 to 179 million. In Q2, 48% of parcels were delivered through our postal network, up 5 percentage points year-on-year, allowing a more efficient absorption of fixed costs. The average parcel tariff benefited from repricing and mix.

On mail, volume trends remain in line with expectations, while the higher average tariff, up around 3% in the quarter, reflects our ongoing repricing actions.

Moving to Financial Services, gross revenues were stable at 1.7 billion in the quarter, and up 4% year-on-year to 3.5 billion.

Net interest income benefited from an improved rate environment reaching 676 million in Q2, while opportunities to generate Active Portfolio Management revenues for the first half were concentrated in Q1.

Postal Savings fees were roughly stable and in line with full-year guidance at 443 million in Q2 and 883 million in H1.

Transaction Banking reflected lower traditional payment-slip volumes with Q2 revenues at 169 million and H1 revenues at 342 million. Consumer Loans fees, impacted by higher rates, reached 65 million in the quarter and 130 million in H1. Asset Management revenues grew on higher assets under management to 56 million in Q2 and 112 million in H1.

Adjusted EBIT reflects top line trends at 265 million in the quarter and 583 million in the first half.

Moving to Slide 21.

TFAs reached 613 billion, 13 billion H1-26.

Looking briefly at each component:

We reported strong 2.7 billion net inflows in investment products excluding the Cronos run-off, confirming the positive trend in Life insurance, with significant contribution from multi-class products, as well as asset management;

Deposits were up, benefitting from higher balances from PA clients and stable retail deposits at 59 billion, confirming the stickiness and loyalty of our customer base;

Postal Savings net outflows continue to improve thanks to product innovation and strong commercial focus.

Moving to Slide 22.

As Matteo mentioned earlier, we have agreed the termsheet with CDP for the new Postal Savings Distribution Agreement covering the 2027 to 2030 period. This is an important milestone, as it provides enhanced visibility on this significant revenue stream.

Thanks to continued product innovation, effective management of maturities and enhanced inheritance solutions, we target 1.9 billion of average annual revenues over the period covered by the agreement, compared to 1.8 billion over the past three years.

The new framework also includes higher capacity for more attractive New Liquidity offers.

This further reinforces the resilience, visibility and long-term quality of our Financial Services revenue base.

Let's now move to Insurance Services on Slide 23.

Insurance Services revenues amounted to 514 million in Q2, up 11% year-on-year and 983 million in H1, up 9%.

We continue to have positive net flows in Life both in Q2 and H1 with a significant contribution from multi-class products.

Lapse rate is improving, down at 6.6% in Q2, driven by lower clients' portfolio rebalancing activity. In both Q2 and H1 around 35% of our lapses have been reinvested into new Life products.

Life, Investments & Pension revenues are up 11% to 455 million in Q2 and up 8% in H1 to 878 million, driven by a growing CSM and higher release.

Protection revenues were up 13% in Q2 and 11% in H1, supported by a strong growth of Retail GWP which have a higher marginality. In the appendix, on slide 47, there are more details.

The resulting combined ratio of 82% remains amongst the best in the market.

In Q2, adjusted EBIT was up 6% at 436 million and Net Profit up 5% at 312 million, both reflecting top-line trends.

On Slide 22, we show the CSM evolution.

Group CSM reached 13.8 billion, providing strong visibility on the division's sustainable profitability going forward.

Normalised CSM growth of 1.5% annualised is driven by strong new business and expected return more than offset the period release.

Poste Vita Group's Solvency II ratio was 303% at the end of June. This ratio already embeds the accrual of the 100% net profit remittance to the parent company.

Over the quarter, the ratio benefited from a capital generation more than compensating the foreseeable dividend and a positive impact from lower rates and spreads.

Moving to Postepay Services on Slide 26, where solid revenue and EBIT progression continues, underscoring the strength of our everyday ecosystem.

Revenues rose by 8% year-on-year to 435 million in Q2 and by 7% in H1 to 860 million.

Payment revenues at 314 million up 6% in Q2 and up 5% in H1 to 611 million, supported by higher transaction value, up 8% year-on-year and total number of ecosystem transactions up 13%.

The Telco business continued to be supported by ongoing client acquisitions, with the client base reaching just over 5 million by the end of June. Revenues were stable with 84 million in Q2 and 165 million in H1.

Energy revenues were strong both in Q2 and H1 reaching 38 million and 84 million respectively, driven by an expanding customer base now at 1.2 million clients.

Top-line performance and effective cost management drove a strong 10% Adjusted EBIT growth in the quarter to 158 million, while H1 EBIT at 310 million is up 12% vs last year.

Average headcount stood at just over 119 thousand in Q2 2026.

Importantly, the value added per FTE continues to improve by 5%, at 92,000 euro per FTE.

HR costs per FTE are up 1% to 48,000 euro per FTE, reflecting labour agreement salary increase.

Moving to Slide 28.

HR costs increased by 1% in H1 to almost 2.9 billion, with additional costs from labour agreement salary increase partially compensated by other items.

In H1, ordinary HR Costs on Revenues are down to 39%.

Non-HR costs increased by 240-million year-on-year. Fixed costs were up due to a concentration of marketing and advertising costs in the first half. Variable costs are up 138 million reflecting business growth dynamics. D&A are up by 56 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.

Today's results clearly demonstrate that Poste Italiane is delivering on its strategy. With the fifth consecutive record first-half result, confirming once again the strength and resilience of our diversified platform business model.

What is most encouraging is not only where we stand today, but also how far we have progressed in building the Poste of the future.

Over the past few years, we have transformed Poste Italiane from a portfolio of businesses into a truly integrated platform company: increasingly client-centric, technology-driven and powered by data and AI.

We are now embarking on the next step in that journey.

We have agreed a termsheet with CDP on the new Postal Savings Agreement covering 2027 to 2030, providing long-term visibility on an important revenue stream.

We are simplifying our Group structure creating a financial hub and strengthening our commercial model through the hub-and-spoke network, thanks to a landmark agreement signed with the unions. We are scaling our AI capabilities across customer journeys and internal operations and accelerating the evolution of our unique consumer platform.

At the same time, we are accelerating on the TIM transaction, on the back of strong market endorsement. TIM gives us the opportunity to further enhance the strengths of our Platform, creating an even more powerful ecosystem

that combines connectivity, technology, financial services, logistics and distribution.

Importantly, we are pursuing this transformation from a position of strength. Our businesses are performing well, our execution remains disciplined, and the market continues to recognize the value we are creating.

We are entering a new chapter – one built on record results, a stronger platform and a clear long-term ambition. We have built the foundations, our execution is accelerating, momentum continues to build and with TIM we are unlocking the future – for our clients, our people and our shareholders.