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.

Question & Answer Session

Antonio Reale – Bank of America

Just a couple of questions and perhaps one clarification from my side. My first question is on data centers and the investment needs that come with it. I mean, if I take a big picture view, Italy and Europe as a whole probably behind the curve here relative to peers globally, I think we can say that which is both an opportunity and I think having the state behind you clearly helps, but also a challenge as that implies that you've got to put a lot of money at play to keep up with investment needs. And I think it's quite clear that the new Poste-TIM combination is going to be a key player here. So, can you just help us a bit to get a better sense of the opportunity for your shareholders? And how do you plan to fund the CapEx cycle ahead? That will be my first question.

My second question is on the outlook for NII. I think we've seen short-term rates move up. We've seen a bit of flattening of the long end. So, I'd like to hear how the outlook for NII looks like for you here, and maybe the mix between interest accrual and capital gains, possibly, if you

can comment beyond this year, just conceptually direction of travel?

And lastly, a clarification. Really, you've dropped the standalone plan and accelerated the timeline of the offer period for TIM. Maybe you can sort of explain a bit more about the rationale for that and also what are the implications and timelines after receiving the endorsement from TIM's board? Does that change your strategy on take-up levels in any way?

Camillo Greco

With regards to NII, we had committed back in February to a total portfolio return of around EUR2.7 billion for 2026, which was going to be, obviously, predominantly driven by NII. But there was a small component driven by Active Portfolio Management, which is the one we booked in the first quarter, EUR166 million. Then, with the sort of macro environment evolving rates went up, and that led also to revise our guidance upwards to EUR3.4 billion operating profit for the full year 2026. And one of the key components of that upgrade was indeed the rates environment. So, we are now looking for 2026 at a total portfolio return defined

as active portfolio margin plus NII at around EUR2.8 billion versus EUR2.7 billion, which was the starting point.

With regards to what we can say going forward, and maybe say a couple of words on what was described by the CEO with regards to the combination of our everyday business and Financial Services. We do expect there's going to be at least in the first phase, a pick-up in NII there too, and that's going to be starting from 2027. That, when I say Phase 1, I mean the phase that entails a combination of Postepay services and BancoPosta, but not does not yet include the combination of Poste Vita the contribution rather of Poste Vita. And more in general sorry, and more in general with respect to the our expectation for 2027 and onwards, we'll comment on that later on that. But obviously the outlook, let me say has improved compared to the beginning of the year, also for what is beyond 2026.

Matteo Del Fante

On data centers, I think, Antonio, you certainly have a point. Italy is behind the curve versus core Europe, and there we have started already supporting TIM on one specific project that has started a few months ago is a 20-megawatt initiative

that will be obviously run by TIM, and we will help from the CapEx side, which are not too large given the size from the Poste side. But the real estate component of this initiative, the data center, is now very liquid, market-populated, and supported by all the largest private money funds globally, so they will absorb a meaningful portion of the CapEx element of the next projects.

Then we started working on a much larger project. It would be in a location in the region of Lombardy. The first tranche of this project is as large as 70 megawatts. So that's -- the land has been identified. The energy supplier has also been identified, and there we have the support of all the large Italian financial institutions and for that matter corporate that could join forces and create a large hub, where we could run both training model and inference model at a scale.

Last question on timetable. We committed to pending. Obviously, TIM transaction to present a combined plan for Q1. If things go in a dream scenario very, very, very well, we might be able even to do it faster. We were basically ready with our standalone plan, and you have seen it today

because we announced three cornerstone of the multi-year plan of Poste, namely, the CDP Agreement, the reorganization of our network with the Hub & Spoke, and the agreement with the union supporting this reorganization, which is clearly a multi-year project. And three, the reorganization of Phase 1 and Phase 2 of our financial hub that has also a capital release element. So, on our side, we're ready, TIM was also ready, so we could go even faster if there is the window.

Alberto Villa – Intermonte

I have two questions. One is back on the group structure simplification and back on Phase 1 and Phase 2. I was wondering if you can elaborate a bit more on what is the NII opportunity of both Phase 1 and Phase 2. I guess Phase 2 is related to also obtaining some, let's say, sort of leeway on capital absorption and sort of Danish Compromise for the insurance activities within the financial hub. So, that could be quite material, and maybe you can explain a little bit better what is the opportunity? And the second one is on the announced union labor agreement. If you can give us

some more details on what is the content of this agreement and how it could really support the evolution of the group going forward? On slide 8, you put the indication that you expect 25% of the combined workforce of BancoPosta and Postepay to be redeployed. So, this seems a pretty big number. I was wondering if you can give us an idea of what that entails for the business going forward.

Camillo Greco

With regards to Phase 1 and Phase 2, as I want to reclarify, there is also a note in the presentation that Phase 1 is already being implemented, whereas Phase 2 is subject also to relevant regulatory approval. So, I'll stick on the first one. And with regard to the first phase, only on NII, we see benefits in a couple of tens of millions. That is the order of magnitude. I don't want to name more at this stage.

Matteo Del Fante

I mean, the agreement with the unions is an agreement that doesn't touch any financial aspect, which were already signed last year. But it enables Poste to do mainly two things and then there is a third one answering your question. The first thing is page 9. So, if you can go back to

that page just for a second, as I said, we divide Italy in 132, we call them provinces, let's call them areas. And below these 132 areas, there are 13,000 offices. And in every single area, you have a head of the commercial unit for the province. Okay?

So this guy today has to take control and follow 100, on average, post offices. And any province, as you see on the page has large, medium, or small post offices. And obviously, when you have 100 post offices to follow, your span of control is clearly too large. And so we basically reanalyze Italy in terms of business opportunities. We identified basically a layer in between the province and the office, which is on page 9, the 1,100 post office hubs. These are offices that are already there. Obviously, these are large offices.

Those 1,100 large offices that they have, obviously, one person in charge will take the responsibility of one area, what we call the spoke in this new Hub & Spoke model, that has on average 10 offices. And then you will find most likely, small offices and medium offices below. To do something like this, Alberto, you're creating new role, you're creating

new incentive, you are potentially also restructuring your province footprint. You need to have a specific agreement. And so we've been working on this for one and a half year, and our target was to have it for the plan, and we were lucky to manage to sign at 5:00A.M. yesterday morning.

The second item, which is also extremely important, we haven't heard any questions, but it relates to our logistic and parcel business. There is a big transformation there. The role of our employees is increasing. The model works because we're increasing consistently for the last few quarters our market share, and we've never been so strong in logistic, like we are today. And doing that reorganization in logistics requires some specific changes that need union agreement.

Then you referred to the 25% BancoPosta/Postepay combined, which we have put in our plans, which is ambitious, I agree, but I think it's also ambitious the 20% overall reduction on the overall workforce, non-operating, let's call it white-collar workforce over the next four years. And that is also part of the agreement. So, all in all, we call it a landmark agreement. We have, and this is a perfect

opportunity for me to thank all the union representative for their work, for their support, and for their understanding of the company's needs, and having made this agreement possible is extremely important.

Camillo Greco

The labor agreement we are mentioning is not related to the 25%redeployment from BancoPosta, Postepay that's a separate situation. The labor agreement is about the Hub & Spoke model implementation, to be clear -- and logistics.

Andrea Lisi – Equita

The first one is on, what should we expect for the future. Clearly, we know that you have not provided the guidance's given the start of the offer on TIM. But, just looking at the consensus that is pointing on a kind of EUR3.8 billion of EBIT adjusted 2028 clearly on a current perimeter, how do you feel about this? And so if the trajectory and visiting current consensus is something that makes you comfortable?

And especially with regard to the evolution of the NII, you have indicated that now you expect a total portfolio return

at EUR2.8 billion, clearly. We have seen the increase in rates that provides a positive contribution to NII. Just wondering if it is -- is it possible to expect some kind of, let's say, capital loss on trading just to adjust the portfolio and have a further boost on NII over the next years?

Then the second question is on -- just to understand, how many of the new clients that you're gaining in energy are coming from the network of TIM. So, to understand how this is working? And very last, if you can provide us more color on the strategy regarding Polo Strategico Nazionale and the opportunities that could come here?

Camillo Greco

I'll start with your first question, which is around the guidance. Obviously, we cannot at this stage comment nor provide guidance on beyond what has already been disclosed. There is a consensus out there, which has been prepared independently by analysts. If you were to ask us what we think about that consensus -- what we can -- how much we can stretch out is that, we can probably say that we believe that consensus broadly reflects a trajectory for the standalone business without getting specific on any

year. But, we think it broadly reflects the ability of the business to grow. So that's, I think, the first point.

Separately, you had a question about active portfolio management NII, and I think that -- you are saying whether the fact that rates are going to be higher might or might not translate into capital losses. I think, first of all, at this stage, that's not the scenario. But, I just want to sort of reemphasize that we run our portfolio on a total return.

If, as an example, rates go up by some 100 basis points, we have the portfolio that performs more in terms of NII, but we have the capital gains that go up, and then there is the opposite trend, obviously, in the other direction. So, we think about it as total portfolio return, and we commit to investors into -- equity analysts to a total portfolio return. The mix is a function of where we are in the life cycle of the rates.

Yes, then there was a question about what's the contribution of TIM in terms of daily new intakes in terms of subscriptions on energy. Roughly speaking, we are any day between 2,000 and 3,000 net new clients. And around 500 or so are generated by TIM.

Matteo Del Fante

Andrea, but it's a good question because it is clearly an opportunity, and we will support the TIM as the reference shareholder. We're in the process of buying the 20% stake of the PSN from CDP. And that project has been very successful. TIM and Leonardo did a great job in moving almost 800 Public Administration entities to the cloud. And we believe that that journey has to carry on supporting those Public Administration using the data into cloud, and change their processes, increasing process and operations, increasing efficiency. So, that's an important chapter that will try to support TIM in the evolution of the PSN.

Elena Perini – Banca IMI

I've got one question on AI, because I think that you illustrated very, very well in your presentation all the opportunities that you see from extensive use and basically the integration of AI in your platform and business. On the other hand, do you see any potential risks on this, also in terms of potential cannibalization on some clients of yours, for example, the low-profile ones?

And then further clarification, because I heard from a previous question that the Danish Compromise was mentioned, but I had a problem on my line, so I didn't understand well the answer. I suppose that in the footnote on page 8 regarding the allocation of Poste Vita stake to BancoPosta, when you mentioned subject to change in law, you are referring to this -- to the Danish Compromise, due to the fact that, I imagine that you are not willing to ask for a banking license. Is it correct? And how do you think to get it without a banking license?

Matteo Del Fante

I'll take the AI, maybe we can take this offline, but I need to understand better what you mean with the cannibalization of clients. We see it coming, and with or without Poste, it will change a lot of the habits of our client base. We want to be in the driving seat, in the flow of change. Just to give you maybe a feel, and I referred in my presentation about agents taking more decisions and supporting clients.

One clear example is what is happening already outside Italy, where you have e-commerce supported by LLMs. So as opposed to go on any e-commerce platform, you have

an interface in between you as a consumer and the different platforms that does all the services and client -- and sorry product selection for you. So, obviously, we start from a position of strength because we have the client. We have the digital client flow and connection. We have payments. We have logistics. And if you put an engine talking to that client, and then on behalf of the client, screening all the best options in the different marketplaces, you could probably see in the next three to five years, a different landscape. And just one idea of how things can change in a very important digital space, like the one of e-commerce.

No intention whatsoever on your second question of asking for a banking license. We're not a bank and we will never be a bank with a banking license. We are not even in the space of the Danish Compromise. Basically, it's just a follow-through a technical follow-through of the fact that if you put all the risk of your financial legal entities under one single umbrella, you clearly can show to the regulator, and we are subject to risk control by the Bank of Italy, that become easier and more predictable from the regulatory standpoint. So, that streamlined risk management impact of

our Phase 1 and 2 together allows the regulator and allows the state to change the capital absorption parameters that we currently have. And that would release additional capital, and that would allow us to basically take more risk on our balance sheet down the road, and increase, obviously, our NII.

Michael Huttner – Berenberg

I had quick three questions, one on the tender. I don't know how to ask it, but I don't understand these things well. But so, TIM gave a fairness opinion, which was dated on a certain date and considered the share price, et cetera, on a certain date. Is there any sensitivity to that? In other words, if the share prices of either entity change a lot, do they revise it? It's just -- I have no idea how this works.

The second one is actually a slight criticism. You know, in your reorganization, instead of four divisions, you'll have two. I'm really sad for the guys who are currently running four divisions, and two of them will disappear. Are you going to lose a lot of kind of what I would call dynamism, or whatever it is, by having more centralization, one person

running three things, rather than three people running three things, because you have such valuable, wonderful people in your company?

And then the last one is the 303% Solvency. Can you give us a little bit of a forward-looking. I can't have forward-looking, but anyway, just on the last EUR500 million payment, where would that be?

Matteo Del Fante

On the tender, there is no correlation in between price level and willingness to change or, we have stated the specific terms at which Poste is buying TIM shares and paying those shares with a specific amount of -- specific number of Poste shares plus cash. And that conversion rate and cash, which are the two only numbers that count, are fixed until the end of the offer.

By law, once we close the offer, let's assume we get to our threshold, we accept it, we close the offer. By law, for the following six months, Poste will not be allowed to buy shares in the market at a higher price than the one at which we closed the offer, because if we do buy at a higher price, we would need to recognize to all participants in the tender

the same increase in pricing. That's called the best price rule that applies six months after closing of the offer.

Before I let Camillo answer on the Solvency II on your four to two. No, Michael, quite the opposite. It's a good question, but we believe that having one single leadership allows genuine client-centric drive into the firm. At the end of the day, the two units that are folding into the banking one are an ancillary unit, payments. Payments are not to be considered, and no financial institution actually is managing payments as a separate business unit. We were quite unique when we created this business unit back in 2018. And it worked very well for the eight years we live, but put yourself in the shoes of a client.

You want to have a banking connection, and that banking connection is one, and that banking connection is to give you services. And services are made by a current account, are made by an app, are made by a debit card, are made by prepaid card. And so, we want to serve the client in the best possible way. I announced in my speech that we will come up in 2027 with a new product serving clients in a combined fashion. There are many very good examples in

the market away from us. They are gaining market share with this approach. I think it's needed.

And looking at the second element of the insurance, the insurance from a client standpoint is a saving tool, which sits next to postal savings, that sit next to funds that are managed by our asset management company. So, it's just one product that the bank offers in terms of saving options to clients. And so one unique leadership is going to do us very well.

Camillo Greco

And with regards to the question on solvency, we accrue on a quarterly basis the dividend from Poste Vita to Poste Italiane. I remind everyone, we have 100% payout ratio there. Whereas instead we only account for the capital distribution at the end of the year. So, the 303% does not reflect the last EUR500 million, which will be paid in 2027 on the 2026 P&L of Poste Vita. The impact of that should be in the order of 10 to 12 percentage points on the solvency, which need to be deducted from the 303%, obviously.

Manuela Meroni – Banca IMI

Two questions from my side. The first one is on the investment flows and postal savings. The net investment flows materially increased in the first half of this year with an acceleration in the second quarter. Postal savings outflows was at the lowest level in the last five years. So, could you please elaborate on what the drivers of such an acceleration are, and what we may expect in the second half of this year ahead of the new distribution agreement with CDP? And in relation to that, could you please provide some details on how this agreement works? What has changed compared with the past, allowing you to cash in EUR100 million of additional revenues? What we should look going forward, the stock of the postal savings or net or gross inflows or so on? Any detail would be very helpful.

The second question is on the financial hub. You clearly defined the scope of your new financial hub, and provided some indication about the potential benefits, in terms of NII. I would like to know if you can help us quantifying the potential benefits also in terms of cross-selling and capital that we may expect, and what is the timing of such benefit?

Camillo Greco

Yes, I'll start with the CDP agreement. Obviously, the terms are consistent in general, Manuela, with greater performance in terms of a reduction of net outflows of Poste Italiane with the customer base that it manages, and the lower that net outflows are, the higher is the performance. I'd also say that there are a number of investments, which are required also from, let's say, a technical standpoint and an advertising and promotion standpoint, which would lead to that performance of the aim of both parties involved in the commercial agreement. So, both CDP and Poste is to reduce as much as possible outflows throughout the time period covered. Then there is, let me say, a degrading scale, whereas the more out you go in the contract, the lower are expected to be the outflows.

With regards to the second question, which was on the financial hub, yes, it is absolutely clear, and I think was partly answered by what Matteo said to Michael Huttner that, we believe that the benefit of the financial hub is first and foremost to serve better our customer base. And yes, we do have an expectation that will translate into greater revenues

for the division as not to sort of say anything that is controversial, if we have more than 20 million cards and a bunch of guys who have the card with us don't have a bank account with us, it's pretty obvious to everyone that we want to take advantage of that customer base in a more comprehensive way. So that's really what we're aiming there. And yes, there's going to be more on this initiative early in 2027. And last point, with regards to capital release or capital efficiency or want to call it that, obviously is what is going to drive in Phase 1, a bit more NII as there's going to be more capital we can put at work. And I think I had the answer to that question saying that we believe that the Phase 1 associated upside only from NII was in a couple of tens of millions. But obviously, in addition to that there is the impact of reduction of the combined workforce, which has been already mentioned. And then the upside, on greater cross-selling should crystallize into greater revenues for the division.

Giuseppe Esposito

We will finish off with a few questions from the webcast platform. The first one is very easy to answer. We have a question from Arthur Omar from Petercam asking, how we plan to finance the cash portion of the Telecom Italia deal?

Matteo Del Fante

Well, I mean, we have already secured financing from a pool of banks. They provided the cash confirmation letters in the context of the offering document. And there is no planning for a hybrid bond.

Giuseppe Esposito

The second question is from Suraiya Hussain at Schonfeld. The question is if a DPS for 2026 in the range of EUR1.2 to EUR1.3 is reasonable?

Matteo Del Fante

I think we have paid last year EUR1.25. We will certainly have a 2026 dividend higher than 2025.

Giuseppe Esposito

The last question is for our CEO, I believe. Can you comment on the importance of Poste securing an adequate take-up rate for the Telecom Italia offer and whether this is

a concern given that the offer term reflects a guideline premium of only 9%?

Matteo Del Fante

I think the 9% is the pre-announcement premium. So if you go to page 15, yes, you find the 9% mentioned in the question. But I think Camillo explained very well on that page that the market has priced the transaction and the proposed transaction, and that 9% is now 31.4%. So, you see on the right the relative performance of TIM domestic versus TIM Brazil versus Telco and even versus the Italian stock index. So, I think the premium today is certainly more than, I mean, certainly adequate if not more than adequate. It's very important for us to secure a very high take-up, no question, and in say that the board has been appointed just a couple of months ago with a three-year time horizon. So, this is a journey for us. We have started buying the first 10% from CDP back in February last year. We then increased our stake progressively. We then launched the tender by Italian law. If we reach the 50% threshold and we decide to accept lower than 67%, we are allowed to buy in the market without any obligation to launch a tender, any amount in

any time after the six months of best price rule limit that I mentioned before.

So for us we have all the time and patience to work on this, and as you heard today, the Poste standalone trajectory is extremely solid, and we will go ahead on our route very anyway and wait for the right opportunity and window to complete the TIM transaction over time.