

POSTE ITALIANE

Q3 & 9M 2025 FINANCIAL RESULTS

Rome, 13 November 2025

Giuseppe Esposito

Good morning and welcome to Poste Italiane's Third Quarter and Nine Months 2025 Results Conference Call.

Our 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 clarification you might require.

With that, over to you, Matteo.

Matteo Del Fante

Good morning and thank you for joining us today for our Q3 and 9-month 2025 results call.

As we celebrate 10 years since going public, we are proud to report another record-breaking quarter, reflecting sustained growth as we approach the end of 2025. The positive momentum established in the first half of the year has continued in the third quarter, we remain focused on executing our strategic plan and are fully on track to achieve our updated 2025 guidance.

In the first nine months, we delivered record results across group revenues, adjusted EBIT and net income. Each business unit contributed to a robust 4% year-on-year increase in top-line growth, reaching 9.6 billion euros in total revenues. Adjusted EBIT grew by 10% to just over 2.5 billion euros for the period and net profit reached 1.8 billion euros, representing an impressive 11% increase compared to the previous year.

Since the start of the year, we have seen solid net inflows into investment products, confirming strong commercial performance in insurance products and improved net inflows in postal savings.

I am pleased to report that the migration of our clients to the Super App has been successfully completed. To date, the app is used by 15 million clients with 4.1 million daily active users in November 2025, which is more than all our previous apps combined and the highest level among Italian Apps.

Our balance sheet remains extremely solid, with our Insurance Solvency 2 ratio at 312%, well above our stated ambition, providing us with significant financial flexibility.

On November 26 we will pay a record interim dividend of 40 cents per share, totalling 518 million, up a remarkable 21% from last year.

I am pleased to share that our initiatives to unlock synergies with TIM are currently underway. At the end of September, we launched TIM Energia powered by Poste Italiane in more than 750 TIM retail outlets. This marks a significant step in combining the strengths of both organizations, expanding our retail customer reach through TIM's network and Poste Italiane's trusted energy offering. In the coming months, we will continue to strengthen this strategic partnership and roll out additional joint initiatives to deliver synergies and value creation for all stakeholders.

While our investment in TIM remains strategic, we are pleased to note that the value of our stake has nearly doubled, now at 1.9 billion euro.

These results underscore the strength of our business model, flawless execution and our ability to adapt and grow in a dynamic environment, all while maintaining strict cost discipline.

Let's move to Group financial results on Slide 4.

Poste delivered a very strong performance in the third quarter and first nine months of the year. These were the best Q3 and 9M results ever reported by the Group, in terms of revenues, EBIT and net profit: focusing on the 9-

months, revenues at 9.6 billion euro, up 4% year-on-year, adjusted EBIT at 2.5 billion euro and net profit at 1.8 billion, up a remarkable 10% and 11%, respectively.

In the quarter, we achieved record group revenues at 3.2 billion, up 4% year-over-year. Adjusted EBIT reached 856-million-euro and net profit is at 603-million-euro, up 8% and 6% respectively.

On Slide 5, the strong revenue momentum across all our business segments continues into the year.

In Mail, Parcel and Distribution, revenue growth was driven by higher parcel volumes and supported by increasing client diversification. The anticipated decline in mail volumes is effectively mitigated through ongoing re-pricing actions.

In Financial Services, revenues increased by 5% year-on-year to 4.2 billion, supported by NII and solid commercial performance.

Insurance Services delivered strong profitability in both life and protection segments. Revenues rose 10% in the nine months, reflecting stable CSM and higher release.

Postepay Services' unique and integrated ecosystem of everyday services delivered sustainable revenue and profitability growth.

The telco customer base remains solid and stable, while the number of energy clients has grown to approximately 950 thousand, on track to reach the target of 1 million clients by year-end. TIM Energia powered by Poste Italiane, launched

on September 29th, will provide an additional boost to this business.

Let's go to slide 6 and EBIT evolution by segment.

Mail, Parcel and Distribution reported an adjusted EBIT of 137 million for the nine months, in line with our full-year guidance.

Financial Services operating profitability is up a sound 23% in the nine months to 790 million euro driven by NII and overall strong revenue trends.

In the nine months, Insurance Services adjusted EBIT is up 9% to 1.2 billion, supported by both Life Investments and Protection.

Finally, Postepay Services EBIT growth of 9% to 416 million is driven by resilient top-line performance, significantly outperforming the market.

On slide 7, let's take a closer look at what we are building through our strategic partnership with TIM.

Several work streams are underway to maximise synergies between the two Groups. We have signed the contract that will allow the migration of Poste Mobile MVNO operations to the TIM mobile infrastructure starting in Q1-26.

On the commercial front, we have reached the first significant milestone with the launch of "TIM Energia powered by Poste Italiane", now available through more than 750 TIM retail outlets, with very encouraging early results.

Looking ahead, we are actively working on additional cross-selling opportunities on both retail and SME customers,

including in the areas of insurance and payments. At the same time, we are exploring cost-efficiency initiatives through joint procurement. We will communicate these developments to the market in a phased manner, as relevant agreements are finalised.

Poste Italiane is taking a decisive step forward in digital innovation through a new joint venture with TIM Enterprise, dedicated to cloud-related IT services.

This partnership will drive Italy's cloud transformation, harnessing the potential of Generative AI and open-source technologies.

Our mission is to accelerate the nation's digital evolution, empowering public administrations and private enterprises with secure and advanced solutions.

The joint venture will deliver services across both leading public cloud platforms and sovereign national infrastructures.

With that, let's look at the financials. Over to you Camillo.

Camillo Greco

Thank you, Matteo, and good afternoon everyone. Let's move to slide 9 on Mail, Parcel & Distribution.

Revenues amount to 934 million in Q3 and 2.8 billion in the nine months, up 3% and 2% respectively.

Mail revenues at 480 million in Q3 and at 1.5 billion year-to-date, are in line with our FY-25 guidance presented in February.

Parcel revenues were up 10% to 420 million in Q3 and up 8% to 1.2 billion in the 9 months, supported by all customer segments which continue to improve our revenue diversification.

Distribution revenues from other business units are up 3% in the 9 months, reflecting positive commercial trends.

Adjusted EBIT at 137 million year-to-date is in line with the guidance provided for the full year.

Let's look at volumes and tariffs on slide 10.

Parcel volumes are up a solid 14% in Q3 and 12% in the 9 months to 245 million items.

In Q3 we also increased the portion of items delivered via the postal network to 45%, up 5 points vs last year, leading to a positive contribution to the overall business' profitability.

Looking at pricing, the average tariff was impacted by higher volumes with lower pricing and unit costs as we continued to have high volumes in second-hand items and boxless returns.

On Mail, the volume trend is in line with expectations, showing a slower volume decline in Q3 compared to the first half of the year. The bulk of the volume decline remains concentrated on lower value items such as direct marketing and unregistered mail.

We continue to compensate the anticipated volume decline with ongoing re-pricing actions across both regulated and market products.

Moving to Financial Services on Slide 11.

Gross revenues for Q3 landed at 1.6 billion and just shy of 5 billion for the nine months, up 3% and 6% respectively.

Net interest income came at 669 million in Q3, up 3%, and at 2 billion year-to-date, up 6%, benefitting from higher average deposits and lower cost of funding.

Postal Savings distribution fees amounted to 443 million in Q3, up 3%, and 1.3 billion, up 5% year to date supported by improved gross inflows driven by commercial initiatives, as well as longer maturity of products sold.

Consumer Loans distribution fees reached 63 million in the quarter and 203 million in the 9 months, both up 15%, driven by higher margins confirming the strength of our multi-partnership model.

Asset management fees came in at 47 million in Q3 and 136 million in the first 9 months, impacted by a different product mix with lower upfront fees, while AUM continue to grow thanks to positive net flows.

Finally, adjusted EBIT came in at 262 million in Q3, up 16% and at 790 million in the 9 months, up 23% compared to 2024, on the back of strong revenue performance.

Moving to Slide 12.

TFAs continue to grow reaching 601 billion, up 10 billion from the start of the year.

Let's look at each component:

We reported strong 2.3-billion net inflows in investment products confirming the positive momentum in Life insurance where net inflows totalled 1.2 billion.

Postal Savings net outflows improved in Q3, supported by strong performance of the 100-year anniversary Postal Bond.

Deposits were up, benefitting from stable retail balances at 58 billion and higher, though more volatile, balances from PA clients.

Moving to Slide 13.

Insurance Services revenues amounted to 446 million in Q3, up a strong 12% year-on-year and 1.4 billion in the nine months, up 10%, supported by both Life and Protection.

In Q3, we continue to report positive Life net flows, driven by strong GWP (up 7% year on year) with an increased share of multiclass products now at over 70% of Life, Investment & Pension GWP.

Our advisory offering built in the context of the new commercial service model is leading to proactive rebalancing of our clients' portfolios, resulting in a lapse rate of 8.3% in the quarter, more than 50% of which have

been reinvested into new Life, Investments & Pension products.

Life, Investments and Pension revenues are up 11% to 393 million in Q3 and up 10% to 1.2 billion year-to-date on the back of stable CSM stock and higher CSM release.

Protection revenues were up a solid 11% in the nine months to 147 million, supported by higher gross written premiums and up 14% in the quarter. Combined ratio stood at 83%, while we confirm our FY25 guidance of about 85%.

Adjusted EBIT of 1.2 billion in the nine months, up 9% compared to 2024 and up 11% in Q3, reflecting top-line trends.

Our stock of CSM is stable at 13.7 billion, driven by strong new business and positive financial variances. This provides us with strong visibility on the future profitability of the business.

Normalised CSM growth stood at 3.5% on an annualised basis, up from 2.0% in 2024, with a strong increase in new business value and expected return more than compensating the release.

Let's look at the Solvency ratio evolution on Slide 15.

Poste Vita Group's Solvency 2 was 312% at the end of September and well above the managerial ambition of circa 200% through the cycle. This ratio already includes the impact of foreseeable dividend based on a 100% net profit remittance.

The marginal reduction in the ratio was mainly related to economic variances such as higher risk-free rates.

Our Solvency 2 ratio currently stands between 305% and 320%.

Moving to Postepay Services on Slide 16.

The Postepay ecosystem continues to represent a sustainable engine of growth, innovation and customer engagement for the group.

Revenues rose to 409 million in Q3 and 1.2 billion in the nine months, up 3% and 5% respectively.

Payments revenues are up 1% to 298 million in Q3 and up 2% to 878 million in the first nine months, supported by transaction value growth of 10% in the quarter and 9% year-to-date, offsetting shortfall due to EU Law change. We are significantly outperforming the market and growing our market share in a competitive environment.

Net of instant payments shortfall, payment revenue growth is at around 5% in both the quarter and the nine-months.

Telco revenues are stable in the quarter and up 1% in the nine months to 247 million, supported by our resilient client base and the fibre offer.

Finally, energy net revenues totalled 86 million in the nine months, reflecting an increased customer base that now stands at around 950 thousand clients and comfortably heading towards our 1 million client base target by the end of the year.

Adjusted EBIT grew a robust 6%, to 140 million in Q3 and 9% to 416 million in 9 months, underpinned by solid top-line performance and in line with guidance.

Since the start of the year our average workforce has remained just under 120 thousand, consistent with the level

of full year 2024, with hirings broadly offsetting exits at circa 6,000 FTEs.

Our workforce productivity improved year-on-year as the growth in value added per FTE exceeded the increase in HR-cost per FTE.

Moving to Group HR costs on Slide 18.

At the end of September, ordinary HR costs increased by 2% to just under 4.2 billion due to higher FTEs, the new salary increase, effective September 1st, as part of the latest collective agreement and variable compensation.

In the nine months, ordinary HR Costs on Revenues are down to 39%, with improving operating leverage.

Moving to slide 19.

Non-HR costs increased by 168 million year-on-year, mainly driven by 112 million additional variable COGS reflecting higher business volumes. Fixed COGS are basically flat, while D&A are up by 54 million in line with increasing investments driving our 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.

Following five straight quarters of record performance, we have once again achieved outstanding results, with nine-month revenue of 9.6 billion euro, up 4% year-on-year and adjusted EBIT rising 10% to 2.5 billion euro.

On the strength of these results, we can confirm that we are absolutely confident of hitting our 3.2 billion adjusted EBIT and 2.2 billion Net Profit 2025 guidance.

We continue to build on solid momentum with a clear commitment to creating long-term value for our stakeholders. Our focus remains on driving revenue growth and diversification, further improving our cost and capital efficiency and maximizing the potential of people, technology and data.

We continue to maintain a robust balance sheet, with low leverage and a Solvency II ratio of 312% – well above our managerial target. This strong financial position provides us with ample flexibility and underpins our confidence in a competitive dividend policy. As a result, we are distributing an interim dividend of 40 cents per share, up 21% year-on-year, totalling nearly €520 million to be paid to shareholders on November 26th.

I am pleased with the progress of our collaboration with TIM, which will generate meaningful synergies for both Groups. The first of several projects, TIM Energia powered by Poste Italiane, was launched in September and is now available through more than 750 TIM outlets. This partnership will deliver significant value for all stakeholders in the future.

Once again, these excellent results are a testament to the dedication and professionalism of our people, whose daily commitment remains at the heart of our success