

***Italian Post Market Offering:
Main Products and Financial
Results***

***Presentation by SLP CISL – Italy
(Part 2)***

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Italian Post's Current Market Offering

- The Italian Post Group's current market offering is based on **three** types of products:
 - Italian Post products (postal and payment products)
 - Products from the postal Group's companies (postal, financial and digital products, as well as insurance, telephone, and e-commerce products, etc.)
- All these products are offered in Italian Post's retail network, a large infrastructure made up of 13,000 post offices, business agents and financial promoters.

Italian Post's Banking Services

- Italian Post is not a bank and does not hold a banking license, which can only be issued by the Bank of Italy.
- However, the Group decided to offer banking services in two ways:
 - by purchasing a small bank – Mezzogiorno – which allows it to provide medium-term credit solutions for small and medium companies in Southern Italy;
 - by negotiating commercial agreements with Italian and foreign banks to sell their banking products in its own offices; the Group does preliminary work in its offices, then transfers the material and documents to the banks, who authorize the service.

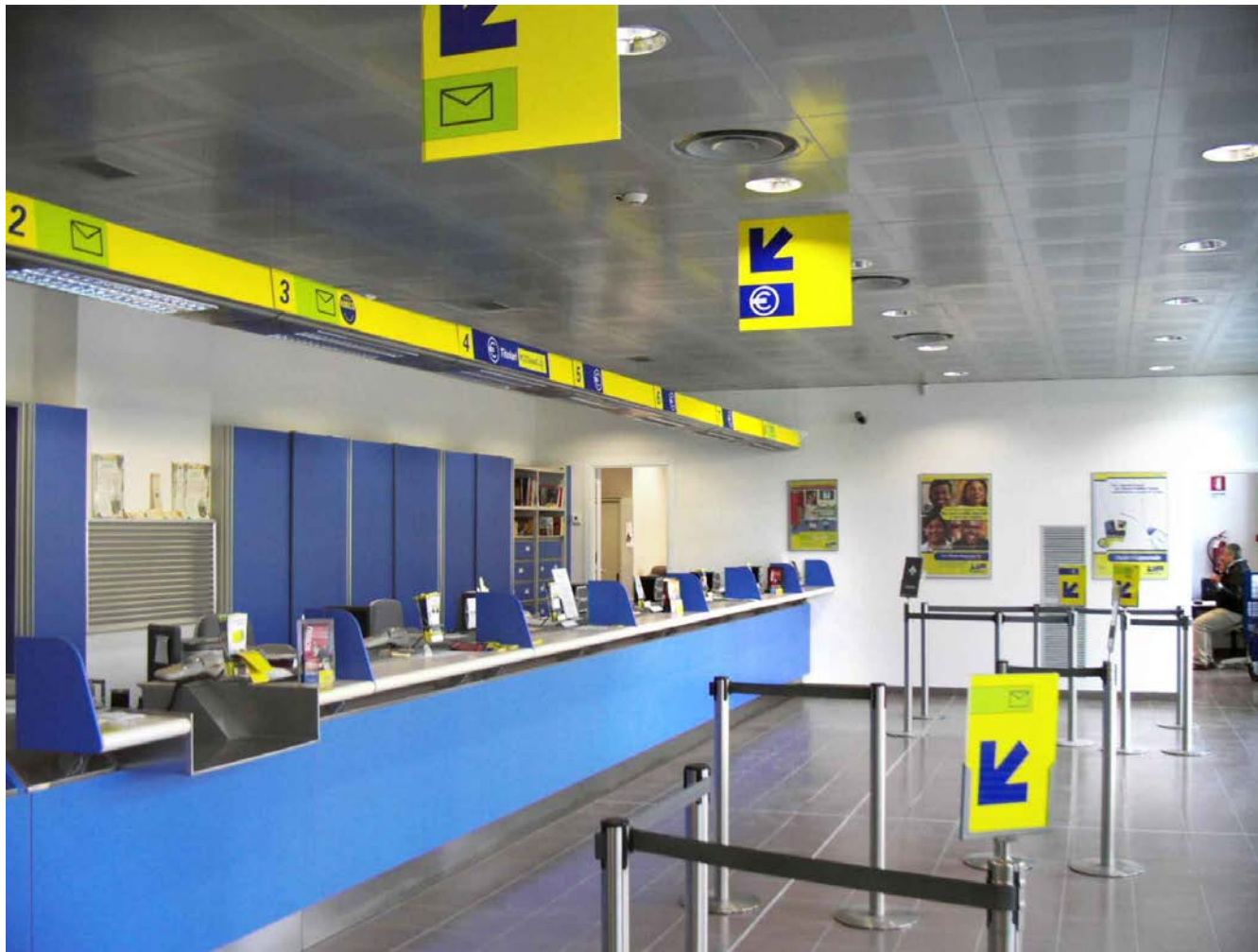
Today's Post Office

- All these products are offered in post offices.
- Until 1998, the post office had two types of outlets: those that provided postal products and those that offered payment services.
- Today, the post office does much more. In addition to postal services and payment outlets, we have other sales offices that specialize in financial, banking, telephone and insurance products.
- Financial products are offered through consultative sales, based on the banking model.

Today's Post Office

- Insurance and mobile phone products are provided at *special corners*, where the product brand is present.
- In the main post offices of the largest cities, we have **financial promoters** – only 100 at this time, but their number is expected to increase to 400 – who have a specific client portfolio. These promoters travel across an assigned area.
- Finally, today's post office has become a small 'supermarket' where the customer can access a very wide range of products.

Today's Post Office



Today's Post Office



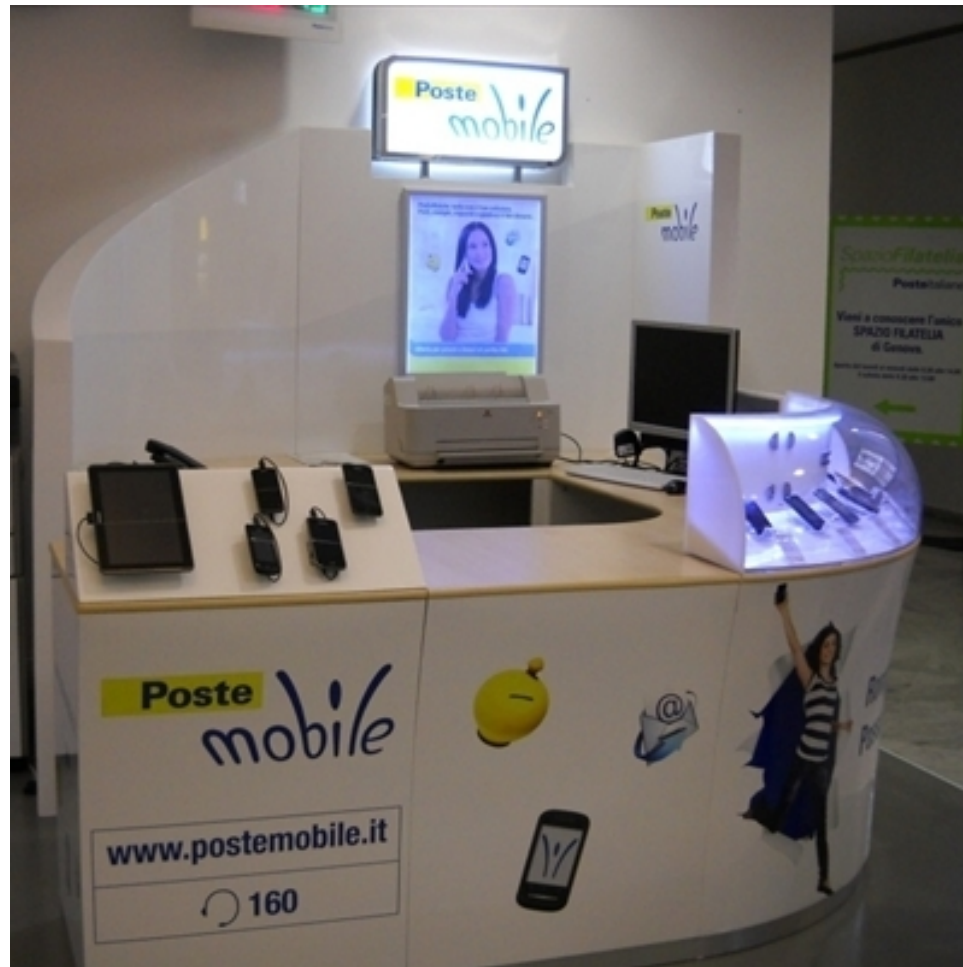
Today's Post Office



Today's Post Office



Today's Post Office



Posteitaliane PRODUCTS

2013

DESCRIPTION

VOLUME

REVENUE*

Current account and incidental services

Banking product for **money management**, offered to both individuals and businesses, and **incidental services**, such as pre-authorized debits, consultation, retirement loans, Telepass, Bancomat, etc.

- **6 million current accounts**
- **3.3 million credits**
- **2.3 million preauthorized debits**

2.2 billion euros
(stock value
equals 1.5 billion
euros)

Postepay

Prepaid cards sold exclusively by Italian Post that can be used in Italy and elsewhere

**12 million
euros in cards**

Tickets

Payment instrument that customers can use to make **payments to third parties**

**430 million
transactions**

567 million euros

F23 - F24

F23: Product used mainly for the **payment of taxes and income tax**
F24: Module for the payment of taxes and bills

**26.7 million
transactions**

**74
million euros**

Fund transfers (Transfers+Money orders)

Banking operation that allows for the **transfer of funds** from one current account to another

**29 million
transactions**

**63
million euros**

Withdrawals / Deposits

Cash withdrawals or deposits from a current account or postal account

**180 million
transactions**

BancoPosta

Posteitaliane PRODUCTS

2013

DESCRIPTION

VOLUME

REVENUE*

POSTAL SERVICES

Correspondence

Mailing services for **conventional communications** of legal value and/or of a commercial nature, available from home or in post offices

3.7 billion mailings

Packets

Range of **services for the mailing of documents, small items and goods** from home or post offices

7 million mailings




3.1 billion euros

STAMP COLLECTING

Stamps and other philatelic products

Stamps and collectables (stamp folders, philatelic cards, albums, etc.)

228,000 products sold








GROUP HOLDINGS' PRODUCTS		DESCRIPTION	2013	
			VOLUME	REVENUE*
 GruppoAssicurativoPostevita	Branch I	Savings insurance products that guarantee an annual revaluation of capital	12.2 billion euros	13.2 ** billion euros
	Branch III and V	Investment insurance products with yield tied to the performance of a Fund or benchmark (Unit and Index)	62.3 million euros	
	Contingency	Integrative contingency plan for building a monthly return, revaluated on a yearly basis, as a supplement to public retirement benefits	219.5 million euros	
 GruppoAssicurativoPostevita	Property Insurance	Insurance products for accidental damage to physical property that is part of the insured's assets	8.8 million euros	67 ** million euros
	Loan Protection	Insurance products for accidental cases that could make reimbursement difficult	26.6 million euros	
	Personal Protection	Insurance products for accidental physical harm, such as an injury or illness	16.7 million euros (listed value)	
	Investment funds	Managed diversification savings products, tied to a bond and/or stock securities portfolio	2.1 billion euros (underwritten)	44 million euros





* Source: Poste Italiane 2013 Results




** Source: Poste Italiane 2013 Results; PosteVita and PosteAssicura's revenue is based on listed value

GROUP HOLDINGS' PRODUCTS

2013




		DESCRIPTION	VOLUME	REVENUE*
	Sim and telephone	Sim telephone and mobile phone products, including terminals	<i>3.2 M Sim in circulation (900k activated in 2013)</i>	<i>336 million euros</i>
	Retail Products	Consumer goods (books, music CDs, etc.) sold across the post office network and through e-commerce.	<i>14 million items sold</i>	<i>29 million euros</i>
	Digital Services	Services and new technologies for digital communications , comprehensive solutions for e-Commerce, digital document preservation , all available in the Cloud	<i>n/a</i>	<i>117 million euros</i>
	Catalogue Sales Digital Services	Wide range of solutions for direct marketing , electronic document management and information technology for businesses, hybrid post	<i>n/a</i>	<i>354** million euros</i>
	Integrated Information Services	Products for the collection of amounts owed to local governments (municipalities, etc.)	<i>1,300 underwritten contracts</i>	<i>8.3 million euros</i>
	Packets	Integrated mailing services with technological solutions and many incidental services to meet every need	<i>n/a</i>	<i>477 million euros</i>
	Business Financing	Medium and long-term financing for micro, small and medium-sized businesses with their headquarters in 8 regions of South-Central Italy	<i>n/a</i>	<i>21 million euros</i>

GROUP HOLDINGS' PRODUCTS		2013		
		DESCRIPTION	VOLUME	REVENUE*
	Electricity	Import, export, purchase, sale and trade of electricity and related services, but also all wholesaler activities, for the electricity market	n/a	83 million euros
	Flights	One of the major airlines in the medium-range charter sector; only Italian airline that operates with jets in the goods sector; carries correspondence at night	n/a	103 million euros
	Real-estate management	Company operates in the real estate sector for the management and development of real estate property, transferred from the parent company in 2001	n/a	17.5 million euros
	Fail-safe system	Deals with the development, management and consolidation of the fail-safe system for the Italian Post Group	n/a	86 million euros

THIRD PARTY PRODUCTS		DESCRIPTION	2013	
			VOLUME	REVENUE*
	Savings Accounts	Deposits payable on demand, guaranteed by the State and offered exclusively by Italian Post	107 billion euros in stocks	1.6 billion euros
	Postal Bonds	Securities issued by CDP, guaranteed by the State and offered exclusively by Italian Post. Buyer guaranteed on demand reimbursement of invested capital and accumulated interests	211 billion euros in stocks	
	Bonds	A bond is a lending asset issued by BancoPosta. Buyer is guaranteed reimbursement of capital, plus an interest rate	590 million euros	14 million euros
	Packets	Mailing services for businesses involved in e-commerce / distance selling	1.3 M items	10.4 million euros

* Fund: Poste Italiane 2013 Results for bonds, revenue was calculated upfront

2013

THIRD PARTY PRODUCTS		DESCRIPTION	VOLUME	REVENUE*
	Loans and credits	Short and medium-long term financing products for individuals with credit insurance option	766 million euros distributed	Loans and credits: 127 million euros
	Credit cards	Credit cards with a balance: a payment instrument for making purchases in all commercial establishments with a MasterCard agreement	225,000 cards in circulation (number)	
	Credit cards	Credit cards with a balance that give the option to reimburse purchases made on credit and offer a full range of services	160,000 cards in circulation (number)	
	Loans	Medium/short-term financial products with different targets and maximum amounts	600 million euros distributed	
	One-fifth assignment	Financing exclusively for PA employees with payroll deduction representing a maximum of 1/5 of salary	4 million euros distributed	
	One-fifth assignment	Financing reserved for INPS/INPDAP Retirees - deduction directly from the pension benefits representing a maximum of 1/5 of such benefits	219 million euros distributed	
	Online loans	Financing of up to 30,000€ available remotely (BancoPosta online/click) and reserved for holders of a BNP account	14 millions euros distributed	

Italian Post's Financial Results

Doubled its revenue in 10 years

Ricavi raddoppiati in 10 anni

Risultati 2003-2013 del Gruppo Poste Italiane **Italian Post Group 2003-2013 Results**

