

BancoPosta

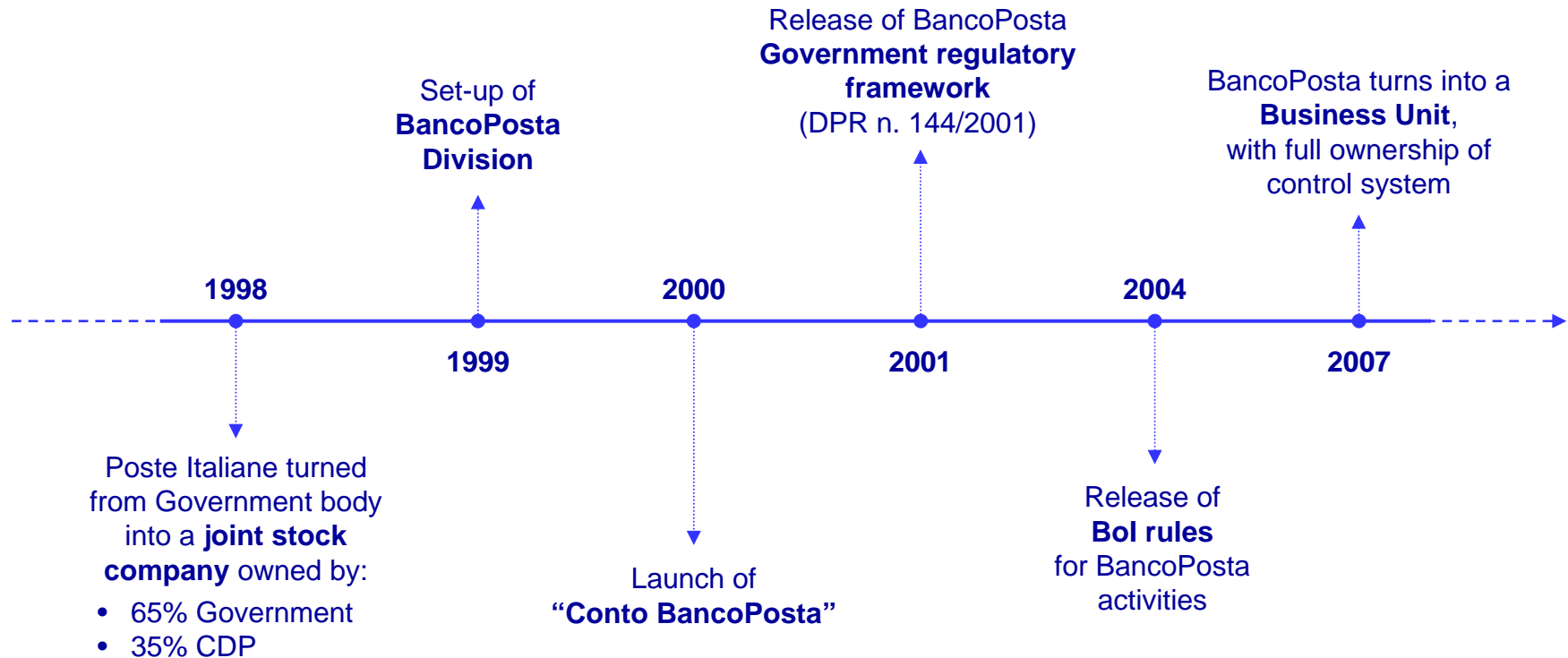
Strong market position

- ✓ **>370 bln€ Total Customer Assets (>10% market share)**
- ✓ **~14.000 Post Offices (~ 30% market share, >2x vs banking leader)**
- ✓ **>23 mln. Customers (>2x vs banking leader)** of which more than 10 mln cards holders:
 - 4,6 mln PostePay (50% market share prepaid cards)
 - 6,1 mln Postamat (16% market share debit cards)
- ✓ **Low cost approach keeps BancoPosta immune from price competition**

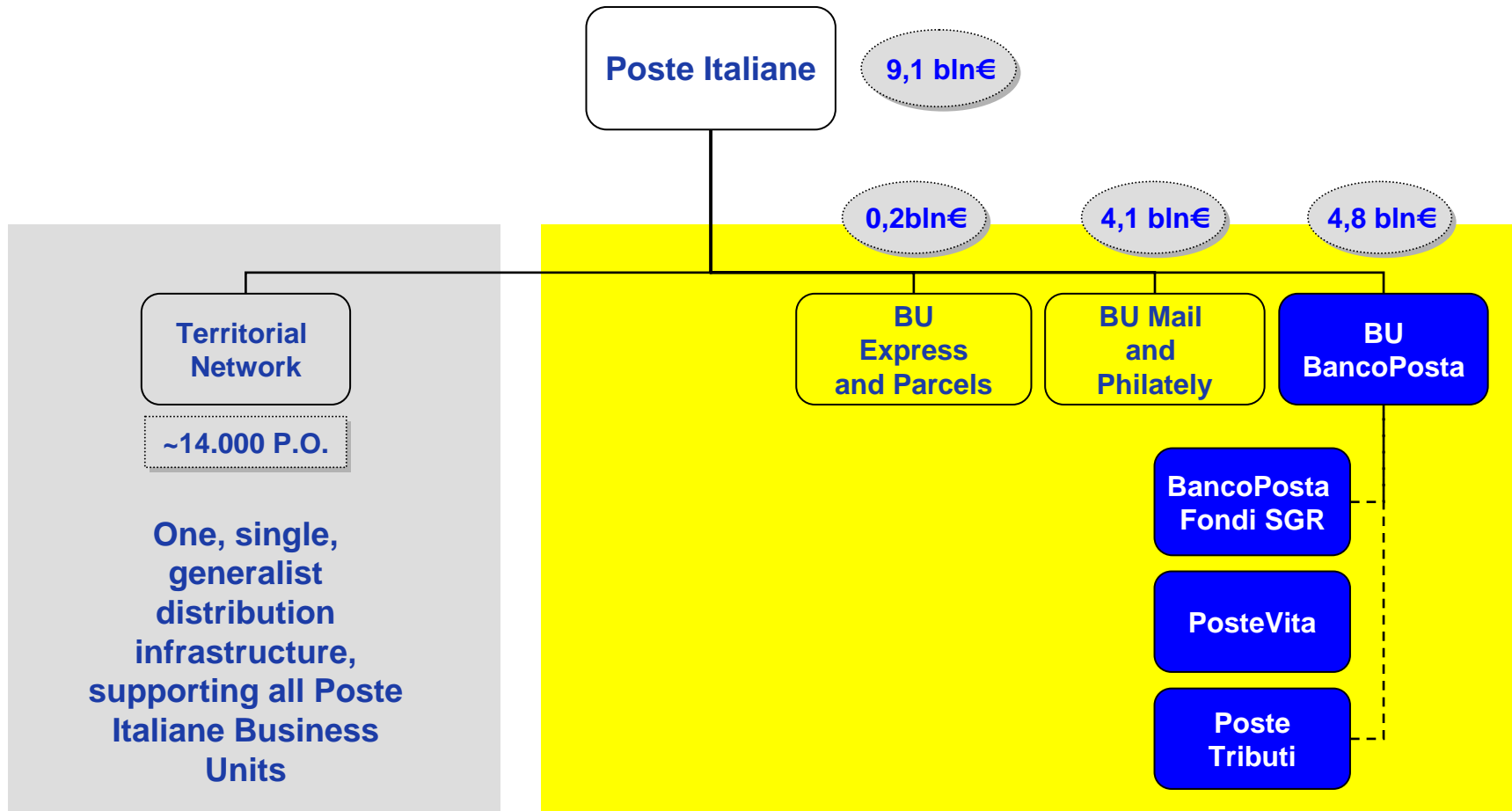
Main Weaknesses

- **70% of > 23 mln. Customers are “monoproduct” or near**
- **BancoPosta is not “the” relationship bank for ~50% of its 6,5 mln. Customers with current account**
- **Marginal penetration in key Retail Products (Mutual Funds, Consumer Lending, Credit Cards)**

BancoPosta regulatory framework



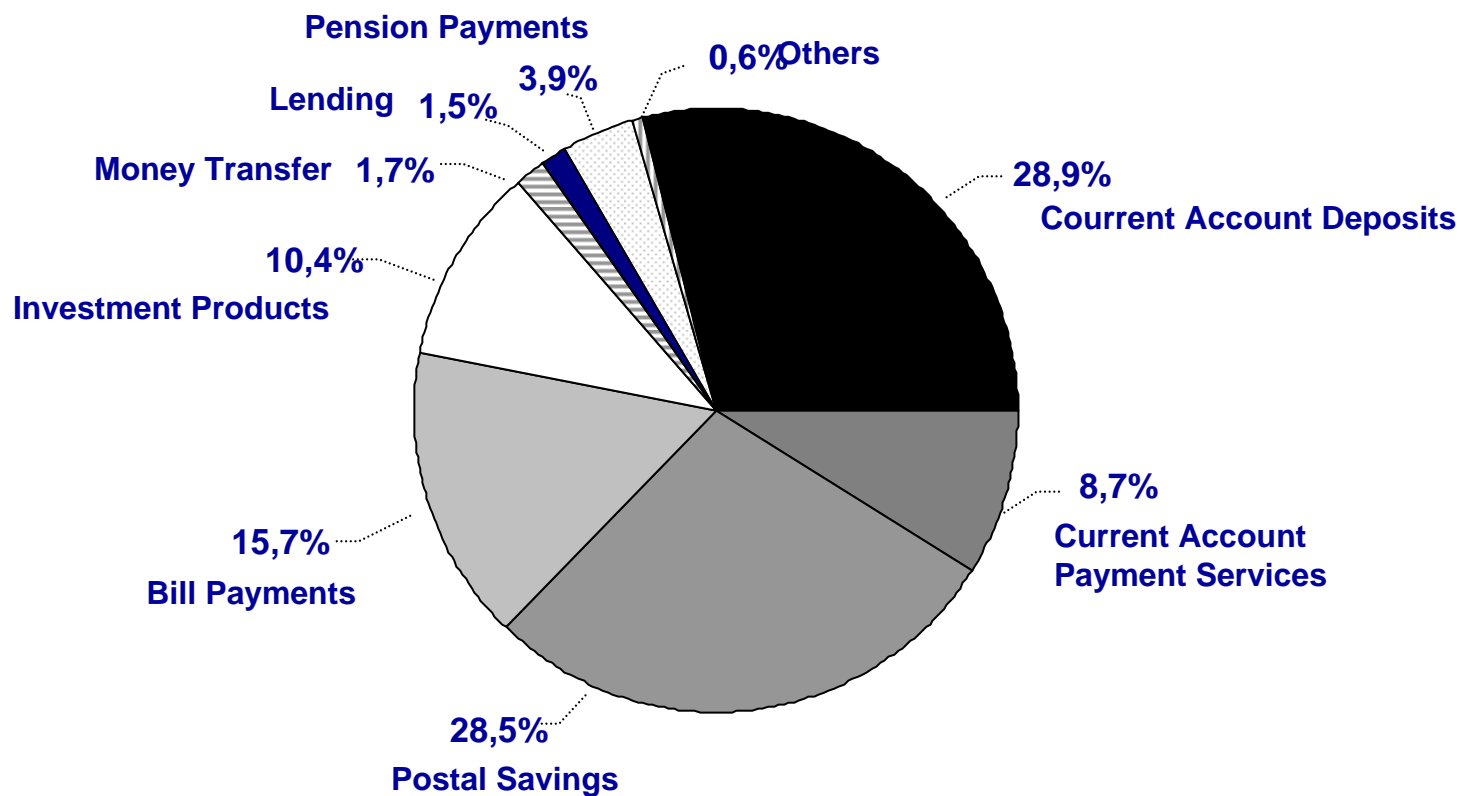
- ✓ **BancoPosta is not a legal entity, but a Business Unit**
- ✓ **BancoPosta has no balance sheet and no capital allocated**
- ✓ **BancoPosta can take no credit risk and limited market and operational risks**



BancoPosta's revenues represent > 50% of Poste Italiane total revenues



Total Revenues FY08: 4,8 bln€



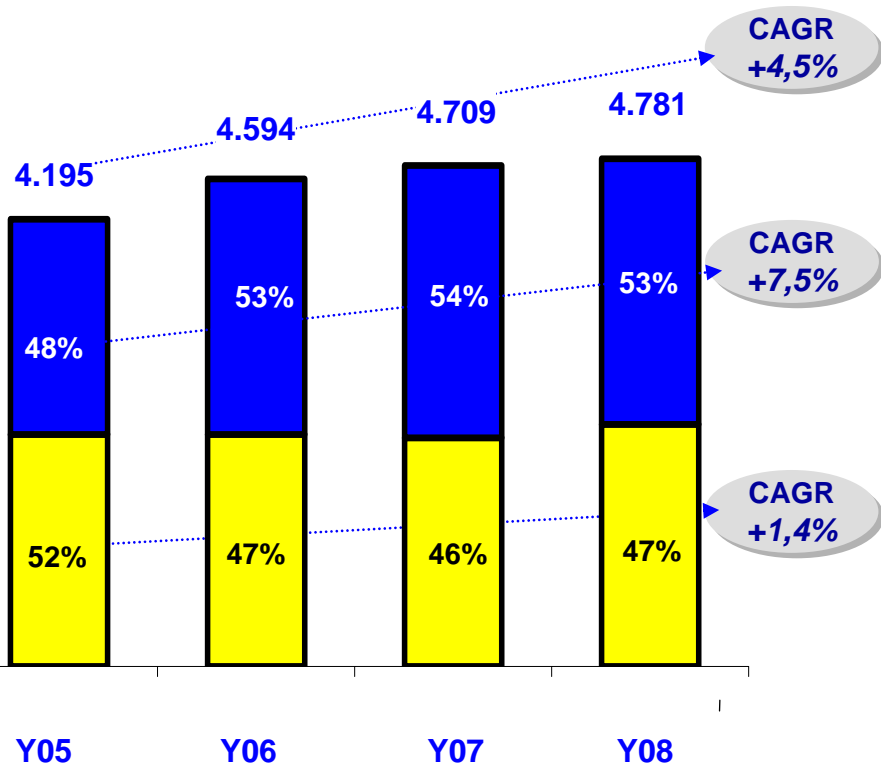
As of YE 08

	Asset Gathering	Payments
Postal Products	<ul style="list-style-type: none">• Interest-Bearing Postal Certificates• Postal Saving Books	<ul style="list-style-type: none">▪ Bill Payments▪ Pension Payments▪ Postal Money Transfer
“Banking” Products	<ul style="list-style-type: none">▪ Current Account Deposits▪ Structured Bonds▪ Mutual Funds▪ Bank insurance	<ul style="list-style-type: none">▪ Current Account Payment Services▪ Debit/Credit Cards▪ Prepaid Cards▪ International Money Transfer

“Banking” Products account for >50% of total revenues, as a result of the ongoing innovation and up-selling strategy

By Postal vs Banking financial products

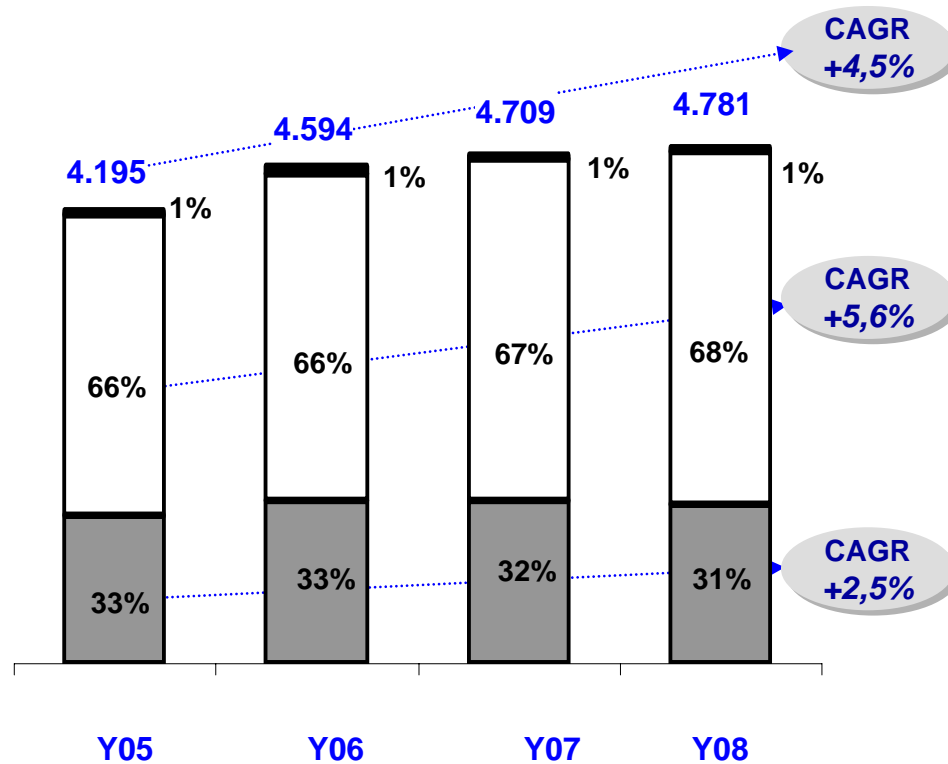
(mln€)



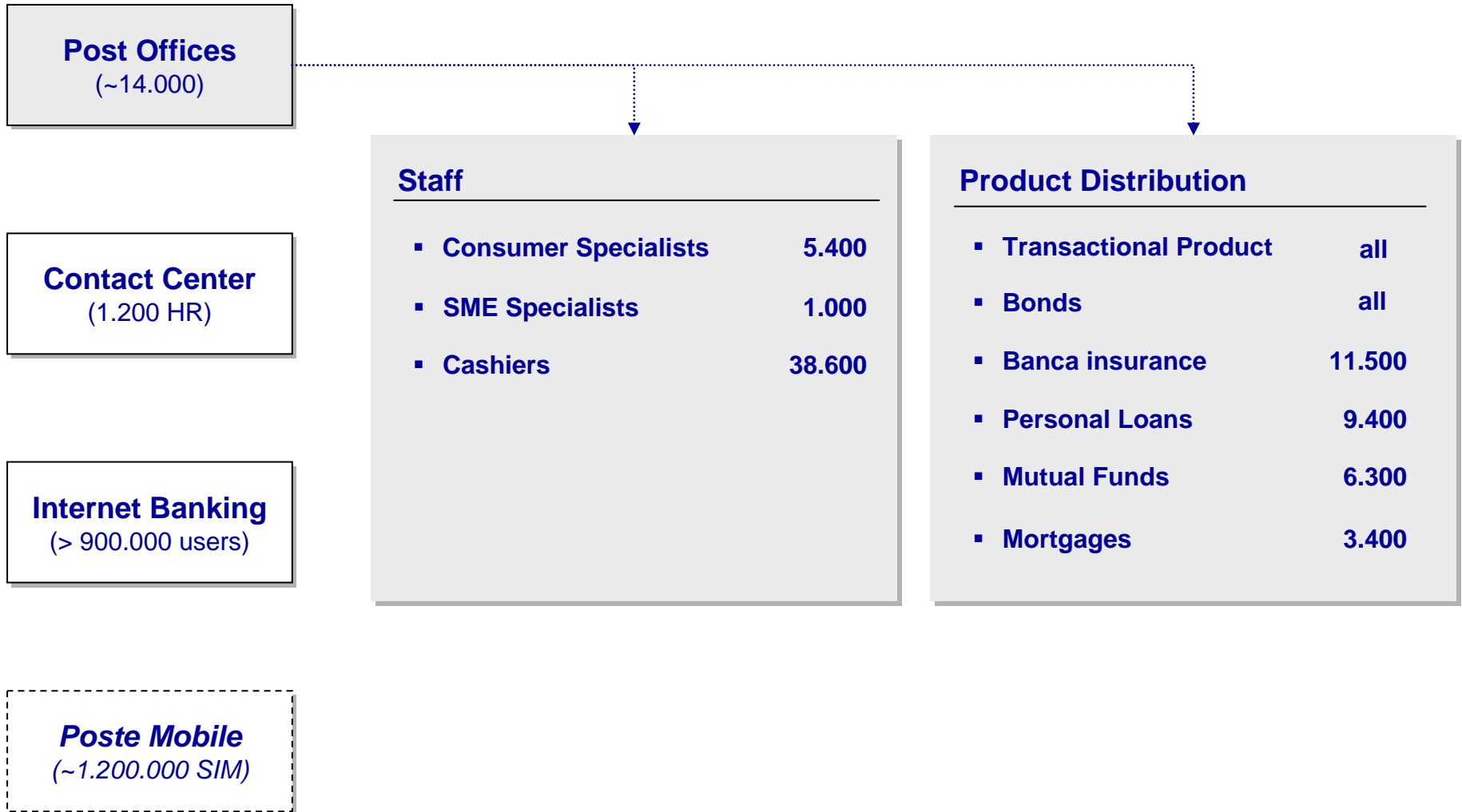
- Postal products
- Banking products

By Product category

(mln€)

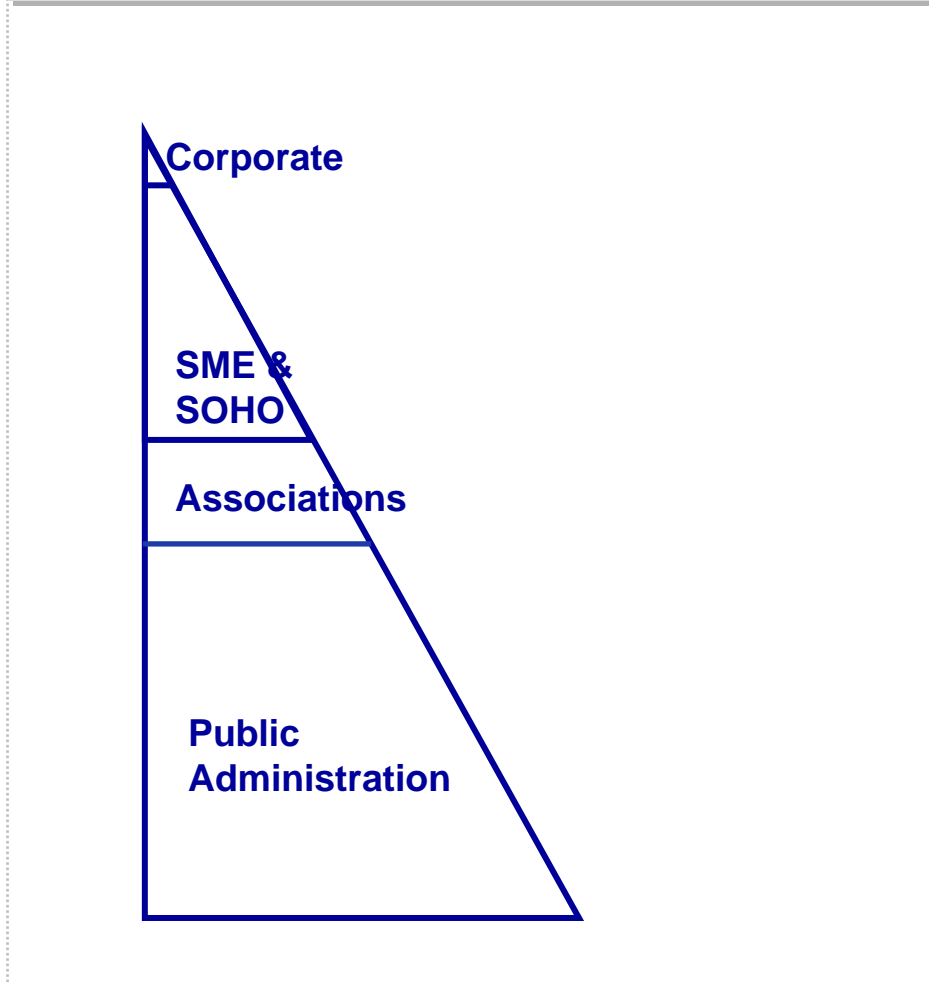
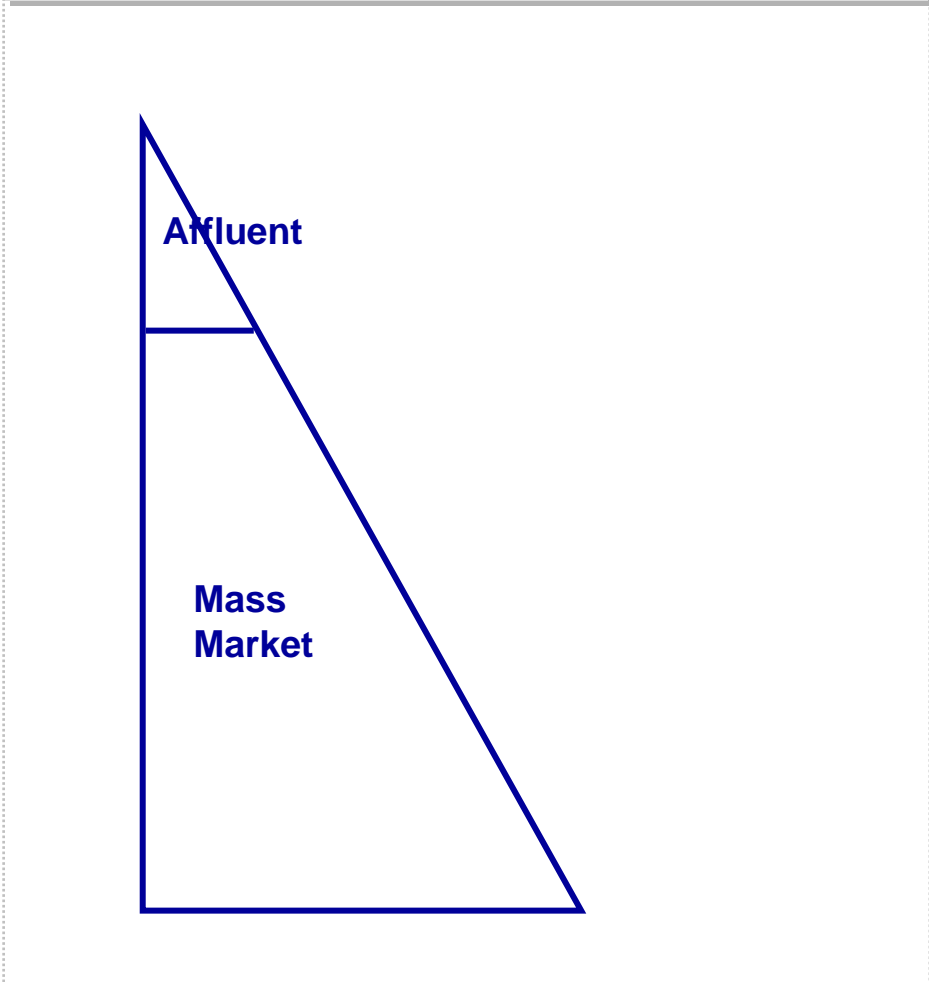


- Payments
- Asset gathering
- Other

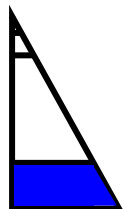


Consumer: 23,2 mln. Retail Individuals

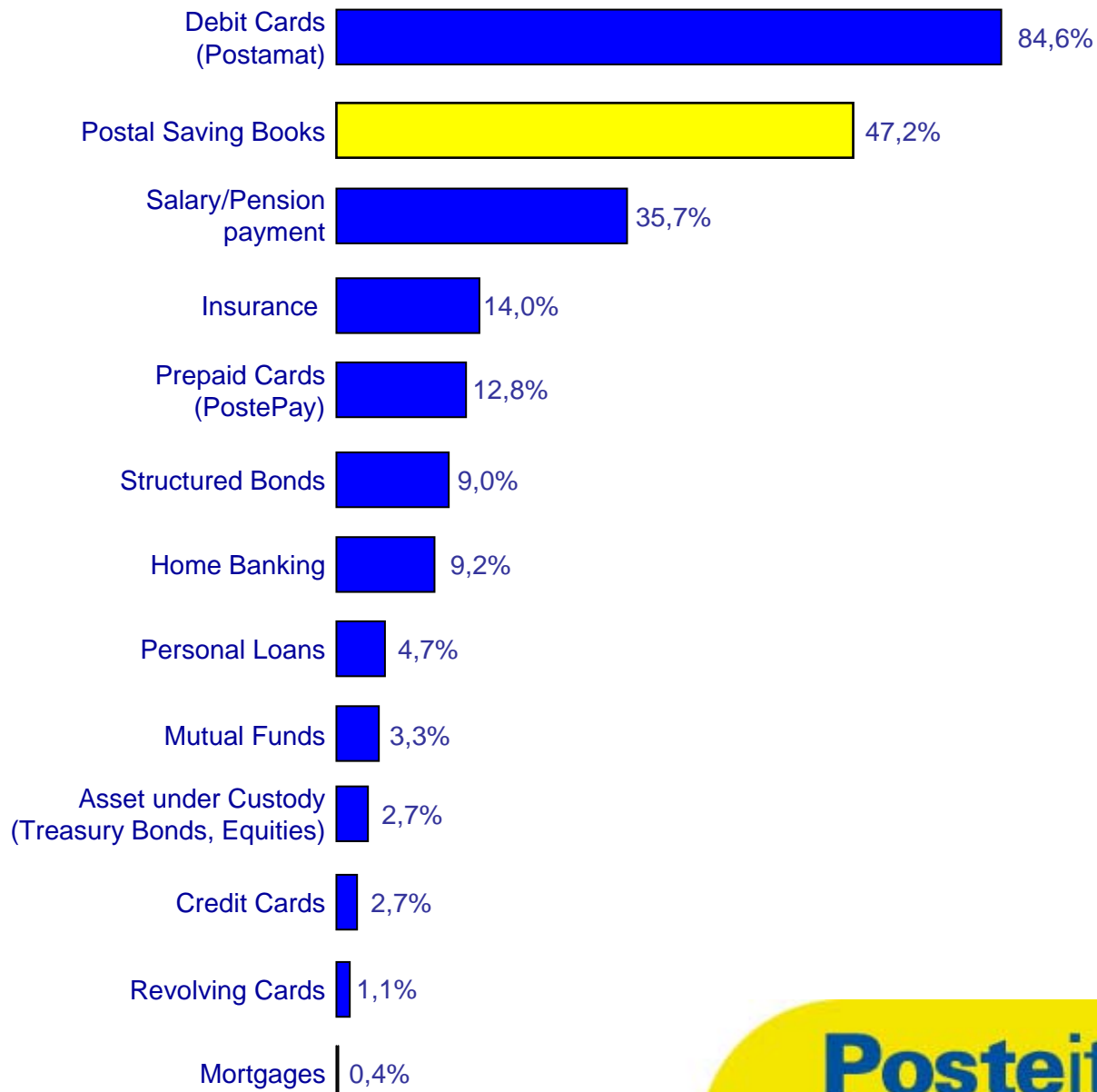
Business & P.A.: 256.000 Companies



As of FY08



Penetration Rates of “Fully Banked Customers” (with Current Account)

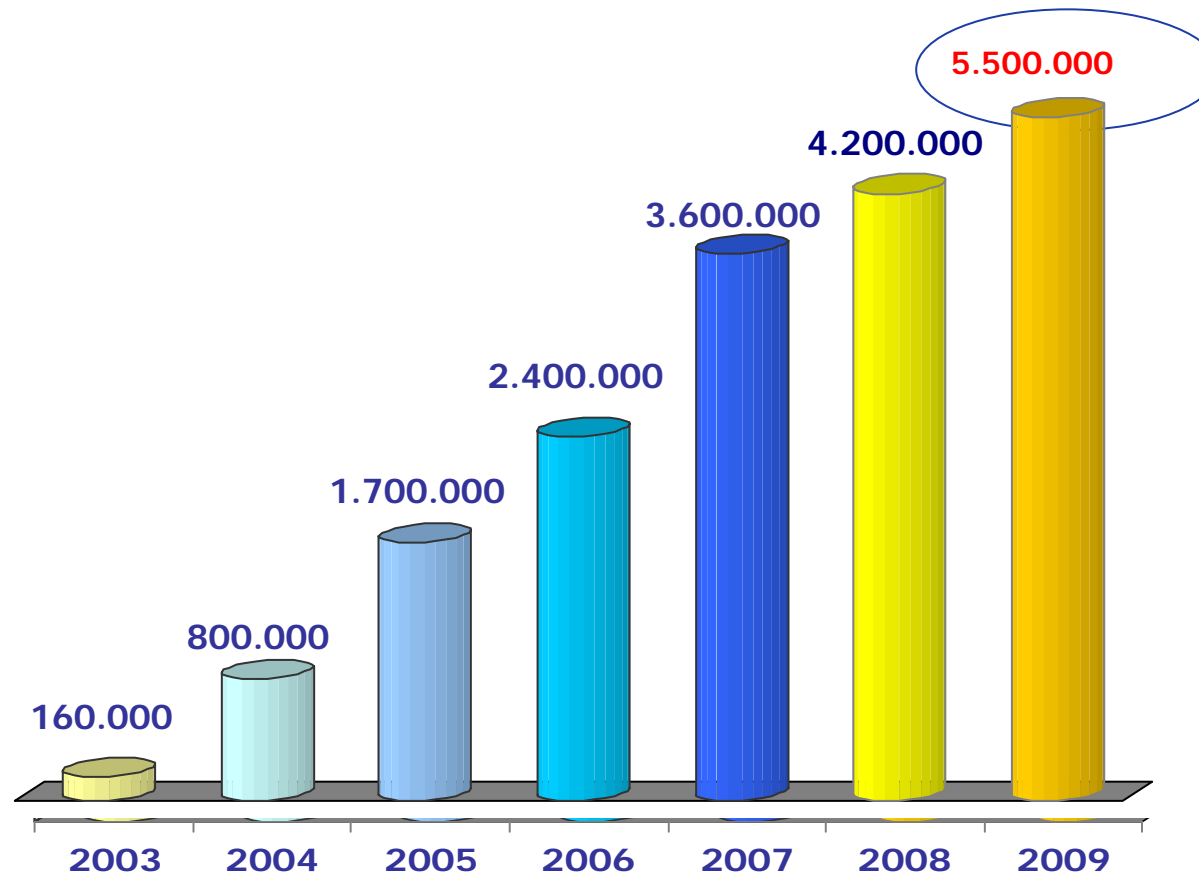


■ Postal products
■ Banking products

As of FY07

“Focus on the BancoPosta success in launching a diversified portfolio of prepaid cards”

Postepay: key figures






PostePay today is the leading prepaid product in Italy and in Europe:

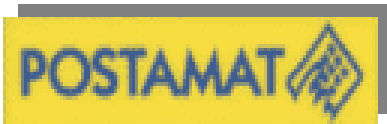
Italian market share: 65%

European market share : 40%

Posteitaliane

The Postepay top up channels

	Post offices Posteitaliane	Internet 	ATM 	Mobile phone Poste mobile 
Cash	✓			
Debit card or Bank account	✓	✓	✓	✓
Credit cards			✓	
Postepay	✓	✓	✓	✓



ATM (domestic)



- cash withdrawals
- SIM & card top up
- card account information

ATM (other banks)



- Cash withdrawals (VISA Electron)

MOBILE



- m-commerce
- money-transfer through pre-paid top up
- SIM top up
- Card account informations

POS (Post Office)



- cash withdrawals
- payments (charging services)
- card account information



INTERNET



- e-commerce (VISA)
- bill payments on internet
- card account information

MERCHANTS



- Paying goods and services (VISA Electron – MasterCard)

The Launch – November 2003

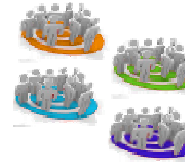
→ Target

- ✓ Young people
- ✓ Travellers
- ✓ Net surfers



→ Positioning

- ✓ Easy
- ✓ Convenient
- ✓ Unique



→ Strategy

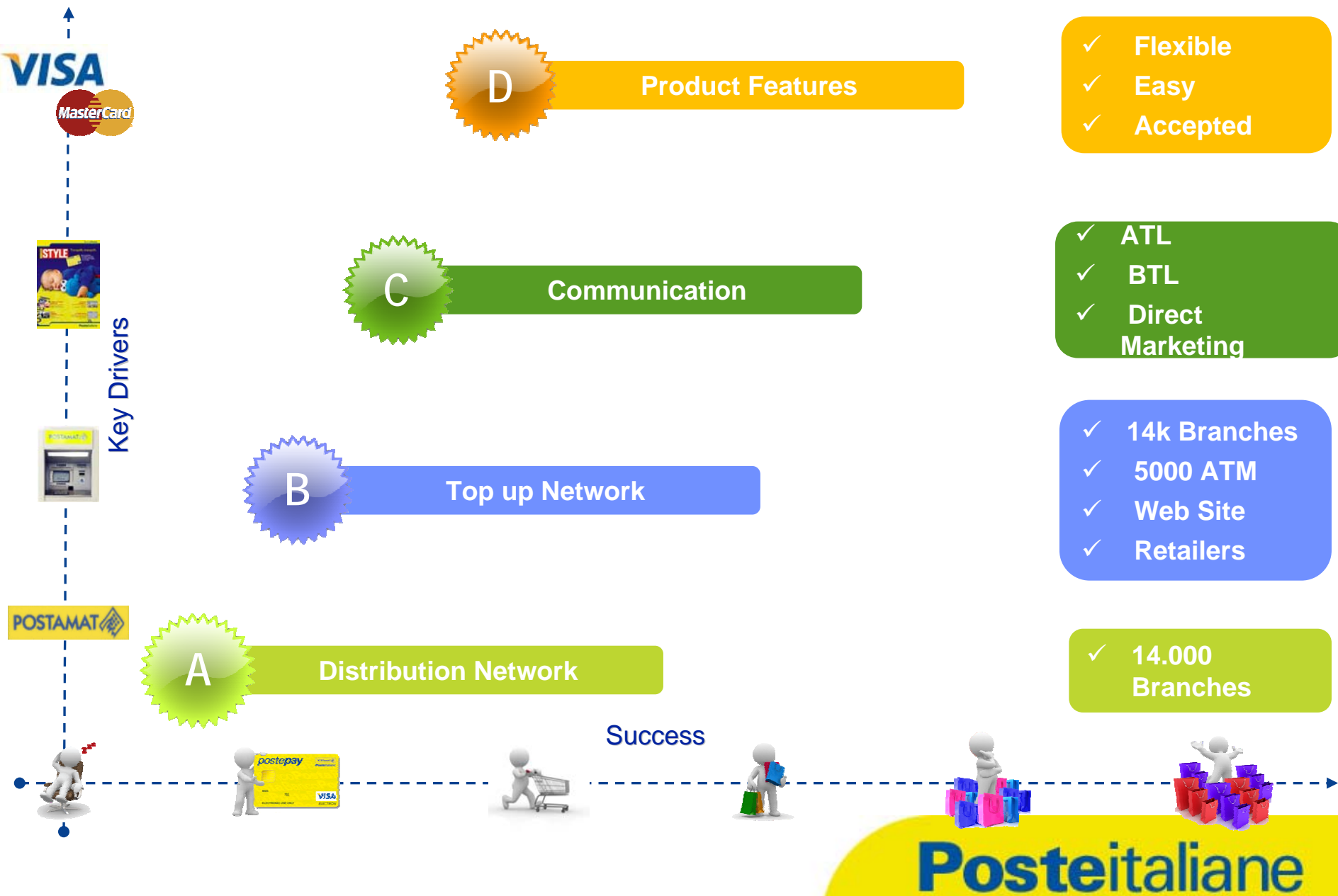
- ✓ Offer an **easy product** to all the **customers** going daily to the **Post offices** and to everyone that **hasn't a credit card** or a bank account

→ Results



- ✓ 1ml card in 13 months
- ✓ 2,4ml cards in 3 years
- ✓ High cross selling rate

The key success drivers





5.5

million cards
in 6 years

Postepay is still a young product but not only for young people

48%

are under the age of 30

30% are between the ages of 31 and 50

65%

Italian mkt share

Male **63% / 37%** Female

Customers **under the age of 30** account for over **55%** off all transactions



30% of all transactions are abroad

10% of customers are non-Italian

transactions that take place on the web

54%

46% are on a physical POS

The market itself found new way to use the card abroad

from travel card

to money transfer card

Postepay is steal perceived as the secure way to buy online

52% of prepaid customers have another Poste Italiane product

Diversification – Co-branding

➔ Prepaid Corporate platform

An online platform to enable all the companies that need a co-branded prepaid card to for their customers to:

- Personalize the card design
- Request the card “on-demand”
- Reload the cards



Diversification – Product Innovation

The “mobile” represent a new channel for the Postepay



Poste
mobile



35% of mobile subscribers have their sim linked to a Postepay

1,3 MILION
Sim Card

Value Added Services

- **Card Enquiry** (all mobile operators)
- **Reload other postepay**
- **Reload sim Postemobile**
- **Telegram**
- **Bill Payments**
- **urgent money transfer**

Posteitaliane

→ In **2007** we launched the first a Contactless pilot on prepaid in Italy



→ Launched to test the customer appeal on the contactless technology

→ **60.000** active card today on the market

→ The **result**: innovative customers appreciate using userfriendly payment systems

→ Future evolution mobile **NFC** payments



Diversification – The Money Transfer



**Nasce Postepay Twin.
Da oggi, bastano 2 carte e 1 euro
per spedire i soldi dove vuoi.**



→ Postepay TWIN

- ✓ Postepay Twin is specifically targeted on the **remittances** market
- ✓ **Easy**, two prepaid cards to **send** and **receive** money and in all the world
- ✓ **Cheep**, no other Money Transfer product is so convenient
- ✓ **Fast**, buy the card in one of the 14.000 branches and send money in **real time**

Diversification – The New Markets

➔ Transit



➔ Lunch



➔ Access

