



1H 2020 Results Presentation

Rome, 3 August 2020

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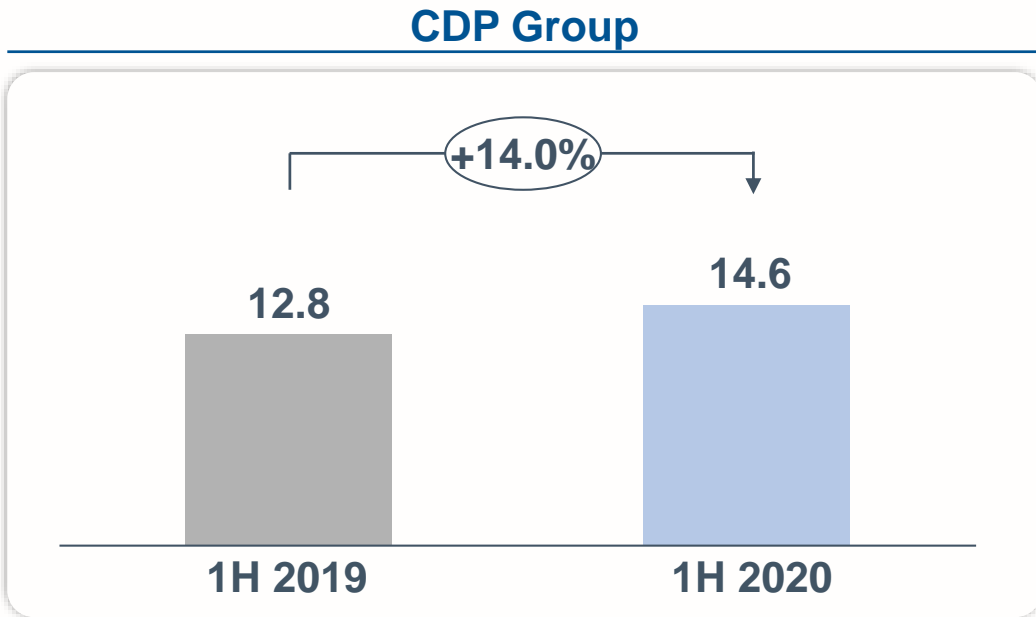
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Key Messages

- Further progress along **Business Plan targets**, with particular focus on **exceptional measures** to fight **COVID-19 emergency**
- **CDP Group Business volumes at €14.6 Bn, +14% YoY**
- **Postal Funding at record-high levels** > € 271 Bn, bolstered also by new products and digital services
- **> € 2 Bn of new bonds issued in first half**, mostly the €750 Mn “*Social Housing Bond*” issued in February and the €1 Bn “*Covid-19 Social Response Bond*” in April
- **Solid CDP SpA Net Income at € 1.3 Bn**, notwithstanding Covid-19 impacts
- **Additional resources to fuel development of Private Equity, Private Debt and Venture Capital** through controlled asset management companies

Business Volumes

€ Bn



- **CDP Group Business Volumes at € 14.6 Bn**, as a result of:
 - **€ 12.3 Bn** to support development, innovation and growth of Italian corporates, even internationally
 - **€ 2.2 Bn** to infrastructure, public sector and local development initiatives

Higher volumes in Corporate, Infrastructure, Public Sector and local development business areas leading to overall 14% increase vs. 1H 2019

CDP Response to COVID-19 – Main initiatives

CDP Corporate



Support to **Mid and Large Corporates** through **direct lending**



Liquidity at **eased interest rates** for **SMEs and Mid-caps** through the **banking system**

CDP Infrastructure and Public Sector



Extensive renegotiation of mortgage loans in aid of **local authorities**



Management of the **MEF Fund** for the payment of local authorities' **overdue debts**

Sustainable finance



New dedicated ESG Bonds



New Postal Savings products and **digital services**

CDP intensified its effort to sustain the Italian economy, supporting production system and local authorities in times of emergency

Main achievements

CDP Corporate

3
(€/Bn)

Plafond dedicated to **direct lending for medium/large corporates**

3
(€/Bn)

Liquidity available at eased interest rate to **SMEs** through the banking system

6,000
(#)

Corporates which will benefit from credit at favourable conditions thanks to the € 1.5 Bn agreement with **EIB**

Equity & Funds Investments

3
(#)

Capital strengthening initiatives to support the development plans of **Open Fiber, Ansaldo Energia and Trevi**

200
(€/mln)

Commitment in the new fund "**FoF VentureItaly**" managed by CDP Venture Capital

75
(€/mln)

Commitment in the new fund "**Fondo Acceleratori**" managed by CDP Venture Capital

CDP Infrastructure and PS

0.8
(€/Bn)

Savings from the renegotiation by >3,000 local authorities (€ 20 Bn of total debt)¹

+140
(%)

YoY Increase in **CDP resources dedicated to infrastructure**

26
(#)

New Infrastructure projects launched by the public sector, benefitting from **CDP advisory**

Sustainable Finance

6.6
(€ Bn)

Increase in **Postal Funding vs. YE 2019**

1
(€/Bn)

"**Covid-19 Social Response Bond**" issued in April

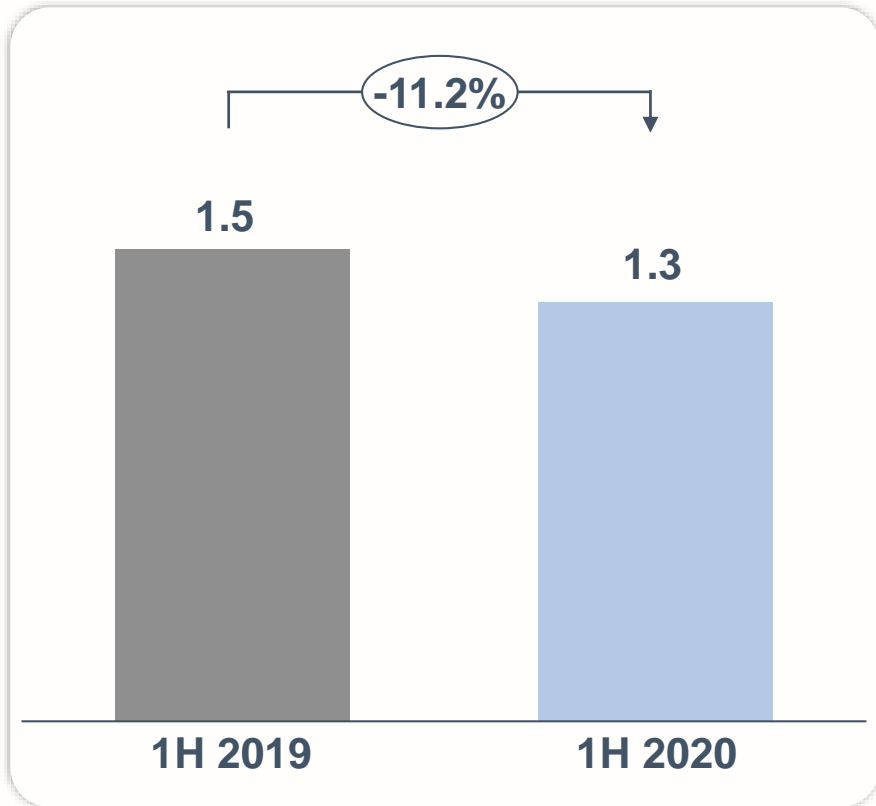
750
(€/mln)

"**Social Housing Bond**" issued in February

Net Income

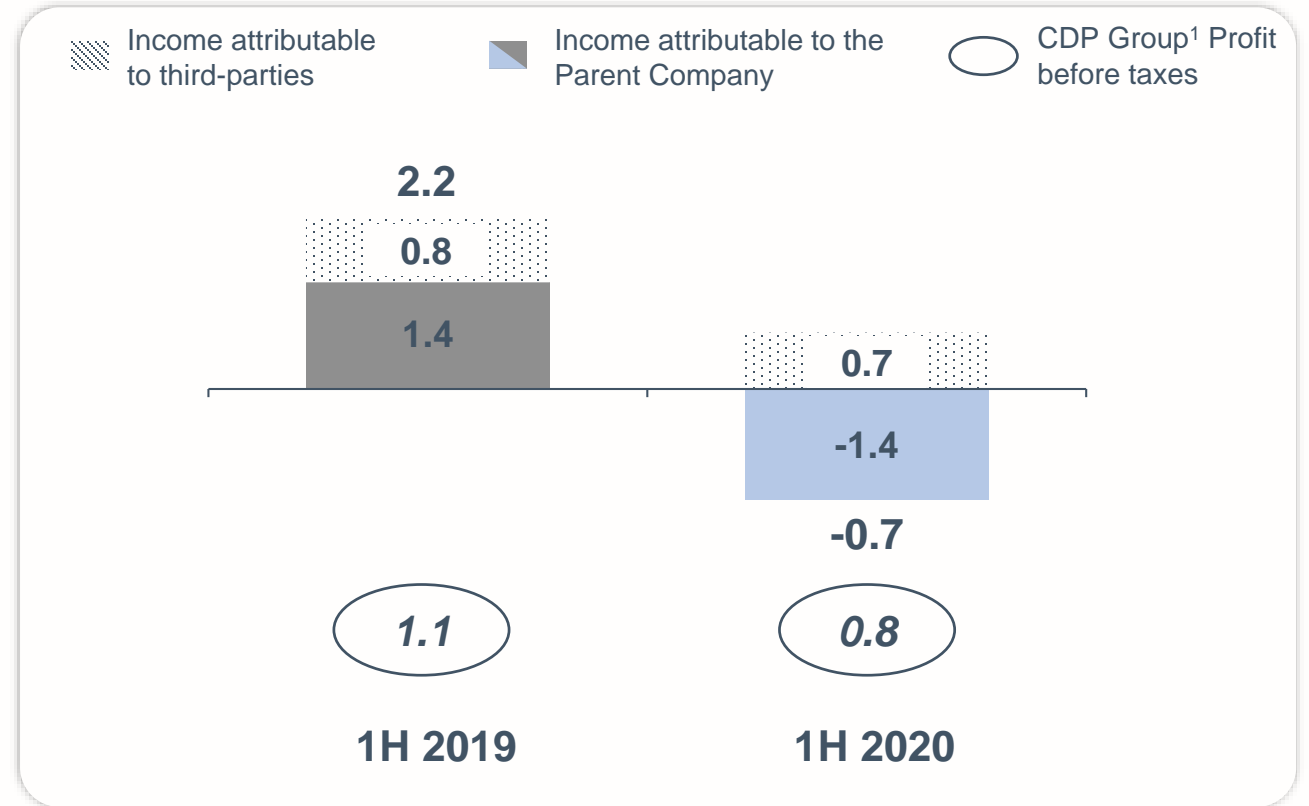
€ Bn

CDP SpA Net Income



- **Lower Net Income** mainly due to value readjustments and unfavourable YoY comparison with 1H 2019 that benefitted from some extraordinary items

CDP Group Consolidated Net Income

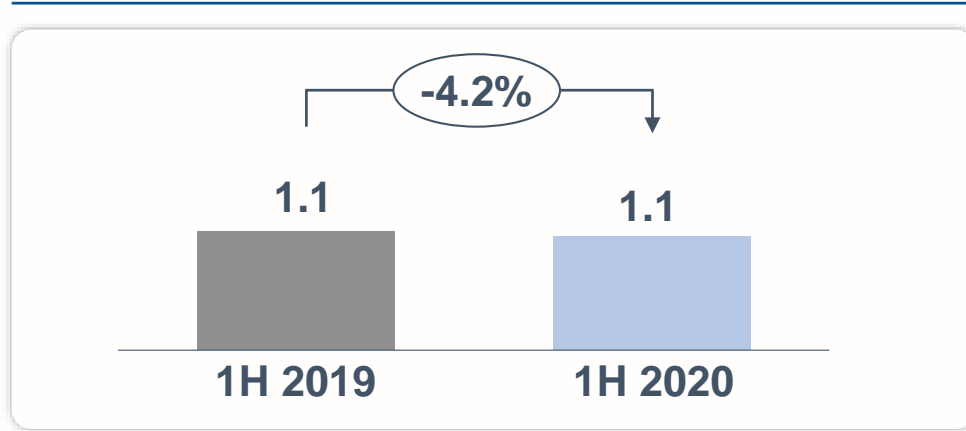


- **Negative Consolidated Net Income** due to negative performance of ENI (- € 2 Bn) that impacted the **Net Income pertaining to the Parent Company**
- **CDP Group¹ Profit before taxes** (excluding subsidiaries not subject to management and coordination) positive for € 0.8 Bn

CDP SpA Net Interest Income and Dividend Income

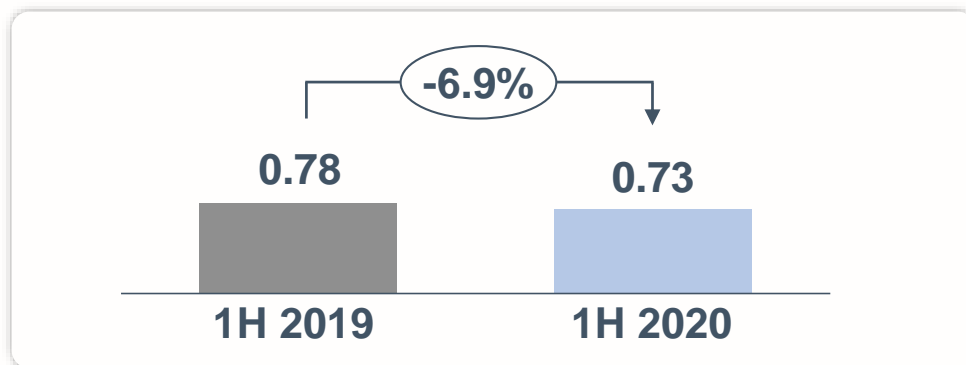
€ Bn

Net Interest Income



- **Net Interest Income slightly down** vs. 1H 2019 almost entirely due to the impact of decrease of interest rates

Dividends

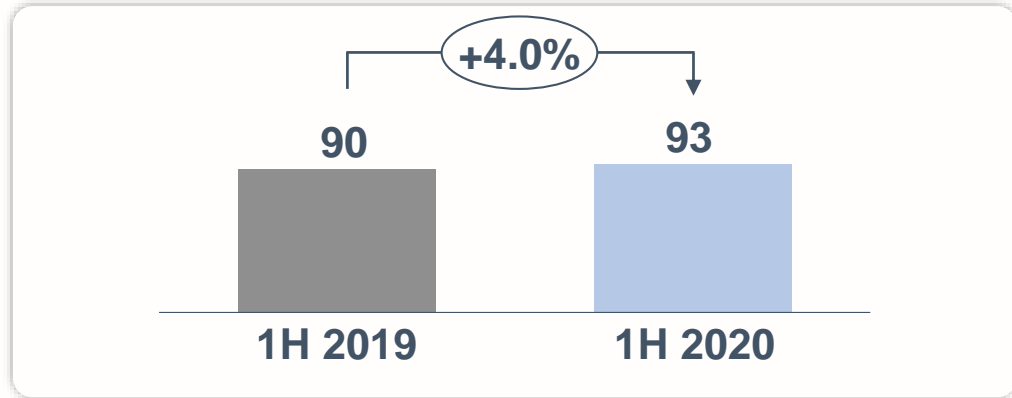


- **Dividend Income slightly down**, with lower contributions from Poste Italiane (due to different phasing vs. 2019), SACE and Fintecna only partially offset by higher dividends from ENI, TIM and CDP Reti

CDP SpA Administrative Expenses and Write-downs

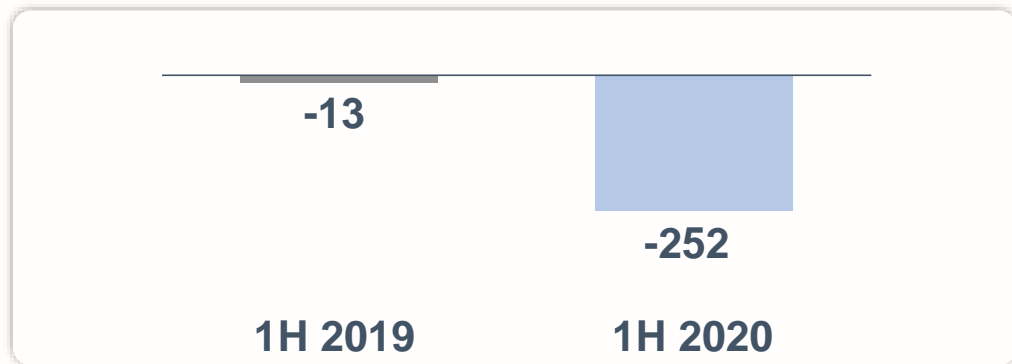
€ mln

Staff Costs and other Administrative Expenses



- **Slightly up YoY** mainly due to higher staff costs, in line with the headcount reinforcement plan to support the implementation of the Business Plan

Write-Downs

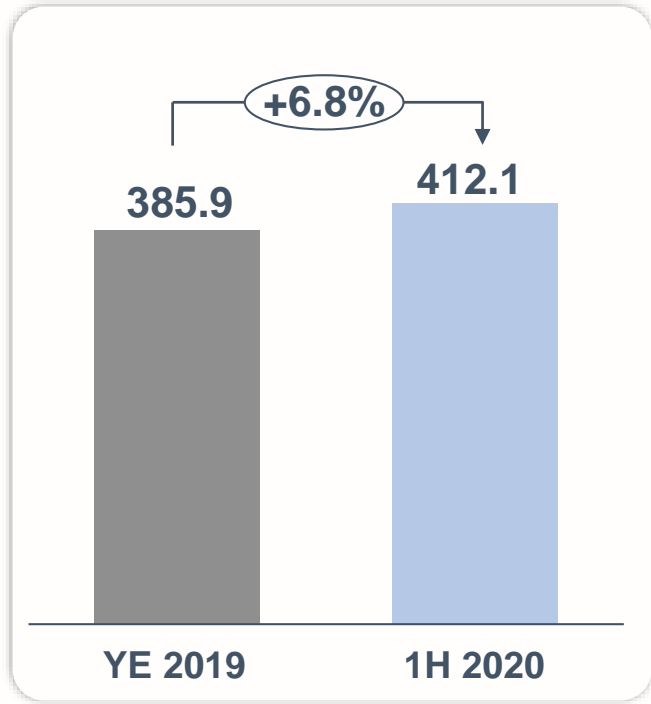


- **Higher cost of risk** mainly due to:
 - the first effects of the Covid-19 pandemic
 - value readjustments on some significant exposures of credit portfolio, before Covid-19 outbreak
 - negative YoY comparison as 1H 2019 benefitted from a positive value readjustment on a participated company

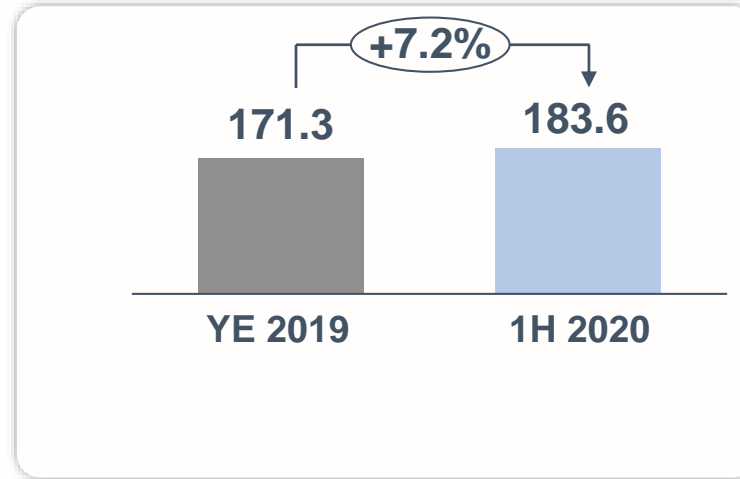
CDP SpA Assets

€ Bn

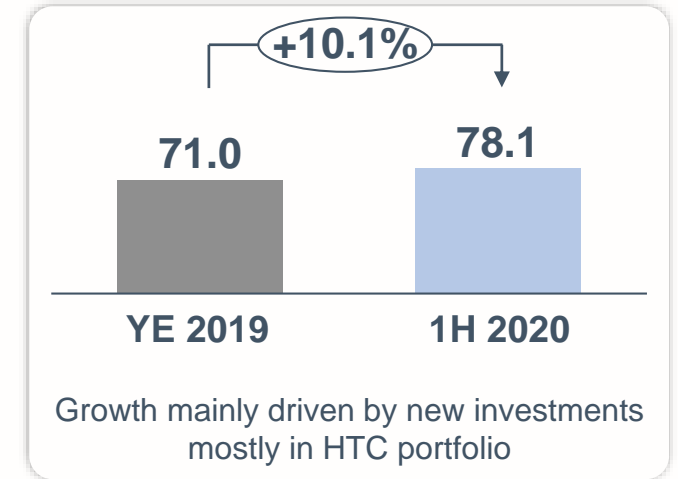
Total Assets¹



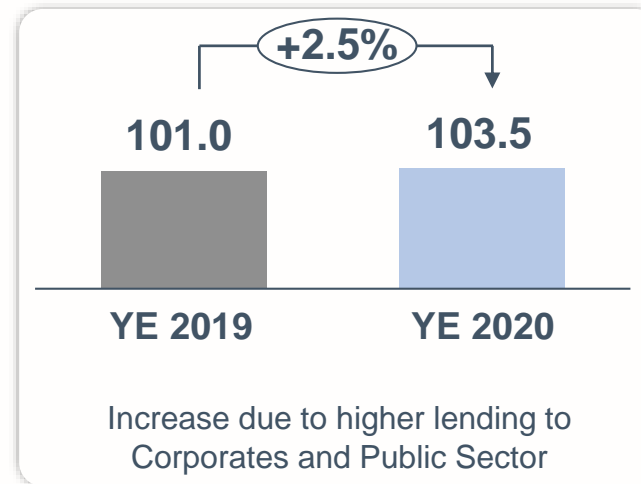
Cash & Cash equivalents



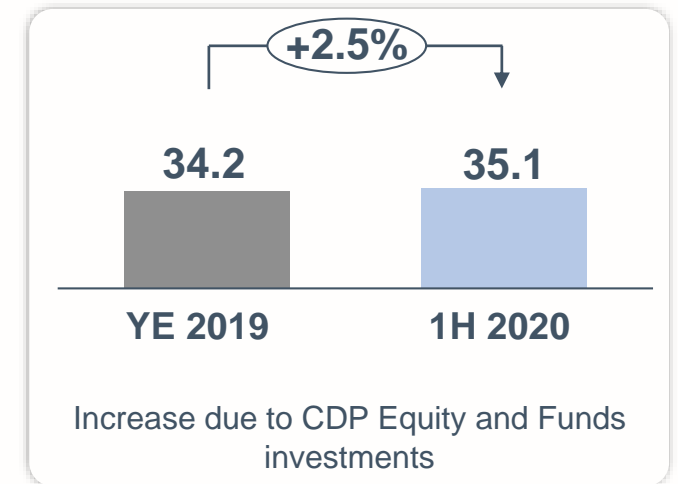
Debt Securities



Loans



Equity Investments and Funds

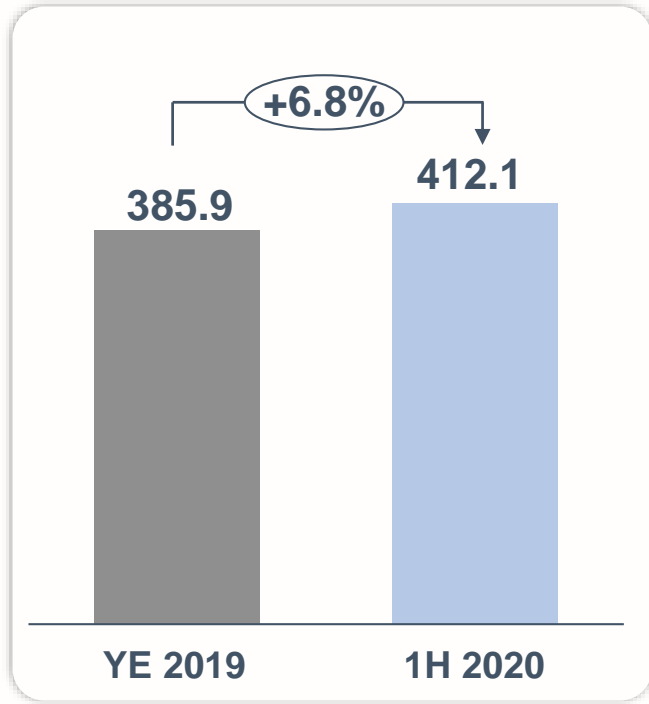


1. Includes other assets, mainly "Accrued income, prepaid expenses and other non-interest-bearing assets"

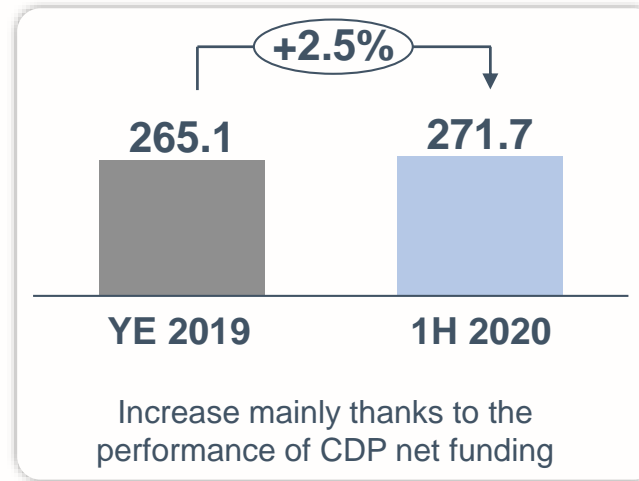
CDP SpA Liabilities

€ Bn

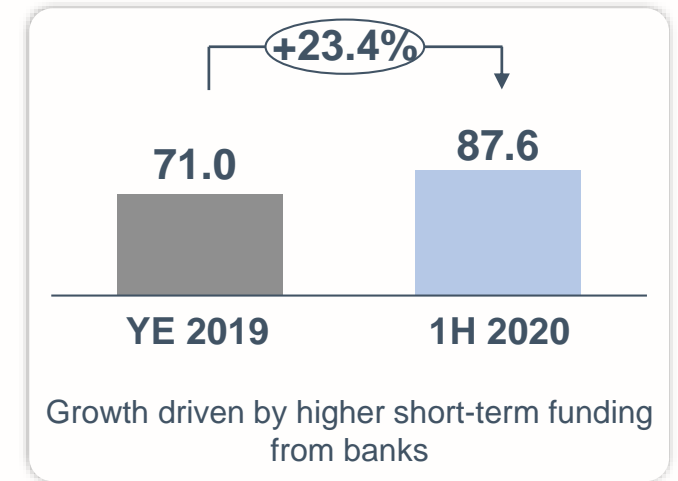
Total Liabilities and Equity¹



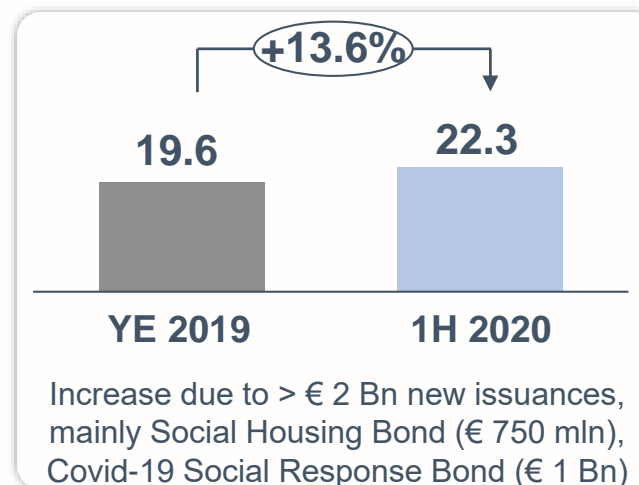
Postal Funding



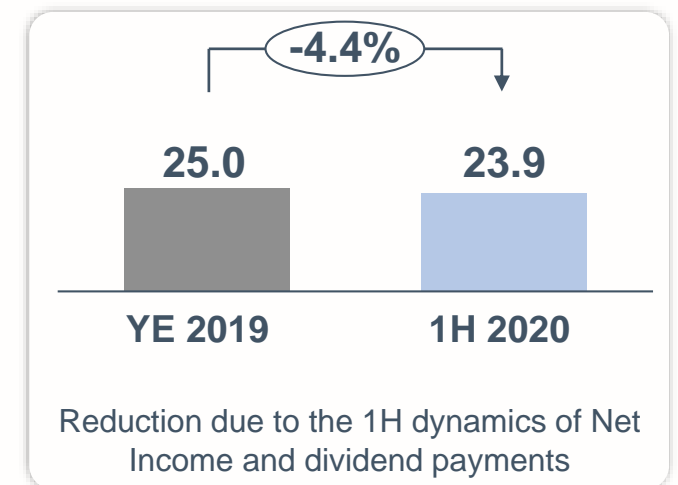
Other Funding³



Bond Funding²



Equity

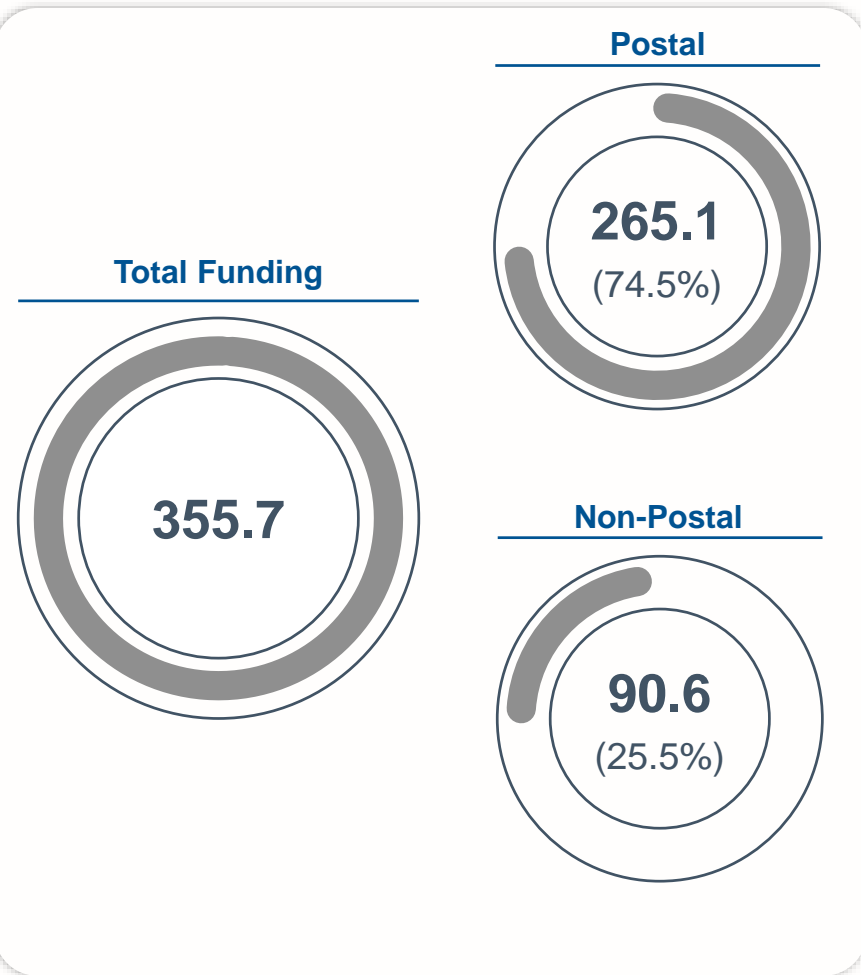


1. Includes other liabilities, mainly "Accrued expenses, deferred income and other non-interest-bearing liabilities"
2. Including commercial papers
3. Including funding from banks and customers

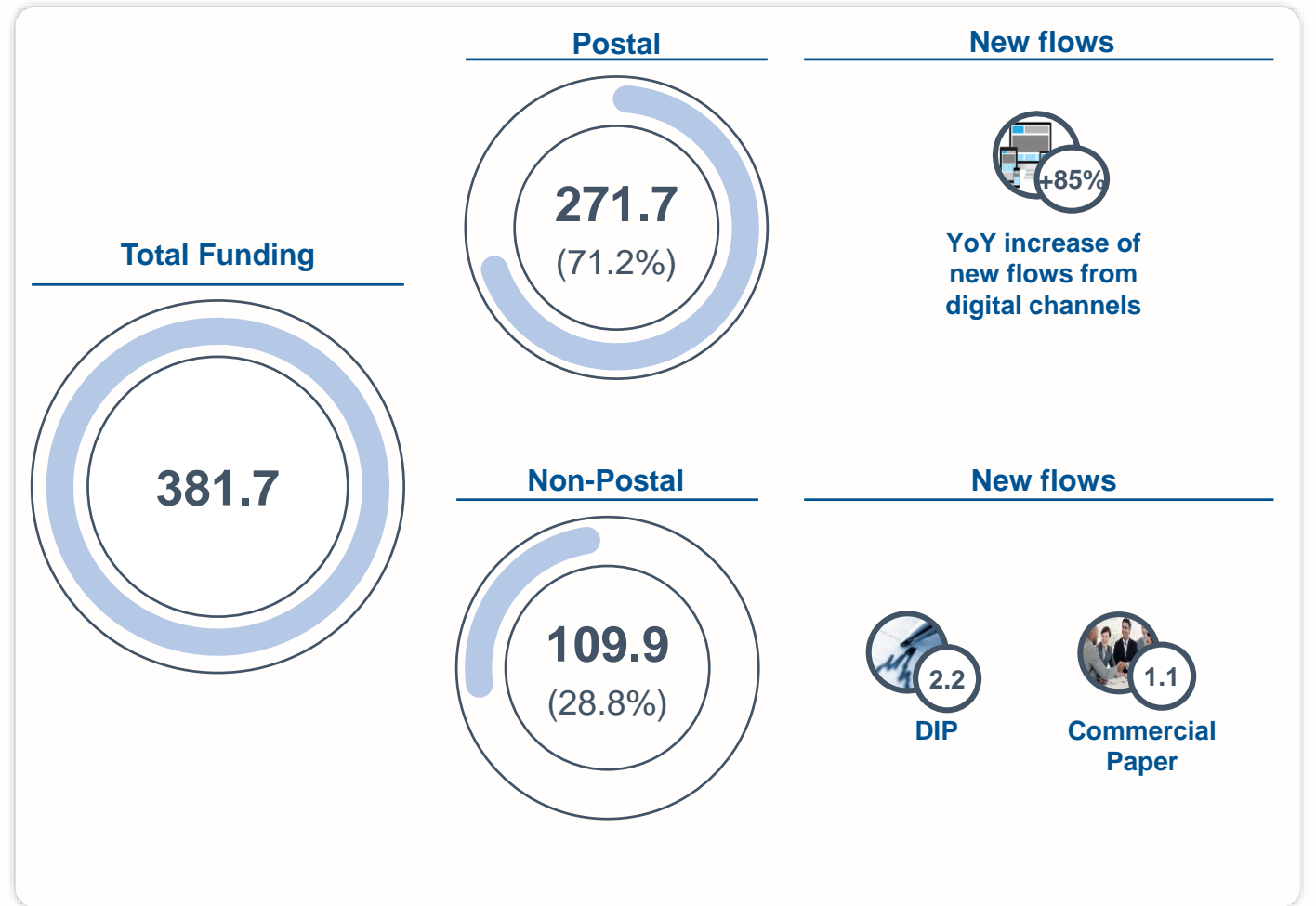
CDP Funding

€ Bn

2019



1H 2020



Long-Term Market Funding and Credit Rating

€ Bn

Outstanding bonds for € 19 Bn¹, with >45 transactions closed

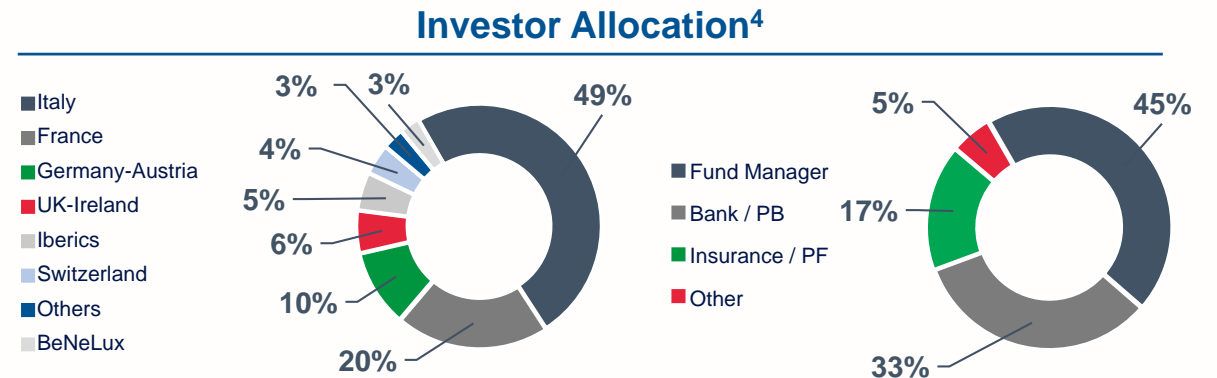
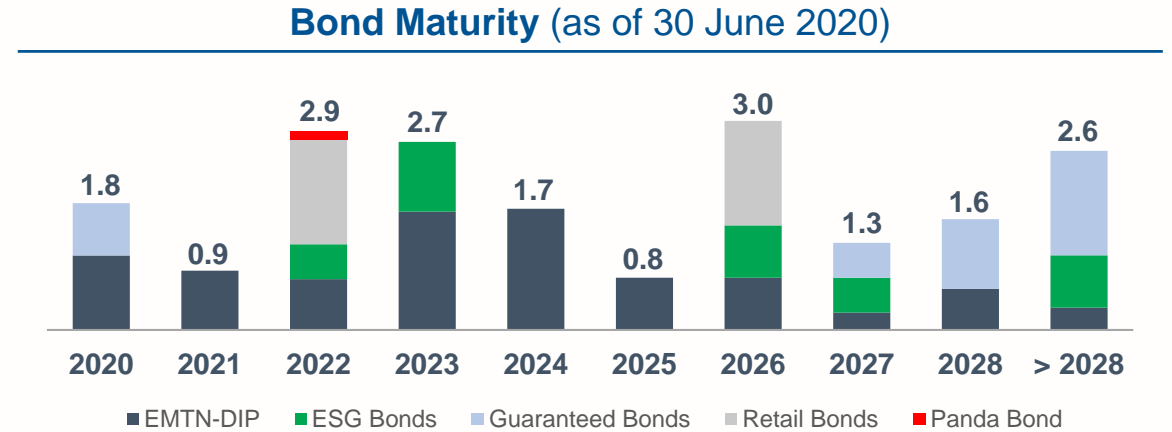
5 ESG bonds outstanding (4 Social² and 1 Sustainable) for a total amount of **€ 3.5 Bn**

Senior Unsecured notes listed on the Luxembourg Stock Exchange³

Access to international markets (USD, JPY, RMB)

CDP bonds rank *pari passu* with **Postal Savings products**

Eligible for the **ECB Collateral Framework** and the **Public Sector Purchase Programme (PSPP)**



CREDIT RATING



S&P Global Ratings

BBB Negative

FitchRatings

BBB Negative

SCOPE

BBB+ Stable

MOODY'S

Baa3⁵ Stable

1. Including EMTN-DIP (~ 12.2 € Bn), Guaranteed Bonds (3.8 € Bn), Panda Bond (126 € Mn equivalent) and Retail Bonds (2.9 € Bn). Net of 3.3 € Bn Commercial Paper
2. Covid-19 Social Response Bond issued in April 2020 in an dual-tranche format
3. Social and Sustainability Bonds have been listed also on the Italian Stock Exchange (i.e. Borsa Italiana)
4. Refers to public issuances since 2011
5. Unsolicited rating from 1 January 2020

Focus on CDP latest ESG issuances

Covid-19 Social Response Bond



Social Housing bond 2020



Size

500 € Mn (3yr)

500 € Mn (7yr)

750 € Mn

Use of proceeds

Fight Covid-19 emergency as well as sustain the recovery of Italian economy and communities. Initiatives to be financed may include:

- Helping corporates, mainly SMEs, accessing banking and financial services, also through direct lending
- Providing Local Authorities with financial support in their efforts related to healthcare, social and economic measures
- Financing the construction, development, maintenance or renovation of healthcare facilities, medical equipment and technologies for the improvement and protection of public health

Construction, renovation or upgrade of social housing in Italy so to support people living in social and economic difficulties and person living without adequate housing

Transaction Highlights

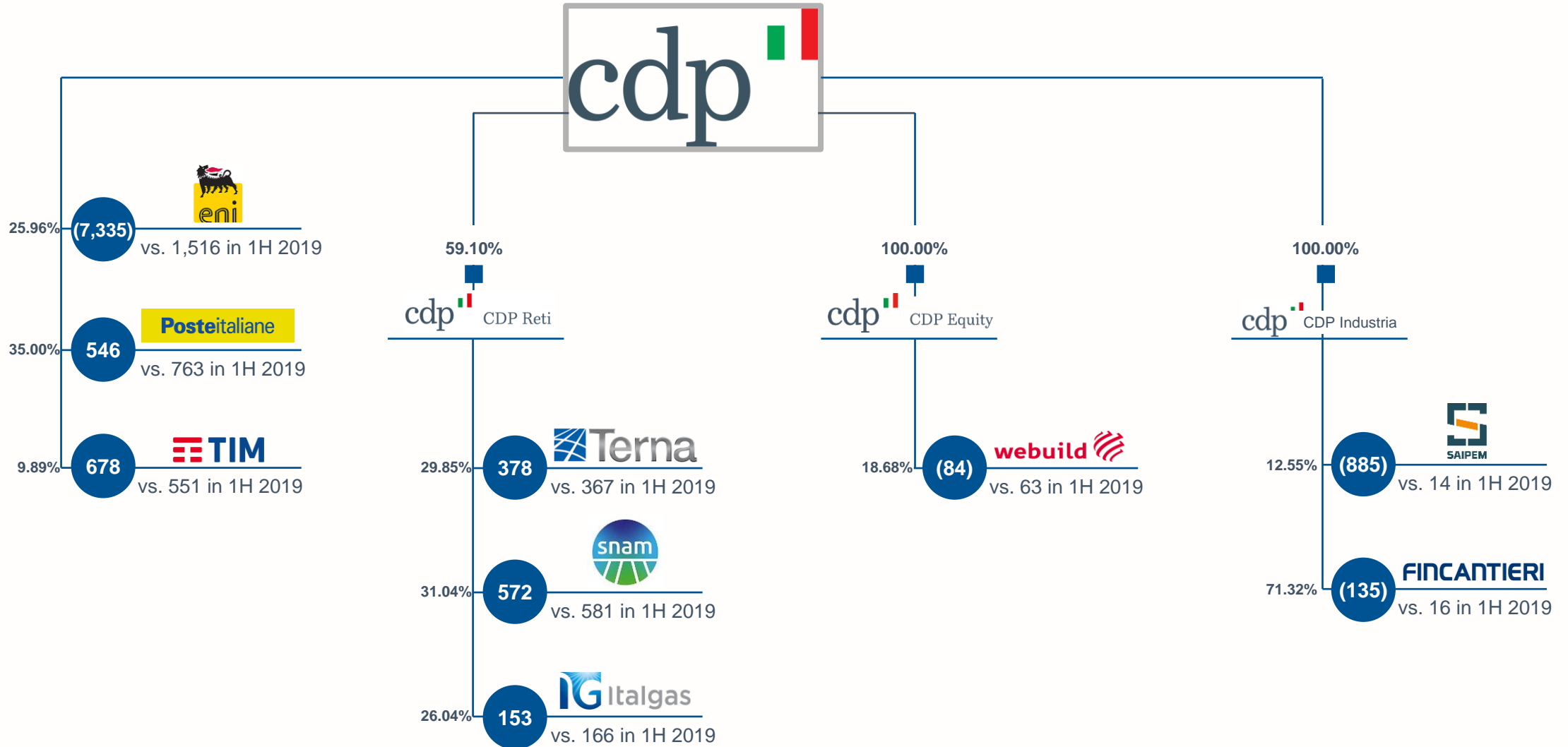
- Issued in April 2020
- First Covid-19 Social Response Bond issued by a European NPI and compliant with ICMA guidelines
- **>130** investors involved, with a meaningful participation from SRI investors

- Issued in February 2020
- **almost 6x** oversubscribed
- **>250** investors involved, with a meaningful participation from SRI investors

CDP Group Main Listed Participated Companies' Results

€ mln

● 1H 2020 Net Income attributable to Owners of the Parent





Contacts

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