



Cassa Depositi e Prestiti

Corporate Presentation

Infrastructure Day Borsa Italiana – Milan, 5 September 2019

Cassa Depositi e Prestiti
Investing in tomorrow

CDP » The Italian National Promotional Institution



CDP's Mission is to foster the development of the Country, using national savings responsibly in order to support growth and boost employment, leveraging on innovation, business competitiveness, infrastructure and local development

Total assets¹

438 EUR Bn

Loans²

100 EUR Bn

Postal funding²

260 EUR Bn

Net Income³

1H 2019

2.2

EUR Bn

Equity¹

36 EUR Bn

Equity portfolio²

34 EUR Bn

Non-Postal funding²

93 EUR Bn

State and private shareholders⁴



83%

Ministry of
Economy and
Finance

16%

Bank
foundations

1. CDP consolidated balance sheet as of 30 June 2019
2. CDP S.p.A. balance sheet as of 30 June 2019
3. CDP consolidated P&L as of 30 June 2019. Net Income 1H19 attributable to CDP S.p.A. equal to 1.4 EUR Bn
4. Remaining 1% treasury shares

CDP Business Model

Funding & Equity¹

Postal Savings	260 EUR Bn	
Market Fundings ²	93 EUR Bn	
Equity	24 EUR Bn	

Tools



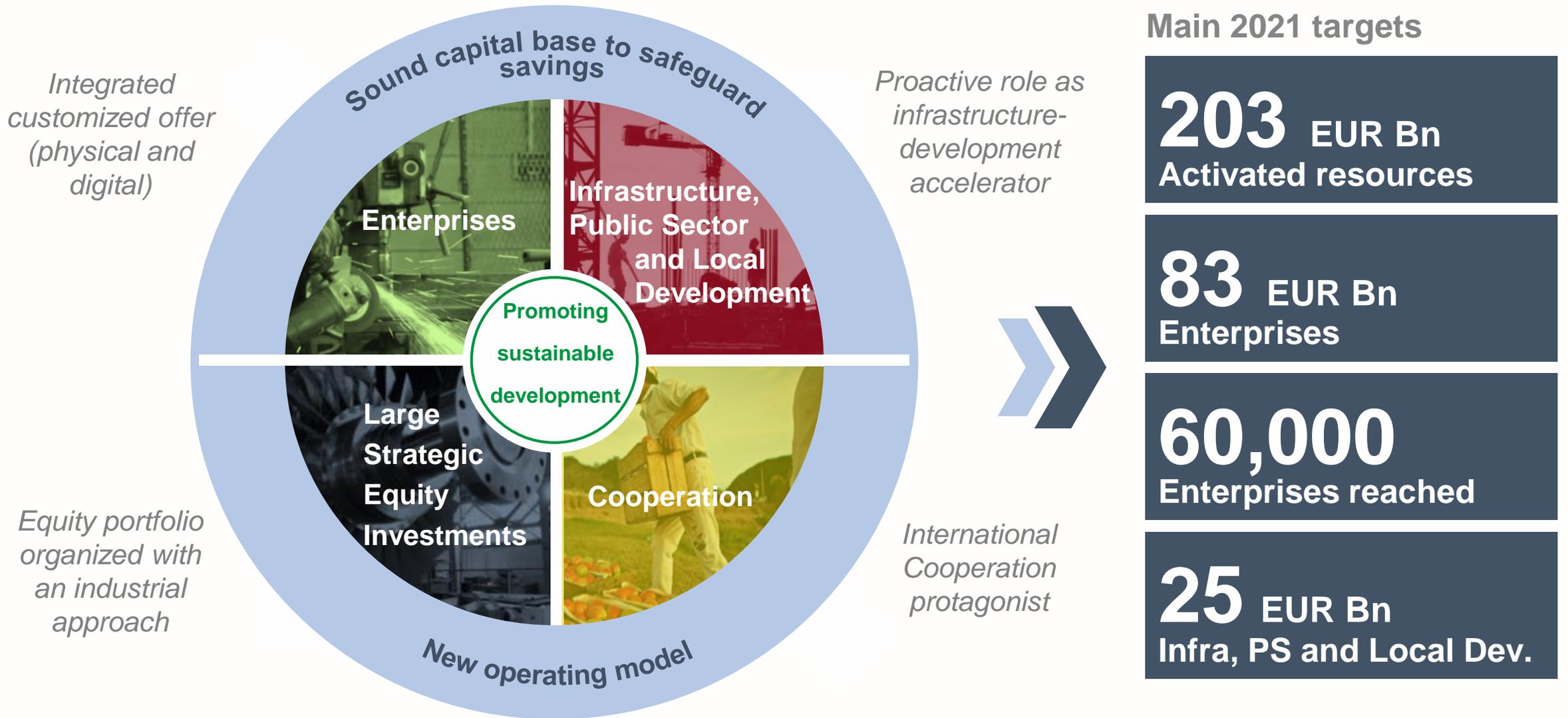
Areas of Activity³

Enterprises	83 EUR Bn	
Infrastructure, Public Sector and Local Development	25 EUR Bn	
Cooperation	3 EUR Bn	
Large Strategic Equity Investments		

2019-2021 Business Plan aims at promoting sustainable economic growth through four main areas of activity

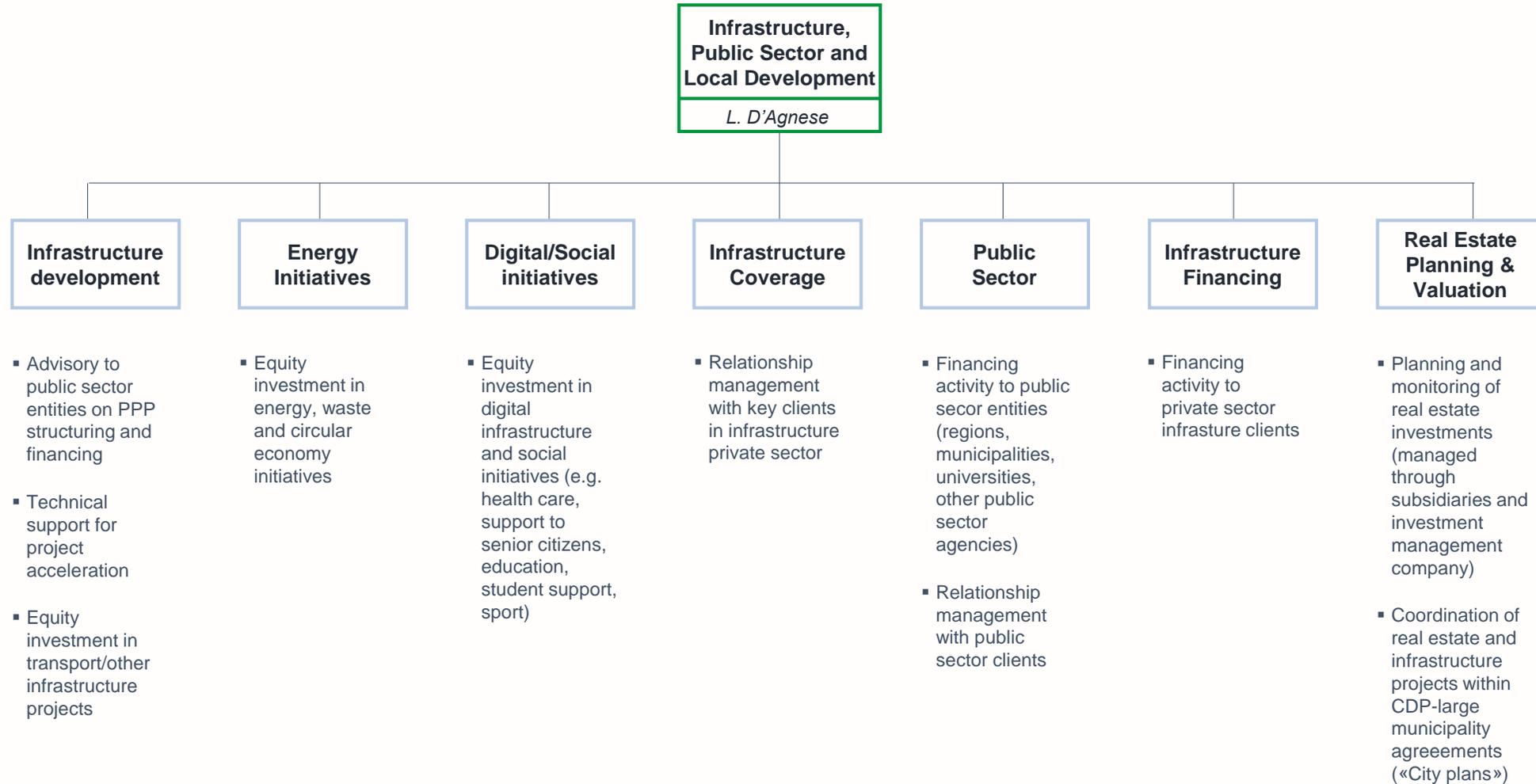
1. CDP S.p.A. balance sheet as of 30 June 2019
 2. Bond funding (including commercial papers) 20 EUR Bn; Other funding from banks and customers 73 EUR Bn
 3. Business Plan 2019-2021: estimates of CDP mobilized resources

CDP 2021 » From Italy to Italy



Reorganization based on four areas of activity, promoting sustainable growth through the evolution of the operating model

Infrastructure, Public Sector and Local Development: New organization



Key Activities

A reshaped organizational structure to support the new CDP Operational Model

Infrastructure, Public Sector and Local Development

Mobilized resources: 25 EUR Bn

Financing

Advisory to PS

Guarantees & Equity

Promotion



Widening operational scope

Current focus on CDP activities

Widening of operational model

1

Accelerating infrastructure development

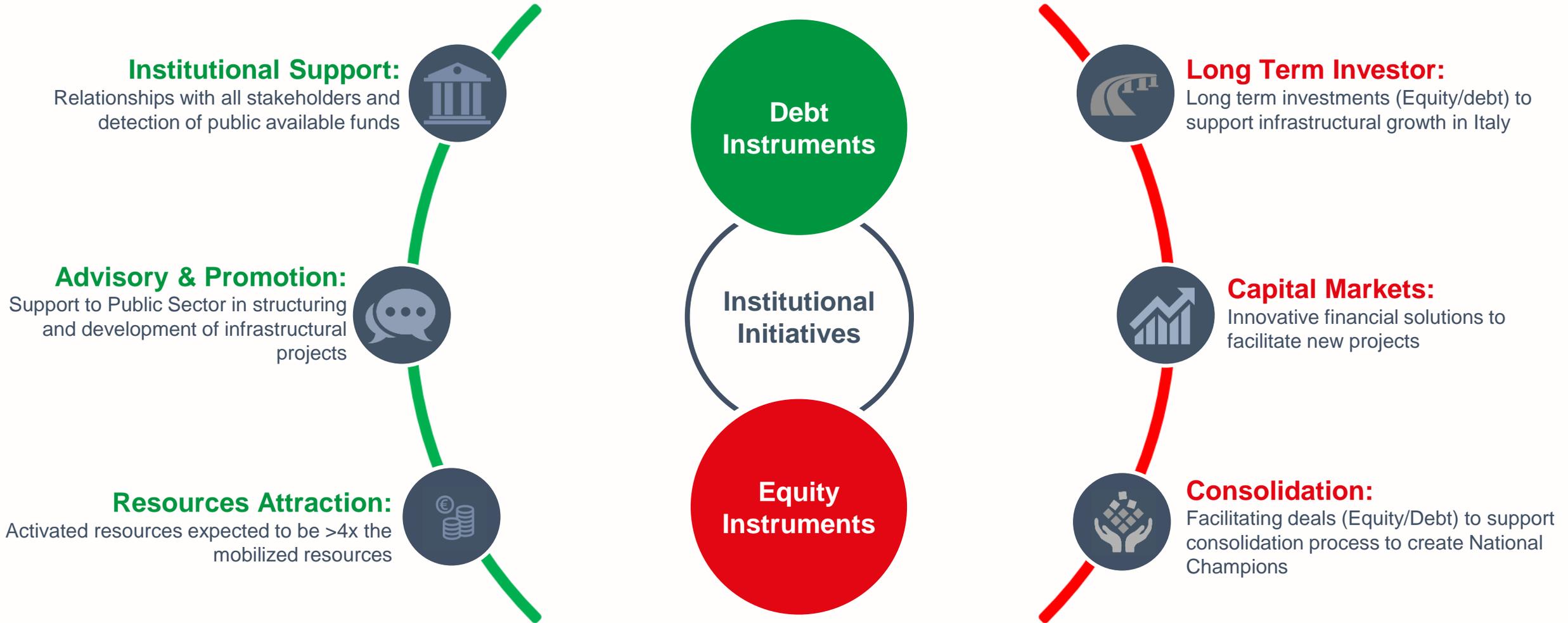
2

Enhancing proximity to PS

3

Strengthening local presence

CDP Infrastructure: Strategic lines and tools



Financing, advising and promoting infrastructural projects in Italy or abroad, in case of national interest

CDP Infrastructure: Latest agreements in line with BP

Financing

Advisory to PS

Guarantees & Equity

Promotion



Trento Hospital



Regione Lombardia

Schools
Hospitals

Public housing
Military buildings



REGIONE PIEMONTE

“Città della Salute” Turin



Evaluate the construction of plants to produce bio-fuels from the organic fraction of municipal solid waste (OFMSW)



Evaluate the construction of plants to produce energy from renewable sources (i.e. photovoltaic)



Assessment and joint implementation of innovative projects in digitalization of networks and plants, research and development of hydrogen as an energy source, and energy efficiency

FINCANTIERI



Development and construction of wave power stations on an industrial scale, based on Inertial Sea Wave Energy Converter (ISWEC) technology



Promotion of Energy Efficiency initiatives, with particular focus on Public Sector buildings



Promotion and development of new investments to build urban metro networks and infrastructure for rapid mass transport.

FINCANTIERI



Innovation and development of port facilities and development of sustainable technologies applied to maritime transport

CDP Infrastructure: Focus on current investments

● CDP Commitment
● Total Funds' Size

EUR Bn

Funds in portfolio

8

CDP Commitment

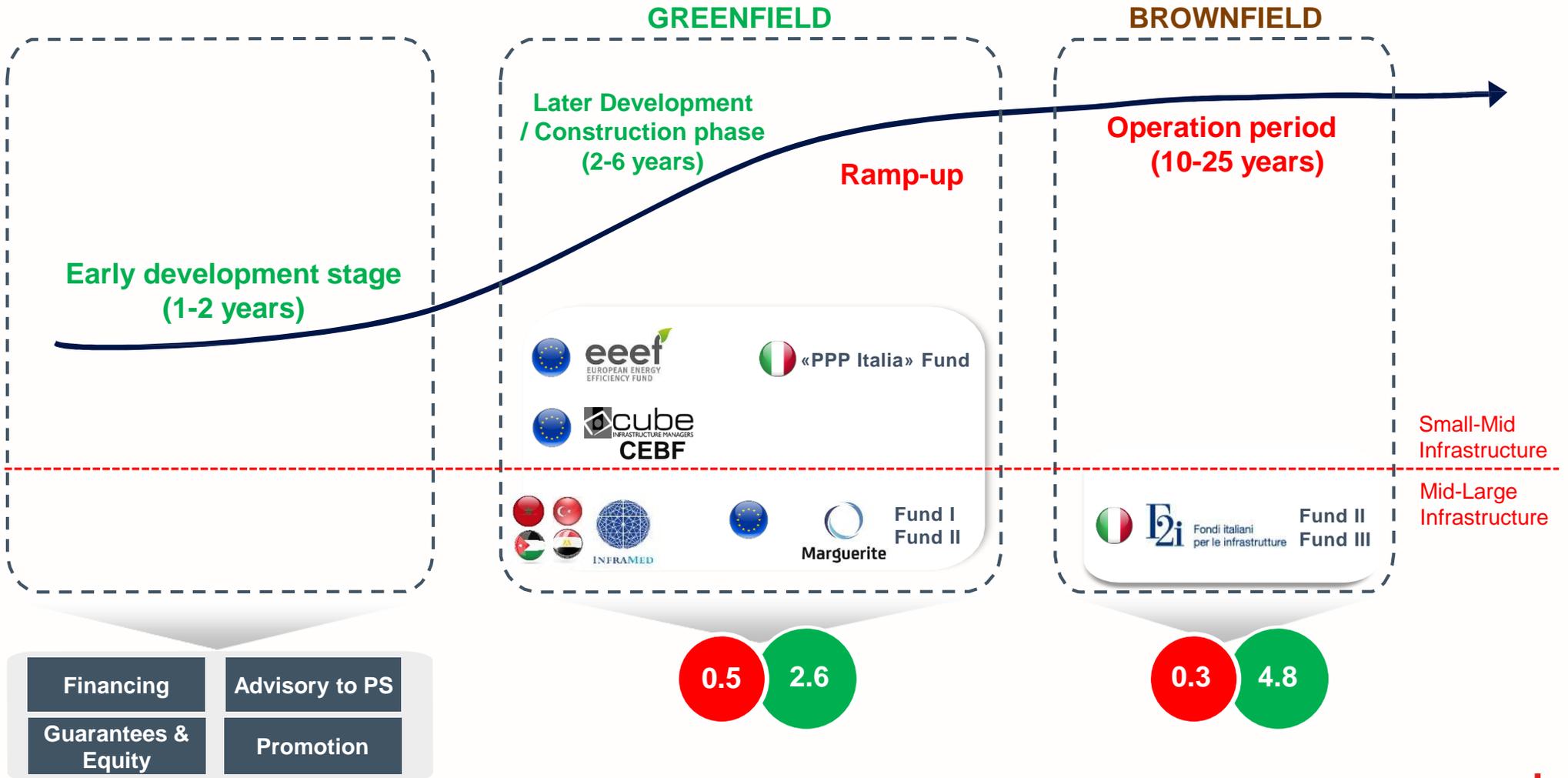
0.7

Tot. size of the funds

7.4

Multiplier

10.3x



Business Volumes Trend

EUR Bn

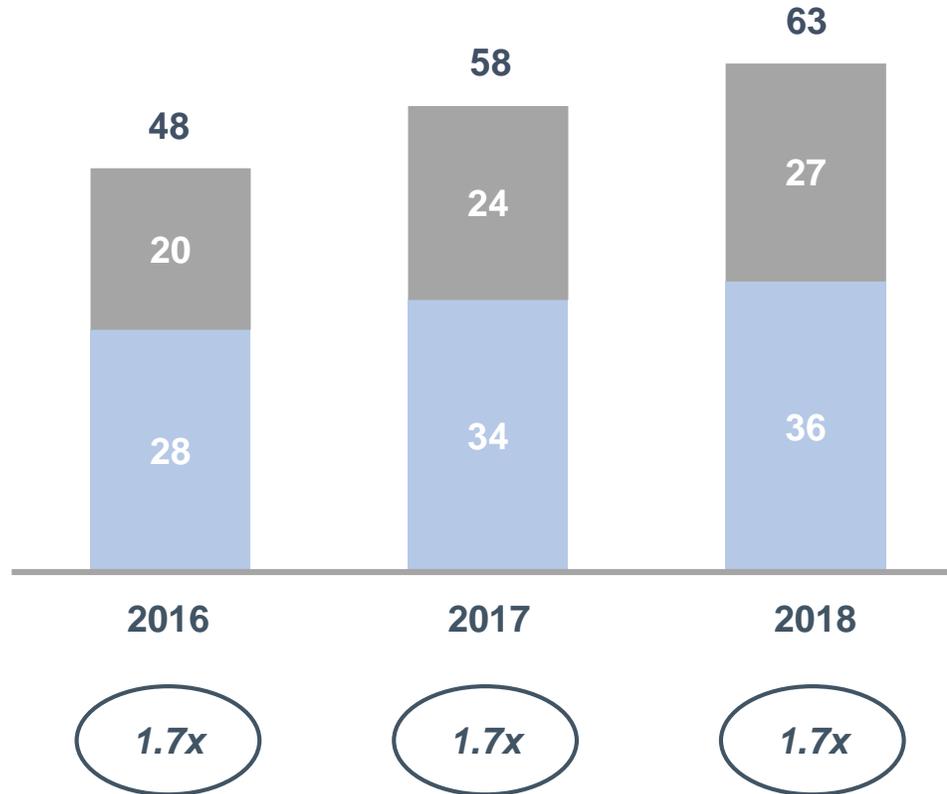
CAGR 2016-2018

Total activated resources¹

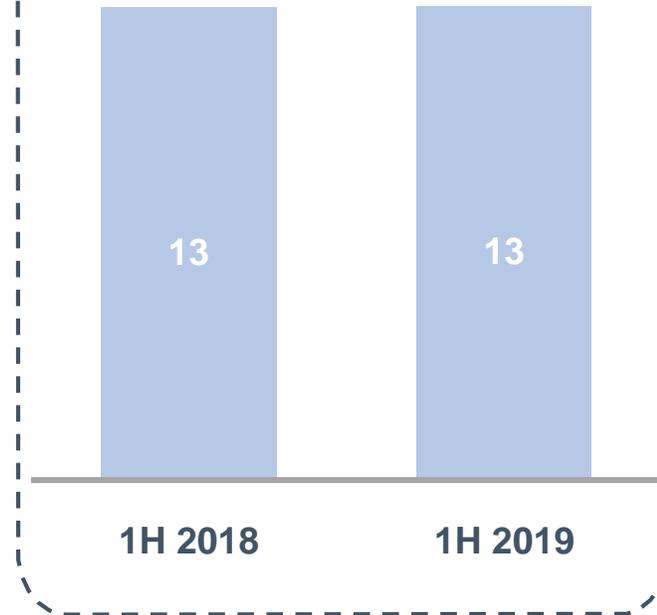
Third-party resources activated

Resources mobilized by CDP Group²

Multiplier³



Resources mobilized by CDP Group at 1H stage



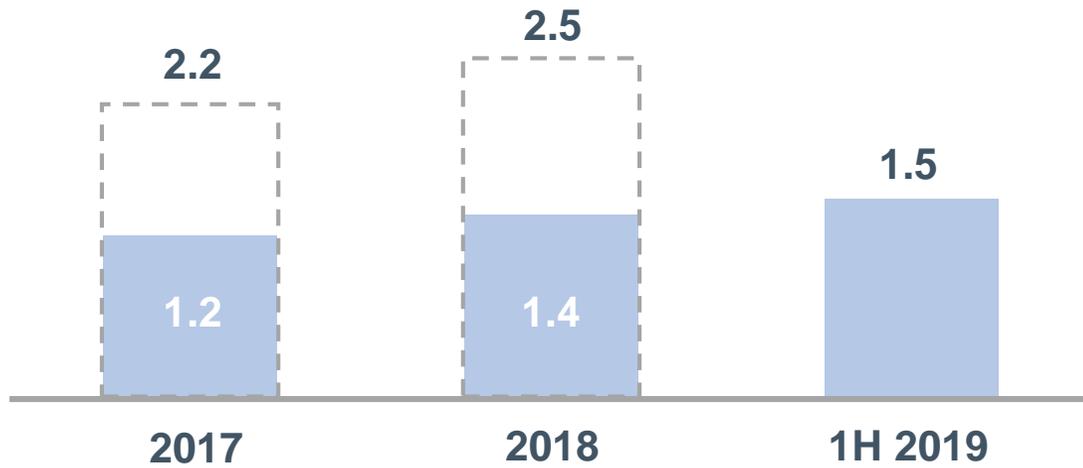
Resources mobilized by CDP Group in 1H 2019 stable vs. 1H 2018, but with a new investment paradigm

1. Total activated resources = sum of resources mobilized by CDP Group and resources invested by private parties, local/supranational institutions and international investors as a result of CDP activities
 2. Mobilized resources = financial resources made available by CDP Group, directly (ex. loans, bonds, guarantees, equity) or through the management of third party resources
 3. Ratio between total activated and mobilized resources

Financial Performance

EUR Bn

CDP Parent Co. Net Income



 Full year results  Half-Year results

CDP Group Net Income



 Income attributable to third-parties  Income attributable to the Parent Company

CDP Parent Company Sheet Key Figures

EUR Bn

Assets

Cash & Cash Equivalents

(-1% vs. YE2018)

167

Loans

(-1% vs. YE2018)

100

Debt Securities

(+13% vs. YE2018)

68

Equity Portfolio

(+2% vs. YE2018)

34

Other Assets

13

cdp
1H 2019

Total Assets

382

(+3% vs. YE2018)

Liabilities

Postal Funding

(+1% vs. YE2018)

260

Bond Funding¹

(+6% vs. YE2018)

20

Other Funding²

(+11% vs. YE2018)

73

Other Liabilities

5

Total Equity

(-4% vs. YE2018)

24

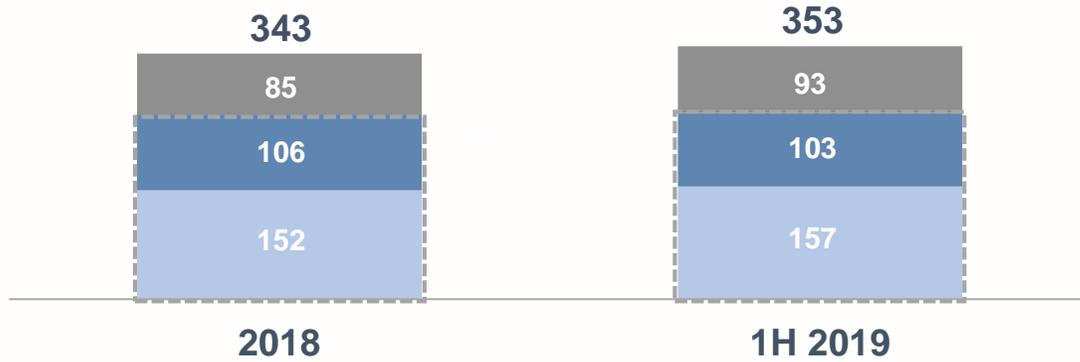
CDP Parent Company » Funding and Credit Rating

EUR Bn

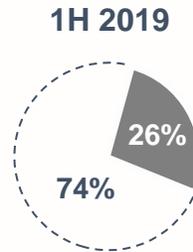
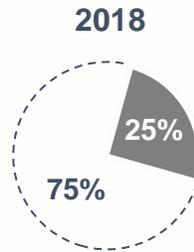
 New flows in 1H 2019

 Stock as of 30 June 2019

Total funding



- POSTAL SAVINGS
- Postal Passbooks
 - Postal Bonds
 - Non-postal Funding



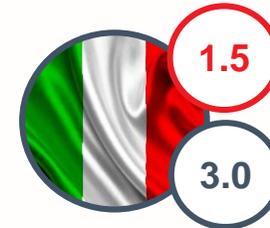
Key Market Funding



EMTN-DIP Bonds



EIB-CEB

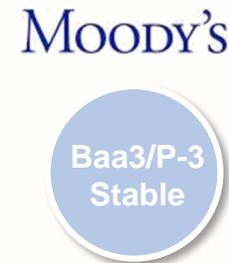


Retail Bonds



Commercial Papers

CREDIT RATING



1. Chinese on-shore rating assigned in the context of the "Panda Bond" issuance plan

Focus on Long-Term Market Funding

EUR Bn

CDP is a frequent issuer thanks to the latest approved **Debt Issuance Programme (DIP)** for 10 EUR Bn

CDP aims to become a frequent issuer in the **Sustainability Bond** market

Outstanding bonds¹ for 18 EUR Bn, with more than **40 transactions closed**

Senior Unsecured notes listed on the Luxembourg Stock Exchange²

Access to international markets (USD, JPY)

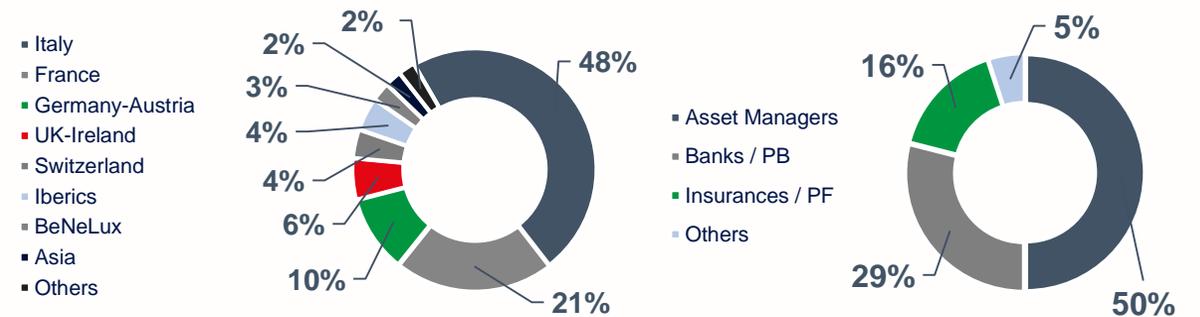
CDP bonds rank **pari passu with Postal Savings products**

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

Bond Maturity³



Investor Allocation⁴



1. Including EMTN-DIP (~ 10.5 EUR Bn), Guaranteed Bonds (4.5 EUR Bn) and Retail Bond (3 EUR Bn) as of 30 June 2019
 2. Social and Sustainability Bonds have been listed also on the Italian Stock Exchange (i.e. Borsa Italiana)
 3. As of 30 June 2019
 4. Refers to public issuances since 2011



Appendix

Focus on Postal Funding (1/2)

CDP Postal Products are composed by:
i) **Postal Bonds** and ii) **Postal Passbooks**

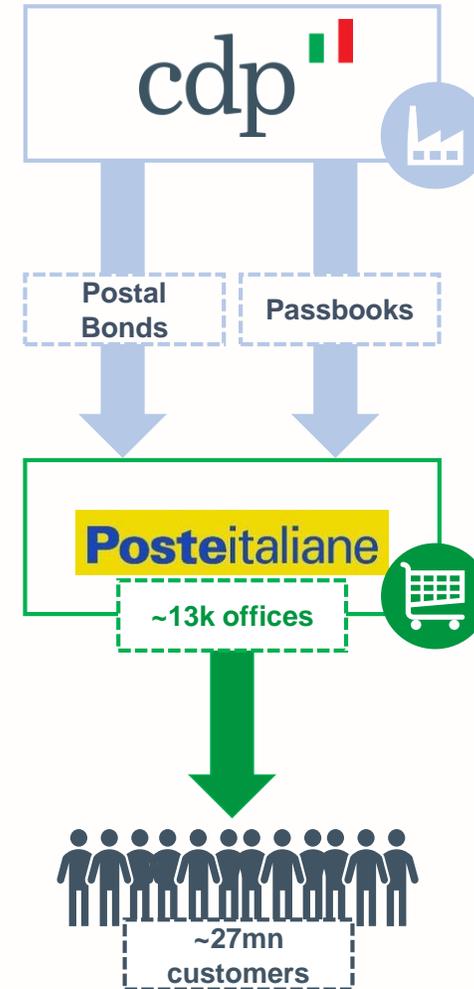
Both are redeemable at par at any time and therefore are not subject to interest rate risk on the capital for the customer

Postal Savings are **not subject to bail-in**

No fees or commission are charged to customers

Postal Savings Bonds benefit of a **tax break**

Issuance and Placement



- CDP is the only issuer in Italy of the Postal savings

- Entirely guaranteed by the Republic of Italy



- Placed through an exclusive service agreement with Poste Italiane

- Reaching ~27 mn customers among Italian households

Focus on Postal Funding (2/2)

EUR Bn

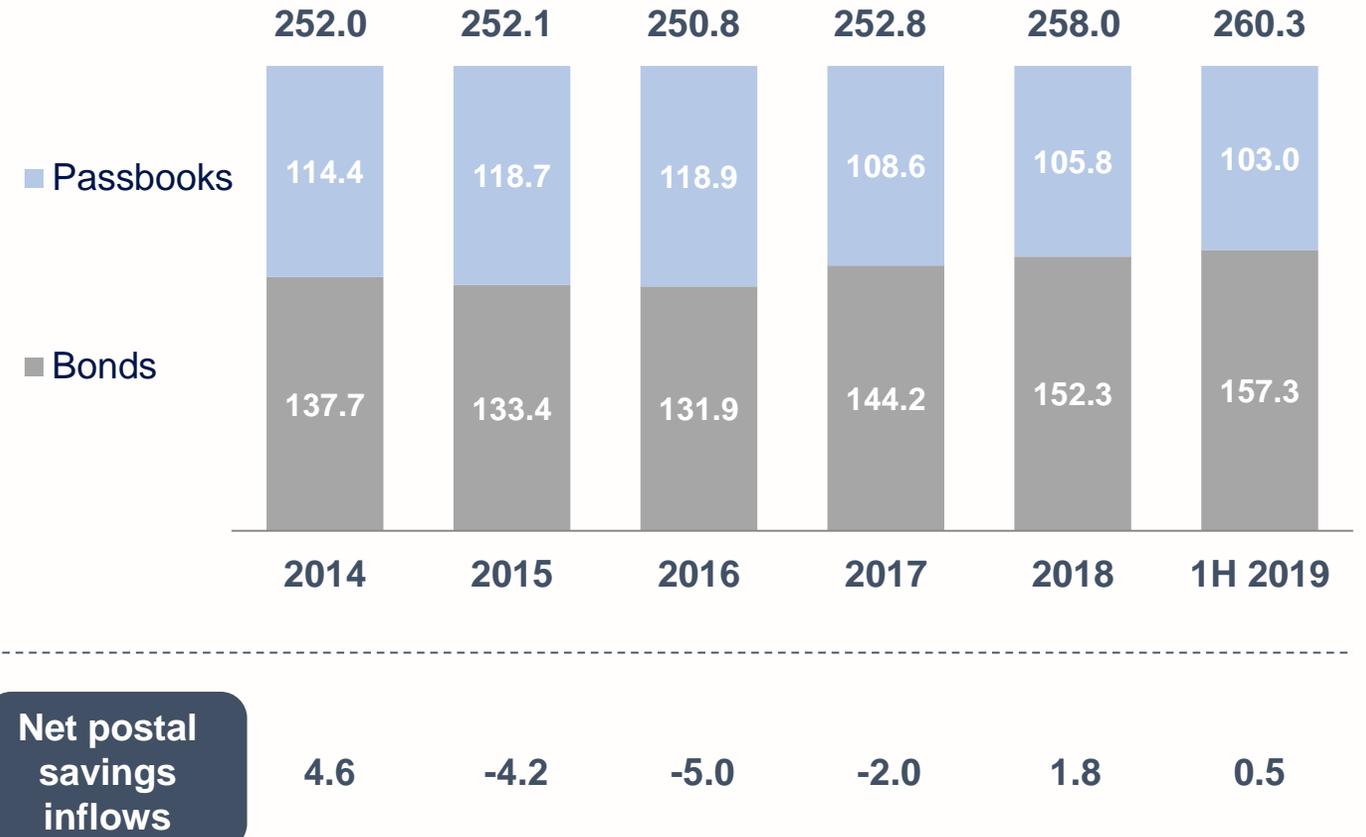
Postal savings, including postal bonds pertaining to Ministry of Finance, represent ~ **8%** of **Italian households'** total **financial assets**

Stable and anticyclical source of funding, with a stock of ~ **250 EUR Bn** over the last years and approaching **260 EUR Bn** since 2018

Following **distribution agreement** with Poste Italiane, signed in Dec. 2017, **net flows have strongly rebounded** with the stock reaching **5Y record-high levels at YE 2018**, further increased in **1H 2019**

Offered Yield on Postal Savings is related to the **Italian Government Bond Yield curve**

Stock of Postal Savings



Green, Social and Sustainability Bond Framework



CDP contributes, directly and indirectly, to the implementation of **all UN SDGs**



CDP Green, Social and Sustainability Bond Framework (“**CDP Framework**”) is in line with the **Green Bond Principles 2018**, the **Social Bond Principles 2018** and the **Sustainability Bond Guidelines 2018** issued by the **International Capital Market Association (ICMA)**

CDP Framework has four core components:

- 1 Use of proceeds
- 2 Process for project evaluation & selection
- 3 Management of proceeds
- 4 Reporting

CDP has considerably extended its framework, aiming at becoming a frequent issuer in the sustainability bond market

ESG Public Issuances Highlights

Social bond 2017



Size

500 EUR Mn

Tenor

5 Years

Use of Proceeds

Sustainable economic growth, ensuring credit access for Italian SMEs located in economically deprived areas or hit by earthquakes and supporting employment



Sustainability bond 2018



500 EUR Mn

5 Years

Construction and modernization of the Country's water infrastructure



Social bond 2019



750 EUR Mn

7 Years

Construction, upgrade, safety and seismic retrofitting of public schools and requalification of urban infrastructure, providing universal access to safe public spaces




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