



The 2019 consolidated and separate Financial Statements and the first Sustainability Report of the CDP Group have been approved

CDP Group: loans granted for 34.6 billion euro to support the country's economy.

Consolidated net income at 3.4 billion euro

- **Consolidated net income:** 3.4 billion euro (of which 1.8 pertaining to the Parent Company)
- **Total consolidated assets:** 448.7 billion euro
- **Consolidated equity:** 36.1 billion euro (of which 23.6 billion euro of the Group)
- **Corporate:** 24.9 billion euro with more than 20,000 companies served
- **Infrastructures, Public Sector & Territorial Development:** 9.3 billion euro with more than 1,200 entities supported

CDP S.p.A.: granted loans rise to 21.4 billion euro. Best performance of postal funding in the last 5 years. Net income up at 2.7 billion euro

- **Net income:** 2.7 billion euro
- **Total assets:** 386 billion euro
- **Total funding:** 356 billion euro, of which 265 billion euro from postal savings bonds and passbook savings accounts
- **Postal savings:** Best performance of CDP net funding in the last 5 years (+3.4 billion euro), with significant growth in online sales (+1.2 billion euro compared to 2018)
- **Equity:** 25 billion euro
- **Business Volumes:** 21.4 billion euro

First year of the 2019-2021 Business Plan: new systemic activities were launched which will contribute to support the country's development

- **Development of the new operating nationwide network:** in order to reinforce the support to businesses and public administrations in the territory, the first offices with **integrated offering** of the Group Companies were opened in Verona, Genoa and Naples, in addition to the first **"Spazio CDP"** desks at the offices of the banking foundations in Cagliari and Sassari.
- Extension of the support to businesses with **more than 20,000 companies served** (with a target of 60,000 in the three-year period) also thanks to the launch of **innovative financial instruments**
- **Increase in the number of direct lending transactions** towards businesses to support domestic growth and innovation (**+90% compared to 2018**), backing an ever-broader portfolio of businesses and not just large ones
- Widening of CDP's scope of action to support infrastructure by combining financial support with **advisory services for the Public Sector**, aimed at **supporting planning and design of the projects, the promotion of strategic initiatives**, including through agreements/partnerships with market operators, in sectors such as the circular economy, renewable energy, digital and social areas
- Reinforcement of the **support to local administrations** also by introducing new products to meet their needs, such as **Liquidity advances** to speed up payment of payables to suppliers
- Widening of international cooperation leveraging CDP's own resources for the first time and launch of the **"Risparmio senza frontiere"** service for citizens of Tunisia and Morocco residing in Italy

- **Execution of significant equity transactions and commitments**, both directly and indirectly, in strategic sectors for the national economy, such as the investment in Salini Impregilo as part of “**Progetto Italia**” aimed at consolidating and developing a key sector for the country through the aggregation of several operators on the market; the increase of the stake in **Tim** and the acquisition of control of **Sia**, in support of national strategic infrastructures. Acquisition of the majority share of **Fondo Italiano di Investimento Sgr** to aid the growth of Private Equity market dedicated to SMEs and launch of **CDP Venture Capital Sgr** to bolster investments in start-ups.
- **Reinforcement of CDP's workforce**, in line with other European Institutions, in order to meet new challenges: decrease in the average age, **32% of the new recruits are under 30 and 41% are women**.
- **Approval of the Group's first Sustainability Report**, which testifies how sustainability has become a key element of CDP's operations in line with the ambition to become the driving force of the country's sustainable development.

Rome, 2 April 2020 - The Board of Directors of Cassa Depositi e Prestiti Spa (CDP), chaired by **Giovanni Gorno Tempini**, approved the draft separate financial statements and the consolidated financial statements at 31 December 2019, the 2019 consolidated non-financial statement of the CDP Group and the first sustainability report, submitted by the Chief Executive Officer **Fabrizio Palermo**. The draft Financial Statements will be submitted for approval to the Shareholders' Meeting, which will be called by the Board of Directors.

CDP Group

The results of the 2019 financial statements confirm the important action carried out by the Cassa Depositi e Prestiti Group to support the country's economy and prove the management's positive stewardship. The targets set by the Business Plan for 2019 were comfortably achieved, thus laying the foundations for the Group's ever more central role to encourage Italy's sustainable development, especially in this current period of emergency.

Consolidated net income amounted to **3.4 billion euro**, of which 1.8 billion euro pertaining to the Parent Company.

As at 31 December 2019, the **Group's total assets** stood at **448.7 billion euro**. **Consolidated equity** amounted to **36.1 billion euro**, of which **23.6 billion euro** refers to the Group's equity.

During the year the CDP Group **granted loans for 34.6 billion euro**.

CDP S.p.A.

Net income of the **Parent Company** was **2.7 billion euro**, up 8% compared to 2018.

As at 31 December 2019, **total assets** amounted to **386 billion euro**, mainly consisting of cash and cash equivalents for 171 billion euro, loans to customers and banks for 101 billion euro, debt securities for 71 billion euro and equity investments and funds for 34 billion euro.

With reference to **liabilities**, **total funding amounted to 356 billion euro**, of which **265 billion euro from postal savings bonds and passbook savings accounts (+3%)**. In particular, postal savings recorded CDP's best performance of **net funding** in the last 5 years (+3.4 billion euro), also thanks to the restyling of the paper postal savings bonds and the strong growth in online sales (+1.2 billion euro compared to 2018) and in the number of online accounts (about 1 million compared to 300,000 at the end of 2018). In addition, with a view to diversifying funding sources, a series of new issues were made in 2019 to support CDP's business activities, including:

- the issue of a 750 million euro Social bond to finance building schools and urban redevelopment initiatives;
- the issue of the first 1 billion Renminbi Panda bond (127 million euro) to support the growth of branches or subsidiaries of Italian companies in China;
- the issue of CDP's second retail bond for 1.5 billion euro reserved for individuals resident in Italy.

Equity totalled 25 billion euro (+1% compared to 2018)

New lending stood at 21.4 billion euro and was up compared to 2018 (approximately +30%)

2019-2021 Business Plan: support was intensified and systemic initiatives were started for the country's growth and development

2019, the first year of the Business Plan, was marked by a profound change in the CDP Group's operations, partly due to the organic activation of all of the planned lines of action.

CORPORATE

To support **Enterprises** - through loans, investments and guarantees offered by the Group - **about 24.9 billion euro** were injected, **with more than 20,000 companies served**.

2019 marked the development of the operating nationwide network: in order to reinforce the support to businesses and public administrations in the territory, the first offices with integrated offering of the Group Companies were opened in Verona, Genoa and Naples, in addition to the first "**Spazio CDP**" desks at the offices of the banking foundations in Cagliari and Sassari..

"Officina Italia", the permanent focus group consisting of about 150 companies representing the Italian entrepreneurial fabric, was launched to intercept the needs of companies and identify the most appropriate solutions, and other initiatives for discussion were launched throughout the country (Spazio Imprese).

Furthermore, the offer to **companies** was improved, starting with the Group's first integrated product catalogue, and the service model was reviewed through the creation of a single **commercial interface** in CDP as a point of access for all Group solutions dedicated to the large enterprise segment.

The number of direct financing transactions towards businesses was increased to support growth and innovation (+90% compared to 2018), backing an ever-broader portfolio of businesses and not just large ones.

Activities to support the production sector were also extended to the **supply chains** through the signing of **specific agreements**: with Leonardo in the Defence and Aerospace sector, with Coldiretti and Filiera

Italia in the Agri-food sector and with Fincantieri, Saipem and Ansaldo Energia for the Engineering supply chain.

The focus on **SME growth** allowed new alternative finance instruments, such as **Basket Bonds**, to be developed. Two of them were launched during 2019: “Export Basket Bond Programme” for 500 million euro for the international expansion of companies and “ELITE Basket Bond Lombardia” for 100 million euro for the growth of companies in the region in order to finance the development plans of Lombard companies in Italy and abroad.

In order to facilitate the granting of liquidity to **businesses in Southern Italy**, a 500 million euro loan was signed in favour of an Italian bank that will use the funding to grant loans to companies with up to 3,000 employees operating in the area.

INFRASTRUCTURES, PUBLIC SECTOR & TERRITORIAL DEVELOPMENT

9.3 billion euro were invested in **Infrastructures, Public Sector & Territorial Development**. More than **1,200 entities were financed** and the **methods of action were widened** to support **infrastructure**.

The support to infrastructure was widened with the introduction of a new **Advisory** unit to the Public Administration, aimed at the technical-administrative and financial support of the planning and design of the works. During 2019, CDP signed implementation protocols with Regions, Provinces and Municipalities interested in this assistance, mainly in the school building, healthcare and transport segments.

The **Promotion** of strategic initiatives (in the energy, environment, digital and social fields) was also introduced, including through agreements/partnership with market operators, with the aim of encouraging and accelerating the development of infrastructure and services in the territory. During the year, including in collaboration with investee companies, numerous projects were launched in relation to sustainability and circular economy, including the development of plants for the production of fuels starting from the treatment of the organic fraction of municipal waste and energy from renewable sources and tidal energy; moreover, a sponsorship contract was also signed to promote the establishment of the Italian School of Hospitality, aimed at supporting the competitiveness and innovation of companies engaged in tourism and hospitality in Italy.

In addition, the support to local administrations covered additional initiatives, including:

- **Cash advances**, which made it possible to speed up the payment of payables to suppliers (an improvement of 21 days, or -35%, in the weighted average time taken to pay invoices received in the first half of 2019¹);
- the launch of the new **Heating Account Investment Loan** product, aimed at local bodies to encourage energy efficiency measures in the local area, anticipating the resources made available by Gestore dei Servizi Energetici (GSE);
- the introduction of **loans for the conversion of existing mortgage loans**, which enabled the Regions joining in 2019 to save around 70 million euro in terms of lower interest paid during the amortisation period;
- the activation of a **loan renegotiation** programme that saved the participating Municipalities that are the capitals of the Region or the setting for a metropolitan area about 400 million euro until 2023.

¹ Compared with the time recorded in the same period of the previous year. CDP calculations on data provided by the State General Accounting Department - Trade receivables platform.

INTERNATIONAL COOPERATION

In 2019, CDP invested more than 400 million euro in supporting International Cooperation & Development Finance, leveraging its own resources for the first time. CDP has operated in accordance with national foreign policy guidelines through initiatives in developing countries and emerging economies, within the framework of the Sustainable Development Goals set out in the 2030 Agenda and with focus on developing new strategic markets.

Extended use of the resources of international institutional entities dedicated to development: agreements were finalised to access European and international financial resources to implement specific action plans promoted by the Italian economy. In particular:

- the first guarantee agreement was finalised with the European Commission for the **Archipelagos** - One Platform for Africa - ONE4A initiative, in the context of the new European Union Plan for non-EU investments (External Investment Plan - "EIP"). The European resources acquired by CDP are aimed at promoting access to the capital market for SMEs with high growth potential, while increasing opportunities for exchange with Italian and European companies;
- CDP's process of accreditation to the **Green Climate Fund** (GCF) was completed. GCF is a multilateral fund established in 2010 by the United Nations and a major global instrument supporting projects to combat climate change in emerging economies and developing countries. Thanks to the accreditation, through CDP, Italy will have access to GCF resources for the first time, which can be used to support investment programmes aimed at mitigating and adapting to climate change.

The new initiatives are combined with traditional support in the field of International Cooperation, which envisages the management of public funds dedicated to development (**Revolving Fund for International Cooperation & Development Finance** and the Fund established by the Ministry of the Environment and Protection of the Land and Sea - MATTM), in relation to which over 200 million euro have been invested.

In addition, the new "Risparmio senza frontiere" financial service was launched for citizens of Tunisia and Morocco residing in Italy which allows the transfer of funds from Italian passbook savings accounts to passbook savings accounts from African countries. The aim is to encourage and increase the savings of foreign citizens residing in Italy, by encouraging funding geared towards cooperation, development and growth purposes that can be a source of funding for public utility projects, infrastructures, businesses and public administrations in the country of origin.

EQUITY AND FUNDS INVESTMENTS

During 2019, the Cassa Depositi e Prestiti Group also began reorganising its portfolio of **strategic equity investments**, as envisaged in the Business Plan. The transfers of Fincantieri and Saipem to CDP Industria were finalised.

The CDP Group supported the recovery and development plans of some companies in its portfolio, including: the acquisition of control of **SIA**, to support the growth of a strategic payment infrastructure in Europe, the support to the **Open Fiber** investment plan for the development of fibre optics in Italy and the capital increase by FSI Investimenti in **Kedrion** as part of an operation to open up capital to a new investor.

In support of major Italian entities, through system operations, the investment in Salini Impregilo was also finalised as part of the so-called **Progetto Italia**, aiming to promote the consolidation and development of a key sector for the country through the aggregation of several operators active on the market. An



additional share in the capital of **Telecom Italia** (currently equal to 9.9%) was purchased, aiming to support the value creation process launched by the company in a sector of primary interest for the country.

In addition, the majority of **CDP Venture Capital SGR** – Fondo Nazionale Innovazione (formerly Invitalia Ventures SGR) was acquired in order to strengthen CDP's action in venture capital with an allocation of up to 1 billion euro. CDP has become the majority shareholder of **Fondo Italiano d'Investimento SGR** to continue development in private equity and private debt. In the latter area, the resources of the Innovazione & Sviluppo and Tech Growth Funds were increased, and a commitment as a cornerstone investor in the new Private Equity Italia Fund of Funds was made.

COMPANY WORKFORCE

In 2019, in order to meet CDP's new activities and the objectives of the new Business Plan, the **company's workforce was increased**. 32% of the new recruits are young people under 30 years of age and 41% are women. The new recruits are concentrated in business functions. This led to a **decrease in the average age** of employees from 44.3 to 42.6 years old.

Please note that the Independent Auditors are completing the audit of the separate financial statements and the consolidated financial statements as at 31 December 2019. The reclassified consolidated financial statements set out in the Annex are not subject to auditing by the Independent Auditors.

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The Manager in charge with preparing the company's financial reports, Paolo Calcagnini, declares pursuant to Article 154-bis, paragraph 2, of the Consolidated Law on Finance that the accounting information contained in this press release corresponds to documentary evidence and the accounting books and records.

The 2019 Annual financial report, together with the certification pursuant to Article 154-bis, paragraph 5, of the Consolidated Law on Finance and the Independent Auditors and Board of Statutory Auditors' Reports shall be available to the public at the Company's registered office, on the CDP website and in any other manner provided for by the applicable law, within the legal time limits.

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ANNEXES

IFRS Statements for the 2019 Consolidated Financial Statements of the CDP Group (*)

CONSOLIDATED BALANCE SHEET

(thousands of euro)

Assets	31/12/2019	31/12/2018
10. Cash and cash equivalents	1,340	1,166
20. Financial assets measured at fair value through profit or loss	4,817,701	4,293,623
a) financial assets held for trading	1,473,366	1,035,983
b) financial assets designated at fair value		
c) other financial assets mandatorily measured at fair value	3,344,335	3,257,640
30. Financial assets measured at fair value through other comprehensive income	12,360,038	11,582,864
40. Financial assets measured at amortised cost	344,205,246	330,074,848
a) loans to banks	32,684,128	24,825,040
b) loans to customers	311,521,118	305,249,808
50. Hedging derivatives	431,066	722,177
60. Fair value change of financial assets in hedged portfolios (+/-)	1,467,343	131,581
70. Equity investments	18,952,123	20,395,661
80. Reinsurers' share of technical reserves	1,002,469	851,681
90. Property, plant and equipment	39,354,499	37,660,125
100. Intangible assets	13,192,067	8,804,271
of which:		
- goodwill	2,786,040	659,430
110. Tax assets	1,878,706	1,621,844
a) current tax assets	243,033	88,949
b) deferred tax assets	1,635,673	1,532,895
120. Non-current assets and disposal groups held for sale	342,486	11,583
130. Other assets	10,719,235	8,931,506
Total assets	448,724,319	425,082,930

(*) The independent audit of the accounts had not been completed at the date of this press release

CONSOLIDATED BALANCE SHEET

(thousands of euro)

Liabilities and equity	31/12/2019	31/12/2018
10. Financial liabilities measured at amortised cost	385,657,519	366,706,687
a) due to banks	41,840,044	40,905,821
b) due to customers	302,011,550	288,788,232
c) securities issued	41,805,925	37,012,634
20. Financial liabilities held for trading	89,965	81,747
30. Financial liabilities designated at fair value	61,200	519,413
40. Hedging derivatives	3,054,893	826,038
50. Fair value change of financial liabilities in hedged portfolios (+/-)	18,699	26,033
60. Tax liabilities	3,650,788	3,596,661
a) current tax liabilities	162,971	312,307
b) deferred tax liabilities	3,487,817	3,284,354
70. Liabilities associated with non-current assets and disposal groups held for sale	165,706	
80. Other liabilities	13,407,795	10,959,482
90. Staff severance pay	252,728	209,449
100. Provisions for risks and charges	3,443,251	2,749,453
a) guarantees issued and commitments	363,636	229,495
b) pensions and other post-retirement benefit obligations		
c) other provisions	3,079,615	2,519,958
110. Technical reserves	2,811,818	2,675,499
120. Valuation reserves	1,147,528	479,959
130. Redeemable shares		
140. Equity instruments		
150. Reserves	14,677,901	14,312,860
160. Share premium reserve	2,378,517	2,378,517
170. Share capital	4,051,143	4,051,143
180. Treasury shares (-)	(489,111)	(57,220)
190. Non-controlling interests (+/-)	12,559,778	12,676,358
200. Net income (loss) for the year	1,784,201	2,890,851
Total liabilities and equity	448,724,319	425,082,930

CONSOLIDATED INCOME STATEMENT

(thousands of euro)

Items	2019	2018
10. Interest income and similar income	7,200,997	8,117,598
- of which: interest income calculated using the effective interest rate method	7,399,310	8,174,131
20. Interest expense and similar expense	(4,821,434)	(4,632,580)
30. Net interest income	2,379,563	3,485,018
40. Commission income	447,476	457,061
50. Commission expense	(1,523,589)	(1,583,285)
60. Net commission income (expense)	(1,076,113)	(1,126,224)
70. Dividends and similar revenues	16,497	11,832
80. Profits (losses) on trading activities	30,649	19,517
90. Fair value adjustments in hedge accounting	(110,555)	(42,997)
100. Gains (losses) on disposal or repurchase of:	742,599	(28,235)
a) financial assets measured at amortised cost	660,476	55,704
b) financial assets at fair value through other comprehensive income	110,867	(36,953)
c) financial liabilities	(28,744)	(46,986)
110. Profits (losses) on financial assets and liabilities measured at fair value through profit or loss	(16,668)	(60,984)
a) financial assets and liabilities designated at fair value	(1,775)	680
b) other financial assets mandatorily at fair value	(14,893)	(61,664)
120. Gross income	1,965,972	2,257,927
130. Net adjustments/recoveries for credit risk relating to:	26,340	(111,879)
a) financial assets measured at amortised cost	30,339	(110,874)
b) financial assets at fair value through other comprehensive income	(3,999)	(1,005)
140. Gains/losses from changes in contracts without derecognition	(497)	(2,199)
150. Financial income (expense), net	1,991,815	2,143,849
160. Net premium income	308,430	202,651
170. Net other income (expense) from insurance operations	(144,093)	(130,130)
180. Net income from financial and insurance operations	2,156,152	2,216,370
190. Administrative expenses	(7,909,775)	(7,411,688)
a) staff costs	(1,976,626)	(1,956,925)
b) other administrative expenses	(5,933,149)	(5,454,763)
200. Net accruals to the provisions for risks and charges	(122,894)	(16,343)
a) guarantees issued and commitments	(9,221)	(11,511)
b) other net accrual	(113,673)	(4,832)
210. Net adjustments to/recoveries on property, plant and equipment	(1,627,816)	(1,442,922)
220. Net adjustments to/recoveries on intangible assets	(617,968)	(599,116)
230. Other operating income (costs)	12,680,849	11,919,545
240. Operating costs	2,402,396	2,449,476
250. Gains (losses) on equity investments	430,489	1,108,254
260. Gains (losses) on tangible and intangible assets measured at fair value		
270. Goodwill impairment		
280. Gains (losses) on disposal of investments	15,346	18,767
290. Income (loss) before tax from continuing operations	5,004,383	5,792,867
300. Income tax for the year on continuing operations	(1,565,476)	(1,459,412)
310. Income (loss) after tax on continuing operations	3,438,907	4,333,455
320. Income (loss) after tax on discontinued operations	(28,205)	
330. Net income (loss) for the year pertaining to non-controlling interests	3,410,702	4,333,455
340. Net income (loss) for the year pertaining to non-controlling interests	1,626,501	1,442,604
350. Net income (loss) for the year pertaining to shareholders of the Parent Company	1,784,201	2,890,851

DETAILED STATEMENT OF CONSOLIDATED COMPREHENSIVE INCOME

(thousands of euro)

Items	2019	2018
10. Net income (loss) for the year	3,410,702	4,333,455
Other comprehensive income (net of tax) ot transferred to income statement	(82)	(259,450)
20. Equity securities designated at fair value through other comprehensive income	65,811	(268,782)
30. Financial liabilities designated at fair value through profit or loss (change in the entity's own credit risk)		
40. Hedging of equity securities designated at fair value through other comprehensive income		
50. Property, plant and equipment		
60. Intangible assets		
70. Defined benefit	(6,988)	5,393
80. Non-current assets held for sale		
90. Share of valuation reserves of equity investments accounted for using equity method	(58,905)	3,939
Other comprehensive income (net of tax) transferred to income statement	545,214	(509,688)
100. Hedging of foreign investments		
110. Exchange rate differences	17,894	7,096
120. Cash flow hedges	(178,570)	(150,059)
130. Hedging instruments (elements not designated)		
140. Financial assets (other than equity securities) measured at fair value through other comprehensive income	294,905	(213,529)
150. Non-current assets held for sale		
160. Share of valuation reserves of equity investments accounted for using equity method	410,985	(153,196)
170. Total other comprehensive income (net of tax)	545,132	(769,138)
180. Comprehensive income (items 10+170)	3,955,834	3,564,317
190. Consolidated comprehensive income pertaining to non-controlling interests	1,492,694	1,376,237
200. Consolidated comprehensive income pertaining to shareholders of the parent company	2,463,140	2,188,080

CONSOLIDATED CASH FLOW STATEMENT (INDIRECT METHOD)

(thousands of euro)	2019	2018
A. OPERATING ACTIVITIES		
1. Operations	9,797,306	9,061,534
- net income for the year (+/-)	3,410,702	4,333,455
- gains (losses) on financial assets held for trading and other financial assets/liabilities measured at fair value through profit or loss (-/+)	10,524	88,164
- gains (losses) on hedging activities (-/+)	99,132	42,064
- net impairment adjustments (+/-)	(26,340)	111,879
- net value adjustments to property, plant and equipment and intangible assets (+/-)	2,245,784	2,042,038
- net provisions and other costs/revenues (+/-)	122,894	16,343
- net premiums not received (-)	(16,186)	(14,284)
- other insurance income not received/paid (-/+)	93,492	246,352
- unpaid charges, taxes and tax credits (+/-)	39,060	(299,469)
- write-downs/write-backs of equity investments (+/-)	(276,182)	(1,103,473)
- income (loss) after tax on discontinued operations (+/-)		
- other adjustments (+/-)	4,094,426	3,598,465
2. Cash generated by/used in financial assets	(20,182,812)	3,878,215
- financial assets held for trading	(427,966)	(157,453)
- financial assets designated at fair value		
- other financial assets mandatorily measured at fair value	(86,488)	(541,507)
- financial assets measured at fair value through other comprehensive income	(497,767)	(2,322,629)
- financial assets measured at amortised cost	(19,296,993)	7,033,499
- other assets	126,402	(133,695)
3. Cash generated by/used in financial liabilities	12,196,631	1,520,430
- financial liabilities measured at amortised cost	12,868,656	1,962,437
- financial liabilities held for trading	8,218	(103,948)
- financial liabilities designated at fair value	(462,129)	865
- other liabilities	(218,114)	(338,924)
Cash generated by/used in operating activities	1,811,125	14,460,179
B. INVESTMENT ACTIVITIES		
1. Cash generated by	1,308,477	1,263,576
- sale of equity investments	47,153	69,320
- dividends from equity investments	1,180,968	1,124,797
- sale of property plant and equipment	77,856	67,956
- sale of intangibles	2,500	1,503
- sales of subsidiaries and business units		
2. Cash used in	(4,516,159)	(3,335,265)
- purchase of equity investments	(401,753)	(490,454)
- purchase of property, plant and equipment	(2,358,323)	(2,008,343)
- purchase of intangible assets	(908,489)	(684,818)
- purchases of subsidiaries and business units	(847,594)	(151,650)
Cash generated by/used in investing activities	(3,207,682)	(2,071,689)
C. FINANCING ACTIVITIES		
- issue/purchase of treasury shares	(42,378)	
- issue/purchase of equity instruments		
- dividend distribution and other allocations	(3,534,751)	(2,625,128)
- sale/purchase of third-party control	2,639	
Cash generated by/used in financing activities	(3,574,490)	(2,625,128)
CASH GENERATED/USED DURING THE YEAR	(4,971,047)	9,763,362

RECONCILIATION

Items	2019	2018
Cash and cash equivalents at beginning of the year	161,429,877	151,666,515
Total cash generated/used during the year	(4,971,047)	9,763,362
Cash and cash equivalents at end of the year	156,458,830	161,429,877

* The cash and cash equivalents reported in the cash flow statement comprise the balance of item 10 "Cash and cash equivalents", the balance on the current account held with the Central Treasury and the positive balance of the bank current accounts, both reported under item 40 "Financial assets measured at amortised cost", net of current accounts with a negative balance reported under item 10 "Financial liabilities measured at amortised cost" under liabilities.

Reclassified income statement and balance sheet figures for the CDP Group (*)

RECLASSIFIED CONSOLIDATED BALANCE SHEET - Assets

(millions of euro; %)	31/12/2019	31/12/2018	Change (+ / -)	(%) change
Assets				
Cash and cash equivalents and other treasury investments	170,934	170,362	572	0.3%
Loans	105,664	104,898	766	0.7%
Debt securities, equity securities and units in collective investment undertakings	84,719	70,603	14,116	20.0%
Equity investments	18,952	20,396	(1,444)	-7.1%
Trading and hedging derivatives	499	812	(313)	-38.5%
Property, plant and equipment and intangible assets	52,547	46,464	6,083	13.1%
Reinsurers' share of technical reserves	1,002	852	150	17.6%
Other assets	14,407	10,696	3,711	34.7%
Total assets	448,724	425,083	23,641	5.6%

RECLASSIFIED CONSOLIDATED BALANCE SHEET - Liabilities and equity

(millions of euro; %)	31/12/2019	31/12/2018	Change (+ / -)	(%) change
Liabilities and equity				
Funding	385,719	367,226	18,493	5.0%
- of which :				
- postal funding	265,067	258,040	7,027	2.7%
- funding from banks	60,082	63,859	(3,777)	-5.9%
- funding from customers	18,705	7,795	10,910	n/s
- bond funding	41,865	37,532	4,333	11.5%
Liabilities held for trading and hedging derivatives	3,145	908	2,237	n/s
Technical reserves	2,812	2,675	137	5.1%
Other liabilities	13,591	10,986	2,605	23.7%
Provisions for contingencies, taxes and staff severance pay	7,347	6,556	791	12.1%
Total Equity	36,110	36,732	(622)	-1.7%
Total liabilities and equity	448,724	425,083	23,641	5.6%

(*) The reclassified figures are not subject to auditing by the Independent Auditors

RECLASSIFIED CONSOLIDATED INCOME STATEMENT

(millions of euro; %)	31/12/2019	31/12/2018	Change (+ / -)	(%) change
Net interest income	1,208	2,258	(1,050)	-46.5%
Gains (losses) on equity investments	447	1,120	(673)	-60.1%
Net commission income (expense)	95	101	(6)	-5.9%
Other net revenues (costs)	646	(113)	759	n/s
Gross income	2,396	3,366	(970)	-28.8%
Profit (loss) on insurance business	164	73	91	n/s
Profit (loss) on banking and insurance operations	2,560	3,439	(879)	-25.6%
Net recoveries (impairment)	17	(126)	143	n/s
Administrative expenses	(7,910)	(7,412)	(498)	6.7%
Other net operating income (costs)	12,681	11,920	761	6.4%
Operating income	7,348	7,821	(473)	-6.0%
Net provisions for risks and charges	(113)	(5)	(108)	n/s
Net adjustments to PPE and intangible assets	(2,246)	(2,042)	(204)	10.0%
Other	(13)	18	(31)	n/s
Income taxes	(1,565)	(1,459)	(106)	7.3%
Net income for the year	3,411	4,333	(922)	-21.3%
Net income (loss) for the year pertaining to non-controlling interests	1,627	1,442	185	12.8%
Net income (loss) for the year pertaining to the Parent Company	1,784	2,891	(1,107)	-38.3%

Statements of reconciliation of accounting and operating figures relating to CDP Group

Consolidated Balance sheet - assets – Reconciliation

(millions of euro)	31/12/2019	Cash and cash equivalents and other treasury investments	Loans	Debt securities and units in collective investment undertakings	Equity investments	Trading and hedging derivatives	Property, plant and equipment and intangible assets	Reinsurers' share of technical reserves	Other assets
ASSETS - Balance sheet items									
10. Cash and cash equivalents	1	1							
20. Financial assets measured at fair value through profit or loss	4,818								
a) Financial assets held for trading	1,474			1,406		68			
b) Financial assets designated at fair value									
c) Other financial assets mandatorily measured at fair value	3,344		501	2,843					
30. Financial assets measured at fair value through other comprehensive income	12,360			12,360					
40. Financial assets measured at amortised cost	344,206								
a) Loans to banks	32,685	19,121	12,004	1,560					
b) Loans to customers	311,521	151,812	93,159	66,550					
50. Hedging derivatives	431					431			
60. Fair value change of financial assets in hedged portfolios (+/-)	1,467								1,467
70. Equity investments	18,952				18,952				
80. Reinsurers' share of technical reserves	1,002							1,002	
90. Property, plant and equipment	39,355						39,355		
100. Intangible assets	13,192						13,192		
110. Tax assets	1,879								1,879
120. Non-current assets and disposal groups held for sale	342								342
130. Other assets	10,719								10,719
Total assets	448,724	170,934	105,664	84,719	18,952	499	52,547	1,002	14,407

Consolidated Balance sheet - Liabilities and equity - Reconciliation

(millions of euro)	31/12/2019	Funding	Funding				Liabilities held for trading and hedging derivatives	Technical reserves	Other liabilities	Provisions for contingencies, taxes and staff severance pay	Total equity
			Postal funding	Funding from banks	Funding from customers	Bond funding					
LIABILITIES AND EQUITY - Balance sheet items											
10. Financial liabilities measured at amortised cost	385,658										
a) Due to banks	41,840	41,840	1,364	40,476							
b) Due to customers	302,012	302,012	263,703	19,606	18,703						
c) Securities issued	41,806	41,806				41,806					
20. Financial liabilities held for trading	90						90				
30. Financial liabilities designated at fair value	61	61			2	59					
40. Hedging derivatives	3,055						3,055				
50. Fair value change of financial liabilities in hedged portfolios (+/-)	18								18		
60. Tax liabilities	3,651									3,651	
70. Liabilities associated with non-current assets and disposal groups held for sale	165								165		
80. Other liabilities	13,408								13,408		
90. Staff severance pay	253									253	
100. Provisions for risks and charges	3,443									3,443	
110. Technical reserves	2,812							2,812			
120. Valuation reserves	1,147										1,147
150. Reserves	14,678										14,678
160. Share premium reserve	2,379										2,379
170. Share capital	4,051										4,051
180. Treasury shares (-)	(489)										(489)
190. Non-controlling interests (+/-)	12,560										12,560
200. Net income (loss) for the year	1,784										1,784
Total liabilities and equity	448,724	385,719	265,067	60,082	18,705	41,865	3,145	2,812	13,591	7,347	36,110

IFRS Statements for the 2019 Separate Financial Statements of CDP S.p.A. (*)

BALANCE SHEET

(euro)

Assets	31/12/2019	31/12/2018
10. Cash and cash equivalents	2,945	4,968
20. Financial assets measured at fair value through profit or loss	2,877,621,143	2,764,648,580
a) Financial assets held for trading	132,354,188	71,025,547
c) Other financial assets mandatorily measured at fair value	2,745,266,955	2,693,623,033
30. Financial assets measured at fair value through other comprehensive income	12,132,370,946	11,463,816,657
40. Financial assets measured at amortised cost	337,105,174,693	323,523,877,889
a) Loans to banks	27,030,998,423	20,179,064,614
b) Loans to customers	310,074,176,270	303,344,813,275
50. Hedging derivatives	381,346,407	679,154,031
60. Fair value change of financial assets in hedged portfolios (+/-)	1,467,342,668	131,580,898
70. Equity investments	30,708,619,338	30,316,282,467
80. Property, plant and equipment	352,570,349	322,660,563
90. Intangible assets	30,778,670	20,946,199
- of which goodwill		
100. Tax assets	470,532,581	480,439,453
a) current tax assets	78,805,161	1,044,283
b) deferred tax assets	391,727,420	479,395,170
120. Other assets	325,097,376	312,075,968
Total assets	385,851,457,116	370,015,487,673

(*) The independent audit of the accounts had not been completed at the date of this press release

BALANCE SHEET

(euro)

Liabilities and equity	31/12/2019	31/12/2018
10. Financial liabilities measured at amortised cost	356,166,295,137	342,568,459,670
a) due to banks	30,219,811,671	30,429,338,747
b) due to customers	305,895,813,522	293,196,243,128
c) securities issued	20,050,669,944	18,942,877,795
20. Financial liabilities held for trading	128,929,516	70,980,902
30. Financial liabilities designated at fair value		500,023,869
40. Hedging derivatives	2,682,554,691	656,432,622
50. Adjustment of financial liabilities in hedged portfolios (+/-)	18,698,844	26,033,402
60. Tax liabilities	285,024,331	394,012,110
a) current tax liabilities	105,092,507	284,550,223
b) deferred tax liabilities	179,931,824	109,461,887
80. Other liabilities	789,434,298	753,397,724
90. Staff severance pay	962,548	1,035,773
100. Provisions for risks and charges	828,826,174	250,773,280
a) guarantees issued and commitments	219,382,082	120,441,569
c) other provisions	609,444,092	130,331,711
110. Valuation reserves	902,073,725	539,854,697
140. Reserves	15,371,824,233	15,341,579,796
150. Share premium reserve	2,378,517,244	2,378,517,244
160 Share capital	4,051,143,264	4,051,143,264
170 Treasury shares (-)	(489,110,970)	(57,220,116)
180 Net income (loss) for the year (+/-)	2,736,284,081	2,540,463,436
Total liabilities and equity	385,851,457,116	370,015,487,673

INCOME STATEMENT

(euro)

Items	31/12/2019	31/12/2018
10. Interest income and similar income	6,988,054,591	7,849,429,210
of which: interest income calculated using the effective interest rate method	7,242,285,057	8,074,651,562
20. Interest expense and similar expense	(4,462,007,713)	(4,266,256,100)
Net interest income	2,526,046,878	3,583,173,110
40. Commission income	391,782,321	396,384,656
50. Commission expense	(1,483,724,319)	(1,537,340,203)
60 Net commission income (expense)	(1,091,941,998)	(1,140,955,547)
70. Dividends and similar revenues	1,423,995,543	1,362,386,971
80. Profits (losses) on trading activities	(22,386,973)	2,852,174
90. Fair value adjustments in hedge accounting	(31,274,015)	(16,694,547)
100. Gains (losses) on disposal or repurchase of:	743,604,178	16,977,220
a) financial assets measured at amortised cost	632,736,830	53,948,941
b) financial assets measured at fair value through other comprehensive income	110,867,348	(36,952,465)
c) financial liabilities		(19,256)
110. Profits (losses) on financial assets and liabilities measured at fair value through profit or loss	(7,804,414)	(30,007,376)
a) financial assets and liabilities designated at fair value	23,869	1,527,286
b) other financial assets mandatorily measured at fair value	(7,828,283)	(31,534,662)
120. Gross income	3,540,239,199	3,777,732,005
130. Net adjustments/recoveries for credit risk relating to:	76,749,381	(65,137,062)
a) financial assets measured at amortised cost	80,839,149	(64,114,115)
b) financial assets at fair value through other comprehensive income	(4,089,768)	(1,022,947)
140. Gains/losses from changes in contracts without derecognition	(496,967)	(2,199,115)
150. Financial income (expense), net	3,616,491,613	3,710,395,828
160. Administrative expenses	(177,078,353)	(216,233,304)
a) staff costs	(110,968,473)	(153,068,946)
b) other administrative expenses	(66,109,880)	(63,164,358)
170. Net accruals to the provisions for risks and charges	(60,517,547)	(42,286,102)
a) guarantees issued and commitments	(10,304,725)	(8,505,950)
b) other net accruals	(50,212,822)	(33,780,152)
180. Net adjustments to/recoveries on property, plant and equipment	(9,057,661)	(4,352,487)
190. Net adjustments to/recoveries on intangible assets	(5,678,147)	(3,198,155)
200. Other operating income (costs)	13,329,498	6,303,373
210. Operating costs	(239,002,210)	(259,766,675)
220. Gains (losses) on equity investments	61,346,965	(172,032,794)
250. Gains (losses) on disposal of investments	(43,487)	(4,042)
260. Income (loss) before tax from continuing operations	3,438,792,881	3,278,592,317
270. Income tax for the year on continuing operations	(702,508,800)	(738,128,881)
280. Income (loss) after tax on continuing operations	2,736,284,081	2,540,463,436
300. Net income (loss) for the year	2,736,284,081	2,540,463,436

STATEMENT OF COMPREHENSIVE INCOME

(euro)

Items	31/12/2019	31/12/2018
10. Net income (loss) for the year	2,736,284,081	2,540,463,436
Other comprehensive income net of tax not transferred to income statement	61,837,532	(270,092,787)
20. Equity securities designated at fair value through other comprehensive income	61,837,532	(270,092,787)
Other comprehensive income net of taxes transferred to income statement	300,381,496	(243,914,971)
120. Cash flow hedges	(8,951,269)	(11,922,482)
140. Financial assets (other than equity securities) measured at fair value through other comprehensive income	309,332,765	(231,992,489)
170. Total other comprehensive income net of tax	362,219,028	(514,007,758)
180. Comprehensive income (items 10+170)	3,098,503,109	2,026,455,678

CASH FLOW STATEMENT (indirect method)

(euro)	31/12/2019	31/12/2018
A. OPERATING ACTIVITIES	-	-
1. Operations	6,642,352,905	6,860,800,960
- net income for the year (+/-)	2,736,284,081	2,540,463,436
- gains (losses) on financial assets held for trading and on other financial assets/liabilities measured at fair value through profit or loss (-/+)	(10,531,452)	33,844,400
- gains (losses) on hedging activities (-/+)	31,274,015	16,694,547
- net impairment adjustments (+/-)	(57,249,106)	69,285,079
- net value adjustments to property, plant and equipment and intangible assets (+/-)	14,735,808	7,550,642
- net provisions and other costs/revenues (+/-)	70,649,643	104,328,200
- unpaid charges, taxes and tax credits (+/-)	(250,529,014)	565,421,893
- write-downs/write-backs of equity investments (+/-)	(61,346,965)	172,416,713
- other adjustments (+/-)	4,169,065,895	3,350,796,050
2. Cash generated by/used in financial assets	(21,772,248,987)	4,412,153,725
- financial assets held for trading	(47,426,219)	9,511,566
- other financial assets mandatorily measured at fair value	(59,958,223)	(516,224,315)
- financial assets measured at fair value through other comprehensive income	(64,784,901)	(2,320,597,677)
- financial assets measured at amortised cost	(21,766,649,050)	7,396,503,504
- other assets	166,569,406	(157,039,352)
3. Cash generated by/used in financial liabilities	10,405,998,554	(635,322,549)
- financial liabilities measured at amortised cost	10,759,688,815	(589,324,711)
- financial liabilities held for trading	51,831,401	(47,159,376)
- financial liabilities designated at fair value	(500,023,869)	
- other liabilities	94,502,207	1,161,538
Cash generated by/used in operating activities	(4,723,897,528)	10,637,632,136
B. INVESTMENT ACTIVITIES		
1. Cash generated by	10,000	3,664,987
- sale of equity investments		3,664,987
- sale of property plant and equipment	10,000	-
2. Cash used in	(354,751,172)	(116,356,400)
- purchase of equity investments	(326,207,499)	(80,826,593)
- purchase of property, plant and equipment	(13,370,360)	(22,785,012)
- purchase of intangible assets	(15,173,314)	(12,744,795)
Cash generated by/used in investing activities	(354,741,172)	(112,691,413)
C. FINANCING ACTIVITIES		
- dividend distribution and other allocations	(2,514,569,355)	(1,345,159,412)
Cash generated by/used in financing activities	(2,514,569,355)	(1,345,159,412)
CASH GENERATED/USED DURING THE YEAR	(7,593,208,055)	9,179,781,311
RECONCILIATION		
Items (*)	31/12/2019	31/12/2018
Cash and cash equivalents at beginning of the year	158,719,986,509	149,540,205,198
Total cash generated/used during the year	(7,593,208,055)	9,179,781,311
Cash and cash equivalents: effects of changes in exchange rates		
Cash and cash equivalents at end of the year	151,126,778,454	158,719,986,509

(*) The cash and cash equivalents reported in the cash flow statement comprise the balance of item 10 "Cash and cash equivalents", the balance on the current account held with the Central Treasury and the positive balance of the bank current accounts, both reported under item 40 "Financial assets measured at amortised cost", net of current accounts with a negative balance reported under item 10 "Financial liabilities measured at amortised cost" under liabilities.

Reclassified income statement and balance sheet figures of CDP (*)

RECLASSIFIED BALANCE SHEET - Assets

(millions of euro; %)	31/12/2019	31/12/2018	Change (+ / -)	(%) change
Cash and cash equivalents	171,262	167,944	3,317	2.0%
Loans	100,981	101,293	(312)	-0.3%
Debt securities	70,998	60,004	10,995	18.3%
Equity investments and funds	34,208	33,114	1,094	3.3%
Assets held for trading and hedging derivatives	1,981	882	1,099	n/s
Property, plant and equipment and intangible assets	383	344	40	11.6%
Accrued income, prepaid expenses and other non-interest-bearing assets	5,242	5,642	(400)	-7.1%
Other assets	796	793	3	0.4%
Total assets	385,851	370,015	15,836	4.3%

RECLASSIFIED BALANCE SHEET - Liabilities and equity

(millions of euro; %)	31/12/2019	31/12/2018	Change (+ / -)	(%) change
Funding	355,693	342,595	13,098	3.8%
- of which :				
- postal funding	265,067	258,040	7,027	2.7%
- funding from banks	48,108	52,939	(4,831)	-9.1%
- funding from customers	22,876	12,590	10,286	81.7%
- bond funding	19,641	19,025	616	3.2%
Liabilities held for trading and hedging derivatives	2,830	753	2,077	n/s
Accrued expenses, deferred income and other non-interest-bearing liabilities	474	474	-	0.0%
Other liabilities	789	753	36	4.8%
Provisions for contingencies, taxes and staff severance pay	1,115	646	469	72.6%
Equity	24,951	24,794	156	0.6%
Total liabilities and equity	385,851	370,015	15,836	4.3%

(*) The reclassified figures are not subject to auditing by the Independent Auditors

RECLASSIFIED INCOME STATEMENT

(millions of euro; %)	31/12/2019	31/12/2018	Change (+ / -)	(%) change
Net interest income	1,355	2,356	(1,002)	-42.5%
Dividends	1,424	1,362	62	4.5%
Other net revenues (costs)	770	88	682	n/s
Gross income	3,549	3,807	(258)	-6.8%
Write-downs	119	(277)	396	n/s
Staff costs and other administrative expenses	(176)	(215)	39	-18.3%
Amortisation and other operating expenses and income	(3)	(2.67)	(0.30)	11.1%
Operating income	3,489	3,312	177	5.3%
Provisions for risks and charges	(50)	(34)	(16)	48.8%
Income taxes	(703)	(738)	36	-4.8%
Net income	2,736	2,540	196	7.7%

Statements of reconciliation of accounting and operating figures relating to CDP

Balance sheet - assets – Reconciliation

(millions of euro)	31 December 2019	Cash and cash equivalents and other treasury investments	Loans	Debt securities, equity securities	Equity investments and Funds	Assets held for trading and hedging derivatives	Property, plant and equipment and intangible assets	income, prepaid expenses and other non-interest bearing assets	Other assets
ASSETS - Balance sheet items									
10. Cash and cash equivalents	0	0							
20. Financial assets measured at fair value through profit or loss	2,878			129	2,616	132		0	
30. Financial assets measured at fair value through other comprehensive income	12,132			11,210	884			39	
40. Financial assets measured at amortised cost	337,105								
a) Loans to banks	27,031	16,105	10,901					25	
b) Loans to customers	310,074	155,156	90,081	59,659				5,178	
50. Hedging derivatives	381					381			
60. Fair value change of financial assets in hedged portfolios (+/-)	1,467					1,467			
70. Equity investments	30,709				30,709				
80. Property, plant and equipment	353						353		
90. Intangible assets	31						31		
100. Tax assets	471								471
110. Non-current assets and disposal groups held for sale	-								
120. Other assets	325								325
Total assets	385,851	171,262	100,981	70,998	34,208	1,981	383	5,242	796

Balance sheet - Liabilities and equity - Reconciliation

(millions of euro)	31 December 2019	Funding	Postal Funding	Funding from banks	Funding from customers	Bond Funding	Liabilities held for trading and hedging derivatives	Accrued expenses, deferred income and other non-interest bearing assets	Other liabilities	Provisions for contingencies, taxes and staff severance pay	Total equity
LIABILITIES AND EQUITY - Balance sheet items											
10. Financial liabilities measured at amortised	356,166										
a) Due to banks	30,220	30,214	1,364	28,399	451			5			
b) Due to customers	305,896	305,837	263,703	19,709	22,425			59			
c) Securities issued	20,051	19,641				19,641		409			
20. Financial liabilities held for trading	129						129				
30. Financial liabilities designated at fair value	-										
40. Hedging derivatives	2,683						2,683				
50. Fair value change of financial liabilities in hedged portfolios	19						19				
60. Tax liabilities	285									285	
70. Liabilities associated with non-current assets and disposal groups held for sale	-										
80. Other liabilities	789								789		
90. Staff severance pay	1									1	
100. Provisions for risks and charges	829									829	
110. Valuation reserves	902										902
120. Redeemable shares	-										
130. Equity instruments	-										
140. Reserves	15,372										15,372
150. Share premium reserve	2,379										2,379
160. Share capital	4,051										4,051
170. Treasury shares	(489)										(489)
180. Net income (loss) for the year	2,736										2,736
Total liabilities and equity	385,851	355,693	265,067	48,108	22,876	19,641	2,830	474	789	1,115	24,951

income statement – Reconciliation

(millions of euro)

INCOME STATEMENT-Financial statement items	31 December 2019	Net interest income	Dividends	Other net revenues (costs)	Gross income	Write-downs	Operating costs	Operating income	Net provisions for risks and charges	Income taxes	Net income (loss) for the year
10. Interest income and similar income	6,988	6,988			6,988			6,988			6,988
20. Interest expense and similar expense	(4,462)	(4,462)			(4,462)			(4,462)			(4,462)
40. Commission income	392	300		92	392			392			392
Commission expense	(1,484)	(1,471)		(12)	(1,484)			(1,484)			(1,484)
70. Dividends and similar revenues	1,424		1,424		1,424			1,424			1,424
80. Profits (losses) on trading activities	(22)			(22)	(22)			(22)			(22)
90. Net gain (loss) on hedging activities	(31)			(31)	(31)			(31)			(31)
100. Gains (losses) on disposal or repurchase	744			744	744			744			744
110. Profits (losses) on financial assets and liabilities measured at fair value through profit or loss	(8)			1	1	(8)		(8)			(8)
130. Net adjustments/recoveries for credit risk	77					77		77			77
140. Gains/losses from changes in contrats w without derecognition	(0)					(0)		(0)			(0)
160. Administrative expenses	(177)						(177)	(177)			(177)
170. Net accruals to the provisions for risks and charges	(61)					(10)		(10)	(50)		(61)
180. Net adjustments to/recoveries on property, plant and equipment	(9)						(9)	(9)			(9)
190. Net adjustments to/recoveries on intangible assets	(6)						(6)	(6)			(6)
200. Other operating income (costs)	13						13	13			13
220. Gains (losses) on equity investments	61					61		61			61
230. Gains (Losses) on tangible and intangible assets measured at fair value	-										
240. Goodwill impairment											
250. Gains (losses) on disposal of investments	(0)								(0)		(0)
270. Income tax for the year on continuing operations	(703)									(703)	(703)
280. Income (loss) after tax on discontinued operations	-										-
Total income statement	2,736	1,355	1,424	770	3,549	119	(178)	3,489	(50)	(703)	2,736