

# HALF-YEAR FINANCIAL REPORT 2022



**LA POSTE**  
GROUPE

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# HALF-YEAR MANAGEMENT REPORT

Review of the financial position  
and results

Main risks & uncertainties

## Review of the financial position and results

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*NB 1: The financial data shown in this document are taken from the Group's consolidated financial statements established according to IFRS.*

*NB 2: The amounts shown in the tables are generally provided in millions of euros. Rounding may on occasion result in slight differences in totals or changes.*

## 1. Key highlights

### 1.1 Economic and financial environment

The Group is impacted in its various business lines by the economic climate and in particular by inflation, which is reflected in a change in the cost of labour in France and in its main European neighbours and by a change in consumption behaviour. The Group is also sensitive, as regards its banking activities, to changes in interest rates and, to a lesser extent, to changes in the financial markets. Lastly, changes in exchange rates, particularly against the Brazilian real and the pound sterling, and oil prices also have a significant impact on the Group's logistics and international activities.

#### **International: increase in headwinds**

The first half of 2022 was marked by a multiplication of negative factors for the global economy. At the end of February, the start of the war in Ukraine resulted in a surge in commodity prices supported by fears of a sudden interruption of the oil and gas deliveries from Russia to Europe. While supplies were then eased, prices remained high throughout the first half of the year, particularly gas prices on the European market. This has also resulted in overheating in the European electricity price market. In addition to the persistent tensions related to the supply difficulties, in particular the five-fold increase in the cost of container transport between mid-2020 and the beginning of 2022, upstream price increases gradually spread to downstream sectors (processed food products, manufactured products, prices of certain services such as air transport). This has resulted in a wave of inflation unprecedented since the early 1980s. Measured over one year, the increase in consumer prices was 9.1% in the United Kingdom in May, 8.6% in the United States in May and 8.6% in the Euro zone in June. In this context, central banks decided to begin a sharp tightening of their monetary policies, by interrupting their asset purchases and raising their key rates. While it was still zero at the beginning of the year, the members of the Fed are thus projecting a Fed funds rate of 3.4% at the end of 2022. As a result, long-term interest rates have adjusted upwards and stock market indices have declined. In this context, household confidence deteriorated sharply, reflecting the loss of purchasing power caused by price increases and fears about the fallout from an economic slowdown. Lastly, faced with the deterioration of the health situation in the spring, the Chinese authorities restored very strict travel constraints, which clearly weighed on economic activity. They only began to be lifted at the beginning of June.

Despite this particularly difficult context, the global economy has shown resilience. On the other side of the Atlantic, GDP has certainly contracted in the first quarter, but consumption remained dynamic in the spring thanks to a decline in the savings rate and net job creation remained strong. In June, however, the business trend surveys showed the first signs of weakening. In emerging countries, the situation remains very disparate. Rising commodity prices favour exporting countries. For example, Saudi Arabia recorded growth in GDP of nearly 10% year-on-year in the first quarter. But the equation is sometimes more complicated. Countries that export food raw materials, such as Brazil, are suffering from the increase in the cost of fertilisers following the increase in oil prices. The increase in food prices is generally a source of inflation in emerging countries, which has led central banks to raise their key rates, also to support their currencies against the dollar. In Central Europe, the Polish economy continued to grow strongly in early 2022 (8.5% year-on-year GDP growth in the first quarter). Very dependent on Russia for its gas supply before the start of the conflict (more than 80% of its imports), Poland is rather in the high range in terms of inflation among European countries (15.6% year-on-year in June).

#### **Euro zone: inflationary fever leads the ECB to become tougher**

After falling behind US inflation, inflation in the Euro zone continued to rise sharply in the first half of 2022. In June it reached 8.6%. It exceeds 10% in several countries, particularly in Central and Eastern Europe. While energy initially accounted for a very large part of inflation, the upstream shock on

commodities is spreading to other sectors. While the increase in wages remained limited until the end of 2021, the year-on-year increase in the negotiated wage index (the benchmark indicator for the Euro zone) rose from 1.6% in the fourth quarter of 2021 to 2.8% in the first quarter of 2022. Initially, the ECB adopted a moderate stance, considering that since inflation was mainly due to energy, monetary policy could not fight effectively against these external pressures. However, with the emergence of diffusion effects on downstream sectors and the increase in wages, it clearly hardened the tone in May-June. After ending its asset purchase programme within the framework of its anti-pandemic programme in April, in early July it stopped its net purchases of Asset Purchase Programme (APP) securities launched in 2015 and announced a first increase in its key rate in July before raising them again in September.

At the beginning of 2022, most countries in the Euro zone, except Spain, which suffered from its exposure to tourism, and Germany, which suffered from the decline in exports and the underperformance of the automotive sector, had returned to their level of activity in 2019. In the first quarter of 2022, the GDP for the region as a whole increased by 0.6% compared to the previous quarter, including a marked increase in Irish GDP for technical reasons which alone explains about half of the overall increase. Business trend surveys of companies held up fairly well in the spring, only beginning to show a downward trend in June. The unemployment rate (6.7% in June) is the lowest observed in the last 25 years.

### **France: the “price shield” tempers inflation**

In the first quarter of 2022, the French GDP contracted by 0.2% compared to the previous quarter. This is mainly due to the decline in household consumption (down by 1.5% compared to the previous quarter). Household purchasing power declined by 1.9% over the quarter, also partly reflecting the impact of the inflation premium paid in December. Given the health constraints at the beginning of the year, the household savings rate declined only modestly compared to the end of 2021. At 16.7%, it was still 1.4 points above its level at the end of 2019.

Compared to the other countries in the Euro zone, inflation in France remained significantly lower (5.8% year-on-year in June). This is largely due to the “price shield” (regulated gas and electricity prices contained, fuel price rebates). According to INSEE, these measures have reduced headline inflation by 2 points.

Business trend surveys suggest a slowdown in activity in industry and for certain services in June (with the notable exception of accommodation and food services). However, the labour market has held up well since the beginning of 2022, with nearly 70,000 net job creations in the first quarter and an unemployment rate down very slightly to 7.3%. Young people benefit in particular from a sharp increase in the number of apprenticeship contracts following the incentives put in place.

### **Sharp rebound in long-term rates**

In line with the announcements of central banks, the expected trajectories for key rates and the surge in inflation, interest rates on government bonds recovered significantly in the first half of the year. The US 10-year rate exceeded 3% in mid-June, returning to its level of the autumn of 2018. The recovery in long-term rates is even more spectacular in the Euro zone. The yield on 10-year French treasury bonds (*Obligations assimilables du trésor – OAT*), still in negative territory in the autumn of 2021, exceeded 2% in June. However, in the second half of June, fears of a sharp slowdown in activity weighed on long-term rates.

As regards the interbank rates, while the ESTER, anchored to the deposit facility rate, has remained stable so far (at -0.58% on average in June), the 3-month EURIBOR (the rate at which the major banks lend to each other for a period of three months) began to recover with the ECB's expectations of key rate hikes to end the month of June at around -0.20% compared to an average of -0.58% last December.

### **Sharp decline in stock markets**

The low interest rates and the spectacular recovery in the financial results of listed companies provided a very favourable environment for stock markets in 2021. The trend has reversed since the beginning of the year, in a context of increasing uncertainty and, above all, an upturn in long-term rates. At the end of June, the S&P 500 was down by 20% and the NASDAQ by 29% compared to the beginning of the year. The CAC 40 thus ended the month of June at 5,923 points (down by 17% compared to the end of December). The US indices are still above their level at the end of 2019, while the CAC 40 is close.

### **Dollar strength**

The anticipation of a marked tightening of US monetary policy favoured the dollar, which retained its role as a safe haven in a very uncertain economic and geopolitical context. The euro ended the month of June at \$1.05 per euro against \$1.13 per euro at the end of December. However, the ECB's announcements at the end of the first half of the year helped support the single European currency. For its part, the pound remained fairly stable against the euro in the first half of 2022 (£0.86 per euro at the end of June).

Lastly, emerging currencies have generally moved in a dispersed manner in recent months. The currencies of commodity-exporting countries were supported by increases in commodity prices. Key rate increases also played a role. The Brazilian real thus ended the first half of 2022 at around BRL 5.25 per US dollar compared to BRL 5.70 per dollar at the end of 2021. In addition, the rouble, which lost half of its value at the beginning of the war in Ukraine, then appreciated very sharply in a context of improvement of the Russian trade balance.

### **Oil: price tensions**

The price of a barrel of North Sea oil (Brent) ended the month of June at \$115 per barrel. At the end of 2019, it was around \$65. At the heart of the Covid crisis, in March 2020, crude oil prices collapsed to around \$20. The current level of the oil price is not a historical peak. We recall that before the financial crisis, the price of a barrel was close to \$140. However, the increase observed in recent months has had a major impact on the economy, while the level of oil demand in the world is still a little lower than that prevailing before the health crisis, especially since it is associated with an almost general increase in commodity prices.

## **1.2 Regulatory environment**

### **1.2.1 Banking environment trends**

#### **Revision of interest rates on regulated savings products**

Following the recommendations of Banque de France, approved by the French Minister of the Economy (Decree of 27 January 2022 relating to the interest rates of regulated savings products), the interest rate of the Livret A Savings Account was increased to 1% on 1 February 2022, as well as the rates of the Sustainable Development and Solidarity Savings Account and the Youth Passbook Savings Account. It had been held at 0.5% since 1 February 2020, a historic low, after having been 0.75% between 2016 and 2020. The National Savings Account interest rate increased from 1% to 2.2%. This revaluation of the rates of regulated savings products follows the sharp rise in inflation.

#### **Conditions for granting home loans**

On 1 January 2022, the conditions for granting real estate loans were tightened pursuant to the decision of the French High Council for Financial Stability (*Haut conseil de la stabilité financière* – HCSF) of 29 September 2021 on the basis of paragraph 5 of Article L. 631-2-1 of the French Monetary

and Financial Code. This decision aims to prevent excessive household debt in order to reduce the risks that home loans could pose to financial stability.

This decision, which is legally binding, uses the same criteria as the HCSF recommendation of 27 January 2021, whose provisions were not binding. It provides that the home loan borrowers' loan effort does not exceed 35% and that the maturity of the loans does not exceed 25 years, with a tolerance of up to 27 years in the event of an initial deferred amortisation. It also provides for a margin of flexibility: 20% of the quarterly production of new loans falling within its scope may deviate from the criteria set. This decision applies to loans disbursed from 1 January 2022.

### **Removal of the measure to reduce capital and leverage ratio requirements**

On 10 February 2022, the ECB announced its decision not to extend the reduction in capital requirements beyond December 2022 and the leverage ratio beyond 31 March 2022, considering that the banks had obtained a margin of manoeuvre sufficient to return to a normal trajectory. At the end of September 2021, the aggregate CET1 of the banks directly supervised by the ECB was 15.47% and their aggregate leverage ratio was 5.88%.

This is why banks must:

- from 1 April 2022, include the exposures to central banks in their leverage ratios;
- from 1 January 2023, comply with capital requirements under Pillar 2.

### **1.2.2 Pricing adjustments for mail and parcels**

On 1 January 2022, La Poste increased mail prices by 4.7% on average for all mail covered by the universal service and non-universal service. The price of the first tranche of priority mail increased from €1.28 to €1.43, while that of the first tranche of green mail (*Lettre Verte*) increased from €1.08 to €1.16. To take account of its customers' habits, La Poste has decided to increase the price advantage offered by green mail (*Lettre Verte*), which accounted for 65% of ordinary items sent by private individuals in 2021. This advantage has been increased to 27 cents in 2022 compared to priority mail, compared to 20 cents in 2021.

Within the scope of the universal postal service, the prices for the business mail range have seen a moderate 4.0% rise, while advertising mail prices have risen by only 2.3% to boost the competitiveness of mail as a medium.

On 1 January 2022, the parcel rates for domestic items sent by private individuals increased by 1.5% on average, but the first 0-250g weight band of the Colissimo France Grand Public offer has remained stable at €4.95 since 2018 in order to support the accessibility of sending small items.

These price changes for mail and parcels for mainland France, overseas territories and international markets took place on 1 January 2022 following Opinion No. 2021-1346 issued by the French Authority for Regulation of the Electronic Communications and Postal Sectors (*Autorité de régulation des communications électroniques et des postes* - ARCEP) on 8 July 2021. All of these changes comply with the price cap for the 2019-2022 period, as set by Decision No. 2017-1252 of 26 October 2017, which limits the average change in the prices of the universal postal service to 5% per year.

### **1.2.3 Non-pricing adjustments for mail and parcels**

Since 1 January 2022, following ARCEP's favourable Opinion No. 2021-2079 dated 5 October 2021, La Poste offers a service for sending goods from 0 to 1 kg and from 1 kg to 2 kg using a parcel label book containing two labels. This offer is intended for private individuals and small professionals wishing to send a parcel without having to print a label and without having to travel to a La Poste retail outlet to send the item. It has the advantage of the simplicity of use of a mail stamp with the level of service of a parcel at a decreasing rate.

On 1 January 2022, La Poste also enriched its Colissimo Eco Overseas offer by offering the option to register the items sent (insurance according to the R1, R2 or *Ad valorem* rates, signature collection, acknowledgement of receipt option, etc.).

#### 1.2.4 Price changes for press services

For 2022, the French government has decided to increase the tariffs for press transport and delivery services provided by La Poste as part of its public service mission by 2%, including reference inflation (1.38%), for all press families.

La Poste submitted a pricing proposal in line with this decision, which was approved by a decision of the Minister of the Economy, Finance and Recovery of 22 December 2021, taken after considering ARCEP's Opinion No. 2021-2706.

As a result, on 1 January 2022, the prices increased by an average of 2% for each of the press families: the majority of publications holding a certificate of registration with the Joint Commission for Publications and Press Agencies (*Commission paritaire des publications et agences de presse – CPPAP*), political and general information publications, and daily newspapers with limited advertising resources.

#### 1.2.5 Amendment to the 2018-2022 Public Service Agreement

The commitments of La Poste and the French State are defined in a multi-year Public Service Agreement: for the 2018-2022 period, the Public Service Agreement, approved by the group's Board of Directors on 19 December 2017, was signed by all stakeholders on 16 January 2018.

On 22 July 2021, the French Prime Minister, accompanied by the Minister of the Economy, Finance and Recovery and the Minister of Regional Cohesion and Relations with Local Authorities, chaired the High-Level Monitoring Committee of the Public Service Agreement (*Comité de suivi de haut niveau du contrat d'entreprise – CSHN*) between the French State and La Poste. The main changes decided on this occasion were formalised in an amendment to the 2018-2022 Public Service Agreement, signed on 18 May 2022.

#### Universal Postal Service

At the time of the CSHN meeting, in order to support the transformation of the universal postal service and to guarantee its sustainability and affordability, the French State undertook to pay La Poste an annual budget allocation to offset part of the additional costs of the universal postal service over the 2021-2025 period. This annual compensation will be modulated between €500 million and €520 million, depending on the quality of service results.

The amendment to the 2018-2022 Public Service Agreement specifies the terms and conditions for the implementation of this measure for the 2021-2022 period. For the year 2021, the amount is set at €520 million. For the year 2022, the amount paid will correspond to the following scale:

|   |                       |              |
|---|-----------------------|--------------|
| Indicator: rate of <i>Lettre Verte</i> (green mail) actually delivered in D+2 | ≥94.5%                | €520 million |
|   | From ≥93.5% to <94.5% | €510 million |
|   | <93.5%                | €500 million |

The first allocation is included in the Budget Act for 2022. Its payment, which will take place in 2022 provided that the aid is declared compatible by the European Commission, will offset part of the additional costs borne by La Poste for the year 2021.

#### Press transport and delivery

The French Government has decided to implement the reform proposed by Mr Giannesini for the 2022-2026 period. A memorandum of understanding was signed on 14 February 2022 by the French

State, the organisations representing the press families, La Poste and ARCEP. The amendment to the 2018-2022 Public Service Agreement confirms the provisions of this agreement. The reform will be implemented in 2022 subject to the decision of the European Commission to which it has been notified. In the meantime, the amendment formalises an adjustment of the credits in proportion to the time elapsed between 1 January 2022 and the date of implementation of this reform.

## 1.3 Developments, partnerships and acquisitions

### 1.3.1 Services-Mail-Parcels

#### 1.3.1.1 *LOG'ISSIMO*

Faced with a significant decrease in the volume of mail and, at the same time, an increase in the need for parcel delivery, La Poste has developed the LOG'ISSIMO offer, a range of local logistics solutions to meet the fundamental challenges of the first and last mile, for the benefit of companies and local authorities.

Based on La Poste's powerful local logistics organisation, this range is structured around five BtoB offers. The brand responds to markets with strong development potential such as retail, health and food.

### 1.3.2 GeoPost

#### 1.3.2.1 *Acquisition of CitySprint*

In January 2022, DPD UK acquired CitySprint (100%), a company specialising in the express transport of same-day deliveries. CitySprint generated operating revenue of €141 million in 2021.

#### 1.3.2.2 *Acquisition of Scalefast*

In June 2022, eShopWorld, the global leader in direct-to-consumer e-commerce and a subsidiary of Asendia, acquired Scalefast (100%), a global e-commerce solutions provider based in Los Angeles.

### 1.3.3 La Banque Postale

#### 1.3.3.1 *Acquisition of non-controlling interests in CNP Assurances*

During the first half of the year, La Banque Postale gradually acquired the non-controlling interests in CNP Assurances to reach the 100% stake presented at 30 June. The main stages of this acquisition were as follows:

- in March, La Banque Postale acquired 6.3% of the share capital of CNP Assurances, increasing its stake to 85.24%;
- in May, La Banque Postale carried out a simplified takeover bid at the price of €20.90 per share (dividend of €1 ex-dividend for the benefit of non-controlling interests);
- at the end of this takeover bid, a squeeze-out procedure was initiated to become a 100% shareholder.

The net income generated by the CNP Assurances Group for the first half of the year was allocated to La Banque Postale according to the rate of acquisition of CNP's share capital during this period and at an average holding rate of 87.64%.

The success of this transaction marks a new step in the strengthening of La Banque Postale Group's bancassurer model and in the continuation of the multi-partner and international expansion of CNP Assurances.

#### 1.3.3.2 *Finalisation of the sale of La Banque Postale's equity investments in Ostrum and AEW Europe to Natixis IM*

As announced at the end of 2021, in May 2022 La Banque Postale and BPCE, through its subsidiary Natixis Investment Managers (Natixis IM), finalised the acquisition by Natixis IM of La Banque Postale's stakes in the asset managers Ostrum (45%) and AEW Europe (40%), with a view to holding 100% of

their capital. The two groups also extended their industrial partnerships in asset management until 2030.

#### 1.3.3.3 *Acquisition by CNP Assurances of more than 7,600 housing units from CDC Habitat*

In March 2022, CNP Assurances acquired from CDC Habitat a portfolio of more than 7,600 affordable housing units with high environmental quality with a value of €2.4 billion. The company Lamartine was created for this transaction which confirms CNP Assurances' positioning as a leading player in housing in France and its commitment to a more inclusive and sustainable society.

#### 1.3.3.4 *Proposed sale of CNP Partners to Mediterráneo Vida*

In order to streamline its European operations, CNP Assurances signed a contract in May 2022 to sell its Spanish life insurance subsidiary CNP Partners to Mediterráneo Vida. CNP Partners is mainly focused on open-model traditional savings products in Spain and Italy. At the end of 2021, its revenue represented 0.75% of CNP Assurances.

#### 1.3.3.5 *BPE becomes Louvre Banque Privée*

La Banque Postale is stepping up its diversification with the development of its private bank. This new dynamic was accompanied by the creation of a private division and a change of name: BPE became Louvre Banque Privée. Louvre Banque Privée affirms its vocation as a positive, civic-minded local private bank, in line with the values of La Banque Postale, by offering its customers socially responsible offers (100% SRI-certified management). The ambition is to fundamentally change the private banking model around the new brand and make it a centre of expertise for La Banque Postale's private customers.

#### 1.3.3.6 *La Banque Postale continues its transformation by becoming a company with a mission*

After adopting a purpose in June 2021, La Banque Postale is taking a new step in its transformation by adopting the status of a company with a mission (*Entreprise à mission*). This decision was endorsed at the bank's General Shareholders' Meeting held on 23 February. It reaffirms La Banque Postale's desire to work for "a just transition" by integrating several objectives in terms of environmental and social impact at the heart of its governance. This approach is consistent with that of La Poste Groupe, which also became a company with a mission in June 2021.

#### 1.3.3.7 *La Banque Postale launches Django, its fintech dedicated to consumer loans*

On 22 March, La Banque Postale launched its fintech dedicated to instalment payments, called Django, a wholly-owned subsidiary of La Banque Postale Consumer Finance (LBP CF). This new consumer loan solution, allowing both deferred and instalment payment, is intended for retailers and e-retailers as well as all consumers, whether or not La Banque Postale customers. The launch of Django comes as part of the acceleration of the diversification of La Banque Postale in the activities identified as being of high added value.

#### 1.3.3.8 *La Banque Postale launches the "Youth Pass"*

In May 2022, La Banque Postale launched the "Youth Pass", a digital platform of 10 free non-banking services for young people aged 18 to 29. Designed in partnership with the start-up Wizbii, this package of 10 free services supports young people in their personal and professional development in an unprecedented and civic-minded way. This approach is at the heart of La Poste Groupe's strategy, which aims to support young people at every stage of their student and professional life, to help them take off and develop their potential. It also reflects the Group's values of inclusion and its status as a company with a mission.

### 1.3.4 Retail Customers and Digital Services business unit

#### 1.3.4.1 Acquisition of HEVA

In April 2022, Docaposte acquired 100% of HEVA, a health research and consulting firm with revenue of €3.6 million in 2021. This acquisition reinforces Docaposte's development strategy in the healthcare market.

#### 1.3.4.2 Strategic partnership with Maincare

In May 2022 Docaposte and Maincare, a specialist in software publishing in the healthcare sector in France, announced a strategic partnership aimed at accelerating the digitisation of healthcare institutions and thus strengthening their support in their digital transformation. This partnership takes the form of the integration of digital services provided by Docaposte into the Maincare offer, such as the digitisation of payslips with the Digiposte solution operated by Docaposte.

### 1.3.5 Real Estate

#### 1.3.5.1 The Poste Immo brand becomes La Poste Immobilier

During the first half of 2022, Poste Immo changed its brand name, becoming La Poste Immobilier. In addition to a change of name, this change is reflected in particular in its strategic axes with the addition of CSR, in accordance with La Poste Groupe's strategic focus.

#### 1.3.5.2 La Poste Immobilier launches its first wholly-owned real estate development operation

In February 2022, work on the La Poste Magenta building in the 10<sup>th</sup> arrondissement of Paris was launched. This work will result in 35 social housing units, 48 home ownership units, a coworking space, a post office and an urban logistics space. This project to refurbish and transform a former industrial site also inaugurates a new activity for La Poste Immobilier: wholly-owned real estate development. It will concern housing projects and serviced senior residences.

#### 1.3.5.3 Acquisition by La Poste Immobilier of Multiburo, a long-standing player in business centres and coworking

In July 2022, La Poste Immobilier acquired 100% of Multiburo in order to consolidate its positions in the coworking sector. Multiburo currently manages 23 coworking spaces in France as well as 6 others in Belgium and Switzerland for annual revenue of around €30 million

## 1.4 The Group's commitment to responsible development

The highlights of the first half of 2022 reinforce the Group's actions, in support of its four constitutive commitments<sup>1</sup>:

- contributing to the development and cohesion of local areas;
  - improving social inclusion;
  - promoting ethical, inclusive and affordable Digital Services;
  - working to accelerate environmental transitions for all.
- 
- *January*
    - La Poste Groupe and La Banque Postale ranked "List A" for their commitment to the climate by CDP, the leading international organisation for the assessment of business climate strategies.
    - Partner of the French Ministry of Labour's inclusion platform.
    - La Banque Postale joins the PRB Commitment to Financial Health and Inclusion, an initiative of the Principles for Responsible Banking to promote more inclusive finance.

<sup>1</sup> The adoption of the status as a company with a mission resulted in an amendment to the Company's Articles of Association to include the purpose of the Company as well as four social and environmental objectives, which represent the Group's commitments to society as a whole.

- La Banque Postale's home insurance and health insurance have been awarded the "Positive Insurance" label by *Institut de l'Economie Positive*.
- Commitment to the government programme "1 young person, 1 mentor".
- Launch of MOVIVOLT, a long-term leasing offer for electric vehicles for businesses and local authorities.
- *February*
  - Launch of the Ecological score, enabling customers to calculate and reduce the environmental impact of their mail and parcels.
  - Adoption by La Banque Postale of the status as a company with a mission.
  - CNP Assurances unveils its six commitments to operationalise its purpose by 2025 and strengthens the supervision of its investments in fossil fuels.
- *March*
  - Publication of the Mission Committee's first report.
  - Signing, at the French Ministry of the Economy, Finance and Recovery, of the Act of Commitment on the place of people aged over 50 within companies.
  - La Poste, a major partner of the Grande Cause Jeune alongside Caisse des Dépôts, to help each young person find his or her place in society.
  - Validation by the Executive Committee of the deployment of *La Fresque du Climat* training to 50,000 employees in two years.
  - Launch by La Banque Postale of the Impact loan.
  - La Banque Postale LBP ranked fourth in the world and number one in France by the non-financial rating agency Sustainalytics.
  - DPD UK named Sustainable Company of the Year at the Business Champion Awards. The company was praised for its ability to adapt during the pandemic while pursuing its sustainable development mission.
- *April*
  - LBPAM's commitment as part of the Net Zero Asset Manager Initiative with the aim of achieving 90% of eligible outstandings aligned by 2030 with a Net Zero trajectory, i.e. outstandings invested in 2030 with issuers that have themselves set decarbonisation targets aligned with 2°C, B2°C, 1.5°C or Net Zero scenarios. LBPAM is thus targeting a target of 100% of issuers aligned by 2040 and carbon neutrality by 2050.
- *May*
  - Adherence to the ten common principles of the "Companies Committed to Nature" initiative led by the French Office for Biodiversity (*Office français de la biodiversité* – OFB), in accordance with the positioning of biodiversity in the Group's strategy<sup>2</sup>.
  - La Poste accelerates the deployment of low-carbon transport with a doubling of the number of electric utility vehicles for the first and last mile by 2025, and for heavy goods vehicle transport, a new commitment to achieve 50% of its transport mileage in low-carbon energy by 2030.
  - Launch by La Banque Postale of the Youth Pass (a services platform).
  - CSR award won by La Poste at the World Post & Parcel awards, for "guaranteeing digital access for all".
  - Continued installation by DPDgroup of air quality monitoring sensors to improve living conditions in several European cities: Warsaw having joined the initiative.
  - The Group joins the WWF Initiative "Logistics and Transport to combat illegal wildlife trade".
- *June*
  - First meetings of the Mission Committee dedicated to measuring the Group's impact and the biodiversity policy.
  - Creation of *Fondation des Territoires*.
  - Organisation by La Banque Postale of the second edition of the Dialogue on the Citizen Economy, an annual international event inviting people to reflect on the economy of tomorrow.
  - First sectoral policy for LBPAM on the oil and gas sector, establishing its ambition of an allocation 100% aligned with a net zero trajectory by 2030.

<sup>2</sup> For more information, see the biodiversity policy on La Poste Groupe's website.

→ DPD Germany launches a pilot project in which rail is to be an integral part of DPD's long-distance operations in order to improve the carbon footprint.

## 1.5 La Poste, a responsible employer

### 1.5.1 Social dialogue

Since January 2022 six agreements have month after month set the conditions of access to the partial activity system for the salaried La Poste employees considered to be vulnerable people in respect of Covid-19 and unable to telework, and for parents forced to care for their children at home and unable to telework. They guarantee them 100% of their net pay. These agreements were signed by the CGT, CFDT,, FO, the Osons l'Avenir CFE-CGC/CFTC union group and UNSA-Postes.

### 1.5.2 Training and professional development

As part of the "La Poste, committed to employees" employee agreement, HR commitments to the training and professional development of employees remained strong.

The roll-out of major training programmes continued throughout the semester:

To be noted:

- At the end of June 2022, the rate of trained La Poste employees was 59.3% (vs 57.5% at the end of June 2021).
- The health crisis has accelerated the transformation of training methods. La Poste, with its three training organisations (Institut Groupe, Ecole de la Banque et du Réseau and Université Services-Courrier-Colis), has developed its distance learning offer and virtual classes. At the end of June 2022, 66.6% of La Poste's trained employees had taken at least one distance training course.
- The "Cap Compétences Numériques" programme, launched at the end of 2021, is in place with the business units and is gradually being rolled out to accelerate the training of employees in digital technology. It enables each employee, according to his or her needs, to master the uses of digital technology, data and AI. Nearly 46,000 employees had been trained at the end of June 2022 with a target of 100% by 2025.
- In the first half of 2022, the Group institute provided 73,437 training sessions (116,382 hours) to Group managers and 397,398 training sessions (362,516 hours) to employees as a whole.

In line with the Company's transformation challenges, La Poste is continuing its efforts to provide professional training for all employees, focusing on four cross-functional areas: customer focus, mastery of the digital environment, development of managerial culture and improving the quality of life at work and health and safety at work. It has created new career paths to support job changes. These career paths develop the employability of employees who, depending on their paths, benefit from an internal validation of prior learning or an external certification (diploma recognised by the State). At the end of June 2022, 200 employees had committed to one of these pathways.

### 1.5.3 Health and quality of life at work

At the end of June 2022, more than half of La Poste's entities had implemented the Quality of Life at Work Essentials approach.

In terms of accidents, at the end of May 2022 La Poste recorded a 12.8% decrease in the frequency rate of accidents at work compared to the end of May 2021. This result is mainly due to the actions

implemented such as raising awareness of the right gestures and postures to avoid accidents and the strengthening of the prevention of incivility.

At the end of June 2022, La Poste had 16,278 teleworkers. Awareness-raising campaigns on positive teleworking have been organised on a regular basis: prevention measures, useful contacts, lifestyle recommendations, information on digital tools, online training, etc.

Furthermore, the gender equality at work index published by the La Poste parent company in the first quarter of 2022 for 2021 was 94/100, the same as in 2021. This score confirms La Poste's proven track record on equality. Women now fill 52% of La Poste's supervisory roles, a level close to that of their presence in the Company (52.7%).

La Poste is the leading employer of disabled people in France, with a rate of 8.66% at the end of 2021 (legal obligation: 6%).

#### **1.5.4 Social activity and housing services**

In the first half of 2022, 5,699 housing benefits and solutions were provided to La Poste employees.

## 2. Alternative performance measures

### 2.1 Introduction

The Group uses a number of alternative performance measures (APM) which are not covered by the International Financial Reporting Standards (IFRS). La Poste Groupe's management team believes that these indicators are useful for measuring and analysing the group's performance. However, the APMs should be considered as an additional system. It should not take precedence over the GAAP measurements taken from the consolidated financial statements, nor should it replace them. In accordance with AMF position DOC-2015-12, each APM is defined below.

### 2.2 Alternative performance measures – Definitions

#### 2.2.1 Adjusted EBITDA

Adjusted EBITDA comprises all operating revenue within the scope of consolidation, La Banque Postale excluded, less running costs and personnel expenses, excluding allocations to end-of-career benefits. To this is added the dividends received from equity associates and dividends received from La Banque Postale during the period relating to the previous year's results.

#### 2.2.2 Free cash flow

Free cash flow consists of the following components: Adjusted EBITDA + change in working capital requirement + cash flows on purchases of property, plant and equipment and intangible assets net of disposals of property, plant and equipment and intangible assets + cash flows from taxes + net interest paid + repayment of lease liabilities and interest expense on lease liabilities.

Each of the free cash flow aggregates is added together for its value in terms of cash flows; positive for cash inflows and negative for cash outflows.

#### 2.2.3 Net debt

Net financial debt includes all current and non-current financial debt, less all cash and cash equivalents and derivative instruments linked to Group financing. It also includes the financial debt arising from the application of IFRS 16 – Leases, short-term financial investments with no significant risk of a change in value but whose original maturity on the subscription date was greater than three months, and the net financial receivable against La Banque Postale.

Group net debt does not take into account La Banque Postale, for which this concept is not relevant.

#### 2.2.4 Change at constant scope and exchange rates (organic change)

The change at constant scope and exchange rates refers to the difference between the profit/loss obtained during the period and the profit/loss of a comparative period, following adjustment for any acquisitions or disposals which have been completed during each of these periods. The comparative periods are thus adjusted for identical scopes of consolidation. Currency transactions for the comparative period are valued at the average rate for the reference period.

#### 2.2.5 Operating profit/(loss) including share of jointly controlled entities

The operating profit/(loss) is equal to the consolidated net profit/(loss), adjusted for the share in the profits/(losses) of equity associates, the tax expense and the financial profit/(loss).

#### 2.2.6 Net debt/Equity

The Net debt/Equity ratio indicates the proportion of the Group's net debt in relation to the Group share of equity.

#### 2.2.7 Net debt/Adjusted EBITDA

The Net debt/Adjusted EBITDA ratio is obtained by dividing net debt by adjusted EBITDA.

### 2.2.8 Common Equity Tier 1 ratio (CET 1)

This ratio is the calculation of the proportion of Tier 1 equity (CET 1) in relation to the total risk exposure amount (i.e. total risk-weighted assets - RWA - for the credit and counterparty risk, the market risk and the operational risk).

The CET1 ratio is the information which enables supervisors to assess the solvency of a bank.

This ratio is only calculated for La Banque Postale.

### 2.2.9 Liquidity Coverage Ratio (LCR)

The LCR is a monthly short-term liquidity ratio which measures the Bank's ability to resist during 30 days to a severely degraded situation in a context of a systemic shock. The target is over 100%.

This ratio is calculated by dividing the sum of high-quality, liquid assets free of commitments by the liquidity requirement under stress over 30 days.

This ratio is only calculated for La Banque Postale.

### 2.2.10 Net stable funding ratio (NSFR)

The NSFR guarantees that banks have sufficient stable resources (i.e. resources with an initial maturity of more than one year) to finance their activities. This long-term structural liquidity ratio over a one-year period aims to provide a sustainable structure of the maturities of assets and liabilities.

The NSFR represents the stable available financing divided by the mandatory stable financing. This ratio should be at all times at least 100%.

This ratio is only calculated for La Banque Postale.

### 2.2.11 Cost to income ratio

The cost to income ratio is calculated by dividing management expenses by the net banking income adjusted for doubtful interest. Management expenses are the sum of the general operating expenses and the net depreciation, amortisation and impairment of property, plant and equipment and intangible assets.

This ratio is only calculated for La Banque Postale.

### 2.2.12 SCR coverage rate

Calculated by dividing the own funds eligible for SCR coverage by the SCR. This indicator makes it possible to measure risk-weighted solvency: the higher the SCR coverage rate, the more the insurer is able to absorb potential losses.

This ratio is only calculated for CNP Assurances.

### 3. Summary of La Poste Groupe's consolidated results

The financial information presented was taken from La Poste Groupe's consolidated financial statements as at 30 June 2022.

|  | Half-year ended 30 June |               |                   |                  |   |                  |
|--|-------------------------|---------------|-------------------|------------------|---|------------------|
|  | 06/2022                 | 06/2021       | Change            |                  | Change at constant scope and exchange rates |                  |
|  |                         |               | vs N-1<br>(in €m) | vs N-1<br>(in %) | vs N-1<br>(in €m)                           | vs N-1<br>(in %) |
| (€ million)  |                         |               |                   |                  |   |                  |
| <b>Group operating performance</b>   |                         |               |                   |                  |   |                  |
| <b>Operating revenue</b>   | <b>17,481</b>           | <b>16,857</b> | <b>+624</b>       | <b>+3.7</b>      | <b>+240</b>                                 | <b>+1.4</b>      |
| <b>Operating profit/(loss) after share of net profit/(loss) of jointly controlled entities</b> | <b>445</b>              | <b>1,145</b>  | <b>-700</b>       | <b>-61.1</b>     | <b>-765</b>                                 | <b>-65.8</b>     |
| Operating margin   | 2.5%                    | 6.8%          | -                 |                  | -   |                  |
| <b>Net profit Group share</b>  | <b>883</b>              | <b>525</b>    | <b>+359</b>       | <b>+68.4</b>     | <b>+229</b>                                 | <b>+43.7</b>     |
| Net margin   | 5.1%                    | 3.1%          | -                 | 1.9 pts          | -   | 1.2 pts          |
| <b>Free cash flow</b>  | <b>1,130</b>            | <b>55</b>     | <b>+1,076</b>     | <b>n.s.</b>      |   |                  |
| Adjusted EBITDA  | 2,784                   | 1,243         | +1,541            | n.s.             |   |                  |
| <b>Key figures – La Banque Postale</b>   |                         |               |                   |                  |   |                  |
| <b>Net banking income</b>  | <b>4,182</b>            | <b>3,974</b>  | <b>+208</b>       | <b>+5.2</b>      | <b>+90</b>                                  | <b>+2.3</b>      |
| Cost to income ratio <sup>(a)</sup>  | 78.3%                   | 79.7%         | -                 | -1.4 pts         |   |                  |

(a) La Banque Postale & CNP Assurances scope (incl. CNP Assurances PPA).

|   | Half-year ended 30 June |               |                   |                  |
|---|-------------------------|---------------|-------------------|------------------|
|   | 06/2022                 | 12/2021       | Change            |                  |
|   |                         |               | vs N-1<br>(in €m) | vs N-1<br>(in %) |
| (€ million)                               |                         |               |                   |                  |
| <b>Key financial indicators</b>           |                         |               |                   |                  |
| <b>Net debt</b>                           | <b>10,274</b>           | <b>10,233</b> | <b>+41</b>        | <b>+0.4</b>      |
| <b>Adjusted EBITDA</b>                    | <b>2,784</b>            | <b>2,812</b>  | <b>-28</b>        | <b>-1.0</b>      |
| Net debt / Adjusted EBITDA <sup>(a)</sup> | 2.4                     | 3.6           |                   |                  |
| <b>Equity Group share</b>                 | <b>18,595</b>           | <b>20,932</b> | <b>-2,338</b>     | <b>-11.2</b>     |
| Net debt / Equity                         | 55.3%                   | 48.9%         | -                 | 6.4 pts          |
| Net profit <sup>(b)</sup> / Equity        | 13.1%                   | 9.9%          | -                 | 3.2 pts          |
| <b>Common Equity Tier 1</b>               | <b>16.2%</b>            | <b>19.1%</b>  | -                 | -2.9 pts         |
| <b>LCR</b>                                | <b>166%</b>             | <b>186%</b>   | -                 | -20 pts          |
| <b>Net stable funding ratio (NSFR)</b>    | <b>132%</b>             | <b>143%</b>   | -                 | -11 pts          |
| <b>Loan to deposit ratio</b>              | <b>81.0%</b>            | <b>82.1%</b>  | -                 | -1.1 pts         |
| <b>SCR coverage rate</b>                  | <b>249%</b>             | <b>217%</b>   | -                 | 32 pts           |

(a) Adjusted EBITDA calculated over 12 rolling months.

(b) Net profit/(loss) calculated over 12 rolling months.

### 3.1 Operating income

La Poste Groupe's operating income amounted to €17,481 million at the end of June 2022, increasing by €624 million compared to the end of June 2021 (+3.7%), in a context of a decline in the activity related to e-commerce, down compared to the first half of 2021 driven by the lockdowns caused by the health crisis, continued decline in traditional mail volumes, and rising interest rates.

|                                       | Half-year ended 30 June |                         |                   |                  |   |                  |
|---------------------------------------|-------------------------|-------------------------|-------------------|------------------|---|------------------|
|                                       | 06/2022                 | 06/2021                 | Change            |                  | Change at constant scope and exchange rates |                  |
|                                       |                         | restated <sup>(a)</sup> | vs N-1<br>(in €m) | vs N-1<br>(in %) | vs N-1<br>(in €m)                           | vs N-1<br>(in %) |
| (€ million)                           |                         |                         |                   |                  |   |                  |
| Services-Mail-Parcels                 | 5,090                   | 5,207                   | -117              | -2.2             | -145  | -2.8             |
| GeoPost                               | 7,485                   | 7,185                   | +299              | +4.2             | +82   | +1.1             |
| La Banque Postale                     | 4,182                   | 3,974                   | +208              | +5.2             | +90   | +2.2             |
| Retail Customers and Digital Services | 3,279                   | 3,323                   | -44               | -1.3             | -63   | -1.9             |
| Other segments and intercompany       | (2,555)                 | (2,832)                 | +277              | -9.8             | +277  | -9.8             |
| <b>OPERATING INCOME</b>               | <b>17,481</b>           | <b>16,857</b>           | <b>+624</b>       | <b>+3.7</b>      | <b>+240</b>                                 | <b>+1.4</b>      |

<sup>(a)</sup> Restated segment data, please see Section 4.2.

After restatement for positive scope effects in the amount of €228 million and a positive exchange rate of €155 million, the Group's organic growth at the end of June 2022 reached €240 million (+1.4%). The scope effects are mainly driven by GeoPost (+€114 million mainly related to the acquisitions of CitySprint, TIPSA and Speedy and the exit of Tigers), by La Banque Postale (+€67 million related to the entry into the scope of consolidation in December 2021 of AVIVA's Insurance business in Italy), by the Services-Mail-Parcels business unit (+€28 million mainly related to the acquisitions of TimeOne and CyberCité), and by the Retail Customers and Digital Services business unit (+€19 million mainly related to the acquisitions of Trust & Sign and Boxtal).

The exchange rate effect was mainly due to the Brazilian real (+€66 million), the pound sterling (+€42 million), the Hong Kong dollar (+€16 million), the US dollar (+€16 million) and the rouble (+€8 million):

- Decrease in the revenue of the Services-Mail-Parcels business unit to €5,090 million, an organic decrease of €145 million (-2.8%) compared to the end of June 2021. Mail's revenue increased by €29 million compared to the end of June 2021 (+0.8%), marked by a 7.3%<sup>3</sup> decline in volumes at equivalent working days, corresponding to a decrease of €175 million including the product mix. This decrease was mitigated by the price increase of 3.7%<sup>4</sup> on average (+€86 million) implemented on 1 January 2022. A compensation of €152 million paid to Mail also made it possible to reduce the deficit relating to the Universal Postal Service. International, down by €21 million, was impacted by the decline in e-PAQ volumes penalised by the implementation of the Customs 2021 Directive and by a change in consumer behaviour. Within the business unit, the Parcel business recorded a decrease of €174 million (-14.9%) in

<sup>3</sup> Based on traffic-generating operating revenue.

<sup>4</sup> Based on traffic-generating operating revenue on the "Business" customer scope (excluding the Retail Customers and Digital Services scope).

its revenue, of which a traffic effect of -20.3%<sup>5</sup> at equivalent working days mainly due to the high activity in the first half of 2021 and the slowdown in e-commerce activities observed since the beginning of 2022. The organic change in the revenue of the Mail services subsidiaries was stable at -€1 million with contrasting trends. The revenue of New Services, down organically by €27 million, was impacted by the decline in the sales volumes of energy savings certificates, whereas the Mediapost division grew by €23 million driven by the growth of SOGEC's ticketing activities.

- Increase in the GeoPost business unit's revenue to €7,485 million, up by €82 million at constant scope and exchange rates (+1.1%). DPDgroup's operating income reached €6,365 million, with organic growth of €42 million (+0.7%), driven by price increases and fuel surcharges, which offset the decline in the volumes processed. 1,030 parcels were delivered over the period by DPDgroup, representing an organic decrease of 4% compared to the end of June 2021. This decrease was due to the slowdown in BtoC activity, driven by the lockdowns in the first months of 2021, and impacted in 2022 by the decrease in consumption. Within the business unit, Asendia generated revenue of €1,105 million, representing organic growth of €36 million (+3.4%), driven by the very good performance of its subsidiary eShopWorld and partially offset by the decline in the Logistics activity.
- La Banque Postale's net banking income (NBI) amounted to €4,182 million, up by €208 million, of which €118 million from scope and exchange rate effects, i.e. an organic increase of €90 million including -€52 million of CNP PPA reversals. The growth of the NBI was driven by the Bancassurance France business lines (insurance activities up by €104 million, offsetting the unfavourable impact of €51 million of the increase in the Livret A savings account rate) as well as by those of International Bancassurance, driven by the improvement in claims in Brazil.
- The revenue of the Retail Customers and Digital Services business unit, amounting to €3,279 million, was down organically by €63 million (-1.9%). This change was mainly due to the €67 million decline in the Mail business and services, marked by the continued decline in volumes (-11%) and by the €51 million decline in the retail customers parcel business (17% decrease in volumes) compared to a historic half-year in 2021 in terms of volumes and in a context of slowdown in e-commerce in 2022. A compensation of €87 million allocated to the Retail Customers and Digital Services business unit reduced the deficit relating to the Universal Postal Service. The subsidiaries' revenue increased by €9 million at constant scope and exchange rates, driven by the development of Docaposte's digital trust services (+€13 million) offset by the €5 million decrease in LP11's revenue related to the impact of the energy crisis on Marketshot. The activities and services on behalf of third parties decreased by €43 million, related to the decrease in expenses for the Network, which is continuing its constant efforts to control expenses.

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<sup>5</sup> Based on the Services-Mail-Parcels scope (excluding activity transferred to the Retail Customers and Digital Services business unit).

### 3.2 Operating profit/(loss)

The Group's operating profit after share of the net profit of jointly controlled entities amounted to €445 million at the end of June 2022. Excluding €65 million from positive scope and exchange rate effects, mainly related to the exchange rate on the real and the pound sterling, as well as the integration of AVIVA and CitySprint, the organic decrease in operating profit was €765 million. This organic decrease, which includes in particular the effect of the impairment of the parent company mail assets for €912 million, induced by new unfavourable macroeconomic prospects, and of the DPD Russia subsidiary for an amount of €157 million, directly related to the war in Ukraine. Excluding these items, the organic growth of the operating profit after share of net profit of jointly controlled entities was €305 million.

| (€ million)  | Half-year ended 30 June |   |             |              |   |              |
|--|-------------------------|---|-------------|--------------|---|--------------|
|  | 06/2022                 | 06/2021<br><i>restated</i> <sup>(a)</sup> | Change      |              | Change at constant scope and exchange rates |              |
|  |                         |   | vs N-1      |              | vs N-1                                      |              |
|  |                         |   | (in €m)     | (in %)       | (in €m)                                     | (in %)       |
| Services-Mail-Parcels  | (699)                   | 157                                       | -855        | n.s.         | -854  | n.s.         |
| GeoPost  | 296                     | 567                                       | -271        | -47.8        | -292  | -50.7        |
| La Banque Postale  | 915                     | 755                                       | +160        | +21.2        | +116  | +15.2        |
| Retail Customers and Digital Services  | 203                     | 88  | +116        | n.s.         | +114  | n.s.         |
| Real Estate  | 24                      | 20  | +4          | +19.5        | +4  | +19.5        |
| Supports and Structures  | (93)                    | (73)                                      | -20         | +27.1        | -20   | +27.1        |
| Unallocated and eliminations   | (201)                   | (368)                                     | +167        | -45.3        | +167  | -45.3        |
| <b>OPERATING PROFIT/(LOSS) AFTER SHARE OF NET PROFIT/(LOSS) OF JOINTLY CONTROLLED ENTITIES</b> | <b>445</b>              | <b>1,145</b>                              | <b>-700</b> | <b>-61.1</b> | <b>-765</b>                                 | <b>-65.8</b> |

<sup>(a)</sup> Restated segment data, please see Section 4.2.

Highlights of operating profit by business unit are as follows:

- Services-Mail-Parcels: the business unit's operating loss amounted to €699 million at the end of June 2022, down by €854 million at constant scope and exchange rates, of which a loss of €787 million for Mail caused by assets impairments of €912 million following a downward reassessment of Mail's profit prospects given the current inflationary outlook. Restated for this item, the organic growth of Mail's operating profit was €57 million, in an environment marked by inflation, the effects of which were more than offset by the extensive cost control measures and the €152 million compensation received to reduce the deficit relating to the Universal Postal Service. The operating profit of Parcels decreased by €55 million, related to the increase in unit processing costs due to the decrease in traffic and the impact of inflation. The operating profit of the subsidiaries of the Services-Mail-Parcels business unit decreased by €13 million at constant scope and exchange rates, in particular Mediapost France (printed advertising) and EDE, which suffered from a decline in activity.
- The GeoPost business unit posted an operating profit of €296 million, down organically by €292 million (-50.7%), of which €157 million of impairment of the fixed assets of DPD Russia following the announcement of the wish to sell. Restated for this item, the operating profit of the GeoPost business unit was down by €135 million due to the slowdown in the e-commerce

market after a record year in 2021 and the inflationary context.

- The La Banque Postale business unit posted an operating profit of €915 million, up by €160 million compared to June 2021. Excluding a positive scope effect of €32 million and a positive exchange rate effect of €12 million, the operating profit of the La Banque Postale business unit was up by €116 million, of which €43 million for the shared resources and €73 million for La Banque Postale driven by the International Bancassurance business and the good performance of CNP in Brazil in particular.
- The operating profit of the Retail Customers and Digital Services business unit amounted to €203 million, up by €114 million after restatement for scope and exchange rate effects, mainly due to the compensation of €87 million received to reduce the deficit relating to the Universal Postal Service and to the control of Network expenses in a context of crisis.
- Other business segments:
  - ✓ Real Estate posted operating profit of €24 million, up by €4 million, mainly related to the start of the real estate development business;
  - ✓ the Supports and Structures segment, which represented a net expense of €93 million, was up by €20 million due in particular to the continued commitment to the digital transformation of La Poste Groupe (Artificial Intelligence, Data, etc.);
  - ✓ the income and expenses of the Unallocated segment, which represented a total expense of €201 million, decreased by €167 million thanks to the compensation to reduce the deficit related to the universal service.

### 3.3 Net profit

The net profit Group share, at €883 million, increased overall by €359 million compared to the end of June 2021, of which €101 million related to the Concorde transaction. After restatement for scope and exchange rate effects, the net profit Group share increased by €229 million. After restatement for significant accounting events<sup>6</sup> in the first half of 2022, it increased by €166 million.

### 3.4 Change in net debt

The Group's net debt stood at €10,274 million at the end of June 2022. It remained stable overall, with an increase of €41 million in the first half of 2022.

The change in the Group's debt is characterised by a free cash flow generated of €1,130 million, a net balance of flows related to external growth and financial assets of €615 million, a global dividend payment of €439 million and an increase in finance lease liabilities of €79 million.

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<sup>6</sup> Significant accounting events (impact of €64 million on NPGS): impairment of parent company mail assets (€682 million), impairment of DPD Russia (€157 million), reversal of deferred tax assets (€903 million).

## 4. Operating results by business segment

### 4.1 Summary of operating results by business segment

Segment reporting is presented in accordance with IFRS 8 – “Operating segments”.

A segment is a distinguishable component for which separate financial information is available and regularly reviewed by the Group’s Executive Management for the purpose of allocating resources and assessing performance.

The criteria used for defining operating segments specifically include: the nature of the products distributed, the customer type or category for whom they are intended, the production process, the retail network and the regulatory environment. The definition of the operating segments is based on La Poste Groupe’s current management structure.

| <b>Published 06/2022</b>  | Services-Mail-Parcels | GeoPost      | La Banque Postale | Retail Customers and Digital | Real Estate | Supports and Structures | Unallocated  | Elim.          | TOTAL         |
|---|-----------------------|--------------|-------------------|------------------------------|-------------|-------------------------|--------------|----------------|---------------|
| <i>(€ million)</i>  |                       |              |                   |                              |             |                         |              |                |               |
| External revenue & NBI  | 4,097                 | 7,431        | 4,168             | 1,688                        | 37          | 1                       | 59           |                | 17,481        |
| Intersegment revenue & NBI  | 993                   | 54           | 14                | 1,591                        | 385         | 640                     | 0            | (3,676)        |               |
| <b>Operating income</b>   | <b>5,090</b>          | <b>7,485</b> | <b>4,182</b>      | <b>3,279</b>                 | <b>422</b>  | <b>640</b>              | <b>59</b>    | <b>(3,676)</b> | <b>17,481</b> |
| <b>Operating profit/(loss) before share of net p/(l) of jointly controlled entities</b> | <b>(699)</b>          | <b>295</b>   | <b>901</b>        | <b>201</b>                   | <b>24</b>   | <b>(93)</b>             | <b>(201)</b> | <b>(1)</b>     | <b>428</b>    |
| Share in results of joint ventures  | 0                     | 1            | 14                | 3                            | (0)         | (0)                     | 0            | 0              | 17            |
| <b>Operating profit/(loss) after share of net p/(l) of jointly controlled entities</b>  | <b>(699)</b>          | <b>296</b>   | <b>915</b>        | <b>203</b>                   | <b>24</b>   | <b>(93)</b>             | <b>(201)</b> | <b>(1)</b>     | <b>445</b>    |

| <b>Segment data restated for 06/2021</b>  | Services-Mail-Parcels | GeoPost      | La Banque Postale | Retail Customers and Digital Services | real estate | Supports and Structures | Unallocated  | Elim.          | TOTAL         |
|---|-----------------------|--------------|-------------------|---------------------------------------|-------------|-------------------------|--------------|----------------|---------------|
| <i>(€ million)</i>  |                       |              |                   |                                       |             |                         |              |                |               |
| External revenue & NBI  | 4,053                 | 7,139        | 3,961             | 1,686                                 | 16          | 1                       | 0            |                | 16,857        |
| Intersegment revenue & NBI  | 1,154                 | 46           | 13                | 1,637                                 | 391         | 644                     | 0            | (3,884)        |               |
| <b>Operating income</b>   | <b>5,207</b>          | <b>7,185</b> | <b>3,974</b>      | <b>3,323</b>                          | <b>407</b>  | <b>645</b>              | <b>0</b>     | <b>(3,884)</b> | <b>16,857</b> |
| <b>Operating profit/(loss) before share of net p/(l) of jointly controlled entities</b> | <b>157</b>            | <b>566</b>   | <b>728</b>        | <b>90</b>                             | <b>20</b>   | <b>(73)</b>             | <b>(368)</b> | <b>(0)</b>     | <b>1,119</b>  |
| Share in results of joint ventures  | 0                     | 1            | 27                | (2)                                   | (0)         | 0                       | 0            | 0              | 26            |
| <b>Operating profit/(loss) after share of net p/(l) of jointly controlled entities</b>  | <b>157</b>            | <b>567</b>   | <b>755</b>        | <b>88</b>                             | <b>20</b>   | <b>(73)</b>             | <b>(368)</b> | <b>(0)</b>     | <b>1,145</b>  |

## 4.2 Segment data restated for the first half of 2021

2021 was the year of the launch of the new strategic plan, whose ambitions and objectives led to changes in the scopes within the Group. With the creation of the Retail Customers and Digital Services business unit, and the transfer of Asendia's operational management from the Mail subsidiaries to GeoPost, with retroactive effect to 1 January 2021, the Group's segment reporting was transformed from five to four business units.

The impact of the segment restatements made on the financial statements published at 30 June 2021 is presented below:

### 4.2.1.1 Operating income

|                                       | 06/2021<br>published | Restatements of<br>segment<br>information | 06/2021<br>Restated segment<br>data |
|---------------------------------------|----------------------|---|-------------------------------------|
| <i>(€ million)</i>                    |                      |   |                                     |
| Services-Mail-Parcels                 | 6,532                | (1,325)                                   | 5,207                               |
| GeoPost                               | 6,171                | 1,014                                     | 7,185                               |
| La Banque Postale                     | 3,974                | 0   | 3,974                               |
| Digital services                      | 469                  | (469)                                     |                                     |
| La Poste Network                      | 1,920                | (1,920)                                   |                                     |
| Retail Customers and Digital Services |                      | 3,323                                     | 3,323                               |
| Real Estate                           | 407                  | 0   | 407                                 |
| Supports and Structures               | 589                  | 56  | 645                                 |
| Elim.                                 | (3,204)              | (680)                                     | (3,884)                             |
| <b>OPERATING INCOME</b>               | <b>16,857</b>        | <b>0</b>                                  | <b>16,857</b>                       |

### 4.2.1.2 Operating profit/(loss)

|                                       | 06/2021<br>published | Restatements of<br>segment<br>information | 06/2021<br>Restated segment<br>data |
|---------------------------------------|----------------------|---|-------------------------------------|
| <i>(€ million)</i>                    |                      |   |                                     |
| Services-Mail-Parcels                 | 187                  | (31)                                      | 157                                 |
| GeoPost                               | 533                  | 34  | 567                                 |
| La Banque Postale                     | 755                  | 0   | 755                                 |
| Digital services                      | 17                   | (17)                                      |                                     |
| La Poste Network                      | 69                   | (69)                                      |                                     |
| Retail Customers and Digital Services |                      | 88  | 88                                  |
| Real Estate                           | 20                   | 0   | 20                                  |
| Supports and Structures               | (69)                 | (4)                                       | (73)                                |
| Unallocated                           | (368)                | 0   | (368)                               |
| Elim.                                 | 0                    | 0   | 0                                   |
| <b>OPERATING PROFIT/(LOSS)</b>        | <b>1,145</b>         | <b>0</b>                                  | <b>1,145</b>                        |

## 4.2.1.3 EBITDA

|                                       | 06/2021<br>published | Restatements of<br>segment<br>information | 06/2021<br>Restated segment<br>data |
|---------------------------------------|----------------------|---|-------------------------------------|
| <i>(€ million)</i>                    |                      |   |                                     |
| Services-Mail-Parcels                 | 218                  | (47)                                      | 171                                 |
| GeoPost                               | 840                  | 48  | 888                                 |
| GSF                                   | (1)                  | 0   | (1)                                 |
| Digital services                      | 49                   | (49)                                      |                                     |
| La Poste Network                      | 53                   | (53)                                      |                                     |
| Retail Customers and Digital Services |                      | 93  | (-1)                                |
| Real Estate                           | 241                  | 0   | 241                                 |
| Supports and Structures               | (375)                | 9   | (366)                               |
| <b>EBITDA</b>                         | <b>1,026</b>         | <b>0</b>                                  | <b>1,026</b>                        |

## 4.2.1.4 CAPEX

|                                       | 06/2021<br>published | Restatements of<br>segment<br>information | 06/2021<br>Restated segment<br>data |
|---------------------------------------|----------------------|---|-------------------------------------|
| <i>(€ million)</i>                    |                      |   |                                     |
| Services-Mail-Parcels                 | 121                  | (15)                                      | 106                                 |
| GeoPost                               | 157                  | 15  | 172                                 |
| Digital services                      | 34                   | (34)                                      |                                     |
| La Poste Network                      | 12                   | (12)                                      |                                     |
| Retail Customers and Digital Services |                      | 40  | 40                                  |
| Real Estate                           | 114                  | 0   | 114                                 |
| Supports and Structures               | 87                   | 6   | 93                                  |
| <b>CAPEX</b>                          | <b>525</b>           | <b>0</b>                                  | <b>525</b>                          |

### 4.3 Services-Mail-Parcels

The Services-Mail-Parcels business unit includes:

- La Poste SA's Business Mail activity (collection, sorting, delivery of correspondence, advertising and press), the e-PAQ activity (small parcel e-commerce import), as well as the new local services (local logistics, knowledge of the regions);
- La Poste SA's Parcel business, which specialises both in deferred delivery and in the delivery of parcels under 30 kg to individuals, BtoC in France and for export;
- all activities of the subsidiaries operating in the diversification markets:
  - direct marketing and data-marketing (Mediapost),
  - logistics and e-logistics solutions (Viapost),
  - home healthcare services and prevention of loss of autonomy (Health & Autonomy),
  - energy efficiency, circular economy (New Services).

|  | 06/2022      | 06/2021         | Change         |               |
|--|--------------|-----------------|----------------|---------------|
|  |              | <i>restated</i> | <i>vs N-1</i>  |               |
| <i>(€ million)</i>   |              |                 | <i>(in €m)</i> | <i>(in %)</i> |
| Operating revenue  | 5,090        | 5,207           | -117           | -2.2          |
| <i>of which Parent Company Mail operating revenue</i>  | 3,600        | 3,571           | 29             | +0.8          |
| <i>of which Parcels operating revenue</i>  | 994          | 1,168           | -174           | -14.9         |
| <i>of which Services-Mail-Parcels subsidiaries operating revenue</i>                           | 496          | 468             | 28             | +5.9          |
| Operating expenses   | (5,789)      | (5,050)         | -738           | +14.6         |
| <b>Operating profit/(loss) before share of net p/(l) of jointly controlled entities</b>        | <b>(699)</b> | <b>157</b>      | <b>-855</b>    | <b>n.s.</b>   |
| Share of net profit of jointly controlled entities   | 0            | 0               | 0              | -             |
| <b>OPERATING PROFIT/(LOSS) AFTER SHARE OF NET PROFIT/(LOSS) OF JOINTLY CONTROLLED ENTITIES</b> | <b>(699)</b> | <b>157</b>      | <b>-855</b>    | <b>n.s.</b>   |

### 4.3.1 Mail business

The revenue amounted to €3,600 million, representing organic growth of €29 million, an increase of 0.8% compared to 30 June 2021. This change is in particular due to:

- Mail traffic down by 7.3%<sup>7</sup> at equivalent working days, corresponding to a negative volume and price effect of €175 million. This decrease was offset by the price increase of 3.7%<sup>8</sup> on average that took effect on 1 January 2022, representing a positive impact of €86 million on revenue giving rise to traffic, and by the compensation of €152 million for the benefit of Mail, making it possible to reduce the deficit relating to the Universal Postal Service;
- a sharp decline in international by €21 million, strongly impacted by the decrease in e-PAQ traffic (28 million items less compared to 30 June 2021) due mainly to the implementation of the Customs 2021 Directive and a change in consumer behaviour;
- an increase of €48 million in respect of the presidential and legislative elections (four electoral rounds compared to the two rounds of the regional elections held on 30 June 2021);
- a decrease of €74 million relating to rebilling of the Retail Customers and Digital Services business unit resulting from the decline in retail customer volumes.

### 4.3.2 Parcel business

The revenue amounted to €994 million, an organic decrease of €174 million, or a decrease of 14.9% compared to 30 June 2021. This decrease was due to a base effect compared to revenue at 30 June 2021, which benefited from the exceptional momentum in e-commerce generated by the lockdowns, but also from the slowdown in e-commerce observed since the beginning of the year 2022.

The volume of parcels delivered was 192<sup>9</sup> million items, down by 20.3% at equivalent working days across all segments:

- 186 million BtoC items, or a decrease of 20.7% at equivalent working days, due to the slowdown in e-commerce, and in particular of National Enterprise of 45 million items (down by 21.1% at equivalent working days) compared to 30 June 2021;
- 6 million items in import products, a 7.6% decrease at equivalent working days.

<sup>7</sup> Based on traffic-generating operating revenue.

<sup>8</sup> In relation to the operating revenue base giving rise to traffic on the "Business" customer scope (excluding the Retail Customers and Digital Services scope).

<sup>9</sup> Services-Mail-Parcels business unit scope.

### 4.3.3 Business of the Services-Mail-Parcels business unit's subsidiaries

The revenue amounted to €496 million, up by €28 million (+5.9%) compared to 30 June 2021. After restatement for scope and exchange rate effects in the amount of +€28 million, mainly related to the integration of TimeOne and Cybercité, the organic change in revenue was stable at -€1 million, with contrasting trends:

- The activities of the Mediapost division recorded organic growth of €23 million, mainly related to Sogec's ticketing activity;
- The subsidiaries of the New Services division posted an organic decline of €27 million, mainly due to EDE, driven by the lower sales volumes of energy savings certificates;
- The subsidiaries of La Poste Santé & Autonomie recorded organic growth of €4 million, despite an unfavourable market environment for home healthcare services.

### 4.3.4 Operating profit/(loss)

The operating loss amounted to €699 million, an organic decrease of €854 million mainly due to an impairment of Mail assets in the amount of €912 million resulting from a downward revision of profit forecasts in order to take into account the impact of the inflationary environment on the profitability outlook of the business. This organic decrease was also due to a decrease of €55 million in the operating profit of the Parcel business, penalised by the increase in unit processing costs linked to the decline in activity and the impact of inflation on expenses. These effects were mitigated by the €152 million compensation received to reduce the deficit relating to the Universal Postal Service.

## 4.4 GeoPost<sup>10</sup>

The GeoPost business unit includes:

- DPDgroup, which operates the deferred and express parcel business in France and abroad;
- Asendia, which offers cross-border mail solutions;
- Urby, which offers a comprehensive urban logistics system based on the pooling and optimisation of deliveries in major cities;
- Alturing, which delivers its IS expertise in the parcel business to the Group's entities.

<sup>10</sup> GeoPost business unit including Urby and Asendia.

| (€ million)  | 06/2022    | 06/2021    | Change      |              |
|--|------------|------------|-------------|--------------|
|  |            | restated   | vs N-1      |              |
|  |            |            | (in €m)     | (in %)       |
| Operating revenue  | 7,485      | 7,185      | +299        | +4.2         |
| of which DPDgroup operating revenue  | 6,365      | 6,142      | +224        | +3.6         |
| of which Asendia operating revenue   | 1,105      | 1,033      | +72         | +7.0         |
| of which Urby operating revenue  | 11         | 7          | +4          | +60.7        |
| of which Alturing operating revenue  | 4          | 4          | -0          | -7.9         |
| Operating expenses   | (7,190)    | (6,619)    | -571        | +8.6         |
| <b>Operating profit/(loss) before share of net p/(l) of jointly controlled entities</b>        | <b>295</b> | <b>566</b> | <b>-272</b> | <b>-48.0</b> |
| Share of net profit of jointly controlled entities   | 1          | 1          | +0          | +59.3        |
| <b>OPERATING PROFIT/(LOSS) AFTER SHARE OF NET PROFIT/(LOSS) OF JOINTLY CONTROLLED ENTITIES</b> | <b>296</b> | <b>567</b> | <b>-271</b> | <b>-47.8</b> |

#### 4.4.1 Operating revenue

The revenue amounted to €7,485 million, up by €299 million (+4.2%) compared to 30 June 2021. After restatement for positive scope effects of €114 million, mainly related to the integration of City Sprint, Tipsa, Speedy and BK Logistics and the disposal of Tigers, and for positive currency effects of €103 million (of which +€42 million on the pound sterling, +€16 million on the US dollar, +€16 million on the Hong Kong dollar, +€14 million on the Brazilian real, +€8 million on the rouble and -€7 million on the zloty), the organic growth was €82 million (+1.1%).

DPDgroup recorded organic growth of €42 million driven by price increases and fuel surcharges to offset the decline in volumes. The volume of parcels distributed by DPDgroup amounted to 1,030 million parcels, an organic decrease of 4% compared to 30 June 2021. This decrease was due to the slowdown in BtoC activity (-8.4%), driven by the lockdowns in the first months of 2021, and impacted in the first half of 2022 by the drop in consumption. The dynamics of the main countries in which DPDgroup is present are as follows:

- The revenue in the United Kingdom amounted to €1,202 million, an organic decrease of 6.0%. This decrease is the result of the slowdown in e-commerce activity on the domestic market and an unfavourable impact on the international market following the implementation of the VAT Directive on 1 July 2021;
- The revenue in France amounted to €1,074 million, representing organic growth of 2.3%, of which +6.6% for DPD France and +0.4% for Chronopost. The French market was also marked by a decline in activity, offset by price increases and fuel surcharges;
- the revenue in Germany amounted to €1,107 million, an organic decrease of 3.5%. This decrease was due to a decline in volumes that could not be offset by price increases due to a highly competitive market.

Asendia recorded organic growth of €36 million driven by its subsidiary eShopWorld, whose revenue growth offset the downturn in Logistics, which was mainly due to the slowdown in activity in Asia.

#### 4.4.2 Operating profit/(loss)

The operating profit amounted to €296 million, down by €271 million. After restatement for positive scope and exchange rate effects of €20 million, the organic decrease was €292 million. It was mainly explained by a base effect compared to the first half of 2021, which benefited from the cyclical growth

in traffic linked to the implementation of lockdowns, by the slowdown in e-commerce activity caused by the inflationary crisis, by the decline in purchasing power, and, lastly, by the impairment of the assets of DPD Russia in the amount of €157 million.

The net profit Group share amounted to €54 million, a decrease of €318 million, in line with the change in the operating profit.

## 4.5 La Banque Postale

This business segment includes La Banque Postale, its subsidiaries, and the Shared Resources division formed between La Poste and La Banque Postale that is governed by a cost-sharing agreement. All expenses relating to the Shared Resources division, which mainly consist of the costs of La Poste staff working exclusively for La Banque Postale, are re-billed at cost to La Banque Postale.

During the first half of 2020, La Banque Postale acquired the non-controlling interests in CNP Assurances and now holds 100% of the share capital of CNP Assurances. The transaction is part of the project to create a major public financial group provided for in the binding memorandum of understanding signed on 31 July 2019 between the French State, Caisse des Dépôts, La Poste and La Banque Postale aiming to create a “major public financial group” and which led to the strategic equity alliance between LBP and CNP Assurances.

The success of this transaction marks a new step in the strengthening of La Banque Postale Group’s bancassurer model and in the continuation of the multi-partner and international expansion of CNP Assurances.

### 4.5.1 Commercial activities

|  | 06/2022      | 06/2021      | Change           |               |
|--|--------------|--------------|------------------|---------------|
| <i>(savings outstandings in € billion)</i> |              |              | <i>(in € bn)</i> | <i>(in %)</i> |
| <b>CUSTOMER SAVINGS</b>                    | <b>500.5</b> | <b>502.1</b> | <b>-1.6</b>      | <b>-0.3</b>   |
| Sight deposits                             | 88.0         | 84.8         | +3.1             | +3.7          |
| Ordinary savings                           | 91.2         | 89.6         | +1.6             | +1.7          |
| Home savings                               | 29.6         | 30.7         | -1.1             | -3.6          |
| UCITS                                      | 9.7          | 11.2         | -1.6             | -14.0         |
| Life insurance (a)                         | 281.6        | 285.2        | -3.6             | -1.2          |
| Other                                      | 0.4          | 0.5          | -0.1             | -17.8         |
| <b>CUSTOMER LOANS</b>                      | <b>122.3</b> | <b>116.8</b> | <b>+5.4</b>      | <b>+4.7</b>   |
| Home loans                                 | 70.0         | 66.3         | +3.7             | +5.7          |
| Consumer loans                             | 5.5          | 5.3          | +0.2             | +3.9          |
| Other loans                                | 0.6          | 0.5          | +0.2             | +36.6         |
| Financing                                  | 46.1         | 44.8         | +1.3             | +2.9          |

*(a) Including CNPA life insurance.*

The commercial activity remained strong in the first half of 2022 with outstanding customer savings stable at -0.3% and outstanding customer loans up by 4.7% compared to the end of June 2021.

#### 4.5.1.1 *Bancassurance France*

Sight deposits remained strong, with outstandings growing by €1.9 billion year-on-year (+2.6%), reflecting the confidence of the French in La Banque Postale. Ordinary savings were also up with an increase over 12 months of €1.1 billion (+1.3%). The rate of return on the Livret A savings account, the rate of which increased from 0.50% to 1% on 1 February 2022, continues to play its precautionary savings role with outstandings stable at €61.5 billion (+0.0%). This revaluation concerns all rates of regulated savings products and follows the sharp rise in inflation.

La Banque Postale's Life Insurance outstandings amounted to €279.8 billion, down by €4.2 billion (-1.5%) compared to the end of June 2021, due to the decline of Savings/Pensions in euros, despite the good performance of the gross inflows to the unit-linked accounts held with the bank's distribution network, with a unit-linked rate of 29.5% (+2.7 points compared to the first half of 2021).

In the first half of 2022, €6.6 billion in home loans were granted by La Banque Postale, up by 21.2% compared to the end of June 2021, driven by a real estate market that remained dynamic. Despite persistently low interest rates and the tightening of loan granting criteria, outstanding home loans increased by 5.5% year-on-year to €65.7 billion.

The production of consumer loans, managed by La Banque Postale Consumer Finance, was up by 7.4%, bringing outstandings to €5.5 billion (+4.0% compared to the end of June 2021), with a marked 23.9% increase in revolving credit.

#### 4.5.1.2 *International Bancassurance*

Good commercial momentum in Europe and Latin America:

In Europe excluding France, the revenue amounted to €5.6 billion, up by €3 billion (at constant scope and exchange rates) driven by the strong Savings/Pensions inflows of the recently integrated Italian subsidiary CNP Vita Assicurazione (€2.6 billion).

In Latin America, the revenue amounted to €3.9 billion (+27.7%), driven by strong pension inflows in Brazil.

#### 4.5.1.3 *Wealth and Asset Management*

##### **LBP asset management bank :**

The commercial activity of the LBP asset management bank remained dynamic over the period. Outstanding savings increased by 6.3% to €14.0 billion, driven by growth in life insurance savings, which grew by 9.9% to €9.9 billion thanks in particular to the transfers related to the PACTE Act. Outstanding loans grew by 9.3% to €4.6 billion.

##### **Asset Management**

The assets under management, which comprise those of La Banque Postale Asset Management and Tocqueville Finance, amounted to €54.8 billion at 30 June 2022, down by 9.1% compared to 31 December 2021, mainly linked to a negative market effect of €4.7 billion, a negative impact partly offset by positive net inflows of €1.6 billion.

La Banque Postale Asset Management has sold its stakes in the asset managers Ostrum (45%) and AEW Europe (40%) to Natixis Investment Managers, with a view to streamlining the capital ties between La Banque Postale and BPCE.

#### 4.5.1.4 *Corporate and Investment Banking*

Outstanding loans amounted to €46.1 billion, up by 2.9% over one year. Committed to supporting regional development and the real economy, La Banque Postale finances the local public sector and companies. Since its launch, this activity has experienced strong growth, which was further confirmed in the first half of 2022: outstanding loans to the local public sector reached €20.2 billion (+5.9%) and outstanding loans to SMEs and ISEs increased by 5.5% to €10 billion.

Factoring outstandings also increased, by 33.7% to €2.9 billion, and production (revenue purchased) increased markedly by 31.7% to €10 billion. In addition, 80% of the production of asset and project financing concerns green and social projects.

#### 4.5.2 **Operating performance**

Rising net banking income in an inflationary context combined with rapidly rising long-term interest rates.

La Banque Postale's net banking income (NBI) amounted to €4,182 million at the end of June 2022, up by €208 million (reported).

The net interest margin (NIM) was down by 3.8% (-€44 million) to reach €1,122 million due to the impact of the increase in the Livret A savings account rate (-€51 million) and lower results on diversification (-€29 million), unfavourable items partially offset by the development of financing (+€39 million).

Commissions were stable (+0.4% or +€6 million) with fees on equipment and account operations and financial fees up by 2% (+€15 million), and a decrease in up-front fees on CAFFIL disposals (-€13 million). The management expenses of the La Banque Postale business unit increased by 2.2% compared to the end of June 2021, reaching €3,221 million. Excluding the reversal of PPA linked to the consolidation of CNP Assurances and excluding the scope and exchange rate effects (-€72 million), the management expenses increased by €53 million due to the development of activities and the launch of Louvre Banque Privée.

The business unit's gross operating profit amounted to €961 million, up by 16.7%. La Banque Postale's cost to income ratio stood at 78.3%.

The cost of risk, at €90 million, was €8 million lower than the level at the end of June 2021. This amount includes the prudential measures taken to anticipate the effects of a possible deterioration in economic conditions. As a proportion of outstanding loans, it was at a low level of 12 basis points.<sup>11</sup>

The net profit Group share amounted to €387 million, including a negative PPA reversal of €303 million.

<sup>11</sup> The commercial bank's cost of credit risk in relation to outstanding amounts at the beginning of the period.

|   | 06/2022    | 06/2021    | Change     |             |
|---|------------|------------|------------|-------------|
| (€ million)   |            |            | (in €m)    | (in %)      |
| Net banking income  | 4,182      | 3,974      | 208        | 5.2         |
| Management expenses (a)   | (3,221)    | (3,150)    | -71        | 2.2         |
| <b>Gross operating profit/(loss)</b>  | <b>961</b> | <b>824</b> | <b>138</b> | <b>16.7</b> |
| Cost of risk  | (90)       | (98)       | 8          | -8.5        |
| Gains and losses on other assets  | 29         | 2          | 27         | n.s.        |
| Impact of the contribution of CNP Assurances shares                                     | 0          | 0          | 0          | -           |
| <b>Operating profit/(loss) before share of net p/(l) of jointly controlled entities</b> | <b>901</b> | <b>728</b> | <b>173</b> | <b>23.8</b> |
| LBP cost income ratio   | 78.3%      | 79.7%      |            | -1.4 pts    |
| Share of net profit/(loss) of jointly controlled entities                               | 14.1       | 27         | -13        | -48.1       |
| <b>Operating profit/(loss) before share of net p/(l) of jointly controlled entities</b> | <b>915</b> | <b>755</b> | <b>160</b> | <b>21.2</b> |
| Corporate tax   | (372)      | (352)      | -20        | +5.8        |
| Share of net profit/(loss) of equity associates   | 0          | 2          | -2         | n.s.        |
| Non-controlling interests   | (155)      | (183)      | 27         | -15.0       |
| <b>Net profit Group share</b>   | <b>387</b> | <b>223</b> | <b>165</b> | <b>74.0</b> |
| of which Bancassurance France   | 488        | 333        | 155        | 46.7        |
| of which International Bancassurance  | 75         | 73         | 2          | 3.1         |
| of which Private Banking & Asset Management   | 93         | 39         | 54         | n.s.        |
| of which Corporate & Investment Banking   | 208        | 173        | 35         | 20.0        |
| of which Corporate Centre   | (402)      | (336)      | -66        | 19.6        |

(a) The amount of the management expenses includes a positive effect of the shared resources for €35.2 million at 30/06/2022 and a negative effect of €7.4 million at 30/06/2021 (restated data, see Section 4.2).

#### 4.5.2.1 *Bancassurance France*

**The net banking income** increased by 1.8% to €3,232 million, driven by the strong performance of the insurance activities (+8.1%) and the strong contributions of the lending activities, despite the unfavourable impact of the increase in the Livret A savings account rate (-€49 million).

The management expenses increased moderately by 2.1% due in particular to the cost of the registration fees relating to CNP Assurances' acquisition of a portfolio of 7,600 housing units from CDC Habitat.

**The net profit Group share**, at €488 million, was up by 46.7% (-3.9% at constant scope and exchange rates).

#### 4.5.2.1 *International Bancassurance*

**The net banking income**, at €774 million, increased by 34.3% (+10.1% at constant scope and exchange rates) compared to the end of June 2021 due to the return in Brazil to historical loss levels for Borrower and Protection insurance, which in 2021 were affected by a sharp increase in Covid claims, and to strong sales momentum in Savings/Pensions in Italy.

**The management expenses** increased by €30 million at constant scope and exchange rates in the first half due to salary increases and the ramp-up of Caixa Vida e Previdencia in Brazil.

**The net profit Group share** increased by 3.1% (-51.3% at constant scope and exchange rates) to €75 million, mainly driven by Latin America (€79 million) which benefited from a very favourable currency effect with the 14% appreciation of the real.

#### 4.5.2.2 *Wealth and Asset Management*

The **net banking income**, at €154 million, was up by 5.4% compared to the end of June 2021. In Wealth Management, the net banking income (NBI) was driven by good activity in discretionary management and strong momentum in the diversification of savings and home loans despite lower financing activity. In Asset Management, the NBI was stable due to volatility towards less marginal

products linked to the environment despite a market level that remained above 2021 (+12%) as well as strong growth in net inflows (+€1.6 billion).

The **net profit Group share increased by** 136.7% (+€54 million on a like-for-like basis) with a €58 million impact from capital gains on the disposal of the stakes in AEW and Ostrum.

#### 4.5.2.3 Corporate and Investment Banking

The **net banking income** decreased by 1.0% to €526 million, mainly due to the decline in “investments and cash” activities, in part offset by a contribution from all customer segments (+€29 million): growth in financing activities (+7%), strong growth in the flows and account management activity (+28%) and growth in capital market activities with CIB customers (+€25 million).

The **net profit Group share** amounted to €208 million (+€35 million), supported by a cost of risk that was much lower than in the first half of 2021.

#### 4.5.2.4 Corporate Centre

The division's results are characterised by the following:

- an unfavourable change in the PPA reversal, which amounted to -€303 million in net profit Group share compared to -€217 million at the end of June 2021, i.e. -€66 million (of which +€29 million related to the impact of the capital gain on the disposal of CNP Partners);
- a stable SRF and DGF contribution, which declined from €89 million at the end of June 2021 to €88 million at the end of June 2022, to the management expenses;
- an HTC capital gain for a positive impact of €18 million at the end of June 2022.

### 4.5.3 Financial structure

|                            | 06/2022    | 12/2021    | Change       |
|----------------------------|------------|------------|--------------|
| <b>Balance sheet (€bn)</b> | <b>752</b> | <b>772</b> | <b>-2.6%</b> |
| <b>Solvency</b>            |            |            |              |
| Prudential capital         | 18.8       | 21.6       | -12.8%       |
| Common Equity Tier 1       | 16.2%      | 19.1%      | -2.9 pts     |
| Solvency ratio             | 20.9%      | 23.7%      | -2.8 pts     |
| Leverage ratio             | 6.0%       | 7.2%       | -1.2 pts     |
| MREL ratio (LRE)           | 8.5%       | 9.5%       | -1.0 pts     |
| MREL ratio (RWA)           | 25.4%      | 27.6%      | -2.2 pts     |
| SCR coverage rate          | 249%       | 217%       | 32.0 pts     |
| <b>Liquidity</b>           |            |            |              |
| Liquidity coverage ratio   | 166%       | 186%       | -20.0 pts    |
| NSFR ratio                 | 132%       | 143%       | -11.0 pts    |
| Loan to deposit ratio      | 81.0%      | 82.1%      | -1.1 pts     |

La Banque Postale has a solid financial structure with a Common Equity Tier 1 ratio estimated at 16.2% at 30 June 2022 (down by 2.9 points compared to 31 December 2021 as published), well above the overall CET1 capital (OCR) of 8.38% set by the European Central Bank and applicable since 2 April 2020. This change was mainly due to an Other Comprehensive Income (OCI) effect for -2.9% due to the volatility of equities and rates.

The total capital ratio stood at 20.9%, down by 2.8 points compared to the end of December 2021.

The SCR coverage rate was 249% at 30 June 2022 (up by 32 points compared to the data reported on 31 December 2021). This change is mainly due to the sharp rise in interest rates over the period.

At the end of June 2022, the calculation of the leverage ratio changed in accordance with the provisions of the CRR2 Regulation, and now excludes the outstanding savings centralised with Caisse des Dépôts, thus amounting to 6.0%.

The liquidity position of the balance sheet remains above the regulatory requirements and results in a loan to deposit ratio of 81%, reflecting strong financial resources. The liquidity ratios remain at a high level with a LCR ratio estimated at 166% and a NSFR ratio estimated at 132%.

The issue of several debts ("Senior Non-Preferred" debt of €500 million and "Tier 3" subordinated debt of €500 million) strengthened the total equity and resources eligible for the MREL.

## 4.6 Retail Customers and Digital Services business unit

The Retail Customers and Digital Services business unit was born on 1 July 2021, within the framework of the new strategic plan "La Poste 2030, committed for you". It markets postal, financial and telephone products and services to individuals and professionals by relying on the La Poste Network and the Group's digital solutions and services, as part of an omnichannel customer relationship. It also drives the Group's digital transformation. The Retail Customers and Digital Services business unit is organised into two divisions:

- one division including the business unit's commercial activities, mainly the Mail and Parcels activities as well as the digital subsidiaries Docaposte, LP11 and La Poste Services A la Personne (LPSAP);
- a second division bringing together the activities and services on behalf of third parties with network rebilling and the Digital Services Department's cross-functional projects.

|  | 06/2022    | 06/2021         | Change         |               |
|--|------------|-----------------|----------------|---------------|
|  |            | <i>restated</i> | <i>vs N-1</i>  |               |
| <i>(€ million)</i>   |            |                 | <i>(in €m)</i> | <i>(in %)</i> |
| Operating revenue  | 3,279      | 3,323           | -44            | -1.3          |
| <i>of which commercial activities</i>  | 1,697      | 1,698           | -1             | -0.1          |
| <i>of which activities and services on behalf of third parties</i>                             | 1,582      | 1,625           | -43            | -2.6          |
| Operating expenses   | (3,078)    | (3,233)         | +155           | -4.8          |
| <b>Operating profit/(loss) before share of net p/(l) of jointly controlled entities</b>        | <b>201</b> | <b>90</b>       | <b>+111</b>    | <b>n.s.</b>   |
| Share of net profit of jointly controlled entities   | 3          | (2)             | +5             | n.s.          |
| <b>OPERATING PROFIT/(LOSS) AFTER SHARE OF NET PROFIT/(LOSS) OF JOINTLY CONTROLLED ENTITIES</b> | <b>203</b> | <b>88</b>       | <b>+116</b>    | <b>n.s.</b>   |

### 4.6.1 Operating revenue

The revenue amounted to €3,279 million, a decrease of €44 million, down by 1.3% compared to the end of June 2021. After restatement for scope and exchange rate effects in the amount of +€19 million,

of which +€12 million for Docaposte's digital subsidiaries (integration of OpenValue, Trust & Sign and Heva) and +€7 million for LP11 (integration of Boxtal), the organic change in revenue was -€63 million.

#### 4.6.1.1 Commercial activities

The revenue from commercial activities amounted to €1,697 million, an organic decrease of €21 million, which breaks down as follows:

- The Mail and Parcels businesses recorded an organic decrease of €31 million for revenue of €1,267 million. This decrease was explained by the Mail and services activity, down by €67 million due to the 11% decrease in mail volumes, and by the Parcel business, which was down by €51 million compared to the first half of 2021, which was historically high, and in a context of slowdown in e-commerce. These decreases were partially offset by the €87 million compensation received to reduce the deficit relating to the Universal Postal Service.
- The digital subsidiaries (Docaposte, LP11 and LPSAP) recorded organic growth of €9 million for revenue of €422 million. This growth was driven by the development of Docaposte's digital trust services (up by €13 million). Conversely, LP11 recorded an organic decline of €5 million related to the impact of the energy crisis on its subsidiary Marketshot.
- The other commercial activities<sup>12</sup> recorded growth of €1 million for revenue amounting to €8 million mainly related to the development of Digiposte.

#### 4.6.1.2 Activities and services on behalf of third parties

The revenue from activities and services on behalf of third parties amounted to €1,582 million, down by €43 million due to lower network expenses, partially offset by the acceleration of the digital transformation projects.

### 4.6.2 Operating profit/(loss)

The operating profit amounted to €203 million, up by €116 million compared to 30 June 2021, of which €2 million due to scope and exchange rate effects. This increase was mainly due to the €87 million compensation received to reduce the deficit relating to the Universal Postal Service and, to a lesser extent, to the growth of the digital subsidiaries and the decrease in network expenses.

## 4.7 Other segments

### 4.7.1 Real Estate

The Real Estate segment includes the Poste Immo subsidiary and the Real Estate Department of the La Poste parent company.

|  | 06/2022   | 06/2021   | Change    |              |
|--|-----------|-----------|-----------|--------------|
|  |           | restated  | vs N-1    |              |
| (€ million)  |           |           | (in €m)   | (in %)       |
| Operating revenue  | 422       | 407       | +14       | +3.5         |
| Current operating expenses   | (398)     | (394)     | -4        | +1.1         |
| Gains/(losses) on disposals  | 1         | 7         | -6        | -87.3        |
| <b>Operating profit/(loss) before share of net p/(l) of jointly controlled entities</b>        | <b>24</b> | <b>20</b> | <b>+4</b> | <b>+20.6</b> |
| Share of net profit of jointly controlled entities   | 0         | 0         | -0        | n.s.         |
| <b>OPERATING PROFIT/(LOSS) AFTER SHARE OF NET PROFIT/(LOSS) OF JOINTLY CONTROLLED ENTITIES</b> | <b>24</b> | <b>20</b> | <b>+4</b> | <b>+19.5</b> |

<sup>12</sup> External operating revenue of Digiposte, Digital Identity and commissions on external customers of the network.

The revenue of the Real Estate division amounted to €422 million, an increase of €14 million (+3.5%) compared to the end of June 2021. This increase was mainly due to the start of the real estate development activity for + €11 million.

The operating profit, after the share of the profit of jointly controlled entities, amounted to €24 million, up by €4 million compared to the end of June 2021, mainly due to the operating margin of €3 million related to the start of the real estate development activity.

#### 4.7.2 Supports and structures

The “Supports and Structures” segment corresponds to the costs of the head office, the departments and shared services, the vehicle fleet management subsidiary, and the Support and Maintenance Department (formerly attached to the Network). These costs are mainly re-invoiced to the business units.

|  | 06/2022     | 06/2021         | Change         |               |
|--|-------------|-----------------|----------------|---------------|
|  |             | <i>restated</i> | <i>vs N-1</i>  |               |
| <i>(€ million)</i>   |             |                 | <i>(in €m)</i> | <i>(in %)</i> |
| Operating revenue  | 640         | 645             | -4             | -0.7          |
| Operating expenses   | (733)       | (718)           | -15            | +2.1          |
| <b>Operating profit/(loss) before share of net p/(l) of jointly controlled entities</b>        | <b>(93)</b> | <b>(73)</b>     | <b>-20</b>     | <b>+27.0</b>  |
| Share of net profit of jointly controlled entities   | 0           | 0               | -0             | +0.0          |
| <b>OPERATING PROFIT/(LOSS) AFTER SHARE OF NET PROFIT/(LOSS) OF JOINTLY CONTROLLED ENTITIES</b> | <b>(93)</b> | <b>(73)</b>     | <b>-20</b>     | <b>+27.1</b>  |

The revenue amounted to €640 million, down by €4 million compared to the end of June 2021. This revenue comprises, on the one hand, intragroup income resulting from the invoicing of services provided to other business units for €591 million and, on the other hand, the Group’s head office expenses re-invoiced in respect of management fees for €44 million.

The operating loss, after share of the net profit of jointly controlled entities, amounted to €93 million, or a deterioration of €20 million compared to the end of June 2021, mainly due to La Poste Groupe’s continued commitment to the digital transformation (Artificial Intelligence, Data, etc.).

#### 4.7.3 Unallocated expenses

|                                      | 06/2022      | 06/2021      | Change         |               |
|--------------------------------------|--------------|--------------|----------------|---------------|
|                                      |              |              | <i>vs N-1</i>  |               |
| <i>(€ million)</i>                   |              |              | <i>(in €m)</i> | <i>(in %)</i> |
| Net cost of regional postal presence | (278)        | (282)        | +4             | -1.37         |
| Other operating income and expenses  | 77           | (87)         | +164           | n.s.          |
| <b>OPERATING PROFIT/(LOSS)</b>       | <b>(201)</b> | <b>(368)</b> | <b>+167</b>    | <b>-45.5</b>  |

The “Unallocated” segment includes the costs of the Universal Postal Service accessibility mission, the costs of the regional planning mission, the corresponding local tax allowance, and the costs associated with end-of-career benefits considered to be Group cross-entity costs and which are

therefore not allocated to the business units, as well as the unallocated share of the compensation for the Universal Postal Service.

The increase of €167 million in the operating profit was mainly due to the compensation received to reduce the deficit relating to the Universal Postal Service.

## 5. Other key aggregates of the income statement

### 5.1 Financial profit/(loss)

|   | Half-year ended 30 June |              |                  |              |
|---|-------------------------|--------------|------------------|--------------|
|   | 06/2022                 | 06/2021      | Change<br>vs N-1 |              |
| (€ million)   |                         |              | (in €m)          | (in %)       |
| Net interest expense                                | (112)                   | (122)        | +10              | -8.2         |
| Change in "fair value" including debt credit spread | 3                       | 1            | +2               | n.s.         |
| <b>Cost of net financial debt</b>                   | <b>(108)</b>            | <b>(120)</b> | <b>+12</b>       | <b>-10.0</b> |
| Other items of financial profit/(loss)              | 8                       | 13           | -5               | -39.8        |
| <b>FINANCIAL PROFIT/(LOSS)</b>                      | <b>(101)</b>            | <b>(108)</b> | <b>+7</b>        | <b>-6.3</b>  |

The financial profit improved by €7 million. It represented a total expense of €101 million, with a decrease in the net borrowing cost of €12 million and a change of €5 million related to other financial items.

The net interest expense, at €112 million, decreased by €10 million compared to June 2021. This decrease was due in particular to a favourable impact of €21 million related to the maturity of a €1 billion bond in November 2021 and an unfavourable change of €10 million mainly due to the interest rate component of the swap on a GBP transaction.

The change in fair value of the debt under the fair value option and of the derivatives backed by this debt, which corresponded to an income of €3 million in the first half of 2022, was up by €2 million compared to the first half of 2021.

The other financial items (income of €8 million in the first half of 2022) decreased by €5 million compared to June 2021. This decrease was due in particular to the impact of foreign exchange gains for €6 million, an unfavourable change in income from investments for €3 million (related to the payment in June 2021 of a yield on Xange Capital 2 shares) and a decrease of €6 million in other financial income and expenses (related to a capital gain of €5 million realised in June 2021 by GeoPost in Spain on the sale of non-consolidated shares).

## 5.2 Net profit/(loss), Group share

Half-year ended 30 June

|   | 06/2022         | 06/2021         | Change        |              | Change at constant scope and exchange rates |              |
|---|-----------------|-----------------|---------------|--------------|---|--------------|
|   |                 |                 | vs N-1        |              | vs N-1                                      |              |
|   |                 |                 | (in €m)       | (in %)       | (in €m)                                     | (in %)       |
| (€ million)   |                 |                 |               |              |   |              |
| <b>Operating income</b>   | <b>17,481</b>   | <b>16,857</b>   | <b>+624</b>   | <b>+3.7</b>  | <b>+240</b>                                 | <b>+1.4</b>  |
| <b>Operating expenses</b>   | <b>(17,053)</b> | <b>(15,738)</b> | <b>-1,316</b> | <b>+8.4</b>  | <b>-988</b>                                 | <b>+6.3</b>  |
| <b>Operating profit/(loss)</b>  | <b>428</b>      | <b>1,119</b>    | <b>-692</b>   | <b>-61.8</b> | <b>-748</b>                                 | <b>-65.6</b> |
| Share in profits of jointly controlled entities   | 17              | 26              | -8            | -31.6        | -17   | -72.5        |
| <b>Operating profit after share of net profit/(loss) of jointly controlled entities</b> | <b>445</b>      | <b>1,145</b>    | <b>-700</b>   | <b>-61.1</b> | <b>-765</b>                                 | <b>-65.8</b> |
| Financial profit/(loss)   | (101)           | (108)           | +7            | -6.3         | +7  | -6.4         |
| <b>Profit/(loss) before tax</b>   | <b>344</b>      | <b>1,037</b>    | <b>-693</b>   | <b>-66.8</b> | <b>-758</b>                                 | <b>-71.8</b> |
| Income tax  | 737             | (312)           | +1,049        | n.s.         | +1,068                                      | n.s.         |
| Share in profits of associates  | (33)            | 6               | -39           | n.s.         | -38   | n.s.         |
| <b>CONSOLIDATED NET PROFIT/(LOSS)</b>   | <b>1,048</b>    | <b>731</b>      | <b>+317</b>   | <b>+43.4</b> | <b>+272</b>                                 | <b>+37.1</b> |
| <b>Net profit/(loss), Group share</b>   | <b>883</b>      | <b>525</b>      | <b>+359</b>   | <b>+68.4</b> | <b>+229</b>                                 | <b>+43.7</b> |
| Non-controlling interests   | 164             | 206             | -42           | -20.3        | +43   | +20.5        |

The net profit Group share amounted to €883 million at the end of June 2022. It increased by €359 million, of which €130 million due to scope and exchange rate effects and €229 million of organic growth.

The main component of this increase was driven by the operating profit after share of net profit of jointly controlled entities, which was down organically by €765 million under the effect of an impairment of the fixed assets of the mail parent company recorded in the first half of 2022 for an amount of €912 million, and the impairment of DPD Russia, a Group subsidiary whose assets and liabilities were classified as "Assets and liabilities held for sale", for an impact of €157 million.

The income tax contributed to an organic increase of the net profit Group share of €1,068 million under the combined effects of:

- The recognition of income of €903 million following the buyback of the non-controlling interests in CNP Assurances, which makes it possible to consider the entry of this company into La Poste's tax consolidation group as of the 2023 fiscal year and significantly improves its taxable income forecasts. Based on the best forecasts to date, the tax consolidation group's tax loss carryforward may be absorbed within less than five years. As a result, the Group recognises in the financial statements for the first half of 2022 all deferred tax assets in respect of tax loss carryforwards as well as deferred tax assets in respect of other temporary differences when they are expected to be settled within a period of 10 years.
- The recognition of an income of €230 million resulting from the impairment of the parent company mail assets for an amount of €912 million, i.e. €682 million in terms of net profit.

The financial profit remained stable overall at €101 million, up by €7 million compared to the first half of 2021.

Decrease in the share of profit of other equity associates of €38 million, mainly due to the Group's stake in Ninja Van (held by DPDgroup).

Lastly, the share of net profit attributable to non-controlling interests, which decreased by €42 million due in particular to the buyback of non-controlling interests in CNP Assurances, increased by €43 million at constant scope and exchange rates.

## 6. Debt and financial strength

The tables below are set out so as to present both the banking activities and the industrial and commercial activities within the same group, while providing a more economic view of their respective contribution to Group cash flows.

As Group parent company, La Poste provides funding for industrial and commercial operations and equity for La Banque Postale. As such, La Banque Postale, although fully consolidated, is considered based on the dividends it distributes to its parent company, which are considered as Group cash flows, once all minimum regulatory equity requirements are met.

Consequently, Group net debt does not directly take into account La Banque Postale, for which this concept is not relevant. Group net debt thus varies largely according to the following:

the ability of the industrial and commercial activities to generate surplus net free cash flows (EBITDA, change in working capital, capital expenditure and potential external growth);

dividends paid by La Banque Postale to La Poste (including coupons for ATP hybrid securities) or from equity associates and, in return, potential capital increases in these entities;

the corporate tax expense resulting from the tax group set up between La Poste and its subsidiaries;

La Poste's cost of capital employed, based on interest paid on net debt and dividends paid out to its shareholders.

## 6.1 Free cash flow

The Group generated €1,130 million in free cash flow as at the end June 2022. The free cash flow was up by €1,076 million compared to the end of June 2021.

| (€ million)  | Half-year ended 30 June |              |                   |             |
|--|-------------------------|--------------|-------------------|-------------|
|  | 06/2022                 | 06/2021      | Change            |             |
|  |                         |              | vs N-1<br>(in €m) | (in %)      |
| EBITDA   | 1,221                   | 1,026        | +195              | +19.0       |
| Dividends received from equity associates                        | 1,553                   | 183          | +1,371            | n.s.        |
| HR provisions excluding end-of-career benefits                   | 10                      | 35           | -25               | -71.5       |
| <b>Adjusted EBITDA</b>   | <b>2,784</b>            | <b>1,243</b> | <b>+1,541</b>     | <b>n.s.</b> |
| Change in WCR  | (641)                   | (158)        | -483              | n.s.        |
| Purchase of property, plant and equipment and intangible assets  | (498)                   | (525)        | +27               | -5.2        |
| Disposals of property, plant and equipment and intangible assets | 48                      | 43           | +6                | +13.0       |
| Net interest paid (excluding IFRS 16)                            | (56)                    | (53)         | -3                | +5.2        |
| Income tax   | (75)                    | (101)        | +26               | -25.4       |
| CICE deducted/generated  | 0                       | 0            | -0                | -28.9       |
| Repayment of lease liabilities                                   | (396)                   | (355)        | -41               | +11.6       |
| Interest expense on lease liabilities                            | (36)                    | (39)         | +3                | -7.9        |
| <b>FREE CASH FLOW</b>  | <b>1,130</b>            | <b>55</b>    | <b>+1,076</b>     | <b>n.s.</b> |

### 6.1.1 Adjusted EBITDA

The adjusted EBITDA amounted to €2,784 million at the end of June 2022, up by €1,541 million mainly due to a favourable impact on the dividends received from the equity associates in the amount of €1,371 (exceptional dividend payment by La Banque Postale in the amount of €1,256 million).

The increase in EBITDA (€195 million) was partly offset by HR provisions excluding end-of-career arrangements with an unfavourable difference of €25 million.

### 6.1.2 Purchase of property, plant and equipment and intangible assets

The cash outflows for property, plant and equipment and intangible assets decreased by €27 million in 2022 to €498 million. This decrease consisted of an increase in investments of €18 million and of a negative impact on payables to suppliers of non-current assets of €45 million.

| (€ million)  | Half-year ended 30 June |                         |            |             |
|--|-------------------------|-------------------------|------------|-------------|
|  | 06/2022                 | 06/2021                 | Change     |             |
|  |                         | restated <sup>(a)</sup> | vs N-1     |             |
|  |                         |                         | (in €m)    | (in %)      |
| Services-Mail-Parcels  | (94)                    | (106)                   | +12        | -11.0       |
| GeoPost  | (184)                   | (172)                   | -11        | +6.7        |
| Retail Customers and Digital Services                                  | (45)                    | (40)                    | -5         | +12.5       |
| Real Estate  | (94)                    | (114)                   | +20        | -17.4       |
| Supports & Other   | (81)                    | (93)                    | +12        | -12.9       |
| <b>Purchase of property, plant and equipment and intangible assets</b> | <b>(498)</b>            | <b>(525)</b>            | <b>+27</b> | <b>-5.2</b> |
| Change in non-current asset accounts payable                           | 25                      | 71                      | -45        | -64.3       |
| <b>INVESTING ACTIVITIES EXCLUDING BANKING ACTIVITIES</b>               | <b>(473)</b>            | <b>(454)</b>            | <b>-18</b> | <b>+4.0</b> |

<sup>(a)</sup> Restated segment data, please see Section 4.2.

Purchases of property, plant and equipment and intangible assets include:

- Services-Mail-Parcels business unit: €94 million, down by €12 million of which a decrease of €3 million for the Mail business and €8 million for the Mail subsidiaries. The investments on parcels remained stable with a slowdown in spending on its industrial and IT master plan;
- GeoPost business unit: €184 million, up by €11 million. The projects for the first part of 2022 focus on the development of express delivery and delivery processing capacity. The most important projects focus on the construction of depots (UK, Germany and Chronopost), on the expansion of the distribution network and the development of new services;
- Retail Customers and Digital Services business unit: €45 million, down by €5 million. The Group's digitisation in France concentrated most of the investments in 2021 and 2022;
- Real Estate division: €94 million, down by €20 million. The investments support the business units and projects carried out by the Group, such as the industrial master plan for the Services-Mail-Parcels business unit and VLP region;
- Supports and others: €81 million, down by €12 million, of which a €25 million decrease on the acquisition of vehicles for the Group, following delays in deliveries (as a result of the shortage of semiconductors since the beginning of 2021 and since the war in Ukraine).

### 6.1.3 Disposals of property, plant and equipment and intangible assets

The disposals of property, plant and equipment and intangible assets totalled €48 million, up by €6 million compared to the first half of 2021.

The disposals of assets included in particular the disposals of the Real Estate division, which amounted to €35 million, up by €12 million compared to the first half of 2021.

The disposals by GeoPost in the first half of 2022 totalled €1 million, down by €6 million.

The disposals of vehicles, totalling €11 million at the end of June 2022, decreased by €2 million.

### 6.1.4 Other items of free cash flow

The change in working capital, which in the first half of 2022 generated a negative cash flow of €641 million, presented an unfavourable impact of €483 million compared to the first half of 2021. This

impact is mainly due to a difference of €297 million on the compensation for the Universal Postal Service (€260 million) and the compensation for regional planning (€37 million).

The cash flow generated by taxes, which represented a cash outflow of €75 million, presented a favourable difference of €26 million compared to the first half of 2021.

The increase in lease liability repayments (€41 million) was due in particular to an increase in finance lease liabilities of €215 million compared to June 2021 mainly driven by GeoPost.

## 6.2 Change in net debt

The Group's net debt increased by €41 million in the first half of 2022. It now stands at €10,274 million, including €3,839 million in lease liabilities.

The excess free cash flow of €1,130 million offsets the net balance of external growth (€615 million) and the dividends paid in the overall amount of €439 million, in addition to the €315 million paid in new shares through a share capital increase.

| (€ million)   | Half-year ended 30 June |              |                   |              |
|---|-------------------------|--------------|-------------------|--------------|
|   | 06/2022                 | 06/2021      | Change            |              |
|   |                         |              | vs N-1<br>(in €m) | (in %)       |
| <b>Free cash flow</b>                                 | <b>1,130</b>            | <b>55</b>    | <b>+1,076</b>     | <b>n.s.</b>  |
| Dividends paid  | (439)                   | (26)         | -413              | n.s.         |
| External growth and net financial assets              | (615)                   | (633)        | +18               | -2.8         |
| Change in finance lease liabilities                   | (79)                    | (115)        | +36               | -31.4        |
| Change in interest accrued not yet due                | (7)                     | (32)         | +25               | -77.9        |
| Incr. / Decr. Capital                                 | 3                       | 0            | +3                | n.s.         |
| Perpetual loans                                       | 0                       | 198          | -198              | -100.0       |
| Impact of changes in scope and exchange rates on debt | (9)                     | (52)         | +42               | -81.7        |
| Elimination HR Prov excl. DFC                         | (10)                    | (35)         | +25               | -71.5        |
| Other funds from operations                           | (1)                     | (10)         | +9                | -85.3        |
| Other changes in net debt                             | (15)                    | (2)          | -13               | n.s.         |
| <b>Change net debt</b>                                | <b>(41)</b>             | <b>(649)</b> | <b>+608</b>       | <b>-93.6</b> |
| <b>Net debt at the beginning of the period</b>        | <b>10,233</b>           | <b>8,802</b> | <b>+1,431</b>     | <b>+16.3</b> |
| <b>Closing net debt (reported)</b>                    | <b>10,274</b>           | <b>9,451</b> | <b>+823</b>       | <b>+8.7</b>  |

### 6.2.1 Impact of external growth transactions and purchases of financial assets on the Group's net debt

The net flows from external growth and changes in financial assets totalled €615 million, up by €18 million compared to 2021, comprising the following:

- acquisitions of subsidiaries minus cash acquired for €490 million, up by €381 million;
- acquisitions of financial assets for €95 million, up by €18 million;
- purchases of non-controlling interests for an amount of €45 million, down by €503 million;
- disposals of subsidiaries for an amount of €0 million, with an unfavourable impact of €16 million;
- disposals of financial assets for an amount of €15 million, with an unfavourable impact of €71 million.

Most of the external growth was achieved by the GeoPost business unit with a net amount of €592 million in the first half of 2022. In particular, DPDgroup acquired (100%) CitySprint, a company specialising in the express transport of same-day deliveries. eShopWorld, a subsidiary of Asendia, acquired (100%) Scalefast, a global e-commerce solutions provider based in Los Angeles. DPDgroup also continued to strengthen its stake in Ninja Van, which now stands at 43.6%, as well as in Aramex, which now stands at 28%.

### 6.2.2 Dividends paid by the Group in 2022

The Group paid out €439 million in dividends in 2022. This sum broke down as follows:

- €409 million paid to shareholders in cash, €270 million for Caisse des Dépôts and €139 million for the French State, i.e. €724 million in dividends paid to shareholders including €315 million in share-based payments through a share capital increase;
- €6 million paid to the Group's non-controlling shareholders;
- €23 million recognised as dividends paid and corresponding to the remuneration of undated hybrid subordinated notes subscribed in 2018 and recorded in Group equity.

### 6.3 Change in cash and cash equivalents

The Group's cash and cash equivalents had increased by €111 million at the end of June 2022. It thus stood at €3,006 million, as against an opening balance of €2,895 million.

| (€ million)   | Half-year ended 30 June |               |                   |              |
|---|-------------------------|---------------|-------------------|--------------|
|   | 06/2022                 | 06/2021       | Change            |              |
|   |                         |               | vs N-1<br>(in €m) | (in %)       |
| <b>Free cash flow</b>                                 | <b>1,130</b>            | <b>55</b>     | <b>+1,076</b>     | <b>n.s.</b>  |
| Dividends paid  | (439)                   | (26)          | -413              | n.s.         |
| External growth and net financial assets              | (615)                   | (633)         | +18               | -2.8         |
| Proceeds from new borrowings                          | 720                     | 2,033         | -1,313            | -64.6        |
| Repayment of borrowings (Excluding lease liabilities) | (576)                   | (454)         | -122              | +27.0        |
| Incr. / Decr. Capital                                 | 3                       | 0             | +3                | n.s.         |
| Perpetual loans                                       | 0                       | 198           | -198              | -100.0       |
| Change in cash management financial assets            | (130)                   | (51)          | -79               | n.s.         |
| Other cash flows from financing activities            | (28)                    | (11)          | -17               | n.s.         |
| Currency effect and change in method                  | (2)                     | 1             | -3                | n.s.         |
| Intercompany cash flow                                | 58                      | 58            | +1                | +0.9         |
| Elimination HR Prov excl. DFC                         | (10)                    | (35)          | +25               | -71.5        |
| Other funds from operations                           | (1)                     | (10)          | +9                | -88.7        |
| <b>Change in cash and cash equivalents</b>            | <b>+111</b>             | <b>1,128</b>  | <b>-1,017</b>     | <b>-90.2</b> |
| <b>Opening cash and cash equivalents</b>              | <b>+2,895</b>           | <b>2,763</b>  | <b>+132</b>       | <b>+4.8</b>  |
| <b>Closing cash and cash equivalents</b>              | <b>+3,006</b>           | <b>+3,891</b> | <b>-885</b>       | <b>-22.7</b> |

This change in cash and cash equivalents was mainly due to the following:

- cash flow generation of €80 million resulting from the net amount of free cash flow generated, dividends paid and cash outflow relating to external growth transactions and purchases of financial assets;
- a net increase in cash and cash equivalents of €144 million from the proceeds of new borrowings and the repayment of borrowings excluding IFRS 16:
  - o top-up in January of a bond line maturing in 2034 for an amount of €100 million at a rate of 1%, followed by a top-up in May of a bond line maturing in 2026 for an amount of €150 million at a rate of 0.6215%;
  - o outstanding commercial paper down by €145 million (€155 million at the end of June 2022) with commercial paper payments of €562 million offset by issues of €416 million;
- intra-group cash flow of €58 million corresponding to the change in the net financial position with La Banque Postale and mainly due to the change in the balance of La Poste SA's current

accounts at La Banque Postale to €335 million at the end of June 2022, compared to €447 million at the end of 2021, to which must be added a change in the debt vis-à-vis La Banque Postale under the overall intra-group “debt/receivables” position of +€31 million and a change in borrowings from La Banque Postale for an amount of +€17 million;

- a decrease in cash and cash equivalents from movements in financial assets used in cash management of €130 million, relating to the reimbursement at maturity of various deposits over three months partly replaced;
- a decrease in other cash flows from financing activities of €28 million due mainly to an increase in current bank facilities.

## 6.4 Gross debt

The Group's gross debt increased by €210 million during the first half of 2022. It now stands at €14,119 million.

Gross debt breaks down as follows:

| (€ million)  | Half-year ended 30 June |               |             |              |
|--|-------------------------|---------------|-------------|--------------|
|  | 06/2022                 | 12/2021       | Change      |              |
|  |                         |               | (in €m)     | (in %)       |
|  |                         |               | vs N-1      |              |
|  |                         |               |             |              |
| <b>Bonds</b>   | <b>9,213</b>            | <b>8,991</b>  | <b>+222</b> | <b>+2.5</b>  |
| Short-term bonds                                       | 1,021                   | 0             | +1,021      | -            |
| Medium- and long-term bonds                            | 8,192                   | 8,991         | -800        | -8.9         |
| <b>La Poste savings bonds</b>                          | <b>52</b>               | <b>52</b>     | <b>-0</b>   | <b>-0.9</b>  |
| Short-term La Poste savings bonds                      | 52                      | 52            | -0          | -0.9         |
| Medium- and long-term La Poste savings bonds           | 0                       | 0             | +0          | -            |
| <b>Commercial paper</b>                                | <b>155</b>              | <b>300</b>    | <b>-145</b> | <b>-48.3</b> |
| Short-term commercial paper                            | 155                     | 300           | -145        | -48.3        |
| Medium- and long-term commercial paper                 | 0                       | 0             | +0          | -            |
| <b>Deposits and guarantees received</b>                | <b>64</b>               | <b>78</b>     | <b>-14</b>  | <b>-17.5</b> |
| Short-term deposits and guarantees received            | 23                      | 34            | -11         | -32.8        |
| Medium- and long-term deposits and guarantees received | 41                      | 44            | -2          | -5.6         |
| <b>Accrued interest</b>                                | <b>65</b>               | <b>77</b>     | <b>-12</b>  | <b>-15.5</b> |
| Accrued interest                                       | 65                      | 77            | -12         | -15.5        |
| <b>Subordinated debt</b>                               | <b>480</b>              | <b>440</b>    | <b>+40</b>  | <b>+9.1</b>  |
| <b>Lease liabilities</b>                               | <b>3,839</b>            | <b>3,760</b>  | <b>+79</b>  | <b>+2.1</b>  |
| Short-term lease liabilities                           | 777                     | 741           | +37         | +4.9         |
| Medium- and long-term lease liabilities                | 3,061                   | 3,019         | +42         | +1.4         |
| <b>Other items excluding lease liabilities</b>         | <b>252</b>              | <b>211</b>    | <b>+41</b>  | <b>+19.5</b> |
| Other short-term items                                 | 89                      | 79            | +9          | +11.8        |
| Other medium- and long-term items                      | 163                     | 132           | +31         | +23.6        |
| <b>GROSS DEBT</b>                                      | <b>14,119</b>           | <b>13,909</b> | <b>+210</b> | <b>+1.5</b>  |
| <b>Short-term gross debt</b>                           | <b>2,181</b>            | <b>1,282</b>  | <b>+899</b> | <b>+70.1</b> |
| <b>Medium- and long-term gross debt</b>                | <b>11,937</b>           | <b>12,626</b> | <b>-689</b> | <b>-5.5</b>  |

The Group's bond debt at the end of June 2022, amounting to €9,213 million, comprised 10 issues, originally with fixed rates (excluding hybrid bonds and including green bonds), some of which were switched to floating rates, then converted back to fixed rate according to whether interest rates were forecast to rise.

The main movements recorded during the first half of 2022 relate to bond debt, which increased by €222 million following the top-up of a bond issue in January 2022 for a total amount of €100 million and supplemented in May 2022 by another bond issue top-up of €150 million.

The subordinated debt, valued at €480 million at the end of June 2022 (for a nominal value of \$500 million swapped for euros), increased by €40 million as a consequence of changes in the euro/US dollar exchange rate.

The lease liabilities (€3,839 million) increased by €79 million during the first half of 2022, in particular with an increase of €64 million for DPDgroup in connection with the development of its operating activities.

Commercial paper outstandings decreased by €145 million to €155 million. It should also be noted that accrued interest not due decreased by €12 million related to the €14 million decrease in deposits and guarantees received.

## 6.5 Net debt

|  | Half-year ended 30 June |               |            |             |
|--|-------------------------|---------------|------------|-------------|
|  | 06/2022                 | 12/2021       | Change     |             |
|  |                         |               | vs N-1     |             |
| (€ million)                              |                         |               | (in €m)    | (in %)      |
| Gross debt at the end of the period      | 14,119                  | 13,909        | +210       | +1.5        |
| Cash and cash equivalents                | (3,006)                 | (2,895)       | -111       | +3.8        |
| Other assets                             | (838)                   | (780)         | -57        | +7.3        |
| <b>NET DEBT AT THE END OF THE PERIOD</b> | <b>10,274</b>           | <b>10,233</b> | <b>+41</b> | <b>+0.4</b> |

The Group's net debt stood at €10,274 million at the end of June 2022. It increased by €41 million in the first half of 2022.

The other assets, amounting to -€838 million, comprised the following:

- debt-related derivative assets with a fair value of €37 million, up by €21 million;
- investments maturing in over three months at inception, which amounted to €480 million, were down by €129 million compared to December 2021;
- the net financial position with La Banque Postale was a credit position of €311 million, compared to a credit position of €369 million at the end of December 2021.

## 6.6 Equity and financial structure

|  | Half-year ended 30 June |                               |                |               |
|--|-------------------------|-------------------------------|----------------|---------------|
|  | 06/2022                 | 12/2021                       | Change         |               |
|  |                         | <i>restated<sup>(a)</sup></i> | <i>vs N-1</i>  |               |
| <i>(€ million)</i>                                   |                         |                               | <i>(in €m)</i> | <i>(in %)</i> |
| <b>Equity Group share (opening)</b>                  | <b>20,932</b>           | <b>18,390</b>                 | <b>2,543</b>   | <b>+13.8</b>  |
| Capital increase                                     | 120                     | 0                             | 120            | n.s.          |
| Net profit/(loss), Group share                       | 883                     | 2,069                         | -1,186         | -57.3         |
| Dividend payments                                    | (529)                   | 0                             | -529           | -             |
| Remuneration of undated hybrid subordinated notes    | (82)                    | (91)                          | 9              | -9.6          |
| Unrealised gains and losses on financial instruments | (3,688)                 | 523                           | -4,212         | n.s.          |
| Translation adjustments                              | 330                     | 4                             | 326            | n.s.          |
| Actuarial adjustments                                | 127                     | 88                            | 39             | +44.7         |
| Other  | 502                     | (51)                          | 552            | n.s.          |
| <b>Equity Group share (closing)</b>                  | <b>18,595</b>           | <b>20,932</b>                 | <b>-2,338</b>  | <b>-11.2</b>  |
| Non-controlling interests                            | 8,268                   | 11,718                        | -3,449         | -29.4         |
| <b>CONSOLIDATED EQUITY (CLOSING)</b>                 | <b>26,863</b>           | <b>32,650</b>                 | <b>-5,787</b>  | <b>-17.7</b>  |

Equity Group share amounted to €18,595 million at the end of June 2022. They decreased by €2,338 million mainly due to the unrealised gains and losses on financial instruments (-€3,688 million, in particular for CNP Assurances), the dividend payment (-€529 million), the remuneration of hybrid perpetual subordinated notes (-€82 million), mitigated by the net profit Group share (+€883 million) as well as translation adjustments (€330 million).

The dividend payment of -€724 million was made by allocating to other reserves for -€529 million and to issue premiums for -€195 million. The capital increase of €120 million corresponding to a capital increase of €315 million including the -€195 million in issue premiums distributed.

The non-controlling interests amounted to €8,268 million, down by €3,449 million, of which €3,462 million following the buyout of the non-controlling interests in CNP Assurances.

## 6.7 Credit rating

The ratings remained unchanged in the first half of 2022.

On 26 July 2022, the rating agency Moody's started to rate La Banque Postale's credit profile alongside the two agencies Fitch Ratings and Standard and Poor's. It assigned long-term (A2) and short-term (P1) credit ratings, with a stable outlook.

### La Poste rating

| Company  | Agency              | Long-term rating | Short-term rating | Outlook | Last revised    |
|----------|---------------------|------------------|-------------------|---------|-----------------|
| La Poste | Fitch Ratings       | A+               | F1+               | Stable  | 7 December 2021 |
|          | Standard and Poor's | A+               | A-1               | Stable  | 4 November 2021 |

### La Banque Postale rating

| Company           | Agency              | Long-term rating | Short-term rating | Outlook | Last revised    |
|-------------------|---------------------|------------------|-------------------|---------|-----------------|
| La Banque Postale | Fitch Ratings       | A                | F1+               | Stable  | 11 January 2022 |
|                   | Moody's             | A2               | P1                | Stable  | 26 July 2022    |
|                   | Standard and Poor's | A+               | A-1               | Stable  | 2 February 2022 |

### CNP Assurances rating

| Company        | Agency              | Long-term rating | Outlook | Last revised    |
|----------------|---------------------|------------------|---------|-----------------|
| CNP Assurances | Fitch Ratings       | A+               | Stable  | 6 January 2022  |
|                | Moody's             | A1               | Stable  | 30 May 2022     |
|                | Standard and Poor's | A+               | Stable  | 4 November 2021 |

## 7. Outlook and post balance sheet events

### 7.1 Outlook

In the second half of 2022, the Group will continue to roll out its strategic plan “La Poste 2030, committed for you” in order to progress towards its objective of being a profitable growth company, which succeeds in its transformation towards a sustainable business model. With this in mind, the efforts to modernise the public service missions and the necessary adaptation of the compensation mechanisms related to them continued with the signature in May 2022 of an amendment to the 2018-2022 Public Service Agreement between the French State and La Poste, as well as with the deployment of a new Mail range which will be launched on 1 January 2023 as part of an approach combining La Poste Groupe’s desire to improve the carbon footprint of the Mail business and its ambition to perpetuate the Universal Postal Service while meeting new uses. More generally, the Group will continue its efforts to diversify its activities, adapt its products to new uses (digital, etc.), improve its operational efficiency and promote social and environmental transitions.

The unfavourable macroeconomic conditions related to the conflict in Ukraine are likely to continue to weigh on La Poste Groupe’s activities and profitability in the second half of 2022, with the prospect of more moderate growth in e-commerce on parcels, lasting inflation affecting the Group’s expenses and profitability, as its ability to pass them on to prices is limited by the competitive environment, regulations and the Group’s civic positioning, and an increase in rates favouring the banking activities.

### 7.2 Post balance sheet events

#### Business combination

After the acquisition of Aviva’s life insurance activities in Italy last year, CNP Assurances continued its international growth strategy with the signature of an agreement with UniCredit, its long-standing partner, including the following:

- Acquisition by CNP Assurances of UniCredit’s 49% stake in CNP Vita Assicura SpA for €500 million, enabling CNP Assurances to increase its stake in CNP Vita Assicura SpA to 100%;
- Sale of 6.5% of CNP UniCredit Vita SpA (CUV) to UniCredit for €70 million, with CNP Assurances retaining a majority stake of 51% in CUV.

This transaction will enable CNP Assurances to streamline the organisation of its activities in Italy and to continue its development in the country. The finalisation of this transaction is subject to the approval of the competent authorities.

#### Purchase of non-controlling interests

In accordance with the provisions of the shareholders’ agreement, CNP Assurances will acquire the stake of the partner Swiss Life in Assurance (34% of the capital), the holding company of Filassistance International.

Subject to obtaining the required regulatory authorisations, CNP Assurances, which already held 66% of Assurance’s share capital, will become its sole shareholder by the autumn of 2022.

This acquisition will include an undertaking to continue the partnership between Swiss Life France and Filassistance International.

## Main risks and uncertainties

La Poste Groupe continues to monitor the evolution of the conflict in Ukraine.

However, since July, given the integration of the risks related to this conflict in the current procedures of the entities, the system based on crisis monitoring meetings established in February has been simplified. The regular crisis units have been replaced by the implementation of a monitoring and alert procedure.

It enables the entities to report any new events caused by this conflict that could have a significant impact on the Group and to reactivate the crisis unit if necessary.

The continuation of the crisis continues to limit mail and small postal parcel exchange activities with Ukraine due to the logistical difficulties encountered.

Postal parcel exchanges with Russia are maintained in accordance with the rules of the Universal Postal Union. Their volume is very small. Logistical difficulties continue to slow down shipping.

Express parcel activities from or to Russia have been stopped since 28 February 2022. Since then, DPD Russia, a subsidiary of La Poste Groupe, has been operating exclusively in its domestic market.

After announcing its decision to withdraw from the Russian market on 11 May 2022, GeoPost/DPDgroup is continuing its efforts to sell its subsidiary DPD Russia in compliance with the regulatory requirements. As long as this sale has not been completed, GeoPost/DPDgroup continues to fully meet its obligations to its customers, partners and employees.

The Group also continues to closely monitor the developments in the countries neighbouring Ukraine, particularly those where GeoPost operates.

La Poste and its subsidiaries implement the control procedures required by the international sanctions measures.

Active monitoring of cyber risk is carried out by all the teams responsible for the security of the Group's information systems.

As regards La Banque Postale and its subsidiaries more specifically, the system for monitoring the impacts of the conflict is also maintained:

- The international sanctions packages are integrated and are closely monitored by the Compliance Department.
- It is recalled that La Banque Postale's loan portfolio has no exposure to Ukraine or Russia. It has limited exposure to neighbouring countries. Its subsidiary CNP Assurances has marginal exposure to Russia and Ukraine.
- La Banque Postale also regularly monitors the potential impacts on the loan portfolio and the portfolio managed under market risk, on the one hand, and on the most sensitive operational risks, on the other.

Lastly, La Poste Groupe is continuing its solidarity actions for Ukraine.

A large, stylized number '2' is the central graphic element. It is composed of two overlapping shapes: a light pink outer shape and a darker red inner shape. The '2' is positioned on the left side of the page, extending from the top to the bottom.

**CONDENSED  
CONSOLIDATED  
FINANCIAL  
STATEMENTS**

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## CONSOLIDATED FINANCIAL STATEMENTS

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## CONSOLIDATED INCOME STATEMENT

| (€ million)   | NOTE | H1 2022         | H1 2021         | 2021            |
|---|------|-----------------|-----------------|-----------------|
| Revenues from commercial activities                   | 4    | 13,313          | 12,896          | 26,617          |
| Net banking income                                    | 5    | 4,168           | 3,961           | 7,992           |
| <b>Operating revenue</b>                              |      | <b>17,481</b>   | <b>16,857</b>   | <b>34,609</b>   |
| Purchases and other expenses                          | 6    | (7,760)         | (7,318)         | (15,490)        |
| Personnel expenses                                    | 7    | (6,919)         | (7,106)         | (14,154)        |
| Taxes and levies                                      | 8    | (341)           | (327)           | (449)           |
| Depreciation, amortisation, provisions and impairment | 8    | (2,338)         | (1,240)         | (1,772)         |
| Other operating expenses and income                   | 8    | 238             | 246             | 577             |
| Proceeds from asset disposals                         |      | 67              | 7               | 23              |
| <b>Net operating expenses</b>                         |      | <b>(17,053)</b> | <b>(15,738)</b> | <b>(31,265)</b> |
| Share in profit of joint ventures                     | 14   | 17              | 26              | 87              |
| <b>Current operating profit/(loss)</b>                |      | <b>445</b>      | <b>1,145</b>    | <b>3,431</b>    |
| Cost of net financial debt                            |      | (109)           | (121)           | (233)           |
| Other financial items                                 |      | 8               | 13              | 31              |
| <b>Financial profit/(loss)</b>                        | 9    | <b>(101)</b>    | <b>(108)</b>    | <b>(202)</b>    |
| <b>Share in profits of associates</b>                 | 14   | <b>(33)</b>     | <b>6</b>        | <b>(12)</b>     |
| <b>Profit before tax</b>                              |      | <b>311</b>      | <b>1,043</b>    | <b>3,217</b>    |
| Income tax  | 10   | 737             | (312)           | (620)           |
| <b>CONSOLIDATED NET PROFIT/(LOSS)</b>                 |      | <b>1,048</b>    | <b>731</b>      | <b>2,597</b>    |
| Attributable to non-controlling interests             |      | 165             | 206             | 528             |
| <b>NET PROFIT/(LOSS), GROUP SHARE</b>                 |      | <b>883</b>      | <b>525</b>      | <b>2,069</b>    |

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

| Amounts after tax (€ million)   | H1 2022        | H1 2021      | 2021         |
|---|----------------|--------------|--------------|
| <b>CONSOLIDATED NET PROFIT / (LOSS)</b>   | <b>1,048</b>   | <b>731</b>   | <b>2,597</b> |
| <b>OTHER COMPREHENSIVE INCOME RECOGNISED IN EQUITY</b>  |                |              |              |
| <b>Recyclable items</b>   | <b>(3,236)</b> | <b>546</b>   | <b>513</b>   |
| Change in unrealised gains and losses on financial instruments  | (3,160)        | (521)        | (643)        |
| <i>Reclassification under net income</i>  | 1,178          | 373          | 1,250        |
| Translation adjustments   | 852            | 456          | 108          |
| <i>Reclassification under net income</i>  | 0              | 0            | (3)          |
| Impact of the overlay approach  | (985)          | 605          | 1,024        |
| Share in other comprehensive income of associates and joint ventures  | 57             | 6            | 24           |
| <b>Non-recyclable items</b>   | <b>151</b>     | <b>63</b>    | <b>70</b>    |
| Actuarial adjustments on employee benefits  | 127            | 44           | 84           |
| Change in credit risk of liabilities designated as at fair value through profit or loss                               | 16             | (2)          | (8)          |
| Revaluation of equity instruments recognized at fair value through equity (excluding securities sold during the year) | 8              | 21           | (6)          |
| <b>Total other comprehensive income recognised in equity (after tax)</b>  | <b>(3,085)</b> | <b>609</b>   | <b>583</b>   |
| <b>Total comprehensive income/(loss)</b>  | <b>(2,037)</b> | <b>1,340</b> | <b>3,180</b> |
| Total comprehensive income/(loss) attributable to non-controlling interests   | 140            | 537          | 668          |
| <b>TOTAL COMPREHENSIVE INCOME/(LOSS), GROUP SHARE</b>   | <b>(2,177)</b> | <b>803</b>   | <b>2,512</b> |

## CONSOLIDATED BALANCE SHEET

### ASSETS

| (€ million)  | NOTE | 30/06/2022     | 31/12/2021     |
|--|------|----------------|----------------|
| Goodwill   | 11   | 4,974          | 4,464          |
| Intangible assets  | 12   | 6,478          | 6,133          |
| Property, plant and equipment                                  | 12   | 6,511          | 6,792          |
| Right of use assets  | 13   | 3,308          | 3,700          |
| Investments in joint ventures and associates                   | 14   | 2,005          | 1,900          |
| Other non-current financial assets                             | 15   | 560            | 500            |
| Deferred tax assets  |      | 2,525          | 205            |
| <b>Non-current assets</b>                                      |      | <b>26,361</b>  | <b>23,694</b>  |
| Inventories and work-in-progress                               | 15   | 225            | 190            |
| Trade and other accounts receivable                            | 15   | 5,785          | 5,554          |
| Other current financial assets                                 | 15   | 599            | 436            |
| Income tax credit  |      | 658            | 651            |
| Other accrual accounts – Assets                                |      | 155            | 118            |
| Cash and cash equivalents                                      | 15   | 3,007          | 2,895          |
| Assets held for sale <sup>(1)</sup>                            |      | 2,130          | 200            |
| <b>Current assets</b>  |      | <b>12,559</b>  | <b>10,044</b>  |
| Cash and central bank deposits                                 | 16   | 46,596         | 50,812         |
| Financial assets at fair value through profit or loss          | 16   | 215,451        | 231,420        |
| Financial hedging derivatives                                  | 16   | 807            | 1,022          |
| Financial assets at fair value through OCI                     | 16   | 206,046        | 228,310        |
| Securities classified at amortised cost                        | 16   | 25,071         | 23,480         |
| Credit institutions loans and receivables at amortised cost    | 16   | 67,073         | 67,823         |
| Customer loans and receivables at amortised cost               | 16   | 129,628        | 123,117        |
| Revaluation adjustment on hedged portfolios -fair value hedges | 16   | 210            | 101            |
| Other financial assets and accrual accounts                    | 16   | 39,854         | 33,149         |
| Net participating benefit                                      | 16   | 2,734          | 0              |
| Investment property  | 16   | 5,638          | 3,393          |
| <b>Specific assets of banking and insurance activities</b>     |      | <b>739,108</b> | <b>762,627</b> |
| <b>TOTAL ASSETS</b>  |      | <b>778,028</b> | <b>796,365</b> |

(1) Of which CNP Partners (€2 054 million) and DPD Russia (€52 million).

## LIABILITIES

| (€ million)  | NOTE | 30/06/2022     | 31/12/2021     |
|--|------|----------------|----------------|
| Share capital and issue premium  |      | 6,788          | 6,668          |
| Reserves   |      | 12,757         | 10,648         |
| Recyclable reserves on financial instruments                                       |      | (2,338)        | 1,373          |
| Translation reserve  |      | (239)          | (570)          |
| Undated hybrid subordinated notes  |      | 744            | 744            |
| Net profit/(loss), group share   |      | 883            | 2,069          |
| <b>Equity, group share</b>   |      | <b>18,595</b>  | <b>20,932</b>  |
| Non-controlling interests  |      | 8,268          | 11,718         |
| <b>CONSOLIDATED EQUITY</b>   |      | <b>26,863</b>  | <b>32,650</b>  |
| Bonds and financial debt <sup>(1)</sup>  | 18.1 | 10,280         | 10,149         |
| Lease liabilities <sup>(1)</sup>   | 18.1 | 3,839          | 3,760          |
| Provisions for contingencies and losses <sup>(1)</sup>                             | 17   | 812            | 816            |
| Employee benefits <sup>(1)</sup>   | 20   | 2,820          | 3,157          |
| Deferred tax liabilities ( no current)   |      | 897            | 1,217          |
| Trade and other payables <sup>(1)</sup>  | 22   | 9,060          | 9,140          |
| Government – Income tax  |      | 173            | 199            |
| Other accrual accounts – Liabilities (current)                                     |      | 300            | 233            |
| Liabilities held for sale (current) <sup>(2)</sup>                                 |      | 2,050          | 0              |
| <b>No-current liabilities</b>  |      | <b>15,086</b>  | <b>16,411</b>  |
| <b>Current liabilities</b>   |      | <b>15,145</b>  | <b>12,260</b>  |
| Financial liabilities at fair value through profit or loss                         | 21   | 5,849          | 4,253          |
| Financial hedging derivatives  | 21   | 1,201          | 333            |
| Liabilities to credit institutions and similar transactions                        | 21   | 32,685         | 30,393         |
| Liabilities to customers   | 21   | 240,879        | 234,582        |
| Debt evidenced by a certificate  | 21   | 20,482         | 21,693         |
| Revaluation adjustment on hedged portfolios -fair value hedges                     | 21   | 150            | 422            |
| Other financial liabilities and accrual accounts                                   | 21   | 22,690         | 18,674         |
| Specific provisions for the insurance and Banking activities and shadow accounting | 21   | 386,519        | 414,584        |
| Subordinated debt  | 21   | 10,479         | 10,110         |
| <b>Specific liabilities of banking and insurance activities</b>                    |      | <b>720,934</b> | <b>735,044</b> |
| <b>TOTAL LIABILITIES</b>   |      | <b>778,028</b> | <b>796,365</b> |
| <i>(1) Of which current share:</i>   |      |                |                |
| <i>Bonds and financial debt</i>  |      | 1,405          | 541            |
| <i>Lease liabilities</i>   |      | 777            | 741            |
| <i>Provisions for contingencies and losses</i>                                     |      | 692            | 678            |
| <i>Employee benefits</i>   |      | 742            | 754            |
| <i>Trade and other payables</i>  |      | 9,006          | 9,114          |

(2) Of which CNP Partners (€1 983 million) and DPD Russia (€66 million).

## CHANGES IN CONSOLIDATED EQUITY 2022

### 1<sup>st</sup> semester 2022

| Amounts after tax<br>(€ million)                                 | Share capital and issue premium | Unallocated profit/(loss) | Translation reserve | Recyclable reserves on financial instruments | Undated hybrid subordinated notes | Other reserves | Total, Group share | Non-controlling interests | Total          |
|--|---------------------------------|---------------------------|---------------------|--|-----------------------------------|----------------|--------------------|---------------------------|----------------|
| <b>Consolidated equity as at 31/12/2021</b>                      | <b>6,668</b>                    | <b>2,069</b>              | <b>(570)</b>        | <b>1,373</b>                                 | <b>744</b>                        | <b>10,648</b>  | <b>20,932</b>      | <b>11,718</b>             | <b>32,650</b>  |
| Dividend payments <sup>(a)</sup>                                 | 120                             | 0                         | 0                   | 0  | 0                                 | (529)          | <b>(409)</b>       | (264)                     | <b>(673)</b>   |
| Remuneration of undated hybrid subordinated notes <sup>(b)</sup> | 0                               | 0                         | 0                   | 0  | 0                                 | (82)           | <b>(82)</b>        | 0                         | <b>(82)</b>    |
| Call options on non-controlling interests                        | 0                               | 0                         | 0                   | 0  | 0                                 | (25)           | <b>(25)</b>        | (21)                      | <b>(46)</b>    |
| Transactions with non-controlling interests <sup>(c)</sup>       | 0                               | 0                         | (70)                | (100)  | 0                                 | 528            | <b>358</b>         | (3,475)                   | <b>(3,117)</b> |
| Appropriation of 2021 net profit/(loss)                          | 0                               | (2,069)                   | 0                   | 0  | 0                                 | 2,069          |                    |                           |                |
| Comprehensive income for the year                                |                                 | 883                       | 400                 | (3,611)                                      |                                   | 151            | <b>(2,177)</b>     | <b>140</b>                | <b>(2,037)</b> |
| Of which:  |                                 |                           |                     |  |                                   |                |                    |                           |                |
| - Net profit   |                                 | 883                       |                     |  |                                   |                | <b>883</b>         | 165                       | <b>1,048</b>   |
| - Recyclable reserves  |                                 |                           | 400                 | (3,611)                                      |                                   |                | <b>(3,211)</b>     | (25)                      | <b>(3,236)</b> |
| - Non-recyclable reserves on financial instruments               |                                 |                           |                     |  |                                   | 24             | <b>24</b>          |                           | <b>24</b>      |
| - Actuarial adjustments items                                    |                                 |                           |                     |  |                                   | 127            | <b>127</b>         | 0                         | <b>127</b>     |
| Other  |                                 |                           | 0                   | 0  |                                   | (3)            | <b>(3)</b>         | <b>170</b>                | <b>167</b>     |
| <b>CONSOLIDATED EQUITY AS AT 30/06/2022</b>                      | <b>6,788</b>                    | <b>883</b>                | <b>(239)</b>        | <b>(2,338)</b>                               | <b>744</b>                        | <b>12,757</b>  | <b>18,595</b>      | <b>8,268</b>              | <b>26,863</b>  |

(a) La Poste dividend distribution of €724 million by deduction from Other reserves (€529 million) and from Share issue premium (€195 million). This distribution has been settled in cash for €409 million and by capital increase for €315 million (share issue premium included).

(b) Remuneration of undated hybrid subordinated notes from La Poste (€23 million), La Banque Postale (€29 million) and CNP Assurances (€30 million).

(c) Of which the purchases of CNP Assurances's non-controlling interests (see note 1.3).

## CHANGES IN CONSOLIDATED EQUITY 2021

1<sup>st</sup> semester 2021

| Amounts after tax (€ million)                                    | Share capital and issue premium | Unallocated profit/(loss) | Translation reserve | Recyclable reserves on financial instruments | Undated hybrid subordinated notes | Other reserves | Total, Group share | Non-controlling interests | Total         |
|--|---------------------------------|---------------------------|---------------------|--|-----------------------------------|----------------|--------------------|---------------------------|---------------|
| <b>Consolidated equity as at 31/12/2020</b>                      | <b>6,668</b>                    | <b>2,084</b>              | <b>(574)</b>        | <b>836</b>                                   | <b>744</b>                        | <b>8,488</b>   | <b>18,247</b>      | <b>13,712</b>             | <b>31,959</b> |
| Issue of perpetual loan  |                                 |                           |                     |  |                                   |                |                    | 198                       | <b>198</b>    |
| Dividend payments  |                                 |                           |                     |  |                                   |                |                    | (599)                     | <b>(599)</b>  |
| Remuneration of undated hybrid subordinated notes <sup>(a)</sup> |                                 |                           |                     |  |                                   | (57)           | <b>(57)</b>        | (11)                      | <b>(68)</b>   |
| Call options on non-controlling interests                        |                                 |                           |                     |  |                                   | (3)            | <b>(3)</b>         | (2)                       | <b>(5)</b>    |
| Transactions with non-controlling interests                      |                                 |                           |                     |  |                                   | (437)          | <b>(437)</b>       | (328)                     | <b>(765)</b>  |
| Appropriation of 2020 net profit/(loss)                          |                                 | (2,084)                   |                     |  |                                   | 2,084          |                    |                           |               |
| Comprehensive income for the year                                |                                 | 525                       | 159                 | 54   |                                   | 65             | <b>803</b>         | <b>537</b>                | <b>1,340</b>  |
| Of which:  |                                 |                           |                     |  |                                   |                |                    |                           |               |
| - Net profit   |                                 | 525                       |                     |  |                                   |                | <b>525</b>         | 206                       | <b>731</b>    |
| - Non-recyclable reserves on financial instruments               |                                 |                           |                     |  |                                   | 19             | <b>19</b>          |                           | <b>19</b>     |
| - Actuarial adjustments items                                    |                                 |                           |                     |  |                                   | 46             | <b>46</b>          | (2)                       | <b>44</b>     |
| - Other comprehensive income items                               |                                 |                           | 159                 | 54   |                                   |                | <b>213</b>         | 333                       | <b>546</b>    |
| Other  |                                 |                           | (1)                 | (1)  |                                   | 9              | <b>7</b>           | <b>13</b>                 | <b>20</b>     |
| <b>CONSOLIDATED EQUITY AS AT 30/06/2021</b>                      | <b>6,668</b>                    | <b>525</b>                | <b>(416)</b>        | <b>889</b>                                   | <b>744</b>                        | <b>10,149</b>  | <b>18,559</b>      | <b>13,520</b>             | <b>32,079</b> |

(a) Remuneration of undated hybrid subordinated notes from La Poste (€23 million), La Banque Postale (€15 million) and CNP Assurances (€30 million of which €11 million were for the non-controlling interests).

## 2021 fiscal year

| Amounts after tax (€ million)  | Share capital and issue premium | Unallocated profit/(loss) | Translation reserve | Recyclable reserves on financial instruments | Undated hybrid subordinated notes | Other reserves | Total, Group share | Non-controlling interests | Total          |
|--|---------------------------------|---------------------------|---------------------|--|-----------------------------------|----------------|--------------------|---------------------------|----------------|
| <b>Consolidated equity as at 31/12/2020 published</b>  | <b>6,668</b>                    | <b>2,084</b>              | <b>(574)</b>        | <b>836</b>                                   | <b>744</b>                        | <b>8,489</b>   | <b>18,247</b>      | <b>13,712</b>             | <b>31,959</b>  |
| Change in the calculation of certain post-employment benefits following the IFRS IC position of May 2021 |                                 |                           |                     |  |                                   | <b>143</b>     | <b>143</b>         |                           | <b>143</b>     |
| <b>Consolidated equity as at 31/12/2020 restated</b>   | <b>6,668</b>                    | <b>2,084</b>              | <b>(574)</b>        | <b>836</b>                                   | <b>744</b>                        | <b>8,632</b>   | <b>18,390</b>      | <b>13,712</b>             | <b>32,102</b>  |
| Issue of perpetual loan  |                                 |                           |                     |  |                                   |                |                    | 942                       | <b>942</b>     |
| Dividend payments  |                                 |                           |                     |  |                                   |                |                    | (655)                     | <b>(655)</b>   |
| Remuneration of undated hybrid subordinated notes <sup>(a)</sup>   |                                 |                           |                     |  |                                   | (91)           | <b>(91)</b>        | (23)                      | <b>(114)</b>   |
| Call options on non-controlling interests  |                                 |                           |                     |  |                                   | (26)           | <b>(26)</b>        | (14)                      | <b>(40)</b>    |
| Transactions with non-controlling interests  |                                 |                           | (98)                | 270  |                                   | (30)           | <b>142</b>         | (3,368)                   | <b>(3,226)</b> |
| Appropriation of 2020 net profit/(loss)  |                                 | (2,084)                   |                     |  |                                   | 2,084          |                    |                           |                |
| Comprehensive income for the year  |                                 | 2,069                     | 102                 | 267  |                                   | 74             | <b>2,512</b>       | <b>668</b>                | <b>3,180</b>   |
| Of which:  |                                 |                           |                     |  |                                   |                |                    |                           |                |
| - Net profit   |                                 | 2,069                     |                     |  |                                   |                | <b>2,069</b>       | 528                       | <b>2,597</b>   |
| - Recyclable reserves  |                                 |                           | 102                 | 267  |                                   |                | <b>369</b>         | 144                       | <b>513</b>     |
| - Non-recyclable reserves on financial instruments   |                                 |                           |                     |  |                                   | (14)           | <b>(14)</b>        |                           | <b>(14)</b>    |
| - Actuarial adjustments items  |                                 |                           |                     |  |                                   | 88             | <b>88</b>          | (4)                       | <b>84</b>      |
| Other <sup>(b)</sup>   |                                 |                           |                     |  |                                   | 5              | <b>5</b>           | <b>456</b>                | <b>461</b>     |
| <b>CONSOLIDATED EQUITY AS AT 31/12/2021</b>  | <b>6,668</b>                    | <b>2,069</b>              | <b>(570)</b>        | <b>1,373</b>                                 | <b>744</b>                        | <b>10,648</b>  | <b>20,932</b>      | <b>11,718</b>             | <b>32,650</b>  |

(a) Remuneration of undated hybrid subordinated notes from La Poste (€23 million), La Banque Postale (€29 million) and CNP Assurances (€62 million of which €23 million for the non-controlling interests).

(b) Of which the increase of non-controlling interests following the takeover of life insurance activities of Aviva in Italy.

## CONSOLIDATED CASH FLOW STATEMENT

|  | H1 2022        |                        |                                  | H1 2021        |                        |                                  | 2021           |                        |                                  |
|--|----------------|------------------------|----------------------------------|----------------|------------------------|----------------------------------|----------------|------------------------|----------------------------------|
|  | Group          | Non-banking activities | Banking and assurance activities | Group          | Non-banking activities | Banking and assurance activities | Group          | Non-banking activities | Banking and assurance activities |
| (€ million)  |                |                        |                                  |                |                        |                                  |                |                        |                                  |
| <b>EBITDA</b>  | <b>2,635</b>   | <b>1,221</b>           | <b>1,414</b>                     | <b>2,356</b>   | <b>1,025</b>           | <b>1,331</b>                     | <b>5,422</b>   | <b>2,602</b>           | <b>2,820</b>                     |
| Change in provisions for current assets and irrecoverable receivables  | (6)            | (6)                    | 0                                | (12)           | (12)                   | 0                                | (28)           | (28)                   | 0                                |
| Miscellaneous financial income and expenses  | 5              | 5                      | 0                                | 2              | 2                      | 0                                | (0)            | (0)                    | 0                                |
| <b>Cash flows from operating activities before cost of net debt and taxes</b>  | <b>2,634</b>   | <b>1,220</b>           | <b>1,414</b>                     | <b>2,346</b>   | <b>1,015</b>           | <b>1,331</b>                     | <b>5,394</b>   | <b>2,574</b>           | <b>2,820</b>                     |
| Change in working capital requirement  | (647)          | (641)                  | (6)                              | (547)          | (157)                  | (390)                            | (445)          | (361)                  | (85)                             |
| Change in balance of banking and insurance resources and uses  | (1,163)        | 0                      | (1,163)                          | 17,059         | 0                      | 17,059                           | 8,911          | 32                     | 8,879                            |
| Taxes paid   | (423)          | (75)                   | (348)                            | (75)           | (101)                  | 26                               | (446)          | (62)                   | (384)                            |
| Dividends paid by La Banque Postale to La Poste  | 0              | 1,542                  | (1,542)                          | (0)            | 171                    | (171)                            | (0)            | 171                    | (171)                            |
| Dividends received from equity associates  | 17             | 11                     | 6                                | 18             | 12                     | 6                                | 67             | 19                     | 48                               |
| <b>Cash flows from operating activities</b>  | <b>418</b>     | <b>2,057</b>           | <b>(1,639)</b>                   | <b>18,801</b>  | <b>940</b>             | <b>17,861</b>                    | <b>13,481</b>  | <b>2,373</b>           | <b>11,108</b>                    |
| Purchase of property, plant and equipment and intangible assets  | (762)          | (496)                  | (266)                            | (1,046)        | (524)                  | (522)                            | (1,747)        | (1,301)                | (446)                            |
| Purchase of financial assets   | (116)          | (96)                   | (20)                             | (126)          | (77)                   | (49)                             | (1,267)        | (829)                  | (438)                            |
| Proceeds from the disposals of property, plant and equipment and intangible assets                                       | 48             | 48                     | 0                                | 44             | 42                     | 2                                | 120            | 119                    | 1                                |
| Proceeds from disposals of financial assets  | 255            | 15                     | 240                              | 87             | 86                     | 1                                | 123            | 122                    | 1                                |
| Impact of changes in consolidation scope   | (1,431)        | (490)                  | (941)                            | (93)           | (93)                   | (0)                              | (495)          | (187)                  | (308)                            |
| Change in financial assets held for cash investment purposes   | (130)          | (130)                  | 0                                | (51)           | (51)                   | 0                                | (51)           | (51)                   | 0                                |
| <b>Cash flows from investing activities</b>  | <b>(2,136)</b> | <b>(1,149)</b>         | <b>(987)</b>                     | <b>(1,185)</b> | <b>(617)</b>           | <b>(568)</b>                     | <b>(3,317)</b> | <b>(2,127)</b>         | <b>(1,190)</b>                   |
| Capital increase   | 3              | 3                      | 0                                | 0              | 0                      | 0                                | 0              | 0                      | 0                                |
| Perpetual loans  | 0              | 0                      | 0                                | 198            | 198                    | 0                                | 942            | 198                    | 744                              |
| Dividends paid and remuneration of hybrid subordinated notes   | (751)          | (438)                  | (313)                            | (656)          | (26)                   | (630)                            | (769)          | (33)                   | (736)                            |
| Purchase of non-controlling interests  | (3,118)        | (45)                   | (3,073)                          | (549)          | (549)                  | 0                                | (3,018)        | (556)                  | (2,462)                          |
| Interest paid  | (91)           | (91)                   | 0                                | (92)           | (92)                   | 0                                | (240)          | (240)                  | (0)                              |
| Proceeds from new borrowings   | 1,220          | 720                    | 500                              | 3,402          | 2,034                  | 1,368                            | 4,826          | 2,957                  | 1,869                            |
| Repayment of borrowings  | (576)          | (576)                  | 0                                | (1,204)        | (454)                  | (750)                            | (3,540)        | (1,789)                | (1,751)                          |
| Repayment of lease liabilities   | (426)          | (398)                  | (28)                             | (381)          | (355)                  | (26)                             | (802)          | (751)                  | (51)                             |
| Other cash flows from financing activities   | (28)           | (28)                   | 0                                | (11)           | (11)                   | 0                                | 6              | 6                      | 0                                |
| Intra-group flows  | 0              | 58                     | (58)                             | 0              | 58                     | (58)                             | 0              | 76                     | (76)                             |
| <b>Cash flows from financing activities</b>  | <b>(3,767)</b> | <b>(795)</b>           | <b>(2,972)</b>                   | <b>707</b>     | <b>803</b>             | <b>(96)</b>                      | <b>(2,595)</b> | <b>(132)</b>           | <b>(2,463)</b>                   |
| Decrease (increase) in cash and cash equivalents from banking activities before impact of changes in consolidation scope | 5,598          | 0                      | 5,598                            | (17,197)       | 0                      | (17,197)                         | (7,455)        | 0                      | (7,455)                          |
| Impact of subsidiaries held for sale   | (13)           | (13)                   |                                  | (8)            | (8)                    | 0                                | 0              | 0                      |                                  |
| Impact of changes in exchange rates  | 11             | 11                     |                                  | 10             | 10                     | 0                                | 18             | 18                     |                                  |
| <b>Change in cash and cash equivalents</b>   | <b>111</b>     | <b>111</b>             | <b>0</b>                         | <b>1,128</b>   | <b>1,128</b>           | <b>(0)</b>                       | <b>132</b>     | <b>132</b>             | <b>0</b>                         |
| <b>Opening cash and cash equivalents</b>   | <b>2,895</b>   | <b>2,895</b>           | <b>0</b>                         | <b>2,763</b>   | <b>2,763</b>           | <b>0</b>                         | <b>2,763</b>   | <b>2,763</b>           | <b>0</b>                         |
| <b>Closing cash and cash equivalents</b>   | <b>3,006</b>   | <b>3,006</b>           | <b>0</b>                         | <b>3,891</b>   | <b>3,891</b>           | <b>0</b>                         | <b>2,895</b>   | <b>2,895</b>           | <b>0</b>                         |

## GENERAL ITEMS

## NOTE 1 SIGNIFICANT EVENTS DURING THE HALF-YEAR

- 1.1 Bond issuances
- 1.2 Main acquisitions
- 1.3 Purchase of non-controlling interests of CNP Assurances
- 1.4 Disposals of AEW Europe SA and Ostrum Asset Management
- 1.5 Disposal project of DPD Russia
- 1.6 Disposal project of CNP Partners
- 1.7 Recognition of deferred tax
- 1.8 Impairment of the assets of La Poste's Mail CGU
- 1.9 Income statement at constant scope and exchanges rates

**1.1 Bond issuances**

During the first half of 2022, Le groupe La Poste carried out several bond issuances, as detailed below. These issuances meet the criteria for classification as debt instruments under IFRS 9 and IAS 32.

**La Poste bond issuances**

During the first half of 2022, La Poste increased two existing bond issuances:

- On 21 January 2022, to the bond issuance maturing on 17 September 2034, for €100 million, at a rate of 1%;
- On 30 May 2022, to the bond issuance maturing on 21 October 2026, for €150 million, at a rate of 0.625%.

**La Banque Postale bond issuance**

La Banque Postale Home Loan SFH (a subsidiary of La Banque Postale dedicated to the refinancing of the mortgage loans granted by its French network) has issued a « green » secured bond on 4 May 2022. This issuance was carried out in the form of an 8-year covered bond, with a final spread of MS + 4 bps and a fixed coupon of 1.625%.

**CNP bond issuance**

On 27 January 2022, CNP Assurances issued a "Restricted Tier 3" subordinated bond for an amount of €500 million maturing in 7 years with a fix rate of 1.25%.

**1.2 Main acquisitions****CitySprint**

In January 2022, Le groupe La Poste (Business unit of Geopost) took control of the company CitySprint, the UK's leader in the same day delivery. The takeover with 100% of the investments generated an additional provisional goodwill of £249 million (€290 million at the closing rate of 30 June 2022). During the semester, the turnover volume of this entity represents €98 million.

**Scalefast**

In June 2022, Le groupe La Poste (CGU of Asendia / business unit of Geopost) took control of the company Scalefast with 100% of the investments. The goodwill related to this takeover has been provisionally estimated at \$267 million (€255 million).

**SCI Lamartine**

As part of the usual insurance investment activity, CNP Assurances (business unit of La Banque Postale) bought to CDC Habitat, on 9 March 2022, a portfolio of more than 7 600 affordable housings with high environmental quality valued up to €2.4 billion.

**1.3 Purchase of non-controlling interests of CNP Assurances**

Throughout the first semester, Le groupe La Poste gradually bought the non-controlling interests of CNP Assurances to reach the percentage of interest of 100% as at 30 June 2022 :

- March: purchase of 6.3% of non-controlling interests;
- May: Simplified tender offer at €20.90 per share (dividend of €1 paid to non-controlling shareholders);
- June: implementation of a mandatory delisting of CNP Assurances to enable La Banque Postale becoming the only shareholder.

The result of the first semester of CNP Assurances has been assigned to La Banque Postale following the acquisition timing of CNP Assurances' shares and at the 87.64% average percentage of interest.

In accordance with IFRS 10, CNP Assurances being already under exclusive control of the group, these purchases of shares are purchases of non-controlling interests recognised as equity transactions. This means that non-controlling interests have decreased by their carrying amounts of €3 462 million and that the share of the Group share in the equity has increased by €389 million that corresponds to the surplus of this carrying amount over the amount paid out.

**1.4 Disposals of AEW Europe SA and Ostrum Asset Management**

Last 13 May, the disposals to groupe BPCE group of La Banque Postale's interests in AEW Europe SA (40%) and Ostrum Asset Management (45%) were finalised.

Their impact on net income group share is €60 million.

As a reminder, at 31 December 2021, these two interests were presented on the balance sheet as non-current assets held for sale.

### 1.5 Disposal project of DPD Russia

After having published on 28 February 2022, its decision to suspend all flows to and from Russia, Le groupe La Poste announced its intention to withdraw completely from the Russian market. Accordingly, all assets and liabilities of DPD Russia has been presented as at 30 June 2022 as assets and liabilities held for sale for respective amounts of €52 million and €66 million after impairment.

Given the current circumstances, the difficulties of the subsidiary and the risks of that sale, the goodwill and intangible assets of DPD Russia were fully impaired on the half-year for an amount of 10 339 million Russian roubles converted at the rate as of 5 May 2022 (65.87 Russian rouble / €) or €157 million (of which €104 million for the goodwill). The impairment of these assets accounted for in the balance sheet was converted at the closing rate (55.03 Russian rouble / €) for €188 million. The currency translation reserve amounts to €17 million as at 30 June 2022. It represents the impact generated by the unfavourable evolution of the Russian rouble rate since the DPD Russia's entry into the scope of consolidation. When the disposal of this entity is effective, this cumulative amount of translation reserve will be reclassified from equity to profit and loss.

### 1.6 Disposal project of CNP Partners

As part of a rationalisation plan of his European activities, CNP Assurances signed on 5 May 2022, an agreement for the sale of its Spanish subsidiary CNP Partners. The closing of this deal is still subject to suspensive conditions such as prudential authorities' approval. Therefore, assets and liabilities of CNP Partners are presented as assets and liabilities held for sale as at 30 June 2022, for respective amounts of €2 054 million and €1 983 million. Following this classification, profit and loss was impacted with a potential loss of €32 million.

### 1.7 Recognition of deferred tax

The purchase of non-controlling interests of CNP Assurances (see note 1.3) permits to consider including this entity in the tax integration group starting

from 2023 and significantly improves tax result forecasts. Thus and on the basis of the best forecasts available, the carry-forward deficit of the tax integration group will be absorbed within 5 years. Therefore, the group recognises on the 1st semester all deferred tax assets related to its carry-forward deficit and related to other temporary differences that will reverse within 10 years.

A product of €903 million was recognised in the Income tax sub-total of the semester (impact on the 1<sup>st</sup> January 2022).

### 1.8 Impairment of the assets of La Poste's Mail CGU

Despite the compensation for the Universal Postal Service granted by the French State in 2021, on-going notification to the European Commission, the business plan of the La Poste's Mail CGU sharply deteriorated in 2022 mainly because of the fast increasing inflation on the 1<sup>st</sup> semester. This inflation is expected to remain at a high level for a while and therefore induces significant higher costs that can be passed on only partially to rates.

The impairment test of this CGU was carried out on the basis of the up-dated business plan with the best forecasts for the next 5 years. It leads to impair all the assets of this CGU for an amount of €912 million. All these assets are amortising ones: mainly softwares, equipment, building fittings and IFRS 16 rights of use related to buildings and vehicles.

The standard growth rate adopted is -5% and takes into account the structural decline in the volumes of this activity. The test result shows a low sensitivity to the variation of this parameter.

The impairment registered as at 30 June 2022 is composed as follows:

- Intangible assets: €194 million;
- Property, plant and equipment: €250 million;
- Rights of use: €467 million.

Because their fair values were assessed as higher than their net carrying amounts, no impairment was accounted for on buildings or vehicles own in full ownership, affected to another business unit of the group and used by the Mail's CGU.

## 1.9 Income statement at constant scope and exchange rates

The restated net profit/(loss) eliminates the effect of all acquisitions made during the current year and the prior year's acquisitions concluded during the year. It also shows foreign currency transactions from the prior year at the average rate of the current periode.

|   | Reported net profit/(loss) |                 | Restated net profit/(loss) excluding scope and exchange rate effects |                 |
|---|----------------------------|-----------------|--|-----------------|
| (€ million)   | H1 2022                    | H1 2021         | H1 2022  | H1 2021         |
| <b>Revenues and NBI</b>   | <b>17,481</b>              | <b>16,857</b>   | <b>17,152</b>  | <b>16,911</b>   |
| Purchases and other expenses  | (7,760)                    | (7,318)         | (7,537)  | (7,311)         |
| Personnel expenses  | (6,919)                    | (7,106)         | (6,861)  | (7,112)         |
| Taxes and levies  | (341)                      | (327)           | (341)  | (327)           |
| Amortisation, provisions and impairment   | (2,338)                    | (1,240)         | (2,326)  | (1,267)         |
| Other operating expenses and income   | 238                        | 246             | 237  | 238             |
| Proceeds from asset disposals   | 67                         | 7               | 67   | 6               |
| <b>Net operating expenses</b>   | <b>(17,053)</b>            | <b>(15,738)</b> | <b>(16,760)</b>  | <b>(15,772)</b> |
| Share in results of joint ventures  | 17                         | 26              | 6  | 23              |
| <b>Current operating profit/(loss) after share in results of joint ventures</b> | <b>445</b>                 | <b>1,145</b>    | <b>398</b>   | <b>1,163</b>    |

## NOTE 2 BASIS OF PREPARATION FOR THE CONSOLIDATED FINANCIAL STATEMENTS

- 2.1 Accounting guidelines
- 2.2 Valuation basis and use of estimates

La Poste, the parent company of Le groupe La Poste ("Le groupe La Poste" or "the Group") has been a Société Anonyme (public limited company) since 1 March 2010, and has its registered office at 9, rue du colonel Pierre Avia, in Paris. It had previously been an independent state-owned entity, which was already subject to the same financial management and accounting rules as commercial businesses.

The consolidated financial statements of Le groupe La Poste for the semester ended 30 June 2022 were signed off by the Board of Directors (meeting on 29 July 2022).

### 2.1 Accounting guidelines

Pursuant to European Regulation No. 1606/2002 of 19 July 2002, the condensed consolidated financial statements of Le Groupe La Poste for the semester ended 30 June 2022 were prepared in accordance with international financial reporting standards (IFRS) as adopted by the European Union. These standards are available on the website of the European Commission:

([ec.europa.eu/internal\\_market/accounting/ias/index\\_fr.htm](http://ec.europa.eu/internal_market/accounting/ias/index_fr.htm)).

The condensed consolidated financial statements as of 30 June 2022 have been prepared in accordance with IAS 34 – *Interim financial reporting*. The condensed financial statements do not contain all the information required for full annual financial statements, and should be read in conjunction with the Group's financial statements at 31 December 2021.

The accounting principles applied as at 30 June 2022 are unchanged from those applied as at 31 December 2021, except for the items described in Point 2.1.1 below. These principles are set out in Note 3 to the Group's financial statements as at 31 December 2021.

#### 2.1.1 Standards and application interpretations that are mandatory for the first time as of January 1, 2022

In relation to the consolidated financial statements prepared as of 31 December 2021, the Group has implemented the following standards, interpretations and final decisions of IFRS IC which are mandatory in the European Union as of 1<sup>st</sup> January 2022. The most notable development for the Group concerns the new definition of the costs of carrying out an onerous contract as defined by IAS 37 - Provisions, Contingent Liabilities and Contingent Assets. This new definition implies to include an allocation of direct costs in surplus of incremental costs. Nonetheless, it doesn't have a significant impact on Le Groupe La Poste.

#### 2.1.2 Standards and application interpretations that will be mandatory after 30 June 2022 and that were not applied early

Le groupe La Poste did not adopt in advance any standard or interpretation with mandatory application after 30 June 2022.

#### 2.1.3 IFRS 17 Project

The standard IFRS 17 has significant impacts for CNP Assurances: it will change the balance-sheet presentation as well as the detailed notes; will define a new income statement presentation (distinguishing an insurance margin, resulting in particular from the amortisation of the CSM, and a financial income, resulting from investment profits and insurance financial expenses); it would imply also a major reorganisation in the management processes and especially accounting tools and reporting; as well, actuarial modelling tools should be impacted; finally, internal organisation of the financial statements' production process will have to be adjusted.

The impacts related to the standard IFRS 17 are analysed by the Group including the standard IFRS 9 that is implemented at the same time on the insurance scope.

### 2.2 Valuation basis and use of estimates

When preparing the financial statements, the Group is required to make the best possible estimates and to select assumptions that affect the values of assets and liabilities in the balance sheet, and the contingent assets and liabilities disclosed in the notes to the consolidated financial statements, as well as the income and expenses in the income statement. The actual amounts may subsequently differ from the estimates and assumptions.

The items primarily concerned are:

- the calculation of employee benefits;
- the estimates for provisions for contingencies and losses, especially the Home Loan Savings provision;
- the calculation of rights of use and lease liabilities,
- the valuation of goodwill and various assets or liabilities in business combinations;
- the assumptions selected for impairment tests on goodwill and on intangible and tangible assets;
- the estimation of technical provisions for banking and insurance activities (including the home savings provision);
- the measurement of financial instruments not listed on organised markets;
- the credit risk assessments performed by La Banque Postale;
- the assumptions and estimates used to measure the effectiveness of hedges.
- the assumptions and estimates used for the Ukrainian crisis and its macroeconomic impacts such as inflation.

## NOTE 3 SEGMENT REPORTING

The accounting principles applied to segment reporting, and the reported segments, did not change since 31 December 2021.

| 1st semester 2022<br>(€ million)  | Services-Mail-Parcels | GeoPost      | La Banque Postale | Retail Customer and Digital Services | Real Estate | Shared Services | Unallocated <sup>(a)</sup> | Eliminations   | Total         |
|---|-----------------------|--------------|-------------------|--------------------------------------|-------------|-----------------|----------------------------|----------------|---------------|
| Non-Group revenues and NBI  | 4,097                 | 7,431        | 4,168             | 1,688                                | 37          | 1               | 59                         | 0              | 17,481        |
| Inter-segment revenues and NBI  | 993                   | 54           | 14                | 1,591                                | 385         | 640             | 0                          | (3,676)        | 0             |
| <b>Operating revenue</b>  | <b>5,090</b>          | <b>7,485</b> | <b>4,182</b>      | <b>3,279</b>                         | <b>422</b>  | <b>640</b>      | <b>59</b>                  | <b>(3,676)</b> | <b>17,481</b> |
| Share in results of joint ventures  | 0                     | 1            | 14                | 3                                    | (0)         | 0               | 0                          | 0              | 17            |
| <b>Current operating profit/(loss) after share in results of joint ventures</b> | <b>(699)</b>          | <b>296</b>   | <b>915</b>        | <b>203</b>                           | <b>24</b>   | <b>(93)</b>     | <b>(201)</b>               | <b>(1)</b>     | <b>445</b>    |
| <b>Financial profit/(loss)</b>  | <b>0</b>              | <b>0</b>     | <b>0</b>          | <b>0</b>                             | <b>0</b>    | <b>0</b>        | <b>(101)</b>               | <b>0</b>       | <b>(101)</b>  |
| Income tax  | 0                     | 0            | 0                 | 0                                    | 0           | 0               | 737                        | 0              | 737           |
| Share in profits of associates  | 0                     | (34)         | (0)               | 0                                    | 1           | (0)             | 0                          | 0              | (33)          |
| <b>CONSOLIDATED NET PROFIT/(LOSS)</b>   |                       |              |                   |                                      |             |                 |                            |                | <b>1,048</b>  |
| Depreciation, amortisation, provisions and impairment                           | (1,013)               | (557)        | (429)             | (39)                                 | (223)       | (76)            | 0                          | 0              | (2,338)       |
| Segment assets  | 3,199                 | 12,406       | 751,834           | 1,684                                | 4,323       | 12,013          | (7,430)                    | 0              | 778,028       |

(a) Primarily includes the contribution to regional development (including the costs relating to the accessibility constraint), financial profit/(loss), and income tax.

| 1st semester 2021 restated <sup>(b)</sup><br>(€ million)                        | Services-Mail-Parcels | GeoPost      | La Banque Postale | Retail Customer and Digital Services | Real Estate | Shared Services | Unallocated <sup>(a)</sup> | Eliminations   | Total         |
|---|-----------------------|--------------|-------------------|--------------------------------------|-------------|-----------------|----------------------------|----------------|---------------|
| Non-Group revenues and NBI  | 4,053                 | 7,139        | 3,961             | 1,686                                | 16          | 1               | 0                          | 0              | 16,857        |
| Inter-segment revenues and NBI  | 1,154                 | 46           | 13                | 1,637                                | 391         | 644             | 0                          | (3,884)        | 0             |
| <b>Operating revenue</b>  | <b>5,207</b>          | <b>7,185</b> | <b>3,974</b>      | <b>3,323</b>                         | <b>407</b>  | <b>645</b>      | <b>0</b>                   | <b>(3,884)</b> | <b>16,857</b> |
| Share in results of joint ventures  | 0                     | 1            | 27                | (2)                                  | (0)         | 0               | 0                          | 0              | 26            |
| <b>Current operating profit/(loss) after share in results of joint ventures</b> | <b>157</b>            | <b>567</b>   | <b>755</b>        | <b>88</b>                            | <b>20</b>   | <b>(73)</b>     | <b>(368)</b>               | <b>(0)</b>     | <b>1,145</b>  |
| <b>Financial profit/(loss)</b>  | <b>0</b>              | <b>0</b>     | <b>0</b>          | <b>0</b>                             | <b>0</b>    | <b>0</b>        | <b>(108)</b>               | <b>0</b>       | <b>(108)</b>  |
| Income tax  | 0                     | 0            | 0                 | 0                                    | 0           | 0               | (312)                      | 0              | (312)         |
| Share in profits of associates  | (1)                   | 3            | 2                 | 0                                    | 1           | 0               | 0                          | 0              | 6             |
| <b>CONSOLIDATED NET PROFIT/(LOSS)</b>   |                       |              |                   |                                      |             |                 |                            |                | <b>731</b>    |
| Depreciation, amortisation, provisions and impairment                           | (116)                 | (348)        | (428)             | (41)                                 | (230)       | (78)            | 0                          | 0              | (1,240)       |
| Segment assets  | 2,883                 | 10,977       | 753,019           | 1,395                                | 4,298       | 10,472          | (6,551)                    | 0              | 776,493       |

(a) Primarily includes the contribution to regional development (including the costs relating to the accessibility constraint), financial profit/(loss), and income tax.

(b) The segment reporting information of the 1<sup>st</sup> semester 2021 has been restated based on the new segmentation set up in 2021.

| 2021<br>(€ million)   | Services-Mail-Parcels | GeoPost       | La Banque Postale | Retail Customer and Digital Services | Real Estate | Shared Services | Unallocated <sup>(a)</sup> | Eliminations   | Total         |
|---|-----------------------|---------------|-------------------|--------------------------------------|-------------|-----------------|----------------------------|----------------|---------------|
| Non-Group revenues and NBI  | 8,353                 | 14,598        | 7,992             | 3,510                                | 36          | 4               | 117                        | 0              | 34,609        |
| Inter-segment revenues and NBI  | 2,267                 | 103           | 25                | 3,213                                | 787         | 1,255           | 0                          | (7,651)        | 0             |
| <b>Operating revenue</b>  | <b>10,620</b>         | <b>14,701</b> | <b>8,017</b>      | <b>6,723</b>                         | <b>824</b>  | <b>1,258</b>    | <b>117</b>                 | <b>(7,651)</b> | <b>34,609</b> |
| Share in results of joint ventures                                      | 0                     | 3             | 89                | (5)                                  | 0           | 0               | 0                          | 0              | 87            |
| <b>Operating profit/(loss) after share in results of joint ventures</b> | <b>1,246</b>          | <b>1,057</b>  | <b>1,642</b>      | <b>155</b>                           | <b>95</b>   | <b>(266)</b>    | <b>(505)</b>               | <b>7</b>       | <b>3,431</b>  |
| <b>Financial profit/(loss)</b>  | <b>0</b>              | <b>0</b>      | <b>0</b>          | <b>0</b>                             | <b>0</b>    | <b>0</b>        | <b>(202)</b>               | <b>0</b>       | <b>(202)</b>  |
| Income tax  | 0                     | 0             | 0                 | 0                                    | 0           | 0               | (620)                      | 0              | (620)         |
| Share in profits of associates  | (1)                   | (21)          | 10                | 0                                    | 2           | (1)             | 0                          | 0              | (12)          |
| <b>CONSOLIDATED NET PROFIT/(LOSS)</b>                                   |                       |               |                   |                                      |             |                 |                            |                | <b>2,597</b>  |
| Depreciation, amortisation, provisions and impairment                   | 605                   | (736)         | (912)             | (103)                                | (465)       | (160)           | 0                          | 0              | (1,772)       |
| Segment assets  | 3,968                 | 12,005        | 771,794           | 1,608                                | 4,397       | 10,103          | (7,510)                    | 0              | 796,365       |

(a) Primarily includes the contribution to regional development (including the costs relating to the accessibility constraint), financial profit/(loss), and income tax.

## NOTES TO THE INCOME STATEMENT

### NOTE 4 REVENUES

| (€ million)                          | H1 2022       | H1 2021       | 2021          |
|--------------------------------------|---------------|---------------|---------------|
| Services-Mail-Parcels                | 4,097         | 4,053         | 8,353         |
| GeoPost                              | 7,431         | 7,139         | 14,598        |
| Retail Customer and Digital Services | 1,688         | 1,686         | 3,510         |
| Real Estate and Shared services      | 96            | 18            | 157           |
| <b>TOTAL</b>                         | <b>13,313</b> | <b>12,896</b> | <b>26,617</b> |

Total revenue includes in particular in 2022:

- The compensation obtained from the State for the Universal Postal Service for €260 million, ventilated between the branches according to their contribution to the cost of the Universal Postal Service (€152 million for the Parcel Mail Service, €87 million for the Retail Customer and Digital Services branch and €21 million for the Shared services),
- The compensation obtained from the State for territory development for €37 million, is entered on the "Real estate and Shared services" line.

GeoPost revenue includes the e-commerce activity carried out by the Asendia subsidiary.

### NOTE 5 NET BANKING INCOME

| (€ million)  | H1 2022      | H1 2021      | 2021         |
|--|--------------|--------------|--------------|
| Interest and similar income                                  | 3,718        | 2,630        | 5,825        |
| Interest and similar expenses                                | (1,162)      | (977)        | (1,879)      |
| Commission income  | 1,112        | 1,119        | 2,203        |
| Commission expenses  | (1,849)      | (1,650)      | (3,460)      |
| Net gains and losses   | (13,351)     | 8,494        | 12,758       |
| - Financial instruments at fair value through profit or loss | (12,195)     | 8,843        | 13,966       |
| - Financial instruments at fair value through equity         | (1,174)      | (349)        | (1,208)      |
| - Derecognition of financial assets at amortised cost        | 18           | 0            | 0            |
| Income from other activities                                 | 20,982       | 17,194       | 33,467       |
| Expenses from other activities                               | (6,840)      | (22,142)     | (39,847)     |
| Impact of the overlay approach (gross impact)                | 1,559        | (707)        | (1,074)      |
| <b>TOTAL</b>   | <b>4,168</b> | <b>3,961</b> | <b>7,992</b> |

**NOTE 6 PURCHASES AND OTHER EXPENSES**

Purchases and other expenses broke down as follows:

| (€ million)                                   | H1 2022      | H1 2021      | 2021          |
|---|--------------|--------------|---------------|
| External services and general sub-contracting | 2,074        | 1,868        | 4,126         |
| Purchases                                     | 536          | 507          | 1,146         |
| Outsourced transport                          | 3,905        | 3,815        | 7,772         |
| International mail delivery services          | 254          | 274          | 535           |
| Rental expenses <sup>(a)</sup>                | 215          | 171          | 364           |
| Maintenance and repair costs                  | 316          | 300          | 636           |
| Telecommunications expenses                   | 104          | 107          | 215           |
| Travel and assignments                        | 71           | 41           | 110           |
| Other expenses                                | 285          | 235          | 587           |
| <b>TOTAL</b>                                  | <b>7,760</b> | <b>7,318</b> | <b>15,490</b> |

(a) This line item only comprises rents for leases which have not been restated under IFRS 16 (short-term leases or low value items leases mainly), as well as rental costs (see note 13.3).

**NOTE 7 PERSONNEL EXPENSES AND HEADCOUNT**

A breakdown of personnel expenses by type of costs is provided below:

| (€ million)   | H1 2022        | H1 2021        | 2021           |
|---|----------------|----------------|----------------|
| Wages and salaries, bonuses and allowances                                  | 5,378          | 5,336          | 10,647         |
| Pension contributions   | 257            | 416            | 634            |
| Other social security contributions   | 1,026          | 1,010          | 1,953          |
| Employee welfare costs  | 126            | 110            | 217            |
| Change in post-employment provisions <sup>(a)</sup>                         | 1              | 4              | 27             |
| Change in provisions for social security contingencies and staff litigation | 5              | (1)            | 1              |
| Change in other employee provisions   | (242)          | (147)          | (43)           |
| Compensation-based taxes and duties   | 369            | 379            | 718            |
| <b>TOTAL</b>  | <b>6,919</b>   | <b>7,106</b>   | <b>14,154</b>  |
| <b>Average headcount (full-time employee equivalent per year)</b>           | <b>233,814</b> | <b>245,714</b> | <b>244,980</b> |

(a) Except for actuarial gains and losses recognized directly in other comprehensive income (see statement of changes in equity).

The “**Pension contributions**” line item corresponds to contributions paid in to post-employment defined benefits plans. Since the implementation in 2006 of the new funding arrangements for the pensions of government employees, this line item primarily includes the full discharge contribution provided for by law.

**NOTE 8 OTHER OPERATING REVENUE AND EXPENSES**

Other operating revenue and expenses broke down as follows:

| (€ million)   | H1 2022        | H1 2021        | 2021           |
|---|----------------|----------------|----------------|
| Local taxes   | (86)           | (89)           | (119)          |
| Other taxes and levies <sup>(a)</sup>                               | (255)          | (237)          | (329)          |
| <b>TAXES AND LEVIES</b>   | <b>(341)</b>   | <b>(327)</b>   | <b>(449)</b>   |
| Impairment and net depreciation of assets                           | (1,117)        | (162)          | 838            |
| - Goodwill <sup>(b)</sup>   | (104)          | 0              | 0              |
| - Rights of use assets <sup>(c)</sup>                               | (482)          | (14)           | 406            |
| - Intangible assets, property, plant and equipment <sup>(c)</sup>   | (525)          | (137)          | 460            |
| - Current assets  | (6)            | (12)           | (29)           |
| Net amortisation <sup>(c)</sup>                                     | (1,165)        | (984)          | (2,302)        |
| Provisions for contingencies and losses <sup>(d)</sup>              | 34             | 4              | (39)           |
| Banking activities cost of risk                                     | (90)           | (98)           | (268)          |
| <b>DEPRECIATION, AMORTISATION, PROVISIONS AND IMPAIRMENT</b>        | <b>(2,338)</b> | <b>(1,240)</b> | <b>(1,772)</b> |
| Capitalised production <sup>(e)</sup>                               | 187            | 163            | 427            |
| Royalties   | (42)           | (36)           | (71)           |
| Revenue recorded following an acquisition of control <sup>(f)</sup> | 2              | 19             | 18             |
| Other current operating revenue and expenses                        | 91             | 101            | 202            |
| <b>OTHER OPERATING REVENUE AND EXPENSES</b>                         | <b>238</b>     | <b>246</b>     | <b>577</b>     |

(a) Of which in 2022, €40 million including non-deductible VAT on lease contracts, and in 2021, €92 million.

(b) Of which the impairment DPD Russia of €104 million (see note 1.5).

(c) A description of the changes in the depreciation, amortisation and impairment of non-current assets is provided in notes 12 and 13. Increases of provisions and reversal of provisions on rights of use mainly concern the Mail CGU (see note 1.8), DPD Russia (see note 1.5) and CNP Partners (see note 1.6).

(d) Changes in provisions for contingencies and losses are detailed in note 17.

(e) Capitalised production primarily consists of IT development costs recognised as intangible assets.

(f) In 2021, €18 million linked to the takeover of Speedy.

Dealing with the banking activities cost of risk, the invasion of Ukrainian territory by Russian troops on 24 February 2022 has changed the macroeconomic conditions of 31 December 2021. Due to operational reasons, scenarios use remained those used for 31 December 2021 and therefore imperfectly reflect these evolutions. Nevertheless, La Banque Postale had a prudent approach especially on corporate segment that permits to absorb the increasing of defaults. Furthermore, La Banque Postale implements additional watching measures to anticipate the crisis's effects on specific customers such as fragile or low-income customers particularly affected by inflation (€51 million).

**NOTE 9 FINANCIAL PROFIT/(LOSS)****9.1** Cost of net financial debt**9.2** Other financial items**9.1 Cost of net financial debt**

| (€ million)  | H1 2022      | H1 2021      | 2021         |
|--|--------------|--------------|--------------|
| Interest expense on financing transactions <sup>(a)</sup>                    | (62)         | (83)         | (162)        |
| Interest expense on lease liabilities  | (37)         | (38)         | (74)         |
| Change in the fair value of borrowings <sup>(b)</sup> and debt-related swaps | (9)          | 1            | 3            |
| Income from cash and cash equivalents <sup>(c)</sup>                         | (0)          | (1)          | (0)          |
| <b>TOTAL</b>   | <b>(109)</b> | <b>(121)</b> | <b>(233)</b> |

*(a) Including interest and proceeds from the termination of debt-related derivatives.**(b) Excluding the effect of change in credit risk on the fair value of borrowings, recognised in OCI.**(c) Including changes in the fair value of cash or financial assets.***9.2 Other financial items**

| (€ million)   | H1 2022  | H1 2021   | 2021      |
|---|----------|-----------|-----------|
| Discounting expense on provisions for employee benefits and return on plan assets | (1)      | 1         | 2         |
| Net foreign exchange gains  | 7        | 1         | (2)       |
| Other financial income and expenses   | 2        | 11        | 32        |
| <b>TOTAL</b>  | <b>8</b> | <b>13</b> | <b>31</b> |

As at 31 December 2021, €27 million relates to non-consolidated shares held by GeoPost business unit.

## NOTE 10 INCOME TAX

The income tax expense breaks down as follows:

| (€ million)                       | H1 2022    | H1 2021      | 2021         |
|-----------------------------------|------------|--------------|--------------|
| Current tax (expense)             | (423)      | (468)        | (918)        |
| Deferred tax income/(expense)     | 1,160      | 156          | 298          |
| <b>TOTAL TAX INCOME/(EXPENSE)</b> | <b>737</b> | <b>(312)</b> | <b>(620)</b> |

The current tax expense represents the amount paid or payable in the short-term to the tax authorities in respect of the financial year, based on the rules prevailing in the various countries and on specific tax conventions.

The explanation of the tax reconciliation is as follows:

| (€ million)   | H1 2022       | H1 2021       | 2021          |
|---|---------------|---------------|---------------|
| <b>Net profit/(loss), Group share</b>   | <b>883</b>    | <b>525</b>    | <b>2,069</b>  |
| Share in profits of equity associates and joint ventures  | 16            | (32)          | (75)          |
| Income tax  | (737)         | 312           | 620           |
| Non-controlling interests   | 164           | 206           | 528           |
| <b>Consolidated profit (loss) before tax and share in profits of equity associates and joint ventures</b>                   | <b>326</b>    | <b>1,011</b>  | <b>3,142</b>  |
| <b>Income tax rate</b>  | <b>25.83%</b> | <b>28.41%</b> | <b>28.41%</b> |
| <b>Theoretical tax expense (a)</b>  | <b>(84)</b>   | <b>(287)</b>  | <b>(893)</b>  |
| Recording of deferred taxes due to the next entry of CNP Assurances in the tax integration group of La Poste (see note 1.7) | 903           | 0             | 0             |
| Deferred tax assets creation (limitation)   | (4)           | 22            | 258           |
| Increases of impairment and reversal of impairment of the assets of La Poste's Mail CGU (see note 1.8)                      | (6)           | 0             | 256           |
| Other deferred tax assets creation (limitation)   | 2             | 22            | 2             |
| Tax rate differential for foreign subsidiaries  | (14)          | 26            | (7)           |
| Reduced rate on capital gains   | 47            | 0             | 33            |
| Dividends and share of income from tax transparent companies  | (8)           | (26)          | (12)          |
| Unused tax losses created during the year or used tax losses created in previous years (excluding tax consolidation)        | (23)          | (3)           | (4)           |
| Impairment of DPD Russia (see note 1.5)   | (40)          | 0             | 0             |
| Non-deductible bank contributions   | (24)          | (25)          | (27)          |
| Other   | (16)          | (19)          | 31            |
| <b>Tax restatements</b>   | <b>821</b>    | <b>(25)</b>   | <b>272</b>    |
| <b>INCOME TAX</b>   | <b>737</b>    | <b>(312)</b>  | <b>(620)</b>  |

(a) Including the 3.3% social solidarity contribution.

## NOTES TO THE BALANCE SHEET

## NOTE 11 GOODWILL

## Breakdown of goodwill net carrying amount

| (€ million)<br>CGU                     | Segment                         | 30/06/2022   | 31/12/2021   |
|--|---------------------------------|--------------|--------------|
| DPD Europe                             | GeoPost                         | 2,883        | 2,885        |
| Digital Services                       | Customers and Digital services  | 548          | 539          |
| Asendia <sup>(b)</sup>                 | GeoPost                         | 464          | 204          |
| CitySprint <sup>(a)</sup>              | GeoPost                         | 290          | 0            |
| Health                                 | Services-Mail-Parcels           | 191          | 185          |
| Mediapost                              | Services-Mail-Parcels           | 163          | 148          |
| La Banque Postale Prévoyance           | La Banque Postale               | 94           | 94           |
| Speedy                                 | GeoPost                         | 93           | 93           |
| DPD Russia <sup>(c)</sup>              | GeoPost                         | (0)          | 80           |
| EDE                                    | Services-Mail-Parcels           | 67           | 67           |
| Lenton Group                           | GeoPost                         | 52           | 48           |
| Tocqueville Group                      | La Banque Postale               | 27           | 27           |
| JadLog                                 | GeoPost                         | 26           | 22           |
| La Banque Postale Asset Management     | La Banque Postale               | 20           | 20           |
| Stuart                                 | GeoPost                         | 13           | 13           |
| CNP                                    | La Banque Postale               | 1            | 0            |
| Other GeoPost companies                | GeoPost                         | 30           | 30           |
| Other Services-Mail-Parcels companies  | Services-Mail-Parcels           | 9            | 9            |
| Other Real Estate and Shared services  | Real Estate and Shared services | 4            | 0            |
| <b>TOTAL</b>                           |                                 | <b>4,974</b> | <b>4,464</b> |
| <b>Services-Mail-Parcels</b>           |                                 | <b>429</b>   | <b>408</b>   |
| <b>GeoPost</b>                         |                                 | <b>3,850</b> | <b>3,375</b> |
| <b>La Banque Postale</b>               |                                 | <b>143</b>   | <b>142</b>   |
| <b>Customers and Digital Services</b>  |                                 | <b>548</b>   | <b>539</b>   |
| <b>Real Estate and Shared services</b> |                                 | <b>4</b>     | <b>0</b>     |

(a) Acquisition of CitySprint on January 2022, see note 1.2.

(b) Acquisition of Scalefast on June 2022 with an additional goodwill provisionally estimated to €255 million, see note 1.2.

(c) Impairment of the DPD Russia's goodwill, see note 1.5.

### Change in the net carrying amount of goodwill

| (€ million)                            | S1 2022      | 2021         |
|--|--------------|--------------|
| <b>Opening balance</b>                 | <b>4,464</b> | <b>4,175</b> |
| of which: Gross amount                 | 4,767        | 4,470        |
| Impairment                             | (302)        | (295)        |
| Acquisitions <sup>(a)</sup>            | 589          | 311          |
| Translation adjustments <sup>(b)</sup> | 45           | 27           |
| Impairment <sup>(c)</sup>              | (124)        | 0            |
| Other                                  | 0            | 0            |
| Change <sup>(d)</sup>                  | 0            | (49)         |
| <b>CLOSING BALANCE</b>                 | <b>4,974</b> | <b>4,464</b> |
| of which: Gross amount                 | 5,201        | 4,767        |
| Impairment                             | (226)        | (302)        |

(a) Of which in the first semester of 2022 and in the GeoPost segment, the acquisition of CitySprint for €290 million and Scalefast (Asendia CGU) for €255 million. And in 2021, acquisitions in the GeoPost segment: the takeover of Speedy for € 93 million, the acquisitions of Transporte Intégral de Paqueteria S.A. for €48 million and the acquisition of Epicery SAS for €13 million. Acquisitions in the Customers and Digital Services segment: Boxtal for €22 million, Open Value for €17 million and Docaposte Trust & Sign for €35 million. And acquisitions in the Services-Mails-Parcels segment: Asten Santé for €27 million and TimeOne Group for €27 million.

(b) Of which in the first semester of 2022, DPD Russia for +€44 million. And in 2021, DPD Russia for +€5 million, GP Intermediate Holdings for +€8 million and Asendia USA for +€4 million.

(c) Of which in the first semester 2022, full impairment of the DPD Russia's goodwill for €124 million (Russian Rouble 6 800 million converted at the closing rate). The expense in the income statement was converted at the rate of the day of the decision to sell (expense of €104 million), see note 1.5.

(d) Of which in the first semester 2021, the sale of Tigers for -€48 million.

## NOTE 12 INTANGIBLE ASSETS, PROPERTY, PLANT AND EQUIPMENT

| (€ million)                        | Intangible assets | Property, plant and equipment | TOTAL           |
|------------------------------------|-------------------|-------------------------------|-----------------|
| <b>GROSS AMOUNT</b>                |                   |                               |                 |
| <b>Balance as at 31/12/2021</b>    | <b>11,276</b>     | <b>15,741</b>                 | <b>27,017</b>   |
| Acquisitions                       | 281               | 458                           | <b>738</b>      |
| Disposals                          | (5)               | (162)                         | <b>(168)</b>    |
| Change in consolidation scope      | 50                | 31                            | <b>81</b>       |
| Transfers                          | (1)               | (112)                         | <b>(113)</b>    |
| Translation adjustments            | 919               | 14                            | <b>933</b>      |
| <b>BALANCE AS AT 30/06/2022</b>    | <b>12,519</b>     | <b>15,970</b>                 | <b>28,489</b>   |
| <b>DEPRECIATION AND IMPAIRMENT</b> |                   |                               |                 |
| <b>Balance as at 31/12/2021</b>    | <b>(5,143)</b>    | <b>(8,950)</b>                | <b>(14,093)</b> |
| Depreciation for the semester      | (530)             | (394)                         | <b>(924)</b>    |
| Impairment <sup>(a)</sup>          | (251)             | (285)                         | <b>(537)</b>    |
| Reversals of impairment            | 1                 | 19                            | <b>20</b>       |
| Reversals on disposals             | 3                 | 121                           | <b>124</b>      |
| Change in consolidation scope      | (35)              | (38)                          | <b>(73)</b>     |
| Transfers                          | 58                | 76                            | <b>134</b>      |
| Translation adjustments            | (143)             | (8)                           | <b>(150)</b>    |
| <b>BALANCE AS AT 30/06/2022</b>    | <b>(6,040)</b>    | <b>(9,460)</b>                | <b>(15,500)</b> |
| <b>NET CARRYING AMOUNT</b>         |                   |                               |                 |
| <b>As at 31/12/2021</b>            | <b>6,133</b>      | <b>6,792</b>                  | <b>12,925</b>   |
| <b>AS AT 30/06/2022</b>            | <b>6,478</b>      | <b>6,511</b>                  | <b>12,989</b>   |

(a) Of which in the first semester 2022, the impairment of the assets of La Poste's Mail CGU (Intangible assets for €194 million, Property, plant and equipment for €250 million), the impairment of DPD Russia's assets (Intangible assets for €25 million and Property, plant and equipment for €21 million after being converted at the closing rate) and CNP Partners (see note 1.6).

The "Transfers" line relate to the commissioning of assets and to the reclassifications to other assets line items.

Right of use assets, stemming from the application of IFRS 16, are detailed in note 13.

**NOTE 13 LEASES**

- 13.1** Rights of use assets
- 13.2** Lease liabilities
- 13.3** Lease amounts recognised in profit or loss
- 13.4** Lease amounts recognised in consolidated cash flow statement

**13.1 Rights of use assets**

Right of use assets are detailed below by nature of leased assets:

| (€ million)   | Land and buildings | Machinery and equipment | Vehicles   | Other     | Net Amount   |
|---|--------------------|-------------------------|------------|-----------|--------------|
| <b>Balance as at 31/12/2021</b>                           | <b>3,141</b>       | <b>215</b>              | <b>334</b> | <b>11</b> | <b>3,700</b> |
| Increase  | 457                | 44                      | 53         | 4         | 558          |
| Decrease  | (24)               | 4                       | (2)        | 0         | (22)         |
| Amortisation  | (321)              | (36)                    | (64)       | (3)       | (424)        |
| Provision <sup>(a)</sup>                                  | (459)              | (0)                     | (23)       | 0         | (482)        |
| Change in consolidation scope and translation adjustments | 5                  | (1)                     | (4)        | (0)       | (0)          |
| Other   | 161                | 1                       | (0)        | (0)       | 161          |
| Assets held for sale                                      | (182)              | (1)                     | 0          | 0         | (182)        |
| <b>BALANCE AS AT 30/06/2022</b>                           | <b>2,778</b>       | <b>225</b>              | <b>293</b> | <b>11</b> | <b>3,308</b> |

(a) Including €467 million of additional impairment for La Poste SA's Mail CGU and €18 million for DPD Russia (after conversion into euros at closing rate).

**13.2 Lease liabilities**

Lease liabilities are presented in note 18 for industrial and commercial activities. Lease liabilities for banking activities amount to €145 million (€153 million in 2021) and are included in the item "Other financial liabilities and accruals account" of "Specific liabilities of banking and insurance activities" in note 21 ("Other miscellaneous payables" line).

**13.3 Lease amounts recognised in profit or loss**

| (€ million)   | H1 2022      | H1 2021    |
|---|--------------|------------|
| <b>Net operating expenses</b>                           | <b>1,161</b> | <b>615</b> |
| Short-term lease expenses                               | 59           | 55         |
| Low value lease expenses                                | 30           | 21         |
| Rental expenses   | 102          | 68         |
| Non-deductible VAT on rent expenses                     | 44           | 40         |
| Right of use assets amortisation                        | 423          | 388        |
| Right of use assets (reversal) provision <sup>(a)</sup> | 482          | 14         |
| Other <sup>(b)</sup>                                    | 20           | 29         |
| <b>Cost of net financial debt</b>                       | <b>37</b>    | <b>38</b>  |
| Interest expense on lease liabilities                   | 37           | 38         |
| <b>TOTAL</b>  | <b>1,198</b> | <b>653</b> |

(a) Including depreciation of the Mail CGU's rights of use for €467 million and of DPD Russia for €15 million (after being converted at the rate of the day of the decision to sell, see note 1.5).

(b) Including in the first semester 2022, €19 million from CNP Assurances and €6 million from La Banque Postale SA. And including in the first semester 2021, €18 million from CNP Assurances and €5 million from La Banque Postale SA.

**13.4 Lease amounts recognised in consolidated cash flow statement**

| (€ million)  | H1 2022    | H1 2021    |
|--|------------|------------|
| <b>Cash flows from operating activities</b>                  | <b>255</b> | <b>213</b> |
| Short-term lease expenses                                    | 59         | 55         |
| Low value lease expenses                                     | 30         | 21         |
| Rental expenses  | 102        | 68         |
| Non-deductible VAT on rent expenses                          | 44         | 40         |
| Other  | 20         | 29         |
| <b>Cash flows from financing activities</b>                  | <b>462</b> | <b>420</b> |
| Interest paid on lease liabilities                           | 37         | 38         |
| Repayment of lease liabilities (including La Banque Postale) | 425        | 382        |
| <b>TOTAL</b>   | <b>717</b> | <b>633</b> |

## NOTE 14 ASSOCIATES AND JOINT VENTURES

|  | Holding d'infra structures Gazières <sup>(a)</sup> | Arial CNP Assurances | XSS Administradora de consórcio <sup>(b)</sup> | Other insurance subsidiaries | Yurtici Kargo | Ninja Logistics | Aramex PJSC <sup>(c)</sup> | Real Estate sub-group       | Other     | TOTAL Equity associates (assets) | La Poste Mobile <sup>(d)</sup> |
|--|--|----------------------|--|------------------------------|---------------|-----------------|----------------------------|-----------------------------|-----------|----------------------------------|--------------------------------|
| (€ million)                                    |  |                      |  |                              |               |                 |                            |                             |           |                                  |                                |
| Nature of control                              | Joint control                                      | Joint control        | Joint control                                  | Joint control                | Associate     | Associate       | Associate                  | Associate/<br>Joint control |           |                                  | Joint control                  |
| <b>Balance as at 31/12/2021</b>                | <b>803</b>   | <b>47</b>            | <b>43</b>                                      | <b>54</b>                    | <b>17</b>     | <b>410</b>      | <b>432</b>                 | <b>44</b>                   | <b>48</b> | <b>1,900</b>                     | <b>(51)</b>                    |
| Group share in the profit or loss              | 11   | 0                    | (1)  | 15                           | 7             | (44)            | 6                          | 1                           | (2)       | (7)                              | 3                              |
| Dividend payments                              | 0  | 0                    | 0  | (6)                          | 0             | 0               | (11)                       | (0)                         | (0)       | (17)                             | 0                              |
| Net change in the FV of fin. instruments       | 0  | (2)                  | (0)  | (2)                          | 0             | 0               | 0                          | 0                           | 0         | (4)                              | 0                              |
| Change in consolidation scope and % of control | 0  | 0                    | 0  | 1                            | 0             | 5               | 48                         | (1)                         | 3         | 56                               | 0                              |
| Capital increase                               | 0  | 0                    | 0  | 0                            | 0             | 0               | 0                          | 0                           | 2         | 2                                | 0                              |
| Other changes                                  | 16   | (0)                  | 0  | (1)                          | (0)           | 0               | 0                          | 1                           | 0         | 16                               | 0                              |
| Translation adjustments                        | 0  | 0                    | 7  | 1                            | (2)           | 17              | 37                         | 0                           | 1         | 61                               | 0                              |
| <b>BALANCE AS AT 30/06/2022</b>                | <b>830</b>   | <b>45</b>            | <b>49</b>                                      | <b>62</b>                    | <b>22</b>     | <b>389</b>      | <b>511</b>                 | <b>44</b>                   | <b>51</b> | <b>2,005</b>                     | <b>(49)</b>                    |

(a) This participation constitutes an investment of the insurance activities. The revenue of this participation is disclosed in the NBI sub-total, on the line Income from other activities, as the linked retrocession to insured customers (Net participating benefit is disclosed in the line of the NBI - Expenses from other activities).

(b) Joint venture created in 2021 by CNP Assurances with the Brazilian company CNP Assurances Participações Ltda under a new exclusive distribution agreement.

(c) Increasing of the shares held in the first semester 2022 from 25% to 28%.

(d) Recorded in "Provisions for contingencies and loss" (see note 17).

**NOTE 15 OTHER NON-BANKING ASSETS**

| (€ million)  | 30/06/2022   |             | 31/12/2021   |             |
|--|--------------|-------------|--------------|-------------|
|  | Current      | Non-current | Current      | Non-current |
| Net unconsolidated investments   | 0            | 359         | 0            | 333         |
| Financial derivatives  | 22           | 0           | 13           | 43          |
| Financial assets held for investment purposes  | 480          | 0           | 351          | 0           |
| Other financial assets   | 97           | 201         | 72           | 124         |
| <b>TOTAL OTHER FINANCIAL ASSETS</b>  | <b>599</b>   | <b>560</b>  | <b>436</b>   | <b>500</b>  |
| Raw materials, supplies inventories and goods inventories  | 180          | 0           | 142          | 0           |
| Finished and semi-finished product inventories and work in progress  | 45           | 0           | 48           | 0           |
| <b>TOTAL INVENTORIES AND WORK-IN-PROGRESS</b>  | <b>225</b>   | <b>0</b>    | <b>190</b>   | <b>0</b>    |
| Net trade receivables and related accounts   | 3,503        | 0           | 3,521        | 0           |
| International mail receivables <sup>(a)</sup>  | 771          | 0           | 789          | 0           |
| Receivables from the State for revenues relating to the Universal Postal Service and regional development <sup>(b)</sup> | 891          | 0           | 594          | 0           |
| Other receivables  | 620          | 0           | 650          | 0           |
| <b>TOTAL TRADE AND OTHER RECEIVABLES</b>   | <b>5,785</b> | <b>0</b>    | <b>5,554</b> | <b>0</b>    |
| Cash equivalents   | 1,670        | 0           | 1,487        | 0           |
| Cash at bank and cash on hand  | 1,337        | 0           | 1,409        | 0           |
| <b>TOTAL CASH AND CASH EQUIVALENT</b>  | <b>3,007</b> | <b>0</b>    | <b>2,895</b> | <b>0</b>    |

(a) International Mail receivables (€771 million) are mainly owed by foreign post offices for the delivery of the mail that they have passed on in France.

(b) Receivables from the State for revenues relating to the Universal Postal Service and regional development correspond to compensation obtained from the State for 2021 and the half-year of 2022. Their settlements are pending until the European Commission's validation process is completed.

**Financial assets held for investment purposes**

These are assets acquired as part of the cash management process:

| (€ million)  | 30/06/2022 | 31/12/2021 |
|--|------------|------------|
| Bonds  | 100        | 0          |
| Term deposits accessible after more than 3 months    | 150        | 70         |
| UCITS  | 230        | 230        |
| Negotiable debt securities (maturity 3 to 12 months) | 0          | 50         |
| <b>TOTAL</b>   | <b>480</b> | <b>351</b> |

**Financial derivatives**

The "financial derivatives" line represents instruments put in place to manage the interest rate and currency risks on debt. They must therefore be looked at together with "Bonds and other financial debt". A breakdown of these derivatives can be found in note 18.3.

## NOTE 16 SPECIFIC ASSETS OF BANKING AND INSURANCE ACTIVITIES

| (€ million)  | 30/06/2022     | 31/12/2021     |
|--|----------------|----------------|
| Central banks deposits   | 45,589         | 49,696         |
| Cash on hand (including cash held at post offices)                     | 1,008          | 1,116          |
| <b>Cash and central bank deposits</b>                                  | <b>46,596</b>  | <b>50,812</b>  |
| Debt instruments   | 165,221        | 177,291        |
| Equity instruments   | 38,578         | 44,101         |
| Loans and advances   | 6,134          | 7,807          |
| Derivatives  | 5,519          | 2,221          |
| <b>Financial assets at fair value through profit or loss</b>           | <b>215,451</b> | <b>231,420</b> |
| Interest-rate derivatives  | 645            | 967            |
| Currency exchange derivatives  | 163            | 55             |
| <b>Financial hedging derivatives</b>                                   | <b>807</b>     | <b>1,022</b>   |
| Equity and other variable income securities                            | 189            | 189            |
| Other long term securities   | 1              | 0              |
| Government securities and similar                                      | 108,282        | 122,875        |
| Bonds and other fixed income securities                                | 97,576         | 105,246        |
| <b>Financial assets at fair value through OCI</b>                      | <b>206,046</b> | <b>228,310</b> |
| Government securities and similar                                      | 23,591         | 22,153         |
| Bonds and other fixed income securities                                | 1,473          | 1,321          |
| Subordinated securities  | 6              | 6              |
| <b>Securities classified at amortised cost</b>                         | <b>25,071</b>  | <b>23,480</b>  |
| Sight loans and receivables from credit institutions                   | 2,555          | 2,261          |
| Term deposits and loans from credit institutions                       | 64,439         | 65,484         |
| Subordinated loans   | 78             | 78             |
| <b>Credit institutions loans and receivables at amortised cost</b>     | <b>67,073</b>  | <b>67,823</b>  |
| Customer sight loans and receivables                                   | 5,286          | 5,364          |
| Term customer loans and receivables                                    | 120,805        | 114,291        |
| <i>of which home loans (including non-performing receivables)</i>      | <i>87,246</i>  | <i>84,677</i>  |
| Finance lease transactions   | 3,529          | 3,458          |
| Subordinated loans to customers  | 8              | 5              |
| <b>Customer loans and receivables at amortised cost</b>                | <b>129,628</b> | <b>123,117</b> |
| <b>Revaluation adjustment on hedged portfolios - fair value hedges</b> | <b>210</b>     | <b>101</b>     |
| Other miscellaneous receivables  | 8,468          | 4,739          |
| Other insurance assets   | 29,077         | 26,496         |
| Accruals accounts  | 2,309          | 1,914          |
| <b>Other financial assets, accrual accounts</b>                        | <b>39,854</b>  | <b>33,149</b>  |
| <b>Deferred participation asset</b>                                    | <b>2,734</b>   | <b>0</b>       |
| <b>Investment property</b>   | <b>5,638</b>   | <b>3,393</b>   |
| <b>SPECIFIC ASSETS OF BANKING AND INSURANCE ACTIVITIES</b>             | <b>739,108</b> | <b>762,627</b> |

The publication of the USD Libor indexes (overnight, 1-, 3-, 6- and 12-months) should stop at the end of June 2023. La Banque Postale has planned to migrate those contracts no later than this date. As at 30 June 2022, La Banque Postale is exposed to USD Libor up to €1 075 million for nominal values of both active and passive derivatives (see note 21), and up to €223 million and €538 million respectively for the carrying amounts of financial assets and liabilities (see note 21).

## NOTE 17 PROVISIONS FOR CONTINGENCIES AND LOSSES

As at 30 June 2022, the **provisions for contingencies and losses** broke down as follows:

| <i>(€ million)</i>                        | Employee-related disputes | Other disputes | Other      | TOTAL      |
|---|---------------------------|----------------|------------|------------|
| <b>Non-current provisions</b>             | <b>8</b>                  | <b>14</b>      | <b>116</b> | <b>138</b> |
| <b>Current provisions</b>                 | <b>50</b>                 | <b>291</b>     | <b>337</b> | <b>678</b> |
| <b>Balance as at 31/12/2021</b>           | <b>58</b>                 | <b>305</b>     | <b>453</b> | <b>816</b> |
| Addition for the year                     | 19                        | 12             | 116        | 148        |
| Reversal for use                          | (11)                      | (6)            | (133)      | (150)      |
| Reversal of provisions no longer required | (4)                       | (15)           | (14)       | (33)       |
| Other movements                           | 1                         | 18             | 11         | 30         |
| <b>Non-current provisions</b>             | <b>14</b>                 | <b>6</b>       | <b>100</b> | <b>120</b> |
| <b>Current provisions</b>                 | <b>50</b>                 | <b>308</b>     | <b>334</b> | <b>692</b> |
| <b>BALANCE as at 30/06/2022</b>           | <b>64</b>                 | <b>314</b>     | <b>434</b> | <b>812</b> |

**Provisions for employee-related disputes** cover all employee disputes (industrial tribunal, etc.) and ongoing disputes with social security bodies.

**Provisions for other disputes** relate to disputes brought before administrative, civil or commercial courts.

As at 30 June 2022, **other provisions** included :

- a €51 million provision covering the negative net asset value of equity associates and joint ventures, compared to €51 million as at 31 December 2021 (see note 14);
- miscellaneous risks linked to the operational activity of the Group.

**NOTE 18 BONDS AND OTHER FINANCIAL DEBT**

- 18.1** Breakdown of financial debt  
**18.2** Bonds and deeply subordinated debt  
**18.3** Non-banking activities derivatives

**18.1 Breakdown of financial debt**

| (€ million)   | 30/06/2022    |                      | 31/12/2021    |                      |
|---|---------------|----------------------|---------------|----------------------|
|   | Short-term    | Medium-and long-term | Short-term    | Medium-and long-term |
| <b>Financial debt at amortised cost</b>                   | <b>717</b>    | <b>8,386</b>         | <b>451</b>    | <b>8,522</b>         |
| Bonds   | 421           | 8,192                | 0             | 8,369                |
| La Poste savings bonds                                    | 52            | 0                    | 52            | 0                    |
| Commercial paper  | 155           | 0                    | 300           | 0                    |
| Current bank facilities                                   | 32            | 0                    | 26            | 0                    |
| Deposits and guarantees received                          | 23            | 41                   | 34            | 44                   |
| Other borrowings at amortised cost                        | 35            | 153                  | 39            | 108                  |
| <b>Borrowings designated at fair value</b>                | <b>601</b>    | <b>0</b>             | <b>0</b>      | <b>622</b>           |
| <b>Hedged borrowings</b>                                  | <b>0</b>      | <b>480</b>           |               | <b>440</b>           |
| Subordinated debt   |               | 480                  |               | 440                  |
| <b>Financial derivative liabilities relating to bonds</b> | <b>21</b>     | <b>9</b>             | <b>12</b>     | <b>24</b>            |
| <b>Interest accrued not due on borrowings</b>             | <b>65</b>     | <b>0</b>             | <b>77</b>     | <b>0</b>             |
| <b>Total</b>  | <b>1,404</b>  | <b>8,876</b>         | <b>541</b>    | <b>9,608</b>         |
| <b>BONDS AND FINANCIAL DEBT</b>                           | <b>10,280</b> |                      | <b>10,149</b> |                      |
| <b>Lease liabilities (a)</b>                              | <b>777</b>    | <b>3,061</b>         | <b>741</b>    | <b>3,019</b>         |
| <b>LEASE LIABILITIES</b>                                  | <b>3,839</b>  |                      | <b>3,760</b>  |                      |

(a) The breakdown of liabilities by currency as at 30 June 2022 was as follows: Euros €2,873 million, Sterling Pound €691 million, other currencies €275 million.

The breakdown of liabilities by currency as at 31 December 2021 was as follows: Euros €2,899 million, Sterling Pound €696 million, other currencies €165 million.

**18.2 Bonds and deeply subordinated debt**

Bonds, excluding accrued interest, changed as follows:

| (€ million)                     | Borrowings at amortised cost | Borrowings at fair value | Hedged subordinated debt | Total        |
|---------------------------------|------------------------------|--------------------------|--------------------------|--------------|
| <b>Balance as at 31/12/2021</b> | <b>8,369</b>                 | <b>622</b>               | <b>440</b>               | <b>9,431</b> |
| New borrowings                  | 250                          |                          |                          | 250          |
| Redemptions                     |                              |                          |                          | 0            |
| Change in credit risk           |                              | 1                        |                          | 1            |
| Other changes                   | (7)                          | (22)                     | 40                       | 11           |
| <b>BALANCE as at 30/06/2022</b> | <b>8,612</b>                 | <b>601</b>               | <b>480</b>               | <b>9,693</b> |

**18.3 Non-banking activities derivatives**

| <i>(€ million)</i>  | Fair value as at 30/06/2022 |             | Fair value as at 31/12/2021 |             |
|---|-----------------------------|-------------|-----------------------------|-------------|
|   | Assets                      | Liabilities | Assets                      | Liabilities |
| <b>Trading derivatives at fair value through profit or loss</b> |                             |             |                             |             |
| Fixed-for-floating derivatives                                  | 21                          | 0           | 54                          | 0           |
| Floating-for-fixed derivatives                                  | 0                           | 0           | 0                           | 3           |
| <b>Total</b>  | <b>21</b>                   | <b>0</b>    | <b>54</b>                   | <b>3</b>    |
| <b>Hedging derivatives</b>                                      |                             |             |                             |             |
| Cash flow hedges  | 16                          | 6           | 2                           | 22          |
| <b>TOTAL DERIVATIVES RELATING TO DEBT</b>                       | <b>36</b>                   | <b>6</b>    | <b>56</b>                   | <b>25</b>   |
| <b>Other</b>  |                             |             |                             |             |
| Currency / exchange derivatives                                 | 1                           | 24          | 2                           | 10          |
| <b>TOTAL NON-BANKING ACTIVITIES DERIVATIVES</b>                 | <b>37</b>                   | <b>30</b>   | <b>58</b>                   | <b>36</b>   |
| <b>Amortisable balance on interrupted hedging derivatives</b>   |                             |             |                             |             |
| Cash flow hedging derivatives                                   | 5                           | 0           | 5                           | 0           |

**NOTE 19 GROUP NET DEBT**

- 19.1** Group net debt position  
**19.2** Changes to Group net debt

**19.1 Group net debt position**

| (€ million)   | Note | 30/06/2022    | 31/12/2021    |
|---|------|---------------|---------------|
| Cash and cash equivalents (balance sheet line)                              | 15   | 3,007         | 2,895         |
| Debt-related derivative assets  | 15   | 37            | 58            |
| Security deposits paid in connection with derivatives, recognised as assets | 15   | 10            | 3             |
| Investment securities with initial maturities of over 3 months and UCITS    | 15   | 480           | 351           |
| Net financial receivable against La Banque Postale                          | 15   | 311           | 369           |
| <b>Cash and other asset items (1)</b>                                       |      | <b>3,845</b>  | <b>3,676</b>  |
| Medium and long-term bonds and other financial debt                         | 18.1 | 8,876         | 9,608         |
| Short-term bonds and other financial debt                                   | 18.1 | 1,404         | 541           |
| Lease liabilities   | 18.1 | 3,839         | 3,760         |
| <b>Gross debt (2)</b>   |      | <b>14,119</b> | <b>13,909</b> |
| <b>NET DEBT (2)-(1)</b>   |      | <b>10,274</b> | <b>10,233</b> |
| <b>Increase (Decrease) in net debt as at 30 June 2022</b>                   |      | <b>41</b>     |               |

**19.2 Changes to Group net debt**

| (€ million)  | Cross-references          | 30/06/2022     | 31/12/2021     |
|--|---------------------------|----------------|----------------|
| <b>Cash flows from operating activities</b>  | <b>CFS</b> <sup>(a)</sup> | <b>2,057</b>   | <b>2,374</b>   |
| Cash flows from investing activities   | CFS                       | (1,149)        | (2,126)        |
| Cancellation of the change in cash management financial assets   | CFS                       | 130            | 51             |
| <b>Cash flow from investing activities excluding the acquisitions and disposals of cash management financial assets</b> <sup>(b)</sup> |                           | <b>(1,019)</b> | <b>(2,075)</b> |
| Perpetual loans classified as equity <sup>(c)</sup>  | CFS                       | 0              | 198            |
| Dividends paid to the shareholders and remuneration of hybrid subordinated notes   | CFS                       | (438)          | (33)           |
| Purchase of non-controlling interests  | CFS                       | (45)           | (556)          |
| Net financial interest expense   |                           | (100)          | (240)          |
| Change in the fair value of financial instruments  |                           | (18)           | (13)           |
| Impact of changes in consolidation scope on gross debt (including lease liabilities)   |                           | (13)           | (174)          |
| Non-cash changes in lease liabilities (IFRS 16)  |                           | (490)          | (886)          |
| Net debt of held-for-sale subsidiaries   |                           | 8              | (9)            |
| Commitment to pay dividends to minority shareholders   |                           | 3              | (34)           |
| Other items <sup>(d)</sup>   |                           | 15             | 17             |
| <b>Cash flows and change in debt from financing activities</b>   |                           | <b>(1,079)</b> | <b>(1,730)</b> |
| <b>DECREASE (INCREASE) IN NET DEBT SINCE 1 JANUARY</b>   |                           | <b>(41)</b>    | <b>(1,431)</b> |
| Net debt at the beginning of the period  |                           | (10,233)       | (8,802)        |
| Net debt at the end of the period  |                           | (10,274)       | (10,233)       |

(a) "CFS" refers to the non-banking column of the Cash Flow Statement in the consolidated financial statements.

(b) The cash flows from investing activities stand out from CFS due to the exclusion of the "change in cash management financial assets", assets deducted from the net debt calculation.

(c) Perpetuals bonds issued by Asendia in 2021.

(d) The "Other items" line includes the impact of currency fluctuations and subsidiaries held for sale.

## NOTE 20 EMPLOYEE BENEFITS

| ( <i>€ million</i> )   | 31/12/2021 |              | Changes in consolidation scope | Increase  | Decrease for use | Provision no longer required | Interest cost | Other changes | 30/06/2022 |              |
|--|------------|--------------|--------------------------------|-----------|------------------|------------------------------|---------------|---------------|------------|--------------|
|  | Current    | Non-current  |                                |           |                  |                              |               |               | Current    | Non-current  |
| Post-employment benefits for La Poste's government employees | 7          | 234          | 0                              | 2         | (4)              | 0                            | 1             | (54)          | 7          | 179          |
| Retirement benefits for the Group's contract staff           | 23         | 711          | 1                              | 25        | (22)             | 0                            | 2             | (47)          | 22         | 671          |
| <b>Post-employment benefits</b>                              | <b>31</b>  | <b>945</b>   | <b>1</b>                       | <b>28</b> | <b>(26)</b>      | <b>0</b>                     | <b>3</b>      | <b>(101)</b>  | <b>30</b>  | <b>850</b>   |
| <b>End-of-career arrangements</b>                            | <b>450</b> | <b>1,152</b> | <b>0</b>                       | <b>5</b>  | <b>(232)</b>     | <b>0</b>                     | <b>(2)</b>    | <b>0</b>      | <b>449</b> | <b>925</b>   |
| Severance payments   | 84         | 61           | 0                              | 0         | (1)              | 0                            | 0             | (0)           | 83         | 61           |
| Long-term sick leave/long-term paid leave                    | 39         | 26           | 0                              | 0         | (5)              | 0                            | 0             | 0             | 37         | 23           |
| Accrued leave  | 142        | 134          | 0                              | 4         | (4)              | 0                            | 0             | 0             | 142        | 134          |
| Other long-term benefits                                     | 9          | 85           | (0)                            | 3         | (11)             | 0                            | 0             | 0             | 2          | 85           |
| <b>Other benefits</b>  | <b>274</b> | <b>306</b>   | <b>(0)</b>                     | <b>7</b>  | <b>(21)</b>      | <b>0</b>                     | <b>0</b>      | <b>0</b>      | <b>263</b> | <b>303</b>   |
| <b>TOTAL</b>   | <b>754</b> | <b>2,403</b> | <b>1</b>                       | <b>40</b> | <b>(279)</b>     | <b>0</b>                     | <b>2</b>      | <b>(101)</b>  | <b>742</b> | <b>2,079</b> |
|  |            | <b>3,157</b> |                                |           |                  |                              |               |               |            | <b>2,820</b> |

## NOTE 21 SPECIFIC LIABILITIES OF BANKING AND INSURANCE ACTIVITIES

| (€ million)   | 30/06/2022     | 31/12/2021     |
|---|----------------|----------------|
| Debt securities   | 2,430          | 2,047          |
| Derivatives   | 3,419          | 2,205          |
| <b>Financial liabilities at fair value through profit or loss</b>                         | <b>5,849</b>   | <b>4,253</b>   |
| <b>Financial hedging derivatives</b>  | <b>1,201</b>   | <b>333</b>     |
| Sight liabilities to credit institutions  | 2,702          | 1,065          |
| Term liabilities to credit institutions   | 29,984         | 29,328         |
| <i>of which securities given under repurchase agreements</i>                              | 20,814         | 20,576         |
| <b>Liabilities to credit institutions and similar transactions</b>                        | <b>32,685</b>  | <b>30,393</b>  |
| Special savings accounts  | 123,085        | 120,965        |
| <i>of which Livret A passbook savings accounts</i>  | 67,128         | 65,254         |
| <i>of which Home Loan Savings Plans and Accounts (PEL &amp; CEL)</i>                      | 29,948         | 30,624         |
| Liabilities to customers  | 117,795        | 113,618        |
| <i>of which ordinary trade payables</i>   | 87,981         | 84,981         |
| <b>Liabilities to customers</b>   | <b>240,879</b> | <b>234,582</b> |
| <b>Debt evidenced by a certificate</b>  | <b>20,482</b>  | <b>21,693</b>  |
| <b>Revaluation adjustment on hedged portfolios - fair value hedges</b>                    | <b>150</b>     | <b>422</b>     |
| Deferred income   | 433            | 466            |
| Other accruals  | 1,800          | 1,557          |
| Debt securities   | 95             | 95             |
| Guarantee deposits received   | 2,649          | 1,007          |
| Other miscellaneous payables  | 2,272          | 2,321          |
| Settlement accounts for securities transactions   | 9              | 6              |
| Other insurance liabilities   | 15,432         | 13,221         |
| <b>Other financial liabilities and accrual accounts</b>                                   | <b>22,690</b>  | <b>18,674</b>  |
| Specific provisions for the insurance and banking activities                              | 382,218        | 382,564        |
| Deferred participation reserve  | 4,123          | 31,834         |
| Home Loan Savings risk provisions <sup>(a)</sup>  | 177            | 186            |
| <b>Specific provisions for the insurance and banking activities and shadow accounting</b> | <b>386,519</b> | <b>414,584</b> |
| <b>Subordinated debts</b>   | <b>10,479</b>  | <b>10,110</b>  |
| <b>SPECIFIC LIABILITIES OF BANKING AND INSURANCE ACTIVITIES</b>                           | <b>720,934</b> | <b>735,044</b> |

(a) The provision for home purchase savings plans is intended to cover the unfavorable consequences for credit institutions authorized to receive them of home purchase savings plan deposits, given the commitments they entail. €9 million is allocated to the reversal of this provision in the first half of 2022.

**The specific provisions for the insurance activities and banking activities and shadow accounting**

| (€ million)   | 30/06/2022     | 31/12/2021     |
|---|----------------|----------------|
| Non-life insurance  | 9,919          | 9,627          |
| Life insurance  | 264,800        | 261,941        |
| <i>of which actuarial life insurance provisions</i>                 | 249,933        | 248,849        |
| Financial instruments with DPF                                      | 104,162        | 107,284        |
| <i>of which actuarial life insurance provisions</i>                 | 94,174         | 97,942         |
| Financial instruments without DPF                                   | 3,338          | 3,713          |
| <b>Specific provisions for the insurance and banking activities</b> | <b>382,218</b> | <b>382,564</b> |
| <b>Deferred participation reserve (a)</b>                           | <b>4,123</b>   | <b>31,834</b>  |
| <b>Home Loan Savings risk provisions</b>                            | <b>177</b>     | <b>186</b>     |
| <b>TOTAL</b>  | <b>386,519</b> | <b>414,584</b> |

(a) See detail belows

The provision for deferred participation reserve results from the application of "shadow accounting". It represents the share of policyholders of life insurance subsidiaries in unrealized capital gains and losses and depreciations recorded on assets, when the proceeds of the contracts are linked to their performance.

**NOTE 22 TRADE AND OTHER PAYABLES**

| (€ million)                                | 30/06/2022   | 31/12/2021   |
|--|--------------|--------------|
| Trade payables and related accounts        | 4,841        | 5,018        |
| Tax and social security liabilities        | 2,269        | 2,279        |
| Payable to suppliers of non-current assets | 587          | 489          |
| International mail payables                | 786          | 818          |
| Customer advances and deposits             | 211          | 160          |
| Other operating payables                   | 365          | 375          |
| <b>TOTAL</b>                               | <b>9,060</b> | <b>9,140</b> |

## ADDITIONAL INFORMATION

## NOTE 23 ADDITIONAL INFORMATION ON FINANCIAL INSTRUMENTS

23.1 Impact of financial instruments on net profit/(loss) and equity

23.2 Fair value and ranking of financial instruments

## 23.1 Impact of financial instruments on net profit/(loss) and equity

| H1 2022  | Interest income (expense) | Changes in fair value             |                           | Deconsolidation and dividends | Net gain (loss) |
|--|---------------------------|-----------------------------------|---------------------------|-------------------------------|-----------------|
|  |                           | Fair value through profit or loss | Fair value through equity |                               |                 |
| (€ million)  |                           |                                   |                           |                               |                 |
| Assets and liabilities classified at amortised cost        | 841                       | 0                                 | 0                         | 18                            | 859             |
| Assets classified at fair value through OCI                | 1,590                     | 0                                 | (4,182)                   | (1,175)                       | (3,767)         |
| Financial instruments at fair value through profit or loss | 0                         | (13,180)                          | 20                        | 999                           | (12,161)        |
| Hedging  | 125                       | (15)                              | 55                        | 0                             | 165             |
| <b>TOTAL</b>   | <b>2,556</b>              | <b>(13,195)</b>                   | <b>(4,107)</b>            | <b>(158)</b>                  | <b>(14,904)</b> |

## 23.2 Fair value and ranking of financial instruments

| 30/06/2022   | Fair value ranking <sup>(b)</sup> |                           |         |         |         |
|--|-----------------------------------|---------------------------|---------|---------|---------|
| (€ million)  | Book value                        | Fair value <sup>(a)</sup> | Level 1 | Level 2 | Level 3 |
| <b>ASSETS</b>  |                                   |                           |         |         |         |
| <b>Bank assets</b>   |                                   |                           |         |         |         |
| Customer loans and receivables                             | 129,628                           | 126,102                   | 0       | 0       | 0       |
| Credit institutions loans and receivables                  | 67,073                            | 67,148                    | 0       | 0       | 0       |
| Financial assets at fair value through profit or loss      | 215,451                           | 215,451                   | 159,472 | 35,623  | 20,356  |
| Hedging derivatives  | 807                               | 807                       | 0       | 807     | 0       |
| Financial assets at fair value through OCI                 | 206,046                           | 206,046                   | 196,920 | 4,734   | 4,392   |
| Investment properties                                      | 5,638                             | 6,198                     | 0       | 2,386   | 0       |
| Financial assets classified at amortised cost              | 25,071                            | 22,689                    | 0       | 0       | 0       |
| <b>Non-bank assets</b>                                     |                                   |                           |         |         |         |
| Other non-current financial assets                         | 560                               | 560                       | 0       | 11      | 359     |
| Trade and other receivables                                | 5,785                             | 5,785                     | 0       | 0       | 0       |
| Other current financial assets                             | 599                               | 599                       | 230     | 276     | 0       |
| Cash and cash equivalents                                  | 3,007                             | 3,007                     | 632     | 2,375   | 0       |
| <b>LIABILITIES</b>   |                                   |                           |         |         |         |
| <b>Bank liabilities</b>                                    |                                   |                           |         |         |         |
| Liabilities to credit institutions                         | 32,685                            | 32,731                    | 0       | 0       | 0       |
| Customer transactions                                      | 240,879                           | 240,881                   | 0       | 0       | 0       |
| Financial liabilities at fair value through profit or loss | 5,849                             | 5,849                     | 680     | 5,169   | 0       |
| Hedging derivatives  | 1,201                             | 1,201                     | 0       | 1,201   | 0       |
| Debt evidenced by a certificate                            | 20,482                            | 20,810                    | 0       | 0       | 0       |
| Subordinated debt  | 10,479                            | 9,468                     | 0       | 0       | 0       |
| <b>Non-banking liabilities</b>                             |                                   |                           |         |         |         |
| Bonds and other financial debt                             | 14,119                            | 13,196                    | 0       | 631     | 0       |
| Trade and other payables                                   | 9,060                             | 9,060                     | 0       | 0       | 0       |

(a) Including fair value of items recognised at amortised cost.

(b) For items recognised at fair value.

**LEVEL 3 FAIR VALUES: RECONCILIATION OF OPENING AND CLOSING BALANCES (banking activities)**

| (€ million)                          | Assets at fair value through profit or loss | Financial assets at fair value through OCI | TOTAL         |
|--------------------------------------|---|--|---------------|
| <b>Opening balance</b>               | <b>18,476</b>                               | <b>3,093</b>                               | <b>21,570</b> |
| Gains and losses recorded in income  | 587   | 0  | <b>587</b>    |
| Gains and losses recorded in equity  | 0   | (716)                                      | <b>(716)</b>  |
| Purchases                            | 2,408                                       | 2,182                                      | <b>4,590</b>  |
| Sales                                | (80)  | (18)                                       | <b>(98)</b>   |
| Redemptions                          | (949)                                       | (37)                                       | <b>(986)</b>  |
| Reclassifications to or from Level 3 | 3   | 136  | <b>139</b>    |
| Change of scope                      | 0   | 0  | <b>0</b>      |
| Other movements                      | (90)  | (23)                                       | <b>(113)</b>  |
| <b>CLOSING BALANCE</b>               | <b>20,356</b>                               | <b>4,617</b>                               | <b>24,973</b> |

**NOTE 24 RELATED PARTIES TRANSACTIONS**

No significant change in related parties transactions has occurred since the 2021 year-end (see note 36 to the consolidated financial statements at 31 December 2021).

**NOTE 25 OFF-BALANCE SHEET COMMITMENTS AND CONTINGENT LIABILITIES**

No significant change in off-balance sheet commitments or contingent liabilities has occurred since the 2021 year-end (see note 38 to consolidated financial statements at 31 December 2021).

**NOTE 26 POST-CLOSING EVENTS****Business combinations**

After the acquisition of life insurance activities of Aviva in Italy realised last year, CNP Assurances pursues its international growth strategy by signing an agreement with its historical partner, UniCredit, including the following:

- Acquisition by CNP Assurances of the 49% held by Unicredit in CNP Vita Assicura S.p.A. for €500 million enabling CNP Assurances to increase its stake in CNP Vita Assicura S.p.A. up to 100%.
- Sale of 6.5% held in CNP Unicredit Vita S.p.A. to Unicredit for €70 million, CNP Assurances retaining a 51% majority stake in CNP Unicredit Vita S.p.A.

This deal enables CNP Assurances to streamline its activities in Italy and to pursue its growth in this country. The completion of this operation is subject to relevant authorities' approval.

**Purchase of non-controlling interests**

In accordance with the shareholders' agreement, CNP Assurances will acquire the shares held by Swiss Life in Assurance, holding of Filassistance International, that represents 34% of the capital.

Subject to obtaining the required regulatory approvals, CNP Assurances, that already held 66% of Assurance's capital, will become therefore the sole shareholder until the fall of 2022.

This acquisition is accompanied with a commitment to pursue the partnership between Swiss Life France and Filassistance International.

With the exception of these two post-closing events, the Group has not identified any other post-closing events.

**NOTE 27 CREDIT RISK EXPOSURE****27.1 Classification by type of asset**

- a) Financial assets at amortized cost
- b) Financial assets at fair value through recyclable equity
- c) Off-balance sheet (financing and guarantee commitment)

**27.2 Credit risk concentration by economic agent****27.1 Classification by type of asset****a) Financial assets at amortized cost**

| 30/06/2022  | Gross book value | Allowance for losses | Net amount     |
|---|------------------|----------------------|----------------|
| (€ million)   |                  |                      |                |
| Securities at amortised cost  | 25,112           | (41)                 | 25,071         |
| Loans and receivables - Credit and similar institutions at amortised cost | 67,077           | (4)                  | 67,073         |
| Customer loans and receivables at amortised cost                          | 131,032          | (1,371)              | 129,661        |
| <b>TOTAL</b>  | <b>223,221</b>   | <b>(1,417)</b>       | <b>221,804</b> |

| 31/12/2021  | Gross book value | Allowance for losses | Net amount     |
|---|------------------|----------------------|----------------|
| (€ million)   |                  |                      |                |
| Securities at amortised cost  | 23,516           | (37)                 | 23,480         |
| Loans and receivables - Credit and similar institutions at amortised cost | 67,846           | (6)                  | 67,840         |
| Customer loans and receivables at amortised cost                          | 124,499          | (1,346)              | 123,152        |
| <b>TOTAL</b>  | <b>215,861</b>   | <b>(1,390)</b>       | <b>214,472</b> |

| € million  | Assets subject to a 12-month ECL |                      | Assets subject to a lifetime ECL |                      | Impaired assets  |                      | TOTAL                   |                             |                             |
|--|----------------------------------|----------------------|----------------------------------|----------------------|------------------|----------------------|-------------------------|-----------------------------|-----------------------------|
|  | (Bucket 1)                       |                      | (Bucket 2)                       |                      | (Bucket 3)       |                      | Gross book value<br>(a) | Allowance for losses<br>(b) | Net book Value<br>(a) + (b) |
|  | Gross book value                 | Allowance for losses | Gross book value                 | Allowance for losses | Gross book value | Allowance for losses |                         |                             |                             |
| <b>As at 31 December 2021</b>  | <b>205,649</b>                   | <b>(189)</b>         | <b>8,586</b>                     | <b>(532)</b>         | <b>1,627</b>     | <b>(669)</b>         | <b>215,861</b>          | <b>(1,390)</b>              | <b>214,472</b>              |
| <b>Transfers of active assets from one bucket to another</b>             | <b>(2,920)</b>                   | <b>10</b>            | <b>2,749</b>                     | <b>(42)</b>          | <b>171</b>       | <b>(37)</b>          | <b>0</b>                | <b>(69)</b>                 | <b>(69)</b>                 |
| Transfers of 12-month ECL (Bucket 1) to Lifetime ECL (Bucket 2)          | (5,372)                          | 18                   | 5,372                            | (126)                | 0                | 0                    | 0                       | (108)                       | (108)                       |
| Return of Lifetime ECL (Bucket 2) to 12-month ECL (Bucket 1)             | 2,517                            | (10)                 | (2,517)                          | 72                   | 0                | 0                    | 0                       | 62                          | 62                          |
| Transfers of 12-month ECL (Bucket 1) to Impaired Lifetime ECL (Bucket 3) | (165)                            | 2                    | 0                                | 0                    | 165              | (30)                 | 0                       | (28)                        | (28)                        |
| Transfers of lifetime ECL (Bucket 2) to Impaired Lifetime ECL (Bucket 3) | 0                                | 0                    | (186)                            | 17                   | 186              | (44)                 | 0                       | (28)                        | (28)                        |
| Return of Impaired Lifetime ECL (Bucket 3) to 12-month ECL (Bucket 1)    | 101                              | 0                    | 0                                | 0                    | (101)            | 16                   | 0                       | 15                          | 15                          |
| Return of Impaired Lifetime ECL (Bucket 3) to Lifetime ECL (Bucket 2)    | 0                                | 0                    | 80                               | (5)                  | (80)             | 22                   | 0                       | 17                          | 17                          |
| <b>Total after transfer</b>  | <b>202,729</b>                   | <b>(179)</b>         | <b>11,334</b>                    | <b>(575)</b>         | <b>1,798</b>     | <b>(706)</b>         | <b>215,861</b>          | <b>(1,459)</b>              | <b>214,403</b>              |
| <b>Change in Gross book values and Allowances for losses</b>             | <b>6,648</b>                     | <b>12</b>            | <b>926</b>                       | <b>11</b>            | <b>(183)</b>     | <b>20</b>            | <b>7,390</b>            | <b>42</b>                   | <b>7,431</b>                |
| New production: purchase, granting, origination, etc.                    | 56,528                           | (109)                | 2,609                            | (138)                | 332              | (68)                 | 59,468                  | (315)                       | 59,153                      |
| Deconsolidation: sale, redemption, maturity, etc.                        | (49,820)                         | 122                  | (1,683)                          | 149                  | (471)            | 49                   | (51,974)                | 319                         | (51,656)                    |
| Write-offs   | 0                                | 0                    | 0                                | 0                    | (40)             | 38                   | (40)                    | 38                          | (2)                         |
| Change in flows not giving rise to deconsolidation                       | 0                                | 0                    | 0                                | 0                    | (4)              | 0                    | (4)                     | 0                           | (4)                         |
| Changes in consolidation scope   | 40                               | 0                    | 0                                | 0                    | 0                | 0                    | 40                      | 0                           | 40                          |
| Other  | (100)                            | (1)                  | 0                                | 0                    | 0                | 1                    | (100)                   | 0                           | (100)                       |
| <b>Total</b>   | <b>209,377</b>                   | <b>(167)</b>         | <b>12,260</b>                    | <b>(564)</b>         | <b>1,614</b>     | <b>(686)</b>         | <b>223,251</b>          | <b>(1,417)</b>              | <b>221,834</b>              |
| Impact of fair value adjustments of micro-hedged instruments             | (30)                             | 0                    | 0                                | 0                    | 0                | 0                    | (30)                    | 0                           | (30)                        |
| <b>As at 30 June 2022</b>  | <b>209,347</b>                   | <b>(167)</b>         | <b>12,260</b>                    | <b>(564)</b>         | <b>1,614</b>     | <b>(686)</b>         | <b>223,221</b>          | <b>(1,417)</b>              | <b>221,804</b>              |

**b) Financial assets at fair value through recyclable equity**

|   | 30/06/2022     |                          |
|---|----------------|--------------------------|
|   | Fair Value     | o/w allowance for losses |
| (€ million)                                   |                |                          |
| Debt instruments at fair value through equity | 205,857        | (472)                    |
| <b>TOTAL</b>                                  | <b>205,857</b> | <b>(472)</b>             |

|   | 31/12/2021     |                          |
|---|----------------|--------------------------|
|   | Fair Value     | o/w allowance for losses |
| (€ million)                                   |                |                          |
| Debt instruments at fair value through equity | 228,121        | (465)                    |
| <b>TOTAL</b>                                  | <b>228,121</b> | <b>(465)</b>             |

|  | Assets subject to a 12-month ECL<br>(Bucket 1) |                      | Assets subject to a lifetime ECL<br>(Bucket 2) |                      | Impaired assets<br>(Bucket 3) |                      | TOTAL            |                      |
|--|--|----------------------|--|----------------------|-------------------------------|----------------------|------------------|----------------------|
|  | Gross book value                               | Allowance for losses | Gross book value                               | Allowance for losses | Gross book value              | Allowance for losses | Gross book value | Allowance for losses |
|  | (€ million)                                    |                      |  |                      |                               |                      |                  |                      |
| <b>As at 31 December 2021</b>                                | 227,742  | (456)                | 379  | (9)                  | 0                             | 0                    | 228,121          | (465)                |
| <b>Transfers of active assets from one bucket to another</b> | 0  | 0                    | 0  | 0                    | 0                             | 0                    | 0                | 0                    |
| <b>Total after transfer</b>                                  | 227,742  | (456)                | 379  | (9)                  | 0                             | 0                    | 228,121          | (465)                |
| <b>Change in gross book values and allowances for losses</b> | (22,162)                                       | (10)                 | (102)  | 3                    | 0                             | 0                    | (22,264)         | (7)                  |
| New production: purchase, granting, origination, etc.        | 37,852   | 0                    | 88   | 0                    | 0                             | 0                    | 37,941           | 0                    |
| Deconsolidation: sale, redemption, maturity, etc.            | (32,155)                                       | 0                    | (178)  | 0                    | 0                             | 0                    | (32,333)         | 0                    |
| Other  | (27,860)                                       | (10)                 | (12)   | 3                    | 0                             | 0                    | (27,871)         | (7)                  |
| <b>As at 30 June 2022</b>                                    | 205,579  | (466)                | 278  | (6)                  | 0                             | 0                    | 205,857          | (472)                |

**c) Off-balance sheet (financing and guarantee commitment)**

|  | 30/06/2022       |                      |               |
|--|------------------|----------------------|---------------|
|  | Gross book value | Allowance for losses | Net amount    |
| (€ million)  |                  |                      |               |
| Financing and guarantee commitments                | 30,423           | 0                    |               |
| Provisions for financing and guarantee commitments | 0                | (110)                |               |
| <b>Total financing and guarantee commitments</b>   | <b>30,423</b>    | <b>(110)</b>         | <b>30,313</b> |

|  | 31/12/2021       |                      |               |
|--|------------------|----------------------|---------------|
|  | Gross book value | Allowance for losses | Net amount    |
| (€ million)  |                  |                      |               |
| Financing and guarantee commitments                | 31,389           | 0                    |               |
| Provisions for financing and guarantee commitments | 0                | (97)                 |               |
| <b>Total financing and guarantee commitments</b>   | <b>31,389</b>    | <b>(97)</b>          | <b>31,292</b> |

|  | Assets subject to a 12-month ECL |                      | Assets subject to a lifetime ECL |                      | Impaired assets  |                      | TOTAL            |                      |                |
|--|----------------------------------|----------------------|----------------------------------|----------------------|------------------|----------------------|------------------|----------------------|----------------|
|  | (Bucket 1)                       |                      | (Bucket 2)                       |                      | (Bucket 3)       |                      | Gross book value | Allowance for losses | Net book Value |
|  | Gross book value                 | Allowance for losses | Gross book value                 | Allowance for losses | Gross book value | Allowance for losses |                  |                      |                |
| (€ million)  |                                  |                      |                                  |                      |                  |                      | (a)              | (b)                  | (a) – (b)      |
| <b>As at 31 December 2021</b>  | <b>30,448</b>                    | <b>(52)</b>          | <b>907</b>                       | <b>(40)</b>          | <b>33</b>        | <b>(5)</b>           | <b>31,389</b>    | <b>(97)</b>          | <b>31,292</b>  |
| <b>Transfers of active assets from one bucket to another</b>             | <b>(1,865)</b>                   | <b>1</b>             | <b>1,865</b>                     | <b>(3)</b>           | <b>0</b>         | <b>0</b>             | <b>0</b>         | <b>(3)</b>           | <b>(3)</b>     |
| Transfers of 12-month ECL (Bucket 1) to Lifetime ECL (Bucket 2)          | (2,025)                          | 2                    | 2,025                            | (9)                  | 0                | 0                    | 0                | (6)                  | (6)            |
| Return of Lifetime ECL (Bucket 2) to 12-month ECL (Bucket 1)             | 161                              | (2)                  | (161)                            | 5                    | 0                | 0                    | 0                | 3                    | 3              |
| Transfers of 12-month ECL (Bucket 1) to Impaired Lifetime ECL (Bucket 3) | (5)                              | 0                    | 0                                | 0                    | 5                | 0                    | 0                | 0                    | 0              |
| Transfers of Lifetime ECL (Bucket 2) to Impaired Lifetime ECL (Bucket 3) | 0                                | 0                    | (3)                              | 0                    | 3                | 0                    | 0                | 0                    | 0              |
| Return of Impaired Lifetime ECL (Bucket 3) to 12-month ECL (Bucket 1)    | 4                                | (0)                  | 0                                | 0                    | (4)              | 0                    | 0                | 0                    | 0              |
| Return of Impaired Lifetime ECL (Bucket 3) to Lifetime ECL (Bucket 2)    | 0                                | 0                    | 4                                | (0)                  | (4)              | 0                    | 0                | 0                    | 0              |
| <b>Total after transfer</b>  | <b>28,583</b>                    | <b>(51)</b>          | <b>2,772</b>                     | <b>(43)</b>          | <b>33</b>        | <b>(5)</b>           | <b>31,389</b>    | <b>(100)</b>         | <b>31,289</b>  |
| <b>Change in gross book values and Allowances for losses</b>             | <b>(19)</b>                      | <b>0</b>             | <b>(946)</b>                     | <b>(9)</b>           | <b>(0)</b>       | <b>(1)</b>           | <b>(966)</b>     | <b>(10)</b>          | <b>(977)</b>   |
| New production: purchase, granting, origination, etc.                    | 12,852                           | (32)                 | 1,109                            | (42)                 | 12               | (3)                  | 13,973           | (77)                 | 13,896         |
| Deconsolidation: sale, redemption, maturity, etc.                        | (12,871)                         | 32                   | (2,056)                          | 33                   | (13)             | 2                    | (14,939)         | 67                   | (14,872)       |
| <b>As at 30 June 2022</b>  | <b>28,564</b>                    | <b>(51)</b>          | <b>1,826</b>                     | <b>(53)</b>          | <b>33</b>        | <b>(6)</b>           | <b>30,423</b>    | <b>(110)</b>         | <b>30,313</b>  |

## 27.2 Credit risk concentration by economic agent

|                               | As at 30/06/2022                 |                                  |                 |                |
|-------------------------------|----------------------------------|----------------------------------|-----------------|----------------|
|                               | Book value                       |                                  |                 |                |
|                               | Healthy or degraded assets       |                                  | Impaired assets | TOTAL          |
|                               | Assets subject to a 12-month ECL | Assets subject to a lifetime ECL |                 |                |
| (€ million)                   | (Bucket 1)                       | (Bucket 2)                       | (Bucket 3)      |                |
| Retail clients <sup>(a)</sup> | 70,212                           | 7,139                            | 1,046           | 78,398         |
| Administration                | 97,090                           | 244                              | 4               | 97,338         |
| Central banks                 | 0                                | 0                                | 0               | 0              |
| Credit institutions           | 3,314                            | 0                                | 0               | 3,314          |
| Financial companies           | 12,160                           | 287                              | 1               | 12,448         |
| Non-financial companies       | 26,572                           | 4,589                            | 563             | 31,724         |
| Impairment                    | (167)                            | (564)                            | (686)           | (1,417)        |
| <b>TOTAL</b>                  | <b>209,180</b>                   | <b>11,696</b>                    | <b>928</b>      | <b>221,804</b> |

|                               | As at 31/12/2021                 |                                  |                 |                |
|-------------------------------|----------------------------------|----------------------------------|-----------------|----------------|
|                               | Book value                       |                                  |                 |                |
|                               | Healthy or degraded assets       |                                  | Impaired assets | TOTAL          |
|                               | Assets subject to a 12-month ECL | Assets subject to a lifetime ECL |                 |                |
| (€ million)                   | (Bucket 1)                       | (Bucket 2)                       | (Bucket 3)      |                |
| Retail clients <sup>(a)</sup> | 70,081                           | 4,725                            | 1,049           | 75,855         |
| Administration                | 97,291                           | 101                              | 4               | 97,396         |
| Central banks                 | 0                                | 0                                | 0               | 0              |
| Credit institutions           | 2,756                            | 50                               | 0               | 2,806          |
| Financial companies           | 8,839                            | 293                              | 0               | 9,132          |
| Non-financial companies       | 26,682                           | 3,417                            | 573             | 30,672         |
| Impairment                    | (189)                            | (532)                            | (669)           | (1,390)        |
| <b>TOTAL</b>                  | <b>205,460</b>                   | <b>8,054</b>                     | <b>958</b>      | <b>214,472</b> |

(a) Without loans granted to Real estate investment companies (called in French Sociétés Civiles Immobilières – SCI). These loans are presented within the retail clients in the balance sheet but here within the non-financial companies because of the breaking down by economic agent.

|                         | As at 30/06/2022                 |                                  |                 |                |
|-------------------------|----------------------------------|----------------------------------|-----------------|----------------|
|                         | Fair value                       |                                  |                 |                |
|                         | Healthy or degraded assets       |                                  | Impaired assets | TOTAL          |
|                         | Assets subject to a 12-month ECL | Assets subject to a lifetime ECL |                 |                |
| (€ million)             | (Bucket 1)                       | (Bucket 2)                       | (Bucket 3)      |                |
| Retail clients          | 0                                | 0                                | 0               | 0              |
| Administration          | 111,919                          | 21                               | 0               | 111,940        |
| Central banks           | 3,072                            | 0                                | 0               | 3,072          |
| Credit institutions     | 43,706                           | 3                                | 0               | 43,710         |
| Financial companies     | 6,938                            | 54                               | 0               | 6,992          |
| Non-financial companies | 39,945                           | 200                              | 0               | 40,144         |
| <b>TOTAL</b>            | <b>205,579</b>                   | <b>278</b>                       | <b>0</b>        | <b>205,857</b> |
| Of which impairment     | (466)                            | (6)                              | 0               | (472)          |

| Financial assets at fair value through recyclable equity | As at 31/12/2021                               |  |                 |                |
|--|--|--|-----------------|----------------|
|  | Fair value                                     |  |                 |                |
|  | Healthy or degraded assets                     |  | Impaired assets | TOTAL          |
|  | Assets subject to a 12-month ECL<br>(Bucket 1) | Assets subject to a lifetime ECL<br>(Bucket 2) |                 |                |
| (€ million)  |  |  |                 |                |
| Retail clients   | 0  | 0  | 0               | 0              |
| Administration   | 127,888  | 21   | 0               | 127,908        |
| Central banks  | 1,785  | 0  | 0               | 1,785          |
| Credit institutions                                      | 47,299   | 7  | 0               | 47,306         |
| Financial companies                                      | 6,144  | 51   | 0               | 6,195          |
| Non-financial companies                                  | 44,626   | 301  | 0               | 44,927         |
| <b>TOTAL</b>   | <b>227,742</b>                                 | <b>379</b>                                     | <b>0</b>        | <b>228,121</b> |
| <i>Of which impairment</i>                               | <i>(456)</i>                                   | <i>(9)</i>                                     | <i>0</i>        | <i>(465)</i>   |

| Off-balance sheet (financing and guarantee commitment) | As at 30/06/2022                                    |   |                      |               |
|--|---|---|----------------------|---------------|
|  | Commitment amount                                   |   |                      |               |
|  | Healthy or degraded commitments                     |   | Impaired commitments | TOTAL         |
|  | Commitments subject to a 12-month ECL<br>(Bucket 1) | Commitments subject to a lifetime ECL<br>(Bucket 2) |                      |               |
| (€ million)  |   |   |                      |               |
| Retail clients   | 11,575  | 580   | 23                   | 12,178        |
| Administration   | 5,217   | 23  | 0                    | 5,240         |
| Central banks  | 1   | 0   | 0                    | 1             |
| Credit institutions                                    | 2,328   | 104   | 0                    | 2,432         |
| Financial companies                                    | 1,795   | 111   | (0)                  | 1,906         |
| Non-financial companies                                | 7,648   | 1,007   | 9                    | 8,665         |
| <i>Provisions (a)</i>                                  | <i>(51)</i>   | <i>(53)</i>   | <i>(6)</i>           | <i>(109)</i>  |
| <b>TOTAL</b>   | <b>28,513</b>                                       | <b>1,773</b>  | <b>27</b>            | <b>30,313</b> |

| Off-balance sheet (financing and guarantee commitment) | As at 31/12/2021                                    |   |                      |               |
|--|---|---|----------------------|---------------|
|  | Commitment amount                                   |   |                      |               |
|  | Healthy or degraded commitments                     |   | Impaired commitments | TOTAL         |
|  | Commitments subject to a 12-month ECL<br>(Bucket 1) | Commitments subject to a lifetime ECL<br>(Bucket 2) |                      |               |
| (€ million)  |   |   |                      |               |
| Retail clients   | 11,425  | 352   | 22                   | 11,799        |
| Administration   | 5,965   | 3   | 0                    | 5,968         |
| Central banks  | 0   | 0   | 0                    | 0             |
| Credit institutions                                    | 3,047   | 26  | 0                    | 3,073         |
| Financial companies                                    | 1,244   | 0   | 0                    | 1,244         |
| Non-financial companies                                | 8,767   | 527   | 11                   | 9,305         |
| <i>Provisions (a)</i>                                  | <i>(52)</i>   | <i>(40)</i>   | <i>(5)</i>           | <i>(97)</i>   |
| <b>TOTAL</b>   | <b>30,397</b>                                       | <b>867</b>  | <b>28</b>            | <b>31,292</b> |

(a) Expected or realised losses relating to off-balance sheet commitments are recognised as provisions under liabilities on the balance sheet.

## NOTE 28 SOVEREIGN DEBT

The list of sovereign exposures was prepared in accordance with the scope defined by the European Banking Authority (EBA), in other words by including the exposure data relative to regional authorities, central authorities and business guaranteed by the French government. These exposures include deposits centralised at Caisse des Dépôts.

| 30/06/2022                     |                |   |                           |               |                   |  |                   |
|--------------------------------|----------------|---|---------------------------|---------------|-------------------|--|-------------------|
| (€ million)                    | Bank portfolio | Assets at fair value through profit or loss | Total direct exposure (a) | Repo          | Off-balance sheet | Total direct and indirect exposure (b) | Exposure (as a %) |
| Germany                        | 5,868          | 266   | 6,135                     | 0             | 0                 | 6,135                                  | 2.5%              |
| Austria                        | 578            | 15  | 593                       | 0             | 0                 | 593                                    | 0.2%              |
| Belgium                        | 6,922          | 264   | 7,186                     | 1,931         | 0                 | 9,117                                  | 3.7%              |
| Spain                          | 13,206         | 85  | 13,291                    | 45            | 0                 | 13,337                                 | 5.4%              |
| France                         | 154,323        | 3,752                                       | 158,076                   | 9,803         | 1,711             | 169,590                                | 68.7%             |
| United Kingdom                 | 0              | 2   | 2                         | 647           | 0                 | 649                                    | 0.3%              |
| Ireland                        | 70             | 13  | 82                        | 186           | 0                 | 269                                    | 0.1%              |
| Italy                          | 13,577         | 439   | 14,016                    | 0             | 0                 | 14,016                                 | 5.7%              |
| Luxembourg                     | 78             | 0   | 78                        | 122           | 0                 | 200                                    | 0.1%              |
| Netherlands                    | 303            | 4   | 307                       | 0             | 0                 | 307                                    | 0.1%              |
| Poland                         | 223            | 23  | 246                       | 0             | 0                 | 246                                    | 0.1%              |
| Portugal                       | 2,118          | 69  | 2,188                     | 0             | 0                 | 2,188                                  | 0.9%              |
| Romania                        | 124            | 1   | 124                       | 0             | 0                 | 124                                    | 0.1%              |
| Other European countries       | 151            | 108   | 259                       | 0             | 0                 | 259                                    | 0.1%              |
| Supranational                  | 6,296          | 737   | 7,032                     | 0             | 0                 | 7,032                                  | 2.8%              |
| <b>TOTAL EUROPE</b>            | <b>203,837</b> | <b>5,778</b>                                | <b>209,615</b>            | <b>12,735</b> | <b>1,711</b>      | <b>224,061</b>                         | <b>90.8%</b>      |
| Brasil                         | 2,635          | 18,616                                      | 21,251                    | 0             | 0                 | 21,251                                 | 8.6%              |
| Canada                         | 700            | 1   | 702                       | 0             | 0                 | 702                                    | 0.3%              |
| Japan                          | 294            | 0   | 294                       | 0             | 0                 | 294                                    | 0.1%              |
| Other countries                | 436            | 48  | 484                       | 0             | 0                 | 484                                    | 0.2%              |
| <b>TOTAL REST OF THE WORLD</b> | <b>4,066</b>   | <b>18,665</b>                               | <b>22,731</b>             | <b>0</b>      | <b>0</b>          | <b>22,731</b>                          | <b>9.2%</b>       |
| <b>TOTAL</b>                   | <b>207,903</b> | <b>24,442</b>                               | <b>232,346</b>            | <b>12,735</b> | <b>1,711</b>      | <b>246,792</b>                         | <b>100%</b>       |

| 31/12/2021                     |                |   |                           |               |                   |  |                   |
|--------------------------------|----------------|---|---------------------------|---------------|-------------------|--|-------------------|
| (€ million)                    | Bank portfolio | Assets at fair value through profit or loss | Total direct exposure (a) | Repo          | Off-balance sheet | Total direct and indirect exposure (b) | Exposure (as a %) |
| Germany                        | 5,910          | 287   | 6,198                     | 114           | 0                 | 6,312                                  | 2.5%              |
| Austria                        | 543            | 5   | 549                       | 0             | 0                 | 549                                    | 0.2%              |
| Belgium                        | 10,173         | 236   | 10,408                    | 2,200         | (0)               | 12,608                                 | 4.9%              |
| Spain                          | 14,866         | 142   | 15,008                    | 44            | 0                 | 15,051                                 | 5.9%              |
| France                         | 164,472        | 3,561                                       | 168,034                   | 8,018         | 942               | 176,993                                | 69.5%             |
| United Kingdom                 | 0              | 3   | 3                         | 0             | 1                 | 3                                      | 0.0%              |
| Ireland                        | 88             | 15  | 103                       | 0             | 0                 | 103                                    | 69.5%             |
| Italy                          | 14,800         | 501   | 15,300                    | 11            | 0                 | 15,311                                 | 6.0%              |
| Luxembourg                     | 37             | 0   | 38                        | 0             | 0                 | 38                                     | 0.0%              |
| Netherlands                    | 305            | 4   | 309                       | 0             | 0                 | 309                                    | 0.1%              |
| Poland                         | 337            | 25  | 362                       | 0             | 0                 | 362                                    | 0.1%              |
| Portugal                       | 1,873          | 77  | 1,949                     | 0             | 0                 | 1,949                                  | 0.8%              |
| Romania                        | 174            | 1   | 175                       | 0             | 0                 | 175                                    | 0.1%              |
| Other European countries       | 180            | 59  | 239                       | 0             | 0                 | 239                                    | 0.1%              |
| Supranational                  | 5,330          | 739   | 6,070                     | 2             | 0                 | 6,072                                  | 2.4%              |
| <b>TOTAL EUROPE</b>            | <b>219,088</b> | <b>5,656</b>                                | <b>224,743</b>            | <b>10,389</b> | <b>943</b>        | <b>236,075</b>                         | <b>92.6%</b>      |
| Brasil                         | 2,176          | 15,117                                      | 17,293                    | 0             | 0                 | 17,293                                 | 6.8%              |
| Canada                         | 750            | 1   | 750                       | 0             | 0                 | 750                                    | 0.3%              |
| Japan                          | 105            | 0   | 105                       | 0             | 0                 | 105                                    | 0.0%              |
| Other countries                | 547            | 56  | 603                       | 0             | 0                 | 603                                    | 0.2%              |
| <b>TOTAL REST OF THE WORLD</b> | <b>3,578</b>   | <b>15,174</b>                               | <b>18,752</b>             | <b>0</b>      | <b>0</b>          | <b>18,752</b>                          | <b>7.4%</b>       |
| <b>TOTAL</b>                   | <b>222,666</b> | <b>20,829</b>                               | <b>243,495</b>            | <b>10,389</b> | <b>943</b>        | <b>254,827</b>                         | <b>100%</b>       |

(a) Direct exposures: fair value or gross book value of exposures for own account.

(b) Direct and indirect exposures: direct exposures to which are added indirect exposures through repurchase agreements, forward purchases and off-balance sheet commitments.

A large, stylized number '3' is rendered in a light green color, occupying the left and center portions of the page. The number is composed of several overlapping, semi-transparent shapes that create a sense of depth and movement. The top bar of the '3' is a solid light green rectangle. The middle stroke is a darker green shape that curves downwards and then back up. The bottom curve is a very light green, almost white, shape that follows the curve of the middle stroke. The overall effect is a modern, geometric design.

**REPORT OF  
STATUTORY  
AUDITORS ON THE  
INTERIM FINANCIAL  
STATEMENTS**

**mazars**

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**La Poste**

## Statutory Auditors' review report on the interim financial information

Six months ended June 30, 2022



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*This is a free translation into English of the statutory auditors' review report on the half-yearly consolidated financial statements issued in French and it is provided solely for the convenience of English-speaking users. This report also includes information relating to the specific verification of information given in the Group's interim management report. This report should be read in conjunction with and construed in accordance with French law and professional standards applicable in France.*

## La Poste

Société anonyme  
Headquarter : 9, rue du Colonel Pierre Avia - 75015 Paris

## Statutory Auditors' review report on the interim financial information

Six months ended June 30, 2022

To the Shareholders

In compliance with the assignment entrusted to us by your annual shareholders' meeting and in accordance with the requirements of article L. 451-1-2 III of the French Monetary and Financial Code (Code monétaire et financier), we hereby report to you on:

- the review of the accompanying condensed interim consolidated financial statements of La Poste, for the six months ended June 30, 2022 ;
- the verification of the information contained in the interim management report.

These condensed interim consolidated financial statements have been established under the responsibility of the Board of Directors. Our role is to express a conclusion on these financial statements based on our review.

## Conclusion on the financial statements

We conducted our review in accordance with professional standards applicable in France.

A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with professional standards applicable in France and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that these condensed interim consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34 – the standard of IFRSs as adopted by the European Union applicable to interim financial information.

## Specific verification

We have also verified the information provided in the interim management report of the Board of Directors on the condensed interim consolidated financial statements subject to our review.

We have no matters to report as to its fair presentation and consistency with the condensed interim consolidated financial statements.

Mazars

Paris La Défense, July 29, 2022

KPMG Audit, Department of KPMG SA

Paris La Défense, July 29, 2022

Gonzague Senlis

Partner

Charles de Boisriou

Partner

Stéphanie Millet

Partner

Xavier de Coninck

Partner



# RESPONSIBILITY STATEMENT

## **Responsibility statement**

I certify, to my knowledge, the condensed financial statements for the half year are prepared in accordance with applicable accounting standards and give a true and fair view of assets and liabilities, financial position and profit or loss of the issuer and the subsidiaries included in the consolidation, and the half-year activity report contained in section 1 of this report presents a true picture of the significant events that occurred during the first six months of the year, their impact on the accounts, and that it describes the principal risks and uncertainties for the remaining six months of the year.

Executed in Paris, 29 July 2022

Chairman and Chief Executive Officer

Philippe Wahl

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La Poste - A french limited company (Société anonyme)  
with a capital of €5,620,325,816 - 356 000 000  
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