

## LE GROUPE LA POSTE 2020 RESULTS

### A crucial year for the Group's transformation, accelerated as a result of the health crisis

- Completion of **transformative operations** for the Group, which has **achieved its diversification objective**:
  - strategic equity alliance between La Poste and Caisse des Dépôts and between La Banque Postale and CNP Assurances
  - development of GeoPost in its markets through several acquisitions in Europe including that of BRT, Italy's leading express parcel operator
  - consolidation in digital and home healthcare services
- **A global health crisis: acceleration of trends** that impact its business model:
  - drop in mail volumes
  - strong increase in parcel and express volumes in the context of a boom in e-commerce
  - increased use of digital technologies within society.

### 2021: Launch of the Group's new strategic plan, "La Poste 2030, committed to you"

---

#### Group performance

- **Operating revenue<sup>1</sup>: €31.2 billion**, an increase of +20.0% and +4.4% at constant scope and exchange rates
- **Operating profit/(loss)<sup>2</sup>:**
  - ✓ **€3.1 billion** vs. €889 million in 2019
  - ✓ **-€1.3 billion** before the consolidation of CNP Assurances<sup>3</sup>
- **Net profit/(loss), Group share**
  - ✓ **€2.1 billion** vs. €822 million in 2019
  - ✓ **-€1.8 billion** before the consolidation of CNP Assurances<sup>3</sup>
- **Free cash flow<sup>4</sup>: -€510 million** (vs. +€223 million as at 31/12/2019)
- **Net debt<sup>4</sup>: €8.8 billion** (vs. €6.5 billion as at 31/12/2019)

---

<sup>1</sup> In the present press release, the term "Operating revenue" refers to all of the Group's operating revenues, including the operating revenue from industrial and commercial activities, La Banque Postale's net banking income which itself comprises the net insurance income from CNP Assurances.

<sup>2</sup> After share of the net profit of the jointly controlled entities.

<sup>3</sup> Including a +€3.0-billion impact of the initial recognition of CNP Assurances shares on operating profit and a +€3.6 billion impact on net profit. The impact of the initial recognition of the CNP Assurances shares is described in the "Impact of the initial recognition of the CNP Assurances shares" paragraph on page 3.

<sup>4</sup> Definitions presented in the paragraph "Alternative performance indicators" in the notes to the press release.

- **Equity: €18.2 billion** (vs. €12.6 billion as at 31/12/2019)
    - ✓ +€7.0 billion including the contribution of CNP Assurances shares
  - **Net debt/equity ratio: 0.48** (vs. 0.51 as at 31/12/2019)
- 

## Highlights of the year 2020

- **Major health crisis, with different impacts across the various businesses:**
  - **Mail** was significantly affected, under the combined effects of the economic slowdown and accelerated digitisation (-1.6 billion letters in 2020)
  - The **Parcel** and **Express** businesses experienced strong growth in volumes (+29% and +40% respectively) in the context of the e-commerce boom, supported by robust logistics as a result of investments made in the production tool over the past two years
- **Creation of a leading bancassuror** as part of the establishment of a major public financial group with Caisse des Dépôts and the strategic equity alliance between La Banque Postale and CNP Assurances
- **Continuation of the geographical expansion and business diversification strategy:**
  - In the **Express** sector, acquisition of leading Italian parcel operator **BRT**, of **Lenton** (minority stake increased to 64% in January 2020) based in Hong Kong, of **Fermopoint**, a network of 3,400 parcel pick-up stations in Italy, of **Geis Parcel**, a parcel operator in the Czech Republic and Slovakia, and an increased stake in the share capital of **Jadlog**, a parcel delivery company in Brazil,
  - In **Digital Services**, **strengthening our digital expertise** through the acquisitions of **AR24** (electronic registered post), **Index Education** (publisher of software for schools) and **Inadvans** (digital e-Health services),
  - In the **Home Healthcare Services**, a number of acquisitions including **Nouveal e-santé** (66%), leader in the digitisation of the patient journey,
  - In the **Banking sector**, acquisition of the 35% stake held by Groupama in **La Banque Postale Assurances IARD**. In asset management, LBPAM has become a multi-specialist stock picking management company entirely dedicated to sustainable finance. The strategic equity alliance of the interest rate management activities of La Banque Postale (LBPAM) and Groupe BPCE (Ostrum AM) has created a leading European player in **insurance management**
- Signature of the **fifth local postal coverage contract** for the period 2020-2022 providing for the continued adaptation of the postal network;
- **Corporate, social and environmental commitment recognised** by the non-financial rating agencies, notably illustrated by Vigeo Eiris awarding the best overall score worldwide of 76/100 in December 2020 (with a very high score of 91/100 for the environmental aspect). La Banque Postale was ranked the top global bank with an overall score of 71/100. In addition, the Group ranks number one in the world among companies in the “air freight and logistics” sector according to Sustainalytics, and La Banque Postale ranks number one in France and third worldwide among banks.

The Board of Directors of La Poste, which met today under the chairmanship of Philippe Wahl, approved the Group's consolidated financial statements for the 2020 fiscal year.

*"The year 2020 was an unusual year, full of great achievements, but also major difficulties for Le Groupe La Poste.*

*Among these major transformative achievements was the implementation of the strategic alliance with Caisse des Dépôts on 4 March 2020, through the dual equity alliances between La Poste and Caisse des Dépôts and between La Banque Postale and CNP Assurances, enabling our Group to diversify its business model and La Banque Postale to become an integrated bancassurance group.*

*Another major achievement was the acquisition by GeoPost of BRT, Italy's leading parcel operator, which marks a major step forward in the international development of our Group.*

*Among the major difficulties of 2020 was the emergence of a global crisis linked to the Covid-19 pandemic which has led to two main shocks for our Group:*

*- an economic shock, with mail volumes drastically falling from 9.1 billion last year to 7.5 billion in 2020;*

*- an unprecedented operational shock for a company that focuses on proximity at a human and local level, resulting in a thorough review of its processes and organisations. At the Network level, La Poste has ensured the continuity of public services and, above all, the provision of social benefits to the most vulnerable people. In terms of logistics, the Group has been able to cope with the drastic increase in parcel volumes, delivering 471 million parcels by the Services-Mail-Parcels business unit (+29%) and 1.9 billion parcels by GeoPost (+40%) in France and the rest of the world.*

*Our Group has worked hard in 2020 and, thanks to the commitment of our employees, was able to face up to the challenges posed by this difficult year. It has actively supported the French and European economy.*

*These difficulties are not yet behind us, but the Group is keen to look to the future. Planning and building a postal service that benefits everybody is the core challenge of the new "**La Poste 2030, committed to you**" strategic plan, today presented to our Board of Directors. The plan is based on an unprecedented participatory approach with input from 135,000 La Poste employees and 6,500 customers and elected representatives.*

*Le Groupe La Poste actively supports the major transitions that impact society, the ecological, regional, demographic and digital transitions, and aims to provide its private individual and corporate clients with human contact, trust and support through its employees. The Group's commitment to serving the public interest is at the heart of its ongoing public service missions. This desire is reflected in the adoption of its raison d'être, with a view to very soon becoming a mission company."*

## Financial key figures as at 31 December 2020

CNP Assurances, an equity associate until 4 March 2020, has been fully consolidated since that date.

	31/12/2020	31/12/2019	Impact of the initial recognition of CNP Assurances shares	Change vs n-1 (excluding the impact of the contribution of CNP Assurances shares)		Change vs. n-1 at constant scope and exchange rates	
(In millions of euros)				In €m	in %	In €m	in %

### Operating performance

Operating Revenue	31,185	25,983		+5,202	+20.0	+1,148	+4.4
Operating profit/(loss) (*)	3,149	889	3,007	-747	-84.0	-2,277	n.s.
Financial profit/(loss)	-243	-225		-18	+8.2	-5	+2.1
Income tax	-880	-134		-746	n.s.	-338	n.s.
Net profit/(loss), Group share	2,084	822	3,600	-2,338	n.s.	-2,702	n.s.

### Financial structure

Net debt (ND)	8,802	6,462		+2,340	+36.2		
Equity Group share (CP)	18,247	12,624	7,034	-1,411	-11.2		
ND/E	48.2%	51.2%		-	+27.3 pts		

### Key ratios – La Banque Postale

CET1 ratio*	20.4%	12.2%			8.2 pts		
Liquidity coverage ratio*	179%	153%			26.0 pts		

(\*) After share of the net profit of the jointly controlled entities.

(\*) Definitions provided in the "Alternative performance measures" section at the end of the press release

### Impact of the initial recognition of the CNP Assurances shares

The strategic equity alliance between La Poste and Caisse des Dépôts, and between La Banque Postale and CNP Assurances was finalised at the La Poste General Shareholders' Meeting on 4 March 2020 by the transfer by the French State and Caisse des Dépôts to La Poste, and then from La Poste to La Banque Postale, of their respective 1.1% and 40.9% stakes in CNP Assurances. The reporting of this alliance in the consolidated financial statements, which is governed by IFRS 3 "Business combinations"<sup>5</sup>, led to the recording of the following transactions:

- Valuation of the CNP Assurances shares received at the stock market price on the day of the transaction (€13.97), amounting to €4,027 million;

<sup>5</sup> IFRS 3 provides for:

- the valuation of the transferred shares at the stock market price on the date of the transaction;
- the revaluation/devaluation of the previously held shares based on the same stock market price;
- the recognition of goodwill/badwill equal to the difference between the total stake held and the share in the net assets of the target measured at its fair value on the date of the transaction;
- the reclassification of unrealised gains and losses in the income statement, in the amount of the previously held shares.

- ② Impairment of the value of securities previously accounted for under the equity method totalling **-€1,571 million**, (market value of €1,933 million on the day of the transaction vs. book value of €3,504 million on 29/02/2020);
- ③ Recognition of goodwill of **€4,578 million**, corresponding to the difference between the Group's share of the net assets of CNP Assurances measured at fair value (€10,538 million) and all the shares held (62.13%) valued at market value on the day of the transaction (€5,960 million);
- ④ Reclassification in the income statement of the cumulative translation adjustments and unrealised gains of CNP Assurances for the Group's share before the transaction (20.15%), generating income of **€594 million**.

On the day of its completion, this transaction had the following impacts on the consolidated financial statements:

- ▶ on **operating profit (loss)** (② + ③), in the amount of **€3,007 million**;
- ▶ on **net profit Group share** (② + ③ + ④), in the amount of **€3,600 million**;
- ▶ on **equity** (① + ② + ③), in the amount of **+€7,034 million**.

### **Financial impact of the health crisis on the Group's business**

As of March, the health crisis caused a sudden drop in activity affecting the Group as a whole, followed by a recovery which varied by business unit. Two of the major shocks caused by the crisis are the accelerated decrease in mail volumes and the surge in parcel volumes driven by the e-commerce boom.

The decline in Mail activity has affected the Group's operating profit, despite cost reduction measures. This impact has been accentuated by the impairment of Mail assets, for an amount of €900 million, due to the lack of short-term prospects for recovering these volumes. The Group's operating profit was also affected by the €496 million increase in La Banque Postale's cost of the risk, which includes a specific provision related to the Covid-19 crisis (€455 million). Overall, the impacts of the Covid-19 crisis on the Group's operating profit are estimated at -€2.0 billion.

Impairment of deferred tax assets of -€298 million further increase the impact of the pandemic on net profit Group share, estimated at -€2.3 billion.

### **Operating Revenue**

**Consolidated operating revenue amounted to €31,185 million**, up 20.0% compared to 2019. After adjustment for scope effects, i.e. an additional €4,176 million driven primarily by La Banque Postale (€2,309 million), GeoPost (€1,690 million) and Digital Services (€139 million), and an exchange rate loss of €122 million (including a €36 million loss on the Brazilian real, a loss of €24 million on the Russian rouble, and a loss of €23 million on the British pound), the Group's organic growth<sup>6</sup> at the end of December 2020 was 4.4%.

<sup>6</sup> Definitions presented in the paragraph "Alternative performance indicators" annexed to the press release.

(In millions of euros)	31/12/2020	31/12/2019	Change			
			vs. n-1		vs. n-1 at constant scope and exchange rates	
			In €m	in %	In €m	in %
Services-Mail-Parcels	12,156	12,376	-220	-1.8	-271	-2.2
GeoPost	11,041	7,768	+3,273	+42.1	+1,697	+22.2
La Banque Postale	7,724	5,647	+2,077	+36.8	-232	-4.1
Digital Services	799	697	+102	+14.6	-37	-5.4
Other segments and intercompany	-536	-506	-30	+5.9	-9	+1.8
<b>OPERATING REVENUE</b>	<b>31,185</b>	<b>25,983</b>	<b>+5,202</b>	<b>+20.0</b>	<b>+1,148</b>	<b>+4.4</b>

The consolidated operating revenue for 2020 is characterised by contrasting trends at business unit level.

- **Services-Mail-Parcels business unit**

Operating revenue for the Services-Mail-Parcels business unit stood at €12,156 million, down 1.8% compared to the end of December 2019. Adjustment for positive scope and exchange rate effects (+€51 million), mainly due to the consolidation of EDE and the disposal of VLC<sup>7</sup> at the end of 2019, led to an organic decrease of 2.2% compared to the previous year, mainly incorporating the effects of the health crisis, with variable changes across the different operating segments:

- **Mail:** Mail operating revenue amounted to €7,316 million, down 13.4% compared to 2019, with a sharp decline in addressed mail volumes of -18.1%<sup>8</sup> (i.e. -€1,340 million), partially offset by the increase in mail rates on 1 January 2020 by an average of 4.8% (+€336 million). The health crisis also had a significant impact on international mail (-€133 million);
- The **Parcel** business (Colissimo) recorded strong organic operating revenue growth of 20.1% to €2,263 million, linked to a boom in e-commerce since April, resulting in strong growth (+28.8%) in the volumes of parcels processed, resulting in 471 million items being delivered;
- The **Mail service subsidiaries** posted overall organic growth of €481 million (up 24.3%). With the exception of **Mediapost** (advertising mail) whose operating revenue is significantly down (-€133 million) following the complete shutdown of activity during the first lockdown and a gradual recovery from June 2020, the activities of the other subsidiaries increased. **Asendia**, which provides cross-border logistics solutions in e-commerce, generated operating revenue of €1,793 million, a sharp increase of 50.3%, buoyed by the excellent performance of its e-ShopWorld subsidiary from May onwards. La Poste Silver's activities withstood the crisis, with operating revenue of €185 million, an increase of 9.1% (and 4.9% in organic terms).

- **GeoPost**

GeoPost's operating revenue rose sharply to €11,041 million (up 42.1%). The adjustment for the scope effects (+€1,690 million) on the acquisitions of BRT, Lenton and Geis Parcel, and a foreign exchange impact of -€115 million, shows very dynamic organic growth of 22.2%, mainly due to a volume effect of +23.6%. Overall, GeoPost delivered 1,868 million

<sup>7</sup> Viapost Logistic Connectée disposed of in full at the end of November 2019 (2019 operating revenue: €70 million).

<sup>8</sup> In equivalent open days.

parcels over the period, driven by the explosion in e-commerce observed since April due to the health crisis, and the resulting boom in the BtoC segment (55.2% of volumes in 2020 vs. 45.2% in 2019).

Most countries delivered higher organic operating revenue (+37.7% in the United Kingdom, +37.0% in Benelux, +28.9% in Russia, +25.6% in Poland, +19.0% in Spain and +13.7% in Germany).

Operating revenue from New Urban Services amounted to €74 million, an organic increase of 39.5%, thanks in particular to the activity of Stuart (express urban delivery operator).

- **La Banque Postale**

Net Banking Income (NBI) reached €7,724 million, an increase of 36.8% (-4.1% at constant scope and exchange rates and after adjustment for the home savings provision) in a context of persistently low interest rates.

- NBI for the **Retail Banking** division stood at €4,981 million, down 5.0%<sup>9</sup> at constant scope and exchange rates compared to 2019. The net interest margin amounted to €2,669 million, down 8.0%<sup>9</sup> due to the health crisis and the fall in interest rates which had an impact on portfolio income and home loans. Commissions increased by €90 million (+3.9%). Commercial activity resisted in the context of the health crisis, with an overall increase of 4.6% in savings deposits and of 5.2% in outstanding customer loans, and in particular loans to the local public sector and companies (with outstandings up 12.5%).
- The **Insurance** division's NBI totalled €2,582 million following the entry of CNP Assurances into the scope of consolidation. Excluding this effect, it amounted to €273 million, an increase of 9.0%. Operating revenues from the Contingency business were down following the decline in the number of policies in the portfolio. Property & Casualty operating revenue increased thanks to the 14.8% growth in the portfolio under the effect of support measures for policyholders during the health crisis.
- The **Asset management** division's NBI totalled €161 million (+3.6%), linked to the increase in management fees.

- **Digital Services**

The business unit's operating revenue was up 14.6% to €799 million. Adjusted for scope effects of +€139 million, mainly related to the acquisitions by Dicaposte of Softeam and AR24, the organic change was a 5.4% decline.

In particular, within the Commercial activities division:

- the operating revenue of **Dicaposte** amounted to €622 million, an organic decrease of 8.6% as a result of the health crisis; in-person activities were strongly affected, notably due to the closure of customer sites (on-site activities) and, to a lesser extent, digital activities which were impacted by the drop in overall demand for advice and consulting;
- the operating revenue of **LP11**<sup>10</sup> stood at €43 million, an increase of 7.7%, thanks to the performance of Marketshot in the telecommunications and energy sectors;

---

<sup>9</sup> Adjusted for the home savings provision.

<sup>10</sup> New name for Mediapost Communication.

- o **laposte.fr** recorded a significant increase in sales (+38.0%), reaching €294 million, driven by the success of online sales solutions during the health crisis and in particular during periods of lockdown.

- **The Network**

As a distribution channel for consumer products in France, its sales figures were heavily impacted by the drop in footfall. Despite the costs incurred due to Covid-19, the Network has reduced its operating costs by 1.4%, which has directly benefited the Group's operating segments by reducing billing linked to their use of the Network.

La Poste Mobile has adapted its commercial strategy to the health situation, which has enabled it to win 539,000 new customers, including 454,000 new subscribers over the year. The total number of subscribers and prepaid customers grew by 10.3% over the year, to 1,8 million customers.

- **Other Segments**

Other segments and intercompany notably include Real Estate and Supports & Structures, primarily internal within the Group.

## Operating profit/(loss)<sup>11</sup>

The consolidated operating profit stood at **€3,149 million**, including €3,007 million linked to the impact of the contribution of CNP Assurances shares and scope and exchange rate effects in the amount of €1,520 million. It stands at €1.3 billion before the consolidation of CNP Assurances. In total, the effects of the health crisis are valued at €1,983 million.

	31/12/2020		31/12/2019		Impact of the initial recognition of CNP Assurances shares	Change vs. n-1 at constant scope and exchange rates	
	In €m	in %	In €m	in %		In €m	in %
<i>(In millions of euros)</i>							
Services-Mail-Parcels	-1,137		410			-1,547	n.s.
GeoPost	793		379			+414	n.s.
La Banque Postale	4,464		820		3,007	+637	+77.7
Digital Services	-48		10			-58	n.s.
Network, other segments and intercompany	-923		-730			-193	+26.5
<b>OPERATING PROFIT/(LOSS)</b>	<b>3,149</b>		<b>889</b>		<b>3,007</b>	<b>-747</b>	<b>-84.0</b>
						<b>-2,227</b>	<b>n.s.</b>

- **Services-Mail-Parcels:** The operating loss amounted to €1,137 million, a substantial decrease of €1,547 million compared to 2019. This decrease is mainly due to the accelerated decline in mail volumes due to the slowdown in activity associated with the health crisis, which led to a €900-million impairment of Mail assets. The operating loss of the **Mail** business thus stands at €1,425 million. With regard to **Parcels**, the strong performance of the business led to strong growth in operating profit (+37.2%), to

<sup>11</sup> Operating profit/(loss) (for the Group and business units) is presented after share of net profit/(loss) of jointly controlled entities throughout this press release.



€236 million, thanks to the reinforcement of the network which enabled it to cope with the strong growth in volumes. Lastly, the operating profit of the **Subsidiaries** stood at €53 million, an increase of €49 million, thanks to the performance of Asendia.

- **GeoPost** generated operating profit of €793 million, up 109.2% compared to 2019 in the context of strong acceleration in e-commerce since April. Adjusted for positive scope and exchange rate effects of +€91 million, the operating profit delivered organic growth of €323 million (up 86.0%), despite the additional costs linked to the management of the health crisis. This strong growth, without impacting the quality of service, is proof of GeoPost's remarkable ability to adapt.
- **La Banque Postale's** contribution to the Group's operating profit amounted to €4,464 million and €52 million prior to the consolidation of CNP Assurances. Management expenses rose by €197 million, mainly attributable to an impairment of intangible assets and the continuation of the bank's transformation programme (consolidation of CNP Assurances and development of subsidiaries), despite efforts to control costs. The cost-to-income ratio improved sharply as a result of the consolidation of CNP Assurances, reaching 74.4% (vs. 83.8% in 2019). Cost of risk stood at €674 million. It was €496 million higher than at the end of 2019, including a specific provision related to the health crisis of €455 million. It stands at a level of 46 basis points as a proportion of outstanding loans<sup>12</sup>.
- **The Digital Services** recorded an operating loss of €48 million, down €58 million. Excluding scope and exchange rate effects (+€4 million), operating profit was down €62 million, mainly due to the drop in activity related to the health crisis.
- **Other segments:**  
**Other segments'** operating profits/(losses) are added to those of the business units to obtain the Group's consolidated operating profit/(loss):
  - The loss of the "unallocated" segment (-€708 million, +6.4%) includes the cost of universal postal service accessibility and the regional planning mission, the corresponding local tax allowance, and the costs associated with the Group cross-entity end-of-career benefits which increased slightly over the period (increase in the number of registrants);
  - Operating loss from the Supports & Structures functions (-€216 million) increased by 13%, partly due to the additional costs generated by the health crisis, masking efforts to optimise costs;
  - Real Estate operating profit (+€81 million), was down 42.9% compared to 2019, mainly due to lower income on disposals than in 2019.

### **Net profit/(loss)**

The **net profit/(loss) Group share** amounted to €2,084 million, an increase of €1,262 million compared to 2019, out of which the impact of the contribution of CNP Assurances shares of €3,600 million (breakdown provided in the paragraph: "Impact of the initial recognition of the CNP Assurances shares").

Excluding the impact of the contribution of CNP Assurances shares and before the consolidation of CNPA, net profit Group share stood at -€1.8 billion, a marked decrease. This change is mainly attributable to the decrease in operating profit explained above. The overall expense represented by the financial loss (-€243 million), was fairly stable compared to 2019, the increase in net financial debt being mitigated by the decrease of its cost. The

---

<sup>12</sup> Cost of commercial bank credit risk against outstandings at the beginning of the period.

health crisis led the Group to record a €298-million impairment of the deferred tax assets of the taxable scope for the fiscal year, which has affected the net profit Group share.

### **Free cash flow**

Free Cash Flow generated in 2020 was -€510 million (vs. +€223 million in 2019). The decrease of €732 million is mainly attributable to the lack of dividend payments by La Banque Postale in 2020 (unfavourable impact of €327 million compared to 2019), as well as a 2019 comparable that includes favourable elements (allocation and monetisation of CICE).

### **Investments and external growth**

The Group invested €1.1 billion in 2020<sup>13</sup> compared to €1.2 billion in 2019, of which:

- o €318 million for the **Services-Mail-Parcels** business unit (vs. €303 million in 2019), mainly dedicated to the further development of its industrial and IT master plan;
- o €347 million for **GeoPost** (of which €19 million for the scope effect related to BRT), vs. €314 million in 2019. The year's projects were focused on increasing capacity, with the construction of Hubs (UK and France) and depots (Germany, UK and France), and the deployment of the "New Urban Services" project in Germany; and
- o €58 million on the purchase of IT equipment and R&D for the **Digital Services** business unit.

External growth transactions for their part, accounted for €836 million.

### **Net debt and financial structure**

At the end of December 2020, net debt stood at €8,802 million, an increase of €2,340 million. This change is strongly correlated with the free cash flow generated (-€510 million), the financing of external growth (-€836 million) and the change in finance lease liabilities linked to external growth (-€884 million).

Consolidated equity Group share amounted to €18,247 million. This increased by €5,623 million, of which €7,034 million due to the contribution of CNP Assurances shares, resulting from:

- A capital increase of €4,027 million (share capital and issue premiums of €1,968 million and reserves of €2,059 million);
- An income of €3,007 million (net of unrealised gains and losses on financial instruments and translation adjustments).

Consequently, the net debt/equity ratio stands at 0.48 (vs. 0.51 at 31/12/2019).

### **Ratings**

In 2020:

- Standard & Poor's confirmed its rating by revising the outlook from positive to stable, to reflect the circumstances of the Covid-19 pandemic.
- Fitch Ratings revised the outlook from stable to negative, following a similar revision concerning the French State on 15 May 2020.

---

<sup>13</sup> Excluding La Banque Postale

	Long and short-term rating	Outlook	Updated
Standard & Poor's	A/A-1	Stable	27/03/2020
Fitch Ratings	A+/F1+	Negative	16/12/2020

## Outlook

The year 2021 will be a year of uncertainties, given the persistence of the health crisis, fraught with macroeconomic impacts and contrasting effects on the Group's activities. In this context, the Group will continue its efforts and the savings plan implemented in 2020, in order to limit the impact on its future results.

The Group is resolutely committed to developing synergies between Caisse des Dépôts and La Poste, and La Banque Postale and CNP Assurances, and will pay careful attention to the consolidation of the other recently acquired companies.

The Group will continue to seize opportunities resulting from changes in the society and its business lines. It will also continue to roll out its multi-activity business model whilst accelerating its internal transformation toward digital.

It will continue to enhance the parcels and express delivery businesses by building on the growth of e-commerce and will work throughout the year to develop its local value-added services, particularly in bancassurance, the Silver economy and health, and regional services. The Group anticipates operating revenue growth for the fiscal year 2021.

The Group remains committed to carrying out its four public service missions. However, the deficit of the universal postal service observed since 2018 has widened further with the accelerated decline in volumes caused by the crisis, fundamentally undermining its balance. In this context, La Poste has begun discussions with the French State to redefine the scope of these missions and ensure their fair compensation.

2021 will be the first year of deployment of the Group's new strategic plan, "**La Poste 2030, committed to you**", presented today to the Group's Board of Directors. Through this plan, Le Groupe La Poste is pursuing its ambition of becoming the leading European platform for contact and exchanges, human and digital, green and civic-minded, to help its customers in their projects and the transformation of society as a whole. To make this ambition a reality and achieve its goal of being a profitable growth company, Le Groupe La Poste has defined seven priorities: its customers, its presence, digital technology, its environmental commitment, its civic responsibility, its international development, and the new labour-management agreement ("*Le pacte social*") offered to La Poste employees.

You can find all the information on the "**La Poste 2030, committed to you**" strategic plan in the press kit: [www.groupelaposte.com](http://www.groupelaposte.com).

## APPENDICES

### **Focus: La Poste during the health crisis**

The health crisis has highlighted a genuine need for postal services in our society.

La Poste first sought to ensure the continuity of the public service. It had to adapt, especially during the shock of the first lockdown, to refocus on its core priority services. The challenge was to protect the health of its customers and employees while maintaining its physical accessibility in strict compliance with the health restrictions imposed by the government. La Poste also guaranteed 100% of the remuneration of its employees who were placed in partial employment (vulnerable people and childcare) during this period. Throughout the crisis, the Group has been able to pay social benefits to the most vulnerable under good conditions.

The economic slowdown and the acceleration of digital exchanges have led to a drastic drop in mail volumes. Nevertheless, La Poste delivered 7.5 billion letters in 2020, thanks to the hard work and dedication of La Poste employees throughout France. It also managed to cope with an explosion in parcel volumes driven by the e-commerce boom. Colissimo delivered 471 million parcels (+29%), while GeoPost delivered 1.9 billion parcels (+40%) worldwide in the express sector.

Thanks to its GeoPost subsidiary, the Group has been able to supply personal protective equipment by airlift via the Lenton Group (a GeoPost subsidiary) in China. Maintaining 60% of Pickup points during the first lockdown was a key factor in coping with the explosion in parcel volumes; in December 2020, 95% of Pickup points were maintained, allowing customers to pick up their deliveries during the holidays. The explosion in express parcel volumes was thus managed by GeoPost without any disruption in service quality throughout the year.

At the same time, La Poste has experienced an explosion in digital uses (online services of Le Groupe La Poste and La Banque Postale). The Group, through its Digital Services business unit, quickly mobilised its assets in response to the health crisis by creating websites such as [maladiecoronavirus.com](https://maladiecoronavirus.com) and [masques-pme.laposte.fr](https://masques-pme.laposte.fr) for the sale of masks to VSEs/SMEs. Thanks to schemes such as "Watch Over My Parents" (*« Veiller sur mes parents »*), available free of charge during the first lockdown, La Poste enabled its customers to gain access to meals, cash, medicines, etc., thus reducing the isolation of certain populations, and the elderly in particular. By making its "Ma Ville Mon Shopping" platform available free of charge, La Poste has supported local retailers in the digitisation of their businesses and facilitated customer deliveries.

Although La Poste has experienced a temporary decline in its quality of service during the crisis, it has strengthened its efforts to restore customer satisfaction and managed by the end of 2020 to reach levels above those at the beginning of the year. In all its regions, and especially in France, La Poste employees have worked hard in the face of the health crisis and ensured the continuity of the Group's activities in the best possible conditions and in complete safety.

## Alternative performance measures - Definitions

Change at constant scope and exchange rates (organic change): 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 over the periods in question. 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.

Free cash flow: It consists of the following components: (i) Adjusted EBITDA, which comprises all operating revenue within the scope of consolidation excluding La Banque Postale, from which are deducted running costs and personnel expenses excluding allocations to end-of-career benefits (in the same scope excluding La Banque Postale), and to which 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; (ii) change in working capital requirement; (iii) cash flows on purchases of property, plant and equipment and intangible assets net of disposals of property, plant and equipment and intangible assets; (iv) cash flows related to taxes (including CICE flows deducted and generated); (v) net interest paid; (vi) 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.

Net debt: Net financial debt includes all current and non-current financial debt, less cash and cash equivalents and derivative instruments linked to Group financing. It also includes financial debt arising from the application of IFRS 16 (Leases), short-term financial investments where there is no significant risk of a change in value, where the original maturity on the subscription date is 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.

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 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.

Common Equity Tier 1 ratio: 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 determine whether or not a bank is solvent.

This ratio is only calculated for La Banque Postale.

Liquidity coverage ratio (LCR): The LCR is a monthly short-term liquidity ratio which measures the bank's ability to resist a severe degradation of its situation in a context of a systemic shock over a 30-day period. The target ratio must be above 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.

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

-----

The consolidated financial statements of Le Groupe La Poste are available online at [https://www.groupelaposte.com/Our Financial Information/Publications](https://www.groupelaposte.com/Our%20Financial%20Information/Publications)

**PRESS RELATIONS**

Virginie Gueidier

☎ (+33)1 55 44 22 37

[virginie.gueidier@laposte.fr](mailto:virginie.gueidier@laposte.fr)

**INVESTOR RELATIONS**

Yasmina Galle

☎ (+33)1 55 44 17 02

[yasmina.galle@laposte.fr](mailto:yasmina.galle@laposte.fr)