



Staying resilient in volatile times

Q2 & HY 2024 results
The Hague – 5 August 2024





Inge Laudy - Manager Investor Relations: Good morning, everyone, and thank you for joining us today in our Q2 2024 analyst call. With me here in the room are Herna Verhagen, our CEO, and Pim Berendsen, our CFO, who will present the results today.

Additional information

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As usual, we will start with our presentation, which you can find on the website and on your screen when you are logged in to the webcast. After that, we will open for Q&A. Herna, over to you.



Key messages Q2 & HY 2024



Herna Verhagen - CEO PostNL: Thank you, Inge. Welcome and good morning, everyone. Let me start with slide no. 4, which is on the highlights of the second quarter.

Key takeaways for Q2 2024

Outlook for FY 2024 reconfirmed

Highlights

- Parcel volumes up 6.0%
 - modest growth in domestic volumes
 - continued strong growth from international customers
- Mail volumes down 1.3%, -5.9% adjusted for election-related mail, mainly due to ongoing substitution
- Continued high organic cost increase of €38m, mainly labour-related and largely mitigated
- Free cash flow improved
- 17% further improvement in average carbon efficiency
- Successful issuance €300m sustainability-linked notes
- PostNL Belgium fully acquitted in case involving delivery partners, no appeal
- Interim dividend set at €0.03 per share

Mail in the Netherlands

- Results underpin urgent need for transformation
- Aim to deliver standard mail within two days, moving towards within three days over time
- Committed to cost savings initiatives also when adjusting service level
- USO already loss-making
 - bridging measures deemed necessary, and already being explored, by government
 - in these bridging measures, a financial contribution should be included in our view

Parcels

- Volume growth trending towards FY anticipated level
- Slight market share gain in the quarter
- Development in product and customer mix less favourable than expected
- Confidence in long-term growth potential of e-commerce market

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In our view, a good quarter as expected. Parcel volumes were up with 6%, mostly domestic, but high growth when it comes to international customers. On most of these topics we will come back in the further slides.

Mail volumes were down 1.3% because of the elections in Europe. It is 5.9% and almost 6% when you adjust for that.

We saw a continued rise of our organic cost, EUR 38 million in the second quarter and still expected to be around EUR 155 million for the full year.

We had a good cash flow, a strong improvement compared to last year.

We had of course a further improvement of our carbon efficiency.

We had a successful issuance of a sustainability-linked note and Pim will highlight that in his part of the presentation.

We are very happy with the outcome of the court case in Belgium, where we are pleaded fully free from all the things they said we did wrong. Most important, also management in Belgium is totally free from that and there is no appeal.

We will pay a dividend, which is EUR 0.03.

For Mail in the Netherlands we once again highlighted the urgent need for transformation in the postal law, where we want to change the Universal Service Obligation to get mail delivered within two days and over time within three days. What we added today to that is that in the bridging measures which the minister already communicated to Parliament, together with those bridging measures, we would like to have a financial substitution or a financial contribution as well that should in our view be included.



In Parcels, the growth we saw in the second quarter is trending to our full year anticipated level. We are happy with the slightly higher market share in the quarter. We see that the product and customer mix is less favourable and that impacts margin. Still, with full confidence for further growth of our e-commerce going forward.

Q2 & HY 2024 performance

Normalised EBIT €18m in Q2 in difficult circumstances

Key financial metrics

(in € million)	Q2 2023	Q2 2024	change	HY 2023	HY 2024	change
Revenue	771	795	3%	1,544	1,560	0%
Normalised EBIT	18	18		25	9	-65%
Free cash flow	(34)	(19)		(65)	(26)	
Normalised comprehensive income	10	14	39%	14	6	-57%

Performance

- Volume growth at Parcels, but unfavourable shift in mix
- Mail volume development strongly impacted by election-related mail; further shift to non-24-hour mail
- €38m organic cost increases in Q2 (HY: €62m) largely mitigated by yield measures

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PostNL Q2 & HY 2024 results

That translates into the results you find on slide no. 5. Normalised EBIT for the second quarter is the same as last year, while revenue grows slowly at 3%. And, as said, a much better free cash flow.

It is important to highlight here and not yet said in the other highlights is the fact that the mail volume development is strongly positively impacted by the election-related mail. Also, we saw a further shift to non-24 hours mail which impacts margins.

Organic cost increases continued EUR 38 million in the second quarter and largely mitigated by yield measures. We will come back to the measures we have taken and still also the measures we see going forward till the end of the year on a later slide when we talk about strategic drivers and development within Parcels.



Strategic drivers and business development



Our strategy

Delivering distinctive customer and consumer experience to be the leading logistics and postal service provider in, to and from the Benelux area

Strategic foundation



Parcels: Manage for sustainable growth



Mail: Manage for value



Accelerate digitalisation

Strategic objectives



Digitalisation, customers, consumers

- Launch of personalised anti-phishing code for quick recognition of PostNL e-mails



Environmental value

- 17% further improvement in average carbon efficiency YTD



Social value

- PostNL Belgium acquitted on all counts in a case alleging pseudo-employment, no appeal
- Highest PSO* ranking for supporting people with a distance to the labour market
- Negotiations new CLA PostNL started

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Our strategy, of course, is still the same. We have a strong strategic foundation in which Parcels are managed for sustainable growth. In Mail, we manage for value and we want to accelerate our digitisation. That is next to the fact that we have a few important strategic objectives which are around our customers and consumers, an example is our Net Promoter Score, which is on an environment where we want to improve our carbon efficiency and which is on social value where we want to be a good employer, able to pay the wages as expected in the market we operate in. Again, we are very happy with the outcome of the court case in Belgium. This company exists 225 years and hopefully, it will be there for the next 225 years.

Let's dive a little bit into the measures taken within Parcels and Mail in the Netherlands, which create that sustainable growth and which create that manage for value.

Parcels – manage for sustainable growth

Balancing volume and value	Network rationalisation and cost control	Focus on customers and consumers
<p>Revenue and capacity management to capture value in supply chain and manage seasonality</p> <p>Tailored pricing policy to balance portfolio and attract favourable parcels</p> <ul style="list-style-type: none">Adjusted tariff structure to encourage use of smaller parcels (less air) <p>Targeted approach for SME segment by scaling new digital services and insights</p> <p>Simplify products and services and rationalise delivery options</p> <ul style="list-style-type: none">Return platform supporting customers to better manage returns	<p>Cost reduction in first and middle mile (collection and transport) by integrating networks, leveraging on network infrastructure</p> <ul style="list-style-type: none">Smart route design in middle mile by using optimising algorithms <p>Focus on expansion of APL network as important pillar of out-of-home-strategy</p> <ul style="list-style-type: none">1,034 APLs (FY 2023: 903), to grow to 1,200 in 2024, further expansion going forwardNetwork accessible to other carriers	<p>Focus on last mile NPS: average #1 position in relevant markets maintained</p> <ul style="list-style-type: none">Further development consumer journey 'I receive'Slight market share gain in the quarter <p>Encourage out-of-home delivery options to improve sustainable delivery, reduce costs and improve NPS</p> <ul style="list-style-type: none">Growing # of consumers opt for APL as their standard delivery optionPromote APL option in check-out
		

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PostNL Q2 & HY 2024 results

First, let me start with Parcels and that is what you find on slide 8. This is a combination of the important strategic drivers and actions set into motion at the beginning of the year, together with some results at the end of the second quarter.



The first important element in managing for sustainable growth is balancing volume and value. We have taken quite some actions when it comes to our revenue management, meaning that we have tailored pricing policies to balance our portfolio and also attract the favourable parcels, together with the fact that we have very active capacity management, which is necessary taking all the volumes coming in.

We have a targeted approach in the direction of the small and medium accounts and especially in this segment, we are scaling our digital initiatives that are working quite well. We are highly appreciated by those customers and we find new customers in that as a new segment, which is important as well.

Simplifying products and services is what we do in 2024, but especially in the direction of 2025 this needs to bring in further rationalisation.

When you talk about managing capacity versus volume, you also talk about network rationalisation and cost control. These are important actions to underpin also the EUR 35 million of cost savings we took into account. This is still our latest estimate and outlook.

To reach that cost reduction, we are working on a more efficient first and middle-mile where we integrated certain networks. We do smart route design by algorithms and at this moment in time, more than 60% of the routes are automatically planned.

But we also focus on our parcel lockers and more a broader than that on our 'Out-of-Home' strategy. We placed more than 1,000 parcel lockers by the midst of this year and we want to grow to around 1,200 by the end of the year. That is of course next to or together with all the retail points we currently have.

Focus on consumers and customers pays out; when you look into our Net Promoter Score we have a very strong number one position in the market. We slightly gained market share in the



second quarter – also important – and we have a growing amount of consumers making use of our parcel lockers.

Parcels in Q2 2024

Volume growth, but less favourable mix

	Revenue	Normalised EBIT	Volumes	Revenue mix
Q2 2024	€581m	€15m	92m +6.0%	
Q2 2023	€568m	€17m	87m	
				<i>In € million</i>
				Q2 2023
				Q2 2024
				Parcels NL and BE
				Spring
				Logistics solutions and other services
				Other / Intercompany
				Parcels

Volume

- Volume growth picks up to 6.0% (Q1: 4.6%)
 - volume from international customers up 29%
 - domestic volume increase of 0.3%, with growing share from larger customers
- Weather conditions negatively impacted e-commerce market, especially fashion
- Slight gain in market share this quarter

Revenue

- Revenue Parcels NL and BE reflecting:
 - volume growth
 - tariff increases more than offset by less favourable product and customer mix (impact €0.08 per parcel)
- Cross-border activities continued positive trend; Spring revenue up, most strongly in Asia

Costs

- Significant organic costs increase, mainly labour-related
- Efficiency improvements (network optimisation, higher utilisation rates, smaller average size parcels, rationalisation of services), also thanks to adaptive measures

9 * As from 1 January 2024, parcel volumes also include domestic Belgian volumes; the comparative figure for 2023 has been adjusted accordingly (Q2 2023: +1m items)



PostNL Q2 & HY 2024 results

That then translates into second quarter numbers, which you find on slide no. 9. Here you see that revenue increased, normalised EBIT slightly declined and we saw a volume growth of 6%. That is on trend for our full-year outlook which is on 7% - 10%. The 6% consists of growth of almost 30% from our international customers and 0.3% for our domestic customers. It is important to mention that that growth then also mainly comes from the larger customers.

The weather conditions in the Netherlands impacted the e-commerce market, especially in fashion.

When it comes to the customer mix, it impacts our tariffs and our average price per parcel. Pim will come back to that in his presentation to show you bit of the effect it has on our business.



As said, significant cost increases not only in Mail but also in Parcels and many efficiency improvements to balance that and are already discussed. Most of these efficiency improvements on the slide are just presented.

Mail in the Netherlands – manage for value

Urgent need for transformation

Structural decline	Necessary actions	Future-proof postal service
<ul style="list-style-type: none"> Ongoing decline in mail volumes and shift to non-24-hour mail Organic cost increases continue Result of just €1m (HY2024) <ul style="list-style-type: none"> USO already loss-making deteriorating result going forward 	<ul style="list-style-type: none"> Aim for standard mail service level of delivery within two days, over time within three days: <ul style="list-style-type: none"> ongoing strong commitment to cost savings initiatives explore smooth transition non-USO mail to D+2 change Postal Act: relief in USO conditions and financial safety net Pressure on postal services <ul style="list-style-type: none"> bridging measures deemed, and already being explored, by government in these bridging measures, a financial contribution (common in neighbouring countries) should be included in our view 	<ul style="list-style-type: none"> Accessible, reliable and affordable Providing job security to thousands of people Aligned with consumer needs Modern and innovative services Financially viable

Result mail activities in €m

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On slide 10 we talk about Mail in the Netherlands. In Mail in the Netherlands we manage for value. As we said when we presented our Q4 numbers in February, there is an urgent need for transformation. And why is that? First of all, of course, the ongoing decline of mail, also this year, is expected to be between 7% - 9%, together with the fact that we see a shift from 24 hours to non-24 hours mail. In our volumes, we already see less need for urgent mail. Together with the organic cost increases, which continue to rise, they have a big impact, especially in an organisation, which is mainly people-dominated, as is the mail business in the Netherlands. The result over the first half year was EUR 1 million and that underpins the urgent need for transformation.

In our view, when we talk about transformation there are two important elements. The first is what we said in February and that is the postal law needs to change. In our view, the best way forward is to change the USO into delivery within two days and over time within three days.



That in our view is the best way forward together with, as already said by the minister, bridging measures that are deemed necessary. And in our view, a financial contribution in those bridging measures is crucially important to maintain the mail services as they are today.

Political process towards change in regulation

Minister of Economic Affairs is leading the process

2024	2025
<p>Round-table discussion took place in June</p> <ul style="list-style-type: none">• Support Members of Parliament in understanding postal market dynamics• PostNL, competitors, business customers, trade unions and ACM shared views on market development <p>Debate in Parliament expected in October</p> <ul style="list-style-type: none">• Discuss letter from the Minister of Economic Affairs<ul style="list-style-type: none">• exploration of bridging measures• ACM to assess requirements of postal services users <p>Postal Act amendment note</p> <ul style="list-style-type: none">• To be finalised by Ministry of Economic Affairs• ACM to assess feasibility and enforceability	<p>Bridging measures potentially in place</p> <p>Amendments in Postal Act</p> <ul style="list-style-type: none">• Completion of ACM studies<ul style="list-style-type: none">• insight into cost of USO• scope and quality of USO• market developments in postal sector• Vision on future postal market<ul style="list-style-type: none">• based on outcome of ACM studies• proposal of structural measures and changes in regulation

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PostNL Q2 & HY 2024 results

That is a political process and that is what you see on slide 11. So far, we had the letter from the minister, which was sent to Parliament in May. There was a round table that took place in June and there, many members of parliament were informed by all sorts of market parties about their views on the mail market. We expect a first debate in parliament in October. Before that debate, there will be a letter from the Minister in which we expect an exploration of the bridging measures. In the meantime, the ACM needs to assess the requirements of the postal service users.

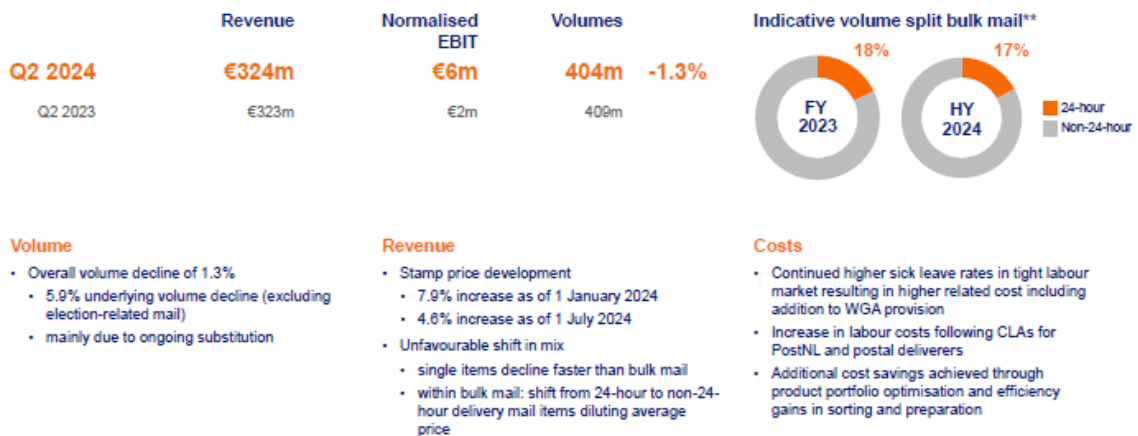
Also important is the real amendment of the postal act. Hopefully, that will also be discussed in October and here the ACM was asked to assess the feasibility of that and to give a view on mail in the future and that part needs to be ready somewhere in spring 2025.



2025 will be a year of discussions in Parliament, hopefully the first bridging measures will be in place in 2025. When it comes to the amendments to the postal act we do not expect that these will be in place in 2025. We expect that there will be a discussion on these elements in Parliament, starting in 2024, but also walking into 2025 to hopefully come to a finalisation.

Mail in the Netherlands Q2 2024

Volume decline strongly impacted by election-related mail



12 WGA: Werkhervatting Gedeeltelijk Arbeidsgeschikten
**excluding election-related mail items



PostNL Q2 & HY 2024 results

If you then look at the numbers of Mail in the Netherlands on slide 12, you see that the second quarter had a relatively good normalised EBIT and also a relatively good volume decline, but caused by the fact that we had the European elections and therefore had lots of mail underlying. We see that substitution is ongoing.

We increased the revenue price to mitigate the cost increases we see in our mail businesses as well, and that is what we did in January 2024 and again on July 1, 2024.

As said, in revenue, you also find the unfavourable shift in mix. We see more customers moving from 24 hours mail to non-24 hours mail.



The costs are continuing to be high which is partly because of labour cost and organic cost increases, which is partly because of higher sick leave and in a tight labour market, which results also in higher related costs, including a higher provision. To offset that as much as possible, stamp prices have been increased and we continue to save as much cost as possible. Cost savings over the first half year were EUR 20 million and we expect to be around EUR 40 million by the end of the year.

The graph also shows an indication of the split in bulk mail, the non-24 hours and 24 hours mail and you see here the slight decline from 24 hours to non-24 hours.

Outlook 2024 reconfirmed

Reflecting assumption of gradual improvement in economic conditions

(in € million)	2023	2024 outlook
Normalised EBIT	92	80 - 110
Normalised comprehensive income	52	40 - 70
Free cash flow	52	0 - 40

Parcels

- Well-positioned for anticipated pick-up in volume growth
- Consistent focus on customer excellence, strict cost control and capacity management

Mail in the Netherlands

- Ongoing volume decline with shift in mix combined with higher costs, mainly labour-related, continues to put pressure on result
- Partly mitigated by yield increases and cost savings in current business model
- Urgent need for transformation



If we look into the developments of our businesses, we reconfirmed the outlook. In Parcels, we are well positioned for the anticipated pick-up in volume growth towards the end of the year and Q1 and Q2 gave us the trends we expected to see to be indeed around the 7% - 10% by the end of the year, with consistent focus on customer excellence and strict cost control and capacity management to make sure that we reach the margin level we want to reach within Parcels.



For Mail in the Netherlands we are focused of course further cost savings and a decrease in the sickness rate together with an important half year in politics with the first discussions on the changes in the postal law and hopefully bridging measures. For Mail in the Netherlands: focused on of course, further cost savings and a decrease of the sickness rates together with of course an important half year in politics with the first discussions we will have on the changes in postal law and hopefully the bridging measures, further underpinning the urgent need for transformation.

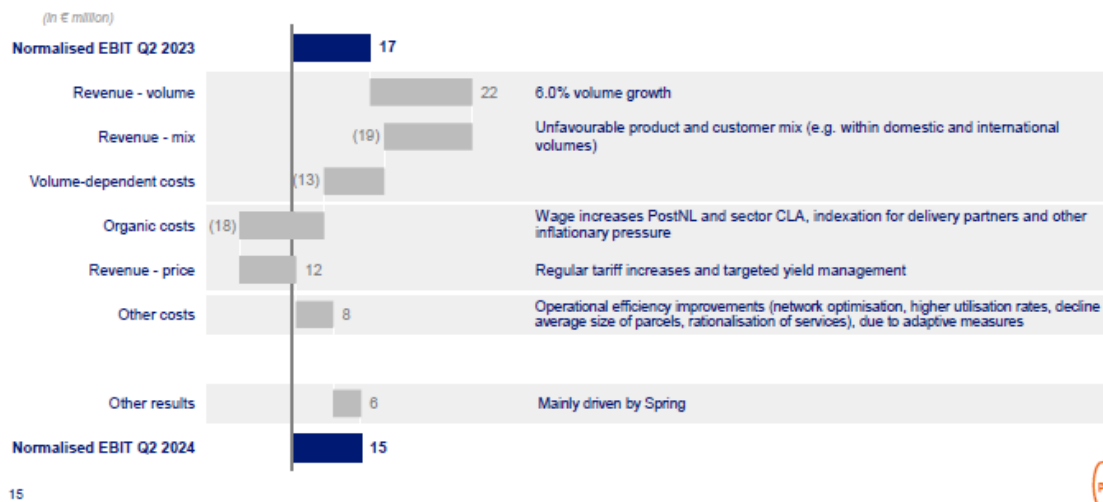
I now hand over to Pim to go through the numbers and also a little bit of the insights behind those numbers.

Financial performance Q2 & HY 2024



Pim Berendsen - CFO PostNL: Thank you, Herna. Indeed, let's look at the financial performance in a bit more detail.

Parcels Q2 2024 normalised EBIT bridge



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PostNL Q2 & HY 2024 results

On slide 15 we see the reconciliation of the normalised EBIT bridge of Parcels from EUR 17 million last year to EUR 15 million this quarter. Clearly, at the beginning of the bridge you see the contribution of 6% of volume growth that contributed to the results. But this was almost fully offset by the impact of product and customer mix effects. On a next slide, I will talk in a bit more detail about the composition of those mix effects.

Organic cost increases amounted to EUR 18 million in the quarter, mainly related to labour and the tariff increase was EUR 12 million this quarter, which again leaves a gap between organic cost increases and prices that we could put forward. The other costs were EUR 8 million better, clearly as a result of all the operational measures and efficiency measures that Herna just talked about. That supported the development within the quarter and will continue to do so in the quarters to come.

Other result is positive, obviously driven by a very large extent by the performance of Spring and our cross-border business.

On the next slide, we spent a bit more words on the composition of the volume.



Tariff increases more than offset by mix effects

Increasing customer concentration, growth Asian volumes

Various mix effects

Increasing customer concentration in domestic volumes

- share of SME segment declines, with fewer single items
- consolidation towards bigger (platform) players

International volumes

- slower growth in export items

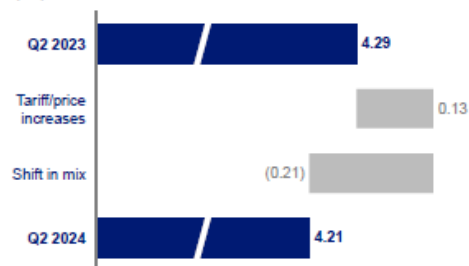
Composition domestic / international

- growth international volumes, mainly large Asian customers
- downtrading in e-commerce chain, marketing Asian webshops



Development average tariff per parcel in Q2

(In €)



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We talked about that clearly already at the beginning of the year. On the low lefthand side of the slide, you can see that gradually the composition of our volume is changing. We now roughly have 22% of total volume coming from cross-border clients and there are basically two main developments that define mix.

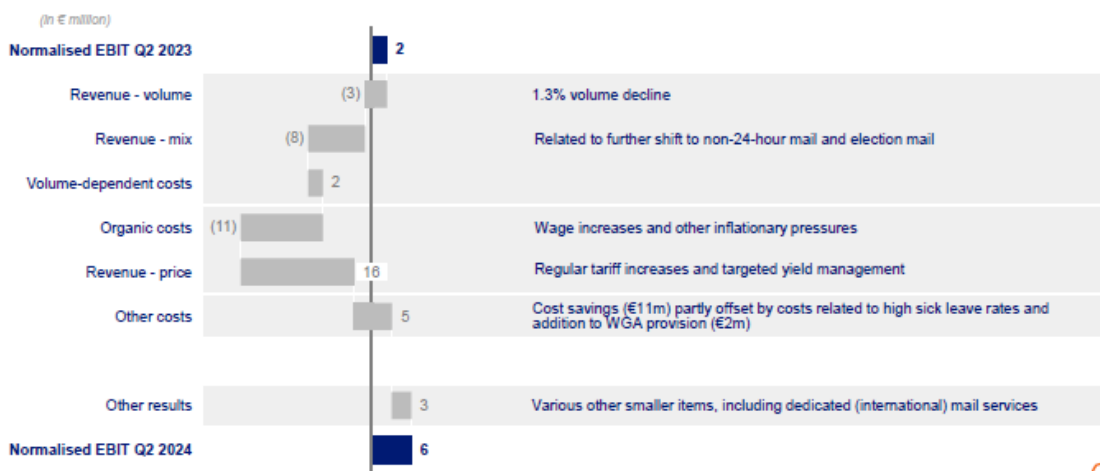
Within domestic, we still see that bigger clients are growing and outgrowing the SME-customers. At the same time, platforms are also growing faster than direct customers. So, that in and by itself already leads to a mix effect within domestic. Next to that effect, obviously the fact that international volumes continue to outpace domestic in terms of growth leading to the higher relative share of cross-border is another negative mix effect that impacts the average price per parcel.

There, you can quite clearly see that the shift in product mix basically is costing us EUR 0.21 per parcel within the quarter. Percentage wise that is not even a very big difference, but this times 92 million pieces is of course material. You also see that tariff and price increases offset a part of that, but of course then you are stuck with the organic cost increases as well. So all in all, EUR 0.08 per parcel down on the average price driven by the mix effects we just talked



about. Of course, that has a big impact in the margin profile for the first half of the year, which we still expect also to partially continue to the next quarters.

Mail in the Netherlands Q2 2024 normalised EBIT bridge



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PostNL Q2 & HY 2024 results

On slide 17, we talk about Mail in the Netherlands, from EUR 2 million profit last year to EUR 6 million this year. The biggest driver, of course, is the EUR 11 million cost savings in the quarter that we talked about, but also here you can see a negative mix effect – Herna already talked about it – that we see a shift from 24 hours to non-24 hours mail, obviously bringing a lower average price per item also on the Mail side.

Organic costs are up with EUR 11 million. Price increases within Mail exceed the organic cost increases and compensate for that.

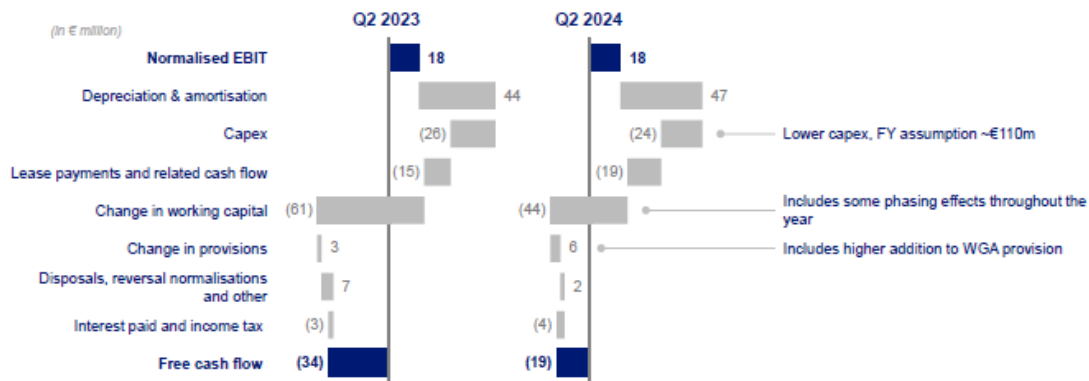
In other costs, there is clearly the benefit of the EUR 11 million cost savings there but also high sick leave rates and additions to the provision for long-term illness have offset part of the cost savings we realised within the quarter.



Other results are positive with EUR 3 million, including smaller items and including the international mail services that did slightly better than last year.

Cash flow improved

Better working capital, partly phasing



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PostNL Q2 & HY 2024 results

Cash flow was negative for the quarter, but improved in comparison to last year. A bit of phasing in working capital, but all in all, we tightly manage the cash flow, the working capital and the CapEx as strongly as we can. The full-year expectation on CapEx is around EUR 110 million for the year.



Financial position provides solid base for dividend

Interim dividend of €0.03 per share to be paid on 26 August

Balance sheet

(In € million)	29 Jun 2024		29 Jun 2024
Intangible fixed assets	411	Consolidated equity	182
Property, plant and equipment	479	Non-controlling interests	3
Right-of-use assets	285	Total equity	184
Other non-current assets	61	Pension liabilities	2
Other current assets	415	Long-term debt	596
Cash	777	Long-term lease liabilities	229
Assets classified as held for sale	1	Other non-current liabilities	188
		Short-term lease liabilities	82
		Other current liabilities	1,149
Total assets	2,430	Total equity & liabilities	2,430

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PostNL Q2 & HY 2024 results

Then to the balance sheet. As said, we manage the balance sheet quite tightly to ensure that we keep a leverage ratio that is going to be below the two times adjusted net debt.

Interim dividend is set in accordance with the dividend policy at one third of the dividends over the full book year 2023, which leads to a EUR 0.03 per share interim dividend for August to be paid on the 26th.



Successful issuance sustainability-linked notes

Adjusted net debt

(in € million)	31 Dec 2023	29 Jun 2024
Short- and long-term debt	740	1,036
Long-term interest-bearing assets	(15)	(14)
Cash and cash equivalents	(518)	(777)
Net debt	207	245
Pension liabilities/WGA*	2	31
Lease liabilities (on balance)	320	311
Lease liabilities (off balance)	9	9
DTA on WGA and operational lease liabilities	(76)	(82)
Adjusted net debt	462	514

WGA provision (€22m) included in adjusted net debt as of 1 January 2024

Sustainability-linked notes due June 2031

- Size €300m, 4.750% annual coupon
- 100bps step-up on final coupon if targets are not met:
 - > 90% reduction in Scope 1 and 2 GHG emissions by 2030
 - 45% reduction in Scope 3 GHG emissions by 2030
 - 36% women in senior management positions in 2030
- Invest cash surplus in interest-bearing assets to limit cost-of-carry

WGA self-insurance provision

- Provision for future resumption of work benefit for partially disabled people
- Choice for self-insurance instead of social security premium
- Gradual build-up from anticipated inflow of benefit recipients



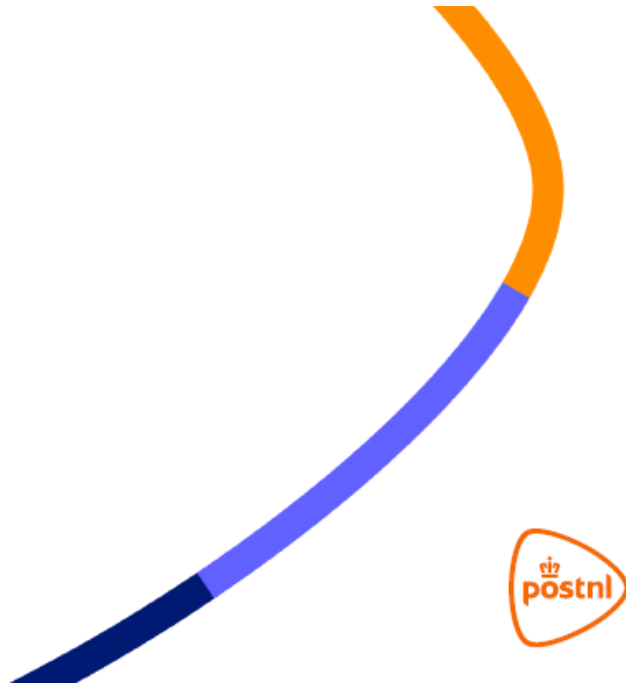
Then a deep dive on the adjusted net debt levels. Currently at EUR 514 million compared with the year end 2023, obviously impacted by the negative free cash flow in the first half of the year. We are really happy and satisfied about the issuance of the new sustainability-linked bond of EUR 300 million, a book with very good debt investors in it, EUR 300 million and a 4.750 annual coupon, with 100 basis points step-up on the final coupon only if targets are not met. Those targets are tied to our ESG strategy with three drivers: 90% reduction Scope 1 and 2, 45% reduction in Scope 3 greenhouse gas emissions by 2030 and 36% women in senior management positions, also in 2030. We have done this to have enough liquidity to redeem our 2024 bond due in November. In the meantime, obviously the excess cash will be prudently invested to limit the cost of carry. All in all, we are very happy with that result.

New in this set-up of net debt is the addition of the WGA-provision, a provision for future cost, future entitlements for long-term illness of people. In 2021, we moved away from the social security premium structure, in which you actually pay monthly fees to your social security agency, to go to a self-insured method, which means that we are gradually building up the provision. Within the quarter the addition to the provision was EUR 3 million within Mail and EUR 2 million within Parcels. Why we have included that here is basically that we want to be as close as possible to the Standard & Poor's Global definitions of net debt, and that is why



we add the provision to the composition of the elements that collectively form the adjusted net debt level for PostNL.

Outlook 2024



Let's move to the outlook. Clearly, a couple of points have been discussed, but based on the business performance in the second quarter and, under the assumption of gradual improvements in market conditions, we have reconfirmed our outlook.



Outlook 2024 reconfirmed

Reflecting assumption of gradual improvement in economic conditions

Parcels

- 7% - 10% overall volume growth assumed, dependent on economic developments
 - domestic volumes trending to 2% - 4% growth, but lagging expectations
 - double-digit growth in volumes from international customers
- Shift in customer and product mix puts pressure on margins
 - international growth higher than growth rate domestic
 - within domestic, growing share from large customers and platform growing
- Rationalisation of services and network, and strict cost control (~€35m)



Mail in the Netherlands

- 7% - 9% assumed volume decline for 2024, not evenly split over the quarters, mainly due to timing and number of elections
- Additional pressure on margins due to faster shift towards non-24-hour mail
- ~€40m in cost savings, based on current business model
- Further increase of stamp price to €1.14 from 1 July 2024



Other

- Organic cost increases ~€155m, mostly absorbed by ~€135m tariff adjustments
- €20m additional cost savings from earlier measures to reduce indirect costs and improve efficiency



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PostNL Q2 & HY 2024 results

The graphs on this slide show the indicative development of some of the important drivers over the year.

If we go and look at Parcels first, we see we are leveraging on the infrastructure that is in place, is well positioned to anticipate the pick-up of volume growth in the second-half of the year. We expect to realise further efficiency gains and we expect measures that we already have taken to grow to full run rate contribution in the third but predominantly in the fourth quarter of the year.

As said, the domestic parcel volume was up 0.3%. The growth rate is trending towards the anticipated 2% - 4% for full year. At the same time, volumes from international customers are expected to outpace the already strong growth realized so far, and that also means that the mix effects will continue to be there. So, those mix effects will continue to put pressure on the margin.

All in all, we expecting growth to come in between 7% - 10% for the year, depending on economic circumstances.



Next to that we have plans to realize services and network, and strict cost control will contribute to around EUR 35 million of cost savings and to normalised EBIT in 2024 that will gradually mature in the quarters to come.

The EUR 1 million result of Mail in the Netherlands as a segment – it also includes other things than our mail businesses results – in the first half of the year underpins the urgent need for transformation.

Volumes for the year are assumed to continue its decline by 7% - 9%. The year-to-date number is 7.2%, obviously due to ongoing substitution.

Volume development is not evenly split over the quarters, mainly due to the timing and number of elections in the Netherlands. In this year in the second quarter and last year in the first and fourth quarter there were elections. The faster shift towards non-24 hours mail puts additional pressure on margin.

Halfway through the year, we have saved EUR 20 million of cost. We anticipate to get to the full EUR 40 million by the end of the year, based on further adjustments to the processes in the current business model.

As Herna said, the stamp price will increase to EUR 1.14 as per July 1st, which is clearly necessary to absorb rising costs and to maintain the existing service level.

All in all, still significantly hit by organic cost increases, the full year expected to be EUR 155 million. That will be mitigated by around EUR 135 million from yield management activities, both at Parcels and Mail. And additionally, we should achieve EUR 20 million cost savings from earlier measures to reduce indirect cost and to improve efficiency.



Outlook 2024 reconfirmed

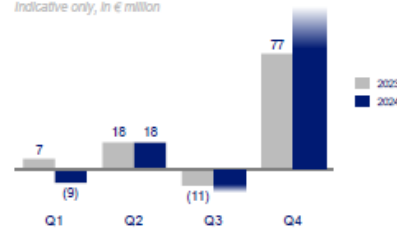
Operating environment remains volatile

(In € million)	2023	2024 outlook
Normalised EBIT	92	80 – 110
Normalised comprehensive income	52	40 – 70
Free cash flow	52	0 – 40

- Capex is expected to be around €110m
- continuing clear focus on strategy whilst staying disciplined on cash flow management.
- flexible investment programme which ensures efficient and future-proof infrastructure

Majority normalised EBIT in Q4

Indicative only, in € million



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PostNL Q2 & HY 2024 results

Then to summarise the outlook. Based on the Q2 results and the environment that remains very volatile. Even if we look at the news today, we can reconfirm our outlook for 2024. Normalised EBIT is expected to come in between EUR 80 and EUR 110 million and free cash flow to be expected around 0 to EUR 40 million with normalised comprehensive income between EUR 40 and EUR 70 million, which is obviously the baseline for our dividend.

CapEx is expected to be around EUR 110 million, continuing clear focus on strategy, whilst staying disciplined on cash flow management.

And as you can see on the right-hand side, given the gradual step-up in domestic growth and the step-up in maturity of the measures that we have taken throughout the year, the year is a bit more back-end loaded than normally is the case with the biggest contribution to the result clearly in the fourth quarter of this year.

Closing remarks

Remain leading e-commerce and postal services provider in, to, and from Benelux area

Outlook 2024 reconfirmed

Solid financial position

- Successful issuance of €300m sustainability-linked notes
- Interim dividend of €0.03 per share, in line with dividend policy

Parcels

- Well-positioned for anticipated pick-up volume growth
- Dependent on economic developments
- Consistent focus on customer excellence, strict cost control and capacity management

Mail in the Netherlands

- Urgent need for transformation



Then to the closing remarks, we aim to remain the leading e-commerce and postal service position in, to and from the Benelux area.

We are very glad that we have managed to successfully issue the EUR 300 million sustainability-linked notes.

We are clearly very positive about the developments in the Belgium court case, where there is nothing left from all the complaints and all the things that were thrown at us. We are very happy also for our staff involved.

Parcels remains well positioned for the anticipated pick-up of volume growth. For Mail, once again, we emphasise the urgent need for transformation. The service level for standard mail will transition towards delivery within two days and over time moving towards three days.

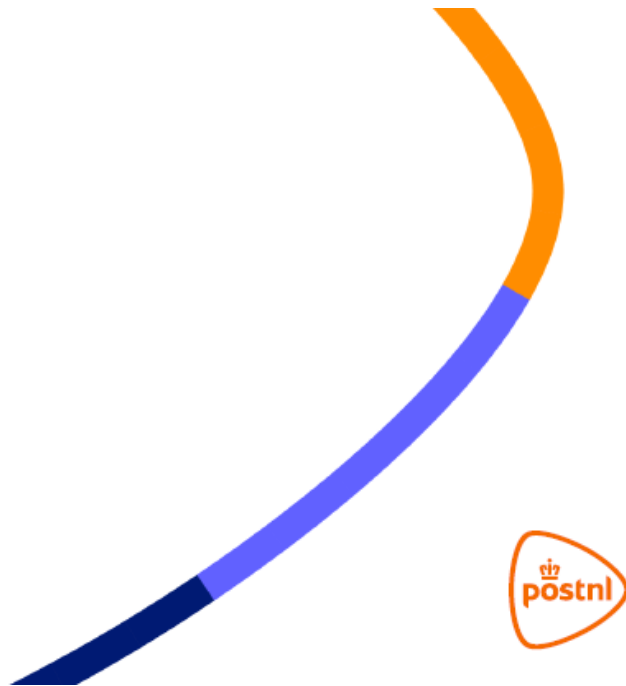
Adjustments in regulation are necessary and bridging measures are needed because of the regulatory process that will obviously take time. In the meantime, we are and will stay to be committed to keep the postal network in the Netherlands accessible, reliable and affordable.



So far, thank you for your attention and Inge, back to you.

Inge Laudy - Manager Investor Relations: Thank you, Herna and Pim, for your explanation.
Let's open the floor for Q&A.

Q&A





- **Michiel Declercq - KBC Securities NV**

Hi, thanks for taking my questions, I have two. You mentioned already that the phasing of the EBIT will be a bit more skewed towards the fourth quarter, as can also be seen in the graph. I am just wondering, why would it be a bit lower in Q3 and why do you expect it to then exceed your original expectations in Q4? Is it a bit more top line and volume driven or more cost saving initiatives driven? I am just trying to understand that a bit more clearly.

The second question is on the Parcels volume development where it looks like you are trending a bit below for domestic and the opposite for international. Can you give a bit more colour on the evolution throughout Q2 and the exit rates that you have seen there, as I recall that your exit in the first quarter was around 7% and you mentioned that this continued also in April. That would imply a bit of a step-down in the summer months, I would assume mainly domestic related. Can you just clarify a bit the evolution throughout the quarter? Thanks.

Pim Berendsen - CFO PostNL: Michiel, thank you for your questions. The first is on the phasing. Yes, indeed a little bit in comparison to what we said in the first quarter, Q3 looks a bit slower. I do not think that it has a lot to do with volume development, maybe a bit with the volume mix being in the third quarter still a bit more reliant on cross border, but the most important driver there is the phasing of the maturity of the measures that we have taken. So it is a bit of phasing between the quarters. I am quite frankly not concerned about the full-year numbers on the cost-saving initiatives that are part of the outlook.

Then on your second question. Yes, you are right; when discussing Q1, indeed, the exit rates on domestic were around the 7% in March and that actually continued into April and May, maybe even at a higher level than the exit rate of March, but that also implies that June was significantly worse. That is also why we make a reference in the press release to the difficulties that the fashion segment as a market had. I think the quite volatile weather in June did not favour people spending money on fashion, whilst normally June is a big month for fashion for



people running up to the summer and their summer holidays. So, June was particularly compressed because of the low fashion volumes, whilst April and May definitely trended somewhere in between 7% - 8% domestic growth (note: meant is total growth), and that we are also looking for the step-up towards 2% - 4% of domestic growth full year.

Michiel Declercq - KBC Securities NV: Clear, but is it correct to understand then that 7% - 8% in April and May is quite a steep step-down in June. Can you already say something about July? Has it been normalised?

Pim Berendsen - CFO PostNL: No, not that much I can say about July. The step-down in June was driven by fashion and June is normally the biggest fashion month apart from the year-end peak. That drives that step-down.

Michiel Declercq - KBC Securities NV: very clear. Thanks for answering the questions.

- **Amy-Yi Li - UBS**

Hi, good morning. Thank you for taking my questions. My first question is just a follow-up on the full-year guidance. So, with the achieved EBIT in the first half of EUR 9 million and the indication of the EBIT loss of EUR 10 million or more in Q3, can you give some colour on the building blocks of how you might achieve more than EUR 80 million of profit in the fourth quarter? What are your assumptions around the volume growth needed to get there? And also, what gives you the confidence that there would be an improvement in the economic conditions towards the fourth quarter?

My second question is on the USO changes. Can you give some indications on what potential bridging measures are being explored? How should we think about the magnitude of cost savings from there and how soon might those cost savings to be realised once the bridging measures are in place? Thank you.



Pim Berendsen - CFO PostNL: Thank you, Amy. I will take the first question and Herna will answer your second.

There is nothing wrong with your math. So indeed, to end up with the full-year guidance, there is a fair amount of profit to be made. That still requires a step-up in growth, so we are very happy to see that the growth in the first quarter somewhere between 4.5% - 5% has grown towards 6%. We expect that to grow even further and we expect gradually, based on also the conversations with our clients, but also when the Chinese platforms really started to grow in the last year, that gradually the domestic growth rates will pick up again, also set by the positive trends, at least that we saw in March, April, and May. We expect that room is really there.

Secondly, to anticipate these tough market conditions we are doing everything we can to de-risk the volume development and the mix effect by taking additional measures. Those additional measures relate to improving the efficiency, making sure we utilize the network with the best possible yields up to and including our peak period, and also taking additional cost measures on the indirect side. And those will gradually mature. Some of those cost savings are also partially volume related. So obviously, then also the biggest contribution to those efficiency measures will be there when you have the highest volumes, which is clearly also in the fourth quarter. Maybe Herna, you can take the question on the USO-bridging measures?

Herna Verhagen - CEO PostNL: A real indication or a good guidance on what the ministry is aiming for or thinking about when it comes to the bridging measures is probably the letter which will be sent by the minister to Parliament just before their debate in October. So at this moment in time, no guidance from our side. We made our view very clear, meaning that we want to have changed the Universal Service Obligation to a two-days delivery window and over time to a three-days delivery window, which were already set of course when we had the analyst presentation in February, but we added today very explicitly the financial contribution to those bridging measures. But let's see what in the end is put on paper by the ministry. I think it is important to add over here is that we are preparing to bring our business mail to a service level of within two days, starting from January 1, 2025. That is an important cost saving measure for the coming year.



Amy Yi Li - UBS: Thank you very much.

- **Marco Limite - Barclays Capital**

Hi, good morning, thanks for taking my questions. The first question is a follow-up on the bridge measures you are mentioning. So, I understand you are not able to provide the financial guidance at the moment, but could you give a little bit more colour on what these bridge measures consist of? You are clearly mentioning a financial contribution, I suppose from the state, but are bridge measures more related to operational changes and improvements that you can introduce ahead of the time, ahead of the new postal law? Or is there more about financial contributions?

My second question is on your Parcels bridge. I see that year over year, you have EUR 6 million of positive contribution from Spring. As far as I remember, this was not the case in Q1. So, I am just wondering what you are seeing in Spring that is driving a nice improvement in profitability?

The third question is on the letter mix. You said there has been a shift towards non-24 hours products. To what extent do you think that is a consequence of your second price increase of the year from 1st of July? So, was the trend also visible in June before the price increase or has it been triggered by the price increase?

Herna Verhagen - CEO PostNL: I will answer your first and third question and then I hand over to Pim for your question on the parcel bridge.

What the ministry exactly will propose as bridging measures we do not know. In the letter from the minister to Parliament, which was sent in May, she gave the example of bringing the Universal Service Obligation to delivery within two days, but it was put into that letter as an example. What we did today and also by the end of February, was to make very explicit what,



in our view, is important in those bridging measures and next to a change in service level of the USO we also think that financial contribution is crucially important in the meantime, until we have a new postal law. So, it is difficult to give real colour to it, except of what we think is necessary and that is also the reason we put it in the press release today. We also did that at the end of February to make it very explicit and open, so that we can discuss it with all stakeholders.

So the letter mix towards non-24 hours mail is a trend we have already seen over the last ten years, so it does not have much to do with the price increase of July 1st of this year. Over the last ten years we have seen volume decline and an overall volume decline of around 35%. The volume decline from 24 to non-24 hours was 65%, so it is a trend we have seen for many years already. It is a very strong trend that does not bend into the right direction for us.

Pim Berendsen - CFO PostNL: On Spring. Spring was also doing well in the first quarter and slightly better than last year. That continues into the second quarter. We have been very happy the entire year with Spring's performance, obviously leveraging partly on more cross-border volumes, but also the transition in Spring's European business is significantly more e-commerce related than in the past. So, Spring is doing better quarter after quarter, which is also the case in the first quarter of the year.

Marco Limite - Barclays Capital: Thank you.

- **Marc Swartzsberg - ING**

Hi, good morning. I have a couple of questions. The first one is just for checking. Is it correct that you have now taken additional cost savings measures on top of the ones that have already been announced? They are the EUR 35 million in Parcels for example the EUR 40 million in Mail? Did I write that correctly or not?



Herna Verhagen - CEO PostNL: No. These were already announced at the beginning of the year. We set the target for cost savings within Mail in the Netherlands of around EUR 40 million. We already included cost savings within our parcel unit but the actions taken to underpin those cost savings are leaning towards the end of the year. Then you will see the positive effect of that.

Marc Zwartsenburg - ING: But there will not be additional savings?

Pim Berendsen - CFO PostNL: We are consistently monitoring the development on the top line on volume and composition. We will always look for additional opportunities just to further de-risk, the year end result, if need be. The current state is that we take EUR 40 million cost out of Mail, that we have taken out the indirect cost savings that we talked about from 2023 to 2024 and we do expect EUR 35 million of efficiency gains and cost savings within Parcels. But we are always trying to further de-risk our year-end performance and that means that we will consistently look for ways to further improve, because at the end of the day, you will know that we strive to get to better margins in Parcels and also the year-end number now currently implies. That is why we will continue to look for more if we can get it.

Herna Verhagen - CEO PostNL: We always try and balance capacity to volume. That is what you not only do on the longer term but also on the shorter term and towards the end of the year.

Marc Zwartsenburg - ING: Clear. And will there also be extra costs in Q4, for example to prepare for the transition period in 2025 to already start going to this two-day delivery model?

Pim Berendsen - CFO PostNL: That change will be gradual in any event. There is no big one-off cost or other project-related cost in preparation of that change within 2024.

Herna Verhagen - CEO PostNL: And to add to that – and that is also the reason why we are advocating our change so much externally as well – we think that we can do this change without any or at least very little people being laid off. That is important as well because in the



end that can make a reorganisation costly within PostNL. That is the reason for us also advocating this way of change instead of many others.

Marc Zwartsenburg - ING: I heard you say at some point on the non-USO mail that you already expect a saving there but in general for next year, even in the transition that is currently proposed, do you expect you will have already some additional EBIT or savings from the transition that you are foreseeing for next year, even without the financial compensation that you are also targeting?

Herna Verhagen - CEO PostNL: It is good to make a split between the several items. So yes, we expect that our change which we have now asked approval from the works council to change to a two days delivery service level for our business mail, which will start at the beginning of 2025 and then gradually will be implemented, that needs to deliver a certain cost savings in 2025. That is one. When it comes to the bridging measures, the possibility to implement also for the USO service level within two days delivery or financial contribution, that is too early to say if that will contribute to 2025 or not. The postal law is not expected to contribute in 2025. That is expected as of hopefully as of 2026.

Marc Zwartsenburg - ING: And then you are referring to a financial compensation for the losses in the USO?

Herna Verhagen - CEO PostNL: Some things we can do ourselves and that is changing the service level of business mail. That is what we are going to do in 2025 and all actions are taken to be able to start implementing that as of 2025. Then the ministry said we need certain bridging measures to fill in the period between now, the discussion and an approved postal law. In those bridging measures we have said that we also need a financial contribution next to a change in USO. And then the new postal law will come in and that will have more measures than only the usual, and that then is the third phase. So, you need to see it in phases. Try to see it in phases, Mark.

Marc Zwartsenburg - ING: That is very clear, that is very helpful.



And then maybe a final one for Pim. If I look at Parcels and to the bridge in your EBIT, I see the volumes are growing but that they are eaten away by the price mix. At the same time, you will have the cost inflation also in the second-half, but let's say the volume increase will be eaten largely away by the price mix. You will have some extra savings, but will you actually then still be able to see an uplift and EBIT in the second-half? Inflation will be there and might be completely eaten away, the 35 million of savings.

Pim Berendsen - CFO PostNL: In the half-year numbers there is significantly less contribution from the cost saving measures than we will see in the second half of the year. So, out of the EUR 35 million the vast majority will materialise in Q3 and Q4. Next to that, we expect a further step-up in growth from the 6% in this quarter to higher growth percentages in the quarters to come. We also expect gradually domestic to get back to within the 2% - 4% growth rate, which then will limit in comparison to the first two quarters the size of the negative mix effects. Those elements together will lead to the step-up in the profitability of the e-commerce business.

Marc Zwartsenburg - ING: Very clear. Thanks, Pim! Those were my questions. Thank you very much.

- **Henk Slotboom - the IDEA!**

Good morning all. Thanks for taking my questions. I need some clarification on the remark that you gained market share in the Netherlands in Parcels. If I look at the data, the retail sales data that was published by the Central Bureau of Statistics (CBS) last week, I see that webshops have done remarkably well. There has clearly been a shift back from the 'brick and mortar' stores back to e-commerce. Normally speaking, PostNL should benefit from it. I have also had contact with your eastern neighbours on the back of their earnings release last week and asked them how the volume trends developed in the Benelux. They told me that they were recording low teens volume growth in the second quarter. If I compare that with the domestic growth of 0.3%, also in the context of the CBS data, what am I missing here? Is the rest so



bad that even with 0.3% you have gained market share or is it something else? What am I missing here?

Pim Berendsen - CFO PostNL: Well, different people might apply different definitions of market and as a consequence, market share. That is one. Clearly, we have been very consistent over the quarters of what our definition is. And within that definition, you can clearly see that the market has not been growing for what we call domestic clients. The overall growth within this quarter is de facto driven by cross-border volume. We do that consistently, we see a step up in market share in the months of May and June. That gives us a clear indication that the overall volume development is significantly driven by market circumstances and not so much by loss of market share. That is the consistent way. We always use the same data points, the same analytics and the same definition of market. Clearly within that number we have actually also gained market share in Belgium. That is part of what we call domestic volumes clearly as well.

Henk Slotboom - the IDEA! Sorry for being so persistent.

Pim Berendsen - CFO PostNL: I do not know the definitions of others, but we apply ...

Henk Slotboom - the IDEA! I asked him specifically what is the domestic volume trend in the Benelux. You take the Netherlands and Belgium together as well. They told me it was in the low teens volume growth year on year in the second quarter and also in the first quarter of this year. Again, I am citing their words, so if they are telling me something wrong, you should forgive me but that is ...

Pim Berendsen - CFO PostNL: I do not know how they define it. What is domestic? You can also say if it is received by a Dutch customer, then for some it is already domestic. I can only say that we apply the same definition that leads to a market share by the end of June that is significantly higher than the LTM due number of 57%, which gives us the clear indication that we are on the upward trend line if you talk about market share.



Henk Slotboom - the IDEA! Then about the volume growth you anticipate for the second half of the year. If I look at the domestic market, I see consumer confidence coming down again. Last week's retail sales also show a weakening of the trend. I respect the fact that fashion was one of the main reasons for June. Last year, we saw exactly the opposite taking place. What makes you so optimistic about consumer spending or is it purely the market share growth you are referring to and that is making you positive and making you so positive that you are expecting 2% to 4% volume growth in the domestic market for this year?

Pim Berendsen - CFO PostNL: It is the combination of market growth and market share that will be stable or slightly positive. If you look at the months that we just discussed, there have been quite a lot of months when you saw more than 2% - 4% domestic growth, in the order of magnitude of 7% - 8% growth [note: meant here is total growth, not only domestic] with the exception of June. So, I think there is enough indication to assume 2% - 4% growth, surely. That is also what we say. Everything can be influenced by economic circumstances. I do not know what will happen over the next couple of days, but based on the information that we have had on the composition of growth over the months of the year, also the visibility that our domestic clients tend to have for the latter part of the year and also the expectation that Dutch consumers for the holiday season will spend relatively more in domestic players than at the cross-border Chinese platforms, we think the best projection that we can currently give is to still aim at 2% - 4% domestic growth for the year.

Henk Slotboom - the IDEA! Then a final question, if I may, and that's on the international volume growth. You highlight specifically that Asia plays an important role in the 29% volume growth in the first half year [note: 29% growth in Q2]. Last Friday, your colleagues from the South had a conference call in that was a word that attracted my attention, 'disintermediation by the likes of Temu and Shein. Rather than using volume aggregators like in their case, Landmark, increasingly, Temu and Shein use their own planes, their own capacity to fly stuff to Europe, and what remains for the Bposts of this world is that at the end of the day they can deliver the product to the online buyers at home or in a box, or in an out-of-home location but that is it. Is this something we should fear for in the case of Spring as well? And I respect that



Spring is more than just the China lane but is this the new trend going forward that might affect Spring as well?

Pim Berendsen - CFO PostNL: No, this is not completely related to Spring only. This is also direct entry from those clients to our Dutch networks and they might organise the flights themselves either to Liège or to Schiphol. But I do not see any further disintermediation and I just see them very satisfied with the quality performance that we deliver for them. So, I do not see them making any other strategic choices than using us for the delivery to Dutch consumers.

Herna Verhagen - CEO PostNL: And what really contributes in the end is the fact that we are able to get those parcels through our network and do the delivery ourselves. That is where we can earn the contribution. It is not in flying those parcels from China to Amsterdam or wherever. So, we perceive that risk difference.

Pim Berendsen - CFO PostNL: And we do not have that proposition, so it is a different business model. We earn from the distribution-to-C [customers] and we do not see them making any other choices.

And we don't have that proposition, right. So it's a different business model and we earn from the distribution-to-C [customers] and we do not see them making any other choices.

Henk Slotboom - the IDEA!: Clear. Thank you!

Herna Verhagen - CEO PostNL: Good to hear you, Henk! Good to have you!

Henk Slotboom - the IDEA!: Thank you!

- **Othmane Bricha – Bank of America**



Hello. Good morning. Thanks for taking my questions. So first, I just want to confirm that the 7% - 8% that you observed in April and May, was that domestic or aggregate? If that was just domestic and you had 0.3% [...] that means that June was quite negative.

And also your fashion volumes. I just want to understand how much does fashion represent as a percentage of your volumes and do you think that you are more or less exposed than your competitors to fashion? Did you notice a catch-up effect for these fashion volumes in July or do you think that most of these volumes are definitively lost? Thank you very much.

Pim Berendsen - CFO PostNL: Yes, I can confirm that. When I talked about 7% - 8% for April and May I was talking about domestic volume [note: domestic and international volumes]. So, your deduction that then June must have been negative is absolutely correct and that was also addressed by Henk's point. Last year, June was quite high on fashion and this year very low on fashion, and that causes that shift from a positive number in June last year to a negative one in June this year. In terms of exposure to fashion, I think we are slightly less exposed than competition, given the composition of the customers that we carry. And unfortunately for the entire fashion industry, if a fashion season is over, the fashion season is over. You tend to not buy new dresses in fall because then you buy other stuff. We do not expect a catch-up but we anticipate a normal pattern on the fashion segment as well.

Othmane Bricha - Bank of America: Thank you. Can you give us a figure of the June number compared to that 7% - 8%, please?

Pim Berendsen - CFO PostNL: Sorry, now I am mixing up stuff. All in all at the 7% - 8% is on the total, clearly, with the higher growth coming in March, April and in May and coming back down a bit, driven by the delta in domestic, just to make sure that I do not mix up stuff.

Othmane Bricha - Bank of America: Okay, so the 7% - 8% is a total aggregated.



If I can, I have one more question about sick leave. You have been highlighting sick leave for some time now. Do you see any signs of stabilisation and do you expect a reversal of the negative effect anytime soon this year or next?

Herna Verhagen - CEO PostNL: We are working hard to turn it around in the sense that to get the percentages lower than they are today. We see a positive impact on short-term illness but not yet on the people who are ill for a longer time. So, there is still quite some work to do. It also has a bit to do with the aging population we have within PostNL but we are working hard on it. If it truly will contribute in 2024, it is too early to say, to be honest but we are working hard to turn it around and bring the numbers into a more normal territory.

Othmane Bricha - Bank of America: Thank you very much.

Inge Laudy - Manager Investor Relations: Thank you all for listening. Enjoy your day and back to you in November.

End of call



Appendix

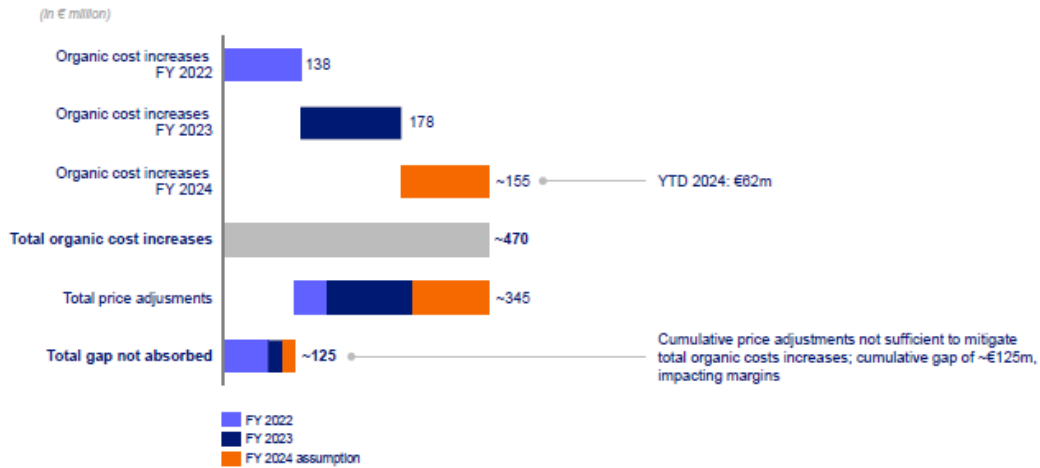
1. Cumulative organic cost increases and price adjustments 2022-24
2. Results per segment Q2 2024 & HY 2024
3. Revenue mix Parcels
4. Full reconciliation of income statement and EBITDA per segment
5. Free cash flow per segment HY 2024
6. Result development (bridge) per segment HY 2024
7. Free cash flow HY 2024
8. Profit and normalised comprehensive income





Continued significant inflationary pressure on costs

Not fully mitigated by price adjustments



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PostNL Q2 & HY 2024 results

Results per segment Q2 2024 & HY 2024

(in € million)

	Revenue		Normalised EBIT		Margin	
	Q2 2023	Q2 2024	Q2 2023	Q2 2024	Q2 2023	Q2 2024
Parcels	558	581	17	15	3.1%	2.5%
Mail in the Netherlands	323	324	2	6	0.7%	1.7%
PostNL Other	59	58	(2)	(2)		
Intercompany	(168)	(168)				
PostNL	771	795	18	18	2.3%	2.2%
	HY 2023	HY 2024	HY 2023	HY 2024	HY 2023	HY 2024
Parcels	1,118	1,137	22	16	2.0%	1.4%
Mail in the Netherlands	673	648	10	1	1.5%	0.1%
PostNL Other	119	121	(7)	(8)		
Intercompany	(355)	(348)				
PostNL	1,554	1,560	25	9	1.6%	0.6%

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PostNL Q2 & HY 2024 results



Revenue mix Parcels

As of 2024

(In € million)	Q1 2023	Q1 2024	Q2 2023	Q2 2024	Q3 2023	Q3 2024	Q4 2023	Q4 2024	FY 2023	FY 2024
Parcels	360	369	372	387	348		409		1,489	
Spring	116	125	119	137	116		125		475	
Logistics solutions and other	72	73	72	78	67		72		283	
Other / intercompany	14	(12)	(7)	(19)	3		3		13	
Parcels	561	555	556	581	535		608		2,260	

2023

(In € million)	Q1 2023	Q2 2023	Q3 2023	Q4 2023	FY 2023
Parcels Netherlands	355	368	342	402	1,467
Spring	116	119	116	125	475
Logistics solutions and other	72	72	67	72	283
Other / intercompany	19	(0)	9	10	38
Parcels	561	556	535	608	2,260

Presentation revenue and volume split Parcels

As from 1 January 2024, volumes also include domestic Belgium volumes; the comparative figures for 2023 revenue and volume have been adjusted accordingly (volumes: Q1 2023: +1m, Q2 2023: +1m, FY 2023: +3m)

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PostNL Q2 & HY 2024 results

Full reconciliation of income statement and EBITDA HY 2024

Income statement (In € million)	PostNL		Parcels		Mail in the Netherlands		PostNL Other		Eliminations	
	HY 2023	HY 2024	HY 2023	HY 2024	HY 2023	HY 2024	HY 2023	HY 2024	HY 2023	HY 2024
Total operating revenue	1,554	1,560	1,118	1,137	673	648	119	121	(355)	(346)
Other income	0	0	0	0	0	0	-	-	-	-
Cost of materials	(45)	(38)	(32)	(28)	(6)	(6)	(7)	(4)	-	-
Work contracted out and other external expenses	(778)	(809)	(737)	(762)	(334)	(324)	(62)	(68)	355	346
Salaries and social security contributions	(518)	(510)	(213)	(213)	(243)	(237)	(63)	(59)	-	-
Pension contributions & related costs	(46)	(47)	(17)	(18)	(20)	(20)	(9)	(9)	-	-
Depreciation, amortisation and impairments	(85)	(92)	(40)	(44)	(12)	(13)	(32)	(36)	-	-
Other operating expenses	(58)	(69)	(56)	(56)	(48)	(58)	46	44	-	-
Total operating expenses	(1,530)	(1,506)	(1,090)	(1,121)	(603)	(598)	(120)	(133)	355	346
Operating Income / EBIT	24	(6)	22	15	19	(9)	(7)	(12)	-	-
EBITDA										
Operating Income / EBIT	24	(6)	22	15	10	(9)	(7)	(12)	-	-
Depreciation, amortisation and impairments	85	92	40	44	12	13	32	36	-	-
Reported EBITDA	109	87	62	59	22	4	25	24	-	-
IFRS16 Impact (depreciation RoU assets)	(35)	(37)	(23)	(25)	(6)	(6)	(6)	(6)	-	-
EBITDA excluding non-cash pensions and IFRS16	74	50	39	34	16	(2)	19	18	-	-

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PostNL Q2 & HY 2024 results

Free cash flow per segment HY 2024

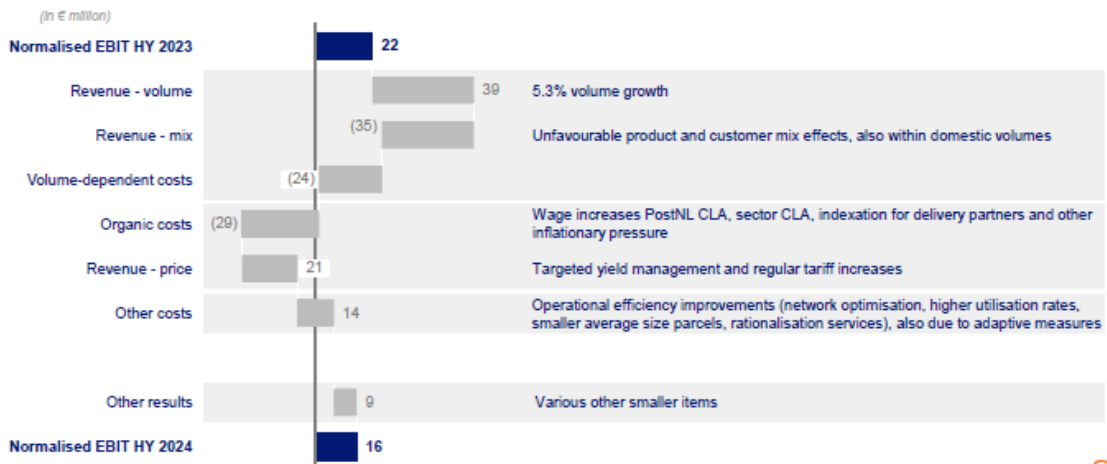
(in € million)	PostNL		Parcels		Mail in the Netherlands		PostNL Other & Eliminations	
	HY 2023	HY 2024	HY 2023	HY 2024	HY 2023	HY 2024	HY 2023	HY 2024
EBITDA	109	87	62	59	22	4	25	24
Change in pensions	0	0	0	0	-	-	(0)	(0)
Change in provisions	6	14	4	0	1	15	1	(1)
Change in working capital	(38)	(51)	(1)	(9)	(17)	(31)	(19)	(11)
Capex	(64)	(50)	(20)	(9)	(5)	(2)	(39)	(38)
Disposals	0	8	(0)	0	0	8	(0)	(0)
Interest paid	(6)	(8)	(3)	(3)	(1)	(2)	(1)	(3)
Income tax paid	(35)	(0)	(6)	(4)	(3)	2	(27)	1
Lease payments and related cash flow	(34)	(38)	(20)	(24)	(9)	(9)	(6)	(6)
Other	12	11	0	1	0	0	12	10
Adjusted free cash flow	(49)	(26)	16	12	(11)	(14)	(54)	(24)
Settlement payment transitional plan	(16)	0	0	0	0	0	(16)	0
Free cash flow	(65)	(26)	16	12	(11)	(14)	(70)	(24)
Free cash flow yield	-8%	-4%						

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PostNL Q2 & HY 2024 results

Parcels HY 2024 normalised EBIT bridge



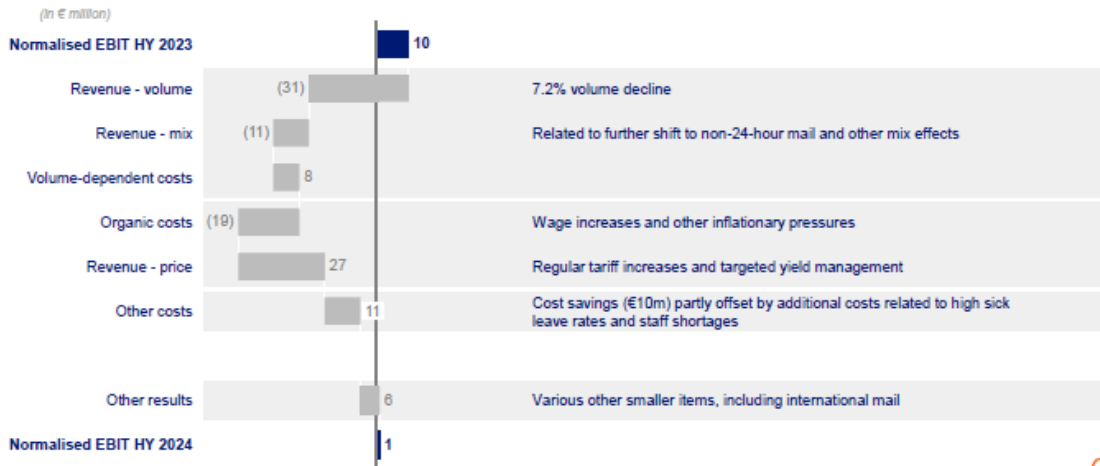
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PostNL Q2 & HY 2024 results



Mail in the Netherlands HY 2024 normalised EBIT bridge

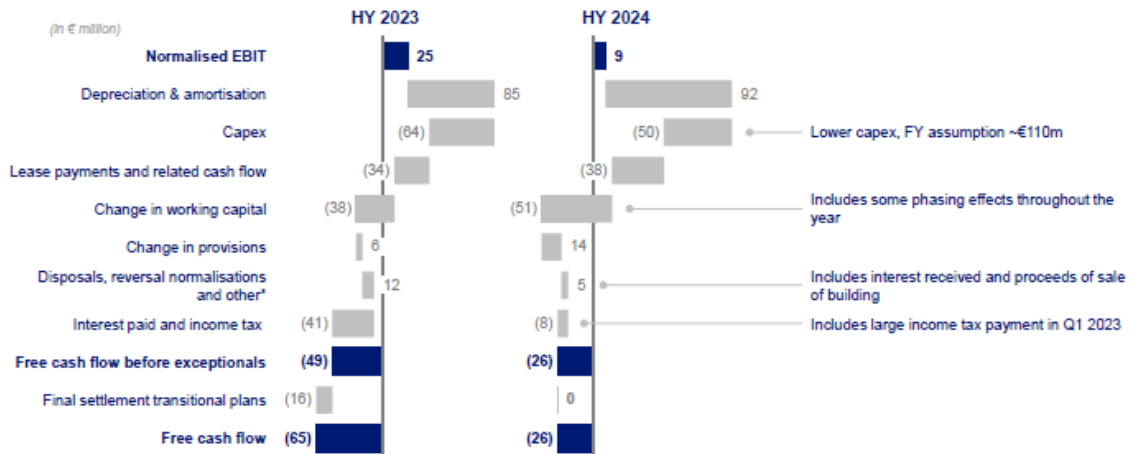


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PostNL Q2 & HY 2024 results

Free cash flow HY 2024



34 * In Q1 2024, the provision for claims and indemnities increased. These claim-related costs have been assessed as exceptional items.



PostNL Q2 & HY 2024 results



Profit and normalised comprehensive income PostNL

(In € million)	HY 2023	HY 2024
Operating Income / EBIT	24	(6)
Net financial expenses	(3)	(2)
Results from Investments in JVs/associates	(0)	0
Income taxes	(6)	(2)
Profit/(loss) from discontinued operations	(0)	(0)
Profit	15	(9)
Other comprehensive Income	(2)	4
Total comprehensive Income	13	(5)
Normalisation on EBIT, net of tax	0	11
Exclude result from discontinued operations	0	0
Normalised comprehensive income	14	6

