International Post Corporation

Royal Mail Group plc Full Year Results 2018-19

22-05-2019

Royal Mail plc (RMG.L) is today announcing its results for the full year ended 31 March 2019 and setting out an Outlook for 2019-20. The Company is also presenting its strategy, financial and business performance ambitions for the next three and five years. A range of presentations will set out detailed and comprehensive measures to deliver sustainable shareholder returns and underpin the Universal Service in the UK. This document summarises the main points in the Full Year 2018-19 Results and the strategic plan. A webcast of the presentations referred to above, which commences at 9.30am on 22 May 2019, will be available at www.royalmailgroup.com/results.

Rico Back, Group Chief Executive Officer, said: "Our ambition is to build a parcels-led, more balanced and more diversified international business, delivering adjusted Group operating profit margin of over four per cent in 2021-22, increasing to over five per cent in 2023-24."

"At the heart of our refreshed strategy is a UK 'turnaround and grow' programme. In 2018-19, after a challenging year, we delivered productivity improvements and cost avoidance in line with our revised expectations. Over the next five years, through a focus on new ways of working and extending our network, we will ensure a contemporary UK Universal Service.

"The investment in the UK, and expected lower cash flow in the early years, means we are rebasing the dividend and changing our dividend policy. This is not a decision we have taken lightly as we know how important the dividend is to our shareholders. We have sought to find an appropriate balance between sustainable shareholder returns, and investing in the future.

"GLS is a key part of our strategic plan and will make a major contribution to our product and geographical diversification. By combining the best of Royal Mail and GLS, we will enhance our cross-border proposition in this large, growing and global market."

Source: Royal Mail