

Pursuing international markets

12-03-2018

As in the UK, B2C is the fastest growing segment in the European parcels market. GLS provides new points of synergy for our international business based in the UK. It also continues to develop its premium B2C delivery services. Launched in Germany in April 2016, GLS Sameday offers same-day evening deliveries in 11 cities, providing an attractive offering for online shoppers. We are able to leverage the deep expertise of GLS to help forge a presence in new areas, for example, our careful expansion in the US.

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We have made it easier for customers to access our international services. We have built on our shipping solutions, using the cross-border capabilities of Intersoft. With Intersoft, we have developed our export solutions and now have the capability to offer tracked cross-border outbound and returns services to our larger customers. In Europe, GLS recently expanded GLS-ONE in Germany. This is a portal to facilitate the sending and receiving of parcels. Consumers can create their own label to send a parcel and have it delivered to a specific address, parcel box or GLS ParcelShop. Expanding and automating

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The recent acquisition (June 2016) of ASM has significantly extended the GLS service offering in Spain, in particular, in the B2C segment, where growth rates are expected to be higher than B2B. GLS Spain now has a much bigger footprint both in terms of size and scale. ASM has exceeded performance expectations since acquisition. Given the potential synergies, the transaction is expected to be economic profit accretive for GLS in 2018-19.

GLS has also rolled out its ParcelLockers in four countries across Eastern Europe – the first parcel provider to do so. More than 70 terminals have been installed, offering consumers an easy to use and secure way of receiving their parcels. Other options include collecting parcels from a GLS ParcelShop or delivery within a certain time frame.

Asia

We have expanded our relationships with retailers and network partners to maximise the opportunities developing from cross border volume growth between the UK and Asia. For example, we are working with China Post to provide Chinese and UK customers with faster delivery and a tracked service. GLS

is performing well and is growing revenue organically and through acquisitions. Its deep expertise and focus on parcels positions it to be a force for growth for the Company. We will continue to invest in careful and focused international expansion by GLS.

Key initiatives:

Acquisitions of GSO and Postal Express, leading regional next-day parcel delivery companies, operating principally on the US

west coast

Expanding our relationships with retailers and network partners to stimulate cross-border volumes between the UK and Asia

Developing consumer-facing products and services that leverage our data, brand and relationships

Continuing to roll-out our UK fleet maintenance services to other businesses, employees, friends and family

Source: [Royal Mail](#)