International Post Corporation

PostNL completes â‚¬150 million sale-and-leaseback agreement

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PostNL today announced that it has completed the sale-and-leaseback transaction with Urban Industrial relating to four mail sorting centres in the Netherlands, located in Amsterdam, Rotterdam, Zwolle, â€˜s-Hertogenbosch and the international sorting centre in The Hague. The transaction was previously announced on 6 October 2020. Through this transaction, PostNL strengthens its balance sheet and releases value for the company and its stakeholders.

PostNL receives proceeds of €150 million from the sale-and-lease-back transaction. The related book gain of around €61 million will be labelled as a one-off result in Q4 2020 and as such will not impact normalised EBIT and normalised comprehensive income. The net proceeds improve the free cash flow for 2020. Taking into account the long-term lease arrangements related to this transaction, the impact on the adjusted net debt position will be approximately €97 million, improving the leverage ratio.

The improved financial position allows PostNL to accelerate the digitalisation of its activities in a number of key areas as part of the transformation. PostNL reconfirms its intention to resume dividend for FY 2020, based on this transaction and the strong business performance in 2020. The dividend over FY 2020 will be proposed to shareholders at the Annual General Meeting, which will be held in April 2021.

Urban Industrial is a Dutch company focused on the acquisition and long-term exploitation of industrial real estate. Urban Industrial's total real estate portfolio comprises approximately 750,000 m2.

Source: PostNL