International Post Corporation

Royal Mail plc trading update for the nine months ended 29 December 2019

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Royal Mail plc (RMG.L) today issued a trading update covering the nine months ended 29 December 2019

Rico Back, Group Chief Executive Officer, Royal Mail plc, said:

"We had a busy Christmas season, which coincided with a General Election for the first time in almost a century. We achieved a high quality service for customers across the UK due to additional investment and, more importantly, the commitment and dedication of our people - I thank them for all their efforts.

"Overall, our recent trading performance has been broadly in line with our expectations. We confirm adjusted Group operating profit is expected to be £300-340 million (before IFRS 16) for 2019-20.

"We are disappointed that the CWU has issued a timeline for a ballot of its members for industrial action. We stand ready to invest £1.8 billion to modernise and grow in the UK. We want to reach agreement with CWU; but we cannot afford to delay this essential transformation any longer. So we are proceeding with key national trials and local initiatives, to improve our customer offering and grow the business, whilst maintaining good quality jobs and delivering a sustainable Universal Service."

Summary operating performance

Performance in the period was impacted by 2.5 fewer working days in UKPIL compared to the prior year. This reduced UKPIL volume and revenue growth metrics by around 1 percentage point, on average. For the full year 2019-20, the working day impact will not be material.

Source: Royal Mail