International Post Corporation

PostNL reports solid Q1 2020 performance and improved free cash flow

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Herna Verhagen, CEO of PostNL, said: â€œIn an unprecedented first quarter, PostNL was able to achieve a solid performance resulting in improved free cash flow. The integration of the postal networks of PostNL and Sandd, completed on 1 February, is ahead of plan in delivering the anticipated benefits and synergies and was already accretive to normalised EBIT in Q1 2020.

Highlights Q1 2020
- Ensuring safe and healthy environment for our people and clients remains key priority
- Committed to FY 2020 outlook for normalised EBIT of between €110 million and €130 million; uncertainties regarding duration and severity of Covid-19 pandemic may impact ability to achieve this result
- Strong volume development at Parcels since mid-March, supported by positive price/mix effect
- Sandd integration ahead of plan in delivering anticipated benefits and synergies
- More greetings cards contributing to a favourable price/mix development
- Additional mail volume decline due to lower direct mail activity since mid-March
- Measures to protect our people and clients and increased staff absence due to Covid-19 impacted operating costs
- Disciplined working capital management contributed to improved free cash flow

Source: PostNL