International Post Corporation

Stable result and major challenges: focus on customer requirements to ensure long-term success

14-03-2024

In 2023, Swiss Post generated Group profit of 254 million francs. The decline in letter, parcel and payment transaction volumes as well as the effects of inflation had a major impact on the financial result. The result is in line with expectations in view of the challenging conditions. To remain successful in the long term, Swiss Post needs the freedom to evolve to meet customer requirements and develop its services.

In 2023, Swiss Post posted a profit of 254 million francs in a challenging year. 2023 was heavily influenced by inflation and the subdued consumer confidence that followed, falling letter and parcel volumes and a decline in over-the-counter payments. Higher income at PostFinance due to the turnaround in interest rates helped to stabilize Swiss Post's financial result. Swiss Post CEO Roberto Cirillo explains: "We can look back on a challenging year. We have nevertheless achieved a great deal and continued strengthening our foundations for the future. We reached major strategic milestones in all units. Swiss Post is changing so that it can optimally meet its customers' requirements for physical and digital services, both now and in the future. We want to continue providing the highest level of quality worldwide for our universal service products – in other words, our services for letters, parcels and payment transactions." The measures from the "Swiss Post of tomorrow" strategy are also having an impact on the financial result: pricing and efficiency measures, targeted acquisitions and network openings are counteracting the fall in letter and parcel volumes and decline in over-the-counter payments, but cannot yet fully offset them. At 323 million francs, operating profit (EBIT) is 35 million francs down on the previous year's figure. CFO Alex Glanzmann says: "The financial result is in line with our expectations. It reflects the decline in volumes in our core business as well as the impact of inflation. This means it's vitally important that we continue to expand where new requirements emerge, and adapt or optimize our services where demand is falling. That's how we'll remain relevant."

Investing for the future in the Logistics Services unit

Swiss Post made investments, including in the Logistics Services unit. Despite a fall in parcel volumes (–4.6% compared with 2022), Swiss Post anticipates significant growth

long-term. After all, Swiss Post customers send around 70 percent more parcels today than 10 years ago. To ensure it is prepared for this development, Swiss Post opened new parcel sorting facilities in 2023 – with two regional parcel centers in Wallisellen (ZH) and Pratteln (BL) and the installation of a parcel sorting machine at the Härkingen (SO) letter center. By continually developing its core business and investing in goods and construction logistics, Swiss Post is not just ensuring secure logistics for letters and parcels. It also reliably transports printed matter, newspapers and goods, and connects countries abroad with Switzerland. Besides parcel volumes, letter volumes declined year-on-year (–5.6% compared with 2022). The advertising market, which is heavily dependent on the economic climate, also suffered from negative consumer confidence. The volume of addressed promotional mailings declined by –5.3 percent last year, while unaddressed advertising fell by –6.4 percent. The efficiency measures introduced in administration in early 2023 and the continual optimization of processes in its operations enabled Logistics Services to post a very strong result in the fourth quarter. This significantly slowed the decline in the Logistics Services unit's result compared with 2022.

Strategic partnerships in the branch network make a positive contribution to the result

PostalNetwork made a positive contribution to the result for the first time through strategic partnerships with banks, insurance companies and health insurance providers. However, the decline in volumes also had a significant effect in this unit. There was a substantial fall of over 18 percent in over-the-counter payment transactions. This means payment transactions have slumped by almost 50 percent over the past five years. Despite consistent efficiency measures, the PostalNetwork unit was unable to offset the losses.

The Communication Services unit achieves major milestones

As customer requirements are changing with digitization, Swiss Post is developing solutions for private customers, SMEs and public authorities in the digital world. A growing number of people are using digital solutions at home, at work and while on the move. Everyone should be able to decide for themselves whether and when they wish to use Swiss Post's services physically or digitally. Major milestones were reached in 2023 with the long-term set-up of digital solutions: Swiss Post's e-voting solution meant votes could be cast with Swiss Post's new e-voting system for the first time at federal elections in three cantons (BS, SG, TG). By launching a digital registration process, Swiss Post has provided the Swiss population with easy access to the electronic patient record. The ePost communication platform has also made further progress: since last year, cantons, such

CLASSIFICATION: CORPORATE | WWW.IPC.BE © 2026

as Bern, St. Gallen and Lucerne, have been using Swiss Post's platform to send their information directly to residents' digital mailboxes. The Communication Services unit is still under development. Operating income was primarily increased through strategic acquisitions in the e-government, secure customer communication and cybersecurity sectors.

Slightly lower result for Mobility Services despite higher transport income

At Mobility Services (PostBus and Post Company Cars), the result for 2023 is 6 million francs lower year-on-year. Greater transport income due to an increase in passenger numbers at PostBus could not offset rising costs – in particular higher personnel and fuel costs. Demand at PostBus has risen and is above its pre-pandemic level (+4.2 percent compared with 2019). Innovation and sustainability play a vital role in the development of Mobility Services' solutions. For several years, Swiss Post has been increasingly deploying vehicles with alternative drive systems in its delivery fleet and at PostBus. Since 2023, only electric vehicles have been used for delivery in the cities of Zurich, Bern and Geneva, and 11 climate-friendly electric Postbuses are now on the roads in Graubünden. This shows that the technology is even suited to mountain regions – and that the quiet, comfortable vehicles have been a hit with passengers and drivers.

Turnaround in interest rates ensures better result at PostFinance

PostFinance posted a strong result despite a turbulent year on the national and global financial markets. The interest differential business is a key source of revenue for PostFinance. With the turnaround to positive policy rates, relevant factors have changed. It is clear, then, that PostFinance is making strong progress – from a solid position – towards a gradual normalization of the overall interest margin and a growth path. PostFinance customers are benefiting from the new situation as PostFinance is passing interest onto them through various products. Nevertheless, the economic and regulatory environment remains challenging for PostFinance. Despite the positive interest rate environment, it still faces the competitive disadvantage of not being able to issue loans and mortgages independently. The trend towards digitization of payment transactions is leading to a significant decline in transactions at Swiss Post branches and is increasingly weighing on PostFinance's result in the universal service. Physical inpayments over the counter account for just 1.5 percent of the total volume. Cash withdrawals have also continued to decline. PostFinance anticipates a permanent change in customer habits regarding over-the-counter payment transactions and the use of cash.

Roberto Cirillo: "Only a relevant Swiss Post

CLASSIFICATION: CORPORATE | WWW.IPC.BE © 2026

can create added value for Switzerland"

To tackle the challenges in its core business, Swiss Post is fully focused on establishing the physical and digital core business of the future. "It's vital that we keep evolving and pursuing our chosen path consistently. Only a strong Swiss Post can offer our customers added value and provide the best possible services. And that's exactly what we want. A relevant public service financed from our own resources and without burdening taxpayers," says Cirillo. The forward-looking measures that have already been implemented are helping to improve services for customers, while also making them more efficient. "Swiss Post requires the right framework to adapt its services to continually changing needs," underlines CEO Roberto Cirillo.

Source: Swiss Post

CLASSIFICATION: CORPORATE | WWW.IPC.BE © 2026