

PostNL presents additional plans to solidify its fundamentals

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Herna Verhagen, CEO of PostNL, said: “2022 turned out to be a year in which we were navigating rapidly changing and turbulent circumstances. The global macroeconomic and geopolitical environment was extremely challenging, with record-high inflation and consumer confidence at an all-time low. This impacted our performance, as we saw a sharp increase in labour and fuel costs. At the same time, parcel volumes were under pressure as the economic developments impacted consumer spending, but also due to overcapacity in the market.

“We took firm and swift actions to improve operational efficiency and preserve our financial position, which supported our 2022 performance. As well as taking these efficiency measures, such as reducing storage capacity and route optimisation, we also adjusted our prices, to the extent possible, to reflect the higher cost base.

“As the challenging conditions are expected to continue into 2023, it is critical to invest in further strengthening of our fundamentals and to secure our position in a dynamic and very competitive market. In 2023, we will further innovate our services, and improve customer value. And in addition to a number of initiatives to improve efficiency, mainly at Parcels, we are today announcing a reduction of 200-300 FTEs in overhead and other measures to reduce indirect costs.

“Based on a longer-term upward trend in e-commerce, underpinned by fundamental growth drivers, we have full confidence in our strategy. Our pro-active approach ensures that PostNL is well-positioned to resume its growth trajectory in e-commerce, while maintaining solid performance at Mail in the Netherlands. Taking into account the benefits from all measures, including the additional plans presented today, a step-up in performance will be visible as of 2024, that should be further supported once the economic environment starts to improve.”

Highlights Q4 2022

Solid performance in peak season

Domestic volumes Parcels -3.8%, excluding non-recurring impact Covid-19; reported volumes -5.4%

Volumes Mail in the Netherlands -8.1%

Efficiency improvements and productivity gains in comparison to last year

Highlights FY 2022

Domestic volumes Parcels up 2.3%, excluding non-recurring Covid-19 impact; overall, volumes -10.2%, also reflecting development in cross-border activities, predominantly from and to China

Volumes Mail in the Netherlands -8.0%, at better end of expected range

25% improvement in carbon efficiency

Proposed 2022 dividend of €0.16 per share

Additional plans to solidify fundamentals in 2023

Reduction of 200-300 FTEs in overhead and other indirect cost measures, mainly at Parcels

€20 million costs in 2023, mainly restructuring provision

Additional annual cost savings: ~€25 million in 2024, run rate ~€30 million as of 2025

Additional €10 million capex in 2023 in innovation and quality to improve customer value

Source: [PostNL](#)