

bpost: Resilience over second quarter 2020 driven by Parcels & Logistics performance in North America and Eurasia

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Jean-Paul Van Avermaet, CEO of bpost Group: “We are still evolving in a very uncertain world. However, thanks to the considerable efforts of all our employees, the first half of the year allows us to reconfirm our initial 2020 group EBIT guidance. Visibility remains low, and the broad economic impact of COVID-19 will likely only be felt over the coming years. COVID-19 has triggered an acceleration of the digitizing world we are operating in. This is materializing through a significant increase in e-commerce penetration, as witnessed by our huge second quarter organic parcels volume growth above 78% and the steep acceleration in our E-commerce logistics revenues, both in the US at Radial as in Europe.

Activity update: expansion e-commerce logistics in Poland and the Netherlands, increase capacity Belgium

E-commerce logistics

bpost Group continues to develop its activities and position as a major player in e-commerce logistics in Europe through its two pillars, Radial Europe and Active Ants.

- Radial Europe

Over the last months, Radial Europe expanded its capacity in Poland and Italy and was also the partner of choice of an important German customer for the full operational management of an e-commerce site.

This growing network enables bpost Group to offer the best services to its partners and has recently enabled new customer wins in England, Poland and the Netherlands.

- Active Ants

Active Ants will open a new center in Roosendaal in the autumn of 2020 as part of the growth of its e-commerce and fulfilment

activities in the Netherlands. Deploying the most innovative technologies, the new site will process millions of packages per year for several hundreds of webshops.

Increase of sorting capacities

As the growth of e-commerce continues, bpost Group has invested in the installation, during the summer of 2020, of two new sorting machines in the centers of Antwerp X and Brussels X. These machines will enable the Group to better respond to increases in volumes during future peak periods.

Launch of exclusive SME webstore platform

During the lockdown for COVID-19, bpost Group launched on June 15, 2020 an exclusive platform for SMEs allowing a quick entry into e-commerce. The platform allows SMEs to build a web shop in a few clicks. SMEs are now able to sign up for a new all-in-one solution that capitalizes on bpost Group's full e-commerce logistics expertise to ensure a successful entry into online retailing.

Sustainable logistics

bpost Group is committed to sustainable distribution by developing new solutions

aimed at reducing the impact of parcel and letter delivery and transport on mobility and climate:

- July 2020, a "zero emission postcode" pilot project was launched for an eco-friendly last mile delivery of letters and parcels in collaboration with the city of Mechelen.
- In complementary with the rest of its network, bpost Group intends to grow the network of parcel lockers throughout Belgium, with an average of 2 new lockers each week.

Outlook for 2020

Assuming no second or important local lockdown in 2020, nor any event deriving from COVID-19 uncertainties, the adjusted Group EBIT between EUR 240-270m can be reconfirmed.

The contribution per Business Unit will differ from the initial outlook issued on March 17, 2020.

Gross capex will amount to EUR 150m maximum, compared to up to EUR 200m pre-COVID-19.

The Board decided not to grant a dividend on the results of FY20 to its shareholders. bpost Group remains fully committed to delivering sustainable shareholder returns. Given the high level of uncertainty that still remains in light of COVID-19 and its impact on the overall economy, bpost Group's priority is in the current circumstances the strength of bpost's balance sheet and cash reserves on the long term. A new dividend policy going forward will be decided by the Board when the longer term impact of the COVID-19 crisis becomes more clear.

Source: [bpost](https://www.bpost.be)