

bpost to accelerate the expansion of its e-commerce logistics business with the acquisition of Radial

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Radial is a leading provider of integrated e-commerce logistics and omnichannel technology solutions, headquartered in King of Prussia, Pennsylvania (USA). In 2016, Radial fulfilled over 306 million units for its retail customers, across 24 fulfillment centers. Radial is largely ahead of its peers in terms of scale, geographic coverage and breadth of services. In addition to gaining an important foothold in the US, this acquisition brings a distinctive set of expertise and capabilities from the advanced e-commerce market. Radial also offers integrated services such as payment, tax and fraud protection services, fulfillment and customer care for brands and retailers.

The expected normalized annual revenues of Radial for 2017 are forecasted between \$970 and \$1,020 million. The expected normalized EBITDA is forecasted to be between \$65 and \$70 million in 2017.

In light of e-commerce growth, the

development of parcel logistics is one of the most promising areas in a new digital world. bpost continues to deliver on innovation in this sector with the acquisition of Radial. bpost seeks to capture the fast-growing e-commerce logistics supply chain by enabling a strong cross-border value proposition for its customers. With Radial, bpost will build upon its successful US-based Landmark Global business to scale its presence in one of the largest e-commerce countries and expand bpost's product offering throughout the entire value chain in e-commerce logistics.

Koen Van Gerven, CEO of bpost, said: "I'm very proud of this acquisition that represents a great leap forward for bpost, promoting us as a leading player in the e-commerce logistics business in the Benelux, Europe and throughout the world. I'm convinced that offering integrated and seamless e-commerce logistic solutions to our US and European customers will help them grow their businesses. The expertise and capabilities of Radial employees are a unique complement to bpost and will help us in becoming a leader in e-commerce logistics. I'm very happy to welcome all Radial employees to our bpost family."

Matthew Espe, CEO of Radial, said: "Radial represents the gold standard for profitable e-commerce and omnichannel technology

arming merchants with the capabilities needed to operate at a global scale. There has never been a more important time when it comes to helping brands grow their online business profitably, especially when reaching their customer base internationally. Joining the bpost family is a critical next step for both companies as we strive to help meet customer expectations on the backbone of industry-leading technology and services.”

Under the terms of the agreement, bpost will acquire 100% of the shares of Radial for an Enterprise Value of \$820 million. Strict M&A criteria in the decision-making process were diligently respected ensuring long term value

creation for all stakeholders. bpost intends to finance the transaction by using a bridge financing upon closing. The transaction is expected to close in the last quarter of 2017, subject to customary closing conditions.

The strong financial profile of bpost will offer a sustainable, stronger and liquid investment proposition through an optimized capital structure without any stock dilution. The transaction will have a positive impact on the earnings per share as from 2020.

J.P. Morgan Securities LLC acted as financial advisor to Radial for this transaction.

Source: [bpost](#)

