

Swiss Post keeps its promise and gives positive interim assessment of postal network restructuring

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On the occasion of the inauguration of the modernized branch in Fribourg, Swiss Post presented its mid-term assessment: the restructuring of the postal network is showing good results and is also progressing successfully thanks to the open dialogue. Within two years, the number of access points where customers can use Swiss Post services has increased significantly. In addition, the deficit in the postal network has been reduced by CHF 28 million compared to the same period in the previous year.

In the autumn of 2016, Swiss Post transparently communicated its plans for the postal network up until 2020 and promised to increase the number of access points to at least 4,200. The halfway mark has now been reached and the results of the postal network restructuring are positive. "We're on the right track and we are going to reach our goal", states Thomas Baur, Head of PostalNetwork and a Member of Executive Management. Thomas Baur looks back on two challenging but successful years. Swiss Post opened its thousandth branch with partner in May, and there are currently 1,033 such branches. However, this is only the halfway mark. In the next two years other access points will be added and further self-operated branches will be transformed into branches with partner.

Open dialogue proving to be fruitful and is to be continued

In 2016, Swiss Post promised open dialogue with the cantons and municipalities. Swiss Post has kept its promise by holding more than 550 discussions with the cantons and municipalities across Switzerland over the past two years. However, Swiss Post not only engages in dialogue with authorities, but also with citizens. "We're aware of the fact that the restructuring of the postal network is a sensitive issue – especially in rural areas",

emphasizes Thomas Baur. For that reason, Swiss Post has organized more than 270 information events for the general public since 2016.

Swiss Post invests in modern branches

Swiss Post Executive Management is showing its commitment to a postal network with self-operated branches. "Our branches are the backbone of our network - and this is not going to change", stresses Thomas Baur. "By investing some CHF 40 million, Swiss Post is sending out a clear message in this respect and is modernizing some 300 self-operated branches across Switzerland", explains Baur. Swiss Post is adapting to the needs of its customers and increasingly offers services which are available 24/7. By 2020, some 200 My Post 24 terminals will be supporting the network. There are also innovations in payment transactions, where self-service stations are currently being tested.

The deficit is narrowing

In recent years, Swiss Post has posted deficits of up to around CHF 200 million in the postal network. While the objective of restructuring the postal network is not to lead to a break even, it does seek to stabilize the deficit. Swiss Post's goal for the future is to be able to pay for the universal service from its own



resources, i.e. without subsidies. Compared to the same period of the previous year, PostalNetwork made an important contribution in this respect by reducing the deficit in the half-year results by CHF 28 million to -CHF 60 million.

Over-the-counter business significantly on the decline

The positive results of the postal network restructuring are a reassuring sign that Swiss Post is on the right track. The outdated structure is causing high costs, while customers are less and less inclined to do

their postal transactions at the counter. Not only the number of letters (-68 percent) and parcels (-44 percent), but also the number of payment transactions (-44 percent) at the counter have seen a significant decrease since 2000. This is why the restructuring of the postal network is important and the right thing to do. It offers customers more and improved options for completing their postal transactions and helps to reduce the deficit within the postal network.

Source: Swiss Post