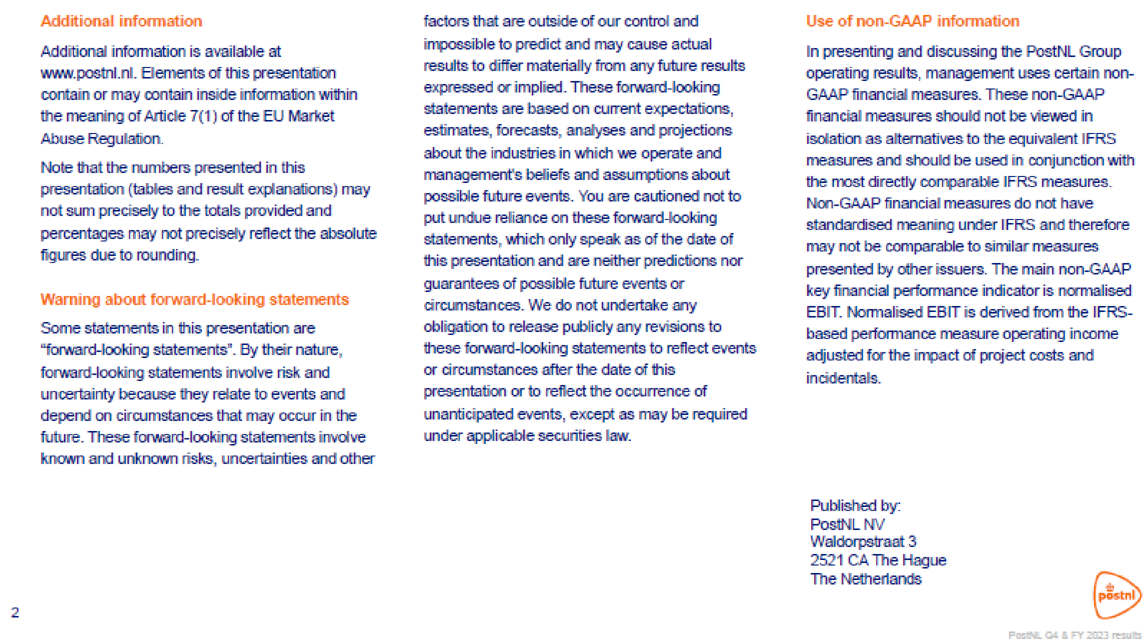

Staying resilient in volatile times
Q4 & FY 2023 results
The Hague – 26 February 2024
postnl

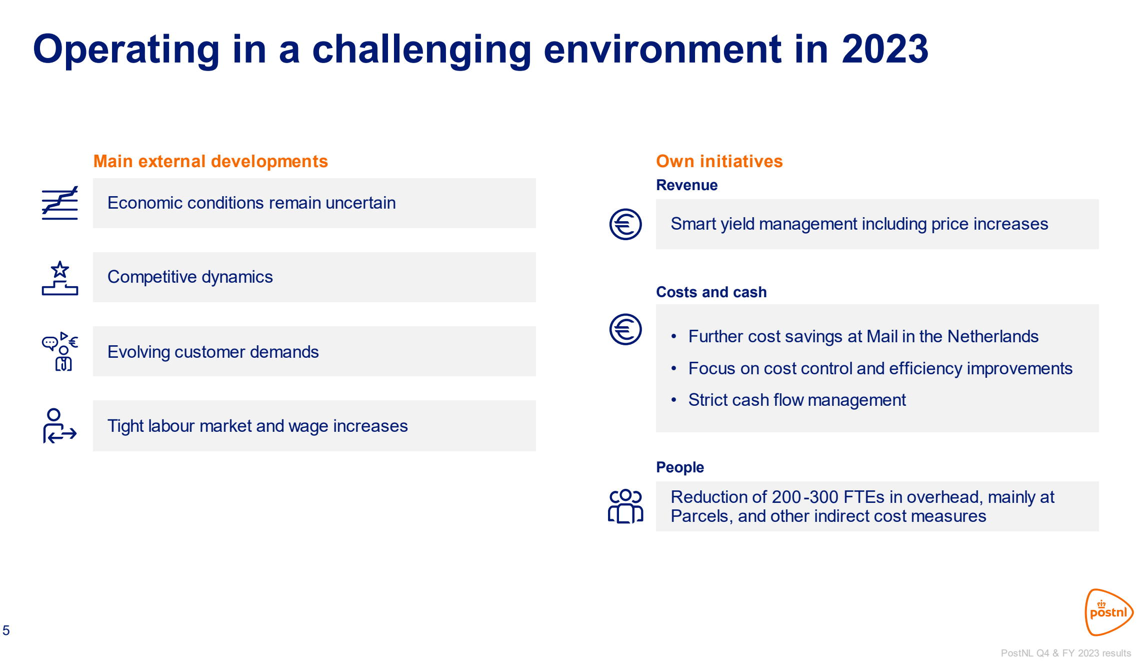
Inge Laudy – Manager Investor Relations: Thank you. Good morning, everyone, and thank you for joining us today in our full year 2023 analyst call.



With me here in the room are Herna Verhagen, our CEO and PIM Berendsen, our CFO.

As usual, we will start with the presentation which you can find on the website and after that, we will open up for Q&A. Herna, over to you.

Herna Verhagen – CEO PostNL: Thanks, Inge. Let us start with the key messages.



We are operating in a challenging environment in 2023. In many aspects, it was a challenging year; political and economic conditions were again uncertain and had an impact on our operating environment. High inflation and deterioration in macroeconomic conditions put real pressure on consumer spending throughout the year. Combined, these developments negatively impacted e-commerce, putting pressure on the sector and on PostNL, leading to lower results than we had expected.

In this environment, we took swift and firm mitigating actions throughout the year to navigate this turbulent environment. We took, for example, smart yield management actions, which included price increases, but also scaled our network capacity by, for example, optimising our routes, by planning our fleet better with algorithms, by being very critical at our overhead costs and not filling staff vacancies. In this way, we reduced direct and indirect costs.

Last year we announced the reduction of 200 to 300 full-time equivalents in overhead, which has been finalised by the end of 2023 with a positive impact on 2024. It was crucial for us to stay resilient in volatile times.

On this slide, you will find our key results, some of them already published on January 26th when we published our preliminary results. I would like to focus for a minute on the non-financials, and Pim will take the whole financial part when he presents the year 2023.

I think important in the non-financials are our continuing efforts and success in having consumer accounts in our app. You see an increase of more than a million accounts in the year 2023 to almost 9 million at this moment in time. That is an important element because those 9 million consumers give us the opportunity and entrance to their personal preferences. We also scaled our out-of-home options in 2023, and I will come back to this topic later in the presentation because we think that out-of-home remains to be important or even becomes more important going forward.

By the end of the year, we had 903 automated parcel lockers, which is a huge increase compared to 2022 where we ended the year with around 500 lockers. We also opened our lockers to third-party operators.

The last point I would like to emphasise is our carbon efficiency. We are a very green company. Our carbon efficiency improved with 24% of CO_2-emission-free last miles and a 10% carbon efficiency improvement on our own fleet. This is an important part of our strategy going forward.

Let us quickly move to our business performance in 2023, and I would like to hand it over to Pim.

Business and financial performance Q4 & FY 2023

Pim Berendsen - CFO PostNL: Thank you, Herna, and welcome to all of you.

Q4 & FY 2023 performance

Normalised EBIT of €77m in Q4 2023

Key financial metrics

(in € million)	Q4 2022	Q4 2023	change	FY 2022	FY 2023	change
Revenue	883	889	1%	3,144	3,165	1%
Normalised EBIT	60	77	28%	84	92	10%
Free cash flow	79	143		40	52	
Normalised comprehensive income	41	43	4%	90	52	-42%

Performance includes

- €48m organic cost increases in Q4 (FY: €178m)
- €18m positive impact from pensions, visible in PostNL Other, in Q4 (FY €75m)

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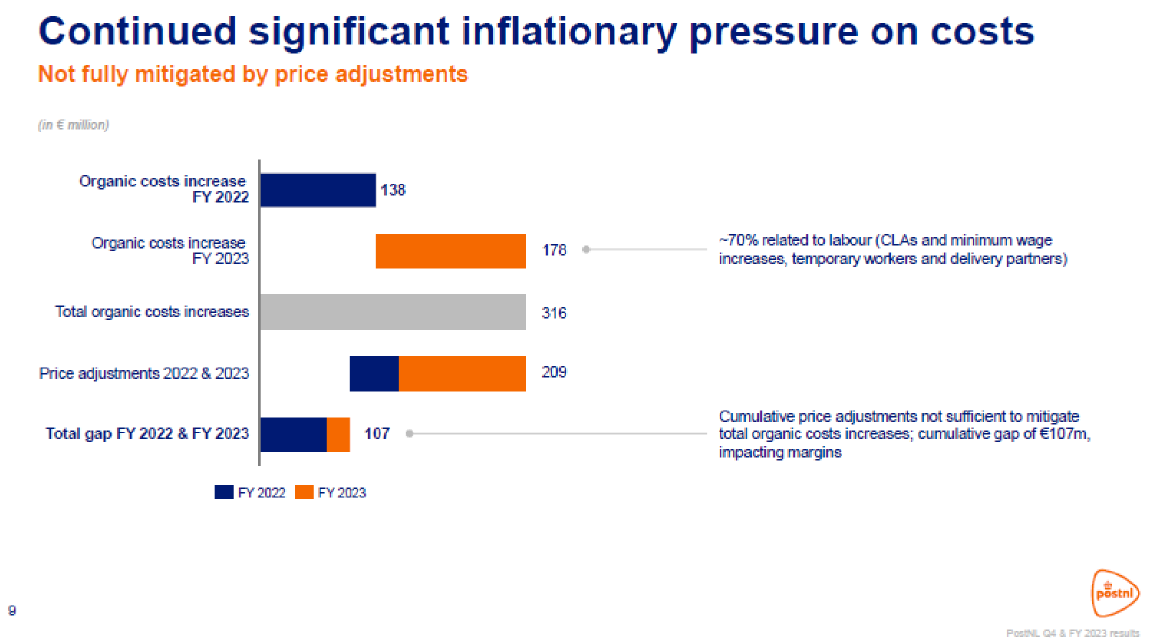
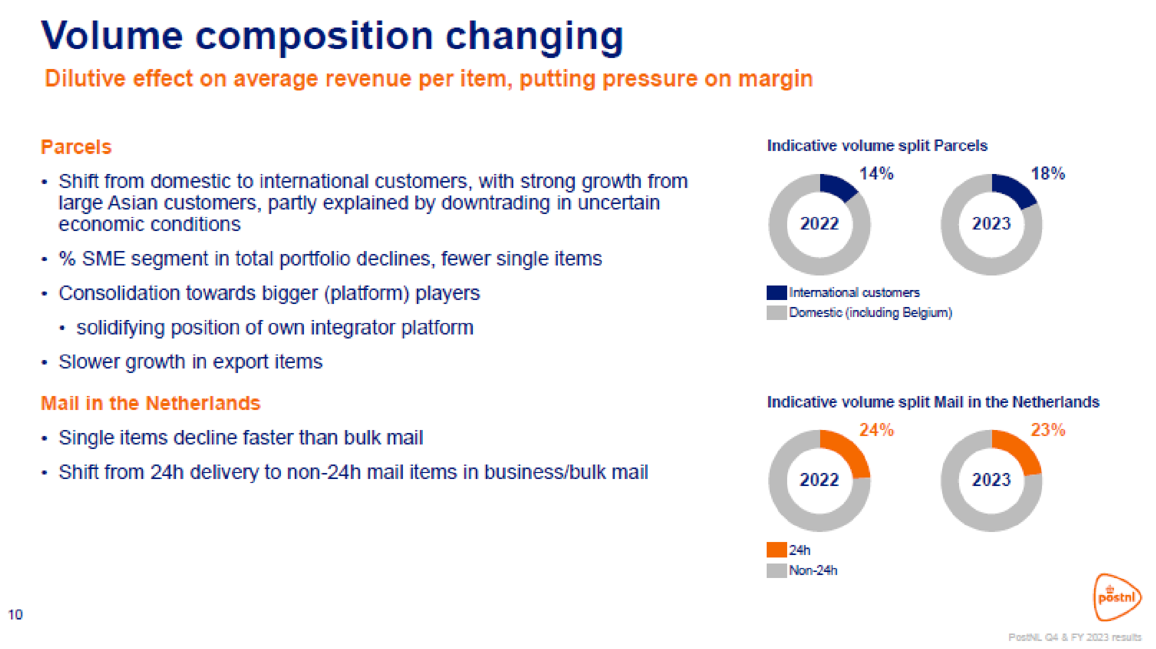
On this slide, we dive into the Q4 and full year financials. Over the last quarter of the year, we recorded revenues of EUR 889 million, slightly higher than in the same quarter last year. We have realised the normalised EBIT of EUR 77 million, which is 28% higher than the same quarter last year. The full year EBIT came in at EUR 92 million, which was obviously already the number that we have communicated by the end of January, which is 10% higher than 2022.

Clearly, 2023 has been a year with very significant inflationary pressure. For the full year, we have seen EUR 178 million of organic cost increases, which is really an all-time high. And definitely, if you compare it to the on average EUR 50 million to EUR 60 million that we have seen historically, that clearly has put some pressure on our margins. We will dive into organic cost developments and product mix elements in the slides to come.



Let's continue with the inflationary pressure on slide 9. You see the build up over the last two years, 2022 and 2023 in total, EUR 316 million of organic cost increases of which EUR 209 million has been offset by price adjustments. But that still leaves a gap of EUR 107 million. What you also see in this graph is that the balance has significantly improved in terms of organic cost increases versus price increases in 2023 in comparison to 2022. That is certainly a development that we will continue to focus on in 2024.

Another element that is important to note is that from the EUR 178 million of organic cost increases, roughly 70% related to labour related costs. So that is collective labour agreements, minimum wage increases, temporary workers and what have you. So, huge organic cost increases that have impacted our 2023 numbers, and we will see later on that they remain to be impacting also the 2024 numbers.



Another important development is the change in volume composition. Over the past quarters, we have talked a lot about unfavourable mix effects, both within Parcels and within Mail. Therefore, this slide aims to explain a little bit better what the underlying developments are. It is important to look at the right-hand side of this slide where you see that in the past, if we split the volumes into domestic, including Belgium – so that is all Dutch and Belgium web shops that and their volume landing in our networks – versus international customers. In 2022, 14% of total volume was cross-border and in 2023 that has significantly increased to 18%. Forward-looking to 2024, you should expect that to be roughly 20% to 22%. So, a further increase is expected.

Those volumes come from a relatively small number of customers with a lot of volume, and mainly the big Asian web shops. That comes in at lower average prices than the average domestic prices, and within domestic we also still see that bigger platforms and bigger customers outgrow the smaller ones, also putting pressure on the average price per item.

Within Mail in the Netherlands, you see a slightly less exposed change in mix, but still in terms of volume, 24-hour mail is becoming a slightly smaller part of the entire pie, whilst that product is significantly more attractive in margins than the non-24 hour mail items.

So those two elements are crucial factors to understand if you look at the 2023 numbers, and likewise important to understand if we talk about the outlook going forward a few slides from now.

Parcels Q4 2023: Operationally successful peak period

Less volume growth than anticipated with capacity and costs locked in

	Revenue	Normalised EBIT	Volumes	
Q4 2023	**€608m**	**€23m**	**95m**	**+0.9%**
Q4 2022	€587m	€24m	94m	
FY 2023	€2,260m	€47m	343m	

Revenue mix

in € million	Q4 2022	Q4 2023
Parcels Netherlands	392	402
Spring	113	125
Logistics solutions and other services	77	72
Other / intercompany	4	10
Parcels	587	608

Volume

- Parcel volumes up 0.9%, less than anticipated
  - domestic volume slightly below last year, reflecting development in consumer spending
  - continued strong growth from international customers

Revenue

- Reflecting volume growth and flat price/mix effect:
  - price increases
  - fully offset by less favourable mix, resulting in pressure on average price
- Cross-border activities continued positive trend; Spring revenue up, most strongly in Asia

Costs

- Significant organic costs increase, mainly labour-related
- Operational measures and further network optimisations resulted in increased efficiency

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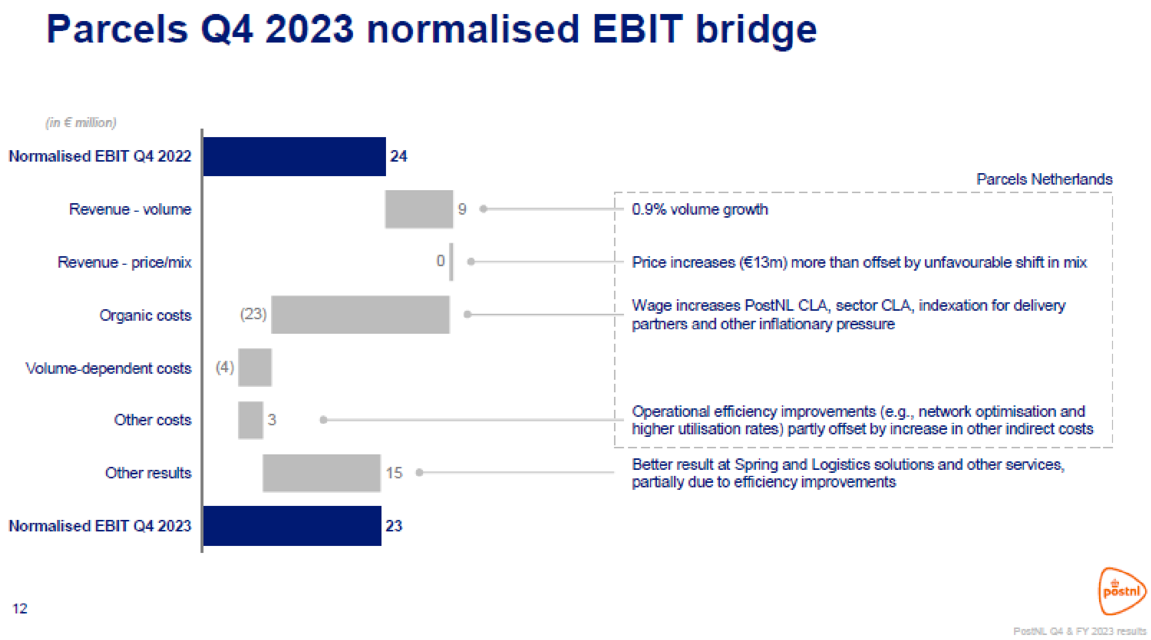
Then the split per segment on slide 11. Parcels. Operationally, we had a very successful peak. Volumes were up 0.9% driven by strong growth in international, whilst domestic volume was below last year. As we discussed, we set ourselves up at some point with volume expectations. Volume came in at the lower end of what we expected and that impacted the financial results in the fourth quarter, but competitive wise in terms of service offering quality, we are happy with the performance of Parcels in the fourth quarter because it strengthens our competitive position in the domestic space.



On slide 12, we see the bridge for the fourth quarter for Parcels. There, you see the EUR 24 million reconciled to the EUR 23 million of the fourth quarter of 2023. Roughly 1% volume growth driven by international, a positive price effect of EUR 13 million was mitigated offset by a less favourable shift in mix. We talked about that and within the quarter. There are EUR 23 million of organic cost. And other costs and other results contributed to a better result as well.

Mail in the Netherlands Q4 2023: Pressure on costs

Limited volume decline and unfavourable shift in product mix

	Revenue	Normalised EBIT	Volumes	
Q4 2023	**€401m**	**€54m**	**524m**	**-1.9%**
Q4 2022	€429m	€60m*	534m	
FY 2023	€1,373m	€50m	1,745m	

Volume
- Volume decline of 1.9%, supported by 19m items for elections
- Underlying volume decline of around 5% in Q4 due to substitution

Revenue
- Moderate pricing policy
  - stamp price increase of 7.9% announced as of 1 January 2024
- Unfavourable shift in mix
  - single items decline faster than bulk mail
  - within bulk mail: shift from 24h delivery to non-24h mail items diluting average price

Costs
- Increase in labour costs following CLAs for PostNL and postal deliverers
- Continued higher illness rate in tight labour market
- Additional cost savings achieved through product portfolio optimisation and efficiency gains in sorting and preparation

13 * €1m Covid-19 impact in Q4 2022

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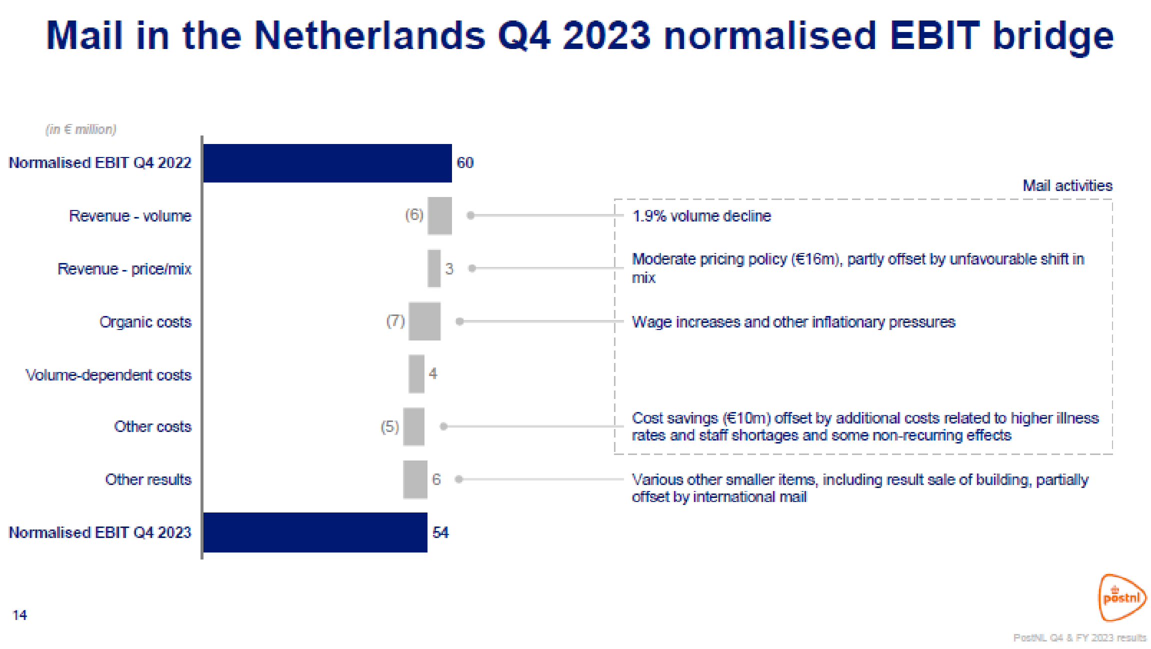
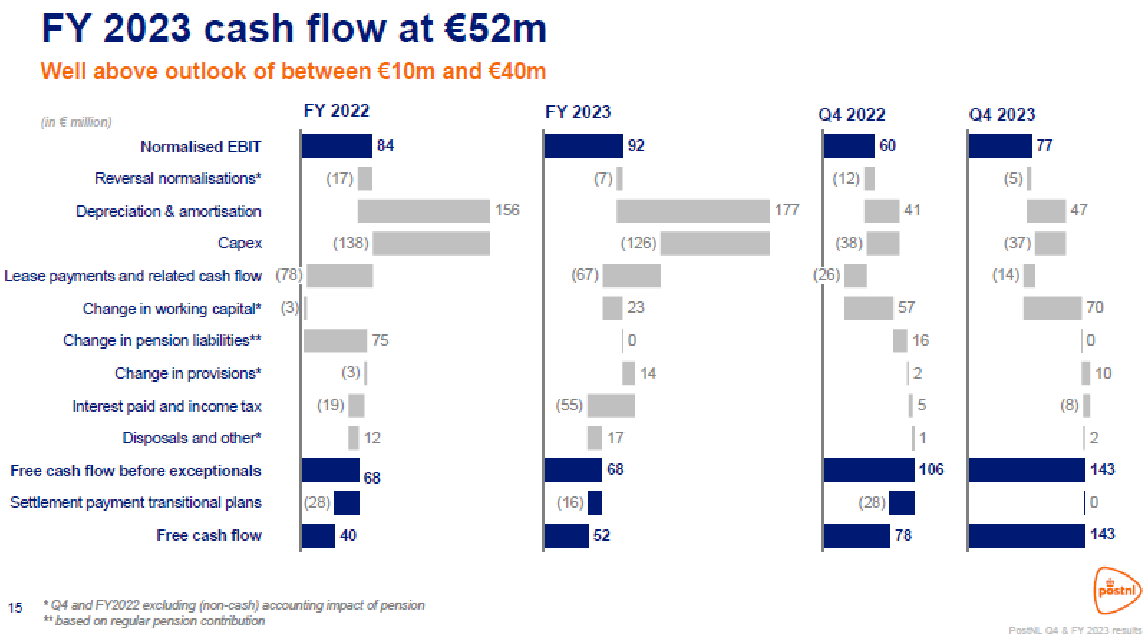
Normalised EBIT in Mail last year came in at EUR 54 million, around 10% lower than last year. Volumes declined by only 1.9%, obviously impacted by roughly EUR 19 million of Mail related to the elections in the Netherlands. So, the underlying volume decline was around 5% in the fourth quarter. Revenues also reflect our moderate pricing policy and less favourable product mix. Illness rates were up and, as explained in January, that also resulted in a step-up in the provision for people that are ill for more than 24 months.

What is new in comparison to the January update is that you might have noticed in the press release that in the fourth quarter there is a difference between EBIT and normalised EBIT of around EUR 3 million. This relates to a fine from ACM that we had from them on Thursday last week. It is related to the USO quality requirements of 2021. Clearly, we have argued that because of COVID and all the adjustments that we had to make sure that people could work safely, and our staff went out for the rest of the Netherlands to stay inside, that those measures have impacted quality. ACM believed that we should have anticipated COVID, and as such believe that they put a fine on the table. Certainly, we will object against this because we really do not agree with their logic and their argumentation. But that is an explanation of why there is a difference between EBIT and normalised EBIT in the year.



If we go and take a look at the bridge of Mail in the Netherlands, you see the EUR 60 million reconciled to the EUR 54 million. You see the volume loss in terms of revenue, a positive mix effect, but also there you see moderate policing policy increases of EUR 16 million, partially mitigated by unfavourable shifts, so that only EUR 3 million additional contribution remains, organic cost increases and other cost developments in which EUR 10 million of cost savings have been reported for the quarter, which brings the total number of cost savings for 2023 around about the EUR 40 million mark, also what we strive to achieve in 2024.



We are happy with the performance on cash flow. Full-year cash flow came in at EUR 52 million, an improvement in comparison to the EUR 40 million of last year's. Strict cash flow management remains high on our agenda. The fourth quarter brought in stellar EUR 143 million of free cash flow, thanks to our efforts to bring down receivable positions and to accelerate invoicing processes. Part of that, if you already have the cash, that there is any element of phasing in it in relation to 2024 expectation. CapEx was EUR 126 million, which is EUR 12 million lower than last year and in line with our assumptions.

Financial position provides solid base for dividend

Leverage ratio at 1.7x and adjusted net debt at €462m

Balance sheet

(in € million)	31 Dec 2023
Intangible fixed assets	407
Property, plant and equipment	491
Right-of-use assets	293
Other non-current assets	44
Other current assets	426
Cash	518
Assets classified as held for sale	1
Total assets	2,180

	31 Dec 2023
Consolidated equity	*198*
Non-controlling interests	*2*
Total equity	200
Pension liabilities	2
Long-term debt	299
Long-term lease liabilities	240
Other non-current liabilities	155
Short-term lease liabilities	80
Other current liabilities	1,204
Total equity & liabilities	2,180

Adjusted net debt

(in € million)	31 Dec 2022	31 Dec 2023
Short- and long-term debt	745	740
Long-term interest-bearing assets	(17)	(15)
Cash and cash equivalents	(556)	(518)
Net debt	**172**	**207**
Pension liabilities	18	2
Lease liabilities (on balance)	331	320
Lease liabilities (off balance)	29	9
DTA on operational lease liabilities	(83)	(76)
Adjusted net debt	**467**	**462**

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As we talked about many times in 2023, we did everything to strive to get to a leverage ratio significantly below the 2.0. We have ended at 1.7 times with an adjusted net debt position of EUR 462 million. We will continue to manage the balance sheet carefully with this leverage ratio in mind.

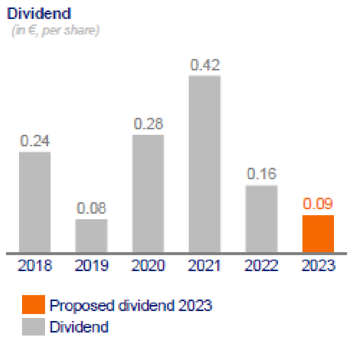
Proposing €0.09 dividend per share to AGM

Financial framework

- Steering for a solid balance sheet with positive consolidated equity
- Aiming at a leverage ratio (adjusted net debt/EBITDA) not exceeding 2.0x
- Leverage ratio FY 2023 at 1.7x (FY 2022: 1.9x)
- Strict cash flow management

Proposed FY 2023 dividend of €0.09

- Being properly financed in accordance with financial framework is condition for distribution of dividend
- Aim to pay dividend that develops substantially in line with operational performance: 80% pay-out ratio of normalised comprehensive income (FY 2023: €52m)
- €0.06 already paid as interim dividend in August 2023



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From the balance sheet, we get to dividends. Based on the leverage ratio and our normalised comprehensive income at EUR 52 million, we will propose a dividend per share of EUR 0.09 per share at the AGM, based on the dividend policy and based on the payout ratio of 80%, which is midpoint of the range of the policy. And I am sure you will remember that in August, we paid an interim dividend of EUR 0.06. So there remains to be EUR 0.03 to be paid per share, as an election to the shareholders whether or not to be receiving this in shares or in cash if we get the approval of the AGM on this proposal in April.

Then I will hand it over back to Herna for an update on our strategic actions.

Strategic actions in 2024

Herna Verhagen - CEO PostNL: We find it important to shortly take a step back to our strategy, which we already presented a few times, and then look into what are the strategic actions we are taking in 2024 contributing to 2024 and what are the ones in 2025 and forward for Parcels and Mail.

Let us have a look at our strategy first. We want to deliver a distinctive customer and consumer experience. We want to maintain our position as a leading logistics and postal service provider in, to and from the Benelux region. Also, here we are emphasizing that the international volumes are important to us as well.

Our strategic foundation is based on three pillars. The first one is Parcels, which we manage for profitable growth. The second one is Mail, which we manage for value and the third one is the acceleration of digitalisation, which we find important to help us in our revenue as well as in our normalised EBIT by for example, new revenue streams and cost savings.

When you think about our strategy, it pays out to its customers and customer value, but also social value plays a role in this meaning. We want to attract and retain our people, we want to be the best in environmental value and becoming more and more important to customers, not only receiving customers also sending customers and for sure generate a profitable growth and a sustainable cash flow.

Parcels

Strategic actions 2024

- Aim to structurally deliver a return that exceeds cost of capital
- Commercial and operational measures to gradually improve profitability towards average margin over 2019-23
- First contribution of around €35m in 2024

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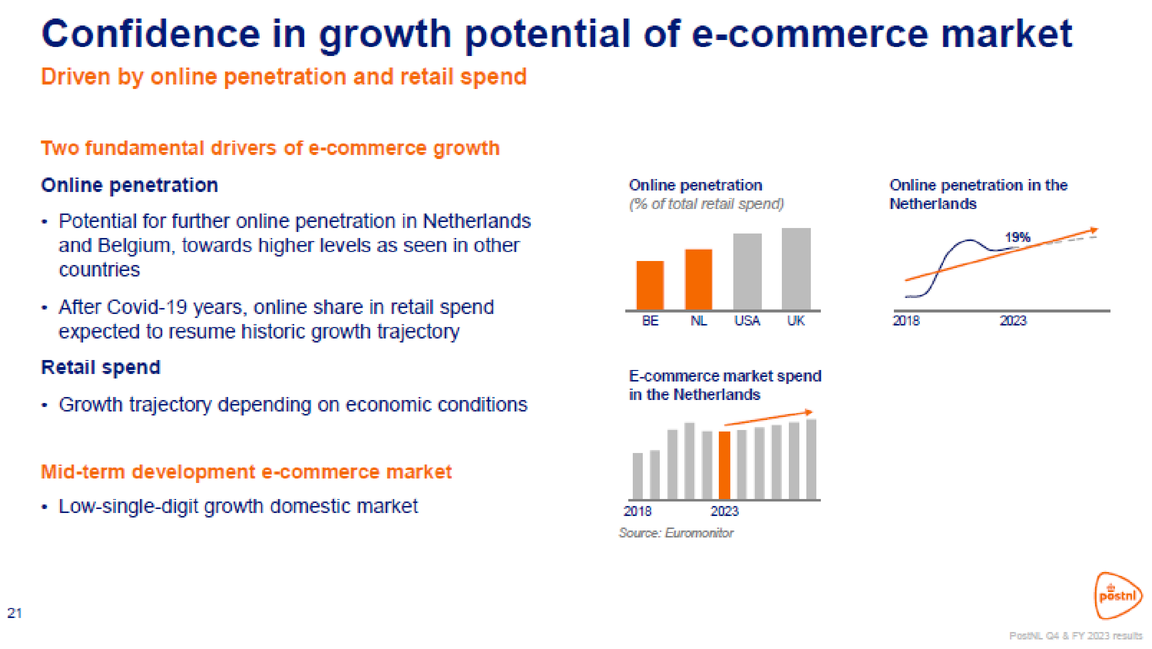
How does that play out when you look into Parcels first? In Parcels, we took strategic actions in 2023 resulting in 2024 and also actions, which will have a positive impact on 2025 and the years to come. In Parcels, our aim is clearly to structurally deliver a return that exceeds the cost of capital.

With the commercial and operational measures, to which I will come in a minute, we will gradually improve our profitability to its average margin over the years 2019 until 2023. These actions lead to a first contribution of around EUR 35 million in 2024.



We still have strong confidence in the growth potential of the e-commerce market, and that strong confidence is driven by online penetration and retail spend. These are two drivers which we also used over the last few years to underpin the growth behind e-commerce. When it comes to online penetration in the Netherlands, we still see that the line is growing or moving up, and that underpins our trust. In the left graph we compare us to the US and the UK, both more mature e-commerce markets, and there you see there is still an opportunity for growth. Important in that confidence as well is the e-commerce market and the spend in the Netherlands.

2023, as said by Pim and myself, was not the best year when it comes to consumer spend, but also here expectations going forward are slightly more positive. So, absolute confidence in the growth potential of this market.

Balancing volume and value

Yield initiatives to gradually improve profitability

- Targeted approach for SME segment by scaling new digital services and insights
- Further develop cross-border initiatives to attract volume from Asia and Europe
- Tailored pricing policy to balance portfolio and attract favourable parcels
- Revenue and capacity management to capture value in supply chain and manage seasonality
- Focus on last mile NPS: solidify average #1 position in relevant markets by further developing simple and smart digital customer journeys
- Keep market share at least stable

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To underpin the fact that we want to come to a return which is above cost of capital and with increasing margins, our actions are more on the commercial side and I want to go into those first.

Here it is finding the right balance between volume and value. For that, we started in 2023 to have a very targeted approach to the SME-segment where we see lots of customers needing extra support, different from our big customers, and there we scaled up our digital services and insights helping those customers to be more successful. We have a further emphasis on our cross-border initiatives to attract volume from Asia and Europe where we see growth – already explained – and expect to see that growth in 2024 as well.

We are looking into which parcels we can attract with favourable prices and which we want to price differently. For example, heavy weighted parcels are one of the objects we are looking into and making certain changes. Important to us here is to maintain the number one in NPS, as we are today. That is the position we want to solidify because that is a very important element in a customer's choice for the organisation they work with.

We also want to keep market share at least stable and with the growth we forecast for the year 2024, we expect that in the international market we gain slight market share from others.

Strict cost control and network rationalisation

Direct and indirect cost savings gradually contribute to better margin over time

- Simplify products and services by redesign and rationalisation of delivery options (e.g., same day and Sunday delivery)
- Reduce direct and indirect costs in first and middle-mile (collection and transport) by integrating networks, leveraging on network infrastructure
- Reduce kilometres, including in last-mile, by further developing planning algorithms
- Further encourage out-of-home delivery options to reduce costs, improve sustainable delivery and improve NPS
- Scale down DevOps and marketing spend

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Managing the value comes together with strict cost control and network rationalisation. And here a few elements are important. On the one hand, we are simplifying our products and services, which enables us to do a redesign of our networks, for example, the rationalisation of our same-day activities and Sunday delivery activities. We combined our time-certain network to together with our transport organisation, and the integration of both organisations also gives us possibilities and opportunities to integrate the networks further and therefore also reduce kilometres. We are encouraging the out-of-home delivery, as we see that consumers more and more want to have a 24/7 possibility to deliver and return. Our parcel lockers are a unique combination for that. And looking into our last-mile where we see optimisation possibilities and as said, already contributing in 2024, the EUR 35 million.

Mail in the Netherlands

Clear direction set to keep postal service in the Netherlands sustainable

- Aim to consistently achieve rate of return that exceeds the cost of capital
- Transition towards adjusted service level necessary

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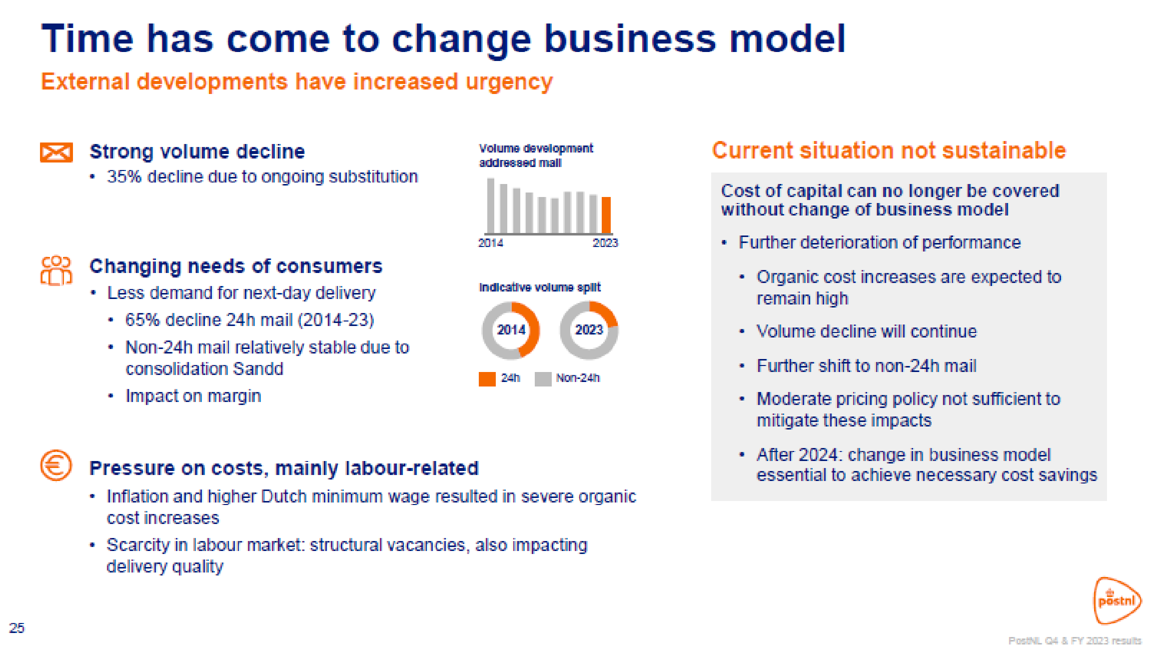
The story for Mail in the Netherlands is not about 2024. This is a story for the year 2025 and further. And here we say we want to aim to consistently achieve a rate of return that exceeds cost of capital and therefore, we need to transition towards an adjusted service level.

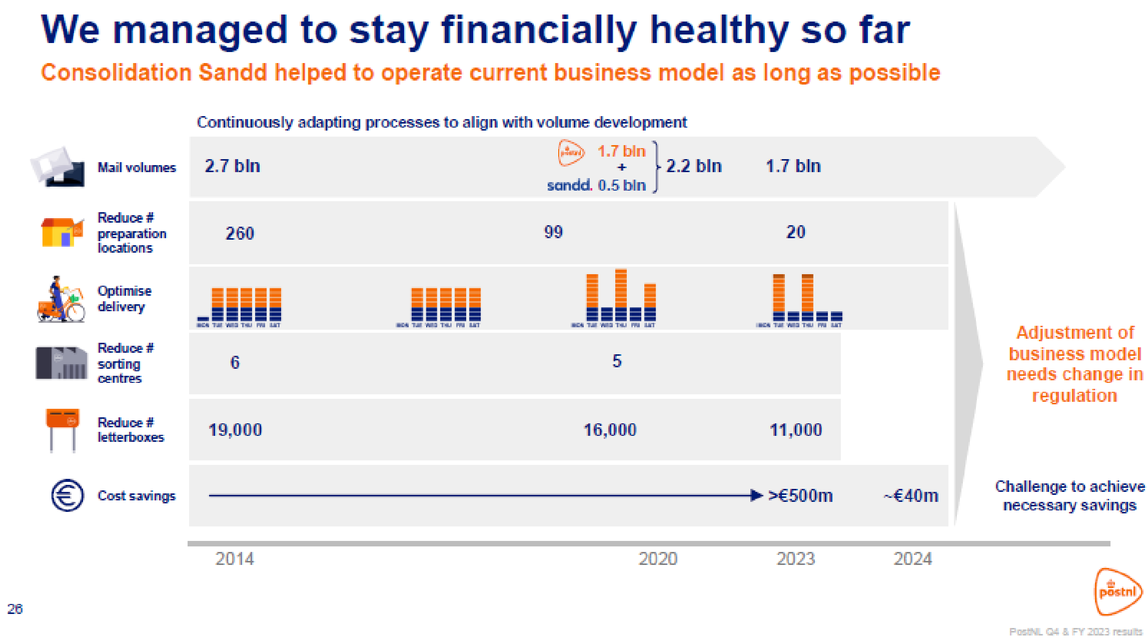


The time has come to change our business model within Mail. If you look into the external developments, you see a very strong volume decline over the last ten years of 35% and over the last 20 years of 70% of volume decline, which of course impacts the organisation.

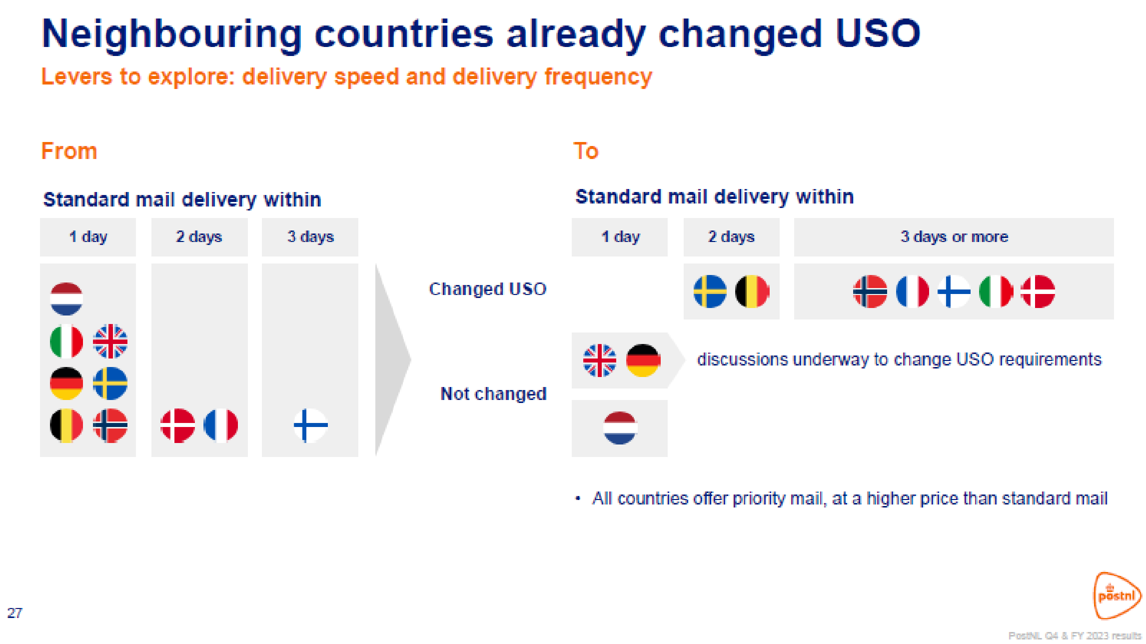
Also, consumers show a totally different need. We see a strong decline with customers and consumers in their need for 24-hour mail, 65% over the last ten years. The non-24-hour mail is relatively stable compared to 2019 because of the consolidation with Sandd, but the impact on 24-hour mail does have an impact on margin. And consumers in consumer surveys over the last few months clearly said they are very satisfied with having a two or three days a week delivery.

And we see pressure on costs, mainly caused by high inflation which impacted Dutch minimum wage and which is also impacted by this scarcity we see in our labour market.

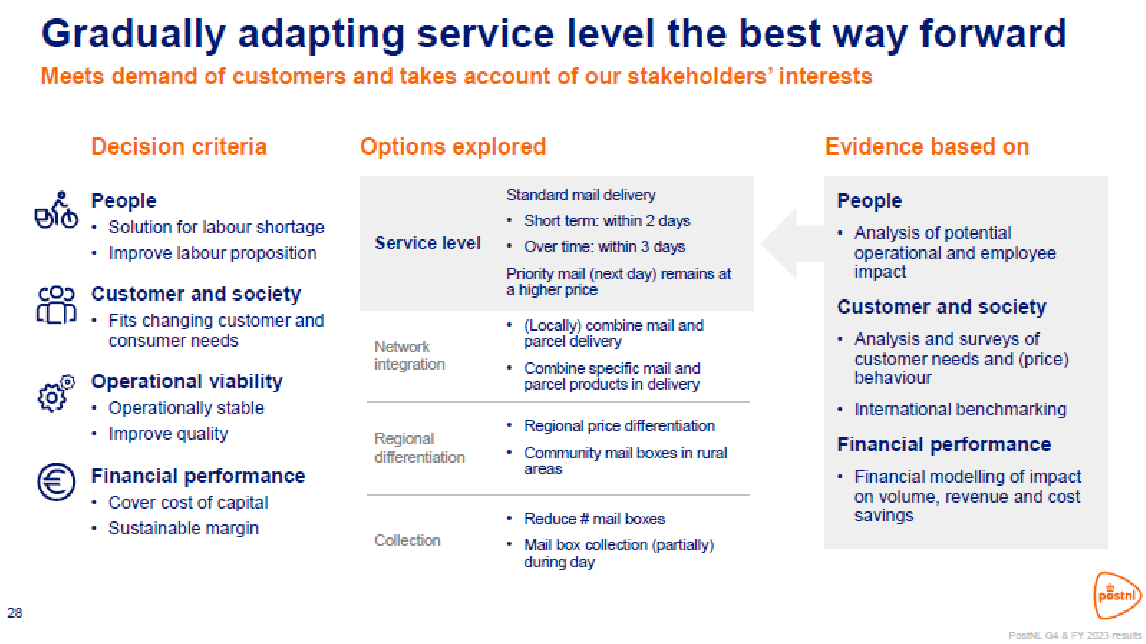
For the year 2024, we have put into place EUR 40 million of cost savings. Those cost savings will not come from this change in business model. They will come from a further improvement of earlier started reorganizations and changes and our moderate pricing policy. After 2024, we want to change our business model.



So far, we managed to stay financially healthy. That is what we did with the consolidation of Sandd, with the reduction of preparation locations from 260 ten years ago to 20 now, optimizing our delivery with peak and through days, reducing our sorting centres, reducing the amount of letter boxes, in total cost savings of more than EUR 500 million. And still EUR 40 million to come in 2024. But the time has come that we are a little bit out of options.



In neighbouring countries, we see they already changed the USO, so they explored the possibilities. And we see that from a few years ago where everybody had a 24-hour service, except a few, we are now in a situation that most of them deliver within two days or within three days. Last year, we looked into several options, like network integration together with Parcels, regional differentiation, and changes in our collection.



The most favourable is changing the service level. Decision criteria were: people, how can we make the change without too big an impact, the expectation of our customers and society for mail services, it is operationally doable and does it have the desired financial impact to cover our cost of capital and to create sustainable margins?

That is how we came to our most desired change and that is from what we do today, which is when you post it today, we deliver it tomorrow to when you post it today, we deliver within two days and over time within three days. Of course, priority mail, next day mail, remains possible at a higher price.

Clear direction set to keep postal service sustainable

Adjusted postal regulation necessary

What will remain

- Keep mail accessible, reliable and affordable
- Provide employment for thousands of people
- Priority delivery
- Moderate annual price increases
- Modernisation and innovation of services
- Continue our efforts on cost control

What will change

- Standard mail service level to delivery within 2 days, over time shifting to within 3 days
- Transformation of network and processes, mainly via natural attrition
- Potential for future cost savings

What is necessary

- Relief in USO requirements to fit with lower demand for 24h mail

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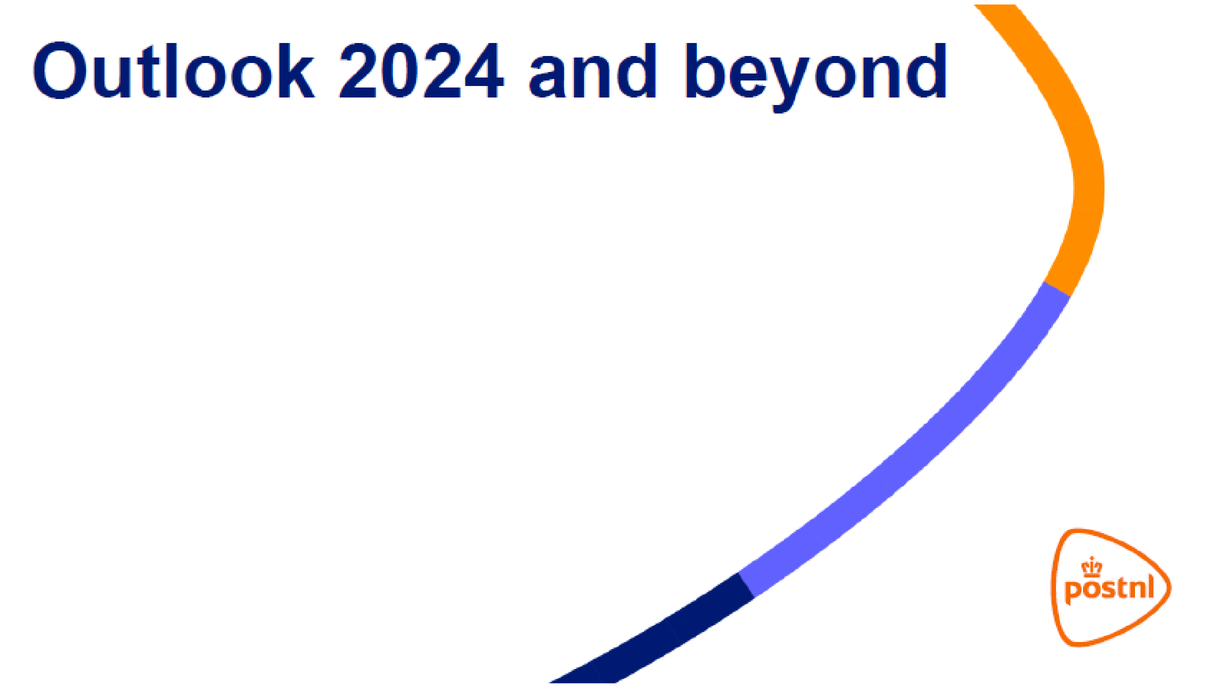
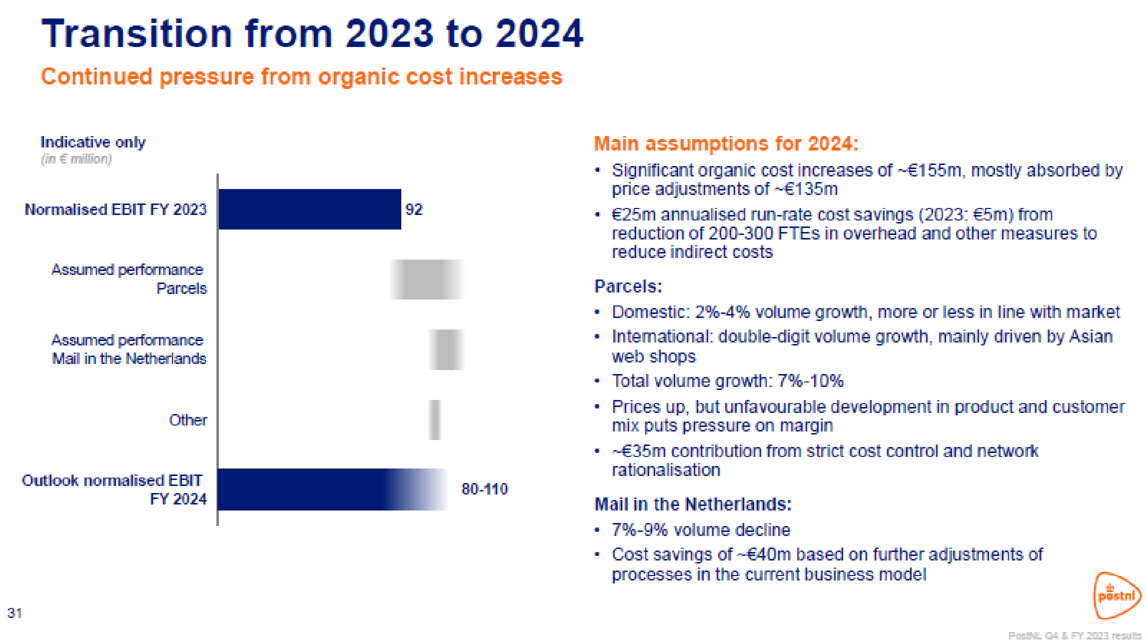
What we did with the communication today is to set a very clear direction, to keep our postal services sustainable. Necessary for that is an adjustment of postal regulation. With this change, quite a lot will remain. What remains is accessible, reliable and affordable mail. We provide employment for thousands of people. Remaining is priority delivery within 24 hours when necessary. Remaining are moderate annual price increases and focus on further efforts on cost control and modernization and innovation. What will change is our service level to delivery within two days and over time within three days, fitting to customer and consumer needs. 80% of consumers say they will be happy when they receive mail two or three times a week. It also a very tight labour market that will remain to be tight. This gives us the opportunity to, reduce people and fill the vacancies. For the rest of the reduction, we can use natural attrition. It also has a potential for future cost savings. Necessary, of course, is a relief in the USO requirements and with the publication today of how we see a sustainable postal service for the future or for the years to come, we expect that politicians together with the ministry of Economic Affairs will start a discussion on the modernisation of postal services in the Netherlands to maintain a sustainable service for the coming years.

Let us look into our outlook for 2024 and also a translation of these two strategic action stories into numbers and I hand over to Pim.



Pim Berendsen - CFO PostNL: Thank you, Herna.



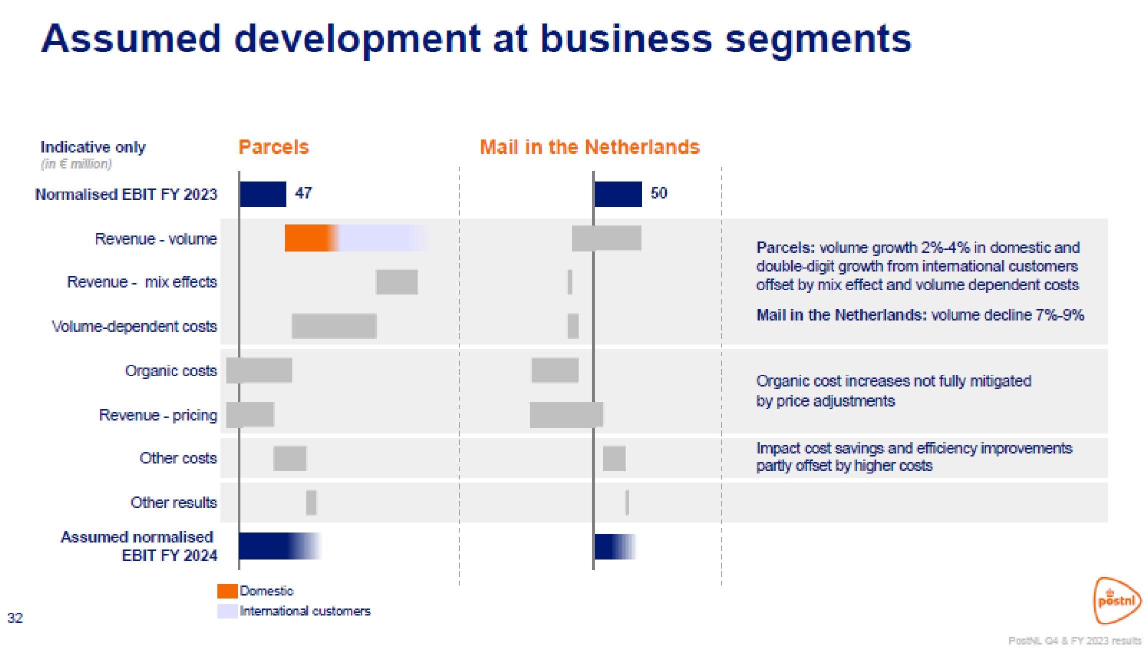
On slide 31, we start to explain the transition from 2023 to 2024. And there you see the EUR 92 million four 2023 and the outlook that we have set of EUR 80 million to EUR 110 million, You can quite clearly see a step-up in performance in Parcels and a further step-down in Mail that leads to this range.

There are a few important assumptions to discuss. Again, organic cost increases will be high, not at the level of 2023, but we still expect EUR 155 million, of which roughly EUR 130 million will be wage related. So, the balance is shifting even more to wage related organic cost increases in comparison to previous years. We will offset that with roughly EUR 135 million of price adjustments. Where the balance at Mail is net positive – in other words, Mail will put forward more price increases than organic costs – but on the e-commerce Parcels side, that will still be a negative balance. And that of course is impacted in the margins at Parcels.

We will realise the EUR 25 million run rate cost savings of the reduction of the 200 to 300 FTEs that we have announced last year. And then, of course other drivers related to volume, composition of volume and the growth that we expect on domestic – the combination of the growth in the Netherlands and the growth in Belgium – we expect 2% - 4% growth, which is a function of roughly 1.5% consumer spending growth, a little bit of online penetration growth and more or less in line with market growth. We do not expect to lose any market share in 2024. Double-digit volume growth on the international side, we already discussed that, so the relative importance of cross-border will further increase from 18% of total volume towards 22% in 2024, so another 4%-point step-up, which brings the total volume growth to 7% to 10%. Prices are up, but as discussed, an unfavourable development in product and customer mix puts pressure on margin.

Herna talked about the adjustments that we are making on the network and from that together with strict cost control, will get EUR 35 million of contribution.

So, within Mail in the Netherlands, we expect a 7% to 9% volume decline with cost savings within the year and, as Herna said, not related to the future changes of regulation, but just executing and creating the run rate implications of changes already made of EUR 40 million within 2024.



In more detail, we thought it was wise to help you on a segment level to understand the progression from 2023 to 2024, and you will find that on slide 32, where clearly you can see the step-up in revenue driven by higher volume growth within Parcels, of which the biggest component is driven by international customers, a quite significant negative mix effect, organic cost increases that are higher than price increases and then in other costs, you will find the improvements that we just discussed of EUR 35 million to change to the networks focus on efficiency improvements and what have you. Other results are slightly positive, which is the combination of Spring, the integrated logistics solutions and some other smaller parts.

Within Mail, you will see the impact of the volume decline with a slightly positive close to zero mix effect, organic cost increases that are lower than the price increases, and other costs that are of course a function of the EUR 40 million of cost savings that we expect to realise within the current business model within 2024.

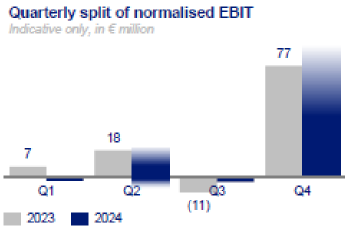
Outlook 2024

Quarterly split

Outlook FY 2024

(in € million)	2023	2024 outlook
Normalised EBIT	92	80 – 110
Normalised comprehensive income	52	40 – 70
Free cash flow	52	0 – 40

- Clear focus on strategy whilst staying disciplined on cash flow management
  - Capex is expected ~€110m
- Aim to pay dividend that develops substantially in line with operational performance
- Acknowledging that external environment remains uncertain



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PostNL Q4 & FY 2023 results

That brings us to the outlook page and the quarterly split. So, we will expect the normalised EBIT of EUR 80 million to EUR 110 million with a normalised comprehensive income of EUR 40 million to EUR 70 million, free cash flow between 0 and EUR 40 million and CapEx is to be expected at EUR 110 million. So, another step-down in comparison to the levels of 2023. And of course, we aim to pay a dividend that develops in line with operational performance.

We still have to acknowledge that the external environment remains uncertain, but we do expect economic conditions to gradually improve over time, but still be challenging and volatile within 2024.

Then, beyond 2024, a few markers which we will focus on. Going forward, we aim to deliver a return that structurally exceeds the cost of capital. At Parcels, the growth in e-commerce drives volume and results, and we are taking all the necessary commercial and operational measures to gradually improve the profitability. As discussed, they are related to targeted yield strategies, rationalisation of services, encouraging out-of-home delivery options and continue to balance investments in working capital, as well as rationalisation of the network to support more operational leverage. In the base scenario, we gradually expect the macroeconomic conditions to improve. Of course, exact timing and exact extent are uncertain, but we aim to get back to our average margins over the period 2019 to 2023, because of the drivers that we just discussed.

At Mail in the Netherlands, today we have set a clear direction on how to keep the postal service in the Netherlands sustainable and achieve a return that is sufficient to cover the cost of capital. The service level for standard mail will transition towards delivery within two days and over time moving towards three days. That allows us to take cost out and deliver a better quality. Adjustments in regulation are necessary, not for all the improvements, but important, nonetheless, and we are committed to keep the postal network in the Netherlands accessible, reliable, affordable for all Dutch inhabitants.

On that note, thank you very much for your attention, and I will hand it back to Inge.

Inge Laudy - Manager Investor Relations: Thank you. So, operator, can you please open up for Q&A?

Q&A

- **Amy Yi Li – UBS**

Hi, thanks for taking my question. My question is on the proposed shift from the next-day delivery obligation towards the two or three-day delivery that you talked about. Have you initiated any discussions with the regulators on the matter, and should they have any objections to the proposal, to what extent can they push back on the decisions or veto it if that is the case? I am curious what the process there might look like.

Herna Verhagen - CEO PostNL: Our publication today, of course, does not come as a surprise for our regulators. Also, the first remarks are already made by the Ministry of Economic Affairs, that they understand that certain changes are necessary and that they are starting their process. So, that is one. Do we expect pushback? No, we trust that our arguments, like the changed consumer expectations, the changed markets and the changed need for urgency mail, et cetera, will bring enough urgency to the politicians in the end. I expect that after today there will be quite some discussions with the politicians responsible for postal files in parliament. Then this will be picked up by the new cabinet. We do not know yet when the new cabinet will be formed and will be in place. Hopefully, it has enough urgency to then immediately start discussing it.

Amy Yi Li - UBS: Thank you.

- **Marco Limite - Barclays Capital**:

Hi, good morning. Thanks for taking my questions, I have two. The first one is on your outlook for parcel volumes, which if I have done the math right implies domestic volumes, as you say, in the range of 2% - 4% and international volumes up 20% - 30% throughout the year. Where do you get confidence that indeed you know international volumes will grow so fast throughout the year and this is not just a temporary trend?

Secondly, while you have said, or you have mentioned that you are working on integrating networks, can you just clarify if with integrating networks, you mean better integrating the parcel and the main network? If yes, you only have mentioned the first mile and middle mile. Why are you still running two separate last-mile networks for mail and parcels?

Pim Berendsen - CFO PostNL: Marco, thank you for your questions. In relation to the international growth, there is nothing wrong with your math. Indeed, significant double-digit growth. That is a continuation of the trend that we already over the last year. Next to that, it is just a limited number of customers that leads to this volume, and we have managed to convert one of these that we did not service yet in 2023 into 2024. Next to the market growth component this will also lead to a little bit of market share gain in that international domain. Together, this leads to the step-up as you have calculated.

Herna Verhagen - CEO PostNL: Regarding integrating networks, let us split the discussion between Parcels and Mail. First, Parcels. I talked about, first, middle and last mile because when we talk about Sunday delivery and same-day delivery, that is a last-mile network. Where we see possibility in the first and middle-mile is in the integration of our time-sensitive networks together with our transport and when we talk about optimisation possibilities in the last mile we talk about optimisation and rationalisation of what we do on Sundays and what we do for the same day. And these are the examples, which will have a positive effect in 2024, and we are working on other examples in first, middle and last-mile that will help us to contribute to 2025 and the years to come.

It is not about the integration of Mail and Parcels because that is one of the scenarios we looked into before we said that a change of service levels is the best way forward when it comes to our mail operation. So, we are not planning to integrate Mail and Parcels. The reason in the Netherlands this is still the most optimal choice is the simple fact that the Netherlands is relatively small in square meters, which means that everywhere in the Netherlands we are quite dense when it comes to parcels. Nevertheless, we still do 1.7 billion letters a year against 340 million parcels. So we are not at the point that it contributes to margin to integrate those networks. It will only lead to higher costs. And that is the reason it is not a doable option at this moment in time. And if we truly want to come to sustainable margins, then it is the service level direction we have to choose.

Marco Limite - Barclays Capital: Thank you.

- **Marc Zwartsenburg - ING**

Good morning, everybody, and thanks for taking my questions. The first one is on the free cash flow guidance, for Pim. You are guiding for the free cash flow below the one we have seen in 2023. We have a little bit less CapEx in 2024 compared to 2023, probably also less provisions, so can you explain the gap a bit? Can you give a bit more colour to that free cash flow guidance, please?

Pim Berendsen - CFO PostNL: Hi Marc, thanks for your questions. A big driver behind that is the delta working capital. We had a very good performance in the fourth quarter, making sure that we collected a lot of the cash that was due but also changed our invoicing processes and that leads to a slightly more negative performance this year. So, it will stick but for the entire year it was a positive working capital. So, part of the overperformance of last year will stick, but part will be phasing in 2024. Therefore, that is the biggest explanation of the reconciliation that you are trying to make.

Marc Zwartsenburg - ING: Very clear. You also mentioned the fine from the ACM. Can you share the number with us? It is payable in 2024 as well?

Pim Berendsen - CFO PostNL: Yes, it will be payable in 2024. It is EUR 2.6 million and, as said, the likelihood that will go into appeal or in whatever the legal term will be, object against this is very high because we certainly do not agree with their argumentation. But it is EUR 2.6 million and that normally happens that you have to pay first and you can appeal later. So you should expect this to be an outflow, either in Q1 or just at the beginning of Q2.

Marc Zwartsenburg - ING: And then on the potential savings you would receive from going to a two-day delivery and later on a three-day delivery. What would be there? I know some numbers from way back, but volumes are different and inflation is different. So what will be the saving if you go to a model of say non-priority in two days and then later on to three days. Can you share the numbers with us?

Herna Verhagen - CEO PostNL: We will not share the numbers at this moment in time, Marc, because focus needs to be on getting speed in the discussion that we need to change. And we first moved to delivery within two days and then over time moved to delivery within three days. The reason it is more efficient, and therefore we will be able to save cost there, is in the fact that we still deliver five days a week but will not come to every street five days a week. So, we will move from delivery five days a week, every day and every street to five days a week delivery for the urgent mail and three days a week in the street. That optimisation means that you can combine much more mail in one route and that means that the mail deliverer has a more efficient route. Nowadays, he has only 50% of the houses where he puts mail in the mailbox. That will increase when you have more mail in a day. Secondly, it also means that we can make more efficient and more optimised processes in collection and in also the preparation of the mail bags. So, there are several levers where we can reach higher efficiency in focusing mail and combining mail to three days a week. As we have said already a few times today, it needs a postal regulation change. We are not asking for a change of five days a week delivery to lesser days. We are asking for an extension of the amount of days in which we have to deliver. So, we would like to have a broader service level, giving us two days and over time three days to deliver a letter. Already today we can deliver 96% of our letters within two days. The last thing to say about this is that of course we focus on USO mail, we are going to combine also all business mail. In the end, this will be a change in service level for all mail we have.

Marc Zwartsenburg - ING: That is very clear. Thanks for that, Herna!

It sounds to me that it is a multi-millions more of efficiencies in the network. Would it be enough to get the margin a little bit up again or is it more to protect the margin in the mail business beyond 24?

Pim Berendsen - CFO PostNL: As you have seen in the bridge, Mail margins and profit come down in 2024 on the outlook that we have given. With the measures we announced we think we were able to stabilise the returns on Mail at a level that is good enough to carry the cost of capital after 2024, considering the timelines that Herna just discussed. And then it is not illogical to say that this should lead to tens of millions of additional savings because otherwise we will not get there. And that is just by the function of the elements Herna shared. On the lower volume days you can take cost out. You have more letters per stop and those are the drivers that will lead to that improvement over time.

Herna Verhagen - CEO PostNL: To be clear, Marc, we will not get this discussion going by focusing on our cost savings and on return above cost of capital. Although for us, these are the main drivers behind the change that will not be the main drivers for politicians to change. There it is much more in the changing consumer demand and therefore all the consumer surveys we did over the last half year to find out what truly the consumer needs and wants together with the fact that shortage in labour we will be helped by bringing the mail together on a few days, it will help us to fill in the vacancies we have, and it will help us to truly increase our quality. Those are the arguments which – you understand – are probably much more fitting for politicians. In 2024, we remain to work in the current business model.

Marc Zwartsenburg - ING: The earliest is next year.

Herna Verhagen - CEO PostNL: Earliest is 2025 indeed, and that also means that the EUR 40 million which we have as a saving target for 2024 comes from a further improvement on already started reorganisations and changes in 2022 and 2023.

Marc Zwartsenburg - ING: Very clear. Thanks for that. And then, you also mentioned you want to get back to the average margin in Parcels of 2019 and 2023 of just above 6%. What is the timeline to get there? Do you need three years of mid-single digit volume growth? Can you give a bit more colour on how to get there because that is quite a step-up from here?

Pim Berendsen - CFO PostNL: It is a step-up. We already see an improvement from 2023 to 2024. If you consider, the balance between organic cost increases and price increases in Parcels is more negative than in total because Mail is positive. One of the areas is that we gradually need to make sure that the two of them will be better balanced or lead to a net positive. If you take that into account, that is already quite a significant additional step-up in margins. With the latest view on slightly reduced inflationary expectations and also longer-term slightly fewer increases in wage increases are expected – if you look at the latest view – that is an important element. Next to that, the changes to the network will make it more flexible and help us to create more operational leverage whilst volume increases continue. Those drivers together will define the trajectory. We want to get there as quickly as we can, but we are also partly reliant on the macroeconomic circumstances. So, I cannot say two years or three years; our aim is definitely not to need more than three years to get there. The sooner, the better and one step is that you can already see in 2024 that there is a better balance between price increases and cost increases, only not yet at the level that we need to get to. So, we will need to progress that further and that is in our plans for this year and next year.

Marc Zwartsenburg - ING: Very clear now. Thanks. Those were my questions for now.

- **Henk Slotboom - the IDEA!**

Good morning, and thanks for taking my questions. If you do not mind, I will do it the same way as Marc did. I have one add-on question to start with on the back of what Marc already asked.

First of all, let me say I am very happy to hear that you finally started the discussion on the service model in Mail, but what withholds you from, for example, implementing this model straight away in the non-USO segment? There are mixed consignments. You have three service levels there. You have a 24-hour mail, you have a 48-hour service level and you have the flex model. Hypothetically, there is nothing legally withholding you from implementing that that model, as of the end of the first quarter or something like that and if you want, you can stop it today, I guess.

Herna Verhagen - CEO PostNL: There are a few elements to your question, Henk. In the end it is possible for us to start with the non-USO segment in within the two-days delivery framework. So it's part of the possibilities we have. Depending a little bit on the speed of the discussions in parliament we can choose for that or not.

Secondly, if you want to do that change, it is not an overnight change, and you know that as well. It means that you have to change all your contracts. It means that you have to change the working hours of the people working for us. So, it needs quite some preparation to do this in the right way for our customers, which is crucial. Otherwise, we lose volume instead of what we win, and to do it right, also for employees and to get the quality we want to get.

Thirdly, we have looked into lots of possibilities and this is one of them. If the time between the implementation of a non-Universal Service segment to a window of delivery within two days, too long for your USO mail, then it is also not cost-efficient. So, the combination of the two is most cost-efficient for us because we can do the change at once and prepare it well. If necessary, we can split. If the time between the two is too long, then again it is also not cost-efficient. So yes, we will prepare as we always do when it comes to cost savings but if and when depends also on the speed of the discussion in parliament.

Henk Slotboom - the IDEA!: That is clear. I believe you or Pim said in the presentation that if you go to a different service model you need less people. You still have a lot of vacancies and there are problems on the labour market. There is a tight labour market, which you are suffering from as well. How do the unions, which are currently at the negotiation table trying to negotiate a new CLA for the Mail people, look at this because less working days means less people? Are you not afraid this is going to change the attitude of the unions? FNV already asked EUR 16 per hour and I understood PVVP and CNV are more realistic. What do you sense? I guess you have tested the temperature of the water among the unions as well when it comes to different service model in Mail.

Herna Verhagen - CEO PostNL: To be honest, we do not expect that it will influence their negotiations on the CLA. It also has quite some positives for unions to go to a different service level. To mention the positives for you, as we said, at this moment in time, we do have quite some structural vacancies. So it is very difficult for us to fill them. This model gives us the possibility to fill part of those vacancies. That is one.

Those vacancies also lead to what we call work pressure. So, we ask people to do an extra round to deliver the mail, and we do that quite often, to be sure that we deliver as much as possible. That in the end also has an impact on illness rates. When you look into the model delivering within two days a week, it will have a positive impact on work pressure.

And thirdly, we have looked into how we want to change, what is the speed of change and what is necessary to do that. We expect to do that by natural attrition or by far by natural attrition, which is also positive for unions. So there are also quite some positive elements in this change. Do not forget that in the end the reality is that consumers and customers bring us every year 8% less mail and that the amount of priority mail even decreased much higher. So, there is an end to what we can do. That is also very clearly seen by the unions. They also see the deterioration of the margins of Mail over the last few years.

Henk Slotboom - the IDEA!: Then a question for Pim. Slide 32, the organic cost increases at Parcels and at Mail, I am a bit surprised about the overall picture. If I look at it roughly two thirds of the organic cost increase is in Parcels and roughly one third is I Mail, 60 – 40. What explains that? I understood that the Mail division is most affected by what has been happening on the minimum wage front. Apart from that, there are more people working in Mail. How come that the organic cost increase in Parcels is bigger than the organic cost increase in Mail you expect for 2024?

Pim Berendsen - CFO PostNL: The size of the cost and the people working there are significantly different there. So it is not only the domestic e-commerce business which is in the segment of Parcels, there is also Logistics Solutions, Spring and there are different parts. Also, Belgium is there. That is the most important explanation. And yes, a big part of the EUR 134 million is minimum wage related. Let's say that is roughly EUR 40 million to EUR 45 million out of the EUR 134 million of total labour cost increases. That is predominantly visible in Mail but let's not forget that collective labour agreement raises impact the e-commerce segment more than Mail. Also, the follow-through of NEA-indexation towards delivery partners is certainly something that we only see within the Parcels segment. So, those are the elements that you need to take into account when trying to split the EUR 155 million.

Henk Slotboom - the IDEA!: And then the final question, on the delivery quality and the fine you received from ACM. I fully agree with you that 2021 was an exceptional year with regard to COVID, but if I look at 2022. The delivery quality was 91.4% and last year the delivery quality was 88%, with 82% even in the final quarter of the year. Should I be afraid for even higher fines from ACM? Because in 2023 you can blame the labour market, but there is no such thing as for example COVID what played a role in 2021? What is your view on that?

Pim Berendsen - CFO PostNL: First and foremost, we split 2020 and 2021 from 2022 and 2023, and it is exactly as you said. So 2021 is in our view impacted by COVID with different ways of working. The other two years are really related to a fundamental change in labour markets that just made it impossible for us to get the number of people in to deliver all the mail routes. We have clearly illustrated in numerous locations towards ACM with all the measures that we have taken to limit that number that there is a clear correlation between the number of vacancies and the loss of quality compared to the standard. So, those will be our arguments to fight off as much as we can, potential funds for those years. From an accounting point of view, we have taken a bit of a provision, but I am not going to be too precise. I do not want to jeopardise PostNL's position whilst that is still under discussion.

Herna Verhagen - CEO PostNL: And the impact of capacity is much higher than the impact of COVID.

Henk Slotboom - the IDEA!: I understand, but the question is how reasonable ACM is. My experience is …

Pim Berendsen - CFO PostNL: They put a fine two days before us issuing an annual report. So it is not about reasonable; it is all about our arguments. We will object in the best way against this fine, and then we will see happens. Of course, we have taken an eye on 2022 and 2023 and provided for it, but it will be a conversation. It also ties into the main topic of today that we need to get to that level different service level within Mail. And just to give you a marker there: if we look at 2023 and look at our two days delivery, we easily exceed the 95% already.

So, it is not that the mail does not come to the consumer. It is there, but just a little bit delayed because of the fact that we have too little people, given the tight labour markets. So, these two elements they're the two elements find each other in today's storyline.

Henk Slotboom – the IDEA!: Thank you very much.

- **Marco Limite – Barclays Capital**

Hi, good morning again. I have a few follow-up questions, please. Could you give us a bit of colour on the exit rates in terms of partial volume growth in January and February?

The second question is going back to the USO reform. So, do I get this right that beyond 2024 you see very limited scope for further cost savings and therefore in a scenario where the USO reform takes longer than expected, basically in 2025 you will be in a situation where you cannot cut costs much more, or you can get much more cost savings on top of what you have done over the last few years?

Thirdly, you gave the free cash flow guidance for 2024. Assuming a broadly stable dividend next year versus this year, you will have EUR 50 million of cash outflow. So probably the free cash flow will not cover the dividend payment next year. And I think you also have some bonds to be repaid or to be rolled over in 2024. So, generally overall, how confident are you on your credit position?

Herna Verhagen - CEO PostNL: Let me answer your question on the USO reform and then Pim will take the other two.

Does it mean we do not have anything in our back pocket for 2025? The answer is no. We have been restructuring that company for the last 15 years and that does not stop as of 31 December 2024.

Secondly, as was also highlighted by Henk, there is a possibility to do business mail earlier than USO mail and bring business mail within a two day delivery framework. That is also and always an opportunity or possibility we have. So, we are not looking that 'black' to 2025, as you phrase it, but we do want to emphasise – and that is the reason we started the discussion today – we want to be in time on the changes necessary for a long-term sustainable mail delivery in the Netherlands.

Pim Berendsen - CFO PostNL: Then your question on exit rates. January and February volumes are in line with expectations, so in line with the growth rates that we have set for the entire year. So, they are in line with the plan, both in terms of what we expected for those months and in terms of composition of that volume, which as you realise is important as well.

On the free cash flow guidance, yes, a lot of things will happen below the free cash flow line. Dividend is one but the full-year dividend over the book year 2024 is only partially paid within the year. Indeed, there will be refinancing. We have a bond that terminates in November of this year, and we will be looking at the most efficient way to refinance, knowing the current cash position and knowing our cash flow expectations. We are preparing that, and we still believe that there is a good market with solid credit rating that we still have to refinance against favourable terms. So, I am not worried about that. We have started the preparations, and I am sure we will be able to do that appropriately.

Marco Limite - Barclays Capital: Thank you very much.

Operator: Thank you. Due to time constraints, this concludes our question and answer session, so I will hand the call back to Miss Laudy for closing remarks.

Inge Laudy - Manager Investor Relations: So thank you all for listening. If you have any further questions, please reach out to us, and thank you for today. Enjoy your day.

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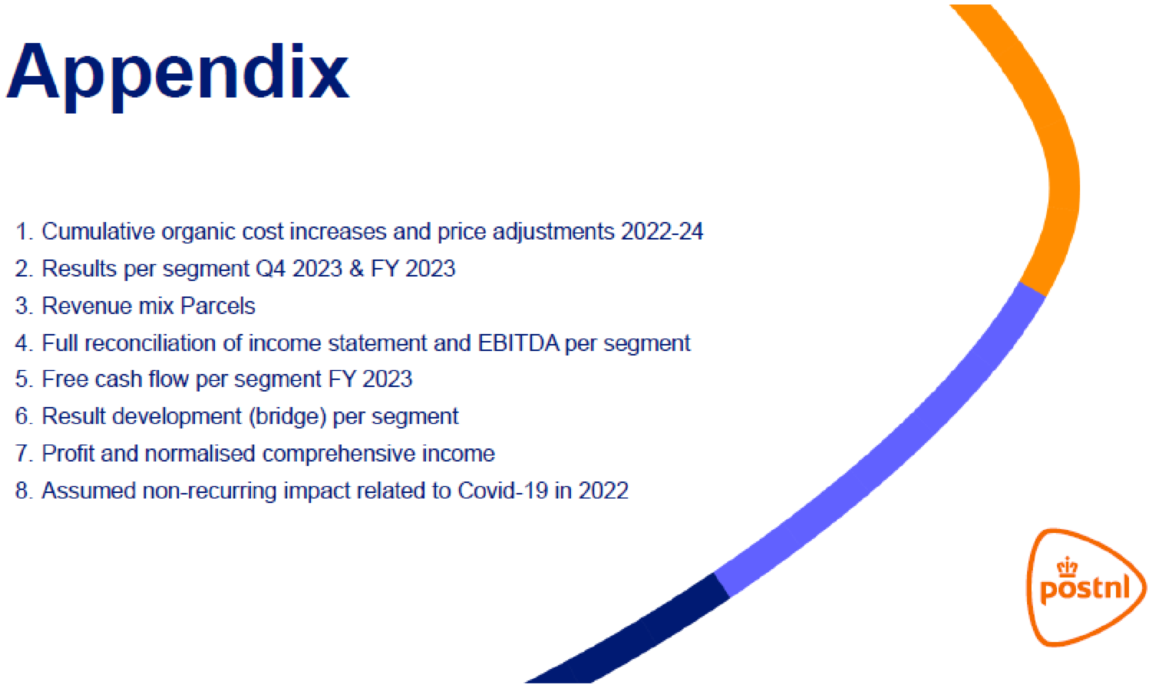
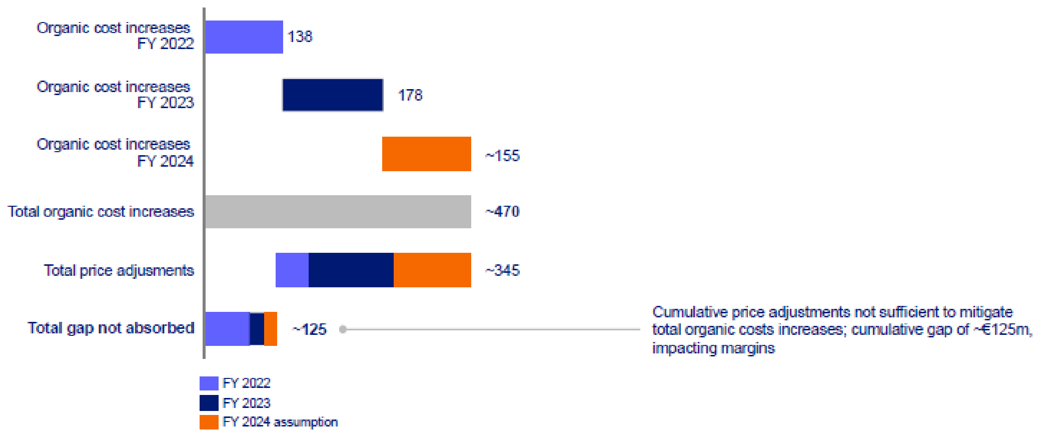
End of call


Appendix
1. Cumulative organic cost increases and price adjustments 2022-24
2. Results per segment Q4 2023 & FY 2023
3. Revenue mix Parcels
4. Full reconciliation of income statement and EBITDA per segment
5. Free cash flow per segment FY 2023
6. Result development (bridge) per segment
7. Profit and normalised comprehensive income
8. Assumed non-recurring impact related to Covid-19 in 2022
postnl

Continued significant inflationary pressure on costs

Not fully mitigated by price adjustments

(in € million)



Results per segment Q4 2023 & FY 2023

(in € million)	Revenue		Normalised EBIT		Margin	
	Q4 2022	**Q4 2023**	Q4 2022	**Q4 2023**	Q4 2022	**Q4 2023**
Parcels	587	608	24	23	4.1%	3.9%
Mail in the Netherlands	429	401	60	54	14.0%	13.5%
PostNL Other	49	64	(23)	0		
Intercompany	(182)	(184)				
PostNL	883	**889**	60	**77**	6.8%	**8.7%**
	FY 2022	**FY 2023**	FY 2022	**FY 2023**	FY 2022	**FY 2023**
Parcels	2,165	2,260	56	47	2.6%	2.1%
Mail in the Netherlands	1,495	1,373	107	50	7.2%	3.6%
PostNL Other	215	245	(80)	(5)		
Intercompany	(731)	(713)				
PostNL	3,144	**3,165**	84	**92**	2.7%	**2.9%**

Revenue mix Parcels

As of 2023

(in € million)	Q1 2022	Q1 2023	Q2 2022	Q2 2023	Q3 2022	Q3 2023	Q4 2022	Q4 2023	FY 2022	FY 2023
Parcels Netherlands	361	355	345	366	332	342	392	402	1,431	1,464
Spring	105	116	91	119	95	116	113	125	404	475
Logistics solutions and other	77	72	74	72	68	67	77	72	297	283
Other / intercompany	11	19	9	(0)	11	9	4	10	34	38
Parcels	554	561	519	556	506	535	587	608	2,165	2,260

2022

(in € million)	Q1 2022	Q2 2022	Q3 2022	Q4 2022	FY 2022
Parcels Netherlands	361	345	332	392	1,431
Spring	105	91	95	113	404
Logistics solutions and other	105	98	93	101	396
Eliminations	(17)	(15)	(14)	(19)	(65)
Parcels	554	519	506	587	2,165

Presentation revenue split Parcels slightly adjusted as of Q1 2023

- Part of 2022 'Logistics solutions and other' now transferred to the line 'Other / intercompany' to better fit business activities

Full reconciliation of income statement and EBITDA FY 2023

Income statement	PostNL		Parcels		Mail in NL		PostNL Other		Eliminations	
(in € million)	FY 2022	FY 2023	FY 2022	FY 2023	FY 2022	FY 2023	FY 2022	FY 2023	FY 2022	FY 2023
Total operating revenue	3,144	3,165	2,165	2,260	1,495	1,373	215	245	(731)	(713)
Other income	7	9	0	3	7	8	-	(2)	-	-
Cost of materials	(85)	(91)	(65)	(64)	(12)	(12)	(7)	(14)		-
Work contracted out and other external expenses	(1,570)	(1,592)	(1,466)	(1,506)	(694)	(677)	(140)	(123)	731	713
Salaries and social security contributions*	(975)	(1,008)	(364)	(415)	(505)	(475)	(106)	(118)	-	-
Pension contributions & related costs	(172)	(92)	(34)	(36)	(47)	(38)	(92)	(18)	-	-
Depreciation, amortisation and impairments	(156)	(177)	(73)	(83)	(28)	(26)	(55)	(68)	-	-
Other operating expenses	(128)	(130)	(110)	(116)	(117)	(106)	98	92	-	-
*Total operating expenses**	*(3,085)*	(3,090)	*(2,111)*	(2,220)	*(1,404)*	(1,334)	*(301)*	(250)	*731*	*713*
Operating income / EBIT	66	84	54	43	98	47	(86)	(6)	-	-

EBITDA	PostNL		Parcels		Mail in NL		PostNL Other	
Operating Income / EBIT*	66	84	54	43	98	47	(86)	(6)
Depreciation, amortisation and impairments	156	177	73	83	28	26	55	68
Reported EBITDA	222	261	127	126	127	73	(32)	62
Non-cash pension expense*	75	0	-	0	-	-	75	(0)
EBITDA excluding non-cash pension expense	297	261	127	126	127	73	43	62
IFRS16 impact (depreciation RoU assets)	(66)	(72)	(43)	(48)	(12)	(12)	(11)	(12)
EBITDA excluding non-cash pensions and IFRS16	231	190	84	78	115	61	32	50

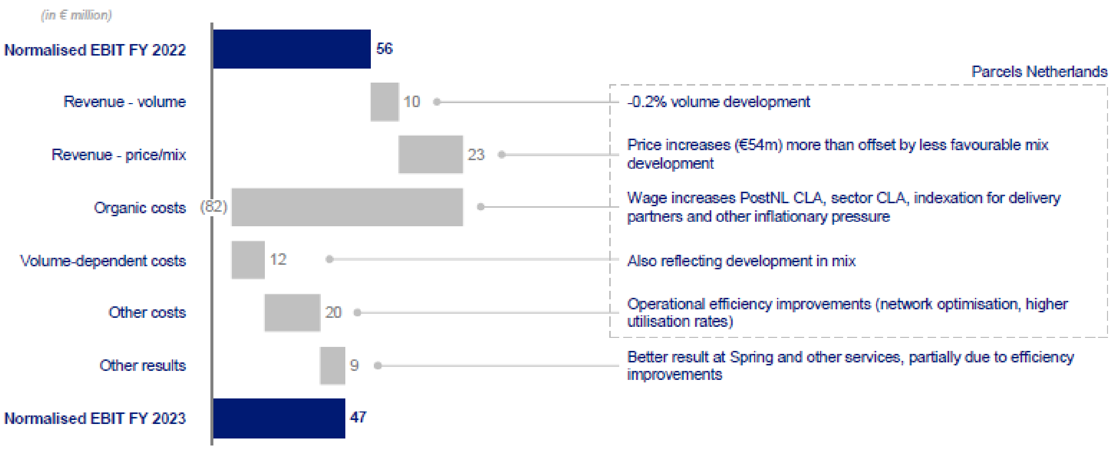
** FY 2022 excluding accounting impact of change in following pension agreement*

Free cash flow per segment FY 2023

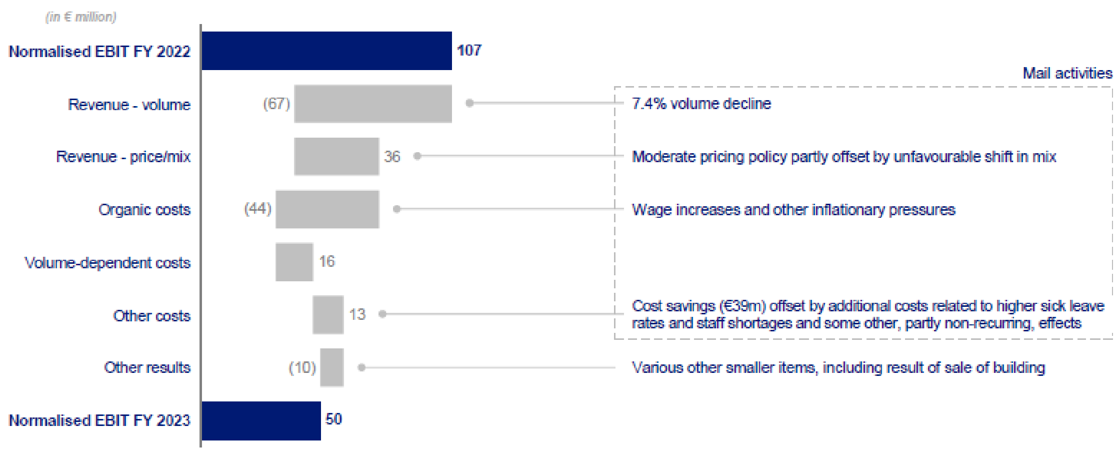
(in € million)	PostNL		Parcels		Mail in NL		PostNL Other & Eliminations	
	FY 2022	FY 2023	FY 2022	FY 2023	FY 2022	FY 2023	FY 2022	FY 2023
EBITDA*	222	261	127	126	127	73	(32)	62
Change in pensions* **	75	0	0	0	-	-	75	(0)
Change in provisions*	(3)	14	4	5	(5)	8	(2)	2
Change in working capital*	(3)	23	(7)	40	(5)	(8)	9	(8)
Capex	(138)	(126)	(35)	(43)	(17)	(11)	(85)	(72)
Disposals	6	(8)	(0)	(3)	6	(7)	(0)	2
Interest paid	(20)	(20)	(5)	(6)	(3)	(3)	(12)	(10)
Income tax paid	1	(35)	(14)	(11)	(25)	(12)	40	(12)
Lease payments and related cash flow	(78)	(67)	(49)	(38)	(18)	(18)	(10)	(12)
Other	6	25	2	1	(0)	1	4	23
Adjusted free cash flow	**68**	**68**	**23**	**71**	**59**	**23**	**(14)**	**(26)**
Settlement payment transitional plan	(28)	(16)	-	-	-	-	(28)	(16)
Free cash flow	**40**	**52**	**23**	**71**	**59**	**23**	**(42)**	**(42)**
Free cash flow yield	5%	7%						

• FY 2022 excluding accounting impact of change in following pension agreement; net impact of these adjustments on FCF equals zero
*** Excluding settlement payment transitional plans (€28m in 2022 and €16m in 2023)*

Parcels FY 2023 normalised EBIT bridge



Mail in the Netherlands FY 2023 normalised EBIT bridge



Profit and normalised comprehensive income* PostNL

(in € million)	FY 2022*	FY 2023
Operating income / EBIT	66	84
Net financial expenses	(19)	(2)
Results from investments in JVs/associates	(1)	(4)
Income taxes	(21)	(24)
Profit/(loss) from discontinued operations	(11)	1
Profit	**14**	**56**
Other comprehensive income (2022: mainly related to pensions)	52	(8)
Total comprehensive income	**66**	**47**
Normalisation on EBIT, net of tax	13	6
Exclude result from discontinued operations	11	(1)
Normalised comprehensive income	90	52

**FY 2022 excluding accounting impact of pension agreement*

Assumed non-recurring impact related to Covid-19 in 2022

Volumes

(around, in million)	Q1 2022	Q2 2022	Q3 2022	Q4 2022	FY 2022
Parcels	2	-	-	-	2
Mail in the Netherlands	15	3	7	6	30

Revenue

(around, in € million)	Q1 2022	Q2 2022	Q3 2022	Q4 2022	FY 2022
Parcels	2	-	-	-	2
Mail in the Netherlands	9	1	2	1	13
Eliminations	0	0	-	-	-
PostNL	**10**	**1**	**2**	**2**	**14**

Normalised EBIT

(around, in € million)	Q1 2022	Q2 2022	Q3 2022	Q4 2022	FY 2022
Parcels	(2)	-	-	-	(2)
Parcels Netherlands	*(2)*	-	-	-	*(2)*
Spring and Logistics	-	-	-	-	-
Mail in the Netherlands	3	(0)	1	1	5
PostNL	**1**	**(0)**	**1**	**1**	**2**

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PostNL Q4 & FY 2023 results

Financial calendar and company information

Financial events calendar

- 16 April 2024 — Annual General Meeting of Shareholders
- 6 May 2024 — Publication of Q1 2024 results
- 5 August 2024 — Publication of Q2 & HY 2024 results
- 4 November 2024 — Publication of Q3 2024 results

Company information

1. Annual Report site
2. Annual and quarterly results