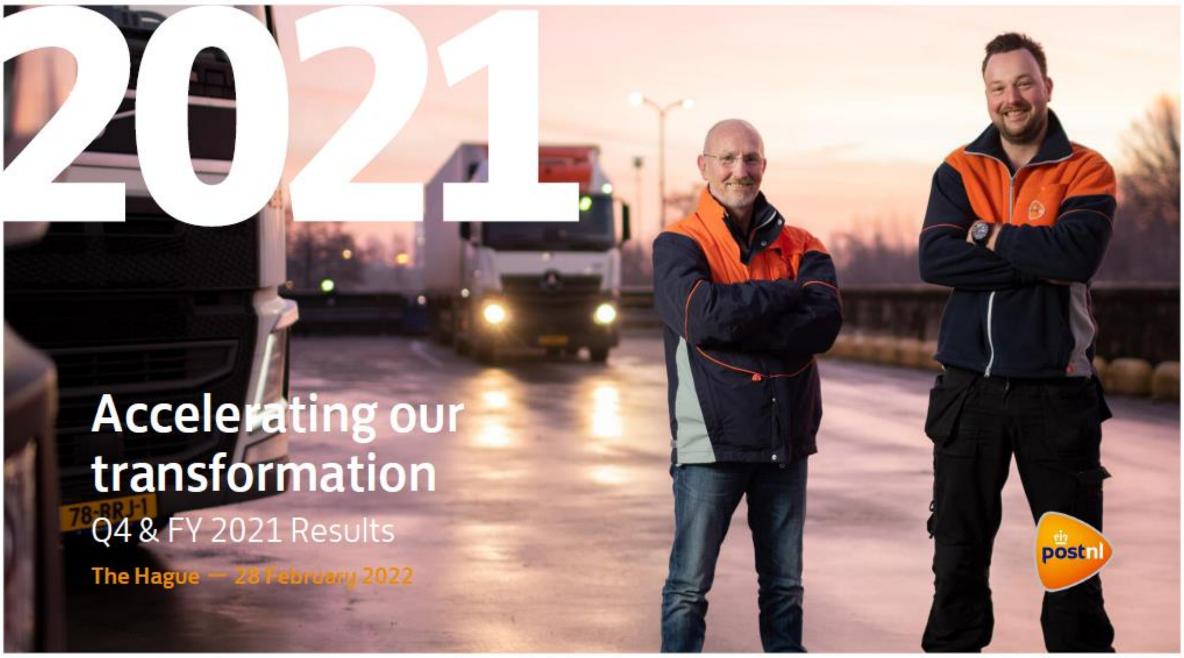
2021
Accelerating our transformation
Q4 & FY 2021 Results
The Hague — 28 February 2022
postnl

Additional information

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Note that the numbers presented in this presentation (tables and result explanations) may not sum precisely to the totals provided and percentages may not precisely reflect the absolute figures due to rounding.

Note that FY 2020 numbers in this presentation have been restated due to a change in accounting policy related to IAS 38 (Configuration or customisation costs in a cloud computing arrangement); see our Annual Report 2021 for further details.

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Jochem van de Laarschot – Director Communications & Investor Relations PostNL: Thank you, operator and thank you for joining us today. As usual, Herna Verhagen and Pim Berendsen will take you through the presentation that you can find on our website, after which we will open up for your questions.

Key takeaways 2021

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Herna Verhagen – CEO PostNL: Thank you, Jochem, and welcome to you all.

Exceptional year, impacted by the pandemic

2021 key takeaways

- Recognising and rewarding efforts and hard work of our people, partners and retailers, which we supported with extra fees during the lockdown period
- Strong business performance Parcels and Mail in the Netherlands
- Very strong cash flow performance, further strengthening our already solid financial position
- Share buyback programme of €250m announced in January
- Continued focus on value creation for all stakeholders

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I would like to start on slide 4, in which we look back to 2021, which was an exceptional year, of course impacted by the pandemic. Key takeaways of the year is that we recognised and rewarded the efforts and hard work of our people, partners and retailers and for retailers, we did that again over the lockdown, end of December and also at the beginning of the year 2022.

We saw strong performance. I will do a deep dive on the performance of the units in Q4 and full year, strong performance in Parcels and Mail in the Netherlands.

As we already said in our trading update, our free cash flow and our cash flow performance was better than expected and further strengthened our already solid financial position and that also has led to a share buyback programme which we announced in January and which will start tomorrow.

Going forward, we will have continued focus on value creation for all our stakeholders and of course, this is with the fact that we look into a war in Ukraine, which makes it a little bit of a mixed feeling to bring good numbers and a good perspective for PostNL going forward knowing what is going on in the world.

Financial highlights

Earnings at high end of guided range and outperforming on cash flow

- Busy Q4 accelerated already strong performance of first three quarters
- Strong performance in last weeks of the year mainly driven by Mail in the Netherlands, with Parcels in line with expectations

Key financial metrics for 2021

(in € million)	FY 2020 restated*	Latest guidance	FY 2021	change
Revenue	3,255		3,466	+6.5%
Normalised EBIT	250	280 - 310	308	+23.6%
Assumed to be non-recurring and related to Covid-19	*77*	*~75*	*82*	
Free cash flow	186	250 - 280	288	+54.8%
Normalised comprehensive income	200	250 - 280	285	+42.2%
(Proposed) dividend per share	€0.28		€0.42	

** For explanation on FY 2020 restatement in this presentation refer to slide 1*

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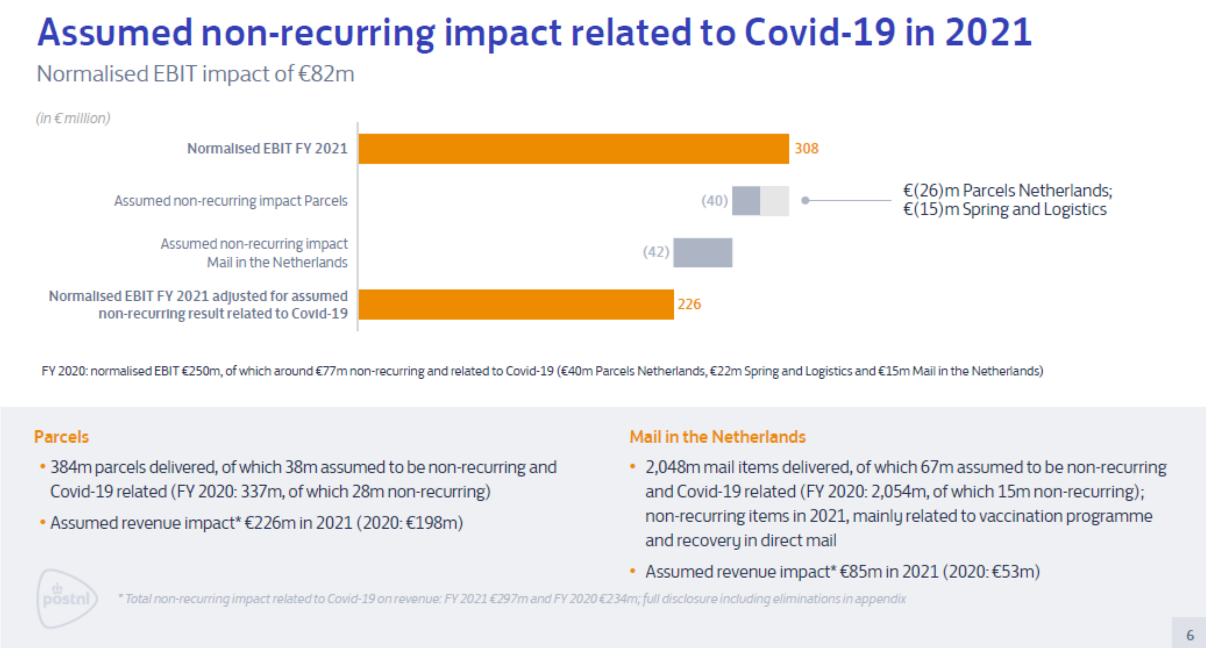
On slide 5, we summarise the financial highlights. Our earnings were at the high end of the guidance range, which we had set last year between EUR 280 million and EUR 310 million, and we outperformed on cash flow. Q4 was a busy quarter and accelerated already strong performance of the first three quarters.

The good performance in the last quarter was mainly driven by Mail in the Netherlands, and Parcels in line with expectations. That has led to good financial metrics for the year 2021. A plus of 6.5% in revenue, a plus of 23.6% in normalised EBIT, which brought us to a number of the EUR 308 million and I think important and we will come back to that in some of the next slides, there is a non-recurring Covid-effect in it of EUR 82 million.

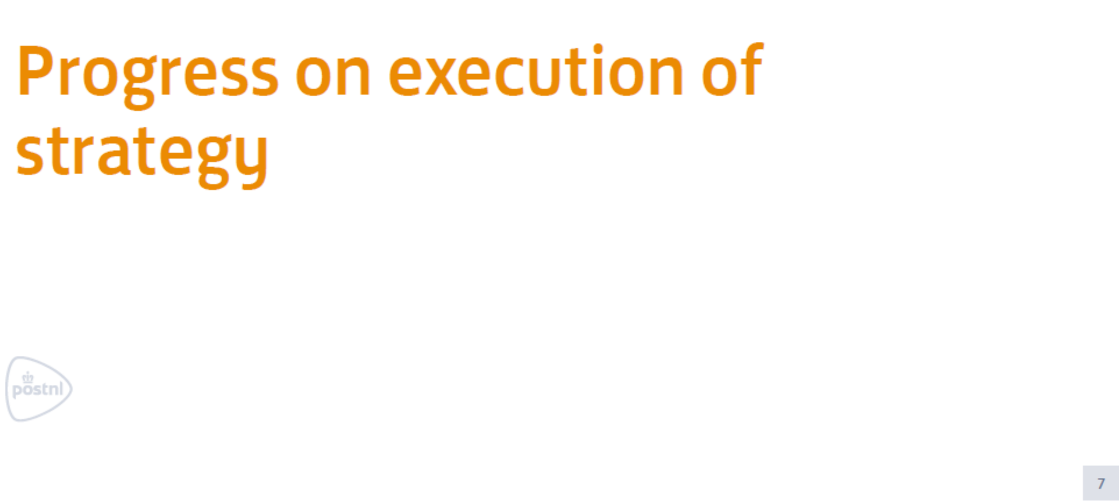
Free cash flow came in EUR 288 million, which is a plus of 54.8% and our normalised comprehensive income, which is of course the basis for our dividends, came in at EUR 285 million, which has led to a proposed dividend per share of EUR 0.42. In our view, strong financial results for the year 2021.



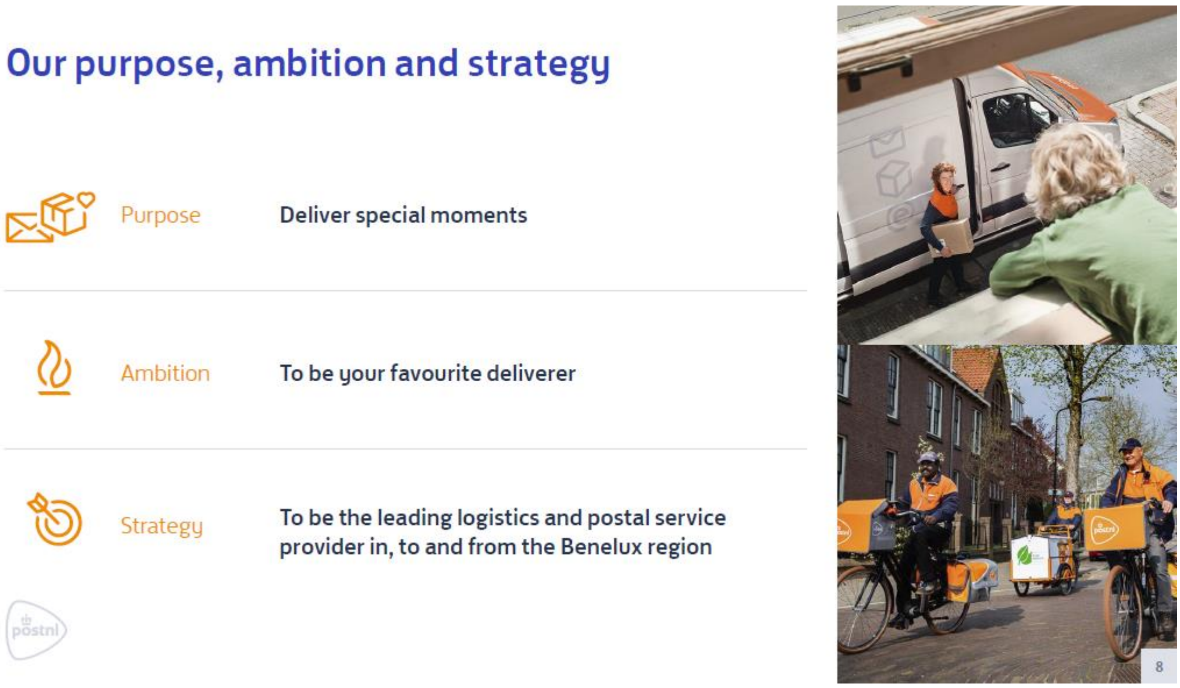
And that is important to understand, and that is on slide 6, what the Covid impact is on our normalised EBIT. That is what you see over here, normalised EBIT EUR 308 million in 2021. There are two Covid-effects, around EUR 40 million at Parcels, which is split between EUR 26 million Parcels in the Netherlands and EUR 15 million with Spring and Logistics and in the bullets of course we provided also the number of parcels which are in our view, non-recurring.

And in Mail in the Netherlands, an impact of EUR 42 million, as we think that 67 million mail pieces are assumed to be non-recurring. There you can think about all the mailings we did for the vaccination programs to boost the mailings, but also for example, the elections, which we had in March last year where people older than 70 had the possibility to their voting by mail. The assumed revenue impact is EUR 85 million in 2021 and that is compared to EUR 53 million in 2020.

Good results and of course also helped by the non-recurring effects in Parcels, Spring, and of course, Mail.

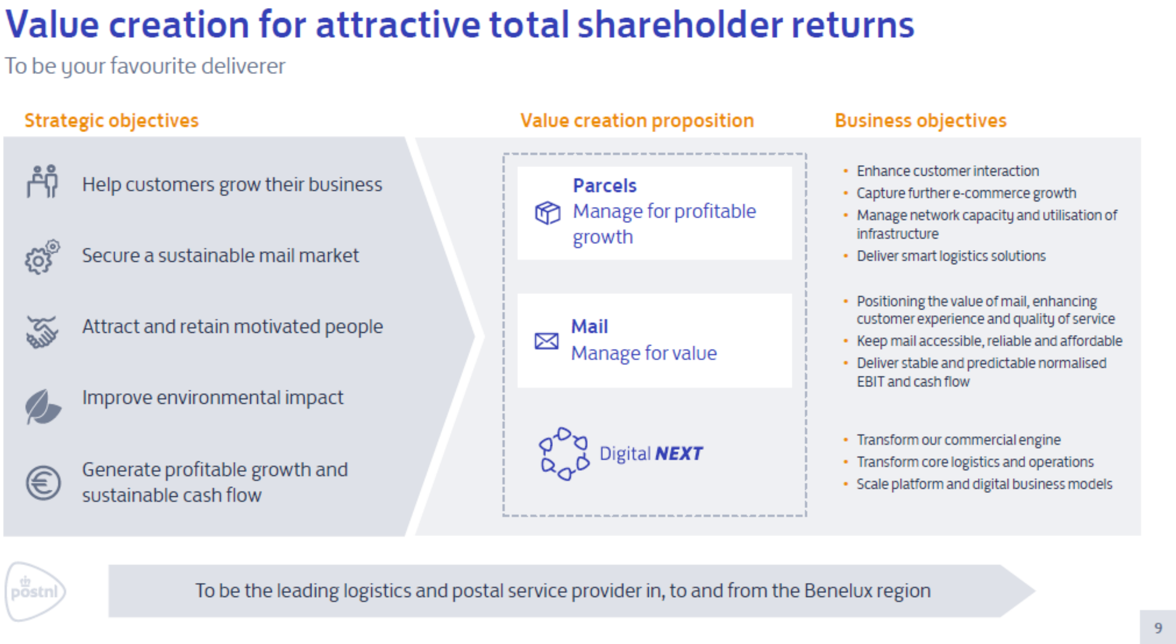


I think those good results for the year 2021 are based on important progress we have booked in the execution of our strategy. Let’s give a short update on our strategy. We will not that too long, because that is what we have already presented a few times and gave you some details on examples we have, and how we follow the progress.



Our purpose is delivering special moments and that is with the ambition to be your favourite deliverer, and clear strategy to be the leading logistics and postal service provider into and from the Benelux region.

The latter, gives a clear view on where we think we want to be active, which is the Benelux region, but it also gives clarity on the fact that parcels come in and go out from the Benelux and that is our Spring entity, which is important to PostNL.



On slide 9, you find the value creation model, which we already shared with you, which is also part of course of our Annual Report, which is also published today. We have three very clear elements in our value creation proposition.

The first one is Parcels and we manage Parcels for profitable growth, for example, by enhancing our customer interaction but also customer satisfaction by capturing future e-commerce growth where we think e-commerce growth will continue but also delivering smart logistics solutions.

Mail in the Netherlands is managed for value. We position mail as still very important to keep contact between people and that is what we saw happening in Covid time as well, that mail remains to be an important element in having people contact with each other, and we want to keep it accessible, reliable and affordable and that with delivering stable and predictable normalised EBIT and cash flow, the main reasons behind the consolidation.

The third important element in that value creation proposition is Digital Next and there are a few slides. In the next few slides, I will spend some more attention to the progress in the Digital Next program. I think important to mention in our strategic objective is what we is we work for our customers and help them grow their business, so Net Promoter Scores for customer satisfaction are crucial for us.

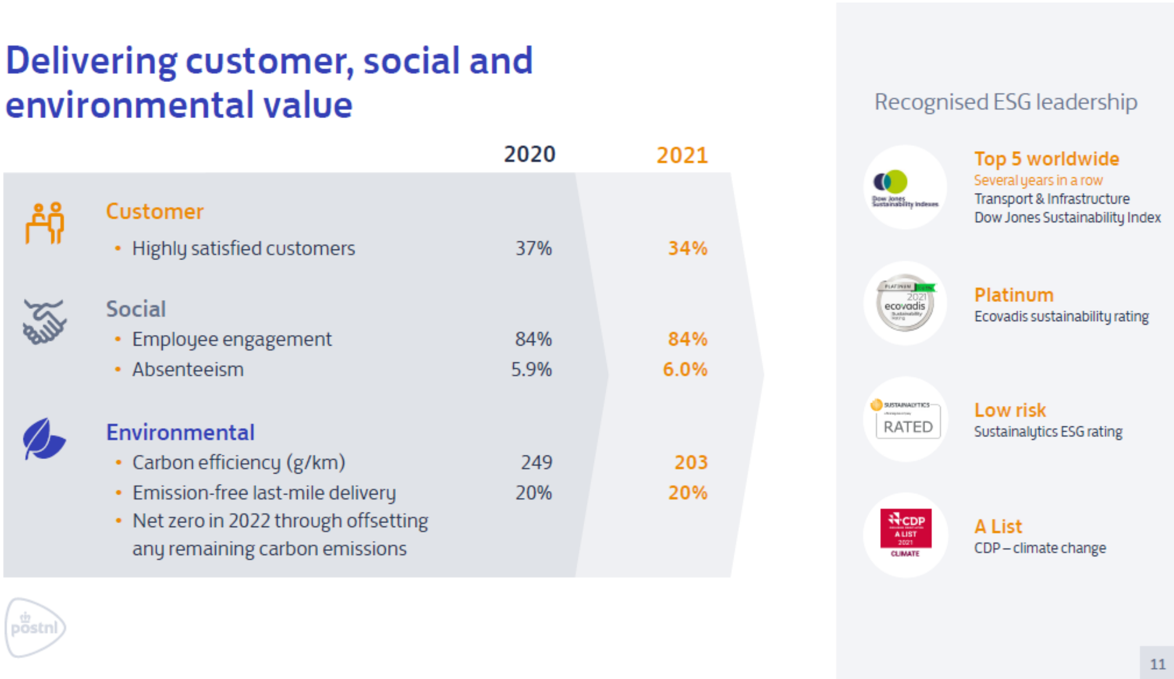
We want to secure a sustainable mail market, as just explained, attract and retain motivated people, very important, especially in 2021 and also in 2022. With, of course, a tightening labour market, we want to improve our environmental impact where, in the extra investments we announced last year, there was also an extra amount taken up for improvement in our CO_2-emission and in the end, which should create and generate profitable growth and sustainable cash flow, which is important to create value for all our stakeholders and also shareholders.

There are two elements I would like to give you a short highlight on. The first one is ESG and you find on slide 10, what is important in our ESG.

Of course in Environment, it is about clean kilometres, it is about network efficiency, but also about sustainable buildings where we made progress in 2021.

In Social, it is strengthening our employee engagement, and fortunately, also over the year 2021, we had a very high employee engagement. Staying safe and healthy that helped us enormously over the last two years to keep our network running and to make sure that we were able all of the days to deliver mail and parcels, and of course realised the change in workforce optimisation.

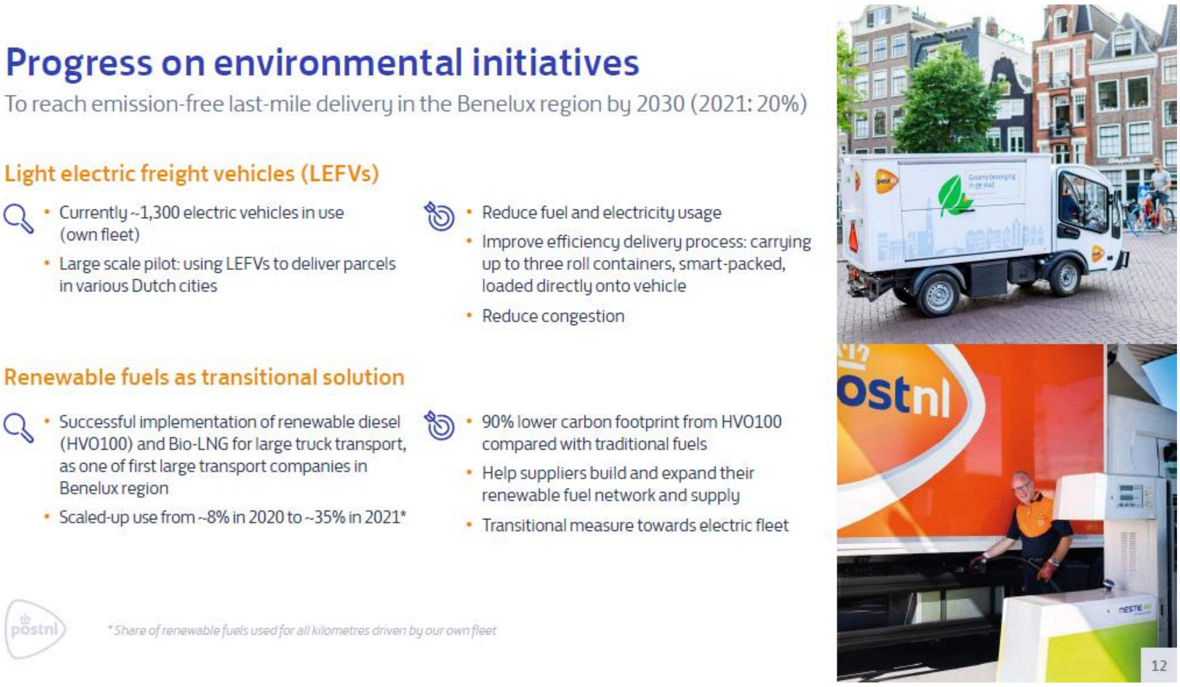
In Governance, there is nothing new to tell, but these are the elements in governments, which create transparency, which keep us responsible and accountable.



On slide 11, you find some of the highlights when it comes to the important elements. Customer, the highly satisfied customers decreased slightly to 34%.

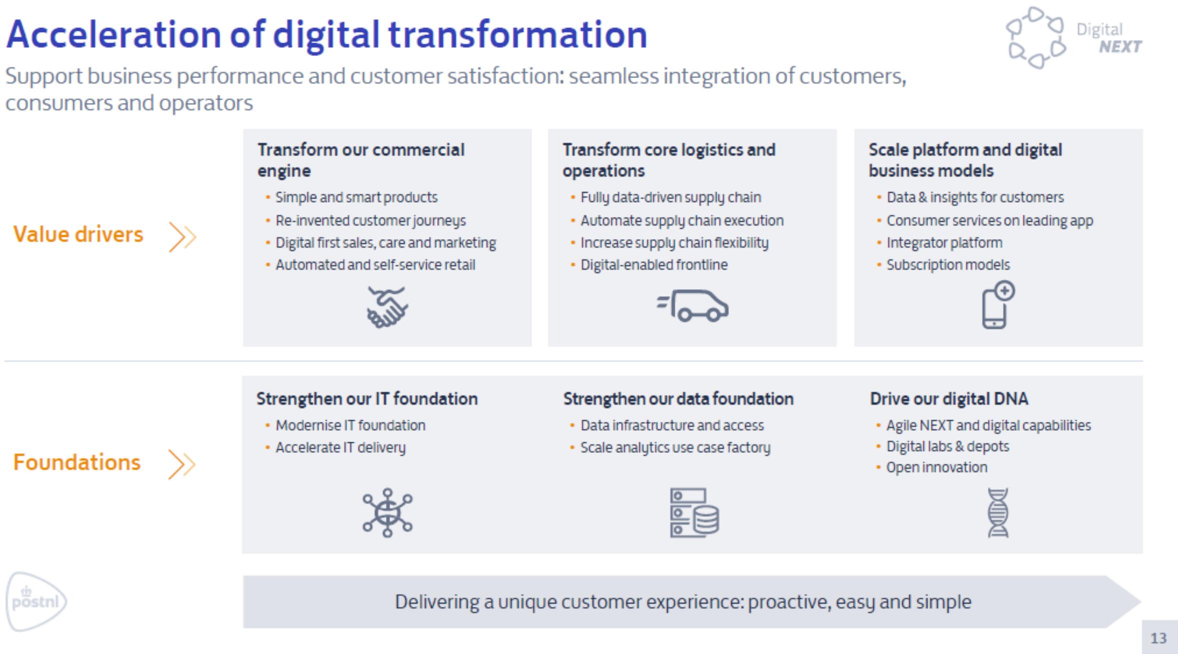
In Social, as said we see in our employee engagement the 84%, which is in line with 2020, which is a very strong score. It is higher than the score in the normal logistical industry, and it is around market average. Slightly higher absenteeism and that is what we will come back when we talk about 2022 because we did see higher absenteeism in the month of January because of Omicron.

In Environment, we had a good year, 18% reduction in our carbon emission and I think important, as of January 1, we are net zero through offsetting any remaining carbon emissions and we were recognised for our ESG leadership, as you can see on the right side of that slide.



A few examples on our progress in our environmental initiatives you find on slide 12. The first one is our light electric freight vehicles on which we are very proud of because these vehicles have the possibility to put roll-containers in it which is much more efficient. So you can fill a roll container in the depot and then put it into those vehicles, which is more efficiency in preparing the vehicle but also more efficiency in delivering the vehicle. These LEFVs will help us to get the inner cities of the 25th biggest cities in the Netherlands emission-free in the year 2025 and because of their size, they also reduce congestion.

And we put lots of efforts in renewable fuels as a transitional solution. As we have discussed earlier, many of our big trucks, there are not yet big trucks in the market who are fully electrical and we of course tested one of the first ones in a pilot, but they are still not available in big amounts. That is the reason why we use HVO100 which is a solution that gives us the possibility to reduce 90% of our CO_2-emission.



The second important element where we would like to give you some highlights on our progress is our digital transformation. We, of course communicated our digital transformation or Digital Next program to the market last year February. There are three important value drivers in that program. The first one is transforming our commercial engine. The second one is of course transforming our core logistics and the third one is scale of the platform we have, for example, with our app.

And to be faster in our digital transformation, we have to strengthen our IT foundation and data foundation and of course drive the digital DNA of our organisation to make sure that people understand why it is crucial for PostNL.

Shift to digital channels and products continues

Consumers and customers increasingly connected to our platform

	2020	2021
Online visitors	779m 86% via mobile	1,029m 90% via mobile
PostNL consumer account users	6.0m	6.8m
Talks with chatbot Daan, Sam and Noor	3.6m	3.3m
Self-service online preparation (in % of parcels sent by consumers)	38.0	43.2
Stamp codes	3.45m	3.94m
Business portal users	60k	63k
External APIs	84	111
Plug-in users (SME)	1.7k	2.4k

The shift takes place, and that is what you can see on slide 14. Here you find the enormous growth in online visitors, so more than 1 billion visitors last year and 90% via mobile, almost 7 million consumers using our PostNL app. The talks with chatbot Daan, a slight decrease, which had to with the fact that we had much more calls in the year 2020 because of Corona in that year. Self-service preparations showed an increase as did stamp codes.

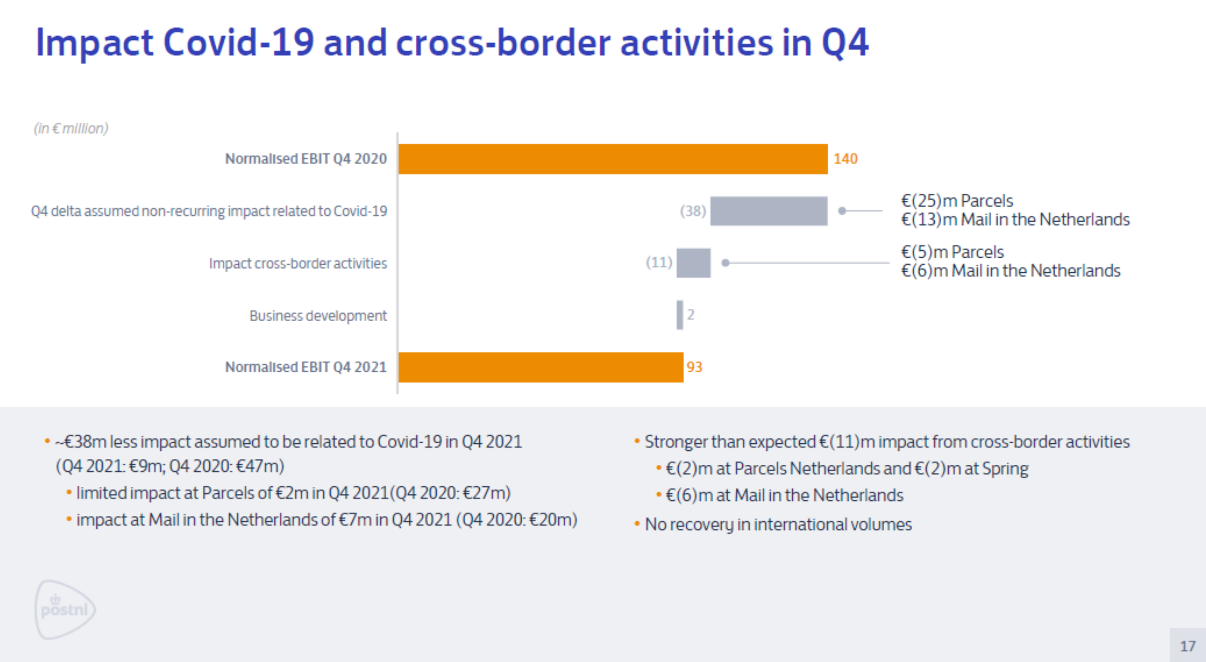
Important for us on our business side is of course the business portal users. Also there we see an increase and the external APIs, which connect the network of PostNL with the networks of other companies. In other words, in these changes, we see that we make progress in our Digital Next program on the one hand, and secondly, that we are improving and increasing the KPIs which are important in the Digital Next program.

Also, here are two examples and those you will find on slide 15. Two examples of where we see progress, the first one is that with the elections in the Netherlands last year March, we put information, we did put information in the PostNL app, which meant that people had a pre-announcement of the fact that they would receive the candidates list and their voting cards. That helped creating much more attention for the elections on the one hand. On the other hand, it gave people the ability to see when they should receive their voting cards and candidate lists.

The second one is the customer journey received from outside the EU, which of course became very important after the introduction of the VAT as of July 1 in 2021. Also there we changed the app, which made it possible for consumers to do customer clearance costs and payments in the PostNL app, which made it easier for them to order from outside the EU.

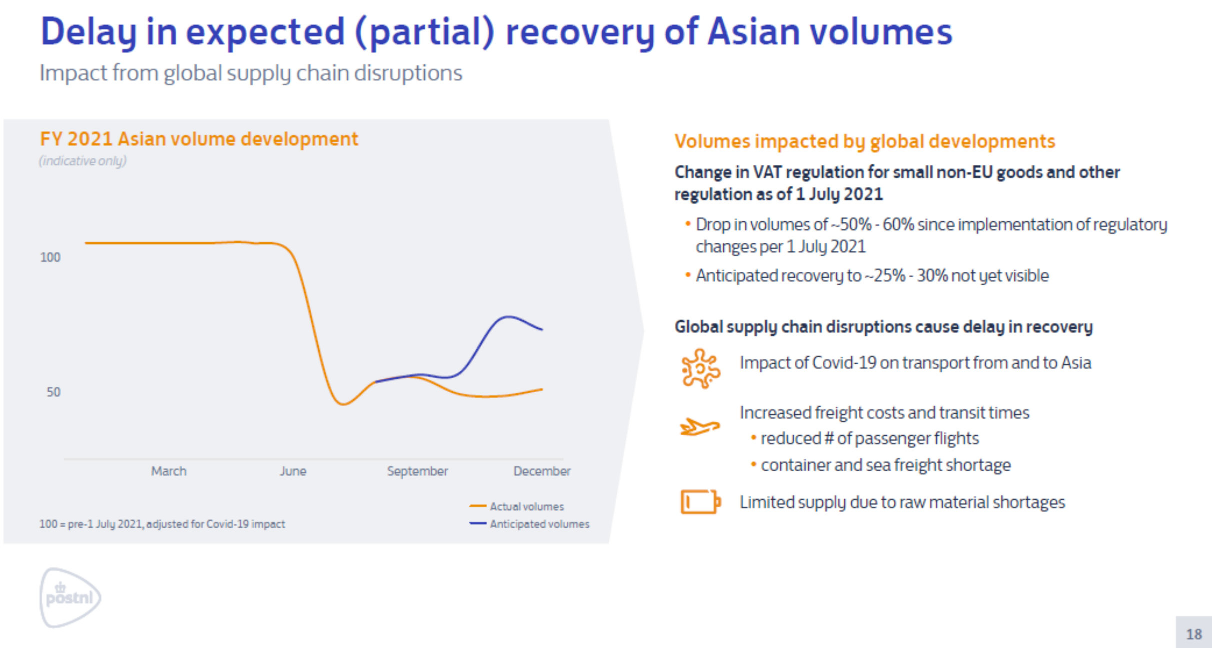
These are in my view examples underpinning our strategy of value creation via Parcels, Mail, and Digital Next.

Let’s move to slide 17, in which we give you a more insight in our business performance of Q4.



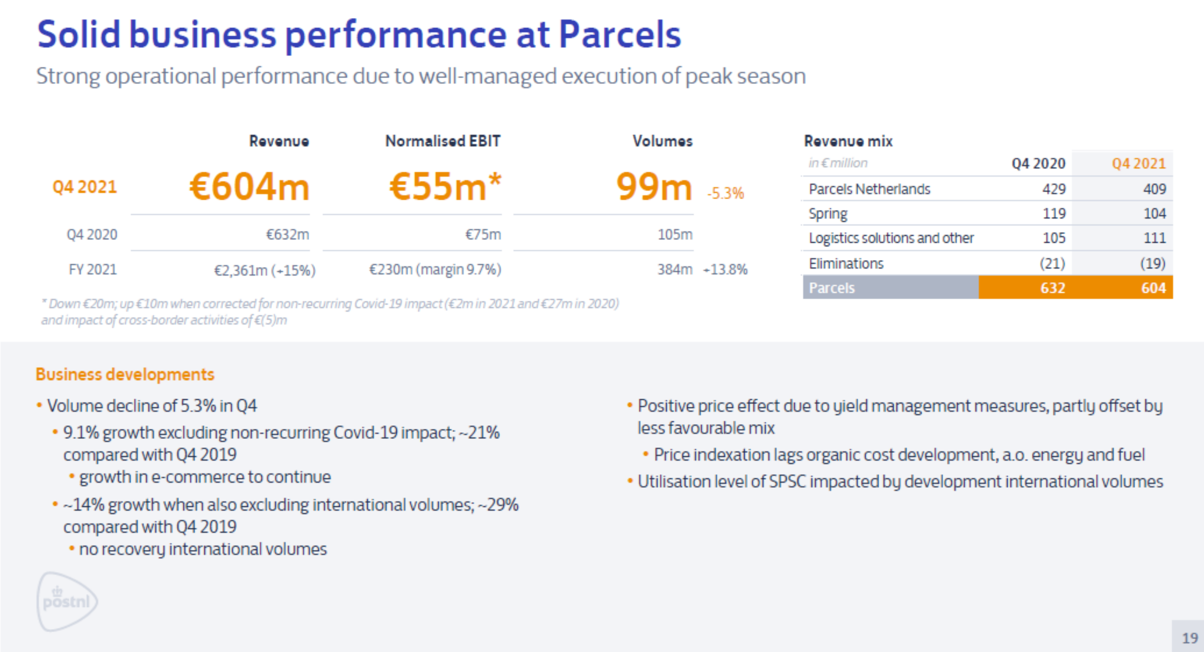
And again we will start with the Covid-impact in our cross-border in Q4. Introducing VAT, as of July 1, 2021, had a big impact on volumes coming from Asia to Europe and that is what you see over here. You find here normalised EBIT in Q4 2020 and the impact it had on our normalised EBIT Q4 2021.

In the first part, you find the Q4 delta assumed non-recurring impact related to Covid-19, which is EUR 38 million and the second one is the impact of cross-border activities, which is EUR 11 million more or less, equally divided over Mail and Parcels, which did have huge impact on our businesses in Mail in the Netherlands and in Parcels. As you will see, when we talk about 2022, the impact on our cross-border volumes, probably continues in the first half year of 2022.



A little bit more insight when it comes to cross-border volumes is shown on page 18. There you see that we when we were in summer and VAT was introduced, the blue line gives you a view on our expectations and those expectations were based on, for example, many customer interviews. In the orange line, you find what it actually was till the end of December and that meant a drop in volumes of 50% to 60% by the end of the year.

The global supply chain disruptions cause a delay in the recovery. That is partly because of the impact of Covid on transport from and to Asia, but also the increased freight costs and transit times and last but not least, limited supply due to raw material shortages. So, there are a few reasons behind the fact that you saw a much steeper decline in the amount of parcels coming from Asia than earlier, expected.

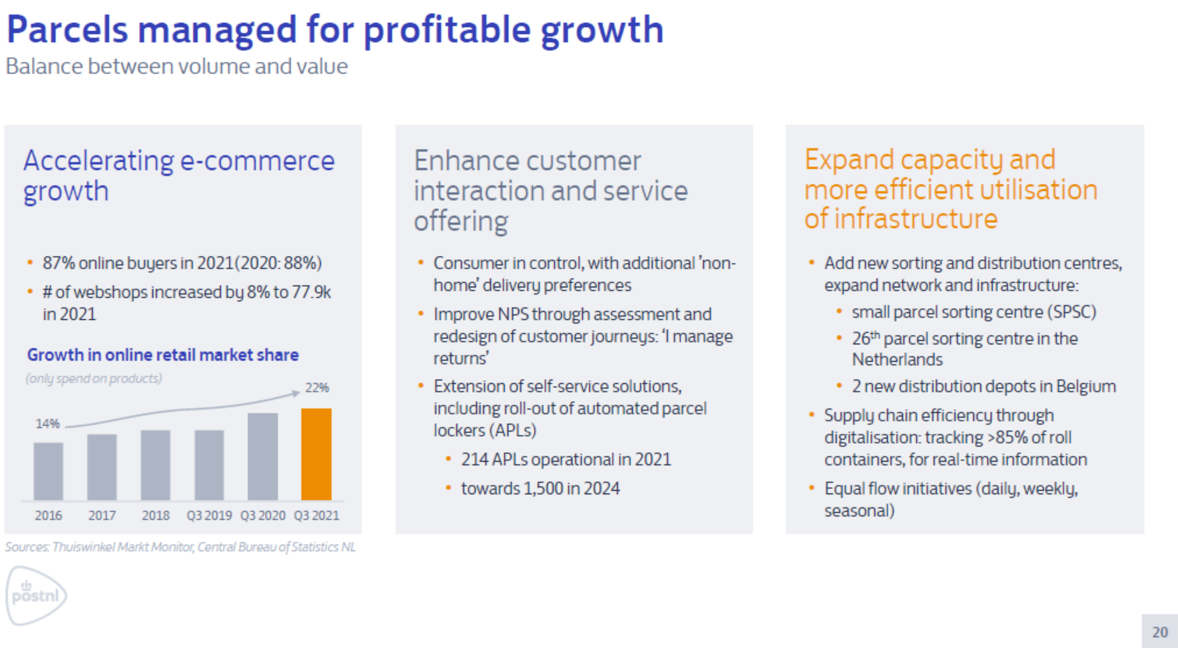


Then let's move to Parcels. That is what you find on slide 19. We had a solid business performance in Parcels. You find of course, here the results of the fourth quarter together and as the last line, the full year results within Parcels. We saw a normalised EBIT in parcels of EUR 55 million. Last year it was EUR 75 million, that was of course, including Covid. If you take that out, we still see an increase in normalised EBIT within our Parcel division.

Volumes minus 5.3% compared to last quarter which is much - which was much heavier in Corona. If you take that out, we still see a growth of 9%.

If you compare the amount of volume to the fourth quarter of 2019, the last quarter where there was no Covid, we see growth of 21%. All the numbers lead to our expectation that growth in e-commerce will continue going forward. We did not see any recovery in the last quarter of our international volumes and that is also what we take with us, at least in the first half year of 2022.

What we also see within Parcels is the growth in our cost, for example through energy and fuel cost, but also the utilisation of our Small Parcel Sorting Centers impacted by the fact that we have less international volumes, which are generally small volumes, and were partly very well applicable for the Small Parcel Sorting Center.



On slide 20, you find a few examples of what we did when it comes to enhancing our customer interaction, which was part of course of our strategy to create profitable growth in Parcels and what we did operationally.

In our customer interaction and service offering, we put much attention to improving our NPS and therefore we also started quite some customer journeys. One of those journeys is, 'I manage returns'. We also started to expand the amount of parcel lockers. By the end of 2021, we had 214 and we are on track to have around 1,500 parcel lockers in 2024.

It was also not quiet in the area of expanding our capacity. Of course, we opened our Small Parcel Sorting Center in Nieuwegein, we opened the 26th Parcel Sorting Center in the Netherlands and we opened two new distribution depots in Belgium. To support our Digital Next program we tracked 85% of our roll containers, which gives us real time information, which is going to help us to have a better equal flow, but also to have a better understanding of the amount of parcels that come to our sorting centres.

The left-hand part of the slide gives a little bit of a background on why we think that e-commerce growth will continue, going forward.

Strong performance at Mail in the Netherlands

Strong result partly related to Covid-19

	Revenue	Normalised EBIT	Volumes	
Q4 2021	€482m	€66m*	581m	-8.9%
Q4 2020	€542m	€82m	638m	
FY 2021	€1,683m (-1.5%)	€160m (margin 9.5%)	2,048m	-0.3%

*Down €16m; up €3m when corrected for non-recurring Covid-19 impact (€7m in 2021 and €20m in 2020) and impact of cross-border activities (€(6)m)

Business developments

- Volume decline of 8.9% in Q4, driven by
  - ongoing substitution and fewer working days
  - impact from non-recurring items related to Covid-19
  - each accounting for around half of volume decline
- Moderate pricing policy and favourable overall mix effect
- Impact of international volume (import) and less export mail
- More focus in product portfolio: sale of Cendris in early 2021 impacted revenue (€20m in Q4 2020)
- CLA postal deliverers: negotiations ongoing

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On slide 21, we look, of course to the strong performance of Mail in the Netherlands. The strong result is partly related to Covid-19. Volume decline in the fourth quarter was 8.9%, which was partly because of our fewer working days, partly because we had more Covid in Q4 2020 and partly because there is still substitution. Also here an impact from international volume and less export mail. I think it is good to understand when it comes to revenue, that in Q4 2020, we still had Cendris in our revenue numbers, which accounted in the Q4 2020 for EUR 20 million. The CLA for postal operators and deliverers, which is an important CLA for us, is still ongoing. This is an enormously strong performance of Mail in the Netherlands in the fourth quarter of the year 2021.

Also for Mail in the Netherlands, a few examples on the progress they make in managing the mail company for value. I think important, first of all, is here that the volume development we expect for the 2022 is 8% to 10%, taking to account that this is including the Covid-effect. In we saw in 2021 an effect of 0.3%, which was mainly because of all the volumes we had from vaccinations, boosters, etc., etc.

In Mail in the Netherlands, we remain to be focused on creating the value for mail, for example, direct mail. Also there we saw that customers we did not have before 2021 started mailing in 2021 because physical mail still gives lots of attention.

Sustainability plays an important role in Mail in the Netherlands as well. Although 90% of the network is already emission free, CO_2-emission free, we try of course to make the last 10% emission free as well by, for example, electrical bikes.

In adapting the organisation, we made a big step in 2021 by reducing the number of products we have. This is an important programme on the Digital Next and we came from 2,200 product codes to 200. We also improved our sorting and preparation process by introducing the new mail sorting units. It is an important programme because it is one of the programmes that will deliver our cost savings going forward. Also here progress has been made on making sure that Mail in the Netherlands remains to be a unit which is managed for value.

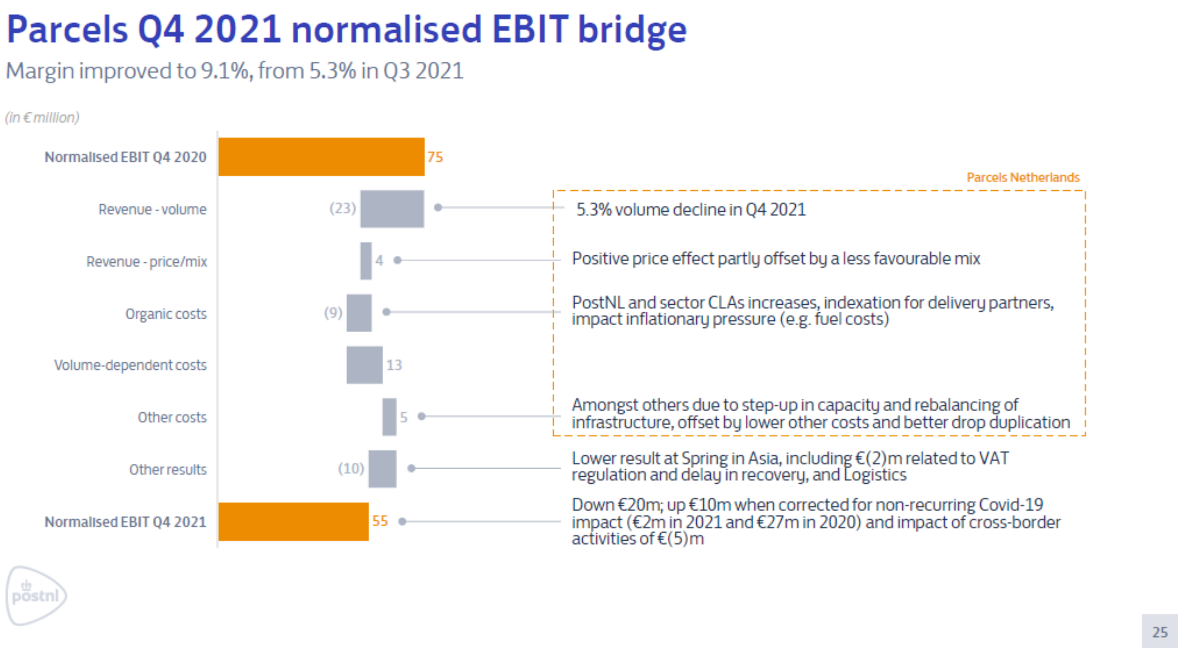
On slide 23, we give some specific attention points for the year 2022. The year 2022 remains to be on executing on our strategy. In Parcels that means contribute to the development and growth of our customers where the Net Promoter Score still plays a very important role, expansion capacity to accommodate further increase in volumes which we expect in 2022, and further developing of a future proof, effective, and sustainable delivery model which needs to contribute to the aim of the 25 inner cities to be emission free in 2025 and last-mile-emission free in 2030.

Mail in the Netherlands is managed for value. It needs to remain a strong nationwide network. Cost savings remain to be important in Mail in the Netherlands because that is the way to adapt and balance volume decline and safeguarding on-time delivery. Quality 2021 was 94%, by law it needs to be 95%, so there is work to do in 2022. To speed up progress on ESG, I think, already set quite some elements around those ESG targets and what we are going to do. Further accelerate our digital transformation, we will switch to Net Promoter Score.

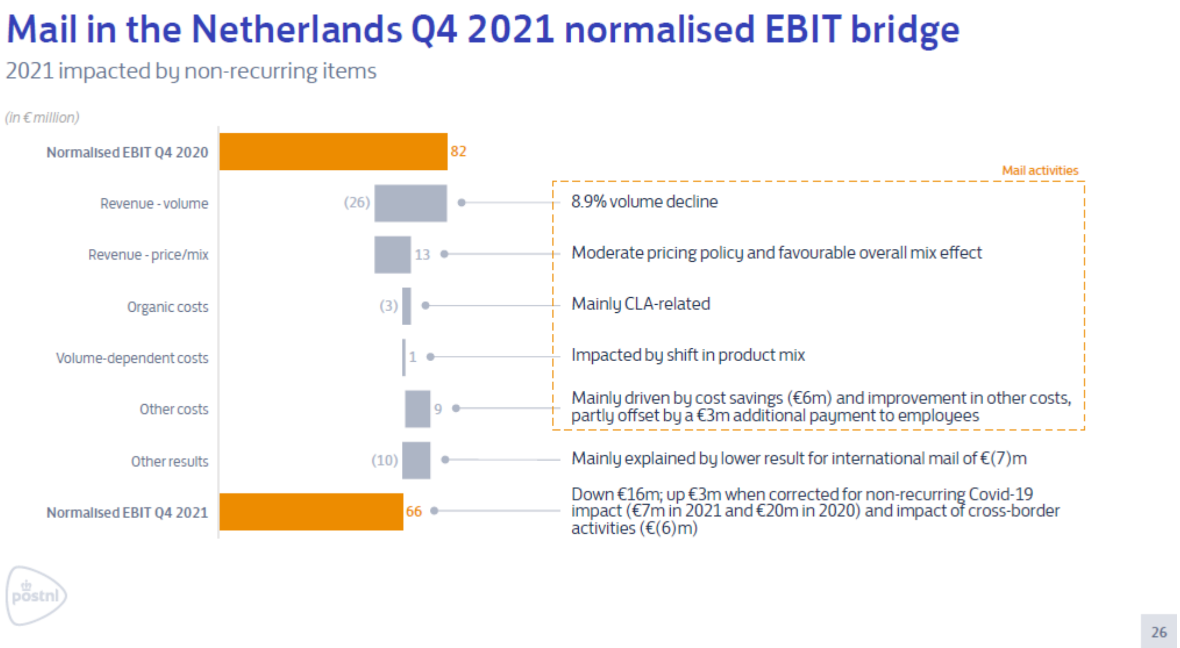
The year 2022 will be a transition year, we will increase our customer journeys and also make them as tailored as possible and accelerate our agile operating model. That will lead to a normalised EBIT outlook of EUR 210 million to EUR 240 million and a free cash flow outlook of EUR 110 million to EUR 140 million. Take into account that in year 2022 we expect almost zero Covid-effects. That is one, what we took into account already is an increase in our organic cost upon which fuel and energy and of course, the geopolitical political. The geopolitical changes we have seen over the last few days will have their impact as well. Although as far as we can see, at this moment in time, not impacting the normalised EBIT range we give for the year 2022.

There is much more to tell about 2021 and of course, also the outlook of 2022 and I would like to hand over to Pim, to give you more background on it.

Pim Berendsen – CFO PostNL: Thank you, Herna and indeed, let’s look at more of the financial details for 2021 and 2022. But before we that, I would like to point you towards and that is kind of strange, the appendix. But that is there because I think you can find our additional reconciliations that can help you fine tune your model and/or use in comparison to peers. So there is, I think, reconciliation of the income statement and EBITDA per segment; there is the results development bridge per segment, but also reconciliation of the profit versus normalised comprehensive income; and as usual, a breakdown of pension expense versus cash contribution on pensions. So look at those and if there are questions, you will know where to find us.



I will move on to slide 25, the Q4 Parcels bridge. We talked about the margin of Parcels for the end of Q3 being 5.3% and as we indicated, and basically promised, we would expect an improvement of margins and you can see this realised in Q4, moving towards a 9.1% margin in the Parcels segment. All in all, it is EUR 20 million down in comparison to Q4 last year, but EUR 25 million down as a consequence of lower Covid, EUR 5 million down as a consequence of cross-border developments being less favourable, which means underlying an improvement of the Parcels business and such a good results.



If we then move towards Mail in the Netherlands for Q4, we see a EUR 82 million profit in 2022 to a EUR 66 million profit number in the fourth quarter 2021 and that gap can be explained by EUR 13 million less non-recurring Covid-effect in 2021 and EUR 6 million less contribution from cross-border that all in all leads to a minus EUR 19 million and improved by EUR 3 million underlying business performance improvements within Mail in the Netherlands segment and that is on the back of 8.9% volume decline in the quarter on reported for this reported numbers.

Results by segment FY 2021

(in € million)	Normalised EBIT FY 2020	Normalised EBIT FY 2021	Reported EBIT FY 2020	Reported EBIT FY 2021	Reported EBITDA FY 2020	Reported EBITDA FY 2021
Parcels	209	230	204	230	276	305
Mail in the Netherlands	96	160	143	176	206	215
PostNL Other	(55)	(81)	(48)	(81)	(20)	(47)
PostNL	**250**	**308**	**298**	**324**	**462**	**473**

- For valuation purposes:
  - add back non-cash pension expense (change in pension liabilities, visible in cash flow statement)
  - potentially adjust for IFRS 16 impact (depreciation RoU assets)
- Full reconciliation (depreciation and amortisation and pension details) per segment and bridge from net profit to normalised comprehensive income in appendix

	FY 2020	FY 2021
Non-cash pension expense	34*	69*
EBITDA excl. non-cash pension expense	**496**	**542**
IFRS 16 (leases) impact	(72)	(62)
EBITDA excl. non-cash pension expense and IFRS 16	**424**	**480**

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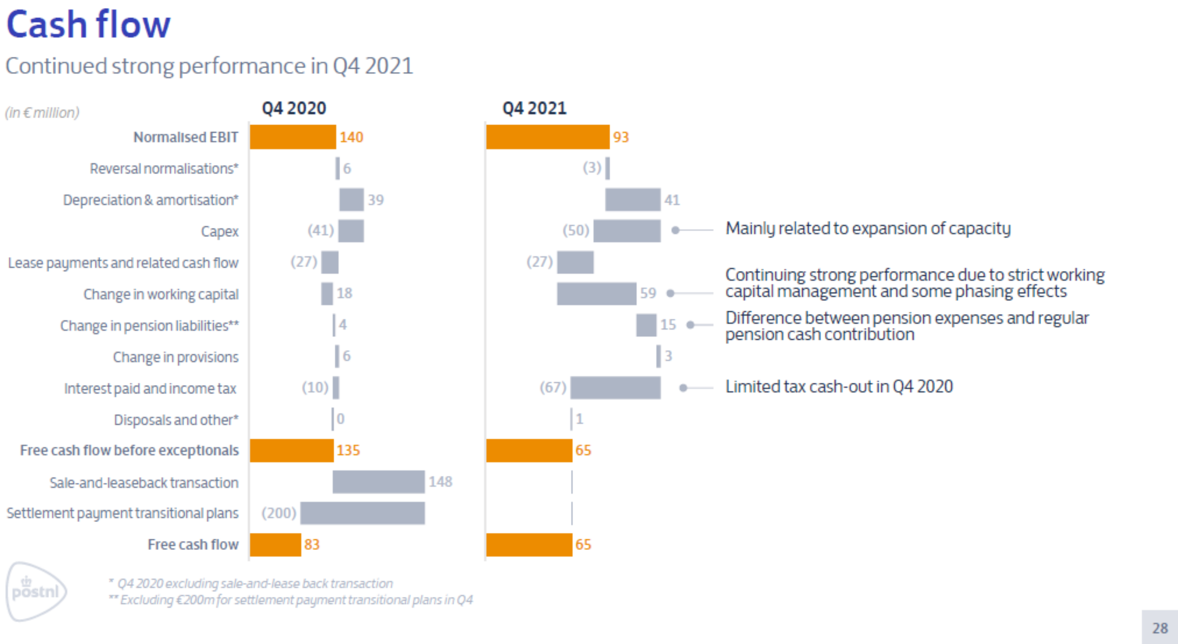
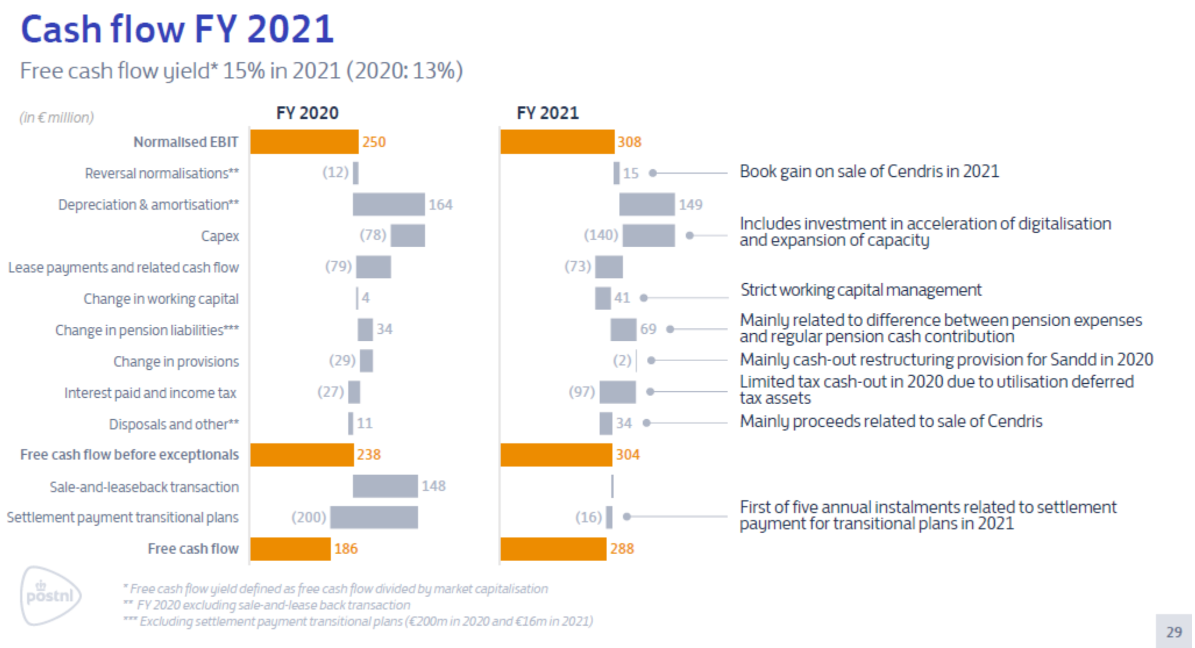
On slide 27, you will find a new slide which basically gives you the insight in how to get from normalised or from reported EBIT to normalised EBIT and to reported EBITDA. If I look at some of the comparisons I see with peers in terms of valuation metrics, I felt the need to add this slide and here we make a reconciliation from the reported EBITDA. We will then make the correction for the non-cash pension expense that is part of the reported EBITDA which is almost EUR 70 million in 2021. So a corrected EBITDA for the non-cash pension expense would be EUR 542 million. If you think about valuation metrics, you need to make sure that you at least understand what the IFRS 16 impact on EBITDA is. In PostNL is case, that is been EUR 62 million. So if you were to correct those as well, you end up with an EBITDA ex non-cash and the IFRS 16 expenses of EUR 480 million. Also on the IFRS impact, clearly, there is a difference between our balance sheet and these uses in comparison to some of our peers. So I think an important slide for you to look at, in case you want to make comparisons on EBITDA with our peers.



Slide 28 is the bridge on cash flow. From Q4 2021, EUR 93 million normalised EBIT as we have seen turned into a free cash flow of EUR 65 million. Key part is that there are obviously slightly higher capex in comparison to last year, a lower result obviously driven by non-recurring Covid-deltas, lease payments more or less in line, a positive change in working capital which we will see revert into an investment in working capital going into 2022, a change changing pension liabilities – we just talked about those – and we did not pay corporate income tax in the fourth quarter 2020 on the back of our higher profits for 2021, already in 2021.



The full year cash flow bridge is on slide 29. It indicates a free cash flow yield and that is a unlevered free cash flow yield of 15%, basically calculated as free cash flow divided by the market cap, so the equity value. Then you will see the bridge from EUR 308 million normalised EBIT towards EUR 304 million, free cash flow before exceptionals and then you need to take out one of the instalments related to the soft pension transitional plans of EUR 16 million, and you will end up with EUR 288 million as the free cash flow number for 2021.

There is, within that bridge, a book gain on the sale of Cendris and Herna already talked about it in terms of the revenue developments. You see capex numbers of EUR 140 million, including the acceleration of digitalisation, the expansion of our capacity, change in working capital, a positive one driven by positive working capital developments, closely monitoring our DSOs, DPOs and what have you, a change of pension liabilities of EUR 69 million in comparison to EUR 34 million last year, changing provisions and cash outs in 2020 relating to Sandd still and we talked to about the cash flow on the tax. The proceeds related to the sale of Cendris are reported under disposals and all in all, a very, very strong cash flow over 2021.

Further strengthening of financial position

Steering for solid balance sheet with positive consolidated equity; adjusted net debt reduced to €203m

Balance sheet

(in € million)	31 Dec 2021		31 Dec 2021
Intangible fixed assets	354	*Consolidated equity*	426
Property, plant and equipment	433	*Non-controlling interests*	3
Right-of-use assets	289	Total equity	429
Other non-current assets	65	Pension liabilities	67
Other current assets	484	Long-term debt	697
Cash	848	Long-term lease liabilities	269
Assets classified as held for sale	11	Other non-current liabilities	96
		Short-term lease liabilities	65
		Other current liabilities	862
Total assets	**2,484**	**Total equity & liabilities**	**2,484**

Adjusted net debt

(in € million)	31 Dec 2020	31 Dec 2021
Short- and long-term debt	708	732
Long-term interest-bearing assets	(27)	(20)
Cash and cash equivalents	(651)	(848)
Net debt	**31**	**(136)**
Pension liabilities	86	67
Lease liabilities (on balance)	294	333
Lease liabilities (off balance)	66	17
Deferred tax assets on pension and operational lease liabilities	(70)	(79)
Adjusted net debt	**407**	**203**

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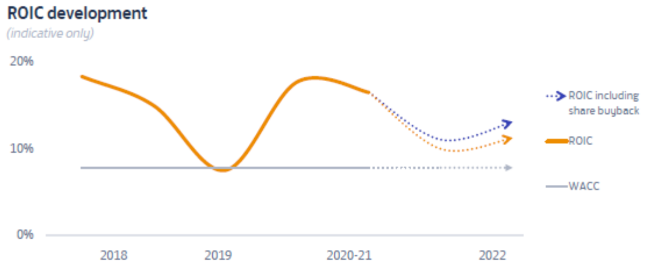
That then, obviously leads to a balance sheet that also moved favourable. You can see that back in the development of the adjusted net debt on the left hand side of the graph or of the other slide, I should say, from EUR 407 million by the end of 2020, towards EUR 203 million adjusted net by the end of 2021, which is aligned with a leverage ratio of 0.4 times, which is also well within the ranges of how we have defined properly financed.

Return on invested capital of 16.4%

> 2x WACC in 2020 and 2021

(in € million)	FY 2020	FY 2021
Equity	213	429
Adjusted net debt	*407*	*203*
Add back cash and cash equivalents	*651*	*848*
Debt	1,058	1051
Invested capital	**1,271**	**1,480**
Reported EBIT	298	324
Statutory tax	(75)	(81)
NOPLAT	**224**	**243**
Return on invested capital	**17.6%**	**16.4%**



Invested capital		• Step-up in investments • 2020 includes sale-and-lease back transaction and soft pension settlement	• Higher investments in network • Share buyback programme
NOPLAT	• Acquisition Sandd	• Gradual increase in profitability • Non-recurring impact related to Covid-19	• Limited non-recurring impact related to Covid-19 compared with 2021

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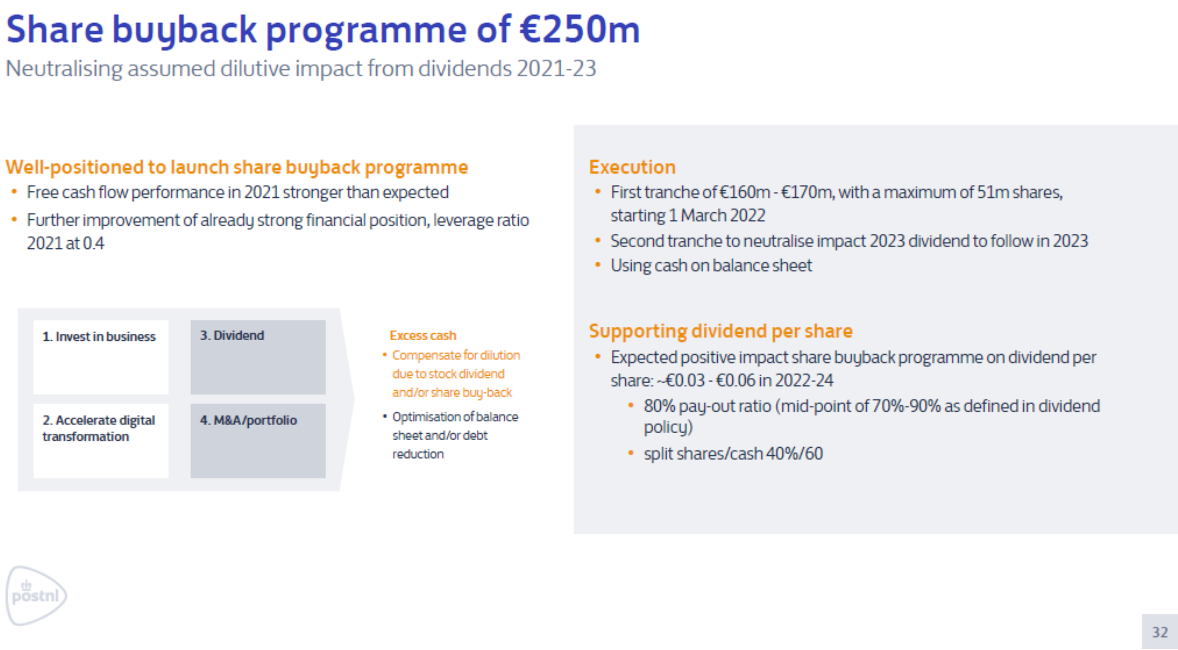
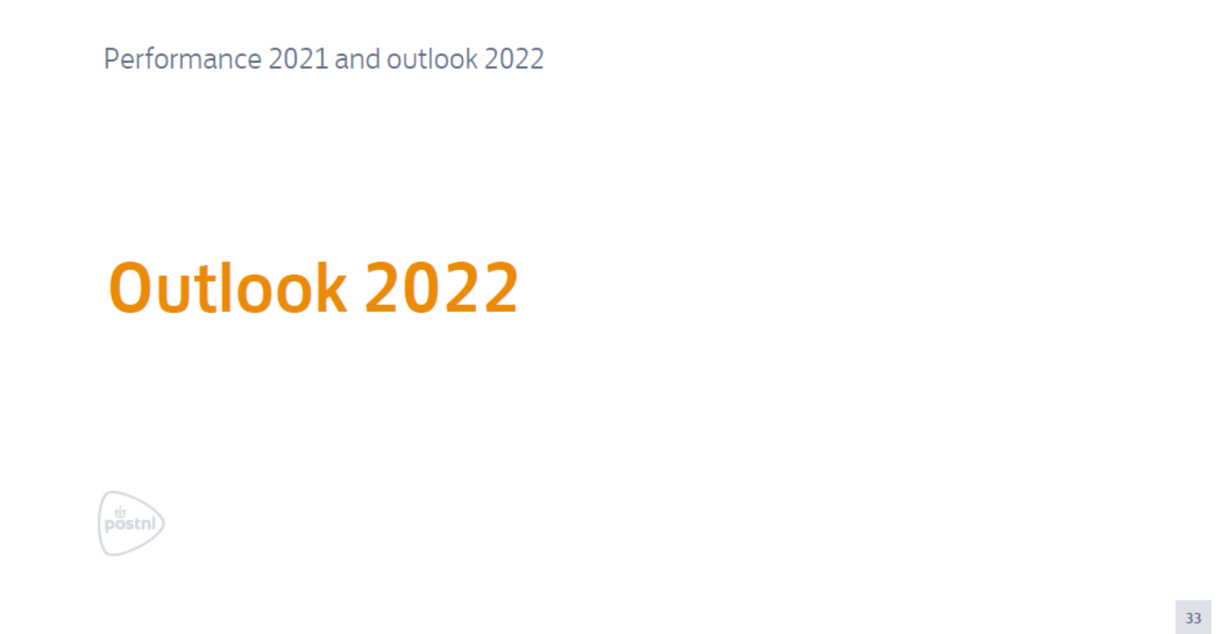
If you talk about our invested capital and the returns we make on the capital that we employ and the return on invested capital for 2021 turns out to be 16.4%, which is very attractive and more than two times WACC. Now, you will also see the graph on the right hand side that indicates the key drivers that have improved the working capital or the return on invested capital. Clearly the step up in results but also the investments we have made. We expect, obviously, to be above the WACC threshold in all the years that we are planning for. Certainly the return will come down a bit given the non-recurring Covid-effect that we do not expect to see back in 2022 and forwards. The share buyback program that we have announced will positively contribute to the return on invested capital, roughly speaking, 1% to 3% over the next years.

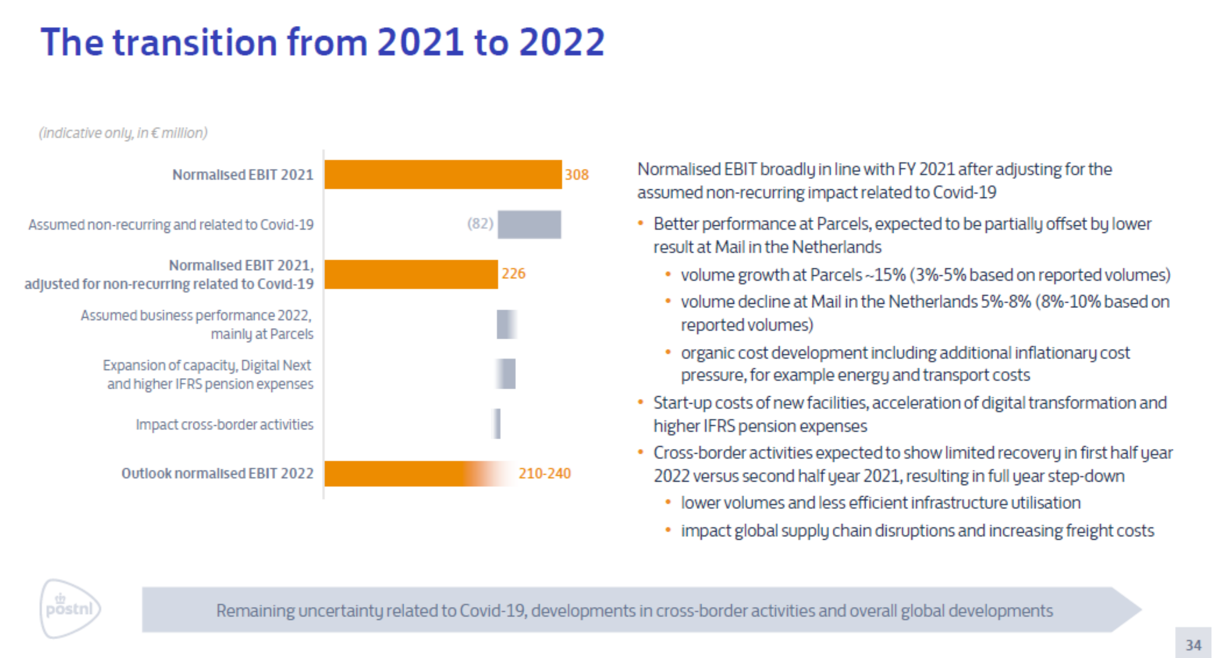


On slide 32, the share buyback. Clearly we have announced that program of a maximum of EUR 250 million in two tranches. First tranche to be executed as of tomorrow with EUR 160 million to EUR 170 million, with a maximum of EUR 51 million shares to be bought back, and I said, will start tomorrow.

A second tranche to neutralise the 2023 expected dividends, share dividends will follow in 2023. We will use the cash and that you have seen on the balance sheet of EUR 848 million to this and certainly, this share buyback program will not only have a positive impact on return on invested capital, but also a positive impact on the dividends per share of roughly three EUR 0.03 to EUR 0.06 per share over the period 2022 to 2024.



Then, let's move towards the outlook for 2022.



Slide 34 basically explains the transition from a 2021 towards 2022. Well, normalised EBIT for 2021 clearly on the EUR 308 million. EUR 82 million of that is non-recurring Covid. That leads to a normalised EBIT ex-non-recurring Covid of EUR 226 million and then we see a couple of developments. We expect a volume growth at Parcels of 3% to 5% based on reported numbers, which is around 15% corrected. If you exclude for the non-recurring Covid-effect that is more or less in line with the underlying growth that we have seen in the fourth quarter.

Volume decline at Mail, 8% to 10% based on the reported numbers, but again, corrected for non-recurring COVID, that is a 5% to 8% decline. We see significantly higher organic cost development than in past years, driven by cost items around energy, transportation cost, fuel, and also labour, clearly, which we have on boarded in our outlook that we are looking at.

Then start-up costs of new facilities, the acceleration of our digital transformation program that will be accretive as of 2023 or during 2023, and higher pension expenses, next to a cross-border development where we do not expect an improvement of the current market conditions for the first half year of 2022. Please remember that we had a very positive first half of 2021, prior to the 1 July, value added tax threshold being abolished.

Certainly, there is uncertainty about let's say the global market and developments. As good as we could, we have taken them onboard. But everybody needs to recognise that in these times, there is going to be a fair amount of uncertainty about how prolonged these inflationary effects will last.

Result development going forward

Revenue and normalised EBIT

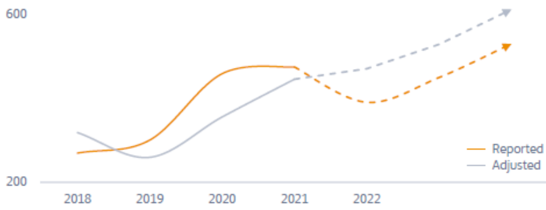
(indicative only, revenue on left axis, normalised EBIT on right axis, in € million)

	CAGR 2018-21	Adjusted*
Revenue	7.7%	4.6%
Normalised EBIT	20.9%	3.1%

Expected volume development in 2022	Reported volumes	Excluding impact related to Covid-19
Parcels	3% to 5%	~15%
Mail in the Netherlands	-8% to -10%	-5% to -8%

(adjusted) EBITDA

(indicative only, in € million)



	CAGR 2018-21	Adjusted*
EBITDA	20.9%	11.8%**

*Adjusted for non-recurring impact related to Covid-19

**Also adjusted for normalisations, non-cash pensions expenses and IFRS 16 (leases) impact

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On slide 35, we have indicated the development of revenue, normalised EBIT and adjusted EBITDA, both in terms of reported and corrected for non-recurring Covid-effects and it indicates the growth both in terms of CAGRs on the adjusted level of revenue around 4%, 4.5% and normalised EBIT 3%. On adjusted EBITDA a CAGR of 11.8% and again, also the expected volume developments leading up towards the outlook that we just discussed.

And they are here to indicate that we are actually very positive about the transformation that PostNL has made over the past years and also very positive about the future developments that we see given the market position that we hold and the way we steer the business towards our strategic ambitions.

Development free cash flow in 2022

(in € million)	2021	2022 (indicative)	
Normalised EBIT	308	210 - 240	
Reversal normalisations	15	-	sale Cendris in 2021
Depreciation & amortisation	149	170 - 180	mainly related to expansion capacity at Parcels and IT
Capex	(140)	(160) - (170)	step-up investments: Parcels capacity, acceleration of digital transformation, APLs, ESG and New Mail Route
Lease payments and related cash flow	(73)	(80) - (90)	mainly related to expansion of capacity at Parcels
Change in working capital	41	(50) - (70)	investment in working capital due factors including larger settlements of terminal dues
Change in pension liabilities*	69	~75	difference between IFRS pension expenses and regular pension cash contribution
Change in provisions	(2)	~(5)	
Interest paid and income tax	(97)	(20) - (30)	interest paid stable; tax in 2022 includes impact of utilisation liquidation losses
Disposals & other	34	10 - 15	sale Cendris in 2021
Settlement payment transitional plans	(16)	(16)	
Free cash flow	288	110 - 140	

* Excluding €16m settlement payment transitional plans in 2021 and 2022

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On the development of free cash flow in 2022, from the normalised EBIT to EUR 210 million to EUR 240 million, we get to a free cash flow of EUR 110 million to 140 million and the key elements you can see here, so a step up in capex in comparison to 2021, driven by Parcels capacity acceleration of digital transformation, the introduction of more automated parcel lockers and a step up on investments on ESG that will help us reducing our CO_2-emissions.

These payments, slightly higher working capital in comparison to last year, in 2021, we have seen a release of working capital and in 2022 we expect an investment that is predominantly driven by our larger settlements of terminal dues, that obviously are also a function of the higher cross-border results that we have seen in 2020 and 2021 that now need to be paid for towards colleague postal operators.

Change in pension liabilities, we talked about interest and income tax EUR 20 million to EUR 30 million minus where we can use the liquidation losses of Italy in 2022 and that, basically, is the reconciliation from EBIT to free cash flow with an outlook of EUR 110 million to EUR 140 million.

2022 outlook

(in € million)	2021	2021 adjusted for assumed non-recurring impact related to Covid-19	2022 outlook	
Outlook				
Normalised EBIT	308	226	210 - 240	including ~(20) for expansion of capacity, digital NEXT and increase in non-cash IFRS pension expenses
Free cash flow*	288		110 - 140	
Other			2022 indicative	
Normalised comprehensive income	285		~200	to develop in line with normalised EBIT

*Cash flow before dividend, acquisitions, redemption bonds/other financing activities, after payment of leases

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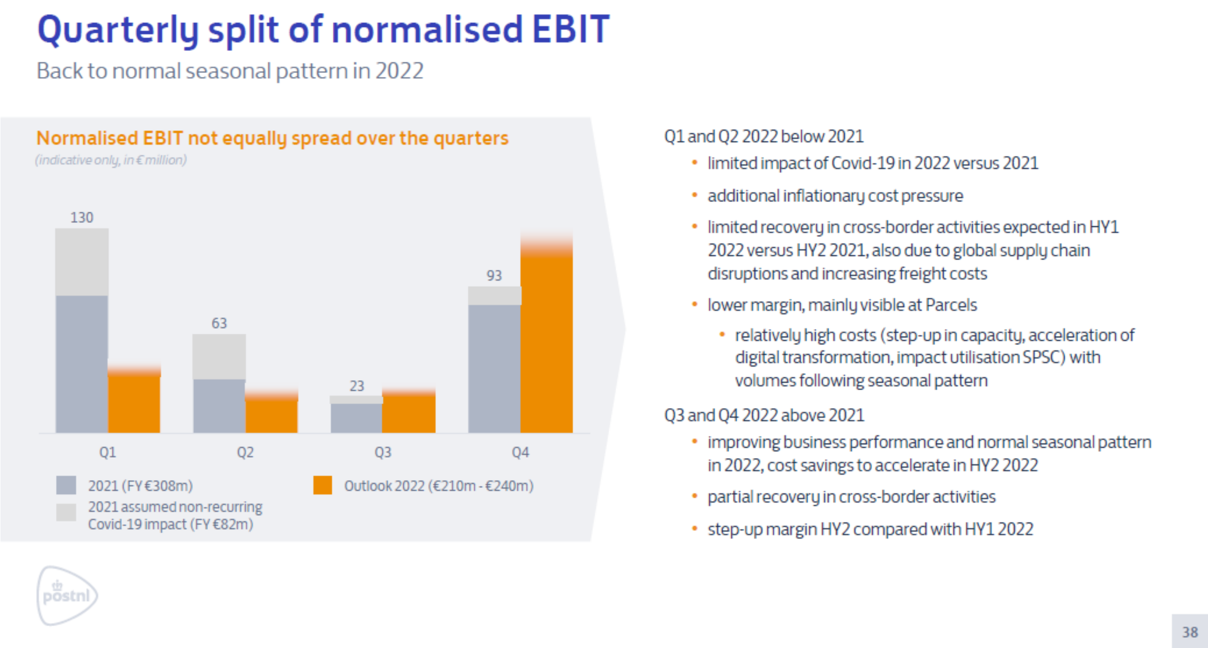
On slide 37, you see the outlook once more. We have talked about normalised EBIT and free cash flow, a normalised comprehensive income, we expect to come in around EUR 200 million and more for the year, which is the basis for our dividend policy.



Slide 38 is an important slide. You know that we have been transparent and consistent for 2020 and 2021 in taking out the non-recurring Covid-elements of it, and certainly in the comparable number from 2021 to 2022, they will play a role. This slide indicates that we are basically going back to normal form of seasonal pattern in 2022, which basically means a lower result in the first half of the year. Also driven in comparison to, let's say, relatively to the full year, I should say, higher costs as stepping up capacity and acceleration of digital transformation and the impact on the utilisation of the Small Parcel Sorting Center in the beginning of the year, gradually improving margins in Q3, and Q4 also on the back of partial recovery in cross-border and cost savings in Mail in the Netherlands, which are accelerating in the second part of the year.

Performance 2021 and outlook 2022

Concluding remarks

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And that brings us to the conclusion of this analyst presentation.

Confidence in strategy built on strong financial foundation

Create long-term value for all our stakeholders

Parcels managed for profitable growth
- Contribute to the development and growth of our customers
- Expansion of capacity to accommodate further increase in volumes
- Further developing a future-proof, effective and sustainable delivery model

Mail in the Netherlands managed for value
- Strong nationwide network
- Manage ongoing volume decline and realise cost savings e.g. by adapting processes (New Mail Route)
- Safeguarding on-time delivery

Speed-up progress towards achieving ESG targets
- Accelerate trajectory towards environmental targets by use of renewable fuels and electrification of fleet
- Keep staffing at desired level in tight local labour markets

Digital NEXT

Accelerate digital transformation
- Switching from customer satisfaction to Net Promoter Score (NPS)
- Tailored customer journeys to increase NPS
- Accelerate our agile operating model

FY 2022 outlook
- Normalised EBIT: €210m - €240m (2021: €226m excluding assumed non-recurring impact related to Covid-19)
- Free cash flow: €110m - €140m

Remaining uncertainty related to Covid-19, developments in cross-border activities and overall global developments

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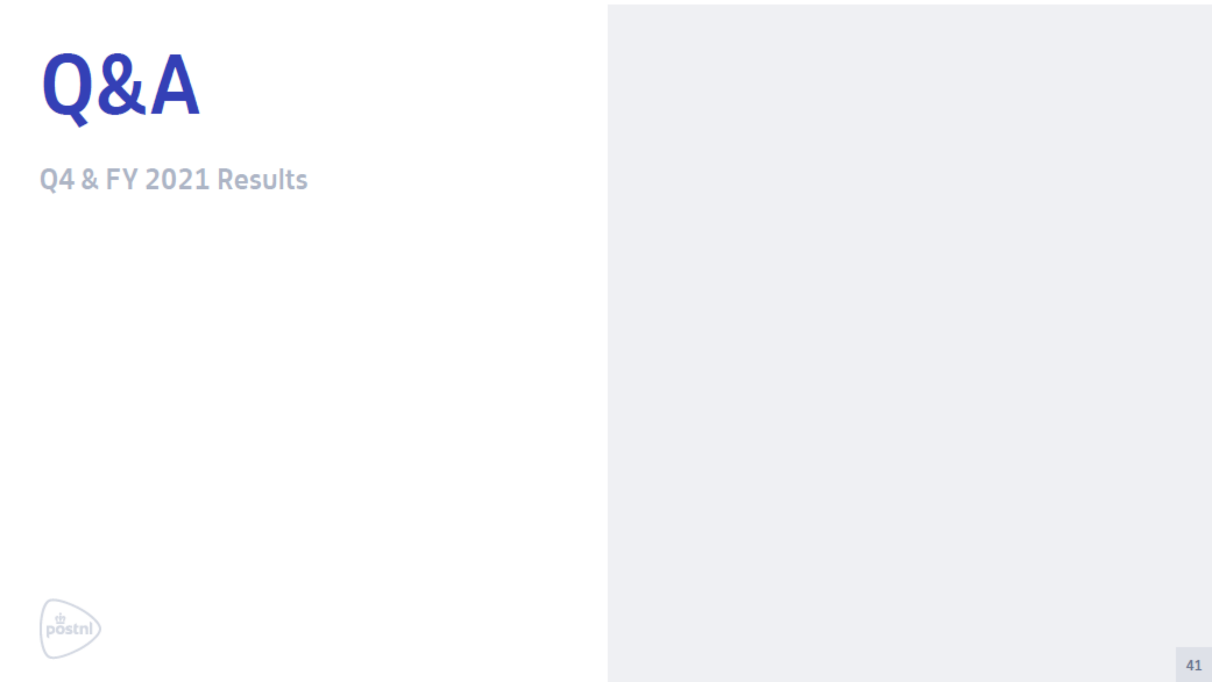
I said, although there is a lot of uncertainty and grave concern about the situations in Europe around us, we reiterate that we are positive on PostNL's perspective and PostNL's strategy going forward. We are sure to deliver value for all of our stakeholders in these uncertain times.

And on that note, Jochem, I hand it back to you.

Jochem van de Laarschot – Director Communications & Investor Relations PostNL: Thank you, Pim. Operator, please open the floor for questions.



- **Frank Claassen – Degroof Petercam**

Good morning, all, two questions, please. First of all, on the mail volumes. They now indicate minus 5% to minus 8% ex the Covid-impact. That is clearly lower than in previous years. Is this a change in trend and what are the main drivers? And can we also expect this kind of volume declines in mail going forward?

Secondly, on wage cost, what is roughly baked into your guidance on wage inflation? And can you remind us what are your latest CLAs? Which ones are coming up for negotiations and what is the status on the CLA? Thank you.

Herna Verhagen – CEO PostNL: Frank, on your first question, the minus 5% to minus 8%, is it a change in trend? I think that is too early to say at this moment in time. So that is the honest answer when it comes to the volume decline. We see of course, for example, new interest in direct mail, that is one of the examples I gave in the presentation. But again, it is too early to say that this is a trend, which also continues in the year 2023 to 2024. Nevertheless, we are of course glad that we see a decline of minus 5% to minus 8% in the year 2022.

When it comes to wage cost, currently, we are in negotiation for the CLA for postal deliverers. That is still in negotiation, so no announcement from our side, from what we are thinking that the correction or the increase of salaries will be. Normally we take into account on wage costs around 2% increase. What Pim already referred to when we talked about an increase in organic cost in the year 2022 is that we foresee that the increase of wages. Wage cost will be above the 2% in 2022.

Pim Berendsen – CFO PostNL: Certainly, we have taken that into account. Obviously, we cannot be too specific given the fact that there are still negotiations going on. But significantly more than 2% is included.

Maybe to add on the first point, I think we have also said that we strive to get to a mail result, that overtime is going to be more or less stable. From 2021 to 2022, we actually realise that if you take out the non-recurring Covid-effect, basically the volume decline and cost savings, including the price developments will lead to a result from Mail in the Netherlands which is more or less comparable to the result in 2021 excluding the non-recurring Covid.

Frank Claassen – Degroof Petercam: Okay, that is helpful. Thank you very much.

- **Marc Zwartsenburg – ING**

Yes, good morning everyone. A couple of questions from my side. First, Pim, on the capex. You are guiding now for a number slightly higher than last year but if you look at the step-up from the 2019 levels, and then also looking to your outlook for 2024 the max EUR 450 million extra investments, it seems that we are running quite a bit on the lower run rate towards that EUR 450 million. I know it is a maximum but is it fair to assume that maybe it can end up as high as EUR 350 million, given the current run rate? Or should I expect the acceleration of the 2022, again, in Capex? That is my first question. So I will take one more.

Pim Berendsen – CFO PostNL: Whatever you prefer, Marc. Let me take this one first and then you have got time to think about questions 2 and 3, if not already on your piece of paper. On the capex, indeed, there is a step up. We have talked about the EUR 450 million as the combination of step up in capex and lease additions and here clearly the cash flow element is only here on the lease payments and the capex additions and not so much on the lease addition. So that is one of the elements we might be tracking a little bit slower. But that is also a consequence of, for instance, shortages on some of the materials that we have ordered and did expect to get in 2021 but have not. They now are obviously included in the EUR 160 million to EUR 170 million capex numbers. Some of the capex is related to the capacity expansion are gradually moving sometimes between the years by the end of 2022, maybe into the beginning of 2023. But all in all, we were not looking at this moment in time in a significant step down on that EUR 450 million number. But what we said clearly is that is a function also of the growth expectation. So it is not one investment decision that we need to take. We are flexible, and that can also mean that over the years, it can move a bit. That is the answer on this point.

Marc Zwartsenburg – ING: So the Capex in 2023 and 2024 should go up a little bit in combination with lease payments, is that how we should see it?

Pim Berendsen – CFO PostNL: Yes.

Marc Zwartsenburg – ING: Clear.

Then on the Parcels volume guidance, the +3% to +5% for this year on the reported numbers. Can you give us an indication of the start of the year January, perhaps to get a bit of a feel for what is already in for the year?

Pim Berendsen – CFO PostNL: Let me get one step further back. If you look at the Q4 numbers, we are basically trading on that around about 14% growth rate. If we look at the first weeks or months of the year, we are running in accordance with our expectations. So, we are on track so far.

Marc Zwartsenburg – ING: You mean the +3% to +5%. Is that what you mean?

Pim Berendsen – CFO PostNL: Yes, which is a full year number and take into account the quarterly split. That was one of the last slides to discuss, but let's say in comparison to the expectations that lead to the 3% to 5%, running in line.

Marc Zwartsenburg – ING: That could imply that the growth is different from the +3% to +5% in the beginning of the year, just to understand each other correctly?

Pim Berendsen – CFO PostNL: Last year, around that period in time, we had non-recurring Covid-volume, so you need to make sure that you do that right. For the full year, it is 3% to 5% growth and together, obviously, we need to make our own expectations month after month, and so far so good.

Marc Zwartsenburg – ING: Okay, clear. Then on the dividends, looking to the 2022 already, I know it is early, we still have a year to go but given the still very solid free cash flow generation and outlook and your reported results, is it fair to assume that your dividend will at least be in line with a dividend you paid over 2021, the EUR 0.42?

Pim Berendsen – CFO PostNL: No, I think that is too bullish. Obviously, if you compare normalised comprehensive income for 2021, it is EUR 285 million. The expectation for 2022 is around about EUR 200 million and obviously, that is because of the fact that we not have the non-recurring Covid-element anymore. So that is too much of an ask, I would say.

Marc Zwartsenburg – ING: And the pay-out ratio of course?

Pim Berendsen – CFO PostNL: Yes, but do the math and even then. So there will be a bit of an accretion element, obviously on dividend per share on the back of the share buyback program of a couple of cents but I not think you will be able to, whatever the calculation is going to be, go beyond the EUR 0.40.

Herna Verhagen – CEO PostNL: And we said earlier Marc that we not expect the dividend in the year 2022, assuming the numbers will be like we presented them today, will be the exact number which we had as dividend for the 2021. That is already what we said in Q2 and Q3.

Marc Zwartsenburg – ING: Yes, that is correct. I was doing the math that I just got to the EUR 0.42 or EUR 0.43. So that is why I was asking.

Herna Verhagen – CEO PostNL: A slight hope in your question!

Marc Zwartsenburg – ING: Yes.

Pim Berendsen – CFO PostNL: On the back of the outlook, and almost comprehensive income expected of EUR 200 million will not get to the same level as 2021.

Marc Zwartsenburg – ING: Okay, fair enough.

And then lastly, on Parcels volumes. We see now that Amazon is also opening up in Antwerp and that is in the Flanders region. With Brussels also, they might even move cross-border, we do not know. Can you give us maybe a bit more colour on what you expect from Amazon in the Belgian region, for your volumes?

And the other one then related to the other big customer you have in bol.com. They already went to be a multivendor; they bought this company that also does last mile. Do you expect them to go that same route as Amazon and they start to more of the last mile delivery themselves?

Herna Verhagen – CEO PostNL: On your first question, we are not distributing volume for Amazon in Belgium. So that is an easy answer. In the Netherlands, we already explained earlier that we followed and still follow a clear strategy that we not want to distribute more than 30% of the Amazon volume in The Netherlands. That also limits our exposure in case they want to much more of their own distribution than they do today.

On the second part of your question, we expect volume impact because of the multivendor or the acquisition done by bol.com? The answer is no. We do not expect that and that is also because if you truly look into the network, they bought a cycle network which delivers within a certain amount of hours and the volume which can be distributed via that network is not that high. So we do not expect that to impact the volumes we distribute for Bol.

Marc Zwartsenburg – ING: But you also not expect bol.com to maybe go a bit more the Amazon route, to do more themselves and to build out the network or it yourself network a bit?

Herna Verhagen – CEO PostNL: It is not what we forecast at this moment in time based on the discussions we have with the company. I do not have a crystal ball for the next ten years but that is where we are today.

Marc Zwartsenburg – ING: That is very clear. Thank you very much.

- **David Kerstens – Jefferies**

Good morning, everybody. Thank you for taking my questions. First of all, you give a lot of detail on the Covid-impact split between Parcels and Mail and parcel split in Parcel Netherlands and Spring Logistics. But I was wondering, maybe I missed it, do you now also provide the EBIT of Parcels Netherlands and Spring and Logistics separately? That is my first question.

Secondly, on Spring, does your outlook for 2022 assume a recovery? And you said that you had anticipated the recovery based on customer interviews, why would Spring recover? Why would those volumes come back after the VAT increase?

And then the third question, maybe looking out a bit further towards your 2024 ambition. You expect more or less stable, normalised EBIT for 2022. But then, in order to get to at least EUR 330 million by 2024, you need an acceleration in earnings momentum. What is driving that? And particularly the outlook for stable EBIT for Mail in Netherlands, you have I think increasing labour cost pressures, increasing energy cost, whereas stamp prices are expected to remain relatively stable this year. How can you mitigate those effects and get to a relatively stable EBIT in your 2024 ambition? Thank you very much.

Pim Berendsen – CFO PostNL: Thanks David. There were also side questions in relation to the three. So, remind me if I've missed some. So on the Covid-impact, we make that split and we make that split consistently over the quarters of 2020 and 2021. We split out revenues in the segment but we do not give out the specific EBIT numbers of Logistics, Spring and domestic parcels. That is the answer to question one.

On Spring, we expect Spring's performance within the year will be lower than in the full year 2021 but we expect some improvements on the trade lane Asia to China in the second part of the year.

Herna Verhagen – CEO PostNL: Asia to Europe.

Pim Berendsen – CFO PostNL: Sorry, Asia to Europe. Why do we expect them? Obviously, the low value threshold is abolished. At the same time we see that all the Chinese web shops that we serve have now the right connections and the solution to enable customers, consumers to easily buy their products. The reason why we have not seen the recovery that we expected in the fourth quarter was much more driven by the increase in trade costs in combination with higher transit times that has made the relative competitive position of these Chinese web shops in comparison to domestic web shops but also domestic retailers significantly less attractive. That is one of the most important drivers behind the developments. In the fourth quarter, we expect freight costs to be remaining at a higher level, not so high as in October, November time for the first part of 2022 but we expect gradually an improvement there.

That was also indicated on the back of mail performance. We are still trending towards the same ambitions that we have indicated earlier. The reason why we believe in that acceleration of earnings momentum is obviously also driven by our Digital Next program, which we are doing the investments for that currently lead to negative impact on cost and results but will bring returns as of 2023 and onwards. Next to that we have more additional network expansion costs in the year 2022 as well on the Parcels side, which will not continue that way going into 2023 and further. A third element is that even though in 2022, there is no increase in stamp prices we are able to get to a Mail in the Netherlands results, which is more or less stable in comparison to last year. That is obviously because of the slightly more favourable volume development within the year and a step-up in cost savings from 2021 towards 2022. It is not to say clearly that stamp prices cannot increase from 2020 towards 2023. We expect that to be positive possible as well.

David Kerstens – Jefferies: Thank you very much Pim, very clear. And regarding the stamp prices, you do have some inflation in 2022, right?

Pim Berendsen – CFO PostNL: We definitely have inflation and that is countered by the cost savings element and some other developments we just talked about. If you look at the full outlook bridge, the impact if you talk about segment split of Digital Next and the expansion of capacity and cross-border, they have impact on the Parcels segments predominantly and not so much on the Mail segment.

David Kerstens – Jefferies: Okay, thank you very much.

- **Henk Slotboom – The Idea!**

Good morning, all. Thanks for taking the questions. I have a few. The first one is on fuel cost. Is it fair to assume that the higher fuel bill in the case of Parcels can be passed on to the companies you are working for, you are delivering for? And if so, can you say something about that? Is it lagging? How much is this lagging? Into what extent can you pass on these costs? That is my first question.

Secondly, you already spoke about your expectations with regard to the volumes in Parcels. Can you say anything about the expectation with regard to the mix as well? Is the mix or has the mix been changing in the first few months of this year?

Certainly on Digital Next, you are getting more and more IT-driven company, which is something we are all happy with, I guess but at the same time, certainly with the war going on with Ukraine, the risk of cyberwar is increasing. To what extent are you protected against this? I know that Herna used to have a committee on cyber security. So I guess it is okay but perhaps you can say something about it.

My last question is perhaps the most relevant question. If I look at the slide, how you expect earnings to be phasing through the year, what is the biggest challenge that you might be facing as the year progresses? Perhaps you can say something about that too. Those were my questions.

Pim Berendsen – CFO PostNL: thanks, Henk. Clear questions. I will take one, two and four and leave the third one to Herna, I would say. Fuel costs, certainly we have included them. Maybe not on the level of under USD 130 the barrel that was this morning's price. They can be passed on by customers in general, but it is lagging. So clearly if you talk about contract renegotiations and indexation in commercial contracts, they have started on the 1 January on the back of indexation levels for the full year 2021 and as such not take into account the spiky developments over the last months. The 2023 indexation is then a function of the inflationary impact on 2022. So there is a lagging element to it and it is not always 100% complete, the coverage of indexation. It is a function of also how commercial contracts are agreed upon. But in the year 2022, it is a dilutive impact on margins in the Parcel segment, because we cannot pass on within the year, the higher fuel costs that we currently see.

Henk Slotboom – The Idea!: Okay.

Pim Berendsen – CFO PostNL: On the second question, let's say the volume development at this point in time. We not see fundamental changes in the mix. So we still see bigger customers growing slightly faster than smaller ones. So as such that will have an impact on price mix but not a different trends than the one we reported in last year.

What are the challenges in relation to the phasing? Let's say from an execution point of view, we know what to do. We have clear plans for 2022 and the preparation of new network extensions within the year as well as preparation everywhere for the holiday seasons, that were there. The challenge is clearly related to reported numbers, those will be down in the first quarter of the year. That in itself, should not be a surprise and that is clearly also why we have been consistently transparent on the non-recurring Covid-impact on our numbers, so at least to make sure that everybody understands the underlying trend that we are looking at. I think that is that is an important element and then thirdly, fourthly, there was a question on cyber.

Herna Verhagen – CEO PostNL: Yes, you are correct there. PostNL is more and more an IT-driven company. That is not something of the last year that I think it changed over the last five years. We have a separate and dedicated cyber and cyber security unit in our own company. There are close links with the other companies in the Netherlands and close links to the NCTV in the Netherlands and that means that we have a dedicated team at this moment in time for - to protect us for possible cyber-attack from Russia or Ukraine. So yes, it does have lots of attention. It also needs lots of attention because as you know, those risks develop much faster than you sometimes can imagine and it has specific attention at this moment in time because of what is happening geopolitically.

Henk Slotboom – The Idea!: Okay, thank you very much.

Operator: We have time for one more question.

- **Wijnand Heineken – Independent Minds Limited**

Yes. Good afternoon. One follow-up question about the outlook for Mail in Netherlands and also a bit for the longer term. You mentioned still cost savings plans for the year will be higher than last year. Could you give us a bit of an update what the trend is and maybe some quantitative impacts on that and what kind of savings you anticipate for the years after 2022? And what trends we can expect there because the story will not be different from previous years that it is an important factor for realising your goals. Thank you.

Herna Verhagen – CEO PostNL: I think that is correct. It is important and remains to be important also going forward after 2022 to realise of course, stable value out of our mail operations. To update you on plans, an important value driver and cost savings driver going forward is, for example, the product code reduction we did from 2,200 to 200 codes, that helps not only in being more customer friendly, but also helps on the site where we have people which have to the administration, but also accept every evening mail coming from customers. A second important program going forward is a program in which we talk about the new mail route that enlarges our mail routes. That is also one of the reasons why you see more and more electrical vehicles for mail deliverers, that creates efficiency. They can take up more mail items in the mail route without using more time for it.

And the last one, which remains to be important going forward is the reduction of the amount of locations we work in. You probably remember that we started four years or five years ago with an amount of 240 or 250 locations for now, as you have seen in the in the presentation around 30, we think we can further reduce. So that is important in our cost savings program as well. The step up we will create from 2021 to 2022. That is that is an important step up which is from around EUR 25 million to around EUR 35 million and that remains to be a level which we need going forward as well.

Pim Berendsen – CFO PostNL: Just for clarification, the EUR 25 million to EUR 35 million that is a step up in the annual cost savings you have or should I interpreted that differently?

Herna Verhagen – CEO PostNL: It is roughly speaking the step up from 2021 realisation to 2023 to numbers included in this outlook.

Wijnand Heineken – Independent Minds Limited: Okay, thanks.

Jochem van de Laarschot – Director Communications & Investor Relations PostNL: Thank you very much. This concludes the conference call about our full year results. Thank you all for joining in for your questions. If you have any remaining questions for us and let us know through the usual channels at IR. We look forward to seeing you again. I will meet you again later on in the year and hope you have a good day. Thank you. Bye-bye.

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End of call

Appendix

Q4 & FY 2021 Results

- Results per segment Q4 2021 and FY 2021
- Full reconciliation income statement and EBITDA per segment
- Free cash flow per segment
- Revenue mix Parcels per quarter
- Assumed non-recurring impact related to Covid-19 per quarter
- Result development (bridge) per segment FY 2021
- Profit and normalised comprehensive income
- Pension expense and cash contribution

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Results per segment Q4 2021 and FY 2021

(in € million)	Revenue		Normalised EBIT		Margin	
	Q4 2020	Q4 2021	Q4 2020	Q4 2021	Q4 2020	Q4 2021
Parcels	632	604	75	55	11.9%	9.1%
Mail in the Netherlands	542	482	82	66	15.2%	13.8%
PostNL Other	32	50	(17)	(29)		
Intercompany	(184)	(200)				
PostNL	**1,023**	**936**	**140**	**93**	**13.7%**	**9.9%**
	FY 2020	FY 2021	FY 2020	FY 2021	FY 2020	FY 2021
Parcels	2,052	2,361	209	230	10.2%	9.7%
Mail in the Netherlands	1,708	1,683	96	160	5.6%	9.5%
PostNL Other	108	200	(55)	(81)		
Intercompany	(614)	(777)				
PostNL	**3,255**	**3,466**	**250**	**308**	**7.7%**	**8.9%**

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Full reconciliation income statement and EBITDA per segment

Income statement	PostNL		Parcels		Mail in NL		PostNL Other		Eliminations	
in € million	FY 2020	FY 2021	FY 2020	FY 2021	FY 2020	FY 2021	FY 2020	FY 2021	FY 2020	FY 2021
Total operating revenue	3,255	3,466	2,052	2,361	1,708	1,683	108	200	(614)	(777)
Other income	66	25			71	25	(4)			
Cost of materials	(63)	(69)	(39)	(51)	(16)	(11)	(7)	(6)		
Work contracted out and other external expenses	(1,519)	(1,708)	(1,272)	(1,542)	(733)	(801)	(127)	(142)	614	777
Salaries and social security contributions	(1,014)	(968)	(316)	(337)	(593)	(521)	(105)	(110)		
Pension contributions & related costs	(145)	(161)	(36)	(29)	(60)	(45)	(49)	(87)		
Depreciation, amortisation and impairments	(164)	(149)	(72)	(76)	(63)	(39)	(29)	(34)		
Other operating expenses	(119)	(113)	(113)	(96)	(171)	(115)	164	98		
Total operating expenses	*(3,023)*	*(3,168)*	*(1,848)*	*(2,131)*	*(1,636)*	*(1,532)*	*(152)*	*(281)*	*614*	*777*
Operating income / EBIT	**298**	**324**	**204**	**230**	**143**	**176**	**(48)**	**(81)**		

EBITDA	PostNL		Parcels		Mail in NL		PostNL Other	
Operating Income / EBIT	298	324	204	230	143	176	(48)	(81)
Depreciation, amortisation and impairments	164	149	72	76	63	39	29	34
Reported EBITDA	**462**	**473**	**276**	**305**	**206**	**215**	**(20)**	**(47)**
Non-cash pension expense	34	69					34	69
EBITDA excluding non-cash pension expense	**496**	**542**	**276**	**305**	**206**	**215**	**14**	**22**
IFRS16 impact (depreciation RoU assets)	(72)	(62)	(36)	(39)	(22)	(12)	(14)	(12)
EBITDA excluding non-cash pensions and IFRS16	**425**	**480**	**241**	**267**	**184**	**202**	**(0)**	**11**

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Free cash flow per segment

(in € million)	PostNL		Parcels		Mail in NL		PostNL Other & Eliminations	
	2020	2021	2020	2021	2020	2021	2020	2021
EBITDA	462	473	276	305	206	215	(20)	(47)
Change in pensions*	34	69	1	0	0	(0)	33	69
Change in provisions	(29)	(2)	(3)	1	(26)	(3)	0	(0)
Change in working capital	4	41	(2)	(3)	18	41	(13)	4
Capex	(78)	(140)	(26)	(54)	(31)	(36)	(21)	(50)
Disposals	95	6	0	(0)	90	6	4	(1)
Interest paid	(15)	(21)	(3)	(5)	(2)	(3)	(10)	(14)
Income tax paid	(12)	(76)	(51)	(57)	(36)	(44)	74	25
Lease payments and related cash flow	(79)	(73)	(38)	(46)	(27)	(20)	(14)	(6)
Other	4	28	(9)	(4)	(7)	(19)	20	50
Adjusted free cash flow**	386	304	146	137	187	136	53	31
Soft pension settlement	(200)	(16)	(87)	(0)	(167)	(0)	53	(16)
Free cash flow	186	288	59	137	20	136	107	14
Free cash flow yield	13%	15%						

** Excluding settlement payment transitional plans (€200m in 2020 and €16m in 2021)*
*** FY 2020 including sale-and-lease back transaction*

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Revenue mix Parcels per quarter

(in € million)	Q1 2020	Q1 2021	Q2 2020	Q2 2021	Q3 2020	Q3 2021	Q4 2020	Q4 2021	FY 2020	FY 2021
Parcels Netherlands	277	444	354	383	321	329	429	409	1,382	1,566
Spring	68	145	84	131	101	95	119	104	372	475
Logistics solutions and other	81	102	92	100	86	95	105	111	363	409
Eliminations	(12)	(30)	(14)	(26)	(18)	(14)	(21)	(19)	(64)	(89)
Parcels	414	662	516	589	490	505	632	604	2,052	2,361

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Assumed non-recurring impact related to Covid-19

Volumes

(around, in million)	Q1 2020	Q1 2021	Q2 2020	Q2 2021	Q3 2020	Q3 2021	Q4 2020	Q4 2021	FY 2020	FY 2021
Parcels	0	26	9	11	4	0	15	2	28	38
Mail in the Netherlands	(11)	12	(17)	23	(5)	16	48	16	15	67

Revenue

(around, in € million)	Q1 2020	Q1 2021	Q2 2020	Q2 2021	Q3 2020	Q3 2021	Q4 2020	Q4 2021	FY 2020	FY 2021
Parcels	3	137	68	78	37	0	91	12	198	226
Mail in the Netherlands	(2)	33	16	27	(5)	7	44	18	53	85
Eliminations	0	(6)	(9)	(9)	(3)	0	(6)	0	(17)	(15)
PostNL	1	164	75	96	29	7	130	30	234	297

Normalised EBIT

(around, in € million)	Q1 2020	Q1 2021	Q2 2020	Q2 2021	Q3 2020	Q3 2021	Q4 2020	Q4 2021	FY 2020	FY 2021
Parcels	1	24	25	14	11	0	27	2	63	40
Parcels Netherlands	*0*	*17*	*16*	*7*	*6*	*0*	*19*	*1*	*41*	*26*
Spring and Logistics	*1*	*7*	*9*	*7*	*5*	*0*	*8*	*1*	*22*	*14*
Mail in the Netherlands	(1)	18	4	12	(9)	5	20	7	15	42
PostNL	0	42	29	26	2	5	47	9	77	82

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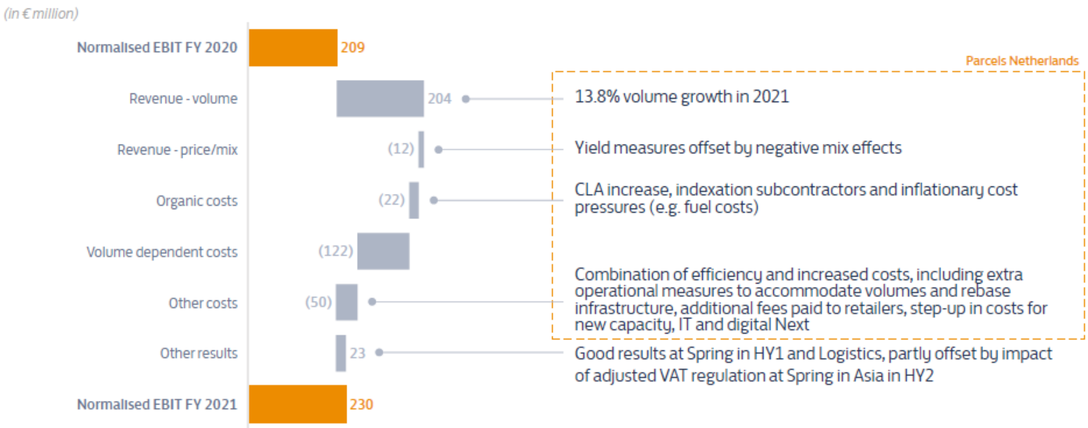
Parcels normalised EBIT bridge



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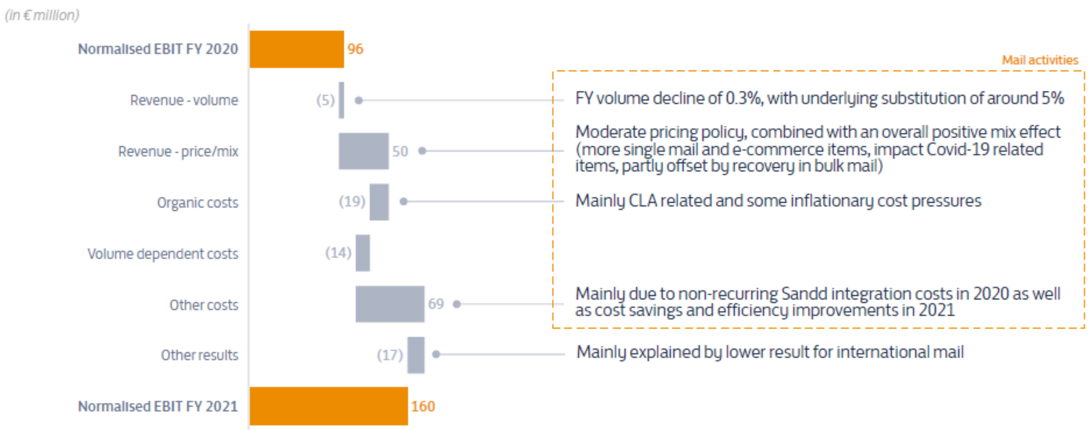
Mail in the Netherlands: normalised EBIT bridge



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Profit and normalised comprehensive income PostNL

(in € million)	FY 2020	FY 2021
Operating income / EBIT	298	324
Net financial expenses	(16)	(21)
Results from investments in JVs/associates	0	(0)
Income taxes	(69)	(74)
Profit/(loss) from discontinued operations	4	29
Profit	**216**	**258**
Other comprehensive income (mainly related to pensions)	24	68
Total comprehensive income	240	325
Normalisation on EBIT, net of tax	(36)	(12)
Exclude result from discontinued operations	(4)	(29)
Normalised comprehensive income	**200**	**285**

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Reconciliation pension expense and cash contribution

(in € million)	PostNL		Parcels		Mail in NL		PostNL Other	
	FY 2020	FY 2021	FY 2020	FY 2021	FY 2020	FY 2021	FY 2020	FY 2021
Cash contribution*	(111)	(92)	(36)	(29)	(60)	(45)	(15)	(18)
IFRS non-cash pension expense*	(34)	(69)					(34)	(69)
Total pension expense	**(145)**	**(161)**	**(36)**	**(29)**	**(60)**	**(45)**	**(49)**	**(87)**

Total pension expense increased by €16 million in 2021, in line with earlier indication

- Visible in EBIT, EBITDA and profit for the period (after tax)
- Includes a substantial non-cash part (i.e. IFRS non-cash pension expense)
  - reversed via other comprehensive income, mitigating the impact on total comprehensive income
  - visible in free cash flow under "Change in pension liabilities"

** Excluding settlement payment transitional plans (€200m in 2020 and €16m in 2021)*

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