

Second quarter 2024 results Analyst call

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Investor presentation

Interim financial report 2Q24

2Q24

Financial Calendar

08.11.2024 (07:00 CET)

Quarterly results 3Q24

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¹ as defined among others under the U.S. Private Securities Litigation Reform Act of 1995

Highlights of 2Q24

2Q24

Belgium's resilience and European growth cushion North America's revenue decline

Group operating income

€ 988.2m (€ -39.4m)

-3.8% vs. 2Q23

Group adjusted EBIT

€ 57.8m (€ -10.9m)

5.8% EBIT margin

Belgium

incl. € -2.9m of lower State compensation for press concessions

€ 56.5m (€ -0.3m)

10.0% EBIT margin

- Total operating income at € 563.8m (+1.1%)
 - underlying mail volume decline of -2.9% (mitigated by elections' mail) and offset by price/mix impact
 - parcels volumes +2.5% and price/mix impact of +2.9%
- Nearly stable OPEX (+1.1%) mainly reflecting (i) salary indexation and stable FTEs and (ii) higher recoverable VAT
- € -2.6m EBIT impact from strikes

E-Logistics Eurasia

€ 10.4m (€ +1.5m)

6.2% EBIT margin

- Total operating income at € 168.8m (+3.3%)
 - continued expansion of Radial EU and Active Ants (+11.7%)
 - higher cross-border sales reflecting growth from existing and recent customer wins in Europe, offsetting Asia and UK
- Slightly higher OPEX (+2.1%) from (i) higher staff and transport costs in line with volume development and expansion and (ii) lower SG&A and material costs

E-Logistics N. Am.

€ 1.2m (€ -10.0m)

0.4% EBIT margin

- Total operating income at € 282.7m (-15.2% excl. FX), reflecting lower volumes at Radial and Landmark US
 - Lower OPEX (-13.6% excl. FX) from lower variable costs including continued labor management and productivity gains, partly offset by bad debt provision
- Variable contribution margin at its highest level (+4% y/y)

Key financials 2Q24

2Q24

€ million	Reported		Adjusted ¹		Δ %
	2Q23	2Q24	2Q23	2Q24	
Total operating income	1,027.6	988.2	1,027.6	988.2	-3.8%
Operating expenses	884.7	¹ 861.0	884.7	¹ 854.0	-3.5%
EBITDA	142.9	127.2	142.9	134.1	-6.1%
Depreciation & Amortization	77.3	² 79.5	74.2	² 76.4	3.0%
EBIT	65.5	47.7	68.7	57.8	-15.9%
Margin (%)	6.4%	4.8%	6.7%	5.8%	
Financial result	-7.5	³ 1.7	-7.5	³ 1.7	-
Profit before tax	58.0	49.4	61.2	59.4	-2.8%
Income tax expense	14.8	17.7	15.6	20.2	29.4%
Net profit	43.2	31.7	45.6	39.3	-13.8%
FCF	-50.6	⁴ -89.5	-50.4	⁴ -84.9	68.4%
Net Debt at June 30	420.8	⁵ 392.1	420.8	⁵ 392.1	-6.8%
Capex	23.8	25.5	23.8	25.5	6.8%
Average # FTEs and interims	37,514	35,476	37,514	35,476	-5.4%

¹ M&A costs (Staci acquisition), leading to increase in EBIT (€ +6.9m) and income tax (€ +1.7m)

² Amortization and impairments of intangibles recognized during PPA are adjusted, leading to increase in EBIT (€ +3.1m) and income tax (€ +0.8m)

³ Increase in financial results reflecting positive non-cash IAS 19 result triggered by increase in discount rates

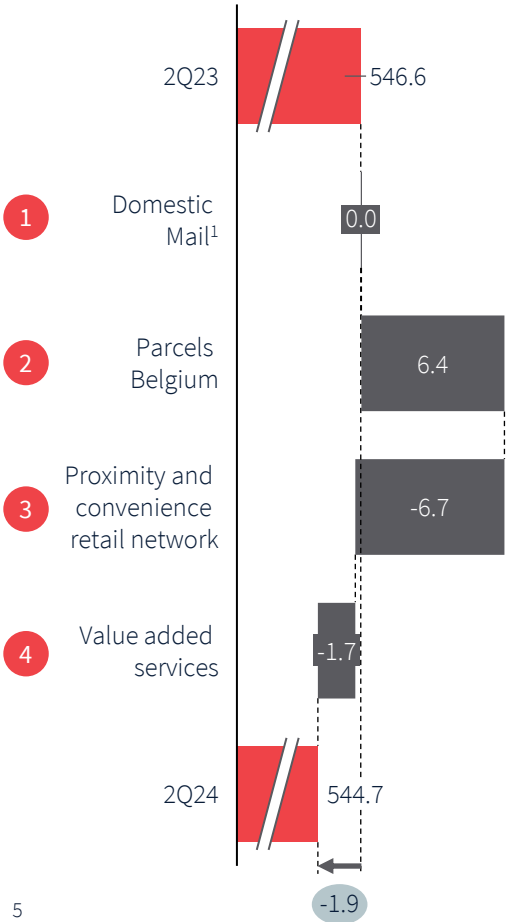
⁴ Adjusted FCF excludes the cash Radial receives on behalf of its customers for performing billing services

⁵ Including € 633.6m of lease liabilities

¹ Unaudited figures

Parcel volume growth, election mail and pricing levers offset reduced Press compensation and banking revenue

Belgium revenues, € million



Domestic Mail

Stable revenues:

- € -9.0m volume (-2.9% underlying volume decline vs. -8.3% in 2Q23)
- € +9.0m (+2.9%) price/mix impact of which € -2.9m from reduced governmental compensation for extended Press concessions and € 3.8m revenues from European, Federal and Regional elections in June '24

Excluding Press:

- Underlying volume decline of -3.0%
- Price/mix impact of +4.4%

Parcels Belgium

Parcels Belgium revenues up € +6.4m (+5.4%):

- Volume growth of +2.5% reflecting (i) contribution of additional volumes from existing customer and (ii) adverse volume impact from April strikes (c. 2% shortfall in quarterly volume growth)

Weak apparel momentum from weather conditions in May/June

- Price/mix of +2.9%

Proximity and convenience retail network

Indexation of Management Contract offset by lower banking revenues

Value added services

Higher operational revenues from fines solution and document management, more than offset by negative repricing impact now reported under VAS (vs. Other revenue in FY23)

¹ Domestic mail is the sum of Transactional, Advertising and Press

Despite strike impacts, resilient mail & parcel revenues and stable FTEs mitigate payroll cost inflation

€ million

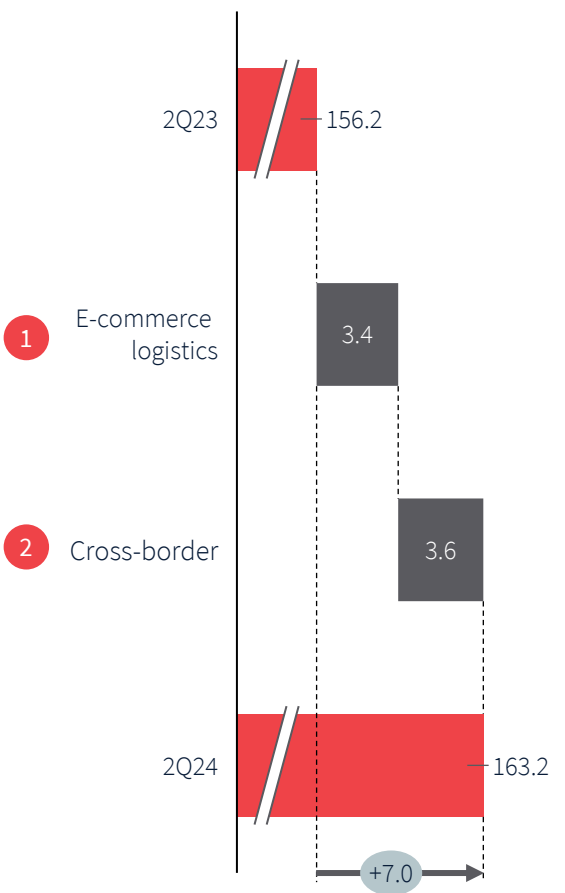
Belgium	2Q23	2Q24	Δ %
Transactional	190.4	186.4	-2.1%
Advertising	44.4	51.6	16.2%
Press	87.4	84.2	-3.6%
Parcels Belgium	118.9	125.3	5.4%
Proximity and convenience retail network	72.0	65.3	-9.3%
Value added services	33.6	31.9	-5.0%
Intersegment and other	11.2	19.1	70.3%
Total operating income	557.9	563.8	1.1%
Operating expenses	479.9	485.0	1.1%
EBITDA	78.0	78.9	1.2%
Depreciation & Amortization	21.3	22.5	5.6%
Reported EBIT	56.7	56.4	-0.5%
Margin (%)	10.2%	10.0%	
Adjusted EBIT	56.8	56.5	-0.5%
Margin (%)	10.2%	10.0%	
Additional KPIs			
Underlying Mail volume trend	-8.3%	-2.9%	
Transactional	-8.5%	-6.4%	
Advertising	-14.8%	+11.6%	
Press	-3.7%	-5.6%	
Parcels volume trend	+7.8%	+2.5%	

Key takeaways 2Q24

- Higher intersegment revenues from inbound cross-border volumes handled in the domestic network, and € 6.25m higher other revenue tied to last year's impact of State services repricing (now booked under VAS in FY24)
- Operating expenses (incl. adjusted D&A) remained nearly stable (€ +6.3m or +1.3%), mainly driven by:
 - higher salary cost per FTE (+2.7% from 2 salary indexations y/y) and stable FTEs
 - higher recoverable VAT
- € -2.6m EBIT impact from April strikes

e-com fulfilment momentum and cross-border revenue growth in EU offset UK challenges and decline in Asian volumes (excl. dest. BE)

E-Logistics Eurasia revenues, € million



E-commerce logistics

Revenues up € +3.4m (+4.9%):

- Radial Europe and Active Ants revenue growth of +11.7% reflecting higher sales from international expansion (new customer onboardings) and upselling from existing customers
- Lower revenues at Dyna reflecting (i) higher volumes at Dynalogic offset by (ii) less devices to be repaired at DynaFix/Sure

1

Cross-border

Revenues up € +3.6m (+4.2%) mainly from:

- Existing and recent customer wins in Europe,
- Growth in Asian volumes with destination Belgium, partly offset by decline in other destinations and
- Continued adverse UK market conditions

2

Improved profitability supported by favorable mix at cross-border and lower SG&A

€ million

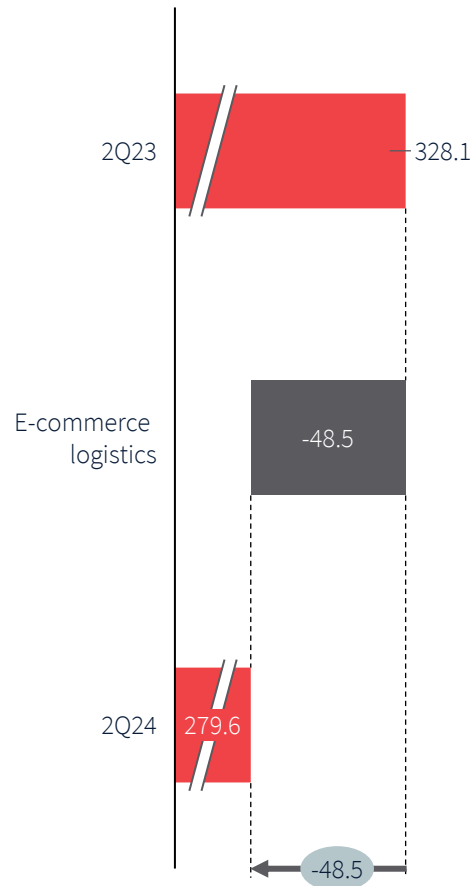
E-Logistics Eurasia	2Q23	2Q24	Δ %
E-commerce logistics	70.7	74.1	4.9%
Cross-border	85.5	89.1	4.2%
Intersegment and other	7.1	5.5	-22.3%
Total operating income	163.3	168.8	3.3%
Operating expenses	146.7	149.8	2.1%
EBITDA	16.6	18.9	14.0%
Depreciation & Amortization	8.5	9.3	9.3%
Reported EBIT	8.1	9.6	19.0%
Margin (%)	4.9%	5.7%	
Adjusted EBIT	8.9	10.4	16.4%
Margin (%)	5.5%	6.2%	

Key takeaways 2Q24

- Total operating income up € +5.4m (+3.3%)
- Slightly higher operating expenses (incl. adjusted D&A) (€ +4.0m or +2.6%), reflecting:
 - lower material costs in line with lower volumes at DynaFix/Sure and lower SG&A
 - higher volume driven transport costs with favorable mix tied to volumes with destination Belgium
 - higher salary costs reflecting international activity ramp-up and inflationary pressures, partly mitigated by productivity gains

North America topline decline reflects last year's churn and persisting challenging market conditions hindering recovery

E-Logistics N. America revenues, € million



E-commerce logistics

Revenues down € -48.5m (-14.8% or -15.7% at constant exchange rate)

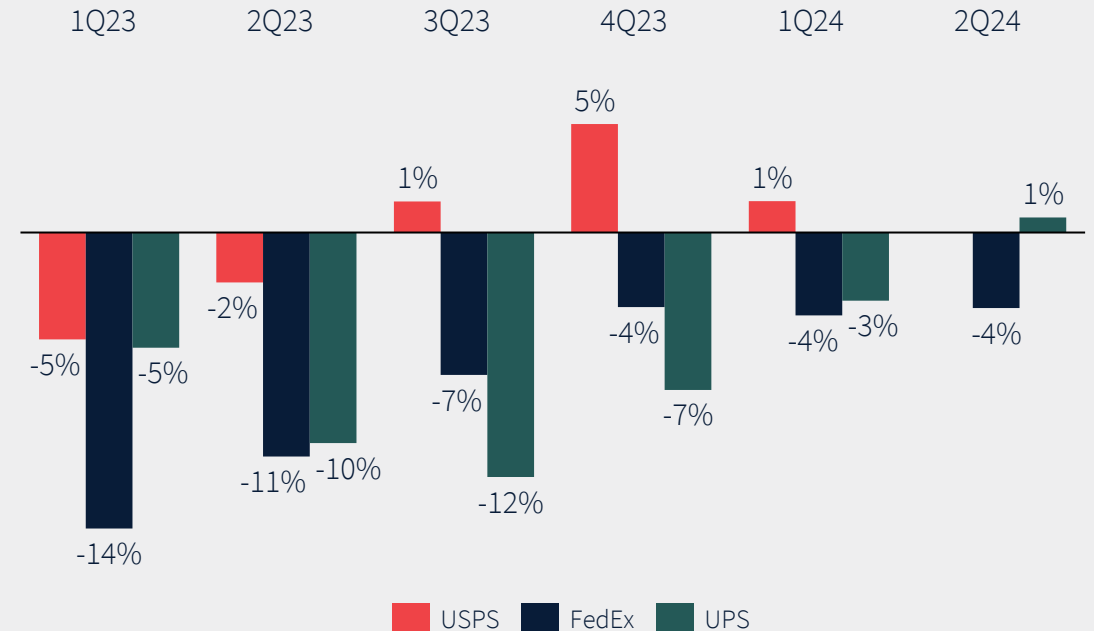
Lower revenues at Radial (-18.0% excl. FX) resulting from:

- lower sales from existing customers, and
- contribution of new customers partially mitigating revenue churn from terminated contracts announced in 2023

Lower revenues at Landmark US reflecting Amazon's insourcing

U.S. domestic market trend

Domestic Package volume (U.S.) - y/y evolution



Ongoing focus on productivity boosts variable margin to highest levels and helps combat topline pressure

2Q24 – E-Log, N. Am.

€ million

E-Logistics North America	2Q23	2Q24	Δ %
E-commerce logistics	328.1	279.6	-14.8%
Intersegment and other	2.0	3.2	62.3%
Total operating income	330.0	282.7	-14.3%
Operating expenses	293.0	255.7	-12.7%
EBITDA	37.0	27.0	-26.9%
Depreciation & Amortization	27.9	28.1	0.4%
Reported EBIT	9.0	-1.0	-
Margin (%)	2.7%	-0.4%	
Adjusted EBIT	11.2	1.2	-89.6%
Margin (%)	3.4%	0.4%	
Additional KPIs, adjusted			
Radial North America revenue, \$m	289.4	237.3	-18.0%
Radial North America EBITDA, \$m	29.4	20.1	-31.7%
Radial North America EBIT, \$m	6.2	(2.8)	-

Key takeaways 2Q24

- Total operating income down € -47.3m (-14.3%, or -15.2% excl. FX)
- Operating expenses (incl. adjusted D&A) down € -37.2m (-11.7% or -12.6% excl. FX) reflecting:
 - lower variable opex in line with revenue development
 - continued strong variable labor management and productivity gains, resulting in sustained improvement in Radial's variable contribution margin (+ 4% y/y, currently at its highest level)
 - € -3.3m bad debt provision
- Lower EBIT and margin dilution reflecting revenue pressure and lower fixed cost coverage, partly mitigated by productivity improvement at Radial

Lower EBIT reflects salary indexations and absence of building sales

€ million

Corporate	2Q23	2Q24	Δ %
External operating income	1.6	0.8	-49.2%
Intersegment and other	110.3	99.8	-9.5%
Total operating income	111.9	100.6	-10.0%
Operating expenses	100.5	98.3	-2.2%
EBITDA	11.4	2.3	-79.6%
Depreciation & Amortization	19.6	19.6	0.2%
Reported EBIT	-8.2	-17.3	-
Margin (%)	-7.3%	-17.2%	
Adjusted EBIT	-8.2	-10.4	-
Margin (%)	-7.3%	-10.3%	

Key takeaways 2Q24

- External revenues down € -0.8m from lower building sales
- Slightly higher adjusted net operating expenses (€ +1.4m, incl. D&A) after intersegment, reflecting inflationary pressure on payroll costs (+2.7% from 2 salary indexations) and stable overhead y/y
- Adjusted EBIT down € -2.2m at € -10.4m.

Reported EBIT down € -9.1m at € -17.3m when including € 6.9m M&A costs

Free cash flow reflects normal seasonality of working capital and Capex discipline

€ million - Adjusted

	2Q23	2Q24	Δ
Cash flow from operating activities before Δ in WC and provisions	121.5	104.4	-17.1 1
Change in working capital and provisions	-148.8	-164.0	-15.2 2
Cash flow from operating activities	-27.3	-59.7	-32.3
Cash flow from investing activities	-23.1	-25.3	-2.2 3
Free cash flow	-50.4	-84.9	-34.5
Cash flow from financing activities	-121.7	-85.1	36.5 4
Net cash movement	-172.1	-170.1	2.0
Capex	23.8	25.5	1.6

Adjusted vs. Reported Cash Flow Statement in appendix

CF from operating activities

- 1 Lower EBITDA partly offset by lower corporate tax payments (€ +4.2m)
- 2 € -15.2m variation in working capital evolution and provisions mainly from the settlements of terminal dues.

3 CF from investing activities

CAPEX of € 25.5m in 2Q24 (€ +1.6m y/y) reflecting spending on international e-commerce logistics, domestic fleet, operational infrastructure and parcels capacity.

4 CF from financing activities

Higher payments related to lease liabilities and purchase of remaining shares of IMX, offset by lower dividend payment (€ 26.0m paid in May '24, € -54.0m y/y)

1H24



Highlights of 1H24

1H24

Resilient mail revenues, domestic and cross-border parcels volume, and continued focus on productivity mitigate North America topline pressure from last year's churn

Group operating income

€ 1,981.2m (€ -95.3m)

-4.6% vs. 1H23

Group adjusted EBIT

€ 127.5m (€ -18.8m)

6.4% EBIT margin

Belgium

incl. € -7.7m of lower State compensation for press concessions

€ 115.9m (€ -4.5m)

10.3% EBIT margin

- Total operating income at € 1,129.6m (+0.5%)
 - underlying mail volume decline of -4.8% mitigated by price/mix impact of +3.4%
 - parcels volumes +2.7% and price/mix impact of +2.0%
- Nearly stable OPEX (+0.9%) mainly driven by salary indexation and stable FTEs

E-Logistics Eurasia

€ 22.3m (€ +5.6m)

6.6% EBIT margin

- Total operating income at € 338.2m (+2.7%)
 - continued expansion of Radial EU and Active Ants (+12.4%)
 - higher cross-border sales reflecting growth from existing and recent customer wins in Europe and Asia
- Stable OPEX (+0.4%) from (i) lower SG&A and material costs offsetting (ii) higher transport costs in line with volume development and mix

E-Logistics N. Am.

€ 10.0m (€ -16.3m)

1.8% EBIT margin

- Total operating income at € 565.3m (-15.4% excl. FX), reflecting lower volumes at Radial and Landmark US
 - Lower OPEX (-13.4% excl. FX) from lower variable costs including continued labor management and productivity gains
- Variable contribution margin at its highest level (+3.5% y/y)

Key financials 1H24

1H24

€ million	Reported		Adjusted ¹		Δ %
	1H23	1H24	1H23	1H24	
Total operating income	2,076.5	1,981.2	2,076.5	1,981.2	-4.6%
Operating expenses	1,782.8	¹ 1,716.8	1,782.8	¹ 1,702.2	-4.5%
EBITDA	293.7	264.4	293.7	279.0	-5.0%
Depreciation & Amortization	153.7	² 157.5	147.4	² 151.5	2.8%
EBIT	140.0	106.9	146.3	127.5	-12.8%
Margin (%)	6.7%	5.4%	7.0%	6.4%	
Financial result	-17.1	³ 2.7	-17.1	³ 2.7	-
Profit before tax	122.9	109.7	129.2	130.3	0.8%
Income tax expense	33.8	36.3	35.4	41.5	17.3%
Net profit	89.0	73.3	93.8	88.8	-5.4%
FCF	125.7	⁴ 133.4	165.6	⁴ 173.4	4.7%
Net Debt at June 30	420.8	⁵ 392.1	420.8	⁵ 392.1	-6.8%
Capex	80.3	39.1	80.3	39.1	-51.3%
Average # FTEs and interims	37,141	35,382	37,141	35,382	-4.7%

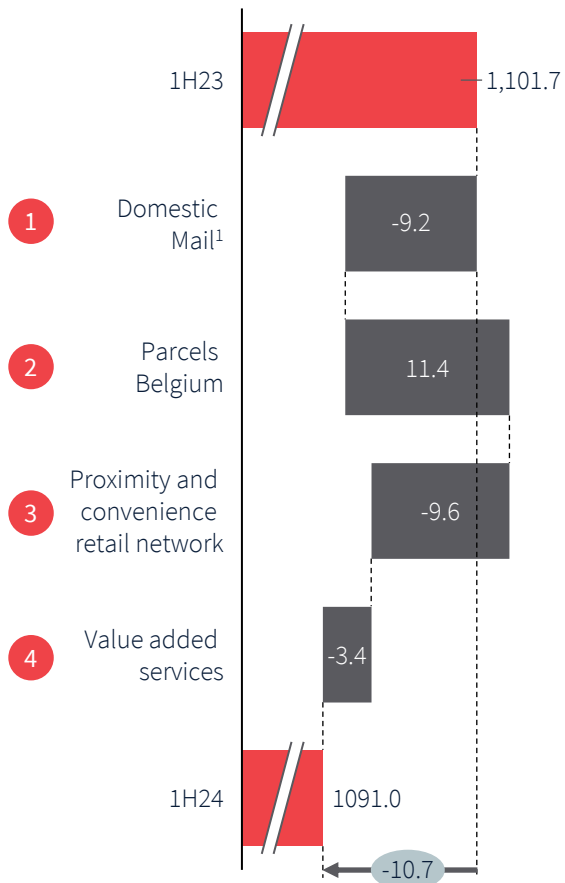
- ¹ M&A costs (Staci acquisition), leading to increase in EBIT (€ +14.6m) and income tax (€ +3.7m)
- ² Amortization and impairments of intangibles recognized during PPA are adjusted, leading to increase in EBIT (€ +6.0m) and income tax (€ +1.5m)
- ³ Increase in financial results reflecting (i) positive non-cash IAS 19 result triggered by increase in discount rates (ii) favorable FX and (iii) higher income on cash and cash equivalents
- ⁴ Adjusted FCF excludes the cash Radial receives on behalf of its customers for performing billing services
- ⁵ Including € 633.6m of lease liabilities

¹ Unaudited figures

Parcel volume growth and lower mail revenues from reduced State compensation for press distribution

1H24 – Belgium

Belgium
revenues, € million



Domestic Mail

Revenues down € -9.2m (-1.4%):

- € -30.3m volume (-4.8% underlying volume decline vs. -8.6% in 1H23)
- € +21.2m (+3.4%) price/mix impact

of which € -7.7m from reduced governmental compensation for extended Press concessions and € 3.8m revenues from European, Federal and Regional elections in June '24

Excluding Press:

- Underlying volume decline of -5.2%
- Price/mix impact of +5.3%

1

Parcels Belgium

Parcels Belgium revenues up € +11.4m (+4.8%):

- Parcels volume growth of +2.7% reflecting (i) initial delay in anticipated additional volumes from existing customer and (ii) adverse volume impact from April strikes (c. 1% shortfall in volume growth)

Weak apparel momentum from weather conditions in May/June

- Price/mix of +2.0%

2

Proximity and convenience retail network

Indexation of Management Contract offset by lower banking revenues

3

Value added services

Higher operational revenues from fines solution and document management, more than offset by negative repricing impact now reported under VAS (vs. Other revenue in FY23)

4

¹ Domestic mail is the sum of Transactional, Advertising and Press

Domestic and inbound parcels mitigate impact of lower Press revenues and inflation of payroll costs

1H24 – Belgium

€ million

Belgium	1H23	1H24	Δ %
Transactional	385.5	378.4	-1.8%
Advertising	89.7	97.2	8.3%
Press	176.2	166.6	-5.4%
Parcels Belgium	239.7	251.1	4.8%
Proximity and convenience retail network	144.5	134.9	-6.6%
Value added services	66.1	62.7	-5.1%
Intersegment and other	22.6	38.7	71.1%
Total operating income	1,124.3	1,129.6	0.5%
Operating expenses	961.7	970.0	0.9%
EBITDA	162.6	159.7	-1.8%
Depreciation & Amortization	42.4	44.0	3.8%
Reported EBIT	120.2	115.7	-3.8%
Margin (%)	10.7%	10.2%	
Adjusted EBIT	120.5	115.9	-3.8%
Margin (%)	10.7%	10.3%	

Additional KPIs

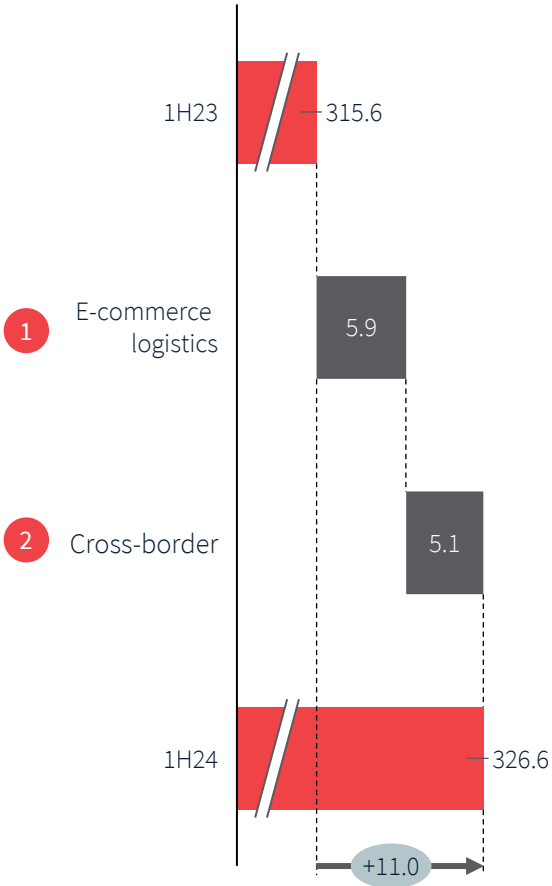
Underlying Mail volume trend	-8.6%	-4.8%
Transactional	-9.2%	-7.4%
Advertising	-13.3%	+3.8%
Press	-9.1%	-7.9%
Parcels volume trend	+8.5%	+2.7%

Key takeaways 1H24

- Higher intersegment revenues from inbound cross-border volumes handled in the domestic network, and € 12.5m higher other revenue tied to last year's impact of State services repricing (now booked under VAS in FY24)
- Operating expenses (incl. adjusted D&A) remained nearly stable (€ +9.9m or +1.0%) mainly driven by:
 - higher salary cost per FTE (+2.3% from 2 salary indexations y/y) and nearly stable FTEs
 - higher recoverable VAT

Momentum in e-com fulfilment and cross-border revenue growth in Europe and Asia offset adverse UK market conditions

E-Logistics Eurasia revenues, € million



E-commerce logistics

Revenues up € +5.9m (+4.1%):

- Radial Europe and Active Ants revenue growth of +12.4% reflecting higher sales from international expansion (new customer onboardings) and upselling from existing customers
- Lower revenues at Dyna reflecting (i) higher volumes at Dynalogic offset by (ii) less devices to be repaired at DynaFix/Sure

Cross-border

Revenues up € +5.1m (+2.9%) mainly from:

- New customers and continued growth from recent customer wins in Europe and Asia; partly offset by
- Continued adverse UK market conditions

Improved profitability supported by favorable mix at cross-border and lower SG&A

€ million

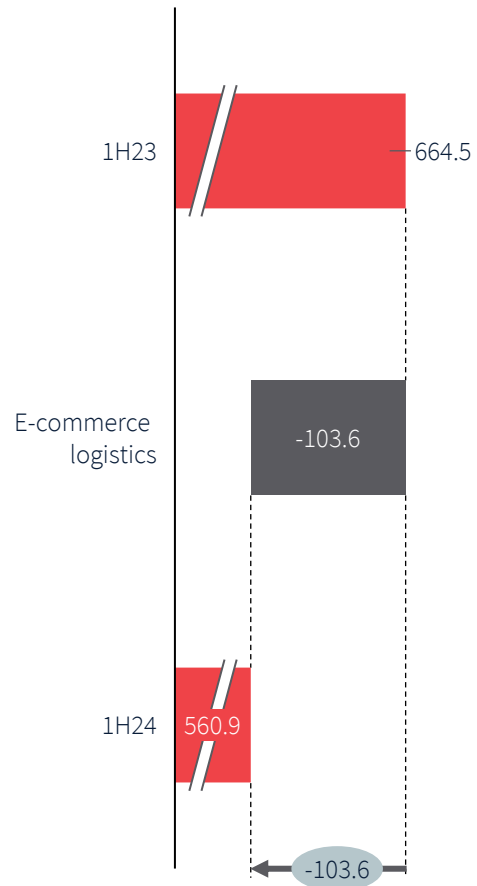
E-Logistics Eurasia	1H23	1H24	Δ %
E-commerce logistics	142.6	148.5	4.1%
Cross-border	172.9	178.0	2.9%
Intersegment and other	13.7	11.6	-
Total operating income	329.2	338.2	2.7%
Operating expenses	297.5	298.7	0.4%
EBITDA	31.7	39.5	24.5%
Depreciation & Amortization	16.8	18.5	10.5%
Reported EBIT	15.0	21.0	40.1%
Margin (%)	4.5%	6.2%	
Adjusted EBIT	16.7	22.3	33.8%
Margin (%)	5.1%	6.6%	

Key takeaways 1H24

- Total operating income up € +8.9m (+2.7%)
- Slightly higher operating expenses (incl. adjusted D&A) (€ +3.3m or +1.1%), reflecting:
 - lower material costs in line with lower volumes at DynaFix/Sure and lower SG&A
 - higher volume driven transport costs with favorable mix tied to volumes with destination Belgium
 - higher salary costs reflecting international activity ramp-up and inflationary pressures, partly mitigated by productivity gains

North America topline decline reflects last year's churn and persisting challenging market conditions hindering recovery

E-Logistics N. America revenues, € million



E-commerce logistics

Revenues down € -103.6m (-15.6% or -15.5% at constant exchange rate)

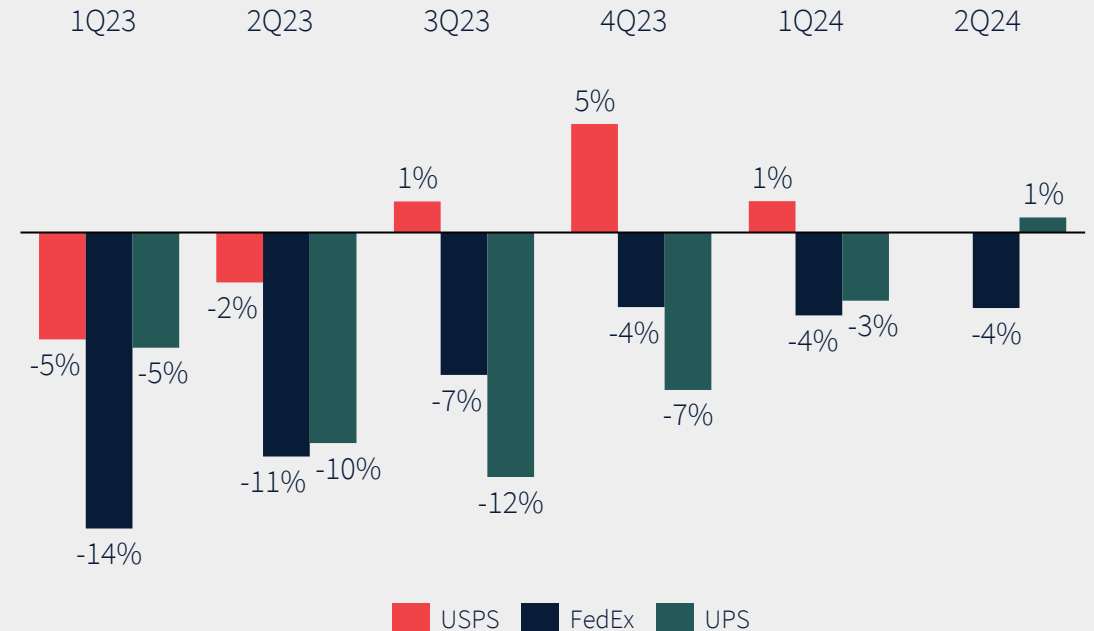
Lower revenues at Radial (-18.5% excl. FX) resulting from:

- lower sales from existing customers, and
- contribution of new customers partially mitigating revenue churn from terminated contracts announced in 2023

Lower revenues at Landmark US reflecting Amazon's insourcing

U.S. domestic market trend

Domestic Package volume (U.S.) - y/y evolution



Continued focus on productivity gains boosts variable margin to highest levels and helps combat topline pressure

€ million

E-Logistics North America	1H23	1H24	Δ %
E-commerce logistics	664.5	560.9	-15.6%
Intersegment and other	4.2	4.4	6.1%
Total operating income	668.6	565.3	-15.5%
Operating expenses	591.6	503.6	-14.9%
EBITDA	77.0	61.6	-20.0%
Depreciation & Amortization	55.1	56.0	1.6%
Reported EBIT	21.9	5.6	-74.2%
Margin (%)	3.3%	1.0%	
Adjusted EBIT	26.3	10.0	-61.9%
Margin (%)	3.9%	1.8%	
Additional KPIs, adjusted			
Radial North America revenue, \$m	584.1	475.8	-18.5%
Radial North America EBITDA, \$m	60.6	46.9	-22.5%
Radial North America EBIT, \$m	15.5	1.0	-93.6%

Key takeaways 1H24

- Total operating income down € -103.4m (-15.5%, or -15.4% excl. FX)
- Operating expenses (incl. adjusted D&A) down € -87.1m (-13.6% or -13.4% excl. FX) reflecting:
 - lower variable opex in line with revenue development
 - continued strong variable labor management and productivity gains, resulting in sustained improvement in Radial’s variable contribution margin (+ 3.5% y/y, currently at its highest level)
 - € -3.1m bad debt provision
- Lower EBIT and margin dilution reflecting revenue pressure and lower fixed cost coverage, partly mitigated by productivity improvement at Radial

Lower EBIT reflects salary indexations and absence of building sales

€ million

Corporate	1H23	1H24	Δ %
External operating income	4.1	1.8	-55.1%
Intersegment and other	217.5	204.7	-5.9%
Total operating income	221.7	206.5	-6.8%
Operating expenses	199.3	202.9	1.8%
EBITDA	22.3	3.6	-84.0%
Depreciation & Amortization	39.4	39.0	-1.1%
Reported EBIT	-17.1	-35.4	
Margin (%)	-7.7%	-17.1%	
Adjusted EBIT	-17.1	-20.7	
Margin (%)	-7.7%	-10.0%	

Key takeaways 1H24

- External revenues down € -2.3m from lower building sales
- Slightly higher adjusted net operating expenses (€ +1.4m, incl. D&A) after intersegment, reflecting inflationary pressure on payroll costs (+2.3% from 2 salary indexations) and stable overhead y/y
- Adjusted EBIT down € -3.7m at € -20.7m.

Reported EBIT down € -18.3m at € -35.4m when including € 14.6m M&A costs

Reduced Capex compensates for lower Cash from operating activities 1H24

€ million - Adjusted

	1H23	1H24	Δ
Cash flow from operating activities before Δ in WC and provisions	271.4	260.1	-11.3 1
Change in working capital and provisions	-28.4	-47.8	-19.4 2
Cash flow from operating activities	242.9	212.3	-30.7
Cash flow from investing activities	-77.3	-38.9	38.4 3
Free cash flow	165.6	173.4	7.8
Cash flow from financing activities	-155.7	-118.8	36.9 4
Net cash movement	9.9	54.6	44.7
Capex	80.3	39.1	-41.2

Adjusted vs. Reported Cash Flow Statement in appendix

CF from operating activities

- 1 Lower EBITDA partly offset by lower corporate income tax payments (€ +18.8m)
- 2 € -19.4m variation in working capital evolution and provisions mainly from:
 - last year's deferral into 1Q23 of the 4Q22 payments of the withholding tax on payroll (€ +30.6m), as granted by the Belgian government in the context of the energy crisis
 offset amongst other by
 - lower State compensation for Press (€ -34.6m)
 - settlements of terminal dues.

3 CF from investing activities

CAPEX of € 39.1m in 1H24 (€ -41.2m y/y reflecting the purchase of two logistics sites for Radial US in 1Q23).

Spending on international e-commerce logistics, domestic fleet, operational infrastructure and parcels capacity

4 CF from financing activities

Higher payments related to lease liabilities and purchase of remaining shares of IMX, offset by lower dividend payment (€ 26.0m paid in May '24, € -54.0m y/y)

Additional info



Adjusted vs. reported Cash Flow Statement

2Q24

€ million	Reported			Adjusted		
	2Q23	2Q24	Δ	2Q23	2Q24	Δ
Cash flow from operating activities before Δ in WC and provisions	121.5	104.4	-17.1	121.5	104.4	-17.1
Change in working capital and provisions	-149.0	-168.6	-19.5	-148.8	-164.0	-15.2
Cash flow from operating activities	-27.6	-64.2	-36.7	-27.3	-59.7	-32.3
Cash flow from investing activities	-23.1	-25.3	-2.2	-23.1	-25.3	-2.2
Free cash flow	-50.6	-89.5	-38.9	-50.4	-84.9	-34.5
Cash flow from financing activities	-121.7	-85.1	36.5	-121.7	-85.1	36.5
Net cash movement	-172.3	-174.6	-2.3	-172.1	-170.1	2.0
Capex	23.8	25.5	1.6	23.8	25.5	1.6

Adjustments

- 1 Change in working capital:
Cash outflow related to collected proceeds due to Radial's clients was € 4.4m higher (€ 0.2m outflow in 2Q23 against outflow of € 4.6m in 2Q24)

Adjusted vs. reported Cash Flow Statement

1H24

€ million	Reported			Adjusted		
	1H23	1H24	Δ	1H23	1H24	Δ
Cash flow from operating activities before Δ in WC and provisions	271.4	260.1	-11.3	271.4	260.1	-11.3
Change in working capital and provisions	-68.4	-87.8	-19.4	-28.4	-47.8	-19.4
Cash flow from operating activities	203.0	172.3	-30.7	242.9	212.3	-30.7
Cash flow from investing activities	-77.3	-38.9	38.4	-77.3	-38.9	38.4
Free cash flow	125.7	133.4	7.8	165.6	173.4	7.8
Cash flow from financing activities	-155.7	-118.8	36.9	-155.7	-118.8	36.9
Net cash movement	-30.0	14.7	44.7	9.9	54.6	44.7
Capex	80.3	39.1	-41.2	80.3	39.1	-41.2

Adjustments

1 Change in working capital:

Cash outflow related to collected proceeds due to Radial's clients remained stable (€ 39.9m outflow in 1H23 against outflow of € 40.0m in 1H24)

Balance Sheet

2Q24

€ million

Assets	Dec 31, 2023	Jun 30, 2024
Property, Plant and Equipment	1,372.0	1,339.4
Intangible assets	810.9	818.6
Share in equity	0.0	0.0
Investments in associates and joint ventures	0.1	0.1
Other assets	38.0	31.6
Trade & other receivables	1,001.2	828.9
Inventories	25.4	26.3
Derivative instruments	0.0	0.0
Cash & cash equivalents	870.6	889.3
Assets held for sale	0.6	0.6
Total Assets	4,118.8	3,934.9

€ million

Equity and Liabilities	Dec 31, 2023	Jun 30, 2024
Total equity	1,026.5	1,102.1
Interest-bearing loans & borrowings	1,291.0	1,281.3
Employee benefits	249.8	238.8
Trade & other payables	1,432.5	1,150.4
Provisions	106.0	110.1
Derivative instruments	0.2	0.5
Other liabilities	12.8	51.7
Liabilities held for sale	0.0	0.0
Total Equity and Liabilities	4,118.8	3,934.9

Main balance sheet movements

Property, plant and equipment decreased as the depreciation outpaced the capital expenditure and the increase in the right-of-use assets.

Intangible assets increased driven by the evolution of the exchange rate (mainly impacting goodwill in USD) and the capital expenditures, partially offset by the depreciation.

Trade and other receivables decreased driven by the settlement of the press concession for 2023 and the settlement of terminal dues, decrease furthermore due to peak sales of year-end 2023.

Equity increased mainly explained by the realized profit and the exchange differences on translation of foreign operations.

The decrease of trade & other payables was mainly due to the decrease of social and trade (related) payables, the settlement of terminal dues and the purchase of the remaining shares of IMX, partially offset by the advance payment received for the SGEI compensation. The decrease of the trade payables was mainly explained by the peak season at year-end and lower volumes at E-Logistics North America, whereas decrease social payables was mainly due to the payment of 2023 full year social accruals.

Financing Structure & Liquidity

2Q24

€ million

Available Liquidity	Dec 31, 2023	Jun 30, 2024
Cash & cash equivalents	870.6	889.3
Cash in network	122.5	138.8
Transit accounts	79.1	61.6
Cash payment transactions under execution	-28.5	-14.6
Bank current accounts	447.0	326.8
Short-term deposits	250.6	376.7
Undrawn revolving credit facilities	375.0	475.0
Syndicated facility - 06/2029	300.0	400.0
Bilateral facility - 06/2025	75.0	75.0
Total Available Liquidity	1,245.6	1,364.3

€ million

External Funding	Dec 31, 2023	Jun 30, 2024
Long-term	650.0	650.0
Long-term bond ¹ (1.25% - 07/2026)	650.0	650.0
Short-term	0.0	0.0
Total External Funding	650.0	650.0

Liquidity: Cash & Committed credit lines

Total available liquidity on June 30, 2024 consisted out of € 889m cash & cash equivalents of which € 704m is readily available on bank current accounts and as short-term deposits.

In addition, bpost group has 2 undrawn revolving credit facilities for a total amount of € 475m. In 2Q24, bpostgroup refinanced its € 300m syndicated RCF with the same 4 banks, extending it to € 400m (maturity 2029 with two possible 1-year extensions).

External Funding & Debt Amortization (excl. IFRS16 lease liabilities)

The debt portfolio now consists solely of the € 650m bond (maturity July 2026)

Non-current and Current lease liabilities amount to € 633.6m.

¹ € 650m long-term bond with a carrying amount of € 647.7m, the difference being the re-offer price and issuance fees.

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