

bpost provides an update on current trading and announces the payment of an interim dividend of 1.06 euro gross per share

TRADING UPDATE

- **Confirmation of 2018 guidance**

- The net result after tax of bpost N.V./S.A. for the 10 months period ended on 31 October 2018 amounted to EUR 229.6m (BGAAP).
- October 2018 operational results are in line with our expectations. The company is operationally ready to enter the end-of-year peak period.
- bpost will also finalize the sale procedure for its Old Brussels X sorting centre later this month. The cash proceeds and capital gain will be in line with our expectations. The capital gain will be included in the normalized 2018 EBITDA figure as per financial policy. More information regarding the sale will be communicated in the course of December, after finalization of the sale procedure.
- In the absence of any unforeseen operational disruption, management reiterates its 2018 guidance for normalized EBITDA at the low-end of the range of EUR 560-600m as communicated with the Q3 results.

- **Update on social climate**

- bpost has submitted concrete proposals to union representatives in order to provide an answer to employees' concerns regarding workload, purchasing power and attractiveness of the jobs on the field. According to the formal Belgian negotiation process these proposals will now be presented by the unions to their delegates with a view to complete a 2019-2020 labour agreement.
- The challenges that the industry is facing, namely changing customer needs, lack of further productivity improvements under the current operating model, absenteeism and a tight labour market needed to be openly discussed and addressed. From the recent negotiations emerges a shared recognition of the need for a more adapted distribution model as articulated in June.
- Management is confidently looking forward to the continuation of social dialogue in order to finalize this agreement and now that the strikes came to an end fully focuses on the service delivery to citizens and clients in this critically important end-of-year period.

- **Implications for 2019 and beyond**

- Management anticipates a significant negative impact on earnings of several elements and will assess their 2019-20 implications. For 2019 more specifically, we anticipate the following impact:
 - An acceleration of the labour cost indexation leading to an additional ~1% cost increase compared to the plan,
 - The possible 2019-20 labour agreement when it comes to a conclusion,
 - The staff productivity initiatives on mail operations which cannot be implemented in 2019,
 - An acceleration of the structural measures for an adapted distribution model is necessary, negatively impacting our cost base 2019 by an estimated EUR 10-15m.
- The price increase for the domestic mail small user basket for the year 2019 was approved by the regulator. As from January 1st we will be able to introduce the new product offering D+3. The average price increase for the domestic mail is estimated at +4.6% for the year 2019.

INTERIM DIVIDEND

bpost will pay an interim dividend of EUR 1.06 gross per share on 10 December 2018

The dividend policy of bpost is to pay a minimum of 85% of the net profit after tax of bpost N.V./S.A. (BGAAP) in two installments, an interim dividend paid in December based on the results of the first 10 months of the year and a final payment after the Annual General Meeting of Shareholders based on the results of the last two months of the year.

On 7 November 2018 the Board of Directors confirmed the guidance to achieve at least the same level of dividend payment as last year. Consequently, the Board of Directors today approved the payment of an interim dividend of EUR 212.0m or EUR 1.06 gross per share based on the net profit after tax of bpost N.V./S.A. for the 10-months period January to October 2018.

The paying agent appointed by bpost to process the interim dividend payment is Euroclear Belgium.

The calendar applicable to the interim dividend payment is as follows:

- Ex-dividend date : 6 December 2018
- Record date : 7 December 2018
- Payment date : 10 December 2018

On 3 December 2018 the Board of Directors also confirmed its guidance to maintain the total dividend relative to the financial year 2018 at least at the same level as 2017. The results of the year 2018 and the proposed final dividend will be communicated on 19 March 2019 after trading hours. The decision on the amount of the final dividend will be submitted for approval to the Shareholders' meeting on 8 May 2019.

The calendar applicable to the final dividend payment is as follows:

- Ex-dividend date : 13 May 2019
- Record date : 14 May 2019
- Payment date : 15 May 2019

Koen Van Gerven, CEO declared: *"Results for this year are in line with our expectations for 2018 as expressed at our capital markets day in June. Challenging mail operations in Belgium were partly compensated by the introduction of the new price formula, a strong growth in domestic parcels and acquisitions. As a result, we are able as expected to deliver the same interim dividend as in 2017.*

I believe that the proposals submitted to the social partners will be beneficial to working conditions on the field in Belgium. I would like to thank again all the bpost employees for their hard work. We are now fully operational to deliver on customer satisfaction during end-of-year period. Next year we should also face a challenging operating environment until the implementation of the more adapted distribution model announced back in June."

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