



Interim Financial Report
Third quarter 2016

Conference call transcript

Brussels – November, 10th 2016
Koen Van Gerven, CEO
Koen Beeckmans, CFO

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PRESENTATION

Operator: Ladies and gentlemen, welcome to the Bpost third quarter 2016 results analyst call. I am pleased to present Mr Koen Van Gerven and Koen Beeckmans, CFO. For the first part of this call, let me remind you that all participants will be in a listen-only mode and afterwards there'll be a question and answer session. I would now like to turn the call over to Koen Van Gerven and Koen Beeckmans. Gentlemen, the floor is yours.

Koen Van Gerven: Thank you. Thank you. Good morning, ladies and gentlemen. Thank you for joining us for the presentation of Bpost's third quarter 2016 results and, as always, I have with my Koen Beeckmans, CFO as well as the IR team with Saskia and Baudouin. Before we start, I have to say that in line with the legal and regulatory requirements, Bpost cannot and will not comment further on the friendly proposed offer issued to PostNL earlier this week, nor during the presentation, nor during the Q&A that follows it. I imagine that you had already the opportunity to read through the material we posted on our website yesterday and I will try to summarise the key messages, so as to move to the Q&A rapidly.

On page three, you will see that we recorded solid growth in domestic and international parcels, driven by booming e-commerce and our international acquisitions. Domestic parcel volumes continued their double-digit performance at 12.7%, despite counting one working day less in the quarter. Nevertheless, our revenues at €538 million declined by 2.3% due to the anticipated lower SGEI compensation and a weak quarter in domestic mail, with an underlying trend at -5.9%. However, I'm not concerned about this figure. It simply just proves that the evolution and the swings between quarters are increasingly volatile. We witnessed a similar volatility over the course of the last two years. It would be premature to draw conclusions from one quarter's figure about eventually underlying trends.

Cost savings remain fully on track and delivered €8.5 million, thereby fully absorbing the negative impact of salary indexation in July and the new collective labour agreement. Our underlying productivity improvements came in at 604 FTEs and interims on average for the quarter. Looking at EBITDA, you will remember we normalised our operating results for the amount of €54.5 million, relating to the alpha provision in the third quarter of last year. Compared to that normalised figure, EBITDA was down €3.9 million this quarter to reach €110.1 million, but up €2.9 million when we exclude to lower SGEI compensation. This demonstrates once again the resilience of our operating model and I can therefore confidently reconfirm our outlook and say that we're fully on track to realise at least the same operating result and to pay at least the same dividend as last year.

Moving to page four, you see the various impacts I just mentioned. However, when we look at the first nine months, we see that our normalised EBITDA is down only €1.1 million and I'm confident that we will more than compensate the difference in the last quarter of this year.

Before handing over to Koen, I would like to give a short update on a couple of topics. First, I'm excited to announce that the Belgian Competition Authority has given its green light to our acquisition of the Belgian activities of Lagardère Travel Retail. This is a couple of days earlier than expected and the result of a very constructive process and dialogue between Bpost and BCA. We can now concentrate on getting the transaction closed and this is foreseen by the end of the year. Secondly, we have taken strategic stakes in two promising and dynamic companies, Parcify and de Buren. Parcify is a fast-growing Belgian start-up which delivers parcels based on the geolocation of the receiver's smartphone. de Buren is a Dutch company which operates an open network of parcel lockers that are accessible to anyone 24 hours, seven days a week. Both companies capitalise on promising innovative technology for last-mile delivery, reinforcing our proximity and

convenience strategy for both senders and receivers. Finally, at the end of September, we signed a new collective labour agreement for the years 2016 and 2017, including a number of measures to increase purchasing power. The approval of this agreement demonstrates that the social dialogue within bpost really works and it will make sure that our employees remain fully committed while contributing to the realisation of our growth ambitions. And with all of this, ladies and gentlemen, I would like to hand over to the other Koen for more details on the financials.

Koen Beeckmans: Thank you, Koen, and good morning everybody. I'm now on slide five of the presentation. As already mentioned earlier, last year's results had been normalised for the alpha restructuring provision of €54.5 million. Normalised EBITDA and EBIT are down respectively €3.9 and €3.8 million for the quarter, but up respectively €2.9 and €3 million when we exclude the effect of the anticipated lower SGEI compensation. The normalised BGAAP net profit was down only €0.8 million for the quarter and €0.6 million year to date. Therefore, we remain fully on track to realise our full-year dividend outlook.

Let us have a look at the details of our product lines, starting with domestic mail on page seven. Domestic mail was impacted by one working day less, except for stamps. Excluding this calendar effect, underlying volume decline stood at -5.9% for the quarter. This is somewhat weaker than the first half due to tougher comparables, but it is too early to draw any conclusions from this figure due to the increasing volatility between quarters, as mentioned by Koen. Moreover, our year-to-date underlying volume decline is at -4.5%, perfectly in line with our full-year guidance. We are not concerned about this quarter's mail volume evolution, even more so because we continued to record strong performance in advertising mail, driven by our focused sales approach targeted at six growth segments. As you can observe, this was offset by weaker trends in transactional mail and press. Transactional mail was impacted by weaker holiday period volumes, especially for franking machines, while the second quarter of 2016 benefited from additional

volumes from social elections and the third quarter of last year benefited from a specific mailing by utilities on VAT changes in electricity. Volumes were also impacted by continued e-substitution and a shift towards cheaper products. Press was impacted by low renewals of newspaper subscriptions this quarter. In periodicals, we witnessed a decrease in acquisition campaigns as well as a reduced number of issues of certain magazines.

On page eight, we are happy to highlight continued double-digit volume growth in domestic parcels at 12.7%. When excluding the impact of one less working day, volume growth would have been at +14.5%, so perfectly in line with the previous quarters. The price mix also improved to -1.8%. International parcels contributed €4.1 million in revenue growth, mainly driven by our successful acquisitions. Shipments to China further declined while flows out of the US were affected by decreased price competitiveness of US goods due to the strong US dollar.

On slide nine, we see that the additional sources of revenues were driven by continued growth in value-added services. This was positively influenced by the European licence plates and Citydepot. International mail revenues continue to decline as a result of the strict execution of our pricing strategy. This is however accretive to our margin.

Moving to costs on slide ten, you see that we managed to reduce normalised costs by €8.5 million. Payroll and interim costs went down by €1.2 million and we were able to compensate the negative impact of the 2% salary indexation effective as of the 1st July and the new collective labour agreement. We successfully managed to fully absorb discussed increase mainly through the favourable FTE mix where we replaced more expensive employees by less expensive ones.

The reported average increase of FTEs and interims came in at 344 for the quarter when excluding 948 additional FTEs and interims related to the Deltamedia integration, our newly consolidated

subsidiaries and higher volumes in parcels and solutions, our underlying productivity improvements came in at 604.

Other SG&A decreased by €1.6 million and other costs by €7.8 million. The latter is explained by the evolution of other operating charges as well as the positive evolution of provisions for bad debts and provisions linked to a settlement on terminal dues with another postal operator. The corresponding costs related to the settlement was booked in transport costs which increased by €2.1 million.

On slide 11, you can see that the free cash flow generation was impacted by higher tax prepayments and a negative evolution of the working capital due to a lot of phasing elements. This quarter, we also paid terminal dues to another postal operator that were still outstanding since the start of a disagreement on distribution costs.

A part of this pay out was already booked in the P&L in earlier years transport costs. From a cash point of view, we have settled our outstanding balances this quarter and we have now reached a good agreement on distribution fees.

Finally, on slide 12, you can see that the strong balance sheet of Bpost offers opportunities for inorganic growth. Our cash position has increased to €724 million since 31st December 2015.

On the liability side, considering that Bpost is nearly without debt, this is mostly reflected in a robust equity buffer. With these comments, I'd like to hand over again to the other Koen for some closing remarks.

Koen Van Gerven: Okay. Thank you. Thank you very much. I'm going to be very brief and when we flip through page 13, then with nine months of the year behind us, we can reconfirm our outlook for the full year 2016 and we reiterate our ambition to realise, at least, the same normalised operating results and to pay at least the same dividend as for the year 2015. And with this, we are happy to answer your questions.

May I remind you that in line with the legal and regulatory requirements, we cannot and will not comment further on the friendly proposed offer issue to PostNL earlier this week.

Operator, please open the lines.

QUESTIONS & ANSWERS

Operator: Thank you. Ladies and gentlemen, we will now begin the question-and-answer session. If you wish to ask a question, please press 01 on your telephone keypads now. The first question is from Mark McVicar of Barclays.

Mark McVicar: Good morning everybody. I have two questions. The first one is when will you be able to give us some updated financials around the Lagardère assets because I think the latest we've got was for the year ending 2014.

Koen Beeckmans: Good morning, Mark. We have just received the approval from the competition authorities. We will start now the closing process that may take some weeks as you may imagine. So as soon as this closing process will be finalised, we will communicate on the financials of this acquisition. Okay?

Mark McVicar: Okay, that's lovely. Sort of back end of the year really it's going to be, isn't it?

Koen Van Gerven: Right.

Mark McVicar: Okay. The second question is, you know, on the call on Monday and this is very much not related to PostNL, you know, you made a very clear comment that you regard the net cash on the balance sheets as being inefficient in the current interest rates environment. And I think we, you know, we would all agree with that. Can I ask, what would you regard as an efficient balance sheet if you had all the room for manoeuvre that many other companies have? You know, would you have – would it be zero net debt? Would you believe in having financial gearing on that balance sheet? Where does the thinking lie on that?

Koen Beeckmans: Mark, an efficient balance sheet is a balance sheet that has been good, utilised, which means that create very accretive and very progressive dividends in our case.

Mark McVicar: Okay, okay. And, you know, and –

Koen Beeckmans: And if that means that we will have to incur some gearing, then we will incur some gearing.

Mark McVicar: Yeah, totally. And, you know, and this, again, in the absence of anything to do with PostNL, you know, are there other things you could do to increase the balance sheet flexibility particularly I'm thinking about, you know, the relatively small distributable reserves position. I mean, I don't know how the situation is in Belgium. But in other countries, you could do B-share issues or get one part of the reserves moved from non-distributable to distributable through a court process. Is that thing – are those things that, you know, you can think about?

Koen Van Gerven: Mark, indeed, in terms of dividend distribution, there we have the limited level of our distributable reserves. Other scenarios, as we already discussed previously, will depend on the position of a large shareholder. And as far as we know until now there is no change in that position. So, if there is – if there is a change in that position, then, of course, we will consider the scenarios that would be needed to consider.

Mark McVicar: Okay. So –

Koen Beeckmans: And, Mark, just as a follow up on this, I'd like to remind you that upon closing of Lagardère, we will be using a part of that in efficient balance sheet.

Mark McVicar: Yes, absolutely. Absolutely. Okay, that's great. Thank you very much.

Operator: Thank you. The next question is from Ruben Devos of KBC Securities.

Ruben Devos: Yes, good morning. Thanks for taking my questions. I've got three questions really. The first one, so this quarter you've seen a sequential acceleration in mail volume decline for the most part explained by transactional mail. I guess, that has an impact on your profitability for Q3, so I was wondering for Q4, given that we already have November, what makes you confident for reconfirming your guidance and, yeah, and would you say that the market has gotten maybe a bit too optimistic on volume evolution for 2016 and beyond based on the good mail volume performance in the first half year?

Second question has to do with the corporate tax. So, yeah, so in search of a fair tax system, the Belgian politicians have proposed to bring down the corporate tax rate to initially 20% and then later they said 23%. So just curious to hear your thoughts on these developments and how that would affect your effective tax rate going forward.

And the last one, I mean, basically, a conceptual question. So, assuming that Bpost would become subject to private corporate law, how would this new situation differ from public corporate law and specifically how would that affect actually your freedom in running a business. Thank you.

Koen Van Gerven: As far as the volume decline is concerned, of course, we have seen an increase. But I'm not too concerned of that. As we know and we experienced already in the past, and therefore of course we have to go back a couple of quarters, we see bigger swings between quarters and basically – so making big predictions on the longer term are really not very useful as we said already before. I think what we do – and it didn't change compared with what we did

previously – we tried to remain in close contact with our big customers, really to understand what their plans are and we didn't see any change in plans. If you take a closer look to the decline of this quarter and you put it somewhat in perspective, you compare it what – with what we had in the previous quarter, then of course we know that in the previous quarter we had these social elections, so the union elections, which makes a difference between – [inaudible] two quarters probably a little bit larger. If we compare with last year, then we know that last year there was this VAT increase, or change, on electricity, which incurred some volume.

So, what we tried to do is we tried to understand, we tried to remain in close contact with our customers and based on all of that information, I don't see – and I think it's too early now to say, 'Look, something happens on that market and we do see a structural change.' What is even more interesting to me is that, on the other side, if we took the advertising mail, that we did identify potentially an issue last year, where we decided to change strategy after analysis that we started the roll-out of that in the third quarter and now, after a couple of quarters, it seems to be that it can deliver consistently. And this is, for me, even important as the other aspect.

Then I think, on top of that, Ruben, you know that we have an SGEI reduction this year and that will be relatively limited, compared to the other quarters, with only –4.7 in the last quarter. Okay? Then, on top of that, we also believe that, with regard to parcels, the last quarter, as we've seen over the last years, normally should be good as well. So, with all these elements, I think we are confident to reach our targets.

Koen Beeckmans: Yes, then the second question, on corporate tax. Of course, if the Belgian government would lower the Belgian corporate income tax rate then we would benefit from that and whether they will do so, we will see. But in any case, given the fact that we, as you can see, are at the top rate in Belgium, yes, we may benefit from that.

Koen Van Gerven: There was a third one on the eventual change of – with the government holding going below 50%. This was the question, I think.

Ruben Devos: Yes.

Koen Van Gerven: Basically, there is fundamentally nothing that is going to change. Probably the impact – the biggest impact will be that we will no longer be a public company but a private company but today, basically, we behave, we are organised, our governance is completely already organised as a private company. The only impact would be that the civil servant kind of statute has to be transformed in a private company contract. It will be done collectively and it is provided in the law that all the rights of the civil servant statute will be grandfathered in the private environment. So, although we have to switch this, from a legal perspective, the impact on the company, the way we run the company, the way the costs are structured in the company, is going to be identical.

Ruben Devos: Okay, great, thank you.

Operator: The next question is from Christopher Combe of JP Morgan.

Christopher Combe: Good morning, a bit of a follow-on question regarding parcels in Q4. We see continued healthy growth in the domestic space and it looks like the price mix is improving, especially compared to the first quarter. Can you elaborate a bit? Is that some underlying pricing or is it mostly mix and should we expect that degree of improvement to continue into Q4 and does that partially explain some of your optimism on the fourth quarter?

Koen Van Gerven: So, Christopher, there were a couple of price negotiations and contacts that came due, and so we got different prices. Even prices in the right direction. It's not more complicated than that.

Christopher Combe: That's very helpful. Lastly, can you talk a little bit about the year-on-year contribution from powdered milk and how that changed and what your strategy is going forward, given some of the competition that you face there?

Koen Beeckmans: Yes, as we have mentioned also last quarter, we have increased our prices on the Chinese lane for milk powder, as of April. We've seen some volume go away and, you know, we've also noticed that our competitors also have increased their prices and in this quarter we see that some volume is coming back to us again. But, as we've always said, it's a nice-to-have. We, how shall I say – will one day, you know, not be counting, perhaps, any more on it, so it's a very nice to have and the volumes are still reasonable.

You also have to know that it's an asset-light model, so if we don't have the volumes anymore, we can easily scale down as well. Okay?

Christopher Combe: That's clear. And the last one, a bit of a housekeeping question, how much of the pricing bonus within milk that was in the pricing mechanism do you still have in the bank, so to speak?

Koen Beeckmans: Slightly below six, I think to be exact 5.9.

Christopher Combe: And can you utilise that at your discretion in any given year, as much as you want?

Koen Beeckmans: Well, we introduced our price increases for next year but we don't have the answer yet, so this is expected somewhere in mid-November, something like that. But it is our ambition to remain in line with what we did in previous years, so we try to remain predictable from that perspective, too.

Christopher Combe: Okay, thank you.

Operator: The next question is from David Kerstens of Jefferies.

David Kerstens: Good morning gentlemen, congratulations on your draw against Netherlands last night. I've two questions, first, also on pricing: is it fair to assume that pricing for 2017, stamp pricing, will go up by at least 2%, in line with your rate inflation in the third quarter? And are you concerned that that might trigger some further e-substitution? And secondly, on your cost savings toolbox, you said that underlying EBITDA was up 3% in the quarter, while your underlying mail volumes declined by almost 6%. I understand that this year is a special year, where you're firing on all cylinders, in terms of cost savings. What do you see for 2017 from alpha savings, as well as from savings on the Vision 2020 to compensate for potentially weaker mail volumes? Thank you.

Koen Van Gerven: Okay, thank you for that, although I expected better yesterday evening but that's another thing. As far as pricing is concerned, as I already said answering the previous question what we expect to do is or what we want to do is basically in line with what we did in previous years. I'm not sure that elasticity is very important and basically, it's inflation plus something. It's a cost element in if I take household spending which is not very important so I'm not too concerned on the elasticity. As we see other countries increasing their prices more importantly, it's of course something that we try to follow and to understand eventually if there is an impact. That as far as the first question is concerned. The second question on what do we

have and you're right as we say that alpha basically it's going to be for the biggest part behind us this year, but as probably there's going to be a small tail in the course of the next year.

Next year in my opinion is going to be a very loaded year in terms of rollout vision 2020 because there we will have to move of our sorting activities in the Brussels area to the new sorting centre. And of course, we are going to have the installation of the new parcel sorter, which is a very good news. But of course, all of this will take some time. So in terms of the next year, we're going to prepare really a lot of things and we consider 2017 more as a kind of a transition year to be fully prepared to reap the profits of it. And I hope that we can take some profits for next year too, but the big chunk will come I expect in as from 2018.

David Kerstens: Are you still comfortable that your previous model that you are able to compensate for mail volume decline within 5 to 6% based on your pricing headroom and what you have left in terms of alpha savings?

Koen Van Gerven: Look, I think the big lines of the model and I think that we proved this now already for a couple of I would say years even more than four years. But I think we're going to provide some insights an update on the Capital Markets Day next week.

David Kerstens: All right, looking forward to that. Thanks very much gentleman.

Koen Van Gerven: Thank you.

Operator: Thank you. The next question is from Philip Scholte of Kempen & Co.

Philip Scholte: Yes good morning everybody. I have a question on the other cost line which apparently includes added settlement, but also the provisions for bad debt. Is there any way you can quantify that because it seems like there's a sort of a one-off benefit in that. And if I look at the P&L, the other expenses, actually has an income in the quarter. Is there any way you can sort of give an indication of potentially to one-off there?

Koen Beeckmans: Yes, Philip good morning. The other cost decreases that you can see by 7.8 million, but it's explained by different factors such as an evolution of the other operating charges, but also the positive evolution of some provisions like bad debt and the provision linked to the settlement on the terminal dues with this other postal operator. But don't forget that the corresponding cost of this settlement was booked in the transport cost that we don't disclose the amounts. But as you can see on transport costs, it should be at least 2.1 million. So therefore the reversal of any provision for the settlement is not material.

Philip Scholte: And any provision for the bad debt as you mentioned that as well?

Koen Beeckmans: Yes, but we don't disclose any specific amounts on that.

Philip Scholte: All right. My second question is on the mix effects between transactional and advertising mail. Is there any way you can quantify that because I can imagine that transactional mail is actually much higher price than the advertising mail?

Koen Beeckmans: Well we do not disclose the profitability of these different products. But as you can see our advertising mail strategy focusing on the six segments and that we have been explaining also during the last quarters is working because there we see that the mail volume decline on the advertising is doing well.

Philip Scholte: Yeah, but I can imagine that means that the sharper decline in transactional is more worrying than the sort of well good performance in advertising?

Koen Beeckmans: Well again, we remind you of the fact that on a year-to-date, the total domestic mail volume decline is at -4.5%, which is by the way lower than the full year 2015 mail volume decline. That was at -5%. And as Koen said we're comparing quarters-with-quarters and that sometimes difficult given the cut-offs of the quarters and as we said therefore we consider it between quarters to be more volatile.

Philip Scholte: Right. Okay well cool thank you.

Operator: Thank you. Ladies and gentlemen I would like to remind you that if you wish to ask a question please press 01 on your telephone keypads now. We have a next question from Marc Zwartsenburg of ING.

Marc Zwartsenburg: Good morning gentlemen. I would like to drill down a bit more in the mail volume decline. Could you give us an indication how the trend was through the quarter and particularly that of the September rate? And you mentioned in your press release quite sound company-specific or quarterly-specific arguments. A few of them I haven't heard before. If you strip those out because I don't have those details. But if you strip those one-off calculations out what was then the real underlying mail volume decline trend in the quarter roughly, could you give us an indication?

Koen Van Gerven: Marc, good morning. I think that basically what we see between quarters already is the volatility. So we don't disclose. I don't even pay too much attention on the swings

on a monthly basis within a quarter. So this is one point. The only thing why we made some more specific reference is because we wanted to illustrate that basically between quarters there are – there is volatility. Of course what we've observed is that there is weaker sales over the summer months and this is one of the things. This has to do of course with not only the summer, but the particular weather situation. So, apparently less is sent and this is one of the indications that we wanted to put forward.

Operator: Thank you. The next question is from André Mulder of Kepler Cheuvreux.

André Mulder: Good morning. I have a question on delivery quality. Can you comment on how that has developed, I came across numbers of 96% in 2013 and 91% for 2015. I think that's important because it's now very close to the 90% minimum that will decide whether you can add bonus to the pricing possibility.

Koen Van Gerven: Yes, yes indeed. And as I already elaborated in previous calls with the migration and installation of new machinery that we currently going through that we experience some challenges in terms of keeping up at certain moments with the quality. So, we do work hard in that and it ask efforts. But as I already said so and that's one of the reasons why in terms of the FTE numbers we have the number that we have. But as I mentioned previously I'm not too concerned on the fact that we need a couple of more people on the one hand. On the other hand, provided the stock that we still have in our saving accounts, it will not hurt, at least the possibility to continue to work, as far as prices is concerned, the way that we have previously. Although, of course, it is a challenge and people, they know that they have to solve it.

André Mulder: Would you expect to undershoot at 90% level for this year, and how this...?

Koen Van Gerven: I'm not going – yeah, I'm not going to comment on that, but before I finalise my answer you have to take into account that – not only about the issues or the challenges that we have, but if you remember last year was a quite unstable year from social perspective, and it was even more related to the general economic or the general political situation than related to a company-specific or Bpost-specific things. And we had a couple of strikes in the last month of the year, so – and those impacted the mail quality too. As you know, the strike in itself is neutralised, but the effects afterwards, of course, they remain for a couple of days and this affects our quality performance.

André Mulder: Okay, thanks.

Operator: Thank you. We have a follow-up question from Mr Zwartsenburg of ING.

Marc Zwartsenburg: Yeah, thank you. I wasn't done yet with my questions. I wanted to come back to the FTE reduction. The underlying decline in Q3 is just over 600, it was just over 700 in Q2. Looking a bit forward, we've got, still, mail volume declines; we have less alpha savings coming in. How should we look at the FTE reductions in Q4 and, perhaps, going into the next year, because it seems that you're not reaching the low end of your guidance but well below your guidance on that front?

Koen Van Gerven: Mark, as far as next year is concerned, we're going to address that in – on the Capital Market Day next week. As far as this year is concerned, probably we're going to end up at the low end, as we said. And to be honest, with the challenges of – or you can call it the challenge or, basically, the good news, at least that's what we expect, to have a very heavy end of year period with a lot of parcels, my first challenge in that period is going to be to deliver upon promises and to deliver upon expectations, and to deliver a good quality. Of course, in that period you make

or you break your reputation, so with everything that we know, I gave the instruction to go, basically, and to organise that we can deliver the quality. It can cost us a couple of additional FTEs, but as I already said before, there we have means to mitigate; as before, instead of using temps, which are expensive, we use more what we call auxiliary postmen at a lower rate.

So, it is not only then – it is less of my concern because I'm not concerned about FTEs, don't read me wrong on that, but quality is going to be important and I have ways to mitigate it.

Marc Zwartsenburg: Not the guidance is -----, perhaps, not the right statement then, and – because they need to accelerate on the decline and that's not likely if I hear you're saying sure service levels are key, which is logical. Is that a fair conclusion?

Koen Van Gerven: I lost you somewhat in your – in the build-up of your conclusion.

Marc Zwartsenburg: Well, the low end of the guidance, in my view, is still -800, instead of -600, where we're currently trending. And if you intend to add a bit of your own staff, instead of temps, but still have to add staff, then you probably won't end up, at the end of the year, at -800. Is that a fair conclusion?

Koen Van Gerven: Well, it's too early to make that conclusion Marc. So basically, with nine months behind us with where we are today, with what we expect, I think the most important thing is that we will deliver upon expectations and promises, in terms of EBITDA, in terms of dividend payments, and this is what I paid attention to in the outlook, which makes me the outlook – to confirm the outlook.

Marc Zwartsenburg: Yeah, fair enough. But the reason for asking is, indeed, I think some concerns about reaching that outlook, because your mail volume declines accelerated a bit. There's less in the pipeline of savings and, at the same time, you probably have to add some staff, then yeah, I can imagine you're running -3% on your EBITDA in Q3. And you have one working day less in Q4 and that's a bit of a worry, so that's why I'm trying to find a bit, in your arguments, why you believe you're so confident about your outlook? Is there anything I missed?

Koen Beeckmans: Well, yeah, the SGEI, that this will be the lowest in the last quarter, the reduction on that. I still remind you of the fact that, the year to date, the mail volume decline is at -4.5, which is, of course, helping us as well. And of course, we believe that, given the increase in e-commerce and the parcels business, that we will have a good Q4 parcels business. And of course, Christmas is falling, perhaps, also on a good day this year. Okay?

Marc Zwartsenburg: Okay, that's clear. Thank you very much.

Operator: Thank you. We have no further questions. Once again ladies and gentlemen, if you wish to ask a question please press 01 on your telephone keypads now. There are no further comments this morning.

Koen Van Gerven: Okay. If no further questions or comments, I would like to thank you for your questions and spending some time with us, and enjoy the remaining part of your day. Thank you very much.

Operator: Ladies and gentlemen, thank you for your attendance. This conference has now ended, you may now disconnect.