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GeoPost/DPDgroup reports growing half-year revenues in a challenging environment

- In a challenging environment, GeoPost/DPDgroup has recorded a solid operating performance for the first half of 2022, with a €7.5 billion revenue (+4.5% vs last year) and over 1 billion parcels delivered worldwide.
- Following a record H1 2021 due to lockdown effects, GeoPost/DPDgroup consolidates its results in H1 2022 despite a specific depreciation¹.
- This result demonstrates the relevance of the strategic plan “Together & Beyond” implemented by the company since 2021, which is based on three pillars: expand core activities, accelerate initiatives in strategic segments and conquer new horizons.
- GeoPost/DPDgroup further reinforced its ambition to lead on net-zero emissions in the parcel delivery industry. The company has submitted its decarbonization trajectory to the Science Based Target initiative (SBTi), with the objective to reach its target of net zero emissions by 2040, ten years ahead of the Paris Agreement.

GeoPost/DPDgroup has navigated a complex environment during H1 2022

Following a Covid pandemic that marked e-shoppers' behaviours and consumption over the last two years, we've entered 2022 by facing challenging market conditions, such as the war in Ukraine, a slowdown in consumption, rising inflation, energy cost increase and drivers shortage.

- Total volumes are slightly down in H1 2022 compared to H1 2021, with 1 billion parcels delivered worldwide (-2% compared to in H1 2021)

¹ 157 million euros depreciation of DPD Russia in June 2022

- €7.5 billion in revenue for the six first months of 2022, +4.5%² from H1 2021, a record year, demonstrating the company's capacity to adapt to market conditions
- If B2C is decreasing compared to last year H1, positively impacted by lockdown effects (surge of +33% in volumes in 2021 vs 2020), B2B is growing again and exceeds pre-Covid levels, both in volumes and revenue
- Also benefiting from the strong dynamism of international e-commerce, Asendia³ generated sales of 1,105 million euros, with organic growth of 3.4%, driven by the good performance of its subsidiary eShopWorld and in spite of the slowdown in the parcel business, particularly in Asia
- In May 2022, GeoPost/DPDgroup announced its withdrawal from the Russian market, after having suspended all shipments to and from Russia in February 2022. GeoPost depreciated the assets of its Russian subsidiary by 157 M€
- Restated from this depreciation, operating profit of €460 million⁴, vs €556 million⁵ in H1 2021, highlighting sound control of the costs in an inflationary environment.

"In a challenging environment, GeoPost/DPDgroup has recorded a solid operating performance. I am grateful to our teams, who have demonstrated a great ability to adjust to changing economic circumstances during the first half of the year. In this context, those first six months have also been marked by the development of strategic initiatives for us, such as out of home delivery, food delivery and sustainability" said Yves Delmas, Chief Executive Officer of GeoPost/DPDgroup.

The strategic plan "Together & Beyond" latest developments

In the last six months, GeoPost/DPDgroup has pursued its strategic plan "Together & Beyond", based on three pillars: expand core activities, accelerate initiatives in strategic segments and conquer new horizons. As part of this ambition, the following projects can be highlighted:

- Out of home expansion

The deployment of out-of-home delivery services is accelerating in several of the key countries where GeoPost/DPDgroup and its subsidiaries are present. The company offers now 10,000 more Pickup points than at the end of 2021, reaching almost 75,000 Pickup points worldwide⁶.

² Includes Asendia (half year results) as La Poste Groupe has incorporated its shareholding in Asendia into the operational management of GeoPost/DPDgroup since 1st July 2021.

³ Asendia is a joint venture between La Poste and Swiss Post. Since 1st July 2021, La Poste Groupe has incorporated its shareholding in Asendia into the operational management of GeoPost/DPDgroup.

⁴ Restated of 157 million euros depreciation Russia in June 2022

⁵ Restated of 18 million euros Speedy revaluation in June 2021

⁶ Excluding Russia

Lockers are now particularly well developed delivery and collect options, with the launch of this offer in Slovakia and in the Netherlands, and the expansion of the network in the Baltics, Czech Republic, France, Portugal, Spain and Poland. These distribution services lie at the heart of GeoPost/DPDgroup's global strategy as they enrich the range of services through which the company seeks to respond to the changing needs of consumers.

- **Food delivery expansion**

In line with previous years, GeoPost/DPDgroup continued to roll out its Food offering, a key pillar and a major strategic focus of "Together & Beyond". Online food shopping was one of the fastest growing segments in 2021 and 2022 is continuing the same trend. Double-digit growth in the first half of the year with +24.8% in volume and +29.5% in revenue thanks to the rapid development of the company's food delivery platforms: SEUR Frio in Spain, Chronofresh in France, DPD fresh in Belgium and BK in the Netherlands. GeoPost/DPDgroup will accelerate its strategy in the food segment by expanding its temperature control offer in new countries such as in Poland, Lithuania, Portugal and Italy.

- **In line with its strategic plan, the company finalized acquisitions**

GeoPost/DPDgroup finalized the acquisition of CitySprint, UK's leading Same Day Delivery Network, and CitySprint announced its acquisition of EcoSpeed, the major independent and Manchester-based same day courier company.

GeoPost/DPDgroup increased its share in the capital of Aramex from 24,9% to 28%, Aramex being an international parcel delivery network in the Middle East, Asia, Africa and Oceania.

Last, eShopWorld (ESW), a leading global ecommerce enabler, subsidiary of Asendia⁷, announced the acquisition of Scalefast, a Los Angeles-based, end-to-end ecommerce solution provider.

- **GeoPost/DPDgroup makes landmarks commitments in sustainable delivery**

In July 2022, GeoPost/DPDgroup has submitted both a near-term 2030 decarbonization and an ambitious long-term 2040 net-zero target for approval by the Science Based Target initiative (SBTi). This milestone underlines GeoPost/DPDgroup's objective to lead on net-zero emissions in the European parcel delivery market. As a pioneer in its sector, the company is taking decisive action to achieve net-zero emissions by 2040 and commits to reduce its scope 1, 2 and 3 greenhouse gas (GHG) emissions by 43% by 2030 and 90% by 2040 from a 2020 baseline – 10 years ahead of the Paris Agreement.

GeoPost/DPDgroup expects to have its decarbonization trajectory validated by SBTi by Q1 2023. This important new milestone is in line with La Poste Groupe's objective to reach net-zero emissions before 2050.

In parallel to that, GeoPost/DPDgroup continues to deploy its low emission vehicles fleet across Europe: as of 30 June 2022, 6,347 low emission vehicles have been deployed in 231 European cities, along with nearly 2,700 charging points and 118 urban depots.

⁷ Asendia is a joint venture between La Poste and Swiss Post. Since 1st July 2021, La Poste Groupe has incorporated its shareholding in Asendia into the operational management of GeoPost/DPDgroup.

About GeoPost/DPDgroup

DPDgroup is one of the world leading parcel delivery networks, aiming to be a reference in sustainable delivery and become a leading enabler of e-commerce acceleration.

We combine innovative technology and local knowledge to provide a flexible and user-friendly service for both shippers and shoppers.

With 120,000 delivery experts operating in nearly 50 countries, and a network of 70,000 Pickup points, we deliver 8.4 million parcels worldwide each day – 2.1 billion parcels per year – through the brands DPD, Chronopost, SEUR, BRT and Jadlog.

DPDgroup is the parcel delivery network of GeoPost. GeoPost posted sales of €14.7 billion in 2021. GeoPost is a holding company owned by La Poste Groupe.

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