

Listing Prospectus dated 5 July 2018.



bpost SA/NV

(incorporated as a company limited by shares under public law (société anonyme de droit public/naamloze vennootschap van publiek recht) in Belgium)

EUR 650,000,000 1.25 per cent. fixed rate notes due 11 July 2026

Gross actuarial yield: 1.371 per cent. (on an annual basis)

Issue Price: 99.089 per cent. – ISIN number: BE0002601798 – Common Code: 185601382

(the “Notes”)

Application has been made or will be made for the Notes to be listed and admitted to trading on the regulated market of Euronext Brussels on or about the Issue Date.

Issue Date: 11 July 2018

Before making any investment decision, potential investors are invited to read the Prospectus in its entirety and in particular ‘Part II – Risk factors’ on pages 15 to 31 of the Prospectus. Copies of the Prospectus can be obtained (without charge) at the registered office of the Issuer, on the website of the Issuer (<http://corporate.bpost.be/>) and at the registered office of each of the Joint Bookrunners.

The Notes constitute debt instruments. An investment in the Notes involves risks. By subscribing to the Notes, investors lend money to the Issuer who undertakes to pay interest on an annual basis and to reimburse the principal amount on the Maturity Date. In case of bankruptcy of, or default by, the Issuer, investors may not recover the amounts they are entitled to and risk losing their investment partially or entirely.

The Issuer has been rated A by Standard & Poor’s Credit Market Services Europe Limited (“S&P”). The Notes have been, or are expected to be, rated A by S&P. S&P is established in the European Union and is included in the list of credit rating agencies registered in accordance with Regulation (EC) No. 1060/2009 on Credit Rating Agencies, as amended by Regulation (EU) No. 513/2011 (the “CRA Regulation”). This list is available on the ESMA website (see <https://www.esma.europa.eu/supervision/credit-rating-agencies/risk>). A rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension or withdrawal at any time by the assigning rating organisation.

The Notes may be held only by, and transferred only to, eligible investors referred to in Article 4 of the Belgian Royal Decree of 26 May 1994 (“Eligible Investors”) holding their securities in an exempt securities account that has been opened with a financial institution that is a direct or indirect participant in the NBB-SSS.

The Notes are not intended to be offered, sold or otherwise made available, and should not be offered, sold or otherwise made available, to retail clients in the European Economic Area, as defined in Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU, as amended, or in Belgium to “consumers” (*consommateurs/consumenten*) within the meaning of the Belgian Code of Economic Law (*Code de droit economique/ Wetboek van economisch recht*), as amended. See ‘Part X – Subscription and sale’.

Joint Global Coordinators

BNP Paribas

BofA Merrill Lynch

ING

Active Joint Bookrunners

BNP Paribas

BofA Merrill Lynch

ING

Passive Joint Bookrunners

Belfius Bank

KBC Bank

IMPORTANT INFORMATION

THE ISSUER, THE JOINT GLOBAL COORDINATORS AND THE JOINT BOOKRUNNERS

bpost SA/NV, a company limited by shares under public law (*société anonyme de droit public/naamloze vennootschap van publiek recht*) incorporated under Belgian law, having its registered office at Centre Monnaie – Muntcentrum 1, 1000 Brussels, Belgium and registered with the Crossroads Bank for Enterprises (*Banque-Carrefour des Entreprises/Kruispuntbank van Ondernemingen*) under number 0214.596.464 (Register of Legal Enterprises Brussels) (the “**Issuer**”) intends to issue Notes for an aggregate principal amount of EUR 650,000,000. The Notes will bear interest at a rate of 1.25 per cent. per annum (the “**Interest**”). Interest on the Notes is payable annually in arrear on the Interest Payment Dates (as defined in the Conditions) falling on, or nearest to, 11 July in each year. The first payment of interest will occur on 11 July 2019. The Notes will mature on 11 July 2026 (the “**Maturity Date**”).

All references in this Prospectus to “**Group**” are to the Issuer together with its subsidiaries from time to time (within the meaning of Article 6 of the Belgian Companies Code (*Code des Sociétés/Wetboek van Vennootschappen*)).

BNP Paribas (having its registered office at 10 Harewood Avenue, London NW1 6AA, United Kingdom), Merrill Lynch International (having its registered office at 2 King Edward Street, London EC1A 1HQ, United Kingdom) and ING Bank N.V., Belgian Branch (having its registered office at Avenue Marnix 24, 1000 Brussels, Belgium) are acting as joint global coordinators (the “**Joint Global Coordinators**” and each a “**Joint Global Coordinator**”), BNP Paribas, Merrill Lynch International and ING Bank N.V., Belgian Branch are acting as active joint bookrunners (the “**Active Joint Bookrunners**”) and Belfius Bank SA/NV (having its registered office at Karel Rogierplein 11, 1210 Sint-Joost-Ten-Noode, Belgium) and KBC Bank NV (having its registered office at Havenlaan 2, 1080 Brussels, Belgium) are acting as passive joint bookrunners (the “**Passive Joint Bookrunners**” and together with the Active Joint Bookrunners, the “**Joint Bookrunners**” and each a “**Joint Bookrunner**”) for the purpose of the offering of the Notes (the “**Offering**”).

RESPONSIBLE PERSON

The Issuer, having its registered office at Centre Monnaie – Muntcentrum 1, 1000 Brussels, Belgium, accepts responsibility for the Prospectus and any supplements of the Prospectus.

To the best of the knowledge and belief of the Issuer, having taken all reasonable care to ensure that such is the case, the information contained in this Prospectus is in accordance with the facts and contains no omissions likely to affect its import.

TARGET MARKET ASSESSMENT

Solely for the purposes of each manufacturer’s product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU, as amended (“**MiFID II**”), and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a “**distributor**”) should take into consideration the manufacturers’ target market assessment. However, a distributor subject to MiFID II is responsible for undertaking its own target market

assessment in respect of the Notes (by either adopting or refining the manufacturers' target market assessment) and determining appropriate distribution channels.

OFFERING OF THE NOTES

The denomination of the Notes shall be EUR 100,000 and integral multiples thereof (the "**Specified Denomination**").

The Issuer has been rated A by Standard & Poor's Credit Market Services Europe Limited ("**S&P**"). The Notes have been, or are expected to be, rated A by S&P. S&P is established in the European Union and is included in the list of credit rating agencies registered in accordance with Regulation (EC) No. 1060/2009 on Credit Rating Agencies, as amended by Regulation (EU) No. 513/2011 (the "**CRA Regulation**"). This list is available on the ESMA website (see <https://www.esma.europa.eu/supervision/credit-rating-agencies/risk>). A rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension or withdrawal at any time by the assigning rating organisation.

This listing prospectus dated 5 July 2018 (the "**Prospectus**") was approved on 5 July 2018 by the Belgian Financial Services and Markets Authority (*Autorité des services et marchés financiers/Autoriteit voor Financiële Diensten en Markten*) (the "**FSMA**") in its capacity as competent authority pursuant to Article 13 of Directive 2003/71/EC of the European Parliament and of the Council of 4 November 2003 on the prospectus to be published when securities are offered to the public or admitted to trading and amending Directive 2001/34/EC, as amended (the "**Prospectus Directive**") and Article 23 of the Belgian Law dated 16 June 2006 concerning the public offer of investment securities and the admission of investment securities to trading on a regulated market, as amended (the "**Prospectus Law**"). The approval of the Prospectus by the FSMA cannot be considered as a judgment as to the opportunity or the quality of the transaction, nor on the situation of the Issuer.

The Prospectus is a prospectus for the purposes of Article 5(3) of the Prospectus Directive and the Prospectus Law. This Prospectus has been prepared in accordance with the Prospectus Law and Commission Regulation (EC) 809/2004 of 29 April 2004 implementing the Prospectus Directive, as amended (the "**Prospectus Regulation**"). The Prospectus has been prepared on the basis of annexes IX and XIII of the Prospectus Regulation.

The Prospectus intends to provide the information with regards to the Issuer and the Notes, which, according to the particular nature of the Issuer and the Notes, is necessary to enable investors to make an informed assessment of the rights attaching to the Notes and of the assets and liabilities, financial position, profit and losses and prospects of the Issuer.

The Prospectus is to be read in conjunction with all documents which are deemed to be incorporated herein by reference (see 'Part III – Documents incorporated by reference') and any supplement. This Prospectus shall be read and construed on the basis that such documents are incorporated in and form part of the Prospectus.

The Notes will be issued in dematerialised form (*dématérialisé/gedematerialiseerd*) in accordance with Article 468 of the Belgian Companies Code and cannot be physically delivered. The Notes will be represented exclusively by book-entries in the records of the securities settlement system operated by the National Bank of Belgium (the "**NBB**") or any successor thereto (the "**NBB-SSS**"). Access to the NBB-SSS is available through those of its NBB-SSS participants whose membership extends to securities such as the Notes. NBB-SSS participants include certain banks, stockbrokers (*sociétés de bourse/beursvennootschappen*), Euroclear Bank SA/NV ("**Euroclear**") and Clearstream Banking, S.A. ("**Clearstream, Luxembourg**"). Accordingly, the Notes will be eligible for settlement through, and will therefore be accepted by, Euroclear and Clearstream, Luxembourg. Investors who are not NBB-SSS participants can hold their Notes within securities accounts in

Euroclear and Clearstream, Luxembourg or any other direct or indirect participants in the NBB-SSS. Please also see the website of the NBB (<https://www.nbb.be/nl/list-nbb-investor-icsds>).

Application has been or will be made to Euronext Brussels for the Notes to be listed and to be admitted to trading on the regulated market of Euronext Brussels. References in this Prospectus to the Notes being “listed” (and all related references) shall mean that the Notes will be listed and admitted to trading on the regulated market of Euronext Brussels. The regulated market of Euronext Brussels is a regulated market for the purposes of MiFID II. Prior to the Offering referred to in this Prospectus, there has been no public market for the Notes.

Unless otherwise stated, capitalised terms used in this Prospectus have the meanings set forth in this Prospectus. Where reference is made to the “**Terms and Conditions of the Notes**” or to the “**Conditions**”, reference is made to the Terms and Conditions of the Notes as set out in ‘Part IV – Terms and Conditions of the Notes’.

All references in this document to “**euro**”, “**EUR**” and “**€**” refer to the currency introduced at the start of the third stage of the European economic and monetary union pursuant to the Treaty establishing the European Community, as amended.

This Prospectus contains various amounts and percentages which are rounded and, as a result, when these amounts and percentages are added up, they may not total.

The Notes constitute debt instruments. An investment in the Notes involves risks. By subscribing to the Notes, investors lend money to the Issuer who undertakes to pay interest on an annual basis and to reimburse the principal amount on the Maturity Date. In case of bankruptcy of, or default by, the Issuer, investors may not recover the amounts they are entitled to and risk losing their investment partially or entirely. Potential investors should take note of ‘Part II – Risk factors’ on pages 15 to 31 of the Prospectus to understand which factors may affect the Issuer’s ability to fulfil its obligations under the Notes.

RESTRICTIONS ON THE OFFERING

This Prospectus does not constitute an offer to sell or the solicitation of an offer to buy the Notes in any jurisdiction to any person to whom it is unlawful to make the offer or solicitation in such jurisdiction. The distribution of this Prospectus and the offer or sale of Notes may be restricted by law in certain jurisdictions. The Issuer and the Joint Bookrunners do not represent that this Prospectus may be lawfully distributed, or that the Notes may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assume any responsibility for facilitating any such distribution or offering. In particular, no action has been taken by the Issuer or the Joint Bookrunners which is intended to permit a public offering of the Notes or the distribution of this Prospectus in any jurisdiction where action for that purpose is required. Accordingly, no Notes may be offered or sold, directly or indirectly, and neither this Prospectus nor any advertisement or other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession this Prospectus or any Notes may come must inform themselves about, and observe, any such restrictions on the distribution of this Prospectus and the offering and sale of Notes.

No person is or has been authorised to give any information or to make any representation not contained in, or not consistent with, this Prospectus and any information or representation not so contained or inconsistent with this Prospectus or any other information supplied in connection with the Notes and, if given or made, such information must not be relied upon as having been authorised by, or on behalf of, the Issuer or the Joint Bookrunners. Neither the delivery of this Prospectus nor any sale made in connection herewith shall, under any circumstances, create any implication that:

- the information contained in this Prospectus is true subsequent to the date of the Prospectus or otherwise that there has been no change in the affairs of the Issuer or its subsidiaries since the date of the Prospectus or, if later, the date upon which this Prospectus has been most recently amended or supplemented;
- that there has been no adverse change, or any event likely to involve any adverse change, in the condition (financial or otherwise) of the Issuer or its subsidiaries since the date of the Prospectus or, if later, the date upon which this Prospectus has been most recently amended or supplemented; or
- that the information contained in this Prospectus or any other information supplied in connection with the Notes is correct at any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same.

Upon the occurrence of any event set out in Article 34, §1 of the Prospectus Law, the Issuer will publish a supplement to the Prospectus (please refer to “Warning” on page 7 of the Prospectus for more information with respect to the publication of supplements to the Prospectus).

Market data and other statistical information used in the Prospectus have been extracted from a number of sources, including independent industry publications, government publications, reports by market research firms or other independent publications. The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware and is able to ascertain, to its reasonable knowledge, from the information published by the relevant independent source, no facts have been omitted which would render the reproduced information inaccurate or misleading in any material respect.

The Joint Bookrunners and the Issuer expressly do not undertake to review the condition (financial or otherwise) of the Issuer and its subsidiaries during the life of the Notes.

Neither this Prospectus nor any other information supplied in connection with the offering of the Notes (i) is intended to provide the basis of any credit or other evaluation or (ii) should be considered as a recommendation by the Issuer or the Joint Bookrunners that any recipient of this Prospectus or any other information supplied in connection with the offering of the Notes should purchase any Notes. Each investor contemplating a purchase of the Notes should make its own independent investigation of the financial conditions and affairs, and its own appraisal of the creditworthiness of the Issuer.

Neither this Prospectus nor any other information supplied in connection with the offering of the Notes constitutes an offer or invitation by or on behalf of the Issuer or the Joint Bookrunners to any person to subscribe for or purchase any Notes.

Neither the Joint Bookrunners nor any of their affiliates have authorised the whole or any part of the Prospectus and none of them makes any representation or warranty or accepts any responsibility as to the accuracy or completeness of the information contained in the Prospectus or any responsibility for any acts or omissions of the Issuer or any other person in connection with the Prospectus or the issue and offering of the Notes. To the fullest extent permitted by law, the Joint Bookrunners accept no responsibility whatsoever for the contents of this Prospectus or for any other statement, made or purported to be made by the Joint Bookrunners or on their behalf in connection with the Issuer or the issue, listing and private placement of the Notes. The Joint Bookrunners accordingly disclaim all liability, whether arising in tort or in contract or in any other event, in relation to the information contained or incorporated by reference in this Prospectus or any other information in connection with the Issuer, the offering of the Notes or the distribution of the Notes.

The Notes may not be a suitable investment for all investors. In particular, each potential investor may wish to consider, either on its own or with the help of its financial and/or other professional advisers, whether it:

- (i) has sufficient knowledge and experience to make a meaningful evaluation of the Notes, the merits and risks of investing in the Notes and the information contained or incorporated by reference in this Prospectus or any applicable supplement;
- (ii) has access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Notes and the impact the Notes will have on its overall investment portfolio;
- (iii) has sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes including Notes where the currency for principal or interest payments is different from the potential investor's currency;
- (iv) understands thoroughly the terms of the Notes and is familiar with the behaviour of any relevant financial markets; and
- (v) is able to evaluate possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

Legal investment considerations may restrict certain investments. The investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (i) Notes are legal investments for it, (ii) Notes can be used as collateral for various types of borrowing and (iii) other restrictions apply to its purchase or pledge of any Notes. Financial institutions should consult their legal advisors or the appropriate regulators to determine the appropriate treatment of Notes under any applicable risk-based capital or similar rules.

The Notes have not been and will not be registered under the United States Securities Act of 1933, as amended (the “**Securities Act**”), or the securities laws of any state or other jurisdiction of the United States. The Notes are being offered and sold solely outside the United States to non-U.S. persons in reliance on Regulation S under the Securities Act (“**Regulation S**”). Subject to certain exceptions, the Notes may not be offered, sold or delivered within the United States or to, or for the account or benefit of U.S. persons (as defined in Regulation S).

The Notes are not intended to be offered, sold or otherwise made available to, and should not be offered, sold or otherwise made available to, any retail investor in the European Economic Area (“**EEA**”). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of MiFID II, or (ii) a customer within the meaning of Directive 2002/92/EC (as amended, the “**Insurance Mediation Directive**”), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II, or (iii) not a qualified investor as defined in the Prospectus Directive. Consequently, no key information document required by Regulation (EU) No 1286/2014, as amended (the “**PRIIPs Regulation**”) for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

The Notes are not intended to be offered, sold or otherwise made available, and will not be offered, sold or otherwise made available, in Belgium to “consumers” (*consommateurs/consumenten*) within the meaning of the Belgian Code of Economic Law (*Code de droit economique/Wetboek van economisch recht*), as amended.

The Notes may be held only by, and transferred only to, Eligible Investors holding their securities in an exempt securities account that has been opened with a financial institution that is a direct or indirect participant in the NBB-SSS.

For a further description of certain restrictions on the offering and sale of the Notes and on the distribution of this document, please refer to 'Part X – Subscription and sale'.

FORWARD-LOOKING STATEMENTS

Some statements in the Prospectus may be deemed to be forward looking statements. Forward looking statements include statements concerning the Issuer's plans, objectives, goals, strategies, future operations and performance and the assumptions underlying these forward looking statements. When used in the Prospectus, the words "anticipates", "estimates", "expects", "believes", "intends", "plans", "aims", "seeks", "may", "will", "should" and any similar expressions generally identify forward looking statements but are not the exclusive means of identifying such statements. The Issuer has based these forward looking statements on the current view of its management with respect to future events and financial performance. Although the Issuer believes that the expectations, estimates and projections reflected in its forward looking statements are reasonable as of the date of the Prospectus, if one or more of the risks or uncertainties materialise, including those identified below or which the Issuer has otherwise identified in the Prospectus, or if any of the Issuer's underlying assumptions prove to be incomplete or inaccurate, the Issuer's actual results of operation may vary materially from those expected, estimated or predicted.

Any forward looking statements contained in the Prospectus speak only as at the date of the Prospectus. Without prejudice to any requirement under applicable laws and regulations, the Issuer expressly disclaims any obligation or undertaking to disseminate after the date of the Prospectus any updates or revisions to any forward looking statements contained herein to reflect any change in expectations thereof or any change in events, conditions or circumstances on which any such forward looking statement is based.

WARNING

The Prospectus has been prepared to provide information on the listing and the admission to trading of the Notes on the regulated market of Euronext Brussels. When potential investors make a decision to invest in the Notes, they should base this decision on their own research of the Issuer and the Terms and Conditions of the Notes set out in 'Part IV – Terms and Conditions of the Notes' of the Prospectus, including, but not limited to, the associated benefits and risks. The investors must themselves assess, with their own advisors if necessary, whether the Notes are suitable for them, considering their personal income and financial situation. In case of any doubt about the risks involved in purchasing the Notes, investors should abstain from investing in the Notes.

The summaries and descriptions of legal provisions, taxation, accounting principles or comparisons of such principles, legal company forms or contractual relationships reported in the Prospectus may in no circumstances be interpreted as investment, legal or tax advice for potential investors. Potential investors are urged to consult their own advisor, accountant or other advisors concerning the legal, tax, economic, financial and other aspects associated with the subscription to the Notes.

Pursuant to Article 16 of the Prospectus Directive and Article 34 of the Prospectus Law, the Issuer will, in the event of important new developments, material errors or inaccuracies that could affect the assessment of the Notes, and which occur or are identified between the time of the approval of the Prospectus and the time at which trading on the regulated market of Euronext Brussels commences, have to publish a supplement to the Prospectus containing this information. This supplement will (i) need to be approved by the FSMA and (ii) be published in compliance with at least the same conditions applicable to the Prospectus, and will be published on the websites of the Issuer, the Joint Bookrunners and the FSMA. The Issuer shall ensure that any such supplement is published as soon as possible after the occurrence of such new significant factor.

STABILISATION MANAGER

In connection with the issue of the Notes, BNP Paribas (the “**Stabilisation Manager**”) (or person(s) acting on behalf of the Stabilisation Manager) may over allot Notes or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However, stabilisation may not necessarily occur. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the Notes is made and, if begun, may cease at any time, but it must end no later than the earlier of 30 days after the issue date of the Notes and 60 days after the date of the allotment of the Notes. Any stabilisation action or over allotment must be conducted by the Stabilisation Manager (or person(s) acting on behalf of the Stabilisation Manager) in accordance with all applicable laws and rules.

FURTHER INFORMATION

For more information about the Issuer, please contact:

bpost SA/NV
Centre Monnaie – Muntcentrum 1
1000 Brussels
Belgium

Baudouin de Hepcée (journalists & investors)
Director External Communication, Investor Relations & Public Affairs
Tel. +32 2 276 2228

Saskia Dheedene (investors only)
Investor Relations Manager
Tel. +32 2 276 7643

<http://corporate.bpost.be/investors>

TABLE OF CONTENTS

PART I – OVERVIEW	10
PART II – RISK FACTORS	15
PART III – DOCUMENTS INCORPORATED BY REFERENCE	32
PART IV – TERMS AND CONDITIONS OF THE NOTES.....	34
PART V – CLEARING	55
PART VI – DESCRIPTION OF THE ISSUER.....	56
PART VII – SELECTED FINANCIAL INFORMATION	79
PART VIII – USE OF PROCEEDS.....	85
PART IX – TAXATION	86
PART X – SUBSCRIPTION AND SALE.....	93
PART XI – GENERAL INFORMATION	95

PART I – OVERVIEW

The following overview refers to certain provisions of the Conditions and is qualified by the more detailed information contained elsewhere in this Prospectus. Terms defined in the Conditions shall have the same meaning where used below.

Issuer:	bpost SA/NV (the “ Issuer ”).
Business of the Issuer:	The Issuer is a leading postal operator in Belgium. It, together with its subsidiaries, offers national and international mail and parcels services as well as business and administrative communication solutions.
Notes:	EUR 650,000,000 1.25 per cent. fixed rate notes due 11 July 2026 (the “ Notes ”).
Joint Global Coordinators:	BNP Paribas, Merrill Lynch International and ING Bank N.V., Belgian Branch.
Joint Bookrunners:	BNP Paribas, Merrill Lynch International and ING Bank N.V., Belgian Branch.
Agent:	BNP Paribas Securities Services, Belgian branch.
Issue Date:	11 July 2018.
Issue Price:	99.089 per cent.
ISIN:	BE0002601798.
Common Code:	185601382.
Form of the Notes:	<p>The Notes will be issued in dematerialised form (<i>dématérialisé/gedematerialiseerd</i>) in accordance with Articles 468 <i>et seq.</i> of the Belgian Companies Code (<i>Code des Sociétés/Wetboek van Vennootschappen</i>) (the “Belgian Companies Code”) and cannot be physically delivered. The Notes will be represented exclusively by book-entries in the records of the securities settlement system operated by the National Bank of Belgium (the “NBB”) or any successor thereto (the “NBB-SSS”).</p> <p>The Notes may be held only by, and transferred only to, Eligible Investors holding their securities in an exempt securities account that has been opened with a financial institution that is a direct or indirect participant in the NBB-SSS.</p>
Denomination:	EUR 100,000 and integral multiples thereof.
Status of the Notes:	<p>The Notes will constitute direct, general and unconditional obligations of the Issuer which will at all times rank <i>pari passu</i> with the claims of all its other unsecured and unsubordinated creditors and without any preference among themselves.</p> <p>See ‘Part IV – Terms and Conditions of the Notes’.</p>
Distribution:	Distribution by way of a private placement.
Currency:	The Notes will be denominated in euro. Interest amounts and any amount payable on redemption will be in euro.
Maturity Date:	The Notes will mature on 11 July 2026 (the “ Maturity Date ”).

Interest:	Each Note bears interest from and including the Issue Date at the rate of 1.25 per cent. per annum.
Negative pledge:	See Condition 3 (<i>Negative pledge</i>).
Redemption:	The Notes will be redeemed at an amount at least equal to their nominal amount plus interest accrued (if any) until the date fixed for redemption.
Early redemption for tax reasons:	<p>The Notes may be redeemed at the option of the Issuer in whole, but not in part, at any time if the Issuer has or will become obliged to pay additional amounts as provided or referred to in Condition 7 (<i>Taxation</i>) as a result of any change in, or amendment to, the laws or regulations of Belgium or any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws or regulations (including a holding by a court of competent jurisdiction), which change, amendment, application or interpretation becomes effective on or after the date on which agreement is reached to issue the Notes and such obligation cannot be avoided by the Issuer taking reasonable measures available to it.</p> <p>See ‘Part IV – Terms and Conditions of the Notes’.</p>
Early redemption following a Change of Control:	<p>The Noteholders have the option to require the Issuer to redeem all or part of its Notes if, at any time while any Note remains outstanding, there occurs a Change of Control and, within the Change of Control Period, a Rating Downgrade occurs.</p> <p>If, as a result of this, Noteholders submit Change of Control Put Option Notices in respect of at least 85 per cent. of the aggregate principal amount of Notes outstanding, the Issuer may redeem all (but not some only) of the Notes.</p> <p>A “Change of Control” shall be deemed to have occurred if an offer is made by any person, other than an Exempt Person, to all (or as nearly as may be practicable all) shareholders (or all (or as nearly as may be practicable all) such shareholders other than the offeror and/or any parties acting in concert (as defined in Article 3, paragraph 1, 5° of the Belgian Law of 1 April 2007 on public takeover bids, as amended (the “Takeover Law”))) with the offeror), to acquire all or a majority of the issued ordinary share capital or voting rights of the Issuer and (the period for such offer being closed, the definitive results of such offer having been announced and such offer having become unconditional in all respects) the offeror has acquired, or, following the publication of the results of such offer by the offeror, is entitled to acquire as a result of such offer, post-completion thereof, more than 50 per cent. of ordinary shares or voting rights of the Issuer, whereby the date on which the Change of Control shall be deemed to have occurred shall be the date of the publication by the offeror of the results of the relevant offer (and for the sake of clarity prior to any reopening of the offer in accordance with Article 42 of the Belgian Royal Decree of 27 April 2007 on takeover bids) and, if the ordinary shares in the Issuer are no longer listed, a “Change of Control” shall be deemed to have occurred if any person, other than an Exempt Person, has acquired more than 50 per cent. of ordinary shares or voting rights of the Issuer;</p>

“**Change of Control Period**” means the period (i) beginning on the date that is the earlier of (A) the announcement by the Issuer or any bidder that a Change of Control has occurred (the “**Change of Control Date**”) and (B) the announcement by the Issuer or any bidder that a Change of Control may occur in the near future as a result of the announcement of a voluntary or mandatory offer in accordance with the Takeover Law (whereby “near future” shall mean that a Change of Control Date is reasonably likely to occur within 90 days of such announcement), and (ii) ending 180 days or, in the case of (i)(B), 120 days after the Change of Control Date;

“**Exempt Person**” means (i) the Kingdom of Belgium, or any other entity the shares and voting rights in which are directly or indirectly wholly held by the Kingdom of Belgium (the “**Existing Shareholder**”) and (ii) any person or group of persons acting in concert or exercising joint control with the Existing Shareholder to the extent that any such person or group of persons (excluding the Existing Shareholder) does not acquire more than 25 per cent. of the ordinary shares of the Issuer;

“**Rating Agency**” means Standard & Poor’s Credit Market Services Europe Limited and its successors and/or any other rating agency of equivalent standing notified by the Issuer to the Noteholders in accordance with Condition 13 (*Notices*); and

a “**Rating Downgrade**” shall be deemed to have occurred if (within the Change of Control Period) (A) the rating previously assigned to the Notes or to the Issuer by any Rating Agency solicited by (or with the consent of) the Issuer is (x) withdrawn or (y) lowered by at least one full rating notch (for example, from BB+ to BB, or their respective equivalents) or (z) if no rating was previously assigned to the Notes or to the Issuer by any Rating Agency solicited by (or with the consent of) the Issuer, no investment grade rating (BBB-/Baa3 or its equivalent for the time being, or better) is within the Change of Control Period subsequently assigned to the Notes or to the Issuer by any Rating Agency solicited by (or with the consent of) the Issuer. If on the Relevant Announcement Date the Issuer or the Notes carry a credit rating from more than one Rating Agency, a Rating Event will only occur if the rating of each such Rating Agency is so withdrawn or downgraded.

See ‘Part IV – Terms and Conditions of the Notes’.

Early redemption at make-whole premium:

The Notes may be redeemed at the option of the Issuer in whole, but not in part, at any time at the Make Whole Redemption Price.

“**Make Whole Redemption Price**” means in respect of Notes to be redeemed, an amount equal to the higher of (i) 100 per cent. of the principal amount of such Notes and (ii) the sum, as determined by the Determination Agent, of the present values of the remaining scheduled payments of principal and interest on the Notes to be redeemed (not including any portion of such payments of interest accrued to the date of redemption) discounted to the date fixed for redemption on an annual basis (based on the actual number of days elapsed) at the Reference Bond Rate plus the Redemption Margin.

See ‘Part IV – Terms and Conditions of the Notes’.

Early redemption for refinancing:	<p>The Issuer may, at its option, at any time as from and including three months before the Maturity Date, redeem the outstanding Notes in whole, but not in part, at their principal amount together with interest accrued to, but excluding, the date fixed for redemption.</p> <p>See ‘Part IV – Terms and Conditions of the Notes’.</p>
Taxation:	<p>All payments of principal and interest in respect of the Notes will be made free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within Belgium (including any political subdivision or any authority therein or thereof having power to tax) (the “Taxes”), unless such withholding or deduction of Taxes is required by law in respect of the Notes. In that event, the Issuer shall pay, subject to customary exceptions, such additional amounts as shall result in receipt by the Noteholders after such withholding or deduction of such amounts as would have been received by them had no such withholding or deduction been required, all as described in Condition 7 (<i>Taxation</i>).</p>
Governing law:	<p>The Notes and any non-contractual obligations arising out of, or in connection with, the Notes will be governed by, and shall be construed in accordance with, Belgian law.</p>
Rating:	<p>The Issuer is expected to be rated A by Standard & Poor’s Credit Market Services Europe Limited (“S&P”).</p> <p>The Notes are expected to be rated A by S&P.</p> <p>S&P is established in the European Union and is included in the list of credit rating agencies registered in accordance with Regulation (EC) No. 1060/2009 on Credit Rating Agencies, as amended by Regulation (EU) No. 513/2011. This list is available on the ESMA website (see https://www.esma.europa.eu/supervision/credit-rating-agencies/risk).</p> <p>A rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension or withdrawal at any time by the assigning rating organisation.</p>
Settlement system:	<p>The Notes will be accepted for settlement through the NBB-SSS and are accordingly subject to the applicable Belgian settlement regulations and the rules of the NBB-SSS.</p>
Listing and admission to trading:	<p>Application has been or will be made to Euronext Brussels for the Notes to be listed and admitted to trading on the regulated market of Euronext Brussels.</p> <p>The regulated market of Euronext Brussels is a regulated market for the purposes of Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU, as amended.</p>
Selling restrictions:	<p>There are restrictions on the offer, sale and transfer of Notes in the European Economic Area, the United Kingdom and the United States and on the offer, sale and transfer of Notes in Belgium to “consumers” (<i>consommateurs/consumenten</i>) within the meaning of the Belgian Code of</p>

Economic Law (*Code de droit économique/Wetboek economisch recht*), as amended.

See 'Part X – Subscription and Sale'.

Risk Factors:

Prospective investors should carefully consider the information set out in 'Part II – Risk factors' in conjunction with the other information contained, or incorporated by reference, in this Prospectus.

Use of proceeds:

The net proceeds from the issue of the Notes will be applied by the Issuer for general corporate purposes of the Group, including (without limitation) for the repayment of the Issuer's existing bilateral credit facility agreement.

PART II – RISK FACTORS

In purchasing Notes, investors assume the risk that the Issuer may become insolvent or otherwise unable to make all payments due in respect of the Notes. There are a wide range of factors which, individually or together, could result in the Issuer becoming unable to make all payments due in respect of the Notes.

The Issuer considers that the risks described below may affect the Issuer's ability to fulfil its obligations under the Notes. All of these factors are contingencies that may or may not occur and the Issuer is not in a position to express a view on the likelihood of any such contingency occurring. In addition, factors that are material for purposes of assessing the market risks associated with the Notes are described below.

The Issuer considers that the factors described below represent the principal risks inherent in investing in the Notes, but the inability of the Issuer to pay interest, principal or other amounts on, or in connection with, the Notes may occur for other reasons that may not be considered significant risks by the Issuer based on information currently available to it or which it may not currently be able to anticipate. The sequence in which the risk factors are listed is not an indication of their likelihood to occur or of the extent of their commercial consequences. Prospective investors should also read the detailed information set out elsewhere in this Prospectus or incorporated by reference in this Prospectus and reach their own views prior to making any investment decision and consult with their own professional advisors if they consider it necessary.

All references to the "Group" are to the Issuer and its subsidiaries from time to time, unless the context requires otherwise. Terms defined in the Conditions shall have the same meaning where used below.

1 RISK FACTORS IN RELATION TO THE GROUP

REGULATORY AND LEGAL RISKS.

The Group operates in a regulated environment and changes in the relevant laws and regulations may have an adverse impact on the Group.

The Group operates in markets that are heavily regulated, including by national, EU and global regulatory bodies. It is uncertain whether Belgian or European regulators or third parties will raise material issues with regard to the Group's compliance with applicable laws and regulations.

A potential impact may be expected from the contemplated EU Regulation on cross-border parcel delivery services, which has been adopted by the European Parliament on 13 March 2018 and by the Council on 12 April 2018. This Regulation imposes increased pricing transparency requirements and regulatory oversight for cross-border parcel delivery operators such as the Issuer and grants increased powers to the competent regulators to monitor the market. Furthermore, changes to the data protection framework pursuant to Regulation 2016/679 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data (the "GDPR"), which entered into force on 25 May 2018, may also have an impact. In addition, the implementation of Council Directive (EU) 2017/2455 amending Directive 2006/112/EC and Directive 2009/132/EC as regards certain value added tax obligations for supplies of services and distance sales of goods may have an impact on the Group. In 2016, legislation granting registered e-mail the same legal status as registered mail under certain conditions (eIDAS) entered into force in Belgium. The Belgian Federal Administration has certified at least one service provider to provide registered mail. This could impact the attractiveness of mail and parcels as a way of communicating and, hence, may have an adverse effect on the Group's turnover.

Furthermore, bpost bank SA/NV ("**bpost bank**") operates in a heavily regulated market. bpost bank is a credit institution that is accounted for as an associated company of the Issuer. The Issuer and BNP Paribas

Fortis SA/NV each hold 50% of the shares in bpost bank. In the recent past, the regulatory landscape for financial institutions has changed considerably, for example by an increased focus on customer protection and the introduction of new anti-money laundering rules. The prudential supervision has furthermore been reinforced in relation to, *inter alia*, the quality and level of capital, liquidity requirements, and corporate governance. It is uncertain whether, and to which extent, Belgian or European regulators or third parties may raise issues with regard to bpost bank's compliance with applicable laws and regulations or whether future legislative, regulatory or judicial changes or other regulatory developments could have a material adverse effect on bpost bank's business, financial condition, results of operations and prospects. bpost bank may also be required to increase its capital, in particular as a result of new capital requirements. These factors could also have a material adverse effect on the Group.

Finally, future legislative, regulatory or judicial changes or other regulatory developments may also have a material adverse effect on the Group's business, financial condition, operating results and prospects.

The Issuer is subject to specific public law provisions and principles.

The Issuer is not only subject to the laws applicable to all private limited liability companies, but also to specific public law provisions and principles. These may present difficulties in interpretation and cause legal uncertainty.

In particular, the Issuer has been involved in litigation initiated by a number of auxiliary postmen in relation to employment matters. Furthermore, the Issuer's contractual employees could also challenge their employment status and claim damages to compensate them for being deprived of statutory employment protection and benefits. Amendments to, or the introduction of new, legislation and regulations, including legislation and regulations relating to state pensions, could result in additional burdens for the Issuer. There can also be no assurance that the Issuer will not face challenges regarding certain employment matters on state aid grounds. This could have a material adverse effect on the Group's business, financial condition, operating results and prospects.

The Group is subject to the risk of litigation and other proceedings, including in relation to potential allegations and investigations regarding state aid.

In the course of its normal business, the Group is, from time to time, involved in legal proceedings, the outcomes of which are difficult to predict. The Group may also become involved in legal disputes in the future that may involve substantial claims for damages or other payments. Such proceedings could have a material adverse effect on the Group's business, financial condition, operating results and prospects.

The Issuer has, furthermore, been required to repay alleged state aid by the European Commission for the period from 1992 to 2012. On 2 May 2013, the European Commission approved the compensation granted to the Issuer for the provision of certain SGEIs under the terms of the 5th management contract, which covered the period from 2013 to 2015. On 3 June 2016, the European Commission approved the compensation granted to the Issuer for the provision of certain SGEIs under the terms of the 6th management contract and press concessions, which cover the period from 2016 to 2020. An appeal against the European Commission's decision, lodged by a third party on procedural grounds, is currently pending before the General Court. Although the European Commission's decisions on state aid provide the Issuer with a degree of certainty regarding the compatibility of the compensation it received and will receive, it cannot be excluded that the Issuer may be subject to further state aid allegations and investigations in relation to SGEIs, other public services or other services which the Issuer performs for the Belgian State and various public entities.

The Group is also subject to the requirement of no cross-subsidisation between public services on the one hand and commercial services on the other hand. Where a subsidiary or a business unit of the Group receives commercial and/or logistical assistance from it to render commercial services, that subsidiary or business unit must pay an appropriate transfer price to the Group for its assistance. In addition, under state aid rules the Group

is subject to the so-called ‘private investor test’. This means that when engaging in commercial services, the Group must be able to demonstrate that a private investor would have made the same investment decision.

Finally, the Group may in certain circumstances be faced with overlapping powers between the Belgian Competition Authority and the Belgian Institute for Postal services and Telecommunications (*Institut belge des services postaux et des télécommunications/Belgisch Instituut voor postdiensten en telecommunicatie*) (the “BIPT”). In addition, Belgian courts have jurisdiction to determine infringements of competition law, as well as to adjudicate damage claims based on competition law and postal regulation. This may result in the Group being forced to litigate competitors’ or customers’ complaints in more than one forum in relation to the same issue. There can be no assurance that the Belgian Competition Authority, the BIPT and the Belgian courts will always reach the same or consistent conclusions on identical or similar issues. Such uncertainty can lead to potentially conflicting compliance obligations being imposed on the Group and forum shopping by potential litigants or complainants.

OPERATIONAL AND BUSINESS RISKS.

The use of mail is declining, primarily because of new communication methods.

The use of mail has declined in recent years, primarily as a result of the increased use of new communication methods, such as e-mail and the internet. The Group expects that the mail volumes will continue to decline. E-government initiatives (such as e-Box) or other measures introduced by the Belgian State, other public authorities or private enterprises that encourage electronic substitution in mail may also affect the rate of decline in mail volumes.

Due to the relative fixed nature of the Group’s cost base, a decline in mail volumes may translate into a significant decline in profit, unless the Group can reduce its costs (including labour costs). Accordingly, the Group has introduced a series of productivity enhancement initiatives to reduce its costs and may introduce a series of new initiatives going forward. There can, however, be no assurance that the Group will realise all of the benefits expected from these initiatives.

The Group may not successfully adapt to the growth in the parcel delivery business and this growth may also cease in the future.

There is a continuous increase in parcel delivery volumes. This may result in a challenge for the Group. The Group needs to ensure sufficient flexibility in its mail network to cope with the volatility of the parcels, while keeping the costs under control. If the Group is not successful in adapting to the growth in its parcel delivery business or in case of failure of the Group to develop and introduce new products and services, in combination with the possibility of changing behaviours and preferences of its customers, this could have a material adverse effect on the Group’s business, financial condition, operating results and prospects.

External factors triggered by the industry, competition and clients could furthermore affect the growth in parcels, both in Belgium and abroad, and the development of new products and services. Identified challenges for the Group include, *inter alia*, the speed of disruptive innovations, the lower margins in this business segment compared to the Group’s other business segments, insourcing or diversification of delivery activities by important clients, continuous pressure on prices and newly developed products or services that do not catch on.

The Issuer may lose the possibility to provide certain of its key services.

In accordance with the Belgian State’s commitment to the European Commission, the Belgian State has organised a competitive, transparent and non-discriminatory tendering procedure with respect to the distribution of recognised newspapers and periodicals in Belgium. This service concession has been awarded to the Issuer on 16 October 2015 for the period beginning on 1 January 2016 and ending on 31 December 2020. In respect of the period commencing as of 1 January 2021, it is uncertain whether another call for tender will be issued

and whether the concession, if any, will once more be granted to the Issuer. Furthermore, if the Issuer were again to be awarded the distribution of recognised newspapers and periodicals in Belgium, there is uncertainty regarding the scope, the terms and conditions and the financing mechanism that would be applied.

On 3 December 2015, the Issuer and the Belgian State have signed a new management contract (the “**6th management contract**”) with respect to the other services of general economic interest (“**SGEIs**”). This relates to the maintenance of a retail network, the distribution of pensions, cash at counter and other services. This 6th management contract provides for a continued provision of these SGEIs for a period of five years, ending on 31 December 2020, subject to a remuneration that was approved by the European Commission. For the period commencing on 1 January 2021, the Belgian State may cease to provide, or amend the scope and content of, certain public services, may conclude that such services do not constitute SGEIs and hence does not warrant compensation, or may not entrust these services to the Issuer. Furthermore, if the Issuer were again to be entrusted with the provision of certain SGEIs, there is uncertainty regarding the terms and conditions and the compensation that would be applied. Any such decision or change could have a material adverse effect on the Group’s business, financial condition, operating results and prospects.

The designation of the Issuer as provider of the universal service obligation or the withdrawal of such designation, as well as a change in the application of the VAT exemption in relation to services covered by the universal service obligation, could have a material adverse effect on the Issuer.

The Belgian State designated the Issuer as the provider of the universal service obligation (“**USO**”) for an eight-year term, commencing in 2011 and ending on 31 December 2018. The provision of the USO means that the Issuer is required to provide certain basic postal services, such as the collection, transport, sorting and distribution of postal items up to two kilograms and parcels up to ten kilograms. Pursuant to the Belgian law of 26 January 2018 regarding the postal services (the “**Law of 2018**”), the designation of the Issuer as provider of the USO is extended until the end of 2023. This designation can be further extended, each time for additional five year terms.

The designation of the Issuer as provider of the USO may represent a financial burden. Even though the Issuer may request a compensation from the Belgian State in this regard, there can be no assurance that the entire net cost of the USO will be covered. Furthermore, a Royal Decree setting out the methodology for the calculation of the net cost of the USO is still to be adopted. Moreover, the terms and conditions that will apply to the provision of the USO from 2019 onwards are still to be agreed between the Issuer and the Belgian State. Furthermore, going forward, if the Issuer were to be designated again as a USO provider, there is uncertainty regarding the terms and conditions and financing mechanism that would apply to the provision of the USO. If the compensation from the Belgian State proves to be insufficient, if the terms on which the Issuer is again designated as provider of the USO are unsatisfactory or if the provision of the USO would be withdrawn from the Issuer, this could have a material adverse effect on the Issuer.

Furthermore, it should be noted that an exemption on the application of VAT exists for services which are covered by the USO. Any change in the definition of the USO or in the application of the VAT exemption on the provision of services covered by the USO may therefore reduce turnover earned from customers which are not able to recover VAT.

The Group may not be successful at retaining its key customers.

The Group derives a significant proportion of its operating income from sales to a relatively concentrated customer base, which includes the Belgian State and large e-tailers. If the Belgian State or any other key customers were to reduce the volume of mail they send, for example because of a rationalisation of the mail flow, this could lead to an acceleration of the decline in mail volumes which the Group already experiences. In addition, considering the fierce competition in the parcels delivery business, (large) e-tailers could shift volume

to competitors. Furthermore, if the Group loses one or more of its key customers, this could have a material adverse effect on the Group's business, financial condition, operating results and prospects.

The Issuer is subject to limitations in the determination of its prices.

The Issuer is required to demonstrate that its pricing for the services falling within the USO complies with the principles of affordability, cost orientation, transparency, non-discrimination and uniformity of tariffs. Tariff increases for certain single piece mail and USO parcels are subject to a price cap formula and prior control by the BIPT. The BIPT may refuse to approve such tariffs or tariff increases if they are not in compliance with the aforementioned principles or price cap formula. However, the Law of 2018 provides for a new price cap formula as part of a stable and predictable price control mechanism.

In addition, in relation to activities for which the Issuer is deemed to have a dominant market position, its pricing must not constitute an abuse of such dominant position. Failure to observe this requirement may result in fines. The Issuer may also be ordered by national courts to discontinue certain commercial practices or to pay damages to third parties.

The Group is subject to re-mailing risk.

The Group is subject to re-mailing risk, which is the risk that the Group's clients elect to send their domestic mail via international postal operators or consolidators (which are operators that consolidate mail from end users for injection into the postal network), who in turn re-route the mail back to Belgium. International postal operators and consolidators look for the most cost effective routes for mail, in particular for mail from business clients. In cases of re-mailing, the Group loses the domestic tariff it would otherwise be able to charge its customer, although it still receives terminal dues, which are payments for the delivery of cross-border letter mail between postal operators, when the mail re-enters Belgium. In this way, the Group's margins can be adversely affected by re-mailing. Re-mailing risk is heightened when terminal dues are low when compared with the Group's domestic tariffs. The re-mailing activities of international postal operators and consolidators could have a material adverse effect on the Group's business, financial condition, operating results and prospects.

The markets in which the Group is active are highly competitive and such competition can intensify in the future.

The mail and parcel markets in Belgium and abroad in which the Group is mainly active are highly competitive. This competition may in the future intensify if new players successfully capture market share of the Group or if existing competitors would be able to take advantage of certain synergies by pursuing mergers or other forms of partnerships. The inability of the Group to retain existing customers or to attract new customers could have a material adverse effect on the Group's business, financial condition, operating results and prospects.

The Group may be required to provide access to specific elements of its postal infrastructure or certain services to other postal operators or market players.

The Group may be required to provide other postal operators access to specific elements of its postal infrastructure (such as information on request for mail re-direction in case of an address change), access to its postal network and/or to certain universal services. It cannot be excluded that the competent authorities may impose access at uneconomic price levels or that the access conditions that are imposed upon the Group may otherwise be unfavourable. In the event that the Group were to fail to comply with these requirements, the Group may also be subject to fines under the competition law rules and postal regulations. Other postal operators may also initiate proceedings seeking damages in national courts.

The loss of key suppliers or an interruption in the provision of their services may significantly disrupt the Group's operations.

The Group depends on key suppliers in certain areas of its operations. If any of these suppliers were to cease to provide their services to the Group, there can be no assurance that the Group would be able to replace them in a timely and cost-effective manner, or at all. Furthermore, any interruption in the provision by the suppliers of their services could result in delays in the Group's services. This could, among other things, prevent the Group from meeting its quality of service obligations. The loss of suppliers or disruptions in the provision of their services could have a material adverse effect on the Group's reputation, as well as on its business, financial condition, operating results and prospects.

The Group may experience disruptions at its sorting centres or operating facilities or, in extreme cases, its sorting centres or operating facilities may be shut down.

The Group's ability to serve its customers and the public in general depends highly on the sorting centres where the Group centralises, sorts and prepares the mail and parcels for distribution. In Belgium, the Group operates six sorting centres. Furthermore, the Group has a number of operating facilities outside of Belgium. If one or more of these facilities were to experience disruptions or be shut down for a period of time due to, for example, a power outage, accident, strike action, natural disaster resulting in fire or flooding, terrorist attack or otherwise, the Group may be unable to distribute or comply with delivery times for a certain period of time. In addition, faster than expected growth of parcels volume could strain the current parcels' sorting capacity. This could have a material adverse effect on the Group's reputation, customer satisfaction and the Group's business, financial condition, operating results and prospects.

The Group's business could be adversely affected because of issues with its employees.

In the past decade, the Group has significantly reduced its workforce. This has generally increased the workload of its employees and may have contributed to increased levels of stress across the organisation. This may adversely affect the Group's business in a number of ways. It may, among other things, be difficult to achieve further savings through cost reduction initiatives and the introduction of such further initiatives may also be resisted by labour unions. Absenteeism may furthermore increase as a result of relatively high stress levels. The Group also relies, in part, on engaged employees for product renewal opportunities. Where employees are experiencing stress, this may become more difficult to achieve.

The Group may also be subject to strike actions of its employees, which may disrupt its operations. Although the Group has not experienced any major strikes in the recent past, there can be no assurance that the Group's operations will not be adversely affected by such actions in the future.

Any such issues could have a material adverse effect on the Group's reputation as well as the Group's business, financial condition, operating results and prospects.

The Group may lose key management and personnel or fail to attract and retain skilled personnel.

The Group may face difficulties to attract and retain the operational workforce it needs to ensure day-to-day delivery of mail and parcels. In addition, as any large employer, talent management in view of effective succession planning for critical functions and successful in-sourcing certain new capabilities may also prove to be challenging.

The status of statutory employees may restrict the Group's operational flexibility.

Statutory employees benefit from job security as a result of their administrative law status, which is similar to that of civil servants. Their employment cannot be terminated except by reason of a gross breach of their duties or professional incompetence. In addition to the limited ability the Group has to dismiss statutory employees, the Group may face limitations in its ability to redeploy statutory employees to new functions. These factors

may limit the Group's ability to react to significant changes in the economic environment or an acceleration in declines in mail volumes. For example, the Group could be delayed in implementing a particular restructuring programme and could incur additional costs in connection with any such programme. If the Group is unable to react with sufficient flexibility to changes in the business or economic environment as a result of the status of its statutory employees, this could have a material adverse effect on the Group's business, financial condition, operating results and prospects.

Fluctuations in the factors that determine the value of the Group's employee benefit obligations could result in actuarial gains and losses.

The Group grants its active and retired personnel post-employment benefits, other long term benefits and termination benefits. These benefit plans have been valued in conformity with IAS 19. Actuarial gains and losses caused by changes in discount rates are booked as a financial cost. In all other cases, actuarial gains and losses are recorded as operating expenses. The main assumptions used in computing the benefit obligations on the statement of financial position date include the rate of inflation (long term), future salary increases and mortality tables. Discount rates are determined by reference to market yields at the statement of financial position date. Fluctuations in these factors will cause the value of employee benefits to change and may result in actuarial gains and losses. If the Group were to experience significant actuarial gains and losses, this could have a materially adverse effect on its business, financial condition, operating results and prospects.

The Group may fail to realise the anticipated business growth opportunities, revenue benefits, cost synergies, operational efficiencies and other benefits anticipated from, or may incur unanticipated costs associated with, acquisitions.

To pursue its growth ambitions, the Group has acquired several companies during the last few years and may in the future evaluate other possible acquisitions that would complement the Group's business. Recent acquisitions by the Group were the acquisitions of Ubiway (formerly Lagardère Travel Retail) in 2016 and of Radial in the United States in November 2017.

The success of any acquisition depends on the Group's ability to integrate acquired businesses effectively. The integration of acquired businesses may, however, be complex and expensive and may present other risks and challenges. It is uncertain whether the Group will manage to bring integrations to a successful end and whether, ultimately, the newly acquired businesses will actually realise the related business plans. Furthermore, there can be no assurance that the Group will realise any or all of the anticipated benefits of any acquisition or that the acquired companies can perform as anticipated. Finally, the Group may be or become involved in legal proceedings related to, or resulting from, acquisitions, the outcomes of which are difficult to predict.

The aforementioned factors could have a material adverse effect on the Group's business, financial condition, operating results and prospects.

Measures in relation to cost savings and cost efficiencies may not achieve the required result.

The Group takes certain measures in order to reduce costs and obtain cost efficiencies. It is, however, uncertain that any actions undertaken by the Group will achieve their required result. In case expected savings are not achieved, unexpected costs cannot be avoided or other adverse results occur, this could have a material adverse effect on the Group's business, financial condition, operating results and prospects.

Failure of the Group's information systems and software could adversely affect the Group's operations.

The Group relies on ICT systems to provide most of its services. These systems are subject to several risks, such as power outages, disruptions of internet traffic, software bugs and problems arising from human error. Any such risk may result in loss of data or a significant disruption of the Group's operations.

In addition, if the Group's ICT systems and software require investments and improvements and these are not made or not sufficiently made, this could lead to failures and disruptions of the ICT systems or software. This may increase the risk of security breaches and attacks or otherwise cause the loss of information and data. This could have a material adverse effect on the Group's reputation and on its business, financial condition, operating results and prospects.

The Group may be subject to privacy or data protection failures, cybercrime and fraudulent activity in relation to personal customer data, which could result in investigations by regulators, liability to customers, administrative fines, penalties and/or reputational damage.

The Group is subject to regulation regarding the processing (including disclosure and use) of personal data. The Group processes significant volumes of personal data relating to customers as part of its business, some of which may also be classified under legislation as sensitive personal data. The Group must therefore comply with strict data protection and privacy laws and regulations.

The GDPR, which entered into force on 25 May 2018, is the primary legislation governing the Group's use of customer personal data. It introduces substantial changes to data protection laws, including an increased emphasis on businesses being able to demonstrate compliance with their data protection obligations. This requires significant investments by the Group in its data management and compliance operations. In addition, the European Commission recently released its proposal for a new European ePrivacy Regulation.

The Group also faces the risk of a breach in the security of its ICT systems, for example from increasingly sophisticated attacks by cybercrime groups. Data breaches could have a material adverse impact on the Group's reputation and on its business, financial condition, operating results and prospects. The Group tries to mitigate such risks, including by ensuring that systems and procedures are in place to ensure compliance with relevant regulations. There can, however, be no assurance that such security measures will be effective.

The operations of the Group can be adversely affected by natural events.

The risk of a potential prolonged interruption of operations due to extreme natural events as a result of climate change, such as fire, flood, storm, and an increase in employees' health issues due to pollution, has increased over recent years. The Group seeks to prevent damage to buildings and interruptions to operations as much as possible through prevention and contingency programs. The detrimental consequences of these risks are covered by insurance policies, which may, however, prove to be insufficient.

OPERATIONAL AND FINANCIAL RISKS.

The Group is exposed to risks resulting from exchange rate fluctuations.

The Group is subject to exchange rate risks, which mainly relate to a translation risk. This is the risk that affects the Issuer's consolidated accounts due to the fact that certain of its subsidiaries operate in a currency other than the euro, which is the Issuer's functional currency. The main other currency is the US dollar. In order to minimise the exposure to these risks, intra-group loans that are granted by the Issuer to its subsidiaries are made in the functional currency of these subsidiaries. Furthermore, hedging transactions are put in place for intra-group loans in a foreign currency to protect against changes in the exchange rate.

The Group is exposed to interest rate risks.

In light of the Group's current and future indebtedness, the Group is affected by short or long-term changes in interest rates, by the credit margins taken by banks that provide the Group with financing and by the other financing conditions.

Furthermore, bpost bank is also subject to interest rate risks that directly influence its margin. Interest rates also influence the valuation of bpost bank's bond portfolio, part of which is classified as held-to-collect-and-sell and

measured at fair value. Given that bpost bank is an equity-accounted entity, 50% of changes in its equity directly influence the consolidated equity of the Issuer.

The financial results of the Issuer are also influenced by the evolution of the discount rates, which are used to calculate the employee benefits obligation.

The Group is exposed to credit risks.

The Group is exposed to credit risks through its operational activities, in the investment of its liquidities and through its investment in bpost bank.

The Group is exposed to financing risks.

The Group may not be able to renew the existing financing agreements or the existing financings may be cancelled. The Group may be unable to attract new financing or to negotiate and enter into new financing agreements on terms that are commercially desirable. If the Group is unable to receive financing or financing against favourable terms, this could have a material adverse effect on the Group's business, financial condition, operating results and prospects.

A change in the credit rating assigned to the Issuer or the Notes can have a material adverse effect on the ability of the Issuer to finance its operations and investments.

One or more independent credit rating agencies will assign credit ratings to the Issuer and the Notes. A negative change in such rating could have a material adverse effect on the financing costs for the Issuer and, thus, on the Group's business, financial condition, operating results and prospects.

Credit ratings may not reflect all risks, are not recommendations to buy or hold securities and may be subject to revision, suspension or withdrawal at any time.

The credit ratings assigned to the Issuer and the Notes address the creditworthiness of the Issuer, the ability of the Issuer to perform its obligations under the Conditions and credit risks in determining the likelihood that payments will be made when due under the Notes. The ratings may not reflect the potential impact of all risks related to the structure, market, additional risk factors set out above and other factors that may affect the creditworthiness of the Issuer or the value of the Notes.

A credit rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension or withdrawal by the rating agency at any time. No assurance can be given that a credit rating will remain constant for any given period of time or that a credit rating will not be lowered or withdrawn entirely by the credit rating agency if, in its judgment, circumstances in the future so warrant. A suspension, reduction or withdrawal at any time of the credit rating assigned to the Issuer or the Notes by one or more credit rating agencies could adversely affect the cost and the terms and conditions of the Issuer's financings and could adversely affect the value and trading of the Notes.

2 RISK FACTORS IN RELATION TO THE NOTES

The Notes may not be a suitable investment for all investors.

Each potential investor in the Notes must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

- have sufficient knowledge and experience to make a meaningful evaluation of the Notes, the merits and risks of investing in the Notes and the information contained or incorporated by reference in, or annexed to, the Prospectus or any applicable supplement;

- have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Notes and the impact such investment will have on its overall investment portfolio;
- have sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes, including where the currency for principal and interest payments is different from the potential investor's currency;
- understand thoroughly the terms of the Notes and be familiar with the behaviour of financial markets; and
- be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

A potential investor should not invest in the Notes unless it has the expertise (either alone or with a financial adviser) to evaluate how the Notes will perform under changing conditions, the resulting effects on the value of the Notes and the impact the investment will have on the potential investor's overall investment portfolio.

Furthermore, each prospective investor in the Notes must determine, based on its own independent review and such professional advice as it deems appropriate under the circumstances, that its acquisition of the Notes is fully consistent with its financial needs, objectives and condition, complies and is fully consistent with all investment policies, guidelines and restrictions applicable to it and is a fit, proper and suitable investment for it, notwithstanding the clear and substantial risks inherent in investing in or holding the Notes.

There may be no active trading market for the Notes.

The Notes are new securities which may not be widely distributed and for which there is currently no active trading market. Although application has been made for the Notes to be listed and admitted to trading on the regulated market of Euronext Brussels, there can be no assurance that such application will be accepted or that an active trading market will develop. Accordingly, there is no assurance as to the development or liquidity of any trading market for the Notes. If a market does develop, it may not be very liquid. Therefore, no assurances can be made as to the liquidity of any market in the Notes, a Noteholder's ability to sell its Notes or the prices at which a Noteholder would be able to sell its Notes. Furthermore, it cannot be guaranteed that the listing of the Notes, once approved, can be maintained.

If the Notes are traded after their initial issuance, they may trade at a discount to their initial offering price, depending upon prevailing interest rates, the market for similar securities, general economic conditions and the financial condition of the Issuer. It is possible that the market for the Notes will be subject to disruptions. Any such disruption may have a negative effect on the Noteholders, regardless of the Issuer's prospects and financial performance. As a result, there is no assurance that there will be an active trading market for the Notes. If no active trading market develops, a Noteholder may not be able to resell its holding of the Notes at a fair value, if at all.

Legal investment considerations may restrict certain investments.

The investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (i) Notes are legal investments for it, (ii) Notes can be used as collateral for various types of borrowing and (iii) other restrictions apply to its purchase or pledge of any Notes. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of Notes under any applicable risk-based capital or similar rules.

The Notes are unsecured obligations and there is no limitation for the Issuer to incur additional indebtedness.

The Conditions do not limit the ability of the Issuer or any of its Subsidiaries to incur additional indebtedness, including indebtedness that ranks *pari passu* or in priority of payment to the Notes or indebtedness (subject to, in respect of Relevant Indebtedness incurred by the Issuer or any of its Material Subsidiaries, Condition 3 (*Negative pledge*)) that has the benefit of security over the assets of the Issuer or any of its Subsidiaries. Any such other indebtedness may be, or have been, provided on terms that are more advantageous to the creditors thereof, including in respect of representations, financial and other covenants and/or events of default.

Any additional indebtedness may reduce the amount recoverable by Noteholders in the event of a winding-up of the Issuer. In the event of a winding-up of the Issuer and after payment of the claims ranking *pari passu* to the Noteholders, there may not be a sufficient amount to satisfy the amounts owing to the Noteholders.

The right of the Noteholders to receive payments on the Notes is unsecured. In the event of liquidation, dissolution, reorganisation, bankruptcy or a similar procedure affecting the Issuer, the holders of secured indebtedness will be repaid first with the proceeds from the enforcement of security.

An investor's actual yield on the Notes may be reduced from the stated yield due to transaction costs.

When Notes are purchased or sold, several types of incidental costs (including transaction fees and commissions) are incurred in addition to the current price of the security. These incidental costs may significantly reduce or even exclude the profit potential of the Notes. For instance, credit institutions as a rule charge their clients for own commissions which are either fixed minimum commissions or pro-rata commissions depending on the order value. To the extent that additional – domestic or foreign – parties are involved in the execution of an order, including but not limited to domestic dealers or brokers in foreign markets, investors must take into account that they may also be charged for the brokerage fees, commissions and other fees and expenses of such parties (third party costs).

In addition to such costs directly related to the purchase of securities (direct costs), investors must also take into account any follow-up costs (such as custody fees). Prospective investors should inform themselves about any additional costs incurred in connection with the purchase, custody or sale of the Notes before investing in the Notes.

The Notes may be exposed to exchange rate risks and exchange controls.

The Issuer will pay principal and interest on the Notes in euro (the “**Specified Currency**”). This presents certain risks relating to currency conversions if a Noteholder’s financial activities are denominated principally in a currency or currency unit (the “**Investor’s Currency**”) other than the Specified Currency. These include the risk that exchange rates may significantly change (including due to the devaluation of the Specified Currency or revaluation of the Investor’s Currency) and the risk that authorities with jurisdiction over the Investor’s Currency may impose or modify exchange controls. An appreciation in the value of the Investor’s Currency relative to the Specified Currency would decrease (i) the Investor’s Currency-equivalent yield on the Notes, (ii) the Investor’s Currency equivalent value of the principal payable on the Notes and (iii) the Investor’s Currency equivalent market value of the Notes.

Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate. As a result, Noteholders may receive less interest or principal than expected, or no interest or principal.

The Notes may be redeemed or purchased by the Issuer prior to their Maturity Date.

Pursuant to the Conditions, the Notes may be redeemed, prior to the Maturity Date, in the following circumstances: (i) pursuant to certain changes in tax laws or regulations as set out in Condition 5(b) (*Redemption*

for tax reasons), (ii) upon the occurrence of a Change of Control as set out in Condition 5(c) (*Redemption at the option of the Noteholders upon a Change of Control*), (iii) at the option of the Issuer at make-whole premium as set out in Condition 5(d) (*Redemption at the option of the Issuer at make-whole premium*) and (iv) upon the occurrence of an Event of Default as defined in Condition 8 (*Events of Default*). For more information, please see risk factors “*The Notes may be redeemed prior to maturity in the case of a tax event or within three months from the Maturity Date.*” and “*The Change of Control put option does not cover each change of control over the Issuer, and the Notes are subject to a clean-up call.*”.

Furthermore, the Issuer reserves the right to purchase Notes in the open market or otherwise at any price in accordance with applicable regulations.

If Notes are redeemed by the Issuer prior to their Maturity Date, a Noteholder may not be able to reinvest the redemption proceeds in a comparable security at an effective interest rate as high as that of the relevant Notes and may only be able to do so at a significantly lower rate. This optional redemption feature is likely to limit the market value of the Notes. During any period when the Issuer may elect to redeem the Notes, the market value of the Notes generally will not rise substantially above the price at which they can be redeemed. This also may be true prior to any redemption period.

The Notes may be redeemed prior to maturity in the case of a tax event or within three months from the Maturity Date.

In the event that the Issuer would be obliged to increase the amounts payable in respect of any Notes due to any withholding or deduction for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of Belgium or any political subdivision thereof or any authority therein or thereof having power to tax, the Issuer may redeem all outstanding Notes at their principal amount plus accrued interest in accordance with the Conditions. The Issuer may also redeem the Notes at their principal amount plus accrued interest at any time within the period of three months prior to the Maturity Date.

The Change of Control put option does not cover each change of control over the Issuer, and the Notes are subject to a clean-up call.

The Conditions contain a put option pursuant to which, upon the occurrence of a Put Event (being a Change of Control followed by a Rating Downgrade within the period specified in the Conditions) the Noteholders have the right to require the Issuer to redeem their Notes at their principal amount plus accrued interest. A Change of Control does not cover all circumstances in which the Kingdom of Belgium ceases to control the Issuer, and a Rating Downgrade does not cover any downgrade of the Issuer subsequent to a Change of Control. If, as a consequence of the exercise by the Noteholders of their put option after the occurrence of a Put Event, at least 85 per cent. of the principal amount of the Notes is redeemed, the Issuer may redeem the remaining Notes at their principal amount plus accrued interest to but excluding the date fixed for redemption.

The Notes are exposed to market interest rate risk.

The Notes provide a fixed interest rate until the Maturity Date. Investment in the Notes involves the risk that subsequent changes in market interest rates may adversely affect the value of the Notes. The longer the maturity of Notes, the more exposed the Notes are to fluctuations in market interest rates. An increase in the market interest rates can result in the Notes trading at prices lower than their nominal amount.

The market value of the Notes may fluctuate.

The market value of the Notes may be affected by the creditworthiness of the Issuer and a number of additional factors, such as market interest, exchange rates and yield rates and the time remaining to the Maturity Date and more generally all economic, financial and political events in any country, including factors affecting capital

markets generally and the stock exchanges on which the Notes are traded. The price at which a Noteholder will be able to sell the Notes prior to maturity may be at a discount, which could be substantially lower than the issue price or the purchase price paid by such investor.

The actual yield of an investment in the Notes may also be affected by inflation. The inflation risk is the risk of future value of money. The higher the rate of inflation, the lower the actual yield of a Note will be. If the rate of inflation is equal to or higher than the nominal rate of the Notes, then the actual output is equal to zero, or the actual yield could even be negative.

The Conditions can be modified or waived by defined majorities of the meetings of Noteholders.

The Conditions contain provisions for calling meetings of Noteholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Noteholders, including Noteholders who did not attend and vote at the relevant meeting and Noteholders who voted in a manner contrary to the majority.

The Issuer may not be able to repay the Notes.

The Issuer may not be able to repay the Notes at their maturity. The Issuer's ability to repay the Notes will depend on its financial condition at the time of the requested repayment, and may be limited by law, by the terms of its indebtedness and by the agreements that it may have entered into on or before such date, which may replace, supplement or amend their existing or future indebtedness. The Issuer's failure to repay the Notes may result in an event of default under the terms of other outstanding indebtedness. The Issuer may also be required to repay all or part of the Notes upon the occurrence of an Event of Default pursuant to Condition 8 (*Events of Default*). If the Noteholders were to request repayment of their Notes upon the occurrence of an Event of Default, the Issuer cannot assure that it will be able to pay the required amount in full.

Change of law and administrative practice.

The Conditions are based on Belgian law, interpretations thereof and administrative practice in effect as at the date of this Prospectus. No assurance can be given as to the impact of any possible judicial decision or change to Belgian law, its interpretation or administrative practice after the date of this Prospectus.

Only Direct Participants may deliver notices in respect of Notes held through the NBB-SSS.

Noteholders should note that, pursuant to the Conditions, any notice to be given by a Noteholder in respect of its Notes must be given in accordance with the standard procedures of the NBB-SSS, and may only be given by the person who is for the time being shown in the records of the NBB-SSS as the holder of the relevant Notes (each a "**Direct Participant**").

Holders of interests in Notes ("**beneficial holders**") held through the NBB-SSS wishing to deliver any notice pursuant to the Conditions are advised to consult with any Direct Participant or other intermediary (including any securities broker or financial institution) through which they hold their Notes when such intermediary would need to receive instructions from the beneficial holder, in order to meet any deadlines applicable to such notice. The fees and/or costs, if any, of the relevant Direct Participant or other intermediary in connection with the delivery of any such notice shall be borne by the relevant beneficial holder.

The Joint Bookrunners may engage in transactions with the Issuer adversely affecting the interests of Noteholders.

The Joint Bookrunners might have conflicts of interests which could have an adverse effect on the interests of Noteholders. Potential investors should be aware that the Issuer is involved in general business relationships and/or in specific transactions with the Joint Bookrunners and that they might have conflicts of interests which could have an adverse effect on the interests of Noteholders. Potential investors should also be aware that the

Joint Bookrunners may hold from time to time debt securities, shares and/or other financial instruments of the Issuer.

Within the framework of a normal business relationship with its banks, the Issuer or any of its Subsidiaries may enter into, or have entered into, debt financings with the Joint Bookrunners. The terms and conditions of these debt financings may differ from the Conditions and certain terms and conditions of such debt financings could be or are more restrictive than the Conditions. The terms and conditions of such debt financings may contain financial covenants which are not included in the Conditions.

For example, the Issuer entered into a bridge facility agreement originally dated 5 October 2017, as amended and restated on 9 November 2017, with BNP Paribas Fortis SA/NV pursuant to which a multicurrency bridge loan facility was made available to finance the acquisition of Radial, which was drawn for an amount of EUR 569,814,814.81 and USD 143,000,000. The net proceeds from the issue of the Notes will be applied by the Issuer for, among others, the repayment of this bridge facility. In addition, the Issuer entered into and is contemplating to enter into certain other financing arrangements. For further information, please see paragraph 9 – ‘Financing arrangements of the Issuer’ in ‘Part VI – Description of the Issuer’ and ‘Part VIII – Use of proceeds’.

In addition, as part of these debt financings, the Joint Bookrunners, as lenders, may have the benefit of certain guarantees or security, whereas the Noteholders will not have the benefit from similar guarantees and security. This may result in the Noteholders being subordinated to the lenders under such debt financings.

The Noteholders should be aware of the fact that the Joint Bookrunners, when they act as lenders to the Issuer or any of its Subsidiaries (or when they act in any other capacity whatsoever), have no fiduciary duties or other duties of any nature whatsoever vis-à-vis the Noteholders and that they are under no obligation to take into account the interests of the Noteholders.

The Joint Bookrunners and their affiliates have engaged in, or may engage in, investment banking and other commercial dealings in the ordinary course of business with the Issuer or any of its Subsidiaries. They have received, or may receive, customary fees and commissions for these transactions. In addition, in the ordinary course of their business activities, the Joint Bookrunners and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of the Issuer or any of its Subsidiaries. The Joint Bookrunners and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

These diverging interests may manifest themselves amongst other things in case of an event of default under any credit facilities granted by the Joint Bookrunners before the maturity of the Notes or in case of a mandatory early repayment thereunder, and may have a negative impact on the repayment capacity of the Issuer. It is not excluded that any such credit facilities will be repaid before the maturity of the Notes. The Joint Bookrunners do not have any obligation to take into account the interests of the Noteholders when exercising their rights as lender under any such credit facilities. Any full or partial repayment of any credit facilities granted by the Joint Bookrunners will, at that time, have a favourable impact on the exposure of the Joint Bookrunners vis-à-vis the Issuer or its Subsidiaries.

Reliance on the procedures of the NBB-SSS, Euroclear and Clearstream, Luxembourg for the transfer of the Notes, payments in respect of the Notes and communications with the Issuer.

The Notes will be issued in dematerialised form in accordance with Articles 468 et seq. of the Belgian Companies Code. The Notes will be represented exclusively by book-entries in the records of the NBB-SSS.

Access to the NBB-SSS is available through its NBB-SSS participants whose membership extends to securities such as the Notes. NBB-SSS participants include certain banks, stockbrokers (*sociétés de bourse/beursvennootschappen*) and Euroclear and Clearstream, Luxembourg.

Transfers of the Notes will be effected between the NBB-SSS participants in accordance with the rules and operating procedures of the NBB-SSS. Transfers between investors will be effected in accordance with the respective rules and operating procedures of the NBB-SSS participants through which they hold their Notes.

The Issuer and the Agent will have no responsibility for the proper performance by the NBB-SSS or the NBB-SSS participants of their obligations under their respective rules and operating procedures.

A Noteholder must rely on the procedures of the NBB-SSS, Euroclear and Clearstream, Luxembourg to receive payments under the Notes. The Issuer will have no responsibility or liability for the records relating to, or payments made in respect of, the Notes within the NBB-SSS.

The Agent does not assume any fiduciary or other obligations to the Noteholders.

The Agent will act in accordance with the Conditions and the Agency Agreement in good faith. However, Noteholders should be aware that no Agent assumes any fiduciary or other obligations to the Noteholders and, in particular, is not obliged to make determinations which protect or further the interests of the Noteholders.

The Agent may rely on any information to which it should properly have regard to and is reasonably believed by it to be genuine and to have been originated by the proper parties.

The Agent shall not be liable for the consequences to any person (including Noteholders) of any errors or omissions in any determination made by the Agent in relation to the Notes, in the absence of gross negligence (*faute lourde/zware fout*), fraud (*fraude/fraude*) or wilful misconduct (*faute intentionnelle/opzettelijke fout*). Without prejudice to the generality of the foregoing, the Agent shall not be liable for the consequences to any person (including Noteholders) of any such errors or omissions arising as a result of (i) any information provided to the Agent proving to have been incorrect or incomplete or (ii) any relevant information not being provided to the Agent on a timely basis.

Belgian insolvency laws may adversely affect a recovery by the Noteholders of amounts payable on the Notes.

As long as the Issuer has its centre of main interests (as defined in Regulation (EU) 2015/848 of 20 May 2015 on insolvency proceedings) in Belgium, it will, in principle, be subject to insolvency laws and proceedings in Belgium. The Issuer is subject to a specific insolvency and liquidation regime. Pursuant to the Law of 1991, the Issuer can only be dissolved and liquidated pursuant to an act of the Belgian Parliament. Furthermore, in accordance with Article 8 of the Law of 1991, the Issuer may not be subject to any compulsory enforcement against its properties or assets, except if these properties or assets are manifestly of no use to the performance of the public service duties of the Issuer or for the continuity of any public service.

The application of these insolvency laws may adversely affect the Noteholders' claim to obtain repayment, in full or in part, of the Notes, for example as a result of a suspension of payments, a stay on enforcement measures or an order providing for partial repayment of the Notes.

The Notes may only be held by Eligible Investors.

The Notes may only be held by, and may only be transferred to, eligible investors referred to in Article 4 of the Belgian Royal Decree of 26 May 1994 (an “**Eligible Investor**”) holding their Notes in an exempt securities account (an “**X-Account**”) that has been opened with a financial institution that is a direct or indirect participant in the NBB-SSS.

Belgian Withholding Tax.

Currently, no Belgian withholding tax will be applicable to the interest on the Notes held by an Eligible Investor in an X-Account that has been opened with a financial institution that is a direct or indirect participant in the NBB-SSS.

If the Issuer, the NBB, the Agent or any other person is required to make any withholding or deduction for, or on account of, any present or future taxes, duties or charges of whatever nature in respect of any payment in respect of the Notes, the Issuer, the NBB, the Agent or that other person shall make such payment after such withholding or deduction has been made and will account to the relevant authorities for the amount so required to be withheld or deducted.

Potential investors should be aware that none of the Issuer, the NBB, the Agent or any other person will be liable for, or will otherwise be obliged to pay, and the relevant Noteholders will be liable for and/or pay, any tax, duty, charge, withholding or other payment whatsoever which may arise as a result of, or in connection with, the ownership, any transfer and/or any payment in respect of the Notes, except as provided for in Condition 7 (*Taxation*). In particular, potential investors should be aware that, pursuant to Condition 7 (*Taxation*), the Issuer will, among others, not be obliged to pay any additional amounts (i) to, or to a third party on behalf of, a holder which is liable to such taxes, duties, assessments or governmental charges in respect of such Note by reason of it having some connection with Belgium other than the mere holding of the Note, (ii) to, or to a third party on behalf of, a holder who, at any relevant time on or after the issue of the Notes, was not an Eligible Investor, or who was such an Eligible Investor at any relevant time on or after the issue of the Notes but, for reasons within such holder's control, ceased to be an Eligible Investor or otherwise failed to meet any other condition for exemption from Belgian withholding tax pursuant to the law of 6 August 1993 relating to transactions in certain securities or (iii) to, or to a third party on behalf of, a holder who is liable to such taxes, duties, assessments or governmental charges because the Notes were upon his request converted into registered Notes and could no longer be cleared through the NBB-SSS.

For further information, please see 'Part IX – Taxation'.

Taxation.

Potential purchasers and sellers of the Notes should be aware that they may be required to pay taxes or other documentary charges or duties in accordance with the laws and practices of the country where the Notes are transferred, where the investors are resident for tax purposes and/or other jurisdictions.

Furthermore, the statements in relation to taxation set out in this Prospectus are based on current law and the practices of the relevant authorities in force or applied at the date of this Prospectus. Potential investors should be aware that any relevant tax law or practice applicable as at the date of this Prospectus and/or the date of purchase of the Notes may change at any time (including following the issuance of the Notes). Any such change may have an adverse effect on a Noteholder, including that the liquidity of the Notes may decrease and/or the amounts payable to, or receivable by, an affected Noteholder may be less than otherwise expected by such Noteholder.

Potential investors are advised not to rely upon the tax summary contained in the Prospectus but to ask for their own tax adviser's advice on their individual taxation with respect to the acquisition, sale and redemption of the Notes. Only these advisors are in a position to duly consider the specific situation of the potential investor. This risk factor should be read in connection with the taxation sections of the Prospectus.

The proposed financial transaction tax.

On 14 February 2013, the European Commission published a proposal (the "**Commission's Proposal**") for a Directive for a common financial transactions tax (the "**FTT**") in Belgium, Germany, Estonia, Greece, Spain,

France, Italy, Austria, Portugal, Slovenia and Slovakia (the “**Participating Member States**”). In December 2015, Estonia has officially announced its withdrawal from the negotiations.

The Commission’s Proposal currently stipulates that once the FTT enters into force, the Participating Member States shall not maintain or introduce taxes on financial transactions other than the FTT or VAT as provided in the Council Directive 2006/112/EC of 28 November 2006 on the common system of value added tax.

The Commission’s Proposal has a very broad scope and could, if introduced, apply to certain dealings in Notes (including secondary market transactions) in certain circumstances, save for the issuance and subscription of Notes which should, however, be exempt.

Under the Commission’s Proposal, the FTT could apply in certain circumstances to persons both within and outside of the Participating Member States. Generally, it would apply to certain dealings in Notes where at least one party is a financial institution, and at least one party is established in a Participating Member State. A financial institution may be, or be deemed to be, “established” in a Participating Member State in a broad range of circumstances, including (i) by transacting with a person established in a Participating Member State or (ii) where the financial instrument which is subject to the dealings is issued in a participating Member State.

The Commission’s Proposal remains, however, subject to negotiation between the Participating Member States and its scope is uncertain. It may therefore be altered prior to any implementation, the timing of which remains unclear. Additional Member States of the European Union may decide to participate and/or other Participating Member States may decide to withdraw.

If the FTT or any similar tax were adopted, transactions in the Notes would be subject to higher costs, and the liquidity of the market for the Notes on the secondary market may be diminished.

Prospective holders of Notes are advised to seek their own professional advice in relation to the FTT.

PART III – DOCUMENTS INCORPORATED BY REFERENCE

This Prospectus shall be read and construed in conjunction with the following documents:

- (i) the annual report and audited consolidated financial statements of the Issuer prepared in accordance with IFRS for the financial year ended 31 December 2016 (in French, Dutch and English), together with the related audit report thereon;
- (ii) the annual report and audited consolidated financial statements of the Issuer prepared in accordance with IFRS for the financial year ended 31 December 2017 (in French, Dutch and English), together with the related audit report thereon; and
- (iii) the financial report and unaudited interim condensed consolidated financial statements of the Issuer dated 2 May 2018 prepared in accordance with IFRS for the first financial quarter of 2018 (in French, Dutch and English).

Such documents shall, in accordance with Article 11 of the Prospectus Directive and Article 30, §1 of the Prospectus Law, be incorporated in, and form part of, this Prospectus, save that any statement contained in a document which is incorporated by reference herein shall be modified or superseded for the purpose of this Prospectus to the extent that a statement contained herein modifies or supersedes such earlier statement. Any statement so modified or superseded shall not, except as so modified or superseded, constitute a part of this Prospectus.

Copies of documents incorporated by reference in this Prospectus may be obtained (without charge) from the registered offices of the Issuer and the website of the Issuer (<http://corporate.bpost.be/>). The Issuer confirms that it has obtained the approval from its auditors to incorporate the audited consolidated financial statements and the auditors' reports thereon for the financial years ended 31 December 2016 and 31 December 2017 in this Prospectus.

The tables below include references to the relevant pages of the audited consolidated financial statements of the Issuer for the financial years ended 31 December 2016 and 31 December 2017, as set out in the annual reports of the Issuer (in French, Dutch and English), and the unaudited interim condensed consolidated financial statements of the Issuer for the first financial quarter of 2018, as set out in the financial report of the Issuer (in French, Dutch and English). Information contained in the documents incorporated by reference other than information listed in the tables below is for information purposes only and does not form part of this Prospectus.

Audited consolidated financial statements of the Issuer prepared in accordance with IFRS for the financial year ended 31 December 2016, as set out in the annual report (in French, Dutch and English).

Consolidated income statement	p. 22
Consolidated statement of comprehensive income	p. 23
Consolidated statement of financial position	p. 24
Consolidated statement of changes in equity	p. 25
Consolidated statement of cash flows	p. 26
Notes to the consolidated financial statements	p. 27-88
Auditor's report	p. 91-92

Audited consolidated financial statements of the Issuer prepared in accordance with IFRS for the financial year ended 31 December 2017, as set out in the annual report (in French, Dutch and English).

Consolidated income statement	p. 22
Consolidated statement of comprehensive income	p. 23
Consolidated statement of financial position	p. 24-25
Consolidated statement of changes in equity	p. 26-27
Consolidated statement of cash flows	p. 28-29
Notes to the consolidated financial statements	p. 30-101
Auditor's report	p. 147-151

Unaudited interim condensed consolidated financial statements of the Issuer prepared in accordance with IFRS for the first financial quarter of 2018, as set out in the financial report (in French, Dutch and English).

Consolidated income statement	p. 8
Consolidated statement of comprehensive income	p. 9
Consolidated statement of financial position	p. 10
Consolidated statement of changes in equity	p. 11
Consolidated statement of cash flows	p. 12
Notes to the interim condensed consolidated financial statements	p. 13-21

PART IV – TERMS AND CONDITIONS OF THE NOTES

The following is the text of the terms and conditions applying to the Notes (the “**Terms and Conditions of the Notes**” and the “**Conditions**”), save for the paragraphs in italics that shall be read as complementary information.

The EUR 650,000,000 1.25 per cent. notes due 11 July 2026 (the “**Notes**”, which expression includes any further notes issued pursuant to Condition 12 (Further issues) and forming a single series therewith) of bpost SA/NV (the “**Issuer**”) are issued pursuant to a Belgian paying agency agreement dated on or about 5 July 2018 (as amended or supplemented from time to time, the “**Agency Agreement**”) between the Issuer, BNP Paribas Securities Services, Belgian branch as Belgian Paying Agent (the “**Agent**”, which expression includes any successor Belgian paying agent appointed from time to time in connection with the Notes) and a service contract for the issuance of fixed income securities dated on or about 5 July 2018 (as amended or supplemented from time to time, the “**Clearing Services Agreement**”) between the Issuer, the National Bank of Belgium (the “**NBB**”) and the Agent. Certain provisions of these Conditions are summaries of the Agency Agreement and subject to its detailed provisions. The Noteholders (as defined below) are bound by, and are deemed to have notice of, all the provisions of the Agency Agreement and the Clearing Services Agreement applicable to them. Copies of the Agency Agreement are available for inspection by Noteholders during normal business hours at the Specified Office (as defined in the Agency Agreement) of the Agent, the initial Specified Office of which is set out on the last page of this Prospectus.

1 FORM, DENOMINATION AND TITLE

The Notes are in dematerialised form in accordance with Articles 468 *et seq.* of the Belgian Companies Code. The Notes will be represented by a book entry in the records of the securities settlement system operated by the NBB or any successor thereto (the “**NBB-SSS**”). The Notes can be held by their holders through the participants in the NBB-SSS, including Euroclear Bank SA/NV (“**Euroclear**”) and Clearstream Banking S.A. (“**Clearstream, Luxembourg**”), SIX SIS Ltd., Switzerland (“**SIX SIS, Switzerland**”), Monte Titoli S.p.A., Italy (“**Monte Titoli, Italy**”) and Euroclear France SA (“**Euroclear, France**”).

Possession to the Notes will be evidenced by entries in securities accounts maintained with the NBB-SSS itself or participants or sub-participants in such system duly licensed in Belgium to keep dematerialised securities accounts. The persons shown in the records of the NBB-SSS or the records of a participant or sub-participant of the NBB-SSS so licensed as the holder of a particular nominal amount of Notes (the “**Noteholders**”) shall (except as otherwise required by law) be treated by the Issuer and the Agent as the holder of such nominal amount of Notes.

Noteholders are entitled to claim directly against the Issuer any payment which the Issuer has failed so to make, and to exercise their voting rights and other associative rights (as defined for the purposes of Article 474 of the Belgian Companies Code) against the Issuer upon submission of an affidavit drawn up by the NBB, Euroclear or another participant duly licensed in Belgium to keep dematerialised securities accounts showing their position in the Notes (or the position held by the financial institution through which their Notes are held with the NBB, Euroclear or such other participant, in which case an affidavit drawn up by that financial institution will also be required).

The circulation of the Notes in the NBB-SSS is limited to X-accounts, which are exempt securities accounts opened with a financial institution that is a direct or indirect participant in the NBB-SSS on behalf of investors that are Eligible Investors (as defined in Condition 7 (*Taxation*) below).

The Notes may not be exchanged for bonds in bearer or registered form.

The Notes have a denomination of EUR 100,000, and can only be settled through the NBB-SSS in nominal amounts equal to that denomination or integral multiples thereof.

2 STATUS

The Notes constitute direct, general and unconditional obligations of the Issuer which will at all times rank *pari passu* among themselves and at least *pari passu* with the claims of all its other unsecured and unsubordinated creditors, except for obligations mandatorily preferred by law applying to companies generally.

3 NEGATIVE PLEDGE

So long as any Note remains outstanding (as defined in the Agency Agreement), the Issuer shall not, and the Issuer shall procure that none of its Material Subsidiaries will, create or permit to subsist any Security Interest (other than a Permitted Security Interest) upon the whole or any part of its present or future undertaking, assets or revenues (including uncalled capital) to secure or guarantee any Relevant Indebtedness of the Issuer or any Material Subsidiary without (a) at the same time or prior thereto securing the Notes equally and rateably therewith or (b) providing such other security for the Notes as may be approved by a Resolution (as defined in the Agency Agreement) of Noteholders. The Issuer shall be deemed to have satisfied its obligation to provide any such Security or guarantee on substantially the same terms if the benefit of any such Security or guarantee or indemnity is equally and rateably granted to an agent on behalf of the Bondholders or through any other structure which is customary in the debt capital markets (whether by way of supplement, guarantee agreement, deed or otherwise).

In these Conditions:

“**Material Subsidiary**” means each Subsidiary of the Issuer whose earnings before interest, tax, depreciation and amortisation calculated on the same basis as consolidated EBITDA, gross assets or turnover (in each case on an unconsolidated basis and excluding all intra-group items) represent 10 per cent. or more of the consolidated EBITDA, gross assets or turnover (in each case on a consolidated basis) of the Issuer and its Subsidiaries, as determined by reference to the latest published audited consolidated financial statements of the Issuer.

“**Permitted Security Interest**” means any Security Interest securing any Relevant Indebtedness:

- (a) arising by operation of law or created as a result of the Issuer or a Material Subsidiary being required to do so by a taxing authority which has jurisdiction over the Issuer or that Material Subsidiary;
- (b) attached to any asset prior to the acquisition of such asset by the Issuer or a Material Subsidiary;
- (c) incurred solely for the purpose of financing a real estate acquisition or development of a project by one or more Subsidiaries of the Issuer that are specifically incorporated for such purpose (the “**Project Company**”) provided that (i) such financing is without recourse to the Issuer or any of its Subsidiaries (other than the Project Company) (other than an unsecured guarantee provided by the Issuer) and (ii) no Security Interest is created on any asset of the Issuer or any of its Subsidiaries other than the Project Company; and
- (d) constituting an extension, renewal or replacement (or any successive extension, renewal or replacement), in whole or in part, of any Security Interest permitted pursuant to (a) to (c) inclusive, or of any indebtedness secured thereby (provided that the principal amount of indebtedness secured thereby shall not exceed the principal amount of indebtedness so secured at the time of such extension, renewal or replacements for reasons other than currency fluctuations).

“**Relevant Indebtedness**” means any present or future indebtedness which is in the form of or represented by any bond, note, debenture, debenture stock, loan stock, certificate or other instrument which is, or is capable of

being, listed, quoted or traded on any stock exchange or in any securities market (including, without limitation, any over-the-counter market);

“**Security Interest**” means a mortgage (*hypothèque/hypotheek*), a pledge (*gage/pand*), a transfer by way of security (*transfert à titre de garantie/overdracht ten titel van zekerheid*), any other proprietary security interest (*sûreté réelle/zakelijke zekerheid*), any mandate to grant a mortgage, a pledge or any other real surety, any privilege (*privilège/voorrecht*), any retention of title (*réserve de propriété/eigendomsvoorbehoud*) or any other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect; and

“**Subsidiary**” means, in relation to any company, another company which is controlled by the first company, and “control” (or any derivative form thereof) in respect of a company shall be construed so as to mean the power (whether through the ownership of voting capital, by contract or otherwise) to exercise a decisive influence on the appointment of the majority of the members of the board of directors or managers of that person or on the orientation of the management of that person, and the existence of “control” will be determined in accordance with Articles 5 et seq. of the Companies Code.

4 INTEREST

(a) *Accrual of Interest*: The Notes bear interest from 11 July 2018 (the “**Issue Date**”) at the rate of 1.25 per cent. per annum, (the “**Initial Rate of Interest**”) payable in arrear on 11 July in each year (each, an “**Interest Payment Date**”), subject as provided in Condition 6 (*Payments*). Each Note will cease to bear interest from the due date for redemption unless payment of principal is not made on that date in accordance with Condition 6 (*Payments*), in which case it will continue to bear interest at such rate (both before and after judgment) until whichever is the earlier of (i) the day on which all sums due in respect of such Note up to that day are paid in accordance with that Condition and (ii) the day which is seven days after the Agent has notified the Noteholders that it has received all sums due in respect of the Notes up to such seventh day (except to the extent that there is any subsequent default in payment).

(b) *Fixed Coupon Amount*: The amount of interest payable on each Interest Payment Date shall be EUR 1,250 in respect of each Note (the “**Fixed Coupon Amount**”).

(c) *Calculation of interest amount*: If interest is required to be paid in respect of a Note on any other date, it shall be calculated by applying the Rate of Interest to the Calculation Amount, multiplying the product by the relevant Day Count Fraction and rounding the resulting figure to the nearest cent (half a cent being rounded upwards) and multiplying such rounded figure by a fraction equal to the denomination of such Note divided by the Calculation Amount, where:

“**Calculation Amount**” means EUR 100,000;

“**Day Count Fraction**” means, in respect of any period, the number of days in the relevant period, from (and including) the first day in such period to (but excluding) the last day in such period, divided by the number of days in the Regular Period in which the relevant period falls; and

“**Regular Period**” means each period from (and including) the Issue Date or any Interest Payment Date to (but excluding) the next Interest Payment Date.

(d) *Adjustment of Interest Rate*: The Initial Rate of Interest payable on the Notes will be subject to adjustment in the event of a Step Up Event or a Step Down Event (each such adjustment a “**Rate Adjustment**”). Any Rate Adjustment shall be effective from and including the Interest Payment Date immediately following the date of the Step Up Event or the relevant Step Down Event (and the relevant Fixed Coupon Amount shall be adjusted accordingly).

For any Interest Period commencing on or after the first Interest Payment Date immediately following the occurrence of a Step Up Event, the Rate of Interest shall be increased by the Step Up Margin. In the event that a Step Down Event occurs after the date of a Step Up Event (or on the same date but subsequent thereto) then for any Interest Period commencing on the first Interest Period following the occurrence of such Step Down Event, the Rate of Interest shall revert to the Initial Rate of Interest. For the avoidance of doubt, if a Step Up Event occurs and prior to the immediately following Interest Payment Date a Step Down Event occurs, the Initial Rate of Interest shall not be increased.

The Issuer will cause each Step Up Event and each Step Down Event to be notified to the Agent and notice thereof to be published in accordance with Condition 13 (*Notices*) as soon as possible after the occurrence of the Step Up Event or the Step Down Event but in no event later than 10 days thereafter.

(e) In these Conditions:

“**Change of Control Approval Long Stop Date**” means 1 July 2019;

“**Change of Control Resolutions**” means Condition 5(c) to be submitted for approval to the general meeting of Shareholders of the Issuer in accordance with Article 556 of the Belgian Company Code;

“**Interest Period**” means each period beginning on (and including) the Issue Date of the Notes or any Interest Payment Date and ending on (but excluding) the next Interest Payment Date;

“**Rate of Interest**” means the Initial Rate of Interest, as may be adjusted through a Rate Adjustment;

a “**Step Down Event**” occurs when, after the Rate of Interest has previously been subject to an increase as a result of a Step Up Event, the Change of Control Resolutions are approved by the general meeting of shareholders of the Issuer and duly filed with the clerk of the Commercial Court of Brussels;

a “**Step Up Event**” occurs when the Change of Control Resolutions have not been approved by the general meeting of shareholders of the Issuer and duly filed with the clerk of the Commercial Court of Brussels on or before the Change of Control Approval Long Stop Date; and

“**Step Up Margin**” means 0.50%.

5 REDEMPTION AND PURCHASE

- (a) *Scheduled redemption*: Unless previously redeemed, or purchased and cancelled, the Notes will be redeemed at their principal amount on 11 July 2026 (the “**Maturity Date**”) subject as provided in Condition 6 (*Payments*).
- (b) *Redemption for tax reasons*: The Notes may be redeemed at the option of the Issuer in whole, but not in part, at any time, on giving not less than 30 nor more than 60 days’ notice to the Noteholders (which notice shall be irrevocable) in accordance with Condition 13 (*Notices*) at their principal amount, together with interest accrued to the date fixed for redemption, if:
- (i) the Issuer has or will become obliged to pay additional amounts as provided or referred to in Condition 7 (*Taxation*) as a result of any change in, or amendment to, the laws or regulations of Belgium or any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws or regulations (including a holding by a court of competent jurisdiction), which change, amendment, application or interpretation becomes effective on or after 11 July 2018; and
 - (ii) such obligation cannot be avoided by the Issuer taking reasonable measures available to it;

provided, however, that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer would be obliged to pay such additional amounts if a payment in respect of the Notes were then due.

Prior to the publication of any notice of redemption pursuant to this paragraph, the Issuer shall deliver to the Agent:

- (A) a certificate signed by two directors of the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred; and
- (B) an opinion of independent legal advisers of recognised standing to the effect that the Issuer has or will become obliged to pay such additional amounts as a result of such change or amendment.

No failure to exercise, nor any delay in exercising, any right by the Issuer under this Condition 5(b) shall operate as a waiver. If the Issuer delivers a notice pursuant to this Condition 5(b), the Issuer shall be bound to redeem the Notes on the date specified in such notice in accordance with this Condition 5(b).

(c) *Redemption at the option of Noteholders upon a Change of Control:*

- (i) *Put Event:* If at any time while any Note remains outstanding, (A) there occurs a Change of Control (as defined below), and (B) within the Change of Control Period, a Rating Downgrade occurs (such Change of Control and Rating Downgrade together, a “**Put Event**”), each Noteholder will have the option to require the Issuer to redeem all or part of its Notes, on the Change of Control Put Settlement Date (as defined below) at a price equal to 100 per cent. of the principal amount outstanding of such Notes together with interest accrued to, but excluding, the Change of Control Put Settlement Date.
- (ii) *Procedure:* In order to exercise the option contained in this Condition 5(c), the holder of a Note must, within the period (the “**Change of Control Put Period**”) of 60 days of the date of the Put Event Notice (as defined below), deliver or cause to be delivered to the Agent a certificate issued by the relevant recognised account holder (as referred to in Article 468 of the Belgian Companies Code) certifying that the relevant Note is held to its order or under its control and blocked by it or transfer the relevant Note to the Agent and complete, sign and deliver a duly completed change of control put option notice (a “**Change of Control Put Option Notice**”) in the form obtainable from the Agent with the bank or other financial intermediary through which it holds the Notes for further delivery to the Issuer and the Agent. No Change of Control Put Option Notice that was duly delivered in accordance with this Condition 5(c), may be withdrawn; provided, however, that if, prior to the Change of Control Put Settlement Date, any such Note becomes immediately due and payable or on the Change of Control Put Settlement Date payment is not made on that date in accordance with Condition 6 (*Payments*), the Agent shall mail notification thereof to any transferring Noteholder at such address as may have been given by such Noteholder in the Change of Control Put Option Notice and shall upon request transfer such Note back to such Noteholder. For so long as any outstanding Note is held by the Agent in accordance with this Condition 5(c) the person exercising the option in respect of such Note and not the Agent shall be deemed to be the holder of such Note for all purposes.

The Issuer shall redeem the Notes in respect of which the Change of Control Put Option has been validly exercised as provided above by the date which is fifteen days following the end of the Change of Control Put Period (the “**Change of Control Put Settlement Date**”). Payment in respect of such Notes will be made on the Change of Control Put Settlement Date by transfer to the bank account specified in the Change of Control Put Option Notice.

(iii) *Notice:*

Within fourteen calendar days following the occurrence of a Put Event, the Issuer shall give notice thereof to the Noteholders in accordance with Condition 13 (*Notices*) (a “**Put Event Notice**”). The Put Event Notice shall contain a statement informing Noteholders of their entitlement to exercise their rights to require redemption of their Notes pursuant to (and subject to the conditions set out in) Condition 5(c).

The Put Event Notice shall also specify:

- (1) to the fullest extent permitted by applicable law, all information material to Noteholders concerning the Put Event;
- (2) the last day of the Change of Control Period; and
- (3) the Change of Control Put Settlement Date.

(iv) *Clean-up:* If, as result of this Condition 5(c), Noteholders submit Change of Control Put Option Notices in respect of at least 85 per cent. of the aggregate principal amount of Notes outstanding the Issuer may redeem, on giving not less than 30 nor more than 60 days’ notice to the Noteholders (which notice shall be irrevocable and shall specify the date fixed for redemption) all (but not some only) of the Notes at 100 per cent. of their principal amount plus accrued interest to but excluding the date fixed for redemption.

(v) *In these Conditions:*

A “**Change of Control**” shall be deemed to have occurred if an offer is made by any person, other than an Exempt Person, to all (or as nearly as may be practicable all) shareholders (or all (or as nearly as may be practicable all) such shareholders other than the offeror and/or any parties acting in concert (as defined in Article 3, paragraph 1, 5° of the Belgian Law of 1 April 2007 on public takeover bids, as amended (the “**Takeover Law**”)) with the offeror), to acquire all or a majority of the issued ordinary share capital or voting rights of the Issuer and (the period for such offer being closed, the definitive results of such offer having been announced and such offer having become unconditional in all respects) the offeror has acquired, or, following the publication of the results of such offer by the offeror, is entitled to acquire as a result of such offer, post-completion thereof, more than 50 per cent. of ordinary shares or voting rights of the Issuer, whereby the date on which the Change of Control shall be deemed to have occurred shall be the date of the publication by the offeror of the results of the relevant offer (and for the sake of clarity prior to any reopening of the offer in accordance with Article 42 of the Belgian Royal Decree of 27 April 2007 on takeover bids) and, if the ordinary shares in the Issuer are no longer listed, a “**Change of Control**” shall be deemed to have occurred if any person, other than an Exempt Person, has acquired more than 50 per cent. of ordinary shares or voting rights of the Issuer;

“**Change of Control Period**” means the period (i) beginning on the date that is the earlier of (A) the announcement by the Issuer or any bidder that a Change of Control has occurred (the “**Change of Control Date**”) and (B) the announcement by the Issuer or any bidder that a Change of Control may occur in the near future as a result of the announcement of a voluntary or mandatory offer in accordance with the Takeover Law (whereby “near future” shall mean that a Change of Control Date is reasonably likely to occur within 90 days of such announcement), and (ii) ending 180 days or, in the case of (i)(B), 120 days after the Change of Control Date;

“**Exempt Person**” means (i) the Kingdom of Belgium, or any other entity the shares and voting rights in which are directly or indirectly wholly held by the Kingdom of Belgium (the “**Existing**

Shareholder”) and (ii) any person or group of persons acting in concert or exercising joint control with the Existing Shareholder to the extent that any such person or group of persons (excluding the Existing Shareholder) does not acquire more than 25 per cent. of the ordinary shares of the Issuer;

“**Rating Agency**” means Standard & Poor’s Credit Market Services Europe Limited and its successors and/or any other rating agency of equivalent standing notified by the Issuer to the Noteholders in accordance with Condition 13 (*Notices*); and

a “**Rating Downgrade**” shall be deemed to have occurred if (within the Change of Control Period) (A) the rating previously assigned to the Notes or to the Issuer by any Rating Agency solicited by (or with the consent of) the Issuer is (x) withdrawn or (y) lowered by at least one full rating notch (for example, from BB+ to BB, or their respective equivalents) or (z) if no rating was previously assigned to the Notes or to the Issuer by any Rating Agency solicited by (or with the consent of) the Issuer, no investment grade rating (BBB-/Baa3 or its equivalent for the time being, or better) is within the Change of Control Period subsequently assigned to the Notes or to the Issuer by any Rating Agency solicited by (or with the consent of) the Issuer. If on the Relevant Announcement Date the Issuer or the Notes carry a credit rating from more than one Rating Agency, a Rating Event will only occur if the rating of each such Rating Agency is so withdrawn or downgraded.

- (d) *Redemption at the option of the Issuer at make-whole premium:* The Notes may be redeemed at the option of the Issuer in whole, but not in part, at any time (the “**Optional Redemption Date**”) at the Make Whole Redemption Price on the Issuer giving not less than 30 nor more than 60 days’ notice to the Noteholders (which notice shall be irrevocable and shall oblige the Issuer to redeem the Notes on the Optional Redemption Date at such price plus accrued interest to such date).

In these Conditions:

“**Determination Agent**” means an investment bank or financial institution of international standing selected by the Issuer after consultation with the Agent;

“**Make Whole Redemption Price**” means in respect of Notes to be redeemed, an amount equal to the higher of (i) 100 per cent. of the principal amount of such Notes and (ii) the sum, as determined by the Determination Agent, of the present values of the remaining scheduled payments of principal and interest on the Notes to be redeemed (not including any portion of such payments of interest accrued to the date of redemption) discounted to the date fixed for redemption on an annual basis (based on the actual number of days elapsed) at the Reference Bond Rate plus the Redemption Margin;

“**Redemption Margin**” means 0.15 per cent.;

“**Reference Bond**” means the selected government security or securities selected by the Determination Agent as having an actual or interpolated maturity comparable with the remaining term of the Notes, that would be utilised, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities denominated in the same currency as the Notes and of a comparable maturity to the remaining term of the Notes;

“**Reference Bond Price**” means, with respect to any Reference Date, (i) the arithmetic average of the Reference Government Bond Dealer Quotations for such date of redemption, after excluding the highest and lowest such Reference Government Bond Dealer Quotations, or (ii) if fewer than five such Reference Government Bond Dealer Quotations are received, the arithmetic average of all such quotations;

“**Reference Bond Rate**” means, with respect to any Reference Date, the rate per annum equal to the annual or semi-annual yield (as the case may be) to maturity or interpolated yield to maturity (on the relevant day count basis) of the Reference Bond, assuming a price for the Reference Bond (expressed as a percentage of its principal amount) equal to the Reference Bond Price for such Reference Date;

“**Reference Government Bond Dealer**” means each of five banks selected by the Issuer (following, where practicable, consultation with the Determination Agent, if applicable), or their affiliates, which are (i) primary government securities dealers, and their respective successors, or (ii) market makers in pricing corporate bond issues;

“**Reference Government Bond Dealer Quotations**” means, with respect to each Reference Government Bond Dealer and any Reference Date, the arithmetic average, as determined by the Determination Agent, of the bid and offered prices for the Reference Bond (expressed in each case as a percentage of its principal amount) at 11 AM CET on the Reference Date quoted in writing to the Determination Agent by such Reference Government Bond Dealer; and

“**Reference Date**” has the meaning given in the relevant notice of redemption.

- (e) *Redemption at the option of the Issuer – refinancing*: The Issuer may, on giving not less than 30 nor more than 60 days’ notice to the Noteholders (which notice shall be irrevocable and shall oblige the Issuer to redeem the Notes on the date fixed for redemption), the Notes in whole, but not in part only, at their principal amount together with interest accrued to, but excluding, the date fixed for redemption, at any time as from and including the date falling three months prior to the Maturity Date.
- (f) *No other redemption*: The Issuer shall not be entitled to redeem the Notes otherwise than as provided in paragraphs (a) (*Scheduled redemption*) to (e) (*Redemption at the option of the Issuer – refinancing*) above.
- (g) *Purchase*: The Issuer or any of its Subsidiaries may at any time purchase Notes in the open market or otherwise and at any price.
- (h) *Cancellation*: All Notes so redeemed or purchased by the Issuer or any of its Subsidiaries shall be cancelled and may not be reissued or resold.

6 PAYMENTS

- (a) *Principal and interest*: Payments of principal or interest shall be made in accordance with the rules of the NBB-SSS through the NBB. The payment obligations of the Issuer will be discharged to the extent of any payment made by it to the NBB.
- (b) *Payments subject to fiscal laws*: All payments in respect of the Notes are subject in all cases to any applicable fiscal or other laws and regulations in the place of payment, but without prejudice to the provisions of Condition 7 (*Taxation*).
- (c) *Payments on business days*: If the due date for payment of any amount in respect of any Note is not a business day, the holder shall not be entitled to payment of the amount due until the next succeeding business day and shall not be entitled to any further interest or other payment in respect of any such delay. In this paragraph, “business day” means any day other than a Saturday or Sunday on which the NBB-SSS is operating and which is a business day for the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET2) System.

7 TAXATION

All payments of principal and interest in respect of the Notes by or on behalf of the Issuer shall be made free and clear of, and without withholding or deduction for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of Belgium or any political subdivision thereof or any authority therein or thereof having power to tax, unless the withholding or deduction of such taxes, duties, assessments or governmental charges is required by law. In that event the Issuer shall pay such additional amounts as will result in receipt by the Noteholders after such withholding or deduction of such amounts as would have been received by them had no such withholding or deduction been required, except that no such additional amounts shall be payable in respect of any Note:

- (a) to, or to a third party on behalf of, a holder which is liable to such taxes, duties, assessments or governmental charges in respect of such Note by reason of its having some connection with Belgium other than the mere holding of the Note; or
- (b) to, or to a third party on behalf of, a holder who, at any relevant time on or after the issue of the Notes, was not an Eligible Investor, or who was such an Eligible Investor at any relevant time on or after the issue of the Notes but, for reasons within such holder's control, ceased to be an Eligible Investor or otherwise failed to meet any other condition for exemption from Belgian withholding tax pursuant to the law of 6 August 1993 relating to transactions in certain securities; or
- (c) to, or to a third party on behalf of, a holder who is liable to such taxes, duties, assessments or governmental charges because the Notes were upon his request converted into registered Notes and could no longer be cleared through the NBB-SSS.

In these Conditions, "**Eligible Investor**" means those entities which are referred to in Article 4 of the Belgian Royal Decree of 26 May 1994 on the deduction of withholding tax (as amended or replaced from time to time) and which hold the Notes in a so-called X-account (being an account exempted from withholding tax) in the NBB-SSS.

Any reference in these Conditions to principal or interest shall be deemed to include any additional amounts in respect of principal or interest (as the case may be) which may be payable under this Condition 7 (*Taxation*).

If the Issuer becomes subject at any time to any taxing jurisdiction other than Belgium, references in these Conditions to Belgium shall be construed as references to Belgium and/or such other jurisdiction.

8 EVENTS OF DEFAULT

If any of the following events (each an "**Event of Default**") occurs:

- (a) *Non-payment*: the Issuer fails to pay any amount of principal or any other amount due in respect of the Notes within 14 days of the due date for payment thereof; or
- (b) *Breach of other obligations*: the Issuer defaults in the performance or observance of any of its other obligations under or in respect of the Notes and such default remains unremedied for 30 days after written notice thereof, addressed to the Issuer by any Noteholder, has been delivered to the Issuer or to the Specified Office of the Agent; or
- (c) *Cross-acceleration*: any indebtedness of the Issuer or any of its Subsidiaries is (i) not paid when due or (as the case may be) within any originally applicable grace period or (ii) is declared to be or otherwise becomes due and payable prior to its specified maturity as a result of an event of default (however described), provided that no Event of Default shall occur under this Condition 8(c) if
 - (i) the aggregate amount of such indebtedness is less than EUR 50,000,000.00 (or its equivalent in any other currency or currencies); or

- (ii) the Issuer or Subsidiary, as relevant, (x) is contesting the relevant payment (or the existence of the relevant event of default) in good faith, (y) has brought action before the competent courts by appropriate proceedings and on substantial grounds within a maximum period of 20 business days in Belgium from the date the relevant payment is alleged to be due (or the relevant event is alleged to have occurred) and (z) has funds available to it to make such payment (or to comply with the consequences of the relevant declaration, cancellation, suspension or entitlement);
- (d) *Insolvency, etc.*: The Issuer is unable or admits inability to pay its debts as they fall due (*est en état de cessation de paiement/is in staat van staking van betaling*) or applies for bankruptcy (*faillite/faillissement*) or judicial reorganisation (*réorganisation judiciaire/gerechtelijke reorganisatie*);
- (e) *Insolvency proceedings*: Any corporate action, legal proceedings or other procedure or step is taken in relation to:
 - (i) the suspension of payments, a moratorium of any indebtedness, winding-up, dissolution, administration or reorganisation (by way of *liquidation/vereffening, dissolution/ontbinding, faillite/faillissement, fermeture d'entreprise/sluiting van een onderneming* or otherwise) of the Issuer;
 - (ii) a composition, compromise, assignment or arrangement with any creditor of the Issuer (including, but not limited to, pursuant to a *réorganisation judiciaire/gerechtelijke reorganisatie*);
 - (iii) the appointment of a liquidator (*liquidateur/vereffenaar*), trustee in bankruptcy (*curateur/curator*), delegate judge (*juge délégué/gedelegeerd rechter*), judicial officer (*mandataire de justice/gerechtsmandataris*), provisional manager (*administrateur provisoire/ voorlopig bewindvoerder*), compulsory manager (*administrateur judiciaire/gerechtelijk bewindvoerder*), special administrator (*mandataire ad hoc/mandataris ad hoc*), sequestrator (*séquestre/sekwester*) or other similar officer in respect of the Issuer or any of its assets; or
 - (iv) enforcement of any Security Interest over any assets of the Issuer in respect of indebtedness the aggregate amount of which exceeds EUR 50,000,000.00, or any analogous procedure or step is taken in any jurisdiction, and excluding any winding-up petition which is frivolous or vexatious and is discharged, stayed or dismissed within 30 days of commencement; or
- (f) *Unlawfulness*: it is or will become unlawful for the Issuer to perform or comply with any of its obligations under or in respect of the Notes,

then any Note may, by written notice addressed by the holder thereof to the Issuer and delivered to the Issuer or to the Specified Office of the Agent, be declared immediately due and payable, whereupon it shall become immediately due and payable at its principal amount together with accrued interest without further action or formality.

9 PRESCRIPTION

Claims for principal or interest shall become void ten or five years, respectively, after the due date, unless legal action for payment is initiated by then.

10 AGENT

In acting under the Agency Agreement and in connection with the Notes, the Agent acts solely as agents of the Issuer and does not assume any obligations towards or relationship of agency or trust for or with any of the Noteholders.

The initial Agent and its initial Specified Office is listed below. The Issuer reserves the right at any time to vary or terminate the appointment of any Agent and to appoint additional or successor agents; *provided, however, that* the Issuer shall at all times maintain a Belgian paying agent that is a direct participant of the NBB-SSS.

Notice of any change in any of the Agents or in their Specified Offices shall promptly be given to the Noteholders.

11 MEETINGS OF NOTEHOLDERS; MODIFICATIONS

(a) *Meetings of Noteholders:*

- (i) Subject to paragraph (ii) below, Schedule 1 (*Provisions on meetings of Noteholders*) of these Conditions contains provisions for convening meetings of Noteholders (the “**Noteholders’ Provisions**”) to consider matters relating to the Notes and affecting their interests, including the sanctioning by Extraordinary Resolution of a modification of any provision of these Conditions.

All meetings of Noteholders will be held in accordance with the Noteholders’ Provisions. Such a meeting may be convened by the Issuer and shall be convened by it upon the request in writing of Noteholders holding not less than one-fifth of the aggregate principal amount of the outstanding Notes.

Any modification or waiver of the Conditions or the Notes proposed by the Issuer may be made if sanctioned by an Extraordinary Resolution. An Extraordinary Resolution means a resolution passed at a meeting of Noteholders duly convened and held in accordance with these Conditions and the Noteholders’ Provisions by a majority of at least 75 per cent. of the votes cast by the Noteholders (or relevant majority on any adjourned meeting), provided, however, that any such proposal (i) to amend the dates of maturity or redemption of the Notes or date for payment of interest or interest amounts, (ii) to assent to a reduction of the applicable interest rate or a modification of the conditions applicable to the payment of interest, (iii) to assent to a reduction of the nominal amount of the Notes or a modification of the conditions under which any redemption, substitution or variation may be made, (iv) to alter the method of calculating the amount of any payment in respect of the Notes or the date for any such payment in circumstances not provided for in the Conditions, (v) to change the currency of payment of the Notes, (vi) to modify the provisions concerning the quorum required at any meeting of Noteholders or the majority required to pass an Extraordinary Resolution, (vii) to amend the requirement for an Extraordinary Resolution for the sanctioning of any modification or waiver of the Conditions or the Notes or (viii) to approve the substitution of any entity for the Issuer (or any previous substitute) as principal debtor under the Notes in circumstances not provided for in the Conditions or in applicable law or to approve the exchange or substitution of the Notes into shares, bonds, or other obligations or securities of the Issuer or any other person, may, in each case, only be sanctioned by an Extraordinary Resolution passed at a meeting of Noteholders at which one or more persons holding or representing not less than three-quarters or, at any adjourned meeting, one quarter of the aggregate principal amount of the outstanding Notes form a quorum.

Any resolution duly passed in accordance with the Noteholders’ Provisions at any such meeting shall be binding on all the Noteholders, whether present or not and whether they voted in favour of such a resolution or not.

Convening notices for meetings of Noteholders shall be made in accordance with the Noteholders’ Provisions. Convening notices shall also be made in accordance with Condition 13 (*Notices*).

In addition, the Noteholders' Provisions provide that, for so long as the Notes are in dematerialised form and settled through the NBB-SSS, in respect of any matters proposed by the Issuer, the Issuer shall be entitled, where the terms of the resolution proposed by the Issuer have been notified to the Noteholders through the relevant clearing systems as provided in the Noteholders' Provisions, to rely upon approval of such resolution given by way of electronic consents communicated through the electronic communications systems of the relevant clearing system(s) by or on behalf of the holders of not less than 75 per cent. in principal amount of the Notes outstanding. To the extent such electronic consent is not being sought, the Noteholders' Provisions provide that a resolution in writing signed by or on behalf of the holders of not less than 75 per cent. in nominal amount of the Notes outstanding shall for all purposes be as valid and effective as an Extraordinary Resolution passed at a meeting of Noteholders duly convened and held, provided that the terms of the proposed resolution have been notified in advance to the Noteholders through the relevant clearing system(s). Such a resolution in writing may be contained in one document or several documents in the same form, each signed by or on behalf of one or more Noteholders.

For the purpose of any meeting of Noteholders, any Notes that are, at the relevant time, held by or on behalf of the Issuer or any of its Subsidiaries shall not be considered as outstanding.

- (ii) For so long as the relevant provisions relating to meetings of bondholders of the Belgian companies code of 7 May 1999 (the "**Existing Code**"), cannot be derogated from, where any provision of the Noteholders' Provisions would conflict with the relevant provisions of the Existing Code, the provisions of the Existing Code will apply.

- (b) *Modification:* The Notes and these Conditions may be amended without the consent of the Noteholders to correct a manifest error. In addition, the parties to the Agency Agreement may agree to modify any provision thereof, but the Issuer shall not agree, without the consent of the Noteholders to any such modification unless it is of a formal, minor or technical nature, it is made to correct a manifest error or it is, in the opinion of such parties, not materially prejudicial to the interests of the Noteholders.

12 FURTHER ISSUES

The Issuer may from time to time, without the consent of the Noteholders create and issue further notes having the same terms and conditions as the Notes in all respects (or in all respects except for the first payment of interest) so as to form a single series with the Notes.

13 NOTICES

Without prejudice and in addition to the applicable provisions of the Belgian Companies Code and the obligations of the Issuer pursuant to the Royal Decree of 14 November 2007, notices to the Noteholders shall be valid if (i) published on the website of the Issuer (currently www.bpost.be) and (ii) delivered to the National Bank of Belgium for communication to the Noteholders via participants to the NBB-SSS. The Issuer shall also ensure that all notices are duly published in a manner which complies with the rules and regulations of any stock exchange on which the Notes are listed for the time being. Any notice shall be deemed given on the date of the first publication. The Issuer shall bear all fees, costs and expenses in relation to the drafting, delivery and publication of such notices.

14 GOVERNING LAW AND JURISDICTION

- (a) *Governing law:* The Notes and any non-contractual obligations arising out of or in connection with the Notes are governed by Belgian law.

- (b) *Belgian courts*: The courts of Brussels have exclusive jurisdiction to settle any dispute arising out of or in connection with the Notes (including a dispute regarding any non-contractual obligation arising out of or in connection with the Notes).

Schedule 1

PROVISIONS ON MEETINGS OF NOTEHOLDERS

Interpretation

- 1 In this Schedule:
 - 1.1 references to a “**meeting**” are to a meeting of Noteholders and include, unless the context otherwise requires, any adjournment;
 - 1.2 “**agent**” means a holder of a Voting Certificate or a proxy for, or representative of, a Noteholder;
 - 1.3 “**Block Voting Instruction**” means a document issued by a Recognised Accountholder or the NBB-SSS in accordance with paragraph 8;
 - 1.4 “**Electronic Consent**” has the meaning set out in paragraph 29.1;
 - 1.5 “**Extraordinary Resolution**” means a resolution passed (a) at a meeting of Noteholders duly convened and held in accordance with this Schedule 1 (*Provisions on meetings of Noteholders*) by a majority of at least 75 per cent. of the votes cast, (b) by a Written Resolution or (c) by an Electronic Consent;
 - 1.6 “**NBB-SSS**” means the securities settlement system operated by the NBB or any successor thereto;
 - 1.7 “**Ordinary Resolution**” means a resolution with regard to any of the matters listed in paragraph 4 and passed or proposed to be passed by a majority of at least 50 per cent. of the votes cast;
 - 1.8 “**Recognised Accountholder**” means an entity recognised as account holder in accordance with Article 468 of the Belgian Companies Code;
 - 1.9 “**Voting Certificate**” means a certificate issued by a Recognised Accountholder or the NBB-SSS in accordance with paragraph 7;
 - 1.10 “**Written Resolution**” means a resolution in writing signed by the holders of not less than 75 per cent. in principal amount of the Notes outstanding; and
 - 1.11 references to persons representing a proportion of the Notes are to Noteholders, proxies or representatives of such Noteholders holding or representing in the aggregate at least that proportion in nominal amount of the Notes for the time being outstanding.

General

- 2 All meetings of Noteholders will be held in accordance with the provisions set out in this Schedule.
 - 2.1 For so long as the relevant provisions relating to meetings of bondholders of the Belgian companies code of 7 May 1999 (the “**Existing Code**”), cannot be derogated from, where any provision of this Schedule would conflict with the relevant provisions of the Existing Code, the provisions of the Existing Code will apply.
 - 2.2 Where any of the provisions of this Schedule would be illegal, invalid or unenforceable, that will not affect the legality, validity and enforceability of the other provisions of this Schedule.

Extraordinary Resolution

- 3 A meeting shall, subject to the Conditions and (except in the case of sub-paragraph 3.5) only with the consent of the Issuer and without prejudice to any powers conferred on other persons by this Schedule, have power by Extraordinary Resolution:

- 3.1 to sanction any proposal by the Issuer for any modification, abrogation, variation or compromise of, or arrangement in respect of, the rights of the Noteholders against the Issuer (other than in accordance with the Conditions or pursuant to applicable law);
- 3.2 to assent to any modification of the Conditions or the Notes proposed by the Issuer or the Agent;
- 3.3 to authorise anyone to concur in and do anything necessary to carry out and give effect to an Extraordinary Resolution;
- 3.4 to give any authority, direction or sanction required to be given by Extraordinary Resolution;
- 3.5 to appoint any persons (whether Noteholders or not) as a committee or committees to represent the Noteholders' interests and to confer on them any powers (or discretions which the Noteholders could themselves exercise by Extraordinary Resolution);
- 3.6 to approve the substitution of any entity for the Issuer (or any previous substitute) as principal debtor under the Notes in circumstances not provided for in the Conditions or in applicable law or to approve the exchange or substitution of the Notes into shares, bonds or other obligations or securities of the Issuer or any other person; and
- 3.7 to accept any security interests established in favour of the Noteholders or a modification to the nature or scope of any existing security interest or a modification to the release mechanics of any existing security interests,

provided that the special quorum provisions in paragraph 17 shall apply to any Extraordinary Resolution (a "**special quorum resolution**") for the purpose of sub-paragraph 3.6 or for the purpose of making a modification to the Conditions or the Notes which would have the effect of (other than in accordance with the Conditions or pursuant to applicable law):

- (i) to amend the dates of maturity or redemption of the Notes or date for payment of interest or interest amounts;
- (ii) to assent to a reduction of the applicable interest rate or a modification of the conditions applicable to the payment of interest;
- (iii) to assent to a reduction of the nominal amount of the Notes or a modification of the conditions under which any redemption, substitution or variation may be made;
- (iv) to alter the method of calculating the amount of any payment in respect of the Notes or the date for any such payment in circumstances not provided for in the Conditions;
- (v) to change the currency of payment of the Notes;
- (vi) to modify the provisions concerning the quorum required at any meeting of Noteholders or the majority required to pass an Extraordinary Resolution; or
- (vii) to amend this proviso.

Ordinary Resolution

4 Notwithstanding any of the foregoing and without prejudice to any powers otherwise conferred on other persons by this Schedule, a meeting of Noteholders shall have power by Ordinary Resolution:

- 4.1 to assent to any decision to take any conservatory measures in the general interest of the Noteholders; or
- 4.2 to assent to the appointment of any representative to implement any Ordinary Resolution; or

4.3 to assent to any other decisions which do not require an Extraordinary Resolution to be passed.

For the avoidance of doubt, any modification or waiver of the Conditions shall always be subject to the consent of the Issuer.

Convening a meeting

- 5 The Issuer may at any time convene a meeting. A meeting shall be convened by the Issuer upon the request in writing of Noteholders holding at least 20 per cent. in principal amount of the Notes for the time being outstanding. Every meeting shall be held at a time and place approved by the Agent.
- 6 Convening notices for meetings of Noteholders shall be given to the Noteholders in accordance with Condition 13 (*Notices*) not less than fifteen days prior to the relevant meeting. The notice shall specify the day, time and place of the meeting and the nature of the resolutions to be proposed and shall explain how Noteholders may appoint proxies or representatives, obtain Voting Certificates and use Block Voting Instructions and the details of the time limits applicable.

Arrangements for voting

- 7 A Voting Certificate shall:
 - 7.1 be issued by a Recognised Accountholder or the NBB-SSS;
 - 7.2 state that on the date thereof (i) the Notes (not being Notes in respect of which a Block Voting Instruction has been issued which is outstanding in respect of the meeting specified in such Voting Certificate and any such adjourned meeting) of a specified principal amount outstanding were (to the satisfaction of such Recognised Accountholder or the NBB-SSS) held to its order or under its control and blocked by it and (ii) that no such Notes will cease to be so held and blocked until the first to occur of:
 - (i) the conclusion of the meeting specified in such certificate or, if applicable, any such adjourned meeting; and
 - (ii) the surrender of the Voting Certificate to the Recognised Accountholder or the NBB-SSS who issued the same; and
 - 7.3 further state that until the release of the Notes represented thereby the bearer of such certificate is entitled to attend and vote at such meeting and any such adjourned meeting in respect of the Notes represented by such certificate.
- 8 A Block Voting Instruction shall:
 - 8.1 be issued by a Recognised Accountholder or the NBB-SSS;
 - 8.2 certify that (i) the Notes (not being Notes in respect of which a Voting Certificate has been issued and is outstanding in respect of the meeting specified in such Block Voting Instruction and any such adjourned meeting) of a specified principal amount outstanding were (to the satisfaction of such Recognised Accountholder or the NBB-SSS) held to its order or under its control and blocked by it and that no such Notes will cease to be so held and blocked until the first to occur of:
 - (i) the conclusion of the meeting specified in such document or, if applicable, any such adjourned meeting; and
 - (ii) the giving of notice by the Recognised Accountholder or the NBB-SSS to the Issuer, stating that certain of such Notes cease to be held with it or under its control and blocked and setting out the necessary amendment to the Block Voting Instruction;

- 8.3 certify that each holder of such Notes has instructed such Recognised Accountholder or the NBB-SSS that the vote(s) attributable to the Note or Notes so held and blocked should be cast in a particular way in relation to the resolution or resolutions which will be put to such meeting or any such adjourned meeting and that all such instructions cannot be revoked or amended during the period commencing three (3) Business Days prior to the time for which such meeting or any such adjourned meeting is convened and ending at the conclusion or adjournment thereof;
- 8.4 state the principal amount of the Notes so held and blocked, distinguishing with regard to each resolution between (i) those in respect of which instructions have been given as aforesaid that the votes attributable thereto should be cast in favour of the resolution, (ii) those in respect of which instructions have been so given that the votes attributable thereto should be cast against the resolution and (iii) those in respect of which instructions have been so given to abstain from voting; and
- 8.5 naming one or more persons (each hereinafter called a “proxy”) as being authorised and instructed to cast the votes attributable to the Notes so listed in accordance with the instructions referred to in paragraph 8.4 above as set out in such document.
- 9 If a holder of Notes wishes the votes attributable to it to be included in a Block Voting Instruction for a meeting, he must block such Notes for that purpose at least three (3) Business Days before the time fixed for the meeting to the order of the Agent with a bank or other depositary nominated by the Agent for the purpose. The Agent shall then issue a Block Voting Instruction in respect of the votes attributable to all Notes so blocked.
- 10 No votes shall be validly cast at a meeting unless in accordance with a Voting Certificate or Block Voting Instruction.
- 11 The proxy appointed for purposes of the Block Voting Instruction or Voting Certificate does not need to be a Noteholder.
- 12 Votes can only be validly cast in accordance with Voting Certificates and Block Voting Instructions in respect of Notes held to the order or under the control and blocked by a Recognised Accountholder or the NBB-SSS and which have been deposited at the registered office at the Issuer not less than three (3) and not more than six (6) Business Days before the time for which the meeting to which the relevant voting instructions and Block Voting Instructions relate, has been convened or called. The Voting Certificate and Block Voting Instructions shall be valid for as long as the relevant Notes continue to be so held and blocked. During the validity thereof, the holder of any such Voting Certificate or (as the case may be) the proxies named in any such Block Voting Instruction shall, for all purposes in connection with the relevant meeting, be deemed to be the holder of the Notes to which such Voting Certificate or Block Voting Instruction relates.
- 13 In default of a deposit, the Block Voting Instruction or the Voting Certificate shall not be treated as valid, unless the chairman of the meeting decides otherwise before the meeting or adjourned meeting proceeds to business.

Chairman

- 14 The chairman of a meeting shall be such person as the Issuer may nominate in writing, but if no such nomination is made or if the person nominated is not present within 15 minutes after the time fixed for the meeting the Noteholders or agents present shall choose one of their number to be chairman, failing which the Issuer may appoint a chairman. The chairman need not be a Noteholder or agent. The chairman of an adjourned meeting need not be the same person as the chairman of the original meeting.

Attendance

- 15 The following may attend and speak at a meeting:
- 15.1 Noteholders and their respective agents, financial and legal advisers;
 - 15.2 the chairman and the secretary of the meeting;
 - 15.3 the Issuer and the Agent (through their respective representatives) and their respective financial and legal advisers; and
 - 15.4 any other person approved by the Meeting.
- No one else may attend or speak.

Quorum and Adjournment

- 16 No business (except choosing a chairman) shall be transacted at a meeting unless a quorum is present at the commencement of business. If a quorum is not present within 15 minutes from the time initially fixed for the meeting, it shall, if convened on the requisition of Noteholders, be dissolved. In any other case it shall be adjourned until such date, not less than 14 nor more than 42 days later, and time and place as the chairman may decide. If a quorum is not present within 15 minutes from the time fixed for a meeting so adjourned, the meeting shall be dissolved.
- 17 One or more Noteholders or agents present in person shall be a quorum:
- 17.1 in the cases marked “No minimum proportion” in the table below, whatever the proportion of the Notes which they represent;
 - 17.2 in any other case, only if they represent the proportion of the Notes shown by the table below.

Purpose of meeting	Any meeting except for a meeting previously adjourned through want of a quorum	Meeting previously adjourned through want of a quorum
	Required proportion	Required proportion
To pass a special quorum resolution	75 per cent.	25 per cent.
To pass any Extraordinary Resolution	A clear majority	No minimum proportion
To pass an Ordinary Resolution	A clear majority	No minimum proportion

- 18 The chairman may, with the consent of (and shall if directed by) a meeting, adjourn the meeting from time to time and from place to place. Only business which could have been transacted at the original meeting may be transacted at a meeting adjourned in accordance with this paragraph or paragraph 16.
- 19 At least ten days’ notice of a meeting adjourned due to the quorum not being present shall be given in the same manner as for an original meeting and that notice shall state the quorum required at the adjourned meeting. Subject as aforesaid, it shall not be necessary to give any other notice of an adjourned general meeting.

Voting

- 20 Each question submitted to a meeting shall be decided by a show of hands, unless a poll is (before, or on the declaration of the result of, the show of hands) demanded by the chairman, the Issuer or one or more persons representing 2 per cent. of the Notes.
- 21 Unless a poll is demanded, a declaration by the chairman that a resolution has or has not been passed shall be conclusive evidence of the fact without proof of the number or proportion of the votes cast in favour of or against it.
- 22 If a poll is demanded, it shall be taken in such manner and (subject as provided below) either at once or after such adjournment as the chairman directs. The result of the poll shall be deemed to be the resolution of the meeting at which it was demanded as at the date it was taken. A demand for a poll shall not prevent the meeting continuing for the transaction of business other than the question on which it has been demanded.
- 23 A poll demanded on the election of a chairman or on a question of adjournment shall be taken at once.
- 24 On a show of hands or a poll every person has one vote in respect of each Note so produced or represented by the voting certificate so produced or for which he is a proxy or representative. Without prejudice to the obligations of proxies, a person entitled to more than one vote need not use them all or cast them all in the same way.
- 25 In case of equality of votes the chairman shall both on a show of hands and on a poll have a casting vote in addition to any other votes which he may have.

Effect and Publication of an Extraordinary Resolution

- 26 An Extraordinary Resolution and an Ordinary Resolution shall be binding on all the Noteholders, whether or not present at the meeting, and each of them shall be bound to give effect to it accordingly. The passing of such a resolution shall be conclusive evidence that the circumstances justify its being passed. The Issuer shall give notice of the passing of an Ordinary Resolution or an Extraordinary Resolution to Noteholders within fourteen days but failure to do so shall not invalidate the resolution.

Minutes

- 27 Minutes shall be made of all resolutions and proceedings at every meeting and, if purporting to be signed by the chairman of that meeting or of the next succeeding meeting, shall be conclusive evidence of the matters in them. Until the contrary is proved every meeting for which minutes have been so made and signed shall be deemed to have been duly convened and held and all resolutions passed or proceedings transacted at it to have been duly passed and transacted.
- 28 The minutes must be published on the website of the Issuer within ten (10) days after they have been passed.

Written Resolutions and Electronic Consent

- 29 For so long as the Notes are in dematerialised form and settled through the NBB-SSS, then in respect of any matters proposed by the Issuer:
 - 29.1 Where the terms of the resolution proposed by the Issuer have been notified to the Noteholders through the relevant clearing system(s) as provided in sub-paragraphs 29.1.1 and/or 29.1.2, the Issuer shall be entitled to rely upon approval of such resolution given by way of electronic consents communicated through the electronic communications systems of the relevant clearing system(s) to the Agent or another specified agent in accordance with their operating rules and procedures by or on behalf of the holders of not less than 75 per cent. in nominal amount of the Notes outstanding

(the “**Required Proportion**”) by close of business on the Relevant Date (“**Electronic Consent**”). Any resolution passed in such manner shall be binding on all Noteholders, even if the relevant consent or instruction proves to be defective. The Issuer shall not be liable or responsible to anyone for such reliance.

29.1.1 When a proposal for a resolution to be passed as an Electronic Consent has been made, at least fifteen days’ notice (exclusive of the day on which the notice is given and of the day on which affirmative consents will be counted) shall be given to the Noteholders through the relevant clearing system(s). The notice shall specify, in sufficient detail to enable Noteholders to give their consents in relation to the proposed resolution, the method by which their consents may be given (including, where applicable, blocking of their accounts in the relevant clearing system(s)) and the time and date (the “**Relevant Date**”) by which they must be received in order for such consents to be validly given, in each case subject to and in accordance with the operating rules and procedures of the relevant clearing system(s).

29.1.2 If, on the Relevant Date on which the consents in respect of an Electronic Consent are first counted, such consents do not represent the Required Proportion, the resolution shall be deemed to be defeated. Such determination shall be notified in writing to the Agent. Alternatively, the Issuer may give a further notice to Noteholders that the resolution will be proposed again on such date and for such period as determined by the Issuer. Such notice must inform Noteholders that insufficient consents were received in relation to the original resolution and the information specified in sub-paragraph 29.1.1 above. For the purpose of such further notice, references to “**Relevant Date**” shall be construed accordingly.

For the avoidance of doubt, an Electronic Consent may only be used in relation to a resolution which is not then the subject of a meeting that has been validly convened in accordance with paragraph 6 above, unless that meeting is or shall be cancelled or dissolved.

29.2 To the extent Electronic Consent is not being sought in accordance with paragraph 29.1, a resolution in writing signed by or on behalf of the holders of not less than 75 per cent. in nominal amount of the Notes outstanding shall for all purposes be as valid and effective as an Extraordinary Resolution or an Ordinary Resolution passed at a meeting of Noteholders duly convened and held, provided that the terms of the proposed resolution have been notified in advance to the Noteholders through the relevant clearing system(s). Such a resolution in writing may be contained in one document or several documents in the same form, each signed by or on behalf of one or more Noteholders. For the purpose of determining whether a resolution in writing has been validly passed, the Issuer shall be entitled to rely on consent or instructions given in writing directly to the Issuer (a) by accountholders in the clearing system(s) with entitlements to the Notes or (b) where the accountholders hold any such entitlement on behalf of another person, on written consent from or written instruction by the person identified by that accountholder for whom such entitlement is held. For the purpose of establishing the entitlement to give any such consent or instruction, the Issuer shall be entitled to rely on any certificate or other document issued by, in the case of (a) above, the NBB-SSS, Euroclear, Clearstream, Luxembourg or any other relevant alternative clearing system (the “**relevant clearing system**”) and, in the case of (b) above, the relevant clearing system and the accountholder identified by the relevant clearing system for the purposes of (b) above. Any resolution passed in such manner shall be binding on all Noteholders of the relevant Series, even if the relevant consent or instruction proves to be defective. Any such certificate or

other document may comprise any form of statement or print out of electronic records provided by the relevant clearing system (including Euroclear's EUCLID or Clearstream, Luxembourg's CreationOnline system) in accordance with its usual procedures and in which the accountholder of a particular principal or nominal amount of the Notes is clearly identified together with the amount of such holding. The Issuer shall not be liable to any person by reason of having accepted as valid or not having rejected any certificate or other document to such effect purporting to be issued by any such person and subsequently found to be forged or not authentic.

- 30 A Written Resolution or Electronic Consent shall take effect as an Extraordinary Resolution or an Ordinary Resolutions. A Written Resolution and/or Electronic Consent will be binding on all Noteholders whether or not they participated in such Written Resolution and/or Electronic Consent.

PART V – CLEARING

The Notes will be settled through the NBB-SSS. The Notes will have ISIN number BE0002601798 and Common Code 185601382. The Notes will accordingly be subject to the applicable Belgian settlement regulations and the rules of the NBB-SSS.

The number of Notes in circulation at any time will be registered in the register of registered securities of the Issuer in the name of the NBB (National Bank of Belgium, Boulevard de Berlaimont 14, B-1000 Brussels, Belgium).

Access to the NBB-SSS is available through the NBB-SSS participants whose membership extends to securities such as the Notes.

NBB-SSS participants include certain banks, stockbrokers (*sociétés de bourse/beursvennootschappen*), Euroclear and Clearstream, Luxembourg. Accordingly, the Notes will be eligible for settlement through Euroclear and Clearstream, Luxembourg and investors can hold their Notes within securities accounts in Euroclear and Clearstream, Luxembourg. Please also see the website of the NBB (<https://www.nbb.be/nl/list-nbb-investor-icsds>).

Transfers of interests in the Notes will be effected between NBB-SSS participants in accordance with the rules and operating procedures of the NBB-SSS. Transfers between investors will be effected in accordance with the respective rules and operating procedures of the NBB-SSS participants through which they hold their Notes.

BNP Paribas Securities Services, Belgian branch will perform the obligations of Belgian paying agent included in the Agency Agreement and the service contract for the issuance of fixed income securities dated on or about 5 July 2018 entered into between the Issuer, the NBB and the Agent (such agreement as amended and/or supplemented and/or restated from time to time, the “**Clearing Services Agreement**”). The Issuer and the Agent will not have any responsibility for the proper performance of the NBB-SSS or by the NBB-SSS participants of their obligations under their respective rules and operating procedures.

PART VI – DESCRIPTION OF THE ISSUER

1 GENERAL INFORMATION REGARDING THE ISSUER

bpost SA/NV (the “**Issuer**”) is a company limited by shares under public law (*société anonyme de droit public/naamloze vennootschap van publiek recht*) duly incorporated and existing under Belgian law. The Issuer was established in 1971 for an undetermined duration under the name *Régie des Postes – Regie der Posterijen*.

The Issuer has its registered office at Muntcentrum 1, 1000 Brussels, Belgium and is registered with the Crossroads Bank for Enterprises (*Banque-Carrefour des Entreprises/Kruispuntbank van Ondernemingen*) under number 0214.596.464 (Register of Legal Persons Brussels).

The Issuer can be contacted at the telephone numbers +32 2 276 2228 (Baudouin de Hepcée, Director External Communication, Investor Relations & Public Affairs) and +32 2 276 7643 (Saskia Dheedene, Investor Relations Manager). Additional information can be obtained from the website of the Issuer (www.bpost.be).

The Issuer and its subsidiaries from time to time (the “**Group**”) provide national and international mail and parcels services comprising the collection, transport, sorting and distribution of addressed and non-addressed mail, printed documents, newspapers and parcels. The Group furthermore sells a range of other products and services, including postal, parcels, banking and financial products, express delivery services, proximity and convenience services, document management and related activities. The Issuer is also designated as the provider of the Universal Service Obligation (“**USO**”) and carries out Services of General Economic Interest (“**SGEI**”) on behalf of the Belgian State.

The Issuer’s financial year begins on 1 January and ends on 31 December.

2 HISTORY AND DEVELOPMENT OF THE ISSUER

The postal services were initially operated as a public service of the Belgian State following the independence of Belgium in 1830.

Because of the changing economic, technical and social environment, it was regarded that the postal services had to be adjusted to be able to satisfy the evolving needs of exploitation. The postal service needed to be able to set up long-term investment programmes and in general modernise its services. In 1971, pursuant to the Belgian law of 6 July 1971 regarding the establishment of the *Régie des Postes – Regie der Posterijen* and regarding certain postal services, the first step towards more administrative autonomy was taken and the Issuer was established as an independent entity from the Belgian State under the name *Régie des Postes – Regie der Posterijen*. The Issuer remained, however, under the supervision of the Belgian State and the budget of the Issuer needed to be approved by the Parliament. Furthermore, the minister which managed the Issuer was able to establish direction and consultation bodies of which he determined the competences and was empowered to recruit personnel for the Issuer.

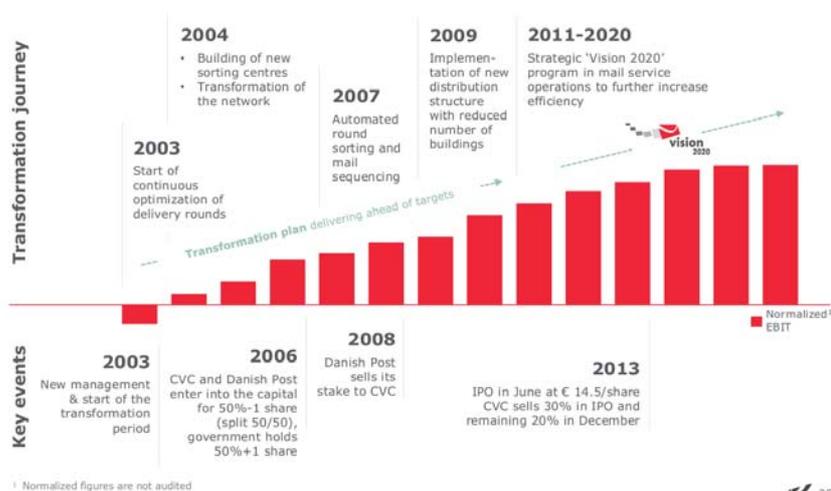
In 1991, the regulatory framework applicable to the Issuer was amended pursuant to the Belgian law of 21 March 1991 regarding the reform of certain economic state-owned enterprises (the “**Law of 1991**”). The reform was again initiated by important economic and technical evolutions in relation to the provision of services, primarily regarding communication and transport. A major factor for the legislative changes was the introduction of rules by the European Community which limited the possibility for Member States to grant exclusive rights to public companies. In light of these circumstances, the Issuer was converted into an autonomous state enterprise and changed its name to *La Poste – De Post*.

The development of the autonomy of the Issuer has been further encouraged by the introduction of the European Directive 97/67/EC on common rules for the development of the internal market of Community postal services and the improvement of quality of service, which outlined the full liberalisation of the postal services market in the European Union. In 2000, the Issuer was converted into a company limited by shares under public law. In order to further prepare for the opening up of the postal market to competition, the Issuer launched an ambitious modernisation plan in 2003. In order to further modernise and prepare for the liberalisation of the postal market, a strategic partnership was established by Post Danmark A/S and CVC Funds, which took a joint 49.99% shareholding in the Issuer in 2006. In 2009, CVC Funds became the sole shareholder of the Issuer alongside the Belgian State following the retreat of Post Danmark A/S from the strategic partnership.

In 2010, the Issuer changed its name to bpost. As of 1 January 2011, the Belgian postal market was completely opened up to competition. The Issuer successfully listed its shares on the stock exchange of Euronext Brussels on 21 June 2013.

Throughout its development, the Group has strengthened as well as diversified its core businesses by establishing and acquiring companies. bpost banque SA – bpost bank NV (formerly Banque de La Poste – Bank van De Post) (“**bpost bank**”) was incorporated in 1995 by the Issuer and BNP Paribas Fortis SA/NV. Notable transactions by the Issuer are the acquisitions in 2009 of Express Road, Courier Network System and MG Road Express, companies operating in the areas of specialised distribution of parcels and point-to-point sprinter services, and of MSI Worldwide Mail, a mail and parcels distribution company based in the United States; the acquisition in 2012 of Landmark Global, a company established in the United States and Canada which specialises in international mail and parcels delivery and e-commerce solutions; the acquisition in 2014 of Gout International BV and Europe Consultancy BV in The Netherlands, of Ecom Global Distribution and of Starbase, to continue its international expansion; the joining of forces in 2015 with Citydepot, in order to grow its position in the city distribution market, and the acquisition of the Polish company Success Partners Europe, which is specialised in logistics and distribution for Europe; the acquisition in 2016 of Parcify and de Buren, two start-ups that capitalise on the promising innovative technology for last-mile delivery services, of DynaGroup, which offers a range of logistical services in the Benelux, of Freight Distribution Management in Australia and Apple Express in Canada to strengthen its international parcels strategy, and of Ubiway (formerly Lagardère Travel Retail), a company active in proximity and convenience retail; the acquisition in 2017 of Bubble Post, to strengthen its position in sustainable logistics, and of Radial Holdings, L.P. (“**Radial**”), a leading provider of integrated e-commerce logistics; and the acquisition in 2018 of Leen Menken Foodservice Logistics B.V. and of a participation in Active Ants B.V.

In general, the Group has undergone continuous improvement throughout its history and development. The key events in this regard are set out in the below graph:



3 SHAREHOLDING OF THE ISSUER

Share capital

As at the date of this Prospectus, the issued share capital of the Issuer amounts to EUR 363,980,448.31, represented by 200,000,944 shares without nominal value and belonging to the same share class. All shareholders have equal voting rights and each share gives the right to one vote. The share capital is fully paid up.

Authorised capital

The shareholders' meeting of 27 May 2013 granted the Board of Directors of the Issuer the authority to increase the share capital in one or several times by issuing an amount of shares or financial instruments giving right to an amount of shares, provided that this may not result in the share capital being increased by an amount exceeding the amount of share capital prevailing on 27 May 2013, i.e., EUR 363,980,448.31.

This authority has been granted to the Board of Directors for a period of five years, starting on the date of publication in the Annexes to the Belgian Official Gazette of the amendment to the articles of association as approved by the shareholders' meeting of 27 May 2013 (i.e., starting on 8 July 2013). The power can be renewed in accordance with the provisions of the Belgian Companies Code.

Increase of share capital

Any increase of the share capital of the Issuer entailing the issuance of new shares, either by virtue of a resolution of the shareholders' meeting or of the Board of Directors under the authorised capital, requires the prior approval by Royal Decree debated within the Council of Ministers.

In case of an increase of share capital, the shares to be issued in return for a contribution in cash will in general first be offered to the Issuer's existing shareholders in proportion to that share of the capital represented by their shares. Such preferential subscription rights may, however, be restricted or limited by the shareholders' meeting or the Board of Directors, as applicable.

Shareholders' structure

The Issuer is an autonomous state enterprise in which the Belgian State has a majority shareholding. Since 21 June 2013, the shares of the Issuer are listed on the regulated market of Euronext Brussels.

The shares are freely transferable, taking into account that, in accordance with the Law of 1991, the Belgian State is principally required to retain a direct participation in the Issuer of at least 50% plus one share. The Law of 1991 provides, however, that the participation of the Belgian State can decrease below 50% plus one share pursuant to transactions which need to be in accordance with conditions to be determined by Royal Decree. The possibility to adopt such a Royal Decree only extends until 31 December 2018. No such Royal Decree has currently been adopted.

Pursuant to the Belgian law of 2 May 2007 on the disclosure of significant shareholdings in issuers whose securities are admitted to trading on a regulated market and containing various provisions (*loi du 2 mai 2007 relative à la publicité des participations importantes dans des émetteurs dont les actions sont admises à la négociation sur un marché réglementé et portant des dispositions diverses/wet van 2 mei 2007 op de openbaarmaking van belangrijke deelnemingen in emittenten waarvan aandelen zijn toegelaten tot de verhandeling op een gereguleerde markt en houdende diverse bepalingen*) and the articles of association of the Issuer, shareholders whose participation in the Issuer's share capital crosses the threshold of 3%, 5%, 10% and each successive multiple of 5%, in either direction, are required to notify the Issuer and the Belgian Financial Services and Markets Authority (*Autorité des Services et Marchés Financiers/Autoriteit voor Financiële Diensten en Markten*) thereof.

According to the information available to the Issuer as at the date of this Prospectus by virtue of the transparency declarations received by it, the shareholder structure of the Issuer on the date of this Prospectus is as follows:

Shareholder	Percentage	Date of the transparency declaration
Belgian State (directly and through the Société Fédérale de Participations et d'Investissement)	51.04%	-
BlackRock, Inc.	4.13%	18 May 2018
Post Invest Europe S.à r.l.	0.002%	16 December 2013
Free float	44.828%	-

Shareholder agreements and the Law of 1991

The Issuer is not aware of any shareholder agreements that could restrict the transfer of securities of the Issuer and/or the exercise of voting rights in the context of a public acquisition bid.

However, the Law of 1991 imposes certain restrictions on the transfer of shares by the Belgian State and other public institutions. In particular, as at the date of this Prospectus the Law of 1991 provides that any transfer of shares by a public institution, other than the Belgian State, must be notified to the Issuer. If as a result of such transfer the direct aggregate participation of the public institutions, including the Belgian State, would no longer exceed 50%, the transfer would automatically be held null and void unless the aggregate participation would again exceed 50% within three months following the relevant transfer by way of a capital increase.

4 ORGANISATIONAL STRUCTURE

As at the date of this Prospectus, the Issuer has the following subsidiaries and participations:

Name	Country	Participation (voting rights)
Active Ants B.V.	The Netherlands	63.60%
Alteris SA/NV	Belgium	100.00%
Alvadis SA/NV	Belgium	100.00%
AMP SA/NV	Belgium	100.00%
Apple Express Courier INC	USA	100.00%
Apple Express Courier LTD	Canada	100.00%
bpost banque SA – bpost bank NV (*)	Belgium	50.00%
bpost Hong Kong LTD	Hong Kong	100.00%
bpost International Logistics (Beijing) Co., LTD	China	100.00%
bpost North America Holdings, Inc. (DC Corp)	USA	100.00%
bpost Singapore Pte. LTD	Singapore	100.00%
bpost U.S. Holdings INC	USA	100.00%

		<i>Description of the Issuer</i>
Bubble Post B.V.	The Netherlands	100.00%
Bubble Post SA/NV	Belgium	100.00%
Burnonville SA/NV	Belgium	100.00%
Certipost SA/NV	Belgium	100.00%
CityDepot SA/NV	Belgium	99.70%
De Buren Afhaalcentrum B.V. (**)	The Netherlands	51.00%
De Buren Belgium SA/NV (**)	Belgium	51.00%
De Buren Internationaal B.V. (**)	The Netherlands	51.00%
De Buren Nederland B.V. (**)	The Netherlands	51.00%
De Buren Techniek B.V. (**)	The Netherlands	51.00%
Distridijle SA/NV	Belgium	100.00%
Distrisud-Bellens SA/NV	Belgium	100.00%
Dragstra Automatisering B.V. (**)	The Netherlands	51.00%
Dynafix Care B.V.	The Netherlands	100.00%
Dynafix Computer Repair B.V.	The Netherlands	100.00%
Dynafix Onsite B.V.	The Netherlands	100.00%
Dynafix Repair B.V.	The Netherlands	100.00%
Dynagroup B.V.	The Netherlands	100.00%
Dynalinq B.V.	The Netherlands	100.00%
Dynalogic Belgium SA/NV	Belgium	100.00%
Dynalogic Benelux B.V.	The Netherlands	100.00%
Dynalogic Courier B.V.	The Netherlands	100.00%
Dynasure B.V.	The Netherlands	100.00%
Euro-Sprinters SA/NV	Belgium	100.00%
FDM Warehousing PTY, LTD	Australia	100.00%
Freight Distribution Management Systems PTY, LTD	Australia	100.00%
IMEX Global Solutions, LLC	USA	100.00%
Import Lux Burnonville	Luxemburg	100.00%
Internationale Boekhandel Distributiedienst SA/NV	Belgium	100.00%
Kariboo! SA/NV	Belgium	100.00%

		<i>Description of the Issuer</i>
Landmark Global, INC	USA	100.00%
Landmark Global (Australia) Distribution PTY LTD	Australia	100.00%
Landmark Global (Belgium) SA/NV	Belgium	100.00%
Landmark Global (Netherlands) B.V.	The Netherlands	100.00%
Landmark Global (PL) Sp. z.o.o.	Poland	100.00%
Landmark Global (UK) LTD	UK	100.00%
Landmark Trade Services, LTD	Canada	100.00%
Landmark Trade Services (Netherlands) B.V.	The Netherlands	100.00%
Landmark Trade Services (UK) LTD	UK	100.00%
Landmark Trade Services USA, INC	USA	100.00%
Leen Menken Foodservice Logistics B.V.	The Netherlands	100.00%
M.A.I.L., INC (Mailing Assistance In Lafayette, INC)	USA	100.00%
Mail Services, INC	USA	100.00%
Nuleverbaar.nl B.V. (**)	The Netherlands	51.00%
Parcify B.V.	The Netherlands	100.00%
Parcify SA/NV	Belgium	100.00%
Radial Commerce INC (DE Corp.)	USA	100.00%
Radial Commerce Limited	UK	100.00%
Radial E-commerce (Shanghai) Corp. LTD	China	100.00%
Radial Fullfillment GmbH	Germany	100.00%
Radial GmbH	Germany	100.00%
Radial Holdings LP (DE LP)	USA	100.00%
Radial III GP, LLC (DE LLC)	USA	100.00%
Radial INC (PA Corp.)	USA	100.00%
Radial Luxembourg S.à r.l.	Luxembourg	100.00%
Radial Omnichannel International S.L.U.	Spain	100.00%
Radial Omnichannel Tech. India Private LTD	India	100.00%
Radial Solutions Hong-Kong Limited	Hong Kong	100.00%
Radial Solutions Singapore PTE LTD	Singapore	100.00%
Radial South GP, LLC (DE LLC)	USA	100.00%

		<i>Description of the Issuer</i>
Radial South LP (GA LP)	USA	100.00%
Speos Belgium SA/NV	Belgium	100.00%
Trade Port Drive LLC (KY LLC)	USA	100.00%
Ubiway SA/NV	Belgium	100.00%
Ubiway Retail SA/NV	Belgium	100.00%
Ubiway Services SA/NV	Belgium	100.00%
Welcome Media SA/NV	Belgium	100.00%
935 HQ Associates LLC (DE LLC)	USA	100.00%

(*) *bpost bank is an equity-accounted entity. 50% of changes in its equity directly influence the consolidated equity of the Issuer.*

(**) *fully consolidated.*

5 STRATEGY

General

By nature of their activities, the Group enables citizens, companies and organisations to communicate.

The strategy of the Group is built on three cornerstones: remain an efficient provider in mail, retail and public services generating sustainable cash flows, grow profitably in parcels & logistics business in Europe and Asia, and deliver on the Radial investment thesis in North America. Based on these drivers, the Group wants to create value for its stakeholders and offer rewards for its shareholders.

The Group has a leading position in Belgian mail, which is marked by a balanced regulatory framework. The Group focuses its business on mail and parcels with a proven strategy for profitable growth. In 2017, the Group handled around 8.1 million letters every day and 50 million parcels on a yearly basis. The Group has 662 post offices, 675 franchised post points, six sorting centres and a network of approximately 1,000 Kariboo! Points and 150 Cubee parcel lockers. As at the date of this Prospectus, the Group had around 24,850 full-time equivalent and interim employees.

Remain an efficient provider in mail, retail and public services generating sustainable cash flows

The Issuer is committed to providing a reliable universal postal service for all customers while safeguarding sustainable cash flow from this activity. Expected mail volume decline is progressing towards -9% by 2022. This decrease will be increasingly balanced by price revisions and additional productivity improvements resulting from the Group's cost savings options. Among other initiatives, the Issuer will propose a differentiated mail product offering to accommodate changing customer needs. The successful renegotiation of the management contract and press concessions, due at the end of 2020, will be key to allow the continued efficient provision of these services.

Grow profitably in parcels & logistics business in Europe and Asia

The Issuer's vision is to continue to capture parcel growth in its extended "Belgium-Netherlands" (Be-Ne) home region for last mile parcel delivery. The Issuer has embarked on a series of initiatives, including an integrated Be-Ne parcel offering, raising its DHL partnership to a new level, a differentiated pricing policy and partnerships with key e-tailers. These activities will be supported by a continuously optimised parcels operating

model with increased sorting capacity and dedicated infrastructure, while leveraging cost synergies with mail rounds. The Issuer aims to selectively expand into e-commerce logistics solutions in Europe to capture profitable volume growth by building on its Be-Ne position and Radial's knowhow.

Deliver on the Radial investment thesis in North America

The Issuer has defined its roadmap to turn Radial into a leading player in the promising United States e-commerce logistics segment in order to reach an EBITDA contribution of US dollars 100 million to 120 million by 2022. The main focus areas to restore top line growth are making the client the centre of attention, reducing customer churn, increasing new business and cross-sales. Additionally, this ambition will be supported by productivity improvement programmes as well as identified cost saving opportunities in support functions.

6 LEGISLATIVE FRAMEWORK

As a limited liability company, the Issuer is firstly subject to the general rules applicable to limited liability companies as set out in the Belgian Companies Code. Given that the shares of the Issuer are listed on the regulated market of Euronext Brussels, the specific rules relating to transparency which are applicable to listed companies also need to be taken into account.

Furthermore, as an autonomous state enterprise, the Issuer is subject to the rules set out in the Law of 1991, in which the Issuer has been designated as the provider of the USO and as provider of certain SGEIs. The rules relating to the provision of the universal service obligation have furthermore been amended pursuant to the Belgian law of 26 January 2018 regarding the postal services (the "**Law of 2018**"). For further information on the provision of the USO and the SGEIs by the Issuer, see paragraph 7 "*Business description and markets*".

The Law of 1991 provides that the specific rules and conditions under which the Issuer can provide the public services which are confined to it as autonomous state enterprise need to be set out in a management contract to be entered into with the Belgian State. This management contract needs to set out the framework regarding, among other, the provision of the public services by the Issuer, the setting of tariffs in relation to the provision of such public services, and rules of conduct towards the users of such services. The management contract is subjected to an annual review and can be adjusted in light of changes in market conditions and technological evolutions as set out therein. On 3 December 2015, the Issuer and the Belgian State have signed the 6th management contract.

The Law of 1991 also sets forth specific rules in relation to the governance, the accounting and financial statements, the personnel and the shareholding of the Issuer.

7 BUSINESS DESCRIPTION AND MARKETS

General

The Issuer is a leading postal operator in Belgium and the provider of the USO. The core business of the Group is therefore the collection, sorting, transport and distribution of mail and parcels. The Issuer furthermore provides certain SGEIs as set out in the Law of 1991. The Group is also active as supplier of integrated solutions.

Until recently, the Group operated its activities through two business units: the mail and retail solutions business unit and the parcels and international business unit. On 2 May 2018, the Board of Directors of the Issuer decided to reorganise its structure around three business units:

- Mail & Retail: This business unit is in charge of the commercial and operational activities related to mail and retail, including banking and financial, in Belgium.

- Parcels & Logistics Europe & Asia: This business unit is in charge of the commercial and operational activities related to parcels and logistics in Europe and Asia.
- Parcels & Logistics North America: This business unit is in charge of the commercial and operational activities in North America, which includes Radial and Landmark Global.

These business units are supported by several service units, more specifically the mail and service operations unit, the service operations, finance and ICT unit, and the human resources unit.

The Group has one integrated domestic distribution system for mail and parcels. It is furthermore internationally oriented, with a hub in Brussels and a number of strategically located facilities in the USA, Canada, Poland, China, Hong Kong, Singapore, The Netherlands, The United Kingdom, Australia and New Zealand.

Universal Service Obligation (USO)

The Belgian State designated the Issuer as the provider of the USO for an eight-year term in the Law of 1991, commencing in 2011 and ending on 31 December 2018. Pursuant to the Law of 2018, the designation of the Issuer as provider of the USO is extended until the end of 2023. This designation can be further extended, each time for additional five year terms.

The provision of the USO entails the provision of certain basic postal services, i.e.:

- the collection, sorting, transport and distribution of postal items up to two kilograms and postal packages (sent by individuals) up to ten kilograms (and up to 20 kilograms for packages coming from Member States); and
- providing services for registered items and insured items.

The Law of 2018 provides for certain principles with which the tariffs of services falling within the scope of the USO need to comply. In general, the pricing needs to be affordable, cost-oriented, transparent, non-discriminatory and uniformly applied throughout the country. Volume and operational discounts are allowed under certain circumstances. Single piece domestic mail items and USO parcels falling within the so-called “small user basket” are subject to a price-cap formula. Price increases can be done on a yearly basis.

If the provision of the services falling within the scope of the USO lead to an unfair burden for the Issuer, it can be compensated by the Belgian State.

Any operator, other than the designated USO provider (i.e., the Issuer), who performs letter mail services falling within the scope of the USO requires a license issued by the Belgian postal regulator IBPT/BIPT (*Institut belge des services postaux et des télécommunications/Belgisch Instituut voor postdiensten en telecommunicatie*). In order to obtain a license, several conditions must be met so as to ensure a level playing field, including the employment of contractual workers.

Services of General Economic Interest (SGEIs)

The Issuer renders several SGEIs, which are set out in the Law of 1991.

The Issuer has been granted two concessions by the Belgian State for executing press distribution. These entail:

- the early distribution of newspapers; and
- the distribution of periodicals at a tariff set by the Belgian State.

These concessions have been granted for the period beginning on 1 January 2016 and ending on 31 December 2020 and are subject to a remuneration which was approved by the European Commission.

The Issuer also renders certain other SGEIs, which have been described in the 6th management contract entered into between the Issuer and the Belgian State. These relate to:

- maintaining an extensive retail network of post offices and post points;
- payments at home of pensions and other social allowances;
- the acceptance in post offices of cash deposits to current accounts or payments to current accounts;
- the distribution of election printed matters at a reduced tariff; and
- the distribution of letter post items that fall within the freepost system.

The 6th management contract provides for a continued provision of these SGEIs for a period of five years, ending on 31 December 2020, subject to a remuneration which was approved by the European Commission.

Commercial services

The Group furthermore provides commercial services, to which no specific postal regulatory restrictions apply. The Group does not receive compensation from the Belgian State for the products and services which fall under the category of commercial services.

8 PRODUCTS AND SERVICES

The products and services of the Group can generally be divided in three categories: domestic mail, parcels and additional products and services.

Domestic mail

The business of the Group is bound to paper. The Group is convinced that paper is an indispensable medium of communication when it comes to sharing information and emotions.

Mail is considered by the Group to be an efficient communication channel: it combines a high recall rate and a high activation rate, and for consumers it is still the preferred channel for receiving commercial and administrative information.

Transactional mail

The Group develops and markets administrative and financial communication solutions based on paper and at-home services. The Group is convinced of the relevance of well-designed paper documents. With that in mind, the Group launched RelatioMail in 2011 to help its customers turn their large volumes of administrative and financial mail into a value-added communication channel to customers and possibly also a marketing tool.

Despite digitalisation initiatives, the Group is convinced that consumers still prefer paper to a significant degree, especially when it comes to financial related information. In recent years, however, the Group has seen a shift towards e-substitution of mail, especially in administrative mail. This has led the Group to implement general cost-cutting on all categories of transactional mail and to increase prices above inflation.

Advertising mail

The Group responds to its customers' commercial communication needs. The Group markets communication and direct marketing products, such as addressed advertising mail, unaddressed mail and opt-in addresses.

The Group optimises its advertising mail solutions through the DM Boost program. The starting point of this approach is to gain a better understanding of the commercial challenges facing the Group's customers. The

Group helps them to identify their marketing objectives, and accordingly proposes direct mailing initiatives in order to achieve those objectives, while also quantifying the effectiveness of paper as a medium.

Distripost, the Group's unaddressed mail service, offers day-certain delivery to advertisers. The Group believes that both addressed and unaddressed products are highly effective communication campaigns for different types of customers.

The Group identified six key segments with growth potential to focus on: retail & distribution, automotive, fast-moving consumer goods (such as food), retail fashion, home-related products and services, and small and medium-sized enterprises. This focus strategy has yielded positive results transforming the downward trend in advertising mail into a stable business and even growing the business of unaddressed mail service, Distripost.

Press distribution

The Group also distributes newspapers and periodicals in Belgium in light of the concessions awarded by the Belgian State for the period 2016-2020 in relation to the SGEIs.

The revenues for the Group for press distribution consist of compensation from the Belgian State, which is agreed in separate contracts, and invoices sent directly to the editors.

Parcels

Domestic parcels

The Group is active in domestic parcels. In this regard, it is the Group's ambition to capture e-commerce growth and realise profitable volume growth. In order to achieve this goal, the Group focuses on offering the best 'last mile' approach and the broadest delivery options, supported by the acquisitions and partnerships undertaken by the Issuer.

In order to strengthen the parcels division of the Group, the Issuer acquired DynaGroup in January 2017. DynaGroup offers a range of logistical services and software, from the repair of electronics (from smartphones to coffee machines) to personalised e-commerce delivery services, for both small products (ranging from passports to smartphones with contract finalisation on the doorstep) and large consumer products (such as the delivery and installation of washing machines). This acquisition enables the Group to grow the parcels division by broadening the value chain in e-commerce, enables the Group to further build out its hybrid network by adding capabilities to offer high-end deliveries and extends the Group's footprint in The Netherlands with a strong player with an excellent track record.

Another important acquisition in this context was the acquisition of Parcify NV, a start-up which tries to avoid the fact that parcels cannot be delivered. It does this through the use of a smartphone application which uses geotracking in order to deliver parcels at the place and time chosen by the recipient.

The Group is furthermore investing efforts to meet the new needs of customers and offer greater convenience and more choice. In this regard, the Group has substantially enlarged the parcel delivery options, allowing customers to choose their delivery location. An example is the launch of Cubee, a parcel locker network which is open to all retailers, online customers and couriers. As a result of the acquisition in 2016 of de Buren, Cubee offered 152 parcel lockers in Belgium and 61 in The Netherlands at the end of 2017. Another important factor in strengthening the parcels division is the undertaking of the Group to enlarge the Kariboo! pick-up point network.

Becoming one group also means that the Group's distribution facilities are better connected and results in greater reach, efficiency and improved transit times. In this regard, New Brussels X, a brand new sorting centre covering 80,000 square meters, was officially opened at the end of 2017. The new sorting centre, which is already fully operational, is a cornerstone of the Vision 2020 strategy launched by the Group in 2015 with the

aim to improve the operational efficiency of the Group. This strategy is built on three cornerstones, i.e., centralising parcel sorting at the New Brussels X sorting centre, organising last mile delivery around 60 operational mail centres, and continuing the further automation of mail sorting at the six sorting centres of the Group.

In relation to domestic parcels, the Group focuses on the following: B2X (business to X), the delivery of goods from companies such as e-tailers to consumers and shipments between companies, such as spare parts shipments or shop replenishment; and C2C (consumer to consumer) parcels that consumers send between them for gifts or when they sell goods over internet marketplaces.

B2X

The Group is active in B2X. In this segment, an important growth factor is e-commerce, which is significantly increasing in key sectors such as shoes, fashion, consumer electronics and books. This logically results in a constantly increasing number of parcels sent every day. In order to be able to meet the growing needs of its customers, the Group offers various types of delivery methods and easy return solutions (at home, a post office/post point or a parcel locker). Since 2015, the Group also offers Saturday delivery and more recently also evening delivery and Sunday delivery.

C2C

In C2C, the Group focuses on increasing convenience for clients sending and receiving parcels through e-commerce activities. In addition to various prepaid parcel products, the Group also offers an online tool for senders to directly pay and print their parcel label. The shipment is managed online.

International parcels

The Group has been able to grow a global footprint in relation to the international parcels business through the acquisition of Landmark Global and a nation-wide coverage in the United States through the acquisition of Radial. Building on the work of the past years, the Group wants to be even more ambitious at an international level in the future.

In order to further grow, the Group created an organisation under the new brand name “Landmark Global, a bpost company”. Landmark Global includes various facilities strategically located in the USA, Canada, the UK, The Netherlands, Belgium, Poland, China, Hong Kong, Singapore and Australia. Through Landmark Global, the Group wants to support mid-sized e-tailers to expand their business beyond their national borders, provide additional services to enable customers to reach new markets at a reasonable cost without disruption and offer services to more complex developing regions, such as South America.

The acquisition at the end of 2017 of Radial, a leading provider of integrated e-commerce logistics, perfectly fits within the Group’s growth strategy. It allows the Group to scale its existing US presence, for example by way of cross-border trade lanes with Landmark Global, and to expand its product offering into value-added activities that cover the entire value chain in e-commerce logistics with a proven client base, IT systems and infrastructure. It should enable the Group to go beyond the ‘last mile’ and cross-border services, offer simple E2E (everything to everyone) solutions and provide an accelerated roll-out and scale-up of existing e-commerce operations. It should furthermore provide the possibility to the Group to scale the e-commerce logistics capabilities in the Benelux and the whole of Europe.

Other notable acquisitions of the Group to support the growth in the international parcels business are the acquisitions of Freight Distribution Management, which is specialised in providing a personalised customer service for warehousing and distributing products in Australia, and Apple Express, of which the business consists of the last mile delivery, transportation and fulfilment services for clients in Canada and the US. These

acquisitions support the international e-commerce cross-border parcels strategy of the Group and enable the Group to economise on the last mile distribution.

Additional products and services

Value-added services

The Group offers services with high added value in order to provide specific solutions for its customers which use key assets of the Group, i.e., the 'last mile' approach, retail network and financial backbone. These services combine:

- data services: relocation service;
- document management solutions: printing transactional documents; and
- mail collection and handling services.

The Group also markets integrated solutions to manage end-to-end processes for its customers, from order to delivery, including document printing, payment and supplier contracts. Examples include the delivery of license plates, traffic fine management, processes and the delivery of INAMI health care certificate booklets.

New solutions

The Group continues to explore new sources of income based on the Group's assets, i.e., a dense delivery and points of sale network, field knowledge and the trust postmen of the Group enjoy.

Some of the Group's main doorstep services are:

- bclose: postmen gather information from a specific target group of elderly people during their mail round in order to assess the isolation level; and
- identification of clients: the Group helps suppliers to manage their customer relationship (sale or customer care) by reaching more effectively customers when physical interaction is needed.

Retail

The Group is increasingly active in developing mail retail solutions. A major step in the growth strategy of the Group within the proximity and convenience sector was the acquisition in 2016 of Ubiway (formerly Lagardère Travel Retail). Ubiway Retail is a significant player in the national press, tobacco and convenience retail sector with a network of shops mostly operated under the Press Shop, Relay, Hello! and Hubiz brands. In order to further grow, the Group undertakes to expand the activities of Ubiway by opening new points of sale, renovating existing ones, and diversifying the product and service range for its customers.

Banking and financial products

bpost bank

bpost bank is a Belgian bank based on a partnership model. It is accounted for as an associated company of the Issuer, in which the Issuer holds 50% of the shares. The other 50% of the shares are held by BNP Paribas Fortis SA/NV. It is managed by an autonomous Board of Directors. The cooperation between the Issuer and BNP Paribas Fortis SA/NV with respect to bpost bank is set out in a banking partnership agreement which provides, among other things, that the Issuer is, subject to certain exceptions, the exclusive distributor of bpost bank's products and services and that the Issuer will provide back-office activities and other ancillary services to bpost bank.

bpost bank offers payment services, cash at the counter and public finance solutions. Furthermore, the insurance products of AG Insurance are offered and marketed via bpost bank using the distribution network of the Issuer. The terms of this cooperation are set out in an insurance distribution agreement.

bpost bank plays an important role in the strategy of the whole Group as its services are complementary to what the Group offers. Furthermore, due to the extensive retail network of the Group, it is very close to its clients.

bpaid prepaid card

This Mastercard prepaid card can be preloaded by clients with a chosen amount. It offers the opportunity to buy online in a secure way with exposure limited to the pre-loaded amount.

International mail

The Group provides international mail services, comprising the collection, transport, sorting and distribution of international mail from and to Belgium. The Group also offers services for international transit mail, as well as mail that does not transit through Belgium through Landmark Global. The Group has a dedicated sorting centre and hub in Brussels and is active in the US, Europe and Asia.

9 FINANCING ARRANGEMENTS OF THE ISSUER

The Issuer entered into a bilateral credit facility agreement on 22 December 2004 with the European Investment Bank for an amount of EUR 100,000,000 which has been made available to the Issuer to enable it to modernise certain of its mail sorting centres.

Furthermore, the Issuer entered into a revolving facility agreement on 11 October 2017 with, amongst others, BNP Paribas Fortis SA/NV and ING Belgium NV/SA as sustainability coordinators, Belfius Bank SA/NV, BNP Paribas Fortis SA/NV, ING Belgium NV/SA and KBC Bank NV as lenders and ING Bank N.V. as agent (the “**Revolving Facility Agreement**”). Pursuant to its terms and conditions, a revolving credit facility for an amount of EUR 300,000,000 was made available, with the option to increase such amount in case of a cancellation of the available commitments. The Revolving Facility Agreement contains standard provisions on representations, warranties and events of default. The Revolving Facility Agreement also contains market standard limitations in relation to the provision of security, disposals of assets, mergers and usual financial covenants.

To finance the acquisition of Radial, the Issuer also entered into a multicurrency bridge facility agreement on 5 October 2017 (with an amendment and restatement on 9 November 2017) with BNP Paribas Fortis SA/NV as lender (the “**Bridge Facility Agreement**”). The Bridge Facility Agreement was entered into on substantially the same terms as the Revolving Facility Agreement and was drawn for an amount of EUR 569,814,814.81 and USD 143,000,000. The net proceeds from the issue of the Notes will be applied by the Issuer for, among others, the repayment of the Bridge Facility Agreement.

In addition, the Issuer contemplates entering into certain other financing arrangements to secure the remaining portion of the Bridge Facility Agreement and to diversify its financing resources. These comprise a EUR 75,000,000 bilateral revolving credit facility agreement (which was signed on 15 June 2018) and a USD 185,000,000 bilateral term loan facility agreement, both with Bank of America Merrill Lynch International Limited. The bilateral term loan facility agreement is contemplated to be drawn shortly after the issuance of the Notes in order to repay the Bridge Facility Agreement. For further information, see Part VIII – ‘Use of proceeds’.

Finally, concurrently with the issuance of the Notes and as part of its liquidity programme, the Issuer contemplates entering into a programme with KBC Bank NV as arranger under which it may issue commercial paper (*thesauriebewijzen/billets de tresorerie*) for a maximum amount of EUR 500,000,000.

10 RECENT DEVELOPMENTS

Acquisitions

On 1 January 2018, the Issuer acquired the remaining shares in Parcify NV to reach a total of 100% of the shares.

During the first quarter of 2018, the Issuer acquired the companies Leen Menken Foodservice Logistics B.V., a Dutch logistic operator for the transport of refrigerated and frozen products for e-commerce, and Active Ants, a Dutch company which provides e-commerce e-fulfilment services for web-shops. Furthermore, Landmark Global acquired 100% of the shares of IMEX Global Solutions, Inc. and M.A.I.L., Inc. Both companies are active in business mail and are being acquired by Landmark Global's mail division MSI. IMEX Global Solutions, Inc. is a third party logistics company in the United States, active in cross-border publication for re/e-tailers and mail-room services as well as parcel distribution.

Legislation

In November 2015, Belgian Minister De Croo, responsible for the postal sector, announced his intent to adopt a new postal law during the course of his legislature. This new postal law was approved by the Parliament on 18 January 2018 and entered into force in February 2018. The new postal law provides a modern and transparent regulatory framework, which is essential for the future of companies active in the postal industry. As further discussed in paragraph 7 "*Business description and markets*", the law also entrusted the provision of the USO to the Issuer for a further term of five years, until the end of 2023.

Capital markets day

On 21 June 2018, the Issuer hosted its second capital markets day in Brussels on which it has outlined its redefined vision for 2022, three strategic priorities and mid-term objectives for 2018-2022. This vision will enable the Issuer to face the rapid and complete transformation of the postal sector, both abroad and in Belgium. By 2022, the Issuer's objective is to become an international e-commerce logistics player. This transformation will allow the Issuer to remain an efficient provider of its traditional activities, such as mail, retail and public services, in Belgium.

Thanks to last year's transformation, the Issuer is now established in its chosen markets through organic growth, acquisitions and key partnerships, and is led by a recently-appointed management team who have responsibility from top to bottom line results.

As the environment and customer needs are changing rapidly, the Issuer's traditional business in Belgium is under pressure with mail volume decline accelerating. Therefore, the Issuer has to capture the growth of parcels and logistic activities related to e-commerce in the Belgium-Netherlands (Be-Ne) region, Europe, North America and Asia. The Issuer's Capital Markets Day provided an opportunity to update the markets on its long-term trajectory that should allow management to deliver earnings and be in a position to sustain dividends.

In order to succeed, the Issuer will focus on three strategic priorities, as further discussed in paragraph 5 "*Strategy*".

11 MANAGEMENT AND CORPORATE GOVERNANCE

Board of Directors

Composition

The Board of Directors of the Issuer is composed of a maximum of twelve directors, including the CEO, and only comprises non-executive directors, except for the CEO. Directors are appointed for a renewable term of four years, to the extent that the total term of their mandate does not exceed twelve years. In order to ensure continuity in the organisation, the time limitation of twelve years does not apply to the CEO.

Any shareholder holding at least 15% of the shares of the Issuer has the right to nominate directors for appointment pro rata its shareholding in accordance with Article 21, §2 of the articles of association of the Issuer. Directors which are nominated by a shareholder can be independent, but this is not a requirement.

The Board of Directors is assisted by the group company secretary, Dirk Tirez, who is also Chief Legal Officer of the Issuer.

As at the date of this Prospectus, the Board of Directors is composed of the following members:

Name	Position	Expiry date of the mandate
François Cornelis	Chairman	General shareholders' meeting of 2019
Koen Van Gerven	CEO	General shareholders' meeting of 2020
Filomena Teixeira	Independent Director	General shareholders' meeting of 2021
Ray Stewart	Independent Director	General shareholders' meeting of 2022
Michael Stone	Independent Director	General shareholders' meeting of 2022
Bernadette Lambrechts	Non-Executive Director	General shareholders' meeting of 2020
Jos Donvil	Non-Executive Director	General shareholders' meeting of 2021
Saskia Van Uffelen	Independent Director	General shareholders' meeting of 2021
Thomas Hübner	Independent Director	General shareholders' meeting of 2021

At the general meeting of shareholders of the Issuer held on 9 May 2018, the Belgian State requested the Issuer to postpone the appointment of three directors to be proposed by the Belgian State in accordance with its nomination right under Article 21, §2 of the articles of association of the Issuer.

The business address of all directors is Muntcentrum 1, 1000 Brussels, Belgium.

Competences

The competences of the Board of Directors are set out in Article 522 of the Belgian Companies Code, the Corporate Governance Charter and the articles of association of the Issuer. The Corporate Governance Charter and the articles of association are available on the website of the Issuer (www.bpost.be).

In general, the Board of Directors has the power to perform all acts that are necessary or useful for the realisation of the Issuer's purpose, except for those actions that are specifically reserved by law or by the articles of association of the Issuer to be performed by the shareholders or other management bodies of the Issuer.

Curriculum vitae

Mr François Cornelis is an independent director on the Board of Directors of the Issuer since 2013. He holds a masters' degree in civil engineering from the University of Leuven. Between 1974 and 2011, Mr Cornelis held various positions at Petrofina, including as CEO, and afterwards at the Total Group as President Chemicals and vice-chairman of the Executive Committee.

Mr Koen Van Gerven joined the Issuer in 2006 as Director of Retail and Financial Services. From 2009 to 2012, he also acted as CIO for the Issuer and chairman of the Board of Directors of bpost bank SA/NV. Prior to joining the Issuer, Mr Van Gerven was CEO of Acerta Group from 2001 to 2006 and held a number of executive positions at Generale Bank (now BNP Paribas Fortis) from 1982 to 2001. Mr Van Gerven holds a degree in commercial engineering from the Katholieke Universiteit Leuven and a MBA from Cornell University.

Ms Filomena Teixeira is President for Europe, the Middle East and Africa at INTTRA, the largest neutral electronic transaction platform and information provider for the ocean shipping industry. From 1991 to 2011, Ms Teixeira held leadership and executive positions within FedEx covering Sales, Marketing and Customer Experience. In 2011, she further expanded her experience by joining CMACGM as Vice President Marketing, Global Sales and e-Business and in 2013 joined Maersk in a corporate role leading the Key Clients program globally.

Mr Ray Stewart has acquired extensive knowledge and experience in finance, accountancy, risk management and auditing in large and complex organisations. He has worked as CFO of various companies (including Belgacom (now Proximus)) and is able to draw on substantial international experience in listed companies. He has also been on the board of Nyrstar (where he also chairs the audit committee) since 2007 and of former Telindus Group since 2006. His experience at Belgacom (now Proximus) has given him thorough insight into the regulations that apply to state enterprises in Belgium.

Mr Michael Stone has extensive strategic and operational experience in the parcels sector. This was initially gained through various high-level regional and global positions at DHL (until 2006), and, since then, through senior executive positions at DX Group and Neopost Ltd, where he is currently managing director UK. These roles have given him a comprehensive understanding of the parcels market and in-depth knowledge of the trends and challenges in the traditional postal markets.

Ms Bernadette Lambrechts is Managing Director of the Commission Communautaire Française (COCOF). She is also chairwoman of the Conseil de l'Office de contrôles des mutualités, which regulates and controls the mutual insurance sector. From 2009 till 2013, she was deputy chief of Staff of the Minister of finance, Budget and Sports of the French Community. Ms Lambrechts holds a Master degree in Law at UCL.

Mr Jos Donvil is currently the Chief Executive Officer (Executive Vice President) of VOO. From 1995 to 2006, Mr Donvil gained experience at Kraft Foods, as General Sales Director Belux, Director International Sales Strategy and Director Global Customers. At BASE Company, Mr Donvil was Chief Operating Officer from 2007 to 2011, and Chief Executive Officer from 2012 to 2016. In 2016, he became Chief Executive Officer of VOO, a company active in telecommunications.

Ms Saskia Van Uffelen is currently the Chief Executive Officer of Ericsson Belux. From 1990 to 2005, Ms Van Uffelen held different management roles at Compaq and HP. In 2005, she joined Arinso as Vice President for Central and Eastern Europe. She joined Bull Belux as Chief Executive Officer in 2008, where she led a turnaround, and moved to Ericsson Belux in 2014. Ms Van Uffelen was named ICT Woman of the year in 2011.

Mr Thomas Hübner is currently working as an independent consultant and board member. Mr Hübner was Chief Operating Officer at McDonald's in Switzerland from 1988 to 1990 and was responsible for McDonald's in the Czech Republic and Slovakia from 1990 to 1995. He served as Chief Executive Officer of Prodega AG (CH) from 1996 to 2000. At Metro Cash & Carry International GmbH, he was Chief Operating Officer for Eastern

Europe and Russia from 2000 to 2002, and Chief Executive Officer from 2002 to 2008. From 2011 to 2013, he was a member of the executive board at Carrefour.

Committees of the Board of Directors

General

The Board of Directors of the Issuer has established a number of committees.

Pursuant to Article 524 of the Belgian Companies Code, listed companies need to comply with certain procedures in relation to any transactions between the listed company and companies which are affiliated to it, other than its subsidiaries. The Board of Directors has set up an *ad hoc* committee to observe the procedures in this regard.

Furthermore, the Board of Directors has established three board committees which are responsible to assist the Board of Directors and to make recommendations in specific fields, in accordance with Articles 526*bis* and 526*quater* of the Belgian Companies Code and Article 25, §3 of the articles of association of the Issuer.

Ad hoc committee

In accordance with the Issuer's Corporate Governance Charter, the Board of Directors of the Issuer has established an *ad hoc* committee which observes any decisions regarding the management contract and other agreements entered into with the Belgian State and other public institutions.

The *ad hoc* committee is composed of all independent directors of the Issuer. The committee is assisted by an independent expert, selected by the committee, and the Issuer's auditor validates the financial data used.

Strategic committee

The strategic committee advises the Board of Directors on strategic matters, and shall, in particular:

- review industry developments on a regular basis, review objectives and strategies of the Group and recommend corrective actions;
- review the draft business plan submitted each year by the Group Executive Committee;
- review strategic transactions proposed by the CEO or the Group Executive Committee, including strategic acquisitions and divestitures, formation and termination of strategic alliances or longer-term cooperation agreements, launching of new product segments and entry into new products or geographical markets or withdrawal from any such product segments or geographical markets; and
- monitor the implementation of such strategic projects and of the business plan.

The strategic committee comprises five directors, including at least one independent director.

As at the date of this Prospectus, the strategic committee is composed of the following members:

Name	Position	Expiry date of the mandate
Michael Stone	Chairman (Independent Director)	General shareholders' meeting of 2022
Koen Van Gerven	Member (CEO)	General shareholders' meeting of 2020
Ray Stewart	Member (Independent Director)	General shareholders' meeting of 2022
Jos Donvil	Member	General shareholders' meeting of 2021
Thomas Hübner	Member (Independent Director)	General shareholders' meeting of 2021

Audit committee

The audit committee advises the Board of Directors on accounting, audit and internal control matters, and is, in particular, in charge of:

- monitoring the integrity of the Issuer's financial statements and the Issuer's accounting and financial reporting processes and financial statements audits;
- monitoring the effectiveness of the Issuer's internal control and risk management;
- monitoring the internal audit and its effectiveness;
- monitoring the performance of the board of auditors and the statutory audit of the annual and consolidated accounts, including any follow-up on any questions and recommendations made by the board of auditors;
- reviewing and monitoring the independence of the auditors, especially in view of the provisions of the Belgian Companies Code;
- proposing candidates to the Board of Directors for the two auditors to be appointed by the shareholders' meeting; and
- informing the Board of Directors on the results of the statutory audit and the performance of its tasks.

The audit committee comprises five non-executive directors, including at least three independent directors. The chairperson of the audit committee is designated by its members.

As at the date of this Prospectus, the audit committee is composed of the following members:

Name	Position	Expiry date of the mandate
Ray Stewart	Chairman (Independent Director)	General shareholders' meeting of 2022
Michael Stone	Member (Independent Director)	General shareholders' meeting of 2022
Bernadette Lambrechts	Member	General shareholders' meeting of 2020
Saskia Van Uffelen	Member (Independent Director)	General shareholders' meeting of 2021

The additional director to be appointed in the audit committee by the Belgian State has not yet been appointed as at the date of this Prospectus.

Remuneration and nomination committee

The remuneration and nomination committee advises the Board of Directors principally on matters regarding the appointment and remuneration of directors, the CEO and the members of the Group Executive Committee, and shall, in particular:

- identify and nominate candidates for the Board of Directors to fill vacancies as they arise, thereby considering proposals made by relevant parties, including shareholders;
- nominate for appointment candidates nominated by shareholders (whether or not in application of their nomination right set forth in Article 21, §2 of the articles of association of the Issuer);
- advise the Board of Directors on the appointment of its chairperson;
- advise the Board of Directors on the appointment of the CEO and on the CEO's proposals for the appointment of other members of the Group Executive Committee;
- advise the Board of Directors on the remuneration of the CEO and other members of the Group Executive Committee and arrangements on early termination;
- review any share-based or other incentive scheme for the directors, members of the Group Executive Committee and employees;
- establish performance targets and conduct performance reviews for the CEO and other members of the Group Executive Committee;
- advise the Board of Directors on the remuneration of the directors; and
- submit a remuneration report to the Board of Directors.

The remuneration and nomination committee comprises five non-executive directors, including three independent directors. The CEO participates with an advisory vote in the meetings of the remuneration and nomination committee when the remuneration of the other members of the Group Executive Committee is being discussed.

As at the date of this Prospectus, the remuneration and nomination committee is composed of the following members:

Name	Position	Expiry date of the mandate
François Cornelis	Chairman	General shareholders' meeting of 2019
Filomena Teixeira	Member (Independent Director)	General shareholders' meeting of 2021
Saskia Van Uffelen	Member (Independent Director)	General shareholders' meeting of 2021
Thomas Hübner	Member (Independent Director)	General shareholders' meeting of 2021

The additional director to be appointed in the remuneration and nomination committee by the Belgian State has not yet been appointed as at the date of this Prospectus.

Executive management

Chief Executive Officer

The CEO is responsible for the operational management of the Issuer and reports to the Board of Directors. The CEO is also entrusted with the execution of the decisions of the Board of Directors and represents the Issuer within the framework of its day-to-day management, including in relation to the exercise of the voting rights attached to shares and stakes held by the Issuer.

Group Executive Committee

Composition

The Issuer's operational management is ensured by the Group Executive Committee, which is led by the CEO. The Group Executive Committee consists of a maximum of nine members, which are appointed and removed by the Board of Directors for a term determined by the Board, following a recommendation by the CEO and advice of the Remuneration and Nomination Committee.

The Group Executive Committee convenes regularly at the invitation of the CEO. It is assisted by the secretary to the Group Executive Committee.

The individual members of the Group Executive Committee exercise the special powers delegated to them by the Board of Directors or the CEO, as the case may be. Within the limits of the powers assigned to them, the members of the Group Executive Committee may delegate to one or more members of the Issuer's staff special and limited powers. The Group Executive Committee's members may allow sub-delegation of these powers.

As at the date of this Prospectus, the Group Executive Committee is composed of the following members:

Name	Position
Koen Van Gerven	Chief Executive Officer Group
Henri de Romrée	Chief Financial Officer
Luc Cloet	Chief Executive Officer Parcels & Logistics Europe and Asia
Pierre Winand	Chief Executive Officer Parcels & Logistics North America and ROW
Mark Michiels	Chief Human Resources & Organisation
Kurt Pierloot	Chief Executive Officer Mail & Retail
Dirk Tirez	Chief Legal & Regulatory Officer and Group Company Secretary (responsibilities include Strategy, M&A, Legal, Regulatory and Corporate)
Nico Cools	Chief IT Officer and Chief Digital Officer

Competences

The Group Executive Committee ensures the operational management of the Issuer together with the CEO. It prepares, under the direction of the CEO, a business plan assessing the medium-term purposes and strategy of the Issuer, which is submitted to the Board of Directors for their approval.

Governance

The Issuer is committed to a high standard of corporate governance. It has designated the Belgian Code on Corporate Governance of 12 March 2009 (the “**Corporate Governance Code**”) as a reference code. The Corporate Governance Code is based on a “comply or explain” approach. Listed companies should follow the Corporate Governance Code, but may deviate from those provisions which are not otherwise contained in the Belgian Companies Code or other applicable law, provided that they disclose the justification for any such deviation in the corporate governance statement included in the annual report. For further information, please see the section “Corporate Governance Statement” in the 2017 annual report of the Issuer.

On 27 May 2013, the Board of Directors of the Issuer has adopted a Corporate Governance Charter, which sets out the corporate governance policy of the Issuer. The Corporate Governance Charter contains rules with respect to, among other:

- the duties of the Board of Directors, the board committees, the Group Executive Committee and the CEO;
- the responsibilities of the Board of Directors’ chairperson and corporate secretary;
- the requirements that apply to the members of the Board of Directors to ensure that they have adequate experience, expertise and competences to fulfil their duties and responsibilities; and
- a disclosure system on mandates held and rules aimed at avoiding conflicts of interests and providing guidance on how to inform the Board of Directors in a transparent way in case conflicts occur. In general, a director may not participate in the deliberations and vote on the matter in which he has a conflicting interest.

The Corporate Governance Charter is available on the website of the Issuer (www.bpost.be).

Policy regarding conflicts of interest

A general policy on conflicts of interest applies within the Issuer and prohibits any conflict of interests situation of a financial nature that may affect a director’s personal judgment or professional tasks to the detriment of the Group.

The Issuer is not aware of any potential conflicts of interests between any duties the directors have with respect to the Issuer and the private interests and/or other duties of the directors, nor between any duties the members of the Group Executive Committee have with respect to the Issuer and the private interests and/or other duties of the members of the Group Executive Committee.

Board of auditors

The board of auditors audits the Issuer’s statutory financial statements. It comprises four members: two members appointed by the shareholders’ meeting and two members appointed by the Court of Audit (*Cour des Comptes/Rekenhof*), the Belgian institution responsible for the verification of public accounts. The members of the board of auditors are appointed for renewable terms of three years.

As at the date of this Prospectus, the board of auditors is composed of the following members:

Name	Expiry date of the mandate
Ernst & Young Bedrijfsrevisoren BCVBA, having its registered office at De Kleetlaan 2, 1831 Diegem, Belgium, represented by Mr Romuald Bilem (<i>member of the Institut des Réviseurs d’Entreprises/ Instituut van Bedrijfsrevisoren</i>)	General shareholders’ meeting of 2021
PVMD Bedrijfsrevisoren BCVBA, having its registered office at Tweekerkenstraat 44, 1000 Brussels, Belgium,	General shareholders’ meeting of 2021

represented by Mrs Caroline Baert (*member of the Institut des Réviseurs d'Entreprises/Instituut van Bedrijfsrevisoren*)

Mr Philippe Roland, member and first president of the Court of Audit (Rue de la Régence 2, 1000 Brussels, Belgium) 30 September 2019

Mr Jozef Beckers, member of the Court of Audit (Rue de la Régence 2, 1000 Brussels, Belgium) 30 September 2019

Joint auditors

Ernst & Young Bedrijfsrevisoren BCVBA, having its registered office at De Kleetlaan 2, 1831 Diegem, Belgium, represented by Mr Eric Golenvaux (*member of the Institut des Réviseurs d'Entreprises/ Instituut van Bedrijfsrevisoren*), and PVMD Bedrijfsrevisoren BCVBA, having its registered office at Tweekerkenstraat 44, 1000 Brussels, Belgium, represented by Mrs Caroline Baert (*member of the Institut des Réviseurs d'Entreprises/Instituut van Bedrijfsrevisoren*), have audited and rendered unqualified audit reports on the audited consolidated financial statements of the Issuer for the financial years ended 31 December 2016 and 31 December 2017.

12 LITIGATION

The Issuer is from time to time involved in claims or disputes and litigation incidental to the ordinary course of its business. The outcome of any claim or proceeding is inherently uncertain.

Currently, the Issuer is involved in the following legal proceedings initiated by intermediaries, whereby all claims and allegations are contested by the Issuer:

- A claim for damages in an alleged (provisional) amount of approximately EUR 21.1 million (exclusive of late payment interest) in the context of legal proceedings initiated by Publimail NV/SA. The Brussels commercial court rejected Publimail NV/SA's claim on 3 May 2016. Publimail NV/SA appealed this decision on 16 December 2016. The appeal is now pending before the Brussels Court of Appeal.
- A claim for damages in an alleged (provisional) amount of approximately EUR 28.0 million (exclusive of late payment interest) in the context of legal proceedings initiated by Link2Biz International NV/SA and pending before the Brussels commercial court. Certain aspects of the contractual relationship between Link2Biz International NV/SA and the Issuer are also the subject of a cease and desist order (adopted on 21 June 2010), which the Issuer has appealed in August 2010 and which is currently pending before the Brussels Court of Appeal.

Moreover, on 20 July 2011, the Belgian postal regulator (BIPT/IBPT) concluded that certain aspects of the Issuer's 2010 pricing policy infringed the Law of 1991 and imposed a fine of EUR 2.3 million. While the Issuer paid the fine, it contested the BIPT/IBPT's findings and appealed the decision. The Brussels Court of Appeal found in favour of the Issuer and annulled BIPT/IBPT's decision on 10 March 2016. The Issuer recovered the EUR 2.3 million fine in October 2016.

Finally, on 10 December 2012, the Belgian Competition Authority concluded that certain aspects of the Issuer's pricing policy over the January 2010-July 2011 period infringed Belgian and European competition law and imposed a fine of approximately EUR 37.4 million. While the Issuer paid the fine in 2013, it contested the Belgian Competition Authority's findings and appealed the decision before the Brussels Court of Appeal. On 10 November 2016, the Brussels Court of Appeal annulled the Authority's decision and the Issuer may recover the EUR 37.4 million fine. The Belgian Competition Authority appealed this decision on 1 March 2017. The appeal is now pending before the Supreme Court.

PART VII – SELECTED FINANCIAL INFORMATION

The below tables provide an overview of the key financial figures of the Issuer (on a consolidated basis) (i) for the financial years ended 31 December 2016 and 31 December 2017 (audited) and (ii) for the first quarter of the financial year ending 31 December 2018 (unaudited).

1 CONSOLIDATED INCOME STATEMENT

<i>In million EUR</i>	31 December 2016 (audited)	31 December 2017 (audited)	31 March 2018 (unaudited)
Turnover	2,399.4	2,972.2	910.1
Other operating income	25.8	51.6	6.1
Total operating income	2,425.2	3,023.8	916.2
Materials costs	(60.4)	(240.7)	(62.1)
Services and other goods	(665.2)	(972.8)	(333.2)
Payroll costs	(1,111.1)	(1,206.7)	(364.6)
Other operating expenses	(1.7)	(5.6)	(16.1)
Depreciation, amortisation	(90.3)	(105.1)	(35.4)
Total operating expenses	(1,928.7)	(2,530.9)	(811.5)
Profit from operating activities (EBIT)	496.5	492.9	104.8
Financial income	10.7	5.8	2.2
Financial costs	(27.6)	(19.5)	(5.1)
Share of profit of associates	9.9	9.6	(3.8)
Profit before tax	489.5	488.7	98.1
Income tax expense	(143.2)	(165.8)	(35.6)
Profit from continuing operations	346.2	322.9	62.5
Profit from discontinued operations	0	0	-
Profit for the year	346.2	322.9	62.5
Attributable to:			
Owners of the Parent	343.8	324.9	62.7
Non-controlling interests	2.5	(2.0)	(0.2)

2 CONSOLIDATED STATEMENT OF FINANCIAL POSITION

<i>In million EUR</i>	31 December 2016 (audited)	31 December 2017 (audited)	31 March 2018 (unaudited)
Assets			
Non-current assets			
Property, plant and equipment	561.6	710.3	699.0
Intangible assets	224.4	910.6	901.3
Investments in associates	373.7	329.2	257.2
Investment properties	6.2	5.7	5.4
Deferred tax assets	48.2	31.5	30.7
Trade and other receivables	2.8	9.4	10.4
	1,216.8	1,996.6	1,903.9
Current assets			
Assets held for sale	1.5	0.6	1.5
Investment securities	12.0	0.0	0.0
Inventories	36.7	39.1	40.1
Income tax receivable	2.6	1.6	1.6
Trade and other receivables	481.8	719.4	529.1
Cash and cash equivalents	538.9	466.0	616.1
	1,073.5	1,226.7	1,188.4
Total assets	2,290.3	3,223.3	3,092.3
Equity and liabilities			
Equity attributable to equity holders of the Parent			
Issued capital	364.0	364.0	364.0
Reserves	274.2	310.1	351.8
Foreign currency translation	2.5	(11.5)	(27.6)
Retained earnings	135.5	110.9	62.5
	776.3	773.5	750.6
Non-controlling interests	3.1	4.3	4.6
Total equity	779.3	777.8	755.2

Selected financial information

Non-current liabilities			
Interest-bearing loans and borrowings	47.7	58.4	58.0
Employee benefits	356.7	326.9	326.3
Trade and other payables	40.3	45.2	37.9
Provisions	31.6	24.2	22.6
Deferred tax liabilities	1.1	12.3	11.7
	477.3	467.0	456.7
Current liabilities			
Interest-bearing loans and borrowings	10.3	699.9	699.2
Bank overdrafts	0.0	0.0	4.3
Provisions	27.1	21.2	20.1
Income tax payable	31.4	39.3	60.1
Trade and other payables	964.8	1,218.2	1,096.8
	1,033.6	1,978.5	1,880.4
Total liabilities	1,511.0	2,445.5	2,337.1
Total equity and liabilities	2,290.3	3,223.3	3,092.3

3 CONSOLIDATED STATEMENT OF CASH FLOWS

<i>In million EUR</i>	31 December 2016 (audited)	31 December 2017 (audited)	31 March 2018 (unaudited)
Operating activities			
Profit before tax	489.5	488.7	98.1
Depreciation and amortisation	89.8	105.1	35.4
Impairment on bad debts	1.6	3.3	4.1
Gain on sale of property, plant and equipment	(17.0)	(15.9)	(0.2)
Other non-cash items	(0.4)	(8.1)	0.7
Change in employee benefit obligations	4.7	(29.1)	(0.6)
Share of profit of associates	(9.9)	(9.6)	3.8
Dividends received	0.0	11.8	-
Income tax paid	(130.4)	(125.2)	(3.1)
Income tax paid on previous years	(20.9)	(15.0)	(11.8)

Selected financial information

Cash flow from operating activities before changes in working capital and provisions	407.0	405.9	126.3
Decrease/(increase) in trade and other receivables	(6.6)	(91.1)	181.8
Decrease/(increase) in inventories	2.0	(0.3)	1.4
Increase/(decrease) in trade and other payables	(36.7)	(33.3)	(77.1)
Deposits received from third parties	0.0	0.0	0.0
Increase/(decrease) in provisions	(13.1)	(15.2)	(2.7)
Net cash from operating activities	352.6	266.1	229.9
Investing activities			
Proceeds from sale of property, plant and equipment	27.2	24.0	0.3
Acquisition of property, plant and equipment	(72.7)	(96.7)	(12.4)
Acquisition of intangible assets	(12.3)	(24.7)	(2.6)
Acquisition of other investments	(12.0)	12.0	0.5
Acquisition of subsidiaries, net of cash acquired	(89.0)	(666.6)	(64.4)
Net cash used in investing activities	(158.7)	(751.9)	(78.6)
Financing activities			
Proceeds from borrowings and finance lease liabilities	1.6	692.5	-
Payments related to borrowings and financing lease liabilities	(9.7)	(13.7)	(3.6)
Interim dividend paid to shareholders	(212.0)	(212.0)	-
Dividends paid	(48.0)	(50.0)	-
Dividends paid to minority interests	(2.0)	0.0	(0.3)
Net cash from financing activities	(270.1)	416.8	(3.9)
Net increase in cash and cash equivalents	(76.2)	(68.9)	147.4
Net foreign exchange difference	(0.4)	(3.9)	(1.6)

Selected financial information

Cash and cash equivalent less bank overdraft as of 1 January	615.5	538.9	466.0
Cash and cash equivalent less bank overdraft as of 31 December/31 March	538.9	466.0	611.8
Movements between 1 January and 31 December/31 March	(76.6)	(72.9)	145.7

4 **CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

<i>In million EUR</i>	31 December 2016 (audited)	31 December 2017 (audited)	31 March 2018 (unaudited)
Profit for the year	346.2	322.9	62.5
Other comprehensive income			
Other comprehensive income to be reclassified to profit or loss in subsequent periods (net of tax):			
Net gain/(loss) on hedge of a net investment	0.0	2.5	3.2
Exchange differences on translation of foreign operations	1.9	(16.5)	(19.3)
Net other comprehensive income / (loss) to be reclassified to profit or loss in subsequent periods	1.9	(14.0)	(16.2)
Other comprehensive income not to be reclassified to profit or loss in subsequent periods (net of tax):			
Fair value for financial assets available for sale by associates	(12.0)	(42.1)	(8.3)
(Loss) / gain on available for sale financial assets	(18.2)	(75.5)	-
Income tax effect	6.2	33.5	-
Fair value of actuarial results on defined benefit plans	(4.8)	3.1	-
Actuarial gains / (losses) on defined benefit plans	(5.8)	4.3	-
Income tax effect	1.0	(1.2)	-
Net other comprehensive income / (loss) not to be reclassified to profit or loss in subsequent periods	(16.8)	(39.0)	(8.3)
Other comprehensive income / (loss) for the year, net of tax	(14.9)	(53.0)	(24.5)

Selected financial information

Total comprehensive income for the year, net of tax	331.4	270.0	38.0
Attributable to:			
Owners of the Parent	328.9	271.9	38.2
Non-controlling interests	2.5	(2.0)	(0.2)

PART VIII – USE OF PROCEEDS

The net proceeds from the issue of the Notes will be applied by the Issuer for general corporate purposes of the Group, including (without limitation) for the repayment of the Issuer's Bridge Facility Agreement.

PART IX – TAXATION

The following is a general description of certain Belgian tax considerations for investors receiving interests in respect of, or disposing of, the Notes and is of a general nature. This description is for general information only. It does not purport to be a complete analysis of all tax considerations relating to the Notes, whether in Belgium or elsewhere.

This general description is based upon the law as in effect on the date of this Prospectus and is subject to any change in law that may take effect after such date (or with retroactive effect). Investors should appreciate that, as a result of changing law or practice, the tax consequences may be otherwise than as stated below. Prospective purchasers of Notes should consult their own professional advisers as to which countries' tax laws could be relevant to acquiring, holding and disposing of Notes and receiving payments of interest, principal and/or other amounts under the Notes and the consequences of such actions under the tax laws of those countries.

For the purpose of the following general description, a Belgian resident is: (a) an individual subject to Belgian personal income tax (*impôt des personnes physiques/personenbelasting*) (i.e., an individual who has his domicile in Belgium or has his seat of wealth in Belgium, or a person assimilated to a Belgian resident (further referred to as a “**Belgian resident individual**”)); (b) a legal entity subject to Belgian corporate income tax (*impôt des sociétés/vennootschapsbelasting*) (i.e., a legal entity that has its registered seat, its principal establishment, or effective place of management in Belgium (further referred to as a “**Belgian resident company**”)); or (c) a legal entity subject to Belgian legal entities tax (*impôt des personnes morales/rechtspersonenbelasting*) (i.e., a legal entity other than a legal entity subject to corporate income tax having its registered seat, its principal establishment, or its effective place of management in Belgium (further referred to as a “**Belgian resident legal entity**”)). A non-resident is a person who is not a Belgian resident for Belgian income tax purposes.

Belgian Withholding Tax

All payments by or on behalf of the Issuer of interest on the Notes are in principle subject to the 30 per cent. Belgian withholding tax on the gross amount of the interest. Both Belgian domestic tax law and applicable tax treaties may provide for a lower or zero rate subject to certain conditions.

In this regard, “interest” means (i) the periodic interest income, (ii) any amount paid by, or on behalf of, the Issuer in excess of the issue price in respect of the relevant Notes (upon full or partial redemption whether or not at maturity, or upon purchase by the Issuer) and, (iii) in case of a disposal of the Notes between two interest payment dates to any third party, excluding the Issuer, the pro rata of accrued interest corresponding to the detention period.

Under Belgian domestic law, however, payments of interest and principal under the Notes by or on behalf of the Issuer may normally be made without deduction of withholding tax in respect of the Notes if and as long as at the moment of payment or attribution of interest they are held by certain eligible investors (the “**Eligible Investors**”, see hereinafter) in an exempt securities account (an “**X-Account**”) that has been opened with a financial institution that is a direct or indirect participant (a “**Participant**”) in the securities settlement system operated by the NBB (the “**NBB-SSS**”). Euroclear, Clearstream, Luxembourg, SIX SIS Ltd., Switzerland and Monte Titoli S.p.A., Italy are direct or indirect Participants for this purpose. Please also see the website of the NBB (<https://www.nbb.be/nl/list-nbb-investor-icsds>).

Holding the Notes through the NBB-SSS enables Eligible Investors to receive the gross interest income on their Notes and to transfer the Notes on a gross basis.

Participants to the NBB-SSS must enter the Notes which they hold on behalf of Eligible Investors in an X-Account.

Eligible Investors are those entities referred to in Article 4 of the Belgian Royal Decree of 26 May 1994 on the deduction of withholding tax (*Arrêté Royal du 26 mai 1994 relatif à la perception et à la bonification du précompte mobilier/Koninklijk Besluit van 26 mei 1994 over de inhouding en de vergoeding van de roerende voorheffing*) which include, *inter alia*:

- (i) Belgian companies as referred to in Article 2, §1, 5°, b) of the Belgian Income Tax Code of 1992;
- (ii) institutions, associations or companies specified in Article 2, §3 of the law of 9 July 1975 on the control of insurance companies other than those referred to in (i) or (iii), and without prejudice to the application of Article 262, 1° and 5° of the Belgian Income Tax Code of 1992;
- (iii) state regulated institutions (*institutions parastatales/parastatalen*) for social security, or institutions which are assimilated therewith, provided for in Article 105, 2° of the Royal Decree implementing the Belgian Income Tax Code 1992 (*arrêté royal d'exécution du code des impôts sur les revenus 1992/koninklijk besluit tot invoering van het wetboek inkomstenbelastingen 1992*);
- (iv) non resident investors provided for in Article 105, 5° of the same Royal Decree;
- (v) investment funds, recognised in the framework of pension savings, provided for in Article 115 of the same Royal Decree;
- (vi) taxpayers provided for in Article 227, 2° of the Belgian Income Tax Code 1992 which have used the income generating capital for the exercise of their professional activities in Belgium and which are subject to non resident income tax (*impôt des non-résidents/ belasting van niet inwoners*) pursuant to Article 233 of the same Code;
- (vii) the Belgian State in respect of investments which are exempt from withholding tax in accordance with Article 265 of the Belgian Income Tax Code 1992;
- (viii) investment funds governed by foreign law which are an indivisible estate managed by a management company for the account of the participants, provided the fund units are not offered publicly in Belgium or traded in Belgium; and
- (ix) Belgian resident corporations, not provided for under (i) above, when their activities exclusively or principally consist of the granting of credits and loans.

Eligible Investors do not include, *inter alia*, Belgian resident investors who are Belgian resident individuals or Belgian resident legal entities, other than those mentioned under (ii) and (iii) above.

Upon opening of an X-Account for the holding of Notes, the Eligible Investor is required to provide the Participant with a statement of its eligible status on a form approved by the Minister of Finance. There is no ongoing declaration requirement to the NBB-SSS as to the eligible status, save that they need to inform the Participant of any change in the information contained in the statement of their eligible status. However, Participants are requested to annually make declarations to the NBB as to the eligible status of each investor from whom they held Notes in an X-Account during the preceding calendar year.

An X-Account may be opened with a Participant by an intermediary (an “**Intermediary**”) in respect of Notes that the Intermediary holds for the account of its clients (the “**Beneficial Owners**”), provided that each Beneficial Owner is an Eligible Investor. In such case, the Intermediary must deliver to the Participant a statement on a form approved by the Minister of Finance confirming that (i) the Intermediary is itself an Eligible Investor and (ii) the Beneficial Owners holding their Notes through it are also Eligible Investors.

These identification requirements do not apply to Notes held in Euroclear, Clearstream, Luxembourg, SIX SIS Ltd., Switzerland and Monte Titoli S.p.A., Italy or any other central securities depository (as defined in

Article 2, 1, 1 of Regulation (EU) No 909/2014 of the European Parliament and of the Council of 23 July 2014 on improving securities settlement in the European Union and on central securities depositories (“CSD”) as Participants to the NBB-SSS (each a “NBB-CSD”), provided that the relevant NBB-CSD (i) only holds an X-Account and (ii) is able to identify the holders for whom they hold Notes in such account. For the identification requirements not to apply, it is furthermore required that the contracts which were concluded by the relevant NBB-CSD as Participants include the commitment that all their clients, holder of an account, are Eligible Investors.

Belgian income tax

Belgian resident individuals

The Notes may only be held by Eligible Investors. Consequently, the Notes may not be held by Belgian resident individuals as they do not qualify as Eligible Investors.

Belgian resident companies

Interest attributed or paid to Belgian resident companies, as well as capital gains realised upon the sale of the Notes are taxable at the ordinary corporate income tax rate of in principle 29.58 per cent. as of assessment year 2019 linked to a taxable period starting at the earliest on 1 January 2018. Furthermore, small and medium-sized companies are taxable at the reduced corporate income tax rate of 20.4 per cent. for the first EUR 100,000 of their taxable base. As of assessment year 2021 linked to a taxable period starting at the earliest on 1 January 2020, the ordinary corporate income tax rate will be 25 per cent., and the reduced corporate income tax rate 20 per cent.

The withholding tax retained by, or on behalf of, the Issuer will, subject to certain conditions, be creditable against any corporate income tax due and any excess amount will in principle be refundable. Capital losses realised upon the sale of the Notes are in principle tax deductible.

Other tax rules apply to investment companies within the meaning of Article 185bis of the Belgian Income Tax Code.

Belgian resident legal entities

Belgian legal entities which qualify as Eligible Investors and which consequently have received gross interest income are required to declare and pay the 30 per cent. withholding tax to the Belgian tax authorities themselves (which withholding tax then generally also constitutes the final taxation in the hands of the relevant investors).

Capital gains and losses realised on the sale of the Notes are not included in the taxable basis of Belgian resident legal entities, unless the capital gains qualify as interest (as defined in the above section entitled “*Belgian Withholding Tax*”).

Belgian non residents

Noteholders who are not residents of Belgium for Belgian tax purposes, who are not holding the Notes through their permanent establishment in Belgium and who do not invest in the Notes in the context of their Belgian professional activity, will in principle not incur or become liable for any Belgian tax on income or capital gains by reason only of the acquisition or disposal of the Notes provided that they qualify as Eligible Investors and that they hold their Notes in an X-Account.

Other Taxes

Tax on stock exchange transactions and tax on repurchase transactions

A stock exchange tax (*taxe sur les opérations de bourse/taks op de beursverrichtingen*) will be levied on the purchase and sale of the Notes on the secondary market if such transaction is either entered into or carried out in Belgium through a professional intermediary.

The rate applicable for secondary sales and purchases through a professional intermediary is 0.12 per cent. with a maximum amount of EUR 1,300 per transaction and per party and collected by the professional intermediary. The tax is due separately from each party to any such transaction, i.e., the seller (transferor) and the purchaser (transferee), both collected by the professional intermediary.

The acquisition of Notes upon their issuance (primary market) is not subject to the tax on stock exchange transactions.

Pursuant to the Law of 25 December 2016 on access to the activity of investment services and on the legal status and supervision of portfolio management and investment advice companies, the scope of application of the tax on stock exchange transactions has been extended as of 1 January 2017 to secondary market transactions of which the order is directly or indirectly made to a professional intermediary established outside of Belgium by (i) a private individual with habitual residence in Belgium or (ii) a legal entity for the account of its seat or establishment in Belgium (both referred to as a “**Belgian Investor**”). In such case, the tax on stock exchange transactions is due by the ordering private individual or legal entity (who will be responsible for the filing of a stock exchange tax return and for the timely payment of the amount of stock exchange tax due) unless that individual or entity can demonstrate that the tax on stock exchange transactions due has already been paid by the professional intermediary established outside Belgium. In the latter case, the foreign professional intermediary also has to provide each client (which gives such intermediary an order) with a qualifying order statement (*bordereau/borderel*), at the latest on the business day after the day on which the relevant transaction was realised. The qualifying order statements must be numbered in series and duplicates must be retained by the financial intermediary. A duplicate can be replaced by a qualifying agent day-today listing, numbered in series. Alternatively, professional intermediaries established outside Belgium have the possibility to appoint a stock exchange tax representative in Belgium, subject to certain conditions and formalities (a “**Stock Exchange Tax Representative**”). Such Stock Exchange Tax Representative will then be liable toward the Belgian Treasury for the tax on stock exchange transactions on behalf of clients that fall within one of the aforementioned categories (provided that these clients do not qualify as exempt persons for stock exchange tax purposes – see below) and to comply with the reporting obligations and the obligations relating to the order statement (*bordereau/borderel*) in that respect.

A tax on repurchase transactions (*taxe sur les reports/taks op de reportverrichtingen*) at the rate of 0.085 per cent. will be due from each party to any such transaction entered into or carried out in Belgium by a Belgian resident investor in which a stockbroker acts for either party (with a maximum amount of EUR 1,300 per transaction and per party).

Neither the tax on stock exchange transactions nor the tax on repurchase transactions will be payable by exempt persons acting for their own account including investors who are not Belgian residents provided they deliver an affidavit to the financial intermediary in Belgium confirming their non-resident status and certain Belgian institutional investors as defined in Article 126/1, 2° of the Code of miscellaneous taxes and duties (*Code des droits et taxes divers/Wetboek diverse rechten en taksen*) for the tax on stock exchange transactions and Article 139, second paragraph, of the same Code for the tax on repurchase transactions.

Tax on securities accounts

Pursuant to the law of 7 February 2018 introducing a tax on securities accounts, a tax of 0.15 per cent. will be levied on Belgian resident and non-resident individuals on their share in the average value of the qualifying financial instruments (including but not limited to shares, notes and units of undertakings for collective investment) held on one or more securities accounts during a reference period of twelve consecutive months starting on 1 October and ending on 30 September of the subsequent year (“**Tax on Securities Accounts**”). The first reference period starts on the day of entry into effect of the Law (i.e., 10 March 2018) and ends on 30 September 2018.

No Tax on Securities Accounts will be due provided the holder’s share in the average value of the qualifying financial instruments on those accounts amounts to less than EUR 500,000. If, however, the holder’s share in the average value of the qualifying financial instruments on those accounts amounts to EUR 500,000 or more, the Tax on Securities Accounts will be due on the entire share of the holder in the average value of the qualifying financial instruments on those accounts (and, hence, not only on the part which exceeds the EUR 500,000 threshold).

Qualifying financial instruments held by non-resident individuals only fall within the scope of the Tax on Securities Accounts provided they are held on securities accounts with a financial intermediary established or located in Belgium. Note that pursuant to certain double tax treaties, Belgium has no right to tax capital. Hence, to the extent the Tax on Securities Accounts is viewed as a tax on capital within the meaning of these double tax treaties, treaty protection may, subject to certain conditions, be claimed.

A financial intermediary is defined as (i) a credit institution or a stockbroking firm as defined by Article 1, §2 and §3 of the Law of 25 April 2014 on the status and supervision of credit institutions and investment companies and (ii) the investment companies as defined by Article 3, §1 of the Law of 25 October 2016 on access to the activity of investment services and on the legal status and supervision of portfolio management and investment advice companies, which are, pursuant to national law, admitted to hold financial instruments for the account of customers.

The Tax on Securities Accounts is in principle due by the financial intermediary established or located in Belgium if (i) the holder’s share in the average value of the qualifying financial instruments held on one or more securities accounts with said intermediary amounts to EUR 500,000 or more or (ii) the holder instructed the financial intermediary to levy the Tax on Securities Accounts due (e.g. in case such holder holds qualifying financial instruments on several securities accounts held with multiple intermediaries of which the average value does not amount to EUR 500,000 or more, but of which the holder’s share in the total average value of these accounts amounts to at least EUR 500,000 EUR). Otherwise, the Tax on Securities Accounts would have to be declared and would be due by the holder itself unless the holder provides evidence that the Tax on Securities Accounts has already been withheld, declared and paid by an intermediary which is not established or located in Belgium. In that respect, intermediaries located or established outside of Belgium could appoint a Tax on the Securities Accounts representative in Belgium, subject to certain conditions and formalities (“**Tax on the Securities Accounts Representative**”). Such a Tax on the Securities Accounts Representative will then be liable towards the Belgian Treasury for the Tax on the Securities Accounts due and for complying with certain reporting obligations in that respect.

Belgian resident individuals will have to report in their annual income tax return various securities accounts held with one or more financial intermediaries of which they are considered as a holder within the meaning of the Tax on Securities Accounts. Non-resident individuals have to report in their annual Belgian non-resident income tax return various securities accounts held with one or more financial intermediaries established or located in Belgium of which they are considered as a holder within the meaning of the Tax on Securities Accounts.

Prospective investors are urged to consult their own tax advisors as to the tax consequences of the application of this new tax on their investment in Notes.

Financial Transactions Tax

The European Commission has published a proposal for a Directive for a common financial transactions tax (the “**FTT**”). The proposal currently stipulates that once the FTT enters into force, the participating Member States shall not maintain or introduce taxes on financial transactions other than the FTT or VAT as provided in the Council Directive 2006/112/EC of 28 November 2006 on the common system of value added tax. For Belgium, the tax on stock exchange transactions and the tax on repurchase transactions should thus be abolished once the FTT enters into force.

The proposal is still subject to negotiation between the participating Member States and therefore may be changed at any time.

Common Reporting Standard

Following recent international developments, the exchange of information will be governed by the Common Reporting Standard (“**CRS**”).

On 15 January 2018, 98 jurisdictions signed the multilateral competent authority agreement (“**MCAA**”), which is a multilateral framework agreement to automatically exchange financial and personal information, with the subsequent bilateral exchanges coming into effect between those signatories that file the subsequent notifications.

More than 50 jurisdictions have committed to a specific and ambitious timetable leading to the first automatic information exchanges in 2017, relating to income year 2016 (“**early adopters**”).

Under CRS, financial institutions resident in a CRS country would be required to report, according to a due diligence standard, financial information with respect to reportable accounts, which includes interest, dividends, account balance or value, income from certain insurance products, sales proceeds from financial assets and other income generated with respect to assets held in the account or payments made with respect to the account. Reportable accounts include accounts held by individuals and entities (which includes trusts and foundations) with fiscal residence in another CRS country. The standard includes a requirement to look through passive entities to report on the relevant controlling persons.

On 9 December 2014, EU Member States adopted Directive 2014/107/EU on administrative cooperation in direct taxation (“**DAC2**”), which provides for mandatory automatic exchange of financial information as foreseen in CRS. DAC2 amends the previous Directive on administrative cooperation in direct taxation, Directive 2011/16/EU.

The Belgian government has implemented DAC2, respectively the Common Reporting Standard, pursuant to the law of 16 December 2015 regarding the exchange of information on financial accounts by Belgian financial institutions and by the Belgian tax administration, in the context of an automatic exchange of information on an international level and for tax purposes (the “**Law of 16 December 2015**”).

As a result of the Law of 16 December 2015, the mandatory automatic exchange of information applies in Belgium (i) as of financial year 2016 (first information exchange in 2017) towards the EU Member States (including Austria, irrespective of the fact that the automatic exchange of information by Austria towards other EU Member States is only foreseen as of income year 2017), (ii) as of financial year 2014 (first information exchange in 2016) towards the US and (iii) with respect to any other jurisdictions that have signed the MCAA, as of the respective date to be further determined by Royal Decree. In a Royal Decree of 14 June 2017, it has been determined that the automatic provision of information has to be provided as from 2017 (for the 2016

financial year) for a first list of 18 jurisdictions, and as from 2018 (for the 2017 financial year) for a second list of 44 jurisdictions.

Investors who are in any doubt as to their position should consult their professional advisers.

Foreign Account Tax Compliance Act

Pursuant to certain provisions of the U.S. Internal Revenue Code of 1986, commonly known as FATCA, a foreign financial institution may be required to withhold on certain payments it makes to persons that fail to meet certain certification, reporting, or related requirements. A number of jurisdictions (including Belgium) have entered into intergovernmental agreements with the United States to implement FATCA (“IGAs”), which modify the way in which FATCA applies in their jurisdictions. Certain aspects of the application of the FATCA provisions and IGAs to instruments such as the Notes, including whether withholding would ever be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Notes, are uncertain and may be subject to change. Even if withholding would be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Notes, such withholding would not apply prior to 1 January 2019. Prospective investors should consult their own tax advisors regarding how these rules may apply to their investment in the Notes.

PART X – SUBSCRIPTION AND SALE

BNP Paribas (having its registered office at 10 Harewood Avenue, London NW1 6AA, The United Kingdom), Merrill Lynch International (having its registered office at 2 King Edward Street, London EC1A 1HQ, United Kingdom) and ING Bank N.V., Belgian Branch (having its registered office at Avenue Marnix 24, 1000 Brussels, Belgium) are acting as joint global coordinators (together, the “**Joint Global Coordinators**”), BNP Paribas, Merrill Lynch International and ING Bank N.V., Belgian Branch are acting as active joint bookrunners (the “**Active Joint Bookrunners**”) and Belfius Bank SA/NV (having its registered office at Karel Rogierplein 11, 1210 Sint-Joost-Ten-Noode, Belgium) and KBC Bank NV (having its registered office at Havenlaan 2, 1080 Brussels, Belgium) are acting as passive joint bookrunners (the “**Passive Joint Bookrunners**” and together with the Active Joint Bookrunners, the “**Joint Bookrunners**” and each a “**Joint Bookrunner**”) and will, pursuant to a subscription agreement dated on or about 5 July 2018 (the “**Subscription Agreement**”), agree with the Issuer, subject to certain terms and conditions, to subscribe, or procure subscribers, and pay for the Notes at the issue price and the other conditions as set out in the Subscription Agreement. The aggregate amount payable for the Notes calculated at the issue price less any due fee will be paid by the Joint Bookrunners to the Issuer in the manner as set out in the Subscription Agreement. Fees and costs in connection with the issue of the Notes to be paid and/or reimbursed by the Issuer to the Joint Bookrunners have been agreed in the Subscription Agreement. The Subscription Agreement will entitle the parties to terminate their obligations in certain circumstances prior to payment being made to the Issuer.

General

The Notes have been offered within the framework of a private placement. Neither the Issuer nor any Joint Bookrunner has taken any action, or made any representation that any action will be taken, in any jurisdiction by the Issuer or the Joint Bookrunners that would permit a public offering of the Notes, or possession or distribution of this Prospectus or any other offering or publicity material relating to the Notes (including roadshow materials and investor presentations) in any country or jurisdiction where action for that purpose is required.

Each Joint Bookrunner has represented, warranted and agreed that it has complied and will comply with all applicable laws and regulations in each country or jurisdiction in which it purchases, offers, sells or delivers Notes or possesses, distributes or publishes this Prospectus or any other offering material relating to the Notes. Persons into whose hands this Prospectus comes are required by the Issuer and the Joint Bookrunners to comply with all applicable laws and regulations in each country or jurisdiction in which they purchase, offer, sell or deliver Notes or possess, distribute or publish this Prospectus or any other offering material relating to the Notes, in all cases at their own expense.

The following sections set out specific notices in relation to certain countries that, if stricter, shall prevail over the foregoing general notice.

Prohibition of Sales to EEA Retail Investors

Each Joint Bookrunner has represented and agreed that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes to any retail investor in the European Economic Area. For the purposes of this provision:

- (a) the expression “retail investor” means a person who is one (or more) of the following:
 - (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, “**MiFID II**”);

- (ii) a customer within the meaning of Directive 2002/92/EC (as amended), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or
 - (iii) not a qualified investor as defined in Directive 2003/71/EC (as amended); and
- (b) the expression “offer” includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes.

Prohibition of sales to consumers in Belgium

Each Joint Bookrunner has represented and agreed that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes in Belgium to consumers (*consommateurs/consumenten*) within the meaning of the Belgian Code of Economic Law, as amended from time to time (*Code de droit économique/Wetboek van economisch recht*) (i.e., any natural person resident or located in Belgium and acting for purposes which are outside his/her trade, business or profession).

United Kingdom

Each Joint Bookrunner has further represented, warranted and undertaken that:

- (a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the UK Financial Services and Markets Act 2000) received by it in connection with the issue or sale of the Notes in circumstances in which Section 21(1) of the UK Financial Services and Markets Act 2000 does not apply to the Issuer; and
- (b) it has complied and will comply with all applicable provisions of the UK Financial Services and Markets Act 2000 with respect to anything done by it in relation to the Notes in, from or otherwise involving the United Kingdom.

United States of America

The Notes have not been and will not be registered under the United States Securities Act of 1933, as amended (the “**Securities Act**”) or with any securities regulatory authority of any state or other jurisdiction of the United States and are subject to U.S. tax law requirements. The Notes may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act.

The Notes are being offered and sold outside the United States to non-U.S. persons in reliance on Regulation S. In addition, until forty days after the commencement of the Offering, an offer or sale of Notes within the United States by any Joint Bookrunner (whether or not participating in the Offering) may violate the registration requirements of the Securities Act.

Each of the Joint Bookrunners has agreed that, except as permitted by the Subscription Agreement, it will not offer, sell or deliver the Notes within the United States.

Eligible Investors

The Notes may be held only by, and transferred only to, eligible investors referred to in Article 4 of the Belgian Royal Decree of 26 May 1994, holding their securities in an exempt securities account that has been opened with a financial institution that is a direct or indirect participant in the NBB-SSS.

PART XI – GENERAL INFORMATION

1. The Prospectus and the issue of the Notes was authorised by resolutions passed by the Board of Directors of the Issuer on 5 June 2018.
2. The Prospectus has been approved by the FSMA on 5 July 2018 in its capacity as competent authority pursuant to Article 13 of the Prospectus Directive and Article 23 of the Prospectus Law. The approval by the FSMA cannot be considered as a judgment as to the opportunity or the quality of the transaction, nor on the situation of the Issuer.
3. The Notes have been accepted for settlement through the securities settlement system of the NBB (National Bank of Belgium, Boulevard de Berlaimont 14, B-1000 Brussels, Belgium). The Notes will have ISIN number BE0002601798 and Common Code 185601382. The Classification of Financial Instruments (CFI) is DBFNFB and the Financial Instrument Short Name (FISN) is BPOST BANK/1,25 BD 20260711 SR.
4. Application is made or will be made for the Notes to be listed and admitted to trading on the regulated market of Euronext Brussels as from the Issue Date. The regulated market of Euronext Brussels is a regulated market for the purposes of MiFID II. The Issuer estimates the costs for the listing of the Notes to be approximately EUR 9,375.
5. Except as set out in this Prospectus, the Issuer is not aware of any governmental, legal or arbitration proceedings during the twelve months preceding the date of this Prospectus which are pending or threatened and which may have, or have had in the recent past, a significant effect on the financial position or profitability of the Issuer or the Group.
6. There has been no significant change in the financial or trading position of the Group since 31 March 2018. There has been no material adverse change in the prospects of the Issuer since 31 December 2017.
7. Where information in this Prospectus has been sourced from third parties, this information has been accurately reproduced and as far as the Issuer is aware and is able to ascertain, to its reasonable knowledge, from the information published by such third parties, no facts have been omitted which would render the reproduced information inaccurate or misleading in any material respect. The source of third party information is identified where used.
8. The Legal Entity Identifier (LEI) of the Issuer is 5493008AAX0BESN9WN06.
9. During the life of the Notes, copies of the following documents will be available, during usual business hours on any weekday (Saturdays and public holidays excepted), for inspection at the registered office of the Issuer (Centre Monnaie – Muntcentrum 1, 1000 Brussels, Belgium), as well as on the Issuer's website (<http://corporate.bpost.be/>):
 - the articles of association (*statuts/statuten*) of the Issuer (in French, Dutch and English);
 - the annual reports and audited consolidated financial statements of the Issuer prepared in accordance with IFRS for the financial years ended 31 December 2016 and 31 December 2017, together with the audit reports thereon (in French, Dutch and English);
 - the financial report and unaudited interim condensed consolidated financial statements of the Issuer prepared in accordance with IFRS for the first financial quarter of 2018 (in French, Dutch and English);
 - a copy of this Prospectus together with any supplement to this Prospectus; and

- a copy of the Agency Agreement and the Clearing Services Agreement.
10. Ernst & Young Bedrijfsrevisoren BCVBA, having its registered office at De Kleetlaan 2, 1831 Diegem, Belgium, represented by Mr Eric Golenvaux (member of the *Institut des Réviseurs d'Entreprises/ Instituut van Bedrijfsrevisoren*), and PVMD Bedrijfsrevisoren BCVBA, having its registered office at Tweekerkenstraat 44, 1000 Brussels, Belgium, represented by Ms Caroline Baert (member of the *Institut des Réviseurs d'Entreprises/Instituut van Bedrijfsrevisoren*), have audited and rendered unqualified audit reports on the audited consolidated financial statements of the Issuer for the financial years ended 31 December 2016 and 31 December 2017.

Issuer

bpost SA/NV
Centre Monnaie – Muntcentrum 1
1000 Brussels
Belgium

Joint Global Coordinators

BNP Paribas
10 Harewood Avenue
London NW1 6AA
United Kingdom

ING Bank N.V., Belgian Branch
Avenue Marnix 24
1000 Brussels
Belgium

Merrill Lynch International

2 King Edward Street
London EC1A 1HQ
United Kingdom

Active Joint Bookrunners

BNP Paribas
10 Harewood Avenue
London NW1 6AA
United Kingdom

ING Bank N.V., Belgian Branch
Avenue Marnix 24
1000 Brussels
Belgium

Merrill Lynch International

2 King Edward Street
London EC1A 1HQ
United Kingdom

Passive Joint Bookrunners

Belfius Bank SA/NV
Karel Rogierplein 11
1210 Sint-Joost-Ten-Node
Belgium

KBC Bank NV
Havenlaan 2
1080 Brussels
Belgium

Agent

BNP Paribas Securities Services, Belgian branch

Rue de Loosum 25
1000 Brussels
Belgium

Legal Advisors

To the Issuer

Linklaters LLP

Rue Brederodestraat 13
1000 Brussels
Belgium

To the Joint Bookrunners

Clifford Chance LLP

Avenue Louise 65, box 2
1000 Brussels
Belgium

Auditors

Ernst & Young Bedrijfsrevisoren BCVBA

De Kleetlaan 2
1831 Diegem
Belgium

PVMD Bedrijfsrevisoren BCVBA

Tweekerkenstraat 44
1000 Brussels
Belgium