

“Swiss Post is taking off!”

**Speech by Peter Hasler
Chairman of the Board of Directors**

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Media Representatives, Ladies and Gentlemen,

Thank you for coming and for your interest in Swiss Post. We are delighted to welcome you to this meeting today.

Swiss Post is taking off! With the adoption of the postal legislation by Parliament, the future regulatory framework in which Swiss Post can continue to develop successfully as a modern enterprise is now clearly defined. The public institution of Swiss Post is being transformed by special statutory regulations into a public company in which the Confederation holds a majority stake. The Group unit PostFinance will become PostFinance Ltd, under the ownership of the future Swiss Post Ltd. These measures will provide legal and planning certainty in a significantly evolving postal market and will also ensure that Swiss Post gains room for manoeuvre. This will benefit both our business and our private customers, since it enables us to be even more flexible in meeting their various needs. Swiss Post will thus be able to hold its ground in future in the face of increasing competition, while at the same time offering an excellent basic service nationwide.

For Swiss Post it was and remains important that it has clarity on the future framework conditions and is given an up-to-date legal status. It is therefore pleased that the draft bills revised by Parliament have been adopted with a relatively clear majority in the final round of voting. Swiss Post has always maintained that the question of abolishing the residual monopoly is not the decisive factor. It already generates around 80% of its sales in a competitive

environment and is well prepared for full deregulation. It can live with or without a residual monopoly; however the politicians decide on this issue, Swiss Post will react accordingly.

Permit me to look back briefly. Swiss Post has had an eventful yet extremely positive year. It has once again fulfilled its mandate to a high standard and has achieved its targets. These show, impressively,

- the levels of satisfaction among our customers,
- the levels of employee satisfaction,
- the numbers of letters, parcels and payments processed
- or the numbers of passengers.
- Further significant and most pleasing evidence of Swiss Post's excellent performance in this business year is the extremely good result that we are achieving.

Swiss Post has managed all this even though it has already faced competition for years. This also applies even though the residual monopoly for letters up to 50 grams is being maintained for the time being. After all, it is the letters business that is facing stiff competition from e-mail and text messages, which are responsible for the marked decline in volume. However, Swiss Post is not simply standing by and doing nothing, but is continuously developing innovative solutions at the interface of physical and electronic mail. Thanks to the confidence it enjoys and its expertise in this area, it is destined to do so.

The traditional core business nevertheless remains an important source of income, and Swiss Post remains a Swiss enterprise.

The Board of Directors and Executive Management have reviewed the strategy and focused it even more rigorously on four areas of activity: communications market, logistics market, retail finance market and public passenger transport. It is derived from the Federal Council's strategic objectives for the period to 2013. Among the things expected of us are:

- to provide a basic postal and payments service in all regions of Switzerland,
- to achieve a self-financing level of 100 per cent
- to ensure the value of the enterprise in the long term,
- and to be able to compete as a customer-oriented and innovative enterprise.

It therefore appears that we are able to fulfil the Federal Council's expectations for 2010 extremely well.

The aim of Swiss Post in the four markets is to consolidate its leading position in Switzerland. It is therefore pursuing the following strategic thrusts:

- high-quality services for private and business customers
- fair-market prices,
- sustainable, profitable growth,
- socially responsible cost efficiency

- and, finally, making optimum use of the new regulatory framework from the postal legislation.

Swiss Post is developing abroad gradually, in order to safeguard the Swiss market and to grow it successfully in niche areas. We shall not risk any adventures. With a very low financial commitment, we shall endeavour to increase revenue gradually to a level in the tens of millions in the period to 2010.

In terms of customer satisfaction and staff commitment, we have set measurable quantitative targets. Furthermore, we have agreed a comprehensive environmental strategy with reduction targets. Specifically, the units will introduce a number of measures aimed at significantly reducing CO₂ emissions.

Swiss Post is a modern, innovative and competitive service enterprise. Every day it provides a basic service for the public and the economy, fulfilling this enormous task profitably. It has valiantly weathered the storms and crises of the recent past and has made great progress in 2010.

Swiss Post remains a robust presence and is ready to meet its future challenges. In the future, the needs of private and business customers are expected to become more individualized, demand even greater flexibility, and be focused even more sharply on sustainability and environmental awareness. I am looking forward to facing the coming challenges with my colleagues

from the Board of Directors and Executive Management. Together we will ensure that the enterprise remains healthy and versatile, so that Swiss Post will really be able to take off in the future!

Thank you for your attention. I now give the floor to our CEO, Jürg Bucher.