

Posten Norden

Interim Report January-June 2010

- Net sales totalled SEK 21,149m (22,775)
- Operating earnings totalled SEK 793m (690)
- Earnings before tax totalled SEK 796m (894)
- Excluding participations in the earnings of De Post-La Poste which was sold in July 2009, net earnings totalled SEK 607m (456)
- Reported net earnings totalled SEK 607m (708)



CONTENTS

| | |
|--|-------|
| Message from the CEO | p. 3 |
| Net sales and earnings | p. 4 |
| Financial position | p. 5 |
| Cash flows | p. 5 |
| Parent company | p. 5 |
| Risks and uncertainties for the group and the parent company | p. 6 |
| Consolidated financial statements | p. 7 |
| Notes, consolidated statements | p. 10 |
| Parent company financial statements | p. 17 |
| Notes, parent company statements | p. 18 |
| Quarterly data | p. 19 |

Financial calendar

Interim Report January-September 2010
published 9 November 2010

Year-end Report 2010
published in February 2011

Contact information

Director of Corporate Communications

Per Mossberg, +46(0)8 781 11 94

Chief Financial Officer

Bo Friberg, +46(0)8 781 15 29

Vice President Investor Relations

Oscar Hyléen, +46(0)8 781 14 93

ir@posten.se

Every care has been taken in the translation of this interim report. In the event of discrepancies, however, the Swedish original will supersede the English translation.

Posten Norden's mission

- Posten Norden connects people and businesses reliably, efficiently and on time.

Posten Norden's vision

- Posten Norden delivers world-class communication and logistics solutions to satisfied customers.
- Posten Norden develops strong, profitable international logistics and information logistics operations through ownership, partnership and collaboration.
- Posten Norden is an attractive, stimulating workplace with committed, motivated employees.
- Posten Norden is an environmentally correct choice for its customers.

Improved operating earnings achieved through long-term cost adjustments

The group was formally established on 24 June 2009 and consolidated as of 1 July 2009. Information for calendar year 2009 and quarterly data prior to July 2009 are pro forma.

- Net sales totalled SEK 21,149m (22,775)
- Operating earnings totalled SEK 793m (690)
- Earnings before tax totalled SEK 796m (894)
- Excluding participations in the earnings of De Post-La Poste which was sold in July 2009, net earnings totalled SEK 607m (456)
- Reported net earnings totalled SEK 607m (708)

Key ratios

| SEKm, unless otherwise specified | Pro forma | | | | Pro forma | | | | |
|---|----------------------|-----------------|--------|-------------------|----------------------|-----------------|--------|-------------------|---------------------|
| | Jan-Jun 2010 | Jan-Jun 2009 | Change | | Apr-Jun 2010 | Apr-Jun 2009 | Change | | Jan-Dec 2009 |
| Net sales | 21,149 ¹⁾ | 22,775 | -1,626 | -7% ¹⁾ | 10,231 ²⁾ | 10,996 | -765 | -7% ²⁾ | 44,633 |
| Operating earnings | 793 | 690 | 103 | 15% | 261 | 89 | 172 | n/a | 284 |
| Operating margin, % | 3.7 | 3.0 | 0.7 | | 2.5 | 0.8 | 1.7 | | 0.6 |
| Earnings before tax | 796 | 894 | -98 | -11% | 254 | 195 | 59 | 30% | 2,439 ³⁾ |
| Net earnings | 607 | 708 | -101 | -14% | 185 | 177 | 8 | 5% | 2,414 ³⁾ |
| Cash flow from operating activities | 941 | | | | 808 | | | | |
| ROE, %, rolling 12-month period | 19 | 16 | 3 | | 19 | 16 | 3 | | 20 |
| Equity-assets ratio, % at end of period | 43 | 42 | 1 | | 43 | 42 | 1 | | 45 |
| Average number of employees | 43,934 | 47,959 | -4,025 | | 43,286 | 47,685 | -4,399 | | 47,625 |

¹⁾ Net sales decreased 2% excluding structural and currency changes.

²⁾ Net sales decreased 2% excluding structural and currency changes.

³⁾ Includes capital gain of SEK 2,002m on the sale of Post Danmark A/S's share of Belgian Post De Post-La Poste in July 2009.

Message from the CEO

Postal markets throughout the world are undergoing sharp volume contractions due to substitution and the effects of the economic downturn. This means that costs must be adjusted to the new volume levels so that profitability can be maintained and the universal service obligations can be fulfilled.

Posten Norden's operating earnings increased 15 per cent during the first six months of 2010, due primarily to long-term efforts made in recent years to adjust capacity and costs to lower volumes and to synergy effects of the merger. Net sales, excluding structural and currency changes, fell by 2 per cent during the same period.

Measures taken on the cost side had a tangible impact on group earnings during the period. This is illustrated not least by the improvement in business area Mail Denmark's operating earnings. The Danish market, however, shows continued sharp letter volume contractions of over 10 per cent, and an equivalent degree of cost cuts can henceforth not be expected.

In Sweden the economic recovery had a positive impact on letter volumes, but we are aware that sharp volume

contractions will characterise the market going forward. Capacity adjustments in business area Mail Sweden, which had a positive impact on earnings as early as the first six months of 2009, will continue.

Demand for business area Logistics's services increased despite continued intense competition, and the business area reported increased earnings, excluding structural and currency changes, in the second quarter of 2010. The trend for Informationlogistics is also positive, though the business area has some way to go before it attains a positive result.

Our efforts to create the Nordic region's best communication and logistics company are underway. We are capitalising on the synergy effects of the merger according to plan, and we are continuously identifying new cost-saving opportunities. Posten Norden is well-equipped to meet our customers' needs, and I am confident about the group's continued progress.

Lars G Nordström

Net sales and earnings

Jan-Jun (2009 pro forma)

| SEKm | Net sales | | | | Operating earnings | | | |
|----------------------------|---------------|---------------|------------|--|--------------------|------------|------------|--|
| | 2010 | 2009 | Change | Change excl. structural and currency changes | 2010 | 2009 | Change | Change excl. structural and currency changes |
| Mail Denmark | 5,730 | 6,934 | -17% | -8% | 448 | 380 | 18% | 31% |
| Mail Sweden | 7,774 | 7,971 | -2% | -2% | 419 | 488 | -14% | -14% |
| Informationlogistics | 1,782 | 1,990 | -10% | 2% | -21 | -79 | 73% | 79% |
| Logistics | 6,150 | 6,383 | -4% | 0% | -22 | -103 | 79% | 75% |
| Other and eliminations | -287 | -503 | | | -31 | 4 | | |
| Posten Norden Group | 21,149 | 22,775 | -7% | -2% | 793 | 690 | 15% | 19% |

Apr-Jun (2009 pro forma)

| SEKm | Net sales | | | | Operating earnings | | | |
|----------------------------|---------------|---------------|------------|--|--------------------|-----------|-------------|--|
| | 2010 | 2009 | Change | Change excl. structural and currency changes | 2010 | 2009 | Change | Change excl. structural and currency changes |
| Mail Denmark | 2,696 | 3,379 | -20% | -10% | 171 | 113 | 51% | 64% |
| Mail Sweden | 3,796 | 3,868 | -2% | -2% | 119 | 192 | -38% | -38% |
| Informationlogistics | 874 | 951 | -8% | 5% | -10 | -77 | 87% | 87% |
| Logistics | 3,002 | 3,076 | -2% | 1% | -20 | -109 | 82% | 73% |
| Other and eliminations | -137 | -278 | | | 1 | -30 | | |
| Posten Norden Group | 10,231 | 10,996 | -7% | -2% | 261 | 89 | 193% | 198% |

Change in net sales over previous year

| | Jan-Jun | | Apr-Jun | |
|--|---------------|-------------------|---------------|-------------------|
| | SEKm | % | SEKm | % |
| 2009 pro forma | 22,775 | | 10,996 | |
| Structural changes | -169 | -1% ¹⁾ | -82 | -1% ¹⁾ |
| Currency changes, translation of foreign net sales | -951 | -4% ²⁾ | -496 | -4% ²⁾ |
| Price and volume changes | -506 | -2% | -187 | -2% |
| 2010 | 21,149 | | 10,231 | |

¹⁾ Change is attributable to business area Informationlogistics's divestment of the Supplies division.

²⁾ The currency change is primarily attributable to the weakening of the Danish krone against the Swedish krona.

January-June (2009 pro forma)

Net sales, excluding structural and currency changes, fell by 2%. The effect of electronic substitution on letter volumes is greatest in Denmark, where the economy has not yet fully recovered. In Sweden, both letter and direct mail volumes have been positively impacted by the incipient economic recovery. All in all, however, volumes for the first half-year were lower than during the corresponding period last year. Informationlogistics succeeded in winning new customer contracts which contributed to a rise in net sales, excluding structural and currency changes, despite price pressure and substitution. Demand for Logistics services continued to recover, which in combination with a market characterised by overcapacity and price pressure led to stable earnings, excluding structural and currency changes.

The improved operating earnings are attributable primarily to the adjustment of costs to lower volumes and to the effects of the ongoing action programmes. The previously identified synergy effects of approximately SEK 1 billion were realised according to plan, including the unification of the SAP system in Denmark. The fact that Mail Sweden's operating earnings nevertheless decreased is a result of the high costs incurred during the period, particularly during the second quarter, in association with early retirement pensions and the implementation of cost-saving projects. The average number of employees was approximately 4,000 less than last year, attributable primarily to Mail Denmark and Mail Sweden. Group operating costs fell by 3%, excluding structural and currency changes.

Net financial items totalled SEK 3m (204). The year-on-year difference is due mainly to the divestiture of Post Danmark A/S's shareholdings in the Belgian Post, De Post-La Poste, during the third quarter of 2009. Net financial items, excluding participations in associated companies and joint ventures, totalled SEK 3m (-48). The year-on-year improvement is primarily due to increased liquidity and the amortisation of interest-bearing liabilities following the receipt of SEK 4,044m in proceeds from the sale of Post Danmark's shareholdings in the Belgian Post, De Post-La Poste.

Net earnings totalled SEK 607m (708). Tax totalled SEK -189m (-186).

Return on equity (rolling 12-month) totalled 19 (16)%.

April-June (2009 pro forma)

The second quarter is normally a seasonally weaker quarter.

Net sales, excluding structural and currency changes, fell by 2%. The negative trend for Mail Denmark intensified during the quarter. This is explained in part by the revenue generated by voting card and special pension mailings in April-June 2009. Volumes for Mail Sweden recovered during the second quarter. Logistics's earnings increased despite the negative impact of the transport strike in Norway.

The group reported increased operating earnings for the period. The improvement is attributable primarily to action programme implementation according to plan. Logistics's operating earnings were also positively impacted by VAT reimbursement following the amended interpretation of Norwegian VAT regulations.

Net financial items totalled SEK -7m (106). The explanation for this result is the same as for the interim period above. Net earnings totalled SEK 185m (177). Tax totalled SEK -69m (-18).

Financial position

Group equity totalled SEK 11,772m as of 30 June 2010, down SEK 1,586m from 31 December 2009. The result was impacted by the dividend of SEK 1,440m distributed in April 2010. Currency changes produced a translation effect of SEK -731m, primarily in terms of DKK, EUR and NOK. The equity/assets ratio totalled 43%, as compared to 45% as of 31 December 2009.

Net financial position totalled SEK 3,844m, down SEK 698m from 31 December 2009. Excluding pensions, the net financial position totalled SEK 2,220m, a decrease of SEK 1,013m from 31 December 2009. The change is primarily attributable to a reduction in cash and cash equivalents following the dividend of SEK 1,440m distributed. Contributions totalling SEK 155m (0) were received from Posten's Pension Fund.

Consolidated statement of net financial position

| Net financial position, SEKm | Pro forma | | |
|---|----------------|----------------|----------------|
| | 2010 30 Jun | 2009 30 Jun | 2009 31 Dec |
| Financial investments | 148 | 132 | 149 |
| Long-term receivables | 16 | 24 | 14 |
| Short-term investments | | 71 | 1 |
| Cash and cash equivalents | 3,790 | 1,774 | 4,852 |
| Total financial assets | 3,954 | 2,001 | 5,016 |
| Long-term interest-bearing liabilities | 872 | 1,956 | 1,193 |
| Current interest-bearing liabilities | 882 | 323 | 610 |
| Total financial liabilities | 1,754 | 2,279 | 1,803 |
| Net financial position excl. pensions | 2,200 | -278 | 3,213 |
| Long-term receivables, pension-related assets | 3,225 | 2,598 | 2,994 |
| Pension provisions, pension-related liabilities | 1,581 | 1,407 | 1,665 |
| Net financial position incl. pensions | 3,844 | 913 | 4,542 |

Cash flow

January-June

Cash flows from operating activities totalled SEK 941m, of which changes in working capital totalled SEK -550m. The working capital result is attributable primarily to pension payments of SEK -683m and to a reduction in accounts payable of SEK -102m. A reduction in accounts receivable of SEK 359m and a contribution from Posten's Pension Fund of SEK 155m had a positive impact on working capital cash flows.

Cash flows from investment activities totalled SEK -465m, SEK -425m of which is attributable to tangible fixed assets and SEK -97m to intangible fixed assets. The tangible investments were made primarily in vehicles and the intangible investments primarily in the integration of a joint business system.

Cash flows from financing activities totalled SEK -1,498m. Dividends of SEK 1,440m and SEK 3m were distributed to parent company shareholders and to minority shareholders, respectively, in 2010. Cash and cash equivalents totalled SEK 3,790m at the end of the period, down SEK 1,062m from 31 December 2009, SEK -40m of which is attributable to exchange rate differences.

April-June

Cash flows from operating activities totalled SEK 808m, of which changes in working capital totalled SEK 160m. The working capital result is attributable primarily to an increase in accounts payable of SEK 132m, a reduction in accounts payable of SEK 390m and pension payments of SEK -341m. Contributions of SEK 155m were received from Posten's Pension Fund.

Cash flows from investment activities totalled SEK -292m, SEK -280 of which is attributable to tangible fixed assets and SEK -27m to intangible fixed assets. The tangible investments were made primarily in vehicles and the intangible investments primarily in the integration of a joint business system.

Cash flows from financing activities totalled SEK -1,531m. Dividends of SEK 1,440m and SEK 3m were distributed to parent company shareholders and to minority shareholders, respectively, in 2010. Cash and cash equivalents totalled SEK 3,790m at the end of the period, down SEK 1,024m from 31 December 2009, SEK -9m of which is attributable to exchange rate differences.

Parent company

The parent company has run an extremely limited operation and has only one employee, the President/CEO. No net sales were reported for the period. Of the total incurred costs of SEK 10m, SEK 7m were attributable to personnel costs for the CEO. Financial items totalled SEK -45m, all of which is attributable to currency effects. Earnings before tax totalled SEK -55m. No cash and cash equivalents were reported and no investments in tangible fixed assets were made.

Risks and uncertainties for the group and the parent company

The risks, risk management and factors that may impact the operations of the parent company and the group are described in Posten Norden's 2009 Annual Report.

Changes thereto are set forth below.

Swedish and Danish postal legislation will change in light of new EU regulations (the Postal Directive) which are aimed at breaking up remaining postal monopolies. In Sweden, the parliament has adopted a resolution that will come into effect on 1 September 2010. The new Swedish law also includes regulations that exceed those in the EU's Postal Directive, such as increased requirements for national operator pricing transparency and the retention of the price ceiling. At the same time, Posten Norden's main competitor – owned by the Norwegian Post – is not subject to these EU-specific regulations. Accordingly, Posten Norden deems that there is a risk of distorted competition and a risk that the owner's return requirements may not be attainable.

In late May 2010, a broad political majority in Denmark reached an agreement to guarantee universal postal services on a de-regulated postal market. Under the agreement, Post Danmark is commissioned to maintain distribution obligations during the period 2011-13. This

means that 6-day-per-week postal distribution will continue and that Post Danmark is obliged to transport letters weighing up to 2 kilos and parcels weighing up to 20 kilos. At the same time the remaining liberalisation of the Danish postal market will be implemented as of 31 December 2010; postal operators will require a licence, and a fund to finance the net costs of the universal postal service obligation will be established to which all postal operators shall contribute. There is also political consensus on facilitating the continuation of commercial operations by means of offering reductions within selected high-cost areas and by adjusting the letter pricing framework. The Government is expected to propose legislation in this area during autumn 2010.

Bring Citymail, owned by the Norwegian state-owned Posten Norge which holds a monopoly in its home market, sued Posten in the Swedish Market Court in February 2010. Bring Citymail claimed that Posten should terminate the discount it offers to customers with large pre-sorted mailings. The Competition Authority has previously tried the issue and dismissed the case in December 2009 based on lack of any grounds to further investigate the matter.

This semi-annual report provides a fair and accurate overview of the parent company's and group's operations, financial position and earnings, and describes significant risks and uncertainties faced by the parent company and companies within the group.

Stockholm, 31 August 2010
Posten Norden AB (Publ)

Fritz H. Schur
Chairman

Mats Abrahamsson
Member of the Board

Ingrid Bonde
Member of the Board

Gunnel Duveblad
Member of the Board

Bjarne Hansen
Member of the Board

Torben Janholt
Member of the Board

Anne Birgitte Lundholt
Member of the Board

Richard Reinius
Member of the Board

Lars Chemnitz
Employee representative

Alf Mellström
Employee representative

Kjell Strömbäck
Employee representative

Lars G Nordström
President and CEO

This report has not been audited.

Consolidated financial statements

Income statement

| SEKm | Note | Pro forma | | | Pro forma | | | Jan-Dec 2009 |
|---|------|----------------|----------------|--------|----------------|----------------|--------|----------------|
| | | Jan-Jun 2010 | Jan-Jun 2009 | Change | Apr-Jun 2010 | Apr-Jun 2009 | Change | |
| Net sales | 1, 2 | 21,149 | 22,775 | -7% | 10,231 | 10,996 | -7% | 44,633 |
| Other operating income | | 170 | 129 | 32% | 120 | 56 | 114% | 249 |
| Operating income | 3 | 21,319 | 22,904 | -7% | 10,351 | 11,052 | -6% | 44,882 |
| Personnel costs | 4 | -10,780 | -11,695 | -8% | -5,273 | -5,808 | -9% | -22,633 |
| Transportation costs | | -3,669 | -3,659 | 0% | -1,787 | -1,774 | 1% | -7,561 |
| Other costs | 5 | -5,145 | -5,850 | -12% | -2,568 | -2,866 | -10% | -12,397 |
| Depreciation and impairment of tangible and intangible fixed assets | | -937 | -1,004 | -7% | -463 | -504 | -8% | -2,014 |
| Operating costs | | -20,531 | -22,208 | -8% | -10,091 | -10,952 | -8% | -44,605 |
| Participations in the earnings of associated companies and joint ventures | | 5 | -6 | | 1 | -11 | | 7 |
| OPERATING EARNINGS | | 793 | 690 | 15% | 261 | 89 | 193% | 284 |
| Financial income | | 102 | 75 | 36% | 45 | 27 | 67% | 188 |
| Financial costs | | -99 | -123 | -20% | -52 | -54 | -4% | -251 |
| Participations in the earnings of associated companies and joint ventures | | | 252 | | | 133 | | 2,218 |
| Net financial items | | 3 | 204 | -99% | -7 | 106 | -107% | 2,155 |
| Earnings before tax | | 796 | 894 | -11% | 254 | 195 | 30% | 2,439 |
| Tax | | -189 | -186 | 2% | -69 | -18 | 283% | -25 |
| NET EARNINGS | | 607 | 708 | -14% | 185 | 177 | 5% | 2,414 |
| Attributable to | | | | | | | | |
| Parent company shareholders | | 606 | 709 | | 185 | 177 | | 2,421 |
| Minority interests | | 1 | -1 | | | | | -7 |
| Net earnings per share, SEK | | 0.30 | 0.35 | | 0.09 | 0.09 | | 1.21 |

Comprehensive income statement ¹⁾

| SEKm | Jan-Jun 2010 | Apr-Jun 2010 |
|---|--------------|--------------|
| Net earnings | 607 | 185 |
| Net translation differences ²⁾ | -731 | -177 |
| COMPREHENSIVE EARNINGS | -124 | 8 |
| Attributable to | | |
| Parent company shareholders | -120 | 12 |
| Minority interests | -4 | -4 |

¹⁾ See Accounting Principles for the group, Consolidated Financial Statements.
²⁾ Translation differences are attributable to translation of the group's equity in foreign currency.

Balance sheet

| SEKm | Note | Pro forma | | |
|--|------|---------------|---------------|---------------|
| | | 30 Jun 2010 | 30 Jun 2009 | 31 Dec 2009 |
| | 1, 2 | | | |
| ASSETS | | | | |
| Goodwill | | 2,914 | 3,058 | 3,055 |
| Other intangible fixed assets | | 1,722 | 2,087 | 1,962 |
| Tangible fixed assets | | 8,345 | 9,400 | 9,173 |
| Participations in associated companies and joint ventures | | 99 | 2,073 | 117 |
| Financial investments | | 148 | 132 | 149 |
| Long-term receivables | 6 | 3,241 | 2,622 | 3,008 |
| Deferred tax assets | | 164 | 143 | 168 |
| Total fixed assets | | 16,633 | 19,515 | 17,632 |
| Inventory | | 285 | 346 | 299 |
| Tax assets | | 448 | 498 | 215 |
| Accounts receivable | | 4,136 | 5,181 | 4,495 |
| Prepaid expenses and accrued income | | 1,585 | 1,284 | 1,623 |
| Other receivables | | 542 | 822 | 454 |
| Short-term investments | | | 71 | 1 |
| Cash and cash equivalents | | 3,790 | 1,774 | 4,852 |
| Total current assets | | 10,786 | 9,976 | 11,939 |
| TOTAL ASSETS | | 27,419 | 29,491 | 29,571 |
| EQUITY AND LIABILITIES | | | | |
| EQUITY | | | | |
| Capital stock | | 2,000 | 2,000 | 2,000 |
| Contributed equity | | 9,954 | 9,898 | 9,898 |
| Reserves | | -1,069 | | -343 |
| Retained earnings | | 878 | | 1,712 |
| Total equity attributable to parent company shareholders | | 11,763 | 11,898 | 13,267 |
| Minority interests | | 9 | 415 | 91 |
| TOTAL EQUITY | | 11,772 | 12,313 | 13,358 |
| LIABILITIES | | | | |
| Long-term interest-bearing liabilities | | 872 | 1,956 | 1,193 |
| Other long-term liabilities | | 68 | 397 | 199 |
| Pension provisions | | 1,581 | 1,407 | 1,665 |
| Other provisions | 7 | 1,877 | 1,746 | 1,919 |
| Deferred tax liabilities | | 763 | 907 | 742 |
| Total long-term liabilities | | 5,161 | 6,413 | 5,718 |
| Current interest-bearing liabilities | | 882 | 323 | 610 |
| Accounts payable | | 1,795 | 2,239 | 1,896 |
| Tax liabilities | | 305 | 95 | 145 |
| Other current liabilities | | 1,759 | 2,142 | 1,859 |
| Accrued costs and prepaid income | 8 | 5,238 | 5,479 | 5,274 |
| Other provisions | 7 | 507 | 487 | 711 |
| Total current liabilities | | 10,486 | 10,765 | 10,495 |
| TOTAL LIABILITIES | | 15,647 | 17,178 | 16,213 |
| TOTAL EQUITY AND LIABILITIES | | 27,419 | 29,491 | 29,571 |
| For information on the group's pledged and contingent liabilities, see Note. | | | | |

Cash flow statement ¹⁾

| SEKm | Jan-Jun 2010 | Apr-Jun 2010 |
|---|---------------|---------------|
| OPERATING ACTIVITIES | | |
| Earnings before tax | 796 | 254 |
| Adjustments for non-cash items: | | |
| Reversal of impairments and depreciation | 937 | 463 |
| Capital gain/loss on sale of fixed assets | 11 | 5 |
| Pension provisions | 214 | 145 |
| Other provisions | -220 | -109 |
| Other items not affecting liquidity | -10 | -3 |
| Tax paid | -237 | -107 |
| Cash flows from operating activities before changes in working capital | 1,491 | 648 |
| Cash flows from changes in working capital | | |
| Increase(-)/decrease(+) in accounts receivable | 359 | 390 |
| Increase(+)/decrease(-) in accounts payable | -102 | 132 |
| Pensions | -528 | -186 |
| Other provisions | -54 | -25 |
| Other changes in working capital | -225 | -151 |
| Changes in working capital | -550 | 160 |
| Cash flows from operating activities | 941 | 808 |
| INVESTMENT ACTIVITIES | | |
| Investments in intangible fixed assets | -97 | -27 |
| Investments in tangible fixed assets | -425 | -280 |
| Divestment of other fixed assets, etc. | 38 | 12 |
| Increase(+)/decrease(-) in financial receivables | 19 | 3 |
| Cash flows from investment activities | -465 | -292 |
| FINANCING ACTIVITIES | | |
| Dividend | -1,443 | -1,443 |
| Changes in leasing liabilities | -57 | -23 |
| Redemption, minority Post Danmark A/S | -19 | -15 |
| Increase(+)/decrease(-) in other financial liabilities | 21 | -50 |
| Cash flows from financing activities | -1,498 | -1,531 |
| CASH FLOWS FOR THE PERIOD | | |
| Cash and cash equivalents, beginning of the period | 4,852 | 4,814 |
| Differences in exchange rates in cash and cash equivalents | -40 | -9 |
| Cash and cash equivalents, end of the period | 3,790 | 3,790 |
| ¹⁾ See Accounting Principles for the group, Consolidated Financial Statements. | | |

Changes in equity

Equity attributable to parent company shareholders

| SEKm | Capital stock ¹⁾ | Contributed equity | Accum. translation difference | Retained earnings | Total | Minority interest | Total equity |
|---|-----------------------------|--------------------|-------------------------------|-------------------|---------------|-------------------|---------------|
| Issue in kind | 2,000 | 10,141 | | | 12,141 | | 12,141 |
| Result of issue | | -243 | | | -243 | 415 | 172 |
| 1 Jul 2009 | 2,000 | 9,898 | | | 11,898 | 415 | 12,313 |
| Redemption of Post Danmark A/S shares | | | | | | -317 | -317 |
| Earnings for the period | | | | 1,712 | 1,712 | -6 | 1,706 |
| Other total earnings for the period | | | -343 | | -343 | -1 | -344 |
| Equity carried forward, 31 Dec 2009 | 2,000 | 9,898 | -343 | 1,712 | 13,267 | 91 | 13,358 |
| Equity brought forward, 1 Jan 2010 | 2,000 | 9,898 | -343 | 1,712 | 13,267 | 91 | 13,358 |
| Redemption of Post Danmark A/S shares | | 56 | | | 56 | -75 | -19 |
| Dividend ²⁾ | | | | -1,440 | -1,440 | -3 | -1,443 |
| Earnings for the period | | | | 606 | 606 | 1 | 607 |
| Other total earnings for the period | | | -726 | | -726 | -5 | -731 |
| Equity carried forward, 30 June 2010 | 2,000 | 9,954 | -1,069 | 878 | 11,763 | 9 | 11,772 |

¹⁾ Number of shares is 2,000,000,001: 1,524,905,971 ordinary shares and 475,094,030 series B shares.

²⁾ A dividend of SEK 1,440m (SEK 0.72 per share) was distributed to the owners; Svensk Adressändring AB distributed a dividend of SEK 3m to minority shareholders.

Notes

Pro forma information has not been prepared with the exception of Note, Reporting of Business Segments.

NOTE 1 Accounting principles

COMPLIANCE WITH LEGISLATION AND REGULATIONS

The consolidated financial statements were prepared in accordance with International Financial Reporting Standards (IFRS), issued by the International Accounting Standards Board (IASB), together with interpretation statements from the International Financial Reporting Interpretations Committee (IFRIC), to the extent that they have been approved by the European Commission for application within the European Union. The Swedish Annual Accounts Act and the Swedish Financial Reporting Board's rule RFR 1.3, Supplemental Financial Statements for Groups, were also applied.

CONSOLIDATED FINANCIAL STATEMENTS

The group's interim report is prepared in accordance with IAS 34, Interim Financial Reporting, and with the Annual Accounts Act. The same accounting principles and methods of calculation were used in this interim report as in the 2009 Annual Report.

Pro forma statements have been prepared in order to enable year-to-year comparisons. Pro forma information was prepared for the Income Statement and the Balance Sheet.

CHANGES IN ACCOUNTING PRINCIPLES

The following changes to IFRS and IAS are part of the accounting principles applied in the consolidated financial statements. Changes in principles and subsequent effect on the company's consolidated financial statements are as follows:

- IFRS 3, Business Combinations. Stipulates revised rules for determination of disclosed goodwill and that acquisition costs may not be capitalised; expands definition of 'business combination'; specifies that fair value of consideration shall be determined at acquisition date and that changes in liability related to contingent

consideration occurring up to settlement shall be adjusted in other total results. The new rules also allow the choice between two methods of calculating the minority and specify that additional acquisitions shall be reported as equity transactions after a stipulated level of influence is achieved. The standard shall be applied from 1 January 2010. Application of the new IFRS 3 has not yet had any effect, as no acquisitions have been made.

- IAS 24, Related Party Disclosures. Amendment stipulates that state-owned companies are not automatically considered to be related parties. To be applied from 1 January 2010. The company's disclosures to date concerning transactions with the government have been limited to reports of a non-commercial nature, meaning that related party transactions have involved specific mandates from the state and licences from authorities. The amendments to the standard have therefore not had any bearing on the company's related party disclosure.
- IAS 27, Consolidated and Separate Financial Statements, has been changed with respect to the way in which changes of ownership interest in subsidiaries, effects of goodwill, and profit and loss resulting from changes in ownership shall be reported. Changes of ownership in entities in which controlling influence is retained shall be reported as equity transactions. Profits and losses resulting from the cessation of controlling influence of an entity shall be reported in net profit; the remainder shall be re-valued. In addition, losses shall be allocated to non-controlling interest holdings even where this results in a negative share of equity. The changed standard has not to date affected reported acquisitions.
- Improvements to Standards
 - Change to IFRS 8, Operating Segments. Total assets and liabilities shall be reported in the financial statements in the manner in which they are reported to company management for the man-

agement of operations. Information on assets and liabilities per business segment is reported as for the preceding year. Business segment reporting of assets and liabilities will be reviewed in conjunction with the review of the group's governing principles.

- Change to IAS 1, Presentation of Financial Statements. Refers to a change of classification of current liabilities. The short- or long-term convertibility of an equity instrument shall not affect its classification. The change has not had any effect on the company's reporting.
- Change to IAS 7, Statement of Cash Flows. Costs related to transactions resulting in book assets may be classified within investing activities. The change has not had any effect on the company's reporting.
- Change to IAS 17, Leases. Classification of land and buildings shall allow for the fact that land has an unlimited economic life. The change has not had any effect on the company's reporting of concluded financial leasing contracts.
- Change to Appendix of IAS 18. A further example describing the difference between a selling entity and an entity that operates as agent or intermediary. The change has not affected the company's reporting.
- Change of IAS 36, Impairment of Assets. Goodwill shall be allocated to cash-generating units in the manner in which these units and goodwill are reported to management, although not to exceed the operating unit level. The change has not affected the company's application of the standard.
- Change to IAS 39, Financial Instruments: Recognition and Measurement. Reclassification of cash flow hedges shall be made in the income statement by application of hedge accounting and clarification of the valuation of embedded derivatives. The company's application of the standard has not been affected by the changes.
- Change to IFRIC 9, Reassessment of Embedded Derivatives. Refers to clarification of the interpretation describing that the standard shall not be applied to acquisitions and participations in joint ventures. The clarification has not led to any change in the company's reporting.
- Change to IFRIC 16, Hedges of a Net Investment in a Foreign Operation. Refers to the removal of the restriction to hold hedged instruments for operations that are themselves being hedged. The change has not affected the company's reporting.

NOTE 2 Estimates and assessments

In making these financial reports, the group management has made assessments, estimates and assumptions that affect the group's reported accounts. These estimates and assumptions are based on what is known at the time the financial reports are presented, as well as historical experience and assumptions that the group management considers reasonable under the current circumstances. The conclusions drawn by group management form the basis for the reported values in the accounts. Actual future values, estimates and assessments in future financial reports may differ from those in this report, due to changing environmental factors and new knowledge and experience.

The most significant estimates and assessments for Posten Norden have been made in the areas described below.

POSTAL OBLIGATION

Posten Norden's postal obligation is calculated for stamps which have been sold but not used. Assumptions used in calculating the postal obligation affect the size of the obligation. Assumptions are based on the number of stamps sold to but not used in Sweden and Denmark. Investigations are conducted in Sweden and Denmark to

ensure that the assumptions are reasonable. The size of the obligation may be affected in cases where investigations show changes in the behaviour of the population or where a sample group is not representative of the population.

INTANGIBLE ASSETS

Assumptions are made about future conditions in order to calculate future cash flows that determine the recoverable value of goodwill, brand and customer relations. The recoverable value is compared with the reported value for these assets and forms the basis for possible impairment or reversals. The assumptions that affect the recoverable value most are future volume development, profit margin development, the discount rate and estimated useful life of the asset. If future environmental factors and circumstances change, these assumptions may be affected so that the reported values of intangible assets are changed.

PENSION COMMITMENTS

In the actuarial calculations of Posten Norden's pension commitments, a number of estimates are made in order to set reasonable assumptions. The most significant are the assumption of the discount rate, future expected return on assets under management, wage trends and inflation. Modifications of the assumptions due to changing environmental factors may influence Posten Norden's financial statements if the effects of the revised assumptions should fall outside the "corridor". Modified assumptions also affect the cost forecasts for the upcoming year. A change in the balance between the rate of return and the interest on debt of +/- 0.1 percentage point, other things being equal, impacts earnings by SEK 15m increased or decreased financial cost/income. A change in the discount rate of +/- 0.1 percentage point, other things being equal, leads to an impact on earnings through increased or decreased amortisation of actuarial losses of SEK 30-40m. Changes in inflation or wage trends, individually and all other things being equal, of +/- 0.1 percentage point leads to an impact on earnings through increased or decreased amortisation of actuarial losses of SEK 20-25m.

PROVISIONS

In its conversion into a corporation in Sweden in 1994, Posten Norden assumed a contingent liability (special temporary provisions) such that certain categories of the workforce may choose to retire early, at the age of 60 or 63. The contingent liability is reported as a provision in the balance sheet and is calculated based on previous experience of the proportion of persons who have chosen to exercise their right to early retirement in accordance with these provisions. If the number of those who choose this option should change, the liability will change accordingly. A change of 5 percentage points to the number choosing this option causes an impact on earnings of SEK 15-20m.

TAXES

The capitalisation of tax loss carry-forwards has been assessed based on business plans and estimates of future taxable profits that can utilise tax loss carry-forwards. Estimates have been made of non-deductible costs and non-taxable income in accordance with current tax regulations. Furthermore, consideration has been taken of the next six years' financial results in order to evaluate the reported tax claim at the currently applicable tax rate. Changes to tax legislation in Sweden and other countries where Posten Norden operates and changes in interpretation and application of applicable legislation may influence the size of the reported tax assets and liabilities. Changed circumstances that impact the assumptions will also influence financial results for the year.

NOTE 3 Reporting of business segments

Posten Norden's organisation into business areas is based on the manner in which Posten Norden is governed and activities are reported to management.

Market pricing applies to internal dealings between Posten Norden business areas. There is no latitude for making external purchases where the service in question is available internally. In Posten Norden's operational structure, though not in its legal structure, cost distribution of shared corporate functions is at cost price with full allocation of costs.

Mail Denmark is responsible for Posten Norden's messaging operations in Denmark. The business area is the leader in distribution solutions to, from and within Denmark. Its nationwide messaging services include distribution of letters, periodicals and direct mail as well as drop-off and collection of private parcels.

Mail Sweden is responsible for Posten Norden's messaging operations in Sweden. The business area is the leader in distribution solutions to, from and within Sweden. Its nationwide messaging services include distribution of letters, periodicals and direct mail as well as drop-off and collection of private parcels.

Informationlogistics is responsible for Posten Norden's information logistics operations. The business area develops, produces and delivers systems, services and products for efficient customer communication. The business area also includes labelling and identification solutions.

Logistics is responsible for Posten Norden's logistics operations. With its own capacity in Sweden, Norway, Denmark, Finland, Germany, Belgium and the Netherlands, the business area offers standard parcel, pallet and express services as well as in-night freight forwarding, third-party logistics and shipping.

Other and Eliminations includes the parent company, shared services and corporate functions; the Swedish Cashier Service; internal eliminations; effects of pension conversions in accordance with IAS 19, Employee Benefits; and financial leasing in accordance with IAS 17. Costs for shared services and corporate functions are charged to the business areas.

2010 JAN – JUN

| SEKm | Mail Denmark | Mail Sweden | Information-logistics | Logistics | Other and eliminations | Posten Norden Group |
|---|---------------|---------------|-----------------------|---------------|------------------------|---------------------|
| Net sales, external | 5,581 | 7,711 | 1,761 | 6,092 | 4 | 21,149 |
| Net sales, internal | 149 | 63 | 21 | 58 | -291 | |
| Total net sales | 5,730 | 7,774 | 1,782 | 6,150 | -287 | 21,149 |
| Other operating income, external | -2 | 35 | 13 | 14 | 110 | 170 |
| Other operating income, internal | 956 | 324 | | 629 | -1,909 | |
| Total operating income | 6,684 | 8,133 | 1,795 | 6,793 | -2,086 | 21,319 |
| Personnel costs | -3,902 | -4,139 | -621 | -1,602 | -516 | -10,780 |
| Transportation costs | -348 | -1,283 | -58 | -2,727 | 747 | -3,669 |
| Other costs | -1,764 | -2,194 | -987 | -2,336 | 2,136 | -5,145 |
| Depreciations and impairments | -222 | -98 | -155 | -150 | -312 | -937 |
| Total operating costs | -6,236 | -7,714 | -1,821 | -6,815 | 2,055 | -20,531 |
| Participations in the earnings of associated companies and joint ventures | | | 5 | | | 5 |
| OPERATING EARNINGS | 448 | 419 | -21 | -22 | -31 | 793 |
| Net financial items | | | | | | 3 |
| Earnings before tax | | | | | | 796 |
| Tax | | | | | | -189 |
| Net earnings | | | | | | 607 |
| Assets | 10,818 | 7,097 | 3,260 | 6,216 | 28 | 27,419 |
| Liabilities | 5,278 | 4,912 | 1,734 | 2,881 | 842 | 15,647 |
| Investments in fixed assets | 257 | 19 | 93 | 47 | 106 | 522 |

note 3, cont'd.

2009 JAN - JUN PRO FORMA

| SEKm | Mail Denmark | Mail Sweden | Information- logistics | Logistics | Other and eliminations | Posten Norden Group |
|--|---------------|---------------|---------------------------|---------------|---------------------------|------------------------|
| Net sales, external | 6,771 | 7,928 | 1,953 | 6,243 | -120 | 22,775 |
| Net sales, internal | 163 | 43 | 37 | 140 | -383 | |
| Total net sales | 6,934 | 7,971 | 1,990 | 6,383 | -503 | 22,775 |
| Other operating income, external | 1 | 51 | 14 | 22 | 41 | 129 |
| Other operating income, internal | 758 | 316 | | 643 | -1,717 | |
| Total operating income | 7,693 | 8,338 | 2,004 | 7,048 | -2,179 | 22,904 |
| Personnel costs | -4,520 | -4,180 | -684 | -1,750 | -561 | -11,695 |
| Transportation costs | -410 | -1,316 | -61 | -2,768 | 896 | -3,659 |
| Other costs | -2,117 | -2,259 | -1,162 | -2,462 | 2,150 | -5,850 |
| Depreciations and impairments | -266 | -95 | -170 | -171 | -302 | -1,004 |
| Total operating costs | -7,313 | -7,850 | -2,077 | -7,151 | 2,183 | -22,208 |
| Participations in the earnings of associated companies and joint ventures | | | -6 | | | -6 |
| OPERATING EARNINGS | 380 | 488 | -79 | -103 | 4 | 690 |
| Net financial items | | | | | | 204 |
| Earnings before tax | | | | | | 894 |
| Tax | | | | | | -186 |
| Net earnings | | | | | | 708 |

2010 APR - JUN

| SEKm | Mail Denmark | Mail Sweden | Information- logistics | Logistics | Other and eliminations | Posten Norden Group |
|--|---------------|---------------|---------------------------|---------------|---------------------------|------------------------|
| Net sales, external | 2,624 | 3,766 | 864 | 2,975 | 2 | 10,231 |
| Net sales, internal | 72 | 30 | 10 | 27 | -139 | |
| Total net sales | 2,696 | 3,796 | 874 | 3,002 | -137 | 10,231 |
| Other operating income, external | -2 | 22 | 6 | 8 | 86 | 120 |
| Other operating income, internal | 469 | 163 | | 312 | -944 | |
| Total operating income | 3,163 | 3,981 | 880 | 3,322 | -995 | 10,351 |
| Personnel costs | -1,863 | -2,083 | -310 | -786 | -231 | -5,273 |
| Transportation costs | -168 | -625 | -29 | -1,329 | 364 | -1,787 |
| Other costs | -852 | -1,105 | -476 | -1,152 | 1,017 | -2,568 |
| Depreciations and impairments | -109 | -49 | -76 | -75 | -154 | -463 |
| Total operating costs | -2,992 | -3,862 | -891 | -3,342 | 996 | -10,091 |
| Participations in the earnings of associated companies and joint ventures | | | 1 | | | 1 |
| OPERATING EARNINGS | 171 | 119 | -10 | -20 | 1 | 261 |
| Net financial items | | | | | | -7 |
| Earnings before tax | | | | | | 254 |
| Tax | | | | | | -69 |
| Net earnings | | | | | | 185 |
| Assets | 10,818 | 7,097 | 3,260 | 6,216 | 28 | 27,419 |
| Liabilities | 5,278 | 4,912 | 1,734 | 2,881 | 842 | 15,647 |
| Investments in fixed assets | 171 | 10 | 69 | 23 | 34 | 307 |

note 3, cont'd.

2009 APR – JUN PRO FORMA

| SEKm | Mail Denmark | Mail Sweden | Information-logistics | Logistics | Other and eliminations | Posten Norden Group |
|--|---------------|---------------|-----------------------|---------------|------------------------|---------------------|
| Net sales, external | 3,332 | 3,865 | 933 | 2,989 | -123 | 10,996 |
| Net sales, internal | 47 | 3 | 18 | 87 | -155 | |
| Total net sales | 3,379 | 3,868 | 951 | 3,076 | -278 | 10,996 |
| Other operating income, external | 1 | 16 | 8 | 12 | 19 | 56 |
| Other operating income, internal | 310 | 153 | | 282 | -745 | |
| Total operating income | 3,690 | 4,037 | 959 | 3,370 | -1,004 | 11,052 |
| Personnel costs | -2,241 | -2,060 | -346 | -864 | -297 | -5,808 |
| Transportation costs | -192 | -643 | -28 | -1,349 | 438 | -1,774 |
| Other costs | -982 | -1,094 | -563 | -1,181 | 954 | -2,866 |
| Depreciations and impairments | -162 | -48 | -88 | -85 | -121 | -504 |
| Total operating costs | -3,577 | -3,845 | -1,025 | -3,479 | 974 | -10,952 |
| Participation in the earnings of associated companies and joint ventures | | | -11 | | | -11 |
| OPERATING EARNINGS | 113 | 192 | -77 | -109 | -30 | 89 |
| Net financial items | | | | | | 106 |
| Earnings before tax | | | | | | 195 |
| Tax | | | | | | -18 |
| Net earnings | | | | | | 177 |

2009 JAN – DEC PRO FORMA

| SEKm | Mail Denmark | Mail Sweden | Information-logistics | Logistics | Other and eliminations | Posten Norden Group |
|---|----------------|----------------|-----------------------|----------------|------------------------|---------------------|
| Net sales, external | 12,751 | 15,645 | 3,704 | 12,533 | | 44,633 |
| Net sales, internal | 343 | 149 | 58 | 140 | -690 | |
| Total net sales | 13,094 | 15,794 | 3,762 | 12,673 | -690 | 44,633 |
| Other operating income, external | 12 | 90 | 25 | 46 | 76 | 249 |
| Other operating income, internal | 1,580 | 638 | | 1,314 | -3,532 | |
| Total operating income | 14,686 | 16,522 | 3,787 | 14,033 | -4,146 | 44,882 |
| Personnel costs | -8,509 | -8,177 | -1,303 | -3,425 | -1,219 | -22,633 |
| Transportation costs | -787 | -2,628 | -167 | -5,581 | 1,602 | -7,561 |
| Other costs | -4,538 | -5,129 | -2,305 | -4,846 | 4,421 | -12,397 |
| Depreciations and impairments | -408 | -191 | -370 | -339 | -706 | -2,014 |
| Total operating costs | -14,242 | -16,125 | -4,145 | -14,191 | 4,098 | -44,605 |
| Participations in the earnings of associated companies and joint ventures | | | 7 | | | 7 |
| OPERATING EARNINGS | 444 | 397 | -351 | -158 | -48 | 284 |
| Net financial items | | | | | | 2,155 |
| Earnings before tax | | | | | | 2,439 |
| Tax | | | | | | -25 |
| Net earnings | | | | | | 2,414 |
| Assets | 12,786 | 7,604 | 3,543 | 6,544 | -906 | 29,571 |
| Liabilities | 6,082 | 5,578 | 2,123 | 2,947 | -517 | 16,213 |
| Investments in fixed assets | 402 | 117 | 141 | 175 | 66 | 901 |

Pro forma figures for 2009 information have not been prepared for the Notes with the exception of Note, Reporting of Business Segments.

| NOTE 4 Personnel costs | |
|---|-------------------|
| SEKm | Jan-Jun 2010 |
| Personnel costs | |
| Wages, salaries and other remuneration | 8,289 |
| Statutory social costs | 1,408 |
| Pension costs | 993 |
| Other personnel costs | 90 |
| Total | 10,780 |
| Specification of pension costs | |
| Cost of retirement pensions | 939 ¹⁾ |
| Net cost of early retirement pensions | 54 |
| <i>of which, gross cost of early retirement pensions</i> | <i>127</i> |
| <i>of which, utilisation of provisions for early retirement pensions</i> | <i>73</i> |
| Total | 993 |
| Average number of employees | 43,934 |
| ¹⁾ Costs of retirement pensions include an amortisation effect of actuarial gains and losses totalling SEK -66m. | |

| NOTE 5 Other costs | |
|---|--------------|
| SEKm | Jan-Jun 2010 |
| Cost of premises | 1,123 |
| Provisions ¹⁾ | 37 |
| Terminal fees | 556 |
| Cost of goods and material | 843 |
| Purchased IT resources | 659 |
| Work performed on own account and recognised under assets, IT | -49 |
| Other | 1,976 |
| Total | 5,145 |
| ¹⁾ Of the total amount of SEK 37m, SEK 42m is attributable to provisions and SEK -5m to reversals for personnel reductions. See also Note, Other Provisions, footnote 1. | |

| NOTE 6 Long-term receivables | | | |
|--|--|--------------|--------------|
| SEKm | | 30 Jun 2010 | 31 Dec 2009 |
| Reported value related to funded defined-benefit retirement and early retirement pension plans appraised in accordance with IAS 19 | | 2,438 | 2,342 |
| Reported value related to funded defined-benefit disability pension plans appraised in accordance with IAS 19 | | 219 | 180 |
| Payroll tax receivables attributable to reporting lower pension commitments (under IAS 19) than amounts recognised in the financial statements for legal entities in Sweden in accordance with UFR 4 | | 714 | 621 |
| Payroll tax, health insurance | | -146 | -149 |
| Deposits, property leases | | 7 | 12 |
| Electricity derivatives | | | 1 |
| Other | | 9 | 1 |
| Total | | 3,241 | 3,008 |

| NOTE 7 Other provisions | | | | | | | |
|--|-------------------------|--------------------------------|------------------|------------------|--------------------|-------------------------|-----------------|
| Jan-Jun 2010, SEKm | Balance brought forward | Reclassification ⁶⁾ | Provisions | Reversals | Utilisations | Translation effects | Closing balance |
| Restructuring activities | | | | | | | |
| Personnel reductions, primarily early retirements | 1,052 | 28 | 42 ¹⁾ | -5 ¹⁾ | -259 ²⁾ | -17 | 841 |
| Other closure costs | 88 | | | | -24 ²⁾ | | 64 |
| Future conditional pension benefits | | | | | | | |
| Payroll tax | 222 | | 5 ⁵⁾ | | | | 227 |
| Future conditional pension benefits under IAS 19 | 911 | | 25 ⁵⁾ | | | | 936 |
| Other | | | | | | | |
| Job-related injuries | 66 | | 1 ⁵⁾ | | -5 ³⁾ | | 62 |
| Reversal of pension payments to the Danish state | 26 | | 3 ⁵⁾ | | -7 ²⁾ | -2 | 20 |
| Provision, commemorative awards | 174 | | 4 ⁵⁾ | | -7 ²⁾ | -12 | 159 |
| Other provisions | 91 | | | | -16 ²⁾ | | 75 |
| Total other provisions | 2,630 | 28 | 80 | -5 | -318 | -31⁴⁾ | 2,384 |
| Of which, current provisions | 711 | 3 | | | | | 507 |
| ¹⁾ Impact on earnings: SEK 37m, of which SEK 42m is attributable to provisions and SEK -5m to reversals for personnel reductions. | | | | | | | |
| ²⁾ Change in other income statement items total SEK -313m, of which SEK -278m is attributable to personnel costs. | | | | | | | |
| ³⁾ The change has not been reported in the income statement. | | | | | | | |
| ⁴⁾ A discount effect of SEK 6m is reported in the income statement's financial income and expense. A translation difference regarding currency translation of SEK -37m is reported in the total result; see Comprehensive Income Statement for the group. | | | | | | | |
| ⁵⁾ The effect of provisions and reversals is reported as personnel cost. | | | | | | | |
| ⁶⁾ Reclassification from short- and long-term debt to other provisions. | | | | | | | |

Pro forma figures for 2009 information have not been prepared for the Notes with the exception of Note, Reporting of Business Segments.

NOTE 8 Accrued expenses and prepaid income

| SEKm | 30 Jun 2010 | 31 Dec 2009 |
|--------------------------------------|--------------|--------------|
| Postal obligation, unused stamps | 365 | 376 |
| Accrued payroll expenses | 475 | 612 |
| Holiday pay liability | 2,117 | 2,064 |
| Special payroll tax on pension costs | 190 | 3 |
| Social security contributions | 960 | 995 |
| Accrued interest expense | 2 | 1 |
| Tax on returns | 4 | |
| Terminal fees | 544 | 620 |
| Financial leasing | 18 | 20 |
| Forward currency contracts | 36 | 6 |
| Other items | 527 | 577 |
| Closing balance | 5,238 | 5,274 |

NOTE 9 Assets pledged and contingent liabilities

| SEKm | 30 Jun 2010 | 31 Dec 2009 |
|---|--------------|--------------|
| Assets pledged | | |
| Real estate mortgages | 929 | 1,013 |
| Endowment insurance policy for current and previous employees | 130 | 130 |
| Assets pledged as securities | 16 | 20 |
| Total | 1,075 | 1,163 |
| Contingent liabilities | | |
| Guarantee commitment, PRI | 93 | 93 |
| Guarantee commitment, other | 116 | 127 |
| Dispute ¹⁾ | 106 | 104 |
| Total | 315 | 324 |

¹⁾ Østre Landsret ruled against Post Danmark A/S in a case concerning discriminatory pricing. Post Danmark A/S appealed the decision to Højesteret. In connection with this matter, a competitor filed a claim against Post Danmark A/S. The claim for compensation is contested in its entirety by Post Danmark A/S.

NOTE 10 Transactions with associated parties

SWEDISH STATE

Posten paid SEK 6m to the Post and Telecom Agency (PTS) for permits to run postal operations and SEK 4m for handling dead letters. Posten received disability compensation of SEK 10m for Braille services and services for senior citizens living in sparsely populated areas.

DANISH STATE

During the period, Post Danmark A/S paid premiums of SEK 97m to the Danish state for the group of civil servants employed prior to the corporatisation date. A further SEK 21m is reserved in the balance sheet for any additional obligations to the same group.

OTHER ORGANISATIONS

Posten's insurance association insures Posten Norden's commitments in Sweden for employee disability and family pensions based on ITP-P. During the period, Posten Norden paid premiums of SEK 86m to the association and received compensation totalling SEK 5m. Other compensation from the association was paid directly to the beneficiaries.

Posten's Pension Fund manages pension commitments for Posten AB, Posten Meddelande AB and Posten Logistik AB. The companies capitalise new pension commitments in the fund and receive compensation for pensions paid. Capitalisation of SEK 155m occurred during the period; compensation totalling SEK 155m was received.

NOTE 11 Investment commitments

As of 30 June 2010, Posten Norden had entered into agreements for the acquisition of fixed assets for a value of SEK 350m, mainly for sorting equipment and vehicles.

Parent company financial statements

Income statement

| SEKm | Note | Jan-Jun 2010 | Jan-Jun 2009 | Apr-Jun 2010 | Apr-Jun 2009 | 1 Dec 2008 - 31 Dec 2009 |
|---|------|-----------------|-----------------|-----------------|-----------------|-----------------------------|
| | 1 | | | | | |
| Personnel costs | | -7 | -1 | -3 | -1 | -7 |
| Other costs | | -3 | | -3 | | -3 |
| Total operating costs | | -10 | -1 | -6 | -1 | -10 |
| OPERATING EARNINGS | | -10 | -1 | -6 | -1 | -10 |
| Earnings from participations in group companies | | | | | | 2,044 |
| Interest income and similar income items | | 21 | | 8 | | 9 |
| Interest expense and similar cost items | | -66 | | -5 | | -14 |
| Total financial items | | -45 | | 3 | | 2,039 |
| Earnings before tax | | -55 | -1 | -3 | -1 | 2,029 |
| Tax | | -4 | | -18 | | 4 |
| NET EARNINGS | | -59 | -1 | -21 | -1 | 2,033 |

Balance sheet

| SEKm | Note | 30 Jun 2010 | 30 Jun 2009 | 31 Dec 2009 |
|-------------------------------------|------|---------------|---------------|---------------|
| | 1 | | | |
| ASSETS | | | | |
| Financial assets | 2 | 12,476 | 12,140 | 12,461 |
| Total non-current assets | | 12,476 | 12,140 | 12,461 |
| Current receivables | | 2,755 | 1 | 5,814 |
| Total current assets | | 2,755 | 1 | 5,814 |
| TOTAL ASSETS | | 15,231 | 12,141 | 18,275 |
| EQUITY AND LIABILITIES | | | | |
| Equity | | 12,674 | 12,141 | 14,173 |
| Current liabilities | | 2,557 | | 4,102 |
| TOTAL EQUITY AND LIABILITIES | | 15,231 | 12,141 | 18,275 |
| Contingent liabilities | 3 | 799 | | 741 |

Notes

NOTE 1 Accounting principles

The parent company essentially applies the same accounting principles as the group does. The differences between the parent company's and the group's accounting principles result from the parent company's limitations in applying International Financial Reporting Standards (IFRS) as a consequence of the Swedish Annual Accounts Act and the Law on Safeguarding of Pension Commitments, and are to some extent also based on tax considerations.

PARTICIPATIONS IN SUBSIDIARIES, ASSOCIATED COMPANIES AND JOINT VENTURES

Participations in subsidiaries, associated companies and joint ventures are reported in the parent company using the acquisition cost method. Received dividends are reported as income. Dividends that exceed earnings arising after the acquisition date are viewed as a repayment of the investment and may reduce the reported value of the participation.

DIVIDEND

Anticipated dividends from subsidiaries are reported if the parent company has the exclusive right to determine the size of the dividend and if the parent company has made a decision on the size of the dividend prior to publication of the parent company's financial statements.

EMPLOYEE BENEFITS

Pension commitments for civil servants covered by pension insurance plans are reported in the parent company as defined contribution plans. Other pension costs are included under operating earnings.

FINANCIAL GUARANTEES

The parent company's financial guarantees consist mainly of guarantees for the benefit of subsidiaries and joint ventures. Financial guarantees entail the company pledging to compensate the owner of a debt instrument for losses incurred in the event a debtor does not complete payment on the due date specified in the contract. To report financial guarantee agreements, the parent company applies RFR 2.3, which is somewhat more lenient than the rules in IAS 39 regarding financial guarantee contracts for the benefit of subsidiaries, associated companies and joint ventures. The parent company reports financial guarantee agreements as provisions on the balance sheet when Posten Norden has a commitment for which payment is likely to be required to settle the commitment.

TAXES

The parent company reports untaxed reserves, including its deferred tax liability.

BUSINESS SEGMENT REPORTING

The parent company's operations consist of a sole operation, group functions.

NOTE 2 Financial assets

| SEKm | Jan-Jun | | 1 Dec 2008 - |
|---|---------------|---------------|---------------|
| | 2010 | 2009 | 31 Dec 2009 |
| Balance brought forward | 12,461 | | |
| Issue in kind | | 12,140 | 12,140 |
| Redemption, minority shares in Post Danmark A/S | 19 | | 317 |
| Deferred tax asset | -4 | | 4 |
| Closing balance | 12,476 | 12,140 | 12,461 |

NOTE 3 Contingent liabilities

| SEKm | 30 Jun | | 31 Dec |
|--|------------|----------|------------|
| | 2010 | 2009 | 2009 |
| Warranty, PRI | 740 | - | 740 |
| Guarantees on behalf of subsidiaries ¹⁾ | 59 | - | 1 |
| Total | 799 | - | 741 |

¹⁾ As of 30/6 2010, Posten Norden AB's subsidiary Posten AB had pledged a total of SEK 175m (221) in guarantees for the benefit of wholly-owned subsidiaries.

Quarterly data

| SEKm, unless otherwise specified | 2010 | 2010 | 2009 | 2009 | Pro forma | | | |
|---|---------|----------------------|---------|---------|---------------------|---------|---------|---------|
| | Apr-Jun | Jan-Mar | Oct-Dec | Jul-Sep | 2009 | 2009 | 2008 | 2008 |
| | Apr-Jun | Jan-Mar | Oct-Dec | Jul-Sep | Apr-Jun | Jan-Mar | Oct-Dec | Jul-Sep |
| Posten Norden Group | | | | | | | | |
| Net sales | 10,231 | 10,918 | 11,636 | 10,222 | 10,996 | 11,779 | 12,063 | 10,668 |
| Other operating income | 120 | 50 | 65 | 55 | 56 | 73 | 193 | 152 |
| Operating earnings | 261 | 532 | -685 | 279 | 89 | 601 | 444 | 569 |
| Operating margin, % | 2.5 | 4.9 | neg | 2.7 | 0.8 | 5.1 | 3.6 | 5.3 |
| Earnings before tax | 254 | 542 | -696 | 2,241 | 195 | 699 | 794 | 565 |
| Net earnings | 185 | 422 | -492 | 2,198 | 177 | 531 | 649 | 388 |
| ROE, %, rolling 12-month period | 19 | 18 | 20 | 30 | 16 ¹⁾ | 20 | 27 | 27 |
| Cash flows from operating activities | 808 | 133 | 1,056 | -416 | | | | |
| Equity-assets ratio, % at end of period | 43 | 46 | 45 | 47 | 42 | 43 | 39 | 38 |
| Average number of employees | 43,286 | 44,582 ¹⁾ | 46,010 | 48,556 | 47,685 | 48,233 | 50,898 | 53,541 |
| Mail Denmark | | | | | | | | |
| Net sales | 2,696 | 3,034 | 3,305 | 2,855 | 3,379 | 3,555 | 3,320 | 2,820 |
| <i>Letters, etc.</i> | 2,103 | 2,406 | 2,531 | 2,250 | 2,553 | 2,802 | 2,294 | 2,215 |
| <i>Daily newspapers</i> | 63 | 74 | 81 | 84 | 82 | 97 | 77 | 86 |
| <i>UDM and local news magazines</i> | 266 | 271 | 358 | 325 | 337 | 335 | 370 | 283 |
| <i>Other</i> | 264 | 283 | 335 | 196 | 407 | 321 | 111 | 236 |
| Other operating income | 467 | 487 | 400 | 433 | 311 | 448 | 653 | 422 |
| Operating earnings | 171 | 277 | -69 | 133 | 113 | 267 | 169 | 205 |
| Operating margin, % | 5.4 | 7.9 | neg | 4.0 | 3.1 | 6.7 | 4.3 | 6.3 |
| Average number of employees | 14,908 | 15,817 | 15,228 | 16,294 | 16,641 | 17,117 | 17,265 | 17,767 |
| Volume, millions of units produced | | | | | | | | |
| <i>Letters, etc.</i> | 249 | 281 | 280 | 251 | 276 | 299 | 311 | 278 |
| Mail Sweden | | | | | | | | |
| Net sales | 3,796 | 3,978 | 4,259 | 3,564 | 3,868 | 4,103 | 4,437 | 3,757 |
| <i>Letters</i> | 2,083 | 2,254 | 2,421 | 1,921 | 2,138 | 2,337 | 2,467 | 1,970 |
| <i>Advertisements and newspapers</i> | 1,153 | 1,152 | 1,195 | 1,113 | 1,159 | 1,172 | 1,289 | 1,193 |
| <i>Other</i> | 560 | 572 | 643 | 530 | 571 | 594 | 681 | 594 |
| Other operating income | 185 | 174 | 181 | 180 | 169 | 198 | 235 | 198 |
| Operating earnings | 119 | 300 | -277 | 186 | 192 | 296 | 21 | 239 |
| Operating margin, % | 3.0 | 7.2 | neg | 5.0 | 4.7 | 6.9 | 0.0 | 6.0 |
| Average number of employees | 18,584 | 18,678 | 19,522 | 21,204 | 20,087 | 19,975 | 21,697 | 23,033 |
| Volume, millions of units produced | | | | | | | | |
| <i>Priority mail</i> | 258 | 271 | 283 | 248 | 269 | 288 | 315 | 280 |
| <i>Non-priority mail</i> | 299 | 345 | 339 | 269 | 284 | 353 | 335 | 271 |
| <i>UDM</i> | 587 | 500 | 620 | 510 | 590 | 501 | 657 | 574 |
| Informationlogistics | | | | | | | | |
| Net sales | 874 | 908 | 899 | 873 | 951 | 1,039 | 1,031 | 913 |
| <i>Information Logistics</i> | 730 | 744 | 757 | 740 | 710 | 779 | 772 | 677 |
| <i>Identification Solutions</i> | 144 | 164 | 141 | 113 | 156 | 172 | 161 | 147 |
| <i>Supplies</i> | | | | 20 | 85 ¹⁾ | 88 | 99 | 89 |
| Other operating income | 6 | 7 | 8 | 3 | 8 | 6 | 11 | 74 |
| Operating earnings | -10 | -11 | -191 | -81 | -77 | -2 | -89 | 66 |
| Operating margin, % | neg | neg | neg | neg | neg | neg | neg | 6.7 |
| Average number of employees | 2,120 | 2,256 ¹⁾ | 2,324 | 2,286 | 2,323 | 2,291 | 2,365 | 2,424 |
| Logistics | | | | | | | | |
| Net sales | 3,002 | 3,148 | 3,353 | 2,937 | 3,076 ¹⁾ | 3,307 | 3,324 | 3,149 |
| Other operating income | 320 | 323 | 339 | 356 | 294 | 371 | 400 | 379 |
| Operating earnings | -20 | -2 | -112 | 57 | -109 | 6 | -66 | 41 |
| Operating margin, % | neg | neg | neg | 1.7 | neg | 0.2 | neg | 1.2 |
| Average number of employees | 6,212 | 6,240 | 6,923 | 7,089 | 6,995 | 7,033 | 7,410 | 7,910 |

¹⁾ Previously reported quarterly data has been adjusted.

Posten Norden was formed through the merger of Post Danmark A/S and Posten AB. The group offers communication and logistics solutions to, from and within the Nordic region, with sales exceeding SEK 40 billion and over 40,000 employees. Operations are run through business areas Mail Denmark, Mail Sweden, Logistics and Informationlogistics. The parent company is a Swedish public company headquartered in Solna, Sweden. Read more about Posten Norden at www.postennorden.com.

Sweden

Mailing address: SE-105 00 Stockholm
Visiting address: Terminalvägen 24, Solna
Phone: +46 (0)8 781 10 00

Denmark

Mailing and visiting address:
Tietgensgade 37,
1566 Copenhagen
Phone: +45 33610000