

Interim report

Q1 2015

JANUARY-MARCH 2015

- Net sales totaled SEK 10,033m (9,999).
 - Operating income totaled SEK 312m (106).
 - Net income totaled SEK 203m (100).
 - Cash flow from operating activities totaled SEK 1,140m (-469).
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We deliver! PostNord is the leading supplier of communication and logistics solutions to, from and within the Nordic region. We also ensure the postal service to households and businesses in Sweden and Denmark. With our expertise and strong distribution network, we develop options for tomorrow's communication, e-commerce, distribution and logistics in the Nordic region. In 2014, PostNord had 38,000 employees and sales of SEK 40 billion. The parent company is a Swedish public limited company headquartered in Solna, Sweden. Visit us at www.postnord.com

postnord

FINANCIAL OVERVIEW AND KEY RATIOS

SEKm, unless otherwise specified	Jan-Mar	Jan-Mar	Excl. ¹⁾		Jan-Dec
	2015	2014	Δ	Δ	2014
INCOME ITEMS					
Net sales	10,033	9,999	0%	-2%	39,950
Operating income (EBITDA)	763	524	46%	42%	2,198
Operating margin (EBITDA)	7.6%	5.2%			5.4%
Operating income (EBIT)	312	106			351
Operating margin (EBIT) ²⁾	3.1%	1.1%			0.9%
Adjusted operating income (EBIT) ³⁾					861
Adjusted operating margin (EBIT) ^{2) 3)}					2.2%
Income before tax	290	85			245
Net income	203	100			176
CASH FLOWS					
Cash flows from operating activities	1,140	-469			670
FINANCIAL POSITION					
Financial preparedness	4,466	2,993	49%		3,843
Net debt	3,113	2,128	46%		3,672
KEY RATIOS					
Earnings per share, SEK	0.10	0.05			0.09
Net debt/EBITDA, times	1.3	1.0			1.7
Net debt ratio	41%	23%			46%
Return on capital employed (ROCE)	4.7%	4.0%			3.1%
Average number of employees ⁴⁾	34,970	37,151	-6%		37,407

1) Change excluding acquisitions/divestments and currency.

2) New definition of operating margin (operating income as % of net sales). See note 7, Definitions

3) No items affecting comparability in the first quarter 2015/2014.

4) 2014 years numbers are adjusted for change in calculations, e.g. terminated staff in "Futurum" are no longer included.

CEO COMMENTS

SECURING LONG-TERM PROFITABILITY AND COMPETITIVENESS

The market is characterized by continued decline in the mail business, especially in Denmark, while e-commerce is showing strong growth. The restructuring program to phase out just under 800 administrative positions has now been concluded.

During the quarter, we signed several substantial service logistics contracts for home delivery of food groceries, laundry and other consumer items, and we also signed new parcel delivery contracts. The e-commerce segment continues to show rapid growth and B2C parcel volumes rose 21% year-on-year. In the wake of continued digitalization, mail volumes continued to decline, especially in Denmark. In total, mail volumes declined year on year by 7% in the first quarter, 15% in Denmark and 5% in Sweden.

Group operating income totaled SEK 312m (106) in the first quarter. The restructuring programs completed are yielding results, but with mail volumes continuing to decline, continuous efficiency improvements in both production and administration are essential. As part of our capital efficiency program, we have entered into an agreement to divest a property in central Copenhagen for a price of DKK 925m. The agreement will come into force at the end of the second quarter. The office will relocate to leased premises near Copenhagen.

Late April saw the verdict of the European Court of Justice on the case brought by the European Commission against the Swedish State for non-implementation of EU rules regarding value added tax on postal services. The verdict went in the Commission's favor, with the result that postal services not covered by individually negotiated agreements are to be VAT-exempted. PostNord awaits changes in Swedish legislation on VAT.

In Denmark, a planned review of the country's postal regulation is in progress. In Sweden, a special commission on postal legislation has been announced. It is vital that changes in the postal regulations should be based on the continually changing needs of customers, primarily through digitization and the growth in e-commerce, and should therefore be governed by sustainable economic conditions.

The results from the quarter confirm that we are on the right path, but given the continued decline in mail volumes, more restructuring work will be needed as well as continue to create the right conditions to build a stronger and better integrated PostNord. We will make sure that we deliver on our promises.

Håkan Ericsson
President & CEO

IMPORTANT EVENTS IN JANUARY-MARCH

Cost-saving program

The restructuring program to phase out just under 800 positions in administration and other support functions was concluded. The majority of the positions will be eliminated by mid-year. It is estimated that the program will bring annual savings of around SEK 500m.

Evaluation of conditions for a possible divestment of the Strålfors business

A possible divestment of the Strålfors business continues to be evaluated. The major part of the fulfilment business operated by Strålfors has been transferred to PostNord Sweden and will not be affected by any divestment.

Divestment of property in Denmark

During the quarter, we entered into an agreement to divest a property in central Copenhagen for a price of DKK 925m. The agreement will enter into force at the end of the second quarter.

IMPORTANT EVENTS AFTER THE REPORTING PERIOD

Verdict of the European Court of Justice on charging of VAT

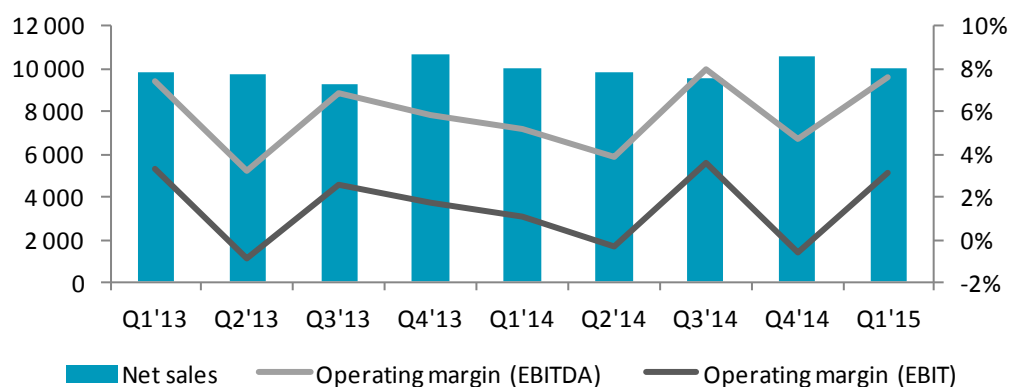
Late April saw the verdict of the European Court of Justice on the case brought by the European Commission against the Swedish State for non-implementation of EU rules regarding value added tax on postal services. The verdict went in the Commission's favor, with the result that postal services not covered by individually negotiated agreements are to be VAT-exempted. For PostNord, this will imply that paid VAT for business related costs, concerning VAT-exempted businesses, will not be VAT deductible. PostNord awaits changes in Swedish legislation on VAT.

Annual General Meeting 2015

PostNord AB's Annual General Meeting (AGM) took place on April 23, 2015 at the Group's headquarters in Solna. The meeting adopted the income statements and balance sheets of the Group and Parent Company, adopted the Board's recommendation as to distribution of unappropriated profits and granted discharge from personal liability to the Board of Directors and the CEO for the financial year just ended. The meeting also voted to approve guidelines on remuneration to senior executives and fees to Board members and auditors.

The Chairman and all Board members were re-elected and the accounting firm KPMG AB was re-appointed to serve in the period until the end of the next AGM.

GROUP SALES AND EARNINGS



January-March

Excluding acquisitions and exchange rate effects, PostNord's net sales were 2% lower than for the preceding year. The markets remain characterized by tough competition in the logistics industry and by declining mail volumes. As a result of continued digitalization, mail volumes declined year-on-year by a total of 7% in the quarter, 15% in Denmark and 5% in Sweden.

E-commerce continued to show strong growth, generating higher volumes in mail and parcel distribution. The Group's parcel volumes increased by 15%, with e-commerce-related B2C parcel volumes rising 21%. Parcel volumes are increasing, but cannot fully compensate for the declining mail volumes on net sales level.

The Group's reported operating income totaled SEK 312m (106) in the quarter. The operating margin was 3.1% (1.1). The increase in income results primarily from the impact of the cost-saving programs. In addition, the first quarter of 2014 included a provision of SEK 157m for restructuring costs related to the new organization.

Net financial items totaled SEK -22m (-21), but were positively impacted by lower pension-related interest expenses.

The tax expense for the quarter was SEK -87m (15). Net income totaled SEK 203m (100).

FINANCIAL POSITION AS OF MARCH 31, 2015

The Group's equity decreased to SEK 7,637m from SEK 7,991m on December 31, 2014. The decline was mainly due to a revaluation of pension obligations and pension assets under management, calculated at SEK -648m net, but positive factors were a profit of SEK 203m for the period and an adjustment of SEK 143m in deferred tax, mainly attributable to pensions.

The debt ratio (net debt/equity) was 41%, compared with 46% on December 31, 2014. The improvement was mainly the result of a positive cash flow during the period. The positive change in working capital is partly the result of a short-term increase in trade payables arising from an IT disruption valued at around SEK 300m. The net debt/EBITDA ratio (trailing 12-month) was 1.3.

PostNord is implementing capital efficiency programs in two areas: reducing working capital and divesting parts of the Group's property portfolio. During the quarter, we entered into an agreement to divest our principal property in central Copenhagen for a price of DKK 925m. The agreement will come into force at the end of the second quarter.

Net debt

SEKm	Mar 31 2014	Jun 30 2014	Sep 30 2014	Dec 31 2014	Mar 31 2015
Financial receivables	1,225	1,286	1,341	1,092	1,125
Current interest-bearing receivables	242	286	0	0	0
Cash and cash equivalents	993	1,074	684	1,843	2,466
Interest-bearing debt	-4,555	-5,134	-5,521	-5,384	-5,141
Pension provisions ¹⁾	-33	-438	-701	-1,223	-1,563
Net debt	-2,128	-2,926	-4,197	-3,672	-3,113

1) Includes assets under management.

The Group's net debt decreased by SEK 559m during the first quarter. The decline was mainly the result of a positive cash flow during the period. Otherwise, the net debt was adversely affected by revaluation of the pension liability at a lower discount rate, which was partly mitigated by a positive return on pension assets under management.

During the quarter, repayment of commercial paper was made in the net amount of SEK 200m.

The Group's financial preparedness totaled SEK 4,466m, compared with SEK 3,843m on December 31, 2014. The total consisted of cash and cash equivalents of SEK 2,466m and an unutilized revolving credit facility (RCF) of SEK 2,000m maturing in 2017.

CASH FLOW

January-March

Cash flow from operating activities totaled SEK 1,140m (-469). The improvement year on year was attributable primarily to an improvement in working capital, partly because outgoing payments of around SEK 300m did not appear in the systems until April 1, 2015 and partly because of a negative impact in the first quarter of 2014 of payment deferrals at the turn of the year 2013/2014. The cash flow also benefited from higher earnings.

Cash flow from financing activities totaled SEK -255m (-463). The investments of SEK 251m (330) in property, plant and equipment consisted primarily of production vehicles, transport and sorting equipment and facilities.

Cash flow from financing activities totaled SEK -264m (-55). During the period the Group repaid commercial paper in the net amount of SEK 200m (200).

Cash and cash equivalents totaled SEK 2,466 at the end of the period, compared with SEK 1,843m as of December 31, 2014.

COUNTRIES

From the start of January 2015, financial reporting for our segments will be presented per country organization. The following general comments apply to the financial tables in the following section:

- 1) Division into geographic areas is principally based on corporate domicile.
- 2) All figures are adjusted in line with the new organization and Group overheads are charged to all countries, other than for PostNord Strålfors. See Note 2.
- 3) Change excluding acquisition/divestment and exchange rates.
- 4) New definition of operating margin (operating income as % of net sales).
- 5) Adjusted for items affecting comparability.

PostNord Sweden

PostNord Sweden ^{1) 2)} SEKm	Jan-Mar	Jan-Mar	Exkl. ³⁾		Jan-Dec
	2015	2014	△	△	2014
Net sales	5,818	5,799	0%	0%	23,154
<i>of which Mail & Communication (external)</i>	3,357	3,463	-3%	-3%	13,513
<i>of which Logistics (external)</i>	2,221	2,117	5%	5%	8,756
Operating income (EBIT)	228	72			747
Operating margin, % ⁴⁾	3.9%	1.2%			3.2%
Adjusted operating income (EBIT) ⁵⁾					868
Adjusted operating margin, % ^{4) 5)}					3.7%

January-March

PostNord Sweden's net sales for the quarter were unchanged year-on-year. The market continues to be dominated by declining mail volumes, falling numbers of newspaper subscribers and tough competition in the logistics sector. Mail and parcel volumes relating to e-commerce showed positive growth, and the volume of unaddressed direct mail (UDM) also rose in the quarter, for the first time since 2012. Mail & Communication in Sweden, reported a fall of 3% in sales as a result of a decline of 5% in mail volumes. Sales for Logistics in Sweden increased 5% as a result, above all, of higher parcel volumes and new customer contracts.

Operating income totaled SEK 228m (72). The positive trend of income was driven primarily by efficiency measures implemented, but also reflected the fact that the first quarter 2014 included provisions of SEK 105m for restructuring costs related to the new organization.

PostNord Denmark

PostNord Denmark ^{1) 2)} SEKm	Jan-mar	Jan-mar	Exkl. ³⁾		Jan-dec
	2015	2014	Δ	Δ	2014
Net sales	2,567	2,560	0%	-5%	10,164
of which Mail & Communication (external)	1,619	1,716	-6%	-11%	6,551
of which Logistics (external) ⁶⁾	825	727	13%	7%	3,128
Operating income (EBIT)	-47	-22			-218
Operating margin, % ⁴⁾	-1.8%	-0.9%			-2.1%
Adjusted operating income (EBIT) ⁵⁾					-150
Adjusted operating margin, % ^{4) 5)}					-1.5%

6) Including Germany.

January-March

PostNord Denmark's net sales for the quarter were unchanged year-on-year. Excluding acquisitions and exchange rate effects, net sales decreased by in all 5% and were negatively impacted by declining mail volumes, falling numbers of direct mail recipients and continued tough competition in the logistics industry. Excluding exchange rate effects, Mail & Communication in Denmark declined by 11% in the wake of a 15% fall in mail volumes. Logistics in Denmark increased by 7%, excluding exchange rate effects, as a result of higher volumes in parcel logistics and new customer contracts in service logistics.

Operating income totaled SEK -47m (-22). Income was affected primarily by the sharp decline in mail volumes. During the quarter, an agreement was entered into to divest the principal property in Copenhagen, where the operations of the Danish country headquarters, terminal and distribution center are conducted. The agreement will come into force at the end of the second quarter. The operations will be relocated to leased premises near Copenhagen.

PostNord Norway

PostNord Norway ^{1) 2)} SEKm	Jan-mar	Jan-mar	Exkl. ³⁾		Jan-dec
	2015	2014	Δ	Δ	2014
Net sales	1,077	1,042	3%	2%	4,313
of which Mail & Communication (external)	13	9	49%	47%	37
of which Logistics (external)	970	961	1%	0%	3,933
Operating income (EBIT)	11	13	-15%		-46
Operating margin, % ⁴⁾	1.0%	1.2%			-1.0%
Adjusted operating income (EBIT) ⁵⁾					-35
Adjusted operating margin, % ^{4) 5)}					-0.8%

January-March

PostNord Norway's net sales for the quarter increased by 3% year-on-year. Excluding acquisitions and exchange rate effects, net sales increased 2%. Growth in the e-commerce market remains strong, but the tough price competition in logistics is holding back both sales and profitability. Operating income totaled SEK 11m (13).

During the quarter an agreement was entered into to acquire the transport and logistics company Jetpak Borg AS to complement PostNord's operations in Norway. The company offers customized services for overnight long-distance deliveries to car dealers, workshops and similar segments in Norway. Jetpak Borg's unique distribution system provides nightly long-distance shipments from centralized warehouses in Scandinavia to more than 500 recipients in Norway. The company has annual sales of approximately NOK 120m.

PostNord Finland

PostNord Finland ^{1) 2)} SEKm	Jan-mar	Jan-mar	Exkl. ³⁾		Jan-dec
	2015	2014	Δ	Δ	2014
Net sales	175	162	8%	2%	665
<i>of which Mail & Communication (external)</i>	4	4	-13%	-17%	15
<i>of which Logistics (external)</i>	112	109	3%	-2%	441
Operating income (EBIT)	1	-3			-5
Operating margin, % ⁴⁾	0.6%	-1.9%			-0.8%
Adjusted operating income (EBIT) ⁵⁾					-5
Adjusted operating margin, % ^{4) 5)}					-0.8%

January-March

PostNord Finland's net sales for the quarter increased by 8 % year-on-year. Excluding acquisitions and exchange rate effects, net sales increased 2%, primarily in parcels and pallets sales. This was despite a challenging economic situation in Finland, with a falling GDP.

Operating income totaled SEK 1m (-3). Cost-saving measures already implemented in administration made a positive contribution to income.

PostNord Strålfors

PostNord Strålfors ^{1) 2)} SEKm	Jan-mar	Jan-mar	Exkl. ³⁾		Jan-dec
	2015	2014	Δ	Δ	2014
Net sales	641	619	4%	0%	2,380
Operating income (EBIT)	26	1			-49
Operating margin, % ⁴⁾	4.1%	0.2%			-2.1%
Adjusted operating income (EBIT) ⁵⁾					15
Adjusted operating margin, % ^{4) 5)}					0.6%

January-March

PostNord Strålfors' figures have been restated for 2014 to reflect the fact that the major share of its fulfilment business has been transferred to PostNord Sweden. Year-on-year net sales for PostNord Strålfors rose 4% in the first quarter. Excluding acquisitions and exchange rate effects, net sales were unchanged.

The reported operating income totaled SEK 26m (1). The operating margin was 4.1% (0.2). The improvement was mainly due to cost-saving programs implemented, but also reflected the fact that the first quarter 2014 included provision for ongoing restructuring. The process concerning a possible divestment of Strålfors continues.

Other countries and eliminations

Other countries and eliminations ^{1) 2) 6)} SEKm	Jan-mar	Jan-mar	Δ	Jan-dec
	2015	2014		2014
Net sales	294	304		1,304
<i>of which internal</i>	0	1		4
Eliminations	-539	-487		-2,030
Operating income (EBIT)	93	45		-78

6) Including Germany.

January-March

Net sales comprise above all e-commerce transactions, which are operated by Direct Link, outside the countries served by the segment. Eliminations consist primarily of internal transactions.

BUSINESS AREAS

External net sales ¹⁾	Jan-Mar	Jan-Mar	Exkl. ²⁾		Jan-Dec
SEKm	2015	2014	Δ	Δ	2014
Mail & Communication	5,284	5,488	-4%	-6%	21,386
Logistics	4,128	3,913	5%	4%	16,259
PostNord Strålfors	621	598	4%	0%	2,305
Group total	10,033	9,999	0%	-2%	39,950

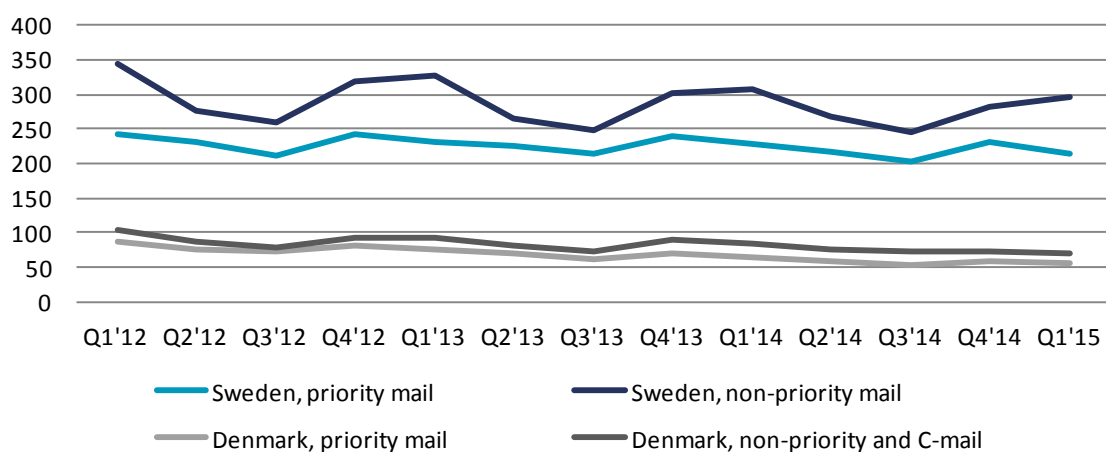
1) 2014 numbers are restated in accordance with the new organization.

2) Change excluding acquisitions/divestments and currency.

Mail & Communication

Year-on-year net sales for Business area Mail & Communication fell by 4% during the quarter. Excluding acquisitions and exchange rate effects, net sales fell by 6%. The lower net sales were mainly due to continued digitalization and declining mail volumes.

Mail volumes, millions of units



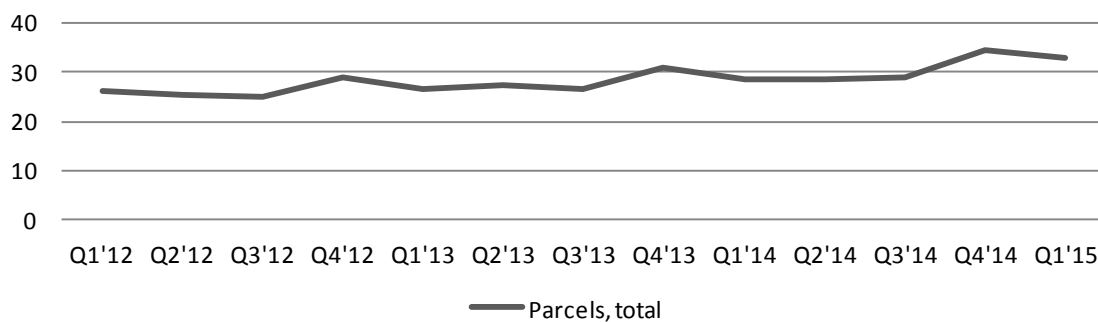
Mail volumes declined by a total of 7% due to competition from digital alternatives, 15% in Denmark and 5% in Sweden. The volume decline was somewhat mitigated by further strong growth in e-commerce-related services.

Logistics

Year-on-year net sales for Business area Logistics rose 4% during the quarter. Excluding acquisitions and exchange rate effects, net sales increased 3%.

E-commerce is continuing to show strong growth; parcel volumes rose 15% over the quarter and the number of e-commerce-related B2C items increased by 21%.

Parcel volumes, millions of units



PostNord Strålfors

See comments on Strålfors in the "Countries" section.

RISKS AND UNCERTAINTIES

PostNord is exposed to strategic, operational and financial risks. Please refer to PostNord's 2014 Annual and Sustainability Report (pages 54-55 and Note 2 on pages 66-67), for a description of risks, uncertainties, risk management and significant assessments and estimates. No material changes or assessments have been made since publication of the Annual and Sustainability Report.

FINANCIAL CALENDAR

Interim report January-June 2015	13 August 2015
Interim report, January-September 2015	28 October 2015
Year-end report 2015	10 February 2016

Solna, April 30, 2015
PostNord AB (publ), CIN 556771-2640

Håkan Ericsson
President and CEO

This report has not been subject to review by the Company's auditors.

PostNord AB (publ) is required to disclose this information under the Security Markets Act. The information was submitted for publication at 8:30 a.m. CET on April 30, 2015.

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

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FINANCIAL STATEMENTS

Consolidated income statement

SEKm	Note	Jan-Mar 2015	Jan-Mar 2014	Jan-Dec 2014
Net sales	1	10,033	9,999	39,950
Other income		69	60	632
Income	2	10,102	10,059	40,582
Personnel expenses	3	-4,536	-4,671	-18,212
Transport expenses	3	-2,473	-2,291	-9,832
Other expenses	3,4	-2,336	-2,580	-10,356
Depreciation and impairments	3	-451	-418	-1,847
Expenses		-9,796	-9,960	-40,247
Participations in the earnings of associated companies		6	7	16
OPERATING INCOME		312	106	351
Financial income		5	12	89
Financial expenses		-27	-33	-195
Net financial items		-22	-21	-106
INCOME BEFORE TAX		290	85	245
Tax		-87	15	-69
NET INCOME		203	100	176
Attributable to				
Parent company shareholders		203	99	173
Non-controlling interests		0	1	3
Earnings per share, SEK		0.10	0.05	0.09

Consolidated statement of comprehensive income

SEKm	Jan-Mar 2015	Jan-Mar 2014	Jan-Dec 2014
NET INCOME	203	100	176
OTHER COMPREHENSIVE INCOME			
Items that cannot be transferred to net income			
Revaluation of pension liabilities	-648	126	-1,682
Change in deferred tax	143	-28	370
Total	-505	98	-1,312
Items that have been or may be transferred to net income			
Cash flow hedges after tax	-1		-12
Translation differences ¹⁾	-51	52	237
Total	-52	52	225
TOTAL OTHER COMPREHENSIVE INCOME	-557	150	-1,087
COMPREHENSIVE INCOME	-354	250	-911
Attributable to			
Parent company shareholders	-354	249	-914
Non-controlling interests	0	1	3

1) Translation differences refer to the translation of group equity in foreign currencies.

Consolidated balance sheet

SEKm	Note	Mar 31 2014	Jun 30 2014	Sep 30 2014	Dec 31 2014	Mar 31 2015
	1					
ASSETS						
Goodwill		3,317	3,368	3,393	3,372	3,361
Other intangible assets		1,560	1,497	1,445	1,319	1,244
Property, plant and equipment		9,410	9,604	9,933	9,923	9,066
Participations in associated companies and joint ventures		82	74	76	83	85
Financial investments		206	208	221	257	258
Other non-current receivables		1,072	1,131	1,174	887	915
Deferred tax assets		542	495	467	566	557
Total non-current assets		16,189	16,377	16,709	16,407	15,486
Inventories		235	235	237	177	170
Tax assets		322	469	514	367	343
Trade receivables		4,761	4,520	4,626	4,620	4,689
Prepaid expenses and accrued income		1,536	1,592	1,535	1,289	1,277
Other receivables		489	651	553	389	391
Short-term investments		242	286			
Cash and cash equivalents		993	1,074	684	1,843	2,466
Assets held for sale		377	358	484	372	997
Total current assets		8,955	9,185	8,633	9,057	10,333
TOTAL ASSETS		25,144	25,562	25,342	25,464	25,819
EQUITY AND LIABILITIES						
EQUITY						
Capital stock		2,000	2,000	2,000	2,000	2,000
Other contributed equity		9,954	9,954	9,954	9,954	9,954
Reserves		-1,865	-1,736	-1,702	-1,692	-1,744
Retained earnings		-810	-1,425	-1,517	-2,275	-2,577
Total equity attributable to parent company shareholders		9,279	8,793	8,735	7,987	7,633
Non-controlling interests		5	4	4	4	4
TOTAL EQUITY		9,284	8,797	8,739	7,991	7,637
LIABILITIES						
Non-current interest-bearing liabilities		4,311	4,341	4,340	4,577	3,772
Other non-current liabilities		39	38	42	59	38
Pensions		33	438	701	1,223	1,563
Other provisions	4	1,337	1,370	1,393	1,730	1,655
Deferred tax liabilities		1,029	917	828	650	626
Total non-current liabilities		6,749	7,104	7,304	8,239	7,654
Current interest-bearing liabilities		244	793	1,181	807	1,368
Trade payables		1,972	2,041	1,811	2,010	2,252
Tax liabilities		100	79	82	65	68
Other current liabilities		1,854	1,814	2,023	1,742	1,762
Accrued expenses and prepaid income		4,251	4,299	3,721	3,929	4,442
Other provisions	4	690	635	481	681	636
Total current liabilities		9,111	9,661	9,299	9,234	10,528
TOTAL LIABILITIES		15,860	16,765	16,603	17,473	18,182
TOTAL EQUITY AD LIABILITIES		25,144	25,562	25,342	25,464	25,819

Consolidated statement of changes in equity

SEKm	Equity attributable to the parent company's shareholders						Non-controlling interests	Total equity
	Capital stock ¹⁾	Contributed equity	Translation differences	Hedging reserve	Retained earnings			
Opening balance 1st Jan 2014	2,000	9,954	-1,917		-1,007	4	9,034	
Other comprehensive income for the period								
Net income for the period					173	3	176	
Other comprehensive income for the period			237	-12	-1,312		-1,087	
Total other comprehensive income for the period			237	-12	-1,139	3	-911	
Dividend					-129	-3	-132	
Closing balance 31st Dec 2014	2,000	9,954	-1,680	-12	-2,275	4	7,991	
Opening balance 1st Jan 2015	2,000	9,954	-1,680	-12	-2,275	4	7,991	
Other comprehensive income for the period								
Net income for the period					203		203	
Other comprehensive income for the period			-51	-1	-505		-557	
Total other comprehensive income for the period			-51	-1	-302	0	-354	
Dividend							0	
Closing balance 31st Mar 2015	2,000	9,954	-1,731	-13	-2,577	4	7,637	

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

Consolidated statement of cash flows

SEKm	Jan-Mar 2015	Jan-Mar 2014	Jan-Dec 2014
OPERATING ACTIVITIES			
Income before tax	290	85	245
Adjustments for non-cash items:			
Reversal of depreciation and impairments	451	418	1,847
Capital gain/loss from sale of subsidiaries			
Capital gain/loss from sale of PP&E		6	-431
Change in pension liability	8	38	577
Other provisions	-24	208	937
Other items not affecting liquidity	14	5	6
Pensions paid	-258	-264	-1,045
Other provisions, liquidity effect	-164	-123	-596
Taxes	44	-8	-116
Cash flow from operating activities before changes in working capital	361	365	1,424
Cash flow from changes in working capital			
Increase(-)/decrease(+) in inventories	8	-9	48
Increase(-)/decrease(+) in other operating receivables	-17	-280	138
Increase(+)/decrease(-) in other operating liabilities	745	-557	-947
Other changes in working capital	43	12	7
Changes in working capital	779	-834	-754
Cash flow from operating activities	1,140	-469	670
INVESTING ACTIVITIES			
Purchase of property, plant and equipment	-251	-330	-1,478
Sale of property, plant and equipment	17	18	582
Capitalized development expenditures	-11	-44	-178
Purchase of other intangible fixed assets	-6	-3	-34
Divestment of other intangible fixed assets			5
Acquisition of subsidiaries, net	-2		-85
Change in financial assets	-2	-104	-198
Cash flow from investing activities	-255	-463	-1,386
FINANCING ACTIVITIES			
Amortized debts	-200	-200	-600
New debts raised		200	1,350
Change in finance leasing liabilities	-2		-15
Dividend paid to parent company owners			-129
Dividend paid to non-controlling interests			-3
Net pension transactions	-21	-21	-85
Increase(+)/decrease(-) in other interest-bearing liabilities	-41	-34	48
Cash flow from financing activities	-264	-55	566
CASH FLOW FOR THE PERIOD	621	-987	-150
Cash and cash equivalents, opening balance	1,843	1,981	1,981
Translation difference in cash and cash equivalents	2	-1	12
Cash and cash equivalents, closing balance	2,466	993	1,843

PARENT COMPANY

The parent company, PostNord AB, conducted a very limited intercompany service operation and had three employees as of March 31, 2015.

Parent Company income statement

SEKm	Note	Jan-Mar 2015	Jan-Mar 2014	Jan-Dec 2014
	1			
Other income		7	5	20
Income		7	5	20
Personnel expenses		-9	-8	-32
Other expenses		-1	-2	-8
Operating expenses		-10	-10	-40
OPERATING INCOME		-3	-5	-20
Income from participations in group companies				200
Write-down of shares in subsidiaries				
Interest income and similar income items		26	6	13
Interest expense and similar expense items		-22	-29	-183
Financial items		4	-23	30
Income after financial items		1	-28	10
Balance sheet appropriations				182
Income before tax		1	-28	192
Tax				
NET INCOME		1	-28	192

Parent Company statement of comprehensive income

SEKm	Jan-Mar 2014	Jan-Mar 2013	Jan-Dec 2014
Net income	1	-28	192
Other comprehensive income for the period			
COMPREHENSIVE INCOME	1	-28	192

Parent Company balance sheet

SEKm	Note	Mar 31 2014	Jun 30 2014	Sep 30 2014	Dec 31 2014	31 mar 2015
	1					
ASSETS						
Financial assets		11,685	11,685	11,686	11,685	11,686
Total non-current assets		11,685	11,685	11,686	11,685	11,686
Current receivables		8,135	8,544	8,880	9,043	8,828
Total current assets		8,135	8,544	8,880	9,043	8,828
TOTAL ASSETS		19,820	20,229	20,566	20,728	20,514
EQUITY AND LIABILITIES						
Equity		15,680	15,489	15,449	15,771	15,772
Non-current liabilities		3,907	3,947	3,948	4,183	4,156
Current liabilities		233	793	1,169	774	586
TOTAL EQUITY AND LIABILITIES		19,820	20,229	20,566	20,728	20,514

Parent Company contingent liabilities

Warranty, PRI	140	140	140	136	136
Guarantees on behalf of subsidiaries	331	420	460	550	453
Total	471	560	600	686	589

NOTES TO FINANCIAL STATEMENTS

Note 1 Accounting principles

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. In addition to IFRS, additional rules from the Swedish Annual Accounts Act and the Swedish Financial Reporting Board's RFR 1, Supplemental Financial Statements for Groups, were also applied. PostNord Group's interim report is prepared in accordance with IAS 34, Interim Financial Reporting, and with supplementary rules from the Annual Accounts Act. The same accounting principles and methods of calculation were used in this interim report as in the 2014 Annual and Sustainability Report.

The parent company applies the Annual Accounts Act and RFR 2, Accounting for Legal Entities; in effect, the same accounting principles as the Group. The differences between the parent company's and the Group's accounting principles result from the parent company's limitations in applying IFRS as a consequence of the Annual Accounts Act and the Act on Safeguarding of Pension Commitments, and are to some extent based on tax considerations. The same accounting principles and methods of calculation were used in this interim report as in the 2014 Annual and Sustainability Report.

Note 2 Segment reporting

PostNord's organization into business areas is based on the manner in which PostNord is governed and activities are reported to management. Market pricing applies to internal dealings between PostNord business areas. There is no latitude for making external purchases where the service in question is available internally. In PostNord's operational structure, though not in its legal structure, cost distribution of corporate shared service functions is at cost price.

Countries (see Countries section)

Countries are divided into the following country organizations: PostNord Sweden, PostNord Denmark (incl. Germany), PostNord Norway, PostNord Finland, PostNord Strålfors and Other countries. The countries market and sell the business areas' end-to-end solutions within the Nordics.

PostNord Sweden offers mail- and logistic solutions as well as e-commerce at the Swedish market and is also responsible for PostNord's fulfilment business .

PostNord Denmark offers mail- and logistic solutions as well as e-commerce at the Danish market and is also responsible for PostNord's e-commerce and logistics business in Germany.

PostNord Norway and Finland offer mail- and logistic solutions as well as e-commerce at the Norwegian and Finnish market respectively.

PostNord Strålfors operates in the area of information logistics. The company develops and offers communication solutions that create stronger, more personal customer relationships for companies that have large customer bases.

Other comprises business outside the countries served by the segment, shared services and corporate functions including the parent company and Group adjustments. The adjustments are IFRS adjustments regarding pensions in accordance with IAS 19, Employee Benefits, and finance leasing in accordance with IAS 17, Lease Agreements. From Other, service costs for shared services and corporate functions are allocated to the countries. Cost allocations are taken up as income in Other under Other Income, Internal. Within the countries, cost allocations are recognized in Other Expenses.

Eliminations comprise the elimination of internal transactions.

Business segments (see Business Areas section)

Business area Mail & Communication provides distribution solutions in the communication market for physical and digital mail, direct mail and newspaper services, as well as facility management services.

Business area Logistics offers logistics services in the areas of parcels, express and messaging, consignment freight, mixed cargo, thermal, Air & Ocean and third-party logistics. Business area Logistics has a comprehensive offering and distribution network for businesses and retail customers in the Nordic market.

PostNord Strålfors operates in the area of information logistics. The company develops and offers communication solutions that create stronger, more personal customer relationships for companies that have large customer bases.

Not 2 Segment reporting, Countries

SEKm	Q1 2014	Q2 2014	Q3 2014	Q4 2014	Q1 2015
PostNord Sweden ^{1) 2)}					
Net sales	5,799	5,682	5,445	6,228	5818
<i>of which internal</i>	219	204	212	250	242
Operating income (EBIT)	72	101	387	187	228
Operating margin, % ³⁾	1.2%	1.8%	7.1%	3.0%	3.9%
Adjusted operating income (EBIT) ⁴⁾				305	
Adjusted operating margin, % ^{3) 4)}				4.9%	
PostNord Denmark ^{1) 2) 5)}					
Net sales	2,560	2,453	2,439	2,712	2,567
<i>of which internal</i>	117	105	121	138	124
Operating income (EBIT)	-22	-193	-57	54	-47
Operating margin, % ³⁾	-0.9%	-7.9%	-2.3%	2.0%	-1.8%
Adjusted operating income (EBIT) ⁴⁾				122	
Adjusted operating margin, % ^{3) 4)}				4.5%	
PostNord Norway ^{1) 2)}					
Net sales	1,042	1,078	1,089	1,104	1,077
<i>of which internal</i>	80	94	98	103	94
Operating income (EBIT)	13	25	-7	-65	11
Operating margin, % ³⁾	1.2%	2.3%	-0.6%	-5.9%	1.0%
Adjusted operating income (EBIT) ⁴⁾				-50	
Adjusted operating margin, % ^{3) 4)}				-4.5%	
PostNord Finland ^{1) 2)}					
Net sales	162	160	168	175	175
<i>of which internal</i>	50	50	55	55	58
Operating income (EBIT)	-3	-2	2	-2	1
Operating margin, % ³⁾	-1.9%	-1.3%	1.2%	-1.1%	0.6%
Adjusted operating income (EBIT) ⁴⁾				-2	
Adjusted operating margin, % ^{3) 4)}				-1.1%	
PostNord Strålfors ^{1) 2)}					
Net sales	619	590	567	604	641
<i>of which internal</i>	21	16	16	22	21
Operating income (EBIT)	1	-8	8	-50	26
Operating margin, % ³⁾	0.2%	-1.4%	1.4%	-8.3%	4.1%
Adjusted operating income (EBIT) ⁴⁾				14	
Adjusted operating margin, % ^{3) 4)}				2.3%	
Other countries and eliminations ^{4) 5)}					
Net sales	304	324	329	347	294
<i>of which internal</i>	0	2	0	2	0
Eliminations	-487	-471	-502	-570	-539
Operating income (EBIT)	45	59	12	-194	93
Group total					
Net sales	9,999	9,816	9,535	10,600	10,033
Group operating income (EBIT)	106	-30	345	-70	312
Group net financial items	-21	-32	-37	-16	-22
Group income before tax	85	62	308	-86	290

1) Division into geographic areas is principally based on corporate domicile.

2) 2014 numbers are restated in accordance with the new organization.

3) New definition of operating margin (operating income as % of net sales).

4) Adjusted for items affecting comparability.

5) Including Germany.

Note 3 Income statement, restructuring costs by segment

SEKm	Q1 2014	Q2 2014	Q3 2014	Q4 2014	Q1 2015
PostNord Sweden	-170	-61	-64	-169	-55
PostNord Denmark	-28	-15	-23	-448	-3
PostNord Norway	-25	-2	0	-10	0
PostNord Finland	0	0	0	0	0
PostNord Strålfors	-17	0	0	-56	0
Other	-27	-23	5	-90	18
Total	-267	-101	-82	-773	-40

Note 4 Other provisions

SEKm	Q1 2014	Q2 2014	Q3 2014	Q4 2014	Q1 2015
Opening balance	1,941	2,027	2,005	1,874	2,411
Provisions	239	137	89	751	24
<i>of which restructuring activities</i>	221	75	26	824	6
<i>of which pensions</i>	16	53	62	-69	13
<i>of which other</i>	2	9	1	-4	5
Reversals ¹⁾	-22	-29	-20	-177	-14
Utilizations	-133	-142	-201	-190	-165
<i>of which restructuring activities</i>	-124	-138	-197	-177	-164
<i>of which other</i>	-9	-4	-4	-13	-1
Translation effects	2	12	1	153	35
Closing balance	2,027	2,005	1,874	2,411	2,291
<i>of which current</i>	690	635	481	681	636
<i>of which non-current</i>	1,337	1,370	1,393	1,730	1,655

SEKm	Jan-Mar 2014	Jan-Jun 2014	Jan-Sep 2014	Jan-Dec 2014	Jan-Mar 2015
Opening balance	1,941	1,941	1,941	1,941	2,411
Provisions	239	376	465	1,216	24
<i>of which restructuring activities</i>	221	296	322	1,146	6
<i>of which pensions</i>	16	69	131	62	13
<i>of which other</i>	2	11	12	8	5
Reversals	-22	-51	-71	-248	-14
Utilizations	-133	-275	-476	-666	-165
<i>of which restructuring activities</i>	-124	-262	-459	-636	-164
<i>of which other</i>	-9	-13	-17	-30	-1
Translation effects	2	14	15	168	35
Closing balance	2,027	2,005	1,874	2,411	2,291
<i>of which current</i>	690	635	481	681	636
<i>of which non-current</i>	1,337	1,370	1,393	1,730	1,655

Note 5 Acquisitions and divestments

Effect of acquisitions and divestments on assets and liabilities, SEKm	Jan-Mar 2015 ¹⁾			Jan-Dec 2013		
	Acquisitions	Divestments	Total	Acquisitions	Divestments	Total
Goodwill						
Intangible assets				8		8
Property, plant and equipment	2			401		401
Other non-current assets				24		24
Total non-current assets	2			433		433
Current assets				25		25
TOTAL ASSETS	2			458		458
TOTAL LIABILITIES				-351		-351
NET ASSETS	2			107		107
Capital gain/loss on divested operations						
Other items affecting cash flow				3		3
Purchase consideration paid/received	-2			-107		-107
Cash and cash equivalents (acquired/divested)				19		19
Net effect on cash and cash equivalents	-2			-85		-85

1) No acquisitions nor divestments were made during the first quarter 2015. (Only an additional purchase sum related to acquisition made in 2014)

Note 6 Financial instruments

Financial assets and liabilities reported at fair value in the balance sheet, SEKm	31 Mar	30 Jun	30 Sep	31 Dec	31 Mar
	2014	2014	2014	2014	2015
	Level 2	Level 3	Level 4	Level 5	Level 2
Financial investments					
Endowment insurance policies	144	148	148	143	151
Other current receivables					
Currency derivatives	10	22	8	12	8
Terminal settlements	366	497	536	472	564
Cash and cash equivalents					
Commercial paper	345			250	
Total financial assets	865	667	692	877	723
Other current liabilities					
Currency derivatives	15	19	2	15	17
Interest swaps	9	14	17	19	1
Terminal settlements	473	596	511	289	508
Total financial liabilities	497	629	530	323	526
Net borrowings, SEKm	31 Mar	30 Jun	30 Sep	31 Dec	31 Mar
	2014	2014	2014	2014	2015
Commercial paper	201	200	600	200	
Credit institutions		17	17	17	807
MTN bonds		540	540	540	540
Overdraft credit	31	24	14	38	27
Total current interest-bearing liabilities	232	781	1,171	795	1,374
Credit institutions	1,189	1,206	1,207	1,450	633
MTN bonds	2,937	2,948	2,948	2,949	2,950
Total non-current interest-bearing liabilities²⁾	4,126	4,154	4,155	4,399	3,583
Total interest-bearing liabilities	4,358	4,935	5,326	5,194	4,957
Investments with maturities up to 3 months	345			250	
Cash and bank balances, excl. cash in hand	550	985	612	1,502	2,404
Cash and cash equivalents, excl. cash in hand	895	985	612	1,752	2,404
Net borrowings¹⁾	3,463	3,950	4,714	3,442	2,553

1) SEK 2,000m of unutilized credit facilities with 2017 maturity are not included in net borrowing.

2) Excluding Leasing and endowment insurance policy

Reporting and fair value valuation of financial instruments

For all financial assets and liabilities, reported value is considered to constitute a fair approximation of fair value with the exception of the group's non-current interest-bearing liabilities. Fair value of non-current interest-bearing liabilities totaled SEK 5,079m (4,399) as of March 31, 2015, while the reported value at the same date totaled SEK 4,948m (3,858).

All financial assets and liabilities reported at fair value in the balance sheet are Level 2; see also PostNord's Annual Report, Note 29, Financial Risk Management and Financial Instruments.

Note 7 Definitions

Adjusted operating income	Total income less total costs, excluding items affecting comparability. These items are mainly provisions for restructuring costs (that cannot be seen as part of on-going restructuring work), material write-downs and capital gains/losses.
Adjusted operating margin	Adjusted operating income as % of net sales. Previously adjusted operating income as % of total income (net sales and other income).
Average number of employees (FTE)	The total number of paid employee hours divided by the standard number of hours for a full-time employee during the cumulative period from the beginning of the year.
Earnings per share (EPS)	Share of net earnings attributable to parent company shareholders divided by the average number of shares outstanding.
EBITDA	Earnings before interest, taxes, depreciations and amortizations/impairments.
Financial preparedness	Cash and cash equivalents and unutilized committed credit line.
Net debt	Interest-bearing debt (including pension provisions) less cash and cash equivalents, financial receivables and current interest-bearing receivables.
Net debt/EBITDA	Net debt divided by EBITDA (rolling 12-months).
Net debt ratio	Net debt divided by equity (rolling 12-months).
Capital employed	Non-interest-bearing assets less non-interest-bearing liabilities.
Operating margin	Operating income as a percentage of net sales. <i>Previously operating income as % of income (net sales and other income).</i>
Return on equity (ROE)	Net income for the 12 months to the end of the period divided by average equity for the 12 months to the end of the period.
Return on capital employed (ROCE)	Operating profit for the 12 months to the end of the period divided by average capital employed for the 12 months to the end of the period.

Quarterly data

SEKm, unless otherwise specified	Q1 2014	Q2 2014	Q3 2014	Q4 2014	Q1 2015
PostNord Group					
Net sales	9,999	9,816	9,535	10,600	10,033
Other income	60	81	59	432	69
Expenses	-9,960	-9,929	-9,251	-11,107	-9,796
<i>of which, personnel expenses</i>	-4,671	-4,736	-4,130	-4,675	-4,536
<i>of which, transport expenses</i>	-2,291	-2,435	-2,483	-2,623	-2,473
<i>of which, other expenses</i>	-2,580	-2,342	-2,215	-3,219	-2,336
<i>of which, depreciation and impairments</i>	-418	-416	-423	-590	-451
Operating income (EBITDA)	524	386	768	520	763
Operating margin (EBITDA) ¹⁾	5.2%	3.9%	8.1%	4.9%	7.6%
Operating income (EBIT)	106	-30	345	-70	312
Operating margin (EBIT) ¹⁾	1.1%	-0.3%	3.6%	-0.7%	3.1%
Cash flows from operating activities	-469	120	-271	1,290	1,140
Net debt	2,128	2,926	4,197	3,672	3,113
Return on capital employed	4.0%	4.3%	10.2%	3.1%	4.7%
Average number of employees (FTE) ²⁾	37,151	37,589	38,402	36,486	34,970
Number of staffing (basic) at end of period	37,971	37,313	36,804	36,067	35,178
 <i>Volumes, millions of mails produced:</i>					
Sweden, priority mail	229	218	202	231	215
Sweden, non-priority mail	307	268	245	283	296
Denmark, priority mail	64	58	55	60	55
Denmark, non-priority and business mail	84	77	74	73	71
 <i>Volumes, millions of parcels produced (net):</i> (Eliminated for volumes between countries)					
Parcels, group total	28	28	29	35	33
 <i>Other information, currency</i>					
Cumulative average exchange rate, SEK/DKK	1.19	1.20	1.21	1.22	1.26
Cumulative average exchange rate, SEK/NOK	1.06	1.08	1.09	1.09	1.07
Cumulative average exchange rate, SEK/EUR	8.86	8.95	9.04	9.10	9.38
Closing day rate, SEK/DKK	1.20	1.23	1.23	1.28	1.24
Closing day rate, SEK/NOK	1.08	1.10	1.12	1.05	1.07
Closing day rate, SEK/EUR	8.95	9.20	9.18	9.52	9.29

1) New definition of operating margin (operating income as % of net sales).

2) 2014 years numbers are adjusted for change in calculations, e.g. terminated staff in "Futurum" are no longer included.