Posten Norden

Annual Report 2009

"Construction of the best communication and logistics company in the Nordics has begun"

POST

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The group's consolidated financial review comprises pages I–III, 1 and 4-29.

The Board of Directors and the CEO hereby submit the Annual Report and consolidated financial statements for Posten Norden AB, corporate identity number 556771-2640. The parent company's financial year is 1 December 2008 - 31 December 2009. The financial year applicable to the consolidated financial statements is 1 July 2009 - 31 December 2009.

Key events 2009

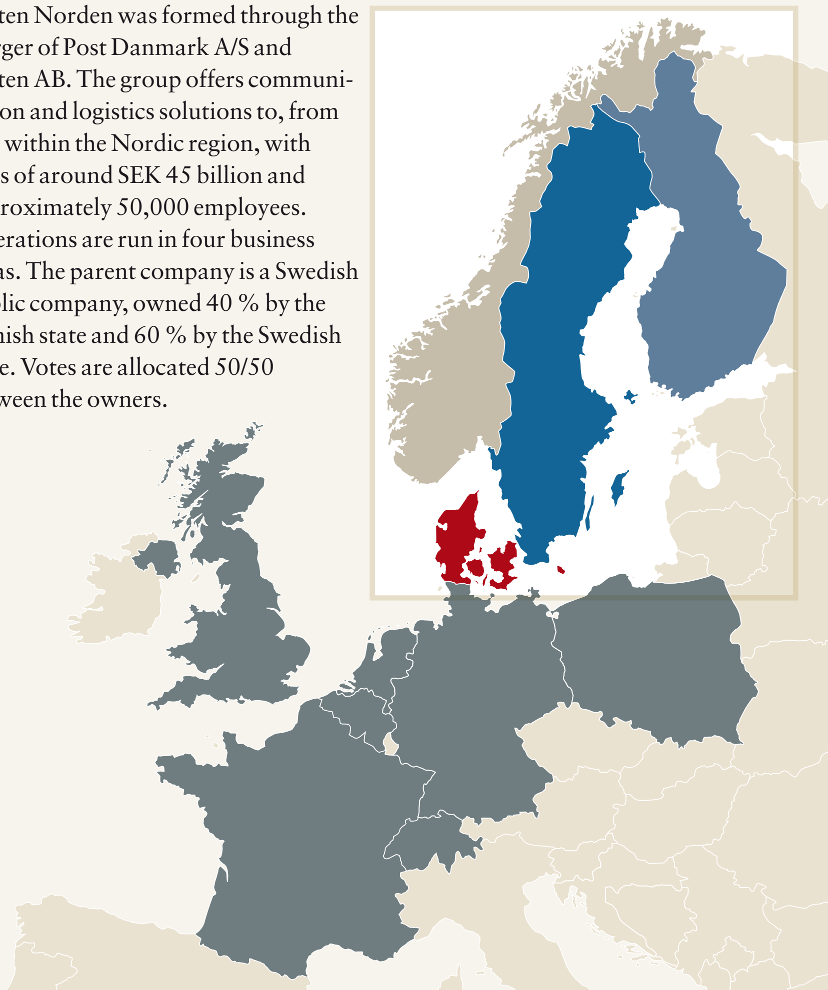
- **February 2:** Go-ahead for merger of Post Danmark A/S and Posten AB. Owners sign a merger agreement. Post Danmark A/S agrees to divest its shares in Belgian Post, De Post-La Poste, to CVC Capital Partners.
- **February 26:** Post Danmark A/S and Posten AB's proposed merger notified to the EU Commission for examination.
- **March 4:** Post Danmark A/S increases its equity interest in e-Boks to 50 %. A leader in the distribution and storage of electronic mail, with over two million users, e-Boks won a procurement earlier in the year to provide full-scale digitalisation and communication solutions to the Danish state.
- **April 21:** EU Commission approves the merger. Conditions for approval include reduction of market share on the Danish business parcel market.
- **May 15:** The CEO of Post Danmark A/S, Helge Israelsen, announces his retirement.
- **June 24:** Formal merger of Post Danmark A/S and Posten AB is completed. Group Management for the new group (Post Norden) is appointed.
- **July 15:** As part of the merger of Posten AB and Post Danmark A/S, Post Danmark sells its share in MIE Group S.A., which represented Post Danmark's equity interest in Belgian Post, De Post-La Poste, to CVC Capital Partners.
- **Aug 24:** Posten Norden AB (publ) extraordinary general meeting. Entire Board of non-executive Directors for the group is appointed.
- **October 28:** GLS acquires portions of Posten Norden's Danish business parcel operations within Post Danmark A/S and DPD, thereby fulfilling the Commission's conditions for approving the merger.
- **October 29:** Posten Norden acquires the Belgian transport company EKL.

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

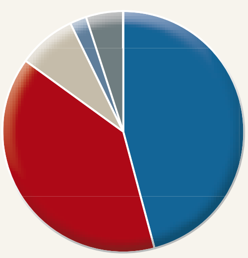
– Posten Norden is an international group with the Nordic specialised skills, our Nordic presence and our environmen realised through the merger, we will be a competitive partn services to Danish and Swedish businesses and households.

Posten Norden

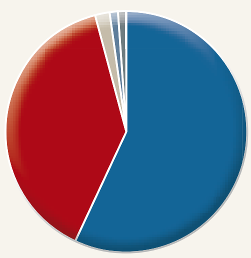
Posten Norden was formed through the merger of Post Danmark A/S and Posten AB. The group offers communication and logistics solutions to, from and within the Nordic region, with sales of around SEK 45 billion and approximately 50,000 employees. Operations are run in four business areas. The parent company is a Swedish public company, owned 40 % by the Danish state and 60 % by the Swedish state. Votes are allocated 50/50 between the owners.



NET SALES
*Share of the group**



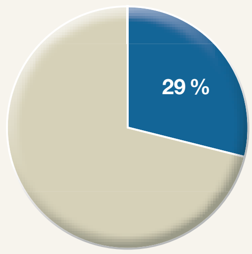
EMPLOYEES
*Share of group's average number**



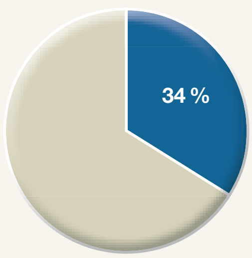
Mail Denmark

Leader in distribution solutions to, from and within Denmark. Mail Denmark offers nationwide messaging services, including letter, newspaper and direct mail distribution, as well as drop-off and delivery of parcels on the private market. Through international collaborations, Mail Denmark also offers a high-quality global range. Each day, around 11 million pieces of mail are delivered to 2.6 million Danish households and to all businesses in Denmark.

NET SALES
*Share of the group**



EMPLOYEES
*Share of group's average number**



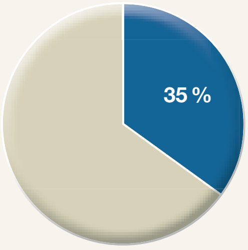
region as its home market. Our primary strengths are our ntal ambitions. With the synergies and economies of scale er to the business community while offering reliable postal .

Lars G Nordström, February 2010

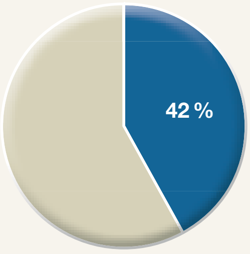
Mail Sweden

Leader in distribution solutions to, from and within Sweden. Mail Sweden offers nationwide messaging services, including letter, newspaper and direct mail distribution, as well as drop-off and delivery of parcels on the private market. Through international collaborations, Mail Sweden also offers a high-quality global range. Each day, around 20 million pieces of mail are delivered to 4.5 million Swedish households and to all businesses in Sweden.

NET SALES
*Share of the group**



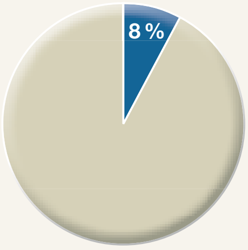
EMPLOYEES
*Share of group's average number**



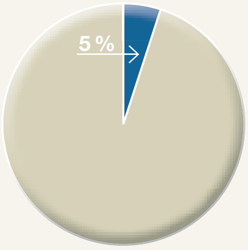
Informationlogistics

The business area is leader on the Nordic market and develops, produces and delivers systems, services and products for efficient customer communication. With its co-ordinated offer, the business area helps customers get the right information to the right recipients and the right destination, in the right way and at the right price. The business area also offers labelling and identification solutions. With annual production of over five million labels, the business area is a significant operator on the labelling market.

NET SALES
*Share of the group**



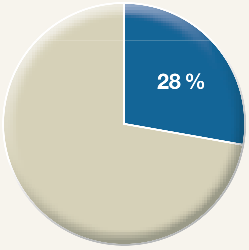
EMPLOYEES
*Share of group's average number**



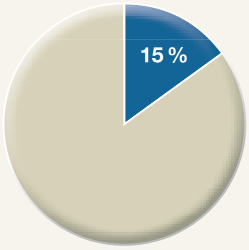
Logistics

Leader in the efficient flows of goods to, from and within the Nordic region. With its own capacity and infrastructure in Sweden, Norway, Denmark, Finland, Germany, Belgium and the Netherlands, the business area handles around 500,000 parcels per day. It offers standard parcel, pallet and express services as well as logistics solutions for in-night freight forwarding, third-party logistics and shipping. Customers are offered everything from single parcel delivery to comprehensive logistics solutions where the business area takes overall responsibility for orders, transport, warehousing, delivery, payment and aftermarket.

NET SALES
*Share of the group**



EMPLOYEES
*Share of group's average number**



Data refers to Jan-Dec 2009 pro forma.

Posten Norden 2009 in brief

The group was formally established on 24 June 2009 and consolidated as of 1 July 2009. Information for calendar year 2009 and all comparative information are pro forma.

- Net sales for the full year totalled SEK 44,633m (45,810)
- Operating earnings for the full year totalled SEK 284m (2,946)
- Excluding restructuring costs of SEK 1,154m (163), operating earnings for the full year totalled SEK 1,438m (3,109)
- Earnings before tax for the full year totalled SEK 2,439m (3,640) and net earnings totalled SEK 2,414m (2,749)
- As part of the merger an additional dividend of SEK 1,400m was paid to the Swedish state. Post Danmark also divested its share in MIE Group S.A. which represented Post Danmark's equity interest in Belgian Post, De Post N.V.-La Poste S.A. The divestment produced a capital gain of SEK 2,002m
- The Board proposes a dividend of SEK 1,440m

Key ratios

		Pro forma					
SEKm, unless otherwise specified	Jul-Dec 2009	Jul-Dec 2008	Jan-Dec 2009	Jan-Dec 2008	Change	
Net sales	21,858[1]	22,731	44,633[3]	45,810	-1,177	-3 %
Operating earnings	-406	1,013	284	2,946	-2,662	-90 %
Operating margin, %	neg	4.4	0.6	6.3	-5.7	
Earnings before tax	1,545[2]	1,359	2,439[2]	3,640	-1,201	-33 %
Net earnings	1,706[2]	1,037	2,414[2]	2,749	-335	-12 %
Cash flow from operating activities	640					
ROE, %, rolling 12-month period	20	27	20	27		
Equity-asset ratio, % at end of period	45	39	45	39		
Average number of employees	47,319	52,145	47,625	51,783		

[1] Net sales decreased 6 % excluding structural and currency changes.
[2] Includes capital gain of SEK 2,002m on the sale of Post Danmark A/S' share of Belgian Post De Post-La Poste
[3] Net sales decreased 7 % excluding structural and currency changes.

Key events after the close of the fiscal year

Posten Norden entered into an agreement with Logica for the the development and management of SAP and other IT applications. Under the terms of the 5-year agreement, approximately 280 Posten Norden employees will be transferred to Logica's operations in Sweden and Denmark. Logica also assumes responsibility for subcontracts equivalent to approximately 150 full-time consultants.

The transaction plays an important role in the realisation of several IT synergies identified in connection with the merger.

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

Construction of the best communication and logistics company in the Nordics has begun

A rapid process
Much has been achieved in a short time. One year ago our owners signed a merger agreement. Today we have a joint group with a solid foundation to build on. The fact that the merger of Post Danmark A/S and Posten AB became reality during a year of growth stagnation has not been a disadvantage. Rather, the economic situation increased our motivation to rapidly put an organisation in place and begin creating favourable conditions for Posten Norden.

Immediately following the EU's approval of the merger on April 21st, we initiated methodical efforts to create consensus on the position, approach and strategy we will work towards during the coming 3-5 years. As early as June, we finalised the organisational structure that is currently in force. This enabled us to appoint the management team on the same day as the formal aspects of the merger were finalised at the end of that month. Work has continued through the autumn to analyse and evaluate various strategic directions and target areas for all parts of the business. The outcome of these efforts now forms the basis for establishing Posten Norden's strategy.

A reasonably good result
Our operations have been impacted by extremely low market activity. Our customers have suffered from falling demand, meaning that we have had fewer mail items to deliver. The increased focus on costs has also meant that people communicate less and rely more heavily on digital communication channels. This has led to sharply declining volumes and to pressure on prices, and Posten Norden's net sales – excluding currency and structural changes – fell 7 per cent.

In a sagging market, day-to-day cost control is of utmost importance to maintaining competitiveness. The winners are those who have the speed and flexibility to adjust their costs to fluctuating revenue levels. Thanks to the fact that – as early as late-summer 2008 – we saw clear signs that 2009 could be a difficult year, planned measures on the cost side were moved forward and new measures were adopted. All of this was done to address the anticipated drop in revenues. The cost adjustments resulted in a 4 per cent cost reduction, adjusted for currency and restructuring changes. During the year, we decided to take additional steps to address the continued uncertain market situation and other factors that impact our business. The restructuring costs of over one billion SEK charged to 2009 earnings enable necessary adjustments of production capacity within all business areas, modernisation of the service network and rationalisations within administration.

The sale of Post Danmark's share in Belgian Post De Post – La Poste produced a capital gain of SEK 2,002m, allowing us to maintain our stable financial position as we lay the foundation for future essential structural measures and investments. Earnings before tax of SEK 2,439m, although considerably lower than last year, represent a reasonably good result under the circumstances.

Many uncertainties
The situation continues to be uncertain. Although the worst of the recession is most likely behind us, it is still difficult to predict how quickly we will see a return of rapid growth. It is my firm belief that the reorganisations and budget cuts that companies have survived will leave a mark on priorities for a long time to come. Costs will be in focus as long as growth opportunities are limited. In addition to economic uncertainty, we face another major challenge. Faced with "liberalisation" or deregulation, new national regulations for European postal markets are being formulated. There is a significant risk that these regulations will show greater consideration to satisfying national special interests than to ensuring fair market

conditions and a level playing field. Such an outcome would benefit neither our customers nor postal operators and their owners.

The construction of Posten Norden has begun

The merger is taking place at the right time. The previously-identified synergies of approximately one billion SEK within administration, IT and procurement are a competitive advantage per se. During the autumn we also identified additional, high-potential opportunities for harmonisation, chiefly within production but also on the service development side. These will be progressively implemented as the interplay between our business areas develops.

It is gratifying that we've come this far. We have achieved reasonably good results, continued to deliver with high quality, and gained more satisfied customers and employees. In both Sweden and Denmark, mail and parcels are delivered to all households and businesses with quality that is among the highest in the world. Reliable, efficient and modern systems and processes are, of course, a prerequisite for this. But without the skills of our employees and their commitment to always perform at the top of their game – every day – Posten Norden would be just another mediocre company. Instead, we are known in the industry for our quality ambitions and as an outstanding, market-oriented company. This is a position that we will not relinquish. We will be the best in the Nordics.

Solna, 23 February 2010

Lars G Nordström
President and Group CEO, Posten Norden

> In a sagging market, day-to-day cost control is of utmost importance to maintaining competitiveness. The winners are those who have the speed and flexibility to adjust their costs to fluctuating revenue levels.

Posten Norden – the result of a historic merger

On April 1st 2007 the Chairmans of the Boards of Post Danmark A/S and Posten AB, Fritz H. Schur and Marianne Nivert, met to discuss the possibility of jointly issuing a stamp to commemorate the centennial anniversary of the Scout movement in Denmark and Sweden. No stamp ended up being issued, but the idea to merge Post Danmark A/S and Posten AB was born. The merger was announced on the same date the following year. A prompt examination by the EU followed the completion of the owners' negotiations, and the merger was formally completed on June 24th 2009.

Posten Norden AB is the result of the historic merger between Post Danmark A/S and Posten AB. Posten Norden gathers experience gained on a fully deregulated market and through both broader ownership and joint ownership of another European postal company.

Mergers promote competitiveness

The three driving forces behind all mergers are economies of scale, regionalisation and liberalisation. These are also the incentives for joining Post Danmark A/S and Posten AB. Through cross-border mergers, large companies in small countries win a larger natural home market and achieve essential economies of scale. In a time when regions are increasingly important, it is essential to be able to offer cross-border solutions within a larger region. To achieve a desirable position and successfully meet the challenges that arise with market liberalisation and deregulation, a company must strengthen its competitiveness.

Offensive move at the right time

The merger of Post Danmark A/S and Posten AB is a well-timed offensive move. Conditions on the communication and logistics markets are changing, due to liberalisation, technological development, internationalisation and the significance of environmental issues. The market is facing a structural transformation that will have major consequences for market participants.

Read more about the market's driving forces on page 10.

Synergies and economies of scale

The joint group has a larger natural home market and remains firmly rooted on the national level. Cost synergies within procurement, administration and IT are expected to reach SEK 1 billion per year. Economies of scale in the joint group produce operational synergies in areas such as service development, conversion to an environmentally efficient operation and more efficient production processes. The merger makes Posten Norden more competitive, thereby arming it to meet the challenges of tougher competition and weakening letter volumes while maintaining high-quality postal service in Denmark and Sweden.

Dramatically altered market conditions

The economic situation was very positive when the merger talks opened. The situation continued to be hopeful when the merger announcement was made on April 1st 2008, although it was predicted that the top of the economic boom had been passed. The economy deteriorated rapidly during the autumn of 2008 following the near collapse of the global financial system due to the US housing loan crisis. Governments throughout the world have since initiated actions plans to stabilise financial systems, stimulate investments and mitigate falling demand.

For companies operating in the communication and logistics industries, negative growth has impacted demand and profitability. Due to falling demand, the logistics requirements of major customers in the industrial sector and the auto industry – and their suppliers – have not been anywhere close to previous levels. Other industries, such as the financial sector, have implemented wide-ranging savings programmes – this has reduced the amount of customer communication and has meant that customers have had to accept a larger portion of electronic communication as opposed to receiving information (such as bank statements) delivered to their home letter boxes. Media markets have also been squeezed by all-time low growth levels. Taken together, this means lower demand and lower volumes – regardless of service.

The merger of Posten AB and Post Danmark A/S was well-grounded back in 2007 and 2008. In the prevailing economic situation it is even more important to achieve economies of scale and to identify synergies in order to avoid jeopardising long-term competitiveness. The merger is therefore even more justified today.

Posten Norden's mission

- Posten Norden's mission is to connect people and businesses by delivering mail 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.

Chairman of the Board of Posten Norden, Fritz H. Schur, on the merger:

» Posten Norden combines businesses that have unique experience and skills and are characterised by high quality and a desire to evolve along with the changing needs of customers. The resulting economies of scale and synergies will serve to strengthen Posten Norden's short- and long-term competitiveness, enabling us to continue to offer high-quality postal service. The merger happened at the right time and will benefit our owners, our customers and our employees. «

The Posten Norden share and shareholders

Posten Norden AB is owned 60 % by the Swedish state and 40 % by the Danish state. Votes are allocated 50/50 between the Danish and Swedish states. The Swedish Ministry of Enterprise and Energy represents the Swedish state's shares and the Danish Ministry of Transport represents the Danish state's shares at Posten Norden AB's annual general meeting, where each owner nominates four members of Posten Norden's Board of Directors. Posten Norden's share capital totals SEK 2,000m, allocated into 2,000,000,001 shares, 1,524,905,971 of which are ordinary shares and 475,094,030 of which are series B shares. Each share has a quota value of SEK 1.

Following the sale by CVC Capital Partners of its 22 per cent equity interest in Post Danmark A/S to the Danish state, the pre-merger owner circle of Post Danmark A/S was comprised of the Danish state (97 %) and executives and employees (3 %). A redemption programme for executives and employees was commenced on 1 October 2009. As of 31 December 2009 the majority of these minority shareholders had exercised their share redemption option, and Posten Norden AB holds over 99.9 % of Post Danmark A/S shares. Unredeemed shares will be subject to compulsory redemption in April 2010.

Access to information

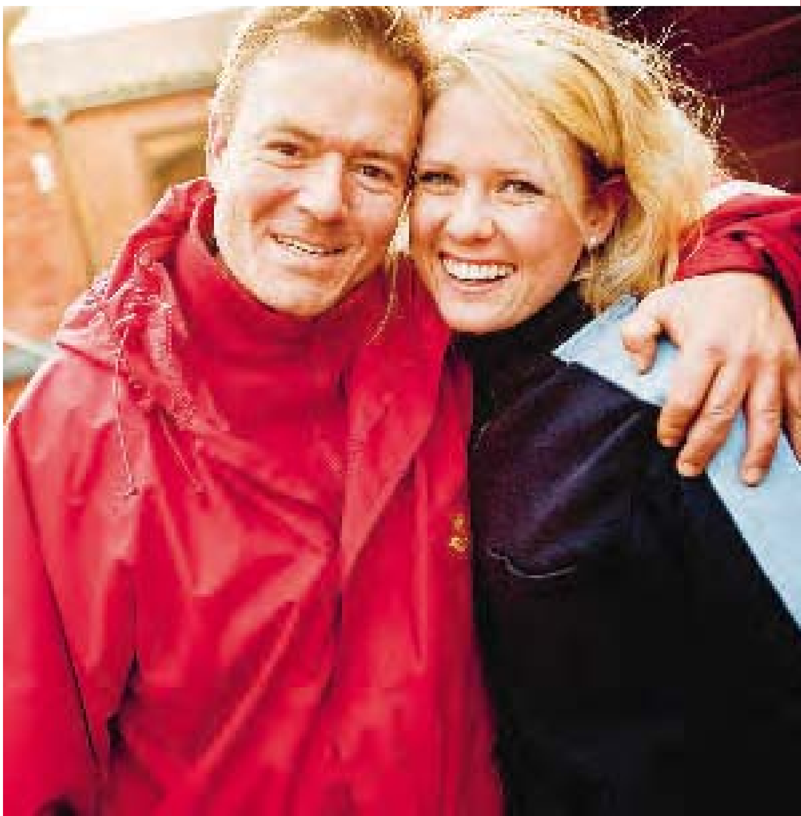
Postens Norden's published financial reports in Swedish, Danish and English are available to read and download at www.postennorden.se, www.postennorden.dk and postennorden.com.

Investor Relations contact person

If you have questions concerning Posten Norden's financial information, please submit your questions via e-mail to ir@posten.se.

Annual general meeting

The annual general meeting will be held on Wednesday, 14 April 2010 at 10:00 AM at Posten Norden's headquarters in Solna, Sweden. Printed versions of the annual report in Swedish, Danish and English can be ordered from Posten Norden AB, 105 00 Stockholm or via e-mail at ir@posten.se as of 22 March 2010.



Financial calendar 2010

Annual general meeting	14 April 2010
January - March 2010 interim report	12 May 2010
January - June 2010 interim report	31 August 2010
January - September 2010 interim report	9 November 2010
Year-end report 2010	February 2011
Annual report 2010	March 2011
Sustainability report 2010	March 2011

Customers on Posten Norden:

As early as 2009, our partnership with Post Danmark meant that our catalogues and parcels were delivered with high delivery assurance and quality. We're looking forward to offering our customers even more excellent solutions in 2010, thanks in part to Post Danmark's development of Døgnposten (self-service stations) and Modtagerflex (recipient flexibility) – two solutions that we believe will greatly benefit our customers.

Flemming Ib Windfeld,
CEO, BON'A PARTE A/S

Quality, cost-efficiency, a start-to-finish perspective and customer satisfaction were the guiding principles in our choice of Posten Logistics. The company's Nordic ambitions also coincide with ours – one example of this is Posten's readiness to join our efforts to identify cross-border solutions.

Christina Lundman Lagerstedt,
Responsible for mobile phones, laptop computers and accessories at TeliaSonera

Throughout the entire procurement process, Posten demonstrated strong supporting documentation, flexibility, reliability and satisfactory pricing.

Stefan Trepkow,
H&M

Financial overview and analysis

Net sales and operating earnings

January-December, pro forma

Net sales, excluding structural and currency changes, fell by 7 %. Currency change was due to the fall of the Swedish krona, particularly in relation to the Danish krone. Sales in all business areas were negatively impacted by the recession and the subsequent fall in demand. Mail sales fell off due to electronic substitution, which was hastened by the recession. Income from direct mail declined, but not to the same extent as for the total market for media investments. Newspaper distribution was marked by a reduced number of editions and lower newspaper weight. The information logistics market was characterised by depressed prices. Apart from the recession, substitution had a negative effect on print volumes. The logistics market was characterised by overcapacity and depressed prices.

The drop in operating earnings reflects lower net sales following restructuring costs of SEK 1,154m (163). Measures will be taken in all business areas, involving adjustments to and efficiency measures in production. Provisions include the cost of moving service from

Jan-Dec pro forma

	Net sales				Operating earnings			Operating earnings excl. restructuring costs		
SEKm	2009	2008	Change	Change excl. structural & currency	2009	2008	Change	2009	2008	Change
Mail Denmark	13,094	12,727	2.9%	-8.1%	444	1,197	-63%	662	1,197	-45%
Mail Sweden	15,794	16,574	-4.7%	-5.0%	397	967	-59%	936	1,314	-29%
Informationlogistics	3,762	4,032	-6.7%	-4.3%	-351	-3	n/a	-164	67	n/a
Logistics	12,673	12,850	-1.4%	-9.1%	-158	100	n/a	-64	159	n/a
Other and eliminations	-690	-373	-85.0%	-12.0%	-48	685	n/a	68	372	-82%
Posten Norden Group	**44,633**	**45,810**	**-2.6%**	**-6.9%**	**284**	**2,946**	**-90%**	**1,438**	**3,109**	**-54%**

Jul-Dec (2008 pro forma)

	Net sales				Operating earnings			Operating earnings excl. restructuring costs		
SEKm	2009	2008	Change	Change excl. structural & currency	2009	2008	Change	2009	2008	Change
Mail Denmark	6,160	6,140	0.3%	-5.2%	64	374	-83%	282	374	-25%
Mail Sweden	7,823	8,194	-4.5%	-4.6%	-91	260	n/a	448	607	-26%
Informationlogistics	1,772	1,944	-8.8%	-3.0%	-272	-23	n/a	-85	47	n/a
Logistics	6,290	6,473	-2.8%	-7.2%	-55	-25	n/a	39	34	15%
Other and eliminations	-187	-20	n/a	n/a	-52	427	n/a	10	171	-94%
Posten Norden Group	**21,858**	**22,731**	**-3.8%**	**-5.8%**	**-406**	**1,013**	**n/a**	**694**	**1,233**	**-44%**

Change in net sales as compared to prior year

	Jan-Dec pro forma		Jul-Dec	
	SEKm	%	SEKm	%
2008 pro forma	45,810		22,731	
Stuctural change	-51	-0.1%	-73	-0.3%
Currency change, translation of foreign net sales	2,033	4.4%	522	2.3%
Price and volume change	-3,159	-6.9%	-1,322	-5.8%
2009	**44,633**		**21,858**	

business centres to partner outlets – an adjustment to changed customer behaviour – and administrative rationalisations made possible in part by the merger.

The group's operating costs fell by 4 %, excluding currency change and restructuring costs, due to measures already implemented and despite higher pension costs of approximately SEK 400m. The higher pension costs for 2009 are essentially explained by the 2008 drop in plan assets in Posten's Pension Fund. Comparisons to 2008 are affected by a reversal of pension payments to the Danish state in 2008.

Net financial items totalled SEK 2,155m (694). The difference as compared to the corresponding period last year is due mainly to the capital gain from the sale of Post Danmark A/S of its share in the holding company MIE Group S.A. which represented Post Danmark's equity interest in the Belgian Post, De Poste-La Poste. Net interest income totalled SEK -63m (152), attributable to the lower interest rate level.

Net earnings totalled SEK 2,414m (2,749). Tax totalled SEK -25m (-891). The change is attributable to lower earnings, utilisation of previous tax losses carried forward and deferred tax on new fiscal deficits.

Return on equity totalled 20 (27) %.

July-December, comparative pro forma

Net sales excluding structural and currency changes declined by 6 %. Since the effects of the recession impacted autumn 2008 results, the half-year decrease was less than the decrease for the full year.

Operating earnings excluding restructuring costs of SEK 1,100m (220) totalled SEK 694m (1,233).

Net financial items totalled SEK 1,951m (346). The improvement is primarily due to capital gain from the sale of Post Danmark A/S of its share in MIE Group S.A. which represented Post Danmark's equity interest in the Belgian Post, De Post-La Poste.

Net earnings totalled SEK 1,706m (1,037). Tax totalled SEK 161m (-322).

Cash flows

July-December

Cash flow from operating activities totalled SEK 640m.

Cash flow from investing activities totalled SEK 3,327m. Sale of shares in MIE Group, which represented Post Danmark's equity interest in the Belgian Post, impacted cash flow by SEK 4,044m. Cash flow from investments in tangible fixed assets totalled SEK -773m.

Cash flow from financing activities totalled SEK -929m. Cash flow was chiefly impacted by loan amortisation and the redemption of executive and employee shares in Post Danmark A/S.

Cash and cash equivalents totalled SEK 1,844m at the beginning of the period. As compared to the close of the July-December period, cash and equivalents increased by SEK 3,008m, including exchange rate differences in cash and cash equivalents of SEK -30m.

Financial position

All comparative information is pro forma.

The group's equity totalled SEK 13,358m (11,332) as of 31 December 2009. Of this amount, SEK 13,267m (11,305) is attributable to parent company shareholders and SEK 91m (27) to minority interests.

As of 31 December, 99.9 % of Post Danmark A/S minority shareholders had exercised their share redemption option. Unredeemed shares will be subject to compulsory redemption in April 2010.

Net financial position totalled SEK 4,528m (-11). Net financial position excluding pension-related items totalled SEK 3,199m (-771). The change in net financial position is due to the sale of MIE Group (De Post-La Poste), reflected in the SEK 2,597m increase in cash and cash equivalents.

The equity/assets ratio totalled 45 (39) %.

Consolidated statement of net financial position

		Pro forma
SEKm	**31 Dec 2009**	**31 Dec 2008**
Financial investments	149	132
Long-term receivables		28
Short-term investments	1	1
Cash and cash equivalents	4,852	2,255
Total financial assets	**5,002**	**2,416**
Long-term interest-bearing liabilities	1,193	2,032
Current interest-bearing liabilities	610	1,155
Total financial liabilities	**1,803**	**3,187**
Net financial position excl. pensions	**3,199**	**-771**
Pension-related assets, long-term receivables	2,994	2,154
Pension-related liabilities, pension provisions	1,665	1,394
Net financial position incl. pensions	**4,528**	**-11**

Increased customer focus to meet new circumstances

The economic trend impacts demand for Posten Norden's services. But several critical driving forces are transforming the market for communication and logistics services, signifying that the market is facing a structural transformation.

Altered customer behaviour
A structural transformation is underway on the postal and logistics markets. For several years the logistics industry has been characterised by growing consolidation in which major global operators have become increasingly dominant. Due to changes in customer behaviour the postal market has become part of a communications market where it faces competition from both digital communication and from other operators. This has served to dramatically alter the prerequisites for running a postal operation.

Liberalisation or re-regulation
Most of the liberalisation of national European postal markets will be implemented by the turn of the next year. The manner in which countries will be implementing the EU directive remained unclear at the close of 2009. Full-scale liberalisation is meant to open markets to competition and level the playing field for all participants. This, however, is not likely to be the case. Expect instead a re-adjusted market with major variations between countries. The large, often state-owned operators risk being subject to new restrictions that impede and limit competitiveness and profitability.

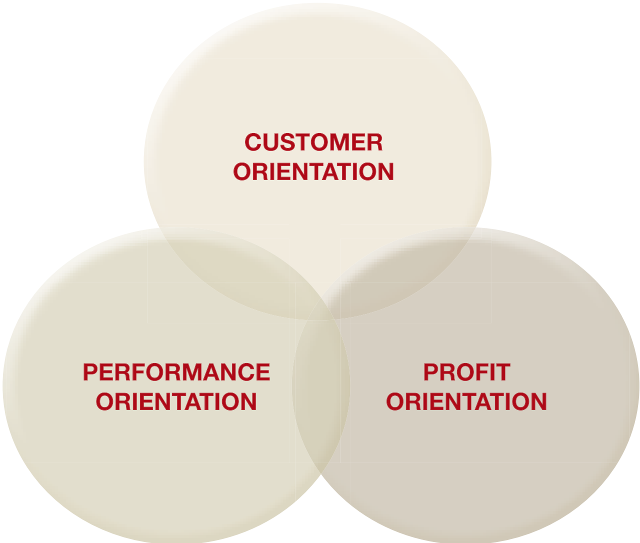
Internationalisation and regionalisation
The need for cross-border communication and logistics solutions is growing and developing as companies expand into new countries and regions. Operators on the communication and logistics market must both control a certain region and have international reach. This is usually accomplished through a combination of own capacity and the establishment of partnerships with various international networks.

Environmental and climate considerations
Developing businesses to be less dependent on fossil energy sources is an increasingly important business strategy issue. Businesses that are able to limit their environmental and climate impact will have a competitive advantage. This is driven by the fact that international agreements and national environmental targets will entail heightened requirements and increased demands for climate-efficient solutions.

Increase in distance trade
Possession of an attractive, cohesive distance trade offer is a distinct growth area. This involves being able to manage messaging and logistics flows for businesses as well as meeting buyers' demands for reliability and ease in receiving their ordered items and, where necessary, offering a simple, secure return process.

Basis for Posten Norden's strategic direction

Posten Norden occupies a strong position on the market. Our strengths are our broad service portfolio, unique range, high quality levels and ability to continuously adapt our business to new circumstances. But for Posten Norden to succeed in meeting future challenges while strengthening competitiveness, we must increase our focus on customers, performance and profit. These focus areas will be incorporated in the develpment of Posten Norden's strategy.



Customer orientation. Customers must always be sure that Posten Norden can meet their communication and logistics needs with the highest standards of quality and cost efficiency. Posten Norden thus has the important task of listening to customers' needs and expectations. This facilitates the development of services in close co-operation with customers and in pace with their changing needs.

Performance orientation. Posten Norden sets high goals. This means that we must constantly outperform ourselves and that we must always act in our customers' best interests, resulting in excellent service for our customers and ensuring Posten Norden's short- and long term competitiveness.

Profit orientation. Posten Norden can offer its customers attractive communication and logistics services thanks to the strong cost-consciousness that pervades the entire group. This serves as the basis for stable financial development that yields good returns for the owners and enables investments in new technologies, new services and climate-efficient distribution solutions.

Action programme

Posten Norden is designing a group-wide action programme encompassing:

- Group initiatives within production development and business development
- Synergy realisation within administration, IT and procurement, as well as within new areas rendered possible by the merger
- Streamlining within all business areas and group functions, to create a more flexible cost structure and to more readily adjust costs to income.

All portions of the programme will be followed up on a quarterly basis and supplemented with additional activities in line with changes in the external business environment.

Outlook

2010 is expected to be characterised by the continued uncertainty of the economic situation, fierce competition, overcapacity and continued substitution and price pressure. Although it appears that the recession bottomed out in the autumn of 2009, it is expected to take some time before economic activity reaches levels seen during the last economic boom. To meet this anticipated development Posten Norden will continue its efforts to create a more flexible cost structure in all operations. The goal is to increase the extent to which total capacity is adjusted to variations on the volume side. Increased cost-efficiency is a prerequisite for strengthening competitiveness even at times of stagnant market growth. Efforts to secure previously identified and new synergies will also be prioritised.

Modern infrastructure and committed employees produce efficient communication and logistics solutions

The group has a broad offer of communication and logistics solutions to, from and within the Nordic region. Posten Norden's customers receive everything from world-class letter delivery to in-night freight forwarding and efficient customer communication.

Posten Norden's offer includes services for private individuals as well as nationally- and internationally-focused companies and organisations of all sizes. To meet customer demands, Posten Norden constantly develops its offer in close co-operation with customers. The group also guarantees that fulfilment of universal postal service obligations meets the high standards imposed by the Danish and Swedish states.

Posten Norden's production capacity includes its own Nordic infrastructure for logistics solutions and two national, nation-wide service networks for efficient messaging services. The logistics operation also runs its own businesses in Belgium, Holland and Germany, chiefly to help internationally active customers ensure efficient logistics from other areas of the world to and from the Nordic region. The group also has modern facilities for printing and enveloping, as well as label production in a total of 8 European countries. To ensure its global reach, Posten Norden has also established collaborations with the international logistics network DPD and for international postal service under the Universal Postal Union (UPU).

Modern technology and economies of scale increase business advantages for customers

Posten Norden offers years of experience in developing and utilising new technology in order to offer efficient solutions to customers. IT-based interface with both senders and recipients means that distribution and administration are more efficient, quality level is higher and customers' business advantages are increased. New technology has also provided opportunities to increase efficiency in production processes and to develop interesting new solutions for customers.

Benefits to customers include services that combine digital and physical distribution to allow them to monitor their deliveries via the internet or receive text message notification that a mail item is ready to be collected at the nearest distribution centre. Danish customers can choose to use the 24-hour "Døgnposten" self-service stations. With increased automation of production processes, Posten Norden can also offer more flexibility in the supply chain, including fixed-time deliveries. Customers are also offered both broad and targeted customer communication services such as customer loyalty programmes, smart invoicing solutions and efficient direct mail solutions. The group's offer includes a range of environmental services that, among other things, offset its carbon dioxide emissions while using production processes that respect the environment.

The group's business development focus is on continuing to offer efficient communication and logistics solutions to all customers. This includes further clarification of the group's start-to-finish offer in the Nordics, with continued focus on the things prioritised by customers: price, quality, reliability and the environment. Efforts to develop and optimise the group's total production capacity also include a review of ways to increase the degree of automation throughout the value chain, from collection to distribution, and ways in which the group can take advantage of the economies of scale presented by the merger.

Customers on Posten Norden:

Posten is one of our important, major partners. We are highly communication-intensive, and this requires a partner with muscles and a large range. One of the greatest added values we've realised through working with Posten is that they help us drive issues within one of Coop's core areas – sustainable development. As a result, we've:

- reduced paper consumption in our mailings to regular customers, and
- switched to climate-efficient direct mailings.

Ivar Fransson,
CEO, MedMera Bank AB and Coop Markets

Both TDC and Post Danmark are leaders in Denmark in their respective fields. Both companies are constantly striving to develop and deliver efficient customer solutions while keeping the focus on costs, which is a prerequisite for maintaining a leading position on the market. We view Post Danmark as a trustworthy and innovative partner.

Marek Fajnzylber, Purchasing Director, TDC

Key ratios 2009

	Denmark	Sweden
Employee index (MKA/MIX) *	69 (64)	66 (64)
Sickness absenteeism *	6.3 % (7.4 %)	5.0 % (5.6 %)
Environment, tonne CO_2 per net sales	n/a	8.2 (8.9)
Environment, tonne CO_2	92,280 (94,904)	n/a
Quality, priority mail	95.7 (93.7)	95.9 (94.9)
Customer satisfaction (CSI) *	67 (63)	67 (64)
Corporate Image *	3.24 (3.01)	0.29 (0.30)

* Employee index, sickness absenteeism, environment, customer satisfaction and corporate image are measured differently in Denmark and Sweden

An environmentally sound business

Environmental efforts are crucial to Posten Norden's current and future competitiveness. Therefore, a central tenet of the group's vision is to be an environmentally sound choice for its customers. Posten Norden's operations require the use of transportation as well as an extensive infrastructure of terminals and distribution offices. In order to fulfil the group's mandate, virtually all modes of transportation are utilised: train, lorry, car, air, moped and bicycle. Transportation accounts for a significant proportion of Posten Norden's total environmental impact and is one of the group's main focus areas. Another is the group's premises. Both Post Danmark and Posten have carried out systematic efforts to reduce their environmental impact in these areas.

Environmental efficiency has been a common denominator in Post Danmark's and Posten's environmental goals to date. Post Danmark's overall environmental goal has been to reduce CO_2 emissions by 8 % during the period 2007-12. The corresponding goal for Posten has been a 15 % reduction in CO_2 emissions in relation to net sales during the period 2006-10. Reduced transportation requirements and implemented energy efficiency measures have resulted in a reduction in the Danish operation's CO_2 emissions, which have fallen by 6.4 % since 2007. For the same reasons as in Denmark, and due to the purchase of fossil-free electricity and fewer air transports, CO_2 emissions from the Swedish operations have fallen 16.3 % in relation to net sales since 2006. With its focused environmental efforts and operating under the framework of the International Postal Corporation (IPC), Posten Norden contributed to the industry target (reduction of CO_2 emissions by 20 % by 2020) that was announced in connection with the climate summit in Copenhagen. Posten Norden's ambition, however, is to exceed the industry target. To enable further investments to improve Posten Norden's environmental efficiency, the group has earmarked resources in a climate fund which, at a minimum, are equivalent to the costs of offsetting the group's CO_2 emissions.

Customer benefit

Efficiency	Dependability	Range	Accessibility
■ Communication and logistics services to, from and within the Nordic region ■ Cost-efficiently and accurately	■ High quality and reliability throughout the entire chain ■ Fulfilling the universal service obligations ■ Environmentally efficient solutions	■ Reach all households and businesses every day ■ Local, national, Nordic and global solutions	■ Customers receive service at the time and place that suits them
■ Specialised skills ■ Service development close to the customer ■ Efficient production with economies of scale ■ Automation throughout the entire chain ■ Standardisation enables flexibility ■ Cost-efficiency in all stages	■ Reliable processes and committed employees ■ Cutting-edge IT solutions ■ Transport optimisation	■ Own production platforms in Sweden, Norway, Finland, Holland, Germany and Belgium ■ International partnerships ■ Global range through Universal Postal Union (UPU) collaborations	■ Over 4,000 service points in the Nordic region ■ Sales force ■ Customer webs ■ Customer services ■ Mail carriers and drivers

Posten Norden's offer

Environmentally licenced operations

In Sweden, Informationlogistics runs an operation in Ljungby that requires registration in accordance with the Swedish Environmental Code. Corresponding registrations are made with the applicable authorities for the business area's facilities in France and Poland.

Read more about Posten Norden's environmental efforts in Posten Norden's Sustainability Report.

Posten Norden offers high accessibility for all customers

Corporate customers constitute the bulk of Posten Norden's sales, though an increasing number of recipients are private persons. Customers come into contact with Posten Norden via a number of different channels, all starting from the basic premise that it should be easy to be a Posten Norden customer. With over 4,000 service points, Posten Norden is the Nordic leader. Through its extensive service network spanning the Nordic region, accessibility to post and parcel services is high. The generous opening hours of Posten Norden's partner outlets allow Swedish customers to choose the time of day – weekday or weekend – for buying stamps, mailing letters or collecting parcels purchased from home. In Denmark, customers can visit a post office or partner outlet, while "Døgnposten" self-service stations allow customers to send and pick up parcels at any time of the day or night. In Norway and Finland, Posten Norden has a total of 1,800 parcel distribution points. Customers also reach Posten Norden's customer service and inquiry centres via telephone and the internet.

High quality is a key competitive advantage

One of Posten Norden's unique competitive advantages, highly appreciated by our customers, is our delivery quality. High quality at every level is completely in line with Posten Norden's vision. During 2009, Posten Norden continued its high-quality delivery, exceeding the requirements of its universal service obligations. The delivery quality for priority mail in Denmark – 95.7 % (93.7 %) – and for overnight items in Sweden – 95.9 % (94.9 %) – indicate that mail is delivered to all households and businesses in both Denmark and Sweden with a quality that is among the best in the world. The Swedish state's requirement for mail items stamped for overnight delivery is that at least 85 % shall be delivered during the following business day. The Danish state's quality requirement for all services provided under the transport obligation is 93 %.

Sweden and Denmark also offer their customers an extremely high-quality service for cross-border mail items. International Postal Corporation's annual quality measurement shows that Post Danmark, along with the Austrian Post, provides the highest quality for cross-border mail items. Customer satisfaction in terms of service, quality and range of services is measured and monitored through our Customer Satisfaction Indices (CSIs). Results for 2009 showed CSI improvements in both countries.

Committed managers and employees strengthen Posten Norden's competitiveness

With approximately 50,000 employees at over 2,000 workplaces in several countries, social responsibility is an obvious priority for Posten Norden.

The Post Danmark A/S and Posten AB businesses evolved from similar core values. Post Danmark's ten rules of conduct ("leveregler") have served as the foundation for shared values, while the actions of Posten's employees are governed by a code of conduct.

In the continuing efforts to become a joint group, these reference points are part of Posten Norden's vision: to be an attractive and stimulating workplace with committed and motivated employees. The company has focused on three areas in 2009: teamwork, leadership, and health/work environment.

Committed employees

Good managers make it possible for employees to do a good job. Post Danmark's Excellence Model and Posten's Communicative Leadership are based on this management philosophy. Annual surveys conducted within the businesses indicate that good managers have good employees. There are also clear links between good managers, strong earnings and increased healthy work presence.

Efforts to develop a joint management support process were commenced in 2009.

As the group takes shape, the need increases for a uniform personnel policy – not least to facilitate the desired levels of intra-group mobility. Employee participation and involvement are key elements in building a successful

group. The VOICE and MKA employee surveys are tools to measure and implement change. They help strengthen dialogue between managers and employees. Employee feedback makes it possible to identify desirable areas for workplace improvement, to follow up previously initiated efforts and to offer continuing encouragement to employees to contribute to the future development of the group. Employee dialogue in Denmark showed record levels of participation in 2009, with a response rate of 91 %. Based on the results, discussions were conducted in groups to identify possible areas for improvement within the business.

Employment involvement increased throughout the group. The MKA and MIX employee indices totalled 69 (64) and 66 (64), respectively.

Focus on work environment and health

Posten Norden works in a structured way to be a good employer, one that cares about its employees' work environment and health. Systematic, targeted efforts with these issues conducted within Post Danmark and Posten have yielded positive results, not least in drastically reduced sickness absenteeism during the past years.

Health-promoting efforts are important – improved health means a better quality of life for employees and cost savings for the group. Health efforts were enhanced in 2009 by increasing the focus on health factors. Methods for increasing healthy work presence resulted in a further drop in sickness absenteeism to 5.0 % (5.6 %). In Demark sickness absenteeism fell by an entire percentage point, totalling 6.3 % (7.4 %).

Following its targeted work environment improvement efforts, Post Danmark received OHSAS 18001 international management and work environment certification in 2009. This certifies Post Danmark's good control over its work environment and its systematic ability to identify and solve potential problems. The certification process as a whole has led to improved quality on all levels. Post Danmark also earned the Danish Working Environment Authority's "green Smiley with a crown", indicating the company's extraordinary effort to ensure a high level of health and safety.

Since a good work environment is essential for healthy employees, Posten Norden makes extensive investments in, for example, electric bicycles for mail carriers and vacuum lifts at terminals for heavy parcels. All major projects include systematic risk assessments of potential effects on the work environment.

During 2009, Post Danmark focused on systematically registering and monitoring accidents and related incidents. A work environment survey is used in Sweden that deals with both the physical and the psychosocial aspects of the work environment and serves as the basis for the action plans each manager is responsible for preparing. Posten also has over 700 safety representatives, who assist in improving the work environment and preventing injuries.

Diversity

Aimed at creating equal conditions for all employees, the group's diversity efforts cover ethnic background, gender, age, religion, disability, sexual orientation and transgender identity or expression. Post Danmark's 2009 diversity activities includes a project to promote ethnic diversity at the workplace. Posten developed and implemented the "Equally Unique" project, aimed at increasing knowledge and awareness of diversity and based on employee discussions on values and beliefs. "Equally Unique" is now part of Posten's management training. The goal is that all employees should feel proud to work at Posten Norden.

Workplace equality

In 2009, 22 % of the group's management team members were women. In order to achieve a higher proportion of women in senior positions, the following principles have been established:

1. Workplace equality shall play a natural role in the appointment of managers.
2. Managers will be called upon to a greater extent to explain and justify the gender composition of their group.
3. Female and male mentors will be tasked with coaching and promoting talented people.
4. Compensation policies with greater flexibility to make management positions more attractive to women and men.

Marianne Nivert's leadership award

A leadership award, funded with one million SEK, has been established in Marianne Nivert's name. Awards will be granted annually to one Swedish and one Danish female manager who have distinguished themselves through their leadership qualities. The awards will be distributed annually over a five-year period. Recipients will each receive SEK 100,000.

Proposed guidelines for determining compensation for executives

Executives employed in Sweden prior to the merger with Post Danmark A/S receive neither performance incentives nor variable pay components. Executives employed by Post Danmark A/S prior to the merger had the option of receiving variable pay components during 2009. During 2010 the owners will take a decision on new guidelines for determining compensation for executives.

Under the executive pension plan in Sweden, Posten's pension plan (ITP-P) is applied as regards defined benefit pensions, which are based on the individual's final wage and length of employment. Employees reaching full retirement age receive a pension of 10 % of their pension-based compensation for wage components up to 7.5 income base amounts, 65 % of wage components between 7.5 and 20 income base amounts and 32.5 % of wage components between 20 and 30 income base amounts. Under ITP-P, executive pensions are supplemented with individual premium-based agreements. Retirement plans and agreements stipulate a retirement age of either 60 or 62.

Two members of group management, excluding the CEO, have retirement at 60 (based on earlier retirement plans) and six have retirement at 62 under current executive pension plans.

For executives employed in accordance with Danish labour law, full premium-based pensions are applied and the retirement age is determined pursuant to Danish labour law.

Pension costs for the current CEO are fixed at an amount corresponding to 30 % of monthly salary. The notice period is three months.

The employment contracts of all other members of group management stipulate a 12-month notice period when the employer terminates the contract and a 3-6 month notice period when the employee terminates the contract. If the employer terminates the contract, the employee is entitled to severance pay equal to a maximum of 12 months' pay and automobile benefits. For members of group management employed in Sweden prior to the merger with Post Danmark A/S, income earned from subsequent employment or comparable business activities is deducted from the aforementioned severance package.

Customers on Posten Norden:

We selected Posten Logistic because they have a well-established network of distribution points. Posten also has solid experience and skills in e-commerce. It feels like a good decision.

Sebastian Heimfors,
Manager of e-commerce, Polarn O. Pyret RNB

Thanks to this venture, our customers can reach us around the clock, 365 days a year – and we reach cities and areas where we don't have stores. Simply put, our customers receive better service.

Cecilia Lannebo,
Information Officer at clothing company RNB Retail and Brands, owner of Polarn O. Pyret

We are convinced that Stralfors will help Hafslund take the next step in our customer communication, with both physical and electronic solutions.

Thore Sveen,
CEO, Hafslund Invoicing Service

Business area Mail Denmark

Leader in distribution solutions to, from and within Denmark. Delivers roughly 11 million pieces of mail to 2.6 million Danish households and to all businesses in Denmark each day.

Market situation

During 2009 the Danish messaging market was characterised chiefly by the recession and an altered competitive situation. Due to low economic activity, demand for physical messaging services for both businesses and private persons continued to decline. The economic situation also hastened the transition to digital forms of communication. Internet advertising increased on the weakening media market. Direct mail was impacted to varying degrees. Unaddressed advertising managed relatively well, while addressed direct mail followed the negative media market trend. At the end of the year Bring Citymail – owned by the Norwegian state-owned Posten Norge – discontinued its operations in Denmark.

Preparations ahead of the forthcoming liberalisation are proceeding on the political level. The way in which the EU's postal directive will be incorporated into Danish postal legislation and concession remains unclear.

It is crucial for Mail Denmark that future regulations are adapted to market conditions with a level playing field – whether it be for pricing or for service requirements.

Mail Denmark's market is developing at a fast pace and is distinguished by rapidly changing needs, with traditional and electronic means of communication competing with and complementing each other.

2009 Results

Net sales, excluding structural and currency changes, fell by 8 %. The recession caused a sharp decline in volumes for all services. Operating earnings, excluding restructuring costs of SEK 218m (0), totalled SEK 662m (1,197). The restructuring costs pertain to efficiency measures taken within production and administration.

Declining profitability did not affect sustained high quality. The quality of overnight letters improved, totalling 95.7% (93.7%). Efforts including the internal benchmarking of various districts lie behind this improvement. Lower staff turnover also meant better continuity in improvement efforts. Customers' appreciation of this is evident in the significant improvement of CSI to 67 (63).

Employee commitment is a prerequisite for continued competitiveness and improved profitability. It is therefore encouraging that employees have become both healthier, with sickness absenteeism falling to 6.3 (7.4) %, and more satisfied with their work situation, with the employee index (MKA) improving to 69 (64).

2010 Focus

The sharp drop in letter volumes places heavy demands on improving profitability to enable Mail Denmark to offer high quality at a competitive price while continuing to meet its transport obligation in Denmark. The following areas will therefore receive particular focus during 2010.

Continued high quality for satisfied customers: High quality is the basis for the level of customer satisfaction required for a sustainable business. Committed employees and optimal use of the business area's modern technology will ensure a sustained focus on offering the excellent service and high-quality services demanded by customers. One interesting growth area is Facility Services, which involves businesses outsourcing parts of their internal and external postal and logistics management to Mail Denmark, thereby allowing corporate customers to focus on core business while Mail Denmark provides expert postal and logistics delivery.

Cost focus in three perspectives: In order for Mail Denmark to be a competitive operator, future wage agreements must be adjusted to the changing market. Greater flexibility in adjusting staffing to volume fluctuations is also required. Within the parcel operation, specific measures will be taken in 2010 to produce a positive impact on operating earnings. Among other things, shorter decision-making paths and simplified processes will reduce administrative and project costs. Internal benchmarking will increase efficiency within sales, production, distribution and IT.

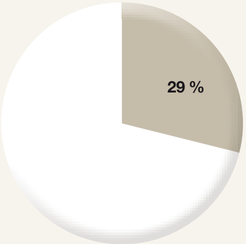
More options and continued accessibility: Private customers demand more and more flexibility and accessibility. Options for self-service and freedom of choice were therefore developed during the year – in terms of both digital services and flexible solutions for parcel delivery. Fewer and fewer customers use post offices for their postal errands; in the long term, the cost of running post offices will not be financially justifiable. Strong local presence in Denmark remains an important part of Mail Denmark's comprehensive offer, and we will therefore increasingly be contracting with local businesses and converting a large number of post offices to postal shops.

It's been an eventful year in many ways. The market trend has been dramatic to say the least, and has led to a sharp drop in profitability. There are no magic tricks at our disposal – beyond adjusting costs to lower revenues in all parts of the business. On the positive side, we've strengthened our position with our customers thanks to our high-quality delivery.

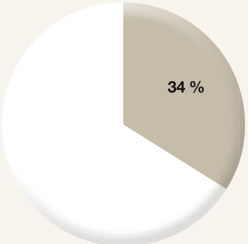
Finn Hansen
Head of business area Mail Denmark

Mail Denmark in figures

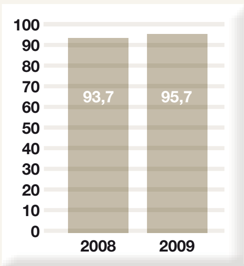
NET SALES
share of the group



EMPLOYEES
share of the group



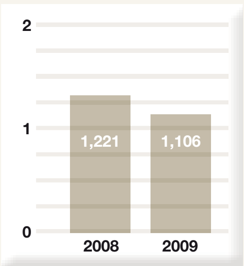
QUALITY*, %



* Priority mail

VOLUME, LETTERS, ETC.

Millions of units produced



SEKm, unless otherwise specified	Pro forma Jan-Dec 2009	Pro forma Jan-Dec 2008
Net sales	13,094 [1)]	12,727
Letters, etc.	*10,135*	*10,063*
Daily newspapers	*345*	*350*
UDM and local news magazines	*1,355*	*1,204*
Other	*1,259*	*1,110*
Other operating income	1,592	1,648
Operating earnings	444	1,197
Operating margin, %	3.0	8.3
Average number of employees	16,320	17,649
Volume, millions of units produced		
Letters, etc.	1,106	1,221

1) Net earnings fell by 8% excluding structural and currency changes.

Business area Mail Sweden

Leader in distribution solutions to, from and within Sweden. Delivers roughly 20 million pieces of mail to 4.5 million Swedish households and to all businesses in Sweden each day.

Market situation

The recession impacted the Swedish messaging market quite strongly, through lower levels of customer activity and an accelerated transition to digital communication methods. Competition from other operators remained stable during the year. Our main competitor, Bring Citymail, owned by state-owned Posten Norge, did not expand at the previously announced rate.

Advertising investments in Sweden fell in 2009. Direct mail purchases also declined, mirroring the growth of the internet as an advertising channel. The newspaper market was characterised by fewer subscribers and lower weight per distributed newspaper.

To incorporate the EU's postal directive into Swedish law, government investigators submitted a proposal for new Swedish postal legislation. It is crucial for Mail Sweden that the new Swedish postal market regulations take into account the unprecedented conditions that have prevailed following the recent trend, most accurately termed a "digital revolution". The traditional postal market is already part of a communications market on which competition from other operators and other forms of communication is increasing.

2009 Results

Net sales fell by 5 %. The recession spurred the transition to electronic communication, particularly within the banking and finance sectors, which has led to sharply reduced mail volumes. Operating earnings, excluding restructuring costs of SEK 539m (347), totalled SEK 936m (1,314). Mail Sweden implemented comprehensive measures to adjust costs to lower revenues while developing services for the burgeoning distance selling market as well as climate efficient direct mail.

One such cost adjustment measure was the integration of all process stages – from collection to distribution – into a joint, coherent mail production process. This project was completed in the autumn of 2009. Investments in new, high-tech sorting machines and powerful new software have resulted in annual cost reductions and have allowed us to develop various value added services. The review of infrastructure and handling of single mail pieces produced lower costs and increased environmental efficiency. Additional adopted measures include the continued streamlining of production and administration as well as adjustments to the service network to meet changed customer behaviour.

Quality was very high for all services during the year. The quality of overnight letters, for example, totalled 95.9 (94.9) %. Customers and partners are increasingly satisfied. CSI improved among corporate and private customers, totalling 65 (63). Sickness absenteeism continues to decline and is now significantly lower than traditional levels. Employees also enjoy their jobs more. Employee Index (MIX) improved to 65 (63) and sickness absenteeism fell to 5.2 (5.9) %.

2010 Focus

In order to maintain excellent quality and to offer attractive customer solutions, business area Mail Sweden will focus on the following areas in 2010.

Develop direct mail offer: Direct mail is an effective medium for both broad and targeted marketing communication. To further strengthen its competitiveness, Mail Sweden will expand and further develop its offer. This includes building partnerships with other advertising operators and developing skills in the more creative, analytical areas of the value chain.

Increased accessibility for more customers: The Swedish partner outlet network offers access to postal services at times and locations that suit our customers. In terms of opening hours, our partner outlet network is the most accessible in Europe. To further improve our customer service, the partner outlet concept will be developed during 2010, with more outlets, better and more distinct offers and a progressively expanded service for business people. More customers will also have the option of taking care of their postal errands via the internet and around the clock.

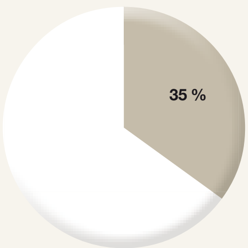
Continued efficiency improvements: Mail Sweden will continue to optimise the entire mail production process. The system changes that have already been implemented in terms of technology platforms and working methods have produced good results in cost efficiency, work environment, quality and safety. Future measures will further increase efficiency and create greater flexibility to more rapidly adjust costs to volume fluctuations. In these efforts, Mail Sweden will work with business area Mail Denmark to lay the foundation for a co-ordinated, standardised mail process.

> Early action taken on the cost side allowed us to meet the drop in revenues relatively well. But the situation remains uncertain in terms of both the economy and the regulatory environment. During the coming period we will continue to meet our customers' needs by taking advantage of our strengths: a more efficient mail production process, our wide range of services and our skilled, committed employees.

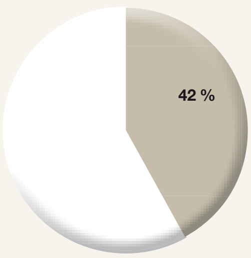
Andreas Falkenmark
Head of business area Mail Sweden

Mail Sweden in figures

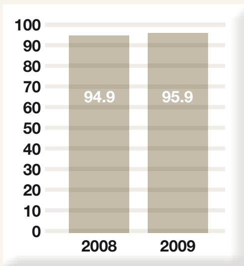
NET SALES
share of the group



EMPLOYEES
share of the group



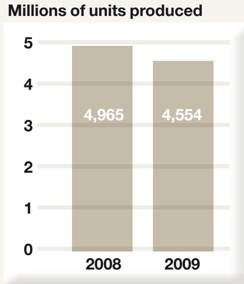
QUALITY*, %



* Priority mail

LETTER VOLUMES*

Millions of units produced



* Priority mail, non-priority mail and DM

SEKm, unless otherwise specified	Pro forma Jan-Dec 2009	Pro forma Jan-Dec 2008
Net Sales	15,794	16,574
Letters	*8,817*	*9,126*
Direct Mail	*4,639*	*5,017*
Other	*2,338*	*2,431*
Other operating income	728	842
Operating earnings	397	967
Operating margin, %	2.4	5.6
Average number of employees	20,197	21,937
Volumes, millions of units produced		
Priority mail	1,088	1,237
Non-priority mail	1,245	1,245
DM	2,221	2,482

Business area Informationlogistics

Nordic market leader. Develops, produces and delivers systems, services and products for efficient customer communication.

Market situation

The Nordic market for information logistics services has been impacted by the recession, resulting in falling print volumes and pressure on prices. The market for advanced graphic solutions was affected to a greater degree, as many customers in the manufacturing industry dramatically reduced their production.

A clear trend on the information logistics market is the integration of business and marketing communication. Companies and organisations that mail large quantities of invoices and bank statements are increasingly using these existing channels for personally targeted offers. This requires integrated solutions with high levels of quality and security.

Large and medium-sized companies with customers in the Nordic countries are also looking for efficient, cross-border management of their customer communication. Meeting the growing need for start-to-finish solutions, handling everything from print and marketing communication to distribution throughout the Nordic region, presents an opportunity for growth.

The economic situation has also hastened the use of digital forms of communication, and offering customers more options and more methods of communication is a key strength in the choice of supplier.

2009 Results

Net sales, excluding structural and currency changes, fell by 4 %. Reduced sales were due to lower volumes and pressure on prices. The recession is the main underlying reason, but substitution has also had a negative effect on print volumes. The Identification Solutions division, the business area's labelling operation, accounts for a significant portion of the drop in sales; a large proportion of the division's customers are in the manufacturing industry. Operating earnings, excluding restructuring costs of SEK 187m (70), totalled SEK -164m (67). Within Informationlogistics, it is chiefly the Swedish operations that reported lower earnings as compared to the preceding year. Additional adopted measures include significant adaptation of the business area's production capacity in several countries as well as efficiency measures within administration.

Despite comprehensive rationalisations, the business area maintained its focus on quality and security. Customer satisfaction remained high, with CSI of 70 (72), thanks largely to employees' involvement in the ongoing development work. Employee commitment improved and the employee index (MIX) rose to 70 (67). Sickness absenteeism fell to 3.3 (4.1) %.

2010 Focus

In order to improve profitability and seize opportunities for growth, the business area will focus on the following areas in 2010.

Increased cost-efficiency: The business area will continue to optimise its production capacity to allow greater flexibility in adapting to prevailing market conditions. Production will be gathered in fewer production units while the growth strategy will continue to be to grow with customers in Europe. With presence in 8 European countries, the business area can efficiently manage cross-border customer communication for a greater number of large companies with Nordic customers.

Develop marketing communication: As market leader, the business area will continue to promote and drive the trend of combining business communication and marketing messages through rapid, cost-efficient, high-quality technology in both printing and digital printing. Significant investments in advanced technologies have been made in recent years to meet customers' demands for intelligent communication solutions.

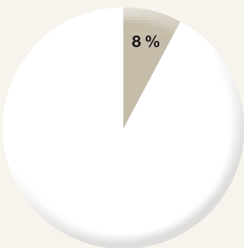
Distinct Nordic offer: The merger of Post Danmark A/S and Posten AB strengthened the business area's market position and offer in the Nordics, particularly within e-communication. As a Nordic organisation, the foundation is laid for a shared technology platform and a co-ordinated offer in all Nordic countries. The business area will also continue with its strategic streamlining. Operations representing SEK 700m have been divested during the past three years. Collaboration between Mail Denmark and Mail Sweden to offer customers competitive start-to-finish solutions will also be developed.

The recession has driven the demand for efficient customer communication, while the line dividing business and marketing communication is increasingly being erased. I am convinced that our Nordic offer of "the right information to the right recipients and the right destinations, in the right way and at the right price" meets the market's requirements.

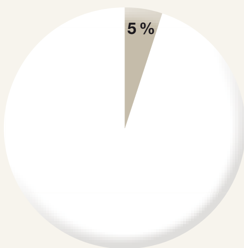
Per Samuelson
Head of business area Informationlogistics

Informationlogistics in figures

NET SALES
share of the group



EMPLOYEES
share of the group



SEKm, if not otherwise specified	Pro forma Jan-Dec 2009	Pro forma Jan-Dec 2008
Net sales	3,762	4,032
Information Logistics	*2,986*	*2,950*
Identification Solutions	*582*	*653*
Supplies	*194*	*430*
Other operating income	25	96
Operating earnings	-351	-3
Operating margin, %	neg	neg
Average number of employees	2,324	2,365

Business area Logistics

Leader in efficient logistics flows to, from and within the Nordic region. With its own capacity and infrastructure in Sweden, Norway, Denmark, Finland, Germany, Belgium and the Netherlands, handles approximately 500,000 parcels per day.

Market situation

A growing number of logistics purchasers view the Nordic region as one market – geographically large but with limited volumes due to a relatively low population. But there are still opportunities for growth in both national and cross-border logistics solutions.

It will be of increasing strategic importance to have the capacity to capture flows from other parts of the world via strategic European hubs to the Nordics, and to offer corresponding solutions from the Nordics.

The sharp economic downturn of the past year presented great challenges for operators on the Nordic logistics market. For years, the market has been characterised by fierce competition which has resulted in a certain level of overcapacity and price pressure. Sharp drops in demand, including from the industrial sector, put additional pressure on market operators and led to declining profitability in 2009.

A modest recovery was noted at the end of the year, though not on the Danish market.

Price and quality are key competitive factors. An efficient, flexible production capacity – one in which unit costs can be kept down even when volumes fluctuate – is a requisite for being able to offer competitive prices.

Distance selling volumes are on the rise and are driving new needs. More and more distance selling companies are looking for start-to-finish solutions that include everything from the customised handling of goods and inventory to delivery to the end consumer and handling complaints. There is also a growing need for flexible solutions in the areas of third-party logistics and in-night transports.

2009 Results

Net sales excluding structural and currency changes fell 9 %. The prevailing economic situation led to reduced customer volumes and increased pressure on prices. The decline is attributable to several countries. Operating earnings, excluding restructuring costs of SEK 94m (59), totalled SEK -64m (159). Danish operations account for the negative result. Operations in other countries produced positive results; the Norwegian operation's results were clearly the best.

In a challenging market situation where comprehensive cost-efficiency measures have been implemented, the business has maintained its focus on offering competitive, high-quality logistics solutions. Thanks to these efforts, Logistics has retained its customers. CSI is unchanged. The commitment and efforts of all employees have played a decisive role, and the employee index remains unchanged (65). Sickness absenteeism fell to 4.9 % (5.0 %).

2010 Focus

With a view to being the leading Nordic logistics company, the business area will focus on the following areas in 2010.

Nordic capacity adapted to local needs: The business area's infrastructure in four Nordic countries and its in-depth expertise on the Nordic logistics market serve as the basis for further development of an integrated Nordic logistics offer. Based on its unique knowledge of local conditions and needs, the business area will also offer competitive, flexible solutions for various local markets. At the same time, the business area's high quality, reliability and environmental performance will be an increasingly important element of its total offer.

Heightened cost-efficiency: An efficient, Nordic-wide infrastructure with the capacity to handle sufficiently large volumes is the basis for enhanced competitiveness. The business area will continue to optimise its production capacity, where finding the right balance between own and external resources is crucial to increased flexibility and cost efficiency. Special priority is given to creating favourable conditions for a profitable logistics operations in Denmark.

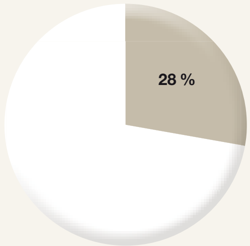
Expand international partnerships and alliances: Part of the business area's growth strategy is increasing the extent to which it is a natural partner for international logistics flows to and from the Nordic region. Alongside its strong Nordic base and continental operations, the business area has identified additional potential for development through co-operation with DPD, one of Europe's leading parcel networks, to enable Nordic customers to reach all of Europe with high-quality, competitively priced services.

The tough times that characterised 2009 are not over. We will therefore continue to place our customers' needs first as we develop our Nordic offer. I am convinced that Posten Norden and the logistics operations have every chance of meeting the next growth period with strengthened competitiveness.

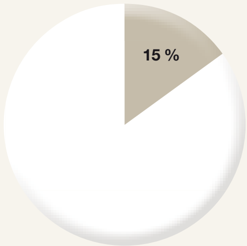
Henrik Höjsgaard,
Head of business area Logistics

Logistics in figures

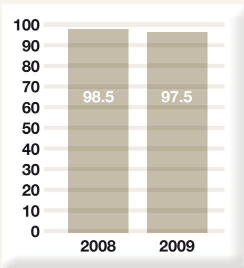
NET SALES
share of the group



EMPLOYEES
share of the group



QUALITY*, %



* DPD B2B/B2C

SEKm, unless otherwise specified	Pro forma Jan-Dec 2009	Pro forma Jan-Dec 2008
Net sales	12,673	12,850
Standard (Parcel, Pallet and Express)	*10,561*	*10,723*
Other	*2,112*	*2,127*
Other operating income	1,360	1,457
Operating earnings	-158	100
Operating margin, %	neg	0.7
Average number of employees	7,010	7,416

Risks and risk management

Posten Norden's risk management is a continuous process, carried out within the operational management framework, and constituting a natural part of business planning and continuous operation follow-up.

Risk management pursuant to ERM

For several years, both Post Danmark and Posten have worked in a structured way with Enterprise Risk Management (ERM). A common fundamental principle has been that the Committee of Sponsoring Organisation's (COSO) international ERM framework should be instructive rather than controlling. This is important for the continued work to establish a joint risk management ERM programme at Posten Norden.

During the first phase, Posten Norden's goals have been to co-ordinate risk scenarios and create a risk map at the group level. The group's first common risk map was presented in conjunction with the group's first joint interim report, for the period January-September 2009.

The second phase – which has commenced and will continue through the first six months of 2010 – is aimed at creating a joint ERM strategy which will ensure that identification, prioritisation, analysis, evaluation, management and reporting occurs pursuant to the same principles and based on shared models and tools.

The purpose of ERM is to assist Posten Norden in achieving its goals by providing a balanced view of risks and opportunities reported in existing channels and a continued high level of risk awareness throughout the group. Focused working methods and a continuous process should result in the proper management of the group's significant risks. Posten Norden's risk management is linked to activities carried out within the framework of the group's action plan.

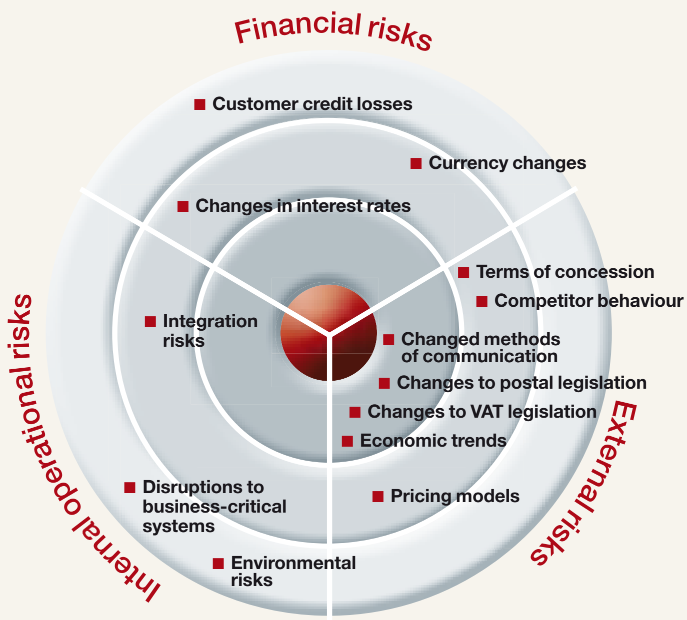
Risks and uncertainties

Below is a description of the risk areas and risks that are deemed to have the greatest impact on the group. Risk classification specifies the likelihood of a risk occurring and any subsequent consequences.

The short- or long-term impact of the risk is evaluated based on this classification and on a qualitative assessment. "Short-term" refers to risks with a high probability of occurrence within the coming 12-month period and measures that can be taken on short notice. Risks having an impact in the long term are managed on a strategic level and are part of the business areas' and group's long-term planning.

Risk area The business planning process identifies and evaluates risks within the business areas and group functions in the risk areas listed below	**Potential risks** Risks are described and evaluated	**Risk management/follow-up** For each risk there are normally one or more measures linked to reducing the risk or managing the situation in the event of risk fallout. Regular reporting and follow-up of risks and risk responses is performed
Market risks and risks linked to the economy and other structural driving forces	Changes in customer demand, competitor behaviour, new technologies	Monthly reports from each business area
Regulatory and legal risks	VAT issues, liberalisation of European postal markets, new postal legislation	Managed on an ongoing basis by group management; legal department also continuously reviews risks in the area
Continuity risks	Disruptions to the distribution network, production units or other business-critical systems	Continuity plans and continuous analyses and training
Environmental risks	Climate changes, carbon dioxide emissions	Integrated in group's operating control
Risks associated with the merger	Integration problems, costs	Part of Target Picture process and group's governance as of 2010
Financial risks	Customer credit losses, changes in interest rates, currency changes	Financial policy

Posten Norden's risk map



The risk map shows the major risks that Posten Norden is exposed to on the group level, the manner in which these risks are allocated into risk categories and – if the risks occur – to what extent they affect the achievement of group goals. Risks near the centre have the highest probability of occurring.

External risks

Market risks

Economic and market trends continue to be uncertain and carry the risk of further drops in demand within all business areas. There is a risk that continued falling revenues due to increased competition from other operators and other forms of communication will produce a negative profitability trend. Due to sharply declining volumes brought on by the recession, focus has been on adjusting costs and capacity to reduced demand.

The long-term conditions of the communication and logistics markets have changed as a result of liberalisation, technological development, internationalisation and the significance of environmental issues. Through the merger of Posten AB and Post Danmark A/S, the group has strengthened its market position while improving business development opportunities as well as efficiency in order to meet the market's demands for efficient communication and logistics solutions.

Regulatory and legal risks

During the spring of 2009, the European Court of Justice rendered its decision on VAT exemption for postal services under EC law (the TNT case). The decision may exempt portions of postal services from VAT, thereby restricting rights to take deductions. The result of the treatment of this issue in the EU, Sweden and Denmark is currently not known. A VAT exemption would, however, entail a heavy cost burden for the group.

Post Danmark A/S has initiated a dialogue with the Danish Tax Authority concerning the possibility of recovering VAT attributable to certain expenses related to the sections of Post Danmark's operations that are subject to VAT. Management's evaluation is that the outcome of this dialogue may lead to a one-time revenue in 2010 equivalent to approximately DKK 100m.

The liberalisation of EU postal markets is proceeding, which presents opportunities as well as risks. Political negotiations are underway in Denmark regarding the formalities of Danish liberalisation, including the transport obligation and pricing for obligatory postal services. The result of these negotiations is not known at this juncture and there is a risk that the competitiveness of business area Mail Denmark will not improve, even if its competitiveness is taken into consideration during liberalisation. It has been known for some time that liberalisation is on the way, and it constitutes a natural part of the operation's strategy.

The forthcoming postal legislation in Sweden may negatively impact Mail Sweden's competitive situation. The postal legislation committee proposes delegating primary responsibility for meeting universal postal service requirements to the market, rather than to a designated postal operator. However, the Post and Telecom Agency (PTS) allows for the appointment of a specific operator if required (not defined in detail) to provide universal postal service. The committee states that the universal service obligation, the meaning of which remains unclear, shall maintain its current scope and quality. The committee also added competition regulations to the framework of the postal regulations and maintained the price ceiling. In a supplementary directive, the committee ordered an investigation of certain issues prompted by the merger of Posten AB and Post Danmark A/S. The commission has therefore reviewed the ways in which accessibility and power to make decisions about postal infrastructure are affected by the change in ownership, as well as questions regarding the Post and Telecom Agency's financial supervision and the Competition Authority's role in terms of efforts to promote competition. In its final report dated 11 January 2010, the committee proposed that PTS have an explicit role in promoting effective competition.

Regulatory and legal risks are largely managed at the group level supported by group function Legal.

Internal operational risks

Continuity risks

The group's distribution network for letters and parcels in the Nordic countries (mailing terminals, post offices, partner outlet networks and distribution networks) and sensitive production units within the Informationlogistics business area must operate even in the event of disruptions (power failures, weather fluctuations, fire, flu pandemics). The overall conclusion following the risk surveys conducted by all significant production units is that the group's facilities have high safety standards and that operational risks are low.

The operation continues to be highly dependent on IT, and part of the strategy is to outsource IT administration to operators for whom it is a core business. This means that Posten Norden is dependent on well-functioning agreements and relationships with these suppliers. Disruptions in business-critical systems can affect internal processes, customer relationships and the partner outlet network. Breakdown risks are managed via the continuity plans that safeguard the operations in the event of a protracted breakdown. IT and system-related risks are analysed on an ongoing basis pursuant to structured methods.

Based on this analysis, appropriate controls are implemented to limit the risks to a level that is acceptable on the group level.

Environmental risks

The group's objective is to operate as an environmentally-aware and respected communication and logistics group and partner. The documentation of the group's environmental impact and its systematic improvement efforts is a major achievement. Focus areas are the environmental impact associated with production (e.g., electricity consumption) and transport services in which reductions in fuel consumption are highly prioritised. Posten Norden's core values include environmental and social responsibility in terms of both its own operations and its dealings with customers and partners. The aim is to limit the risk of environmental impact and the ensuing negative consequences for Posten Norden. Rising public opinion on the climate change issue means heightened requirements for communication and logistics solutions that involve lower climate impact.

The group has striven to significantly reduce its carbon emissions, which has a positive impact on expenses associated with carbon charges as well as fuel and energy prices. Environmental risks are also limited through improvements in Posten Norden's already highly efficient logistics system. Environmental risks for Posten Norden also include the effects of climate change. Increased levels of precipitation and heightened risks of flooding may have future impacts on infrastructure, resulting in an increased prevalence of production disruptions.

Risks associated with the merger

The merger between Posten AB and Post Danmark A/S is an offensive move that is expected to produce major synergy effects in areas including procurement, administration and IT. Risks may arise in connection with mergers, especially mergers of this magnitude. Posten Norden's group management is particularly attentive to these types of risks, and a number of activities are underway to safeguard the management of the operations.

Financial risks

Posten Norden's financial risk management is governed by the group's financial policy as determined by the group Board of Directors. The financial policy includes guidelines for liquidity management, financing and financial risk management. Financial risks include refinancing risks, credit risks and market risks.

Refinancing risks

The group's payment readiness is deemed to be very good. Payment readiness is monitored on an ongoing basis, and thorough advance planning is applied to changes in the group's financing and liquidity management to ensure stable readiness.

Credit risks

The group has risk exposure in credit sales to customers, spread among a large number of customers. Credit losses have historically been very low. Investment of the group's liquid resources also carries credit risks, which are limited by adjusting counterparty risk in relation to each counterparty's credit standing.

Market risks

In light of the group's international presence and business operations, there is a risk that currency rates will both impact earnings and cause changes in the value of foreign subsidiaries' net assets ("translation exposure"). A review of all group companies is conducted annually to ensure commercial solvency levels and thereby limit the group's translation exposure. Transaction exposure in currency is hedged with derivative instruments. The group's reported earnings are also affected by changes in exchange rates upon consolidation. The effect of changed interest rates is managed both in terms of market values of financial instruments and in net interest income.

In sum, the group's exposure to financial risks is limited by application of the financial policy.

Read more about the group's financial risks in Note 29, Financial Risk Management and Financial Instruments.

Posten' s Pension Fund

A risk in the form of unpaid reimbursements from Posten's Pension Fund was identified in early 2009. Due to the Fund's low consolidation ratio, Posten AB has not received reimbursement for pensions paid during 2009; this affects the group's cash flow. A continued low consolidation ratio may negatively impact the group's cash flow if reimbursement is not received.

Insurable risks

During 2010 the group's joint insurance requirement will be consolidated in a joint structure. This work is already partially completed. The insurance amount is tailored to Posten Norden's risk exposure and is in line with normal good practice for companies with comparable operations. The group works with risk surveys and risk workshops to ensure that the insurance amount corresponds to insurance requirements.

Sensitivity analysis

Risk area	Variables	Change	Effect on earnings, SEKm
Personnel risks	Change in personnel costs	+/- 1 %	228
	Change in sickness absenteeism	+/- 1 percentage point	144
Volume risks	Change in physical letter volumes	+/- 1 percentage point	137
	Change in logistics volumes	+/- 1 percentage point	35
Price risks	Change in fuel costs excl. price clauses in customer contracts	+/- 1 SEK/litre	70
	Change in electricity prices (Note 29)	+/- 10 öre/kwh (incl. consideration of derivatives)	1
Interest risks	Change in current rate of interest [1] (Note 29)	+/- 1 percentage point	22
Currency risks	Translation exposure, relationship between SEK and foreign currency (Note 29)	+/- 1 percentage point	112
Pensions	**Actuarial assumptions (Note 23)**		
	Change in interest margin on pension liabilities [2]	- 0.1 percentage point	-15
	Change in discount rate and expected return on plan assets	- 0.5 percentage point	-180
	Change in salaries and wages	+ 0.5 percentage point	-106
	Change in income base amount	- 0.5 percentage point	-35
	Change in inflation	+ 0.5 percentage point	-124

1) Calculations based on interest-bearing net receivables (cash and cash equivalents, investments, interest-bearing liabilities and financial leasing)

2) Assumptions for the discount rate on pension liabilities and the estimated rate of return on plan assets determine the effect on net financial income/expense for the coming year. The change in the spread between these rates affects net financial income/expense. The interest margin for pension liabilities is the difference between the assumed discount rate on pension liabilities and the yield assumption for plan assets in percentage points.

Customers on Posten Norden:

The PSE GROUP selected Post Danmark as strategic partner for all of our outbound logistics to Denmark, Sweden, Norway, Finland and Germany. The reason is simple: Post Danmark has a well-established distribution network in the markets in which we operate. With the help of Post Danmark, logistics between our headquarters in Hobro and our markets is linked together in an optimal way, with a focus on efficiency, on-time delivery and quality.

Lars Bomholt,
Director, PSE GROUP

Our contract with Posten Logistics allows us to always have optimal logistics solutions with a high service standard and full control of transport costs.

Henric Hasth,
Group logistics manager, B&B TOOLS

Financial Statements Group

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Notes

Income statement

SEKm	Note	Jul-Dec 2009	Pro forma Jul-Dec 2008	Pro forma Jan-Dec 2009	Pro forma Jan-Dec 2008	Change
	1, 2					
Net sales		21,858	22,731	44,633	45,810	-3 %
Other operating income	3	120	345	249	586	-58 %
Operating income	4	**21,978**	**23,076**	**44,882**	**46,396**	**-3 %**
Personnel costs	5	-10,938	-10,939	-22,633	-22,113	2 %
Transportation costs		-3,902	-3,989	-7,561	-7,722	-2 %
Other costs	6, 7, 24	-6,547	-6,180	-12,397	-11,788	5 %
Depreciation and impairment of tangible and intangible assets	8	-1,010	-952	-2,014	-1,831	10 %
Operating costs		**-22,397**	**-22,060**	**-44,605**	**-43,454**	**3 %**
Participations in the earnings of associated companies and joint ventures		13	-3	7	4	75 %
OPERATING EARNINGS		**-406**	**1,013**	**284**	**2,946**	**-90 %**
Financial income	9	113	169	188	392	-52 %
Financial costs	9	-128	-139	-251	-240	5 %
Participations in the earnings of associated companies and joint ventures		1,966	316	2,218	542	309 %
Net financial items		**1,951**	**346**	**2,155**	**694**	**211 %**
Earnings before tax		**1,545**	**1,359**	**2,439**	**3,640**	**-33 %**
Tax	10	161	-322	-25	-891	-97 %
NET EARNINGS		**1,706**	**1,037**	**2,414**	**2,749**	**-12 %**
Attributable to						
Parent company shareholders		1,712	1,036	2,421	2,753	
Minority interests		-6	1	-7	-4	
Net earnings per share, SEK		0.86				

Comprehensive income statement

SEKm	Jul-Dec 2009
Net earnings	**1,706**
Net translation differences	-344
COMPREHENSIVE EARNINGS	**1,362**
Comprehensive earnings attributable to	
Parent company shareholders	1,369
Minority interests	-7

Balance sheet

SEKm	Note	31 Dec 2009	Pro forma 31 Dec 2008
	1, 2		
ASSETS			
Goodwill	12	3,055	2,994
Other intangible fixed assets	12	1,962	2,243
Tangible fixed assets	13, 14	9,173	9,568
Participations in associated companies and joint ventures	11	117	1,684
Financial investments	15, 29	149	132
Long-term receivables	16	3,008	2,188
Deferred tax assets	17	168	127
Total fixed assets		**17,632**	**18,936**
Inventory	18	299	297
Tax receivables		215	169
Accounts receivable	19	4,495	5,121
Prepaid expenses and accrued income	20	1,623	1,134
Other receivables	29	454	895
Short-term investments	15, 29	1	1
Cash and cash equivalents	21, 29	4,852	2,255
Total current assets		**11,939**	**9,872**
TOTAL ASSETS		**29,571**	**28,808**
EQUITY AND LIABILITIES			
EQUITY			
Capital stock		2,000	2,000
Contributed equity		9,898	9,305
Reserves		- 343	
Retained earnings		1,712	
Total equity attributable to parent company shareholders		**13,267**	**11,305**
Minority interests		**91**	**27**
TOTAL EQUITY		**13,358**	**11,332**
LIABILITIES			
Long-term interest-bearing liabilities	22, 29	1,193	2,032
Other long-term liabilities	29	199	263
Pension provisions	23	1,665	1,394
Other provisions	24	1,919	1,774
Deferred tax liabilities	17	742	813
Total long-term liabilities		**5,718**	**6,276**
Current interest-bearing liabilities	22, 29	610	1,155
Accounts payable		1,896	2,502
Tax liabilities		145	106
Other current liabilities	29	1,859	2,046
Accrued costs and prepaid income	25	5,274	4,678
Other provisions	24	711	713
Total current liabilities		**10,495**	**11,200**
TOTAL LIABILITIES		**16,213**	**17,476**
TOTAL EQUITY AND LIABILITIES		**29,571**	**28,808**

Participations in joint ventures, see separate note.
For information on the group's pledged and contingent liabilities, see separate note.

Cash flow statement

SEKm	Note	Jul - Dec 2009
OPERATING ACTIVITIES		
Earnings before tax		1,545
Adjustments for non-cash items:		
Reversal of impairments and depreciation according to plan		1,010
Capital gain/loss on sale of fixed assets		65
Capital gain/loss on sale of associated companies		-2,001
Pension provisions		395
Other provisions		752
Other items not affecting liquidity		-9
Tax paid		222
Cash flows from operating activities before changes in working capital		**1,979**
Cash flows from changes in working capital		
Increase(-)/decrease(+) in accounts receivable		655
Increase(+)/decrease(-) in accounts payable		-314
Pensions		-530
Other provisions		-303
Other changes in working capital		-847
Changes in working capital		**-1,339**
Cash flows from operating activities		**640**
INVESTMENT ACTIVITIES		
Investments in intangible fixed assets		-117
Investments in tangible fixed assets		-773
Investments in financial fixed assets		-11
Acquisition of subsidiaries	28	-13
Divestment of subsidiaries	28	36
Divestment of associated companies	28	4,045
Divestment of financial fixed assets		133
Divestment of other fixed assets, etc.		27
Cash flows from financial activities		**3,327**
FINANCING ACTIVITIES		
Loans amortised		-440
Changes in leasing liabilities		-66
Redemption, minority Post Danmark A/S		-317
Increase(+)/decrease(-) in other financial liabilities		-106
Cash flows from financing activities		**-929**
CASH FLOWS FOR THE PERIOD		**3,038**
Cash and cash equivalents, beginning of the period		1,844
Differences in exchange rates in cash and cash equivalents		-30
Cash and cash equivalents, end of the period	21	4,852

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
Closing balance	**2,000**	**9,898**	**-343**	**1,712**	**13,267**	**91**	**13,358**

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

Notes

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 1.2, Supplemental Financial Statements for Groups, have also been applied.

The parent company applies the same accounting principles as the group, with exceptions specified in Note 1, Accounting Principles for the parent company. 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 Swedish Accounts Act and the Act of Safeguarding of Pension Commitments, and are to some extent based on tax considerations.

BASIS OF PREPARATION

The parent company's functional currency is SEK, which is also the reporting currency for the consolidated and parent company accounts. This means that all financial reports are presented in SEK. Unless otherwise specified, all figures are rounded to the nearest million. Assets and liabilities are primarily carried at acquisition cost, with the exception of certain financial assets and liabilities that are reported at fair value. These financial assets and liabilities reported at fair value consist of derivatives as well as financial assets classified either as "financial assets reported at fair value in the income statement" or as "available-for-sale financial assets". (See the description of categories in the "Financial instruments" section). Available-for-sale fixed assets and disposable items held for trading are reported at the lower of their fair value less the cost of sale or the value at which they were previously reported.

The reporting under IRFS reporting requires the executive management to make assessments, estimates and assumptions that affect the application of the accounting principles and the reported values of assets, liabilities, income and costs. These estimates and assumptions are based on historical experience and a number of other factors considered reasonable under prevailing circumstances. The results of these estimates and assumptions are used to assess the reported values of assets and liabilities whose values cannot be clearly determined using other sources. Actual future values may differ from these estimates and assessments.

The estimates and assumptions used are reviewed regularly. Changes in estimates or valuations are reported in the period when the change is made, if the change only affects that period, or are reported in future periods as well, if the change affects the original as well as subsequent periods.

Assessments made by executive management in the application of IFRS that have a material effect on the financial reports as well as estimates that can lead to significant adjustments in subsequent periods' financial reports are described in further detail in Note 2, Estimates and Assessments, and in relevant notes where estimates have been used.

The accounting principles for the group, described below, have been applied consistently during all periods presented in the group's financial statements. The consolidated accounting principles have been applied consistently to the reporting and consolidation of subsidiaries, associated companies and joint ventures.

CHANGES IN ACCOUNTING PRINCIPLES

Future changes to accounting principles that will come into effect in 2010 and in subsequent years

The following future 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 comprehensive income. 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 will have some effect on the group's financial position and results in the context of future business combinations, related primarily to acquisition costs for advisory and consultancy services in connection with acquisitions that may no longer be capitalised as acquisition costs and the application of contingent consideration.
- **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 therefore have no bearing on the company's related party disclosure.
- **IFRS 9**, Financial Instruments. Replaces the current IAS 39 and shall be applied from 1 January 2013. Principal known changes: classification and valuation are reduced to two categories and shall be valued either at fair value or at accrued acquisition value; estimates and valuations of credit losses in connection with loan valuation shall be based on a model of anticipated losses rather than "actual" losses. Forthcoming changes are also expected with respect to hedge accounting, the details of which are as yet unknown. Changes for classification and valuation are not expected to have any effect on the company's reporting of financial instruments, since the company does not have assets in other categories. The company does not anticipate that the standard concerning credit losses will have any effect since credit losses in the company refer only to accounts receivable.
- **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 though this means that the participation in shareholders equity becomes negative. The changed standard will not affect acquisitions reported to date.
- 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

management of operations. The change may mean the review of information on assets and liabilities per segment. Any possible change to reported information has not yet been determined.

- 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 will not have an 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 will not have an 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 will not have an 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 will not affect 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 a more aggregate level than business segment. The change will not affect the company's application of the standard.
- Change to IAS 38, Intangible Assets, is of an editorial nature and involves no changes to 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 is not 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 will not lead 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 does not affect the company's reporting.

The Company has opted against the early application of the new and revised future accounting principles or improvements to the standards ("Improvements to IFRSs").

REPORTING OF BUSINESS SEGMENTS

A segment is a component of the group that can be distinguished for financial reporting purposes, comprising operational divisions or geographical areas. A segment is identified by the fact that its divisions offer similar products and services and that it is exposed to different risks and opportunities from those of other segments. Segment accounting is based on management's segment reporting. Posten Norden's segment grouping is based on its universal service obligation for mail and parcel services in Sweden and Denmark, and on its mission to offer information logistics and logistics services in the Nordic region.

Information on segments is available only for the group.

CLASSIFICATION, ETC.

Fixed assets and long-term liabilities essentially comprise amounts expected to be recovered or paid more than 12 months from the close of the accounting period. Current assets and current liabilities essentially comprise amounts expected to be recovered or paid within 12 months from the close of the accounting period.

BASIS OF CONSOLIDATION

The Swedish Ministry of Enterprise, Energy and Communications and the Danish Ministry of Transport announced on 2 February 2009 that the Posten AB and Posten Danmark A/S had signed an agreement to merge the companies through a joint venture between the Swedish and Danish states. The owners founded a new company, Posten Norden AB, which became the parent company of the joint group as of 24 June 2009. The Posten AB and Post Danmark A/S groups were consolidated as of 1 July 2009.

The merger has been reported in accordance with the "carry-over method," meaning that consolidated net assets are reported at the reported values in the accounts of Posten AB and Post Danmark A/S respectively at the time of the merger. For reported values as of 31 December 2009, this means that Posten Norden's consolidated balance sheet comprises the book values that the two companies would have had if each were reported individually. The group's opening balances are the book values of each company's balance sheet at the time of the merger. Therefore, pension liabilities were not recalculated actuarially as of the merger date and no revaluation of assets was performed. In compiling the group's Notes, opening balances (as required and not reported at time of merger) were calculated based on 31-12-09 balances and reported changes and income items.

Subsidiaries

Subsidiaries are companies in which Posten Norden exercises a controlling influence. This implies directly or indirectly holding the right to set the companies' financial and operational strategies with the aim of attaining financial benefits. Voting rights that can be exercised or immediately converted are considered when determining the existence of a controlling influence.

Subsidiaries are reported in accordance with acquisition method. Under this method, an acquisition is treated as a transaction in which the group indirectly acquires the assets and assumes the actual and contingent liabilities of the subsidiary. The consolidated acquisition cost is calculated using an acquisition analysis performed upon acquisition. The analysis determines the acquisition cost of the shares or operations as well as the fair value of the assets acquired and the actual and contingent liabilities assumed at the acquisition date. The acquisition cost of a subsidiary's shares or its operations consists of the fair value on the acquisition date of assets, realised or assumed liabilities, equity instruments issued in exchange for the net assets acquired, and the transaction costs directly attributable to the acquisition. The difference between the acquisition cost of the shares in the subsidiary and the fair value of the acquired assets and assumed and contingent liabilities constitutes goodwill.

Subsidiaries' accounts are included in the consolidated statements from the date of acquisition until the date on which the controlling influence ceases to exist.

Associated companies

Associated companies are companies in which the group has a significant, but not controlling, influence on operational and financial management, normally between 20 and 50 % of the voting rights. Participations in associated companies are reported in the consolidated statements using the equity method from the date on which the significant influence is established. Under the equity method, the consolidated book value of a participation in an associated company corresponds to the group's share of that company's equity as well as consolidated goodwill and any residual value of consolidated surplus and deficit

Note 1, cont'd.

values. The group's share of associated companies' operating earnings, financial income, taxes and minority interests is reported after being adjusted for any depreciation, impairments or dissolution of acquired surplus or deficit values. Dividends received from an associated company are deducted from the reported value of that investment.

The group's acquisition cost, goodwill and any deficit values are determined in the same way as for subsidiaries, using an acquisition analysis (see the "Subsidiaries" section above).

The equity method is applied until the date on which the significant influence ceases to exist.

Joint ventures

For reporting purposes, a joint venture is a company in which the group exercises a significant influence on operational and financial management decisions jointly with one or more partners based on an agreement. Joint ventures are consolidated in the accounts using the proportional method. Under the proportional method, the group's stake in each joint venture's income and costs as well as assets and liabilities are consolidated in the group's income statement and balance sheet. This is done by combining, item by item, the joint venture partner's stake in assets and liabilities and income and costs with the corresponding items in the partner's consolidated accounts. Only equity earned after the acquisition is reported in consolidated equity. The proportional method is applied from the date on which the joint controlling influence is established, until the date on which that influence ceases.

Transactions eliminated on consolidation

Intra-group receivables and liabilities, income and costs, and gains or losses arising from intercompany transactions are eliminated in their entirety upon consolidation. Intra-group losses that indicate impairment are included in the consolidated accounts.

Gains and losses resulting from transactions with associated companies or joint ventures are eliminated in proportion to the group's stake in those businesses. Losses are recognised to the extent they indicate impairment.

FOREIGN CURRENCY

Foreign currency transactions

A group's functional currency is the currency of the primary economies in which the companies in that group operate. The group consists of the parent company and its subsidiaries, associated companies and joint ventures.

Transactions in foreign currencies are translated into the functional currency at the rate prevailing on the transaction date. Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate on the balance sheet date. Foreign exchange differences arising from these translations are reported in the income statement. Non-monetary assets and liabilities denominated in foreign currencies and reported at their acquisition costs are translated at the rate prevailing on the transaction date. Non-monetary assets and liabilities denominated in foreign currencies and reported at fair value are translated into the functional currency using the exchange rate on the date of valuation. Changes in exchange rates are then reported in the same way as other changes in the value of assets or liabilities.

Foreign entities' financial statements

Assets and liabilities held by foreign entities, including goodwill and other consolidated surplus and deficit values, are translated into SEK at the exchange rate prevailing on the balance sheet date. Income and costs in foreign entities are translated into SEK using an average exchange rate, approximately equal to the exchange rates prevailing on the transaction date. Translation differences arising from the translation of foreign entities are recognised directly in equity as a translation reserve.

INCOME

Income from services is reported in the income statement based on the stage of completion at the balance sheet date. The Letter and Messaging and Logistics business segments recognise income when a physical mail piece has been collected for physical transportation. Income related to services featuring an electronic component (hybrid service) is recognised once the object has been converted into a physical format and been received for physical transportation in the form of a mail piece. Mail processing facility fees relate to the handling period; that is, the period in which the mail piece was received from abroad. Distribution income is recognised in the period in which the service is performed. Income from post office boxes is accrued over the contract duration. Services in Stralfors are generally performed over a short period of time, the income recognised when the service has been delivered.

The sale of goods is recognised upon delivery in accordance with the terms and conditions of sale, such that income is reported when the risks and rewards associated with the goods are transferred to the counterparty.

Income is not recognised if the financial rewards are unlikely to befall the group. Net sales are reported excluding value-added tax, discounts provided and similar income reductions.

OPERATING COSTS AND FINANCIAL INCOME AND EXPENSES

Operating costs

Personnel costs are attributed to the period in which duties are performed. Changes in vacation and wage liabilities are reported on an ongoing basis, as employee entitlements accrue. Thus, periods during which large numbers of employees are on vacation usually feature below-average personnel costs. Other operating costs are reported in the period during which the goods or services have been delivered or utilised (e.g. rental costs).

Payments for assets leased under operational leases

Payments for operational leases are reported in the income statement on a straight-line basis over the leasing period. Rewards received upon signing a leasing contract are reported as part of the total leasing cost in the income statement on a straight-line basis over the leasing period. Variable costs are expensed in the period in which they arise.

Payments for assets leased under financial leases

Minimum lease payments are divided between interest and amortisation of the remaining liability. Interest expenses are distributed over the leasing period so that each reporting period is charged with a payment corresponding to a fixed interest rate for the liability reported in that period. Variable costs are expensed in the period in which they arise.

Financial income and expenses

Financial income and expenses consist of interest income from bank deposits, receivables and interest-bearing securities; interest paid on loans; dividend income; foreign exchange differences; unrealised and realised gains and losses on financial investments; and derivatives used in financial operations.

Interest income on receivables and interest expense on liabilities are calculated using the effective interest method. When the effective interest rate is used, the present value of all receipts and disbursements during the fixed-interest term equals the reported value of the receivable or liability. The interest component of a financial lease payment is reported in the income statement using the effective interest method. Interest income and expense include accrued transaction costs and any discounts, premiums or other differences between the original reported value of the receivable or liability and the amount settled at maturity.

Issue expenses and similar direct transaction costs related to raising loans are included in the calculation of effective interest.

Dividend income is recognised when the right to receive dividends has been confirmed.

FINANCIAL INSTRUMENTS

Financial instruments reported on the assets side of the balance sheet include cash and cash equivalents, accounts receivable, shares, loan receivables, bond premiums and derivatives. Reported on the equity and liabilities side are accounts payable, debt and equity instruments issued, loans and derivatives.

Financial instruments are initially recognised at acquisition cost, equivalent to the instrument's fair value plus transaction costs, for all financial instruments except those classified as financial assets. Financial assets are reported at fair value in the income statement. Subsequent accounting differs, depending on how the financial instrument is classified, as detailed below.

A financial asset or liability is entered on the balance sheet when the company becomes a party to the instrument's terms and conditions. Accounts receivable are recognised on the balance sheet once the invoice has been sent. Liabilities are recognised when a counterparty has rendered services and payment as due under the terms of the contract, even if an invoice has yet to be received. Accounts payable are recognised when an invoice is received.

Financial assets are taken off the balance sheet when the rights of the contract have been realised, when they mature or when they are no longer controlled by the company. The same applies to portions of financial assets. Financial liabilities are taken off the balance sheet when contractual obligations are fulfilled or otherwise cease. The same applies to portions of financial liabilities.

Acquisitions and disposals of financial assets are recorded on the date of transaction, which is the day on which the company becomes legally bound to acquire or dispose of the financial assets. This does not apply to the acquisition or disposal of listed securities, which are recorded on the settlement date.

The fair value of a listed financial asset corresponds to the asset's bid rate in the market on the balance sheet date. The fair value of unlisted financial assets, consisting of accounts receivable, endowment insurance policies and cash, is ascertained through various valuation methods such as the use of recent transactions, the price of comparable instruments and discounted cash flows.

The values of financial assets and groups of financial assets are assessed in every reporting period to discern any objective impairment. The criteria for determining the need for any impairment is primarily based on the counterparty's officially communicated inability to meet its obligations or on its ability to pay demonstrated by experience on the financial markets.

Financial instruments are classified into categories, depending on the purpose for which each instrument was acquired. The classification is determined at the time of acquisition. The categories are as follows:

Financial assets reported at fair value in the income statement

This category contains two subgroups: financial assets held for trading and other financial assets that the company has initially chosen to place in this category. A financial asset is classified as "held for trading" if acquired for the purpose of resale in the short term. Derivatives are classified as held for trading unless they are used for hedge accounting. Assets in this category are carried at their fair value, with changes in value recognised in the income statement.

Originated loans and receivables

Originated loans and receivables are financial assets that are not derivatives but have fixed payments or determinable payments and are not listed on an active market. They are created by the company when providing money, goods or services directly to the debtor, not for the purpose of trading in the right to recover the debt. This category includes acquired receivables. Assets in this category are valued at their accrued acquisition cost. The accrued acquisition cost is determined based on the effective interest rate calculated at the acquisition date.

Held-to-maturity investments

Held-to-maturity investments are financial assets with fixed or predeterminable payments and fixed maturity, and which the company has the express intent and ability to hold to maturity. Assets in this category are valued at their accrued acquisition cost. The accrued acquisition cost is determined based on the effective interest rate calculated at the acquisition date. Thus, surplus and deficit values as well as direct transaction costs are distributed over the instrument's duration.

Available-for-sale financial assets

Available-for-sale assets are those financial assets that are not required to be classified in any other category, or financial assets which the company has initially chosen to place in this category. Assets in this category are carried at their fair value, with changes in value recognised in equity, except those attributable to impairments. When the assets are disposed of and removed from the balance sheet, unrealised gains and losses in the equity are reversed to the income statement. Interest measured with the effective interest rate method is recognised in the income statement.

Financial liabilities held for trading and other financial assets

Financial liabilities held for trading consist of interest-bearing liabilities and derivatives not used for hedge accounting. Liabilities in this category are reported at fair value, with changes in value recognised in the income statement.

Other financial liabilities

Financial liabilities not held for trading are valued at accrued acquisition cost. The accrued acquisition cost is determined based on the effective interest rate calculated at the acquisition date. Thus surplus and deficit values as well as direct issue expenses are distributed over the liability's duration. Borrowing costs attributable to the acquisition, construction or production of assets that take a significant time to complete will be capitalised.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of cash, money in demand deposits at banks and similar institutions, and short-term liquid investments with maturities shorter than three months from the date of acquisition that are exposed to minimal risk of fluctuation in value. Funds in transfer on the statement of cash flows are not treated as cash and cash equivalents. They are accounting items that Posten Norden transfers on behalf of customers. These funds are therefore unavailable to Posten Norden and may not be used by its business operations. The Funds in transfer item fluctuates independently of operating earnings, investments and other payment streams in the business operations.

FINANCIAL INVESTMENTS

Financial investments are classified either as financial fixed assets or short-term investments, depending on the purpose of the investment. If the maturity or expected investment period is longer than one year, they are classified as financial fixed assets; if shorter than one year but longer than three months, they are short-term investments.

Interest-bearing securities acquired with the aim of being held to maturity belong to the category "financial investments held to

Note 1, cont'd.

maturity" and are valued at accrued acquisition cost. Interest-bearing securities that the company does not intend to hold to maturity are classified as "financial assets recognised at fair value in the income statement" or "available-for-sale financial assets."

When assets are reported at fair value in the income statement, changes in value are recognised under net financial items.

LONG-TERM RECEIVABLES AND OTHER SHORT-TERM RECEIVABLES

Long-term receivables and other short-term receivables are receivables created by the company when providing money not for the purpose of trading in the right to recover the debt. Those with an expected holding period longer than one year are classified as long-term receivables, those less than one year as other short-term receivables. These receivables belong to the category Originated loans and receivables.

ACCOUNTS RECEIVABLE

Accounts receivable are classified under Originated loans and receivables. Accounts receivable are reported at the amount expected to be received less doubtful receivables, assessed on an individual basis. Accounts receivable are written down when considered doubtful; that is, if more than 90 days past due or due from a customer with a history of payment difficulties. Accounts receivable from customers recognised as solvent and with good payment histories are not considered doubtful even if more than 90 days past due as long as the customer can be expected to pay appropriate interest. The expected maturity of accounts receivable is short, so they are reported at their non-discounted nominal value. Impairments on accounts receivable are reported under operating costs.

LIABILITIES

Liabilities are classified as other financial liabilities and are thus initially reported at the amounts received less transaction costs. After its acquisition date, a loan is valued at its accrued acquisition cost using the effective interest rate method. Those with an expected maturity of more than one year are classified as long-term liabilities, and those of less than one year as short-term liabilities.

ACCOUNTS PAYABLE

Accounts payable are classified under Other financial liabilities. The expected maturity of accounts payable is short, so they are valued at their non-discounted nominal value.

DERIVATIVES AND HEDGE ACCOUNTING

Derivatives held by the group are in the form of forward contracts used to minimise the group's exposure to fluctuations in exchange rates, electricity rates and fuel prices. Changes in the values of derivatives are recognised in the income statement, based on the purpose of the holding.

Foreign currency receivables and liabilities

Forward contracts are used to hedge assets and liabilities against foreign exchange risk. Hedge accounting is unnecessary for matching, as the hedged item is translated at the exchange rate on the balance sheet date and the hedge instrument is measured at fair value with changes in value recognised in the income statement under foreign exchange differences. Posten Norden thereby achieves essentially the same matching of income and expenses as through hedge accounting. Changes in value related to operating receivables and liabilities are recognised under operating earnings, while changes in value related to financial receivables and liabilities are recognised under net financial items.

Transaction exposure – cash-flow hedges

Forward contracts are used to hedge exposure to fluctuations in exchange rates related to cash flows under contractual agreements and in electricity rates and fuel prices related to forecast future cash flows. Value changes are recognised in the income statement.

Net investments

Investments in foreign subsidiaries (net assets including goodwill) are not hedged. At year-end they are translated at the exchange rate on the balance sheet date. Foreign exchange differences recognised in the parent company's income statement are eliminated in the consolidated accounts through revaluation of the net assets in the subsidiary included in equity.

TANGIBLE FIXED ASSETS

Owned assets

Tangible fixed assets are entered as assets on the balance sheet when it is likely that the future financial rewards of ownership will befall the company, and if the acquisition cost of the asset can be reliably determined.

Tangible fixed assets are reported at acquisition cost less accumulated depreciation and impairments. The acquisition cost consists of the purchase price as well as costs directly related to bringing the asset to the necessary place and condition for its use in accordance with the purpose of the acquisition. Examples of directly related costs included in acquisition cost are delivery and handling, installation, registration of title, consulting fees and legal fees. Loan expenses are not included in the acquisition cost of fixed assets produced by the company. Accounting principles for depreciation are described below.

Tangible fixed assets consisting of parts with different useful lives are treated as separate components of tangible fixed assets.

The reported value of a tangible fixed asset is taken off the balance sheet when the asset is discarded or disposed of, or when no further financial rewards are expected to be gained from the use. Gains or losses arising from the discarding or disposal of an asset are calculated as the difference between the sale price and the asset's carrying value, less expenses directly related to the sale. Gains and losses are reported under other operating income/expenses.

Leased assets

Leases are classified in the consolidated financial statements as either financial or operational leases. Under financial leases, the economic risks and rewards associated with ownership are essentially transferred to the lessee. If such is not the case, the agreement is deemed an operational lease.

Assets leased through financial lease agreements are reported as assets in the consolidated balance sheets. Obligations to pay leasing payments in the future are reported as current and long-term liabilities. Leased assets are depreciated according to plan, while lease payments are reported as interest and amortisation of the liability.

For operational leases, leasing fees are expensed during the term based on usage and thus may differ from the leasing fees actually paid during the year.

Additional costs

Additional costs related to tangible assets are added to the acquisition cost only when it is likely that the future financial rewards of the asset will befall the company and the acquisition cost can be determined reliably. All other additional costs are reported as expenses in the period in which they were incurred.

Critical to the determination of whether additional costs should be added to the acquisition cost is whether or not the charge is related to exchanges of identifiable components or subcomponents; if so, such charges are capitalised. The cost of creating a new component is also added to the acquisition cost. Any reported value of an exchanged component or subcomponent not already depreciated is discarded and recognised as an expense at the date of exchange. Repairs are expensed as they arise.

Depreciation principles
Tangible fixed assets are depreciated on a straight-line basis over the estimated useful life of the asset. Land is not depreciated. The group applies component depreciation, such that the estimated useful lives of material subcomponents are a basis for depreciation.

The depreciation periods are as follows:

Buildings, land improvements and improvements to leased properties	20-50 years
Equipment and installations for leased premises	5-10 years
Sorting equipment	5-10 years
Vehicles	3-7 years
Computer equipment	3-7 years
Other machinery and equipment	3-10 years

The residual values and estimated useful lives of assets are tested annually.

INTANGIBLE ASSETS
Goodwill
Goodwill represents the difference between the acquisition cost of a subsidiary and the fair value of the acquired assets and assumed and contingent liabilities.

The group has not applied IFRS retroactively to goodwill arising from business combinations occurring prior to 1 January 2004; rather, the reported value at that date has been taken as the consolidated acquisition cost, after impairment testing.

Goodwill is measured at acquisition cost less any accumulated impairments. Goodwill is allocated to cash-generating units and is no longer amortised but is tested for impairment annually. Goodwill arising from the acquisition of an associated company is included in the reported value of the holding in that associated company.

Goodwill relates mainly to the acquisition in 2001 of Posten's parcel distribution services, the 2006 acquisition of Stralfors and the acquisition of Tollpost AS. Goodwill from these acquisitions is denominated in SEK, NOK, EUR, GBP and DKK.

Capitalised development expenditures
Development-related expenditures are capitalised whenever it is deemed they will provide future financial benefits. The reported value includes direct expenses for services and materials. Other development expenditures are expensed in the income statement as they arise. Capitalised development expenditures are reported on the balance sheet at acquisition cost less accumulated amortisation and impairments. Posten Norden defines development expenditures as costs related to the development of commercially viable services and products that can be incorporated into Posten Norden's offering. These costs include costs that are directly related to the newly developed offering. Development expenditures are capitalised when they satisfy IAS 38 criteria and are estimated to amount to a material sum for the overall development project. Other development expenditures are expensed as normal operating costs.

The main criteria for capitalisation are that the development efforts will lead to proven future rewards and cash flows and that the necessary technical and financial conditions exist for completing the development work once it has been commenced.

Other development projects, such as projects related to essential ERP systems, are capitalised when they amount to or are estimated to amount to a material sum for the overall project. Otherwise, such charges are expensed.

Other intangible fixed assets
Other intangible fixed assets comprise acquired brands and other rights, which are reported at the acquisition cost less accumulated amortisation and impairments. Straight-line depreciation is used for the term of such rights, usually 5-10 years.

Additional costs
Additional costs related to capitalised intangible assets are recognised as assets on the balance sheet only when they enhance the future financial benefits that exceed the original assessments. All other payments are expensed as they arise.

Amortisation principles
Amortisation is reported in the income statement on a straight-line basis over each intangible asset's estimated useful life, where this can be ascertained. Goodwill and intangible assets with indeterminate useful lives are tested for impairment annually or as soon as there is an indication of impairment of the asset in question. Intangible assets are amortised from the date on which they were made available for use.

The following amortisation periods are applied:

Capitalised, completed development efforts	5-10 years
Brands, customer relations, licenses and other rights	5-10 years

INVENTORY
Inventory is valued at the lower of acquisition value, determined using the first-in/first-out (FIFO) method, and net realisable value.

IMPAIRMENTS
The reported values of consolidated assets – with the exception of available-for-sale assets and disposal items reported in accordance with IFRS 5, investment properties, inventories, assets under management used to meet pension committments, and deferred tax credit – are tested at each balance sheet date to discern impairment. If such indications exist, the asset's recoverable value is calculated. The assets listed as exceptions above are tested to applicable standards.

The recoverable value of goodwill, other intangible assets with indeterminate useful lives and intangible assets not yet ready for use is calculated annually.

For impairment of financial assets, see the "Financial instruments" section.

An impairment loss is reported when the reported value of an asset of a cash-generating unit exceeds its recoverable value. Impairment losses are reported in the income statement.

Impairments on assets related to cash-generating units are primarily allocated to goodwill. Proportional impairments are subsequently charged to all other assets in the unit.

Calculation of recoverable value
The reported values of the group's assets are tested at each balance sheet date to discern indications of impairment. If such indications exist, the recoverable value of individual or naturally affiliated assets is measured as the higher of the fair value less selling costs and the useful value. The measurement of useful values is based on Posten Norden's assessment of future payment flows. In the measurement of useful values, future cash flows are discounted using a discount rate that takes into account risk-free interest and the risk linked to each specific asset. The assessments are based on the corporate business plans and are augmented by other relevant information, used to enhance accuracy.

Reversal of impairment
Impairment losses on goodwill are never reversed. Impairment of

Note 1, cont'd.

other assets is reversed if there is both an indication that the impairment no longer exists and a change in the assumptions used as a basis for measuring such assets' recoverable values.

Impairment is reversed only to the extent that the reported value of an asset, after reversal, does not exceed the reported value that the asset would have had if no impairment had been recognised, taking into account the amortisation that would have been charged.

DIVIDENDS PAID

Dividends are reported as liabilities after they have been approved for payment by the AGM.

EMPLOYEE BENEFITS

Pension commitments

The Posten Norden Group's pension commitments are met in part through defined-benefit plans featuring a contractually binding promise regarding a given future pension level for employees, and in part through defined-contribution plans for which premiums have been set aside and for which the employee assumes the risk as regards the future pension level. The Group's obligations with respect to defined-contribution plans are reported as personnel costs in the income statement as they accrue through the employees' performance of their work duties. Most of the defined-benefit plans consist of a pension plan set up for Posten Norden AB (publ) in Sweden and some smaller plans in Norway and France. Actuarial calculations are prepared for all defined-benefit plans in accordance with the projected unit credit method in an effort to establish the present value of commitments concerning benefits for current and former employees. Actuarial calculations are prepared annually and are based on actuarial assumptions, which are made at the end of the fiscal year. These assumptions cover inflation, changes in the income base amount, personnel turnover, discount rates, rates of return and life expectancy.

The group's net commitments consist of the present value of pension commitments less the fair value of assets under management. Changes in the present value of commitments owing to changed actuarial assumptions are treated as actuarial gains or losses. Actuarial gains and losses are recognised as income over the employee's average remaining period of employment in cases where they exceed the "corridor" threshold for each plan. The corridor threshold equals 10% of the higher of the value of the pension commitment and the fair value of assets under management. Pension provisions and similar commitments appearing on Posten Norden Group's balance sheet equal the commitments' present value at fiscal year-end, less the fair value of assets under management, unreported actuarial gains or losses and unreported costs related to employment from earlier periods. If this calculation leads to an asset for the group, the reported value of the asset is limited to the sum of the reported actuarial losses plus the value that the company can be expected to attain in the future from the surplus in funded assets. If the pension cost and pension provision set for Swedish plans deviate from the corresponding amount in accordance with RedR 4, the difference is reported for special payroll tax in accordance with UFR 4 (published as URA 43). For pensions and similar benefits financed through defined-contribution plans, amounts corresponding to Posten Norden's annual fees for the plans are expensed.

Severance pay

Provisions for severance pay are made only if Posten Norden can be proven to have committed to terminate an employment contract before its expiration, without a reasonable possibility of withdrawal. If compensation is paid for voluntary termination, a provision is reported when the offer has at least been accepted by the concerned parties' representative and when the number of employees that will accept the offer can be reliably calculated. When Posten Norden terminates employee contracts, a detailed plan is prepared covering workplaces, positions and the estimated number of employees affected, as well as compensation paid to each personnel group or position and the period of implementation of the plan.

PROVISIONS

Provisions are made for commitments resulting from an event and for binding loss contracts, in which it is probable that an outflow of resources will be needed to settle the commitment. Provisions are reported on the balance sheet when there is a legal or informal obligation to do so and when the amount can be determined reliably. Provisions for restructuring are made when an adequately detailed plan is in place and has been communicated in a fashion that creates firm expectations among stakeholders, or their representatives, who will be affected by the measures.

TAXES

Tax on net earnings is comprised of current tax and deferred tax. Taxes are recognised in the income statement except when the underlying transaction is recognised directly in equity, provided that the subsequent tax effect is also reported in equity. Current tax is the tax calculated on the year's taxable income. Adjustments of current tax attributable to earlier periods are also included.

Deferred tax is calculated in accordance with the balance sheet method, based on the temporary differences between the reported and taxable values of assets and liabilities. The amounts are calculated based on how temporary differences are expected to be equalised, and by applying the tax rates and tax regulations that have been decided or announced as of fiscal year-end. Temporary differences are not treated in consolidated goodwill. Legal entities report untaxed reserves including the deferred tax liability. In the consolidated financial statements, however, untaxed reserves are divided into deferred tax liability and restricted equity. Tax credits in deductible temporary differences and loss carry-forwards are reported only to the extent that it is probable that they will lead to lower tax disbursements in the future. This probability is based on data contained in Posten Norden's business plans.

ASSETS PLEDGE AND CONTINGENT LIABILITIES

Contingent liabilities are reported when there is a possible commitment arising from an event, the fulfilment of which can only be confirmed by one or more uncertain future events. Contingent liabilities are also reported when there is a commitment that is not reported as a liability or provision because an outflow of resources is not likely to be required. Pledged assets are reported for given guarantees and assets pledged as securities.

NOTE 2 Estimates and assessments

In making these financial reports, 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 group management considers reasonable under the current circumstances. The conclusions drawn by the 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 behavior 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 is the assumption of the discount rate and future expected return on plan assets, 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, all other thins being equal, impacts earnings by SEK 15m increased or decreased financial cost/income. A change in the discount rate of +/- 0.1 percentage point, all other things being equal, impacts earnings by increasing or decreasing the amortisation of actuarial losses by SEK 30-40m. Changes in inflation and wage trends, severally and all other things being equal, of +/-0.1 percentage point impacts earnings by increasing or decreasing the amortisation of actuarial losses by SEK 20-25m.

PROVISIONS

As a consequense of Posten AB becoming a Swedish corporate entity in 1993, 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 in the utilisation rate of 5 percentage points impacts earnings by 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 Revenue distribution

NET SALES

Net sales in the Posten Norden Group arise primarily from the sale of services.

OTHER INCOME

SEKm	Jul-Dec 2009
Income from property leases	22
Insurance claims	1
Exchange rate gains	13
Other	84
Total	**120**

NOTE 4 Reporting of business segments

Posten Norden's organisation into business units 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 units. There is no latitude for making external purchases where the service in question is available internally. Cost distribution of shared corporate functions is at cost price with full allocation of costs.

Mail Denmark runs Posten Norden's messaging operations in Denmark. The business area offers nationwide messaging services, including distribution of letters, periodicals and direct mail as well as drop-off and collection of private parcels.

Mail Sweden runs Posten Norden's messaging operations in Sweden. The business area offers nationwide messaging services, including distribution of letters, periodicals and direct mail as well as drop-off and collection of private parcels.

Informationlogistics runs 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 runs 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.

Group functions include shared services and corporate functions and the Swedish Cashier Service. Costs for shared services and corporate functions are charged to the business areas.

Adjustments and eliminations, in addition to intra-group eliminations, are reported as the effects of recalculating pensions according to IAS 19 and financial leasing according to IAS 17.

Note 4, cont'd.

2009 JUL – DEC

SEKm	Mail Denmark	Mail Sweden	Information-logistics	Logistics	Group functions	Total	Adjustments and eliminations	Posten Norden Group
Net sales, external	5,980	7,717	1,751	6,290		21,738	120	21,858
Net sales, intra-group	180	106	21			307	-307	
Total net sales	**6,160**	**7,823**	**1,772**	**6,290**		**22,045**	**-187**	**21,858**
Other income, external	11	39	11	24	26	111	9	120
Other income, intra-group	822	322		671	2,951	4,766	-4,766	
Total income	**6,993**	**8,184**	**1,783**	**6,985**	**2,977**	**26,922**	**-4,944**	**21,978**
Personnel costs	-3,989	-3,997	-619	-1,675	-558	-10,838	-100	-10,938
Transportation costs	-377	-1,312	-106	-2,813	-10	-4,618	716	-3,902
Other costs	-2,421	-2,870	-1,143	-2,384	-2,021	-10,839	4,292	-6,547
Depreciations and impairments	-142	-96	-200	-168	-379	-985	-25	-1,010
Total operating costs	**-6,929**	**-8,275**	**-2,068**	**-7,040**	**-2,968**	**-27,280**	**4,883**	**-22,397**
Participation in the earnings of associated companies and joint ventures			13			13		13
OPERATING EARNINGS	**64**	**-91**	**-272**	**-55**	**9**	**-345**	**-61**	**-406**
Net financial items								1,951
Earnings before tax								**1,545**
Tax								161
Net earnings								**1,706**
Assets	12,786	7,604	3,543	6,544	26,602	57,079	-27,508	29,571
Liabilities	6,082	5,578	2,123	2,947	12,932	29,662	-13,449	16,213
Investments in fixed assets	402	117	141	175	66	901		901
Depreciations/Amortisation	142	96	163	169	367	937	36	973
Impairments			37			37		37
Provisions(+)/Reversals(-)	218	539	140	51	62	1,010		1,010

2008 JUL – DEC PRO FORMA

SEKm	Mail Denmark	Mail Sweden	Information-logistics	Logistics	Group functions	Total	Adjustments and eliminations	Posten Norden Group
Net sales, external	6,041	8,062	1,905	6,531	83	22,622	109	22,731
Net sales, intra-group	99	132	39	-58		212	-212	
Total net sales	**6,140**	**8,194**	**1,944**	**6,473**	**83**	**22,834**	**-103**	**22,731**
Other income, external	175	49	85	-6	32	335	10	345
Other income, intra-group	900	385		784	2,964	5,033	-5,033	
Total income	**7,215**	**8,628**	**2,029**	**7,251**	**3,079**	**28,202**	**-5,126**	**23,076**
Personnel costs	-3,952	-4,177	-620	-1,743	-594	-11,086	147	-10,939
Transportation costs	-424	-1,262	-61	-2,927	-16	-4,690	701	-3,989
Other costs	-2,291	-2,838	-1,232	-2,426	-1,841	-10,628	4,448	-6,180
Depreciations and impairments	-174	-91	-152	-164	-335	-916	-36	-952
Total operating costs	**-6,841**	**-8,368**	**-2,065**	**-7,260**	**-2,786**	**-27,320**	**5,260**	**-22,060**
Participation in the earnings of associated companies and joint ventures			13	-16		-3		-3
OPERATING EARNINGS	**374**	**260**	**-23**	**-25**	**293**	**879**	**134**	**1,013**
Net financial items								346
Earnings before tax								**1,359**
Tax								-322
Net earnings								**1,037**

2009 JAN – DEC PRO FORMA

SEKm	Mail Denmark	Mail Sweden	Information-logistics	Logistics	Group functions	Total	Adjustments and eliminations	Posten Norden Group
Net sales, external	12,751	15,645	3,704	12,533		44,633		44,633
Net sales, intra-group	343	149	58	140		690	-690	
Total net sales	**13,094**	**15,794**	**3,762**	**12,673**		**45,323**	**-690**	**44,633**
Other income, external	12	90	25	46	56	229	20	249
Other income, intra-group	1,580	638		1,314	5,091	8,623	-8,623	
Total income	**14,686**	**16,522**	**3,787**	**14,033**	**5,147**	**54,175**	**-9,293**	**44,882**
Personnel costs	-8,509	-8,177	-1,303	-3,425	-1,242	-22,656	23	-22,633
Transportation costs	-787	-2,628	-167	-5,581	-14	-9,177	1,616	-7,561
Other costs	-4,538	-5,129	-2,305	-4,846	-3,297	-20,115	7,718	-12,397
Depreciations and impairments	-408	-191	-370	-339	-644	-1,952	-62	-2,014
Total operating costs	**-14,242**	**-16,125**	**-4,145**	**-14,191**	**-5,197**	**-53,900**	**9,295**	**-44,605**
Participation in the earnings of associated companies and joint ventures			7			7		7
OPERATING EARNINGS	**444**	**397**	**-351**	**-158**	**-50**	**282**	**2**	**284**
Net financial items								2,155
Earnings before tax								**2,439**
Tax								-25
Net earnings								**2,414**

2008 JAN – DEC PRO FORMA

SEKm	Mail Denmark	Mail Sweden	Information-logistics	Logistics	Group functions	Total	Adjustments and eliminations	Posten Norden Group
Net sales, external	12,422	16,401	3,942	12,721	324	45,810		45,810
Net sales, intra-group	305	173	90	129		697	-697	
Total net sales	**12,727**	**16,574**	**4,032**	**12,850**	**324**	**46,507**	**-697**	**45,810**
Other income, external	181	70	96	31	188	566	20	586
Other income, intra-group	1,467	772		1,426	4,946	8,611	-8,611	
Total income	**14,375**	**17,416**	**4,128**	**14,307**	**5,458**	**55,684**	**-9,288**	**46,396**
Personnel costs	-7,748	-8,576	-1,293	-3,482	-1,359	-22,458	345	-22,113
Transportation costs	-842	-2,562	-117	-5,785	-33	-9,339	1,617	-7,722
Other costs	-4,186	-5,126	-2,444	-4,612	-3,113	-19,481	7,693	-11,788
Depreciations and impairments	-402	-185	-297	-312	-561	-1,757	-74	-1,831
Total operating costs	**-13,178**	**-16,449**	**-4,151**	**-14,191**	**-5,066**	**-53,035**	**9,581**	**-43,454**
Participation in the earnings of associated companies and joint ventures			20	-16		4		4
OPERATING EARNINGS	**1,197**	**967**	**-3**	**100**	**392**	**2,653**	**293**	**2,946**
Net financial items								694
Earnings before tax								**3,640**
Tax								-891
Net earnings								**2,749**

GEOGRAPHIC AREAS

The business's distributions by geographic area are based on the customer's billing address. Sweden and Denmark are Posten Norden's main markets and account for 84 % of its income. Subsidiaries and strategic alliances give the company a solid position in the Nordic region and enable it to serve Europe and beyond.

	2009		
SEKm	**Income**	**Assets**	**Investments**
Sweden	10,164	15,204	287
Denmark	8,376	9,998	505
Rest of the Nordic region	2,089	3,301	78
Rest of the world	1,349	1,068	31
Total	**21,978**	**29,571**	**901**

NOTE 5 Employees, personnel costs and executive compensation

SEKm	Jul-Dec 2009
Personnel costs	
Wages, salaries and other remuneration	8,490
Statutory social costs	1,278
Pension costs	1,043
Other personnel costs	127
Total	**10,938**

	Jul-Dec 2009			
Specification of wages, salaries and other remuneration, by country, SEKm	**Presidents[1]**	***Of which bonuses***	**Other employees**	**Total**
Sweden	14		3,807	3,821
Denmark	15		4,180	4,195
Finland	1		55	56
Norway	2	*1*	282	284
Other countries	2		132	134
Total	**34**	***1***	**8,456**	**8,490**

[1] "Presidents" refers to current and former chief executive officers and executive vice presidents.

Specification of pension costs SEKm	
Cost of retirement pensions	951[1]
Net cost of early retirement pensions	92
of which, gross cost of early retirement pensions	*244*
of which, utilisation of provisions for early retirement pensions	*-152*
Total	**1,043[2]**

[1] Cost of retirement pensions includes an amortisation effect of actuarial gains and losses totalling SEK 73m.
[2] Current and former chief executive officers and executive vice presidents account for SEK 6m of consolidated pension costs. Outstanding commitments for these individuals amount to SEK 115m.

Specification of wages, salary and other executive compensation, 12 persons Jul-Dec 2009, SEKm	Base salary	Pension premiums	Other benefits	Total
Lars G Nordström, President and Group CEO	4.2	1.3		5.5
Göran Sällqvist, Executive Vice President	1.7	1.0	0.1	2.8
K B Pedersen, Executive Vice President	1.8			1.8
Total, CEO and Executive VPs	**7.7**	**2.3**	**0.1**	**10.1**
Total, other members of group management	12.6	4.3	0.3	17.2
Total, all members of executive management	**20.3**	**6.6**	**0.4**	**27.3**

APPROVED GUIDELINES FOR EXECUTIVE COMPENSATION

The term "executive" refers to

- The President and Group CEO
- Group Management

Executives employed in Sweden prior to the merger with Post Danmark A/S receive neither performance incentives nor variable pay components. Executives employed by Post Danmark A/S prior to the merger had the option of receiving variable pay components during 2009. During 2010 the owners will take a decision on new guidelines for determining compensation for executives.

Under the executive pension plan in Sweden, Posten's pension plan (ITP-P) is applied as regards defined benefit pensions, which are based on the individual's final wage and length of employment. Employees reaching full retirement age receive a pension of 10 % of their pension-based compensation for wage components up to 7.5 income base amounts, 65 % of wage components between 7.5 and 20 income base amounts and 32.5 % of wage components between 20 and 30 income base amounts. Under ITP-P, executive pensions are supplemented with individual premium-based agreements. Retirement plans and agreements stipulate a retirement age of either 60 or 62.

Two members of group management, excluding the CEO, have retirement at 60 (based on earlier retirement plans) and six have retirement at 62 under current executive pension plans.

For executives employed in accordance with Danish labour law, full premium-based pensions are applied and the retirement age is determined pursuant to Danish labour law.

Pension costs for the current CEO are fixed at an amount corresponding to 30 % of monthly salary. The notice period is three months.

The employment contracts of all members of group management stipulate a 6-12 month notice period when the employer terminates the contract and a 3-6 month notice period when the employee terminates the contract. If the employer terminates the contract, the employee is entitled to severance pay equal to a maximum of 12 months' pay and automobile benefits. For members of group management employed in Sweden prior to the merger with Post Danmark A/S, income earned from subsequent employment or comparable business activities is deducted from the aforementioned severance package.

	Jul-Dec 2009			
Average number of employees, by country	**Women**	**Men**	**Total**	**Percentage men**
Sweden	10,430	16,370	26,800	61 %
Denmark	6,790	11,641	18,431	63 %
Finland	107	194	301	64 %
Norway	201	883	1,084	81 %
Other countries	264	439	703	62 %
Total	**17,792**	**29,527**	**47,319**	**62 %**

	Jul-Dec 2009	
Gender division of executives, %	**Percentage women**	**Percentage men**
Executives	22 %	78 %
Board members, incl. subsidiaries	18 %	82 %

Compensation to the Board of Posten Norden Group/Posten Norden AB, SEK thousands [1]	Jul-Dec 2009
Fritz Schur (chair)	300
Marianne Nivert	36
Anne Birgitte Lundholt	125
Richard Reinius	125
Mats Abrahamsson	89
Ingrid Bonde	89
Gunnel Duveblad	89
Bjarne Hansen	89
Torben Janholt	89
Total	**1,031**

[1] Approved board member remuneration:
It was decided at the April 30th 2009 AGM that regular board members will be remunerated SEK 250,000, with the chairman receiving SEK 600,000, through the close of the 2010 AGM. At the extraordinary general meeting held on August 24th 2009, it was decided that Audit Committee members will receive remuneration of SEK 50,000, with the committee chairman receiving SEK 62,500. Members of the Compensation Committee will receive SEK 25,000, with the chairman receiving SEK 37,500. Remuneration for the performance of Audit and Compensation Committee duties is paid in full during the following year.

NOTE 6 Other costs

SEKm	Jul-Dec 2009
Cost of premises	1,180
Provisions [1]	1,010
Terminal fees	513
Cost of goods and material	858
Purchased IT resources	671
Other	2,315
Total	**6,547**

[1] Of the total amount of SEK 1,010m, SEK 998m is attributable to provisions and SEK -50m to reversals for personnel reductions. SEK 57m is attributable to other closure costs and SEK 5m to exchange rate differences. See also Note 24, Other Provisions, footnote 1.

Restructuring costs total SEK 1,100m and are attributable to provisions of SEK 1,010m, personnel costs of SEK 47m and impairments of SEK 43m.

NOTE 7 Audit fees and reimbursement of expenses

SEKm	Jul-Dec 2009
Audit	
Ernst & Young	11.0
PricewaterhouseCoopers	0.9
Total	**11.9**
Other services	
Ernst & Young	2.0
PricewaterhouseCoopers	3.3
Other auditors	7.5
Total	**12.8**

”Audit” refers to examiniation of the annual report, bookkeeping and administration of the Board and the CEO; other duties resting with the company’s auditors; and advisory services and other types of support that arise in the course of such examination or the performance of such other duties. All other items are ”Other services”.

NOTE 8 Depreciation and impairment of tangible and intangible fixed assets

SEKm	Jul-Dec 2009
Depreciation/Amortisation	
Licences, brands, customer relations and similar assets	79
Development, completed	136
Buildings and land	117
Machinery and equipment	641
Total	**973**
Impairments	
Licences, brands, customer relations and similar assets	8
Machinery and equipment	29
Total	**37**

NOTE 9 Net financial items

SEKm	Jul-Dec 2009
Financial income	
Earnings from participations in associated companies	1,966
Interest income	46
Interest income on pensions	52
Other financial income	15
Total	**2,079**
Financial costs	
Interest expense	-48
Interest expense on pensions	-55
Interest expense on financial leasing	-24
Other financial costs	6
Net currency changes	-7
Total	**-128**
Net financial items	**1,951**
Of which value changes are estimated using evaluation tools	*-13*

See Note 29, Financial Risk Management and Financial Instruments. For interest expense on pensions, see also Note 23, Pensions.

NOTE 10 Taxes

SEKm	Jul-Dec 2009
Current tax	**-100**
Deferred tax	
Change in deferred tax, tangible fixed asstes	70
Temporary difference in balance sheet items	-18
Change in deferred tax on tax loss carry-forwards	209
Total	**261**
Total tax	**161**

		Jul-Dec 2009
Reconciliation of effective tax rate	**%**	**SEKm**
Earnings before tax	26.3	1,545
Tax according to the parent company rate		-407
Non-deductible expenses		-36
Tax-exempt income		588
Tax attributable to previous years		47
Effect of changed tax rates and imposition of new taxes		1
Effect of other tax rates for foreign companies		-29
Other		-4
Total		**161**

Uncapitalised loss carry-forwards are primarily attributable to foreign operations and to Swedish companies ineligible for group contributions.

NOTE 11 Participations in associated companies and joint ventures

Participations in associated companies
At the end of the period, Post Danmark A/S owned an equity interest in associated company e-Boks A/S valued at SEK 117m. E-boks A/S is headquartered in Ballerup, Denmark and is 50 %-owned by Post Danmark A/S.

Participations in joint ventures
Summary of participating interest in the balance sheets of joint ventures

SEKm	31 Dec 2009
Fixed assets	1
Current assets	1
Total assets	**2**
Equity	1
Long-term liabilities	1
Total equity and liabilities	**2**

Strålfors Tandsbyn AB owns 50 % of the company Tand 2:103 Fastighets AB located in Östersund, Sweden.

NOTE 12 Intangible fixed assets

	Goodwill	Other intangible fixed assets		
SEKm	2009	Licences, brands, customer relations and similar assets 2009	Development, completed 2009	Total other intangible fixed assets 2009
Accumulated acquisition value, 1 Jul 2009	**3,605**	**1,808**	**2,937**	**4,745**
Acquisition of affiliated companies	10	47		47
Other investments		31	86	117
Disposals	-10	-41	-8	-49
Reclassifications		-9	9	0
Translation differences	-541	-53	-137	-190
Accumulated acquisition value, year-end	**3,064**	**1,783**	**2,887**	**4,670**
Amortisation, 1 Jul 2009		**-754**	**-1,453**	**-2,207**
Amortisation for the year		-79	-136	-215
Disposals		30	-1	29
Translation differences		88	71	159
Accumulated amortisation, year-end		**-715**	**-1,519**	**-2,234**
Impairments, 1 Jul 2009	**-9**		**-466**	**-466**
Impairments for the year		-8		-8
Accumulated impairments, year-end	**-9**	**-8**	**-466**	**-474**
Closing balance	**3,055**	**1,060**	**902**	**1,962**

During the year, expensed development totalled SEK 34m. Internally generated intangible assets are reported as “completed development projects.” For more information about assets resulting from acquisitions of affiliated companies, see Note 31, Aquisitions and Divestments of Operations.

Of the SEK 1,962m total value reported for other intangible fixed assets, SEK 631m is attributable to Stralfors and SEK 948m Post Danmark.

IMPAIRMENT TEST ON INTANGIBLE FIXED ASSETS

Goodwill is the only intangible asset with an indeterminate period of useful life.

The SEK 3,055m reported value of goodwill arose in the following cash-generating segments: SEK 1,667m for international parcel and pallet operations (DPD and Tollpost Globe AS), 780m for Stralfors, SEK 473m for Post Danmark (Post Danmark A/S, Data Scanning A/S, Transportgruppen A/S and Budstikken Transport A/S) and SEK 135m for other businesses (HIT, Direct Link and Addresspoint). The recoverable value of each of these cash-generating segments was based on their value in use. The calculations were based on two-year business plans and forecasts adopted and formulated based on analyses of the external business environment and planned marketing and production activities. The assessments made in the business plans are based on group management’s knowledge and experience. Value assessments have been made using a discount rate of 10 % before tax.

The most significant amounts of goodwill lie in two cash-generating segments: SEK 1,667m for international parcel and pallet operations, and SEK 780m for Stralfors. The assumptions with the greatest impact on the impairment assessments are volume growth, profit margins and useful life. Calculations were made with different assumptions for the pace of growth to evaluate the effects on earnings.

Tollpost Globe AS is part of the international parcel and pallet operation and is considered integrated with DPD and the impairment test performed. For international parcel and pallet operations, the current business plan forecasts 16 % annual growth. For the time beyond the scope of the business plan, the basic assumption is 3 % growth per year. The total useful life in the value estimations is unlimited. The test has not established any impairment of assets.

With respect to Stralfors, the entire operation (that existed as of the 2006 acquisition) is viewed as a cash-generating unit at the time of testing. The total useful life in the test is unlimited and rate of growth is assumed to follow a hypothetical GDP trend of 2 % per year. In the impairment test, the three first years are based on the business plan and budget, and have a relatively high investment level. Therefore, the test has been supplemented with a fourth year, deemed to represent a normal year. Based solely on Stralfors' isolated cash flows, the assessment shows possible impairment. However, group management's appraisal is that the value of effects not measured in the test exceeds the estimated impairments. Among these effects are a positive cash effect from planned property sales and increased cash flows within Meddelande AB (Mail Sweden) resulting from Stralfors' contribution to increased distribution volumes via expanding information logistics sales within Stralfors. In addition, consideration has been given to the strategic flanking measures taken by the messaging operation to meet market players similar to Stralfors and to ensure that competitors do not acquire Stralfors. Stralfors' European establishment via Direct Link and its potentially increased messaging income have not been accounted for in the test.

NOTE 13 Tangible fixed assets

SEKm	Buildings and land 2009	Machinery and equipment 2009	Ongoing construction and advances 2009	Total 2009
Acquisition value, beginning of the year	**7,060**	**15,501**	**432**	**22,993**
Acquisition of affiliated companies		-1		-1
Other acquisitions	24	735	14	773
Disposals	-19	-625	-7	-651
Reclassifications	144	23	-167	
Translation differences	-253	-390	5	-638
Accumulated acquisition value, year-end	**6,956**	**15,243**	**277**	**22,476**
Depreciation, beginning of the year	**-2,833**	**-10,568**		**-13,401**
Depreciation for the year	-117	-641		-758
Acquisition of affiliated companies		-1		-1
Disposals	-5	556		551
Translation differences	86	255		342
Accumulated depreciation, year-end	**-2,869**	**-10,399**		**-13,267**
Impairments, 1 July 2009	**-6**			**-6**
Impairments for the year		-29		-29
Accumulated impairments, year-end	**-6**	**-29**		**-35**
Closing balance	**4,081**	**4,815**	**277**	**9,173**
Value assessed for tax purposes (Sweden)	307			
of which, real estate	*76*			

The group holds buildings and machinery through financial lease agreements.
For information on financial and operational leases, see Note 14, Leased Machinery and Equipment, Property Leases.

NOTE 14 Leased machinery and equipment, property leases

OPERATIONAL LEASES

The group's leasing charges for the year totalled SEK 795m. At the balance sheet date, the group had outstanding leasing charges of SEK 6,524m, calculated at the prevailing exchange and interest rates.

The minimum payments for operational leases fall due as follows.

SEKm	Machinery and equipment 2009	Properties 2009
Within one year	94	1,196
Between one and five years	127	3,169
Later than five years		1,938
Total	**221**	**6,303**

The majority of the machinery and equipment put at the group's disposal through leases is held by Meddelande Sverige (Mail Sweden) and consists of machines for the production of Posten Norden's electronic mail services.

FINANCIAL LEASES

The payments for financial leases mature as follows.

SEKm	Minimum leasing expenses 2009	Interest 2009	Present value 2009
Within one year	132	43	89
Between one and five years	178	26	152
Total	**310**	**69**	**241**

Financial leasing assets

Financial leasing assets reported as tangible fixed assets are as follows:

SEKm	Jul-Dec 2009
Acquisition value	
Machinery and equipment	20
Properties	1,147
Closing balance	**1,167**
Accumulated depreciation	
Machinery and equipment	-7
Properties	-941
Closing balance	**-948**
Book value	**219**

In 2009, leasing expenses for financial leases totalled SEK 79m.

The maturities of the long-term liabilities attributable to financial leases are presented in Note 29, Financial Risk Management and Financial Instruments. The financial leases primarily comprise six processing facilities in Sweden as well as leased vehicles for which Posten Norden is liable for the residual value. See also Note 26, Assets Pledged and Contingent Liabilities.

NOTE 15 Financial investments

SEKm	31 Dec 2009
Financial investments that are fixed assets	
Endowment insurance policy	130
Other long-term receivables	19
Closing balance	**149**
Current investments that are fixed assets	
Other current investments	1
Closing balance	**1**

NOTE 16 Long-term receivables

SEKm	31 Dec 2009
Reported value related to funded defined benefit retirement and early retirement pension plans appraised in accordance with IAS 19	2,342
Reported value related to funded defined benefit disability pension plans appraised in accordance with IAS 19	180
Payroll tax receivbles 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	621
Payroll tax, disability pension plans	-149
Deposits, property leases	12
Electricity derivatives	1
Other	1
Closing balance	**3,008**

NOTE 17 Deferred tax

SEKm	1 July 2009	Reported in income statement	Acquisition/Divestment of operations and translation differences	31 Dec 2009
Deferred tax assets				
Other provisions	334	186		520
Loss carry-forwards	88	209		297
Financial leases	31	-7		24
Offset against liabilities	-310		-363	-673
Total	**143**	**388**	**-363**	**168**
of which, outside Sweden	*77*			*157*
Deferred tax liabilities				
Ingangible fixed assets	-478	-47	-4	-529
Tangible fixed assets	-501	70	-2	-433
Current assets	5	18		23
Pension provisions	-308	-168		-476
Offset against receivables	310		363	673
Total	**-972**	**-127**	**357**	**-742**
of which, outside Sweden	*-194*			*-441*

In Sweden receivables and liabilities have been reported net, at SEK 845m, whereas other receivables and liabilities have been reported gross. Foreign receivables totalled SEK 157m, and foreign payables SEK 441m.

Non-reported receivables for deferred tax relating to loss carry-forwards from previous years totalled SEK 83m. SEK 55m pertained to France and SEK 28m to Germany. None of these receivables has a due date.

NOTE 18 Inventory

SEKm	31 Dec 2009
Goods for resale, etc.	175
Raw materials	124
Closing balance	**299**

The majority of raw materials and goods for resale in inventory are with business area Informationlogistics.

Inventory depreciation for 2009 totalled SEK 1m. For 2009, the cost of goods sold totalled SEK 1,628m.

NOTE 19 Accounts receivable

Accounts receivable are reported taking into account accumulated bad debt expenses of SEK 13m which arose during the July-December period. During that period, estimated losses on accounts receivable totalled SEK 5m. With respect to accounting treatment, refer to Note 1, Accounting Principles for risk management and to Note 29, Financial Risk Management and Financial Instruments for ageing of overdue but non-written-off accounts receivable.

NOTE 20 Prepaid expenses and accrued income

SEKm	31 Dec 2009
Accrued interest income	2
Accrued postage charges	127
Prepaid rent	222
Prepaid insurance premiums	2
Prepaid wages and salaries	239
Terminal fees	744
Forward currency contracts	6
Other items	281
Closing balance	**1,623**

NOTE 21 Cash and cash equivalents

SEKm	31 Dec 2009
Cash and bank balances	1,720
Short-term investments comparable to cash and cash equivalents	3,132
Closing balance	**4,852**

Short-term investments are classified as cash and cash equivalents if they are easily convertible into cash and have a maximum maturity of three months from the acquisition date, with minimal risk for value fluctuations.

NOTE 22 Interest-bearing liabilities

SEKm	31 Dec 2009
Long-term interest-bearing liabilities	
Debt to credit institutions	1,017
Financial leases	176
Closing balance	**1,193**
Current interest-bearing liabilities	
Debt to credit institutions	409
Utilised credit line	64
Liabilities, payment transfers	30
Financial leases	107
Closing balance	**610**

The bond programmes have limits of SEK 1,000m. See Note 29, Financial Risk Management and Financial Instruments.

NOTE 23 Pensions

Posten Norden Group's pension plans are described in Note 1, Accounting Principles. There are both defined benefit and defined contribution plans. Some personnel categories are eligible for pensions at an earlier age based on specific provisions in connection with incorporation. Posten's Pension Fund guarantees the pension commitments of Posten AB, Posten Meddelande AB and Posten Logistik AB. See the *Plan Assets* and *Transactions with Associated Parties* sections for information concerning dealings between the Group and Posten's Pension Fund.

STATEMENT OF FINANCIAL POSITION ITEMS FOR DEFINED BENEFIT PENSION PLANS

Pension commitments and plan assets

	31 Dec 2009			
SEKm	Funded pension plans	Unfunded pension plans, future unconditional pension benefits	Unfunded pension plans, future conditional pension benefits	Total
Present value of defined benefit commitments	15,128	1,699	810	17,637
Fair value of plan assets	-14,781			-14,781
Net commitment	**347**	**1,699**	**810**	**2,856**
Unreported actuarial gains (plus) and losses (minus)	-2,839	-64	101	-2,802
Net debt on statement of financial position	**-2,492**	**1,635**	**911**	**54**
Of which: Other provisions (see also Note 24, Other Provisions)			*911*	*911*
Pension provisions	*30*	*1,635*		*1,665*
Long-term receivables, see also Note 16 Long-term receivables	*-2,522*			*-2,522*

Net amount attributable to plans in the following countries, SEKm	
Sweden	16
France	8
Norway	30
Total	**54**

Note 23, cont'd.

Specification of present value of defined benefit commitments, SEKm	Funded pension plans	Unfunded pension plans, future unconditional pension benefits	Unfunded pension plans, future conditional pension benefits	Total
1 Jul 2009	**14,917**	**1,556**	**899**	**17,372**
Costs, employment service during current year	215	5	16	236
Interest expense	296	28	17	341
Contracted pensions		238		238
Payment of benefits	-470	-125		-595
Curtailments and settlements			-22	-22
Transfers	123		-123	
Actuarial gains (minus) and losses (plus)	40	-4	23	59
Exchange rate difference in foreign plans	7	1		8
Closing balance	**15,128**	**1,699**	**810**	**17,637**

Specification of fair value of plan assets, SEKm	
1 Jul 2009	**13,804**
Expected return on plan assets	338
Funds paid by employer	98
Payment of benefits	-63
Actuarial gains (plus) and losses (minus)	599
Exchange rate differences in foreign plans	5
Closing balance	**14,781**

Return on plan assets, SEKm	Jul-Dec 2009
Actual return on plan assets	937
Expected return on plan assets	338
Actuarial gains (plus)/losses (minus) for plan assets during the period	**599**

Net commitment, SEKm	31 Dec 2009
Present value of defined benefit commitments	17,637
Fair value of plan assets	-14,781
Surplus (minus)/Deficit (plus)	**2,856**

Experienced-based adjustments, SEKm	31 Dec 2009
Experienced-based adjustments for commitments	15
Experienced-based adjustments for plan assets	-599
Surplus (minus)/Deficit (plus)	**-584**

The group expects to make payments in 2010 totalling SEK 1,077m for defined benefit plans.

Note 23, cont'd.

PROVISIONS, ESTIMATED FUTURE CONDITIONAL PENSIONS

Posten Norden Group is responsible for future conditional pension benefits under the transition regulations for Swedish companies. The transition regulations apply to certain employees who are entitled to retire at the age of 60 or 63. To qualify, employees must have reached 28 years of age by January 1st 1992 and have held the same position since then. Commitments, calculated according to the Act on Safeguarding of Pension Commitments, totalled SEK 2,978m as of 31 December 2009. Based on experience, only a portion of this commitment will be discharged. Against this background, the provision in the legal entities regarding the transition regulations is based on 25 % of the total commitment. Special payroll tax is taken into consideration. The amount entered as liability totals SEK 925m including special payroll tax. For accounting in accordance with IAS 19 see *unfunded pension plans, future conditional pension benefits* in the tables in this Note, and *future conditional pension benefits* in Note 24, Other Provisions.

FINAL RESPONSIBILITY PROVISION

The Posten Norden Group assumed "final responsibility" for an obligation assumed in connection with its conversion into a company. Previously, this was reported as a contingent liability. Provisions were made for the commitment in conjunction with the adoption of IAS 19. The correct net present value is difficult to calculate due to the nature of the commitment. Based on available information, the commitment has been estimated at SEK 114m as of 31 December 2009, and includes a provision for special payroll tax. This commitment is included in the balance for *unfunded pension plans, future conditional pension benefits* in the table in this Note, and *future conditional pension benefits* in Note 24, Other Provisions.

INDEX-LINKED RESPONSIBILITY

In 2000, pension commitments previously guaranteed by Posten's Pension Fund were redeemed through the acquisition of insurance policies. As of 31 December 2009, the net present value of these was SEK 149m. Posten Norden Group bears index-linking and gross coordination responsibility for these pension commitments.

INCOME AND EXPENSES FOR DEFINED BENEFIT AND DEFINED CONTRIBUTION PENSIONS

	Jul-Dec 2009			
SEKm	**Funded pension plans**	**Unfunded pension plans, future unconditional pension benefits**	**Unfunded pension plans, future conditional pension benefits**	**Total**
Costs, employment service during current year	215	5	16	236
Interest expense	296	28	17	341
Expected return on plan assets	-338			-338
Actuarial gains (minus) and losses (plus)	76	4	-7	73
Early retirement		244		244 [1)]
Curtailments and settlements			-24	-24
Total defined benefit pensions	**249**	**281**	**2**	**532**
Defined contribution plans				**660**
Deducted as financial items				-3
Utilisation of restructuring provision, costs of early retirement pensions				-152
Other defined benefit pension costs				6
Total pension costs				**1,043**

1) Of which SEK 6m are early retirement pensions paid via insurance

ACTUARIAL ASSUMPTIONS

The actuarial valuation of Posten Norden Group's defined benefit pension commitments and pension expenses are based on the following assumptions. These assumptions are provided as a total average value for each pension plan. A change in any of these key assumptions may have a significant impact on the projected benefit commitments, funding requirements and periodic pension cost.

Actuarial assumptions, %	**31 Dec 2009**	**31 Dec 2008**
Discount rate	4.10	4.10
Expected return on plan assets	5.10	5.10
Future annual pay increases	2.80	2.80
Change in income base amount	3.00	3.00
Inflation	2.00	2.00
Life expectancy	FFFS 2007:31	FFFS 2007:31
Personnel turnover	5.00	6.00
Average remaining employment service, years	10	10

The costs for 2009 are based on actuarial assumptions adopted at the beginning of 2009. At the end of 2009, Posten Norden Group adopted assumptions applicable to calculation of the results as of 31 December 2009. These actuarial assumptions are also used in the forecast for 2010 costs.

When setting the discount rate, Posten Norden Group chose the return provided by a Swedish government bond with a duration corresponding to the commitments' estimated duration. This allowed for the long-term, mutual compatibility of all assumptions used in the appraisal. Group management thus takes the view that the discount rate applied reflects the time value of the money and provides a reasonable present value of Posten's pension commitments. Expected return on plan assets corresponds to the expected average return on current (or future) investments in the Pension Fund, after all costs (including tax). With respect to interest-bearing assets, the expected return is based on risk-free market rates of interest; in terms of other assets, expected return is based on assumptions of risk premiums in excess of risk-free interest rates. The risk premiums are based on long-term, historical risk premiums with consideration taken of the assets' relative risk and covariance. The risk premiums vary between 2 % and 5 %, depending on the type of asset. Future annual pay increases reflect expected future salary increases as a compound of inflation, seniority and promotion. The income base amount is set annually by the Swedish government and is used, among other things, to set a cap on pensionable income in the social security system. With respect to inflation, the Group has chosen to use the Swedish Central Bank's inflation targets as a basis. Personnel turnover is an aggregate of expected future business development, increases in real wages and productivity growth needed to maintain profitability. The average remaining employment service factor is estimated based on employees' current age breakdown.

ALECTA

Retirement and family pension plans for salaried employees in Sweden can be insured by Alecta. Only a few companies within the Posten Norden group utilise this. According to a pronouncement by the Swedish Financial Reporting Board, UFR 3, this is a defined benefit plan that encompasses several employers. For fiscal 2009, 1 July – 31 December, the company has not had access to information enabling the reporting of this plan as a defined benefit pension plan. The ITP pension plan insured by Alecta is therefore reported as a defined contribution plan. Pension insurance fees related to Alecta totalled SEK 2.7m. Anticipated fees for 2010 total SEK 5.0m. Alecta's surplus can be distributed to policy-holders and/or the insured. As of December 2009, Alecta's surplus in the form of the collective consolidation level was 141 %. The collective consolidation level equals the market value of Alecta's assets divided by total insurance commitments and calculated in accordance with Alecta's actuarial assumptions, which do not comply with IAS 19.

PLAN ASSETS

The greatest portion of plan assets is included in Posten's Pension Fund. Other plan assets consist of assets in Posten's insurance association, pension insurance at Skandia and plan assets related to Norwegian pension plans. Total plan assets total SEK 14,781m.

Posten's Pension Fund assets

	2009	
Asset class at market value, SEKm	**31 Dec**	**%**
Index-linked bonds	3,016	23
Other interest-bearing assets	1,903	14
Total interest-bearing assets	**4,919**	**37**
Property	998	8
Infrastructure	657	5
Private equity	315	2
Swedish shares	964	8
Foreign shares	2,452	19
Hedge funds	2,398	18
Other alternative assets	444	3
Total other assets	**8,228**	**63**
Total plan assets in Posten's Pension Fund	**13,147**	**100**

Other plan assets

Market value, SEKm	**31 Dec 2009**
Posten's insurance association	1,427
Norwegian pension plans	48
Skandia pension insurance	159
Total other plan assets	**1,634**

Note 23, cont'd.

The asset allocation of Posten's Pension Fund at 31 December 2009 is presented in the table above. The overriding objective of the Fund is to manage the assets so as to best serve the Posten Norden Group's pension commitments, the funds for which have been entrusted to the Fund. The composition of and return on the assets should serve as reassurance that the Group can meet the pension commitments guaranteed by the Fund.

SENSITIVITY ANALYSIS

At year-end 2009, Posten Norden Group had pension commitments of SEK 17,637m and plan assets of SEK 14,781m. The Group's pension commitments are valued based on the below-referenced actuarial assumptions; plan assets are assessed at fair value.

Actuarial assumptions

Changes in pension commitments due to changed actuarial commitments are treated as actuarial gains or losses. These gains or losses have no effect on the income statement or balance sheet unless and until the net value exceeds the corridor's marginal value. The corridor's marginal value is 10 % of the pension commitment or the fair value of plan assets, whichever is greater. To the extent that the changes cause effects exceeding the corridor's marginal value, the excess values are reported as income or cost. However, in these cases the impact on the income statement first appears in the entry of forecasted costs/income pursuant to IAS the following year. See also the table below for the impact on earnings of changed actuarial commitments.

Exercise of rights under the transition regulations

A provision of 25 % of total commitments is made pursuant to the transition regulations. This number is based on the historical degree to which rights under the regulations are exercised. The special payroll tax has also been taken into account. Change in the commitment pursuant to the transition regulations and due to different levels of exercise of rights is reported as income or cost. See the table below for the effect on earnings of changed levels of exercise of rights under the transition regulations.

Sensitivity analysis, SEKm	Change	Impact on earnings
Actuarial commitments		
Change in interest margin on pension liabilities [1]	+0.1 percentage point	15
	-0.1 percentage point	-15
Change in discount rate and expected return on plan assets	+0.5 percentage point	169
	-0.5 percentage point	-180
Change in salaries and wages	+0.5 percentage point	-106
	-0.5 percentage point	86
Change in income base amount	+0.5 percentage point	24
	-0.5 percentage point	-35
Change in inflation	+0.5 percentage point	-124
	-0.5 percentage point	114
Level of exercise of rights under transition regulations		
Change in level of exercise of rights under transition regulations	+5.0 percentage points	-21
	-5.0 percentage points	15

[1] Assumptions for the discount rate on pension liabilities and the estimated rate of return on plan assets determine the effect on net financial income/expense for the coming year. The change in the spread between these rates affects net financial income/expense. The interest margin for pension liabilities is the difference between the assumed discount rate on pension liabilities and the yield assumption for plan assets in percentage points.

NOTE 24 Other provisions

SEKm	1 Jul 2009	Provisions	Reversals	Utilisations	Translation effects	Closing balance
Restructuring activities						
Personnel reductions, primarily early retirements	448	998 1)	-50 1)	-327 2)	-3	1,066
Other closure costs	37	57 1)		-20 2)		74
Future conditional pension benefits						
Payroll tax	254	6 5)	-5 5)	-33 3)		222
Future conditional pension commitments under IAS 19	1,045	24 5)	-22 5)	-136 3)		911
Other						
Job-related injuries	77	3 5)		-14 2)		66
Pension settlements in relation to the Danish state	33	32 5)	-24 5)	-6 2)	-9	26
Provision, commemorative awards	176	11 5)		-11 2)	-2	174
Other provisions	163			-66 2)	-6	91
Total	**2,233**	**1,131**	**-101**	**-613**	**-20** 4)	**2,630**
Of which, current provisions	*487*					*711*

1) Impact on earnings: SEK 1,010m, SEK 998m of which is attributable to provisions, SEK -50m to reversals for personnel reductions, SEK 57m to other closure costs and SEK 5m to exchange rate differences between values reported in the income statement and the balance sheet. See also Note 6, Other Costs.

2) Change in other income items total SEK 444m, SEK 381m of which is attributable to personnel costs.

3) Pursuant to IAS 19, the change has not been reported in the income statement.

4) A discount effect of SEK 1m is reported in the income statement's financial income and expense. A translation difference regarding currency translation of SEK 19m 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.

Expected payments, SEKm	1 year	2 years	3 years	>3 years
Provisions, restructuring	662	281	197	
Provisions, future conditional pension commitments 6)	226	72	66	574
Other provisions 6) 7)	64	37	34	319
Total	**952**	**390**	**297**	**893**

6) Expected payments are somewhat higher than the respective provision due to the fact that the provision is calculated as the present value of the expected payments.

7) Expected payments for future conditional pension commitments are calculated pursuant to IAS 19.

PRESENT VALUE

Provisions with payment periods longer than one year are discounted to the present value. Discount effects included in changes for the year are shown separately where significant. Provisions for future conditional pension benefits have payment periods longer than one year. Present value calculations are not shown separately for this provision item, as it is included under IAS 19 (Compensation to Employees). See also Note 23, Pensions.

EXPECTED PAYMENTS FOR PROVISIONS

Stated amounts correspond to the estimated result that forms the basis for calculating the size of the provision but cannot be deemed to reflect real, total payment flows, as certain costs do not correspond to any payments. Such costs include some costs related to personnel cutbacks.

PROVISIONS, RESTRUCTURING

In 2009, restructuring provisions were attributable mainly to early retirement and the entry of units that handle redundant personnel.

New provisions are charged to the business area that decides on closure.

PROVISIONS, ESTIMATED FUTURE CONDITIONAL PENSIONS

Posten is responsible for future conditional pension benefits under the transition regulations. The transition regulations apply to certain employees who are entitled to retire at the age of 60 or 63. Consideration has also been taken of special payroll tax.

See Unfunded Pension Plans, future conditional pensions and the Provisions paragraph for estimated future conditional pensions, and the Final Responsibility Provision in Note 23, Pensions, for further information.

OTHER PROVISIONS

Provisions for job-related injuries refer to the payment of annuities in accordance with the Industrial Injuries Insurance Act, and to occupational injury annuities.

The pension settlement in relation to the Danish state refers to future commitments regarding a specific group of employees within the Post Danmark group.

Provisions for commemorative awards refer to anticipated commemorative awards in the form of extra salary and vacation received after 25 or 40 years of employment within the Post Danmark group.

Other provisions refer primarily to rent guarantees, property-related costs and the early termination of contracts.

NOTE 25 Accrued expenses and prepaid income

SEKm	31 Dec 2009
Postal obligation unused stamps	376
Accrued payroll expenses	612
Vacation pay liability	2,064
Special payroll tax on pension costs	3
Social security expenses	995
Accrued interest expense	1
Terminal fees	620
Financial leasing	20
Forward currency contracts	6
Other items	577
Closing balance	**5,274**

NOTE 26 Assets pledged and contingent liabilities

SEKm	31 Dec 2009
Assets pledged	
Real estate mortgages	1,013
Endowment insurance policy for current and previous employees	130
Assets pledged as securities	20
Total	**1,163**
Contingent liabilities	
Guarantee commitment, PRI	93
Guarantee commitment other	127
Dispute[1]	104
Total	**324**

[1] Østra Landret ruled against Post Danmark in a case concerning discriminatory pricing. Post Danmark A/S has appealed the decision to Højesteret. In connection with this matter, a competitor has filed a claim against Posten Danmark A/S for the amount of DKK 75m. The claim for compensation is contested in its entirely by Post Danmark A/S.

NOTE 27 Investment commitments

As of 31 December 2009, Posten Norden Group had committed to acquire tangible fixed assets totalling SEK 102m. These commitments relate primarily to investment in sorting equipment and vehicles.

NOTE 28 Cash flows statement

CASH AND CASH EQUIVALENTS

Short-term investments are classified as cash and cash equivalents if they are easily convertible into cash, entail minimal risk of value fluctuations and mature no later than three months from the acquisition date. See also Note 21, Cash and Cash Equivalents.

INTEREST PAID AND RECEIVED

Cash flows from operating activities include the following amounts of interest paid and received.

SEKm	Jul-Dec 2009
Interest received	44
Interest paid	-103

ACQUISITION/SALE OF AFFILIATED COMPANIES AND OTHER BUSINESS UNITS

	Jul-Dec 2009	
SEKm	**Acquisition**	**Sale**
Fixed assets	-17	1,977
Receivables	-3	150
Cash and cash equivalents	-1	12
Other liabilities and provisions	7	-47
Capital gains on divested affiliated companies		2,001
Total	**-14**	**4,093**
Cash and cash equivalents, acquired affiliated companies	1	
Cash and cash equivalents, divested affiliated companies		-12
Net effect on cash flows	**-13**	**4,081**

NOTE 29 Financial risk management and financial instruments

The group's Treasury Policy, adopted by the Board of Directors, governs Posten Norden's financial risk management activities. The Treasury Policy establishes the criteria for liquidity management, refinancing and financial risk management. Treasury management is responsible for group companies' external bank relationships, liquidity management, net financial income/expenses, interest-bearing assets and liabilities and for group-wide payment solutions.

POLICIES AND PRINCIPLES FOR MANAGING FINANCIAL TRANSACTIONS AND RISKS

Objectives and principles for financial risk management

The objectives for financial risk management are to maintain appropriate liquidity, to ensure the efficient use of capital and to guarantee the raising of capital in the medium and long term. The principles applied to manage financial risk are as follows:

- Financial risks to which the group is exposed in its operations must be kept within the constraints set for credit risk, market risk, administrative risk and refinancing risk. The Treasury Policy does not permit speculative trading in any risk management operation.
- All credit granted must be based on business analyses which take into account financing costs as well as risk. Credit must not be granted until the debtor's creditworthiness has been assessed.
- The group's treasury management and credit operations, including internal control and reporting functions, shall be organised so as to minimise administrative risk.

FINANCIAL RISKS

The group's exposure to financial risks is limited by constraints stipulated in the Treasury Policy. Posten Norden divides financial risks into four categories: refinancing risk, credit risk, administrative risk and market risk.

Refinancing risk

Refinancing risk is the risk that cash and cash equivalents will not be available and that financing will be partly or wholly unobtainable or obtainable only at substantially increased cost.

Posten Norden mitigates refinancing risk by constantly maintaining payment adequacy above a fixed minimum level and by diversifying the maturity structure of its financing portfolio.

The group shall ensure payment adequacy of at least SEK 1,500m available within a maximum of 5 business days. Payment adequacy is defined as the sum of cash and cash equivalents, investments in liquid instruments that mature within 3 months of acquisition, unutilised confirmed loan facilities and projected cash flows less maturing loans.

Investments in interest-bearing instruments usually have maturities shorter than 90 days and are reported as cash and cash equivalents.

Credit risk

Credit risk refers to credit-approved debtors who cannot meet their payment obligations on time, partially, or at all. Credit risk also refers to the risk that, in cases of insolvency, the security or collateral pledged does not cover the debt amount.

Credit risk in financial operations

Posten Norden limits the credit risk on financial transactions by depositing surplus liquidity in a bank or investing it in interest-bearing instruments with high credit ratings. Trading is also constrained by caps set for each debtor based on the debtor's Standard & Poor rating (or other comparable official rating) and on duration. All counterparties must undergo a credit check before qualifying as a debtor.

Credit risk from sales to customers

Credit risk in credit sales to customers is limited by spreading the risk across numerous customers in various industries. All customers undergo a credit check in which data on a customer's financial position is obtained from a credit-rating agency. Of the SEK 4,495m total consolidated accounts receivable, Posten AB accounts for SEK 0m. In July until December 2009, accumulated bad debt expenses were SEK 13m for the group.

Ageing of accounts receivable	31 Dec 2009
Accounts receivable, undue	3,863
Accounts receivable, due, not impaired:	
1-5 days	254
6-20 days	202
21-30 days	52
31-60 days	66
61-90 days	32
>90 days	109
Total	**4,578**
Provision for bad debts	-83
Total	**4,495**

Market risk

Market risk is the risk that changes in market prices will affect the fair value or cash flow of a financial instrument. There are three types of market risk: currency risk, interest-rate risk and electricity price risk.

Currency risk

Posten Norden is exposed to various currency risks. First and foremost, loans and investments can be denominated in foreign currencies. Currency risk also arises to some degree through foreign exchange flows with suppliers and customers. This risk is usually categorised as a transaction exposure which may affect the group's net earnings. The total transaction exposure for the group may not exceed the equivalent of SEK 450m and no single currency may constitute more than 60 % of the total exposure. To reduce exposure to currency risk, forward contracts are used. Exchange rate profit/loss in operating income/expense totalled SEK 1m in 2009. Exchange rate profit/loss in net interest income/expense totalled SEK 7m in 2009. If the relationship of the SEK to foreign currencies changes by +/- 10 %, the impact on equity will be +/- SEK 112m.

Translation exposure

Foreign net assets are exposed to exchange rate fluctuations. Posten is exposed to currency risk through its foreign subsidiaries, a risk referred to as "translation exposure". Translation exposure arises when a subsidiary's income statements and balance sheets are translated into SEK for the consolidated accounts. The greatest amount of translation exposure relates to DKK, NOK and EUR.

Posten Norden has elected not to hedge translation exposure.

	31 Dec 2009	
Currency	**SEKm**	**%**
AUD	1	
CHF	56	
DKK	8,622	26
EUR	811	2
GBP	220	1
HKD	4	
NOK	1,504	4
SEK	22,440	67
SGD	-9	
USD	27	
Total	**33,676**	**100**

Note 29, cont'd.

Interest rate risk

Interest rate risk is the risk that the market value of fixed-rate financial instruments will fluctuate due to changes in the market interest rate. Posten Norden measures interest rate risk as the change in value of all interest-bearing assets and liabilities if the market interest rate for all relevant maturities changes +/- 1 %. Interest rate risk in the group's interest-bearing receivables and liabilities was SEK 18m as of 31 December 2009. The effect on earnings of +/- 1 % of the market rate as of the end of December 2009 was SEK 22m. The group holds a SEK 56m bank loan from the European International Bank (EIB) with a fixed interest rate. Upon a 1 percentage point change in the market interest rate for all relevant durations, the price risk in the group's total investment and financing portfolios (excluding the facilities portfolio), if greater than SEK 25m, may not exceed 1 % of the portfolios' total value (i.e., net liabilities expressed in Swedish kronor), or a maximum of SEK 50m. Financial fixed assets portfolio duration may not exceed 2 years.

Financial assets and liabilities, effective interest rates and maturity structure

	Nominal amount in millions, local currency	Effective interest, %	31 Dec 2009 < 3 months, SEKm	3 months-1 year, SEKm	1-5 years, SEKm	> 5 years, SEKm	Total, SEKm
Investments							
Commercial paper, DKK	2,200	1.1 - 1.5 %	3,061				3,061
Treasury bills, SEK	71	0.07 %	71				71
Total	**2,271**		**3,132**				**3,132**
Liabilities							
Bank loans							
EUR, fixed interest rate	5	5.22 %		20	20		40
EUR, variable interest rate	30	3.72 %			311		311
SEK, variable interest rate	50	1.41 %			50		50
DKK, variable interest rate	727	3.4 - 4.0 %		381		630	1,011
Credit line	45	1.80 %	45				45
Other loans, SEK							
Real estate credit	0.6	4.80 %	0.02	0.05	0.24	0.26	0.6
Financial leases	283			107	176		283
Liabilities, payment transfers	30			30			30
Total liabilities			**45**	**538**	**557**	**630**	**1,771**

Electricity price risk

Management of this risk is intended to minimise the short-term effects on earnings of fluctuations in the price of electricity. Posten Norden manages electricity price risk using electricity derivatives based on three-year usage forecasts. If the price of electricity changes by +/- 10 percentage points, the impact on earnings is SEK 1m.

Year of expiration, electricity derivatives

Electricity	Forecast, GWh	Proportion hedged, %	Price, öre/kWh
Year 2010	128	91	44.53
Year 2011	128	66	46.25
Year 2012	128	31	45.67

The forecast is based on usage forecasts for the group's Swedish companies.

FINANCIAL INSTRUMENTS, ACCOUNTING TREATMENT

Fair value

Official market quotes on the balance sheet date without deducting transaction costs (level 1) are used to ascertain fair value. If market quotes are unavailable, the government borrowing rate at December 31st plus a relevant interest spread to reflect credit risk in the instrument (level 2) is used.

The fair value of derivatives (forward contracts related to electricity and foreign currency) is based on official market quotes. If market quotes are unavailable, straight interpolation is used. Concerning the impact of interpolation on earnings, see Note 9, Net Financial Items.

The fair value of loans is based on future cash flows of principal and interest, discounted at the current interest rate on loans.

For accounts receivable and accounts payable with a credit period of less than one year remaining, the book value is considered to reflect fair value. Accounts receivable and accounts payable with a remaining useful life of more than one year are discounted while the fair value is being ascertained.

Accrued acquisition cost

The accrued acquisition cost is determined based on the effective interest rate calculated at the acquisition date. Thus surplus and deficit values as well as direct transaction costs are distributed over the instrument's duration.

Note 29, cont'd.

Fair value and reported value are recognised in the balance sheet as follows:

	31 Dec 2009					Jul-Dec 2009
SEKm	Reported value	Fair value determined based on prices quoted in an active market (level 1)	Fair value determined based on valuation technique of observable market data (level 2)	Fair value determined based on observable market data (level 3)	Total fair value	Reported profit(+)/loss (-) due to fair value adjustments
Financial assets reported at fair value in Comprehensive Income Statement						
Prepaid expenses and accrued income	***1,623***				***1,623***	
Of which: Endowment insurance policy		*6*				*6*
Terminal fees			*10*			*10*
Other receivables	***454***				***454***	
Of which: Terminal fees			*2*			
Long-term receivables						
Of which: Electricity derivatives		*1*				*-2*
Cash and cash equivalents [2]	***4,852***				***4,852***	
Of which: Commercial papers		*71*				
Loans and accounts receivable						
Long-term receivables						
Of which: Deposit, property leases	*12* [3]					
Accounts receivable	***4,495***				***4,495***	
Of which: Accounts receivable	*4,495*					
Cash and cash equivalents [2]	***4,852***				***4,852***	
Of which: Cash	*1,717*					
Held-to-maturity investments						
Financial investments	***149***				***149***	
Of which: Endowment insurance	*130*					
Other	*18*					
Available-for-sale financial assets						
Cash and cash equivalents [2]	***4,852***				***4,852***	
Of which: Deposits	*3,061*					
Other	*3*					
Short-term investments [1]	***1***				***1***	
Of which: Other	*1*					
Total assets	**11,574**	**78**	**12**		**11,574**	**14**
Financial liabilities reported at fair value in Comprehensive Income Statement						
Long-term interest-bearing liabilities	***1,193***				***1,193***	
Of which: Electricity derivatives		*2*				*2*
Accrued expenses and prepaid income	***5,274***				***5,274***	
Of which: Forward currency contracts		*6*				*-6*
Terminal fees			*7*			*8*
Other liabilities						
Long-term interest-bearing liabilities	***1,193***				***1,193***	
Of which: Financial leases	*176*				*176*	
Debt to credit institutions	*1,017*				*1,017*	
Short-term interest-bearing liabilities	***610***				***610***	
Of which: Debt to credit institutions	*409*				*409*	
Financial leases	*107*				*107*	
Other liabilities						
Of which: Terminal fees			*2*			
Accounts payable	*1,896*				*1,896*	
Total liabilities	**7,077**	**8**	**9**		**7,077**	**4**

[1] "Short-term investments" are investments that mature within 3-12 months.
[2] "Cash and cash equivalents" are investments that normally mature in less than 3 months.
[3] Long-term receivables total SEK 3,008m, of which SEK 12m is attributable to deposits for premises rental and SEK 1m to electricity derivatives. The remaining amount is attributable to pensions.

NOTE 30 Transactions with associated parties

AFFILIATED COMPANIES

Affiliated companies provide products and services to one another in accordance with the full costing principle, except for services included in Posten Norden's service range, for which market rates and terms apply. Intra-group sales totalled SEK 542m. For a list of the parent company's holdings in affiliated companies and joint ventures, see Note 8 to the parent company's financial statements.

SWEDISH STATE

Posten Norden AB (publ) is wholly-owned by the Swedish and Danish states. The Posten Norden Group's range of services is provided to state-owned companies and agencies on conventional commercial terms. Correspondingly, Posten Norden purchases services from state-owned agencies and companies at market rates and conventional commercial terms. Neither the state nor its agencies or companies are individually responsible for a significant portion of Posten Nordens's net sales.

Posten Norden has been mandated by the Swedish state to provide universal mail services in accordance with the Postal Services Act.

Like other postal operators in Sweden, Posten Norden requires a permit to provide postal services. During the period, the National Post and Telecom Agency (PTS) received SEK 7m from Posten Norden as payment for this permit. Posten Norden paid SEK 4m to PTS for handling dead letters.

The PTS appropriated SEK 15m to Posten Norden for physical disability compensation, corresponding to full cost. Of that total, SEK 11m is compensation for Braille or audio recordings sent to and from the visually impaired. The remaining SEK 4m concerns compensation for special service provided by rural letter carriers to senior citizens and the physically disabled living in sparsely populated areas.

DANISH STATE

During the period, Post Danmark A/S paid the Danish state pension premiums of SEK 144m for the group of civil servants employed prior to the corporatisation date. A further SEK 31m is reserved in the Statement of Financial Position for any additional obligations to the same group.

OTHER ORGANISATIONS IN SWEDEN

Posten's insurance association is a freestanding fund monitored by the Swedish Financial Supervisory Authority. The association insures Posten Norden's commitments regarding employee disability and family pensions in accordance with ITP-P. During the period, Posten Norden paid premiums of SEK 96m to the insurance association and received compensation totalling SEK 5m. Other compensation from the insurance association was paid directly to beneficiaries, and payroll tax for disability pensions was paid by the association.

Posten's Pension Fund leases premises in property owned by Posten Norden AB's subsidiary, Fastighets AB Kvasten 8. Annual rent amounts to SEK 0.4m. 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 20m occurred during the period; no compensation occurred .

EXECUTIVES

For information on compensation and benefits paid to executives and Board directors, see Note 5, Employees, Personnel Costs and Executive Compension. All members of the group Board of Directors and group management were asked to provide written notification of any business relations they may have with Posten Norden and whether these occurred on a commercial basis. The following business relations were reported: During the period, Post Danmark A/S invoiced companies within the Fritz Schur Group for a total of SEK 2m. The chairman of Posten Norden's Board of Directors, Fritz Schur, also chairs the Fritz Schur Group's board. Viveca Bergstedt Sten is a member of Posten's group management, and her husband is CEO of the property management company GE Real Estate. During the period, Posten Norden Group rented premises from GE Real Estate on a purely commercial basis for a value of SEK 2m.

NOTE 31 Acquisitions and divestments of operations

ACQUISITIONS

EKL Night Express SA

The Belgian transport company EKL Night Express SA was acquired on 30 October 2009. The acquisition allows international companies to offer stronger logistics solutions to and from the Nordics via Europe. Posten Norden became sole owner of the company which has Belgium and parts of France as its home markets and a large share of shipments to other areas of Europe. Under the name HIT Belgium, EKL will be part of Posten Norden's Central European logistics operations, joining the Netherlands and Germany. Both companies have collaborated for several years through transport partnerships. EKL's headquarters and main terminal are located in Eupen, Belgium. EKL's largest market share is within in-night transports, i.e. over-night delivery of goods to companies during night hours, chiefly within the automotive, manufacturing and agricultural parts manufacturing industries. Transports depart both day and night to companies located within the region and throughout the Nordics, with over-night delivery of goods to Malmö, Oslo, Copenhagen and Helsinki.

DIVESTMENTS

Stralfors Supplies

On 31 July, Stralfors entered into an agreement with Wulff-Group in Finland to sell its office and computer equipment business, Stralfors Supplies AB, along with associated subsidiaries in Norway and Denmark. Under the agreement Wulff Group will take over 80 % of the operations immediately and the remaining 20 % after 18 months. Stralfors Supplies executives were offered the option of buying into the company by up to 20 %. The sale is a further step in the streamlining strategy that has taken place within the Informationlogistics business area. During the ensuing 18 months, until the time Wulff-Group takes over the remaining 20 %, Informationlogistics will provide services to Wulff-Group including logistics, administration and IS/IT. These services will be gradually taken over by Wulff-Group during this period. Consideration received totalled SEK 35m and capital gain totalled SEK 0.

MIE Group (De Post-LaPoste)

As of July 15, 2009, Post Danmark A/S had divested its entire 50 % share of equity in the holding company MIE Group S.A. to CVC Capital Partners. Sales proceeds totalled EUR 373m (SEK 4,044m) and capital gain totalled SEK 2,002m.

ACQUISITIONS AND DIVESTMENTS HAD THE FOLLOWING EFFECTS ON POSTEN NORDEN'S ASSETS AND LIABILITIES

	Jul - Dec 2009		
SEKm	**Acquisition**	**Divestment**	**Total**
Brands	12		12
Other fixed assets	1	-1,968	-1,967
Current assets	3	-150	-147
TOTAL ASSETS	**16**	**-2,118**	**-2,102**
TOTAL LIABILITIES	**7**	**-48**	**-41**
NET ASSETS	**9**	**-2,070**	**-2,061**
Capital gain, divested operations/group companies		-2,001	-2,001
Goodwill on acquisition	4	-10	-6
Purchase price paid/received	-14	4,076	4,062
Cash and cash equivalents (acquired/divested)	1	5	6
Net effect on cash and cash equivalents	**-13**	**4,081**	**4,068**

NOTE 32 Key events after the reporting period

Posten Norden entered into an agreement with Logica to take over the development and management of SAP and other IT applications. Under the terms of the 5-year agreement, approximately 280 Posten Norden employees will be transferred to Logica's operations in Sweden and Denmark. Logica also assumes responsibility for subcontracts equivalent to approximately 150 full-time consultants.

The transaction plays an important role in the realisation of several IT synergies identified in connection with the merger.

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

NOTE 33 Consolidated pro forma statements

Pro forma statements have been prepared to illustrate what Posten Norden would have looked like had the group been formed and the capital structure established as of 1 January 2008 in respect of the pro forma income statement, and as of 31 December 2008 in respect of the pro forma balance sheet.

Pro forma reporting is intended to represent a hypothetical situation and has only been prepared for illustrative, informative purposes and to highlight facts. It does not aim to present the financial position or earnings that the business actually would have achieved if the merger had been completed as of the date of reporting. Neither does it aim to present the actual financial position nor the operation's earnings for any future date or period.

Pro forma reporting is based on the reported, audited consolidated financial statements for 2008 and the unaudited interim reports for the first and second quarters of 2009.

In its pro forma reporting, Posten Norden AB consolidated the income statements and balance sheets for the Posten AB Group and the Post Danmark A/S Group as if the merger had occurred as of 1 January 2008. Upon the merger, Posten Norden AB took over the reported values of Posten AB and Post Danmark A/S without any revaluations or adjustments other than those required for adaptation to uniform accounting principles and for the pro forma adjustments described below. The 50 % share of equity held by Post Danmark A/S in MIE Group S.A., representing Post Danmark A/S's equity interest in the Belgian postal company De Post N.V.-La Poste S.A., has been classified as a financial fixed asset and returns have been reported in net financial items under participations in the earnings of associated companies and joint ventures. The merger was reported in accordance with the "carry-over method", meaning that consolidated net assets were entered at their reported value at Posten AB and Post Danmark A/S, respectively, at the time of the merger.

Posten AB uses Swedish kronor as its functional currency, while Post Danmark uses Danish kronor. The joint company uses Swedish kronor as its presentation currency.

REPORTING OF BUSINESS SEGMENTS, PRO FORMA

Posten Norden's reporting of business segments is based on management's governance of the group. The business segments, or business areas, are defined based on responsibility for range of services.

Post Danmark has not defined any business segments in its external reporting. In Posten Norden's reporting, results were allocated among business segments in accordance with responsibilities as described in Note 4, Reporting of Business Segments. The allocation was performed in the same way for all periods, including pro forma reporting. The majority of Post Danmark's operations are run within the Post Danmark A/S company. These results were allocated via a combination of areas and additional internal reconciliations based on production statistics, among other things. Other Post Danmark companies were treated entirely in the business segment in which they belong in terms of responsibility.

Posten used business segment reporting in its external reporting, conforming with Posten Norden's practice to a large extent. Posten's previous business segments have been assigned in their entirety to business areas. Within Posten Norden, business areas are charged with all central costs with the exception of the Swedish Cashier Service and IFRS adjustments concerning pensions and leasing.

NOTE 34 Definitions

Average number of employees: The total number of paid employee hours divided by the standard number of hours for a full-time employee.

Earnings per share: Share of net earnings attributable to the parent company's shareholders divided by the average number of shares outstanding.

Equity-assets ratio: Equity (including minority shares) at the end of the period in relation to total assets at the end of the period.

Non-priority mail: Mail processed in a production flow for distribution within three business days after mailing.

Operating margin: Operating earnings as a percentage of operating income (net sales and other operating income). The calculation of operating margin by business area includes sales to other business areas and to parent company functions.

Priority mail: Mail processed in a production flow for delivery on the first business day after mailing.

Return on equity (ROE): earnings for the 12 months to the end of the period divided by average equity for the 12 months to the end of the period.

Financial review

Parent company

Posten Norden AB was established after the February 2009 decision of the Swedish and Danish states to merge Posten AB and Post Danmark A/S. Posten Norden AB (publ) became the parent company of the joint group as of 24 June 2009. The company has run an extremely limited operation during the period.

Net sales and earnings

The company did not report any net sales for the period and the only operating costs incurred were personnel costs for the CEO and remuneration to the Board and auditors. The parent company reported an anticipated dividend from Posten AB and Post Danmark A/S of SEK 2,044m. Other financial items totalled SEK -5m, and earnings after financial items totalled SEK 2,029m. Deferred tax of SEK 4m was reported; net earnings thus totalled SEK 2,033m.

Financial position and cash flow

Group company investments in Posten Norden AB totalled SEK 4,084m. Of this amount, the parent company placed SEK 4,083m with Posten's internal bank, and cash flow from operating activities was SEK -1m. There were no cash and cash equivalents at the end of the period, and the balance sheet total was SEK 18,275m. No investments were made in tangible fixed assets.

Employees

Posten Norden AB had only one employee during the period, the President and Group CEO.

Proposal for distribution of profits

The Board of Directors and the Chief Executive Officer propose that the retained earnings be distributed as follows:

SEK	
Dividend, 2 000 000 001 shares 0.72 per share	1,440,000,000
Brought forward	592,642,200
Total	**2,032,642,200**

Parent company financial statements

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Notes

Income statement

SEKm	Note	1 Dec 2008-31 Dec 2009
	1, 2	
Personnel costs	3	-7
Other costs	4	-3
Total operating costs		**-10**
OPERATING EARNINGS		**-10**
Earnings from participations in group companies	5	2,044
Interest income and similar income items	6	9
Interest expense and similar cost items	6	-14
Total financial items		**2,039**
Earnings before tax		**2,029**
Tax	7	4
NET EARNINGS		**2,033**

Balance sheet

SEKm	Note	31 Dec 2009
ASSETS		
Participations in group companies	8	12,457
Deferred tax assets	9	4
Total financial fixed assets		**12,461**
Total fixed assets		**12,461**
Receivables from group companies, interest-bearing		3,766
Other receivables from group companies		2,048
Total current receivables		**5,814**
Total current assets		**5,814**
TOTAL ASSETS		**18,275**
EQUITY AND LIABILITIES		
Restricted equity		
Capital stock		2,000
Share premium reserve		10,140
Non-restricted equity		
Net earnings		2,033
TOTAL EQUITY		**14,173**
LIABILITIES		
Liabilities to group companies		4,084
Total interest-bearing liabilities	10	**4,084**
Accounts payable		1
Liabilities to group companies		16
Accrued expenses and prepaid income	11	1
Total non-interest-bearing liabilities		**18**
Total current liabilities		**4,102**
TOTAL LIABILITIES		**4,102**
TOTAL EQUITY AND LIABILITIES		**18,275**
CONTINGENT LIABILITIES	12	
Contingent liabilities		741

Cash flow statement

SEKm	1 Dec 2008-31 Dec 2009
OPERATING ACTIVITIES	
Earnings after financial items	2,029
Anticipated dividend	-2,044
Cash flows from operating activities before changes in working capital	**-15**
Cash flows from changes in working capital	
Increase(+)/decrease(-) in accounts payable	1
Other changes in working capital	13
Changes in working capital	**14**
Cash flows from operating activities	**-1**
INVESTING ACTIVITIES	
Investments in financial fixed assets	-4,083
Cash flows from investment activities	**-4,083**
FINANCING ACTIVITIES	
Loans raised	4,084
Cash flows from financing activities	**4,084**
CASH FLOWS FOR THE PERIOD	**0**
Cash and cash equivalents, beginning of the year	0
Cash and cash equivalents, year-end	0

Changes in equity

	Restricted equity		Non-restricted equity	
SEKm	Capital stock [1]	Surplus fund	Retained earnings incl. net earnings	Total
Net earnings			2,033	2,033
Total changes in capital wealth, excluding transactions with the company's owner	**0**	**0**	**2,033**	**2,033**
1 Dec 2008	0			0
24 Apr 2009	0			0
24 Jun 2009	2,000	10,140		12,140
Closing balance	**2,000**	**10,140**	**2,033**	**14,173**

[1] Number of shares is 2,000,000,001, quota value per share SEK 1

Share capital upon company formation 1 Dec 2008: SEK 100,000
New share issue 24 Apr 2009: SEK 400,000
New share issue 24 Jun 2009: SEK 1,999,500,001

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.

The company Posten Norden AB was originally registered at the Swedish Companies Registration Office on 1 December 2008. The report period is 1 December 2008 – 31 December 2009.

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. Only received dividends arising from earnings made after the parent company acquired its participating interest are reported as income. Dividends that exceed these earnings are viewed as a repayment of the investment and 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 2.2, 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 Estimates and assessments

In making these financial reports, 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 on historical experience and assumptions that group management considers reasonable under the current circumstances. The conclusions drawn by group management form the basis for the values reported in these accounts. Actual future values, estimates and assessments in future financial reports during the coming year may differ from those in this report, due to changing environmental factors and new knowledge and experience.

No estimates or assessments were made in the 31-12-2009 annual statements for Posten Norden AB.

NOTE 3 Employees and personnel costs

SEKm	1 Dec 2008-31 Dec 2009
Personnel costs	
Wages, salaries and other remuneration	5
Statutory social costs	1
Pension costs	1
Total	**7**

The parent company has only one employee, the President and Group CEO, operating in Sweden. The CEO's monthly salary is SEK 690,000. Posten Norden AB also pays SEK 210,000 per month for a premium-based pension insurance policy for the CEO. There are no other pension commitments for the CEO.

Gender distribution within the Boards of Directors for Posten Norden A/B and the Posten Norden Group	
Proportion of women	37 %
Proportion of men	63 %

NOTE 4 Auditors' fees and reimbursement of expenses

SEKm	1 Dec 2008-31 Dec 2009
Audit	
Ernst & Young	0.9
Total	**0.9**

"Audit" refers to examination of the annual report, bookkeeping and administration of the Board and the CEO; other duties resting with the company's auditors; and advisory services and other types of support that arise in the course of such examination or the performance of such other duties.

NOTE 5 Earnings from participations in group companies

SEKm	1 Dec 2008-31 Dec 2009
Anticipated dividend from subsidiaries	2,044
Total	**2,044**

NOT 6 Interest income, interest expense and similar income items

SEKm	1 Dec 2008-31 Dec 2009
Interest income from group companies	9
Total	**9**
Interest expense from group companies	-13
Exchange rate gains	-1
Total	**-14**

See also Note 29 for the group, Financial Risk Management and Financial Instruments.

NOTE 7 Tax

SEKm	1 Dec 2008-31 Dec 2009
Deferred tax	
Change in deferred tax on tax loss carry-forwards	4
Total	**4**

	1 Dec 2008-31 Dec2009	
Reconciliation of effective tax rate	**%**	**SEKm**
Earnings before tax		2,029
Tax at current tax rate	26.3	-534
Tax-free dividend		538
Total		**4**

NOTE 8 Participations in group companies, joint ventures and associated companies

SEKm	31 Dec 2009
Accumulated acquisition value, 1 Dec 2008	**0**
Issue in kind 24 Jun 2009	12,140
Redemption of minority shares in Post Danmark A/S	317
Accumulated acquisiton value, end of period	**12,457**
Closing balance	**12,457**

PARENT COMPANY'S AND GROUP'S HOLDINGS IN GROUP COMPANIES, JOINT VENTURES (JV) AND ASSOCIATED COMPANIES (AC)

Shares owned directly or indirectly by parent company (Posten Norden AB), SEKm	Corporate Identity Number	Legal domicile	Country	Equity stake % Direct	Equity stake % Indirect	Number of shares	Book value, parent company 31 Dec 2009	Dormant
Posten AB	556128-6559	Solna	Sweden	100		600,000	7,088	
Posten Meddelande AB	556711-5695	Solna	Sweden		100	1,000		
Strålfors AB	556062-0618	Ljungby	Sweden		100	21,381,288		
Strålforsbolagen AB	556158-7006	Ljungby	Sweden		100	2,000		v
Strålfors Maila Nordic AB	556516-4455	Ljungby	Sweden		100	600		v
Strålfors Svenska AB	556102-9843	Ljungby	Sweden		100	5,000		
Strålfors Tandsbyn AB	556203-4693	Östersund	Sweden		100	6,000		
Tand 2:103 Fastighets AB	556594-3650	Östersund	Sweden		JV 50	2,000		
Strålfors Göteborg AB	556126-6973	Gothenburg	Sweden		100	1,000		
Strålfors 1 AB	556683-4916	Ljungby	Sweden		100	1,000		v
Strålfors Identification Solutions AB	556692-2422	Ljungby	Sweden		100	1,000		v
Strålfors Information Logistics AB	556694-6736	Ljungby	Sweden		100	1,000		v
Strålfors Supplies Holding AB	556779-8490	Nyköping	Sweden		AC 20	200		
Strålfors NV		Sint-Niklaas	Belgium		100	1		v
Strålfors A/S		Brøndby	Denmark		100	1,986		
Strålfors Information Logistics A/S		Brøndby	Denmark		100	200,000		
Strålfors Information Logistics Oy		Helsinki	Finland		100	1,200		
Strålfors Oy		Helsinki	Finland		100	2,100		
Stralfors Finance SAS		Paris	France		100	200,000		v
Stralfors France S.A.		Evry	France		100	100		v
Stralfors SAS		Paris	France		100	620,776		
SCI du Pont St Jean Société Civile		Paris	France		70	70		
Strålfors AS		Oslo	Norway		100	200		
Stralfors Sp. z o.o.		Crakow	Poland		100	100		v
Stralfors Sp. z o.o.		Laskowice	Poland		100	2,000		

PARENT COMPANY'S AND GROUP'S HOLDINGS IN GROUP COMPANIES, CONT'D.

Shares owned directly or indirectly by parent company (Posten Norden AB), SEKm	Corporate Identity Number	Legal domicile	Country	Equity stake % Direct	Equity stake % Indirect	Number of shares	Book value, parent company 31 Dec 2009	Dormant
Stralfors Schweiz AG		Zug	Switzerland		100	100		
Stralfors AG		Aesch	Switzerland		100	5,000		
Stralfors (UK) Ltd.		Redruth	UK		100	100		
Chacewater Properties Ltd.		Redruth	UK		100	1,000		v
DPS Holding Ltd.		Orpington	UK		100	45,000		v
DPS Direct Mail Ltd.		Orpington	UK		100	45,000		v
Stralfors plc		Redruth	UK		100	600,000		
Th Stralfors (Data Products) Ltd.		Redruth	UK		100	10,000		v
Direct Link Worldwide GmbH		Mörfelden-Walldorf	Germany		100	150		
HIT Deutschland GmbH		Lübeck	Germany		100	1		
Tollpost Globe AS		Oslo	Norway		100	117,570		
Posten Logistik AB	556711-5380	Solna	Sweden		100	1,000		
EKL Night Express S:A		Wekjenraedt	Belgium		1	1		
DPD Parcel Holding A/S		Brøndby	Denmark		100	1		
DPD Holding A/S		Brøndby	Denmark		100	1		
DPD Danmark A/S		Brøndby	Denmark		100	2		
DPD Finland Oy		Helsinki	Finland		100	250		
Posten Logistik Oy		Vantaa	Finland		100	5,817		
Posten Försäkrings AB	516401-8649	Stockholm	Sweden		100	50,000		
Svensk Kassaservice AB	556615-7987	Stockholm	Sweden		100	1,000		
HIT Danmark A/S		Copenhagen	Denmark		100	500,001		
Svensk Adressändring AB	556476-3562	Stockholm	Sweden		85	850		
Tidningstjänst AB	556039-7480	Stockholm	Sweden		100	7,500		
Direct Link Worldwide Ltd.		Middlesex	UK		100	110,000		
Addresspoint AB	556587-5597	Stockholm	Sweden		85	1,700		
EKL Night Express S:A		Wekjenraedt	Belgium		99	99		
Posten Leasing AB	556341-0009	Stockholm	Sweden		100	5,000		
Postbolagen AB	556234-1353	Stockholm	Sweden		100	25,000		v
DPD Norge AS		Oslo	Norway		100	10,000		
Direct Link Worldwide Inc		New Jersey	USA		100	100		
Direct Link Worldwide AS		Oslo	Norway		100	1,000		
Direct Link Worldwide Oy		Vantaa	Finland		100	100		
Swedish Post Group B.V.		Amsterdam	Netherlands		100	200		
HIT Gentrex B.V.		Gendringen	Netherlands		100	80		
EBT Property B.V.		Gendringen	Netherlands		100	4,500		
DPD Nordic AB	556528-7694	Stockholm	Sweden		100	3,000		v
Fastighets AB Penelope	556517-0544	Stockholm	Sweden		100	100		
DPD Sweden AB	556371-8021	Stockholm	Sweden		100	1,000		v
Tidningstorget AB	556756-1211	Stockholm	Sweden		90	900		
Fastighets AB Kvasten 8	556482-7508	Stockholm	Sweden		100	1,000		
Direct Link Worldwide Pte. Ltd.		Singapore	Singapore		100	700,000		
Direct Link Worldwide Pty. Ltd.		Sydney	Australia		100	1		
Direct Link Worldwide Company Ltd.		Hong Kong	China		100	1		
Post Danmark A/S		Copenhagen	Denmark	100		25,000,000	5,369	
Budstikken Transport A/S		Copenhagen	Denmark		100	1,000		
TS Transportservice A/S		Copenhagen	Denmark		100			
TS Transportservice Århus		Copenhagen	Denmark		100			
Data Scanning A/S		Copenhagen	Denmark		100	10		
Post Danmark Leasing A/S		Hvidovre	Denmark		100	400		
Transportgruppen A/S		Brøndby	Denmark		51	23,858,000		
e-Boks A/S		Ballerup	Denmark		AC 50	12,000,000		
Total holdings in group companies							**12,457**	

NOTE 9 Deferred tax

SEKm	1 Dec 2008	Reported in income statement	Closing balance
Deferred tax asset	0	4	4
Total	**0**	**4**	**4**

NOTE 10 Interest-bearing liabilities

SEKm	31 Dec 2009
Current interest-bearing liabilities	
Liabilities to group companies	4,084
Closing balance	**4,084**

NOTE 11 Accrued expenses and prepaid income

SEKm	31 Dec 2009
Accrued payroll expenses	0.3
Vacation pay liability	0.2
Other items	0.9
Closing balance	**1.4**

NOTE 12 Contingent liabilities

SEKm	31 Dec 2009
Warranty, PRI	740
Guarantees on behalf of subsidiaries[1)]	1
Total	**741**

[1)] As of 31/12 2009, Posten AB had pledged a total of SEK 206m in guarantees for the benefit of wholly-owned subsidiaries.

Signatures of the Board and CEO

Signatures of the Board and CEO

Posten Norden's Board of Directors and CEO hereby affirm that the consolidated accounts were prepared in compliance with International Financial Reporting Standards, to the extent that such standards have been approved for application within the European Union; that the annual report was prepared in compliance with generally accepted accounting principles; and that the consolidated accounts and annual report are a true and fair representation of the group's and the company's financial position and earnings. Nothing of a significant nature that could affect the representation of the company as described in the annual report has been omitted. The Financial Review and Board of Directors' report provide a fair and accurate overview of the development of the group's and parent company's operations, position and financial results, and describe significant risks and uncertainty factors facing the parent company and other group companies.

Stockholm, 23 February 2010

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

Our audit report was presented on 23 February 2010

Ernst & Young
Lars Träff
Authorised Public Accountant

Audit Report

To the annual general meeting of Posten Norden AB (publ),

Corporate identity number 556771-2640

We have audited the annual accounts, the consolidated accounts, the accounting records and the administration of the board of directors and the Chief Executive Officer of Posten Norden AB (publ) for (as set forth on page I of the annual report) the parent company (financial year 1 December 2008 through 31 December 2009) and the consolidated accounts (financial year 1 July – 31 December 2009). The annual accounts and the Consolidated Financial Statement are included in this printed version on pages I-III, 1 and 4-72. Separate audit report for the pro forma statements is provided below. The board of directors and the CEO are responsible for these accounts and the administration of the company as well as for the application of the Annual Accounts Act when preparing the annual accounts and the application of international financial reporting standards IFRSs as adopted by the EU and the Annual Accounts Act when preparing the consolidated accounts. Our responsibility is to express an opinion on the annual accounts, the consolidated accounts and the administration based on our audit.

We conducted our audit in accordance with generally accepted auditing standards in Sweden. Those standards require that we plan and perform the audit to obtain reasonable assurance that the annual accounts and the consolidated accounts are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the accounts. An audit also includes assessing the accounting principles used and their application by the board of directors and the CEO and significant estimates made by the board of directors and the CEO when preparing the annual accounts and consolidated accounts as well as evaluating the overall presentation of information in the annual accounts and the consolidated accounts. As a basis for our opinion concerning discharge from liability, we examined significant decisions, actions taken and circumstances of the company in order to be able to determine the liability, if any, to the company of any board member or the CEO. We also examined whether any board member or the CEO has, in any other way, acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association. We believe that our audit provides a reasonable basis for our opinion set out below.

The annual accounts have been prepared in accordance with the Annual Accounts Act and give a true and fair view of the company's financial position and results of operations in accordance with generally accepted accounting principles in Sweden. The consolidated accounts have been prepared in accordance with the international financial reporting standards IFRSs as adopted by the EU and the Annual Accounts Act and give a true and fair view of the group´s financial position and results of operations. The statutory administration report is consistent with the other parts of the annual accounts and the consolidated accounts.

We recommend to the annual general meeting of shareholders that the parent company's income statement and balance sheet and the group's income statement and statement of comprehensive income be adopted, that the profits of the group's parent company be allocated, that the profits of the parent company be allocated in accordance with the proposal in the administration report and that the members of the board of directors and the Chief Executive Officer be discharged from liability for the financial year.

Stockholm, 23 February 2010

Ernst & Young AB

Lars Träff
Authorised Public Accountant

To the Board of Directors of Posten Norden AB

Corporate identity number 556771-2640

Auditors' report on pro forma statements

We have examined the pro forma statements appearing on pages I-III, 1 and 4-72 in Posten Norden AB's annual report. Pro forma statements were prepared for illustrative purposes only to provide information on what Posten Norden AB's income statements and statement of financial position would have looked like if the group had been formed and the capital structure had been established as of 1 January 2008 in respect of the pro forma income statement, and as of 31 December 2008 in respect of the pro forma statement of financial position.

Responsibility of the Board of Directors and Chief Executive Officer

The board of directors and Chief Ececutive Officer are responsible for preparing the pro forma statements.

Auditor's responsibility

Our responsibility is to express an opinion on the pro forma statements based on our examination. We are not responsible for expressing any other opinion on the pro forma statements or any of its constituent elements. We do not accept any responsibility for any financial information used in the compilation of the pro forma financial information beyond our responsibility for the previously submitted auditors' reports concerning historical financial information.

Conclusion

In our opinion the pro forma statements have been properly compiled on the bases listed on page 64, and in accordance with the accounting principles applied by the company.

Stockholm, 23 February 2010

Ernst & Young AB

Lars Träff
Authorised Public Accountant

Quarterly data

SEKm, unless otherwise specified	2009 Oct-Dec	2009 Jul-Sep	Pro forma 2008 Oct-Dec	Pro forma 2008 Jul-Sep
Posten Norden Group				
Net sales	11,636	10,222	12,063	10,668
Other operating income	65	55	193	152
Operating earnings	-685	279	444	569
Operating margin, %	neg	2.7	3.6	5.3
Earnings before tax	-696	2,241	794	565
Net earnings	-492	2,198	649	388
ROE, %, rolling 12-month period	20	30	27	27
Cash flows from operating activities	1,056	-416		
Equity-assets ratio, %, at end of period	45	47	39	38
Average number of employees	46,010	48,556	50,898	53,541
Mail Denmark				
Net sales	3,305	2,855	3,320	2,820
Letters, etc.	*2,531*	*2,250*	*2,294*	*2,215*
Daily newspapers	*81*	*84*	*77*	*86*
UDM and local news magazines	*358*	*325*	*370*	*283*
Other	*335*	*196*	*111*	*236*
Other operating income	400	433	653	422
Operating earnings	-69	133	169	205
Operating margin, %	neg	4.0	4.3	6.3
Average number of employees	15,228	16,294	17,265	17,767
Volume, millions of units produced				
Letters, etc.	280	251	311	278
Mail Sweden				
Net sales	4,259	3,564	4,437	3,757
Letters	*2,421*	*1,921*	*2,467*	*1,970*
Direct mail	*1,195*	*1,113*	*1,289*	*1,193*
Other	*643*	*530*	*681*	*594*
Other operating income	181	180	235	198
Operating earnings	-277	186	21	239
Operating margin, %	neg	5.0	0.0	6.0
Average number of employees	19,522	21,204	21,697	23,033
Volumes, millions of units produced				
Priority mail	283	248	315	280
Non-priority mail	339	269	335	271
UDM	620	510	657	574
Informationlogistics				
Net sales	899	873	1,031	913
Information Logistics	*757*	*740*	*772*	*677*
Identification Solutions	*141*	*113*	*161*	*147*
Supplies	*0*	*20*	*99*	*89*
Other operating income	8	3	11	74
Operating earnings	-191	-81	-89	66
Operating margin, %	neg	neg	neg	6.7
Average number of employees	2,324	2,286	2,365	2,424
Logistics				
Net sales	3,353	2,937	3,324	3,149
Standard (Parcel, Packet and Express)	*2,814*	*2,437* [1]	*2,748*	*2,509* [1]
Other	*539*	*500* [1]	*576*	*640* [1]
Other operating income	339	356	400	379
Operating earnings	-112	57	-66	41
Operating margin, %	neg	1.7	neg	1.2
Average number of employees	6,923	7,089	7,410	7,910

[1] Previously reported quarterly data has been adjusted.

Customers on Posten Norden:

Abena dispatches 1.1 million parcels per year. This corresponds to 183 pallets of 24 parcels every day, most of which are overnight deliveries. We need a logistics partner who can manage large volumes, a fast pace and continuous collaborative development with first-class delivery quality. So Post Danmark is the obvious choice.

Erik Barsøe Bohsen,
CEO, Abena A/S

Posten Norden AB (publ) 556771-2640

This report has not been audited

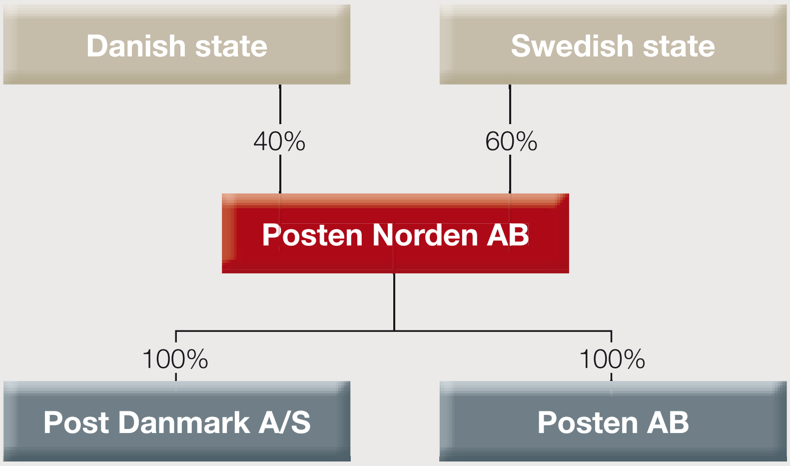
Corporate governance report

INDEX

Posten Norden AB (publ) 556771-2640

This report has not been audited

Posten Norden AB is a Swedish public limited liability company, owned 40% by the Danish state and 60% by the Swedish state. Posten Norden AB is the parent company of the Posten Norden Group. Votes are allocated 50/50 between the Danish and Swedish states.



Corporate governance is based on Swedish legislation, the Articles of Association, the Swedish Code of Corporate Governance ("the Code") and NASDAQ OMX Stockholm's rules and regulations where applicable. Universal service obligations in Denmark and Sweden are set out in specific legislation, regulations, concessions and licence terms; read more on page 87.

Application of the Code

Posten Norden AB (publ) applies the Swedish Code of Corporate Governance. This report was prepared in accordance with Code provisions and refers to the period from and including 26 June 2009, the date on which the merger of Post Danmark A/S and Posten AB was formally completed.

Deviations from the Code

The following Code provisions were not applied by Posten Norden:

1.5 The rule specifies that simultaneous interpretation must be offered and that all or portions of meeting material must be translated, if so warranted by the composition of the owners and if financially justifiable. Posten Norden's sole owners are the Danish and Swedish states. All meeting material is provided in Swedish. It is the company's assessment that this does not limit the owners' ability to participate in the meetings or to read and understand the material.

2.1 The nomination and appointment of Board members is performed in accordance with the principles agreed upon by the owners.

4.4 Under the Code, the Board of Directors must include a specified minimum number of members who are independent of major shareholders, and the independence of all Board members must be audited. The primary reason for this rule is to protect minority shareholders. In companies with only a few shareholders, there is no need to fulfil this criterion.

9.2 Rules on share-based incentive schemes are not applicable, as the Danish and Swedish states jointly own 100% of Posten Norden's shares.

Redemption of employee shares

Following the sale by CVC Capital Partners of its 22 per cent equity interest in Post Danmark A/S to the Danish State, the pre-merger owner circle of Post Danmark A/S was comprised of the Danish state (97 %) and executives and employees (3 %). A redemption programme for executives and employees was commenced on 1 October 2009. As of 31 December 2009 the majority of these minority shareholders had exercised their share redemption option, and Posten Norden AB holds over 99.9 % of Post Danmark A/S shares. Unredeemed shares will be subject to compulsory redemption in April 2010.

Annual general meeting

Under the terms of the Companies Act, the annual general meeting is the company's highest decision-making body. The Swedish Ministry for Enterprise, Energy and Communications and the Danish Ministry of Transport vote on behalf of the Swedish and Danish states at Posten Norden's annual general meeting. Resolutions at annual general meetings are normally taken by simple majority. In certain issues, however, the Companies Act and Posten Norden's Articles of Association stipulate that motions must be seconded by a higher proportion of the shares represented and votes cast.

2009 general meetings

Two extraordinary general meetings were held in 2009. A complete Group Board of Directors was appointed at the extraordinary general meeting held on 24 August. Board member remuneration was also determined at that meeting.

2010 annual general meeting

The 2010 annual general meeting is planned for 14 April. The public will be offered the opportunity to attend the meeting. As stipulated by the Code, Posten Norden published the date of its 2010 annual general meeting on its website and in its January-September 2009 interim report.

Notice and minutes

A Notice of Annual General Meeting is sent by letter to the shareholders and is published in the *Swedish Official Gazette* and *Dagens Nyheter*. Notice is also sent to the central offices of the Danish and Swedish Parliaments pursuant to the company's Articles of Association. Minutes from the 2009 extraordinary general meeting are published on Posten Norden's website. Upcoming minutes are published as soon as they have been verified.

Registration

The public and members of the Swedish and Danish Parliaments will be invited to register on Posten Norden's website to attend the annual general meeting.

Board of Directors

The Board's composition

The Board has been composed of eight ordinary Board members since the extraordinary general meeting of 24 August. Fritz H. Schur is Chairman of the Board. Among the elected Board members, 37.5% are women and 62.5% are men. The Board also includes three employee representatives and three deputies.

Fritz H. Schur
Born 1951. Resides in Klampenborg, Denmark.
Chairman since April 2009.
Chairman of the Board of Post Danmark A/S since 2002, Board member since 1995.
Consul-General.
CEO or Chairman of the Board of the companies of Fritz Schur Gruppen.
Chairman of the Board of DONG Energy A/S, F. Uhrenholdt Holding A/S and SAS AB.
Vice-chairman of Brd. Klee A/S.
Committee: The Compensation Committee (chair) since 2009.

Mats Abrahamsson
Born 1960. Resides in Linköping, Sweden.
Board member since August 2009.
Board member of Posten AB since 2003.
PhD (Tech). Professor at Linköping University.
Board member of Dixma Consultant AB.
Committee: The Compensation Committee since 2009.

Ingrid Bonde
Born 1959. Resides in Stockholm, Sweden.
Board member since August 2009.
Board member of Posten AB since 2005.
MBA.
CEO of AMF.
Previous positions include: Director-General, Swedish Financial Supervisory Authority.
Board member of St. Erik's Eye Hospital and the Centre for Business and Policy Studies (SNS).
Committee: The Compensation Committee since 2009.

Gunnel Duveblad
Born 1955. Resides in Danderyd, Sweden.
Board member since August 2009.
Board member of Posten AB since 2007.
Degree in Systems Engineering from Umeå University.
Previous positions include: CEO of EDS Northern Europe. Board member of *inter alia* HiQ International AB, IBS, Ruter DAM Foundation and Sweco AB.
Committee: The Audit Committee (chair) since 2009.

Bjarne Hansen
Born 1940. Resides in Charlottenlund, Denmark.
Board member since August 2009.
Board member of Post Danmark A/S since 2005.
Shipowner and partner, WingPartners IS.
Chairman of the Board of Billund Lufthavn.
Vice-chairman of Skako Industries A/S.
Board member of F. Uhrenholt Holding A/S, Aalborg Industries Holding A/S (and Aalborg Industries A/S), Keppel Offshore and Marine Pty Ltd, Business Work Wear A/S, Newco AEP A/S and Wrist Group A/S.
Committee: The Audit Committee since 2009.

Torben Janholt
Born 1946. Resides in Holte, Denmark.
Board member since August 2009.
BCom.
CEO of J Lauritzen A/S.
Board member of Tsakos Energy Navigation Ltd, A/S United Shipping & Trading Company, Danmarks Rederiforening; Executive Committee member of the International Chamber of Shipping; and Chairman of the Board of several companies within Lauritzen Gruppen.
Committee: The Compensation Committee since 2009.

Anne Birgitte Lundholt
Born 1952. Resides in Dragør, Denmark.
Board member since April 2009.
Board member of Post Danmark A/S since 2005.
Degree in Economics with an emphasis on international business administration and Master of Political Science.
CEO of VIF, Veterinary Pharmaceutical Industry.
Chariman of the Board of Banedanmark, FOF Danmark and Bornholms Erhvervsfond.
Board member of SCF Technologies A/S, Svaneke Bryghus A/S and IFAH Europe.
Committee: The Audit Committee since 2009.

Lars Chemnitz
Born 1957. Union-appointed representative.
Resides in Copenhagen, Denmark.
Board member since Jauary 2010.
Deputy representative since August 2009.
Board member of Post Danmark A/S since 2007.

Alf Mellström
Born 1956. Union-appointed representative.
Resides in Nyköping, Sweden.
Board member since August 2009.
Board member of Posten AB since April 2001.
Employee representative appointed by the Union of Service and Communication Employees (SEKO).
Joined Posten AB in 1978.

Jens Bendtsen was union-appointed representative on the Board from Aug-Dec 2009.

Richard Reinius
Born1967. Resides in Stockholm, Sweden.
Board member since April 2009.
Board member of Posten AB since 2007.
MBA.
Deputy Director at the Ministry of Enterprise, Energy and Communications, state ownership unit.
Board member of Jernhusen AB.
Committee: The Audit Committee since 2009.

Kjell Strömbäck
Born 1950. Union-appointed representative.
Resides in Tullinge, Sweden.
Board member since August 2009.
Board member of Posten AB since June 1999.
Employee representative appointed by the Union of Civil Servants (ST) at Posten.
Joined Posten AB in 1968. Board member at ST.

Deputy employee representatives

Peter Madsen
Born 1953. Union-appointed representative .
Resides in Aalborg, Denmark.
Deputy representative since January 2010.
Board member of Post Danmark A/S since 2007.
Joined Post Danmark A/S in1990.

Isa Merethe Rogild
Born 1949. Union-appointed representative.
Resides in Copenhagen, Denmark.
Deputy representative since August 2009.
Board member of Post Danmark A/S since 1995.

Anne-Marie Ross
Born 1951. Union-appointed representative.
Resides in Strängnäs, Sweden.
Deputy representative since August 2009.
Board member of Posten AB since April 2005.
Employee representative appointed by the Union of Service and Communication Employees (SEKO).
Joined Posten AB in 1971. Member of SEKO's executive committee.

Board of Director's actions

Rules of procedure / delegation of authority
The Board of Directors establishes annual rules of procedure regulating matters such as the Chairman's duties, information to the Board and the roles and responsibilities of the CEO and Board members. Apart from the committees presented in this report, Board tasks are not divided among the members. The CEO and other company officials participate in Board meetings in reporting or administrative capacities. Posten Norden's General Counsel serves as secretary to the Board of Directors.

Board actions in 2009
The Board held five ordinary meetings and one statutory meeting.

Attendance	Number of board meetings
Fritz H. Schur*	5
Mats Abrahamsson**	4
Ingrid Bonde**	4
Gunnel Duveblad**	4
Bjarne Hansen**	3
Torben Janholt**	2
Anne Birgitte Lundholt*	5
Marianne Nivert* [1]	1
Richard Reinius*	5
Jens Bendtsen**	4
Alf Mellström**	4
Kjell Strömbäck**	4

* elected at extraordinary general meeting, 30 April 2009

** elected at extraordinary general meeting, 24 August 2009

[1] resigned at extraordinary general meeting, 24 August 2009

Evaluation of Board actions
The Board will conduct an annual evaluation of its own actions. The evaluation will be carried out via a questionnaire and through discussions between the Chairman of the Board and Board members. Areas evaluated will include the manner in which important decisions are prepared, discussed and managed; whether the right issues are brought up by the Board; the integrity of supporting documentation; and how well decisions and discussions are recorded in the minutes. Verbal and written feedback will be provided to Board members.

Board members' remuneration
Remuneration for Board members was determined by the extraordinary general meeting held 24 June 2009. The remuneration for each elected Board member is SEK 250,000, while the Chairman's remuneration is SEK 600,000. Members of the Audit Committee are paid SEK 50,000, while the committee chair receives SEK 62,500. Members of the Compensation Committee are paid SEK 25,000, while the chair receives SEK 37,500. See also Note 5, Employees, Personnel Costs and Executive Compensation, page 46.

Audit Committee
The Audit Committee's rules of procedure are set by the Board and are aimed at preparing the Board to perform its duties to supervise the company's financial reporting. The Committee also assists the owners in selecting auditors. The Audit Committee, in addition to reporting to the Board on its efforts, regularly reviews the auditors' reports and determines whether the auditors are performing their task independently, objectively and cost-efficiently. The Committee is comprised of at least three Board members and meets at least four times per year. The

Board actions 2009

Board meetings:	Main topic:	Additional key issues:
23 June	Appointment of new group management and internal auditor	• Appointment of deputy CEOs of Posten Norden AB • Election of authorised signatory
31 August	Interim report pro forma	• Principles for outsourcing • Compulsory redemption of minority shares in Post Danmark A/S • Adoption of Posten Norden's Financial Policy
9 October	IT integration and outsourcing within Posten Norden Group	• Election of Audit Committee • Election of Compensation Committee
11 November	Interim report	• Report: new Swedish postal law • Liability insurance for Board and CEO
10 December	Budget 2010	• Target Picture proceedings • Channel structure in Sweden

company's auditors participate in meeting(s) at which the year-end report, annual report and auditor's report are presented, as well as when they are needed for assessment of the group's financial position. The Committee chair is responsible for continually apprising the Board of the Committee's activities. Audit Committee members are Gunnel Duveblad (chair), Bjarne Hansen, Anne Birgitte Lundholt and Richard Reinius.

Compensation Committee

The Compensation Committee is tasked with preparing and presenting proposals to the Board regarding compensation and other benefits for group management and remuneration principles for external directors serving on the boards of group subsidiaries. The Compensation Committee is comprised of at least three members. The Chairman of the Board chairs the Committee. The Committee meets at least twice per year. The Committee's chair is responsible for continually apprising the Board of the Committee's activities. Compensation Committee members are Fritz H. Schur (chair), Mats Abrahamsson, Ingrid Bonde and Torben Janholt.

Auditors

Ernst & Young AB has functioned as the auditor, with authorised public accountant Lars Träff as the managing auditor. The auditors meet with the Board at least once per year and also participate in a number of Audit Committee meetings.

Operative structure

- The group's operative structure consists of four business areas.
- The traditional postal operations in Sweden and Denmark are run in business areas Mail Sweden and Mail Denmark, respectively.
- The information logistics operations and other Stralfors AB operations are gathered in the Informationlogistics business area.
- The group's logistics operations are run in the Logistics business area.
- Seven group functions have been established for group management and co-ordination: Business Development, Business Information Services, Finance & Treasury, HR, Legal, Corporate Communications and Operations Development.

Group Management

The CEO, assisted by the other members of group management, oversees day-to-day business operations as framed by the Board's rules of procedure and instructions. Group management operates on the principle that it should be easy to make decisions and to manage and follow up on operations.

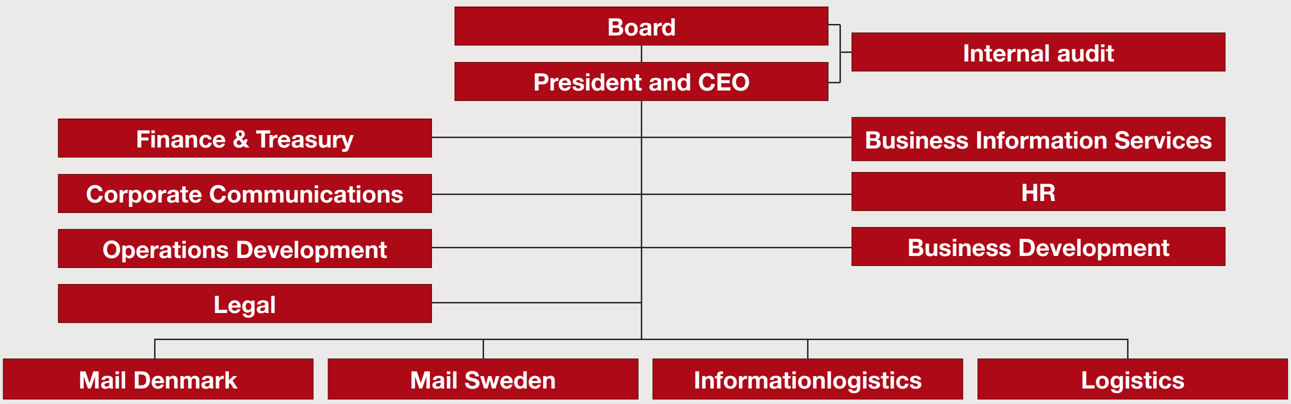
Since 1 July 2009, group management has been comprised of the President and Group CEO, the heads of Posten Norden's seven group functions (Business Development, Operations Development, Finance & Treasury, HR, Corporate Communications, Business Information Services, and Legal) and the heads of business areas Mail Denmark, Mail Sweden, Informationlogistics, and Logistics.

Women constitute 8 % of group management, while men constitute 92 %.

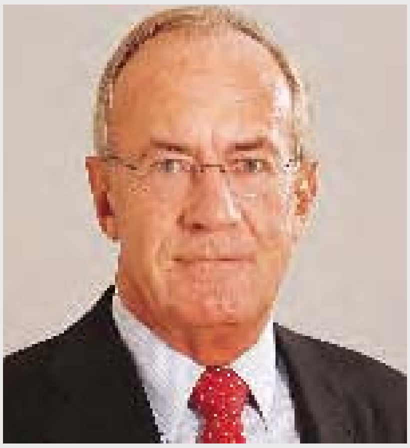
Principles for executive compensation

Salaries and wages for Posten Norden employees shall conform to market conditions. The CEO's employment terms are determined by the Board after preparation by the Compensation Committee. For additional details on executive compensation, see Note 5, Employees, Personnel Costs and Executive Compensation, page 46.

Operative structure



Group Management



Lars G Nordström, President and Group CEO
Born 1943.
Studied law at Uppsala University.
President and Group CEO of Posten AB, 2008-2009.
Previous positions include: President and Group CEO of Nordea Bank AB, 2002-2007.
Other duties: Board member of Nordea Bank AB, TeliaSonera, Viking Line Abp.
Chairman of Finnish-Swedish Chamber of Commerce and member of Swedish-American Chamber of Commerce.

K. B. Pedersen, Executive Vice President
Head of group function Operations Development.
Born 1948.
Trained at the Danish Post and Telegraph Service.
Joined Post Danmark A/S in 1995.
Deputy CEO of Post Danmark A/S, 1995-2009.
Previous positions include: Deputy Director of P&T, 1988-1995.
Other duties: Board member of De Post-La Poste, Belgium and e-Boks A/S.

Göran Sällqvist, Executive Vice President
Head of group function Business Development.
BSc. (Econ.), Purchasing and Logistics.
Born 1957.
Joined Posten AB in 2003.
Executive Vice President at Posten AB, 2003-2009.
Previous positions include: Pt CEO of Coop Sverige AB; Vice President for Production and Logistics, Posten AB.
Other duties: Board member of Bergendahls-Gruppen AB.

Viveca Bergstedt Sten, General Counsel
Master of Laws and MBA.
Born 1959.
Joined Posten AB as General Counsel in 2002.
Previous positions include: General Counsel, LetsBuyIt.com and SMART AB; Corporate Legal Counsel, Scandinavian Airlines.

Joss Delissen, Chief Information Officer
MBA.
Born 1963.
Joined Posten as CIO of Posten AB in 2006.
Previous positions include: various positions at Unilever, most recently as Director of Solutions Architecture.

Andreas Falkenmark, head of business area Mail Sweden
Master of Laws.
Born 1955.
Joined Posten AB in 2005.
President of Posten Meddelande AB, 2007-2009.
Previous positions include: CEO of NK Förvaltnings AB; CEO of Duka AB; CEO of Coop Sverige AB; CEO of Observer Northern Europe; Executive Vice President responsible for Marketing and Sales, Posten AB.

Bo Friberg, Chief Financial Officer
MBA.
Born 1957.
Joined Posten AB as CFO in 2002.
Previous positions include: Director of Business Development, NCC; Director of IT and Finance, NCC; Business Controller, Beckers, Kanthal-Höganäs and Nordstjernan; auditor, PricewaterhouseCoopers.

Finn Hansen, head of business area Mail Denmark
Master of Science.
Born 1956.
Joined Post Danmark A/S in1987.
Previous positions include: Deputy Director of Distribution, Post Danmark A/S, 2008-09; Deputy Director of Mail Production & Transport, Post Danmark A/S, 2003-08; other management positions with Post Danmark A/S since 1993, including head of Technology & Production.

Henrik Höjsgaard, head of business area Logistics
Born 1965.
Joined Posten AB as President of Posten Logistik AB in 2007.
Previous positions include: shipbroker in Denmark, UK and Hong Kong; head of TNT International Express in Denmark; CEO of TNT International Express in Sweden; President and Group CEO of Busslink in Sweden AB; CEO of Keolis Nordic AB.

Palle Juliussen, HR Director
Master of Laws.
Born 1948.
Joined Post Danmark A/S in 1995.
Most recently served as a member of Post Danmark's management with HR as one of his areas of responsibility.
Previous positions include: Director of Tele Danmark, 1991-95.

Per Mossberg, Director of Corporate Communications
BSc (Econ).
Born 1953.
Joined Posten AB as Senior Vice President, Corporate Communications, in 2004.
Previous positions include: Partner, JKL AB; Director of Corporate Communications, Telia; Corporate Communications Manager, Trygg-Hansa SPP, Nobel Industries and Bofors; CEO, Näringslivets EU-Fakta and Näringslivets Ekonomifakta.

Per Samuelson, head of business area Informationlogistics
MBA.
Born 1957.
Joined Posten AB in 2006, CEO of Stralfors AB since 1999.
Previous positions include: lecturer at the Stockholm School of Economics and IFL; various positions within the Perstorp and PLM groups, most recently as Divisional Manager and member of PLM executive management.
Other duties: Chairman of the Board, BTJ Group AB; member of the Chamber of Industry and Commerce of Southern Sweden and Aniagra.

Board of Director's report on internal control for financial reporting for the period Jul-Dec 2009

Posten Norden's description of internal control for financial reporting has been prepared in accordance with the Swedish Code of Corporate Governance. The description is not part of the formal financial statements and has not been reviewed by the company's auditors.

Internal control for financial reporting is defined as the process by which the Board, President and employees provide a reasonable level of assurance for the reliability of external reports. Internal control is described based on the COSO model.

Control environment

The company delegates authority based on the sharing of responsibility between the Board and the CEO, as established in the Board's rules of procedure. Posten Norden's delegation of authorities regulates decision-making at the corporate level. Delegation of authority is based on the operational structure, which is also the group's basis for governance. Delegation is made to the business areas, which in turn delegate to companies and divisions at the lowest appropriate level.

Up until the merger, Posten AB and Post Danmark A/S have applied codes of conduct and policies that express their corporate cultures and values that set forth the ideals the companies stand for and the perception they strive to create among their stakeholders, both as companies and as individuals.

Posten Norden's financial organisation operates a well-established process for financial reporting which ensures high-level internal control. Principles for governance of operations are summarised in the document "Governance and Structures at Posten".

Risk assessment

Risk management is a continuous process and constitutes a natural link in business planning and the day-to-day follow-up of the operations. Posten Norden works with a risk management programme, Enterprise Risk Management (ERM), which encompasses all parts of the group. The objective is to increase risk awareness throughout the entire organisation, offer strategic decision-making support to the Board and management team and improve management's operational decision-making, and ensure control over the company's risk exposure.

Identified risks concerning financial reporting are managed via the group's control activities.

Control activities and follow-up

Posten Norden's group controlling performs business analyses and reports on operational results. Both legal and internal reporting are performed in close collaboration with Posten Norden's specialised tax, pension, finance and legal departments and with the business areas to ensure accurate financial reporting.

Monitoring of targets, risks and action plans is performed quarterly under the management of the CEO and CFO.

Process descriptions that clearly present all business and operational processes are set forth in Posten's operational system.

The Board has appointed a standing Audit Committee, whose tasks include assessing the processes and format for internal control and setting the scope and alignment of group risk management in financial reports.

All Posten Norden companies conduct annual self-evaluations of internal control. A random selection of companies are visited to verify self-evaluation. The findings are summarised and reported to Posten Norden's Audit Committee as well as to the person responsible for finance and accounting within the business area, who is then responsible for implementing any required improvements to the control measures.

Posten Norden's internal audit is tasked with examining and assessing the internal control within the group. The audit plan is adopted by the Audit Committee. The internal audit is conducted primarily by means of internal and external resources.

Communication

Posten AB and Post Danmark A/S have effective communication channels, including their intranets that are available to all group employees. A joint website is also available for all Posten Norden managers.

Communication between the two companies' business areas takes place in working groups with respect to integration projects and via e-mail for day-to-day communication. Posten Norden's internal regulations are accessible via the intranet and are distributed via e-mail if required. Changes to accounting and reporting principles are continuously updated in accordance with the applicable rules for certified business systems.

The communication process, established by the Board, ensures that both external and internal communication is correct and sufficient. This policy dictates what should be communicated, by whom and how information should be distributed.

Universal service obligations

Posten Norden's subsidiaries, Post Danmark A/S and Posten AB, are commissioned to provide universal postal services in Denmark and Sweden, respectively. The commissions are based on the EU directive regulating postal service within the EU and on the Universal Postal Union treaty that regulates international mail.

Denmark

Postal services in Denmark are regulated by the Provision of Postal Services Act. Nationwide postal service and associated rights and obligations thereto are set forth in the Post Danmark A/S Concession, in which the Road Safety and Transport Agency stipulates service, quality and price levels based on postal legislation and international postal agreements. Under the terms of the Concession, Post Danmark shall collect and distribute post six days per week (five days per week for parcels), and shall distribute addressed mail pieces as well as daily, weekly and monthly periodicals, letters weighing up to 2 kilos, addressed parcels weighing up to 20 kilos and Braille material weighing up to 7 kilos. Post Danmark has the exclusive right to provide postal services for addressed letters weighing up to 50 grams. Addressed priority letters are delivered overnight, addressed non-priority letters are delivered within three days and C letters within four days – all subject to a 93% quality requirement. All services provided under the postal service obligation shall be offered at a nationwide flat rate. Prices shall be non-discriminatory, reasonable, transparent, and set in relation to costs. Prices for services which Post Danmark has the exclusive right to provide may not be increased faster than the consumer price index. In addition, a service network with at least one service point in each municipality must be maintained, and distance to the nearest postal service point may not exceed 5 kilometres. In 2009, Post Danmark's delivery quality for priority mail was 95.7(93.7)%.

Sweden

The Swedish Postal Act, Postal Statutes, and Concession terms issued by the Swedish Post and Telecom Agency (PTS) regulate universal postal services in Sweden. The Postal Act mandates the provision of nationwide postal services that enable all residents of Sweden to receive addressed mail pieces weighing up to 20 kilos (universal postal service). Postal services must be of good quality, and it must be possible for everyone to receive such mailings delivered at reasonable prices. In addition, single mail pieces shall be conveyed at uniform prices. It must be possible to insure mailings and to obtain a receipt from the recipient showing that the mail piece has been delivered. The government's service objectives for mail weighing up to 20 kilos are that mail be collected and delivered on every workday and at least five days a week nationwide. The Postal Statutes specify that at least 85% of the mail posted before a specified time and stamped for overnight delivery must be delivered on the following business day, wherever it is addressed to in Sweden. At least 97% of mail shall be delivered within three business days. In 2009, Posten's delivery performance for overnight deliveries was 95.9(94.9)%. For overnight mail, a price limit applies to single mail pieces up to 500 grams, so their price may be raised no faster than the consumer price index.

SUPERVISION

In Denmark, the Road Safety and Transport Agency regulates postal services on the national level. The Agency supervises Post Danmark and all private postal companies operating on the Danish market. There are an estimated 900 postal operations in Denmark. Under Danish postal legislation, "postal operation" is defined as a business that provides commercial postal services for addressed mail pieces weighing up to 20 kilos. Upon request, postal operations must provide the Agency with a number of details, including information on postal volumes processed.

In Sweden, PTS supervises postal operations in Sweden to ensure that Posten complies with postal legislation and fulfils government requirements for universal postal services. PTS has granted permits to conduct postal operations in Sweden to more than 30 companies. According to the PTS report "Service and Competition 2009", Posten fulfils the government requirements in terms of service level and quality. The report also states that Posten exceeds by a wide margin the minimum stipulated requirement with respect to proportion of mail pieces distributed on the following day.

SPECIAL PROVISIONS, INCLUDING THOSE FOR SPARCELY POPULATED AREAS

In Denmark, a postal operations and postal services ordinance sets forth regulations for the installation of letter boxes and shared letter boxes. Letter boxes in residential areas and terraced-house developments shall be placed at the addressee's entrance for buildings constructed in accordance with building permits issued after 1 January 1973. All multi-storey buildings must install shared letter boxes in the entrance area by the close of 2009. Senior (65 years of age or older) and disabled persons are entitled to receive post delivered to their door. The Road Safety and Transport Agency may limit post distribution in fringe areas, such as particularly remote areas and islands lacking ferry service. An extra day is added to the delivery time for parcels from Bornholm addressed nationwide.

In Sweden, PTS has issued general suggestions concerning the delivery of mail in the provision of the universal postal service. The general suggestions include advice that, outside urban areas, mail should be delivered to letter box clusters along the mail carrier's route. Mail pieces addressed to a postal recipient living less than 200 metres down a side road from the mail carrier's main route should be delivered to the letter box cluster on the main route. If there are at least two postal recipients who reside or work permanently for every kilometre of the side road, post should be delivered along that road. However, elderly and physically handicapped people are entitled to have their mail delivered to their property line, as opposed to the letter box cluster, upon request.

NEW POSTAL LEGISLATION

In February 2008, the European Parliament and Council approved Directive 2008/6/EG concerning the complete implementation of community inner markets for postal services. The new directive includes provisions that the EU postal market will thereby be deregulated by 31 December 2010, with the exception of 11 countries which are exempted until 31 December 2012.

In Denmark, the new EU directive is expected to be enacted in new Danish postal legislation during 2010. Post Danmark's current concession is valid through 1 July 2010.

In Sweden, the government's investigator has submitted a proposal on how Swedish postal legislation should be adapted to the new EU directive. The proposal includes the following provisions:

The replacement of the Postal Services Act with an entirely new postal law, with a proposed effective date of 30 June 2010. The universal postal service obligation retains its current scope and quality assurance. No further clarification of services to be included in the universal postal service obligation is provided. The market will meet the need for universal postal requirements, and thus the appointment of a specific postal operator is not required. Where necessary, however, the PTS may appoint a postal operator to provide universal postal services. There is an express provision for the regulation of non-discrimination, signifying that the PTS will also supervise competition. The price ceiling is retained and down-stream access is transferred to the PTS for further investigation. The next step in the process is the government's submission of a bill to parliament.

Customers on Posten Norden:

In 2009, ATP had the task of providing disbursements to all Danes with savings in the Special Pension (SP) savings scheme. The proposal was finalised in early March, and by June 1st ATP had to be ready with a solution to provide information and disbursements to potentially 3.4 million Danes. We worked in close partnership with Post Danmark on the design of newsletters, mailing processes, etc. We also reaped substantial benefits from Post Danmark's scanning service for incoming disbursement orders. We are proud of the way we resolved this project, and Post Danmark played a major role in our success.

Anders Schmidt Hansen,
Marketing Manager, ATP

Production: Posten. Graphic design: Pontèn & Engwall AB. Printing: Alloffset. Photography: Emilia Öije pp. 3, 80-81, 84-85; David Bergström pp. 6, 17; Bengt Alm p. 10; Lars Schmidt p. 12; Linnea Svensson pp. 14, 28, 30; Bengt Alm p. 15.

POSTEN NORDEN ANNUAL REPORT 2009

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 of around SEK 45 billion and approximately 50,000 employees. Operations are run through business areas Mail Denmark, Mail Sweden, Logistics and Information-logistics. The parent company is a Swedish public company headquartered in Solna, Sweden.

Read more about Posten Norden at www.postennorden.se.

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