



First quarter 2019

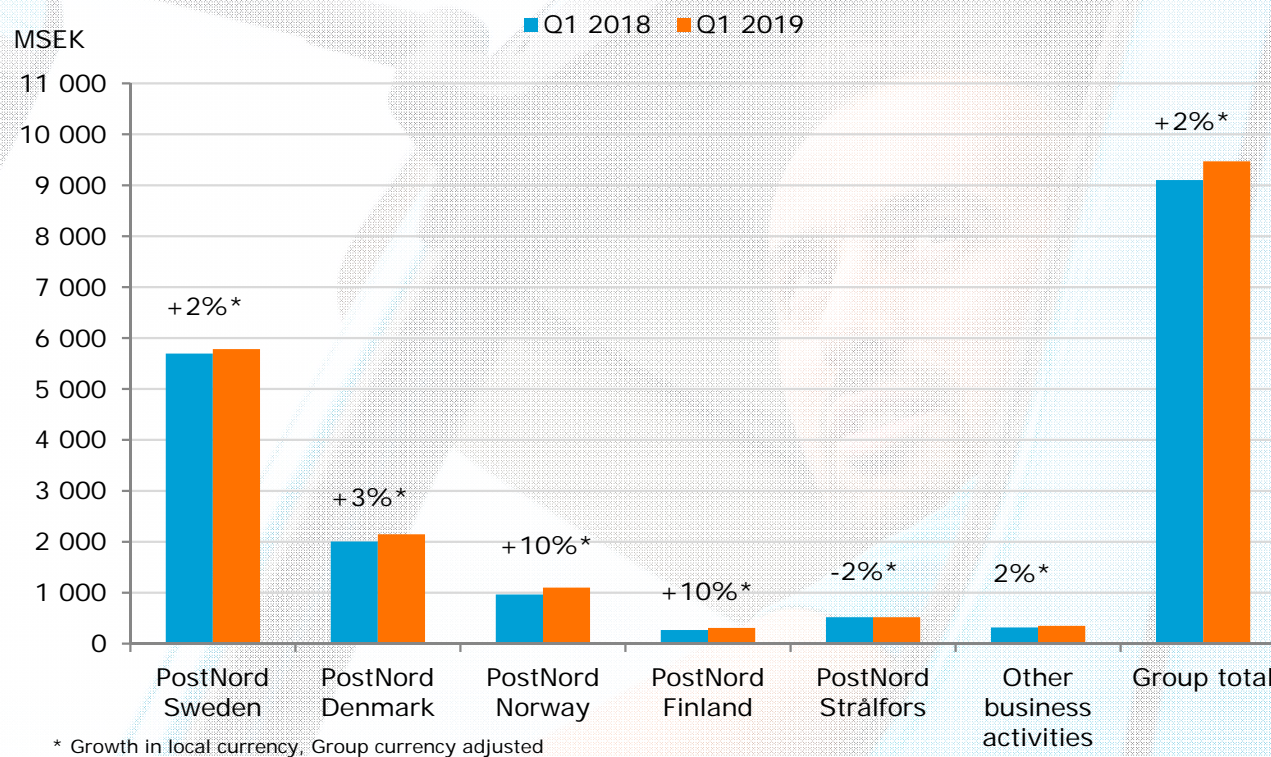
Strong quarter in challenging times

2019/04/24

postnord

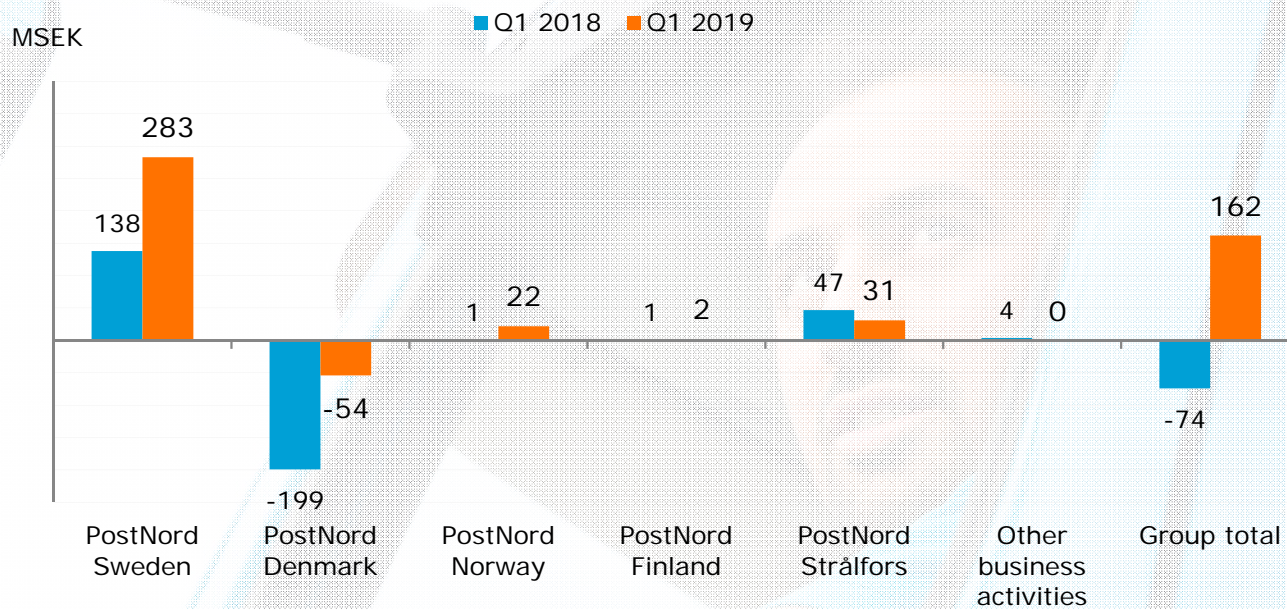
Net sales, Q1 2019

- Net sales for the Group totaled SEK 9,471m (9,102). Adjusted for currency effects, this represented organic growth of 2%.
- Income from letter services continue to decline as a result of digitalization, but at a lower-than-expected pace in the quarter. The Group's mail volumes declined by 8%; 9% in Denmark and 8% in Sweden. Sales for digital services at Strålfors continue to record robust growth of 30%.
- Parcel volumes rose by 10% as a result of further strong growth in e-commerce, where B2C parcel volumes increased by 19%. Income for third-party logistics increased overall by 17%



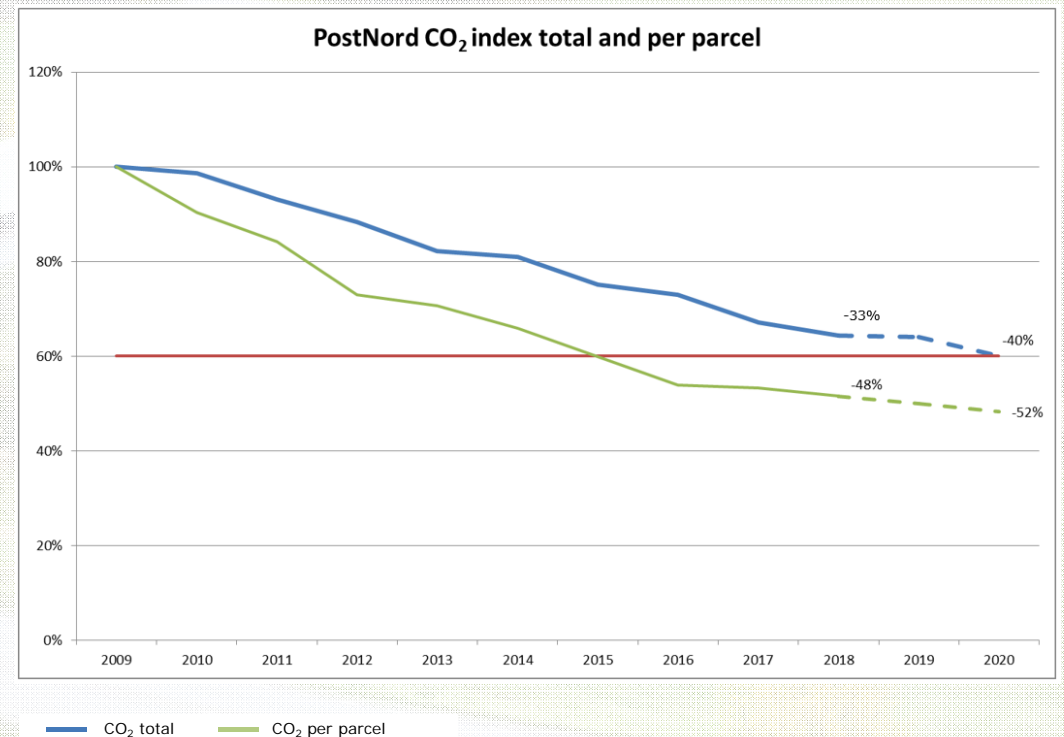
Operating income, EBIT, Q1 2019

- Sweden: The improved income arose through the introduction of higher postage rates in May 2018, growth in e-commerce, savings on air freight
- Denmark: Income improved through growth in e-commerce and cost savings within the transformation program, as well as via improvements in third-party logistics
- Norway: Income improved through growth and efficiency measures in terminal and distribution handling.
- Finland: The improvement in income arose from growth in e-commerce and further efficiencies
- Strålfors: The weaker operating income was for the most part attributable to poorer earnings resulting from changes in the product mix



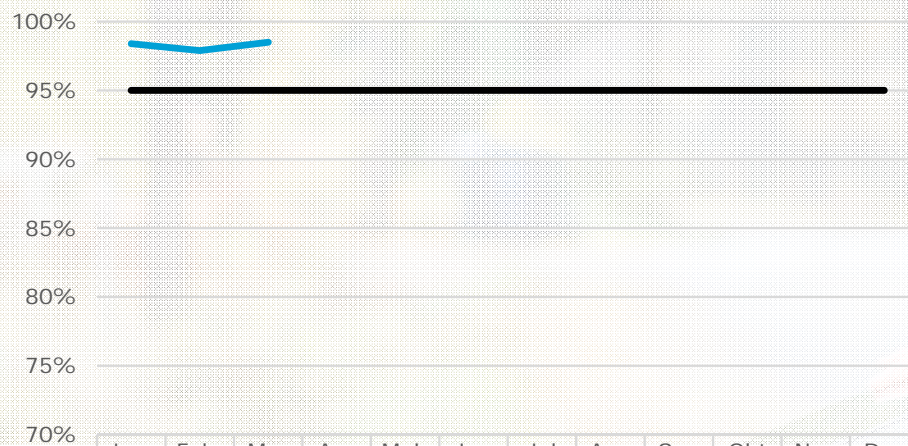
Climate target 2020

- Our target: To have reduced our CO₂ emissions by 40% in absolute figures by 2020, compared with 2009
- CO₂ were 2% lower than in the first quarter of 2018 and -33% compared with the base year 2009
- It is anticipated that the result will improve in the next quarter as energy consumption in the Nordic region falls during the warmer seasons.
- The climate impact of Swedish operations increased during the quarter
- Emissions per parcel decreased by 48% over the same period, mainly due to logistics optimization measures, energy savings and the use of biofuels
- Further CO₂ reduction required if the target of 40% in 2020 is to be achieved, a challenge that will demand major efforts



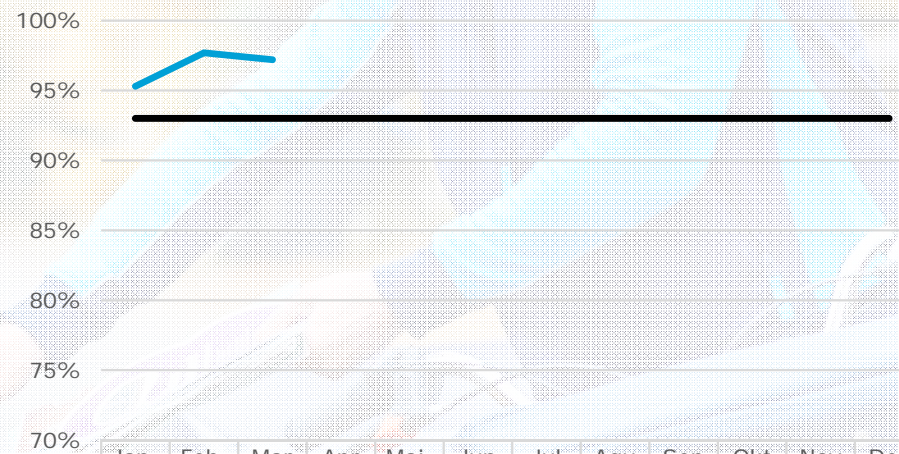
Quality for mail

Sweden



	Jan	Feb	Mar	Apr	Maj	Jun	Jul	Agu	Sep	Okt	Nov	Dec
— Lagkrav	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%
— 2019	98,40	97,90	98,50									

Denmark

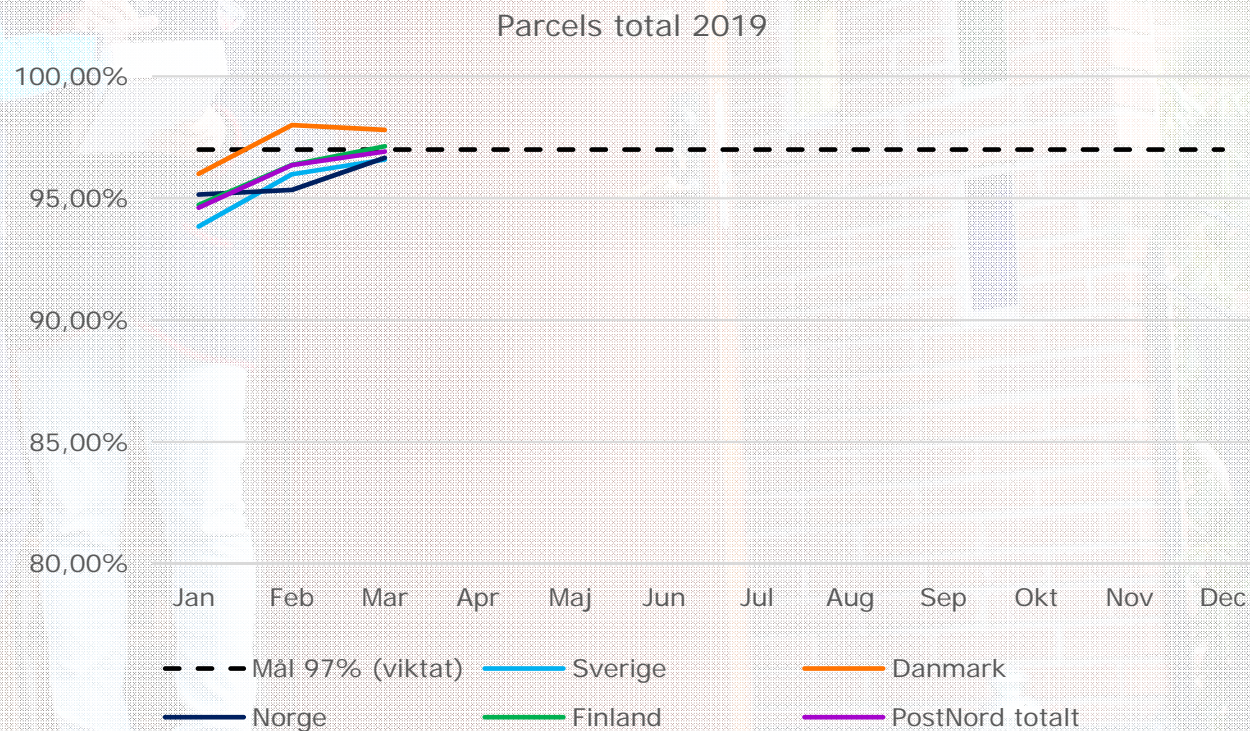


	Jan	Feb	Mar	Apr	Maj	Jun	Jul	Agu	Sep	Okt	Nov	Dec
— Lagkrav	93%	93%	93%	93%	93%	93%	93%	93%	93%	93%	93%	93%
— 2019	95,30	97,70	97,20									

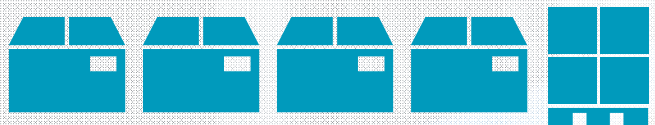
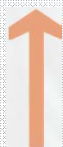
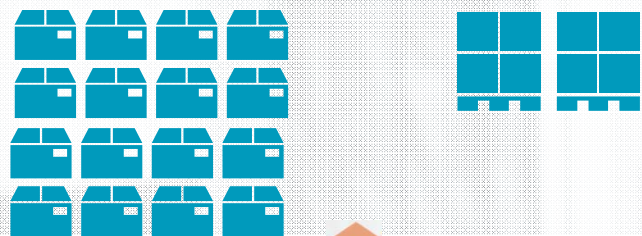
Comment: As of 2018, a new system of postal regulation in Sweden requires 95% of letters posted for two-day delivery to be delivered within two business days. Statistically assured results for comparison with earlier years have not been produced by Kantar TNS.

Quality for parcels

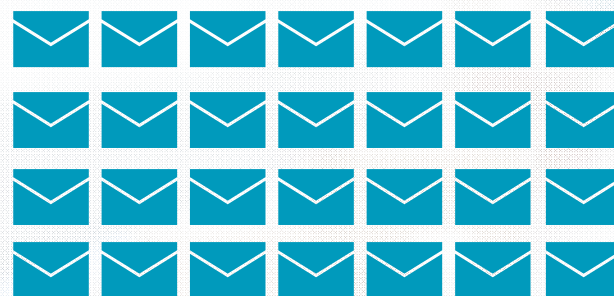
- Parcel volumes are increasing in pace with the growth in e-commerce
- Overall delivery quality for parcels in the PostNord Group was 96.9% in March and 95.1% over the 12 months to the end of the period.



Two opposing market trends



TOTAL PARCELS: +10% (+9%)
PARCELS B2C: +19% (+16%)



LETTERS SE: -8% (-13%)
LETTERS DK: -9% (-18%)
TOTAL LETTERS: -8% (-14%)



PostNord's universal postal service obligation in Sweden and Denmark

- Through Swedish regulation, PostNord is under a duty to ensure that the requirements of the universal postal service are fulfilled; these requirements include, for example, deliveries and collections five days a week throughout the country, together with a quality requirement of 95% within two days
- In Denmark, the three-year universal postal service agreement with the Danish State expires at year-end 2019; against that background, work has started on bringing about a new agreement to apply after 2019
- If the universal postal service is to be operated in an economically sustainable way, the system of regulation must become more predictable and flexible and must allow both increased revenue and ways of limiting the costs of distribution
- To meet the rising costs per letter delivered, and in that way enable the universal postal service to be maintained over time, it is of the utmost importance for PostNord to be allowed the scope to make gradual adjustments to the letter rate in Sweden

PostNord builds for the e-commerce of the future

- A pilot project in Denmark with 200 digital parcel lockers, called "Nærboks", in partnership with the SwipBox company
- Track-and-trace for our Varubrev product in Sweden. A delivery notification is now sent via SMS or the PostNord app as soon as the Varubrev item is posted
- A pilot project in Sweden for same-day delivery with the retail chain Lager 157
- Investments include two separate terminals for parcels and third-party logistics in Helsingborg
- Continued expansion of more than 700 additional service partners in Denmark and Sweden for increased availability.
- We also maintain dialogue with e-commerce customers to adapt our offers so that terminals and vehicles can be used more efficiently 24/7

Samarbeten och kanaler



Dagligvaruhandel



Ombud i egen regi



Nya partner



Hemleverans



Paketautomater



**“Win the trust of employees, customers
and consumers”**



