

Fourth quarter 2020

2 February 2021

Annemarie Gardshol

President and Group CEO

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CFO



Overview

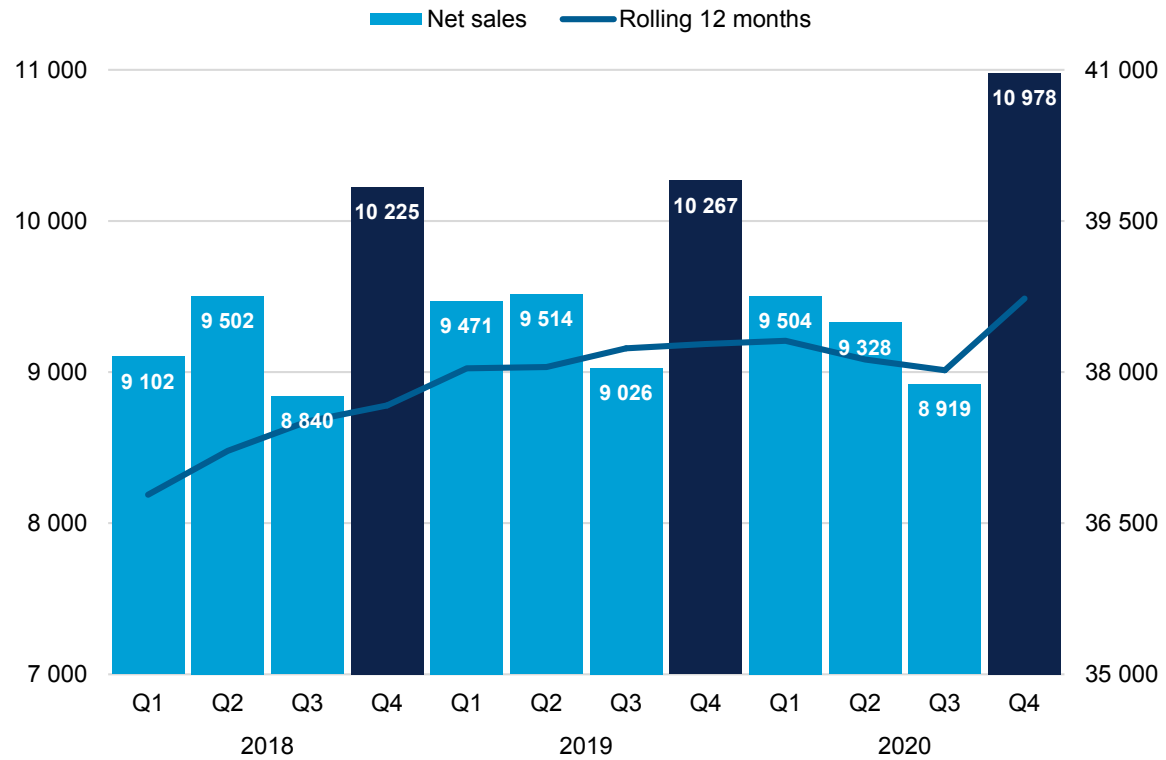
Fourth quarter

- Strong demand for parcels in particular
- Record-strong result
- Good progress in the transformation program

Effect of the corona pandemic

- Significant growth in e-commerce
- Home deliveries of parcels without physical contact a new norm
- Increased amount of Christmas cards sent

Net sales MSEK



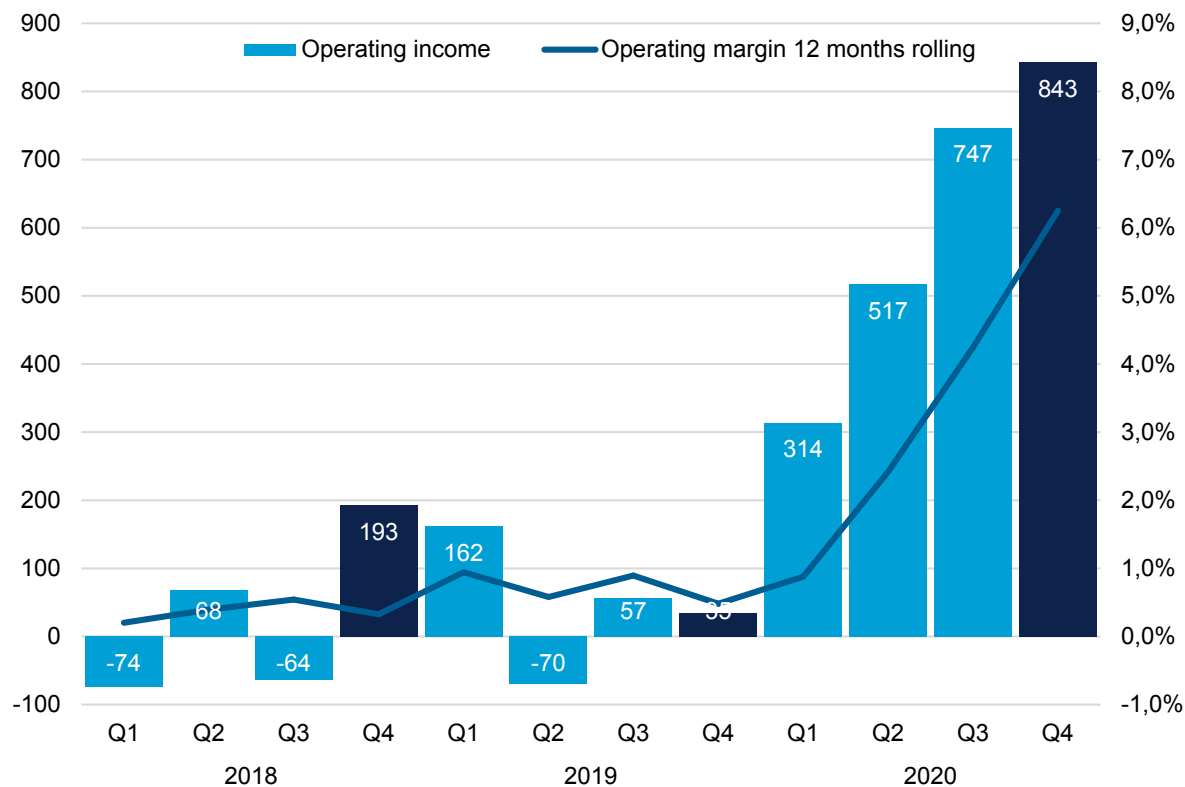
Net sales
amounted to
SEK
10,978m
(10,267), +11.1%
like-for-like

Mail volumes
amounted to
368 million
letters
-11 (-7)%

Parcel volumes
business-to-business
+4%

Parcel volumes
business-to-consumer
+37%

Operating income



Operating income amounted to

843
MSEK
7.7%

Adjusted operating income

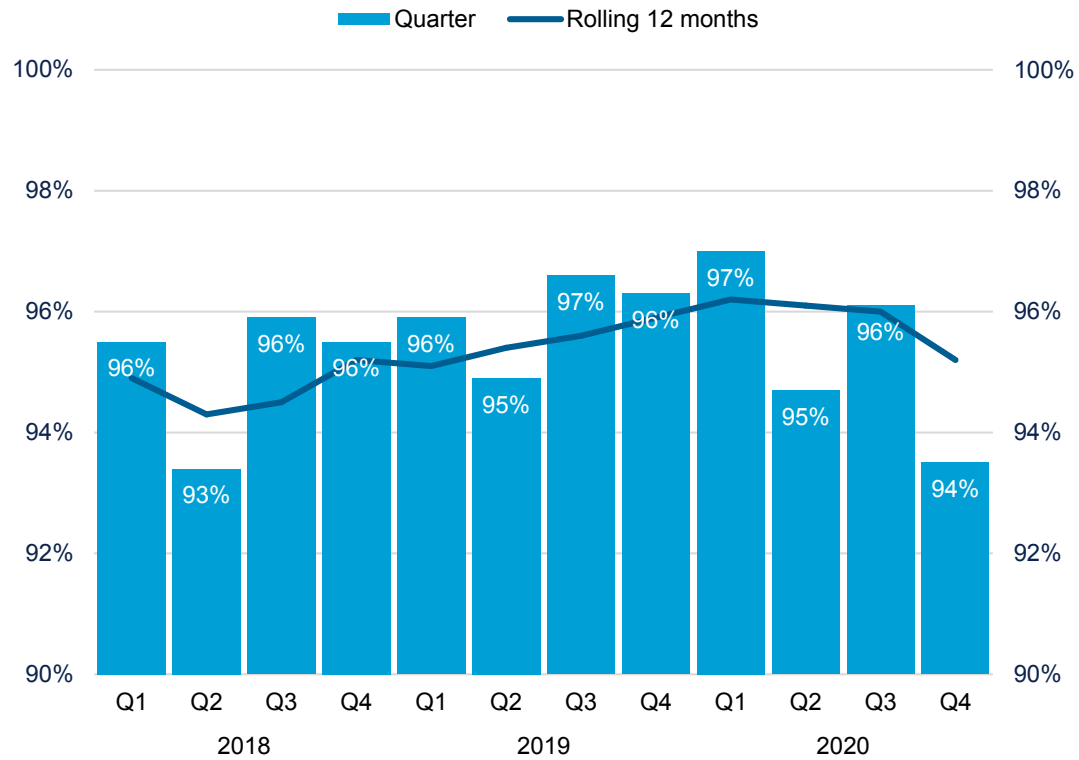
833 MSEK
7.6%

Items affecting comparability of 11 MSEK, relating to capital gains from property sales

Record-strong
Quarterly
result

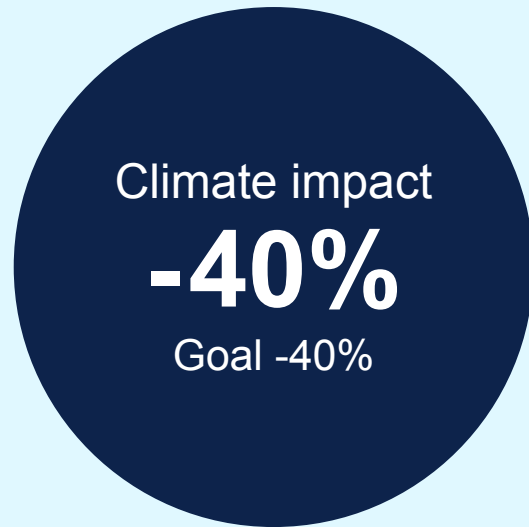
Record-strong
Yearly
result

Delivery quality parcels

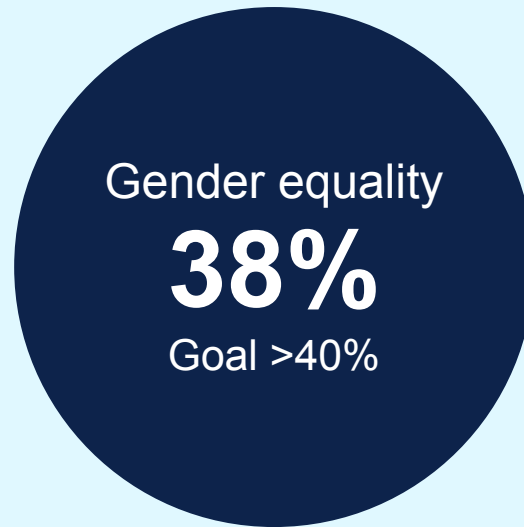


- **Delivery quality PostNord Group 93.5%**
- **Very high volumes**
- **Challenging conditions during the corona pandemic**

Sustainability goals



CO₂ emissions reduction in relation to 2009 levels

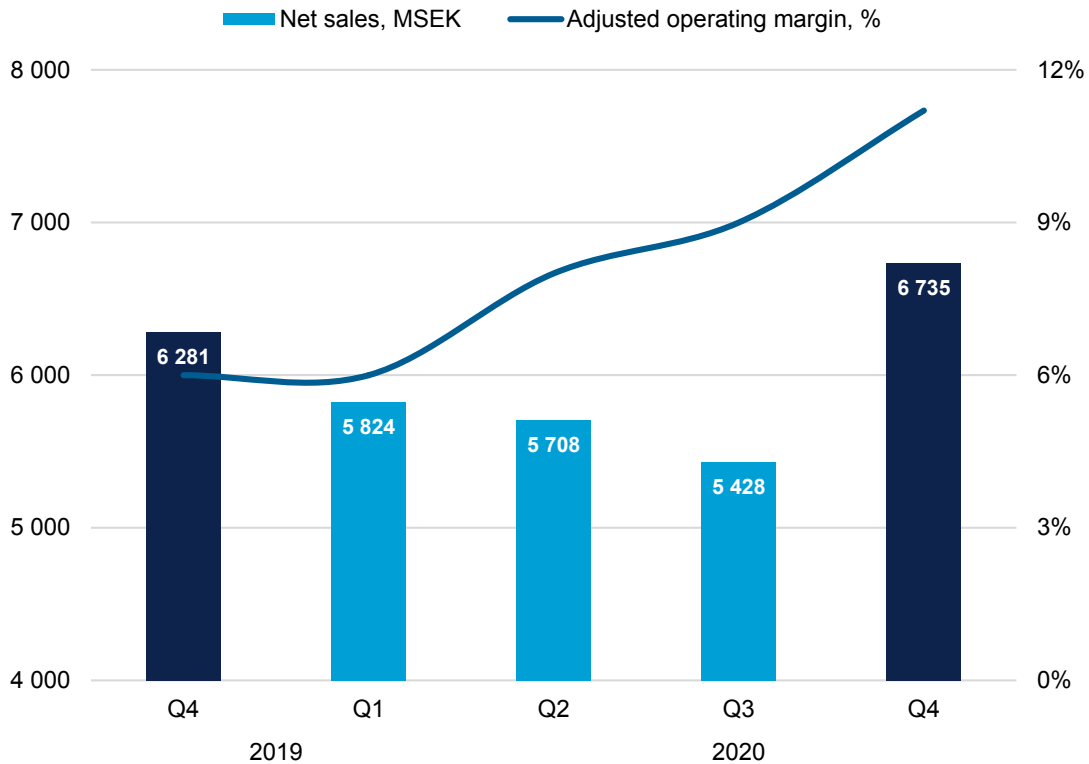


Percentage of PostNord's managers and leaders being women



Share of significant suppliers accepting and adhering to PostNord's Code of Conduct for Suppliers

PostNord Sweden



98.1%

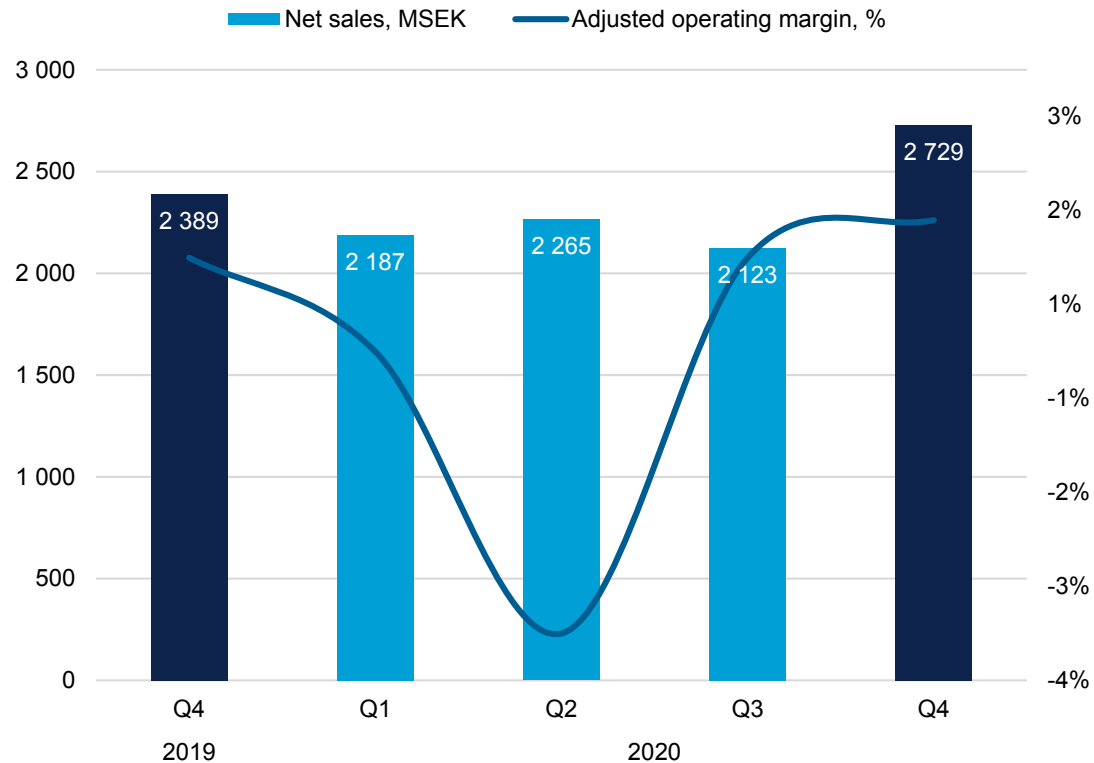
Delivery quality, mail.
Legal requirement 95%
Period from January
to December 2020

94.2%

Delivery quality, parcels. Goal 97%
Refers to the fourth quarter 2020

- **Net sales amounted to 6 735 (6 281) MSEK, +10 (-1) % like-for-like**
 - Mail volumes -11%
 - Parcel volumes +23%
- **Adjusted operating income amounted to 756 (361) MSEK, 11.2%**
 - Strongest result since the segment was established in 2015
- **Strong delivery quality for the mail business, while very high volumes weighed on the parcel business delivery quality performance**
- **Mathias Krümmel new Head of PostNord Sweden as from 1 January**

PostNord Denmark



95.4%

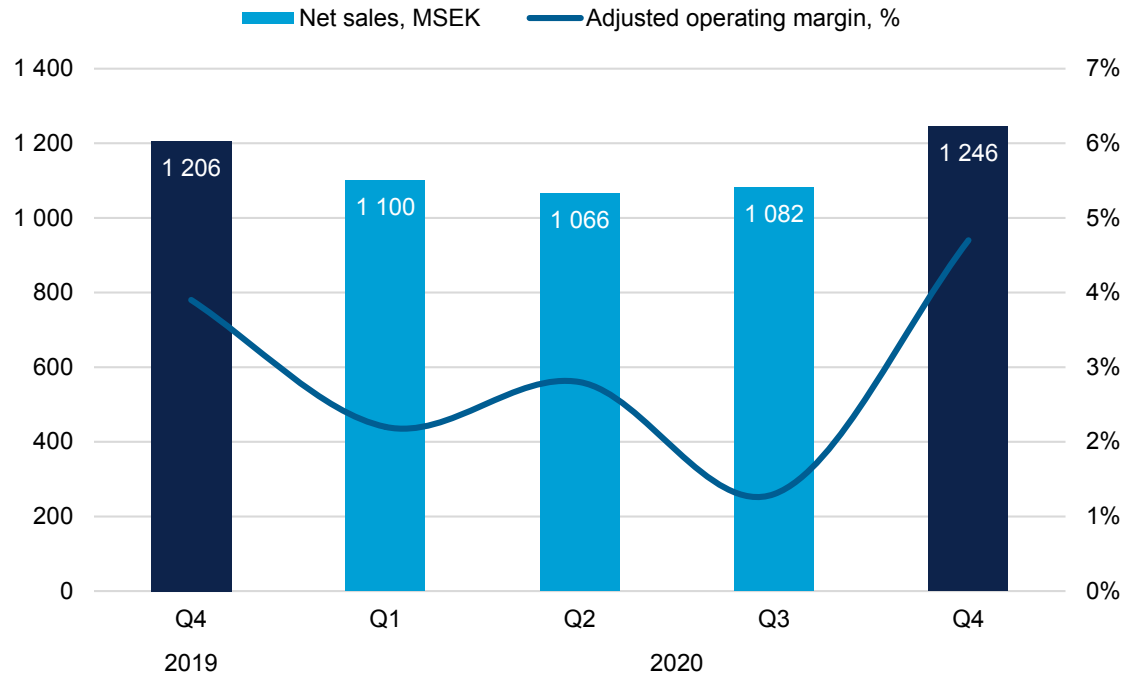
Delivery quality, mail.
Legal requirement 93%
Period from January
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91.6%

Delivery quality, parcels. Goal 97%
Refers to the fourth quarter 2020

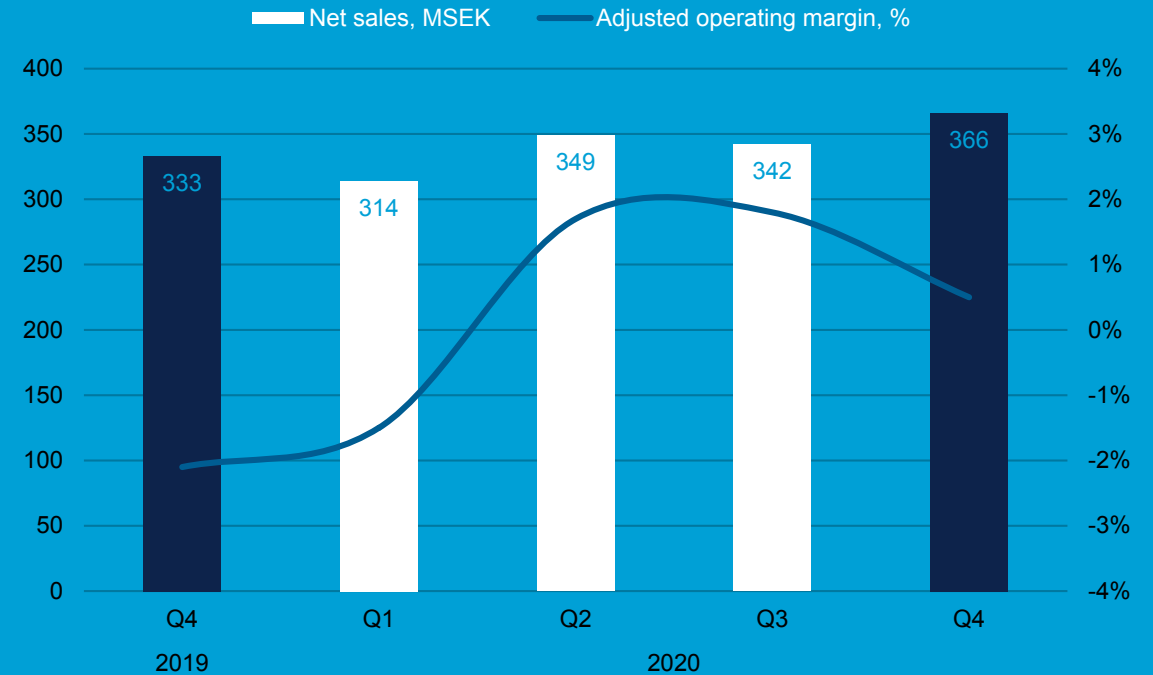
- **Net sales amounted to 2 729 (2 389) MSEK, +18 (-2) % like-for-like**
 - Mail volumes -12%
 - Parcel volumes +37%
- **Adjusted operating income amounted to 37 (25) MSEK, 1.4%**
 - Transformation programs deliver
 - Very high volumes of parcels
- **Strong delivery quality for the mail business, while very high volumes weighed on the parcel business delivery quality performance**
- **Temporary universal postal service (USO) agreement with the Danish government prolonged until 31 August 2021**

PostNord Norway



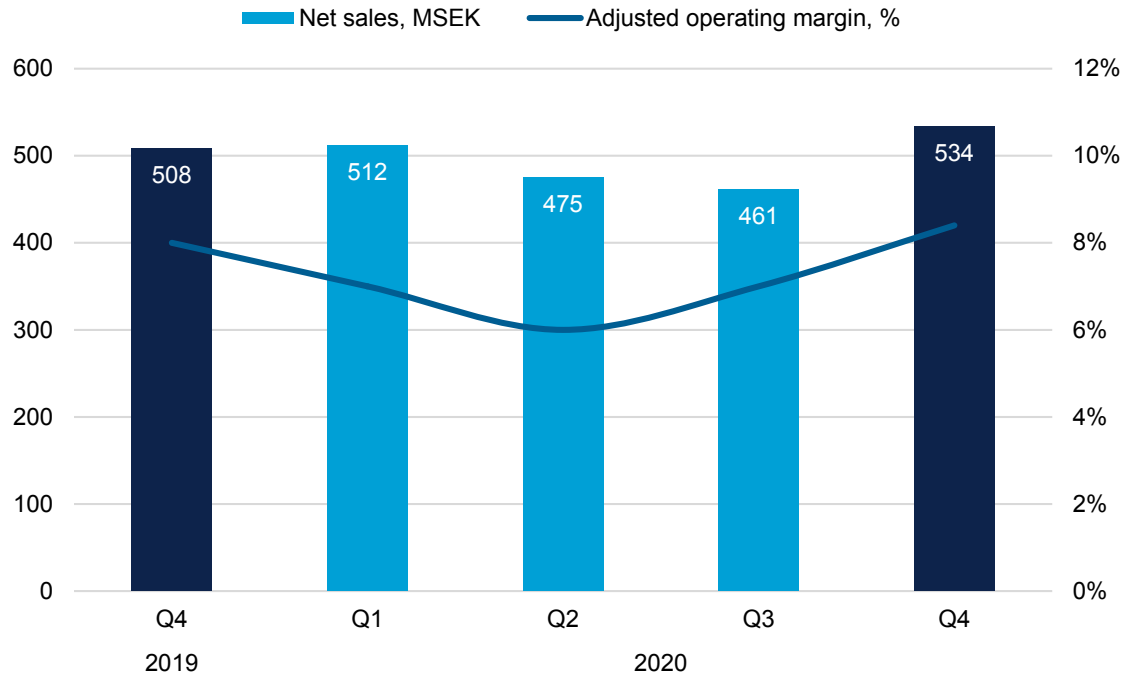
- **1 246 (1 206) MSEK, +14 (9) % like-for-like**
- **Operating income amounted to 59 (47) MSEK, 4.7%**
- **Increased market share**
- **Delivery quality parcels amounted to 93.4%**

PostNord Finland



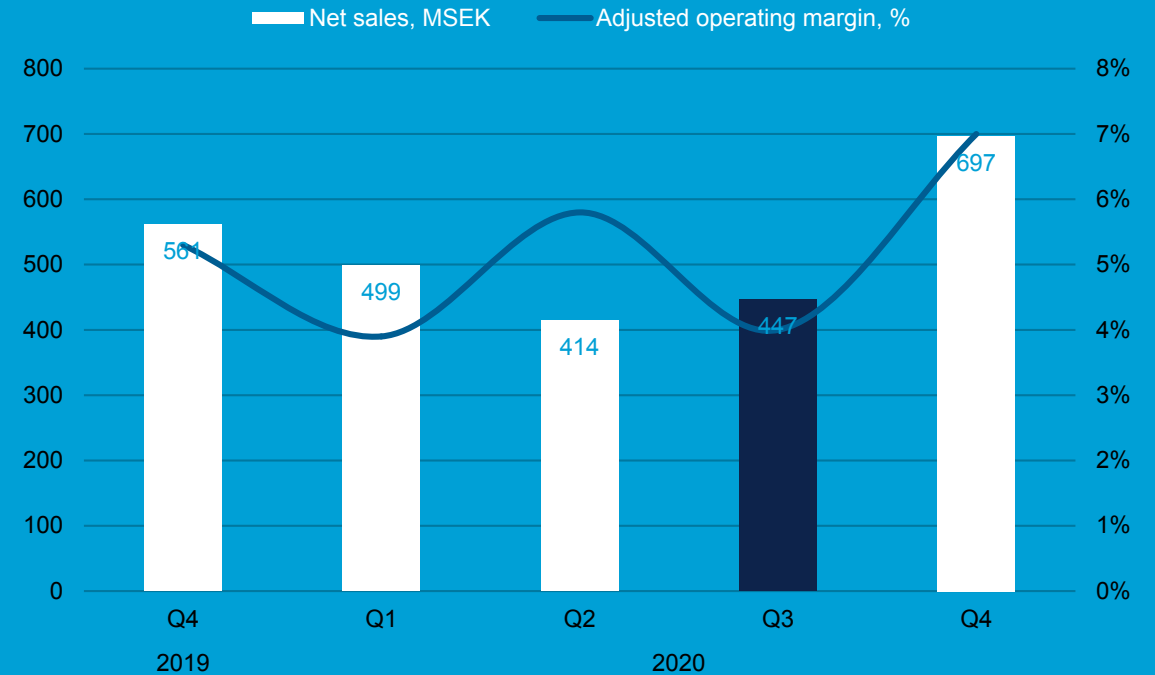
- **Net sales amounted to 366 (334) MSEK, +14 (6) % like-for-like**
- **Operating income amounted to 2 (-9) MSEK, 0.5%**
- **Business deals delivered in the Healthcare sector**
- **Delivery quality parcels amounted to 96.1%**

PostNord Strålfors



- Net sales amounted to 534 (508) MSEK, +8 (-4) % like-for-like
- Operating income amounted to 31 (33) MSEK, 6.8%
- Declining market for printing matter
- Transformation program progressed well

Other business activities



- Net sales amounted to 697 (561) MSEK, +32 (46) % like-for-like
- Operating income amounted to 49 (30) MSEK, 7.0%
- Significantly improved income for Direct Link

Viktor Davidsson

CFO

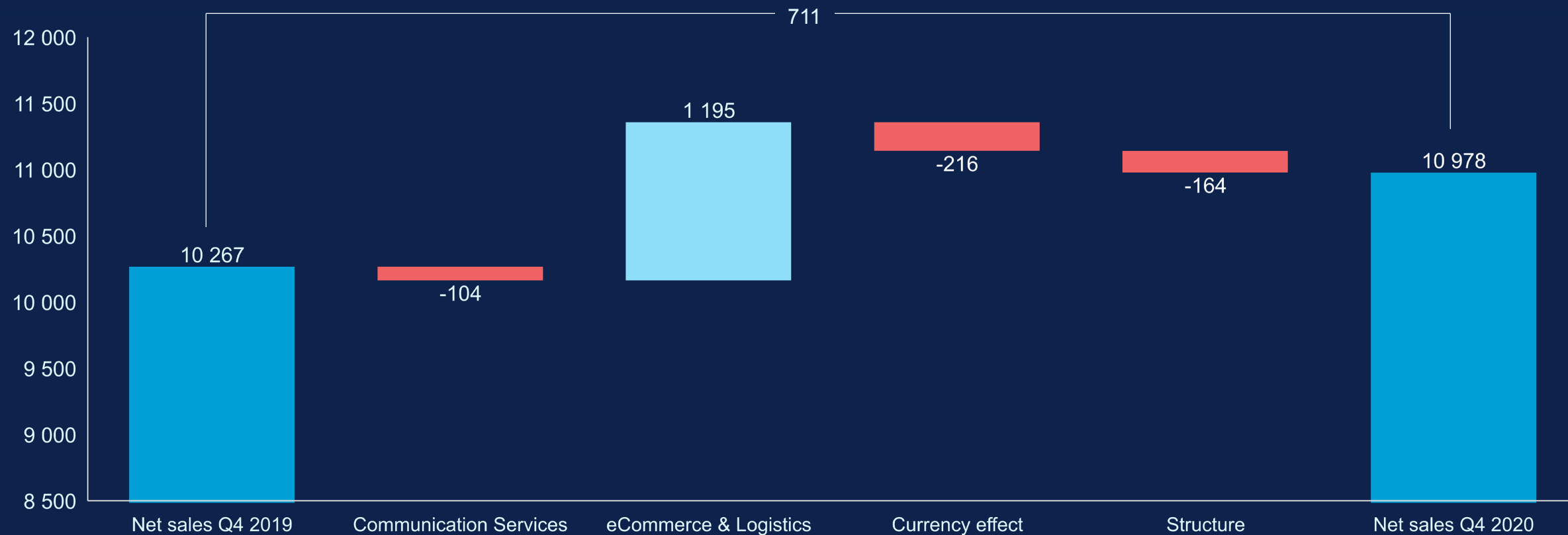


Financial summary

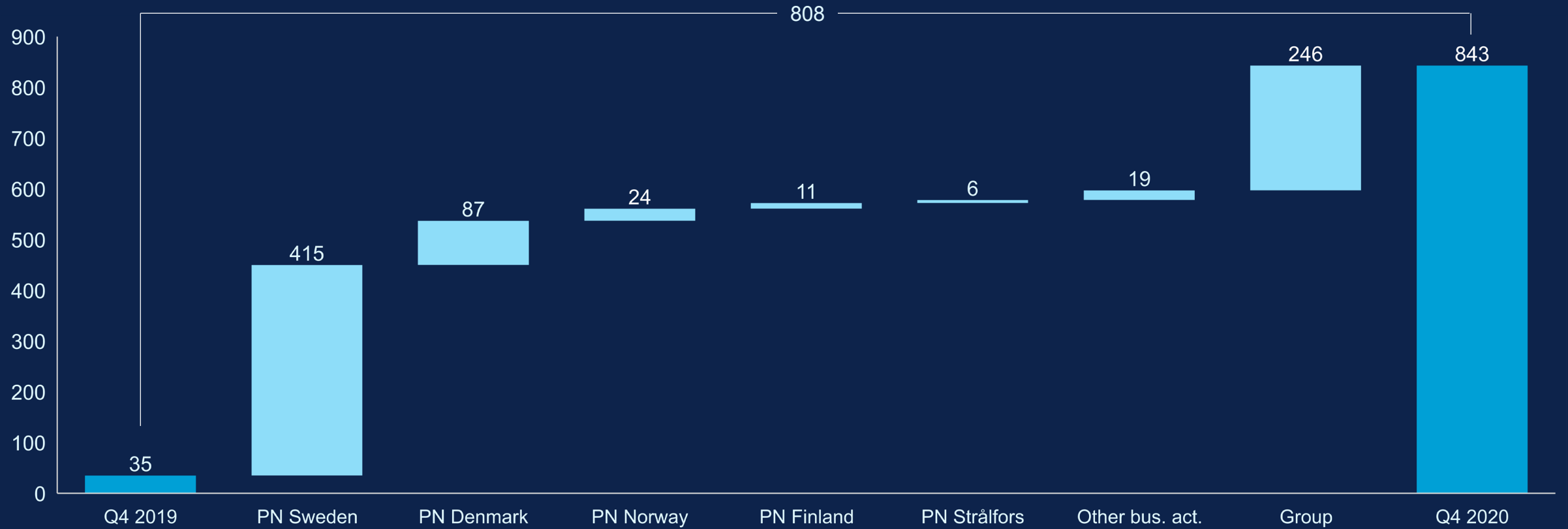
	Quarter 4 / 2020	Quarter 4 / 2019	Change
Net sales, MSEK	10,978	10,267	+11.1%*
Operating income, MSEK	843	35	-
Operating margin, %	7.7%	0.3%	-
Adjusted operating income, MSEK	833	181	-
Financial net, MSEK	-50	-68	-
Cash flow from operating activities, MSEK	877	1,205	-27%
Return on capital employed (ROCE)	18.6%	1.6%	-

*Change at fixed exchange rates for comparable units

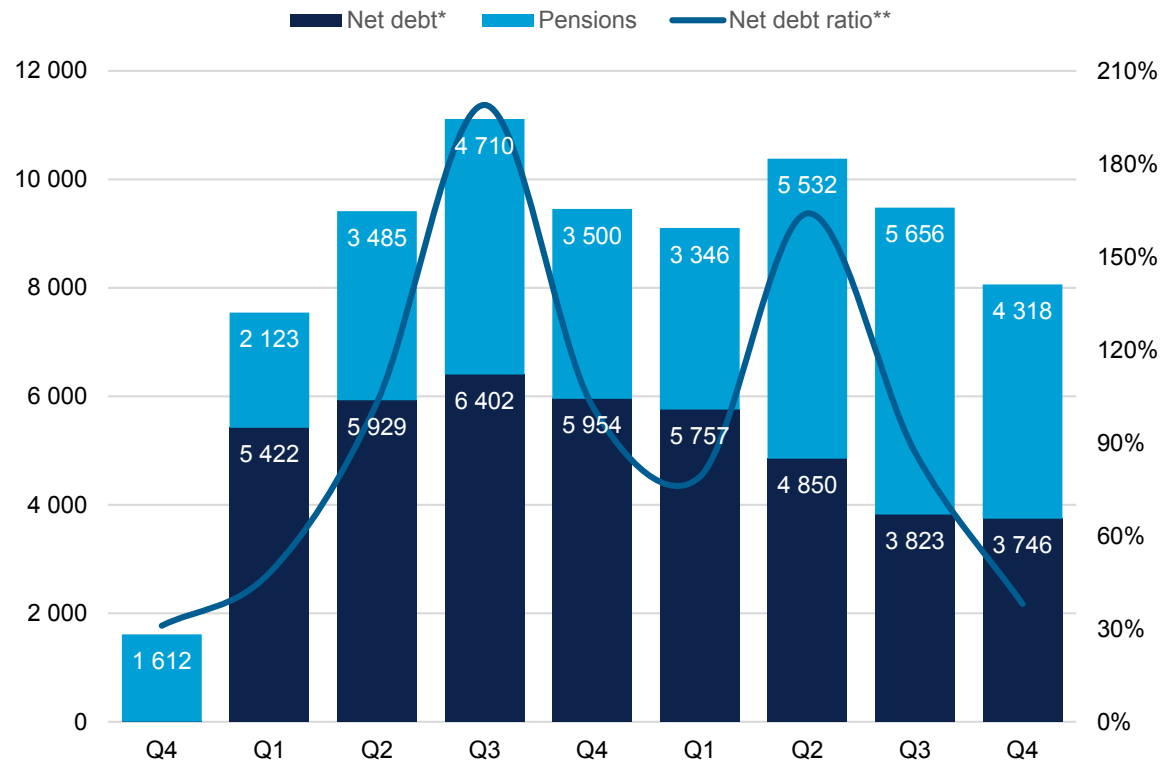
Net sales Q4 2020 versus Q4 2019 MSEK



Operating income Q4 2020 versus Q4 2019 MSEK



Net debt MSEK

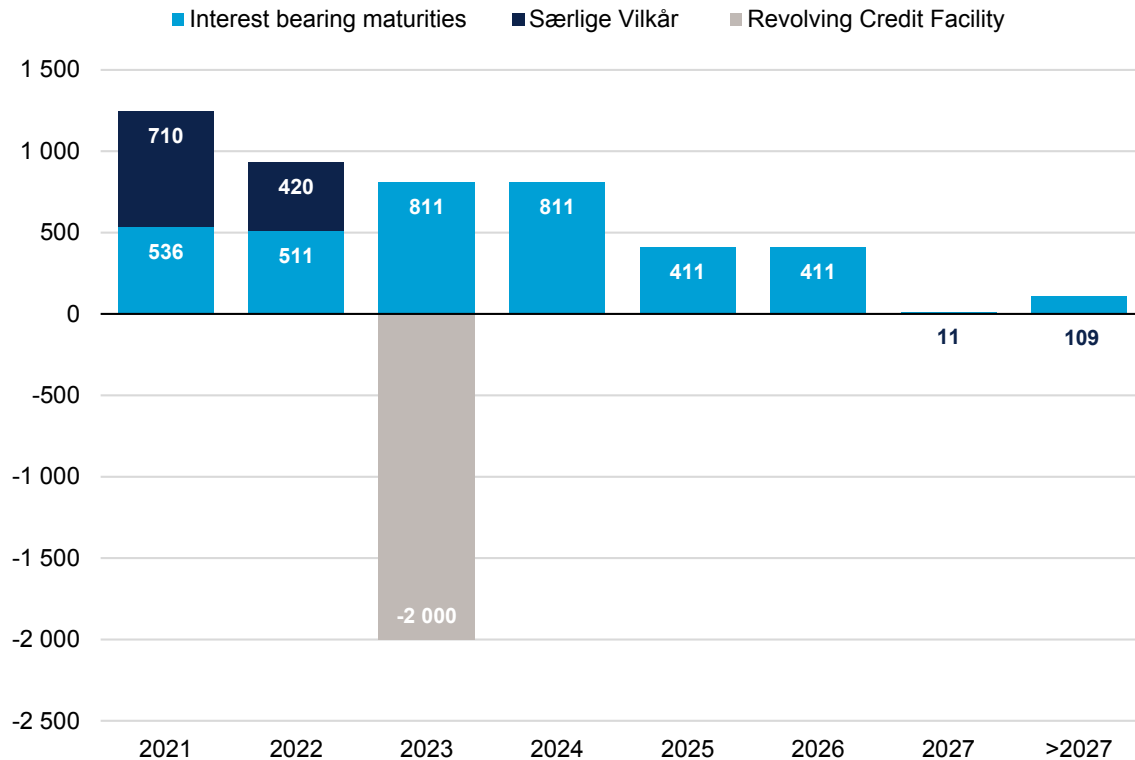


- **Net debt** declined and amounted to 3,746 MSEK
- **Pensions** declined and amounted to 4,318 MSEK
- **Net debt ratio** amounted to 38%, within the target of 10-50%

* Net debt including lease liabilities, excluding pensions

** Net debt ratio including pensions and excluding lease liabilities

Maturity profile MSEK



- The interest bearing debt portfolio primarily consists of bond loans amounting to 2.4 billion SEK and bilateral loans amounting to about 1.0 billion SEK
- Payouts for Særlige Vilkår* until 2022
- Revolving Credit Facility unutilized at the end of the quarter

* The restructuring of the Danish organization resulted in costs for personnel reduction and was accounted for in 2018. Payout to employees with special conditions, so called Særlige Vilkår, extends until 2022.

Summary

- Very high demand for parcels as e-commerce increase
- Continued good pace in our transformation program
- Record-strong result
- Target of 40 percent reductions in emissions achieved



Thank you

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