



# Quarterly Report

2<sup>nd</sup> quarter 2022  
Posten Norge





**Second quarter 2022**  
Posten Norge

### Part 1:

- Overview and financial trends by CEO Tone Wille

### Part 2:

- International logistics, by EVP Erik Roth





# 2<sup>nd</sup> quarter and 1<sup>st</sup> half-year 2022

Part 1 - Highlights and financial development



# Highlights

- Good adjusted operating result
- Growth in parcel volumes within declining e-commerce market
- Record-high transport and energy prices
- Continued volume fall in addressed mail
- Good delivery quality
- Christmas movie “When Harry met Santa” awarded the world’s best advertising film
- New venture investments in circular economy
- Posten climate winner among Norwegian companies in PwC’s climate index and included in Financial Times’ report on “Europe’s Climate Leaders”

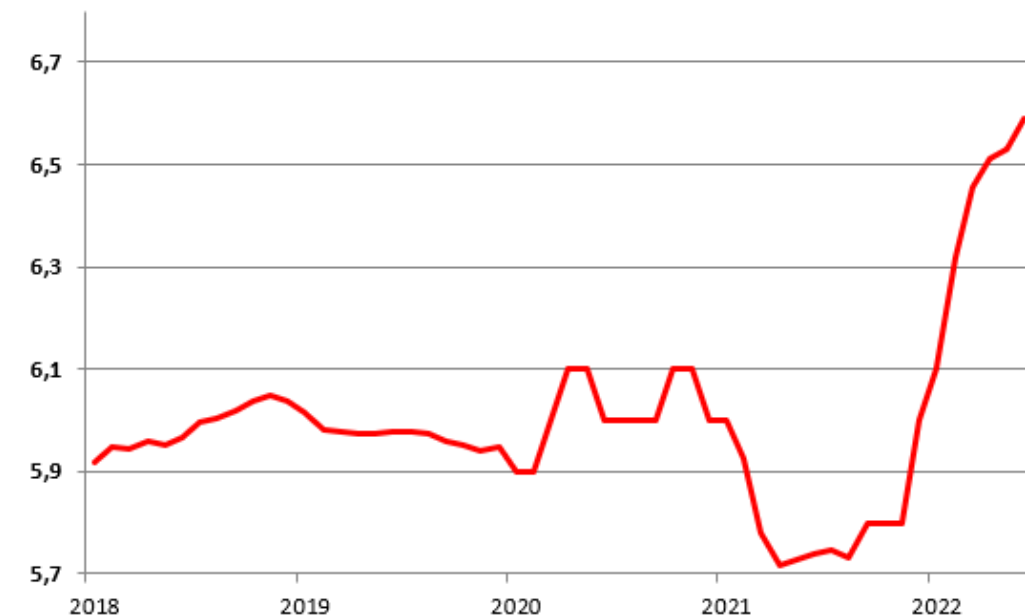




# HSE 1<sup>st</sup> half year 2022: High Corona-related absence due to sickness, positive trend in injuries

ABSENCE DUE TO SICKNESS IN THE GROUP, %

6,6 % (last 12 months)

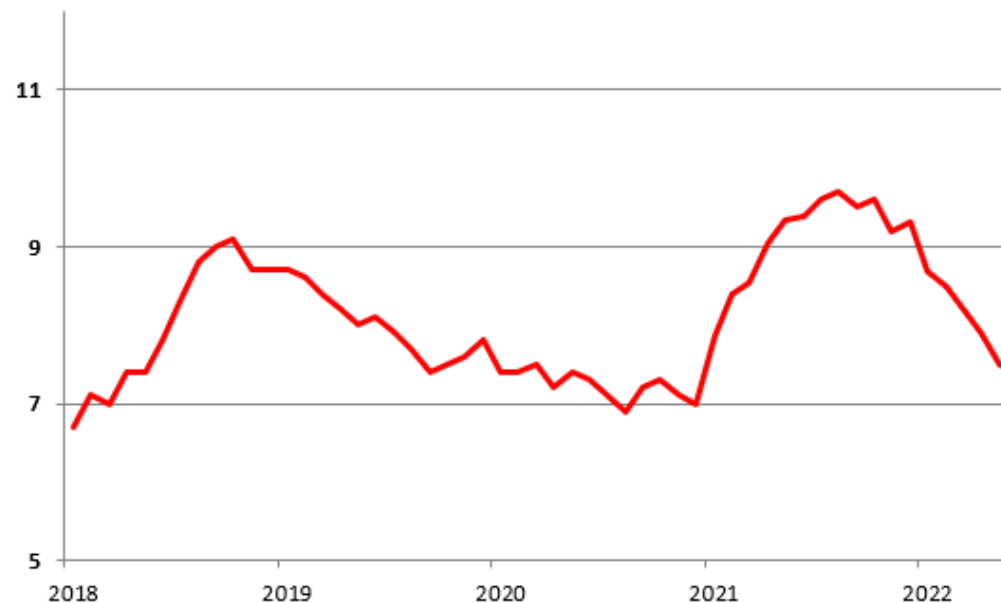


\*Historical data has been adjusted for post-registration

- Absence due to sickness in the last 12 months was 6,6 %, 0,5 % higher than at year-end. The number of sick days related to Corona increased considerably towards the end of 2021 and into the 1<sup>st</sup> half-year 2022.

H2 IN THE GROUP

7.4 (last 12 months)



\*Historical data has been adjusted for post-registration

- The total number of injuries per million worked hours (H2) in the last 12 months was 7,4, a reduction of 1,9 from year-end. Measures have shown results, and the positive trend continued in the 1<sup>st</sup> half-year 2022.

*Our goal is a health-promoting working environment where nobody gets injured or sick as a consequence of their work in the Group.  
Efforts to improve the development through goal-oriented measures continue.*



# Financial highlights – 2<sup>nd</sup> quarter 2022 and 1<sup>st</sup> half-year 2022

## OPERATING REVENUES, MNOK

Q2 2022

5 814

Q2 2021

6 027

YTD 2022

11 451

YTD 2021

12 026

## ADJUSTED OPERATING PROFIT\*, MNOK

Q2 2022

144

Q2 2021

382

YTD 2022

288

YTD 2021

809

## RETURN ON INVESTED CAPITAL/ROIC\*, %

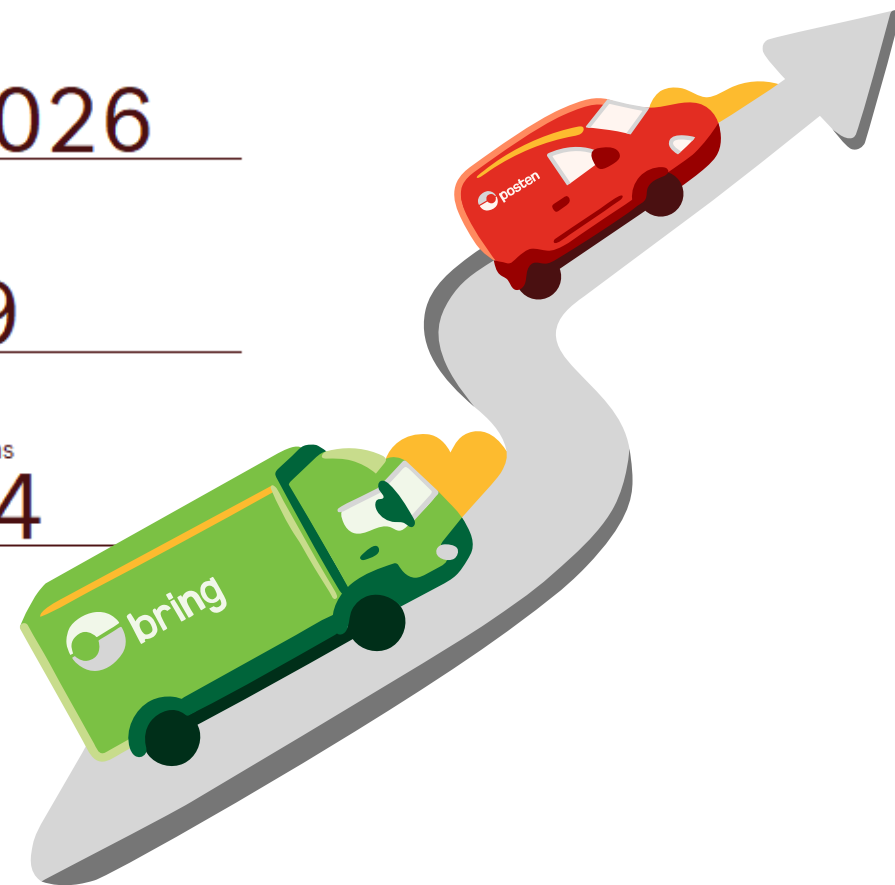
Last 12 months

10,0

Last 12 months

19,4

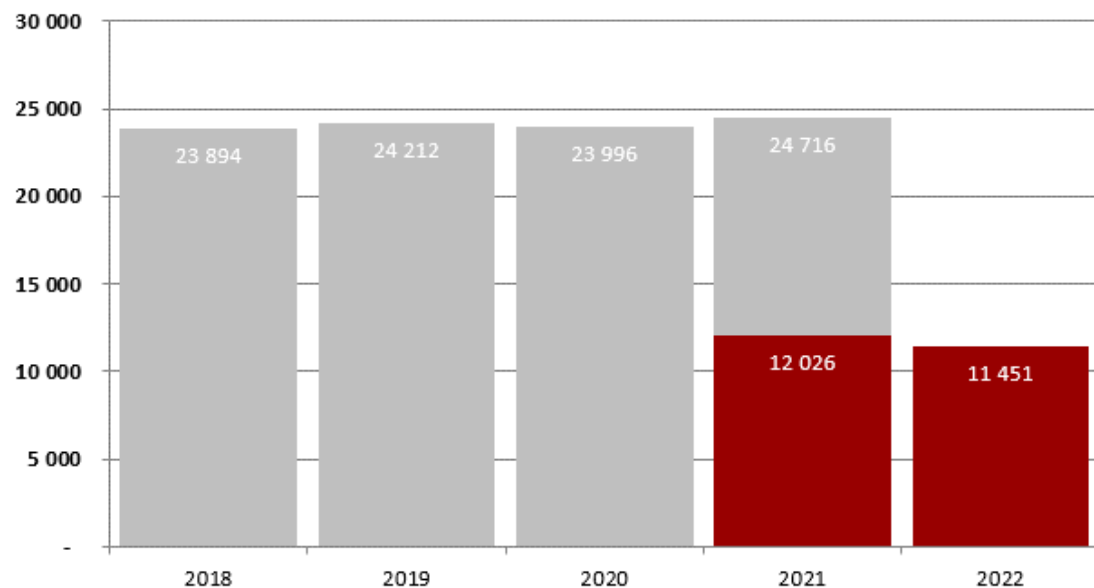
\*For descriptions of alternative performance measures, see appendix to the report





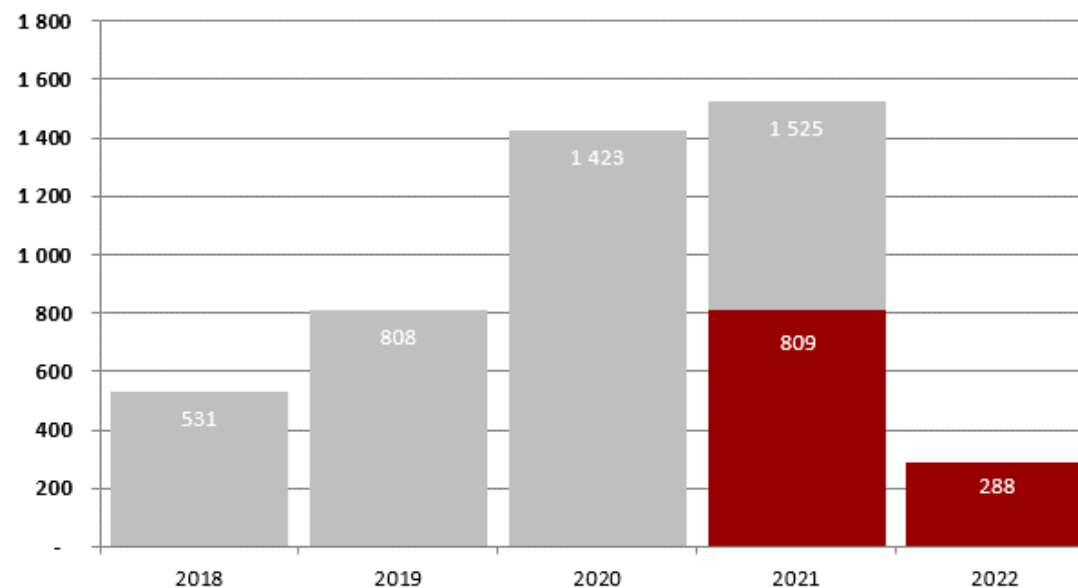
# Revenue and adjusted operating profit - 1<sup>st</sup> half-year 2022

Revenue, MNOK



- Organic growth was 4,5 % in the 1<sup>st</sup> half-year 2022
- Organic growth of 9,1 % in the Logistics segment. Reduced turnover compared with last year due to the sale of Frigoscandia
- Reduced turnover in the Mail segment due to continued fall in volumes

Adjusted operating profit, MNOK



- Adjusted operating profit in the 1<sup>st</sup> half-year 2022 was MNOK 288, a reduction of MNOK 521 compared with last year's record year
- Reduced result in the Logistics segment was a consequence of a declining e-commerce market, record-high transport and energy prices in addition to high Corona-related absence due to sickness
- Lower result in the Mail segment due to continued fall in volumes



# Results 2<sup>nd</sup> quarter and 1<sup>st</sup> half-year 2022

## Profit development (unaudited)

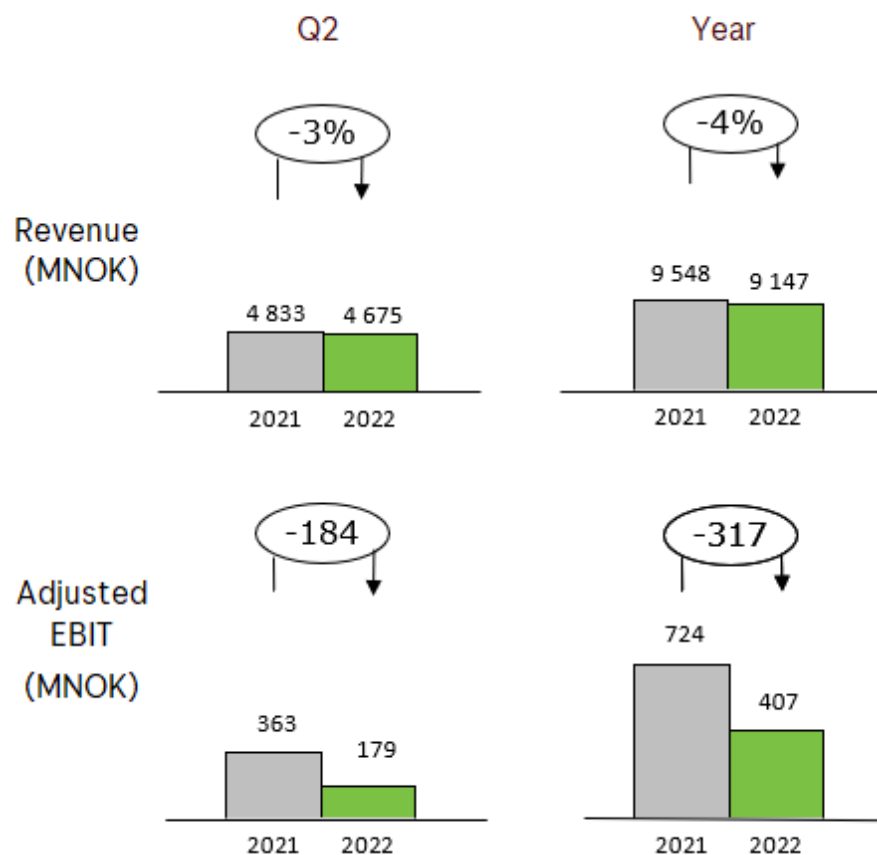
Q2 2022	Q2 2021		YTD 2022	YTD 2021	Year 2021
5 814	6 027	Revenue	11 451	12 026	24 716
479	686	EBITDA	952	1 414	2 765
144	382	Adjusted operating profit	288	809	1 525
(161)	392	Operating profit (EBIT)	(55)	820	1 462
(110)	(32)	Net financial items	(144)	(25)	(109)
(271)	361	Profit before tax	(198)	795	1 352
<b>(203)</b>	<b>269</b>	<b>Profit after tax</b>	<b>(147)</b>	<b>621</b>	<b>1 058</b>

For descriptions of alternative performance measures, see appendix to the report

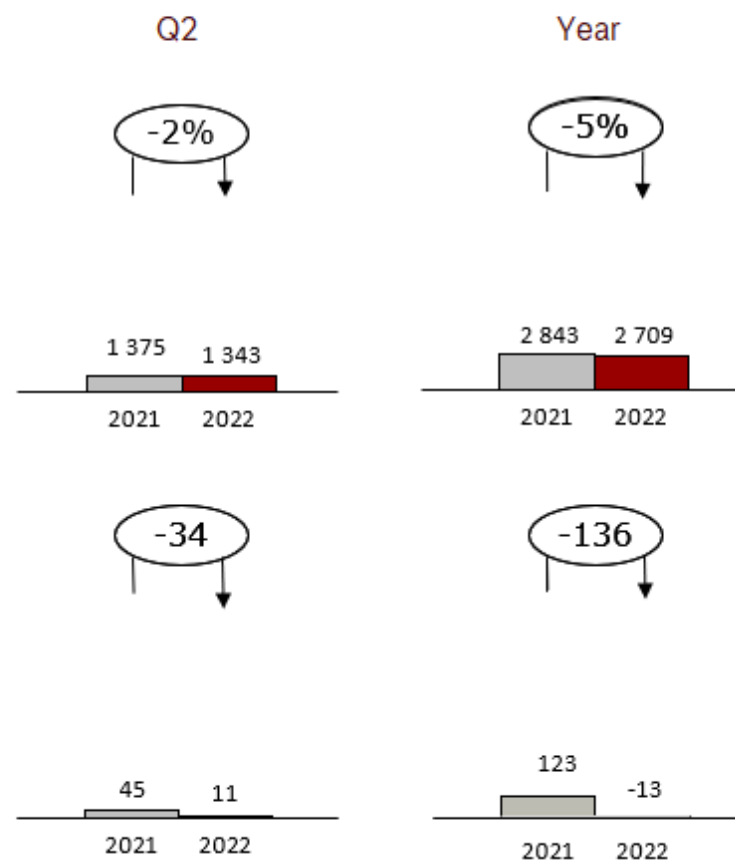


# Segment reporting

## LOGISTICS



## MAIL

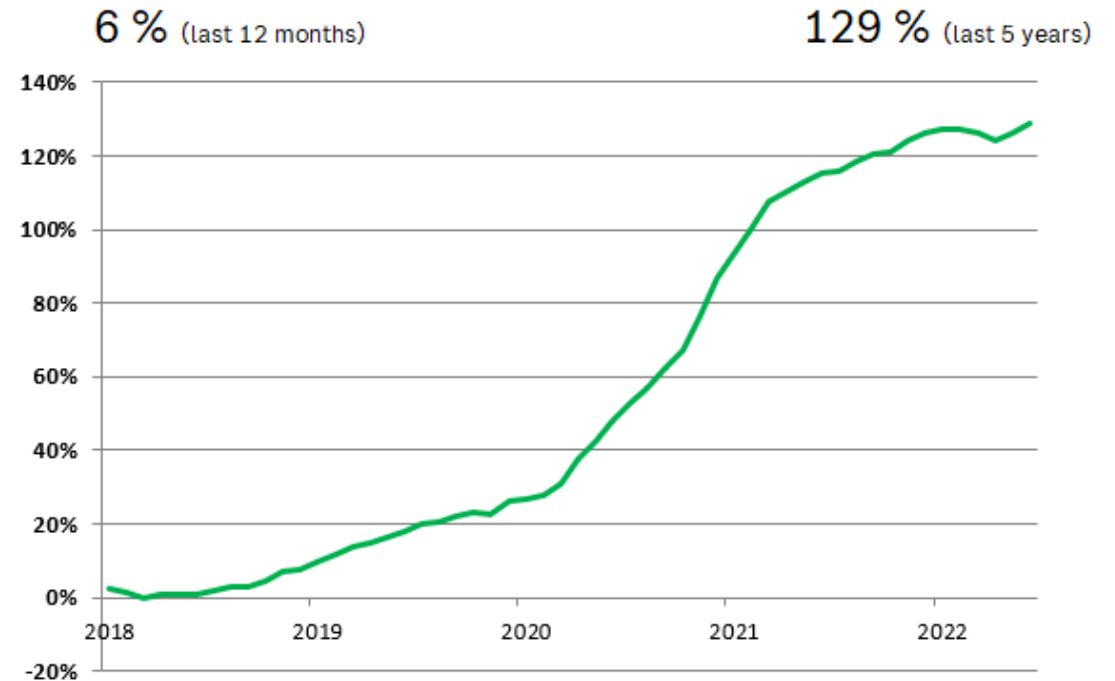




# Segment Logistics: Growth in a challenging e-commerce market

- Market growth for e-commerce has declined in the 1<sup>st</sup> half-year 2022 with practically no growth in the period
- E-commerce volumes increased by 6 % in the last 12 months
- Uncertainty and turbulence in the market contributed to negative growth of 2 % in the corporate market in the first half-year
- Continued significant geopolitical turbulence, and challenging market conditions are expected also in the 2<sup>nd</sup> half-year 2022

DEVELOPMENT IN E-COMMERCE FROM Q2 2018, %



E-commerce volumes include all parcels under E-commerce & Consumer Deliveries in division E-commerce and Logistics

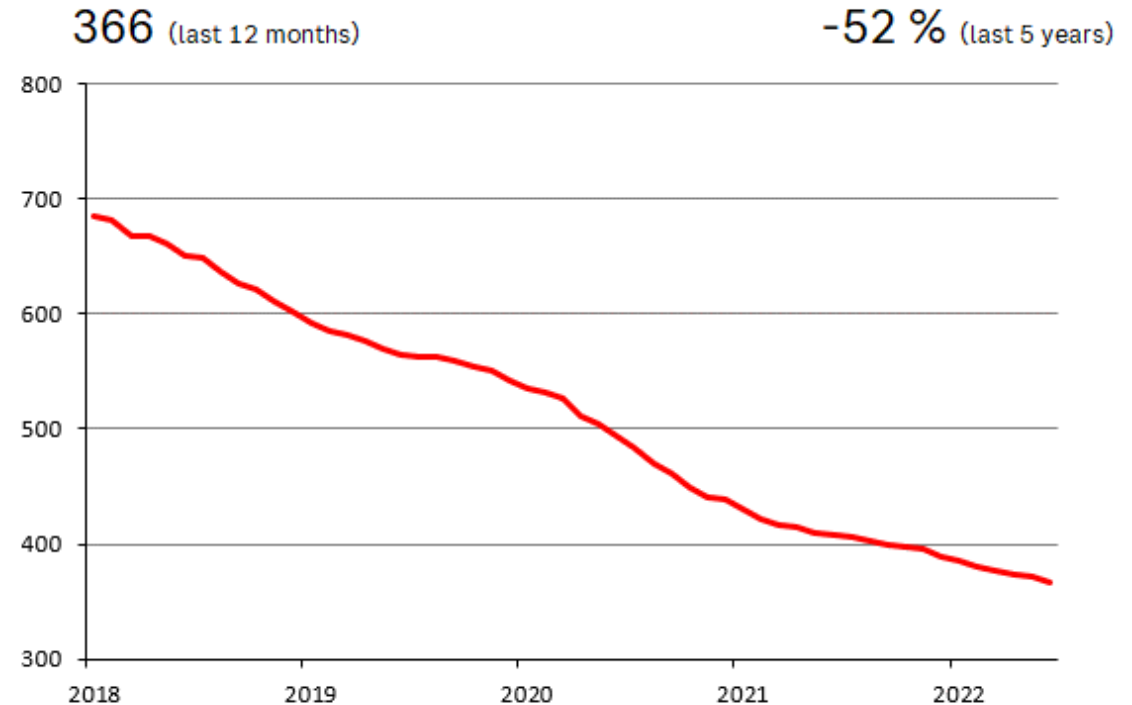


# Segment Mail:

## Continued decline in mail volumes

- The addressed mail volume fell by 11 % in the 1<sup>st</sup> half-year 2022
- The volume of unaddressed mail increased by 17 % compared with the same period in 2021
- Norgespakken had a volume growth of 33 % in the 1<sup>st</sup> half-year 2022
- The delivery quality in the 1<sup>st</sup> half-year was 91,7 % , well above the requirement of 85 %

VOLUME ADRESSED MAIL FROM Q2 2018, millions





# Future prospects

- Challenging market situation expected also in the 2<sup>nd</sup> half-year
- Geopolitical conditions will affect margins
- Charging infrastructure development
- The operating model in the courier business to be reviewed
- Increased digital threat level
- Posten invests for further growth
- Recruiting campaign to be started to meet the shortage of drivers







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### Part 1:

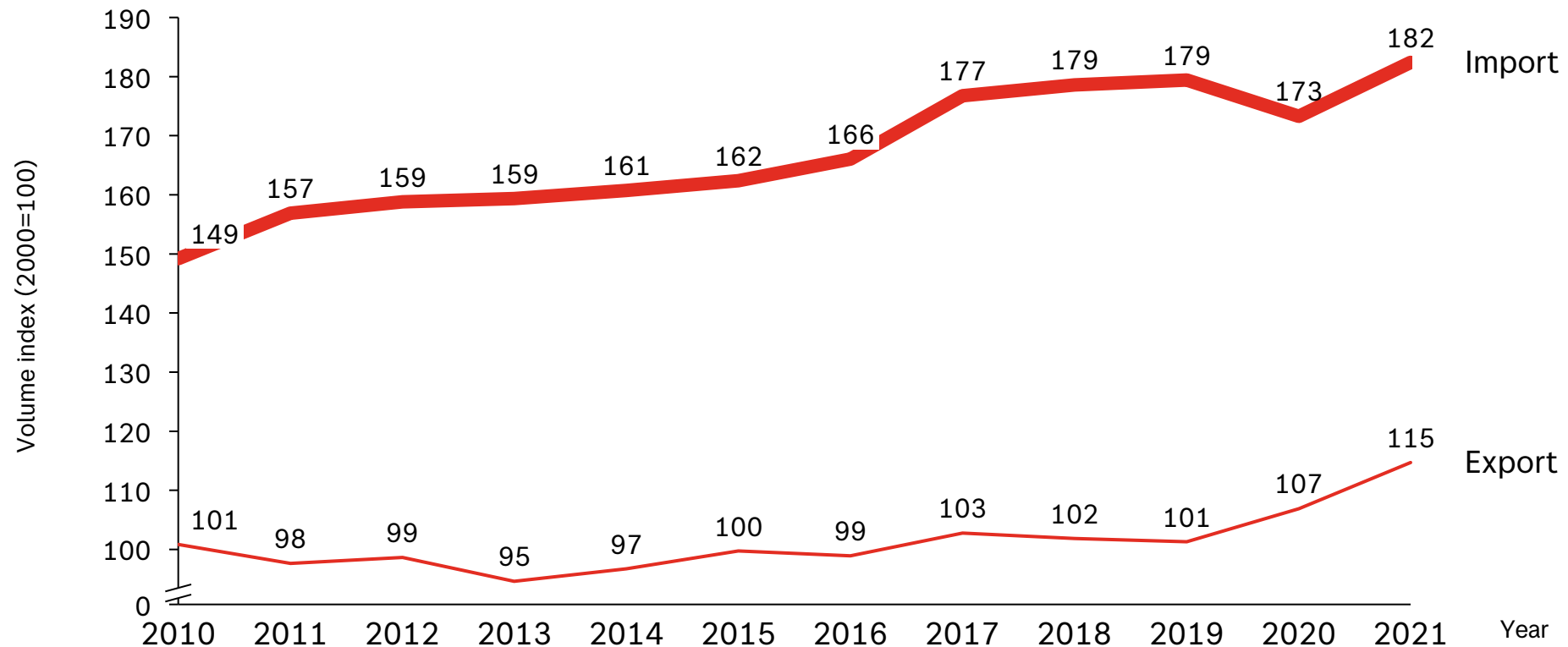
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### Part 2:

- **International logistics** by **EVP Erik Roth**

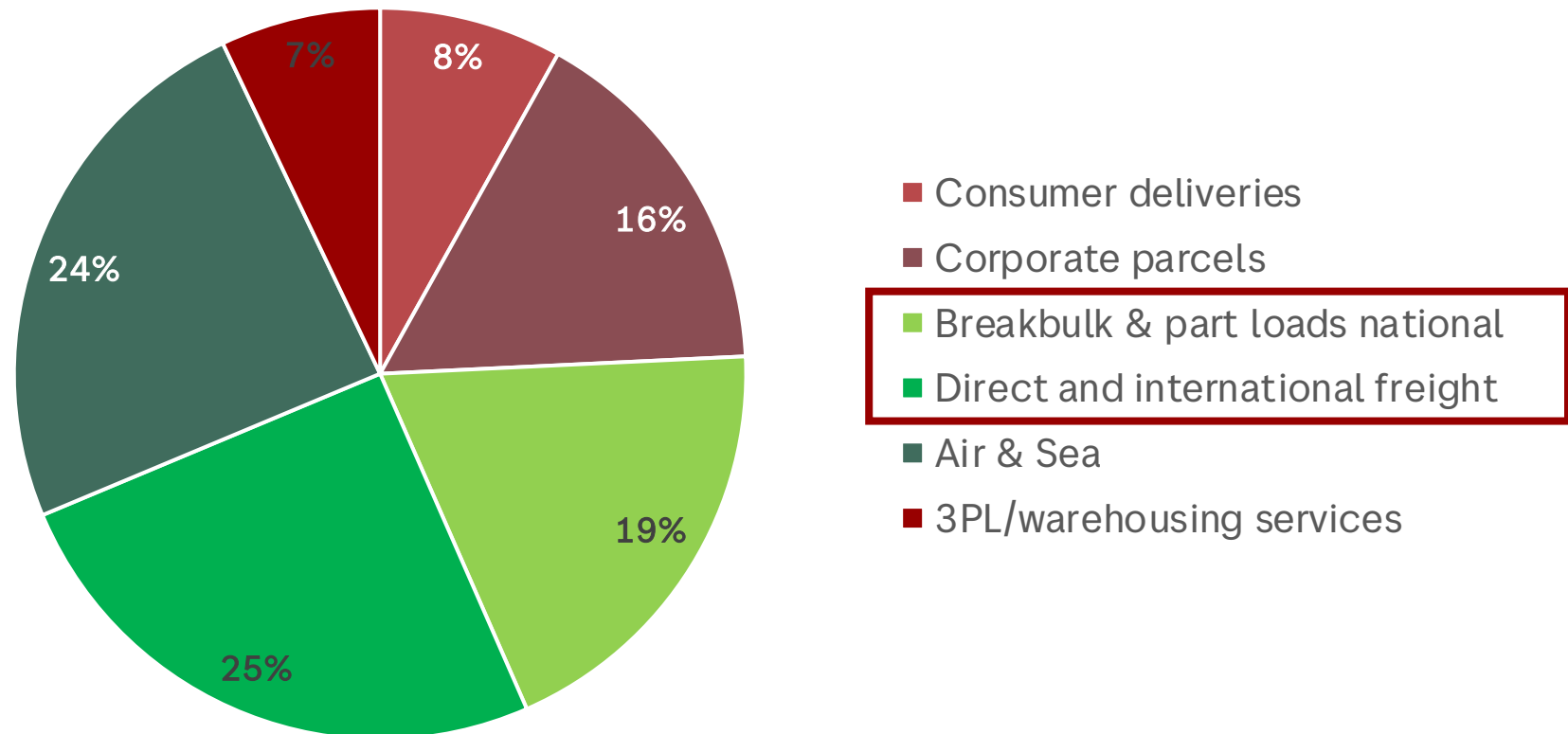


# The volume of freight in and out of Norway is increasing – imports by volume are increasing more than exports



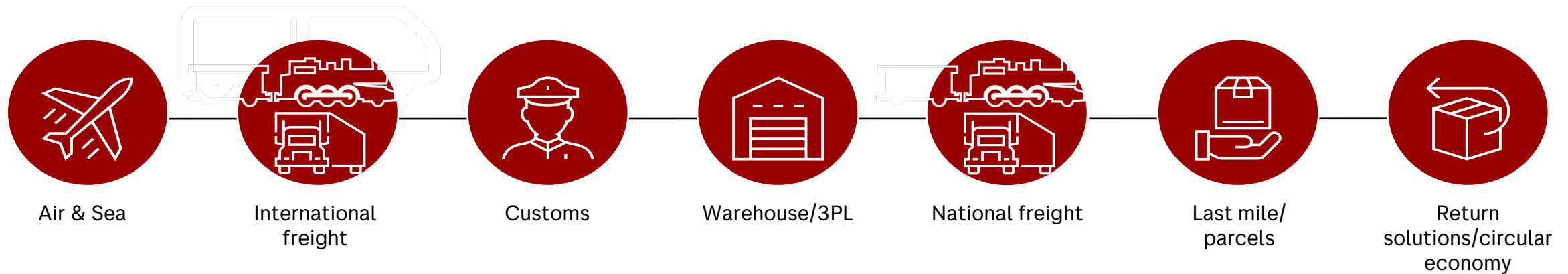
# The freight market makes up close to 45% of the total logistics market in Scandinavia

The Nordic logistics market (>NOK 200 billion)





# The Group is well positioned along the entire logistics value chain



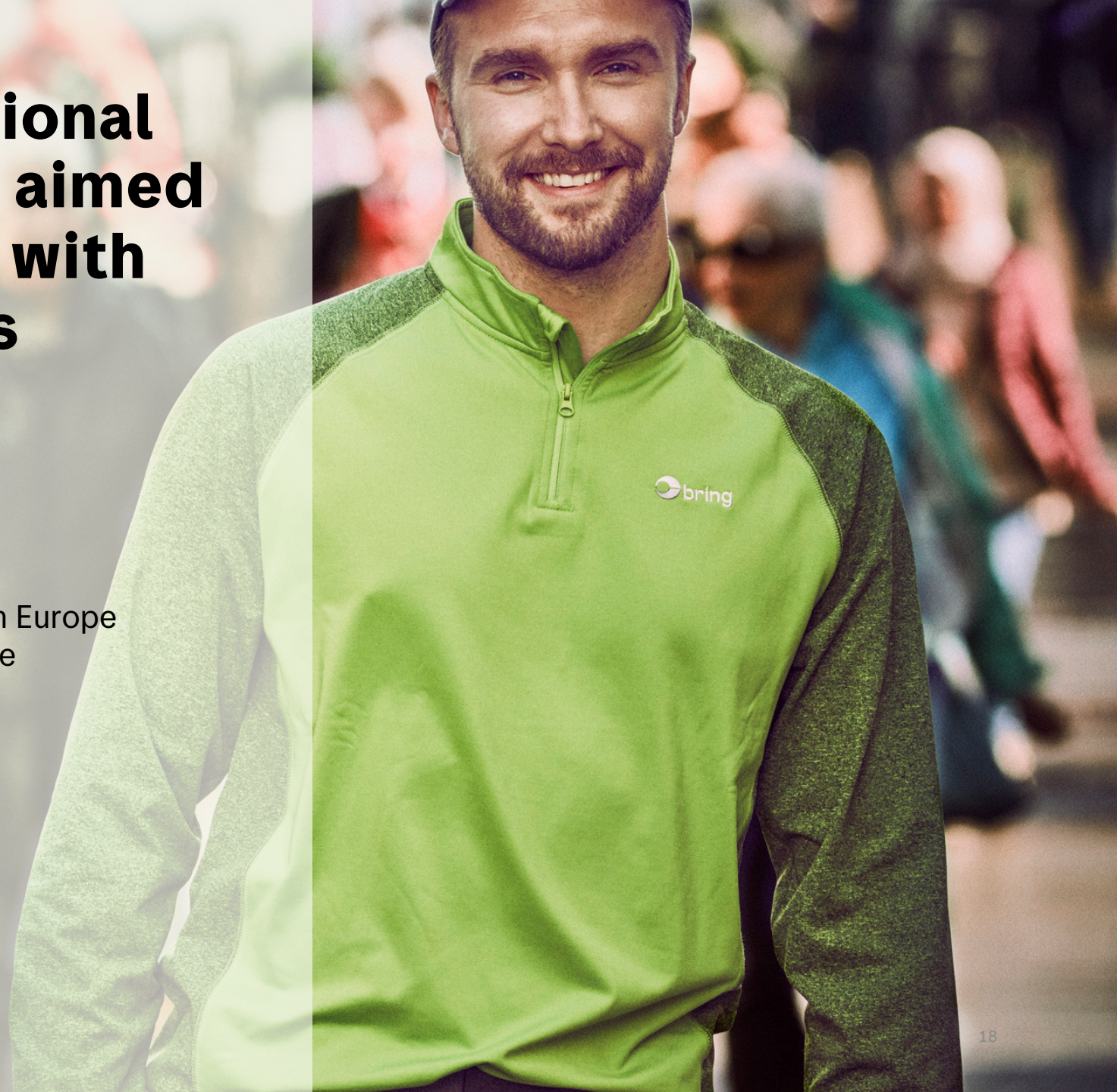


**Corporate customers are  
experiencing an increasingly  
complex world**



# Posten Norge's international logistics operations are aimed at corporate customers with complex logistics needs

- Many of our customers are large, international businesses
- The Group is represented in several countries in Europe with its own employees and has global coverage through business partners
- Our international service areas:
  - Breakbulk and part loads
  - Full truckloads
  - Offshore and specialised logistics solutions





# Good logistics solutions are essential for our business customers' competitiveness



Breakbulk and part loads



Full truckloads

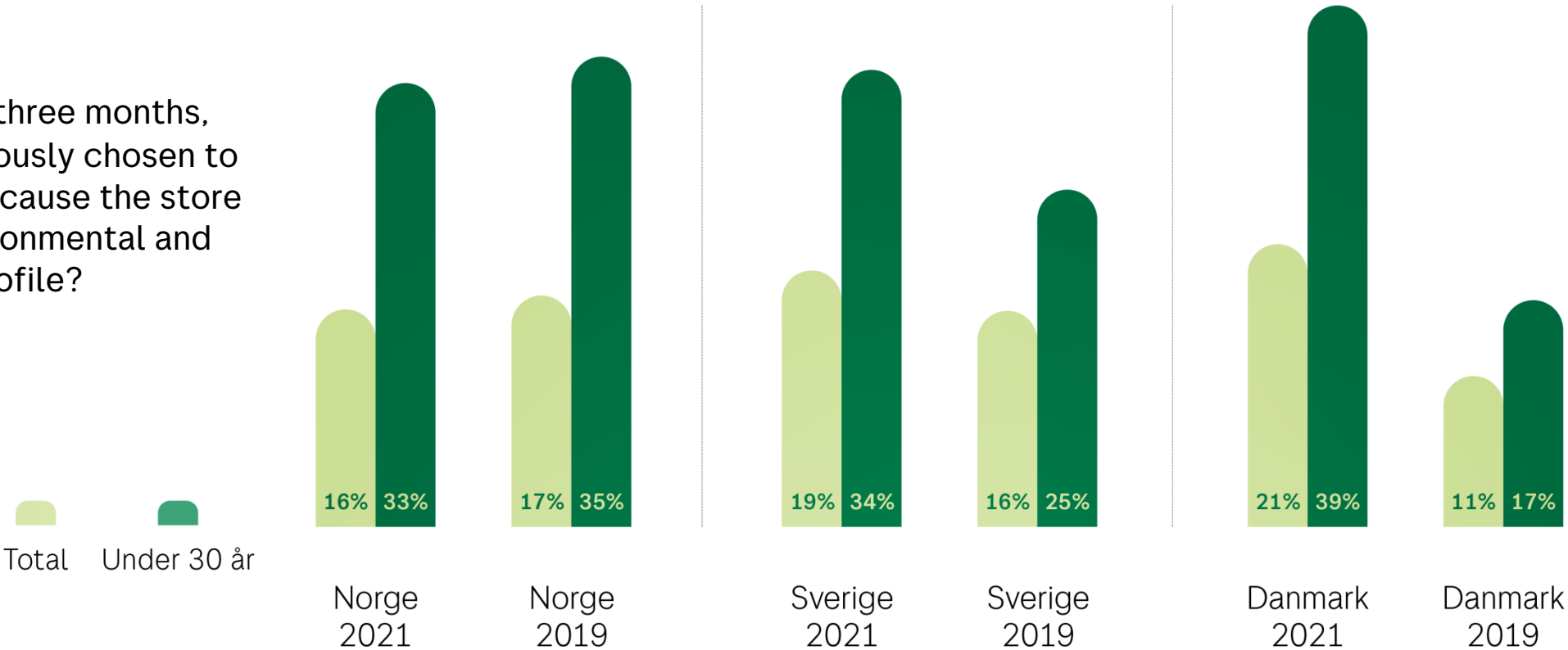


Offshore and specialised logistics solutions



# Environmentally friendly solutions are a growing competitive advantage

During the past three months, have you consciously chosen to buy products because the store had a clear environmental and sustainability profile?



# Heavy and long-distance transport can be carried out in a more environmentally friendly manner in the short term by combining rail with collection and delivery in an environmentally friendly vehicle



- Environmentally friendly technology for the heaviest vehicle types is currently underdeveloped. It is expected to be available by around 2030
- The international logistics business buys the heaviest vehicle types to transport freight
- **Our short-term green road map**
  - Further develop intermodal services (emission-free vehicles combined with rail)
  - Use HVO100 as an alternative to fossil fuels
  - Cooperate with manufacturers on testing with heavier vehicles (50–60 tonnes)
  - Set stricter requirements for the Euro VI model
  - Continuously replace lighter trucks with emission-free vehicles

**We test new,  
environmentally  
friendly transport  
technology and  
invest in zero-  
emission solutions**

Bring was first in the offshore industry in Norway to test a heavier electric transport truck





- Easier and more seamless customer processes through good ordering solutions and access to data
- More detailed and more rapidly available information – ideally value-added with environmental and quality overviews
- Enhanced quality through direct data transfer and fewer manual processes

**Posten Norge's  
successful  
investment in  
digitalisation  
enables better  
value  
propositions for  
customers**

# Ingen kjenner Norge bedre

