2009 ANNUAL REPORT NORWAY POST

1

Posten Norge

KEY FIGURES 2009

NORWAY POST GROUP	2009		2008	2007	2006	2005	2004
Operating revenues (MNOK)	27 104	▼	28 663	26 810	23 273	19 995	17 959
EBIT (MNOK)	**482**	▲	**361**	**1 080**	**1 313**	**1 155**	**1 257**
Government procurements (MNOK)	518	▲				326	316
Share of revenue from licensed area	**12,9 %**	▲	**12,5 %**	**13,1 %**	**15,0 %**	**18,3 %**	**20,8 %**
Revenues from foreign subsidiaries (MNOK)	7 216	▼	7 428	6 240	4 153	1 727	1 443
Total parcel volume Posten Norge AS (million)	**34,9**	▼	**35,0**	**32,1**	**30,7**	**31,3**	**29,2**
Total letter volume Posten Norge AS (million)	2 284	▼	2 598	2 687	2 752	2 654	2 586
Development A and B mail	**(10,1 %)**	▼	**0,7 %**	**(0,3 %)**	**(0,8 %)**	**(5,8 %)**	**(7,0 %)**
Delivery quality A-priority mail (% delivered overnight)	88,3 %	▲	87,1 %	85,1 %	82,4 %	86,7 %	87,5 %
Machine-sorted, small letters	**85 %**	▲	**84 %**	**80 %**	**80 %**	**82 %**	**81 %**
Machine-sorted, all letters	72 %	▲	70 %	66 %	64 %	61 %	59 %
Employees (full-time equivalents) as at 31 December	**24 163**	▼	**25 851**	**24 870**	**22 272**	**20 541**	**21 373**
No. of sales outlets (post offices/Post in Shops)	1 443	▼	1 479	1 487	1 501	1 523	1 529
Customer satisfaction with the sales network (points, max. 100)	**87**	▲	**84**	**83**	**83**	**81**	**80**
Norway Post's reputation, % with a «Good Impression» (Synovate)	61 %	▲	55 %	54 %	59 %	56 %	50 %

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EVOLUTION CHARACTERISES THE GROUP'S STRATEGY UNTIL 2013. WE WILL CONSOLIDATE AND REINFORCE THE CURRENT POSITIONS TO BE THE BEST, BUT NOT NECESSARILY THE BIGGEST IN THE SCANDINAVIA.

DAG MEJDELL, CEO

HISTORIC MILESTONES

Until 1799


1647 The Danish governor, Hannibal Sehested, starts four mail routes: From Oslo (Christiania) to Copenhagen, Bergen, Trondheim and Skien.

1660 13 post offices in Norway.

1719 The state assumes responsibility for the Postverket.

1720 Letters from the king and his officials were transported for free. For others, it was so expensive to send a letter that almost no one did.

1730 Postal farmers get badges and post horns.

1758 Postal farmers receive wages, and the system of mail openings was formalised.

1800–1899


1814 In this year, there were 25 post offices, 6 branch post offices and 97 sub post offices.

1827 The Postal Service becomes the country's first steamship owner with the acquisition of the Prince Carl and the Constitution.

1854 Norway Post played their part when the first railway from Christiania to Eidsvoll was established.

1855 The first Norwegian stamp issued.

1872 Postcards introduced.

1885 The national postal service established.

1893 In northern Norway, Norwegian Coastal Express is established and Norway Post was on board.

1900–1919


1903 The first franking machine was put into service. It was a Norwegian invention.

1908 Two motorcars were ordered from Germany, for up to eight passengers and with a separate compartment for the mail. Using the car service, northbound mail arrived in Namsos 12-14 hours earlier, while the southbound mail arrived one day earlier in Trondheim.

1920–1939


1920 Norway Post was present when the first official plane route, Horten - Christiania - Arendal - Kristiansand, opened.

1935 New mail emblem adopted. Metal buttons and badges were replaced.

1938 Teaching at the "Post School" was started on 19 September in The Christian Gymnasium offices in Oslo.

1940–1949


1940 Postverket comes under German control, but many employees contribute to building up an illegal mail network.

In Norway, there are 4527 postal locations, of which 3476 are post offices.

1943 Norway gets postal giros. Socially, postal giros saved time, money and effort.

1948 From the late 1940s, post-ship distribution is hit by closures. The same happened with train distribution. The transition from the train to road vehicles was due in part to NSB's rationalising operations of reducing the number of stops.

1950–1959


1950 The rapid development of the route net begins with aircraft and airports. The amount of post transported by air rose sharply, both at home and abroad.

Norway's Postal Savings Banks was created.

In Norway, there were 4771 postal locations, of which 3641 were post offices.

1952 The so-called mailbox Act contained precepts about setting up mailboxes, and the government's right to determine locations.

1960–1969


1960 In Norway, there are 4853 postal locations, of which 3656 were post offices.

1962 After all letter sorting had being done by hand since 1647, the first semi-automatic sorting was established in 1962.

1968 The introduction of postal codes. Letter volume doubled in 20 years.

1969 New organizational form. Postal Service receives its own instructions and a separate board of five members.

1970–1989


1970 In Norway, there were 3514 postal locations, of which 3040 were post offices.

1973 The first post sorting terminals in the country are established in Skien.

1976 Oslo mail sorting and postal giro office was opened by HRH Olav V.

1980 In Norway, there were 2909 postal locations, of which 2724 were post offices.

1984 The transition from content-based classification of letters to pricing for delivery time; A, B and C post.

1987 Postverket got a new logo. Postverket adapted to market orientation and management by objectives.

1990–1999


1990 In Norway, there were 2570 postal locations, of which 2478 were post offices.

1994 Norway Post increased its efforts on packages and opened the freight centre at Alnabru and Transportation Centre.

1995 The State Data Centre (SDS), which Norway Post acquired, was merged with Norway Post's Data Centre.

1996 Norway Post is converted from a public enterprise into a state-owned company with "limited liability": Norway Post BA.

2000–2004

2000 Plans for transforming post offices to In-store Post are approved by Parliament.

Posten begins investment in heavy freight and bought OSC / Wajens. Norway Post acquires the courier company TSI and becomes the largest express carrier in Scandinavia.

2001 Posten SDS was reorganized and named Ergo Group.

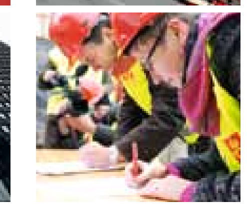
2002 Posten becomes Norway Post AS.

Norway Post buys CityMail.

2003 Norway Post's headquarters moved to Posthuset.

2004 Norway Post buys Nor-Cargo and launches a marketing offensive for heavier goods.

2005–2007

2005 In Norway, there were 1523 postal locations, of which 327 were post offices.

Norway Post enters into a new agreement with DnBNOR/Postbanken regarding the provision of banking services until 2013.

2006 Norway Post buys Frigoscandia, OptiMail AB and establishes CityMail in Denmark.

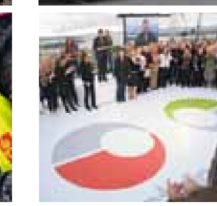
ErgoGroup buys the Norwegian company Alliance ASA and the Swedish SYSteam.

Norway Post starts its own flight network.

2007 Norway Post buys Transflex.

The foundation stone for Østland's terminal is laid by Transport Minister Liv Signe Navarsete and CEO Dag Mejdell.

2008



2008 The government approves a plan for further restructuring of the post offices to in-store post offices.

Acquisition of Emdal Transport and Spedisjon AS and CombiTrans AB.

Norway Post acquires the last 50 percent of Danish Pan Nordic Logistics (PNL), now called Bring Parcel AB.

5. September, the new brand Bring and Norway Post's revised logo launched.

IMPORTANT EVENTS IN 2009

Q1


January
Staff and support functions are streamlined and reduced by 370 full-time positions in 2009 and 2010.

Norway Post steps up efforts to reduce work related injuries, and all managers will be measured on the detection of incidents.

February
170 financial advisors at post offices are transferred to DnB NOR / Post Bank and receive professional association with the financial community.

Group Management freeze their salaries because of the financial crisis.

March
Strong volume decreases due to of the financial crisis means that Norway Post must adapt the operations of the organization.

Schenker submits compensation claims against Norway Post with notification of breaches of the competition law from ESA in 2008. Norway Post denies the claim.

Q2


April
Norway Post to submit proposals for the regulation of Alnabru area that involves co-location of parcels, cargo and thermal operations.

Independent report on the post deregulation in Norway states that it will lead to poorer postal services, or threaten employees' rights.

Last post van runs from Bergen to Oslo. From now on, all mail (except for A-priority mail) on the route to be transported by train.

May
Government allocates NOK 518 million in the revised national budget to government acquisition of unprofitable postal and banking services.

Norway Post ceases distribution of unaddressed advertising on Fridays and Saturdays to adjust capacity to lower demand.

June
Bring launches the environmental calculator that allows customers to calculate CO2 emissions for various package products.

New insurance and pension agreements provide annual savings of NOK 100 million due to lower rate of sick leave.

Bring Frigoscandia and Bring Express are awarded the Large Logistics & Transportation Prize in Sweden.

Q3


July
Testing of the new machines in Norway Post's Østland's Terminal begins.

Norway Post work with the Equality and Discrimination Ombudsman on raising competence in integration and diversity activities.

August
Norway Post jumps 13 places on Synovate's annual reputation measurement and is the 12th best-liked company in Norway

Over 500 employees of the Group have taken the environmental certificate.

September
Norway Post revises the Group's strategy. Scandinavia is still the home market.

Nine out of ten Norwegians shop online, according to Norway Post's e-commerce report. Norway Post is focusing on being the best package distributor for e-commerce customers.

Changes in the production structure of addressed letters and unaddressed advertising sanctioned. Letter production in Ålesund moved to Molde in 2010.

Q4


October
The Government proposes Government procurement of NOK 497 million in state budget for 2010.

November
Norway Post decides to liquidate Bring City Mail's letter distribution in Denmark because of declining profitability and competitive obstacles.

Norway Post and Bring start their own train route between Oslo and Rotterdam for the environmentally friendly transportation of fresh food to and from the continent.

December
Never before has employee satisfaction been higher, according to internal Group measurements.

Bring takes part in a sponsorship agreement with the Swedish handball league.

Norway Post launches new MMS service that makes it possible to send physical postcards from your mobile phone.

January 2010
The restructuring and modernization of post offices to be implemented in 2010-11.

Letter production in Hamar and Drammen will be moved to South-East Norway Terminal in 2011.

South-East Norway Terminal opened by King Harald on 29 January.

FUTURE EVENTS

2010

2010
60 post offices will be modernised and streamlined in 2010. Reduction og area and customer-adapted solutions.

Bring opens new goods hotel in Berger in Skedsmo Municipality. Becomes a large and modern installation.

PNL is transformed to Bring Parcels - marks the offensive parcel commitment.

The government submits its owner statement to Parliament.

New postal Act.

2011
New license for Norway Post AS from 2011.

STEADY COURSE TOWARDS NORDIC POSITIONS

Norway Post CEO Dag Mejdell wants to consolidate and reinforce the Group's Nordic positions in the years to come. He promises that Norway Post will go the extra mile for customers in the Nordic market.

1

FUTURE PICTURE
Norway Post – the Nordic business partner.

We are a trusted third party and partner of industry in the Nordic region. We help customers improve their business activities. A unique customer orientation, high competence level and a large product range ensures the best solutions. We focus on solutions and deliver as agreed. We can be trusted.

2

CHALLENGES
What are the greatest challenges?

Strong growth has created the conditions to deliver solutions to customers throughout the Nordic region. The challenge is to bring together customised solutions that are integrated with customers' values with good quality at all levels. Commercial tailoring will ensure this, together with high cost effectiveness.

3

PREPARED FOR THE FUTURE
How did the Group prepare in 2009?

Clearly the marketing based on three brands has increased awareness of what the Group can offer. A new product concept has been launched and has added customers and extended contracts for existing and good customers. A systematic improvement effort has improved the quality of all areas, and increased customer satisfaction.

STEADY COURSE. Norway Post's revision of its strategy in 2009 has staked out the course: reinforce the Nordic positions and make continuous improvements in order to increase profitability and strengthen customer value.

"We will do even more for our customers in the Nordic market," promises Mejdell. 2009 was a demanding year, with a financial crisis and downturn in Norway – and even more so in Sweden and Denmark – leading to declines in revenues and volumes in all segments. Norway Post nonetheless achieved a good result due to implemented its efficiency measures and capital discipline.

"We reflect the level of economic activity in society, but we've nevertheless managed to do well during the crisis. Our underlying operations are better than before. We've cut our costs. Our efficiency programme, Spinnaker, has delivered more than expected. For these reasons, our total earnings have also improved," says Mejdell.

FAVOURABLE WIND. The total positive effect of Spinnaker in 2008 and 2009 came to NOK 1.3 billion. The plans are to realise another NOK 700 million of savings in 2010:

"We're ahead of schedule and have managed to improve the efficiency of our operations and adapt our costs to lower volumes of letters. The economic downturn is also affecting Logistics and IT activities. The efficiency programme has been expanded to cover all the operations. The same applies to the Lean methodology and continuous improvement work, which is well under way in many places," says Mejdell.

The programme's original goal of NOK 2.3 billion in 2012 is now being increased to more than NOK 3 billion.

HEALTHIER. The use of internet and electronic mail are leading to permanent reductions in volume and changes in customer requirements.

"The volumes we are losing to electronic messaging will not return to Norway Post," states Mejdell.

At the same time, there was a lot to be satisfied about in 2009: employee job-satisfaction has never been higher, customers have never been more pleased and the delivery quality has never been better. It is also more than 10 years since Norway Post was previously ranked as high as 12th place on Synovate's annual reputation barometer.

"Our rate of sick leave is now below the national average. Many people have in public debates referred to Norway Post as a model company for its work on sick leave," adds the CEO.

The lower levels of absences and incapacity for work mean not only fewer temporary staff but also that the insurance premium we pay for employee insurances is NOK 100 million cheaper in 2010.

IMPROVING. Evolution – not revolution – characterises the Group's revised strategy for the period leading up to 2013 that was presented last year. Mejdell sees no reason to change the direction. The main objective is to consolidate and reinforce the Group's current position in order to be best but not necessarily largest in the Nordic region. "We didn't acquire any new companies in 2009. Valuation is complicated when markets are restless. However, we will continue to acquire companies that fit strategically into the Group during the strategy period. We will be more active this year if we find the right candidates at a sensible price," states Mejdell.

DEMANDING. 2010 will be another tough year. The Group must become even better at coordinating scheduled traffic and transferring volumes from roads to trains. Norway Post and Bring must also develop ways to cooperate on collections and deliveries. Cost adjustments are continuing with unabated strength.

"Due to the reduction in volumes, we cannot afford large wage increases. In addition, the salaries in Norway have risen more than in other countries. So it's vital that this year's wage settlement is moderate if we are to maintain our ability to compete," adds Mejdell. He also believes the economic situation is uncertain in the short term. Bring Logistics, for example, provides services to the onshore-based offshore industry and the shipyard industry, which have had a relatively high level of activity up to now.

"There may be less work for these industries in the future," fears Mejdell. However, he believes the economy, and therefore also the volumes of parcels, products and cargo, will gradually recover.

SHOW CASE. With a price tag of NOK 2.5 billion, Norway Post's Robsrud terminal is the largest investment in Norway Post's history – and one of the biggest industrial investments ever in Norway, outside the oil and gas sector. At the same time, the Group's costs will be reduced by NOK 500 million a year once the terminal is fully operational and the new national terminal structure is in place in 2011. More than 60 per cent of all the mail in Norway will be handled at the new Robsrud terminal.

"We've taken a great step towards our goal of industrialising postal deliveries in Norway. The Robsrud terminal revolutionises our mail operations and leads to a better postal service throughout Norway", says Mejdell.

This is the first mail industry facility to co-locate and integrate the sorting and distribution of mail.

"Together with the employee representatives, we've established a flexible, integrated form of operations that helps us to maintain a large number of full-time jobs," says Mejdell.

ENVIRONMENT AND HSE. The terminal has been developed with the aim of meeting Norway Post's high ambitions for a good working environment, lower rate of sick leave and good HSE employee follow up.

"Through the Robsrud terminal, we are establishing a completely new safety standard in the entire Group," states Mejdell.

It is also one of the world's most environmentally friendly terminals.

"The working environment and external environment are closely linked. Both are about taking the environment seriously. CO2 emissions and HSE are critical success factors for winning and retaining customers," says the Group CEO.

Norway Post aims to be at the forefront with environmentally friendly solutions. Its goal is to reduce total emissions by 30 per cent in 2015 compared to the 2008 level.

LESS MAIL. Over the past decade, the volume of letters has fallen by 25 per cent, mainly as a result of the transition to electronic services. This decline was reinforced by the financial crisis.

"This trend will continue but there will be considerable volumes of mail for the foreseeable future. The growth in online shopping will also compensate for some of the decline in letter volumes, and Norway Post's distribution and delivery network is unique," says Mejdell.

Mejdell believes that the Nordic region will still be Norway Post's main market in 2020.

"Our main operations will be within today's business areas but we may find some new niches," he says.

Price, quality, service – and also social and environmental responsibilities – will be an important purchase criteria. The market may well rank suppliers according to green criterias.

"I believe that emissions and the use of resources relating to production and freight will be stated on product declarations in the future. Customers will easily be able to see which goods are the greenest," says Mejdell.

He envisages continued consolidation in the industry, more customer-controlled deliveries and flexible working hours schemes in 10 years' time.

"I think that both employers and employees will want more freedom in relation to working hours. We need both full-time and part-time employees, but our need for part-time employees will increase the most. We need to have the right manpower at the right time to create value," adds Mejdell.

The working day will be characterised by fewer manual operations and more technology. "There will be higher requirements as to qualifications and IT knowledge," he concludes.

OUR VISION AND VALUE PLATFORM

Vision

The world's most future-orientated mail and logistics Group.

Business concept

Norway Post develops and delivers integrated postal, communications and logistics solutions with the Nordic region as its home market.

Main goals

The main goals are based on the requirements and goals that are laid out by the company, and are as follows:

1. Satisfied customers.
2. Leading market positions.
3. Profitable growth and a competitive increase in value.
4. Attractive workplace and a good working environment.

Values

Norway Post's values help build a common culture. The values serve as guidelines for all decision-making. Our five fundamental values are:

INTEGRITY
RESPECT
COOPERATION
OPENNESS
COURAGE

Mobile handheld scanners ensure customers can, at any time, follow their shipments digitally.

1

FUTURE PICTURE
The digital society.

Technology development drives the transition to digital media and channels at a high pace. Fibre technology offers infinite transmission capacity. Many new practical and user-friendly tools have changed users' behaviour. More than 90% of all communication is done digitally.

2

CHALLENGES
What are the greatest challenges?

We need practical and safe ways to reach each other. The sender must trust that the message reaches the right recipient, is read and understood. We need a trusted third party that connects people and organizations together. Norway Post has the pre-requisites to develop what it takes.

3

PREPARED FOR THE FUTURE
How did the Group prepare in 2009?

New and modern web sites have been launched with an improved overview of the Group's offerings, easier navigation and significantly improved ease of use. An ongoing effort is underway to establish a digital channel strategy, with the use of social media, for dialogue with customers. The future mail system is under development.

Group management of Norway Post

from left: Tore K. Nilsen, Lars Harald Tendal, Elisabeth Hegg Gjølme, Dag Mejdell (CEO), Terje Mjøs, Gro Bakstad, Arne Bjørndahl and Randi Løvland.

1 FUTURE PICTURE

Integrated strategy development - halving the time from thought to action.

The world economy has experienced tremors from three bubbles that burst - the internet, the housing bubble and the financial crisis. The world has become smaller and the waves wash over the globe. As the economy becomes more integrated and the wave speeds increase, the individual companies' positions and strategies become more vulnerable.

2 CHALLENGES

What are the greatest challenges?

It will be almost impossible for a company to predict how robust their position will be in relation to unexpected, surprising and trend-breaking developments. The challenge will be to react quickly and to be able to translate thought into action at "half the time". Time will simply be one of the most valuable commodities.

3 PREPARED FOR THE FUTURE

How did the Group prepare in 2009?

Norway Post has adopted a new strategy until 2013. A continued plan for Nordic growth and a service that meets customers' needs where they are. Continuous improvement will be set in motion to develop the organisation. Greater emphasis on accurate and rapid decision making procedures with emphasis on effective implementation.

GROUP STRUCTURE

Norway Post's group structure consists of four divisions and three corporate staff units. The Mail, Logistics, and ErgoGroup divisions have customer and market responsibility for their respective areas, while Distribution Network operates Norway Post's production unit.

SUPERIOR Norway Post's Group management consists of the Group CEO and the Group Directors who run the divisions or corporate staffs. Group directors handle issues and decisions related to the Group's strategy, budgets, financial development, significant investments, price strategies, issues of great significance to the Group's reputation, market and customers as well as cases related to principles and strategies.

RESPONSIBILITY. Group Directors, employed by and reporting to the CEO, have overall responsibility for their areas. The divisions are key units in the management of the Group and develop business strategies within their areas to support corporate strategy. The divisions are responsible for developing and delivering products and services with associated service and quality.

SUPPORT. Group staff are established in the areas where there is a need to provide professional support to the CEO, Group directors and the divisions. Group staff are professional initiators who support the business strategies and develop professional environments within the Group. The staff have a specific task in contributing to the interaction across the Group and to develop policy and best practice. Some business functions are centralised at corporate level and provide services to divisions and business areas.

REPORT MARKET SEGMENTS. For financial reporting purposes the Group has divided operations into three market segments in accordance with international accounting standards (IFRS) and best practice.

THE MAIL SEGMENT. The Mail segment consists of letters and banking products and customer service through the sales and service network. The parent company's mail operations come under the brands Norway Post and Bring Mail. In addition, the companies Bring Citymail and Bring Dialogue are included in the segment. The production and distribution apparatus for mail operations in Norway is the responsibility of the Distribution Division.

LOGISTICS SEGMENT The Logistics segment consists of parcels , groupage/part loads, thermo, express and warehousing. The segment corresponds to the Logistics Division and includes the parent company's parcel and logistics operations, as well as companies in Bring Logistics, CombiTrans, Bring Frigoscandia, Bring Express, Bring Parcels (which changed its name from PNL on 01.3.10). Logistics parcel distribution in Norway is carried out by the Distribution Division.

IT SEGMENT. The IT segment consists of IT operations, infrastructure, services and electronic solutions. The IT segment includes Ergo Group AS with subsidiaries in SYSteam AB and Brook Consulting.

CV GROUP MANAGEMENT

DAG MEJDELL
CEO since January 2006
Born: 1957
Former positions: CEO of Dyno Nobel ASA, different positions (including CEO and VP of Finance) in DYNO ASA from 1981
Education: Master of Business Economics, Norwegian School of Economics and Business Administration (NHH)

GRO BAKSTAD
Group Director, Economy and Finance (CFO) since August 2006
Born: 1966
Former positions: Director of Finance in Norway Post, Financial Advisor in Procorp, Director of Finance in Ocean Rig
Education: Master of Business Economics and CPA

ARNE BJØRNDAHL
Group Director, Logistics Division since January 2002
Born: 1952
Former positions: Executive VP, Director of Logistics, and Director of Finance in Ringnes, CEO Emo AS
Education: Bachelor of Business Administration

ELISABETH HEGG GJØLME
Group Director of Corporate Communication since April 2000
Born: 1960
Former positions: Director of Communication at Telenor Mobile, Marketing and Communication Manager Oslobanken AS, Secretary General Young Conservatives.
Education: Bachelor of Business Administration

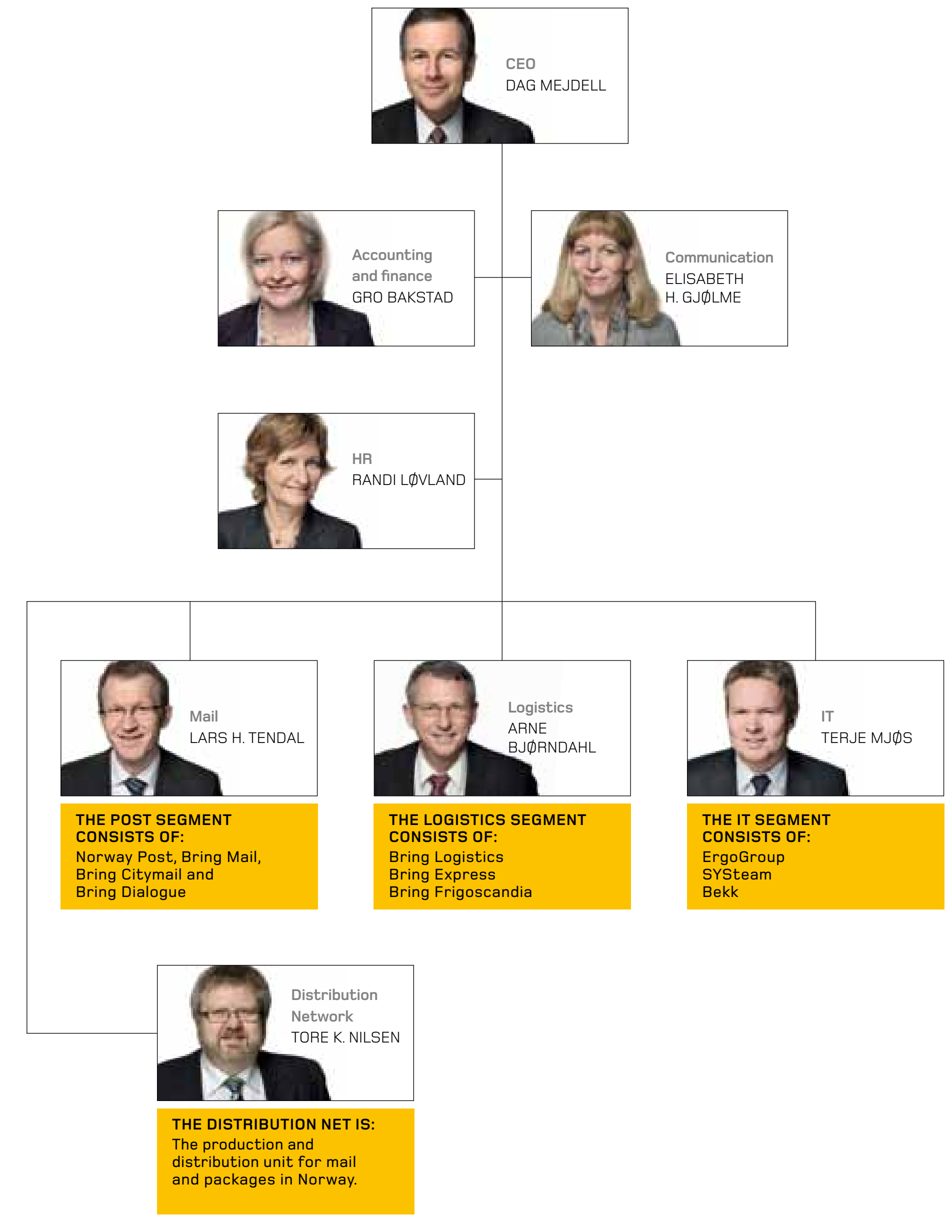
TORE K. NILSEN
Group Director, Distribution Network division since 1 May 2008:
Born: 1957
Former positions: Senior VP at Securitas and Divisional Manager at Security Service Europe
Education: Police

TERJE MJØS
Managing Director ErgoGroup AS since June 2004
Born: 1961
Former positions: Director at Hydro IS Partner AS, various positions with Norsk Hydro ASA, most recently as Sales and Marketing Director of Hydro Agri Europe in Brussels
Education: Msc in IT and a MBA

RANDI LØVLAND
Group Director for HR since September 2008
Born: 1957
Former positions: Transport Director and Communications Manager at Norway Post, Division Director and strategy manager at Bravida Oslo and Akershus AS, union manager in Den norske Postorganisasjon.
Education: Internal training in Norway Post

LARS HARALD TENDAL
Group Director, Mail Division since January 2001
Born: 1967
Former positions: Sales and Marketing Director at ICA Norway, Director of Sales at Sætre AS
Education: Master of Business and Marketing

GROUP STRUCTURE

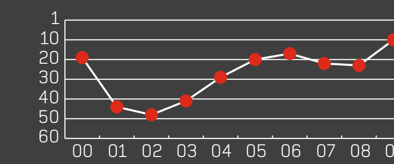


NORWAY POST MARKETS ITSELF WITH THREE BRANDS: Norway Post, Bring and ErgoGroup

Posten Norge

New brands have strengthened the Post's reputation in the Norwegian population (Synovate's annual measurement of reputation)

2003-2006: Positive development of good experiences with In-store Post.
2006-2007: Declining delivery problems after the transition to new flight solutions.
2008-2009: Progress resulting from the launch of Bring and modernisation of Norway Post's visual profile, good delivery quality.



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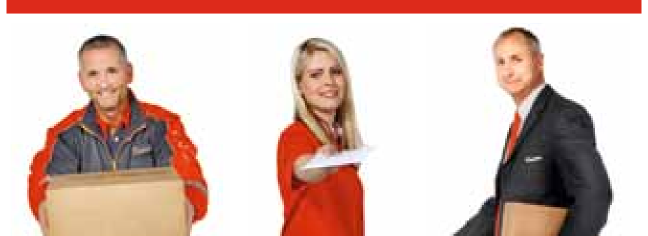
posten

Norway Post is characterised by its offering to retail customers, post office network and the daily mail distribution to all of the Norwegian people.



Norway Post's postmen distribute parcels and letters to the 99.98% of all households in Norway, 6 days a week.

24,762 submission points for letters.

1500 dispatch and submission locations:
- Post Office
- Post in Shops
- Post automats

We live to deliver

- 363 years experience distributing letters and parcels in Norway.
- 20,000 employees who work every day to deliver to people and businesses throughout Norway.
- Development in line with changes in customer needs, technology and society, and offers today a wide range of services that provides the sender and recipient safe delivery and great freedom of choice in the method of delivery.

bring

Bring is aimed at corporate customers in mail and logistics in the Nordic region. Bring consists of six specialists with key expertise in each of its areas.

Bring Logistics provides shipping, distribution and storage of parcels and goods.

Bring Express delivers same-day messages and express deliveries.

Bring Frigoscandia provides freight and storage of food-stuffs and goods to be handled at specific temperatures.

Bring Mail provides solutions for the distribution of letters, advertisements and goods to your door, through the Norway Post's distribution network in Norway.

Bring Citymail provides efficient mail distribution from business to business and private individuals in Sweden.

Bring Dialogue provide consulting, computer tools, analysis and implementation of activities within customer interaction and CRM.

Finding New Ways

- Bring's home market is Scandinavia.
- Bring is the 4th largest logistics operator, and the second largest postal operator in Scandinavia.
- Bring transports large volumes of freight, packages and foodstuffs in Scandinavian countries, and to and from the international market.
- Bring delivers solutions that help businesses to communicate effectively with their customers.
- The international postal companies in Scandinavia are competing actively for customers in those areas that have been opened to competition.
- 97% of the Group's revenue comes from corporate customers.
- 27% of the Group's revenues come from operations outside Norway.
- Demand for Scandinavian and complete solutions increases. It is not enough to be a national player in order to maintain our position in Norway.

ErGO Group

ErgoGroup and its subsidiaries is a Nordic IT company and provider of total IT operations, solutions and consulting services.

Local presence: We are present where the customer is, with local expertise and delivery power.

Innovation close to the customer: We develop new solutions in close cooperation with the customer.

Documented and proven total solutions: We have developed and operated business and socio-critical IT solutions since 1972.

The trick is to see the whole picture

- ErgoGroup and its subsidiaries, has local presence in nearly 90 locations in Scandinavia.
- ErgoGroup combines business knowledge, technological expertise and a thorough knowledge of individual customers in an effort to develop, deliver and operate integrated IT solutions.
- The company's ambition is to see the whole picture and help to solve customers' IT challenges.

1

FUTURE PICTURE
Strengthened corporate democracy.

Executive arrangements for employee representation on the board. Historically, employee board representation has been attached to the parent company. In light of the Group's development, the board of directors of Norway Post has become a Group Board of directors that makes decisions that are also significant to its subsidiaries.

2

CHALLENGES
What are the greatest challenges?

Corporate democracy is expanded. Employee representatives on Norway Post's Board of directors have so far been elected by and from among the employees of the parent company. By going over to a Group arrangement, employees in both the parent company and subsidiaries have the right to vote and be eligible for election to the parent company's Board of directors.

3

PREPARED FOR THE FUTURE
How did the Group prepare in 2009?

Norway Post has applied to the Industrial Tribunal to establish a Group arrangement in 2010, when there will be an election of employee representatives to Norway Post's board of directors. Therefore employees of Bring and ErgoGroup in Norway will have the opportunity to participate in Group decisions.

GOOD CORPORATE GOVERNANCE

To the Norway Post Group, good corporate governance is the goal and main principle that provide guidance about how the Group is to be managed and controlled. The goal of corporate governance is to strengthen confidence in the company and to contribute to future added value.

GOOD STRUCTURES. As part of the Group, Corporate Governance is also emphasized for good structure in the interaction between Norway Post's governing bodies, owners, board of directors and general management.

FOUNDATION. As a state owned corporation, Norway Post observes state ownership principles. Norway Post also follows the Norwegian Code of Practice for Corporate Governance as far as this is suitable to Norway Post's organisation and ownership. Since the Ministry of Communications is the sole owner of the company, Norway Post's corporate governance deviates from the recommendation's points on equal treatment of shareholders, free transferability of shares, the general assembly and election committee. The company and its employees have agreed that the company should not have a corporate assembly.

The topic of corporate governance has previously been discussed by Norway Post's board of directors and corporate governance. A set of key documents that guide how the Group's entities and companies act in important business areas has been prepared.

The board of directors has summarised its corporate governance in its declaration to the market about the company's principles of corporate governance. The declaration and other information on Norway Post's corporate governance is available on Norway Post's website, www.postennorge.no.

VALUES AND ETHICAL GUIDELINES. The Group's shared values are Honesty, Respect, Cooperation, Transparency and Courage. In addition to such a common value platform, consolidated common ethical guidelines and management principles have been adopted. Work is ongoing with the implementation of various themes related to these, both in the Group companies and to individual employees. This is done in several languages.

BUSINESS AND SOCIAL DUTY. Norway Post's activities are described in the company's Articles of Association. These are available on www.postennorge.no. According to section 3 of the Articles, Norway Post must, on a commercial basis, operate a mail and logistics company, as well as other directly related activities. Norway Post must also contribute to the fulfilment of the purpose of the Postal Services Act, and the company's social duty is to ensure a nationwide postal service at a reasonable price and of good quality.

Mail operations in Norway are based on the concession granted by the Ministry for the provision of mail services. This applies up to and including 31.12.2010. The Post and Telecommunications Authority supervises license compliance.

GENERAL MEETING. The Minister of Transport and Communications is the company's AGM. The General Meeting is the company's supreme authority.

IMPORTANT EVENTS

INDUSTRIAL DEMOCRACY

> Norway Post has submitted an application to the Industrial Tribunal for the establishment of a corporate system for the election of employee representatives to the board of directors. It is desirable that the staff representatives on the board of directors are elected by and from among all Norwegian employees.

EXECUTIVE PAY

> In 2009, the board of directors adopted guidelines for executive pay in Norway Post. The guidelines are based on the principles of the Government's guidelines for state ownership on this subject. Group management abstained from wage increases in 2009.

CORPORATE GOVERNANCE

THE BOARD. The Board is responsible for the management of the company and oversees the daily management of the company and the Group's business in general. The main tasks of the Board include strategic tasks, supervisory and organisational duties. The Board appoints the CEO and draws up instructions for them.

Norway Post's controlling instructions govern the Board's and CEO's responsibilities and tasks. The instructions add guidelines for the board's activities and procedures within the framework of the law, the Articles of Association and General Assembly decisions. The Board annually evaluates its activities, expertise and working methods and considers the contents of the controlling instructions.

Norway Post's Board consists of ten members, of which six are appointed by the owner and four elected by and from among the employees. Employee representatives have personal deputies. The board members are elected for a period of two years. Continuity in the management of the company is secured by only allowing half of the directors stand for election simultaneously.

Because the board of Norway Post, both formally and in practice, act as a Group board, the company in December 2009 sent an application to the Industrial Tribunal for the establishment of the corporate system for the election of employee representatives to the Board. It is desirable that the staff representatives on the board of directors are elected by and from among all Norwegian employees.

The board had seven general and four extraordinary meetings in 2009.

COMPENSATION. The Board's remuneration is determined by the General Assembly each year. The review of remuneration of Board members for 2009 are disclosed in note 2.

In 2009, the Board adopted guidelines for executive pay in Norway Post. The guidelines are based on the principles of the Government's guidelines for state ownership on this subject.

The review of the remuneration of leading employees for 2009 is disclosed in note 2.

INFORMATION AND COMMUNICATION. The Group follows an open and proactive communication strategy to build confidence in the company and strengthen the company's goals and strategies. The media policy ensures that Norway Post behaves professionally and uniformly in its relations with the media.

The company complies with the rules, requirements and standards for good information which apply to listed companies in Norway, including the use of accounting standards and accounting practices. Financial information is reported quarterly at more or less set times, and in line with Stock Market information requirements. The information is available on the internet in both Norwegian and English.

RISK MANAGEMENT. An overall assessment of the Group's risk is carried out annually.

The risk analysis is based on all of the Group's unit strategies, business plans and objectives, and implemented in a comprehensive process. The purpose is to identify risks in strategic, financial, operational and reputational terms. The results of this process are consolidated into a review of the overall risks the Group is exposed to, and is followed up with measures to manage and control the individual risk factors and avoid incidents that could be negative for the Group's operations and reputation in the market.

INTERNAL CONTROL. The Board of Directors and corporate management of the company provide the necessary control of the company's operations. This is achieved through governing documents, various processes for internal control, external audit, quarterly strategic and business reviews, ongoing risk assessments, and annual assessment of the company's management resources. This is to ensure that operative activities are thoroughly assessed and controlled so that the responsibilities of the board of directors and company management, with regard to the relevant regulations and principles for good corporate governance, can be protected.

An investment committee is appointed by the CEO and consists of the Group CFO, the Finance Director and CFO.

The group's governing documents define how management and governance of the Group shall be exercised. The documents define common group requirements for behaviour in key areas and processes. The Group's General Counsel is responsible for developing and maintaining the governing documents. General Counsel is also responsible for a Group public warning institute for reciveing and handling reportes of unacceptable situations in the group. Employees can flag suspected actions such as misappropriation of funds, corruption, environmental crimes and breaches of the governing documents.

The Group's procedures for risk analysis and monitoring of internal control are described in its own group policy rules.

The board of directors has established an audit committee to help ensure thorough consideration of matters relating to financial reporting, including internal control monitoring. The committee consists of two directors who are independent of the executive management.

AUDITOR. The auditor attends board meetings regarding the annual report. In the same or a separate meeting the auditor clarifies the audit, their view of the Group's accounting principles, risk areas, internal control procedures and the Group's bookkeeping. The conclusions are presented in an annual, numbered letter to the board of directors. In addition to the legally required audit, the auditor is used for normal auditing duties. Norway Post has a policy of using the same auditing firm for all of the Group's companies.

The Board of Norway Post

Chairman of the Board
ARVID MOSS

Born: 1958
Director of Norsk Hydro, Corporate Strategy and Business Development.
Education: Master of Business Economics, Norwegian School of Economics and Business Administration (NHH)
Offices: Board member of NHO

Vice Chairman
LIV STETTE

Born: 1958
Senior Manager, Ålesund Municipality.
Education: BA in education, psychology and political science/public administration.

Director
ELI ARNSTAD

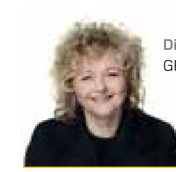
Born: 1962
Consultant.
Education: BA.
Offices: Board member of Vattenfall AB, AF-gruppen, Sparebank 1 Midt-Norge, and the Centre for Economic Research at the Norwegian University of Science and Technology.

Director
TERJE CHRISTOFFERSEN

Born: 1952
Partner in Interforum Partners AS, CEO Birdstep Technology ASA.
Education: MBA, Cologne University 1978.
Offices: Chairman of the Board in Network Norway AS, Chairman of the Board in Mobile Norway AS, board member of Birdstep Technology ASA and CellVision AS

Director
SIGBJØRN MOLVIK

Born: 1950
Teacher. Teacher, member of Telemark's county council.
Offices: Director of Telemark University College.



Director
GRY MØLLESKOG

Born: 1962
Korn/Ferry International-Senior Client Partner.
Offices: Chairman of the Norwegian Folk Museum, vice-chairman of Oslo Trikken AS, Director of Norwegian Property ASA and DnBNOR Finans, Alternate Director for corporate assembly of Telenor ASA

Employee director
ODD CHRISTIAN ØVERLAND

Born: 1957
General Secretary of the Norwegian Postal and Communications Workers' Union (Postkom).
Employed in Norway Post from 1979.

Employee director
INGEBORG SÆTRE

Born: 1955
Deputy General Secretary of the Norwegian Postal and Communications Workers' Union (Postkom).
Employee of Norway Post since 1971.

Employee director
PAUL MAGNUS GAMLEMSHAUG

Born: 1953
Distribution Network Division's representative in the Norwegian Postal and Communications Workers' Union (Postkom). Member of the executive committee of the Norwegian Postal and Communications Workers' Union.
Employee of Norway Post since 1974.

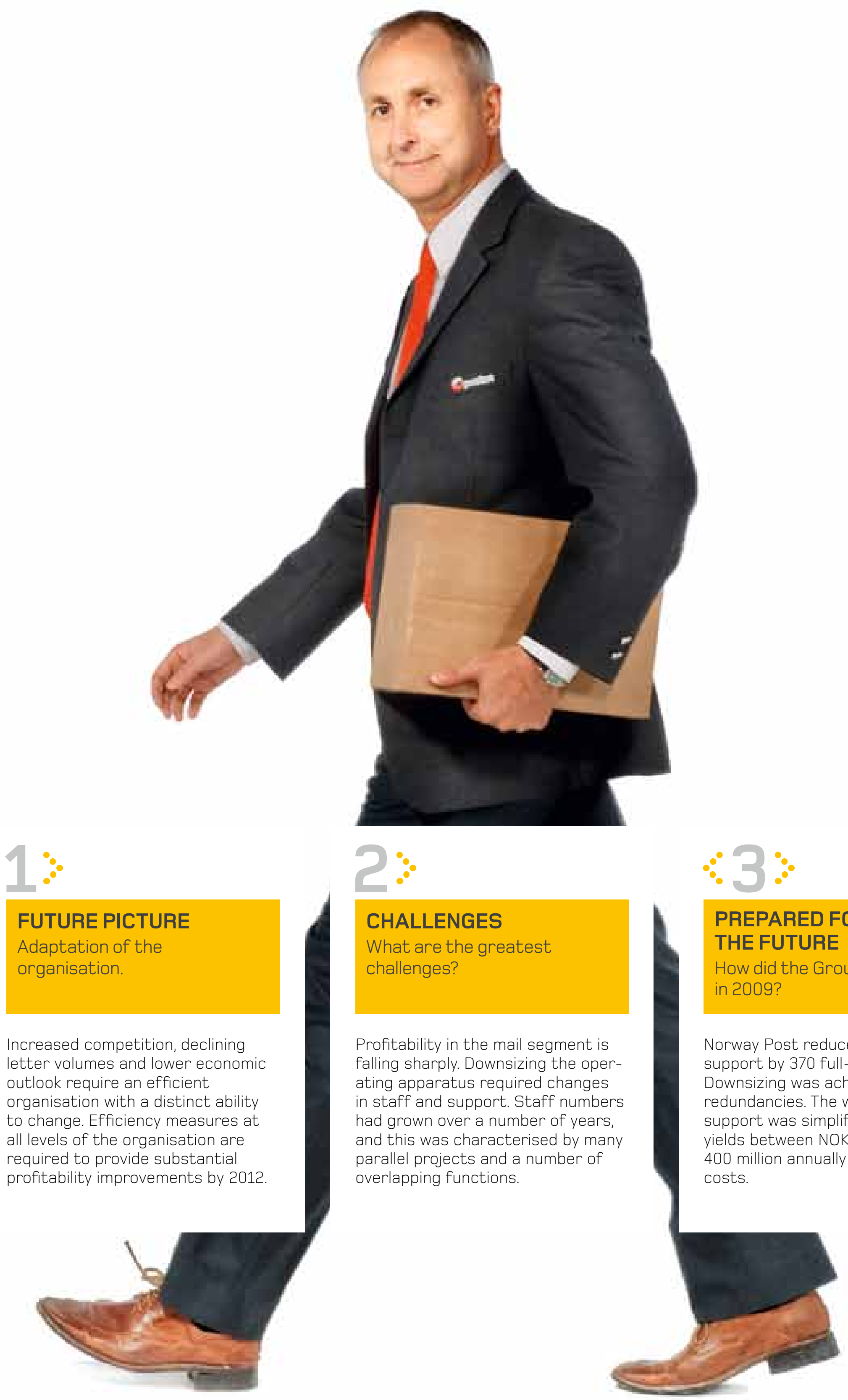
Employee director
JUDITH OLAFSEN

Born: 1958
Distribution regional representative, region north. Member of the executive committee of the Norwegian Postal and Communications Workers' Union (Postkom). Employee of Norway Post since 1976.

02

ENVIRONMENTAL EMISSIONS WILL BE PART OF THE PRODUCT DECLARATION ON PRODUCTS IN THE FUTURE. CUSTOMERS WILL EASILY BE ABLE TO SEE WHICH GOODS ARE THE GREENEST.

DAG MEJDELL, CEO



1

FUTURE PICTURE

Adaptation of the organisation.

Increased competition, declining letter volumes and lower economic outlook require an efficient organisation with a distinct ability to change. Efficiency measures at all levels of the organisation are required to provide substantial profitability improvements by 2012.

2

CHALLENGES

What are the greatest challenges?

Profitability in the mail segment is falling sharply. Downsizing the operating apparatus required changes in staff and support. Staff numbers had grown over a number of years, and this was characterised by many parallel projects and a number of overlapping functions.

3

PREPARED FOR THE FUTURE

How did the Group prepare in 2009?

Norway Post reduced staff and support by 370 full-time equivalents. Downsizing was achieved without redundancies. The work of staff and support was simplified. Downsizing yields between NOK 300 and NOK 400 million annually in reduced costs.

HEALTH PROMOTING WORKPLACES

Group HR strives to ensure that the business is characterised by a performance and change led culture, within a healthy and safe working environment. The objective is that no one is injured or becomes ill as a result of their work.

Norway Post has evolved to become an organisation driven by performance, competence and value creation. The group made good progress on key parameters in the working environment with lower absenteeism, reduced disability and lower H-value (injuries per 1 million hours worked) in 2009. HSE is first on the agenda of all management and staff meetings and Norway Post has now one of the best working environment results in the industry. The strong focus on HSE provides increasingly better results and has led to absenteeism in the Norway Post Group at the end of 2009 developing to levels better than national levels.

SAFETY CULTURE. There are no tasks in Norway Post so urgent that employees should receive a work related injury. In 2009 managers of the Group were measured on the registration of adverse events and near-accidents in order to better ensure the group's ability to prevent work-related absence. By reporting these, awareness of injury prevention efforts is increased, and the causes of occupational injuries can be identified and eliminated. The focus on reporting has meant that 20,460 adverse events and near misses were reported in 2009, up from 1,046 in 2008. Improved reporting has yielded benefits in the form of reduced injuries and thus a noticeable effect on the H-value. The H-value was 11.6 in 2009, down from 13.3 in 2008, but an 0-philosophy should be the goal of all managers. The work on reporting will be continued in 2010.

MONITORING SICK LEAVE. The Group works with NAV and occupational health services to ensure good sick leave monitoring. The primary objective of monitoring is to have long-term absentees return to work, including through the facilitation of the work. In 2009 Norway Post conducted in-depth analyses of both short and long-term sick leave. Based on the findings, systematic monitoring measures were set in motion.

LOWER RATE OF SICK LEAVE. After several years of significant decline, the Group's total sick leave continued to fall, from 7.4 percent in 2008 to 7.3 percent in 2009. The decrease in disability in the parent company shows that long-term commitment to HSE and systematic absenteeism monitoring gives results. In 2009 disability was 1.1 percent with 154 full-time equivalents of disability benefits, down from 1.5 percent in 2008 to 225 disability full-time equivalents. The number of work accidents leading to absence increased in 2008, and was therefore a special priority in 2009. The reporting and mapping of accident causes meant that the number of accidents leading to absenteeism was reduced from 532 in 2008 to 472 in 2009. Targeted prevention of time-lost injuries is continuing in 2010.

COMPETENCE AND DEVELOPMENT. In >

IMPORTANT EVENTS

DEVELOPMENT POSSIBILITIES

> About 3,000 employees of the Group prepared in 2009 to change workplace. Drivers, postmen and terminal workers are now gathered under one roof at Norway Post's South-East Norway terminal. Extensive training and personnel management were implemented to ensure that all employees are prepared and motivated when moving, and to ensure that the organisational culture at the terminal will be characterised by Norway Post's core values and that principles are complied with and aspired to for years to come.

HEALTHIER AT WORK

> Rate of sick leave was 7.3 percent. The number of disability benefit recipients and work-related accidents was reduced. Systematic monitoring of sick leave and a strong management focus on the reporting of undesirable incidents/near-accidents led to absenteeism, at the end of 2009, developing better than national levels.

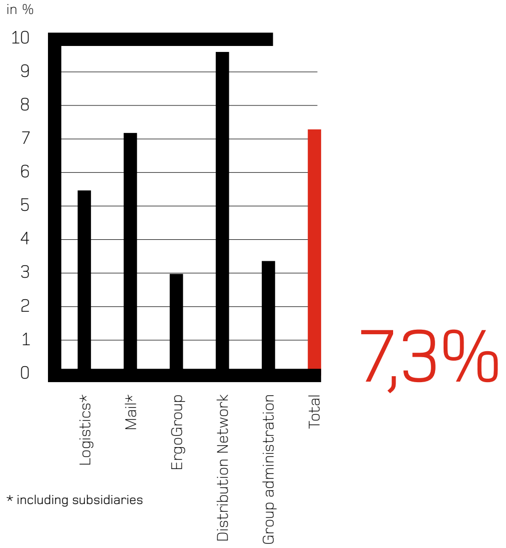
MORE SATISFACTION AT WORK

> Employee satisfaction has increased every year since 2001. In 2009 it increased to 76 from 75 in 2008. The results showed that the Group's employees thrive at work and are committed to satisfying customer requirements and expectations. In addition, the employees showed that they know which goals and results Norway Post is striving to achieve.

HSE REPORT

RATE OF SICK LEAVE 2009 (GROUP)

in %



* including subsidiaries

2009 the Group launched a common website for all training within the Group. All employees with a computer, including private computers, can register for courses for their target group and affiliation. The website has been named the Academy, and at launch already had 115 courses and 21 programmes available for registration. In the course of 2009 almost half of the groups employees visited the Academy. The site contributes greatly to giving employees the right skills, and making skills readily available. During 2009, Norway Post also entered into an agreement with the VOX agency of the Norwegian Ministry of Education and Research, which makes it possible to increase the employees' competence in the coming years.

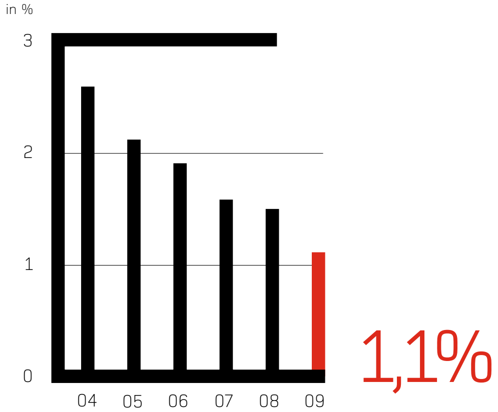
Norway Post has reduced the workforce by an average of 1,000 full-time equivalents annually, over the last 10 years. It has considerable experience in how to implement change processes in a way that also protects the interests of the employees affected. The restructuring is carried out in close cooperation with employee organisations, in both the preparation and implementation phase, based on the current restructuring and policy agreements. Emphasis is placed on following-up with employees affected, and solutions in the form of providing other work internally; AFP / early retirement, severance pay, mobility support and restructuring aid. In spite of extensive restructuring processes Norway Post has good disability development and rising employee satisfaction. In 2009 Norway Post reduced the workforce by 1,688 full-time equivalents without resorting to involuntary reductions.

PENSION AND INSURANCE. In 2009, Norway Post put its pension and personnel insurance schemes out to tender. Since 1 January 2006, the company has had defined contribution pensions and disability pensions with Vital Forsikring ASA. The competition assumed that the conditions for the employees were in accordance with the collective agreement and as before being opened to competition. Vital Forsikring ASA was retained as a supplier of pension schemes and chosen as the new provider of personnel insurance. The new agreements provide an annual cost saving totalling NOK 100 million. The reduction was mainly due to the positive effects Norway Post's HSE measures have had on sick leave and disability pensions.

VALUE-BASED MANAGEMENT. In 2009, 16 managers have been through the group's executive programme. 40 have completed the mid-level management programmes and 164 participated in the programme for first line managers. The Group's managers are trained systematically to understand their employees and their skills, balance management

RATE OF INJURIES (PARENT COMPANY)

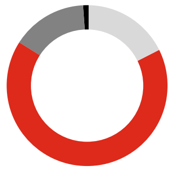
in %



EMPLOYEES (GROUP)

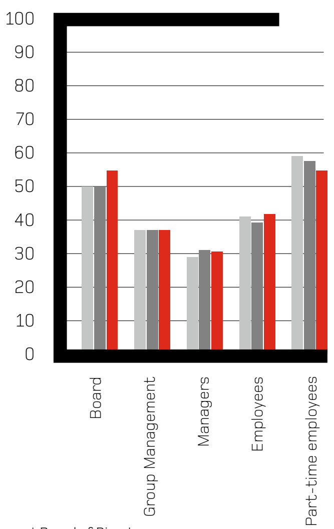
Mail 66,4%

IT 14,9%
Logistics 17,6%
Group staff 1,1%



■ IT ■ Logistics ■ Group staff

GENDER DISTRIBUTION (GROUP)
proportion of women in %



54,5%*

* Board of Directors

and support based on employees' needs, and to help employees take the initiative in solving problems. Positive, clear and motivating managers have been crucial to the implementation of comprehensive restructuring processes. Managers in Norway Post have a key role before, during and after the restructuring processes.

SATISFACTION. Norway Post has conducted an annual survey of employee work satisfaction since 2001. The survey measures the development of the strategic initiatives in personnel areas. A total of 20,117 employees responded to the survey in autumn of 2009, i.e. a response rate of 93 percent, up from 90 percent in 2008. The results show that Norway Post's employees thrive in their jobs, that they are committed to satisfying customer requirements and expectations, and that they know what goals and results Norway Post is working to achieve. The survey also measures the extent to which employees perceive the Group's management principles and basic values are observed. The total index from the survey shows that job satisfaction among Norway Post's employees is increasing: 76 in 2009, compared with 75 in 2008.

ATTRACTIVE WORKPLACE. Norway Post is also seen as an increasingly attractive workplace for young workers. The Universum survey (survey of graduates of colleges and universities) ranked Norway Post at 38th place in 2009, which is a significant improvement on 95th place in 2000. Among IT students ErgoGroup's subsidiary Bekk moved up from 7th place in 2008 to 6th place in 2009. Bekk was the highest ranked among the purely consultant companies on the IT list. In addition to its well-established 2-year management trainee programme, in the summer of 2009 Norway Post started a programme for summer trainees. Part-time positions in Norway Post's operating activities, production and the distribution of mail, are attractive to young students and job seekers.

REAL DIVERSITY. Diversity is one of two areas of social responsibility Norway Post focuses upon. Over the last decade, Norway Post has gradually acquired an ethnically and culturally diverse workforce, and today has employees from over 70 nations. Experience shows that clear and inclusive leadership led to the successful integration of people of different ethnic and cultural backgrounds. The Group has been declared a "racism-free zone" and has therefore committed itself to having an external racism-free profile. Recruitment is rooted in the Group's core values and all applicants have equal opportunity of employment in the company, regardless of age, gender, sexual orientation or religious, ethnic and cultural background. 19 percent of all those who joined the parent company in 2009 are non-nationals or were born to two foreign-born parents. In 2009 the Norway Post Group was chosen as a beacon of the Collaboration project "Real Diversity", organised by the Equality and Discrimination Ombudsman and the innovation company Splint. The cooperation with the project has led to the development of a tailored workshop aimed at service staff in Norway Post. In 2009 Splint conducted nine workshops in Norway Post, in which 112 managers and employees participated.

1 FUTURE PICTURE
New training methods.

In Norway Post, we live to deliver. We find new ways to create value for the customer. Deliveries must be right the first time, characterised by high technology and adapted to meet market changes. This requires a culture of continuous improvement and a good working environment with efficiency and the ability to change.

2 CHALLENGES
What are the greatest challenges?

Profitability challenges, standardisation of work processes and more integrated operations change the need for expertise. The group has a high proportion of unskilled labour and a multiplicity of more than 70 nationalities. This is a great challenge for the implementation of training.

3 PREPARED FOR THE FUTURE
How did the Group prepare in 2009?

The Group entered into a partnership with VOX to raise workers' skills in reading, writing, mathematics and IT. Norway Post will arrange for employees to gain apprenticeship certificates. All management teams have been trained in Lean methods. This provides greater flexibility in the implementation of training and the opportunity of increased learning.

1

FUTURE PICTURE
Stricter emission requirements from the authorities.

The environmental requirements of governments, consumers and customers will increase. Norway Post expects stricter demands on all businesses for how they affect the environment. This particularly applies to goods transport.

2

CHALLENGES
What are the greatest challenges?

Limited access to alternative fuels and vehicles adapted to more environmentally friendly fuels and business needs.

3

PREPARED FOR THE FUTURE
How did the Group prepare in 2009?

Established a goal of 30 percent cuts in CO_2 emissions by 2015. Continuous modernisation of the vehicle park. Increased replacement of car-driven routes with alternative vehicles. Increasing use of rail. Certification of several areas of the Group.

ENVIRONMENTAL MEASURES HAVE BEEN STRENGTHENED

In 2009 Norway Post worked specifically on two strategic areas within the external environment. One is to reduce emissions of greenhouse gases, especially CO_2. The second is to increase environmental awareness and expertise throughout the organisation.

Norway Post is working actively to utilise energy sources that emit less CO_2. Along with technology businesses and consumers, we must find environmental measures that will contribute to reducing emissions.

Increased awareness and knowledge is critical to achieving results. We achieve this partly by employees at all levels implementing the e-learning course Environmental Awareness. In addition, several units are Eco Certified. We conduct eco-efficient driving training, other targeted competency measures and ensure the on-going commitment to environmental measures in management teams.

STRATEGY AND NEW GOALS. Norway Post adopted a new strategy for environmental measures in the autumn of 2008. To ensure that Norway Post has sufficient momentum in, and focus on, its environmental measures, a detailed assessment of the Group's emission targets was carried out. Norway Post now has a goal of reducing CO_2 emissions by 30 percent by 2015 compared with 2008.

The goal is ambitious and gives a clear expression of Norway Post's wishes to take a leading position when it comes to environmental performance within its industry and market.

BETTER ORGANISATION. In the course of 2009 Norway Post strengthened the central environmental resources. This is important to ensure comprehensive and coordinated environmental measures across the Group.

A joint Group environmental network has been established to ensure the sharing of best practices and targeted environmental measures in all divisions and subsidiaries.

NEW REPORTING SYSTEM. In connection with the collection of figures for the environmental report for 2009, Norway Post has further developed the system from previous years. Reporting for 2009 is based, to a larger extent, on the GHG protocol and ISO 14064-1 standards, which are international standards for reporting greenhouse effects.

ENERGY, WASTE AND CO_2 EMISSIONS. The Group has an annual electricity consumption of approximately 220 to 240 GWh. The proportion of district heating has increased in recent years, while in 2009, due to the severe cold, more heating oil was used than in 2008. Norway Post's South-East Norway terminal opened in February 2010. It has a geo-energy facility (thermal energy), which will yield a 97 percent reduction in environmental emissions. District heating from a nearby bio-facility will be used for peak heating. This is the first time this type of technology, a so-called geo-energy facility, has been installed in an industrial building of this dimension in Norway.

Every year the Group produces approximately 11 to 13,000 tonnes of waste. We have long been focused on sorting our waste. In 2008, Norway Post pre-sorted

IMPORTANT EVENTS

REORGANISATION

Norway Post has strengthened the central environmental resources. This is important to ensure comprehensive and coordinated environmental measures across the Group. A joint corporate network environment has been established to ensure the sharing of best practices and targeted environmental measures in all divisions and subsidiaries.

ENVIRONMENTAL AWARENESS

Norway Post launched Environmental Awareness with the Environment Minister Erik Solheim present. This is an e-learning tool for all employees. The tool provides basic safety skills, and the e-learning method is cost and environmentally effective. Environmental awareness is an important part of our efforts to build awareness and knowledge of how we affect the environment, both at work and at home.

ENVIRONMENTAL REPORT

1

FUTURE PICTURE

Environmentally competent employees and environmental management systems.

The future will bring increased commitment to, and expertise on, the environment for people in their professional and personal lives. Requirements from customers and authorities for formalised expertise and environmental management systems will apply to most businesses.

2

CHALLENGES

What are the greatest challenges?

It takes time to implement expertise initiatives and build management systems. Given that we operate in several countries, the choice of management systems and expertise measures is adapted to local markets and conditions.

3

PREPARED FOR THE FUTURE

How did the Group prepare in 2009?

1500 people have undergone Environmental Awareness training. Plans have been established for implementing this throughout the organisation. Norway Post trains its drivers in eco-efficient driving. So far, 1,400 drivers have been trained. Norway Post has 4 units with Eco-lighthouse certification and 7 units certified to ISO14001 standard.

NORWAY POST'S VEHICLES (PARENT COMPANY)

		2007	2008	2009
Vans under 3.5 tonnes	Number	4 699	4 755	4 601
Trucks ≥ Euro2	Number (%)	122 (98%)	55 (99%)	14 (2%)
Trucks ≥ Euro3	Number (%)	365 (83%)	263 (91%)	272 (51%)
Trucks ≥ Euro4	Number (%)	239 (33%)	249 (48%)	141 (27%)
Trucks ≥ Euro5	Number (%)		51 (8%)	105 (20%)
Mopeds	Number	87	120	123
Electric mopeds	Number		3	47
Bicycles	Number		78	46
Other (Electric cars ...)	Number	2	2	2
Total vehicles	**Number**	**5,662**	**5,545**	**5,303**

approximately 77 percent, and in 2009 the proportion increased to 81 percent. The Group both saves and earns money through pre-sorting waste and contributes to a lesser impact on the environment. The goal is to increase the proportion of pre-sorted waste to 91 percent by 2015.

In total the Group released approx. 415,000 tonnes of CO2 in 2009, which was a decline of 4.11 percent on 2008. The parent company accounts for approx. 100,000 tonnes of CO2, while the rest is divided among the other subsidiaries. The largest source of emissions comes from road transport, which accounts for approx. 75 per cent of emissions, while air transport accounts for approx. 10 percent.

EXPERTISE AND ENVIRONMENTAL AWARENESS. In 2009 Norway Post began a systematic effort to provide all employees with training on the environment. 1,500 people, mostly managers and key personnel, have completed Environmental Awareness. Plans have been established for implementation throughout the organisation.

Norway Post emphasises educating drivers in eco-efficient driving, and has on-going training in the various business areas. So far the group has trained approx. 1,400 drivers, and achieved a 5 percent average reduction in fuel.

CERTIFICATIONS – ECO LIGHTHOUSE AND ISO 14001. Norway Post has a total of four units certified as Eco-lighthouse. Seven units are certified according to ISO 14001 standards. Norway Post has trained two Eco-lighthouse consultants and will increase this to three to meet the demand in 2010. Environmental certification provides documentation of the environmental measures being carried out in each unit and is an important contribution to building the culture of continuous improvement.

There are plans to have a total of 13 eco lighthouse certified units in 2010.

PARTNERSHIPS AND MEETING ARENAS. Norway Post has contributed to NHO's climate action plan with the preparation of industry-themed booklets, and the CEO is a member of the Business Climate Panel.

Norway Post continues to be represented in the climate measures of both Post-Europ and the International Post Corporation (IPC). These two international cooperation forums gather mail operators in Europe and from around the world to, among other things, exchange experiences of their environmental measures.

Norway Post also continues to be a partner in the Ministry of the Environment's campaign "Climate Promise", which started in the spring of 2007. Norway Post is one of 28 partners from the business community that have pledged to actively work to improve their environmental performance. Norway Post is also participating in Future Cities, a collaboration between the authorities and the 13 largest cities in Norway to reduce greenhouse gas emissions.

WASTE (GROUP)

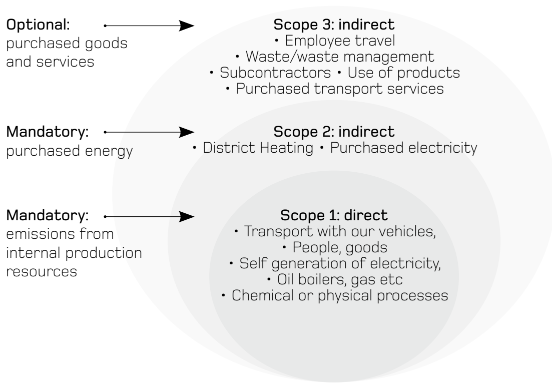
	UNIT	2007	2008	2009
Residual and unsorted waste	Tonnes	5 306	2 562	2 056
Paper and cardboard	Tonnes	4 292	3 764	4 130
Plastic	Tonnes	356	334	295
Wood	Tonnes	2 612	2 932	2 627
Glass	Tonnes			2
Metal	Tonnes			281
Food organic	Tonnes			878
Other waste	Tonnes	1 353	1 688	435
Total amount of waste*	Tonnes	13 919	11 280	10 704
Percentage of residue waste	%	38	23	19

* Waste amounts are estimated for some parts of the company

ENVIRONMENTAL REPORT

REPORTING OF EMISSIONS IN ACCORDANCE WITH THE GREENHOUSE GAS PROTOCOL

The reporting is based on the international standard **Greenhouse Gas Protocol Initiative (GHG Protocol)**, which is the most important standard for measuring greenhouse gases under the auspices of the World Resources Institute (WRI) and the World Business Council for Sustainable Development (WBCSD). The GHG protocol consists of two accounting standards that explains how to quantify and report GHG emissions, and in 2006 was the basis for ISO standard 14064-I. The GHG Protocol bases its climate reporting on three scopes or categories of emissions, and between direct and indirect emissions.



CLIMATE ACCOUNTING (GHG PROTOCOL)

Key figures for CO2 emissions in tonnes

	GROUP		NORWAY POST	
	2008	2009	2008	2009
Scope 1				
Road	80 668	98 424	49 226	47 857
Buildings	1 927	2 342	285	374
Total scope 1	**82 595**	**100 766**	**49 511**	**48 231**
Scope 2				
Electricity *	20 770	20 800	7 658	7 368
District heating	1 405	1 467	703	730
Total scope 2	**22 175**	**22 267**	**8 360**	**8 098**
Scope 3				
Road	233 369	207 109	3 937	5 875
Rail	3 580	4 869	1 028	1 235
Air	54 304	40 337	31 497	29 180
Water	34 507	37 398	9 132	9 293
Business travel	2 351	2 338	638	468
Total scope 3	**328 112**	**292 052**	**46 232**	**46 051**
Total:	**432 882**	**415 084**	**104 103**	**102 380**

* Norway Post purchases Green El, but shows the emissions in the accounts.

Norway Post has participated in PRINT (Priority of Commercial Traffic) together with SINTEF to look at how to improve the accessibility and reliability of commercial traffic.

TRAIN SOLUTIONS. The group has long focused on the train as a solution to reduce climate impact, and we are now seeing the results of this work. Norway Post achieved 80 percent train distribution in 2009, on the routes in Norway where it is possible to replace trucks with trains. During the year, over 25,000 containers of mail were sent by train in Norway.

Bring also selected trains as part of the logistics solution for its customers, and in May 2009 Bring Logistics Linehaul AS was established as a company with the important objective of establishing eco-efficient logistics solutions for their customers.

In 2008 Bring Frigoscandia started using trains on the route between Padborg and Verona, and on Saturday 7 November 2009 the first train left Oslo for Rotterdam, loaded with fresh fish and used packaging.

CONTINUOUS RENEWAL OF THE FLEET. Norway Post has a modern vehicle fleet, which helps to reduce emissions. In the parent company, 27 percent of heavy goods vehicles are Euro 4 and 20 percent are Euro 5. Looking at the age of the total vehicle park in the group, 89 percent of our vehicles are from 2006 or later, and 79 percent of the trucks are from 2005 or later.

ALTERNATIVE VEHICLES. During the last year, Norway Post has entered into agreements to ensure new and more environmentally-friendly transport methods. We have increased the number of electric mopeds in Norway, from 3 in 2008 to 47 in 2009, and are planning further acquisitions. The Distribution Region East is in the process of replacing cars with mopeds. 50 cars will be replaced with mopeds with both 2 and 4 wheels. An additional 50 mopeds will replace the cars in 2010

In Sweden, Bring has 39 bio-gas powered cars and Norway Post has 12 trucks that run on 100 percent bio-fuel in Oslo.

Bring Express in Scandinavia is using bicycles for the delivery of express shipments in cities, and they have a total of 63 bicycles; 30 bicycles in Denmark, 15 in Sweden, 13 in Norway and 5 in Finland.

GREEN IT. In order to reduce electricity consumption and ensure better use of resources, ErgoGroup has chosen to use HP's blade server technology, virtualisation solutions and river water. On an annual basis this saves electricity equivalent to that consumed by 75 households, or NOK 1.5 million. Efforts are also on-going in other areas. Communication services help, for example, to reduce the need for physical meetings and the number of flights. ErgoGroup's goal-oriented focus on Green IT has received a large amount of attention within IT environments. Norway Post will look at the synergies achievable from the efforts that have been carried out, so that such projects can continue throughout the Group.

Norway Post has worked to ensure that the environment is a part of all procurement processes. Purchasing is one of the most important instruments Norway Post has to support sustainable development.

1 FUTURE PICTURE
Pre-sorting waste.

The amount of waste increases in line with GDP from year to year. The national target is that waste will be lower than economic growth. Requirements for sorting will increase, while the facilities for sorting will improve. Costs for handling waste will increase.

2 CHALLENGES
What are the greatest challenges?

Every year the Group produces approximately 11-13,000 tonnes of waste, and we have long been focused on sorting waste. Increase knowledge, facilitate effective waste management and focus on this area.

3 PREPARED FOR THE FUTURE
How did the Group prepare in 2009?

In 2009, we pre-sorted approx. 81% across the Group. Post terminals, which account for one third achieved an average of 86% recycling. 4 terminals have already reached the target of 91%. Additional focus and monitoring in the area, several units measure and monitor the waste management.

1

FUTURE PICTURE
Precision marketing in tomorrow's media image.

People make their own universe by updating their digital profile, and their receiver filters. Senders of mass messages have a very complicated, complex and costly work day. But users will also need even more help to find what they need amongst the vast amount of information.

2

CHALLENGES
What are the greatest challenges?

Our challenge is to develop methods and tools for a relevant and effective customer dialogue in an individualized multi-channel world so that consignors' requirements for efficiency matches the recipients' needs for customisation and control of their own way of life.

3

PREPARED FOR THE FUTURE
How did the Group prepare in 2009?

Norway Post has adapted its products to modern requirements and will develop tomorrow's mail system. Through Bring Dialogue Norway Post helps businesses identify the recipients for relevant messages, and where and when senders can most effectively and securely reach individuals.

DOWNTURN, UNCERTAINTY AND THE SHORT-TERM

The global financial crisis in 2009 had extensive and dramatic consequences for the group. We saw the biggest volume decline to date in all market areas. Manufacturers, distributors and end users were forced to begin intensive cost cutting.

Uncertainty has been rife in the Postal, Logistics and IT industries. Most companies have survived through 2009, but many are weakened. Significant structural changes may take place in many industries if the turnaround is not soon.

VOLUME DECREASE AND COST CUTTING. The recession has resulted in large volume decreases for all market segments in the mail, logistics and IT markets. Difficult business conditions with low growth is expected in the Nordic region in 2010. We might see signs of improvement towards the end of the year. It might well be a new tough situation on the basis of the repressed national economies in Europe. Companies are cutting costs to limit the effect of top-line decline. The decline may thus come in waves before the bottom is reached. The challenge for companies is to increase efficiency, while at the same time being prepared to meet the market upturn when it arrives. Towards the end of 2009 there were several signs of more extensive restructuring of businesses. Strategies were revised and, together with repositioning, create the new dynamics in several of the national markets. The trend is expected to increase through 2010. Several companies or parts of businesses will be sold in the market. The recession therefore offers opportunities for companies who have the means and creativity to take advantage of the situation.

POSTAL COMPETITION. The optimism and spirit in the postal industry to live up to the EU's intention to liberalise the postal market, was broken in 2009. Protectionist local authorities make competition difficult. This is done by maintaining arrangements for the benefit of the nationally-owned company, at the expense of the newly established competitors. In Scandinavia, the merger between state-owned Posten Sverige and Post Danmark created such a dominant player in mail and advertising distribution and print and package distribution, that competition is inhibited. The downturn has helped accelerate the transition to digital messaging. In addition, volumes are falling as a result of lower activity levels in the industry. It is not attractive to invest in markets with negative growth. The sum of this has meant that several of the major postal companies in Europe have now changed their growth ambitions in mail operations. Dutch TNT states in its new strategy that mail operations outside their own home market are no longer a priority. Activities in several countries have been sold or liquidated. Deutsche Post has indicated the same. In Scandinavia, Norway Post has discontinued its mail operations in Denmark.

DIFFERENT POSTAL NEEDS. Lower economic activity has led to significant volume deceases for postal companies around the world. In Europe and Scandinavia, mail volumes fell by between 5 and 8 percent.

IMPORTANT EVENTS

NEW POSTAL GIANT

The merger of Posten Sverige and Post Danmark was formally approved. The new postal giant is called Posten Norden AB.

LESS GROWTH

Several of the major postal companies in Europe have changed their growth ambitions for mail operations. Dutch TNT states in its new strategy that mail operations outside their own home market is no longer a priority. Activities in several countries have been sold or liquidated.

Uncertainty has been significant in the postal and logistics industry in 2009.

This development hides a more fundamental change whereby traditional postal services are replaced by digital information and communication over the internet and mobile networks. Recession and increased environmental awareness has speeded up this development, which has been going on slowly but steadily for about ten years. There are many indications that the trend will continue. It is not unrealistic to expect that mail volumes will be almost halved in the coming decade.

The transition to Internet banking, ATM's and cash withdrawals in stores reduces the need for manual banking services in physical branch networks. It reduces the customer base for post offices. Banks are developing different and more reasonable distribution solutions. This is occurring, in part, through the creation of In-store Banking. However, parcel volumes are growing significantly, but the customers' delivery wishes require solutions post offices cannot offer. The post office chain throughout Europe is changing to adapt to new customer requirements. These are some examples that the postal and communications market is rapidly changing. The rate of change will remain high in coming years. To meet this development postal companies must customise their product offerings, production and network to meet market demand. Several European companies have announced extensive efficiency programmes to reduce the cost of traditional mail distribution. But innovations in the dimensions of products and markets may provide a basis for new business models that create new growth and profitability.

THE DIGITAL WORLD. The digitalisation of society affects buying habits, communication methods and work patterns. For companies in the mail, logistics and IT markets, this development represents both new growth opportunities and threats. New digital solutions for the dissemination of information and communication continue to emerge, meaning the number of messages sent overall is increasing dramatically. Modern people have a need to continuously move from one place to another for work and leisure. They expect to be able to perform tasks and be online anytime day or night. New channels with new properties are developing. This usage is also spreading to the workplace. Digitisation gives people the opportunity to self-manage information flow and channel selection. Providers that can offer both senders and receivers good control over their communication, and easy access around the clock, will win. For the postal companies this trend represents both threats and opportunities. Postal companies must have the best qualifications to become a trusted third party in digital communications. This will require innovation and the mentality to establish and operate new business models that will challenge the organisation.

ACCURATE. The letter as a medium and the mailbox as communication channel will continue to have a clear and value-generating role in future media and communication mixes. However, the mail properties must be further developed and reinforced. Norway Post has the expertise to ensure that large shippers reach the appropriate audience accurately. This expertise will be important as the number of channels and the total amount of information explodes.

The share of trade passing through electronic channels continues to rise. This drives the demand for reliable and predictable distribution solutions. Recipients are increasingly involved in the logistics process and requirements for distributors change in line with new groups gaining a share of online sales. Effective and more international value chains require strong management and control, and a good integration of information flow. New IT solutions are being developed to enable companies increase the efficiency of their business processes and improve interaction with their customers.

LOGISTICS' MARKET SHARE IN THE NORDIC REGION

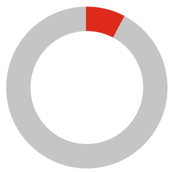
Logistics 7%

Other 93%

IT'S MARKET SHARE IN THE NORDIC REGION

IT 8%

Other 92%



Digital delivery channels and self-service solutions make services available to larger sections of the market. Especially for SMEs - which can now be operated with effective sales and delivery channels tailored to their needs - this offers new and better conditions for further development and access to larger markets.

But digitisation poses new problems for recipients and consignors. ID theft is a rapidly growing problem for individuals, businesses and society in general. The need for solutions that provide the necessary security for people and the company's identity data will increase. Mail companies have an important role to play in this.

Digitisation of society poses great challenges, but also new and promising opportunities for Norway Post as trusted third parties.

THE ENVIRONMENT IS INCREASINGLY IMPORTANT. Awareness of and demands for green products and services has increased during the course of the year. Mail, logistics and IT companies now take responsibility for their environmental impact. In the mail and logistics industry, major parts of the vehicle fleets have been replaced with environmentally friendly alternatives running on bio fuel and electricity. Perhaps the most important and result-generating project in 2009 has been the development of new train solutions. It has made it possible to move large volumes of freight from road to a greener path. In the IT industry, energy consumption has been halved by consolidating and vitalising the operators' server parks. Even the financial crisis has not been able to divert attention from the focus on reducing environmental impact. While customers, suppliers and partners now set stricter environmental requirements for each other and develop more environmentally-friendly solutions together, it is also important to make clear demands of the authorities to ensure that the framework conditions exist for a sustainable development of the business sector.

OUT OF THE SLUMP. The signals on how the markets and overall demand will evolve are currently moving in very different directions. Uncertainty is great. It encourages a restrained optimism for a moderate growth in 2010, while some expect a new decline in 2011 and considerable uncertainty over developments in 2012. We can expect the trend to be slightly different for various business areas. The record high package volumes for Christmas 2009 show that e-commerce and home shopping will continue to drive growth in package distribution locally and transnationally. Growth is also expected in freight transport, not least in warehouse services, where the trend towards the outsourcing of this type of activity continues to grow. The demand for IT services is growing as a result of the strong drivers of automation and digitisation. A possible short-term dip in 2010 will be followed by new moderate growth from 2011 onwards. The traditional mail services will experience a further reduction in demand. The sum of this will be a cautious optimism and willingness to invest in development.

1 FUTURE PICTURE
The integrated Nordic countries.

Scandinavia is developing into an integrated region where a significant number of enterprises are centralising and streamlining their organisations, with one headquarters and centralised purchasing and logistics. Through its central crossroads position, southern Sweden has established itself as a logistics centre for Scandinavia.

2 CHALLENGES
What are the greatest challenges?

Scandinavian customers demand Scandinavian solutions and expect follow-up and service throughout Scandinavia. It is crucial for Bring to service existing and new customers' requirements. Bring must develop its customer offerings and strengthen its distribution network and delivery capability in Scandinavia.

3 PREPARED FOR THE FUTURE
How did the Group prepare in 2009?

In 2009, we have been working on integrating acquired businesses and developing comprehensive and customised solutions. Bring has won several contracts for mail distribution, logistics and IT solutions throughout Scandinavia. This will pave the way for organic growth as volumes in the market return.

02

ENVIRONMENTAL EMISSIONS WILL BE PART OF THE PRODUCT DECLARATION ON PRODUCTS IN THE FUTURE. CUSTOMERS WILL EASILY BE ABLE TO SEE WHICH GOODS ARE THE GREENEST.

DAG MEJDELL, CEO

1

FUTURE PICTURE
Adaptation of the organisation.

Increased competition, declining letter volumes and lower economic outlook require an efficient organisation with a distinct ability to change. Efficiency measures at all levels of the organisation are required to provide substantial profitability improvements by 2012.

2

CHALLENGES
What are the greatest challenges?

Profitability in the mail segment is falling sharply. Downsizing the operating apparatus required changes in staff and support. Staff numbers had grown over a number of years, and this was characterised by many parallel projects and a number of overlapping functions.

3

PREPARED FOR THE FUTURE
How did the Group prepare in 2009?

Norway Post reduced staff and support by 370 full-time equivalents. Downsizing was achieved without redundancies. The work of staff and support was simplified. Downsizing yields between NOK 300 and NOK 400 million annually in reduced costs.

HEALTH PROMOTING WORKPLACES

Group HR strives to ensure that the business is characterised by a performance and change led culture, within a healthy and safe working environment. The objective is that no one is injured or becomes ill as a result of their work.

Norway Post has evolved to become an organisation driven by performance, competence and value creation. The group made good progress on key parameters in the working environment with lower absenteeism, reduced disability and lower H-value (injuries per 1 million hours worked) in 2009. HSE is first on the agenda of all management and staff meetings and Norway Post has now one of the best working environment results in the industry. The strong focus on HSE provides increasingly better results and has led to absenteeism in the Norway Post Group at the end of 2009 developing to levels better than national levels.

SAFETY CULTURE. There are no tasks in Norway Post so urgent that employees should receive a work related injury. In 2009 managers of the Group were measured on the registration of adverse events and near-accidents in order to better ensure the group's ability to prevent work-related absence. By reporting these, awareness of injury prevention efforts is increased, and the causes of occupational injuries can be identified and eliminated. The focus on reporting has meant that 20,460 adverse events and near misses were reported in 2009, up from 1,046 in 2008. Improved reporting has yielded benefits in the form of reduced injuries and thus a noticeable effect on the H-value. The H-value was 11.6 in 2009, down from 13.3 in 2008, but an 0-philosophy should be the goal of all managers. The work on reporting will be continued in 2010.

MONITORING SICK LEAVE. The Group works with NAV and occupational health services to ensure good sick leave monitoring. The primary objective of monitoring is to have long-term absentees return to work, including through the facilitation of the work. In 2009 Norway Post conducted in-depth analyses of both short and long-term sick leave. Based on the findings, systematic monitoring measures were set in motion.

LOWER RATE OF SICK LEAVE. After several years of significant decline, the Group's total sick leave continued to fall, from 7.4 percent in 2008 to 7.3 percent in 2009. The decrease in disability in the parent company shows that long-term commitment to HSE and systematic absenteeism monitoring gives results. In 2009 disability was 1.1 percent with 154 full-time equivalents of disability benefits, down from 1.5 percent in 2008 to 225 disability full-time equivalents. The number of work accidents leading to absence increased in 2008, and was therefore a special priority in 2009. The reporting and mapping of accident causes meant that the number of accidents leading to absenteeism was reduced from 532 in 2008 to 472 in 2009. Targeted prevention of time-lost injuries is continuing in 2010.

COMPETENCE AND DEVELOPMENT. In >

IMPORTANT EVENTS

DEVELOPMENT POSSIBILITIES
> About 3,000 employees of the Group prepared in 2009 to change workplace. Drivers, postmen and terminal workers are now gathered under one roof at Norway Post's South-East Norway terminal. Extensive training and personnel management were implemented to ensure that all employees are prepared and motivated when moving, and to ensure that the organisational culture at the terminal will be characterised by Norway Post's core values and that principles are complied with and aspired to for years to come.

HEALTHIER AT WORK
> Rate of sick leave was 7.3 percent. The number of disability benefit recipients and work-related accidents was reduced. Systematic monitoring of sick leave and a strong management focus on the reporting of undesirable incidents/near-accidents led to absenteeism, at the end of 2009, developing better than national levels.

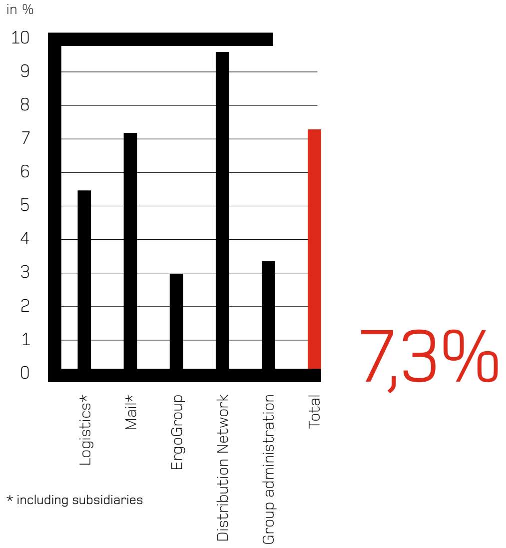
MORE SATISFACTION AT WORK
> Employee satisfaction has increased every year since 2001. In 2009 it increased to 76 from 75 in 2008. The results showed that the Group's employees thrive at work and are committed to satisfying customer requirements and expectations. In addition, the employees showed that they know which goals and results Norway Post is striving to achieve.

HSE REPORT

Employee satisfaction has increased since 2001. In 2009 it increased from 75 to 76 in 2008.

RATE OF SICK LEAVE 2009 (GROUP)

in %



* including subsidiaries

2009 the Group launched a common website for all training within the Group. All employees with a computer, including private computers, can register for courses for their target group and affiliation. The website has been named the Academy, and at launch already had 115 courses and 21 programmes available for registration. In the course of 2009 almost half of the groups employees visited the Academy. The site contributes greatly to giving employees the right skills, and making skills readily available. During 2009, Norway Post also entered into an agreement with the VOX agency of the Norwegian Ministry of Education and Research, which makes it possible to increase the employees' competence in the coming years.

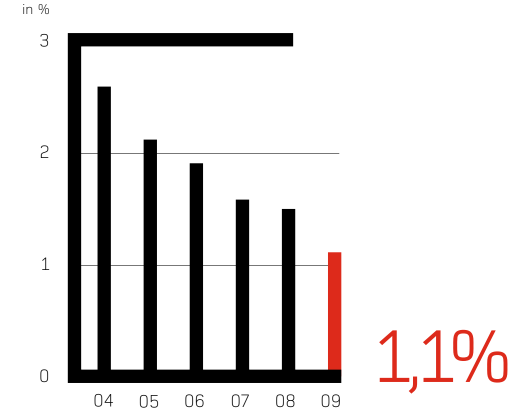
Norway Post has reduced the workforce by an average of 1,000 full-time equivalents annually, over the last 10 years. It has considerable experience in how to implement change processes in a way that also protects the interests of the employees affected. The restructuring is carried out in close cooperation with employee organisations, in both the preparation and implementation phase, based on the current restructuring and policy agreements. Emphasis is placed on following-up with employees affected, and solutions in the form of providing other work internally; AFP / early retirement, severance pay, mobility support and restructuring aid. In spite of extensive restructuring processes Norway Post has good disability development and rising employee satisfaction. In 2009 Norway Post reduced the workforce by 1,688 full-time equivalents without resorting to involuntary reductions.

PENSION AND INSURANCE. In 2009, Norway Post put its pension and personnel insurance schemes out to tender. Since 1 January 2006, the company has had defined contribution pensions and disability pensions with Vital Forsikring ASA. The competition assumed that the conditions for the employees were in accordance with the collective agreement and as before being opened to competition. Vital Forsikring ASA was retained as a supplier of pension schemes and chosen as the new provider of personnel insurance. The new agreements provide an annual cost saving totalling NOK 100 million. The reduction was mainly due to the positive effects Norway Post's HSE measures have had on sick leave and disability pensions.

VALUE-BASED MANAGEMENT. In 2009, 16 managers have been through the group's executive programme. 40 have completed the mid-level management programmes and 164 participated in the programme for first line managers. The Group's managers are trained systematically to understand their employees and their skills, balance management

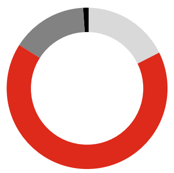
RATE OF INJURIES (PARENT COMPANY)

in %



EMPLOYEES (GROUP)

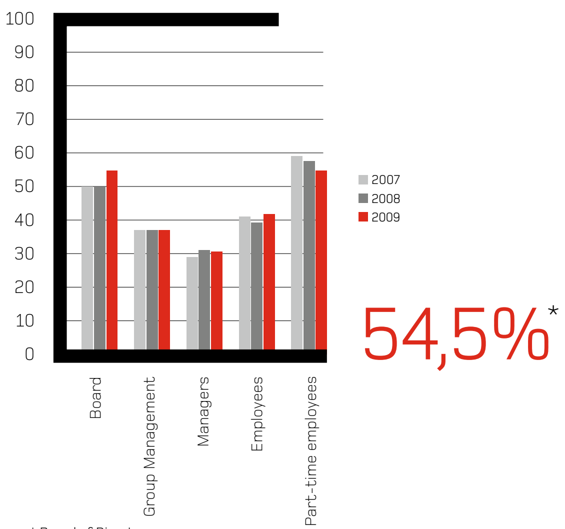
Mail 66,4%



IT	14,9%
Logistics	17,6%
Group staff	1,1%

IT Logistics Group staff

GENDER DISTRIBUTION (GROUP)
proportion of women in %



* Board of Directors

and support based on employees' needs, and to help employees take the initiative in solving problems. Positive, clear and motivating managers have been crucial to the implementation of comprehensive restructuring processes. Managers in Norway Post have a key role before, during and after the restructuring processes.

SATISFACTION. Norway Post has conducted an annual survey of employee work satisfaction since 2001. The survey measures the development of the strategic initiatives in personnel areas. A total of 20,117 employees responded to the survey in autumn of 2009, i.e. a response rate of 93 percent, up from 90 percent in 2008. The results show that Norway Post's employees thrive in their jobs, that they are committed to satisfying customer requirements and expectations, and that they know what goals and results Norway Post is working to achieve. The survey also measures the extent to which employees perceive the Group's management principles and basic values are observed. The total index from the survey shows that job satisfaction among Norway Post's employees is increasing: 76 in 2009, compared with 75 in 2008.

ATTRACTIVE WORKPLACE. Norway Post is also seen as an increasingly attractive workplace for young workers. The Universum survey (survey of graduates of colleges and universities) ranked Norway Post at 38th place in 2009, which is a significant improvement on 95th place in 2000. Among IT students ErgoGroup's subsidiary Bekk moved up from 7th place in 2008 to 6th place in 2009. Bekk was the highest ranked among the purely consultant companies on the IT list. In addition to its well-established 2-year management trainee programme, in the summer of 2009 Norway Post started a programme for summer trainees. Part-time positions in Norway Post's operating activities, production and the distribution of mail, are attractive to young students and job seekers.

REAL DIVERSITY. Diversity is one of two areas of social responsibility Norway Post focuses upon. Over the last decade, Norway Post has gradually acquired an ethnically and culturally diverse workforce, and today has employees from over 70 nations. Experience shows that clear and inclusive leadership led to the successful integration of people of different ethnic and cultural backgrounds. The Group has been declared a "racism-free zone" and has therefore committed itself to having an external racism-free profile. Recruitment is rooted in the Group's core values and all applicants have equal opportunity of employment in the company, regardless of age, gender, sexual orientation or religious, ethnic and cultural background. 19 percent of all those who joined the parent company in 2009 are non-nationals or were born to two foreign-born parents. In 2009 the Norway Post Group was chosen as a beacon of the Collaboration project "Real Diversity", organised by the Equality and Discrimination Ombudsman and the innovation company Splint. The cooperation with the project has led to the development of a tailored workshop aimed at service staff in Norway Post. In 2009 Splint conducted nine workshops in Norway Post, in which 112 managers and employees participated.

1 FUTURE PICTURE
New training methods.

In Norway Post, we live to deliver. We find new ways to create value for the customer. Deliveries must be right the first time, characterised by high technology and adapted to meet market changes. This requires a culture of continuous improvement and a good working environment with efficiency and the ability to change.

2 CHALLENGES
What are the greatest challenges?

Profitability challenges, standardisation of work processes and more integrated operations change the need for expertise. The group has a high proportion of unskilled labour and a multiplicity of more than 70 nationalities. This is a great challenge for the implementation of training.

3 PREPARED FOR THE FUTURE
How did the Group prepare in 2009?

The Group entered into a partnership with VOX to raise workers' skills in reading, writing, mathematics and IT. Norway Post will arrange for employees to gain apprenticeship certificates. All management teams have been trained in Lean methods. This provides greater flexibility in the implementation of training and the opportunity of increased learning.

1

FUTURE PICTURE
Stricter emission requirements from the authorities.

The environmental requirements of governments, consumers and customers will increase. Norway Post expects stricter demands on all businesses for how they affect the environment. This particularly applies to goods transport.

2

CHALLENGES
What are the greatest challenges?

Limited access to alternative fuels and vehicles adapted to more environmentally friendly fuels and business needs.

3

PREPARED FOR THE FUTURE
How did the Group prepare in 2009?

Established a goal of 30 percent cuts in CO2 emissions by 2015. Continuous modernisation of the vehicle park. Increased replacement of car-driven routes with alternative vehicles. Increasing use of rail. Certification of several areas of the Group.

ENVIRONMENTAL MEASURES HAVE BEEN STRENGTHENED

In 2009 Norway Post worked specifically on two strategic areas within the external environment. One is to reduce emissions of greenhouse gases, especially CO2. The second is to increase environmental awareness and expertise throughout the organisation.

Norway Post is working actively to utilise energy sources that emit less CO2. Along with technology businesses and consumers, we must find environmental measures that will contribute to reducing emissions.

Increased awareness and knowledge is critical to achieving results. We achieve this partly by employees at all levels implementing the e-learning course Environmental Awareness. In addition, several units are Eco Certified. We conduct eco-efficient driving training, other targeted competency measures and ensure the on-going commitment to environmental measures in management teams.

STRATEGY AND NEW GOALS. Norway Post adopted a new strategy for environmental measures in the autumn of 2008. To ensure that Norway Post has sufficient momentum in, and focus on, its environmental measures, a detailed assessment of the Group's emission targets was carried out. Norway Post now has a goal of reducing CO2 emissions by 30 percent by 2015 compared with 2008.

The goal is ambitious and gives a clear expression of Norway Post's wishes to take a leading position when it comes to environmental performance within its industry and market.

BETTER ORGANISATION. In the course of 2009 Norway Post strengthened the central environmental resources. This is important to ensure comprehensive and coordinated environmental measures across the Group.

A joint Group environmental network has been established to ensure the sharing of best practices and targeted environmental measures in all divisions and subsidiaries.

NEW REPORTING SYSTEM. In connection with the collection of figures for the environmental report for 2009, Norway Post has further developed the system from previous years. Reporting for 2009 is based, to a larger extent, on the GHG protocol and ISO 14064-1 standards, which are international standards for reporting greenhouse effects.

ENERGY, WASTE AND CO2 EMISSIONS. The Group has an annual electricity consumption of approximately 220 to 240 GWh. The proportion of district heating has increased in recent years, while in 2009, due to the severe cold, more heating oil was used than in 2008. Norway Post's South-East Norway terminal opened in February 2010. It has a geo-energy facility (thermal energy), which will yield a 97 percent reduction in environmental emissions. District heating from a nearby bio-facility will be used for peak heating. This is the first time this type of technology, a so-called geo-energy facility, has been installed in an industrial building of this dimension in Norway.

Every year the Group produces approximately 11 to 13,000 tonnes of waste. We have long been focused on sorting our waste. In 2008, Norway Post pre-sorted

IMPORTANT EVENTS

REORGANISATION

Norway Post has strengthened the central environmental resources. This is important to ensure comprehensive and coordinated environmental measures across the Group. A joint corporate network environment has been established to ensure the sharing of best practices and targeted environmental measures in all divisions and subsidiaries.

ENVIRONMENTAL AWARENESS

Norway Post launched Environmental Awareness with the Environment Minister Erik Solheim present. This is an e-learning tool for all employees. The tool provides basic safety skills, and the e-learning method is cost and environmentally effective. Environmental awareness is an important part of our efforts to build awareness and knowledge of how we affect the environment, both at work and at home.

1

FUTURE PICTURE
Environmentally competent employees and environmental management systems.

The future will bring increased commitment to, and expertise on, the environment for people in their professional and personal lives. Requirements from customers and authorities for formalised expertise and environmental management systems will apply to most businesses.

2

CHALLENGES
What are the greatest challenges?

It takes time to implement expertise initiatives and build management systems. Given that we operate in several countries, the choice of management systems and expertise measures is adapted to local markets and conditions.

3

PREPARED FOR THE FUTURE
How did the Group prepare in 2009?

1500 people have undergone Environmental Awareness training. Plans have been established for implementing this throughout the organisation. Norway Post trains its drivers in eco-efficient driving. So far, 1,400 drivers have been trained. Norway Post has 4 units with Eco-lighthouse certification and 7 units certified to ISO14001 standard.

NORWAY POST'S VEHICLES (PARENT COMPANY)

		2007	2008	2009
Vans under 3.5 tonnes	Number	4 699	4 755	4 601
Trucks ≥ Euro2	Number (%)	122 (98%)	55 (99%)	14 (2%)
Trucks ≥ Euro3	Number (%)	365 (83%)	263 (91%)	272 (51%)
Trucks ≥ Euro4	Number (%)	239 (33%)	249 (48%)	141 (27%)
Trucks ≥ Euro5	Number (%)		51 (8%)	105 (20%)
Mopeds	Number	87	120	123
Electric mopeds	Number		3	47
Bicycles	Number		78	46
Other (Electric cars ...)	Number	2	2	2
Total vehicles	**Number**	**5,662**	**5,545**	**5,303**

approximately 77 percent, and in 2009 the proportion increased to 81 percent. The Group both saves and earns money through pre-sorting waste and contributes to a lesser impact on the environment. The goal is to increase the proportion of pre-sorted waste to 91 percent by 2015.

In total the Group released approx. 415,000 tonnes of CO2 in 2009, which was a decline of 4.11 percent on 2008. The parent company accounts for approx. 100,000 tonnes of CO2, while the rest is divided among the other subsidiaries. The largest source of emissions comes from road transport, which accounts for approx. 75 per cent of emissions, while air transport accounts for approx. 10 percent.

EXPERTISE AND ENVIRONMENTAL AWARENESS. In 2009 Norway Post began a systematic effort to provide all employees with training on the environment. 1,500 people, mostly managers and key personnel, have completed Environmental Awareness. Plans have been established for implementation throughout the organisation.

Norway Post emphasises educating drivers in eco-efficient driving, and has on-going training in the various business areas. So far the group has trained approx. 1,400 drivers, and achieved a 5 percent average reduction in fuel.

CERTIFICATIONS – ECO LIGHTHOUSE AND ISO 14001. Norway Post has a total of four units certified as Eco-lighthouse. Seven units are certified according to ISO 14001 standards. Norway Post has trained two Eco-lighthouse consultants and will increase this to three to meet the demand in 2010. Environmental certification provides documentation of the environmental measures being carried out in each unit and is an important contribution to building the culture of continuous improvement.

There are plans to have a total of 13 eco lighthouse certified units in 2010.

PARTNERSHIPS AND MEETING ARENAS. Norway Post has contributed to NHO's climate action plan with the preparation of industry-themed booklets, and the CEO is a member of the Business Climate Panel.

Norway Post continues to be represented in the climate measures of both Post-Europ and the International Post Corporation (IPC). These two international cooperation forums gather mail operators in Europe and from around the world to, among other things, exchange experiences of their environmental measures.

Norway Post also continues to be a partner in the Ministry of the Environment's campaign "Climate Promise", which started in the spring of 2007. Norway Post is one of 28 partners from the business community that have pledged to actively work to improve their environmental performance. Norway Post is also participating in Future Cities, a collaboration between the authorities and the 13 largest cities in Norway to reduce greenhouse gas emissions.

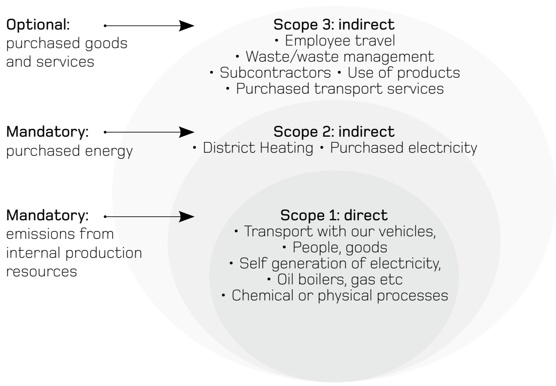
WASTE (GROUP)

	UNIT	2007	2008	2009
Residual and unsorted waste	Tonnes	5 306	2 562	2 056
Paper and cardboard	Tonnes	4 292	3 764	4 130
Plastic	Tonnes	356	334	295
Wood	Tonnes	2 612	2 932	2 627
Glass	Tonnes			2
Metal	Tonnes			281
Food organic	Tonnes			878
Other waste	Tonnes	1 353	1 688	435
Total amount of waste*	Tonnes	13 919	11 280	10 704
Percentage of residue waste	%	38	23	19

* Waste amounts are estimated for some parts of the company

REPORTING OF EMISSIONS
IN ACCORDANCE WITH THE GREENHOUSE GAS PROTOCOL

The reporting is based on the international standard **Greenhouse Gas Protocol Initiative (GHG Protocol)**, which is the most important standard for measuring greenhouse gases under the auspices of the World Resources Institute (WRI) and the World Business Council for Sustainable Development (WBCSD). The GHG protocol consists of two accounting standards that explains how to quantify and report GHG emissions, and in 2006 was the basis for ISO standard 14064-I. The GHG Protocol bases its climate reporting on three scopes or categories of emissions, and between direct and indirect emissions.



CLIMATE ACCOUNTING (GHG PROTOCOL)
Key figures for CO2 emissions in tonnes

	GROUP		NORWAY POST	
	2008	**2009**	**2008**	**2009**
Scope 1				
Road	80 668	98 424	49 226	47 857
Buildings	1 927	2 342	285	374
Total scope 1	**82 595**	**100 766**	**49 511**	**48 231**
Scope 2				
Electricity *	20 770	20 800	7 658	7 368
District heating	1 405	1 467	703	730
Total scope 2	**22 175**	**22 267**	**8 360**	**8 098**
Scope 3				
Road	233 369	207 109	3 937	5 875
Rail	3 580	4 869	1 028	1 235
Air	54 304	40 337	31 497	29 180
Water	34 507	37 398	9 132	9 293
Business travel	2 351	2 338	638	468
Total scope 3	**328 112**	**292 052**	**46 232**	**46 051**
Total:	**432 882**	**415 084**	**104 103**	**102 380**

* Norway Post purchases Green El, but shows the emissions in the accounts.

Norway Post has participated in PRINT (Priority of Commercial Traffic) together with SINTEF to look at how to improve the accessibility and reliability of commercial traffic.

TRAIN SOLUTIONS. The group has long focused on the train as a solution to reduce climate impact, and we are now seeing the results of this work. Norway Post achieved 80 percent train distribution in 2009, on the routes in Norway where it is possible to replace trucks with trains. During the year, over 25,000 containers of mail were sent by train in Norway.

Bring also selected trains as part of the logistics solution for its customers, and in May 2009 Bring Logistics Linehaul AS was established as a company with the important objective of establishing eco-efficient logistics solutions for their customers.

In 2008 Bring Frigoscandia started using trains on the route between Padborg and Verona, and on Saturday 7 November 2009 the first train left Oslo for Rotterdam, loaded with fresh fish and used packaging.

CONTINUOUS RENEWAL OF THE FLEET. Norway Post has a modern vehicle fleet, which helps to reduce emissions. In the parent company, 27 percent of heavy goods vehicles are Euro 4 and 20 percent are Euro 5. Looking at the age of the total vehicle park in the group, 89 percent of our vehicles are from 2006 or later, and 79 percent of the trucks are from 2005 or later.

ALTERNATIVE VEHICLES. During the last year, Norway Post has entered into agreements to ensure new and more environmentally-friendly transport methods. We have increased the number of electric mopeds in Norway, from 3 in 2008 to 47 in 2009, and are planning further acquisitions. The Distribution Region East is in the process of replacing cars with mopeds. 50 cars will be replaced with mopeds with both 2 and 4 wheels. An additional 50 mopeds will replace the cars in 2010

In Sweden, Bring has 39 bio-gas powered cars and Norway Post has 12 trucks that run on 100 percent bio-fuel in Oslo.

Bring Express in Scandinavia is using bicycles for the delivery of express shipments in cities, and they have a total of 63 bicycles; 30 bicycles in Denmark, 15 in Sweden, 13 in Norway and 5 in Finland.

GREEN IT. In order to reduce electricity consumption and ensure better use of resources, ErgoGroup has chosen to use HP's blade server technology, virtualisation solutions and river water. On an annual basis this saves electricity equivalent to that consumed by 75 households, or NOK 1.5 million. Efforts are also on-going in other areas. Communication services help, for example, to reduce the need for physical meetings and the number of flights. ErgoGroup's goal-oriented focus on Green IT has received a large amount of attention within IT environments. Norway Post will look at the synergies achievable from the efforts that have been carried out, so that such projects can continue throughout the Group.

Norway Post has worked to ensure that the environment is a part of all procurement processes. Purchasing is one of the most important instruments Norway Post has to support sustainable development.

1 FUTURE PICTURE
Pre-sorting waste.

The amount of waste increases in line with GDP from year to year. The national target is that waste will be lower than economic growth. Requirements for sorting will increase, while the facilities for sorting will improve. Costs for handling waste will increase.

2 CHALLENGES
What are the greatest challenges?

Every year the Group produces approximately 11-13,000 tonnes of waste, and we have long been focused on sorting waste. Increase knowledge, facilitate effective waste management and focus on this area.

3 PREPARED FOR THE FUTURE
How did the Group prepare in 2009?

In 2009, we pre-sorted approx. 81% across the Group. Post terminals, which account for one third achieved an average of 86% recycling. 4 terminals have already reached the target of 91%. Additional focus and monitoring in the area, several units measure and monitor the waste management.

1

FUTURE PICTURE
Precision marketing in tomorrow's media image.

People make their own universe by updating their digital profile, and their receiver filters. Senders of mass messages have a very complicated, complex and costly work day. But users will also need even more help to find what they need amongst the vast amount of information.

2

CHALLENGES
What are the greatest challenges?

Our challenge is to develop methods and tools for a relevant and effective customer dialogue in an individualized multi-channel world so that consignors' requirements for efficiency matches the recipients' needs for customisation and control of their own way of life.

3

PREPARED FOR THE FUTURE
How did the Group prepare in 2009?

Norway Post has adapted its products to modern requirements and will develop tomorrow's mail system. Through Bring Dialogue Norway Post helps businesses identify the recipients for relevant messages, and where and when senders can most effectively and securely reach individuals.

DOWNTURN, UNCERTAINTY AND THE SHORT-TERM

The global financial crisis in 2009 had extensive and dramatic consequences for the group. We saw the biggest volume decline to date in all market areas. Manufacturers, distributors and end users were forced to begin intensive cost cutting.

Uncertainty has been rife in the Postal, Logistics and IT industries. Most companies have survived through 2009, but many are weakened. Significant structural changes may take place in many industries if the turnaround is not soon.

VOLUME DECREASE AND COST CUTTING. The recession has resulted in large volume decreases for all market segments in the mail, logistics and IT markets. Difficult business conditions with low growth is expected in the Nordic region in 2010. We might see signs of improvement towards the end of the year. It might well be a new tough situation on the basis of the repressed national economies in Europe. Companies are cutting costs to limit the effect of top-line decline. The decline may thus come in waves before the bottom is reached. The challenge for companies is to increase efficiency, while at the same time being prepared to meet the market upturn when it arrives. Towards the end of 2009 there were several signs of more extensive restructuring of businesses. Strategies were revised and, together with repositioning, create the new dynamics in several of the national markets. The trend is expected to increase through 2010. Several companies or parts of businesses will be sold in the market. The recession therefore offers opportunities for companies who have the means and creativity to take advantage of the situation.

POSTAL COMPETITION. The optimism and spirit in the postal industry to live up to the EU's intention to liberalise the postal market, was broken in 2009. Protectionist local authorities make competition difficult. This is done by maintaining arrangements for the benefit of the nationally-owned company, at the expense of the newly established competitors. In Scandinavia, the merger between state-owned Posten Sverige and Post Danmark created such a dominant player in mail and advertising distribution and print and package distribution, that competition is inhibited. The downturn has helped accelerate the transition to digital messaging. In addition, volumes are falling as a result of lower activity levels in the industry. It is not attractive to invest in markets with negative growth. The sum of this has meant that several of the major postal companies in Europe have now changed their growth ambitions in mail operations. Dutch TNT states in its new strategy that mail operations outside their own home market are no longer a priority. Activities in several countries have been sold or liquidated. Deutsche Post has indicated the same. In Scandinavia, Norway Post has discontinued its mail operations in Denmark.

DIFFERENT POSTAL NEEDS. Lower economic activity has led to significant volume deceases for postal companies around the world. In Europe and Scandinavia, mail volumes fell by between 5 and 8 percent.

IMPORTANT EVENTS

NEW POSTAL GIANT
The merger of Posten Sverige and Post Danmark was formally approved. The new postal giant is called Posten Norden AB.

LESS GROWTH
Several of the major postal companies in Europe have changed their growth ambitions for mail operations. Dutch TNT states in its new strategy that mail operations outside their own home market is no longer a priority. Activities in several countries have been sold or liquidated.

Uncertainty has been significant in the postal and logistics industry in 2009.

This development hides a more fundamental change whereby traditional postal services are replaced by digital information and communication over the internet and mobile networks. Recession and increased environmental awareness has speeded up this development, which has been going on slowly but steadily for about ten years. There are many indications that the trend will continue. It is not unrealistic to expect that mail volumes will be almost halved in the coming decade.

The transition to Internet banking, ATM's and cash withdrawals in stores reduces the need for manual banking services in physical branch networks. It reduces the customer base for post offices. Banks are developing different and more reasonable distribution solutions. This is occurring, in part, through the creation of In-store Banking. However, parcel volumes are growing significantly, but the customers' delivery wishes require solutions post offices cannot offer. The post office chain throughout Europe is changing to adapt to new customer requirements. These are some examples that the postal and communications market is rapidly changing. The rate of change will remain high in coming years. To meet this development postal companies must customise their product offerings, production and network to meet market demand. Several European companies have announced extensive efficiency programmes to reduce the cost of traditional mail distribution. But innovations in the dimensions of products and markets may provide a basis for new business models that create new growth and profitability.

THE DIGITAL WORLD. The digitalisation of society affects buying habits, communication methods and work patterns. For companies in the mail, logistics and IT markets, this development represents both new growth opportunities and threats. New digital solutions for the dissemination of information and communication continue to emerge, meaning the number of messages sent overall is increasing dramatically. Modern people have a need to continuously move from one place to another for work and leisure. They expect to be able to perform tasks and be online anytime day or night. New channels with new properties are developing. This usage is also spreading to the workplace. Digitisation gives people the opportunity to self-manage information flow and channel selection. Providers that can offer both senders and receivers good control over their communication, and easy access around the clock, will win. For the postal companies this trend represents both threats and opportunities. Postal companies must have the best qualifications to become a trusted third party in digital communications. This will require innovation and the mentality to establish and operate new business models that will challenge the organisation.

ACCURATE. The letter as a medium and the mailbox as communication channel will continue to have a clear and value-generating role in future media and communication mixes. However, the mail properties must be further developed and reinforced. Norway Post has the expertise to ensure that large shippers reach the appropriate audience accurately. This expertise will be important as the number of channels and the total amount of information explodes.

The share of trade passing through electronic channels continues to rise. This drives the demand for reliable and predictable distribution solutions. Recipients are increasingly involved in the logistics process and requirements for distributors change in line with new groups gaining a share of online sales. Effective and more international value chains require strong management and control, and a good integration of information flow. New IT solutions are being developed to enable companies increase the efficiency of their business processes and improve interaction with their customers.

LOGISTICS' MARKET SHARE IN THE NORDIC REGION

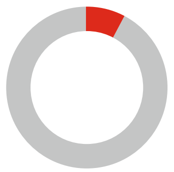
Logistics 7%

Other 93%

IT'S MARKET SHARE IN THE NORDIC REGION

IT 8%

Other 92%



Digital delivery channels and self-service solutions make services available to larger sections of the market. Especially for SMEs - which can now be operated with effective sales and delivery channels tailored to their needs - this offers new and better conditions for further development and access to larger markets.

But digitisation poses new problems for recipients and consignors. ID theft is a rapidly growing problem for individuals, businesses and society in general. The need for solutions that provide the necessary security for people and the company's identity data will increase. Mail companies have an important role to play in this.

Digitisation of society poses great challenges, but also new and promising opportunities for Norway Post as trusted third parties.

THE ENVIRONMENT IS INCREASINGLY IMPORTANT. Awareness of and demands for green products and services has increased during the course of the year. Mail, logistics and IT companies now take responsibility for their environmental impact. In the mail and logistics industry, major parts of the vehicle fleets have been replaced with environmentally friendly alternatives running on bio fuel and electricity. Perhaps the most important and result-generating project in 2009 has been the development of new train solutions. It has made it possible to move large volumes of freight from road to a greener path. In the IT industry, energy consumption has been halved by consolidating and vitalising the operators' server parks. Even the financial crisis has not been able to divert attention from the focus on reducing environmental impact. While customers, suppliers and partners now set stricter environmental requirements for each other and develop more environmentally-friendly solutions together, it is also important to make clear demands of the authorities to ensure that the framework conditions exist for a sustainable development of the business sector.

OUT OF THE SLUMP. The signals on how the markets and overall demand will evolve are currently moving in very different directions. Uncertainty is great. It encourages a restrained optimism for a moderate growth in 2010, while some expect a new decline in 2011 and considerable uncertainty over developments in 2012. We can expect the trend to be slightly different for various business areas. The record high package volumes for Christmas 2009 show that e-commerce and home shopping will continue to drive growth in package distribution locally and transnationally. Growth is also expected in freight transport, not least in warehouse services, where the trend towards the outsourcing of this type of activity continues to grow. The demand for IT services is growing as a result of the strong drivers of automation and digitisation. A possible short-term dip in 2010 will be followed by new moderate growth from 2011 onwards. The traditional mail services will experience a further reduction in demand. The sum of this will be a cautious optimism and willingness to invest in development.

1

FUTURE PICTURE
The integrated Nordic countries.

Scandinavia is developing into an integrated region where a significant number of enterprises are centralising and streamlining their organisations, with one headquarters and centralised purchasing and logistics. Through its central crossroads position, southern Sweden has established itself as a logistics centre for Scandinavia.

2

CHALLENGES
What are the greatest challenges?

Scandinavian customers demand Scandinavian solutions and expect follow-up and service throughout Scandinavia. It is crucial for Bring to service existing and new customers' requirements. Bring must develop its customer offerings and strengthen its distribution network and delivery capability in Scandinavia.

3

PREPARED FOR THE FUTURE
How did the Group prepare in 2009?

In 2009, we have been working on integrating acquired businesses and developing comprehensive and customised solutions. Bring has won several contracts for mail distribution, logistics and IT solutions throughout Scandinavia. This will pave the way for organic growth as volumes in the market return.

03

NORWAY POST AND BRING MUST FIND COMMON METHODS FOR COLLECTION AND DELIVERY. ONLINE SERVICES LEAD TO LASTING VOLUME DECREASES AND CHANGES IN CUSTOMER NEEDS.

DAG MEJDELL, CEO

1 FUTURE PICTURE
The future post office.

We are where you are - when you need us. Postage can be purchased via mobile phone. You can find answers to everything online, in addition to easy access to all the services you need. The many service outlets are tailored to your needs for drop off and dispatch. The post office has become an integral part of your everyday life.

2 CHALLENGES
What are the greatest challenges?

The number of banking transactions continues to fall, and the decline since 2008 has been 10%. Payment transactions are falling, while deposits and withdrawals are stable. The number of customers in the post office network fell by 6% in 2009, compared to 2008. Therefore, Norway Post must continuously adapt to changing customer needs.

3 PREPARED FOR THE FUTURE
How did the Group prepare in 2009?

Efforts to replace 124 post offices with Post in Shops (PIB) is slightly ahead of schedule. At the end of the year, 95 of the 124 post offices had been replaced with PIB. Norway Post has decided to modernise the post offices over a three year period to adapt operations to customers' changing needs.

COMMUNICATION IN ALL CHANNELS

The digital evolution creates both opportunities and challenges for Norway Post. Mail quantities are decreasing. At the same time, the need for precise and direct customer communications are increasing.

TOUGH YEAR. Since the turn of the millennium, mail volume has fallen by 25 percent.

"2009 has been a challenging year for all mail operations", states Group Director of Norway Post Lars Tendal.

The volume decline in 2009 was exacerbated by the financial crisis, and letter volume was reduced by almost 15 percent compared to 2008.

"We expect that volumes will continue to fall. Changes in customer behaviour will increase digitization of communication in society, and thus fewer letters", says Tendal.

Since 2003 Norway Post has adapted to this trend by investing in new sorting machines to achieve more cost effective mail production. A fine-meshed distribution grid of 6500 postmen, spread over 4300 mail routes, ensures the efficient distribution of parcels and letters throughout Norway.

E-COMMUNICATIONS. Increased digital communication forces Norway Post to re-evaluate. One example is the launch of postcards from mobile phones just before Christmas. This MMS service combines mobile technology and the traditional postcard. The sender sends MMS pictures with their personal greeting. By entering the phone number of the recipient, Norway Post finds the correct address for the postcard. Statistics show that Norwegians are increasingly using internet banking, ATM's and cash withdrawals in stores rather than manual banking at the post office. Customer visits to post offices have fallen by 20 percent since 2003. Banking over the counter has halved in the same period, and now accounts for only 12 percent of banking transactions, compared to 1995 levels.

RESTRUCTURING. New customer habits and profitability requirements are the main reasons that 124 post offices will be changed to Post in Shops. When work ends in November 2010, the sales network will consist of 179 post offices, 1250 Post in shops outlets and 24 operations centres. In addition, sales and services are carried out on over 1700 country delivery routes throughout the country.

"Norway Post's customers are more satisfied with the service than ever before. In particular, the increase of Post in Shops outlets is significant", states Tendal.

In January 2010, the modernisation of all post offices began, so that they are adapted to the future needs of customers and more efficient operations. This means less space, and standardised customer areas and work processes. In total, 300 full-time equivalents will be affected by the streamlining. In spite of all the restructuring, employee satisfaction in Norway Post is at a record high.

"Employee satisfaction has increased every year since 2002. Simultaneously, staff and support were reduced by 30 percent in 2009. This means that we are good at restructuring and change management", concludes Tendal.

Norway Post will also implement Lean methods and continuous improvement in 2010.

Group Director
LARS H. TENDAL

IMPORTANT EVENTS

WINDING DOWN IN DENMARK

It was decided to wind down the mail distribution of Bring Citymail Denmark from 01.01. 2010. The winding down is proceeding according to plan. The reason for this decision was lack of profitability and competitive disadvantages in the postal market due to the authorities, such as the tax differences.

MODERNISATION

Norway Post will modernise the post offices over a three year period to adapt the business to customers' changing needs. The remaining post offices have been moved, therefore, to smaller locations with adapted operations. Efforts to replace the 124 post offices with Post in Shops (PIB) is slightly ahead of schedule.

ADVERTISING

Better and easier advertisement products for advertisers, caused the volume decline to stagnate. The last quarter of 2009 had the same volume as the equivalent quarter in 2008, and the large customers within unaddressed advertising have experienced an upward trend.

SHARE OF GROUP REVENUES FROM EXTERNAL PARTIES

Mail 37,1%

Other 62.9%

SHARE OF GROUP EMPLOYEES

Mail 69,6%

Other 30.4%

EMPLOYEES	MAIL
2009	19 302
2008	19 992
2007	19 813

REVENUE FROM EXTERNAL PARTIES IN MNOK	
2009	10 058
2008	10 630
2007	10 403

EARNINGS BEFORE INTEREST AND TAXES IN MNOK	
2009	121
2008	(118)
2007	90

NUMBER OF LETTERS IN MILLION UNITS	
2009	2 284
2008	2 598
2007	2 687

SUBSIDIARIES

- Bring Citymail Sweden
- Bring Dialogue Norway
- Bring Dialogue Sweden

WOUND UP. Bring Citymail Denmark was wound-up from January. They distributed commercial mail in the Copenhagen area since 2007. The inception was hit by the financial crisis and recession. At the same time Bring Citymail Denmark had a VAT liability of 25 percent, compared with Post Danmark, which is VAT exempt.

Winding down in Denmark has no consequences for Bring Citymail Sweden. In Sweden, the framework conditions are equal for all mail operators. Bring City Mail Sweden has been in existence for 19 years, and has a stable customer portfolio. The company has implemented a cost cutting programme, while sales efforts have increased.

"We expect profitability over time in Sweden, although the financial crisis and geographic expansion has caused the company negative results in recent years", says Tendal.

Distribution of addressed direct mail is hard hit by the downturn. Ten percent of the workforce - 200 full-time equivalents - has been streamlined.

PERSONAL SERVICE. Results in 2009 are better than the year before. Bring Mail is defending its position, and continues to build Nordic solutions. Customer satisfaction also increased in 2009. Unaddressed direct mail advertising has become faster and easier to plan, book and price for customers. Meanwhile, volumes have begun to rise again. The environment will be central in the years to come. Bring Dialogue focuses on one-to-one loyalty programmes. They highlight an increased interest in customer care and loyalty programmes. The coupon market, which was opened up following changes to the marketing law, is emerging and is interesting within personal marketing.

"Bring Dialogue provides precise and channel-independent customer communications. It offers solutions for effective customer interaction", says Tendal.

E-mail, web portals, sms and mailboxes are examples of such communication channels.

CONSUMER POWER. Digitisation also means a gravitational shift of power from suppliers to consumers. Although the total message volume increases, it is realistic to assume that a third of the volume of both addressed and unaddressed mail will disappear towards 2020.

"It will be cramped having two major players in the Norwegian mail market, but we are prepared for a greater challenge", predicts Tendal.

NEW REQUIREMENTS. Mail markets within the EU will be liberalised next year. Future mail markets will look different.

"Precision products for letters will likely involve a conveyance of two to four days. More mail is being moved to bulk shipment as a result of changing customer needs and environmental considerations", continues Tendal.

Overnight transport will be marginalised, and express delivery will be preferred over the next ten years. Perhaps we will even see combined deliveries of mail, advertising, goods and parcerls".

"More products and packages to your door or workplace. Customers can also choose to pick up the shipment at the Post in Shops outlet, at the mailing automat, or perhaps at completely different pick up locations", concludes Tendal.

The segment consists of :

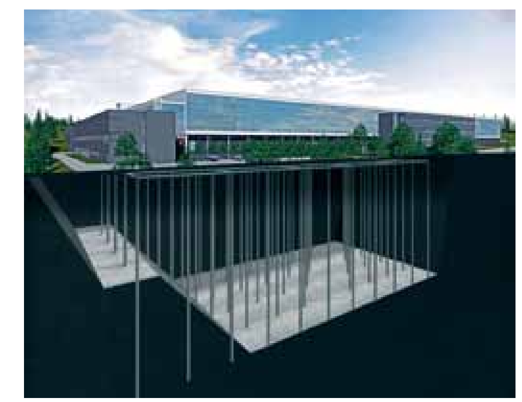
The segment consists of non-letter products, banking and dialogue services. For reporting purposes it includes the Mail Division segment, subsidiaries Bring CityMail Sweden, Bring Dialogue Norway, Bring Dialogue Sweden and production and distribution apparatus for the Group's mail operations in Norway (Distribution network division.)

Four business areas

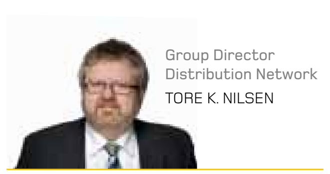
NORWAY POST PRIVATE offers mail, parcel, and banking services to the private market in Norway. **BRING MAIL** distributes letters, advertisements, goods, newspapers and magazines to your door for the business market, with related services such as segmentation, data washing, and address data washing for increased precision, higher sales efficiency and reduced environmental impact.
BRING DIALOGUE offers services for customer dialogue and CRM.
BRING CITYMAIL SWEDEN offers the distribution of commercial mail in Sweden.

Better and easier advertisement products caused the volume decline to stagnate.

THE MAIL SEGMENT



THE FUTURE MAIL INDUSTRY



Group Director
Distribution Network
TORE K. NILSEN

Norway Post's South-East Norway terminal at Robsrud in Lørenskog is the world's most innovative post management facility. The investment is NOK 2.5 billion in land, buildings and high-tech equipment.

"This is postal history. A facility that puts us among the world's most innovative postal companies", says the Group director Tore K. Nilsen of the Distribution network.

MAIL FACTORY. World-leading technology helps to streamline the mail business, and increase flexibility in developing new products. Before the millennium, there were 52 sorting terminals around the country. Since 2004, Norway Post has streamlined post management with evermore sophisticated machines. The number of mail terminals will be reduced from 32 in 2004 to 9 in the course of next year.

The new terminal structure, more automation and new production processes will reduce costs each year by almost half a billion kroner.

"South-East Norway terminal is the controlling unit within the postal industry in Norway. Over 60 percent of letter mail in Norway will be handled in Robsrud", says Nilsen.

The proportion of machine sorting has increased from 47 percent in 2003 to 72 percent in 2009. The goal is to automatically sort 88 percent of all letter mail by 2011.

SWIFT GAINS. He has high expectations of the South-East Norway terminal, and believes it will meet expectations, and then some:

"I believe we can reap even greater benefits than we calculated when the facility is fully operational and fully calibrated in late autumn 2010. But there can be no quality decrease in the start-up period", according to Nilsen.

Each day three million postal shipments will flow through the terminal. It has the capacity to handle even more postal shipments", informs Nilsen.

NORWAY'S LARGEST CONSTRUCTION ON THE MAINLAND

On 29 January 2010, King Harald opened the new mail factory. It took over 15 years from the initial plans being laid to the terminal being completed. The investment of 2.5 billion makes this the largest ever investment in Norway Post. It is also one of the largest mainland industrial investments, outside the oil sector, in Norway.

ECO-LIGHTHOUSE

Advanced heat pump technology helps to reduce energy consumption by over 60 percent, compared to traditional heating. 90 energy wells have been drilled 200 metres into the bedrock. They will ensure the giant building is heated in winter and cool on hot summer days. The bedrock is used for energy storage and as a heat source.

SORTING TECHNOLOGY/MULTI-SORTING

The new machines at the South-East Norway terminal can each sort up to 35,000 letters per hour. The three largest machines - the multi-sorters - can handle both small letters and small parcels. Norway Post is the first in the world to use machines to sort all types of mail, bundle shipments and small parcels.

1 FUTURE PICTURE

The world's best in Scandinavia.

Bring is a leading Nordic logistics operator. With comprehensive and customized 3PL and 4PL solutions, servicing customers in Scandinavia, as well as to and from Scandinavia. Bring has developed 4PL-specialist solutions for specific industries with unique logistical needs delivered worldwide.

2 CHALLENGES

What are the greatest challenges?

Bring's goal is to become Nordic specialists and a local alternative to the global standardised systems. Bring's challenge is to build a comprehensive and world class Scandinavian logistical system.

3 PREPARED FOR THE FUTURE

How did the Group prepare in 2009?

Bring opened new terminals in Jönköping and Kastrup. Bring acquired 100% of PNL and received a complete distribution system in Scandinavia. New transport solutions to and from the continent have been established; based on a new train concept. Construction of warehousing began in Berger outside Oslo.

BRING PROFILING PROVIDES MORE VISIBILITY

The financial crisis struck fully in 2009, especially for international cargo. In Norway, freight volumes held up better than in the rest of Scandinavia. The logistics companies in Bring adjusted costs and focused on quality and new innovative solutions.

DECLINE. "I'm not sure if we've seen the bottom in international freight shipping yet", warns Group director Arne Bjørn Dahl of Logistics.

But there are bright spots. Common Bring profiling provides more visibility and a solid foundation in Scandinavia - especially for smaller companies. The acquisition of PNL, which has now changed its name to Bring Parcels, has added volume.

"During the year, all vehicles and containers will be Bring-profiled", promises Bjorn Dahl, who also expects several Nordic tenders.

Bring Logistics and Bring Express have moved to the joint terminals in Jönköping and Kastrup. The newly opened Berger warehouse can accommodate 82,000 pallets. Norway Post and Bring are working closely in several areas in Norway. In Kristiansand they are building a new terminal together.

SUPER LOGISTICS. Bjørndahl also mentions fourth party logistics - where the customer outsources the entire logistics function. Bring SCM enters into and coordinates such large agreements, and accompanies customers around the world.

"These agreements will be more important in future. In Norway we operate the central warehouse for Health South East, and provide goods delivery to the hospitals.

In Sweden, Bring Frigoscandia takes care of the operation of the meat giant SCAN's central warehouses. The global food agreement with IKEA is also an example of modern fourth party logistics", highlighted Bjørndahl.

RETAINING CUSTOMERS. Bring Express wins new volumes. Bring Frigoscandia has retained customers, but with lower incomes.

"We have adjusted costs, revised routes, reduced staffing, and bought less transportation", says Bjørndahl.

Bring Frigoscandia delivers its best ever performance, despite the recession. The suspension of acquisitions in 2009 has been used to standardise and industrialise operations in the division. Common IT systems and new train solutions are examples of this.

New acquisitions may be made in 2010 if they contribute to profitable growth. In Sweden, Bring Logistics AB and CombiTrans AB, which were acquired in 2008, are being merged.

ON RAILS. On 7 November the first Bring train went from Oslo to Rotterdam - carrying fresh Norwegian salmon and return containers for recycling in Germany. For the first time it is possible to transport fresh food between Norway and Europe on the train. The return train carried fruit and vegetables for Bama.

"Speed and precision are essential for fresh goods. One hour's delay can be devastating", says Bjørndahl.

In 2008, Norway Post and CargoNet entered into Norway's largest ever rail contract. Bring companies have moved freight from road to rail equating to 2000 semi- ›

Group Director
ARNE BJØRNDAHL

IMPORTANT EVENTS

MORE TRAINS

› Bring are establishing rail links between Alnabru and Rotterdam to replace 32 semi-trailers each way. This contributes four million fewer road km's, and almost 4,000 tons less CO2 emissions per year.

NEW TERMINALS

› Bring Logistics and Bring Express have moved to the joint terminals in Jönköping and Kastrup. The intention is to expand the service and improve the quality of the Swedish and Danish markets.
In addition, we will open a new warehouse in Berger, outside Oslo during the first half of 2010.

SHARE OF GROUP REVENUES FROM EXTERNAL PARTIES

Logistics 46,2%

Other 53.8%

SHARE OF GROUP EMPLOYEES

Logistics 15,8%

Other 84.2%

EMPLOYEES	LOGISTICS
2009	4 367
2008	4 301
2007	3 685

REVENUE FROM EXTERNAL PARTIES IN MNOK	
2009	12 531
2008	13 293
2007	12 209

EARNINGS BEFORE INTEREST AND TAXES IN MNOK	
2009	434
2008	682
2007	466

NUMBER OF PARCELS IN MILLION UNITS	
2009	34,9
2008	35,0
2007	32,1

SUBSIDIARIES IN THE AREAS OF:

- Bring Logistics
- Bring Frigoscandia
- Bring Express
- Bring Parcels
- CombiTrans

trailers a month. Export trains have contributed 1.5 million fewer road kms, and 1.3 million kgs less CO2 emissions every month.

The Bring train from Alnabru to Rotterdam replaces 32 semi-trailers. This contributes four million fewer road km's, and almost 4,000 tons less CO2 emissions per year. Three weekly trains to Europe are planned for the future. There is also a zoning plan which makes it possible to build new Bring terminals at Alnabru.

GREEN CHARGES. Bjørndahl believes the industry must acknowledge it is a polluter. Norway Post and Bring announce 30 percent CO2 cuts by 2015.

"Transportation involves driving, and driving causes emissions. Logistics is knowledge that can be used to reduce these emissions. Optimal value chains are a central part of the solution on climate challenges, says Bjørndahl.

By 2020, the EU must reduce overall emissions by at least 20 percent compared to 1990 levels. Germany has increased road tax on trucks, and introduced driving bans for dry goods at weekends. The EU is changing to green taxes. Trains and boats will be more profitable than vehicles and planes.

Up to half of the vehicle park must be able to use alternative fuels by 2015. In 2020 local routes might be serviced by electric vans and by hybrid trucks on long routes. Norway Post Group's subcontractors- account for 57 percent of emissions.

"Customers expect us to think about the environment. We train our drivers in eco-driving. Combustion engines are also becoming more effective", cites Bjørndahl.

The planning tool TDLP will coordinate pickup, delivery and line traffic across Bring companies.

"More logistics is the solution. This means seeing the value chain from customer to the end user, and coordinating cargo, parcels and temperature-sensitive products. TDLP increases the filling degree, and suggests the smartest route, according to Bjørndahl.

GPS transmitters allow customers to follow their goods, and receive swift information about deviations. Although the precision requirements increase, the infrastructure and road standards restrict individual logistics. Intermodality, the shipment of containers directly to the recipient on various means of transport, is becoming more widespread.

"Health and pharmaceutical logistics are interesting. I think it will become more common for medicines - made up according to each patient's individual needs - to be sent to the home", predicts Bjørndahl.

NEW OFFERINGS. Bring Express transports fresh food customers' doors with weekly menus.

"We will see new shopping patterns, especially for niche products and capital goods. Online shoppers will be able to choose between the cheapest, fastest and greenest shipping options. We are planning new climate-neutral shipping offerings", says Bjørndahl.

He believes there will be room for one or two Nordic specialists in the future.

"Bring must be characterised by local knowledge and logistics expertise. We will safeguard our position as a leading player in the long term", said Bjørndahl.

The Logistics Segment consists of:

Express, parcels, individual and bulk goods, warehousing services and temperature-controlled logistics.

For reporting purposes this includes the Logistics division segment, and covers the parent company's activities within this division and the activities of subsidiaries in Bring Logistics, Bring Frigoscandia and Bring Express.

The logistics market

BRING LOGISTICS: Consists of the following business areas:

INDIVIDUAL AND BULK GOODS provide logistics services in individual and bulk goods, Air & Sea and Offshore & Energy Logistics.

PARCEL supplies, together with Bring Parcels AB, the distribution of parcels in Scandinavia and has strong coverage in the rest of the world. Offering additional services such as customs clearance and online shopping services.

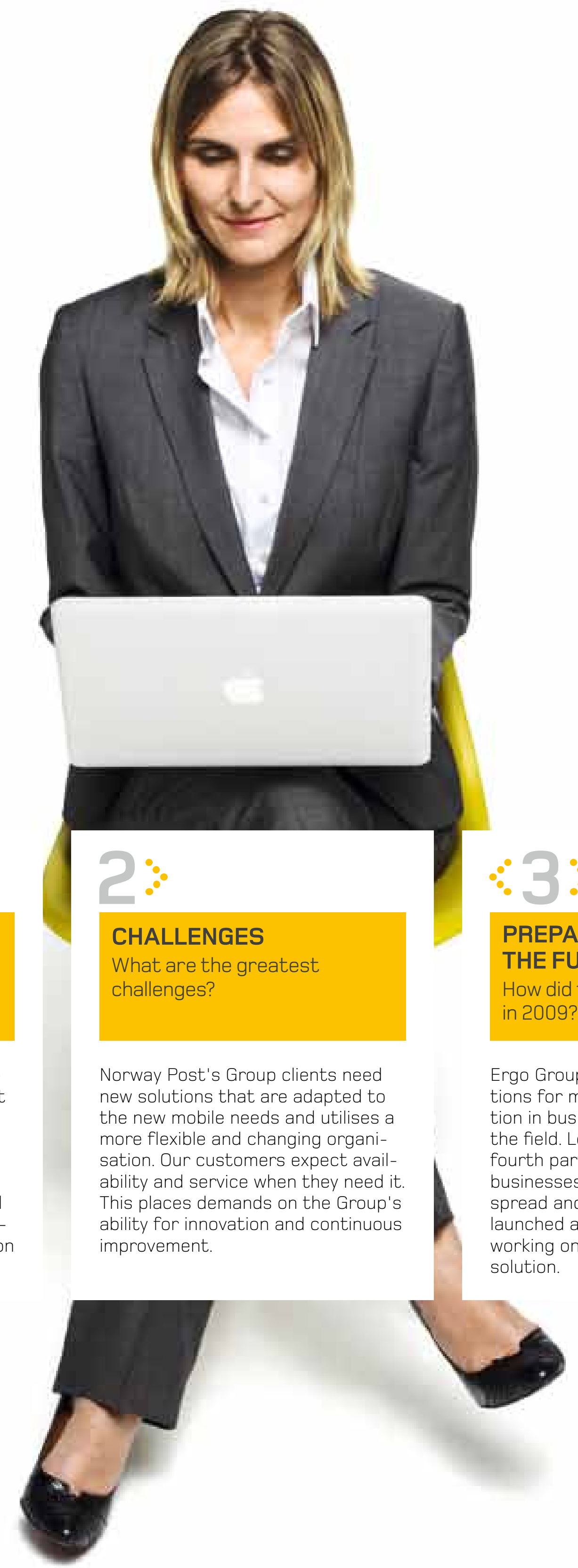
WAREHOUSING provides services within warehousing, container and trailer haulage, and harbour services.

NETTLAST operates goods transportation services in Norway.

BRING EXPRESS: Specialists in express logistics and courier services in Scandinavia.

BRING FRIGOSCANDIA: Specialists in temperature-controlled logistics in Scandinavia, as well as international transport to and from Scandinavia.

Bring Logistics and Bring Express have moved to the joint terminals in Jönköping and Kastrup.



1

FUTURE PICTURE
The mobile community "always available".

Increased use of information technology has led to expanded contact with new people and networks. As modern people, we are constantly on the move. At the same time, we want to work and be in touch with friends, children and partners at all times. Being able to manage and interact with services and information 24/7 is a matter of course.

2

CHALLENGES
What are the greatest challenges?

Norway Post's Group clients need new solutions that are adapted to the new mobile needs and utilises a more flexible and changing organisation. Our customers expect availability and service when they need it. This places demands on the Group's ability for innovation and continuous improvement.

3

PREPARED FOR THE FUTURE
How did the Group prepare in 2009?

Ergo Group has developed IT solutions for management and cooperation in businesses with employees in the field. Logistics has established fourth party logistical solutions for businesses with large geographical spread and needs. Norway Post has launched a new web portal and is working on a digital multi-channel solution.

SATISFACTORY – DESPITE EVERYTHING

Consulting activities in Norway saved 2009 for Ergo Group. A good year for the Solutions segment and application services in Norway means Managing Director Terje Mjøs is relatively satisfied with the year.

PRICES. In Norway lower prices for a renewed operating contract has impacted earnings.

"Costs in the Norwegian part of the operating segment are still too high, and restructuring was stepped up. The results of this will be seen in 2010", states Mjøs.

A little surprising was that the operating section suffered most, and the consultant section did best in 2009.

NEW AGREEMENTS. In particular, it is within the consulting areas of systems development, solutions and infrastructure that the results are good.

"We have won many new and important contracts", says Mjøs.

A total of 3466 contracts, for a total value of NOK 3.6 billion, were signed by Norwegian operations in 2009.

SETBACK. The Nordic segment was hit by the recession in Sweden. Fewer projects initiated by SYSteam customers. This means fewer IT investments, but also less demand for consulting services:

"The Swedish IT market has been much harder hit by the financial crisis than the Norwegian. We've had a revenue decline of almost 15 percent. The results from operations in Sweden were therefore significantly reduced by 41 percent compared with the record year of 2008", says Mjøs.

SYSteam has important contracts, particularly in western Sweden, with export-oriented industries such as the automotive and forestry industries. Both these sectors have been hit hard by recession.

"Now it seems that the decreases in Sweden are flattening out, and optimism is gradually returning. In relation to the IT industry at large, we have managed very well", continues Mjøs.

IMPROVEMENTS. Customer satisfaction remains at 2008 levels. The ErgoGroup is working intensely and is focused on improvements to increase this. Employee satisfaction has declined slightly but remained at a very high level in relation to record results the year before. The Lean programme is spreading throughout the organisation. In the initial year of 2009 two transformations were made, five are under way, and 10-15 will be carried out in 2010. By year end, 800 people will have been through a Lean transformation. The programme will run for three years and will be completed in 2012. After the Lean review, a unified approach to continuous improvement will be in place.

INCREASED SPEED. According to research firm IDC the IT service market in Scandinavia has been less affected by the downturn in the economy than other sections of the IT industry. This particularly applies to the market for outsourcing and operations,as previously initiated projects have contributed to continued growth. For

Managing Director
TERJE MJØS

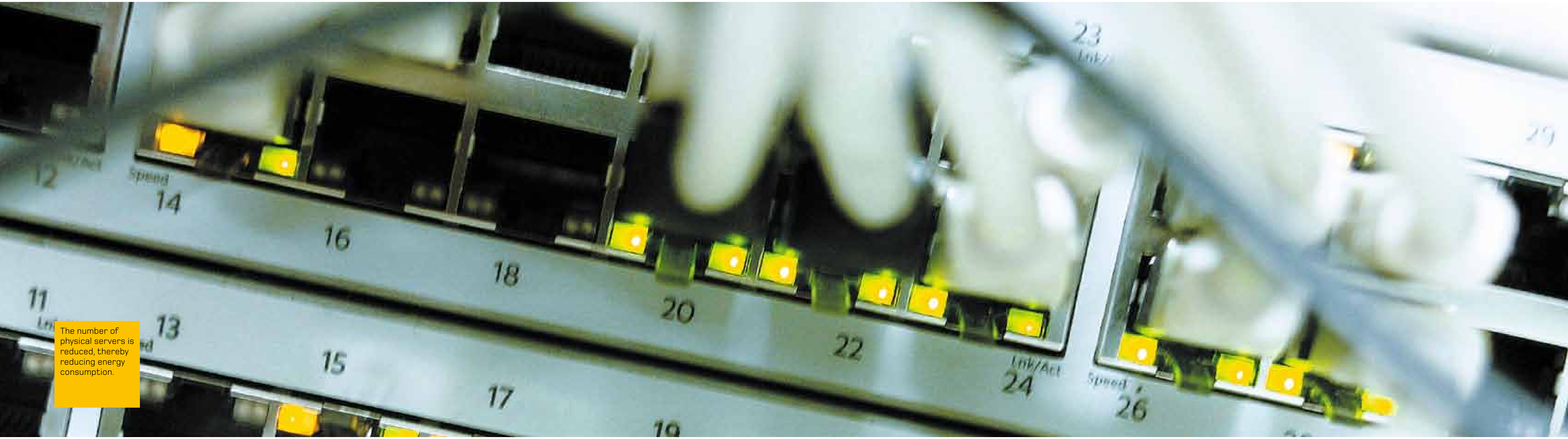
IMPORTANT EVENTS

LEAN

The improvement philosophy Lean was adopted by ErgoGroup in 2009, with good results. Several transformations were carried out and a huge commitment to continuous improvement has been made by the organisation.

E-SOLUTION OPTIONS

ErgoGroup will develop the central election management computer system for electronic voting. The system will be used in the experiment on electronic voting which 11 municipalities will use for the municipal and county council elections in 2011.



The number of physical servers is reduced, thereby reducing energy consumption.

The segment consists of :

This segment consists of operational and infrastructural services, solutions, applications and consulting services. The segment comprises ErgoGroup, including the SYSteam Group (Sweden) and Bekk Consulting AS.

For reporting purposes the segment includes Ergo Group AS, with subsidiaries SYSteam AB and Bekk Consulting AS.

consultant services, the picture is more complex. The impaired Swedish economy has produced a significant drop in demand. But with the gradual improvement of the economy in Scandinavia, IDC expect growth in both segments of the IT services market in 2010.

"The pace is better now. It will remain tough in the Swedish market, especially in the first six months. But we have high expectations within the health sector. We will also improve profitability in the operating segment, although it will be a demanding year. But 2010 will be better than 2009", believes Mjøs.

The acquisitions market has been put out of action due to the financial crisis because it has been difficult to agree on valuations. Mjøs does not discount there may be new acquisitions in 2010 if there are interesting candidates. The ErgoGroup is ready to grow again.

GREEN IT. The European Commission has asked the IT industry for a plan on how it can become 20 percent more efficient by 2015. At the same time, IT must show the way for major sectors, such as construction and transport, to reach the EU's 2020 target for CO2 emissions. ErgoGroup has joined the Green IT - an initiative of ICT Norway. The IT industry alone accounts for two percent of global CO2 emissions. IDC presented a report at the UN climate summit in Copenhagen, showing that the world's 20 largest economies could reduce their CO2 emissions by 25 percent through smart IT. Smarter transport, smarter energy and smarter construction are pillars of this thinking, upon which the EU Commission builds.

"More IT is a part of the climate solution. Virtualisation is an area where we cut the number of physical servers, thereby also reducing energy consumption", explains Mjøs.

Another area is communication services, such as Office Communications Server and IBM Lotus Sametime, which contributes to reducing meetings and flights. ErgoGroup's lifecycle services ensures that 98 percent of the equipment and packaging is pre-sorted and dismantled or sold. It is also possible to donate old equipment.

IT IN THE CLOUD. "30 percent of business-based software will be delivered as standard services over the Internet by 2012", predicts analyst agency Gartner. The phenomenon is called Cloud Computing - or the IT cloud. The Ergo Group named one of these services SaaS (Software as a Service), which is a model in which the software is, in practice, owned, delivered and managed by one or more IT suppliers.

ErgoGroup's operational segments:

IT OPERATIONS include server operations, outsourcing and telephone and data communication services.

SOLUTIONS delivers total concepts, IT services, industry solutions and complete software solutions to the public and private sectors.

REGIONAL SERVICES delivers IT systems, consultancy services and operational solutions to small and medium-sized businesses in the private and public sectors, as well as services to major cornerstone local businesses.

SCANDINAVIA provides complete solutions to clients outside Norway, with more than 40 offices in Sweden and Finland.

BEKK CONSULTING AS is a Norwegian consulting company that helps with process and organisation development, modernisation of professional systems, portal and self-service solutions and tailor-made business applications.

SHARE OF GROUP REVENUES FROM EXTERNAL PARTIES

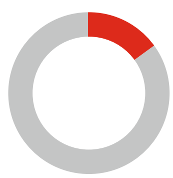
IT 16,7%

Other 83.3%

SHARE OF GROUP EMPLOYEES

IT 13,7%

Other 86.3%



EMPLOYEES	IT
2009	3 792
2008	3 642
2007	3 362

REVENUE FROM EXTERNAL PARTIES IN MNOK

2009	4 521
2008	4 735
2007	4 188

EARNINGS BEFORE INTEREST AND TAXES IN MNOK

2009	239
2008	369
2007	268

SUBSIDIARIES

- Bekk Consulting AS
- SYSteam AB

"The customer subscribes to IT services as required, has them delivered over the internet, and pays for its use. A bit like their power and telephones", explains Mjøs.

SaaS requires no implementation or local installation. ErgoGroup offers software and related services without purchasing software. Customers choose services from a menu and pay per user per service. They thus avoid paying for licenses or services they do not subscribe to, as opposed to the license-based delivery models.

"It's like turning on a switch", tells Mjøs.

The supplier will also take care of maintenance, upgrading and user support. As more companies choose to use SaaS, multiple applications and programmes will be moved over to this model.

"We have delivered Software as a Service since 2005, and have solid expertise in this area", adds Mjøs.

SCANDINAVIAN. Mjøs envisions Ergo Group as the leading Nordic player in 2020. A supplier who provides services on multiple platforms, and is always there when the customer has an IT challenge that must be resolved.

"But it is difficult to predict the technology of the next decade. IT is definitely a part of the solution for all industries. Standard services in the IT cloud and more free software seem to be clear trends. It will be more common to rent than to own, and the customer does not necessarily know where the service is produced", explains Mjøs.

Fixed and mobile components are seamlessly interchangeable. Since much of corporate and individual human interaction will take place on the web, digital identity and secure recognition is critical in a digital life.

2

Posten Norge

KEY FIGURES 2009

NORWAY POST GROUP	2009		2008	2007	2006	2005	2004
Operating revenues (MNOK)	27 104	▼	28 663	26 810	23 273	19 995	17 959
EBIT (MNOK)	**482**	▲	**361**	**1 080**	**1 313**	**1 155**	**1 257**
Government procurements (MNOK)	518	▲				326	316
Share of revenue from licensed area	**12,9 %**	▲	**12,5 %**	**13,1 %**	**15,0 %**	**18,3 %**	**20,8 %**
Revenues from foreign subsidiaries (MNOK)	7 216	▼	7 428	6 240	4 153	1 727	1 443
Total parcel volume Posten Norge AS (million)	**34,9**	▼	**35,0**	**32,1**	**30,7**	**31,3**	**29,2**
Total letter volume Posten Norge AS (million)	2 284	▼	2 598	2 687	2 752	2 654	2 586
Development A and B mail	**(10,1 %)**	▼	**0,7 %**	**(0,3 %)**	**(0,8 %)**	**(5,8 %)**	**(7,0 %)**
Delivery quality A-priority mail (% delivered overnight)	88,3 %	▲	87,1 %	85,1 %	82,4 %	86,7 %	87,5 %
Machine-sorted, small letters	**85 %**	▲	**84 %**	**80 %**	**80 %**	**82 %**	**81 %**
Machine-sorted, all letters	72 %	▲	70 %	66 %	64 %	61 %	59 %
Employees (full-time equivalents) as at 31 December	**24 163**	▼	**25 851**	**24 870**	**22 272**	**20 541**	**21 373**
No. of sales outlets (post offices/Post in Shops)	1 443	▼	1 479	1 487	1 501	1 523	1 529
Customer satisfaction with the sales network (points, max. 100)	**87**	▲	**84**	**83**	**83**	**81**	**80**
Norway Post's reputation, % with a «Good Impression» (Synovate)	61 %	▲	55 %	54 %	59 %	56 %	50 %

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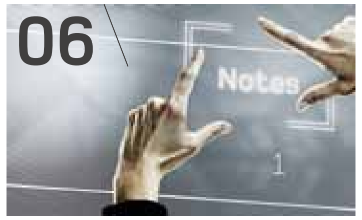


04

2010 WILL ALSO BE A TOUGH YEAR, BUT I BELIEVE THAT THE ECONOMY, AND THUS THE VOLUME OF PARCELS, GOODS AND CARGO, WILL EVENTUALLY RECOVER.

DAG MEJDELL, CEO

1
FUTURE PICTURE
Urbanisation.

In 2009, for the first time, more than 50% of the planet's people lived in cities. In 2020 Norway is expected to have a population of up to 5.5 million inhabitants, representing an increase of approximately 15%. 2/3 of the population will live in the country's largest towns. Even those who live outside cities have grown accustomed to an urban lifestyle.

2
CHALLENGES
What are the greatest challenges?

Greater distances between households increases the challenge of developing a frequent, precise and profitable distribution network for letters, parcels and freight in all parts of the country. There is a risk of excess capacity in transport and an unnecessary burden on the environment.

3
PREPARED FOR THE FUTURE
How did the Group prepare in 2009?

in January 2010 Norway Post opened a new central letter terminal. This will contribute to the efficiency of mail distribution and higher quality across the country. Work has begun to coordinate and align various transportation activities, thereby reducing the number of vehicles required to meet the transportation needs.

REPORT OF THE BOARD OF DIRECTORS 2009

The financial crisis and economic downturn in 2009 created uncertainty in the market and effected the demand for Norway Post's services in all segments. Despite a revenue decline of 5.4 percent, the group still achieved a solid underlying profit.

Operating profit (EBIT) before special items and amortization was NOK 1,021 million, which is a 50 percent improvement on the year before.

In 2009, the group has adjusted the cost and activity levels to reflect lower demand. Through a comprehensive efficiency programme that was started in 2008, the Group has increased profitability, streamlined operations and extracted synergies within and between business areas.

In 2009 the strategic plan was updated until 2013. The Nordic growth strategy remains unchanged, but the expansion rate will be adapted to reflect the recession situation in the first part of the strategy period. Norway Post expects the market to pick up again from 2011/2012. Focus on profitability and cost efficiency will provide the foundation for further growth and new acquisitions in the last part of the strategy period. 40 percent of Norway Post's revenue in 2009 came from businesses acquired over the past four years.

Norway Post's targeted growth and development strategy has given the group three strong legs to stand on. Acquired companies in the logistics and IT segment have made significant positive contributions to the Group's profitability.

Only a small portion of Norway Post's business is covered by the remaining exclusive rights. Large international players competing for customers in Norway and Scandinavian countries, and national borders are being eliminated. The major customers are becoming larger and demand cross-border mail and logistics solutions. This has led to tougher competition in the Nordic countries - which is further enhanced by the merger between Posten Sverige and Post Danmark.

Through targeted efforts, Norway Post has achieved reduced absenteeism and disability over the past few years. Safety is a priority area in the Group and efforts will be continued in future years.

Norway Post's reputation has been considerably strengthened in 2009. The Group's brand commitment, a record high delivery quality and a further shift to In-store Post has been positively received and helped to strengthen Norway Post's position among the population and business market.

SALES AND PORTFOLIO DEVELOPMENT. In 2009 the turnover of the Group was NOK 27,104 million, a decrease of 5.4 percent on 2008. Acquisitions contributed positively with NOK 410 million. The financial crisis and recession led to a revenue decline of 6.2 percent. Sales declined in all segments. 97 percent of revenues came from business customers.

The Group's operations outside Norway had total operating revenues of NOK 7216 million in 2009, which was down 2.9 percent. This was due especially to Sweden being hit hard by the recession. The proportion of revenues outside Norway amounted to 26.6 percent in 2009, compared with 25.9 percent the year before.

The Post segment had a turnover of NOK 12,517 million in 2009, a decline of 4.5 percent from 2008. External revenues in the Post segment amounted to 37 percent of Group revenue. Mail volumes are declining as a result of electronic substitution and economic decline. The financial crisis has hit major postal industries such as retail, publishing, mail order and estate agencies hard. The total mail volume in Norway was 12 percent lower in 2009 than in 2008. Unaddressed advertising saw a volume decline of 13 percent in 2009. Unaddressed advertising accounted for 49.6 percent of the total mail volume in 2009, compared with 50.6 percent the year before. The number of customer visits to the post office network fell by 6 percent, while the number of transactions fell by 10 percent.

Bring Citymail had a negative volume and income growth. Bring City Mail Sweden, which accounts for 11 percent of the total mail volume in the Post segment, has taken measures to counteract the effects of the downturn. It was decided that mail operations in Denmark would be discontinued as a result of the volume decline and various competitive conditions. This meant that the company did not achieve profitability within three years.

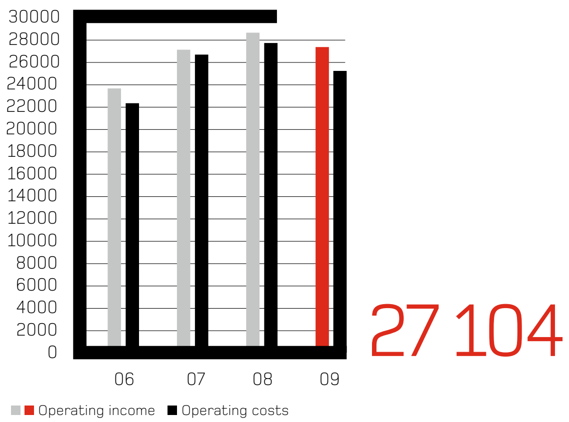
The Post segment had a turnover of NOK 12,656 million in 2009, a decline of 5.6 percent. External revenues in the Logistics segment amounted to 46 percent of Group revenue. The acquisition of companies has not compensated for the reduction in revenues resulting from the recessionary effect on volume and price pressures in the market. Logistics operations outside Norway had an operating income of NOK 4,843 million in 2009. This accounted for 38.3 percent of the segment's total operating revenues.

Total package volume was at approximately the same level as in 2008. The recession has resulted in lower volumes, particularly in consignments, general cargo and express.

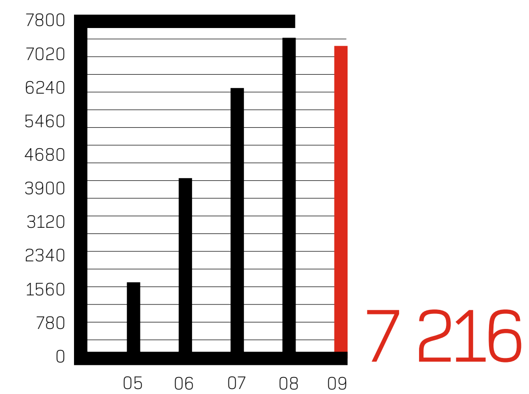
The IT segment had a turnover of NOK 5,214 million in 2009, a decline of 8.3 percent. External revenues in the IT segment amounted

REPORT OF THE BOARD OF DIRECTORS

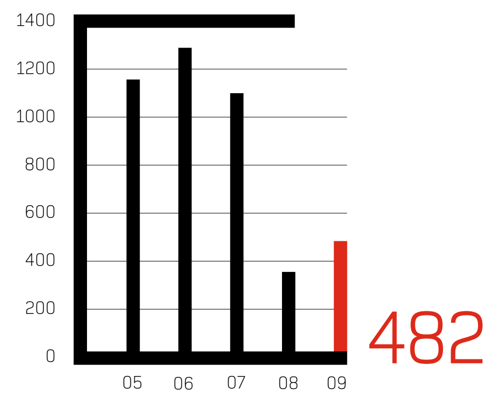
OPERATING REVENUES AND OPERATING EXPENSES
In MNOK



OPERATING REVENUES FROM FOREIGN SUBSIDIARIES
In MNOK



EARNINGS BEFORE INTEREST AND TAXES/EBIT
In MNOK



to 17 percent of Group revenue. The decrease was due to a difficult market situation in Sweden and reduced revenue from Norway Post. ErgoGroup turnover against Norway Post's accounted for 13 percent of the company's total revenues in 2009, compared with 16 percent the year before. The order intake was good in 2009. ErgoGroup entered into contracts for NOK 3,589 million, which is NOK 519 million higher than in 2008.

In 2009, ErgoGroup increased its stake in the Indian IT company ION Solutions by 16 percent to 51 percent. SYSteam has taken over some minor activities in Sweden and Finland.

QUALITY AND SERVICE. Norway Post delivered above the license requirement for overnight A-mail in all four quarters in 2009. On an annual basis the result was 88.3 percent. This is the best ever measurement and an improvement of 1.2 percentage points compared with 2008 and 3.3 percentage points higher than the license requirement of 85 percent. The high quality of delivery proved that the improvement measures implemented in recent years have yielded the desired effects. Norway Post's five other license requirements for the dispatching of the A (priority) post, B (economy) post and parcels were fulfilled by a good margin. Norway Post's household coverage for unaddressed direct mail advertising was, at the end of 2009, 68.7 percent, compared with 70 percent the year before. Coverage in the metropolitan municipalities was around 50 percent.

Industrialisation of post production is necessary if Norway Post is to deliver mail services of high quality in the future. In January 2010, the new Østland's terminal opened, which represents the best in the modern postal industry. Norway Post's South-East Norway terminal will lead to faster and more efficient mail delivery throughout Norway, and help make Norway Post one of the most future-oriented mail and logistics groups in the world.

In 2009 an effort was begun to increase efficiency and centrally locate the package and goods terminals in Norway. In February 2010, the city council of Oslo adopted a plan that provides for the building of a new freight terminal at Alnabru enabling the co-location of parcels, goods and thermo goods.

Norway Post's reputation showed strong progress in 2009 and the group went up from 25th to 12th place on the annual Synovate reputation survey. The new brand, Bring, and the renewal of the Norway Post brand has helped to strengthen the Group's position in the market. The new brand solution has clarified the relationship between Norway Post and Bring, and shown that the Group is proactive and forward looking. Overall customer satisfaction (KTI) in 2009 showed good progress for corporate customers and Bring, while residential customers remained at the same level as the previous year. Customer satisfaction with the post office network remained high in 2009 and proves that the transition to Post in Shops has been well received.

PROFIT PERFORMANCE. The Group's operating revenue before depreciation, amortization and special items (EBITDA) was NOK 1,959 million in 2009, compared with NOK 1,589 million the year before. EBIT margin was 1.8 percent, against 1.3 percent in 2008. Operating revenue (EBIT) before special items and amortization was NOK 1,021 million in 2009, which is NOK 338 million better than last year, despite revenue decline. The improvement was due to the effects of cost-cutting measures, and government purchasing of imposed unprofitable services has compensated for the volume decrease. In addition, the result is influenced by the cost of rebranding the new brand at

1
FUTURE PICTURE
Identity security.

Theft of identity data is the fastest growing crime in the world. In 2020 as many as 20% of the population experienced the attempted theft of their identity. The costs for businesses and communities in covering losses and for creating and securing manipulated identities runs to billions.

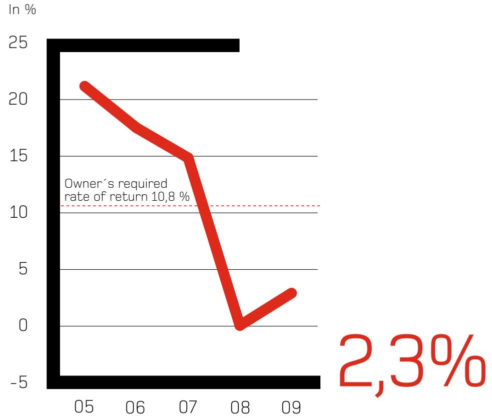
2
CHALLENGES
What are the greatest challenges?

Norway Post and Bring must develop new products and solutions that correspond to modern technology society demands and conditions. A supply chain with associated processes with the highest security is a top priority.

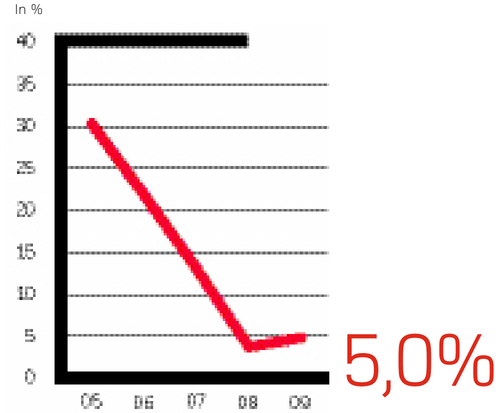
3
PREPARED FOR THE FUTURE
How did the Group prepare in 2009?

Norway Post is one of the participants and sponsors of the Norwegian government's ID-theft project under the auspices of NorSIS. The purpose is to learn more about this and contribute to improving security for individuals and businesses by developing and securing our own supply chain as well as contributing to general social measures.

RETURN ON EQUITY AFTER TAXES
In %



RETURN ON INVESTED CAPITAL
In %



NOK 62 million in 2009, compared with NOK 221 million in 2008.

EBIT margin before special items and amortization rose to 3.8 percent from 2.4 percent in 2008. The return on invested capital before special items and amortization (ROIC) was 10.6 percent in 2009, compared with 7.4 percent in 2008. Net restructuring costs were NOK 221 million in 2009 after the repatriation from the previous year, and was mainly due to the termination of Bring Citymail Denmark, the new post office concept and changes in the terminal structure in Norway. There was also a write-down of goodwill and fixed assets totalling NOK 372 million, partly related to Bring Citymail.

The group is meeting the challenges of profitability as a result of the volume decline and recession with the comprehensive efficiency programme Spinnaker, which was initiated in 2008. The programme will collectively increase revenues and reduce costs by NOK 2.3 billion by 2012. In 2009, the Spinnaker programme realized effects of about NOK 1 billion, which is significantly better than expected. Additional measures were taken to adjust capacity and costs to market developments.

The joint Group productivity system was extended to multiple units to streamline the Group's value chain. The goal is to provide increased value to customers with fewer resources and simpler work processes.

Parliament granted NOK 518 million in state acquisitions in 2009. As a result of increased cost-effectiveness, Norway Post expects part of the amount to be refunded in accordance with the following calculation.

The Mail Segment had a revenue (EBIT) of NOK 121 million in 2009, an improvement of NOK 239 million. The positive revenue performance was due to government acquisitions, the effects of the Spinnaker programme and other measures.

Lower volumes of letters requires more efficient mail production. The move to the new terminal structure will provide significant cost reductions. To adapt the distribution capacity to the lower demand for unaddressed direct mail advertising, in 2009 Norway Post cut its advertising distribution on Fridays and Saturdays.

The conversion of a further 124 post offices to Post in Shops was started in 2008 and will be completed in 2010. At the end of 2009, 95 post offices were converted, which is ahead of schedule. Norway Post decided in 2009 to implement a modernisation of the self-run post offices over a three year period to customise the business to customers' changing needs. From 2003, the number of customer visits to post offices has been reduced by around 20 percent and the number of transactions halved. The remaining post offices have been moved, therefore, to smaller locations with adapted operations.

The Logistics segment had revenue(EBIT) of NOK 434 million in 2009, which is NOK 248 million lower than in 2008. The Logistics business has been impacted by lower activity as a result of the downturn. The segment has conducted a series of cost-cutting measures in all business areas that partially compensates for the income shortfall. Additional cost adjustments have been considered.

The IT segment had revenue (EBIT) of NOK 239 million, a decrease of NOK 130 million from the year before. The Swedish IT market was particularly hit hard by recession. The revenue of the company's operations in Sweden has fallen by one third compared with the record year of 2008. Earnings were also affected by the profitability decline in the Norwegian area of operational services as a result of the renegotiated prices and delays in the project. The improvement and restructuring programme was intensified in the latter half of 2009 with the aim of regaining profitability over a two year period. Within the Norwegian division of solutions and application services, good margins continued to be enjoyed and earnings were better than in 2008.

In 2009 the company had net financial expenses of NOK 284 million against NOK 253 million in 2008. This resulted in revenue before tax of NOK 198 million against NOK 108 million in 2008.

As at 31 December 2009 capital worth of NOK 8,675 million was invested; a decrease of NOK 856 million from 2008. The decline was partly due to the writing down of intangible and fixed assets, as well as currency effects. The return on invested capital (ROIC) was 3.9 percent in 2009. Book equity in Norway Post was NOK 5,214 million as at 31 December 2009, compared with NOK 5,160 million the year before. The equity ratio amounted to 28.3 percent of the total balance in December 2009, compared with 26.4 percent in 2008. This ratio was 2.3 percent, compared with -0.5 percent in 2008.

The cash flow from operations and investment activities was NOK 814 million compared with NOK 753 million in 2008. Total investments with cash items amounted to NOK 1,405 million, which is NOK 737 million lower than in 2008. The majority of investments have been related to the new South-East Norway terminal and new IT systems.

Interest bearing debt was NOK 4,046 million at the end of 2009, down from NOK 4,763 million. The reduction was mainly due to net repayments of loans. The Group has good liquidity with a long-term liquidity of NOK 4,796 million, including available credit facilities, compared to NOK 4,408 million for the same period last year.

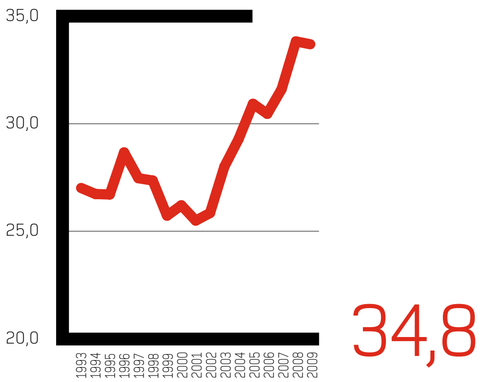
The Board confirms that continued operations are assumed for the annual financial statements and that the conditions for this exist.

RISK. Risk analysis and risk management are central to Norway Post's corporate governance. The development of strategy, business plans and goals will be added to facilitate value creation, through to balance growth against profitability and other risks to Norway Post's operations.

As part of corporate governance the Board performs an annual risk assessment. The risk analysis is conducted as a comprehensive process in which all divisions and major Group companies are involved. The results of this process are consolidated into a review of the overall risks Norway Post is exposed to in the strategic, financial and operational arenas. Reviews are followed up with measures and recommendations for managing and controlling the individual risk factors and for preventing incidents that could be negative for the Group's operations and reputation in the market. Norway Post follows up its active risk exposure with a focus on areas such as the strategic acquisition or disposal of businesses, regulatory conditions, competitive conditions, implementation of major projects, available expertise and resources, sick leave and disability development.

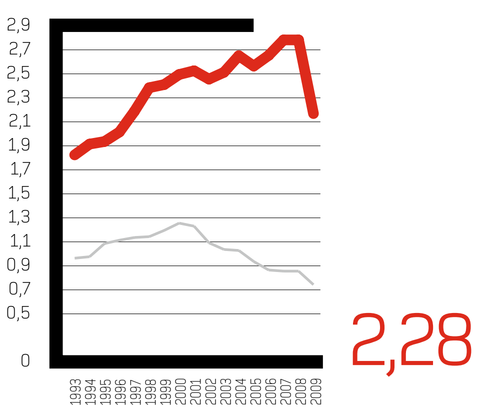
In 2009 Norway Post implemented a series of measures to reduce the financial risk and increase the financial freedom of action. Discipline in capital use, few acquisitions and a focus on cost-cutting measures have more than compensated for reduced revenues due to lower sales volume

VOLUME OF PARCEL MAIL
In million items



Total package volume

VOLUME OF LETTER MAIL
In billion items



Total mail volume A and B post

in 2009. This has resulted in an increase in the equity ratio and resulted in increased capacity to undertake strategic investments. The balance sheet has been strengthened by, among other things, the repayment of loans and a reduction in the Group's accounts receivable. No new long-term loans were taken out in the period and excess liquidity was placed at favourable terms. Credit and counterparty risk is considered to be limited because the rating of Norway Post's counterparts is generally high.

Some of Norway Post's loan agreements include debt covenants which include a restriction on net debt / EBITDA of 3.5 and a minimum equity ratio of 25 percent. As at 31.12.09, net debt / EBITDA was 1.1; down from 1.8 in 2008, and the equity ratio was 28.3 percent; up from 26.4 percent in 2008. Norway Post has monitored these special clauses in relation to the effects of the downturn. The measures we have implemented achieved an increase in strength and investment ability. Norway Post uses financial instruments to manage risks associated with changes in interest rates, exchange rate changes and changes in diesel and aircraft fuel.

Norway Post has received a notice of violation of the competition law from ESA, with subsequent demands for compensation from Schenker. Norway Post believes the company has not violated the Competition Act and that consequently there is no basis for compensation.

ALLOCATIONS. In 2009, Norway Post had earnings after tax of NOK -157 million. It is proposed that this is covered by other equity. Norway Post does not have free equity as at 31.12.09. In addition, it is proposed that a total of NOK 181 million be issued as Group contributions to subsidiaries.

PERSONNEL AND ORGANISATION. One of Norway Post's four principal goals is to have attractive workplaces and a good working environment. To reach this goal Norway Post has paid particular attention to Health, Safety and the Environment (HSE) in all organisational and business development, and good three-way cooperation between management, employee representatives and safety services. In 2009, efforts have been aimed at reducing sick leave, the number of new disability cases and the prevention of occupational injuries, including increasing the reporting of accidents. Our ambition is to have a working environment where no-one is injured or ill as a result of their work.

The Group workforce was reduced by 1,688 full-time equivalents compared to 2008. The reduction was partly due to the streamlining of staff and support functions with subsequent workforce reductions of approximately 370 full-time equivalents. Operations are still being streamlined through natural attrition and restructuring measures.

Operating income per full-time equivalent amounted to NOK 1,148,000 in 2009, compared with NOK 1,118,000 in 2008.

Norway Post's annual organisational survey, which maps the working environment, includes both physical and psychosocial factors. In 2009, the survey showed a gain of 1 point in total satisfaction to 76 points (on a scale from 1 to 100). The total satisfaction index has risen each year since 2001. The survey showed that employees thrive at work, that they are committed to satisfying customer requirements and expectations, and that they know what goals and results Norway Post is working to achieve. 93 percent of the employees responded to the survey.

Absenteeism decreased from 7.4 percent in 2008 to 7.3 percent in 2009. For the parent company, absenteeism increased from 9.1 percent to 9.4 percent

1

FUTURE PICTURE
The fight for talent.

An aging population creates fierce competition for talent. Competence deficiency in Europe leads to fierce competition and high mobility. Talented people can pick and choose attractive offers. The most attractive employers must meet expectations on ethics, environmental responsibility and social responsibility in general.

2

CHALLENGES
What are the greatest challenges?

The post and logistics industry is undergoing rapid change. The challenges are great and the change processes are extensive. Local and regional providers without global resources must use their unique expertise to compete successfully. It is important to appear attractive and challenging to young talent.

3

PREPARED FOR THE FUTURE
How did the Group prepare in 2009?

The tenth class of Norway Post's trainee programme was recruited in 2009. The programme has very high satisfaction levels. Three of the participants in the first class have been promoted to director level. The new talent programme was launched to capture and maintain top management candidates within the Group. In particular, to promote women in leadership.

1 FUTURE PICTURE
On the way to CO2 neutral transports.

A systematic and purposeful environmental measure, well-supported by new vehicle technologies, changes in authority driven conditions and investments in infrastructure for more environmentally friendly transport solutions, has contributed to almost a halving of the Group's CO2 emissions.

2 CHALLENGES
What are the greatest challenges?

By means of a dedicated and comprehensive action programme, we will reduce the company's environmental impact.In addition, the authorities must provide the right conditions so that more environmentally-friendly solutions can be used.This also applies to investments, so that most goods can be transferred from air and road to rail.

3 PREPARED FOR THE FUTURE
How did the Group prepare in 2009?

Norway Post has joined the World Economic Forum and adopted the IPCS standard guidelines to calculate the carbon emissions, which is a measure for moving towards more low-emission value chains. Norway Post's environmental policy includes a number of measures that will provide significant emission reductions up to 2015.

in 2009, with a distribution of 11 percent for women and 8.1 percent for men. The number of new disability-years in the parent company was 154, a decrease of 71 compared with 2008. The number of disability work-hours in relation to the workforce was 1.1 percent, against 1.5 percent in 2008. The reduction in disability benefits contributes to fulfilling the objectives of the agreement on Inclusive Employment, so that many older employees are no longer working.

The H value (number of lost-time injuries per million hours worked) fell from 13.3 in 2008 to 11.6 in 2009. More than 70 percent of injuries occur in the Distribution network, but the division also has the greatest reduction in injuries compared to 2008. The most frequent causes are still falls, which make up about 40 percent of the injuries, and "hits by objects" which constitutes 10 percent of the injuries. Reporting of near misses and adverse events increased 20-fold to 20,460 in 2009. Increased reporting of such events is an important learning tool for the prevention of injuries and accidents.

The good HSE results over the last few years were the main reason that Norway Post, through a tender in 2009, achieved cost reductions of around NOK 100 million annually in the pension and personal insurance, with effect from 2010.

Salary, other benefits and earned pensions to senior management amounted to NOK 26.4 million in 2009.

Norway Post's recruitment policies and collective agreement requires moderate gender quotas to increase the number of female managers and employees in male-dominated job categories. Norway Post is concerned about equality at all levels. Therefore, the company has assessed wage differentials between women and men in the Norwegian section of the organisation. Significant wage differentials due to gender cannot be identified in the Group's operational positions. Norway Post's executive management has 37.5 percent women.

Norway Post is a diverse company with a large proportion of employees from different ethnic backgrounds. A series of integration measures such as tuition and awareness generating activities have been implemented. Norway Post has defined diversity/integration as a social responsibility area. The Group is committed to having an external racist-free profile by being declared a "racism-free zone". In 2009 the Norway Post Group was chosen as a beacon company for the Collaboration project "Real Diversity", organised by the Equality and Discrimination Ombudsman and the innovation company Splint.

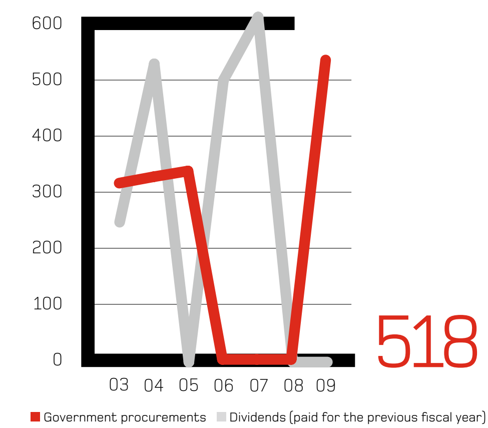
The Board would like to thank our employees for their excellent cooperation and responsibility in Norway Post's growth.

COMPETENCY. Norway Post's leadership programmes for senior and middle managers are on-going. A total of 16 senior managers and 40 middle managers completed the programmes in 2009. 164 first line managers completed the programme for first line managers which emphasises, among other things, the Group's life policies and relational skills.

A number of training initiatives have been aimed at people who move to the new South-East Norway terminal. To contribute to a successful relocation and start-up, training in new work processes and information about changes in working life has been particularly emphasised.

SAFETY. In 2009, none of Norway Post's operations suffered a robbery. Four robberies were committed against Post in Shops businesses. The extent of

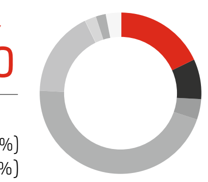
GOVERNMENT PROCUREMENTS AND DIVIDENDS
In MNOK



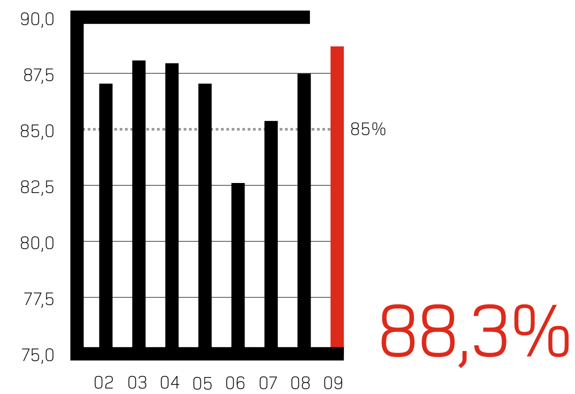
REVENUE DISTRIBUTION
In %

A and B post 18%

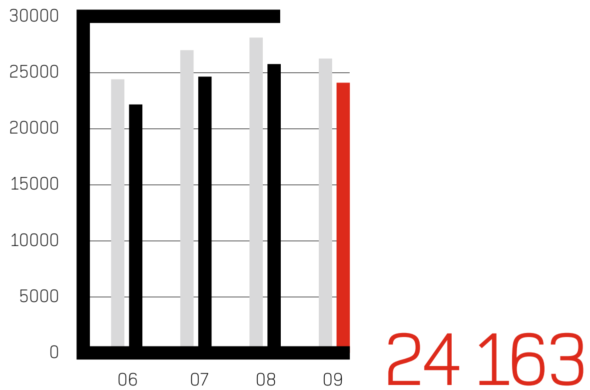
Newspapers, magazines, advertising, etc.	(8%)
CityMail	(4%)
Logistics	(46%)
IT	(17%)
Bank	(2%)
State purchases	(2%)
Product sales	(0%)
Other revenue	(3%)



DELIVERY QUALITY A-PRIORITY MAIL IN NORWAY
Percentage delivered overnight



DEVELOPMENT IN NUMBER OF EMPLOYEES



other crimes in and against Norway Post was moderate. Norway Post experienced no episodes that created a serious fear of terrorism. Norway Post has good security systems and procedures, and is in the forefront of adopting modern security equipment. Security systems are maintained and strengthened regularly in line with development trends and threats.

Although robberies and other crime is at a moderate level, Norway Post believes there is still a significant threat from professional and organised criminal groups. ID theft based on the theft of mail after its delivery poses a growing challenge. In such cases misused personal information is used for both fraud and fraudulent online ordering of valuable and attractive products. The misuse of Norway Post's forwarding system for identity theft has been reduced as a result of new and improved safety measures in recent years. Norway Post is continuously informed on the threat of terrorism through information from police, security authorities and other national mail companies. Measures are considered and implemented in relation to the information received.

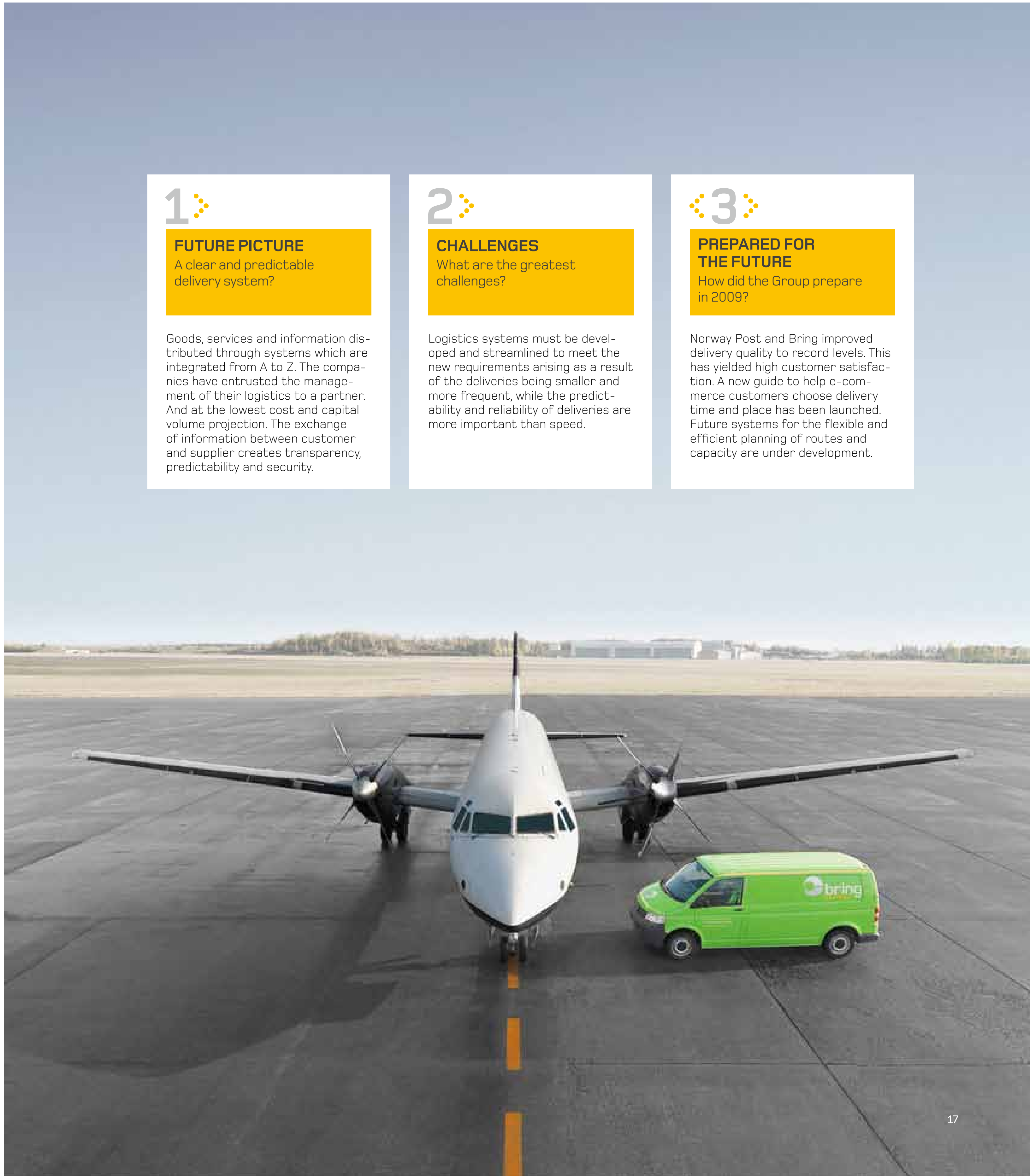
THE BROADER ENVIRONMENT. Norway Post has chosen the environment as a priority social responsibility area. In 2009, the Group adopted an environmental strategy in which the ambition is to take environmental leadership within the postal and logistics industry. The goal is to cut CO2 emissions by 30 percent in five years and become one of the world's most environmentally adapted mail and logistics companies. Norway Post's environmental work in 2009 was ranked 5th place in a study conducted by the international trade organisation the International Post Corporation (IPC).

Norway Post's environmentally proactive and long-term target is to improve environmental performance in the areas where the Group has the greatest influence: transport, waste, energy and purchasing. To increase knowledge and safety awareness across the entire Group, in 2009, a separate e-training programme was adopted, through which employees qualify for Environment Awareness. 1,500 employees completed the programme and were certified in 2009. In addition, 1,200 drivers completed training in eco-efficient driving.

Transport is the biggest cause of greenhouse gas emissions and Norway Post will change to more environmentally friendly alternatives. Efforts are made to systematically move the mail and freight from road to rail. Where rail routes are available in Norway, more than 80 percent of the mail is moved by train. Norway Post is already the largest user of rail, and additional volumes will be moved from the plane and truck to train. In addition, Bring companies moved freight from road to rail. In 2009, the Group set up a Bring weekly train that transports goods between Oslo and Rotterdam. The Group, in cooperation with IKEA, set up their own train freight on the Denmark - Italy and Sweden - Norway routes. For individual vehicles, we are working with alternative fuels such as electricity and bio fuels, and the transition to more environmentally efficient vehicles. By 2015 the ambition is that the 1300 road-based mail routes are changed to electrical vehicles, mopeds or bicycles.

The Group is investing NOK 160 million in new transportation management systems designed to reduce car use and increase the degree of filling. Norway Post's Østland's Terminal has received investment in environmental technologies that reduce CO2 emissions by 97 percent.

Environmental accounts showed a decrease in CO2 emissions from 2008



1

FUTURE PICTURE
A clear and predictable delivery system?

Goods, services and information distributed through systems which are integrated from A to Z. The companies have entrusted the management of their logistics to a partner. And at the lowest cost and capital volume projection. The exchange of information between customer and supplier creates transparency, predictability and security.

2

CHALLENGES
What are the greatest challenges?

Logistics systems must be developed and streamlined to meet the new requirements arising as a result of the deliveries being smaller and more frequent, while the predictability and reliability of deliveries are more important than speed.

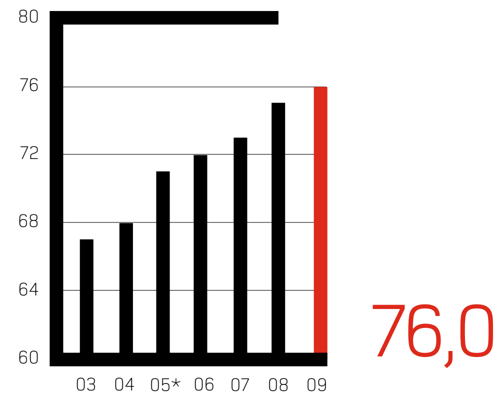
3

PREPARED FOR THE FUTURE
How did the Group prepare in 2009?

Norway Post and Bring improved delivery quality to record levels. This has yielded high customer satisfaction. A new guide to help e-commerce customers choose delivery time and place has been launched. Future systems for the flexible and efficient planning of routes and capacity are under development.

EMPLOYEE SATISFACTION INDEX LAST 7 YEARS

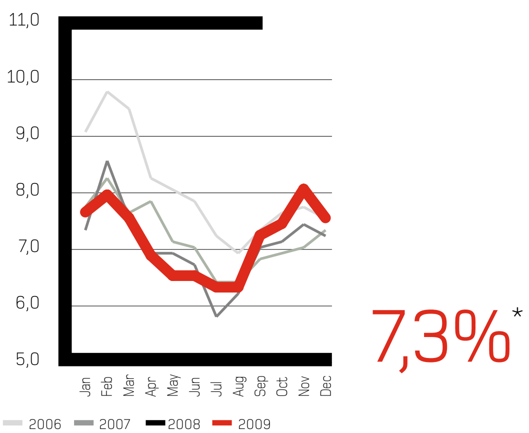
The Group (scale from 1 to 100, where 100 is best)



* New measurement method from 2005

RATE OF SICK LEAVE LAST 4 YEARS

Percentage for the Group



* Average sick leave 2009

to 2009. This is partly due to the shift from air and road transport to rail, increased use of alternative vehicles, renewal of the fleet and more drivers implementing economic driving. Norway Post's environmental report and environmental accounting is presented in Section 1 on pages 35-39.

CORPORATE GOVERNANCE. In 2009 no changes were made to the composition of the board of directors. The proportion of women is 50 percent among the board members. The board of directors wants to extend the basis for employee representation on the board, and in 2009 asked the Industrial Tribunal for the establishment of the corporate scheme.

The board of directors performs an annual evaluation of its own work, competence and working methods, and considers the content of its guiding instructions and its principles of corporate governance. In addition to being a decision-making and supervisory body, the board of directors wishes to be a valuable discussion partner for the company's management and ownership, based on a good understanding of Norway Post's strategy, value chain and processes, combined with relevant external expertise.

The board of directors has updated the 2009 Board instructions and the statement for corporate governance in accordance with best practices and recommendations from the Norwegian Committee for Corporate Governance.

The goal of the declaration is to give Norway Post's stakeholders confidence in the company's leadership systems. Norway Post's statement on corporate governance is available on the Internet: www.postennorge.no

Norway Post has established shared corporate basic values, guiding principles for the Group and key disciplines, management principles and ethical guidelines. The Warning Institute, which was established in 2008, received 7 alerts in 2009. These were mainly related to personnel conflicts and/or professional disagreements.

The Audit Committee was appointed by the board of directors in 2008 to protect the internal controls surrounding financial reporting and the independence of the administration in the areas of financial reporting, internal control and risk assessment. It had 6 meetings in 2009.

In 2009, the Auditor General presented a report on Norway Post's expansion and economic development for the period 2004-2008 in which the Auditor General's assessment was that the new businesses had contributed to strengthening Norway Post's overall profitability, and that the Ministry should improve its monitoring of the results of Norway Post's expansion. The board of directors' assessment was that the challenges have been linked, first and foremost, to negative results in Bring CityMail's business. The Auditor General's report confirmed that the operations of other subsidiaries in 2008 gave a return of between 11.6 and 24 percent, which is in line with or better than the owner's return requirements for Norway Post. Parliament will discuss the Auditor General's Report on 9 March 2010.

FUTURE PROSPECTS. Norway Post should build on the aggressive growth strategy and further develop and strengthen its Nordic market position within mail, logistics and IT, and also through acquisitions. Customers are becoming increasingly international and increasingly demand Nordic solutions.

Norway Post expects that 2010 will be another challenging year of low

1 FUTURE PICTURE

The integrated diversity - opportunities market.

Nordic countries have populations composed of people with different origins and cultural backgrounds. The number of immigrants and locally born children of non-nationals account for between 20-25% of the total population in Scandinavia. Large groups are integrated in working life and constitute a significant proportion of the Group's employees.

2 CHALLENGES

What are the greatest challenges?

There is strong competition for employees within the mail and logistics industries. Many choose industries that are perceived to have higher prestige. Immigrant groups have difficulties in entering the workforce. This applies particularly to women. With the right effort, this can be an opportunity market for Norway Post.

3 PREPARED FOR THE FUTURE

How did the Group prepare in 2009?

Diversity and integration is a priority area for attracting new employees and giving them a career related to the individual's potential. In addition to the targeted recruitment of specific groups such as non-national women, in 2009 the development programme for line managers with non-national backgrounds was established.

The Board of Norway Post

NORWAY POST'S BOARD from left: Ingeborg Anne Sætre, Eli Arnstad, Judith Olafsen, Sigbjørn Molvik, Arvid Moss (chairman), Liv Stette (vice-chairman), Terje Christoffersen, Odd Christian Øverland, Paul Magnus Gamlemshaug, Gry Mølleskog.

demand, pricing pressures and increased competition. The start to the year confirms this. With further falls in mail volumes and increased competition, Norway Post continues to focus on profitability improvements and implementation of the rationalisation programme Spinnaker.

Norway Post will take aggressive action to counteract the volume decline. A joint Corporate improvement culture will be created within the group, and small and large improvements in processes, products and services will help deliver increased customer value. Efforts to coordinate and realise synergy gains will continue in logistics operations between the postal and logistics units. Through increased profitability, the Group will be well positioned for further acquisitions when the market is expected to pick up from 2011-2012.

Norway Post's brands will be further developed by increasing the knowledge of Bring specialists and attractiveness of the offerings. The development of a performance culture will help the organisation live up to the customer promises; for Bring: "Finding new ways" and for Norway Post: "We live to deliver".

In the mail segment, volumes continue to fall. Increased substitution in commercial mail, digitisation of advertising and the higher reservation rate of unaddressed direct mail advertising, are the main drivers. In the light of developments there is still a need to restructure and streamline operations.

Norway Post's license expires on 31.12.10. The board of directors believes there is a need for an assessment of whether it is politically desirable to pursue a licensed service at the current level in a new license, when there is no longer a market basis for including the six-day mail and postal distribution and Norway Post's statutory banking requirements. Without changes to the licensed service the need for government acquisitions will increase in the years ahead.

Within the EU, the majority of the postal market will be liberalised by 2011, while some countries have been given an extension to 2013. Whether Norway will introduce or opt-out of the EU's third mail directive remains for the government to clarify. Norway Post is already exposed to competition in 87 percent of its operations and is preparing to meet competition for letters under 50 grams. Within the remaining exclusive rights protected area, Norway Post is challenged by e-mail and other digital solutions.

The new South-East Norway terminal will take over all mail production from the Letter Terminal in Oslo in the spring of 2010, as well as from Hamar and Drammen in 2011. This completes the terminal structure that was begun in 2004. The change from 32 to 9 post terminals has yielded cost reductions of nearly half a billion Norwegian kroner and enabled the industrialisation of the postal business with increased automation and new work processes.

Bring CityMail Sweden continues with enhanced effort, even though the Danish business was discontinued. The board of directors expects profitability over time in Sweden, although the financial crisis and geographic expansion has caused the company negative results in recent years. To meet the recession streamlining programmes continued and the company increased its sales efforts.

The Logistics segment has been affected by the negative economic situation, particularly in B2B parcels, freight and express products. It is expected that lower volumes and increased competition will put pressure on earnings in 2010. Later in the strategy period, moderate growth and margin improvements in Logistics are expected.

The Group is considering a co-location of Norway Post and Bring's logistics activities in the Oslo area in Alnabru. The solution will deliver large efficiency gains and positive environmental effects.

The IT segment has been affected by the recession, particularly in Sweden, and is expected to increase pressure on prices and profitability in 2010. At the same time it is expected that more companies will outsource their IT operations and provide opportunities for increased activity and new contracts for the ErgoGroup.

Norway Post emphasises social responsibility by reducing the business' impact on the environment and developing the Group as an attractive workplace with a diverse and inclusive work environment. HSE measures will be continued in 2010 and will work continuously and determinedly to reduce sick leave, the numbers on disability and lost time injuries.

Oslo, 25 March 2010

Arvid Moss (chairman)	Liv Stette (vice chairman)	Eli Arnstad	
Terje Christoffersen	Sigbjørn Molvik	Gry Mølleskog	Odd Christian Øverland
Ingeborg Anne Sætre	Paul Magnus Gamlemshaug	Judith Olafsen	Dag Mejdell (CEO)

05

NORWAY POST IS TO DELIVER PROFIT AS WELL AS MAIL. IT IS FULLY POSSIBLE TO BOTH GENERATE PROFIT AND FULLFILL OUR OBLIGATIONS TO THE COMMUNITY.

DAG MEJDELL, CEO

KEY FIGURES

GROUP

		2009	2008	2007
RESULTS				
Operating revenues	MNOK	27 104	28 663	26 810
Earnings before interest and taxes (EBIT)	MNOK	482	361	1 080
Income before taxes	MNOK	198	108	955
PROFITABILITY AND RETURN ON EQUITY				
Calculated key figures incl. non-recurring items*and write-downs:				
EBIT margin 1)	%	1,8	1,3	4,0
Profit margin 2)	%	0,7	0,4	3,6
Return on invested capital 3)	%	5,0	3,9	12,9
Return on equity after tax 4)	%	2,3	(0,5)	14,0
Calculated key figures excl. non-recurring items*and write-downs:				
EBIT before non-recurring items and write-downs 5)	MNOK	1 021	683	815
EBIT margin	%	3,8	2,4	3,0
Profit margin	%	2,7	1,5	2,6
Return on invested capital	%	10,6	7,4	9,8
CAPITAL AND LIQUIDITY				
Cash flow from operations	MNOK	1 988	1 342	1 714
Investments excl. acquisitions	MNOK	1 448	2 051	1 521
Equity ratio 6)	%	28,3	26,4	33,2
Net debt ratio 7)		0,4	0,6	0,3

* Non-recurring items consist of restructuring costs and the loss/(gain) on sale of fixed assets/subsidiaries etc.

DEFINITIONS

1) EBIT margin: EBIT/operating revenues
2) Profit margin: Income before taxes/operating revenues
3) Return on invested capital: EBIT/average invested capital
   Invested capital: intangible assets + tangible fixed assets + net working capital
4) Return on equity after tax: net income for the year/average equity
5) EBIT before non-recurring items and write-downs: Earnings before gain/loss on sale of fixed assets etc., restructuring expenses, costs of transferring to the new pension scheme, write-downs and negative goodwill taken to income
6) Equity ratio: Equity/total assets
7) Debt ratio: (Interest-bearing liabilities - liquid assets)/total equity

INCOME STATEMENT

Amounts in MNOK

POSTEN NORGE AS					GROUP		
2007	2008	2009		Note	2009	2008	2007
12 700	12 922	12 376	**Operating revenues**	1	27 104	28 663	26 810
			Operating expenses				
1 957	1 971	1 820	Cost of goods and services		9 310	10 126	9 669
6 761	6 982	6 559	Payroll expenses	2	11 661	12 134	11 078
383	353	393	Depreciation	9,10	938	906	834
11	137	60	Write-downs	9,10	372	169	130
			Negative goodwill recognised income			(29)	
3 117	3 351	3 286	Other operating expenses	4	4 174	4 814	4 398
(12)	(35)	(20)	(Gain) on sale of fixed assets etc.	6	(60)	(42)	(649)
2	21	1	Loss on sale of fixed assets etc.	6	7	21	2
256	159	156	Restructuring expenses	5	221	203	268
225	**(17)**	**122**	**Earnings before interest and taxes**		**482**	**361**	**1 080**
			Share of net income (losses) of associated companies	12	5	(5)	1
1 223	744	744	Financial income	7	498	640	282
504	1 044	902	Financial expenses	7	786	888	408
944	**(317)**	**(36)**	**Income before taxes**		**198**	**108**	**955**
122	(36)	121	Taxes	8	80	136	159
822	**(281)**	**(157)**	**Net income (loss)**		**118**	**(28)**	**796**
			Net income (loss) attributable to majority interests		111	(35)	796
			Net income (loss) attributable to minority interests		7	7	
			Proposed transfers and allocations				
(506)			Dividends				
(155)		(181)	Group contributions				

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR

Amounts in MNOK

POSTEN NORGE AS				GROUP		
2007	**2008**	**2009**		**2009**	**2008**	**2007**
822	**(281)**	**(157)**	**Net income for the year**	**118**	**(28)**	**796**
			Translation differences:			
		(75)	Result of hedging of investments in foreign entities	225	(148)	172
		21	Tax	(63)	42	(48)
			Translation differences from the hedging of investments in foreign entities	(276)	208	(154)
			Cash-flow hedging:			
50	(122)	69	Changes in value	69	(122)	47
(11)	(25)	26	Transferred to income	26	(25)	(4)
(11)	41	(27)	Tax	(27)	41	(12)
	(2)		Tax effect of demerger receivables			
28	**(108)**	**14**	**Other income/(costs) directly included in equity**	**(46)**	**(4)**	**1**
850	**(389)**	**(143)**	**Comprehensive income**	**72**	**(32)**	**797**
			Comprehensive income is split as follows:			
			Majority interests	65	(39)	797
			Minority interests	7	7	
				72	**(32)**	**797**

BALANCE SHEET

Amounts in MNOK

POSTEN NORGE AS					GROUP		
2007	**2008**	**2009**		**Note**	**2009**	**2008**	**2007**
			Assets				
679	980	1 008	Intangible assets	9	6 224	6 795	6 088
519	693	621	Deferred tax asset	8	795	818	667
2 162	982	1 185	Tangible fixed assets	10	4 841	4 406	4 037
73	73	73	Investment properties	11	73	108	108
4 377	5 235	5 139	Investments in shares	12,23	5	6	29
	11	11	Investments in associated companies	12	51	56	19
2 940	2 502	1 784	Interest-bearing non-current receivables	13	67	43	31
81	30	72	Other non-current receivables	14	141	85	120
10 831	**10 506**	**9 894**	**Fixed assets**		**12 198**	**12 317**	**11 099**
51	55	34	Inventories	15	52	65	65
1 481	1 559	1 338	Interest-free current receivables	16	4 145	4 775	4 508
597	2 394	2 105	Interest-bearing current receivables	13	76	84	59
1 084	993	1 334	Liquid assets	17	1 934	1 837	1 647
3 213	**5 001**	**4 811**	**Current assets**		**6 207**	**6 761**	**6 279**
29	**388**	**37**	**Assets held for sale**	18	**37**	**438**	**37**
14 073	**15 895**	**14 742**	**Assets**		**18 441**	**19 516**	**17 415**
			Equity and liabilities				
3 120	3 120	3 120	Share capital		3 120	3 120	3 120
992	992	992	Share premium reserves		992	992	992
1 475	595	384	Other equity		1 109	1 116	1 634
31	(75)	(7)	Other reserves		(7)	(75)	32
			Minority interests			7	8
5 618	**4 632**	**4 489**	**Equity**	19	**5 214**	**5 160**	**5 786**
1 949	**1 895**	**1 883**	**Provisions for liabilities**	20	**2 274**	**2 268**	**2 233**
2 935	4 527	3 889	Interest-bearing non-current liabilities	21	4 014	4 701	3 118
85	258	101	Interest-free non-current liabilities	22	102	393	166
3 020	**4 785**	**3 990**	**Non-current liabilities**		**4 115**	**5 094**	**3 284**
331	928	796	Interest-bearing current liabilities	21	32	62	76
3 000	3 597	3 526	Interest-free current liabilities	22	6 660	6 794	5 795
155	58	57	Taxes payable	8	145	138	241
3 486	**4 583**	**4 379**	**Current liabilities**		**6 837**	**6 994**	**6 112**
14 073	**15 895**	**14 742**	**Equity and liabilities**		**18 441**	**19 516**	**17 415**
			Guarantees/mortgages	27			

CASH FLOW STATEMENT

Amounts in MNOK

POSTEN NORGE AS				GROUP		
2007	2008	2009		2009	2008	2007
			Cash flow from operating activities			
639	210	602	Provided by the year's operations *)	1 541	692	1 176
(55)	(672)	376	Change in working capital	563	530	236
306	109	(111)	Change in other receivables and provisions	(116)	120	302
890	**(353)**	**867**	**Net cash flow from operating activities**	**1 988**	**1 342**	**1 714**
			Cash flow from investing activities			
(906)	(468)	(81)	Investments in subsidiaries, excl. cash holdings on acquisition date	(20)	(176)	(1 553)
(494)	(613)	(542)	Investments in tangible fixed assets/IT development etc.	(1 385)	(1 966)	(1 521)
	(5)		Investments in associated companies		(13)	
759	2		Sales of subsidiaries, excl. cash holdings on sale date	6	(7)	763
14	40	228	Sales of tangible fixed assets	303	61	34
(904)	308	489	Changes in other fixed assets	(78)	6	(17)
(1 531)	**(736)**	**94**	**Net cash flow from investing activities**	**(1 174)**	**(2 095)**	**(2 294)**
			Cash flow from financing activities			
400	2 648	24	New long-term and short-term debt issued		2 698	482
(4)	(1 054)	(642)	Repayment of non-current and current debt	(709)	(1 150)	(67)
		3	Group contributions/dividends paid			
(509)	(597)	(4)	Group contributions/dividends paid	(8)	(605)	(494)
(113)	**997**	**(619)**	**Net cash flow from financing activities**	**(717)**	**943**	**(79)**
(754)	**(92)**	**342**	**Total change in cash and cash equivalents**	**97**	**190**	**(659)**
1 838	1 084	992	Cash and cash equivalents at the beginning of period	1 837	1 647	2 306
1 084	**992**	**1 334**	**Cash and cash equivalents at the end of the current period**	**1 934**	**1 837**	**1 647**
			*) This figure is made up of:			
944	(317)	(36)	Earnings before tax	198	108	955
528	702	720	+ Depreciation and write-downs 1)	1 312	1 052	974
			+/- Share of profits(losses) of associated companies	(5)	5	(1)
(607)		(5)	+/- Unrealised financial items	285	(147)	176
(109)	8	32	+/- Net interest expenses/income	156	222	36
(148)	(156)	(56)	- Tax paid	(152)	(327)	(234)
179	269	174	+ Interest received	43	116	53
(136)	(282)	(208)	- Interest paid	(251)	(325)	(121)
(2)			-/+ Other unrealised operating expenses/(income)	8	8	(15)
(10)	(14)	(19)	- Loss/(gain) on sale of fixed assets	(53)	(20)	(647)
639	**210**	**602**	**= Provided by the year's operations**	**1 541**	**692**	**1 176**

1) In the cash flow statement, depreciation and write-downs of operating equipment also include shares etc.

STATEMENT OF CHANGES IN EQUITY FOR POSTEN NORGE AS

Amounts in MNOK

POSTEN NORGE AS	Majority interests				
	Share capital	Share premium reserves	Other reserves	Other equity	Total equity
Equity as at 01.01.2007	3 120	992	3	1 220	5 335
Net income for the year for Posten Norge AS				822	822
Other comprehensive income					28
Total comprehensive income			**28**	**822**	**850**
Dividend distributed			28	(488)	(488)
Repayment equal to state contribution AFP (§6)				(80)	(80)
Equity as at 31.12.2007	3 120	992	31	1 475	5 618
Equity as at 01.01.2008	3 120	992	31	1 475	5 618
Net income for the year for Posten Norge AS				(281)	(281)
Other comprehensive income			(106)	(2)	(108)
Total comprehensive income			**(106)**	**(283)**	**(389)**
Dividend distributed				(597)	(597)
Equity as at 31.12.2008	3 120	992	(75)	595	4 632
Equity as at 01.01.2009	3 120	992	(75)	595	4 632
Net income for the year for Posten Norge AS				(157)	(157)
Other comprehensive income			68	(54)	14
Total comprehensive income			**68**	**(211)**	**(143)**
Equity as at 31.12.2009	3 120	992	(7)	384	4 489

STATEMENT OF CHANGES IN EQUITY – GROUP

Amounts in MNOK

	Majority interests						
GROUP	Share capital	Share premium reserves	Other reserves	Other equity	Total	Minority interests	Total equity
Equity as at 01.01.2007	3 120	992	1	1 438	5 551	15	5 566
Net income for the year for the Group				796	796		796
Other comprehensive income			31	(30)	1		1
Total comprehensive income			31	766	797		797
Dividend distributed				(488)	(488)	(6)	(494)
Repayment equal to state contribution AFP (§6)				(80)	(80)		(80)
Other changes in equity				(2)	(2)	(1)	(3)
Equity as at 31.12.2007	3 120	992	32	1 634	5 778	8	5 786
Equity as at 01.01.2008	3 120	992	32	1 634	5 778	8	5 786
Net income for the year for the Group				(35)	(35)	7	(28)
Other comprehensive income			(106)	102	(4)		(4)
Total comprehensive income			(106)	67	(39)	7	(32)
Dividend distributed				(597)	(597)	(5)	(602)
Other changes in equity				11	11	(3)	8
Equity as at 31.12.2008	3 120	992	(75)	1 116	5 153	7	5 160
Equity as at 01.01.2009	3 120	992	(75)	1 116	5 153	7	5 160
Net income for the year for the Group				111	111	7	118
Other comprehensive income			68	(114)	(46)		(46)
Total comprehensive income			68	(3)	65	7	72
Dividend distributed				(2)	(2)	(6)	(8)
Other changes in equity				(2)	(2)	(8)	(10)
Equity as at 31.12.2009	3 120	992	(7)	1 109	5 214		5 214

See note 19 for further details.

The Board of Directors of Posten Norge AS

Oslo, 25. March 2010

Arvid Moss (chairman) | Liv Stette (vice chairman) | Eli Arnstad

Terje Christoffersen | Sigbjørn Molvik | Gry Mølleskog | Odd Christian Øverland

Ingeborg Anne Sætre | Paul Magnus Gamlemshaug | Judith Olafsen | Dag Mejdell (CEO)

06

WE HAVE NOT ACQUIRED ANY NEW BUSINESSES IN 2009. HOWEVER, ALREADY IN 2010 WE WILL BE MORE ACTIVE IF WE FIND THE RIGHT CANDIDATE AT AN APPROPRIATE PRICE.

DAG MEJDELL, CEO

NOTES

GENERAL
Norway Post was established as a company on 1 December 1996 and is today a limited liability company that is 100 percent owned by the State through the Norwegian Ministry of Transport.

DEVELOPMENT OF THE GROUP
Since it was formed in 1996, the Group has strengthened its position by making acquisitions in all segments. From 2007 to 2009 the following changes have been made to the Group's structure:

Separation of operations from Norway Post from 2006 – 2009

In March 2007, Posten Eiendom BG 14B AS (Norway Post's letter centre in Oslo) was sold to KLP Eiendom AS for NOK 759 million.

In 2008, Posten Norge AS established two new subsidiarys, Posten Eiendom Alnabru AS and Posten Eiendom Storbyer AS with the purpose of developing and investing in property. During September these companies took over the properties Postens Godssenter, Postens Transportsenter and Postens Verksteder in Oslo and the properties Postterminal in Stavanger and Postterminal in Trondheim respectively in a group demerger-merger from Posten Eiendom Reorganisering II AS, which had previously been demerged from Posten Norge AS.

From 2007 until the present day in 2010 the following companies were established, merged, bought or sold in the group's various segments:

The Mail Segment:
2007 : In March 2007, Norway Post acquired all shares in the Swedish company Bring Dialogue AB Sweden, which focuses on individualised customer communication.
2008: During the second quarter, Norway Post and the Finnish company Itella established a new company within the information logistics market. The Itella Information AS company is 51% owned by Itella and 49% by Norway Post.
2009: During the fourth quarter of 2009, it was decided that the operations of Bring Citymail Denmark A/S would be wound up. As part of the efforts to reorganise the ownership structure in November 2009, Norway Post acquired all the shares of Take City Mail Sweden AB and Bring Mail Nordic AB from Bring Citymail AB.
2010: In February 2010, the company Posten Eiendom Espehaugen AS was sold to AS Tine BA.

The Logistics Segment:
2007: In March, Norway Post acquired all shares in the Swedish transport and logistics company Transflex (five companies in the cities of Gothenburg, Halmstad, Linkøping, Jønkøping, and Stockholm). In 2007, Bring Logistics continued to simplify the corporate structure formed in 2006, and Johs Lunde Transport og Spedisjon AS and Nordan Transport og Spedisjon AS were merged into Bring Frigoscandia Norge AS effective 1 January 2007.
2008: During the first quarter, Bring Logistics Solutions sold Grenland Transport & Industriservice company. During the second quarter, Posten Norge AS bought all the shares in the Swedish logistics group Combitrans, and Bring Logistics AS bought all the shares in the Norwegian logistics company Emdal Transport & Spedisjon AS. During the third quarter, Bring Express bought the Finnish logistics company Lähettiryhmä. Posten Norge AS also bought the remaining 50% of shares in Pan Nordic Logistics (PNL) which thus became a wholly-owned subsidiary. In the four quarter Bring Logistics AS bought all the shares in the British logistics company Bring Logistics UK.
2009: In December 2009, Posten Norge AS acquired the remaining shares in the four companies Bring Logistics Stockholm AB, Bring Logistics Gøteborg AB, Bring Logistics Linkøping AB and Bring Logistics Jønkøping AB from Bring Logistics Halmstad AB and Bring Logistics Jønkøping AB. As a further simplification of the group structure Norway Post's subsidiary Cetei AB was, during the year, merged into its wholly-owned subsidiary CombiTrans AB which is now directly owned by Posten Norge AS. Bring Logistics Sweden AB was sold by Bring Logistics Danmark A/S to CombiTrans AB in December 2009. Furthermore, FSD HoldCo FSD and NewCo AB, during a downstream merger, became part of Bring Frigoscandia AB, which is now directly owned by Posten Norge AS. Bring Line haul AS was established to develop competitive solutions for linehaul for the business areas in Bring and external customers.

The IT Segment:
2007: In February 2007, ErgoGroup bought all the shares in SYSteam AB in Sweden. In April, ErgoGroup acquired all the shares in ConCentric AS. In October, ErgoGroup acquired 75 per cent of the shares in Bekk Consulting AS. An agreement has been signed that ensures that ErgoGroup will acquire the remaining 25 per cent of the shares, and the company is consolidated 100 per cent.
2008: In January 2008, ErgoGroup acquired the Swedish IT consulting firm DTS Solutions AB through its subsidiary SYSteam AB.
2009: ErgoGroup bought a further 16% of the shares in the Indian IT company ION Solutions in January 2009, resulting in a total ownership stake of 51%. The acquisition was an important step for ErgoGroup in the direction of a more aggressive investment in off-shoring. The ownership of 50.49% in the Property Value AS was sold in December 2009.

ACCOUNTING PRINCIPLES
The consolidated financial statements and financial statements of Posten Norge AS have been prepared in accordance with prevailing International Financial Reporting Standards (IFRS), which have been determined by the International Accounting Standards Board and approved by the EU.

The financial statements have been prepared on the basis of historical cost. Financial instruments that are classified as "fair value through profit or loss" or "available for sale" are recognised at fair value.

1. Changes in accounting principles and note disclosures
The accounting policies applied are consistent with previous years, with the exception of changes resulting from implementing the following new and revised effective standards and interpretations from the IASB as been adopted by the EU:
- IAS 1 (revised) - Presentation of Financial Statements
- IFRS 8 - Operating Segments
- IAS 23 (R) - Borrowing Costs
- IFRIC 14 IAS 19 - Defined Benefit Assets and Minimum Funding Requirements the implementation of IAS 1 (R) resulted in a new statement of comprehensive income presented after the income statement. Other than hat, the above changes had no impact on the Group's accounting policies.

2. Adopted standards that are not yet effective or not approval by EU
The following standards and statements that are relevant to Norway Post are issued, but were not yet effective, or approved by the EU for the financial year 2009. In cases where the EU has not approved the new accounting standards prior to the effective date, they will not be used until the EU has approved them. When aproved by the EU later than the effective date set by the IASB, the application date will depend on the effective date st by the EU. The earliest mandatory application date is considered to be the start date of the first full fiscal year after the EU's effective date.

Norway Post does not apply the following standards in this year's financial statements:

2.1. The standard was not effective by EU
IFRS 3 (Revised) - Business combinations
Compared to with the current IFRS 3, the revised standard involves some changes and definitions related the application the acquisition method. Areas affected are, for example, goodwill with step acquisition of a company, minority interests, contingent consideration, and expenses related to acquisitions. The effective date for IFRS 3 (R) is 01.07.09, but IFRS 3 (R) was approved by the EU in June 2009. The Group plans to apply IFRS 3 (R) beginning 01.01.10. The changes resulting from this standard, combined with the changes in IAS 27 described below, may affect the recognition of transaction costs and minority interests when acauiring non controlling interests.

2.2. The standard was not effective by EU
IAS 27 (Revised) – Consolidated and separate financial accounts
Compared with the current IAS 27, the revised standard provides more guidance related to accounting for changes in ownership in subsidiaries. There are also changes to current rules related to the allocation of losses between majority and minority shareholders, implying that a deficit shall be allocated to the minority shareholder even if the minority interest then becomes negative. The effective date for IAS 27 (R) was 1 July 2009, and IAS 27 (R) was approved by the EU in June 2009. The Group plans to apply IAS 27 (R) beginning 01.01.10, but this is not expected to have a significant effect.

2.3. The standard was not effective by EU
Changes to IAS 32 Financial instruments – presentation and IAS 1 Presentation of Financial Statements – Puttable and Obligations arising on Liquidation
The changes to IAS 32 mean that certain recorded sales options must be classified as equity. The changes to IAS 1 apply to requirements to provide related note disclosures. Effective date of the changes in IAS 32 and IAS 1 was 01.01.09, and changes are planned to be approved by the EU in February 2010. The Group plans to apply the changes in IAS 32 and IAS 1 beginning 1 January 2011. The application of the standard is not expected to have a significant impact on the Group's financial position.

2.4. The standard was not effective by EU
Changes to IAS 39 Financial instruments – recognition and measurement – Eligible Hedged Items
The changes to IAS 39 imply a clarification of the rules whereby a financial instrument (hedged object) is hedged with regard to selected risks or components of cash flows. Approved changes mainly provide further guidelines for the hedging of unilateral risk (hedging with options) and hedging against the risk of inflation, but also clarify guidelines stating that the designated risks and cash flows must be identifiable and measureable. The amendment to IAS 39 was effective on 01.07.09, and the amendment is approved by the EU. The Group plans to apply the changes to IAS 39 beginning 1 January 2010, but these are not expected to have a significant impact.

2.5 The standard was not effective by EU
IFRIC 16 – Hedging of net investment in a foreign operation
This interpretation covers the recording of foreign currency hedges related to net investments in foreign operations and clarifies the type of hedges that will qualify for hedge accounting and which risks that can be hedged. The interpretation came into effect on 01.10.08 and was approved by the EU in June 2009. The Group will apply the interpretation beginning 01.01.10, but this is not expected to have a significant impact.

2.6. The standard was not effective by EU
IFRIC 17 – Distribution of non-cash assets to owners
This interpretation covers the recording of distributions to owners that are settled in other assets than cash. The interpretation was effective effect on 01.06.09 and was approved by the EU on 01.07.09. The Group will apply IFRIC 17 beginning 1 January 2010, but it is not expected to have a significant impact.

Beyond the effects detailed above, it is not expected that the implementation of the changes will have a significant impact on the consolidated financial statements at the time of adoption.

2.7 The standard was not effective by EU
Other standards and interpretations
The following standards and interpretations have been issued, but are not yet effective and are not deemed relevant for Norway Post. Norway Post will apply these when they come into force to the extent that they are relevant.
- IFRIC 12 - Accounting of Public Service Grants
- IFRIC 15 - Agreements for the construction of real estate
- IFRIC 18 - Transfers of Assets from Customers

2.8 The standard was not effective by EU
IASB's annual improvement project
We have adopted amendments to several standards that either have not taken effect or have been adopted by the EU for use in 2009. Norway Post will adopt from the 01.01.10.

Below are listed the most important changes that may effect recognition, measurement and disclosures:
- IFRS 5 Fixed Assets Held for Sale and Discontinued Operations: In the event of the planned sale of a controlling ownership stake in a subsidiary, all assets and liabilities in the subsidiary must be classified as held for sale even if the company intends to maintain a non-controlling stake after the sale.
- IAS 1 Presentation of Financial Statements: Assets and liabilities classified as held for sale, in accordance with IAS 39, are not automatically classified as short-term in the balance sheet.
- IAS 16 Property, Plant and Equipment: Fixed assets that are owned for rental purposes and that are sold at the end of the lease term as part of ordinary operations must be transferred to inventories.
- IAS 19 Employee benefits:
a) Changes to the definitions of the terms costs of pension in the previous periods, contributions yield on pension assets, short-term and other long-term benefits.
b) Changes to pension schemes that reduce benefits related to future contributions are treated as reductions.
c) The reference to IAS 37 regarding contingent liabilities has been removed.
- IAS 20 Accounting for Government Grants and Disclosure of Government Assistance: Future loans from the Government at a rate of interest lower than the market interest rate are not exempt from the requirement to find an estimated interest rate. The difference between the loan amount received and the present value must be recognised as a grant.
- IAS 28 Investments in Associates and IAS 31 Interests in Joint Ventures: Changes in certain note disclosures if such investments are recognised at fair value in accordance with IAS 39.
- IAS 36 Impairment of Assets: Certain note dicloures must be provided in connection with impairment tests if discounted future cash flows are used to estimate fair value less cost to sell.
- IAS 38 Intangible assets: The cost of advertising and promotional measures shall be expensed at the time the item is available to the company or when the service is received.
- IAS 39 Financial instruments – recognition and measurement:
a) The change in the use of a derivative, when designating a derivative as a hedging instrument or when such hedging ceases, shall not be considered to be a reclassification. Derivates can therefore be included in or removed from the category "fair value with changes in fair values through profitt or loss" after initial recognition.
b) When recalculating amortised cost in accordance with IAS 39. AG8 for an instrument that is or has been designated as a fair value hedge, the original effective interest rate shall not be used, instead the effective interest rate that takes the effect of hedging into consideration.
c) The reference to "segment" has been

removed with regard to the designation and documentation of hedging conditions.
- IAS 40 Investment property: Property under construction or development for future use as investment property is covered by IAS 40.
None of the changes will significantly affect the Group's application of the accounting principles or disclosures.

3. Estimates
The financial statements have been prepared in accordance with IFRS. This means that management has used estimates and assumptions that have affected assets, liabilities, income, expenses and information on potential liabilities. Areas in which such estimates are significant include pensions, goodwill, trademarks, other intangible assets, tangible fixed assets, and other provisions.

There is uncertainty related to the assessment of the recorded values for goodwill, trademarks and other intangible assets in connection with the estimation of future cash flows when evaluating impairment, and the discount rate when calculating the present value of the cash flows. Other intangible assets mainly comprise IT development, trademarks and IT projects under development.

There is also uncertainty related to the estimation of pension obligations, and uncertainty especially related to a defined benefit scheme including the AFP schemes for Posten Norge AS and the Norwegian subsidiaries. Future events may result in changes in estimates. The changes will be recognised when a new estimate is determined. The same applies to impairment evaluations of tangible fixed assets.

Restructuring provisions and other provisions are inherently uncertain with respect to the liability's settlement date and value.

4. Presentation currency
The Group's presentation currency is NOK, which is also the parent company's functional currency. For consolidation purposes, balance sheet figures for subsidiaries that use a different currency have been translated at the rate applicable at the balance sheet date, and the subsidiaries' income statements have been translated at the average exchange rate for each month. Translation differences are recognised as other income or costs directly in equity. Translation differences are included in the translation differences reserves (see note 19). If a foreign subsidiary is sold, the accumulated translation differences assoceated with the subsidiary are recognised in the income statement.

5. Consolidation principles
The consolidated financial statements show the total financial results and financial position of the parent company, Posten Norge AS, and the companies in which Posten Norge AS has a controlling influence. A controlling influence is normally achieved when the group owns, either directly or indirectly, more than 50 per cent of the shares in the company or is able to exercise actual control over the company.

The consolidated financial statements have been prepared using uniform accounting principles for similar transactions and other events provided the circumstances are otherwise the same. Items in the income statement and balance sheet have been classified according to uniform definitions. All significant intercompany transactions and balances, including internal profits and unrealised gains and losses, have been eliminated.

Companies in where the Group has a controlling influence (subsidiaries) are fully consolidated line by line in the consolidated financial statements. The acquisition method has been applied for recognising acquired enterprises. Companies bought during the year are incorporated in the financial statements from their acquisition date, while companies that are included in the financial statements until the date when they are sold.

Surplus values on business combination are allocated to identifiable asset and liability items on the acquisition date. Surplus value not allocated to asset and liability items is recorded as goodwill in the balance sheet. Should negative goodwill arise from the business combinations, the identification and measurement of identifiable assets and liability items is reassessed. Any negative goodwill that arises following this reassessment is taken to income immediately.

The minority interests' share of the equity is shown in a separate line in the Group's equity. The minority interests include the minority interests' share of the balance sheet value of subsidiaries, including their share of the identified excess values on the date when a subsidiary is acquired. The minority interests' share of the net income is shown in the income statement after tax comprehensive income.

Assets in joint ventures are recongnized using pro rate consolidation, i.e., the shares of income, expenses, assets and liabilities are consolidated line by line in the consolidated financial statements.

An associated company is defined as a company in which the Group has a considerable influence. A considerable influence normally exists when the group owns 20-50 per cent of the voting capital. Shares in associated companies are recognised according to the equity method, and the Group's share of the associated company's net income for the year is offset against the cost price of the shares and included under financial income or financial expenses.

6. Segment reporting
The definition of segments has been made based on the basis of an assessment of the risks and yields relating to the types of products, services, production processes, customer groups, distribution channels and statutory or other requirements, as well as management reporting.

The segments' accounting principles are the same as those used to prepare and present the consolidated financial statements.

The Group has applied the new standard IFRS 8 Operating segments with effect from 1 January 2009. The application of the standard has not changed the reported segments compared to previous years. The new IFRS 8 is fully based on the enterprise's steering model, whereas the former IAS 14 only required segment reporting for enterprises with external revenues. These changes implied that internal operational areas may be obliged to submit reports according to the new standard. For Norway Post Group the new standard had no impact on the definition of the operating segments, as these are prepared in accordance with areas whose operating results are reviewed regularly by Norway Post's board. Hence the board can decide which resources will be allocated to the segment and assess its earnings.

7. Income
Revenue is recognised when earned, i.e. when it is probable that transactions will generate further economic benefits that will flow to the Group and the amount can be reliably estimated. Revenues are presented net of value added tax and discounts. In all segments revenue from the sale of goods and services recognised on the date when the products or services are delivered to the customer, when the risk has been transferred and an account receivable has been established in relation to the customer.

7.1. Revenue **Post Segment**
The segment's revenues are generated from the sale of mail products, small packages, postage stamps, banking services, product sales and dialogue services:
- The sale of stamps is considered pre payment of postal services, and recognised when the service delivery occurs.
- Franking machines (pre-paid franking) are taken to income on the basis of the customer's postage consumption.
- Other sales of postage are billed and taken to income when letter products are delivered.
- Fees for banking services are recognised on the basis of performed banking services.
- International mail within ordinary terminal charge agreements is recognised based on the calculation of volumes and current prices, and adjusted the following year when the final prices are received from the International Post Cooperation.
- Dialogue services, including precise target groups, addresses, outsourcing services within sales, customer service and customer-oriented marketing, are taken to income at the time the service is delivered and the risk is transferred to the customer.
- Revenue for parcels is recognised when the package is delivered.
- Sales of goods are taken to income when the goods are delivered and the risk transferred to the customer.
- According to Norway Post's license, additional costs incurred as a result of the licensing requirements are covered by exclusive rights and/ or profits and/or government purchases of commercially unprofitable services. Government payments for unprofitable operations are recognised when the allocated funds are received, limited to an amount equal to this year's estimated additional costs regarding licensing requirements, reduced by income from exclusive profit.

7.2. Revenue **Logistics Segment**
The segment's revenues are generated by transportation and warehouse services:
- Transport services cover courier and express services and the transportation of letters, packages, goods and temperature-controlled deliveries and are taken to income at the time the service is delivered and the risk is transferred to the customer.
- Warehouse services cover storage, handling and pick-up services in addition to the unloading of vehicles, sealing of pallets, installation/repair of equipment and construction of sales pallets, and are taken to income at the time the service is delivered and the risk is transferred to the customer.

7.3. Revenue **IT Segment**
The segment's revenues are generated by infrastructure and application services, user support/customer service and consulting services:
- Revenues from subscriptions, user support and maintenance licences based on delivery agreements are recognised over the agreement term.
- Revenues from long-term projects are taken to income on the basis of the percentage of completion method.
- Revenues from outsourcing services supplied are recognised at the time the products or services are delivered to the customer in accordance with the agreement, the risk is transferred and the basis for an account receivable in relation to the customer is established. Costs related to the implementation of operations contracts are recognised in the balance sheet as pre-paid costs and distributed over the service period.
- Sales of software licences are recognised at the time ownership of the licence or services is delivered to the customer. Provision is made for remaining work.
- Revenues related to consultancy hours supplied are recognised as services are performed.

8. Pensions
The Group has both defined contribution and defined benefit pension schemes. The net pension expenses for the defined benefit pension schemes comprise the pension contributions during the period, including future salary increases and the interest expense on the estimated pension liability, less the contributions from employees and estimated yield on the pension assets. The premium for the defined contribution pension schemes is expense as incurred.

Prepaid pensions correspond to the difference between the estimated pension funds and the present value of estimated pension liabilities, minus changes in estimates and pension schemes not recognised in the income statement. Prepaid pensions are classified as a non-current asset in the balance sheet if it is likely that the surplus value can be utilised or repaid. Similarly, when pension liabilities exceed pension assets, the difference is classified as a non-current liability. The recognition of pension funds is limited to its present value of all financial benefits that materialise in terms of refunds from the scheme or reductions in future contributions to the scheme.

Net pension expenses are classified as payroll expenses in the income statement except the interest element, which is classified as financial income/financial expenses. Changes in the pension liabilities due to pension plan changes are amortised in a straight line over the estimated average remaining accrual period with the exception of rights accrued on the change date, which are immediately charged to expenses. Changes in pension liabilities and pension assets, which are due to changes in, and deviations from, the calculation assumptions (deviations from estimates), and which exceed 10 per cent of whichever is the greater of the pension liabilities and pension assets at the beginning of the year, are amortised in a straight line over the average expected remaining service lives of the current employees ("corridor solution"). Unamortised deviations in estimates and pension scheme changes are presented in note 3.

9. Taxes
Taxes include taxes payable for the period and changes in deferred taxes/tax assets. Taxes payable are calculated on the basis of the profit before tax. The net deferred tax/tax asset is calculated on the basis of temporary differences between accounting and tax values and tax losses carried forward at the end of the financial year, with the exception of:
- deferred tax which arises as a result of goodwill impairments that are not tax deductible.
- temporary differences relating to investments in subsidiaries or associates because the group management itself decides when the temporary differences will be reversed, and it is assumed that this will not take place in the foreseeable future.

Tax-increasing and tax-reducing temporary differences that reversed or can be reversed are offset. Taxes are not offset across countries.
A deferred tax asset is recognised when it is probable that there will have sufficient earnings before tax to utilise the tax asset. Deferred tax and deferred tax assets that can be recognised are recorded at their nominal value and offset in the balance sheet. Taxes payable and deferred taxes are recognised directly in equity to the extent that they relate to items recognised directly in equity.

10. Tangible fixed assets
Tangible fixed assets are recognised in their balance sheet at cost after deducting accumulated depreciation and write-downs. The cost price of fixed assets is their purchase price, including duties/taxes and direct acquisition costs related to making the fixed asset ready for use. For larger investments involving a long manufacturing period, interest is capitalised as a part of the acquisition cost. The cost price of fixed assets is broken down when the fixed assets consist of components that have different economic lives. Costs relating to normal maintenance and repairs are charged to expenses when incurred. Costs relating to replacements and renewals which significantly increase the economic life of the fixed assets are recognised in the balance sheet.

Facilities under construction are classified as fixed assets and recognised at the accrued costs relating to the fixed asset.

Tangible fixed assets are depreciated using the straight line method over their estimated economic life. Depreciation starts from the date when the tangible fixed asset is put into ordinary operations. Depreciation takes the fixed asset's scrap value into account. Both the remaining economic life and the scrap value are assessed annually. Facilities under construction are not depreciated.

Tangible fixed assets are classified as held for sale when they have been designated for sale, are expected to be sold within a period of one year and an active sales process has begun. Tangible fixed assets held for sale are valued at whichever is the lower of their balance sheet value and their fair value after deducting sales costs.

11. Investment property
Investment property is defined as land and buildings that are rented out, investment objects only, or whose future use has not yet been determined. These assets are not used in the company's operations. In accordance with IAS 40 Investment Property, investment assets are assessed according to the cost model and valued in accordance with the requirements in IAS 16 Fixed Assets.

12. Intangible assets
Intangible assets are recognised in the balance sheet if probable future economic benefits can be proven and attributed to the asset and the asset's cost price can be reliably estimated. Intangible assets with a specific economic life are recognised in the balance sheet at their acquisition cost, after deducting accumulated amortisation and impairments. Acquisition costs also include salary expenses if the recognition criteria are met. Goodwill and other intangible assets with an indefinite lifetime are not amortised but are assessed for impairment each year. Refer to more detailed description under "impairments". Intangible assets that have not been put into use are also tested to see if they should be written down.

12.1. Intangible assets **Development costs**
The Group's development costs mainly concern the development of IT systems intended for use in services and, to some extent, for sales and licensing. Development costs are recognised in the balance sheet if all of the following criteria are met:
- the product or process is clearly defined and cost elements can be identified and measured reliably.
- the product's technical solution has been demonstrated .
- the product or process will be sold or used in the operations.
- the asset will generate future economic benefits.
- sufficient technical, financial and other resources are available for completing the project.

If all the criteria are met, the expenses relating to development work will be recognised in the balance sheet. Otherwise, the costs will be expensed as they arise.

12.2 Intangible assets **Trademarks**
Costs relating to proprietary intangible assets in the form of trademarks are expensed as they are incurred because they cannot be identified and separated from the total cost relating to the development of the company as a whole. Identified trademarks at the time of acquisition of a company are recognised in the balance sheet. Trademarks with a specific economic life are amortised over this economic life, while trademarks with an indefinite economic life are tested for impairment annually but are not amortised.

12.3. Intangible assets **Goodwill**
Excess value on the acquisition of an enterprise that cannot be allocated to asset or liability items on the acquisition date is classified as goodwill in the balance sheet. With investments in associated companies, goodwill is included in the cost price of the investment.

13. Shares in subsidiaries
Posten Norge AS annual financial statements apply the cost method to shares in subsidiaries. Transaction costs relating to the acquisition are also included in the cost price.

14. Financial instruments
The initial valuation of financial instruments is based on their fair value on the settlement date, normally the transaction price. Financial assets are categorised as fair value through profit or loss, available for sale, or loans/receivables. Financial liabilities are categorized as fair value through profit or loss or other liabilities.
- Financial assets and liabilities that are held with the intention of making money on short-term fluctuations in price (held for trading purposes) or are recognised according to the fair value option are classified as fair value through profit or loss.
- All other financial assets apart from loans and receivables originally issued by the company are classified as available for sale.
- All other financial liabilities are classified as other liabilities and recognised at their amortised cost.

Gains or losses resulting from changes in the fair value of financial investments classified as available for sale are recognised directly in equity until the investment has actually been sold. The accumulated gain or loss on the financial instrument that was previously recognised in equity will then be reversed, and the gain or loss will be recognised in the income statement. Changes in the fair value of financial instruments classified as fair value through profit or loss (held for trading purposes or a fair value option) are recognised and presented as financial income/expenses.

Financial instruments are recognised in the balance sheet when the Group has become a party to the instrument's contractual terms. Financial instruments are derecognised when the contractual rights or obligations have been fulfilled, cancelled, expired or transferred. Financial instruments are classified as non-current when their expected realisation date is more than 12 months after the balance sheet date. Other financial instruments are classified as current.

14.1. Financial instruments **Hedging**
Before a hedging transaction is carried out, it is assessed whether a derivative is to be used to a) hedge the fair value of an asset or liability, b) hedge a future cash flow from an investment, debt payment or future identified transaction, or c) hedge a net investment abroad.

The Group's criteria for classifying a derivative as a hedging instrument are as follows: (1) the hedge is expected to be very effective in that it counteracts changes in the fair value of or cash flows from an identified asset, and a hedging effect that is within a range of 80-125% is expected, (2) the effectiveness of the hedge can be measured reliably, (3) there is adequate documentation at the time when the hedge is entered into showing that the hedge is very effective, (4) for cash flow hedges, the forthcoming transaction is probable, (5) the hedge is evaluated regularly and has proven to be effective during the reporting periods when the hedge has been intended to exist.

14.1.1. Hedges **Fair value**
Derivatives that form part of fair value hedge are recorded at their fair value, and changes in the fair value are recognised in the income statement. Changes in the fair value of the hedged object are similarly recognised in the income statement.
The hedge is no longer recognised when:
(a) the hedging instrument falls due or is sold, terminated or exercised, or
(b) the hedge does not meet the above-mentioned requirements for hedges.

14.1.2. Hedges **Cash flow**
Changes in the fair value of a hedging instrument in a qualifying cash flow hedge are recognised as other income or expense. The ineffective part of the hedge instrument is recognised directly in the income statement.

If the hedged cash flow results in an asset or liability being recognised, all relevant gains and losses in equity are transferred from equity and included in the initial measurement of the asset or liability. In the case of other cash flow hedges, gains and losses that were recognised in equity are transferred to the income statement in the same period as the cash flow that comprises the hedged object is recognised. When a hedging instrument ceases to be effective, the hedge ceases to be recognised in the accounts. In such a case, the accumulated gain or loss on a hedging instrument in equity will not be reversed until the hedged transaction actually takes place. If the hedged transaction is no longer expected to take place, formerly accumulated gains or losses on the hedging instrument in equity will be reversed and recognised in the income statement.

14.1.3. Net Investment hedge
The company takes positions in various currencies in order to hedge its net investment in foreign entities. Changes in the currency derivatives that are designated as hedges are reported together with translation differences in the Group's equity until any sale of the investment. The accumulated translation differences relating to the investment are then recognised in the income statement.

That uneffective portion of the hedge is expensed directly.

14.2. Financial instruments **Derivatives that are not hedging instruments**
Derivatives that are not designated as hedging instruments are classified as held for trading purposes and recorded at their fair value. Changes in the fair value of such derivatives are recognised in the income statement.

A derivative that is embedded into other contracts will be separated from the original contract and recognised as a derivative if the following conditions are met:
- The underlying financial reality and risk relating to embedded derivative are not closely related to the financial reality and risk relating to the original contract.
- There is a separate instrument with the same conditions as the embedded derivative that meets the criteria for a derivative
- The combined instrument (main contract and built-in derivative) is not measured at its fair value with changes in value recognised in the income statement.

15. Impairments
15.1. Impairments of **Goodwill**
Goodwill is not subject to amortisation but tested at least once a year for any fall in value. It is assessed whether the discounted cash flow relating to goodwill exceeds the recognised value of the goodwill. If the discounted cash flow is less than the recognised value, the goodwill will be written down to the recoverable amount represented by the utility value. In addition, the write-down test is carried out if there are any indications of a fall in value.

15.2. Impairments of **Financial instruments**
Financial assets are assessed at their amortised cost are written down when it is probable that the company will not collect all the amounts due to contractual factors relating to loans and receivables. The impairment loss is recognised in the income statement. Any reversal of previous impairment losses are recognised if a decline in the need to write-down can be related to an event which took place after the write-down took place. Such a reversal is presented as income. However, an increase in the balance sheet value is only recognised to the extent that it does not exceed what the amortised cost would have been if no write-down had taken place.

In the case of financial assets classified as available for sale, the accumulated gain or loss that has previously been recognised directly in equity is recognised in the income statement for the period when there is objective information on the fall in value. A reversal of a former write-down is recognised when there is new objective information on an event related to the previous write-down. The reversal of a previous write-down is recognised in the statement og comprehensive income and directly in equity if it relates to shares classified as available for sale, but is recognised in the income statement if it concerns other financial assets.

15.3. Impairments **Other assets**
The write-down of other assets with a specific economic life will be considered when there are indications of a fall in value.

Intangible fixed assets with an indefinite economic life and intangible assets that are currently being developed are subject to an annual impairment test, irrespective of whether or not there are any indications of a fall in value.

A need to write-down exists if the capitalised value of an asset exceeds the unit's recoverable amount. The recoverable amount is the higher of the fair value less sales costs and the value in use, where the value in use is the present value of estimated cash flows relating to future use. If the cash flows relating to the individual asset are independent of cash flows relating to other assets, the individual asset comprises the assessment entity. If not, an assessment entity is created at a higher level (cash-generating unit). A cash-generating unit can also include goodwill and a share of common assets, and is to be consistently applied over time.

The Group calculates future cash flows based on estimated results (budgets and forecasts) over a five-year forecast period adjusted for depreciation, amortisation, investments and changes in working capital. The extrapolation period contains an extrapolation of the cash flows after the forecast period, using a constant growth rate. The present value of the cash flow is calculated using a weighted required rate of return on the total assets and is calculated before tax.

With the exception of goodwill, write-downs recognised in income statements for previous periods are reversed if there is information that the need to write-down no longer exists or is no longer as great. However, reversal will not take place if the reversal leads to the recognised value exceeding what the recognised value would have been if normal depreciation/amortisation periods had been used.

16. Inventories
Inventories are recognised at the lower of cost and net sales price. The net sales price is assessed as being the market price in the case of normal operations less the costs of completion/sale, marketing and distribution. The cost price is determined using the FIFO method. Obsolescent inventories are written down to their estimated sales value.

17. Accounts receivable
Accounts receivable are recognised at their nominal value, which equals their amortised cost due to their short economic life, taking bad debts into account. Should there be any objective evidence of a decline in value, the difference between the recognised value and the present value of future cash flows is expenced.

18. Cash and cash equivalents
Cash includes cash in hand and on deposit. Cash equivalents are short-term liquid investments that can be converted into cash within three months at a known amount and whith contain insignificant risk elements.

19. Other equity
In accordance with IAS 1 (R), which became effective on 1 of January 2009, Norway Post has chosen to present this year's comprehensive income as a separate statement.

19.1. Equity **Translation differences**
Translation differences arise in connection with exchange-rate differences when foreign entities' accounts are being consolidated. Exchange-rate differences relating to monetary items (debts or receivables if settlements are neither planned nor likely to occur within a short period of time) which in reality are part of a company's net investment in a foreign entity are treated as translation differences. Should a foreign entity be sold, the accumulated translation difference linked to the entity is reversed and recognised in the income statement in the same period as the gain or loss on the sale is recognised.

19.2. Equity **Hedging reserves**
The hedging reserve includes the total net change in the fair value of the cash-flow hedges, until the hedged cash flow arises or is no longer expected to arise. The hedging reserve is restricted equity.

19.3. Equity**Fair value reserve**
The fair value reserve includes the total net changes in the fair value of financial instruments classified as available for sale until the investment is sold or it is ascertained that the investment is of no value. The fair value reserve is restricted equity.

19.4. Equity **Costs relating to equity transactions**
Transaction costs linked to an equity transaction are recognised directly in equity after making deductions for tax. Only transaction costs directly linked to the equity transaction are recognised directly in equity.

20. Provisions
Provisions are recognised when the Company has a prevailing liability (legal or constructive) as a result of an event that has taken place and it is probable (more probable than not) that there will be a financial settlement as a result of the liability and the amount can be measured reliably. Provisions are reviewed on each balance sheet date, and their recorded amount reflects the best estimate of the liability. In the case of a considerable time delay, the liability is recognised at the present value of future cash flows.

Uncertain liabilities taken over at the acquisition of a company are recorded at their fair value even if it is less than 50% likely that the liability materialises. Probability and fair value is assessed on an ongoing basis. Changes in fair value are recognised in the income statement.

20.1. Restructuring expenses
Restructuring is defined as a planned programme that considerably changes the scope of the operations or the way in which the operations are carried out, as well as severance pay in connection with reorganisation. Provisions set aside for restructuring are expensed when the programme is approved on and announced and the costs are identifiable, quantifiable and not covered by corresponding revenues. The restructuring costs include costs relating to both personnel measures and vacated premises.

21. Leasing
Lease agreements are operational leases or financial leases, based on a review of the actual content of each individual lease.

The Group presents financial leases in the financial statements as assets and liabilities, equal to the cost price of the asset or, if lower, the present value of the cash flow due in the lease. When calculating the present value of the lease, the implicit interest rate in the lease is used when this can be determined. Alternatively, the company's marginal borrowing rate is used. The asset is depreciated in the same way as the corresponding tangible fixed assets. The monthly rent is divided into an interest rate element and a repayment element.

In the case of operational leases, rents are classified as operating expense and recognised in the income statement over the term of the lease.

22. Loans
Loans are recognised as the net funds received after deducting transaction costs. The loans are then recognised at their amortised cost using the effective interest method. Amortised cost is the amount the financial asset is valued at when purchased, less repayments (principal payment, interest and service charges etc.), with the addition of effective interest and less impairments.

23. Public subsidies
Subsidies from public authorities are not recognised until it is reasonably certain that the Company will meet the conditions set for receiving the subsidies, and that the subsidies will be received. Accounting for grants are subjected and amortised over the same period as the cost of the subsidy is intended to cover. Subsidies are recognised as a reduction in cost when they cover a specific cost. Subsidies received for the purchase of fixed assets reduce the capitalised value of the fixed asset purchased.

24. Foreign exchange
Transactions in foreign currencies are translated at the exchange rate on the transaction date. On the balance sheet date, assets and liabilities in foreign currencies are translated at the exchange rate applicable on the balance sheet date. The income statement effects of changes in exchange rates are presented as financial income or expense.

25. Contingent liabilities and assets
Contingent liabilities mean:
- possible liabilities resulting from past events where the liability's existence depends on future events.
- liabilities that have not been recognised because it is not probable that they will result in an outflow.
- liabilities that cannot be measured with sufficient reliability.

Contingent liabilities are not recognised in the annual financial statements unless they have been acquired in a business acquisition. Such obligations allocated to. Significant contingent liabilities are stated, apart from contingent liabilities where the likelihood of the liability arising is slight.

A contingent asset is not recognised in the annual financial statements, but information on this is provided if it is probable that a benefit will accrue to the group.

26. Events occurring after the balance sheet date
New information on the Company's positions on the balance sheet date is taken into account in the annual financial statements. Events taking place after the balance sheet date that do not affect the company's position on the balance sheet date but which will affect the company's position in the future are disclosed if significant.

27. Cash flow statement
The cash flow statement has been prepared on the basis of the indirect model. Cash and cash equivalents consist of liquid assets, including liquid assets linked to the sales network.

(All figures in the notes are provided in NOK millions unless otherwise specified).

NOTE 1 SEGMENTS

Segments of the Group are reported according to business areas. Revenues are in addition reported beased on geography, Norway and other countries based on operations. The various segments contain the following:

Mail: letters and communication products, banking services, document management and sale of goods. The segment includes the Post division as well as the subsidiaries Bring Citymail, Bring Dialogue Norway, Bring Dialogue Sweden and Division Distribution Network.

Logistics: bulk and part load, parcels, warehousing, thermo and express. This segment is the Logistics division and covers the parent company's operations in this division as well as the subsidiaries in the areas of Bring Logistics, Bring Frigoscandia and Bring Express, as well as the subsidiaries of Bring Parcels AB (PNL), Bring Logistics Sverige AB and Bring Linehaul AS.

IT: operating and infrastructure services, solutions, application and consultant services. This segment covers the operations of ErgoGroup including the SYSteam Group in Sweden and Bekk Consulting AS. Group administration and costs that are not defined as owner-related costs are allocated to the segments. Owner-related costs include costs relating to the CEO/Board, accounting and finance, organisational development, contact with the authorities, strategy and group information. The Group applies the new standard IFRS 8 Operating segments beginning with the 2009 financial statements. For the Norway Post Group the new standard did not impact on the division of the operating segments, as these are prepared in accordance with areas whose operating results are reviewed regularly by the Norway Post's board. Hence, the board can decide which resources should be distributed on the segment and assess its earnings.

BUSINESS SEGMENTS

2009	Mail	Logistics	IT	Other/ eliminations	Group
External revenues	10 058	12 531	4 521	(6)	27 104
Internal revenues	2 459	125	693	(3 277)	
Total operating revenues	**12 517**	**12 656**	**5 214**	**(3 282)**	**27 104**
External expenses including write-downs	11 104	9 537	4 954	489	26 083
Internal expenses	868	2 644	10	(3 522)	
Operating expenses	**11 972**	**12 181**	**4 964**	**(3 033)**	**26 083**
Write-downs, including recognised negative goodwill	277	43		52	372
Reorganisation expenses	166	(1)	45	11	221
Gains/losses on sale of fixed assets and subsidiaries	(19)		(34)	1	(53)
Operating results	**121**	**434**	**239**	**(312)**	**482**
Net financial items	(123)	20	(63)	(123)	(289)
Income from investments in associates	5				5
Taxes					80
Net income (loss)					**118**

2008	Mail	Logistics	IT	Other/ eliminations	Group
External revenues	10 630	13 293	4 735	6	28 663
Internal revenues	2 477	117	954	(3 548)	
Total operating revenues	**13 107**	**13 409**	**5 689**	**(3 542)**	**28 663**
External expenses including write-downs	12 260	10 102	5 284	334	27 980
Internal expenses	863	2 640	(3)	(3 501)	
Operating expenses	**13 123**	**12 741**	**5 281**	**(3 166)**	**27 979**
Write-downs, including recognised negative goodwill	137	(23)	20	5	140
Reorganisation expenses	(21)	15	18	190	203
Gains/losses on sale of fixed assets and subsidiaries	(15)	(7)	1		(21)
Operating results	**(118)**	**682**	**369**	**(572)**	**361**
Net financial items	(5)	(11)	(124)	(109)	(248)
Income from investments in associates	(6)		1		(5)
Taxes					136
Net income (loss)					**(28)**

NOTE 1 SEGMENTS (continued)

COMPANY FIGURES

2007	Mail	Logistics	IT	Other/ eliminations	Group
External revenues	10 403	12 209	4 188	10	26 810
Internal revenues	2 438	121	843	(3 402)	
Total operating revenues	**12 841**	**12 330**	**5 031**	**(3 392)**	**26 810**
External expenses including write-downs	11 639	9 168	4 738	434	25 979
Internal expenses	851	2 583	17	(3 451)	
Operating expenses	**12 490**	**11 751**	**4 755**	**(3 017)**	**25 979**
Write-downs, including recognised negative goodwill	15	108	7		130
Reorganisation expenses	258	14	1	(5)	268
Gains/losses on sale of fixed assets and subsidiaries	(12)	(10)		(626)	(647)
Operating results	**90**	**466**	**268**	**256**	**1 080**
Net financial items	(140)	(16)	(107)	137	(126)
Income from investments in associates			1		1
Taxes					159
Net income for the year					**796**

Internal revenues are from transactions between Norway Post's segments. Internal transactions are priced on the basis of normal commercial factors and as if the segments were independent parties.

The segment 'Other' includes group administration costs and common costs that are not defined as owner-related costs, as well as eliminations. In 2008/2009 the segment Other included costs connected with the launch of new trademarks, and in 2007 the gains from the sale of Posten Eiendom BG14B AS were included.

COMPANY FIGURES

2009	Mail	Logistics	IT	Other/ eliminations	Group
Segment assets	10 875	6 341	3 645	(3 214)	17 646
Non-allocated assets					795
Total assets					**18 441**
Segment liabilities	6 270	2 484	1 599	(1 172)	9 181
Non-allocated liabilities					4 046
Total liabilities					**13 227**

NOTE 1 SEGMENTS (continued)

COMPANY FIGURES

2008	Mail	Logistics	IT	Other/ eliminations	Group
Segment assets	10 105	6 847	3 803	(2 058)	18 697
Non-allocated assets					819
Total assets					**19 516**
Segment liabilities	6 757	3 516	1 618	(2 299)	9 593
Non-allocated liabilities					4 763
Total liabilities					**14 356**
2007					
Segment assets	8 354	5 608	3 710	(923)	16 749
Non-allocated assets					667
Total assets					**17 415**
Segment liabilities	6 462	3 341	1 465	(2 833)	8 435
Non-allocated liabilities					3 194
Total liabilities					**11 629**

Deferred tax assets are included in unallocated assets, and deferred tax and interest-bearing liabilities are included in unallocated liabilities.

INVESTMENTS

2009	Mail	Logistics	IT	Other	Group
Investments in fixed assets 1)	833	235	201	179	1 448
Depreciation	439	218	295	(13)	938
Write-downs	329	43			372
2008					
Investments in fixed assets 1)	1 155	360	250	286	2 051
Depreciation	371	212	296	27	906
Write-downs	142	6	20		169
2007					
Investments in fixed assets 1)	694	286	290	250	1 521
Depreciation	387	138	284	25	834
Write-downs	15	108	7		130

1) Investments in fixed assets include neither the purchase of enterprises nor goodwill.

NOTE 1 SEGMENTS (continued)

GEOGRAPHIC INFORMATION	GROUP		
	2009	2008	2007
External revenues			
Norway	19 677	20 909	20 171
Abroad 1)	7 427	7 754	6 639
Total revenues	**27 104**	**28 663**	**26 810**
Assets			
Norway	17 104	16 973	15 206
Abroad 1)	1 337	2 544	2 209
Total Assets	**18 441**	**19 516**	**17 415**
Investments during the period			
Norway	1 322	1 812	1 196
Abroad 1)	126	239	324
Total investments	**1 448**	**2 051**	**1 521**

1) Abroad mainly comprises other Nordic countries.

NOTE 2 PAYROLL EXPENSES AND OTHER REMUNERATION

POSTEN NORGE AS				GROUP		
2007	2008	2009		2009	2008	2007
5 457	5 616	5 275	Salaries	9 144	9 479	8 708
719	746	699	National insurance contributions	1 412	1 502	1 376
415	427	448	Pension expenses	799	742	636
170	193	137	Other contributions	306	411	358
6 761	**6 982**	**6 559**	**Payroll expenses**	**11 661**	**12 134**	**11 078**
1 810	1 850	2 048	Board remuneration	2 428	2 817	2 954
1 629	1 759	1 941	Remuneration for statutory audit	14 015	14 359	11 679
153	97	354	Fees for the expanded financial audit	632	546	629
438	686	652	Remuneration for other attestation services	720	702	540
343	1 257	452	Fees for tax advisory services	1 183	1 590	1 057
27	2 733	277	Fees for other non-audit services	4 562	5 210	1 160
15 828	15 446	14 105	Number of full-time /full-time equivalent positions	24 163	25 851	24 870
18 401	18 304	17 203	Average no. of employees	27 718	28 251	27 068
20 246	21 360	19 453	Numbers of members covered by the pension scheme as at 31 Dec.	29 602	30 331	28 615

Employer tax on pensions is classified as pension costs, refer to the specification in note 3

NOTE 2 PAYROLL EXPENSES AND OTHER REMUNERATION (continued)

Remuneration and fees (All amounts in Norwegian kroner, excluding payroll tax). The Board does not have a pension scheme or other schemes in excess of fees. The General Meeting determines the remuneration to the Board of Directors of Posten Norge AS. Board fees for 2009 were approved by the General Meeting on 9 June 2009 and the board members have received the following remuneration in 2009:

BOARD OF DIRECTORS	Remuneration				Remuneration
Arvid Moss	330 000	Sigbjørn Molvik	165 000	Paul Magnus Gamlemshaug	165 000
Liv Stette	200 004	Gry Mølleskog	197 500	Judith Olafsen	165 000
Eli Arnstad	165 000	Odd Christian Øverland	165 000	Elizabeth Angell (deputy until Oct 2009)	63 000
Terje Christoffersen	219 171	Ingeborg Anne Sætre	165 000	Thore Strøm (deputy)	48 000
Total					**2 047 675**

An audit committee for Posten Norge AS was established in December 2008. The board members Terje Christoffersen and Gry Møller-skog have been appointed by the Group board to participate in the audit committee and will receive, respectively, NOK 50,000 and NOK 30,000 as payment for this. The payments for both 2009 and December 2008 are included in the remuneration specified above.

Group management

Group management is defined as persons authorised and responsible for planning, executing and monitoring the enterprise's operations in the company. Unless otherwise stated, the amounts below cover the entire year.

All amounts in NOK excluding employers' national insurance contributions

GROUP MANAGEMENT	Basic pay 1)	Paid bonuses	Other benefits 2)	Pension costs	Period of notice	Severance
Dag Mejdell	2 914 626	589 100	13 909	2 274 362	6 months	9 months
Gro Bakstad	1 947 033	371 875	11 143	857 979	6 months	No
Elisabeth H. Gjølme	1 632 230	307 877	16 446	436 707	6 months	9 months
Randi Løvland	1 561 183	236 503	12 846	110 037	6 months	9 months
Tore K. Nilsen	2 375 271	289 733	9 475	268 717	6 months	9 months
Lars H. Tendal	2 100 754	393 900	187 076	596 617	6 months	No
Arne Bjørndahl	2 103 671	456 925	10 227	969 188	6 months	No
Terje Mjøs	1 901 828	467 500	194 542	818 705	6 months	No
Total	**16 536 596**	**3 113 413**	**455 664**	**6 332 312**		

1) Basic pay includes wages, car expenses, holiday money and pension compensation 2) Includes car expenses and electronic communication

Posten Norge AS has a bonus programme for the CEO and Group management. The scheme has two parts, one element based on the consolidated results and the individual results. Achieved bonuses can be up to 25 % of the salary. The final decision regarding a bonus is determined by the board (the CEO for Group management). Bonuses are only paid to persons who are in their positions as of 31 December.

With regard to severance pay, reduction after 3 months has been agreed in the event of alternative salary for the CEO. For other members of Group management, a reduction of severance pay in the event of an alternative salary has been agreed. No key personnel have received share-based pay or other long-term benefits. According to the CEO's pension contract his retirement age is 65 years, and the total pension is to be 66 per cent of his salary. Other members of Group management before 1 January 2007 have a defined benefit pension scheme financed through normal operations with a retirement age of 64 years. The scheme was closed on 31 December 2006. Members of Group management after 1 January 2007 have a defined contribution plan financed by normal operations covering early retirement from 65 years. The other pension schemes are described in more detail in note 3.

In addition, Posten Norge AS has a bonus programme for divisional management, regional management, other key personnel and sales staff. Bonus payments are based on defined Group and individual targets. Specific upper limits for bonus payments are defined in the different schemes.

The majority of the Group's subsidiaries have bonus programmes for executives connected to achieving results and/or individual criteria. In certain companies, sales personnel, consultants and key personnel also have bonus-based pay, while other pay a productivity bonus to all employees.

Fees to the auditors, Ernst & Young, were NOK 16.8 million, and fees paid to other auditing firms were NOK 4.3 million.

NOTE 3 PENSIONS

Norway Post has a defined contribution pension scheme for the majority of its employees in Norway, Sweden and Denmark, under which the premiums are charged as an expense when they occur.

The parent company, Posten Norge AS, introduced a defined contribution pension scheme for all its employees on 1 January 2006. This replaces the former pension scheme (the Norwegian Public Service Fund). The contribution rates are 4.9 per cent for salaries of between 1.3 and 6 times the National Insurance basic amount (G) and 8 per cent for salaries of between 6 and 12 times G. In addition, a new private disability pension has been introduced which provides benefits equal to 66 per cent of the employee's pay, without paid-up policy. Posten Norge AS also has obligations on securing salaries exceeding 12 G. Pension obligations connected to salaris above 12 G and agreements on early retirement pensions are financed by the company's operations.
Some groups of employees have remained with the old pension scheme of the Norwegian Public Service Fund (SPK), and have not transitioned to the new pension scheme. When the reasons why they are still members in SPK is no longer valid, they will be transferred to the new contribution pension plan. This applies to employees that at the time of transition had a retirement benefit (partial disability pension AFP) or severance pay. Premiums for employees who are still members of SPK are expensed as incurred.

The pension plans in Sweden and Denmark had varying contribution rates based on different measurement bases and ranges of rates. In Sweden, for example, the calculation basis for some employees was a so-called "income base amount" (IBB), which in 2009 amounted to SEK 50,900. Contributions were calculated with a low and high rate at 4.5 and 30% respectively, for income above and below 7.5 times IBB.

The defined benefit plans for Posten Norge AS' Group management was terminated as a defined benefit plan effective 1 31 December 2006 and each individual received a paid-up policy based on earned benefits. Beginning 1 January 2007 the scheme is financed through normal operations.

The parent company and most subsidiaries have a defined benefit of early retirement (AFP) associated with the scheme in Spekter (Federation of Public Sector Employers). This also applies to Swedish companies operating in Norway with an AFP benefit. Pension liabilities for these businesses in Norway were estimated with the same financial

POSTEN NORGE AS 2007	2008	2009		GROUP 2009	2008	2007
			Defined contribution pension schemes			
268	288	280	Contributions charged to expenses	497	478	410
20 246	21 360	19 453	No. of members	27 861	29 257	26 998
4,5 - 8 %	4,9 - 8 %	4,9 - 8 %	Percentage of salary	2,5 - 30 %	1 - 17 %	1 - 20 %

The financial assumptions applied when calculating pension expenses and obligations:

2007	2008	2009		2009	2008	2007
			Financial assumptions:			
4,8 %	3,8 %	4,4 %	Discount rate	4,4 %	3,8 %	4,8 %
4,50 %	4,00 %	4,25 %	Expected wage regulation	4,25 %	4,00 %	4,50 %
4,25 %	4,00 %	4,00 %	Expected G regulation	4,00 %	4,00 %	4,25 %
1,75 %	3,75 %	4,00 %	Expected pension regulation	1,3 - 4,0 %	3,75 %	1,75 %
5,5 %	5,8 %	5,6 %	Expected yield	5,8 - 6,2 %	5,8 %	5,5 - 5,8 %
8,0 %	8,0 %	8,0 %	Expected voluntary retirement (under 50 years of age)	2,5 - 8%	2,5 - 8%	2 - 12 %
2,5 %	2,5 %	2,5 %	Expected voluntary retirement (over 50 years of age)	0 - 2,5%	0 - 2,5%	0 - 2,5 %
50 %	50 %	50 %	Expected use of AFP	30 - 50%	30 - 50%	30 - 50%
K2005	K2005	K2005	Demographic assumptions on mortality rate	K2005	K2005	K2005
			Defined benefit pension plans			
			Net pension costs:			
139	112	120	Present value of the pensions earned for the year	238	214	228
1			Administration costs	6	2	6
72	92	81	Interest expense on the liabilities	126	138	110
(1)	(1)	(1)	Estimated return on the assets	(39)	(35)	(30)
6	21	42	Recognised actuarial gains (losses)	56	27	9
			Recognised pension scheme changes	3	8	(2)
			Costs in prior periods' pension savings		4	
			Estimated return on refunds recognised as assets			(1)
(2)			Effect of any curtailments or settlements			3
215	**224**	**242**	**Gross pension expenses**	**390**	**359**	**324**
(4)	(4)	(3)	Employees' 2% contribution	(11)	(4)	(11)
(63)	(80)	(71)	Interest element reclassified as a financial item	(77)	(91)	(71)
(2)			Cost (income) of transition to a new pension plans			(16)
147	**139**	**168**	**Net pension costs**	**302**	**264**	**226**

NOTE 3 PENSIONS (continued)

POSTEN NORGE AS 2007	2008	2009		GROUP 2009	2008	2007
			Net pension liabilities:			
	(26)	(25)	Estimated accrued secured liabilities	(986)	(1 090)	(801)
	20	21	Estimated value of the pension assets	704	663	544
	(6)	**(4)**	**Net estimated secured pension liabilities (-)/-assets (+)**	**(282)**	**(427)**	**(257)**
(1 965)	(2 214)	(2 171)	Estimated accrued unsecured pension liabilities	(2 303)	(2 395)	(2 128)
(1 965)	**(2 220)**	**(2 175)**	**Net estimated (pension liabilities)/-assets**	**(2 585)**	**(2 822)**	**(2 385)**
			Pension plan changes	6	23	5
398	624	540	Unrecognised actuarial gains (losses) and deviations	582	880	561
(1 567)	**(1 596)**	**(1 635)**	**Net pension assets/(-liabilities)**	**(1 997)**	**(1 919)**	**(1 820)**
			Pension assets recognised in the balance sheet	1	1	5
(1 567)	(1 596)	(1 635)	Pension liabilities recognised in the balance sheet	(1 998)	(1 920)	(1 825)
(1 567)	**(1 596)**	**(1 635)**	**Net pension assets/(liabilities) recognises in the balance sheet**	**(1 997)**	**(1 919)**	**(1 820)**
			Changes in liabilities:			
(1 484)	(1 567)	(1 596)	Net assets (liabilities) 01.01	(1 919)	(1 820)	(1 710)
(215)	(224)	(242)	Gross pension expenses	(390)	(359)	(324)
125	191	229	Premium payments and benefits paid	330	297	197
4	4	3	Contributions from members of the pension scheme	3	4	5
2			Income (expenses) due to the transition to a new pension scheme			16
			Estimated repayment of previously paid pension premiums	3		
		(29)	Restructuring liabilities / other liabilities transferred to pension	(34)		
			Adjustment of previous period's pension liabilities		(6)	
1			Liabilities relating to new/sold companies during the year		(31)	(7)
			Exchange rate changes	10	(3)	4
(1 567)	**(1 596)**	**(1 635)**	**Net pension assets (liabilities) 31.12.**	**(1 997)**	**(1 919)**	**(1 820)**
			The main categories of pension assets at fair value:			
	1	8	Equity instruments (shares, bonds)	211	412	386
	14	2	Debt instruments	316	42	27
	3	9	Property	116	104	79
	2	2	Other assets	61	105	50
	20	**21**	**Total pension assets**	**704**	**663**	**544**

During wage negotiations in 2008, a new AFP scheme was agreed in Norway from 2010. The scheme will be financed by employers through the payment of a premium determined by the Board of the new pension scheme. The Norwegian Accounting Standards Board has issued a statement on how to account for the transition to a new AFP scheme. The main effect of the recommendation was that AFP liabilities should be measured again at the time of the adoption of the amendment. Liabilities regarding employees born after 31.12.48, who cannot start an AFP according to the current scheme, must be recorded. The amendment was passed by Parliament on 19.02.10, and may result in significant changes to the unrecognised estimate variance concerned and balance sheet pension liabilities in the Group. This could affect the overall recognised pension liabilities of NOK 1,997 million of which approximately NOK 1,300 million AFP obligations. Employees can take out a pension under the new scheme from 01.01.11.

assumptions as the other subsidiaries in Norway. Some of the subsidiaries in Norway, which are not affiliated to Spekter, was associated with the LO/NHO scheme.
The service period for a full pension from Spekter is 40 years, while it was 30 years with the Norwegian Public Service Fund. In the parent company, the increased service period was compensated with endowment pensions for employees that were members of SPK.

The parent company and some subsidiaries had defined benefit schemes other than early retirement pensions. For the parent company, the pension benefits were agreed with staff organisations during the transition to the new pension plan to replace the scheme in SPK. The subsidiaries mainly use the same long-term financial assumptions for the defined benefit scheme as the parent company, but with an adjustment for country-specific macroeconomic conditions. For a defined benefit scheme in Sweden and the UK, other assumptions regarding discount rates were used, and salary increases other than those for the other subsidiaries. The Group's pension liabilities relate mainly to ErgoGroup's and Bring Logistics' defined pension plans.

Some companies in the Group's Swedish operations have pension plans which, according to IAS 19, do not qualify for recognition in the balance sheet. In accordance with Swedish rules, the pension liability was covered by an insurance. In the group financial statements, these amounts are netted, in order to meet the criteria stipulated in IAS 19. A secured occupational pension programme in a Norwegian company is off set against pension assets in accordance with IAS 19.

In 2007 and 2008, restructuring expenses were to cover an expected increase of AFP withdrawals due to restructuring. The liability amounting to NOK 29 million was transferred to pension liabilities on 31 December 2009. For the subsidiaries, a total of NOK 5 million was transferred from long-term debt to pension liabilities.

NOTE 4 OTHER OPERATING EXPENSES

POSTEN NORGE AS				GROUP		
2007	2008	2009		2009	2008	2007
824	888	920	Costs of premises	1 586	1 518	1 427
216	255	232	Other rental expenses	391	391	316
93	96	84	Tools, fixtures, operating materials	144	168	158
81	70	61	Repair and maintenance of equipment	113	141	149
218	113	110	Accounting and payroll services	120	120	229
844	956	728	IT services	324	375	325
386	354	210	Other external services	421	773	814
52	42	37	Telephone expenses	107	115	100
96	92	75	Travel expenses	236	276	247
161	135	100	Marketing	181	231	253
61	42	40	Insurance, guarantee and service costs	85	86	102
	175	44	Trademark costs	62	221	
84	132	645	Other expenses	404	399	278
3 117	**3 351**	**3 286**	**Total operating expenses**	**4 174**	**4 814**	**4 398**

Other expenses in the parent company included NOK 503 million in losses on Bring Citymail AB relating to the financing of Bring Citymail Denmark A/S. Operations in Bring Citymail Denmark A/S were wound down on 31 December 2009.

In 2009, the costs of other external services were significantly lower than in previous years, partly as a result of the effects of the Group's profitability programme Spinnaker.

In 2008, Norway Post Group launched a new, joint trademark called Bring, for the Scandinavian mail and logistics operations. At the same time, Norway Post's logo was changed to show that Norway Post and Bring are part of the same group. The total cost for the trademark for the Group in 2009 was NOK 62 million. (NOK 221 million in 2008).

Starting on 1 January 2008 Posten Norge AS took over a larger share of the wage and personnel services from their external supplier, which has reduced the cost of these services significantly.

NOTE 5 RESTRUCTURING EXPENSES

POSTEN NORGE AS				GROUP		
2007	2008	2009		2009	2008	2007
282	155	161	Restructuring	226	199	294
(26)	4	(5)	Severance pay	(5)	4	(26)
256	**159**	**156**	**Total restructuring expenses**	**221**	**203**	**268**

Restructuring and severance pay
In 2009, restructuring costs of NOK 328 million were provided for Posten Norge AS, and accruances from previous years of NOK 167 million were reversed. Of the total cost of NOK 328 million, NOK 193 million applied to personnel-related measures, NOK 114 million to premises and NOK 21 million to other measures.

Restructuring expenses were primarily related to the closure of operations in Bring CityMail Denmark, the establishment of a new post office concept and changes in the terminal structure in connection with the establishment of the new Østland's Terminal on Robsrud. No provisions have been made for new cases of severance pay (the scheme is closed), but provisions were reduced by NOK 4 million based on a new assessment of the situation in the labour market as of 31 December 2009.

In addition to the Posten Norge AS, ErgoGroup, Bring Logistics, Bring Frigoscandia, Bring Express, Bring Citymail Sweden AB and Bring Dialog Norge AS made provisions totalling NOK 65 million, of which NOK 55 million concerned personnel-related measures, NOK 8 million related to rents and empty offices and NOK 2 million related to measures. Provisions in the subsidiaries primarily related to the restructuring of ErgoGroup AS. Total provisions for restructuring are shown in note 20.

NOTE 6 GAIN/LOSS ON SALE OF FIXED ASSETS

POSTEN NORGE AS				GROUP		
2007	2008	2009		2009	2008	2007
			Gain on sale of operations etc.	30		631
12	35	20	Gain on sale of fixed assets	30	42	18
12	**35**	**20**	**Total gain on sale of fixed assets etc.**	**60**	**42**	**649**
2	21	1	Loss on sale of fixed assets	7	21	2
2	**21**	**1**	**Total loss on sale of fixed assets etc.**	**7**	**21**	**2**

Sale of fixed assets/property
Posten Norge AS sold the mail terminals in Kristiansand and Sarpsborg, Tromsø and Stokke in 2009, with a net gain of NOK 18 million. Posten Norge AS also sold machinery and vehicles with a gain of NOK 1 million. The subsidiaries have sold properties with a net gain of NOK 3 million and machinery and vehicles with a net gain of NOK 1 million.

Sale of subsidiaries, etc.
In 2009, ErgoGroup sold its subsidiary Eiendomsverdi AS with a gain of NOK 30 million.

In 2008, the sale of the companies Grenland Transport and Industriservice AS and CDG Sandberg AS/Selektiv AS generated no gain/loss.

In 2007 Posten Norge AS sold the property BG 14B, by selling its wholly-owned subsidiary Posten Eiendom BG 14B AS, with a gain in the consolidated Group financial statements of NOK 626 million.

NOTE 7 FINANCIAL INCOME AND FINANCIAL EXPENSES

POSTEN NORGE AS				GROUP		
2007	2008	2009		2009	2008	2007
182	262	142	Interest income from group companies			
98	36	17	Other interest income	38	79	126
612			Gain on sale of shares in subsidiaries, etc			
45	139	50	Foreign exchange profit	204	301	82
52	63	3	Group contributions and dividends received		1	9
176	2	288	Gains on derivatives	7	2	4
52	228	241	Gains on "fair value through profit or loss" objects	241	228	52
6	14	3	Other financial income	8	29	9
1 223	**744**	**744**	**Financial income**	**498**	**640**	**282**
34	39	15	Intercompany interest expenses			
1	1	1	Interest expenses on financial leases	10	9	3
197	354	247	Other interest expenses	266	322	205
	4		Loss on the sale of shares in subsidiaries, etc			
62	4	92	Foreign exchange loss	225	255	109
	161	4	Loss on derivatives	4	17	
52	228	241	Loss on "fair value through profit or loss" objects	241	228	52
158	253	302	Other financial expenses	40	57	39
504	**1 044**	**902**	**Financial expenses**	**786**	**888**	**408**

Other interest income in 2009 included NOK 0.5 million (NOK 12 million in 2008 and NOK 71 million in 2007) in gains on short-term investments for both Posten Norge AS and the Group. In March 2007 Posten Norge AS sold all shares in the wholly-owned subsidiary Posten Eiendom BG 14B AS for NOK 759 million. This resulted in a gain on the sale of the shares of NOK 612 million in the parent company. Other interest expenses for 2009 included interest costs on net pension assets that have been reclassified from payroll expenses to financial expenses. Interest expenses for 2009 totalled NOK 71 million for Posten Norge AS (NOK 80 million in 2008 and NOK 63 million in 2007) and NOK 77 million for the Group (NOK 91 million in 2008 and 71 million in 2007). The remaining other interest expenses are primarily interest expenses related to long-term financing. In Posten Norge AS, other financial expenses in 2009 included NOK 266 million (NOK 197 in 2008 and NOK 127 million in 2007) related to the write-down of shares in the CityMail Group. tRefer also to note 12.

NOTE 8 TAXES

POSTEN NORGE AS				GROUP		
2007	2008	2009		2009	2008	2007
			INCOME TAXES			
191	60	54	Taxes payable	134	191	298
(69)	(96)	67	Changes in deferred taxes (deferred tax assets)	(55)	(54)	(139)
122	**(36)**	**121**	**Taxes expence**	**80**	**136**	**159**
155	59	56	Taxes payable for the year	142	193	241
	1	(2)	Overpaid/underpaid in previous years	(8)	(2)	
36			Other		1	57
191	**60**	**54**	**Taxes payable**	**134**	**191**	**298**
(69)	(96)	67	Deferred tax due to changes in temporary differences	(54)	(51)	(135)
			Losses carried forward not previously recognised	(1)	(4)	(4)
(69)	**(96)**	**67**	**Deferred tax expence**	**(55)**	**(54)**	**(139)**
13 %	**11 %**	**i/a**	**Effective tax rate**			
			Reconciliation of the effective tax rate with the Norwegian tax rate:			
944	(317)	(36)	Earnings before tax			
264	(88)	(10)	28% tax			
39	65	100	Other non-deductible costs 28%			
(201)	(16)	(1)	Non-taxable income 28%			
20	3	31	Other			
122	**(36)**	**121**	**Taxes**			

POSTEN NORGE AS 2007	2008	2009		GROUP 2009	2008	2007
			DEFERRED TAXES/TAX ASSETS IN THE BALANCE SHEET			
(82)	(104)	(82)	Tangible fixed assets	(26)	(109)	(60)
(2)	(6)		Receivables	(8)	(16)	(10)
(1)			Foreign exchange	(1)		(1)
(1)	(1)	(4)	Inventories	(4)	(2)	(1)
(439)	(447)	(485)	Pensions	(449)	(523)	(497)
(76)	(99)	(139)	Provisions	(256)	(106)	(95)
7	(88)	(38)	Other	(11)	(61)	
			Losses carried forward	(264)	(214)	(134)
(594)	**(745)**	**(720)**	**Deferred tax assets - gross**	**(1 019)**	**(1 031)**	**(798)**
32	23	14	Gains and losses account	26	39	51
	29		Foreign exchange		17	
43		51	Group contributions			
			Other			16
75	**52**	**65**	**Deferred tax liability - gross**	**26**	**55**	**67**
(519)	**(693)**	**(655)**	**Net deferred tax asset**	**(993)**	**(976)**	**(731)**
		34	Deferred tax asset not recognised in the balance sheet	198	158	64
(519)	**(693)**	**(621)**	**Net recognised deferred tax**	**(795)**	**(818)**	**(667)**

Gross temporary differences that are not recognised in the balance sheet relate to losses carried forward. The Group had a total of NOK 1,033 million in losses carried forward as at 31.12.09. There is no time limit on these losses. Losses carried forward which are recognised are expected to be utilised on expected future profits.

POSTEN NORGE AS 2007	2008	2009		GROUP 2009	2008	2007
			Change in deferred tax recorded directly in equity			
		(21)	Translation differences from the hedging of investments in foreign entities	19	(41)	48
11	(41)	27	Cash flow hedging	27	(41)	12
36			Other			28
47	(41)	6	Total	46	(82)	88

NOTE 8 TAXES (continued)

POSTEN NORGE AS

Changes in temporary differences	31.12.08	Acquired companies	Recognised in income statement	Recognised in equity	Other 1)	Conversion differences	31.12.09
Tangible fixed assets	(371)		79				(291)
Gains and losses account	83		(32)				51
Receivables	(22)		23				1
Foreign exchange	103		(103)				
Inventories	(5)		(8)				(13)
Pensions	(1 597)		(39)				(1 636)
Reserves	(353)		(20)		(121)		(495)
Group contributions			181				181
Other	(312)		157	19			(137)
Total	**(2 474)**		**239**	**19**	**(121)**		**(2 338)**

GROUP

Changes in temporary differences	31.12.08	Acquired companies	Recognised in income statement	Recognised in equity	Other 1)	Conversion differences	31.12.09
Tangible fixed assets	(338)		249			(3)	(92)
Gains and losses account	139		(46)				92
Receivables	(57)	5	26			1	(25)
Foreign exchange	56		(119)		55	6	(3)
Inventories	(4)		(5)			1	(9)
Pensions	(1 869)		(87)		4	5	(1 948)
Reserves	(380)		(69)		(125)	(3)	(575)
Other	(235)	(13)	(14)	198	44	(2)	(21)
Loss carried forward	(834)	(3)	(136)		(171)	112	(1 033)
Total	**(3 522)**	**(11)**	**(201)**	**198**	**(194)**	**117**	**(3 614)**

1) Applies to negative temporary differences that have arisen in the years and balance sheet recorded, and temporary differences not previously recognised and included in the balance sheet at 31.12.09.

NOTE 9 INTANGIBLE ASSETS

POSTEN NORGE AS

	Purchased intangible assets					
	IT development trademark, etc.	Projects under construction	Goodwill	Total 2009	Total 2008	Total 2007
Acquisition cost:						
Balance 01.01.	837	406	6	1 249	848	655
Additions	33	221		255	406	282
Disposals					(5)	(56)
Intercompany transfers						(6)
Transfers from assets under construction	364	(364)				
Transfers to held for sale						(25)
Balance 31 Dec.	1 234	264	6	1 504	1 249	849
Accumulated amortisation and write-downs:						
Amortisation method	Straight-line					
Useful life	3-7 years					
Balance 01.01.	(264)		(6)	(270)	(170)	(181)
Amortisation for the year	(173)			(173)	(99)	(62)
Write-downs for the year	(53)			(53)	(6)	(3)
Disposals					5	56
Transfers to held for sale						20
Balance 31 Dec.	(490)		(6)	(496)	(270)	(170)
Book value	744	264		1 008	980	679

NOTE 9 INTANGIBLE ASSETS

GROUP	In-house developed intangible assets: IT develop-ment	In-house developed intangible assets: Projects under development	In-house developed intangible assets: Total	Purchased intangible assets: IT development, trademark, etc.	Purchased intangible assets: Projects under devel-opment	Purchased intangible assets: Goodwill	Purchased intangible assets: Total	Total 2009	Total 2008	Total 2007
Acquisition cost:										
Balance 01.01.	604	9	613	1 384	418	5 889	7 690	8 303	7 450	5 633
Additions	35	12	47	50	230	1	281	328	495	398
Disposals	(22)		(22)	(17)	(2)		(18)	(41)	(39)	(114)
Additions through company acquisitions (note 30)				3		20	23	23	336	1 714
Disposals through sales of companies (note 30)						(2)	(2)	(2)	(14)	(1)
Adjustment of cost prices/reclassification 1)	(85)		(85)	(54)		(15)	(69)	(154)	(131)	6
Translation differences	(19)	(1)	(20)	(27)		(283)	(310)	(330)	206	(161)
Transfers from assets under construction	7	(7)		365	(365)					
Transfers to held for sale										(26)
Balance 31 Dec.	**519**	**14**	**533**	**1 706**	**280**	**5 610**	**7 595**	**8 128**	**8 303**	**7 450**
Accumulated amortisation and write-downs:										
Amortisation method	Straight-line			Straight-line						
Useful life	3-10 years			3-10 years						
Balance 01.01.	(447)		(447)	(629)	(6)	(427)	(1 062)	(1 508)	(1 363)	(1 189)
Amortisation for the year	(72)		(72)	(216)			(216)	(288)	(250)	(193)
Write-downs for the year				(75)		(246)	(321)	(321)	(31)	(116)
Disposals	11		11	5			5	16	8	103
Additions through company acquisitions (note 30)									(34)	
Disposals through sales of companies (note 30)									12	
Adjustment of cost prices/reclassification 1)	84		84	69			69	153	163	
Translation differences	14		14	15		15	30	45	(15)	11
Transfers to held for sale										21
Balance 31 Dec.	**(410)**		**(410)**	**(830)**	**(6)**	**(658)**	**(1 494)**	**(1 904)**	**(1 508)**	**(1 363)**
Book value	**109**	**14**	**123**	**875**	**274**	**4 951**	**6 101**	**6 224**	**6 795**	**6 088**

1) the entry adjustment of cost prices/reclassification includes the scrapping of IT systems in ErgoGroup that were already written off.

IT – development, trademarks, etc
For intangible assets that have a definite economic life, the amortisation period is 3-10 years (3-10 years in 2008 and 2-10 years in 2007), depending on the economic life of each individual component based on an individual assessment. Of total intangible assets with definite lifetimes, approximate NOK 740 million are amortized over a period of 3-7 years. Assets depreciated over a longer period than 7 years consist mainly of the excess values of an acquisition on contract portfolios, systems, solutions and software as well as the remaining part of a traffic system that will be fully depreciated in 2014.

Approximately NOK 460 million of capitalised IT development apply to solutions introduced in connection with the IT 2010 programme, including solutions for a common address register, response sending system, payroll system, data warehouse and parts of the HR and order systems. The systems include Oracle eBusiness Suite (OEBS) covering solutions for order, invoice, accounting and finance, systems for HR and payroll, and a joint financial data warehouse. The Group has experienced significant growth in the past 10 years, entering new business areas and significantly increasing revenues outside Norway. The systems are a result and part of Norway Post's IT-Masterplan, which is the planned clean-up of the Group's IT portfolio, and will result in a reduction of the number of systems and interfaces combined with an increased use of standard solutions. Moreover, NOK 66 million constituted the IT system for the Post's sales network.

The amortisation for the year is presented in the income statement in the line for amortisation.

Research and development
In 2009, no expenses related to development projects that are not expected to generate future financial benefits (NOK 11 million in 2008 and 0 in 2007) were recognised.

Projects in progress
Of development projects in progress, around NOK 33 million amounted to the remaining part of the projects in the IT-2010 program which includes a new route register for Posten Norge AS. Together with the new solution for a shared address register, this will provide more automated and detailed route planning. Moreover, around NOK 81 million constituted the development of a new and improved solution for time registration, planning tools for the production of unaddressed advertising, as well as a new data warehouse for data capture and management information. The combined solutions will give the Group a better basis for managing and planning staffing and the distribution of mail and advertising in an effective manner, and they will replace many of today's manual procedures. Approximately NOK 73 million was allocated to a project to establish a solution for planning and managing transport activities in the Group as efficiently as possible. The solution shall enable the planning of an order across the different types of transport, from the sender to the recipient, and thereby result in the most cost-effective goods transportation. The system will be adopted around the turn of the year 2010-2011.

NOTE 9 INTANGIBLE ASSETS (continued)

The write-down of projects under development with a definite useful live
Write-down costs are presented on the income statement in the line for write-downs.
In 2009, a total of NOK 75 million was written down in intangible assets other than goodwill (NOK 4 million in 2008 and NOK 101 million in 2007). The write-down in 2009 was mainly due to the write-down of the IT system for Posten Norge AS' sales network of NOK 52 million. Major changes in the market for these types of systems with easier and more flexible solutions at lower cost and with lower operating costs, implied that the total value of the system is estimated to be somewhat lower than when the system was adopted in 2007. Replacement of the system is expected to come earlier than originally anticipated at the time of investment and hence, a reduced the useful lifetime. As a result of this year's write-down, the reduction in remaining lifetime had no significant effect on the future annual amortization costs. As a result of the termination of operations in Bring Citymail Denmark A/S, a part of the joint systems capitalised by Bring Citymail Sweden AB was written down by approximately NOK 15 million in 2009.

Refer also to note 29 regarding purchase obligations relating to intangible and tangible assets.

Goodwill

GROUP	Book value 01.01	Additions	Disposals	Adjustment of cost prices	Write-downs	Translation differences	Book value 31.12
Mail Segment							
Bring Citymail	251				(205)	(24)	22
Bring Dialogue Norway	45						45
Bring Dialogue Sweden AB	36			1		(4)	33
Logistics Segment							
Bring Logistics	777			(1)		(3)	773
Bring Frigoscandia Sverige	550					(57)	493
Bring Logistics Sverige	267					(28)	239
Bring Express	296				(41)	(24)	232
CombiTrans	229			(13)		(20)	196
Bring Frigoscandia Norge	208						208
Bring Logistics Solutions	84	1					85
IT Segment							
ErgoGroup Group 1)	2 721	20	(2)	(2)		(109)	2 628
Total goodwill for the Group	**5 462**	**21**	**(2)**	**(15)**	**(246)**	**(269)**	**4 951**

1) The ErgoGroup consists of several cash-generating entities

Acquired goodwill
The acquisitions and disposals of companies are described in detail in note 30.

Adjustment of purchase prices
When agreements are entered into in consideration with the acquisitions of companies, a provision is made in the cost prices based on the best estimate of the additional contingent until the criteria for the additional contingent are finalised. On the final determination of the consideration, an adjustment to the purchase price for the shares and goodwill related to the company is entered in the "Adjustment of cost prices" column. If the additional compensation is determined in the same fiscal year as the acquisition, the total compensation is disclosed in the "Additions" column. Adjustments for additional compensation are assessed at the exchange rate on the balance sheet date or alternatively at the rate when determined if this differs from the balance sheet date. In CombiTrans the goodwill is adjusted down by NOK 13 million, mainly as a result of contingent consideration paid linked to EBIT achieved in 2009 was lower than expected on 31 December 2008. The same applies to additional compensation associated with ErgoGroup's purchase of DTS Solutions AB in 2008 which is written down by around NOK 2 million in 2009.

Write-downs of intangible assets with an indefinite useful life
At year-end, intangible assets are assessed >

NOTE 9 INTANGIBLE ASSETS (continued)

for indications of a fall in value, and if such indications exist, the asset's recoverable value is estimated. Intangible assets with an indeterminate life, intangible assets under development and goodwill are tested annually, or more often if there are indications of a decline in value during the year.

Goodwill is allocated to cash-generating units in order to assess the need to write it down. The allocation is based on an assessment of the cash flows linked to the operations to which the goodwill pertains. If the cash flows are independent of cash flows linked to other entities, the individual operation constitutes the entity to be assessed. If not, goodwill is allocated to an assessment entity at a higher level.

A write-down requirement exists if the capitalised value of an entity including goodwill exceeds the unit's recoverable amount. The recoverable amount is whichever is the higher of fair value less sales costs and the utility value, where the utility value is the present value of estimated cash flows relating to future use.

Norway Post has calculated the future cash flows based on the estimated results (budgets and forecasts) that reflect the financial business plans approved by management and which cover a five-year period. The estimated results have been adjusted to take into account depreciation, amortisation, investments and changes in the working capital. The projection period includes a mechanical projection of cash flows following the forecast period with a constant growth rate. The size of the growth rate by segment is shown in the table below. The present value of the cash flows is calculated using a weighted required rate of return on total assets and is calculated before tax. The Group's return by segment are assessed each year for significant changes in factors affecting demand. As a result of the recession in 2008, the Group decided to increase the rate of return requirement to manage an increased risk associated with the uncertainty in cash flows. An assessment of the return requirement in 2009 resulted in an adjustment to previous levels. The required rate of return employed by segment is shown in the table below.

Based on these criteria, in 2009 a total of NOK 246 million in goodwill was written down (NOK 26 million in 2008 and NOK 14 million in 2007). Of this NOK 181 million related to Bring Citymail Sweden AB, where the impairment of goodwill was made following a further assessment of future results. Future projections are affected by, among other things, the volume loss, with particular impact on the area of Direct advertisement. NOK 24 million of goodwill in Bring Mail Nordic AB was also written down, as measures to reduce operating expenses not fully covered for revenue loss in both new sales and the loss of customers. Moreover, Bring Express Denmark A/S has also been struggling with budget compliance for several years, and a further assessment of future forecasts concluded with goodwill write down of NOK 41 million.

Goodwill related to Blomquist Trucking Slovakia (NOK 20 million) and ICT operating services in the ErgoGroup (NOK 483 million) are sensitive to adjustments in the key assumptions margins and return. The estimate goodwill value assumes a significant improvement in future profitability. The cash-flows and required rate of return used are based on management's best estimates. Goodwill associated with Bring Express (NOK 232 million), Bring Frigoscandia Norway AS (NOK 208 million), CombiTrans (NOK 195 million), Bring Logistics Sverige (NOK 239 million), SYSteam (NOK 945 million) and Bring Dialog Norge AS (NOK 45 million) are considered insecure due to the fact the cash-generating units delivering below budget, but development in the last period have been positive and support the assumptions about the future margins assumed in impairment evaluations.

Where the acquired units have not achieved budgeted margins, an assessment has also been carried out about whether the background for the deviations from the budget and measures implemented in the earnings and cost sides are deemed sufficient to maintain the quality of future cash flow estimates. The assumptions on margins have also been assessed with regard to the industry and future prospects. In the entities that have been particularly affected by the economic downturn and market developments, additional sensitivity calculations have been made.

Goodwill related to ErgoGroup AB (NOK 94 million) and SMB/Regional services in ErgoGroup AS (NOK 657 million) are also sensitive to adjustments to the margins and required rate of return, but the units currently produce margins in accordance with the budget. Changes in ErgoGroup's business structure implies that ErgoGroup AB is an integral part of the combined unit and thus impairment is tested as part of this.

Write-downs are presented on a separate line in the income statement.

Negative goodwill taken to income

No negative goodwill was taken to income this year (NOK 29 million in 2008 and NOK 0 in 2007).

Overview of cash generating units per segment, goodwill and key assumptions:

		Discount rate before tax (WACC):			Long-term growth rate:		
Segment	Goodwill	2009	2008	2007	2009	2008	2007
Mail	99	10,00 %	11,00 %	10,60 %	2,0-2,5 %	2,0 %	2-4 %
Logistics	2 225	10,00 %	11,00 %	10,70 %	2,0-2,5 %	2,0 %	0-3 %
IT	2 628	12,00 %	12,00 %	11,10 %	2,2-3,2 %	2,7 %	2,7 %
Total Group	4 951						

NOTE 10 TANGIBLE FIXED ASSETS

POSTEN NORGE AS

Acquisition cost:	Machinery	Vehicles, fixtures and fittings	Buildings, property	Machinery and facilities under construction 1)	Buildings under construction 1)	2009 Total	2008 Total	2007 Total
Balance 01.01.	1 163	1 790	261	170	1	3 386	5 158	5 273
Additions	1	65		221	1	288	213	214
Disposals	(16)	(182)	(421)			(619)	(360)	(222)
Intercompany transfers, additions/ disposals							(925)	(5)
Reclassification/adjustment of cost prices	(3)	3		(8)	(2)	(10)		
Transfers to/from held for sale			700			700	(700)	(90)
Transfers to/from investment property								(13)
Transfers from assets under construction	78	25		(102)				
Balance 31 Dec.	**1 223**	**1 701**	**540**	**281**		**3 745**	**3 386**	**5 158**
Accumulated depreciation and write-downs:								
Depreciation method	Straight-line	Straight-line	Straight-line					
Useful life	5 - 10 years	2-12 years	15 - 40 years					
Balance 01.01.	(855)	(1 411)	(137)			(2 404)	(2 997)	(2 951)
Depreciation for the year	(75)	(138)	(7)			(220)	(254)	(321)
Write-downs for the year	(3)	(4)				(7)	(131)	(7)
Reversal of previous write-downs								(1)
Disposals	13	185	185			383	278	212
Intercompany transfers, additions/disposals							386	5
Transfers to/from held for sale			(312)			(312)	312	66
Balance 31 Dec.	**(920)**	**(1 369)**	**(271)**			**(2 560)**	**(2 404)**	**(2 997)**
Book value	**303**	**332**	**269**	**281**		**1 185**	**982**	**2 162**

NOTE 10 TANGIBLE FIXED ASSETS (continued)

GROUP

Acquisition cost:	Machinery	Vehicles, fixtures and fittings	Buildings, property	Machinery and facilities under construction	Buildings under construction	2009 Total	2008 Total	2007 Total
Balance 01.01.	1 787	3 332	2 073	186	1 225	8 603	8 441	7 739
Additions	83	255	33	227	523	1 121	1 562	1 124
Disposals	(63)	(266)	(432)			(761)	(443)	(330)
Additions through company acquisitions (Note 30)		1				1	97	68
Disposals through sales of companies (note 30)		(1)				(1)	(26)	
Reclassification/adjustment of cost prices 1)	(7)	(43)	(15)	(8)	(34)	(107)	(332)	
Translation differences	(4)	(98)	(9)	(1)		(112)	54	(22)
Transfers to/from held for sale			700			700	(749)	(90)
Transfers to/from investment property								(48)
Transfers from assets under construction	78	40	1 655	(118)	(1 655)			
Balance 31 Dec.	**1 874**	**3 220**	**4 005**	**286**	**59**	**9 444**	**8 603**	**8 441**
Accumulated depreciation and write-downs:								
Depreciation method	Straight-line	Straight-line	Straight-line					
Useful life	3-15 years	2-12 years	5 - 40 years					
Balance 01.01.	(1 245)	(2 173)	(781)			(4 198)	(4 404)	(4 115)
Depreciation for the year	(185)	(396)	(69)			(650)	(656)	(641)
Write-downs for the year	(3)	(48)				(51)	(138)	(14)
Reversal of earlier write-downs								(1)
Disposals	55	251	195			501	357	308
Additions through company acquisitions (Note 30)							(10)	
Disposals through sales of companies (note 30)		1				1	7	
Reclassification/Adjustment of cost prices 1)	5	21	39			65	331	
Translation differences	1	40				41	1	(8)
Transfers to/from held for sale			(312)			(312)	312	66
Balance 31 Dec.	**(1 372)**	**(2 304)**	**(928)**			**(4 603)**	**(4 198)**	**(4 404)**
Net book value	**502**	**916**	**3 078**	**286**	**59**	**4 841**	**4 406**	**4 037**

1) The line reclassification / adjustment of costs primarily involve the scrapping of machinery and equipment which were already fully depreciated, as well as the adjustment of capitalised interest on assets under construction from previous years.

Borrowing costs
Tangible fixed assets include borrowing costs. Borrowing costs recognised in the balance sheet amounted to NOK 76 million at 31 December 2009, NOK 85 million at 31 December 2008 and NOK 17 million at 31 December 2007, of which the largest proportion was related to the sorting terminal in Robsrud.

Write-downs
The write-downs of machines and vehicles/inventory and equipment of NOK 7 million in Posten Norge AS relates to the interiors of PiB (Post in Shops) and post offices and sorting machines in connection with to scrapping.

When it was decided to close down operations in Bring Citymail Denmark A/S, assets totalling NOK 43 million were written down.

The terminals in Hamar and Drammen which were reclassified as held for sale during 2009, were restored to fixed assets before 31 December 2009 as the decision to sell these was reversed.

Information on assets held for sale and financial leases is provided in notes 18 and 28 respectively.

See also note 29 on purchasing obligations related to tangible and intangible assets.

NOTE 11 INVESTMENT PROPERTIES

POSTEN NORGE AS 2007	2008	2009		GROUP 2009	2008	2007
60	73	73	Balance 01.01.	108	108	60
13			Transferring from (to) tangible fixed assets			48
			Transfers from (to) held for sale	(35)		
73	**73**	**73**	**Balance sheet 31 Dec.**	**73**	**108**	**108**

Norway Post owns undeveloped land, the NRF plot, at Alnabru. This was purchased in 1999 as the location for a new letter sorting centre. It was later decided to locate this at Robsrud. The future use of the plot is presently uncertain, and the plot has therefore been reclassified as an investment property.
The subsidiary Posten Eiendom Espehaugen AS owns a plot in Bergen that was purchased in 2005 with the view to building a new post terminal. Pending the decision on buliding, it was classified as investment property. In December it was, subject to board approval, agreed to sell the land and it was reclassified as held for sale. The sale was completed in February 2010. See also note 18.

The investment properties are valued at original cost and not depreciated. There are no restrictions on when the investment properties can be realised, or how revenue and cash flow for disposal can be used. There are no significant contractual commitments to purchase, construct or develop investment properties.

NOTE 12 INVESTMENTS IN SHARES

POSTEN NORGE AS

Subsidiaries	Acquired/ established	Address	Primary activity	Ownership share 31.12.2009	Voting share 31.12.2009	Recognised in the balance sheet at 31.12.09
ErgoGroup AS	01.12.1996	Oslo	ICT	100 %	100 %	1 581
Bring Logistics AS	10.06.2004	Oslo	Transport	100 %	100 %	998
Bring Frigoscandia AB	20.01.2006	Sweden	Transport	100 %	100 %	596
CombiTrans AB	08.06.2008	Sweden	Transport	100 %	100 %	241
Bring Express AS	01.01.1999	Oslo	Express	100 %	100 %	198
Bring Logistics Halmstad AB	09.03.2007	Sweden	Transport	100 %	100 %	176
Bring Logistics Jønkøping AB	10.03.2007	Sweden	Transport	100 %	100 %	56
Bring Logistics Stockholm AB	12.03.2007	Sweden	Transport	100 %	100 %	50
Bring Logistics Linkøping AB	12.03.2007	Sweden	Transport	100 %	100 %	47
Bring Logistics Gøteborg AB	10.03.2007	Sweden	Transport	100 %	100 %	29
Bring Logistics Solutions AS	12.04.2000	Oslo	3P logistics	100 %	100 %	141
Bring Frigoscandia Holding AS	10.06.2004	Lørenskog	Transport	100 %	100 %	136
Bring Parcels AB (previously PNL)	1999/2008	Sweden	Transport	100 %	100 %	57
Bring Logistics Nettlast AS	15.11.2000	Jaren	Transport	100 %	100 %	54
Bring Logistics Linehaul AS	03.04.2009	Oslo	Transport	100 %	100 %	1
Bring CityMail AB	01.05.2002	Sweden	Holding	100 %	100 %	
Bring CityMail Sweden AB	01.05.2002	Sweden	Post	100 %	100 %	29
Bring Mail Nordic AB	01.09.2005	Sweden	Post	100 %	100 %	86
Bring Dialog Norge AS	01.11.2006	Oslo	Customer Relations	100 %	100 %	57
Bring Dialogue Sweden AB	01.02.2007	Sweden	Customer Relations	100 %	100 %	36
Posten Eiendom Storbyer AS	01.01.2008	Oslo	Property	100 %	100 %	255
Posten Eiendom Kanalveien AS	21.03.2006	Oslo	Property	100 %	100 %	121
Posten Eiendom Robsrud AS	08.06.2006	Oslo	Property	100 %	100 %	111
Posten Eiendom Alnabru AS	01.01.2008	Oslo	Property	100 %	100 %	78
Posten Eiendom AS	08.06.2006	Oslo	Property	100 %	100 %	
Posten Forbrukerkontakt AS	01.10.1997	Oslo	None	100 %	100 %	
Bring AS	08.03.2005	Oslo	None	100 %	100 %	

NOTE 12 INVESTMENTS IN SHARES (continued)

POSTEN NORGE AS

	Acquired/ established	Address	Primary activity	Ownership share 31.12.2008	Voting share 31.12.2008	Recognised in the balance sheet on 31.12.08
Other company shares						3
TOTAL Investments in shares						**5 139**
Investments in associated companies						
Itella Information AS	01.06.2008	Oslo	Information logistics	49 %	49 %	11
Total Posten Norge AS						**5 150**
GROUP						
Associated companies in the Group						
Refer to overview below						51
Group investments in shares						
Fagernes Skysstasjon	1996	Fagernes			25 %	3
Minor shareholdings						2
Investments in shares						**5**
Total Group						**56**

In 2009, Bring Citymail AB received a total of NOK 80 million to carry out new share issue of the subsidiary Bring Citymail Denmark A/S on the basis of the equity situation in this subsidiary. In the autumn of 2009, it was decided to discontinue operations in Bring Citymail Denmark A/S. Posten Norge AS has written down the value of the shares of Bring Citymail AB to zero. Moreover, in November 2009, Posten Norge AS bought all the shares of Bring CityMail Sweden AB and Bring Mail Nordic AB from Bring Citymail AB at NOK 29 million and NOK 86 million respectively.

During 2009, Cetei AB was merged into the wholly-owned subsidiary CombiTrans AB which is now directly owned by Posten Norge AS. The value of the shares in 2009 has been reduced by NOK 13 million related to an adjustment- of an earn-out provision due to non-achieved results in 2009.

In December 2009 Posten Norge AS acquired the remaining shares in the four companies Bring Logistics Stockholm AB, Bring Logistics Gøteborg AB, Bring Logistics Linkøping AB and Bring Logistics Jønkøping AB from Bring Logistics Halmstad AB and Bring Logistics Jønkøping AB. The transaction was made at fair value and resulted in an increase in the value of the shares in the two selling companies, at NOK 19 million and NOK 5 million respectively.

Bring Logistics Linehaul AS was established in 2009, and the company shall develop competitive line haul for the business areas in Bring and external customers.

Posten Eiendom Espehaugen was on 31 December 2009 transferred to held for sale. See note 18.

NOTE 12 INVESTMENTS IN SHARES (continued)

The Group has the following investments in joint ventures:

Entity	Country	Operations	Ownership share
BuyPass AS	Norway	IT	50 %

The Group's total shares of assets, liabilities, revenues and expenses relating to joint ventures incurred together with the other participants are as follows:

		BuyPass	
	2009	2008	2007
Assets			
Fixed assets	10	15	14
Current assets	143	111	57
Liabilities			
Long-term liabilities	99	8	12
Short-term liabilities	1	76	35
Net assets	**53**	**42**	**24**
Revenues	73	64	48
Expenses	52	45	38

Bring Parcel AB (previously PNL) was in 2007 a joint venture owned 50%. In 2008, the remaining 50% was purchased and the company was consolidated as a subsidiary 31.12.08. In 2007, the company had total assets of NOK 193 million, total debt of NOK 167 million, revenues of NOK 664 million and costs of NOK 650 million.

NOTE 12 INVESTMENTS IN SHARES (continued)

Investments in associated companies

Entity	Country/City	Ownership share	Book value 31.12.2008	Disposals 2009	Profit/loss Share in 2009	Other adjustments	Book value 31.12.2009
Itella Information AS	Oslo	49 %	11		2		13
Svensk Adressändring AB	Sweden	15 %	19		3	(2)	20
AdressPoint AB	Sweden	15 %	2			1	3
Materiallageret AS	Longyearbyen	34 %	8			(1)	7
Euroterminal A/S	Denmark	50 %	5			(1)	4
ION Solutions LTD	India	35 %	5	(5)			
Gecko Industrisystemer AS	Kristiansand	34 %	2			(1)	2
Nor-Cargo Vestfinnmark AS	Hammerfest	50 %	1				1
Udac Alfa AB	Sweden	42 %	1		(1)		1
Other company shares			1				1
Total			**56**	**(5)**	**5**	**(3)**	**51**

ErgoGroup bought a further 16% of the shares in ION Solutions in January 2009, resulting in a total ownership stake of 51%. The company was consolidated in the Group's financial statements as a subsidiary as of January 2009.

NOTE 12 INVESTMENTS IN SHARES (continued)

Summary of the financial information of the individual associated companies:

Entity	Assets	Liabilities	Equity	Revenues	Annual result
Itella Information AS	81	50	31	149	4
Svensk Adressändring AB	74	55	19	224	18
AdressPoint AB	6	3	3	10	2
Materiallageret AS	21	11	11	6	1
Euroterminal A/S	17	8	9	3	
Total of others	90	77	13	197	
Total	**288**	**203**	**85**	**589**	**25**

NOTE 13 INTEREST-BEARING NON-CURRENT AND CURRENT RECEIVABLES

POSTEN NORGE AS				GROUP		
2007	2008	2009		2009	2008	2007
22	39	65	Other non-current receivables	67	43	31
2 918	2 463	1 719	Loans to group companies			
2 940	**2 502**	**1 784**	**Interest-bearing long-term receivables**	**67**	**43**	**31**
		39	Maturity/repayments 2011	3		
		39	Maturity/repayments 2012	3		
		39	Maturity/repayments 2013	3		
		8	Maturity/repayments 2014			
		1 659	Thereafter	58		
		1 784	**Interest-bearing non-current receivables**	**67**		
58	83	74	Other current receivables	76	84	59
539	2 311	2 031	Loans to group companies			
597	**2 394**	**2 105**	**Interest-bearing current receivables**	**76**	**84**	**59**

The first year's repayment of interest-bearing maturity receivables has been reclassified as an interest-bearing current receivable.

Advance payments to deposit funds and premium funds in Vital accounted for NOK 71 million of other short-term receivables (NOK 76 million in 2008 and NOK 58 million in 2007).

The Group has secured significant parts of its operations and intangible assets through traditional insurance coverage. The Group insures its vehicles at the minimum allowable level. The Group is a self-insurer for comprehensive coverage.

As a policy holder, the company has the opportunity to manage agreed-upon areas of the operation's risk exposure within the insurance companies' insurance licence. This insurance activity is managed independently, both from a financial and risk standpoint, from the other activities performed by the insurance companies. This is accomplished by using a separate account to manage these risks. Account resolution applies to some selected coverage, and is limited to only liability coverage. The existence of damages covered by this account resolution has been positive. Norway Post's insurance account scheme accounted for NOK 30 million of other long-term receivables (NOK 27 million in 2008 and NOK 21 million in 2007).

The Group has insurance coverage for directors' and officers' liabilities. The Group's employees are covered for injuries and death through personnel insurance schemes.

NOTE 14 OTHER NON-CURRENT RECEIVABLES

POSTEN NORGE AS				GROUP		
2007	2008	2009		2009	2008	2007
			Pension assets	1	1	5
3	5	4	Receivables from employees	5	6	5
57		47	Non-current derivatives	46		57
21	25	21	Other non-current receivables	89	78	53
81	**30**	**72**	**Other non-current receivables**	**141**	**85**	**120**

Receivables from employees consist entirely of loans to employees with a repayment period of more than 12 months. These loans are interest-free, and the employees' interest benefit is reported to the tax authorities.
Other long term receivables in subsidiaries include prepaid expenses related to contracts for the implementation of the operating platforms in ICT of NOK 30 million in 2009 (NOK 25 million in 2008).

NOTE 15 INVENTORIES

POSTEN NORGE AS				GROUP		
2007	2008	2009		2009	2008	2007
55	60	47	Acquisition cost	69	86	71
(4)	(5)	(13)	Provisions for obsolescence	(17)	(21)	(6)
51	**55**	**34**	**Inventories**	**52**	**65**	**65**

Inventories mainly consist of postage stamps and other goods sold through the sales network.
The cost of goods sold for Posten Norge AS during the period amounted to NOK 119 million (NOK 138 million in 2008 and NOK 130 -million in 2007). Write-downs for the period equalled NOK 13 million (NOK 5 million in 2008 and NOK 4 million in 2007).
The cost of goods sold for the Group's subsidiaries totalled NOK 441 million (NOK 514 million in 2008 and NOK 552 million in 2007).

NOTE 16 INTEREST-FREE CURRENT RECEIVABLES

POSTEN NORGE AS				GROUP		
2007	2008	2009		2009	2008	2007
964	886	735	Accounts receivable	2 887	3 361	3 351
2	8	6	Receivables from employees	9	12	4
174	195	174	Receivables from group companies			
50	72	43	Prepaid expenses	306	377	387
15	26	8	Short-term derivatives	8	26	17
276	372	371	Other receivables	935	999	749
1 481	**1 559**	**1 338**	**Interest-free current receivables**	**4 145**	**4 775**	**4 508**
			Aging of receivables:			
700	615	696	Current	2 307	2 413	2 422
254	263	38	0 - 30 days	422	755	730
9	19	2	30 - 60 days	57	107	89
	4	3	60-90 days	28	39	31
14	14	9	Over 90 days	133	127	125
(13)	(29)	(12)	Provisions for bad debts	(60)	(80)	(45)
964	**886**	**735**	**Total receivables**	**2 887**	**3 361**	**3 351**
			Provisions for bad debts:			
11	13	29	As at 01 January 2009	80	45	37
13	29	17	Provisions recorded during the year	38	60	32
(9)	(17)	(42)	Losses recorded against provisions	(56)	(20)	(16)
(2)	4	8	Overpaid/underprovided in previous years		(4)	(9)
			Translation differences	(2)	(1)	1
13	**29**	**12**	**Balance sheet 31 Dec.**	**60**	**80**	**45**
9	17	528	Total actual losses on bad debts	28	22	16
			Provisions for bad debts:			
6	22		Individual receivables	23	52	24
7	7	12	General provisions	38	28	21
13	**29**	**12**	**Total allocation**	**60**	**80**	**45**

The book value of interest-free short-term receivables is approximately equal to their fair value due to the short periods left until maturity. The Group has no major credit risk linked to one individual contracting party or several contracting parties that could be viewed as a group due to similarities in the credit risk. The Group has guidelines to ensure that sales are only made to customers that have not had any previous serious problems in making payments, and that outstanding amounts do not exceed stipulated credit limits. There are no indications to the effect that customer receivables not yet due, or already provided for, cannot be collected.

Total actual losses on receivables in the parent company includes NOK 503 million in losses on receivables against Bring Citymail AB relating to the financing of Bring Citymail Denmark A/S previously classified as a long-term loans to subsidiaries.

NOTE 17 LIQUID ASSETS

POSTEN NORGE AS				GROUP		
2007	2008	2009		2009	2008	2007
438	993	1 034	Cash and cash equivalents	1 634	1 812	954
646		300	Short-term investments	300	25	693
1 084	**993**	**1 334**	**Liquid assets in the balance sheet**	**1 934**	**1 837**	**1 647**
			Bank overdraft		(2)	(15)
1 084	**993**	**1 334**	**Net liquid assets**	**1 934**	**1 835**	**1 632**

Liquid assets are defined as cash and cash equivalents.

A considerable share of the cash and cash equivalents is related to the need for liquid assets in the sales network. In accordance with the Cash holding agreement with Postbanken, Posten Norge AS is obliged to have sufficient cash holdings at all times to serve Postbanken's customers. The cash holding was NOK 308 million at 31 December 2009 and is calculated on the basis of a requirement to meet 95% of historic net withdrawal payments. The remuneration for these services is included in the operating revenues, whereas interest on the cash holding is recognised as financial income. In addition, the Group has restricted cash and cash equivalents of 103 MNOK.

Posten Norge AS has obtained a bank guarantee with Nordea as security for taxes of NOK 479 million for the employees, and most subsidiaries also have their own tax withheld guarantees with banks. Posten Eiendom established bank guarantees totalling NOK 76 million mainly with Nordea and Fokus Bank as security for the project related to the development of the South Eastern Norway terminal.

A Group account system in Nordea is used in Norway, Sweden and Denmark with agreements stating Posten Norge AS as the group account holder. An equivalent agreement has been established for three subsidiaries in Handelsbanken in Sweden. The banks can offset deductions and balances against each other so that the net position represents the outstanding balance between the bank and the group account holder. As of 31 December 2009, Norway Post had unused credit facilities in group schemes in Nordea and Handelsbanken, of MNOK 500 and MNOK 300 respectively.

NOTE 18 HELD FOR SALE

POSTEN NORGE AS				GROUP		
2007	2008	2009		2009	2008	2007
5			Intangible assets held for sale			5
	388		Buildings held for sale	35	438	4
24			Vehicles, inventory etc. held for sale			24
		37	Shares held for sale			4
			Other assets held for sale	2		
29	**388**	**37**	**Total assets held for sale**	**37**	**438**	**37**

The following assets were classified as held for sale as of 31 December 2009:
In 2009, it was decided that the land in the 100% owned subsidiary, Posten Eiendom Espehaugen AS should not be used by Norway Post. The company's shares were reclassified to be held for sale in Posten Norge AS, and the assets of the company were reclassified as a separate line to be held for sale in the Group financial statements. The company was sold in February 2010 for NOK 87 million, generating a gain of NOK 24 million for the parent company and NOK 25 million for the Group.

The following assets were classified as held for sale as of 31 December 2008 and were sold/transferred back as current assets during 2009:
In 2008 Norway Post and Bring Logistics decided to sell a total of 16 group-owned post and goods terminals in order to release capital for other areas. As of 31 December 2009 the majority of terminals had been sold while the remaining terminals have been transferred back to fixed assets.

The terminals in Kristiansand, Stokke, Sarpsborg and Tromsø were sold in January 2009 with a total net of NOK 18 million. The terminal in Vestfold owned through Bring Logistics' subsidiary Nor-Cargo Eiendom AS, was sold in February 2009 at book value. Norway Post has entered into lease agreements with the new owners of the terminals that were sold.

The terminals in Hamar and Drammen were not sold and NOK 155 million were transferred from held for sale to fixed assets in the third quarter of 2009. Active sales processes for these properties are planned to be restarted in 2010.

NOTE 19 EQUITY

	Majority interests					
NORWAY POST AS	Share capital	Share premium reserve	Hedging reserve	Fair value reserve	Other equity	Total equity
Equity as at 01.01.2007	3 120	992		3	1 220	5 335
Cash-flow hedging:						
- Changes in value/transferred to income			39			39
- Tax on changes in value			(11)			(11)
Other comprehensive income			28			28
Net income for the year for Posten Norge AS					822	822
Total comprehensive income			28		822	850
Dividend paid					(488)	(488)
Repayment equal to state contribution AFP (§6)					(80)	(80)
Equity as at 31.12.2007	3 120	992	28	3	1 475	5 618
Equity as at 01.01.2008	3 120	992	28	3	1 475	5 618
Cash-flow hedging:						
- Changes in value/transferred to income			(147)			(147)
- Tax on changes in value			41			41
Tax effect of demerger receivables					(2)	(2)
Other comprehensive income			(106)		(2)	(108)
Net income for the year for Posten Norge AS					(281)	(281)
Total comprehensive income			(106)		(283)	(389)
Dividend distributed					(597)	(597)
Equity as at 31.12.2008	3 120	992	(78)	3	595	4 632
Equity as at 01.01.2009	3 120	992	(78)	3	595	4 632
Cash-flow hedging:						
- Changes in value/transferred to income			95			95
- Tax on changes in value			(27)			(27)
Translation differences					(54)	(54)
Other comprehensive income			68		(54)	14
Net income for the year for Posten Norge AS					(157)	(157)
Total comprehensive income			68		(211)	(143)
Equity as at 31.12.2009	3 120	992	(10)	3	384	4 489

Distributable reserves:	2009	2008	2007
Other equity	377	520	1 506
Restricted reserves	7	75	(31)
Deferred tax asset	(621)	(693)	(519)
Distributable reserves before dividends	(237)	(98)	956

NOTE 19 EQUITY (continued)

	Majority interests								
GROUP	Share capital	Share premium reserve	Hedging reserve	Fair value reserve	Translation differences	Other equity	Total	Minority interests	Total equity
Equity as at 01.01.2007	3 120	992	(2)	3	34	1 405	5 551	15	5 566
Translation differences for the year					(30)		(30)		(30)
Cash-flow hedging:									
- Changes in value/transferred to income			43				43		43
- Tax on changes in value			(12)				(12)		(12)
Other comprehensive income			31		(30)		1		1
Net income for the year, Group						796	796		796
Total comprehensive income, Group			31		(30)	796	797		797
Dividend distributed						(488)	(488)	(6)	(494)
Repayment equal to state contribution AFP (§6)						(80)	(80)		(80)
Other changes in equity						(2)	(2)	(1)	(3)
Equity as at 31.12.2007	3 120	992	29	3	4	1 630	5 778	8	5 786
Equity as at 01.01.2008	3 120	992	29	3	4	1 630	5 778	8	5 786
Translation differences for the year					102		102		102
Cash-flow hedging:									
- Changes in value/transferred to income			(147)				(147)		(147)
- Tax on changes in value			41				41		41
Other comprehensive income			(106)		102		(4)		(4)
Net income for the year, Group						(35)	(35)	7	(28)
Total comprehensive income, Group			(106)		102	(35)	(39)	7	(32)
Dividend distributed						(597)	(597)	(5)	(602)
Other changes in equity						11	11	(3)	8
Equity as at 31.12.2008	3 120	992	(77)	3	106	1 009	5 153	7	5 160
Equity as at 01.01.2009	3 120	992	(77)	3	106	1 009	5 153	7	5 160
Translation differences for the year					(114)		(114)		(114)
Cash-flow hedging:									
- Changes in value/transferred to income			95				95		95
- Tax on changes in value			(27)				(27)		(27)
Other comprehensive income			68		(114)		(46)		(46)
Net income for the year, Group						111	111	7	118
Total comprehensive income, Group			68		(114)	111	65	7	72
Dividend distributed						(2)	(2)	(6)	(8)
Other changes in equity						(2)	(2)	(8)	(10)
Equity as at 31.12.2009	3 120	992	(9)	3	(8)	1 116	5 214		5 214

At 31 December 2009, the share capital consisted of 3,120,000 shares with a nominal value of NOK 1,000. The company's shares are owned entirely by the state, represented by at the Ministry of Transport and Communications.

The Norwegian Companies Act requirements that dividends must not result in an equity ratio of less than 10 per cent and that the company cannot distribute more than what is compatible with prudent and generally accepted business practices have been complied with. In 2009, no dividend was paid. In 2008, a total of NOK 597 million was paid in dividend to the Ministry of Transport and Communications, including an extraordinary dividend of NOK 91 million. In 2007 a total of NOK 488 million was paid in dividend, including a repayment of state contribution for AFP of NOK 80 million. It is proposed that no dividend be paid this year as a result of a lack of distributable reserves.

The minority interests' share of the equity at 31 December 2009 totalled NOK 0,4 million (NOK 7 million in 2008 and NOK 8 million in 2007).

For more information on tax and tax effects, see note 8.

NOTE 20 PROVISIONS FOR LIABILITIES

POSTEN NORGE AS	Restructuring	Severance pay	Pensions	Other	Total
Balance 01.01.2007	**41**	**128**	**1 484**	**101**	**1 754**
Provisions recorded during the year	282				282
Reversal of previous year's provisions		(26)		(6)	(32)
Effect of discounting	1	2			3
Provisions utilised during the year	(29)	(22)			(51)
Change in pension liabilities during the year			83		83
Balance 31.12.2007	**295**	**82**	**1 567**	**95**	**2 039**
Provisions recorded during the year	194	4		3	201
Reversal of previous year's provisions	(39)			(19)	(58)
Effect of discounting	10	3			13
Provisions utilised during the year	(55)	(18)			(73)
Change in pension liabilities during the year			29		29
Balance 31.12.2008	**405**	**71**	**1 596**	**79**	**2 151**
Provisions recorded during the year	328			4	332
Reversal of previous year's provisions	(167)	(5)			(172)
Effect of discounting	4	2			6
Provisions utilised during the year	(121)	(15)			(136)
Change in pension liabilities during the year			10		10
Transfer of liabilities	(29)		29		
Balance 31.12.2009	**419**	**53**	**1 635**	**83**	**2 190**
Short-term part of the provisions	295	12			307
Long-term part of the provisions	**124**	**41**	**1 635**	**83**	**1 883**

GROUP	Restructuring	Severance pay	Pensions	Other	Total
Balance 01.01.2007	**66**	**128**	**1 710**	**141**	**2 045**
Provisions recorded during the year	300			3	303
Reversal of previous year's provisions	(6)	(26)		(9)	(41)
Effect of discounting	1	2			3
Translation differences			(3)		(3)
Provisions utilised during the year	(45)	(22)		(10)	(77)
Change in pension liabilities during the year			118		118
Balance 31.12.2007	**316**	**82**	**1 825**	**125**	**2 348**
Provisions recorded during the year	245	4		13	262
Reversal of previous year's provisions	(46)			(1)	(47)
Effect of discounting	10	3			13
Translation differences	2		4		6
Provisions utilised during the year	(65)	(18)		(9)	(92)
Change in pension liabilities during the year			91		91
Balance 31.12.2008	**462**	**71**	**1 920**	**128**	**2 581**
Provisions recorded during the year	393			10	403
Reversal of previous year's provisions	(167)	(5)		(8)	(180)
Effect of discounting	4	2			6
Translation differences	(3)		(8)	(1)	(12)
Provisions utilised during the year	(178)	(15)		(8)	(201)
Change in pension liabilities during the year			51		51
Transfer of liabilities	(29)		34		5
Balance 31.12.2009	**482**	**53**	**1 997**	**121**	**2 653**
Short-term part of the provisions	355	12		12	379
Long-term part of the provisions	**127**	**41**	**1 997**	**109**	**2 274**

NOTE 20 PROVISIONS FOR LIABILITIES (continued)

Restructuring

The parent company provisions of NOK 328 million are related to:

Personnel initiatives	193
Rent for empty offices	114
Other initiatives	21

Total provisions at 31 December 2009 in the parent company amounted to NOK 419 million after the transfer of NOK 29 million in pension obligations, which apply to sales of obligations related to the early retirement pension scheme (AFP).

The liability is distributed as follows:

Personnel initiatives	260
Rent for empty offices	138
Other initiatives	21

It is expected that the payments are divided between NOK 295 million in 2010, NOK 104 million in 2011 and NOK 20 million in 2012. Restructuring costs were primarily related to the closure of operations in Citymail Denmark, the establishment of a new post office concept and changes in the terminal structure in connection with the establishment of the new South Eastern Norway terminal - at Robsrud.

In addition to Posten Norge AS, within the Group a total of NOK 63 million were provided for as of 31 December 2009. Provisions included NOK 52 million for personnel-related measures, NOK 9 million for rent and empty space and NOK 2 million for other measures. It is expected that NOK 60 million will be paid in 2010 and NOK 3 million in 2011.

The provisions are in line with the estimated liabilities and have been discounted.

Severance pay

Severance pay is payable to employees of the Norwegian state who have been made redundant for the period until they obtain new employment. For employees of Posten Norge AS, the scheme applies to redundancies made up to 31 December 2004 inclusive. When Posten Norge AS was established on 1 July 2002, the Norwegian state decided that the company itself would have to pay the severance pay costs relating to redundancies made between 1 July 2002 and 31 December 2004. In 2009, the amount paid was NOK 15 million and the provision as of 31 December 2009 was NOK 53 million.

The payments take place up to 11 years into the future and depend on such factors as to what extent those receiving severance pay obtain new permanent or temporary jobs. There is therefore some uncertainty linked to the size of the provision, which has been determined on the basis of experience of such payments from 2003 - 2008. The provision is discounted.

Pensions

Pensions are described in further detail in note 3.

Other

Long-term provisions for liabilities include NOK 13 million for obligations to cleaning up the Alnabru plot of land, and obligations to buy IT related technology for NOK 11 million.

NOTE 21 INTEREST-BEARING NON-CURRENT AND CURRENT LIABILITIES

POSTEN NORGE AS				GROUP		
2007	2008	2009		2009	2008	2007
			Fixed interest rate loans			
400	1 048	1 298	Liabilities to credit institutions	1 298	1 048	400
400	**1 048**	**1 298**	**Total fixed interest rate loans**	**1 298**	**1 048**	**400**
			Floating interest rate loans			
2 273	1 697	1 029	Liabilities to credit institutions	1 029	1 718	2 341
	1 497	1 498	Bond loans	1 498	1 497	
	15	11	Financial lease obligations	136	162	
262	270	53	Other long-term liabilities	53	276	377
2 535	**3 479**	**2 591**	**Total non-current floating interest rate loans**	**2 716**	**3 653**	**2 717**
2 935	**4 527**	**3 889**	**Interest-bearing non-current liabilities**	**4 014**	**4 701**	**3 118**
		2 092	Repayments 2011	2 125		
		166	Repayments 2012	192		
		403	Repayments 2013	414		
			Repayments 2014	4		
		1 228	Thereafter	1 279		
		3 889	**non-current liabilities**	**4 014**		
		1 228	Liabilities to credit institutions	1 279		
		1 228	**Liabilities maturing after 5 years**	**1 279**		
4			First year repayments on non-current liabilities		2	39
	4	4	First year repayments on financial lease obligations	32	52	
327	924	792	Debts to group companies			
			Other current liabilities		8	37
331	**928**	**796**	**Interest-bearing current liabilities**	**32**	**62**	**76**

The effective interest rate on Norway Post's floating interest rate loan is 4.12%. The effective interest rate is a calculated, weighted average. There are fixed-rate agreements at 31 December 2009 of NOK 1,298 million with an average interest rate of 4.6% with maturity from 2011 to 2020.

Debt to credit institutions includes certificate of SEK 200 million, which is within the framework of established long-term overdraft facilities and is thus classified as long-term financing.

Liabilities related to financial leases are reduced by regular payments of loan instalments. The weighted average effective interest rate on these loans was 5.7% for Posten Norge AS and 4.8% for the Group. Refer also to note 28.

Norway Post had three private placement loans totalling NOK 1,063 million as of 31 December 2009, the most recent loan was drawn in September 2008. The value of the long-term private placement loans and associated interest/currency swaps is the estimated market value of the instruments. Norway Post has an obligation to pay a fixed interest rate in JPY on the loans and, through the swaps, receives a fixed interest rate in JPY and pays a floating interest rate (3 months NIBOR +margins) in NOK. The market values are calculated by the fixed cash flows in JPY being discounted by the current JPY interest-rate level and converted into NOK at the current exchange rate (JPY/NOK). Norway Post utilises the fair value option when recording these loans - refer also to note 23. Other long-term liabilities included interest/currency swaps linked to private placement loan.

Norway Post has not signed new loan agreements in 2009. In 2008, Norway Post entered into loan agreements with durations from 3 to 12 years, of which NOK 1,497 millions in the Norwegian bond market (amortized cost as of 31 December 2009 was NOK 1,498 million), NOK 750 million in Nordic Investment Bank and NOK 148 million in private placement.

The fair value of long-term debt is estimated using interest terms for debt with corresponding terms and credit risk, and corresponds to book value. Financial debt is at amortised cost, which corresponds to fair value calculated as the present value of estimated cash flows utilising the interest rate applicable for equivalent debt on the balance-sheet date.

NOTE 22 INTEREST-FREE NON-CURRENT AND CURRENT LIABILITIES

POSTEN NORGE AS				GROUP		
2007	2008	2009		2009	2008	2007
1 577	1 615	1 507	Provisions for payroll expenses and public charges	2 481	2 553	2 347
444	513	442	Provisions for accrued expenses	1 057	1 226	1 116
281	248	387	Prepaid revenues	578	415	369
338	410	262	Other receivables	1 366	1 806	1 581
251	313	291	Debts to group companies			
90	256	307	Restructuring and severance pay, current	367	306	111
4	80		Short-term derivatives		80	4
15	162	330	Other liabilities	811	408	267
3 000	**3 597**	**3 526**	**Interest-free current liabilities**	**6 660**	**6 794**	**5 795**
	158	32	Non-current derivatives	32	158	
85	100	70	Other interest-free non-current liabilities	70	235	166
85	**258**	**101**	**Interest-free non-current liabilities**	**102**	**393**	**166**

Other short-term debt in 2009 included, among other things, provisions for committed purchase of the minority in subsidiaries that were previously classified as other long-term debt. Other short-term liabilities in 2008 contained, among other things, provisions related to the earn-out agreements in connection with the purchase of Cetei AB and Bring Dialogue Sweden AB, which was paid in 2009.

NOTE 23 FINANCIAL INSTRUMENTS

Classification of financial assets and liabilities

GROUP	Available for sale	Fair value through profit	Derivatives utilised for hedging	Liabilities and receivables	Other financial liabilities	Non-financial assets and liabilities	Total
Assets							
Intangible assets						6 224	6 224
Deferred tax asset						795	795
Tangible fixed assets						4 841	4 841
Investments in properties						73	73
Investments in shares	5						5
Investments in associated companies						51	51
Interest-bearing long-term receivables				67			67
Other long-term receivables			46	95			141
Inventories						52	52
Interest-free short-term receivables			8	4 137			4 145
Interest-bearing short-term receivables				76			76
Liquid assets				1 934			1 934
Assets held for sale						37	37
Total assets	**5**		**55**	**6 309**		**12 072**	**18 441**
Liabilities							
Provisions for liabilities					2 274		2 274
Interest-bearing long-term liabilities		1 063	(15)		2 966		4 014
Interest-free long-term liabilities		11	21		70		102
Interest-bearing short-term liabilities					32		32
Interest-free short-term liabilities					6 660		6 660
Taxes payable					145		145
Total liabilities		**1 074**	**5**		**12 147**		**13 227**

NOTE 23 FINANCIAL INSTRUMENTS (continued)

1. "Available for sale" financial assets:

POSTEN NORGE AS				GROUP		
2007	2008	2009		2009	2008	2007
8	4	3	Investments in shares	5	6	29

Financial assets classified as available for sale are valued at their fair value. Refer also to note 12.

Posten Norge AS owns 25 per cent of the shares in Fagernes Skysstasjon AS, a property company. The fair value of the shares is assessed at NOK 3 million based on a valuation of the company.

For Other shares classified as available-for-sale in the Group NOK 2, totalling the fear value is considered equal to cost.

2. Fair value through profit or loss financial liabilities:

Norway Post has made use of the opportunity to utilise the "fair value option" (FVO) in the revised IAS 39 for loans with associated derivatives that have previously been recognised as a fair value hedge.

Norway Post has three loans which are classified as fair value through profit or loss under the fair value option as at 31 December 2009. In 2003 and 2004, Norway Post drew down three long-term loans with three different Japanese annuity companies for JPY 6.4 billion, JPY 5.0 billion and JPY 3.0 billion. In 2008, Norway Post entered into a new loan of agreement JPY 3.0 billion. These loans have fixed interest rates, so their value in NOK depends on exchange rate developments and changes to the Japanese and Norwegian long-term interest-rate levels. At the same time the loan agreements were made, combined currency and interest-rate swap agreements were entered into. Combined with the loans, these effectively provided loans in NOK with the interest rates set every third month.

The values of the loans in NOK when the agreements were entered into were NOK 400 million, NOK 330 million, NOK 185 and NOK 148 million respectively - a total of NOK 1,063 million. As at 31 December 2009, these loans were recognised at a total value of NOK 1, 014 million (NOK 773 million as at 31 December 2008) and the interest-rate and currency swap agreements were recognised at NOK 49 million (NOK 290 million as at 31 December 2008 and NOK 242 million as at 31 December 2007). The change in the swap agreements' fair value in 2009 totalled NOK -241 million (NOK 48 million in 2008 and NOK 52 million in 2007). The total change in the fair value of the swap agreements since the implementation of IFRS as at 1 January 2005 is NOK -40 million.

Changes in interest rates or exchange rates that lead to changes in the value of the JPY loans measured in NOK are counteracted by changes in the value of the combined currency and interest-rate swaps. The swap counterparty and credit counterparty's credit risk is virtually the same.

3. Derivatives
Derivatives posted at their fair value as at 31 December

POSTEN NORGE AS 2009			GROUP 2009	
Assets	Liabilities		Assets	Liabilities
		Cash flow hedges		
	21	Interest-rate swaps		21
46		Forward exchange contracts SEK	46	
8		Forward exchange contracts EUR	8	
		Fair value hedges		
	(15)	Interest-rate swaps		(15)
		Not hedged		
	49	Combined interest-rate/currency swaps 1)		49
	11	Interest rate swap 2)		11
55	**66**	**Total**	**55**	**66**

POSTEN NORGE AS 2008			GROUP 2008	
Assets	Liabilities		Assets	Liabilities
		Cash flow hedges		
	28	Interest-rate swaps		28
	117	Forward exchange contracts SEK		117
	80	Forward exchange contracts EUR		80
		Fair value hedges		
26		Currency swaps	26	
	(21)	Interest-rate swaps		(21)
		Not hedged		
	290	Combined interest-rate/currency swaps 1)		290
		Forward exchange contracts 2)		3
	13	Interest rate swap 2)		13
26	**494**	**Total**	**26**	**509**

2007			2007	
Assets	Liabilities		Assets	Liabilities
		Cash flow hedges		
23		Interest-rate swaps	23	
32		Forward exchange contracts SEK	32	
6		Forward exchange contracts EUR	6	
3		Forward contracts electricity purchases	5	
4		Forward contracts diesel	4	
2		Forward contracts jet fuel	2	
		Fair value hedges		
2		Currency swaps	2	
		Not hedged		
	242	Combined interest-rate/currency swaps 1)		242
	4	Inflation swaps ((net) 3)		4
72	**246**	**Total**	**74**	**246**

1) Interest-rate/currency swaps linked to long-term loan agreements in which both the loans and derivatives are classified as fair value through profit or loss - refer to the more detailed description in item 2.

2) Forward exchange contracts classified as fair value through profit or loss and entered into in order to manage the risk relating to some Euro incomes, diesel costs and interest.

3) Inflation-indexed interest-swap agreement to protect the group's competitive ability by safeguarding the company against costs that are positively correlated to inflation. Under the agreement, Norway Post receives the percentage change in the Norwegian consumer price index over the coupon period (annually) as well as a fixed spread of the inflation index in return for paying three months' NIBOR each quarter. In 2009, parts of the contract were cancelled and the agreement's principal was, as at 31.12.2009, NOK 700 million. In addition, in 2009 an agreement was signed with DnB NOR for a real interest rate bond where the cash flows are equivalent to the cash flows from the remaining inflation indexed interest rate swap agreement. As a result of this is, the inflation swap is eliminated as long as the consumer price index is greater than or equal to 0.

NOTE 23 FINANCIAL INSTRUMENTS (continued)

The total contractual amount (MNOK) for interest-rate swaps and forward contracts recognised as at 31 December 2008:

	Remaining period			Total contractual amount		
GROUP	Less than 1 year	1 - 5 years	More than 5 years	2009	2008	2007
Cash flow hedges						
Interest-rate swaps		1 150		1 150	900	400
Forward exchange contracts SEK	2 149			2 149	2 450	2 236
Forward exchange contracts EUR	239			239	414	167
Forward contracts electricity purchases						19
Forward contracts diesel						26
Forward contracts jet fuel						13
Fair value hedges						
Currency swaps					135	150
Interest-rate swaps		400		400	400	
Not hedged						
Interest-rate/currency swaps 1)			1 211	1 211	1 211	915
Forward exchange contracts 2)						
Inflation swaps ((net) 3)					1 000	1 000
Total	**2 388**	**1 550**	**1 211**	**4 638**	**6 510**	**4 926**

1) Interest-rate/currency swaps linked to long-term loan agreements in which both the loans and derivatives are classified as fair value through profit or loss - refer to the more detailed description in item 2.

2) Forward exchange contracts classified as fair value through profit or loss and entered into in order to manage the risk relating to some euro revenues, diesel costs and interest.

3) Inflation-indexed interest-swap agreement to protect the group's competitive ability by safeguarding the company against costs that are positively correlated to inflation. Under the agreement, Norway Post receives the percentage change in the Norwegian consumer price index over the coupon period (annually) as well as a fixed spread of the inflation index in return for paying three months' NIBOR each quarter. In 2009, parts of the contract were cancelled and the agreement's principal was, as at 31.12.2009, NOK 700 million. In addition, in 2009 an agreement was signed with DnB NOR for a real interest rate bond where the cash flows are equivalent to the cash flows from the remaining inflation indexed interest rate swap agreement. As a result of this, the inflation swap is eliminated as long as the consumer price index is greater than or equal to 0.

Cash flow hedges

Interest-rate hedges – long-term loans

Norway Post has a loan of NOK 400 million with Nordiska Investeringsbanken (Nordic Investment Bank) taken out in 2005 and NOK 750 million, taken out in 2008 where the interest is determined every six months.In order to ensure fixed interest-rate conditions, interest-rate swaps for NOK 1,150 million have been entered into so that Norway Post pays a fixed net interest rate on the hedged loans. The hedged loans and interest-rate swaps have the same main conditions and the cash-flows are expected to continue until 2011 for the loan taken out in 2005 and until 2016 for the loan taken out in 2008. In 2009, NOK 12 million were taken through the income statement (NOK 9.6 million in 2008 and NOK 3.2 million in 2007).

Currency hedging – EURO revenues

Norway Post Group had revenues of approximately EUR 28 million for distributing post from abroad in 2009 and expected revenues of approximately EUR 27 million in 2010. Some of the exchange-rate risk is hedged by selling forward exchange contracts in euro. The change in value of forward exchange contracts that are effective hedges is recognised in equity. The cash flows in the form of earned euro revenues are recognised in the income statement each month. In 2009, NOK 17.2 million were transferred from equity to the income statement line Operating- Income as a reduction of revenue (NOK 3.8 million to increase revenues in 2008 and NOK 5.3 million to increase revenues in 2007) because of realised euro revenues. NOK 2.6 million were transferred to Financial expenses (NOK 1.5 million in 2008 and NOK 1.7 million in 2007) due to exchange rate differences in the balance sheet. As of 31 December 2009 sales forwards of EUR 27.5 million were entered into for 2010, and at 31 December 2009 an unrealized gain of around NOK 8 million was posted as a result of a stronger NOK against the EUR.

Electricity price hedges

Norway Post buys the equivalent of 230 million kWh of electricity each year. Electricity prices were hedged until 2008 through the purchase of forward contracts. Any change in the value of forward contracts that are effective hedges is recognised in equity. In 2007 an agreement was signed with Bergen Energi to administer the Group's electricity consumption- in Norway, Sweden, and Denmark, effective 1 April 2008, 1 January 2008, and 1 January 2009 for the respective countries. The agreement states that Bergen Energi takes over the financial positions and all related invoicing.

Diesel/jet fuel hedges

Norway Post consumes 25-30 million litres of petrol, diesel and jet fuel each year. In the past, prices have been hedged for diesel and jet fuel as the exposure is greatest for these products. Part of this exposure is hedged by buying forward contracts. Any change in the value of forward contracts that until 2007 were deemed as effective hedging instruments was recognised in equity. In 2007 Norway Post entered into forward contracts that hedge approximately 40% of the expected consumption of jet fuel and diesel for 2008, but due to challenges in connection with efficiency calculations hedge accounting was not utilised. Forward contracts were recorded at fair value through profit or loss with a net income effect of NOK 1.4 million in 2008. As at 31 December 2008 no forward contracts for hedges fuel had been entered into. No forward contracts were entered into in 2009 to hedge fuel.

Fair value hedges

Land logistics

Norway Post had agreed to buy machinery worth EUR 15 million for the Land Logistics project during 2009 - 2010. The exchange-rate risk linked to these investments is hedged by euro forward exchange contracts for equivalent amounts. The changes in the value of the forward exchange contracts and corresponding gains/losses on the purchase contracts are recognised in the balance sheet until the investments are recognised in the financial statements. As of 31 December 2009, the last euro purchases were completed, and the fair value of forward contracts and recorded unrealised gains / losses on the purchase contracts were 0. This corresponded to a change in the course of the year of respectively NOK 26 million (NOK 24 million in 2008) and NOK 33.7 million (NOK 34.2 million in 2008 and NOK 1.2 million in 2007). In 2009, the accumulated net realised gain on instalments totalling NOK 9.7 million was recorded as a reduction of acquisition cost of machinery.

Bond loans

Norway Post issued bond loans in 2008 where NOK 1,100 million on floating terms and NOK 400 million on fixed terms. Norway Post entered into an interest-rate swap from fixed to floating interest so that the entire loan is on floating terms.- The change in value for the interest-rate swap will be recognised in the balance sheet until the loan is due for repayment in 2011. As at 31 December 2009 the fair value of the interest-rate swap recognised in the balance sheet was NOK 15 million. The value of the interest swap is adjusted for gains / losses on reset and amounted to a gain of NOK 2.8 million in 2009.

4. HEDGING OF INVESTMENTS IN FOREIGN ENTITIES:

	2009	2008	2007
Forward exchange contracts	2 149	2 450	2 236
Total	**2 149**	**2 450**	**2 236**

Since 2005 Norway Post has used forward exchange contracts in Swedish kroner (SEK) to hedge investments in foreign subsidiaries. Norway Post has invested SEK 100 million in CityMail Sweden AB, SEK 65 million in Bring Express AB, SEK 675 million in Bring Frigoscandia AB, SEK 180 million in Bring Mail Nordic AB, SEK 961 million in SYSteam AB, and SEK 374 million in Bring Logistics Sverige and SEK 225 million in CombiTrans AB. The exchange-rate risk for these investments has been hedged by selling a total of SEK 2,580 million in revolving forward exchange contracts. The changes in the value of the contracts are offset against the translation differences from the investments recognised in equity until the investments are sold. Should the hedges be ineffective, the change in value is recognised in the income statement.

5. HEDGING RESERVE IN EQUITY:

Movements in the hedging reserves in equity (refer to note 19) split between interest-rate swaps and forward (exchange) contracts:

GROUP	Interest-rate swaps	Forward contracts	Total hedging reserve
Balance sheet 01.01.2007	**12**	**(15)**	**(2)**
Changes in value	9	38	47
Transfers to income statement	(3)		(3)
Associated deferred taxes	(2)	(11)	(13)
Balance sheet 31.12.2007	**16**	**12**	**29**
Changes in value	(41)	(81)	(122)
Transfers to income statement	(10)	(15)	(25)
Associated deferred taxes	14	27	41
Balance sheet 31.12.2008	**(20)**	**(57)**	**(77)**
Changes in value	(4)	73	69
Transfers to income statement	12	15	26
Associated deferred taxes	(2)	(25)	(27)
Balance sheet 31.12.2009	**(15)**	**6**	**(9)**

Of the total movement in the hedging reserve in 2009 of NOK 69 million (NOK -106 million in 2008 and NOK 31 million in 2007), all related to Posten Norge AS.

NOTE 24 FINANCIAL RISK

RISK MANAGEMENT IN POST NORWAY

The basis of Norway Post's financial risk management is that the individual manager in the Group must have sufficient knowledge about all substantial financial risk within the manager's area of responsibility. Through defined processes, the handling of financial risks shall be reported in order to ensure that the responsibilities the Board of Directors and management have in accordance with existing legislation and principles for good corporate governance are met. Every year a risk analysis assessment is completed to evaluate the Group's total risk. The analysis highlights Group areas of risk and the measures that have been implemented in order to manage and control these risks.

ORGANISATION AND AUTHORISATION STRUCTURE

The Board of Directors: A risk analysis is presented to Norway Post's Board on an annual basis. The Board discusses the administration's evaluation of the total corporate risk picture related to the areas of strategic risk, financial risk, operational risk, and corporate reputation risk.

Authorisation: Authorisations are required for appropriations and investments. Overall limits are determined by the Board and can be delegated in the organisation. Any further delegation must be approved and is followed up by the next superior.

FOLLOW-UP AND APPLICATION

Accountability: All managers are responsible within their area of responsibility and - shall have complete insight and understanding of the risk picture at all times.

Risk Reporting: Risk reporting in the Group shall ensure that all managers have the necessary information about the level of risk, and risk development. The Board receives an annual risk analysis and an annual analysis of corrective measures and status.

Use of risk information: Risk is incorporated in the management and monitoring of the divisions.

USE OF FINANCIAL DERIVATIVES

Financial derivatives are agreements used to determine financial values through interest terms, currency exchange rates, and values of equity instruments for specific periods. Derivatives include swaps and fixed-price agreements (forward contracts). Norway Post utilises financial derivatives to handle market risks that arise in the Group's regular operations, and to ensure the value in the balance sheet of foreign enterprises (translation differences). The Group's counterparties and issuers have low credit risk (see credit risk in the table below).

THE FOLLOWING DERIVATIVES ARE USED FOR HEDGING IN THE GROUP:

Futures: An agreement to purchase or sell foreign exchange in the future at a predetermined price. Norway Post primarily uses currency futures to secure revenue in euro and to secure investments in foreign currency.

Swaps: Transactions where two parties exchange cash flows of an agreed amount over an agreed period. The majority of swaps are tailor-made and trades occur outside an official exchange. The most important forms of swaps utilised by Norway Post are:

Swaps**Interest-rate swaps** - exchange of cash flows for an agreed period where one party in the swap pays fixed interest and the other floating interest

Swaps**Currency swaps** - an agreement between two parties to exchange one currency with another, with an agreement to exchange these back again at a future point in time at an agreed exchange rate. The exchange rate is determined from the current spot rate and the interest rate difference between the two respective currencies countries

Swaps **Combined interest and currency swaps** - the parties exchange both currency and interest rate terms

RISK CATEGORIES

For the purpose of risk management purposes Norway Post separates the following forms of risk:

Strategic risk is is the risk of loss due to changes in external factors such as the market situation or government regulations.

Financial risk includes among other factors:
Credit risk: The risk of loss caused by a counterparty/customer who fails to fulfil its payment obligations to the Group. Credit risk concerns all financial assets from the counterparty/customer, mainly interest-bearing securities, but also responsibilities pursuant to other issued credits, guaranties, leasing, approved credits not utilised, as well as counterparty risk from derivatives and currency contracts.

Financial market risk: Arising from the Group's open positions in foreign exchange, interest and energy instruments, and the risks is associated with performance variations due to changes in market prices or rates.

Liquidity risk: The risk that the Group is -unable to meet its financial obligations.

Operational risk: Operational risk is the risk of loss caused by process or system weaknesses or errors, errors committed by employees, or external events.

Corporate reputation risk: Corporate reputation risk is the risk of reduction in revenues and access to capital due to reduced confidence and reputation in the market, with respect to customers, counterparties, owners or authorities. Risk management is a specialised area in the Group and is continuously developing. Measurement methods and tools are continuously being improved.

Financial risks **Credit risk**
Credit risk is the risk that a party to a financial instrument will cause a financial loss for the other party by not fulfilling its obligations. Responsibility pursuant to other issued credits, guarantees, interest-bearing securities, approved credits not utilised and counterparty risk occurring through derivatives and currency contracts also carries credit risk. Since the contracting party in a derivative trade is normally a bank, the credit risk relating to derivatives is considered to be limited. The financial turbulence in 2008 has implied that in the Group more often chooses counterparts with low credit risk. The table below shows the credit risk for the Group's most important business partners where all have an A- rating or better.

	Standard & Poor	Moody's
DnB NOR Bank ASA	A+	Aa3
Nordea Bank Norge ASA	AA-	Aa2
Fokus Bank	A	Aa3
WestLB AG	A-	A2
BNP Paribas Oslo Branch	AA	Aa2
Svenska Handelsbanken	AA-	Aa2
Intesa Sanpaolo Group	AA-	Aa1
Commerzbank Europe (Ireland)	A+	Aa3
Skandinaviske Enskilda Banken AB	A+	A1
Societe Generale Oslo	A+	Aa2
Fortis International Finance (Dublin)	A	A1
ING Bank N.V., Dublin Branch	A	A1

Credit risk associated with financial assets:
The Group has no significant credit risk relating to one individual contracting party, or several contracting parties, that can be regarded as one group due to similarities in credit risk. The Group has guidelines to ensure that sales are only made to customers that have not had any previous serious problems in making payments, and that outstanding amounts do not exceed set credit limits. Since the Group has no financial assets outside the balance sheet, the maximum risk exposure is represented by the balance sheet amounts of financial assets, including derivatives.

The Group regards its maximum risk exposure to be the balance sheet amounts of accounts receivable and other current assets. Refer to note 16 for more detailed specifications of interest-free short-term receivables including age analysis of accounts receivable and bad debt reserve.

The Group has not guaranteed any third parties debts.

Credit risk linked to the Group's financial investments:

RISK CLASSIFICATION:

	Probability for default within 5 years (percentage)		External rating
Risk category	From	To	Standard & Poor's
1	0,00	0,39	AA - A
2	0,15	1,05	BBB
3	0,72	4,63	BB
4	4,11	15,97	B

Source: Standard & Poor's Fixed Research and Standard & Poor's CreditPro (Average Default Rates 1981-2008)

PARTICIPATION DISTRIBUTED BY RISK GROUPS:

Total market based placements as at:	1-2	3-4
31 December 2007	693	
31 December 2008	25	
31 December 2009	300	

THE MARKET BASED PLACEMENTS CONSIST OF:

Loans	31.12.2009	31.12.2008	31.12.2007
DnB Nor	100		200
Pareto	100		
Pareto high interest			300
Danske (Hedge fund)			100
Nordea	100		
Other			47
Total Posten Norge AS	**300**		**647**
DnB Nor			9
Handelsbanken		15	34
Danske Bank		9	
Nordea		1	3
Total for the Group	**300**	**25**	**693**
Level of loss (MNOK):			0,59
Normalised losses including loss of interest in percentage of loans:			0,20

The calculation of the level of loss is based on an assessment of the likelihood that losses will occur in the future (frequency of default). The maximum loss for Norway Post's investments is estimated at NOK 0.59 million given counterparty credit risk.

NOTES

NOTE 24 FINANCIAL RISK (continued)

Financial risks **Market risk**
Market risk is due to the Group's open positions in currency, interest rate, and energy instruments. The risk is linked to variations in earnings due to changes in market prices or exchange rates. Norway Post's objective is to manage the risk related to both cash flows and the balance sheet (as a consequence of exchange rates and interest rate changes).

Currency: The market risk is limited by reducing the effects of the exchange rate on revenues and the balance sheet by the use of futures. As the Norwegian crown (NOK) is the Group's presentation currency, Norway Post is exposed to translation risks related to the Group's net investments. Norway Post enters into futures to eliminate translation differences in the books on a monthly basis in as much as possible. This is done by entering into forward contracts equal to the purchase price which is rolled over until the decision to dispose of the acquired company is made by Norway Post selecting a different strategy regarding risk elimination, such as loans in foreign currency. Norway Post utilises hedge accounting for the majority of hedges of future transactions, either cash flow hedging or fair value hedging. For example, Norway Post is a net importer of mail to Norway, which results in receivables against foreign postal operators. Net terminal revenues from abroad amounted to approximately NOK 350 million where the revenue flow is principally in EUR, but also USD and SDR. Norway Post has currently hedged only the revenues in euro, which amount to approximately EUR 27 million on an annual basis.

Outstanding currency futures linked to hedging of future cash flows and the sensitivity to fluctuations in foreign exchange rates +/- 20 % NOK:

MNOK	Purchase currency	Currency amount	Sales currency	Currency amount	Maturity	"Equity effect changes +/- 20%" 1)
Hedging of revenues in EUR:	NOK	239	EUR	28	02.08.2010	48
Hedging of investments in foreign units:	NOK	2 149	SEK	2 580	2010	430

1) Currency exchange rates as at 31.12.09

Fluctuations in foreign exchange rates will result in an equity effect in the Group's financial statements for euro revenues and an equity effect in the parent company financial statements for hedging of investments in foreign units.

Norway Post has large investments in the terminal structure in Norway (Country logistics) that was ledges in its entirety with EUR purchase futures and treated as fair value hedges. As of 31 December 2009, there were no outstanding futures.

Interest rates: Norway Post's interest rate risk is mainly linked to the Group's debt portfolio. This type of risk is managed at Group level.

The Group's goal is that interest costs will follow the general trend in the money market, but fixed-rate loans and fixed-rate agreements can be made to a certain extent if there is a risk of abnormally high money market interest rates, and economic benefits can be expected by having fixed interest rates.

As at 31 December 2009, 31% percent of the Group's interest-bearing liabilities had an interest term of more than one year.

As at 31 December 2009 Norway Post had NOK 1,298 million in fixed interest rate loans . A change in the interest rate of +/- 1 % on these loans would affect equity by a total of +/- NOK 13 million.

The interest rate sensitivity (+/- 1 %) linked to the net interest bearing debt (only floating interest rate) as at 31 December 2009 was NOK 8.1 million where net interest bearing debt with a floating interest rate was NOK 814 million. Interest risk occurs when there is an imbalance between interest bearing debt and interest bearing liquid assets, and where the average weighted time to maturity for assets and debt is unequal. Net interest bearing debt included SEK 200 million in certificates loans with maturity within 6 months. These loans is rolled over because of low margins and where the syndicated loan (NOK 4,158 million) as an alternative source of financing, had not been drawn at 31December 2009.

Instrument and fixed interest distributed dept portfolio for floating interest rate dept:

(MNOK)		Next interest rate regulation	
2009	**31.12.2009**	**0-3 months**	**3-6 months**
Certificate loan	162	81	81
Private Placement	915	915	
Bond loans	1 498	1 498	
Bank loans/other loans	173	173	
Gross interest-bearing liabilities (floating interest rate)	**2 748**	**2 667**	**81**
Liquid assets	1 934	1 934	
Net interest-bearing liabilities (floating interest rate)	**814**	**733**	**81**
2008	**31.12.2008**		
Certificate loan	550	550	
Private Placement	915	915	
Bond loans	1 497	1 497	
Bank loans/other loans	529	529	
Gross interest-bearing liabilities (floating interest rate)	**3 491**	**3 491**	
Liquid assets	1 837	1 837	
Net interest-bearing liabilities (floating interest rate)	**1 654**	**1 654**	
2007	**31.12.2007**		
Certificate loan	1 600	1 400	200
Private Placement	915	915	
Bank loans/other loans	279	279	
Gross interest-bearing liabilities (floating interest rate)	**2 794**	**2 594**	**200**
Liquid assets	1 647	1 647	
Net interest-bearing liabilities (floating interest rate)	**1 147**	**947**	**200**

INFLATION INDEXED INTEREST RATE SWAPS:
In 2006 Norway Post entered into an inflation indexed interest rate swap worth NOK 1,000 million to protect the Group's competitiveness by hedging against costs that are positively correlated with inflation. Under the agreement, Norway Post receives the percentage change in the Norwegian consumer price index over the coupon period (annually) as well as a fixed spread of the inflation index in return for paying three months' NIBOR each quarter. The agreement has a duration of 10 years.

In 2009 NOK 300 million of the principal was cancelled through an agreement with the counterparty. In addition, agreements were signed for the remaining NOK 700 million in the form of issuing real bonds that provide cash flow effects almost equivalent to the original agreement.

In 2009, an inflation swap had an income statement impact of NOK -1 million (NOK 4 million in 2008, NOK -13 million in 2007).

Energy - Electricity:
In 2007 an agreement was signed with Bergen Energi to administer the Group's electricity consumption in Norway, Sweden, and Denmark, effective from 2008. The agreement states that Bergen Energi takes over the financial positions and all related invoicing.

Financial risk **Liquidity Risk (related to financial instruments):**
To ensure the Group's financial flexibility, there are a defined goals for both liquidity and drawn credit facilities. The liquidity reserve, consisting of bank deposits and shall be a minimum of 15 % of the Group's operating revenues. The debt reserve consisting of less loans that expire within 360 days, shall be a minimum of 10 % of the Group's operating revenues.

Liquidity risk is the risk that the Group is unable to meet its financial obligations when they mature, resulting in a default related to its debt.

NOTE 24 FINANCIAL RISK (continued)

Maturity structure of the Group's loans/financial liabilities

(MNOK) Balance as at 31.12.09	Average interest	Year 1	Years 2 to 5	Over 5 Years	Total
	4,12 %				
Liabilities to credit institutions 1)		162	973	1 191	2 326
Bond loans			1 498		1 498
Financial derivatives			17	37	54
Financial lease		4	11		15
Other interest-bearing liabilities					
Total Posten Norge AS		**166**	**2 499**	**1 228**	**3 893**
Financial lease		28	74	51	153
Liabilities to credit institutions					
Other interest-bearing liabilities					
Total Group		**194**	**2 573**	**1 279**	**4 046**

Balance as at 31.12.08	Average interest	Year 1	Years 2 to 5	Over 5 Years	Total
	6,50 %				
Liabilities to credit institutions 1)		550	1 101	1 072	2 723
Bond loans			1 518		1 518
Financial derivatives			113	156	269
Financial lease		4	15		19
Other interest-bearing liabilities				2	2
Total Posten Norge AS		**554**	**2 747**	**1 230**	**4 531**
Financial lease		48	146	1	195
Liabilities to credit institutions		2	7	14	23
Other interest-bearing liabilities		8	5	2	15
Total Group		**612**	**2 905**	**1 247**	**4 763**

Balance as at 31.12.07	Average interest	Year 1	Years 2 to 5	Over Year 5	Total
	4,87 %				
Liabilities to credit institutions 1)		1 600	837	236	2 673
Financial derivatives			149	94	242
Financial lease		4	16	3	23
Total Posten Norge AS		**1 604**	**1 002**	**333**	**2 939**
Financial lease		23	74	35	132
Liabilities to credit institutions		12	36	34	82
Other interest-bearing liabilities		37		5	42
Total Group		**1 676**	**1 112**	**406**	**3 194**

1) Certificates that are rolled over annually and which are within the framework of established credit facilities are classified as long-term financing under the debt to credit institutions, even if the due date is up to 1 year. As at 31.12.09, the Group's EUR 500 million facility had not been drawn.

Managing capital. The Group has a goal to ensure maximum access to, flexibility, and return on the Group's liquid assets at the same time as limiting its credit risk. This is achieved by concentrating all available liquidity in the Group's corporate account system, and by having a conservative administrative profile with significant emphasis on liquid placements. The Group has centralised overall responsibility for liquidity management and measures that promote effective utilisation of the company's capital.

The Group manages the capital structure with the objective is to have the financial strength to resist commercial changes. The Group has long-term facilities which constitute a significant capital buffer against unexpected financial needs. The facilities have been entered into with a bank syndicate where all participants have an A-rating or better (see the table above), which also limits the counterparty risk.

The Group measures capital utilisation by using the debt ratio, which is net interest-bearing liabilities divided by equity. Net interest-bearing liabilities consist of interest-bearing short and long-term liabilities less liquid assets in the forms of cash, bank balances, and short-term deposits. In addition, net interest-bearing liabilities divided by EBITDA are used to measure whether operating revenues are sufficient to service the Group's external debt. The goal is that net interest-bearing liabilities shall not exceed 3.5 times EBITDA.

There were no changes to the Group's goals, principles, or processes related to managing capital during 2007, 2008 or 2009.

POSTEN NORGE AS				GROUP		
2007	2008	2009		2009	2008	2007
3 266	5 455	4 685	Interest-bearing debt	4 046	4 763	3 194
1 084	993	1 334	Interest-bearing liquid assets	1 934	1 837	1 647
2 182	4 462	3 351	Net liabilities	2 112	2 926	1 547
5 618	4 632	4 489	Total equity	5 214	5 160	5 786
0,4	**1,0**	**0,7**	**Debt ratio**	**0,4**	**0,6**	**0,3**
39,9 %	**29,1 %**	**30,5 %**	**Share of equity**	**28,3 %**	**26,4 %**	**33 ,2**
863	618	711	EBITDA	1 959	1 589	1 649
2,5	**7,2**	**4,7**	**Net debt / EBITDA**	**1,1**	**1,8**	**0,9**

Debt covenants
Norway Post has debt covenants. The Company's largest loan facility contains a clause whereby investment, shall not cause the Group's net interest-bearing debt to exceed 3.5 * EBITDA, where EBITDA is measured for a period of the last 12 months on the balance sheet day of each quarter.
As of 31 December 2009 this it was 1.1 of EBITDA
(1.8 on 31 December 2008, 0.9 on 31 December 2007).

Two loan agreements also include covenant regarding equity ratio minimum of 25%.
As of 31 December 2009 the equity ratio was 28.3% (26.4% on 31 December 2008, 33.2% on 31 December 2007).

In addition the following covenants apply to the majority of the loan agreements:
- Change of control covenant: 51% government ownership
- Restrictions on pledging assets (negative pledge)
- Cross default, default in one agreement causes to all agreements to be in default

In the agreements with the Nordic Investment Bank , there are also restrictions against into new financial lease transactions. Breach of covenants requires repayment of all interest-bearing liabilities or possibly a renegotiation of loan agreements.

There are no clauses on an annual regulation of the levels of debt covenants in the loan agreements. The financial the covenants are monitored closely and reported to management on a regular basis.

During 2009, the group has limited investments in acquisitions and other investments. This, combined with cost reductions, has given the group a robustness in relation to the covenants, providing a limit on net interest bearing debt to EBITDA of a maximum of 3.5. Covenants however monitored continuously in relation to the measures taken.

The same conditions apply with respect to the current terms of the loans, with the requirement of a minimum equity ratio of 25%. The equity ratio of 31 December 2009 was 28.3%, which gives a larger margin than in 2008 in relation to fluctuations in the investment amount and profit performance.

NOTE 25 FAIR VALUE MEASUREMENT

The following methods and assumptions have been used in calculating the fair values of financial assets and liabilities:

- Fair values of financial assets classified as "available for sale" are determined by the stock market price on the balance sheet date, if they are listed. For unlisted assets the fair value is evaluated as not being significantly different from historical cost.

- Fair values of forward currency contracts are determined by using the forward rate at the balance sheet date. Fair values of currency swaps are determined by calculating the present value of future cash flows. For all derivatives, the fair values are confirmed by the financial institution with which the Company has made arrangements.

- The following of the Company's financial instruments have a fair value approximately equal to book value: Cash and cash equivalents, accounts receivable, other short-term receivables, other long-term interest-bearing liabilities, overdraft financing, parts of long-term liabilities, supplier liabilities and other short-term liabilities.

- The book values of cash, cash equivalents and overdraft financing are approximately equal to fair value, as these instruments have short maturity. The book values of accounts receivable and supplier liabilities are approximately equal to fair value since they also have short maturity.

-Fair value of long-term liabilities is calculated using listed market prices, or interest rate terms for similar with an approximate maturity period and credit risk.

- For financial assets and liabilities booked at amortised cost, the fair value is approximately equal to amortised cost when it is calculated as the present value of estimated discounted cash flows using an interest rate from equivalent debt and assets at the balance sheet date.

- Fair values of derivatives designated as hedging instruments are accounted for as other short-term receivables/other short-term debt, or other long-term receivables/ other long-term debt depending on the maturity date of the corresponding hedged object.

NOTE 25 FAIR VALUE MEASUREMENT (continued)

The fair value hierarchy
On 31 December 2009 the Group had the following financial assets and liabilities measured at fair value:

The Group uses the following hierarchy to disclose the fair values per valuation method:
Level 1: Listed prices (unadjusted) in active markets for identical assets or liabilities

Level 2: Input other than the quoted prices included at level 1 which is observable for the asset or liability, either directly (as prices) or indirectly (derived from the prices)
Level 3: Input of the asset or liability not based on observable market data (non-observable input)

Assets measured at fair value	Fair value measurement per level			
Description	**2009**	**Level 1**	**Level 2**	**Level 3**
Available for sale assets:				
Other equity investments	5			5
Derivatives designated as hedging instruments:				
Cash flow hedging	55		55	
Total	**60**		**55**	**5**
Liabilities valued at fair value				
Financial liabilities at fair value through profit and loss:				
Loans	1 014		1 014	
Derivatives designated as hedging instruments:				
Cash flow hedging	21		21	
Fair value hedging	(15)		(15)	
Derivatives not considered hedged:				
Not hedged	60		60	
Total	**1 080**		**1 080**	

No financial assets have been reclassified in such a way that the valuation method has been changed from amortised cost to fair value, or vice versa. There were no transfers between level 1 and level 2 fair value measurements in 2009, and no transfer of financial assets into or out of level 3.

NOTE 26 FOREIGN EXCHANGE RATES

	Exchange rate 01.01.2009	Average exchange rate 2009	Exchange rate 31.12.2009
Swedish kroner	0,9042	0,8211	0,8099
Danish kroner	1,3238	1,1671	1,1173
Euro	9,8650	8,6907	8,3150
Pounds sterling	10,1210	9,7684	9,3170
US dollar	6,9989	6,2478	5,7767

NOTE 27 GUARANTEES/COLLATERAL

Posten Norge AS and its subsidiaries have provided various forms of guarantees, including contract guarantees, loan guarantees and other payment guarantees. Guarantees (not recognised in the balance sheet as at 31December):

POSTEN NORGE AS				GROUP		
2007	**2008**	**2009**		**2009**	**2008**	**2007**
715	499	470	Guarantees for group companies' dept	470	548	756
205	255	370	Commercial guarantees	382	268	217
			Other guarantees	52	1	1
920	**754**	**840**	**Total guarantees**	**904**	**817**	**974**

The reduction in guarantees for Group companies' debt is mainly due to the guarantees given in connection with the construction of the new Østlandsterminal by the subsidiary Posten Eiendom Robsrud AS, construction as a result of the project, and that guarantees are terminated as a result of the merger in Bring Frigoscandia Sweden Group. Increases in other guarantees relate mainly from the guarantees provided in connection with the signing of lease contracts in the Bring Frigoscandia Sweden Group.

Some of Norway Post's loan agreements contain a negative pledge clause and require the Group to meet defined levels of financial covenants. At the end of the year, the Group's ratios were within defined limits. See note 24 Financial risk.

Subsidiaries of the Group have not used property as collateral.

NOTE 28 LEASES

1. Lessee
1.1. Finance lease agreements

POSTEN NORGE AS				GROUP		
2007	**2008**	**2009**		**2009**	**2008**	**2007**
68	68	68	Buildings	182	153	153
			Machinery, equipment and vehicles	128	130	107
68	**68**	**68**	**Gross book value**	**310**	**283**	**260**
32	34	36	Accumulated depreciation 1 January	144	105	78
			Depreciation - disposals	(25)		
2	2	2	Depreciation of the year	31	39	27
34	**32**	**31**	**Net book value**	**160**	**139**	**156**
23	19	15	Commitments, buildings	88	66	71
			Commitments, machinery, equipment and vehicles	80	148	84
Overview of future minimum rents:						
		5	Within 1 year	34		
		12	1 to 5 years	82		
			After 5 years	42		
		17	**Future minimum rents**	**158**		
		7,2 %	Interest rate	4,8 %		
		15	**Present value of future minimum rents**	**151**		
			Here of:			
		10	- long-term liabilities	121		
		5	- short-term liabilities	30		

NOTE 28 LEASES (continued)

Properties are classified as buildings and other property, while associated liabilities are classified as interest-bearing long-term liabilities. The first year's lease payments have been reclassified as interest-bearing short-term liabilities. See note 21.

As at 31 December 2009 Posten Norge AS had financial leases for Skien Post Terminal and the Odda Postgård building. The lease for Odda Postgård expires on 1 October 2012, but Norway Post is entitled to extend this lease, or to buy the section leased during the lease period. The lease for Skien Post Terminal expires in June 2013. Norway Post is entitled to buy the building during the lease period, or to extend the lease period when the lease expires.

ErgoGroup has a financial lease for Fjellhallen at Gjøvik. The company is entitled to take over this building at any time at the nominal value of the remaining debt, or free of charge in 2023. Post Property Robsrud has a financial lease agreement for a thermal energy facility that runs to 30 June 2024.

The Group's other financial leases belong to Bring Logistics, Bring Logistics Nettlast and CombiTrans and relate to vehicles. The longest lease expires on 25.November 2013.

1.2. Operating leases

POSTEN NORGE AS				GROUP		
2007	2008	2009		2009	2008	2007
172	230	223	Ordinary lease payment for vehicles	353	368	271
569	735	749	Ordinary lease payment for buildings	1 266	1 216	1 011
			Ordinary lease payment for computer equipment	38	60	62
13	25	8	Ordinary lease payment - other	138	89	69
(14)	(17)	(12)	Subletting income	(69)	(73)	(60)
740	**973**	**968**	**Total rents paid**	**1 726**	**1 660**	**1 353**
Future minimum lease payment linked to non-cancellable leases fall due as follows:						
		479	Within 1 year	1 119		
		1 326	1 to 5 years	2 872		
		2 276	After year 5	3 893		
		4 081	**Total**	**7 884**		

Posten Norge AS has entered into about 1,340 leases for various types of property, including offices and sorting premises, terminals, post offices, parking facilities, etc. These leases expire between 2010-2029. For most of the leases, Norway Post is entitled to extend the lease period when the lease expires.

The most significant leases for Norway Post are Østland's terminal Robsrud, Posthuset Biskop Gunnerusgate 14A and Brevsenteret Biskop Gunnerusgate 14B.

The lease period for the Posthuset building at Biskop Gunnerusgate 14 A in Oslo is 15 years from 1 March 2003, with specific extension clauses. The costs relating to common areas and energy costs are variable and are divided according to a formula that is based on the floor space rented. The rent is index-linked (100%) annually.

The lease for the Brevsenteret, Biskop Gunnerusgate 14B expires on 30 June 2010, and was based been determined based on the assumption that Norway Post will move into the new post terminal at Robsrud in the 1st quarter of 2010. The lessee has a one-sided right to terminate or extend the lease period. The lessee rents the Brevsenteret in Oslo on a "bare house" basis and is responsible for running the building and covering all the costs related to this.

Norway Post has an operating lease agreement with Posten Eiendom Robsrud AS Østland's terminal at Robsrud. The lease period is 17 years from 1 December 2009. The agreement is based on an annual 7% return on purchase cost + an annual administration mark-up.

Posten Norge AS has also entered into operating leases for the mail terminals in Stavanger and Trondheim, with Posten Eiendom Storbyer AS and Norway Post's freight centre, Norway Post's workshops , Transportsenter Oslo, and Posten Eiendom Alnabru AS. The lease periods for Stavanger and Trondheim mail terminals and Norway Post's for freight centre are five years with the option to extend for a further three years. The lease agreements cannot be terminated during the lease term. The lessee is responsible for running the building and covering all the costs related to this. The rent is index-linked (100%) annually. The lease term for Norway Post work shops and Transportsenter Oslo is three years with the option to extend for a further three years. The lease agreements cannot be terminated during the lease term.

In June 2007 a lease agreement was entered into with Bergerterminalen AS commencing over by 1 January 2010 at the latest. The agreement runs for 20 years from commencement.

In June 2009, an agreement with LeasePlan Norge AS to lease and operate all types

NOTE 28 LEASES (continued)

of vehicles was extended. The agreement runs until 30 September 2012, with a possible extension of 1 +1 years. Normally, the contract period for each vehicle will be two to five years. Norway Post is not entitled to or obliged to extend the lease period, or to buy the vehicle when the lease expires. The number of leased vehicles at the end of 2009 was 5,084 and 96 trailers.

An amount of NOK 122 million has been provided for vacated premises.This amount has been presented as restructuring expenses. See note 5.

Bring Logistics Linehaul AS has a lease agreement with CargoNet AS for the lease of train slots which runs to 31 December 2013. The most significant of the Group's other operational leases relate to premises leased for Bring Frigoscandia, ErgoGroup, Bring Logistics and Norway Post, Distribution network. The longest lease expires on 1 December 2026.

1.2. Leasing

The group has some operational leases linked to parts of buildings which it rents out. Net rental income in the Group related to the leasing of their own buildings is a total of NOK 38 million (NOK 28 million in 2008 and NOK 3 million in 2007).

NOTE 29 PURCHASING OBLIGATIONS

The parent company and Group have the following obligations as a result of contracts relating to the purchase of intangible assets and tangible fixed assets:

POSTEN NORGE AS				GROUP		
2007	2008	2009		2009	2008	2007
57	193	225	2010	298	200	64
			2011	4	4	4
			2012	11		
57	**193**	**225**	**Total purchasing obligations**	**313**	**204**	**68**

Norway Post's purchasing obligations are mainly related to contracts entered into for buying sorting machinery and other IT equipment in connection with the creation of Norway Post's new structure for sorting processes for mail and packages.

Of the Group's other significant purchase commitments NOK 18 million are related to contracts for the new Østland's Terminal at Robsrud in Lørenskog, and NOK 49 million relates to the purchase of trucks and equipment for the Berger terminal.

NOTE 30 CHANGES TO THE GROUP STRUCTURE

Acquisitions/mergers

Acquisitions in 2009 comprise the following companies and operations. The figure does not include new companies that have been established, capital issues or other funding from Norway Post.

Company	Acquisition date	Ownership share	Activity	Income before taxes in 2009
ION Solutions Pvt. Ltd	01.01.2009	51 %	IT	3
The eCompanion business	01.12.2009		IT	5
The Orbit business	01.12.2009		IT	2
The Axapta business	14.12.2009		IT	
Total				**9**

NOTE 30 CHANGES TO THE GROUP STRUCTURE (continued)

Overview of the allocation of purchase prices for acquisitions during the year:
Total fair values of the identifiable assets, liabilities and contingent liabilities for the acquired companies are as follows:

IT/GROUP	IT/GROUP 2009	GROUP 2008	GROUP 2007
IT development	3	3	27
Exess value IT development and branding			85
Other intangible assets		7	
Deferred tax asset		18	
Goodwill		1	106
Projects under construction		1	
Intangible assets	**3**	**29**	**218**
Tangible fixed assets	**1**	**88**	**70**
Investments in shares		1	4
Other non-current receivables		1	11
Total financial fixed assets		**3**	**15**
Total fixed assets	**4**	**120**	**303**
Inventories		2	6
Current receivables, interest-free	4	248	427
Liquid assets	1	168	200
Total current assets	**5**	**417**	**633**
Total assets	**10**	**537**	**935**
Deferred taxes		4	34
Provisions for liabilities			4
Net pension liabilities		43	4
Total provisions and obligations		**47**	**42**
Total interest-bearing liabilities		**39**	**75**
Accounts payable		149	308
Accrued expenses		62	12
Tax payable and public liabilities	1	15	46
Other current liabilities, interest-free	3	89	86
Total interest-free liabilities	**4**	**315**	**457**
Total liabilities	**4**	**401**	**575**
Net identifiable assets	**6**	**136**	**360**
Goodwill	20	291	1 497
Negative goodwill recognised as income		(28)	
Negative goodwill offset against loss on disposal		(4)	
Total purchase price	**26**	**395**	**1 858**
Cash paid	21	344	1 753
Provision as of 31 Dec.		65	105
Other	5	(14)	
Total purchase price	**26**	**395**	**1 858**
Cash paid	(21)	(344)	(1 753)
Cash received upon acquisition	1	168	200
Net cash effect on acquisition	**(19)**	**(176)**	**(1 553)**

Converted to NOK at the exchange rate on the date of acquisition.

NOTE 30 CHANGES TO THE GROUP STRUCTURE (continued)

Overview of disposals and gains/losses during the year:

IT/GROUP	IT/GROUP 2009	GROUP 2008	GROUP 2007
Intangible assets		2	
Deferred tax asset		8	18
Tangible fixed assets		19	110
Financial assets	1	1	
Total fixed assets	**1**	**30**	**128**
Current receivables, interest-free	5	32	3
Current receivables, interest-bearing			19
Inventories		1	
Liquid assets	31	9	1
Total current assets	**36**	**41**	**23**
Total assets	**37**	**71**	**151**
Deferred taxes	5		
Pension liabilities		11	
Total provisions and obligations	**5**	**11**	
Total interest bearing liabilities		**9**	
Interest-free long-term liabilities	**2**		
Account payable		1	2
Tax payable and public liabilities	3	1	15
Prepaid revenues			4
Other current liabilities, interest-free	8	49	5
Interest-free current liabilities	**11**	**51**	**23**
Total liabilities	**18**	**70**	**23**
Net identifiable assets	**19**	**2**	**128**
Goodwill	2		1
Buyout of minority	(10)		
Gain on sale	30		631
Total sales price	**42**	**2**	**759**
Cash received at disposal	38	2	766
Provision as of 31 Dec.	4		(6)
Total sales price	**42**	**2**	**759**
Cash received at disposal	38	2	766
Cash disbursed at time of sale	(31)	(9)	(1)
Net cash effect on acquisition	**6**	**(7)**	**764**

Converted to NOK at the exchange rate on the date of disposal.

Acquisitions in 2009
When businesses are acquired, the identifiable assets and liabilities are recognised at their fair value on the acquisition date. Should further information on the items' fair value be obtained during a period of 12 months after the acquisition date, the fair value is adjusted. Excess values the purchase that cannot be allocated to identifiable assets is classified as goodwill in the balance sheet. In 2008 the Group's acquisitions led to a total of NOK 20 million (NOK 291 million in 2008 and NOK 1,575 million in 2007) being recognised in the balance sheet as goodwill.

Refer to note 9 regarding assessment of posted goodwill.

NOTE 30 CHANGES TO THE GROUP STRUCTURE (continued)

Some intangible assets like employees' know-how, expected synergy effects and non-contractual customer relationships, which imply an acquisition cost, but are not separable and/or for which fair value cannot be reliably measured, are recognised as goodwill.

IT
The ErgoGroup bought a further 16% of the shares in the Indian IT company ION Solutions in January 2009, resulting in a total ownership stake of 51%. The acquisition was an important step for The ErgoGroup in the direction of a more aggressive investment in off-shoring. The company was fully consolidated with effect from January 2009. The acquisition of ION Solutions resulted in goodwill of MNOK 8.1 after adjustment of the cost price for an additional related to an earn-out agreement. The company had 128 employees at 31 December 2009 and has contributed with a turnover in 2009 of NOK 17 million. The company was accounted for as an associated company at 31 December 2008 with a value of NOK 5 million, and this value is in the line "Other" under the reconciliation of the purchase price above.

The SYSteam Group acquired three areas of operation in December 2009. The Aditros AX –business, Axapta, including four employee consultants and ten customers was acquired to strengthen operations within Microsoft Dynamics AX in Finland. The eCompanion business, located in Stockholm, included eight employees and gave access to an HR payroll system within the municipal sector in Sweden, a customer portfolio of around 50 agreement customers and competency. The third business, Orbit, is located in Sweden and included 14 employees, and the operation planning system it provides will eventually replace the Group's equivalent system and become the core of operations within the health sector. The businesses had total revenues in 2008 of around NOK 30 million. The purchases accounted for in December 2009, and resulted in a recognition of goodwill of NOK 12 million.

Sales in 2009
The ownership share of 50.49% in Eiendomsverdi AS with revenues in 2009 of NOK 41 million and 11 employees was sold in December 2009 for a gain of NOK 30 million. The company was not part of the IT segment's core business.

Other changes in the Group's structure in 2009
During the fourth quarter of 2009 it was decided to wind up the operations in Bring Citymail Denmark A/S. In November 2009, as part of reorganising the owner structure, the Posten Norge AS bought all the shares in Bring Citymail Sweden AB and Bring Mail Nordic AB from Bring Citymail AB for NOK 29 million and NOK 86 million respectively.

In December 2009 Posten Norge AS acquired the remaining shares in the four companies Bring Logistics Stockholm AB, Bring Logistics Gøteborg AB, Bring Logistics Linkøping AB and Bring Logistics Jønkøping AB from Bring Logistics Halmstad AB and Bring Logistics Jønkøping AB. The acquisition was made at fair value and resulted in an increase in the value of the shares in the two selling companies, of NOK 19 million and NOK 5 million respectively.

Bring Logistics Linehaul AS was established in 2009, and the company will develop competitive line haul for the business areas in Bring and external customers.

During 2009, as part of simplifying the Group structure, Posten Norge AS' subsidiary Cetei AB was merged into the wholly-owned subsidiary CombiTrans AB which is now directly owned by Posten Norge AS. Bring Logistics Sweden AB was then sold by Bring Logistics Danmark A/S to CombiTrans AB in December 2009. Furthermore, FSD HoldCo AB and FSD NewCo AB, during a downstream merger, became part of Bring Frigoscandia AB, which is now directly owned by Norway Post.

Pro-forma figures in connection with acquired enterprises – per segment (unaudited figures):
The table below shows the operating revenues and net income before tax as they would have been if the companies bought during the year had been bought at the beginning of the period.

2009	Mail	Logistics	IT	Other 1)	The Group
Operating revenues	12 517	12 656	5 214	(3 282)	27 104
Pro forma operating revenues	12 517	12 656	5 244	(3 282)	27 135
Net income before taxes	3	454	176	(435)	198
Pro forma net income before taxes	3	454	181	(435)	203

1) "Other" is non-allocated costs related to owner-functions and eliminations between the segments.

Overview of acquisitions and sales after the balance sheet date (unaudited figures):
The ErgoGroup and Edda Media have entered into a long-term cooperation as ErgoGroup AS takes over the operation of Edda Media's IT operations that currently provide IT services to 92 editorial publications. The operation will be transferred from 1 January 2010 and includes a five year agreement for operation, support and management with a value of NOK 200 million during this period. The agreement adds a significant volume of operations and at the same time provides an environment with strong and competency in Tønsberg which provides a unique position for further growth. Norway Post's wholly owned subsidiary Posten Eiendom Espehaugen AS was sold in February in 2010 for NOK 87 million , resulting in a gain of NOK 24 million for the parent company and NOK 25 million for the Group.

NOTE 31 TRANSACTIONS WITH RELATED PARTIES

The Group has had a number of transactions with related parties. All transactions are conducted as part of the normal course of business and at arm's length prices. The most significant transactions undertaken were as follows:

POSTEN NORGE AS				GROUP		
2007	2008	2009		2009	2008	2007
			Purchases of goods and services from:			
845	947	738	Subsidiaries			
1			Associated companies	45	47	30
4			Other	54	71	158
			Sales of goods and services to:			
373	540	682	Subsidiaries			
			Associated companies	26	36	7
824	2	2	Other	18	12	961
			Leases of property from:			
24	85	101	Subsidiaries			
	1	1	Associated companies	3	4	2
			Leases of property to:			
5	5	3	Subsidiaries			

The balance sheet includes the following amounts as a result of transactions with related parties:

POSTEN NORGE AS				GROUP		
2007	2008	2009		2009	2008	2007
34	96	111	Accounts receivables	6	6	58
3 581	4 869	3 812	Other receivables	1	1	1
76	150	86	Accounts payable	7	8	8
506	1 077	995	Other liabilities			
3 032	**3 738**	**2 842**	**Net**		**(1)**	**51**
			Loans to related parties:			
			Balance sheet 01.01		3	3
			Repayments during the year		(3)	
			The balance sheet 31.12			**3**

Remuneration to the Board and Group management
For remuneration to the Board and Group management, refer to note 2.

Loans to employees
For loans to employees, refer to notes 14 and 16.

NOTE 32 OTHER MATTERS

EVENTS AFTER THE BALANCE SHEET DATE

New pension scheme for early retirement (AFP) from 2011
On 19 Febuary 2010, the government adopted a legislation change which enforces a new AFP scheme with effect from 2011. In 2009, the Norwegian Accounting Standards Board issued a statement on the accounting treatment of the transition to the new pension scheme (ref note 3 on pensions). Of the Group's total pension liabilities of NOK 1,997 million, AFP commitments amounted to about NOK 1,300 million at 31 December 2009. The decision in the Norwegian Parliament and the recommendation from the Accounting Board, could have a significant effect on AFP obligations and unrecognised actuarial gains/losses.

Sales of companies in 2010
In February 2010, the subsidiary Posten Eiendom Espehaugen AS was sold with gain of NOK 25 million for the Group.

SIGNIFICANT TRANSACTIONS

Transfer and sale of properties and companies
IIn December 2009, ErgoGroup sold its interest of 50.49% in Eiendomsverdi AS with a gain of NOK 30 million.

The terminals in Kristiansand, Stokke, Sarpsborg and Tromsø were sold in January 2009 with a total gain of NOK 18 million. The terminal in Vestfold owned through Bring Logistics' subsidiary Nor-Cargo Eiendom AS, was sold in February 2009 at book value. Norway Post has entered into lease agreements with the new owners of the terminals that were sold.

During 2008, the terminals in Fauske, Finnsnes, Haugesund, Ålesund and Mosjøen were sold with a total net gain of NOK 7 million.

As of 1 January 2008, Stavanger post terminal and Trondheim post terminal were transferred to the property company Posten Eiendom Storbyer AS with continuity for accounting and tax purposes. Similarly, Postens godssenter, Postens verksteder and Transportsenter Oslo were transferred to the property company Posten Eiendom Alnabru AS. All properties have lease contracts of between three and five years and may be extended during the lease term.

In March 2007, Norway Post sold Posten Eiendom BG 14B AS with a gain of NOK 626 million.

Branding project
In September 2008, Norway Post launched a new, joint trademark called Bring, for the Scandinavian mail and logistics operations. At the same time, Norway Post's logo was changed to show that Norway Post and Bring are part of the same group. The goal is to clearly present the unity of the Group's activities. Norway Post's launch of the new brand and changing of the logo cost NOK 221 million in 2008 and NOK 62 million in 2009. With the exception of vehicles, all rebranding has essentially been carried out by 31 December 2009.

Restructuring provisions
In 2009, the Group recorded a total NOK 393 million in restructuring and reversed NOK 167 million from previous years. Provisions in 2009 were primarily related to the closure of operations in Bring Citymail Denmark A/S, establishment of the new post office concept and changes in the terminal structure.

New South Eastern Norway terminal at Robsrud
The South Eastern Norway terminal was taken over by Posten Norge AS on 1 December 2009 and opened by H.R.H King Harald on 29 January 2010. The Group has invested a total of NOK 2.5 billion in land, buildings and high-tech equipment.

Significant payments to/from the owner
In 2009 the government paid NOK 518 million for government purchases, see the discussion under regulatory matters. There were no significant payments to/from the owner in 2008.

In 2007 the Annual General Meeting decided to pay out of the company's funds to the Government NOK 80 million. This payment was effected by netting the amount against Posten Norge AS's receivable of NOK 330 million with regard to the final AFP settlement due from the Norwegian Public Service Fund.

The actual final settlement, related to the Norwegian Public Service Fund, of NOK 1 443 million including interest of NOK 56 million was determined by the Ministry of Government Administration and Reform in 2007. The balance of NOK 293 million was received on 30 November 2007. The final settlement resulted in a net adjustment of equity of NOK 53 million before tax in 2007.

REGUALTORY MATTERS

Norway Post's licence
In accordance with §4 of the Postal Act, the Ministry of Transport and Communication has granted Posten Norge AS a licence to offer mandatory postal services within a monopoly area. The licence gives Posten Norge AS the exclusive right to manage sealed and addressed letter mail within a specific weight and price range. As of 1 January 2006 the range is from 50 grams and 2.5 times the basic price for domestic priority mail. The licence also entails that Posten Norge AS must carry out socially defined duties in the form of requirements to the services offered as well as requirements for cost-based prices and geographical unit postage charges within the monopoly.
The socially defined duties cover:
- -Product requirements (statutory postal services and basic banking services)
- -Requirement for the availability of the statutory postal services
- -Delivery time requirements
- -Requirement for cost-based prices and geographical unit postage charges within the monopoly

In point 4.2 of the licence it is assumed that Posten Norge AS' extra costs related to the socially defined duties will be covered by the monopoly profits from the monopoly area and government purchases granted through the fiscal budget. In 2007 and 2008, no funds have been granted for government purchases. For 2009, NOK 518 million was granted. The funding is based on a forecast of demand and will be calculated in connection with the product accounts for 2009 to ensure against excessive compensation to Posten Norge AS.

In connection with the fact that the Ministry of Transport and Communication granted Posten Norge AS a new licence effective 1 January 2007 to 31 December 2010, the following changes were made:
- A maximum-price system is introduced for mandatory postal services (excl. bulk shipments)
- Posten Norge AS must strive for a universal design that ensures good access for disabled people to mandatory postal services
- Existing guidelines for the location of mailboxes are included in the licence
- Requirements that Posten Norge AS must comply with the principles of the Norwegian Languages Act for information on mandatory postal services

The licence states that Posten Norge AS must document that there are no illegal cross subsidies between the monopoly area and the services that are subject to competition. This documentation has to be submitted to the Norwegian Post and Telecommunications Authority in the form of separate product accounts. The auditor conducts annual audits in accordance with the licence. The product accounts for 2009 will be presented at the latest three months after the financial statements for 2009 have been approved.

EU's Postal Directive
The EU's Postal Directive includes certain minimum requirements for mandatory postal services, principles on cost-based prices and compensation schemes for extra costs related to mandatory postal services, and the limiting of national monopolies for letter deliveries for postal companies performing mandatory postal services.

Within the EU, the main part of the postal market will be liberalised by 2011, while some countries have been given an extension to 2013. Whether Norway will introduce or opt-out of the EU's third mail directive remains for the Government to clarify. Posten Norge AS is already exposed to competition in 87 percent of its operations and is also preparing to meet competition for letters under 50 grams. Within the remaining areas with exclusive rights, Posten Norge AS is challenged by e-mail and other digital solutions.

Government ownership
In the Owner's Statement about Posten Norge AS (St.meld. no. 12 (2007-2008), presented on 1 February 2008) the Ministry of Transport and Communications concluded that Posten Norge AS' statutory and licence- requirement to offer basic banking services should not be changed. Furthermore approval was also given to convert a further 124 post offices to Post in Shops by 2010. As at 31 December 2009, Posten Norge AS had converted 95 of the 124 Post offices to Post in Shops. Approval was also given to Norway Post's Scandinavian growth strategy. The Government will consider Norway Post's international commitments in connection with the next owner statement of Norway Post's operations.

The Post office network
During 2009, Posten Norge AS carried out a re-organisation of 60 post offices to Post in Shops (PIB) within the framework given in St.meld. no. 12 (2007-2008). In November 2010, Posten Norge AS will have completed the ongoing reorganisation of 124 post offices to PIB. Moreover, Posten Norge AS, during the summer of 2009, terminated the framework agreements with Norway Group, ICA Norway AS, COOP and Rema 1000 for the delivery of infrastructure and operating services to Norway Post's PIB-concept. Norway Post is currently conducting an open tender competition for the future operation of the PIB-concept, and the suppliers will be selected by the end of July 2010. At the end of 2009, the following numbers of units were within the three concepts in the post office network: 208 Post Offices, 1235 Post in Shops and 24 Business centres.

Banking and payment services
Posten Norge AS' licence obligation to provide basic banking services is met through an agency agreement with DnB NOR.
In 2009, Posten Norge AS revised the agency agreement with DnB NOR for the delivery of basic banking services and selected additional services through Posten Norge AS' sales networks. The agreement has been extended until 31 December 2017. If changes are made to Posten Norge AS' obligation to provide basic banking services, during the period, the agreement may be terminated under certain conditions. For the period 1 January 2013 – 31 December 2017, special provisions have been agreed in the event that Posten Norge AS, in whole or in part, may have to open the services covered by the agency agreement to competition.

DISPUTES

The European Supervisory Authority (ESA) is discussing complaints relating to the prices of Posten Norge AS' logistics products and Posten Norge AS' Post in Shops network, among others. Posten Norge AS rejects the basis for the complaints. ESA has stated that they will levy a fine on Posten Norge AS. Posten Norge AS is accused of having breached competition rules with agreements with grocery stores etc. on the establishment of Post in Shops ("PiB"). On the basis of the notice from ESA, Posten Norge AS has also received a letter in which the German logistics company Schencker states that they will submit a compensation claim of NOK 460 million against Posten Norge AS. Posten Norge AS maintains that there is no basis for a penalty and has argued this through the ongoing proceedings against ESA, and thus that there were no grounds for compensation claims.

No disputes that involve any significant risk exposure to the Group have been registered in the subsidiaries.

STATEMENT OF THE BOARD OF DIRECTORS REGARDING THE ANNUAL REPORT

We confirm that the financial statements, to the best of our knowledge, been prepared in accordance with applicable accounting standards and that the information in the financial statements give a true and fair view of the assets, liabilities, financial position and results in their entirety for the company and Group taken whole. We also confirm that the management report gives a true and fair view of the development, performance and position of the Group and parent company, with a description of the principal risks and uncertainties the they face.

Oslo, 25 March 2010

Arvid Moss (chairman) | Liv Stette (vice chairman) | Eli Arnstad

Terje Christoffersen | Sigbjørn Molvik | Gry Mølleskog | Odd Christian Øverland

Ingeborg Anne Sætre | Paul Magnus Gamlemshaug | Judith Olafsen | Dag Mejdell (CEO)

ERNST & YOUNG

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Medlemmer av Den norske Revisorforening

To the Annual Shareholders' Meeting of
Posten Norge AS

Auditor's report for 2009

We have audited the annual financial statements of Posten Norge AS as of 31 December 2009, showing a loss for the year of NOK 157 000 000 for the Parent Company and a profit for the year of NOK 118 000 000 for the Group. We have also audited the information in the Directors' report concerning the financial statements, the going concern assumption, and the proposal for the coverage of the loss. The financial statements comprise the financial statements for the Parent Company and the Group. The financial statements of the Parent Company and the Group comprise the balance sheet, the statements of income, comprehensive income, cash flows and changes in equity as well as the accompanying notes. IFRSs as adopted by the EU have been applied in the preparation of the financial statements of the Parent Company and the Group. These financial statements and the Directors' report are the responsibility of the Company's Board of Directors and Chief Executive Officer. Our responsibility is to express an opinion on these financial statements and on other information according to the requirements of the Norwegian Act on Auditing and Auditors.

We conducted our audit in accordance with laws, regulations and auditing standards and practices generally accepted in Norway, including the auditing standards adopted by the Norwegian Institute of Public Accountants. These auditing standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. To the extent required by law and auditing standards, an audit also comprises a review of the management of the company's financial affairs and its accounting and internal control systems. We believe that our audit provides a reasonable basis for our opinion.

In our opinion,

- the financial statements of the Parent Company and the Group are prepared in accordance with laws and regulations and present fairly, in all material respects, the financial position of the Company and the Group as of 31 December 2009, and the results of its operations, cash flows and changes in equity for the year then ended, in accordance with IFRSs as adopted by the EU
- the Company's management has fulfilled its duty to properly record and document the Company's accounting information as required by law and bookkeeping practice generally accepted in Norway
- the information in the Directors' report concerning the financial statements, the going concern assumption, and the proposal for the coverage of the loss is consistent with the financial statements and complies with law and regulations.

Oslo, 25. March 2010
ERNST & YOUNG AS
Jan Wellum Svensen
State Authorised Public Accountant (Norway)
(sign.)
Note: The translation to English has been prepared for information purposes only.

A member firm of Ernst & Young Global Limited

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