



Quarterly Report

1st quarter 2021

Posten Norge



1st quarter 2021

Highlights and financial development



Highlights

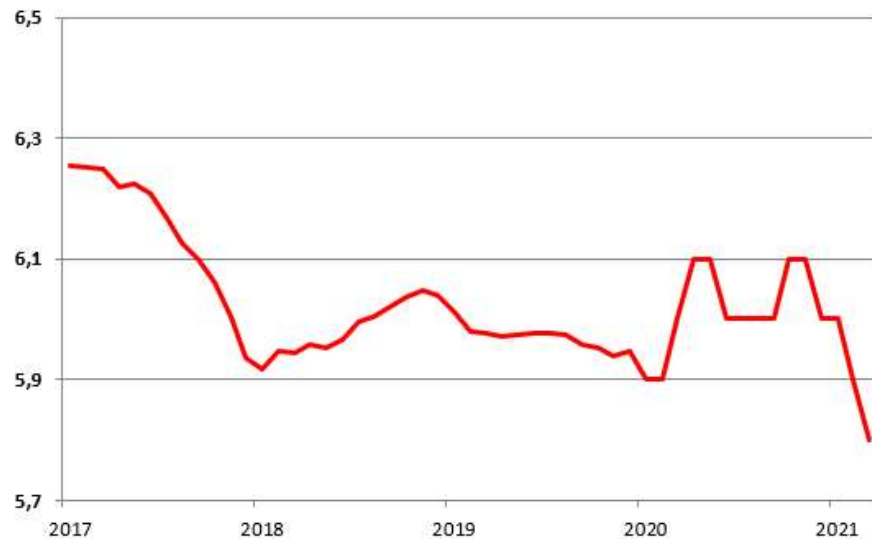
- Best first quarter ever
- Increased infection pressure and infection control has been **handled in a satisfactory manner**
- New shopping habits established during the pandemic; e-commerce increased by 58,3 % in the last 12 months
- Considerable **growth and result improvement** in the Logistics segment
- Continued **decline** in addressed and unaddressed mail volumes
- Positive trend for **customer loyalty** and satisfaction
- Full speed within **innovation and development**
- Establishment of wholly automated warehouse solution “**Shelfless**”
- The transition from heavier vehicles to more **environmentally friendly vehicles** has started



HSE 1st quarter 2021: Reduced absence due to sickness

ABSENCE DUE TO SICKNESS IN THE GROUP, %

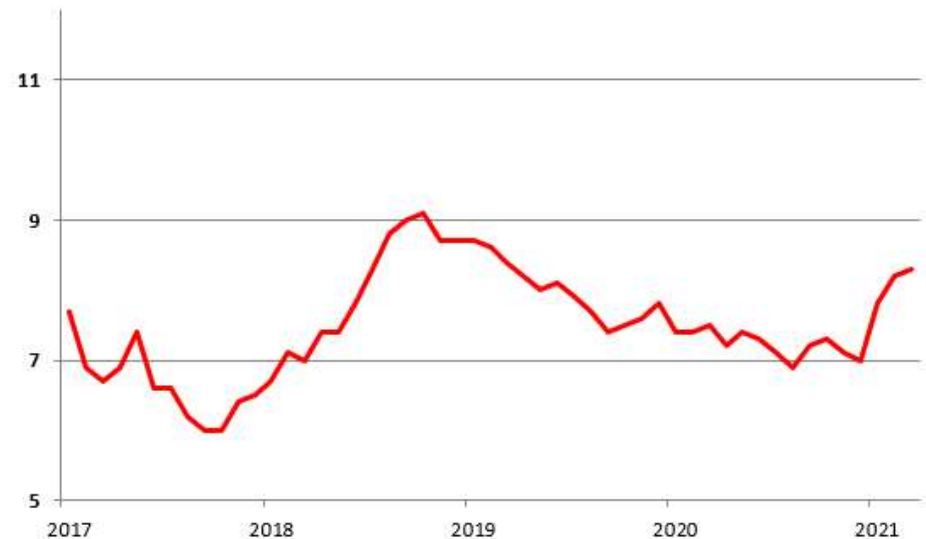
5,8 % (last 12 months)



*Historical data has been adjusted for post-registration

H2 IN THE GROUP

8.3 (last 12 months)



*Historical data has been adjusted for post-registration

- Absence due to sickness in the last 12 months was 5,8 %, 0,2 % points better than at year-end. March in particular showed considerable improvement and reflected the demanding situation following the first large outbreak of Covid-19 last year.

- The total number of injuries per million worked hours (H2) in the last 12 months was 8,3, an increase of 1,3 from year-end. The increase was mainly due to the Network Norway division, caused by adverse weather and driving conditions. Measures have been implemented to reverse this trend.

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

Financial highlights - 1st quarter 2021

OPERATING REVENUES, MNOK

Q1 2021	Q1 2020
5 999	5 964

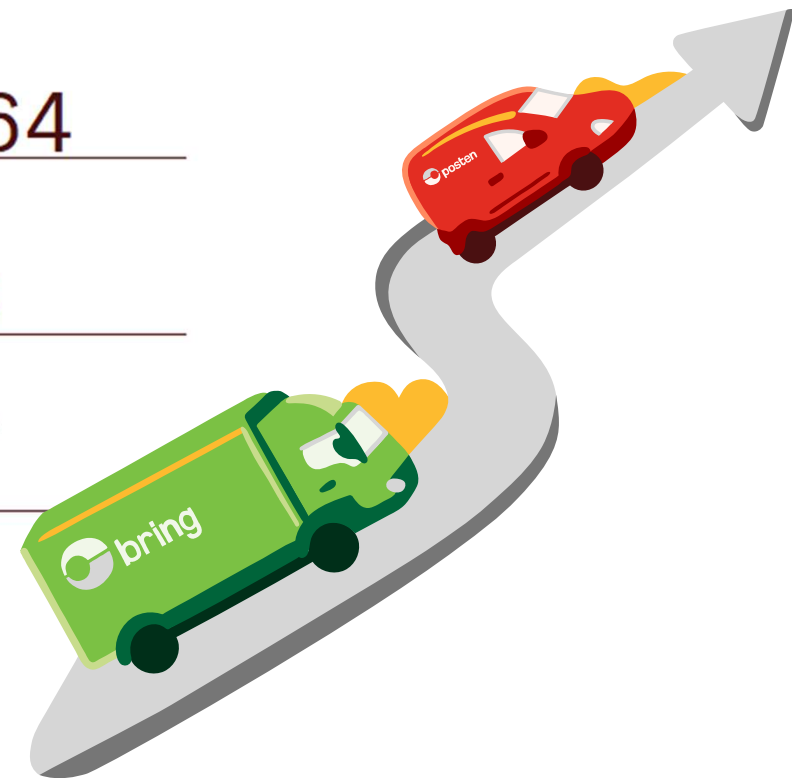
ADJUSTED OPERATING PROFIT*, MNOK

Q1 2021	Q1 2020
427	153

RETURN ON INVESTED CAPITAL/ROIC*, %

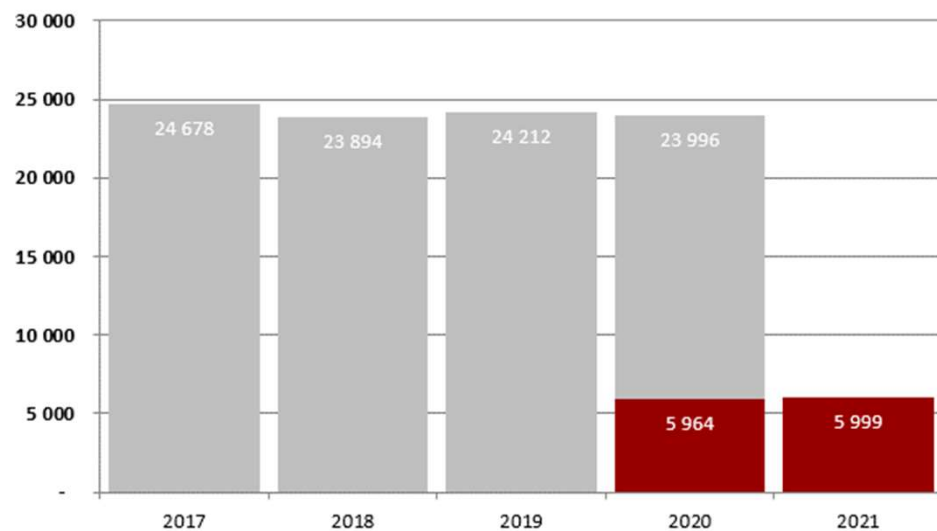
Last 12 months	Last 12 months
17,4	7,9

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



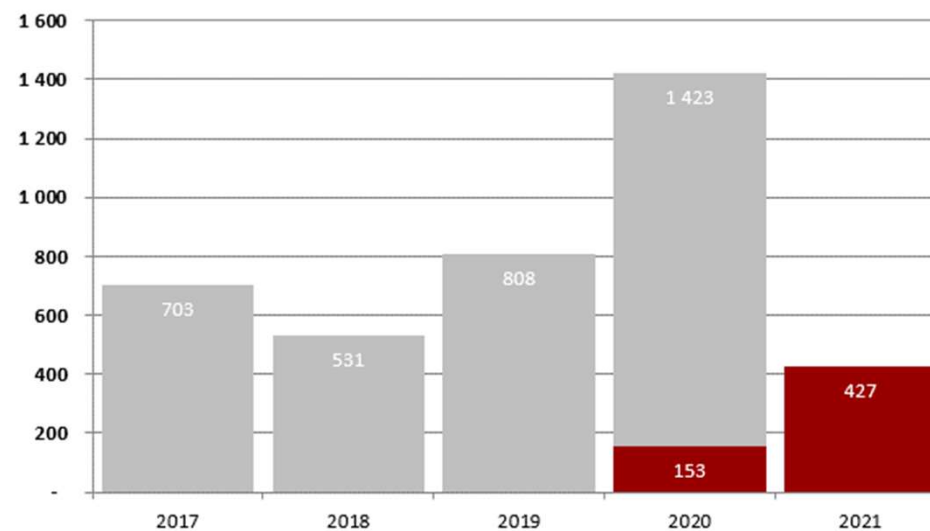
Revenue and adjusted operating profit - 1st quarter 2021

Revenue, MNOK



- Organic growth was 3,3 % in the 1st quarter 2021
- Growth in revenue in the Logistics segment, with an organic growth of 9,1 %
- Reduced revenue in the Mail segment due to the continued decline in addressed and unaddressed mail

Adjusted operating profit, MNOK



- Adjusted operating profit in the first quarter 2021 was MNOK 427, the best first quarter result ever
- This is an improvement of MNOK 274 compared with last year
- The Logistics segment's result improved significantly due to growth and improved profitability

Results 1st quarter 2021

Q1 2021	Q1 2020		Year 2020
5 999	5 964	Revenue	23 996
729	527	EBITDA	2 886
427	153	Adjusted operating profit	1 423
426	158	Operating profit (EBIT)	1 485
7	(137)	Net financial items	(141)
434	21	Profit before tax	1 344
353	9	Profit after tax	1 123

Alternative performance measures applied in the quarterly report are described in the appendix to the report

See condensed financial statement

Segment reporting



Segment Logistics: Record-high growth in e-commerce volumes

- Record-high growth in e-commerce and home deliveries due to changed shopping habits as a consequence of the Corona pandemic
- E-commerce volumes increased by 58,3 % in the last 12 months
- The demand in the corporate market is growing again after a period of recession due to the Corona pandemic

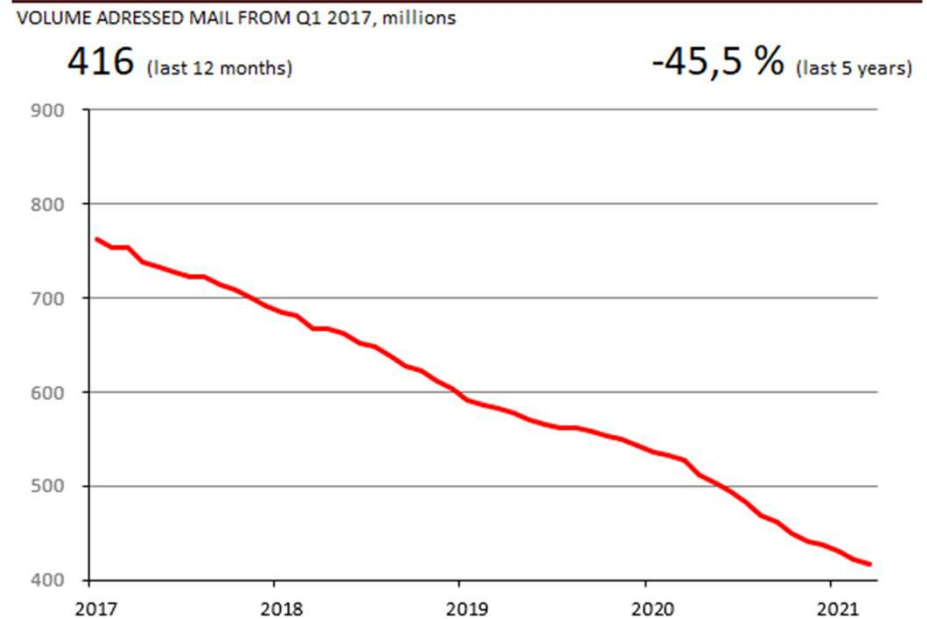
DEVELOPMENT IN E-COMMERCE FROM Q1 2017, %



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

Segment Mail: Continued decline in mail volumes

- The volume in addressed mail fell by 17,3 % in the first quarter
- Stable, high delivery quality. The delivery quality was 93 % in the 1st quarter, well above the requirement of 85 %
- The unaddressed mail volume declined by 5,9 %
- The product “Norgespakken” had positive revenue growth of 31,2 % in the 1st quarter



Future prospects

- Posten's main goals are to be the customers' first choice, leading in technology and innovation and best at sustainable value
- The Group is well positioned for continued high growth within e-commerce and home deliveries in the years to come
- Parcel boxes placed at 1 000 locations in Norway during 2021, providing approximately 8 000 delivery points
- Speeding up the transition to fossil-free vehicles, and purchases of fossil-driven vans to be terminated in 2022/23
- Cooperation with the Norwegian Association of Local and Regional Authorities (KS) to investigate whether Posten's network and KS' need for services can be combined
- Investments in ventures offering new technology and promoting innovation in the business
- New, sustainable and innovative services and larger freedom of choice for the customers expected to strengthen Posten's competitive power

