Quarterly Report

First quarter 2016

Quarterly Report

Summary

The Group revenues fell by 1.4% compared with 2015 in the first quarter of 2016. Adjusted for acquisitions and foreign currency effects, the underlying negative growth was 3.3%. The development in profits in the first quarter was characterised by an increased decline in volume for the Mail segment and a lower activity level in the Norwegian economy. The operating profit before non-recurring effects (EBITE) was MNOK 18. Both segments reported lower profits. In the Mail segment, the escalating decline in volumes was due to increased digitalisation, whilst the Logistics segment was still influenced by the effects of the low oil price on the Norwegian economy. Private e-commerce continued to grow in the first quarter of 2016 and contributed to the overall growth of 4% in the Group's total e-commerce volume.

- Operating revenues in the first quarter of 2016 were MNOK 6 199, MNOK 89 (1.4%) lower than in the first quarter of 2015.
- Operating profit before non-recurring items and write-downs (EBITE) was MNOK 18 in the first quarter of 2016, MNOK 213 (92.9%) lower than in the first quarter of 2015. The Group continues to focus on cost-reducing measures.
- EBIT in the first quarter of 2016 was MNOK 25, MNOK 457 lower than in the first quarter of 2015. The EBIT in 2015 included the gain from the sale of the shares in EVRY ASA (MNOK 219).
- Return on invested capital before non-recurring items and write-downs was 6.8% (for the last 12 months), down 7.6 percentage points compared with the same period in 2015.
- In 2015, Posten Norge AS achieved a delivery quality of 87.1% for A-mail delivered overnight, 3.2 percentage points higher than the first quarter of 2015 and 2.1 percentage points above the licence requirement. The other five licence requirements were met in the first quarter of 2016.
- The positive trend with increased job presence continues . The absence due to sickness was 6.5% in the first quarter of 2016, a reduction of 0.4 percentage points from 2015. Absence due to sickness for the last 12 months was 5.9%, a reduction of 0.4 percentage points compared with the previous 12 months' period.
- More than 200 000 new users joined Digipost in the first quarter 2016 and Digipost had approximately 800 000 registered users. An increasing number of private and public companies send letters digitally to Norwegian residents

Quarterly Report

Profit development (unaudited)

MNOK	Q1 2016	Q1 2015	Year 2015
Operating revenues	6 199	6 288	25 074
EBITDA	195	437	1 474
EBIT before non-recurring items and write-downs (EBITE)	18	231	686
EBIT	25	482	239
Net finance items	3	-26	-88
Profit before taxes	28	456	151
Net profit/-loss	20	399	-61

Operating revenues outside Norway

The Group's operations outside Norway had operating revenues totalling MNOK 2 324 in the first quarter of 2016, MNOK 185 (8.6%) higher than in the first quarter of 2015. This accounted for 37.5% of total revenues compared with 34.0% in 2015.

Operating profit

EBITE for the Mail segment in the first quarter of 2016 was MNOK 176, MNOK 149 lower than in the same period in 2015. The decrease was due to a considerable decline in the volumes of addressed and unaddressed mail.

EBITE in the Logistics segment was a negative MNOK 84 in the first quarter of 2016, a reduction of MNOK 135 compared with the same period in 2015, and was mainly a result of weaker market conditions in Norway and a shift towards services with lower margins. The result was also negatively influenced by the fact that Easter came in the first quarter of 2016, compared with the second quarter of 2015. Reduced profitability for the parcel business and challenging markets in Sweden and Denmark also had an impact on the result for the first quarter.

Profit before taxes amounted to MNOK 28 in the first quarter of 2016, compared with MNOK 456 in the first quarter of 2015. Adjusted for estimated tax, net profit was MNOK 20 compared with MNOK 399 in the same period of 2015.

Key financial figures (unaudited)

		31 Mar. 2016	31 Mar. 2015	31 Dec. 2015
Equity ratio	%	37.0	40.8	36.8
EBIT margin before non-recurring items and write downs	%	0.3	3.7	2.7
EBIT margin	%	0.4	7.7	1.0
Return on invested capital before non-recurring items and write-downs*	%	6.8	14.4	9.9
Return on equity (after tax)***	%	-7.0	11.1	-1.0
Net interest-bearing debt**	MNOK	500	-315	234
Investments, excluding acquisitions	MNOK	327	196	1 159

* Last twelve months
** Net interest-bearing debt: interest-bearing debt minus cash and cash equivalents
*** Based on estimated tax in the first quarter of 2016 and the first quarter of 2015

Balance sheet (unaudited)

MNOK	31 Mar. 2016	31 Dec. 2015
Non-current assets	9 018	8 910
Current assets	7 014	7 188
Total assets	**16 032**	**16 097**
Equity	5 935	5 926
Provisions for liabilities	1 459	1 450
Interest-bearing non-current liabilities	2 072	2 111
Interest-free non-current liabilities	47	36
Interest-bearing current liabilities	1 130	896
Interest-free current liabilities	5 390	5 678
Total equity and liabilities	**16 032**	**16 097**

Balance sheet

Total investments (excluding acquisitions) in the first quarter of 2016 were MNOK 327, an increase of MNOK 131 compared with the same period in 2015. The majority of the investments concerned the new logistics centres at Alnabru in Oslo, Trondheim and Stavanger.

As at 31 March 2016, the Group had net interest-bearing liabilities of MNOK 500, compared with MNOK 234 as at 31 December 2015.

In order to secure financial flexibility, the Group has both committed and uncommitted credit facilities, which together with cash and cash equivalents constitute the Group's liquidity reserve. The Group’s long-term liquidity reserve as at 31 March 2016 amounted to NOK 6.1 billion compared with NOK 6.4 billion as at 31 December 2015.

Statement of cash flows (unaudited)

MNOK	Q1 2016	Q2 2015	Year 2015
Cash flows from operating activities	77	322	1 213
Cash flows from investing activities	-333	1 507	485
Cash flows from financing activities	185	-650	-998
Total change in liquid assets	**-72**	**1 178**	**700**
Cash and cash equivalents at the beginning of the period	2 773	2 073	2 073
Cash and cash equivalents at the end of the period	**2 702**	**3 251**	**2 773**

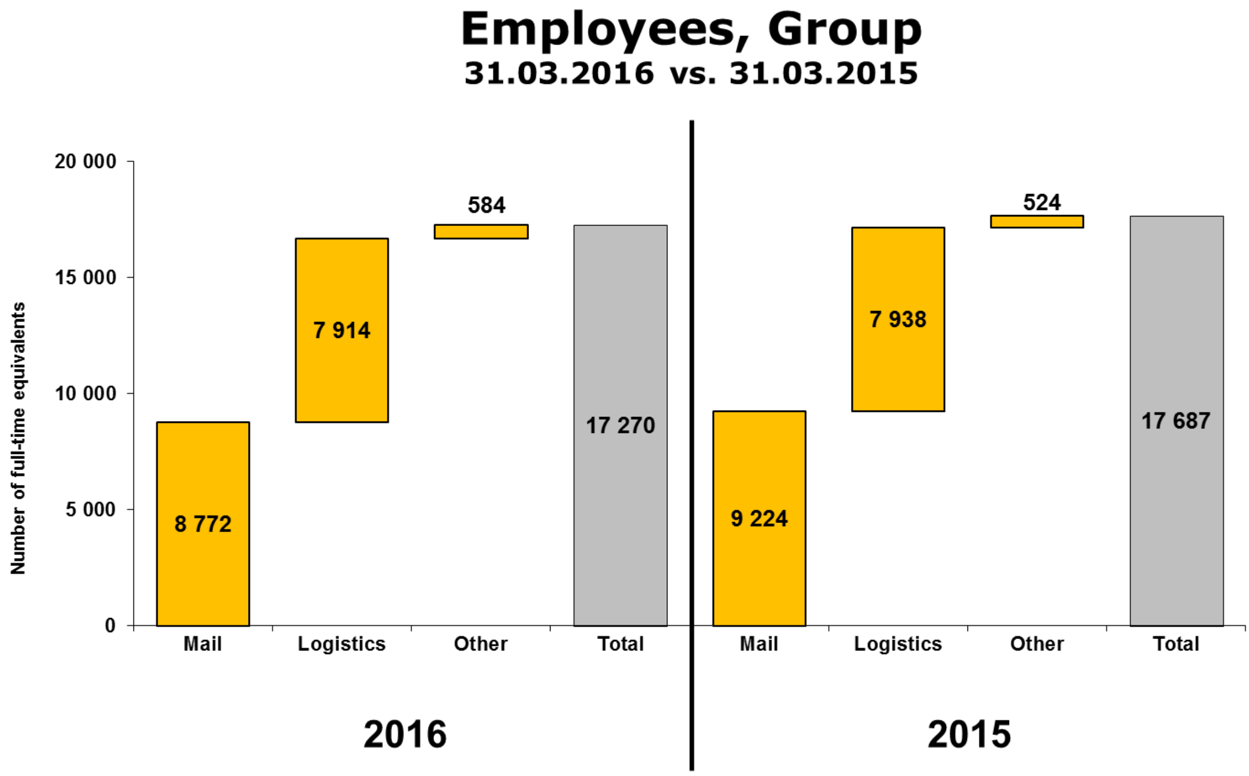
Cash flows
Cash flows from operating activities in the first quarter of 2016 amounted to MNOK 77. The reduction compared with the same period in 2015 was mainly due to lower operating profit.

The net cash flows from investing activities in the first quarter of 2016 was a negative MNOK 333, of which most concerned ongoing investments in operations, primarily the new logistics centre at Alnabru in Oslo.

The net cash flow from financing activities in the first quarter of 2016 was MNOK 185, relating to repayment of debt and a net increase in certificate loans. As at 31 March 2016, the Group had bank overdrafts of MNOK 237.

The total change in cash and cash equivalents was a negative MNOK 72. Cash and cash equivalents are mainly invested in market-based funds with a low risk profile.

Workforce



The Group's workforce decreased by 417 full-time equivalents in the first quarter of 2016 compared with the first quarter of 2015. In the Mail segment, the workforce decreased by 452 full-time equivalents, primarily within mail distribution and production. The change in other operations was mainly due to internal restructurings within the Group.

Market and development per segment

MAIL

This segment comprises letter products, banking services and dialogue services. The segment includes the Mail division and the subsidiaries in the areas of Bring Citymail, Bring Mail and Bring Dialog.

MNOK (unaudited)	Q1 2016	Q1 2015	Year 2015
Volume, Group (number of physical shipments in millions)	552	591	2 274
Operating revenues	2 512	2 648	10 069
Segment profit (EBITDA)	257	426	1 193
Segment profit (EBITE)	176	325	816

In the first quarter of 2016, the volume of addressed letters decreased by 13.9% in Norway. Volumes from the largest customers in bank and financing decreased by 25.3% compared with the first quarter of 2015. The decline in volume was also influenced by the fact that Easter in 2016 came in the first quarter, compared with the second quarter in 2015.

Unaddressed mail decreased by 6.2% in the first quarter of 2016.

Revenues in the first quarter of 2016 were MNOK 136 lower than in the first quarter of 2015 as a consequence of the decline in volumes. EBITE was MNOK 149 lower than in the first quarter of 2015, also due to the fall in volumes. Cost-reducing measures have been introduced, of which the most significant in 2016 is the termination of ordinary mail distribution on Saturdays, effective from 5 March, though of itself this is insufficient to compensate for the increasing decline in volumes.

In the first quarter of 2016, the result for A-mail delivered overnight was 87.1%, 2.1 percentage points higher than the licence requirement of 85.0%.

Bring Citymail experienced an increase in volume of 8.4% in the first quarter of 2016.

LOGISTICS

This segment comprises groupage and part-load services, parcel delivery, warehousing services, temperature-controlled transport and express services. It includes the divisions Logistics Norway, Logistics Nordic and E-Commerce, which include operations in Bring Cargo, Bring Linehaul, Bring Warehousing, Bring Frigo, Bring Express, Bring Parcels and Bring Supply Services.

MNOK (unaudited)	**Q1 2016**	**Q1 2015**	**Year 2015**
Operating revenues	4 094	4 073	16 777
Segment profit (EBITDA)	10	155	483
Segment profit (EBITE)	-84	51	71

Operating revenues in the Logistics segment in the first quarter of 2016 were MNOK 21 higher than in the first quarter of 2015, despite organic growth being a negative 1.1%. The reduced activity in the economy as a consequence of low oil prices is still affecting logistics in Norway negatively, both directly within the business area Offshore & Energy and indirectly in other areas. In addition, revenues were negatively impacted by Easter.

EBITE in the Logistics segment in the first quarter of 2016 was MNOK 135 lower than in the first quarter in 2015, mainly as a consequence of weaker markets in Norway, and a shift towards services with lower margins. In addition, the profitability for parcels declined, whilst challenging market conditions in Sweden and Denmark also had an impact on the results in the period. As a result, measures to adjust cost levels to this lower activity level have been introduced.

The increase in private e-commerce continued in the first quarter of 2016 and contributed to the Group’s overall growth in e-commerce of 4%.

Other matters

HSE

The Group has adopted a long-term, systematic approach towards sustainability, with a particular focus on health, safety and the environment (HSE), in addition to climate and diversity issues.

In the first quarter of 2016, absence due to sickness was 6.5%, a reduction of 0.4 percentage points from the first quarter of 2015 . Absence due to sickness for the past 12 months constituted 5.9%, a decrease of 0.4 percentage points compared with the previous 12-month period.

The total number of personal injuries was 87 in the first quarter of 2016 compared with 108 in the first quarter of 2015, a reduction of 19%. H2 (the number of personal injuries per million work hours) was 11.6 in the first quarter of 2016, a reduction of 2.3 from the first quarter of 2015.

The external environment

Being one of the Nordic countries largest transportation businesses, the CO_2 emissions are considerable. The Group's two largest environmental challenges are to reduce the CO_2 emissions from heavier vehicles and minimise local pollution. The Group's goal is to reduce the CO_2 emissions by 40% before 2020, and a reduction of 34% has been achieved since 2008. The Group's environmental accounts reported that emissions were reduced by 5% (26 454 tons of CO_2) in 2015. Important ongoing projects include the introduction of electric vehicles and the use of renewable biofuel.

Other matters

Posten Norge's defined monopoly for the delivery of addressed letters was terminated when the new Postal Services Act came into effect on 1 January 2016. The arrangement for government procurements of unprofitable delivery services continues with the new act. As of 5 March 2016, Posten terminated ordinary mail distribution on Saturdays. Until a solution to ensure the distribution of newspapers on Saturdays in areas without any alternative newspaper distribution is effective, the Ministry of Transport has instructed Posten to ensure that Saturday newspapers are delivered in areas without such distribution. Solutions resulting from the tender will probably be operative towards the end of 2016.

In the Government's fiscal budget for 2016, MNOK 363 was granted to government procurements of commercially non-viable postal services necessary for society. This is MNOK 160 lower than Postens` own estimates. For 2015, MNOK 418 was provided for government procurements. The final calculation for 2015 will be available in the third quarter of 2016.

The Government’s fiscal budget for 2016 assumes MNOK 320 in dividend for the 2015 financial year. The Board has proposed that no dividend be distributed for 2015. The final dividend will be determined at Posten Norge AS's Annual General Meeting in the spring of 2016.

In the White paper number 31 (2015-2016) "Postal sector in change" , which was presented on 11 May 2016 and is expected to be discussed in the Parliament before the summer, the Government proposes better adaptation of the regulatory mail services to the market demand. The main change is to merge priority and non-priority mail into a one mail stream, with two-days transit time. The change will be included in an agreement for mandatory delivery services to be concluded between the Ministry of Transport and Posten Norge in 2016. Furthermore, Posten Norge will be given greater flexibility to further develop its sales network. There are also plans to harmonize the coverage areas of the mobile post offices in rural areas with the households with more than 4 km to the nearest permanent postal service facility. The Ministry also points out that with the continuous decline in letter volumes within the Mail segment, it may be necessary to allow greater exemptions from the current general requirement to distribute mail five days a week.

Future prospects

A continued decline in volumes in the Mail segment as a result of digitalisation, as well as an economic downturn and uncertain market prospects in the Logistic segment, mean that 2016 is going to be a challenging year for the Group. The knock-on effects of the reduced activity in the oil industry have significant consequences for the logistics market in Norway. The negative development is expected to continue.

The profitability challenges will require cost adjustments. With this in mind, a process of reducing costs within the Group's administration and support functions has started. The objective is to reduce the number of full-time equivalents by approximately 100. The process is a response to the market situation and other changes in the Group's operations. The process is being carried out in close dialogue with the employees' organisations. In addition, other cost measures have been implemented to reduce the negative consequences of a challenging market situation.

Posten Norge has entered into 845 new and renegotiated agreements with Post-in-Shops. The majority are at the same locations as before, but in a few locations there will be new suppliers.

Statoil has renewed its agreement with Bring for extensive transport and forwarding services in Norway and internationally.

CEO Dag Mejdell has delivert a letter of resignation as CEO Posten Norge. The Board has initiated a process to recruit a new CEO.

Oslo, 24 May 2016
The Board of Directors of Posten Norge AS

Attachment 1 – Financial information for the first quarter 2016

(The information in this document has not been audited. All figures are in MNOK.)

Condensed income statement

Posten Norge	Note	Q1 2016	Q1 2015	Year 2015
Operating revenues	1	**6 199**	**6 288**	**25 074**
Cost of goods and services		2 506	2 377	9 927
Payroll expenses		2 563	2 511	9 859
Other operating expenses		934	963	3 814
EBITDA	1	**195**	**437**	**1 474**
Depreciation and amortisation		177	206	788
EBIT - Earnings before non-recurring items and write downs	1	**18**	**231**	**686**
Other income and expenses (-)	6,9		2	307
Share of net income using the equity method		7	249	245
EBIT - Earnings before interest and taxes	1	**25**	**482**	**239**
Financial income		87	157	551
Financial expenses		84	183	639
Net financial items		**3**	**-26**	**-88**
Income before taxes		**28**	**456**	**151**
Taxes		8	57	-212
Net income/ loss (-)		**20**	**399**	**-61**

Condensed statement of comprehensive income

Posten Norge	Q1 2016	Q1 2015	Year 2015
Net income for the period	**20**	**399**	**-61**
Items that will not be reclassified to income statement			
Changes in pension estimates			87
Tax			-21
Total items that will not be reclassified to income statement			**66**
Items that later will be reclassified to income statement			
Translation differences:			
Result of hedging of foreign entities	45	47	-140
Tax	-11	-13	38
Translation differences from hedging of investments of foreign entities	-44	-27	141
Cash flow hedging:			
Changes in value	-2	20	-6
Transferred to income			26
Tax		-6	-5
Total items that later will be reclassified to income statement	**-11**	**22**	**53**
Other income/(costs) using the equity method		-41	-41
Changes in tax rate			1
Other income/costs (-) directly included in equity	**-11**	**-19**	**79**
Comprehensive income	**9**	**380**	**18**

Total comprehensive income is distributed as follows:

Controlling interests	9	380	17
Non-contolling interests			1
	9	**380**	**18**

Condensed balance sheet

Posten Norge	Note	31.03. 2016	31.12. 2015
Assets			
Intangible assets	2	2 331	2 339
Deferred tax asset		380	379
Tangible assets	2	5 652	5 574
Financial assets		655	618
Total non-current assets		**9 018**	**8 910**
Receivables and other current assets		4 312	4 414
Liquid assets		2 702	2 773
Current assets		**7 014**	**7 188**
Total assets		**16 032**	**16 097**
Equity and liabilities			
Equity	4	**5 935**	**5 926**
Provisions for liabilities		**1 459**	**1 450**
Interest-bearing non-current liabilities	5	2 072	2 111
Interest-free non-current liabilities		47	36
Long-term liabilities		**2 118**	**2 147**
Interest-bearing current liabilities	5	1 130	896
Interest-free current liabilities		5 390	5 678
Short-term liabilities		**6 520**	**6 574**
Total equity and liabilities		**16 032**	**16 097**

Condensed statement of changes in equity

Posten Norge	Controlling interests: Share capital	Share premium reserves	Hedging reserves	Translation differences	Other equity	Total	Non-controlling interests	Total equity
Equity at 01 Jan. 2015	**3 120**	**992**	**-31**	**156**	**1 968**	**6 206**	**-1**	**6 205**
Net income for the period					-62	-62	1	-61
Other comprehensive income/(loss) for the period			14	39	26	79		79
Total comprehensive income			**14**	**39**	**-36**	**17**	**1**	**18**
Dividend					-300	-300	-2	-302
Other equity transactions					5	5		5
Equity at 31 Mar. 2015	**3 120**	**992**	**-17**	**195**	**1 637**	**5 927**	**-2**	**5 926**
Equity at 01 Jan. 2016	**3 120**	**992**	**-17**	**195**	**1 637**	**5 927**	**-2**	**5 926**
Net income for the period					20	20		20
Other comprehensive income/(loss) for the period			-1	-10		-11		-11
Total comprehensive income			**-1**	**-10**	**20**	**9**		**9**
Dividend								
Equity at 31 Mar. 2016	**3 120**	**992**	**-18**	**185**	**1 657**	**5 936**	**-2**	**5 935**

Condensed statement of cash flows

Posten Norge	Q1 2016	Q2 2016	Year 2015
Income/(loss) before taxes	28	456	151
Tax paid in period	-56	-93	-190
(Gain)/loss from sales of non-current assets, subsidiaries and associated company	-1	-1	-8
Depreciation and write-downs	178	206	1 173
Share of net income from associated companies and joint venture	-7	-249	-245
Other operating and finance items without cash effect1)	-37	4	159
Changes in other accruals	-25	19	241
Interests received	21	9	21
Interests paid	-24	-30	-89
Cash flows from/(used in) operating activities	**77**	**322**	**1 213**
Investments in tangible non-current assets and intangible assets	-327	-200	-1 159
Investments in shares	-10	-5	-123
Proceeds from sales of tangible non-current assets and intangible assets	9		67
Proceed from sale of shares		1 711	1 711
Dividend received from associated companies			
Changes in other financial non-current assets	-6		-11
Cash flows from/(used in) investing activities	**-333**	**1 507**	**485**
Proceeds from non-current and current debt raised	200		1 000
Repayment of non-current and current debt	-252	-650	-1 698
Decrease/increase bank overdraft	237		
Group contributions/dividends paid			-300
Cash flows from/(used in) financing activities	**185**	**-650**	**-998**
Total change in cash and cash equivalents during the year	**-72**	**1 178**	**700**
Cash and cash equivalents at the start of the period	2 773	2 073	2 073
Cash and cash equivalents at end of period	**2 702**	**3 251**	**2 773**

SELECTED EXPLANATORY INFORMATION

General

Posten Norge AS was established as a company on 1 December 1996 and is today a Norwegian-registered limited liability company with the Norwegian State, represented by the Ministry of Transport and Communication, as its sole shareholder. Posten Norge AS' address is Biskop Gunnerus gate 14, 0001 Oslo, Norway.

This condensed interim report has been prepared in accordance with the IFRSs (International Financial Reporting Standards) approved by the EU and comply with the prevailing accounting standard IAS 34 for interim financial reporting. The condensed interim financial accounts do not provide complete note disclosures as required for annual financial statements. Accordingly, this report should be read in conjunction with the annual financial statements.

Accounting principles

The interim financial statements have been prepared in accordance with the same accounting principles as stated in the 2015 annual report, with the following exceptions:

Tax
The tax cost in the interim financial statements is based on the estimated tax rate for the year (25% from 2016).

New or amended standards that have been applied from 1 January 2016
None of the adopted standards or interpretations effective from 1 January 2016 has any significant impact on the consolidated accounts.

Standards issued, but not yet effective
IFRS 9 *Financial Instruments* concerns the classification, measurement and recognition of financial assets and liabilities, as well as hedge accounting. The standard will be effective for the 2018 financial year, but has not yet been approved by the EU. The Group has not fully assessed the impact of IFRS 9, but no significant effect on the consolidated financial statements is expected.

IFRS 15 *Revenue from Contracts with Customers* concerns revenue recognition. The standard will be effective for the 2018 financial year, but has not yet been approved by the EU. The Group has not fully assessed the effect of IFRS 15, but no significant effect on the consolidated financial statements is expected.

IASB has issued the new standard IFRS 16 *Leases.* The new standard changes the requirements for recognising lease agreements for the lessee. All lease agreements (with some minor exceptions) shall be recognised as a "right to use" asset in the lessee's balance sheet with the corresponding obligation, and the lease agreement's payments shall be recorded as amortisations/repayments and interest expense. The "right to use" asset will be depreciated over its expected economic lifetime. The accounting requirements for lessors are unchanged. There are also changes concerning the requirement for additional information. The new standard will be effective for the accounting year 2019, but has not yet been approved by the EU.

The Group is in an early phase of evaluating the effects of IFRS 16, and has not yet fully assessed the impact of the new standard. The initial assessment of the Group is that the new standard will change the accounting of lease contracts in the Group significantly, especially regarding lease agreements related to buildings and terminals and to the Group's car fleet.

No other issued standards or interpretations not yet effective are expected to have any significant impact on the Group's financial statements.

Estimates and assessments
In the preparation of the interim financial statements, management has used estimates and assumptions affecting revenues, expenses, assets and liabilities. Areas in which such estimates and assessments can have an impact include goodwill, other intangible assets, tangible fixed assets, pensions, provisions and tax.

The sources of uncertainty concerning estimates are the same as for the 2015 financial statements. Future events may result in changes in the estimates, and these changes will be recognised in the accounts once any new estimate has been determined.

The annual report for 2015 is available at www.posten.no

NOTES TO THE ACCOUNTS

Note 1 Segment information

Posten Norge's operations are divided into two segments, Mail and Logistics. The Group's segments are reported by areas whose operating results are regularly reviewed by the Board of Posten Norge AS. The objectives are to enable the Board to decide which resources should be allocated to the segment and to assess its earnings.

Internal revenues are turnover between segments in the Group. The pricing of transactions with other segments is based on normal commercial terms and conditions as if the segments were independent parties. Deferred tax assets are not included in allocated assets, and deferred tax and interest-bearing liabilities are not included in allocated liabilities.

The segments are described in more detail in the 2015 annual report.

Operating revenues and EBIT per segment

	Total operating revenues		
	Q1 2016	**Q1 2015**	**Year 2015**
External operating revenues	2 328	2 454	9 277
Internal operating revenues	184	194	792
Mail	**2 512**	**2 648**	**10 069**
External operating revenues	3 871	3 833	15 795
Internal operating revenues	223	240	982
Logistics	**4 094**	**4 073**	**16 777**
External operating revenues	0	0	2
Internal operating revenues	-407	-434	-1 774
Other/eliminations	**-407**	**-433**	**-1 772**
Posten Norge	**6 199**	**6 288**	**25 074**

	EBITDA		
	Q1 2016	**Q1 2015**	**Year 2015**
Mail	257	426	1 193
Logistics	10	155	483
Other/eliminations	-72	-144	-202
Posten Norge	**195**	**437**	**1 474**

	EBITE		
	Q1 2016	**Q1 2015**	**Year 2015**
Mail	176	325	816
Logistics	-84	51	71
Other/eliminations	-74	-144	-201
Posten Norge	**18**	**231**	**686**

	EBIT		
	Q1 2016	**Q1 2015**	**Year 2015**
Mail	180	332	698
Logistics	-81	55	-495
Other/eliminations	-74	96	36
Posten Norge	**25**	**482**	**239**

Assets and liabilities per segment

31 Mar. 2016	Mail	Logistics	Other	Posten Norge
Segment assets	4 160	11 645	-3 241	12 564
Associated companies and joint ventures	23	363		386
Non allocated assets				3 081
Total assets				**16 032**
Segment liabilities	2 940	4 014	-59	6 895
Non allocated liabilities				3 202
Total liabilities				**10 097**
31 Dec. 2015				
Segment assets	4 317	10 996	-2 749	12 564
Associated companies and joint ventures	20	361		381
Non allocated assets				3 152
Total assets				**16 097**
Segment liabilities	3 205	4 264	-304	7 164
Non allocated liabilities				3 007
Total liabilities				**10 172**

Note 2 Intangible assets and tangible fixed assets

Posten Norge	Intangible assets	Tangible assets
Total at 01 Jan. 2016	**2 339**	**5 574**
Additions	52	275
Disposals		-25
Depreciation	-39	-138
Write-downs		-1
Translation differences	-21	-34
Total at 31 Mar. 2016	**2 331**	**5 652**

Investments in the first quarter of 2016 amounted to MNOK 327, of which investments in IT related equipment were MNOK 52. MNOK 202 of the MNOK 275 invested in tangible fixed assets concerned buildings, of which the new logistic centres at Alnabru in Oslo, Trondheim and Stavanger were the largest projects. Investments in other fixed assets included terminal equipment, vehicles and other operating equipment.

Note 3 Held for sale

Posten Norge had no significant assets classified as held for sale as at 31 March 2016.

Note 4 Equity

As at 31 December 2015, the share capital consisted of 3 120 000 shares at a nominal value of NOK 1 000. All the company's shares are owned by the Norwegian State, represented by the Ministry of Transport and Communication.

According to the Group's dividend policy, up to 50% of the consolidated profit after tax can be distributed. The Board has proposed that no dividend should be distributed for 2015, as the profit after tax in 2015 was negative.

Note 5 Interest-bearing long-term and short-term liabilities

The consolidated non-current interest-bearing liabilities decreased by MNOK 39 from 31 December 2015 to 31 March 2016, mainly as a result of payment of debt

Current interest-bearing debt increased by MNOK 234 from 31 December 2015 to 31 March 2016 primarily due to new certificate loans and bank overdrafts totalling MNOK 437. Bond loans amounting to MNOK 202 were also repaid in the period.

As at 31 March 2016, none of the Group’s draw-down facilities had been used. The average interest rate on Posten Norge's outstanding interest-bearing liabilities was 2.2% as at 31 March 2016.

Note 6 Other income and expenses

Other income and expenses include non-recurring items, restructuring costs and write-downs of both intangible and tangible assets. The purpose of this line in the accounts is to show significant non-recurring and irregular items separately, thereby making the development and comparability of the operating items presented in EBIT before non-recurring items and write-downs more relevant for the business.

Posten Norge	Q1 2016	Q1 2015	Year 2015
Write-downs	-1		-385
Gain/loss (-) from sale of fixed assets etc.		2	8
Other income and expenses (-)		1	-315
Total other income and expenses (-)	**-1**	**2**	**-692**

The write-downs in 2015 mainly concerned goodwill in the Logistics segment.

Other income and expenses in 2015 primarily comprised a provision for loss contracts related to the Group's thermo warehousing business, restructuring costs in the Logistics segment, restructuring costs in the Mail segment as a consequence of the new Postal Act, and costs in the settlement of the court case between Schenker and Posten.

Gain/loss from the sale of fixed assets in 2015 primarily concerned ordinary sales of tangible fixed assets and buildings.

Note 7 Fair value measurement

The fair value of financial assets and liabilities is calculated in line with the methods and assumptions, as well as the fair value hierarchy, as used in previous years. This is described in more detail in the 2015 annual report.

The Group had the following financial assets and liabilities measured at fair value at the end of the first quarter of 2016:

Posten Norge

		At fair value			At amortised cost		
	Valuation level	**FVO – Fair value through profit or loss**	**Derivatives at fair value through profit or loss**	**Derivatives at fair value through other comprehensive income/equity**	**Receivables**	**Other financial liabilities**	**31.03.2016**
Interest-bearing current receivables					8		8
Other financial non-current assets	2		215		84		300
Interest-free current receivables	2		49		4 126		4 175
Interest-bearing current receivables					114		114
Liquid assets							2 702
Total financial assets							**7 299**
Liabilities							
Interest-bearing non-current liabilities	2	644				1 428	2 072
Interest-free non-current liabilities	2		34	12			47
Interest-bearing current liabilities	2	375				755	1 130
Interest-free current liabilities, incl. tax payable	2		7	61		5 322	5 390
Total financial liabilities							**8 638**
Total value hierarchy level 1							
Total value hierarchy level 2		-1 019	223	-73			**-868**
Total value hierarchy level 3							

		At fair value			At amortised cost		
	Valuation level	**FVO – Fair value through profit or loss**	**Derivatives at fair value through profit or loss**	**Derivatives at fair value through other comprehensive income/equity**	**Receivables**	**Other financial liabilities**	**31.12.2015**
Interest-bearing current receivables					8		8
Other financial non-current assets	2		198		32		232
Interest-free current receivables	2		42		4 236		4 278
Interest-bearing current receivables					113		113
Liquid assets							2 773
Total financial assets							**7 399**
Liabilities							
Interest-bearing non-current liabilities	2	639				1 472	2 111
Interest-free non-current liabilities	2		30	6			36
Interest-bearing current liabilities	2	370				526	896
Interest-free current liabilities, incl. tax payable	2		32	110		5 536	5 678
Total financial liabilities							**8 721**
Total value hierarchy level 1							
Total value hierarchy level 2		-1 010	178	-116			**-948**
Total value hierarchy level 3							

Level 1: Listed prices. Level 2: Other observable input, direct or indirect. Level 3: Non-observable input.
The fair value of financial instruments not measured at fair value in the balance sheet is described in more detail in the 2015 annual report. Significant differences between amortised cost and fair value are not assumed to exist.

There have been no transfers between the levels in the fair value hierarchy since last year.

Note 8 Changes to the Group's structure

In January 2016, Posten Norge AS acquired 100% of Posten Eiendom Narvik AS (formerly Medby Næringspark 3 AS), which owns land in Narvik. The Group intends to build a new freight terminal on this site. The company is not included in the consolidated financial statements for Posten Norge in the first quarter of 2016. The estimated non-consolidated balance sheet total of the company amounts to MNOK 10.

The groupage and part loads business in Bring Cargo Østfold AS was transferred to Posten Norge AS with effect from 1 March 2016.

In addition, Home Delivery's operations were transferred from Bring Express Norge AS to Posten Norge AS with effect from 1 January 2016.

Production equipment, employees and materials, as well as goodwill, have been transferred from Bring Gudbrandsdalen AS to Posten Norge AS, as the last part of the business transfer approved in 2015.

In February 2016, all operations in Bring Cargo Inrikes AB were transferred to West Cargo Vårgårda AB. The acquiring company changed its name to Bring Freight Forwarding AB.