



# PostNord: Interim Report Q2 2024 "Improved income and continued adjustment to operations"

19-07-2024

## April- June 2024

- Net sales totaled SEK 9,709 million (9,812), a decrease of –1 percent (–4) in fixed currency for like-for-like units  
Parcel volumes decreased by in all –1 percent (–1)
- Mail volumes fell by –11 percent (–14)
- Operating income (EBIT) totaled SEK –463 million (–725)
- Adjusted operating income (adjusted EBIT) amounted to SEK 205 million (135)

## January–June 2024

- Net sales totaled SEK 19,209 million (19,710), a decrease of –3 percent (–2) in fixed currency for like-for-like units
- Parcel volumes decreased by in all –2 percent (–2)
- Mail volumes fell by –11 percent (–12)
- Operating income (EBIT) totaled SEK –336 million (–682)
- Adjusted operating income (adjusted EBIT) amounted to SEK 359 million (177)

Comments from Annemarie Gardshol, Group CEO

Second quarter

The Group's net sales totaled SEK 9,709 million (9,812), a decrease of –1 percent in fixed currency for like-for-like units. Mail volumes decreased by –11 percent (–14) while

parcel volumes decreased by –1 percent (–1). Operating income totaled SEK –463 million (–725). As a consequence of the new Danish Postal Services Act, leading to sharply declining mail volumes and uncertainty about future mail revenue in Denmark, an impairment loss totaling SEK 598 million negatively impacted operating income. Adjusted operating income totaled SEK 205 million (135). With improved income for the third consecutive quarter, we are showing that ongoing improvement programs are continuing to yield results.

Continued focus on profitable growth in parcels

E-commerce is regarded as a long-term growth market. PostNord holds a strong position in this market in the Nordics, thanks to an extensive infrastructure of terminals and parcel distribution points, service points and parcel lockers, alongside home deliveries. To be an attractive option in the fast-growing Consumer-to-Consumer market, our offering of seamless, sustainable delivery solutions for both sender and recipient is being developed. As of July 1, consumers can both collect and send parcels from parcel lockers in Sweden.

The comprehensive Cost Leadership program,



which has been running since 2023, is going to plan and delivering good results. An important part of this program is the development of an attractive Nordic parcels offering. In Denmark, the business is being further focused on parcels through discontinuation of a major share of the logistics business. The objective is, by focusing more clearly on our core mission, to become the first choice in parcels for Danish consumers. The decision does not affect the offering in the Group's other segments. With a clear focus on cost efficiency and an attractive offering, work towards a leading Nordic parcels carrier continues.

#### New conditions for the mail business

In Denmark, compensation from the Danish government for mail to small islands, the visually impaired and international mail has now been established. Within the current regulatory framework, PostNord Sweden is continuously adapting its mail business to the lesser demand from society.

On June 25, the Commission of Inquiry into Digital Mail submitted its report to the Minister for Public Administration. The inquiry proposes the introduction of a requirement for government agencies, municipalities and regional authorities to send government mail digitally to individuals with digital mailboxes.

The inquiry makes the judgement that as a result of the proposal, the annual percentage decline in mail volumes may increase slightly. In turn, this may cause a need for further review and modernization of the service levels of the universal postal service.

PostNord views digitization positively and has continuously adapted its operations to the opportunities and challenges arising through the process. However, despite robust actions by the organization, the effects of declining mail volumes are increasingly evident. A decision in line with the original proposals of the Commission of Inquiry into Financing of the Postal Service needs to be taken urgently and as soon as possible.

PostNord's sustainability work progressing  
PostNord's climate transition is in full swing, with sights set on fossil-free operations and transportation by 2030. At the end of the quarter, 76 percent of the energy consumed in our own vehicle fleet was from renewable sources. During the quarter, it was announced that for the third year in a row PostNord was included in the Financial Times' list of Europe's climate leaders. As we move forward, we will continue to harness the collective power of PostNord's 400-year history and 15 years as a Nordic-wide Group.

Source: [PostNord](#)