

## Omniva's turnover grew to nearly one hundred million euros

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In 2017, the group's total revenue amounted to 99.8 million euros, which is an increase of 4% compared to the year before. This was most affected by the growth of the parcels business and information logistics business on the domestic market and the fact that we managed to maintain revenue from postal services. Omniva's subsidiaries in Latvia and Lithuania continued to grow rapidly.

'In 2017, the company turned 99 years old, which is why it is so symbolic that we earned nearly one hundred million euros in revenue also,' said Joonas Saluveer, Chairman of the Management Board of Omniva. 'I am especially happy about the fact that this was achieved mostly thanks to our growth in our main business and on our domestic market in the Baltic region.'

### **Baltic States appreciate parcel machines: rapid growth in parcels business**

The group's sales revenue from parcel services increased by 12% in 2017. The parcel machine service, which is very popular among our customers, showed the fastest growth, as its sales revenue increased by 42% in the Baltic region: 26% in Estonia, 59% in

Latvia, and 93% in Lithuania. The increase in the volume of parcel machine services was mostly affected by the rapid development of e-commerce and the continuous expansion of Omniva's parcel machine network. In total, Omniva delivered 45% more parcels to customers via parcel machines in 2017 than it did in 2016. The sales revenue from courier services grew by 5% in the Baltic region.

Omniva manages the largest parcel machine network in the entire Baltic region. 'We will continue to expand the network of parcel machines in 2018 and do so in a greater extent than ever before. During the second half of the year, we plan to nearly double the current parcel machine network,' said Saluveer. 'At the same time, we are developing new software for the parcel machines, which will help us offer an even better service to our customers.'

Omniva's subsidiaries in Latvia and Lithuania showed a significantly faster growth throughout the entire group. In 2017, the growth in revenue of the Latvian unit continued – the turnover of both the parcel machine and courier services increased by nearly 50% compared to 2016. To manage the increased parcel machine volumes, the parcel machine network in Latvia was expanded by 30 machines in 2017. The sales revenue of the entire Latvian unit of Omniva increased by 58% compared to 2016, and accounted for more than 4 million euros.

In Lithuania, the sales revenue of Omniva's parcel machine service almost doubled in

2017. The sales revenue of the entire Lithuanian unit of Omniva increased by 25% compared to 2016 and accounted for more than 4.5 million euros.

## **Maintaining revenue in international business and postal services**

The sales revenue from postal services grew by 0.8% in 2017, i.e. 256 thousand euros. This was mostly affected by the local government elections held in 2017. The volume of domestic letter service continued the downward trend of previous years, falling by 12% compared to 2016.

The company continued issuing the innovative postage stamps in 2017, adding a cinnamon-scented and special-shaped Christmas postage stamp to the series.

‘As letters and postcards now mostly communicate emotions, not information, special postage stamps help encourage people to send letters and support maintaining revenue from postal services,’ said Saluveer. ‘The importance of making people feel emotions is also confirmed by the fact that despite the overall decline in the letter service, letter volumes were at the level of the previous year in December 2017.’

Last year, the sales revenue from international business was nearly 29 million euros, similarly to the year 2016. The essence of international business is primarily the transit of Chinese goods across the world. In 2017, parcels were shipped to nearly 100 countries. Most shipments were delivered to the Baltic States, Eastern Europe, and Scandinavia.

## **Growth of the Information Logistics Business and the Invoice Centre**

In the Baltic States, sales revenue of Omniva’s Information Logistics Business increased by 26% in 2017, reaching 1.8 million euros. Omniva’s Information Logistics Business services include accepting purchase and sales invoices both electronically and on paper, managing invoices, and issuing them electronically.

The Invoice Centre, subsidiary of the group, grew twice in 2017. Its sales revenue increased by 101% compared to 2016. In 2018, the Invoice Centre plans to continue improving the existing IT platform and expand its activities on the Latvian market. Omniva has a 57% holding in the Invoice Centre and aims to increase the added value to clients who are online merchants by combining logistics and payment solutions.

## **Costs and investments**

The group’s costs amounted to 99 million euros in 2017, which is 5% more than the year before. The increase in growth was affected by the increase in labour costs (including that of the minimum wage) and the biggest frontline salary increase in years.

In 2017, the group’s investments amounted to 3,670 thousand euros (compared to 7,726 thousand euros in 2016). Most investments were made in means of transport, parcel machines, equipment, and software.

Audited results will be published later this year.

Omniva Group mainly operates in the provision of postal, logistics, and information logistics services, and processing e-invoices. In addition to the parent company AS Eesti Post, the group involves subsidiaries and related companies. The principal activity of SIA Omniva and UAB Omniva LT is the provision of parcel machine and courier

services on the Latvian and Lithuanian market. AS Maksekeskus offers payment solutions to e-commerce companies in the Baltic region. OÜ Post11 provides holistic

logistics solutions for delivering goods across the world.

Source: [Omniva](#)

