

Omniva continued to grow in Q3

02-11-2017

Omniva's nine-month revenue in 2017 made up 74.2 million euros (2016: 63.7 million euros), which meant a 16% increase compared to the same period of the previous year. 'Due to the seasonal nature of the postal business, our Q3 volumes are usually low both in terms of international and parcels business shipments, but this year, our parcels business volumes continued to grow,' said Joonas Saluveer, chairman of the management board of Omniva.

Omniva's nine-month revenue in 2017 made up 74.2 million euros (2016: 63.7 million euros), which meant a 16% increase compared to the same period of the previous year. 'Due to the seasonal nature of the postal business, our Q3 volumes are usually low both in terms of international and parcels business shipments, but this year, our parcels business volumes continued to grow,' said Joonas Saluveer, chairman of the management board of Omniva.

According to Saluveer, the end of Q3 can be best described by the growth of e-commerce parcel volumes, which have arrived considerably sooner compared to previous years. 'The first seasonal volumes usually come about in mid-October, but this year, the number of shipments began increasing during the second half of September, when our parcel volumes reached a level comparable to that of last year's Christmas period,' said Saluveer.

Proportion of international business is growing, that of postal services is decreasing fast

Although the nine-month sales revenue of postal services was stable with 1% in profit, its proportion in the sales revenue of the group fell from 36.2% to 31.5%. At the same time, the Baltic parcels business has become the business area with the largest proportion

with a sales revenue of 33.6% of the total sales revenue of the company. The growth of the Baltics business was the result of fast growth in Latvia and Lithuania, 61% and 26%, respectively, compared to the first nine months of the previous year.

Information Logistics Business and international business grew the fastest in the first nine months, by 36% and 43%, respectively. Thanks to the fast and stable growth, international business now forms nearly a third of Omniva's turnover. The nine-month sales revenue of international business in 2016 made up about 26% of the total sales revenue. In the first nine months of 2017, this was already 31%.

According to Saluveer, the results of both parcels business and international business of the company confirm that entering the Baltic market first and the global logistics business later was the right decision. 'In 7–8 years, the volume of Chinese e-commerce will reach an estimated 1 billion parcels per day. This means one parcel per week for every person in the world – Omniva plans on being an active participant in this business when it happens,' said Saluveer.

In Estonian parcels business, the launch of the Omniva-Starship-Daimler pilot project to test the so-called last mile delivery solution with parcel robots in Kakumäe was an important activity in Q3. The goal of the

project was to pilot the delivery of parcels with parcel robots in a realistic logistics process to find efficient last mile solutions for the future. Receiving their parcels from a robot was exciting for the customers and garnered attention both among logistics companies across the world and in media. 'Today, the parcel robot pilot has ended and we can proudly say that Estonian consumers are more than ready for various innovative delivery solutions,' said Saluveer. Investments

In Q3 of 2017, two of Omniva's strategic focus projects reached important milestones.

A contract was finally concluded for the construction of the new logistics centre with procurement winners Eventus Ehitus and Nordecon Betoone (NOBE), after which construction works began. The planned logistics centre, which will occupy nearly 13,000 square meters and be the most contemporary logistics centre in the Baltic region, will handle all parcels and letters sent to, within, and from Estonia. The construction of the new logistics centre entails the largest investment made by Omniva, the total cost of which is 17.2 million euros (including sorting technology). The new logistics centre will be

completed in the autumn of 2018.

Following the international procurement for parcel machines, Omniva also concluded contracts with three parcel machine suppliers (Cleveron from Estonia, Keba from Austria, and Hivebox from China). In the span of five years, the company will invest more than 20 million euros into the expansion of the Baltic parcel machine network.

AS Eesti Post is a state-owned company, which mainly operates in the provision of logistics (parcels business and postal services) and information logistics services, as well as in the management of e-invoices (Omniva e-Invoice Centre). Omniva also provides international logistics services. The principal activity of subsidiaries SIA Omniva and UAB Omniva LT is the provision of parcel machine and courier services on the Latvian and Lithuanian markets. AS Maksekeskus operates in the provision of payment solutions to e-commerce companies in the Baltic region. Post11 provides online traders with holistic international logistics solutions for delivering goods across the world.

Source: [Omniva](#)