

PostNord: Interim report first quarter of 2021 - Strong improvement in income

27-04-2021

Operating income (EBIT) improved by almost 180 percent to SEK 878 million (314) - all segments show improved income. Parcel volumes overall increased by 32 percent (1), mainly driven by growth in B2C volumes. Mail volumes decreased by 12 percent (12). During the quarter, the COVID-19 pandemic contributed to increased parcel volumes (B2C), increased demand for home deliveries and higher short-term sickness absence in Sweden.

Comments from Annemarie Gardshol, CEO

PostNord has followed up the record year of 2020 with an exceptionally strong start to 2021. The continuing pandemic, working from home and restrictions in society is driving growth in e-commerce and high parcel volumes. In parallel, our improvement programs have continued to deliver. PostNord Sweden's strong start to the year accounted for a major share of the Group's strongly improved income, but all segments delivered income improvements. It is also pleasing to see the strong improvement in income in Denmark. Overall, this makes us a logistics player with very positive momentum; like-for-like sales increased by 12 percent compared to the first quarter of last year and operating income shows an improvement of almost 180 percent.

In all markets, we are seeing a new normal of high parcel volumes and strong demand for home delivery and flexible delivery options in the wake of store closures or severe restrictions on customer numbers. We are continuing to invest in new infrastructure both in response to the growth in e-commerce and to improve service to our customers. The Group's business-to-consumer parcel volumes increased by 47 percent compared to the first quarter of last year, home delivery volumes

increased by 100 percent and business-to-business volumes increased by 5 percent in the first quarter of the year.

I'm proud of the positive contribution we make to people's lives and of the useful work we do. The COVID-19 pandemic has further highlighted the important role that PostNord plays in society. We have maintained functionality and accessibility, contributed to a simpler everyday life and made it possible for people to live and work wherever they want and need. To continue simplifying everyday life for everybody who live and work in the Nordic region, we are continuing our roll-out of parcel boxes that enable people to receive deliveries around the clock. We have also launched live tracking of home deliveries in Sweden and Finland, as well as postage codes to complement stamps in Sweden. In Denmark, we now distribute parcels every day of the week throughout the country and are continuing to establish new distribution points.

At the same time, PostNord is continuing to work to ensure the long-term sustainability of the mail business. During the first quarter, we started rolling out the new distribution model in Sweden, with the aim of ensuring a self-financing mail business. In Denmark, we have a temporary agreement with the Danish state for providing the universal postal service

and compensation for our extra costs associated with it. We also take our responsibility seriously to continue to ensure a safe and secure workplace for our employees who meet people every day and deliver much-needed and important goods to their homes. We are also continuing to work

in line with our ambitious sustainability agenda and towards the goal of being fossil-free by 2030.

PostNord Interim Report Q1/2021 available [here](#).

Source: [PostNord](#)