

The Board has decided to implement the next step in the transformation of PostNord Denmark

On May 28, 2018, the EU Commission announced that it had approved state aid of SEK 1,533 million representing compensation by the Danish state to Post Danmark A/S for providing a universal postal service. Today, PostNord's Board took a decision to continue with the previously announced SEK 3 billion transformation of PostNord Denmark. This decision means that a further reduction of the workforce can now be carried out, in accordance with the transformation plan.

The second quarter's financial result will be affected by net SEK -1.1 billion. The impact on the financial result is a consequence of the above-mentioned state aid and the making of a provision of DKK 1,881 million (approximately SEK 2.6 billion) during the second quarter. The provision primarily relates to costs for making employees with special employment conditions redundant. The restructuring program in the Danish operations comprises, as previously announced, a reduction of approximately 4,000 full-time positions in total in the Danish operations. About 2,500 full-time positions remain to be settled in the next few years.

On October 20, 2017, PostNord's owners signed an agreement to provide the Group with SEK 2.2 billion. The decision was conditional on approval by the EU Commission. The EU Commission has now approved the state aid of SEK 1,533 million contributed by the Danish state for providing a universal postal service.

Approval by the EU Commission regarding the capital injection to PostNord AB of SEK 667 million, consisting of SEK 267 million from the Danish state and SEK 400 million from the Swedish state, is expected to be provided in 2018.

The new production model for mail distribution throughout Denmark was introduced in PostNord Denmark on January 21, 2018, with the aim of giving the Danish business the conditions to achieve profitability within a few years. The transformation provides adaptation to the far-reaching effects of the digitalization in the country and is perhaps the largest transformation ever made by a postal operator. PostNord has been waiting with implementing redundancies of employees with special employment conditions at PostNord Denmark until the EU Commission's decision was received.

If you have any questions, please contact: PostNord Media Relations, tel +46(0)10-436 10 10, email press@postnord.com

Contact person Thomas Backteman. This information is of such a nature that PostNord AB (publ) is obliged to make it public pursuant to the Securities Markets Act. The information was submitted, through the agency of the contact person defined above, for publication at 16:45 on June 11, 2018.

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