

Interim Report January-June 2012

Continued rationalizations and investments for growth and profitability

April-June 2012

- Net sales totaled SEK 9,487m (9,711).
- Operating profit totaled SEK -179m (211).
- Operating profit before restructuring costs and non-recurring items totaled SEK 127m (290).
- Net profit totaled SEK -151m (154).
- Operating margin was -1.9 (2.2) %.
- Adjusted operating margin was 1.3 (3.0) %.

January-June 2012

- Net sales totaled SEK 19,480m (19,743).
- Operating profit totaled SEK 114m (631).
- Operating profit before restructuring costs and non-recurring items totaled SEK 769m (804).
- Net profit totaled SEK 59m (498).
- Operating margin was 0.6 (3.2) %.
- Adjusted operating margin was 3.9 (4.1) %.

Message from the CEO

PostNord's net sales were down 2 percent during the second quarter of 2012, chiefly due to the anticipated and continued high level of substitution to digital alternatives to mail. The development was positively affected by acquisitions made in line with group strategy.

Our group is going through a major conversion phase during 2012 and 2013, aimed at securing future profitability for the mail businesses and developing the logistics business. We are currently making major rationalizations and investments in many areas of the business. Second quarter operating profits were therefore charged with significant restructuring costs, totaling over SEK 300m. The group's operating margin before restructuring costs and non-recurring items was nearly 4 percent for the first half of 2012, despite a challenging market marked by macroeconomic uncertainty and substitution.

The mail business was characterized by an aggregate 7 percent decline in mail volumes for the quarter. The decline in each market was in line with expectations. The development confirms the need for continued cost reductions to secure profitability.

Strålfors is now reporting a positive operating profit, including and excluding restructuring costs. The actions we have taken to streamline and rationalize within Strålfors have produced results.

Within the logistics business we continue to implement our strategy to create end-to-end solutions and cross-border capacity and to grow with profitability. The group's logistics business in Norway is growing steadily and the Swedish business is also developing well. Our parcel volumes are increasing, however we continue to be challenged by tough competition in Denmark. In other areas of the logistics business, we have strengthened our position within third-party logistics with the completed acquisition of one of the Nordic region's largest third-party logistics operators.

We also established new funding sources during the quarter in the form of a commercial paper program and a bond program, providing us with increased flexibility to finance changes and continued acquisitions.

Lars Idermark

Financial overview and key ratios

SEKm, unless otherwise specified	Apr-Jun 2012	Apr-Jun 2011	Change		Jan-Jun 2012	Jan-Jun 2011	Change		Jan-dec 2011
INCOME STATEMENT									
Net sales	9,487	9,711	-224	-2%	19,480	19,743	-263	-1%	39,466
Other income	60	58	2	3%	123	96	27	28%	274
Income	9,547	9,769	-222	-2%	19,603	19,839	-236	-1%	39,740
Operating expenses, excl. depreciation and impairments	-9,308	-9,143	-165	2%	-18,661	-18,382	-279	2%	-36,501
Participations in the earnings of associated companies		-4	4	n/a	1	-2	3	> -100%	-2
Operating profit (EBITDA)	239	622	-383	-62%	943	1,455	-512	-35%	3,237
Depreciation and impairments	-418	-411	-7	2%	-829	-824	-5	1%	-1,666
Operating profit (EBIT)	-179	211	-390	> -100%	114	631	-517	-82%	1,571
Net financial items	5	35	-30	-86%	18	62	-44	-71%	100
Profit before tax	-174	246	-420	> -100%	132	693	-561	-81%	1,671
Tax	23	-92	115	> -100%	-73	-195	122	-63%	-446
Net profit	-151	154	-305	> -100%	59	498	-439	-88%	1,225
CASH FLOWS									
Cash flows from operating activities	452	499			723	671			1,634
FINANCIAL POSITION									
Cash and cash equivalents, end of period	2,591	2,240	351	16%	2,591	2,240	351	16%	2,107
Equity, end of period	11,451	11,372	79	1%	11,457	11,372	85	1%	11,930
Net debt	2,301	308	1,993	>100%	2,301	308	1,993	>100%	578
KEY RATIOS									
Operating margin (EBIT), %	-1.9	2.2			0.6	3.2			4.0
Adjusted operating margin, %	1.3	3.0			3.9	4.1			4.8
Earnings per share, SEK	-0.08	0.08			0.03	0.25	-0.22		0.61
Net debt/EBITDA, times	0.84	0.10	0.74		0.84	0.10	0.74		0.18
Equity-Assets ratio, end of period, %	41	46	-5		41	46	-5		47
Return on equity, rolling 12-month, %	7	8			7	8			10
Average number of employees	39,085	41,643	-2,558	-6%	38,938	41,916	-2,978	-7%	41,714

Net sales and profit

April-June

PostNord's net sales were down 2%, totaling SEK 9,487m (9,711). The development reflected the sharp decline in mail volumes, which totaled 7%, which was in line with expectations. Sales for the Logistics business increased due to acquisitions and organic growth.

Expenses rose 2% to SEK 9,726m (9,554). The change was primarily attributable to implemented acquisitions and increased restructuring costs due to operational changes made pursuant to group strategy. Restructuring costs totaled SEK 306m (79) for the quarter and were primarily attributable to personnel cutbacks. Excluding restructuring costs, expenses fell 1% to SEK 9,420m (9,475).

Personnel expenses fell as a result of streamlining activities within production and administration. The average number of employees decreased by 2,600 compared to the same period last year. The group's transport expenses increased during the quarter, attributable mainly to acquisitions of businesses within business area Logistics.

Effects from exchange rate changes were marginal during the quarter.

Group operating profit fell to SEK -179m (211) and group operating margin was negative. The adjusted operating margin (EBIT margin before restructuring costs and non-recurring items) fell to 1.3 (3.0) %.

Net financial items totaled SEK 5m (35). The change was mainly related to lower interest rates.

Net profit totaled SEK -151m (154).

Return on equity, rolling 12-month, was 7 (8) % at the end of the quarter.

January-June

PostNord's net sales fell 1%, totaling SEK 19,480m (19,743) during the first half of 2012. Expenses rose 1% to SEK 19,490m (19,206). Excluding restructuring costs, expenses fell 1% to SEK 18,830m (19,033).

Group operating profit fell to SEK 114m (631) and the group operating margin to 0.6 (3.2) %. The adjusted operating margin fell to 3.9 (4.1) %.

Net financial items totaled SEK 18m (62). The change was mainly related to lower interest rates.

Net profit totaled SEK 59m (498). Earnings per share were SEK 0.03 (0.25).

Adjusted operating profit

SEKm	Mail Denmark		Mail Sweden		Mail		Logistics		Strålfors		PostNord Group			
	Apr-Jun		Apr-Jun		Apr-Jun		Apr-Jun		Apr-Jun		Apr-Jun		Jan-Jun	
	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011
Operating profit (EBIT)	-117	21	-3	150	-120	171	-41	23	9	-41	-179	211	114	631
Restructuring costs	97		155	59	252	59	54		2		306	79	660	173
Non-recurring items ¹⁾														-5
Adjusted operating profit (EBIT)	-20	21	152	209	132	230	13	23	11	-41	127	290	769	804
Adjusted operating margin, %	neg	0.8	3.9	5.3	2.1	3.5	0.4	0.7	1.7	neg	1.3	3.0	3.9	4.1

¹⁾ Refers to impairments, capital gains (-) and capital losses (+)

Cost reduction program

The cost reduction program launched in 2011 is proceeding according to plan. The purpose of the program is to reduce the group's administrative costs by approximately SEK 1 billion by the close of 2012, in addition to the ongoing rationalizations within the group. As of June 30, 2012, measures taken under the plan had generated annual cost savings corresponding to two-thirds of the size of the program.

Cash flows

April-June

Cash flows from operating activities totaled SEK 452m (499). The liquidity effect as regards pensions, chiefly pension payments, totaled SEK -270m (-188). Transfer for new pension commitments of SEK 73m (175) was made during the period and SEK 73m (251) of compensation for pension payments was received. Changes in working capital totaled SEK 412m (57).

Cash flows from investing activities totaled SEK 1,679m (440). Investments in tangible fixed assets totaled SEK 438m (247). Investments were primarily made in production vehicles, transport and sorting equipment and facilities in connection with the establishment of the new terminals in Hallsberg and Rosersberg in Sweden. Investments include the adaptation of the Swedish mail business to anticipated mail volume decline and adjustments to meet the group's environmental goals. Investments in intangible fixed assets totaled SEK 100m (72) and were primarily attributable to development expenditures for the integration of joint IT solutions. The net liquidity effect of the acquisition of subsidiaries totaled SEK 1,213m (115).

Cash flows from financing activities totaled SEK 1,842m (-1,324). Dividends of SEK 368m (1,000) and SEK 2m (3) were distributed to parent company and minority shareholders, respectively, in 2012. The group raised loans of SEK 2,227m (0) during the quarter through, among other things, the group's commercial paper program. Amortized loans totaled SEK 0m (324).

Cash and cash equivalents totaled SEK 2,591m at the end of the period, up SEK 351m from June 30, 2011.

January-June

Cash flows from operating activities improved to SEK 723m (671). The liquidity effect as regards pensions, chiefly pension payments, totaled SEK -541m (-532). Transfer for new pension commitments of SEK 215m (251) was made during the period and SEK 215m (251) of compensation for pension payments was received.

Cash flows from investing activities totaled SEK 2,026m (767). Investments in tangible fixed assets totaled SEK 798m (548). The net liquidity effect of the sale of subsidiaries totaled SEK 46m (0). The sales were of wholly-owned subsidiaries EBT Property B.V, HIT Starintex B.V Holland and HIT Belgium S.A.

Cash flows from financing activities totaled SEK 1,789m (-1,305).

Cash and cash equivalents at the end of the period totaled SEK 2,591m, up SEK 484m from December 31, 2011.

Financial position

Group cash and cash equivalents totaled SEK 2,591m as of June 30, 2012. The group's overall financial preparedness totaled SEK 4,591m, including a committed credit line of SEK 2,000m.

The group's interest-bearing liabilities are comprised of long- and short-term financing from credit institutions and the group's commercial paper program and pension liabilities.

The group holds a strong financial position and has a strong asset base, with an equity-assets ratio of 41% as of June 30, 2012. The group target is an equity-assets ratio of at least 35%. Consolidated net debt totaled SEK 2,301m. The net debt/EBITDA ratio was 0.84.

Consolidated net financial position

	June 30	June 30	Dec 31
SEKm	2012	2011	2011
Cash and cash equivalents	2,591	2,240	2,107
Interest-bearing liabilities	3,252	1,146	1,098
Pension provisions	1,640	1,402	1,587
Net debt	2,301	308	578

Highlights

On April 20, 2012 PostNord held its Annual General Meeting. AGM resolutions included the re-election of all incumbent Board members, with Fritz H. Schur as Chairman of the Board, and the election of Jonas Iversen as new Board member.

On April 23, 2012 PostNord AB made its initial issue under an established commercial paper program. The program enables the group issue commercial papers within a SEK 3 billion framework.

On May 3, 2012 the Swedish Competition Authority confirmed Posten's pricing for large mailings. The Competition Authority conducted an on-site inspection of Posten Meddelande AB in May 2011. The Authority has dismissed the case in its entirety upon its finding that Posten has not abused its dominant position and that Posten's actions do not effectively shut out equally efficient competitors.

On May 31, 2012 the acquisition of Green Cargo's subsidiary, Green Cargo Logistics AB, was finalized. Following the acquisition, PostNord is one of the Nordic region's leading operators in the third-party logistics market. The Competition Authority approved the acquisition on May 14, 2012. The acquired company's name was changed to PostNord Logistik TPL AB.

On June 1, 2012 the takeover of Svensk Morgondistribution was completed. The transaction covers several years' distribution of MittMedia and Västerbottens-Kuriren morning

newspapers. The Competition Authority approved the takeover on May 16, 2012.

On June 27, 2012 PostNord AB received approval and prospectus registration from the Swedish Financial Supervisory Authority for the issuance of Medium Term Notes. The program has a loan limit of SEK 6 billion and enables PostNord to issue bonds in the Swedish market.

Subsequent events

On August 8, 2012 it was announced that Post Danmark A/S, part of the PostNord group, has signed an agreement with ZimmerGroup A/S to acquire all shares in Distribution Services A/S, a specialist in the packaging and handling of unaddressed mail. The company has been a Post Danmark subcontractor since 2003. The takeover is scheduled for January 1, 2013 and is subject to competition authority approval.

Changes in Group Management

On May 1, 2012 Henning Christensen took over as head of PostNord's Mail Denmark business area and joined the Group Management team. He comes most recently from a position as head of Production & Transport within PostNord's Danish operations. The former head of the business area, Finn Hansen, will spearhead implementation of a new business excellence model within the group. He remains a member of the Group Management team.

Annemarie Gardshol took over on May 14, 2012 as head of PostNord's newly-established Corporate Strategy unit. Gardshol comes most recently from Gambro, where she was a member of the executive team and responsible for group strategy, strategic marketing and R&D.

Henrik Rättzén took over as PostNord's new CFO on August 7, 2012. He comes most recently from insurance group Codan Trygg-Hansa where he served as Nordic CFO. He succeeds Mats Lönnqvist, who stepped down as PostNord Executive Vice President and CFO on June 1, 2012.

Business operations

SEKm	Apr-Jun 2012	Apr-Jun 2011	Change		Jan-Jun 2012	Jan-Jun 2011	Change	
Mail								
Net sales ¹⁾	5,685	6,014	-329	-5%	11,831	12,238	-407	-3%
<i>of which, Mail Denmark</i>	2,053	2,309	-256	-11%	4,361	4,715	-354	-8%
<i>of which, Mail Sweden</i>	3,695	3,770	-75	-2%	7,603	7,656	-53	-1%
Operating profit (EBIT)	-120	171	-291	n/a	257	508	-251	-49%
<i>of which, Mail Denmark</i>	-117	21	-138	n/a	10	78	-68	-87%
<i>of which, Mail Sweden</i>	-3	150	-153	n/a	247	430	-183	-43%
Operating margin, %	neg	2.6			2.0	3.8	-1.8	
Adjusted operating margin, %	2.1	3.5	-1.4		5.6	4.9	0.7	
Logistics								
Net sales	3,222	2,956	266	9%	6,432	5,993	439	7%
Operating profit (EBIT)	-41	23	-64	n/a	-23	73	-96	n/a
Operating margin, %	neg	0.7			neg	1.1		
Adjusted operating margin, %	0.4	0.7	-0.3		0.9	1.1	-0.2	
Strålfors								
Net sales	655	814	-159	-20%	1,372	1,659	-287	-17%
Operating profit (EBIT)	9	-41	50	n/a	-49	-42	-7	17%
Operating margin, %	1.4	neg			neg	neg		
Adjusted operating margin, %	1.7	neg			2.4	neg		
Other & eliminations								
Net sales ¹⁾	-75	-73	-2		-155	-147	-8	
Operating profit (EBIT)	-27	58	-85		-71	92	-163	
PostNord Group								
Net sales	9,487	9,711	-224	-2%	19,480	19,743	-263	-1%
Operating profit (EBIT)	-179	211	-390	n/a	114	631	-517	-82%
Operating margin, %	neg	2.2			0.6	3.2	-2.6	
Adjusted operating margin, %	1.3	3.0	-1.7		3.9	4.1	-0.2	

Margin calculation includes other income; see Quarterly Data table.

¹⁾ Internal transactions between business areas are eliminated in the aggregated mail businesses.

April-June

Mail

Net sales for the mail businesses fell 5% to SEK 5,685m (6,014). Overall mail volumes fell 7%, in line with expectations. Expenses were unchanged and totaled SEK 6,401m (6,416). Excluding restructuring costs, expenses fell 3% to SEK 6,149m (6,357). Operating profit fell to SEK -120m (171) and the operating margin was negative. The adjusted operating margin fell to 2.1 (3.5) %.

Mail Denmark

Net sales for business area Mail Denmark fell 11% to SEK 2,053m (2,309). The business area was affected by the extensive ongoing digitalization in the Danish market. All in all, mail volumes fell 11% during the quarter, chiefly due to reduced business volumes from small businesses and private customers. Priority mail volumes fell while non-priority and C-mail volumes were stable. Sales for Advertisements and

Newspapers fell due to drops in circulation and increased competition for these services in the Danish market.

Expenses fell 4% to SEK 2,564m (2,679), despite higher restructuring costs. The decline in expenses was attributable to efforts to continuously adjust to lower volumes and to streamlining activities within administration. Excluding restructuring costs, expenses fell 8% to SEK 2,467m (2,679).

Operating profit fell to SEK -117m (21), and both the operating margin and the adjusted operating margin were negative.

Mail Sweden

Net sales for business area Mail Sweden fell 2% to SEK 3,659m (3,770). Mail volumes continued to be affected by competition from digital alternatives, with an aggregate decline of 5% during the quarter. Taken together, development was negative for Advertisement and Newspaper sales due to reduced demand for advertisements during the quarter. Newspaper sales were positively impacted by increased vol-

umes of free newspapers and the effects of the takeover of Svensk Morgondistribution operations. The business area also saw an increase in international mail volumes.

Expenses rose 3% to SEK 3,900m (3,802). The increase was primarily attributable to higher restructuring costs related to personnel cutbacks within administrative functions. Personnel expenses continued to fall during the quarter due to adjustments of the workforce to lower volumes. Excluding restructuring costs, expenses were unchanged and totaled SEK 3,745m (3,743).

Operating profit fell to SEK -3m (150) and the operating margin was negative. The adjusted operating margin fell to 3.9 (5.3) %.

Logistics

Net sales for business area Logistics rose 9% to SEK 3,222m (2,956). The increase was primarily attributable to the acquisition of Green Cargo Logistics, with its third-party logistics operations, and other logistics companies in Sweden and Norway. Green Cargo Logistics contributed net sales of SEK 94m during the quarter. The Swedish and Norwegian logistics business both reported increased sales, while sales for the Danish logistics business fell due to continued tough competition and price pressure. All in all, there was a rise in group parcel volumes.

Expenses rose 10% to SEK 3,567m (3,245). The increase was primarily attributable to completed acquisitions. Green Cargo Logistics increased expenses by SEK 87m. Excluding restructuring costs, expenses rose 8% to SEK 3,513m (3,245). Restructuring costs were related to personal cutbacks within administration and to closure costs for the terminal in Ånge, Sweden.

Operating profit fell to SEK -41m (23) and the operating margin was negative. Adjusted operating margin decreased to 0.4 (0.7)%. Acquired companies had a positive effect on operating profit, with Green Cargo Logistics contributing SEK 4m.

Strålfors

Net sales for Strålfors were down 20%, to SEK 655m (814). The decrease was primarily attributable to the divestment of the Strålfors Identification Solutions division, completed on August 1, 2011.

Expenses fell 24% to SEK 653m (861). The decline was chiefly attributable to the divestment of Strålfors Identification Solutions.

Operating profit rose to SEK 9m (-41) and the operating margin to 1.4% (neg). The adjusted operating margin rose to 1.7% (neg).

2012 outlook

The assessment of the group's outlook for full-year 2012, reported by the group in its fourth-quarter and full-year reports for 2011, remains unchanged.

PostNord anticipates continued strong volume decreases for mail in Denmark and Sweden due to competition from digital alternatives. PostNord's assessment for 2012 is that mail volumes in Sweden will fall approximately 5% and that mail volumes in Denmark will follow the 2011 trend (i.e., fall approximately 12%). The economic trend for the remainder of 2012 is highly uncertain. The group expects continued growth in the Nordic logistics market.

PostNord's strategy includes major cost reduction adjustments and significant investments in mail operation production facilities to improve flexibility, efficiency and profitability. This also includes the profitable expansion of the logistics operations, organically and through acquisitions. Following implementation of the corporate strategy, group operating profit will be burdened with significant non-recurring restructuring costs in 2012.

Parent company

The parent company, PostNord AB, ran a very limited operation in the form of inter-company service and has three employees: the President/CEO, the group CFO and the Head of Group Strategy. No net sales were reported during the quarter or interim period. Operating expenses totaled SEK 16m (8) for the quarter and SEK 28m (11) for the interim period. Financial items totaled SEK 2,475m (995) for the quarter and SEK 2,478m (996) for the interim period. Of financial items, SEK 2,473m were attributable to distributions from subsidiaries during the second quarter. Net profit totaled SEK 2,465m (992) for the quarter and SEK 2,461m (994) for the interim period.

Risks and uncertainties for the group and the parent company

Risks, risk management and any factors that may affect the parent company and the group's businesses are described in PostNord's 2011 annual report. No new or changed significant risks or uncertainty factors were identified.

PostNord's Board of Directors and CEO hereby affirm that this semi-annual report provides an essentially fair and accurate overview of the development of the parent company's and group's operations, position and financial results, and describes significant risks and uncertainty factors facing the parent company and group companies.

Solna, August 29, 2012

PostNord AB (publ)

Fritz H. Schur

Chairman

Mats Abrahamsson
Member of the Board

Ingrid Bonde
Member of the Board

Gunnel Duveblad
Member of the Board

Bjarne Hansen
Member of the Board

Torben Janholt
Member of the Board

Anne Birgitte Lundholt
Member of the Board

Jonas Iversen
Member of the Board

Lars Chemnitz
Employee representative

Alf Mellström
Employee representative

Ann-Christin Fällén
Employee representative

Lars Idermark
President and CEO

This report has not been audited.

Financial calendar

Interim report, January-September 2012	November 7, 2012
Year-end report 2012	February 22, 2013
2012 Annual Report and Sustainability Report	March 21, 2013

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Every care has been taken in the translation of this report.
In the event of discrepancies, however, the Swedish original
will supersede the English translation.

Consolidated financial statements

Income statement

SEKm	Note	Apr-Jun 2012	Apr-Jun 2011	Change	Jan-Jun 2012	Jan-Jun 2011	Change	Jan-Dec 2011
Net sales	1, 2	9,487	9,711	-2%	19,480	19,743	-1%	39,466
Other income		60	58	3%	123	96	28%	274
Income	3	9,547	9,769	-2%	19,603	19,839	-1%	39,740
Personnel expenses	4	-4,825	-4,880	-1%	-9,549	-9,747	-2%	-19,110
Transport expenses		-1,910	-1,762	8%	-3,879	-3,593	8%	-7,540
Other expenses	5	-2,573	-2,501	3%	-5,233	-5,042	4%	-9,851
Depreciation and impairments		-418	-411	2%	-829	-824	1%	-1,666
Expenses		-9,726	-9,554	2%	-19,490	-19,206	1%	-38,167
Participations in the earnings of associated companies			-4		1	-2		-2
OPERATING PROFIT		-179	211	> -100%	114	631	-82%	1,571
Financial income		47	70	-33%	105	144	-27%	367
Financial expenses		-42	-35	20%	-87	-82	6%	-267
Net financial items		5	35	-86%	18	62	-71%	100
Profit before tax		-174	246	> -100%	132	693	-81%	1,671
Tax		23	-92	> -100%	-73	-195	-63%	-446
NET PROFIT		-151	154	> -100%	59	498	-88%	1,225
Attributable to								
Parent company shareholders		-152	154	> -100%	57	497	-89%	1,223
Minority interests		1			2	1		2
Earnings per share, SEK		-0.08	0.08	> -100%	0.03	0.25	-88%	0.61

Comprehensive income statement

SEKm	Apr-Jun 2012	Apr-Jun 2011	Jan-Jun 2012	Jan-Jun 2011	Jan-Dec 2011
Net profit	-151	154	59	498	1,225
Other comprehensive income for the period					
Translations differences ¹⁾	-42	206	-168	124	-44
COMPREHENSIVE INCOME	-193	360	-109	622	1,181
Attributable to					
Parent company shareholders	-194	360	-110	621	1,185
Minority interests	1	0	1	1	-4

¹⁾ Translation differences refer to translation of the group's equity into foreign currencies.

Statement of cash flows

SEKm	Apr-Jun 2012	Apr-Jun 2011	Jan-Jun 2012	Jan-Jun 2011	Jan-Dec 2011
OPERATING ACTIVITIES					
Profit before tax	-174	246	132	693	1,671
Adjustments for non-cash items:					
Reversal of depreciation and impairments	418	411	829	824	1,666
Profit from sale of subsidiaries			-5		-102
Capital gain/loss on sale of fixed assets	19	12	42	19	131
Pension provisions	131	36	241	2	324
Other provisions	139	131	375	10	-352
Other items not affecting liquidity	-3	-21	-5	-4	-9
Pensions, net liquidity effect	-270	-188	-541	-532	-1,170
Other provisions, liquidity effect	-78	-24	-149	-43	-112
Tax paid	-142	-161	-266	-262	-71
Cash flows from operating activities before changes in working capital	40	442	653	707	1,976
Cash flows from changes in working capital					
Increase(-)/decrease(+) in inventories	11	16	4	23	57
Increase(-)/decrease(+) in accounts receivable	318	250	213	177	-7
Increase(-)/decrease(+) in other trade accounts receivable	-280	-79	-259	-164	-454
Increase(+)/decrease(-) in accounts payable	159	-31	-177	-282	123
Increase(+)/decrease(-) in other operating liabilities	211	-89	382	215	-73
Other changes in working capital	-7	-10	-93	-5	12
Changes in working capital	412	57	70	-36	-342
Cash flows from operating activities	452	499	723	671	1,634
INVESTING ACTIVITIES					
Purchase of tangible fixed assets	-438	-247	-798	-548	-1,670
Sale of tangible fixed assets	58	6	78	32	241
Capitalized development expenditures	-93	-59	-138	-93	-180
Purchase of intangible assets	-7	-13	-14	-30	-96
Sale of intangible assets					4
Acquisition of subsidiaries, net liquidity effect	-1,213	-115	-1,213	-141	-344
Acquisition of associated companies, net liquidity effect		-8		-8	-8
Sale of subsidiaries, net liquidity effect			46		185
Change in financial assets	14	-4	13	21	55
Cash flows from investing activities	-1,679	-440	-2,026	-767	-1,813
FINANCING ACTIVITIES					
Amortized loans		-324	-7	-324	-331
New loans raised	2,227		2,227		
Amortized finance leasing liabilities	-13	-10	-23	-14	-37
Dividend paid to parent company owners	-368	-1,000	-368	-1,000	-1,000
Dividend paid to minority interests	-2	-3	-2	-3	-4
Increase(+)/decrease(-) in other interest-bearing liabilities	-2	13	-38	36	19
Cash flows from financing activities	1,842	-1,324	1,789	-1,305	-1,353
CASH FLOWS FOR THE PERIOD	615	-1,265	486	-1,401	-1,532
Cash and cash equivalents, beginning of period	1,976	3,500	2,107	3,640	3,640
Translation difference in cash and cash equivalents		5	-2	1	-1
Cash and cash equivalents, end of period	2,591	2,240	2,591	2,240	2,107

Balance sheets

SEKm	Note	Jun 30 2012	Jun 30 2011	Dec 31 2011
	1, 2			
ASSETS				
Goodwill		3,105	2,841	2,830
Other intangible assets		1,679	1,467	1,483
Tangible fixed assets		8,513	7,879	7,924
Participations in associated companies and joint ventures		75	90	88
Financial investments		181	147	182
Long-term receivables	6	4,338	3,469	3,990
Deferred tax assets		102	157	145
Total fixed assets		17,993	16,050	16,642
Inventories		215	252	218
Tax assets		420	449	168
Accounts receivable		4,290	4,086	4,370
Prepaid expenses and accrued income		1,418	1,377	1,205
Other receivables		688	505	544
Short-term investments				1
Cash and cash equivalents		2,591	2,240	2,107
Assets held for sale		155		155
Total current assets		9,777	8,909	8,768
TOTAL ASSETS		27,770	24,959	25,410
EQUITY AND LIABILITIES				
EQUITY				
Capital stock		2,000	2,000	2,000
Other contributed equity		9,954	9,954	9,954
Reserves		-1,719	-1,388	-1,552
Retained earnings		1,214	799	1,525
Total equity attributable to parent company shareholders		11,449	11,365	11,927
Minority interests		2	7	3
TOTAL EQUITY		11,451	11,372	11,930
LIABILITIES				
Long-term interest-bearing liabilities		942	1,033	985
Other long-term liabilities		59	85	55
Pension provisions		1,640	1,402	1,587
Other provisions	7	1,627	1,774	1,403
Deferred tax liabilities		1,226	936	1,158
Total long-term liabilities		5,494	5,230	5,188
Current interest-bearing liabilities		2,310	113	113
Accounts payable		2,010	1,710	2,130
Tax liabilities		58	89	41
Other current liabilities		1,544	1,573	1,578
Accrued expenses and prepaid income	8	4,551	4,460	4,079
Other provisions	7	352	412	351
Total current liabilities		10,825	8,357	8,292
TOTAL LIABILITIES		16,319	13,587	13,480
TOTAL EQUITY AND LIABILITIES		27,770	24,959	25,410

For information on the group's pledged assets and contingent liabilities, see Note 9.

Statement of changes in equity

SEKm	Equity attributable to parent company shareholders						Minority interests	Total equity
	Capital stock ¹⁾	Other contributed equity	Currency translation reserve	Retained earnings	Total			
Beginning balance as of 01-01-2011	2,000	9,954	-1,512	1,302	11,744	9	11,753	
Net profit				497	497	1	498	
Dividend ²⁾				-1,000	-1,000	-3	-1,003	
Other comprehensive income for the period ³⁾			124		124		124	
Ending balance as of 06-30-2011	2,000	9,954	-1,388	799	11,365	7	11,372	
Beginning balance as of 07-01-2011	2,000	9,954	-1,388	799	11,365	7	11,372	
Net profit				726	726	1	727	
Other comprehensive income for the period			-164		-164	-4	-168	
Dividend ²⁾				0	0	-1	-1	
Ending balance as of 12-31-2011	2,000	9,954	-1,552	1,525	11,927	3	11,930	
Beginning balance as of 01-01-2012	2,000	9,954	-1,552	1,525	11,927	3	11,930	
Net profit				57	57	2	59	
Other comprehensive income for the period ³⁾			-167		-167	-1	-168	
Dividend ²⁾				-368	-368	-2	-370	
Ending balance as of 06-30-2012	2,000	9,954	-1,719	1,214	11,449	2	11,451	

¹⁾ Number of shares is 2,000,000,001: 1,524,905,971 ordinary shares and 475,094,030 series B shares.

²⁾ A dividend of SEK 368m (1,000), representing SEK 0.18 (0.50) per share, was distributed by the parent company to the owners. Svensk Adressändring AB and Adresspoint AB distributed a dividend of SEK 2m (4) to minority interests.

³⁾ Refers to translation differences in group equity

Notes

Note 1 Accounting principles

Compliance with legislation and regulations

The consolidated financial statements were prepared in accordance with International Financial Reporting Standards (IFRS), issued by the International Accounting Standards Board (IASB), together with interpretation statements from the International Financial Reporting Interpretations Committee (IFRIC), to the extent that they have been approved by the European Commission for application within the European Union. In addition to IFRS, additional rules from the Swedish Annual Accounts Act and the Swedish Financial Reporting Board's RFR 1, Supplemental Financial Statements for Groups, were also applied.

Consolidated financial statements

The group's interim report is prepared in accordance with IAS 34, Interim Financial Reporting, and with additional rules from the Annual Accounts Act. The same accounting principles and methods of calculation were used in this interim report as in the 2011 Annual Report.

Note 2 Estimates and assessments

In preparing these financial reports, Group Management has made assessments, estimates and assumptions that affect the group's reported accounts. These estimates and assumptions are based on what is known at the time the financial reports are presented, as well as historical experience and assumptions that Group Management considers reasonable under the current circumstances. The conclusions drawn by Group Management form the basis for the reported values in

the accounts. Actual results, estimates and assessments in future financial reports may differ from those in the 2011 Annual Report, due to changing environmental factors and new knowledge and experience. The most significant estimates and assessments for PostNord were made with reference to the postal obligation, intangible assets, pension commitments and taxes. No new areas have arisen and it has not been necessary to modify any significant assessments or estimates during the quarter.

Note 3 Segment reporting

The group is organized into business operations based on the manner in which the group is governed and activities are reported to Group Management. Market pricing applies to internal dealings between business units. There is no latitude for making external purchases where the service in question is available internally. In PostNord's operational structure, though not in its legal structure, cost distribution of corporate shared service functions is at cost price with full allocation of costs.

Mail Denmark is the leading supplier of distribution solutions in the Danish communication market, with a nationwide distribution network. The business area offers physical and digital mail, direct mail and newspaper services, facility management services as well as drop-off and collection of private parcels.

Mail Sweden is the leading supplier of distribution solutions in the Swedish communication market, with a nationwide distribution network. The business area offers physical and

digital mail, direct mail and newspaper services as well as drop-off and collection of private parcels.

Logistics is a leader in the Nordic logistics market and offers a Nordic-wide distribution network. The business area runs operations in parcel, pallet and general cargo as well as courier, express, third-party logistics, in-night freight forwarding and consignment freight.

Strålfors develops, produces and delivers systems, services and products for efficient business communication. Strålfors is a Nordic leader in its field and has operations in the Nordic region and several other European countries.

Other and eliminations comprises shared services and corporate functions including the parent company, the Swedish Cashier Service and intra-group adjustments. The adjustments are primarily internal eliminations; IFRS adjustments regarding pensions in accordance with IAS 19, Employee Benefits; and finance leasing in accordance with IAS 17, Leases. From Other and Eliminations, service costs for shared services and corporate functions are allocated to the business operations. Cost allocations are taken up as income in Other and Eliminations under Other Operating Income, Internal. Within the business operations, cost allocations are taken up as expense under Other Expenses.

2012 Apr-Jun SEKm	Mail		Logistics	Strålfors	Other & Elim	Group
	Mail Denmark	Mail Sweden				
Net sales, external	1,986	3,669	3,190	641	1	9,487
Net sales, internal	67	26	32	14	-139	0
Total net sales	2,053	3,695	3,222	655	-138	9,487
Other income, external	2	29	12	7	10	60
Other income, internal	392	173	292	0	-857	0
Total income	2,447	3,897	3,526	662	-985	9,547
Personnel expenses	-1,478	-2,016	-888	-210	-233	-4,825
Transport expenses	-145	-616	-1,450	-15	316	-1,910
Other expenses	-838	-1,177	-1,145	-372	959	-2,573
Depreciation and impairments	-103	-91	-84	-56	-84	-418
Total expenses	-2,564	-3,900	-3,567	-653	958	-9,726
Participations in the earnings of associated companies and joint ventures	0	0	0	0	0	0
OPERATING PROFIT	-117	-3	-41	9	-27	-179
Net financial items						5
Profit before tax						-174
Tax						23
Net profit						-151
Assets	7,974	7,917	8,312	2,519	1,048	27,770
Liabilities	4,121	5,545	4,148	1,436	1,069	16,319
Investments in tangible and intangible fixed assets	56	154	112	24	192	538

2011 Apr-Jun MSEK	Mail		Logistics	Strålfors	Other & Elim	Group
	Mail Denmark	Mail Sweden				
Net sales, external	2,248	3,739	2,920	803	1	9,711
Net sales, internal	61	31	36	11	-139	0
Total net sales	2,309	3,770	2,956	814	-138	9,711
Other income, external	6	20	9	6	17	58
Other income, internal	389	162	303		-854	0
Total income	2,704	3,952	3,268	820	-975	9,769
Personnel expenses	-1,603	-2,037	-789	-309	-142	-4,880
Transport expenses	-140	-639	-1,318	-13	348	-1,762
Other expenses	-836	-1,076	-1,067	-472	950	-2,501
Depreciation and impairments	-100	-50	-71	-67	-123	-411
Total expenses	-2,679	-3,802	-3,245	-861	1,033	-9,554
Participations in the earnings of associated companies and joint ventures	-4					-4
OPERATING PROFIT	21	150	23	-41	58	211
Net financial items						35
Profit before tax						246
Tax						-92
Net profit						154
Assets	8,793	6,533	6,410	2,788	235	24,759
Liabilities	4,444	4,297	2,849	1,707	290	13,587
Investments in tangible and intangible fixed assets	75	63	53	26	102	319

2012 Jan-Jun SEKm	Mail		Logistics	Strålfors	Other & Elim	Group
	Mail Denmark	Mail Sweden				
Net sales, external	4,228	7,544	6,365	1,342	1	19,480
Net sales, internal	133	59	67	30	-289	0
Total net sales	4,361	7,603	6,432	1,372	-288	19,480
Other income, external		40	29	14	40	123
Other income, internal	804	348	609		-1,761	0
Total income	5,165	7,991	7,070	1,386	-2,009	19,603
Personnel expenses	-2,946	-3,970	-1,739	-424	-470	-9,549
Transport expenses	-294	-1,282	-2,927	-38	662	-3,879
Other expenses	-1,712	-2,311	-2,264	-861	1,915	-5,233
Depreciation and impairments	-204	-181	-163	-112	-169	-829
Total expenses	-5,156	-7,744	-7,093	-1,435	1,938	-19,490
Participations in the earnings of associated companies and joint ventures	1					1
OPERATING PROFIT	10	247	-23	-49	-71	114
Net financial items						18
Profit before tax						132
Tax						-73
Net profit						59
Assets	7,974	7,917	8,312	2,519	1,048	27,770
Liabilities	4,121	5,545	4,148	1,436	1,069	16,319
Investments in tangible and intangible fixed assets	210	248	140	42	310	950

2011 Jan-Jun SEKm	Mail		Logistics	Strålfors	Other & Elim	Group
	Mail Denmark	Mail Sweden				
Net sales, external	4,584	7,596	5,925	1,636	2	19,743
Net sales, internal	131	60	68	23	-282	0
Total net sales	4,715	7,656	5,993	1,659	-280	19,743
Other income, external	4	32	16	10	34	96
Other income, internal	800	325	617		-1,742	0
Total income	5,519	8,013	6,626	1,669	-1,988	19,839
Personnel expenses	-3,258	-4,031	-1,565	-598	-295	-9,747
Transport expenses	-309	-1,300	-2,666	-36	718	-3,593
Other expenses	-1,674	-2,152	-2,180	-945	1,909	-5,042
Depreciation and impairments	-196	-100	-142	-134	-252	-824
Total expenses	-5,437	-7,583	-6,553	-1,713	2,080	-19,206
Participations in the earnings of associated companies and joint ventures	-4			2		-2
OPERATING PROFIT	78	430	73	-42	92	631
Net financial items						62
Profit before tax						693
Tax						-195
Net profit						498
Assets	8,793	6,533	6,410	2,788	235	24,759
Liabilities	4,444	4,297	2,849	1,707	290	13,587
Investments in tangible and intangible fixed assets	211	165	75	55	165	671

2011 Jan-Dec SEKm	Mail		Logistics	Strålfors	Other & Elim	Group
	Mail Denmark	Mail Sweden				
Net sales, external	9,068	15,103	12,309	2,982	4	39,466
Net sales, internal	279	117	141	66	-603	0
Total net sales	9,347	15,220	12,450	3,048	-599	39,466
Other income, external	3	67	36	18	150	274
Other income, internal	1,682	664	1,281		-3,627	0
Total income	11,032	15,951	13,767	3,066	-4,076	39,740
Personnel expenses	-6,332	-7,831	-3,158	-1,070	-719	-19,110
Transport expenses	-642	-2,675	-5,636	-98	1,511	-7,540
Other expenses	-3,303	-4,356	-4,392	-1,739	3,939	-9,851
Depreciation and impairments	-393	-199	-312	-240	-522	-1,666
Total expenses	-10,670	-15,061	-13,498	-3,147	4,209	-38,167
Participations in the earnings of associated companies and joint ventures	-7			5		-2
OPERATING PROFIT	355	890	269	-76	133	1,571
Net financial items						100
Profit before tax						1,671
Tax						-446
Net profit						1,225
Assets	8,679	6,745	7,036	2,786	164	25,410
Liabilities	4,260	4,511	3,351	1,594	-236	13,480
Investments in tangible and intangible fixed assets	519	273	368	156	630	1,946

Note 4 Personnel expenses

SEKm	Apr-Jun 2012	Apr-Jun 2011	Jan-Jun 2012	Jan-Jun 2011	Jan-Dec 2011
Personnel expenses					
Wages, salaries and other compensation	3,657	3,784	7,224	7,551	14,792
Social security contributions	671	666	1,347	1,329	2,532
Pension expenses	445	391	877	783	1,641
Other personnel expenses	52	39	101	84	145
Total	4,825	4,880	9,549	9,747	19,110
Specification of pension expenses					
Cost of retirement pensions ¹⁾	413	367	817	749	1,454
Net cost of early retirement pensions	32	24	60	34	187
<i>of which, gross cost of early retirement pensions</i>	87	38	149	59	294
<i>of which, utilized for early retirement pensions</i>	-55	-14	-89	-25	-107
Total	445	391	877	783	1,641
Average number of employees	39,085	41,643	38,938	41,916	41,714

¹⁾ Cost of retirement pensions includes an amortization effect of actuarial gains (+) and losses (-) of SEK -37m (4) for the Apr-Jun period and SEK -74m (8) for the Jan-Jun period.

Note 5 Other expenses

SEKm	Apr-Jun 2012	Apr-Jun 2011	Jan-Jun 2012	Jan-Jun 2011	Jan-Dec 2011
Cost of premises	512	524	1,061	1,074	2,134
Provisions and reversals	223	27	511	86	68
Terminal fees	271	272	558	540	1,051
Cost of goods and materials	281	355	597	738	1,279
Purchased IT resources	371	396	733	761	1,524
Capitalized development expenditures, IT	-110	-45	-138	-67	-236
Other	1,025	972	1,911	1,910	4,031
Total	2,573	2,501	5,233	5,042	9,851
Specification of provisions and reversals					
Mail Denmark	36		112	38	47
Mail Sweden	41		85		-114
Logistics	12		30		-15
Strålfors			70		-1
Other	134	27	214	48	151
Total	223	27	511	86	68

April-June

Provisions within the businesses are primarily attributable to personnel cutbacks that are part of PostNord's cost reduction program and to ongoing production adjustments.

Within the Other and Eliminations segment, provisions chiefly refer to early retirement pensions and admission into

units that deal with redundant personnel. Redundant personnel are primarily attributable to ongoing cost reduction programs within group functions.

Note 6 Long-term receivables

SEKm	Jun 30 2012	Jun 30 2011	Dec 31 2011
Carrying amount related to funded defined benefit retirement and early retirement pension plans appraised in accordance with IAS 19	3,176	2,563	2,960
Carrying amount related to funded defined benefit disability pension plans appraised in accordance with IAS 19	380	342	313
Payroll tax receivables attributable to reporting lower pension commitments (under IAS 19) than amounts recognized in the financial statements for legal entities in Sweden in accordance with UFR 4	900	689	833
Payroll tax health insurance	-134	-139	-139
Deposits, property leases	19	14	23
Other	-3		
Total	4,338	3,469	3,990

Note 7 Other provisions

2012 Jan-Jun SEKm	Beginning balance	Provisions	Reversals	Utilizations	Translation effects	Ending balance
Restructuring activities						
Personnel reductions	435	505	-4	-310	-2	624
Other closure costs	35	10		-9		36
Future conditional pension benefits						
Payroll tax	196	6				202
Future conditional pension benefits under IAS 19	807	25				832
Other						
Job-related injuries	48	2		-4		46
Pension adjustments in relation to the Danish state	49	23		-11	-1	60
Provision, commemorative awards	171	7		-11	1	168
Other provisions	13				-2	11
Total	1,754	578	-4	-345	-4	1,979
Of which, current provisions	351					352

Restructuring provisions include the costs that are expected to arise in coming years as a result of the group's cost reduction program within administration and decision to streamline production. The provisions are reviewed at the close of each reporting period and are adjusted to reflect the current best estimates. If it is no longer probable that an outflow of resources will be required to settle the obligation, the provision is reversed.

During the period, restructuring provisions and reversals with an earnings impact on Other Expenses totaled SEK 511m; see also Note 5, Other Expenses. The effect of provisions for future conditional pension benefits, reversal of pension pay-

ments to the Danish state and provisions for commemorative awards is reported as personnel expense.

Utilization of provisions during the quarter totaled SEK 341m, SEK 333m of which was personnel expense. Quarterly change with regard to work-related injuries 4m was not reported in the income statement.

The discount effect is reported in the income statement's financial items. Translation difference with respect to currency effect is reported in the comprehensive income.

2011 Jan-Jun SEKm	Beginning balance	Provisions	Reversals	Utilizations	Translation effects	Ending balance
Restructuring activities						
Personnel reductions	800	86		-164	6	728
Other closure costs	52			-7		45
Future conditional pension benefits						
Payroll tax	207	6				213
Future conditional pension benefits under IAS 19	848	27				875
Other						
Job-related injuries	58	1		-4		55
Pension adjustments in relation to the Danish state	39	40		-22	1	58
Provision, commemorative awards	162	5		-8	5	164
Other provisions	52			-6	2	48
Total	2,218	165		-211	14	2,186
Of which, current provisions	515					412

Note 8 Accrued expenses and deferred income

SEKm	Jun 30 2012	Jun 30 2011	Dec 31 2011
Provision for sold, unutilized stamps	401	356	405
Accrued payroll expenses	518	525	514
Vacation pay liability	1,769	1,880	1,550
Special payroll tax on pension expenses	168	133	9
Social security contributions	596	595	559
Terminal fees	527	426	439
Yield tax	3	3	
Accrued interest charges	2		
Finance leasing		9	9
Forward currency contracts	16	14	23
Other items	551	519	571
Total	4,551	4,460	4,079

Note 9 Pledged assets and contingent liabilities

SEKm	Jun 30 2012	Jun 30 2011	Dec 31 2011
Assets pledged for own liabilities			
Real estate mortgages	784	817	800
Endowment insurance policies for current and former employees	0	137	0
Assets pledged as securities	8	9	8
Total	792	963	808
Contingent liabilities			
Guarantee commitment, PRI	90	91	90
Other guarantees	47	25	40
Total	137	116	130

As the endowment insurance policies are matched by a pension liability of equal size, there is no contingent liability for financial purposes. The previously conservative reporting was adjusted.

Disputes

PostNord operates extensive national and international businesses and is involved in disputes and lawsuits from time to time arising from its business operations. Except as set forth below, it is not anticipated that these disputes and lawsuits, either individually or collectively, will have a materially adverse effect on PostNord's earnings, profitability or financial position.

Discriminatory pricing

Østre Landsret ruled against Post Danmark A/S in a case concerning discriminatory pricing. Post Danmark A/S appealed the decision to Højesteret. In connection with this matter, a competitor filed a claim against Post Danmark A/S. The claim for compensation of DKK 90m is contested in its entirety by Post Danmark A/S.

Claim filed with Danish Competition Council

A claim alleging abuse of dominant position was filed against Post Danmark A/S in the Danish Competition Authority by a competitor in 2011. Following Post Danmark A/S's appeal to the Danish Competition Appeals Tribunal, the Danish Competition Council is expected to readdress the matter.

Note 10 Related party transactions

Swedish state

Posten AB paid SEK 3m (3) to the Post and Telecom Agency (PTS) during the quarter and SEK 6m (6) during the interim period for permits to run postal operations, and Posten Meddelande AB paid SEK 2m (2) for the quarter and SEK 5m (5) for the interim period for handling dead letters. Posten Meddelande AB received compensation of SEK 6m (7) for the quarter and SEK 12m (13) for the interim period from the PTS as per agreement for provision of postal services for disabled persons and elderly persons in rural areas.

Danish state

Post Danmark A/S paid pension premiums of SEK 98m (55) during the quarter and SEK 147m (108) during the interim period for the group of civil servants employed prior to the date of incorporation. A further SEK 34m (39) is reserved in the balance sheet for any additional obligations on the part of the Danish state to the same group of employees.

Other organizations

Posten's insurance association insures group commitments in Sweden for employee disability and family pensions based on ITP-P. The group's Swedish companies paid premiums of SEK 31m (33) during the quarter and SEK 61m (66) during the interim period and received compensation of SEK 2m (2) for the quarter and SEK 4m (4) for the interim period. Other payments from the insurance association are paid directly to beneficiaries.

Posten's Pension Fund manages pension funds for Posten AB, Posten Meddelande AB and Posten Logistik AB. The companies transfer cash for new pension commitments in the fund and receive compensation for pensions paid. SEK 73m (175) was transferred during the quarter and SEK 215m (251) during the interim period; compensation totaling SEK 73m (251) was received during the quarter and SEK 215m (251) during the interim period.

Note 11 Investment commitments

As of June 30, 2012 PostNord Group had entered into agreements for the acquisition of fixed assets totaling SEK 626m (456), mainly for sorting equipment and vehicles. SEK 309m of this amount represented investment commitments associated with Mail Sweden's new terminal structure.

Note 12 Acquisitions and divestments

Divestment of subsidiaries

Within business area Logistics, PostNord continues to concentrate on the Nordic region. Wholly-owned subsidiaries EBT Property B.V, HIT Starintex B.V Holland and HIT Belgium S.A. were divested as of January 4, 2012 for a total of SEK 18m.

Business area Mail Denmark sold its 50%-owned subsidiary SPOT A/S as of January 1, 2012 for SEK 1m.

Acquisition of subsidiaries

Posten AB acquired Green Cargo Logistics AB and its subsidiary Green Cargo Logistics A/S as of May 31, 2012. Two real estate companies, KB Sveterm and Kardinalmärket 1 AB, were included in the acquisition. Green Cargo Logistics AB's

name was changed to PostNord Logistik TPL AB as of June 29, 2012.

The acquisition strengthens PostNord's third-party logistics business, in line with group strategy. The third-party logistics market is deemed to be growing rapidly. Green Cargo Logistics AB became part of PostNord's Logistics business area as of May 31, 2012.

The acquisition of PostNord Logistik TPL AB and its subsidiary contributed SEK 4m to the net profit for the period. PostNord Group's acquisition of PostNord Logistik TPL AB's acquired surplus book value in fixed assets (excluding goodwill) was amortized according to plan at SEK 2m. Net sales from the acquisition totaled SEK 94m during the period. If the acquisition had been made as of January 1, 2012 (under comparable conditions), PostNord Group's net sales would have increased by SEK 429m and its operating profit by SEK 26m, and amortization of acquired surplus value would have totaled SEK 13m.

The acquisition resulted in goodwill comprised of synergy effects, result improvement potential and skills and expertise to develop the business segment.

Acquisition of assets and liabilities

PostNord's wholly-owned subsidiary Tidningstjänst AB signed an agreement on June 1, 2012 for the takeover of Svensk Morgondistribution KB operations from the MittMedia and Västerbottens-Kuriren media groups. The agreement covers several years' distribution of the media groups' morning newspapers. The purchase price, corresponding to the residual book value of assets, totaled SEK 6m. The assets were chiefly comprised of capitalized development costs and miscellaneous inventory. Svensk Morgondistribution has 740 full-time employees and its 2011 sales were approximately SEK 350m.

Effect of acquisitions and divestments on assets and liabilities

2012 Jan-Jun SEKm	Goodwill	Other intangible assets	Other fixed assets	Current assets	Liabili- ties	Net assets
Acquired						
Green Cargo Logistics AB (including subsidiary Green Cargo Logistics A/S)	331	228	69	213	-319	522
Kardinalmäcket 1 AB			317	3	-205	115
KB Sveterm			285	12	-231	66
Total acquired	331	228	671	228	-755	703
Divested						
HIT Starintex B.V	39	0	1	25	-55	10
EBT Property B.V			45	5	-45	5
HIT Belgium S.A	5	9	0	5	-21	-2
SPOT A/S				1		1
Total divested	44	9	46	36	-121	14

Parent company financial statements

Income statement

SEKm	Note	Apr-Jun 2012	Apr-Jun 2011	Jan-Jun 2012	Jan-Jun 2011	Jan-Dec 2011
	1					
Other income		6	5	11	9	18
Income		6	5	11	9	18
Personnel expenses		-7	-4	-13	-7	-16
Other expenses		-9	-4	-15	-4	-13
Operating expenses		-16	-8	-28	-11	-29
OPERATING PROFIT		-10	-3	-17	-2	-11
Income from participations in group companies		2,473	992	2,473	992	992
Interest income and similar income items		10	3	14	4	15
Interest expense and similar expense items		-8		-9		
Net financial items		2,475	995	2,478	996	1,007
Profit before tax		2,465	992	2,461	994	996
Balance sheet appropriations						-6
Profit before tax		2,465	992	2,461	994	990
Tax						
NET PROFIT		2,465	992	2,461	994	990

Comprehensive income statement

SEKm	Apr-Jun 2012	Apr-Jun 2011	Jan-Jun 2012	Jan-Jun 2011	Jan-Dec 2011
Net profit	2,465	992	2,461	994	990
COMPREHENSIVE INCOME	2,465	992	2,461	994	990

Balance sheets

SEKm	Note	Jun 30 2012	Jun 30 2011	Dec 31 2011
	1			
ASSETS				
Financial assets	2	12,478	12,476	12,478
Total fixed assets		12,478	12,476	12,478
Current receivables		5,558	1,273	1,265
Total current assets		5,558	1,273	1,265
TOTAL ASSETS		18,036	13,749	13,743
EQUITY AND LIABILITIES				
Equity		15,827	13,739	13,734
Long-term liabilities		3	10	2
Current liabilities		2,206		7
TOTAL EQUITY AND LIABILITIES		18,036	13,749	13,743
Contingent liabilities	3	806	731	652

Notes

Note 1 Accounting principles

The parent company essentially applies the same accounting principles as the group does, and thus applies RFR 2, Reporting of Legal Entities. The differences between the parent company's and the group's accounting principles result from the parent company's limitations in applying International Financial Reporting Standards (IFRS) as a consequence of the Swedish Annual Accounts Act and the Law on Safeguarding of Pension Commitments, and are to some extent also based on tax considerations. The accounting principles and methods of calculation used in this interim report are the same as those used in the 2011 annual report.

Note 2 Financial assets

Financial assets are comprised of shares held in subsidiaries with a value of SEK 12,476m and other long-term receivables

of SEK 2m. The shares held are in subsidiaries Posten AB (book value SEK 7,089m) and Post Danmark A/S (SEK 5,387m). The value of financial assets is unchanged from December 31, 2011.

Note 3 Contingent liabilities

	Jun 30	Jun 30	Dec 31
SEKm	2012	2011	2011
Warranty, PRI	574	656	574
Guarantees on behalf of subsidiaries	232 ¹⁾	75	78
Total	806	731	652

¹⁾ As of June 30, 2012 PostNord's subsidiary Posten AB had pledged a total of SEK 105m (150) on behalf of wholly-owned subsidiaries.

Quarterly data

SEKm, unless otherwise specified	Jul-Sep 2010	Oct-Dec 2010	Jan-Mar 2011	Apr-Jun 2011	Jul-Sep 2011	Oct-Dec 2011	Jan-Mar 2012	Apr-Jun 2012
PostNord Group								
Net sales	9,649	10,871	10,032	9,711	9,195	10,528	9,993	9,487
Other income	44	75	38	58	110	68	63	60
Expenses	9,244	10,814	9,652	9,554	9,011	9,950	9,764	9,726
Operating profit (EBITDA)	912	650	833	622	710	1,072	704	239
Operating profit (EBIT)	450	132	420	211	295	645	293	-179
Profit before tax	436	116	447	246	325	653	306	-174
Net profit	363	61	344	154	286	441	210	-151
Operating margin (EBIT), %	4.6	1.2	4.2	2.2	3.2	6.1	2.9	neg
Adjusted operating margin, %	5.3	5.5	5.1	3.0	4.6	6.3	6.4	1.3
Cash flows from operating activities	-76	959	172	499	-361	1,324	271	452
Net debt	-174	-728	-602	308	745	578	669	2,301
Return on equity, rolling 12-month, %	4	8	8	8	7	10	9	7
Equity-Assets ratio, close of period, %	45	46	46	46	47	47	47	41
Average number of employees	45,332	43,040	42,189	41,643	42,654	40,370	38,791	39,085
Mail Denmark								
Net sales	2,428	2,724	2,406	2,309	2,177	2,455	2,308	2,053
<i>Letters</i>	1,667	1,890	1,698	1,614	1,487	1,703	1,630	1,422
<i>Advertisements and Newspapers</i>	525	553	473	471	461	485	434	392
<i>Other</i>	236	281	235	224	229	267	244	239
Other income	423	439	409	395	419	462	400	394
Operating profit (EBIT)	133	60	57	21	129	148	127	-117
Operating margin, %	4.7	1.9	2.0	0.8	5.0	5.1	4.7	neg
Adjusted operating margin, %	3.7	4.6	3.4	0.8	5.0	5.4	8.5	neg
Average number of employees	15,228	14,795	14,550	13,861	13,662	12,995	12,733	12,278
Volumes, millions of units produced								
Priority mail	138	153	138	98	87	88	88	77
Non-priority and business mail	62	73	77	87	91	111	105	87
Mail Sweden								
Net sales	3,591	4,189	3,886	3,770	3,434	4,130	3,908	3,695
<i>Letters</i>	1,884	2,350	2,158	1,985	1,742	2,257	2,098 ¹⁾	1,906
<i>Advertisements and Newspapers</i>	1,135	1,230	1,160	1,197	1,108	1,234	1,176 ¹⁾	1,160
<i>Other</i>	572	609	568	588	584	639	634 ¹⁾	629
Other income	161	191	175	182	177	197	186	202
Operating profit (EBIT)	242	218	280	150	76	384	250	-3
Operating margin, %	6.4	5.0	6.9	3.8	2.1	8.9	6.1	neg
Adjusted operating margin, %	8.8	9.2	8.0	5.3	5.8	8.8	9.1	3.9
Average number of employees	20,080	18,698	18,070	18,174	19,202	17,798	16,778	17,364
Volumes, millions of units produced								
Priority mail	240	276	254	243	224	259	242	230
Non-priority mail	284	338	349	292	274	336	344	276
Logistics								
Net sales	2,989	3,284	3,037	2,956	3,042	3,415	3,210	3,222
<i>Parcels</i>			1,587	1,510	1,547	1,738	1,629	1,561
<i>Solutions (heavy freight and integrated solutions)</i>			675	657	681	817	733	837
<i>Other logistics services (mixed cargo groupage, etc.)</i>			775	789	814	860	848	824
Other income	323	333	321	312	330	354	334	304
Operating profit (EBIT)	100	61	50	23	66	130	18	-41
Operating margin, %	3.0	1.7	1.5	0.7	2.0	3.5	0.5	neg
Adjusted operating margin, %	3.0	3.7	1.5	0.7	2.0	3.1	1.3	0.4
Average number of employees	6,379	6,269	6,150	6,212	6,577	6,585	6,407	6,649
Volumes, millions of units produced								
Parcels	24	27	25	23	24	26	25	24
Strålfors								
Net sales	764	845	845	814	675	714	717	655
Other income	7	8	4	6	-10	18	7	7
Operating profit (EBIT)	-21	-128	-1	-41	-31	-3	-58	9
Operating margin, %	neg	neg	neg	neg	neg	neg	neg	1.4
Adjusted operating margin, %	neg	neg	neg	neg	neg	neg	3.0	1.7
Average number of employees	2,091	2,093	2,068	2,061	2,000	1,684	1,521	1,520

1) Previously reported quarterly values have been adjusted.