

Interim report

Q2 2015

APRIL-JUNE 2015

- Net sales of SEK 9,666m (9,816)
- Adjusted operating income SEK 33m (-30).
- Item affecting comparability, net, SEK 470m (0) from a capital gain and an impairment loss.
- Operating income SEK 503m (-30).
- Net income totaled SEK 390m (-76).
- Cash flow from operating activities totaled SEK -127m (120).

JANUARY-JUNE 2015

- Net sales of SEK 19,699m (19,815)
 - Adjusted operating income SEK 345m (76).
 - Item affecting comparability, net, SEK 470m (0) in Q2 from a capital gain and an impairment loss.
 - Operating income SEK 815m (76).
 - Net income totaled SEK 593m (24).
 - Cash flow from operating activities totaled SEK 1,013m (-349).
-

We deliver! PostNord is the leading supplier of communication and logistics solutions to, from and within the Nordic region. We also ensure the postal service to households and businesses in Sweden and Denmark. With our expertise and strong distribution network, we develop options for tomorrow's communication, e-commerce, distribution and logistics in the Nordic region. In 2014, the Group had 38,000 employees and sales of SEK 40 billion. The Parent Company is a Swedish public limited company headquartered in Solna, Sweden. Visit us at www.postnord.com

postnord

FINANCIAL OVERVIEW AND KEY RATIOS

SEKm, unless otherwise specified	Apr-Jun	Apr-Jun	Excl. ¹⁾		Jan-Jun	Jan-Jun	Excl. ¹⁾		Jan-Dec
	2015	2014	Δ	Δ	2015	2014	Δ	Δ	2014
INCOME ITEMS									
Net sales	9,666	9,816	-2%	-3%	19,699	19,815	-1%	-2%	39,950
Operating income (EBITDA)	934	386			1,697	910	86%		2,198
Operating margin (EBITDA)	9,7%	3,9%			8,6%	4,6%			5,5%
Operating income (EBIT)	503	-30			815	76			351
Operating margin (EBIT) ²⁾	5,2%	-0,3%			4,1%	0,4%			0,9%
Adjusted operating income (EBIT) ³⁾	33	-30			345	76			861
Adjusted operating margin (EBIT) ^{2) 3)}	0,3%	-0,3%			1,8%	0,4%			2,2%
Income before tax	455	-62			745	23			245
Net income	390	-76			593	24			176
CASH FLOWS									
Cash flows from operating activities	-127	120			1,013	-349			670
FINANCIAL POSITION									
Financial preparedness	3,445	3,074	12%		3,445	3,074	12%		3,843
Net debt	743	2,926	-75%		743	2,926	-75%		3,672
KEY RATIOS									
Earnings per share, SEK	0,19	-0,04			0,30	0,01			0,09
Net debt/EBITDA, times	0,3	1,4			0,3	1,4			1,7
Net debt ratio	8%	33%			8%	33%			46%
Return on capital employed (ROCE)	9,4%	4,3%			9,4%	4,3%			3,1%
Average number of employees ⁴⁾	35,398	37,589			35,184	37,370			37,407

1) Change excluding acquisitions/divestments and currency.

2) From 2015 a new definition of operating margin (operating income as % of net sales) is applied. Numbers for 2014 are restated for comparability. See note 7, Definitions

3) Adjusted for items affecting comparability. See table on page 4 and note 7, Definitions.

4) 2014 years numbers are adjusted for change in calculations, e.g. terminated staff in "Futurum" are no longer included.

The report comments on developments in April-June and January-June 2015, respectively, compared to the same periods in 2014 unless otherwise stated.

CEO COMMENTS

CONTINUED FOCUS ON SERVICE OFFERINGS AND LONG-TERM PROFITABILITY

E-commerce displays strong growth, while mail volumes continue to fall, especially in Denmark. Implemented restructuring programs improve profit.

During the quarter PostNord signed several major contracts in the area of parcel distribution, both in B2B and B2C, as well as a significant contract with the COOP chain of cooperative association supermarkets in Denmark regarding the distribution of direct mail. About a third of the new agreements that we enter into are in the e-commerce segment, which is continuing to grow strongly, and B2C parcel volumes rose by 17% during the quarter.

During the quarter PostNord expanded its strategic cooperation with the international network DPDgroup, which is the second largest service provider in the European parcel market. The core of the expanded cooperation comprises a powerful B2C strategy, which will link PostNord's and DPDgroup's distribution networks, thereby creating a harmonized system with service points at 26,000 locations in Europe.

PostNord entered into an agreement to acquire the company Uudenmaan Pikakuljetus Oy (UPK) in Finland. This deal reinforces PostNord Finland's position in logistics solutions.

In the wake of continued digitization, mail volumes continued to decline, especially in Denmark. In total, mail volumes declined by 9% in the quarter, of which 15% in Denmark and 7% in Sweden. It is vital that amendments to the postal regulations should be based on the continually changing needs of customers so that a universal postal service can be maintained in the long term under reasonable economic conditions.

In late April the Court of Justice of the European Union announced its verdict that postal services not covered by individually negotiated agreements are to be VAT-exempt. PostNord is now awaiting ongoing amendments to Swedish VAT legislation. This may entail an increase in costs for PostNord due to a reduced right to deductions for input VAT.

The Group's adjusted operating income in Q2 totaled SEK 33m (-30). For H1 the Group's adjusted operating income amounted to SEK 345m (76). The result is adjusted for a capital gain and an impairment loss totaling SEK 470m (0), net. The restructuring work that we have implemented is having the intended effect on the result.

With rapidly declining mail volumes we face major challenges, but we are concurrently strengthening our position as a leading logistics operator. Continuous efficiency improvements and adaptations are, however, essential to secure long-term profitability. With a great focus on customers we will deliver on our promises.

Håkan Ericsson
President & Group CEO

IMPORTANT EVENTS IN APRIL-JUNE

[Verdict of the Court of Justice of the European Union on charging VAT](#)

Late April saw the verdict of the Court of Justice of the European Union on the case brought by the European Commission against the Swedish State for non-compliance with EU rules regarding value added tax on postal services. The verdict went in the Commission's favor, with the result that universal postal services not covered by individually negotiated agreements are to be VAT-exempt. For PostNord, this may entail higher costs because paid VAT for business-related costs, concerning VAT-exempt operations, will not be VAT deductible. PostNord will charge VAT according to applicable legislation while awaiting any amendments to Swedish VAT legislation.

[Annual General Meeting 2015](#)

PostNord's Annual General Meeting (AGM) took place on April 23, 2015 at the Group's headquarters in Solna. The Chairman and all Board members were re-elected and the accounting firm KPMG AB was re-appointed to serve in the period until the end of the next AGM.

[New managing director for the pension foundation, "Postens Pensionsstiftelse"](#)

On June 1, 2015 John Vivstam took up the position as the new managing director of the pension foundation, Postens Pensionsstiftelse, as Dag Hasslegren retired. The foundation manages and secures pension obligations for the PostNord Group AB and PostNord Sverige AB companies. On June 30, 2015 the market value of the assets in the pension foundation stood at SEK 18.9 billion. The pension liability in the PostNord Group amounted to SEK 18.4 billion.

[Evaluation of conditions for a possible divestment of the Strålfors business](#)

A possible divestment of the Strålfors business continues to be evaluated. The major part of the fulfilment business operated by Strålfors has been transferred to PostNord Sweden and will not be affected by any divestment.

In May Annemarie Gardshol, Chief Strategy Officer and Head of E-commerce, was appointed acting CEO of PostNord Strålfors as Per Samuelsson has left the company.

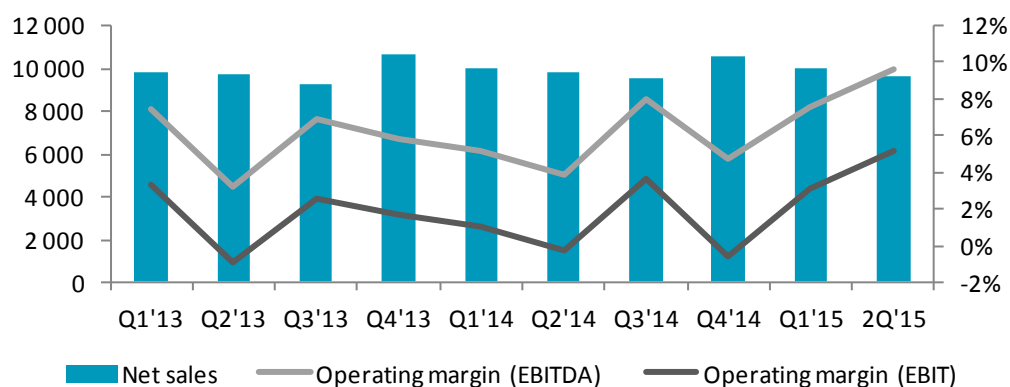
[Divestment of property in Denmark](#)

A property in central Copenhagen was divested for a purchase consideration of DKK 925m at the end of June, which resulted in a capital gain of SEK 500m. In conjunction with the transaction, a property loan of SEK 665m was taken over by the buyer. Cash and cash equivalents of SEK 499m were settled in July 2015.

[Agreement to acquire the company Uudenmaan Pikakuljetus Oy \(UPK\) in Finland](#)

PostNord Oy has entered into an agreement to acquire Uudenmaan Pikakuljetus Oy (UPK) from DSV Road Oy. The deal considerably strengthens PostNord's position in Finland within domestic parcel transportation, scheduled deliveries, logistics solutions for healthcare and e-commerce and temperature-controlled transport services. The transaction was approved by the Finnish Competition and Consumer Authority in the beginning of August.

GROUP SALES AND EARNINGS



April-June

Excluding acquisitions and exchange rate effects, PostNord's net sales decreased by 3%. As a result of continued digitization, mail volumes declined by a total of 9%, of which 15% in Denmark and 7% in Sweden. E-commerce continued to show strong growth, generating higher volumes in goods distribution of mail and parcels. The Group's parcel volumes increased by 12%, with e-commerce-related B2C parcel volumes rising 17%. Parcel volumes are increasing, but cannot fully compensate for the declining mail volumes on net sales level.

The Group's adjusted operating income totaled SEK 33m (-30) and the operating margin was 0.3% (-0.3). The improvement is attributable to implemented efficiency programs.

The Group's reported operating income totaled SEK 503m (-30). The operating margin was 5.2% (-0.3). The result includes items affecting comparability, net, totaling SEK 470m (0), of which SEK 500m comprises a capital gain from divestment of a property in Denmark and SEK 30m comprises impairment loss on the interest held in the Eson Pac Group AB.

2015 SEK m	PostNord Sweden	PostNord Denmark	PostNord Norway	PostNord Finland	Other	Group total
Impairment intangible assets					-30	-30
Capital gain, real estate, Denmark		500				500
Total items affecting comparability	0	500	0	0	-30	470

Net financial items decreased to SEK -48m (-32) and were mainly impacted by lower interest income and in certain countries negative deposit interest rates. The tax expense for the quarter was SEK -65m (-14). Net income totaled SEK 390m (-76).

January-June

Excluding acquisitions and exchange rate effects, PostNord's net sales decreased by 2%. Mail volumes declined by a total of 8%, of which 15% in Denmark and 6% in Sweden. Parcel volumes increased by 13%, with e-commerce-related B2C parcel volumes rising 17%.

The Group's adjusted operating income reached SEK 345m (76). The result has been adjusted for items affecting comparability of SEK 470m, net, (0) during Q2. The improvement is mainly attributable to implemented restructuring programs, but Q1 2014 also included a provision for restructuring costs of SEK 157m related to the new organization.

The Group's reported operating income totaled SEK 815m (76). The operating margin was 4.1% (0.4). Net financial items reached SEK -70m (-53), and H1 tax totaled SEK -152m (1). Net income totaled SEK 593m (24).

FINANCIAL POSITION ON JUNE 30, 2015

The Group's equity increased to SEK 9,421m from SEK 7,637m on March 31, 2015. The increase primarily comes from revaluation of pension obligations and pension assets under management totaling SEK 1,489m, net, and net income of SEK 390m as well as translation differences of SEK 96m. Revaluation of the pension liability was made with a higher discount rate following the higher interest rate level in the Swedish mortgage bond market.

The Group's net debt decreased by SEK 2,370m during the second quarter. The decline is mainly attributable to the aforementioned revaluation of the pension liability as well as the fact that a SEK 665m property loan was taken over by the buyer in conjunction with a divestment.

The debt ratio (net debt/equity) was 8%, compared to 41% on March 31, 2015. The net debt/EBITDA ratio (trailing 12-months) was 0.3.

Return on capital employed (trailing 12-months) reached 9.4% (4.3). The improvement includes cost efficiency measures and the quarter's capital gain, while earlier periods have been burdened with restructuring costs.

Net debt

	Jun 30	Sep 30	Dec 31	Mar 31	Jun 30
SEKm	2014	2014	2014	2015	2015
Financial receivables	1,286	1,341	1,092	1,125	1,628
Current interest-bearing receivables	286	0	0	0	0
Cash and cash equivalents	1,074	684	1,843	2,466	1,445
Interest-bearing debt	-5,134	-5,521	-5,384	-5,141	-3,816
Pension provisions ¹⁾	-438	-701	-1,223	-1,563	0
Net debt	-2,926	-4,197	-3,672	-3,113	-743

¹⁾ Includes assets under management. Per 30 June 2015, the assets under management are greater than the estimated net present value of the pension liabilities and are accounted for under the line item Financial receivables.

PostNord is implementing capital efficiency programs in two areas: reducing working capital and divesting parts of the property portfolio. A property in central Copenhagen was divested for DKK 925m during the quarter, resulting in a capital gain of SEK 500m. The buyer took over a property loan of SEK 665m in conjunction with the transaction, and PostNord repaid the remaining loan amount of SEK 87m. Cash and cash equivalents of SEK 499m were settled in July 2015.

During the quarter SEK 540m was repaid under the company's MTN bond program.

The Group's financial preparedness totaled SEK 3,445m, compared to SEK 4,466m on March 31, 2015. The total consisted of cash and cash equivalents of SEK 1,445m and an unutilized revolving credit facility (RCF) of SEK 2,000m maturing in 2017.

CASH FLOW

April-June

Cash flow from operating activities totaled SEK -127m (120). Cash flow was negatively affected mainly by the fact that outgoing payments of about SEK 300m related to the first quarter were deferred until the second quarter 2015.

Cash flow from investing activities totaled SEK -208m (-467). Investments in property, plant and equipment have decreased to a lower level since construction work of terminals in Sweden have been completed and tighter investment governance has been adopted. The investments primarily related to vehicles in production and equipment for transportation and sorting. In July 2015 PostNord received proceeds of SEK 499m attributable to the property sale.

Cash flow from financing activities totaled SEK -682m (426). During the period SEK 540m was repaid under the company's MTN bond program, and SEK 87m of a property loan was repaid in conjunction with the divestment of a property.

January-June

Cash flow from operating activities totaled SEK 1,013m (-349). The improvement compared to the previous year is mainly because Q1 2014 was mainly affected by payment deferrals at the turn of the year 2013/2014 and higher operating liabilities during H1 2015 – mainly related to accrued expenses and deferred income.

Cash flow from investing activities has, according to plan, dropped down to a lower level and amounted to SEK -463m (-930). The lower level has been achieved because the new terminals in Sweden are complete and tighter governance of investing activities has been adopted.

Cash flow from financing activities totaled SEK -946m (371). During H1 a property loan was taken over in conjunction with the divestment of a property; bond loans under the MTN program and commercial paper were repaid.

COUNTRIES

Since the start of 2015, financial reporting for the segments is presented per country organization. Common notes applicable to the financial tables are presented at the end of the segments on page 10.

PostNord Sweden

PostNord Sweden ^{1) 2)}	Apr-Jun	Apr-Jun	Excl. ³⁾		Jan-Jun	Jan-Jun	Excl. ³⁾	
SEKm	2015	2014	Δ	Δ	2015	2014	Δ	Δ
Net sales	5,665	5,682	0%	0%	11,483	11,481	0%	0%
<i>of which Mail & Communication (external)</i>	3,189	3,343	-5%	-5%	6,547	6,806	-4%	-4%
<i>of which Logistics (external)</i>	2,224	2,135	4%	4%	4,445	4,251	5%	5%
Operating income (EBIT)	173	101			401	173		
Operating margin, % ⁴⁾	3,1%	1,8%			3,5%	1,5%		

April-June

PostNord Sweden's net sales were unchanged. Mail and parcel volumes related to e-commerce showed positive growth. Mail & Communication in Sweden, reported a decrease of 5% in sales as the result of a 7% decline in mail volumes. Sales for Logistics in Sweden increased 4%, above all as a result of higher parcel volumes and new customer contracts.

Operating income totaled SEK 173m (101). The positive increase in the result is mainly attributable to implemented efficiency improvements.

January-June

PostNord Sweden's net sales were unchanged. Mail & Communication in Sweden reported a decrease of 4% in sales as the result of a 6% decline in mail volumes. Goods distribution showed growth and had a positive impact on sales. Sales for Logistics in Sweden increased 5%, mainly due to higher parcel volumes and new customer contracts won.

Operating income totaled SEK 401m (173). The improvement is mainly due to implemented efficiency measures, but also reflected the fact that Q1 of 2014 included provisions for restructuring costs of SEK 105m.

PostNord Denmark

PostNord Denmark ^{1) 2)} SEKm	Apr-Jun	Apr-Jun	Excl. ³⁾		Jan-Jun	Jan-Jun	Excl. ³⁾	
	2015	2014	Δ	Δ	2015	2014	Δ	Δ
Net sales	2,402	2,453	-2%	-5%	4,969	5,013	-1%	-5%
of which Mail & Communication (external)	1,472	1,585	-7%	-10%	3,090	3,301	-6%	-10%
of which Logistics (external) ⁶⁾	815	762	7%	4%	1,640	1,488	10%	6%
Operating income (EBIT)	298	-193			251	-215		
Operating margin, % ⁴⁾	12,4%	-7,9%			5,1%	-4,3%		
Adjusted operating income (EBIT) ⁵⁾	-202	-193			-249	-215		
Adjusted operating margin, % ^{4) 5)}	-8,4%	-7,9%			-5,0%	-4,3%		

April-June

PostNord Denmark's net sales were down 2%. Excluding acquisitions and exchange rate effects, net sales decreased by 5% as a result of declining mail volumes, falling numbers of direct mail recipients and prevailing tough competition in the logistics industry. Excluding exchange rate effects, Mail & Communication in Denmark declined by 10% as a result of a 15% fall in mail volumes. Logistics in Denmark increased by 4%, excluding exchange rate effects, thanks to higher parcel volumes and new customer contracts in service logistics.

Adjusted operating income totaled SEK -202m (-193). The income was primarily affected by the steep decline in mail volumes. A property in central Copenhagen was divested for DKK 925m during the quarter, resulting in a capital gain of SEK 500m.

January-June

PostNord Denmark's net sales were down 1%. Excluding acquisitions and exchange rate effects, net sales fell by 5%. Excluding exchange rate effects, Mail & Communication in Denmark declined by 10% as a result of a 15% fall in mail volumes. Logistics in Denmark increased by 6%, excluding exchange rate effects, as a result of higher volumes in parcel logistics and new customer contracts in service logistics. Adjusted operating income totaled SEK -249m (-215).

PostNord Norway

PostNord Norway ^{1) 2)} SEKm	Apr-Jun	Apr-Jun	Excl. ³⁾		Jan-Jun	Jan-Jun	Excl. ³⁾	
	2015	2014	Δ	Δ	2015	2014	Δ	Δ
Net sales	1,056	1,078	-2%	-3%	2,133	2,120	1%	0%
of which Mail & Communication (external)	11	9	26%	28%	23	17	37%	38%
of which Logistics (external)	948	984	-4%	-4%	1,918	1,945	-1%	-2%
Operating income (EBIT)	-5	13			6	26	-77%	
Operating margin, % ⁴⁾	-0,5%	1,2%			0,3%	1,2%		

April-June

PostNord Norway's net sales decreased by 2%. Excluding acquisitions and exchange rate effects, net sales fell by 3%. Growth in the e-commerce market remains strong, but the tough price competition in logistics is holding back both sales and profitability. Operating income totaled SEK -5m (13).

The transport and logistics company Jetpak Borg AS was acquired and financially consolidated first of May to add customized solutions for overnight long-distance deliveries to car dealers, workshops and similar segments in Norway. Jetpak Borg's unique distribution system provides nightly long-distance shipments from centralized warehouses in Scandinavia to more than 500 recipients in Norway. The company has annual sales of approximately NOK 120m.

January-June

During H1 PostNord Norway's net sales increased by 1% year-on-year. Excluding acquisitions and exchange rate effects, net sales were unchanged. Growth in the e-commerce market remains strong, but the tough price competition in logistics is holding back both sales and profitability. Operating income totaled SEK 6m (26).

PostNord Finland

PostNord Finland ^{1) 2)}	Apr-Jun	Apr-Jun	Excl.³⁾		Jan-Jun	Jan-Jun	Excl.³⁾	
SEKm	2015	2014	Δ	Δ	2015	2014	Δ	Δ
Net sales	171	160	7%	4%	346	322	7%	3%
<i>of which Mail & Communication (external)</i>	3	3	3%	1%	7	7	-6%	-10%
<i>of which Logistics (external)</i>	114	106	7%	4%	226	215	5%	1%
Operating income (EBIT)	-1	-2			0	-5		
Operating margin, % ⁴⁾	-0,6%	-1,3%			0,0%	-1,6%		

April-June

PostNord Finland's net sales grew by 7%. Excluding acquisitions and exchange rate effects, net sales increased 4%, primarily in parcels and pallets sales. This was achieved despite a challenging economic situation in Finland and tough competition.

Operating income totaled SEK -1m (-2).

During the quarter an agreement was entered into to acquire Uudenmaan Pikakuljetus Oy (UPK) from DSV Road Oy. The deal considerably strengthens PostNord's position in Finland within domestic parcel transportation, scheduled deliveries, logistics solutions for healthcare and e-commerce and temperature-controlled transport services. The transaction was approved by the Finnish Competition and Consumer Authority in the beginning of August.

January-June

PostNord Finland's net sales grew 7%. Excluding acquisitions and exchange rate effects, net sales increased by 3%, primarily in parcels and pallets sales.

Operating income totaled SEK 0m (-5). The improvement is related to higher sales and previously implemented cost-cutting measures.

PostNord Strålfors

PostNord Strålfors ^{1) 2)} SEKm	Apr-Jun	Apr-Jun	Excl. ³⁾		Jan-Jun	Jan-Jun	Excl. ³⁾	
	2015	2014	Δ	Δ	2015	2014	Δ	Δ
Net sales	584	590	-1%	-3%	1,225	1,209	1%	-1%
Operating income (EBIT)	8	-8			34	-7		
Operating margin, % ⁴⁾	1,4%	-1,4%			2,8%	-0,6%		

April-June

The figures for PostNord Strålfors have been restated for 2014 to reflect that the majority of its fulfilment business has been transferred to PostNord Sweden.

Net sales for PostNord Strålfors decreased by 1%. Excluding acquisitions and exchange rate effects, net sales fell by 3%.

Reported operating income totaled SEK 8m (-8). The improvement is mainly attributable to implemented cost-cutting programs. The process concerning a possible divestment of Strålfors continues.

In May Annemarie Gardshol, Chief Strategy Officer and Head of E-commerce, was appointed acting CEO of PostNord Strålfors since Per Samuelsson has left the company.

January-June

Net sales for PostNord Strålfors increased by 1%. Excluding acquisitions and exchange rate effects, net sales fell by 1%.

Operating income totaled SEK 34m (-7). The improvement was mainly due to cost-cutting programs implemented, but also reflected the fact that the first quarter of 2014 included a provision for ongoing restructuring.

Other countries and eliminations

Other countries and eliminations ^{1) 2)} SEKm	Apr-Jun	Apr-Jun	Δ	Jan-Jun	Jan-Jun	Δ
	2015	2014		2015	2014	
Net sales	326	324	1%	620	628	-1%
<i>of which internal</i>	0	2		0	2	
Eliminations	-538	-471		-1,077	-958	
Operating income (EBIT)	30	59	-49%	123	104	18%

January-June

Net sales are primarily related to Direct Link. In Q2 an impairment loss of SEK 30m was recognized on the interest held in Eson Pac Group AB.

Common notes applicable to the financial tables in the above section:

- 1) Division into geographic areas is principally based on registered corporate domicile.
- 2) All figures are adjusted in line with the new organization and Group overheads are charged to all countries, but not PostNord Strålfors. See Note 2, Segment reporting
- 3) Change excluding acquisitions/divestment within operational activities and exchange rates.
- 4) As of 2015 a new definition for operating margin is applied (operating income as a percentage of net sales). Comparative periods have been restated. See Note 7, Definitions
- 5) Adjusted for items affecting comparability. See Note 7, Definitions
- 6) Including Logistics operations in Germany.

BUSINESS AREAS

External net sales ¹⁾	Apr-jun	Apr-jun	Excl. ²⁾		Jan-jun	Jan-jun	Excl. ²⁾	
SEKm	2015	2014	△	△	2015	2014	△	△
Mail & Communication	5,002	5,255	-5%	-6%	10,286	10,742	-4%	-6%
Logistics	4,101	3,987	3%	2%	8,229	7,900	4%	3%
PostNord Strålfors	563	574	-2%	-4%	1,183	1,172	1%	-2%
Group total	9,666	9,816	-2%	-3%	19,699	19,815	-1%	-2%

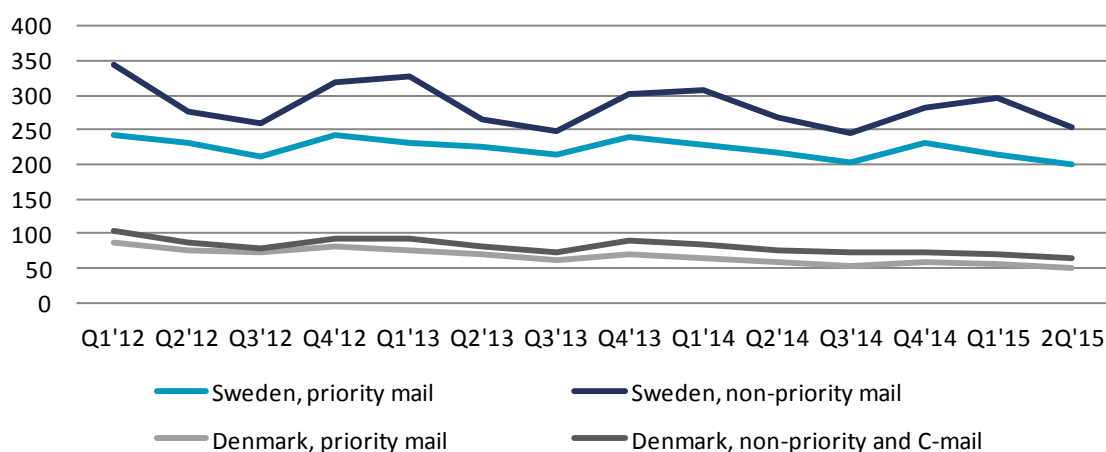
1) 2014 numbers are restated in accordance with the new organization.

2) Change excluding acquisitions/divestments and currency.

Mail & Communication

Year-on-year net sales for Business area Mail & Communication decreased by 5% during the quarter. Excluding acquisitions and exchange rate effects, net sales fell by 6%. The lower net sales are mainly due to continued digitization and declining mail volumes.

Mail volumes, millions of units



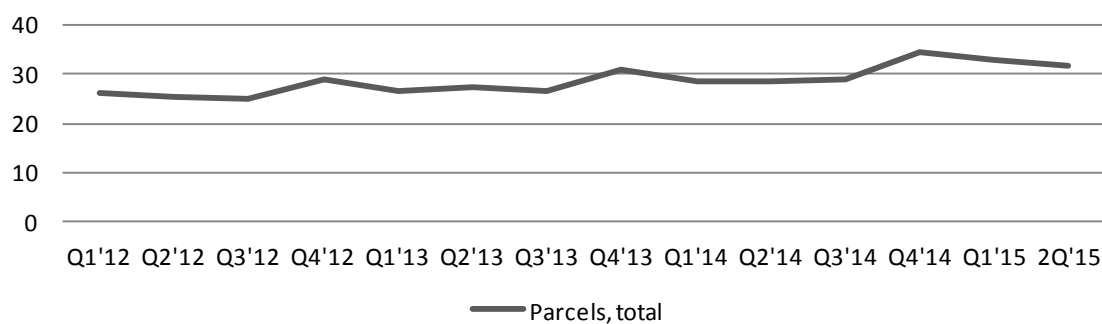
Mail volumes declined by a total of 9% in the quarter due to digitization, of which 15% in Denmark and 7% in Sweden. The volume decline was somewhat mitigated by further strong growth in e-commerce-related services.

During H1 mail volumes fell by a total of 8%, of which 15% in Denmark and 6% in Sweden, year-on-year.

Logistics

Year-on-year net sales for Business area Logistics rose 3% during the quarter. Excluding acquisitions and exchange rate effects, net sales increased 2%. E-commerce is continuing to show strong growth and parcel volumes rose 12% during the quarter, of which the number of e-commerce-related B2C items increased by 17%.

Parcel volumes, millions of units



PostNord Strålfors

See comments on PostNord Strålfors in the "Countries" section.

RISKS AND UNCERTAINTIES

PostNord is exposed to strategic, operational and financial risks. Please refer to PostNord's 2014 Annual and Sustainability Report (pages 54-55 and Note 2 on pages 66-67), for a description of risks, uncertainties, risk management and significant assessments and estimates. No material changes or assessments have been made since the publication of the Annual and Sustainability Report.

FINANCIAL CALENDAR

Interim report January-September 2015
Year-end report 2015

28 October 2015
10 February 2016

Solna, August 13, 2015
PostNord AB (publ), CIN 556771-2640

The Board of Directors and the President and Group CEO declare that the interim report January-June 2015 provides a true and fair view of the Group's and Parent Company's operations, position and results and describes material risks and uncertainties to which the Parent Company and the companies included in the Group are exposed.

Jens Moberg
Board chairman

Christian Ellegaard
Director

Gunnel Duveblad
Director

Mats Abrahamsson
Director

Anitra Steen
Director

Sisse Fjelsted Rasmussen
Director

Torben Janholt
Director

Magnus Skåninger
Director

Lars Chemnitz
Employee representative

Johan Lindholm
Employee representative

Ann-Christin Fällén
Employee representative

Håkan Ericsson
President and Group CEO

This report has not been subject to review by the Company's auditors.

PostNord AB (publ) is required to disclose this information under the Securities Markets Act. The information was submitted for publication at 8:30 a.m. CET on August 13, 2015.

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

CONTACT INFORMATION

CFO

Gunilla Berg, +46 (0)10 436 28 10

Chief Communications Officer

Per Mossberg, +46 (0)10 436 39 15

Head of Investor Relations

Susanne Andersson, +46 (0)10 436 20 86
ir@postnord.com

Sweden

Mailing address: SE-105 00 Stockholm
Visiting address: Terminalvägen 24, Solna
Tel.: +46 (0)10 436 00 00
www.postnord.com

Denmark

Mailing and visiting address:
Tietgensgade 37, 1566 Copenhagen V
Tel.: +45 33 61 00 00

FINANCIAL STATEMENTS

Consolidated income statement

SEKm	Note	Apr-Jun 2015	Apr-Jun 2014	Jan-Jun 2015	Jan-Jun 2014	Jan-Dec 2014
Net sales	1	9,666	9,816	19,699	19,815	39,950
Other income		559	81	628	141	632
Income	2	10,225	9,897	20,327	19,956	40,582
Personnel expenses	3	-4,587	-4,736	-9,123	-9,407	-18,212
Transport expenses	3	-2,456	-2,435	-4,929	-4,726	-9,832
Other expenses	3,4	-2,248	-2,342	-4,584	-4,922	-10,356
Depreciation and impairments	3	-431	-416	-882	-834	-1,847
Expenses		-9,722	-9,929	-19,518	-19,889	-40,247
Participations in the earnings of associated companies		0	2	6	9	16
OPERATING INCOME		503	-30	815	76	351
Financial income		3	12	8	24	89
Financial expenses		-51	-44	-78	-77	-195
Net financial items		-48	-32	-70	-53	-106
INCOME BEFORE TAX		455	-62	745	23	245
Tax		-65	-14	-152	1	-69
NET INCOME		390	-76	593	24	176
Attributable to						
Parent company shareholders		389	-77	592	22	173
Non-controlling interests		1	1	1	2	3
Earnings per share, SEK		0,19	-0,04	0,30	0,01	0,09

Consolidated statement of comprehensive income

SEKm	Apr-Jun 2015	Apr-Jun 2014	Jan-Jun 2015	Jan-Jun 2014	Jan-Dec 2014
NET INCOME	390	-76	593	24	176
OTHER COMPREHENSIVE INCOME					
Items that cannot be transferred to net income					
Revaluation of pension liabilities	1,909	-525	1,261	-399	-1,682
Change in deferred tax	-420	116	-277	88	370
Total	1,489	-409	984	-311	-1,312
Items that have been or may be transferred to net income					
Cash flow hedges after tax	2	-8	1	-8	-12
Translation differences ¹⁾	-94	137	-145	189	237
Total	-92	129	-144	181	225
TOTAL OTHER COMPREHENSIVE INCOME	1,397	-280	840	-130	-1,087
COMPREHENSIVE INCOME	1,787	-356	1,433	-106	-911
Attributable to					
Parent company shareholders	1,786	-357	1,432	-108	-914
Non-controlling interests	1	1	1	2	3

1) Translation differences refer to the translation of group equity in foreign currencies.

Consolidated balance sheet

SEKm	Note	Jun 30 2014	Sep 30 2014	Dec 31 2014	Mar 31 2015	Jun 30 2015
	1					
ASSETS						
Goodwill		3,368	3,393	3,372	3,361	3,361
Other intangible assets		1,497	1,445	1,319	1,244	1,163
Property, plant and equipment		9,604	9,933	9,923	9,066	8,873
Participations in associated companies and joint ventures		74	76	83	85	72
Financial investments		208	221	257	258	255
Other non-current receivables		1,131	1,174	887	915	1,420
Deferred tax assets		495	467	566	557	502
Total non-current assets		16,377	16,709	16,407	15,486	15,646
Inventories		235	237	177	170	168
Tax assets		469	514	367	343	396
Trade receivables		4,520	4,626	4,620	4,689	4,402
Prepaid expenses and accrued income		1,592	1,535	1,289	1,277	1,484
Other receivables		651	553	389	391	1,129
Short-term investments		286				0
Cash and cash equivalents		1,074	684	1,843	2,466	1,445
Assets held for sale		358	484	372	997	286
Total current assets		9,185	8,633	9,057	10,333	9,310
TOTAL ASSETS		25,562	25,342	25,464	25,819	24,956
EQUITY AND LIABILITIES						
EQUITY						
Capital stock		2,000	2,000	2,000	2,000	2,000
Other contributed equity		9,954	9,954	9,954	9,954	9,954
Reserves		-1,736	-1,702	-1,692	-1,744	-1,836
Retained earnings		-1,425	-1,517	-2,275	-2,577	-699
Total equity attributable to parent company shareholders		8,793	8,735	7,987	7,633	9,419
Non-controlling interests		4	4	4	4	2
TOTAL EQUITY		8,797	8,739	7,991	7,637	9,421
LIABILITIES						
Non-current interest-bearing liabilities		4,341	4,340	4,577	3,772	3,805
Other non-current liabilities		38	42	59	38	38
Pensions		438	701	1,223	1,563	
Other provisions	4	1,370	1,393	1,730	1,655	1,526
Deferred tax liabilities		917	828	650	626	954
Total non-current liabilities		7,104	7,304	8,239	7,654	6,323
Current interest-bearing liabilities		793	1,181	807	1,368	11
Trade payables		2,041	1,811	2,010	2,252	2,070
Tax liabilities		79	82	65	68	84
Other current liabilities		1,814	2,023	1,742	1,762	1,919
Accrued expenses and prepaid income		4,299	3,721	3,929	4,442	4,570
Other provisions	4	635	481	681	636	558
Total current liabilities		9,661	9,299	9,234	10,528	9,212
TOTAL LIABILITIES		16,765	16,603	17,473	18,182	15,535
TOTAL EQUITY AD LIABILITIES		25,562	25,342	25,464	25,819	24,956

Consolidated statement of changes in equity

SEKm	Equity attributable to the parent company's shareholders						Non-controlling interests	Total equity
	Capital stock ¹⁾	Contributed equity	Translation differences	Hedging reserve	Retained earnings			
Opening balance 1 Jan 2014	2,000	9,954	-1,917		-1,007	4	9,034	
Other comprehensive income for the period								
Net income for the period					22	2	24	
Other comprehensive income for the period			189	-8	-311		-130	
Total other comprehensive income for the period			189	-8	-289	2	-106	
Dividend					-129	-2	-131	
Closing balance 30 Jun 2014	2,000	9,954	-1,728	-8	-1,425	4	8,797	
Opening balance 1 Jul 2014	2,000	9,954	-1,728	-8	-1,425	4	8,797	
Other comprehensive income for the period								
Net income for the period					151	1	152	
Other comprehensive income for the period			48	-4	-1,001		-957	
Total other comprehensive income for the period			48	-4	-850	1	-805	
Dividend						-1	-1	
Closing balance 31 Dec 2014	2,000	9,954	-1,680	-12	-2,275	4	7,991	
Opening balance 1 Jan 2015	2,000	9,954	-1,680	-12	-2,275	4	7,991	
Other comprehensive income for the period								
Net income for the period					592	1	593	
Other comprehensive income for the period			-145	1	984		840	
Total other comprehensive income for the period			-145	1	1,576	1	1,433	
Dividend						-3	-3	
Closing balance 30 Jun 2015	2,000	9,954	-1,825	-11	-699	2	9,421	

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

Consolidated statement of cash flows

SEKm	Apr-Jun 2015	Apr-Jun 2014	Jan-Jun 2015	Jan-Jun 2014	Jan-Dec 2014
OPERATING ACTIVITIES					
Income before tax	455	-62	745	23	245
Adjustments for non-cash items:					
Reversal of depreciation and impairments	431	416	882	834	1,847
Capital gain/loss from sale of PP&E	-501	-6	-501		-431
Change in pension liability	28	140	36	178	577
Other provisions	27	48	3	256	937
Other items not affecting liquidity	-10	14	4	19	6
Pensions paid	-255	-261	-513	-525	-1,045
Other provisions, liquidity effect	-145	-106	-309	-229	-596
Taxes	-69	-90	-25	-98	-116
Cash flow from operating activities before changes in working capital	-39	93	322	458	1,424
Cash flow from changes in working capital					
Increase(-)/decrease(+) in inventories	2		10	-9	48
Increase(-)/decrease(+) in other operating receivables	-181	12	-198	-268	138
Increase(+)/decrease(-) in other operating liabilities	78	50	823	-507	-947
Other changes in working capital	13	-35	56	-23	7
Changes in working capital	-88	27	691	-807	-754
Cash flow from operating activities	-127	120	1,013	-349	670
INVESTING ACTIVITIES					
Purchase of property, plant and equipment	-193	-407	-444	-737	-1,478
Sale of property, plant and equipment	8	2	25	20	582
Capitalized development expenditures	-9	-21	-20	-65	-178
Purchase of other intangible fixed assets		-3	-6	-6	-34
Divestment of other intangible fixed assets					5
Acquisition of subsidiaries, net	-29		-31		-85
Change in financial assets	15	-38	13	-142	-198
Cash flow from investing activities	-208	-467	-463	-930	-1,386
FINANCING ACTIVITIES					
Amortized debts	-627		-827	-200	-600
New debts raised		550		750	1,350
Change in finance leasing liabilities	-4	-3	-6	-3	-15
Dividend paid to parent company owners		-129		-129	-129
Dividend paid to non-controlling interests	-3	-2	-3	-2	-3
Net pension transactions	-21	-22	-42	-43	-85
Increase(+)/decrease(-) in other interest-bearing liabilities	-27	32	-68	-2	48
Cash flow from financing activities	-682	426	-946	371	566
CASH FLOW FOR THE PERIOD	-1,017	79	-396	-908	-150
Cash and cash equivalents, opening balance	2,466	993	1,843	1,981	1,981
Translation difference in cash and cash equivalents	-4	2	-2	1	12
Cash and cash equivalents, closing balance	1,445	1,074	1,445	1,074	1,843

PARENT COMPANY

The parent company, PostNord AB, conducted a very limited intercompany service operation and had three employees as of June 30, 2015.

Parent Company income statement

SEKm	Note	Apr-Jun 2015	Apr-Jun 2014	Jan-Jun 2015	Jan-Jun 2014	Jan-Dec 2014
	1					
Other income		6	4	13	9	20
Income		6	4	13	9	20
Personnel expenses		-8	-8	-17	-16	-32
Other expenses		-2	-2	-3	-4	-8
Operating expenses		-10	-10	-20	-20	-40
OPERATING INCOME		-4	-6	-7	-11	-20
Income from participations in group companies						200
Interest income and similar income items		9	6	35	12	13
Interest expense and similar expense items		-19	-62	-41	-91	-183
Financial items		-10	-56	-6	-79	30
Income after financial items		-14	-62	-13	-90	10
Balance sheet appropriations						182
Income before tax		-14	-62	-13	-90	192
Tax						
NET INCOME		-14	-62	-13	-90	192

Parent Company statement of comprehensive income

SEKm		Apr-Jun 2015	Apr-Jun 2014	Jan-Jun 2015	Jan-Jun 2014	Jan-Dec 2014
Net income		-14	-62	-13	-90	192
Other comprehensive income for the period						
COMPREHENSIVE INCOME		-14	-62	-13	-90	192

Parent Company balance sheet

SEKm	Note	Jun 30 2014	Sep 30 2014	Dec 31 2014	31 mar 2015	30 Jun 2015
	1					
ASSETS						
Financial assets		11,685	11,686	11,685	11,686	11,691
Total non-current assets		11,685	11,686	11,685	11,686	11,691
Current receivables		8,544	8,880	9,043	8,828	8,276
Total current assets		8,544	8,880	9,043	8,828	8,276
TOTAL ASSETS		20,229	20,566	20,728	20,514	19,967
EQUITY AND LIABILITIES						
Equity		15,489	15,449	15,771	15,772	15,762
Non-current liabilities		3,947	3,948	4,183	4,156	4,152
Current liabilities		793	1,169	774	586	53
TOTAL EQUITY AND LIABILITIES		20,229	20,566	20,728	20,514	19,967

Parent Company pledged assets and contingent liabilities

Assets pledged as collateral						
Warranty, PRI		140	140	136	136	136
Guarantees on behalf of subsidiaries		420	460	550	453	415
Total		560	600	686	589	551

NOTES TO FINANCIAL STATEMENTS

Note 1 Accounting principles

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. PostNord Group's interim report is prepared in accordance with IAS 34, Interim Financial Reporting, and with supplementary rules from the Annual Accounts Act. The same accounting principles and methods of calculation were used in this interim report as in the 2014 Annual and Sustainability Report.

The parent company applies the Annual Accounts Act and RFR 2, Accounting for Legal Entities; in effect, the same accounting principles as the Group. The differences between the parent company's and the Group's accounting principles result from the parent company's limitations in applying IFRS as a consequence of the Annual Accounts Act and the Act on Safeguarding of Pension Commitments, and are to some extent based on tax considerations. The same accounting principles and methods of calculation were used in this interim report as in the 2014 Annual and Sustainability Report.

Note 2 Segment reporting

PostNord's organization into business areas is based on the manner in which PostNord is governed and activities are reported to management. Market pricing applies to internal dealings between PostNord business areas. 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. From 2015 the financial reporting apply the new organization with segments per country division. Numbers for 2014 are restated for comparability.

Countries (see Countries section)

Countries are divided into the following country organizations: PostNord Sweden, PostNord Denmark (incl. Germany), PostNord Norway, PostNord Finland, PostNord Strålfors and Other countries. The countries market and sell the business areas' end-to-end solutions within the Nordics.

PostNord Sweden offers mail- and logistic solutions as well as e-commerce at the Swedish market and is also responsible for PostNord's fulfilment business .

PostNord Denmark offers mail- and logistic solutions as well as e-commerce at the Danish market and is also responsible for PostNord's e-commerce and logistics business in Germany.

PostNord Norway and Finland offer mail- and logistic solutions as well as e-commerce at the Norwegian and Finnish market respectively.

PostNord Strålfors operates in the area of information logistics. The company develops and offers communication solutions that create stronger, more personal customer relationships for companies that have large customer bases.

Other comprises business outside the countries served by the segment, shared services and corporate functions including the parent company and Group adjustments. The adjustments are IFRS adjustments regarding pensions in accordance with IAS 19, Employee Benefits, and finance leasing in accordance with IAS 17, Lease Agreements. From Other, service costs for shared services and corporate functions are allocated to the countries. Cost allocations are taken up as income in Other under Other Income, Internal. Within the countries, cost allocations are recognized in Other Expenses.

Eliminations comprise the elimination of internal transactions.

Business segments (see Business Areas section)

Business area Mail & Communication provides distribution solutions in the communication market for physical and digital mail, direct mail and newspaper services, as well as facility management services.

Business area Logistics offers logistics services in the areas of parcels, express and messaging, consignment freight, mixed cargo, thermal, Air & Ocean and third-party logistics. Business area Logistics has a comprehensive offering and distribution network for businesses and retail customers in the Nordic market.

PostNord Strålfors operates in the area of information logistics. The company develops and offers communication solutions that create stronger, more personal customer relationships for companies that have large customer bases.

Not 2 Segment reporting

	Q1	Q2	Q3	Q4	Q1	Q2
SEK m	2014	2014	2014	2014	2015	2015
PostNord Sweden ^{1) 2)}						
Net sales	5,799	5,682	5,445	6,228	5,818	5,665
<i>of which internal</i>	219	204	212	250	242	250
Operating income (EBIT)	72	101	387	187	228	173
Operating margin, % ³⁾	1,2%	1,8%	7,1%	3,0%	3,9%	3,1%
Adjusted operating income (EBIT) ⁴⁾				305		
Adjusted operating margin, % ^{3) 4)}				4,9%		
PostNord Denmark ^{1) 2) 5)}						
Net sales	2,560	2,453	2,439	2,712	2,567	2,402
<i>of which internal</i>	117	105	121	138	124	115
Operating income (EBIT)	-22	-193	-57	54	-47	298
Operating margin, % ³⁾	-0,9%	-7,9%	-2,3%	2,0%	-1,8%	12,4%
Adjusted operating income (EBIT) ⁴⁾				122		-202
Adjusted operating margin, % ^{3) 4)}				4,5%		-8,4%
PostNord Norway ^{1) 2)}						
Net sales	1,042	1,078	1,089	1,104	1,077	1,056
<i>of which internal</i>	80	94	98	103	94	97
Operating income (EBIT)	13	13	-7	-65	11	-5
Operating margin, % ³⁾	1,2%	1,2%	-0,6%	-5,9%	1,0%	-0,5%
Adjusted operating income (EBIT) ⁴⁾				-50		
Adjusted operating margin, % ^{3) 4)}				-4,5%		
PostNord Finland ^{1) 2)}						
Net sales	162	160	168	175	175	171
<i>of which internal</i>	50	50	55	55	58	55
Operating income (EBIT)	-3	-2	2	-2	1	-1
Operating margin, % ³⁾	-1,9%	-1,3%	1,2%	-1,1%	0,6%	-0,6%
Adjusted operating income (EBIT) ⁴⁾				-2		
Adjusted operating margin, % ^{3) 4)}				-1,1%		
PostNord Strålfors ^{1) 2)}						
Net sales	619	590	567	604	641	584
<i>of which internal</i>	21	16	16	22	21	21
Operating income (EBIT)	1	-8	8	-50	26	8
Operating margin, % ³⁾	0,2%	-1,4%	1,4%	-8,3%	4,1%	1,4%
Adjusted operating income (EBIT) ⁴⁾				14		
Adjusted operating margin, % ^{3) 4)}				2,3%		
Other countries and eliminations ^{1) 2)}						
Net sales	304	324	329	347	294	326
<i>of which internal</i>	0	2	0	2	0	0
Eliminations	-487	-471	-502	-570	-539	-538
Operating income (EBIT)	45	59	12	-194	93	30
Group total						
Net sales	9,999	9,816	9,535	10,600	10,033	9,666
Group operating income (EBIT)	106	-30	345	-70	312	503
Group net financial items	-21	-32	-37	-16	-22	-48
Group income before tax	85	62	308	-86	290	455

1) Division into geographic areas is principally based on corporate registered domicile.

2) 2014 numbers are restated in accordance with the new organization.

3) From 2015 a new definition of operating margin (operating income as % of net sales) is applied. Numbers for 2014 are restated for comparability. See note 7, Definitions.

4) Adjusted for items affecting comparability. See note 7, Definitions.

5) Including Logistics' operations in Germany.

Note 3 Income statement, restructuring costs by segment

SEKm	Q1 2014	Q2 2014	Q3 2014	Q4 2014	Q1 2015	Q2 2015
PostNord Sweden	-170	-61	-64	-169	-55	-59
PostNord Denmark	-28	-15	-23	-448	-3	0
PostNord Norway	-25	-2	0	-10	0	0
PostNord Finland	0	0	0	0	0	0
PostNord Strålfors	-17	0	0	-56	0	0
Other	-27	-23	5	-90	18	2
Total	-267	-101	-82	-773	-40	-57

Note 4 Other provisions

SEKm	Q1 2014	Q2 2014	Q3 2014	Q4 2014	Q1 2015	Q2 2015
Opening balance	1,941	2,027	2,005	1,874	2,411	2,291
Provisions	239	137	89	751	24	15
<i>of which restructuring activities</i>	221	75	26	824	6	3
<i>of which pensions</i>	16	53	62	-69	13	-2
<i>of which other</i>	2	9	1	-4	5	14
Reversals	-22	-29	-20	-177	-14	0
Utilizations	-133	-142	-201	-190	-165	-152
<i>of which restructuring activities</i>	-124	-138	-197	-177	-164	-150
<i>of which other</i>	-9	-4	-4	-13	-1	-2
Translation effects	2	12	1	153	35	-70
Closing balance	2,027	2,005	1,874	2,411	2,291	2,084
<i>of which current</i>	690	635	481	681	636	558
<i>of which non-current</i>	1,337	1,370	1,393	1,730	1,655	1,526

SEKm	Jan-Mar 2014	Jan-Jun 2014	Jan-Sep 2014	Jan-Dec 2014	Jan-Mar 2015	Jan-Jun 2015
Opening balance	1,941	1,941	1,941	1,941	2,411	2,411
Provisions	239	376	465	1,216	24	39
<i>of which restructuring activities</i>	221	296	322	1,146	6	9
<i>of which pensions</i>	16	69	131	62	13	11
<i>of which other</i>	2	11	12	8	5	19
Reversals	-22	-51	-71	-248	-14	-14
Utilizations	-133	-275	-476	-666	-165	-317
<i>of which restructuring activities</i>	-124	-262	-459	-636	-164	-314
<i>of which other</i>	-9	-13	-17	-30	-1	-3
Translation effects	2	14	15	168	35	-35
Closing balance	2,027	2,005	1,874	2,411	2,291	2,084
<i>of which current</i>	690	635	481	681	636	558
<i>of which non-current</i>	1,337	1,370	1,393	1,730	1,655	1,526

Note 5 Acquisitions and divestments of subsidiaries

Effect of acquisitions and divestments on assets and liabilities, SEKm	Jan-Jun 2015 ¹⁾			Jan-Dec 2014		
	Acquisitions	Divestments	Total	Acquisitions	Divestments	Total
Goodwill	32		32			
Intangible assets	5		5	8		8
Property, plant and equipment	2		2	401		401
Other non-current assets				24		24
Total non-current assets	39		39	433		433
Current assets	29		29	25		25
TOTAL ASSETS	68		68	458		458
TOTAL LIABILITIES	-34		-34	-351		-351
NET ASSETS	34		34	107		107
Other items affecting cash flow				3		3
Purchase consideration paid/received	-34		-34	-107		-107
Cash and cash equivalents (acquired/divested)	3		3	19		19
Net effect on cash and cash equivalents	-31		-31	-85		-85

1) During the second quarter 2015 Jetpak Borg AS in Norway was acquired.

Note 6 Financial instruments

Financial assets and liabilities reported at fair value in the balance sheet, SEKm	30 Jun 2014	30 Sep 2014	31 Dec 2014	31 Mar 2015	30 Jun 2015
	Level 2	Level 2	Level 2	Level 2	Level 2
Financial investments					
Endowment insurance policies	148	148	143	151	154
Other current receivables					
Currency derivatives	22	8	12	8	11
Terminal settlements	497	536	472	564	511
Cash and cash equivalents					
Commercial paper			250		
Total financial assets	667	692	877	723	676
Other current liabilities					
Currency derivatives	19	2	15	17	2
Interest swaps	14	17	19	1	18
Terminal settlements	596	511	289	508	463
Total financial liabilities	629	530	323	526	483

Net borrowings, SEKm	30 Jun 2014	30 Sep 2014	31 Dec 2014	31 Mar 2015	30 Jun 2015
	Level 2	Level 2	Level 2	Level 2	Level 2
Commercial paper	200	600	200		0
Credit institutions	17	17	17	807	0
MTN bonds	540	540	540	540	0
Overdraft credit	24	14	38	27	0
Total current interest-bearing liabilities	781	1,171	795	1,374	0
Credit institutions	1,206	1,207	1,450	633	676
MTN bonds	2,948	2,948	2,949	2,950	2,948
Total non-current interest-bearing liabilities²⁾	4,154	4,155	4,399	3,583	3,624
Total interest-bearing liabilities	4,935	5,326	5,194	4,957	3,624
Investments with maturities up to 3 months			250		0
Cash and bank balances, excl. cash in hand	985	612	1,502	2,404	1,379
Cash and cash equivalents, excl. cash in hand	985	612	1,752	2,404	1,379
Net borrowings¹⁾	3,950	4,714	3,442	2,553	2,245

1) SEK 2,000m of unutilized credit facilities with 2017 maturity are not included in net borrowing.

2) Excluding Leasing and endowment insurance policy

Reporting and fair value valuation of financial instruments

For all financial assets and liabilities, reported value is considered to constitute a fair approximation of fair value with the exception of the group's non-current interest-bearing liabilities. Fair value of non-current interest-bearing liabilities totaled SEK 3,726m (5,043) as of June 30, 2015, while the reported value at the same date totaled SEK 3,624m (4,935).

All financial assets and liabilities reported at fair value in the balance sheet are Level 2; see also PostNord's Annual Report, Note 29, Financial Risk Management and Financial Instruments.

Note 7 Definitions

Adjusted operating income	Total income less total costs, excluding items affecting comparability. These items are mainly provisions for restructuring costs (that cannot be seen as part of on-going restructuring work), material write-downs and capital gains/losses.
Adjusted operating margin	Adjusted operating income as % of net sales. Previously adjusted operating income as % of total income (net sales and other income).
Average number of employees (FTE)	The total number of paid employee hours divided by the standard number of hours for a full-time employee during the cumulative period from the beginning of the year.
Earnings per share (EPS)	Share of net earnings attributable to parent company shareholders divided by the average number of shares outstanding.
EBITDA	Earnings before interest, taxes, depreciations and amortizations/impairments.
Financial preparedness	Cash and cash equivalents and unutilized committed credit line.
Net debt	Interest-bearing debt (including pension provisions) less cash and cash equivalents, financial receivables and current interest-bearing receivables.
Net debt/EBITDA	Net debt divided by EBITDA (rolling 12-months).
Net debt ratio	Net debt divided by equity (rolling 12-months).
Capital employed	Non-interest-bearing assets less non-interest-bearing liabilities.
Operating margin	Operating income as a percentage of net sales. <i>Previously operating income as % of income (net sales and other income).</i>
Return on equity (ROE)	Net income for the 12 months to the end of the period divided by average equity for the 12 months to the end of the period.
Return on capital employed (ROCE)	Operating profit for the 12 months to the end of the period divided by average capital employed for the 12 months to the end of the period.

Quarterly data

SEKm, unless otherwise specified	Q1 2014	Q2 2014	Q3 2014	Q4 2014	Q1 2015	Q2 2015
PostNord Group						
Net sales	9,999	9,816	9,535	10,600	10,033	9,666
Other income	60	81	59	432	69	559
Expenses	-9,960	-9,929	-9,251	-11,107	-9,796	-9,722
<i>of which, personnel expenses</i>	-4,671	-4,736	-4,130	-4,675	-4,536	-4,587
<i>of which, transport expenses</i>	-2,291	-2,435	-2,483	-2,623	-2,473	-2,456
<i>of which, other expenses</i>	-2,580	-2,342	-2,215	-3,219	-2,336	-2,248
<i>of which, depreciation and impairments</i>	-418	-416	-423	-590	-451	-431
Operating income (EBITDA)	524	386	768	520	763	934
Operating margin (EBITDA) ¹⁾	5,2%	3,9%	8,1%	4,9%	7,6%	9,7%
Operating income (EBIT)	106	-30	345	-70	312	503
Operating margin (EBIT) ¹⁾	1,1%	-0,3%	3,6%	-0,7%	3,1%	5,2%
Cash flows from operating activities	-469	120	-271	1,290	1,140	538
Net debt	2,128	2,926	4,197	3,672	3,113	743
Return on capital employed	4,0%	4,3%	10,2%	3,1%	4,7%	9,4%
Average number of employees (FTE) ²⁾	37,151	37,589	38,402	36,486	34,970	35,398
Number of staffing (basic) at end of period	37,971	37,313	36,804	36,067	35,178	34,729
<i>Volumes, millions of mails produced:</i>						
Sweden, priority mail	229	218	202	231	215	199
Sweden, non-priority mail	307	268	245	283	296	253
Denmark, priority mail	64	58	55	60	55	49
Denmark, non-priority and business mail	84	77	74	73	71	65
<i>Volumes, millions of parcels produced (net):</i>						
(Eliminated for volumes between countries)						
Parcels, group total	28	28	29	34	32	32
<i>Other information, currency</i>						
Cumulative average exchange rate, SEK/DKK	1,19	1,20	1,21	1,22	1,26	1,25
Cumulative average exchange rate, SEK/NOK	1,06	1,08	1,09	1,09	1,07	1,08
Cumulative average exchange rate, SEK/EUR	8,86	8,95	9,04	9,10	9,38	9,34
Closing day rate, SEK/DKK	1,20	1,23	1,23	1,28	1,24	1,24
Closing day rate, SEK/NOK	1,08	1,10	1,12	1,05	1,07	1,04
Closing day rate, SEK/EUR	8,95	9,20	9,18	9,52	9,29	9,22

1) New definition of operating margin (operating income as % of net sales).

2) 2014 years numbers are adjusted for change in calculations, e.g. terminated staff in "Futurum" are no longer included.