

Posten Norge Group Quarterly Report – 4th quarter 2004



Preliminary figures

Main items

- 15,5% growth in revenues compared with 2003, 4,3% adjusted for acquisitions and sales
- 37% growth in revenues since 1999
- 79% of the revenues from activity exposed to competition
- The best year-end result since Posten was established as a company in 1996
- Significant improvement in earnings compared with 2003:
 - EBIT before non rec. items: MNOK 1 371, an improvement of MNOK 917
 - EBIT: MNOK 1 136, an improvement of MNOK 624
 - EBT: MNOK 1 079, an improvement of MNOK 623
- Development in volume compared with 2003:
 - Mail - 2,6%
 - Parcels + 4,2%
 - Banking transactions - 5,6%
- Quality of A-mail in 2004 at the same level as in 2003 (87,5% vs 87,7%)
- Norway Post reputation has improved

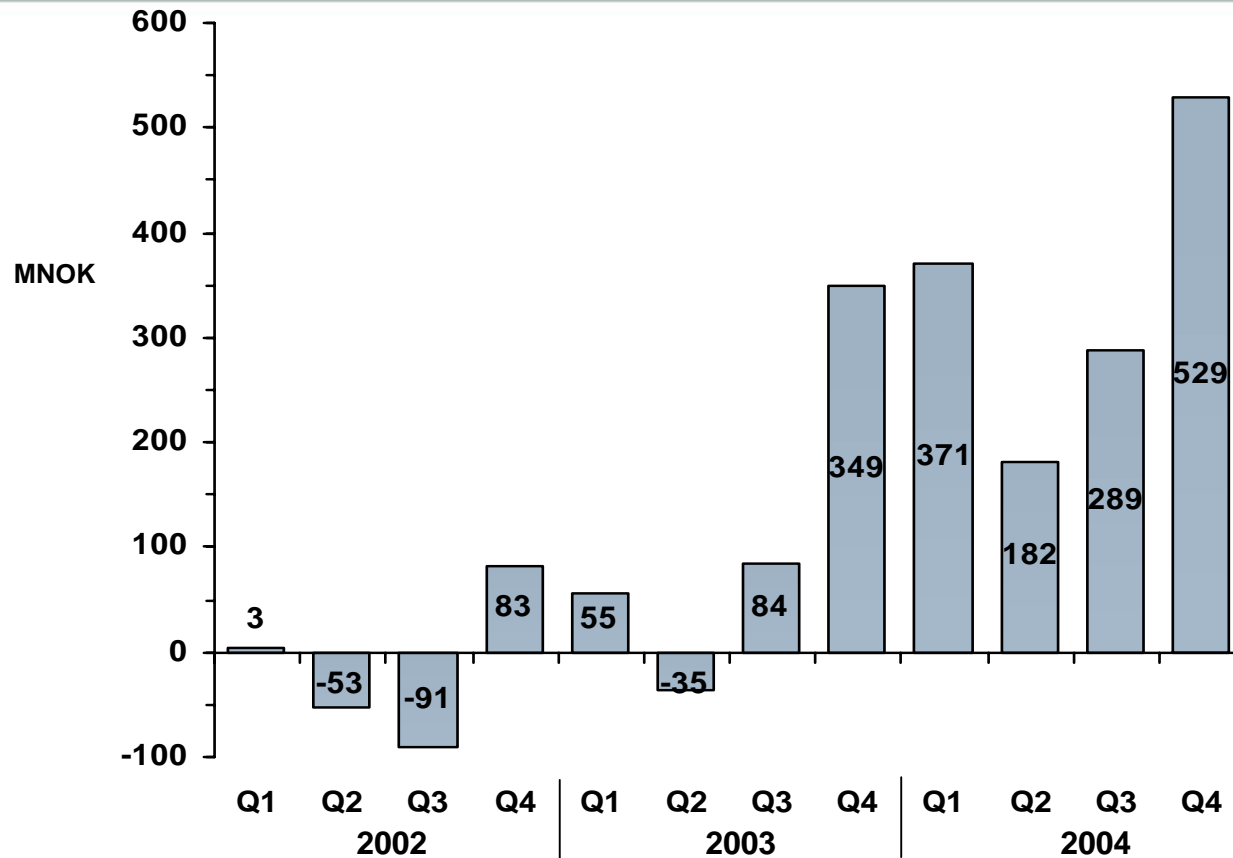
Profit & Loss

Posten Norge Group

| MNOK | Q4 2004 | Q4 2003 | Year 2004 | Year 2003 |
|------------------------------|------------|------------|--------------|--------------|
| Revenues | 5 188 | 4 183 | 17 975 | 15 559 |
| EBITDA | 818 | 641 | 2 432 | 1 458 |
| EBIT Before non rec items | 529 | 349 | 1 371 | 454 |
| EBIT | 399 | 431 | 1 136 | 512 |
| Netto financial result | -13 | -36 | -57 | -56 |
| EBT | 386 | 395 | 1 079 | 456 |

Preliminary unaudited figures for 2004

EBIT before non recurring items



The ninth quarter with improvements in results compared with the corresponding quarter the year before

Cash flow

strong cash flow – have financed acquisitions

Comments

- Cash flow from operations was improved by MNOK 968
- Investments have increased from MNOK 455 to MNOK 1 682, mainly due to the acquisition of Nor-Cargo
- Cash flow before financing activities is MNOK 1 447 higher than in 2003

Key figures

| MNOK | Year 2004 | Year 2003 |
|--|-----------|-----------|
| Provided by operations | 2 375 | 1 402 |
| Change in working capital | 121 | 126 |
| Total cash flow from operations (before pensions) | 2 496 | 1 528 |
| Total cash flow after investments | 961 | 1 471 |
| Change in provisions/ Pens. diff payments/expenses | -486 | -2 444 |
| Total cash flow before financing activities | 475 | -972 |

Key figures

Comments

- Return on equity of 15,2% represents an improvement of 9,0 %-points from 31.12.2003
- ROCE of 19,6% represents an improvement of 8,4 %-points from 31.12.2003
- The Debt/EBITDA ratio is 0,7** (2003: 0,9)
- As of 31.12.2004, Posten has got a liquidity reserve of MNOK 4 992 (incl unutilised drawdown facilities)

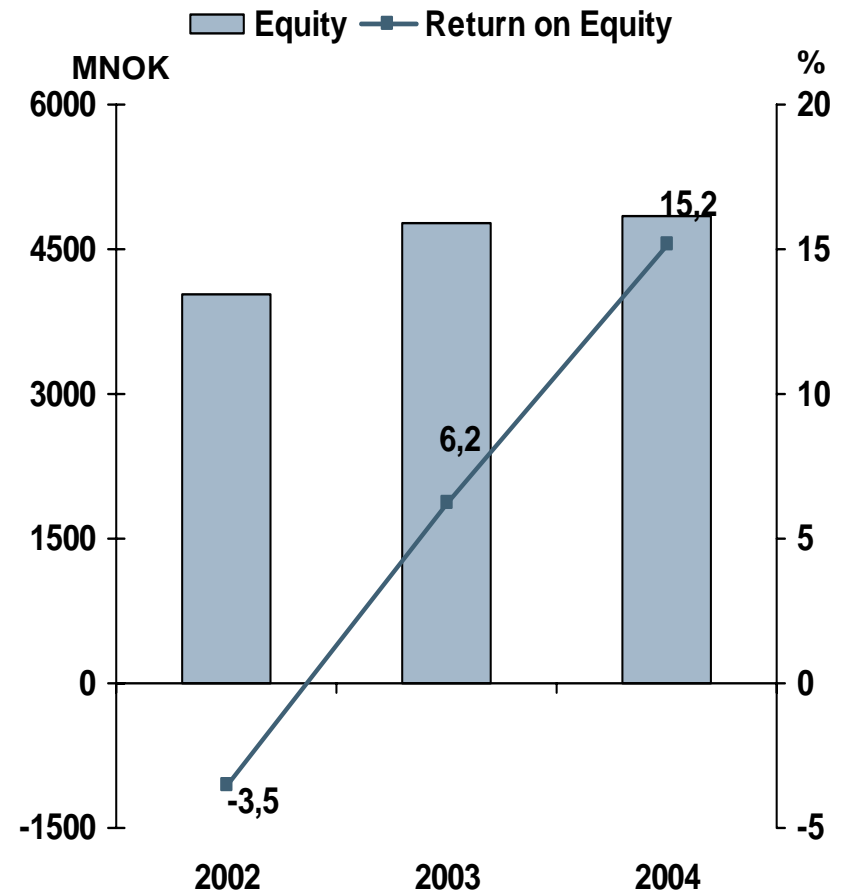
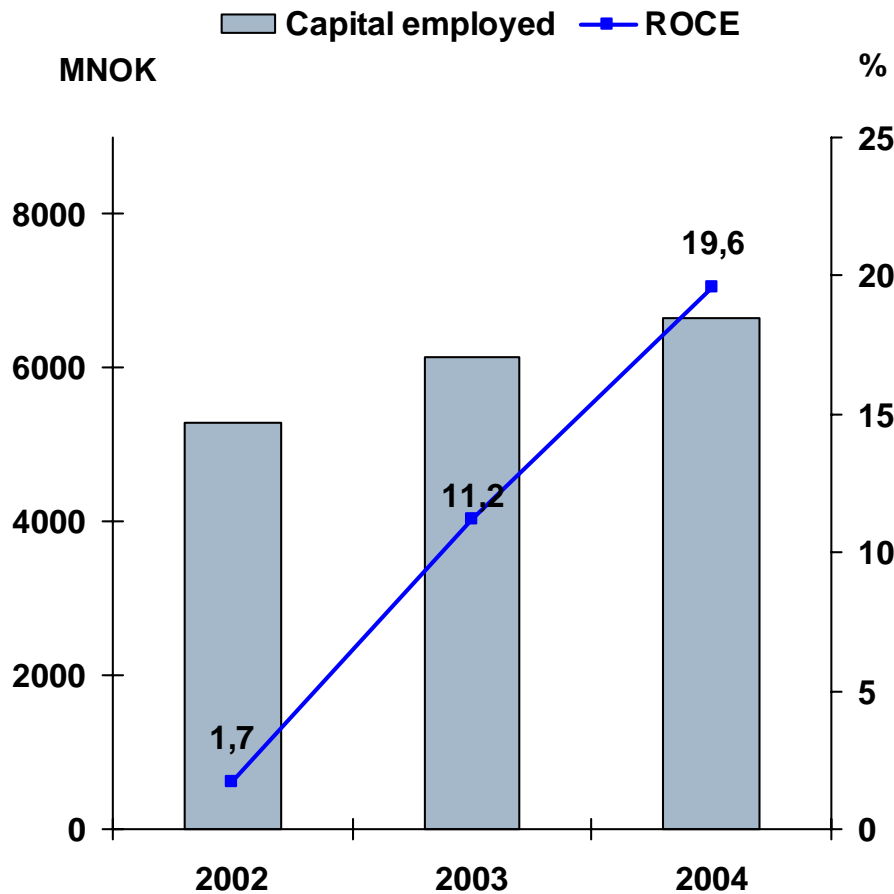
Key figures

| MNOK | Year 2004 | Year 2003 |
|--------------------------|-----------|-----------|
| Equity | 4 853 | 4 776 |
| Equity share (%) | 41,5 | 47,5 |
| Interest bearing debt | 1 799 | 1 367 |
| Debt ratio (net) | 0,1 | 0,1 |
| Total capital | 11 705 | 10 052 |
| * Return on equity (%) | 15,2 | 6,2 |
| Net operating margin (%) | 6,3 | 3,3 |
| * ROCE (%) | 19,6 | 11,2 |

•12 month figures for Return on equity and ROCE

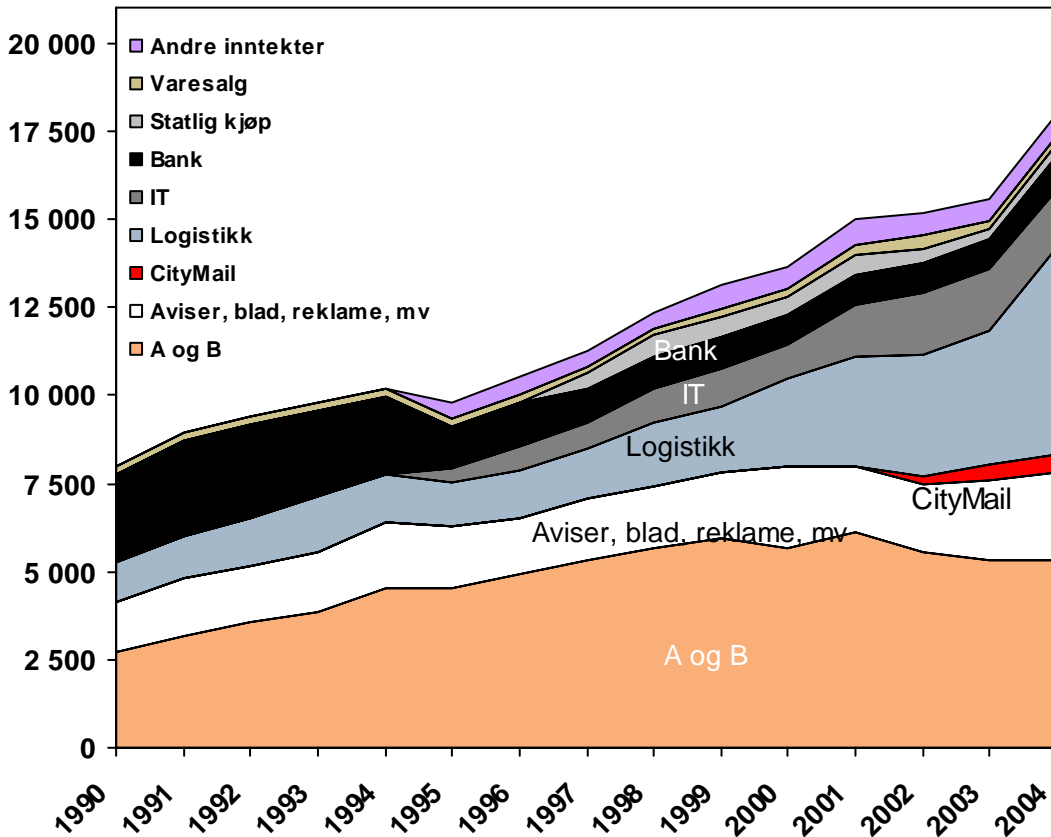
•** Interest bearing debt MNOK 1 799 and 12 mth EBITDA MNOK 2 432

Return on Equity and Capital Employed



Revenue development

(MNOK)



| Andel | 1990 | 1995 | 2004 |
|---------------------|--------|--------|--------|
| A og B | 34,4 % | 46,1 % | 29,5 % |
| Aviser, blad | 17,6 % | 18,1 % | 14,0 % |
| Logistikk/ ekspress | 13,8 % | 12,7 % | 32,6 % |
| IT | - | 3,6 % | 9,3 % |
| Bank | 31,4 % | 12,2 % | 5,4 % |
| Statlig kjøp | - | - | 1,8 % |
| Varesalg | 2,8 % | 2,2 % | 1,4 % |
| CityMail | - | - | 2,9 % |
| Andre inntekter | - | 5,0 % | 3,2 % |

| | | | |
|----------------------|-------|------|------|
| Share parent company | 100 % | 96 % | 70 % |
|----------------------|-------|------|------|

The share of revenues from the remaining monopoly area have been reduced from 33 per cent in 2001 to 21 per cent in 2004.

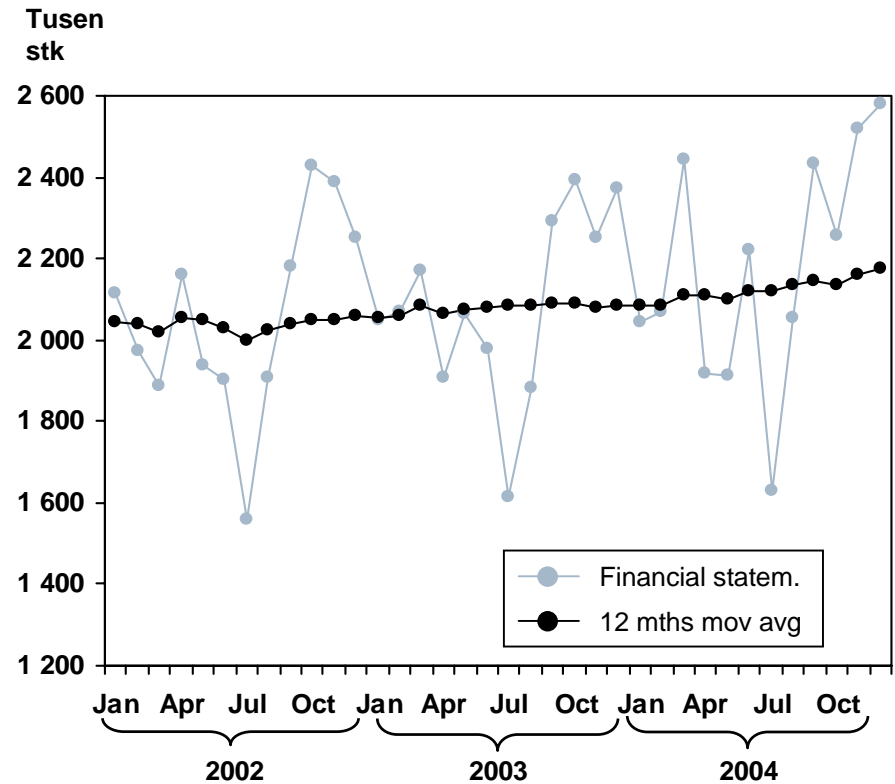
Development in logistics volumes

Volume %-age change

| % change pa. | 2000 | 2001 | 2002 | 2003 | 2004 |
|--------------|------|------|------|------|------|
| | 2,5 | -3,7 | 1,9 | 1,4 | 4,2 |

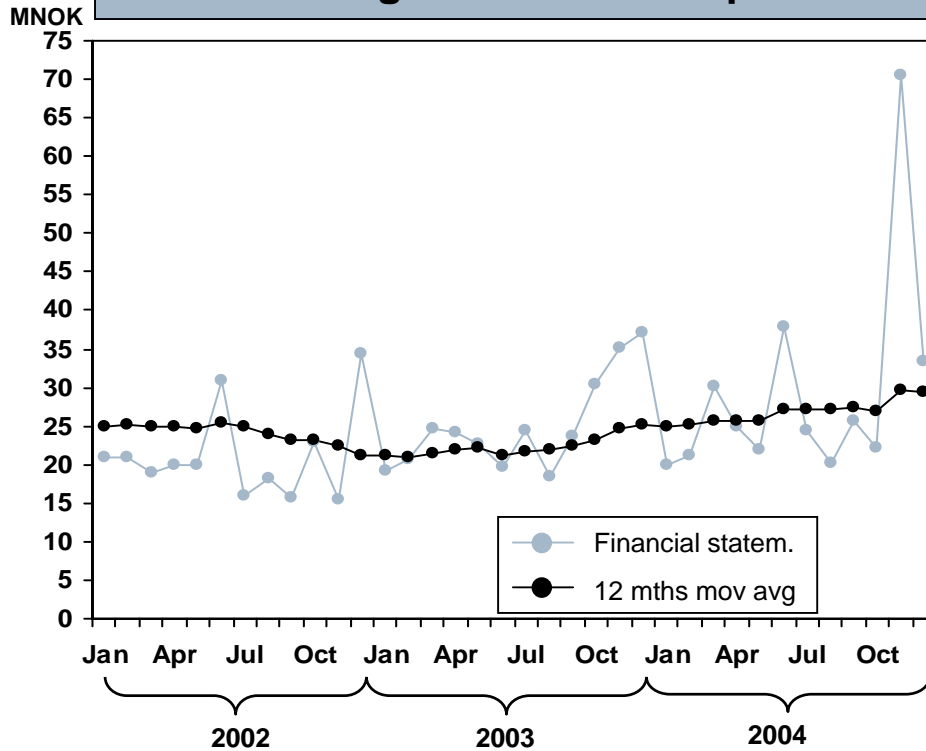
•Gjelder Posten Norge AS

Volume (Posten Norge AS)



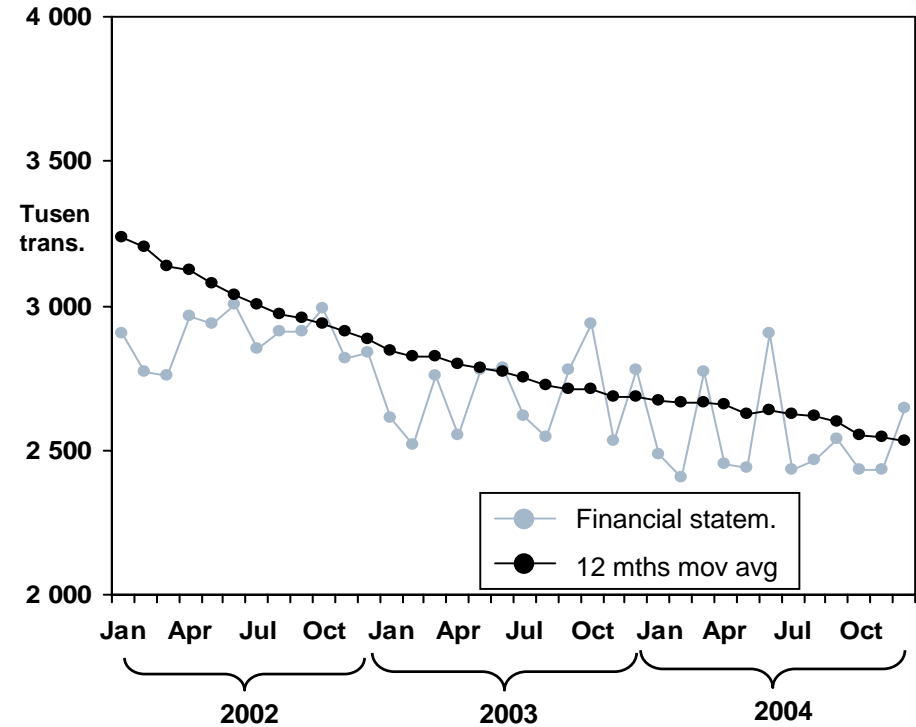
Consumer

Reven. savings- and financial products



| % change pa. | 2001 | 2002 | 2003 | 2004 |
|--------------|------|-------|------|------|
| | 64,3 | -15,0 | 17,6 | 17,5 |

Transactions, volume



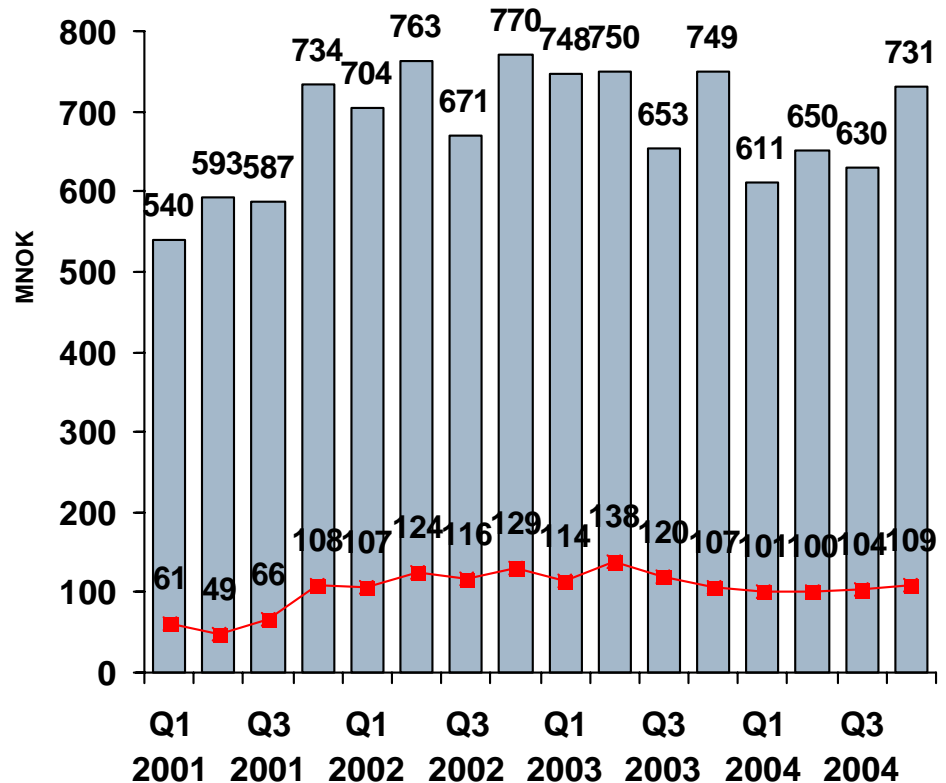
| % change pa. | 2000 | 2001 | 2002 | 2003 | 2004 |
|--------------|-------|-------|-------|------|------|
| | -11,5 | -10,3 | -12,4 | -6,5 | -5,6 |



Comments

- Operating revenues in 2004 (against others than (the Post) Posten Norge) shows an increase of 4,9% compared with 2003 (adjusted for the sales of ErgoBluegarden and ErgoEnet)
- EBITDA 2004 shows MNOK 415 (MNOK 480)
- The revenues of Ergo vs the parent company amounts to 36% (40%)
- New focused strategy
- A merger has been decided for the four largest companies in Ergo

Revenues/EBITDA



Operating revenues, international

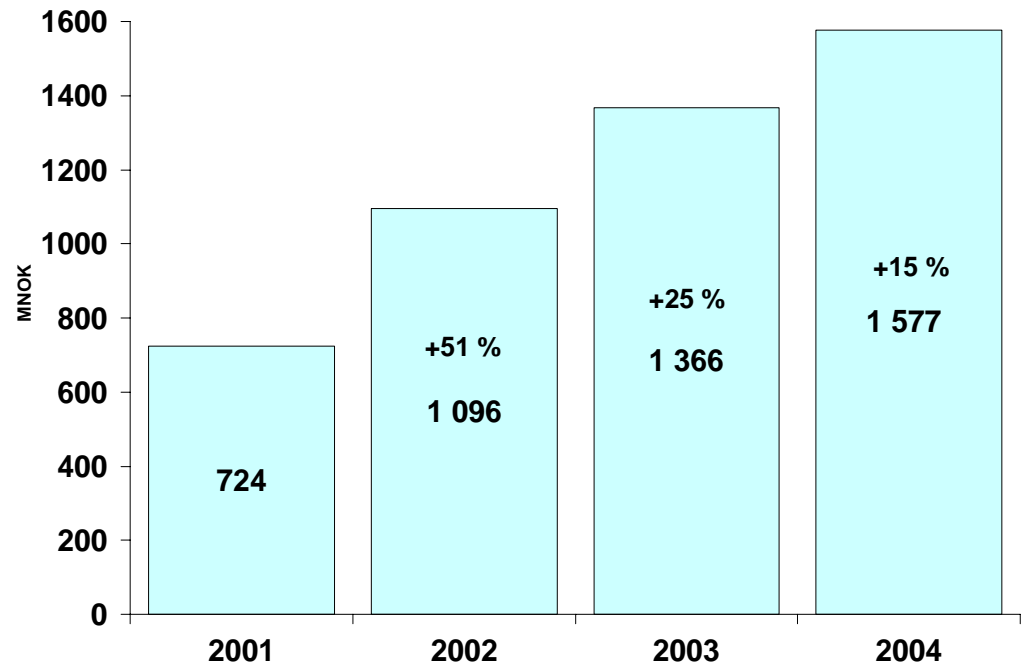
Comments

- International operating revenues have increased by MNOK 211 (15,4 %) from 2003 and amounts to 8,8 % of the group's turnover (2003: 8,8 %)

Posten's companies abroad:

- CityMail Sweden AB
- BoxGroup AS
- Pan Nordic Logistics AB (50%)
- ErgoIDP AS
- Transware AB
- ErgoIntegration Sweden AB

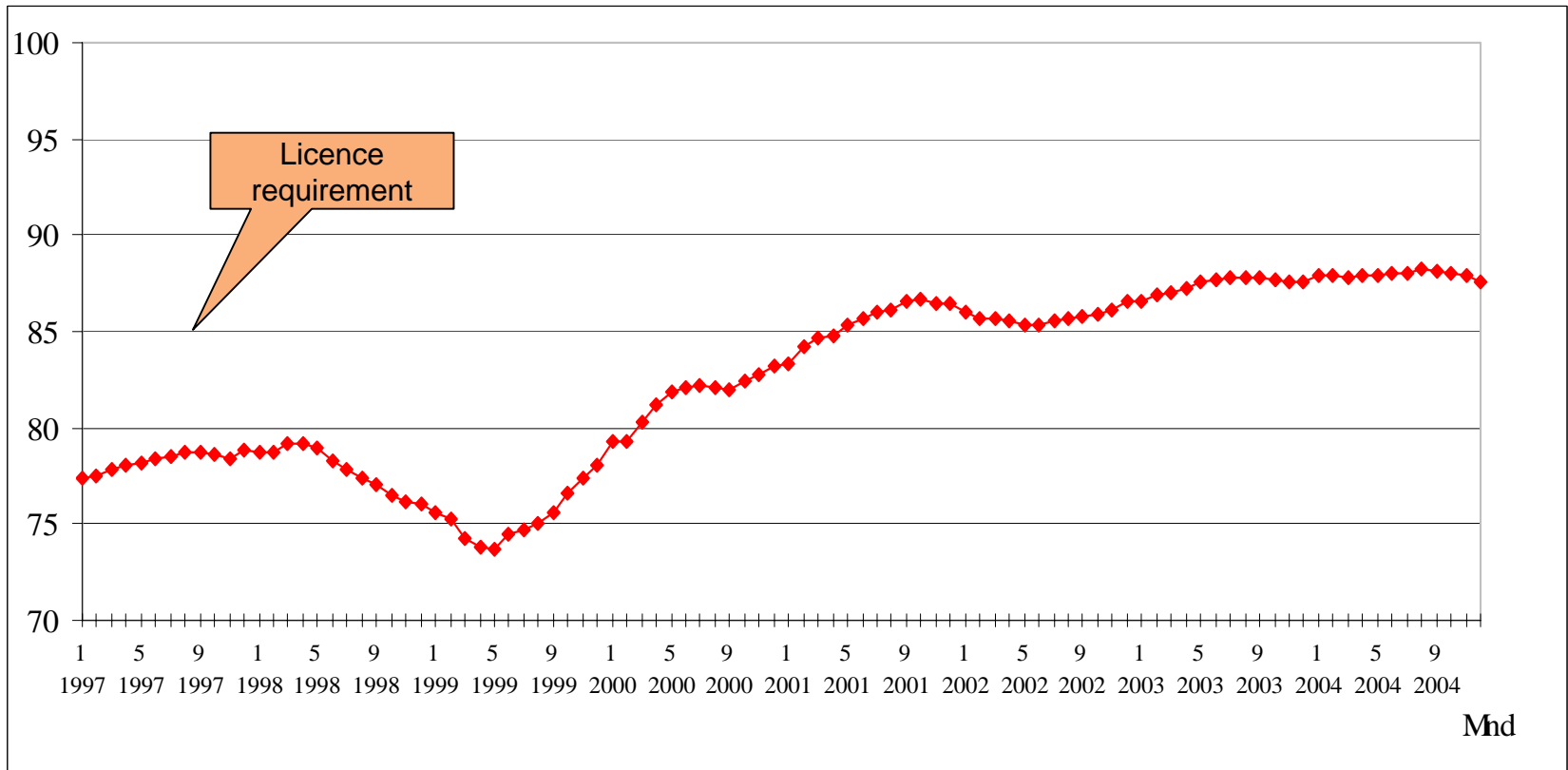
Revenues, international



External operating revenues per segment

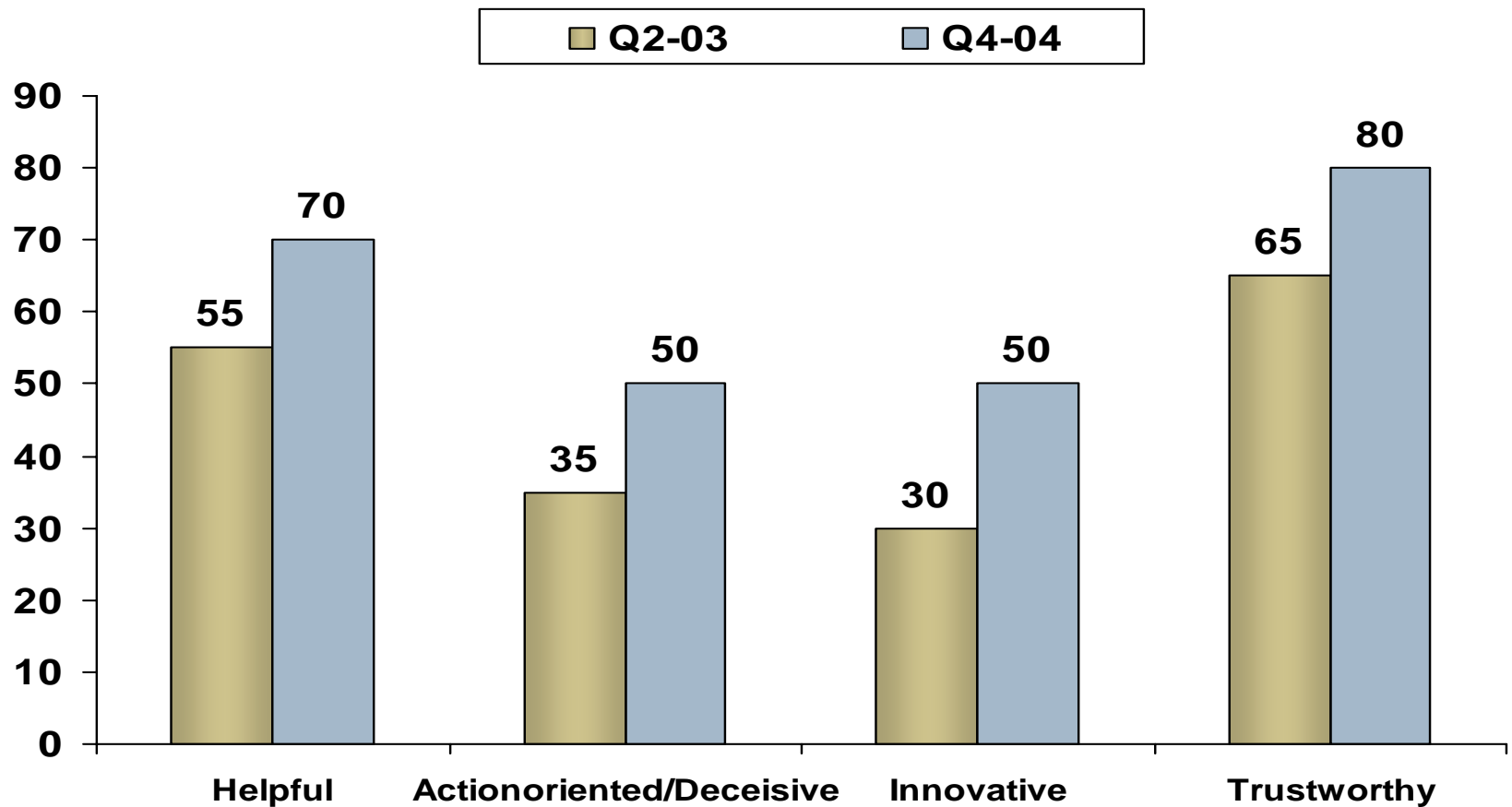
| MNOK | Q4 2004 | Share | Q4 2003 | Share | Change 04-03 | Change 04-03 |
|--------------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Communication | 2 406 | 46 % | 2 347 | 56 % | 60 | 3 % |
| Logistics | 1 942 | 37 % | 1 026 | 25 % | 916 | 89 % |
| ErgoGroup | 443 | 9 % | 436 | 10 % | 7 | 2 % |
| Consumer | 387 | 7 % | 355 | 8 % | 32 | 9 % |
| Other | 9 | 0 % | 19 | 0 % | -10 | -52 % |
| Total Group | 5 188 | 100 % | 4 183 | 100 % | 1 005 | 24 % |

Quality development of A-priority mail



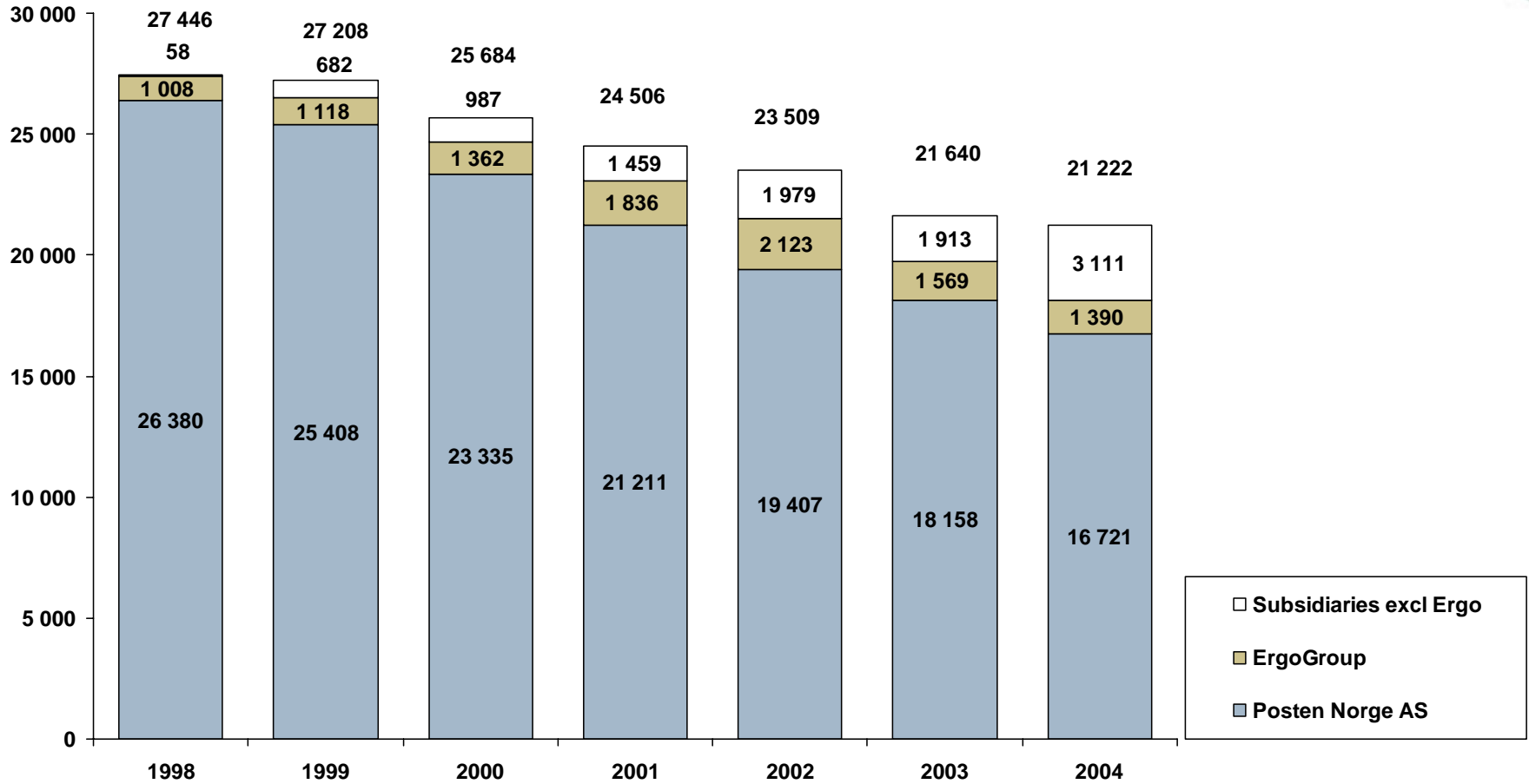
Quality Q4 85,3% (87,5%). Year 2004 87,5% (87,7%).

Norway Post Reputation – Corporate market Q2-03 to Q4-04



Staff

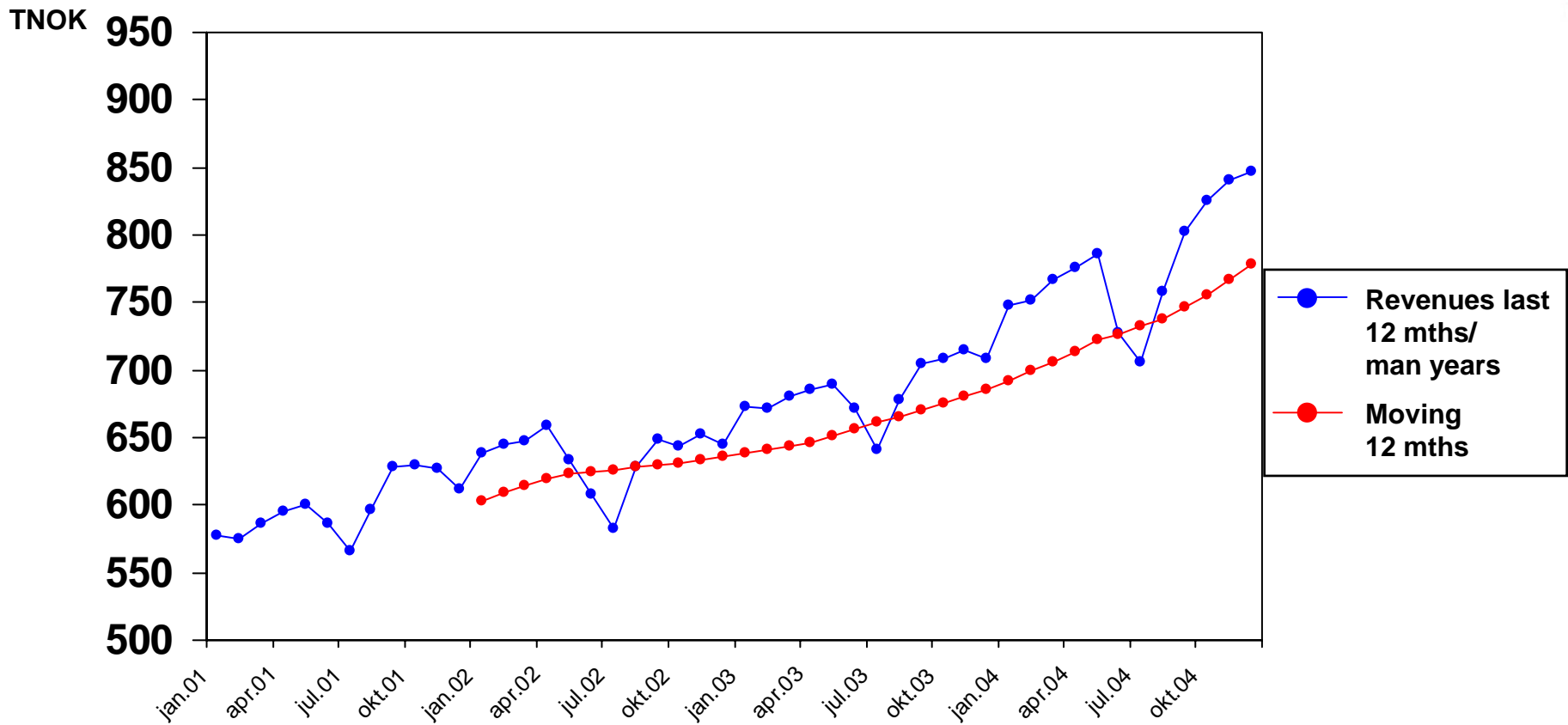
Man years (full time equivalents, FTE)



oss menneske i mellom



Revenues / man years (FTE) Posten Norge Group



Revenues per man years (Moving12 mths) in 2004 778 (2003: 686)



Outlook

- Growth in total operating revenues
 - A and B mail volumes continue to fall
 - Growth in logistics
- Continued focus on increased service levels and high quality
- Improving efficiency – an ongoing process
- Parliamentary debate in March 2005 on proposed removal of postal monopoly from 2007
- Banks invited to tender for future banking collaboration
- Norway Post's pension scheme open for competitive tendering
- Norway Post will from Q1 2005 present group figures in accordance with IFRS