

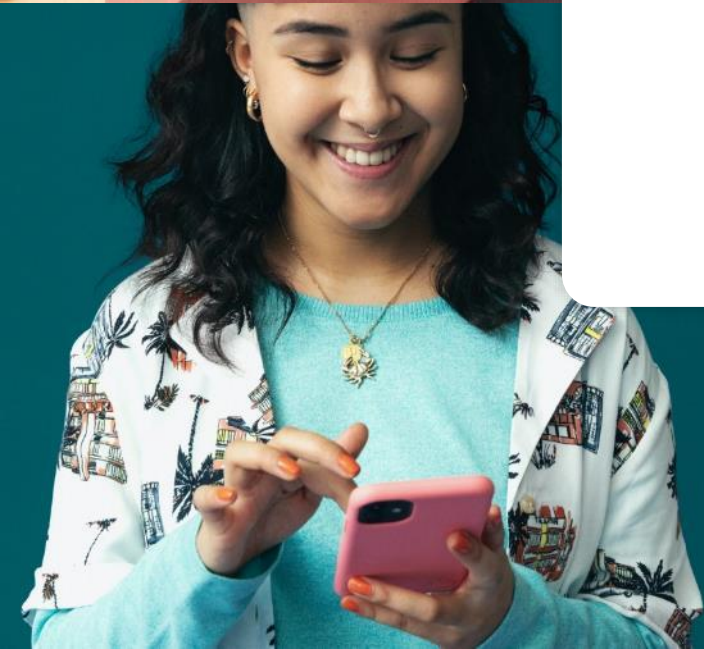
Posti Group: net sales growth continued, challenging operating environment impacted profitability

January-March 2022





**Responsibly delivering
what matters to you
– on your terms**



Posti in figures 1-3/2022

Net Sales

EUR 391.1 million

(EUR 384.3 million*)

Adjusted EBITDA

EUR 36.5 million

(EUR 44.6 million*)

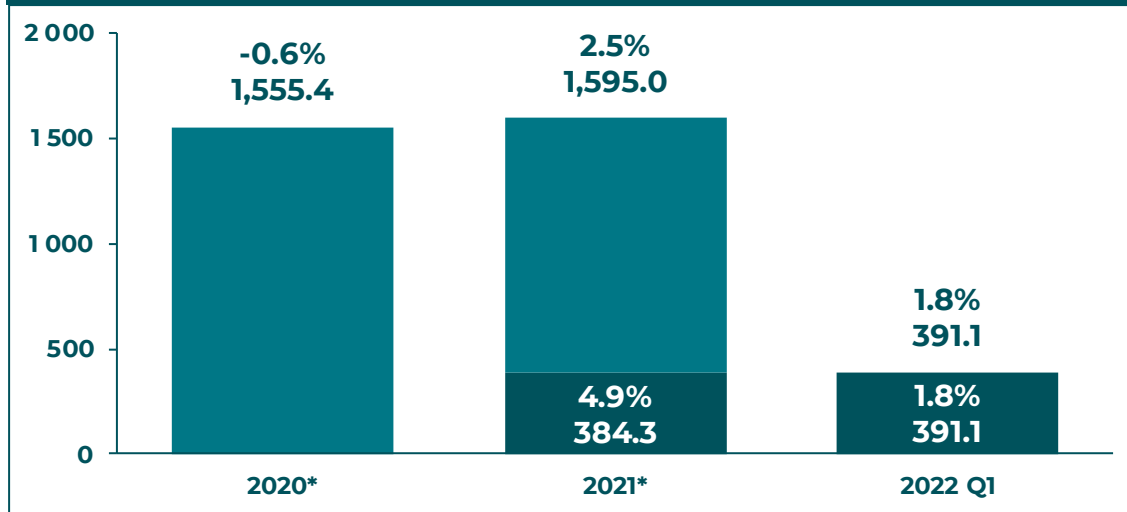
Adjusted EBITDA-%

9.3%

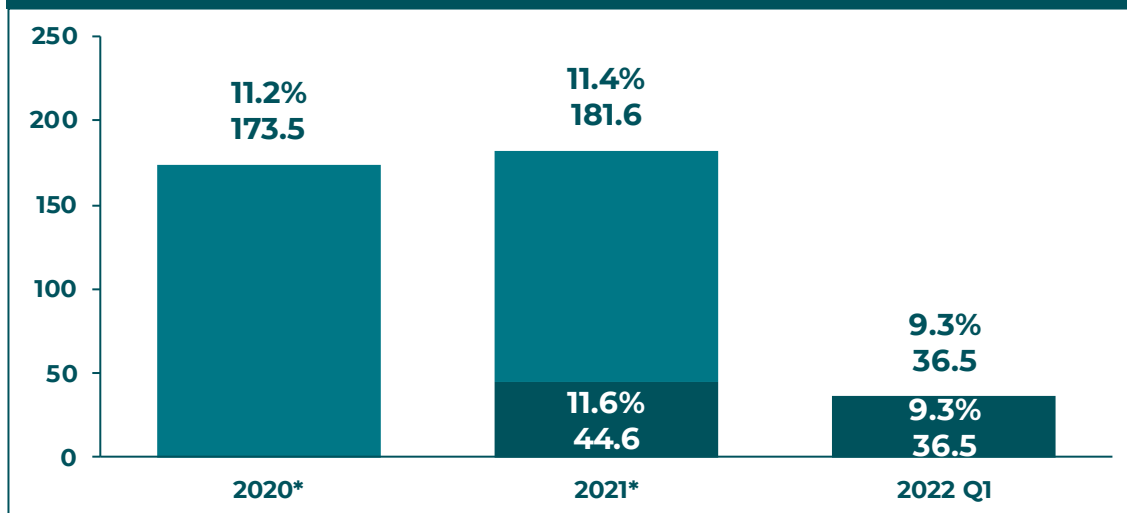
(11.6%*)



Group's net sales, EUR million and change, %



Group's adjusted EBITDA, EUR million and as a percent of net sales



* Continuing operations

Posti has changed its segment reporting to align with the company strategy, organizational structure and to improve visibility on performance and results



As of January 1, 2022, Posti has three reportable segments: eCommerce and Delivery Services, Fulfillment and Logistics Services, and Postal Services. Comparison period 2021 has been restated accordingly.

Financial highlights – net sales grew, profitability decreased

- Net sales grew by 1.8% to EUR 391.1 (384.3) million.
- Adjusted EBITDA decreased to EUR 36.5 (44.6) million, or 9.3% (11.6%) of net sales.
- EBITDA decreased to EUR 34.4 (44.6) million, or 8.8% (11.6%) of net sales.
- Adjusted operating result decreased to EUR 6.6 (14.8) million, representing 1.7% (3.9%) of net sales.
- Operating result decreased to EUR 4.4 (14.9) million, representing 1.1% (3.9%) of net sales.
- Net debt to adjusted EBITDA was 1.4x (1.2x).

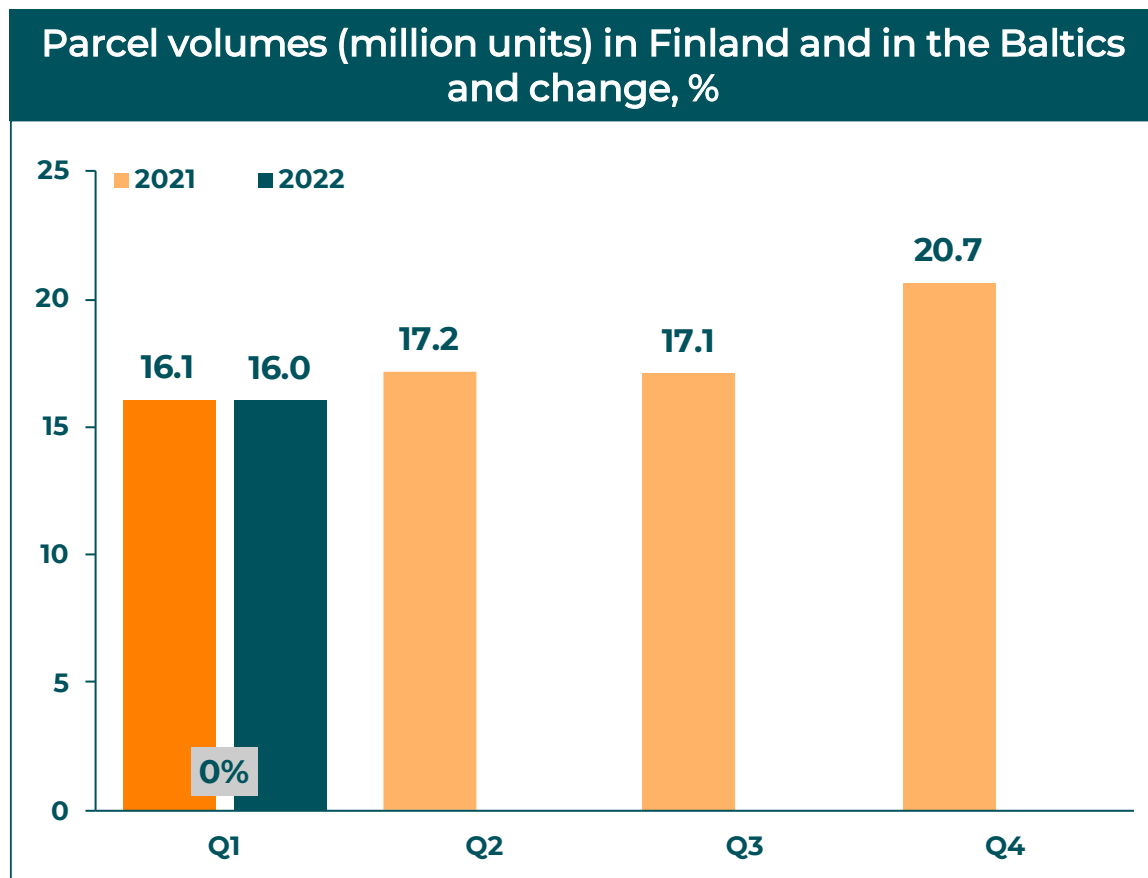


Operational highlights in Q1

- The war in Ukraine has no direct effect on Posti's financial position. Posti has no operations in Russia, Belarus or Ukraine. The war affects Posti through market situation and business environment.
- The difficult operating environment affected Posti's operations.
 - The war in Ukraine has increased energy prices and accelerated inflation further.
 - With the war consumers' confidence in economy has declined resulting in lower consumption of goods.
 - Due to the COVID-19 virus, the absences continued requiring overtime hours and use of additional temporary workforce.
- Total parcel volume in Finland and the Baltic countries remained at last year's level.
- The number of addressed letters continued to decline and decreased by 7% (14%) in Finland.
- On January 17, Posti signed an agreement, under which Posti Group acquired Veddestagruppen AB. The acquisition was completed on January 31. Veddestagruppen is integrated with Posti Group's Swedish subsidiary Aditro Logistics.



Postal volumes continue to decline, parcel volumes at previous year's levels



0%

Parcel volume growth in Finland and in the Baltics 1-3/2022

+2%

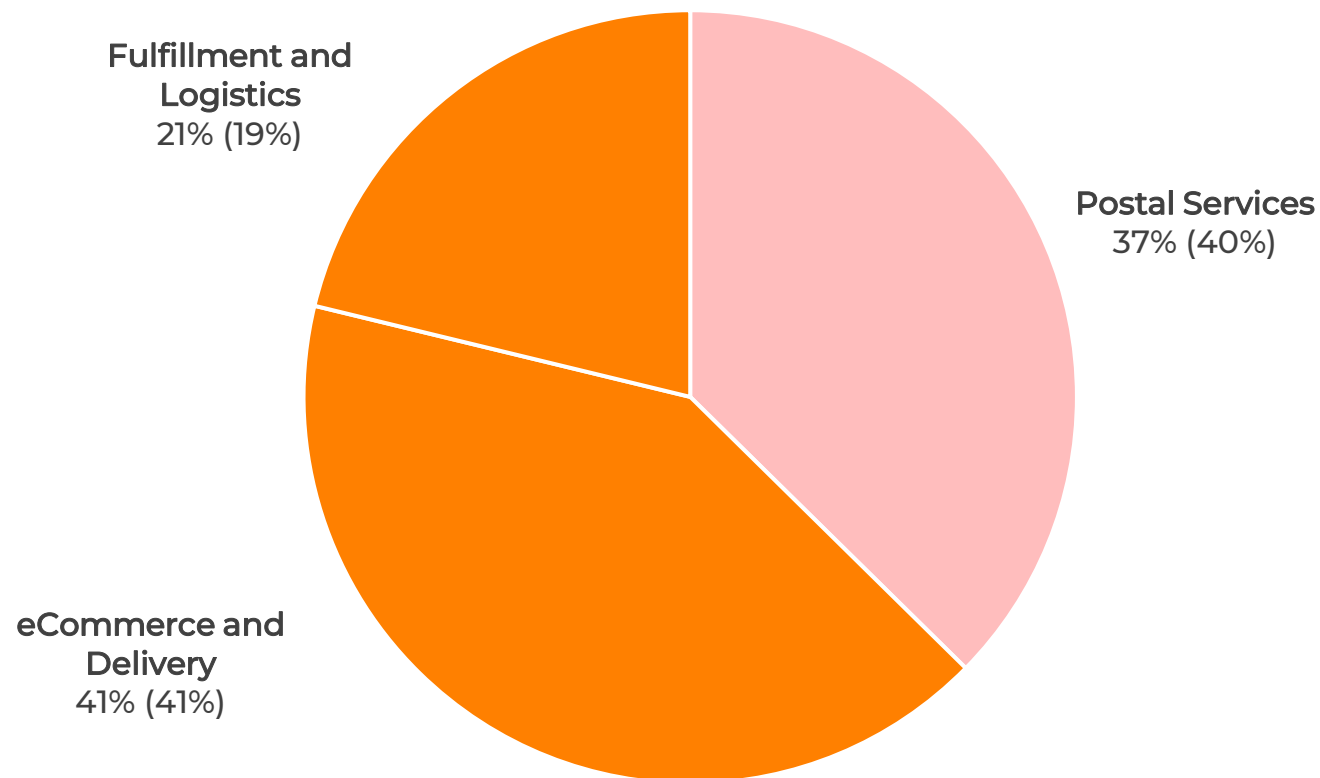
Freight volumes* 1-3/2022

* Measured in waybills

-7%

Addressed letter volumes 1-3/2022

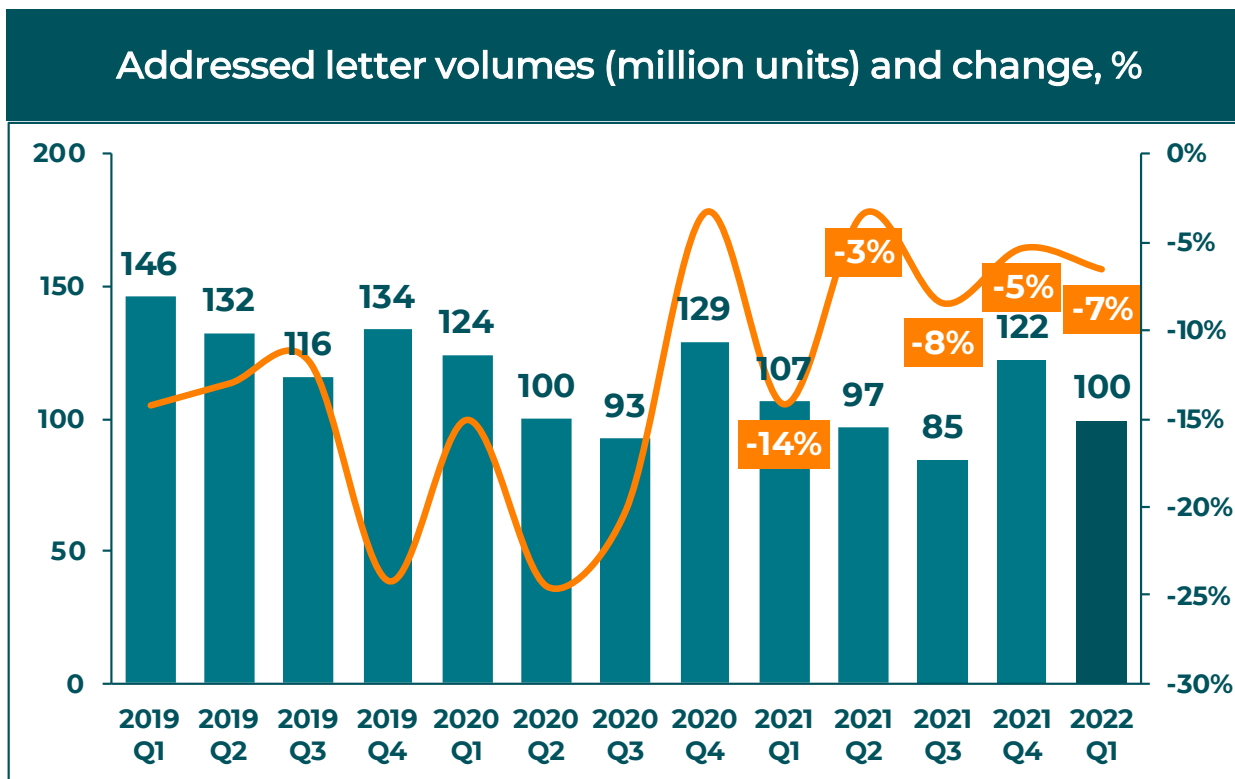
eCommerce and Delivery, and Fulfillment and Logistics Services represented 63% (60%) of the Group's net sales*



■ = Postal services ■ = eCommerce and Delivery, and Fulfillment and Logistics Services

*measured in combined external net sales, continuing operations

Addressed letter volumes declined by 7%

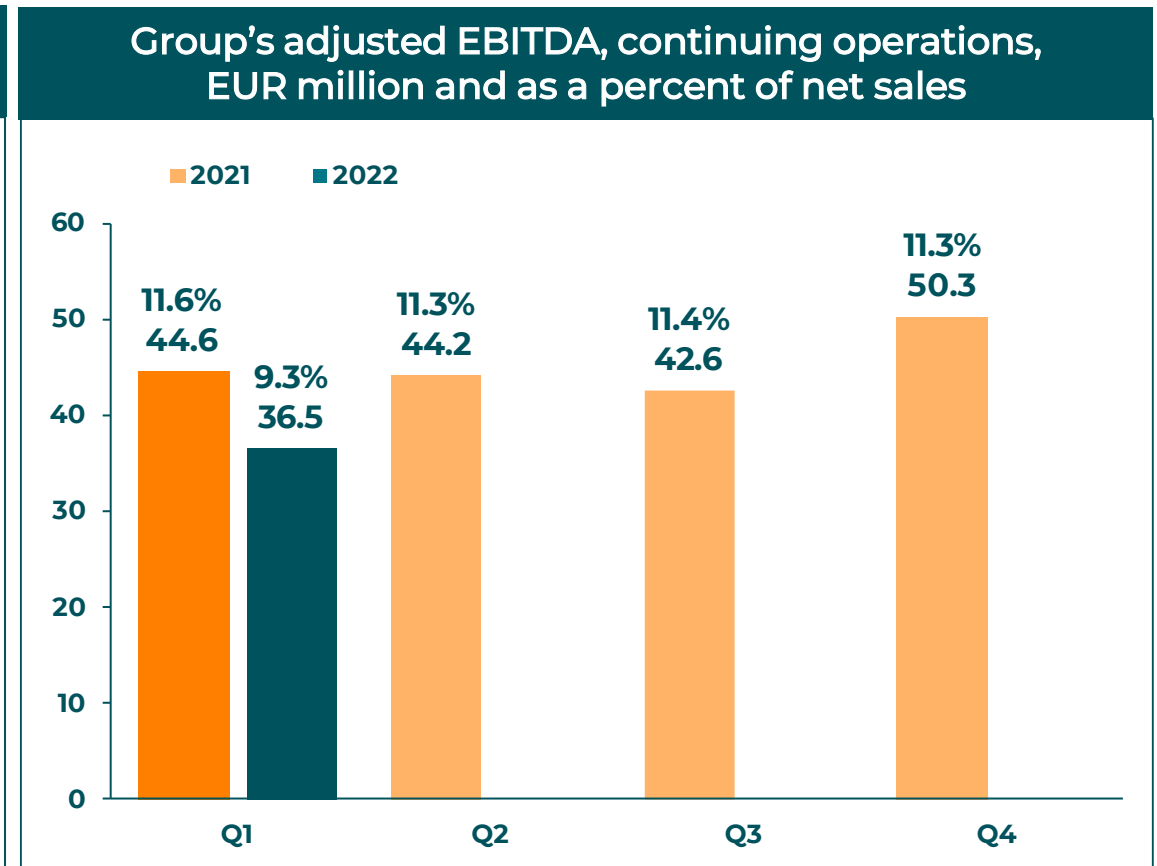
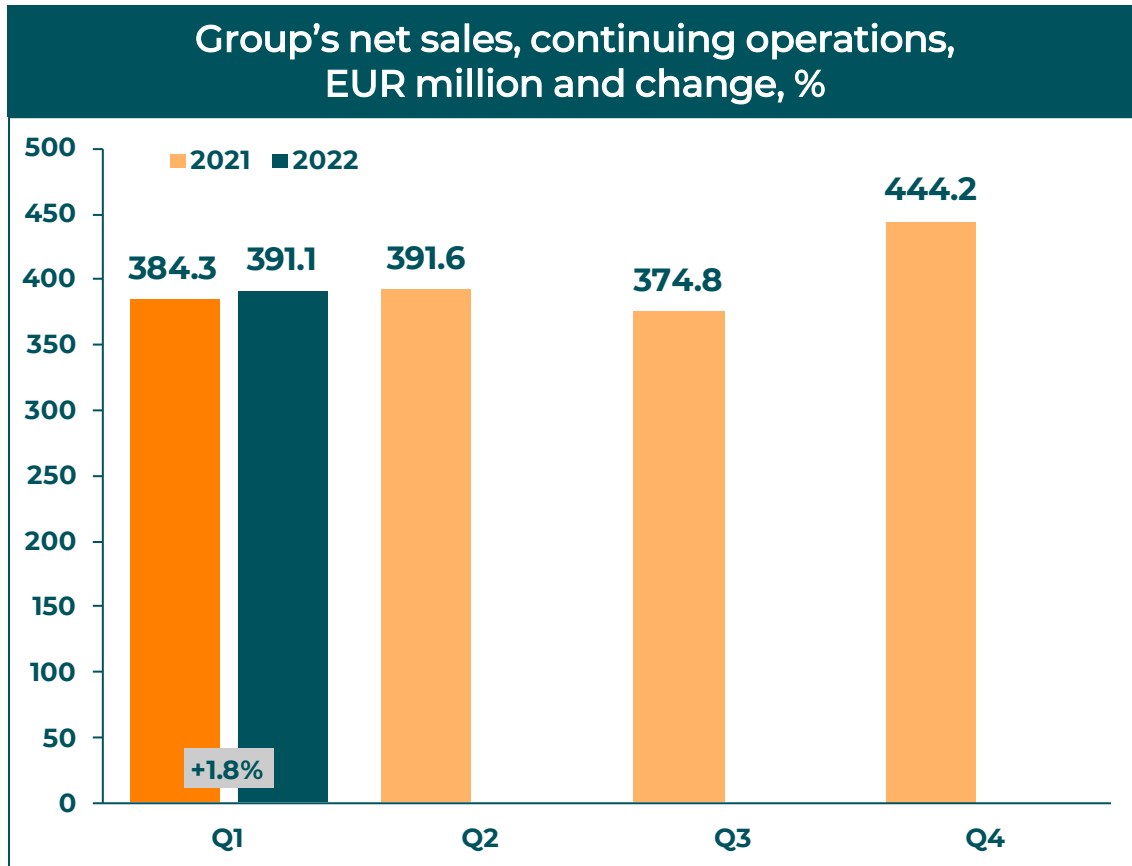


- Altogether 100 million addressed letters were delivered, decline from previous year 7 million items
- The share of mail items covered by the universal service obligation accounted for only 2.5% (3.1%) of all Posti's mail items delivered

Financials

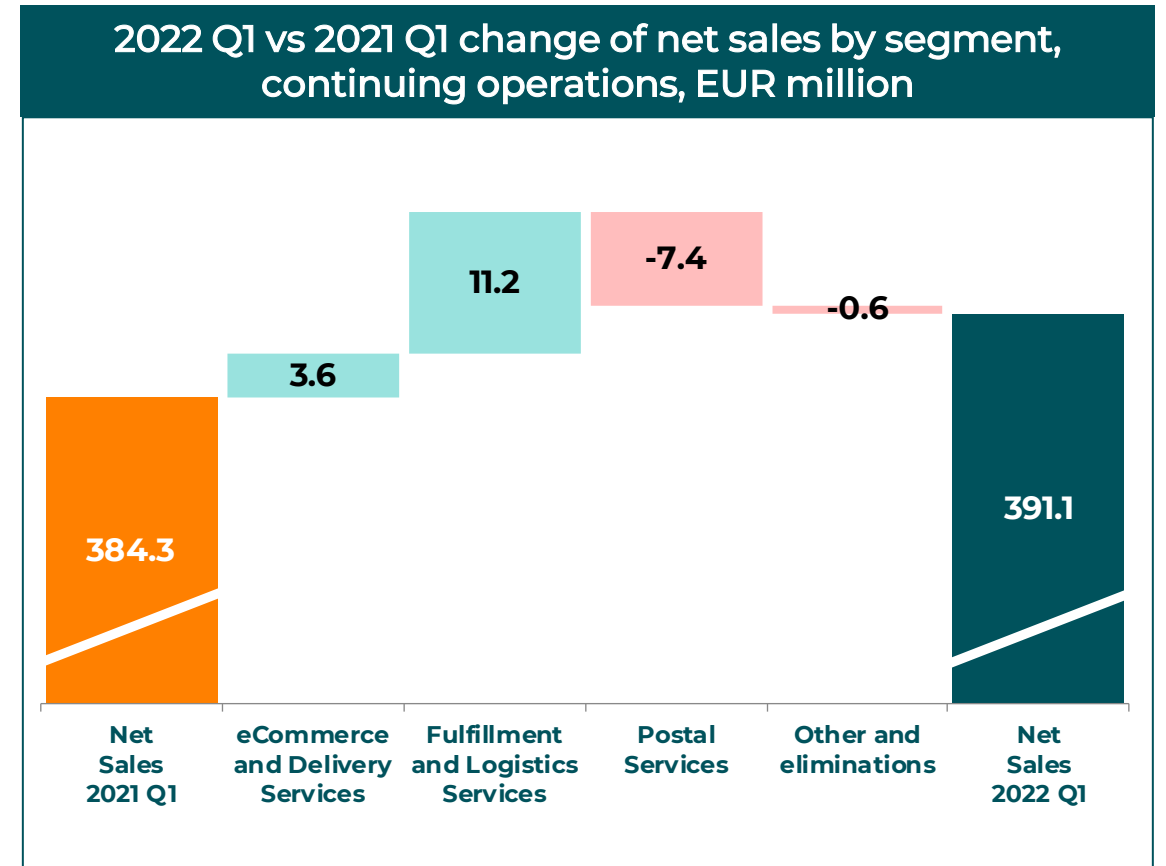
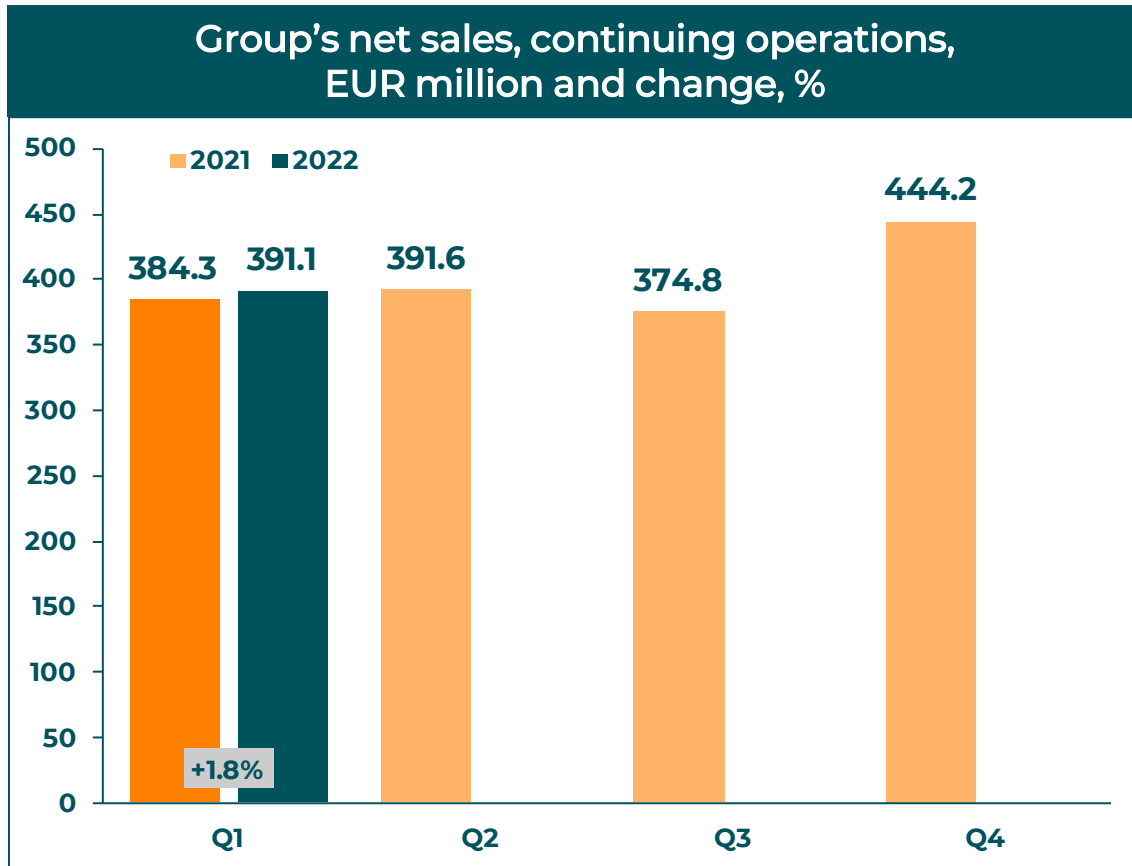
Posti Group's Q1 net sales

Net sales grew by 1.8% to EUR 391.1 (384.3) million



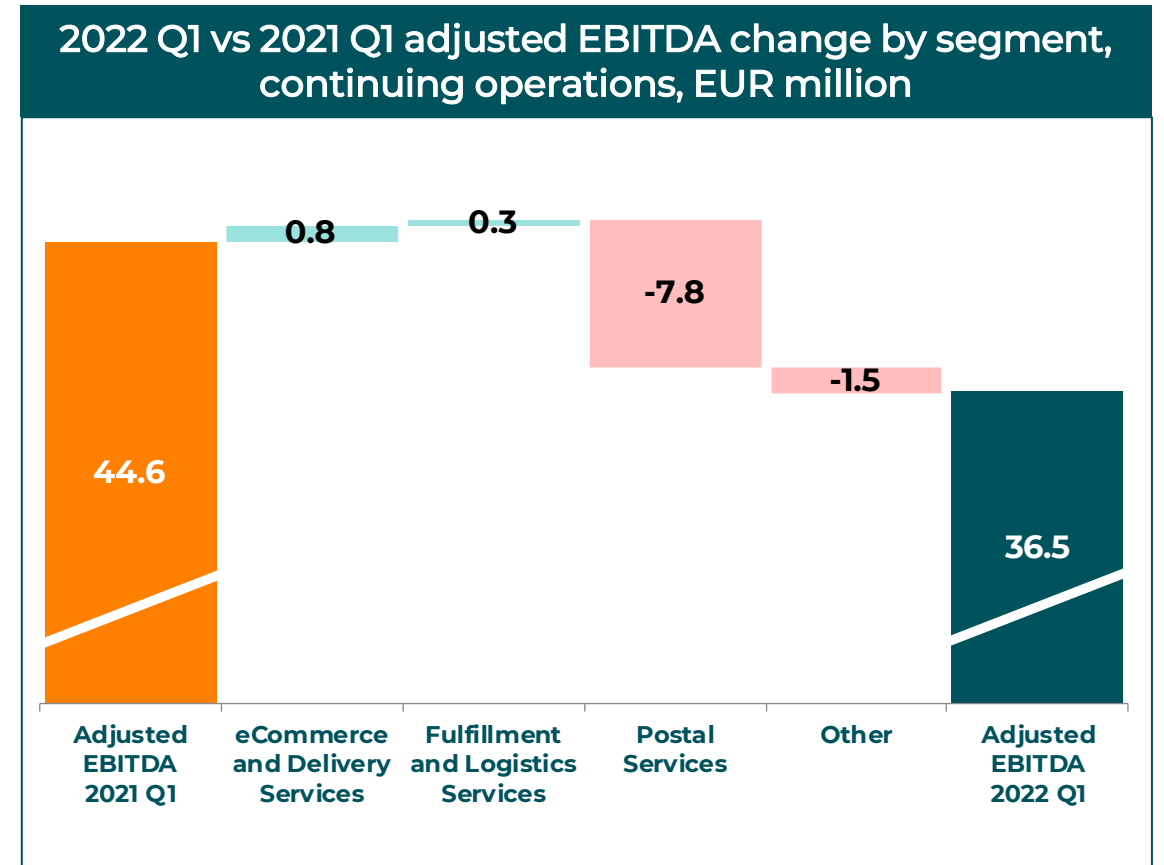
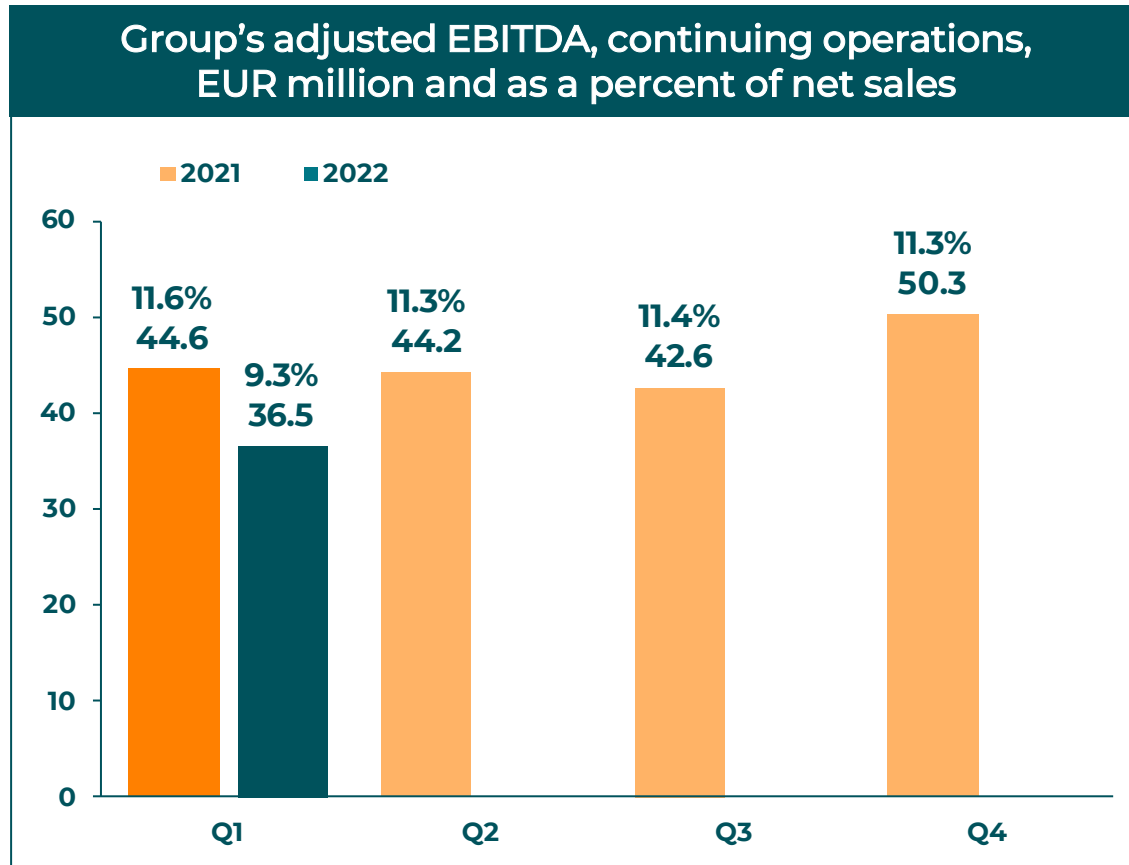
Posti Group's Q1 net sales

Net sales grew by 1.8% to EUR 391.1 (384.3) million



Posti Group's Q1 adjusted EBITDA

Adjusted EBITDA decreased to EUR 36.5 (44.6) million



Posti Group's key figures

	1-3 2022	%	1-3 2021	%
Net sales*, EUR million	391.1		384.3	
Adjusted EBITDA*, EUR million	36.5	9.3%	44.6	11.6%
EBITDA*, EUR million	34.4	8.8%	44.6	11.6%
Adjusted operating result*, EUR million	6.6	1.7%	14.8	3.9%
Operating result*, EUR million	4.4	1.1%	14.9	3.9%
Result for the period*, EUR million	1.0	0.3%	11.1	2.9%
Return on capital employed (12 months)*, %	6.5%		8.4%	
Net debt, EUR million	236.9		221.9	
Net debt / Adjusted EBITDA*	1.4x		1.2x	
Operative free cash flow, EUR million	-13.5		-6.7	
Personnel, end of period*	20,135		19,777	
Personnel on average*, FTE	14,688		14,762	
Earnings per share, continuing operations*, EUR	0.03		0.28	

* Continuing operations



Outlook and long-term financial targets

Posti's outlook for 2022

In 2022, Posti is expecting its net sales to remain at the previous year's level. The Group's adjusted EBITDA in 2022 is expected to decrease from the previous year.

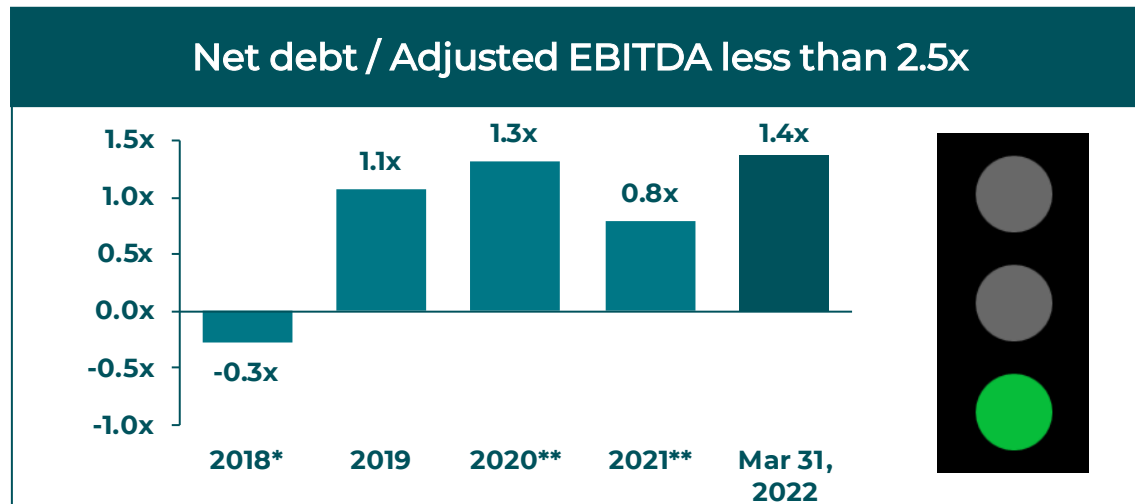
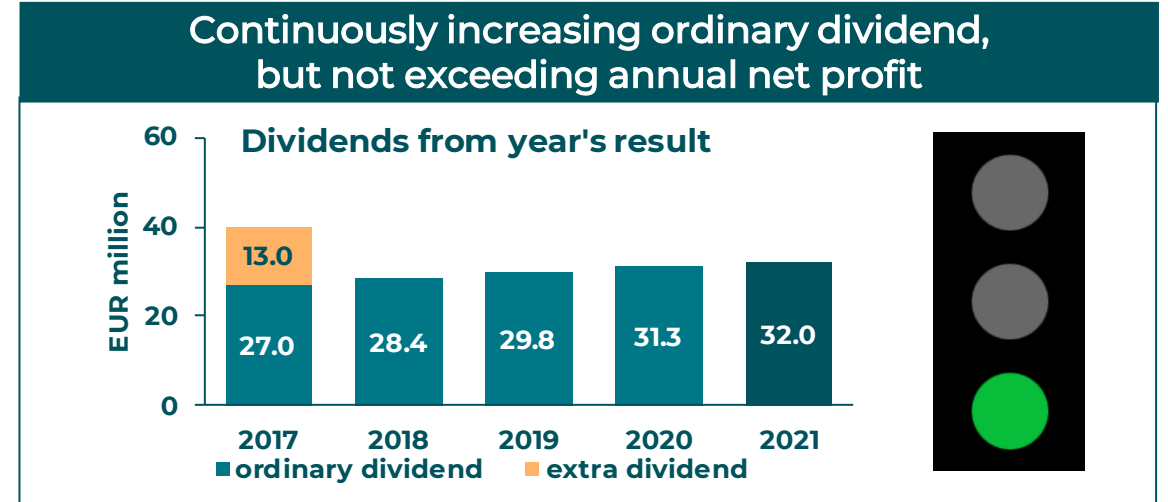
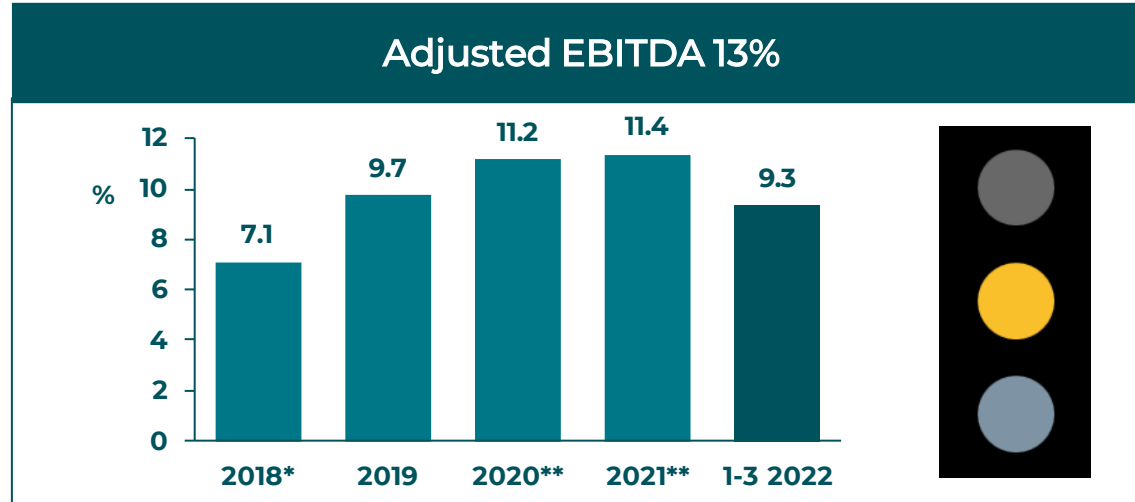
In 2021, Posti's net sales from continuing operations were EUR 1,595.0 million and adjusted EBITDA was EUR 181.6 million.

The potential continuing inflation and the increase in interest rates may impact consumer demand. The changes in consumer behavior affect Posti's business and could impact our actual results.

The Group's business is characterized by seasonality. The net sales and operating result in the segments are not accrued evenly over the year. In consumer parcels and Postal Services, the first and fourth quarters are typically strong, while the second and third quarters are weaker. The postal service volume decline is expected to continue.



Long term financial targets



* 2018 is not according to IFRS 16 standard
 ** Continuing operations

Segments

eCommerce and Delivery Services key figures

EUR million	1-3 2022	1-3 2021
Net sales	162.2	158.6
Net sales change, %	2.3%	7.3%
Adjusted EBITDA	14.2	13.4
Adjusted EBITDA, %	8.8 %	8.5 %
EBITDA	13.6	12.9
EBITDA, %	8.4%	8.1%

The net sales increased by 2.3% to EUR 162.2 million

- The increase was mainly due to the increased net sales of transportation services.

Adjusted EBITDA increased to EUR 14.2 million

- The growth was driven by the increased net sales of the segment and the improved profitability of transportation services.
- However, reduced growth of parcel volumes decreased overall profitability.

Fulfillment and Logistics Services key figures

EUR million	1-3 2022	1-3 2021
Net sales	87.5	76.3
Transval	55.6	50.8
Aditro Logistics	31.8	25.4
Net sales change, %	14.7%	-
Adjusted EBITDA	7.4	7.1
Adjusted EBITDA, %	8.4%	9.3%
EBITDA	7.4	7.1
EBITDA, %	8.4%	9.3%

Net sales increased by 14.7% and were EUR 87.5 million.

- The growth of **Transval's** net sales was mainly due to the increased sales of inhouse logistics and volumes of contract logistics.
- **Aditro Logistics'** net sales growth was mainly due to the acquisition of Veddestagruppen in Sweden, and improved warehousing storage volumes.

Adjusted EBITDA increased to EUR 7.4 million

- The improvement was mainly due to the acquisition of Veddestagruppen.

Postal Services key figures

EUR million	1-3 2022	1-3 2021
Net sales	147.5	154.9
Net sales change, %	-4.8%	-10.6%
Adjusted EBITDA	18.1	25.9
Adjusted EBITDA, %	12.3%	16.7%
EBITDA	16.8	25.6
EBITDA, %	11.4%	16.5%

- The net sales of Postal Services decreased by 4.8% to EUR 147.5 million
 - The decrease was mainly due to the continued mail volume decline.
- Adjusted EBITDA decreased to EUR 18.1 million
 - The profitability was affected by the declining net sales of the segment, and the higher operational costs due to the increase in energy prices, the exceptional winter conditions and absences due to the COVID-19 virus that required overtime hours and temporary workforce.

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