



Posti Group

Operational excellence continued to deliver positive adjusted EBITDA in Jan-Sept. In Q3 weak market demand led to soft net sales.

July – September 2024





Responsibly
delivering

what matters
to you

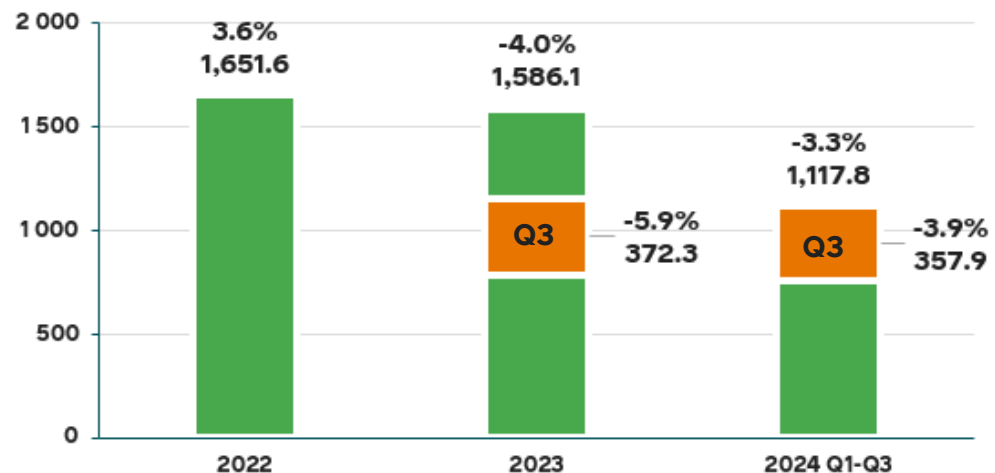
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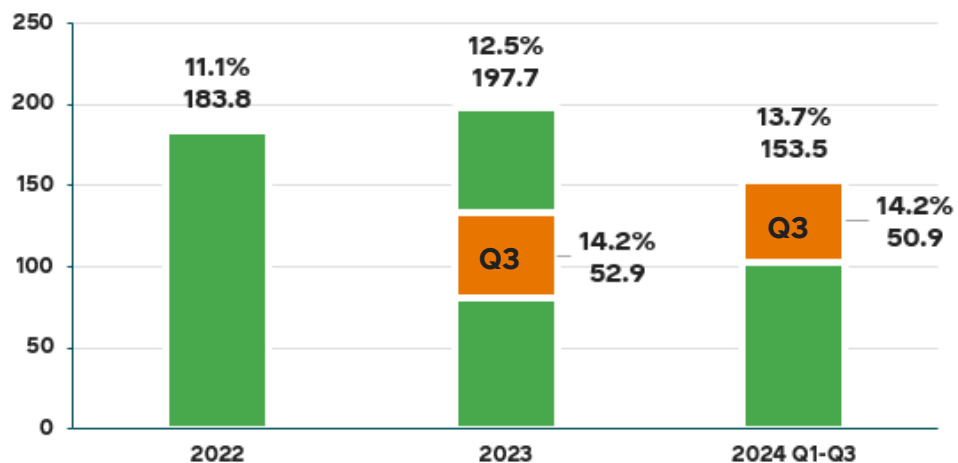
**your
terms**

posti

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



Group's adjusted EBITDA, EUR million
and % of net sales



Posti in figures 7-9/2024

Net Sales

EUR 357.9 million

(EUR 372.3 million)

Adjusted EBITDA

EUR 50.9 million

(EUR 52.9 million)

Adjusted EBITDA-%

14.2%

(14.2%)



Q3 2024

Financial highlights

- Net sales decreased by 3.9% to EUR 357.9 (372.3) million.
- Adjusted EBITDA decreased to EUR 50.9 (52.9) million but share of net sales remained at the same level of 14.2% (14.2%).
- EBITDA increased to EUR 49.8 (46.5) million, or 13.9% (12.5%) of net sales.
- Adjusted operating result stayed on a similar lever at EUR 19.3 (19.9) million, representing 5.4% (5.4%) of net sales.
- Operating result increased to EUR 18.2 (-50.2) million, representing 5.1% (-13.5%) of net sales. The comparison period was impacted by the impairments and other special items.

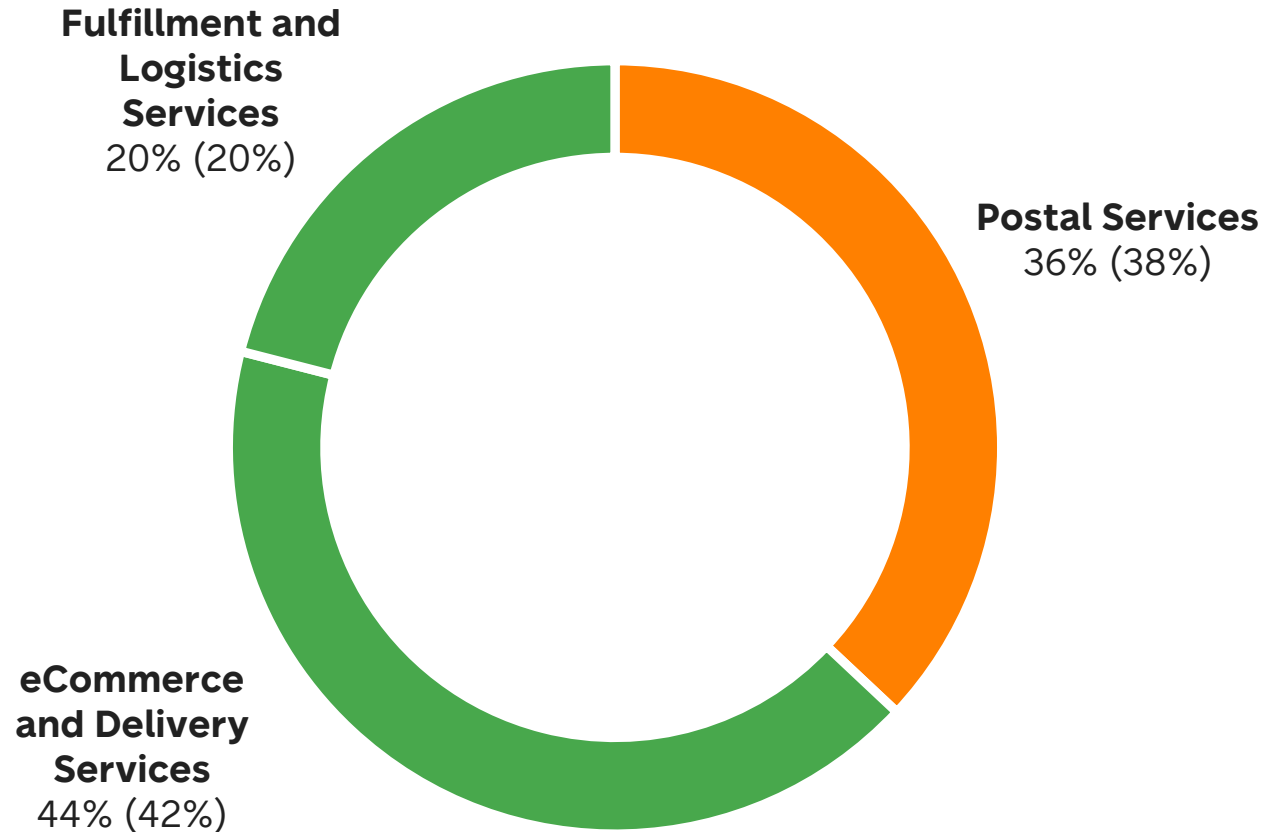


Q3 2024 operational highlights

- Operational efficiency continued to develop positively which led the Group's relative adjusted EBITDA to remain on the same level year-on-year.
- Group net sales were affected by the declined volumes in Fulfillment and Logistics Services and continuous decrease in letter volumes in Postal Services.
- In the eCommerce and Delivery Services segment, the total parcel volume grew by 3%.
- The addressed letter volumes continued to decrease by 11%
- Posti started a new nationwide Small Parcel to Door service, where a parcel will be delivered by the recipient's doorstep with a daily mail delivery.
- All Posti Group companies are gradually starting to operate under one Posti brand from September 2024.
- Service Sector Employers PALTA and the Finnish Post and Logistics Union PAU approved the result of the negotiation on the utilization of the option year in the collective agreement.

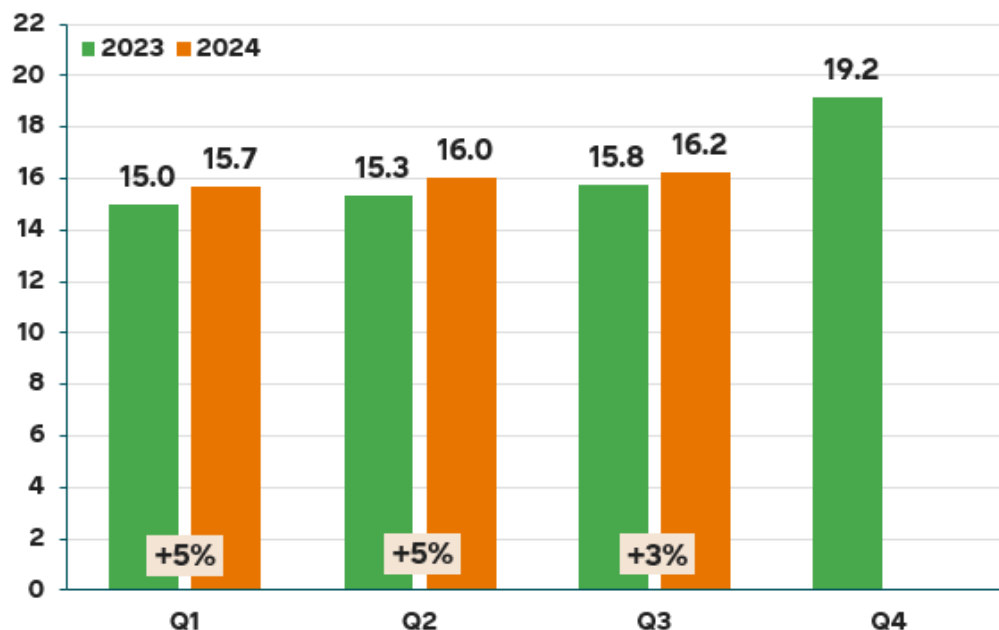


The combined external sales of eCommerce and Delivery Services, and Fulfillment and Logistics Services represented 63.6% (62.2%) of the Group's net sales in Q3 2024



Parcel volumes increased and postal volumes continued to decline in Q3 2024

Parcel volumes (million units) and change, % in Finland and in the Baltics



+3%

Parcel volumes in Finland and in the Baltics 7-9/2024

-2%

Freight volumes 7-9/2024

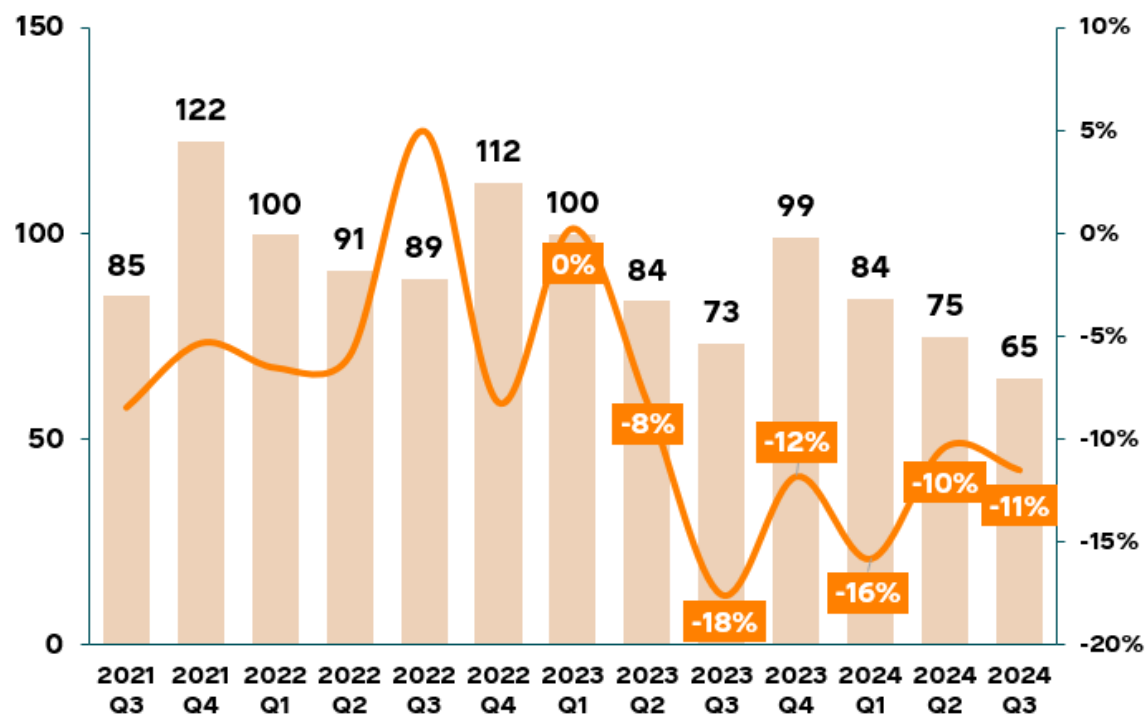
* Measured in waybills

-11%

Addressed letter volumes 7-9/2024

Addressed letter volumes continued to decrease in Q3 2024

Addressed letter volumes (million units) and change, %



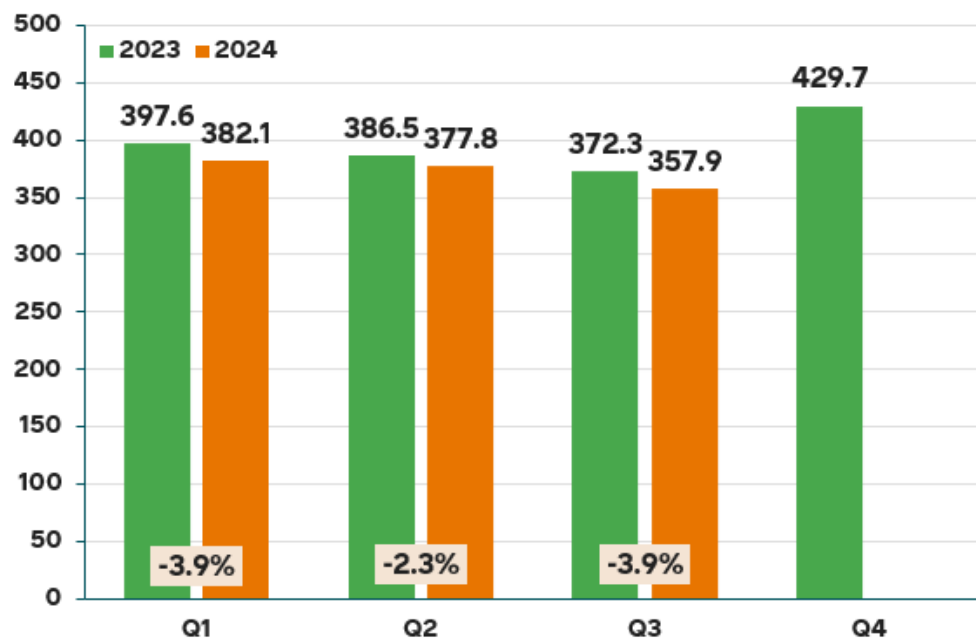
- Altogether 65 million addressed letters were delivered in the third quarter. Decrease from previous year 8 million items
- The declining trend in addressed letter volumes continued (declined 11%)
- The share of mail items covered by the universal service obligation accounted for 2.6% (2.6%) of all Posti's mail items delivered

Financials

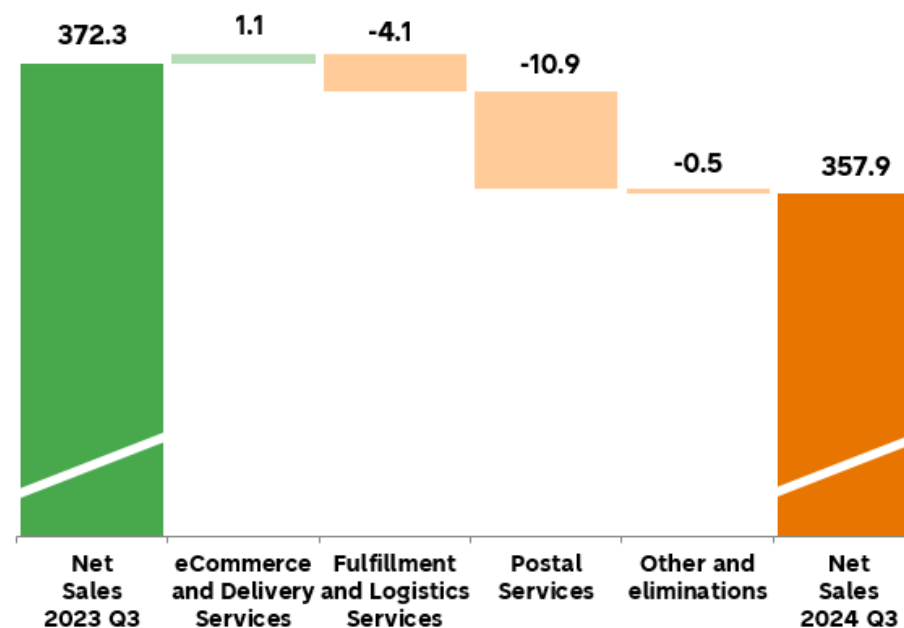
Posti Group's Q3 2024 net sales declined

Net sales decreased by 3.9% to EUR 357.9 (372.3) million

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



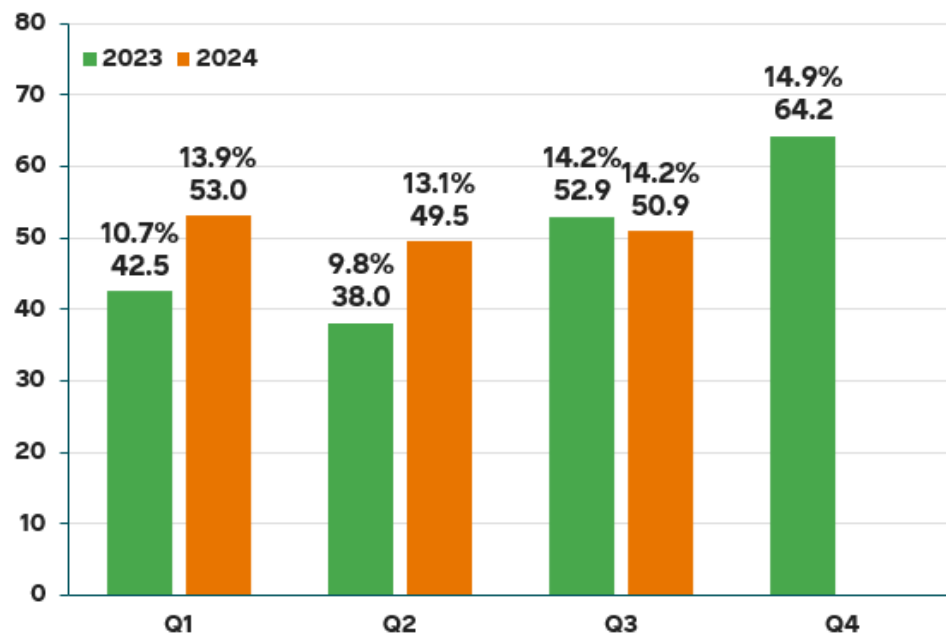
Q3 2023 vs Q3 2024 change of net sales
by segment, EUR million



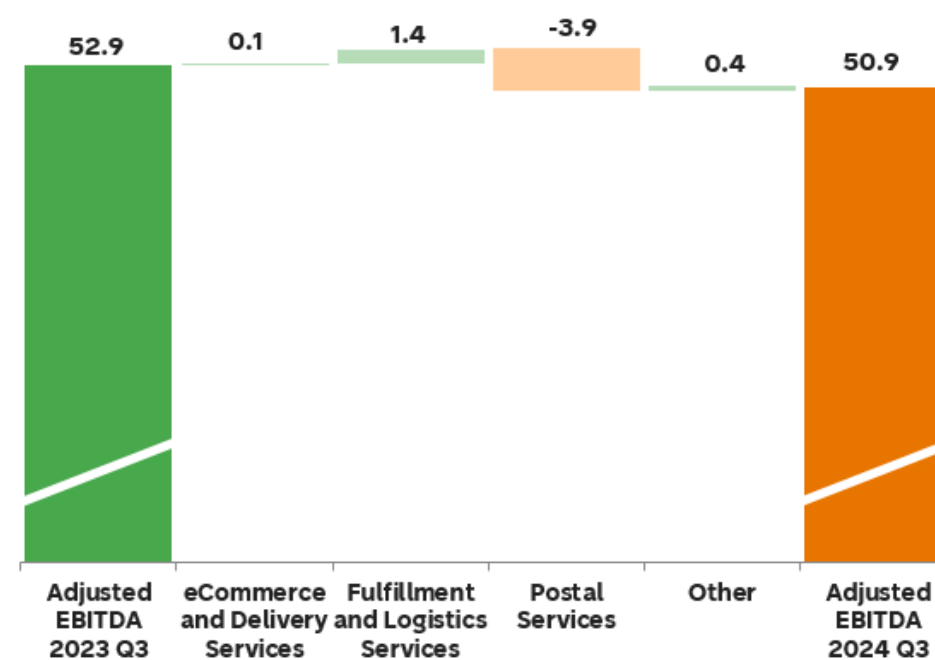
Posti Group's Q3 2024 adjusted EBITDA decreased

Adjusted EBITDA decreased to EUR 50.9 (52.9) million, or 14.2% (14.2%) of net sales

Group's adjusted EBITDA,
EUR million and % of net sales



Q3 2023 vs Q3 2024 adjusted EBITDA change
by segment, EUR million



Posti Group's key figures Q3 2024

	7-9 2024	%	7-9 2023	%	1-9 2024	%	1-9 2023	%
Net sales, EUR million	357.9		372.3		1,117.8		1,156.4	
Adjusted EBITDA, EUR million	50.9	14.2%	52.9	14.2%	153.5	13.7%	133.4	11.5%
EBITDA, EUR million	49.8	13.9%	46.5	12.5%	143.8	12.9%	124.4	10.8%
Adjusted operating result, EUR million	19.3	5.4%	19.9	5.4%	58.4	5.2%	34.8	3.0%
Operating result, EUR million	18.2	5.1%	-50.2	-13.5%	48.7	4.4%	-38.0	-3.3%
Result for the period, EUR million	11.9	3.3%	-53.6	-14.4%	31.5	2.8%	-48.0	-4.2%
Return on capital employed (12 months), %					11.9%		-1.7%	
Net debt, EUR million					258.3		255.8	
Net debt / Adjusted EBITDA					1.2x		1.3x	
Operative free cash flow, EUR million					-5.8		-2.4	
Personnel, end of period					15,038		17,288	
Personnel on average, FTE	13,075		14,208		13,201		14,435	
Earnings per share, basic, EUR	0.30		-1.34		0.79		-1.20	

Outlook and long-term financial targets

Adjusted outlook for 2024

Net sales is expected to decrease, and the Group's adjusted EBITDA is expected to increase from the previous year

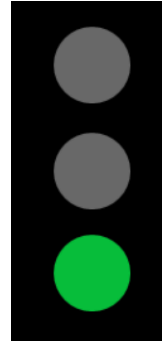
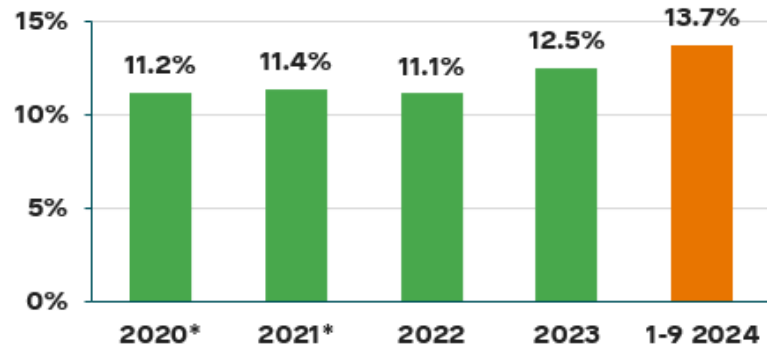
(previously: net sales and adjusted EBITDA is expected to be on the previous year's level).

- New outlook states: Posti is expecting its net sales to decrease from the previous year. The Group's adjusted EBITDA is expected to increase from the previous year.
- In 2023, Posti's net sales were EUR 1,586.1 million and adjusted EBITDA was EUR 197.7 million. In 2023.
- Current macroeconomic and market conditions bring uncertainty to economic projection and consumer confidence. Consumer behavior affects Posti's business and may further impact our actual results
- The Group's business is characterized by seasonality. The net sales and adjusted EBITDA 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 volume decline is expected to continue

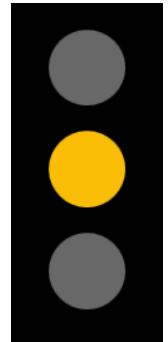
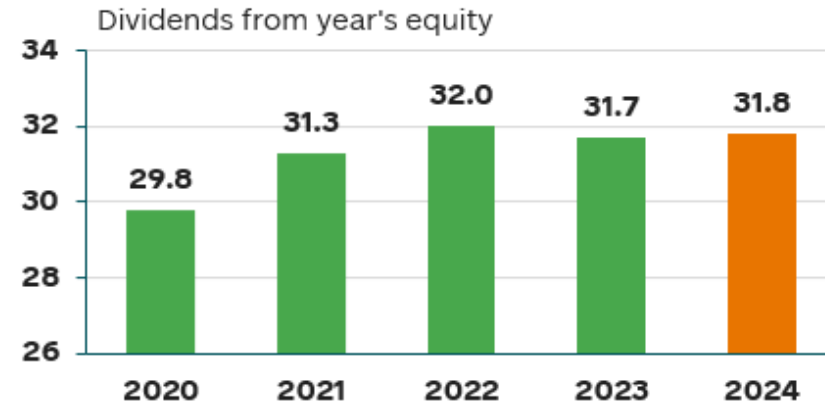


Long-term financial targets

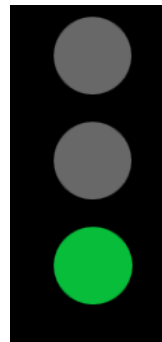
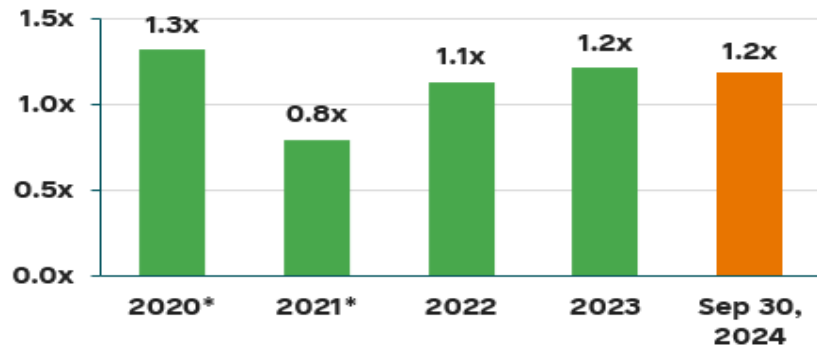
Adjusted EBITDA 13%



Continuously increasing ordinary dividend, but not exceeding annual net profit, EUR million



Net debt / Adjusted EBITDA less than 2.5x



Segments



Q3 2024: eCommerce and Delivery Services key figures

EUR million	7-9 2024	7-9 2023	1-9 2024	1-9 2023
Net sales	158.2	157.2	472.5	475.7
Net sales change, %	0.7%	-6.5%	-0.7%	-4.8%
Adjusted EBITDA	22.9	22.8	56.5	49.9
Adjusted EBITDA, %	14.5%	14.5%	11.9%	10.5%
EBITDA	24.3	20.6	50.8	47.9
EBITDA, %	15.4%	13.1%	10.7%	10.1%

The net sales increased by 0.7% and was EUR 158.2 million

- The consumer demand and trust in economy has slightly begun to improve
- This reflected in parcel volumes and consequently net sales positively

Adjusted EBITDA remained on the previous year's level and was EUR 22.9 million

- Operational efficiency in sorting and in transportation had a positive impact on the segments' profitability

Q3 2024: Fulfillment and Logistics Services key figures

EUR million	7-9 2024	7-9 2023	1-9 2024	1-9 2023
Net sales	74.8	78.9	225.5	245.8
Finland**	50.4	53.5	151.3	166.4
Sweden ***	24.4	25.4	74.2	79.4
Net sales change, % *	-5.2%	-12.1%	-8.2%	-9.3%
Adjusted EBITDA	12.6	11.2	30.3	29.5
Adjusted EBITDA, %	16.8%	14.2%	13.4%	12.0%
EBITDA	12.5	9.5	30.2	27.6
EBITDA, %	16.7%	12.0%	13.4%	11.2%

The net sales decreased by 5.2% and were EUR 74.8 million

- The weak customer demand resulted in a low circulation of goods in warehouses
- Also, the sale of Transval Myymäläpalvelut Oy in September 2023 affected net sales negatively
- The low consumer demand had a negative impact on market volumes, especially in Sweden
- The acquisition of Swedish Cargo Support in May 2024 impacted net sales positively

Adjusted EBITDA increased and was EUR 12.6 million

- Improvements in operational efficiency and cost discipline impacted adjusted EBITDA positively

* Transval Myymäläpalvelut Oy was divested in September 2023.

*Cargo Support Holding C.S.H. AB was acquired in May 2024.

** Formerly Transval

*** Aditro Logistics

Q3 2024: Postal Services key figures

EUR million	7-9 2024	7-9 2023	1-9 2024	1-9 2023
Net sales	130.8	141.7	438.4	453.3
Net sales change, %	-7.7%	-1.5%	-3.3%	1.7%
Adjusted EBITDA	16.2	20.0	71.1	61.1
Adjusted EBITDA, %	12.4%	14.1%	16.2%	13.5%
EBITDA	13.7	18.9	66.9	57.5
EBITDA, %	10.5%	13.4%	15.3%	12.7%

The net sales decreased by 7.7% to EUR 130.8 million

- Decrease in net sales was partly offset by price increases

Adjusted EBITDA decreased to EUR 16.2 million

- Lower volumes and the decline in the net sales impacted adjusted EBITDA negatively, although improvements in operational efficiency had a positive impact on profitability

posti