



Posten Norge

Half-year report

1st half-year 2009



HALF-YEAR REPORT

Summary

Revenue development in the first half year was affected by the economic downturn. As a consequence of a decline in volume and lower activity in the market, revenue was reduced by MNOK 271 compared with the same period last year. Despite the revenue decline, earnings before interest and taxes (EBIT) before non-recurring items and write-downs for the first half year improved by MNOK 70 compared with last year.

In connection with the revised national budget MNOK 518 was granted as payment for the government procurement of unprofitable postal and banking services in 2009. Operating revenues in the first half year include MNOK 259 in government procurements.

Operating revenues in the second quarter were MNOK 351 lower than for the same period last year. The quarterly revenue development was positively affected by government procurements (MNOK 259), but negatively affected by Easter being in March in 2008 and April in 2009 as well as the weak economic situation. EBIT before non-recurring items and write-downs for the second quarter improved by MNOK 53 compared with the same period last year.

The 12-month return on invested capital before non-recurring items and write-downs (ROIC) was 8.0% compared with 9.4% for the first six months of 2008.

The Group's efficiency programme Spinnaker, that aims to improve profitability in the Group by over NOK 2 billion over the next three years, shows good results. As a result of the weak economic situation further cost-cutting measures are also being implemented to adapt resources used to market developments.

Norway Post entered into new pension and personal insurance agreements during the second quarter that will reduce annual costs by approximately MNOK 100. The savings are a result of systematic HSE work that has resulted in lower sick leave, a fewer number of employees that are incapacitated for work and fewer lost-time injuries.

Posten Norge AS achieved a delivery quality of 88.5% for A mail delivered overnight during the first six months of 2009. This was an improvement of 1.7 percentage points compared with 2008 and 3.5 percentage points above the licence

requirement. In the second quarter 89.6 % of A mail was delivered overnight. This is the best quarterly result since the measuring started in 1999.

Results (UNAUDITED)

Q2 2009	Q2 2008	MNOK	YTD 2009	YTD 2008	Year 2008
6 864	7 215	Operating revenues*	13 795	14 066	28 663
526	472	EBITDA	848	759	1 589
291	238	EBIT before non-recurring items and write-downs	381	311	683
158	252	EBIT	256	330	361
-36	-56	Net financial items	-129	-107	-253
122	195	Earnings before taxes	128	223	108

* From September 2008, ErgoGroup changed the principle for recognition of telephony revenues from the gross to the net method. The figures for previous periods have been restated.

Operating revenues

The Group's operating revenues came to MNOK 13 795 in the first half year 2009, a decline of 1.9% compared with the first half year 2008. Operating revenues were MNOK 6 864 in the second quarter of 2009, a decline of 4.9% compared with the same period in 2008.

Acquisitions and government procurements helped to increase operating revenues by MNOK 535 and MNOK 259 respectively compared with the first six months of last year, while revenues from continued operations fell by 5.5%.

The Group's operations in Sweden, Denmark and Finland achieved total operating revenues of MNOK 3 645 in the first six months of 2009. This was an increase of 5.3% from last year. This increase was mainly due to the acquisitions of CombiTrans AB and the remaining 50% of PNL in the third quarter of 2008 as well as the expansion of Bring Citymail in Sweden and Denmark. Operating revenues outside Norway comprised 26.4% in the first six months of 2009, compared with 24.6% last year.

Earnings

EBIT before non-recurring items and write-downs in the first half year 2009 came to MNOK 381, an increase of MNOK 70 (23 %) compared with 2008.

The cost savings that have been carried out have more than compensated for the volume decrease in the Mail segment in the first half year. The second quarter EBIT before non-recurring items and write-downs came to MNOK 291, an increase of MNOK 53 (22%) compared with the same period last year.

Goodwill was written down by a total of MNOK 124 i 2009. The first half year EBIT amounted to MNOK 256, a reduction of MNOK 74 compared with last year.

EBIT before non-recurring items and write-downs in the first six months for the Mail segment were MNOK 365, compared with MNOK 81 last year. The earnings development in the Mail segment is positively affected by government procurements. EBIT before non-recurring items and write-downs in the first six months for the Logistics segment were MNOK 157, compared with MNOK 309 last year. Revenues in the IT segment declined by MNOK 98 from last year, resulting in an EBIT before non-recurring items and write-downs of MNOK 85.

The EBIT margin before non-recurring items and write-downs in the second quarter of 2009 was 4.2%, compared with 3.3% in the second quarter of last year. The EBIT margin before non-recurring items and write-downs for the first six months of 2009 increased from 2.2% in 2008 to 2.8%.

The net income before taxes was MNOK 128 in the first half year 2009, compared with MNOK 223 in 2008.

Key figures (UNAUDITED)

		30.06 2009	30.06 2008*	31.12 2008
Equity ratio	%	29,2	28,7	26,4
EBIT-margin before non-recurring items and write-downs	%	2,8	2,2	2,4
EBIT-margin	%	1,9	2,3	1,3
Profit margin (before taxes)	%	0,9	1,6	0,4
Return on invested capital before non-recurring items and write-downs ¹⁾	%	8,0	9,4	7,4
Return on invested capital ¹⁾	%	3,0	5,8	3,9
Return on equity ¹⁾	%	-2,4	5,9	-0,5
Debt ratio (net)		0,7	0,4	0,6
Long-term liquidity reserve	MNOK	4 846	3 605	4 408
Investments, including acquisitions	MNOK	663	1 044	2 162
Workforce - Parent Company	FTE	14 421	15 744	15 446
Workforce - Group	FTE	24 520	25 274	25 851

1) Rolling 12 months (before tax)

* The figures have been restated due to the change in the principle for recognition of telephony revenues from the gross to the net method.

Balance sheet (UNAUDITED)

MNOK	30.06 2009	30.06 2008	31.12 2008
Fixed assets	12 215	10 947	12 317
Current assets	5 458	6 832	6 761
Assets held for sale	155	819	438
Total assets	17 828	18 598	19 516
Equity	5 204	5 336	5 160
Provisions for liabilities	2 286	2 290	2 268
Interest-bearing liabilities	4 075	4 317	4 763
Interest-free liabilities	6 263	6 655	7 325
Total equity and liabilities	17 828	18 598	19 516

The MNOK 1 268 net increase in fixed assets from the first six months of 2008 was mainly due to investments related to the new South East Norway Terminal, IT investments and acquisitions. Total investments in the first half year 2009 came to MNOK 663, a reduction of MNOK 381 compared with the same period last year.

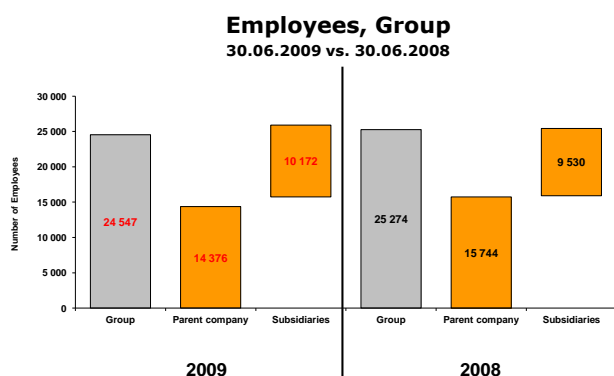
The reduction in interest-bearing liabilities was mainly due to net loan repayments. Net interest-bearing liabilities as at 30 June 2009 came to MNOK 3 567.

As at 30 June 2009 the Group had long-term liquidity reserves of MNOK 4 846, compared with MNOK 3 605 at the same time last year. These reserves consisted of invested funds and available credit facilities.

The cash flow from operations and investment activities came to MNOK -621 in the first half year 2009, compared with MNOK -739 at the same time last year.

Q2 2009	Q2 2008	MNOK (unaudited)	YTD 2009	YTD 2008	Year 2008
662	765	Volume, Group (million physical shipments)	1 338	1 532	2 962
3 235	3 341	Operating revenues	6 451	6 575	13 107
339	121	Segment earnings (EBITDA)	525	276	360
141	31	Segment earnings (EBIT)	260	95	-118

Workforce



The Group's workforce decreased by 754 full-time equivalents compared with the same period last year. Acquisitions resulted in an increase in the workforce of 397 full-time equivalents compared with the first half year 2008, while efficiency measures have resulted in a net total decrease in the workforce.

The Group's sick leave rate was 7.2% as of the first half year 2009, a decline of 0.4 percentage points compared with the same period last year.

Markets and developments per segment

MAIL

This segment comprises letter products, banking services and dialogue services. The segment is

made up of the Mail Division (including its subsidiaries Bring Citymail and Bring Dialogue) and the Distribution Network Division

Operating revenues for the first half year 2009 were MNOK 6 451, MNOK 124 lower than for the same period in 2008. Revenues in the second quarter 2009 included government procurements of MNOK 259. Earnings development is positively affected by the effects of the Spinnaker programme and other cost-cutting measures.

In the first half year 2009 the total volume of letters in Norway was 14% lower than for the same period in 2008. This decline was due to increased substitution and the general economic downturn.

The volume of advertising products fell by 19% in the first half year 2009. Of the total letter volume, unaddressed mail advertising comprised 47.8%, compared with 52% in the first half year 2008. It is especially the major mail customers within retail, publishing, mail order and real estate who have reduced their volumes of advertising as a result of the global economic downturn. There was also a comparable reduction in addressed mail advertising, mainly due to the economic downturn and substitution by electronic communication.

Due to market developments Norway Post has stopped its distribution of unaddressed mail advertising on Fridays and Saturdays. In total, the savings from this measure will be between MNOK 70-80.

The combined total of A and B mail in the first half year fell by 8% compared with the same period last year. The decline in A mail has been the largest, as customers are increasingly choosing B mail as a cheaper substitute.

Fewer subscribers have led to a decline in the volume of newspapers of 10%. At the same time, the weight of these shipments has also fallen, due to, among other things, a reduction in the amount of advertising.

The number of bank transactions fell by 11% in the first half year 2009. The number of customers in the post office network fell by 6% compared with the same period in 2008.

The delivery quality for A mail delivered overnight was 89.6% in the second quarter of 2009, 2.4 percentage points higher than the delivery quality for the second quarter last year.

Bring Citymail Sweden has implemented cost-reducing measures to meet the economic downturn, which has had a significant effect on Sweden.

The restructuring of the post office network that began in September 2008 is proceeding as planned. Of a total of 124 post offices, 73 have been replaced with Post in Shops (PiB) as of 30 June 2009. This restructuring has been well received by customers.

LOGISTICS

This segment comprises groupage and part load services, parcel delivery, warehousing, temperature-controlled transport and express services.

The segment comprises the Logistics Division and covers the parent company's operations within this division as well as the companies in Bring Logistics, Bring Frigoscandia, Bring Express, PNL and CombiTrans.

Q2 2009	Q2 2008	MNOK (unaudited)	YTD 2009	YTD 2008	Year 2008
8,5	11,6	Volum (million shipments)*	17,1	16,4*	35,0
3 107	3 287	Operating revenues	6 296	6 402	13 409
146	250	Segment earnings (EBITDA)	263	411	880
89	202	Segment earnings (EBIT)	148	317	682

* Shows the increase in parcel volume, excluding courier services

In the first half year 2009 the segment's total revenues were 1.7% lower than in the same period last year as a result of the economic downturn. The acquisitions of CombiTrans AB, Emdal Transport & Spedisjon and the remaining 50% of PNL in 2008 only partly compensated for the reduction in revenues.

The decline in volume was greatest within B2B parcel products, groupage and part load and express services. Within groupage and part load the drop in volumes was largest within international operations, which have been hard-hit by the economic downturn. The revenue development in the second quarter was also negatively affected by Easter being in March in 2008 and April in 2009.

The total revenues for the Logistic segment's operations outside of Norway for the first half year 2009 amounted to MNOK 2 400, which comprised 38,1 % of the segment's total revenues.

The segment's earnings development is affected by lower volumes and reduced utilisation of capacity. A number of measures are being implemented to improve earnings. Significant cost reductions have been realised so far this year within temperature-controlled transport, express and groupage and part load services, and further measures are being evaluated in line with changes in the economic conditions.

IT

This segment consists of operations, infrastructure, solutions and consulting services. The segment comprises the ErgoGroup group, including the SYSteam Group(Sweden) and Bekk Consulting AS.

Q2 2009	Q2 2008	MNOK(unaudited)	YTD 2009	YTD 2008	Year 2008
1 314	1 500	Operating revenues*	2 692	2 851	5 689
111	194	Segment earnings (EBITDA)	235	328	704
25	121	Segment earnings (EBIT)	75	183	369

* From September 2008, ErgoGroup changed the principle for recognition of telephony revenues from the gross to the net method. The figures for previous periods have been restated.

In the first half year 2009 ErgoGroup had revenues of MNOK 2 692, which was a decline of almost 6% from the same period last year.

Operating revenues outside of Norway comprised 27% of ErgoGroup's total revenues in the first half year 2009. Foreign operations are mainly related to Sweden, but also cover deliveries in Finland and Denmark.

ErgoGroup's sales to Posten Norge AS in the first half year 2009 comprised 12% of the company's total revenues, compared with 16% in the first half year 2008. Adjusted for reduced sales to Posten Norge AS, growth was -1%, which can be related to the economic downturn in the Swedish market. In Norway, excluding Posten Norge AS, growth for ErgoGroup was 2%.

During the first half year 2009 ErgoGroup had entered into contracts worth MNOK 1 705, MNOK 252 more than for the equivalent period in 2008.

The decline in earnings in the first half year was mainly due to the negative effect of the general economic downturn as well as the effect of renegotiated operating contracts.

ErgoGroup's improvement programmes, which were started in 2008, are continuing and will be further strengthened in the remainder of 2009.

Future prospects

Market development

2009 is characterised by major uncertainty in the market as a result of the financial crisis and the economic downturn that began at the end of last year. This will continue to have a negative effect on the Group's operations, and a continued fall in mail volumes and increased competition will continue to create challenges with regard to profitability.

The Spinnaker profitability programme was started in 2008, but additional measures will be put in place to adapt costs to a falling level of activity in the market, particularly in the Mail and Logistics segments.

In 2009 the Group's productivity system, based on the lean philosophy, will be extended to more business units to increase the efficiency of production and logistics processes in the Group's value chain. The new South-East Norway terminal will be a high-technological facility with integrated production and distribution. The terminal will be completed at the end of 2009 and put into operation early in 2010. An evaluation of the Group's future terminal structure is also underway and a decision is expected in the second half of 2009.

The Logistics segment is affected by the negative economic situation, particularly within B2B parcel products, goods and express products. It is expected that lower volumes and increased competition will continue to challenge profitability.

The IT segment is also affected by the economic downturn, particularly in Sweden, and increased pressure on prices and profitability is expected in the second half of 2009 and in 2010. In a period of economic downturn it is expected that more enterprises will outsource their IT operations which can be positive for ErgoGroup.

As a labour-intensive company, Norway Post has a major focus on health, safety and the environment (HSE) and is continuously making efforts to reduce its sick leave rate, number of employees who are incapacitated for work and lost-time injuries. In 2009 there is a focus on the follow-up of near-accidents/unwanted incidents as an important measure to prevent work injuries. The environment and climate are also major focus areas for the Group, which is continuing to work on specific measures within these areas.

Other conditions

In the revised national budget, MNOK 518 was granted for government procurement of unprofitable postal and banking services. This is payment for the delivery services Norway Post is obliged to carry out in accordance with its licence, but that are not commercially profitable.

ESA has given notice of a possible fine in connection with the Post in Shops exclusivity clause. Norway Post has also received notification of a compensation claim from the claimant. Norway Post believes that there is no basis for such a fine or compensation.

Half-year declaration

We confirm that, to the best of our knowledge, the summary of the half-year financial statements for the period 1 January to 30 June 2009 has been prepared in accordance with IAS 34 Interim Reporting, that the information provides a true picture of the Group's and parent company's assets, liabilities, financial position and results as a whole and that the half-year report provides a correct overview of the information stated in section 5-6 (4) of the Norwegian Securities Trading Act.

The key risk and uncertainty factors that Norway Post is facing in 2009 are described in greater detail in the 2008 annual report. The half-year report for 2009 describes the changes that have taken place since the 2008 accounts were presented.



Half-year report

Oslo, 27 August 2009

Signed

Arvid Moss (Chairman)

Liv Stette (Vice-Chairman)

Eli Arnstad

Terje Christoffersen

Sigbjørn Molvik

Gry Mølleskog

Odd Christian Øverland

Ingeborg Anne Sætre

Paul Magnus Gamlemshaug

Judith Olafsen

Dag Mejdell (CEO)

Appendix 1 - Financial information for the first half-year 2009

(The information in this document has not been audited. All figures are in MNOK)

Income Statement

Q2 2009	Q2 2008	Norway Post Group	YTD 2009	YTD 2008	Year 2008
6 864	7 215	Operating revenues	13 795	14 066	28 663
2 298	2 511	Cost of goods and services	4 675	4 882	10 126
3 039	3 156	Payroll expenses	6 167	6 192	12 134
1 000	1 076	Other operating expenses	2 105	2 233	4 815
6 337	6 743	Operating expenses	12 948	13 308	27 074
526	472	EBITDA	848	759	1 589
236	234	Depreciation and amortization	467	447	906
291	238	EBIT - Earnings before non-recurring items and write downs	381	311	683
126	-2	Write-downs	126	-1	169
		Negative goodwill taken to income			-29
-10	-4	(Gains) loss from sale of fixed assets/subsidiaries	-23	-10	-20
17	-8	Restructuring costs	22	-7	203
158	252	EBIT - Earnings before interest and taxes	256	330	361
-1		Share of profit from associated companies			-5
175	38	Financial income	515	89	640
210	94	Financial expenses	643	196	888
-36	-56	Net financial items	-129	-107	-253
122	195	Earnings before taxes	128	223	108
51	53	Taxes	63	62	136
71	142	Net earnings	65	161	-28

As from September 2008, ErgoGroup has booked pass-through telephony revenues on a net instead of a gross basis. The change affects both the operating revenues and cost of sales. The figures for previous periods have therefore been restated.

Q2 2009	Q2 2008	Posten Norge AS	YTD 2009	YTD 2008	Year 2008
3 202	3 274	Operating revenues	6 345	6 450	12 922
446	465	Cost of goods and services	915	939	1 972
1 694	1 835	Payroll expenses	3 425	3 605	6 982
663	758	Other operating expenses	1 423	1 531	3 351
2 802	3 058	Operating expenses	5 763	6 076	12 305
400	216	EBITDA	582	374	617
97	100	Depreciation and amortization	191	196	353
303	116	EBIT - Earnings before non-recurring items and write downs	391	178	265
2		Write-downs	2		137
-7	-1	(Gains) loss from sale of fixed assets/subsidiaries	-19	-3	-13
	-8	Restructuring costs	-1	-7	159
308	125	EBIT - Earnings before interest and taxes	409	189	-18
98	145	Financial income	561	194	744
195	108	Financial expenses	541	202	1 044
-98	37	Net financial items	19	-7	-300
210	163	Earnings before taxes	428	182	-317
74	46	Taxes	147	51	-36
136	117	Net earnings	281	131	-281

Statement of comprehensive income

Q2 2009	Q2 2008	Norway Post Group	YTD 2009	YTD 2008	Year 2008
71	143	Resultat etter skatt for perioden	65	161	-28
3	2	Translation differences	-44	-4	102
3	19	Cash flow hedges:			
8	-11	Recorded in equity	35	16	-122
-3	-2	Transferred to income	14	-16	-25
		Tax on equity changes	-14		41
11	8	Other comprehensive income/(loss) for the period	-9	-4	-4
82	151	Total comprehensive income/(loss) for the period	56	157	-32

Total comprehensive income/(loss) attributable to:

83	156	Equity holders of the parent	57	156	-39
-1	-5	Minority interests	-1	1	7
82	151		56	157	-32

Q2 2009	Q2 2008	Posten Norge AS	YTD 2009	YTD 2008	Year 2008
136	131	Resultat etter skatt for perioden	281	131	-281
8		Translation differences	-33		
3	19	Cash flow hedges:			
8	-11	Recorded in equity	35	16	-122
-3	-2	Transferred to income	14	-16	-25
		Tax on equity changes	-14		41
		Tax effect demerger receivables			-2
16	6	Other comprehensive income/(loss) for the period	2		-108
152	137	Total comprehensive income/(loss) for the period	283	131	-389



Half-year report

Balance sheet

Norway Post Group	30.06.09	30.06.08	31.12.08
Assets			
Intangible assets	6 474	6 242	6 794
Deferred tax assets	790	715	818
Tangible assets	4 671	3 766	4 515
Financial assets	280	224	190
Total fixed assets	12 215	10 947	12 317
Current assets	5 458	6 832	6 761
Assets held for sale	155	819	438
Total assets	17 828	18 598	19 516
Equity and liabilities			
Equity	5 204	5 336	5 160
Provisions for liabilities	2 286	2 290	2 268
Interest-bearing long-term liabilities	4 029	4 266	4 701
Interest-free long-term liabilities	245	208	393
Long-term liabilities	4 274	4 474	5 094
Interest-bearing short-term liabilities	45	51	62
Interest-free short-term liabilities	6 017	6 376	6 932
Short-term liabilities	6 062	6 428	6 994
Liabilities held for sale		71	
Total equity and liabilities	17 828	18 598	19 516

Posten Norge AS	30.06.09	30.06.08	31.12.08
Assets			
Intangible assets	1 059	821	980
Deferred tax assets	692	563	693
Tangible assets	1 062	1 437	1 056
Financial assets	7 709	7 724	7 778
Total fixed assets	10 522	10 546	10 506
Current assets	4 845	4 433	5 001
Assets held for sale	155	692	388
Total assets	15 522	15 670	15 895
Equity and liabilities			
Equity	4 915	5 152	4 632
Provisions for liabilities	1 910	1 962	1 895
Interest-bearing long-term liabilities	3 895	4 136	4 527
Interest-free long-term liabilities	139	126	258
Long-term liabilities	4 034	4 262	4 785
Interest-bearing short-term liabilities	1 372	452	928
Interest-free short-term liabilities	3 293	3 842	3 655
Short-term liabilities	4 665	4 294	4 583
Total equity and liabilities	15 522	15 670	15 895

Statement of changes in equity

Norway Post Group	Attributed to equity holders of the parent					Minority interests	Total equity
	Share capital	Share premium account	Other reserves	Other equity	Total		
Equity at 01.01.2008	3 120	992	32	1 634	5 778	8	5 786
Profit/(loss) for the period				160	160	1	161
Other comprehensive income/(loss)				-4	-4		-4
Total comprehensive income/(loss)				156	156	1	157
Other equity transactions				-597	-597	-5	-602
				-7	-7	2	-5
Equity at 30.06.2008	3 120	992	32	1 186	5 330	6	5 336
Equity at 01.01.2009	3 120	992	-75	1 116	5 153	7	5 160
Profit/(loss) for the period				66	66	-1	65
Other comprehensive income/(loss)			35	-44	-9		-9
Total comprehensive income/(loss)			35	22	57	-1	56
Dividends						-6	-6
Other equity transactions				-6	-6		-6
Equity at 30.06.2009	3 120	992	-40	1 132	5 204	0	5 204

Posten Norge AS	Attributed to equity holders of the parent				
	Share capital	Share premium account	Other reserves	Other equity	Total
Equity at 01.01.2008	3 120	992	31	1 475	5 618
Profit/(loss) for the period				131	131
Other comprehensive income/(loss)				-597	-597
Total comprehensive income/(loss)				131	131
Other equity transactions					
Equity at 30.06.2008	3 120	992	31	1 009	5 152
Equity at 01.01.2009	3 120	992	-75	595	4 632
Profit/(loss) for the period				281	281
Other comprehensive income/(loss)			35	-33	2
Total comprehensive income/(loss)			35	248	283
Dividends					
Other equity transactions					
Equity at 30.06.2009	3 120	992	-40	843	4 915

Cash flow statement

Norway Post Group	30.06.09	30.06.08	Year 2008
Provided by operations	698	659	692
Changes in working capital and other accruals	-882	-381	650
Net cash flow from operational activities	-184	278	1 342
Investments in tangible assets/IT development/subsidiaries	-663	-1 044	-2 155
Sales of tangible assets	312	49	53
Changes in other fixed assets	-86	-22	6
Net cash flow from investing activities	-437	-1 017	-2 095
Changes in loans and other financial items	-709	1 102	1 594
Group contribution/dividends paid		4	-605
Net cash flow from financing activities	-709	1 107	943
Total change in liquid assets	-1 330	368	190
Cash and cash equivalents at start of period	1 837	1 647	1 647
Cash and cash equivalents at end of period	507	2 014	1 837

Posten Norge AS	30.06.09	30.06.08	Year 2008
Provided by operations	602	374	162
Changes in working capital and other accruals	-1 125	-957	-515
Net cash flow from operational activities	-523	-583	-353
Investments in tangible assets/IT development/subsidiaries	-279	-266	-619
Sales of tangible assets	253	35	120
Changes in other fixed assets	69	-294	-237
Net cash flow from investing activities	43	-525	-736
Changes in loans and other financial items	-187	1 318	1 594
Group contribution/dividends paid			-597
Net cash flow from financing activities	-187	1 318	997
Total change in liquid assets	-667	209	-92
Cash and cash equivalents at start of period	992	1 084	1 084
Cash and cash equivalents at end of period	326	1 293	992



Half-year report

SELECTED ADDITIONAL INFORMATION

General

Posten Norge was established as a statutory company (BA) on 1 December 1996 and was converted into a private limited company (AS) on 1 July 2002, with the Norwegian state, represented by the Ministry of Transport and Communications, as its sole shareholder.

These condensed interim financial statements have been prepared in accordance with the IFRS (International Financial Reporting Standards) approved by the EU. The condensed interim financial statements are in accordance with the prevailing IAS 34 accounting standard for interim financial reporting. The condensed interim financial statements do not provide the complete information in the notes required for annual financial statements, so these financial statements must be read in connection with the annual financial statements.

Accounting principles

The interim financial statements have been prepared in accordance with the same accounting principles as those stated in the 2008 annual report with the following exceptions:

Tax

The tax cost in the interim financial statements is based on the estimated tax rate for the year.

Revenues

From September 2008, ErgoGroup has booked pass-through telephony revenues on a net instead of a gross basis. This change affects both the operating revenues and cost of sales. The figures for previous periods and years have been restated correspondingly.

Estimates and assessments

When preparing the interim financial statements, management has used estimates and assumptions that have affected assets, liabilities, revenues and costs. Areas in which such estimates are significant include pensions, goodwill, IT development projects, other intangible assets, tangible fixed assets and provisions for liabilities and charges.

The sources of uncertainties related to estimates are the same as for the annual report for 2008. Future events may lead to the estimates changing and the changes will be recognised in the accounts once any new estimate has been determined.

New standards that have been applied from 01.01.2009:

The Group has applied the new standards IFRS 8 Operating Segments, IAS 23(R) Borrowing Costs and IAS 1(R) Presentation of Financial Statements from 01.01.2009. Other new standards and statements that came into effect on 01.01.2009 are not deemed relevant for Norway Post. Norway Post will apply these to the extent they are relevant.

Adopted standards that have not been enforced:

The Group plans to apply the new standards IFRS 3(R) Business Combinations, IAS 27(R) Consolidated Financial Statements, IAS 32(R) Financial Instruments: Presentation, and IAS 39(R) Financial Instruments: Recognition and Measurement as from 1 January 2010. The application of these standards is not expected to have a significant effect on the Group's or parent company's financial position.

The Group plans to apply the statements IFRIC 16 Hedges of a net investment in a foreign subsidiary, IFRIC 17 – Distributions of non-cash assets to owners and IFRIC 18 - Transfers of Assets from Customers from 01.01.2010. The application of these statements is not expected to have a significant effect on the Group's or parent company's financial position.

The annual report for 2008 is available at www.posten.no

Note 1 Segments

Norway Post's operations are divided into three segments – Mail, Logistics and IT, which are further described in the quarterly report and 2008 annual report. From 01.01.2009 the Group has applied the new segment reporting standard, IFRS 8. This implementation has not resulted in changes to the segment reporting as it is in line with the current reporting to management.

Group administration and common costs that are not defined as owner-function costs are allocated to the segments. Owner-function costs include costs relating to the CEO/Board, accounting and finance, organisational development, contact with the authorities, strategy and group information.

Revenues and EBIT per segment

	Totale driftsinntekter					Driftsresultat (EBIT)				
	Total operating revenues					Earnings before interest and taxes (EBIT)				
	Q2 2009	Q2 2008	YTD 2009	YTD 2008	Year 2008	Q2 2009	Q2 2008	YTD 2009	YTD 2008	Year 2008
External operating revenues	2 636	2 706	5 232	5 337	10 630					
Internal operating revenues	599	635	1 219	1 238	2 477					
Mail	3 235	3 341	6 451	6 575	13 107	141	31	260	95	-118
External operating revenues	3 074	3 261	6 237	6 348	13 293					
Internal operating revenues	33	26	59	54	117					
Logistics	3 107	3 287	6 296	6 402	13 409	89	202	148	317	682
External operating revenues	1 155	1 247	2 347	2 378	4 735					
Internal operating revenues	159	253	345	473	954					
IT	1 314	1 500	2 692	2 851	5 689	25	121	75	183	369
External operating revenues	-2	2	-20	3	6					
Internal operating revenues	-791	-915	-1 622	-1 765	-3 548					
Other/eliminations	-792	-913	-1 643	-1 762	-3 542	-97	-102	-227	-265	-572
Norway Post Group	6 864	7 215	13 795	14 066	28 663	158	252	256	330	361

From September 2008, ErgoGroup changed the principal for recognition of telephony revenues from the gross to the net method. The figures for previous periods have been restated.

Balance sheet per segment

	Mail	Logistics	IT	Other/eliminations	Norway Post Group
30.06.09					
Segment assets	10 118	6 429	3 503	-3 013	17 038
Non allocated assets					790
Total assets					17 828
Segment liabilities	4 695	2 031	1 515	308	8 549
Non allocated liabilities					4 075
Total liabilities					12 624
30.06.08					
Segment assets	8 959	6 137	3 934	-1 098	17 883
Non allocated assets					715
Total assets					18 598
Segment liabilities	6 190	3 448	1 441	-2 255	8 824
Non allocated liabilities					4 368
Total liabilities					13 192

Note 2 Intangible assets and tangible fixed assets

	Norway Post Group		Posten Norge AS	
	Intangible assets	Tangible assets	Intangible assets	Tangible assets
Total at 01.01.09	6 794	4 515	980	1 056
Additions	162	501	159	120
Disposals		-288		-234
Depreciation	-141	-326	-79	-112
Write-downs	-125	-1	-1	-1
Translation differences	-216	-12		
Transfers (to)/from held for sale		283		233
Total at 30.06.09	6 474	4 671	1 059	1 062

The additions in the first half year 2009 mainly relate to IT investments and investments connected with the new South East Norway sorting terminal at Robsrud. Goodwill was written down by a total of MNOK 125 during the first half year 2009.

Note 3 Equity

As at 30 June 2009 the share capital consisted of 3,120,000 shares each with a nominal value of NOK 1 000. The company's shares are all owned by the Norwegian state, represented by the Ministry of Transport and Communications.

The Norwegian Private Limited Companies Act requirements that dividends must not lead to an equity ratio of less than 10 per cent and that the company cannot distribute more than that which is compatible with prudent and generally accepted business practices have been complied with. No dividend has been allocated for 2008 due to the negative result after tax and the lack of distributable reserves as at 31 December 2008.

Note 4 Interest-bearing long-term liabilities

The reduction in the Group's long-term liabilities from 30 June 2008 to 30 June 2009 of MNOK 237 is mainly due to the net effect of the two long-term loan agreements entered into in September 2008 for a total of MNOK 898, less the repayment of a total of MNOK 1 100 in loan certificates in the parent company. The two long-term loan agreements entered into in September have terms ranging from 5 to 12 years. In September 2008 an agreement was also entered into for an overdraft facility with Handelsbanken for a total of MNOK 500 that has been utilised during the period but the balance as at 30 June 2009 is zero. The new loans were raised in order to finance acquisitions and the new South East Norway Terminal at Robsrud as well as to improve the Group's financial flexibility. The interest rate on Norway Post's outstanding interest-bearing liabilities was 3.44% as at 30 June 2009.

Note 5 Changes to the Group's structure

ErgoGroup bought a further 16% of the shares in the Indian IT company ION Solutions in January 2009, resulting in a total ownership stake of 51%. The company is fully consolidated in the consolidated financial statements as of January 2009. The acquisition of ION Solutions resulted in goodwill of MNOK 5.9. The company had 99 employees as at 30 June 2009 and revenues of approximately MNOK 15 in 2008 and has contributed revenues in the first half year of 2009 of MNOK 4.8.

Note 6 Held for sale

In 2008 Norway Post and Bring Logistics decided to sell a total of 16 Group-owned post and goods terminals to free capital for other areas. As at 30 June 2009 the terminals in Hamar and Drammen were still classified as held for sale with a combined book value of MNOK 155.

The terminals in Kristiansand, Stokke, Sarpsborg and Tromsø were sold in January 2009 with a combined gain of MNOK 18. The terminal in Vestfold owned through Bring Logistics' subsidiary Nor-Cargo Eiendom AS, was

sold in February 2009 at book value. Norway Post has entered into lease agreements with the new owners of the terminals that were sold.

Note 7 Significant transactions with related parties

The Group's transactions with related parties have been carried out as part of the ordinary operations and at arm's length prices. The most significant transactions were between the parent company and subsidiaries, and these came to the following amounts during the period from 1 January to 30 June:

Income Statement	30.06.2009	30.06.2008	Year 2008
Parent company's purchase of goods and services from subsidiaries	402	467	1 033
Parent company's sale of goods and services to subsidiaries	325	225	545
Parent company's purchase of goods and services from other related parties			2
Parent company's sale of goods and services to other related parties	1	367	2

Balance Sheet	30.06.2009	30.06.2008	Year 2008
Parent company's accounts receivable from subsidiaries	117	127	96
Parent company's other receivable from subsidiaries	4 934	4 240	4 869
Parent company's other receivable from other related parties		24	
Parent company's accounts payable to subsidiaries	47	64	150
Parent company's other liabilities to other related parties	1 120	827	1 077