2023

Interim Report

January to June 2023

Presentation of figures
The figures are rounded so that the original rounded total is preserved. While commercial rounding rules are applied to the summands, they are rounded so that their total is equal to the rounded total of the summands. 0 is a rounded amount, indicating that the original figure was less than half of the unit used. A dash (–) in place of a figure indicates that the value is zero.

True-to-scale representation of figures in diagrams
Diagrams are shown to scale to present a true and fair view:
20 mm is equivalent to one billion francs.
Exceptions to this scale are noted in each case.
Percentages in charts are standardized as follows:
Horizontal: 75 mm is equivalent to 100 percent.
Vertical: 40 mm is equivalent to 100 percent.

Key for diagrams
- Current year
- Previous year
- Difference with positive effect on result
- Difference with negative effect on result

If the figures shown (e.g. due to a change in method or change in the scope of consolidation) are not comparable with the more recent figures, this is shown as follows:
- Non-comparable prior-year figure
- Non-comparable difference with positive effect on result
- Non-comparable difference with negative effect on result

Languages
The report is available in English, German, French and Italian.
The German version is authoritative.

Contents

Foreword
by **Alex Glanzmann,** Head of Finance

„ —
2023 is proving to be a particularly challenging year. In the future, however, the recovery in the interest rate situation and the consistent implementation of our strategy will have a positive impact on our result.

Dear Reader

The extremely challenging operating framework at present is reflected in the interim result. As expected, it is lower and we anticipate a decline in the annual result accordingly.

In response, Swiss Post has promptly introduced stabilizing efficiency measures. We have also come to an agreement with the price regulator on price increases, which will take effect on 1 January 2024. Combined with continuing, consistent implementation of our “Swiss Post of tomorrow” strategy, these measures will have a positive impact on our results in the future.

Declining volumes in our physical core business are being strongly felt: compared to the previous year, the figures are –6.0 percent for letters, –10.4 percent for unaddressed promotional mailings and –5.6 percent for subscription newspapers. Over-the-counter inpayments declined by as much as –19.8 percent. The development of our key earnings drivers in recent years clearly shows that if we are to remain financially stable and relevant to our customers with our services in the future, we need to transform our business model. That’s why we are making investments, including in digital business areas that effectively supplement our analogue business.

Parcel volumes also declined year-on-year. The fall in parcel volumes (–4.5 percent) is due to persistent subdued consumer confidence. Our basic assumption, however, is that parcel volumes will grow again in the long term.

Swiss Post intends to continue providing relevant and competitive services for Switzerland in the future, which means we need to evolve and make future-oriented investments. Newly opened regional parcel centers are creating capacity and helping us to maintain high delivery quality. E-voting and e-health are also making progress, despite strictly regulated markets. By making targeted acquisitions in the communication market, we are strengthening our competencies in the digital world – whether in IT security or for digital business and official correspondence. The fact remains, however, that given the economic and regulatory framework, the Communication Services unit is progressing less quickly than planned. This calls for staying power, which we do have thanks to our solid financial basis.

In terms of sustainability, we have reached important milestones. In Bern and Zurich, for example, our deliveries are already completely carbon neutral. We want to make this possible throughout Switzerland by 2030. Investing in climate protection will help us continue to improve our carbon footprint by 2040 and reach our net zero target: we have taken further concrete steps by signing a contract to purchase a large, sustainably managed forest area and concluding a cooperation agreement with a biochar producer.

PostFinance cannot match the previous year’s result – rising interest rates are not yet offsetting the lost income from customer asset fees and the interbank money market. However, the same period saw new income from interest on balances at the Swiss National Bank and higher returns on financial investments in interest operations. PostFinance therefore expects interest income to rise significantly in the future.

Thanks to its strong equity base, Swiss Post is fit and resilient in the face of the current challenges. We are well on track with our strategy and we are sticking to our goal: to provide a high-quality public service on competitive terms without external financing for the Swiss people and economy in an increasingly digital world.

Alex Glanzmann
Head of Finance

Management report

Swiss Post operates in the Logistics Services, Communication Services, PostalNetwork, Mobility Services and PostFinance segments. It generates the majority of its operating income in competition and ensures the public service by fulfilling its universal service obligation to provide both postal services and payment transaction services.

Business performance in brief

In the first six months of 2023, Swiss Post generated operating profit of 165 million francs. The decrease compared to the previous year's result was 129 million francs, mainly due to challenging business performance in the Logistics Services and PostFinance segments. At Logistics Services, falling demand for letters and parcel products and persistent inflation led to a decline in operating profit. At PostFinance, the decline in operating profit was due in particular to lower net interest income and lower income in the commission business and services. The development of net interest income was the result of loss of income from customer asset fees, negative interest rates on the interbank money market and higher interest on customer deposits. PostalNetwork and Communication Services also saw declines in operating profit compared to the previous year. At PostalNetwork, declining customer volumes in over-the-counter transactions were not fully offset on the cost side. The Communication Services segment remains under development, with the expenses incurred leading to a lower operating result. The Mobility Services segment also proved unable to match the previous year's operating profit. The higher income generated from transport services in franchised business was more than offset by lower compensatory payments and higher production costs. As at 30 June 2023, Swiss Post generated Group profit of 118 million francs, down 141 million francs year-on-year. In addition to a decline in operating profit, the fall in Group profit is primarily due to a profit of 28 million francs from the sale of the discontinued Swiss Post Solutions business unit in the previous year. Net financial income and net income from associates and joint ventures were both also lower as at 30 June 2023.

As at 30 June 2023, operating income amounted to 3,540 million francs. This represents a year-on-year increase of 2.3 percent, or 80 million francs. PostFinance generated new income from interest on credit balances at the SNB and from positive interest repurchase agreements (repo transactions). Communication Services saw an increase in revenue due to acquisitions. Mobility Services increased both income generated from transport services in franchised business at PostBus and income from third-party business at Post Company Cars. In public transport, the recovery in demand after the coronavirus crisis remains appreciable. At Logistics Services, by contrast, demand is declining, with lower parcel and letter volumes having a negative impact on operating income. In over-the-counter transactions at PostalNetwork, declining volumes were also reflected in lower income.

The PostFinance segment has a significant impact on cash flow from operating activities. As at 30 June 2023, the repayment of liabilities from repo transactions and the acquisition of bonds led to operational outflows of funds, which were not fully offset by the increase in customer deposits. Cash flow from investing activities was up year-on-year due to repayments of receivables and fixed-term deposits due from banks. Investment in property, plant and equipment and participations continues as part of the "Swiss Post of tomorrow" strategy, with an emphasis on investments in Switzerland.

For the indicator net debt to EBITDA (operating income before depreciation and amortization), the owner defines a maximum figure of 1 as the strategic target. The target was met as at 30 June 2023.

In the first six months of 2023, Swiss Post generated economic value added of –95 million francs, which represents a deterioration of 126 million francs compared to the prior-year period, primarily due to lower adjusted operating profit (NOPAT).

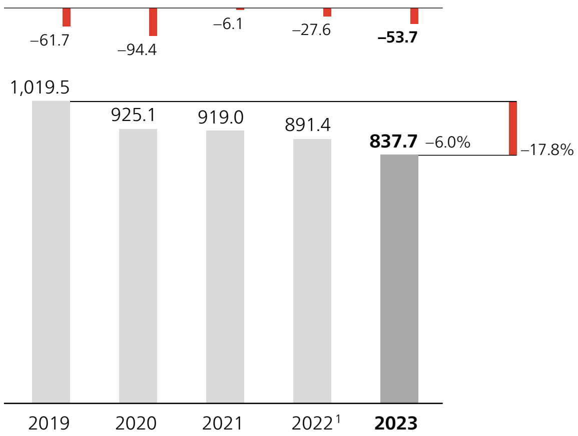
As at 30 June 2023, Swiss Post Group's reported equity stood at 10,025 million francs. The dividend distribution for 2022 to the owner of 50 million francs took place on 26 May 2023.

Development of value drivers

The number of addressed letters was down 6 percent on the previous year. This development in one of the core businesses is a continuation of the long-term trend towards the substitution of physical with digital products.

Continuing decline in letter volumes as a challenge in the core business

Logistics Services | Letters in millions as at 30.6.
2019 to 2023
2019 = 100%

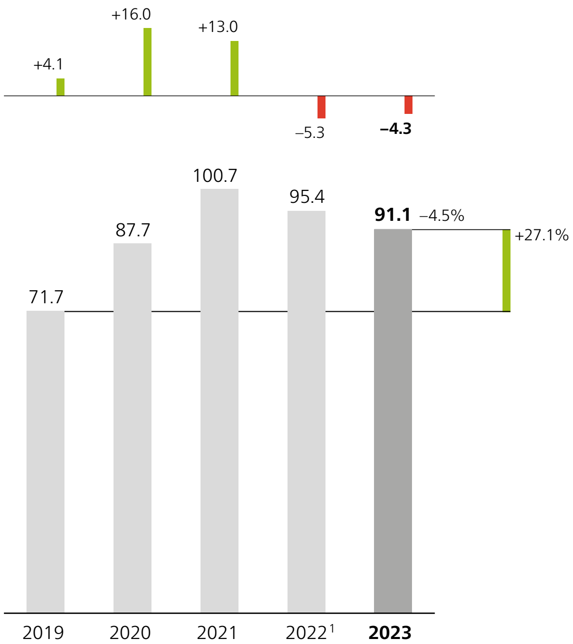


1 The figure for 2022 was adjusted due to a redefinition and is comparable with the prior-year figures.

The trend towards online retail slowed in the last two years following the lifting of coronavirus measures and the resulting shift back to high street retail. In addition, subdued consumer confidence had a negative impact on volume trends. Parcel volumes declined by a further 4.5 percent year-on-year.

Decline in demand for parcel products

Logistics Services | Parcels in millions as at 30.6.
2019 to 2023
2019 = 100%

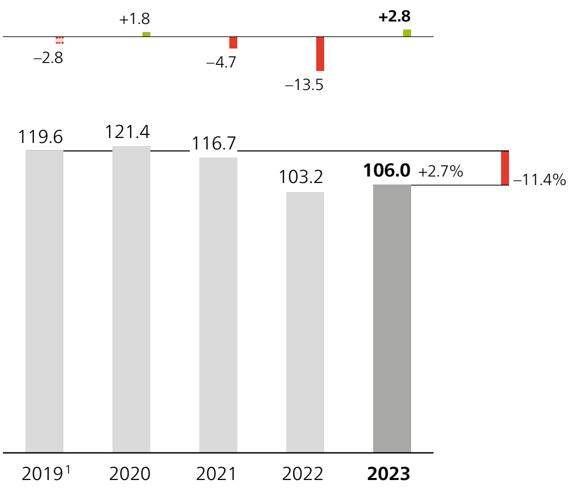


1 The figure for 2022 was adjusted due to a redefinition and is comparable with the prior-year figures.

PostFinance continues to enjoy a high level of customer trust. Customer deposits rose in response to the positive interest rate environment and the lifting of customer asset fees, and are above the previous year's figure. Non-interest-sensitive customer assets also rose, although they failed to reach 2022 levels. The negative fair value fluctuations recorded the previous year were not fully recouped.

Positive interest rate environment and lifting of customer asset fees lead to a rise in customer assets

PostFinance | Customer assets in CHF billion, monthly avg. as at 30.6.
2019 to 2023
2019 = 100%

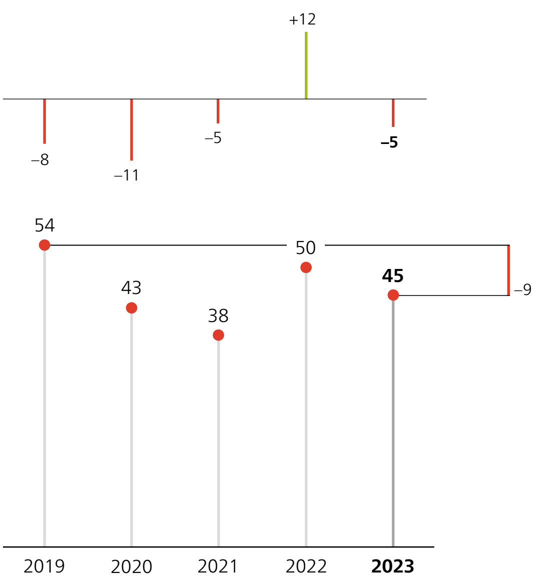


1 The year 2019 was adjusted due to a change in the definition of average customer assets. The difference relative to 2018 is not comparable.

The interest margin fell by 5 basis points year-on-year to 45 basis points. PostFinance assumes on a prospective basis that the interest margin will rise.

Interest margin currently still at a low level

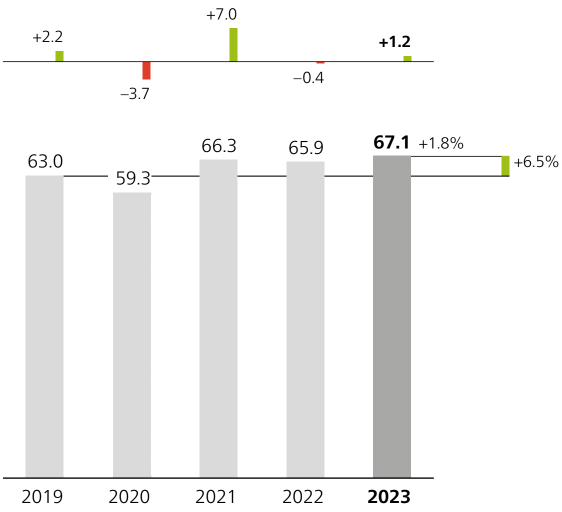
PostFinance | Interest margin in basis points as at 30.6.
2019 to 2023
2019 = 100%



In the first half of 2023, the transport services provided by PostBus performed strongly, with the number of kilometres covered rising to 67.1 million compared to the previous year.

Higher demand in the first half of the year

PostBus | Vehicle kilometres in million km as at 30.6.
2019 to 2023
2019 = 100%



Segment results

Group | Segment results 1.1. to 30.6.2023 with prior-year period CHF million, percent, full-time equivalents	Operating income [1] CHF million		Operating result [1, 2] CHF million		Margin [3] Percent		Headcount [4] Full-time equivalents	
	2022	2023	2022	2023	2022	2023	2022	2023
Logistics Services	2,106	2,041	229	176	10.9	8.6	20,962	20,851
Communication Services	29	64	−35	−39	–	–	403	752
PostalNetwork	283	270	−39	−49	–	–	3,337	3,369
Mobility Services [5]	528	532	14	12			2,733	2,838
PostFinance [6]	817	924	164	125			3,233	3,314
Functions and Management [7]	466	481	−48	−60			3,163	3,308
Consolidation [8]	−769	−772	9	0				
Group	**3,460**	**3,540**	**294**	**165**	**8.5**	**4.7**	**33,831**	**34,432**

1 Operating income and operating result by segment are reported before management, licence fees and net cost compensation.
2 Operating result corresponds to earnings before net non-operating financial income / expenses and taxes (EBIT).
3 PostFinance uses the indicator return on equity; no EBIT margin is reported for Mobility Services with regard to its business model; no margin is calculated for Functions and Management; negative margins are not reported.
4 Average expressed in terms of full-time equivalents (excluding trainees).
5 Within the field of regional public transport, PostBus Ltd is subject to the DETEC ordinance on the accounting of licensed businesses (ALEO). There are differences between the ALEO and the IFRS results.
6 PostFinance Ltd also applies the FINMA Accounting Ordinance and FINMA Circular 2020/1 “Accounting – banks”. There are differences between the results in accordance with “Accounting – banks” and those as per IFRS.
7 Includes function units (e.g. Real Estate, Informatics, Human Resources, Finance and Communication).
8 The consolidation effects also include the IC items for the discontinued operation Swiss Post Solutions. Operating income from 1 January to 30 March 2022 (date of sale): 13 million francs; operating profit from 1 January to 30 March 2022 (date of sale): 10 million francs.

Logistics Services

Decline in demand and inflation weighed on the result.

In the first six months of 2023, Logistics Services generated an operating profit of 176 million francs, down 53 million francs year-on-year. Declines in demand and in volumes were seen in all major product groups: letters and parcels, unaddressed promotional mailings and subscription newspapers. Together with additional costs driven by inflation, the expansion of infrastructure caused higher unit costs, and this was reflected in the overall decline in the result.

Operating income totalled 2,041 million francs, 65 million francs or 3.1 percent lower than the income from the prior-year period. The volume declines previously noted resulted in a significant fall in operating income in the core business. This decline was only marginally offset by the energy and inflation surcharge levied on parcel prices for business customers. While the acquisitions of subsidiaries, particularly in the area of freight logistics, produced additional income, they only partially offset the declining income in the core business.

Operating expenses decreased by 12 million francs year-on-year to 1,865 million francs. Persistently high inflation, the expansion of parcel processing capacity and the acquisition of companies led to an increase in operating expenses. This was offset by lower resource requirements associated with declining volumes and lower employee benefit expenses.

Average headcount fell by 111 to 20,851 full-time equivalents. Despite the expansion of parcel processing and the acquisitions made, the headcount was reduced thanks to consistent adjustment to volume trends.

Communication Services

Initial expenses and revenue growth from acquisitions.

Operating profit at the Communication Services Group unit stood at –39 million francs in the first six months of 2023, which was in line with expectations. Communication Services remains under development, with the expenses incurred leading to a 4 million franc lower result year-on-year.

Operating income totalled 64 million francs. This represents an increase of 35 million francs year-on-year. The main contributors to the increase were the companies in the T2i, unblu and Hacknowledge groups acquired in the second half of 2022, as well as Post Sanela Health AG and the acquisition of SpotMe in April 2023. By the end of the year, revenue growth is expected to be strengthened by both organic growth and through further acquisitions.

Operating expenses totalled 103 million francs, 39 million francs more than in the first half of 2022. The main drivers behind these higher expenses were the aforementioned acquisitions in the second half of 2022 and in April 2023. The increased expenses were partially offset by lower advertising expenses.

As a result of the acquisitions, average headcount rose from 403 to 752 full-time equivalents.

PostalNetwork

Volume trends led to decline in the result.

The fall in revenue associated with declining volumes was not fully offset on the cost side. At –49 million francs in the first half of 2023, the operating result at PostalNetwork was down 10 million francs year-on-year.

PostalNetwork generated operating income of 270 million francs in the first half of 2023, down 13 million francs year-on year. The decline in payment transactions as a result of substitution by e-banking continued. The fall in the number of payment transactions resulted in a 9 million franc drop in revenue from financial products overall. Income from logistics products fell by 7 million francs. Both letter and parcel volumes declined year-on-year. Net revenue from complementary business rose by 3 million francs, partly due to the opening of the network.

At 319 million francs, operating expenses were cut by 3 million francs year-on-year. Personnel expenses were 5 million francs below the previous year's level, due largely to an interest-related reduction in employee benefit expenses. Resale merchandise and service expenses fell slightly, by one million francs year-on-year.

Headcount grew by 32 full-time equivalents to 3,369 year-on-year, primarily due to the opening of the network.

Mobility Services

Positive demand trend more than offset by production costs.

At 12 million francs in the first half of 2023, operating profit was down 2 million francs year-on-year. Improved performance in special transport services and lower employee benefit expenses had a positive impact on the result. However, higher production costs for transport staff and fuel reduced the balance between expenses and revenue (including compensatory payments) in franchised business at PostBus. At Post Company Cars, margin and volume declines in the fuel business had a negative impact on the result.

Operating income rose by 4 million francs year-on-year. An encouraging trend in demand in franchised business had a positive impact on income from transport services. This effect was reduced to some extent by lower compensatory payments. At Post Company Cars, income from third-party business rose. Revenue fell due to a decline in fuel volumes and prices.

Operating expenses rose by 6 million francs year-on-year. At PostBus, there was an increase in production costs in franchised business. At Post Company Cars, growth in third-party business led to additional expenses.

The number of full-time equivalents at Mobility Services rose by 105 year-on-year. In the course of the year, headcount at PostBus increased by 112 full-time equivalents as a result of the expansion of services, successful tenders and the integration of PostBus operators. By contrast, the sale of PubliBike reduced the headcount compared to the prior-year period.

PostFinance

Less net interest income and lower result from commission business and services reduced operating profit.

From 1 January to 30 June 2023, PostFinance recorded an operating profit of 125 million francs, representing a decline of 39 million francs year-on-year.

Operating income was up 107 million francs to 924 million francs. As a result, interest income in the reporting period was up 125 million francs year-on-year. Due to market conditions, positive returns from new investment tranches in financial investments led to an increase in income of 37 million francs. As a result of the Swiss National Bank's (SNB) decision to return to positive policy rates, PostFinance cancelled customer asset fees for its private and business customers with effect from 1 October 2022. At the same time, PostFinance suffered a loss of 143 million francs in income from negative interest rates on the interbank money market. This was offset by new income of 235 million francs from interest on credit balances at the SNB and income from repurchase agreements (repo transactions) at positive interest rates. PostFinance itself increased customer interest rates on various products several times, resulting in a sharp rise in costs due to interest payable. At 27 million francs, PostFinance also generated lower income from commission business and services. In particular, PostFinance was unable to offset the accelerated decline in physical payment transactions at Swiss Post branches, despite an expansion of the product range. The pandemic and the switch to the QR-bill have led to a sustained change in customer behaviour towards online banking. In the first six months of 2023, this again caused a sharp drop of 21 percent in revenues from over-the-counter transactions at Swiss Post branches. As a result of positive market developments and net inflows, customer assets in investment products again grew significantly in the first half of 2023 compared to 2022. Commission income, however, remained below the previous year's level.

Operating expenses rose by 146 million francs year-on-year to 799 million francs. Expenses from financial services rose by 161 million francs, in particular due to interest expenses from repo transactions with banks and interest on customer deposits, with expenses from commission and services falling by 10 million francs. Personnel expenses were down by 2 million francs, due to interest-related lower employee benefit expenses. Lower expenses in the programme and project business reduced general and administrative expenses by 10 million francs.

Average headcount stood at 3,314 full-time equivalents, rising by 81 full-time equivalents year-on-year. Investments were made in human resources in line with the strategic focus in the data-driven company and IT areas. Growth at the IT unit was also influenced by the internalization of external specialists. As a result of the labour market situation, the shortfall in marketing and sales staff caused by natural turnover was to some extent covered by new specialists.

Functions and Management

Lower income from sales of property, plant and equipment had a negative impact on the result.

The operating result for the function units fell by 12 million francs year-on-year to –60 million francs.

Lower income from the sale of property, plant and equipment and higher personnel expenses impacted the result at the function units by a total of 20 million francs. These negative effects were partially offset by the absence of one-off costs related to implementation of the strategy and lower depreciation of the real estate due to adjusted useful lives of 8 million francs.

Average headcount rose by 5 percent to 3,308 full-time equivalents. The additions were mainly made in the Informatics, Human Resources and Finance units. This was due to the insourcing of external staff as well as an increased need for support to implement the growth strategy.

Outlook

According to the Swiss National Bank (SNB), the global economic outlook for the remainder of 2023 remains subdued. As previously, the reasons for the gloomy outlook are the challenging energy situation in Europe, the loss of purchasing power due to inflation and tighter monetary policy. Given that inflation forecasts remain high, particularly in the short term, further interest rate hikes by the central banks can be expected, albeit likely at a slower pace than in the previous year. In the medium to long term, inflation should return to a more moderate level, not least as a result of monetary policy and the economic slowdown. With the recent upheavals in the global financial sector, however, these forecasts are clouded by considerable uncertainty.

In Switzerland, growth is expected to remain modest for the rest of the year, despite a slight upturn in economic activity in the first half of 2023. The SNB is forecasting GDP growth of around one percent overall. Subdued demand from abroad, the loss of purchasing power due to inflation, and more restrictive financing conditions are having a dampening effect.

To ensure that Swiss Post can continue to play an important role in Switzerland in the future, the company is taking a very close look at its fundamental and still challenging operating framework. Swiss Post ensures the universal postal service and the universal service for payment transactions and has a good market position in its core competencies: logistics and communication, financial services and passenger transport. In turn, it ensures the provision of needs-based, high-quality and innovative physical and digital services. It connects the physical and digital worlds and is continuously developing its range of services.

Group interim financial statements

The interim consolidated financial statements include all of Swiss Post's subsidiaries. They were prepared in accordance with IAS 34 Interim Financial Reporting, are unreviewed, and meet the requirements of the Postal Services Organization Act.

Consolidated income statement

Group | Income statement

CHF million	2022 1.1 to 30.6.	2023 1.1 to 30.6.
Continuing operations		
Revenue	3,354	3,443
of which interest income as per effective interest method	146	164
Other operating income	106	97
Total operating income	**3,460**	**3,540**
Personnel expenses	−1,747	−1,765
Resale merchandise and service expenses	−728	−700
Expenses for financial services	−64	−235
Depreciation and impairment	−216	−219
Other operating expenses	−411	−456
Total operating expenses	**−3,166**	**−3,375**
Operating profit	**294**	**165**
Financial income	37	26
Financial expenses	−29	−24
Net income from associates and joint ventures	−1	−8
Group profit before tax from continuing operations	**301**	**159**
Income taxes	−70	−41
Group profit from continuing operations	**231**	**118**
Discontinued operations		
Group profit from discontinued operations	28	–
Group profit	**259**	**118**
Group profit attributable to		
Swiss Confederation (owner)	264	122
Non-controlling interests	−5	−4

Consolidated statement of comprehensive income

Group | Statement of comprehensive income CHF million	2022 1.1 to 30.6.	2023 1.1 to 30.6.
Group profit	**259**	**118**
Other comprehensive income		
Revaluation of employee benefit obligations and employee benefit assets	1,294	–38
Change in unrealized gains / losses from fair value reserves in equity instruments FVTOCI	–85	39
Change in income taxes	–201	–2
Items not reclassifiable in the consolidated income statement, after tax	**1,008**	**–1**
Change in currency translation reserves	48	–1
Change in share of other comprehensive income from associates and joint ventures	2	–1
Change in unrealized gains / losses from fair value reserves in debt instruments FVTOCI	–408	37
Unrealized gains / losses from cash flow hedges	184	97
Realized gains / losses from cash flow hedges reclassified to the income statement	–120	–41
Change in income taxes	63	–17
Reclassifiable items in consolidated income statement, after tax	**–231**	**74**
Total other comprehensive income	**777**	**73**
Total comprehensive income	**1,036**	**191**
Total comprehensive income attributable to		
Swiss Confederation (owner)	1,040	195
Non-controlling interests	–4	–4

Consolidated balance sheet

Group | Balance sheet

CHF million	31.12.2022	30.6.2023
Assets		
Cash	1,328	1,076
Amounts due from banks	39,100	36,576
Interest-bearing amounts due from customers	607	565
Trade accounts receivable	691	629
Contract assets	339	246
Other receivables	851	827
Inventories	56	54
Assets held for sale	7	4
Current income tax assets	0	0
Financial assets	72,488	73,934
Investments in associates and joint ventures	45	43
Property, plant and equipment	2,299	2,338
Investment property	432	429
Intangible assets and goodwill	650	682
Right-of-use assets	757	768
Employee benefit assets	349	348
Deferred income tax assets	471	452
Total assets	**120,470**	**118,971**
Liabilities		
Customer deposits (PostFinance)	89,994	90,984
Other financial liabilities	18,756	16,005
Trade accounts payable	281	248
Contract liabilities	324	309
Other liabilities	706	867
Current income tax liabilities	9	4
Provisions	228	217
Employee benefit obligations	11	16
Deferred income tax liabilities	277	296
Total liabilities	**110,586**	**108,946**
Share capital	1,300	1,300
Capital reserves	2,215	2,215
Retained earnings	4,487	4,549
Gains and losses recorded directly in other comprehensive income	1,897	1,970
Equity attributable to the owner	**9,899**	**10,034**
Non-controlling interests	–15	–9
Total equity	**9,884**	**10,025**
Total equity and liabilities	**120,470**	**118,971**

Consolidated statement of changes in equity

Group | Statement of changes in equity

CHF million	Share capital	Capital reserves	Retained earnings	Gains and losses recorded directly in other comprehensive income	Equity attributable to the owner	Non-controlling interests	Total
Balance as at 1.1.2022	**1,300**	**2,229**	**4,287**	**1,106**	**8,922**	**–4**	**8,918**
Group profit			264		264	–5	259
Other comprehensive income				776	776	1	777
Total comprehensive income			**264**	**776**	**1,040**	**–4**	**1,036**
Reclassification of actuarial gains			1	–1	–	–	–
Distributions		–14	–36		–50	0	–50
Changes from non-controlling interests			0		0	0	0
Total transactions with the owner		**–14**	**–35**	**–1**	**–50**	**0**	**–50**
Balance as at 30.6.2022	**1,300**	**2,215**	**4,516**	**1,881**	**9,912**	**–8**	**9,904**
Balance as at 1.1.2023	**1,300**	**2,215**	**4,487**	**1,897**	**9,899**	**–15**	**9,884**
Group profit			122		122	–4	118
Other comprehensive income				73	73	0	73
Total comprehensive income			**122**	**73**	**195**	**–4**	**191**
Distributions			–50		–50	0	–50
Changes from non-controlling interests			–3		–3	3	0
Capital increase from non-controlling interests			–7		–7	8	1
Put options on non-controlling interests			0		0	–1	–1
Total transactions with the owner			**–60**		**–60**	**10**	**–50**
Balance as at 30.6.2023	**1,300**	**2,215**	**4,549**	**1,970**	**10,034**	**–9**	**10,025**

Consolidated cash flow statement

Group | Cash flow statement

CHF million	2022 1.1 to 30.6.	2023 1.1 to 30.6.
Group profit before tax from continuing operations	301	159
Group profit before tax from discontinued operations	32	–
Interest expense / income and dividends	–296	–258
Depreciation and impairment	217	213
Net income from associates and joint ventures	1	8
Net gains on disposal of property, plant and equipment, and interests	–45	–7
(Gains) / losses on the sale of financial assets	6	0
Increase / (decrease) in provisions, net	–18	–44
Currency translation differences, net	65	87
Other non-cash expenses / (income)	1	0
Change in net current assets:		
(Decrease) / increase in receivables, inventories and other assets	–202	256
Increase / (decrease) in accounts payable and other liabilities	42	88
Items from financial services:		
Change in amounts due from banks (term of more than 3 months)	–	12
Change in customer deposits (PostFinance) / interest-bearing amounts due from customers	–4,335	1,030
Change in other financial liabilities, derivatives	5,882	–2,817
Change in financial assets FVTPL including derivatives	–401	264
Acquisition of financial assets at amortized cost	–6,923	–6,697
Disposal / reimbursement of financial assets at amortized cost	6,048	5,895
Acquisition of financial assets FVTOCI	–433	–1,372
Disposal / reimbursement of financial assets FVTOCI	557	488
Interest and dividends received	342	377
Interest paid	–3	–134
Income taxes paid	–7	–42
Cash flow from operating activities	**831**	**–2,494**
Purchases of property, plant and equipment	–137	–152
Acquisition of investment property	–15	–5
Purchases of intangible assets (excl. goodwill)	–11	–16
Purchases of subsidiaries and parts of companies, net of cash proceeds	–31	–56
Purchases of other financial assets	–566	–120
Proceeds from disposal of property, plant and equipment	18	10
Proceeds from disposal of investment property	0	1
Proceeds from disposal of subsidiaries and parts of companies, net of cash proceeds	205	–
Proceeds from disposal of other financial assets	314	458
Dividends received (excl. financial services)	0	6
Interest received (excl. financial services)	8	15
Cash flow from investing activities	**–215**	**141**

Continued

CHF million	2022 1.1 to 30.6.	2023 1.1 to 30.6.
Increase in other financial liabilities	177	64
Decrease in other financial liabilities	–325	–72
Interest paid (excl. financial services)	–9	–10
Payment from capital increase of non-controlling interests	–	2
Payment from capital increase of non-controlling interests	–1	–10
Distributions paid to the owner	–50	–50
Cash flow from financing activities	**–208**	**–76**
Foreign exchange losses on cash and cash equivalents	–1	0
Change in cash and cash equivalents	**407**	**–2,429**
Cash and cash equivalents at the start of the reporting period	46,353	36,764 [1]
Cash and cash equivalents at the end of the reporting period	**46,760**	**34,335**
Cash and cash equivalents include:		
Cash	1,308	1,076
Amounts due from banks with an original term of less than 3 months	45,452	33,259
Cash and cash equivalents do not include:		
Amounts due from banks with an original term of more than 3 months	1,170	3,317

1 The figure has been adjusted (see Note 2, Basis of accounting).

Notes to the interim financial statements

1 | Business activities

Swiss Post Ltd is a company limited by shares subject to a special statutory regime with its head office at Wankdorfallee 4 in 3030 Bern (Switzerland) and is wholly owned by the Swiss Confederation. Swiss Post Ltd and its subsidiaries (hereinafter referred to as Swiss Post) provide logistics and financial services both in Switzerland and abroad.

2 | Basis of accounting

The condensed consolidated interim financial statements of Swiss Post Group as at 30 June 2023 were prepared in accordance with IAS 34 Interim Financial Reporting.

As a rule, the accounting principles applied are based on the same principles used in the consolidated financial statements for the 2022 financial year (see Financial Report, pages 100–102), with the exception of the IFRS standards listed in the following section, which have been applied throughout the Group since 1 January 2023.

Revised and new International Financial Reporting Standards (IFRS)

No significant financial effects resulted from the supplements and revisions that took effect on 1 January 2023.

Standard	Title	Valid from
IAS 1	Disclosure of Accounting Policies	1.1.2023
IAS 8	Definition of Accounting Estimates	1.1.2023
IAS 12	Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1.1.2023
IFRS 17	Insurance Contracts	1.1.2023

An amendment to IAS 12 in connection with the introduction of global minimum taxation (International Tax Reform – Pillar Two Model Rules) was published on 23 May 2023 and is to be applied retrospectively. Swiss Post is applying the temporary exemption introduced with this amendment to its accounting for deferred taxes arising from implementation of the Pillar Two rules.

Accounting changes

Cash flows from money market instruments and receivables from PostFinance Ltd reverse repurchase transactions

In the fourth quarter of 2022, PostFinance Ltd acquired money market instruments with an original term to maturity of more than three months amounting to 2.7 billion francs. These items were erroneously allocated to amounts due from banks with an original term to maturity of less than three months. In the same period, a receivable due from reverse repurchase transactions with an original term to maturity of more than three months amounting to 10 million francs was also allocated to receivables with an original term to maturity of less than three months. In the consolidated cash flow statement in the fourth quarter of 2022, these transactions were reported in cash and cash equivalents instead of in cash flow from operating activities. The prior-year figures are adjusted accordingly.

The effects of the retroactive changes on the consolidated cash flow statement for the period from January to December 2022 are shown below.

Group | Cash flow statement
1.1 to 31.12.2022

CHF million	Reported		Adjustment	Adjusted
Items from financial services:				
Change in amounts due from banks (term to maturity over three months)	–	./. Cash flows from money market instruments and receivables from reverse repurchase transactions	– 2,739	– 2,739
Interest and dividends received	582	./. Cash flow from money market instrument (interest effect)	–5	577
Cash flow from operating activities	**–6,118**		**–2,744**	**–8,862**
Change in cash and cash equivalents	**–6,845**		**–2,744**	**–9,589**
Cash and cash equivalents at end of reporting period	**39,508**		**–2,744**	**36,764**
Cash and cash equivalents include:				
Amounts due from banks with an original term of less than 3 months	38,180	./. Cash flows from money market instruments and receivables from reverse repurchase transactions	–2,744	35,436
Cash and cash equivalents do not include:				
Amounts due from banks with an original term of more than 3 months	920	+ Cash flows from money market instruments and receivables from reverse repurchase transactions	2,744	3,664

3 | Consolidation methods

For the consolidation methods applied in the preparation of the consolidated financial statements, see Financial Report 2022, pages 103–104. The accounting policies for the items in the consolidated annual financial statements are explained in the individual notes in the Financial Report 2022 and are specially highlighted.

4 | Estimation uncertainty

When drawing up the condensed interim financial statements in accordance with IAS 34 Interim Financial Reporting, management must make judgements, estimates and assumptions that affect the application of policies in the Group and reported amounts of assets and liabilities, income and expenses. The actual amounts may differ from these estimates. The results achieved so far in the 2023 financial year are not necessarily indicative of future business performance. For more information on estimation uncertainty and management's judgement during the preparation of the financial statements, please refer to the Financial Report 2022, page 105.

5 | Subsidiaries, associates and joint ventures

Additions and disposals of subsidiaries, associates and joint ventures

Post CH Ltd acquired 100 percent of the shares in Gaiser Transport AG on 2 January 2023. Also on 2 January 2023, Bächle Logistics GmbH acquired the business operations of Gaiser GmbH Internationale Spedition. The acquisition enables Swiss Post to expand its range of services in warehouse logistics and transshipment in Germany and north-eastern Switzerland. It strengthens its position in cross-border traffic and its presence in the Schaffhausen area and the Swiss-German border region. The number of people employed is around 61.

Bächle Logistics GmbH acquired the business operations of Hans Peter Nolden, Spedition on 2 January 2023. The acquisition enables Swiss Post to expand its range of services with an additional platform for goods handling and warehousing, as well as logistics transport on the important international north-south transport axis. The number of people employed is around 50.

Bächle Logistics GmbH acquired the business operations of Spedition Effinger GmbH and the vehicle fleet of Effinger GmbH & Co. KG on 1 February 2023. The acquisition enables Swiss Post to expand Switzerland's connection to international supply chains and strengthen its position as a reliable and fast logistics partner for SMEs and companies in Switzerland. The number of people employed is around 55.

Post CH Communication Ltd acquired around 97 percent of the shares in SPOTME Holding SA on 3 April 2023. The company holds 100 percent of the shares in the following companies:

- SPOTME SA
- SPOTME INC.
- SPOTME PTE. LTD.
- SPOTME EOOD

The SPOTME Group offers digital platforms for secure and confidential communication between companies and their customers and is one of the leading providers of cloud engagement solutions. Their technology is used for example to hold physical, hybrid and virtual events where high security standards are required to exchange confidential information. With its acquisition of a majority stake in the SPOTME Group, Swiss Post is helping its business customers to make their own communication more efficient, interactive and location-independent as part of the process of digitization and strengthening its role as a trustworthy carrier of sensitive customer and corporate information. The number of people employed is around 110.

Post CH Communication Ltd acquired the remaining total of around 10 percent of shares in Tresorit S.A. on 21 April 2023.

Overall, the effects of these changes on the consolidated financial statements are not material in nature.

Assets and liabilities arising from acquisitions

The following assets and liabilities were newly consolidated, based on temporary figures, in connection with acquisitions of subsidiaries and parts of companies. Temporary figures were used because the acquisition balance sheets had not yet been fully audited as at 30 June 2023.

Assets and liabilities arising from acquisitions

CHF million	30.6.2022 [1]	30.6.2023 [2]
Cash and cash equivalents [3]	2	5
Trade accounts receivable and other receivables	12	4
Inventories	4	0
Property, plant and equipment, intangible assets, right-of-use assets and financial assets	57	26
Other financial liabilities	–42	–3
Trade accounts payable	–2	–1
Provisions and other liabilities	–15	–13
Fair value of net assets	**16**	**18**
Goodwill	16	31
Cash and cash equivalents acquired [3]	–2	–5
Non-controlling interests	–	0
Purchase price payments falling due at a later date (earn-outs and purchase price retentions)	–2	–1
Payment of liabilities from acquisitions in previous years	3	13
Net cash outflow for acquisitions	**31**	**56**

1 Composition: LCV GmbH, assets of Hugger GmbH Spedition + Logistik, Stella Brandenberger Transporte AG, MW Partners Holding Group
2 Composition: Gaiser Transport AG, assets belonging to Gaiser GmbH Internationale Spedition, assets belonging to Hans Peter Nolden, Spedition, assets belonging to Spedition Effinger GmbH, assets belonging to Effinger GmbH & Co. KG and SPOTME Holding SA Group.
3 Composition: cash and current amounts due from banks.

6 | Segment information

Information by business segment

Information by business segment

Up to or as at 30.6.2022 CHF million	Logistics Services	Communication Services	Postal-Network	Mobility Services[1]	PostFinance[2]	Functions and Management[3]	Consolidation[4]	Group
Revenue								
from customers	2,080	24	27	436	774	13		3,354
from other segments	18	1	256	42	6	259	–582	–
Other operating income	8	4	0	50	37	194	–187	106
Total operating income[5]	**2,106**	**29**	**283**	**528**	**817**	**466**	**–769**	**3,460**
Operating profit[5]	**229**	**–35**	**–39**	**14**	**164**	**–48**	**9**	**294**
Net financial income								8
Net income from associates and joint ventures	2	–	–	0	–3	–		–1
Income taxes								–70
Group profit from continuing operations								**231**
Segment assets[6]	2,549	240	672	954	113,400	5,016	–3,083	119,748
Associates and joint ventures[6]	25	–	–	–	20	–		45
Unallocated assets[6, 7]								677
Total assets[6]								**120,470**
Segment liabilities[6]	1,534	349	528	538	107,602	1,314	–3,083	108,782
Unallocated liabilities[6, 7]								1,804
Total liabilities[6]								**110,586**
Investment in property, plant and equipment, investment property and intangible assets	54	3	1	28	13	64		163
Depreciation and impairments (/ reversal of impairments) on property, plant and equipment, investment property, intangible assets and right-of-use assets	37	4	3	42	40	90		216
Impairments (and reversal of impairments) on financial assets	–	–	–	–	–2	3		1
Other non-cash (expenses) / income	–66	–3	–17	–13	–20	–25		–144
Headcount[8]	20,962	403	3,337	2,733	3,233	3,163		33,831

1 Within regional public transport, PostBus Ltd is subject to the DETEC ordinance on the accounting of licensed businesses (ALEO). There are differences between the ALEO and the IFRS results.
2 PostFinance Ltd also applies the FINMA Accounting Ordinance and FINMA Circular 2020/1 "Accounting – banks". There are differences between the results in accordance with "Accounting – banks" and those as per IFRS.
3 Includes function units (e.g. Real Estate, Informatics, Human Resources, Finance and Communication).
4 The consolidation effects also include the IC items for the discontinued operation Swiss Post Solutions. Total operating income from 1 January to 30 March 2022 (date of sale): 13 million francs; operating profit from 1 January to 30 March 2022 (date of sale): 10 million francs.
5 Operating income and operating result by segment are reported before management, licence fees and net cost compensation.
6 Figures as at 31 December 2022.
7 Unallocated assets and liabilities comprise those that essentially contribute to net financial income / expenses rather than to operating profit and are therefore not assigned to segment assets or segment liabilities. The unallocated assets comprise financial assets (excluding PostFinance) of 206 million francs and deferred income tax assets of 471 million francs. The unallocated liabilities comprise other financial liabilities (excluding PostFinance) of 1,527 million francs and deferred income tax liabilities of 277 million francs. The unallocated assets and liabilities do not contain any intra-Group transactions.
8 The average is expressed in terms of full-time equivalents (excluding trainees).

Information by business segment

Up to or as at 30.6.2023 CHF million	Logistics Services	Communication Services	Postal-Network	Mobility Services[1]	PostFinance[2]	Functions and Management[3]	Consolidation	Group
Revenue								
from customers	2,014	55	30	451	882	11		3,443
from other segments	17	1	239	39	4	276	–576	–
Other operating income	10	8	1	42	38	194	–196	97
Total operating income[4]	**2,041**	**64**	**270**	**532**	**924**	**481**	**–772**	**3,540**
Operating profit[4]	**176**	**–39**	**–49**	**12**	**125**	**–60**	**0**	**165**
Net financial income								2
Net income from associates and joint ventures	–4	–	–	–	–4	–		–8
Income taxes								–41
Group profit from continuing operations								**118**
Segment assets	2,658	299	807	919	111,914	5,512	–3,837	118,272
Associates and joint ventures	26	–	–	–	17	–		43
Unallocated assets[5]								656
Total assets								**118,971**
Segment liabilities	1,745	450	680	529	106,082	1,596	–3,837	107,245
Unallocated liabilities[5]								1,701
Total liabilities								**108,946**
Investment in property, plant and equipment, investment property and intangible assets	38	9	2	46	10	68		173
Depreciation and impairments (/ reversal of impairments) on property, plant and equipment, investment property, intangible assets and right-of-use assets	39	9	3	39	37	92		219
Impairments (and reversal of impairments) on financial assets	0	–	–	–	0	0		0
Other non-cash (expenses) / income	–53	–3	–10	–10	–14	–20		–110
Headcount[6]	20,851	752	3,369	2,838	3,314	3,308		34,432

1 Within regional public transport, PostBus Ltd is subject to the DETEC ordinance on the accounting of licensed businesses (ALEO). There are differences between the ALEO and the IFRS results.
2 PostFinance Ltd also applies the FINMA Accounting Ordinance and FINMA Circular 2020/1 “Accounting – banks”. There are differences between the results in accordance with “Accounting – banks” and those as per IFRS.
3 Includes function units (e.g. Real Estate, Informatics, Human Resources, Finance and Communication).
4 Operating income and operating result by segment are reported before management, licence fees and net cost compensation.
5 Unallocated assets and liabilities comprise those that essentially contribute to net financial income rather than to operating profit and are therefore not assigned to segment assets or segment liabilities. The unallocated assets comprise financial assets (excluding PostFinance) of 204 million francs and deferred income tax assets of 452 million francs. The unallocated liabilities comprise other financial liabilities (excluding PostFinance) of 1,405 million francs and deferred income tax liabilities of 296 million francs. The unallocated assets and liabilities do not contain any intra-Group transactions.
6 The average is expressed in terms of full-time equivalents (excluding trainees).

Geographical information

Information by region

Up to or as at 30.6.2022 CHF million	Switzerland	Other countries	Group
Revenue from customers	3,019	335	3,354
Non-current assets [1, 2]	4,020	118	4,138

Up to or as at 30.6.2023 CHF million	Switzerland	Other countries	Group
Revenue from customers	3,110	333	3,443
Non-current assets [1]	4,081	136	4,217

1 Non-current assets include property, plant and equipment, investment property, intangible assets, goodwill and right-of-use assets.
2 Figures as at 31 December 2022.

7 | Revenue

Breakdown of net revenue from contracts with customers

Up to or as at 30.6.2022 CHF million	Logistics Services	Communication Services	Postal-Network	Mobility Services	PostFinance	Functions and Management	Consolidation	Group
Net revenue from contracts with customers								
of which logistics services	2,098	25	256	462	–	272	–576	2,537
of which resale merchandise	0	0	27	16	–	–	–1	42
of which financial services and commission business	–	–	–	–	381	–	–4	377
Total net revenue from contracts with customers	**2,098**	**25**	**283**	**478**	**381**	**272**	**–581**	**2,956**
Other revenue from financial services [1]								398
Total revenue								**3,354**
Other operating income								106
Total operating income								**3,460**

Up to or as at 30.6.2023 CHF million	Logistics Services	Communication Services	Postal-Network	Mobility Services	PostFinance	Functions and Management	Consolidation	Group
Net revenue from contracts with customers								
of which logistics services	2,030	56	239	473	–	287	–571	2,514
of which resale merchandise	1	–	30	17	–	–	–1	47
of which financial services and commission business	–	–	–	–	354	–	–4	350
Total net revenue from contracts with customers	**2,031**	**56**	**269**	**490**	**354**	**287**	**–576**	**2,911**
Other revenue from financial services [1]								532
Total revenue								**3,443**
Other operating income								97
Total operating income								**3,540**

1 Other revenue from financial services mainly comprises income from financial assets, interest income and net income from foreign exchange trading at PostFinance.

8 | Financial instruments

Carrying amounts and fair values of financial instruments

The carrying amounts and the corresponding fair values of financial assets and liabilities are as follows on 31 December 2022 and 30 June 2023:

Fair values and carrying amounts of financial instruments	31.12.2022		30.6.2023	
CHF million	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets measured at fair value				
Financial assets				
FVTOCI				
Shares	268	268	318	318
Bonds	6,105	6,105	6,939	6,939
FVTPL mandatory				
Shares	38	38	32	32
Bonds	4	4	4	4
Funds	122	122	118	118
Positive replacement values	1,189	1,189	1,113	1,113
Financial assets not measured at fair value				
Financial assets				
Amortized cost				
Bonds	50,467	47,341	50,912	48,357
Loans	14,295	13,322	14,498	13,668
Financial liabilities measured at fair value				
Other financial liabilities				
Negative replacement values	23	23	26	26
Deferred purchase price payments (earn out)	20	20	16	16
Other liabilities				
Put options on non-controlling interests	104	104	95	95
Financial liabilities not measured at fair value				
Other financial liabilities				
Private placements	775	709	775	727

The carrying amounts of cash holdings, amounts due from banks, interest-bearing amounts due from customers, trade accounts receivable and payable, other receivables and liabilities (financial instruments), customer deposits (PostFinance) and other financial liabilities (excl. private placements) represent a reasonable estimate of fair value. These financial instruments are therefore not reported above.

Fair value hierarchy

The above financial instruments disclosed at fair value are assigned to one of three levels in the fair value hierarchy on the reference date. Detailed notes on classification within the fair value hierarchy and on the valuation policies can be found in the Financial Report 2022 from page 194.

The fair values as at 31 December 2022 and 30 June 2023 were determined as follows:

Fair value of financial instruments

	31.12.2022				30.6.2023			
CHF million	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3
FVTOCI								
Shares	268	152	–	116	318	198	–	120
Bonds	6,105	5,741	364	–	6,939	6,625	314	–
FVTPL mandatory								
Shares	38	–	–	38	32	–	–	32
Bonds	4	–	–	4	4	–	–	4
Funds	122	–	122	–	118	–	118	–
Positive replacement values	1,189	10	1,179	–	1,113	3	1,110	–
Amortized cost								
Bonds	47,341	41,999	5,342	–	48,357	43,348	5,009	–
Loans [1]	13,322	–	13,321	1	13,668	–	13,667	1
Negative replacement values	23	0	23	–	26	2	24	–
Deferred purchase price payments (earn out)	20	–	–	20	16	–	–	16
Put options on non-controlling interests	104	–	–	104	95	–	–	95
Private placements	709	–	709	–	727	–	727	–

1 For the loans of one million francs (31 December 2022: one million francs) in level 3, the fair values on the balance sheet date correspond approximately to the carrying amounts disclosed in the balance sheet.

The financial assets and liabilities measured at fair value assigned to level 3 underwent the following changes during the period from 1 January to 30 June 2022 and 2023 respectively:

Fair value hierarchy: changes in level 3

	Financial assets		
CHF million	FVTOCI	FVTPL mandatory	Financial liabilities
Balance as at 1.1.2022	**95**	**27**	**58**
Gains / losses recorded in the income statement	–	– 1	0
Gains / losses recorded in other comprehensive income	– 1	–	–
Additions	–	5	2
Disposals	–	0	– 2
Balance as at 30.6.2022	**94**	**31**	**58**
Balance as at 1.1.2023	**116**	**42**	**124**
Gains / losses recorded in the income statement	–	2	0
Gains / losses recorded in other comprehensive income	– 4	–	–
Revaluation via retained earnings	–	–	– 2
Additions	–	6	3
Disposals	–	– 6	– 14
Reclassifications from FVTPL mandatory to FVTOCI	8	– 8	–
Balance as at 30.6.2023	**120**	**36**	**111**

No reclassifications were carried out within the levels as at 30 June 2022 and 2023.

Amounts due from banks

In comparison with 31 December 2022, amounts due from banks decreased by 3 billion francs. Cash reserves remain high, and are mostly held at the Swiss National Bank.

Interest-bearing amounts due from customers

As at 30 June 2023, the Confederation provided guaranteed limits for emergency loans amounting to 366 million francs, of which 214 million francs had been used by the reference date.

Credit risk

Impairments on amounts due from banks, interest-bearing amounts due from customers and financial assets could be broken down as follows between levels 1 to 3 as at 31 December 2022 and 30 June 2023:

Impairment losses on financial instruments

	31.12.2022				30.6.2023			
CHF million	Total	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3
ECL on amounts due from banks	–46	0	0	–46	–46	0	0	–46
ECL on interest-bearing amounts due from customers	–7	–3	–1	–3	–6	–2	–1	–3
ECL on financial assets at amortized cost	–28	–17	0	–11	–28	–18	0	–10
ECL on financial assets FVTOCI	–4	–4	–	–	–4	–4	–	–
The following impairments were calculated based on the simplified approach								
ECL on trade accounts receivable [1]	–6				–7			
ECL on other receivables [1]	–2				–2			

1 In each case, the figure matches the expected loss over the remaining term to maturity.

The economic outlook may have an impact on the credit quality of bonds and receivables. The forecasts for economic growth in 2023 remain moderate for Switzerland and no recession is expected. There has been no significant change in assessments of the economic outlook and credit cycle over the past six months. There is still a great deal of uncertainty over the impact on the level of expected losses of financial investments and receivables.

Breakdown of major country exposures

Country risks are controlled by establishing country portfolio limits, which encourages a broad diversification of international financial assets. An overview of major country exposures as at 31 December 2022 and 30 June 2023 is given below:

Summary of main country exposures [1]

CHF million	31.12.2022	30.6.2023
Switzerland	47,731	48,465
USA	5,720	5,704
France	2,938	3,262
Canada	2,943	2,974

1 Includes amounts due from banks (excluding secured loans) and financial assets; based on nominal values.

Further information on risk management and assessment can be found in the Financial Report 2022 from page 162.

9 | Investment commitments

As at 30 June 2023, investment commitments totalled 266 million francs (31 December 2022: 206 million francs).

10 | Seasonal nature

Swiss Post's business activity is affected by several seasonal influences. These primarily include customer deposits in the PostFinance segment, which stand at a high level at year-end. For various reasons (13th monthly salary payment, invoice receipts credited at year-end, etc.), both private and business customers hold a large amount of liquidity. To a lesser extent, this also applies to this Interim Report. The Christmas season has a positive impact on the logistics segments, whereas the summer months are weaker.

11 | Distributions paid to the owner

The General Meeting of Swiss Post Ltd held on 2 May 2023 decided to distribute a total of 50 million francs (previous year: 50 million francs). The payment was made on 26 May 2023.

12 | Related companies and parties

The transactions between Swiss Post and related companies and parties carried out in the first six months of 2023 are comparable with the transactions mentioned in the 2022 consolidated annual financial statements (see Financial Report 2022, page 202).

13 | Events after the reporting period

Post CH Communication Ltd acquired 80 percent of the shares in terreActive Ltd and 100 percent of the shares in TAC.CH Ltd on 3 July 2023. The terreActive Group is one of the leading providers of cybersecurity services in Switzerland. It designs, integrates and operates cybersecurity solutions for companies and public authorities. With its acquisition of a majority stake in the terreActive Group, Swiss Post is investing in the security and confidentiality of information and data. The number of people employed is around 70.

Post CH Ltd, based in Bern, plans to acquire 100 percent of the shares in Quickmail Holding AG, based in St. Gallen. Quickmail Holding AG holds 100 percent of the shares in Quickmail AG and Quickpac AG, both based in St. Gallen. Since 2009, the group has delivered addressed letters, mailings, catalogues over 50 grams and magazines. In June 2019, its range of products was expanded to include parcel delivery thanks to the launch of Quickpac. The number of people employed is around 3,500. The acquisition is contingent on obtaining the approval of the Competition Commission.

Prior to the approval of this Interim Report by the Swiss Post Ltd Board of Directors' Audit, Risk & Compliance Committee on 17 August 2023, no further events came to light which either would have resulted in changes to the carrying amounts of the Group's assets and liabilities or would have to be disclosed in this section of the Report.

Review report on the consolidated interim financial statements

Only the German version of the interim consolidated financial statements has been reviewed and the related review report is included in the German version of the Interim Report from January to June 2023 on page 33. The translations into English, French and Italian of the interim consolidated financial statements were not subject to review and are therefore marked as “unreviewed”.

PostFinance interim financial statements

PostFinance Ltd draws up its financial statements in accordance with Group International Financial Reporting Standards (IFRS) guidelines and the FINMA Accounting Ordinance together with FINMA Circular 2020/1 “Accounting – banks”.

Reconciliation of profit

PostFinance Ltd reports to the Group in accordance with Group IFRS guidelines and draws up its financial statements in accordance with the FINMA Accounting Ordinance and FINMA Circular 2020/1 "Accounting – banks".

The valuation policies in accordance with the FINMA Accounting Ordinance and the FINMA Circular 2020/1 "Accounting – banks" differ from the IFRS rules. The table below reconciles the PostFinance segment results as per IFRS with profit pursuant to "Accounting – banks".

PostFinance Ltd | Reconciliation of profit

CHF million	2022 1.1. to 30.6.	2023 1.1. to 30.6.
PostFinance segment operating profit (EBIT) as per IFRS before fees and net cost compensation	**164**	**125**
Management / licence fees / net cost compensation	–10	–5
PostFinance segment operating profit (EBIT) as per IFRS after fees and net cost compensation	**154**	**120**
Net income from associates	–3	–4
Net financial income	–18	–13
PostFinance segment earnings before tax (EBT)	**133**	**103**
Income tax	–25	–19
PostFinance segment profit	**108**	**84**
Consolidation effects from associates	3	2
PostFinance Ltd profit before reconciliation	**111**	**86**
Valuation differences for financial assets	11	4
Reversal of impairment / impairment on financial assets and receivables, incl. taxes	0	0
Realized gains from (earlier than scheduled) repayments	6	0
Valuation differences between IAS 19 and Swiss GAAP ARR 16	4	–4
Valuation differences, IFRS 16 Leases	0	0
Depreciation of revalued real estate	–2	–1
Valuation differences for investments	–2	–3
Realized gains from investments	–	0
Adjustment of current and deferred tax effects as per IFRS	25	8
PostFinance Ltd profit as per Accounting – banks	**153**	**90**

PostFinance Ltd statutory interim financial statements

The following pages show the PostFinance Ltd statutory financial statements in accordance with the FINMA Accounting Ordinance and FINMA Circular 2020/1 “Accounting – banks”.

Balance sheet

PostFinance Ltd | Balance sheet as per Accounting – banks

CHF million	31.12.2022	30.6.2023
Assets		
Liquid assets	36,567	33,648
Amounts due from banks	3,413	3,013
Amounts due from securities financing transactions	10	10
Amounts due from customers	11,464	12,010
Mortgage loans	0	0
Trading portfolio assets	–	–
Positive replacement values of derivative financial instruments	1,179	1,110
Other financial instruments at fair value	–	–
Financial investments	60,222	61,382
Accrued income and prepaid expenses	296	365
Participations	131	125
Tangible fixed assets	1,039	1,015
Intangible assets	6	6
Other assets	53	39
Total assets	**114,380**	**112,723**
Total subordinated claims	14	13
of which subject to mandatory conversion and / or debt waiver	2	2
Liabilities		
Amounts due to banks	1,284	1,540
Liabilities from securities financing transactions	15,626	12,550
Amounts due in respect of customer deposits	90,413	91,603
Trading portfolio liabilities	–	–
Negative replacement values of derivative financial instruments	23	24
Liabilities from other financial instruments at fair value	–	–
Cash bonds	11	62
Bond issues and central mortgage institution loans	–	–
Accrued expenses and deferred income	77	154
Other liabilities	615	562
Provisions	40	37
Reserves for general banking risks	–	–
Bank´s capital	2,000	2,000
Statutory capital reserve	4,330	4,140
of which tax-exempt capital contribution reserve	4,330	4,140
Statutory retained earnings reserve	–	–
Voluntary retained earnings reserves	–	–
Loss carried forward	–229	–39
Profit	190	90
Total liabilities	**114,380**	**112,723**
Total subordinated liabilities	253	442
of which subject to mandatory conversion and / or debt waiver	253	442
Off-balance-sheet transactions		
Contingent liabilities	63	54
Irrevocable commitments	822	970
Obligations to pay up shares and make further contributions	–	–
Credit commitments	–	–

Income statement

PostFinance Ltd | Income statement as per Accounting – banks CHF million	2022 1.1. to 30.6.	2023 1.1. to 30.6.
Interest and discount income	58	299
Interest and dividend income from financial investments	104	132
Interest expense	136	–178
Gross result from interest operations	**298**	**253**
Changes in value adjustments for default risks and losses from interest operations	2	1
Net result from interest operations	**300**	**254**
Commission income from securities trading and investment activities	49	44
Commission income from lending activities	11	10
Commission income from other services	321	300
Commission expenses	–174	–165
Result from commission business and services	**207**	**189**
Result from trading activities and the fair value option	**110**	**105**
Result from the disposal of financial investments	–	–
Income from participations	5	4
Result from real estate	32	33
Other ordinary income	27	31
Other ordinary expenses	–	–
Other result from ordinary activities	**64**	**68**
Operating income	**681**	**616**
Personnel costs	–231	–236
General and administrative expenses	–249	–234
Operating expenses	**–480**	**–470**
Value adjustments on participations and depreciation and amortization of tangible fixed assets and intangible assets	–40	–39
Changes to provisions and other value adjustments, and losses	–5	–5
Operating result	**156**	**102**
Extraordinary income	0	–
Extraordinary expenses	–	0
Changes in reserves for general banking risks	–	–
Taxes	–3	–12
Profit	**153**	**90**

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