

AUSTRIAN POST

H1 2012

INVESTOR PRESENTATION

Georg Pölzl/CEO, Walter Oblin/CFO
Vienna, August 10, 2012

**IF IT REALLY
COUNTS, RELY ON
AUSTRIAN POST.**



1. Highlights and overview

2. Performance of the divisions

3. Group results

4. Outlook for 2012



IMPORTANT OPERATIONAL MEASURES H1 2012

1. DEFENCE OF MARKET LEADERSHIP IN THE CORE BUSINESS

- ✓ Strengthening of position in the growing Austrian parcel market (B2C/B2B)
- ✓ Confirmation of market leadership in the Austrian mail market

2. GROWTH IN SELECTED MARKETS

- ✓ Disposal of Benelux subsidiaries
- ✓ Strategic investments in CEE/SEE (Poland, Bulgaria)

3. ENHANCED EFFICIENCY AND FLEXIBILISATION OF THE COST STRUCTURE



- ✓ New performance-oriented remuneration model for delivery staff agreed upon with the Central Works Council

4. CUSTOMER ORIENTATION AND INNOVATION

- ✓ Ongoing implementation of new self-service solutions (Post Pick-Up Box)
- ✓ Expansion of online services



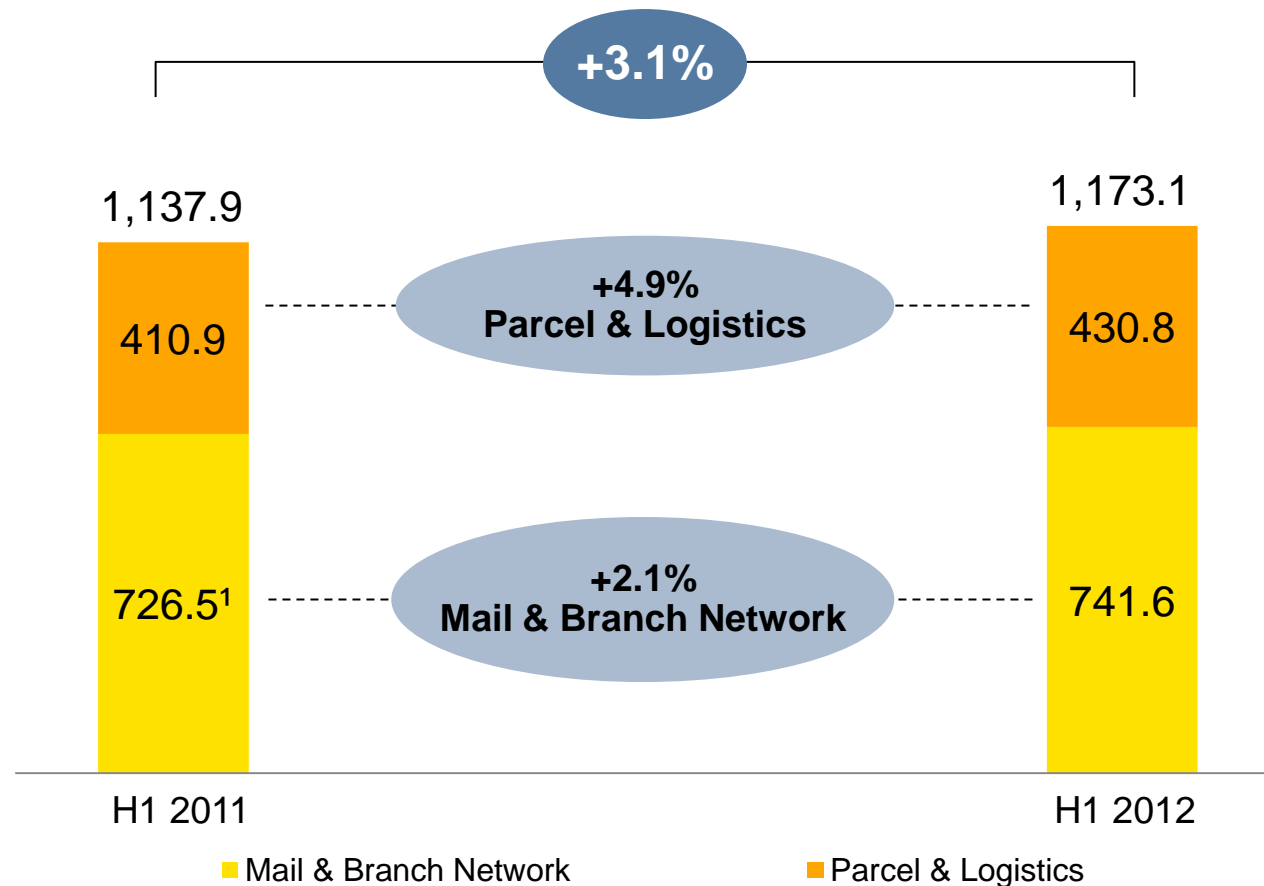
FINANCIAL HIGHLIGHTS H1 2012

1 Revenue		<ul style="list-style-type: none"> ▪ Revenue rise of 3.1% in H1 despite weaker economy ▪ Positive half-year development in mail and parcel segments
2 Earnings		<ul style="list-style-type: none"> ▪ EBITDA up 6.5% to EUR 132.9m ▪ EBIT rise of 13.5% to EUR 92.2m
3 Cash flow		<ul style="list-style-type: none"> ▪ Operating cash flow before changes in working capital: EUR 112.3m (+20.4%) ▪ Free cash flow before acquisitions: EUR 87.4m
4 Balance sheet		<ul style="list-style-type: none"> ▪ Equity ratio of 40.7% ▪ High liquidity and low debt ratio
5 Outlook		<ul style="list-style-type: none"> ▪ Stable or slightly higher revenue in 2012 ▪ Targeted earnings improvement



REVENUE IMPROVEMENT OF 3.1%

EUR m

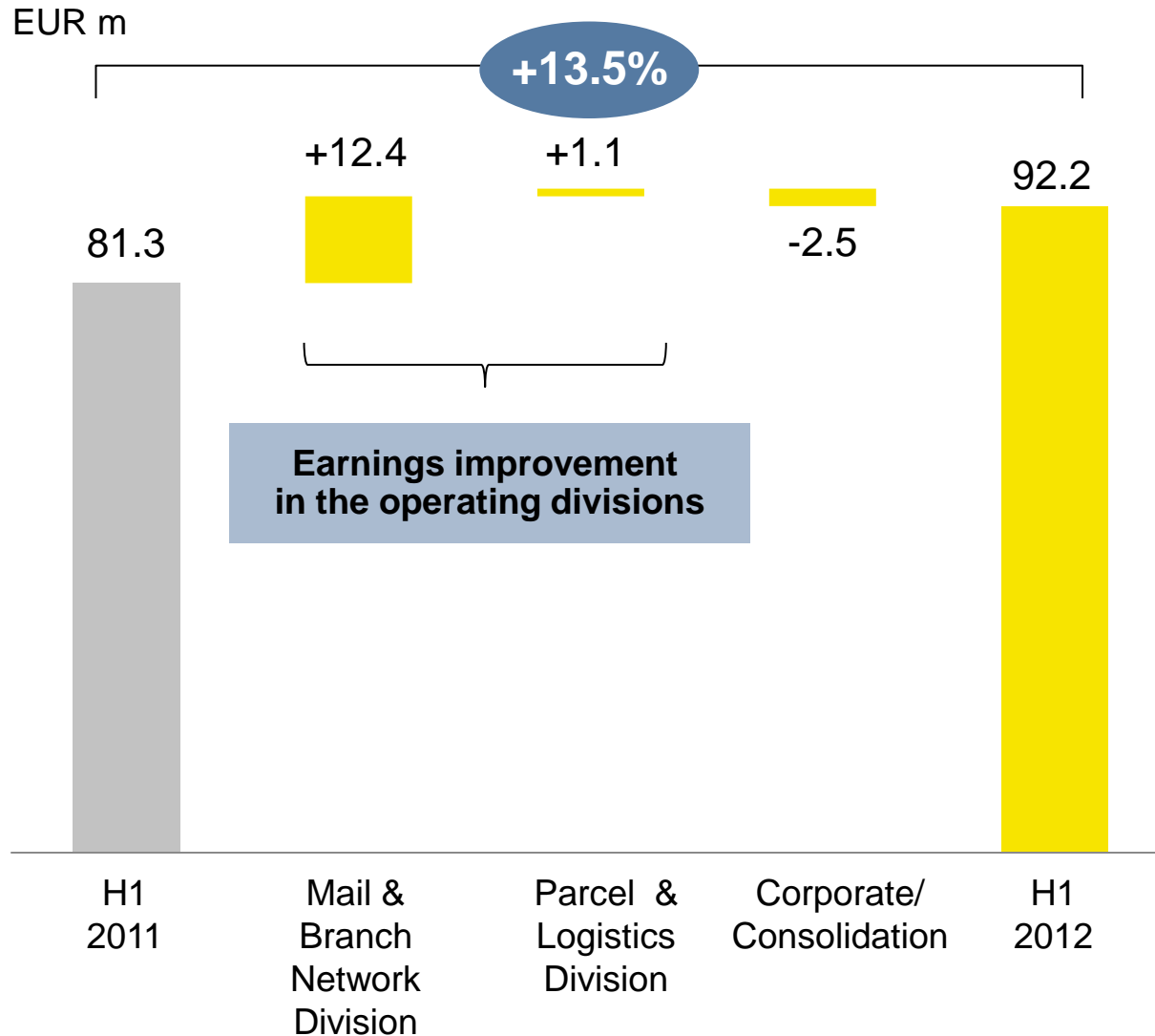


- Solid revenue growth in spite of economic uncertainties
- Parcel & Logistics: Growth in e-commerce and further market share gains in the B2B segment
- Mail & Branch Network: Revenue increase despite cautious advertising industry, positive special effects

1) Reporting according to the new segment structure as of Jan. 1, 2012; figures for 2011: pro-forma consolidation



GROUP EBIT INCREASE OF 13.5%



- Positive earnings development in both divisions based on revenue increase and enhanced efficiency
- Corporate: higher provisioning requirements already in Q1 due to lower discount interest rate



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MAIL & BRANCH NETWORK DIVISION: TOP ISSUES H1 2012

1



Customer-oriented structural change in the branch network

- Joint branch network with BAWAG P.S.K.
- Implementation of the new post office design

2



New sorting technologies to enhance efficiency

- Three high-tech collators distribution centres for the KUVERT
- New remuneration system for delivery staff

3



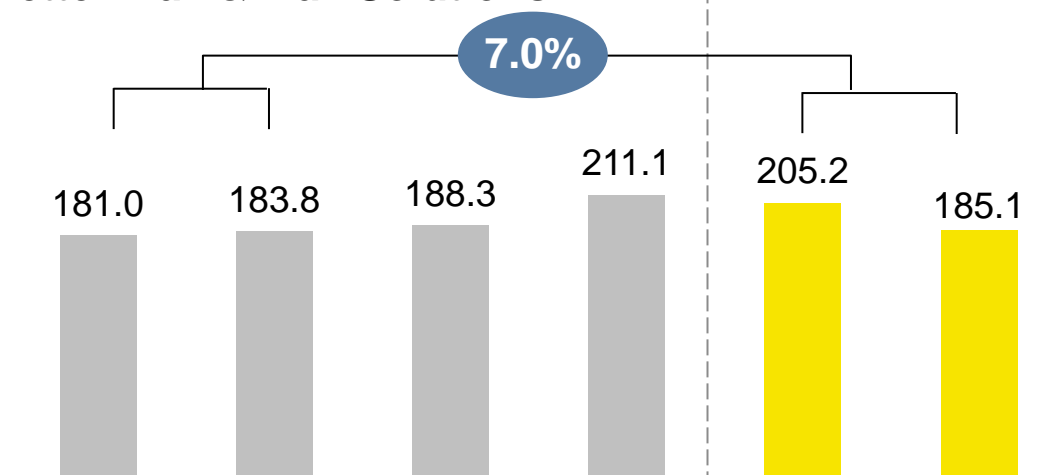
Entry into Polish and Bulgarian markets

- Acquisition in Poland in the field of unaddressed mailings
- 26% share of postal service provider in Bulgaria



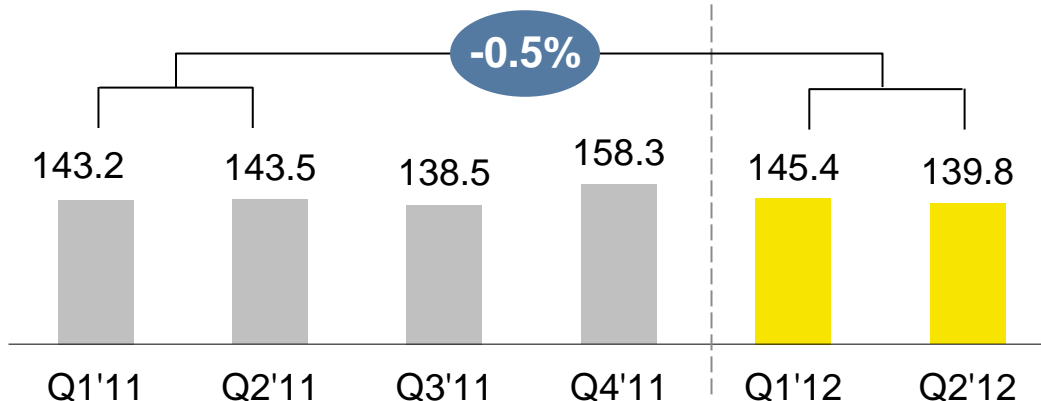
MAIL & BRANCH NETWORK DIVISION: REVENUE RISE OF 2.1%¹

Letter Mail & Mail Solutions



- Revenue up 7.0% in H1
 - 1 working day more in Q1 2012, 1 working day less in Q2 2012
 - New product portfolio as of May 1, 2011
 - Various Internet shipments sent as letter mail items instead of parcels

Direct Mail and Media Post



Volume shifts from direct mail items to higher quality letter mail products

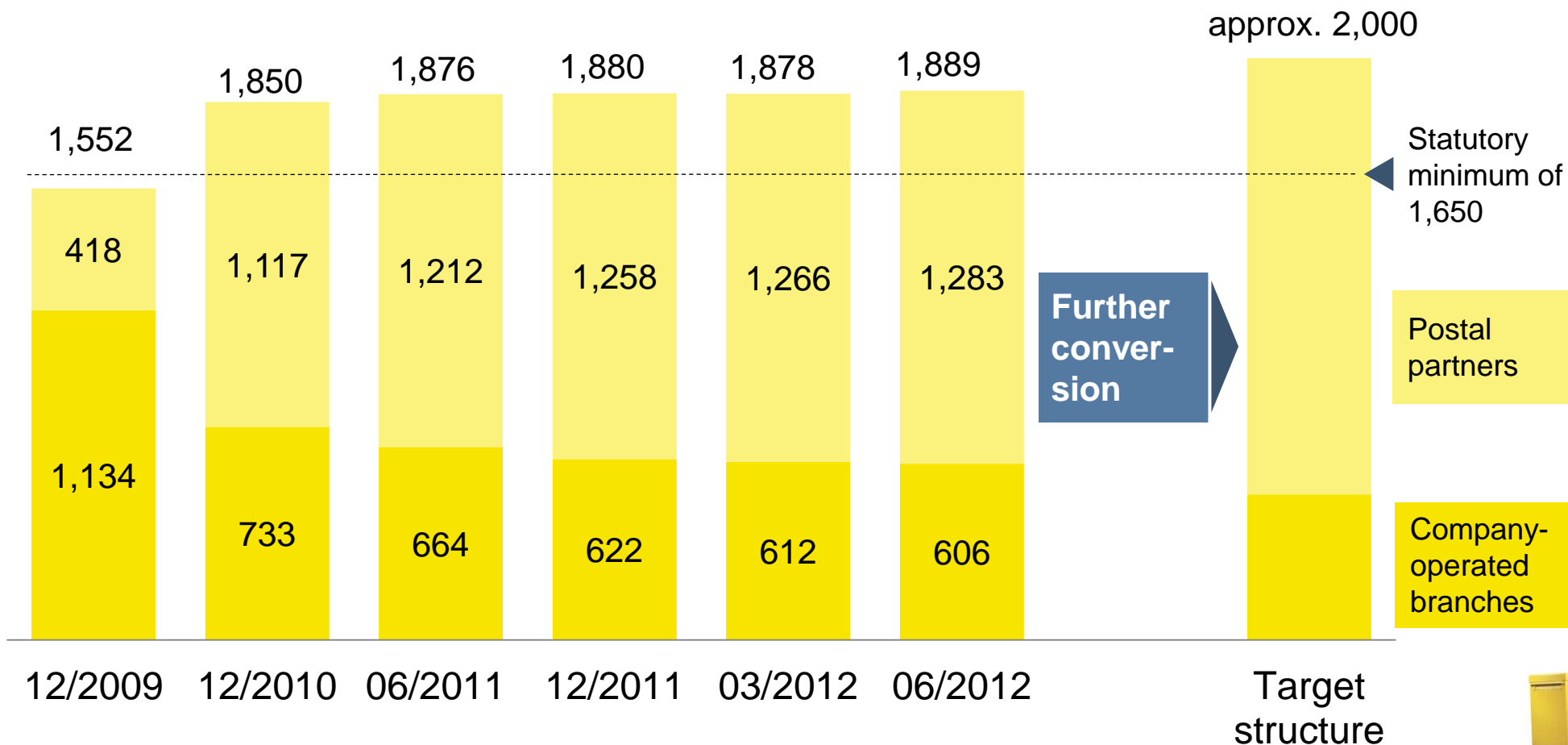
- Slight decline in H1
 - Economic uncertainty leads to reduced advertising expenditures
 - Structural decreases in the field of mail order business

1) Reporting according to the new segment structure as of Jan. 1, 2012



BRANCH NETWORK: STRUCTURAL TRANSFORMATION AND INTEGRATION

Sustainable structural transformation of the branch network in order to improve service and the cost structure



PARCEL & LOGISTICS DIVISION: TOP ISSUES H1 2012

1



Growth in Austria

- Consistent expansion of B2B market share
- Extension of service portfolio: acquisition of “Systemlogistik”

2



trans-o-flex: continuation of optimisation measures

- Sale of Benelux subsidiaries successfully concluded
- Efficiency measures for combined freight jointly implemented with system partners

3



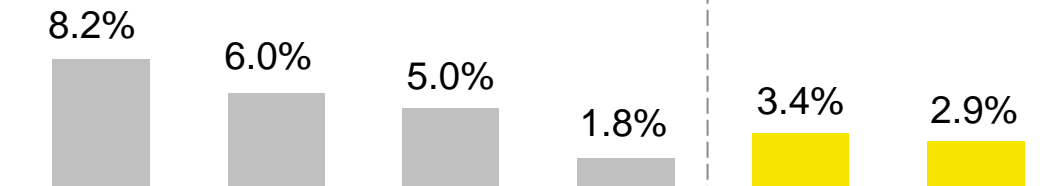
European market development

- Promotion of export activity
- Active market development in CEE



PARCEL & LOGISTICS DIVISION: REVENUE INCREASE OF 4.9%

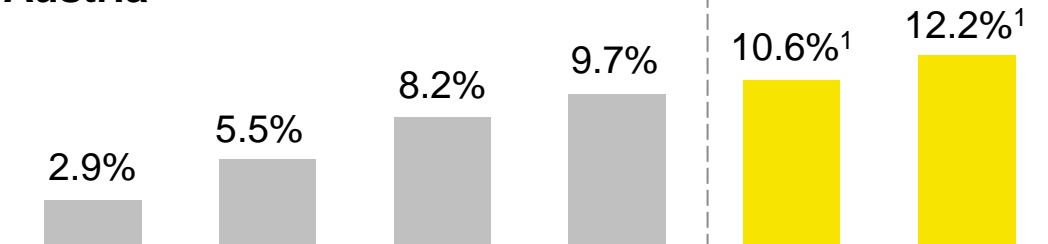
Germany



Germany:

Revenue up 3.2% in H1 2012 due to changed product portfolio

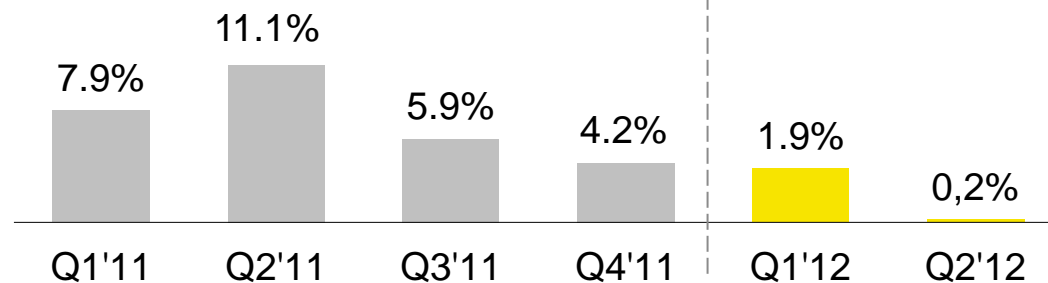
Austria



Austria:

Revenue rise of 11.4%¹ in H1; impetus from online shopping and market share increase with business customers

South East and Eastern Europe



South East and Eastern Europe:

Double-digit volume growth combined with price pressure leads to revenue increase of 1.9% in H1, including negative currency translation effects

1) Revenue development excl. value logistics (part of the Parcel & Logistics Division since Jan. 1, 2012)



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OVERVIEW OF KEY H1 2012 FINANCIAL INDICATORS

	H1 2011	H1 2012	
1 Revenue	1,137.9	1,173.1	Revenue improvement of 3.1%
2 EBITDA margin	11.0%	11.3%	Margin in the targeted range of 10-12%
3 EBIT margin	7.1%	7.9%	Further increase in profitability
4 Free cash flow before acquisitions	65.1	87.4	Positive development with +34,3%
5 Equity ratio	39.1%	40.7%	Solid balance sheet structure
6 Gearing	24.8%	20.0%	Net debt to equity ratio on a low level



INCOME STATEMENT

EUR m	H1 2011	H1 2012	%	Change absolute	Q2 2011	Q2 2012
Revenue	1,137.9	1,173.1	+3.1%	+35.2	566.5	567.4
Raw materials, consumables and services used	-360.8	-379.5	+5.2%	+18.6	-178.1	-188.6
Staff costs	-540.6	-549.5	+1.7%	+8.9	-273.9	-265.2
Other operating expenses	-143.6	-142.4	-0.8%	-1.2	-77.8	-73.0
At equity consolidation	-3.0	-2.0	+31.8%	+1.0	-0.9	0.6
EBITDA	124.8	132.9	+6.5%	+8.1	53.9	57.1
<i>EBITDA margin</i>	<i>11.0%</i>	<i>11.3%</i>	-	-	<i>9.5%</i>	<i>10.1%</i>
Depreciation and amortisation	-43.5	-40.6	-6.6%	-2.9	-21.4	-20.6
EBIT	81.3	92.2	+13.5%	+10.9	32.5	36.4
<i>EBIT margin</i>	<i>7.1%</i>	<i>7.9%</i>	-	-	<i>5.7%</i>	<i>6.4%</i>
EBT	79.4	91.3	+15.1%	+12.0	31.6	35.7
Income tax	-17.4	-20.6	+18.2%	+3.2	-7.0	-6.3
Profit for the period	62.0	70.8	+14.2%	+8.8	24.6	29.4



MAIL & BRANCH NETWORK DIVISION: INCOME STATEMENT

EUR m	H1 2011	H1 2012	%	Change absolute	Q2 2011	Q2 2012
Revenue (external sales)	726.5	741.6	+2.1%	+15.1	363.9	356.6
▪ Letter Mail & Mail Solutions	364.8	390.3	+7.0%	+25.4	183.8	185.1
▪ Direct Mail	218.2	213.6	-2.1%	-4.6	108.0	104.0
▪ Media Post	68.4	71.6	+4.6%	+3.2	35.5	35.9
▪ Branch Services	75.0	66.1 ³	-11.9%	-8.9	36.6	31.7
Total revenue ¹	762.5	775.2	+1.7%	+12.7	381.8	373.4
EBITDA	138.6	150.2	+8.4%	+11.6	70.0	68.4
<i>EBITDA margin²</i>	18.2%	19.4%	-	-	18.3%	18.3%
Depreciation and amortisation	-15.9	-15.2	-4.6%	-0.7	-8.0	-7.7
EBIT	122.7	135.0	+10.1%	+12.4	62.0	60.7
<i>EBIT margin²</i>	16.1%	17.4%	-	-	16.2%	16.2%

1) External sales plus internal sales

2) EBIT and EBITDA in relation to total revenue

3) New segment structure leads to recognition of value logistics revenue of about EUR 5m as part of the Parcel & Logistics Division



PARCEL & LOGISTICS DIVISION: INCOME STATEMENT

EUR m	H1 2011	H1 2012	%	Change absolute	Q2 2011	Q2 2012
Revenue (external sales)	410.9	430.8	+4.9%	+19.9	202.4	210.1
Total revenue ¹	423.2	435.3	+2.9%	+12.2	208.3	212.2
EBITDA	22.0	22.0	+0.3%	+0.1	10.9	9.2
<i>EBITDA margin²</i>	5.2%	5.1%	-	-	5.2%	4.3%
Depreciation and amortisation	-11.7	-10.7	-8.7%	-1.0	-5.8	-5.4
EBIT³	10.3	11.4	+10.5%	+1.1	5.1	3.8
<i>EBIT margin²</i>	2.4%	2.6%	-	-	2.5%	1.8%

1) External sales plus internal sales

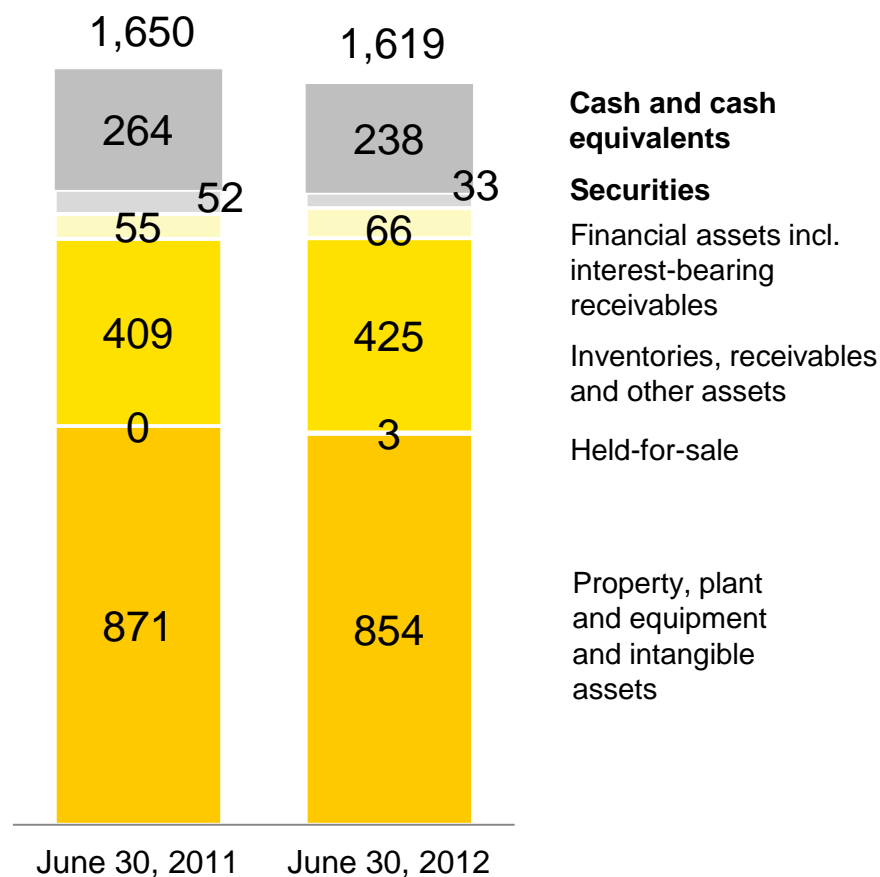
2) EBIT and EBITDA in relation to total revenue

3) Earnings 2012 including final transaction costs for exit from Benelux

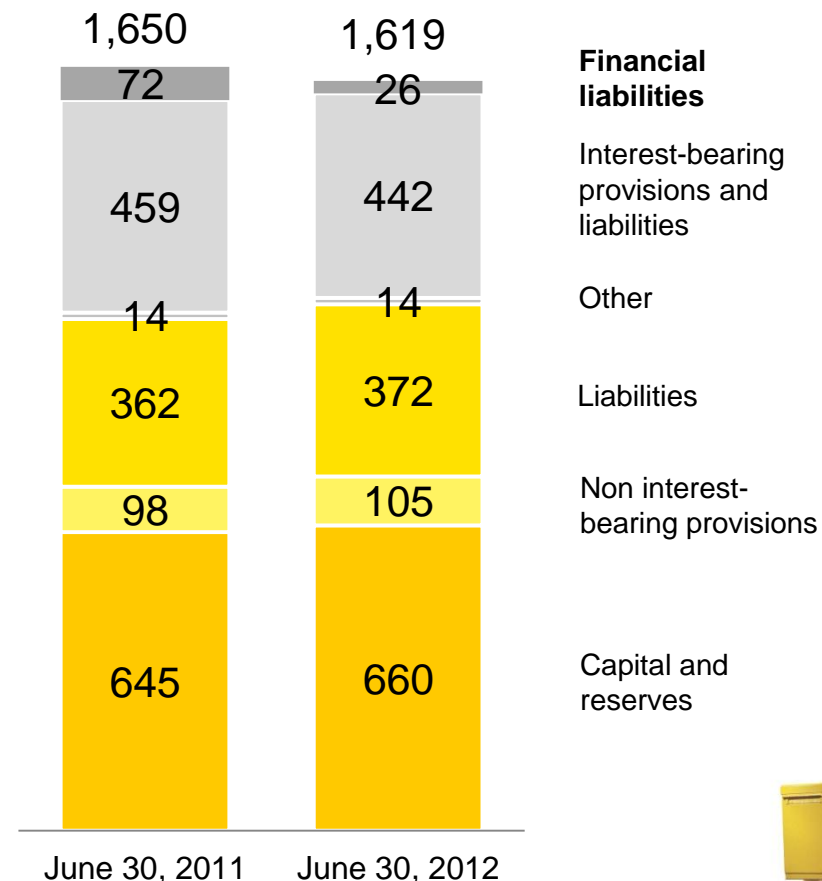


SOLID BALANCE SHEET STRUCTURE

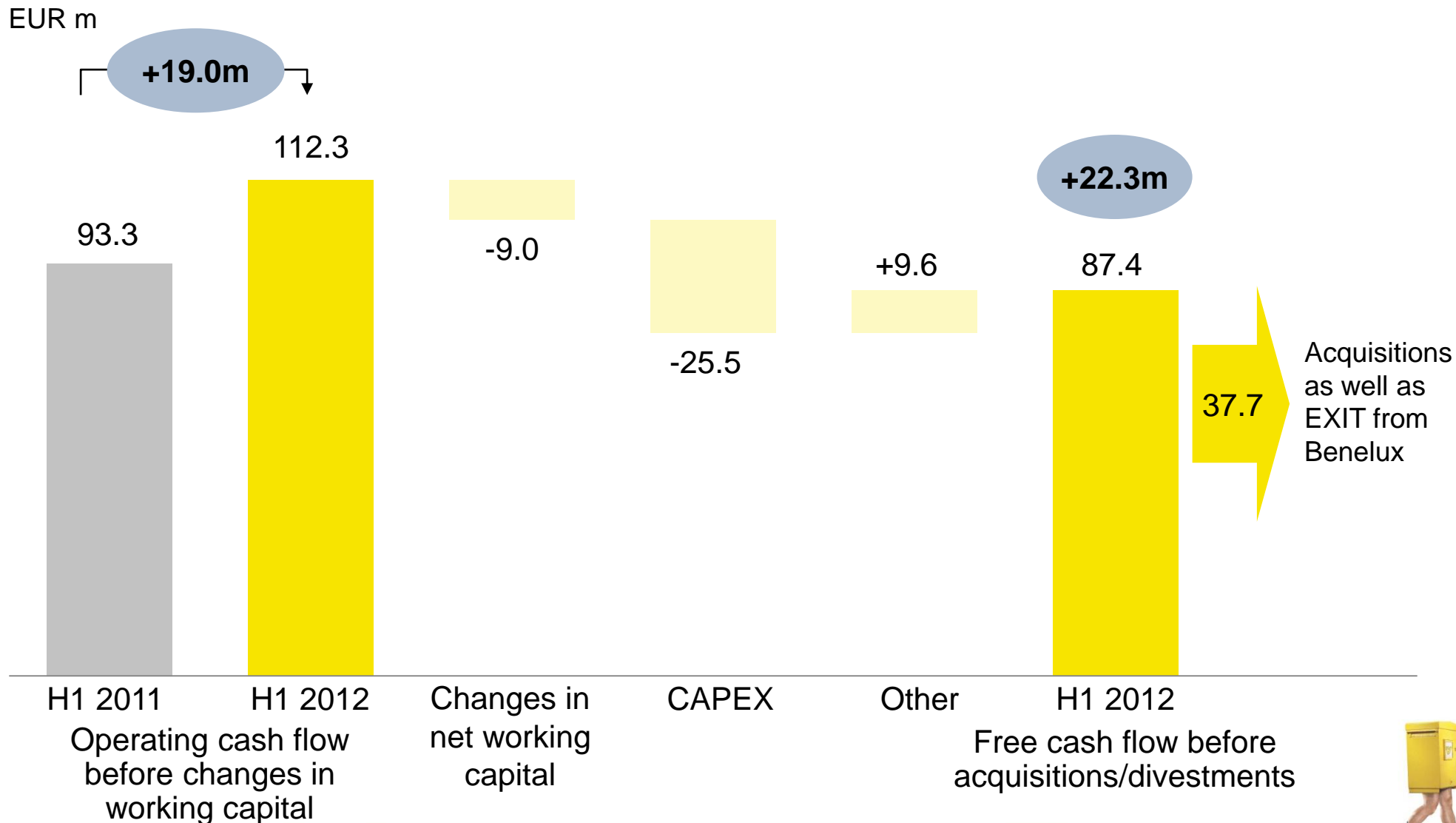
Assets (EUR m): Cash and cash equivalents/securities of EUR 271m after Q2 dividend payment of EUR 115m



Equity and liabilities (EUR m): Low level of financial liabilities of EUR 26m



CASH FLOW IN H1 2012 ABOVE THE PRIOR-YEAR LEVEL



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OUTLOOK CONFIRMED FOR 2012

Market environment

- Dampened economic situation impacts development in the field of letter mail, direct mail and parcels
- Structural change: electronic substitution reduces addressed letter mail items; parcel growth due to Internet shopping

Revenue

- Stable to slightly positive revenue development expected on a comparable basis

Costs & investments

- Continued focus on automation, efficiency enhancement and structural improvements
- CAPEX of about EUR 90m expected

Earnings

- Sustainable EBITDA margin of 10–12%
- Focus on further improving EBIT
- Continuation of attractive dividend policy



STRATEGIC FOCUS

1. DEFENCE OF MARKET LEADERSHIP IN THE CORE BUSINESS



Two-brand strategy and focus on advertising market



Expansion of B2C and B2B market share in Austria

2. GROWTH IN SELECTED MARKETS



Exploitation of potential in CEE and growth in Mail Solutions



Extension of service portfolio (e-fulfillment, pharmaceuticals)

3. ENHANCED EFFICIENCY AND FLEXIBILISATION OF THE COST STRUCTURE



Productivity increase in letter mail logistics



Earnings improvement programme for international parcel and logistics operations

4. CUSTOMER ORIENTATION AND INNOVATION



Optimisation of branch network products and post office design



Enhancement of customer convenience via 24/7 solutions



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Financial calendar 2012

Aug. 10, 2012 Interim report H1 2012

Nov. 16, 2012 Interim report Q1-3 2012

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