

AUSTRIAN POST

Q1 2012

INVESTOR PRESENTATION

Georg Pölzl/CEO, Rudolf Jettmar/CFO
Vienna, May 16, 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



STRATEGY OF AUSTRIAN POST


1. DEFENCE OF MARKET LEADERSHIP IN THE CORE BUSINESS

 Optimisation and expansion of the product and service offering for customers in Austria


2. GROWTH IN SELECTED MARKETS

 Focus on profitable growth opportunities

3. ENHANCED EFFICIENCY AND FLEXIBILISATION OF THE COST STRUCTURE

 Ongoing optimisation of the operating cost structure

4. CUSTOMER ORIENTATION AND INNOVATION

 Service optimisation and customer convenience



STRATEGY: CLEAR PRIORITIES FOR 2012

1. DEFENCE OF MARKET LEADERSHIP IN THE CORE BUSINESS

- ➔ Optimisation of the product portfolio, 2-brand strategy
- ➔ New services for existing customers along the value chain

2. GROWTH IN SELECTED MARKETS

- ➔ Margin improvement in existing segments
- ➔ Profitable growth in South East and Eastern Europe

3. ENHANCED EFFICIENCY AND FLEXIBILISATION OF THE COST STRUCTURE

- ➔ Exploitation of synergies; process cost optimisation
- ➔ CAPEX investments to increase logistics efficiency

4. CUSTOMER ORIENTATION AND INNOVATION

- ➔ Service and quality focus in the branch network and in delivery
- ➔ Promotion of online and self-service solutions



FINANCIAL HIGHLIGHTS IN Q1 2012

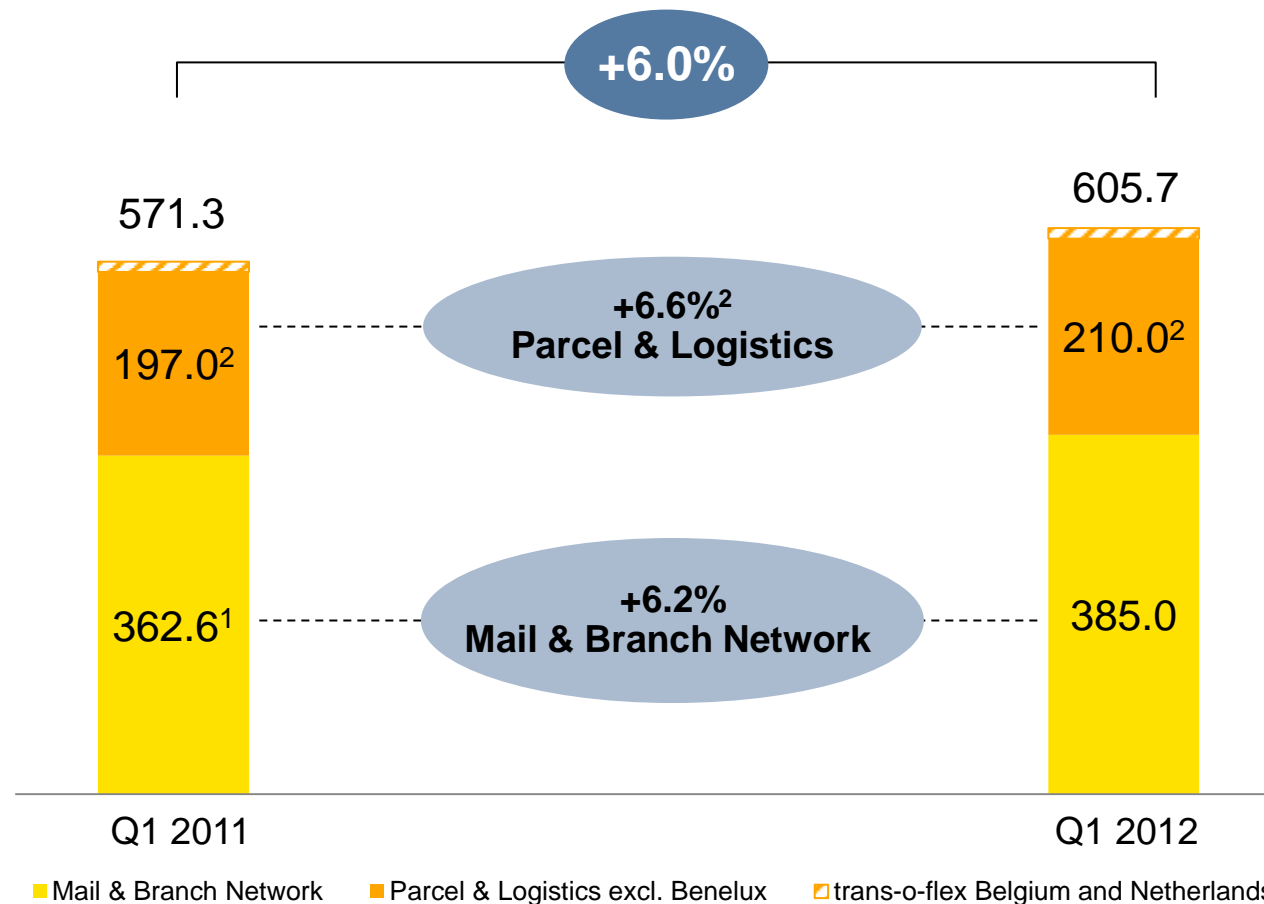
1 Revenue		<ul style="list-style-type: none"> ▪ Revenue up 6.0% in a quarterly comparison ▪ Good development in mail and parcels
2 Earnings		<ul style="list-style-type: none"> ▪ EBITDA increase of 7.0% to EUR 75.8m ▪ EBIT rise of 14.4% to EUR 55.8m
3 Cash flow		<ul style="list-style-type: none"> ▪ Operating cash flow of EUR 71.3m¹ ▪ Free cash flow more than doubled to EUR 51.2m
4 Balance sheet		<ul style="list-style-type: none"> ▪ Equity ratio of 43.4% ▪ High level of liquidity
5 Outlook		<ul style="list-style-type: none"> ▪ Stable or slight increase in revenue in 2012 ▪ Targeted earnings improvement

1) Operating cash flow before changes in working capital



REVENUE IMPROVEMENT OF 6.0%

EUR m



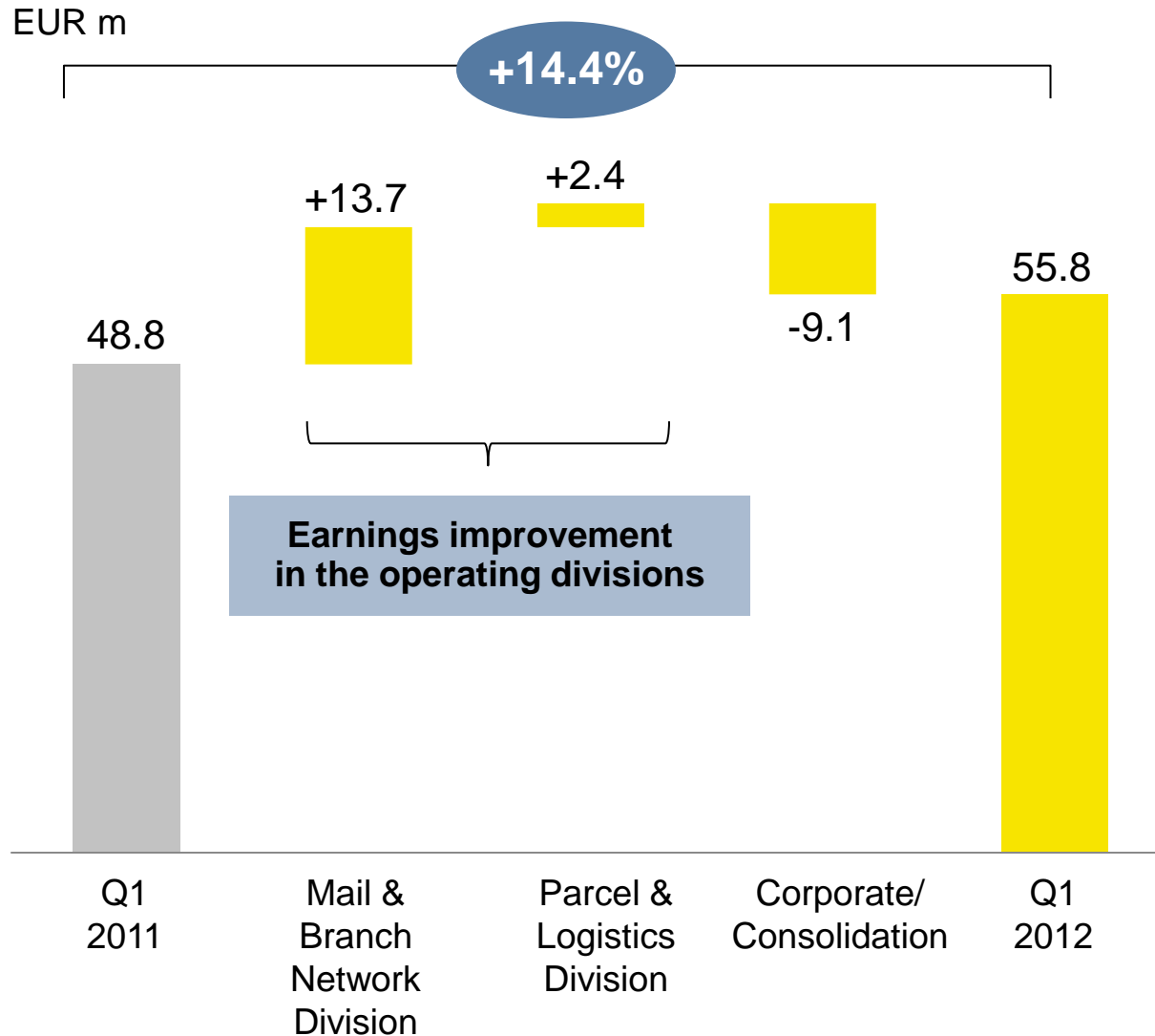
- Good volume development in mail and parcels
- Positive special effects:
 - Additional working day in a quarterly comparison
 - Shift to higher quality letter mail products
 - New information requirements of various customer groups

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

2) Revenue development excl. subsidiaries of trans-o-flex in Benelux (closing Netherlands on March 15, 2012, probable closing in Belgium at the end of June)



GROUP EBIT INCREASE OF 14.4%



- Mail & Branch Network: Further earnings improvement
- Parcel & Logistics: Positive development
- Corporate: Higher need for provisions due to lower discount interest rate



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MAIL & BRANCH NETWORK DIVISION: TOP ISSUES Q1 2012

1



Consistent customer focus

- KUVERT used nationwide since February 2012
- Joint branch network with BAWAG P.S.K.: first post office in the new design in Vienna/Dietrichgasse

2



Investments in new technologies

- Modernisation of sorting facilities
- Three “high tech” collator distribution centres

3



Exploitation of market potential in CEE

- Acquisition in Poland in the field of unaddressed direct mail
- Acquisition of a 26% stake in a Bulgarian postal provider



EXPLOITATION OF MARKET POTENTIAL IN CEE: ACQUISITIONS IN GROWTH MARKETS

POLAND

100% stake acquired in Kolportaż Rzetelny

- Market leader for unaddressed direct mail items (market share of 36%)
- 1.2 bn items per year

BULGARIA

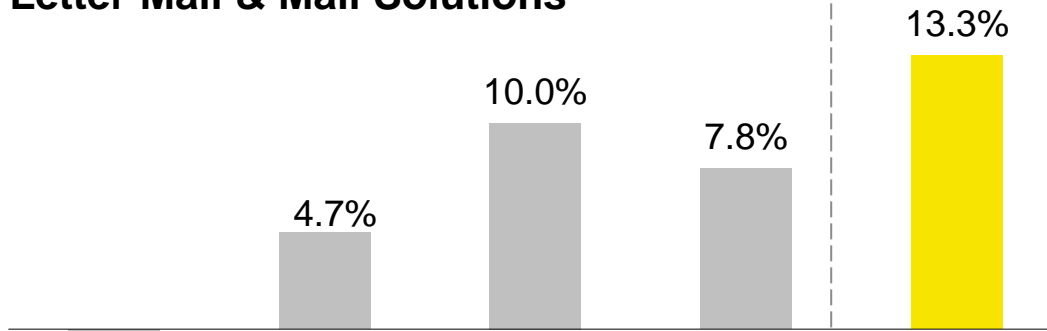
26% shareholding acquired in M&BM Express
(option on up to 76%)

- Market leader in the field of hybrid mail
- 75m items per year

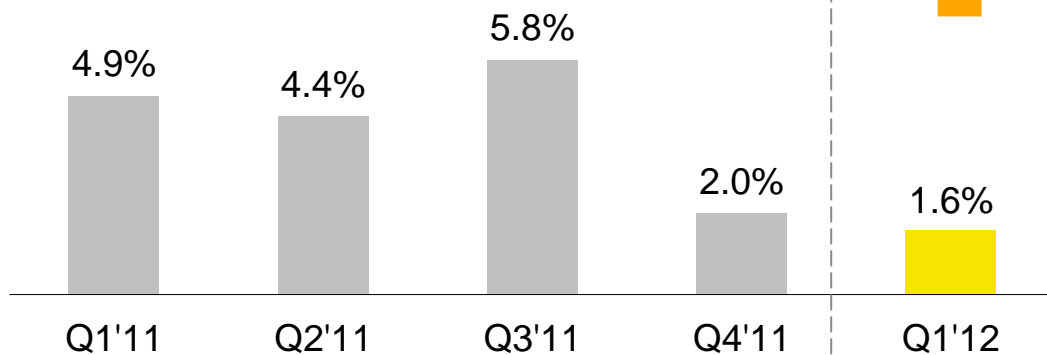


MAIL & BRANCH NETWORK DIVISION: REVENUE INCREASE OF 6.2%¹

Letter Mail & Mail Solutions



Direct Mail & Media Post²



Changed product range leads to volume shifts to letter mail

- Positive effects due to ...
 - Additional working day in a quarterly comparison
 - Shift of direct mail to higher quality letter mail products and Internet shipments as mail instead of parcels
 - New information requirements of various customer groups
 - Growth in the Mail Solutions segment

- Development affected by...
 - Volume shifts
 - Structural decline in the field of mail order selling
 - Seasonal effects Q1/Q2

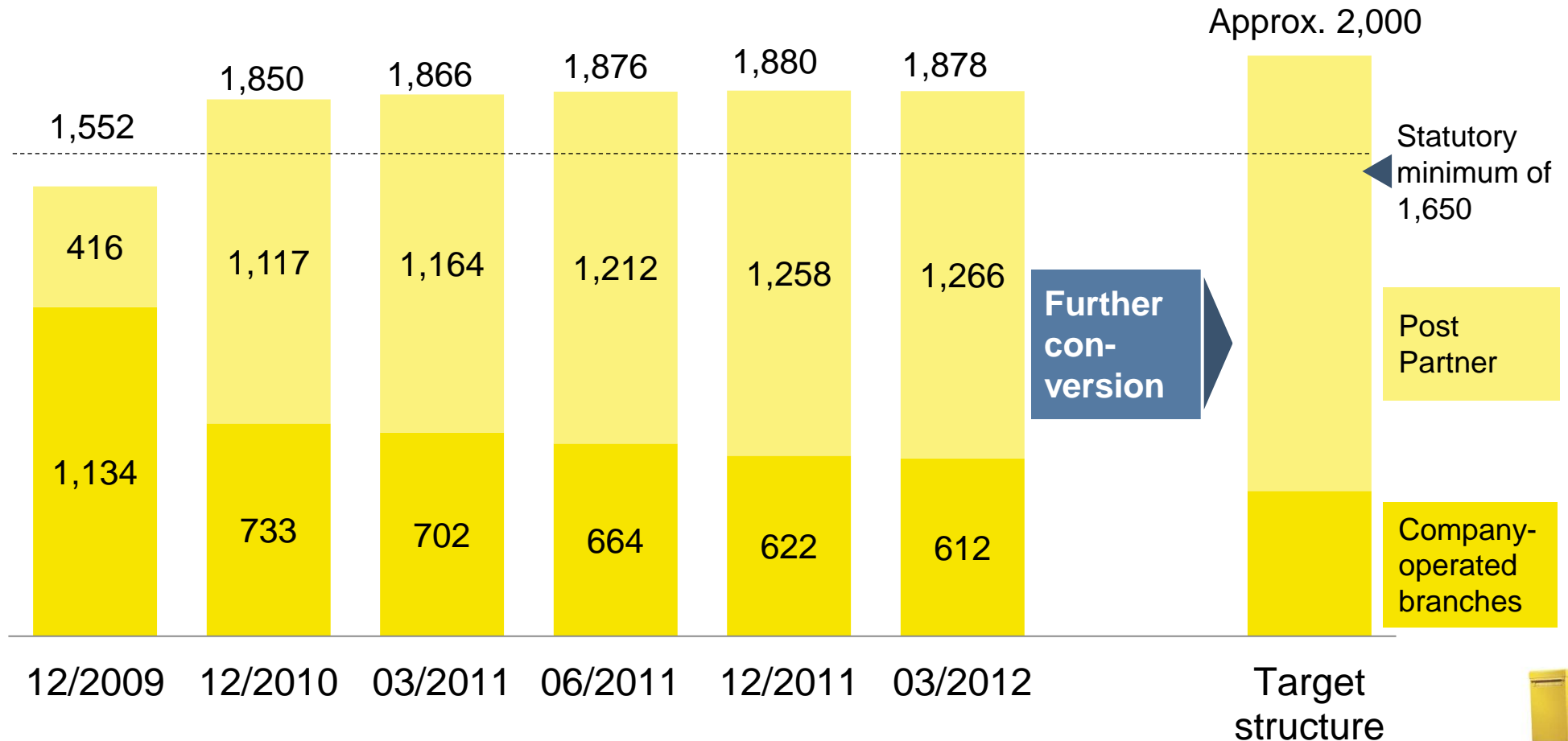
1) Reporting according to the new segment structure as of Jan. 1, 2012

2) Change in 2011 excl. meiller Group (pro-forma consolidation); as of 2011: joint venture MEILLERGHP consolidated at equity



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 Q1 2012

1



Growth in Austria

- New “self-service” solutions such as the Post Pick-Up Box
- Expansion of the logistics business: acquisition of the Austrian company “Systemlogistik”

2



trans-o-flex: ongoing performance initiative

- Sales process for Benelux proceeding as scheduled
- Revenue and cross-selling initiatives
- Joint efficiency measures carried out with system partners

3



European market development

- Promotion of export activity
- Growth-oriented infrastructure expansion in CEE



EXPANSION OF THE LOGISTICS BUSINESS IN AUSTRIA: ACQUISITION OF “SYSTEMLOGISTIK”

Acquisition of the fulfilment service provider “Systemlogistik” with 2 sites in Vienna



Facts & figures:

- About 80 employees
- Revenue of approx. EUR 7m in 2011
- Acquisition of 100% (subject to anti-trust approval)

Customised logistics solutions as complement to parcel distribution:

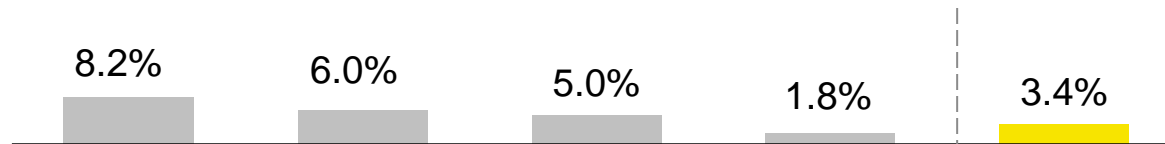
- Web shop logistics
- Storage
- Deliveries to sales outlets
- Return and waste logistics

Customer references:



PARCEL & LOGISTICS DIVISION: REVENUE INCREASE OF 6.6%¹

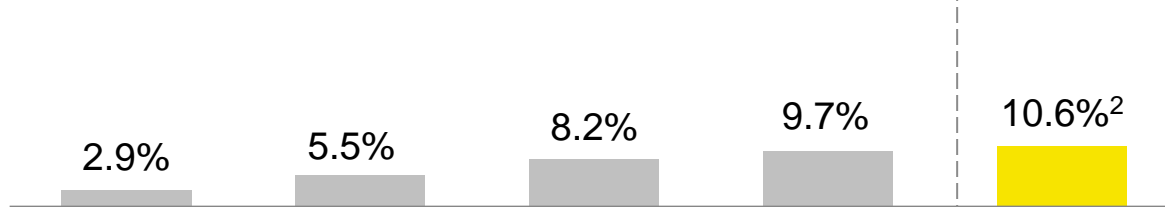
Germany



Germany:

Revenue up 3.4% in Q1 2012 due to changed product portfolio

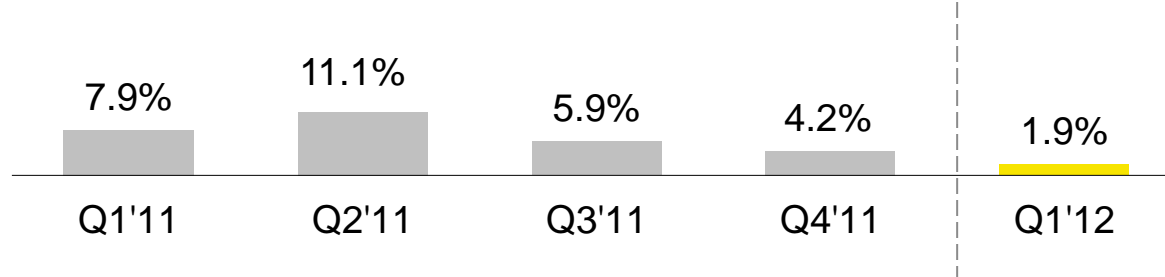
Austria



Austria:

Strong revenue growth of 10.6% based on online shopping and market share increase for business customers

South East and Eastern Europe



South East and Eastern Europe:

Slight revenue growth of 1.9% against the backdrop of ongoing price pressure; changed invoicing system in Slovakia

1) Revenue development excl. subsidiaries of trans-o-flex in Belgium and the Netherlands

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



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KEY INCOME STATEMENT INDICATORS

EUR m	Q1 2011	Q1 2012	%	Change Absolute	
Revenue	571.3	605.7	+6.0%	+34.3	Revenue up 6.0%
Raw materials, consumables and services used	-182.8	-190.9	+4.4%	+8.1	
Staff costs	-266.7	-284.4	+6.6%	+17.7	Rise in staff costs due to higher need for provisions
Other operating expenses	-65.8	-69.4	+5.4%	+3.6	
At equity consolidation	-2.1	-2.6	-26.0%	-0.5	
EBITDA	70.8	75.8	+7.0%	+5.0	
<i>EBITDA margin</i>	12.4%	12.5%	-	-	
Depreciation and amortisation	-22.1	-20.0	-9.4%	-2.1	
EBIT	48.8	55.8	+14.4%	+7.0	EBIT increase of 14.4% from the prior-year
<i>EBIT margin</i>	8.5%	9.2%	-	-	
EBT	47.7	55.7	+16.6%	+7.9	
Income tax	-10.3	-14.3	+37.9%	+3.9	
Profit for the period	37.4	41.4	+10.7%	+4.0	



MAIL & BRANCH NETWORK DIVISION: KEY INCOME STATEMENT INDICATORS

EUR m	Q1 2011	Q1 2012	%	Change Absolute	
Revenue (external sales)	362.6	385.0	+6.2%	+22.4	Revenue increase of 6.2%
▪ Letter Mail & Mail Solutions	181.0	205.2	+13.3%	+24.1	
▪ Direct Mail	110.2	109.7	-0.5%	-0.5	
▪ Media Post	33.0	35.7	+8.3%	+2.8	
▪ Branch Services	38.4	34.4	-10.3%	-4.0	
Total revenue ¹	380.7	401.8	+5.5%	+21.1	
EBITDA	68.6	81.8	+19.3%	+13.2	Significant EBIT improvement in Q1
<i>EBITDA margin²</i>	18.0%	20.4%	-	-	
Depreciation and amortisation	-7.9	-7.5	-5.7%	-0.4	
EBIT	60.7	74.4	+22.5%	+13.7	
<i>EBIT margin²</i>	15.9%	18.5%	-	-	

1) External plus internal sales

2) EBIT and EBITDA in relation to total revenue



PARCEL AND LOGISTICS DIVISION: KEY INCOME STATEMENT INDICATORS

EUR m	Q1 2011	Q1 2012	%	Change Absolute	
Revenue (external sales)	208.5	220.8	+5.9%	+12.3	Revenue up 5.9%
Revenue (excl. trans-o-flex Benelux)	197.0	210.0	+6.6%	+13.0	
Total revenue ¹	214.9	223.1	+3.8%	+8.2	
EBITDA	11.1	12.8	+15.9%	+1.8	
<i>EBITDA margin²</i>	5.2%	5.7%	-	-	
Depreciation and amortisation	-5.9	-5.2	-11.5%	-0.7	
EBIT	5.2	7.6	+47.1%	+2.4	EBIT margin improved by one percentage point
<i>EBIT margin²</i>	2.4%	3.4%	-	-	

1) External plus internal sales

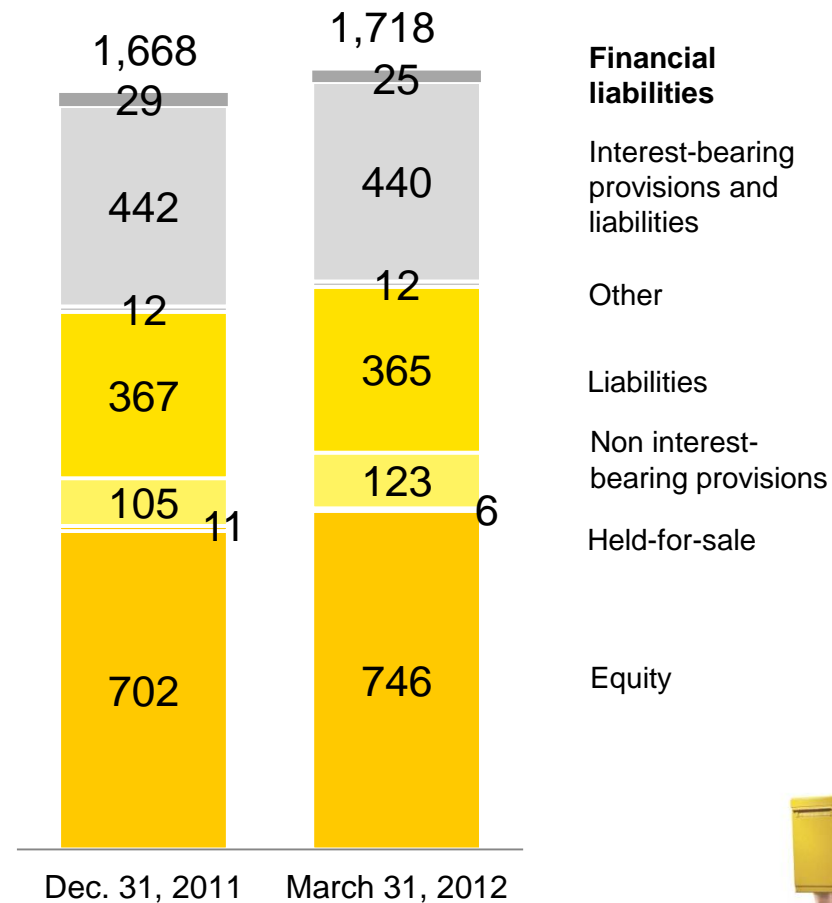
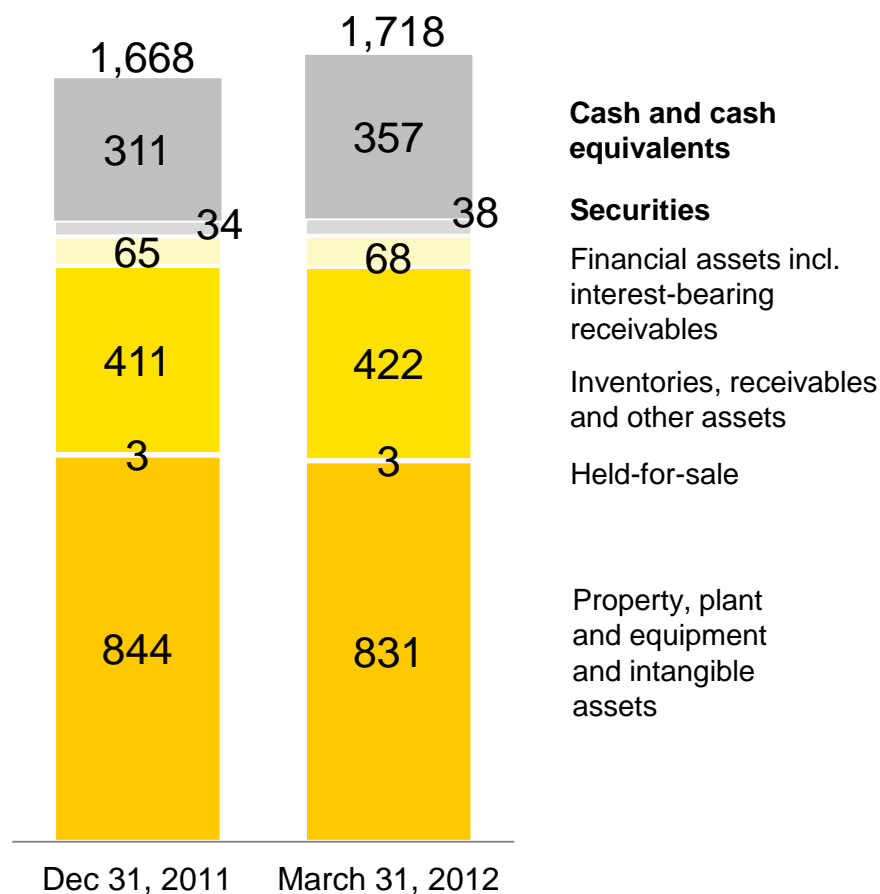
2) EBIT and EBITDA in relation to total revenue



SOLID BALANCE SHEET STRUCTURE

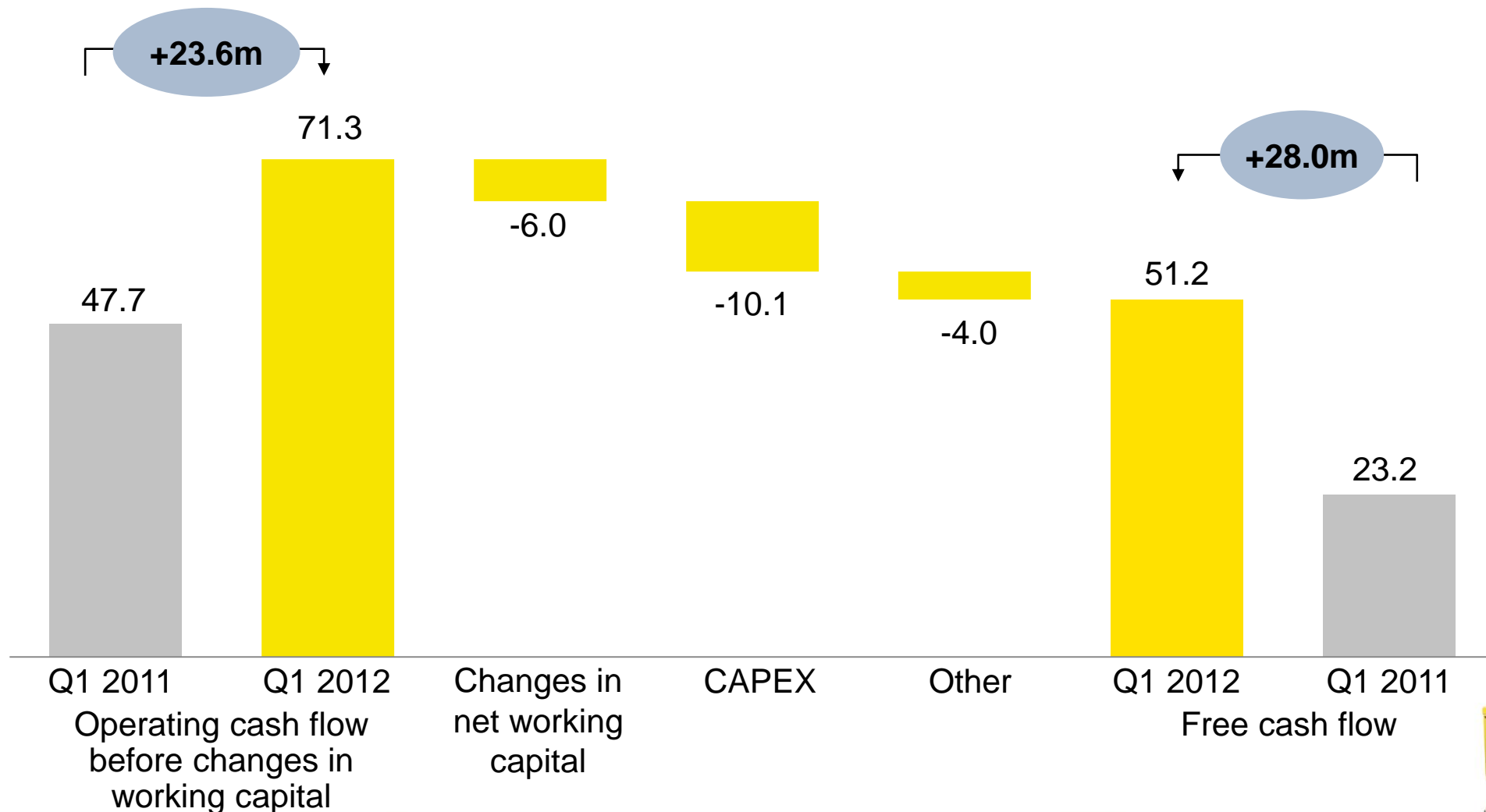
Assets (EUR m): Cash and cash equivalents and securities of EUR 394m

Equity and liabilities (EUR m): Low level of financial liabilities of EUR 25m



Q1 2012 CASH FLOW ABOVE THE PREVIOUS YEAR

EUR m



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OUTLOOK CONFIRMED FOR 2012

Market environment

- Structural change: electronic substitution reduces addressed letter mail items; parcel growth due to Internet shopping
- Subdued economic situation can negatively impact development of letter mail, direct mail and parcel segments

Revenue

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

Costs & investments

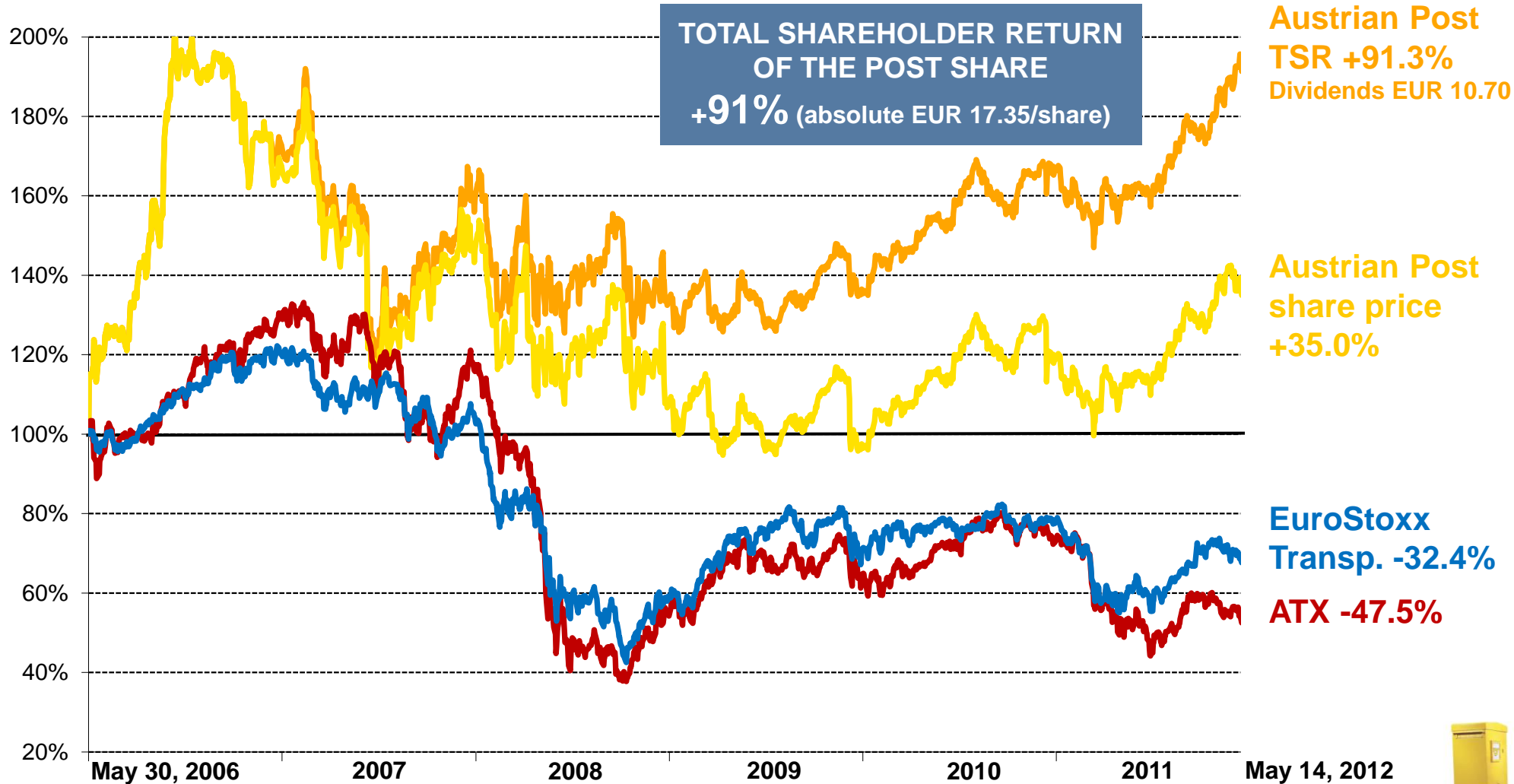
- Continued focus on automation, efficiency enhancement and structural improvements
- CAPEX between EUR 80-90m

Earnings

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



TOTAL SHAREHOLDER RETURN AND SHARE PRICE SINCE THE IPO IN MAY 2006



Note: includes dividend payments starting in the 2006 financial year



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Financial calendar 2012

May 16, 2012 Interim report Q1 2012

Aug. 10, 2012 Interim report H1 2012

Nov. 16, 2012 Interim report Q1-3 2012

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