

AUSTRIAN POST

Q1 2013

INVESTOR PRESENTATION

Georg Pölzl/CEO, Walter Oblin/CFO
Vienna, May 17, 2013

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




1. Highlights and overview

2. Group results in detail

3. Outlook 2013



HIGHLIGHTS Q1 2013

1	Market environment		<ul style="list-style-type: none">▪ Mail business in Austria benefits from positive revenue effects▪ Ongoing growth of the Austrian parcel market▪ Strong competition in the international parcel business
2	Revenue		<ul style="list-style-type: none">▪ Revenue up 1.3% (excl. Benelux)▪ Slight growth in the letter and parcel segments
3	Earnings		<ul style="list-style-type: none">▪ Further EBIT rise of 2.4% to EUR 59.7m▪ Enhanced efficiency and improvement in the cost structure
4	Outlook		<ul style="list-style-type: none">▪ Outlook confirmed for 2013▪ Stable to slightly positive revenue development▪ Goal of further earnings improvement



CLEAR STRATEGIC PRIORITIES FOR 2013


1. DEFENDING MARKET LEADERSHIP IN THE CORE BUSINESS

 Exploit market opportunities in Austria

2. GROWTH IN SELECTED MARKETS

 Increase revenue and profitability

3. ENHANCING EFFICIENCY AND FLEXIBILISATION OF THE COST STRUCTURE

 Continually improve efficiency

4. CUSTOMER ORIENTATION AND INNOVATION

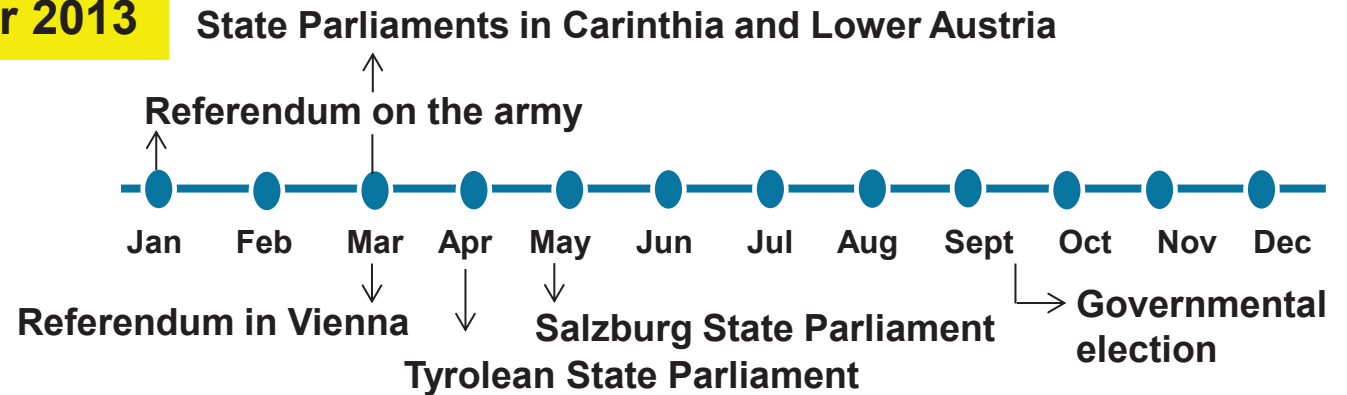
 Promote self-service solutions



1. DEFENDING MARKET LEADERSHIP: EXPLOIT OPPORTUNITIES IN AUSTRIA

Opportunities in the mail business in election year 2013

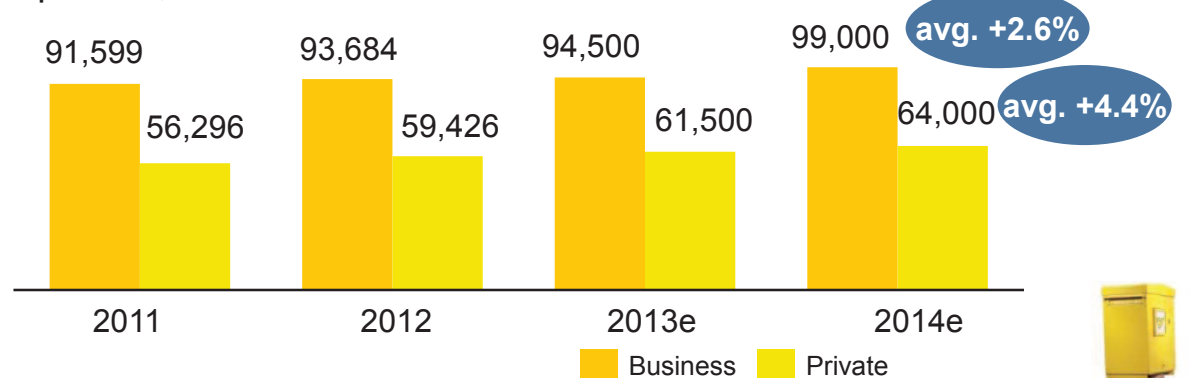
- 2 referendums
- 4 regional elections
- Governmental election



Ongoing growth of the Austrian parcel market

- Market leadership in X2C
- Market share rise of Austrian Post for B2B customers (2012: 22%)

Parcel volumes in Austria parcels, in thousands



Source: Kreutzer, Fischer & Partner

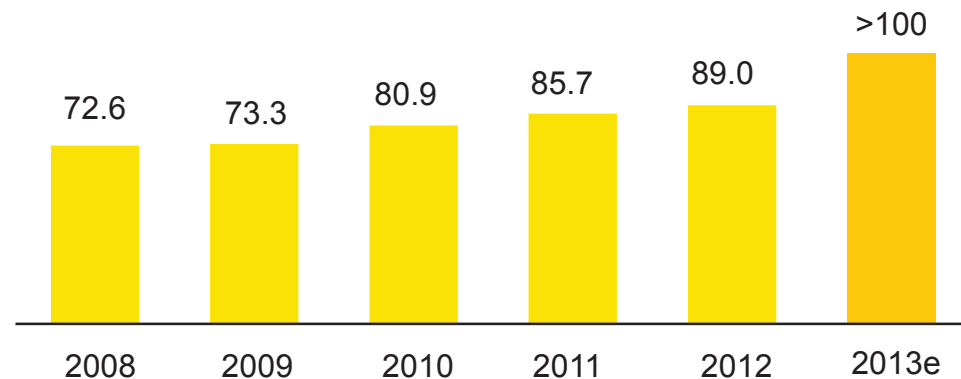


2. GROWTH IN SELECTED MARKETS: INCREASE REVENUE AND PROFITABILITY

Continuation of growth path in CEE/SEE

- Acquisitions in Romania, Poland and Bulgaria
- Negotiations on purchasing a minority interest in Turkey

Revenue development in CEE/SEE
EUR m



Focus and structural change in Germany

- Growth focus on the pharmaceuticals segment
- Continuation of earnings improvement programme



Opening of new Alzenau Pharmaceutical Centre in February 2013



2. PARCEL & LOGISTICS: TRANS-O-FLEX FOCUS AND SYSTEM CHANGE

Growth focus on the pharmaceuticals segment



- Opening of Alzenau Pharmaceutical Centre
- ThermoMed shows a positive trend
- Expansion of ThermoMed business in Austria
- EU guideline “Good Distribution Practice” (GDP) strengthen pharmaceutical specialists

Logistics optimisation



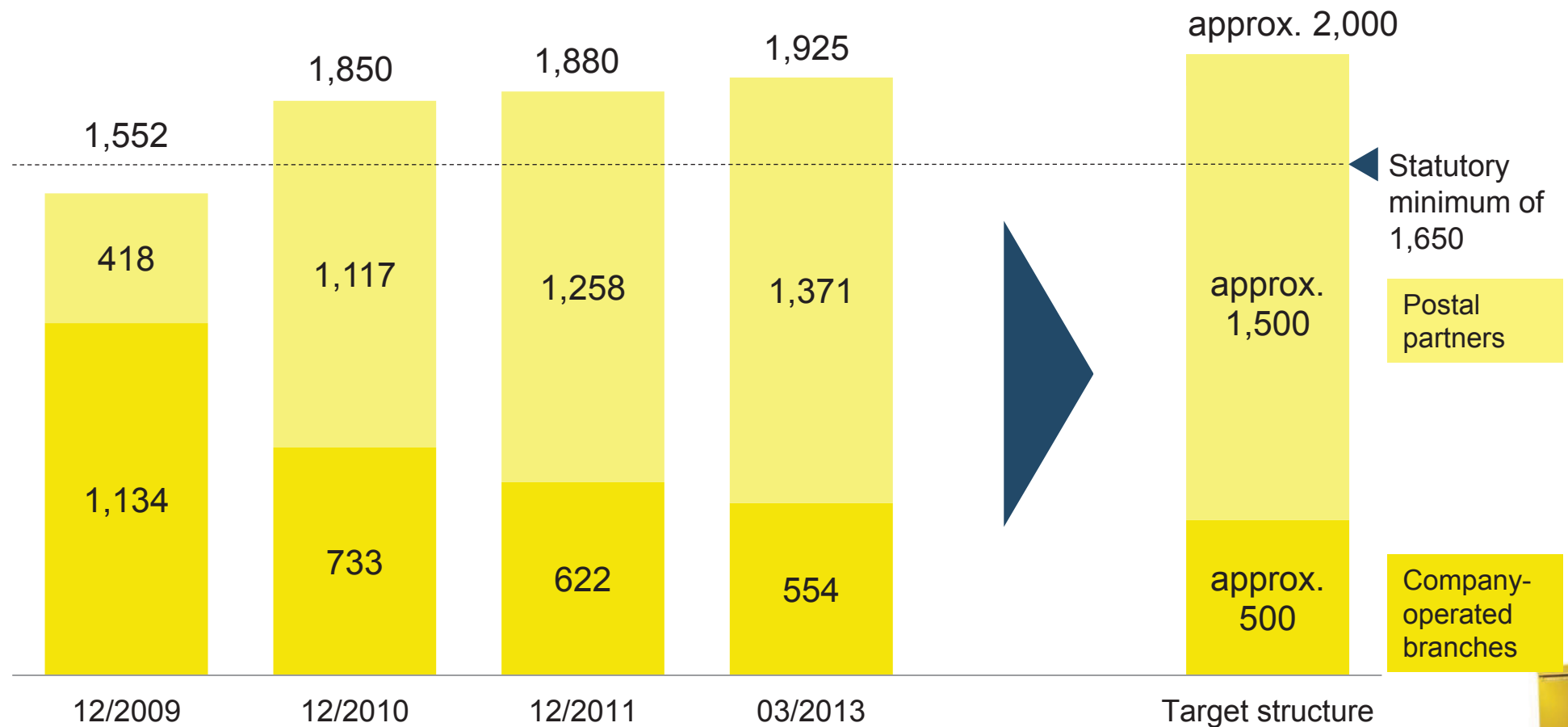
- Ongoing efficiency improvements in logistics operations
- System adaptation: own operation instead of system partners in regions with poor performance
- Streamlining of administrative processes



3. IMPROVED EFFICIENCY AND COST STRUCTURE: STRUCTURAL CHANGE IN THE BRANCH NETWORK



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



3. IMPROVED EFFICIENCY AND COST STRUCTURE: INVESTMENTS IN SORTING TECHNOLOGIES



**Innovative sorting technologies
Enhanced productivity**

New “**flat sorters**“ at 6 locations throughout Austria: fully automatic sorting of **38,000 mail items/hour**

**New logistics centre in
Upper Austria**

**Capacity expansion and
higher level of
automation**



4. CUSTOMER ORIENTATION AND INNOVATION: PROMOTION OF SELF-SERVICE SOLUTIONS

Track & Trace



SMS/E-mail notification

Post Drop-Off Box

2012: 100
Target 2013: 200



Franking machine

2012: 50
Target 2013: 200



Post Pick-Up Box

2012: 2,000
Target 2013: 5,000



Notification: new with barcode



Parcel stamp

Post24 stations and pick-up walls

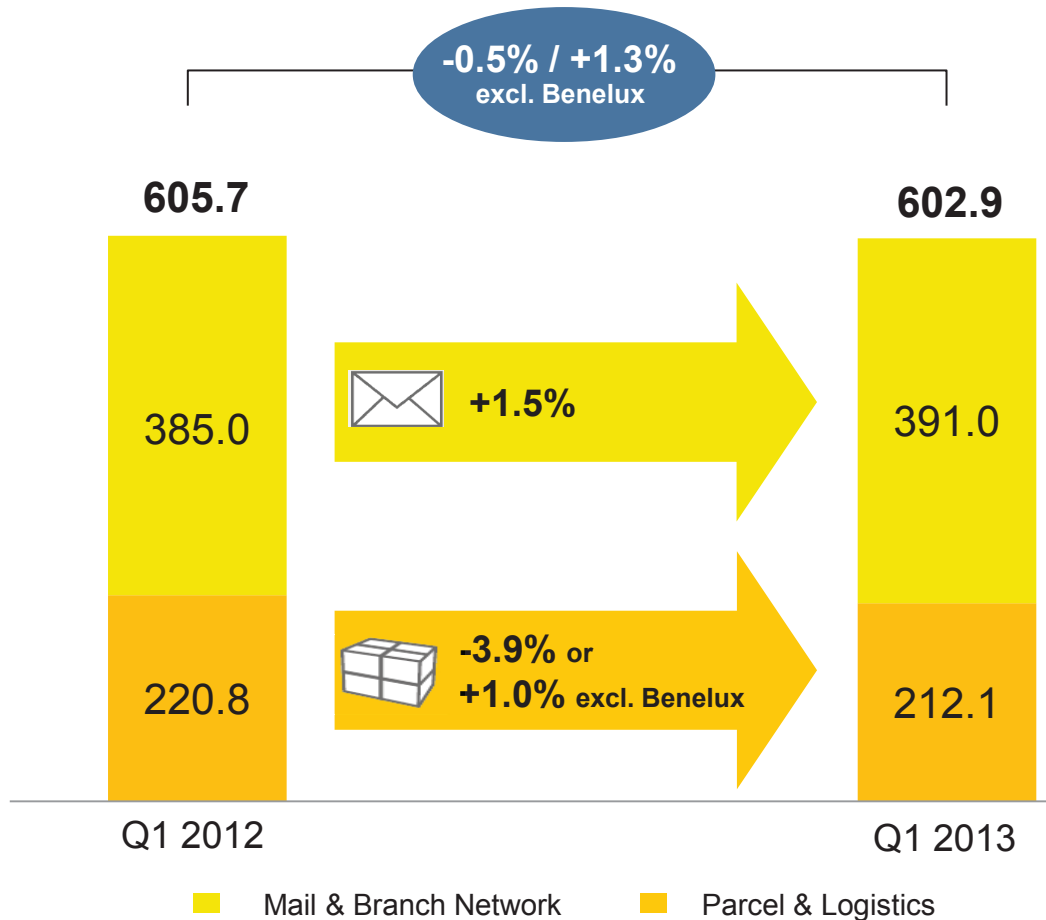
2012: 24
Target 2013: 100



GROUP REVENUE UP 1.3% IN Q1 2013

Revenue development

EUR m



Group revenue:

Increase of 1.3% to EUR 602.9m (excl. Benelux subsidiaries in Q1 2012)



Mail & Branch Network:

Revenue growth thanks to acquisitions and positive revenue effects in Q1 2013 (in total about EUR 16m)



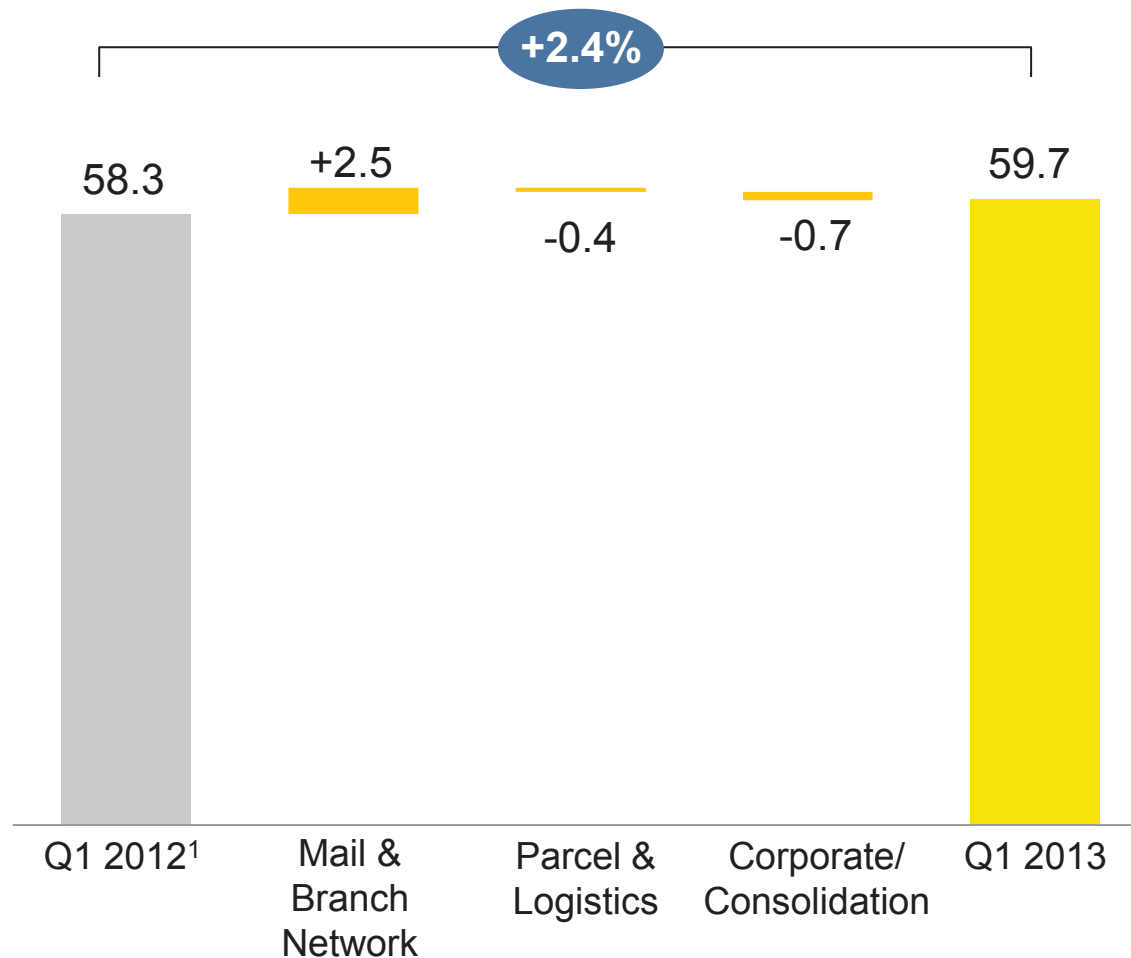
Parcel & Logistics:

Slight revenue increase as a mix of growth in Austria and CEE, decline in Germany



GROUP EBIT UP 2.4% IN Q1 2013

Earnings development (EBIT) EUR m



Group EBIT :
Rise of 2.4% to EUR 59.7m



Mail & Branch Network:

Earnings improvement due to cost discipline and positive revenue effects in 2013



Parcel & Logistics:

Earnings slightly below strong prior-year quarter, further improvement expected in the course of the year

1) Figures adjusted for 2012 due to early application of IAS 19 (revised)



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OVERVIEW OF KEY FINANCIAL INDICATORS IN Q1 2013

	Q1 2012	Q1 2013	
1 Revenue	605.7	602.9	Revenue slightly below previous year, excl. Benelux revenue up 1.3%
2 EBITDA margin	12.9%	13.3%	Positive revenue effects and cost discipline
3 EBIT margin	9.6%	9.9%	Further increase in profitability
4 Ergebnis/Aktie	0.64	0.69	Earnings per share up 7.8%
5 Operating CF before changes in working capital	86.8	88.6	Cash flow at a stable level
6 Equity ratio	43.3%	44.1%	Solid balance sheet structure with high amount of equity and low financial liabilities



KEY INCOME STATEMENT INDICATORS

EUR m	Q1 2012 ¹	Q1 2013	%	Change absolute	
Revenue	605.7	602.9	-0.5%	-2.8	
Revenue excl. Benelux	594.9	602.9	+1.3%	+8.0	Revenue increase of 1.3%
Raw materials and services used	-190.9	-187.2	-1.9%	-3.7	
Staff costs	-281.8	-280.2	-0.6%	-1.6	Stable staff costs
Other operating expenses	-69.4	-71.1	+2.4%	+1.7	
At equity consolidation	-2.6	-1.7	+34.9%	+0.9	
EBITDA	78.3	80.0	+2.1%	+1.6	
<i>EBITDA margin</i>	12.9%	13.3%	-	-	
Depreciation, amortisation and impairment losses	-20.0	-20.2	+1.0%	+0.2	
EBIT	58.3	59.7	+2.4%	+1.4	Further EBIT rise after good Q1 2012 earnings
<i>EBIT margin</i>	9.6%	9.9%	-	-	
Earnings before tax (EBT)	58.2	58.8	+1.1%	+0.6	
Income tax	-14.9	-12.2	+18.2%	+2.7	
Profit for the period	43.3	46.6	+7.8%	+3.4	

1) Figures adjusted for 2012 due to early application of IAS 19 (revised)

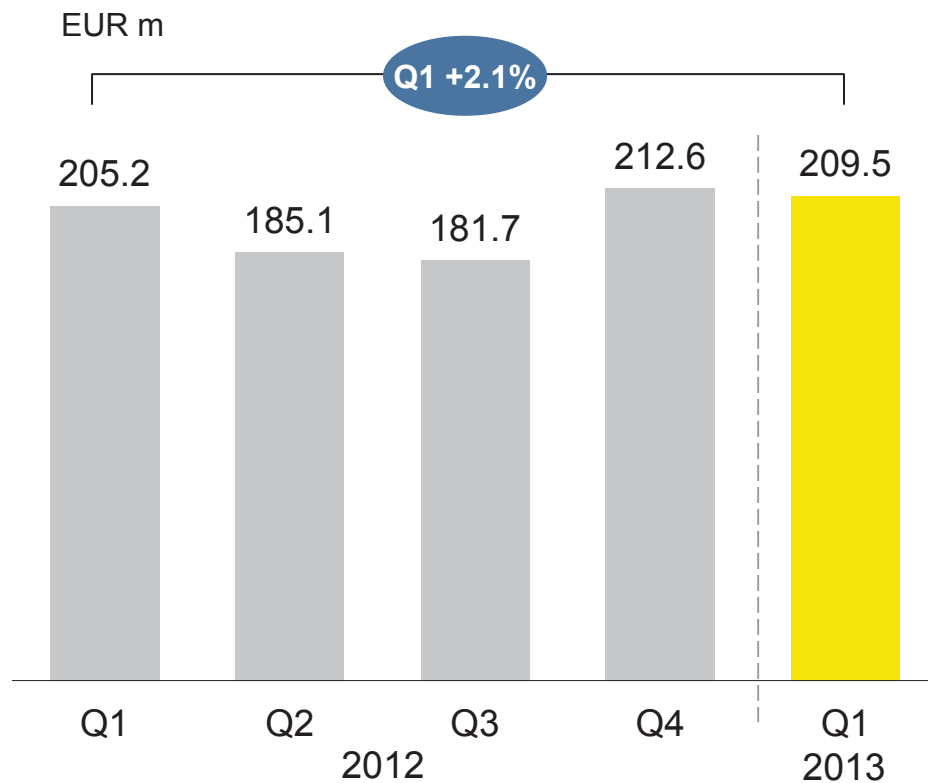


MAIL & BRANCH NETWORK DIVISION: REVENUE TRENDS IN Q1 2013

Letter Mail & Mail Solutions

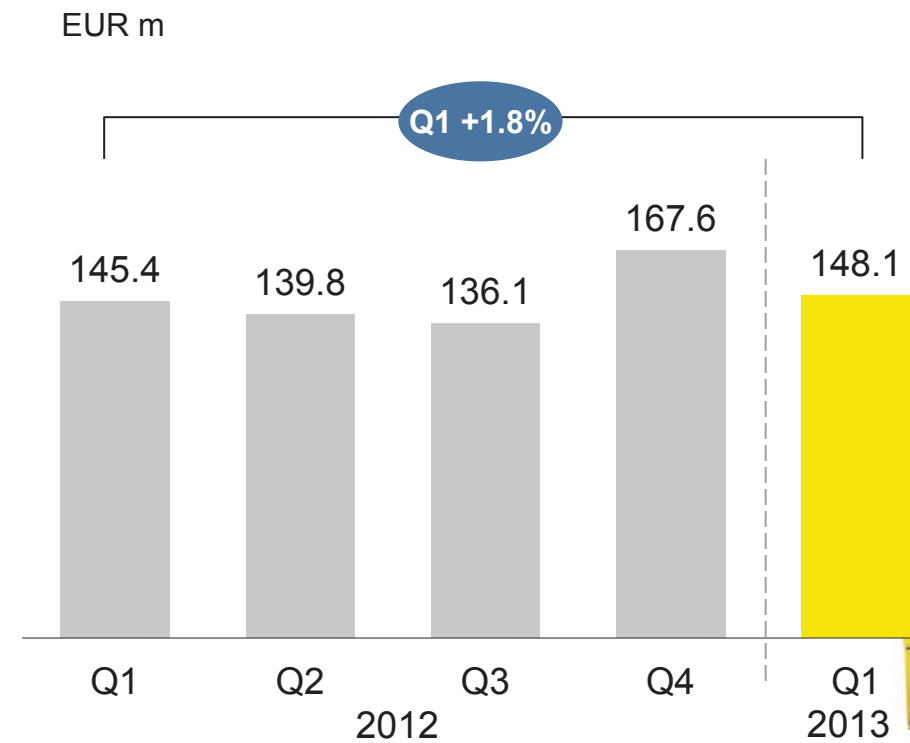
Positive revenue effects of about **EUR 10m**:

- Consolidation of new CEE subsidiaries
- Regional elections and referendums
- Further growth in Mail Solutions



Direct Mail and Media Post

- Positive revenue effects of about **EUR 6m** due to consolidation of new CEE subsidiaries and elections
- Stable development in the Austrian advertising market (compensation for Neckermann-related decline)



MAIL & BRANCH NETWORK DIVISION: KEY INCOME STATEMENT INDICATORS

EUR m	Q1 2012 ¹	Q1 2013	%	Change absolute	
Revenue (external sales)	385.0	391.0	+1.5%	+6.0	Revenue increase of 1.5% due to acquisitions and positive one-time effects
▪ Letter Mail & Mail Solutions	205.2	209.5	+2.1%	+4.3	
▪ Direct Mail	109.7	112.8	+2.8%	+3.1	
▪ Media Post	35.7	35.3	-1.3%	-0.4	
▪ Branch Services	34.4	33.4	-3.1%	-1.1	
Total revenue ²	401.8	409.5	+1.9%	+7.7	
EBITDA	83.9	86.3	+2.8%	+2.3	
<i>EBITDA margin³</i>	20.9%	21.1%	-	-	
Depreciation, amortisation and impairment losses	-7.5	-7.3	+2.7%	+0.2	
EBIT	76.5	79.0	+3.3%	+2.5	Further improvement in operating profit
<i>EBIT margin³</i>	19.0%	19.3%	-	-	

1) Figures adjusted for 2012 due to early application of IAS 19 (revised)

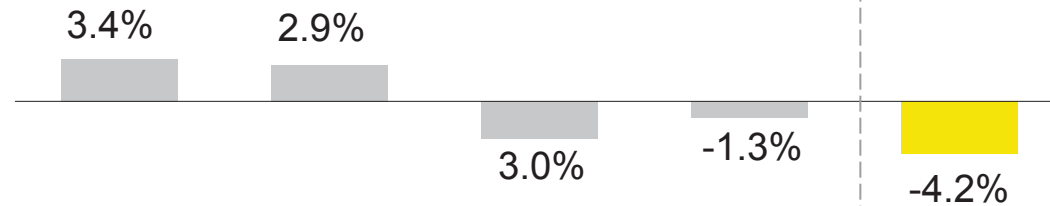
2) External sales plus internal sales

3) EBIT and EBITDA in relation to total revenue



PARCEL & LOGISTICS DIVISION: REVENUE TRENDS Q1 2013

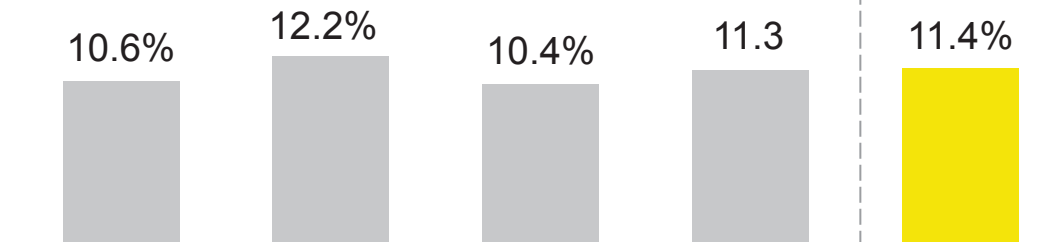
Germany¹



Germany:

Revenue decline due to competitive environment and focus on profitability

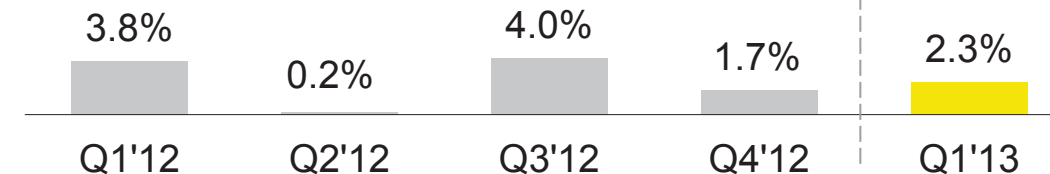
Austria



Austria:

Growth momentum from online shopping and higher market share in the business customer segment

South East and Eastern Europe



South East/Eastern Europe:

Strong volume growth resulted in revenue increase despite price pressure

1) Revenue development excl. Benelux subsidiaries



PARCEL & LOGISTICS DIVISION: KEY INCOME STATEMENT INDICATORS

EUR m	Q1 2012 ¹	Q1 2013	%	Change absolute	
External sales	220.8	212.1	-3.9%	-8.6	Revenue rise of 1.0%
External sales excl. Benelux	210.0	212.1	+1.0%	+2.2	
▪ Premium Parcel/B2B	169.4	158.9	-6.2%	-10.4	
▪ Standard Parcel/X2C	43.6	45.9	+5.2%	+2.3	
▪ Logistics Services	7.8	7.3	-6.0%	-0.5	
Total revenue ²	223.1	214.2	-4.0%	-8.9	
EBITDA	13.0	12.4	-4.7%	-0.6	
<i>EBITDA margin³</i>	5.8%	5.8%	-	-	
Depreciation, amortisation and impairment losses	-5.2	-5.0	+3.6%	+0.2	EBIT margin of over 3% also expected for the entire year 2013
EBIT	7.8	7.4	-5.4%	-0.4	
<i>EBIT margin³</i>	3.5%	3.4%	-	-	

- 1) Figures adjusted for 2012 due to early application of IAS 19 (revised)
- 2) External sales plus internal sales
- 3) EBIT and EBITDA in relation to total revenue



EARLY APPLICATION OF IAS 19 (REVISED)

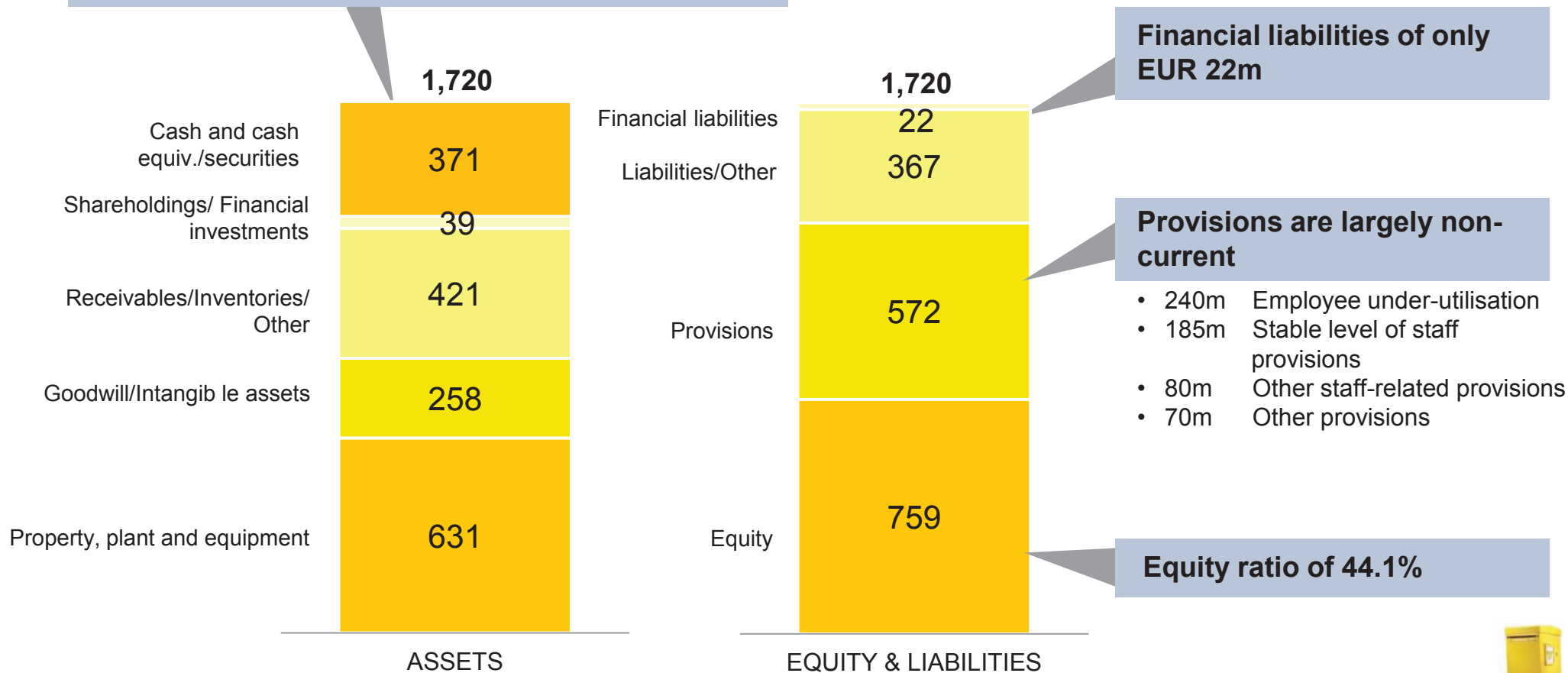
- **IAS 19 (revised):** Reclassification of actuarial gains/losses from the income statement (recognised in profit or loss) to equity (with no affect on profit or loss)
- Changes in the following items: staff costs, results of investments consolidated at equity and income tax (see table)
- **No impact on the balance sheet** on provisions, due to the fact that they were previously and fully recognized at their current value (corridor method was not applied)

EUR m	Q1 2012 reported	Q1 2012 revised	H1 2012 reported	H1 2012 revised	Q1-3 2012 reported	Q1-3 2012 revised	FY 2012 reported =revised
Staff costs	-284.4	-281.8	-549.5	-547.0	-800.3	-794.8	-1,091.4
At equity	-2.6	-2.6	-2.0	-2.0	-12.1	-12.1	-13.9
EBIT	55.8	58.3	92.2	94.7	125.6	131.0	182.4
EBIT Mail & Branch Network Div.	74.4	76.5	135.0	137.0	189.0	193.4	272.5
EBIT Parcel & Logistics Div.	7.6	7.8	11.4	11.6	16.4	17.0	25.3
Income tax	-14.3	-14.9	-20.6	-21.2	-28.6	-29.9	-28.4
Profit for the period	41.4	43.3	70.8	72.6	94.9	99.0	123.2



BALANCE SHEET STRUCTURE WITH HIGH LEVEL OF CASH AND CASH EQUIVALENTS

Liquid financial resources of EUR 371m
Dividend payment of EUR 122m on May 2, 2013

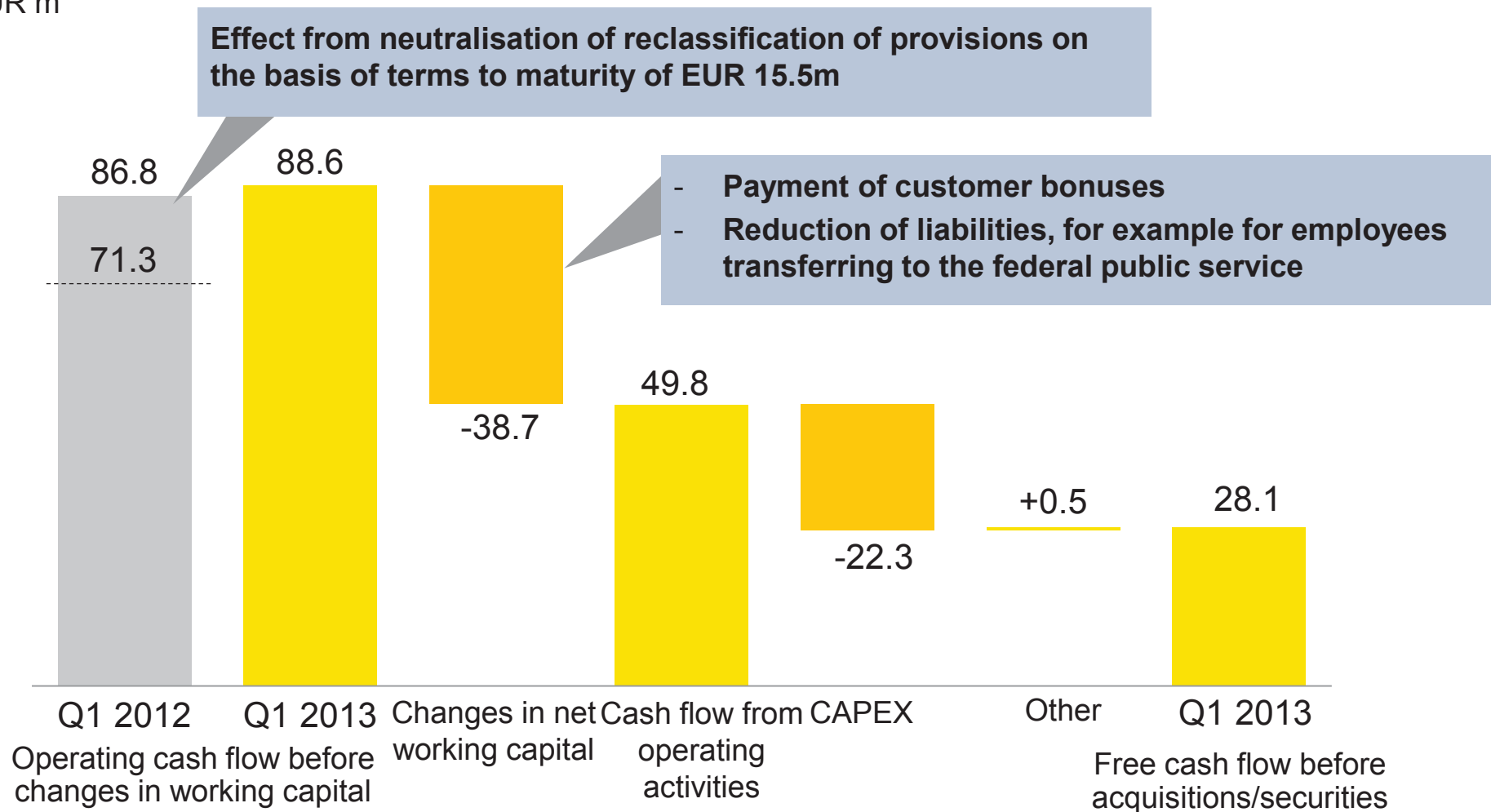


Balance sheet as at March 31, 2013 in EUR m



SOLID CASH FLOW

EUR m



Reporting adapted for 2012: neutralisation of reclassification from non-current provisions to current provisions and liabilities (previous presentation, reported Q1 2012). From now on, the allocation to or release of non-current provisions is recognized in the operating cash flow before changes in working capital, whereas their use is reported as changes in net working capital.



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OUTLOOK 2013 IS CONFIRMED

Market environment	<ul style="list-style-type: none">▪ Ongoing electronic substitution of addressed letter mail, stable development of advertising mail, impetus from elections in 2013▪ Growth in the private parcel customer segment, ongoing intensive competition continues for business parcel customers
Revenue	<ul style="list-style-type: none">▪ Medium-term growth target of 1-2% annually remains valid▪ Stable or slightly rising revenue also in 2013
Costs & investments	<ul style="list-style-type: none">▪ Automation, efficiency enhancement and structural improvements, CAPEX 2013 of approx. EUR 90m▪ Selective acquisition policy: focus on growth markets as well as strengthening and deepening the core business in Austria
Earnings	<ul style="list-style-type: none">▪ EBITDA margin will continue to be in the targeted range of 10–12%▪ Objective of improving EBIT in 2013



CONTACT

Austrian Post

Investor Relations

Haidingergasse 1, 1030 Vienna

Website: www.post.at/ir

E-mail: investor@post.at

Phone: +43 57767-30401

Fax: +43 57767-30409

Financial calendar 2013

May 17, 2013 Interim report Q1 2013

Aug. 7, 2013 Half-year financial report 2013

Nov. 14, 2013 Interim report Q1-3 2013

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