



AUSTRIAN POST Investor Presentation Q1-3 2021



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Vienna, 11 November 2021



1. HIGHLIGHTS AND OVERVIEW



2. Strategy Implementation
3. Group Results Q1-3 2021
4. Outlook 2021

AUSTRIAN POST AT A GLANCE



Mail

- Letter Mail
- Direct Mail
- Newspapers and Magazines

Revenue 2020:
EUR 1,223m



Parcel & Logistics

- Parcels and Express
- Fulfillment and Cash Transport
- E-Commerce Services

Revenue 2020:
EUR 914m



Retail & Bank

- Branch and Financial Services
- Customer Services

Revenue 2020:
EUR 65m



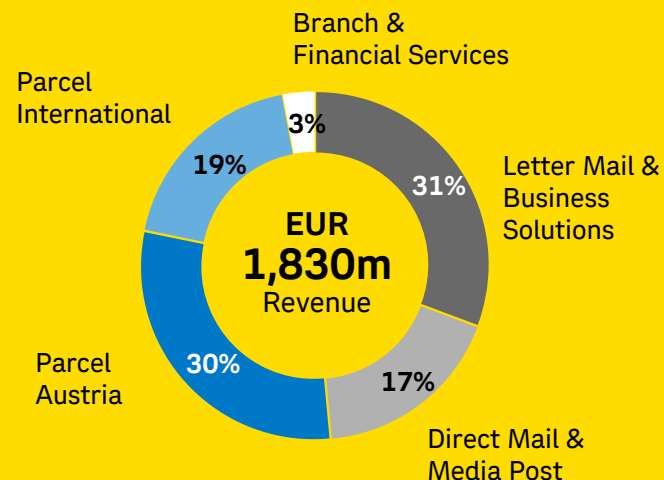
Group

Revenue 2020: EUR 2,189m

EBITDA 2020: EUR 303m

EBIT 2020: EUR 161m

Revenue mix Q1-3 2021



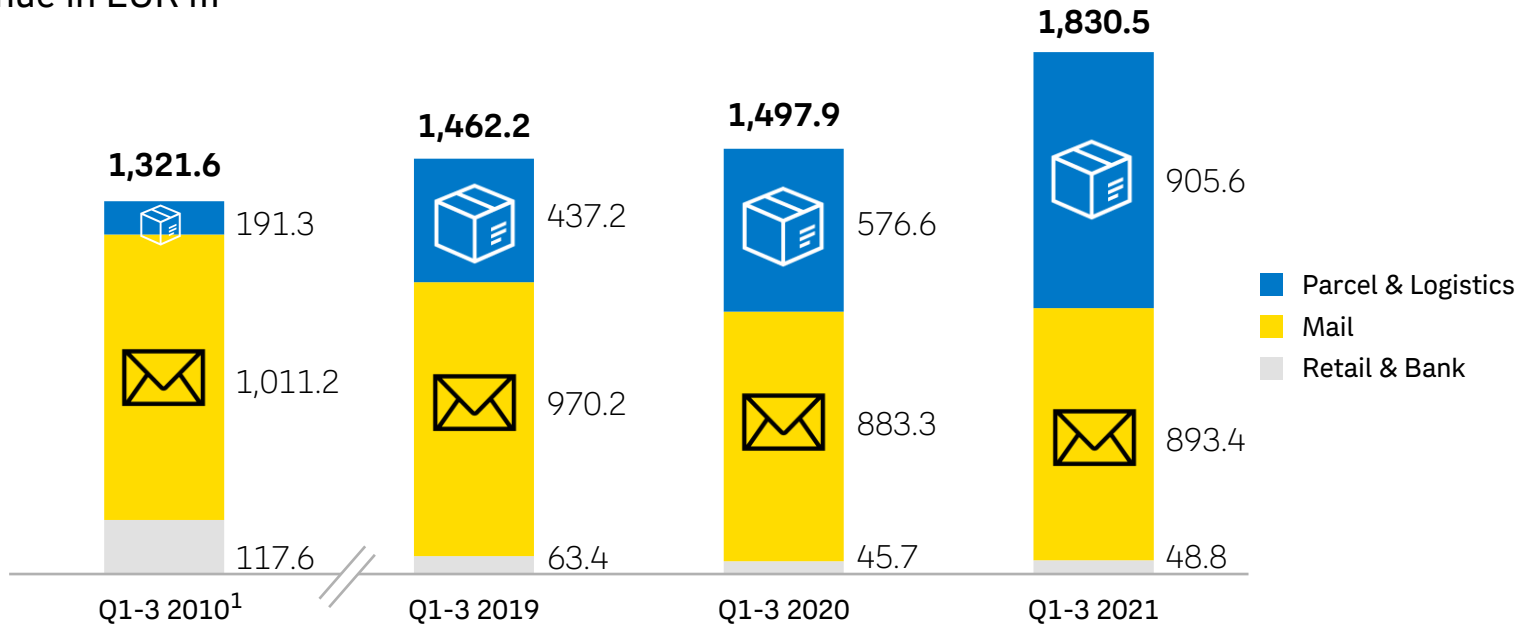
ONGOING STRUCTURAL CHANGE



Consistent strategy implementation enables balanced positioning

Mail and parcel as strong pillars

Revenue in EUR m



¹Adjusted presentation – excl. trans-o-fflex

Q1-3 2021 OVERVIEW



Trends

Q1-3 business development driven by a strong recovery; market environment increasingly affected by macroeconomic issues

- Decline in traditional letter mail continues
- Volatile and marginally declining direct mail volumes
- Parcel volumes: from a growth spurt to a moderate rise at present



Revenue

Group +10.5% (+2.4% organic)

Q3

Mail	-2.6%
Parcel & Logistics	+33.0% (+14.4% org.)
Retail & Bank	-13.5%

Group +22.2% (+8.8% organic)

Q1-3

Mail	+1.1%
Parcel & Logistics	+57.1% (+22.8% org.)
Retail & Bank	+6.7%



Earnings

Q3

EBITDA	+21.0% to EUR 81.9m
EBIT	+22.4% to EUR 40.6m

Q1-3

EBITDA	+48.1% to EUR 266.3m
EBIT	+76.9% to EUR 144.0m



Outlook

2021

- Expected revenue growth of about 15%
- EBIT forecasted to rise by approx. 25%

2022

- Targeted revenue increase
- Expected EBIT development:
Decline in Mail, stability in Parcel & Logistics and rise in Retail & Bank

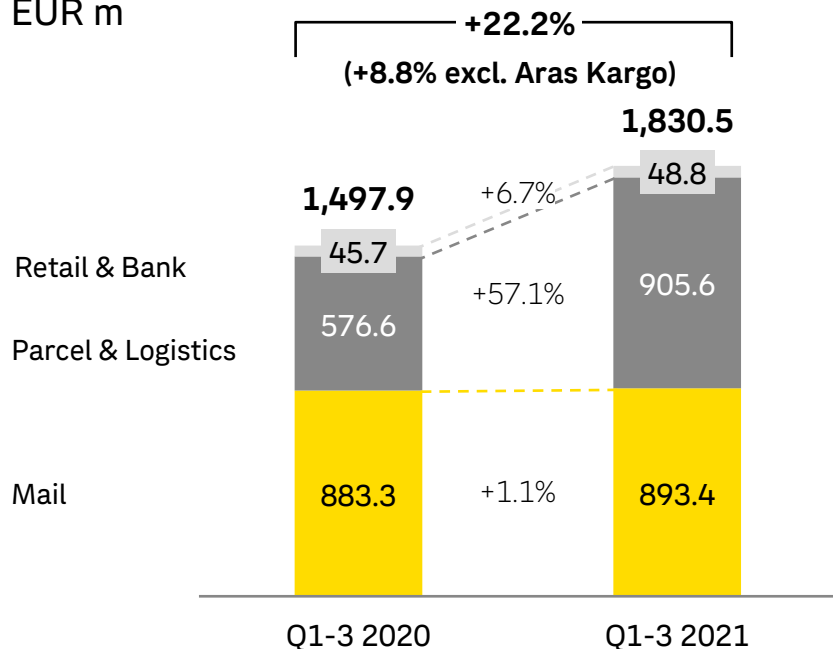
ONGOING POSITIVE REVENUE DEVELOPMENT IN Q1-3 2021

Organic and inorganic growth in the parcel business



Revenue development

EUR m



Group: +22.2% to EUR 1,830.5m

Full consolidation of the Turkish company Aras Kargo increases total revenue

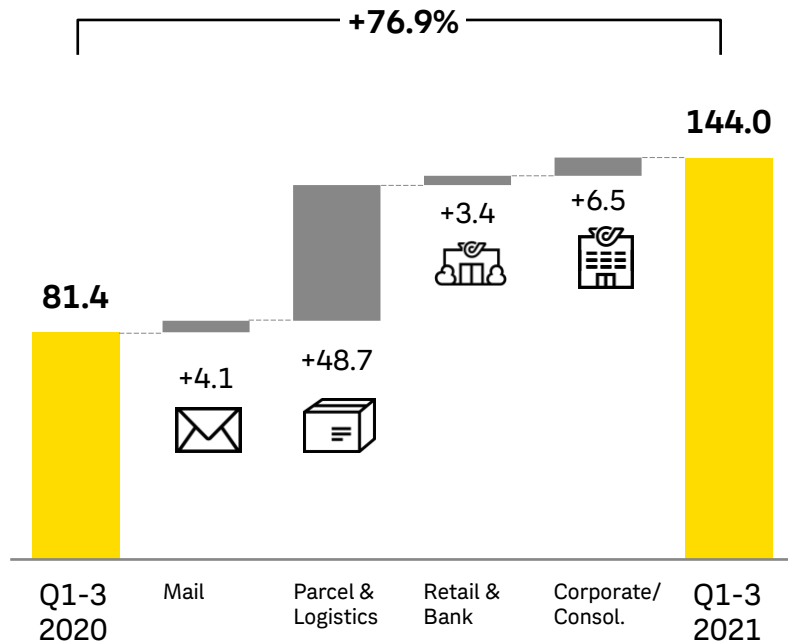
- ▶ **Mail: +1.1% to EUR 893.4m**
 - Letter Mail & Business Solutions revenue up by 0.7% to EUR 570.0m (Q3 2021: -3.7%)
 - Direct Mail and Media Post revenue increases by 2.0% to EUR 323.4m after sharp decline in the previous year (Q3 2021: -0.6%)
- ▶ **Parcel & Logistics: +57.1% to EUR 905.6m**
 - Further revenue growth in Austria of 24.5% to EUR 562.2m (Q3 2021: +16.3%)
 - Aras Kargo fully consolidated as at 25 August 2020
 - International business generates revenue of EUR 343.4m
- ▶ **Retail & Bank: +6.7% to EUR 48.8m**
 - Result from Financial Services from EUR 12.4m to EUR 18.9m

STRONG EARNINGS IMPROVEMENT DUE TO THE PARCEL BUSINESS



EBIT development

EUR m



Group: +76.9% to EUR 144.0m

Earnings increase in all divisions

- ▶ **Mail: +3.8% to EUR 110.8m**
 - Slight recovery compared to 2020 leads to positive earnings development in the letter and direct mail business
- ▶ **Parcel & Logistics: EUR +48.7m to EUR 81.3m**
 - Strong organic and inorganic revenue development as well as positive special effects in logistics services result in higher earnings
- ▶ **Retail & Bank: +9.1% to EUR -33.9m**
 - Long-term investment: Launch of bank99 in April 2020
 - Earnings improvement thanks to higher profits in Q1-3 2021
 - Special effect on earnings due to staff-related provisions mainly in Q1 2021



1. Highlights and Overview



2. STRATEGY IMPLEMENTATION

3. Group Results Q1-3 2021

4. Outlook 2021

AHEAD TO THE FUTURE



1 Defending market leadership and profitability in the core business



Sustainability, diversity and customer orientation as guideline for all activities

2 Profitable growth in near markets

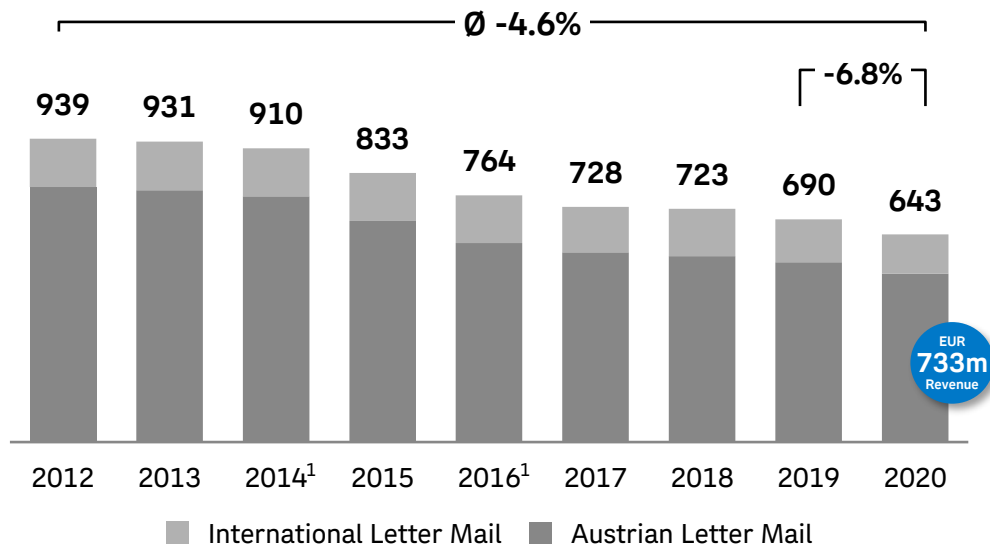


3 Development of retail and digital offerings for private customers and SMEs

1 LETTER MAIL



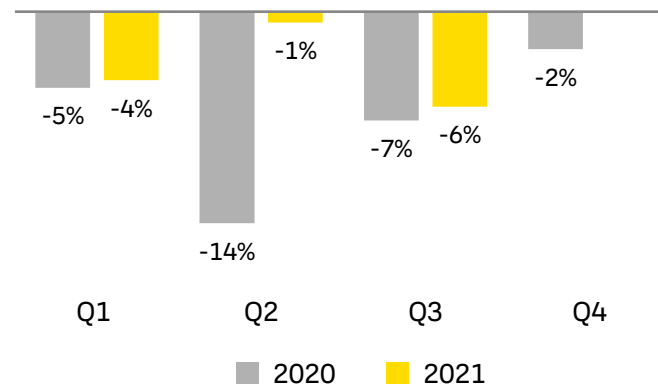
Volumes (millions of items)



Steady decline of letter mail volumes

- Q3 2021: drop of 6%
- Q1-3 2021: -4% (after -8% in Q1-3 2020)

2020-2021 Letter Mail volumes in Austria (items on a daily basis)

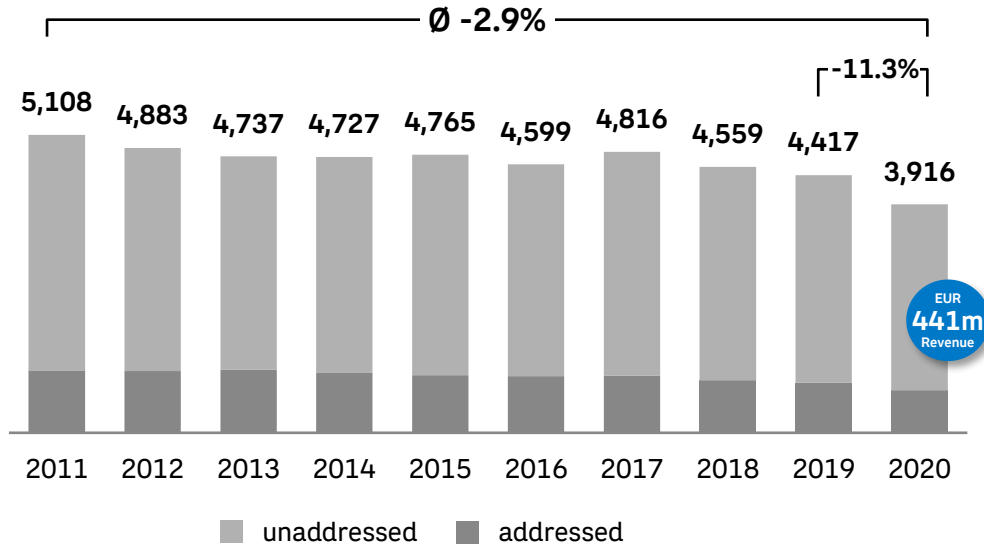


¹ Adjusted presentation due to automated calculation methodology

1 DIRECT MAIL/MEDIA POST IN AUSTRIA



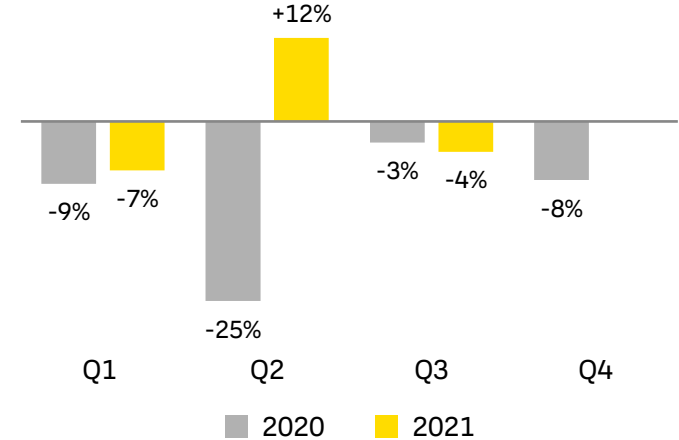
Volumes (millions of items)



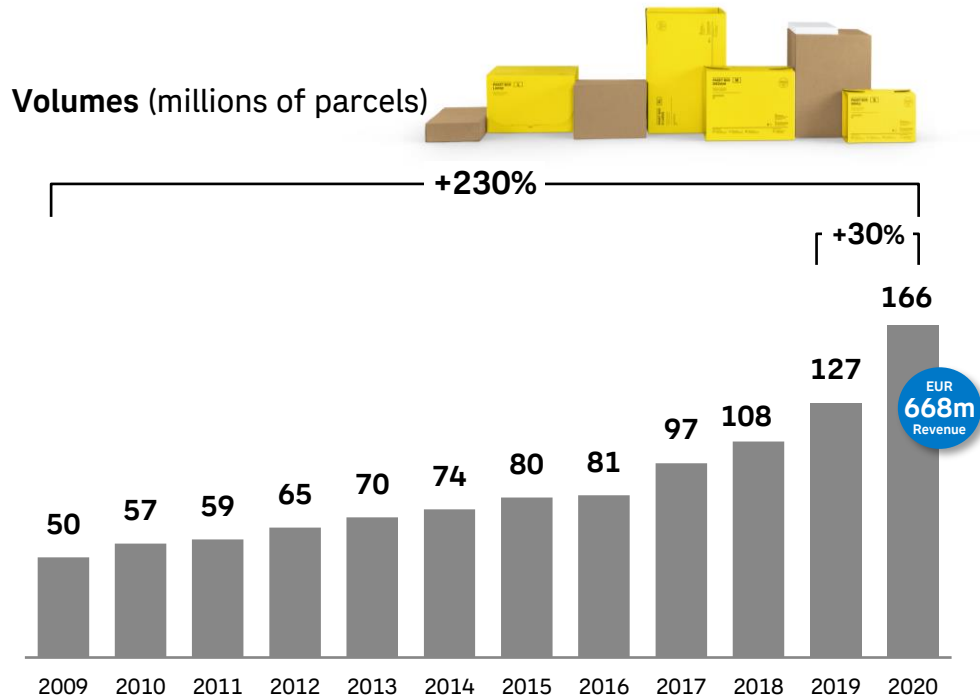
Ongoing volatile development of direct mail and media post volumes

- Q3 2021: decrease of 4%
- Q1-3 2021: -0.2% (after sharper decline of 13% in Q1-3 2020)

2020-2021 Direct Mail/Media Post volumes in Austria (items on a daily basis)



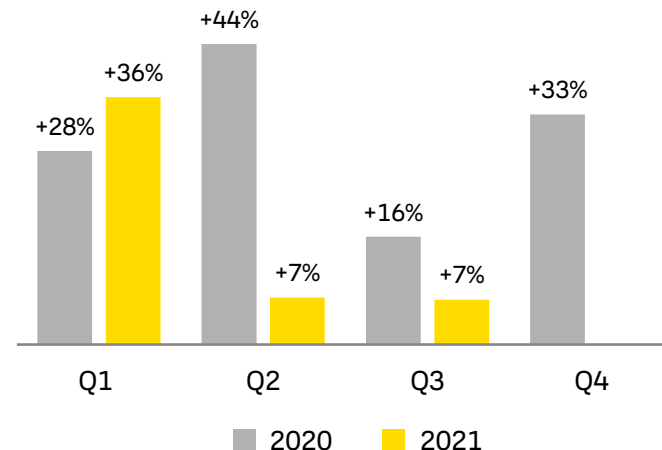
1 GOOD GROWTH IN THE AUSTRIAN PARCEL BUSINESS



Moderate volume growth following high increases in the prior-year period

- Q3 2021: growth of 7%
- Q1-3 2021: +16% (after +28% in Q1-3 2020)

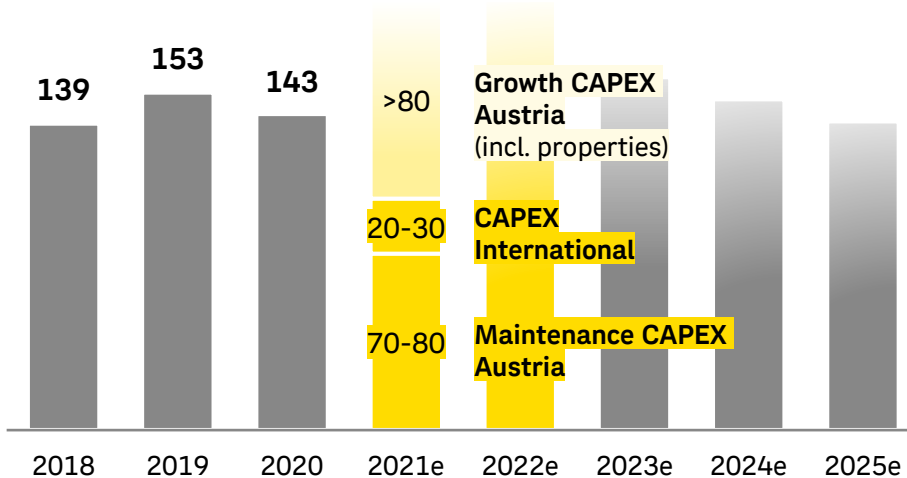
2020-2021 Parcel business volumes in Austria (items on a daily basis)



1 INVESTMENTS IN THE LOGISTICS INFRASTRUCTURE



CAPEX (EUR m)



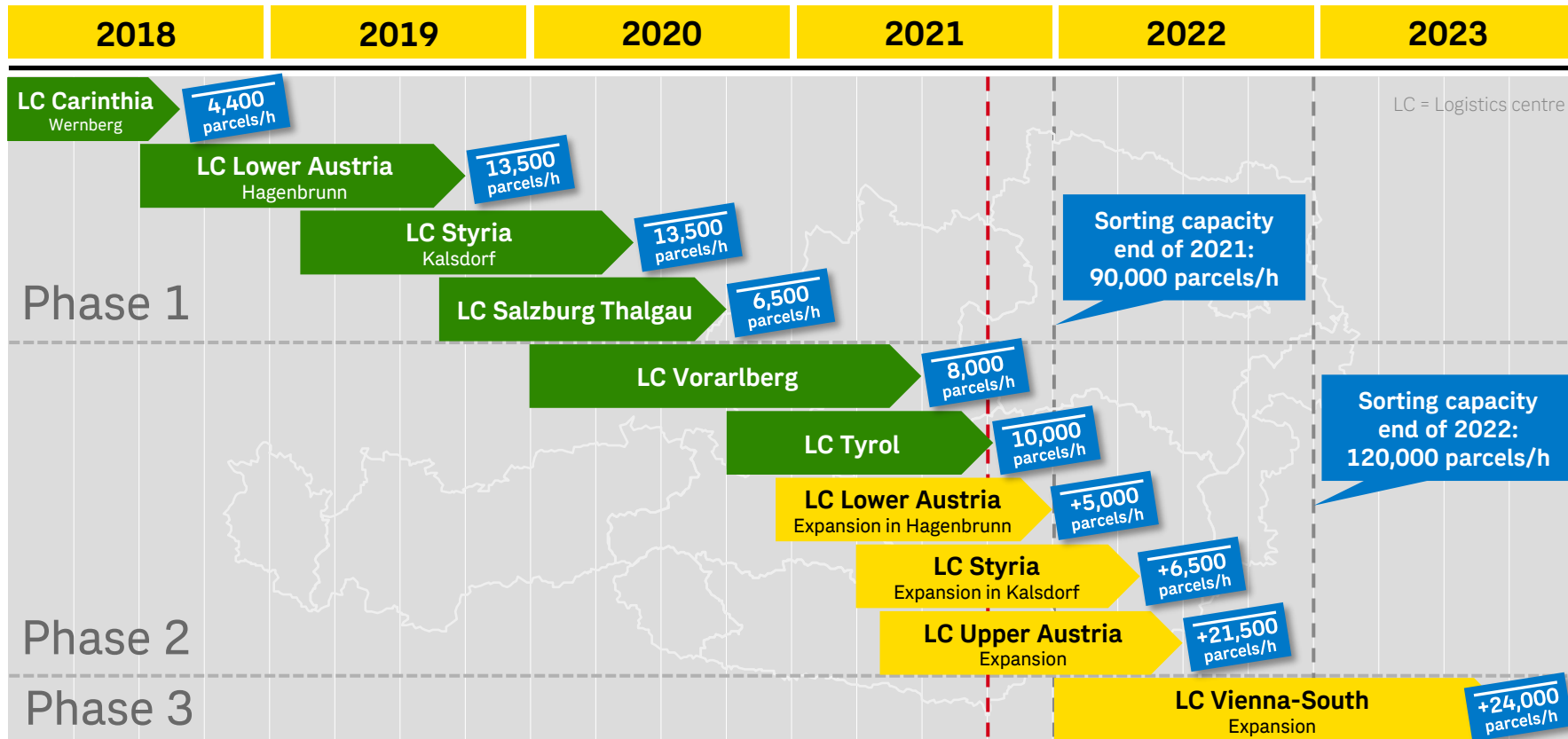
Capacity expansion is the top priority

- Maintenance CAPEX of EUR 51.4m in Q1-3 2021
- Growth CAPEX of EUR 42.5m in Q1-3 2021

Ongoing implementation of the investment programme:

- +50% sorting capacity in 2020-2022
- 2021: Expansion of the Logistics Centre Lower Austria
- 2022: Expansion of the Logistics Centres Styria, Upper Austria and Vienna-South

1 EXPANSION OF THE AUSTRIAN LOGISTICS INFRASTRUCTURE

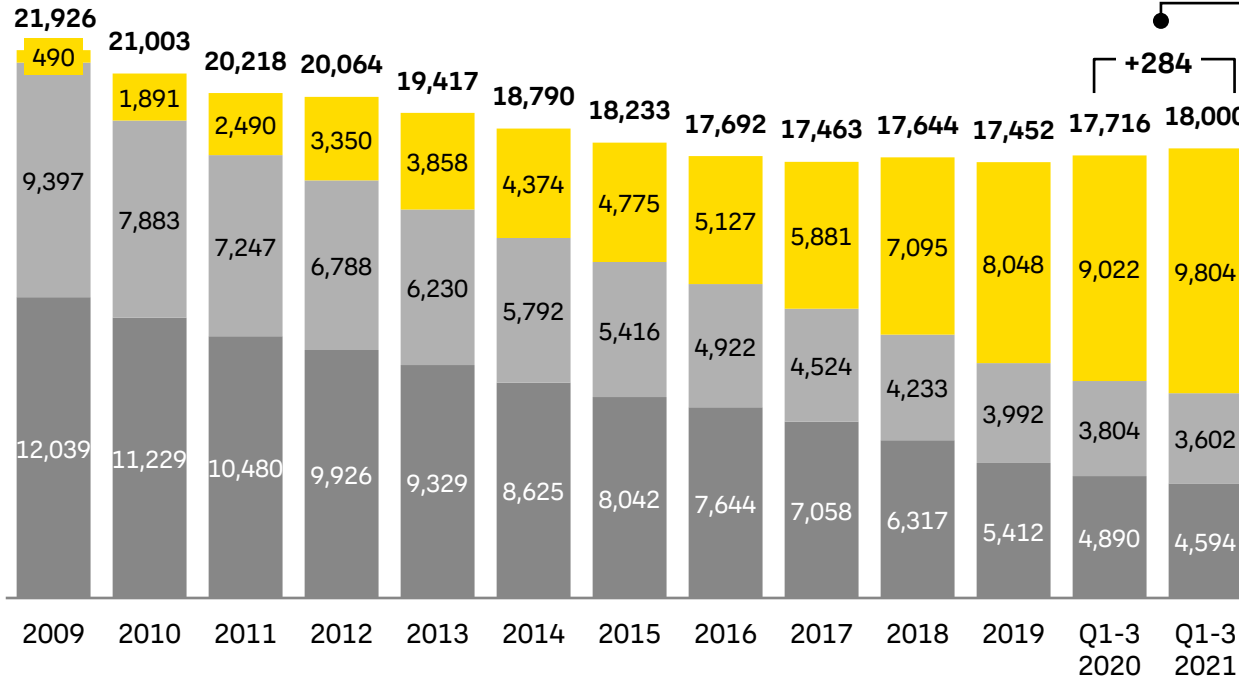


1 STAFF STRUCTURE IN AUSTRIA

Employees in the Austrian core business



FTEs (average for the period)



Increased demand for logistics staff due to higher parcel volumes

-296 Civil Servants
 -202 Employees Old CLA
 +782 Employees New CLA

+284 Employees

- New Collective Labour Agreement since 2009
- Old Collective Labour Agreement since 2009
- Civil Servants

2 GROWTH IN NEAR MARKETS



**Proximity to the core business:
Extending the value chain and digital development
of the business model**

Extending the value chain

- Scanpoint – scanning services
- D2D – print services
- Systemlogistik – warehousing, order picking, shipping
- Wertlogistik – transport of valuable goods and cash
- EMD – electronic and microfilm documentation systems

Digital development of the business model

- ACL advanced commerce labs – e-commerce software solutions
- adwerserve – digital advertising solutions
- sendhybrid – e-letter

EUR
~60m
REVENUE P.A.



**Regional proximity:
Focus on parcel business in CEE/SEE
and Turkey**

EUR
>400m
REVENUE P.A.

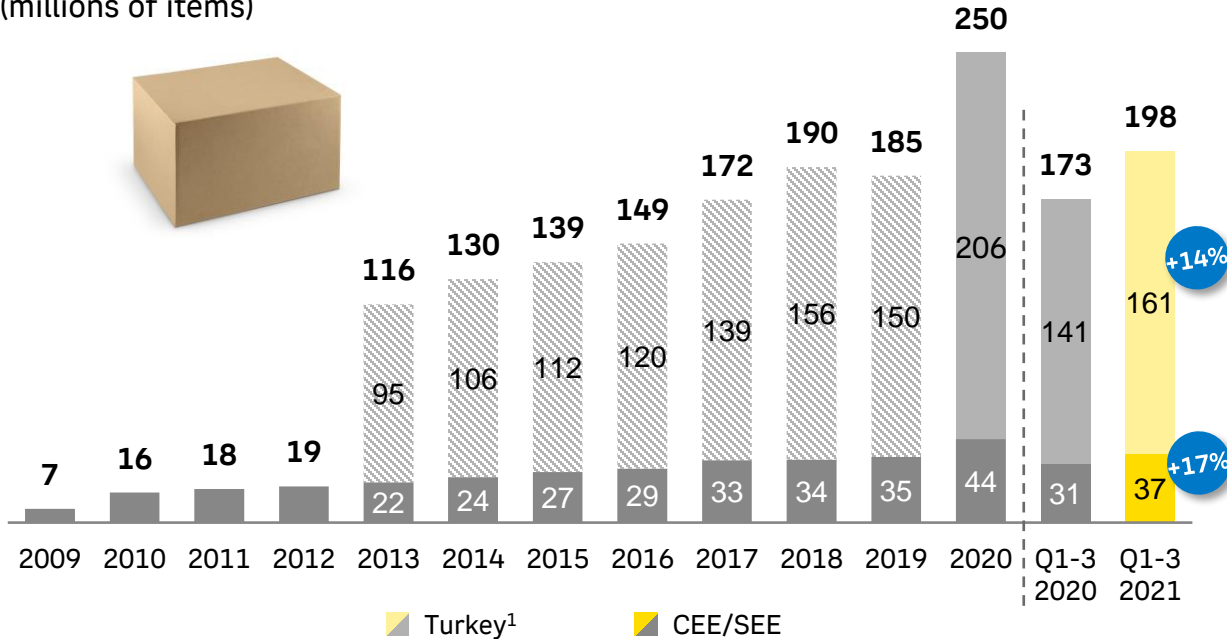
Top player in near markets

- | | |
|------------|--------------------------|
| - Turkey | - Serbia |
| - Slovakia | - Bulgaria |
| - Hungary | - Bosnia and Herzegovina |
| - Croatia | - Montenegro |

2 ONGOING GROWTH IN THE INTERNATIONAL PARCEL MARKETS OF AUSTRIAN POST



Parcel volumes in Turkey & CEE/SEE
(millions of items)



Turkey: growth market with strong e-commerce dynamics

CEE/SEE: Strong volume growth driven by the COVID-19 pandemic

¹ Including documents; full consolidation of the company as at 25 August 2020 (prior to that 25% stake)
INVESTOR PRESENTATION Investor Relations Vienna, 11 November 2021

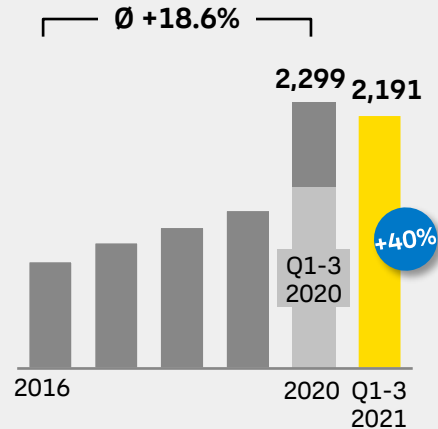
2 ARAS KARGO



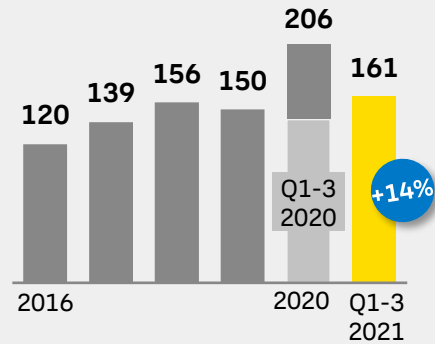
Financial indicators

- Q1-3 2021 revenue: TRY 2,191m (EUR 227m)
- Full consolidation as at 25 August 2020
- Company with strong balance sheet, no loans

Revenue (TRY m)



Parcel volumes (millions of items)



3 BANK99 + ING RETAIL BUSINESS IN AUSTRIA



bank99 AG

Complementary customer structure...

- ✓ More than 90,000 customers

Complementary strengths...

- ✓ Current accounts
- ✓ Payment transactions

ING in Austria (private customers)

...from a regional/demographic perspective

- ✓ More than 100,000 customers

...in product structure

- ✓ Consumer and mortgage loans
- ✓ Investment products

Closing
end 2021
expected

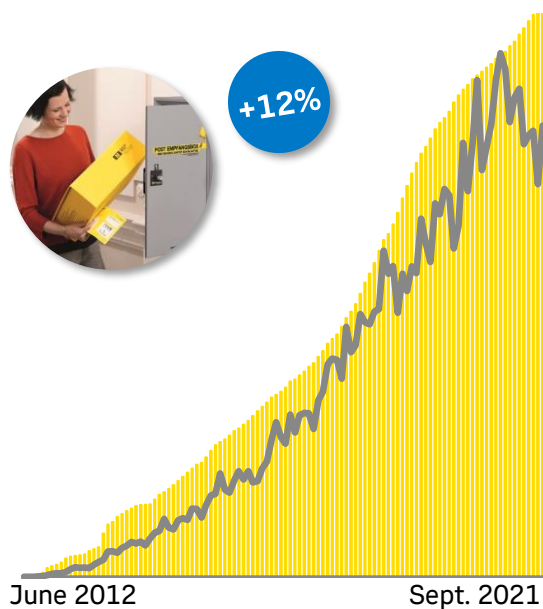
- ✓ Retail and digital bank with approx. 200,000 customers
- ✓ Balance sheet total of over EUR 2.5 bn
- ✓ Complete portfolio of banking and insurance services (on own and third-party financial products)



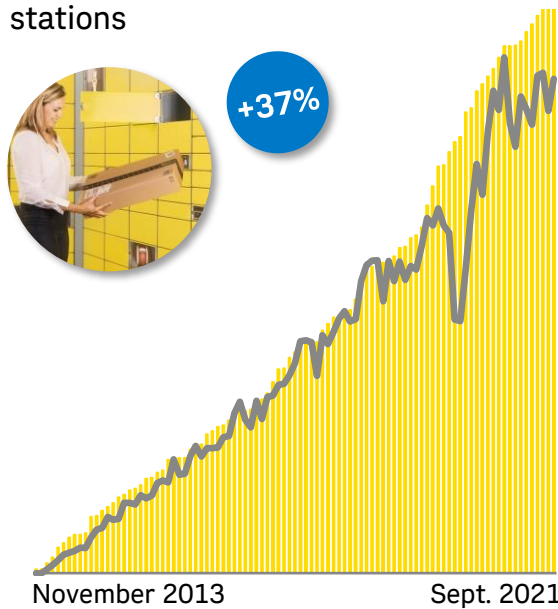
3 SELF-SERVICE ZONES: INNOVATIVE SERVICES FOR SENDING AND RECEIVING



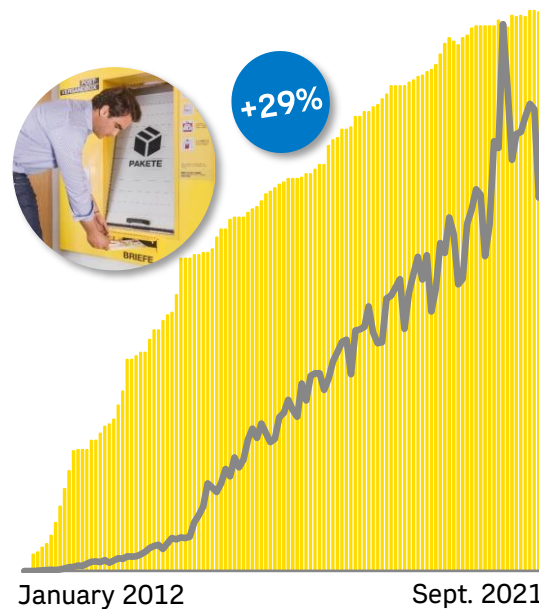
Q1-3 2021: >3.4m items
57,224 pick-up boxes



Q1-3 2021: >4.3m items
93,833 compartments in pick-up stations



Q1-3 2021: >6.6m items
478 drop-off boxes



● Q1-3 2021 vs. Q1-3 2020 ■ Number of self-service solutions — Items/month

AHEAD TO THE FUTURE



1 Defending market leadership and profitability in the core business



Sustainability, diversity and customer orientation as guideline for all activities

2 Profitable growth in near markets



3 Development of retail and digital offerings for private customers and SMEs

▶ STRATEGIC SUSTAINABILITY TARGETS BY 2030



Economy & Customers

▶ Continuation of the growth path

Revenue of EUR 3 bn in 2030 based on continuous parcel growth



Environment & Climate

▶ Decarbonisation of logistics:

- 40% reduction in absolute CO₂ emissions
- 70% decline in specific CO₂ emissions
- 100% CO₂-free delivery in Austria



People & Social

▶ Top employer based on a safe and diverse working environment

40% women in executive positions



▶ CURRENT TOPICS 2030 SUSTAINABILITY MASTER PLAN



Economy & Customers



Sustainable governance

- Further development of sustainability reporting (EU taxonomy)
- Group-wide remuneration system with sustainability targets
- 10th Stakeholder Roundtable

Environment & Climate



Carbon reduction measures

- Expansion of the e-vehicle fleet
- Expansion of photovoltaic systems
- Successful implementation of „Green Graz“



People & Social



Corporate & leadership culture

- Corporate COVID-19 vaccination
- Workshops to formulate the new corporate culture
- Development of a comprehensive concept of measures for the "New Normal" - the new hybrid way of working



▶ FLAGSHIP PROJECT "GREEN GRAZ"

Emission-free delivery since the end of October 2021



Mail delivery

100% carbon-free
65 e-cars, 15 e-mopeds, 52 e-bikes

AUGUST



City Hub

Pilot project in Vienna and Graz
Shift to foot tours, high productivity



Electric vehicles in parcel delivery

Test of first vehicles on the market
Loading volume and range



"Green Graz" rollout

100% carbon-free, 135 e-cars, 15 e-mopeds, 52 e-bikes
140 charging stations, 1,2m emission-free kilometers per year

OCTOBER



► “GREEN PACKAGING” Reusable solutions for parcel shipping

- Pilot project with five cooperating retail companies: dm, INTERSPAR online store weinwelt.at, INTERSPORT, Tchibo and Thalia
- Launch in February 2022
- Four sustainable reusable packaging products in testing

01 Re-Zip Boxes



Lifetime:
5-10 cycles

02 Re-Zip Bags



Lifetime:
10-30 cycles

03 Packoorang Bags



Lifetime:
50-100 cycles

04 Returnity Wine Boxes



Lifetime:
100-125 cycles



-
1. Highlights and Overview
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FINANCIAL INDICATORS AT A GLANCE



	Q1-3 2020	Q1-3 2021	
Revenue (EUR m)	1,497.9	1,830.5	Ongoing good revenue development of +22.2%
EBITDA margin (%)	12.0	14.6	Strong parcel business improves EBITDA margin
EBIT margin (%)	5.4	7.9	Good development of the EBIT margin
Earnings/share (EUR)	1.03	1.57	Earnings per share up EUR 0.54 from the prior year
Cash flow (EUR m)	94.6	196.5	Strong operating free cash flow

KEY INCOME STATEMENT INDICATORS



EUR m	Q1-3 2020 ¹	Q1-3 2021	%	Δ	Q3 2020 ¹	Q3 2021	
Revenue	1,497.9	1,830.5	22.2%	332.6	516.0	570.1	Good development of all divisions, positive special effects due to one-off mailings and logistics services in Mail and Parcel
Other operating income	44.0	59.3	34.8%	15.3	15.6	16.2	
Raw materials, consumables and services used	-395.3	-516.9	-30.8%	-121.6	-134.9	-161.9	
Staff costs	-746.2	-847.5	-13.6%	-101.3	-251.6	-259.9	Staff costs excl. Aras Kargo increased by 7.2%
Other operating costs	-221.8	-259.3	-16.9%	-37.5	-78.5	-82.5	
At equity consolidation	1.4	0.3	-81.8%	-1.2	0.9	-0.1	
EBITDA	179.9	266.3	48.1%	86.4	67.6	81.9	Year-on-year EBITDA improvement of EUR 86.4m
<i>EBITDA margin</i>	<i>12.0%</i>	<i>14.6%</i>	-	-	<i>13.1%</i>	<i>14.4%</i>	
Depreciation, amort. and impairment	-98.5	-122.3	-24.2%	-23.8	-34.5	-41.3	
EBIT	81.4	144.0	76.9%	62.6	33.2	40.6	Good quarterly EBIT driven by positive revenue development
<i>EBIT margin</i>	<i>5.4%</i>	<i>7.9%</i>	-	-	<i>6.4%</i>	<i>7.1%</i>	
Financial result	3.9	1.6	-58.6%	-2.3	-1.2	-3.0	
Income tax	-20.8	-35.1	-68.8%	-14.3	-6.6	-11.2	
Profit for the period	64.5	110.5	71.4%	46.0	25.4	26.3	
Earnings per share (EUR)	1.03	1.57	51.9%	0.54	0.37	0.39	

¹ Adjusted presentation

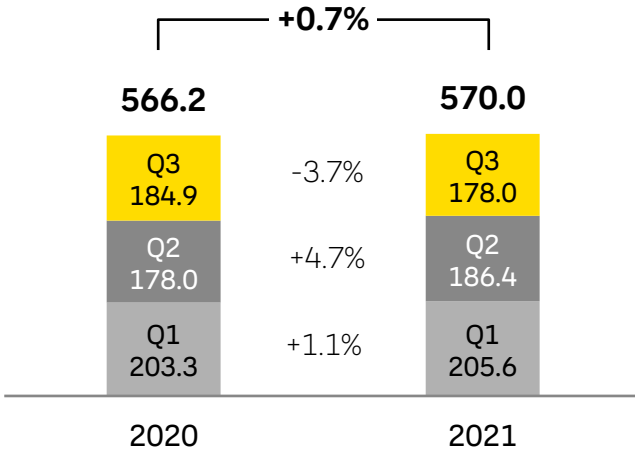


MAIL DIVISION: Q1-3 2021 REVENUE DEVELOPMENT



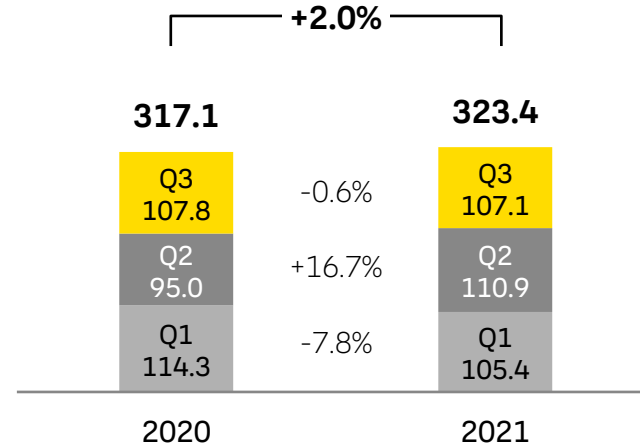
Letter Mail & Business Solutions (EUR m)

- Revenue increase of 0.7% in Q1-3 2021
- Ongoing drop of letter mail volumes in Austria, down 4% in Q1-3 2021 after accelerated decline of 8% in 2020
- Positive effects due to product/postal rate adjustments as at 1 April 2020 and special mailings in Q1-3 2021



Direct Mail/Media Post (EUR m)

- Revenue growth of 2.0% in Q1-3 2021
- Slight volume decline in Austria of 0.2% in Q1-3 2021, drop of 4% in Q3 2021
- Addressed mail items: advertising remains structurally weak
- High volatility of unaddressed mail items





MAIL DIVISION: KEY INCOME STATEMENT INDICATORS



EUR m	Q1-3 2020	Q1-3 2021	%	Δ	Q3 2020	Q3 2021
Revenue	883.3	893.4	1.1%	10.1	292.7	285.2
• Letter Mail & Business Solutions	566.2	570.0	0.7%	3.8	184.9	178.0
• Direct Mail	232.8	236.3	1.5%	3.5	80.0	78.7
• Media Post	84.3	87.1	3.3%	2.8	27.8	28.4
Revenue intra-Group	2.0	2.0	-3.0%	-0.1	0.7	0.6
Total revenue	885.3	895.3	1.1%	10.1	293.3	285.7
EBIT	106.7	110.8	3.8%	4.1	33.5	28.4
<i>EBIT margin¹</i>	<i>12.1%</i>	<i>12.4%</i>	-	-	<i>11.4%</i>	<i>9.9%</i>

Solid revenue development of letter mail against the backdrop of an ongoing volume decline

Slight revenue increase for direct mail and media post compared to weak Q1-3 2020

EBIT margin remains high at 12.4% (Q3 2021: 9.9%) and includes positive (special mailings) and negative effects (provisions)

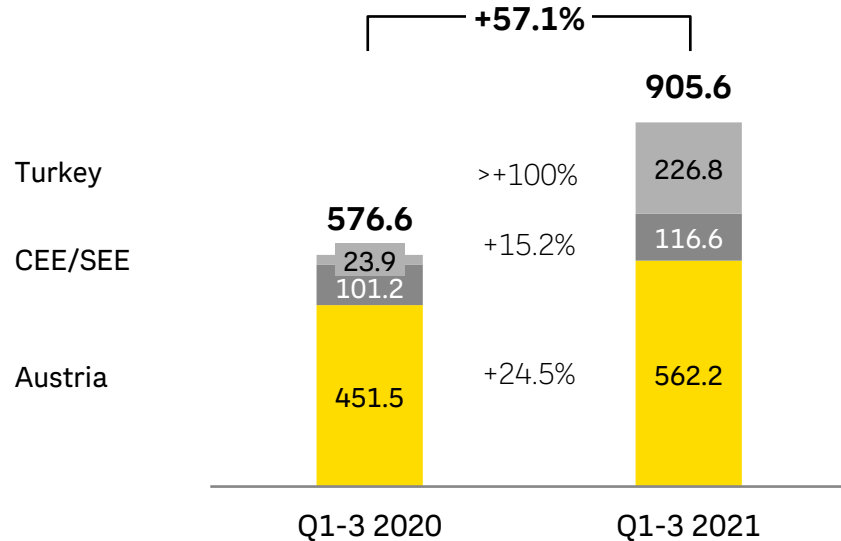
¹ EBIT margin in relation to total revenue



PARCEL & LOGISTICS DIVISION: Q1-3 2021 REVENUE DEVELOPMENT

Revenue development

EUR m



Parcel & Logistics Division: +57.1%

E-commerce and Aras Kargo continue to drive revenue upwards

- ▶ **Austria: EUR +110.7m**
 - Ongoing strong revenue growth
- ▶ **CEE/SEE: EUR +15.4m**
 - Volume growth in South East and Eastern Europe continues
- ▶ **Turkey: EUR 226.8m in Q1-3 2021**
 - Full consolidation of Aras Kargo as at 25 August 2020



PARCEL & LOGISTICS DIVISION: KEY INCOME STATEMENT INDICATORS



EUR m	Q1-3 2020	Q1-3 2021	%	Δ	Q3 2020	Q3 2021
Revenue	576.6	905.6	57.1%	329.0	208.7	277.6
• Premium	343.1	606.9	76.9%	263.7	131.1	182.1
• Standard	182.5	219.2	20.2%	36.8	60.4	65.6
• Other Parcel Services	51.1	79.5	55.8%	28.5	17.3	29.9
Revenue intra-Group	0.7	0.7	-5.6%	0.0	0.2	0.2
Total revenue	577.4	906.3	57.0%	329.0	209.0	277.8
EBIT	32.6	81.3	>100%	48.7	14.5	21.6
<i>EBIT margin¹</i>	<i>5.7%</i>	<i>9.0%</i>	-	-	<i>6.9%</i>	<i>7.8%</i>

Organic and inorganic growth in the parcel business

EBIT margin positively impacted by the current market environment, full consolidation of Aras Kargo and special effects relating to logistics services

¹ EBIT margin in relation to total revenue

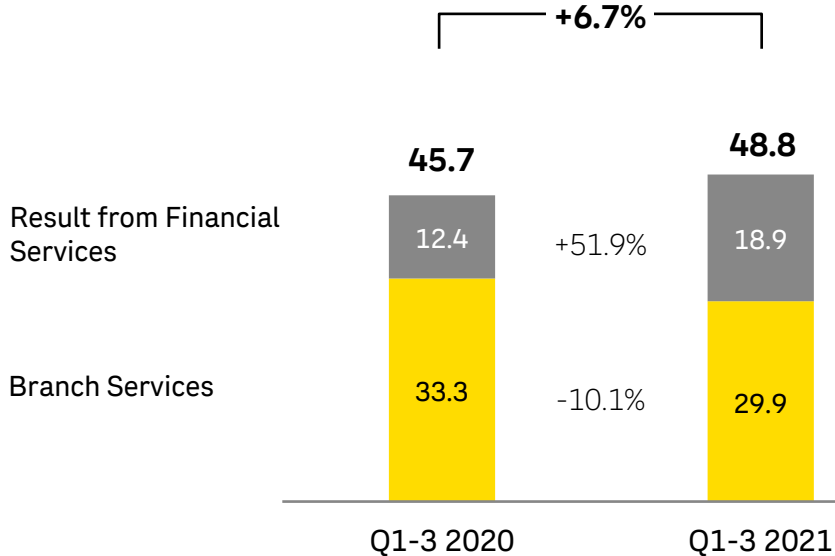


RETAIL & BANK DIVISION: Q1-3 2021 REVENUE DEVELOPMENT



Revenue development

EUR m



Retail & Bank Division: +6.7%

Start of bank99 in April 2020

- ▶ **Result from Financial Services: EUR +6.5m**
 - Revenue of EUR 18.9m in Q1-3 2021
- ▶ **Branch Services: EUR -3.4m**
 - Revenue with retail goods and branch products slightly below the prior-year level (2020 still included revenue from the former banking partner)



RETAIL & BANK DIVISION: KEY INCOME STATEMENT INDICATORS



EUR m	Q1-3 2020	Q1-3 2021	%	Δ	Q3 2020	Q3 2021
Revenue	45.7	48.8	6.7%	3.1	17.1	14.8
• Branch Services	33.3	29.9	-10.1%	-3.4	10.8	8.4
• Result from Financial Services	12.4	18.9	51.9%	6.5	6.3	6.3
Revenue intra-Group	131.9	135.3	2.6%	3.4	44.4	45.0
Total revenue	177.7	184.1	3.6%	6.5	61.5	59.8
EBIT	-37.3	-33.9	9.1%	3.4	-8.6	-6.9

Decline due to lower revenue from retail goods and discontinuation of service fees from the former banking partner in 2020

EUR 18.9m in revenue due to the steady customer ramp up and cash payments for third parties (e.g. pensions)

Positive development of bank99, special effect due to staff-related provisions mainly in Q1 2021

SOLID BALANCE SHEET AND FINANCING STRUCTURE



EUR m

ASSETS

Cash, money market/
securities investments
Financial assets,
investment property

Financial assets from
financial services

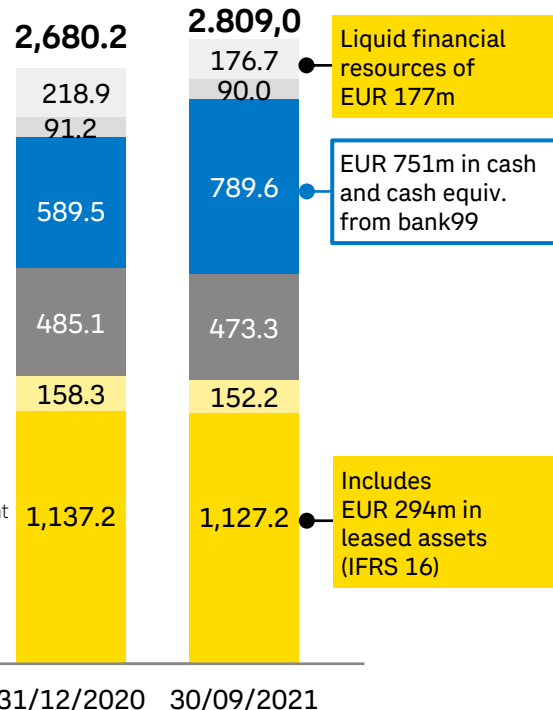
Receivables, inventories,
other¹

Intangible assets, goodwill

Property, plant and equipment

Financial services/
bank 99

¹ Includes IFRS 5 assets



EQUITY & LIABILITIES

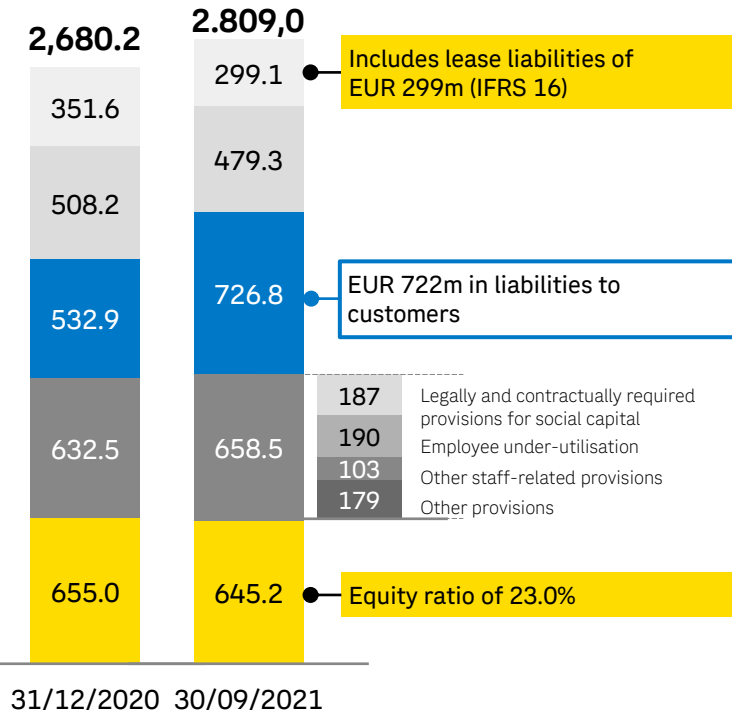
Other financial
liabilities

Liabilities, Other

Financial liabilities
from financial
services

Provisions

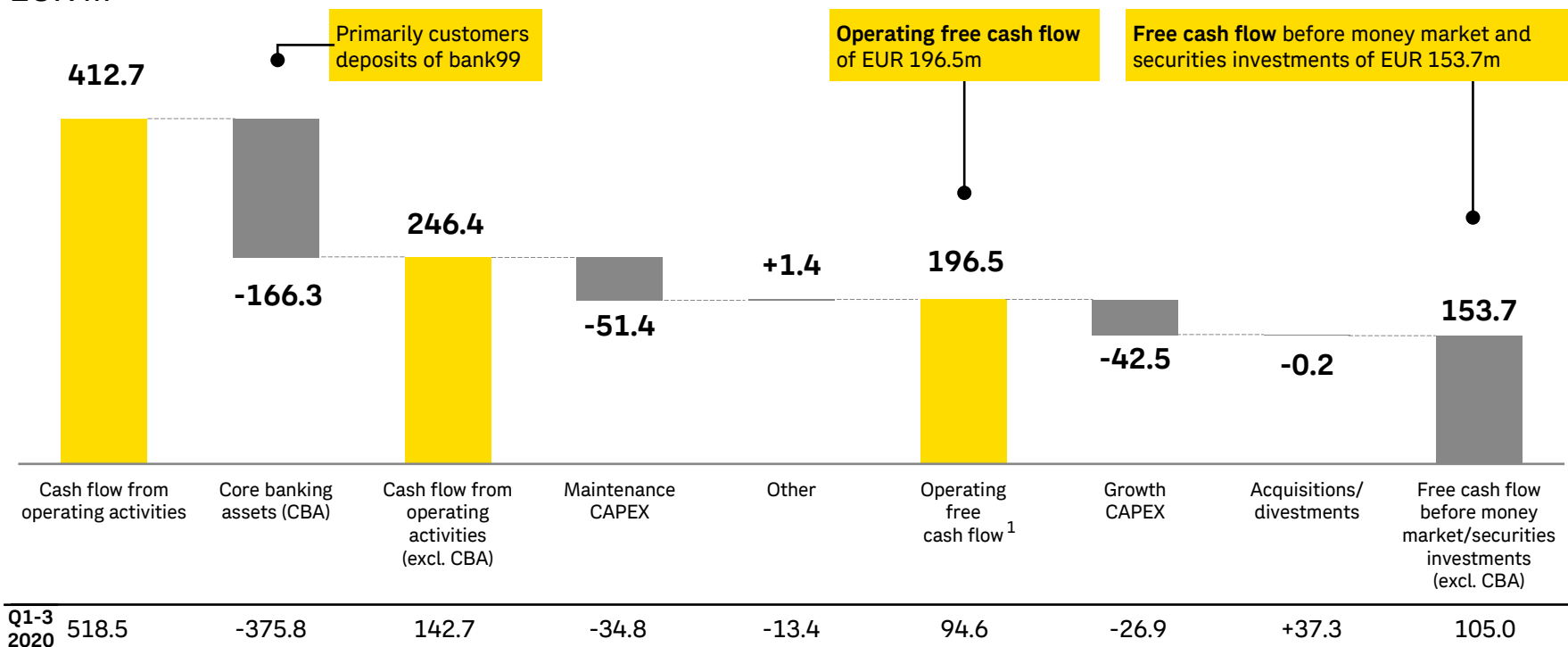
Equity



STRONG OPERATING FREE CASH FLOW IN Q1-3 2021



EUR m



¹ Free cash flow before acquisitions/securities/money market investments, growth CAPEX and core banking assets



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 - 4. OUTLOOK 2021**



OUTLOOK 2021



Market environment

- Further adverse effects as a result of the COVID-19 pandemic
- 2021 increasingly shaped by macroeconomic issues (supply bottlenecks and inflation)
- Subject to approval by the authorities, closing of acquisition of ING retail business expected by the end of 2021



Revenue

- Revenue growth of about 15% expected in 2021
 - Stability or slight decline possible in the Mail Division
 - Strong increase of about 35% in the Parcel & Logistics Division forecasted
 - Ongoing revenue growth in the Retail & Bank Division



Targeted revenue increase in 2022



Investments/CAPEX

- Ongoing implementation of investment programme in Austria: capacity expansion of 50% in 2020-2022
- Austrian CAPEX 2021: growth CAPEX of more than EUR 80m in addition to maintenance CAPEX of about EUR 70-80m
- International CAPEX 2021: planned investments of about EUR 20-30m in CEE/SEE and Turkey



Earnings

- Group EBIT 2021 expected to rise by about +25% (basis 2020 EBIT: EUR 161m)
 - Expected stable or slightly declining development in the Mail Division
 - Earnings improvement in Parcel & Logistics of at least 50% expected
 - Improved earnings in the Retail & Bank Division



Expected development 2022

- Decline in Mail
- Stability in Parcel & Logistics
- Increase in Retail & Bank

CONTACT



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Financial Calendar 2022

11 March 2022

21 April 2022

3 May/5 May 2022

13 May 2022

11 August 2022

11 November 2022

Annual Results 2021

Annual General Meeting

Ex-day/Dividend Payment Day

Interim Report Q1 2022

Half-Year Financial Report 2022

Interim Report Q1-3 2022

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