AUSTRIAN POST
Investor Presentation
Q1-3 2023

Walter Oblin, CFO
Vienna, 14 November 2023

AUSTRIAN POST AT A GLANCE

Mail

- Letter Mail
- Direct Mail
- Newspapers & Magazines

Revenue 2022: EUR 1,218m

Parcel & Logistics

- Parcels & Express
- Fulfilment & Cash Transport
- E-Commerce Services

Revenue 2022: EUR 1,215m

Retail & Bank

- Branch & Financial Services
- Customer Services

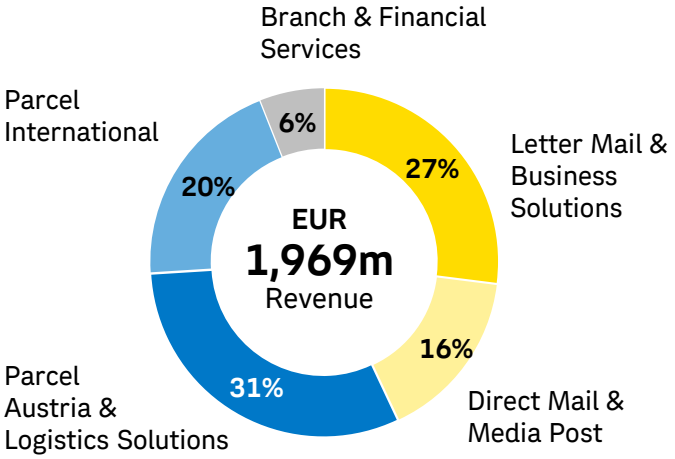
Revenue 2022: EUR 123m

Group

Revenue 2022: EUR 2,522m

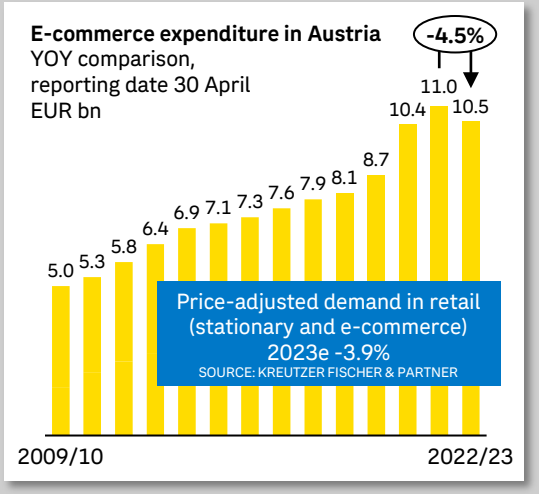
EBITDA 2022: EUR 373m
EBIT 2022: EUR 188m

Revenue mix Q1-3 2023



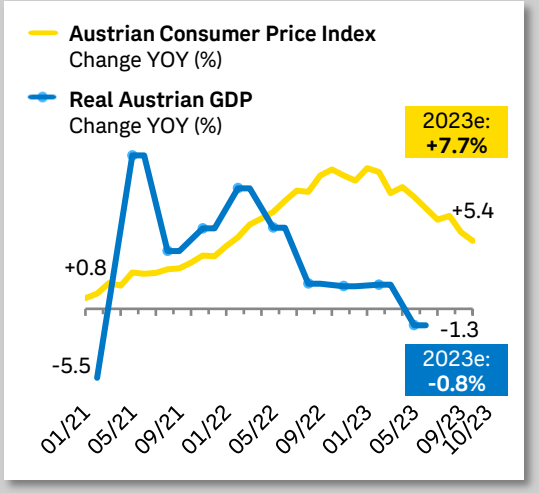
ECONOMIC ENVIRONMENT IN 2023 IMPACTED BY PURCHASING POWER, INFLATION AND CURRENCY EFFECTS

Price-adjusted decline in trade



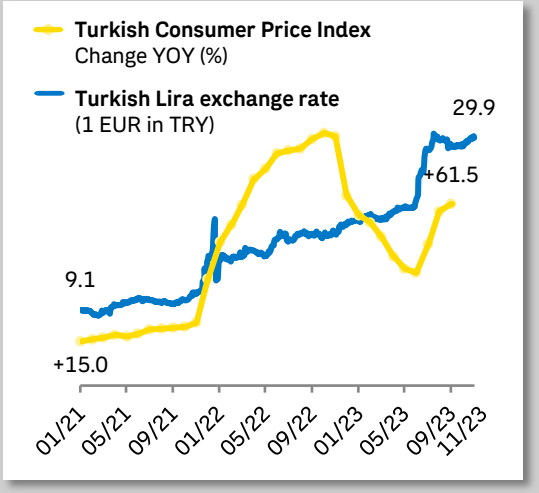
Source: KMU Forschung Austria „E-Commerce-Studie Österreich" (as at July 2023); KREUTZER FISCHER & PARTNER "Österreichs Handel in Zahlen" (as at September 2023)

High level of inflation, little growth momentum in Austria



Source: Statistics Austria (as at November 2023), Basis 2015=100; Statistics Austria (as at October 2023), WIFO Forecast 2023

Türkiye: high inflation with volatile currency



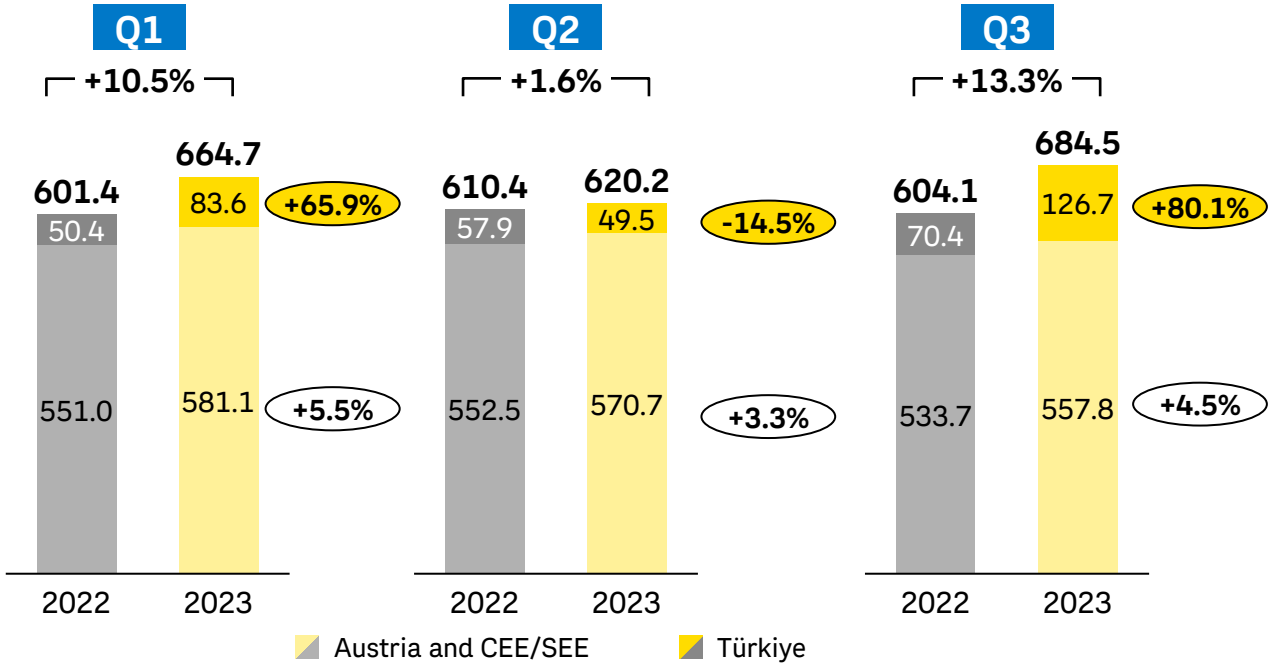
Source: Austrian National Bank (as at November 2023); Central Bank of the Republic of Türkiye (as at October 2023), Basis 2003=100

POSITIVE DEVELOPMENT IN PARCELS AND FINANCIAL SERVICES, DECLINE IN MAIL PRODUCTS

	Q3	Q1-3
Group	– Higher revenue despite challenging market environment – Favourable results due to cost and price discipline	**Revenue +8.5%** **EBITDA +9.5%** **EBIT +4.4%**
Mail	– Ongoing decline of letter mail volumes – Revenue development of direct mail products reflects the weaker economy and consolidation in the retail trade	**Revenue -2.3%**
Parcel & Logistics	Steady strong volume growth in Q3 – Austria +14% – Türkiye +11% – CEE/SEE +36%	**Revenue +16.6%** – Austria +10.3% – Türkiye +45.5% – CEE/SEE +12.0%
Retail & Bank	– Improved market environment for retail banks – Increased Income from Financial Services	**Revenue +39.3%**

YEAR-TO-DATE: STRONG GROUP REVENUE DUE TO BUSINESS IN TÜRKIYE

Quarterly revenue comparison
EUR m

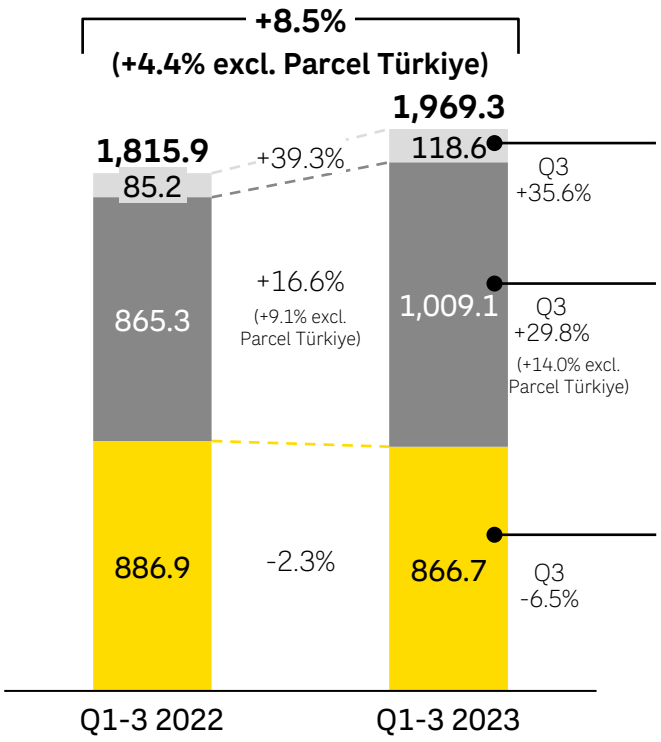


Türkiye
Growth by quarter impacted by inflation and currency effects

Austria and CEE/SEE
Steady growth of 4.4% in Q1-3 2023

GROUP REVENUE UP BY 8.5% IN Q1-3 2023

Revenue development
EUR m



Retail & Bank

- Favourable market environment supports growth in financial services
- Increase of Income from Financial Services to EUR 89.5m (+58.5%)

Parcel & Logistics

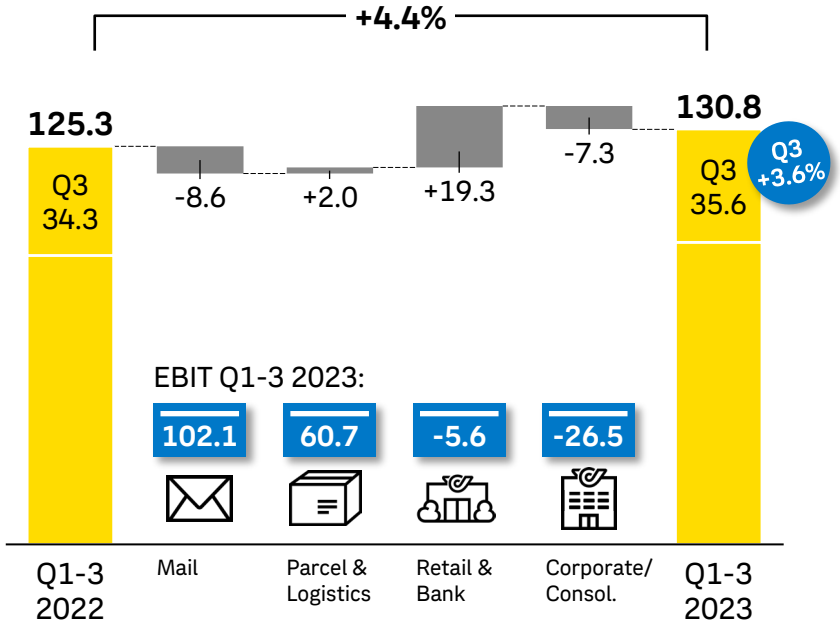
- Increase in all regions based on volume growth and price realisation
- Parcel Austria +10.3% / Türkiye +45.5% / CEE/SEE +12.0%

Mail

- Structural decline in volumes, positive special effects in the previous year (elections, climate bonus): Letter Mail down by 1.2% to EUR 550.6m
- 4.1% drop in Direct Mail/Media Post revenue to EUR 316.1m
- Price adjustments implemented

GROUP EARNINGS IMPROVED BY 4.4% IN Q1-3 2023

EBIT development
EUR m



Mail

- Declining volumes largely offset by price and cost discipline
- Q3 EBIT from EUR 27.8m to EUR 24.5m
  Q1-3 EBIT from EUR 110.7m to EUR 102.1m

Parcel & Logistics

- Strong revenue and earnings increase in Türkiye (volume rise/high inflation)
- Positive earnings development in Austria
- Q3 EBIT from EUR 13.2m to EUR 24.3m
  Q1-3 EBIT from EUR 58.6m to EUR 60.7m

Retail & Bank

- Improved interest environment for bank99
- Special project: IT integration (costs of about EUR 7m in Q3)
- Q3 EBIT from minus EUR 4.4m to minus EUR 6.7m
  Q1-3 EBIT from minus EUR 24.8m to minus EUR 5.6m

STRATEGY OF AUSTRIAN POST: AHEAD TO THE FUTURE

1 Defending market leadership and profitability in the core business

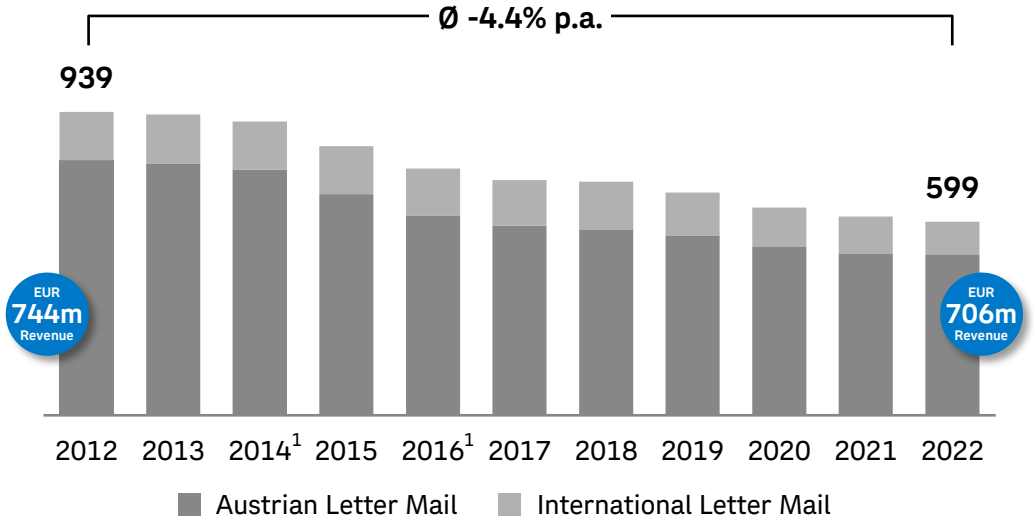
Sustainability, diversity and customer orientation as guideline for all activities

2 Profitable growth in near markets

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

1 LETTER MAIL

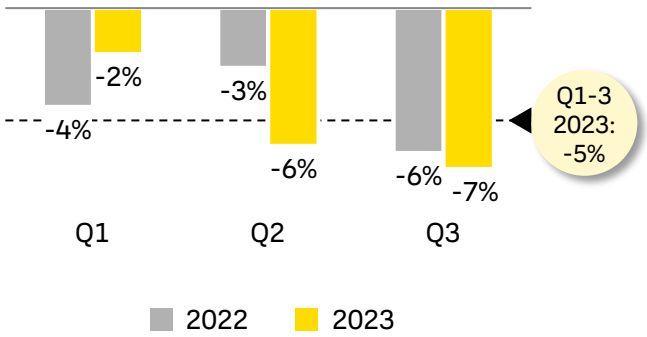
Austrian and International Volumes
(millions of items)



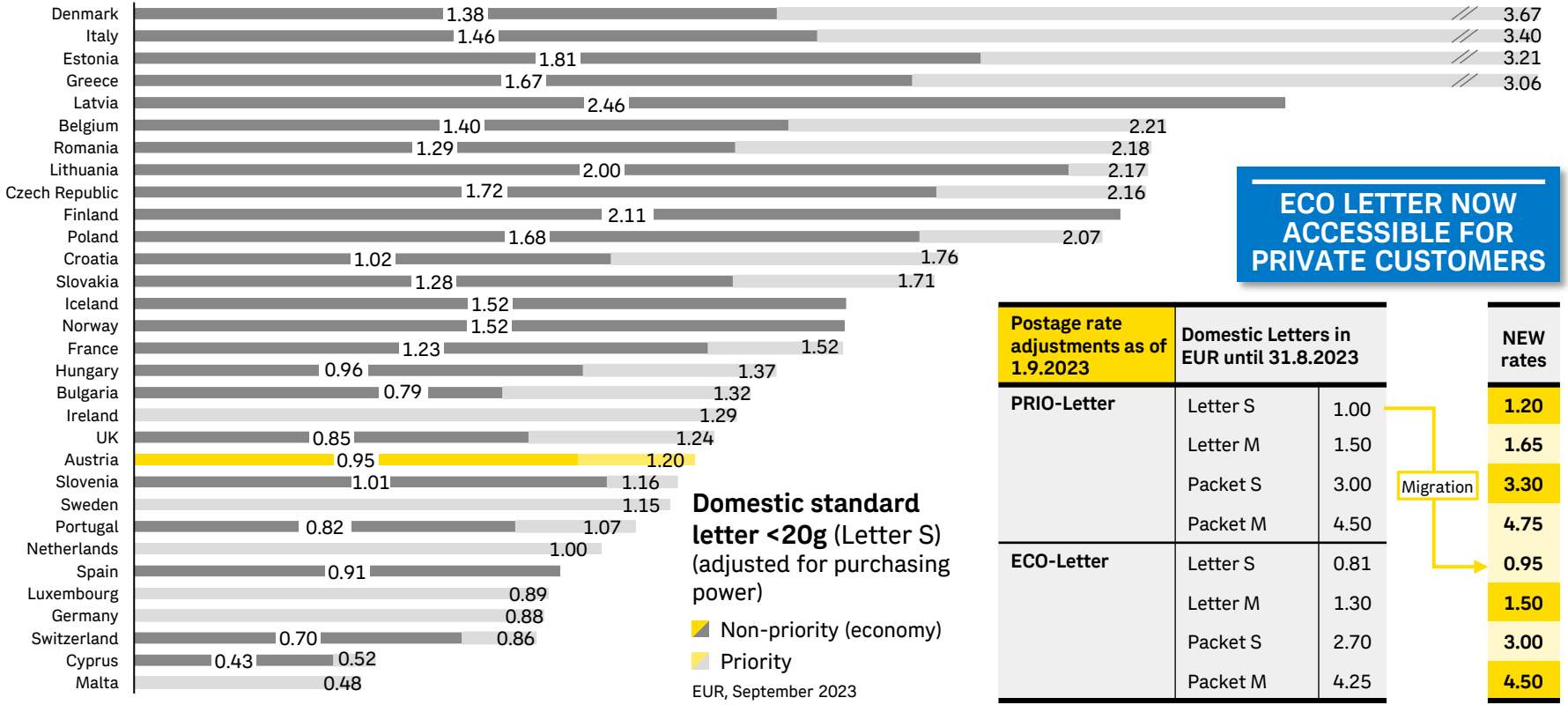
[1] Adjusted reporting due to automated calculation methodology

Q1-3 2023 Letter Mail volumes in Austria
(items adjusted for one-off and special effects)

- Adjusted Austrian letter mail volumes down by 5% in Q1-3
- Positive special effects in 2022 (Energy bonus, mailings by utility companies, climate bonus, elections)



1 PRIORITY AND NON-PRIORITY RATES IN EUROPE

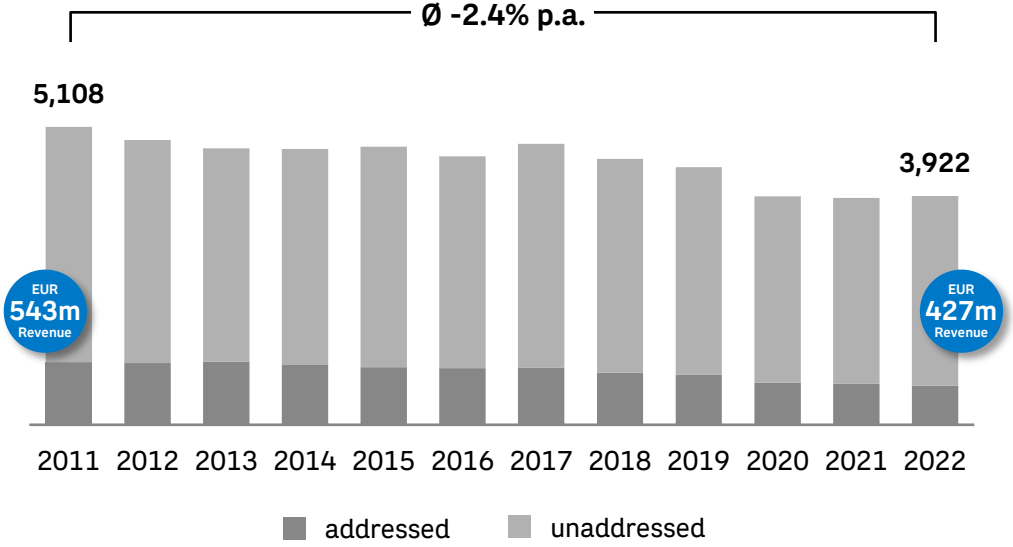


ECO LETTER NOW ACCESSIBLE FOR PRIVATE CUSTOMERS

Postage rate adjustments as of 1.9.2023	Domestic Letters in EUR until 31.8.2023			NEW rates
PRIO-Letter	Letter S	1.00	Migration	1.20
	Letter M	1.50		1.65
	Packet S	3.00		3.30
	Packet M	4.50		4.75
ECO-Letter	Letter S	0.81		0.95
	Letter M	1.30		1.50
	Packet S	2.70		3.00
	Packet M	4.25		4.50

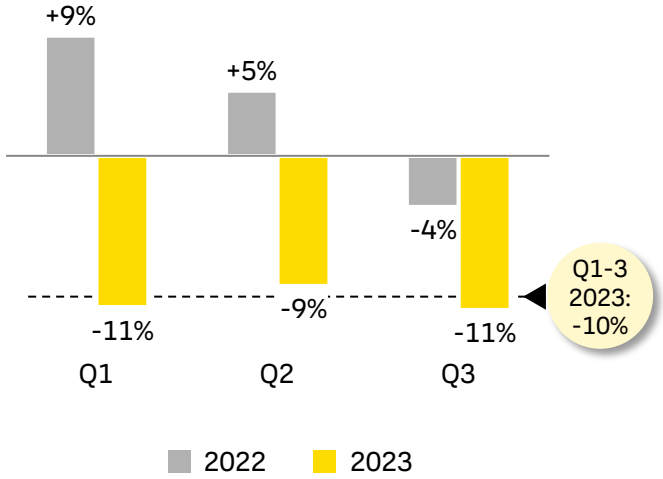
1 DIRECT MAIL/MEDIA POST IN AUSTRIA

Volumes
(millions of items)



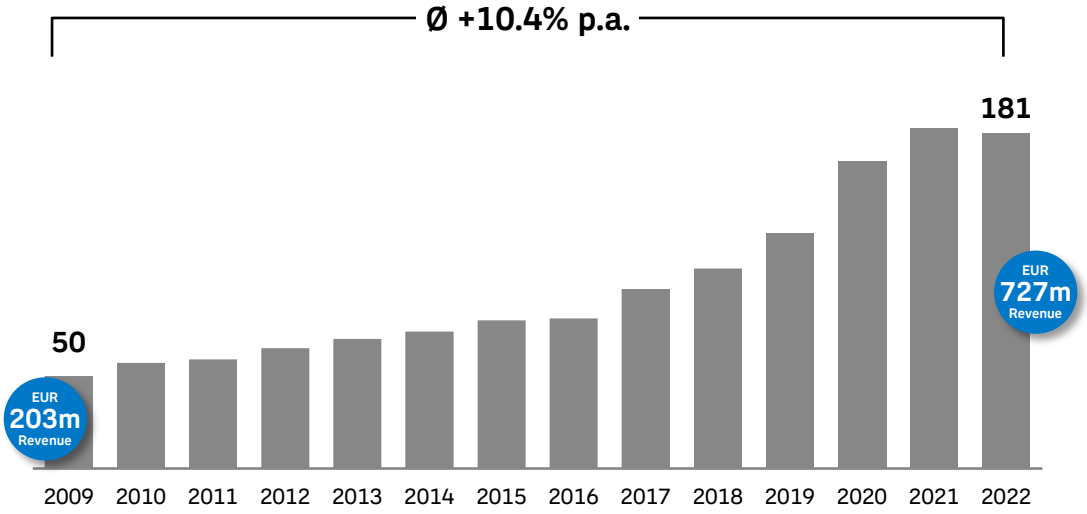
Q1-3 2023 Direct Mail/Media Post volumes
(daily items)

- Subdued advertising environment results in a 10% volume decline in Q1-3 2023
- Structural decrease in sub-segments (e.g., mail order business)
- Consolidation effects in stationary trade (furniture sector)



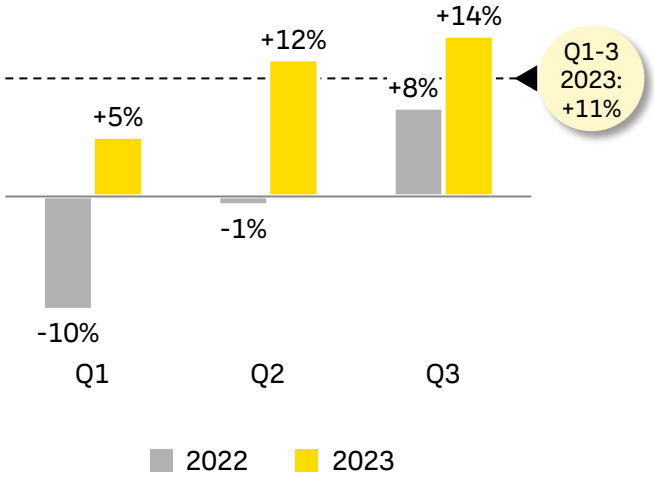
1 PARCEL BUSINESS IN AUSTRIA

Volumes
(millions of items)

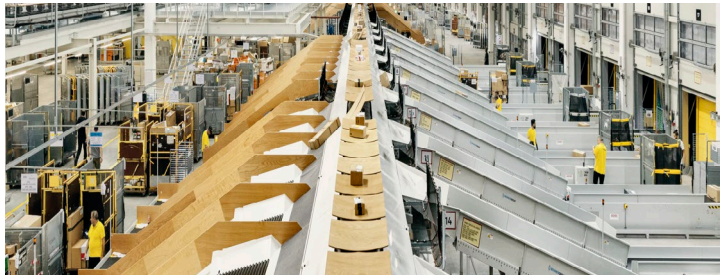


Q1-3 2023 parcel volumes
(daily items)

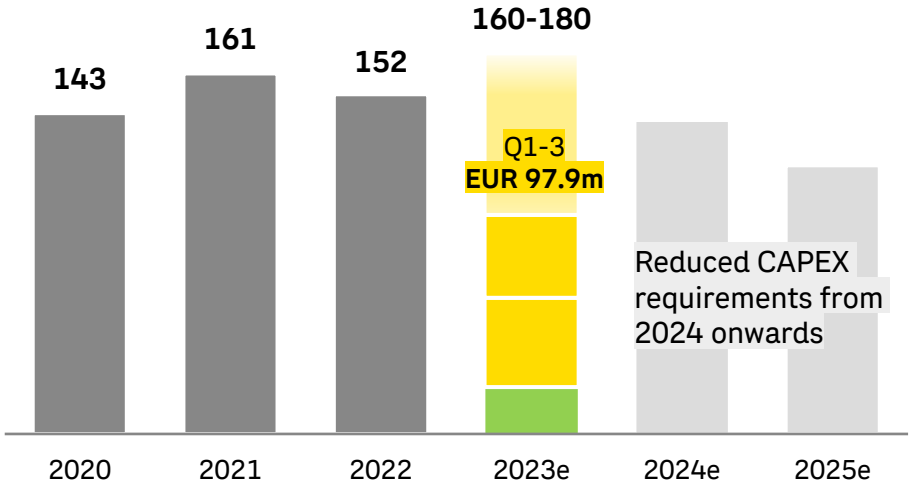
- Parcel growth in Austria up by 11% vs. Q1-3 2022
- Growth reflects customer confidence in the quality leadership of Austrian Post
- Increase above average in volumes from Asia



1 SUSTAINABLE INFRASTRUCTURE INVESTMENTS



CAPEX (EUR m)

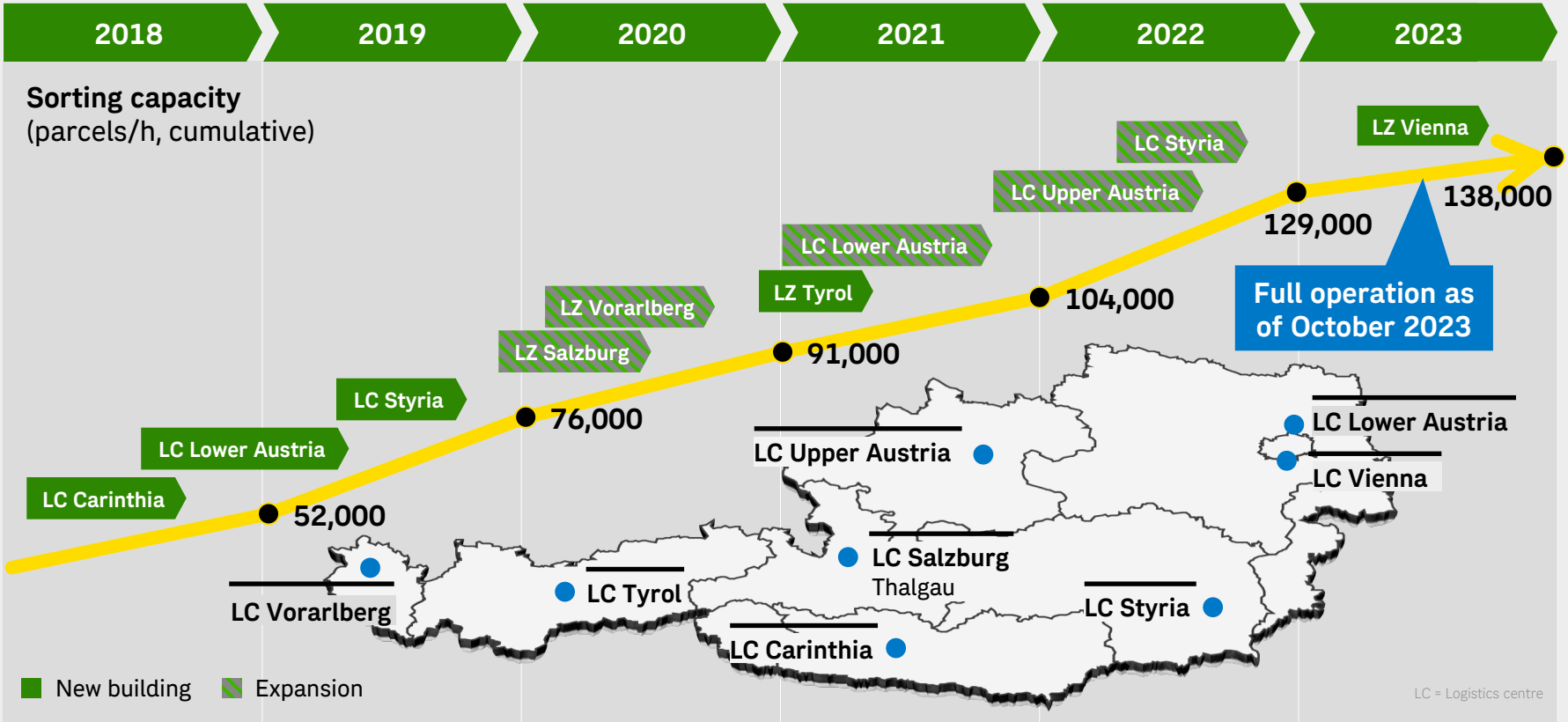


CAPEX Q1-3 2023
- Maintenance CAPEX of EUR 60.8m
  Thereof: About EUR 20m investments in Green Transformation (e-mobility, photovoltaic facilities)
- Growth CAPEX of EUR 37.1m

CAPEX forecast for 2023
- Expected level of EUR 160-180m
- Finalisation of the Logistics Centre Vienna

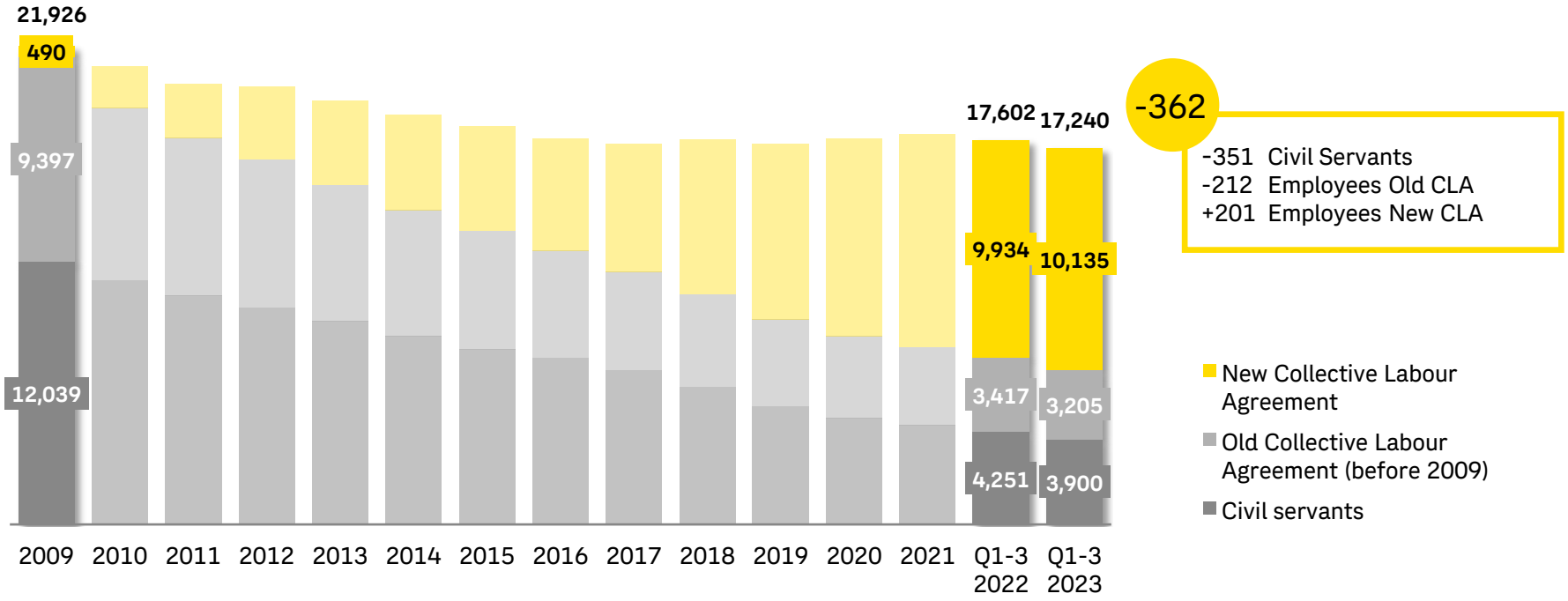
Investment programme continuation
- Conversion to CO_2-free delivery
- Achieved sorting capacity of 138,000 parcels/h

1 EXPANSION OF AUSTRIAN LOGISTICS INFRASTRUCTURE

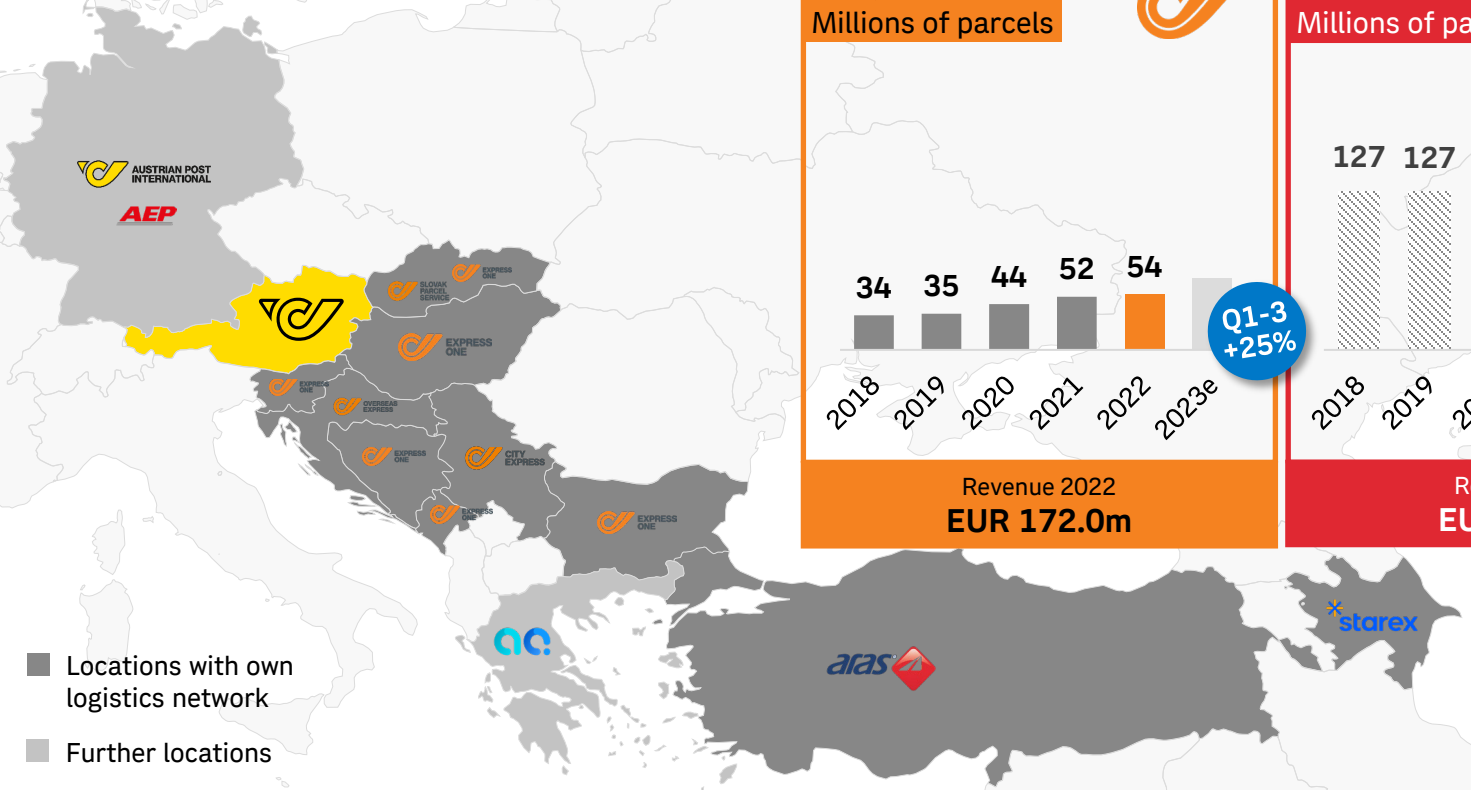


1 STAFF STRUCTURE IN AUSTRIA
Employees in the Austrian core business

Full-time equivalents (average for the period)



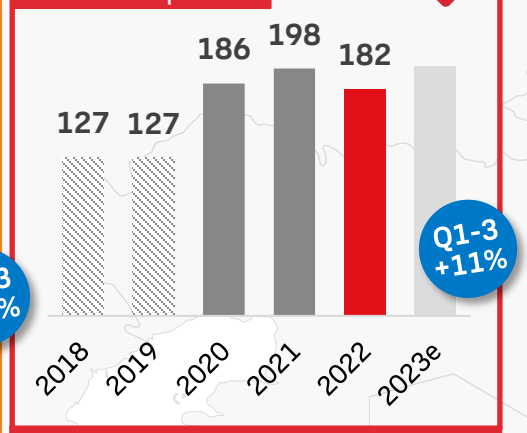
2 PROFITABLE GROWTH IN NEAR MARKETS
Focus on Parcel & Logistics



CEE/SEE
Millions of parcels

Revenue 2022
EUR 172.0m

TÜRKIYE
Millions of parcels



Revenue 2022
EUR 251.7m

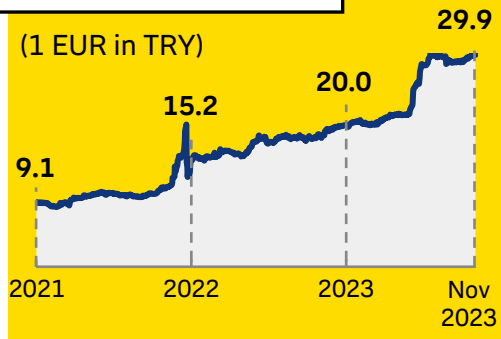
- Locations with own logistics network
- Further locations

2 STRONG OPERATING DEVELOPMENT OF BUSINESS IN TÜRKIYE

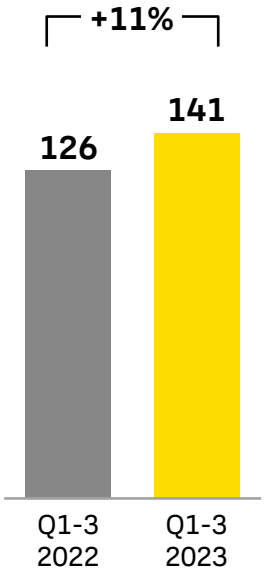
Financial indicators

- Positive volumes (+11%) and TRY revenue development (+133%)
- EBIT margin above Group average
- Cash and cash equivalents on the balance sheet approx. 50% in EUR/USD
- Positive cash flow in each quarter

Turkish Lira FX rate

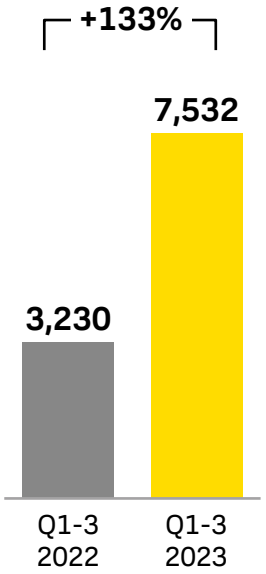


Parcel volumes
(millions of items)

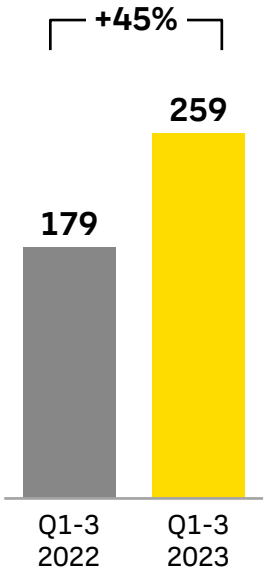


Revenue

(TRY m)



(EUR m)

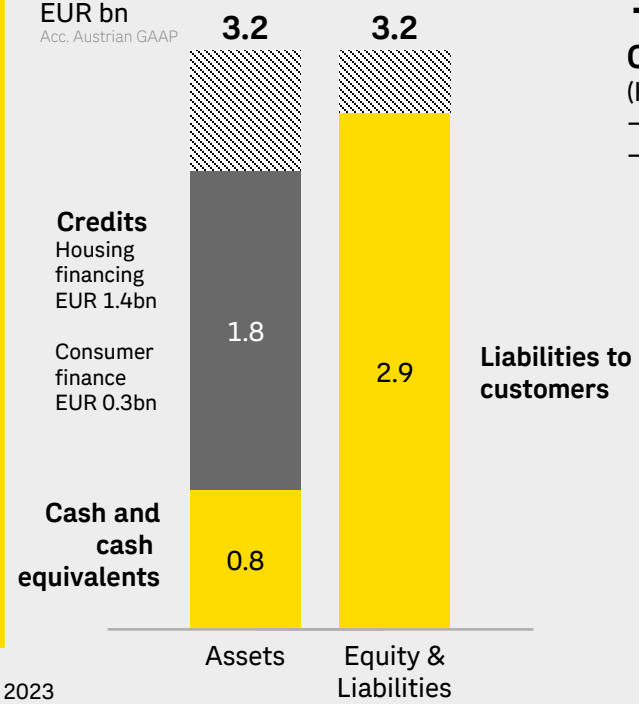


3 POSITIVE MOMENTUM DUE TO IMPROVED INTEREST-RATE ENVIRONMENT

31.12.2022	30.9.2023
	Retail and digital bank
258,000	Customers **274,000**
EUR 3.2 bn	Balance sheet total **EUR 3.2 bn**
EUR 1.7 bn	Credit volume **EUR 1.8 bn**
30.9.2022	**30.9.2023**
EUR 21.9m	Interest income **EUR 55.8m**

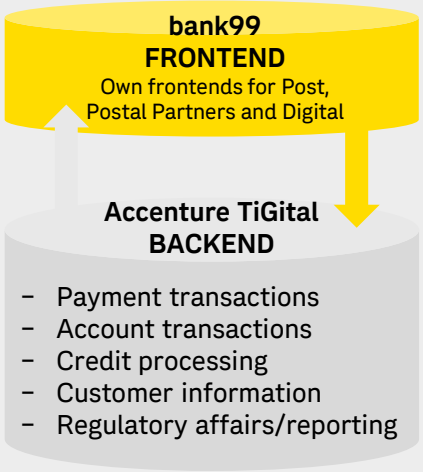
bank99 balance sheet total as at 30.9.2023

EUR bn
Acc. Austrian GAAP



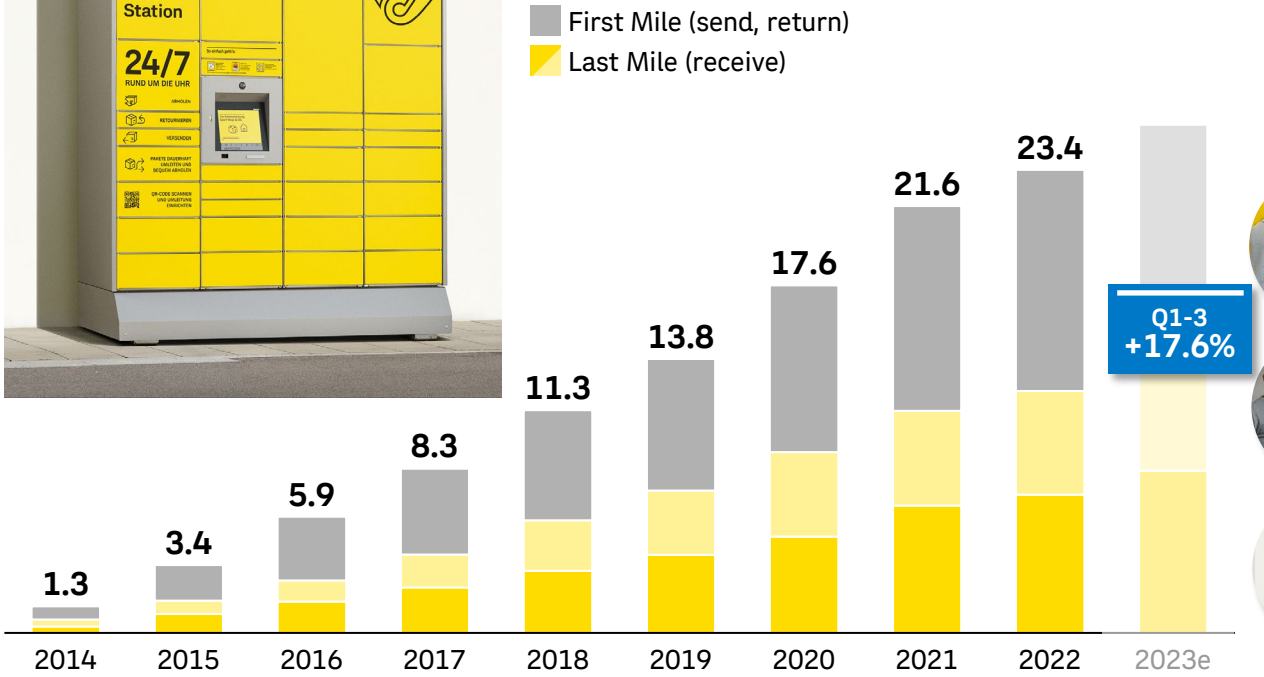
Top issue: Technical integration

Core Banking System migration
(H2 2023 to H1 2024)
- Exit ING OrangeLion
- Integration of bank99 to Accenture's core banking system



3 SELF-SERVICE SOLUTIONS ARE VERY POPULAR WITH POST CUSTOMERS

Volumes 24/7
(millions of items)



654
Drop-off devices

71,584
Pick-up boxes

111,160
Lockers at pick-up stations

ESG INDICATORS Q1-3 2023

		Q1-3 2023	Change
Environmental indicators[1]			
CO_2e emissions (Scope 1–3, Post AG)	t CO_2e	62,900	-2.3%
CO_2e emissions (Scope 1–3, Group)	t CO_2e	170,400	+4.3%
CO_2e emissions per transported tonne (Post AG)	kg CO_2e/t	133.2	+0.8%
E-vehicle fleet (Post AG)	Number	3,500	+22.2%
Employee indicators (Group)			
Percentage of female employees	FTE in %	28.5%	-0.3pp
Women in leadership positions	%; Elly-Definition	35.0%	+0.3pp
Employee turnover	Departures in relation to average headcount for period in %	17.3%	-1.2pp
Occupational accidents	Number	741	-3.0%

Reduction in Austria through energy efficiency and e-mobility

International increase due to parcel growth

Increase due to decline in letter and direct mail volumes

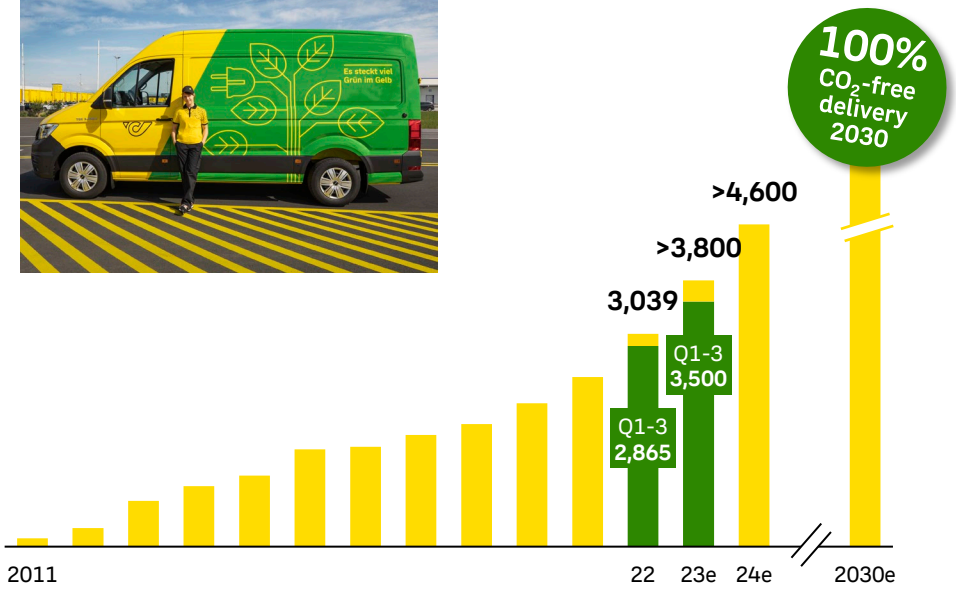
Steady increase in the number of women in leadership positions

Occupational accidents decreased in the reporting period

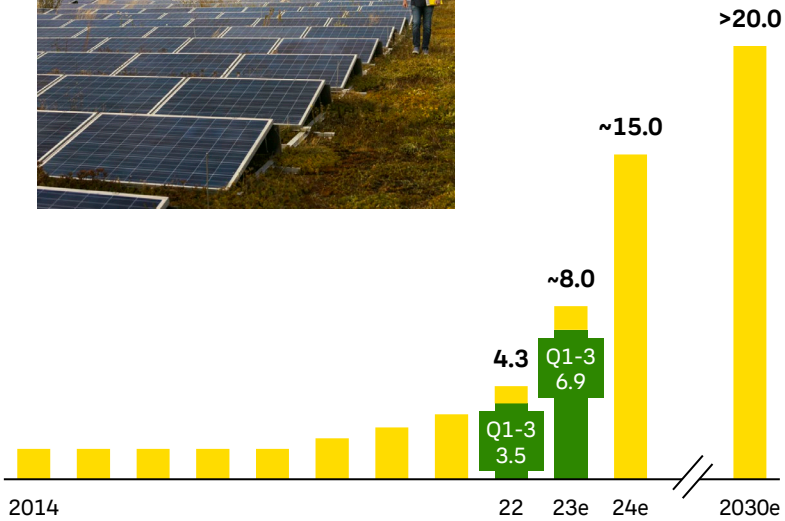
[1] Calculation on the basis of the Greenhouse Gas Protocol A Corporate Accounting and Reporting Standard

EXPANSION OF E-VEHICLE FLEET AND PV SYSTEMS IN PROGRESS

Ramp-up for e-vehicle fleet
(Number of vehicles)



Photovoltaic facilities
(output in cumulative MWp)



FINANCIAL INDICATORS AT A GLANCE

	Q1-3 2022	Q1-3 2023	
Revenue (EUR m)	**1,815.9**	**1,969.3**	Very good revenue development (+8.5%)
EBITDA margin (%)	**14.2**	**14.3**	EBITDA margin of 14.3% slightly higher YOY
EBIT margin (%)	**6.9**	**6.6**	EBIT margin of 6.6%
Earnings/share (EUR)	**1.25**	**1.30**	Earnings per share up from EUR 1.25 to EUR 1.30
Cash flow (EUR m)	**147.6**	**177.2**	Increase in operating free cash flow from EUR 147.6m to EUR 177.2m

KEY INCOME STATEMENT INDICATORS

EUR m	Q1–3 2022	Q1–3 2023	%	Δ	Q3 2022	Q3 2023
Revenue	**1,815.9**	**1,969.3**	**8.5%**	**153.5**	**604.1**	**684.5**
Other operating income	78.9	77.0	-2.5%	-2.0	19.7	39.0
Raw materials, consumables and services used	-531.2	-597.0	-12.4%	-65.9	-181.7	-222.4
Expenses for financial services	-9.5	-12.0	-25.6%	-2.4	-3.1	-6.1
Staff costs	-845.4	-886.7	-4.9%	-41.3	-273.6	-307.5
Other operating costs	-250.0	-274.5	-9.8%	-24.5	-84.9	-96.5
At equity consolidation	-0.2	1.5	>100%	1.8	-0.3	0.7
Net monetary gain/ loss	-0.4	4.8	>100%	5.2	-1.6	1.7
EBITDA	**258.0**	**282.4**	**9.5%**	**24.4**	**78.6**	**93.4**
EBITDA margin	*14.2%*	*14.3%*	-	-	*13.0%*	*13.6%*
Depreciation, amortisation and impairment	-132.7	-151.7	-14.3%	-19.0	-44.2	-57.8
EBIT	**125.3**	**130.8**	**4.4%**	**5.5**	**34.3**	**35.6**
EBIT margin	*6.9%*	*6.6%*	-	-	*5.7%*	*5.2%*
Financial result	-21.1	-3.5	83.3%	17.6	-7.6	-9.2
Income tax	-19.5	-36.5	-87.2%	-17.0	3.2	-14.2
Profit for the period	**84.8**	**90.8**	**7.1%**	**6.0**	**30.0**	**12.2**
Earnings per share (EUR)	1.25	1.30	4.4%	0.05	0.41	0.17

Mail -2.3%,
Parcel & Logistics +16.6%,
Retail & Bank +39.3%

Positive effects in 2023 and 2022
2023: Profit from property sale of EUR +19.3m
2022: COVID-19 refunds of EUR +13.2m and a positive special effects Aras Kargo of EUR +8.8m (option valuation, hyperinflation, goodwill impairment)

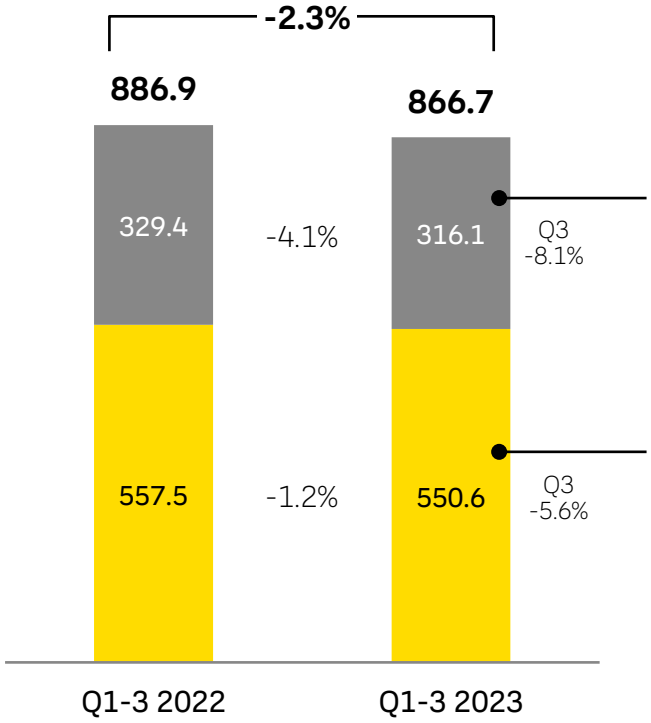
Impairment losses of EUR 10.8m

Valuation effect for financial parameters relating to the Aras Kargo option in previous year EUR -16.6m

Deferred taxes of EUR -8.5m, primarily due to hyperinflation

MAIL DIVISION: REVENUE DEVELOPMENT IN Q1-3 2023

Revenue development
EUR m



Direct Mail/Media Post
- Revenue decline of 4.1% in Q1-3 reflects overall economic situation
- Subdued advertising environment in sub-segments (furniture and mail order sectors)
- Consolidation in stationary trade e.g., due to bankruptcies

Letter Mail & Business Solutions
- Structural revenue drop of 1.2% in Q1-3
- Strong positive special effects in the previous year (mainly elections)
- Positive postal rate effects for letter mail
- Shift of international letter mail volumes to parcel products

MAIL DIVISION: KEY INCOME STATEMENT INDICATORS

EUR m	Q1–3 2022	Q1–3 2023	%	Δ	Q3 2022	Q3 2023
Revenue	**886.9**	**866.7**	**-2.3%**	**-20.2**	**287.4**	**268.6**
• Letter Mail & Business Solutions	557.5	550.6	-1.2%	-6.8	182.2	171.9
• Direct Mail	239.1	224.0	-6.3%	-15.1	77.4	68.7
• Media Post	90.3	92.1	1.9%	1.8	27.8	28.0
Revenue intra-Group	2.6	3.5	35.0%	0.9	0.7	1.2
Total revenue	889.5	870.2	-2.2%	-19.3	288.1	269.8
EBIT	**110.7**	**102.1**	**-7.8%**	**-8.6**	**27.8**	**24.5**
EBIT margin[1]	*12.4%*	*11.7%*	-	-	*9.7%*	*9.1%*

Volume decrease; positive postal rate effects

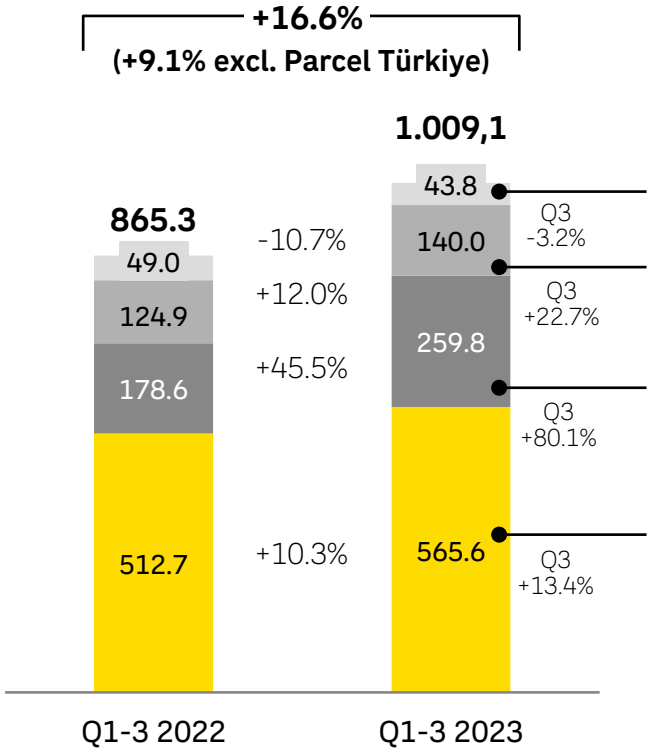
Structural and economy-related advertising decline

EBIT margin of 11.7% for Q1-3 and 9.1% for Q3 2023

[1] EBIT margin in relation to total revenue

PARCEL & LOGISTICS DIVISION: Q1-3 2023 REVENUE DEVELOPMENT

Revenue development
EUR m



Logistics Solutions
- Revenue drop of 10.7%
- Discontinuation of special pandemic-related logistics services

Parcel CEE/SEE
- Revenue up by 12.0%
- Strong volume growth from Asia

Parcel Türkiye
- 45.5% rise in revenue
- Fluctuations in revenue increase due to high inflation and currency effects

Parcel Austria
- Revenue up by 10.3%
- Successful price realisation but negative mix effects related to increasing volumes of smaller items

PARCEL & LOGISTICS DIVISION: KEY INCOME STATEMENT INDICATORS

EUR m	Q1–3 2022	Q1–3 2023	%	Δ	Q3 2022	Q3 2023
Revenue	**865.3**	**1,009.1**	**16.6%**	**143.9**	**293.2**	**380.7**
• Parcel Austria	512.7	565.6	10.3%	52.9	169.0	191.7
• Parcel Türkiye	178.6	259.8	45.5%	81.2	70.4	126.7
• Parcel CEE/SEE	124.9	140.0	12.0%	15.0	39.4	48.3
• Logistics Solutions/Consolidation	49.0	43.8	-10.7%	-5.2	14.5	14.0
Revenue intra-Group	0.5	0.6	18.8%	0.1	0.2	0.2
Total revenue	865.7	1,009.7	16.6%	144.0	293.4	381.0
EBIT	**58.6**	**60.7**	**3.5%**	**2.0**	**13.2**	**24.3**
EBIT margin[1]	*6.8%*	*6.0%*	-	-	*4.5%*	*6.4%*

Very positive volume and revenue development

Strong Q3 rise due to high inflation

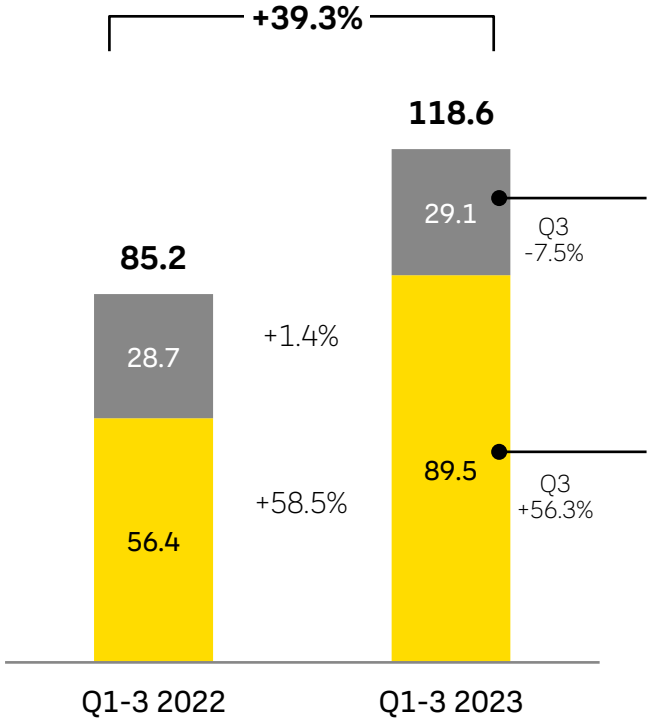
Discontinuation of special pandemic-related logistics services

EBIT margin of 6.0% (Q1-3) and 6.4% (Q3)

[1] EBIT margin in relation to total revenue

RETAIL & BANK DIVISION: REVENUE DEVELOPMENT IN Q1-3 2023

Revenue development
EUR m



Branch Services
- Revenue up by 1.4%
- Slight increase in retail goods revenue (mainly inflation-related price adjustments)

Income from Financial Services
- Revenue increase of 58.5%
- Increasing net interest income following ECB rate increase
- and higher volume of housing loans vs. prior-year period

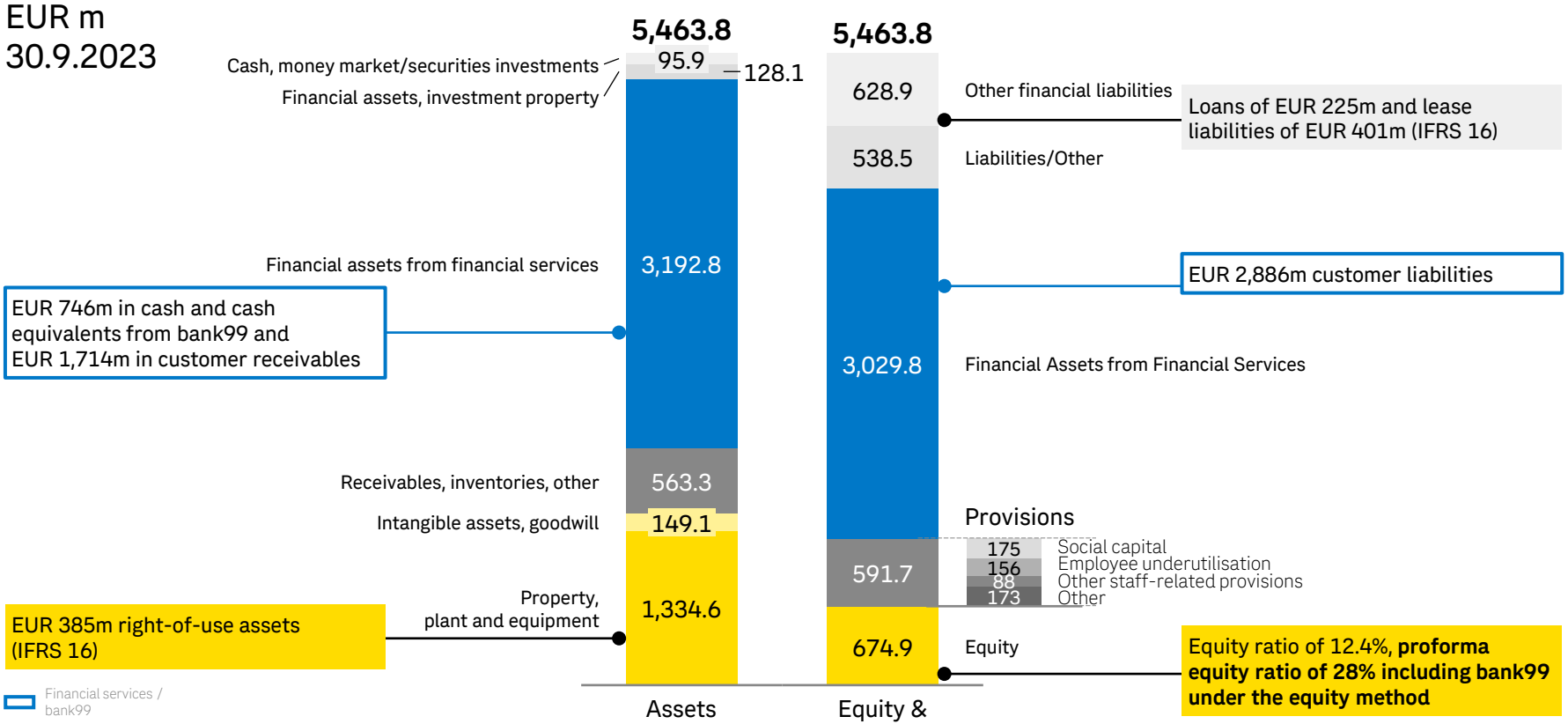
RETAIL & BANK DIVISION: KEY INCOME STATEMENT INDICATORS

EUR m	Q1–3 2022	Q1–3 2023	%	Δ	Q3 2022	Q3 2023
Revenue	**85.2**	**118.6**	**39.3%**	**33.4**	**31.0**	**42.1**
• Income from Financial Services	56.4	89.5	58.5%	33.0	21.0	32.9
• Branch Services	28.7	29.1	1.4%	0.4	10.0	9.2
Revenue intra-Group	140.4	140.7	0.2%	0.3	46.7	46.2
Total revenue	225.6	259.3	15.0%	33.8	77.8	88.3
EBIT	**-24.8**	**-5.6**	**77.5%**	**19.3**	**-4.4**	**-6.7**

High net interest income and increase in housing loans positively impact revenue development

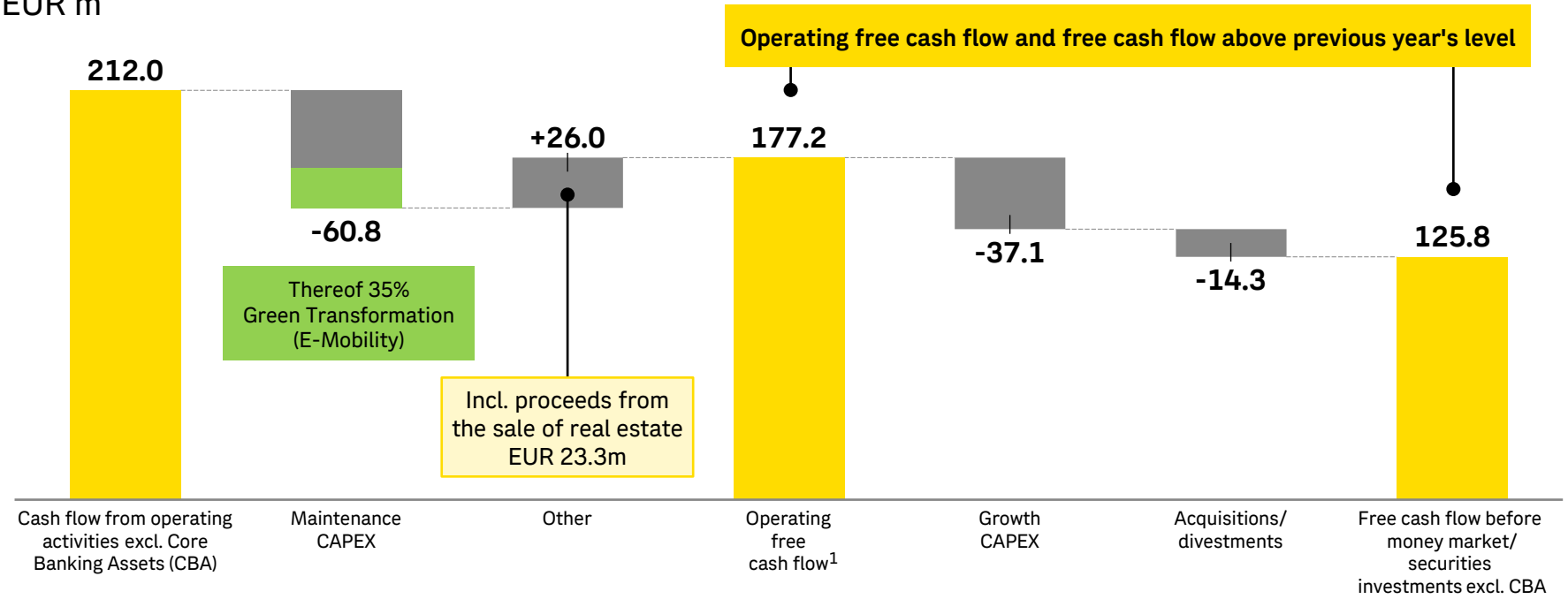
Bank earnings negatively affected by special project for IT integration of about EUR -7m in Q3 2023

SOLID BALANCE SHEET AND FINANCING STRUCTURE



OPERATING FREE CASH FLOW AT A SOLID LEVEL

EUR m



Q1-3 2022	194.8	-42.9	-4.3	147.6	-56.6	+2.3	93.4

[1] Free cash flow before acquisitions/securities/money market investments, growth CAPEX and core banking assets (CBA)

OUTLOOK

Market environment in 2023

- Inflation, consumer behaviour and development of retail trade volumes remain the key factors impacting the market
- Subdued economic environment and consumer behaviour

Revenue in 2023

- Outlook confirmed, growth in Group revenue **at least in the mid-single-digit range**
  - Mail: Slight revenue decline
  - Parcel & Logistics: expected revenue growth in excess of 10% (growth strongly depends on the Turkish Lira exchange rate)
  - Retail & Bank: revenue increase driven by improved interest rate environment

Investments in 2023

- Investment programme featuring maintenance CAPEX of about EUR 100m and growth CAPEX of EUR 60-80m for conversion to CO_2-free delivery

Earnings in 2023 and 2024

- Target for 2023 remains to generate earnings (EBIT) at **the prior-year level**
- 2024: Aim to achieve revenue growth to offset cost increases and maintain the track record of stability in earnings development

CONTACT

Austrian Post
Investor Relations
Rochusplatz 1, 1030 Vienna
Website: post.at/investor
E-mail: investor@post.at
Phone: +43 57767-30400

Financial calendar 2024

13 March 2024	Annual Report 2023
18 April 2024	Annual General Meeting
26 April/02 May 2024	Ex-day/Dividend payment day
08 May 2024	Interim Report Q1 2024
07 August 2024	Half-Year Report 2024
06 November 2024	Interim Report Q1-3 2024

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