

Investor Presentation London, Anton Wais, CEO

February 7, 2008



Austrian Post Group: an overview



Mail



- Letters
- Addressed and unaddressed direct mail
- Newspapers and magazines

Parcel & Logistics



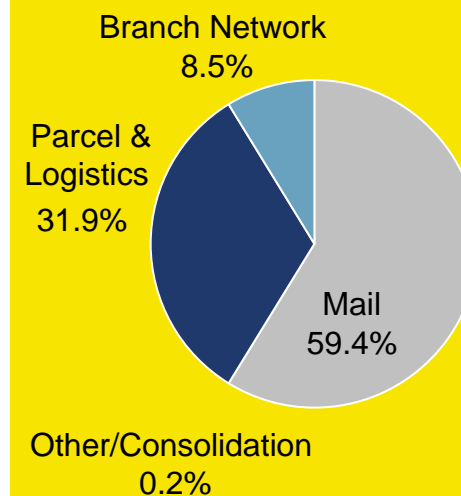
- Parcels
- Express mail
- Specialised logistics

Branch Network



- Postal services
- Financial services
- Telecommunications and retail products

Group



External sales Q1-3 2007

Revenue: EUR 990.4m
+3.3%

Revenue: EUR 531.6m
+225.1%

Revenue: EUR 141.8m
-2.5%

Revenue: EUR 1,667.3m
+31.2%

EBIT: EUR 118.3m
+26.2%

1. Stable core business and strong market positions

2. Growth opportunities in CEE as well as in Western European niche markets

3. Ongoing profit improvement programme well under way

4. Stable cash generation and solid balance sheet

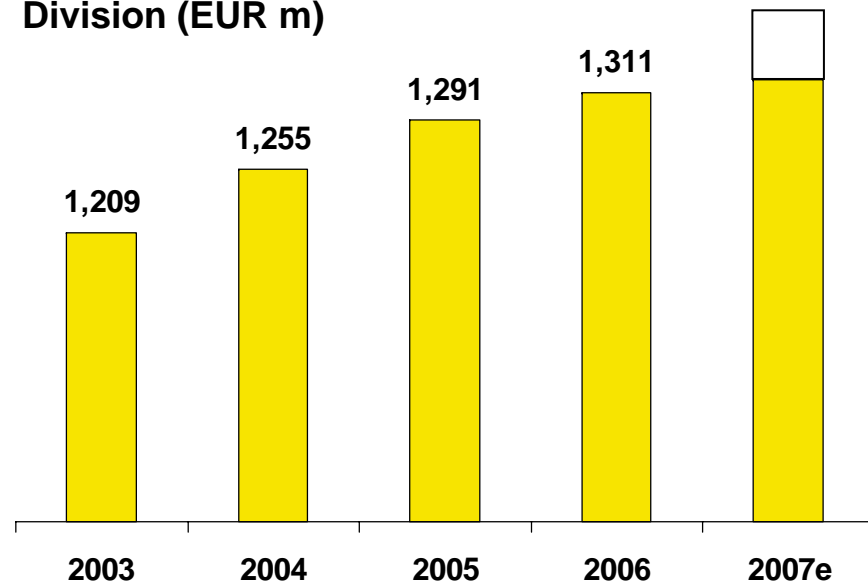
5. Attractive dividend policy

1. Stable core business and strong market positions

Stable development of the Mail Division in Austria with high margins = the cash cow of Austrian Post

Excellent market position in attractive markets

Sales of the Mail Division (EUR m)



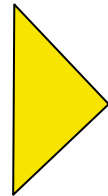
□ Including the acquisition of Scanpoint/meiller direct

- #1 in letter mail in Austria
- #1 in direct mail in Austria
- #1 in X2C parcel business in Austria
- #1 in the B2B parcel business in Slovakia
- #2 in unaddressed direct mail in Slovakia
- #1 in the B2B parcel business in Croatia
- #1 in unaddressed direct mail in Croatia
- #3 in the B2B parcel business in Hungary
- #1 in unaddressed direct mail in Hungary
- #1 in the B2B parcel business in Serbia

Mail market liberalisation postponed to 2011

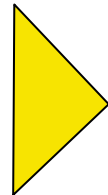
Postponed liberalisation to 2011 is a window of opportunity to develop solutions for unresolved issues.

Level playing field:
same regulations for
all providers



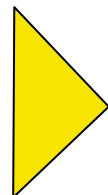
- To ensure scope and quality of services
- Only Austrian Post is subject to strict quality standards in Austria (95% J+1 for letters, 90% J+2 for parcels)

Third-party financing
of universal services



- Liberalisation means elimination of reserved area for financing
- Alternative financing required
- Fund solution is not practicable
- Fund solution will not lead to desired results if self-financing of universal postal services is stipulated

Fair competition in
labour legislation

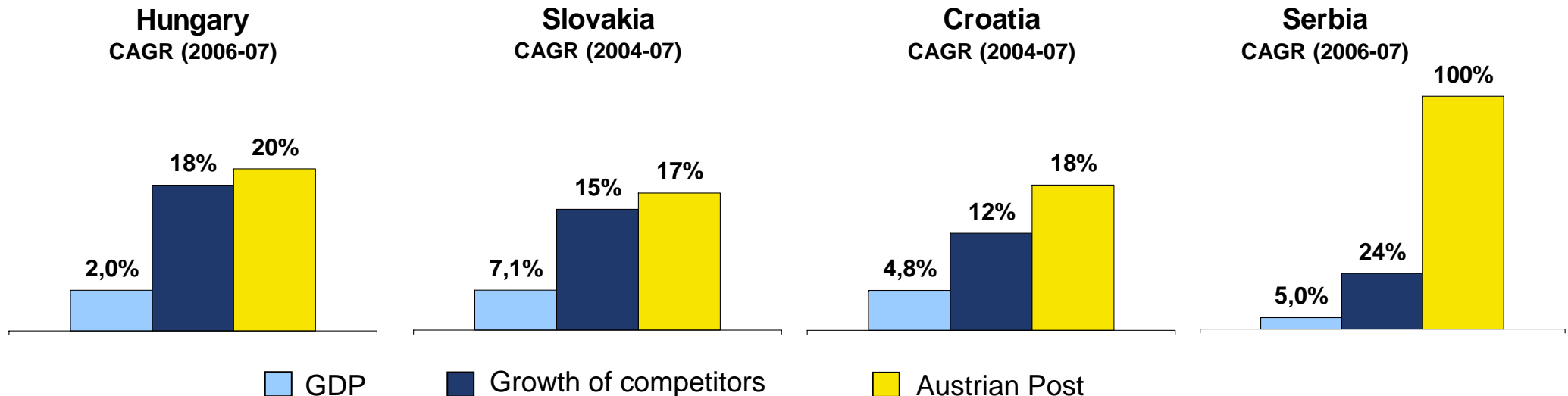


- Creation of fair competitive framework, also in terms of employment contracts
- Prevention of social and wage dumping

2. Growth opportunities in CEE as well as in Western European niche markets

Growth opportunities in Parcel & Logistics

- trans-o-flex – the niche player in specialised logistics: growth opportunities in pharmaceuticals/health care business (temperature-controlled transport)
- Opportunities in CEE: outperforming the market



2. Growth opportunities in CEE as well as in Western European niche markets



Growth opportunities in Mail and Branch Network

- Unaddressed direct mail business in CEE
- Expansion of portfolio along the value chain of the mail business
 - New services for existing clients:
 - meiller direct (digital printing, direct mail services)
 - Scanpoint (document scanning, archiving)
- New positioning of BAWAG PSK bank leads to an improvement in financial services



- Since IPO, investments of approx. EUR 210m in new companies in mail / parcel & logistics (EUR 150m in investments planned in the next 18 months)
- Sales outside of Austria: 26% (end of Q3 2007) compared to 2% (end of 2006)

Regional outreach (logistic or production units)



Acquisitions of Austrian Post in recent years

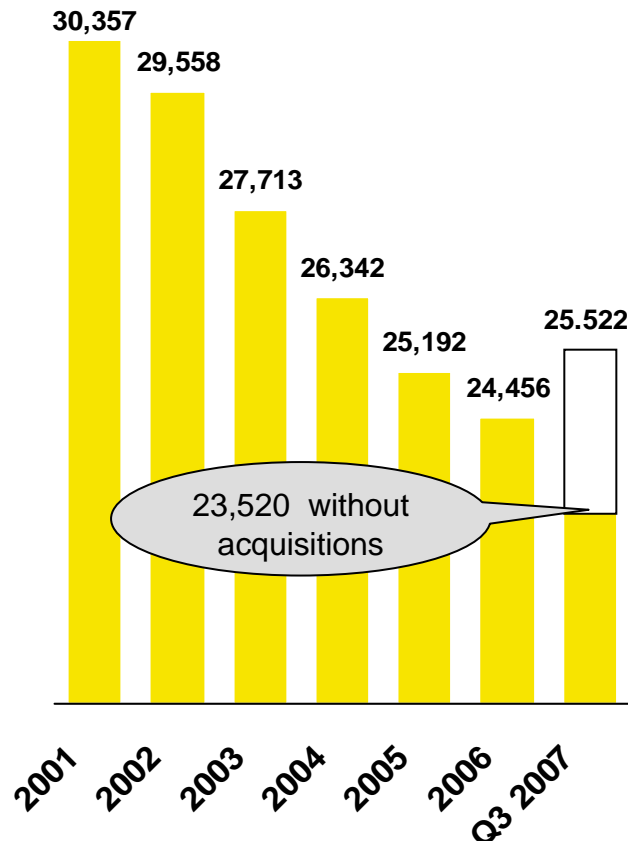
Subsidiary (listed by date of acquisition)	Division	Expected annual revenue (EUR m)	Expected EBIT margin 2007e
Slovak Parcel Service and In-Time, 100%	Parcel	24	8% - 10%
Overseas Express, Croatia, 100%	Parcel	8	10% - 12%
feibra Hungary, 100%	Mail	6	4% - 5%
Kolos, Slovakia	Mail	4	5% - 6%
trans-o-flex, Germany, 74.9%	Parcel	480	3.5% - 4.5%*
Weber Escal, Croatia, 100%	Mail	3	12% - 15%
Scanpoint, Germany, 51%	Mail	10	8% - 10%
Scherübl, Austria, 74.9%	Parcel	3	6% - 7%
meiller direct, Germany, 100%	Mail	113	2%, turnaround
Merland Expressz and Road Parcel, Hungary, 100%	Parcel	8	8% - 10%
DDS, Netherlands and VOP, Belgium, 100%	Parcel	29	Turnaround
ST Media, Croatia, 100%	Mail	2	8% - 10%
City Express, Serbia, 100%	Parcel	10	12% - 15%
Total sales of approx. 700m EUR expected			

*EBITA margin

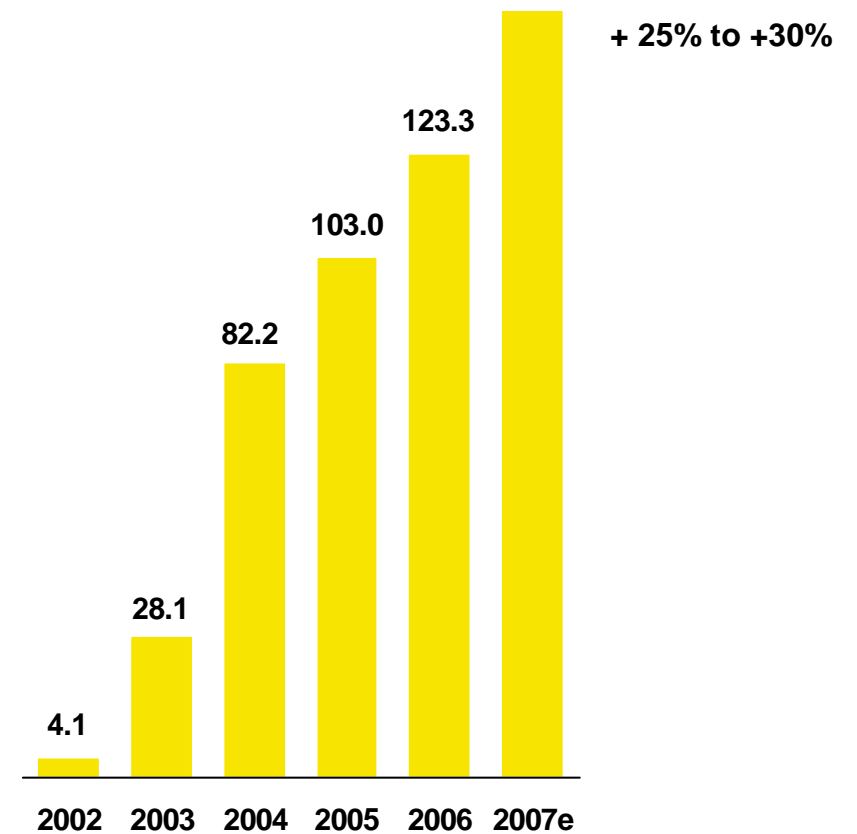
3. Ongoing profit improvement programme

Experience in ongoing improvement processes in recent years

Employees



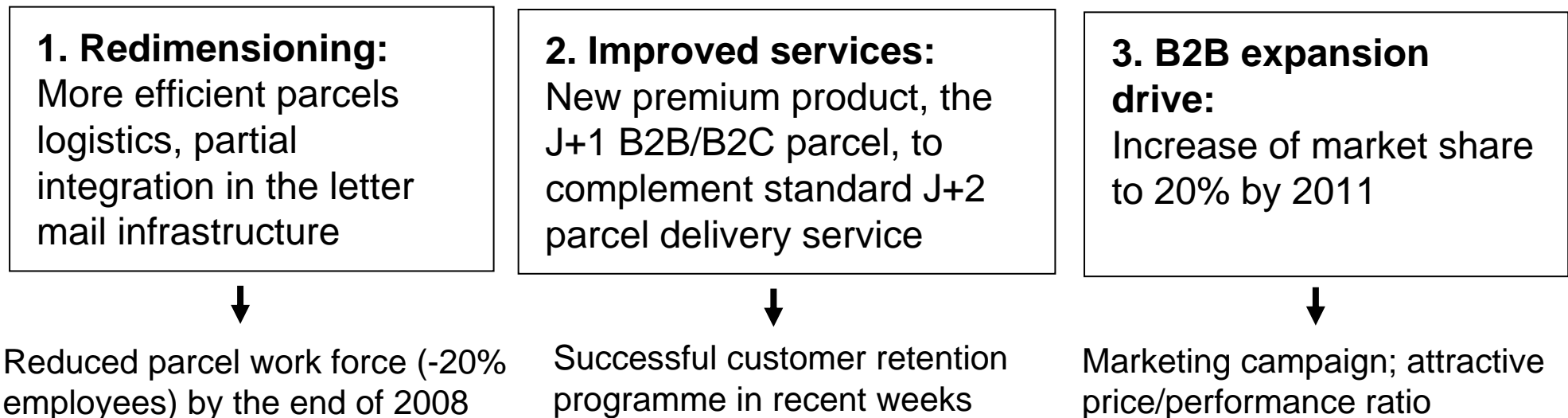
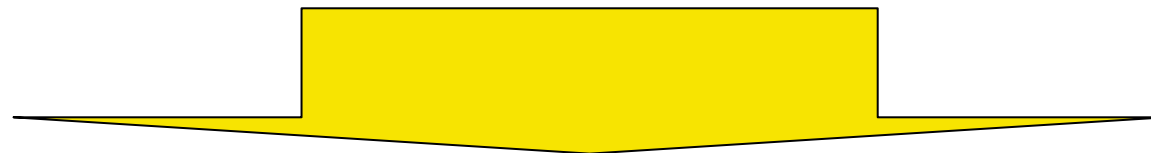
EBIT (EUR m)



3. Ongoing profit improvement programme

Repositioning of the Parcel & Logistics Division in Austria

- Changed market conditions on the Austrian parcels market 2007/2008
- Decline in business to consumer (B2C) parcels volume (loss of about 15m parcels in 2008 on the basis of a total volume of 47m parcels in 2006)
- Increased competition in B2C and B2B



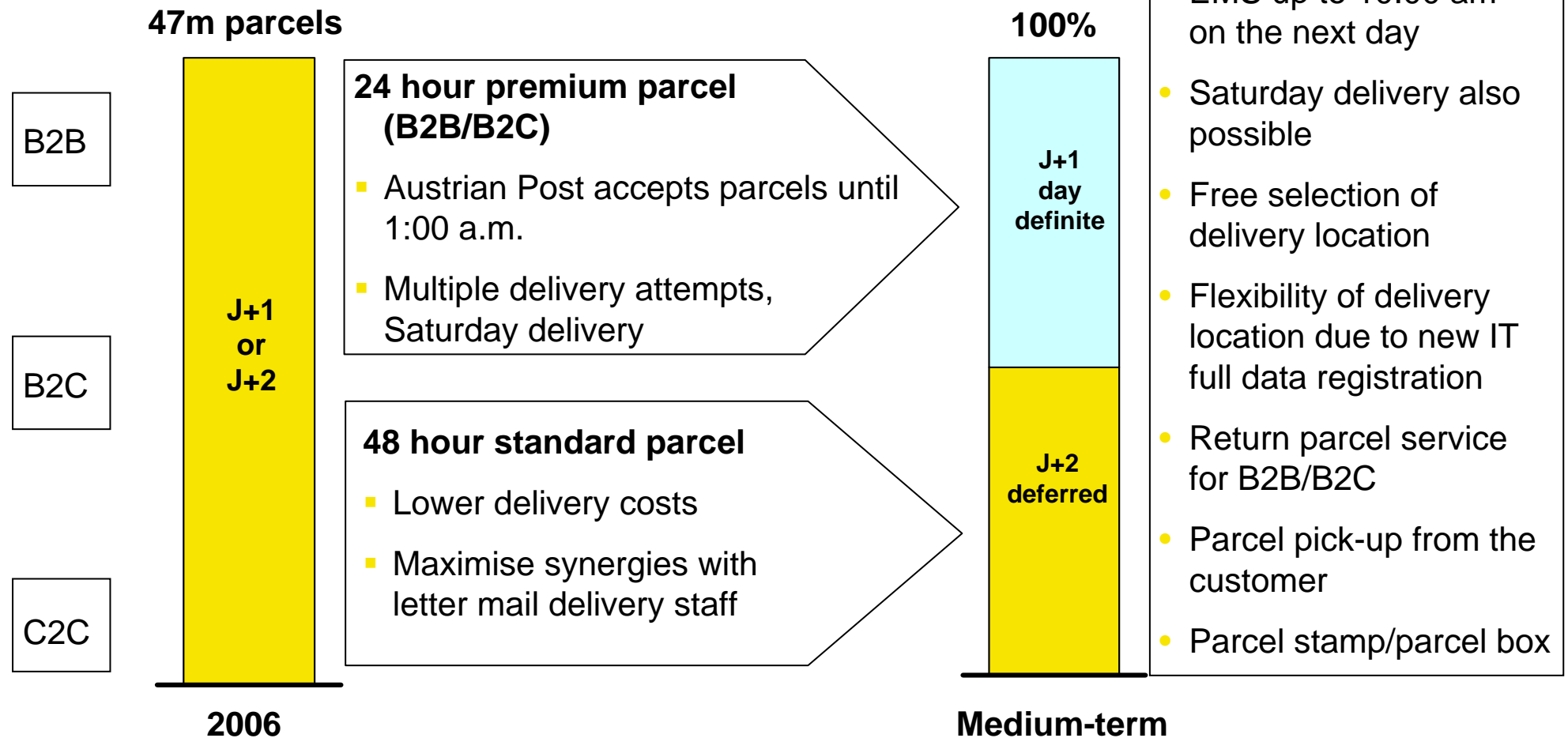
Measures (1)

1. Redimensioning (downsizing) of parcel logistics, partial integration in the letter mail network

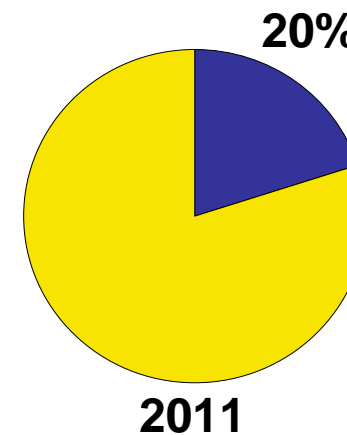
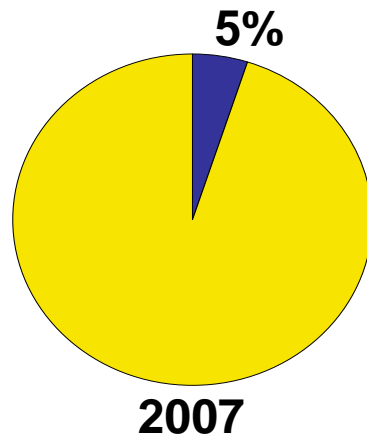
- Closing of 7 parcel delivery bases (Wörgl, Vitis, Steyr-Dietach, Großwilfendorf, Fohnsdorf, Liezen, St. Georgen)
 - Transfer of the Parcel Sorting Centre Graz, integration in the existing location in Kalsdorf/Graz
 - Exploitation of synergies → Transfer of parcel logistics to the letter mail delivery network
 - Further outsourcing
- Reduction of parcel work force by 20% (360 employees) by the end of 2008; if possible, integration in letter mail logistics; existing social programme (redundancy plan)

Measures (2)

2. Improved and value added services



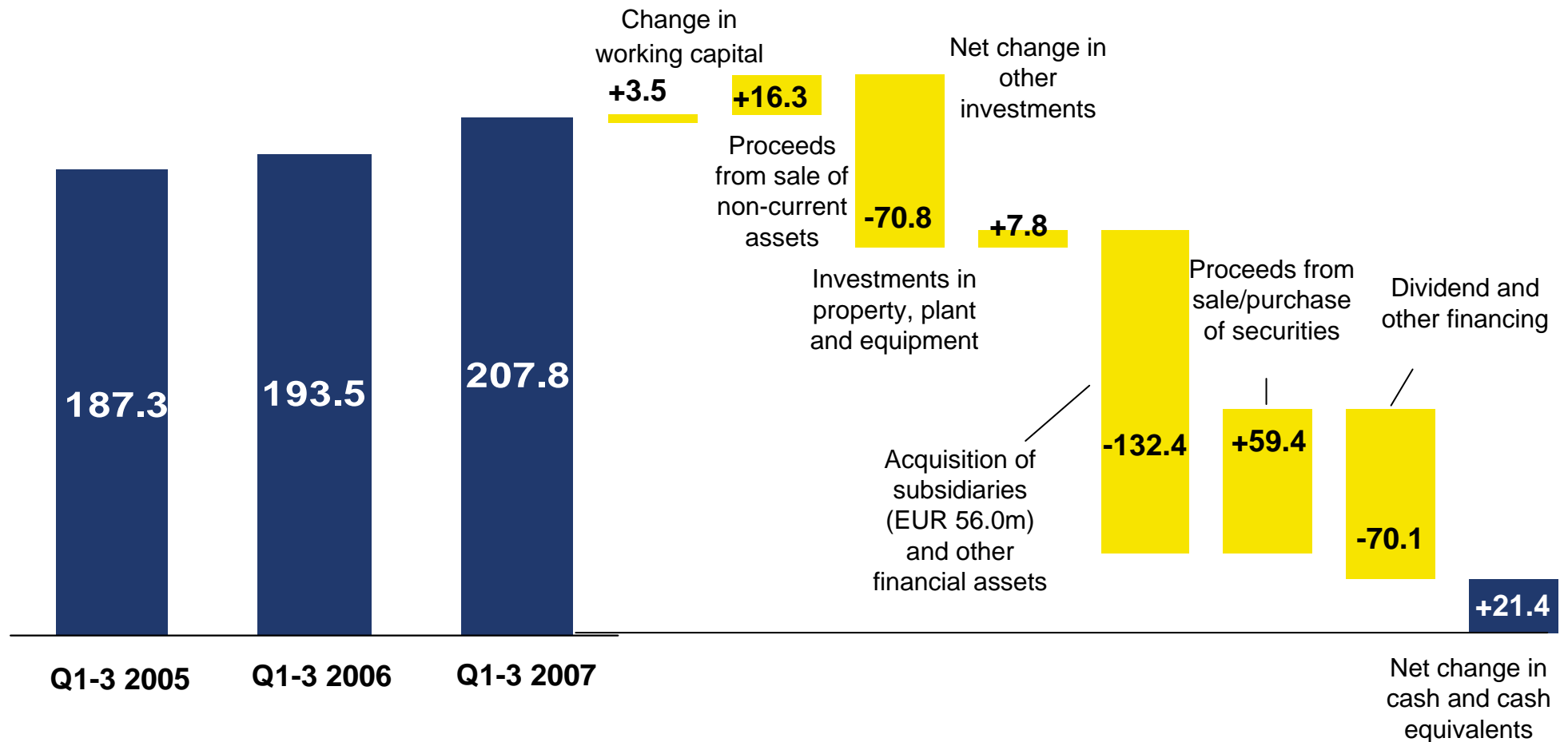
3. Sales drive to increase business customer (B2B) market share from 5% to 20%



- Attractive price/performance ratio, sales drive
- Top quality: nationwide 24 hour premium product
- Value added services such as evening and late night pick up; parcels can be brought until 1:00 a.m.
- Specialised combined freight service, temperature-controlled delivery
- IT full data registration system enables quick and flexible transport
- Exploitation of success and reputation of trans-o-flex in Austria

4. Stable cash generation and solid balance sheet

Stable cash generation → to meet investment and dividend needs



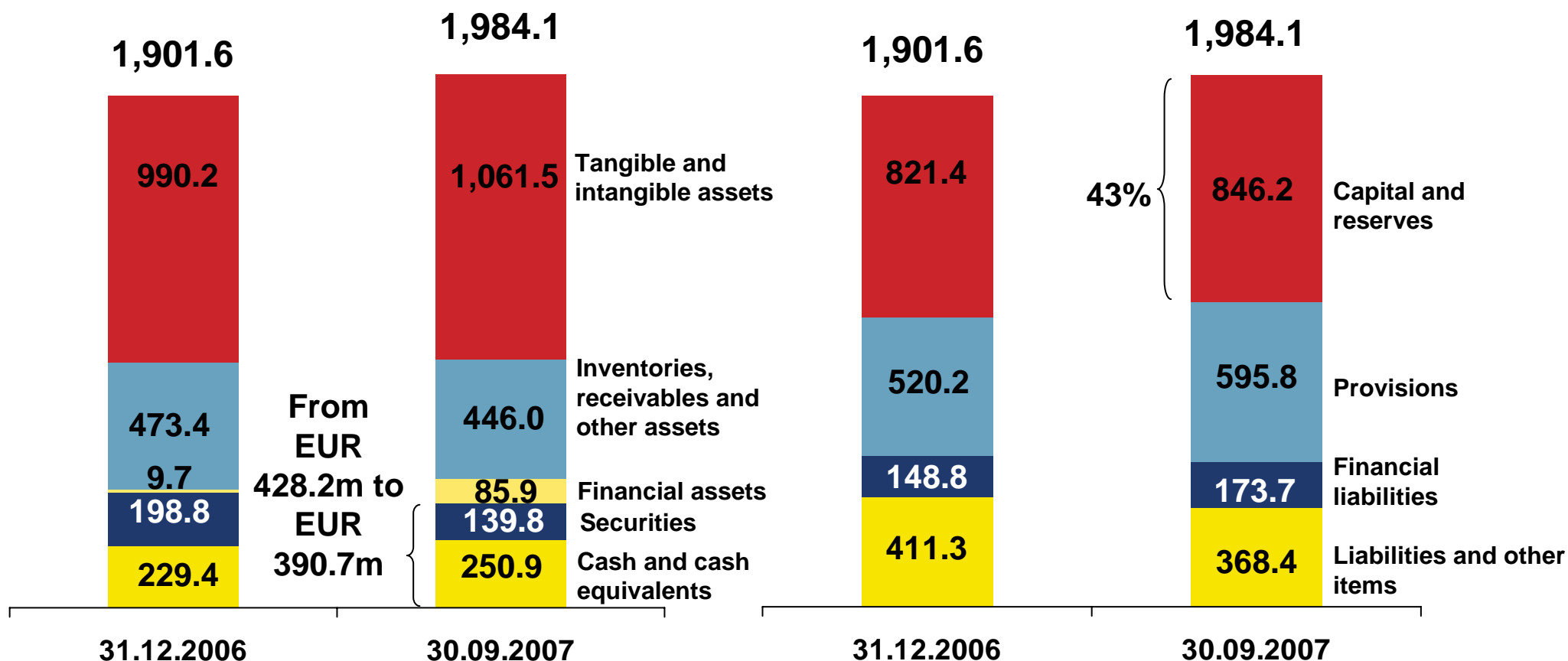
■ Operating cash flow before changes in working capital

in EUR m

Extremely stable balance sheet structure

Assets: EUR 390.7m in cash or cash equivalents

Equity and liabilities: equity ratio of 42.6%

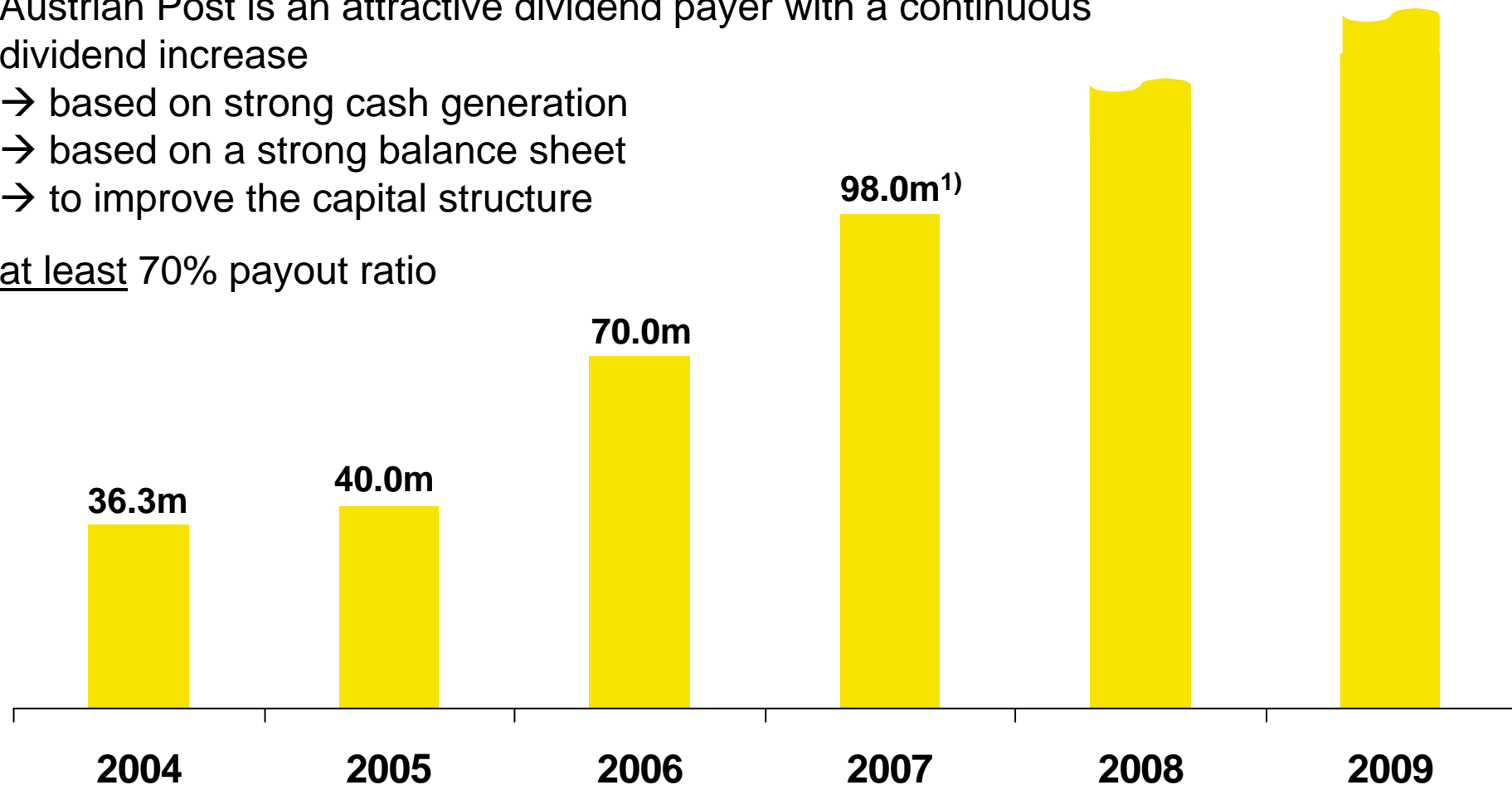


5. Attractive dividend policy

Austrian Post is an attractive dividend payer with a continuous dividend increase

- based on strong cash generation
- based on a strong balance sheet
- to improve the capital structure

at least 70% payout ratio



Dividend for the respective business year

¹⁾ Proposal to Annual General Meeting 2008: EUR 1.40 per share payout: Ma 6th, 2008; increase of 40% compared to 2006

2007

- Stable letter mail market, increased competition in the Parcel & Logistics Division
- Initial revenue and profit contribution from trans-o-flex
- More optimistic forecast for EBIT increase: 25% - 30% growth year-on-year

**2008
2009**

- Increased competition, particularly in the Parcel & Logistics Division
- Market share decline in the Austrian parcels business will impact results; 2008 Parcel & Logistics divisional EBIT margin of 2%-3%
- Target: medium-term EBIT margin in Parcel & Logistic of 5%
- Group EBIT 2008 slightly below 2007 level, then ongoing increase
- Medium-term group target of 7%-8% EBIT margin.

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