

13.11.2007 - 08:04 Uhr

**euro adhoc: Österreichische Post AG / quarterly or semiannual financial statement / Austrian Post: Solid development in Q1-Q3 2007**

Disclosure announcement transmitted by euro adhoc. The issuer is responsible for the content of this announcement.

9-month report

13.11.2007

Revenues +31.2%, EBIT +26.2%

- Group revenues up 31.2% compared to 2006 - Successful acquisitions in the first nine months of 2007:
- Scanpoint Europe (Germany/digitalisation and administration of documents) - meiller direct (Germany/direct mail production) - Road Parcel and Merland Expressz (Hungary/parcel services) - Scherübl (Austria/temperature-controlled special logistics) - Acquisition of parcel services providers in Holland and Belgium as at

October 1, 2007 - Purchase of a 5% shareholding in the consortium acquiring Austrian Post's banking partner BAWAG PSK - Earnings before interest and tax (EBIT) climb 26.2% to EUR 118.3m - Operating cash flow before changes in working capital up 7.4% to EUR 207.8m - Improved outlook for 2007: forecast of 25%-30% higher EBIT compared to 2006 - Dividend proposal to Annual General Meeting: 40% increase for 2007 to EUR 1.40/share

Gratifying business development Austrian Post performed very positively in the first nine months of 2007. Austrian Post increased its total revenues by 31.2%, to EUR 1,667.3m. A major contribution to the growth in revenues (about EUR 360m) can be attributed to the initial inclusion of trans-o-flex (Parcel & Logistics Division), which was acquired at the end of 2006. On balance, revenues from the Mail Division were up 3.3% during the first three quarters of 2007, and the Parcel & Logistics Division improved by 225.1% in the same period. In contrast, the Branch Network Division posted a decline in revenues of 2.5%. Austrian Post's performance in the third quarter basically followed the same pattern. Total Austrian Post revenues improved by 34.4% in Q3 2007, to EUR 550.4m. Revenues in the Mail Division increased by 6.1% compared to Q3 2006, the Parcel & Logistics Division improved by 234.5%, whereas Branch Network Division revenues fell by 1.2%.

Revenue development	Q1-Q3 2006	Q1-Q3 2007	Change %	Q3 2006	Q3 2007
EUR m					
Austrian Post Group	1,271.1	1,667.3	+31.2%	409.7	550.4
Mail Division	958.8	990.4	+3.3%	308.3	327.0
Parcel & Logistics Division	163.5	531.6	+225.1%	52.1	174.4
Branch Network Division	145.4	141.8	-2.5%	48.6	48.0
Other / Consolidation	3.3	3.6	+7.1%	0.7	1.0

Earnings increase by 26.2%

	Q1-Q3 2006	Q1-Q3 2007	Change %	Q3 2006	Q3 2007
EUR m					
Total revenue	1,271.1	1,667.3	+31.2%	409.7	550.4
EBITDA	173.4	190.5	+9.9%	55.5	60.3
EBIT	93.7	118.3	+26.2%	27.4	33.3

In the first three quarters of 2007, the EBIT (earnings before interest and tax) of Austrian Post increased by 26.2%, to EUR 118.3m, in comparison to the preceding year. Accordingly, the EBIT margin amounted to 7.1%. In Q3 2007, Austrian Post achieved an EBIT of EUR

33.3m, up from EUR 27.4m in Q3 2006.

All operating divisions made a positive contribution to earnings. EBIT at the Mail Division was EUR 188.4m, at the Parcel & Logistics Division EUR 20.8m, and at the Branch Network Division EUR 9.7m.

On balance, earnings before tax rose 27.2%, to EUR 123.4m, while profit for the period improved by 35.9%, to EUR 96.1m. Accordingly, earnings per share amounted to EUR 1.37 in the first three quarters of 2007 (Q3 2007: EUR 0.40).

Solid balance sheet structure - equity ratio of 42.6% The balance sheet structure of Austrian Post reflects the positive business development of the company in recent years. Accordingly, the equity ratio amounted to 42.6% at September 30, 2007. In addition, the financial strength of Austrian Post is extremely stable, with cash and cash equivalents totalling EUR 390.7m, despite acquisitions carried out in recent months.

Increased Cash-Flow In the period under review, operating cash flow before changes in working capital climbed by 7.4% compared to the first three quarters of the previous year, to EUR 207.8m. This improvement can be primarily attributed to an increase in earnings before tax.

After including the changes in working capital, total cash flow from operating activities amounted to EUR 211.3m for the first nine months of 2007.

The cash flow from investing activities totalled minus EUR 119.7m during the period under review, comprising the purchase of property, plant and equipment amounting to EUR 70.8m, the acquisitions carried out in the first three quarters (Weber Escal, Scanpoint, Scherübl, Road Parcel, Merland Expressz and meiller direct) as well as the purchase of a 5% stake in the consortium acquiring BAWAG PSK.

In the first three quarters of 2007, total free cash flow was EUR 91.6m, before the dividend payout amounting to EUR 70.0m for the 2006 financial year.

Improved outlook for 2007 Within the context of a business environment characterised by increasing competition, Austrian Post continues to expect a stable mail market for the year 2007. All in all, Austrian Post continues to anticipate that organic revenue will remain constant in the 2007 business year. Additional growth will be driven by the initial consolidation of new subsidiaries. Austrian Post has revised its original forecasts upwards, and now predicts that earnings before interest and tax (EBIT) will be 25%-30% higher in 2007 in comparison to 2006 (earlier forecast: 20%-25%). The basis for this expected increase is the contribution to earnings on the part of the new subsidiaries, as well as a further improvement in operating income.

Based on this favourable business development, the Management Board of Austrian Post will propose a 40% increase in the dividend for the 2007 financial year, amounting to EUR 1.40 per share, to the next Annual General Meeting.

Events after the end of the interim reporting period As at October 1, 2007, Austrian Post acquired a 100% shareholding in Osselaer Pieters Colli Services (VOP), Belgium, and DDS Dedicated Distribution Services, Netherlands. Both companies are specialist logistics companies for business-to-business deliveries, focusing on combined freight services. Moreover, Austrian Post acquired a 100% shareholding in the Croatian company ST Media, legally effective as at October 31, 2007. ST Media operates in the delivery of unaddressed mail items on the Croatian market. The reduction in parcel volume by Quelle Austria by about 7m parcels annually and the resulting changes in the market environment are expected to have a negative impact on Austrian Post's operating income. Nevertheless, Austrian Post anticipates that its operating income in 2008 will be just slightly

below the 2007 level, and then continually rise in the following years. In terms of its dividend policy, Austrian Post also expects further growth in its dividend.

The postponement of postal market liberalisation opens up a window of opportunity to create a level playing field. At the end of 2006, the EU Commission presented its draft proposal for guidelines regulating the total liberalisation of the postal market. This proposal, which foresees a complete opening of the postal sector in 2009, was extensively discussed in the EU Parliament and the EU Council of Ministers within the framework of the co-decision procedure. The main result of these negotiations was adoption of a two-step liberalisation timetable. Generally, the full-scale opening of the European postal sector will first take place at the beginning of 2011. At the same time, the following member states were granted a two-year delay, enabling them to postpone postal sector liberalisation until the beginning of 2013: Cyprus, Czech Republic, Greece, Hungary, Latvia, Lithuania, Luxembourg, Malta, Poland, Romania and Slovakia. Austrian Post principally welcomes the postponement of the market opening until 2011, enabling countries to exploit the window of opportunity and adapt national postal laws to a fully competitive market. In particular, this applies to the creation of a level playing field for all providers of postal services, the harmonisation of labour regulations and the creation of an effective financing mechanism to ensure universal postal services in a liberalised market. However, the EU Postal Directive has not yet been formally adopted.

Vienna, 13 November 2007

end of announcement                      euro adhoc 13.11.2007 07:27:43

Further inquiry note:

Austrian Post  
Investor Relations & Public Relations  
Harald Hagenauer  
Tel.: +43(0)57767-30401  
mailto:harald.hagenauer@post.at

Public Relations:  
Michael Homola  
Tel.: +43(0)57767-32010  
mailto:michael.homola@post.at

Branche: Transport  
ISIN: AT0000APOST4  
WKN: A0JML5  
Index: ATX  
Börsen: Wiener Börse AG / stock market

Original content of: Österreichische Post AG, transmitted by news aktuell  
Diese Meldung kann unter <https://www.presseportal.de/en/pm/56747/1082937> abgerufen werden.