



Initial Public Offering of Austrian Post

May 15 - 30, 2006

 **Post.*at***

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Offering

Price Range

- €17 – €19 per share

Offer Size

- Up to 31.5m secondary shares from ÖIAG (€535.5m – €598.5m)

Offer Structure

- Public offering in Austria
- Institutional private placement including 144A offering in the US

Greenshoe

- Up to 2.8m in secondary shares (9% of base transaction)

Freefloat

- Up to 45% excluding Greenshoe and up to 49% including Greenshoe

Listing

- Vienna Stock Exchange (Prime Market Segment)

Lock-up

- 6 months for ÖIAG and Austrian Post

Joint Bookrunners and Joint Lead Managers

- Goldman Sachs, Erste Bank (Institutional)
- Raiffeisen Centrobank, Erste Bank (Retail)

Co-Lead Manager

- Deutsche Bank

Timetable of Key Events

Management Roadshow

■ May 15 - 30 (Monday - Tuesday)

Bookbuilding Period

■ May 16 - 30 (Tuesday - Tuesday)

Pricing & Allocation

■ May 30 (Tuesday)

Start of Trading

■ May 31 (Wednesday)

Settlement

■ June 2 (Friday)



Experienced Management Team



Anton Wais
CEO



Rudolf Jettmar
CFO and Deputy Chairman



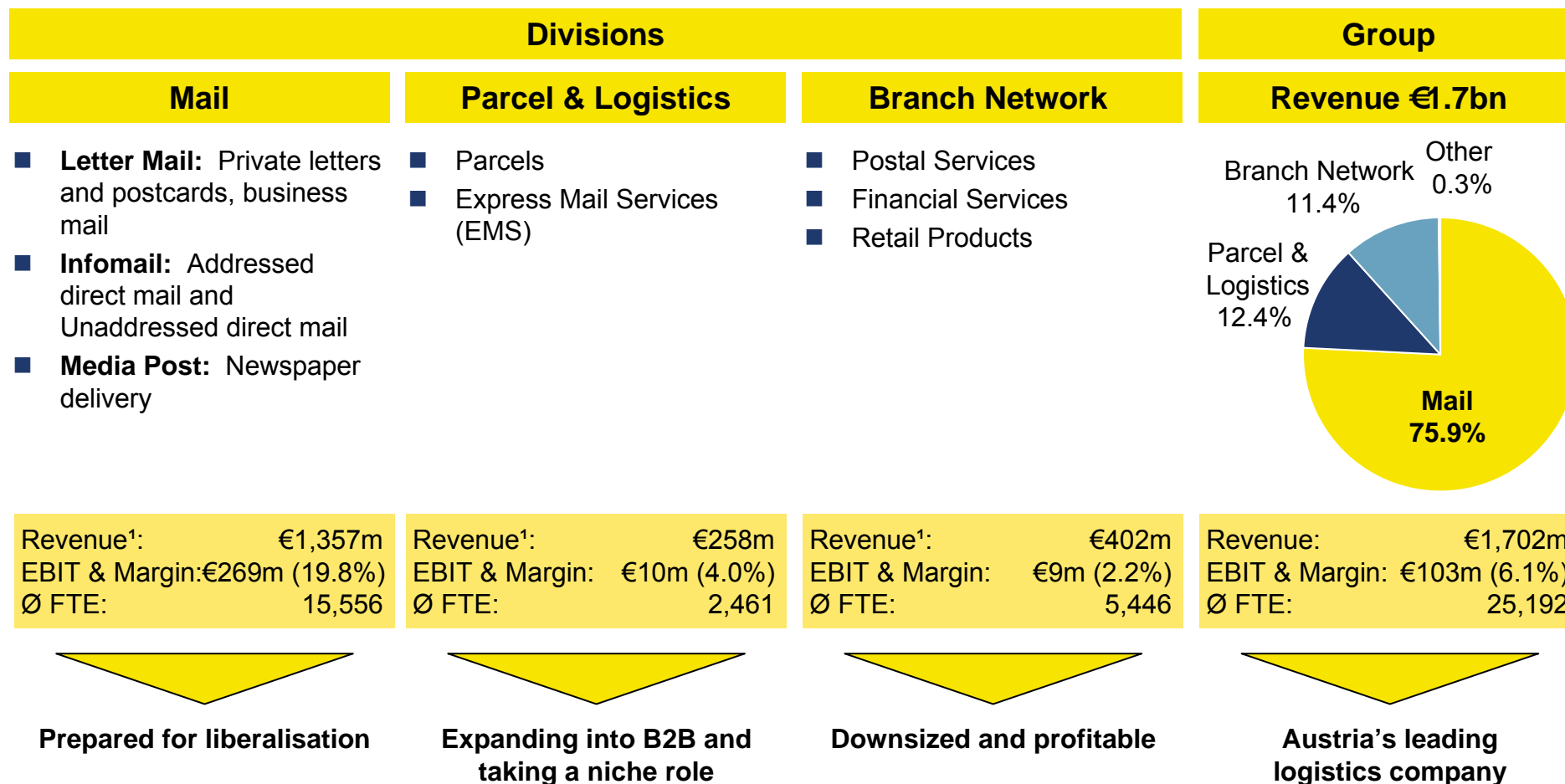
Herbert Götz
Board Member



Walter Hitziger
Board Member

Areas of Responsibility	<ul style="list-style-type: none"> ■ Corporate Business Development ■ Parcel & Logistics Division ■ Human Resources ■ Corporate Communications ■ Investor Relations 	<ul style="list-style-type: none"> ■ Finance and Accounting; Controlling; Treasury ■ Personnel Administration ■ IT ■ Purchasing ■ Legal 	<ul style="list-style-type: none"> ■ Branch Network Division (branches, philately) ■ Product Innovation and Product Management ■ Sales Coordination and Marketing 	<ul style="list-style-type: none"> ■ Mail Division (Letter Mail, Infomail, Media Post, international letters, letters production) ■ Production and Logistics
Education & Career	<ul style="list-style-type: none"> ■ <u>Austrian Post</u> since 1999; appointed as Chairman of the Management Board ■ <u>Siemens</u> 1978-1999; Board Member; held several management positions in Germany, England and Austria; elected Board Member of Siemens Austria in 1996 ■ <u>Office of Austrian Economics Minister</u> 1971-1978; Member of Cabinet ■ Graduated from University of Vienna in law (1972) 	<ul style="list-style-type: none"> ■ <u>Austrian Post</u> since 1999; appointed CFO and Deputy Chairman ■ <u>Österr. Verkehrskreditbank</u> 1982-1999; board member ■ <u>Various accounting firms</u> 1972-1982 ■ Certified tax advisor (1979) and chartered accountant (1981) ■ Graduated from University of Vienna in law (1969) and business administration (1972) 	<ul style="list-style-type: none"> ■ <u>Austrian Post</u> since 2004; Member of the Management Board ■ <u>Siemens Austria</u> 1995-2004; Secretary General and Group Press Officer; Head of information- and communication networks division ■ <u>Vice-Chancellor's Office</u> 1990-1995; Economic Policy Advisor and Chief of Staff ■ Holds a doctorate in engineering sciences (2002) ■ Graduated from Vienna University of Technology in engineering (1990) 	<ul style="list-style-type: none"> ■ <u>Austrian Post</u> since 2004; Member of the Management Board ■ Extensive CEE experience ■ <u>Baumax</u> 1997-2004; Member of the Management Board responsible for purchasing and logistics ■ <u>ECONSULT</u> 1992-1997 Consultant for supply chain management ■ <u>AGIPLAN</u> 1990-1992 Consultant for logistics ■ <u>Steierbrau</u> 1987-1990 Head of distribution ■ Graduated in Mechanical Engineering-Economics at Graz University of Technology (1987)

Austria's Leading Logistics Company



1) Internal and external sales.
 Note: All financial data refer to 2005

Investment Highlights

1. **Strong market position in attractive markets**
2. **Successful transformation**
3. **Highly customer oriented service provider**
4. **“Defend and expand” strategy for profitable growth**
5. **Sound financial profile with stable cash flows**

Investment Highlights

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Strong Market Positions in Austria and CEE

Market Position in Austria

Segment	Market Position	Market Share
■ Letter Mail	#1	98%
■ Direct Mail	#1	85%
■ X2C Parcels	#1	95%
■ Media Post	#1	56%

➔ **Leading mail services and logistics network with country wide coverage**

Market Position in CEE

Slovakia (since 2002/2006)



- #2 market position in parcels
- Revenue: €19.3m
- Employees: 235



- #2 market position in unaddressed direct mail
- Revenue: €2.9m
- Employees: 19
- Free-lancers: ~1,500

Croatia (since 2003)



- #2 market position in parcels
- Revenue: €5.4m
- Employees: 119

Hungary (since 2005)



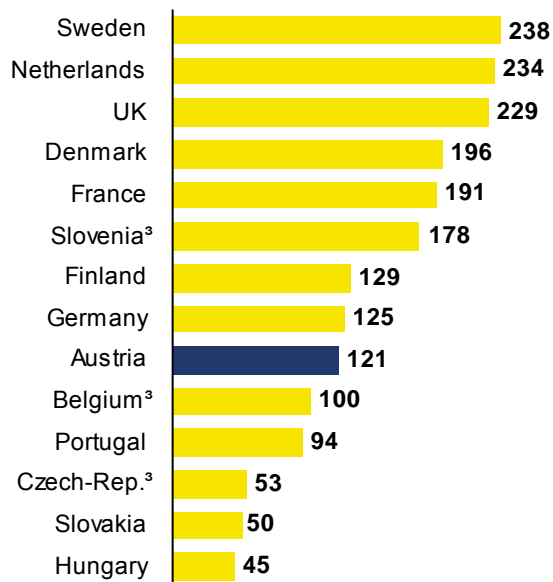
- #1 in unaddressed direct mail
- Revenue: €6.9m
- Employees: 42
- Free-lancers: ~220

➔ **Well positioned in selected CEE markets**

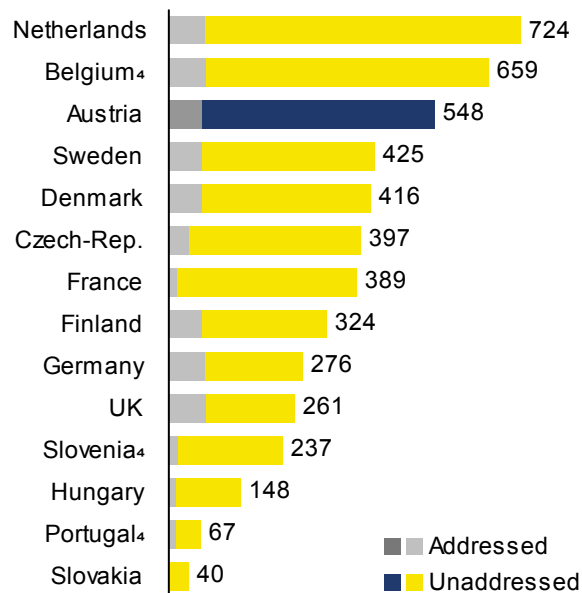
Note: All financial data refer to 2005.

Attractive Home Market and Growth Opportunities in CEE

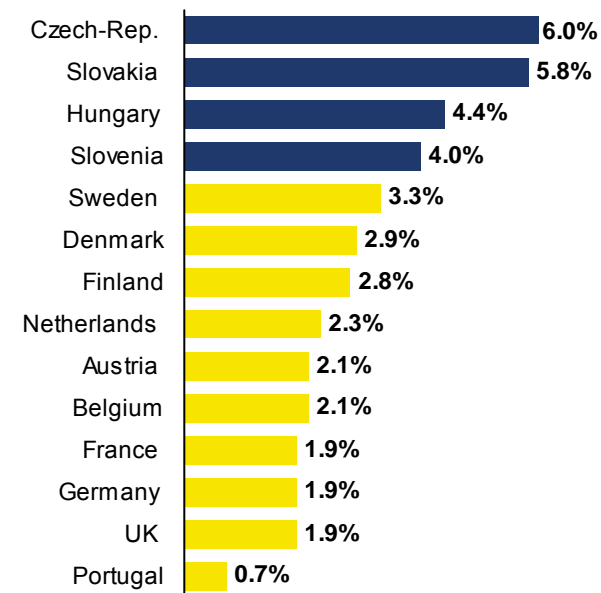
Letters per Capita p.a.¹



Direct Mail Items per Capita p.a.¹



2006E GDP Growth²



Austrian Post well positioned to benefit from future growth potential in letter mail

Market leadership in robust, fully liberalized direct mail market

Established presence in high growth CEE region intended to be increased going forward

1) Source: ECORYS; "Development of competition in the European postal sector", 2005, letters (national as well as international).

2) Source: Economist Intelligence Unit.

3) Letters abroad, only volumes of the national post company.

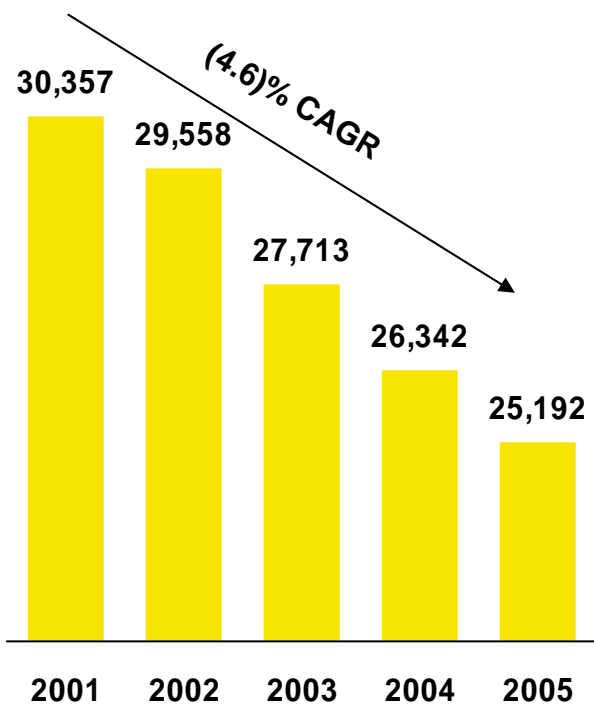
4) Unaddressed direct mail, only volumes of the national post company.

Investment Highlights

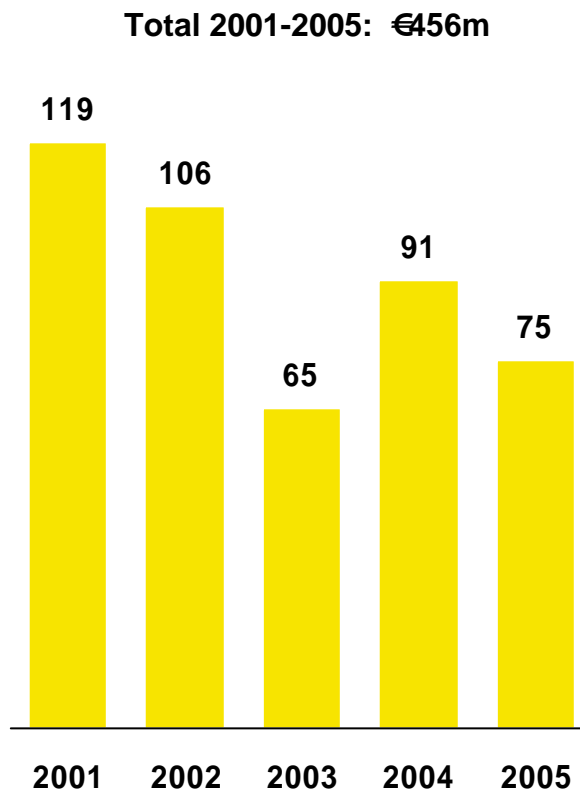
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Significant Restructuring and Resizing Achieved

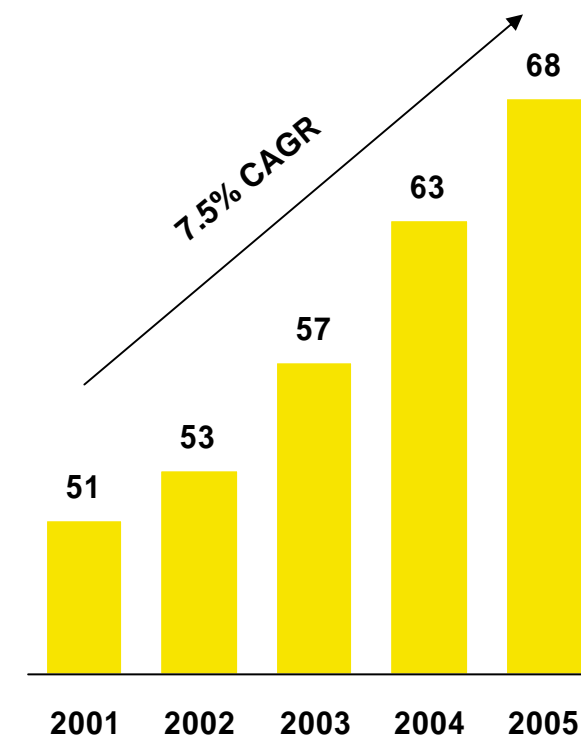
Employees¹



Capital Expenditures (€m)



Revenue per Employee (€000)^{1,2}

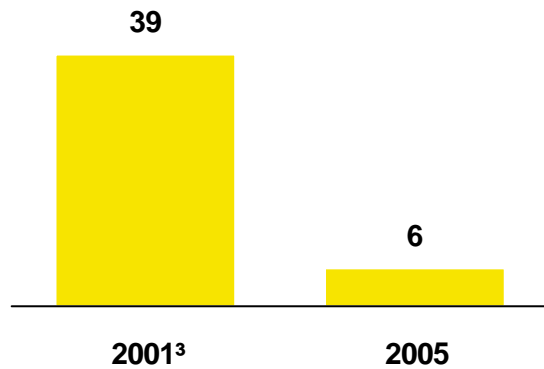


Resizing and Investment Program Led to Increased Efficiency

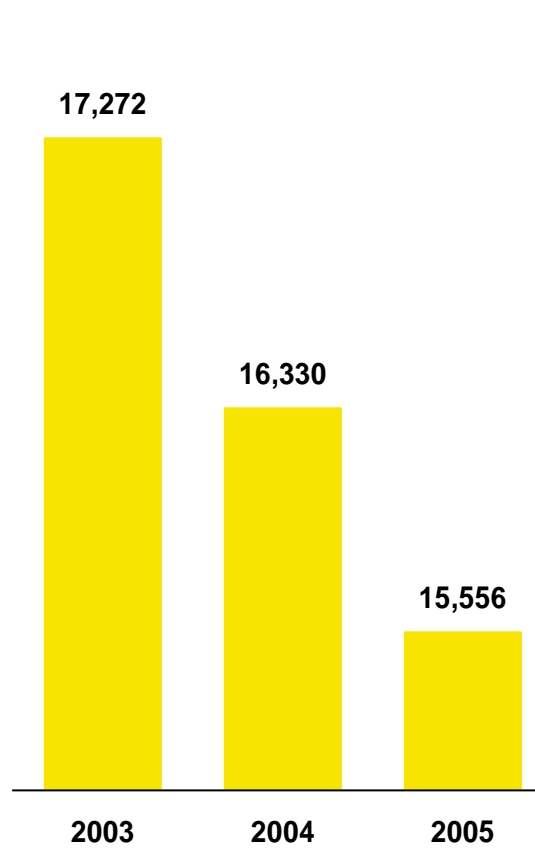
1) Annual average number of fulltime equivalents, 2001-2002 including insurance segment, 2003-2005 excluding.
 2) 2001 and 2002 including insurance segment ("Postversicherung"), 2003-2005 excluding.

Mail: Best Practice Logistics Network

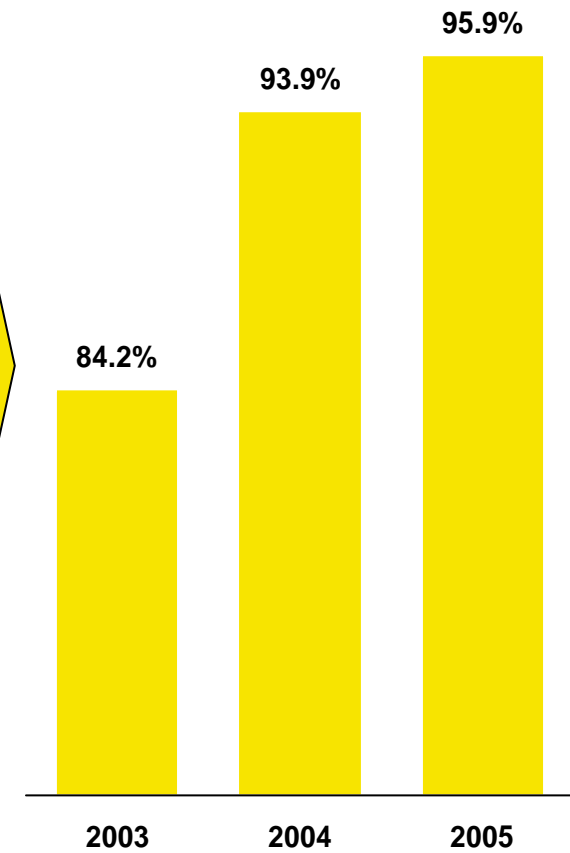
Sorting Centers¹



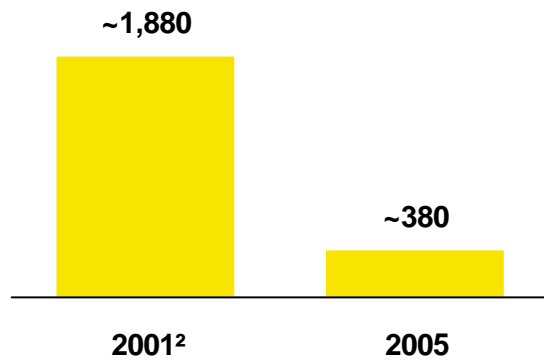
Employees²



J+1 Delivery Quality⁴



Delivery Bases¹

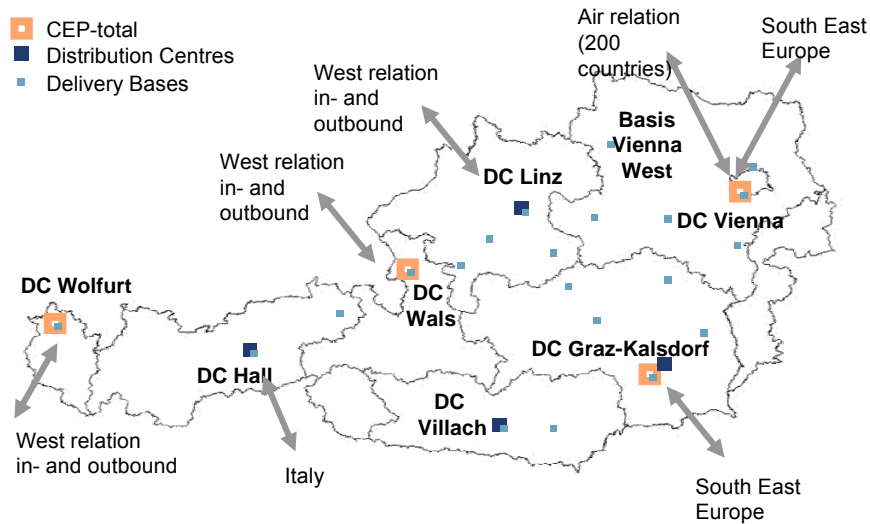


- 1) As per 31-Dec.
- 2) Annual average number of fulltime equivalents.
- 3) Shared sites for mail and parcel delivery.
- 4) Source: ÖSTEX -study by InfoResearch.

Parcel & Logistics: Streamlined X2C Network sets the Stage for B2B Entry

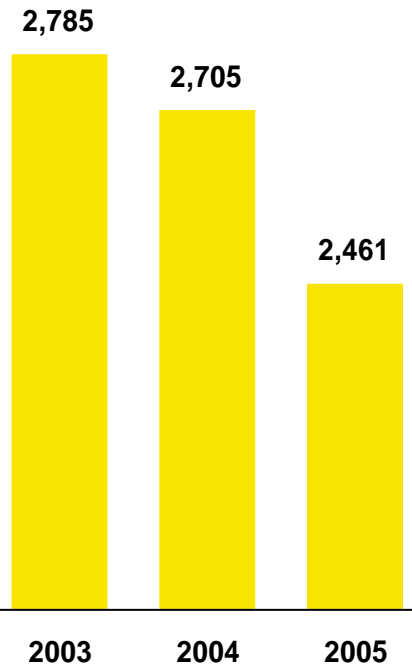


Optimized Distribution Network

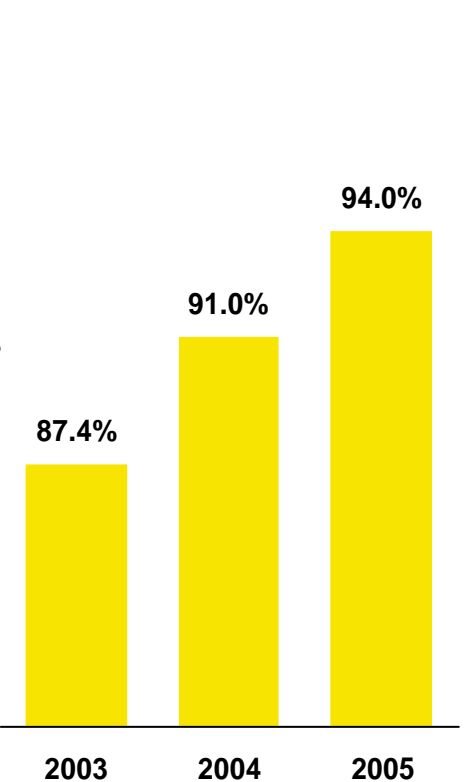


- Parcel & Logistics network separated from mail
- Existing X2C infrastructure enhanced
- Sale of DPD shareholding to enable B2B entry

Employees¹



J+2 Delivery Quality²

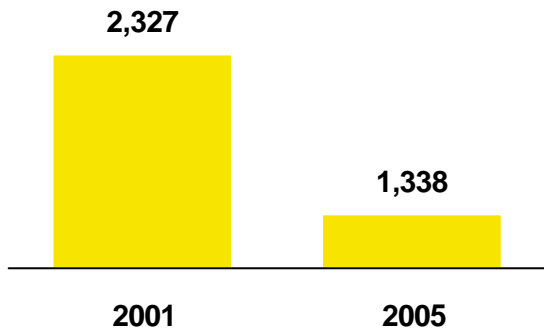


1) Annual average number of fulltime equivalents.
 2) Source: Company estimates.

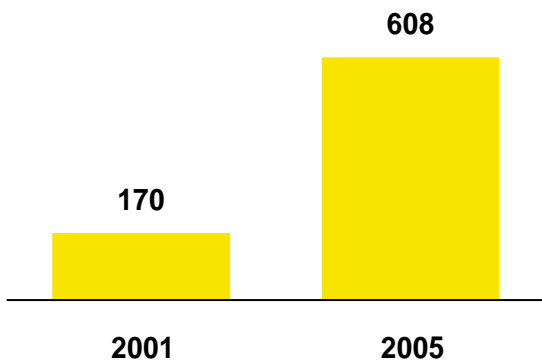
Branch Network: Closure of Loss Making Branches and Improved Customer Satisfaction



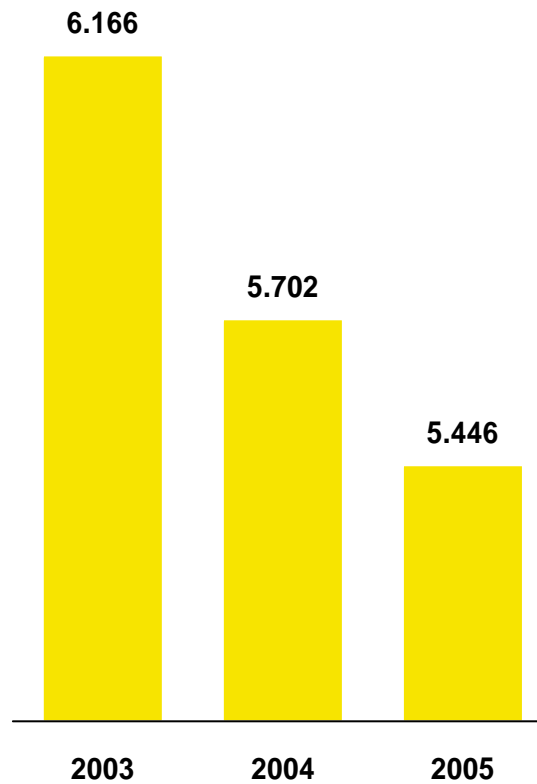
Branches¹



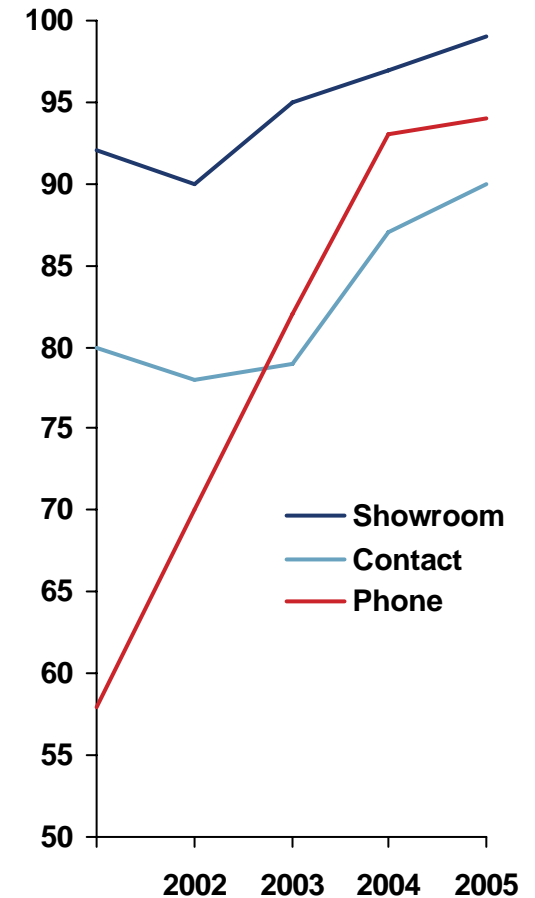
Third-Party Outlets¹



Employees²



Satisfaction³



1) As per 31-Dec.

2) Annual average number of fulltime equivalents.

3) Source: Shop-marketing study prepared by Austrian Post.

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Well Prepared for Liberalisation through Customer Orientation

1.

Nationwide Access and Coverage

- Every Door, Every Day
- Approx. 27,500 collection points¹
- 1,946 pick-up points and 11,300 postmen

2.

Knowing our Customers and their Needs

- 150,000 identified business customers
- 7,000 key accounts
- 320,000 customer transactions per day

3.

Broad Product Offering

- Mail and logistics services
- Retail products and philately
- Financial services

1) Includes 20,539 letter boxes, 1,336 branches, 608 external postal partners and approx. 5,000 delivery staff.

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Defense Strategy Clearly Defined

- 1. Good Value for Money**
 - High delivery speed, reliability and quality
 - Moderate price level
 - High degree of customer satisfaction

- 2. One-Stop Shopping**
 - Broad product offering
 - Retail customers: Mail – Telecommunication – Financial Services
 - Business customers: Letter – Infomail – Parcels

- 3. Economies of Scale**
 - Network effects
 - Austrian-wide last mile coverage
 - Modern sorting and delivery infrastructure
 - High entry barrier for competitors

- 4. Network Streamlined**
 - Branch network trimmed (2,327 sites in 2001 – 1,336 in 2006)
 - Increase of third party outlets

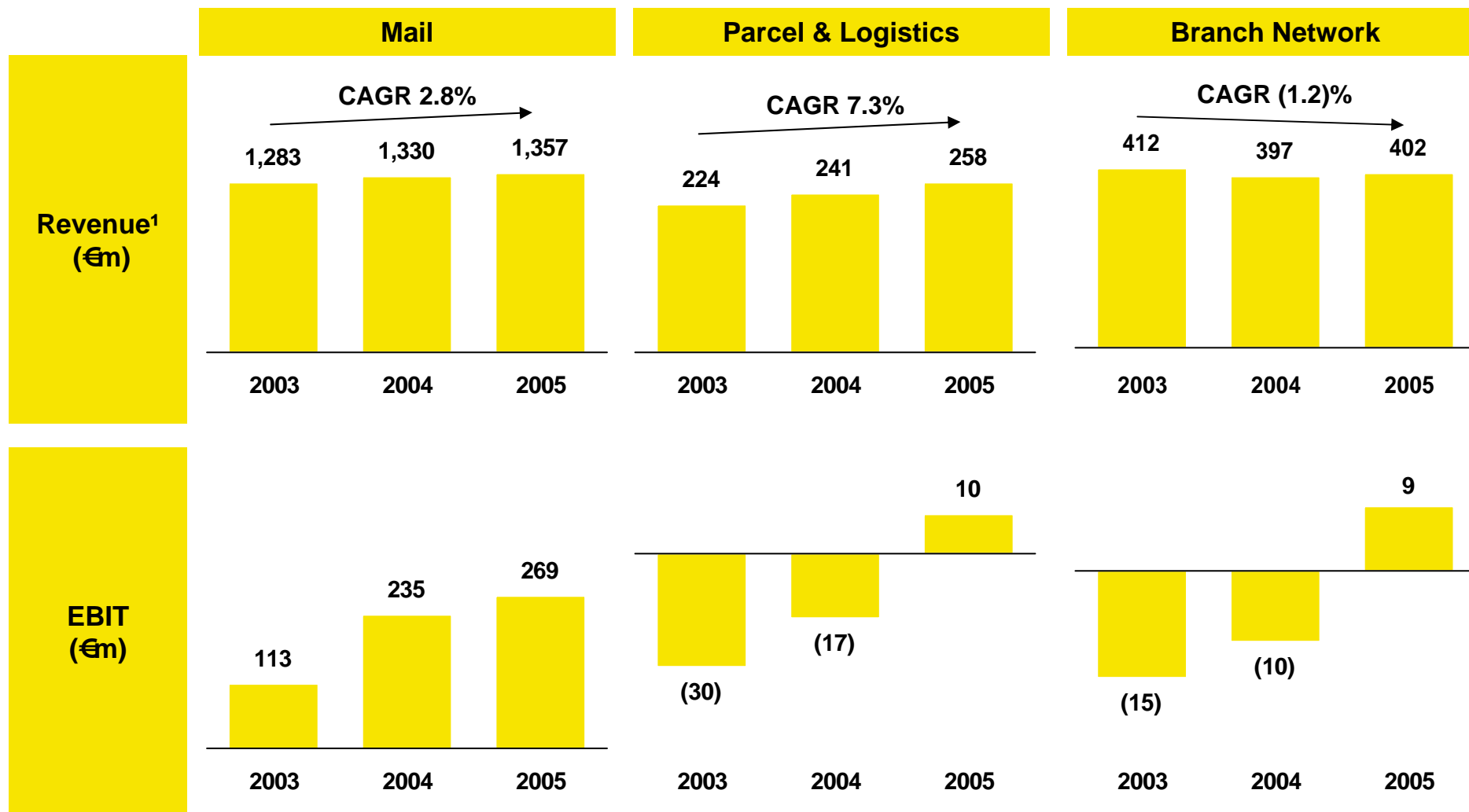
Expansion Strategy Already Initiated

- 1. Expanding the Value Chain**
 - Long-term outsourcing contracts (e.g. hybrid mail)
 - Innovative products & services (e.g. address management)
- 2. Entering B2B Parcel Market in Austria**
 - Cooperation with trans-o-flex
 - Leverage strong X2C parcel position
- 3. Entering Attractive Niche Markets**
 - Functional and/or regional expansion
- 4. Expansion in Eastern Europe**
 - Entry into selected CEE markets (Hungary, Slovakia, Croatia)
 - Recently acquired Kolos Slovakia and Feibra Hungary
 - Further expansion to lever domestic know-how

Investment Highlights

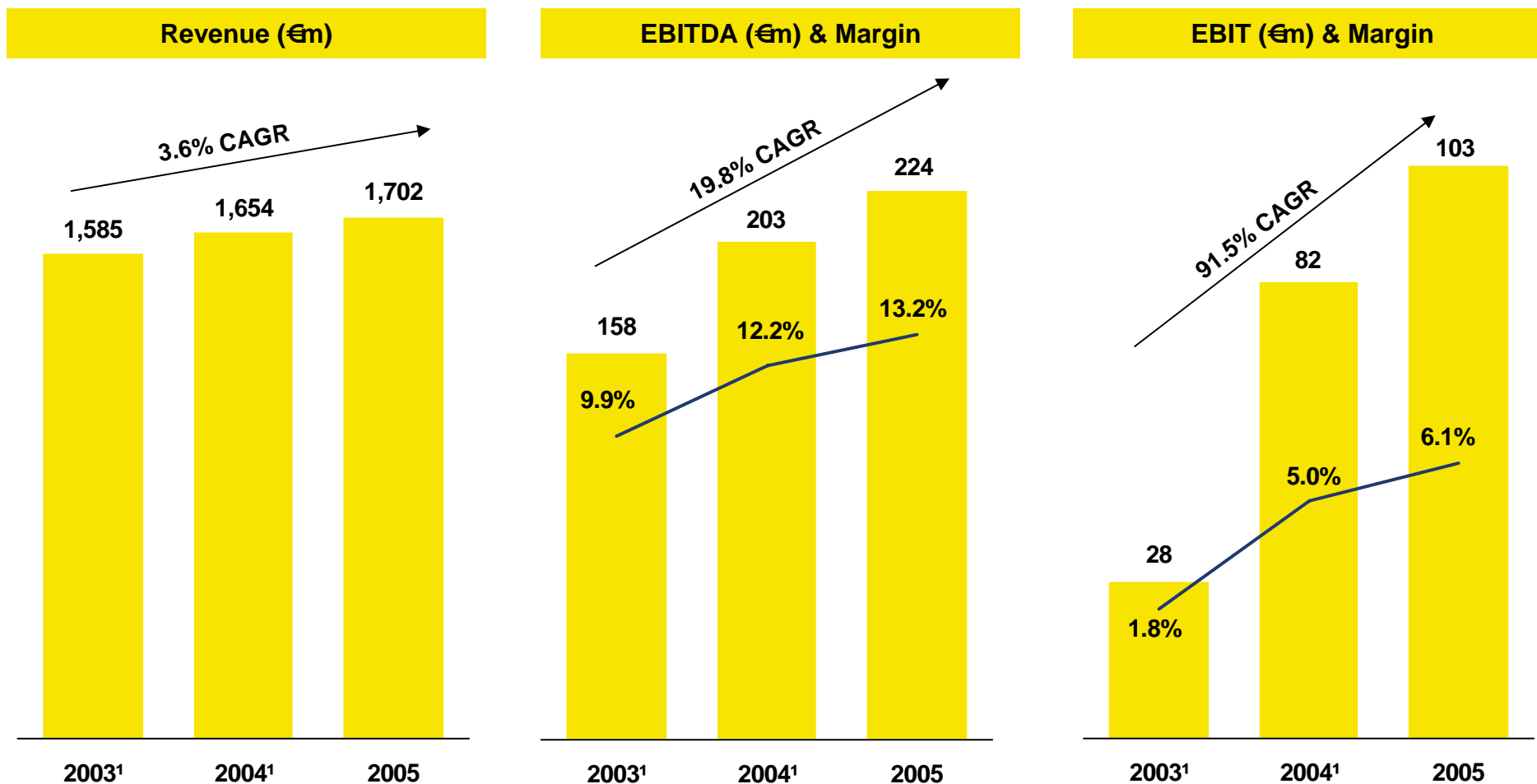
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Topline and Profitability Growth in all three Divisions ...



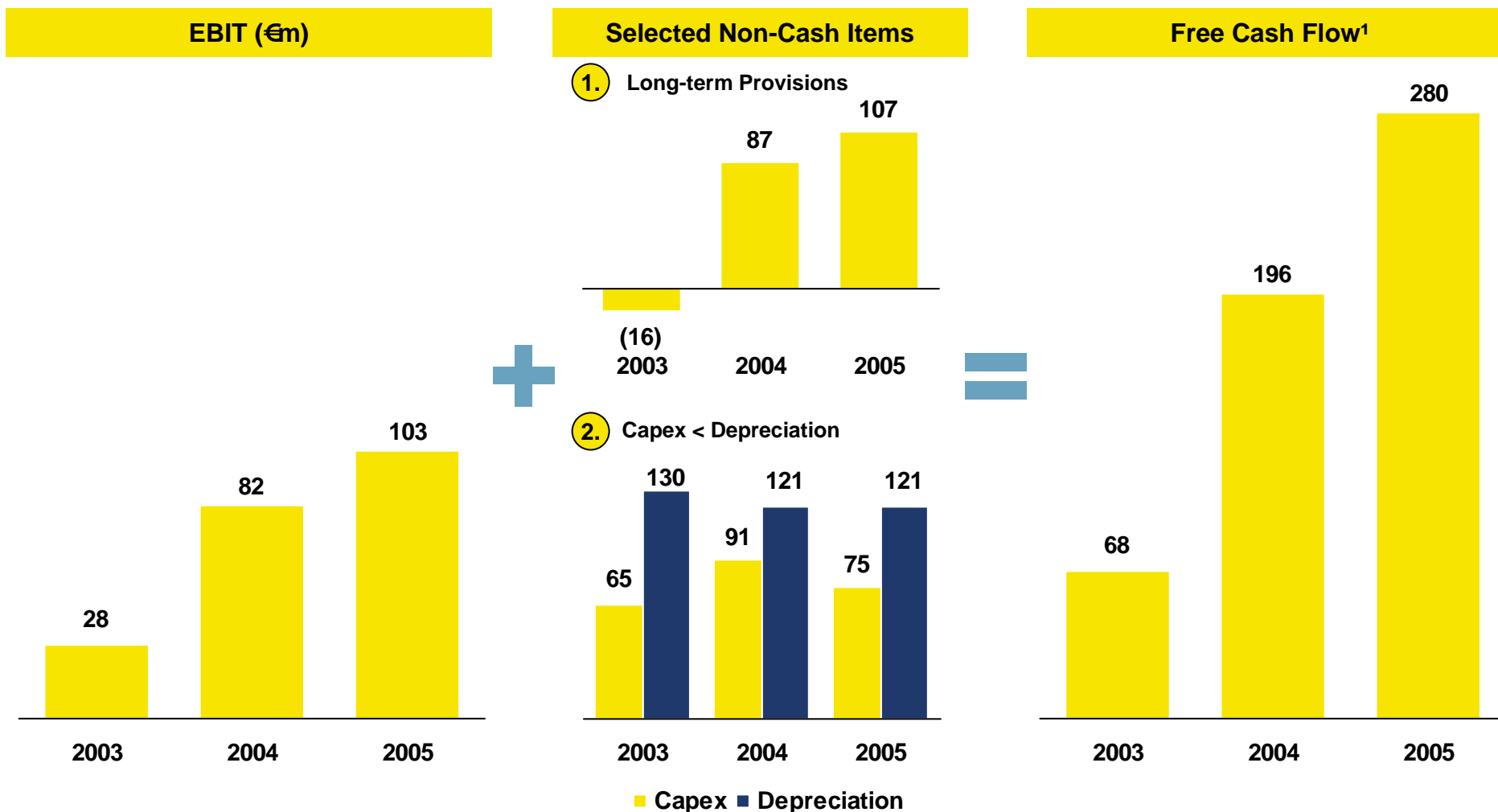
1) Internal and external sales.

... Leading to Dynamic Group Results



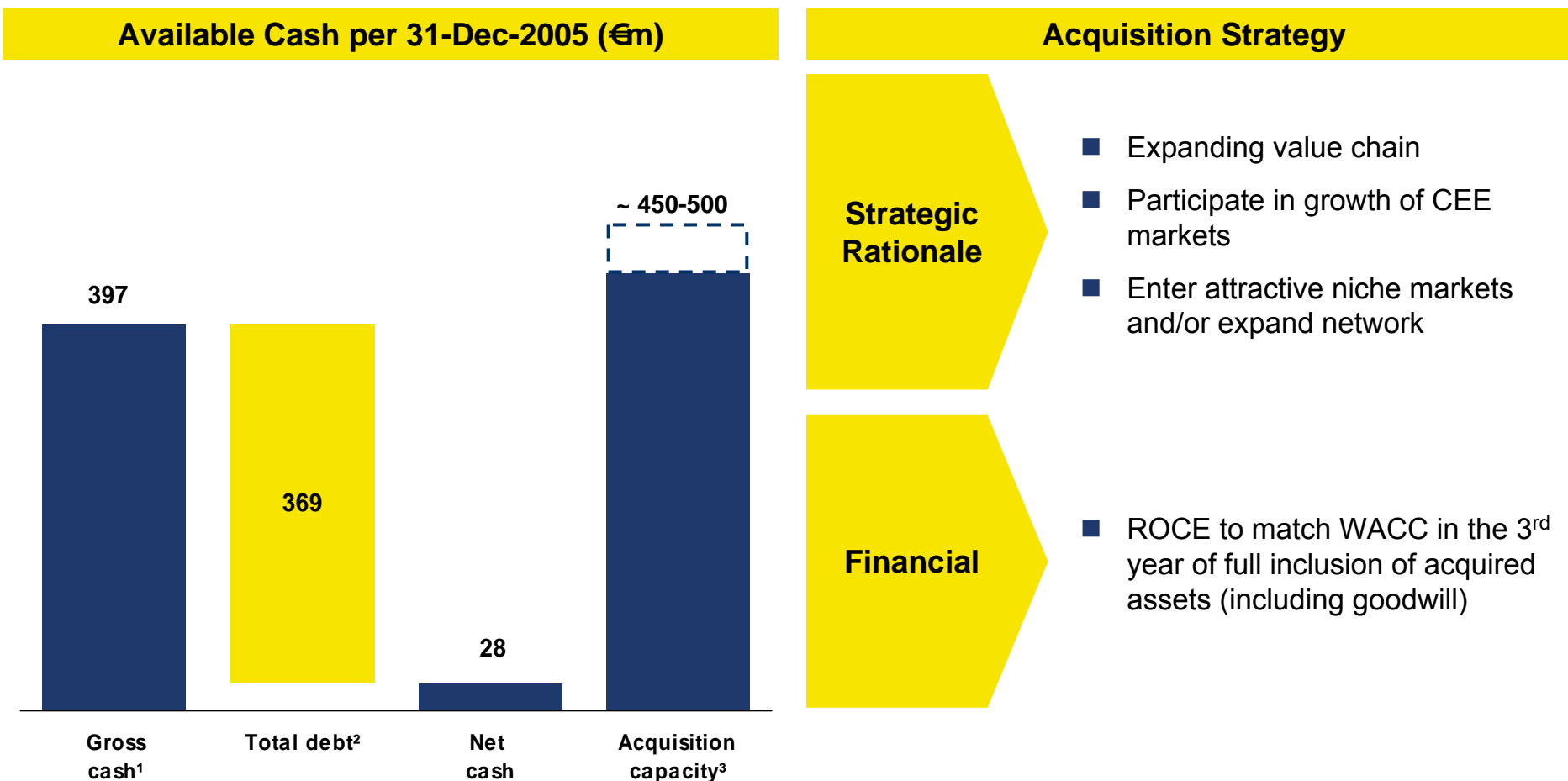
1) Excluding insurance segment ("Postversicherung").

Strong Free Cash Flow Generation



1) Excluding movements in financial assets.

Sufficient Fire Power To Support Acquisitions



1) Includes cash and cash equivalents (€175m) and financial assets (€223m).

2) Includes financial liabilities (€42m), other interest bearing liabilities (€7m) and provisions (€320m).






3) Based on illustrative leverage of 2.0x LTM EBITDA with 2005 EBITDA of €224m.

Sound Financial Profile in all Aspects

	in €m	2003	2004	2005	CAGR
Profit & Loss Statement	Revenues	1,585	1,654	1,702	3.6%
	EBITDA	158	203	224	19.1%
	EBIT	28	82	103	91.5%
	Profit for the Period	17	50	100	143.1%
Balance Sheet	Net Financial Debt/(Cash)	146	97	(28)	NA
	Equity	699	713	762	4.4%
	Total Assets	1,618	1,796	1,563	(1.7)%
Cash Flow Statement	Operating Cash Flow	128	264	284	49.0%
	Free Cash Flow ¹	68	196	280	102.9%
Profitability	ROCE	3.4%	10.2%	14.0%	–
	RoE	2.2%	7.2%	13.6%	–

1) Excluding movements in financial assets.

Very Promising First Quarter 2006 ...

in €m	Q1 2005	Q1 2006	Change
Revenue	420	444	5.8% 
EBITDA <i>% of Revenue</i>	55 13.0%	69 15.6%	26.9% 
EBIT <i>% of Revenue</i>	32 7.6%	49 11.0%	53.1% 
Profit for the Period	35	37	6.9% 
Operating Cash Flow	69	88	27.8% 

... Supports Bright Outlook

2006

- Based on Austrian Post's positive performance in the first months of 2006 and assuming a stable development in the overall mail services sector the company expects for 2006 (excluding potential acquisitions)
 - A stable revenue development year-on-year
 - A moderate increase in EBIT year-on-year¹
 - A dividend payment of €70m (subject to shareholders approval)

2007+

- Assuming continuation of Austrian Post's successful financial development beyond 2006 and no extraordinary circumstances Austrian Post intends to maintain a dividend payout ratio of at least 70% of group net income going forward
- Mid-term group EBIT margin target of 7-8%

1) Subject to the further development of BAWAG P.S.K.

Key Investment Highlights

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