First Quarter Report 2007

Österreichische Post AG

Highlights Q1 2007

- Group revenues up 29.5% to EUR 575.5m
- Successful integration of trans-o-flex
- Ongoing positive revenue development:
  Growth in the Mail Division, tripling of revenue in the Parcel & Logistics Division, slight decline in the Branch Network Division
- Acquisition of Scanpoint Europe (Germany), and closing of the acquisition of Weber Escal (Croatia)
- Earnings before interest and tax climb 12.5% to EUR 55.1m
- Operating cash flow remains strong: EUR 77.9m in Q1 2007

Key figures Austrian Post

		Q1 2006	Q1 2007	Change in %
Income statement				
Revenue	EUR m	444.3	575.5	+29.5%
Earnings before interest, tax, depreciation and amortisation (EBITDA)	EUR m	69.4	77.4	+11.5%
EBITDA margin	%	15.6%	13.4%	–
Earnings before interest and tax (EBIT)	EUR m	49.0	55.1	+12.5%
EBIT margin	%	11.0%	9.6%	–
Earnings before tax (EBT)	EUR m	49.0	55.8	+13.9%
Profit for the period	EUR m	37.0	42.7	+15.4%
Earnings per share (basis of 70m shares)	EUR	0.53	0.61	+15.4%
Employees (average for period, full-time equivalents)		24,236	24,816	+2.4%
Cash flow				
Operating cash flow before changes in working capital	EUR m	88.5	77.9	–12.0%
Cash flow from operating activities	EUR m	45.4	58.1	+27.8%
Investment in property, plant and equipment	EUR m	7.3	19.6	+166.4%
Investment in Group holdings	EUR m	0.0	2.2	–
Free cash flow	EUR m	72.9	39.9	–45.2%
Balance sheet		**Dec. 31, 2006**	**March 31, 2007**	
Total assets	EUR m	1,901.6	1,964.3	+3.3%
Non-current assets	EUR m	1,272.9	1,294.2	+1.7%
Current assets	EUR m	614.9	668.0	+8.6%
Non-current assets held for sale	EUR m	13.8	2.2	–84.3%
Capital and reserves	EUR m	821.4	865.1	+5.3%
Non-current liabilities	EUR m	564.0	577.6	+2.4%
Current liabilities	EUR m	516.2	521.6	+1.1%

Statement by the Management Board

Q1 2007 showed a further improvement in the company's performance. Our latest acquisitions, trans-o-flex, Scanpoint in Germany and Weber Escal in Croatia, have been incorporated into the consolidated financial statements of Austrian Post for the first time.

Expansion through further acquisitions

In the last few months, additional successful steps have been taken to create new areas of competence along the value added chain, and further develop our international networks. Our expansion drive has been reflected in the acquisitions of Weber Escal (Croatia/unaddressed advertising) and Scanpoint (Germany/document scanning and management) in Q1 2007, and the May 2007 takeover of the Hungarian parcel logistics companies Road Parcel Logistics Services and Merland Expressz Logistics Services as well as Scherübl, an Austrian specialist for the temperature-controlled transport and delivery of pharmaceutical products. The successful integration and initial consolidation of Weber Escal, Scanpoint and above all the German specialist logistics company trans-o-flex in Austrian Post's consolidated financial statements made a significant contribution to the solid performance of the company.

Increased revenue and earnings

Austrian Post succeeded in further boosting its revenues and earnings in Q1 2007. The main reasons were the acquired companies and the solid business development in the company's domestic market of Austria. Group revenues rose 29.5%, to EUR 575.5m. Earnings before interest and tax (EBIT) climbed 12.5%, to EUR 55.1m. The Mail Division achieved a further gratifying increase in revenues, up 1.8% year-on-year, reflecting the fact that the first quarter of the year is becoming increasingly important to our business customers. Due to the acquisition of trans-o-flex, the Parcel & Logistics Division tripled its external sales to EUR 182.9m, while the Branch Network Division posted a slight decline in revenues of 1.2%.

First Annual General Meeting since IPO

The first Annual General Meeting since the Initial Public Offering of Austrian Post in May 2006 took place on April 26, 2007. Approximately 300 investors and guests accepted our invitation to attend the event in the Wiener Stadthalle in Vienna. Many private shareholders also took advantage of the opportunity to get first-hand information about the company. As proposed, a dividend per share amounting to EUR 1.00 was approved. Based on a share price of EUR 33.00, this corresponds to a dividend yield of 3%. Payment of the dividend started on May 10, 2007.

Outlook

Due to the current favourable business development at Austrian Post, our forecast for 2007 remains unchanged. We continue to anticipate constant organic revenue and growth in 2007 due to the initial consolidation of the German specialist logistics company trans-o-flex. As initially forecast, we expect earnings before interest and tax (EBIT) to increase by 20%–25% in comparison to 2006.

Anton Wais
Chairman of the
Management Board

Rudolf Jettmar
Deputy Chairman of the
Management Board

Herbert Götz
Member of the
Management Board

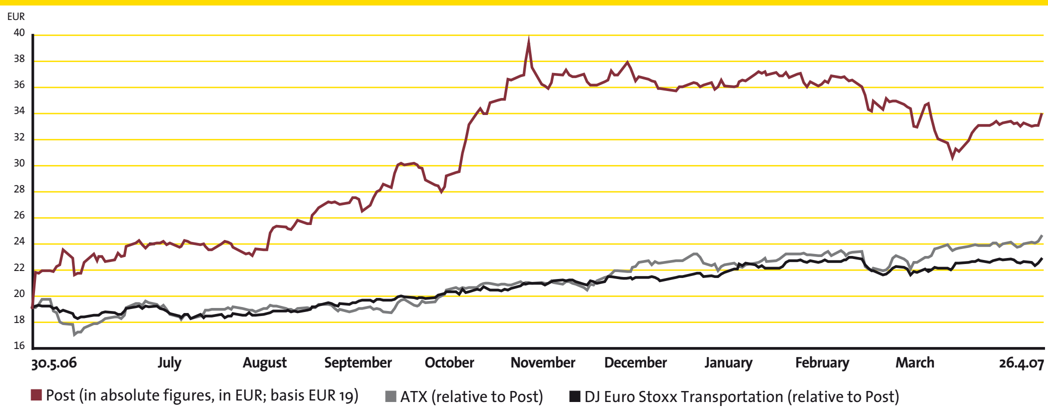
Walter Hitziger
Member of the
Management Board

The Post share

Key share indicators

Price 30 March 2007	EUR 31.10
High/low (intraday) Q1 2007	EUR 37.25/EUR 30.63
Earnings per share Q1 2007	EUR 0.61
Market capitalisation 30 March 2007	EUR 2,177 m
Free float	49%

Development of the Post share



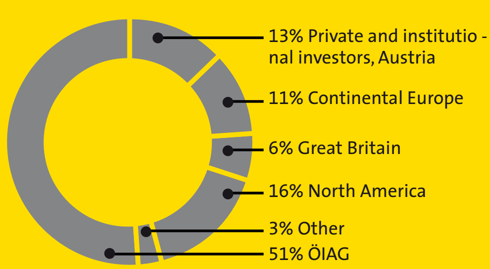
Dividend approved

Following the proposal made by the Management Board, the Annual General Meeting resolved to distribute a dividend totalling EUR 70m for 2006, or EUR 1.00 per share. On the basis of a share price of EUR 33.00, the dividend yield corresponds to 3.0%. The Management Board as well as the Supervisory Board were discharged unanimously. In addition, two new members of the Supervisory Board were elected by a large majority: Edith Hlawati, a lawyer, and Gerhard Roiss, Deputy Chairman of OMV.

Roadshow in Europe and the USA

The considerable interest in Austrian Post on the part of investors was demonstrated by the numerous individual meetings with investors, held within the framework of an eight-day roadshow following the announcement of the 2006 annual results. Austrian Post was present as a contact point for investors in seven European and American cities before hosting several investor conferences in London, Stockholm and Tokyo. The quick 90% share price increase at the end of 2006 was followed by a period of consolidation. The share price closed at EUR 31.10 at the end of March 2007 and at EUR 33.30 at the end of April 2007.

Shareholder structure January 2007 (%)



Business development in the first quarter of 2007

Economic and market environment

The economic environment in Austria developed favourably in Q1 2007. Economic growth forecasts were recently revised upwards, with GDP growth expected to reach a level of 2.9% in 2007. On this basis, the market for the letter mail and parcels segments also developed positively. The guideline proposal presented by the European Commission, pertaining to a further liberalisation of the European postal market, is currently being considered by the EU Parliament, and will subsequently be on the agenda of the EU Council in June 2007.

Changes in consolidation

As of January 1, 2007, the shareholding in the specialist logistics company trans-o-flex was incorporated into the consolidated financial statements of Austrian Post. In addition, the initial consolidation of two other subsidiaries took place during Q1 2007: Weber Escal/Croatia, as at January 2, 2007, and Scanpoint Europe/Germany, effective January 31, 2007 (consolidated at 51.0%).

Business development – earnings

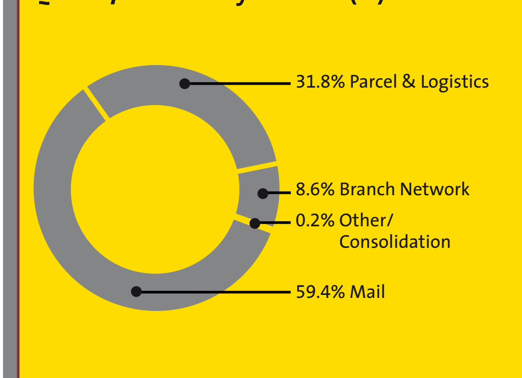
Austrian Post performed quite favourably in the first three months of 2007. Austrian Post increased its revenue by 29.5% to EUR 575.5m. This rise can be primarily attributed to the initial consolidation of trans-o-flex (Parcel & Logistics Division), acquired at the end of 2006, as well as organic growth. Revenues from the Mail Division were up 1.8%, and the Parcel & Logistics Division improved by 222.4%. In contrast, the Branch Network Division posted a decline in revenues of 1.2%. Considered in terms of seasonal fluctuations, the first quarter of the year is generally a high revenue period, due to the high mail volumes attributed to business customers. This trend intensified in Q1 2007.

Revenue by division[1]

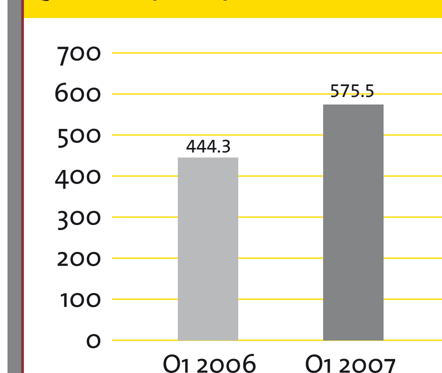
EUR m	Q1 2006	Q1 2007	Change in %	Structure Q1 2007 in %
Total revenue	**444.3**	**575.5**	**+29.5%**	**100.0%**
Mail	335.8	341.8	+1.8%	59.4%
Parcel & Logistics	56.7	182.9	+222.4%	31.8%
Branch Network	50.3	49.7	–1.2%	8.6%
Other/Consolidation	1.4	1.2	–16.8%	0.2%

1) External sales

Q1 2007 revenue by division (%)



Q1 revenue (EUR m)



Income statement

EUR m	Q1 2006	Q1 2007	Change in %	As % of revenue in Q1 2007
Revenue	**444.3**	**575.5**	**+29.5%**	**100.0%**
Other operating income	13.0	20.8	+60.7%	3.6%
Raw materials, consumables and services used	–66.0	–165.2	+150.3%	28.7%
Staff costs	–270.7	–287.6	+6.2%	50.0%
Other operating expenses	–51.5	–66.8	+29.5%	11.6%
Share of profit/loss of associates	0.5	0.6	+32.5%	0.1%
Earnings before interest, tax, depreciation and amortisation (EBITDA)	**69.4**	**77.4**	**+11.5%**	**13.4%**
Depreciation and amortisation	–20.4	–22.3	+9.2%	3.9%
Earnings before interest and tax (EBIT)	**49.0**	**55.1**	**+12.5%**	**9.6%**
Other financial result	0.0	0.7	–	0.1%
Earnings before tax (EBT)	**49.0**	**55.8**	**+13.9%**	**9.7%**
Income tax	–12.0	–13.1	+9.2%	2.3%
Profit after tax = Profit for the period	**37.0**	**42.7**	**+15.4%**	**7.4%**

The structure of the income statement of Austrian Post has changed due to the initial consolidation of trans-o-flex, which features a very flexible cost structure and a high level of externals services used. Accordingly, the share of staff costs is low, whereas the share of expenses for raw materials, consumables and services used is correspondingly higher.

Austrian Post's staff costs comprise 50.0% of revenues, while the item raw material, consumables and services used represents 28.7% of revenues. The staff costs of Austrian Post amounting to EUR 287.6m include an allocation to the provisions for employee under-utilisation of EUR 20.4m (Q1 2006: EUR 29.2m). The average number of people employed in Q1 (full-time equivalents) rose by 580 to 24,816, due to the acquisition of trans-o-flex.

The expenses for raw materials, consumables and services used increased for reasons of consolidation. Higher costs also arose for work clothes (uniforms) purchased for the delivery staff in Q1 2007.

In Q1 2007, EBITDA rose by 11.5% year-on-year to EUR 77.4m. The EBITDA margin amounted to 13.4%.

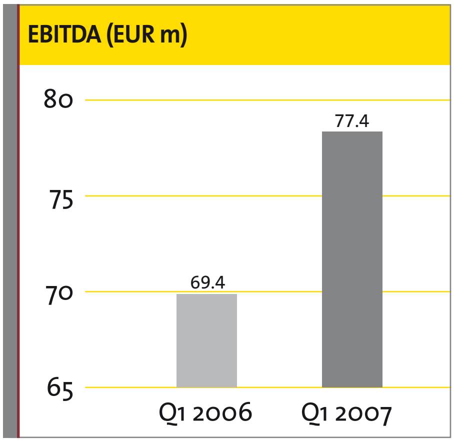
EBIT by division

EUR m	Q1 2006	Q1 2007	Change in %
Total EBIT	**49.0**	**55.1**	**+12.5%**
Mail	77.6	74.4	–4.0%
Parcel & Logistics	5.6	9.7	+73.2%
Branch Network	6.8	4.6	–32.5%
Other/Consolidation	–40.9	–33.6	–18.0%

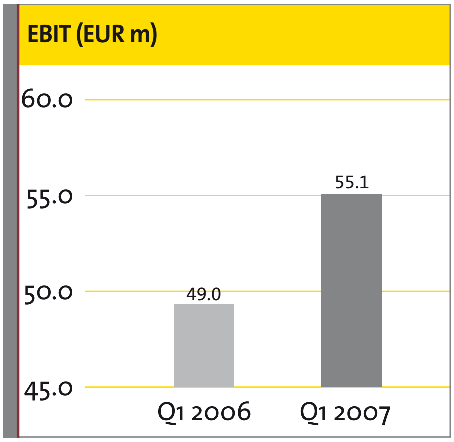
In Q1 2007, the EBIT (earnings before interest and tax) of Austrian Post increased by 12.5%, to EUR 55.1m, in comparison to the preceding year. Accordingly, the EBIT margin amounted to 9.6%.

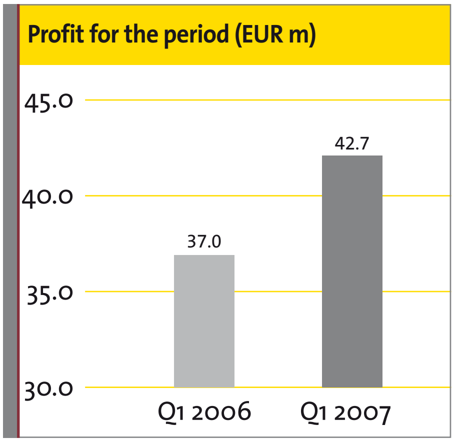
All operating divisions made a positive contribution to earnings. EBIT at the Mail Division was EUR 74.4m, at the Parcel & Logistics Division EUR 9.7m and at the Branch Network Division EUR 4.6m.

The Other and Consolidation segment posted a negative EBIT of EUR 33.6m (Q1 2006: minus EUR 40.9m). This item encompasses costs for central departments, expenses in connection with unused properties, as well as increases in provisions for under-utilisation.



Earnings before tax rose 13.9% to EUR 55.8m, while profit for the period improved by 15.4% to EUR 42.7m.





Assets and finances

Balance sheet analysis

EUR m ASSETS	Dec. 31, 2006	March 31, 2007	Structure March 31, 2007 in %
Non-current assets	1,272.9	1,294.2	65.9%
thereof other financial assets	204.5	213.9	10.9%
Current assets	614.9	668.0	34.0%
thereof cash and cash equivalents	229.4	269.5	13.7%
Non-current assets held for sale	13.8	2.2	0.1%
	1,901.6	**1,964.3**	**100.0%**

EQUITY AND LIABILITIES			
Capital and reserves	821.4	865.1	44.0%
Non-current liabilities	564.0	577.6	29.4%
thereof provisions	425.8	444.5	22.6%
Current liabilities	516.2	521.6	26.6%
	1,901.6	**1,964.3**	**100.0%**

Non-current assets predominate on the assets side of the balance sheet, accounting for 65.9%, or EUR 1,294.2m, of Austrian Post's total assets of EUR 1,964.3m. The largest non-current asset items are property, plant and equipment, with EUR 673.9m, and other financial assets of EUR 213.9m.

The principal current asset items are receivables, at EUR 379.5m, as well as cash and cash equivalents, at EUR 269.5m.

On the equity and liabilities side, the main items in the balance sheet are capital and reserves (44.0%), non-current liabilities (29.4%) and current liabilities (26.6%). Non-current liabilities of EUR 577.6m largely consist of provisions totalling EUR 444.5m, including provisions for under-utilisation, which rose EUR 17.0m compared to the end of 2006, to EUR 287.9m.

At present, Austrian Post has a net debt position of EUR 146.1m. This financial figure represents the difference between interest-bearing assets (securities, cash and cash equivalents) amounting to EUR 483.1m and interest-bearing debt (provisions, financial liabilities, social capital and other interest-bearing liabilities) totalling EUR 629.2m.

Cash flow

In Q1 2007, operating cash flow before changes in working capital fell by 12.0% to EUR 77.9m compared to the same period of the previous year, despite the rise in earnings before tax. This can be primarily attributed to higher tax payments.

EUR m		Q1 2006	Q1 2007
Operating cash flow before changes in working capital		**88.5**	**77.9**
+/–	Cash flow from changes in working capital	–43.1	–19.8
=	**Cash flow from operating activities**	**45.4**	**58.1**
+/–	Cash flow from investing activities	27.5	–18.1
=	**Free cash flow**	**72.9**	**39.9**
+/–	Cash flow from financing activities	–44.7	0.1
=	**Net increase in cash and cash equivalents**	**28.2**	**40.0**

The cash flow from changes in working capital was negative by EUR 19.8m in Q1 2007. This decline reflects the increase in current liabilities. Accordingly, total cash flow from operating activities amounted to EUR 58.1m in Q1 2007. The cash flow from investing activities totalled minus EUR 18.1m during the period under review. As a result, total free cash flow was EUR 39.9m.

Capital expenditure and acquisitions

In Q1 2007, capital expenditure on the part of Austrian Post amounted to EUR 19.6m. The majority of the investments related to projects in Austria. The focus was on expanding a sorting centre in Austria, as well as investments in office furniture and equipment. Austrian Post invested a total of EUR 2.2m in the acquisition of subsidiaries and shareholdings.

Employees

In Q1 2007, the average number of full-time employees at Austrian Post increased by 2.4%, or 580 employees, compared to the same period in the preceding year, to the current level of 24,816 employees. The number of employees at Austrian Post rose by 994, due to the acquisition of trans-o-flex as at March 31, 2007.

Employees by division[1]

	Q1 2006	Q1 2007	Structure in %
Mail	15,053	14,878	60.0%
Parcel & Logistics	2,297	3,231	13.0%
Branch Network	5,220	5,080	20.5%
Other/Consolidation	1,666	1,627	6.5%
Total	**24,236**	**24,816**	**100.0%**

1) Average for period, full-time equivalents

Outlook for 2007

Austrian Post continues to expect a stable mail market for the year 2007. Generally, increased competition is anticipated in the mail as well as in the parcels business due to the market entry of a new postal services provider.

All in all, Austrian Post continues to anticipate that organic revenue will remain constant in 2007. Additional growth will be driven by the German specialist logistics company trans-o-flex, which is being incorporated into the consolidated financial statements of Austrian Post for the first time in the 2007 business year. Austrian Post continues to predict that earnings before interest and tax (EBIT) will be 20%–25% higher in 2007 compared to 2006. The basis for this expected increase is the contribution of trans-o-flex as well as a further improvement in operating income.

Performance of divisions

Mail Division

Mail Division – key figures

EUR m	Q1 2006	Q1 2007	Change in %
External sales	**335.8**	**341.8**	**+1.8%**
Letter Mail	202.8	204.2	+0.7%
Infomail	102.6	107.0	+4.3%
Media Post	30.5	30.6	+0.4%
Internal sales	17.3	12.4	–28.5%
Total revenue	353.1	354.1	+0.3%
EBIT	**77.6**	**74.4**	**–4.0%**
EBIT margin[1]	22.0%	21.0%	–
Employees[2]	15,053	14,878	–1.2%

1) Relative to total revenue
2) Average for period, full-time equivalents

Year-on-year external sales by the Mail Division rose by 1.8% in Q1 2007 to EUR 341.8m.

Business development in the Letter Mail Business Area was quite stable, demonstrating that the upward growth in revenues as impacted by seasonal factors has been intensified in Q1 2007. In particular, the period under review was characterised by an increase in mail items from banks and insurance companies. The initial consolidation of Scanpoint also made a positive contribution to the climb in revenues, enabling Austrian Post to compensate for the negative effects resulting from the substitution of traditional letter mail by the electronic media.

External sales of the Infomail Business Area (addressed and unaddressed advertising) increased during the period under review by 4.3% to EUR 107.0m. This was primarily based on the increase in direct mail volumes by mail order companies and retail companies. The Media Post Business Area also recorded a growth in revenues amounting to 0.4%.

On balance, the Mail Division achieved an EBIT of EUR 74.4m in Q1 2007.

Parcel & Logistics Division

Parcel & Logistics Division – key figures

EUR m	Q1 2006	Q1 2007	Change in %
External sales	**56.7**	**182.9**	**+222.4%**
Internal sales	11.7	8.4	–28.7%
Total revenue	68.5	191.3	+179.4%
EBIT	**5.6**	**9.7**	**+73.2%**
EBIT margin[1]	8.1%	5.0%	–
Employees[2]	2,297	3,231	+40.7%

1) Relative to total revenue
2) Average for period, full-time equivalents

External sales by the Parcel & Logistics Division tripled in Q1 2007 to EUR 182.9m compared to the same period last year. The increase chiefly relates to the acquisition of trans-o-flex at the end of 2006, but is also partly the result of organic growth.

Parcels volumes developed positively, both in terms of business with private customers (business-to-consumer) as well as with business customers (business-to-business). However, increased competition is anticipated during the course of the 2007 business year due to the market entry of another postal services provider. Revenues posted by Austrian Post's subsidiaries in Slovakia and Croatia also increased.

All in all, the Parcel & Logistics Division posted EBIT of EUR 9.7m in Q1 2007, an increase of 73.2% (Q1 2006: EUR 5.6m).

Branch Network Division

Branch Network Division – key figures

EUR m	Q1 2006	Q1 2007	Change in %
External sales	**50.3**	**49.7**	**–1.2%**
Internal sales	54.1	52.5	–2.9%
Total revenue	104.4	102.2	–2.1%
EBIT	**6.8**	**4.6**	**–32.5%**
EBIT margin[1]	6.5%	4.5%	–
Employees[2]	5,220	5,080	–2.7%

1) Relative to total revenue
2) Average for period, full-time equivalents

External sales by the Branch Network Division declined by 1.2% to EUR 49.7m during the period under review. Due to a shifting of customer deposits, revenues from financial services slightly decreased in Q1 2007. Moreover, there were positive one-off effects in Q1 2006. Internal sales also fell in Q1 2007, which can be attributed to a slight decline in letters posted in the branch network.

Due to a decrease in revenues in connection with a constant cost structure, EBIT (earnings before interest and tax) of the Branch Network Division decreased from EUR 6.8m to EUR 4.6m.

Consolidated interim financial statements

Consolidated income statement Q1 2007

EUR m	Q1 2006	Q1 2007
Revenue	**444.3**	**575.5**
Other operating income	13.0	20.8
Total operating income	457.2	596.4
Raw materials, consumables and services used	–66.0	–165.2
Staff costs	–270.7	–287.6
Depreciation, amortisation and impairment losses	–20.4	–22.3
Other operating expenses	–51.5	–66.8
Total operating expenses	–408.7	–541.8
Profit from operations	**48.5**	**54.5**
Share of profit/loss of associates	0.5	0.6
Other financial result	0.0	0.7
Total financial result	**0.5**	**1.3**
Profit before tax	**49.0**	**55.8**
Income tax	–12.0	–13.1
Profit after tax	**37.0**	**42.7**
Profit for the period	**37.0**	**42.7**
Attributable to:		
Equity holders of the parent company	37.0	42.7
Minority interests	0.0	0.0
EUR		
Basic earnings per share	0.53	0.61
Diluted earnings per share	0.53	0.61
EUR m		
Profit from operations	48.5	54.5
Share of profit/loss of associates	0.5	0.6
Earnings before interest and tax (EBIT)	**49.0**	**55.1**

Consolidated balance sheet March 31, 2007

EUR m	Dec. 31, 2006	March 31, 2007
ASSETS		
Non-current assets		
Intangible assets and goodwill	272.7	275.9
Property, plant and equipment	665.3	673.9
Investment property	38.3	38.1
Investments in associates	3.5	3.8
Other financial assets	204.5	213.9
Receivables	28.2	28.3
Deferred tax assets	60.3	60.4
	1,272.9	**1,294.2**
Current assets		
Other financial assets	0.5	0.5
Inventories	21.0	18.5
Receivables	364.0	379.5
Cash and cash equivalents	229.4	269.5
	614.9	**668.0**
Non-current assets held for sale	**13.8**	**2.2**
	1,901.6	**1,964.3**

EQUITY AND LIABILITIES		
Capital and reserves		
Share capital	350.0	350.0
Capital reserves	274.5	274.5
Revenue reserves	96.4	196.2
Revaluation of securities	–0.1	0.2
Currency translation reserves	0.9	1.0
Profit for the period	99.8	42.7
	821.4	**864.5**
Minority interests	0.0	0.5
	821.4	**865.1**
Non-current liabilities		
Provisions	425.8	444.5
Financial liabilities	82.0	80.6
Payables	19.7	16.3
Deferred tax liabilities	36.5	36.1
	564.0	**577.6**
Current liabilities		
Provisions	94.4	106.1
Financial liabilities	66.7	70.1
Payables	355.1	345.5
	516.2	**521.6**
	1,901.6	**1,964.3**

Consolidated cash flow statement Q1 2007

EUR m	Q1 2006	Q1 2007
Operating activities		
Profit before tax	49.0	55.8
Depreciation, amortisation and impairment losses	20.4	22.3
Write-downs/write-ups of financial assets	–0.5	–0.3
Long-term provisions	27.1	18.8
Gain/loss on disposal of non-current assets	–3.4	–7.8
Gain/loss on disposal of financial assets	–0.3	0.0
Taxes paid	–2.8	–9.9
Net interest received	–1.0	–1.1
Currency translation	0.0	0.1
Operating cash flow before changes in working capital	**88.5**	**77.9**
Changes in working capital		
Receivables	–13.9	–14.6
Inventories	–0.8	2.5
Payables	–20.5	–19.9
Deferred tax	0.0	0.1
Short-term provisions	–7.9	12.1
Cash flow from changes in working capital	**–43.1**	**–19.8**
Cash flow from operating activities	**45.4**	**58.1**
Investing activities		
Purchase of intangible assets	–0.1	–2.1
Purchase of property, plant and equipment	–7.3	–19.6
Acquisition/disposal of subsidiaries	0.0	–2.2
Acquisition/disposal of other financial assets	26.4	–9.0
Proceeds from sale of non-current assets	6.5	12.0
Proceeds from sale of other financial assets	0.3	0.1
Dividends received from associates	0.2	0.0
Interest received from financial assets	1.6	2.7
Cash flow from investing activities	**27.5**	**–18.1**
Free cash flow	**72.9**	**39.9**
Financing activities		
Changes in financial liabilities	–4.1	1.7
Dividends paid	–40.0	0.0
Interest paid	–0.6	–1.6
Cash flow from financing activities	**–44.7**	**0.1**
Net change in cash and cash equivalents	**28.2**	**40.0**
Cash and cash equivalents at January 1	174.5	229.4
Cash and cash equivalents at March 31	**202.7**	**269.5**

Segment reporting

Business segments (divisions) Q1	Mail		Parcel & Logistics		Branch Network		Other/ Consolidation		Group	
EUR m	2006	2007	2006	2007	2006	2007	2006	2007	2006	2007
External sales	335.8	341.8	56.7	182.9	50.3	49.7	1.4	1.2	444.3	575.5
Internal sales	17.3	12.4	11.7	8.4	54.1	52.5	–83.1	–73.2	0.0	0.0
Total revenue	**353.1**	**354.1**	**68.5**	**191.3**	**104.4**	**102.2**	**–81.7**	**–72.0**	**444.3**	**575.5**
Profit/loss from operations	77.5	73.9	5.6	9.6	6.8	4.6	–41.4	–33.7	48.5	54.5
Share of profit/loss of associates	0.0	0.5	0.0	0.0	0.0	0.0	0.4	0.1	0.5	0.6
EBIT	**77.6**	**74.4**	**5.6**	**9.7**	**6.8**	**4.6**	**–40.9**	**–33.6**	**49.0**	**55.1**
Segment assets	411.9	401.7	71.5	429.5	52.9	46.4	586.2	534.8	1,122.5	1,412.5
Investments in associates	0.1	3.2	0.0	0.1	0.0	0.0	0.5	0.4	0.6	3.8
Segment liabilities	316.2	315.4	35.0	123.8	78.3	82.8	348.5	384.6	777.9	906.6
Segment investments	3.4	6.7	0.8	4.5	0.4	1.1	2.9	14.5	7.5	26.8
Depreciation, amortisation and impairment losses	7.0	6.4	1.5	5.2	1.5	1.1	10.4	9.5	20.4	22.3
thereof: impairment losses	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other non cash-expenses	1.9	1.9	0.2	0.1	0.5	1.1	24.4	15.6	27.1	18.8
Employees[1]	15,053	14,878	2,297	3,231	5,220	5,080	1,666	1,627	24,236	24,816

1) Average for period, full-time equivalents

Geographical segments Q1	Austria		Germany		CEE		Total	
EUR m	2006	2007	2006	2007	2006	2007	2006	2007
External sales	435.1	436.1	0.4	128.7	8.8	10.7	444.3	575.5
Segment assets	1,108.2	1,105.2	0.3	294.0	14.1	13.2	1,122.5	1,412.5
Segment investments	7.2	23.3	0.0	2.0	0.3	1.5	7.5	26.8

Consolidated statement of changes in equity

Q1 2006 EUR m	Share capital	Capital reserves	Revenue reserves	Revaluation of securities	Currency translation reserves	Profit for the period	Total	Minority interests	Consolidated equity
Balance at January 1, 2006	**10.0**	**614.5**	**36.5**	**0.7**	**0.5**	**99.9**	**762.1**	**0.0**	**762.1**
Changes in consolidation									
Acquisitions							0.0		0.0
Other net gains and losses not recognised in the income statement									
Currency translation differences							0.0		0.0
Revaluation of securities				0.1			0.1		0.1
Net gains and losses recognised in the income statement									
Changes in revenue reserves			59.9			–59.9	0.0		0.0
Profit for the period						37.0	37.0		37.0
Total recognised gains and losses	**0.0**	**0.0**	**59.9**	**0.1**	**0.0**	**–22.9**	**37.2**	**0.0**	**37.2**
Dividends						**–40.0**	**–40.0**		**–40.0**
Capital increase from company's own resources	**340.0**	**–340.0**					**0.0**		**0.0**
Balance at March 31, 2006	**350.0**	**274.5**	**96.4**	**0.8**	**0.5**	**37.0**	**759.3**	**0.0**	**759.3**

Q1 2007 EUR m	Share capital	Capital reserves	Revenue reserves	Revaluation of securities	Currency translation reserves	Profit for the period	Total	Minority interests	Consolidated equity
Balance at January 1, 2007	**350.0**	**274.5**	**96.4**	**–0.1**	**0.9**	**99.8**	**821.4**	**0.0**	**821.4**
Changes in consolidation									
Acquisitions							0.0	0.5	0.5
Other net gains and losses not recognised in the income statement									
Currency translation differences					0.1		0.1		0.1
Revaluation of securities				0.3			0.3		0.3
Net gains and losses recognised in the income statement									
Changes in revenue reserves			99.8			–99.8	0.0		0.0
Profit for the period						42.7	42.7		42.7
Total recognised gains and losses	**0.0**	**0.0**	**99.8**	**0.3**	**0.1**	**–57.1**	**43.1**	**0.5**	**43.7**
Dividends							**0.0**		**0.0**
Capital increase from company's own resources							**0.0**		**0.0**
Balance at March 31, 2007	**350.0**	**274.5**	**196.2**	**0.2**	**1.0**	**42.7**	**864.5**	**0.5**	**865.1**

Notes

1 Basis of preparation

The consolidated interim financial statements of Austrian Post for Q1 ending March 31, 2007 have been prepared in accordance with IAS 34 and the binding International Financial Reporting Standards (IFRS) valid as at March 31, 2007, as adopted by the European Union.

The accounting and valuation methods as well as the information and explanations are essentially the same as those applied in the preparation of the consolidated financial statements for 2006.

The consolidated financial statements are presented in euro. Unless otherwise stated, all amounts are provided in millions of euro (EUR m). Where rounded amounts and percentages are aggregated, rounding related differences may occur due to the use of automated calculation aids.

For more detailed information on the accounting and valuation methods applied, readers are referred to the consolidated annual financial statements for the year ending December 31, 2006, which are the basis for these interim statements.

2 Consolidation

In the consolidated interim financial statements, apart from the parent company, a total of eighteen domestic subsidiaries (December 31, 2006: sixteen) and twenty-five foreign subsidiaries (December 31, 2006: twenty-three), in which the Company directly or indirectly holds a majority of the voting rights, are included in consolidation.

Furthermore, a total of three domestic companies (December 31, 2006: three) and one foreign company (December 31, 2006: one) are consolidated according to the equity method.

Additions arising from acquisitions

Weber Escal Marketing, Zagreb, was acquired, legally effective on January 2, 2007. The purchase price for a 100% shareholding amounted to EUR 3.1m. Weber Escal operates in the field of delivering non-addressed direct mail items in Croatia.

On January 31, 2007, Austrian Post acquired a 51% shareholding in Scanpoint Europe Holding GmbH, Vienna, and all the other companies controlled by it. Scanpoint Europe Holding encompasses a total of two fully consolidated legal entities: Scanpoint Deutschland GmbH (Scanpoint Germany), Waldbronn, and Scanpoint Slovakia s.r.o., Brezno. The purchase price amounted to EUR 1.5m.

As a specialist for document recording services, Scanpoint Europe Holding digitalises business documents, and makes relevant business information available to the recipient.

The following assets and liabilities were acquired by Austrian Post as part of the acquisition of Weber Escal Marketing and Scanpoint Europe Holding:

EUR m	Fair value	Carrying amount before acquisition
Intangible assets	1.0	0.1
Goodwill	2.9	0.0
Property, plant and equipment	0.2	0.2
Deferred tax assets	0.2	0.2
Current assets	1.4	1.4
Non-current provisions and liabilities	–0.5	–0.5
Deferred tax liabilities	–0.1	0.0
Current provisions and liabilities	–0.6	–0.6
Net acquired assets	**4.5**	**0.8**

3 Contingent liabilities and assets

The contingent assets disclosed in the consolidated financial statements for the year ending December 31, 2006 were unchanged in Q1 2007. There was no material change in the contingent liabilities as compared to the position as at December 31, 2006.

4 Supplementary information

As at March 31, 2007, there were no material changes in the business relationships with related parties as disclosed in the consolidated financial statements for the year ending December 31, 2006.

5 Events after the end of the interim reporting period

All material events after the end of the interim reporting period – such as pending litigation, claims for damages, other obligations or contingent losses, and for which IAS 10 prescribes adjustments or disclosure, have been recognised to the extent known to the Company.

With the formal closing of the transaction on April 25, 2007, Austrian Post legally acquired a shareholding in Scherübl Transport GmbH, Austria. Scherübl Transport GmbH is a transport company specialising in temperature-controlled logistics. In addition to temperature-controlled transport, its core competencies primarily include emergency deliveries and specialised transport.

Moreover, on May 2, 2007, Austrian Post acquired a 100% shareholding in Road Parcel Kft., Hungary, and Merland Expressz Kft., Hungary. Both companies operate in the field of business-to-business parcel logistics in Hungary.

The total purchase price for these three companies amounted to EUR 7.6 m.

Following a proposal made by the Management Board, the Annual General Meeting held on April 26, 2007, adopted a resolution approving the distribution of a dividend amounting to EUR 1.0 per share for 2006. This corresponds to a total dividend payment amounting to EUR 70.0m.

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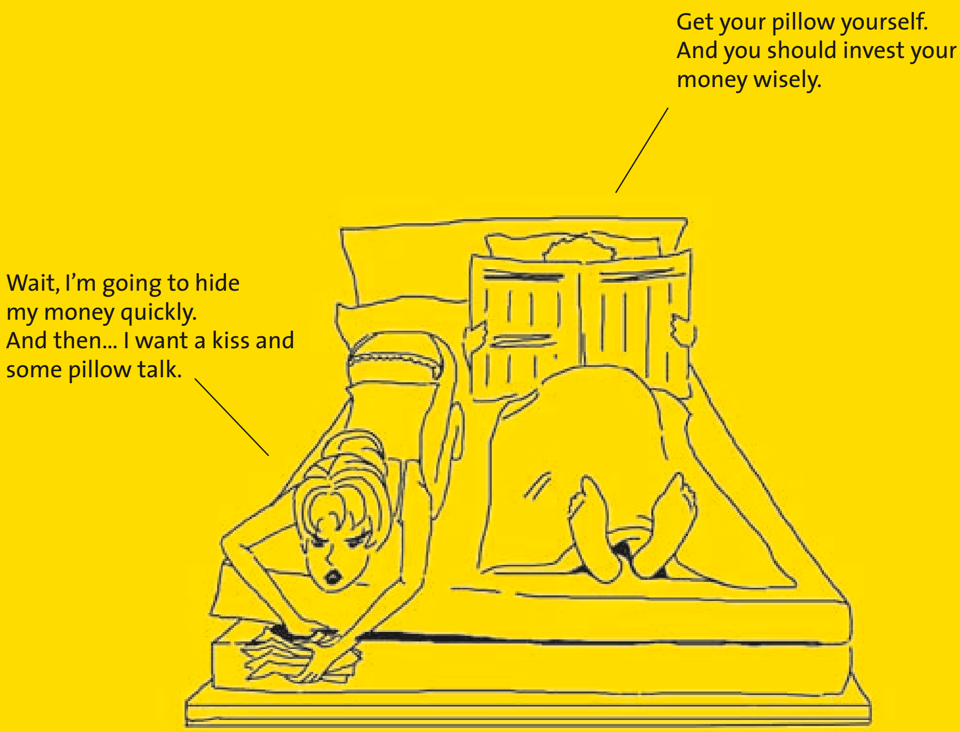

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