AUSTRIAN POST

Interim Report for the First Three Quarters of 2020

Everywhere, naturally, reliable.

Highlights Q1–3 2020

Revenue

- Group revenue Q1–3 2020 up by 2.4 % to EUR 1,497.9m (+7.3 % to EUR 516.0m in Q3 2020)
- Good parcel growth (+31.9 %) offsets decline in Letter Mail and Direct Mail (–9.0 %)

Earnings

- EBIT of the logistics business (excl. Retail & Bank Division) Q1–3 2020 of EUR 118.7m (–10.0 %)
  - Earnings of the Mail Division down by EUR 22.2m (–17.2 %)
  - Parcel & Logistics Division showed earnings rise of EUR 11.3m (+52.9 %)
- Group EBIT Q1–3 2020 down by –37.4 % to EUR 81.4m (+48.5 % to EUR 33.2m in Q3 2020)
  - Loss of EUR 37.3m in the Retail & Bank Division due to start-up costs for bank99

Cash flow and balance sheet

- Operating free cash flow Q1–3 2020 of EUR 94.6m below the prior-year level (–38.3 %)
- Increased balance sheet total of EUR 2,427.4m (+18.8 %) due to launch of bank99 and full consolidation of Aras Kargo

Outlook 2020

- Revenue growth of more than 3 % expected and forecasted EBIT of the logistics business of around EUR 170m

Key Figures

EUR m	Q1–3 2019	**Q1–3 2020**	Change
INCOME STATEMENT			
REVENUE	**1,462.2**	**1,497.9**	**2.4 %**
EBITDA	215.9	179.9	–16.7 %
EBITDA margin	14.8 %	12.0 %	–
EBIT	**130.0**	**81.4**	**–37.4 %**
EBIT margin	8.9 %	5.4 %/8.2 %[1]	–
Profit for the period	100.1	64.5	–35.6 %
EARNINGS PER SHARE (EUR)[2]	**1.48**	**1.03**	**–30.2 %**
Employees (average for the period, full-time equivalents)	20,367	21,407	5.1 %
CASH FLOW			
Gross cash flow	215.3	191.8	–10.9 %
CASH FLOW FROM OPERATING ACTIVITIES	**228.6**	**518.5**	**>100 %**
Investment in property, plant and equipment (CAPEX)	–100.1	–61.6	38.4 %
Free cash flow	49.8	581.0	>100 %
OPERATING FREE CASH FLOW[3]	**153.2**	**94.6**	**–38.3 %**

EUR m	31 December 2019	**30 September 2020**	Change
BALANCE SHEET			
Total assets	2,042.9	2,427.4	18.8 %
Equity	700.7	608.4	–13.2 %
Net debt	326.5[4]	464.3	42.2 %
EQUITY RATIO	**34.3 %**	**25.1 %**	**–**
Capital employed	961.3[4]	1,010.3	5.1 %

[1] EBIT margin of the logistics business of 8.2% (excl. Retail & Bank Division)
[2] Undiluted earnings per share in relation to 67,552,638 shares
[3] Free cash flow before acquisitions/securities/money market investments, Growth CAPEX and core banking assets; Q1–3 2019: EUR 153.2m exclusive cash inflow from the real estate development project Neutorgasse of EUR 30.3m
[4] Adjusted presentation

Statement by the Management Board

Ladies and Gentlemen! Dear Shareholders!

The year 2020 presents major challenges to many companies across the globe, including Austrian Post. In particular, the second quarter of 2020 led to major economic challenges on the back of government-imposed lockdown measures and restrictions. The market conditions have noticeably improved in the third quarter, although the uncertainty and volatility in some segments remained high. Against this backdrop, the results of the first three quarters of 2020 are seen as satisfactory.

In the first nine months of 2020, the Group revenue of Austrian Post has increased by 2.4 % to EUR 1,497.9m. Growth in the parcel business, supported by the full consolidation of the Turkish company Aras Kargo, compensated for the decline in the Mail and Retail & Bank Divisions. Business development of the Mail Division improved after reaching its lowest point in the second quarter. On balance, revenue fell by 9.0 % to EUR 883.3m in the first nine months 2020. Following the lockdown-related loss in Letter Mail and Direct Mail items mostly in April 2020, the volatility and uncertainty have increased in the third quarter, with the volume of addressed mail items remaining below the long-term trend in particular. The Parcel & Logistics Division reported a revenue increase of 31.9 % to EUR 576.6m in the first nine months of 2020. This is a result of high organic parcel growth, especially under COVID-19 conditions, which is also supported by higher volumes due to the cooperation with Deutsche Post DHL Group since August 2019. The full consolidation of the Turkish company Aras Kargo as at 25 August 2020 has also contributed EUR 23.9m to the good revenue development of the division.

The diverging development in the Mail and Parcel & Logistics Divisions had a negative effect on earnings due to the high level of fixed costs in the mail business. Earnings of the Mail Division fell by EUR 22m in contrast to the EUR 11m increase in the Parcel & Logistics Division in the first three quarters of 2020. In total, EBIT of the logistics business (excl. Retail & Bank Division) was down by 10.0 % to EUR 118.7m in the first three quarters of 2020. The Retail & Bank Division achieved a negative result of EUR 37.3m due to the start-up costs of bank99 and the impact related to COVID-19. Accordingly, the reported Group EBIT fell from EUR 130.0m in the first three quarters of 2019 to EUR 81.4m in the period under review.

The earnings situation of Austrian Post in the full year 2020 will depend on the further development of the COVID-19 pandemic. Assuming that current trends continue over the next few months and wide-ranging business impeding lockdown can be avoided, Group revenue growth is expected to exceed 3 %. In the baseline scenario of avoiding lockdown situations in the retail sector, EBIT of the logistics business (excl. Retail & Bank Division) 2020 should be around EUR 170m, including the expected positive contribution of the Turkish subsidiary Aras Kargo. This is in contrast to other scenarios which could lead to negative earnings effects as a result of regional or industry-specific lockdowns. Reported Group earnings (EBIT) for the full year 2020 will include a negative contribution of the Retail & Bank Division. The key component of this are costs of the launch of bank99. The earnings position of Austrian Post's new bank should improve year by year and is expected to reach the break-even point in 2023.

Vienna, 4 November 2020

The Management Board

GEORG PÖLZL
CEO
Chairman of the
Management Bord

WALTER OBLIN
Deputy CEO
Mail & Finance

PETER UMUNDUM
Member of the Management Board
Parcel & Logistics

Group Management Report for the First Three Quarters of 2020

1. Business Development and Economic Situation

1.1 Segment information

Austrian Post has enhanced its level of transparency due to the new organisational structure in 2020. As at 1 January 2020, the company structures its business operations in three operating divisions: Mail, Parcel & Logistics, Retail & Bank. Alongside the Corporate Division, they represent the four reporting segments as stipulated by IFRS 8. Mail and parcel logistics in Austria were combined in the internal "Logistics Networks" production unit which provides services to the operating divisions on a cost basis.

1.2 Changes to the scope of consolidation

The full consolidation of the Turkish company Aras Kargo a.s. took place as at 25 August 2020. The stake held in Aras Kargo, accounted for by using the equity method up until 24 August 2020, was raised by 55 %. Austrian Post now holds an 80 % stake in the company. Aras Kargo is one of the leading parcel services providers in Turkey.

1.3 Revenue and Earnings

1.3.1 REVENUE DEVELOPMENT

In the first three quarters of 2020, Group revenue of Austrian Post improved by 2.4 % year-on-year to EUR 1,497.9m. The dynamically growing parcel business has managed to offset the revenue declines in the Mail and Retail & Bank Divisions.

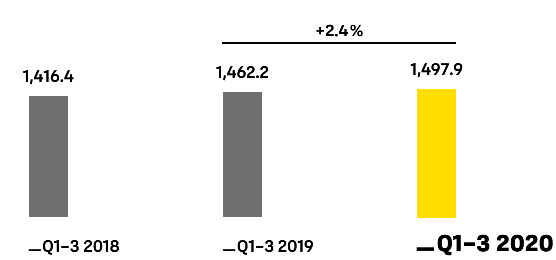
The Mail Division accounted for 58.7% of the Group revenue. As a result of the expected declines, the revenue of the division was down by 9.0 %. On the one hand, this is attributable to the accelerated decrease in Letter Mail volumes from the substitution of letters by electronic forms of communication as well as due to the lockdown of many public authorities and companies. On the other hand, the revenue decline is due to the reduction in Direct Mail items as a direct consequence of government-imposed store closures in the second quarter in response to COVID-19.

The Parcel & Logistics Division generated 38.3 % of the total Group revenue in the reporting period against the backdrop of an ongoing upward trend. The 31.9 % revenue increase was primarily driven by the organic volume growth from online orders as well as by higher volumes arising due to cooperation with Deutsche Post DHL Group since August 2019. Further revenue growth was generated by the full consolidation of the Turkish company Aras Kargo as at 25 August 2020.

The Retail & Bank Division accounted for 3.0 % of the total Group revenue in the first nine months of 2020. The revenue decline of 27.8 % in the newly created Retail & Bank Division can be attributed to the fact that bank99 was launched in the market on 1 April 2020, whereas the first three quarters of 2019 still included EUR 25.4m service fees from the former banking partner.

Revenue Development

EUR m



Revenue by Division

EUR m	Q1–3 2019[1]	Q1–3 2020	Change %	Change EUR m	Q3 2019[1]	Q3 2020
REVENUE	**1,462.2**	**1,497.9**	**2.4%**	**35.7**	**481.1**	**516.0**
Mail	970.2	883.3	-9.0%	-86.9	310.0	292.7
Parcel & Logistics	437.2	576.6	31.9%	139.4	154.2	208.7
Retail & Bank	63.4	45.7	-27.8%	-17.6	19.6	17.1
Corporate/Consolidation	-8.6	-7.8	9.3%	0.8	-2.7	-2.5
Working days in Austria	188	189	–	–	65	66

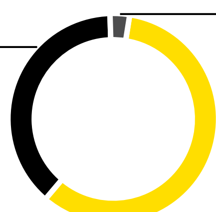
[1] Adjusted for the new segment structure since 1 January 2020

From a regional perspective, Austrian Post generated 88.9% of its Group revenue in Austria in the first three quarters of 2020.

The region South East and Eastern Europe and Turkey accounted for 8.4% of the total Group revenue. 2.8% of the revenue was generated in Germany.

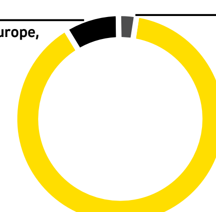
Revenue by Operating Division — Q1–3 2020

%



Revenue by Region — Q1–3 2020

%



Revenue Development of the Mail Division

EUR m	Q1–3 2019[1]	Q1–3 2020	Change %	Change EUR m	Q3 2019[1]	Q3 2020
REVENUE	**970.2**	**883.3**	**-9.0%**	**-86.9**	**310.0**	**292.7**
Letter Mail & Mail Solutions	604.3	566.2	-6.3%	-38.1	195.4	184.9
Direct Mail	271.9	232.8	-14.4%	-39.1	85.6	80.0
Media Post	94.0	84.3	-10.3%	-9.7	28.9	27.8
Revenue intra-Group	2.0	2.0	1.8%	0.0	0.7	0.7
TOTAL REVENUE	**972.2**	**885.3**	**-8.9%**	**-86.9**	**310.7**	**293.3**
thereof revenue with third parties	968.3	879.3	-9.2%	-89.1	309.5	291.6

[1] Adjusted for the new segment structure since 1 January 2020

Revenue of the Mail Division totalled EUR 883.3m, of which 64.1% can be attributed to the Letter Mail & Mail Solutions business. Direct Mail accounted for 26.4% of the total divisional revenue, and Media Post had a 9.5% share.

In the first three quarters of 2020, Letter Mail & Mail Solutions revenue amounted to EUR 566.2m, down by 6.3% from the prior-year period. The declining volume trend resulting from the substitution of letters by electronic forms of communication continued. In particular, the revenue declined in the second quarter of 2020 as a consequence of the lockdown measures and economic restrictions affecting government offices and companies. The volume decline was less pronounced in the third quarter of the year but continues to be negatively affected by the current difficult conditions. Volume development of classical Letter Mail in Austria in the upcoming quarterly periods is expected to exceed the historical trend of –5%. The year under review and the previous year were both positively impacted by election effects. International Letter Mail was positively influenced by the German subsidiary AUSTRIAN POST International Deutschland GmbH. The Mail Solutions business area reported a slight revenue decline compared to the prior-year period.

Direct Mail revenue fell by 14.4% to EUR 232.8m in the first three quarters of 2020. The government-imposed store closures in response to COVID-19 had particularly strong effects on the advertising business in the second quarter of 2020. Current visibility is limited. A volatile advertising business can be observed due to the economic development of revenues.

Revenue from Media Post, i.e. the delivery of newspapers and magazines, fell by 10.3% year-on-year to EUR 84.3m. This decrease can also be predominantly attributed to the COVID-19 pandemic.

Revenue Development of the Parcel & Logistics Division

EUR m	Q1–3 2019[1]	Q1–3 2020	Change %	Change EUR m	Q3 2019[1]	Q3 2020
REVENUE	**437.2**	**576.6**	**31.9%**	**139.4**	**154.2**	**208.7**
Premium Parcels	239.5	343.1	43.3%	103.6	92.8	131.1
Standard Parcels	154.7	182.5	18.0%	27.8	47.2	60.4
Other Parcel Services	43.1	51.1	18.6%	8.0	14.2	17.3
Revenue intra-Group	0.5	0.7	40.4%	0.2	0.2	0.2
TOTAL REVENUE	**437.8**	**577.4**	**31.9%**	**139.6**	**154.4**	**209.0**
thereof revenue with third parties	430.3	571.6	32.8%	141.3	151.9	207.0

[1] Adjusted for the new segment structure since 1 January 2020

Revenue of the Parcel & Logistics Division improved by 31.9% in the first three quarters of 2020 to EUR 576.6m from EUR 437.2m in the previous year. High growth in the parcel business is based, among other things, on the positive development resulting from the ongoing e-commerce trend in Austria. Austrian Post also succeeded in participating in market growth during this reporting period despite the own delivery by a major customer in the eastern part of Austria. Intense competition and high price pressure continue to prevail. Accordingly, parcel volumes in Austria showed growth of close to 30% in the first three quarters of 2020. The prevailing uncertainty and restrictions continue to keep e-commerce at a high level. In addition, the cooperation with Deutsche Post DHL Group launched in August 2019 has made a significant contribution to the current growth. Furthermore, revenue of EUR 23.9m generated by the Turkish company Aras Kargo, recognised as a fully consolidated company in the consolidated financial statements of Austrian Post since 25 August 2020, is also included.

The development towards faster delivery of parcels can be observed as a clear trend. In total, 59.5% of the division's revenue in the first nine months of 2020 was generated in the Premium Parcels business (delivery on the first working day after posting). This corresponds to an increase of 43.3% to EUR 343.1m in the first three quarters of 2020.

The Standard Parcels business area accounted for 31.6% of the divisional revenue and produced a revenue increase of 18.0% to EUR 182.5m in the first three quarters of 2020.

Other Parcel Services, which encompasses various additional logistics services, generated 8.9% of the divisional revenue totalling EUR 51.1m in the first nine months of 2020. This corresponds to an increase of 18.6%.

An analysis by region shows that 78.3% of the revenue in the Parcel & Logistics Division was generated in Austria in the first nine months of 2020. The Austrian parcel business produced revenue growth of 28.2% compared to the prior-year period. 21.7% of divisional revenue can be attributed to subsidiaries in South East and Eastern

Europe and Turkey. The revenue increase in this highly competitive region driven by higher parcel volumes as a result of the COVID-19 pandemic equalled 47.3% in the first three quarters of 2020.

Revenue Development of the Retail & Bank Division

EUR m	Q1–3 2019[1]	Q1–3 2020	Change %	Change EUR m	Q3 2019[1]	Q3 2020
REVENUE	**63.4**	**45.7**	**–27.8%**	**–17.6**	**19.6**	**17.1**
Branch Services	63.3	33.3	–47.5%	–30.0	19.6	10.8
Income from financial services	0.0	12.4	–	12.4	0.0	6.3
Revenue intra-Group	133.2	131.9	–1.0%	–1.3	44.5	44.4
TOTAL REVENUE	**196.6**	**177.7**	**–9.6%**	**–18.9**	**64.1**	**61.5**
thereof revenue with third parties	63.4	45.7	–27.9%	–17.7	19.6	17.1

[1] Adjusted for the new segment structure since 1 January 2020

Revenue of the Retail & Bank Division reached a level of EUR 45.7m in the first three quarters of 2020, down from EUR 63.4m in the prior-year period. Financial services in the previous year included service fees from the former banking partner totalling EUR 25.4m. In the current reporting period, Branch Services revenue (retail goods and branch products) amounted to EUR 33.3m, positively impacted in the areas of packaging materials and writing utensils by the COVID-19 pandemic. Income from financial services in the first three quarters of 2020 amounting to EUR 12.4m also included cash payments for third parties (e.g. pensions). bank99 was launched on 1 April 2020 and had already over 54,000 customers at the beginning of November.

Financial Performance of the Group

EUR m	Q1–3 2019	Q1–3 2020	Change %	Change EUR m	Q3 2019	Q3 2020
REVENUE	**1,462.2**	**1,497.9**	**2.4%**	**35.7**	**481.1**	**516.0**
Other operating income	113.9	44.0	–61.3%	–69.8	71.7	15.6
Raw materials, consumables and services used	–333.6	–378.3	–13.4%	–44.7	–114.8	–130.8
Staff costs	–744.7	–746.2	–0.2%	–1.5	–237.4	–251.6
Other operating expenses	–281.6	–238.8	15.2%	42.8	–146.9	–82.5
Results from financial assets accounted for using the equity method	–0.3	1.4	>100%	1.7	0.2	0.9
EBITDA[1]	**215.9**	**179.9**	**–16.7%**	**–36.0**	**53.7**	**67.6**
Depreciation, amortisation and impairment losses	–85.9	–98.5	–14.7%	–12.6	–31.4	–34.5
EBIT[2]	**130.0**	**81.4**	**–37.4%**	**–48.6**	**22.3**	**33.2**
Other financial result	13.6	3.9	–71.3%	–9.7	12.8	–1.2
PROFIT BEFORE TAX	**143.6**	**85.3**	**–40.6%**	**–58.3**	**35.1**	**32.0**
Income tax	–43.6	–20.8	52.2%	22.7	–14.4	–6.6
PROFIT FOR THE PERIOD	**100.1**	**64.5**	**–35.6%**	**–35.6**	**20.7**	**25.4**
ATTRIBUTABLE TO:						
Shareholders of the parent company	100.0	69.7	–30.2%	–30.2	20.6	25.3
Non-controlling interests	0.1	–5.3	<–100%	–5.4	0.1	0.1
EARNINGS PER SHARE (EUR)[3]	**1.48**	**1.03**	**–30.2%**	**–0.45**	**0.31**	**0.37**

[1] Earnings before depreciation, amortisation, impairment losses, other financial result and income tax
[2] Earnings before other financial result and income tax
[3] Undiluted earnings per share in relation to 67,552,638 shares

1.3.2 EARNINGS DEVELOPMENT

The largest expense items in relation to Austrian Post's Group revenue are staff costs (49.8%), raw materials, consumables and services used (25.3%) and other operating expenses (15.9%). 6.6% can be attributed to depreciation, amortisation and impairment losses.

Staff costs in the first three quarters of 2020 totalled EUR 746.2m, representing a slight increase of 0.2% or EUR 1.5m. Despite the full consolidation of the Turkish company Aras Kargo as at 25 August 2020, operating staff costs increased only slightly year-on-year. The Austrian Post Group employed an average of 21,407 people (full-time equivalents) in the first nine months of 2020 compared to the average of 20,367 employees in the prior-year period (+5.1%).

In addition to operational staff costs, staff costs of Austrian Post also include various non-operating staff-related expenses such as severance payments and changes in provisions, which are primarily related to the specific employment situation of civil servant employees at Austrian Post. Non-operational staff costs in the first three quarters of 2020 included lower expenses compared to the prior-year period.

Raw materials, consumables and services used increased by 13.4% to EUR 378.3m, which is primarily due to higher transport expenses as a result of increased parcel volumes.

Other operating income was down by 61.3% to EUR 44.0m. The prior-year period showed a substantial increase in both other operating income and other operating expenses. Other operating income in the first three quarters of 2019 included claims relating to non-wage labour costs paid in previous periods. Adjusted by compensation payments reported under other operating expenses in the previous year, these claims totalled EUR 4.9m. Other operating expenses fell by 15.2% to EUR 238.8m. The reporting period was burdened by higher costs for leased staff to handle increased parcel volumes and also included initial costs to develop the infrastructure of the new bank99.

The results from financial assets accounted for using the equity method include the proportionate profits for the period of joint ventures and associates and have improved from minus EUR 0.3m to a positive result of EUR 1.4m in the first three quarters of 2020.

EBITDA at EUR 179.9m has declined by 16.7% from the prior-year figure of EUR 215.9m. It was impacted by negative effects relating to the COVID-19 pandemic. The EBITDA margin was 12.0%.

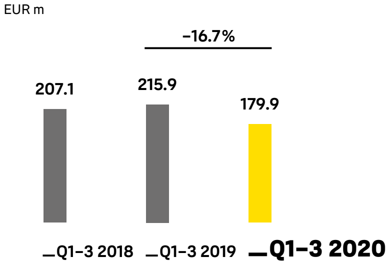
Depreciation, amortisation and impairment losses equalled EUR 98.5m, up by EUR 12.6m from the previous year. The increase is mainly due to the new logistics sites for the parcel logistics infrastructure.

Reported Group EBIT fell to EUR 81.4m in the first three quarters of 2020, down from EUR 130.0m in the previous year. The EBIT margin amounted to 5.4%. EBIT of the logistics business (excl. Retail & Bank Division) reached a level of EUR 118.7m in the first three quarters of 2020, corresponding to an EBIT margin of 8.2%.

The Group's other financial result of EUR 3.9m was EUR 9.7m below the first three quarters of 2019. This development is primarily a consequence of the recognition of interest income in the first three quarters of 2019 from claims relating to non-wage labour costs paid in previous periods. After deducting the income tax of EUR 20.8m, the profit for the period equalled EUR 64.5m (–35.6%). Undiluted earnings per share amounted to EUR 1.03, compared to EUR 1.48 in the prior-year period.

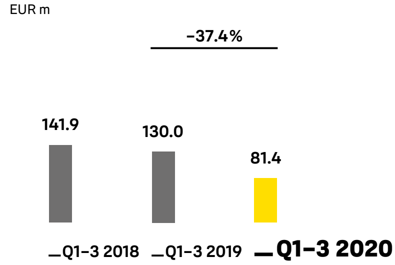
EBITDA

EUR m



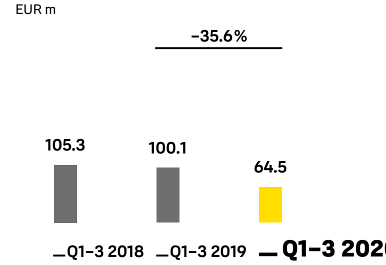
EBIT

EUR m



Profit for the Period

EUR m



EBIT by Division

EUR m	Q1–3 2019[1]	Q1–3 2020	Change %	Change EUR m	Margin Q1–3 2020[2]	Q3 2019[1]	Q3 2020
EBIT	**130.0**	**81.4**	**–37.4%**	**–48.6**	**5.4%/8.2%[3]**	**22.3**	**33.2**
Mail	129.0	106.7	–17.2%	–22.2	12.1%	25.5	33.5
Parcel & Logistics	21.4	32.6	52.9%	11.3	5.7%	6.5	14.5
Retail & Bank	–1.8	–37.3	<–100%	–35.5	–	–3.5	–8.6
Corporate/Consolidation	–18.4	–20.7	–12.0%	–2.2	–	–6.1	–6.2

[1] Adjusted for the new segment structure since 1 January 2020
[2] Margin of the divisions in relation to total revenue
[3] EBIT margin of the logistics business of 8.2% (excl. Retail & Bank Division)

The EBIT of EUR 81.4m (–37.4%) generated in the first three quarters of 2020 was negatively influenced by the COVID-19 pandemic and the launch of the new bank99. The good parcel business and the full consolidation of the Turkish company Aras Kargo had a positive effect. Third quarter EBIT was EUR 33.2m. This is an increase to the EBIT of the previous year of EUR 22.3m, which was influenced by a data protection provision. EBIT of the logistics business (excl. Retail & Bank Division) fell by 10.0% from the prior-year period to EUR 118.7m.

From a divisional perspective, the Mail Division achieved an EBIT of EUR 106.7m in the first nine months of 2020. The year-on-year decline of 17.2% can be attributed to the loss of revenue from Letter and Direct Mail business as a consequence of the COVID-19 pandemic. The revenue decline has a strong impact on earnings due to the high level of fixed costs in the Mail business. In turn, a data protection provision was recognised in the third quarter of the previous year.

The Parcel & Logistics Division achieved revenue growth against the backdrop of intense competition and margin pressure, generating an EBIT of EUR 32.6m in the first three quarters of 2020. This represents an increase of 52.9% from the previous year. The full consolidation of the Turkish company Aras Kargo since 25 August 2020 made a positive contribution to earnings.

The Retail & Bank Division showed an EBIT of minus EUR 37.3m in the first three quarters of 2020, compared to minus EUR 1.8m in the prior-year period. The drop in earnings can be attributed to the 27.8% revenue decline. The new bank99 was launched in April of this year, whereas the first three quarters of the previous year still included service fees from the former banking partner totalling EUR 25.4m. Moreover, earnings were also negatively impacted by COVID-19 by start-up costs of bank99.

EBIT of the Corporate Division (incl. Consolidation) fell from minus EUR 18.4m to minus EUR 20.7m. The Corporate Division provides non-operating services which are essential for the purpose of the administration and financial control of a corporate group. In addition to conventional corporate governance tasks, these services include the management and development of commercial properties not required for company operations, the management of key financial investments, the rendering of IT services, the development of new business models and the administration of the Internal Labour Market of Austrian Post.

1.4 Financial Position and Cash Flows

Balance Sheet Structure by Item

EUR m	31 December 2019[1]	30 September 2020	Structure 30 September 2020
ASSETS			
Property, plant and equipment, intangible assets and goodwill	1,152.7	1,235.2	50.9%
Investment property	73.0	74.4	3.1%
Financial assets accounted for using the equity method	11.4	11.2	0.5%
Inventories, trade and other receivables	403.6	420.8	17.3%
Other financial assets	298.7	145.6	6.0%
thereof financial investments in securities/money market investments	240.6	140.2	–
Financial assets from financial services	50.9	450.6	18.6%
Cash and cash equivalents	52.6	89.6	3.7%
Assets held for sale	0.1	0.1	0.0%
	2,042.9	**2,427.4**	**100%**
EQUITY AND LIABILITIES			
Equity	700.7	608.4	25.1%
Provisions	617.4	614.5	25.3%
Other financial liabilities	309.5	326.2	13.4%
Trade and other payables	415.3	490.8	20.2%
Financial liabilities from financial services	0.0	387.5	16.0%
	2,042.9	**2,427.4**	**100%**

[1] Adjusted presentation

1.4.1 BALANCE SHEET STRUCTURE

Austrian Post relies on a conservative balance sheet and financing structure. This is demonstrated in particular by the high level of liquid financial resources and solid investment of cash and cash equivalents at the lowest possible risk.

Austrian Post's total assets amounted to EUR 2,427.4m as at 30 September 2020. On the asset side, property, plant and equipment at EUR 1,075.1m constitute the largest balance sheet item, including right-of-use assets from leasing contracts of EUR 316.7m. Intangible assets totalled EUR 99.3m, whereas goodwill reported for acquisitions equalled EUR 60.8m at the end of the first three quarters of 2020. Receivables totalled EUR 315.5m, including current trade receivables of EUR 304.1m. Other financial assets equalled EUR 145.6m on 30 September 2020. Financial assets from financial services at EUR 450.6m are now reported separately. They largely relate to the deposit and investment business of bank99 as well as to the handling of cash payments for third parties (e.g. pensions).

Austrian Post held securities and money market investments amounting to EUR 140.2m on 30 September 2020 that are included in other financial assets. The securities and money market investments held by Austrian Post carry an investment grade rating or a comparable credit rating, and hence, can be assumed to be highly liquid. The balance sheet shows that Austrian Post had cash and cash equivalents in the amount of EUR 89.6m as at 30 September 2020. Including financial investments in securities and money market investments, the portfolio of current and non-current financial resources totalled EUR 229.8m at the end of September 2020.

On the liabilities side of the balance sheet, equity of the Austrian Post Group equalled EUR 608.4m on 30 September 2020 (equity ratio of 25.1%). The year-on-year decline in the equity ratio resulted from the new financial services business in the Retail & Bank Division and the full consolidation of the Turkish company Aras Kargo. Provisions totalling EUR 614.5m at the end of September 2020 are shown on the equity and liabilities side of the balance sheet. About 75% of provisions are staff-related. EUR 177.1m can be attributed to provisions for employee under-utilisation. A further EUR 195.7m are related to legally and contractually stipulated provisions for social capital (severance payments and anniversary bonuses) along with EUR 87.4m for other staff-related provisions. Other provisions amounted to EUR 154.2m and include obligations for potential compensation payments in connection with credited recovery claims from non-wage labour costs paid in previous periods as well as provisions for data protection procedures. Other financial liabilities amounted to EUR 326.2m and included non-current lease liabilities of EUR 309.4m. Trade payables and other liabilities totalling EUR 490.8m primarily related to current trade payables of EUR 226.5m. Financial liabilities from financial services of EUR 387.5m are now reported as a separate item in equity and liabilities. They mainly relate to the deposit and investment business of bank99 as well as to the handling of cash payments for third parties (e.g. pensions).

Cash flow

EUR m	Q1–3 2019	**Q1–3 2020**
Gross cash flow	215.3	191.8
CASH FLOW FROM OPERATING ACTIVITIES	**228.6**	**518.5**
thereof assets/liabilities from financial services (core banking assets)	0.0	375.8
Cash flow from investing activities	–178.8	62.5
thereof maintenance CAPEX	–42.3	–34.8
thereof growth CAPEX	–57.8	–26.9
thereof cash flow from acquisitions/divestments	–16.9	37.3
thereof acquisition/disposal of securities/money market investments	–59.0	100.2
thereof other cash flow from investing activities	–2.8	–13.4
Free cash flow	49.8	581.0
Free cash flow before acquisitions/securities/money market investments	125.7	443.5
OPERATING FREE CASH FLOW[1]	**153.2**	**94.6**
Cash flow from financing activities	–170.9	–154.5
thereof dividends	–141.0	–141.2
Change in cash and cash equivalents	–121.1	425.0

[1] Free cash flow before acquisitions/securities/money market investments, Growth CAPEX and core banking assets; Q1–3 2019: EUR 153.2m exclusive cash inflow from the real estate development project Neutorgasse of EUR 30.3m

1.4.2 CASH FLOW

The gross cash flow in the first three quarters of 2020 equalled EUR 191.8m, compared to EUR 215.3m in the first three quarters of 2019. The decline was related to the lower earnings before tax, amongst other reasons. The cash flow from operating activities amounted to EUR 518.5m, up from EUR 228.6m in the prior-year period. In this regard the core banking assets of bank99 at EUR 375.8m comprised the biggest item. The core banking assets include items resulting from the deposit and investment business of bank99 since the beginning of April 2020.

The cash flow from investing activities was EUR 62.5m in the first nine months of 2020, compared to minus EUR 178.8m in the previous year. The change largely related to securities and money market investments encompassing cash inflows of EUR 100.2m in the reporting period (in contrast to cash outflows of EUR 59.0m in the prior-year period). Furthermore, the first three quarters of 2020 included cash inflows of EUR 38.0m from the disposal of Austrian Post's stake in flatex AG. The free cash flow before securities, money market investments and core banking assets equalled EUR 105.0m in the first three quarters of 2020. The operating free cash flow, after deducting core banking assets, totalled EUR 94.6m in the current reporting period, compared to EUR 153.2m in the first three quarters of the previous year.

The cash flow from financing activities, which primarily consisted of the dividend payments, amounted to minus EUR 154.5m in the first nine months of 2020, whereas the prior-year figure was minus EUR 170.9m.

1.4.3 CAPITAL EXPENDITURES

The Austrian Post Group's capital expenditures equalled EUR 92.7m in the first three quarters of 2020, of which EUR 13.7m was attributable to the addition of right-of-use assets pursuant to IFRS 16 Leases. Investments included EUR 75.0m for property, plant and equipment and EUR 17.7m for intangible assets. The bulk of investments related to the capacity programme designed to expand the parcel logistics infrastructure. Investments in the bank99 infrastructure equalled EUR 8.5m in the first nine months of 2020.

1.5 Employees

The average number of employees in the Austrian Post Group totalled 21,407 full-time equivalents in the first three quarters of 2020. This represents an increase in the total number of employees by 1,040 full-time equivalents compared to the first nine months of 2019. Most of Austrian Post's staff is employed by the parent company Österreichische Post AG (17,410 full-time equivalents in total).

Employees by Division

Average for the period, full-time equivalents	Q1–3 2019[1]	Q1–3 2020	Share Q1–3 2020
Mail	847	869	4.1 %
Parcel & Logistics	2,528	3,329	15.6 %
Retail & Bank	2,154	2,094	9.8 %
Corporate	1,667	1,644	7.7 %
OPERATING DIVISIONS	**7,197**	**7,936**	**37.1 %**
Logistics Network	13,170	13,471	62.9 %
GROUP	**20,367**	**21,407**	**100 %**

[1] Adjusted for the new segment structure since 1 January 2020

1.6 Events After the Reporting Period

No significant events have occurred after the end of the reporting period on 30 September 2020.

1.7 Main Risks and Uncertainties

As an international postal and logistics services provider, the Austrian Post Group is subject to a variety of operational risks in running its business operations. Austrian Post deals with these risks responsibly. The focus on its core business activities, as well as a long experience in the business, have enabled Austrian Post to identify these risks at an early stage, evaluate them and quickly take appropriate precautionary measures.

The main risks and uncertainties faced by Austrian Post, such as the structure of employment contracts, regulatory and legal risks, financial and technical risks as well as market and competitive risks along with information on the internal controlling system and risk management with regard to the accounting process are described in detail in the Annual Report 2019 of Austrian Post (see the Annual Report 2019, Group Management Report, sections 4 and 5, and the Consolidated Financial Statements, Chapter 10.2).

The first nine months of the current financial year have been impacted by the COVID-19 pandemic and the related containment measures imposed by most governments around the world. As a result, the global economy experienced an extreme setback. Experience has shown that unfavourable economic conditions faced by customers of Austrian Post have negative effects on the development of Letter Mail and Direct Mail volumes. Especially comprehensive or partial lockdown measures have a negative impact on business activities. Longer-lasting periods of economic weakness or negative growth in individual sectors could lead to substantial savings requirements by large customer groups and, thus, negatively impact Austrian Post's revenue development. Furthermore, a subdued economic situation could also have an impact on the Group's competitive position and, thus, achievable prices for postal services.

Traditional Letter Mail items as well as Direct Mail are increasingly under pressure by electronic forms of communication. The COVID-19 crisis increases this pressure further. The intensified use of electronic forms of communication could be sustainably accelerated due to a 'get-used-to' effect of e-substitution. The parcel market is positively impacted by the online shopping trend, and the restrictions imposed in response to the COVID-19 pandemic further increase this trend. However, at the same time, market participants are strengthened their activities in order to profit from this market growth. The resulting shifts in market share and increasing price pressure could negatively impact Austrian Post's earnings situation. The uninterrupted online shopping trend can also be perceived on an international level. In this connection, Turkey is also a very attractive, dynamic and strongly growing market. Accordingly, the increase in the stake held by Austrian Post in the Turkish company Aras Karo a.s. to 80 % will also have positive revenue effects. Turkey may be a growth market but, at the same time, is subject to considerable currency and inflation as well as regulatory risks.

In the Retail & Bank Division, Austrian Post is partly dependent on strategic partners and their economic success. In order to offer financial services in its branch network, Austrian Post entered into a partnership with GRAWE Banking Group in April 2019 to establish a focused financial services business in Austria. bank99 commenced business operations in April 2020. The ramp-up for attracting customers proceeded very satisfactorily in the first months. The objective is to largely reach the break-even point in 2023. There is a risk that the success in attracting new customers could flatten out and stagnate after the initial peak period. Moreover, there is also the risk of a delayed integration of providers of third-party financial products. Both factors could cause the revenue and earnings being below expectations. This risk has been increased by the COVID-19 pandemic.

All the above-mentioned risks, especially those relating to COVID-19 measures, could lead to a significant volume decrease and, thus, to a corresponding drop in earnings, for example due to various structural measures and restructuring costs or following valuation adjustments or even requiring impairments.

Furthermore, the business model of Austrian Post is characterised by a high staff cost structure. Deviations from planned wages and salaries can have adverse effects. Depending on the economic development of customer segments, the number of employees is also subject to fluctuations. In turn, this can negatively impact earnings.

As part of the country's critical infrastructure, Austrian Post is required to maintain postal operations. Additional expenses could arise in this regard above current expectations, impacting operating earnings even more.

1.8 Related Party Transactions

There were no major changes in related party transactions in the first three quarters of 2020. Information on related party transactions is provided in the Annual Report 2019 of Austrian Post (see the Annual Report 2019, Consolidated Financial Statements, Chapter 11.2).

1.9 Outlook 2020

The business development in the first nine months of 2020 was strongly affected by the COVID-19 pandemic, the related restrictions and the resulting economic consequences. Current developments and forecasts show that no quick return to normality is to be expected in the next quarterly periods. A modest recovery was perceptible in many customer segments of Austrian Post following the extremely difficult second quarter. At the same time, this was accompanied by an increased volatility in the company's business and a reduced ability to make accurate predictions for the coming months. The various scenarios relating to the development of the pandemic result in a broader risk range for revenue and earnings.

REVENUE IN 2020 ABOVE THE PREVIOUS YEAR

The economic development of large mail customers and retailers is of great importance to Austrian Post. Assuming that current trends continue over the next few months and wide-ranging business impeding lockdown can be avoided, Group revenue growth is expected to exceed 3%. This is partially due to the contribution of the Turkish company Aras Kargo, fully consolidated since 25 August 2020.

The Parcel & Logistics Division should generate a revenue increase of more than 30% based on the growth of subsidiaries and strengthened by organic growth as well as the integration of parcel volumes in Austria due to the cooperation with Deutsche Post DHL Group.

In contrast, the Mail Division will likely face an upper single-digit revenue decline in the course of the year. The underlying trend has improved following the strong drop in Letter Mail and Direct Mail volumes of about 13% and about 25%, respectively, in the second quarter of 2020 as a consequence of the lockdown measures. The original basic assumption of a decline in Letter Mail in the range of about 5% p.a. due to the electronic substitution will be exceeded. An accelerated rate of decline can be anticipated for both conventional Letter Mail as well as Direct Mail due to the digitalisation initiatives and the worse economic situation of many customer groups.

The new Retail & Bank Division will generate a lower revenue contribution in 2020 than in the previous year. 2019 still included the service fees of the former banking partner amounting to EUR 29.3m. It is planned to increase revenues from the financial services business of bank99 in the years to come on the basis of a steadily expanding offering of in-house and third-party products.

GROUP RESULTS 2020

The earnings situation of Austrian Post in 2020 will depend on the further development of the COVID-19 pandemic. In the baseline scenario of avoiding lockdown situations in the retail sector, EBIT of the logistics business (excl. Retail & Bank Division) in 2020 should be around EUR 170m. This includes the expected positive contribution of the Turkish subsidiary Aras Kargo, in contrast to other scenarios which could lead to significant negative earnings effects as a result of regional or industry-specific lockdowns.

Reported Group earnings (EBIT) in 2020 will include the negative earnings contribution of the Retail & Bank Division. This is mainly attributed to start-up costs for bank99. The earnings situation of Austrian Post's new bank launched in April 2020 should improve year by year and reach the break-even point in 2023.

TARGETED INVESTMENTS

In the medium-term, the solid balance sheet of Austrian Post with a high level of liquid financial resources will strengthen the resilience of the company. Furthermore, Austrian Post is intensively continuing all investments and measures designed to expand capacities and sustainably enhance efficiency. Similar to the past two years, more than EUR 50m in growth investments (growth CAPEX) are planned in order to be able to continue to guarantee the best-quality network in Austria. This will complement the typical maintenance investments (maintenance CAPEX) of about EUR 70m. Moreover, there is the possibility of expanding or newly acquiring commercial properties for the logistics infrastructure at a cost of about EUR 20m. Against the backdrop of rising parcel volumes, it is imperative to further expand Austrian Post's excellent market position in terms of quality and quantity. Targeted investments and measures should contribute to improving earnings in all divisions, thus ensuring that Group earnings increase once again in 2021.

Vienna, 4 November 2020

The Management Board

GEORG PÖLZL
CEO
Chairman of the
Management Bord

WALTER OBLIN
Deputy CEO
Mail & Finance

PETER UMUNDUM
Member of the Management Board
Parcel & Logistics

Consolidated Income Statement for the First Three Quarters of 2020

EUR m	Q1–3 2019	Q1–3 2020	Q3 2019	Q3 2020
Revenue	1,462.2	1,497.9	481.1	516.0
thereof income from financial services	0.0	12.4	0.0	6.2
Other operating income	113.9	44.0	71.7	15.6
TOTAL OPERATING INCOME	**1,576.1**	**1,541.9**	**552.8**	**531.6**
Raw materials, consumables and services used	–333.6	–378.3	–114.8	–130.8
Staff costs	–744.7	–746.2	–237.4	–251.6
Depreciation, amortisation and impairment losses	–85.9	–98.5	–31.4	–34.5
Other operating expenses	–281.6	–238.8	–146.9	–82.5
TOTAL OPERATING EXPENSES	**–1,445.8**	**–1,461.9**	**–530.6**	**–499.4**
PROFIT FROM OPERATIONS	**130.3**	**80.0**	**22.1**	**32.3**
Results from financial assets accounted for using the equity method	–0.3	1.4	0.2	0.9
Financial income	19.6	11.1	14.8	0.9
Financial expenses	–6.0	–7.2	–2.0	–2.1
Other financial result	13.6	3.9	12.8	–1.2
TOTAL FINANCIAL RESULT	**13.3**	**5.3**	**13.0**	**–0.3**
PROFIT BEFORE TAX	**143.6**	**85.3**	**35.1**	**32.0**
Income tax	–43.6	–20.8	–14.4	–6.6
PROFIT FOR THE PERIOD	**100.1**	**64.5**	**20.7**	**25.4**
ATTRIBUTABLE TO:				
Shareholders of the parent company	100.0	69.7	20.6	25.3
Non-controlling interests	0.1	–5.3	0.1	0.1

EARNINGS PER SHARE (EUR)

	Q1–3 2019	Q1–3 2020	Q3 2019	Q3 2020
BASIC EARNINGS PER SHARE	**1.48**	**1.03**	**0.31**	**0.37**
DILUTED EARNINGS PER SHARE	**1.48**	**1.03**	**0.31**	**0.37**

RECONCILIATION OF GROUP EBIT (EUR M)

	Q1–3 2019	Q1–3 2020	Q3 2019	Q3 2020
Profit from operations	130.3	80.0	22.1	32.3
Results from financial assets accounted for using the equity method	–0.3	1.4	0.2	0.9
EARNINGS BEFORE OTHER FINANCIAL RESULT AND INCOME TAX (EBIT)	**130.0**	**81.4**	**22.3**	**33.2**

Consolidated Statement of Comprehensive Income for the First Three Quarters of 2020

EUR m	Q1–3 2019	Q1–3 2020	Q3 2019	Q3 2020
PROFIT FOR THE PERIOD	**100.1**	**64.5**	**20.7**	**25.4**
ITEMS THAT MAY BE RECLASSIFIED SUBSEQUENTLY TO THE INCOME STATEMENT:				
Currency translation differences – investments in foreign businesses	–0.3	–4.1	–0.3	–3.2
TOTAL ITEMS THAT MAY BE RECLASSIFIED	**–0.3**	**–4.2**	**–0.3**	**–3.2**
ITEMS THAT WILL NOT BE RECLASSIFIED SUBSEQUENTLY TO THE INCOME STATEMENT:				
Changes in fair value FVOCI – equity instruments	–4.1	–1.1	0.0	0.0
Revaluation of defined benefit obligations	–14.3	5.3	–4.3	0.0
Tax effect of revaluation	3.6	–1.3	1.1	0.0
TOTAL ITEMS THAT WILL NOT BE RECLASSIFIED	**–14.8**	**2.9**	**–3.2**	**0.0**
OTHER COMPREHENSIVE INCOME	**–15.1**	**–1.3**	**–3.5**	**–3.2**
TOTAL COMPREHENSIVE INCOME	**85.0**	**63.2**	**17.2**	**22.1**
ATTRIBUTABLE TO:				
Shareholders of the parent company	84.8	69.1	17.1	22.6
Non-controlling interests	0.1	–5.9	0.1	–0.5

Consolidated Balance Sheet as at 30 September 2020

EUR m	31 December 2019 adjusted[1]	30 September 2020
ASSETS		
NON-CURRENT ASSETS		
Goodwill	61.1	60.8
Intangible assets	35.1	99.3
Property, plant and equipment	1,056.5	1,075.1
Investment property	73.0	74.4
Financial assets accounted for using the equity method	11.4	11.2
Other financial assets	68.1	15.3
Other receivables	16.9	11.4
Deferred tax assets	65.9	62.4
	1,387.9	**1,409.9**
FINANCIAL ASSETS FROM FINANCIAL SERVICES		
Cash and central bank balances	48.0	433.3
Receivables against banks	2.9	5.5
Credits to clients	0.0	1.8
Investments	0.0	0.3
Other	0.0	9.6
	50.9	**450.6**
CURRENT ASSETS		
Other financial assets	230.6	130.3
Inventories	14.3	16.8
Contract assets	7.1	0.1
Trade and other receivables	296.9	304.1
Tax assets	2.5	26.1
Cash and cash equivalents	52.6	89.6
	604.0	**566.8**
ASSETS HELD FOR SALE	**0.1**	**0.1**
	2,042.9	**2,427.4**

[1] The presentation of financial services in the Austrian Post Group has been adjusted. In the consolidated balance sheet, financial assets and liabilities from financial services (including cash and central bank balances) are now reported as separate items according to liquidity between non-current and current assets and liabilities.

Consolidated Balance Sheet as at 30 September 2020

EUR m	31 December 2019 adjusted[1]	30 September 2020
EQUITY AND LIABILITIES		
EQUITY		
Share capital	337.8	337.8
Capital reserves	91.0	91.0
Revenue reserves	303.3	180.6
Other reserves	–41.8	–26.7
EQUITY ATTRIBUTABLE TO THE SHAREHOLDERS OF THE PARENT COMPANY	**690.3**	**582.8**
NON-CONTROLLING INTERESTS	**10.4**	**25.7**
	700.7	**608.4**
NON-CURRENT LIABILITIES		
Provisions	359.3	352.8
Other financial liabilities	270.7	265.1
Other payables	27.1	52.3
Contract liabilities	0.0	5.7
Deferred tax liabilities	0.8	6.0
	657.8	**682.0**
FINANCIAL LIABILITIES FROM FINANCIAL SERVICES		
Borrowings from banks	0.0	2.3
Banking clients deposits	0.0	383.9
Other	0.0	1.3
	0.0	**387.5**
CURRENT LIABILITIES		
Provisions	258.1	261.6
Tax liabilities	0.2	4.6
Other financial liabilities	38.8	61.1
Trade and other payables	357.3	392.1
Contract liabilities	29.9	30.0
	684.3	**749.4**
	2,042.9	**2,427.4**

[1] The presentation of financial services in the Austrian Post Group has been adjusted. In the consolidated balance sheet, financial assets and liabilities from financial services (including cash and central bank balances) are now reported as separate items according to liquidity between non-current and current assets and liabilities.

Consolidated Cash Flow Statement for the First Three Quarters of 2020

EUR m	Q1–3 2019	Q1–3 2020
OPERATING ACTIVITIES		
Profit before tax	143.6	85.3
Depreciation, amortisation and impairment losses	85.9	98.5
Results from financial assets accounted for using the equity method	0.3	–1.4
Provisions non-cash	20.4	9.8
Other non-cash transactions	–34.9	–0.4
GROSS CASH FLOW	**215.3**	**191.8**
Trade and other receivables	22.4	29.3
Inventories	4.1	–1.2
Contract assets	15.8	7.1
Provisions	19.8	–25.0
Trade and other payables	15.0	–23.3
Contract liabilities	–17.2	3.6
Financial assets/liabilities from financial services	0.0	375.8
Taxes paid	–46.5	–39.6
CASH FLOW FROM OPERATING ACTIVITIES	**228.6**	**518.5**
INVESTING ACTIVITIES		
Acquisition of intangible assets	–8.0	–19.3
Acquisition of property, plant and equipment/investment property	–100.1	–61.6
Sale of property, plant and equipment	4.9	4.4
Acquisition of subsidiaries and other business units	–11.6	–0.1
Acquisition of financial assets accounted for using the equity method	–5.5	–0.8
Sale of financial assets accounted for using the equity method	0.1	0.0
Sale of other financial instruments	0.0	38.1
Acquisition of financial investments in securities/money market investments	–70.0	–70.0
Sale of financial investments in securities/money market investments	11.0	170.2
Loans granted	–0.5	0.1
Dividends received from financial assets accounted for using the equity method	0.1	0.3
Interest received	0.7	1.1
CASH FLOW FROM INVESTING ACTIVITIES	**–178.8**	**62.5**
FREE CASH FLOW	**49.8**	**581.0**

Consolidated Cash Flow Statement for the First Three Quarters of 2020

EUR m	Q1–3 2019	Q1–3 2020
FINANCING ACTIVITIES		
Repayment of long-term financial liabilities (incl. current maturities of long-term debt)	–22.9	–29.1
Changes of short-term financial liabilities	–3.5	14.5
Dividends paid	–141.0	–141.2
Interest paid	–3.6	–3.7
Changes of non-controlling interests	0.0	5.0
CASH FLOW FROM FINANCING ACTIVITIES	**–170.9**	**–154.5**
Currency translation differences in cash and cash equivalents	0.0	–1.5
CHANGE IN CASH AND CASH EQUIVALENTS	**–121.1**	**425.0**
Cash and cash equivalents at 1 January[1]	310.2	103.5
CASH AND CASH EQUIVALENTS AT 30 SEPTEMBER[1]	**189.1**	**528.5**

[1] The presentation of financial services has been adjusted. Accordingly receivables against banks from payment transactions are now included in the financial funds (including cash and cash eqivalents and cash and central bank balances).

Consolidated Statement of Changes in Equity for the First Three Quarters of 2019

EUR m	Share capital	Capital reserves	Revenue reserves
BALANCE AS AT 1 JANUARY 2019	**337.8**	**91.0**	**298.5**
Profit for the period	0.0	0.0	100.0
Other comprehensive income	0.0	0.0	0.0
TOTAL COMPREHENSIVE INCOME	**0.0**	**0.0**	**100.0**
Dividends paid	0.0	0.0	–140.5
TRANSACTIONS WITH OWNERS	**0.0**	**0.0**	**–140.5**
Step acquisition of a subsidiary	0.0	0.0	–1.2
OTHER CHANGES	**0.0**	**0.0**	**–1.2**
BALANCE AS AT 30 SEPTEMBER 2019	**337.8**	**91.0**	**256.7**

Consolidated Statement of Changes in Equity for the First Three Quarters of 2020

EUR m	Share capital	Capital reserves	Revenue reserves
BALANCE AS AT 1 JANUARY 2020	**337.8**	**91.0**	**303.3**
Profit for the period	0.0	0.0	69.7
Other comprehensive income	0.0	0.0	0.0
TOTAL COMPREHENSIVE INCOME	**0.0**	**0.0**	**69.7**
Dividends paid	0.0	0.0	–140.5
Acquisition of non-controlling interests	0.0	0.0	0.1
Obligation to purchase non-controlling interests	0.0	0.0	–34.2
Payments to subsidiaries with non-controlling interests	0.0	0.0	–2.0
TRANSACTIONS WITH OWNERS	**0.0**	**0.0**	**–176.6**
Step acquisition of a subsidiary	0.0	0.0	0.0
Reposting	0.0	0.0	–15.9
OTHER CHANGES	**0.0**	**0.0**	**–15.9**
BALANCE AS AT 30 SEPTEMBER 2020	**337.8**	**91.0**	**180.6**

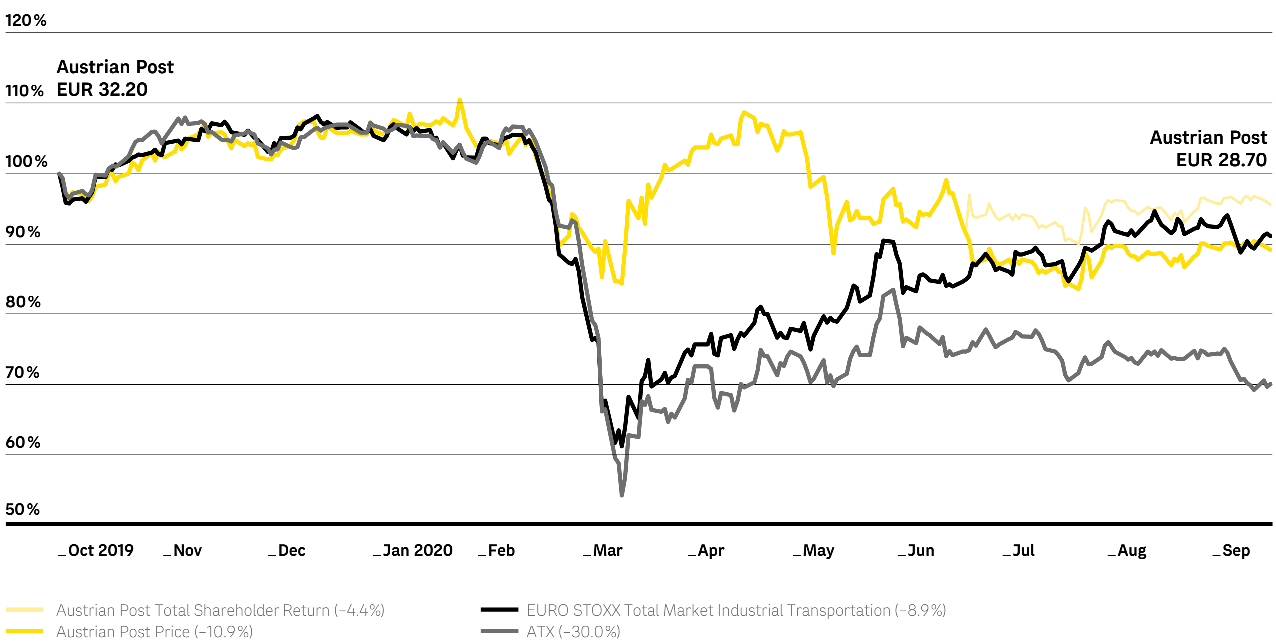
	Other reserves					
	IAS 19 reserve	FVOCI reserve	Currency translation reserve	Equity attributable to shareholders of the parent company	Non-controlling interests	Equity
	–16.1	**–12.2**	**–1.8**	**697.1**	**2.0**	**699.1**
	0.0	0.0	0.0	100.0	0.1	100.1
	–10.7	–4.1	–0.3	–15.1	0.0	–15.1
	–10.7	**–4.1**	**–0.3**	**84.8**	**0.1**	**85.0**
	0.0	0.0	0.0	–140.5	–0.5	–141.0
	0.0	**0.0**	**0.0**	**–140.5**	**–0.5**	**–141.0**
	0.0	0.0	0.0	–1.2	0.3	–0.9
	0.0	**0.0**	**0.0**	**–1.2**	**0.3**	**–0.9**
	–26.8	**–16.3**	**–2.1**	**640.2**	**2.0**	**642.2**

	Other reserves					
	IAS 19 reserve	FVOCI reserve	Currency translation reserve	Equity attributable to shareholders of the parent company	Non-controlling interests	Equity
	–25.6	**–14.2**	**–2.1**	**690.3**	**10.4**	**700.7**
	0.0	0.0	0.0	69.7	–5.3	64.5
	4.0	–1.1	–3.5	–0.7	–0.6	–1.3
	4.0	**–1.1**	**–3.5**	**69.1**	**–5.9**	**63.2**
	0.0	0.0	0.0	–140.5	–0.7	–141.2
	0.0	0.0	0.0	0.1	–0.1	0.0
	0.0	0.0	0.0	–34.2	0.0	–34.2
	0.0	0.0	0.0	–2.0	7.0	5.0
	0.0	**0.0**	**0.0**	**–176.6**	**6.2**	**–170.3**
	0.0	0.0	0.0	0.0	14.9	14.9
	0.0	15.9	0.0	0.0	0.0	0.0
	0.0	**15.9**	**0.0**	**0.0**	**14.9**	**14.9**
	–21.6	**0.5**	**–5.6**	**582.8**	**25.7**	**608.4**

Financial Calendar 2021

12 March 2021	Annual Report 2020, publication: 07.30–07.40 a.m. CET
15 April 2021	Annual General Meeting 2021, Vienna
27 April 2021	Ex-date (dividend)
28 April 2021	Record date (determination of eligible stocks in connection with dividend payments)
29 April 2021	Dividend payment day
12 May 2021	Interim report for the first quarter 2021, publication: 07.30-07.40 a.m. CET
12 August 2021	Half-year Report 2021, publication: 07.30-07.40 a.m. CET
11 November 2021	Interim report for the first three quarters 2021, publication: 07.30-07.40 a.m. CET

Development of the Share Price — 12 Month Comparison



Imprint

Media Owner and Publisher
Österreichische Post AG
Rochusplatz 1, 1030 Wien
T: +43 (0) 577 67 0
E: info@post.at
FN: 180219d, Commercial Court of Vienna

Typesetting and Production
In-house produced with firesys

Concept
Berichtsmanufaktur GmbH, Hamburg

We have prepared this report and checked the figures with the greatest possible care. Nevertheless, rounding, typographical and printing errors cannot be excluded. The aggregation of rounded amounts and percentages may result in rounding differences due to the use of automated computational aids.

This Financial Report also contains forward-looking statements based on the information currently available to us. These are usually indicated by expressions such as "expect", "anticipate", "estimate", "plan" or "calculate". We wish to note that a wide variety of factors could cause actual circumstances – and thus actual results – to deviate from the forecasts contained in this report. Statements referring to people are valid for both men and women.

This Financial Report is also available in German. In case of doubt, the German version takes precedence.

Editorial deadline: 12 November 2020

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