

FOURTH QUARTER 2011 FINANCIAL INFORMATION**A GOOD FOURTH QUARTER TAKES NEOPOST'S FULL-YEAR SALES OVER ONE BILLION EUROS**

- Fourth quarter 2011 sales up 5.3% at constant exchange rates
- Full-year 2011 sales up 5.6% to €1,002.6 million at constant exchange rates

**OUTLOOK:**

- Expected 2011 current operating margin of between 25.5% and 26.0% of sales confirmed
- 2012 sales expected to increase by at least 2% at constant exchange rates

**Paris, 1 March 2012**

Neopost, the European leader and the world's number-two supplier of mailroom solutions, today announced consolidated sales of €277.0 million for the fourth quarter of 2011 (ended 31 January 2012), an increase of 6.1% compared with the fourth quarter of 2010. At constant exchange rates, the increase was 5.3%. Over the whole of the 2011 year, sales totalled €1,002.6 million, an increase of 3.8% or 5.6% at constant exchange rates, compared with 2010.

Denis Thiery, Chairman and Chief Executive Officer of Neopost, stated: ***"Neopost continues to demonstrate growth momentum in every major market and both business lines. One quarter after the other sees confirmation of the success of our innovative and competitive ranges of products and services. Our new dedicated low-end distribution channel is being implemented efficiently, allowing us to reallocate our sales resources to high-end solutions. The integration of our Australian distributor is delivering on its promises. For the first time, Neopost's total sales have passed the one billion euro mark."***

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## Sales by region

| € million         | Q4 2011      | Q4 2010      | Change       | Change at constant exchange rates | 2011           | 2010         | Change       | Change at constant exchange rates |
|-------------------|--------------|--------------|--------------|-----------------------------------|----------------|--------------|--------------|-----------------------------------|
| North America     | <b>110.9</b> | 105.8        | +4.8%        | +4.1%                             | <b>399.6</b>   | <b>398.0</b> | +0.4%        | +5.4%                             |
| France            | <b>67.3</b>  | 65.2         | +3.2%        | +3.2%                             | <b>255.2</b>   | <b>253.8</b> | +0.5%        | +0.5%                             |
| UK                | <b>30.8</b>  | 29.7         | +3.7%        | +3.3%                             | <b>115.8</b>   | <b>113.2</b> | +2.3%        | +3.6%                             |
| Germany           | <b>20.9</b>  | 18.7         | +12.2%       | +12.2%                            | <b>73.8</b>    | <b>70.8</b>  | +4.2%        | +4.3%                             |
| Rest of the World | <b>47.1</b>  | 41.7         | +12.9%       | +10.2%                            | <b>158.2</b>   | <b>129.8</b> | +21.8%       | +18.5%                            |
| <b>Total</b>      | <b>277.0</b> | <b>261.1</b> | <b>+6.1%</b> | <b>+5.3%</b>                      | <b>1 002.6</b> | <b>965.6</b> | <b>+3.8%</b> | <b>+5.6%</b>                      |

(Unaudited figures)

### North America

The “wait and see” attitude prevalent in the third quarter of 2011 has faded away. Fourth quarter 2011 sales increased by 4.1% at constant exchange rates. This growth was notably due to good business in both mailing and document systems, and with both public and private sector large accounts.

For the full year, sales increased by 5.4% at constant exchange rates.

### France

Fourth quarter 2011 sales rose by 3.2%. This increase came from strong growth of equipment sales and from maintenance revenue as a result of the introduction of new postal services. The two distribution subsidiaries, namely Neopost France and Satas, were also successfully merged.

For the full year, sales increased by 0.5%.

### UK

In the fourth quarter of 2011, sales at constant exchange rates grew by 3.3% compared with the fourth quarter of 2010, which had brought very strong levels of business. This performance was due in particular to the success of document systems.

For the full year, sales increased by 3.6% at constant exchange rates.

### Germany

Fourth quarter 2011 sales increased by 12.2%. This growth reflects a strong level of business in all product lines as well as the extension of a contract in mailing systems. OEM<sup>1</sup> contract sales remained below their fourth quarter 2010 level.

For the full year, sales increased by 4.3% at constant exchange rates.

<sup>1</sup> Other Equipment Manufacturer

## Rest of the World

At constant exchange rates, fourth quarter 2011 sales increased by 10.2%. This growth was due to the successful integration of GBC Australia, a distributor acquired on 1 June 2011, and the Group's positive momentum in Scandinavia. By contrast, sales in other European countries were down compared with the high levels achieved in the fourth quarter of 2010.

For the full year, which includes consolidation of GBC Australia for eight months, sales were up 18.5% at constant exchange rates.

## Sales by business line and activity

| € million          | Q4 2011      | Q4 2010      | Change       | Change at constant exchange rates | 2011           | 2010         | Change       | Change at constant exchange rates |
|--------------------|--------------|--------------|--------------|-----------------------------------|----------------|--------------|--------------|-----------------------------------|
| Equipment sales    | 93.2         | 86.3         | +7.9%        | +7.1%                             | 318.7          | 294.8        | +8.1%        | +9.8%                             |
| Recurring revenues | 183.8        | 174.8        | +5.2%        | +4.5%                             | 683.9          | 670.8        | +2.0%        | +3.7%                             |
| <b>Total</b>       | <b>277.0</b> | <b>261.1</b> | <b>+6.1%</b> | <b>+5.3%</b>                      | <b>1 002.6</b> | <b>965.6</b> | <b>+3.8%</b> | <b>+5.6%</b>                      |

(Unaudited figures)

Equipment sales increased by 7.1% at constant exchange rates in the fourth quarter of 2011 and by nearly 10% over the full year. This performance was due to success across all product ranges as well as to the consolidation of GBC Australia.

Recurring revenues increased by 4.5% at constant exchange rates in the fourth quarter of 2011 and by 3.7% over the full year, notably thanks to particularly high revenues from postal rate changes in 2011. Recurring revenues accounted for 66.4% of total Group sales in the fourth quarter of 2011.

| € million                      | Q4 2011      | Q4 2010      | Change       | Change at constant exchange rates | 2011           | 2010         | Change       | Change at constant exchange rates |
|--------------------------------|--------------|--------------|--------------|-----------------------------------|----------------|--------------|--------------|-----------------------------------|
| Mailing systems                | 186.3        | 176.4        | +5.6%        | +4.8%                             | 681.9          | 665.3        | +2.5%        | +4.5%                             |
| Document and logistics systems | 90.7         | 84.7         | +7.1%        | +6.4%                             | 320.7          | 300.3        | +6.8%        | +8.1%                             |
| <b>Total</b>                   | <b>277.0</b> | <b>261.1</b> | <b>+6.1%</b> | <b>+5.3%</b>                      | <b>1 002.6</b> | <b>965.6</b> | <b>+3.8%</b> | <b>+5.6%</b>                      |

(Unaudited figures)

Both of Neopost's business lines grew strongly.

At constant exchange rates, sales of mailing systems increased by 4.8% in the fourth quarter of 2011 and by 4.5% over the full year. This performance was due to the competitiveness of the IS range, which is now fully available in the five major countries. Roll-out of the IS range also continues in other countries. In the fourth quarter of 2011, mailing system sales accounted for 67.3% of total Group sales.

Sales of document and logistics systems continue to grow strongly. Sales increased by 6.4% at constant exchange rates in the fourth quarter of 2011 and by 8.1% over the full year. In particular, sales were helped by the integration of GBC Australia, the success of the production folder inserters (DS 1000 and DS 1200) and the successful launch of the DS 200 (high end) and DS 35 (entry level) folders/inserters models.

## Outlook

The Group confirms that it expects full-year 2011 current operating margin to reach 25.5% to 26.0% of sales.

For 2012, economic conditions remain complicated and revenues from postal rate changes will be lower than in 2011. Nonetheless, Neopost can rely on the quality of its products, its return to the entry-level segment of the mailing system market, continuing expansion in the Asia-Pacific region and its optimisation plan implemented in 2011 to continue to grow. As a result, the Group expects sales to increase by at least 2% in 2012 at constant exchange rates.

Denis Thiery concludes: ***"Following 2011's good performance, we are confident of our ability to continue growing despite the uncertain economic environment. The strength of the Neopost model, combined with a large number of initiatives undertaken by the Group to capitalise on its strengths should enable us yet again to generate growing sales."***

## Calendar

Full-year 2011 results will be published on 27 March 2012 after market close.

First quarter 2012 sales will be published on 31 May 2012 after market close.

## A PROPOS DE NEOPOST

**NEOPOST IS THE EUROPEAN LEADER** and the number two world-wide supplier of mailing solutions. It has a direct presence in 19 countries, with 5,700 employees and annual sales of €1.003 billion in 2011. Its products and services are sold in more than 90 countries. The group is a key player in the markets for mailroom equipment and logistics solutions.

Neopost supplies the most technologically advanced solutions for franking, folding/inserting and addressing as well as logistics management and traceability. Neopost also offers a full range of services, including consultancy, maintenance and financing solutions.

Neopost is listed in the A compartment of Euronext Paris and is a constituent of the SBF 120 index.

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