

2012 FOURTH-QUARTER SALES**STRONG GROWTH IN FOURTH QUARTER OF 2012**

- Fourth-quarter sales up 8.2% or 6.6% at constant exchange rates
- Full year 2012 sales up 6.7%, or 2.5% excluding currency effects

OUTLOOK:

- 2012 current operating margin, before acquisition-related expenses, confirmed as slightly under 25% in 2012
- 2013 sales expected to grow by at least 5% at constant exchange rates

Paris, 4 March 2013

Neopost, the European leader and the world's number-two supplier of mailroom solutions, today announced consolidated sales of €299.8 million for the fourth quarter of the 2012 financial year (ended 31 January 2013), an increase of 8.2% on the fourth quarter of 2011. At constant exchange rates, sales were up 6.6%. In particular, Neopost benefited from the acquisitions of GMC Software Technology, a company specialising in customer communication management, and Human Inference, a company specialising in data quality, which have been consolidated since July 2012 and December 2012 respectively.

Over the full financial year, sales totalled €1,070.0 million, up 6.7% relative to the 2011 financial year, or 2.5% excluding currency effects.

Denis Thiery, Chairman and Chief Executive Officer of Neopost, commented: *"We enjoyed a return to strong growth in the fourth quarter. In the USA, the re-allocation of our commercial targets has started to bear fruit. In France, the situation has continued to improve as the new organization of our distribution becomes increasingly efficient. In other markets, Neopost's dynamic growth continues. Meanwhile, the integration of GMC Software Technology and of Human Inference is proceeding remarkably well."*

Sales by region

€ million	Q4 2012	Q4 2011	Change	Change at constant exchange rates	2012	2011	Change	Change at constant exchange rates
North America	112.6	110.9	+1.6%	-0.5%	419.2	399.6	+4.9%	-2.5%
France	66.3	67.3	-1.5%	-1.5%	236.3	255.2	-7.4%	-7.4%
UK	32.8	30.8	+6.3%	+2.7%	125.5	115.8	+8.4%	+2.0%
Germany	23.0	20.9	+9.8%	+9.8%	78.3	73.8	+6.0%	+6.0%
Rest of the world	65.1	47.1	+38.2%	+36.2%	210.7	158.2	+33.2%	+29.6%
Total	299.8	277.0	+8.2%	+6.6%	1,070.0	1,002.6	+6.7%	+2.5%

(Unaudited figures)

North America

The situation in North America continued to improve over the course of the fourth quarter. The redeployment of the sales force to focus on document systems paid off. Even so, sales in the fourth quarter of 2012 were down very slightly, at 0.5% below the fourth quarter of 2011 excluding currency effects. This dip was due to the fact that the fourth quarter of 2011 saw strong sales linked to the end of the echo effect of the 2006 decertification programmes, along with a boost to revenues from postal rate changes that was greater than that seen in the fourth quarter of 2012.

Over the full year, sales were down by 2.5% at constant exchange rates.

France

The situation in France also continued to improve over the course of the fourth quarter. The new sales organisation structure resulting from the merger of the two distribution subsidiaries, Neopost France and Satas, continued to make efficiency gains and the level of new orders in the fourth quarter of 2012 was higher than in the previous three months. Over the quarter, the Group also benefited from revenue relating to a postal rate change and from strong business levels at Neopost ID (logistics solutions). Even so, sales in the fourth quarter of 2012 were down 1.5% on the fourth quarter of 2011.

Over the full year sales were down 7.4%.

UK

Against a background of tough economic conditions, sales were up 6.3% in the fourth quarter of 2012, or by 2.7% at constant exchange rates.

Over the full year, sales were up 8.4%, or 2.0% at constant exchange rates.

Germany

Neopost continued to generate sales growth in the fourth quarter of 2012. Sales were up 9.8%.

Over the full year, sales were up 6.0%.

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Rest of the world

Sales in the rest of the world grew by 38.2%, or 36.2% at constant exchange rates, in the fourth quarter of 2012. This strong growth came as a result of the consolidation of GMC Software Technology and of Human Inference, as well as from good performances in the Asia-Pacific region.

Over the full year, sales were up 29.6% at constant exchange rates.

Sales by business line and revenue type

€ million	Q4 2012	Q4 2011	Change	Change at constant exchange rates	2012	2011	Change	Change at constant exchange rates
Equipment sales	99.2	91.8	+8.1%	+6.3%	332.6	317.3	+4.8%	+0.4%
Recurring revenues	200.6	185.2	+8.3%	+6.8%	737.4	685.3	+7.6%	+3.4%
Total	299.8	277.0	+8.2%	+6.6%	1,070.0	1,002.6	+6.7%	+2.5%

(Unaudited figures)

Equipment sales were up 8.1% in the fourth quarter of 2012, or 6.3% excluding currency effects. This growth came from the consolidation of GMC Software Technology (licence revenues) and from the good performance in the Asia-Pacific region. In France and the USA, despite an improvement compared to previous quarters, equipment sales remained below their levels in the same period in 2011. Over the full year, equipment sales were up 0.4% at constant exchange rates.

Recurring revenues rose by 8.3%, or 6.8% excluding currency effects, thanks in particular to growth in leasing income and the consolidation of GMC Software Technology and Human Inference (maintenance and service revenues). Over the full year, recurring revenues were up 3.4% at constant exchange rates, and represented 68.9% of total sales.

€ million	Q4 2012	Q4 2011	Change	Change at constant exchange rates	2012	2011	Change	Change at constant exchange rates
Mailing systems	187.0	186.3	+0.4%	-0.4%	696.0	681.9	+2.1%	-2.1%
Document and logistics systems	112.8	90.7	+24.3%	+21.0%	374.0	320.7	+16.6%	12.1%
Total	299.8	277.0	+8.2%	+6.6%	1,070.0	1,002.6	+6.7%	+2.5%

(Unaudited figures)

Mailing systems sales were almost flat in the fourth quarter of 2012 compared to the fourth quarter of 2011 (-0.4% excluding currency effects). Neopost benefited in the fourth quarter of 2012 from a higher level of revenues relating to postal rate changes than in the same period in 2011. However, in the fourth

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quarter of 2011 the Group had seen strong business levels relating to the ending of the echo effect from decertifications in 2006 in North America.

Over the full financial year, mailing systems sales were 2.1% lower at constant exchange rates.

Growth in sales of **document and logistics management systems** continued in the fourth quarter with a 24.3% increase, +21.0% at constant exchange rates. This growth came from strong trends in the Rest of the World region and from the positive effect of the consolidation of GMC Software Technology and Human Inference.

Over the full year 2012, excluding exchange-rate effects, document and logistics management system sales grew by 12.1% and accounted for 35.0% of total Group sales.

Development of businesses not related to mail

The integration of GMC Software Technology (acquired in July 2012) is proceeding remarkably well. Its strategy of developing its business in the banking and insurance industries and other vertical markets is being pursued with success and sales are growing strongly.

Human Inference, a European leader in the data quality field, has been consolidated since December 2012. The integration of this company is proceeding extremely well.

In logistics, Neopost saw strong business levels in the fourth quarter. Most notably Neopost started installing automated secure parcel lockers for Australia Post. As previously indicated, this contract will generate sales of around 11 million Australian dollars (i.e. around €9 million) over three years, with two thirds due to come in 2013.

Outlook

Neopost has confirmed that it expects current operating margin, before acquisition-related expenses, to be slightly below 25%.

In the mail-related business in 2013, Neopost expects improved performances in the USA and France and continued expansion in the Asia-Pacific region. In its businesses not related to mail, the Group is expecting to see the benefits from organic growth in these areas together with the commercial synergy expected from the recent acquisitions of GMC Software Technology and Human Inference. Although economic conditions remain difficult, the Group expects sales growth for the year 2013 of at least 5% at constant exchange rates.

Denis Thiery concluded: ***"We are confident in the strength of our mail-related business whilst businesses not related to mail are taking on a whole new dimension at Neopost. This dynamic gathered pace in 2012 with the successful integration of GMC Software and Human Inference. These are fast-growing businesses and we are rapidly developing commercial synergy with the traditional businesses of the Neopost network. Neopost's mailroom systems are now***

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integrated in a broader offering, ranging from the management of customer communication tools to logistics solutions, via data quality. This meets a real need identified amongst our clients. We are therefore extremely confident in the success of this strategy and in the prospects for growth at Neopost."

Calendar

Full-year 2012 results will be published on 26 March 2013 after market close.

First-quarter sales figures will be published on 3 June 2013 after the market close.

ABOUT NEOPOST

NEOPOST IS THE EUROPEAN LEADER and the number two world-wide supplier of mailing solutions. It has a direct presence in 29 countries, with 5,900 employees and annual sales of €1.070 billion in 2012. 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 belongs notably to the SBF 120 index.

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