PRESS RELEASE

FIRST QUARTER 2013 FINANCIAL INFORMATION

SOLID SALES GROWTH IN THE FIRST QUARTER OF 2013

- **Sales up 6.5%, i.e. 6.8% at constant exchange rates**
- **Organic[1] growth of 2.1%**

OUTLOOK FOR 2013 UNCHANGED

- **2013 sales expected to grow by at least 5% at constant exchange rates**
- **Expected 2013 current operating margin before acquisition-related expenses[2] of over 25% for Neopost Integrated Operations[3] and over 12% for CSS Dedicated Units[3]**

Paris, 3 June 2013

Neopost, the European leader and the world's number-two supplier of mailroom solutions, today announced consolidated sales of €264.3 million for the first quarter of the 2013 financial year (ended 30 April 2013), an increase of 6.5% compared with the first quarter of 2012. At constant exchange rates, sales were up 6.8%. Organic[1] growth was 2.1%.

Denis Thiery, Chairman and Chief Executive Officer of Neopost, stated: ***"We are very pleased with Neopost's performance during the first quarter of the year. We achieved organic[1] growth of 2.1% despite lower revenues relating to postal rate changes and difficult economic conditions. Our mail-related activities held up well and, as expected, our Communication & Shipping Solutions activities delivered solid growth thanks to their own momentum as well as synergies achieved with our traditional network. These activities are the main driving force behind organic growth and now account for 16% of sales."***

Change in sales by business line

€ million	**Q1 2013**	Q1 2012	Change	Change at constant exchange rates	Q1 2012 restated[1]	**Organic[1]** growth (at constant exchange rates)
Mail Solutions	**222.0**	225.3	-1.5%	-1.2%	225.3	-1.2%
Communication & Shipping Solutions	**42.3**	22.7	+86.0%	+86.4%	34.2	+24.1%
Total	**264.3**	**248.0**	**+6.5%**	**+6.8%**	**259.5**	**+2.1%**

(Unaudited figures)

[1] Q1 2013 sales are compared to Q1 2012 sales restated with the addition of sales from GMC Software Technology and Human Inference in Q1 2012 (€9.3 million and €2.2 million)
[2] Current operating income before acquisition-related expenses as a percentage of sales
[3] See glossary on page 5

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Changes are expressed in comparison with the same period in the previous year.

Mail Solutions

Sales from the **Mail Solutions** business held up well during the first quarter, with a fall of just 1.5% or 1.2% at constant exchange rates. This reflects a slight drop in mailing systems sales, mainly as a result of lower revenues relating to postal rate changes and the difficult economic situation in Europe, particularly in France and the United Kingdom.

Folder/inserter sales increased thanks to the successful launch of the DS-65 and continuing strong performance in high-end equipment.

Excluding the effect of postal rate changes, **Mail Solutions** sales remained virtually stable. **Mail Solutions** sales accounted for 84% of total sales in the first quarter of 2013.

Communication & Shipping Solutions

Sales from **Communication & Shipping Solutions** activities rose by 86.0%, or 86.4% at constant exchange rates, primarily thanks to the acquisitions of GMC Software Technology and Human Inference. Restated for the scope effect linked to these acquisitions, **Communication & Shipping Solutions** saw organic sales growth of 24.1%. This strong performance relates to Data Quality, Customer Communication Management as well as Shipping Solutions activities:

- Sales performed by the subsidiaries dedicated to these activities, **CSS Dedicated Units**, increased substantially mainly thanks to solid organic growth from GMC Software Technology, from the successful data quality partnership between Satori Software and SAP in the United States, and from the continuing roll-out of the parcel lockers in Australia;
- These activities also delivered strong growth within the Group's traditional network, **Neopost Integrated Operations**, thanks to the initial business synergies developed with GMC Software Technology and to the development of Data Quality and Shipping Solutions activities with the Group's traditional clients.

In total, **Communication & Shipping Solutions** sales accounted for 16% of total sales in the first quarter of 2013 compared with 9% for the year-earlier period.

Change in sales by region

€ million	**Q1 2013**	Q1 2012	Change	Change at constant exchange rates
North America	**105.0**	98.7	+6.4%	+5.9%
Europe	**139.6**	135.3	+3.1%	+3.6%
o/w France	*56.8*	*58.4*	*-2.7%*	*-2.7%*
Asia-Pacific	**18.8**	13.2	+42.0%	+45.2%
Other	**0.9**	0.8	+17.2%	+21.3%
Total	**264.3**	**248.0**	**+6.5%**	**+6.8%**

(Unaudited figures)

North America

Sales in North America increased by 6.4%, or 5.9% at constant exchange rates. This growth, which was expected, relates to the sharp rise in equipment sales. The Group benefited in particular from the cross-selling efforts made in 2012, strong sales growth at Satori Software and the initial synergies with GMC Software Technology.

Europe

Under more difficult economic conditions, particularly in France and the United Kingdom, sales in Europe rose by 3.1%, or 3.6% at constant exchange rates. This growth relates mainly to the successful integration of GMC Software Technology and Human Inference. In France, the new organisational structure is now in place and improvement in sales productivity resulted in an increase in equipment sales. However, sales were down due to lower revenues related to postal rate changes during the first quarter of 2013 compared with the first quarter of 2012. In the United Kingdom, placements of new equipment were affected by the more challenging economic climate. By contrast, the Group achieved sales growth in almost all other European countries.

Asia-Pacific

The Group achieved further brisk growth in the Asia-Pacific region, with sales up 42.0%, or 45.2% at constant exchange rates. This growth relates primarily to the very strong performances achieved in Australia in **Mail Solutions** as well as in **Communication & Shipping Solutions** activities thanks in particular to the roll-out of parcel lockers for Australia Post.

Change in sales by revenue type

€ million	**Q1 2013**	Q1 2012	Change	Change at constant exchange rates
Equipment sales	**83.3**	72.4	+15.0%	+15.3%
Recurring revenues	**181.0**	175.6	+3.1%	+3.3%
Total	**264.3**	**248.0**	**+6.5%**	**+6.8%**

(Unaudited figures)

Equipment sales

Equipment sales rose by 15.0%, or 15.3% at constant exchange rates. This growth relates in particular to the increase in sales of software licenses at GMC Software Technology and Satori Software, as well as the strong performances achieved in sales of mailing systems and folders/inserters in North America, the Asia-Pacific region and France. Equipment sales accounted for 31.5% of sales in the first quarter of 2013 compared with 29.2% for the year-earlier period.

Recurring revenues

Recurring revenues increased by 3.1%, or 3.3% at constant exchange rates, thanks to the contribution from acquisitions and higher leasing revenues, despite lower revenues related to postal rate changes. Recurring revenues continue to make up a very large proportion of the Group's sales, accounting for 68.5% of sales in the first quarter of 2013 compared with 70.8% for the year-earlier period.

Other highlights of the quarter and recent events

The Group is working on preparations for the launch of the new IN range of mailing systems in the United States, planned for the start of the third quarter, in order to capitalise on the echo effects of the 2008 decertification programme, most of which are expected in the second half of 2013.

Furthermore, as announced in late March 2013, the reorganisation of Neopost's document composition software activities following the integration of GMC Software Technology is progressing as planned.

Overview of the Group's financial situation

Results

The development of current operating margin in the first quarter was in line with the Group's expectations for the whole of 2013.

Financial situation

The Group's financial situation is healthy. Debt is entirely dedicated to the financing of equipment leased or rented to customers.

Outlook unchanged

Despite the difficult economic climate in Europe, the Group's performance in Q1 2013 is in line with expectations. Neopost confirms that it expects sales growth of at least 5% at constant exchange rates in 2013.

The Group also confirms that it expects current operating margin before acquisition-related expenses[2]:

- of more than 25% for **Neopost Integrated Operations;**
- of more than 12% for **CSS Dedicated Units.**

Denis Thiery concludes: ***"The performances achieved over the last few months confirm the relevance of our strategy. We are confident about our ability to achieve the targets we have announced for the full year despite the unfavourable economic climate in Europe. We can count on the solid resilience of our mail-related activities and the strong growth of our Communication & Shipping Solutions activities, thanks in particular to synergies with our traditional network."***

Glossary

- **Mail Solutions:** mailing systems, document management systems (folders/inserters for offices, mail rooms, production, other mail room equipment) and related services
- **Communication & Shipping Solutions (CSS)**: data quality, customer communication management solutions, logistics solutions, document finishing solutions and graphics solutions
- **Neopost Integrated Operations**: Neopost subsidiaries developing, producing and distributing Neopost products and services
- **CSS Dedicated Units:** GMC Software Technology, Human Inference, Neopost ID, Satori Software

Calendar

The AGM will be held in Paris on 2 July 2013. Second quarter sales will be published on 5 September 2013 after 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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