

SECOND QUARTER 2013 SALES**ACCELERATION IN ORGANIC GROWTH IN THE SECOND QUARTER OF 2013**

- Sales up 3.4% or 6.6% at constant exchange rates
- Organic growth¹ of 3.0%

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 expenses²- of over 25% for Neopost Integrated Operations³ and over 12% for CSS Dedicated Units³

Paris, 5 September 2013

Neopost, the European leader and the world's number-two supplier of mailroom solutions, today announced consolidated sales of €269.4 million for the second quarter of the 2013 financial year (ended 31 July 2013), an increase of 3.4% compared with the second quarter of 2012. At constant exchange rates, sales were up 6.6%. Organic growth¹ was 3.0%.

Over the first half of 2013, sales rose by 4.9% to €533.7 million, representing growth of 6.7% at constant exchange rates and organic growth⁴ of 2.5% relative to the first half of 2012.

Denis Thiery, Chairman and Chief Executive Officer of Neopost, stated: ***"We performed well in the second quarter, as is demonstrated by organic growth of 3% achieved over the period. The performance of Mail Solutions improved significantly, while Communication & Shipping Solutions delivered further robust growth. On a geographical basis, North America saw further acceleration in sales, France is back to growth and the momentum remains very positive in the Asia-Pacific region."***

¹ Q2 2013 sales are compared with Q2 2012 sales with the addition of sales from GMC Software Technology over two months in Q2 2012 (€6.5 million) and from Human Inference over three months in Q2 2012 (€2.8 million)

² Current operating income excluding acquisition-related expenses as a percentage of sales

³ See glossary on page 5

⁴ H1 2013 sales are compared with H1 2012 sales with the addition of sales from GMC Software Technology over five months in H1 2012 (€15.8 million) and from Human Inference over six months in H1 2012 (€5.0 million)

Change in sales by business line

€ million	Q2 2013	Q2 2012	Change	Change at constant exchange rates	Q2 2012 Restated	Organic growth ¹ (at constant exchange rates)
Mail Solutions	224.6	231.6	-3.0%	-0.1%	231.6	-0.1%
Communication & Shipping Solutions	44.8	29.1	+54.0%	+60.5%	38.5	+21.4%
Total	269.4	260.7	+3.4%	+6.6%	270.1	+3.0%

(Unaudited figures)

€ million	H1 2013	H1 2012	Change	Change at constant exchange rates	H1 2012 Restated	Organic growth ⁴ (at constant exchange rates)
Mail Solutions	446.6	456.9	-2.2%	-0.7%	456.9	-0.7%
Communication & Shipping Solutions	87.1	51.8	+68.0%	+71.8%	72.6	+22.6%
Total	533.7	508.7	+4.9%	+6.7%	529.5	+2.5%

(Unaudited figures)

Mail Solutions

The second quarter sales from the **Mail Solutions** business were stable at constant exchange rates, marking a significant improvement relative to previous quarters, despite lower revenues relating to postal rate changes than in the second quarter of 2012. This performance was achieved thanks to the high level of equipment sales in folders/inserters, where the newest models performed very well, but also thanks to mailing systems.

Excluding the effect of lower revenues relating to postal rate changes, **Mail Solutions** sales were up. **Mail Solutions** sales accounted for 83.4% of total sales in the second quarter of 2013.

Communication & Shipping Solutions

Communication & Shipping Solutions sales rose by 60.5% at constant exchange rates in the second quarter of 2013, thanks in particular to the acquisitions last year of GMC Software Technology and Human Inference. Restated for the scope effect of these acquisitions, **Communication & Shipping Solutions** saw organic sales growth of 21.4%. 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 strongly mainly thanks to solid organic growth from GMC Software Technology, the successful data quality partnership between Satori Software and SAP in the United States, and the continuing roll-out of parcel lockers in Australia;

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- These activities also delivered strong growth within the Group's traditional network, **Neopost Integrated Operations**, thanks to the business synergies implemented with GMC Software Technology and the development of Data Quality and Shipping Solutions activities with the Group's traditional clients.

In total, **Communication & Shipping Solutions** sales accounted for 16.6% of total sales in the second quarter of 2013 compared with 11.2% for the year-earlier period.

Change in sales by region

€ million	Q2 2013	Q2 2012	Change	Change at constant exchange rates	H1 2013	H1 2012	Change	Change at constant exchange rates
North America	106.2	103.6	+2.6%	+7.0%	211.2	202.2	+4.4%	+6.5%
Europe	142.2	139.9	+1.7%	+3.1%	281.8	275.2	+2.4%	+3.4%
<i>o/w France</i>	<i>57.3</i>	<i>56.4</i>	<i>+1.6%</i>	<i>+1.6%</i>	<i>114.1</i>	<i>114.8</i>	<i>-0.6%</i>	<i>-0.6%</i>
Asia-Pacific	20.1	16.6	+20.6%	+32.8%	38.9	29.9	+30.1%	+38.3%
Other	0.9	0.6	+45.4%	+50.8%	1.8	1.4	+29.5%	+34.2%
Total	269.4	260.7	+3.4%	+6.6%	533.7	508.7	+4.9%	+6.7%

(Unaudited figures)

North America

North America saw an acceleration in sales growth to 7.0% at constant exchange rates in the second quarter of 2013. This growth, which was expected, relates to the sharp rise in equipment sales. The Group benefited in particular from strong growth in mailing systems and folders/inserters as well as strong growth at Satori Software and GMC Software Technology.

Europe

Despite a challenging economic climate and lower revenues relating to postal rate changes than last year, sales in Europe increased by 3.1% at constant exchange rates in the second quarter of 2013. This growth was mainly thanks to the upturn in sales in France and the successful integration of GMC Software Technology and Human Inference.

Asia-Pacific

The Group achieved further brisk growth in the Asia-Pacific region, with sales up 32.8% at constant exchange rates in the second quarter of 2013. This growth relates primarily to the very strong performances achieved in Australia in both **Mail Solutions** and **Communication & Shipping Solutions** thanks in particular to the roll-out of parcel lockers for Australia Post.

Change in sales by revenue type

€ million	Q2 2013	Q2 2012	Change	Change at constant exchange rates	H1 2013	H1 2012	Change	Change at constant exchange rates
Equipment sales	89.5	80.5	+11.2%	+15.1%	172.8	152.9	+13.0%	+15.2%
Recurring revenues	179.9	180.2	-0.2%	+2.9%	360.9	355.8	+1.4%	+3.1%
Total	269.4	260.7	+3.4%	+6.6%	533.7	508.7	+4.9%	+6.7%

(Unaudited figures)

Equipment sales

Equipment sales saw further strong growth with a 15.1% increase at constant exchange rates in the second quarter of 2013. This solid performance relates in particular to the increase in sales of mailing systems and folders/inserters in North America, France and the Asia-Pacific region, as well as the increase in licence sales at GMC Software Technology and Satori Software. Equipment sales accounted for 33.2% of sales in the second quarter of 2013 compared with 30.9% for the year-earlier period.

Recurring revenues

Recurring revenues increased by 2.9% at constant exchange rates in the second quarter of 2013 thanks to the contribution from acquisitions and higher leasing revenues, despite lower revenues related to postal rate changes. Recurring revenues make up a very large proportion of the Group's sales, accounting for 66.8% of sales in the second quarter of 2013.

Outlook unchanged

Despite the difficult economic climate in Europe, the Group's performance in the second quarter of 2013 was in line with its expectations. Neopost confirms that sales growth should reach at least 5% at constant exchange rates in 2013, or organic growth of at least 2.7%.

The Group also confirms that it expects current operating margin before acquisition-related expenses in 2013²:

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

Denis Thierry concludes: ***"This is the third quarter in a row that we have reported a good level of organic growth, attesting to the relevance of Neopost's strategy. Our mail-related activities have held up well and sales from our Communication & Shipping solutions activities are continuing to increase at a solid rate, thanks to their own expansion and synergies developed with our traditional network. On the back of this momentum, we are confident about achieving our targets for the full year and about the Group's longer-term outlook."***

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 interim financial statements will be published on 30 September after market close. Third quarter sales will be published on 2 December 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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