



UNAUDITED FINANCIAL STATEMENTS NINE-MONTHS 2015

MANAGEMENT BOARD OF THE FP GROUP

BERLIN, 19 NOVEMBER 2015

DISCLAIMER



This report contains forward-looking statements on the business development of the Francotyp-Postalia Group. These statements are based on assumptions relating to the development of the economic and legal environment in individual countries and economic regions, which we have made on the basis of the information available to us and which we consider to be realistic at the time of going to press.

The estimates given entail a degree of risk, and the actual developments may differ from those forecast. Consequently, any unexpected fall in demand or economic stagnation in our key sales markets, such as Western Europe (and especially Germany) or in the USA, UK, or Canada, and Singapore will have a corresponding impact on the development of our business.

The same applies in the event of a significant shift in current exchange rates relative to the US dollar, sterling, Canadian dollars, Singapore dollars. In addition, expected business development may vary if the assessments of value-enhancing factors and risks presented in the 2014 Annual Report develop in a way other than we are currently expecting.

FP RAISES ITS REVENUE AND EBITDA GUIDANCE 2015



- 9M 2015 figures characterized by **profitable growth**



- **High interest in PostBase systems** and ongoing shift towards rental business
- **Higher demand for Mail Services** in Germany
- **Positive effect of weaker Euro** on all key figures
- **Double digit growth of revenues and EBITDA**

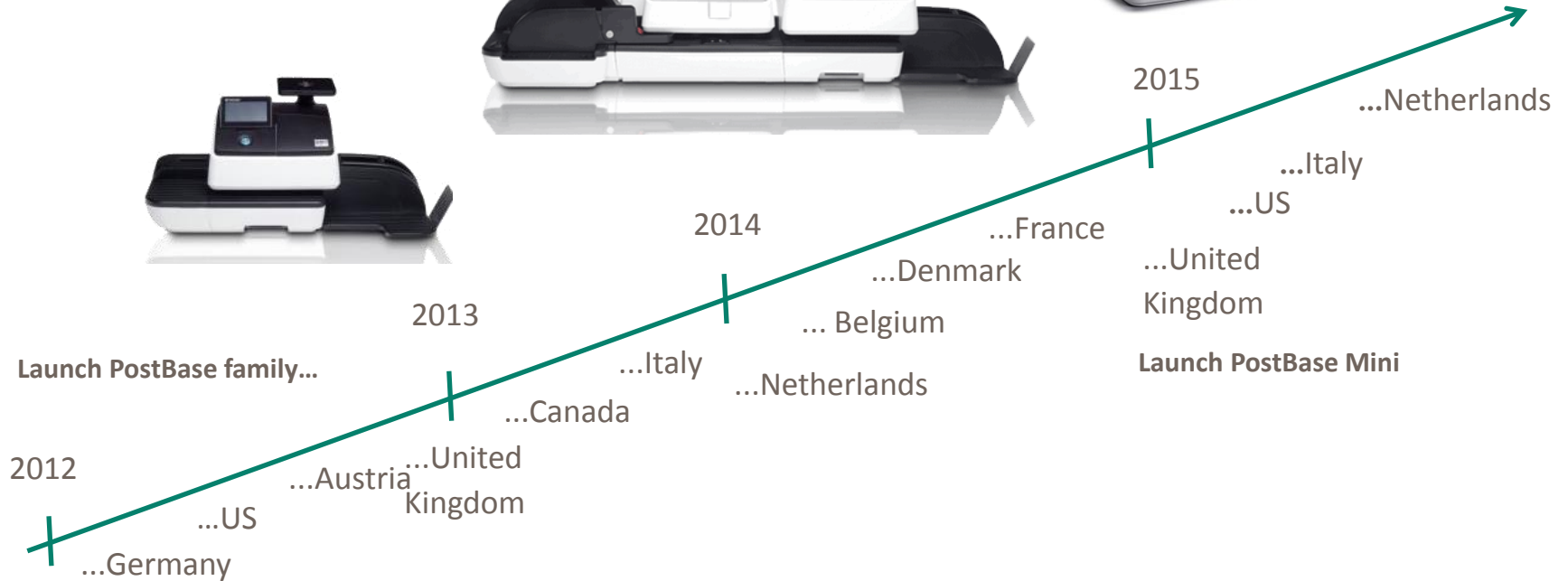
THE GLOBAL SUCCESS OF THE POSTBASE



PostBase



reddot design award
winner 2012

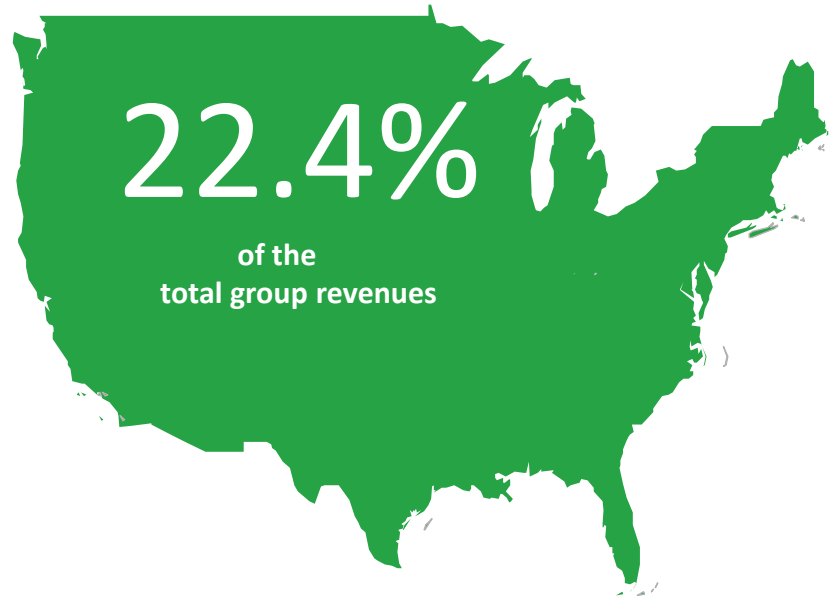


New production

PostBase Mini:

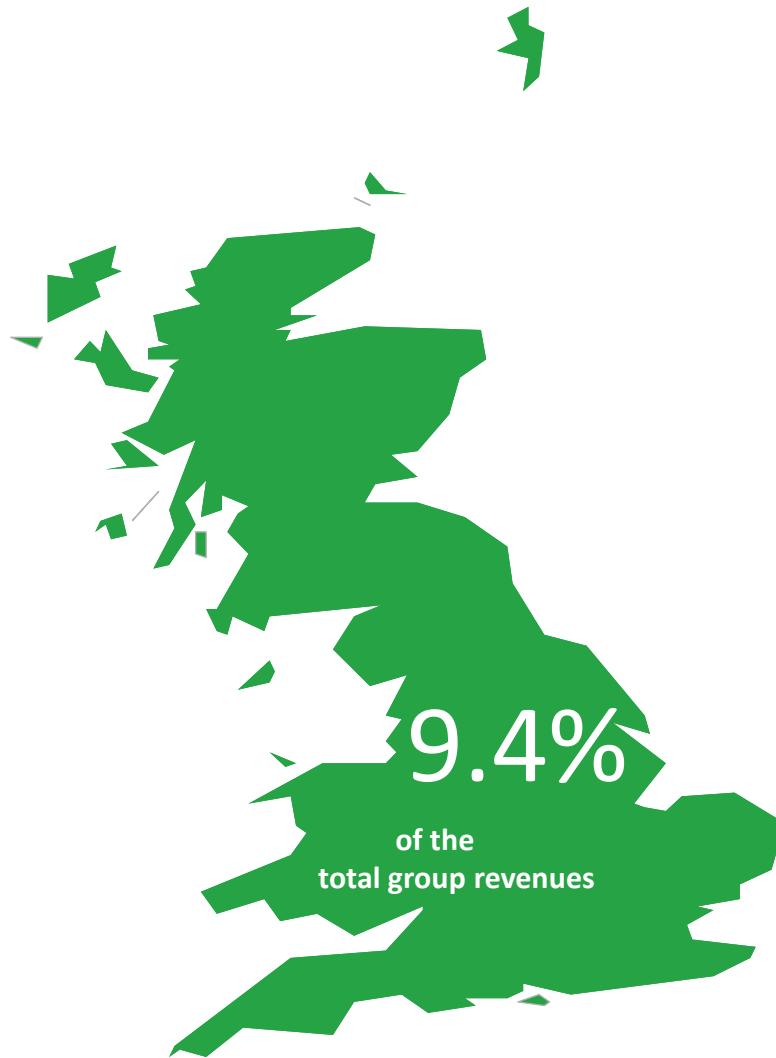
<https://www.youtube.com/watch?v=HB9PvOrajCY>

INSTALLED BASE IN RENTAL MARKET USA SAFEGUARDED



- FP managed to **safeguard the existing** base during decertification in the US (ends at year-end 2015)
- **Still high demand for PostBase systems** for existing and new customers
- **Replacement of depreciated machines** for new PostBase lead to
 - Temporary higher CAPEX
 - Higher depreciation
- **Solid basis for future profitability**
 - Steady recurring revenues
 - Steady positive earning impact

UK WITH HIGH DEMAND FOR POSTBASE



- Double-digit **Revenue Growth** in 9M 2015
- Successful incentives of **Royal Mail**
- High demand for **PostBase systems**

POSITIVE DEVELOPMENTS IN FURTHER MARKETS



- **France:** Constantly increasing installed base in rental market environments



- **Italy:**
 - Growing franking machine market
 - Still increasing market share to more than 30%
 - Trend towards financial lease



- **Switzerland:** Successful market introduction of PostBase

TOP LINE GROWTH IN GERMANY



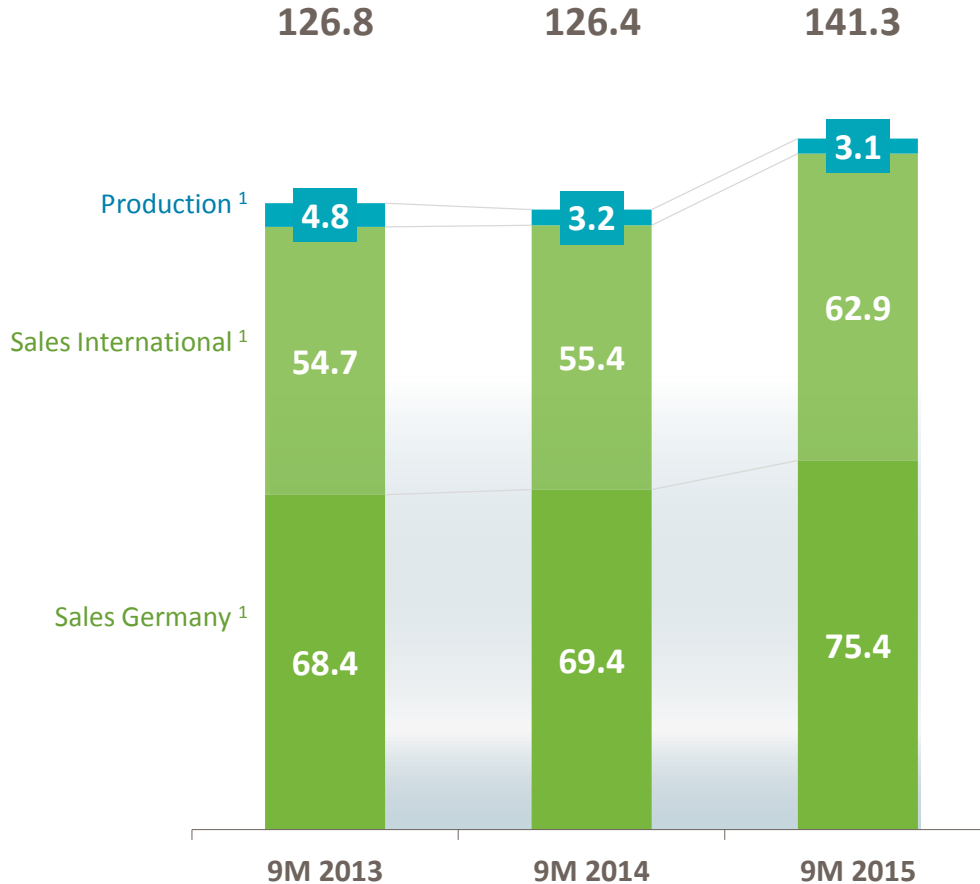
- **Growth driver:** Mail Services (+22%) due to further contracts in outsourcing business
- Start of the **optimatisation** of customer services
- **Successful market introduction of PostBase Mini**

HIGH INTERNATIONAL DEMAND FOR POSTBASE SYSTEM

REVENUE BY SEGMENTS



€ million



Total revenue growth of 11.8%

International Sales were influenced by

- High demand in key markets like US and UK
- Positive currency effect of €7.2 m

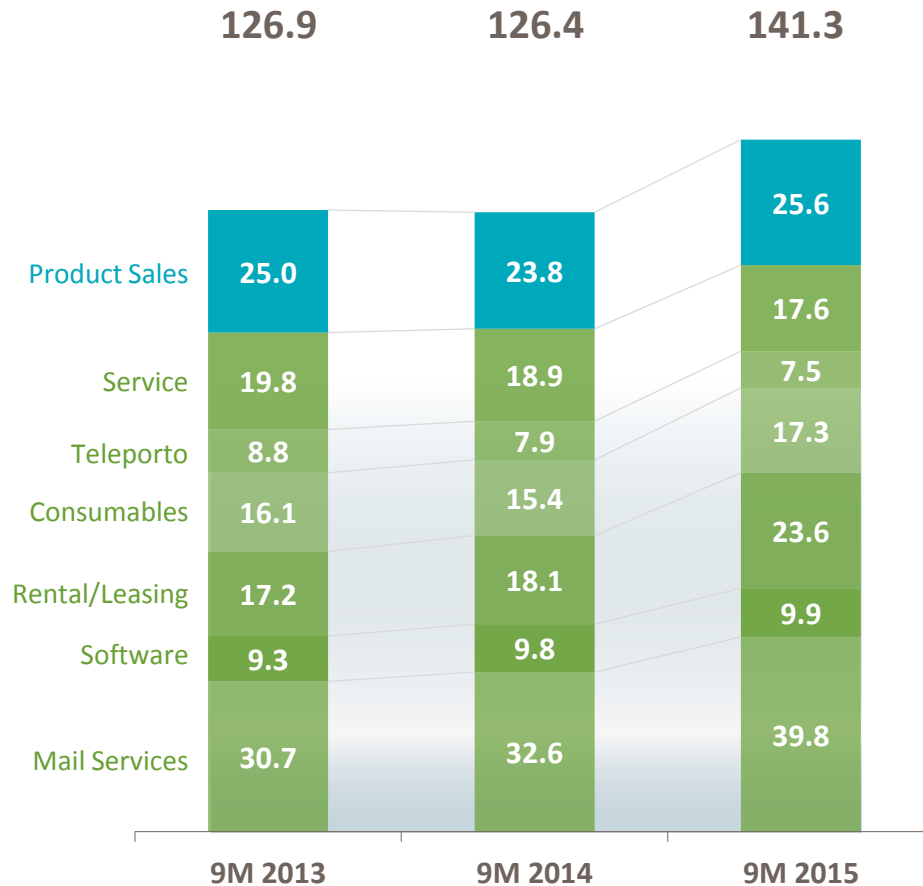
German organisation benefits from **growing Mail Service business**

¹ | Non-consolidated figures according local GAAP. Revenue with third parties.

RECURRING REVENUE ON THE RISE



€ million



Major revenue drivers

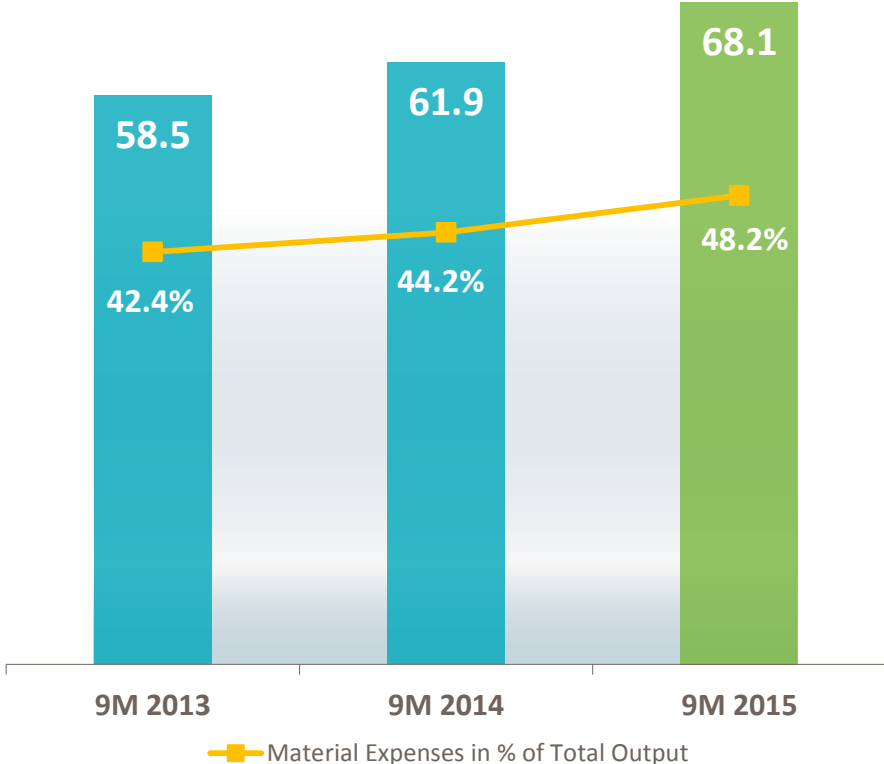
- Product Sales: +7.5%
- Mail Services: +22.1%

Trend towards all-in-contracts in franking machine business causes **revenue shift** from service and teleporto to rental/leasing

High proportion of recurring revenues (82%) is a **perfect base for sustainable business**

INCREASE OF MATERIAL EXPENSES

€ million

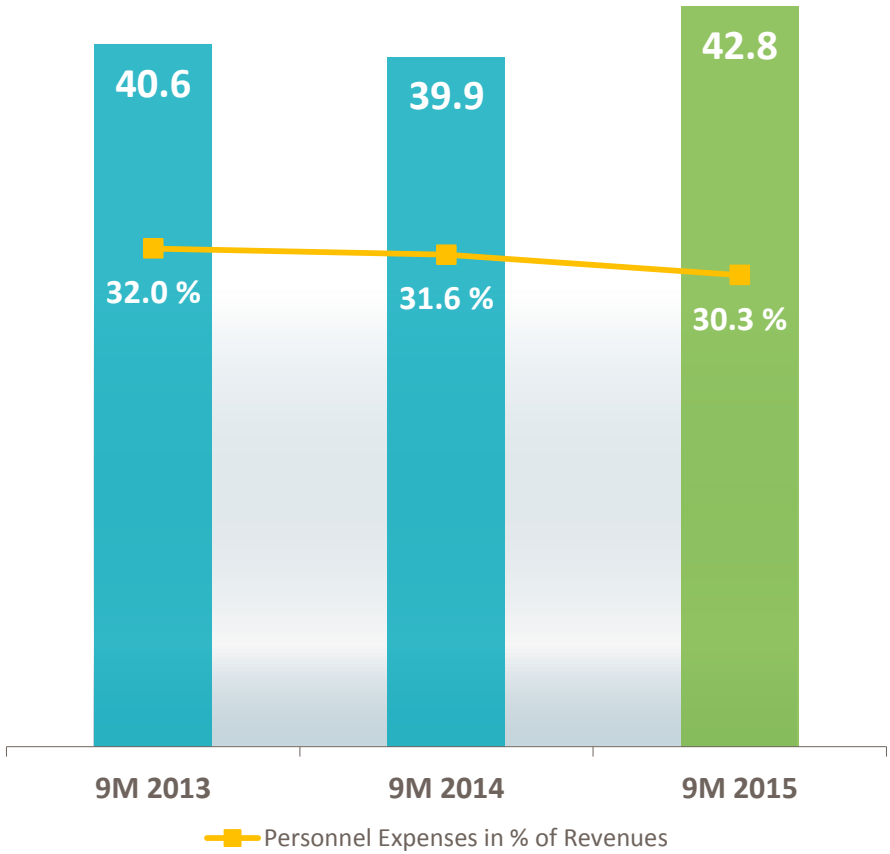


Due to revenue growth **material expenses** increased by €6.2m

Stable costs for raw materials (€ -0,5m) and increasing costs for purchased services (€+6.7m) due to strong growth of mail services

IMPROVEMENT OF PERSONNEL EXPENSE RATIO

€ million



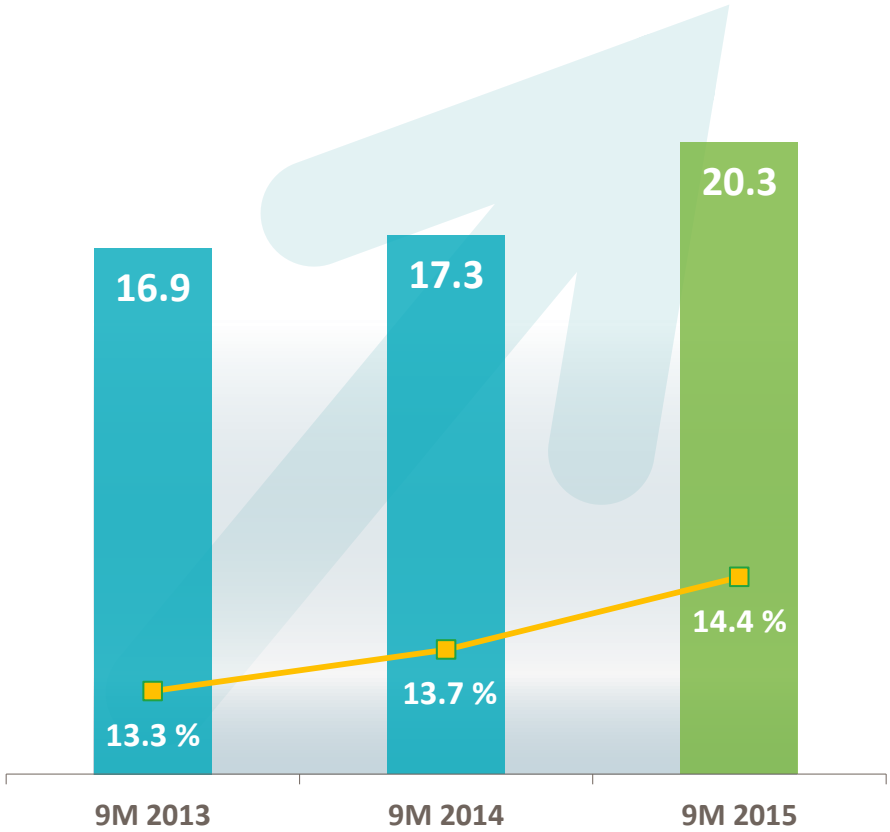
Personnel expenses increased in 9M

- Currency effect of €1.5m
- Optimisation of customer services in Germany (€0.6m)

Improvement of personnel expense ratio supported by increasing revenue

EBITDA MARGIN ROSE TO 14.4%

€ million



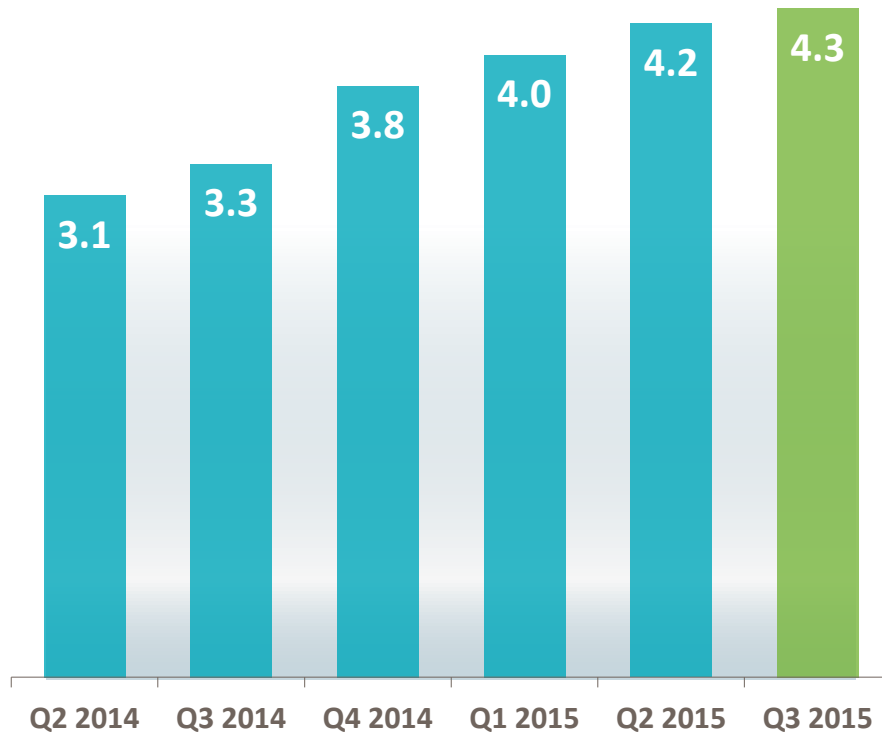
EBITDA drivers

- Revenue growth
- Positive currency effect of €3.2m mainly due to the strength of US-dollar and Great Britain pound
- **One-off-effect for optimisation of customer services** in Germany (€-0.6m)

DEPRECIATION DEVELOPED AS EXPECTED



€ million



Main Driver:

Replacement of decertified machines by new PostBases due to USPS regulation

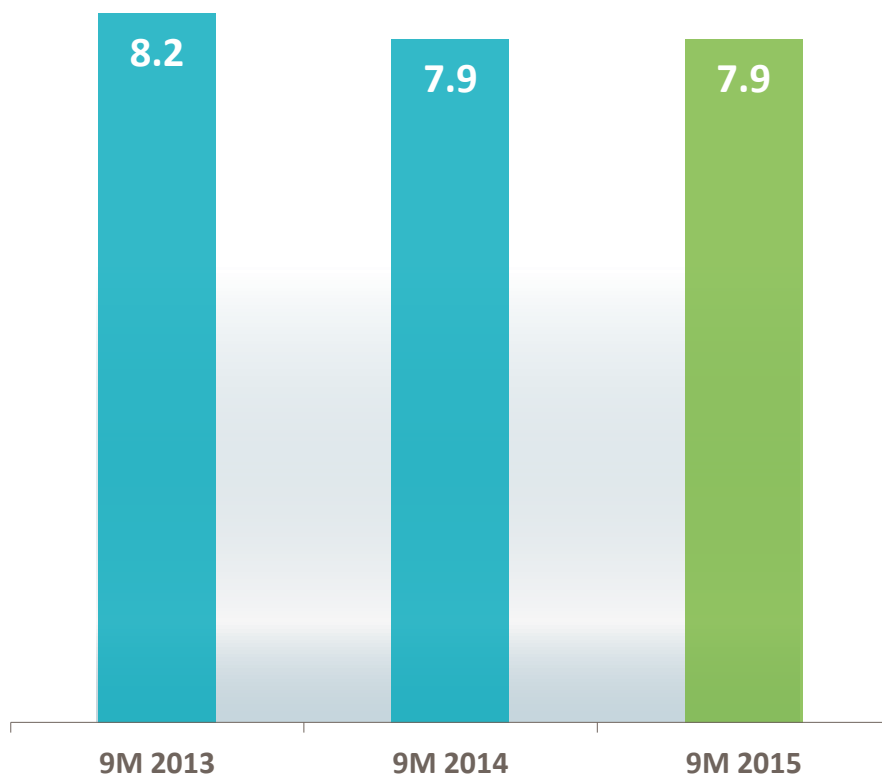
FP expects **depreciation** between €15m to €17m for **FY 2015**

Investments in installed base secure future recurring revenues

EBIT DEVELOPMENT REFLECTS HIGHER DEPRECIATION



€ million



In the first nine month, EBIT is **on the same level as in 2014**

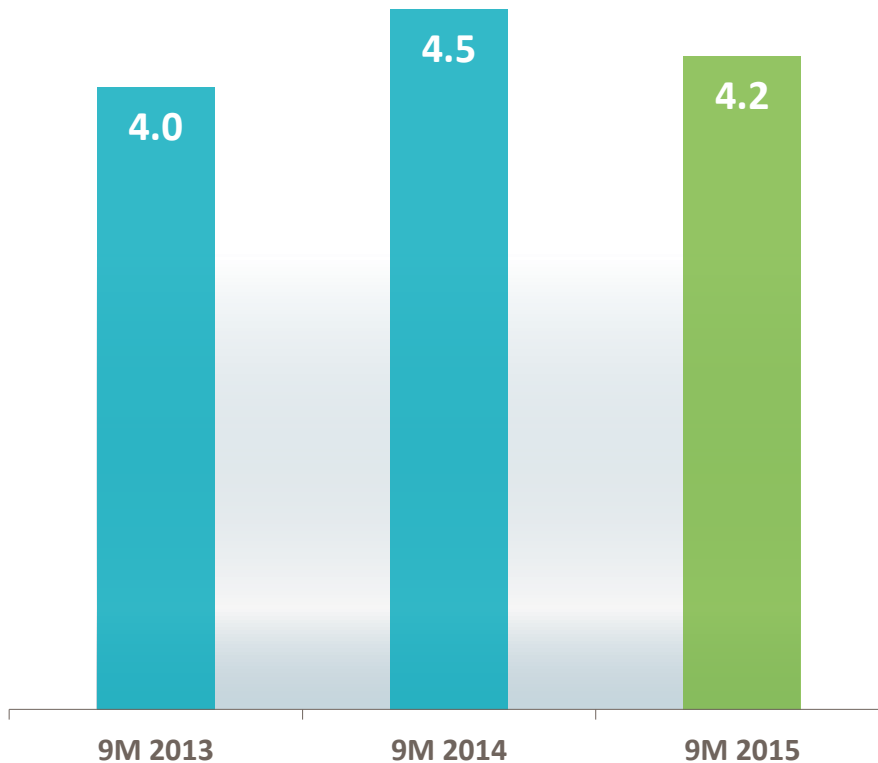
Higher depreciation is **compensated by positive currency effect**

EBIT margin of 5.6% in 9M 2015

FP EARNS SUSTAINABLE NET PROFIT



€ million



Net profit of €4.2m

Decreasing net profit

- mainly due to higher depreciation
- due to increasing taxes

Tax rate of 40.1% (9M 2014: 35.6%)
influenced by non tax deductible costs
regarding close-down of subsidiary in
Singapore (1.8%-points)

2015 IS CHARACTERIZED BY STRONG GROWTH



€ million	9M 2015	9M 2014	%	Q3 2015	Q3 2014	%
Revenue	141.3	126.4	11.8	46.1	41.8	10.2
Change in inventories	2.0	1.9	4.2	1.8	1.1	71.3
Own work capitalised	11.1	11.1	0.4	3.7	3.6	3.6
Total output	154.4	139.4	10.7	51.6	46.5	11.1
Material expenses	68.1	61.9	10.0	23.7	20.8	13.6
Gross profit	86.4	77.6	11.4	27.9	25.6	9.0
Personnel expenses	42.8	39.9	7.2	14.4	12.6	14.6
Other income ./ expenses	23.3	20.3	14.4	7.5	7.6	-1.3
EBITDA	20.3	17.3	17.4	6.0	5.5	9.7
as % of revenue	14.4	13.7		13.1	13.1	
Depreciation/ Amortisation	12.4	9.4	32.0	4.3	3.3	28.3
EBIT	7.9	7.9	0	1.8	2.2	-18.9
Interest result	-1.0	-1.7	n/a	-0.4	-0.5	n/a
Financial results	0.2	0.8	-73.1	-0.4	0.8	n/a
Tax result	-2.8	-2.5	n/a	-0.8	1.6	n/a
Net profit/loss	4.2	4.6	-5.7	0.2	1.6	-86.1
EPS (€)	0.25	0.28	-8.1	0.02	0.10	-84.2

Revenue growth due to growth in Mail Services and positive development in International Sales

High level of own work capitalised reflects higher demand for rental machines

In Q3 net profit of €0.2m

On-off effects of optimisation of the Germany customer service (€0.4m after tax effect) and **non-tax deductible costs of close-down Singapore** (€0.1m)

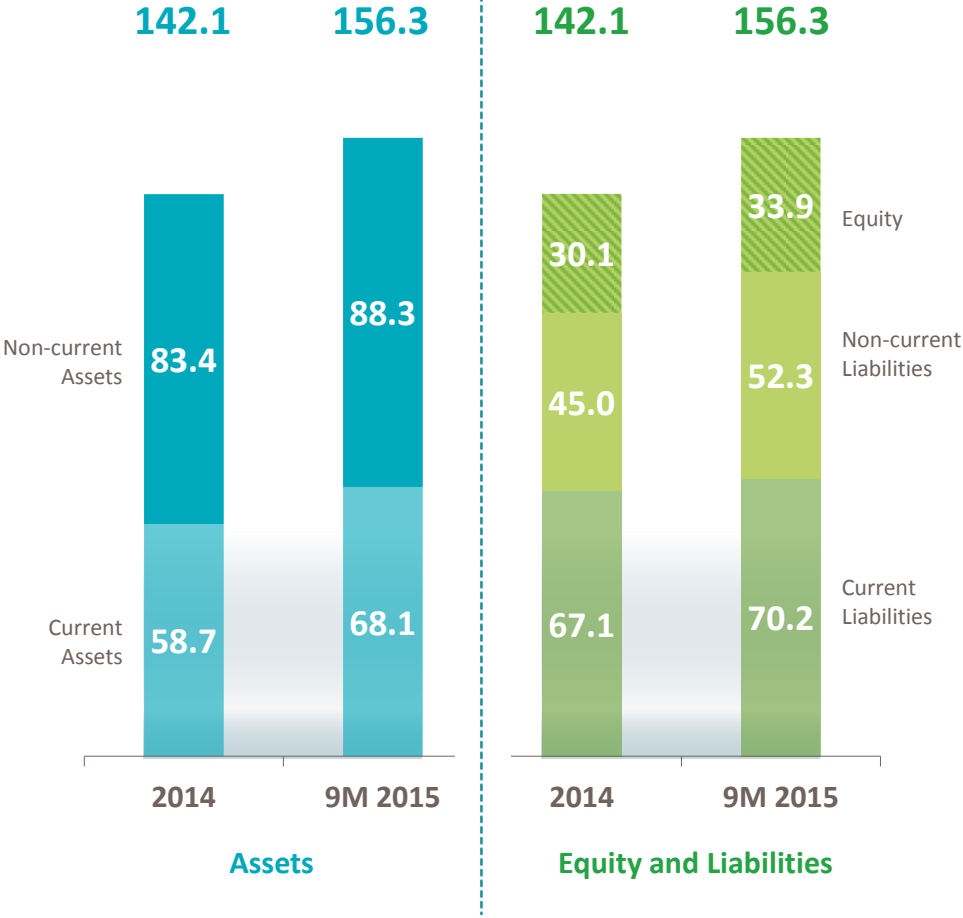
EPS for 9M at €0.25

9M 2015 INFLUENCED BY WEAKER EURO

- **Euro declined** from US\$1.21 to US\$1.12 during 9M 2015; but in Q3 slightly increased from US\$ 1.11 to US\$ 1.12
- **Impact on revenues: €+7.2m**
- **Impact on EBITDA: €+3.2m**
- **Financial result: €+0.2m**

NET PROFIT STRENGTHENS EQUITY

€ million



Non-current assets increased due to higher **leased inventories** (+€4.1m)

Current assets grew due to increase of **inventories** (+€3.6) as well as higher **cash** (+€0.9m), higher **tax refund claims** (+€1.1m) and higher **prepaid expenses** (+€0.5m)

Non-current liabilities grew mainly due to an increase of financial liabilities (+€7.8)

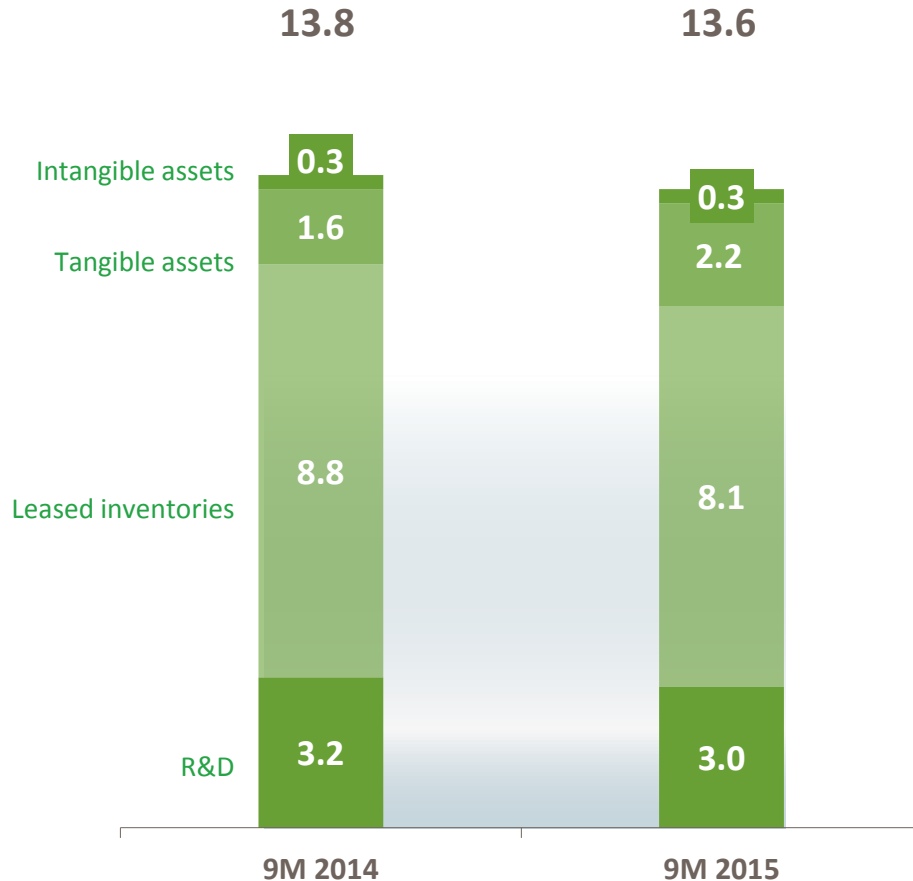
Current liabilities grew mainly due to an increase of **deferred income** (+€1.7m) and a positive currency effect regarding **teleporto liabilities** (+€1.2m)

Equity ratio improved to 21.7% (2014: 21.1%)

HIGH INVESTMENTS IN RENTAL MARKETS



€ million



CAPEX Drivers

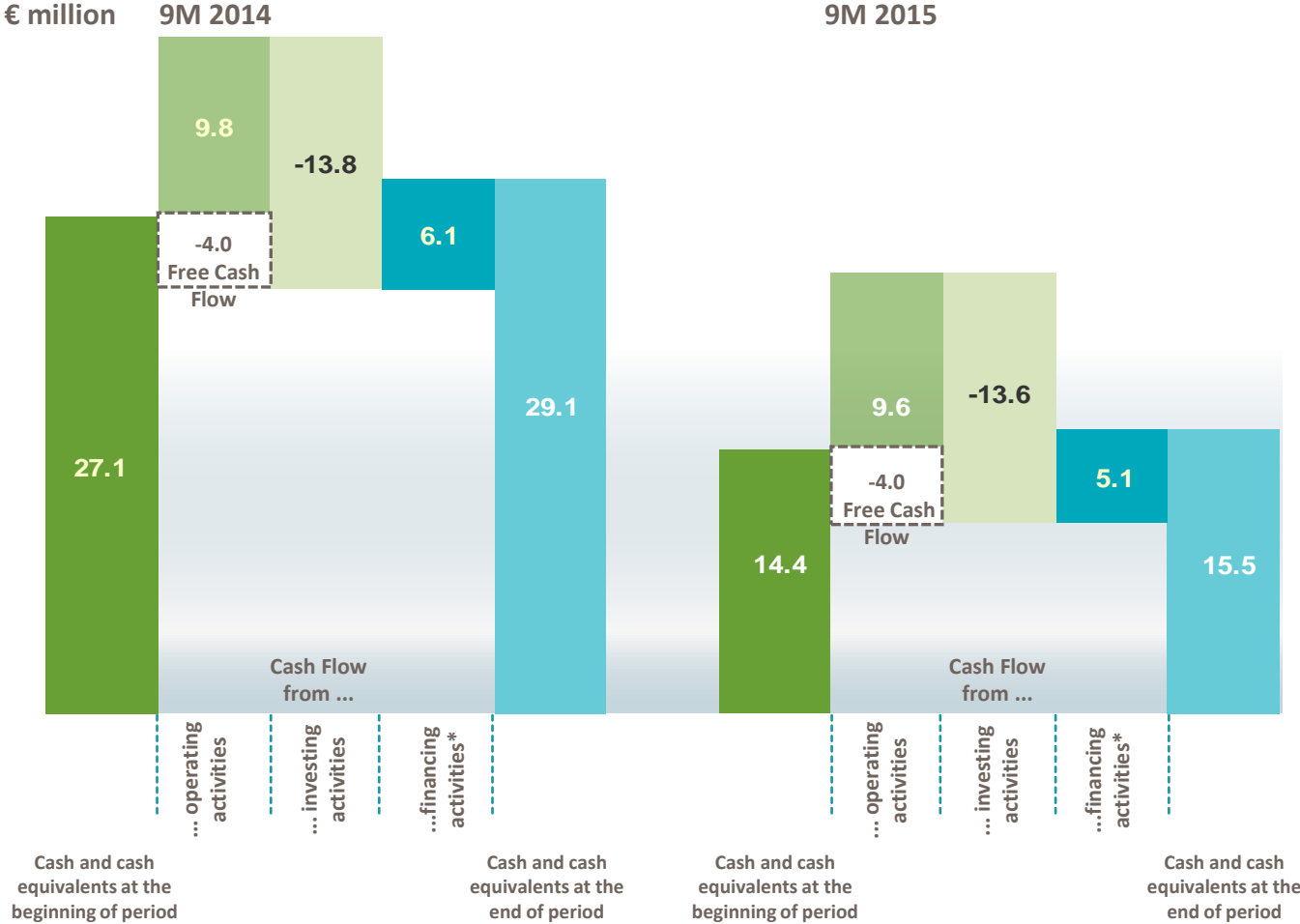
Increase in investments in **tangible assets** due to cartridge production machine in Wittenberge

Continuing high investments in leased inventories

FP expects **investments** between €17m and €18m in **2015**

In **coming years**, the level of investments will decrease significantly

HIGH CAPEX IMPACTS FREE CASH FLOW



Free cash flow drivers

Cash flow from operating activities is close to prior years level (2014: €9.8m, 2015: €9.6m) and is burdened by an **increase of working capital** of €5.1m

Strong investment activities caused a **free cash flow of €-4.0m** on prior years level

FP expects positive free cash flow in Q4

* | incl. change in cash and cash equivalents due to currency translation 9M 2014: €1.6m, 9M 2015: €0.4m

SOLID FINANCIAL KEY FIGURES



in € million	31.12.14	30.09.15
Financial Liabilities	31.4	38.7
Cash	15.6	16.3
Net debt	15.8	22.4
Shareholders' equity	30.1	33.9
Net debt/equity ratio	53%	66 %
Net debt/EBITDA	0.75	0.86

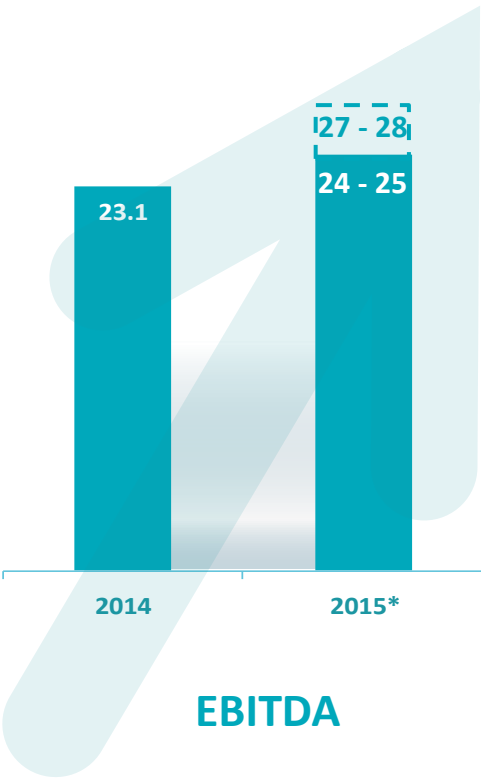
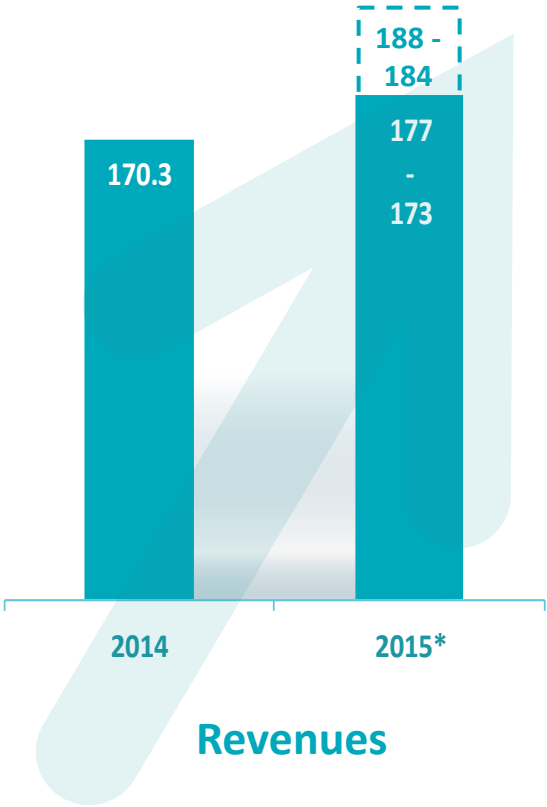
In 2015, net debt increased due to rising financial liabilities

All key financial indicators remain on a low level:

- Net debt/equity ratio: 66%
- Net debt/EBITDA: 0.86

FP RAISES GUIDANCE FOR 2015

€ million



Revenue growth estimated to € 184 - 188 million

EBITDA growth estimated to € 27 - 28 million

FP expects a significantly improved, positive Free Cash Flow

* | Guidance: EBITDA German service optimisation not included. Currency rate: actual 9M average rate

DRIVERS FOR HIGHER GUIDANCE



- Strong growth in Mail Services
- Positive Currency Effects
- Global Success of PostBase



WE WILL NOW ANSWER YOUR QUESTIONS //

FP GROUP

MANAGEMENT BOARD OF FRANCO TYP-POSTALIA HOLDING AG

BERLIN | 19 NOVEMBER 2015



APPENDIX

MANAGEMENT BOARD FOR THE FP GROUP

BERLIN, 19 NOVEMBER 2015

FP BOARD OF MANAGEMENT



Hans Szymanski

CEO and CFO

Member of the Board since December 2008.

Born in 1963, economics graduate, responsible for Finance, Accounting, Controlling, Human Resources, Legal and Compliance, IT, Research and Development, Quality Management, Production, Purchasing, Logistics, and Strategic Business Development.

Thomas Grethe

CSO

Member of the Board since June 2013.

Born in 1959, banking and economics graduate (WAH), responsible for Sales Germany and International, Strategic Business Development and Product Management, Internal Audit, Marketing and Corporate Communications.

Sven Meise

CDO

Member of the Board since February 2015.

Born in 1971, degree in Business Administration (BA) specializing in Business Computer Science, responsible for business area digital solutions

FP STOCK INFORMATION



ISIN	DE000FHP9000
Segment	Prime Standard/ All Industrial
IPO	30 November 2006
Reuters	FPHG.DE
Shares	16.16 million
Freefloat	88.6% (according to GSE Frankfurt)
Coverage	Hauck & Aufhäuser, Warburg Research

Shareholder Structure

3R Investments	10.3%
INKA mbH	6.5%
ARGOS Funds SICAV	5.2%
Saltarax GmbH	3.6%
Ludic GmbH	3.5%
Alceda Fund Management SA*	3.1%
Scherzer & Co. AG	3.0%
Rudolf Heil	3.0%
Treasury Stock	1.0%

* | These are data based on share capital of 14.7 million shares

CONTACT



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Corporate Communication
Vice President Investor Relations/ Public Relations

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FINANCIAL CALENDAR



19 November 2015

Presentation Financial Results 3rd Quarter 2015

23 November 2015

German Equity Forum 2015



FP GROUP

MANAGEMENT BOARD OF FRANCO TYP-POSTALIA HOLDING AG

BERLIN | 19 NOVEMBER 2015