

Francotyp-Postalia Holding AG

Financial Statements 2009



YOUR MAIL IS OUR BUSINESS

AGENDA

Summary 2009

Financial Statements 2009

Strategy & Markets

Appendix

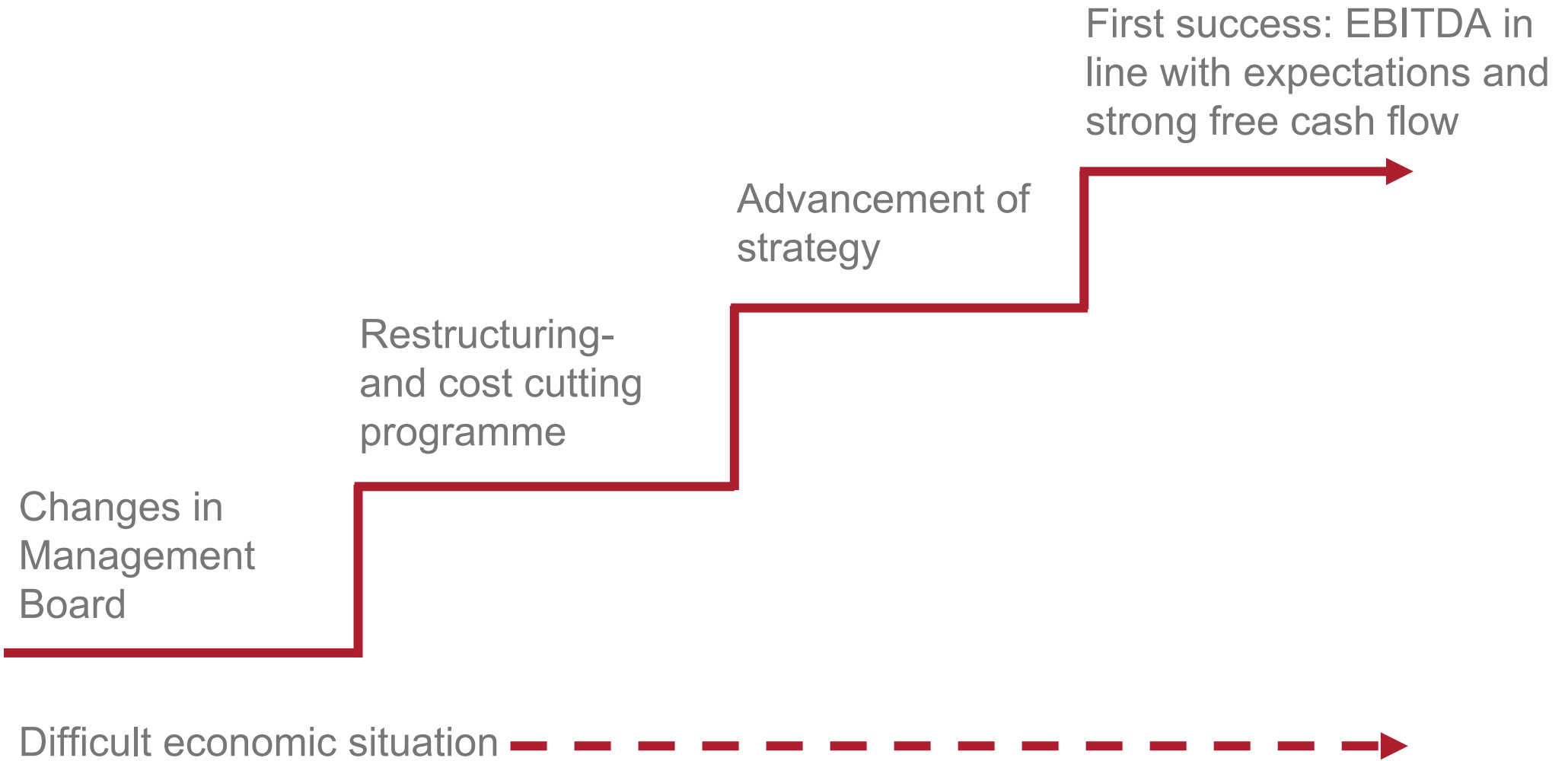


Summary 2009



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Important Steps 2009



Stronger EBITDA and Financial Strength

Key Figures

€ million	2008	2009
Revenues	142.4	129.0
EBITDA before restructuring in % of revenues	22.2 15.6	22.0 17.1
EBITDA in % of revenues	18.2 12.8	20.6 15.9
Net Loss	-14.5	-16.6
Free Cash Flow	3.5	9.8
Installed Base	267,828	260,805

- **Revenue** declines by 9.4% due to difficult economic situation
- Development of **installed base** due to difficult economical environment
- **EBITDA at the upper end** of the guidance
- **Successful cost cutting and restructuring programme** reason for **improvement in profitability**
- **Write-down of freesort** of €12.5m leads to net loss of €-16.6m
- **Strong free cash flow** of €9.8m

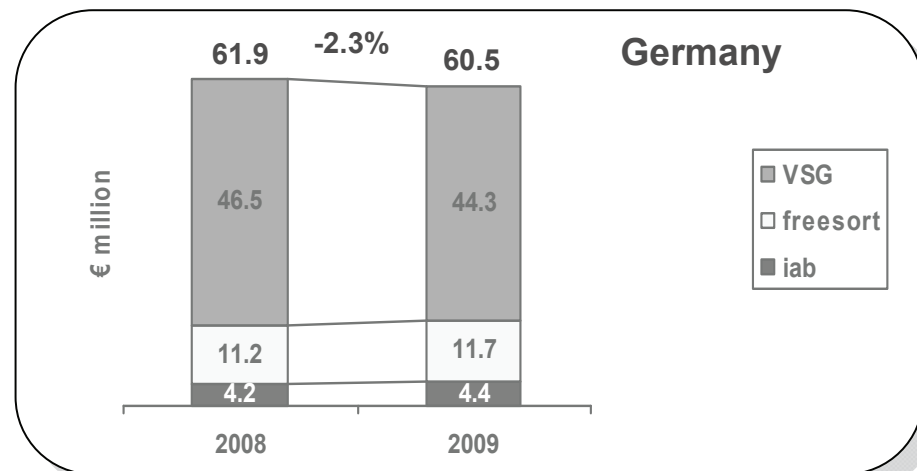
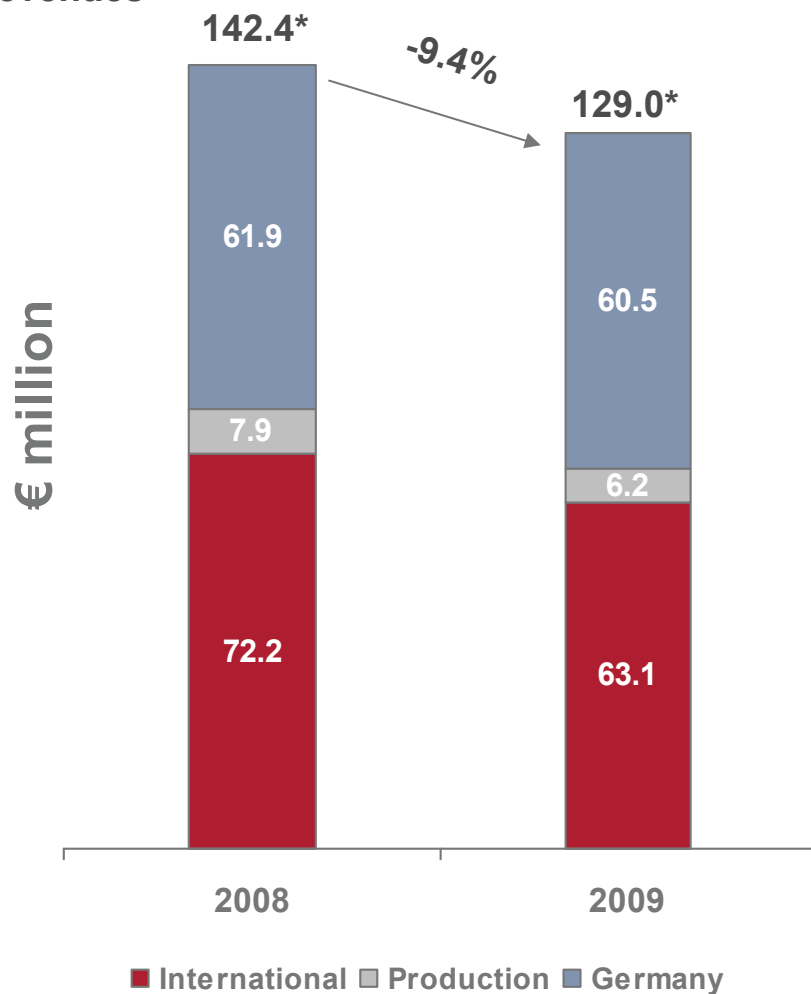
Financial Statements 2009



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Difficult Economic Situation Burdened Revenues

Revenues



- IFRS 8 requires change in reporting system
- **Worldwide revenue burden with**
 - Loss of high volume inserter business in the Netherlands and difficult economic environment (€-4.2m)
 - Negative currency effect in combination with challenges of recession in UK (€-2.1m)
 - Difficult economic environment in US (€-2.8m)
 - freesort and iab on previous year's level, but VSG recorded decrease of revenue (€-2.2m)
 - Production shows decrease in revenues of €-1.7m

* Segments according to IFRS 8. Differences to total revenues are not shown here.

Essential Improvement in EBITDA

€ million	2008	2009	Changes %
Revenues	142.4	129.0	-9.4
Change in inventories	0.6	-3.0	n/a
Own work capitalised	8.2	5.4	-34.1
Total output	151.2	131.4	-13.1
Material expenses	43.3	32.5	-24.9
in % of revenue	30.4	25.2	
Gross profit	107.9	98.9	-8.3
Personnel expenses	54.8	48.4	-11.7
in % of revenue	38.5	37.5	
Operating expenses /. income	35.0	30.0	-14.3
EBITDA before restructuring	22.2	22.0	-0.9
in % of revenue	15.6	17.1	
EBITDA	18.2	20.6	13.2
in % of revenue	12.8	16.0	
Depreciation	12.1	11.3	-23.1
EBITA	6.1	9.2	162.9
Amortisation / Write-down	17.0	24.9	72.9
EBIT	-11.0	-15.7	-42.7
Interest result	-3.1	-3.5	-12.9
Financial result	-0.4	0.0	n/a
Tax result	0.0	2.5	n/a
Net profit/loss*	-14.5	-16.6	-14.5
EPS (€)**	-0.96	-1.12	

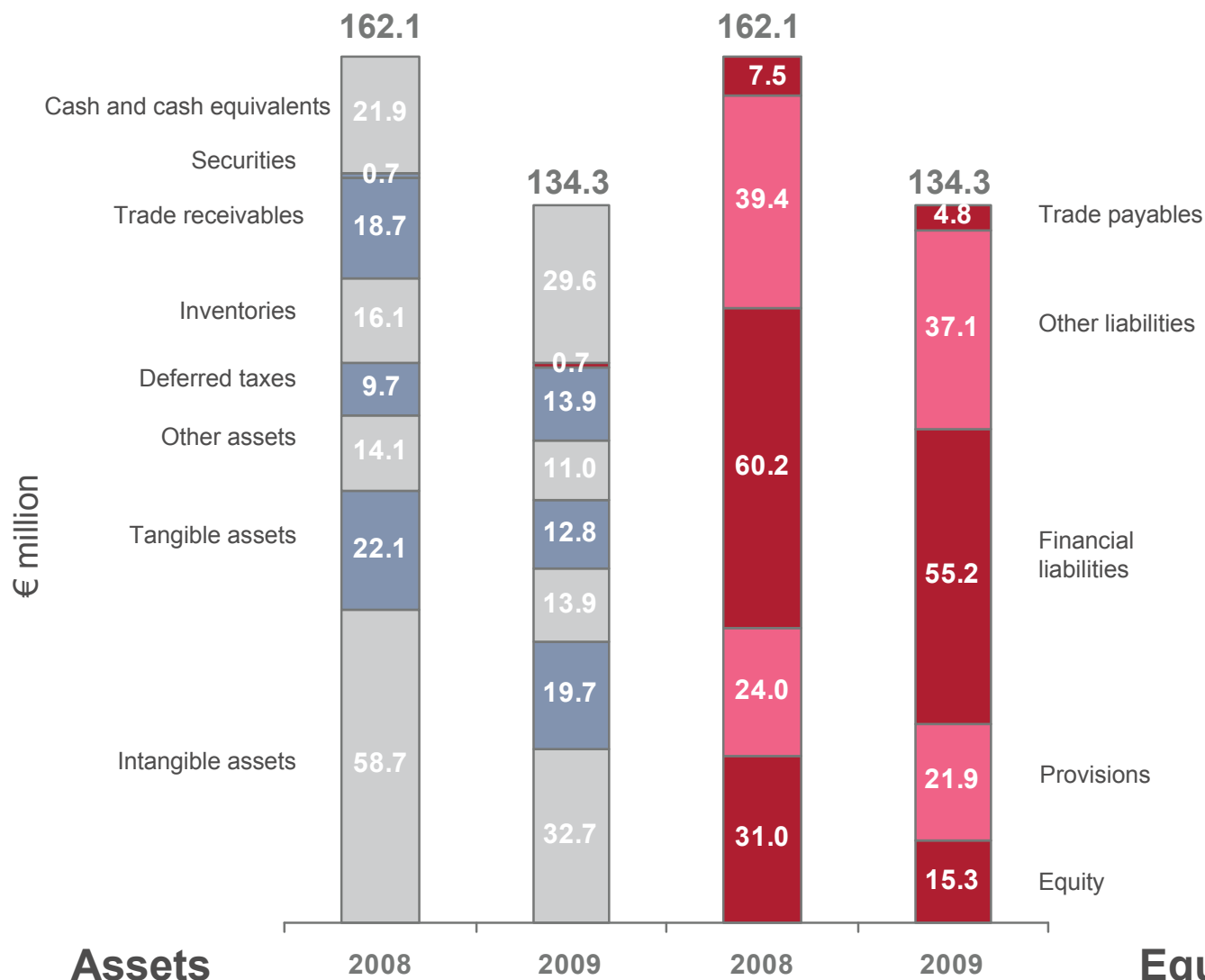
* before minorities

** after minorities

- €13.4m less **revenues** means a decrease of 9.4%
- **Change in inventories** due to working capital project
- **Material expenses** (€-10.8m) declines due to lower revenues, less change in inventories and own work capitalised
- **“Standortsicherungsvertrag”** (site continuation agreement) (€-2.5m) and **headcount reduction** show **impact on personnel expenses**
- **EBITDA** before and after restructuring **at the upper end** of the guidance
- **Restructuring costs** consists of €1.4m
- **Write-down** of freesort by €12.5m



Consolidated Balance Sheet



- **Significantly improved cash and cash equivalents**
- **Inventories and trade receivables reduced by €5m, respectively, because of the WoC project**
- **Write-down on goodwill freesort (€12.5m)**
- Loan redemption will continue to **decrease financial liabilities** as planned
- **Net debt of €41.1m (€51.8m in 2008)**
- **Equity ratio of 11.4% (19.1% in 2008)**



Strong Free Cash Flow

€ million	2008	2009
Cash flow from operating activities	19.3	17.5
Cash flow from investing activities	-15.8	-7.7
thereof:		
R&D	-3.7	-2.8
Tangible assets	-3.6*	-1.3
Intangible assets	-3.8**	-0.6
Leased inventories	-4.9	-2.7
Corporate acquisitions	0.0	-0.4
Free cash flow	3.5	9.8
Cash flow from financing activities	-3.6	-4.4
Cash and cash equivalents	7.0***	12.4***

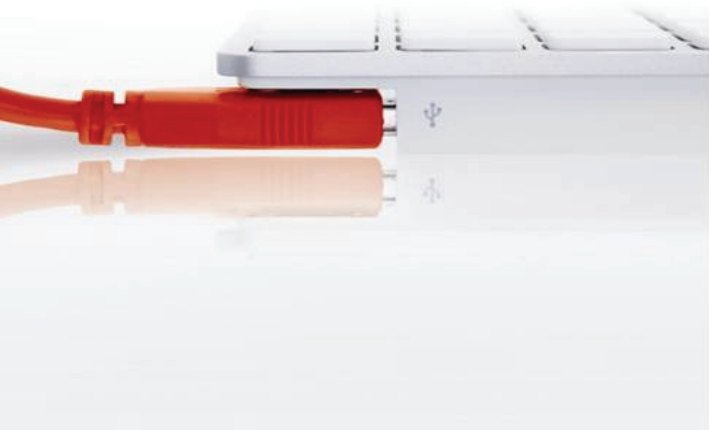
Change in comparison to 2008:

- EBITDA + €2,4m
- Change in Working Capital + €1.1m
- Change in provisions - €4.7m

*including €1.9m Financial lease ** including €1.4m SCO-project, €0.4m DEX acquisition *** including €0.7m securities (2008: €0.7m). Excluding restricted cash €17,9m (2008: 15.6m)

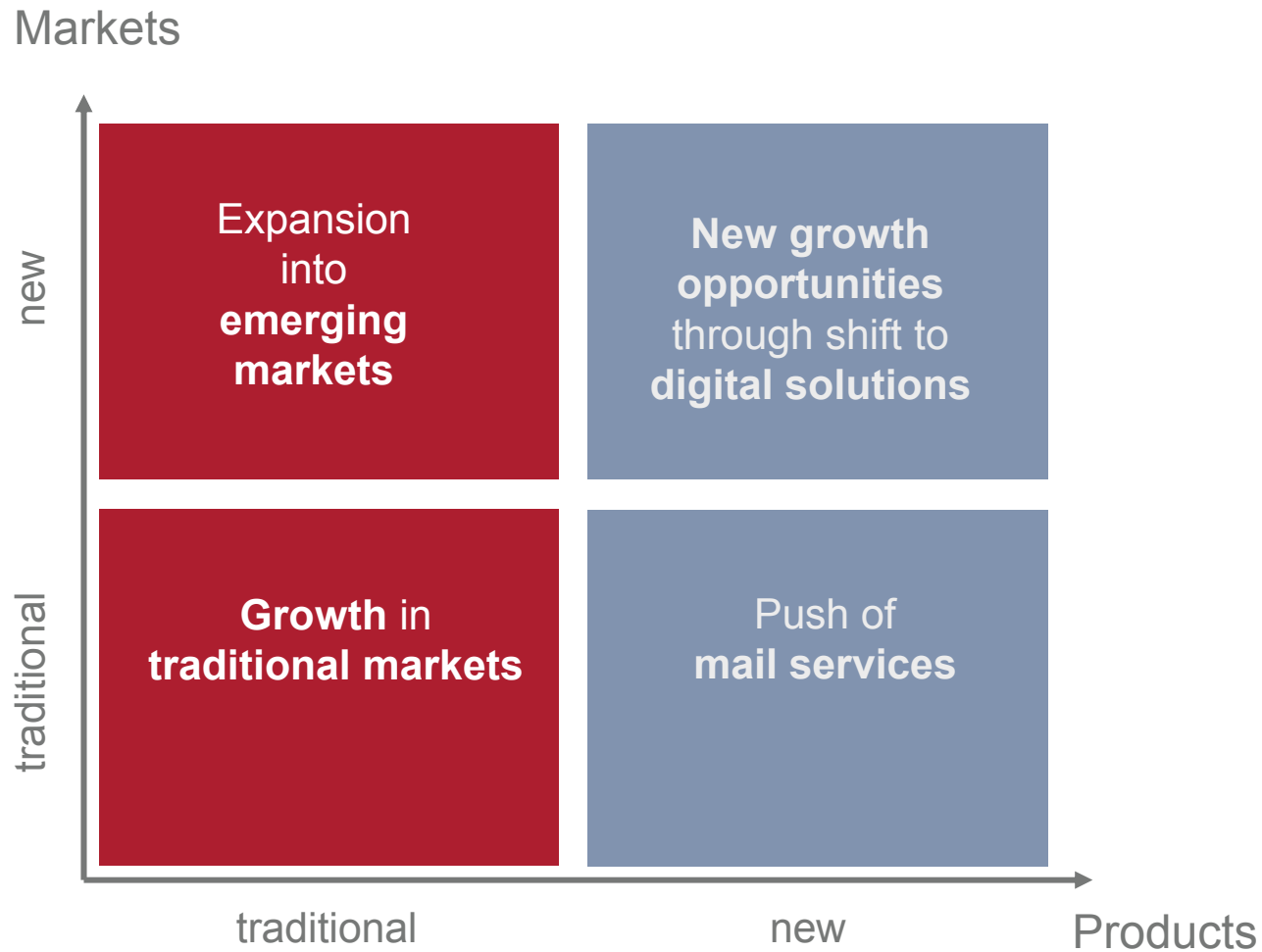


Strategy & Markets

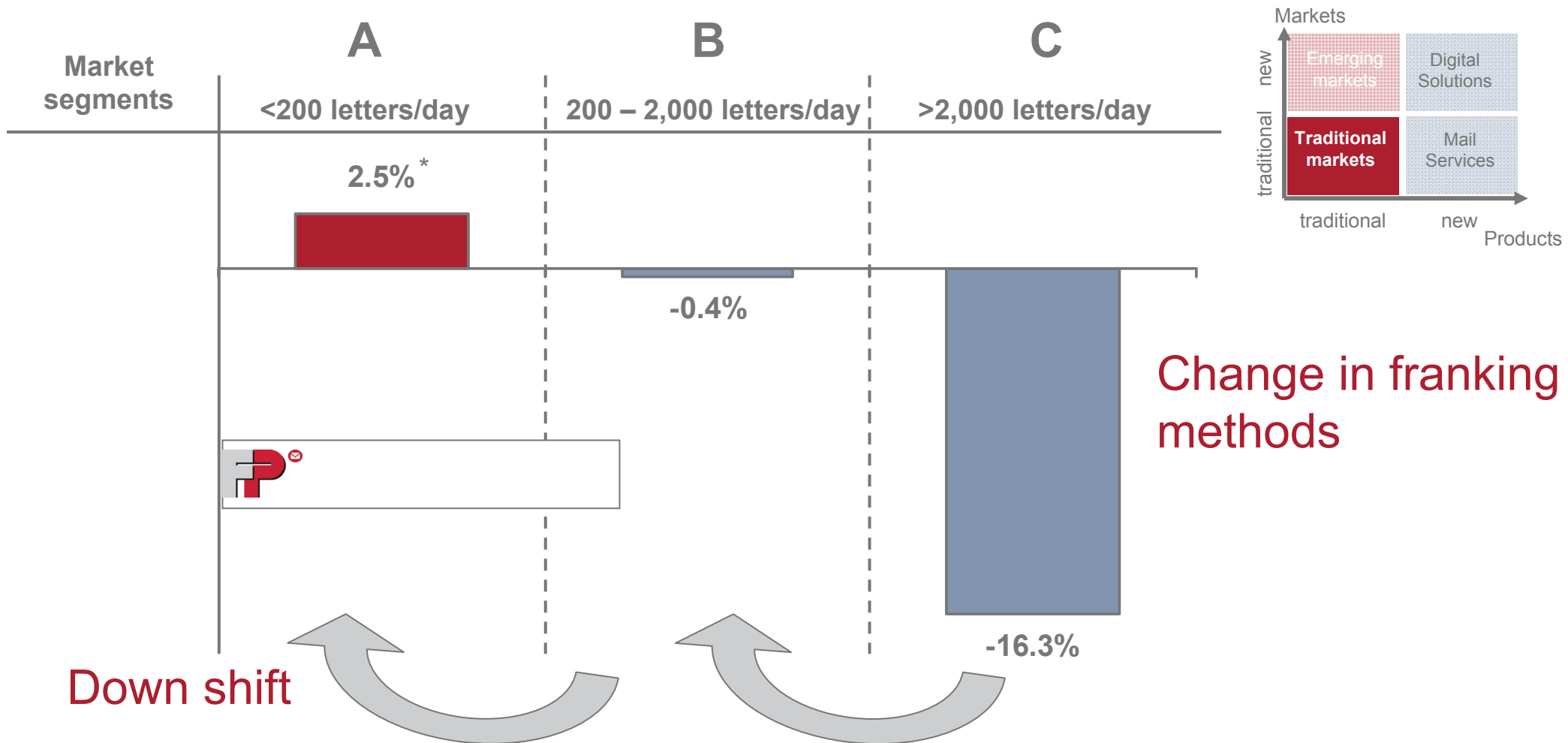


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Multiple Growth Strategy of FP in the Coming Years



Change in Market Due to two Major Developments



*Market growth (US market CAGR 2004 – 2008 USPS, Installed Base)



Strong Market Position of FP Group in Mature Markets

Global Market Franking Machines

- Installed base: 2.6m

FP Market Share Franking Machines

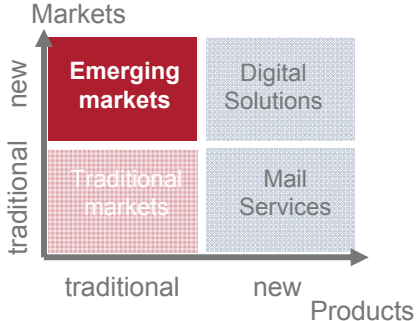
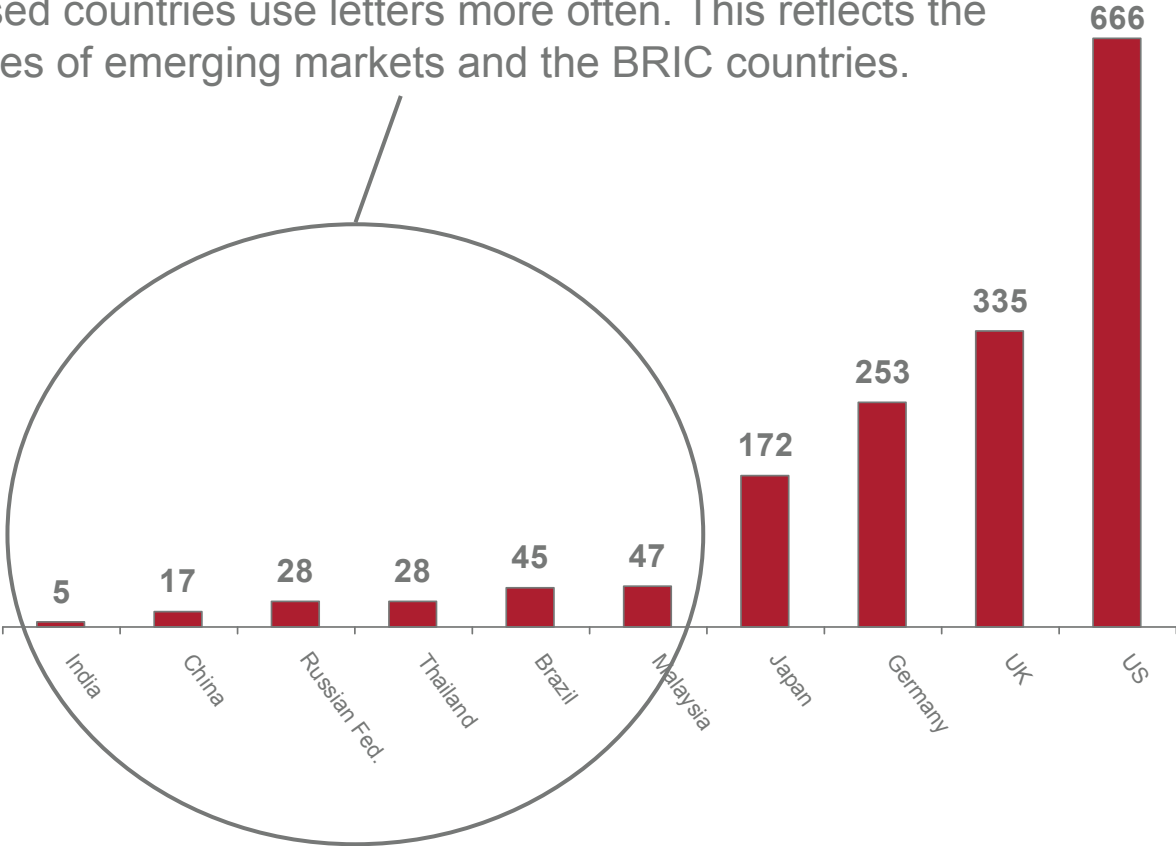
- 9.9% global market share
- 260k Installed base
- Installed base >80 countries worldwide

FP Market Share	2006	Changes %	2009
Germany	44.8%	-2.0	43.9%
US	4.1%	+14.6	4.7%
UK	7.0%	+22.9	8.6%
Scandinavia	15.5%	-8.1	14.3%
Global	9.2%	+7.6	9.9%



Expansion into Emerging Markets

Industrialised countries use letters more often. This reflects the opportunities of emerging markets and the BRIC countries.



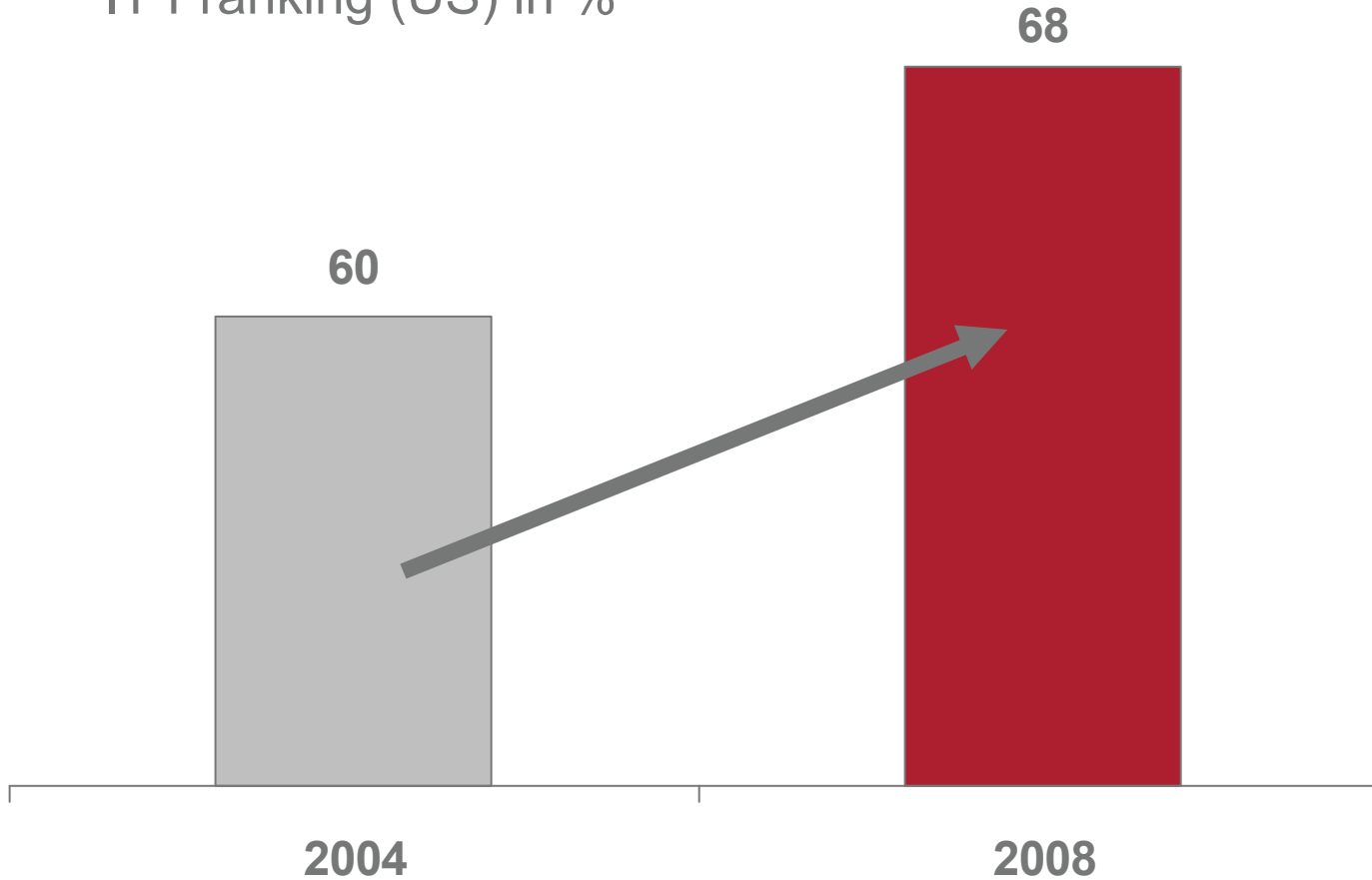
Letters per inhabitant p.a.

Source: UPU, Postal Organisations

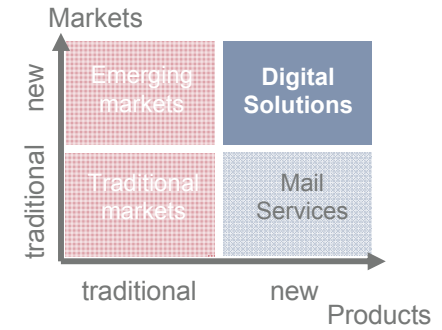


New Growth Opportunities Through Shift to Digital Solutions

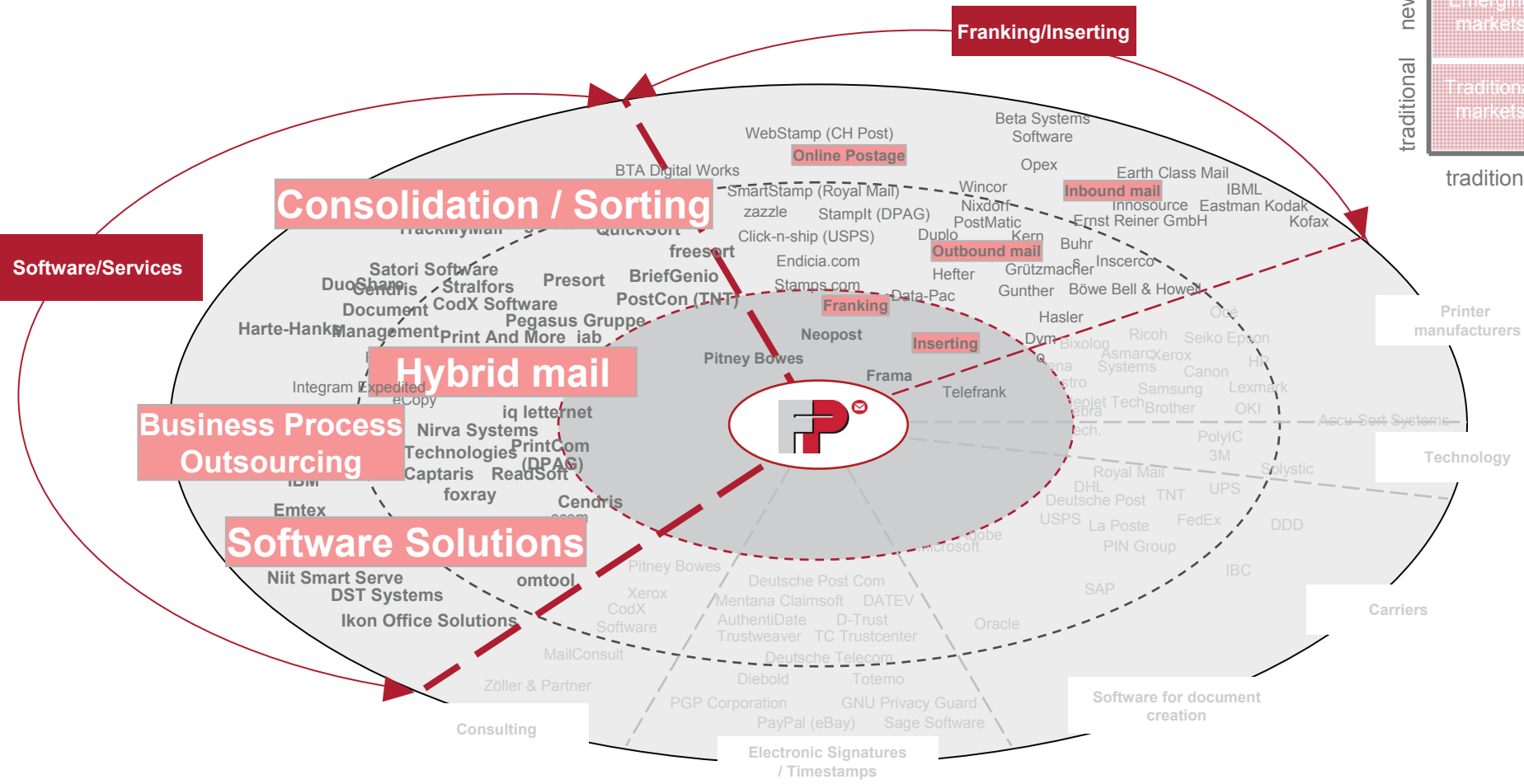
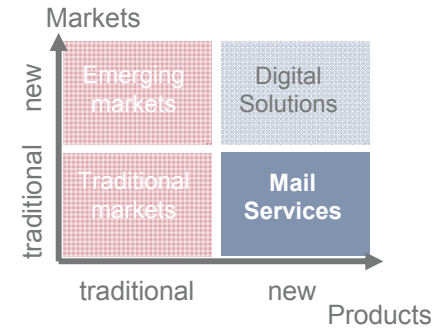
IT Franking (US) in %



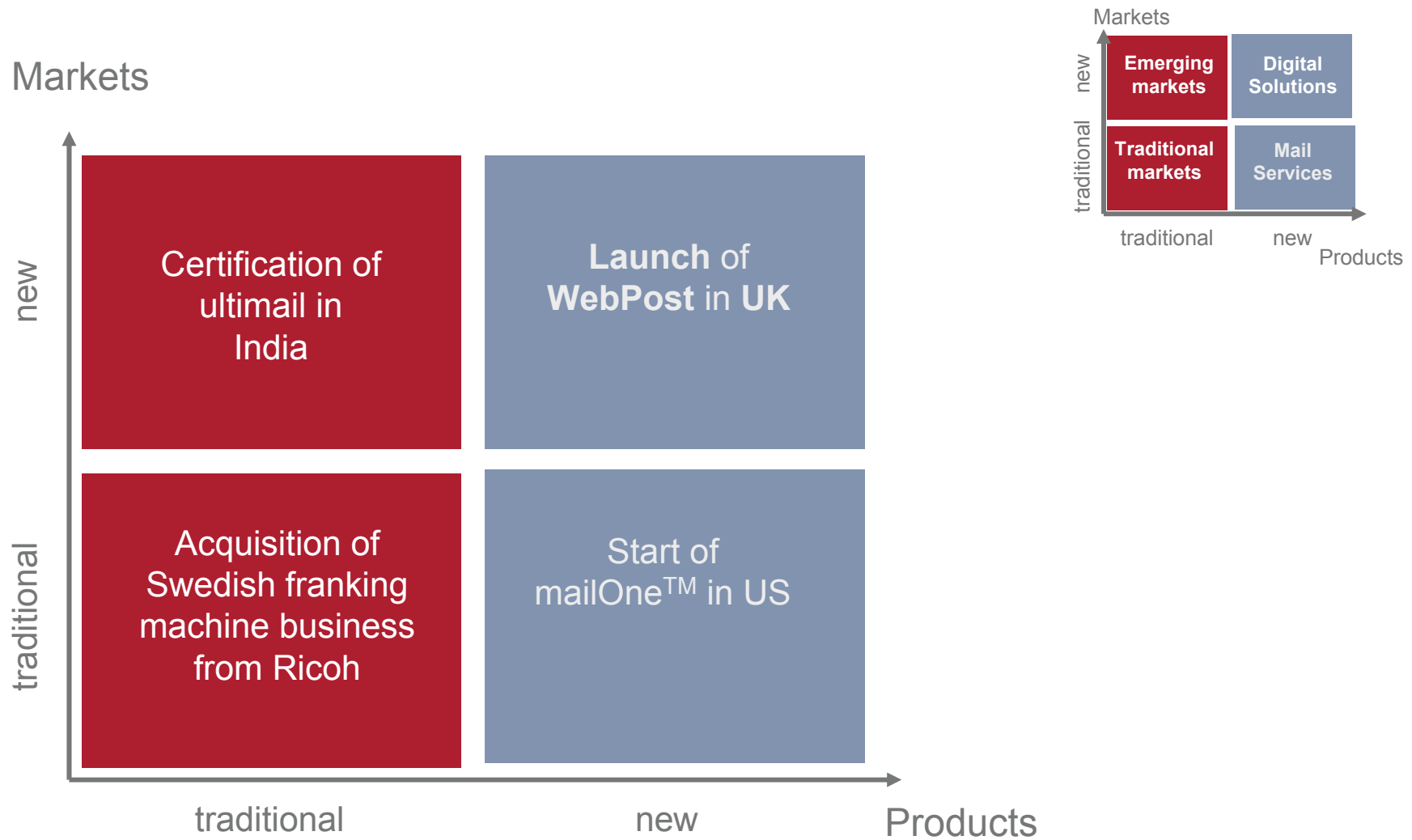
Source: USPS



Liberalisation Opened a Myriad of Possibilities



First Results in Transmitting FP Strategy



Outlook



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Outlook 2010

- FP Group's new strategic focus as a provider of solutions for mail management to acquire significance.
- Increased dovetailing of franking and inserting segments with Solutions and Services segments.
- Development of franking machine strategy and launch of new software products.
- Focus on high-margin products and services with the aim of being able to further improve earnings power in the medium and long term.
- Franking and Inserting segment will grow organically.
- Good opportunities for growth in the software and service segments, depending on economic and legal conditions.

Overall, FP assumes a positive trend in the Group's revenue and EBITDA.

Thank you for your attention.

We will now be happy to answer your questions.



Appendix



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FP Stock Information



ISIN: DE000FHP9000
Segment: Prime Standard/ All Industrial
IPO: 30 November 2006
Reuters: FPHG.DE
Free Float: 71.18%
Shares: 14.7 million

Main Investors:

Quadriga Capital Private Equity Fund II L.P.	22.4%
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Quadriga Capital Ltd.	3.9%
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Free Float

Amiral Gestion	11.30%
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Financière de l'Echiquier	5.11%
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KBL Richelieu Gestion	4.85%
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Eric Spoerndli	3.28%
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Baillie Gifford & Co	3.78%
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Orsay Asset Management SNC	3.06%
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Treasury Stock	2.5%
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Financial Calendar

Results Q1 2009	28 May 2010
Annual General Meeting	1 July 2010
Results Q3 2009	18 November 2010



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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 and Singapore dollars. In addition, expected business development may vary if the assessments of value-enhancing factors and risks presented in the 2009 Annual Report develop in a way other than we are currently expecting.

