

# Francotyp-Postalia Holding AG

Unaudited Financial Statements Q1 2009



YOUR MAIL IS OUR BUSINESS

# Recurring Revenues Stabilised Business Against Weak Market Environment

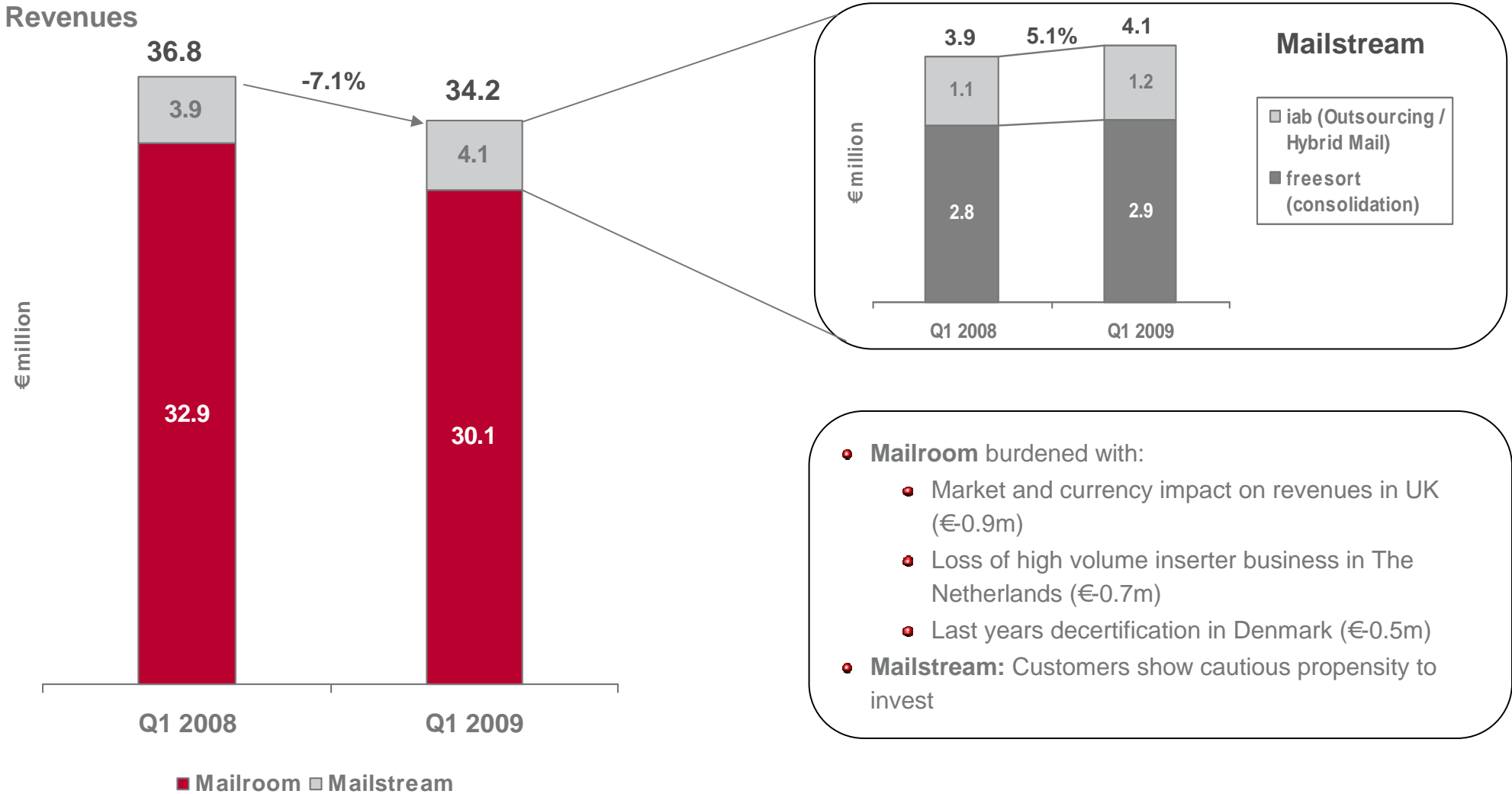
## Key Figures

€million	Q1 2008	Q1 2009
Revenues	36.8	34.2
EBITDA before restructuring in % of revenues	6.8 18.5	5.8 17.0
EBITDA in % of revenues	6.8 18.5	5.3 15.5
Net Loss	-1.8	-2.0
Operating Cash Flow	12.5	4.3
Installed Base	266,042	267,726

- **Revenue** burdened with weak market
- **EBITDA** reflects lower revenues also in Mailstream business
- **Net loss** on prior year's level
- Last year's **cash flow** with extraordinary effects
- **Stable installed base**
- **Restructuring** will continue

# Mailroom Burdened with One Off Effects

## Revenues

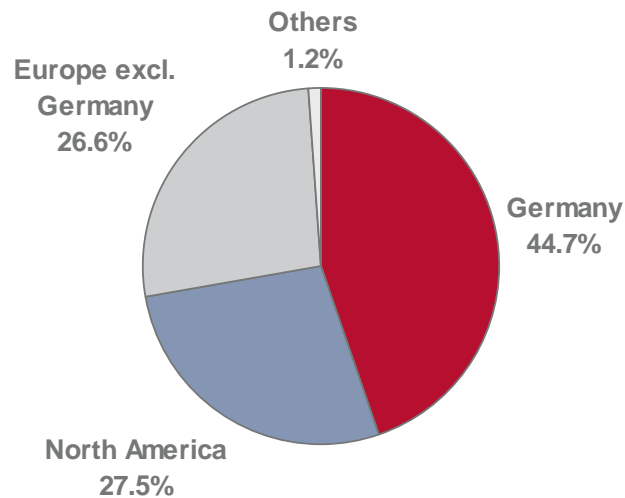


- **Mailroom** burdened with:
  - Market and currency impact on revenues in UK (€-0.9m)
  - Loss of high volume inserter business in The Netherlands (€-0.7m)
  - Last years decertification in Denmark (€-0.5m)
- **Mailstream:** Customers show cautious propensity to invest

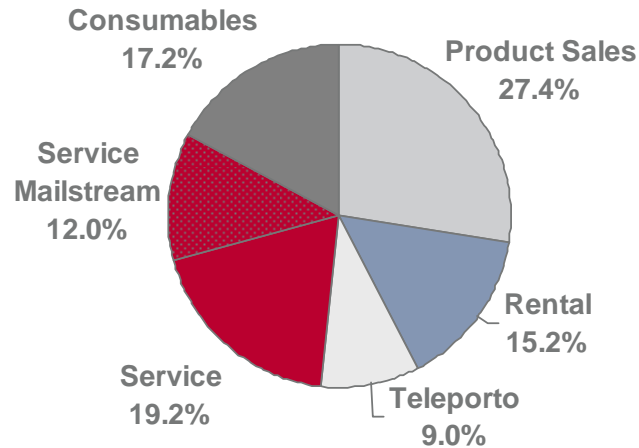
# Recurring Revenues Keep Recession at Bay

## Revenue breakdown for Q1 2009 (including Mailstream)

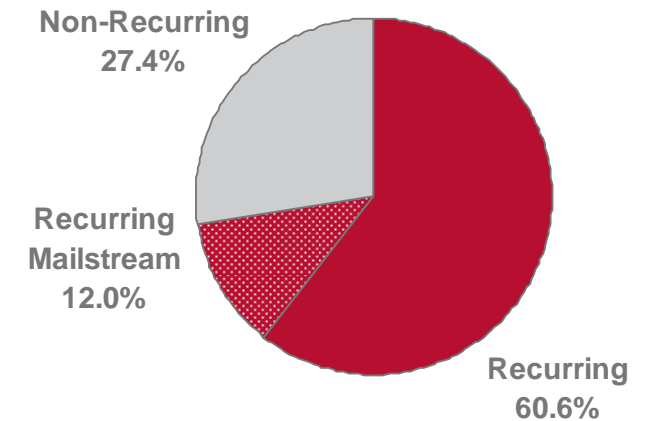
By region



By product



Recurring / Non-recurring

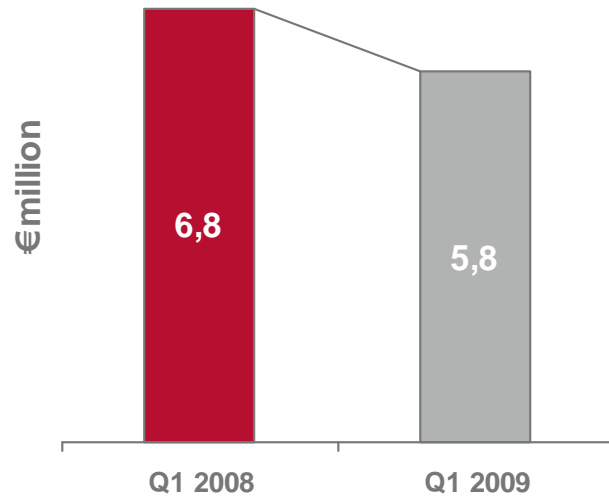


Strong market position in Germany

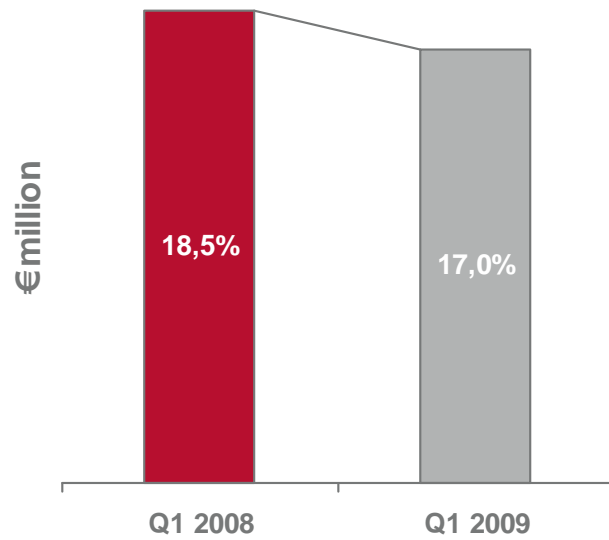
Diversified recurring revenues keep recession at bay

Despite recession recurring revenues on last year's level of €25m

# EBITDA Reflects Lower Revenues



## EBITDA Margin



- EBITDA of €5.8m before restructuring costs of €0.5m
- EBITDA margin includes first results of restructuring programme
- Mailstream: EBITDA of €0.2m (Q1 2008: €0.4m) is behind expectations

# Optimisation will Lead to Further Margin Improvement

Current focus on three major topics:

- Get on with **Supply Chain Optimisation**:
  - centralised stocking
  - synchronised production
  - further headcount reduction
- **Relocation** and/or **outsourcing** of parts of production
- Optimisation of **Working Capital** up to 10% until end of 2009

**FP faces its homework and sorts optimisation requirements out**

# Restructuring with First Positive Results So far

€ million	Q1 2008	Q1 2009
<b>Revenue</b>	<b>36.8</b>	<b>34.2</b>
Change in inventories	0.8	-0.1
Own work capitalised	2.2	1.1
<b>Total output</b>	<b>39.8</b>	<b>35.2</b>
Material expenses	11.5	8.8
in % of revenue	31.2	25.7
<b>Gross profit</b>	<b>28.3</b>	<b>26.4</b>
Personnel expenses	14.4	13.6
in % of revenue	39.0	39.8
Operating expenses ./ income	7.1	7.6
<b>EBITDA before restructuring</b>	<b>6.8</b>	<b>5.8</b>
in % of revenue	18.5	17.0
<b>EBITDA</b>	<b>6.8</b>	<b>5.3</b>
in % of revenue	18.5	15.5
Depreciation	2.4	3.0
<b>EBITA</b>	<b>4.4</b>	<b>2.3</b>
Amortisation	3.9	3.1
<b>EBIT</b>	<b>0.4</b>	<b>-0.8</b>
Interest result	-0.7	-1.0
Financial result	-1.5	-0.5
Tax result	-0.1	0.3
<b>Net profit/loss*</b>	<b>-1.8</b>	<b>-2.0</b>
<b>EPS (€)**</b>	<b>-0.11</b>	<b>-0.13</b>
<b>EPS (€) adjusted by amortisation</b>	<b>0.08</b>	<b>-0.02</b>

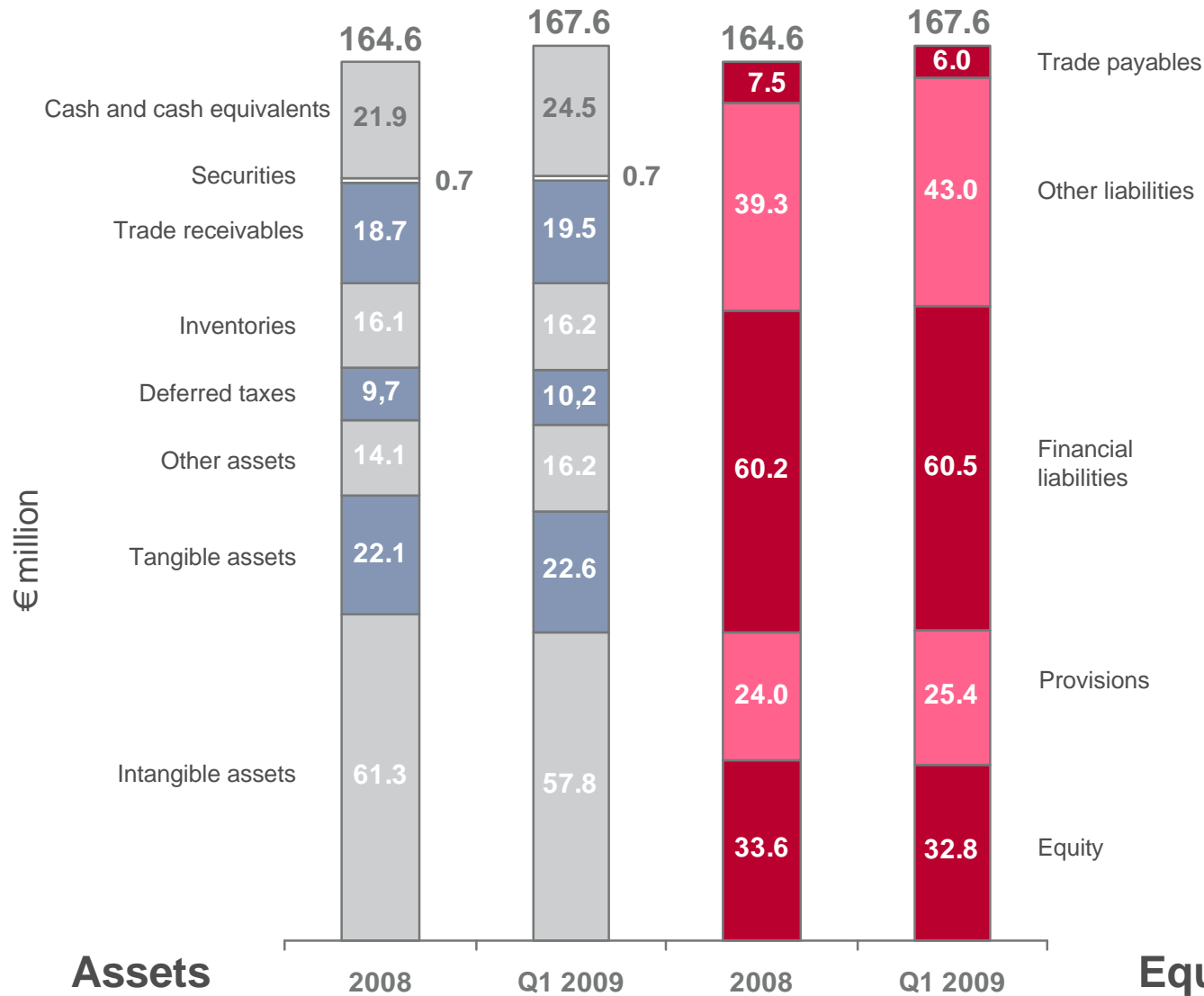
- **Own work capitalised** down due to lower capitalised R&D cost.
- **Material expenses** mainly declines due to less product sales and lower change in inventories
- **Personnel expenses** show positive impact of restructuring programme

\* before minorities

\*\* after minorities



# Consolidated Balance Sheet



- **Working capital** increased to €29.7m (Q12008: 27.3m) mainly due to invoicing of annual contracts
- **Net debt** of €51.6m (€53.2m in 2008)
- **Equity ratio** of 19.5% (20.4% in 2008)

# Positive Free Cash Flow in Q1 2009

€ million	2008	Q1 2009
<b>Cash flow from operating activities</b>	<b>18.7</b>	<b>4.3</b>
<b>Cash flow from investing activities</b>	<b>-15.8</b>	<b>-2.4</b>
thereof:		
R&D	-3.7	-0.5
Tangible assets	-3.6	-0.7
Intangible assets	-3.8	-0.1
Leased inventories	-4.9	-0.9
Corporate acquisitions	0.0	-0.2
<b>Free cash flow</b>	<b>2.9</b>	<b>1.9</b>
<b>Cash flow from financing activities*</b>	<b>-3.3</b>	<b>0.1</b>
<b>Cash and cash equivalents</b>	<b>7.0**</b>	<b>8.9**</b>

\* incl. currency effect of €0.1m (prior year €-1.6m)

\*\* including €0.7m securities



# First Quarter 2009 - Summary

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- Comparatively stable business development:
  - Stable recurring revenues
  - Strong market position in Germany
  - Still growth in Mailstream business although behind expectations
- Ongoing restructuring to improve EBITDA margin
- Focus on further improvement of free cash flow

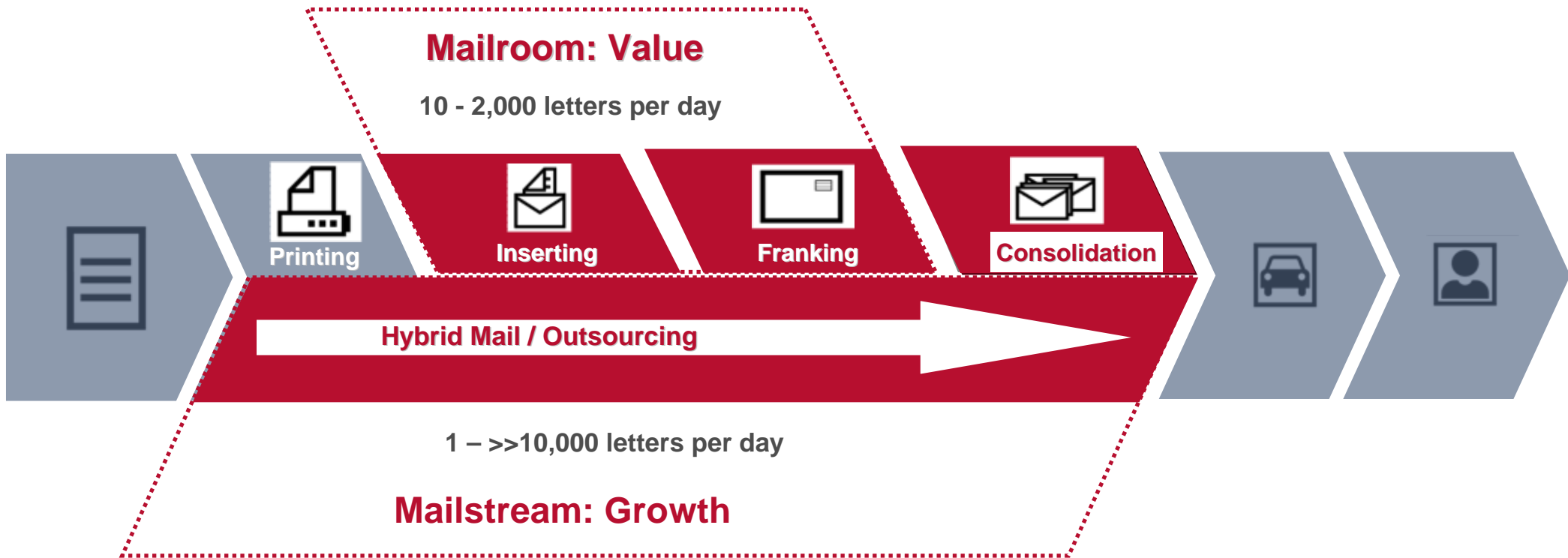


## Strategy and Outlook

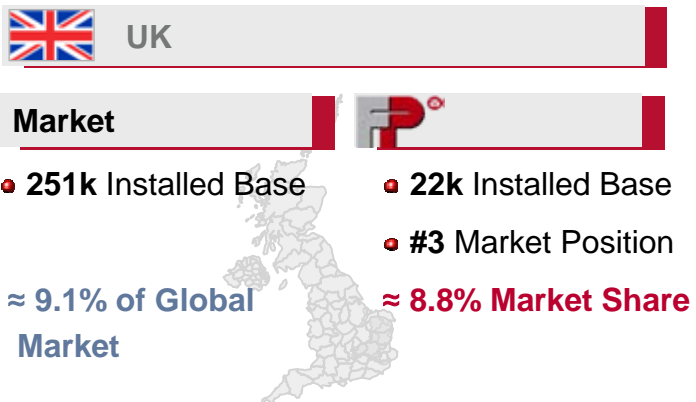
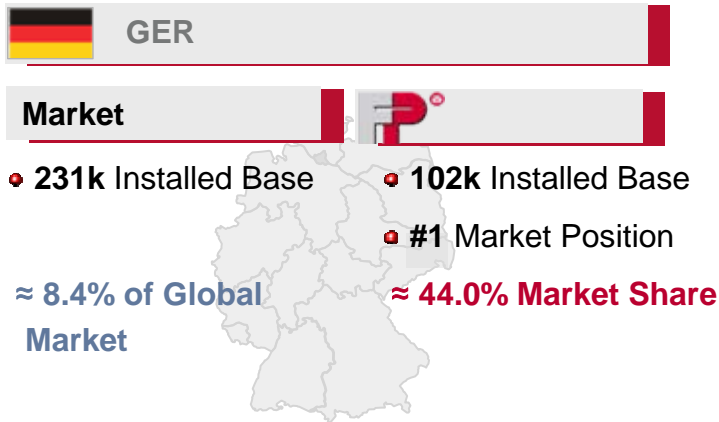


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# FP – Your Mail Management Company



# Mailroom: Gained Market Shares in Germany and US

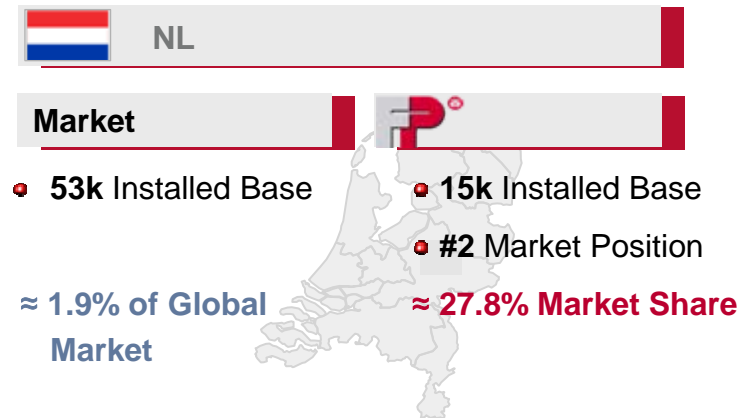
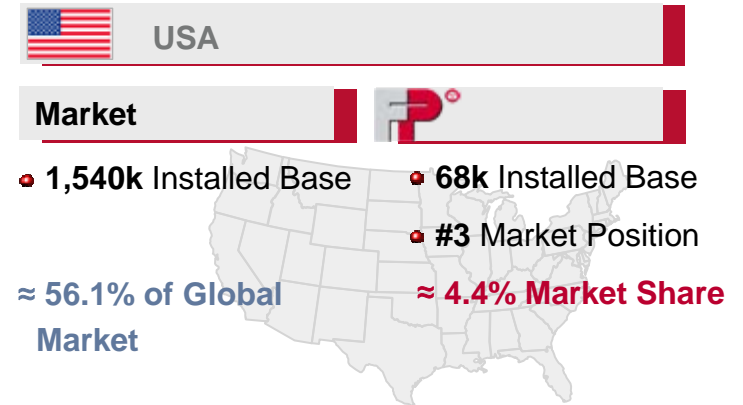


## Global Market Franking Machines

- Installed base: 2.7m

## FP Market Share Franking Machines

- 9.7% global market share
- 268k Installed base
- Installed base > 80 countries worldwide
- Leading position in key markets
- FP is set to gain market shares in UK and US markets



# Mailstream: Individualised Tailored Solutions for Customers

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## FP konsomail

Consolidation: We collect your business mail and deliver it sorted to the nearest mail centre

## FP systemmail

A software solution for letter delivery, this is tomorrow's technology today.

## FP businessmail

FP takes over the whole mail procedures – from data sourcing to optimised handover to a mail delivery agent.

## FP webmail

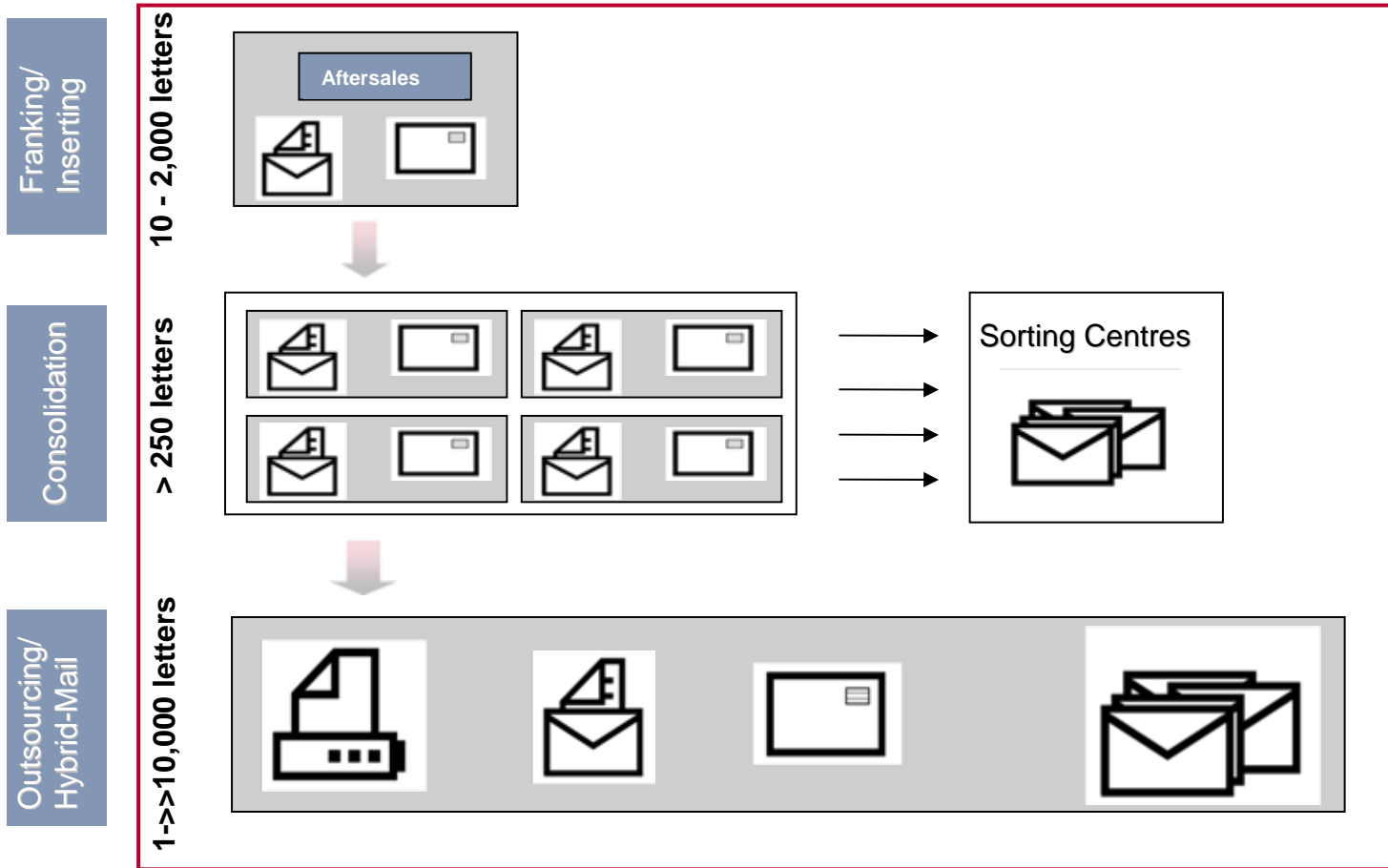
The online solution for letter mail. Using the FP internet portal, this service allows companies to send their letters at the click of a mouse.

## FP inboundmail

Scans and processes incoming documents. By preparing and processing incoming mail, we link the analogue to the digital world.



# Mail Management by FP - A Unique Competitive Advantage



## Cost Savings Example Germany:

costs/letter	€1.38
Outsourcing costs/letter	€0.25
<b>savings/letter</b>	<b>€1.13</b>
Letter/day	7,000
Letter/year	1,76m



**Broad Customer Base Offers Attractive Cross-selling Potentials**

# Outlook for 2009

- **Deep global recession** will continue to impact FP markets in 2009
- Significant **reluctancy to invest**
- **Uncertainty** about length and depth of the recession **does not allow quantitative forecast**

- High percentage of **recurring revenues**
- **Mail Management Solutions** will help customers to fulfill cost-saving programs – midterm opportunity
- Restructuring with **positive effect on earnings and cash flow**



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**Thank you for your attention!**

**We will now answer your questions.**

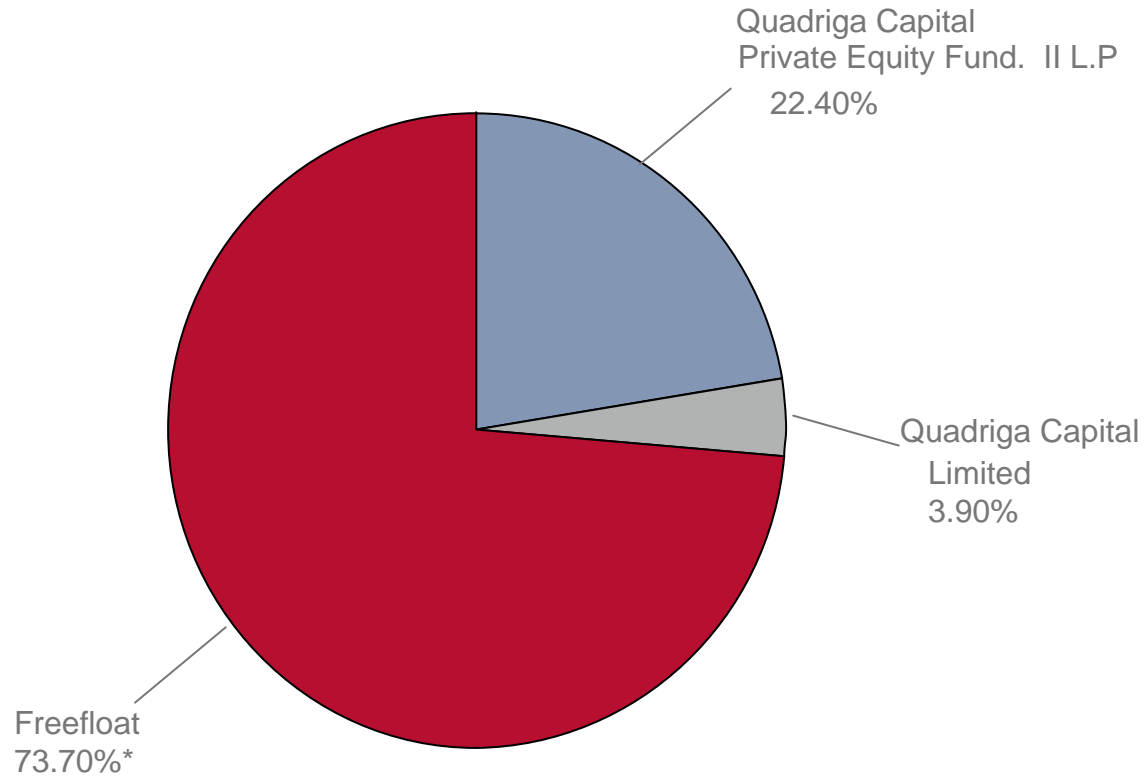


# Appendix



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# Shareholder



## Freefloat

Amiral Gestion	11.30%
Baillie Gifford & Co	5.39%
Financière de l'Echiquier	5.11%
Richelieu Finance Gestion Privée	4.85%
Eric Spoerndli	3.28%
Hartmut Neumann	3.13%

\*Treasury Stock 2.52%



# Financial Calendar

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Annual General Meeting	23 June 2009
Results Q3 2009	November 2009
Full Year Results 2009	April 2010



# Investor Relations Contact

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# Disclaimer

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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 2007 Annual Report develop in a way other than we are currently expecting.

