

Francotyp-Postalia Holding AG

Financial Statements H1 2009



YOUR MAIL IS OUR BUSINESS

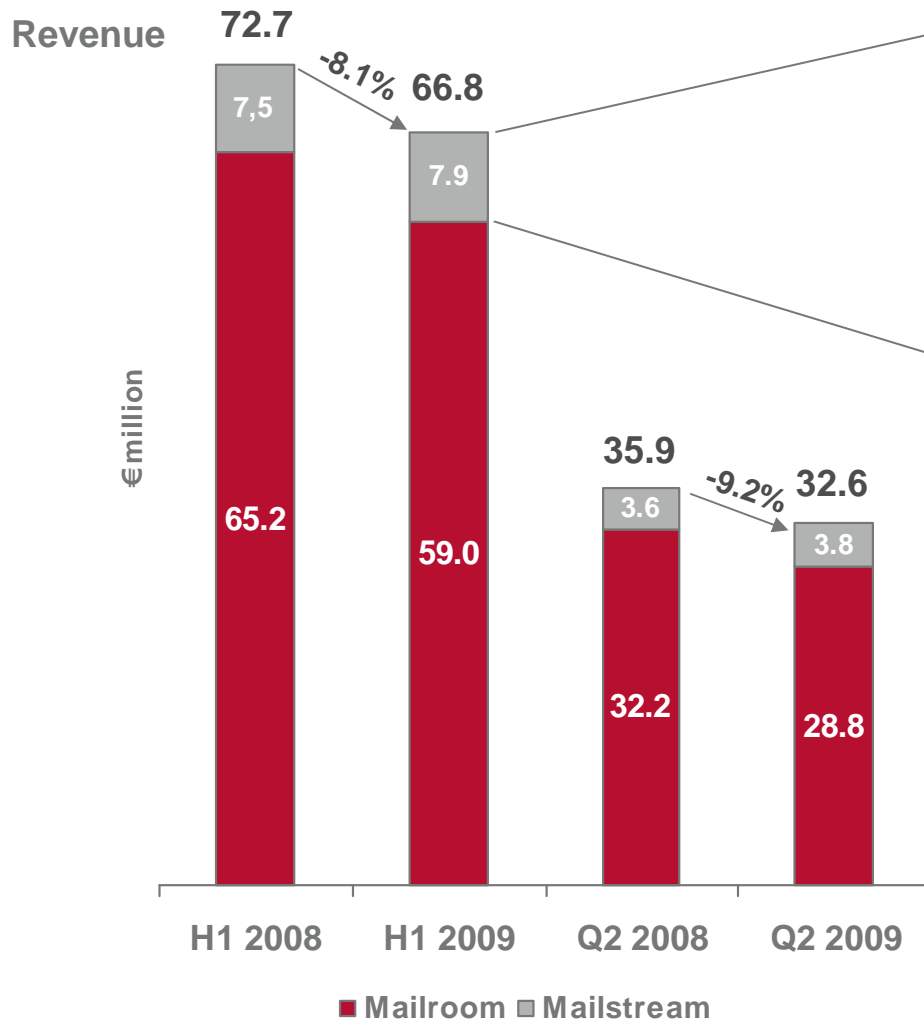
Positive Impact of Restructuring and Cost Cutting Programme on EBITDA

Key Figures

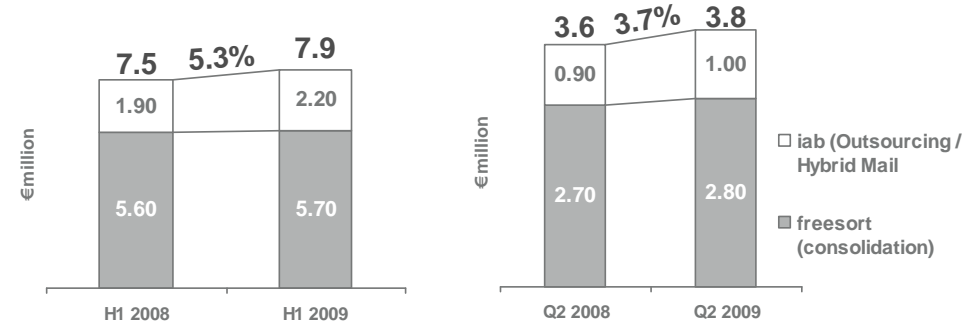
€ million	H1 2008	H1 2009	change %	Q2 2008	Q2 2009	change %
Revenue	72.7	66.8	-8.1	35.9	32.6	-9.2
EBITDA before restructuring in % of revenues	11.8 16.1	10.2 15.3	-13.6	5.0 13.9	4.5 13.8	-10.0
EBITDA in % of revenues	9.8 13.5	9.5 14.2	-3.1	3.1 8.6	4.2 12.9	35.5
Net Profit/Loss	-4.7	-4.8	2.1	-2.9	-2.8	-3.4
Operating Cash Flow	14.6	6.8	-53.4	2.1	2.5	19.0
Installed Base (thousand)	266	265	-0.4			



Revenue Reflects Worldwide Difficult Economical Environment



Mailstream



Mailroom:

- UK faces recession with €-1.4m incl. €0.9m negative currency effect in UK
- Germany slightly down on previous years figures €-1.2m
- Effect of cancelled high volume inserter business in NL end of 2008 and difficult market environment (€-2.2m)
- Last years decertification in Denmark (€-0.5m)

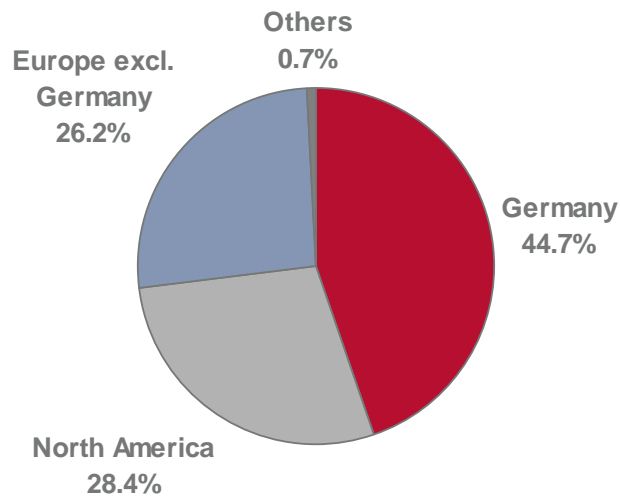
Mailstream:

- Still cautious propensity to invest on customer's side with slight increase of revenue

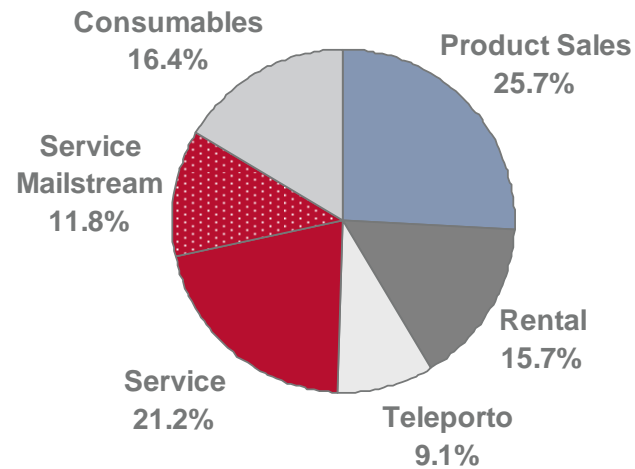
Despite Recession Increase of Recurring Revenue

Revenue breakdown for H1 2009 (€66.8m)

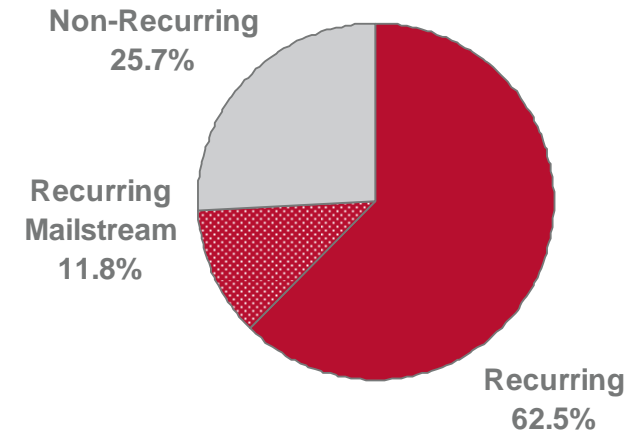
By region



By product



Recurring / Non-recurring



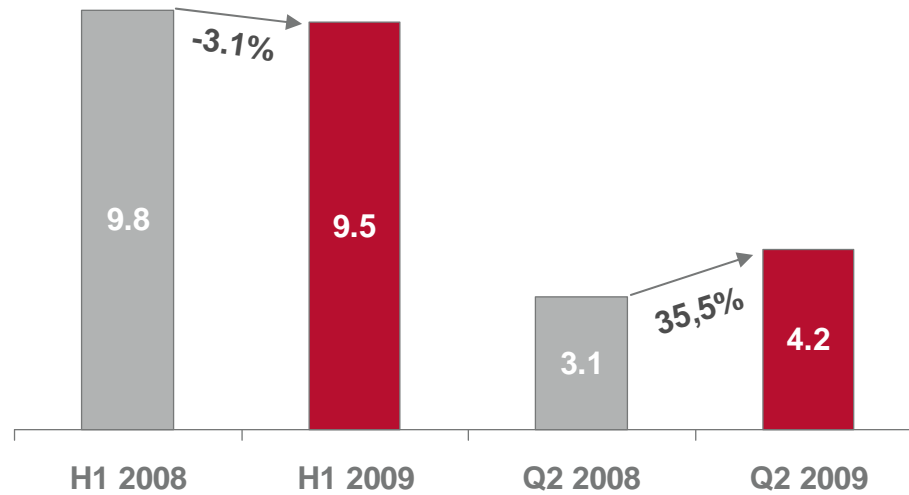
Strong position in Germany

Rental business, teleporto and service with positive development

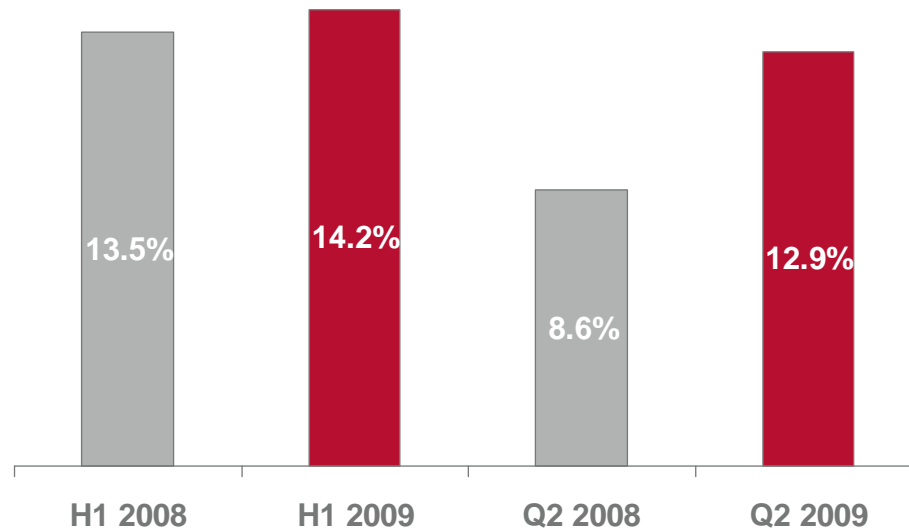
Increasing recurring revenue underlines strength of business model

EBITDA-Margin Improves Due to Cost Cutting and Restructuring

EBITDA



EBITDA Margin



- In spite of decreasing revenue **EBITDA** for H1 2009 nearly on **previous year's level**
- **EBITDA margin improves significantly in Q2 2009** mainly due to less restructuring costs, cost cutting measures and declining material expenses
- **Mailstream:** Low EBITDA of €0.1m (H1 2008: €0.4m) because of investment in new sorting centre (Munich)

FP Shows Ability to Improve Profitability

€ million	H1 2008	H1 2009	Q2 2008	Q2 2009
Revenue	72.7	66.8	35.9	32.6
Change in inventories	1.4	-0.8	0.7	-0.7
Own work capitalised	4.2	2.7	2.1	1.7
Total output	78.3	68.8	38.7	33.6
Material expenses	23.7	17.6	12.2	8.7
in % of revenue	32.6	26.3	34.0	26.7
Gross profit	54.6	51.2	26.5	24.9
Personnel expenses	28.9	26.9	14.5	13.3
in % of revenue	39.8	40.3	40.4	40.8
Operating expenses ./ income	16.1	14.8	8.9	7.2
EBITDA before restructuring	11.8	10.2	5.0	4.5
in % of revenue	16.1	15.3	13.9	13.8
EBITDA	9.8	9.5	3.1	4.2
in % of revenue	13.5	14.2	8.6	12.9
Depreciation	4.8	5.7	2.4	2.8
EBITA	5.0	3.8	0.7	1.4
Amortisation	7.8	6.2	3.9	3.1
EBIT	-2.8	-2.4	-3.2	-1.6
Interest result	-1.3	-1.9	-0.6	-0.9
Financial result	-1.5	0.0	0.04	0.5
Tax result	0.9	-0.6	0.9	-0.9
Net profit/loss*	-4.7	-4.8	-2.9	-2.8
EPS (€)**	-0.3	-0.32	-0.19	-0.19
EPS (€) adjusted by amortisation	0.09	-0.01	-0.01	-0.05

- **Own work capitalised** down due to lower capitalised R&D cost and less rental business
- **Material expenses** declines due to cost reduction, decrease of own work capitalised and less product sales
- **Personnel expenses** show positive effect of restructuring
- Cost cutting results in **lower operating expenses** of €16.2m (H1 2008: €17.2m)

* before minorities

** after minorities



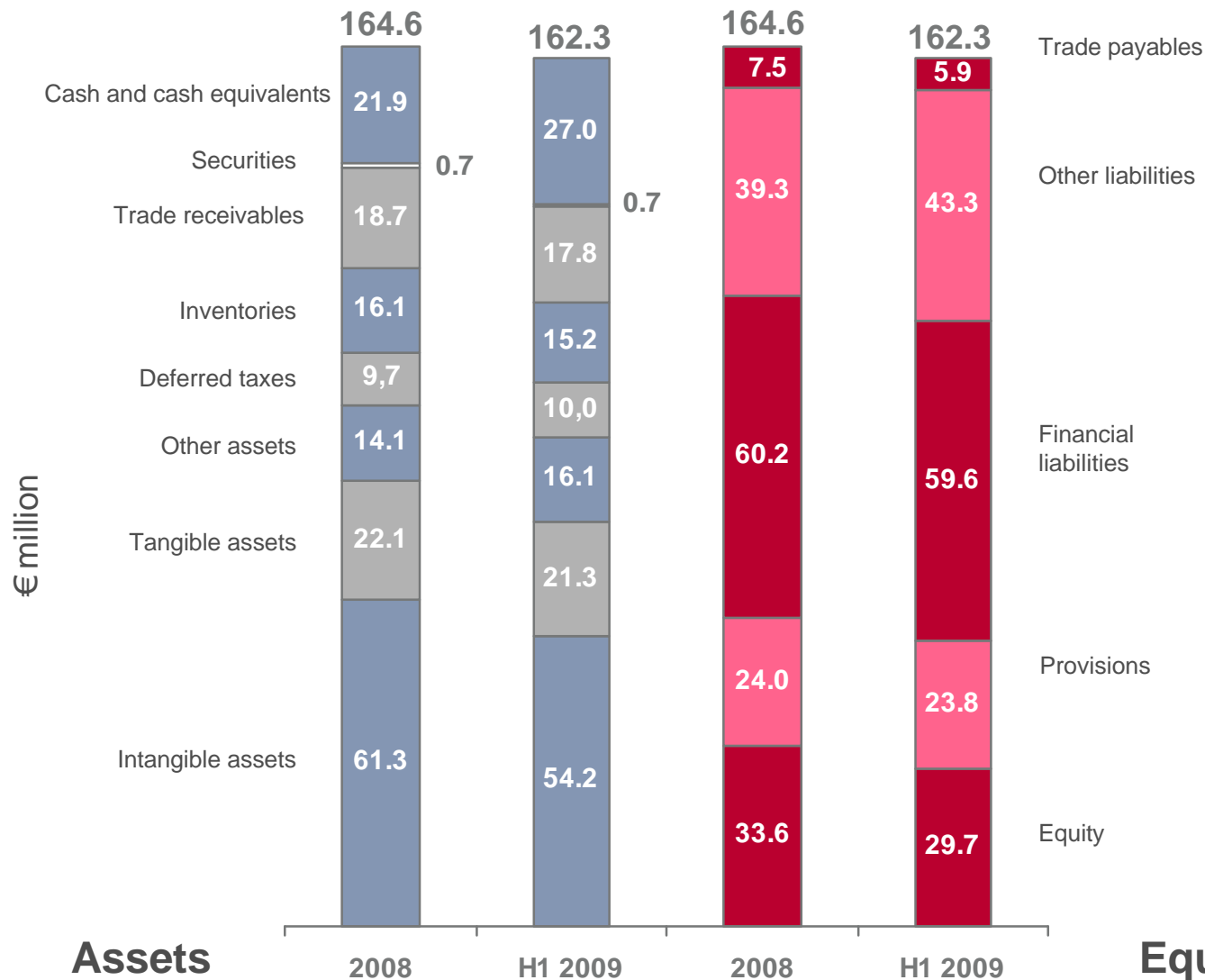
Further Cost Savings Due to Agreement for Protection of Sites

Francotyp-Postalia Holding AG has concluded an extensive agreement with its employee representatives and IG Metall on far-reaching package of measures to protection the sites. The agreement includes the following terms:

- **Short-time work** for a maximum period of 2 years, beginning on 1 August 2009
- **Employee covered by collective pay agreement** to forego **approx. 10% of pay**
- **Employees not covered by collective pay agreement** to forego **15% of pay**
- **Reduction of remuneration** for members of the **Management Board** by **20%**
- **No compulsory redundancies** within the next 24 months
- Estimate cost savings at a value of up to 9 million euros for the duration of 24 months

FP is now in the **position to implement** those measures necessary to ensure **competitive structures**

Improvement of Working Capital and Cash



- **Increase of cash and cash equivalents to €27.0m**
- **Significant reduction of working capital €27.1m (H1 2008: €30.7m)**
- **Net debt of €49.6m (€53.2m in 2008)**
- **Equity ratio of 18.2% (20.4% in 2008)**
- **Higher other liabilities** due to deferred income from rental and service contracts invoiced in advance and higher level of teleporto

Strong Free Cash Flow

€ million	2008	H1 2009
Cash flow from operating activities	18.7	6.8
Cash flow from investing activities	-15.8	-4.0
thereof:		
R&D	-3.7	-1.1
Tangible assets	-3.6	-0.8
Intangible assets	-3.8	-0.3
Leased inventories	-4.9	-1.4
Corporate acquisitions	0.0	-0.4
Free cash flow	2.9	2.9
Cash flow from financing activities*	-3.3	0.0
Cash and cash equivalents	7.0**	10.0**

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

** including €0.7m securities

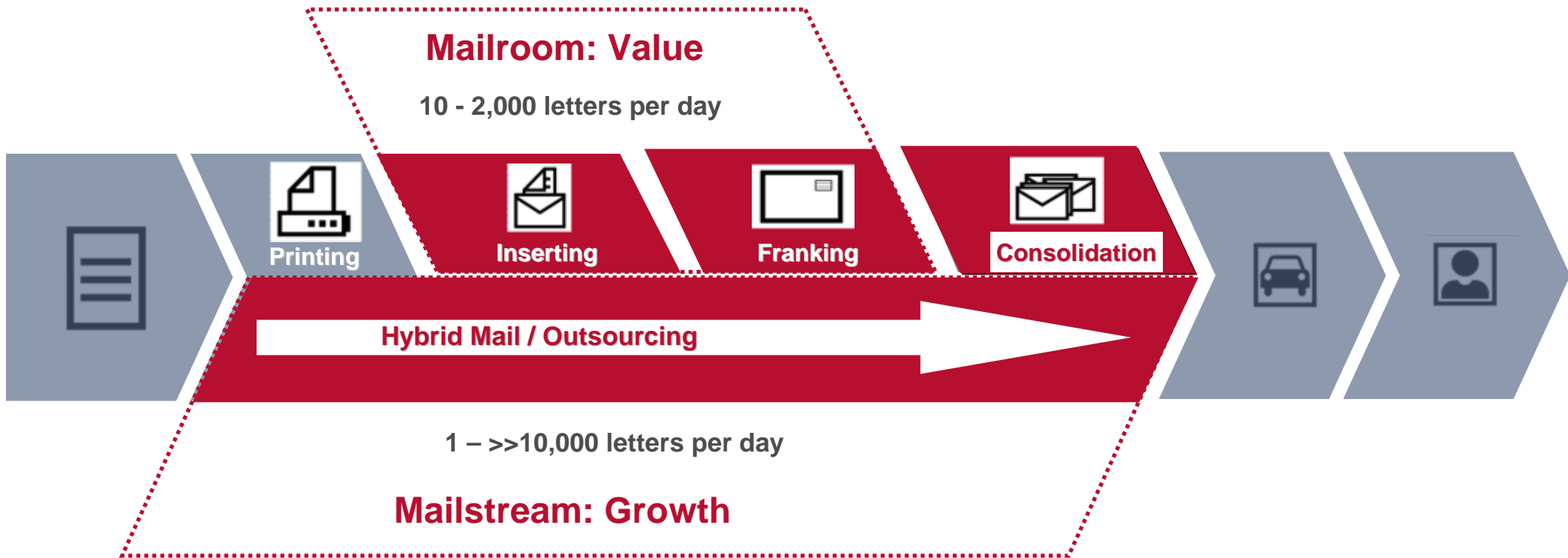


Strategy and Outlook

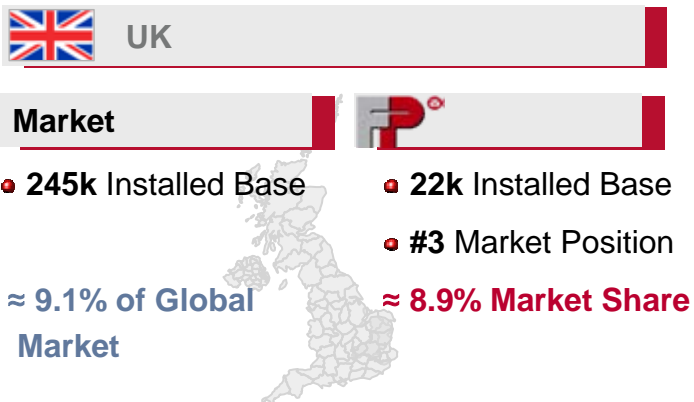
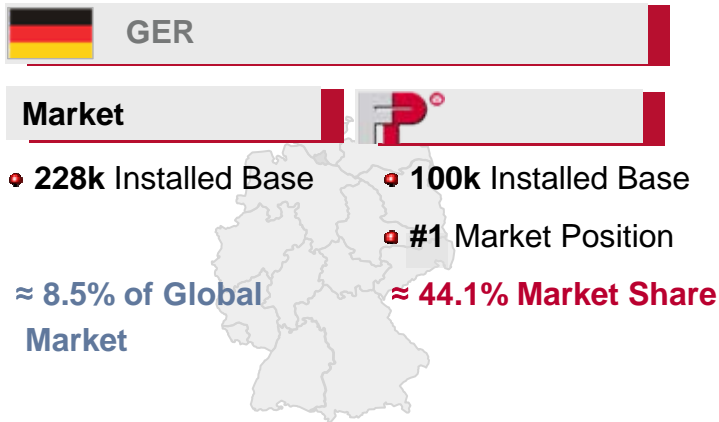


YOUR MAIL IS OUR BUSINESS

FP – Your Mail Management Company



FP Gained Market Shares Against Competitors

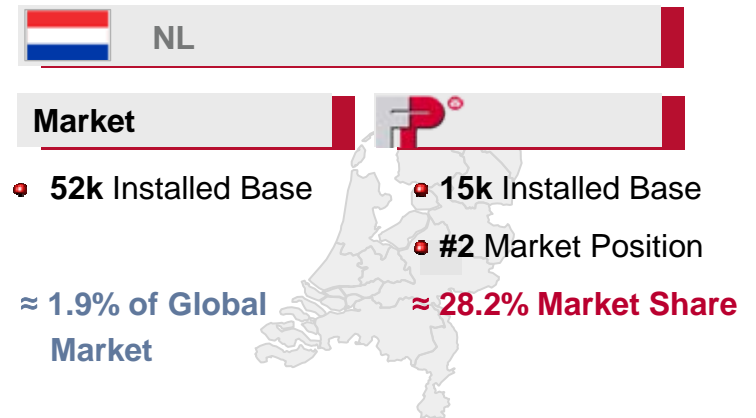
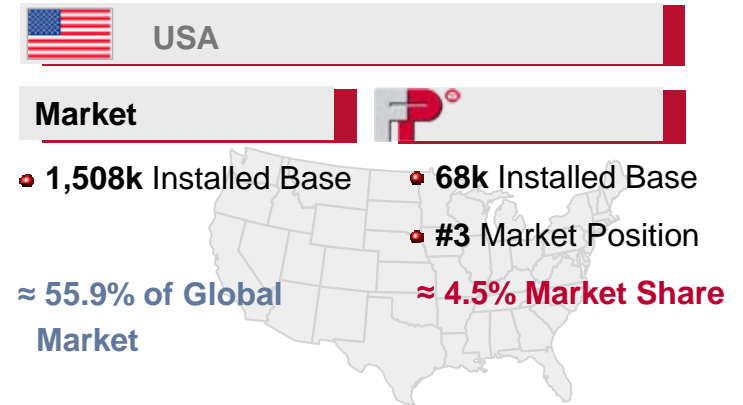


Global Market Franking Machines

- Installed base: 2.7m

FP Market Share Franking Machines

- 9.8% global market share (2008: 9.6%)
- 265k Installed base
- Installed base >80 countries worldwide
- Leading position in key markets
- FP is set to gain market shares in UK (2008: 8.7%) and US (2008: 4.4%)



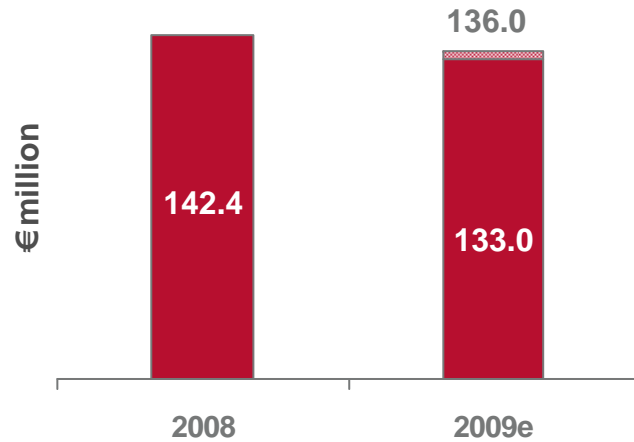
Slight Positive Prospective for FP's Business in Second Half of 2009

- Market situation expected to be weak
 - Customers still show plunge in capital expenditure
- But still slight positive expectation by FP due to following opportunities:
 - Start of 2D barcode technology in Austria in Q4
 - Introduction of new software platform mailOne for larger franking machines in US markets
 - First franking machine with GoGreen application has been launched in Germany
 - New OEM partnership agreement to expand product line in US markets
 - New product consign**mail** will be introduced in UK markets
 - Expansion of cooperation between Deutsche Post Com GmbH and iab to boost FP web**mail** and FP business**mail** into the german markets
- Cost cutting programme and agreement will improve profitability

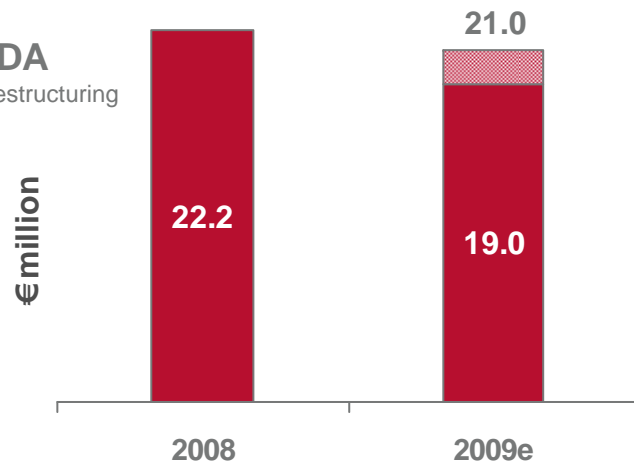


Outlook 2009: Guidance Consider Economic Environment

Revenues



EBITDA before restructuring



Revenue guidance:

- Increasing recurring revenue underlines FP's stable business model
- Nevertheless, environment is still dominated by a massive economic and financial crisis

EBITDA guidance:

- EBITDA reflects reduced revenue expectations
- Agreement of protection of sites will have positive impact on EBITDA
- Restructuring costs for 2009: approx. €2.0m (2008: €4.0m)

Thank you for your attention!

We will now answer your questions.

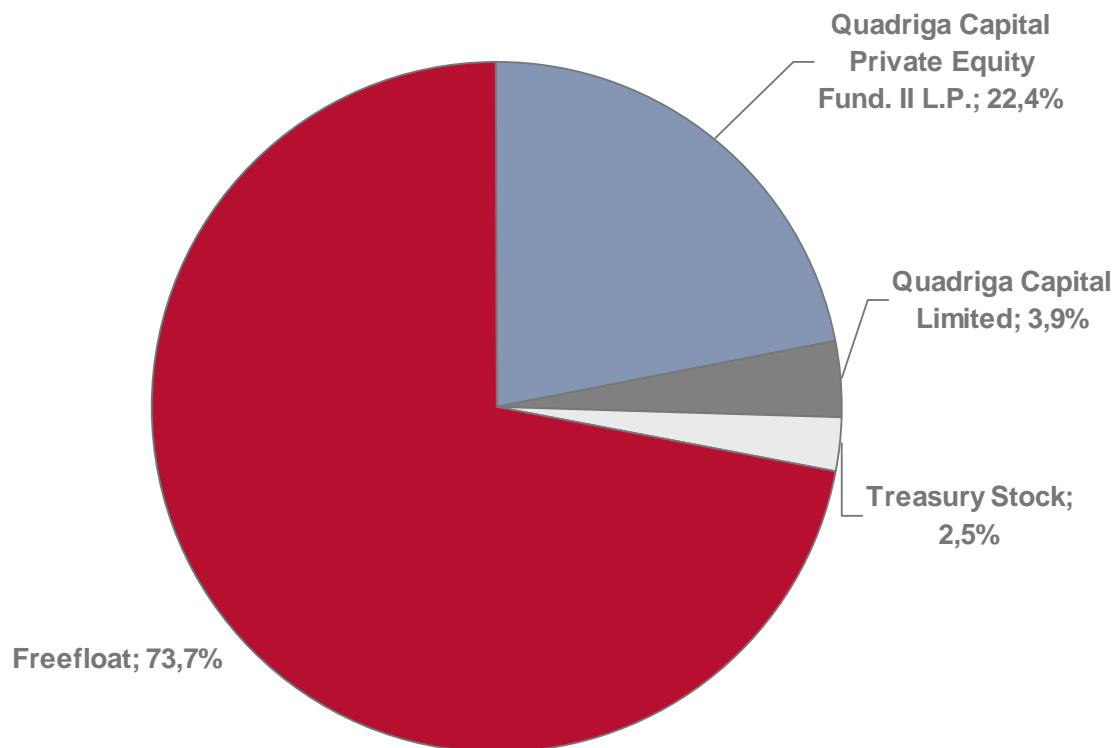


Appendix



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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%

Financial Calendar

Results Q3 2009 – Equity Forum Frankfurt/M
Full Year Results 2009

10 November 2009
April 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, Singapore dollars. In addition, expected business development may vary if the assessments of value-enhancing factors and risks presented in the 2008 Annual Report develop in a way other than we are currently expecting.

