



FP GROUP

UNAUDITED FINANCIAL STATEMENTS 9M 2016

FRANKFURT | 17 NOVEMBER 2016

FP 2016 ON TRACK



REVENUE
+5.7%

€ 149.4 million

EBITDA
+1.4%

€ 20.6 million

**POSITIVE
FREE
CASH FLOW**

€ 5.2 million

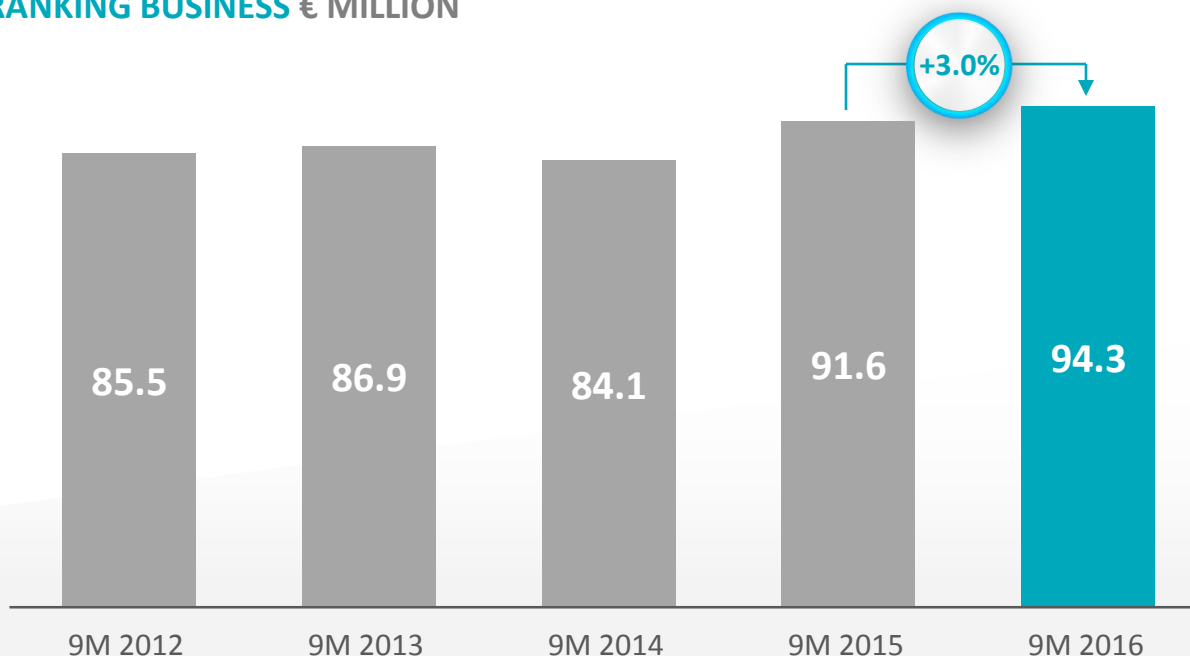
- ✓ Strong revenues in **franking machine business**
- ✓ Further positive development of **Mail Services** and **Software**

- ✓ **EBITDA growth** despite negative currency effects
- ✓ Significant improvement of free cash flow (€-4.0m previous year)
- ✓ Increasing **net income** by 25%

POSTBASE-FAMILY DRIVES BUSINESS



REVENUES FRANKING BUSINESS € MILLION

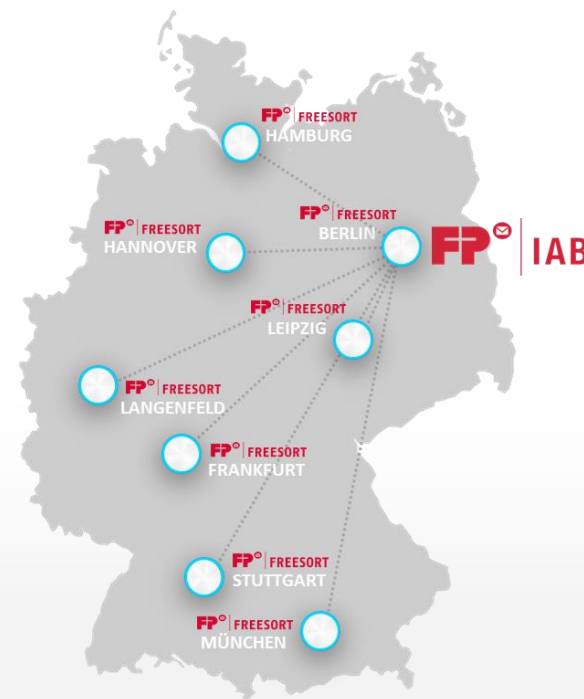
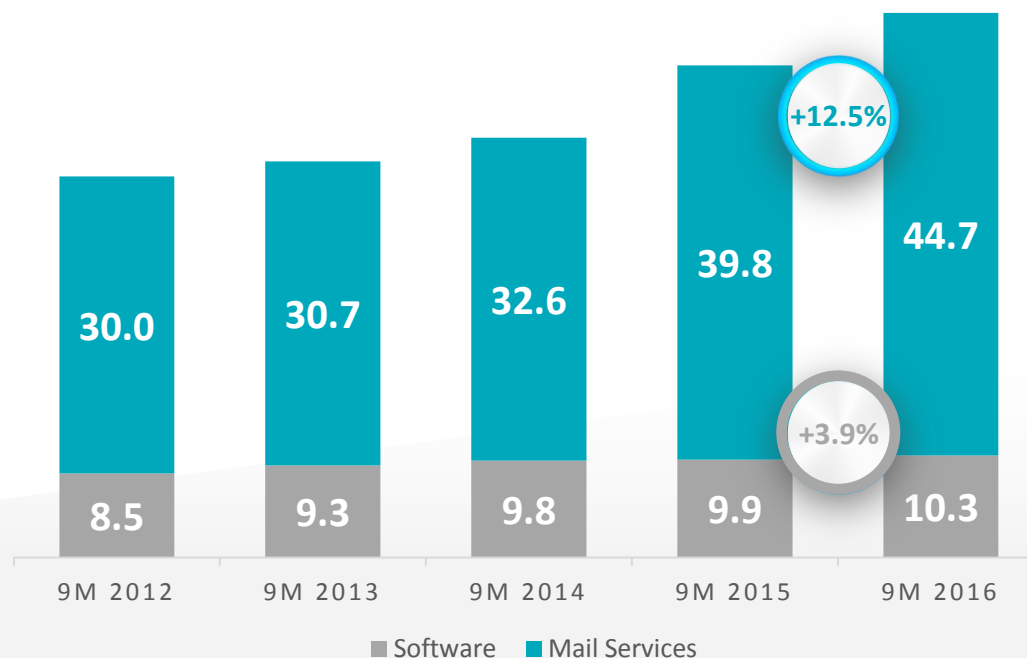


- ✓ **Growing revenues in franking business** despite negative currency effects of €1.7m
- ✓ Increasing revenues in **USA and France**
- ✓ Ongoing positive impact from **Finance Lease**

POSITIVE DEVELOPMENT IN MAIL SERVICES AND SOFTWARE



REVENUE € MILLION

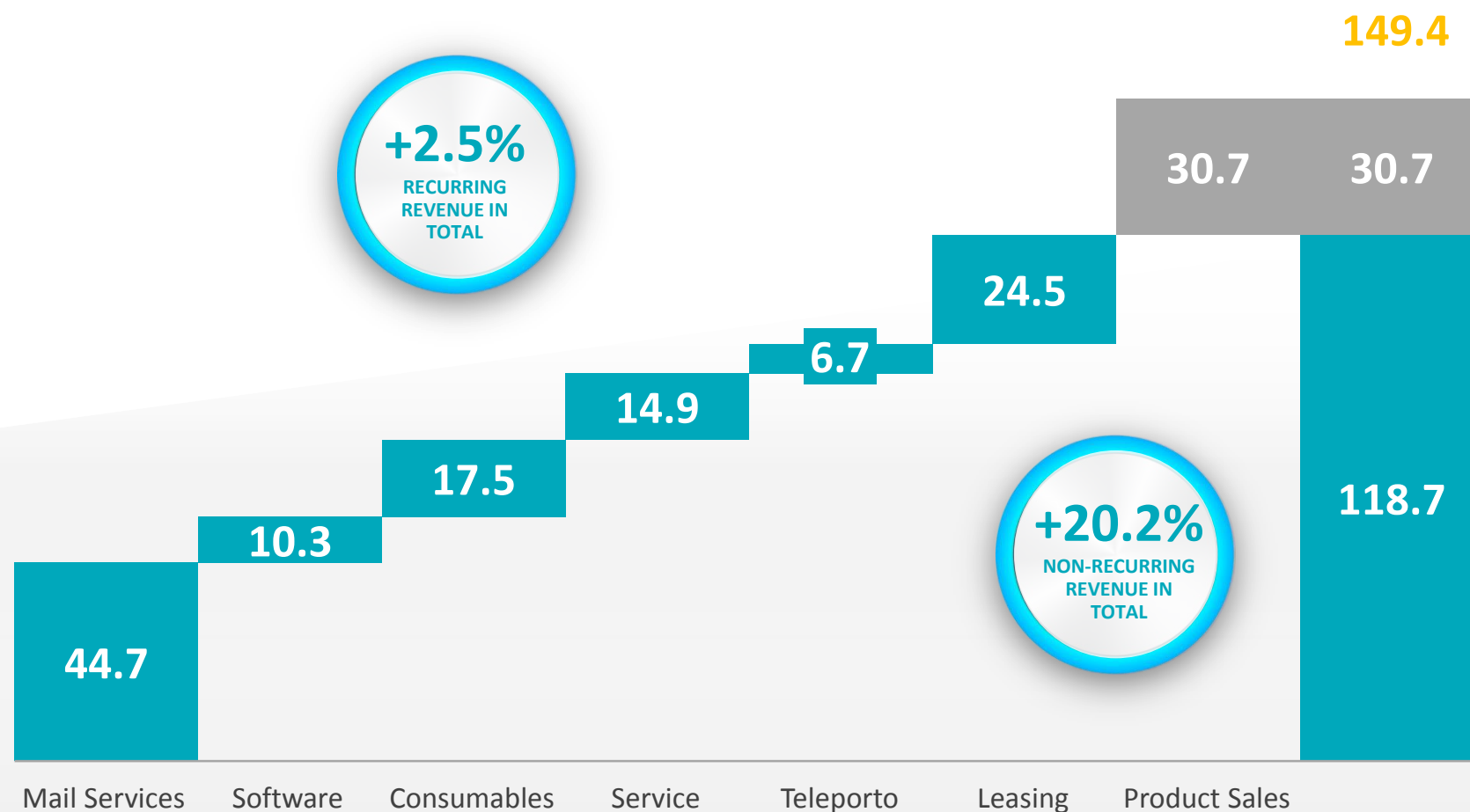


- ✓ **Revenue growth** of 12.5% in Mail Services (Operative Growth supported by rate change)
- ✓ Software with **increase in revenues** of 3.9%
- ✓ **Ongoing Extension** of service line up

STRONG INCREASE OF NON-RECURRING REVENUES FOR FUTURE GROWTH



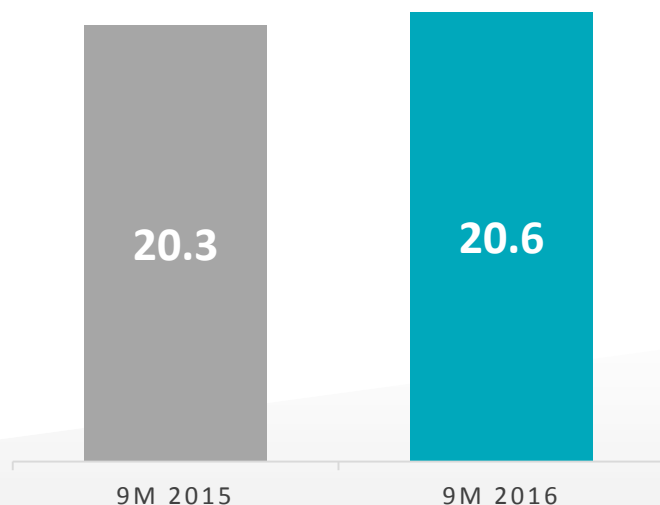
REVENUE € MILLION



INCREASE OF EARNINGS



EBITDA € MILLION

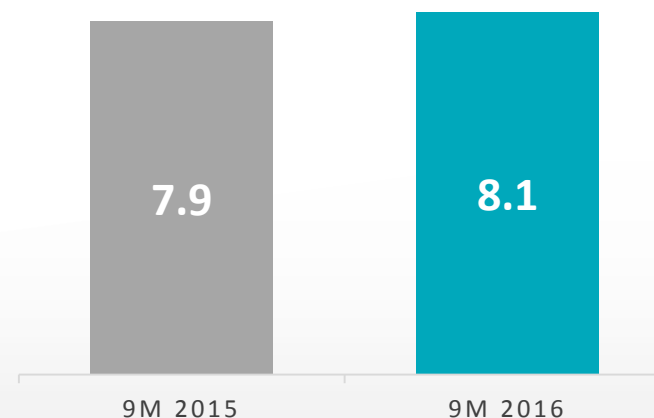


EBITDA on track for 2016

Negative currency effects of € 0.7m and first investment in strategy development

EBITDA margin of 13.8%

EBIT € MILLION



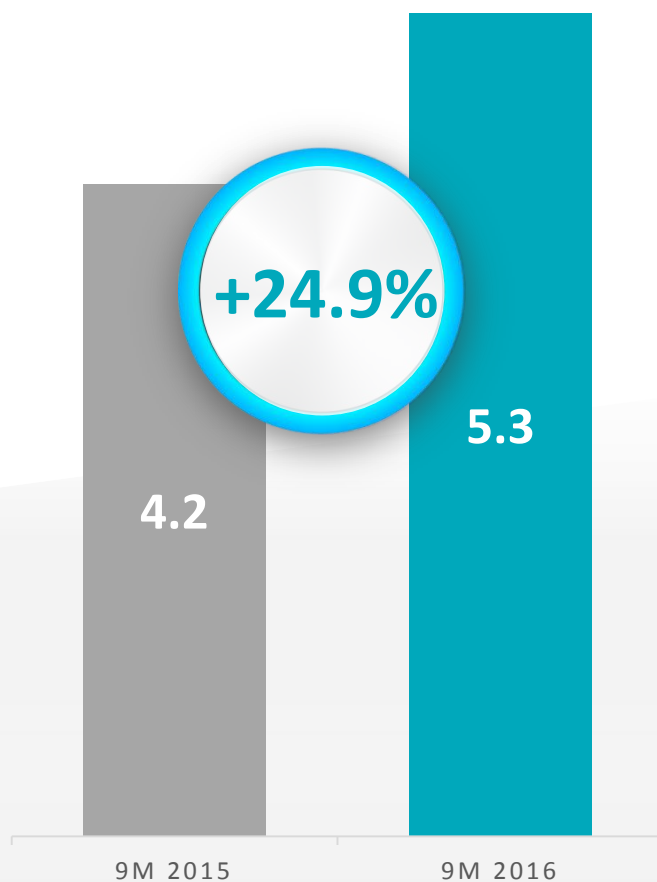
Increase of EBIT

despite higher depreciation and amortisation

NET PROFIT WITH STRONG RISE



NET PROFIT € MILLION



Average rates

€/€ 9M 2016 = 1.116 and 9M 2015 = 1.1147;
€/£ 9M 2016 = 0.803 and 9M 2015 = 0.7273

Sustainable net profit improvement

Negative currency effects , but:

- ✓ Improved EBIT
- ✓ Better interest result
- ✓ Improved tax result

Significant improvement of tax ratio expected for 2016 compared to 2015

SIGNIFICANT HIGHER FREE CASH FLOW REFLECTS OPERATIONAL PERFORMANCE



€ MILLION	01.01. - 30.09.2015	01.01. - 30.09.2016
Cash flow from operating activities	9.6	17.1
Cash flow from investing activities	-13.6	-11.9
Free Cash flow	-4.0	5.2
Cash flow from financing activities	4.8	-3.8
Cash and cash equivalents at the end of period	15.5	16.3

Operating activities:

- ✓ Increasing cash flow due to
 - higher EBITDA
 - improved working capital

Investing activities:

- ✓ Lower investments as expected

Financing activities:

- ✓ Repayment of financial liabilities
- ✓ Dividend payment



HIGHER FREE CASH FLOW LEAD TO LOWER NET DEBTS



€ MILLION	31.12. 2015 new*	30.09. 2016
Financial liabilities	36.3	34.3
Cash & Cash equivalents	15.9	16.3
Net debt	20.4	18.0
Shareholders' equity	35.2	36.6
Net debt/ equity ratio	58%	49%

Financing power on the rise due to

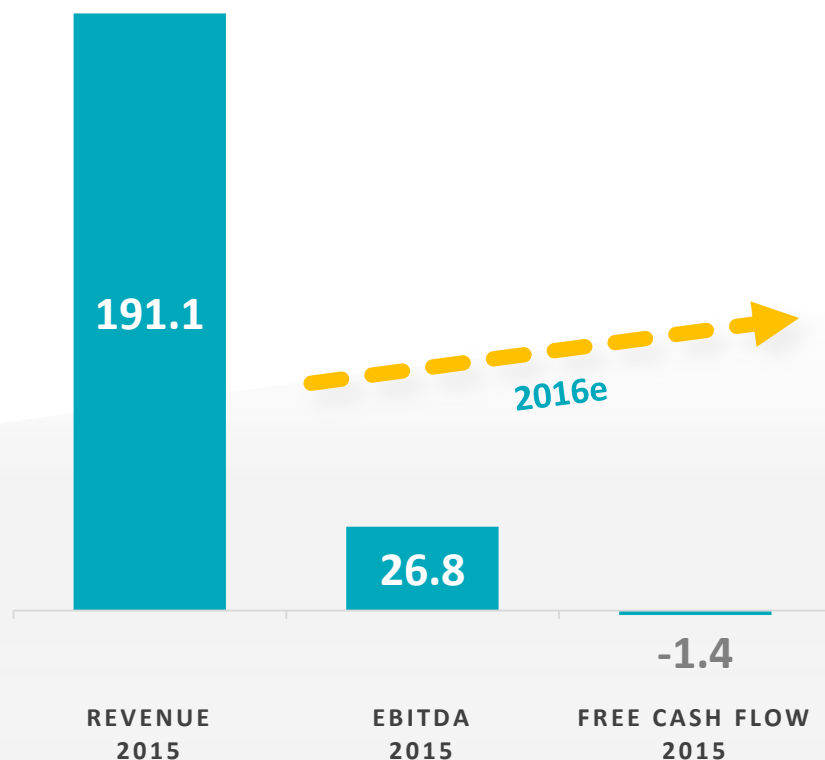
- ✓ Higher Free Cash Flow
- ✓ Expanded loan agreement with a volume of € 120 m

* New, consistent cash & cash equivalents definition (own shares unconsidered)

FP ON TRACK TO FULFILL GUIDANCE 2016



€ MILLION



REVENUE

FP expects a
slight increase*

EBITDA

FP expects a
slight increase*

FREE CASH FLOW

FP expects a
positive Free Cash Flow*

* Based on constant average currency level of 2016.



FP GROUP

ACT STRATEGY 2016

ACT MAKES FP BEING A GROWTH COMPANY



3

START TO ACT: THE NEW STRATEGY HAS ESSENTIAL ELEMENTS



ATTACK

ATTACK IN CORE BUSINESS

Expanding **customer**
base and **increase**
market share



CUSTOMER

FOLLOW THE CUSTOMER

Developing **new**
solutions and services
for existing and new
customers



TRANSFORMATION

TRANSFORM THE ENLARGED BUSINESS

Development of **new**
digital business fields

CLEAR OBJECTIVES FOR OUR GROWTH STRATEGY



EPS
≥1 Euro



FP Fit

Dividend policy 35%-50% of
adjusted net income



FP HAS THE POWER AND BACKGROUND TO IMPROVE



New products and services

FP KEY ADVANTAGES

- ✓ Most advanced range of franking systems in the low and small letter volume segment
- ✓ Active in all attractive franking machine markets
- ✓ Globally acting with German standards

FP CORE COMPETENCIES

- ✓ Deep know-how in secure communication
- ✓ Cryptography, sensoric, actoric, connectivity is our DNA
- ✓ 15 years experience in Data Transaction Management
- ✓ >15 years experience in Business Process Outsourcing

FP TODAY

grow customer = win installed base

ACT STRATEGY 2016 – START INTO A NEW GROWTH ERA

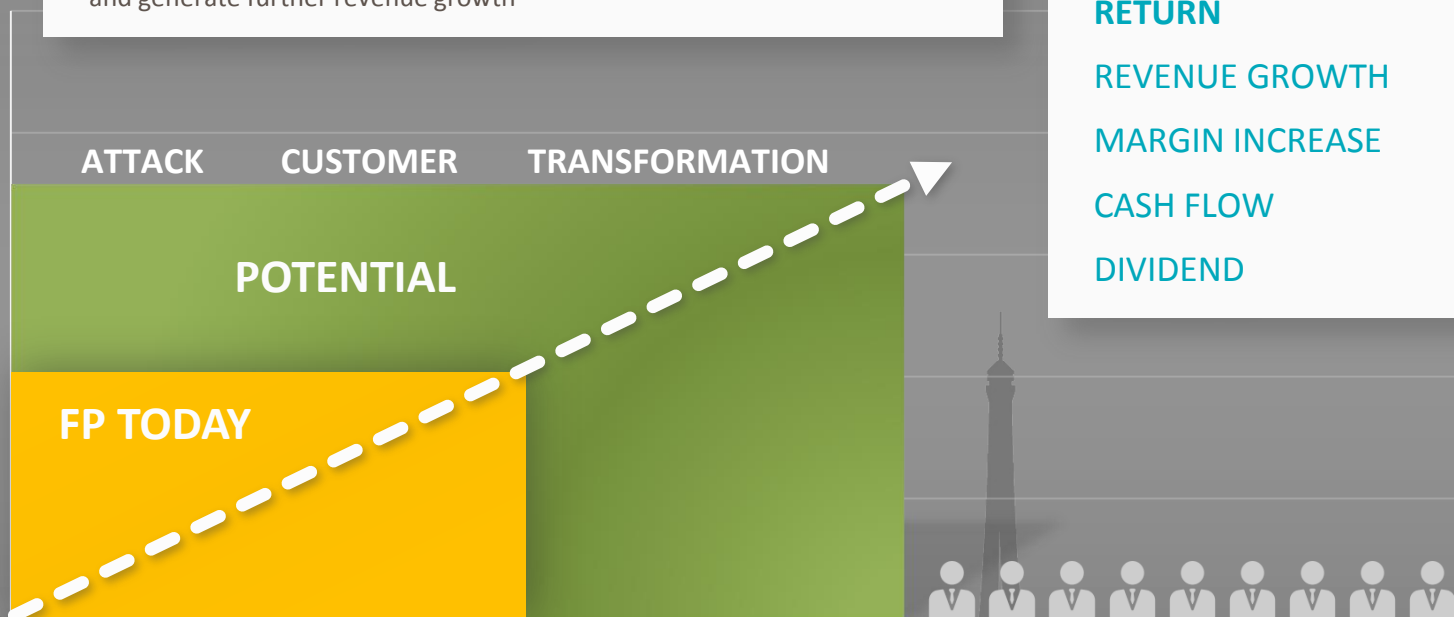


We accompany our customers in their digital transformation and generate further revenue growth

SHAREHOLDER RETURN

REVENUE GROWTH
MARGIN INCREASE
CASH FLOW
DIVIDEND

New products and services



STRATEGIC INITIATIVES TO ACT



We accompany our customers in their digital transformation and generate further revenue growth

New products and services

ATTACK

CUSTOMER

TRANSFORMATION

FP Sign

BPO

Parcel

FP
Portal

Cost efficient
meter

FP Finance

SHAREHOLDER RETURN

REVENUE GROWTH

MARGIN INCREASE

CASH FLOW

DIVIDEND

grow customer = win installed base



FINANCE



SALES



HR



DIGITAL

FP FIT IS THE FOUNDATION AND DRIVING FORCE FOR ACT



- New tools and methodologies to **analyze the customer journey**
- **New group financing**
- Active management of **tax ratio**
- Professional **treasury** management
- Establish lean **organization**
- **Improve innovation** / IP management
- Harmonisation of the global IT landscape

A NEW ERA FOR FP

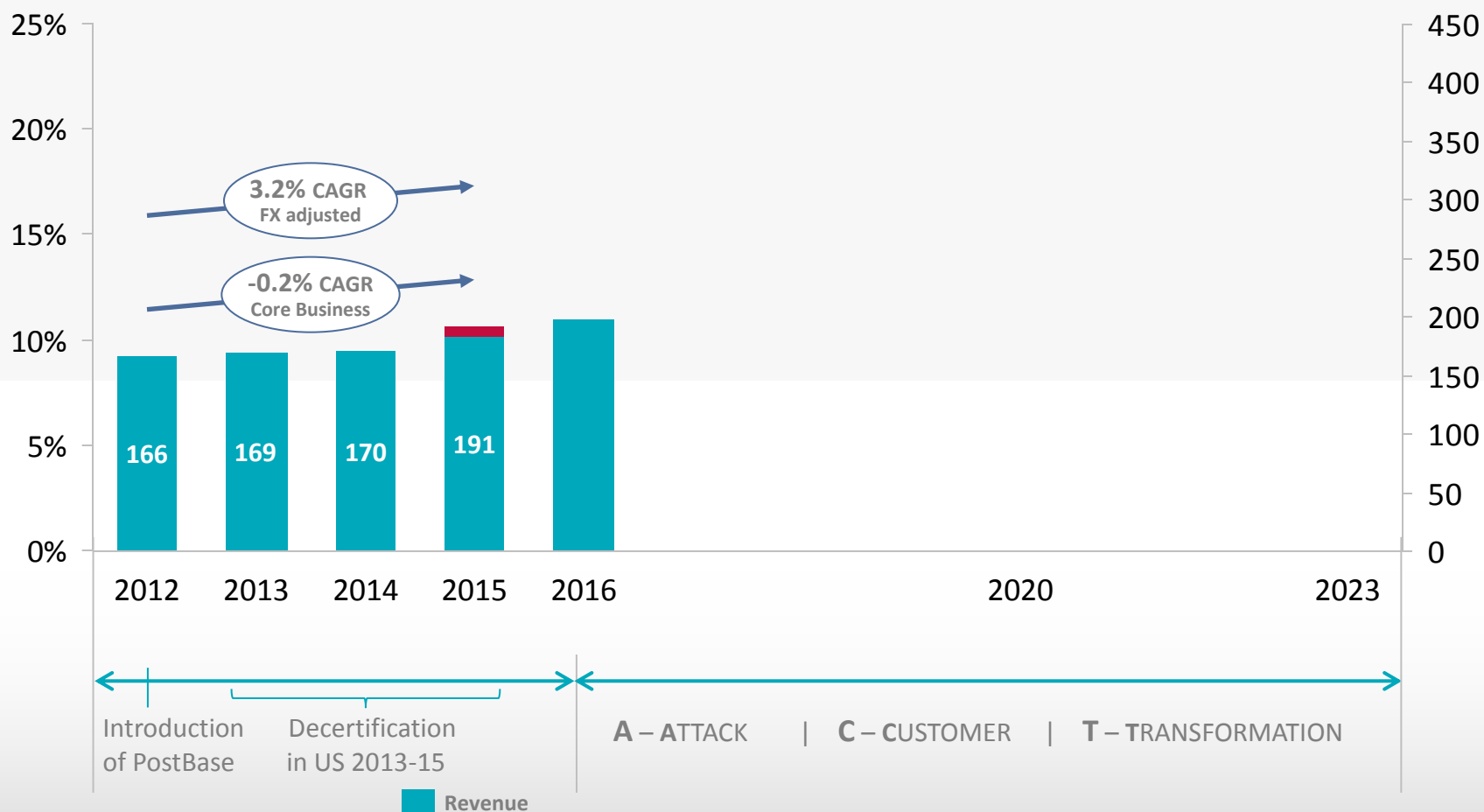


Revenue Growth

Dividend Policy 35 - 50 % of adjusted Net Income

Positive Free Cash Flow

Million €



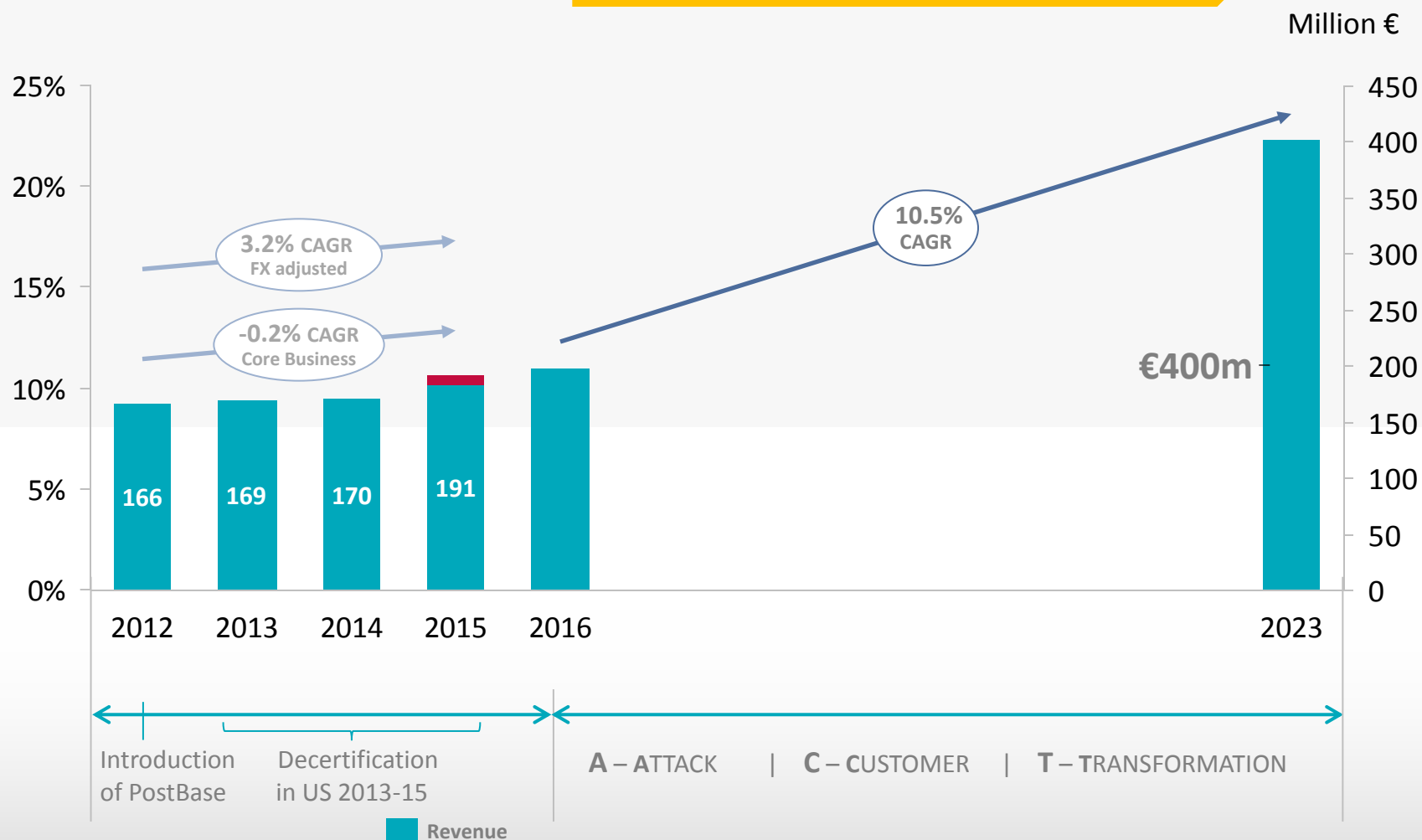
A NEW ERA FOR FP



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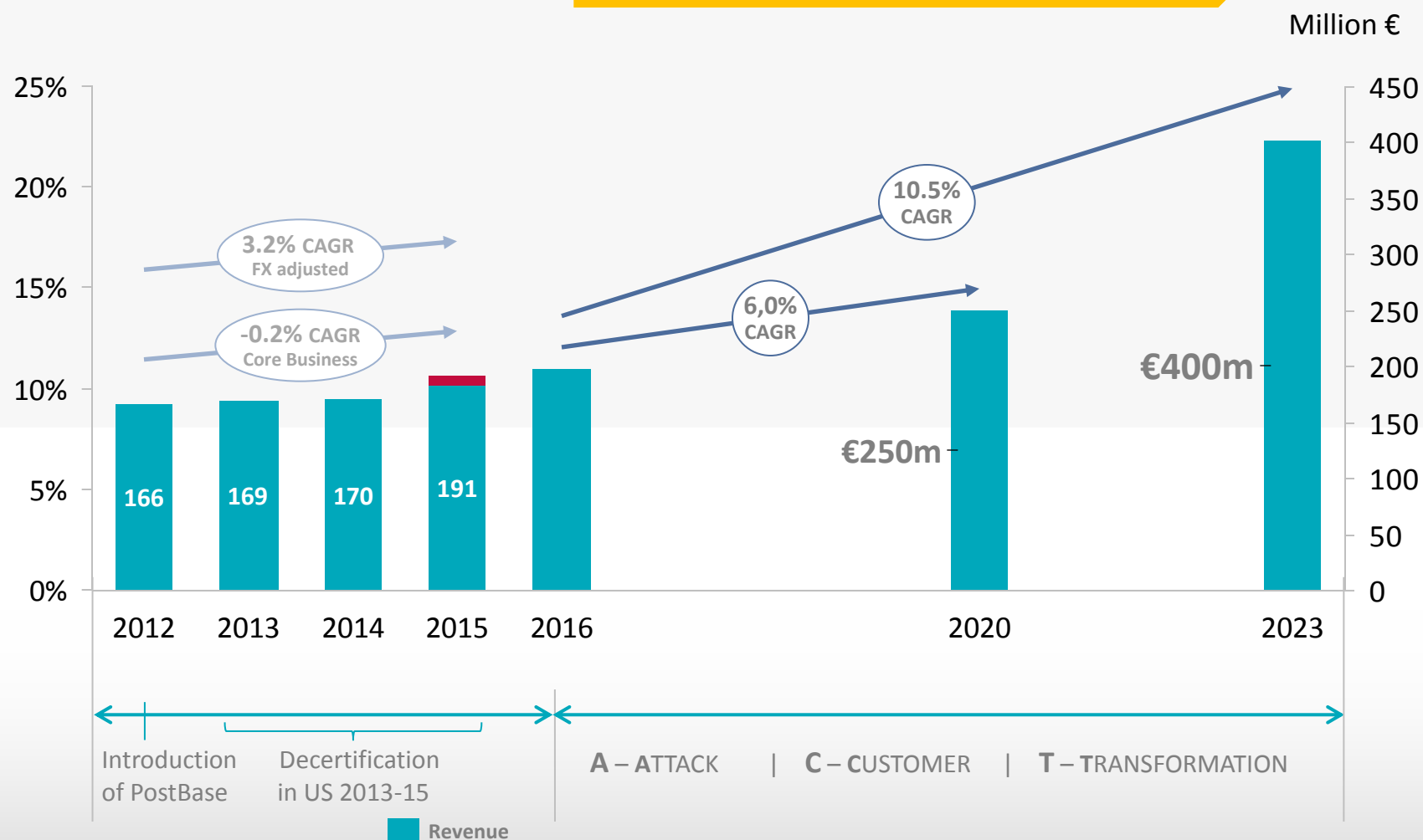
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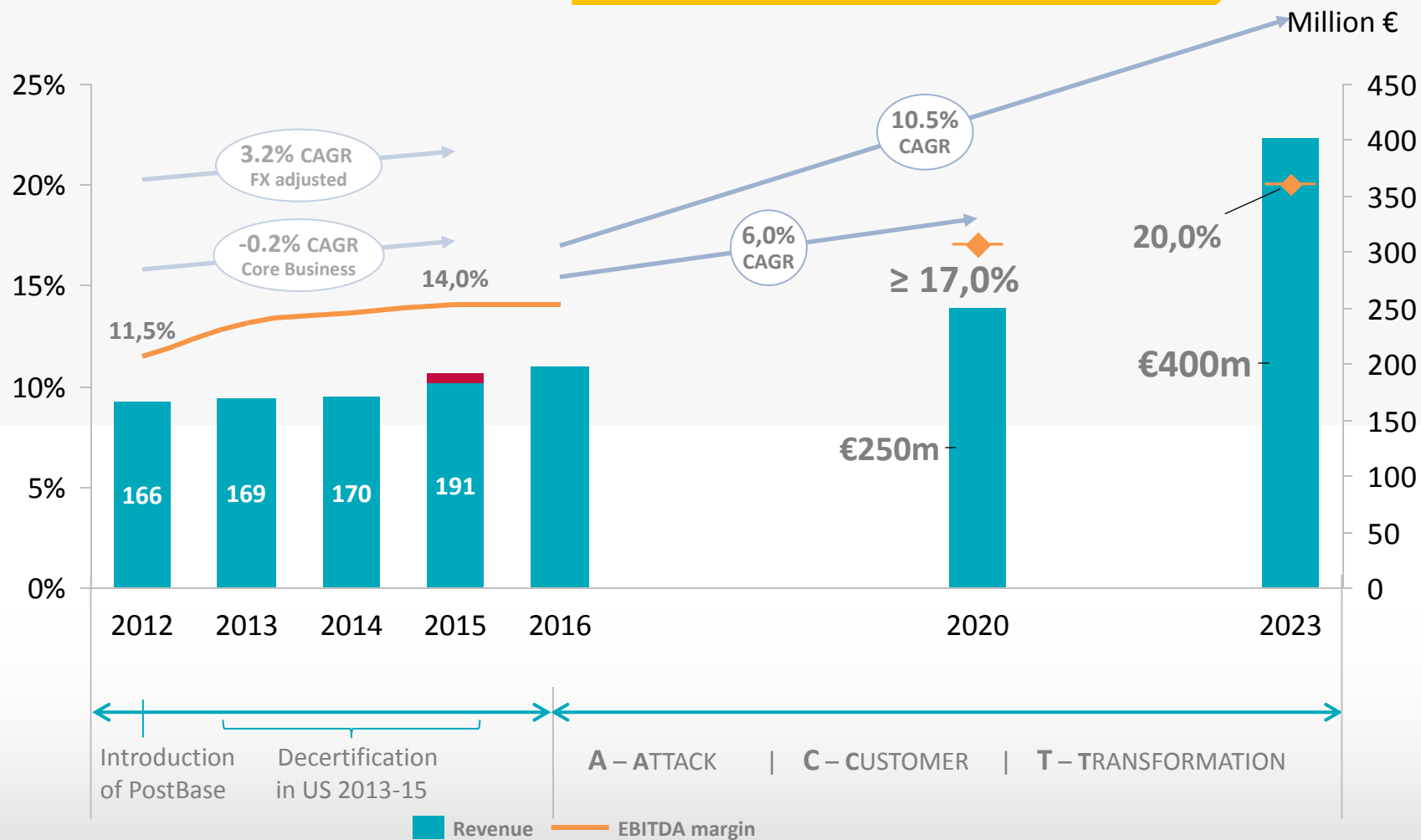
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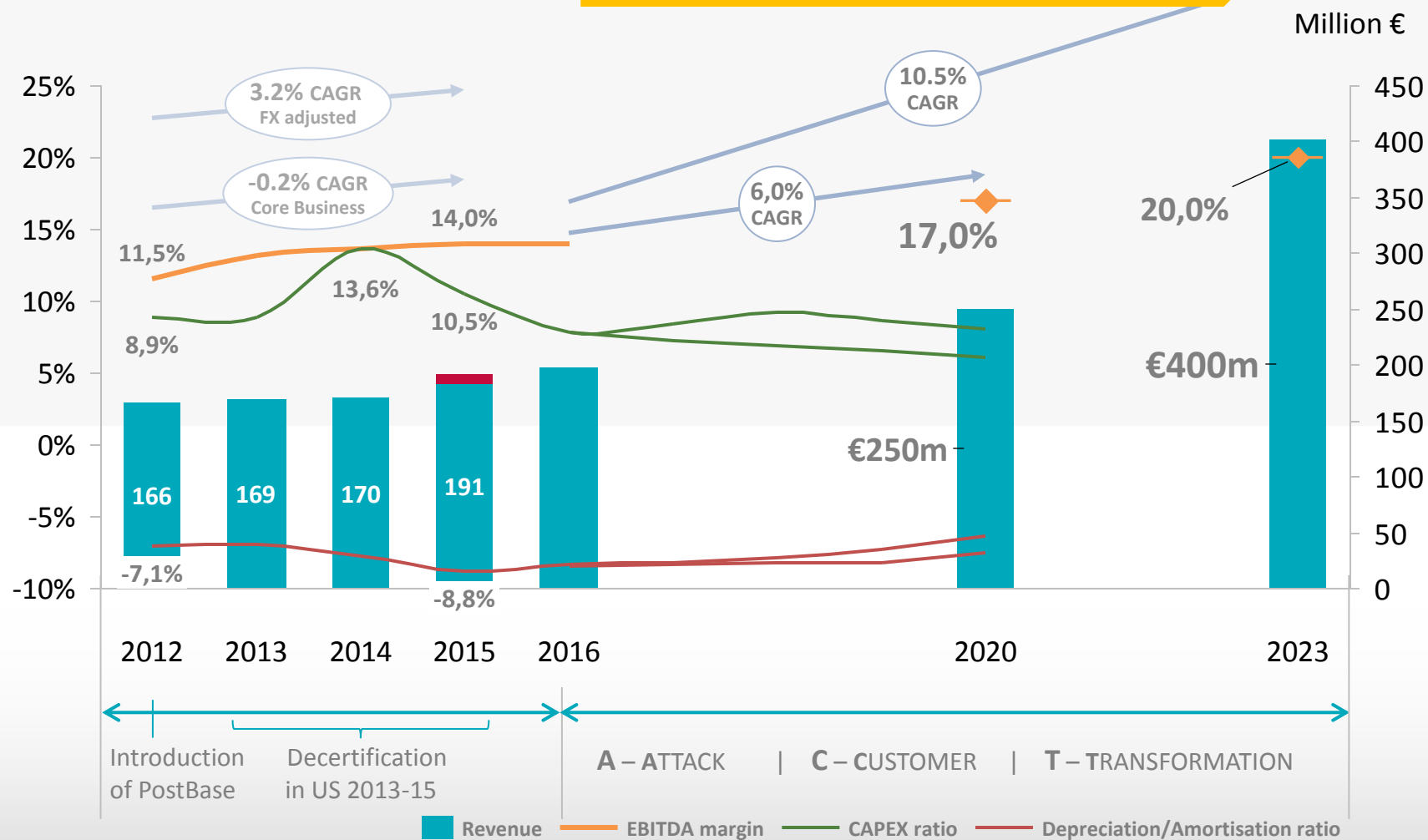
A NEW ERA FOR FP



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A NEW ERA FOR FP

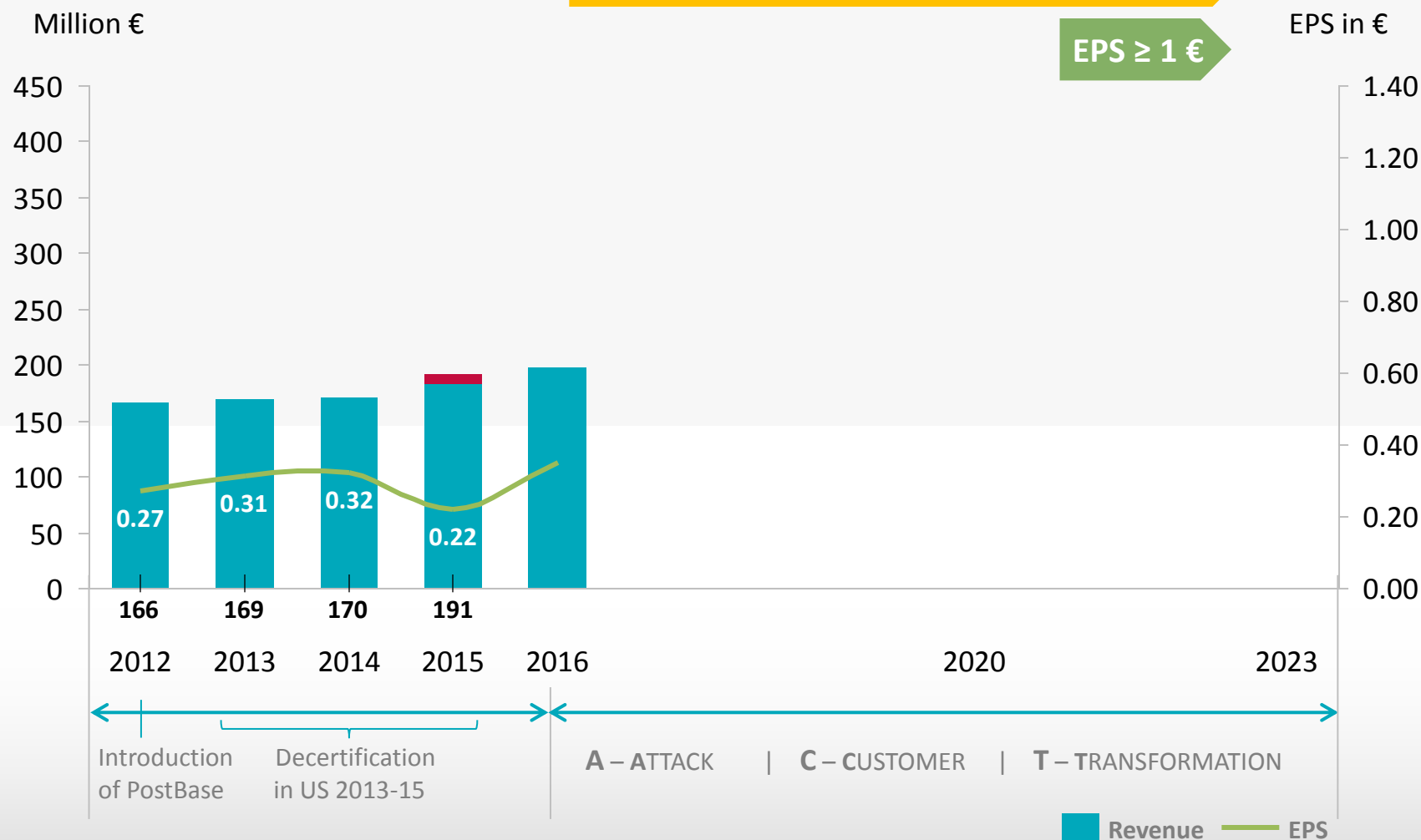


Revenue Growth

Dividend Policy 35 - 50 % of adjusted Net Income

Positive Free Cash Flow

EPS ≥ 1 €



A NEW ERA FOR FP

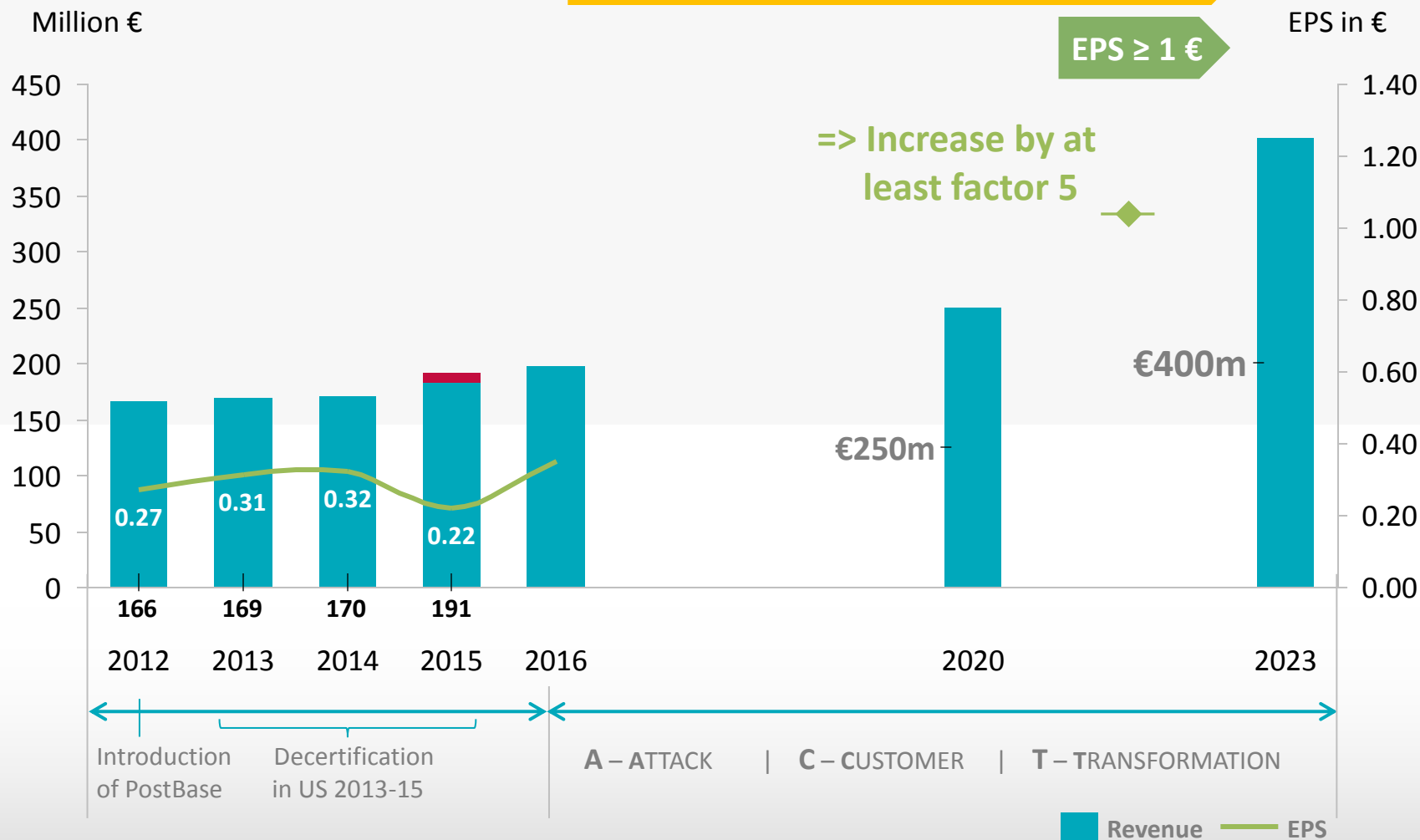


Revenue Growth

Dividend Policy 35 - 50 % of adjusted Net Income

Positive Free Cash Flow

EPS ≥ 1 €





FP GROUP

APPENDIX

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME



€ MILLION	9M 2015	9M 2016	%
Revenue	141.3	149.4	5.7
Change in inventories	2.0	0.4	-77.9
Own work capitalised	11.1	8.9	-20.0
Total output	154.4	158.7	2.8
Material expenses	68.1	71.4	5.0
Gross profit	86.4	87.3	1.1
as % revenue	61.1	58.4	
Personnel expenses	42.8	42.9	0.3
Other income ./ expenses	-23.3	-23.8	2.2
EBITDA	20.3	20.6	1.4
as % of revenue	14.4	13.8	
Deprecation / Amortisation	12.4	12.5	0.5
EBIT	7.9	8.1	2.9
Interest result	-1.0	-0.1	-88.0
Financial results	0.2	0.1	-33.5
Tax results	-2.8	-2.8	0.7
Net profit	4.2	5.3	24.9
EPS (€) undiluted	0.25	0.31	21.3
EPS (€) diluted	0.25	0.30	21.6

CONSOLIDATED BALANCE SHEET ASSETS



€ MILLION

NON-CURRENT
ASSETS

89.6

88.3

CURRENT
ASSETS

66.5

72.4

31 DEZ. 2015

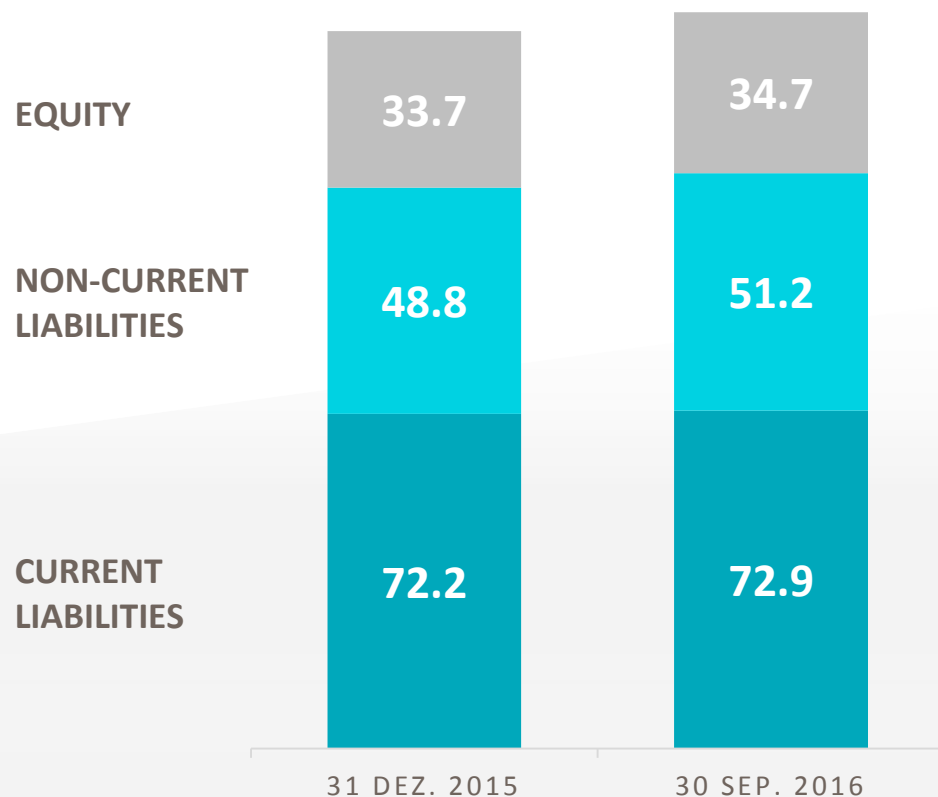
30 SEP. 2016

- ✓ Slight decrease of **non-current assets** due to declining tangible assets
- ✓ Slight increase of **current assets** due to increase of cash and cash equivalents

CONSOLIDATED BALANCE SHEET EQUITY AND LIABILITIES

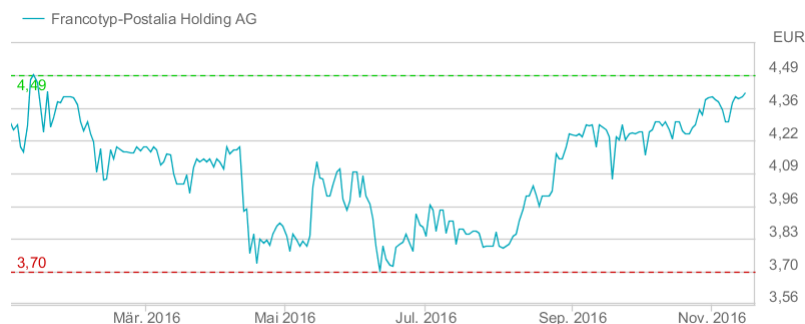


€ MILLION



- ✓ **Equity ratio** with slight increase to 22.8% (2015: 22.6%)
- ✓ Increase of **non-current liabilities** du to increasing financial liabilities
- ✓ Increase of **current liabilities** du to increasing other liabilities

FP STOCK INFORMATION



ISIN	DE000FHP9000
Segment	Prime Standard/ All Industrial
IPO	30 November 2006
Reuters	FPHG.DE
Shares	16.16 million
Freefloat	78.5% (according to GSE Frankfurt)
Coverage	Hauck & Aufhäuser, Warburg Research

SHAREHOLDER STRUCTURE

3R Investments	10.3%
INKA mbH	10.2%
Quaero Capital	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



22. November 2016

German Equity Forum in Frankfurt/Main
(Deutsches Eigenkapitalforum)

Presentation at 16.30 in Room Paris



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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 2015 Annual Report develop in a way other than we are currently expecting.



FP GROUP
THANK YOU VERY MUCH