



# FP GROUP

## UNAUDITED FINANCIAL STATEMENTS Q1 2016

BERLIN | 25 MAY 2016

# FIRST QUARTER 2016 AT A GLANCE



- **FP started as expected** in a traditionally strong 1<sup>st</sup> quarter
- **Revenue increase** despite headwind from currency effects
- **Operating results on previous year's level**
- **Franking machine business gains market shares**
- **Revenue increase in Mail Services**

## TOTAL REVENUES

**+3.7%**

revenues of  
€51.3m

## EBITDA

**€8.2m**

on previous  
year's level

## FREE CASH FLOW

**€1.6m**

positive FCF

# POSTBASE PORTFOLIO COMPLETED



## FRANKING BUSINESS

- Launch of **PostBase One** and **PostBase 100** in Germany
- **Growing rental base** in Canada, UK, Italy and France
- **Successful business** in the **US** after decertification



### **POSTBASE 100**

Letters/minute:  
**Up to 100**

**Launch 2016**



### **POSTBASE ONE**

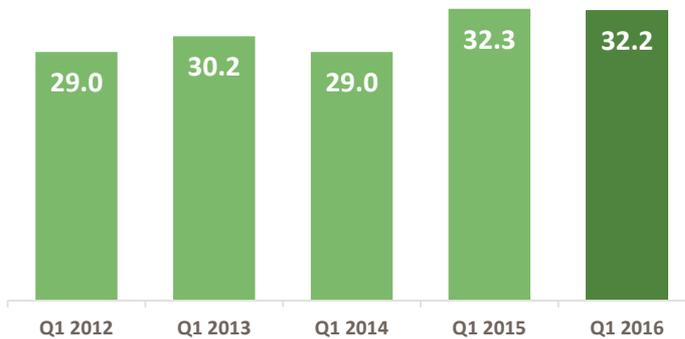
Letters/minute:  
**Up to 150**

**Launch 2016**

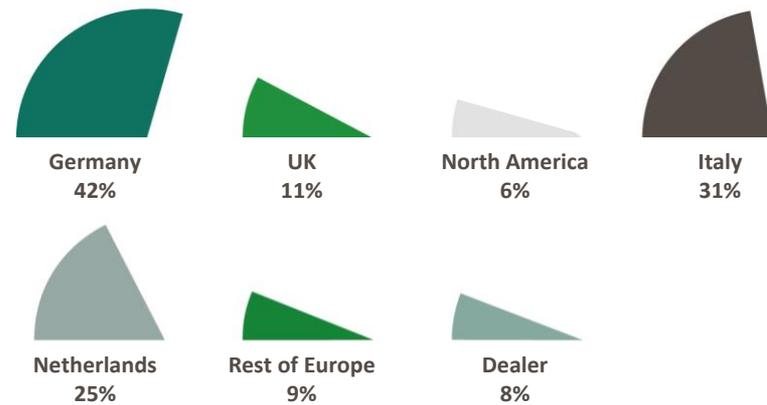
# FRANKING BUSINESS IS GAINING GROUND WORLDWIDE



€ MILLION REVENUES FRANKING BUSINESS



MARKET SHARES BY COUNTRY\*



- **Stable revenues in franking business** after successful decertification in the US in Q1: €32.2m (-0.5%)
- **Market shares** on stable level of 10.8%
- FP gains market shares in Canada, UK, Italy, Sweden and France
- **Focus on smaller franking systems** is paying off



\* Company data

## MAIL SERVICES AND SOFTWARE

- **Rate change 2016** with positive impact
- **Sales of secure e-mail-standard EGVP** with positive development
- **Expansion of Consulting Business (TR-RESISCAN)** make a pleasing progress

Deutsche Post 

egvp 

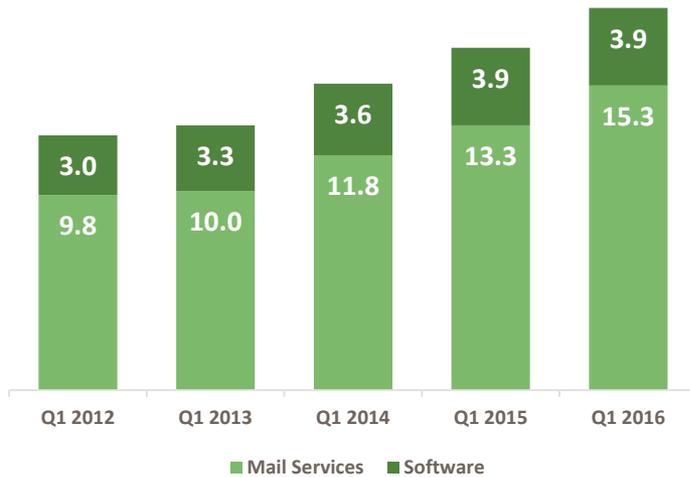


Process TR-RESISCAN

# FURTHER GROWING BUSINESS IN MAIL SERVICES AND SOFTWARE



€ MILLION



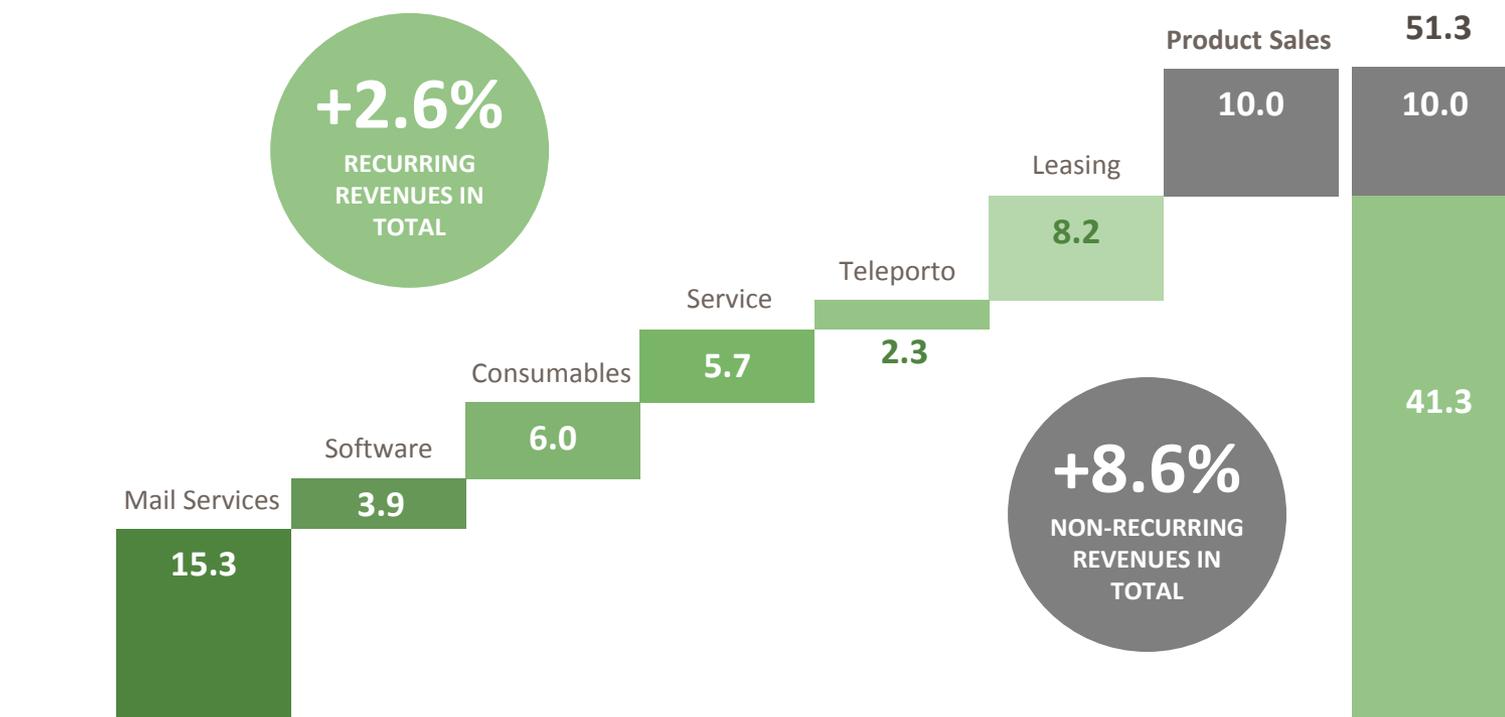
- **Gaining new prominent customers** in Mail Services and Software
- **Rate change 2016** with positive impact
- Mail Services was able to increase processed volume by **7% to more than 55 million letters in Q1**



# INCREASE IN NON-RECURRING AND RECURRING REVENUES - THE SOURCES OF GROWTH



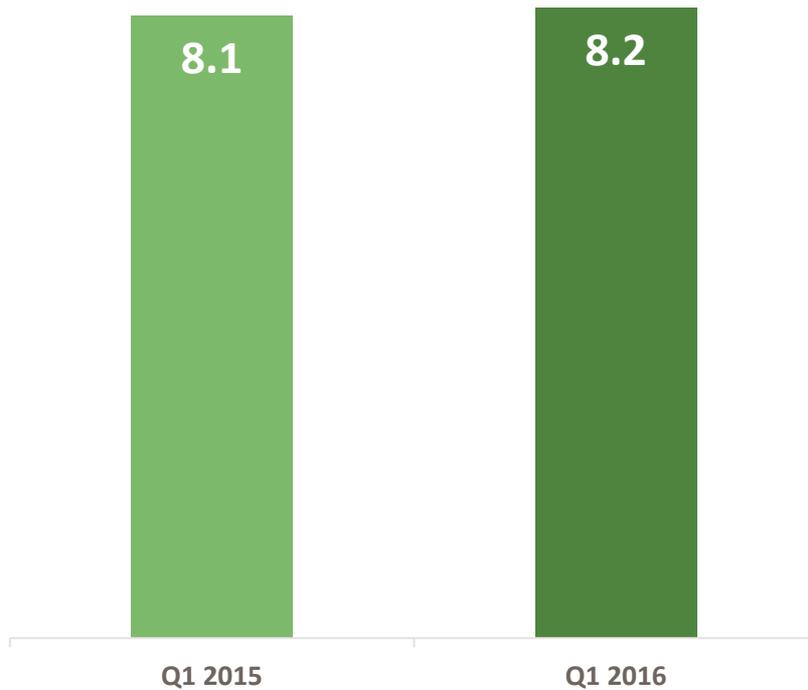
€ MILLION



# EBITDA ON STABLE LEVEL



€ MILLION



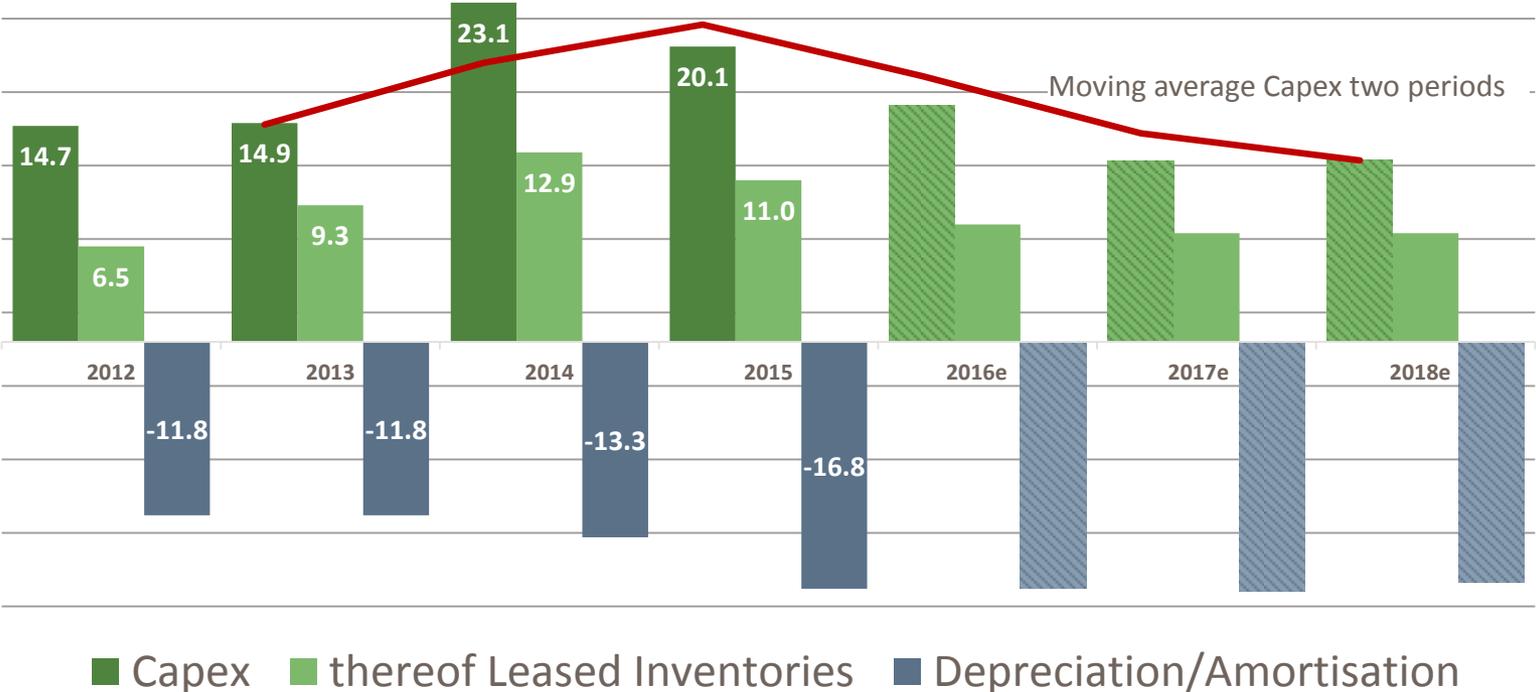
- Increase of revenues
- Low-margin **Mail Services** business contributed to **growing operational profit**
- **EBITDA margin** of 15.9% after 16.3% nearly on previous year's level

\* Average rates €/€ Q1 2016 = 1.10 and Q1 2015 = 1.12; €/£ Q1 2016 = 0.77 and Q1 2015 = 0.74

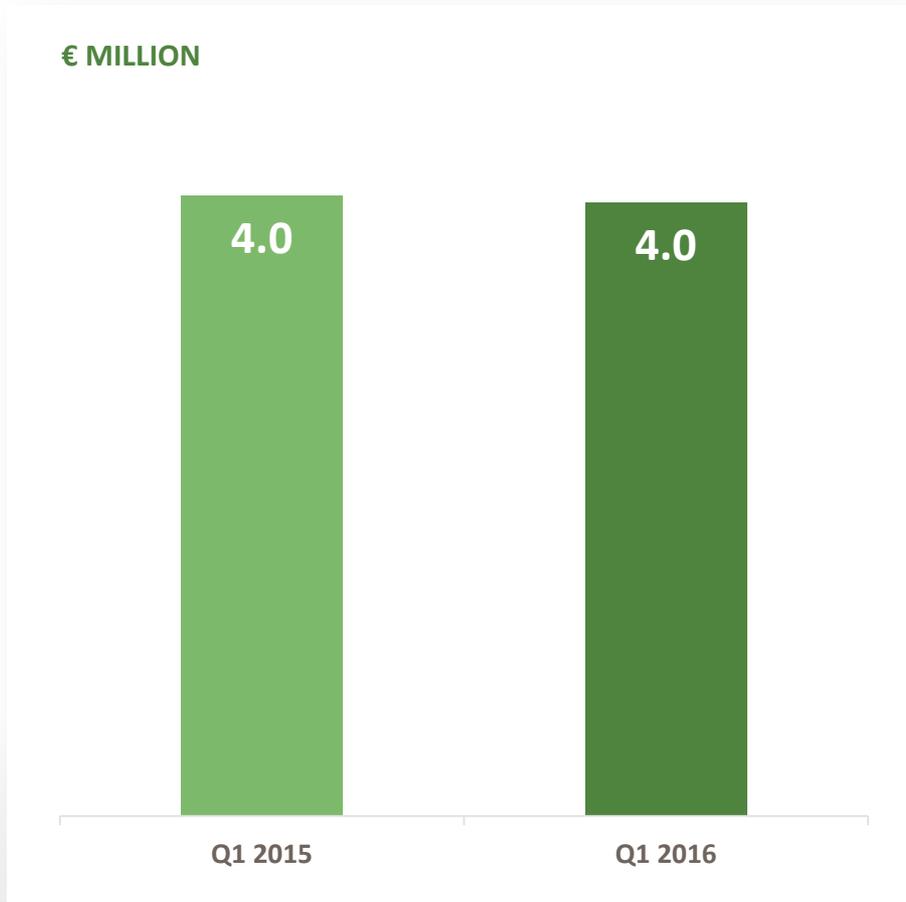
# CAPEX HAS PASSED PEAK-LEVEL



€ MILLION COMPARISON CAPEX – DEPRECIATION/AMORTISATION YEARLY BASES



# EBIT ON PREVIOUS YEAR'S LEVEL



- EBIT effected by higher depreciations and amortisations
- Depreciation increased by €0.2m in Q1 2016

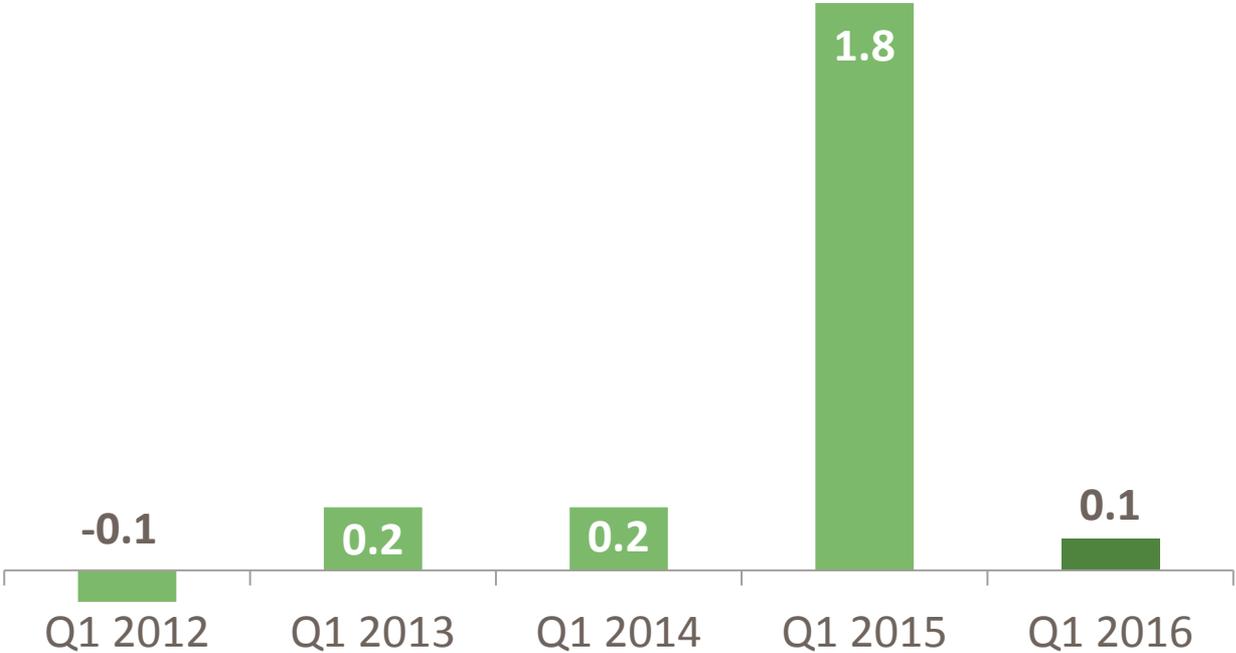
\* Average rates €/€ Q1 2016 = 1.10 and Q1 2015 = 1.12; €/£ Q1 2016 = 0.77 and Q1 2015 = 0.74

# FINANCIAL RESULTS

## BACK TO NORMAL LEVEL



€ MILLION



# POSITIVE FREE CASHFLOW REFLECTS OPERATING CASHFLOW



€ MILLION	01.01. - 31.03.2015	01.01. - 31.03.2016
Cash flow from <b>operating activities</b>	7.6	5.9
Cash flow from <b>investing activities</b>	-5.0	-4.2
<b>Free Cash flow</b>	2.6	1.6
Cash flow from <b>financing activities</b>	-1.7	0.3
<b>Cash and cash equivalents at the end of period</b>	16.0	17.3

## Operating activities:

- Burdened by effects on deferred income, accelerated by negative currency effects in total around €1m

## Investing activities:

- End of decertification in the US lead to lower investments in leased inventories (Q1 2016: €2.2m, 2015: €3.1m)

# SOUND FINANCING OF FP BUSINESS



€ MILLION	31.12.2015	31.03.2016
Financial liabilities	36.3	36.6
Cash	16.7	18.1
<b>Net debt</b>	19.6	18.5
Shareholders' equity	35.2	35.9
<b>Net debt/equity ratio</b>	56%	51%

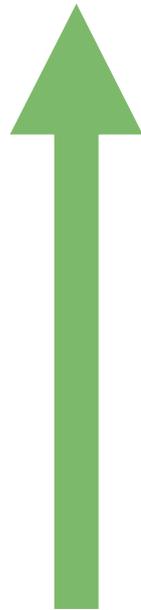
- **Slight decrease of net debt** corresponds to positive free cash flow
- In 2016, FP will **review its long-term financing**

- **FP Group started 2016 as expected** – but we could be even better
- Investment in **PostBase family is paying off**
- **Positive Performance** of the **Mail Services and Software segments**
- **Growth strategy** has to be **sharpened**
- **Measures** in line with **operational excellence** are initiated

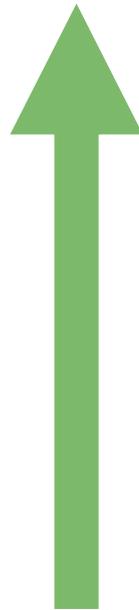
# GROWING BUSINESS NEEDS OPERATIONAL EXCELLENCE



**PRODUCTS**



**EFFICIENCY**



**SPEED**

- **Measures** for operational excellence **are on the way**
- Main focus on **processes** and **structures**
- **Opportunities** will be untapped and **challenges solved**

# GROWING BUSINESS NEEDS PROPER STRATEGY



## Strategy process

- ✓ Identification of trends and drivers
- ✓ Market analysis
- ✓ Analysis of (future) customers and products

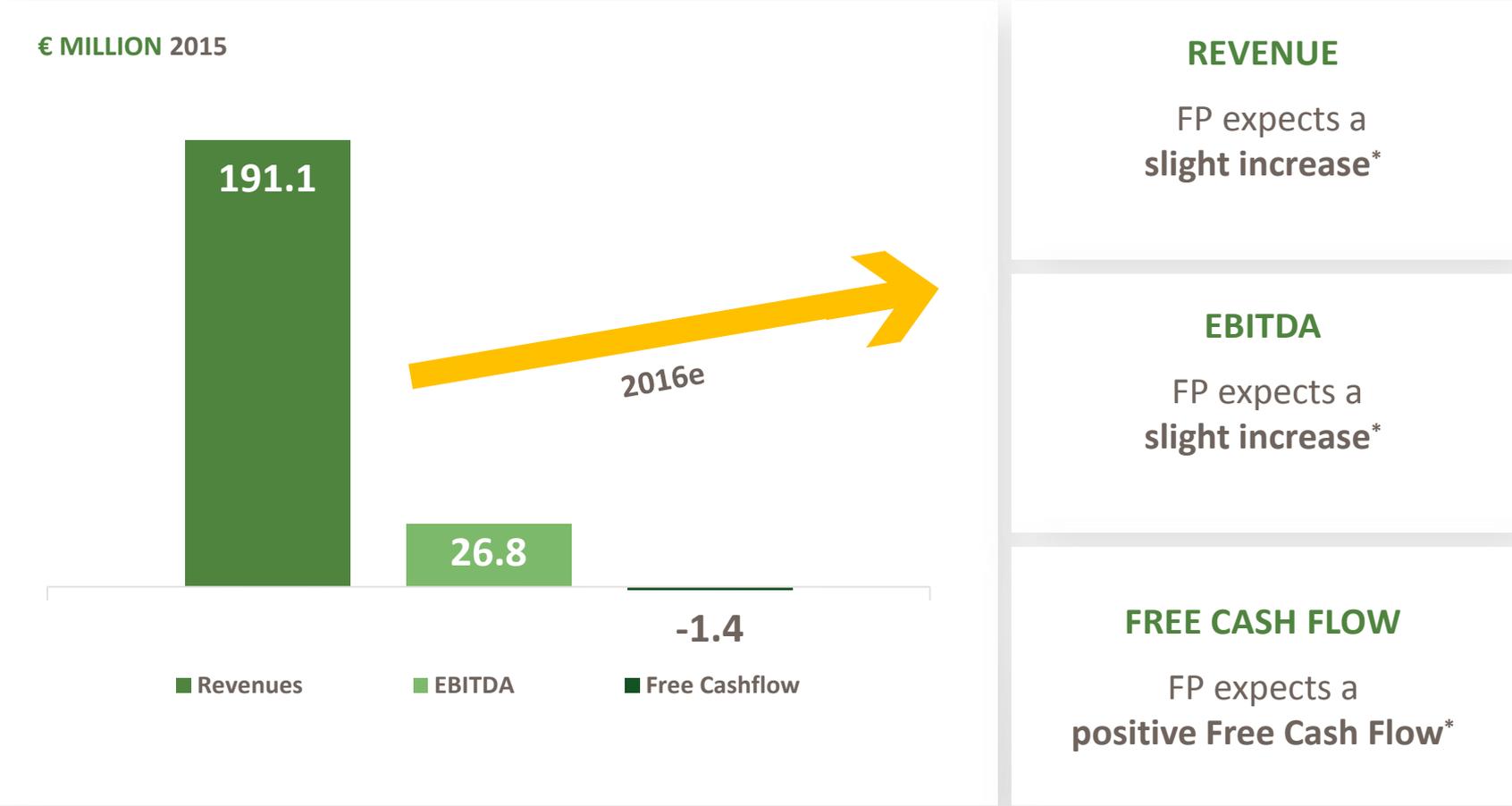
Review of FP 2020 strategy and  
presentation of the first results

START  
JANUARY 2016

PRESENTATION  
AUTUMN 2016



# FP IN 2016 – CONFIRMATION OF GUIDANCE



\* Based on constant average currency level of 2015.



# FP GROUP APPENDIX

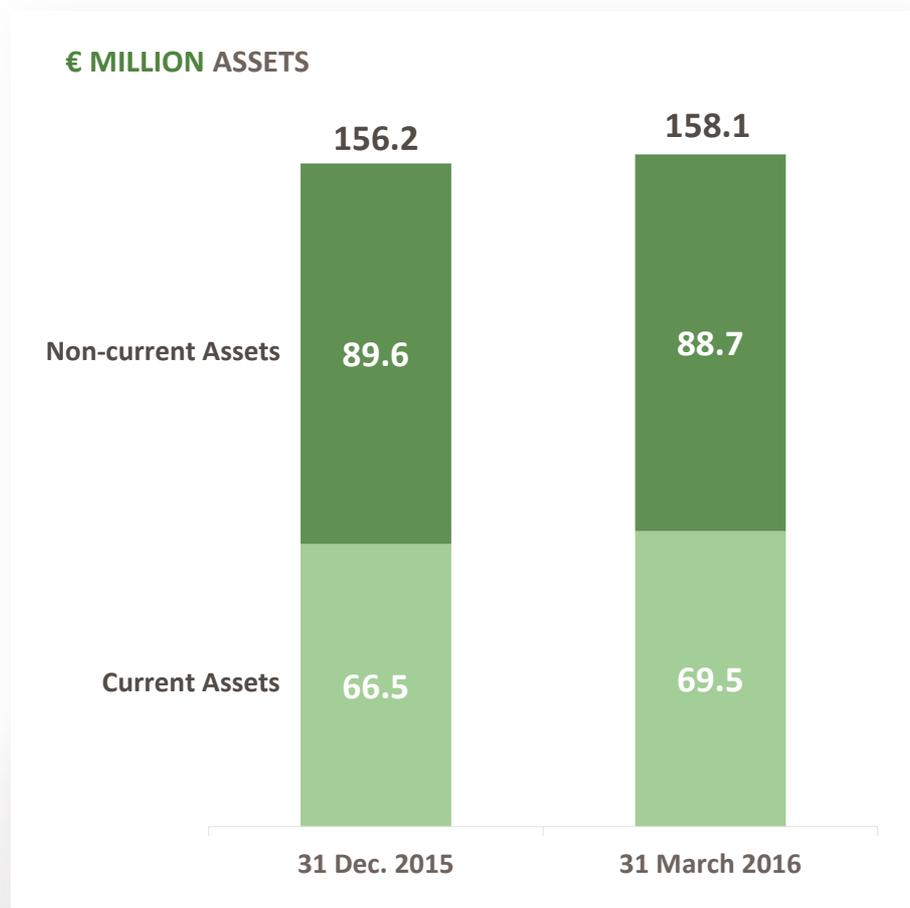
BERLIN | 25 MAY 2016

# CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME



€ MILLION	Q1 2015	Q1 2016	%
<b>Revenue</b>	<b>49.5</b>	<b>51.3</b>	<b>3.7</b>
Change in inventories	0.3	-0,5	n/a
Own work capitalised	3.8	3.5	-8.1
<b>Total output</b>	<b>53.6</b>	<b>54.3</b>	<b>2.1</b>
Material expenses	22.6	23.8	5.6
<b>Gross profit</b>	<b>31.0</b>	<b>30.5</b>	<b>-1.6</b>
as % revenue	62.3	60.0	
Personal expenses	14.1	14.4	1.9
Other income ./ expenses	-8.9	-8.0	n/a
<b>EBITDA</b>	<b>8.1</b>	<b>8.2</b>	<b>1.4</b>
as % of revenue	16.3	15.9	
Deprecation / Amortisation	4.0	4.2	4.0
<b>EBIT</b>	<b>4.0</b>	<b>4.0</b>	<b>-1.2</b>
Interest result	-0.3	-0.2	-20.5
Financial results	1.8	0.1	-92.8
Tax results	-2.1	-1.4	-34.9
<b>Net profit</b>	<b>3.5</b>	<b>2.5</b>	<b>-27.4</b>
<b>EPS (€ undiluted)</b>	<b>0.21</b>	<b>0.15</b>	<b>-28.5</b>

# CONSOLIDATED BALANCE SHEET ASSETS

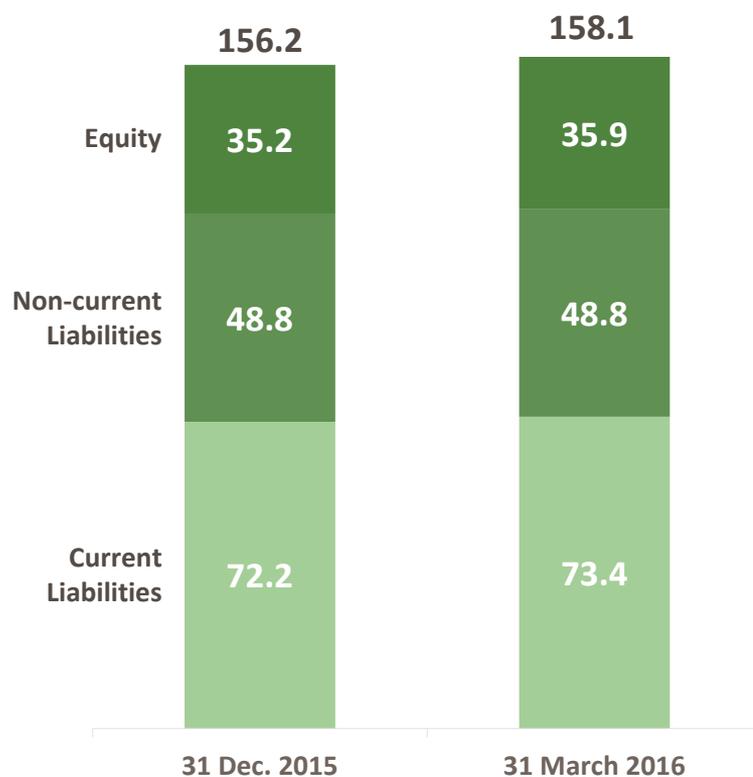


- **Decrease of tangible assets** due to currency effects
- **Increase of cash and cash equivalents and trade receivables**

# CONSOLIDATED BALANCE SHEET EQUITY AND LIABILITIES



## € MILLION EQUITY AND LIABILITIES



- Equity ratio on previous year's level 22.7%

# FP STOCK INFORMATION



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

## Shareholder Structure

3R Investments	10.3%
INKA mbH	10.2%
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

# FINANCIAL CALENDAR



**25 May 2016**

Presentation Results 1st Quarter 2016

**7th June 2016**

Annual Shareholder Meeting 2016

**25 August 2016**

Presentation Results for the Half-year 2016

**17 November 2016**

Presentation Results 3rd Quarter 2016