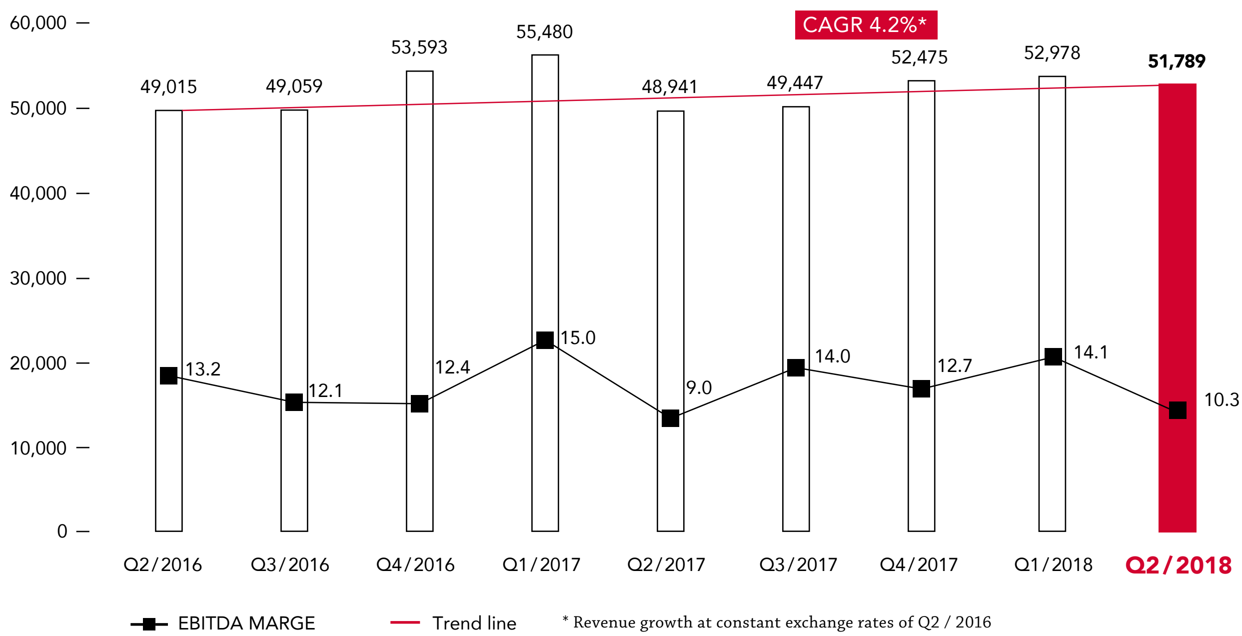
GERMAN MAILGENEERING

2018
Interim Financial Report

Key Figures

REVENUE BY QUARTER (in EUR thousand)



FIGURES IN ACCORDANCE WITH CONSOLIDATED FINANCIAL STATEMENTS (in EUR thousand)

	Q2/2016	Q3/2016	Q4/2016	Q1/2017	Q2/2017	Q3/2017	Q4/2017	Q1/2018	**Q2/2018**
Revenue	**49,015**	**49,059**	**53,593**	**55,480**	**48,941**	**49,447**	**52,475**	**52,978**	**51,789**
Per cent change to prior year quarter	7.2	6.4	7.7	8.1	−0.2	0.8	−2.1	−4.5	5.8
Revenue (excl. currency effects)									52,942
Per cent change to prior year quarter									8.2
EBITDA	6,480	5,955	6,623	8,306	4,403	6,919	6,688	7,447	5,324
as percentage of revenue	13.2	12.1	12.4	15.0	9.0	14.0	12.7	14.1	10.3
EBITDA (adj. *)									6,773
as percentage of adjusted revenue									12.8
Consolidated net income	1,476	1,258	933	2,198	−70	1,252	1,269	2,196	954
as percentage of revenue	3.0	2.6	1.7	4.0	−0.1	2.5	2.4	4.1	1.8
Adjusted free cash flow **				4,251	2,457	1,270	1,807	3,413	89
Shareholders equity	35,689	36,593	35,946	38,267	33,497	33,587	32,959	34,000	34,425
as percentage of balance sheet total	20.8	21.6	21.5	22.8	20.7	20.2	19.4	20.2	19.8
Net debt ***	16,882	17,998	19,786	17,709	18,632	18,778	19,460	17,342	21,372
Net debt ratio ***	47	49	55	46	56	56	59	51	62
Share price end of period (EUR)	**3.88**	**4.26**	**5.49**	**5.28**	**5.98**	**4.74**	**4.66**	**3.80**	**3.31**
Earnings per share (EUR)	**0.09**	**0.08**	**0.04**	**0.14**	**−0.01**	**0.08**	**0.08**	**0.14**	**0.06**

* Adjusted for currency effects and JUMP expenses
** Key indicator since beginning of 2017. Additionally adjusted for JUMP payments since 2018 / Q1.
*** Figures for 2016/Q1 - 2016/Q3 adjusted in 2016/Q4.

First positive impacts of the ACT strategy: Increase in revenue and income in the first half of 2018

Adjusted for currency effects, revenue grows by 3.3% to EUR 107.9 million

EBITDA before currency effects and expenses for the ACT project JUMP increased by 22.1% to EUR 15.5 million

Consolidated net income increases by 48% to EUR 3.1 million (EPS EUR 0.20)

Adjusted free cash flow reached EUR 3.5 million

ACT project JUMP gains momentum – announced non-recurring expenses expected in the second half of the year 2018

Forecast for 2018 fiscal year confirmed

Q2 2018
HIGHLIGHTS

MAY

FP became a technology partner of Amazon Web Services (AWS) in the Internet of Things

The FP Secure Gateway is a development derived directly from franking system technology and our core areas of expertise in sensor technology, actuator technology, connectivity and cryptography. It serves as a key element for high-security data transmission in the Internet of Things (IoT), has been extensively tested by the global leader in cloud services, and is now part of the AWS Partner Network. It is currently the only hardware security module and the only one with the FIPS140-2 Security Level 3: An important step in actively marketing this innovative technology.

MAY/JUNE

FP strengthened its Internet of Things business area as a result of the acquisition of Tixi.com

The FP Group accelerated its entry into the future market and acquired Berlin-based IoT specialist Tixi.com. Business continued under the FP brand. Tixi.com has 15 employees and has sold over 30,000 gateways so far. The big advantage: The gateways can be connected to almost every controller and every meter and can be networked with cloud platforms for data transmission. However, they do not have the high security features of FP Secure Gateways. Both gateways complement each other optimally – a perfect deal for FP.

Francotyp-Postalia established important partnerships for the solution FP Sign

In the second quarter, FP Group established important partnerships in the Software segment. The software provider Landwehr integrated the digital signature solution FP Sign in its solutions for recruitment agencies and temporary employment agencies. This enables companies to sign contracts legally online and exchange them confidentially and securely via the cloud. FP Sign has also recently been used by a leading German automotive group. The solution is used there as an integrated component of simpressive, a software solution from simpressive GmbH & Co. KG.

JUNE

Patricius de Gruyter was appointed as Chief Sales Officer of the FP Management Board

As at 1 June 2018, Patricius de Gruyter was newly appointed to the Management Board of Francotyp-Postalia Holding AG (FP). De Gruyter is responsible for all national and international sales and marketing activities at FP. De Gruyter has been working closely with the Management Board for almost a year and is thus already involved in several key ACT projects. This ensured a smooth transition.

AUGUST

FP acquired online dealer for franking machine accessories in the US

The FP Group acquired the operations of a US online dealer for franking machine accessories. As part of the ACT growth strategy, FP is using this acquisition to strengthen its sales activities in the US, expanding its customer base and accelerating growth in market share. The online dealer acquired generated revenue of USD 1.5 million in fiscal year 2017.

A successful quarter for FP's digital products. FP Sign is now being used at a leading automotive OEM and Landwehr Software. The new product ISReasy supports customers with infrastructure discount. The Tixi acquisition is strengthening our IoT business.

Sven Meise,
CDO

To make even better use of our potential and to open up new potential, we are fundamentally reshaping FP. The planning for clearer structures and more efficient processes has been completed. We are now starting to systematically implement the necessary transformation.

Rüdiger Andreas Günther,
CEO / CFO

Revenue growth and expansion of the installed base of machines showing in strategic markets: With the ACT strategy, we continue to grow in our core business! We are now also increasingly motivating our sales team to sell digital products.

Patricius de Gruyter,
CSO

1st half year 2018

INTERIM GROUP MANAGEMENT REPORT

Please note that there may be rounding differences compared to exact mathematical figures (monetary units, percentages, etc.).

1. Group Principles

1.1 Operating Activities

Francotyp-Postalia Holding AG (FP Group, FP, Francotyp-Postalia or the company), which has its headquarters in Berlin, is an expert in secure mail business and secure digital communication processes. As market leader in Germany and Austria, the FP Group offers products and services in the areas “Franking and Folding / Inserting”, “Mail Services” and “Software” for the efficient processing of mail, consolidation of business mail, and digital solutions for companies and authorities. Francotyp-Postalia has subsidiaries based in ten different countries and is represented by its own trading network in an additional 40 countries. With a company history spanning 95 years, FP possesses a unique DNA in the areas of actuating elements, sensor systems, cryptography and connectivity. FP’s global market share for franking systems is more than eleven percent.

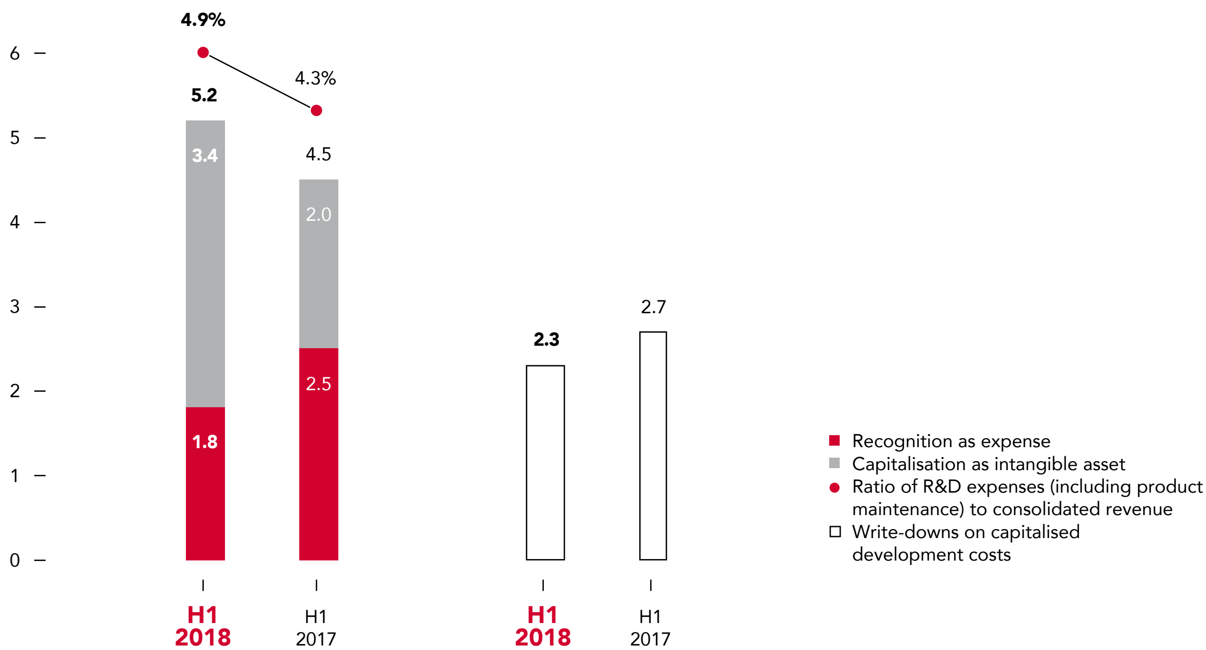
In its *Franking and Inserting* segment, the FP Group concentrates on developing and manufacturing franking systems. With the help of these systems, customers can automatically frank their mail quickly. This is not only efficient, but also reduces postage costs. FB leases and sells these systems as well as folding / inserting systems that automatically package the printed letters in envelopes. The main revenue generator is the after-sales business, which generates recurring revenue from the sale of consumables such as tape or ink cartridges, services, software solutions for cost centre management and the Teleporto service.

In the *Mail Services* segment, FP collects the letters from the customer and franks them in line with customer wishes if it hasn’t already been done. All letters are automatically sorted according to postcodes and delivered to the respective Deutsche Post mail centre or to an alternative mail service provider. With eight sorting centres in Germany, the FP Group is the leading independent consolidator of business mail in Germany. The biggest FP centre for consolidation is in Langenfeld near Düsseldorf – it is supported by seven other centres, including in Leipzig, Munich, Hamburg, Frankfurt and Berlin.

The *Software Solutions* segment comprises hybrid mail services and solutions for fully digital communication. Customers send their letters digitally with the assurance of the highest security standards. FP handles printing, inserting, franking and delivery to the mail delivery company in a highly-efficient manner – all from one source (FP Outbound). Recipients normally receive a traditional letter. And vice versa: FP Inbound complements the Outbound service. FP handles incoming mail. Letters to the customer are received, digitised, analysed according to the customer’s specific criteria and fed into the customer’s data or document system in electronic form. A pioneering product in the Software segment is FP Sign, a cloud-based solution for the legally binding digital signing and exchange of contracts and documents. The FP Group has recently been providing products for the Internet of Things.

1.2 Research and Development

RESEARCH AND DEVELOPMENT COSTS (in EUR million)



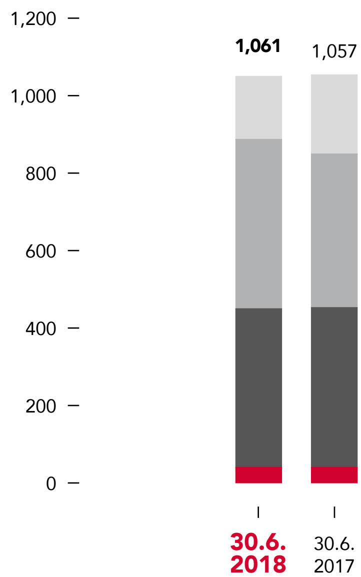
In the first half of 2018, research and development costs increased by 15.2% year on year to EUR 5.2 million. The share of capitalised development costs in the period's total research and development costs (capitalisation rate) increased from 44.1% to 65.7% in the reporting period.

As planned, the development work in connection with implementing the ACT strategy in the first half of 2018 prioritised the development of the new PostBase generation – market launch scheduled for Q1 2019 –, the further development of the discoverFP customer portal and the development of FP Sign. In the same period of the previous year, the focus was still on market research and feasibility studies.

1.3 Employees

The following provides a segment breakdown of employees as at 30 June 2018 and 2017:

NUMBER OF EMPLOYEES (by segment as at the reporting date)



	30.6.2018	30.6.2017
Production	206	164
Sales Germany	400	441
International Sales	416	413
Central Functions	39	39

The increase in the number of employees in the Production segment in the first half of 2018 is attributable essentially to the first-time consolidation of IoT specialist Tixi.com in June 2018 and the concentration of the production-related activities at the Wittenberge site that had begun in the previous year. The decline of employees in the Sales Germany segment in the first six months of 2018 was due essentially to the continuation of the realignment of sales and customer service in the Franking and Inserting segment. Measures to increase efficiency were initiated in the Software segment in the previous year, which resulted in a lower number of employees year on year.

2. Economic Conditions

The economic environment in the home market of Germany remained positive. Following growth in the German economy of 0.4% in the first quarter of 2018, gross domestic product (GDP) increased by 0.5% quarter on quarter in the second quarter of 2018.

The US economy significantly increased its growth rate. According to preliminary figures, GDP in the FP Group's largest foreign market increased by 4.1% on an annualised basis in the second quarter of 2018. Thus, the US economy grew faster in spring 2018 than it had in almost four years.

The euro / US dollar exchange rate plays an important role when it comes to the FP Group's exports to the USA and other markets. Having appreciated against the US dollar shortly after the start of 2018, the euro fell in the second quarter of 2018; As at 30 June 2018, the rate was USD 1.16, thus approximately 3% below the previous year's closing price. However, in the first half of 2018, on average the euro traded against the US dollar at approximately 12% above the level in the previous year. The British pound sterling has remained relatively stable in the first half of 2018. As at the end of the first half of 2018, at GBP 0.89 the rate was approximately at the level of the beginning of the 2018 fiscal year. In comparison with the same period of the previous year, the euro traded against the US dollar at approximately 2% again.

The microeconomic conditions in the core business remain challenging, but FP still sees good growth opportunities. Post office statistics report that over 300 billion letters continue to be sent worldwide every year – mostly in Europe and North America. The global mail volume has been decreasing for several years. This decline is changing the market for franking systems and leading to slight decreases overall. The A segment, the FP Group's domain, is an exception to this rule. The four largest markets, the US, the UK, France and Germany, have grown here since 2010.

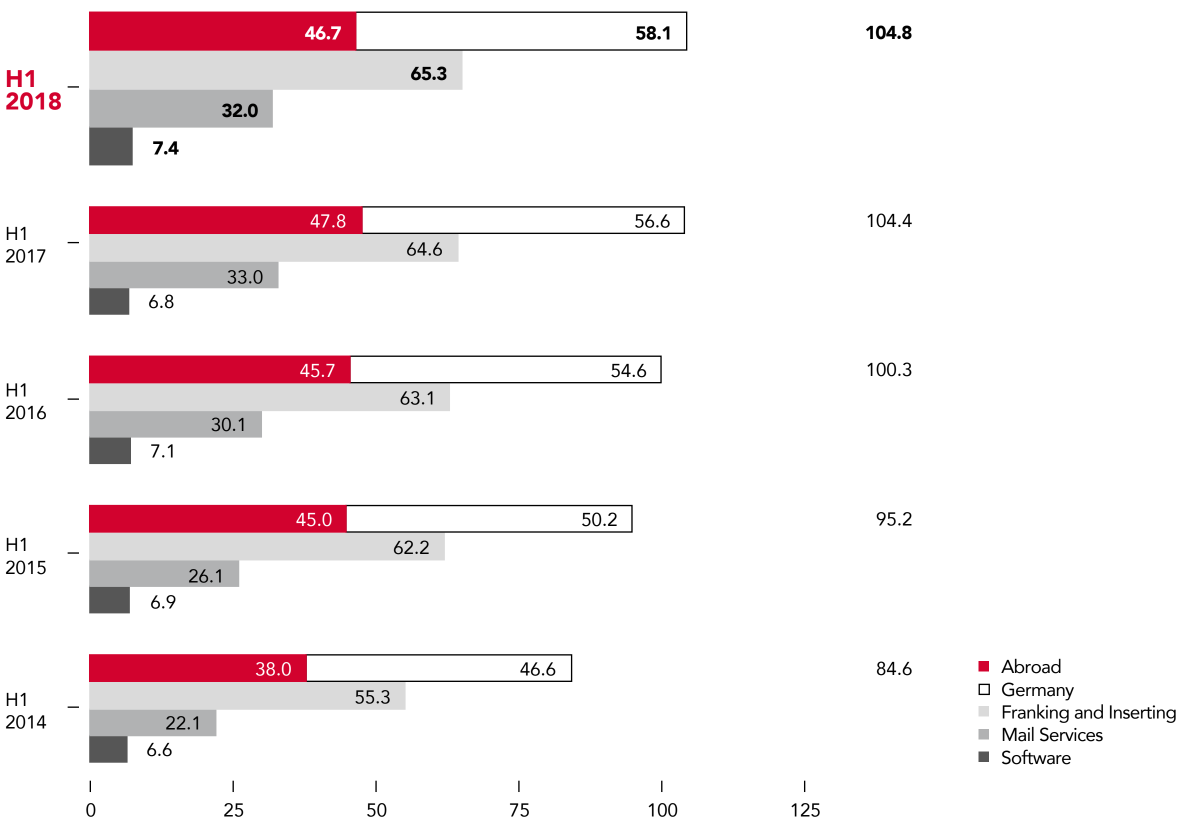
3. Income Situation

3.1 Changes in Material Items in the Consolidated Statement of Comprehensive Income

in EUR million	**H1 2018**	H1 2017	Q2 2018	Q2 2017
Revenue	104.8	104.4	51.8	48.9
Change in inventories	0.6	0.5	0.5	–0.2
Other own work capitalised	6.8	5.1	3.4	3.0
Overall performance	112.2	110.0	55.7	51.8
Other income	1.7	1.1	0.4	0.3
Cost of materials	52.3	51.8	25.6	24.3
Staff costs	31.0	30.3	16.1	15.1
Other expenses	17.7	16.3	9.1	8.3
EBITDA	12.8	12.7	5.3	4.4
Amortisation, depreciation and write-downs	8.6	9.8	4.3	5.0
EBIT	4.2	2.9	1.0	–0.6
Net interest income	0.3	0.7	0.1	0.6
Other financial result	0.3	–0.3	0.3	–0.1
Income taxes	–1.7	–1.1	–0.5	0.0
Consolidated net income	**3.1**	**2.1**	**1.0**	**–0.1**

3.1.1 Revenue development

CONSOLIDATED REVENUES (in EUR million)



In the first half of 2018, the FP Group maintained its growth trajectory and increased its revenues by 0.3% year on year to EUR 104.8 million. On a quarterly basis, total revenue increased by as much as 5.8% to EUR 51.8 million in the second quarter of 2018. Revenue development was negatively impacted by the strong euro against the US dollar in particular; the cumulative effect of negative exchange rate effects across all currencies on revenues in the first six months was EUR 3.1 million.

Revenue in the traditional franking and inserting business increased by 1.1% to EUR 65.3 million in the first half of 2018, despite the strong euro. Adjusted for negative exchange rate effects, the company generated a growth rate of 5.9% in the core business.

In the German domestic market, the FP Group increased its revenue by 2.6% year on year to EUR 58.1 million in the first half of 2018. In the Franking and Inserting segment, the company's revenue in Germany was up significantly by 11.2% at EUR 18.7 million. Revenues in the Mail Services business decreased by 3.0% year on year to EUR 32.0 million. The volumes of processed letters in the consolidation business was stable. The decline in revenue is due primarily to the largely completed realignment of this product area and to changes in the customer and product mix. In the first six months of 2018, FP increased its revenue by 9.3% to EUR 7.4 million in the Software segment. The business with hybrid mail services contributed to growth again after the decrease in fiscal year 2017. With the expansion of sales partnerships for the signature solution FP Sign, the FP Group laid important foundations for future growth in the Software segment in the first half of 2018, although no significant revenue has yet been achieved with this innovative product. With IoT solutions, the FP Group is expanding its performance range in the Software segment. As expected, in the first half of 2018, the contribution to revenue following first-time consolidation of the IoT specialist Tixi acquired in June 2018 was not yet material.

Owing to strong headwind as a result of currency effects, revenue outside Germany decreased by 2.3% year on year in the first half of 2018. Adjusted for currency effects, the FP Group achieved growth of 4.2% in foreign business in the first six months of 2018. As a result, FP further increased the number of existing franking systems in the strategically significant markets of the US and France.

REVENUE by product and service

in EUR million	H1 2018	H1 2017	Change in %	Q2 2018	Q2 2017
Product sales income	22.5	21.6	3.9	11.7	10.3
Franking	18.1	17.2	5.5	9.7	8.2
Inserting	3.6	3.8	–3.2	1.9	1.8
Other	0.7	0.7	4.6	0.2	0.3
Recurring revenue	82.3	82.8	–0.6	40.0	38.7
Equipment hire	16.1	17.1	–6.0	8.2	8.5
Service / customer service	10.6	9.6	10.1	5.5	4.1
Consumables	11.7	11.5	1.2	5.5	5.6
Teleporto	4.5	4.7	–4.8	2.2	2.4
Mail Services	32.0	33.0	–3.0	15.0	15.2
Software	7.4	6.8	9.3	3.6	2.9
Total	104.8	104.4	0.3	51.8	48.9
Non-recurring revenue in %	21.4	20.7		22.7	21.0
Recurring revenue in %	78.6	79.3		77.3	79.0

The year-on-year increase in income generated in the first half of 2018 from product sales in the core business is attributable in particular to the sales successes in the domestic market of Germany and the growth in the strategically important market of France. Adjusted for currency effects, revenue growth of as much as 7.9% was achieved in product sales in the first six months of 2018.

The decrease in revenue from the leasing of franking systems is due mainly to the strong euro compared with the US dollar; Adjusted for currency effects, the FP Group increased its rental revenue further by 2.9% compared to the first half of 2017. The significant increase in the service business is due primarily to costly software updates in connection with postage changes in Sweden, Austria and Belgium. Recurring revenue was also negatively affected by exchange rate effects in the reporting period (EUR –2.2 million); adjusted for this, the FP Group recorded growth of 2.1% in recurring revenue in the first six months of 2018.

3.1.2 Other own work capitalised

The sharp increase in own work capitalised in the first half of 2018 (+33.5% year on year) is due primarily to the planned ACT investment in new products and increased investment in leased products mainly for the US and France lease markets. The development costs reported in own work capitalised significantly increased by EUR 1.4 million to EUR 3.4 million compared to the first half of 2017 – primarily due to the development of the new PostBase generation – market launch schedules for Q1 2019 –, the further development of the discoverFP customer portal and the development of FP Sign. The additions to leased products reported therein amounted to EUR 3.4 million in the first six months of 2018 compared with EUR 3.1 million in the same period of the previous year.

3.1.3 Other income

Various factors influenced other income in the first half of the year, leading to an overall increase of EUR 0.5 million year on year. Income from statute-barred liabilities of EUR 0.4 million (previous year: EUR 0.0 million) offset the decline in income from cost subsidies and grants (EUR 0.0 million compared with EUR 0.4 million in the first half of 2017).

3.1.4 Cost of materials

In connection with revenue development, cost of materials increased slightly by 1.0% in the first half of 2018 compared to the same period of the previous year. At 49.9%, the cost of materials ratio remained approximately at the previous year's level.

3.1.5 Staff costs

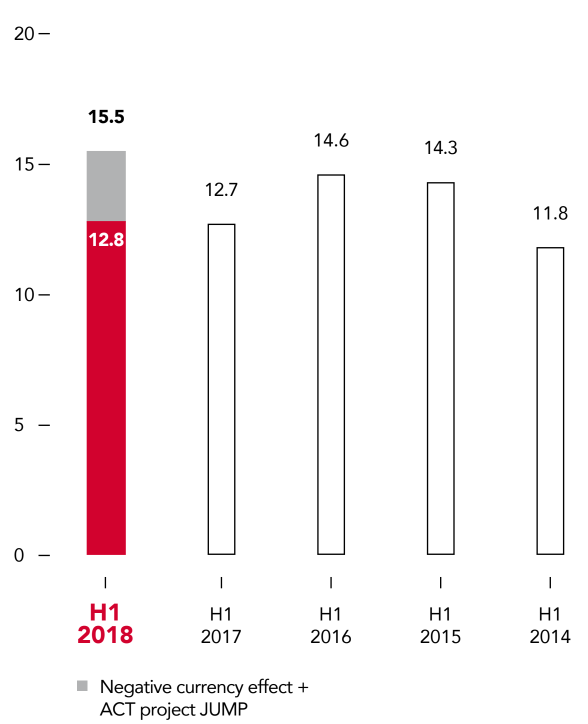
The FP Group's staff costs increased by 2.3% year on year to EUR 31.0 million in the first six months of 2018. In addition to general salary increases, this essentially reflected the effects of the expansion of the international sales team and the headcount increase in administrative areas of the Group in connection with the implementation of the ACT strategy in the previous year. Staff costs also include staff-related provisions for the ACT project JUMP of EUR 0.4 million. The drop in the number of employees in the Sales Germany segment and exchange rate effects reduced staff costs by EUR 0.7 million in the first half of 2018. The staff cost ratio increased slightly to 29.6%, compared with 29.0% in the previous year.

3.1.6 Other expenses

Other expenses increased by 8.5% year on year to EUR 17.7 million in the first half of 2018. In addition to expenses for staff-related costs such as staff leasing of EUR 1.4 million (previous year: EUR 0.9 million), increased expenses for packaging and freight of EUR 1.5 million (previous year: EUR 1.3 million), higher expenses for rents and leases of EUR 2.0 million (previous year: EUR 1.9 million), expenses for consulting services in the ACT project JUMP of EUR 0.4 million impacted other expenses in the reporting period. Other expenses were also positively affected in the first half of 2017 by the reversal of a provision for uncertain liabilities of EUR 0.5 million because the reasons for it ceased to exist.

3.1.7 EBITDA

EBITDA (in EUR million)



The FP Group's EBITDA increased slightly by 0.5% to EUR 12.8 million in the first half of 2018. At 12.2%, the FP Group's EBITDA margin achieved the level of the same period in the previous year. On a quarterly basis, EBITDA increased by 20.9% to EUR 5.3 million in the second quarter of 2018 compared with the same period of the previous year.

In the first six months of 2018, currency effects and the development of the euro against the US dollar in particular negatively impacted earnings before interest, taxes, depreciation and amortisation. The negative exchange rate effects across all currencies on EBITDA in the first half of 2018 totalled EUR 1.8 million. In addition, earnings in the first half of 2018 were impacted by the JUMP project, a key sub-project within the ACT growth strategy. EBITDA includes total expenses for the JUMP project totalling EUR 0.9 million.

Adjusted for exchange rate effects and the expenses for the ACT project JUMP, EBITDA increased by 22.1% year on year to EUR 15.5 million (corresponding to a 14.4 % EBITDA margin).

3.1.8 Amortisation, depreciation and write-downs

Both in absolute terms and in relation to revenue, amortisation, depreciation and write-downs decreased as planned in the first half of 2018 compared with the same period of the previous year. The development is attributable essentially to a decline in depreciation on leased products including finance lease assets by EUR 0.7 million to EUR 4.2 million and amortisation of internally generated intangible assets by EUR 0.4 million to EUR 2.3 million.

3.1.9 EBIT

EBIT for the first half of 2018 significantly improved by 46.1% compared to the same period of the previous year to EUR 4.2 million due to the slightly higher EBITDA and lower depreciation and amortisation. On a quarterly basis, the FP Group generated EBIT of EUR 1.0 million in the second quarter of 2018 (same period of the previous year: EUR –0.6 million).

3.1.10 Net interest income

The decline in net interest income in the first half of 2018 resulted primarily from non-recurring effects of tax-related interest income in the previous year. In the first half of 2017, the FP Group generated net interest income of EUR 0.5 million from the successful conclusion of mutual tax agreement procedures in accordance with the EU Arbitration Convention. In the first six months of 2018, the FP Group generated higher net interest income from finance leases (EUR 1.0 million compared to EUR 0.7 million in the same period of the previous year). Non-recurring interest expenses of EUR 0.1 million as a result of tax audits had a negative impact.

3.1.11 Other financial result

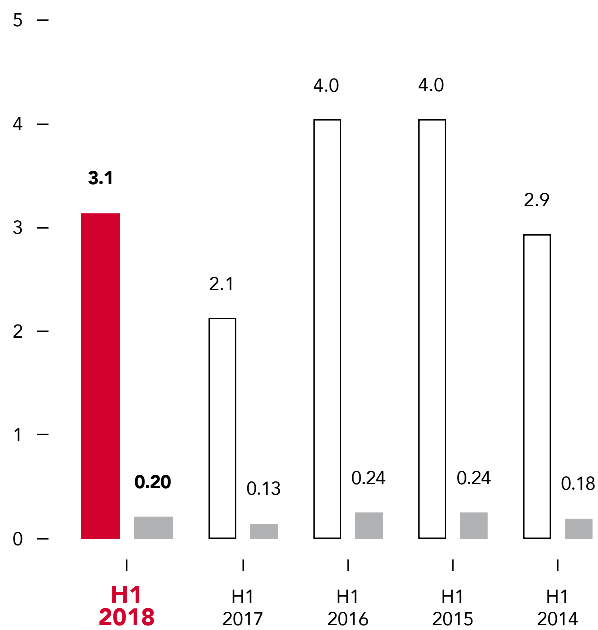
The FP Group posted a positive other financial result of EUR 0.3 million in the first half of 2018 compared with EUR –0.3 million in the same period of the previous year. This development is due primarily to exchange rate effects affecting the measurement of statement of financial position items at the reporting date.

3.1.12 Income taxes

Income taxes amounted to EUR –1.7 million in the first half of 2018 after EUR –1.1 million in the previous year. This corresponds to an unchanged tax rate of 34.5%.

3.1.13 Consolidated net income

CONSOLIDATED NET INCOME
(in EUR million and EPS (basic) in EUR)



In the first half of 2018, consolidated net income significantly improved as a result of higher earnings before tax and lower income taxes year on year. As a result, earnings per share (EPS) increased to EUR 0.20 in the first six months of 2018 after EUR 0.13 (basic / diluted) in the previous year.

3.1.14 Summary of results per segment

SUMMARY OF RESULTS PER SEGMENT

	Revenue [1]			EBITDA		
in EUR million	**H1 2018**	H1 2017	Change in %	**H1 2018**	H1 2017	Change in %
Production	2.1	2.4	–14.4	5.7	5.3	7.0
Sales Germany	57.7	56.3	2.5	3.5	3.8	–7.8
International Sales	45.0	45.7	–1.5	13.3	10.0	32.9
Central Functions	–	–	–	–5.0	–4.1	–
Group [2]	104.8	104.4	0.3	12.8	12.7	0.5

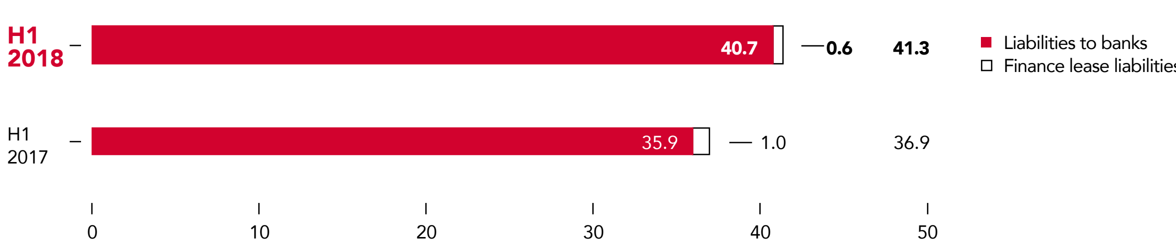
	Revenue [1]			EBITDA		
in EUR million	**Q2 2018**	Q2 2017	Change in %	**Q2 2018**	Q2 2017	Change in %
Production	1.1	1.0	8.6	2.3	3.0	–23.4
Sales Germany	26.8	26.1	2.8	1.1	1.1	4.6
International Sales	23.6	21.9	7.7	6.1	4.5	34.5
Central Functions	–	–	–	–3.0	–2.3	–
Group [2]	51.8	48.9	5.8	5.3	4.4	20.9

1) Revenue with third parties.
2) Further information on the Group reconciliation can be found in the notes to the consolidated financial statements.

4. Financial Position

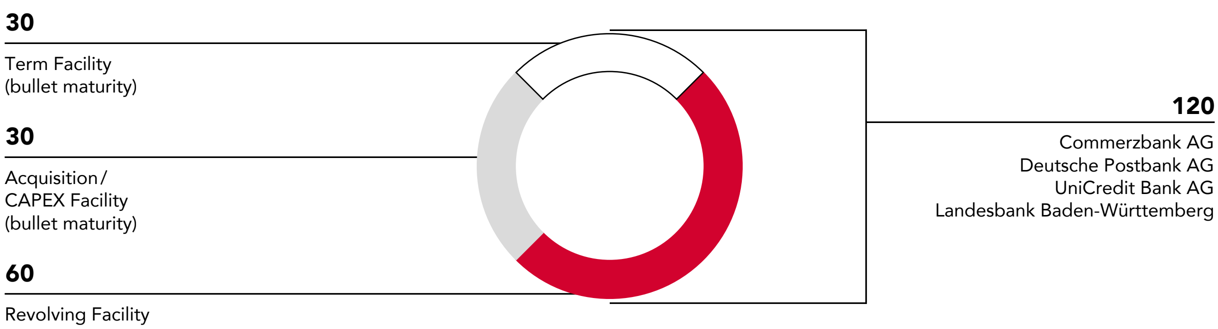
4.1 Financing Analysis

FINANCIAL LIABILITIES (in EUR million)



To finance itself, the FP Group uses primarily cash flow from operating activities, along with existing or adjusted loan agreements with financial institutions and finance leases of less than one year.

SYNDICATED LOANS (in EUR million)



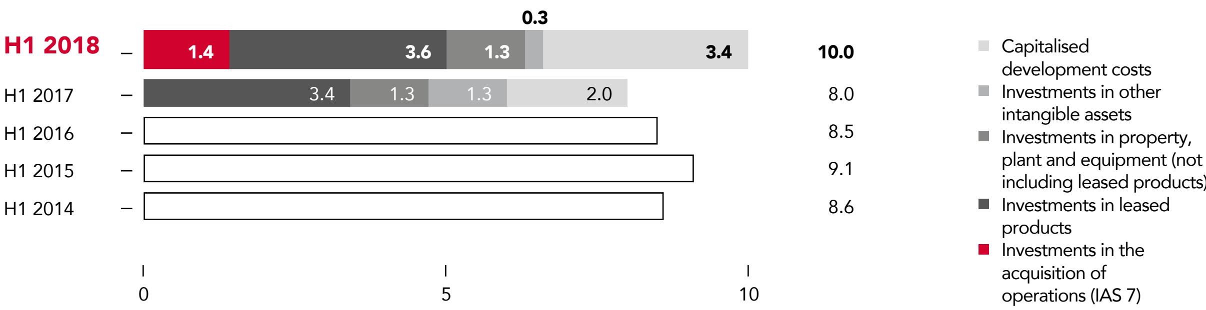
The syndicated loan agreement for EUR 120.0 million concluded in 2016 with a strong syndicate of international banks has an original duration to 14 June 2021. The financing documents on the basis of the British Loan Market Association (LMA) include an option to increase the loan by EUR 30.0 million.

Other key conditions of the syndicated loan agreement include the option to utilise part of the loan facility in foreign currency. The loan agreement also provides financing security for acquisitions. Furthermore, the FP Group has entrepreneurial headroom to enter into additional financial obligations. Overall, the syndicated loan agreement forms the basis for the FP Group's financial stability and flexibility.

Information on changes to company equity in the first half of 2018 can be found in section 5.2 Equity.

4.2 Investment Analysis

INVESTMENT (in EUR million)



In the first half of 2018, the FP Group also continued to make significant investments in future growth on the basis of the ACT strategy, including in product development, production and other core and supporting processes and in franking systems for lease markets.

At EUR 10.0 million, investment in the first six months of 2018 was significantly above the level of the first half of 2017 (EUR 8.0 million). In connection with the implementation of the ACT strategy, investment for the capitalisation of development costs increased by EUR 1.4 million to EUR 3.4 million. The FP Group also invested EUR 1.4 million in the acquisition of the operations of the Berlin-based IoT specialist Tixi.com in the first half of 2018. In the same period of the previous year, the FP Group invested the same amount in the acquisition of a customer list including leased products.

In the first half of 2018, the investment in leased products mainly in the US, Canada, the Netherlands, the UK and France increased by EUR 0.2 million to EUR 3.6 million.

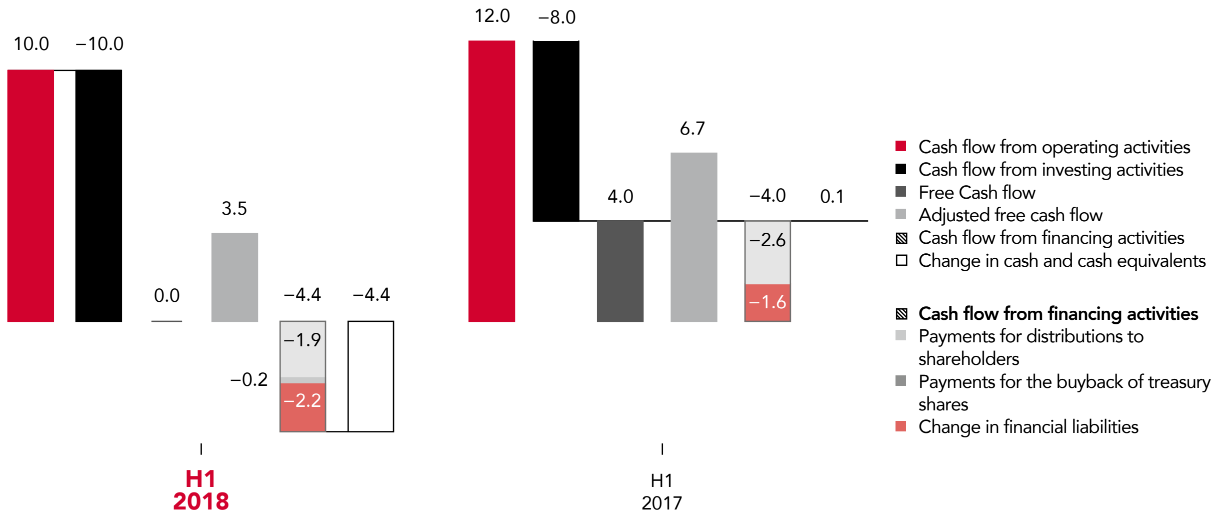
4.3 Liquidity Analysis

LIQUIDITY ANALYSIS

in EUR million	**01.01.–30.6.2018**	01.01.–30.6.2017
Cash flow from operating activities	10.0	12.0
Cash flow from investing activities	–10.0	–8.0
Free cash flow	0.0	4.0
Adjusted free cash flow*	3.5	6.7
Cash flow from financing activities	–4.4	–4.0
Change in cash and cash equivalents	–4.4	0.1
Change in cash due to currency translation	0.2	–0.5
Cash at beginning of period	24.1	18.7
Cash at end of period	**19.9**	**18.2**

* Adjusted for investments in finance lease assets and M&A and payments for JUMP.

LIQUIDITY ANALYSIS (in EUR million)



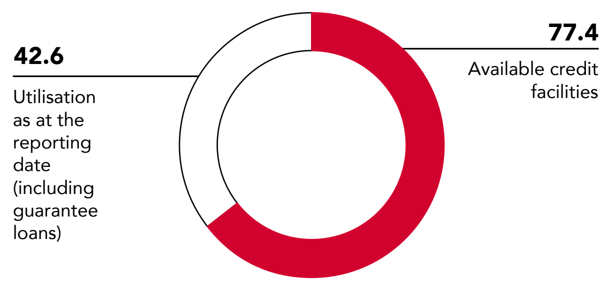
The decline in cash flow from operating activities in the first half of 2018 resulted in particular from higher working capital during the year, while EBITDA increased slightly. In addition, finance lease receivables increased by EUR 1.8 million. This is a result of the greater use of finance leases to boost sales and retain customers. A non-recurring payment of EUR 1.4 million from the successful conclusion of mutual tax agreement procedures in accordance with the EU Arbitration Convention positively impacted cash flow from operating activities in the same period of the previous year.

In the first half of 2018, cash flow from investing activities increased primarily due to the increase in investment in new products and increased investment in leased products. Please see the investment analysis for more information about further changes.

Given the substantial investments, free cash flow decreased in the first six months of 2018. Adjusted for investment in finance lease assets of EUR 1.8 million (previous year: EUR 1.3 million) and investments in M&A of EUR 1.4 million (previous year: EUR 1.4 million) and first payments for the ACT project JUMP of EUR 0.3 million, the FP Group generated free cash flow of EUR 3.5 million, down on the previous year's figure of EUR 6.7 million.

In the first half of 2018, the change in cash flow from financing activities is attributable primarily to payments for distributions to shareholders of EUR 1.9 million and to the repayment of liabilities to banks of EUR 2.2 million.

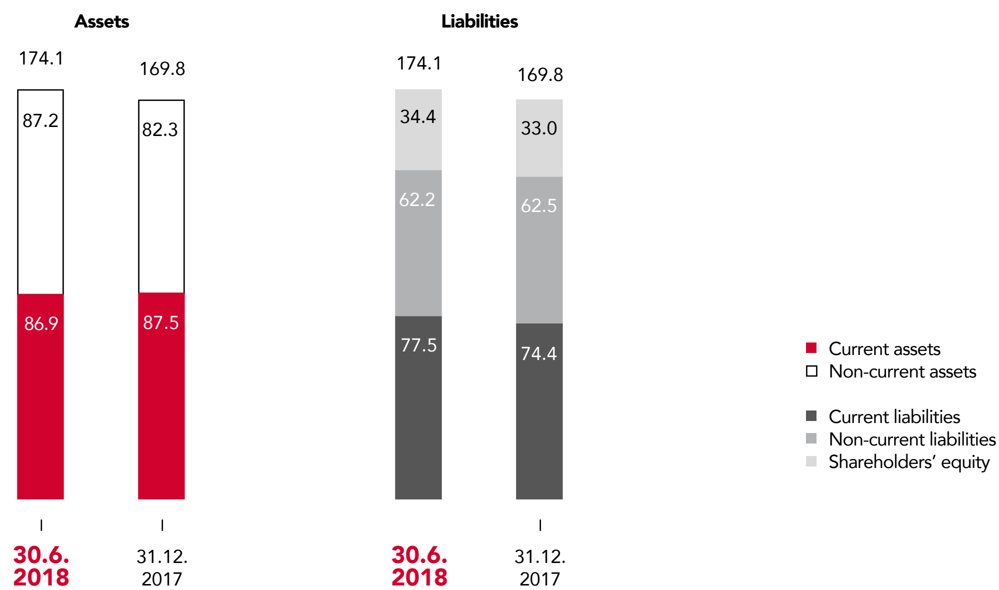
COMMITTED, BUT NOT FULLY UTILISED CREDIT FACILITIES (in EUR million)



In accordance with the syndicated loan agreement, the FP Group has undertaken to comply with two defined financial covenants: The credit conditions were complied with consistently throughout the reporting period. The FP Group was able to meet its payment obligations at all times in the first half of 2018.

5. Net Assets

STATEMENT OF FINANCIAL POSITION STRUCTURE (in EUR million)



The ACT growth strategy and the development in operating business also shaped the FP Group's statement of financial position as at 30 June 2018.

5.1 Non-Current and Current Assets

NON-CURRENT AND CURRENT ASSETS

in EUR million	30.06. 2018	31.12. 2017	Reason for change
Intangible assets	36.9	35.1	Increase as a result of acquisition of operations (EUR 1.0 million), of which increase in goodwill EUR 0.7 million
Property, plant and equipment	31.4	31.8	Slight decline in leased products and finance lease assets due to depreciation (EUR −0.3 million; adjusted for currency effects EUR −0.7 million)
Other assets	12.5	11.6	Intra-year increase in finance lease receivables (EUR 1.1 million), reclassification of other equity investments in current assets (EUR −0.2 million)
Tax assets	6.4	3.8	Significant increase in deferred tax assets
Non-current assets	**87.2**	**82.3**	
Inventories	12.2	10.6	Intra-year increase in raw materials, consumables and supplies and finished goods and merchandise
Trade receivables	19.6	18.7	Intra-year increase as part of working capital management
Other assets	24.8	23.2	Increase in finance lease receivables (EUR 0.7 million), increase in other current assets (EUR 1.0 million), of which EUR 0.2 million from reclassification (see above)
Securities and cash	30.4	34.9	Decline in cash and cash equivalents (EUR 4.2 million) and decrease in postage credit, managed by the FP Group (EUR 0.4 million)
Current assets	**86.9**	**87.5**	

5.2 Equity

As at 30 June 2018, the share capital of Francotyp-Postalia Holding AG amounted to EUR 16.3 million, divided into 16,301,456 no-par value bearer shares (31 December 2017: 16,301,456).

The resolution of the 2018 Annual General Meeting of 29 May 2018 on the dividend for fiscal year 2017 was implemented at the beginning of June 2018, and a dividend of EUR 1.9 million was paid to the company's shareholders.

In the period from 13 October 2017 to 12 January 2018, the company carried out a share buyback programme that had been resolved upon by the Management and Supervisory Boards. In total, up to 475,000 shares were to be acquired for a maximum total purchase price of EUR 3.0 million. As at 30 June 2018, the company held 398,493 treasury shares or 2.4% of the share capital (31 December 2017: 351,168 shares or 2.2% of the share capital). The nominal amount of the shares is openly deducted from equity. The difference of the purchase price is offset against capital reserves. Further information about authorised and contingent capital and conversion and option rights can be found in the 2017 annual report.

5.3 Non-Current and Current Liabilities

NON-CURRENT AND CURRENT LIABILITIES

in EUR million	30.6. 2018	31.12. 2017	Reason for change
Provisions for pensions and similar obligations	16.5	16.5	
Other provisions, deferred tax liabilities and other liabilities	4.6	2.8	Increase in deferred tax liabilities EUR 1.8 million
Financial liabilities	41.1	43.1	Decrease in liabilities to banks (EUR −2.0 million)
Non-current liabilities	**62.2**	**62.5**	
Tax liabilities	6.1	5.1	Increase in tax provisions (EUR 1.0 million)
Provisions	7.7	8.0	
Financial liabilities	0.2	0.4	
Trade payables	11.3	11.2	
Other liabilities (incl. hedging derivatives)	52.3	49.7	Intra-year increase in deferred income (EUR 1.6 million), decline in liabilities from other taxes (EUR 0.8 million) and other liabilities (EUR 1.4 million), decline in Teleporto liabilities (EUR −1.3 million)
Current liabilities	**77.5**	**74.4**	

An additional indicator for the FP Group's capital structure is the net debt ratio, which represents net debt over equity and is constantly monitored.

NET DEBT

in EUR million	30.6.2018	31.12.2017
Financial liabilities	41.3	43.5
Cash and cash equivalents	19.9	24.1
Net debt	**21.4**	**19.5**
Shareholders' equity	34.4	33.0
Net debt ratio in %	**62**	**59**

Due to increasing investments in ACT and in new products, the FP Group's net debt increased in the first half of 2018. Despite improved equity as at 30 June 2018, the company's net debt ratio increased slightly compared to 31 December 2017.

5.4 Leases

The FP Group offers both operating and finance leases. These business models are reflected in the company's statement of financial position. The "leased products" and "finance lease assets" items under non-current assets contain assets with a carrying amount of EUR 19.2 million (as at 31 December 2017: EUR 19.6 million), which are mostly leased to customers under operating leases. Finance leases with customers are reported in finance lease receivables; the non-current and current amounts totalled EUR 17.0 million as at 30 June 2018 (as at 31 December 2017: EUR 15.3 million). Without these business models, total assets would be EUR 137.8 million instead of EUR 174.1 million.

6. Events After the End of the Reporting Period

Information on significant events after the end of the interim reporting period can be found in section IV of the notes to the consolidated financial statements.

7. Risk and Opportunity Report

The FP Group's risks and opportunities are discussed in detail in the consolidated financial statements for the year ended 31 December 2017. In addition, there are currently no other risks and opportunities.

8. Forecast

The FP Group confirmed its forecast for the 2018 fiscal year. For fiscal year 2018, the FP Group anticipates a slight increase in revenue.

In 2018, it will accelerate the implementation of numerous ACT projects and measures and will also roll out the ACT project JUMP. FP is thus making the organisation fit for the future, which in fiscal year 2018 will lead to non-recurring expenses of between EUR 6.0 million and EUR 8.0 million. Adjusted for these expenses, the FP Group also expects a slight year-on-year increase in EBITDA.

Following substantial investments in the US lease market in the period from 2012 to 2015, the FP Group is anticipating a slight decline in depreciation and amortisation for 2018. Owing to growing investment in ACT and new products, the company expects free cash flow for 2018 to be positive but well below the previous year when adjusted for M&A and investments in finance lease assets, and before payments in connection with the JUMP project.

The anticipated development of financial performance indicators for the 2018 fiscal year is based on the assumption of constant exchange rates.

All of these disclosures are based on the information available at the end of the first half of 2018. The FP Group wishes to point out that the planning data as stated may differ from the actual figures subsequently recorded.

CONSOLIDATED FINANCIAL STATEMENTS

Consolidated Statement of Comprehensive Income for the Period from 1 January to 30 June 2018

in EUR thousand	H1 2018 1.1.–30.6.2018	H1 2017 1.1.–30.6.2017	Q2 2018 1.4.–30.6.2018	Q2 2017 1.4.–30.6.2017
Revenue	104,767	104,421	51,789	48,941
Increase/decrease in inventories of finished goods and work in progress	575	468	521	–160
	105,342	104,889	52,310	48,781
Other own work capitalised	6,838	5,124	3,390	3,047
Other income	1,650	1,113	404	303
Cost of materials				
a) Expenses for raw materials, consumables and supplies	18,347	18,179	9,370	8,547
b) Cost of purchased services	33,979	33,606	16,249	15,728
	52,325	51,785	25,619	24,275
Staff costs				
a) Wages and salaries	26,383	25,667	13,752	12,829
b) Social security contributions	4,075	4,107	2,095	2,025
c) Expenses for pensions and other benefits	547	522	255	266
	31,005	30,296	16,102	15,120
Amortisation, depreciation and write-downs	8,566	9,831	4,282	4,967
Other expenses	17,730	16,336	9,059	8,333
Net interest income				
a) Interest and similar income	1,012	1,269	535	899
b) Interest and similar expenses	755	604	403	304
	257	665	133	595
Other financial result				
a) Other financial income	965	745	381	584
b) Other finance costs	619	1,040	99	724
	345	–295	281	–140
Income taxes	–1,659	–1,120	–502	39
Consolidated net income	**3,149**	**2,128**	**954**	**–70**

in EUR thousand	**H1 2018 1.1.– 30.6.2018**	H1 2017 1.1.–30.6.2017	**Q2 2018 1.4.– 30.6.2018**	Q2 2017 1.4.–30.6.2017
Other comprehensive income				
Foreign currency translation of financial statements of foreign entities	596	–2,502	1,632	–2,267
of which taxes	61	–4	–28	–1
Provisions for pensions and partial retirement obligations in accordance with IAS 19 (rev. 2011)	0	–5	0	0
of which taxes	0	0	0	5
Cash flow hedges – effective part of changes to fair value	–85	0	–56	0
of which taxes	26	0	13	0
Cash flow hedges – reclassified to profit or loss	–80	249	–142	95
of which taxes	–35	–108	–8	–66
Other comprehensive income after taxes	431	–2,258	1,434	–2,172
Total comprehensive income	**3,580**	**–130**	**2,388**	**–2,242**
Consolidated net income, of which:	3,149	2,128	954	–70
Consolidated net income attributable to the shareholders of FP Holding	3,149	2,128	954	–70
Total comprehensive income, of which	3,580	–130	2,388	–2,242
Total comprehensive income attributable to the shareholders of FP Holding	3,580	–130	2,388	–2,242
Earnings per share (basic in EUR):	0.20	0.13	0.06	0.00
Earnings per share (diluted in EUR):	0.20	0.13	0.06	0.00

Consolidated Statement of Financial Position as at 30 June 2018

ASSETS

in EUR thousand	30.6.2018	1.1.2018 adjusted	31.12.2017
NON-CURRENT ASSETS			
Intangible assets			
Intangible assets including customer lists	20,658	21,578	21,578
Goodwill	9,177	8,494	8,494
Development projects in progress and advance payments	7,106	5,074	5,074
	36,942	35,146	35,146
Property, plant and equipment			
Land, land rights and buildings	2,789	2,784	2,784
Technical equipment and machinery	4,608	4,659	4,659
Other equipment, operating and office equipment	4,225	4,274	4,274
Leased products	18,697	18,384	18,384
Finance lease assets	550	1,208	1,208
Advance payments and assets under construction	511	446	446
	31,380	31,755	31,755
Other assets			
Associates	36	36	36
Other equity investments	0	163	163
Finance lease receivables [1]	12,285	11,212	11,234
Other non-current assets	153	153	153
	12,474	11,565	11,587
Tax assets			
Deferred tax assets	3,969	1,386	1,386
Current tax assets	2,446	2,446	2,446
	6,415	3,832	3,832
	87,212	**82,298**	**82,320**
CURRENT ASSETS			
Inventories			
Raw materials, consumables and supplies	4,586	3,892	3,892
Work in progress	785	747	747
Finished goods and merchandise	6,786	5,994	5,994
	12,157	10,633	10,633
Trade receivables [1]	**19,555**	**18,643**	**18,684**
Other assets			
Finance lease receivables [1]	4,747	4,028	4,037
Income taxes receivable	5,711	5,813	5,813
Derivative financial instruments	95	110	110
Other current assets [1]	14,249	13,257	13,271
	24,802	23,207	23,230
Securities	**675**	**676**	**676**
Cash and cash equivalents	**29,719**	**34,234**	**34,234**
	86,909	87,393	87,457
	174,121	**169,691**	**169,777**

1) Information on adjustments to the previous year can be found in Section I of the notes to the consolidated financial statements.

LIABILITIES

in EUR thousand	30.6.2018	1.1.2018 adjusted	31.12.2017
EQUITY			
Issued capital	16,301	16,301	16,301
Capital reserves	34,743	34,746	34,746
Stock option reserve	1,367	1,318	1,318
Treasury shares	–1,863	–1,625	–1,625
Loss carried forward [1]	–14,816	–17,557	–17,543
Consolidated net income	3,149	4,649	4,649
Total other equity	–4,456	–4,887	–4,887
	34,425	32,945	32,959
NON-CURRENT LIABILITIES			
Provisions for pensions and similar obligations	16,454	16,528	16,528
Other provisions	1,210	1,139	1,139
Financial liabilities	41,073	43,138	43,138
Other liabilities	28	70	70
Deferred tax liabilities [1]	3,391	1,607	1,576
	62,157	62,481	62,450
CURRENT LIABILITIES			
Tax liabilities	6,084	5,091	5,091
Provisions	7,686	7,965	7,965
Financial liabilities	234	412	412
Trade payables	11,263	11,210	11,210
Other liabilities [1]	52,271	49,586	49,689
of which telepostage EUR 26,022 thousand (previous year: EUR 27,281 thousand)	77,538	74,264	74,367
	174,121	**169,691**	**169,777**

Consolidated Cash Flow Statement for the Period from 1 January to 30 June 2018

in EUR thousand	**1.1.–30.6.2018**	1.1.–30.6.2017
1. Cash flow from operating activities		
Consolidated net income	3,149	2,128
Net income tax recognised in profit or loss	1,659	1,121
Net interest income recognised in profit or loss	−257	−665
Amortisation, depreciation and write-downs on non-current assets	8,566	9,831
Decrease (−)/increase (+) in provisions and tax liabilities	−314	−2,036
Loss (+)/gain (−) on the disposal of non-current assets	64	98
Decrease (+)/increase (−) in inventories, trade receivables and other assets not attributable to investing or financing activities (without finance lease)	−3,132	3,667
Decrease (+)/increase (−) in receivables from finance lease	−1,792	−1,336
Decrease (−)/increase (+) in trade payables and other liabilities [1] not attributable to investing or financing activities	3,005	62
Other non-cash income	95	−4
Public grants not yet received	0	−381
Interest received	1,012	1,269
Interest paid	−637	−580
Income taxes received	205	1,011
Income taxes paid	−1,615	−2,220
Cash flow from operating activities	10,007	11,964
2. Cash flow from investing activities		
Payments for the capitalisation of development costs	−3,366	−1,959
Payments for capitalised interest for development costs	−41	−23
Proceeds from disposals of non-current assets	35	21
Payments for investments in intangible assets	−342	−1,281
Payments for investments in property, plant and equipment	−4,896	−4,716
Payments for investments in the acquisition of operations (IAS 7)	−1,383	0
Cash flow from investing activities	**−9,993**	−7,957

in EUR thousand	**1.1.–30.6.2018**	1.1.–30.6.2017
3. Cash flow from financing activities		
Payments for distributions to shareholders	–1,908	–2,606
Bank loan repayments	–2,151	–1,015
Repayments of finance lease liabilities	–133	–549
Proceeds for the purchase of treasury shares	–241	0
Proceeds from the issue of new shares	0	212
Proceeds from the assumption of bank loans	42	2
Cash flow from financing activities	–4,391	–3,955
Cash and cash equivalents [1]		
Change in cash and cash equivalents	–4,376	52
Change in cash due to currency translation	221	–459
Cash at beginning of period	24,090	18,655
Cash at end of period	**19,935**	**18,248**

1) Postage credit balances managed by the FP Group of EUR 10,459 thousand (previous year: EUR 9,541 thousand) are deducted from cash and other liabilities. Securities held as current assets are included in cash and cash equivalents in the amount of EUR 675 thousand (previous year: EUR 681 thousand).

Consolidated Statement of Changes in Equity for the Period from 1 January to 30 June 2018

in EUR thousand	Issued capital	Capital reserves	Stock option reserve	Treasury shares	Consolidated net income
As at 1.1.2017	**16,215**	**34,620**	**1,179**	**0**	**–14,937**
Consolidated net income 1.1.–30.6.2017					2,128
Foreign currency translation of financial statements of foreign entities	0	0	0	0	0
Adjustment of provisions for pensions and early retirement according to IAS 19	0	0	0	0	0
Cash flow hedges	0	0	0	0	0
Other comprehensive income 1.1.–30.6.2017	0	0	0	0	0
Total comprehensive income 1.1.–30.6.2017	0	0	0	0	2,128
Capital increase	0	0	0	0	0
Stock option settlement	86	126	75	0	0
Distributions	0	0	0	0	–2,606
As at 30.6.2017	**16,301**	**34,746**	**1,254**	**0**	**–15,415**
As at 31.12.2017	**16,301**	**34,746**	**1,318**	**–1,625**	**–12,894**
Change in accounting policies: first-time application of IFRS 9 and IFRS 15					–14
As at 1.1.2018 (adjusted)	**16,301**	**34,746**	**1,318**	**–1,625**	**–12,908**
Consolidated net income 1.1.–30.6.2018	0	0	0	0	3,149
Foreign currency translation of financial statements of foreign entities	0	0	0	0	0
Cash flow hedges	0	0	0	0	0
Other comprehensive income 1.1.–30.6.2018	0	0	0	0	0
Total comprehensive income 1.1.–30.6.2018	0	0	0	0	3,149
Distributions	0	0	0	0	–1,908
Stock option settlement	0	–3	49	5	0
Acquisition of non-controlling interests	0	0	0	–243	0
As at 30.6.2018	**16,301**	**34,743**	**1,367**	**–1,863**	**–11,667**

1) Information on adjustments to the previous year can be found in Section I of the notes to the consolidated financial statements.

	Total other equity							
	Currency translation adjustment	Net invest-ments in foreign operations	Adjustment due to IAS 19	Difference amount from acquisition of shares of other shareholders	Reserve from hedging transactions	Equity attributable to FP Holding	Non-controlling interests	**Total**
	2,954	**132**	**−3,529**	**−439**	**−249**	**35,946**	**0**	**35,946**
						2,128	0	2,128
	−2,494	−8	0	0	0	−2,502	0	−2,502
	0	0	−5	0	0	−5	0	−5
	0	0	0	0	249	249	0	249
	−2,494	−8	−5	0	249	−2,258	0	−2,258
	−2,494	−8	−5	0	249	−130	0	−130
	0	0	0	0	0	0	0	0
	0	0	0	0	0	287	0	287
	0	0	0	0	0	−2,606	0	−2,606
	460	**124**	**−3,534**	**−439**	**0**	**33,497**	**0**	**33,497**
	−1,303	**96**	**−3,318**	**−439**	**77**	**32,959**	**0**	**32,959**
						−14		−14
	−1,303	**96**	**−3,318**	**−439**	**77**	**32,945**	**0**	**32,945**
	0	0	0	0	0	3,149	0	3,149
	763	−166	0	0	0	597	0	597
	0	0	0	0	−166	−166	0	−166
	763	−166	0	0	−166	431	0	431
	763	−166	0	0	−166	3,580	0	3,580
	0	0	0	0	0	−1,908	0	−1,908
	0	0	0	0	0	51	0	51
	0	0	0	0	0	−243	0	−243
	−540	**−70**	**−3,318**	**−439**	**−89**	**34,425**	**0**	**34,425**

NOTES

I. General Information

1. General Information on the Company

Francotyp-Postalia Holding AG, headquartered in Berlin (hereinafter also referred to as "FP Holding"), is entered in the commercial register of the Charlottenburg Local Court under HRB 169096 B. The interim financial statements of FP Holding for the reporting period ended 30 June 2018 comprise FP Holding and its subsidiaries (hereinafter also referred to as the "FP Group", "FP", or "Francotyp").

The FP Group is an expert for secure mailing business and secure digital communication processes. As market leader in Germany and Austria, the FP Group offers products and services in the areas "Franking and Folding / Inserting", "Mail Services" and "Software" for the efficient processing of mail, consolidation of business mail, and digital solutions for companies and authorities. Francotyp-Postalia has subsidiaries based in ten different countries and is represented by its own trading network in an additional 40 countries. With a company history spanning 95 years, FP possesses a unique DNA in the areas of actuating elements, sensor systems, cryptography and connectivity. FP's global market share for franking systems is more than eleven percent.

The Management Board of FP Holding approved the 2017 consolidated financial statements and combined Group management report for submission to the Supervisory Board on 21 March 2018. The Supervisory Board examined the consolidated financial statements and the combined Group management report and approved them on 22 March 2017. The 2017 consolidated financial statements and combined Group management report of Francotyp-Postalia Holding AG were published on 29 March 2018.

These interim financial statements are prepared as condensed financial statements in accordance with IAS 34 for the period from 1 January to 30 June 2018. They do not contain all the disclosures required of full financial statements in accordance with IAS 1. The financial statements were approved for publication by the Management Board of FP Holding on 23 August 2018.

2. Accounting Principles

2.1 Basis of preparation of the financial statements

The interim financial statements – consisting of the statement of financial position, the statement of comprehensive income, the cash flow statement, the statement of changes in equity and selected explanatory notes – of FP Holding for the period from 1 January to 30 June 2018 are submitted to the German electronic Federal Gazette and published. The interim financial statements are condensed financial statements in accordance with IAS 34 (Interim Financial Reporting) for the interim reporting period from 1 January to 30 June 2018. As a matter of principle, the interim financial statements were prepared using the same accounting policies as the 2017 consolidated financial statements. The interim financial statements should be read in conjunction with the audited consolidated financial statements.

The interim financial statements have been prepared in euro (EUR). For the purposes of clarity and comparability, all amounts are shown in thousands of euro (EUR thousand) unless otherwise stated. The commercial rounding of individual items and percentages can result in minor arithmetic differences.

In accordance with IAS 1, the consolidated statement of financial position is structured by maturity. Its items are therefore divided into current and non-current assets and liabilities. Assets and liabilities are classified as current if they have a remaining term of less than one year or are turned over within one year in the ordinary course of business. Accordingly, assets and liabilities are classified as non-current if they remain in the company for longer than one year.

The consolidated statement of comprehensive income has been prepared in line with the nature of expense method.

2.2 Adjustments to accounting policies and new standards and interpretations

Apart from the exceptions described below, the accounting policies applied are unchanged compared with the reporting date 31 December 2017.

The effects of the first-time application of IFRS 9 and IFRS 15 on the FP Group's interim financial statements and the new accounting principles applied from 1 January 2018, if they differ from those previously applied, are explained below.

All other IFRS amendments and new regulations that must be applied as at 30 June 2018 have no material impact on the FP Group's reporting.

Published in July 2014, *IFRS 9* replaces the existing guidelines of IAS 39 Financial Instruments: Recognition and Measurement. IFRS 9 contains revised guidelines for the classification and measurement of financial instruments, including a new model of expected credit losses to calculate impairment on financial assets, and new general accounting rules for hedges. It also includes the guidelines for the recognition and derecognition of financial instruments from IAS 39.

The first-time application of IFRS 9 as at 1 January 2018 resulted in changes in the accounting principles and adjustments to the amounts recognised in the financial statements. In accordance with the transitional provisions under IFRS 9 (7.2.15) and (7.2.26), comparative figures were not adjusted retroactively.

The FP Group applies the fully retrospective method.

On 1 January 2018 (the date of first-time application of IFRS 9), the FP Group's Management Board assessed which business models applied to the financial assets held by the FP Group and assigned the financial instruments to the respective appropriate IFRS 9 measurement classes. The main effects of this reclassification are as follows:

Figures in EUR thousand	Classification according to IFRS 39	Classification according to IFRS 9	Carrying amounts according to IAS 39	Carrying amounts according to IAS 9
Securities	HfT	FVPL	676	676
Asset derivatives without a hedging relationship	HfT	FVOCI	0	0
Equity investments and associates	AfS	FVPL	199	266
Trade receivables	LaR	Amortised cost	18,684	18,643
Other financial assets	LaR	Amortised cost	6,812	6,798
Finance lease receivables	n/a	n/a	15,721	15,690
Cash and cash equivalents	LaR	Amortised cost	34,234	34,234
Liabilities to banks	OL	Amortised cost	42,847	42,847
Trade payables	OL	Amortised cost	11,210	11,210
Other financial liabilities	OL	Amortised cost	32,040	32,040
Finance lease liabilities	n/a	n/a	703	703
Liability derivatives	HfT	FVPL	2,215	2,215

Explanations of the abbreviations
- AfS, available for sale
- HfT, held for trading
- LaR, loans and receivables
- n/a, not applicable, cannot be allocated to a measurement category
- other liability, financial liabilities measured at amortised cost
- FVPL, Fair value through profit and loss
- FVOCI, Fair value through Other Comprehensive Income

i) Classification and measurement

Investments in equity instruments previously classified as "available for sale"

The FP Group reported the changes to fair value of all equity interests that were previously classified as "available for sale" in current earnings (FVPL). As a result, assets with a fair value of EUR 266 thousand were reclassified from the "available for sale" category to the "FVPL" category and related effects from an increase in the fair value in the amount of EUR 67 thousand were reported in other financial result.

ii) Derivatives and hedging transactions

Impacts from the first-time application of IFRS 9 on prior periods

The currency futures contracts existing as at 31 December 2017 meet the IFRS 9 requirements for cash flow hedges. The risk management strategy and hedging documents are coordinated to meet the requirements of IFRS 9; thus, these relationships are considered continuing hedging transactions.

The FP Group classifies the total change of fair value for currency future contracts as part of the cash flow hedge. The ineffective part of changes of fair value of derivatives was recognised in the income statement before 1 January 2017. Since adopting IFRS 9, the FP Group has recognised all changes (including the forward component) of the fair value of currency futures contracts in equity.

The adoption of IFRS 9 did not result in a retroactive reclassification of currency futures contracts.

iii) Impairment on financial assets

The FP Group has three main types of financial assets that are subject to the new model of expected credit losses in accordance with IFRS 9:

- Trade receivables from sale of goods and the performance of services
- Other financial contract assets measured at amortised cost
- Finance lease receivables

The FP Group adjusted its impairment model in connection with the first-time application of IFRS 9 for these categories of assets.

Cash and cash equivalents are also subject to the impairment requirements of IFRS 9. For cash, the FP Group has calculated expected credit losses on the basis of quoted CDS spreads. For money market accounts, these figures are calculated using a holding period of one day, in which the CDS is simply divided by 365 days. With an assumed CDS of 20 basis points, this results in insignificant amounts for the FP Group.

The FP Group applies the simplified approach in accordance with IFRS 9 to measure expected credit losses; as a result of this, the credit losses expected over the term are used for all trade receivables, finance lease receivables and contract assets.

Trade receivables, finance lease receivables and contract assets based on joint credit risk characteristics and number of days overdue were combined to measure expected credit losses. Finance lease receivables relate to current leases for leased machines that have not yet been invoiced and essentially have the same risk characteristics as the trade receivables for the same types of contract. Thus, the FP Group has concluded that the expected loss rates for trade receivables provide a reasonable approximation of the loss rates for finance lease receivables.

On this basis, impairment losses with regard to trade receivables, finance lease receivables and contract assets as at 1 January 2018 were calculated as follows:

1 January 2018 in EUR thousand	Imme- diately	< 30 days	30–60 days	61–90 days	> 90 days
Expected loss rate in %	0.2	0.2	0.2	0.2	0.2
Gross carrying amount	1,959	27,047	1,363	227	12,384
Impairment losses	4	54	3	0	25

The loss rate has been rounded.

Impairment losses as at 31 December 2017 are carried over to the opening balance of the impairment losses as at 1 January 2018 as follows:

Figures in EUR thousand	Trade receivables	Finance lease receivables	Other financial assets
As at 31 December 2017 – calculated in accordance with IAS 39	1,800	0	0
Amounts adjusted retroactively via the opening balance of retained earnings	41	31	14
Opening balance of impairment losses as at 1 January 2018 – calculated in accordance with IAS 9	**1,841**	**31**	**14**

In the first six months until 30 June 2018, impairment losses changed only insignificantly.

Trade receivables, finance lease receivables and contract assets are written down directly if their feasibility is no longer expected to be reasonable. Indications for this are if the customer displays considerable financial difficulties or there is an increased likelihood of insolvency.

The retrospective adjustment of the impairment for other items when adopting IFRS 9 due to applying the expected loss model was insignificant. However, no impairment losses have been recognised by the FP Group as at 30 June 2018.

IFRS 9 Financial Instruments – accounting principles applied as at 1 January 2018

i) Financial investments and other financial assets

Classification

As at 1 January 2018, the FP Group classifies its financial assets into the following measurement categories:

- Those that are consequently measured at fair value (either recognised directly in other comprehensive income or in profit or loss).
- Those that are measured at amortised cost.

The classification depends on the company's business model with regard to the management of the financial assets and the contractual cash flows.

For assets measured at fair value, gains and losses are either recognised in other comprehensive income or in profit or loss. Investments in equity instruments that are not held for trading depend on whether the FP Group has irrevocably decided to recognise the equity instrument at fair value through other comprehensive income (FVOCI) at the time of initial recognition.

The FP Group reclassifies debt instruments only if the business model for managing those assets changes.

Measurement
At initial recognition, the FP Group measures a financial asset at fair value plus, in the case of a financial asset subsequently not measured at fair value through profit and loss (FVPL), the transaction costs directly attributable to the acquisition of that asset. Transaction costs of financial assets measured at fair value through profit or loss are recognised in the income statement as expense.

Financial assets with embedded derivatives are considered in their entirety if it is determined that their cash flows represent only repayment and interest payments.

Debt instruments
The subsequent measurement of debt instruments depends on the FP Group's business model to manage the asset and the cash flow characteristics of the asset. The FP Group classifies its debt instruments in three measurement categories:

– Measured at amortised cost: Assets that are held for collecting contractual cash flows and for which these cash flows present only repayment and interest payments are measured at amortised cost. Interest income from these financial assets are recognised in net interest income using the effective interest method. Impairment losses are recognised under other operating expenses.

– FVOCI: Assets that are held to collect the contractual cash flows and sell the financial assets, and for which the cash flows represent only repayment and interest payments are measured at fair value through other comprehensive income. Changes in fair value are recognised in other comprehensive income, except for impairment losses or charges, interest income and gains and losses in foreign currency, which are recognised in profit or loss. For the derecognition of the financial asset, the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity in the income statement and recognised in other comprehensive income. Interest income from these financial assets are recognised in net interest income using the effective interest method. Gains and losses in foreign currency are recognised in other financial result and impairment losses are included in a separate item in the income statement.

– FVPL: Assets that do not meet the criteria of the "measured at amortised cost" or "FVOCI" categories are measured in the "at fair value through profit or loss" category. Gains or losses from a debt instrument that is subsequently measured at FVPL are netted in profit or loss under other income or other expenses in the period in which they are recognised.

Equity instruments
Subsequently, the FP Group measures all equity instruments held at fair value. Dividends from those instruments continue to be recognised in profit and loss under other income if the FP Group's right to receive payments is justified.

For equity instruments, IFRS 9 optionally allows a measurement not recognised through profit or loss (FVOCI) to be recognised at fair value. The FP Group does not apply this option for measurements not recognised though profit or loss. Changes in fair value of financial assets at fair value through profit or loss are recognised in the income statement under other income and other expenses. Impairment losses (and reversals) on equity instruments measured at fair value through other comprehensive income are not reported separately from other changes in fair value.

Impairment
As at 1 January 2018, on a forward-looking basis, the FP Group will assess the expected credit losses associated with its debt instruments measured at amortised cost or at fair value through other comprehensive income. The impairment model depends on whether the credit risk significantly increases.

For trade receivables, the FP Group applies the simplified approach permitted by IFRS 9, which requires that the credit losses expected over the term are recognised from the point at which the receivables are recognised for the first time.

ii) Derivatives and hedging transactions

Cash flow hedges recognised as hedging transactions
The effective part of changes of fair value of derivatives classified as hedging transactions under cash flow hedges is recognised in the reserve for cash flow hedges as part of equity. The profit or loss relating to the ineffective part is recognised directly in the income statement under other financial income / expenses.

When options are used to hedge expected transactions, the FP Group classifies only the intrinsic value of the options as a hedging instrument.

Gains or losses from the effective part of the change in the intrinsic value of the options are recognised in the reserve from hedging transactions as part of equity. Changes in fair value of options which relate to the hedged item ('aligned time value') are recognised in other comprehensive income in the reserve for hedging costs as part of equity.

If forward transactions are used to hedge expected transactions, the FP Group classifies the entire change of the fair value of the forward contract (including the forward component) as a hedging instrument. In these cases, the gains or losses from the effective part of the change in the fair value of the entire forward contract are recognised in the reserve for cash flow hedges as part of equity.

Cumulative amounts recognised in equity are reclassified during periods in which the hedged item affects profit or loss.

If a hedging instrument expires, is sold or terminated or the hedging transaction no longer meets the criteria for the accounting of hedging transactions, any accrued gains or losses from hedging and deferred hedging costs accumulated at that time will remain in equity until the expected transaction occurs. If the transaction is no longer expected to occur, the cumulative gains and losses and deferred hedging costs shown in equity are reclassified directly to profit or loss.

Effects from the first-time application of IFRS 15
IFRS 15 Revenue from Contracts with Customers sets out a comprehensive framework for determining whether, how much and when revenue should be recognised. It replaces the existing guidance on the recognition of revenue, including IAS 18 Revenue, IAS 11 Construction Contracts and IFRIC 13 Customer Loyalty Programs. IFRS 15 establishes a five-step model to account for revenue arising from all contracts with customers. In addition, the standard contains new, more extensive requirements regarding qualitative and quantitative disclosures on revenue to be made in the financial statements.

IFRS 15 was implemented in the FP Group as at 1 January 2018 in line with the modified retrospective method. Under this method, the effects of the changeover are recognised in FP's consolidated equity and the presentation of the prior-year period remains unchanged. As a result, individual items of the opening consolidated statement of financial position as at 1 January 2018 have been adjusted in relation to consolidated financial statements as at 31 December 2017.

The first-time application of IFRS 15 resulted in a decrease in deferred income of EUR 103 thousand. This relates to current liabilities: Equity increased by EUR 72 thousand and liabilities for deferred taxes by EUR 31 thousand.

The application of the new standard did not have any material impact on the net assets, financial position and results of operations in the first half of 2018. The FP Group does not anticipate any material impact for 2018 as a whole, either.

For the FP Group, revenue is broken down according to the categories listed below, which reflect the impact of economic factors on the type, volume, date and uncertainty of revenue and cash flows and are compliant with segment reporting as follows:

in EUR thousand	Production		Sales Germany		International Sales		Total	
	1.1.–30.6.18	1.1.–30.6.17	1.1.–30.6.18	1.1.–30.6.17	1.1.–30.6.18	1.1.–30.6.17	1.1.–30.6.18	1.1.–30.6.17
Franking	683	1,166	5,217	3,623	12,201	12,377	18,101	17,165
Inserting	214	219	1,497	1,487	1,923	2,047	3,634	3,753
Other	447	393	84	108	204	201	736	703
Product sales income IFRS 15	1,344	1,778	6,798	5,217	14,329	14,625	22,471	21,621
Equipment hire	0	0	14	122	16,083	16,995	16,096	17,116
Service / customer service	28	142	4,215	4,037	6,334	5,430	10,577	9,609
Consumables	620	479	3,877	3,650	7,187	7,420	11,685	11,549
Teleporto	0	0	3,431	3,479	1,061	1,239	4,492	4,717
Mail Services	0	0	32,039	33,034	0	0	32,039	33,034
Software	62	0	7,315	6,751	31	24	7,407	6,774
Recurring revenue IFRS 15	709	621	50,877	50,950	14,613	14,112	66,200	65,684
Equipment hire	0	0	14	122	16,083	16,995	16,096	17,116
Total	**2,053**	**2,399**	**57,689**	**56,289**	**45,025**	**45,733**	**104,767**	**104,421**
Over time IFRS 15	2,026	2,257	50,761	49,293	21,547	22,069	74,334	73,619
Over time IFRS 15 and IAS 17	28	142	6,928	6,996	23,477	23,664	30,433	30,802
Total	**2,053**	**2,399**	**57,689**	**56,289**	**45,025**	**45,733**	**104,767**	**104,421**

The interim financial statements and the interim Group management report have not been reviewed or audited in accordance with section 317 of the German Commercial Code (HGB).

2.3. Consolidated group

Francotyp-Postalia Holding AG acts as the parent company under which the FP Group is consolidated. The consolidated financial statements of FP Holding include all companies whose financial and operating policies can be controlled by FP (subsidiaries). Subsidiaries are included in the consolidated financial statements from the date on which FP Holding obtains control. If control ends, the respective companies are deconsolidated.

The following changes were made to the consolidated group compared with the consolidated financial statements for the year ended 31 December 2017.

With retroactive effect from 1 January 2018, FP Hanse GmbH, Hamburg, Germany was merged with its parent company Francotyp-Postalia Vertrieb und Service GmbH, Berlin, Germany.

2.4 Currency Translation

Currency translation is based on the following exchange rates:

1 euro =	Closing rate 30.06.2018	Closing rate 31.12.2017	Closing rate 30.06.2017	Average rate H1 2018	Average rate H1 2017
US dollar (USD)	1.16405	1.19885	1.1405	1.21090	1.0831
Pound sterling (GBP)	0.88590	0.88730	0.8787	0.87982	0.8605
Canadian dollar (CAD)	1.54260	1.50275	1.4800	1.54628	1.4456
Swedish krona (SEK)	10.44300	9.83205	9.6440	10.14870	9.5980

2.5 Management estimates and discretion

When preparing the interim financial statements, certain items require judgements and estimates to be made for the recognition, measurement and reporting of recognised assets and liabilities and of income and expenses. Estimates and assumptions are based on premises that reflect the most recent information. In particular, the circumstances at the time of preparing the interim financial statements and realistic assumptions of the future development of the global and industry environment were used as the basis for determining expected future business developments. The actual amounts may deviate from the original estimates due to developments that differ from the assumptions made and that are beyond management control. If the actual developments differ from those forecast, the premises and – if necessary – the carrying amounts of the relevant assets and liabilities are adjusted accordingly.

II. Developments in the Reporting Period

As a matter of principle, the FP Group's business activities are not affected by seasonal factors.

Information on the significant economic factors affecting the FP Group's business activities in the interim reporting period can be found in the interim Group management report.

The Annual General Meeting on 29 May 2018 resolved a dividend payment of EUR 0.12 per share for the 2017 fiscal year. The total amount distributed for dividend-bearing shares was EUR 1,908 thousand, which was paid in the second quarter of 2018. The remaining net retained profits were carried forward to new account. The FP Group paid a dividend of EUR 2,606 thousand in the previous year.

The FP Group acquired the operations of TIXI.Com GmbH & Co. KG in the second quarter of 2018. See section IV for information according to IFRS 3.59.

In the first half of 2018, the FP Group's income tax expenses amounted to EUR 1,659 thousand. The planned tax rate is 34.5% and thus remained at the previous year's level.

Essentially as a result of the implementation of the concluded mutual agreement proceedings between the Federal Republic of Germany and the Republic of Austria in accordance with the EU Arbitration Convention, tax receivables in the FP Group decreased by EUR 102 thousand from EUR 5,813 thousand (as at 31 December 2017) to EUR 5,711 thousand.

Other developments

Information on other developments at the FP Group can be found in Section IV. Contingent liabilities and assets as well as in the interim Group management report.

III. Segment Information

Segment reporting is based on the single-entity financial statements prepared in accordance with the respective local GAAP. The figures from the individual single-entity financial statements are aggregated to produce segment totals and also include intra-segment figures and interim profits. Consolidation and reconciliation to the interim financial statements is performed using the reconciliation column, which also contains adjusting entries under IFRS.

01.01.–30.06.2018	A	B	C	D		
in EUR thousand	Production	Sales Germany	International Sales	Central Functions	Group reconciliation	**Total**
Revenue	49,437	59,202	44,839	1,081	–49,792	104,767
with third parties	2,053	57,689	45,025	0	0	104,767
inter-segment revenues	47,385	1,146	56	1,081	–49,668	0
EBITDA	5,697	3,522	13,290	–4,950	–4,789	12,771
Amortisation, depreciation and write-downs	786	1,125	7,131	164	–640	8,566
Net interest income	–709	–194	766	237	158	257
of which interest expense	902	205	162	587	–1,101	755
of which interest income	193	11	928	824	–943	1,012
Other financial result	2,128	0	1	6	–1,789	346
Income taxes	–80	–548	–1,846	127	688	–1,659
Net income	6,250	1,655	5,080	–4,744	–5,092	3,149
Segment assets (as at 30.6.)	128,073	72,438	114,975	118,518	–259,884	174,121
Investment	4,214	1,617	5,885	220	–2,169	9,767
Segment liabilities (as at 30.6.)	117,666	43,846	68,664	60,716	–151,196	139,696

01.01.–30.06.2017	A	B	C	D		
in EUR thousand	Production	Sales Germany	International Sales	Central Functions	Group reconciliation	**Total**
Revenue	44,005	58,993	45,570	1,075	–45,222	104,421
with third parties	2,399	56,289	45,733	0	0	104,421
inter-segment revenues	41,606	2,304	83	1,075	–45,068	0
EBITDA	**5,322**	**3,818**	**10,002**	**–4,139**	**–2,294**	**12,709**
Amortisation, depreciation and write-downs	897	1,067	8,175	122	–430	9,831
Net interest income	–774	–171	1,057	424	129	665
of which interest expense	916	173	149	431	–1,065	604
of which interest income	142	2	1,206	855	–936	1,269
Other financial result	–509	0	–1	1	214	–295
Income taxes	0	–781	–329	102	–112	–1,120
Net income	3,142	1,799	2,554	–3,734	–1,633	2,128
Segment assets (as at 30.6.)	114,243	68,892	113,806	111,527	–246,547	161,921
Investment	1,975	1,246	6,805	47	–2,095	7,978
Segment liabilities (as at 30.6.)	109,562	40,993	69,719	46,655	–138,506	128,424

Intragroup transfer prices will be reviewed between Francotyp-Postalia GmbH (Production segment) and the sales companies by the end of the year at the latest. Adjustments to the transfer prices affect the reported segment revenues and segment EBITDA / net income between the segments. Based on the current earnings margins of the sales companies, revenue and EBITDA for the Production segment would increase by EUR 2,761 thousand for the reporting period from 1 January 2017 to 30 June 2018 (previous year: EUR 892 thousand). EBITDA for the segment Sales Germany would decrease by EUR –1,829 thousand (previous year EUR –1,258 thousand) and the segment Sales International would increase by EUR –932 thousand (previous year EUR 366 thousand).

	A	B	C	D		
Income from the reversal of provisions in EUR thousand	Production	Sales Germany	International Sales	Central Functions	Group reconciliation	**Total**
01.01.–30.06.2018	1	166	0	22	–189	0
01.01.–30.06.2017	10	793	0	150	–952	0

Reconciliation in EUR thousand

REVENUE

	01.01.–30.06.	
in EUR thousand	**2018**	2017
Revenues from segments A–C	153,478	148,568
Revenues from Central Functions segment	1,081	1,075
Effects of finance lease adjustment	–125	–154
	154,434	**149,489**
Less inter-segment revenues	49,667	45,068
Revenues according to financial statements	104,767	104,421

EBITDA

	01.01.–30.06.	
in EUR thousand	**2018**	2017
EBITDA from segments A–C	22,509	19,142
EBITDA from Central Functions segment	–4,950	–4,139
	17,559	15,003
Measurement effects of IFRS reconciliation	–1,869	–333
Effects at consolidation level	–2,919	–1,962
Consolidated EBITDA	**12,771**	**12,709**
Amortisation, depreciation and write-downs	–8,566	–9,831
Net interest income	257	665
Other financial result	346	–295
Consolidated earnings before taxes	4,808	3,248
Income taxes	–1,659	–1,120
Consolidated net income according to financial statements	**3,149**	**2,128**

ASSETS

in EUR thousand	**30.06.2018**	30.06.2017
Assets of segments A–C	315,487	296,942
Assets of Central Functions segment	118,518	111,527
	434,005	408,468
Capitalised development costs in accordance with IFRS	13,771	18,337
Effects of remeasurement of goodwill	10,472	9,691
Effects of write-downs on customer lists	–114	–120
Other reconciliation adjustments to IFRS	8,052	7,512
	466,185	443,888
Effects at consolidation level (including elimination of intra-group balances)	–292,065	–281,966
Assets according to financial statements	**174,121**	**161,921**

ASSETS BY REGION

in EUR thousand	**30.06.2018**	30.06.2017
Germany	319,029	294,662
USA and Canada	49,944	50,999
Europe (not including Germany)	65,032	62,807
Other regions	0	0
	434,005	408,468
Effects of IFRS remeasurement	32,295	35,540
Effects of write-downs on customer lists	–114	–120
	466,185	443,888
Effects at consolidation level (including elimination of intra-group balances)	–292,065	–281,966
Assets according to financial statements	**174,121**	**161,921**

On 1 June 2018, FP InovoLabs GmbH (Production segment) acquired the operations of TIXI.Com GmbH & Co. KG. The operations acquired have a strong market position in the area of IoT gateways focussing on smart metering / energy management. The acquisition opens up new market opportunities for the FP Group. Cost savings are also possible through economies of scale and synergy effects.

The amortised cost for the assets and liabilities of the operations acquired (including inventories) includes a component linked to the condition of EUR 100 thousand. This purchase price component will be accounted for until 30 June 2019 and any payment claim will be paid by 15 July 2019.

The FP Group has implemented a provisional purchase price allocation. The final measurement of the assets has not yet been concluded.

Between 1 and 30 June 2018, the operations acquired contributed revenue of EUR 62 thousand and a loss of EUR 56 thousand to the FP Group's earnings. If the acquisition of the operations had already been completed on 1 January 2018, consolidated revenue of EUR 740 thousand and consolidated loss after taxes of EUR 229 thousand would have been reported in the FP Group's income statement.

The goodwill of EUR 9,177 thousand (previous year: EUR 8,494 thousand) reported in the consolidated statement of financial position relates to EUR 8,494 thousand in the Sales Germany segment and EUR 683 thousand in the Production segment.

IV. Explanatory Notes

1. Notes to the Cash Flow Statement

The cash flow statement of the FP Group shows the development of cash inflows and outflows from current operating, investing and financing activities.

Cash and cash equivalents are broken down as follows:

in EUR thousand	**30.06.2018**	30.06.2017
Cash and cash equivalents	29,719	27,107
plus securities	675	681
less restricted funds (postage credit held)	−10,459	−9,541
Cash and cash equivalents	**19,935**	**18,247**

The first-time adoption of IFRS 9 and IFRS 15 had no significant impact during the period.

2. Contingent liabilities and assets

A putative class action before the U.S. District Court for the Eastern District of Missouri against our subsidiary in the US was reported in the 2017 consolidated financial statements. On the basis of the current status of the lawsuit, we anticipate that the provision of EUR 276 thousand recognised for legal assistance adequately reflects the existing risk, in particular there is no longer any contingent liability. In respect to further information regarding contingent liabilities and assets please also refer to the information in the 2017 annual report.

3. Significant events after the end of the reporting period

On 1 August 2018, the FP Group acquired the operations of a US online dealer for franking machine accessories. As part of its ACT growth strategy, FP is strengthening sales activities in the US with this acquisition, expanding its customer base and accelerating growth in market share. The acquired online dealer generated revenue of USD 1.5 million in the 2017 fiscal year.

There were no further significant events after the end of the interim reporting period (30 June 2018) that would have had a notable effect on the net assets, financial position and results of operations of the FP Group.

Responsibility Statement

To the best of our knowledge and in accordance with the applicable reporting principles for interim consolidated financial reporting, the interim financial statements give a true and fair view of the net assets, financial position, and profit or loss of the FP Group, and the interim Group management report includes a fair review of the development and performance of the business and the position of the Group, together with a description of the principal opportunities and risks associated with the expected development of the FP Group for the remaining months of the fiscal year.

Berlin, 23 August 2018

The Management Board of Francotyp-Postalia FP Holding

Rüdiger Andreas Günther CEO	Patricius de Gruyter	Sven Meise

Further information

Information about the Company

The listed and globally operating FP Group with headquarters in Berlin, Germany, is an expert for secure mailing business and secure digital communication processes. As market leader in Germany and Austria, the FP Group offers products and services in the areas “Franking and Folding/Inserting”, “Mail Services” and “Software” for the efficient processing of mail, consolidation of business mail, and digital solutions for companies and authorities. The Group achieved revenues of more than 200 million euros in 2017. Francotyp-Postalia has subsidiaries based in ten different countries and is represented by its own trading network in an additional 40 countries. With a company history spanning 95 years, FP possesses a unique DNA in the areas of actuating elements, sensor systems, cryptography and connectivity. FP’s global market share for franking systems is more than eleven percent.

Further information can be found at www.fp-francotyp.com.

Imprint

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