

BUSINESS BUOYANT IN FIRST QUARTER 2006:

- Sales up 14.8% (10.9% excluding currency impacts)

2006 FORECASTS IMPROVED:

- Sales growth forecast upgraded to over 8% excluding currency impacts

Paris, 6 June 2006

Neopost, the European leader and number two world-wide supplier of mailing solutions, today announced consolidated sales of €223.3 million for the first quarter of its 2006 financial year (three months ended 30 April 2006), an increase of 14.8% on the same period in 2005. Excluding currency impacts, sales were up 10.9%. This performance was driven mainly by an upward shift in the product mix and the development of services such as leasing and consumables.

Jean-Paul Villot, Neopost's Chairman and CEO, commented: *"Sales growth was extremely buoyant in the first quarter of 2006, driven mainly by strong activity in North America and the United Kingdom. We keep outpacing the market in terms of growth. We continue to roll out our profitable growth strategy."*

Sales

Millions of euros	Q1 2006	Q1 2005	Change	Change excluding currency impacts
North America	93.3	73.1	+27.5%	+17.3%
France	60.1	60.1	+0.1%	+0.1%
United Kingdom	33.7	28.5	+18.3%	+18.5%
Germany	13.4	13.5	-0.8%	-0.8%
Rest of the world	22.8	19.3	+17.9%	+17.8%
Total	223.3	194.5	+14.8%	+10.9%

North America

Sales grew by 17.3% in Q1 2006 excluding currency impacts. This performance was mainly due to an acceleration in sales of franking machines ahead of the approaching decertification deadlines in the United States and Canada (end 2006 and end 2008). As announced, the Group also benefited from the last impact of the postal rate change which took place in mid-January 2006.

France

Sales level were unchanged from Q1 2005, although in reality this reflects an increase in business activity as Q1 2005 included revenues from a postal rate change.

United Kingdom

Sales grew by 18.5% in Q1 2006 excluding currency impacts. This strong growth was boosted by the popularity of Neopost's products, which are particularly well suited to the new rating system in the UK.

This strong growth was also related to the "echo" of the 2001-2002 decertification programme, as the leasing agreements signed at the time in the British market are now starting to be renewed.

Germany

Sales in Germany were stable compared with Q1 2005, when the German postal service's financial incentive programme to install new franking machines was at its height.

Rest of the world

Sales grew by 17.8% excluding currency impacts, despite a very high basis of comparison. This was mainly due to a good performance from subsidiaries such as Italy and Belgium, as well as numerous successes of some dealers, especially in Switzerland and Denmark.

Prospects

As a result of strong business growth in Q1 2006, Neopost has upgraded its full year sales growth forecast for 2006 from more than 7% to more than 8%.

The Group confirmed a current operating margin of over 25% for the full year 2006.

In conclusion, Jean-Paul Villot said: "***Our performance early in the year gives us great confidence in the efficiency and the relevance of the Neopost's model.***"

Calendar

The annual general meeting will take place on the first call on 5 July 2006.

Second quarter sales figures will be released on 5 September 2006 after the stock market closes.

NEOPOST

NEOPOST IS THE EUROPEAN LEADER and number two worldwide supplier of mailing solutions. It has a direct presence in 14 countries, with more than 4,700 employees, and annual sales of €827m in 2005. Its products and services are sold in more than 90 countries, and the group has become a key player in the markets for mailroom equipment and logistics solutions.

Neopost supplies the most technologically advanced solutions for franking systems, folders, inserters and addressing as well as logistics management and traceability. Neopost also offers a full range of services, including consultancy, maintenance and financing solutions.

Neopost is listed in the A compartment of Eurolist by Euronext Paris. Its market capitalisation is €2.7bn.

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