

NEOPOST

Send.Receive.Connect.

Q3 2018 SALES
3 December 2018

LIMITATION OF LIABILITY

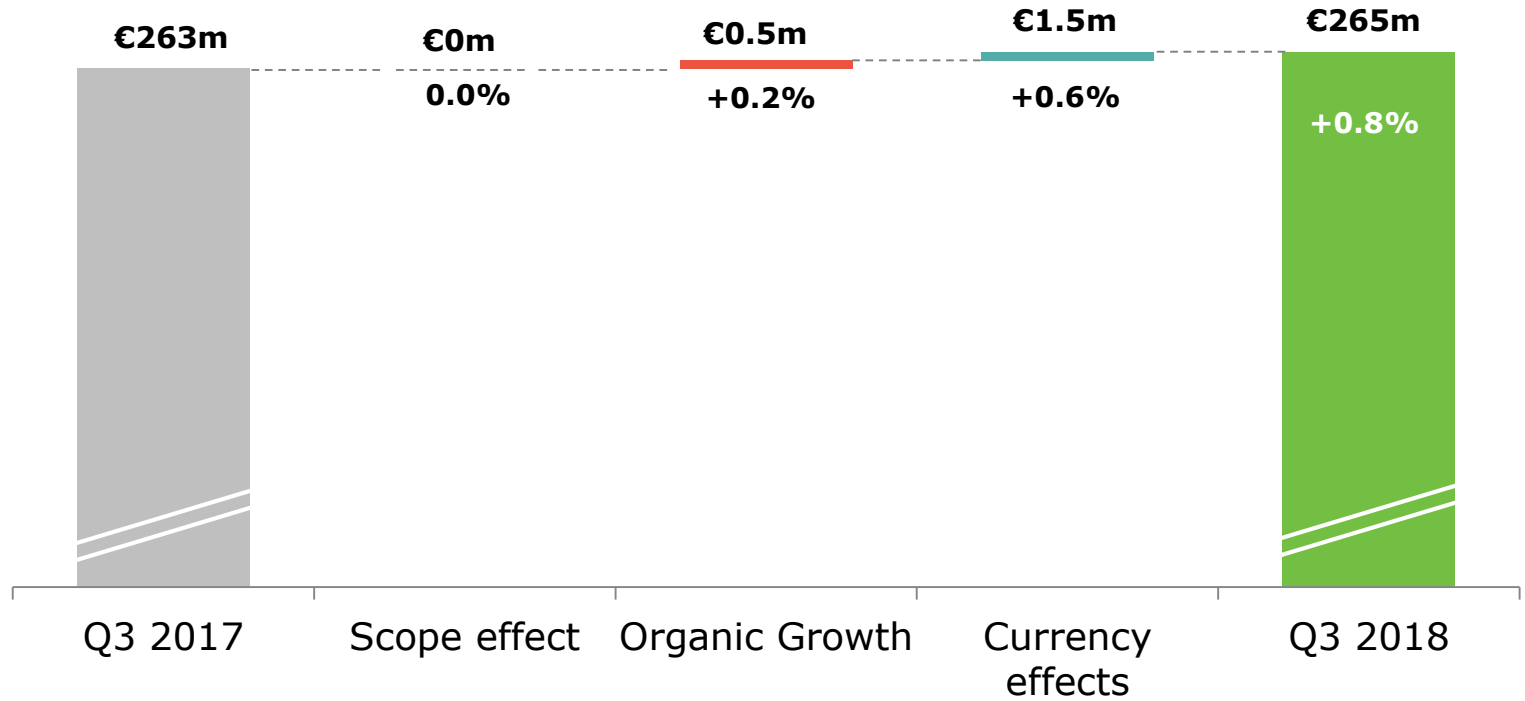
Forward-looking statement (Safe Harbour)

This presentation contains forward-looking statements (made pursuant to the safe harbour provisions of the Private Securities Litigation Reform Act of 1995), which, by their nature, involve a degree of risk and uncertainty. Forward-looking statements represent the company's judgement regarding future events, and are based on currently available information. Consequently the company cannot guarantee their accuracy and their completeness. Actual results may differ materially from those the company anticipated due to a number of uncertainties, many of which the company is not aware of. For additional factors that may cause the company's actual results to differ materially from expectations and underlying assumptions, please refer to the reports filed by the company with the Autorité des Marchés Financiers (French financial markets authority - AMF).

Q3 2018 SALES

Change in sales

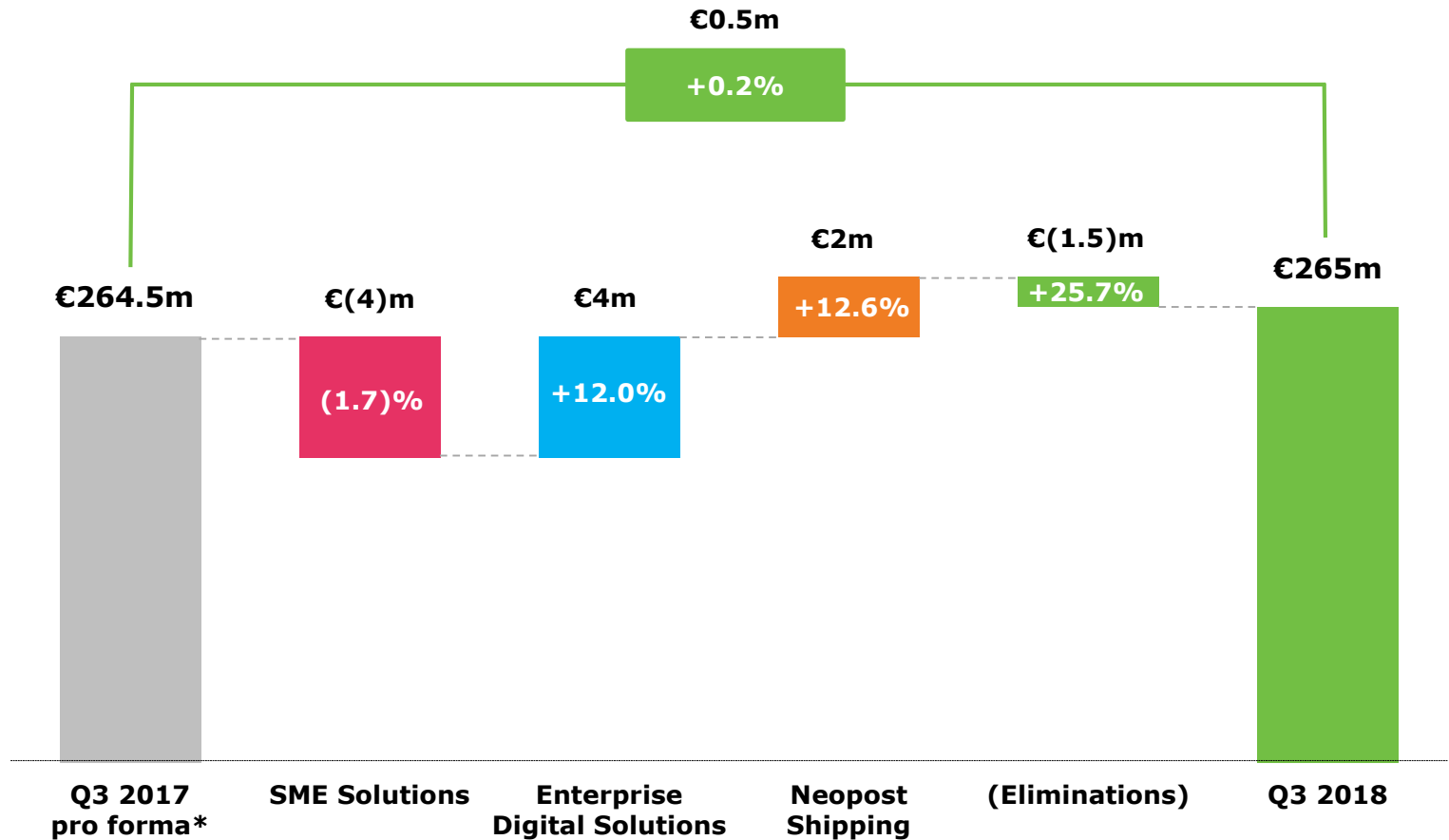
(in € million)



A relatively good third quarter

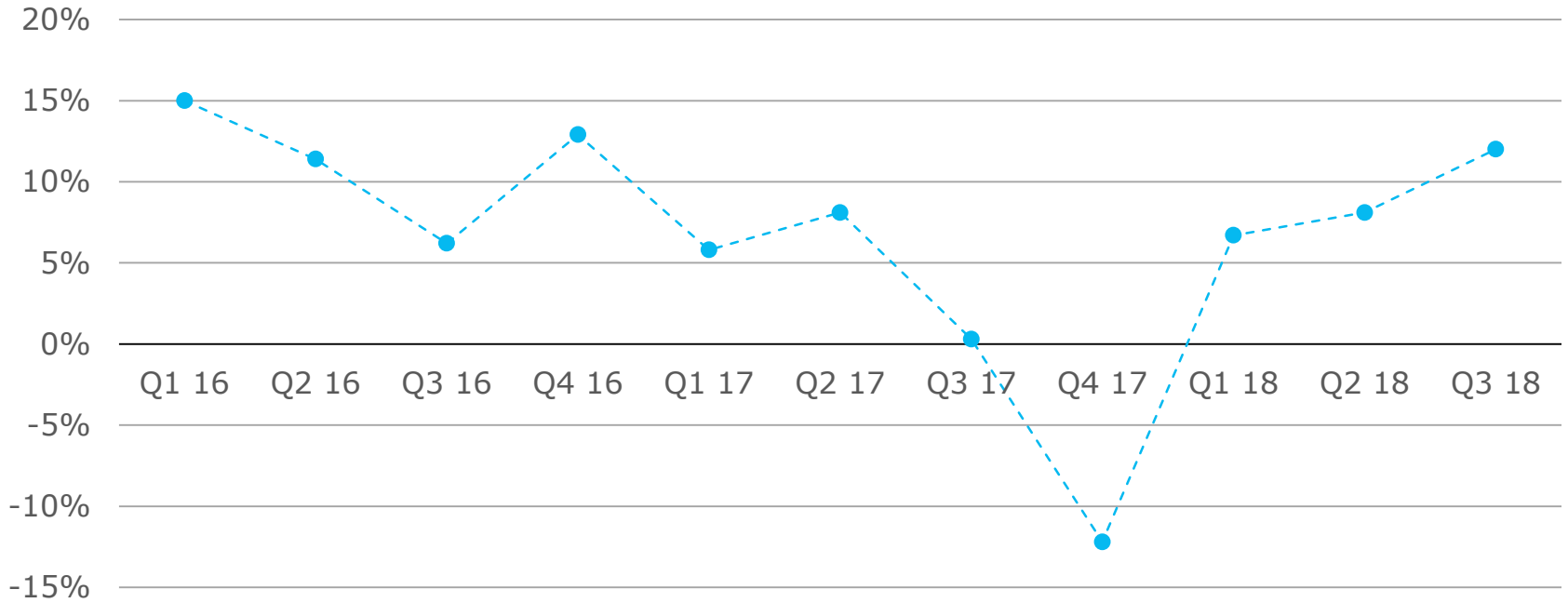
Q3 2018 SALES

Organic sales growth by division



Double-digit growth in Enterprise Digital Solutions and Neopost Shipping more than offsetting the decline in SME Solutions

EDS QUARTERLY ORGANIC GROWTH

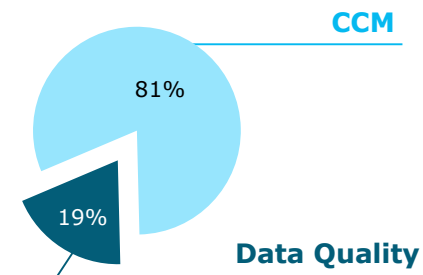


Continuous progress after poor performance in Q3 17 and Q4 17

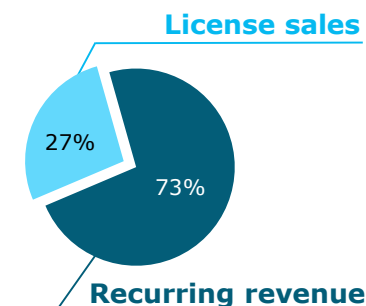


	Q1 2018 €31m	Q2 2018 €38m	Q3 2018 €36m	9M 2018 €105m
<i>Total sales & organic growth</i>				
CCM	+9.5%	+10.8%	+15.4%	+11.9%
Data Quality	(3.0)%	(2.0)%	(1.2)%	(2.1)%
Total EDS	+6.7%	+8.1%	+12.0%	+8.9%

Sales by product line
in 9M 2018



Sales by revenue type
in 9M 2018



Q3 performance

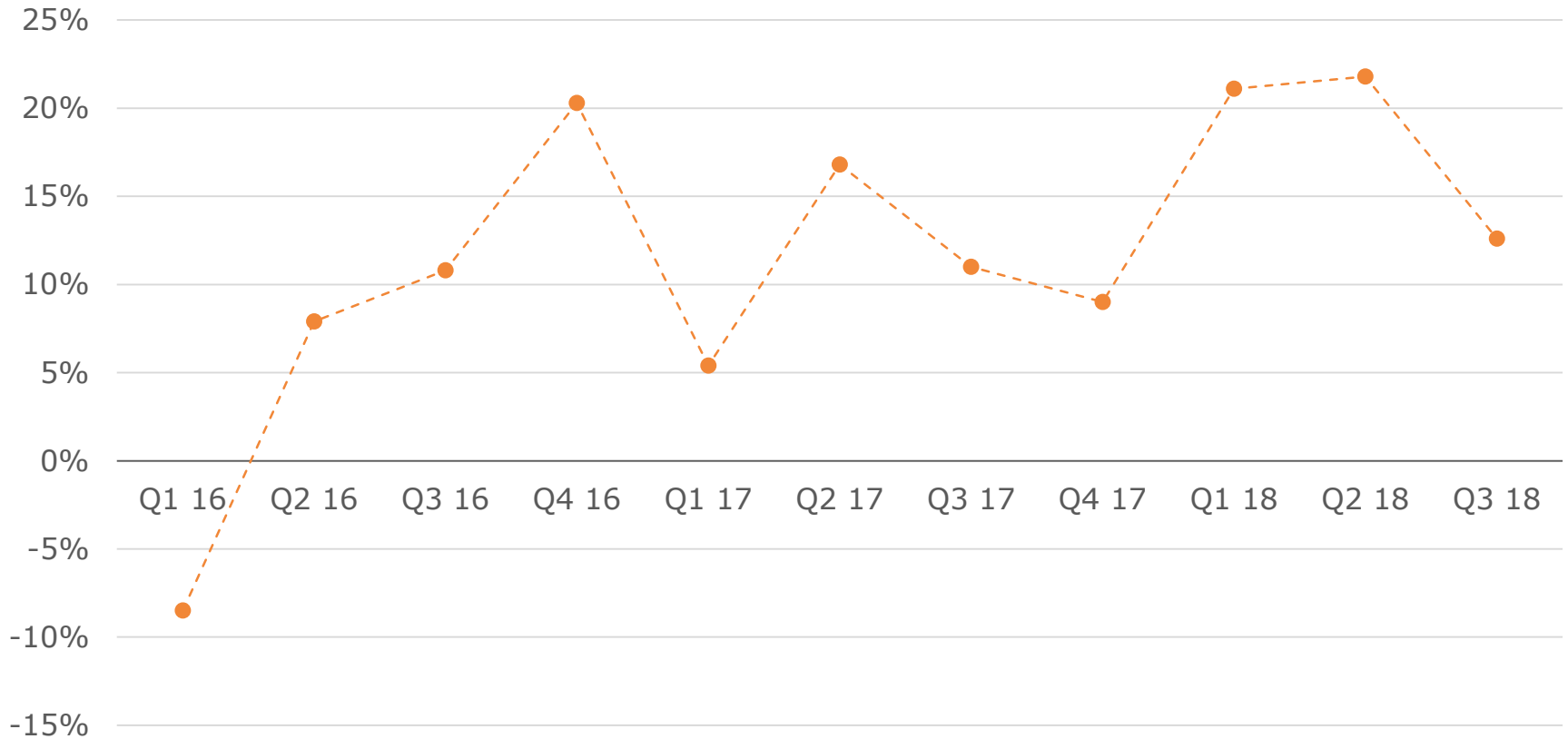
Double-digit growth in CCM Software:

- Further growth in recurring revenue: maintenance and professional services
- Growth in licence sales

Continuous decline in Data Quality

Expected high single digit organic growth in 2018

SHIPPING QUARTERLY ORGANIC GROWTH



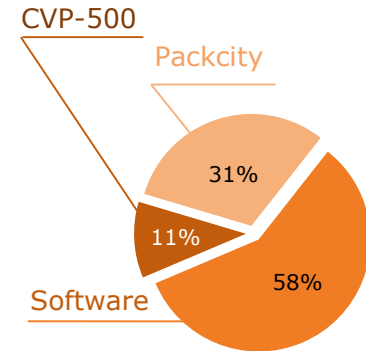
Historical volatility in quarterly performances

NEOPOST SHIPPING

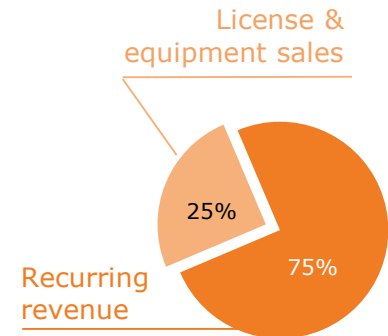


<i>Total sales & organic growth</i>	Q1 2018 €13m	Q2 2018 €18m	Q3 2018 €16m	9M 2018 €47m
Packcity	+255%	+130%	+123%	+152%
CVP-500	n.s	+26.6%	(7,2)%	+12.8%
Software	(5.9)%	(6.4)%	(7.7)%	(6.7)%
Total Neopost Shipping	+21.1%	+21.8%	+12.6%	+18.5%

*Sales by product line
in 9M 2018*



*Sales by revenue type
in 9M 2018*



Q3 performance

Further deployment of Packcity Japan

- Deployment rate stood at 80 units per month
- 3,360 parcel lockers installed as of 31 October 2018

CVP-500

- 2 new machines placed in Q3 2018 (same as in Q3 2017)

Shipping software

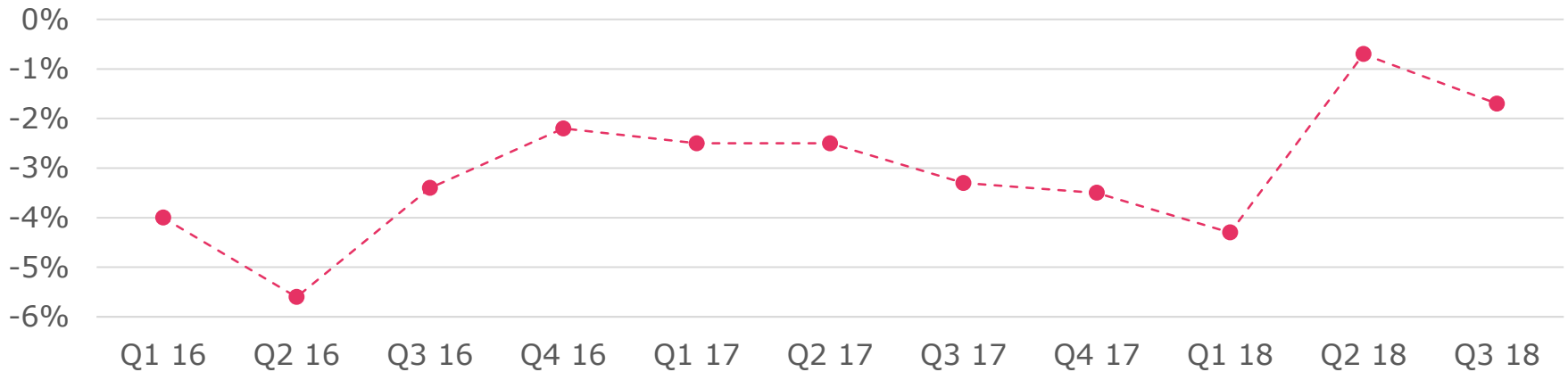
- Continued phase-out of legacy software

**Expected double-digit organic growth in 2018,
well below 9M 2018 performance**

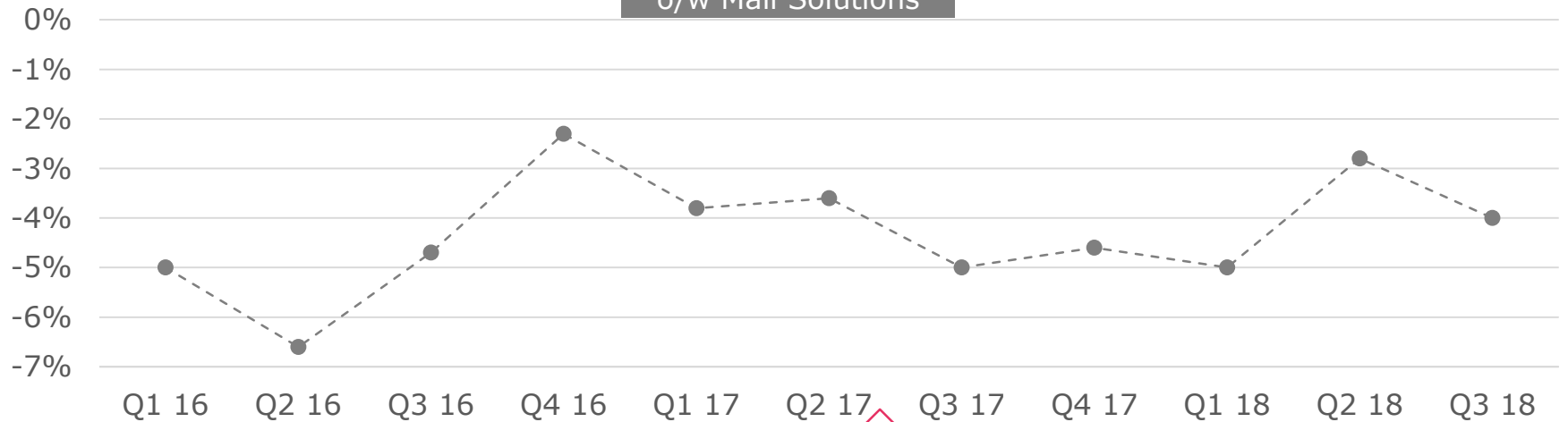
SME SOLUTIONS



SME Solutions



o/w Mail Solutions



SME Solutions performance highly correlated with the decline in Mail Solutions

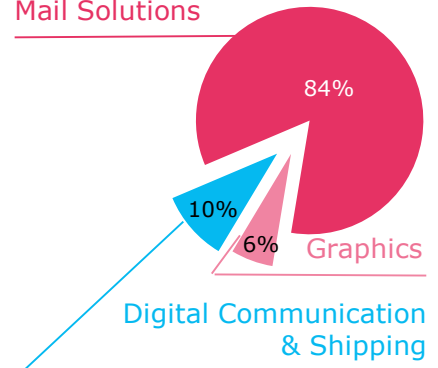
SME SOLUTIONS



<i>Total sales & organic growth</i>	Q1 2018 €210m	Q2 2018 €229m	Q3 2018 €219m	9M 2018 €658m
Mail Solutions	(5.0)%	(2.8)%	(4.0)%	(3.9)%
Graphics	(12.4)%	(11.5)%	(3.4)%	(9.3)%
Digital Communication & Shipping	+10.9%	+31.4%	+21.3%	+21.5%
Total SME Solutions	(4.3)%	(0.7)%	(1.7)%	(2.2)%

*Sales by product line
in 9M 2018*

Mail Solutions



Q3 performance

Mail Solutions:

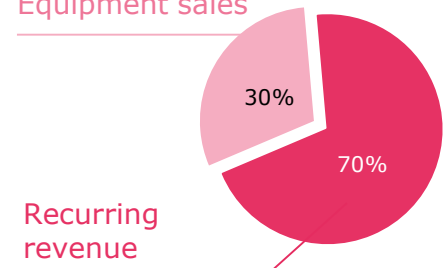
- Low decline in North America
- Stronger decline in Europe

Lower decline in Graphics

Double-digit growth in digital communication and shipping solutions

*Sales by revenue type
in 9M 2018*

Equipment sales

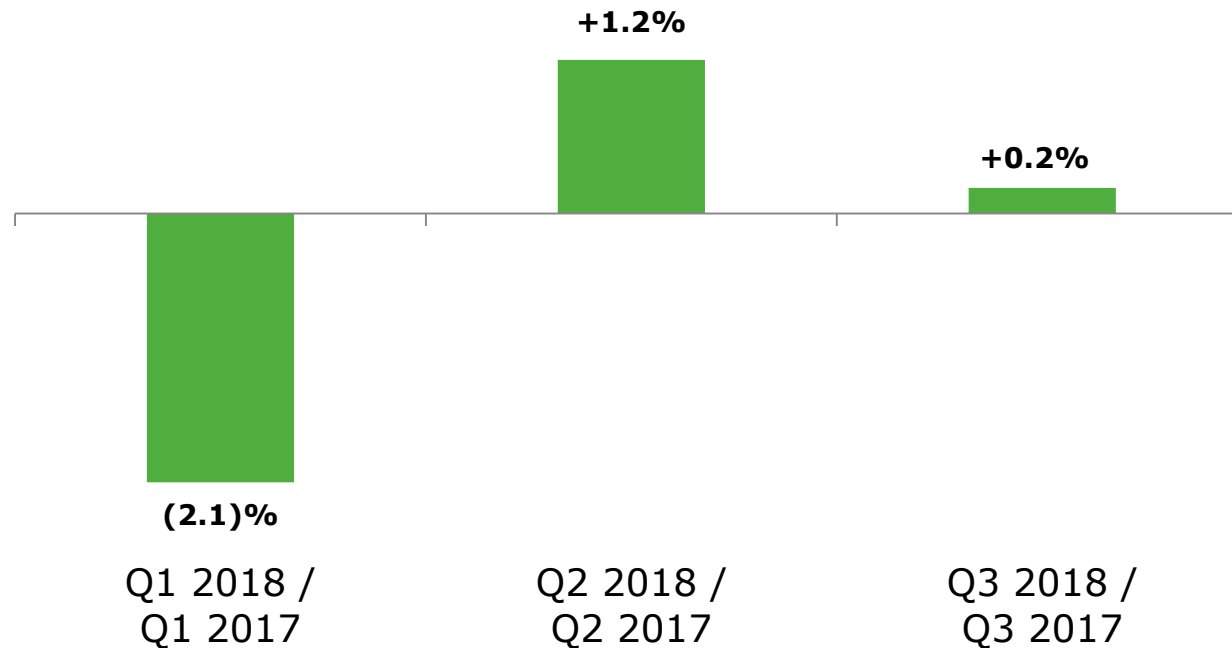


In 2018, growth in Digital communication and Shipping solutions will not be sufficient to offset the decline in Mail Solutions and Graphics

QUARTERLY SALES EVOLUTION

Organic¹ change in sales

(in € million)

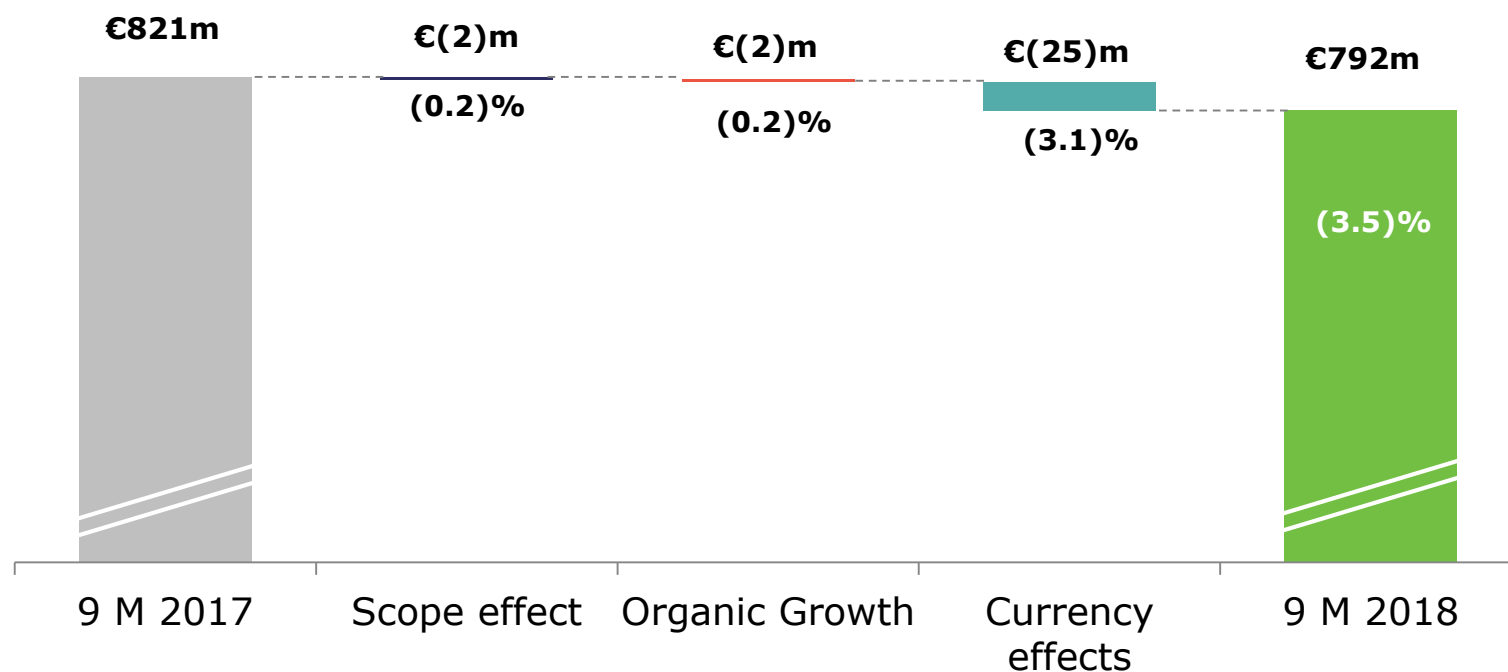


Positive contribution in Q3

9M 2018 SALES

Change in sales

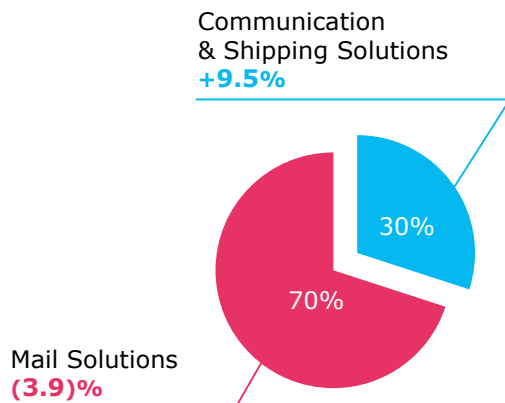
(in € million)



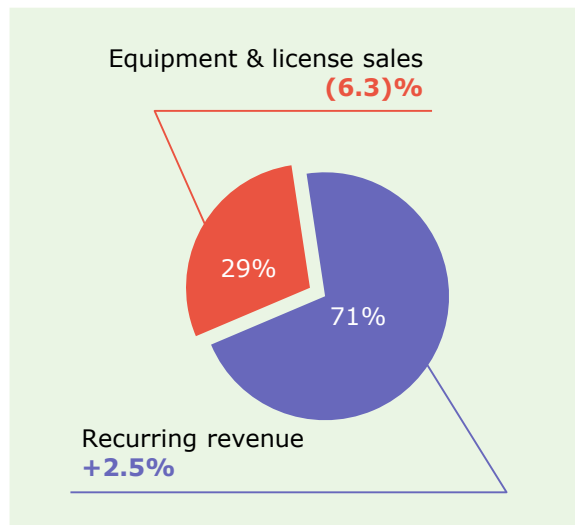
9M organic decline in sales standing at -0.2%
Positive currency impact in Q3 has reduced 9M cumulated negative currency impact

9M 2018 SALES BREAKDOWN

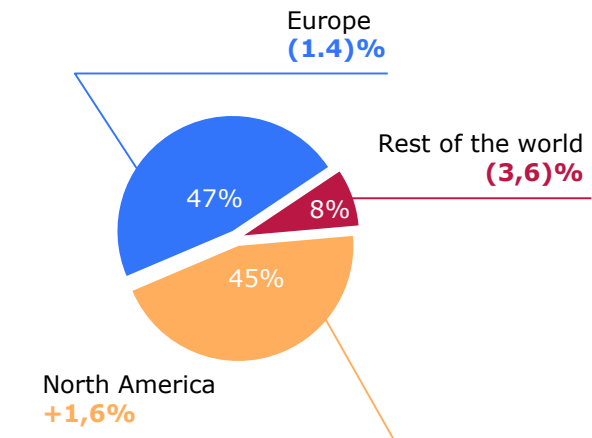
SALES PER ACTIVITY
ORGANIC CHANGE



SALES PER REVENUE TYPE
ORGANIC CHANGE



SALES PER REGION
ORGANIC CHANGE



**Further growth in North America and in recurring revenues
Continuous decline in Europe as well as in equipment and license sales**

UNCHANGED INDICATIONS FOR 2018

▷ **Top line organic decline**

- Enterprise Digital Solutions: high single digit growth
- Neopost Shipping: double-digit growth but well below 9M 2018 performance
- SME Solutions:
 - Mail Solutions: -4% to -6%
 - Graphic activities: further decline
 - Digital communication & Shipping solutions (excluding graphic activities): double-digit growth





▷ **Current EBIT margin**





- Confirmed at above 17%

▷ **High level of operating cash flow**

APPENDIX

Q3 2018 SALES BY DIVISION

	Q3 2018 sales				
<i>In € million</i>	EDS 	Shipping 	SME Solutions 	Elim.	Total 
Mail Solutions			182		182
Communication & Shipping Solutions	36	16	37	(6)	83
Total	36	16	219	(6)	265

	Q3 2018 organic growth				
	EDS 	Shipping 	SME Solutions 	Elim.	Total 
			(4.0)%		(4.0)%
	+12.0%	+12.6%	+11.1%	+25.7%	+10.7%
	+12.0%	+12.6%	(1.7)%	+25.7%	+0.2%

Return to double digit growth ↑

Double-digit growth driven by Packcity ↑

Organic growth excluding Graphics: +21.3% ↑