A STRONG TEAM

INTERIM REPORT FOR THE FIRST NINE MONTHS 2014

fp-francotyp.com

KEY FIGURES

FIGURES IN ACCORDANCE WITH CONSOLIDATED FINANCIAL STATEMENTS IN EUR MILLION	1.1.– 30.9.2014	1.1.– 30.9.2013	Changes in %	1.7.– 30.9.2014	1.7.– 30.9.2013	Changes in %
Revenue	126.4	126.9	-0.3	41.8	41.4	1.1
Recurring revenue	102.6	101.8	0.8	33.2	34.4	-3.4
EBITDA	17.3	16.9	2.2	5.5	5.4	1.6
as percentage of revenue	13.7	13.3		13.1	13.0	
EBIT	7.9	8.2	-4.5	2.2	2.3	-7.2
as percentage of revenue	6.2	6.5		5.2	5.6	
Net profit	4.5	4.0	10.9	1.6	0.8	92.3
as percentage of revenue	3.5	3.2		3.7	2.0	
Free cash flow	-4.0	2.6	n/a	-2.9	2.4	n/a
Earnings per share (EUR)	0.28	0.26	5.8	0.10	0.06	70.7
Share price end of period (EUR)	4.20	3.81	10.1			
Employees (end of period)	1,057	1,057	0.0			

	30.9.2014	31.12.2013	Changes in %
Equity capital	16.2	16.2	0.0
Shareholders equity	30.7	25.9	18.7
as percentage of balance sheet total	20.0	18.8	6.1
Return on equity (%)	14.6	18.8	-22.4
Debt capital	123.1	111.5	10.3
Net debt	13.4	9.7	38.9
Net debt-equity ratio	44	37	17.0
Balance sheet total	153.8	137.4	11.9

CONTENT

4 Letter from the Management Board

7 Interim Group Management Report
- 8 Group Principles
- 10 Economic Review
- 18 Events after the Balance Sheet Date
- 19 Risk and Opportunity Report
- 19 Forecast

20 Interim Consolidated Financial Statements
- 21 Consolidated Statement of Comprehensive Income and Expenses
- 22 Consolidated Balance Sheet
- 24 Consolidated Cash Flow Statement
- 25 Consolidated Statement of Changes in Equity
- 26 Selected explanatory notes

35 Responsibility Statement

36 Financial Calendar / Imprint

A STRONG TEAM

FP – the name for modern mail communication.

For 90 years Francotyp-Postalia has stood for efficiency, flexibility, speed, security, and reliability. Employees and partners of FP are the people who give life to this value, helping FP customers to benefit from FP's powerful solutions.

Dear shareholders,
ladies and gentlemen

Despite the unexpected global economic downturn, our operating business has been solid in the year to date. After nine months, revenue totalled EUR 126.4 million, slightly below the previous year's level, but slightly higher after adjusting for currency effects. Despite negative currency effects amounting to EUR 0.4 million, EBITDA stands at EUR 17.3 million, also above the previous year's level. The broad international basis of the FP Group is proving its value once again, with positive effects particularly from foreign markets such as the UK, Italy and US in machine sales and leasing, and progress with the Mail Services and Software segments in Germany. Conversely, business was impacted more strongly than anticipated by the current political crisis in Russia and the completed decertification in Austria. In Germany, not only is the economy slowing, but measures to strengthen distribution under "Aufbruch 2015" are taking more time than originally planned. Establishing the dealership sales channel will require more time, more training and more support to achieve the expected sales, not only of franking machines but also of digital solutions.

Overall, this means that the franking machine business is lagging behind expectations in the current year, and is not generating the full contribution to revenue expected at the start of the year in order to reach the ambitious goals for full-year 2014. However, we expect to reach 95% of the target for revenue set at the start of 2014, or at least EUR 169 million, and at least 90% of the target for EBITDA, i.e. between EUR 23-24 million. What is important, however, is that the profitability of the FP Group is continuing to rise, and this is already apparent after the first nine months in growth of 10.9% in annual net income and a year-on-year increase of 5.8% in earnings per share.

Hans Szymanski, Speaker of the Management Board of Francotyp-Postalia Holding AG, and Thomas Grethe, Member of the Management Board of the Francotyp-Postalia Holding AG.

Naturally, we are not content with this, particularly because not only has the operating business developed solidly, but also the efforts of earlier years are bearing visible fruit, as the following three examples show.

- The substantial expenses incurred to develop PostBase are paying off. In the US, about 25,000 old franking machines have been replaced by PostBase in the course of the current decertification. With this, the FP Group is defending its market share in the world's biggest market, and is creating a good basis for sustainable profitable sales in the years to come.

- The development of new markets is creating additional opportunities. Rising demand for PostBase in Italy shows what possibilities there may still be in what were thought to be saturated markets. Following the certification of PostBase and the establishment of a sales organisation, FP is now attacking the French market with more sales clout.

- Cost optimisation is proceeding as planned. After reorganising its production, FP initiated further cost optimisation measures under "Aufbruch 2015". Implementation is on schedule and will culminate in the return of the head offices to Berlin in the fourth quarter. The relocation will still require one-time expenses, but from 2015 FP will benefit from lower costs and the disappearance of a drain on liquidity of over EUR 1 million a year.

These developments all show that FP is on the right track. It is a question now of mastering current challenges and further boosting our strength in distribution. The experience of recent quarters shows clearly that the future here lies in efficiently addressing a large number of customers, not only through the classic sales channels but also through new ones. This is why we are standing by our strategy, and consistently expanding the telesales team and the indirect sales channel in the Franking and Inserting segment, while at the same time streamlining direct sales.

There is no doubt at all of the high priority and market potential of the Software segment. With this promising business in view, the Supervisory Board has appointed Sven Meise as additional member of the Management Board, with effect from 1 February 2015. This IT expert will head the drive to develop and market digital solutions and products. In addition, a second managing director started work at Mentana-Claimsoft on 1 November 2014, with responsibility for sales of De-Mail and other digital solutions.

The national spread of De-Mail received a boost from the German Federal Government as part of its digital agenda; by the end of 2015 well over 200 Federal offices and agencies will be able to communicate via De-Mail. Several of the biggest, including Deutsche Rentenversicherung, have already chosen a solution from Mentana-Claimsoft, and we gained more major customers in the third quarter of 2014, like Bundesagentur für Arbeit.

We made an early start on setting the course for further development of the FP business model in the digital age, and we are now pushing ahead systematically with these activities. This will lead to rising sales in the high-margin software business, and together with the success of PostBase, this lays a good basis for the goal of raising earning power in the coming year and beyond. This development will in all probability enable us to propose an attractive dividend to you, our shareholders, at the next annual general meeting, and again in the years to come.

Sincerely,

Hans Szymanski
CEO & CFO

Thomas Grethe
CSO

Francotyp-Postalia Holding AG
Interim Group Management Report for first nine months of 2014

8 GROUP PRINCIPLES

8 Operating Activities

9 Research and Development

9 Employees

10 ECONOMIC REVIEW

10 Macroeconomic and Industry-specific Conditions

10 Business Performance

15 Business Performance by Segment

15 Financial Position

17 Net Assets and Net Assets Structure Analysis

18 EVENTS AFTER THE BALANCE SHEET DATE

19 RISK AND OPPORTUNITY REPORT

19 FORECAST

We point out that mathematically accurate values (monetary units, percentages etc.) may be rounded up differently.

GROUP PRINCIPLES

OPERATING ACTIVITIES

Francotyp-Postalia Holding AG (FP Group or the Company), based in Birkenwerder near Berlin, is a multichannel provider for mail communication. As postal markets have continued to change, the Company has moved from being a franking machine manufacturer to being a solutions partner. The FP Group is now able to cover the entire letter post distribution chain – from franking and inserting physical letters through mail consolidation to hybrid and fully electronic mail dispatch via De-Mail. Francotyp-Postalia targets its services at corporate clients of all sizes, who can obtain a complete package of products and services for easy and cost-efficient mail communication.

The Company's activities are divided into three product segments: Franking and Inserting, Software Solutions and Mail Services.

Franking and Inserting segment

The FP Group's Franking and Inserting segment focuses on developing, manufacturing, selling and leasing franking and inserting machines.

Franking machines enable clients to frank their mail automatically and quickly. Outbound mail can then be processed much more efficiently, as the appropriate postage is electronically programmed into the machine and each item is franked at the correct value. Clients in some countries can also save postage, as national postal organisations grant a discount when postage is applied by franking machines. All franking machines are certified by national, licensed state-owned or private postal companies. These certifications also include the various inks required by postal organisations in the form of consumables.

The Group's product range extends from the small My-Mail franking machine to the CentorMail machine and new PostBase franking system, which features numerous mechatronics and software management innovations and a simple, intuitive touchscreen interface.

The Group’s main revenue generator in the franking machine segment is the after-sales business, which generates recurring revenue. This includes the teleporto (electronic downloading of postage) business, the sale of consumables, the creation of printing plates, services and software solutions for cost centre management.

Software Solutions segment

The FP Group offers fast, simple innovative software solutions. With one mouse click, you can send a letter electronically using the highest security standards. Clients can choose from two options: hybrid mail and the fully-electronic solution De-Mail.

The specialist in hybrid mail is the FP subsidiary internet access GmbH lilibit Berlin Gesellschaft für Kommunikation und Digitaltechnik, Berlin (iab). Following flotation, the Group acquired a majority stake in iab at the end of 2006. Hybrid mail is a combination of electronic and physical mail: the sender dispatches the letter electronically, the recipient receives a physical letter. The FP Group takes on the entire production process in between – from printing out, franking and inserting to handover of the letter to a mail delivery company.

The FP Group secured its entry into the fully electronic communication sector in spring 2011 with the acquisition of a majority stake in Mentana-Claimsoft GmbH. At the end of 2013 the stake was increased by 24.5% to 75.5%. In July 2014 the FP Group acquired the remaining 24.5% and now holds 100% of the shares. Mentana-Claimsoft specialises in electronic signatures and offers products for making electronic documents secure and legally binding communication in addition to products for long-term archiving. The Company is also the first accredited De-Mail provider in Germany. DeMail offers a simple, traceable and confidential communication infrastructure in Germany. DeMail is binding because both sender and recipient are identified in the initial registration process before they can use the technology. Confidentiality is guaranteed thanks to very powerful encryption.

Mail Services segment
The Mail Services segment covers consolidation of mail, i.e. collecting letters from clients, sorting them by postcode and delivering them in batches to a sorting office of Deutsche Post or an alternative postal distributor. After the IPO the Company acquired freesort GmbH at the end of 2006. With eight sorting offices in Germany, freesort is one of the leading independent consolidators of mail in the German market.

RESEARCH AND DEVELOPMENT

The expansion of the PostBase franking system platform remained the main focus of research and development activities in the third quarter of 2014. In the past, the PostBase system comprised a basic machine with four speed settings and software that allowed users to configure and use the PostBase system via a PC. Now, there is a model for new users, which will be launched in the fourth quarter, initially on the UK market . This is smaller than the basic unit and is suitable for using on smaller desktops. The FP Group is also making progress with licences for other postal markets with a view to increasing the international presence of PostBase's franking system.

The FP subsidiary Mentana-Claimsoft is constantly improving the existing De-Mail system. The company is currently overhauling the www.fp-demail.de site, among other things adding an end-to-end encryption function. The FP-Box hardware solution is being developed in 2014 in order to speed up the rollout of De-Mail and hybrid services for clients. As an entry-level product, FP-Box will also simplify marketing and maintenance for De-Mail and hybrid services. This year Mentana-Claimsoft was the first company in Germany to receive certification for TR-RESISCAN. The certificate awarded by the German Federal Office for Information Security (BSI) eases digital document management and increases the legal certainty of scanned documents.

The FP subsidiary iab continues to focus on expanding the applications of the modern output management system and on innovations in automated mail communication transfers. Inbound developments are concentrated on rolling out new software for existing processing methods, with a view to ensuring high-quality and fully automated document recording systems.

In the past quarter, research and development costs came to a total of EUR 2.1 million, which is slightly above the same quarter of the previous year (EUR 2.0 million). R&D costs for the first nine months amounted to EUR 6.1 million, in comparison to EUR 6.8 million in the previous year. Of this, EUR 2.8 million was capitalised as intangible assets, EUR 3.4 million was taken to expense. The ratio of research and development expenses to revenue was 4.9% in the first nine months of 2014 (previous year: 5.4%).

EMPLOYEES

Our staff are a key factor in the success of the FP Group. The Company's long-term success is dependent on employees identifying with it and being committed to its objectives. Their potential is developed by a high degree of autonomy.

At 30 September 2014 the FP Group's total global employment was unchanged at 1,057. While employment increased at the foreign companies (particularly in the USA and France) it decreased slightly at the German companies, so that on balance the total number of employees was unchanged. As at the reporting date, 660 employees were attributable to the German companies (previous year: 678) and 397 to foreign subsidiaries (previous year: 379).

Segment breakdown of employees as at 30 September 2014:

SEGMENT	30.9.2014	30.9.2013
Sales Germany	470	483
Sales International	397	379
Production	164	172
Central functions	26	23
Total	**1,057**	**1,057**

ECONOMIC REVIEW

MACROECONOMIC AND INDUSTRY-SPECIFIC CONDITIONS

The weak economy in Germany, the FP Group's home market, continued in the third quarter, with gross domestic product (GDP) rising only 0.1% after declining in the second quarter. Contrary to the view expressed by most economic forecasters at the start of the year, the German economy is now in stagnating. The European economy is impacted by both the tense situation in Ukraine and the stagnant demand from companies in the Eurozone. The Ifo business climate index, an important indicator for the German economy, fell for the sixth time in a row in October 2014, taking it to the lowest point for almost two years. Other important FP Group markets in Europe are also showing little or no growth. The situation is different in the US and UK. In the US, the FP Group's largest foreign market, the economy is picking up, with annualised economic growth of 3.5% in the third quarter of 2014.

The exchange rate between the euro and the US dollar is of paramount importance for exports of the FP Group to the US, and also for other markets. In the third quarter of 2014 the EUR lost value significantly, slipping from USD 1.37 to USD 1.26 at the end of the quarter.

BUSINESS PERFORMANCE

Despite the economic downswing in important markets, the FP Group's business was stable in the third quarter of 2014. There were positive effects particularly from foreign markets such as the UK, Italy and US in machine sales and leasing, and in progress with Mail Services and Software business in Germany. Conversely, business was impacted by the current political crisis in Russia and the completed decertification in Austria. In Germany, the third quarter of 2014 suffered from the combination of a slowing economy and the fact that the measures to strengthen sales under "Aufbruch 2015" are taking more time than originally planned. This applies particularly to the development of a dealership sales channel, which requires more time-consuming training and more intensive support. However, cost optimisation (another element of "Aufbruch 2015") achieved the expected successes in the third quarter.

Particularly in its foreign markets, the FP Group benefited in the third quarter from the introduction of PostBase. Leasing business is playing a growing role in franking machines. Although this requires significant investment in the short term, in the medium and long term it will provide a solid base (US) and lead to further expansion (Italy, UK; France) of the installed base of franking machines and recurrent income. In addition there were further successes in gaining new clients for the De-Mail segment. For example, Mentana-Claimsoft attracted more major companies and institutions for the De-Mail gateway.

There were no isolated events with significant influence on the net assets, financial position or results of operations. The Company had already included the consequences of the reassessment of teleporto funds (restricted cash) at the UK subsidiary Francotyp-Postalia Ltd in the interim financial statements for the period ending 30 June 2014. Under a new regulation of the British Royal Mail, the Group has free use of the postage advances. This strengthens the FP Group's financial clout, reduces net debt and increases its financial scope.

Financial performance indicators

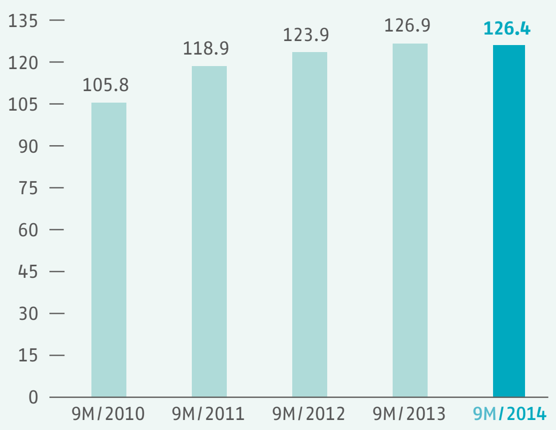
The FP Group's financial performance indicators are revenue, EBITDA, EBIT, free cash flow and net debt. These are the value-driving parameters of the conflicting priorities that the Company faces: profitability, growth and liquidity.

Revenue development

In the third quarter of 2014, materials costs rose to EUR 41.8 million, compared with EUR 41.4 million for the same period in 2013. In the first nine month of 2014, the Company's generates revenue of EUR 126.4 million, after EUR 126.9 million year-on-year. Adjusted for the negative exchange rate effects of EUR -0.7 million, revenue also topped the previous year.

In Germany, revenue after nine months rose from EUR 68.5 million to EUR 69.4 million, thanks to progress as a multi channel service provider. The US remained the biggest foreign market after the first nine months of 2014, where revenue was slightly up at EUR 25.1 million (previous year: EUR 25.0 million), despite the negative exchange rate effect of EUR -0.7 million. Trends in other foreign market were divergent. While the FP Group reported lower revenue in Austria after the end of certification there and is suffering from the results of the political tension in Russia, business in the UK is growing significantly, benefiting from the "Mailmark" incentive programme, which offers a postage discount of 34% on franked letters.

REVENUE
in EUR million



A breakdown of revenue by products and services highlights the success of the multi-channel strategy: rising revenue in new business areas Mail Services and Software offset declines in revenue in core product business due to currency and market conditions.

As a result, recurring revenue from the Mail Services and Software business and from service agreements, leasing, teleporto and sales of consumables for approximately 234,000 franking machines worldwide rose to EUR 102.6 million in the first nine months of 2014 (previous year: EUR 101.8 million). This includes growth of 5% in revenue in the Software segment to EUR 9.8 million, and a full 6% in revenue in the Mail Services segment to EUR 32.6 million. Nevertheless, revenue from product sales declined year on year to EUR 23.8 million (previous year: EUR 25.0 million). In the third quarter of 2014, the FP Group achieved a significant improvement, with revenue in the product business up EUR 1.6 million quarter on quarter to EUR 8.6 million.

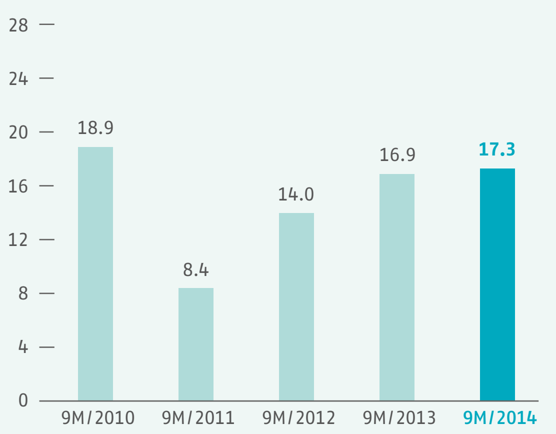
REVENUE BREAKDOWN BY PRODUCT AND SERVICES

in EUR million	1.1. – 30.9.2014	1.1. – 30.9.2013	Q3 2014	Q3 2013
Recurring revenue	**102.6**	**101.8**	**33.2**	**34.4**
Equipment hire	18.1	17.2	6.3	5.8
Service/customer service	18.9	19.8	5.8	6.5
Consumables	15.4	16.1	5.0	5.5
Teleporto	7.9	8.8	2.6	2.9
Mail services	32.6	30.7	10.4	10.7
Software	9.8	9.3	3.1	3.1
Product sales revenue	**23.8**	**25.0**	**8.6**	**7.0**
Franking	18.0	18.8	6.8	5.4
Inserting	4.6	5.0	1.4	1.6
Other	1.2	1.3	0.4	0.0
Total	**126.4**	**126.9**	**41.8**	**41.4**
Recurring revenue	81.2%	80.3%	79.4%	83.1%
Non-recurring revenue	18.8%	19.7%	20.6%	16.9%

Earnings development (EBITDA, EBIT)

Operating earnings before interest, taxes and depreciation, EBITDA, rose in the third quarter of 2014 to EUR 5.5 million, compared with EUR 5.4 million in the year before. Due to planned higher depreciation, EBIT was EUR 2.2 million, down from EUR 2.3 million in the previous year. Over the first nine months EBITDA increased to EUR 17.3 million, while EBIT amounted to EUR 7.9 million. The negative impact on EBITDA from the change in exchange rates compared to the previous year amounted to EUR 0.4 million after nine months.

EBITDA
in EUR million



Free cash flow

Free cash flow – the difference between cash inflows from operating activities (EUR 9.8 million) and cash outflows from investing activities (EUR 13.8 million) – fell to EUR -4.0 million in the first nine months, compared to EUR 2.6 million in the previous year. The negative cash flow is the result of the planned increase in investment due to increased replacement of leased products, the purchase of new tools and machines for production and the relocation of the head office to Berlin.

Net debt

In the first nine months of 2014 FP Group's net debt rose as a result of the negative cash flow to EUR 13.4 million, compared to EUR 9.7 million at the end of 2013. The reduction in the adjusted figures for 31 December 2013 compared to those originally reported is due to the change in recognition of postage advances in the UK. The new arrangement with the Royal Mail allows FP Group to dispose freely of the teleporto funds.

CHANGES IN NET DEBT

in EUR million	30.9.2014	31.12.2013 (adjusted)	31.12.2013
Liabilities	43.8	38.6	38.6
Funds	30.3	28.9	8.5
Net liabilities	**13.4**	**9.7**	**30.1**
Equity	30.7	25.9	25.9
Net debt-equity ratio	**44%**	**37%**	**116%**

Net debt is calculated as debt minus cash and cash equivalents. Debt includes borrowing and liabilities from finance leases. Cash and cash equivalents comprises liquid assets, treasury shares and securities, and also includes the postage credit balances in the UK managed by the FP Group.

Changes in material items in the Group statement of comprehensive income

DETAILS TO THE GROUP STATEMENT OF COMPREHENSIVE INCOME

in EUR million	1.1. – 30.9.2014	1.1. – 30.9.2013	Q3 2014	Q3 2013
Revenue	**126.4**	**126.9**	**41.8**	**41.4**
Change in inventories	1.9	0.8	1.1	-1.1
Other own work capitalised	11.1	10.4	3.5	3.4
Overall performance	**139.4**	**138.0**	**46.4**	**43.7**
Other income	1.6	1.0	1.0	0.4
Materials costs	61.9	58.5	20.8	18.5
Personnel costs	39.9	40.6	12.6	12.8
Depreciation, amortisation and impairment losses	9.4	8.7	3.3	3.1
Other operating expenses	21.9	23.1	8.5	7.4
Operating income before special income and expenditures	**7.9**	**8.2**	**2.2**	**2.3**
Net interest income/expense	-1.7	-1.6	-0.5	-0.6
Other financial result	0.8	0.0	0.8	-0.1
Tax result	-2.5	-2.6	-0.9	-0.8
Consolidated net income	**4.5**	**4.0**	**1.6**	**0.8**
EBIT	**7.9**	**8.2**	**2.2**	**2.3**
EBITDA	**17.3**	**16.9**	**5.5**	**5.4**

Revenue

In the third quarter of 2014, the FP Group generated total revenue of EUR 41.8 million, compared with EUR 41.4 million for the same period in 2013. This growth is due to increased revenue from product sales. In the Mail Services and Software segments, revenue was virtually unchanged quarter on quarter, although revenue increased in both segments over the full nine months.

Other own work capitalised

Other own work capitalised rose in the third quarter to EUR 3.5 million from EUR 3.4 million in the previous year. This is the result of the unchanged high level of franking systems manufactured for the leasing business in the US – the decertification process in the US will last until the end of 2014, boosting demand for the PostBase franking system as many clients are replacing their machines. The FP Group capitalises the lease machines and depreciates them over their useful lives. Increases in leased products included in own work capitalised amounted to EUR 8.8 million in the first nine months, compared with EUR 6.9 million in the previous year.

Other income

The capitalisation of development costs rose in the third quarter of 2014 to EUR 1.0 million (Q3 2013: EUR 0.4 million).

Materials costs

In the third quarter of 2014, materials costs rose to EUR 20.8 million, compared with EUR 18.5 million for the same period in 2013. The cost of raw materials, consumables and supplies rose to EUR 9.8 million due to higher product sales (previous year EUR 8.6 million). The cost of purchased services remained virtually unchanged at EUR 11.1 million (previous year: EUR 11.0 million). The cost of materials ratio rose from 44.6% in the same period in 2013 to 49.8%.

Personnel costs

Personnel costs decreased to EUR 12.6 million in the first three quarters of 2014 compared with EUR 12.8 million in the previous year. This reduction was despite non-recurring severance payments to employees in connection with the relocation of departments to Wittenberge, provisions for increased travel allowances and other expense resulting from the impending relocation to Berlin, and provision for the reorganisation of the German sales organisation. The personnel cost ratio fell from 31.0% in the same period in 2013 to 30.0%.

Other expenses

Other expenses increased in the third quarter of 2014 to EUR 8.5 million, compared with EUR 7.4 million for the same period in 2013, specifically for commission, advertising and legal and other advisory services.

EBITDA

The FP Group achived an EBITDA of EUR 5.5 million in the third quarter of 2014 (previous year EUR 5.4 million). Over the first nine months of 2014 EBITDA rose to EUR 17.3 million, from EUR 16.9 million in 2013 despite currency effects totalling EUR -0.4 million. The EBITDA margin improved year on year to 13.7% (2013: 13.3%).

Depreciation, amortisation and impairments

Depreciation, amortisation and impairments rose to EUR 3.3 million in Q3 2014 from EUR 3.1 million in 2013. The increase was driven by higher depreciation on replacements of leased products.

Net interest income/ expense

In the third quarter of 2014, net income expense/income stood at EUR -0.5 million compared with EUR -0.6 million in the year before. Owing to falling interest rates, interest income fell to EUR 0.1 million compared with EUR 0.2 million in the third quarter of 2013. Interest expenses decreased to EUR 0.6 million, compared with EUR 0.8 million in 2013.

Other financial result

The FP Group posted a financial result of EUR 0.8 million in the third quarter of 2014 (EUR -0.1 million). The effects in the financial result depend on the reporting date evaluation at different exchange rates.

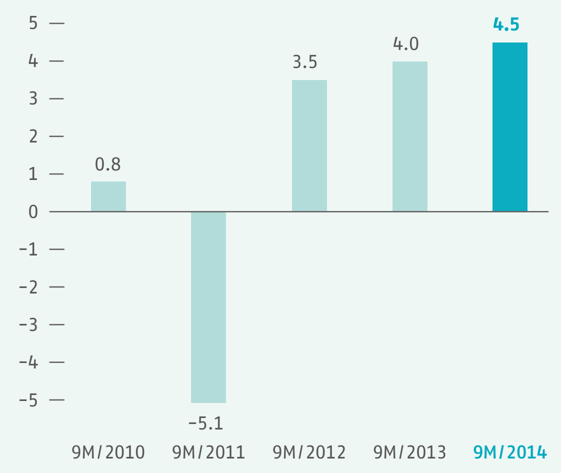
Tax result

The tax result consists of tax income of EUR 0.7 million and ongoing tax expenses totalling EUR 1.6 million. The net tax result came to EUR -0.9 million, compared with EUR -0.8 million for the same period in 2013.

Consolidated net income

Other own work capitalised rose in the third quarter to EUR 1.6 million from EUR 0.8 million in the previous year. Earnings per share improved to EUR 0.10 compared with EUR 0.06 in the third quarter of 2013. Over the first nine months of 2014, consolidated net income rose to EUR 4.5 million, from EUR 4.0 million in 2013.

CONSOLIDATED NET INCOME
in EUR million



Non-financial performance indicators

The FP Group uses non-financial performance indicators alongside financial performance indicators for management purposes. Quality and improvement indicators are used to measure product and service quality. Consistently high quality is crucial for the Group's longterm success. Further information on non-financial performance indicators can be found in the 2013 annual report.

BUSINESS PERFORMANCE BY SEGMENT

The Company is divided into four segments, namely Sales Germany, International Sales, Production, and Central Functions. This segmentation corresponds to the FP Group's internal reporting.

As the segments report in accordance with the local financial reporting framework, both the adjustments in accordance with IFRS and the Group consolidation entries are included in the reconciliation with the consolidated financial statements. The Group consolidation entries comprise the consolidation of intra-segment business. Intra-Group transactions are effected at market prices. Since the figures from the separate financial statements must be aggregated to produce total segment earnings, the segment totals include both intra-segment figures and interim profits.

Revenue amounts reported in this section correspond to the section on revenue with external third parties in the segment report.

Sales Germany segment

Overall, the FP Group generated revenue of EUR 69.4 million with third parties in its German domestic market in the first nine months of 2014, compared with EUR 68.5 million in the same period of the previous year. Revenue in Mail Services with consolidation specialist freesort increases in the first nine months of 2014 to EUR 32.6 million, compared with EUR 30.7 million in the previous year. Revenue in the Software Solutions segment improved to EUR 9.8 million, compared with EUR 9.3 million in the first nine months of 2013.

Segment EBITDA stood at EUR 4.3 million compared with EUR 4.7 million in the previous year.

Sales International segment

In its Sales International segment, which combines all activities by foreign subsidiaries, the FP Group generated revenue of EUR 54.0 million with third parties in the first nine months of 2014 after EUR 54.7 million in the same period of the previous year. Negative currency effects and slower business, particularly in Austria and Russia, had an impact here.

The Sales International segment generated EUR 11.1 million of EBITDA for the FP Group in the first nine months of 2014, compared with EUR 12.1 million in the previous year. This decrease is due primarily to expense in connection with establishing business in France. The FP Group is also expanding its business in the leasing market in Italy, with corresponding expenditure.

Production segment

All FP Group production activities in Germany are reported under the Production segment. Segment revenue came to EUR 3.2 million in the first nine months of 2014, down from EUR 4.8 million in the previous year. This is due in particular to the positive effect on the first six months of 2013 of the order for the Russian market, which could not be repeated in 2014. EBITDA was EUR 4.5 million (EUR 4.8 million).

FINANCIAL POSITION

Principles and objectives of financial management

The main aim of financial management is to avoid financial risks and ensure the financial flexibility of the FP Group. The Company achieves this by employing a variety of financial instruments. Various factors are taken into account when selecting the instrument, such as flexibility, loan terms, the existing maturity profile and finance costs. The long-term liquidity forecast is based on operational planning. A significant part of liquidity in the FP Group comes from segment operating activities and the resultant cash flow. The Company also uses finance leases and loans from financial institutions. The net debt ratio is an important management parameter for the FP Group's capital structure. The net debt ratio represents net debt over equity and is monitored constantly. On 30 September 2014 the ratio was 44%, compared with 37% as at 31 December 2013.

Liquidity analysis

The cash outflow from operating activities amounted to EUR 9.8 million in the first nine months of 2014 compared with EUR 13.5 million in the same period of the previous year. The difference is primarily due to the increase in inventory in the current financial year to deal with the increase in deliveries of new machines, particularly for the leasing business. For the same reason, cash outflow from investing activities rose slightly to EUR 13.8 million, compared with EUR 10.8 million in the previous year. For further explanations of the change, see the section "Investment analysis". Free cash flow – the balance of cash inflows from operating activities and cash outflows from investing activities – amounted to EUR -4.0 million in the first nine months of 2014, compared with the previous year's figure of EUR 2.6 million. This decrease is in line with the development outlined at the start of the year, when the Company expected an improvement in the free cash flow due to higher cash inflows from operating activities.

The cash outflow from investment activities amounted to EUR 4.5 million in the first nine months of the current financial year compared with EUR 0.9 million in the same period of the previous year. Cash and cash equivalents comprise liquid assets and securities minus teleporto balances. The FP Group was able to meet its payment obligations at all times. The figure for cash and cash equivalents reflects the change in recognition of the postage advances in the UK, which are now freely available to the FP Group. The corresponding figures for 2013 were adjusted in the statement of cash flow.

LIQUIDITY ANALYSIS in EUR million	**01.01.– 30.9.2014**	01.01.– 30.9.2013
1. Cash flow from operating activities		
Cash flow from operating activities	9.8	13.5
2. Cash flow from investing activities		
Cash flow from investing activities	-13.8	-10.8
3. Cash flow from financing activities		
Cash flow from financing activities	4.5	0.9
Cash and cash equivalents		
Change in cash and cash equivalents	0.5	3.5
Change in cash and cash equivalents due to currency translation	1.6	-0.5
Cash and cash equivalents at beginning of period	27.1	24.1
Cash and cash equivalents at end of period	**29.1**	**27.1**

BREAKDOWN OF SEGMENT INCOME

in EUR million	Revenue [1]			EBITDA		
	Quarter 3 2014	Quarter 3 2013	Changes in %	**Quarter 3 2014**	Quarter 3 2013	Changes in %
Sales Germany	22.4	24.0	-6.7	1.2	1.6	-25.0
Sales International	18.0	16.9	6.5	3.4	4.0	-15.0
Production	1.0	1.6	-37.5	1.2	1.3	-7.7
FP Group [2]	41.8	41.4	1.1	5.5	5.4	1.6

BREAKDOWN OF SEGMENT INCOME

in EUR million	Revenue [1]			EBITDA		
	1.1.– 30.9 2014	1.1.– 30.9 2013	Changes in %	**1.1.– 30.9 2014**	1.1.– 30.9 2013	Changes in %
Sales Germany	69.4	68.5	1.3	4.3	4.7	8.5
Sales International	54.0	54.7	-1.3	11.1	12.1	-8.3
Production	3.2	4.8	-33.3	4.5	4.8	-6.3
FP Group [2]	126.4	126.9	-0.3	17.3	16.9	2.2

1) Sales to third parties
2) The Central Functions segment is also shown in the segment reporting. The segment generates no revenue with external third parties. Revenue is generated from services to subsidiaries. Further information on this segment and on the Group reconciliation can be found in the notes to the consolidated financial statements.

Financing analysis

For financing purposes in the first nine months of 2014, the FP Group primarily used cash flow from operating activities, existing loan agreements with financial institutions and finance leases. The report on "Events after the balance sheet date" contains information on a change agreement on the consortium loan agreement, with improved conditions.

At the end of the third quarter of 2014, cash and cash equivalents stood at EUR 31.1 million, compared with EUR 29.0 million at 31 December 2013. Liabilities include borrowing of EUR 39.3 million (end-2013: EUR 33.3 million) and liabilities from finance leases of EJUR 4.6 million (end-2013: EUR 5.3 million). Cash and cash equivalents include liquid assets, treasury shares totalling EUR 1.2 million (end-2013: EUR 1.8 million) and securities of EUR 0.7 million (end-2013: EUR 0.7 million); this excludes postage credit balances of EUR 2.6 million which are administered by the FP Group.

Investment analysis

The FP Group has a focused investment strategy with a clear emphasis on investments that will facilitate the Group's ongoing development as a complete service provider for mail communication. In the first nine months of 2014, investments rose as expected to EUR 13.8 million from EUR 10.8 million in the same period of the previous year. In 2014, the Company is increasing investment in future growth, including investment in development, production and more franking machines for the major leasing markets of the US and France.

Capitalisation of development costs in the first nine months of the current year was EUR 2.8 million, unchanged from the previous year. Investments in property, plant and equipment (excluding leased products and investments in finance lease relationships) rose to EUR 1.6 million in this period, up from EUR 1.0 million in the previous year. Investment in leased products an investments in finance lease also increased significantly due to the current decertification in the US and the associated replacement of machines, rising to EUR 8.8 million from EUR 6.9 million in the previous year.

INVESTMENTS in EUR million	1.1.– 30.9.2014	1.1.– 30.9.2013
Capitalised development costs	2.8	2.8
Investments in other intangible assets	0.7	0.2
Investments in property, plant and equipment (excluding leased products)	1.6	1.0
Investments in leased products	8.8	6.9
Proceeds from the disposal of non-current assets	-0.1	-0.1
Investments	**13.8**	**10.8**

NET ASSETS AND NET ASSETS STRUCTURE ANALYSIS

The expansion of the leasing business, which is reflected in the increase in non-current assets, and the associated increase in inventory played a decisive role in the increase in total assets at 30 September 2014 to EUR 153.8 million, up from EUR 137.4 million at the end of 2013. The share of non-current assets in total assets rose slightly to 51.9%, up from 51.6% at 31 December 2013. In liabilities, equity is benefiting from current consolidated net income; in addition, the FP Group is increasing its use of existing credit lines. As a result, the equity ratio, the equity to non-current assets ratio and long-term liabilities all increase.

Non-current and current assets

While the value of intangible assets was virtually unchanged compared to 31 December 2013, there was a clear increase in the value of tangible assets, which rose to EUR 31.7 million, compared to EUR 24.6 million at the end of 2013. This was due primarily to success in the leasing business, where the item "Leased products" alone rose by EUR 6.6 million from 31 December 2013 to EUR 16.7 million on 30 September 2014. The value of investments in finance lease relationships at 30 September was EUR 7.5 million, unchanged from its level at the end of 2013. The FP Group uses finance leasing to finance rental machines in the US, among other purposes. Receivables from finance leasing rose by EUR 1.2 million to EUR 2.2 million on 30 September 2014.

Within current assets the value of inventories at 30 September 2014 rose to EUR 12.4 million, compared to EUR 8.8 million at end of 2013, as the FP Group is expanding the production of franking machines in the current year, primarily for the US leasing market. Trade receivables remained largely unchanged year-on-year at EUR 17.2 million after EUR 17.1 million at year-end 2013. Securities totalling EUR 0.7 million are used by freesort GmbH as a cash deposit for a guarantee to Deutsche Post AG. Other current assets increased from EUR 10.9 million to EUR 12.6 million on 30 September 2014, and cash and cash equivalents rose from EUR 29.0 million to EUR 31.1 million.

Equity

Because of the positive consolidated net profit, shareholders' equity rose as at 30 September 2014 to EUR 30.7 million compared with EUR 25.9 million at the end of 2013. The equity ratio increased to 20.0% from 18.8% at the end of 2013. As at 30 September 2014, the Company held a total of 237,944 treasury shares, corresponding to 1.47% of the share capital. For more information about authorised and contingent capital and conversion and option rights, please see the 2013 annual report.

Non-current and current liabilities

Non-current liabilities at 30 September 2014 were EUR 56.7 million, up from EUR 49.8 million at the end of 2013, as the FP Group made increase use of an existing credit line to finance current investment in future growth. The ratio of net debt to equity at 30 September 2014 was 44%, compared with 37% at end-2013.

Current liabilities increased to EUR 66.4 million as at 30 September 2014, compared with EUR 61.8 million at the end of 2013. This is mainly due to an increase in other current liabilities to EUR 47.2 million from EUR 42.1 million at 31 December 2013, of which EUR 23.9 million (31 December 2013: EUR 23.0 million) are liabilities from teleporto. It should be noted that despite the new freedom of disposal over postage advances from clients in the UK, the corresponding liabilities to the clients are unchanged in the full amount.

Leasing

The FP Group offers both operating and finance leases. The business models are also reflected in the FP balance sheet. Non-current assets comprises machines leased under operating lease agreements to FP Group clients. In reference to this, EUR 24.2 million is contained in the "Leased products" and "Assets under finance lease relationships" items. Finance lease agreements with clients are recognised under "Receivables from finance lease"; non-current and current items came to EUR 3.5 million as at 30 September 2014.

EVENTS AFTER THE BALANCE SHEET DATE

On 7 October the FP Group published an ad hoc notice on financing at improved conditions. The Company had taken advantage of the favourable environment for financing and entered into a change agreement with the existing bank syndicate to the current consortium loan agreement of April 2013. The total volume of the consortium loan has increased by EUR 5 million and now totals EUR 50 million. At the same time, the conditions were significantly improved: the term of the loan was extended by more than a year to October 2019. Furthermore, improvements in the interest margin and greater leeway with regard to other financial liabilities were also obtained.

Beyond this, no events of special significance occurred after the interim reporting date (30 September 2014) which could have had a notable effect on the net assets, financial position and results of operations of the FP Group.

On 19 November 2014 the Supervisory Board announced that with effect from 1 February 2015, IT expert Sven Meise will join the Management Board of Francotyp-Postalia Holding AG. He will join the current two-member board – comprising CEO and CFO Hans Szymanski and Thomas Grethe – as CSO. In future, Meise will be responsible for the business units freesort GmbH, iab GmbH and Mentana-Claimsoft GmbH. His responsibilities include expanding the solution and outsourcing business and establishing and expanding the De-Mail business.

RISK AND OPPORTUNITY REPORT

The Company discussed its opportunities and risks in detail in the consolidated financial statements dated 31 December 2013. No further risks and opportunities are currently identifiable.

FORECAST

At the start of 2014 the FP Group presented a forecast for the full year with ambitious growth targets. At that time the Company was expecting a favourable economic environmental in key markets such as Germany and a stable euro, and also expected the measures initiated under "Aufbruch 2015" to have the planned effect. These expectations were not fully met. While business in foreign markets such as the US and UK and with multi-channel services is developing well, more time than expected is needed for strengthening distribution in Germany, particularly in developing a dealership sales channel. While this has now been initiated, even more extensive training and intensive support is needed for the German dealership to generate the expected sales. The Management Board has also taken measures to reorganise the sales organisation. These include a clear reduction in the direct sales staff, accompanied by expansion of the telesales staff for franking machines and a significantly strengthening of distribution in the Mail Service and Software segment.

Despite the delays with "Aufbruch 2015" and the economic downswing, the FP Group expects to achieve at least 95% of its revenue targets and at least 90% of its EBITDA target announced at the start of 2014. This corresponds to revenue of at least EUR 168 million and EBITDA of between EUR 23 million and EUR 24 million. The impact of sales and currency on EBITDA will be fully reflected in EBIT.

The FP Group accordingly continues to expect higher profitability in full-year 2014 than in the previous year, as the extensive reorganisation takes effect. The cost optimisation measures initiated under "Aufbruch 2015" are also working as planned.

The Company now expects free cash flow in full-year 2014 of between EUR -3 million and EUR -4 million. As stated at the beginning of the year, 2014 is a year of investment, with a focus on investment in the US leasing market. In parallel with this, the FP Group is making a start on expanding its business in the biggest European franking machine market, France, which is also a leasing market. Adding in the planned investments in development and production, the level of investment in 2014 is set to rise considerably on the previous year. A solid capital base ensures problem-free financing of this investment in future growth. For the current financial year the FP Group continues to plan for net debt of EUR 13-14 million.

All the statements made here are based on the state of knowledge at the end of the third quarter of 2014. The FP Group wishes to point out that the stated targets may differ from the values actually reached later.

Interim Consolidated Financial Statements for first nine months of 2014

21 CONSOLIDATED STATEMENT OF RECOGNISED INCOME AND EXPENSES

22 CONSOLIDATED BALANCE SHEET

24 CONSOLIDATED CASH FLOW STATEMENT

25 CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

26 NOTES

CONSOLIDATED STATEMENT OF RECOGNISED INCOME AND EXPENSES FOR THE PERIOD FROM 1 JANUARY TO 30 SEPTEMBER 2014

in EUR thousand

	Q3 / 2014 1.1. – 30.9.2014	Q3 / 2013 1.1. – 30.9.2013	Q3 2014 1.7. – 30.9.2014	Q3 2013 1.7. – 30.9.2013
Revenue	126,436	126,862	41,845	41,396
Changes in inventories of finished goods and work in progress	1,902	778	1,062	–1,099
	128,338	**127,640**	**42,907**	**40,297**
Other capitalised own work	11,100	10,371	3,534	3,409
Other income	1,566	1,039	958	432
Materials costs				
a) Cost of raw materials, consumables and supplies	28,085	27,085	9,760	7,475
b) Costs for purchased services	33,800	31,397	11,059	11,000
	61,885	**58,482**	**20,819**	**18,475**
Personnel costs				
a) Wages and salaries	33,710	34,197	10,602	10,800
b) Social security contributions	5,606	5,740	1,754	1,962
c) Expenditure on pension schemes and other benefits	616	624	201	75
	39,932	**40,561**	**12,557**	**12,837**
Depreciation and impairments	9,425	8,691	3,327	3,069
Other expenses	21,895	23,080	8,533	7,425
Net interest income / expense				
a) Interest and similar income	350	690	82	162
b) Interest and similar expenses	2,038	2,252	551	754
	–1,688	**–1,562**	**–469**	**–592**
Other financial result				
a) Other financial income	1,329	1,241	1,177	116
b) Other financial expenses	562	1,276	410	248
	767	**–35**	**767**	**–132**
Tax result				
a) Tax income	1,654	1,090	706	275
b) Tax expense	4,130	3,699	1,609	1,073
	–2,476	**–2,609**	**–903**	**–798**
Consolidated net income	**4,470**	**4,030**	**1,558**	**810**
Other comprehensive income				
Currency translation for financial statements of foreign entities	1,588	–350	1,477	–434
of which taxes	4	90	27	12
of which reclassified in consolidated net income	66	–522	51	–43
Other comprehensive income after taxes	**1,588**	**–350**	**1,477**	**–434**
Total comprehensive income	**6,058**	**3,680**	**3,035**	**376**
Consolidated net income for the year:	4,470	4,030	1,558	810
– of which attributable to the shareholders of the FP Holding	4,352	3,948	1,468	827
– of which attributable to non-controlling interests	118	82	90	–17
Comprehensive income:	6,058	3,680	3,035	376
– of which attributable to the shareholders of FP Holding	6,176	3,762	2,945	359
– of which attributable to non-controlling interests	–118	–82	90	17
Earnings per share (undiluted, in EUR):	**0.28**	**0.25**	**0.10**	**0.06**
Earnings per share (diluted, in EUR):	**0.27**	**0.25**	**0.09**	**0.06**

CONSOLIDATED BALANCE SHEET AT 30 SEPTEMBER 2014

ASSETS

in EUR thousand

	30.9.2014	31.12.2013
NON-CURRENT ASSETS		
Intangible assets		
Intangible assets including customer lists	17,336	16,472
Goodwill	9,147	9,147
Development projects and payments in progress	6,223	7,131
	32,706	**32,750**
Property, plant and equipment		
Land, land rights and buildings	2,476	2,420
Technical equipment and machinery	1,181	1,033
Other equipment, operating and office equipment	3,582	3,560
Leased products	16,661	10,060
Investments in finance lease relationships	7,539	7,509
Advance payments and assets under construction	216	36
	31,655	**24,618**
Other assets		
Associated companies	36	36
Other equity investments	163	163
Receivables from finance leases	2,185	995
Other non-current assets	214	201
	2,598	**1,395**
Tax assets		
Deferred tax assets	6,187	5,450
Current tax assets	6,689	6,689
	12,876	**12,139**
	79,835	**70,902**
CURRENT ASSETS		
Inventories		
Raw materials and supplies	4,482	3,578
Work in progress	857	530
Finished products and merchandise	7,042	4,712
	12,381	**8,820**
Trade accounts receivable	**17,168**	**17,067**
Other assets		
Receivables from finance leases	1,333	995
Income tax reimbursement rights	404	228
Derivative financial instruments	23	81
Other current assets	10,882	9,637
	12,642	**10,941**
Securities	680	680
Liquid assets	31,063	28,990
	73,934	**66,498**
	153,769	**137,400**

LIABILITIES

in EUR thousand

	30.9.2014	31.12.2013
EQUITY		
Attributable to shareholders of the parent company equity		
Subscribed capital	16,160	16,160
Capital reserves	34,989	35,312
Stock option reserve	964	781
Treasury shares	-1,175	-1,829
Loss carried forward	-24,949	-27,650
Consolidated net income after minority interests	4,352	4,931
Other comprehensive income	-1,037	-2,595
	29,304	**25,110**
Non-controlling interests	**1,414**	**764**
	30,718	**25,874**
NON-CURRENT LIABILITIES		
Provisions for pensions and similar obligations	14,087	14,089
Other provisions	1,096	1,194
Financial liabilities	38,589	33,337
Other liabilities	157	313
Deferred tax liabilities	2,724	824
	56,653	**49,757**
CURRENT LIABILITIES		
Tax liabilities	2,574	2,188
Provisions	4,372	4,803
Financial liabilities	5,166	5,223
Trade payables	7,076	7,456
Other liabilities	47,210	42,099
	66,398	**61,769**
	153,769	**137,400**

CONSOLIDATED CASH FLOW STATEMENT FOR THE PERIOD FROM 1 JANUARY TO 30 SEPTEMBER 2014

in EUR thousand	1.1.–30.9.2014	1.1.–30.9.2013
Cash flow from operating activities		
Consolidated net income	4,352	4,112
Income tax result recognised in profit or loss	2,476	1,811
Net interest income recognised in profit or loss	1,219	1,562
Depreciation and amortisation of non-current assets	9,426	8,691
Decrease in provisions and tax liabilities	-384	-438
Loss (+) / gain (–) on the disposal of non-current assets	-1,211	148
Decrease (+) / increase (–) in inventories, trade receivables, and other assets not attributable to investing or financing activities	-6,390	-31
Decrease (–) / increase (+) in trade payables and other liabilities* not attributable to investing or financing activities	4,587	448
Other non-cash income	-1,780	41
Government assistance not yet received	0	-121
Interest received	350	690
Interest paid	-1,245	-1,934
Income tax paid	-1,574	-1,515
Cash flow from operating activities	**9,826**	**13,464**
Cash flow from investing activities		
Cash paid for internally generated intangible assets	-392	-138
Cash paid for the capitalisation of development costs	-2,784	-2,846
Proceeds from the disposal of non-current assets	74	140
Cash paid for investments in intangible assets	-319	-104
Cash paid for investments in property, plant and equipment	-10,396	-7,890
Cash paid for financial investments	0	0
Cash flow from investing activities	**-13,817**	**-10,838**
Cash flow from financing activities		
Cash paid from reverse repo transactions	0	-2,037
Dividend payments to non-controlling interests	0	-49
Cash paid for profit distributions to shareholders	-1,263	0
Cash paid to repay bank loans	-1,577	-4,500
Cash paid to repay liabilities from finance leases	-1,448	-1,965
Cash inflows from taking up liabilities from finance leases	719	3,207
Cash inflows from disposal of treasury shares	331	0
Cash inflows from taking out bank loans	7,704	6,230
Cash flow from financing activities	**4,465**	**886**
Cash and cash equivalents*		
Change in cash and cash equivalents	474	3,512
Change in cash and cash equivalents due to currency translation	1,612	-517
Cash and cash equivalents at beginning of period	27,060	24,124
Cash and cash equivalents at end of period	**29,146**	**27,119**

* Cash and cash equivalents and other liabilities exclude the postage credit balances managed by the FP Group (EUR 2,617 thousand; previous year EUR 2,385 thousand). Cash and cash equivalents include current securities totalling EUR 680,000 (previous year: EUR 680,000).

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD FROM 1 JANUARY TO 30 SEPTEMBER 2014

						Other comprehensive equity					
in EUR thousand	Subscribed capital	Capital reserves	Stock option reserve	Treasury shares	Net result	Difference from currency translation	Net investments in foreign business operations	Difference from adjustment of IAS 19 (revised 2011) [1]	Equity attributable to FP Holding	Non-controlling interests	**Total**
Balance as at 1.1.2013 [1]	16,160	35,312	636	-1,829	-26,999	-1,344	885	-1,742 [1]	21,079	492	21,571
Consolidated net income 1.1.-30.9.2013	0	0	0	0	4,112	0	0	0	4,112	-82	4,030
Currency translation of financial statements of foreign entities	0	0	0	0	0	-350	-430	0	-780	0	-780
Adjustment of provisions for pensions and partial retirement as per IAS 19 (revised 2011) [1]	0	0	0	0	0	0	0	0	0	0	0
Other comprehensive income 1.1.-30.9.2013	0	0	0	0	0	-350	-430	0	-780	0	-780
Total comprehensive income 1.1.-30.9.2013	0	0	0	0	4,112	-350	-430	0	3,332	-82	3,250
Capital increase	0	0	0	0	0	0	0	0	0	0	0
Capital increase from stock options	0	0	83	0	0	0	0	0	83	0	83
Dividends	0	0	0	0	0	0	0	0	0	-49	-49
Other changes	0	0	0	0	0	0	0	0	0	0	0
Balance as at 30.9.2013 [1]	16,160	35,312	719	-1,829	-22,887	-1,694	455	-1,742 [1]	24,494	361	24,855
Balance as at 1.1.2014 [1]	16,160	35,312	781	-1,829	-22,719	-1,517	294	-1,372 [1]	25,110	764	25,874
Consolidated net income 1.1.-30.9.2014	0	0	0	0	4,352	0	0	0	4,352	118	4,470
Currency translation of financial statements of foreign entities	0	0	0	0	0	1,548	10	0	1,558	0	1,558
Adjustment of provisions for pensions and partial retirement as per IAS 19 (revised 2011) [1]	0	0	0	0	0	0	0	0	0	0	0
Other comprehensive income 1.1.-30.9.2014	0	0	0	0	0	1,548	10	0	1,558	0	1,558
Total comprehensive income 1.1.-30.9.2014	0	0	0	0	4,352	1,548	10	0	5,910	118	6,028
Dividends	0	0	0	0	-1,263	0	0	0	-1,263	0	-1,263
Other changes	0	0	0	0	-967	0	0	0	-967	532	-435
Capital increase from stock options	0	-323	183	654	0	0	0	0	514	0	514
Balance as at 30.9.2014	**16,160**	**34,989**	**964**	**-1,175**	**-20,597**	**31**	**304**	**-1,372**	**29,304**	**1,414**	**30,718**

1) For more information about the amendments see "Selected explanatory notes 2.1 on IAS 19 – Employee Benefits".

SELECTED EXPLANATORY NOTES
FOR THE PERIOD FROM 1 JANUARY TO 30 SEPTEMBER 2014

I. GENERAL PRINCIPLES

GENERAL NOTES

Francotyp-Postalia Holding AG, Birkenwerder (also referred to hereafter as "FP Holding"), is a German stock corporation (Aktiengesellschaft) registered in the Commercial Register of Neuruppin District Court under HRB 7649. The company's registered office is at Triftweg 21-26, 16547 Birkenwerder, Germany. The interim consolidated financial statements for FP Holding for the reporting period ending on 30 September 2014 include FP Holding and its subsidiaries (the "FP Group" or "Francotyp").

The FP Group is an international company in the outbound mail processing sector with a history dating back 90 years. The focus of its activities is the traditional product business, which consists of developing, manufacturing and selling franking machines in particular, but also inserting machines and conducting after-sales business. The FP Group offers clients in Germany sorting and consolidation services, together with hybrid mail and fully electronic mail communication products via its subsidiary freesort and majority shareholdings in iab and Mentana-Claimsoft.

The Management Board of Francotyp-Postalia Holding AG drew up the 2013 consolidated financial statements and Group management report at 31 March 2014 and submitted them to the Supervisory Board. The Supervisory Board examined the consolidated financial statements and Group management report and adopted them on 9 April 2014. The 2013 consolidated financial statements and Group management report of Francotyp-Postalia Holding AG were published on 30 April 2014.

These interim financial statements are condensed interim consolidated financial statements in accordance with IAS 34, and do not contain all the information required for annual financial statements prepared in accordance with IAS 1. The financial statements were approved by the Management Board of FP Holding for publication on 21 November 2014.

ACCOUNTING PRINCIPLES

Principles for the preparation of the financial statements

The interim consolidated financial statements – comprising the balance sheet, statement of comprehensive income, cash flow statement, statement of changes in equity and selected explanatory notes – of FP Holding for the period from 1 January to 30 September 2014 have been submitted to the electronic Federal Gazette and published. These are condensed interim consolidated financial statements in accordance with IAS 34 (interim financial reporting) for the interim period from 1 January to 30 September 2014. The accounting methods used to prepare these interim financial statements are essentially the same as those used to prepare the 2013 consolidated financial statements. The interim financial statements should be read in conjunction with the audited 2013 financial statements.

The interim consolidated financial statements have been prepared in euro. For greater clarity and to facilitate comparison, all amounts are presented in thousands of euro (EUR thousand) unless otherwise stated. The rounding of figures may result in minor arithmetical differences.

In accordance with IAS 1, the consolidated balance sheet follows the principle of current/non-current presentation. The balance sheet therefore presents non-current and current assets and liabilities separately. Assets and liabilities are classified as current if their remaining term to maturity or useful life is less than one year, or they are turned over in less than one year in the course of normal operations. Assets and liabilities are classified as non-current if they remain in the company for more than one year.

The consolidated statement of comprehensive income is drawn up using the nature of expense method.

Adjustments to accounting methods and new standards and interpretations

During the 2014 financial year, FP has become aware of a matter that has not previously been properly addressed. It has become evident that liquid assets were inappropriately described in the cash flow statement as "restricted" and were therefore deducted from the holdings of "Cash and cash equivalents at end of period". The error in the cash flow statement is being corrected retrospectively in accordance with IAS 8. We have adjusted the interim financial statements as at 30 September 2014 and the comparison period accordingly. The following table shows the corrected amounts for the relevant entries in the cash flow statement. The relevant explanatory notes are also being corrected.

in EUR thousand	30.9.2013	Adjustment 30.9.2013	30.9.2013 (adjustment)	**30.9.2014**
Cash and cash equivalents at end of period	8,132	18,986	27,118	29,146
Increase in trade payables and other liabilities not attributable to investing or financing activities	-34	482	448	4,587

As a consequence of the relocation of FP Holding's registered office in 2014, the Group's tax rate changed from the previous year's 28.08% to 30.18%. All deferred tax assets and liabilities were recognised at the currently applicable tax rate in the financial year 2014. The change in tax rate affected the current tax result in the amount of less than EUR 500 thousand.

Apart from the exceptions detailed below, the same accounting methods have been applied as in the previous year.

Impact of applying IFRS 10–12:

FP Holding applied the new consolidation standards contained in IFRS 10 – consolidated financial statements, IFRS 11 – joint arrangements and IFRS 12 – disclosure of interests in other entities and the associated amendments to IAS 27 on consolidated and separate financial statements and IAS 28 on investments in associates and joint ventures from 1 January 2014 with retroactive effect.

IFRS 10 introduces a standardised consolidation model for all companies based on control. Under the new model, a company is deemed a parent company with control where the company can make decisions regarding a subsidiary through voting rights or other rights, has exposure or rights to variable returns from the subsidiary company, and is able to influence those returns by the decisions it takes. The new standard has no significant impact on FP Holding.

IFRS 11 has changed the accounting rules for entities with joint control of activities. From now on, each operation has to be classified either as a joint operation or a joint venture. For joint ventures, the parties with joint control have an interest in the net assets, which is presented using the equity method. By contrast, in joint operations the parties with joint control have rights to the assets and obligations for the liabilities. A joint operator is required to recognise the assets, liabilities, revenue and expenses on a pro rata basis. The new standard has no significant impact on FP Holding.

IFRS 12 deals with the disclosure requirements for interests in subsidiaries, joint arrangements, associates, and consolidated and unconsolidated structured companies. The Group is not required to make any disclosures under IFRS 12 in these interim consolidated financial statements.

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

COMPANY GROUP

Francotyp-Postalia Holding AG acts as the ultimate parent company for the group under which the FP Group companies are consolidated. All companies for which the Group exercises control over the financial and business policies (subsidiaries) are included in the consolidated financial statements of FP Holding. Subsidiaries are included in the consolidated financial statements from the moment when FP Holding acquires control. If that control ceases to exist, the corresponding companies are excluded from the consolidated group. As part of restructuring in the third quarter of 2014, two non-operational, fully-consolidated subsidiaries were merged into another fully-consolidated Group company.

Compared with the consolidated financial statements as at 31 December 2013, there were no changes to the consolidated group in the reporting period.

CURRENCY TRANSLATION

Currencies have been translated at the following rates:

	Closing rate			Average rate	
EUR 1 =	**30.9.2014**	31.12.2013	30.9.2013	**1.1.–30.9.2014**	1.1.–30.9.2013
US dollar (USD)	1.2592	1.3767	1.3499	1.3551	1.3134
Pound sterling (GBP)	0.7782	0.8331	0.8357	0.8119	0.8510
Canadian dollar (CAD)	1.4074	1.4636	1.3923	1.4822	1.3341
Swedish krona (SEK)	9.1486	8.8262	8.6595	9.0407	8.5314
Singapore dollar (SGD)	1.6059	1.7391	1.6958	1.7042	1.6330

MANAGEMENT ESTIMATES AND DISCRETIONS

Preparing the interim consolidated financial statements requires a certain number of assumptions and estimates to be made which affect the amount and the recognition of assets and liabilities in the balance sheet and income and expenses for the reporting period. The assumptions and estimates are based on premises which rely on current knowledge. The expected future business performance in particular is based on the conditions when the interim consolidated financial statements are prepared and on realistic projected global and sectoral developments. The actual amounts may vary from the estimates that were originally expected; this is due to changes in the underlying conditions that diverge from these assumptions and are outside the management's control. If actual performance deviates from the expected performance, the premises and, if necessary the carrying amounts of the assets and liabilities concerned, will be adjusted accordingly.

II. DEVELOPMENTS IN THE REPORTING PERIOD

The activities of the FP Group are generally not affected by seasonal influences.

Please see the comments in the Group management report for information on how significant economic developments have affected the activities of the FP Group in the reporting period.

In February 2014, the Supervisory Board of Francotyp-Postalia Holding AG prematurely extended the existing **Management Board contract** with Hans Szymanski until 31 December 2016. Mr Szymanski has been a member of the Management Board since December 2008 and CEO of the FP Group since November 2010. He is responsible for the segments Finance, Strategic Business Development, Production, IT, Research and Development, Human Resources and Legal.

The AGM on 19 June 2014 resolved on the distribution of a **dividend** of EUR 0.08 per share for the financial year 2013. The total amount distributed for the dividend-bearing shares was EUR 1.3 million and was paid out in the second quarter of 2014. The remaining profit was carried forward. The FP Group did not distribute any dividend in the previous year.

An out-of-court settlement between Francotyp-Postalia Holding AG and the former Mentana-Claimsoft GmbH minority shareholder Mr Hans-Jürgen Voges was certified by a notary on 10 July 2014. Under its terms, Francotyp-Postalia Holding AG acquires the remaining **24.5% of the shares in Mentana-Claimsoft GmbH**, thus becoming its sole shareholder. In return for the shares, Francotyp-Postalia will initially suspend the pending lawsuit, and then withdraw it five months after the settlement takes effect.

In the **lawsuit** against former CEO Heinz-Dieter **Sluma**, the respondent submitted a defence statement on 21 March 2014. In counsel's view, the defendant's response gives no cause to amend the current risk assessment. The court hearing has been scheduled for 9 October 2014.

OTHER DEVELOPMENTS

Please see the comments in the Group management report for information about other developments concerning the FP Group.

III. EXPLANATORY NOTES

NOTES TO THE CASH FLOW STATEMENT

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

Cash and cash equivalents are calculated as follows:

in EUR thousand	30.9.2014	30.9.2013 [1]
Liquid assets	31,063	28,785
Plus securities	680	680
Current liabilities in respect of postage credit balances held	-2,598	-2,347
Cash and cash equivalents	**29,145**	**27,118**

1) Adjusted. Notes to amendments: See "I. Adjustments to accounting methods and new standards and interpretations".

Postage credit balances are deducted from cash and cash equivalents because the funds in question can be drawn down by clients at any time. The corresponding offsetting item is included in other current liabilities.

EMPLOYEES

Breakdown of the employees of the FP Group by region and function:

Regional distribution

COUNTRY	30.9.2014	30.9.2013
Germany	660	678
US	124	110
UK	89	91
Netherlands	55	54
Canada	40	36
Italy	21	21
Austria	18	20
Sweden	18	19
Belgium	15	16
Singapore	9	8
France	8	4
Total	**1,057**	**1,057**

Functional distribution

SEGMENT	30.9.2014	30.9.2013
Sales Germany	470	483
Sales International	397	379
Production	164	172
Central functions	26	23
Total	**1,057**	**1,057**

CONTINGENT LIABILITIES AND ASSETS

As a participant in a competitive market it is not surprising that the FP Group is involved in a series of legal disputes. This affects Francotyp-Postalia Vertrieb und Service GmbH in particular; it is involved in several competition disputes with competitors, in court and out of court, both as claimant and respondent. The substance of these disputes is customer advertising methods and market operations. These proceedings are focused on refraining from anti-competitive practices and have no significant commercial relevance. If a case is lost there are other promotional activities to fall back on. Francotyp-Postalia GmbH is also involved in several disputes with competitors concerning infringements of trademark and patent rights. These cases are not currently believed to pose any great risk to the company.

Neopost has brought several out-of-court claims for patent infringements. These accusations are currently being examined. It is not yet possible to give a final evaluation. If the patent infringement claims are upheld, there is the danger that Neopost will bring a lawsuit for patent infringement and damages against FP.

The lawsuit brought by SBW Vermögensverwaltungs GmbH on 9 March 2011, in which it made claims against FP Holding, could be significant, however. The alleged claims arise from the iab Group share purchase contract concluded by FP Holding. The amount claimed is EUR 1,518,750.00. The claim is based on demands for the higher purchase price from the company purchase contract and the alleged unlawfulness of the partial payment with shares by the respondent. In its judgment of 8 November 2011, the Neuruppin District Court dismissed the case. SBW Vermögensverwaltungs GmbH lodged and substantiated an appeal against the judgment within the time limit. The Higher Regional Court of Brandenburg announced in the hearing of 1 July 2014 that it intends to reject the appeal as either inadmissible or unfounded. The litigation risk is therefore regarded by the Group as very low.

SIGNIFICANT EVENTS AFTER THE REPORTING DATE

On 7 October 2014, Francotyp-Postalia Holding AG concluded an amendment agreement to the current consortium loan agreement of April 2013. The total volume of the consortium loan has thus increased by EUR 5 million and now totals EUR 50 million. In addition, the Management Board secured significant improvements in the conditions via the new agreement: the term of the loan was extended by more than a year to October 2019. Furthermore, improvements in the interest margin and greater leeway with regard to other financial liabilities were also obtained.

During the 2014 financial year, FP has become aware of a matter that has not previously been properly addressed. In the past, liquid assets had been inappropriately described in the cash flow statement as "restricted" and treated as such (see under 2.2. "Adjustments to accounting methods and new standards and interpretations"). The liquid assets of EUR 13,000 thousand actually available on 17 October 2014 were used to reduce borrowing.

No other significant events occurred after the balance sheet date of 30 September 2014 other than those shown in the financial statements for the interim period.

IV. SEGMENT INFORMATION

Segment reporting is based on the financial statements in accordance with the local financial reporting framework (level I financial statements). The figures in the individual level I financial statements are added up to form segment amounts and also include intersegment figures and intragroup profits. Consolidation and reconciliation to the interim consolidated financial statements takes place using the reconciliation column, which also includes the adjusting entries in accordance with IFRS.

SEGMENT INFORMATION 1.1.–30.9.2014

in EUR thousand

	A	B	C	D		
	Production	Sales Germany	Sales International	Central functions	Group reconciliation	**Total**
Revenue	62,499	72,252	55,351	1,918	–65,584	126,436
with third parties	3,180	69,426	53,957	0	–127	126,436
intersegment	59,319	2,826	1,394	1,918	–65,457	0
EBITDA	**4,481**	**4,331**	**11,094**	**–2,076**	**–538**	**17,292**
Depreciation and impairments	824	1,918	7,524	16	–857	9,425
Net interest income/expense	–961	–540	–367	334	–154	–1,688
of which interest expense	1,663	660	540	1,218	–2,044	2,037
of which interest income	702	120	173	1,552	–2,198	349
Other financial result	846	13	–46	–31	–15	767
Tax result	–65	345	–1,159	–1,263	–334	–2,476
Net income	3,477	2,231	1,998	–3,052	–184	4,470
Segment assets (as at 30.9)	119,571	44,166	91,141	118,374	–219,484	153,769
Investments	948	871	13,551	2	–1,481	13,891
Segment liabilities (as at 30.9)	114,556	33,795	68,244	54,624	–148,168	123,051

SEGMENT INFORMATION 1.1.–30.9.2013

in EUR thousand

	A	B	C	D		
	Production [1)]	Sales Germany	Sales International	Central functions [1)]	Group reconciliation	**Total**
Revenue	59,981	71,818	55,910	3,535	–64,382	126,862
with third parties	4,727	68,473	54,655	81	–1,074	126,862
intersegment	55,254	3,345	1,255	3,454	–63,308	0
EBITDA	**4,776**	**4,665**	**12,134**	**–2,205**	**–2,443**	**16,927**
Depreciation and impairments	785	1,956	6,575	54	–679	8,691
Net interest income/expense	–422	–520	–325	–442	147	–1,562
of which interest expense	1,538	717	664	1,767	–2,434	2,252
of which interest income	1,116	197	339	1,325	–2,287	690
Other financial result	–260	0	9	309	–93	–35
Tax result	–158	–63	–2,538	–861	1,011	–2,609
Net income	3,151	2,126	2,705	–3,253	–699	4,030
Segment assets (as at 30.9)	118,311	95,580	79,768	131,993	–285,338	140,315
Investments	62	449	10,869	172	–825	10,726
Segment liabilities (as at 30.9)	114,128	85,711	58,303	73,414	–216,130	115,426

1) FP InovoLabs GmbH has been reallocated from the “Central Functions” segment to the “Production” segment.

At the end of the year, the income of FP GmbH and its foreign sales companies is adjusted in accordance with standard fiscal rules for cross-border intragroup transfer pricing. The adjustment primarily affects the reported intersegment revenue and segment EBITDA and net income. Based on the current profit margins of the foreign sales companies, the Production segment's revenue and EBITDA for the reporting period 1 January to 30 September 2014 would have to increase by EUR 927 thousand (EUR 1,707 thousand in previous year). EBITDA for the Sales International segment would have to decrease by the same amount.

SEGMENT INFORMATION

in EUR thousand

	Production [1]	Sales Germany	Sales International	Central functions [1]	Group reconciliation	**Total**
1.1.–30.9.2014						
Provisions for restructuring	–635	0	0	0	0	–635
Income from the reversal of provisions	38	233	0	86	0	356
1.1.–30.9.2013						
Provisions for restructuring	–1,250	–173	0	0	0	–1,423
Income from the reversal of provisions	55	108	2	3	0	168

1) FP InovoLabs GmbH has been reallocated from the "Central Functions" segment to the "Production" segment.

RECONCILIATION IN EUR THOUSAND

SALES REVENUE	1.1.–30.9. 2014	2013
Sales revenue of segments A–C [1]	190,102	189,623
Sales revenue of the Central functions segment [1]	1,918	1,621
Effects from the adjustment of finance leases	–127	–1,074
Effects of POC valuation	0	0
	191,893	**190,170**
Minus intersegment revenue	65,457	63,308
Revenue as per financial statement	**126,436**	**126,862**

1) FP InovoLabs GmbH has been reallocated from the "Central Functions" segment to the "Production" segment.

EBITDA	1.1.–30.9. 2014	2013
EBITDA of the segments A–C [1]	19,906	21,632
EBITDA of the Central functions segment [1]	–2,076	–2,262
	17,830	**19,370**
Assessment effects from the reconciliation to IFRS	2,877	1,842
Effects at the consolidation level	–3,415	–4,285
EBITDA Group	**17,292**	**16,927**
Depreciation and impairments	–9,425	–8,691
Net interest income/expense	–1,688	–1,562
Other financial result	767	–35
Group earnings before taxes	**6,946**	**6,639**
Tax result	–2,476	–2,609
Consolidated net income	**4,470**	**4,030**

1) FP InovoLabs GmbH has been reallocated from the "Central Functions" segment to the "Production" segment.

ASSETS

ASSETS	30.9.2014	30.9.2013
Assets of segments A–C[1]	254,879	295,616
Assets of the Central functions segment[1]	118,374	130,036
	373,253	**425,652**
Capitalisation of development costs under IFRS	18,463	17,516
Effects from the reassessment of goodwill	7,544	6,709
Effects of amortisation of customer lists	-203	13
Effects of amortisation of software created in house	-30	-42
Remaining reconciliations to IFRS	4,382	3,517
	403,409	**453,365**
Effects at the consolidation level (including debt consolidation)	-249,639	-313,050
Assets as per financial statement	**153,769**	**140,315**

1) FP InovoLabs GmbH has been reallocated from the "Central Functions" segment to the "Production" segment.

ASSETS BY REGION

ASSETS BY REGION	30.9.2014	30.9.2013
Germany	282,112	345,884
USA and Canada	45,399	38,144
Europe (without Germany)	44,927	41,156
Remaining regions	815	469
	373,252	**425,652**
Effects of revaluation under IFRS	30,389	27,742
Effects of amortisation of customer lists	-203	13
Effects of amortisation of software created in house	-30	-42
	403,408	**453,365**
Effects at the consolidation level (including debt consolidation)	-249,639	-313,051
Assets as per financial statement	**153,769**	**140,315**

SEGMENT INFORMATION 1.7.–30.9.2014

EUR thousand

	A	B	C	D		
	Production	Sales Germany	Sales International	Central functions	Group reconciliation	**Total**
Revenue	19,807	23,319	18,371	640	-20,292	41,845
with third parties	1,006	22,418	17,980	0	442	41,846
intersegment	18,801	901	391	640	-20,733	0
EBITDA	**1,247**	**1,200**	**3,426**	**-872**	**489**	**5,490**
Depreciation and impairments	278	640	2,680	6	-277	3,327
Net interest income/expense	-330	-193	-101	229	-74	-469
of which interest expense	530	214	156	294	-644	550
of which interest income	200	21	55	523	-718	81
Other financial result	836	13	-9	-29	-44	767
Tax result	-63	567	-241	-603	-563	-903
Net income	1,412	947	395	-1,281	85	1,558
Segment assets (as at 30.9)	119,571	44,166	91,141	118,374	-219,484	153,769
Investments	464	584	4,900	0	-715	5,233
Segment liabilities (as at 30.9)	114,556	33,795	68,244	54,624	-148,168	123,051

SEGMENT INFORMATION 1.7.–30.9.2013

EUR thousand

	A	B	C	D		
	Production [1]	Sales Germany	Sales International	Central functions [1]	Group reconciliation	**Total**
Revenue	16,699	24,310	17,084	1,192	–17,888	41,396
with third parties	1,576	23,996	16,878	0	–1,054	41,396
intersegment	15,123	314	206	1,192	–16,835	0
EBITDA	**1,300**	**1,618**	**3,968**	**–563**	**–922**	**5,401**
Depreciation and impairments	250	630	2,267	17	–95	3,069
Net interest income/expense	–124	–151	–184	–176	43	–592
of which interest expense	564	229	244	626	–909	754
of which interest income	440	78	60	450	–866	162
Other financial result	–147	0	–71	0	86	–132
Tax result	–93	–60	–919	–220	494	–798
Net income	686	777	527	–976	–204	810
Segment assets (as at 30.9)	118,311	95,580	79,768	131,993	–285,338	140,315
Investments	–63	161	3,194	156	–239	3,209
Segment liabilities (as at 30.9)	114,128	85,711	58,303	73,414	–216,130	115,426

1) FP InovoLabs GmbH has been reallocated from the "Central Functions" segment to the "Production" segment.

RECONCILIATION IN EUR THOUSAND

SALES REVENUE

	1.7.–30.9. 2014	1.7.–30.9. 2013
Revenue of segments A–C [1]	61,497	60,007
Revenue of the Central functions segment [1]	640	–722
Effects from the adjustment of finance leases	441	–421
Effects of POC valuation	0	–633
	62,578	**58,231**
Minus intersegment revenue	20,733	16,835
Revenue as per financial statement	**41,845**	**41,396**

1) FP InovoLabs GmbH has been reallocated from the "Central Functions" segment to the "Production" segment.

EBITDA

	1.7.–30.9. 2014	1.7.–30.9. 2013
EBITDA of segments A–C [1]	5,873	6,886
EBITDA of the Central functions segment [1]	–872	–563
	5,001	**6,323**
Assessment effects from the reconciliation to IFRS	1,764	–70
Effects at the consolidation level	–1,276	–851
EBITDA Group	**5,489**	**5,401**
Depreciation and impairments	–3,327	–3,069
Net interest income/expense	–469	–592
Other financial result	767	–132
Group earnings before taxes	**2,460**	**1,608**
Tax result	–903	–798
Consolidated net income	**1,558**	**810**

1) FP InovoLabs GmbH has been reallocated from the "Central Functions" segment to the "Production" segment.

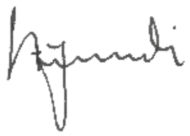
The goodwill of EUR 9,147 thousand (EUR 9,147 thousand in the previous year) shown in the consolidated balance sheet is exclusively assigned to the Sales Germany segment.

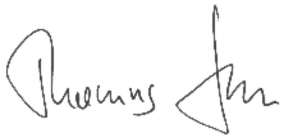
RESPONSIBILITY STATEMENT BY LEGAL REPRESENTATIVES

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

Birkenwerder, 21 November 2014

Management Board of Francotyp-Postalia Holding AG





Hans Szymanski
CEO & CFO

Thomas Grethe
CSO

Financial calendar / Imprint

Presentation Financial Results 3rd Quarter 2014	21 November 2014

EDITOR AND CONTACT

Investor Relations
Prenzlauer Promenade 28
13089 Berlin
Germany

Telephon: +49 (0)30 220 660-410
Fax: +49 (0)30 220 660-425
E-mail: ir@francotyp.com
Internet: www.fp-francotyp.com

CONCEPT AND LAYOUT

IR-One AG & Co., Hamburg
www.ir-1.com

TRANSLATION

CLS Communication AG, Basel
www.cls-communication.com

PHOTOGRAPHY

Daniel Möller, Hannover
www.fotodanielmoeller.de

STATEMENT RELATING TO THE FUTURE

This interim report contains statements that relate to the future and are based on assumptions and estimates made by the management of Francotyp-Postalia Holding AG. Even if the management is of the opinion that these assumptions and estimates are appropriate, the actual development and the actual future results may vary from these assumptions and estimates as a result of a variety of factors. These factors include, for example, changes to the overall economic environment, the statutory and regulatory conditions in Germany and the EU and changes in the industry. Francotyp-Postalia Holding AG makes no guarantee and accepts no liability for future development and the actual results achieved in the future matching the assumptions and estimates stated in this interim report. It is neither the intention of Francotyp-Postalia Holding AG nor does Francotyp-Postalia Holding AG accept a special obligation to update statements related to the future in order to align them with events or developments that take place after this report is published.

The interim report is available in English. If there are variances, the German version has priority over the English translation. It is available for download in both languages at www.fp-francotyp.com.

FRANCOTYP-POSTALIA HOLDING AG

Prenzlauer Promenade 28
13089 Berlin
Germany

Telephone:	+49 (0)30 220 660 410
Fax:	+49 (0)30 220 660-425
E-mail:	ir@francotyp.com
Internet:	www.fp-francotyp.com