

NEWS RELEASE

For Immediate Release

Neopost Addresses New Postal Rate Change Through Delivery of Information and Customer Support

Company utilizes mail, phone and the Web to help offset customer frustrations and price increases

HAYWARD, Calif., June 26, 2001 -- Neopost Inc., a worldwide leader in mailing, addressing, document handling and logistics systems, announced today that it is providing its customers with the best possible support to help them through the second postal rate increase in 2001, which goes into effect July 1. Neopost is providing information on the rate change, supporting installation of new rate paks in postal scales, and offering discounts on rate paks if customers order them by June 30.

Due to the increase, every business across the country will be required to update its postal scale or risk having its company mail returned. To prepare for the rate change, Neopost and other mail vendors must ship rate paks to be inserted into their customers' postal scales in order for the scales to be automatically updated with the new rates. The installment of these paks is typically user-friendly. However, it and the rate change itself often lead to confusion for customers, who flood the vendors' call centers asking for help.

Beginning June 1, Neopost sent letters to all customers alerting them of the new rate change. The letter gave a detailed list of the increases, as well as an explanation as to why certain postage prices went up. Additionally, for three weeks beginning June 25, every Neopost employee, including CEO Anthony Adkins, will be assigned a shift to field the anticipated flurry of calls from customers looking for assistance with replacing the rate pak or information about the rate change.

In anticipation of customer questions or concerns that may arise during non-work hours, Neopost has created a special link on its Web site to address rate-change related issues (www.neopostinc.com/sup/rch000.html). There is a 'frequently asked questions' section that provides details about the rate change, a downloadable rate chart that denotes all of the rate changes, a virtual letter scale that allows people to type in the weight of a letter to calculate the postage and a direct link to the United States Postal Service Web site.

In an unprecedented decision to help ease the effect of the second rate change in one year, customers who ordered updated rate paks by June 30 will be able to take advantage of a discount on their orders.

"We are doing everything we can to make the postage rate transition as painless as possible for our customers," said Neopost CEO Anthony Adkins. "Anyone can click onto our rate change support link on our Web site or call our toll-free number to get details about the rate increase or personalized assistance with inserting the new rate pak. This is an example of the quality customer service Neopost has given its customers for more than 70 years."

Beginning July 1, 2001, first-class postage weighing more than one ounce will cost 23 cents per ounce, up from 21 cents. First class postcards will increase by one cent to 21 cents per card. Businesses and consumers will also have to pay more to send items by certified or express mail. However, the first class rate below one ounce remains at 34 cents.

This is the second rate change issued by the U.S. Postal Service this year. The first, which increased the price of a first class stamp by a penny, occurred in January.

About Neopost

Neopost Inc. is a subsidiary of the Neopost Group, the second largest provider of mailing, addressing, document handling and logistics systems worldwide. Neopost's products are sold in 70 countries, with primary operations in the world's top mailing markets including the United States, Canada, France, and the United Kingdom.

Neopost Inc. is headquartered in Hayward, CA, where the North American corporate offices, customer service, and product development departments are located. Local sales and support are available throughout North America.

Neopost's innovations include the first electronic postage meter, the first postage meter and scale system providing automatic meter setting from the scale, and the first compact desktop folder inserter. Other innovations include Neopost's No Deposit Postage-On-Call®, the first remote meter resetting system not requiring prepayments; and the Neopost Price Protection Program®, which guarantees a fixed cost for the life of the contract and provides one monthly or quarterly payment. Neopost's unique Load 'N Go mode, featured in its SI68 and SI72 folder inserters, automatically detects which feeders have paper, then adjusts settings such as fold type, fold length, envelope size, paper length and paper thickness. Load 'N Go virtually eliminates operator adjustments and the need to program every job. Most recently, Neopost introduced the IJ25, the first stand-alone digital postage meter to comply with the United States Postal Service's Information-Based Indicia Program (IBIP) for simultaneous metering and barcode generation.

Neopost's history dates back to the 1920s when the organization's founders introduced the first postage meters in Europe. Over the years, the company has continued to serve as a leader in the design and manufacture of modular mailing systems, addressing systems, postage meters, electronic postage scales, and e-postage products. Neopost Inc. is located online at www.neopostinc.com.

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