

PRESS RELEASE

Stockholm, 18 January 2013

21Grams acquires PostSort

- New merger strengthens offering to postal buyers and print providers in the Nordics

Swedish post company 21Grams is acquiring all outstanding shares of PostSort AB and KC DATA AB, which develop and market the products "PostSort" and "Mailsort".

PostSort is a leading product within addressing, sortation and preparation of direct marketing campaigns and postal magazines, with over 150 print providers and bookbinders in the Nordic region.

Since 2004 21Grams has helped Swedish postal buyers to lower costs using a combination of new technology and services. In 2012 the company had a turnover of SEK 325 million, and with over 600 active customers the company handles every fifth letter in Sweden. Among its customers are many major postal buyers within banking, billing, insurance, telecom, charity and the public sector.

With the purchase of PostSort, 21Grams strengthens its offering towards printers and bookbinders for the production of direct marketing campaigns and magazines.

21Grams will continue to support and develop new functionality in PostSort, but also to focus on offering additional services such as postage optimization and domestic as well as international postage to the customer base of PostSort.

"The acquisition is in line with our ambition to strengthen our capabilities in the direct marketing space, which stands for over 50% of the Nordic postal mail market. We see a clear trend towards demand for packaged postage and print solutions from customers, both in order to decrease cost but also to simplify the purchase of distribution. In the light of this we see PostSort's customers, the printers, as very important partners for offering our joint products with", says Stefan Blomqvist, CEO of 21Grams.

"As an answer to many postal buyers' interest in combined solutions, 21Grams has developed an offering that includes both sorting and postage for all Nordic countries. As PostSort has strong traction in both Norway and Denmark this is another reason for the merge", Blomqvist adds.

"Together with 21Grams we can access a larger organisation which enables synergies within development, support, sales and administration. 21Grams' add-on services for postal optimization and discounted postal rates give our customers an extra value and possibilities to new margins in a consolidating market", says Kaj Christensen, founder and CEO of PostSort.

All customers, partners and employees are included in the purchase. The new location for the PostSort business is at 21Grams' headquarters at Globen, Stockholm.

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About 21Grams

21Grams offers a complete range of technology and services for production and distribution of mail, to help postal buyers decrease cost and workload.

The offer includes services for all types of mail; invoices, statements, direct marketing campaigns and magazines, which enables quick savings on postage and better process control.

The company develops and markets the three leading software platforms for mail sortation in the Nordics: iSort, Winjet and PostSort/MailSort.

21Grams' technology has been awarded "Best Postal Technology" and "Best Postal Service" at the World Mail and Express show. In 2012 the company reached the "Deloitte Sweden Technology Fast 50 and Europe Top 500, which is a list of the fastest growing companies in Europe.

21Grams has 25 employees and offices in Sweden and the UK.

About KC Data and Postsort

KC DATA was started in 1990 by Kaj Christensen and has 4 employees. Today, KC DATA delivers the most cost-effective and reliable address processing system in the Nordic region.

The story of KC DATA begins in 1990, when Kaj Christensen was contacted by Sjöbergs Bokbinderi, a bookbinder in Stockholm, who needed problems solved with regard to sorting addressed products. At the time, sorting was done manually, which caused quality problems and a low speed of production. Stricter requirements from the Swedish Postal Service made conditions untenable. That was the starting point for KC DATA, which today is the leading supplier of addressing systems in the Nordic region.

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