



Vistaprint Completes Acquisition of Leading European Photo Book Provider Albumprinter

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- Company Updates Financial Guidance for Fiscal 2012 -

VENLO, the Netherlands, Nov 01, 2011 (BUSINESS WIRE) --

Vistaprint N.V. (Nasdaq: VPRT), a leading online provider of professional marketing products and services to micro businesses and the home, today announced it has completed its acquisition of Albumprinter, a privately held Dutch photo book and photo product company. The purchase price was EUR 60 million, with an agreement to pay up to an additional EUR 5 million based on a performance based earn-out. The final purchase price is subject to customary, post-closing balance sheet adjustments.

This acquisition combines Vistaprint's strengths of a pan-European customer base with Albumprinter's specialized expertise and technology for the design and production of photo books. Vistaprint currently plans to promote the Albumprinter offering across the European market. The acquisition will also enable Albumprinter's customers to benefit from a much expanded product offering of personalized products that Vistaprint produces.

Ernst Teunissen, executive vice president and chief financial officer, said, "As discussed during the prepared remarks for our first quarter fiscal 2012 earnings announcement last week, we expect this acquisition to add about \$37 million to \$39 million of revenue for the remainder of our fiscal year ending June 30, 2012. We expect the acquisition to be dilutive to GAAP earnings per share by \$0.09 to \$0.11, but accretive to our non-GAAP earnings excluding acquisition-related amortization of intangible assets and share-based compensation and related expenses. Our updated guidance below adds our Albumprinter expectations to the guidance we established for our core business on October 27, 2011."

Financial Guidance as of November 1, 2011:

Based on current and anticipated levels of demand and recent foreign currency rates, the company expects the following financial results:

Revenue

- For the full fiscal year ending June 30, 2012, the company expects revenue of approximately \$997 million to \$1,049 million.
- For the second fiscal quarter ending December 31, 2011, the company expects revenue of approximately \$285 million to \$306 million.

GAAP Diluted Earnings Per Share

- For the full fiscal year ending June 30, 2012, the company expects GAAP diluted earnings per share of approximately \$1.08 to \$1.20, which assumes 40.8 million weighted average shares outstanding.
- For the quarter ending December 31, 2011, the company expects GAAP diluted earnings per share of approximately \$0.57 to \$0.69, which assumes 40.6 million weighted average shares outstanding.

Non-GAAP Adjusted Net Income Per Diluted Share

- For the full fiscal year ending June 30, 2012, the company expects non-GAAP adjusted net income per diluted share of approximately \$1.74 to \$1.86, which excludes expected acquisition-related amortization of intangible assets of approximately \$5.4 million or approximately \$0.13 per diluted share, share-based compensation expense and its related tax effect of approximately \$21.9 million or approximately \$0.53 per diluted share, and assumes a non-GAAP diluted weighted average share count of approximately 41.2 million shares.
- For the quarter ending December 31, 2011, the company expects non-GAAP adjusted net income per diluted share of approximately \$0.73 to \$0.85, which excludes expected acquisition-related amortization of intangible assets of approximately \$1.2 million or approximately \$0.03 per diluted share, share-based compensation expense and its related tax effect of approximately \$5.5 million or approximately \$0.13 per diluted share, and assumes a non-GAAP diluted weighted average share count of approximately 41.1 million shares.

Capital Expenditures

For the full fiscal year ending June 30, 2012, the company expects to make capital expenditures of approximately \$60 million to \$75 million. Planned capital investments are designed to support the planned growth of the business.

Our estimates for acquisition-related amortization of intangible assets are preliminary and subject to change based on the completion of purchase accounting during the second quarter ending December 31, 2011.

Vistaprint recognized a transactional currency gain related to the payment of the Euro-based Albumprinter acquisition. As standard practice, Vistaprint

does not provide guidance on the anticipated other income/expense impact of currency exchange rate fluctuations, because the consolidated impact of multiple gains and losses over a fiscal year are difficult to predict. The foregoing guidance supersedes any guidance previously issued by the company. All such previous guidance should no longer be relied upon.

About non-GAAP financial measures

This press release contains certain non-GAAP financial measures. Vistaprint has used the following measure defined as non-GAAP financial measures by Securities and Exchange Commission, or SEC, rules: non-GAAP adjusted net income per diluted share. The items excluded from the non-GAAP adjusted net income measurements are share-based compensation expense and its related tax effect, and amortization of acquisition-related intangibles.

The presentation of non-GAAP financial information is not intended to be considered in isolation or as a substitute for the financial information prepared and presented in accordance with GAAP. However, Vistaprint's management believes that these non-GAAP financial measures provide meaningful supplemental information in assessing our performance and when forecasting and analyzing future periods. These non-GAAP financial measures also have facilitated management's internal comparisons to Vistaprint's historical performance and our competitors' operating results.

Management provides these non-GAAP financial measures as a courtesy to investors. However, to gain a more complete understanding of the company's financial performance, management does (and investors should) rely upon GAAP statements of operations and cash flow.

About Vistaprint

Vistaprint N.V. (Nasdaq:VPRT) empowers more than 11 million micro businesses and consumers annually with affordable, professional options to make an impression. With a unique business model supported by proprietary technologies, high-volume production facilities, and direct marketing expertise, Vistaprint offers a wide variety of products and services that micro businesses can use to expand their business. A global company, Vistaprint employs over 3,100 people, operates 24 localized websites globally and ships to more than 130 countries around the world. Vistaprint's broad range of products and services are easy to access online, 24 hours a day at www.vistaprint.com.

Vistaprint and the Vistaprint logo are trademarks of Vistaprint N.V. or its subsidiaries. All other brand and product names appearing on this announcement may be trademarks or registered trademarks of their respective holders.

This press release contains statements about our future expectations, plans and prospects of our business that constitute forward-looking statements for purposes of the safe harbor provisions under the Private Securities Litigation Reform Act of 1995, including but not limited to our financial guidance set forth under the heading "Financial Guidance as of November 1, 2011 and the effect of the Albumprinter acquisition on Vistaprint's financial results and both companies' businesses. Actual results may differ materially from those indicated by these forward-looking statements as a result of various important factors, including but not limited to flaws in the assumptions and judgments upon which our forecasts are based; the willingness of purchasers of marketing services and products to shop online; our and Albumprinter's failure to acquire new customers and enter new markets, retain our and Albumprinter's current customers and sell more products to current and new customers; our failure to promote and strengthen our brand; the failure of our current and new marketing channels to attract customers; our failure to retain key Albumprinter employees; greater than anticipated costs and disruptions associated with integrating Albumprinter's systems and operations and running Albumprinter's business; our failure to manage the growth and complexity of our business and expand our operations; our inability to make the investments we plan to make in our business because the investments are more costly than we expected or because we are unable to devote the necessary operational and financial resources; the failure of our investments in our business to have the effects that we expect; our failure to execute our strategy; currency fluctuations that affect our revenues and costs; unanticipated changes in our market, customers or business; competitive pressures; interruptions in or failures of our websites, network infrastructure or manufacturing operations; costs and judgments resulting from litigation; changes in the laws and regulations or in the interpretations of laws or regulations to which we are subject, including tax laws, or the institution of new laws or regulations that affect our business; general economic conditions; and other factors described in our Form 10-Q for the fiscal quarter ended September 30, 2011 and the other documents we periodically file with the U.S. Securities and Exchange Commission.

In addition, the statements and projections in this press release represent our expectations and beliefs as of the date of this press release. We anticipate that subsequent events and developments may cause these expectations, beliefs and projections to change. We specifically disclaim any obligation to update any forward-looking statements. These forward-looking statements should not be relied upon as representing our expectations or beliefs as of any date subsequent to the date of this press release.



SOURCE: Vistaprint N.V.

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