

FOR IMMEDIATE RELEASE**Consumers Save \$2 Billion Redeeming Coupons in First Half of 2011**

Livonia, Mich., July 27, 2011: Valassis (NYSE: VCI), one of the nation's leading media and marketing services companies, announced today that first-half 2011 coupon redemption volume reached 1.75 billion, a moderate 2.9% increase compared to the first half of last year. In total, consumers saved \$2 billion in the first six months of the year, according to the U.S. Mid-year 2011 Consumer Packaged Goods (CPG) Coupon Facts Report, released by NCH Marketing Services, Inc., a Valassis company. This savings is a 17.6% increase from the comparable period in 2009 when CPG marketers began offering more coupons during the depths of the economic downturn.

Coupons were distributed in record numbers in both 2009 and 2010. Distribution began to stabilize in the first half of 2011, marked by a 6.2% decline from the same period the prior year as marketers issued 167 billion CPG coupons. Although year-to-date distribution is down in the first half of 2011, it remains comparatively strong versus recent years when there was a rapid increase due to economic conditions. In fact, year-to-date, 2011 distribution is 5.7% higher than the comparable period in 2009 when distribution grew to 158 billion, and it is 18.4% higher than the first half of 2008.

First-half 2011 findings also reveal that the average face value is up 5.4% to \$1.57 compared to \$1.49 for the first half of 2010. In addition, marketers have shortened the average expiration to 10.1 weeks compared to 11.3 weeks for the comparable time period in 2010. Additionally, 27% of coupons distributed in the first half of the year required multiple purchases versus 24% for the same time period last year.

"Despite marketers' efforts to reduce redemption liability, coupon redemption volume saw a marked increase as the first half progressed," said **Charlie Brown, NCH Vice President of Marketing**. "CPG marketers are fine tuning their strategies including the number of offers in the marketplace. Every CPG company sets their own strategy. We are seeing many companies that are continuing to increase the total number of coupons they offer, including a few top coupon distributors promoting at a double-digit rate of increase over the prior year. But there are also a number of companies that have reduced their coupon activity for reasons specific to their own situation, such as cost management or changing tactics."

Despite fewer coupons in the marketplace, first-half coupon redemptions have outpaced prior years. **Suzie Brown, Valassis Chief Marketing Officer**, says higher redemption is due to a number of factors including the permanent shift toward a value-oriented mindset; rising food and gas prices; and increased availability of digital offers. Despite the growth of digital offerings, Brown pointed out that the distribution of digital values remains small, likely 1% or less of all coupons in the marketplace.

"Value-oriented behaviors continue to drive consumers to save, and marketers have taken note of what motivates these savvy shoppers," Suzie Brown said. "Marketers are well aware of today's deal-seeker and they remain committed to delivering value, building loyalty and retaining shoppers in a competitive marketplace or face losing market share."

Overall, CPG marketers continue to allocate the largest share of coupons – 89.6% – in the free-standing insert (FSI) via newspaper and shared mail delivery methods. This reflects a 2.1 share point increase from a year ago. Digital coupons, including both paper and paperless formats, continued to grow in the first six months of the year but at a slower pace compared to the upstart rates seen when first introduced. NCH measured a 15% increase in offers distributed digitally compared to the mid-year point a year ago.

Among retailers, first-half redemption volume is increasing across non-traditional grocery channels including drug stores experiencing 26% growth; other store types, including dollar stores are up 11.2%; and mass merchants, up 10.4%.

About Valassis

Valassis is one of the nation's leading media and marketing services companies, offering unparalleled reach and scale to more than 15,000 advertisers. Its RedPlum® media portfolio delivers value on a weekly basis to over 100 million shoppers across a multi-media platform – in-home, in-store and in-motion. Through its digital offerings, including redplum.com and save.com, consumers can find compelling national and local deals. Headquartered in Livonia, Michigan with approximately 7,000 associates in 28 states and eight countries, Valassis is widely recognized for its

associate and corporate citizenship programs, including its *America's Looking for Its Missing Children*® program. Valassis companies include Valassis Direct Mail, Inc., Valassis Canada, Promotion Watch, Valassis Relationship Marketing Systems, LLC and NCH Marketing Services, Inc. For more information, visit <http://www.valassis.com>, <http://www.redplum.com> and <http://www.save.com>. To learn about advertising opportunities with RedPlum, please call 1-800-437-0479.

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