

PSB INDUSTRIES

Earnings held up well in 2012 New growth opportunities

Consolidated figures (€000s)	FY 2011	FY 2012
Revenues	245,049	248,087
EBITDA	37,922	33,357
Operating profit (EBIT)	22,330	17,167
<i>as % of revenues</i>	<i>9.1%</i>	<i>6.9%</i>
Net income	11,932	10,612
Group share of net income	11,435	10,159
Cash flow from operating activities	27,524	26,802

The PSB Industries Group confirmed its strength in FY2012, with revenues up 1.2% to €248.1 million, including 62% generated through export. As announced, FY2012 ended with excellent growth momentum, the second half-year posting an overall growth of 4%.

Earnings

In a rather unfavorable economic context, the Group's earnings also remained solid. EBITDA and EBIT amounted respectively to €33.4 million (13.4% of revenues) and €17.2 million (6.9% of revenues), in spite of higher raw material and energy prices, a lesser contribution from the Specialty Chemicals business (with the rebound in the LED market delayed to H2 2013), and the cost associated with successful new product launches in the Beauty Packaging business.

Overall, the Group invested €25.5 million, or 10.7% of revenues, during the period.

As planned, net debt was reduced in H2 to €92.8 million, accounting for 104% of shareholders' equity (up from 96% end of 2011), or 2.8 years of EBITDA. The net cost of borrowing remained stable at €2.9 million, or 16.6% of EBIT.

Mechanically, the net income attributable to the PSB Industries Group came to €10.2 million (compared with €11.4 million in 2011), or 4.1% of revenues.

New strategic direction

Supported by major projects undertaken in late 2012 to optimize working capital and capital expenditure, the Group confirmed its short-term focus on free cash flow and improving its financial structure.

Fiscal year 2013 should benefit from the 2012 investments in capacity and R&D, the innovative product launches and a rebound in the Specialty Chemicals business. The Group anticipates sales growth of close to 5%, and an operating profit of approximately 8% of revenues.

President & CEO Olivier Salaun stated: *2013 is a new step in building the PSB Industries Group of tomorrow and we can confidently develop our future strategy that will be unveiled at the end of this half-year. Our ambition and strategic orientations will focus increasingly on our markets and customer satisfaction, with human capital development, performance and innovation as key drivers. This will enable the Group to further expand its presence in new markets and geographies to strengthen its core competencies and leadership.*

Dividend

In accordance with the Board of Directors' intent to improve free cash flow, a dividend of €1.20 per share will be proposed to the Shareholders' Meeting of May 27, 2013.
An interim dividend of €0.50 per share was already paid out on January 10, 2013.

First quarter 2013 revenues will be published on April 9, 2013.

NYSE Euronext (ISIN FR0000060329) – CAC Small and CAC Mid & Small indexes, All Tradable
All of the company's financial information is available at: www.psbindus.com -
Email: finance@psbindus.com