

PSB INDUSTRIES

A joint-stock corporation with capital stock of €7,350,000
Registered office: Les Pléiades n°21, Park Nord, La Bouvarde, 74370 Metz-Tessy, France
Trade and company registry ID: 325 520 013 RCS Annecy
Company SIRET number: 325 520 013 00047

Convening notice

The shareholders are hereby informed that the Board of Directors convenes them to the Company's annual ordinary and extraordinary shareholders' meeting of May 27, 2013 at 10:00 AM, held in the registered office in Impérial Palace - Annecy (74000), France, to deliberate on the agenda and the following draft resolutions:

AGENDA

Ordinary Business

- Management report on the company and consolidated financial statements for the year ended December 31, 2012, and the auditors' reports on the company and consolidated financial statements and the agreements covered by articles L225-38 and subsequent of the French Commercial Code.
- Approve the said company and consolidated financial statements – Approve agreements – Discharge directors – Allocate earnings.
- Renew the authorization given to the company to purchase its own shares in order to stabilize the share price.
- Establish the amount of Directors' fees allocated to the Board of Directors.
- Ratification of the co-optation of directors
- Election of two new directors

Extraordinary Business

- Amendment of the Company business purpose in keeping with its current business operations- Corresponding change in article 3 of the By-laws
- Change in article 3 of the By-laws relative to the exercise of voting rights
- Delegation of authority to the Board of Directors to grant free of charge existing shares or shares to be issued, with the waiver of preferential subscription rights
- Delegation of authority to the Board of Directors to issue new share subscription warrants (BSA), share subscription and/or acquisition warrants for new or existing shares (BSAANE) and/or redeemable share subscription and/or acquisition warrants (BSAAR), with the waiver of preferential subscription rights
- Delegation of authority to the Board of Directors to decide on an increase in capital for the benefit of employees participating in a company savings scheme ("Plan d'Epargne d'Entreprise") in compliance with the provisions of the French Labor Code and article L 225-129-6 of the French Commercial Code, with the waiver of preferential subscription rights
- Assign powers to execute formalities.

DRAFT RESOLUTIONS

ORDINARY DECISIONS

FIRST RESOLUTION

The shareholders, after hearing the Board of Directors management report and the statutory co-auditors' general report on the annual financial statements for the year ended December 31, 2012, hereby approve the annual financial statements as presented, together with the operations represented by these statements and summarized in these reports.

The shareholders formally acknowledge that the financial statements for the year ended December 31, 2012 do not take into account expenses that are not deductible for income tax purposes, as identified in Article 39-4 of the French General Tax Code.

Consequently, the shareholders find that the Board of Directors has fully discharged its duties for the said period.

SECOND RESOLUTION

The shareholders, after hearing the statutory co-auditors' special report on the agreements referred to in Articles L. 225-38 et seq. of the French Commercial Code, hereby approve the terms of that report and the agreements mentioned in it.

THIRD RESOLUTION

The shareholders, acting on a proposal from the Board of Directors, resolve to allocate and distribute the income for FY2012 of €4,691,865.81, as follows:

Distribute the amount of as dividends to shareholders	€4,410,000.00
Allocate the balance to the "Other reserves" account	€281,865.81

Of this dividend of €1.20 per share, €0.50 was already paid on January 10, 2013 as an interim dividend (i.e.; €1,837,500 subject to the dividend not paid on treasury shares held by the Company) in accordance with the decision of the Board of Directors as of November 16, 2012. The balance of €0.70 per share remains due (for a total of €2,572,500, subject to the dividend not paid on treasury shares held by the Company), and will be payable as of June 3, 2013.

In the event the Company holds some of its own shares when the dividend is paid, the distributable earnings corresponding to the unpaid dividend due to this holding of said shares will be allocated to the retained earnings account.

Furthermore, the shareholders acknowledge that they have been duly informed that dividends paid to natural persons who are French tax residents are subject to:

- a withholding tax of 15.50% for social security levies, and
- a withholding tax of 21% that corresponds to a personal income tax advance. Taxpayers whose income in the penultimate year was lower than €50,000 (for single, widowed or divorced persons) or €75,000 (for couples who are taxed jointly) may request a waiver from the withholding tax.

In compliance with the provisions of article 243 bis of the French General Tax Code, it is noted that over the last three fiscal years the following dividends were distributed:

<u>Year ended</u>	<u>Dividend per share</u>	<u>Dividend possibly eligible for tax deduction</u>
Dec. 31, 2011	1.55	40% deduction when applicable
Dec. 31, 2010	1.45	40% deduction when applicable
Dec. 31, 2009	1.00	40% deduction when applicable

FOURTH RESOLUTION

Furthermore, the shareholders, after hearing the Board of Directors' management report and the statutory co-auditors' report on the consolidated financial statements for the year ended December 31, 2012, hereby approve the consolidated financial statements together with the operations represented by these statements.

FIFTH RESOLUTION

The shareholders, on a motion by the Board of Directors, hereby resolve to renew the authorization given by the ordinary shareholders' meeting of May 25, 2012, under the provisions of articles L 225-209 et seq. of the French Commercial Code, for the Company to purchase its shares on the stock exchange, in order to:

- manage the share price under a liquidity agreement with an investment services provider, in compliance with the AMAFI Charter of Ethics, and
- purchase shares to hold for subsequent use as exchange or payment as part of an external growth strategy.

The number of shares held under the present authorization cannot exceed 10% of the share capital (i.e.; 367,500 shares).

Purchases of shares under this authorization, as well as sales of such shares, shall be made with the following restrictions: the maximum purchase price must not exceed €50 per share and the minimum resale price will be set at €10 per share.

Given the maximum purchase price per share, the total amount allocated to buying back shares cannot exceed €18,375,000.

This authorization shall be valid for a period of eighteen months from the date of this meeting. It shall supersede the previous authorization.

The shares shall be bought back by market trading or through the acquisition of blocks of shares as allowed by applicable laws and regulations. The entire program can be accomplished by acquiring blocks of shares. The acquisitions and sales may occur during a public offering, subject to the restrictions imposed by the stock exchange.

The Board shall inform the ordinary shareholders' meeting every year of the transactions carried out under this authorization. Consequently, shareholders hereby grant the Board full powers to place stock exchange orders, to conclude any and all agreements required by legal formalities, to make all declarations to authorities, and generally to do everything that is necessary.

SIXTH RESOLUTION

The shareholders hereby resolve to set the gross amount of Director's fees allocated to the Board of Directors for FY2013 at €187,000.

SEVENTH RESOLUTION

The shareholders ratify the Board of Directors' provisional appointment, on October 9, 2012, of Mr. Olivier Salaun as a director, in replacement of Mr. Jean-Baptiste Bosson, who resigned.

Mr. Olivier Salaun will exercise his duties for the remainder of his predecessor's term, namely until the end of the ordinary shareholders' meeting to be held in 2015 that will be called on to approve the financial statements for the year ended December 31, 2014.

EIGHTH RESOLUTION

The shareholders ratify the Board of Directors' provisional appointment, on February 25, 2013, of MB Investissement as a director, in replacement of Mr. Jacques Entremont, who resigned.

MB Investissement will exercise its duties for the remainder of its predecessor's term, namely until the end of the ordinary shareholders' meeting to be held in 2014 that will be called on to approve the financial statements for the year ended December 31, 2013.

NINTH RESOLUTION

The shareholders resolve, in order to comply with the legal provisions regarding balanced gender representation on boards of directors, to elect as new directors, in addition to the members already serving:

Mrs. Sabine Entremont
born April 20, 1966 in Annecy (74), France
residing at avenue de Loverchy (74000) Annecy, France

and

Mrs. Emmanuelle Cachat (married name Pigato)
born on January 1, 1963 in Annecy (74), France
residing at 7 route du Port (74290) Veyrier-du-Lac, France

Mrs. Entremont and Mrs. Pigato are hereby elected for a term of six years, namely until the end of the ordinary shareholders' meeting to be held in 2019 that will be called on to approve the financial statements for the year ended December 31, 2018.

Mrs. Entremont and Mrs. Pigato advised the company in advance that they would accept these positions if they were conferred on them and declared that they satisfy the required legal and regulatory conditions to fulfill this assignment.

EXTRAORDINARY DECISIONS

TENTH RESOLUTION

The shareholders, acting on a proposal from the Board of Directors, resolve to adapt the Company's statutory business purpose in line with its current activities and to word it accordingly:

“Article 3 - Purpose

“The Company's purpose, in France and in all countries, is to:

- carry out all activities, directly or indirectly, related to the manufacture and sale of all chemical or manufactured products,

- *acquire equity stakes in any and all companies and commercial, industrial, financial or real-estate enterprises,*
- *provide any administrative, financial, commercial and management service on behalf of Group subsidiaries, including their outsourcing,*
- *study, search, acquire, sell and exploit directly or indirectly any and all patents, brands or processes,*
- *acquire, license, provide and exploit directly or indirectly any and all licenses and any and all accessory operations, and*
- *acquire and manage any and all marketable securities.*

The Company can carry out any and all of these operations for its own account or on behalf of third parties and, either alone or through shareholdings, joint ventures or companies, with any and all third parties and other companies, and implement and carry them out in any form whatsoever.

And, in general, perform any and all financial, commercial, industrial and real estate operations that could relate directly or indirectly to the business purpose.”

ELEVENTH RESOLUTION

The shareholders, acting on a proposal from the Board of Directors, resolve to modify article 13 of the by-laws regarding the exercise of the voting right by indicating that the voting right attached to shares encumbered by usufruct shall belong to the bare owner for all collective decisions except for those concerning the allocation of income for the year, where such right is reserved for the income beneficiary.

Article 13 – Indivisibility of shares is therefore worded as follows:

Shares are indivisible with regard to the Company.

Joint owners of shares shall be represented at shareholders’ meetings by any one of them or by a joint representative of their choosing. If they are unable to agree on the choice of representative, a representative will be appointed by decision of the Presiding Judge of the Commercial Court, ruling in summary proceedings, at the request of the most diligent co-owner.

In case the ownership of a registered share is encumbered by usufruct, the registration in the Company share register shall mention the names of the income beneficiary and the bare owner(s).

The voting right attached to shares encumbered by usufruct shall belong the bare owner for all collective decisions except for those concerning the allocation of income for the year, where such right is reserved for the income beneficiary.

TWELFTH RESOLUTION

The shareholders, voting according to the quorum and majority conditions required for extraordinary shareholders’ meetings, having examined the Board of Directors’ report and the auditors’ special report:

- authorize the Board of Directors, pursuant to the provisions of articles L 225-197-1 et seq. of the French Commercial Code and other legal provisions applicable to companies whose shares are listed on a regulated market, including powers of delegation in accordance with the legal conditions, to grant free of charge, on one or more occasions, existing company shares and/or shares to be issued, to employees and/or senior company executives of the Company and/or of companies of groups related to the Company under the conditions set out in article L. 225-197-2 of the French Commercial Code, or some categories thereof;

- set at thirty eight (38) months from the date of the present meeting, the period of validity of the present authorization;
- resolve that the number of shares that can be granted by virtue of this authorization cannot represent more than 2% of the share capital on the day of the present meeting;
- resolve that the grant of shares to their beneficiaries will become vested after an acquisition period, whose term will be set by the Board of Directors, it being understood that this term cannot be less than two years and the allocated shares shall be held by their beneficiaries for a period set by the Board of Directors, which cannot be less than two years. However, the shareholders authorize the Board of Directors, if and when the acquisition period, for all or part of one or more allocations, would be at least four years, to reduce or eliminate the holding period for the shares in question;
- duly note that in the event new bonus shares are granted, the present authorization will entail, as and when such shares are irrevocably granted, a capital increase by incorporation of reserves, earnings or issuance premiums in favor of the beneficiaries of such shares and the corresponding waiver by the shareholders of their pre-emptive subscription rights in respect of said shares in favor of the beneficiaries;
- delegate all powers to the Board of Directors, including powers of delegation in accordance with the legal and regulatory conditions, to implement the present authorization, according to the aforementioned terms and conditions or provided for by the laws in force and, in particular, to:
 - determine whether the allocated bonus shares are shares to be issued or existing shares and, where applicable, modify its choice before the shares are granted irrevocably,
 - determine the identity of the beneficiaries or the category or categories of beneficiaries, the share allocations and the number of shares allocated to each of them,
 - set the terms and conditions of the share issues that would be carried out under the present authorization and the entitlement dates for the new shares,
 - formally record the final grant dates and the dates from when the shares can be freely sold, in light of the legal restrictions,
 - formally record the completed capital increases and modify the by-laws accordingly,
 - provide the option of temporarily suspending the allocation rights in the case of financial transactions, and
 - more generally, do everything that will be useful and necessary in the context of the laws and regulations in effect; and
- duly note that in the event the Board of Directors would make use of the present authorization, it will report on such use to the next ordinary shareholders' meeting in compliance with applicable law and regulations.

THIRTEENTH RESOLUTION

The shareholders, voting according to the quorum and majority conditions required for extraordinary shareholders' meetings, having examined the Board of Directors' report and the auditors' special report, and in accordance with the provisions of articles L. 225-129-2, L. 225-138 and L. 228-91 of the French Commercial Code:

- delegate to the Board of Directors, including powers of delegation, its authority to proceed, on one or more occasions, in the proportions and at the times it deems appropriate, to issue new share subscription warrants (BSA), share subscription and/or acquisition warrants for new or existing shares (BSAANE) and/or redeemable share subscription and/or acquisition warrants (BSAAR), with the waiver of pre-emptive subscription rights in favor of a category of people defined hereafter;

- set at eighteen (18) months from the date of the present meeting, the period of validity of the authorization to act;
- resolve that the total number of new shares that can be issued by virtue of the present delegation cannot represent more than 2% of the share capital on the day of the present meeting;
- resolve that the subscription prices for the shares that the warrants would give rights to will be at least equal to the average of the first company share prices quoted on NYSE Euronext Paris during the twenty stock market trading sessions preceding the day the decision to issue the warrants is made;
- resolve to waive shareholders' pre-emptive subscription right to the BSA, BSAANE and/or BSAAR to be issued in favor of the following category of people: all employees and/or company officers of the Company and/or companies in which the Company holds directly or indirectly 95% of the voting rights, or some categories amongst them;
- formally note that the present delegation entails shareholders' waiver, in favor of the BSA, BSAANE and/or BSAAR holders, of their pre-emptive subscription right to the Company's shares to be issued when the warrants are exercised;
- resolve that if the subscriptions haven't absorbed all of the BSA, BSAANE and/or BSAAR issued, the Board of Directors can make use of the following options:
 - limit the amount of the issue to the amount of the subscriptions, or
 - freely distribute all or part of the unsubscribed BSA, BSAANE and/or BSAAR to the category of people defined above;
- resolve that the Board of Directors, in addition to ensuring that all legal provisions are respected, shall have all powers, including powers of delegation in accordance with the legal and regulatory conditions, to implement the present authorization to act, under the conditions above and within the limits authorized by the laws in effect and, in particular, to:
 - establish the list of beneficiaries within the category of people defined above, all performance requirements to allocate the warrants, the number of warrants to allocate to each of them, the number of shares each warrant will confer a right to and, after obtaining the opinion of an independent expert, the characteristics of the warrants, especially the issue price and the exercise price based on the usual valuation methods in this field taking into account the parameters that influence the value of warrants and the underlying shares (e.g.; the exercise price, the holding period, the trigger point, the dividend payout policy, the price and volatility of the Company's share), the warrants' subscription and exercise conditions and timeframes, their terms of adjustment and, more generally, all of the issue's terms and conditions,
 - formally note the capital increases that would result from exercising the BSA, BSAANE and/or BSAAR, and modify the by-laws accordingly,
 - at its sole initiative, charge the expenses for capital increases to the related issue premiums and deduct from this amount the sums necessary to bring the legal reserve for contingencies to 1/10th of the new capital after each increase, and more generally, take all other necessary measures;
- duly note that in the event the Board of Directors would use the authorization granted to it in the present resolution, it will present an additional report to the next ordinary shareholders' meeting in compliance with applicable law and regulations.

FOURTEENTH RESOLUTION

The shareholders, after hearing the Board of Directors' and the Auditors' reports, and taking into account the provisions of article L 225-138-1, L 225-129-2 and L225-129-6 of the French Commercial Code and of articles L 3332-18 to L 332-24 of the French Labor Code, hereby resolve:

- to delegate to the Board of Directors, once a company savings scheme is established pursuant to the provisions of article L. 3332-18 of the French Labor Code, which should occur within a maximum timeframe of one year, its authority to increase the share capital, on one or more occasions and based on its own deliberations, by issuing common shares and/or marketable securities that provide access to the Company's capital reserved for employees who are members of the said company savings scheme established within the Group;
- that the capital increase in accordance with the present resolution cannot exceed 3% of the Company's share capital on the day of the present meeting;
- that the present authorization entails the waiver of shareholders' pre-emptive subscription rights, in favor of the said members of a company savings scheme, to the equity securities to be issued under the terms of the present resolution;
- that the issue price for the new shares or marketable securities giving access to the capital that could be issued by virtue of the present delegation shall be determined under the conditions provided for in article L. 3332-18 et seq. of the French Labor Code and will equal at least 80% of the average of the first company share prices quoted on NYSE Euronext Paris during the twenty stock market trading sessions preceding the day the decision is made to set the opening date of the subscription for members of a Company Savings Scheme;
- to grant the Board of Directors, within the limits and under the conditions stipulated above, all powers to determine all of the terms and conditions of the operations and to take any measures to complete the capital increases, to perform the resulting formalities, inter alia those related to the listing of the created shares, and to amend the by-laws to take account of such capital increases; and
- duly note that in the event the Board of Directors would use the authorization to act granted under the present resolution, it will report on such use at the next ordinary shareholders' meeting in compliance with applicable law and regulations.

The present delegation, if granted, shall be valid for a period of 26 months from the date of the present ordinary shareholders' meeting.

FIFTEENTH RESOLUTION

In addition, the shareholders hereby confer on the bearer of an original, a copy or an abstract of these minutes complete authority to perform all formalities required by law or regulation.

Methods of participating in the Shareholders' Meeting:

Pursuant to the provisions of article R 225-85 of the French Commercial Code, the shareholders are informed that participation in the shareholders' meeting is dependent on registering shares in the name of the shareholder or the intermediary registered on their behalf, on the third day preceding the shareholders' meeting at zero hour, Paris time, either in the registered share accounts kept by the Company or in the bearer share accounts kept by an accredited intermediary. This registration must be established by a

participation certificate issued by the accredited intermediary and appended to the remote voting form or proxy or upon the request for the admission card established in the shareholder's name.

Methods of voting in the Shareholders' Meeting:

If shareholders cannot personally attend the shareholders' meeting, they can choose between one of the following three formulas:

- send a proxy without an designated representative, which is equivalent to giving the voting power to the Chairman of the shareholders' meeting;
- send an absentee vote by the post;
- give a proxy to another shareholder, their spouse, a person with whom they have registered a civil partnership or any other natural person or legal entity of their choice under the legal and regulatory conditions as set out in article L 225-106-1 of the French Commercial Code.

Shareholders can ask the Company for the voting form and its appendices such that the request arrives six days before the date of the shareholders' meeting. For the voting forms to be taken into account, they must reach the Company no later than three days before the shareholders' meeting is held.

Methods of participating in the shareholders' meeting by videoconferencing or a telecommunications means were not adopted for this shareholders' meeting. Consequently, no website covered by article R 225-61 of the French Commercial Code will be prepared for this purpose.

Pursuant to the provisions of article R 225-85 of the French Commercial Code, when shareholders have already cast their vote by way of a postal absentee ballot, have sent a proxy or requested their admission card, they can no longer choose another means of participating in the shareholders' meeting.

Shareholders who have already cast their vote by way of a postal absentee ballot, have sent a proxy or requested their admission card may sell all or some of their shares at any time. However, if the sale occurs before the third business day preceding the shareholders' meeting at zero hour, Paris time, the Company shall invalidate or modify accordingly, depending on the case, the vote cast remotely, the proxy or the admission card. To this end, the intermediary account holder notifies the Company or their representative of the sale and sends it the necessary information.

No sale or any other transaction completed after the third business day preceding the shareholders' meeting at zero hour, Paris time, irrespective of the means used, shall be notified by the accredited intermediary or taken into account by the Company, notwithstanding any agreement to the contrary.

Items and draft resolutions and shareholders' written questions:

Pursuant to the provisions of article R 225-84 of the French Commercial Code, shareholders can submit written questions to the Chairman of the Board of Directors. These questions must be sent to the Company's head office by registered letter with acknowledgement of receipt or by email to the following address: finance@psbindus.com, no later than the fourth business day preceding the date of the shareholders' meeting. They must be accompanied by a certificate that the shareholder is registered in the books.

Requests to add items or draft resolutions to the agenda for the shareholders' meeting by shareholders fulfilling the legal conditions in force must be sent to the Company head office by registered letter with acknowledgement of receipt or by email to the following address: finance@psbindus.com and be received no later than twenty five days before the shareholders' meeting. These requests must state the reasons and be accompanied by a certificate that the shareholder is registered in the books.

Requests to enter draft resolutions shall be accompanied by the wording of the draft resolutions, which may be accompanied by a brief overview of the reasons.

In addition, it should be remembered that the shareholders' review of the items or draft resolutions that will be presented is subject to the interested parties sending, no later than the third business day preceding the shareholders' meeting at zero hour, Paris time, a new certificate proving that their shares are registered on the books under the same conditions as those indicated above.

Pre-meeting information documents:

Pursuant to the legal and regulatory provisions applicable, all documents that must be made available to shareholders on the occasion of shareholders' meetings will be available at the Company's head office, Park Nord La Bouvarde, Les Pléiades n° 21 (74370) METZ-TESSY, within the legal timeframes and, for

documents provided for by article R 225-73-1 of the French Commercial Code, at the Company website at the following address: <http://www.psbindus.com/> , as of the 21st day preceding the Shareholders' Meeting.

The present notice will be followed by a notice of meeting summarizing any modifications to the agenda further to requests to add draft resolutions presented by shareholders.

The Board of Directors