



PSB INDUSTRIES

PRESS RELEASE

27 February 2020

Results for 2019: pursuit of the Group's operating plan Improved performance by Texen - a difficult environment for Plastibell

Consolidated data (in millions of euro)	2019	2018	Change
Revenues	266.2	276.0	- 3.5 %
EBITA (pre-goodwill operating profit)	8.9	11.7	- 23.6 %
% revenues	3.4 %	4.2 %	
Net income for continuing operations	5.0	5.5	-8.5 %
Group share of net income	11.9	78.0	-84.7 %

"In 2019, the PSB Industries Group has consolidated its activity after an initial intense phase of transformation in 2018. Within our new scope of business, ever more innovative and attentive to its environmental performance, our Group disposes of great strengths for the extension of its industrial footprint and the confirmation of its ambition as a pure player within its businesses. Currently, in early 2020, faced with the ongoing coronavirus developments, the Group expects an as yet unquantifiable impact for its markets and is mobilised to support its customers and ensure the safety of its employees during this period of uncertainty."

François-Xavier Entremont, Chief Executive Officer

PSB Industries' consolidated revenues for 2019 amount to €266.2 million including 52% of international sales (49% in 2018). Within a complex economic environment marked by greater volatility within its major markets, the Group has seen a -3.5% fall in its activity compared to 2018 (-4.6% like-for-like for foreign exchange rates and scope of consolidation). The Luxury & Beauty business unit is the largest revenue contributor, with 69% of total sales, whilst the Healthcare & Industry business unit accounts for 31% of the total.

EBITDA (Earnings Before Interest, Taxes, Depreciation and Amortization) has remained stable at €23.5 million or 8.8% of consolidated revenues (8.9% in 2018). EBITDA for 2019 reflects the +€1.3 million impact of the new IFRS 16 on the accounting treatment of leases. Gross margin has improved by +1.1 percentage points to 50.3% essentially as a result of product mix.

EBITA (Earnings Before Interest, Taxes and Amortization) amounts to €8.9 million or 3.4% of consolidated revenues, simultaneously reflecting **improved profitability for the Luxury & Beauty business unit** (Texen), the fruit of North American reorganisation and strong trading activity, and a **slowdown in activity for the Healthcare & Industry business unit** (Plastibell).

With a reduction of net financial expense to -€1.2 million, **net income for continuing operations amounts to €5.0 million** (€5.5 million in 2018). The Group's share of net income, including net profit for discontinued operations (+€6.9 million relating to the sale in progress of our Tianjin site) amounts to €11.9 million compared with €78 million in 2018 inclusive of capital gains for a sale and a hive-off.

As at 31 December 2019, the Group's net debt amounts to €13.2 million compared to net cash of €11.7 million as at 31 December 2018. In 2019, the Group paid an exceptional dividend of €18.2 million and has generated €21.7 million of operating cash flow which contributed to funding the pursuit of the Group's deliberate policy of capital investment whence a cash outflow of €17.2 million. The Group's financial structure is solid with gearing (net debt/equity) of 9% and leverage (net debt/EBITDA) of x 0.6.

In line with the Group's 3-year operating plan designed to comfort its leadership in its major markets, the Group has entered exclusive negotiations with the Pochet Group with a view to acquiring its Qualipac plastic and metal packaging division. The transaction, which marks a major step in the development and reinforcement of PSB Industries' Luxury & Beauty business unit, has led the Board of Directors to propose paying no dividend for 2019.

Next date for your diary: publication of 1st quarter 2020 revenue on 9 April 2020

PSB Industries is an innovative industrial group and market leader serving the Luxury & Beauty and Healthcare & Industry business segments; its mission is to transfer material into experience.

In 2019, the Group achieved revenues of €266 million, of which more than 52% internationally, with production facilities in France, Poland, the USA and Mexico.

Euronext Paris - Compartment C - ISIN FR0000060329 - Cac Small, Cac Mid & Small, All-Tradable Indices

Full financial results for the company are available at: www.psbindus.com - finance@psbindus.com

PSB INDUSTRIES is eligible for French PEA-PME savings accounts