PSB INDUSTRIES

Industrial imagination

PRESS RELEASE

29 JULY 2020 at 18H

Results for the 1st half of 2020
Increased mobilisation to weather the crisis
Pursuit of strategic projects

Consolidated data *(in millions of euro)*	**S1 2020**	**S1 2019**	**Change**
Revenues	100.0	142.2	-29%*
Pre-goodwill operating profit (EBITA)	-7.6	7.0	ns
Net income for continuing operations	-22.1	4.3	ns
Group share of net income	-22.0	4.5	ns

*like-for-like for foreign exchange rates and scope of consolidation

"At the end of a most unusual half-year, our Group thanks its employees, customers, suppliers and shareholders for their active support and strong level of commitment which made it possible for us to maintain the necessary business continuity at the peak of the sanitary crisis. Fully mobilised against COVID-19, PSB Industries has held its course and indomitably pursued its strategy. Testing of new eco-designed materials, reduction of environmental impact and the deployment of new agile manufacturing approaches are the projects engaged in during this 1st half of the year which, alongside the major effort for cost reduction and working capital control, will allow the Group to pursue its policy of virtuous development and take advantage of the forthcoming economic upturn."

François-Xavier Entremont, Chief Executive Officer

For the 1st half of 2020, **PSB Industries achieved consolidated revenues of €100 million** with 51% of its overall activity outside France. Given the context strongly impacted since March by the progressive slowdown and freezing of business, as a result of the geographical spread of the pandemic, sales fell by 29% like-for-like for foreign exchange rates and scope of consolidation. The **historical fall in business** depleted all the Group's results. Careful control designed to achieve a major reduction in breakeven point (by limiting the impact of fixed costs) succeeded in producing **positive EBITDA of €0.2 million at 30 June 2020**, a real performance for an industry with structurally high fixed costs which, associated with strict control of working capital (increased resources of €9.5 million), enabled the Group to generate **positive operating cash flow of €9.8 million over the period**.

EBITA amounted to -€7.6 million after deduction of the depreciation charge for manufacturing facilities. Given the plunge in automotive and aeronautical volumes associated with the COVID-19 pandemic, and the perspective of only slow improvement of world production for these two markets (liable to remain well below the pre-crisis forecasted levels even in the medium term), the Group has recognised €16.6 million of impairment against the intangible assets (goodwill and customer relationships) of its Healthcare & Industry business unit, thereby mechanically producing EBIT of -€24.2 million as at 30 June 2020, alongside net income for continuing operations of -€22.1 million and Group share of net income of -€22.0 million.

The Group's net debt amounts to €7.3 million compared with €13.2 million as at 31 December 2019. **The Group has €80.1 million of cash and €50 million of unused credit facilities.** It continued, during the 1st half-year, to invest with a modest total of €7.8 million focused on increasing the value of its product offering and improving its productivity.

Within the context of unprecedented crisis and continuing weak visibility, the Group continues to focus on managing its resources and costs, confident in the quality and resilience of its Luxury, Beauty, Healthcare and Industrial markets and determined to pursue the deployment of its operating plan and of the investment indispensable for its development and for imposing its lasting leadership within its major markets.

Next date for your diary: publication of revenues for the 3rd quarter of 2020 on 12 October 2020

PSB Industries is an innovative industrial group and market leader serving the Luxury & Beauty and Healthcare & Industry business segments; its mission is to transform material into experience. In 2019, the Group achieved revenues of €266 million, of which more than 50% internationally, with production facilities in France, Poland, the USA and Mexico.

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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