



Managing forests. Enriching wood.
Press release

Upturn in earnings confirmed for the first half of 2014

Paris, 23 September 2014 (5:45 pm) – At the Board meeting today, the Directors reviewed and approved the consolidated accounts for the first half of 2014.

Condensed consolidated income statement

€'000	H1 2014	H1 2013	H2 2013
Revenues	72,478	65,267	76,465
EBITDA	6,532	446	6,638
% of revenues	9.0%	0.7%	8.7%
Income from ordinary operations	2,599	(4,415)	2,764
% of revenues	3.6%	(6.8%)	3.6%
EBIT	2,510	(8,078)	2,791
% of revenues	3.5%	(12.4%)	3.6%
Of which, asset impairments	-	(3,575)	-
Net income	177	(10,194)	1,153
Net income (Group share)	63	(6,596)	707
% of revenues	0.1%	(10.1%)	0.9%
Cash flow from operations	4,295	(2,051)	5,122
after cost of net financial debt and tax			

EBIT in line with the second half of 2013

During the first half of 2014, Rougier's business and profitability confirmed the turnaround that began during the second half of 2013. This has been supported by the good level of its end markets, as well as its effective regional mix and steady growth in sales prices.

In Gabon, operations are breaking even again thanks to the realignment of commercial activities and the improvements in industrial efficiency. In Cameroon and Congo, operational results are improving, despite the structural difficulties at Douala port that have affected the subsidiaries' revenues. In France, faced with a deterioration in the market, the Import-Distribution branch has recorded an improvement in its commercial margins, combined with slightly positive results.

In this context, EBITDA climbed to €6.5 million at 30 June 2014, compared with €0.4 million at 30 June 2013. Income from ordinary operations is up to €2.6 million, versus €(4.4) million one year earlier. Half-year EBIT came to €2.5 million, an improvement of €10.6 million compared with the first half of 2013, which included €(3.6) million of asset impairments. The operating margin rate for the half-year period represented 3.5% of consolidated revenues, a comparable level to the second half of 2013.

Net income breaking even for the first half of 2014

After taking into account the cost of net debt for €(1.4) million, as well as a €(0.7) million tax expense and the share of income from the forest plantation business (Lignafrica), total net income came to €0.2 million, compared with €(10.2) million for the first half of 2013.

After deducting the percentage attributable to minority interests, net income (Group share) represents €0.1 million.

Financial structure

Total shareholders' equity is stable, with €61.4 million at 30 June 2014. Net financial debt rose to €56.4 million at 30 June 2014, from €50.3 million at end-2013. The higher level of stocks blocked at Douala port and the increase in tax receivables to be collected from the three African states, representing a total of €12.6 million at 30 June 2014, are reflected in a €6.7 million increase in working capital requirements over the half-year period, with a direct impact on financial debt.

Outlook

The outlook for the full year in 2014 is consistent with the trends that have been taking shape since the second half of 2013. In this context, Rougier is maintaining its strategic priorities: operational turnaround in Gabon, consolidation of activities in Cameroon and Congo, and development of synergies for Rougier Sylvaco Panneaux in France. The action plan to support these objectives is combined with a high level of discipline in terms of cash generation, reducing stocks at Douala port and accelerating the process to collect receivables from the African states.

Next date

2014 third-quarter revenues on 13 November 2014 (after close of trading).



Managing forests. Enriching wood.

Founded in 1923, the Rougier Group is a market leader for certified African tropical timber. The Group operates around three business lines: Rougier Afrique International (natural forest harvesting, industrial processing and international trade), Lignafrika (research, management and investment in industrial forest plantations in Africa), and Rougier Sylvaco Panneaux (importing and distribution in France of timber from all origins).

www.rougier.fr

ISIN: FR0000037640

ALRGR
LISTED
NYSE
ALTERNEXT

Reuters: ALRGR.PA

Bloomberg: ALRGR:FP

Eligible for SME share-based savings schemes

Contact:

Cyril Combe

cyril.combe@calyptus.net

Tel: +33 (0)1 53 65 68 68