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Press release

## Rougier makes progress in 2014, with earnings picking up again strongly

Paris, 14 April 2015 (7 am) - At the Board meeting on 13 April 2015, the Directors reviewed and approved the annual financial statements for 2014. Rougier is able to confirm its return to profitability, driven by revenue growth and a significant improvement in its operational performances in Africa.

### CONDENSED CONSOLIDATED INCOME STATEMENT

| (€'000)   | 2014           | 2013           | Change         |
|---|----------------|----------------|----------------|
| <b>Revenues</b>   | <b>157,824</b> | <b>141,732</b> | <b>+11.4%</b>  |
| <b>EBITDA*</b>  | <b>15,108</b>  | <b>7,084</b>   | <b>+€8.0M</b>  |
| % of revenues   | 9.6%           | 5.0%           |                |
| <b>Income from ordinary operations</b>                              | <b>6,993</b>   | <b>(1,651)</b> | <b>+€8.6M</b>  |
| % of revenues   | 4.4%           | (1.2%)         |                |
| Impairment of assets  | -              | (3,575)        |                |
| <b>EBIT</b>   | <b>6,050</b>   | <b>(5,286)</b> | <b>+€11.3M</b> |
| % of revenues   | 3.8%           | (3.7%)         |                |
| <b>Earnings before tax and share of profit / loss of associates</b> | <b>2,650</b>   | <b>(8,577)</b> | <b>+€11.2M</b> |
| <b>Net income</b>   | <b>(588)</b>   | <b>(9,041)</b> | <b>+€8.5M</b>  |
| <b>Net income (Group share)</b>                                     | <b>(912)</b>   | <b>(5,889)</b> | <b>+€5.0M</b>  |
| % of revenues   | (0.6%)         | (4.2%)         |                |
| <b>Cash flow from operations</b>                                    | <b>7,685</b>   | <b>3,071</b>   | <b>+€4.6M</b>  |

\* Income from ordinary operations before depreciation and provisions  
The consolidated accounts are currently being audited.

### Highlights

2014 was a positive year for Rougier. The results recorded show progress for the business overall, in terms of both sales trends and operational performances. Despite a contrasting environment in Africa and an economic downturn in France, Rougier is able to confirm its turnaround thanks to its revenue growth in diversified markets, combined with the development of its trade activities and the industrial efficiency gains achieved.

In Gabon, despite temporary difficulties during the fourth quarter, the realignment of commercial activities, the rigorous operational approach rolled out and the stronger management put in place have paved the way for significant progress with reestablishing economic performance levels. In Cameroon and Congo, operational results have continued to progress well, despite the structural difficulties at Douala port, which have had a major adverse impact on the subsidiaries' activities. In France, Rougier Sylvaco Panneaux's earnings have been strongly affected by the major construction market downturn, as well as the non-recurring costs for the reorganization implemented faced with this context.

## Profitability

Overall, these trends are reflected in a clear improvement in Rougier's operational profitability. EBITDA, supported by the continued improvement in average sales prices and industrial productivity gains, climbed €8 million to €15.1 million, representing 9.6% of consolidated revenues for 2014, compared with 5% in 2013. Income from ordinary operations totaled €7.0 million in 2014, compared with €(1.7) million for 2013, reflecting a better absorption of fixed costs.

EBIT is positive, coming in at €6 million and 3.8% of consolidated revenues, versus (3.7)% last year. In 2013, EBIT was affected by impairments in the value of certain assets in Gabon for a total of €(3.6) million.

With the cost of net debt stable and the tax expense rising significantly to €(2.9) million, including €(1.6) million of current tax, overall net income came out slightly negative at €(0.6) million. This includes the share of earnings recorded by Lignafrika, the joint-venture specialized in the development of forest plantations in Africa.

## Financial structure

Total shareholders' equity is stable, with €60.5 million at 31 December 2014. Working capital requirements deteriorated over the year, resulting from high levels of stocks linked directly to the congestion at Douala port, as well as the very high level of billing at the end of the year and the increase in tax receivables to be collected from the three African states (€15.2 million at 31 December 2014). The Group is deploying specific measures to bring its working capital levels down and these are expected to result in a reduction in net financial debt (€60.1 million at 31 December 2014).

## Outlook

In 2015, Rougier will continue to renew and reinforce its management, in line with the process launched in 2014. Earnings are expected to confirm their improvement, benefiting from the sound fundamentals reestablished in Gabon, the strong performances in Cameroon and Congo, as well as the commercial developments in France and internationally.

**Next date:** 2015 first-quarter revenues on 12 May 2015 (after close of trading)



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*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](http://www.rougier.fr)

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