

Annual Results 31 March 2012

Current operating profit at 4.8%

Significant points:

- ➔ Good level of activity in an uncertain macro-economic context
- ➔ Current operating profit stable (for comparable circumstances)
- ➔ Net profit hit by a goodwill loss on the Swedish subsidiary CGU
- ➔ Sound financial structure with gearing at 0.57
- ➔ Pursued growth investment strategy (Germany, LED products)

Outlook 2012/2013:

- ➔ Management remains cautious due to the uncertainty of the economic context
- ➔ Sales indicators encouraging particularly for high added-value products
- ➔ Pursued innovation policy to strengthen company leadership

Main consolidated figures (01/04/2011 – 31/03/2012)¹

In M€ (audit underway)	12 months		Var. M€	31.03.12 Excl. Distec	Period 11-12	
	31.03.12	31.03.11			31.03.12 2S	30.09.11 1S
Sales	51.41	50.66	+0.75	50.40	26.55	24.86
Current operating profit	2.46	2.92	-0.46	2.88	1.59	0.87
<i>Current operating profit</i>	<i>4.8%</i>	<i>5.8%</i>		<i>5.7%</i>	<i>6.0%</i>	<i>3.5%</i>
Loss of goodwill	-5.07	-1.09	-3,98		-5.07	
Operating profit	-2.61	1.83	-4,44		-3.48	0.87
Financial result excl. foreign exchange	-0.46	-0.54	+0.08		-0.22	-0.24
Financial Exchange losses and gains	-0.11	-0.12	+0.01		0.07	-0.18
Tax	-0.44	0.34	-0.78		-0.19	-0.25
Sold activities result – EM share	N/A	N/A			N/A	N/A
Net result	-3.62	1.50	-5,12		-3.81	0.20
Net consolidated result	-3.71	1.43	-5,14		-4.04	0.33
Cash flow	2.86	3.88	-1.02		1.85	1.01
Consolidated equity capital	14.77	18.56			14.77	18.29
Net debt	8.35	7.73			8.35	8.67
Gearing	0.57	0.42			0.57	0.47

EM = Equity Method

Current operating profit at 4.8%

For the 2011/2012 period, Prismaflex International pursued a strategy of operational discipline resulting in a close control of operating costs. At the same time Prismaflex International continued to innovate to strengthen product lines.

The second sixth-month period reflects this strategy with total sales at €26.56 million and a particularly strong Q4. Current operating profit for 2S, stands at €1.59 million and represents 6% of total sales, up on 1S.

Results for the whole period however have been hit by various factors:

- Current operating profit:
 - Dilutive impact on results following the acquisition of Distec in Germany. Now owned at 100%, an action plan has been set-up to bring the German subsidiary within Group profitability standards.
 - The restructuring of the UK subsidiary bringing together Prismaflex UK and Urbanstorm.

¹ On June 19, 2012 the Prismaflex International board closed the accounts for the 2011/2012 period as of March 31, 2012.

- Trivision sales continue to fall as anticipated.
- Both the RSA and U.S subsidiaries need to improve their contributions and action plans have been implemented.
- For the net result:
 - A one-off loss of goodwill for the period of €5 million was recognized (in N-1, loss of goodwill stood at €1.09 million) giving an operating loss of €2.61 million. This was an intentional decision that will be positive for the future and is linked to the uncertain midterm activity of the CGU directed by the Swedish subsidiary.
 - Financial result is stable.
 - Tax costs represent €0.44 million compared to a tax gain of €0.34 million the previous year due to the inclusion of non-activated fiscal deficits.
 - Before accounting for goodwill loss, net result stands at €1.45 million

Sound financial structure with gearing at 0.57%

Working capital need at €9.6 million represents 19% of activity and is in line with previous years despite the negative impact following the acquisition of Distec (18% en 2010/2011 neutralising the positive impact of customer down payment collection).

Net debt is under control at €8.35 million against €7.73 million on 31 March 2011. Consolidated equity capital reflects the impact of the loss of goodwill and stands at €14.77 million on 31 March 2012 against €18.56 million for the previous period.

The net debt to equity capital (gearing) ratio is stable at 0.57 compared with 0.63 on March 31, 2011.

Performance and outlook

The shift of Out-of-Home advertising activity towards higher added-value products continues following changes in regulation, the economy and marketing strategy. In such a context, Prismaflex International pursues a strategy of focusing on the development of innovative state-of-the-art product lines that correspond to this new market. The PrismaTronic Indoor and Outdoor range of outdoor billboards that can be self-autonomous in energy under an exclusive licence agreement are perfect examples.

At the same time, to deal with the economic restraints of the sector, Prismaflex International is optimising its processes through investment in a number of UV printing machines and the development of substrates and inks designed specifically for Prismaflex International applications.

Despite the continuing economic uncertainty, Prismaflex should continue to benefit from its highly competitive position as technological market leader, well diversified product lines and a leading position with new innovative products such as the LED displays and Graphit.

Forthcoming dates

- *Prismaflex International results will be presented on June 21, 2012 at the Hôtel Jolly Lotti, 7, rue de Castiglione, Paris 1*
- **Next press release:** *1st quarter sales figures (June 2012), 18 July 2012 after closure*

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