

Consolidated half-year results 2012 (1<sup>st</sup> January to 30<sup>th</sup> June 2012)

## Solid half-year results

- ✓ **Growth in sales of 15.0%**
- ✓ **Current operating margin at 12.2% of revenue**
- ✓ **Integration of acquired companies making good progress**

*Press release*

Avignon, 30<sup>th</sup> August 2012 - Naturex, world leader in specialty plant-based ingredients, presents its consolidated results for the 1<sup>st</sup> half year<sup>1</sup> of financial year 2012:

In €M IFRS	H1 2012	H1 2011	Change %	Fiscal 2011
<b>Revenue</b>	<b>147.2</b>	<b>127.9</b>	+15.0%	<b>253.6</b>
Gross margin	91.5	75.4	+24.1%	148.6
% gross margin	62.2%	59.0%		58.6%
<b>Current operating income</b>	<b>17.9</b>	<b>16.0</b>	+11.9%	<b>30.1</b>
% current operating margin	12.2%	12.5%		11.9%
<b>Other non-current operating expenses</b>	<b>(1.7)</b>	-	-	<b>(1.6)</b>
<b>Other non-current operating income</b>	<b>-</b>	-	-	<b>-</b>
<b>Operating income</b>	<b>16.2</b>	<b>16.0</b>	+1.3%	<b>28.5</b>
% operating margin	11.0%	12.5%		11.3%
Cost of net financial debt	(2.4)	(2.8)	-	(4.8)
Other financial income and expenses	(0.6)	0.9	-	0.2
<b>Income before tax</b>	<b>13.2</b>	<b>14.1</b>	-6.4%	<b>23.9</b>
Tax expense	(4.2)	(4.4)	-	(8.3)
<b>Net income, Group share</b>	<b>9.0</b>	<b>9.7</b>	-7.2%	<b>15.6</b>
% net profitability	6.1%	7.6%		6.2%

### Growth in the activity with high value-added

The dynamic in sales recorded over the year 2011 continued over the 1<sup>st</sup> half of 2012, under the combined effects of an enhanced product range thanks to the acquisitions made and reinforced sales presence, despite a deteriorated economic situation, especially in Europe.

<sup>1</sup> The consolidated half-year financial statements of NATUREX were presented to the Audit Committee on 30 August 2012 and were approved by the Board of Directors of the Company meeting on the same date. On 30 August 2012, the Auditors also certified the financial statements and the notes at 30 June 2012. The half-year financial report including in particular the consolidated financial statements and the notes as well as the management report at 30 June 2012, was filed with the *Autorité des Marchés Financiers* today and also available on NATUREX internet website.

Consolidated revenue for the 1<sup>st</sup> half of 2012 amounts to €147.2 million, up 15.0% compared to the 1<sup>st</sup> half of 2011. This revenue includes a consolidation scope effect of 6.3%, confirming the good contribution over the period of newly acquired companies (BURGUNDY, PEKTOWIN, VALENTINE).

At constant currencies, growth in sales is 11.1%, in light of the favourable impact of the US dollar (exchange rate effects of 3.9%).

The consolidated gross margin amounts to €91.5 million, up 24.1% compared to the 1<sup>st</sup> half of 2011, higher than the growth in the activity.

This illustrates the change in the product mix towards increasingly technical solutions with high value-added and confirms that the slowdown in growth observed over the historical scope, especially in Europe, concerned products with a lower margin.

The gross margin rate improved 3.2 points at 62.2% compared to 59.0% at 30 June 2011.

### Good level in current operating income

Current operating income, up 11.9%, stands at €17.9 million compared to €16.0 million over the 1<sup>st</sup> half of the previous period. The current operating margin represents 12.2% of revenue compared to 12.5% in the 1<sup>st</sup> half of 2011 despite the very low contribution to the results for acquired companies, especially PEKTOWIN (integrated on 1<sup>st</sup> January 2012) and VALENTINE (integrated from 1<sup>st</sup> April 2012).

Consolidated operating income for the 1<sup>st</sup> half of 2012 stands at €16.2 million compared to €16.0 million for the 1<sup>st</sup> half of 2011 and includes €1.7 million in non-current operating expenses primarily linked to:

- €1.2 million in acquisition fees booked as expense in accordance with revised IFRS 3; this amount includes all of the fees linked to the acquisition programme, and in particular €0.5 million for the acquisition of PEKTOWIN (Poland) and €0.3 million for the acquisition of VALENTINE (India);
- €0.5 million in restructuring costs of which €0.3 million concerning the finalisation of the integration process for BURGUNDY (France and Spain) and €0.2 million linked to costs generated by reorganisation of PEKTOWIN activities.

After taking these non-recurring expenses into account, the operating margin stands at 11.0% of revenue.

Net income, Group share amounts to €9.0 million compared to €9.7 million in the 1<sup>st</sup> half of 2011, and includes tax expense of €4.2 million compared to €4.4 million in the 1<sup>st</sup> half of 2011.

### Healthy and solid financial structure

Shareholders' equity stands at €247.3 million at 30 June 2012 compared to €236.1 million at 31 December 2011.

Financial debt is well under control, despite the acquisitions made over the half-year, with a net debt ratio of 41.2% for financial debt of €102.0 million at 30 June 2012, compared to a ratio of 28.9% at 31 December 2011 and financial debt of €68.2 million.

"The operating performance achieved over this 1<sup>st</sup> half of 2012 confirms the Group's ability to generate quality and profitable growth despite a difficult economic backdrop, especially in Europe", said Thierry LAMBERT, CEO of NATUREX.

"We are moving through the 2<sup>nd</sup> half of the period with confidence and we rely on our innovation capacity and the quality of our sales network in order to continue our growth strategy, creating value for our customers and investors."

## ▶ Decision of the Board of Directors as at August 30<sup>th</sup>, 2012

The Company's Board of Directors, meeting on August 30<sup>th</sup>, 2012, formally noted the resignation of Mrs Jacqueline DIKANSKY from her director's position held in NATUREX, and co-opted Mr Olivier DIKANSKY as director for the remainder of the term of Mrs Jacqueline DIKANSKY, namely until the Shareholders' Meeting called to approve the financial statements for the year ending 31 December 2016. This appointment will have to be ratified by the Shareholders' Meeting called to approve the financial statements for the year ending 31 December 2013.

## ▶ Availability of the half-year financial report

The half-year financial report including in particular the consolidated financial statements and the notes as well as the management report at 30 June 2012 (English translation will be available soon), was filed with the *Autorité des Marchés Financiers* today and is also published on line on the Company's internet website ([www.naturex.fr](http://www.naturex.fr)).

**NATUREX will present its consolidated half-year results for 2012  
at the SFAF meeting on 12 September 2012 (10h00)  
at Auditorium Cambon / NYSE Euronext Paris / 39 rue Cambon / 75002 Paris**

## ▶ Financial schedule

- Q3 2012 revenue	5 November 2012
- Q3 2012 results	29 November 2012
- Annual revenue 2012	24 January 2013
- Annual results 2012	27 March 2013

## ▶ Upcoming events

- Analyst meeting (SFAF) Paris	12 September 2012
- Autumn Conference (Cheuvreux) Paris	19 and 20 September 2012
- Midcap event Paris	24 and 25 September 2012
- Chemicals Berenberg Conference	02 October 2012
- Consumer Ingredients Conference (JP Morgan) London	20 November 2012
- Salon Actionaria Paris	23 and 24 November 2012
- Midcap Event Geneva	10 and 11 December 2012

You can receive all of NATUREX's financial information free of charge by signing up on: [www.naturex.fr](http://www.naturex.fr)

## About NATUREX

NATUREX is the world leader in specialty plant-based ingredients.

The Group, organised around three strategic markets - Food & Beverage, Nutrition & Health and Personal Care -, produces and markets specialty plant-based ingredients for the food, nutraceutical, pharmaceutical and cosmetics industries.

NATUREX's head office is based in Avignon. Naturex employs over 1,200 people and has high-performance industrial resources across its 15 industrial sites in Europe (France, Italy, Spain, United Kingdom, Switzerland and Poland), in Morocco, the United States, Brazil, Australia and India. The company draws on its worldwide sales presence through a fully dedicated sales network in 21 countries (France, Italy, Spain, Morocco, United Kingdom, Belgium, Germany, Poland, Russia, U.A.E., Thailand, Singapore, Japan, China, Korea, Australia, United States, Canada, Brazil, Mexico, India).

NATUREX enjoys the highly favourable underlying trend linked to increasing demand for natural-origin products and provides manufacturers with personalised solutions in order to meet the expectations of the end consumers. The force of the Group resides in its positioning on specific products that form market niches, thanks to a strong sourcing capacity and support for Research and Development.

Naturex has been listed since October 1996 on NYSE Euronext in Paris, compartment B



- Number of shares comprising the capital: 7,728,079
- ▶ 6,968,924 ordinary shares (ISIN FR0000054694)
  - ▶ 759,155 preferred shares (ISIN FR0010833251)

Naturex is part of the CAC Small and Gaïa Indexes.

Naturex is eligible for "long only" Deferred Settlement Service (SRD).

Naturex has set up a sponsored level I American Depositary Receipt (ADR) programme. Naturex's ADRs are traded over the counter in the United States under the symbol NTUXY.

MNEMO: NRX - Reuters: NATU.PA - Bloomberg: NRX:FP - DR Symbol: NTUXY

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