

H1 2013 consolidated results (1 January to 30 June 2013)

A very good first half

- ✓ **Sales up 13.4%** (constant exchange rates)
- ✓ **Current operating income: 6.7%**
- ✓ **Current operating margin: 12.0%**

Press release

Avignon, 30 August 2013 - Naturex, the global leader in speciality plant-based natural ingredients, announces consolidated results for the 2013 first-half:¹

In €m IFRS	H1 2013	H1 2012 Restated*	Change (%)	FY 2012
Revenue	165.8	147.2	12.6%	299.8
Gross margin	100.9	88.9	13.6%	175.5
Gross margin (%)	60.9%	60.4%		58.5%
Current operating income (EBIT)	19.9	18.7	6.7%	35.9
Current operating margin (%)	12.0%	12.7%		12.0%
Other non-current operating expenses	(0.5)	(1.7)	-	(4.4)
Other non-current operating income	-	-	-	6.1
Net operating income	19.3	16.9	14.0%	37.6
Operating margin (%)	11.7%	11.5%		12.5%
Share of net income of equity-accounted associates	-	-	-	
Operating income after equity-accounted associates	19.3	16.9	14.0%	37.6
Net borrowing costs	(2.9)	(2.4)	-	(5.1)
Other financial income and expenses	(1.1)	(0.6)	-	(0.9)
Income before tax	15.4	14.0	9.8%	31.7
Tax expense	(5.2)	(4.3)	-	(8.7)
Net income attributable to the Group	10.1	9.7	4.2%	22.9
Net margin (%)	6.1%	6.6%		7.6%

* Restated in accordance with Amended IAS 19: reclassification of the actuarial impact in other comprehensive income (OCI). On a reported basis, this item had been recognised historically as an expense of €0.8 million at 30 June 2012 (Amended IAS 19 applied by anticipation on 31 December 2012).

A growth-generating business

Maintaining the positive momentum of FY 2012, first half revenue remained on track in 2013, gaining 13.4% at constant exchange rates (excluding a negative currency effect of 0.8%), with 11% from organic growth. This

¹ The Group's half-year consolidated financial statements (including the notes) were presented to the Audit Committee on 28 August 2013 and adopted by the Company's Board of Directors on 29 August 2013. The half-year consolidated financial statements have been audited by our Statutory Auditors who issued their report on 29 August 2013. The interim financial report including the consolidated financial statements and the notes thereto as well as management report for the six-month period ending 30 June 2013 has been filed with the AMF and posted at the Company's website on 30 August 2013.

performance benefited in particular from the first measures to optimise the Group's marketing and sales approach. Changes in Group structure contributed an additional gain of 2.4%, mainly from the business of DBS acquired in 2012 whose cranberry-extract based product, Pacran®, achieved excellent performances for the period within the Natlife™ range.

Good level for operating results

The consolidated gross margin² amounted to €100.9 million, up 13.6% from the same period in 2012, slightly outpacing revenue, reflecting efforts to increase the weight of differentiated high value-added products in the portfolio. As a percentage of sales the gross margin rose marginally to 60.9% from 60.4% at 30 June 2012, highlighting the favourable product mix effect.

Current operating income, up 6.7%, rose to €19.9 million from €18.7 million for the first half of the previous year. The current operating margin of 12% remained in line with the level achieved at 31 December 2012.

This performance reflects the reinforcement of sales teams, R&D and support functions within the framework of ongoing reorganisation measures initiated by the Group in the previous period and from new acquisitions that, with the exception of DBS, have not yet contributed in this period to operating profit.

Consolidated net operating income came to €19.3 million, up significantly from the 2012 first half (+14%) and including €0.5 million in non-current operating expenses. This latter item included both acquisition-related expenses recognised in accordance with Revised IFRS 3 and restructuring expenses linked to Pektowin's integration. For the 2012 first half, these other non-current operating expenses came to €1.7 million.

After taking these non-current operating expenses into account, the operating margin came to 11.7% compared to 11.5% in last year's first half.

Net borrowing costs came to €2.9 million compared to €2.4 million for the same period one year earlier. This includes mainly interest and expenses from financing lines while other financial income and expense represented a net charge of €1.1 million.

Net income attributable to the Group reached €10.1 million in the first half compared to €9.7 million one year earlier and after a tax charge of €5.2 million versus €4.3 million for the last year's same period.

A sound financial position

At 30 June 2013, net debt amounted to €124.9 million compared to €116.9 million at 31 December 2012 representing gearing of 46.7% and 2.3 times EBITDA.

2013 second-half outlook

Growth is expected to be less robust in the second half due to the high comparison base with the same period in 2012. Furthermore, Group restructuring measures will continue to marginally impact current operating income.

"Performances in the 2013 first half were achieved through synergies from our core strengths of strong sourcing capacity, technical, scientific and quality expertise combined with our capacity for constant renewal to propose customers differentiated concepts adapted to their expectations and trends in our markets" commented Naturex's Chairman-CEO, Thierry Lambert. "Leveraging these achievements, our teams throughout the world remain focused on pursuing our strategy for development based on sustained organic growth combined with targeted external growth offering synergies through both straightforward acquisitions and collaborative undertakings (equity interests or joint ventures)."

You can receive all financial information of Naturex free of charge by signing up at: www.naturex.com

² The gross margin is defined as the difference between revenue and production cost of goods sold.

▶ **Analysts meeting (SFAF - French Society of Financial Analysts) of 4 September 2013**

Naturex will present its consolidated half-year results for 2013 at the analysts meeting of 4 September 2013 (10:00 a.m.) to be held at Palais Brongniart, 28 Place de la Bourse, 75002 Paris.

▶ **Availability of documents**

The interim financial report, including in particular the consolidated financial statements of the Group for the six-month period ending 30 June 2013, have been filed with the AMF (*Autorité des Marchés Financiers*) and made available online at Naturex's website under the section Investors. This document also includes the responsibility statement of the Naturex's Chairman-CEO and the Auditors' report.

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



Total number of shares comprising the share capital: 7,839,785
ISIN FR0000054694

Naturex is a component of the CAC Small and Gaïa indexes.
Naturex is eligible for the "long only" Deferred Settlement Service (SRD).
Naturex established a Sponsored Level 1 American Depositary Receipt (ADR) program in the United States. Under this facility, Naturex's ADRs are traded over-the-counter in the United States under the symbol NTUXY.

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

About Naturex

Naturex is the global leader in speciality plant-based natural ingredients.
The Group is organised around three strategic markets (food & beverage, nutrition & health and personal care) and produces and markets speciality plant-based ingredients for the food, nutraceutical, pharmaceutical and cosmetic industries.

Naturex's head office is based in Avignon. The company employs more than 1,400 people with high-performance manufacturing operations across 15 sites in Europe (France, Italy, Spain, the United Kingdom, Switzerland, Poland) as well as in Morocco, the United States, Brazil, Australia and India. It also has a global commercial presence through a dedicated network of sales offices in more than 20 countries.

Naturex's development is supported by positive underlying trends linked to the fast-growing demand for natural products and its capacity to provide manufacturers customised solutions to meet the requirements of their end consumers. The Group's strength lies in its positioning with specific products which constitute niche markets, supported by strong sourcing capacity and sustained research & development.

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