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Press release - 2011 first-half earnings
 Paris, 22 September 2011

Strong growth in 2011 half-year earnings

- **Revenues: €74.1 million (+9.3%)**
- **EBIT: €3.5 million (+128.4%),** representing 4.8% of revenues
- **Net income (Group share): €1.5 million (compared with €0.6 million),** representing 2.1% of revenues
- **Cash flow from operations: €4.9 million (+51%),** representing 6.6% of revenues

Paris, 22 September 2011 (5:45 pm) – Rougier achieved a significant improvement in its profitability over the first half of 2011: EBIT is up 128.4% to €3.5 million, with €1.5 million in net income (Group share), compared with €0.6 million one year earlier. For the full year, Rougier is able to confirm its targets for growth in revenues and income from ordinary operations over 2011.

Condensed income statement

€'000	H1 2011	H1 2010	Change	2010
Revenues	74,084	67,780	+9.3%	138,718
Income from ordinary operations	3,520	1,553	+126.7%	4,578
% of revenues	4.8%	2.3%		3.3%
EBIT	3,528	1,545	+128.4%	6,384
% of revenues	4.8%	2.3%		4.6%
Net income	1,501	579	+159.0%	5,313
Net income (Group share)	1,537	600	+155.8%	5,343
% of revenues	2.1%	0.9%		3.9%
Of which, reversal of impairments for assets	-	-		2,000
Cash flow from operations	4,879	3,237	+50.7%	9,871
<small>after cost of net financial debt and tax</small>				

Growth in business

2011 first-half revenues came to €74.1 million, an increase of 9.3% in relation to last year, confirming the global improvement in market conditions since the start of the year.

The France Import-Distribution segment recorded €23.1 million in revenues, up 8.0% in relation to 30 June 2010. The commercial reactivity and the widening product ranges make it possible to record solid results over the six-month period.

The Rougier Africa International segment generated €55.6 million in half-year revenues, 10.8% higher than the first half of 2010. This dynamic commercial development is benefiting from the positive trends in terms of demand and sales prices, both in a certain number of Western countries, particularly Northern Europe, and in most emerging countries. Higher levels of timber and industrial production and the modernization of the processing capacities are helping drive improvements in the branch's profitability.

Strong earnings growth

Earnings for the first half of 2011 confirm the upturn in profitability that began in 2010. However, in Gabon, with the new local context for the timber industry, the subsidiary's results have been affected by its industrial transformation, which is currently being rolled out, in addition to inefficient shipping and port logistics.

The gross margin is up 9.9% to €48.1 million, reflecting the improvement in the product mix, the better level of commercial efficiency and the higher sales prices recorded.

EBIT is fully benefiting from revenue growth, climbing 128.4% to €3.53 million. The operating margin shows a significant improvement, up from 2.3% for the first half of 2010 to 4.8% of revenues, reflecting the better absorption of fixed costs, set against an increase in production levels and sales.

After factoring in the cost of net financial debt for €1.12 million and a €0.92 million tax expense, net income comes out at €1.50 million (€1.54 million Group share), representing 2.1% of consolidated revenues, compared with 0.9% for the first half of 2010.

Increase in investments

Shareholders' equity (Group share) rose to €61.9 million, compared with €61.6 million at 31 December 2010. Consolidated net financial debt totaled €42.0 million, representing 68.0% of shareholders' equity, compared with 60.0% at 31 December 2010.

Cash flow from operations (after the cost of net financial debt and tax) came to €4.9 million, representing 6.6% of revenues.

Rougier has significantly increased its net investments, from €2.5 million one year earlier to €4.7 million at 30 June 2011, corresponding to the actions carried out in Africa to meet industrialization requirements, competitiveness and adaptability of the offer: creating a secondary transformation unit in Cameroon and setting up a dedicated sawmill for emerging markets in Gabon.

Outlook

Earnings for the first half of 2011 confirm the objectives to increase revenues and improve income from ordinary operations over the full year in 2011, despite the uncertain macroeconomic climate seen in mature countries since summer.

This outlook is consistent with Rougier's strategic model, based on increasingly industrialized production, good forest management certification, regional market and product diversification, supported in 2011 by a large-scale industrial investment program.

Over the medium term, prospects are being further strengthened with a new activity in forest plantations, driving the expansion of Rougier's expertise across Africa's tropical region. A first step forwards with this development was taken in early July thanks to the agreement signed with the Gabonese State to award forest plantations to Lignafrica, a joint venture between Rougier and FRM. This progress highlights Rougier's ambition to establish itself on an emerging and promising activity in Africa.

Next date: 2011 third-quarter revenues on Wednesday 9 November 2011 (after close of trading)

The procedures for a limited review of the consolidated accounts have been completed. The half-year financial report at 30 June 2011 will be published and filed with the French securities regulator (AMF) on 26 September. It may be consulted on Rougier's internet site.

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