

2012 full-year earnings

Paris, 17 April 2013 (5:45 pm) – At the Board meeting today, the Directors reviewed and approved the annual financial statements for 2012. Results have been affected by the deep economic decline in Europe and the difficulties involved with the transformation of the business model in Gabon. Income from ordinary operations is down to €(1.1) million, with €(3.7) million in net income. In 2013, Rougier is rolling out major strategic measures to turn around its operational performance.

INCOME STATEMENT

€'000	2012	2011
Revenues	142,557	147,149
Income from ordinary operations	(1,129)	3,228
% of revenues	(0.8%)	2.2%
Of which, provisions for impairment of assets	(880)	1,629
EBIT	(1,885)	5,277
% of revenues	(1.3%)	3.6%
Net income	(5,451)	4,345
Net income (Group share)	(3,740)	4,443
% of revenues	(2.6%)	3.0%
Cash flow from operations	3,288	9,399

Level of business affected by the downturn in markets across Europe

In a very difficult economic environment, particularly in Europe, full-year revenues contracted by 3.1% compared with 2011 to reach €142.6 million.

The Rougier Africa International branch's commercial operations have held up well, with revenues virtually stable in relation to 2011, thanks to the geographical diversification of markets and the good level of both average sales prices and activities in Cameroon and Congo.

The reduction in the Group's revenues compared with 2011 is due to the contraction in revenues on the France Import-Distribution segment, down 17.8% in relation to 2011. This significant change reflects the impact of the downturn in the global economy and the national market, combined with the sharp slowdown in construction during the second part of the year.

Profitability impacted by the general economic climate and difficulties in Gabon

In 2012, Rougier's profitability was affected by the deep deterioration in market conditions across Europe, as well as the structural difficulties experienced with the adaptation of production, logistics and commercial arrangements in Gabon. The strengthening of industrial competitiveness in Cameroon and Congo and commercial efficiency made it possible to achieve solid results, although without offsetting the high losses sustained in Gabon. In France, the Import-Distribution segment's results have been affected by the contraction in revenues, reflected in a loss, compared with the previous year's profit.

Income from ordinary operations came to €(1.1) million, compared with €3.2 million in 2011, marked by the significant decline in productivity in Gabon, as well as issues within the supply chain, faced with sometimes unfair competition practices by certain operators.

The Group recorded €(1.9) million in operating income. With the revision of the value of the Group's assets in Africa, €0.8 million of net impairments were recorded in 2012, compared with a €1.6 million

reversal previously, primarily due to persistent difficulties in Gabon and delays with turning around performances.

After the cost of net debt and tax, total net income is negative, coming in at €(5.5) million. The Group share represents €(3.7) million, after factoring in a share in the earnings of Lignafrica, the joint venture which is specialized in the development of industrial forest plantations in Africa and consolidated on an equity basis.

Financial structure effectively under control

Rougier's financial structure is still sound. Shareholders' equity represents €69.5 million, compared with €88.9 million at 31 December 2011. Consolidated net financial debt totaled €48.1 million, representing 69% of shareholders' equity, compared with 29% at 31 December 2011.

Cash flow from operations (after cost of net financial debt and tax) came to €3.3 million in 2012, representing 2.3% of consolidated revenues, compared with 6.4% in 2011. Rougier has continued moving forward with its active investment strategy in Africa to meet requirements for efficient timber production, while industrializing and strengthening the competitiveness of its offering. In 2012, investments totaled €10.9 million, compared with €12.7 million in 2011.

Outlook

Following a difficult year in 2012, the outlook for 2013 is still very uncertain. In this context, Rougier is focusing on operational responsiveness, deploying a specific action plan in Gabon to return its subsidiary to a competitive position, improve the level of control over its costs and rationalize its organization.

In this way, the Group intends to sell off certain Gabonese assets. The realignment of the industrialization strategy in this country is expected to pave the way for the development of operational synergies, while improving committed fixed costs and further strengthening operational efficiency, in order to structurally drive the turnaround in profitability on activities. In Cameroon and Congo, Rougier is pursuing its strategy, focused in particular on ensuring a deep transformation.

While contributing towards generating more value through its natural forests and developing its first plantation forests in Africa, Rougier is stepping up the deployment of a comprehensive range of certified products, particularly FSC®. In this respect, its range has been considerably strengthened with the FSC® good forest management certificate achieved in Cameroon in March this year for the Eastern forest massif.

Thanks to the quality of its products, the certification of its good forest management and the strength of its brand, Rougier remains confident that it will be able to overcome the challenges for a responsible timber sector in the Congo Basin and return to its usual performance levels.

The audit procedures on the consolidated accounts are underway.

Next date: 2013 first-quarter revenues on 6 May 2013 (after close of trading)



Gérer la forêt, faire vivre le bois

Founded in 1923, the Rougier Group is a market leader for certified African tropical timber. The Group operates around three activities: Rougier Afrique International (natural forest harvesting, industrial processing and international trade), Lignafrica (research, management and investment in industrial forest plantations in Africa), Rougier Sylvaco and Rougier Panneaux (importing and distribution in France of timber from all origins).

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