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Quarterly Financial Information as of 30th September 2008

The transposition in the Directive 2004/109/CE monetary and financial code of the European parliament and counsel of 15th December 2004 (known as the Transparency Directive) imposes that companies listed on the Eurolist Paris communicate quarterly financial information by email within forty-five days following the closure of the third quarter.

The information report presented hereafter subscribes to these measures.

Sales Progress

<i>(in thousands of euros)</i>	2008	2007	% variation
I. PARENT COMPANY			
First quarter	58	39	48.7%
Second quarter	55	56	- 1.8%
Third quarter	-	56	- 100.0%
Total	113	151	-25.2%
II. DYNAction GROUP			
First quarter	45 901	50 318	- 8.8%
including Synthèse Pharmaceutique	26 467	30 641	- 13.6%
including Chimie Fine de Spécialité	19 410	19 654	- 1.2%
including Autres activités	24	23	4.3%
Second quarter	46 646	49 010	- 4.8%
including Synthèse Pharmaceutique	27 200	29 290	- 7.1%
including Chimie Fine de Spécialité	19 421	19 697	- 1.4%
including Autres activités	25	23	8.7%
Third quarter	36 624	39 278	- 6.8%
including Synthèse Pharmaceutique	20 794	22 054	- 5.7%
including Chimie Fine de Spécialité	15 814	17 201	- 8.1%
including Autres activités	16	23	- 30.4%
Total	129 171	138 606	- 6.8%
Total as of 30th september 2008	129 284	138 757	- 6.8%
including Synthèse Pharmaceutique	74 461	81 985	- 9.2%
including Chimie Fine de Spécialité	54 645	56 552	- 3.4%
including Autres activités	178	220	- 19.1%

Dynaction Group consolidated net sales reported a 6.8 % drop as of 30th September 2008 in comparison to the same period of the previous exercise (- 4.8 % at a constant exchange rate).

Pharmaceutical Synthesis

There is a 9.2 % decline at the end of September (-7.5 M€) and a 5.7 % drop in the third quarter (-1.3 M€).

The main reasons for this are :

- 4.2 M€ invoiced in the first half 2007 of an exceptional order manufactured in 2006 (phase 2), and due to the fact that other projects in clinical phase have been postponed to 2009, this has not been compensated for.
- the difficulties encountered by our main customer in the supply of a raw material, difficulties which have been gradually reduced but which have impacted our activity by 2.7 M€ (0.4 M€ in the third quarter).
- 1.4 M€ fall in value of the US Dollar.

Fine Speciality Chemicals

Whilst net sales were practically stable in the first half year in comparison to 2007, despite an unfavourable (dollar) exchange rate (- 0.9 M€) and a voluntary decision to stop manufacture of loss-making products (- 1 M€), the third quarter reported a 1.4 M€ decline. This was mainly concentrated in the perfumery/cosmetic markets, impacted by the slow-down in consumption as well as by a poor summer season. The performance chemicals division however continued its growth (+ 8 % at the end of September), thanks to its policy of tailor-made products adapted to the needs of its customers

Significant events of the quarter

Dynaction

After the sale of the Bezon property at the end of June, the sale of the building in Boulogne (rue des Peupliers, former headquarters) was also executed at the beginning of October 2008, increasing Dynactions' treasury by 1.2 million euros. This transaction enabled a 1.0 million euro profit to be released into the Dynaction Group's consolidated accounts.

PCAS

Within the scope of the development of its commercial activities in Europe, a commercial subsidiary was created in Germany ; a market covered up to now from France. PCAS GmbH mission is to manage current Fine Speciality Chemicals sales in this region and to ensure its development. PCAS GmbH also covers Austria, Switzerland and the Netherlands. It is operational since the 15th October 2008. PCAS's turnover for these geographical zones is around 18 M€ and should be increased according to market potential, thanks to its local presence.

PCAS' stake in PROTEUS' equity was increased to 39.5 %, PCAS having options to go up to 49%. PROTEUS, a biotechnology company, is developing a very promising activity in its four fields of interest : health, pharmaceutical fine chemicals, bio-energy and environment. Its unique technology attracts large international customers with subjects of world-wide interest.

Negotiations concerning the extension of the contract binding VLG to its main customer were pursued and resulted in a new agreement valid until the end of 2012, underlining this world leader's confidence in PCAS' capability.

No other notable event which could have had a significant influence on the company's sales or situation has occurred during the third quarter 2008.

Forecasts for the current year

The slow-down in sales reported in 2008 will not enable the Group to reach its profitability goals nor its 2007 earnings level ; the EBITDA could be set back by about 25 %. However, handling the financial flow well has enabled the Group to continue its reduction of debt : the debt reduction was brought down to 66.2 M€ at the end of September compared to 73.9 M€ the year before.

The Pharmaceutical Synthesis pole's sales forecasts are improving, whilst those of the Fine Chemicals pole continue to be set back, but the whole should nevertheless progress.

In this context, the Group is currently considering a reorganisation of its activities to come back to its profitability goal in 2010 and to fully benefit from the economic recovery when it occurs.

Moreover, PCAS continues to uphold its policy of developing niche activities with high added-value and international development in buoyant markets.

Dynaction is a group listed on the Paris stock exchange, focused since December 2005 on a unique development pole through PCAS, in which it holds a 67.79% stake.
