



Société anonyme au capital de 19 775 052 €  
Siège social : Zone Industrielle de la Vigne aux Loups - 23 rue Bossuet 91160 Longjumeau  
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## 2009 HALF YEAR RESULTS - OUTLOOK

Impact of the crisis on Speciality Chemicals  
Pharmaceutical Synthesis has resisted well  
Implementation of a restructuring plan  
Positive outlook for the second half year

<i>In millions of euros</i>	2009	2008
<b>Net sales</b>	<b>75.4</b>	<b>92.5</b>
. including Pharmaceutical Synthesis	55.3	53.7
. including Fine Speciality Chemicals	20.1	38.8
<b>EBITDA (*)</b>	<b>5.9</b>	<b>12.7</b>
EBITDA margin	7.8%	13.8%
<b>Current operating income (*)</b>	<b>(0.8)</b>	<b>5.7</b>
Other operating income and expenses	(4.3)	0.8
Financial result	(1.9)	(3.0)
<b>Net result</b>	<b>(7.0)</b>	<b>2.2</b>
<b>Net debt</b>	<b>59.4</b>	<b>72.1</b>

\* including Research Tax Credit (CIR) : 1.2 million euros in 2009 and 0.8 in 2008.

The Dynaction Group's consolidated net sales have declined by 18.5% as of 30th June 2009 as compared to the same period of the previous exercise. Nevertheless, since June 2009, the Group reports a significant improvement in the level of its sales since June 2009.

Following a first quarter in deficit and a second quarter in profit, the first half year 2009 current operating income stood at -0.8 million euros compared to 5.7 million euros in the first half year 2008, this being linked to the strong decline in Fine Speciality Chemical sales.

Net income has been unusually affected by the cost of the restructuring plan implemented at the heart of PCAS SA in order to restore this company's results. After taking into account the cost of this plan (-4.3 M€), of financial results (improving at -1.9 M€), of taxes (+0.1 M€) and of the share of profit/loss of associates (-0.1 M€), the Dynaction Group's net income reports a loss of 7.0 million euros as of the first half year 2009 as compared to a 2.2 million euro profit as of the 1st half year 2008.

The Dynaction Group has continued to reduce its debt level which has been brought down to 59.4 million euros (as compared to 63.2 million euros as of the 31st December 2008 and 72.1 as of 30th June 2008). This improvement is due to the repayment of fiscal debt before the due date, to a more active management policy in working capital needs and to sound handling of its investment flows.

Note that the companies Comed and Médiascience International and SNC des Peupliers, 100% subsidiaries of Dynaction and no longer having any business activities, have been subject to, for the first two companies, a merger with Dynaction and for the latter to a dissolution. These companies are thus no longer consolidated as of 30th June 2009. These operations have no impact on the consolidated accounts of the first half year 2009.



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## Second half year outlook

The context of the current worldwide financial and economic crisis still makes it particularly difficult to establish forecasts. The following trends seem to be forming however :

- . the Pharmaceutical Synthesis division's sales should continue to improve as compared to 2008
- . in Speciality Fine Chemicals, the decline observed in the first quarter has stabilised and the second half year could be significantly improving as compared to the first half year, being helped mainly by the end of the destocking phenomenon widely practised by the markets in which the group is present.

In total, the 2009 Group sales should however remain behind those of 2008.

In this context, all the measures put in place within the Group at the end of the first half year 2009 to adjust to the situation will generate a reduction in total costs of around 8 million euros over an entire year. This restructuring should enable the Group to significantly improve its second half year net income, which could be in profit, and to fully benefit from the economic recovery when it occurs, as well as returning as quickly as possible to its profitability objective. Taking into account the exceptional elements reported in the first half year, the Group's net sales over the whole of the 2009 exercise should however remain negative.

PCAS thus considers to have been able to implement on time the difficult measures to adjust its capacity to a level of Speciality Fine Chemicals business in sharp decline while keeping an industrial tool of top quality. At the same time, the contract linking VLG with its main customer was renewed for several years, emphasizing this worldwide leader's confidence in PCAS' technological capacities.

PCAS intends henceforth to resume a more ambitious development policy or resume niche activities with high added-value and international development in buoyant markets. Herewith can be noted two recent successes :

- . the acquisition of a Kilo Lab in California, finalised in mid July with an American partner, Nanosyn, within the framework of a joint company (50/50). The objective being to capture very advanced new molecule development projects in the USA, the production of which would be ensured by the Group's current manufacturing sites in Europe.

- . the creation of a subsidiary in Canada which will be present in the solid support market for peptidic synthesis. This new subsidiary benefits from a licensed technology brought by Matrix Innovation and supported by the production capacities offered by the Group's Canadian industrial site. Peptides form a new therapeutical class which are growing strongly and which present multiple advantages : active ingredients with very low concentrations, low toxicity, high selectivity.

Efforts in intensifying the international commercial presence of the Group will be increased and will be more specifically aimed at those markets which are growing very strongly : China, South East Asia and Brazil, as well as strengthening commercial actions on the North American continent.

Next meeting : consolidated results 2009 on the 11th February 2010.



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Dynaction is an industrial holding company centred on a unique development pole since the end of December 2005 : **Fine Speciality Chemicals, a field of its subsidiary PCAS** and in which it holds a majority share of 65.68%

Longjumeau, 16th september 2009