



CHARGEURS

PRESS RELEASE

2008 RESULTS

**Drastic Corrective Measures
In Response to the Collapse in Demand**

The Board of Directors of Chargeurs met on March 5, 2009 under the chairmanship of Eduardo Malone to approve the 2008 consolidated financial statements.

The global economy was thrown into deep turmoil in 2008. Conditions deteriorated throughout the first half, which was shaped by falling demand in the markets served by the Group's main customers, the depreciation of many currencies against the euro and a surge in the prices of oil, energy and a number of raw materials.

Beginning in September, the growing impact of the financial crisis on the real economy caused business volume and prices to suddenly collapse, while fueling extreme volatility in the currency markets.

In response, the Group stepped up its corrective measures in late 2008, in order to adjust its capacity to the new market situation and to return to profit in 2010. Together, these measures resulted in exceptional restructuring costs of €34.1 million, which had an impact on 2008 operating profit.

Revenue for the year totalled €599.2 million, down 16% from 2007 based on a comparable scope of consolidation. The Group ended the year with an operating loss of €31.7 million; excluding restructuring expenses, however, it would have reported operating profit of €2.4 million. The net loss for the year came to €56.2 million, including the impact of provisions on the investment in Fashion Company, the Group's share in the venture's losses and a €9.9 million provision for long-term deferred taxes.

1 - CONSOLIDATED RESULTS

(in € millions)	2007*	2008
Revenue	713.5	599.2
Operating profit/(loss)	27.7	(31.7)
Attributable net profit/(loss)	15.6	(56.2)

* Restated as if Chargeurs Fashion had been excluded from the scope of consolidation from January 1, 2007.

2 - ANALYSIS BY BUSINESS SEGMENT

CHARGEURS PROTECTIVE FILMS

(in € millions)	2007	2008	2008 Pro forma*	2009 forecast
Revenue	208.3	191.5	191.5	139
Operating profit	16.4	13.1	13.1	3.8

*Excluding exceptional measures

Chargeurs Protective Films enjoyed sustained demand in the first half, but beginning in the fourth quarter, the impact of the financial crisis on the construction market caused business to contract sharply as companies across the building materials production chain massively drew down inventories. Fourth-quarter revenue consequently fell 17%, dragging the total revenue decline to 8.1% for the year.

Operating profit demonstrated firmer resilience, however, thanks to the introduction of new, most cost effective products.

In 2009, the business is gearing up to confront an exceptionally tighter market, which will be squeezed by the expected 25% average annual decline in the building industry over the year. That decline will weigh on revenue, and the shortfall in absorbing fixed costs will temporarily trim €12 million from operating profit for the year.

CHARGEURS INTERLINING

(in € millions)	2007	2008	2008 Pro forma*	2009 forecast
Revenue	251	221.2	221.2	188
Operating profit/(loss)	10.9	(23.7)	2.2	(1.9)

*Excluding exceptional measures

Revenue ended the year down 11.5%, reflecting a 9.2% decrease in volumes and the 2% negative impact from the decline in the US dollar and linked currencies, such as the South Korean won and the Hong Kong dollar, against the euro.

Plummeting apparel sales in most Western countries caused a sudden slowdown across the garment-making production chain and, further upstream, in the textile business.

In response, programs to align the production base with weaker demand were stepped up in Europe and the business began withdrawing from manufacturing operations in the Czech Republic. The cost of all these measures totalled €25.9 million in 2008, causing the operating loss to come to €23.7 million for the year.

In addition, to leverage Asia's competitive manufacturing resources, Chargeurs Interlining continued to expand its presence in the region with the early 2008 acquisition of Bangladesh-based shirt-interlining company Etacol, thereby raising its share of the global market segment to 25%.

Forecast 2009 revenue, at €188 million, reflects a further decline in volumes along with the subsequent worldwide price war. The resulting shortfall in absorbing fixed costs will temporarily reduce operating profit by €9 million.

CHARGEURS WOOL

(in € millions)	2007	2008	2008 Pro forma*	2009 forecast
Revenue	254.2	186.4	186.4	110
Operating profit /(loss)	5.5	(6.9)	(2.4)	(0.6)

* Excluding exceptional measures

Chargeurs Wool reported a 26.7% decline in revenue for 2008, primarily due to a 22.8% drop-off in business volumes and a 3.9% decrease in wool prices, a trend that gathered speed in the second half.

In light of the sharp slowdown in the wool market, the business pulled out of combing operations in Australia, New Zealand and South Africa during the year. The closures and divestments deepened the 2008 operating loss by €4.5 million.

Chargeurs Wool expects demand to further deteriorate in 2009, leading to another decline in volumes. Revenue for the year has therefore been estimated at €110 million, with the resulting shortfall in absorbing fixed costs reducing operating profit by €2.5 million.

3 - BALANCE SHEET

Equity amounted to €182.2 million at December 31, 2008, while net debt stood at €84.2 million.

At the Annual Meeting of Shareholders on May 7, the Board of Directors will recommend waiving the 2008 dividend.

4 - OUTLOOK FOR 2009

As of today, the consolidated financial targets for 2009 are as follows:

- Revenue: €437 million
- Operating loss: €(2) million
- Net loss: €(12) million

At December 31, 2009:

- Net debt: €80 million
- Equity: €171 million

March 6, 2009

Corporate Communications

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