

**PRESS RELEASE (29 April 2009)  
RESULTS FOR THE 2008 FINANCIAL YEAR**



**THE ECONOMIC ENVIRONMENT IN 2008**

The corrugated board market lost 4.8% in tonnage in 2008. This downturn was already perceptible in the first half, down 3.5% from the year before. The decline in volumes became worse in the second half. This general European trend in demand generates surplus stocks of paper for corrugated board and therefore lower prices in the European market.

In 2008, the average corrugated board price was up 4%. This positive trend conceals contrasting performances. The steady increase in the first half of 2008, in line with 2007 results, was followed by declining prices in the second half, reflecting the lower cost of raw materials.

**THE OTOR GROUP IN 2008**

**Consolidated income statement in € 000 (IFRS)**

	<b>31/12/08</b>	<b>31/12/07</b> (restated IFRS 5)*
<b>Sales</b>	<b>363,810</b>	<b>365,654</b>
Other income from operations	1,830	2,912
Cost of goods sold	(123,896)	(134,483)
Personnel charges (including employee profit sharing and incentive bonus)	(89,651)	(88,385)
Other purchases and external changes	(91,673)	(86,641)
Taxes	(9,166)	(8,755)
Inventory charge	(480)	(51)
Other operating charges	(307)	(907)
<b>EBITDA</b>	<b>50,467</b>	<b>49,344</b>
Amortisation charge	(18,424)	(18,557)
Depreciation charge (fixed assets - impairment tests)	(26,991)	0
Writebacks from provisions for fixed assets - Tests impairment tests		899
<b>EBIT</b>	<b>5,052</b>	<b>31,686</b>
Other operating income	817	781
Other operating charges	(1,525)	(1,665)
<b>Net operating profit (loss)</b>	<b>4,344</b>	<b>30,802</b>
Cash and cash equivalent revenue	147	126
Gross cost of debt	(9,657)	(12,296)
<b>Net borrowing cost</b>	<b>(9,510)</b>	<b>(12,170)</b>
Financial cost of pension liabilities	(310)	(555)
Cost for early loan repayment	(1,145)	
Other financial income	2,453	4,420
Other financial charges	(1,434)	(1,493)
<b>Profit (loss) before taxes, equity affiliates and discontinued activities or activities being sold</b>	<b>(5,602)</b>	<b>21,004</b>
Tax burden or income	(2,669)	(3,544)
Share in net profit (loss) of equity affiliates		
<b>Net profit (loss) before taxes of discontinued activities or activities being sold</b>	<b>(8,271)</b>	<b>17,460</b>
Net profit (loss) after tax of discontinued activities or activities being sold in 2007		2,063
Net profit (loss) after tax of discontinued activities in 2008	22,671	6,766
<b>Net profit (loss)</b>	<b>14,400</b>	<b>26,289</b>
. Group share	<b>14,399</b>	<b>26,288</b>
. Minority interests	<b>1</b>	<b>1</b>
<b>EPS (€)</b>	<b>0.65</b>	<b>1.19</b>
<b>Diluted EPS (€)</b>	<b>0.65</b>	<b>1.19</b>

\* on a like-for-like consolidation structure

## ACTIVITY IN 2008

### Sales

Sales were slightly down from 2007 on a like-for-like basis, due to slowing down activity (especially in the second half) and declining sales prices.

### EBITDA

EBITDA came to €50.4 m, up 2.3% from 2007 (€49.3 m). This increase was mainly due to efficiency gains in the Group's operating charges.

### EBIT

EBIT came to €5.05 m, down 84% from €26.6 m in 2007, primarily due to asset depreciation (€27 m) linked to the conversion of the Group's three paper mills into subsidiaries. 2008 EBIT includes a total amortisation and depreciation charge of € 45.4 m, including €27m for depreciation of papermill assets (versus a total of €18.6 m in 2007).

### Net profit (loss)

The net profit for 2008 was €14.4 m, versus €26.3 min 2007.

### Net debt net

The Group reduced its debt from €154 m to €84 m in 2008.

## HIGHLIGHTS IN 2008

In the first half, the Group sold the subsidiaries Otor Papeterie de Rouen and Otor Cartonnerie de Rouen to Europac, a Spanish paper group.

A dividend of €11.1 m was paid out in the second half.

In the second half, two subsidiaries repaid loans before maturity, i.e. Otor Lease, which repaid a loan of €11.9 m, and Otor SA, which repaid €10 m on its medium term loan.

Three paper mills, previously entities of our subsidiaries, were themselves converted into subsidiaries:

- Otor Papeterie de Nantes, formerly a unit of Otor Normandie,
- Otor Papeterie de Saint Michel, formerly a unit of Otor Dauphiné,
- Otor Papeterie du Doubs, formerly a unit of Otor Velin.

## HIGHLIGHTS SINCE 31/12/2008

No important event has occurred since 31 December 2008.

## OUTLOOK FOR THE CURRENT YEAR

The Group's objective for 2009 is to maintain its financial performance and to continue the debt reduction process. This objective calls for:

- measures to maintain volumes in a particularly weak economic environment. Otor is a major food packaging supplier, limiting exposure to the economic crisis.
- constant efforts to keep innovating and developing new products and services with value added for customers.
- close attention to our pricing strategy in order to optimise waste paper, paper and packaging cycles, which are not always entirely synchronised.
- ongoing efforts to maintain cost reduction programmes and to invest accordingly.
- close attention to the performance of the Group's paper mills in order to cope with paper market trends and sudden growth peaks.

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