

# PSB INDUSTRIES

Packaging and specialty chemicals

## 2014 9-month revenues Recovery of activity confirmed

€ millions	Q3 2014	Q3 2013	YTD Sept 2014	YTD Sept 2013	YTD % Change cer*
Beauty Packaging	37.7	40.0	123.0	129.7	- 4.4%
Custom Packaging	12.8	13.0	36.3	37.0	- 1.8%
Specialty Chemicals	10.8	8.3	32.7	31.6	+ 4.7%
TOTAL	61.3	61.3	192.0	198.3	- 2.5%

\* at constant exchange rate

PSB Industries reported sales of €61.3 million in Q3 2014, remaining stable compared to Q3 2013. This confirms the gradual and expected recovery of the activity and allows the Group to slightly reduce its decrease from -3.6% in the first half to -2.5% for the first nine months of 2014, compared to 2013 annual revenues which were historically high.

**The Beauty packaging business**, mainly focused on the Luxury & Beauty market, **has registered Q3 revenues of €37.7 million**, raising the YTD to €123.0 million, compared with €129.7 million in 2013 (- 4.4% at constant currency). Despite the economic downturn in the Americas, new products launches have contributed to ensure a return to growth, in line with forecasts, with new products such as Fluid Stick or serums for Dior, Opium Black caps for Yves Saint Laurent and others for Coty, Hermès and Chanel.

**Q3 revenues in the Custom Packaging business came to €12.8 million**, remaining stable by comparison to 2013 over the same period and with a raise of over 2% after adjustment of the basis effect linked to the voluntary commercial arbitrations initiated in 2013. In the third quarter, the activity has well coped with a slowdown in the Healthcare market and a bad summer weather that has penalized the Food market. New products launches with key partners, such as Mix Buffet or Agrial Group, allow to maintain the activity at a satisfactory level.

**The Specialty Chemicals business reported a growth of 30.7% at constant currency in Q3**. As expected, the Group has benefited from a favourable delivery timing on the Lighting and High-tech industries markets (precision polishing, watch and batteries...). In the first nine months, the activity reported a revenue of €32.7 million, compared to €31.6 million in 2013.

## **Confirmation of C+N Packaging Corporation Inc. acquisition**

On September 23<sup>rd</sup> 2014, PSB Industries has signed the final agreement to acquire C+N Packaging Corporation Inc., an injection molding and surface treatment expert, with 250 employees and an annual revenue around 25M\$ in 2013. Through its several plants in North America and Poland, C+N Packaging provides high quality service to prestigious customers such as Avon, Elizabeth Arden and Estée Lauder.

This first acquisition, in line with the Ambition 2020 plan, strengthens the Group's international leadership in the Luxury & Beauty market. This activity is consolidated since October 1<sup>st</sup> 2014 and will become accretive for the Beauty Packaging activity as soon as 2015 on a current profitability basis.

The complementarity between C+N Packaging and PSB Industries offers to all customers an extended value proposition on the Luxury & Beauty segments (Skin care, Make up, Fragrance & Spirits) as well as a reinforced regional commercial & industrial presence.

## **Outlook**

PSB Industries confirms the gradual recovery of the Beauty packaging and Specialty chemicals activities, allowing the Group to face the end of 2014 with confidence.

*Next release: Publication of Q3 2014 financial results on November 13th, 2014.*

PSB Industries is an innovation-driven industrial group with leadership positions in packaging and specialty chemicals. The group reported consolidated revenues of €257 million in 2013 including over 63% from international sales. The group has production plants in France, the United States, Japan and Mexico.