

# PSB INDUSTRIES

## Financial Year 2008 Operating profit: 8.0% of sales

PSB Industries' Board of Directors approved the FY 2008 financial statements in a meeting on February 20, 2009 chaired by Jean-Baptiste Bosson.

Consolidated data (000s euros)	FY 2007 (published)	FY 2008	Change
Sales	211,474	204,966	-3.1%
Operating profit	20,463	16,486	-19.4%
<i>as % of sales</i>	9.7%	8.0%	
Net income	11,573	7,515	-35.1%
Group share of net income	10,606	6,928	-34.7%
Cash flow from operating activities	27,646	23,421	-15.3%

### ACTIVITY

PSB Industries' FY 2008 sales dropped 3.1% year on year (down 4.5% on a like-for-like basis). The downswing occurred entirely in the second half when sales fell 9.4% on a like-for-like basis whereas sales were stable in the first half.

All businesses were impacted, including specialty chemicals, whose sales finished the year up 2.5% on a constant currency basis but which contracted sharply in Q4.

### EARNINGS

PSB Industries' operating profit reached 16.5 million euros, or 8.0% of sales vs. 9.7% the previous year. Like sales, operating profitability experienced two contrasting half-years: 9.4% in the first half and 6.4% in the second half.

The cost-cutting efforts helped partially offset the drop in volumes.

### OUTLOOK

The first months of 2009 are in line with the trend in Q408, which saw sales drop 16.1%.

FY 2009 should present the reverse profile of last year with the first half down over an excellent H108 and the second half up over 2008.

H2 growth should come both from the positive base effect, the end of inventory cuts and the upturn in new product launches by our customers.

In such a volatile environment, we continue to pay close attention to developments in consumer and market behavior and keep a close eye on our costs.

Capital expenditures, already down sharply in 2008, will be aimed primarily at new markets and new developments while research programs will be maintained.

### DIVIDEND

The Board of Directors will propose to the Shareholders' Meeting on May 27, 2009 to pay a dividend of 1.15 euros per share vs. 1.40 euros last year. An interim dividend of 0.65 euros per share was already paid out on January 30, 2009.

First quarter 2009 sales will be published on April 14, 2009.