

PSB INDUSTRIES

A joint-stock corporation with capital stock of €7,350,000
Registered Office: Les Pléiades n°21, Park Nord, La Bouvarde, 74370 Metz-Tessy, France
Trade and company registry ID: 325 520 013 RCS Annecy
(55 B 1)

<p style="text-align: center;">Special report prepared in compliance with Article L.225—209 para. 2 of the French Commercial Code</p> <p style="text-align: center;">Annual Regular and Extraordinary Shareholders' Meeting of May 30, 2007</p>

To the Shareholders:

In compliance with Article L. 225-209 para. 2 of the French Commercial Code, the purpose of this report is to bring to your attention the share purchase transactions conducted within our Company.

This report further includes all of the disclosures that must appear in the description of the equity share buyback program as per Article 241-2 of the General Regulations of the French stock exchange authority AMF as amended on December 30, 2005.

Thus we shall first survey the results of the previous stock buyback program authorized by the Shareholders' Meeting of May 24, 2006 and then present to shareholders the chief features of the new stock buyback program that shall be submitted for shareholders' approval at the Shareholders' Meeting of May 30, 2007/

1 -- Results of the previous program

The PSB Industries Regular Shareholders' Meeting of May 24, 2006 had authorized the Board of Directors for a period of 18 months starting with said meeting, that is, until November 24, 2007, to carry out a stock buyback program.

Declaration by the issuer of dealings in its own shares from May 25, 2006 (the day following the start of the previous buyback program) to March 31, 2007

Percent of own shares held directly or indirectly as at March 31, 2007	1,0%
Number of shares canceled over the past 24 months	0
Number of shares in portfolio as at March 31, 2007	36,610
Book value of the portfolio as at March 31, 2007	€1,381,717
Portfolio's market value calculated on the March 31, 2007 closing price of €40.60	€1,486,366

	Total gross flows ⁽¹⁾		Open positions as of the publication of the program description			
	Bought	Sold/transferred	Open long positions		Open short positions	
			Calls bought	Forward buys	Calls sold	Forward sales
Number of shares	33,862	35,252	NA	NA	NA	NA
Average maximum maturity	NA	NA				
Average trade price	37.71	38.05				
Average exercise price	NA	NA				
Value (in euros)	1,277,021	1,341,174				

⁽¹⁾The period from the day after the start of the previous buyback program (May 25, 2006) till March 31, 2007

As at March 31, 2007 PSB Industries owned 36,610 of its own shares. All of these shares are handled by an investment services provider (Oddo Midcap) under a liquidity contract, in conformance with the AFEI statement of professional ethics approved by the French stock exchange authority AMF.

2 – Chief features of the new stock buyback program submitted to the Annual Regular and Extraordinary Shareholders' Meeting of May 30, 2007

Purpose of the stock buyback program

PSB Industries intends to undertake a stock buyback program with the following objectives, in decreasing order of priority:

- stimulate trading under a liquidity contract with an investment services provider
- Purchase shares to hold for subsequent use as exchange or payment in an external growth strategy.

Maximum fraction of capital stock, maximum number of shares and maximum euro amount authorized in buying the shares the company plans to acquire

The number of shares held under the present authorization cannot exceed 10% of stock capital, that is, 367,500 shares

Purchases of shares under this authorization as well as the resale of shares shall be made within the following limits: The maximum purchase price must not exceed €55 per share and the minimum resale price must not be below €30 per share.

Given the maximum purchase price per share, the total amount allocated to buying back shares cannot exceed €20,212,500.

Features of the shares the company plans to acquire

The Company's common stock is listed on the Paris Stock Exchange -- ISIN Code FR0000060329.

How the shares the company plans to acquire shall be bought

The shares can be bought back through an investment services provider under a liquidity contract.

Duration of the program

The authorization for the Company to buy back its own shares runs through November 30, 2008.

This document is made available to shareholders on the Company's website (www.psbindus.com) as well as on that of the French stock exchange authority, AMF (www.amf-france.org).