

PSB INDUSTRIES

A corporation with capital of €7,350,000

Registered office: Les Pléiades no. 21, Park Nord, La Bouvarde
74370 METZ-TESSY

Local business registry: 325 520 013 RCS Annecy
(55 B 1)

<p>Outline of the stock buy-back program approved by the Regular Shareholders' Meeting of May 24, 2006 and drawn up pursuant to the provisions of Article 241-2 of the General Regulations of the French Financial Market Authority</p>
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Pursuant to the provisions of Article 241-2 of the General Regulations of the French Financial Market Authority, the purpose of this notice is to outline the goals and means of the Company's program to buy back its own stock as authorized by the Shareholders Meeting of May 24, 2006.

This document is made available to stockholders on the Company's website (www.psbindus.com) as well as on that of the French Financial Market Authority (www.amf-france.org).

I - PURPOSE OF THE STOCK BUY-BACK PROGRAM

PSB INDUSTRIES intends to undertake a stock buy-back program with the following objectives, in decreasing order of priority:

- To stimulate trading in Company shares through an investment services provider under a liquidity contract in accordance with the AFEI [*French Association of Investment Firms*] statement of professional ethics that was approved by the French Financial Market Authority;
- To purchase shares in order to hold them for later use in exchange or in payment as part of an external growth strategy.

II - FRACTION OF EQUITY AND BREAKDOWN OF SHARES HELD BY THE COMPANY AS AT MAY 31, 2006 FOR THE PURPOSES OF THE BUY-BACK PROGRAM

The issuer directly or indirectly holds 38,027 shares as at 05/31/06, representing 1.0 % of the Company's equity capital, *entirely due to trading under the liquidity contract*.

III - MAXIMUM FRACTION OF EQUITY, MAXIMUM NUMBER OF SHARES AND MAXIMUM EURO AMOUNT AUTHORIZED FOR THE BUY-BACK OF SHARES WHICH THE COMPANY PLANS TO ACQUIRE

The maximum number of shares acquirable under the program may not exceed 10% of equity capital, that is, 367,500 shares.

The maximum purchase price is set at €50 per share and the minimum resale price must not be less than €25 per share.

Consequently, if PSB INDUSTRIES were to make use of the entire authorization, the maximum amount that it would be liable to pay out, assuming purchases are made at the maximum price authorized by the stockholders, would be €18,375,000.

IV - TYPE OF SHARES THAT THE COMPANY PLANS TO ACQUIRE

- The Company's common stock listed on the Paris Exchange, ISIN Code FR0000060329

V - METHODS OF BUYING BACK THE SHARES THAT THE COMPANY PLANS TO ACQUIRE

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

VI - DURATION OF PROGRAM

The authorization for the Company to buy back its own shares runs through November 24, 2007.

TABLE SUMMARIZING TRANSACTIONS DURING THE PREVIOUS BUY-BACK PROGRAM

The issuer's declared transactions in its own shares from May 27, 2005 to May 31, 2006 ⁽¹⁾	
Percent of own shares held directly or indirectly as at May 31, 2006	1.0%
Number of shares retired over the past 24 months ⁽²⁾	0
Number of portfolio shares as at May 31, 2006	38,027
Book value of the portfolio as at May 31, 2006	€1,329,077
Market value of the portfolio as at May 31, 2006 ⁽³⁾	€1,448,829

⁽¹⁾ The reference period extends from the date on which the previous program was established until 05/31/06

⁽²⁾ i.e., the 24 months before 05/31/06

⁽³⁾ based on a 05/31/06 closing price of 38.10

	Volume traded ⁽¹⁾		Open positions as at the publication date of the <i>program outline</i>			
	Bought	Sold/transferred	Open long/buy positions		Open short/sell positions	
			Calls bought	Bought long	Calls sold	Sold short
Number of shares	45,963	57,857	NA	NA	NA	NA
Average maximum expiration ⁽²⁾	NA	NA				
Average trade price ⁽³⁾	34.88	35.56				
Average exercise price ⁽⁴⁾	NA	NA				
Amount (in euros)	1,603,125	2,057,189				

⁽¹⁾ For the period running from the day after the previous buy-back program was implemented (05/27/05) till 05/31/06

⁽²⁾ The time remaining until the date of publication of the program outline

⁽³⁾ Relative to spot trading

⁽⁴⁾ Under "volume traded", average strike price of options exercised or average price of expired contracts