

## **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

Company SIRET number: 325 520 013 00047

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### Convening notice

The shareholders are hereby informed that the Board of Directors convenes them to the Company's Annual Regular and Extraordinary Shareholders Meeting on May 25, 2010 at 10:00 AM, held in the registered office in Metz Tessy, France, to deliberate on the agenda and the following draft resolutions:

### **AGENDA**

#### Ordinary Business

- Management report on the company and consolidated financial statements for the year ended December 31, 2009, and the auditors' reports on the parent company and consolidated financial statements and the agreements covered by articles L225-38 and subsequent of the French Commercial Code.
- Approve the said parent company and consolidated financial statements – Approve agreements – Discharge directors – Allocate earnings.
- Renew the authorisation given to the Company to purchase its own shares in order to stabilise the share price.
- Establish the amount of Directors' fees allocated to the Board of Directors.
- Renew the lead statutory auditor's appointment.
- Appoint new alternate statutory auditors.

#### Extraordinary Business

- Decision to take pursuant to article L 225-129-6 of the French Commercial Code.

#### Ordinary Business

- Appointment of new directors
- Ratification of the cooptation of a director
- Assign powers to execute formalities.

### **DRAFT RESOLUTIONS**

#### ORDINARY BUSINESS

##### First resolution

The Shareholders, after hearing the Board of Directors management report and the statutory co-auditors' general report on the annual financial statements for the year ended December 31, 2009, hereby approve the annual financial statements as presented, together with the operations represented by these statements and summarized in these reports.

The shareholders acknowledge that the financial statements for the year ended December 31, 2009 do not take into account expenses that are not deductible for income tax purposes, as identified in Article 39-4 of the French General Tax Code.

Consequently, the shareholders find that the Board of Directors has fully discharged its duties for the said period.

### Second resolution

The Shareholders, after hearing the statutory co-auditors' report on the agreements referred to in Articles L225-38 and subsequent of the French Commercial Code, hereby approve the terms of that report.

### Third resolution

The Shareholders, on the motion of the Board of Directors, hereby resolve that the year's distributable earnings of:

- Net book earnings of €3,628,479.03
- Plus the 2009 retained earnings of €201,293.45

for a total of €3,829,772.48

be allocated and distributed as follows:

- €3,675,000 distributed as dividends to shareholders
- The balance of €154,772.48 to retained earnings

Of this dividend of €1.00 per share, €0.50 was already paid as of January 29, 2009 as an interim dividend (i.e.; €1,837,500.00) in accordance with the decision of the Board of Directors on December 23, 2009. Therefore only the balance of €0.50 per share remains due (a total of €1,837,500), which will be payable as of June 1, 2010.

In the event the Company holds some of its own shares when the dividend is paid, the distributable earnings corresponding to the unpaid dividend due to this holding of said shares will be allocated to the retained earnings account.

In addition, the shareholders acknowledge that they have been duly informed that dividends paid to natural persons who are French tax residents are subject to a 12.10% withholding for social security levies and to income tax after application of a 40% exemption on the dividend base, unless before receiving the dividend the beneficiary elects to have the company paying the dividend withhold an 18% flat-rate withholding tax which exempts the dividend balance from income tax.

In compliance with the provisions of article 243(a) of the French General Tax Code, the shareholders in meeting make note that over the last three periods the following dividends have been distributed:

| Fiscal year ended | Dividend per share | Income eligible or not for tax reduction |
|-------------------|--------------------|--|
| 31/12/2008        | 1.15               | 40% exemption when applicable            |
| 31/12/2007        | 1.40               | 40% exemption when applicable            |
| 31/12/2006        | 1.35               | 40% exemption when applicable            |

### Fourth resolution

Furthermore, the Shareholders, after hearing the Board of Directors' management report and the statutory co-auditors' report on the consolidated financial statements for the year ended December 31, 2009, hereby approve the consolidated financial statements together with the operations represented by these statements.

### Fifth resolution

The Shareholders, on a motion by the Board of Directors, hereby resolve to renew the authorization given by the regular shareholders' meeting of May 27, 2009, under the provisions of articles L 225-209 and subsequent of the French Commercial Code, for the Company to purchase its shares on the stock exchange, in order to:

- stimulate trading under a liquidity contract with an investment services provider, and

- purchase shares to hold for subsequent use for trading or as exchange or payment in an external growth strategy.

The number of shares held under the present authorization cannot exceed 10% of the share capital (i.e.; 367,500 shares).

Purchases of shares under this authorization, as well as sale of such shares, shall be made with the following restrictions: the maximum purchase price must not exceed €40 per share and the minimum resale price must not be less than €10 per share.

Given the maximum purchase price per share, the total amount allocated to buying back shares cannot exceed €14,700,000.

This authorization is valid for a period of eighteen months from the date of this meeting. It supersedes the previous authorization.

The shares shall be bought back by market trading or through the acquisition of blocks of shares as allowed by applicable laws and regulations. The program may be accomplished entirely by acquiring blocks of shares. The purchases and sales may occur during a public offering, subject to the restrictions imposed by stock exchange regulations.

The Board shall inform the regular shareholders' meeting every year of the transactions carried out under this authorization.

Consequently, the Shareholders in meeting hereby give the Board full powers to place stock exchange orders, to conclude all agreements required by legal formalities, to make all declarations to authorities and generally to do what is necessary.

#### Sixth resolution

The shareholders hereby resolve to set the gross amount of Director's fees allocated to the Board of Directors for FY2010 at €144,000.

#### Seventh resolution

The shareholders, noting that the terms of the firms Mazars and Ernst & Young et autres as statutory co-auditors expire with this shareholders' meeting, hereby resolve to renew them in their duties for a new term of six fiscal years, namely until the end of the shareholders' meeting held in 2016 that will act upon the financial statements for the year ended December 31, 2015.

The shareholders hereby acknowledge that they have been informed that the auditors did not work on any asset contribution or merger operation involving the Company or controlled companies during the past two fiscal years.

Each of the auditors so renewed have made known that they accept the renewal of their duties and that they satisfy the legal and regulatory conditions to fulfill their appointments and, in particular, that they are not subject to any prohibition or incompatibility.

#### Eighth resolution

The shareholders, noting that the terms of Messrs Philippe Bouillet and Pascal Macioce as co-alternate auditors expire with this shareholders' meeting, hereby resolve not to renew them in their duties and to appoint instead as replacement:

- Mr. Olivier Biatrix  
with registered office at Le Premium – 131 Boulevard Stalingrad (69624) Villeurbanne Cedex, France,  
registered with the Compagnie Régionale des Commissaires aux Comptes (*Regional Statutory Auditors Association*) of Lyon, France,

- Auditex  
with registered office at 11 allée de l'Arche (92037) La Défense Cedex, France,  
registered with the Compagnie Régionale des Commissaires aux Comptes (*Regional Statutory Auditors Association*) of Versailles, France,

Mr. Olivier Biatrix and Auditex are hereby appointed for a term of six fiscal years, namely until the end of the regular shareholders' meeting held in 2016 that will act upon the financial statements for the year ended December 31, 2015.

The shareholders hereby acknowledge that they have been informed that the auditors did not work on any asset contribution or merger operation involving the Company or controlled companies during the past two fiscal years.

Each of the auditors so appointed have made known that they accept the appointment and that they satisfy the legal and regulatory conditions to fulfill their appointments and, in particular, that they are not subject to any prohibition or incompatibility.

## **EXTRAORDINARY BUSINESS**

### Ninth resolution

The shareholders, after hearing the Board of Directors' management report and the auditors' reports, and taking into account the provisions of article L 225-129-6 of the French Commercial Code, hereby resolve to reserve for Company employees a share capital increase for cash under the conditions provided for in articles L 3332-18, L 3332-19 and L 3332-20 of the French Labor Law.

In the event the present resolution is adopted, the shareholders will resolve:

- that the Board of Directors has a maximum period of twenty-six months to implement a Corporate Savings Scheme under the conditions provided for by the French Labor Law.
- to authorize the Board of Directors to carry out, within a maximum period of twenty-six months from this date, a capital increase of up to €200,000, which would be reserved for employees participating in the said Corporate Savings Scheme and carried out pursuant to the provisions of article L 3332-20 of the French Labor Law. As such, this authorization would result in shareholders renouncing by operation of law their pre-emptive subscription rights.

## **ORDINARY BUSINESS**

### Tenth resolution

The Shareholders, on a motion by the Board of Directors, hereby resolve to appoint as new director Mr. Julien Cachat, born on October 22, 1970 in Annecy (74), France, residing at 14 route des Daudes (74290) Veyrier-du-Lac, France, for a term of six years. Mr. Cachat informed the Company in advance that he would accept this position if his appointment was confirmed.

### Eleventh resolution

The Shareholders, on a motion by the Board of Directors, hereby resolve to appoint as new director Mr. François-Xavier Entremont, born on December 15, 1971 in Annecy (74), France, residing at 6 rue du Lac (74000) Annecy, France, for a term of six years. Mr. Entremont informed the Company in advance that he would accept this position if his appointment was confirmed.

#### Twelfth resolution

The Shareholders, on a motion by the Board of Directors, hereby resolve to appoint as new director Mr. Stéphane Rosnoblet, born on May 7, 1968 in Annecy (74), France, residing at 1 rue de Vénétié (74940) Annecy-le-Vieux, France, for a term of six years. Mr. Rosnoblet informed the Company in advance that he would accept this position if his appointment was confirmed.

#### Thirteenth resolution

The Shareholders, on a motion by the Board of Directors, hereby resolve to appoint as new director Mr. Raphaël Wirth, born on October 20, 1966 in Annecy (74), France, residing at 6 Chemin de la Puya (74000) Annecy, France, for a term of six years. Mr. Wirth informed the Company in advance that he would accept this position if his appointment was confirmed.

#### Fourteenth resolution

The Shareholders hereby ratify the Board of Directors' temporary appointment on April 30, 2010 of the company PROVENDIS to the position of director, in replacement of Mr. Roger Rosnoblet, who resigned.

PROVENDIS will exercise its duties for the remaining term of its predecessor, namely until the end of the shareholders' meeting that will be called on to act upon the financial statements for the year ended December 31, 2013.

#### Fifteenth resolution

The Shareholders hereby confer on the bearer of an original, a copy or an abstract of these minutes complete authority to perform all formalities required by law or regulation.

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For greater clarity, it is noted that the draft resolutions mentioned in the notice of meeting published in the B.A.L.O. (France's official legal announcement publication) on April 14, 2010 have been modified as follows: the 6th resolution has been modified and the above 10th, 11th, 12th, 13th and 14th resolutions have been added.

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In conformance with Article R 225-85 of the French Commercial Code, the Shareholders are hereby informed that participation in the Shareholders' Meeting is dependent upon shares having been recorded in a registry in the shareholder's name or that of a designated intermediary by midnight (Paris time) of the third business day preceding the meeting, in either the Company's record of registered shares or the authorized intermediary's record of bearer shares. Such a record must be acknowledged by a 'participation certificate' (*attestation de participation*) delivered by the authorized intermediary and attached to the absentee or proxy voting form. The *certificat d'immobilisation* (capital asset certificate) is no longer required.

If not personally present at the Meeting, shareholders can take one of the following three courses:

- Be represented by another shareholder as representative; the shareholder can also be represented by his or her spouse. Upon request a form granting powers will be sent to the shareholder;
- Or send in a blank proxy, it being noted that an absence of instructions means a vote in favor of resolutions proposed or approved by the Board of Directors;
- Or vote by land mail, by sending in a request to the Company for a form. The request must be received at least six days before the Meeting; and to be considered, a mail-in vote must arrive at the Company no later than three days before the Meeting is held.

In accordance with article L225-68 of the French Commercial Code, shareholders representing the legal portion of the share capital can request that draft resolutions be added to the agenda of this meeting up to twenty-five days before the shareholders meeting.

According to article R 225-84 of the French Commercial Code, shareholders who would like to submit written questions to the Chairman of the Board of Directors shall send these questions to the Company's registered office no later than the fourth business day preceding the date of the shareholders meeting. Requests to add draft resolutions as well as written questions must be sent to the Company registered office by registered letter with acknowledgement of receipt or by email to the following address: [finance@psbindus.com](mailto:finance@psbindus.com)

They should be accompanied by a proof of a registered share account.

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The present notice shall be valid as the convening notice provided that no change is made to the agenda, especially further to any requests to add draft resolutions that might be submitted by shareholders.

The Board of Directors