



Presentation of Chargeurs Group

SFAF : PEA PME meeting

SFAF : Société Française des Analystes Financiers (French Society of Financial Analysts)

PEA PME : Plan d'Épargne en Actions pour les Petites et Moyennes Entreprises

(Investment vehicle in SMEs (Small Middles Enterprises) for French residents that receives favorable tax treatment)

Martine Odillard, Chief Executive Officer

Rémy Husson, Chief Financial Officer

Cédric Ratouis, Investor Relations

June 10th, 2014

Agenda

1. Chargeurs
2. Chargeurs Protective Films
3. Chargeurs Interlining
4. Chargeurs Wool
5. Financial Review
6. Outlook
7. Questions – answers



1. Chargeurs

Chargeurs, a global diversified group

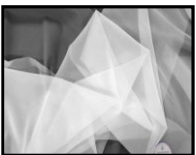
- ▶ Global manufacturing and services Group
 - ▶ 93% of sales outside France
 - ▶ 1,600 people in 31 countries on 5 continents
 - ▶ 11 industrial sites in 6 countries on 4 continents

▶ Three niche markets



Chargeurs Protective Films

Temporary protection of surfaces
European Leader



Chargeurs Interlining

Interlining and technical textiles
A world leader



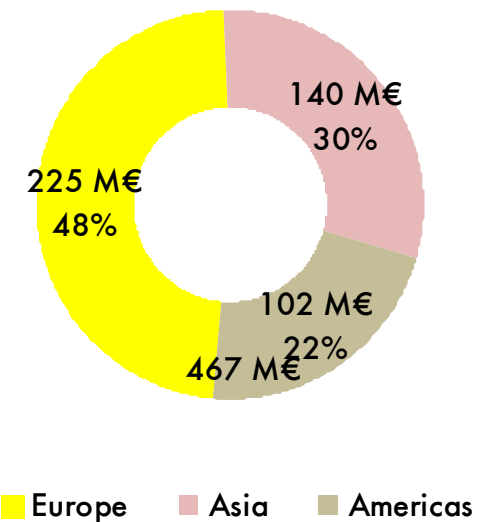
Chargeurs Wool

Top making and sales of combed wool
World Leader

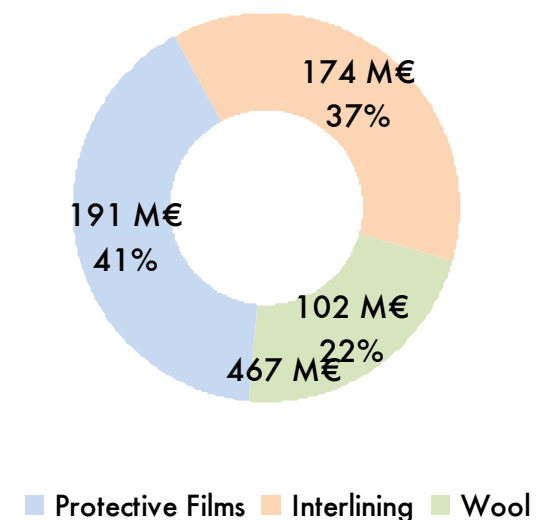
2013 Key figures

Revenue	€ 466.5 M	Cash Position	€ 3.2 M
Operating Profit	€ 17.8 M	Cash generated by Operations	€ 13.2 M
Net Profit	€ 3.6 M	Equity attributable to owners	€ 157.9 M

2013 Revenue par Regions

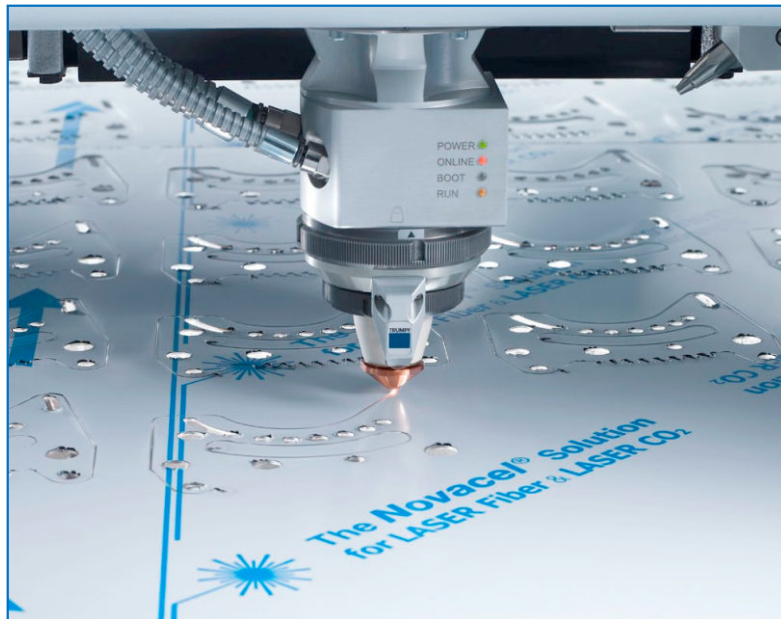


2013 Revenue by business





2. Chargeurs Protective Films



A European Leader with a global network

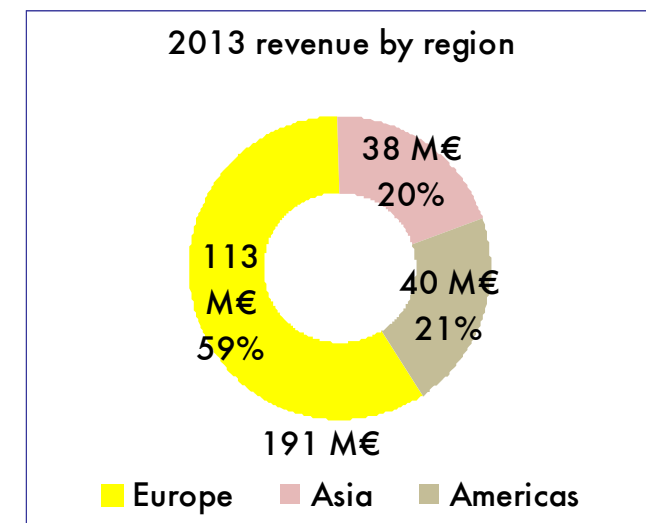
- ▶ Specialized in self-adhesive films for the temporary protection of fragile surfaces at every stage of the transformation process

- ▶ Serving 4 markets :

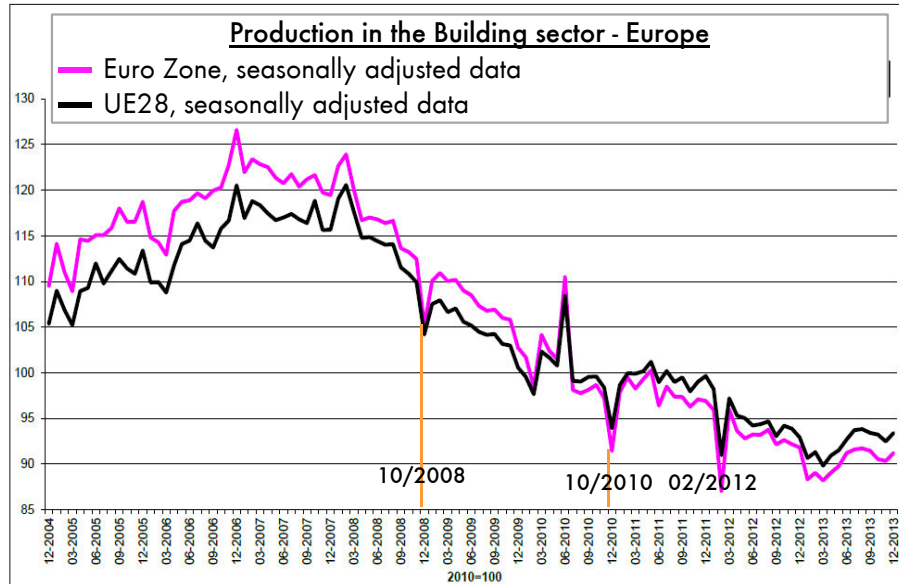
- ▶ Building
- ▶ Household appliances
- ▶ Automobiles
- ▶ Electronics



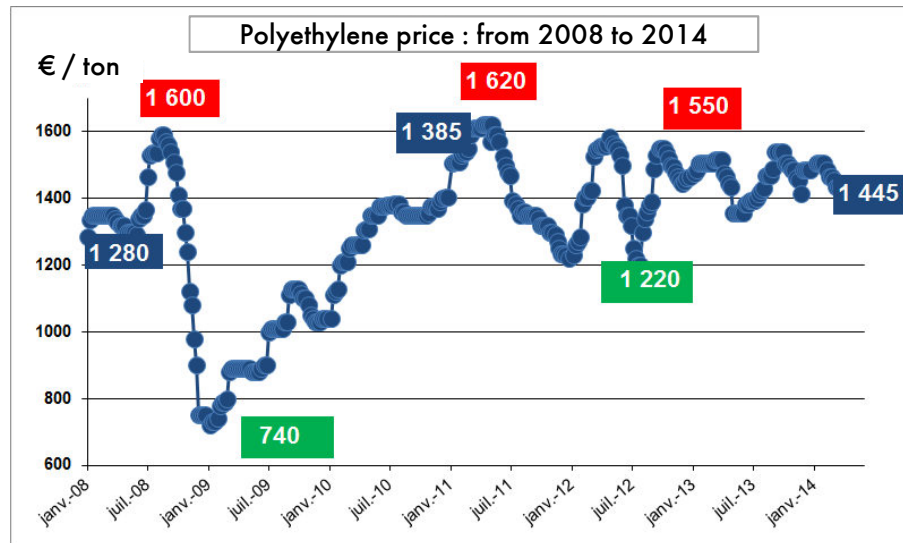
- ▶ European Leader with a global presence:
 - ▶ 93% of sales outside France
 - ▶ Commercial network in more than 60 pays
 - ▶ 520 people in 16 countries
 - ▶ 3 production units: France, Italy, United States



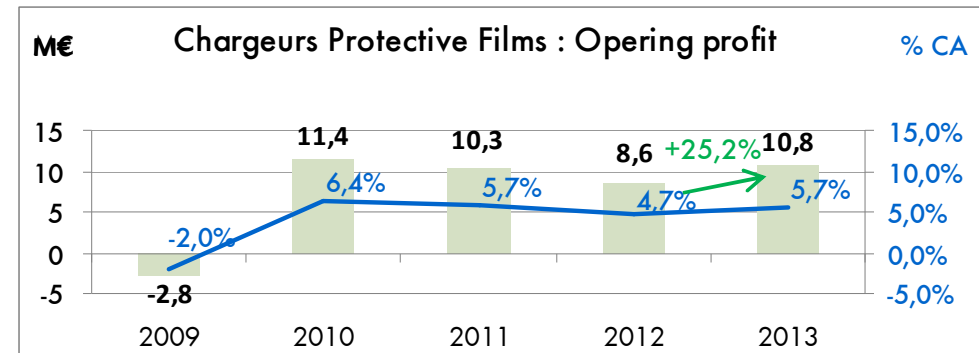
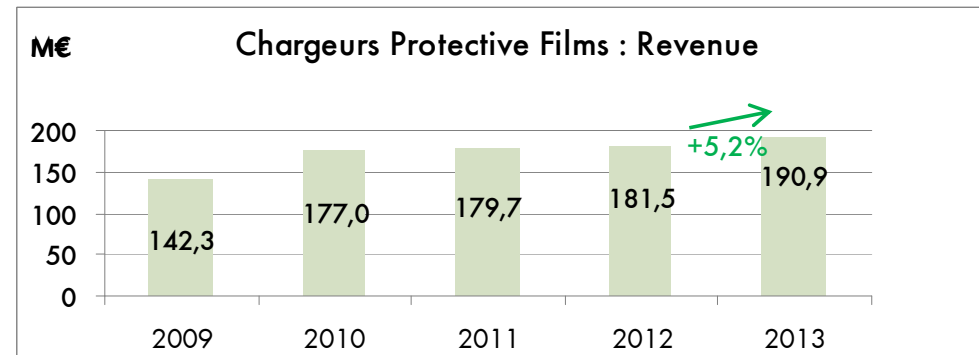
Growth and gains of market shares



Source Eurostat



Source Platts



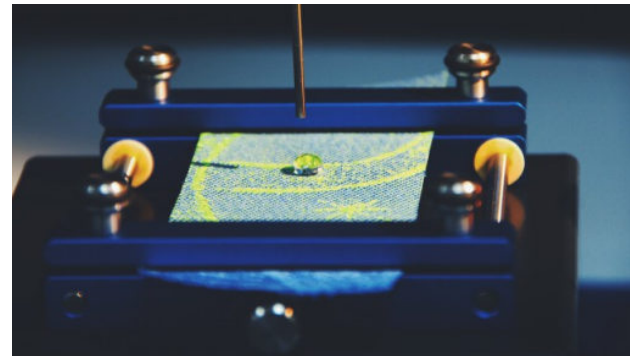
- ▶ A steady growth of revenue
- ▶ Profitability despite a very volatile raw material

A virtuous economic business model

- ▶ Leader on niches
- ▶ Global Market with high entry barriers
- ▶ Excellent technological expertise which allows innovations answering the constant evolution of its customers needs
- ▶ Premium, recognized Quality of service
- ▶ Focus 2014 – 2015 :
 - ▶ Focus of higher value products
 - ▶ Growth of revenue made by recent innovations



3. Chargeurs Interlining



A global interlining leader with enlarged offer

- ▶ Expert in interlining: a technical textile, inserted between the fabric and the lining to keep garments flexible and help them to retain their shape
- ▶ A major player in the garment industry
- ▶ New promising opportunities in technical textiles



Security

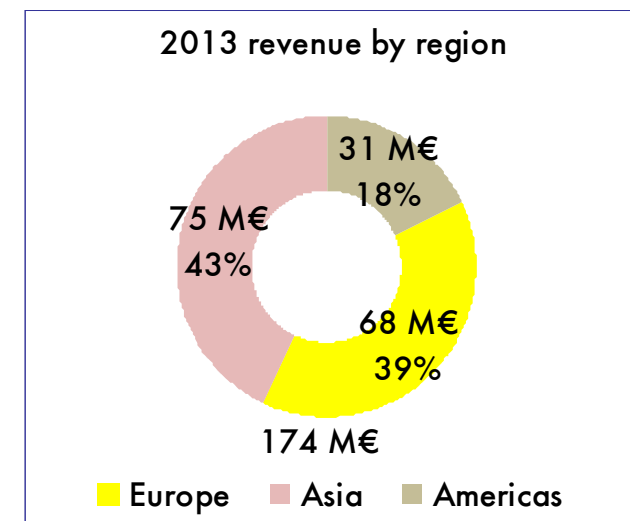


Decoration



Advertizing

- ▶ A highly globalized network
 - ▶ 89% of sales outside France
 - ▶ 1,000 people in 24 countries
 - ▶ 8 production units on 3 continents



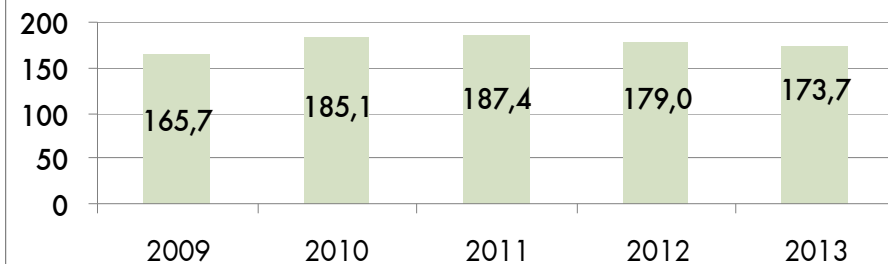
Resilience on a mature market

Evolution apparel consumption (in % /year)

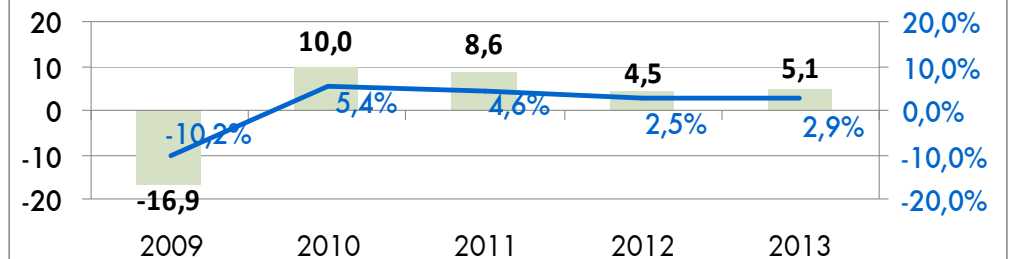
	2009/08	2010/09	2011/10	2012/11	2013/12	P 2014
France	-3,4%	-0,4%	-1,3%	-2,2%	-1,4%	-1,0%
Germany	-1,0%	3,0%	0,0%	-2,0%	-2,0%	-1,0%
U.K.	0,8%	4,5%	2,0%	1,0%	1,5%	1,0%
Italy	-1,8%	-1,0%	-2,3%	-5,0%	-7,0%	-5,0%
Spain	-5,6%	-3,2%	-1,0%	-8,0%	-5,0%	-3,5%
U.S.A.	-4,2%	4,9%	3,8%	4,1%	3,7%	4,2%
China	21,0%	23,7%	19,6%	16,2%	14,0%	8,0%

Source IFM

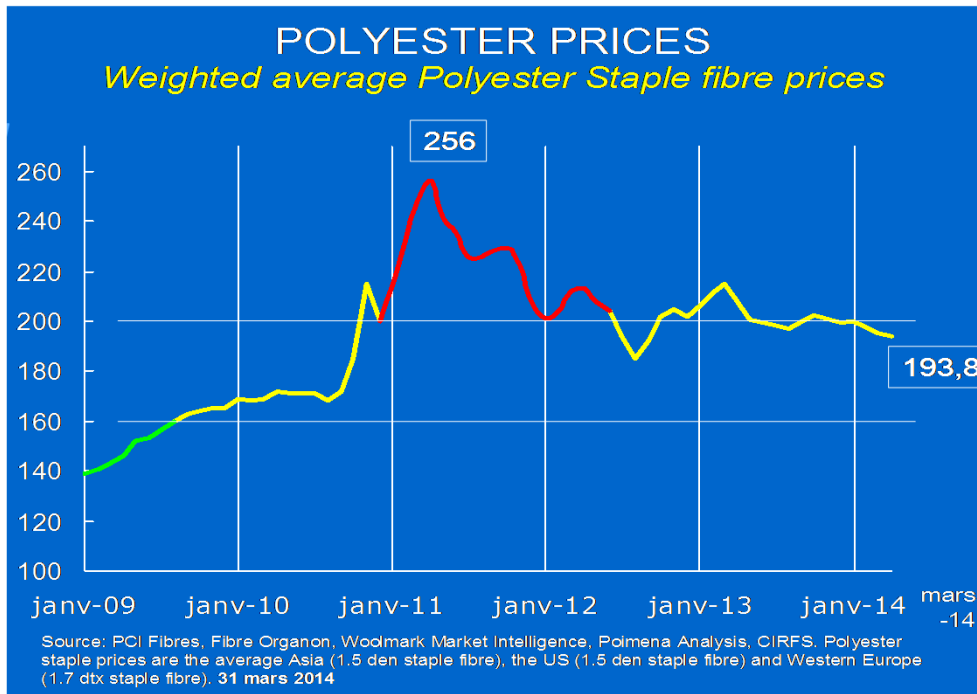
Chargeurs Interlining : revenue



Chargeurs Interlining : Operating profit/(loss) % CA



- Optimization of structures (commercial, production) in response to market degradation

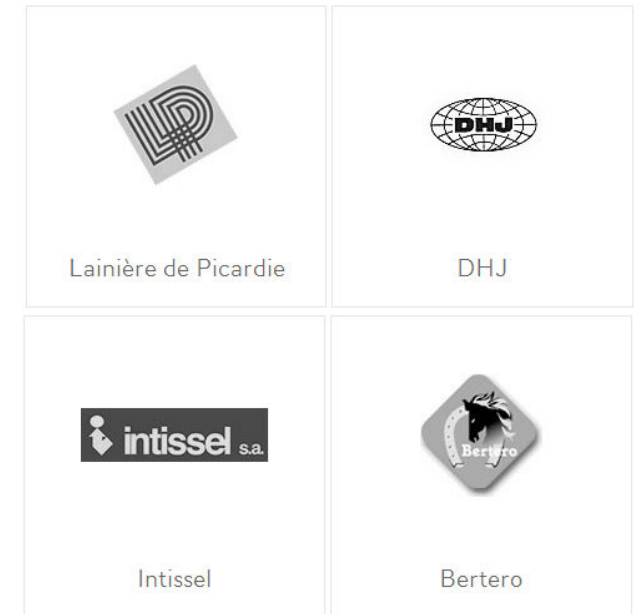


Improve profitability

- ▶ A global network, distribution and production, capable of answering local needs

- ▶ Recognized brands with a high end positioning serving prestigious customers

- ▶ Focus 2014 – 2015 :
 - ▶ Focus on high-end products
 - ▶ Priority to innovation and the development of technical products





4. Chargeurs Wool



Nowadays, a distributor

► Expert in a key step in the wool process

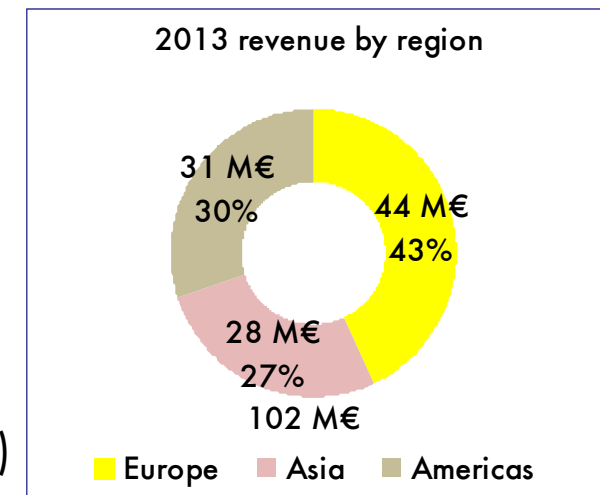


► Partial disposals of combing mills in 2012 and 2013

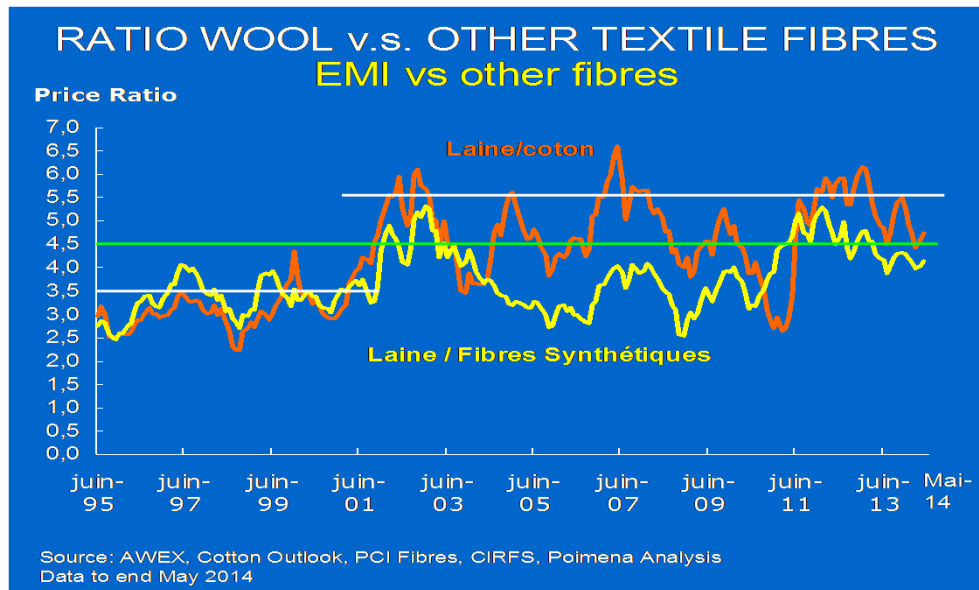
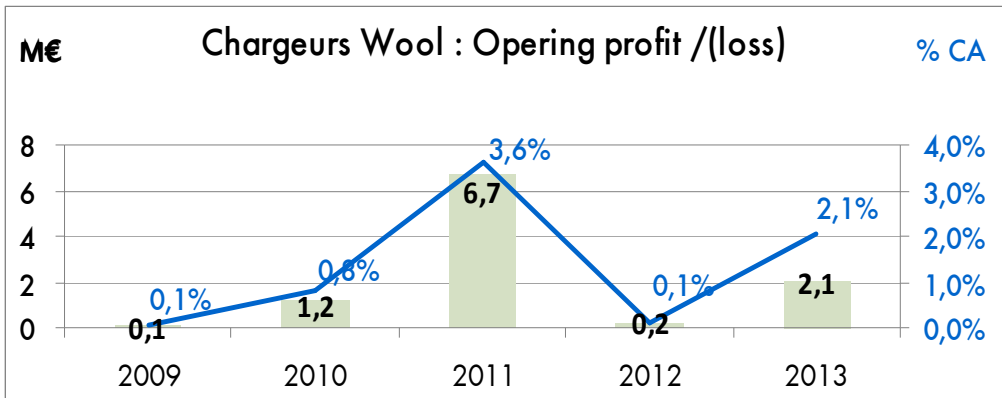
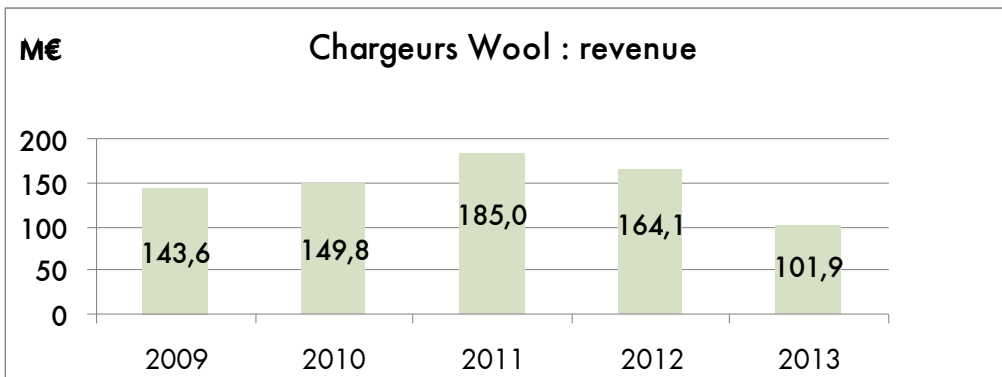
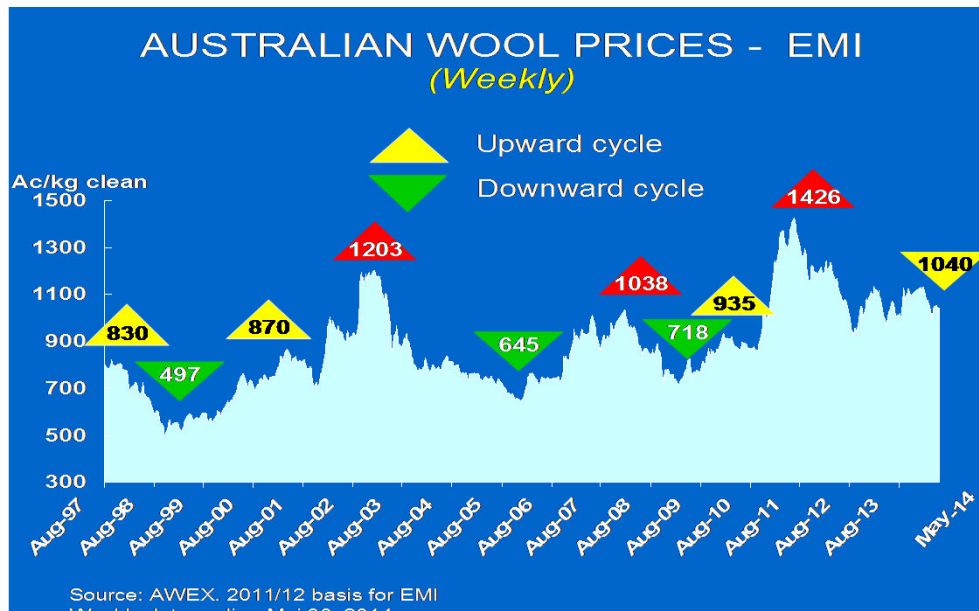
► Top maker: creation of long fine blended-wool fibers that successfully meet the needs of spinning mills

► Global Leader:

- 100% of sales outside France
- A lean structure with a global presence
- 4 industrial partnerships (USA, Argentina, Uruguay, China)



A transformation successfully completed



- An adaptation to a volatile market and to competing synthetics fibers

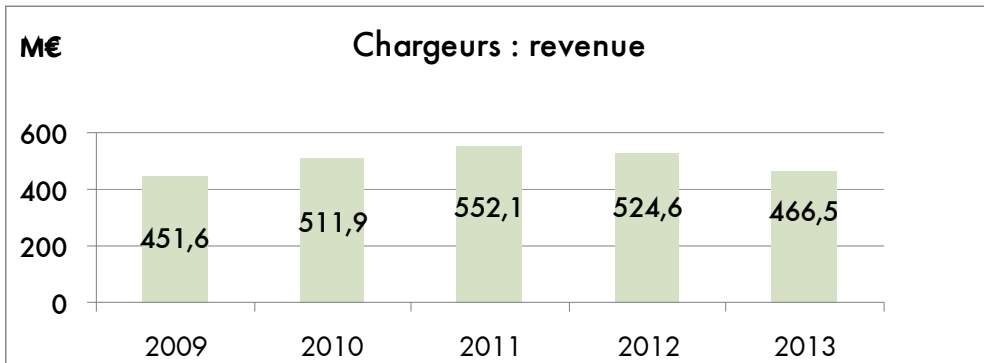
Externalized risks

- ▶ A global market
- ▶ An experienced player specialized in high-end market
- ▶ Focused on distribution while retaining full control of the value chain back by industrial partnerships
- ▶ A high quality natural fiber offering growth opportunities
 - ▶ In China, with the development of middle class
 - ▶ On the premium market, responding to increasing quality and traceability requirements
- ▶ Focus 2014 – 2015 :
 - ▶ Assure a sustainable profitability

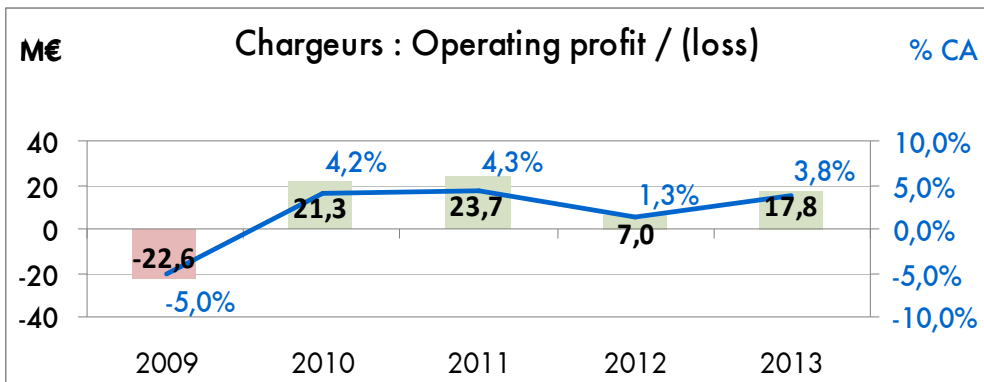


5. Financial review

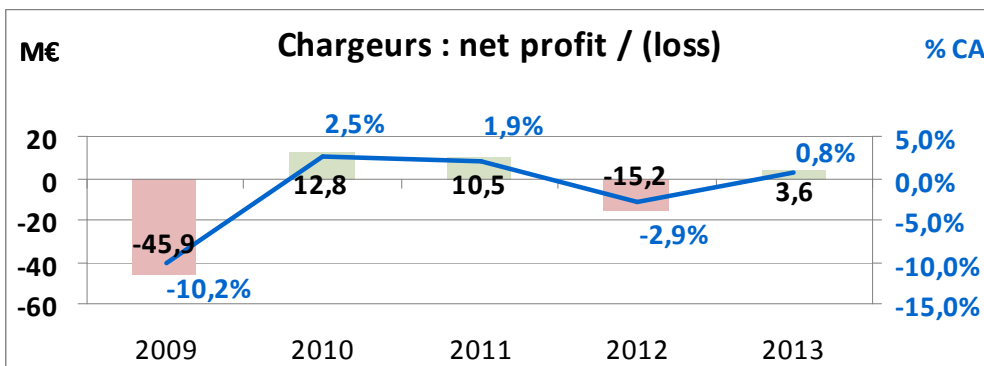
2009 – 2013 : a successful transformation



- ▶ 2012 and 2013, reduction in the Wool business scope

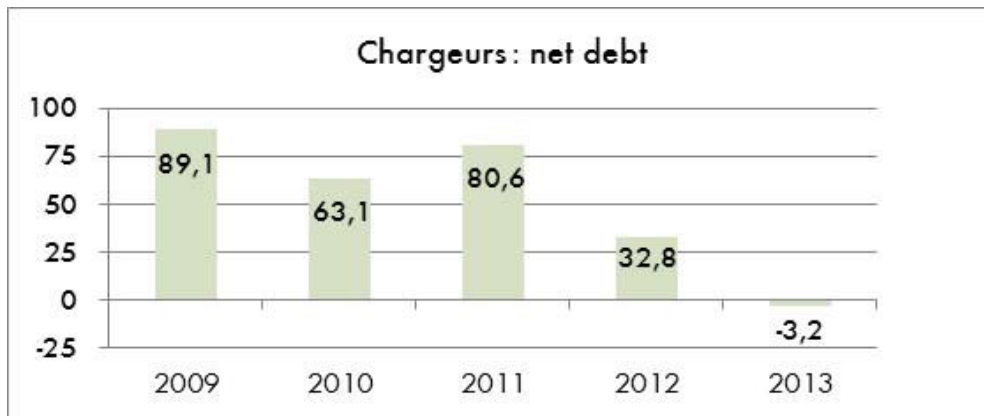


- ▶ 2012, restructuring (Interlining and Wool)
- ▶ 2013, reduction in fixed costs



- ▶ 2012, impairment of the recognized deferred tax asset
- ▶ 2013, net profit - taking into account the loss from discontinued operations

2009 – 2013 : a successful transformation



- ▶ Target met of reducing debt
- ▶ Restructuring agreement reimbursed ahead of schedule before June 30th, 2014



- ▶ Stronger cash generation

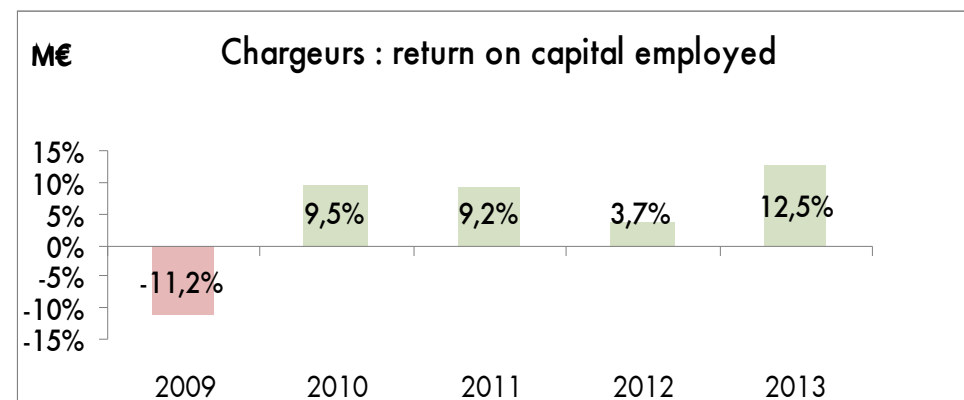
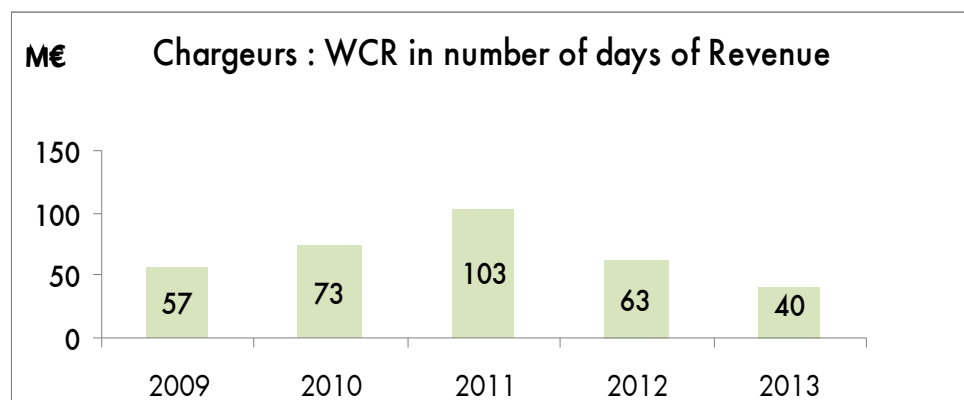
2009 – 2013 : a more efficient financial structure

In euro millions	2009	2010	2011	2012	2013
Goodwill - net	67,4	70,9	71,6	70,0	66,2
Property, plant & equipment	61,4	59,4	56,9	47,5	37,6
Non current financial assets	3,0	4,4	1,7	-7,0	-11,4
Working capital requirements	70,2	90,4	127,1	77,9	49,8
Capital employed	202,0	225,1	257,3	188,4	142,2
Equity	130,2	167,5	183,0	166,6	157,9
Subordinated convertible bonds	0,0	12,7	13,3	13,6	13,2
Debt (+) / cash position (-) net	89,1	63,1	80,6	32,8	-3,2
Investments in associates & joint ventures	-17,3	-18,2	-19,6	-24,6	-25,7
Total funding	202,0	225,1	257,3	188,4	142,2

▶ Sharp improvement of WCR
 ▶ Reduction in capital employed

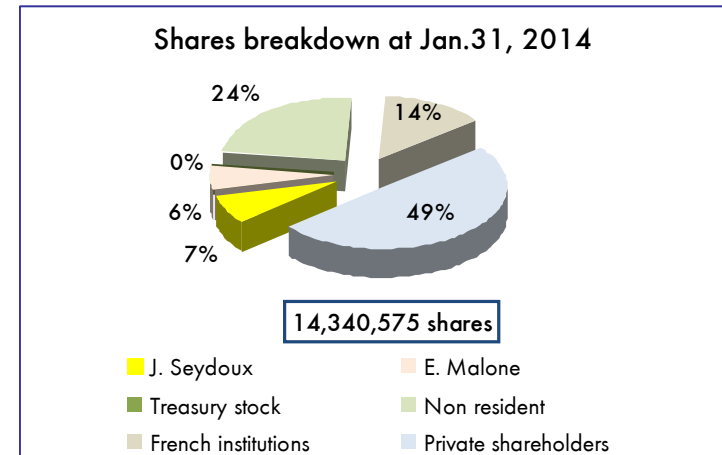
Operating Profit / (loss)	-22,6	21,3	23,7	7,0	17,8
ROCE	-11,2%	9,5%	9,2%	3,7%	12,5%

▶ ROCE significantly improved



Stockmarket Information

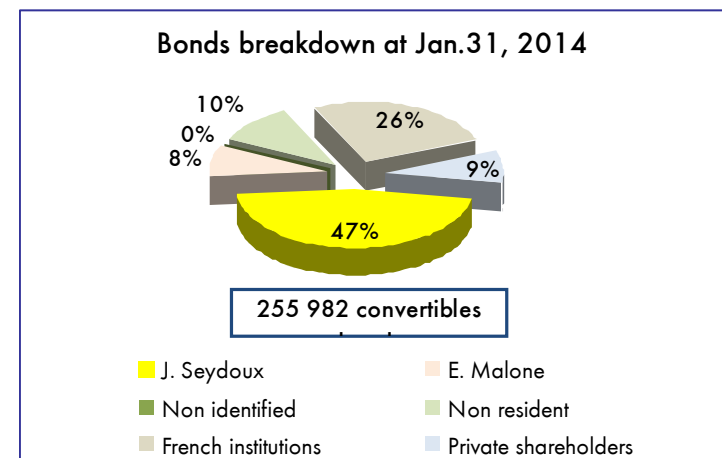
1. Chargeurs Share (FR0000130692 – CRI ; Euronext Paris Comp. C, SRD, PEA, PEA-PME)



05/31/14 : 15,687,505 actions & Market cap. € 86 M

2. Convertible bond (FR0010870931 – YCRI)

- ▶ 415,083 bonds issued on 03/12/2010 with a face value of €55.
- ▶ Maturing January 1, 2016, bonds will be redeemed in full at par + allocation of 6 .06 Chargeurs shares per Bond, unless early redemption
- ▶ Bonds are convertible: ratio of 2 7 Chargeurs shares for every 1 Bond + remuneration in shares.
- ▶ Option of early redemption by Chargeurs under certain circumstances and with possible conversion
- ▶ Quotation of bond at June 5, 2014 = €151.62



05/31 /14 : 228 835 bonds are outstanding



6. Outlook

Outlook

- ▶ **Chargeurs Protective Films**

Continued growth through innovation and the development of high value products.

- ▶ **Chargeurs Interlining**

Consolidation of profitability in a mature market, innovation and diversification in technical textiles.

- ▶ **Chargeurs Wool**

Stable profitability.

- ▶ **Announced target for annual recurring operating profit of €20 million, on a recurring basis, by year-end 2015**

1st quarter 2014 in line with announced target

Revenue <i>in € millions</i>	First quarter	
	2014	2013*
Chargeurs Protective Films	50,6	47,5
Chargeurs Interlining	40,9	42,7
Chargeurs Wool	26,9	30,4
TOTAL	118,4	120,6

- +6.5% : sustained demand
- Stable volumes, adverse currency effect
- €(0.9)M scope ; €(1.4)M volume ; €(1.2)M price
- +1.9% at constant scope and exchange rates

* 2013 Chargeurs Interlining revenue adjusted for IFRS 5

► The three businesses are on track



7. Questions – answers