

H1 2014 revenue (1st January to 30 June 2014)

First half driven by strong contributions from Food & Beverage

- ✓ Impacts from acquisitions still very limited
- ✓ Forex environment remains unfavourable

Press release

Avignon, 25 July 2014 - Naturex, the global leader in specialty plant-based natural ingredients, announces its 2014 first-half consolidated revenue:

€000s IFRS Unaudited data	H1 FY 2014	H1 FY 2013	Change (%)	Change (%) at constant exchange rates
Reported revenue	158,341	165,754	-4.5%	-1.8%
of which Svetol® sales (included in the N&H activity)	1,850	7,287		
of which krill extraction (included in Toll Manufacturing)	5,032	6,830		
Restated revenue* Excl. Svetol and krill extraction sales	151,458	151,637	-0.1%	+2.8%

* 2013 was marked by strong sales from Svetol®¹ in the 1st half in response to extensive media coverage and Toll Manufacturing sales including krill extraction sales for AKER BioMarine that were very robust in the 1st quarter. The major portion of krill extraction activity for AKER BioMarine, recognised under Toll Manufacturing will be transferred outside the reporting scope for revenue starting in the 2014 second half, in light of the commencement of operations of the joint venture created with AKER BioMarine.

In line with trends registered at the start of the year and as expected, 2014 first-half sales came to €158.3 million with a marginal decrease reflecting mainly:

- an unfavourable comparison base for the first two quarters amplified by exceptional market conditions in the 2013 first half linked to promotional campaigns for two products: Svetol® (strong media coverage in the United States promoting the slimming effects of this green coffee bean extract) and the krill toll manufacturing;
- the continuing realignment of the portfolio in favour of value-added products (decrease in share of so-called "commodities" products);
- a currency effect that remains negative at -2.8% (USD and selected emerging country currencies).

As for acquisitions, they had a limited impact on first-half sales (2%) and originated mainly from Vegetable Juices Inc. included in the Group structure as from June 2014 and, to a lesser extent, Chile Botanics included as from January 2014.

Restated to adjust for Svetol® and krill toll manufacturing sales, first-half revenue was up 2.8% at constant exchange rates.

¹ Svetol®: a slimming ingredient developed from green coffee bean extract with efficacy demonstrated by clinical studies.

Strong contribution from Food & Beverage

€000s IFRS <u>Restated sales</u> ²	H1 FY 2014	H1 FY 2013	Revenue mix (%)	Change (%)	Change (%) constant exchange rates
Food & Beverage	98,672	94,149	65.1%	+4.8%	+7.8%
Nutrition & Health	47,216	51,777	31.2%	-8.8%	-6.0%
Personal Care	3,174	3,025	2.1%	+4.9%	+6.5%
Toll Manufacturing	2,397	2,686	1.6%	-10.8%	-7.6%

- Food & Beverage that represents 65.1% of restated sales² showed good growth momentum over the first two quarters of 2014 with levels for sales exceeding all quarters of the prior year. This growth in part reflects the adoption of a structured commercial organisation and a more targeted marketing approach in a slightly more favourable market environment. Concrete advances in the implementation of interesting projects in the coming months should confirm this positive trend. The Ukrainian-Russian crisis nevertheless has had serious repercussions on certain key customers in the colouring segment which is normally very buoyant in this region. The integration of sales from Chile Botanics (January 2014) and Vegetables Juices Inc. (June 2014) has also contributed to additional growth.
- Nutrition & Health sales revenue, restated to eliminate Svetol® sales, registered a 6% decline at constant exchange rates, linked to the adverse impact in the 2nd quarter of destocking by selected customers. June has however shown encouraging signs of recovery, particularly with respect to products with high added value;
- Personal Care achieved 6.5% growth at constant exchange rates and still occupies a limited position in the revenue mix. In the second half, the implementation of new projects with major names in the Cosmetics industry should provide opportunities for considerably accelerating growth;
- Toll Manufacturing, restated to adjust for sales from krill extraction, contributed marginally to sales in the period. Nevertheless, in light of the capacity freed up from the transfer in progress of krill extraction operations to the joint venture with AKER BioMarine, interesting development projects are currently under study.

² Excl. Svetol® and krill toll manufacturing sales

Positive momentum in all geographic regions

€000s IFRS <u>Restated sales²</u>	H1 FY 2014	H1 FY 2013	Revenue mix (%)	Change (%)	Change (%) constant exchange rates
Europe/Africa	70,572	71,518	46.6%	-1.3%	-1.6%
Americas	62,013	61,217	40.9%	+1.3%	+6.2%
Asia/Pacific	18,873	18,902	12.5%	-0.2%	+8.3%

- Europe/Africa was down slightly in relation to the 2013 first half excluding krill toll manufacturing sales. Slightly more favourable trends in selected Western European countries are however offset by the adverse impacts of the Ukraine/Russian crisis on sales momentum for customers in this region;
- Sales in the Americas rose 6.2% at constant exchange rates (excluding Svetol® sales), confirming the strength of the US market benefiting in particular from the deployment of a regional sales force at the end of 2013 as well as the integration of sales from Vegetable Juices Inc. in June 2014. Latin America remains very buoyant with a robust contribution from Brazil in the period.
- The Asia/Pacific region achieved strong growth of 8.3% at constant exchange rates, confirming the increasing contributions from the sales offices opened in Asia and the Middle East (60.5% of the region's sales) as well as significant gains in Australia centred on Naturex's ranges in the nutraceutical sector. The historic ingredients distribution segment remains impacted by the particular context of the local food industry.

Over the first half, with growth at constant exchange rates of 7.7%, all emerging countries accounted for 18% of Group sales, up from 16.4% from last year's same period.

"Sales in the 2014 first half confirmed, in line with expectations, trends reported at the start of the year in terms of growth profile in a foreign exchange environment that remains challenging. Our new organisation and the clarification of our offering have started to produce results, and in particular, provide real momentum to the Food & Beverage business, and on that basis, we can look to the second half with confidence", commented Thierry Lambert, Naturex's Chairman and Chief Executive Officer. "Several projects in progress are expected to lead to concrete developments in the coming months, and with the synergies to be obtained from the continuing integration of acquisitions, will provide sources of additional growth."

You can receive all financial information of Naturex free of charge by signing up at: www.naturex.com

► Financial schedule

- 2014 first-half results 29 August 2014
- 2014 third-quarter sales 4 November 2014
- 2014 third-quarter results 28 November 2014
- Annual revenue 3 February 2015
- Annual results 31 March 2015

► Upcoming events

- SFAF Analysts Meeting 2 September 2014

APPENDIX

Reported sales by market segment and geographic region

€000s IFRS Unaudited data	FY 2014	FY 2013	Change (%)	Change (%) at constant exchange rates
1 st quarter	79,603	83,196	-4.3%	-2.1%
2 nd quarter	78,738	82,558	-4.6%	-1.4%
H1 revenue	158,341	165,754	-4.5%	-1.8%

€000s IFRS <u>Reported sales</u>	H1 FY 2014	H1 FY 2013	Revenue mix (%)	Change (%)	Change (%) constant exchange rates
Revenue mix by business					
Food & Beverage	98,672	94,149	62.3%	+4.8%	+7.8%
Nutrition & Health	49,066	59,064	31.0%	-16.9%	-14.3%
Personal Care	3,174	3,025	2.0%	+4.9%	+6.5%
Toll Manufacturing	7,429	9,516	4.7%	-21.9%	-21.0%
Total	158,341	165,754	100%	-4.5%	-1.8%
Revenue mix by region					
Europe/Africa	75,604	78,348	47.7%	-3.5%	-3.7%
Americas	63,863	68,504	40.3%	-6.8%	-2.3%
Asia/Pacific	18,873	18,902	11.9%	-0.2%	+8.3%
Total	158,341	165,754	100%	-4.5%	-1.8%

Naturex has been listed since October 1996 on NYSE Euronext in Paris, Segment B



Total number of shares comprising the share capital: 9,182,307
ISIN FR0000054694

NATUREX is a component of the CAC PEA-PME, CAC Small, Gaïa Index.
Naturex is eligible for the "long only" Deferred Settlement Service (SRD).

TICKER: NRX - Reuters: NATU.PA - Bloomberg: NRX:FP - DR Symbol: NTUXY

About Naturex

Naturex is the global leader in speciality plant-based natural ingredients. The Group is organised around three strategic markets (food & beverage, nutrition & health and personal care) and produces and markets speciality plant-based ingredients for the food, nutraceutical, pharmaceutical and cosmetic industries.

Naturex's head office is based in Avignon. The company employs more than 1,600 people with 8 sourcing offices located throughout the world and high-performance manufacturing operations in Europe, Morocco, the United States, Brazil, Australia and India. It also has a global commercial presence through a dedicated network of sales offices in more than 20 countries

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