



2008



INTERIM



RESULTS

September 22, 2008



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The company and its core business



Highlights



2008 interim results



Strategy and outlook



Market





The company and its core business

## Core business



**Extraction and formulation  
of plant extracts for the food and flavor,  
nutraceutical, pharmaceutical and cosmetics  
industries**

→ **Naturex ranks amongst the very top international  
players in its business**



The company and its core business

## Major assets



- ❑ **Complete control over the manufacturing process:  
from procurement to sales**
- ❑ **Entities in strategic locations**
- ❑ **Strong organic growth**
- ❑ **Sound management of external growth and successful  
integration of new companies**
- ❑ **Buoyant sector driven by a recent social phenomenon:  
increasing demand for natural products**





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**NATUREX**



### Highlights

## Acquisition of the “actifs innovants” business of French company, Berkem

on January 7, 2008



- ❑ Purchase of the “actifs innovants” (innovative active ingredients) business of French company, Berkem, based in Bergerac



- ❑ Acquisition of new brands, broadening of target clientele, reinforcement of Naturex’s “health” business



- ❑ Key figures:  
Cost of acquisition: € 10 million  
Revenue: € 3.8 million  
EBITDA margin: 34%



### Highlights

## Successful integration of latest acquisitions



- ❑ Integration of Chart Corporation complete



→ Naturex consolidates its position amongst the world’s leading companies specializing in natural flavoring ingredients



- ❑ Integration of Berkem’s innovative active ingredients business complete



→ This acquisition will enable Naturex to develop within the innovative active ingredients sector: a market with a strong value-added and very strong growth potential





Highlights

## Rosemary extracts: towards their official classification as an antioxidant



- ▣ Ruling by the European Food Safety Authority (E.F.S.A) on June 12 that the use of rosemary extracts as an antioxidant in food does not present a health risk for consumers



- ▣ Way open for the official classification of rosemary extracts as an antioxidant rather than a flavoring



- ▣ Result of 11 years of work
  - ▣ Joint efforts of Naturex, Raps and Robertet - Europe's 3 largest producers of rosemary extracts



- ▣ Important milestone for the European market of rosemary extracts



→ Major broadening of the development potential of rosemary extracts for new uses and new markets



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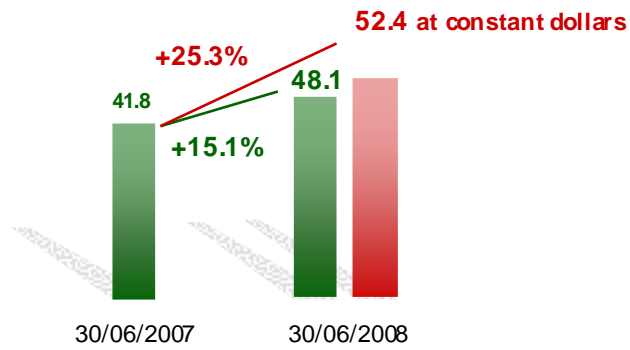


Interim results

## Sustained growth



In € million



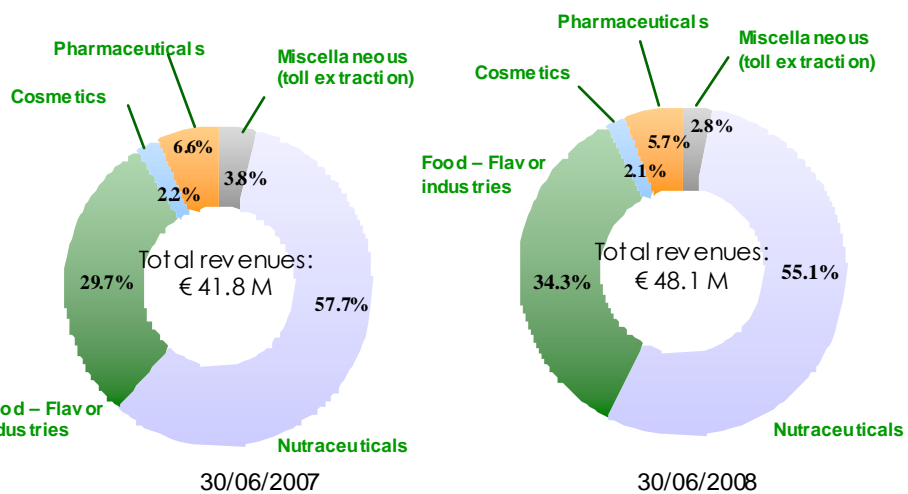
→ **Pro forma\* : +11.6% at constant dollars**  
**+2.5% at current dollars**

\*Integration of Hammer Pharma and HP Botanicals on 1/01/2007



Interim results

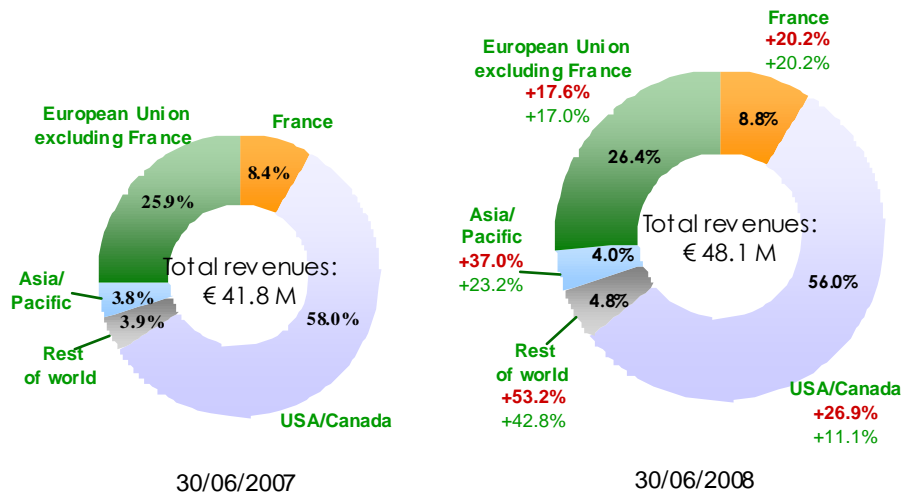
## Breakdown of revenues by activity





Interim results

## Breakdown of revenues by geographical region



Change at constant dollars  
Change at current dollars



Interim results

## Strong improvement in results

| In € million                                 | H1 2007     | H1 2008      | Change        |
|--|-------------|--------------|---------------|
| <b>Revenues</b>                              | <b>41.8</b> | <b>48.1</b>  | <b>+15.1%</b> |
| Gross margin                                 | 28.1        | 31.4         |               |
| as a % of revenues                           | 67.1%       | 65.3%        |               |
| <b>Operating income</b>                      | <b>4.1</b>  | <b>5.9</b>   | <b>+43.9%</b> |
| as a % of revenues                           | <b>9.8%</b> | <b>12.3%</b> |               |
| Net financial debt expense                   | (1.3)       | (2.5)        |               |
| Other financial income and expenses          | 0.1         | 0.7          |               |
| Tax  | (1.2)       | (1.5)        |               |
| Companies accounted for by the equity method | 0.3         | 0.2          |               |
| <b>Consolidated net income</b>               | <b>2.1</b>  | <b>2.9</b>   | <b>+39.4%</b> |
| as a % of revenues                           | <b>5.0%</b> | <b>6.1%</b>  |               |
| Group net income                             | 2.1         | 2.9          | +38.8%        |
| as a % of revenues                           | 5.0%        | 6.0%         |               |





Interim results

## Simplified balance sheet

| <i>In € million</i>              | 31/12/2007   | 30/06/2008   |                      | 31/12/2007   | 30/06/2008   |
|----------------------------------|--------------|--------------|----------------------|--------------|--------------|
| Net fixed assets                 | 72.4         | 81.4         | Shareholders' equity | 51.0         | 50.5         |
| Inventories                      | 41.8         | 42.2         | Financial debt       | 73.2         | 83.6         |
| Tax assets                       | 2.2          | 1.6          | Tax liabilities      | 1.8          | 2.1          |
| Clients and other receivables    | 15.7         | 21.0         | Other debt           | 15.1         | 15.6         |
| Cash                             | 9.1          | 3.9          | Provisions           | -            | -            |
| Non-current assets held for sale | -            | 1.7          |                      |              |              |
| <b>Assets</b>                    | <b>141.2</b> | <b>151.8</b> | <b>Liabilities</b>   | <b>141.2</b> | <b>151.8</b> |



Interim results

## Change in financial situation

### Change in gearing

| <i>In € million</i>  | 31/12/07    | 30/06/08    |
|----------------------|-------------|-------------|
| Shareholders' equity | 51.0        | 50.5        |
| Net financial debt   | 64.1        | 79.6        |
| <b>Gearing</b>       | <b>1.25</b> | <b>1.57</b> |

| <i>Dollar exchange:</i> |        |
|-------------------------|--------|
| 31/12/2007              | 1.4721 |
| 30/06/2008              | 1.5764 |

### Change in shareholders' equity

| <i>In € million</i>                       |             |
|---|-------------|
| Shareholders' equity on 31/12/2007        | 51.0        |
| Result on 30/06/2008                      | 2.9         |
| Change in translation differences         | (3.5)       |
| Stock options and warrants                | 0.4         |
| Dividends paid                            | (0.3)       |
| <b>Shareholders' equity at 30/06/2008</b> | <b>50.5</b> |





Interim results

## Cash flow statement



| <i>In € million</i>                 | 31/12/2007<br>(12 months) | 30/06/2008<br>(6 months) |
|-------------------------------------|---------------------------|--------------------------|
| Cash flow                           | 13.6                      | 9.1                      |
| Change in WCR                       | (6.7)                     | (6.0)                    |
| Operating cash flow                 | 5.4                       | 3.0                      |
| Cash flow from investments          | (33.9)                    | (14.9)                   |
| Cash flow from financing activities | 21.5                      | 6.4                      |
| Exchange rate effects               | (2.4)                     | (1.4)                    |
| Change in net cash flow             | (9.3)                     | (6.8)                    |
| Opening cash position               | 7.6                       | (1.7)                    |
| Closing cash position               | (1.7)                     | (8.5)                    |



# C O N T E N T



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Highlights



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Strategy and outlook



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Highlights since June 30

## Sale of assets



- ▣ July 2008: disposal of Gaia Herbs shares
  - ▣ 35% of the capital with no voting rights of Gaia Herbs belonging to Pure World at the time of its repurchase in 2005
  - ▣ Sale for US\$ 1.5 million



- ▣ Chart Corporation building put up for sale
  - ▣ Balance sheet value: US\$ 1.2 million



  
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Strategy and outlook

## Pursue our global development



- ▣ Opening of a sales office in **Germany**:
  - ▣ Office opened on July 7, 2008
  - ▣ Sales coverage includes Germany and the Benelux



- ▣ Setting up of a subsidiary in **China**:
  - ▣ Creation of a subsidiary approved by the Chinese government on August 8, 2008. Registration underway
  - ▣ Primarily intended to handle the procurement of raw materials for the group's production units
  - ▣ Sales presence



  
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Strategy and outlook

## 2008 targets confirmed



▣ **Double-digit organic growth at constant dollars**



▣ **Operating margin of 11%**



▣ **Reduction of the ratio of inventories/revenues:  
Target of 40% by the end of 2010 (50% in December 2007)**



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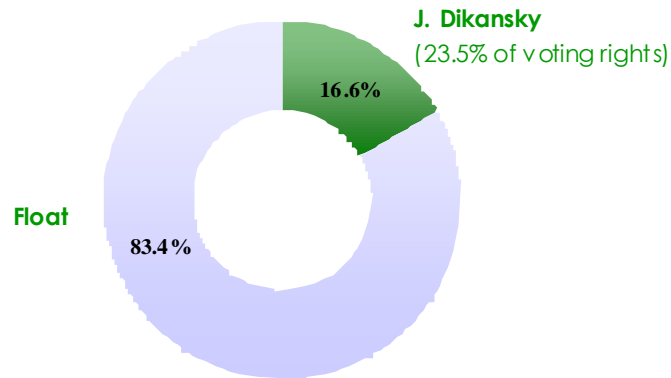
Market





Market

## Shareholder structure



- ▣ Number of shares at June 30: **2,996,389** with a par value of € 1.50
- ▣ Stock market capitalization at 19/09/2008: **€ 83.0 million**



## Timetable for the communication of revenues and financial results



- |                        |                   |
|------------------------|-------------------|
| ▣ Q3 2008 revenues     | October 21, 2008* |
| ▣ 2008 revenues        | January 20, 2009* |
| ▣ 2008 yearly results  | April 2009        |
| ▣ 2009 Q1 revenues     | April 2009        |
| ▣ AGM                  | June 30, 2009     |
| ▣ 2009 Q1 revenues     | mid-July 2009     |
| ▣ 2009 Interim results | end-August 2009   |
| ▣ 2009 Q3 revenues     | October 2009      |

\*after the close of the markets





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