

P R E S S R E L E A S E

Stability of sales in the 1st quarter

<i>Consolidated Sales (in €m)</i>	2011*	2012	Variation
<i>1st quarter</i>	79.3	79.3	-

* *Excluding laminates*

In a particularly difficult market context, marked by a sharp decline in sales volumes, Gascogne posted stable sales of €79.3m in the first quarter.

The Group is also pursuing discussions with all of its banking partners with the aim of ensuring sustainability of the resources used to finance its operations and development.

SALES BY DIVISION

<i>Consolidated Sales in €m</i>	<i>Quarter</i>		
	<i>1st quarter 12</i>	<i>1st quarter 11</i>	<i>% Variation</i>
Wood	20.8	22.7	-8.3%
Paper	27.7	26.3	+5.3%
Sacks	30.8	30.1	+2.3%
Other	0.0	0.2	
Business activities	79.3	79.3	-
Laminates	48.9	49.8	-1.8 %
Group total	128.2	129.1	-0.7%

- **Wood:** Sales for the first quarter decreased by -8.3%, coming in at €20.8m. This drop is the result of a significant decline in demand this quarter combined with a reduction in plant activity over the period due to an unseasonably cold February (freezing conditions).

Sawing was the most severely affected, with sales down 16% to €9.6m. The decorative products market was also down 10% to €10.5m, marked by a significant decline in Spain in particular given the sluggish market conditions.

The trend should improve in the 2nd quarter.

The order book is filling up quickly for sawing and the three sawmills have been running at maximum capacity since 1st April 2012. For decorative products, marketing operations and the first effects of the sales reorganisation, effective as of 1st April, should also help to improve the trend.

- **Paper:** Sales are up 5.3% to €27.7m thanks, in particular, to the implementation of a resale contract for self-generated electricity at the start of 2012. This operation has generated sales of €1.4m over 3 months. The traditional paper business activity showed a slight decline in volume over the period (-1%), while the average sales price remains stable.
- **Sacks:** Sales are up 2% to €30.8m. The division is bolstered by the Mimizan site in particular, which recorded an increase of nearly 11%, bringing its sales to €15.3m. Volumes rose by 7% for industrial and consumer sacks, and the average sales price increased by 4%. The Nantes site remained stable, with the decrease in volumes being offset by the increase in the average sales price.

Sales at foreign sites were down due to lower volumes.

Review of the sale of the Laminates division

Within the framework of its refocusing and reorganisation strategy, the Gascogne group announced its decision to sell its entire Laminates division last March. Discussions begun earlier are continuing as regards the sale of the Swiss subsidiary.

The Laminates division recorded sales of €49.8m down slightly by 1.8%, mainly as a result of the Group's decision to cease activity on certain non-profitable markets in Switzerland. On the other hand, the Dax site, the main unit of the division, continues its growth in the following strategic segments: Insulation, Envelopes, Medical, Composites and Food.

The General Meeting will be held on 5 June 2012 in Dax to approve the accounts for the 2011 financial year.

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About the Gascogne group: The Gascogne group is the leading player in the wood industry in France, operating at every stage of the processing of forest resources, and the only player in France that is totally integrated along the complete wood-paper-processing chain. The Gascogne group operates in 4 complementary market segments: It is the leading multi-specialised operator in the wood industry in France, the world's leading producer of machine-glazed natural Kraft paper, one of the European leaders in the industrial and consumer sacks market, and one of the world's leading producers of packaging and protection laminates.

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