
Poitiers Commercial Court enables Rougier to implement its realignment strategy

The Rougier Group is announcing that Poitiers Commercial Court issued a ruling today approving Rougier S.A.'s request to benefit from safeguard proceedings and Rougier Afrique International's request to benefit from court-ordered receivership proceedings. The Court has set a 12-month observation period through to 12 March 2019. The other French and African companies are not concerned by this ruling.

In connection with the safeguard proceedings, Rougier S.A., the Group's holding company, will present a plan to the Commercial Court that will enable it to move forward with its strategic realignment under the best conditions, while benefiting from the confidence of its partners and creditors. Its implementation will open up new opportunities for the Group, which intends to continue to be a major player within its industry.

The court-ordered receivership proceedings for Rougier Afrique International primarily concern the activity selling African production for export markets and will also be covered in a plan presented to the Commercial Court. For Rougier SA and Rougier Afrique International, these situations will involve significant restructuring measures, which will be rolled out shortly.

For reference, the Rougier Group's economic and financial difficulties are concentrated primarily in Cameroon. The backlog at Douala port has led to significant cash flow pressures for the subsidiaries using this export route. Today, the Rougier Group is considering all possible means for its subsidiary in Cameroon to find solutions that will satisfy all the parties.

These difficulties relating to logistics in Cameroon are being exacerbated by the significant delays with VAT credit reimbursements in all the countries concerned by the Group's activities.

The French import subsidiary, Rougier Sylvaco Panneaux, is not concerned by these decisions. It is financially independent and is able to effectively source its plywood and timber products, even products from Rougier Gabon.

The Group's activities in Gabon picked up again significantly in 2017. The realignment and rationalization of production operations have notably made it possible to meet growing demand for logs from local industrial firms, as well as its traditional markets for sawn timber and plywood panels.

During the observation period, Rougier SA and Rougier Afrique International, working with the court representatives, will continue with the company's reorganization. Rougier will regularly inform the market of any significant developments with this situation. In this context, trading in Rougier's shares will continue to be suspended.

Francis Rougier, Group Chief Executive Officer: *"We are satisfied with the decision by the Commercial Court, which has approved our requests. This sends out a strong message for us to be able to give the company every chance of succeeding again. The protection measures have been requested in order to carry out a significant restructuring, which we will be moving forward with in order to turn the situation around, reorganize the company and safeguard as many of the 3,000 jobs as possible".*



Founded in 1923, the Rougier Group is a market leader for certified African tropical timber. The Group has three core business lines: Rougier Afrique International (natural forest harvesting, industrial processing and international trade), Importing and distribution in France of timber from all origins (including Rougier Sylvaco Panneaux) and Plantations (research, management and investment in industrial forest plantations in Africa).

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