Full-Year 2013 Results

10 April 2014

SEQUANA

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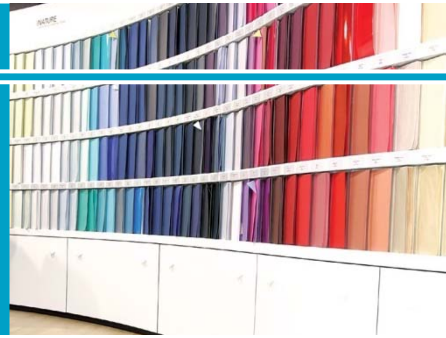
1. Introduction & Outlook



Pascal Lebard – Chairman and Chief Executive Officer

Steady market deterioration since 2008

The printing & writing paper market, Arjowiggins' main market segment in volume, has been deteriorating steadily since 2008

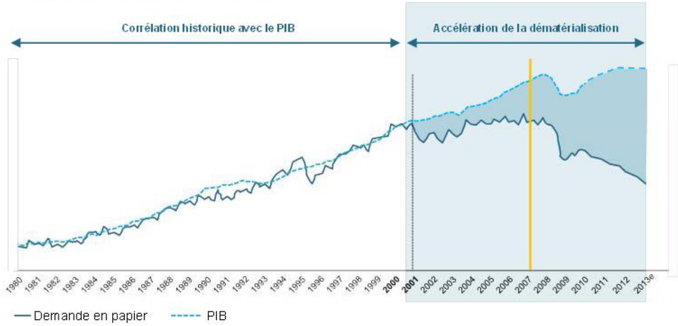
- *The printing & writing market has been **structurally declining** (internet, digital media)*
  - *Volume drop ca. 8% per annum in Europe since 2008*
- *The economic crisis has **accelerated** the decline in volumes and leads to a deterioration of our **product mix** and **margins in the fine paper** segment.*
- *Raw material prices (pulp, chemicals, energy) remain high, thereby **pressuring margins***
- ***Overcapacities** on the market* (15-20%) *are causing strong **pressures on selling prices***

The pace of volume decline has accelerated in 2013

- *Decline in volumes sharper than expected by the various market operators*

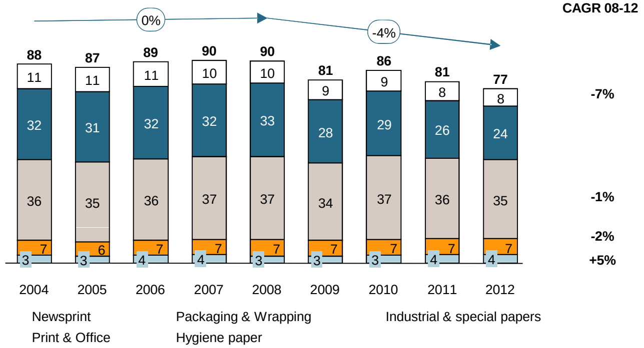
Expected decline of 2% to 5% per annum in printing & writing paper volumes

Demande en papier (Impression et Ecriture) vs. Produit Intérieur Brut
[Index 100 en 1980; Europe de l'Ouest]



Source: EMGE 2011, analyses Roland Berger, Sappi

Paper consumption in CEPI region [1] [2004 - 2012 ; mT]



1) CEPI countries: Austria, Belgium, Czech Rep., Finland, France, Germany, Hungary, Italy, Norway, Poland, Portugal, Slovakia, Spain, Sweden, Switzerland, Netherlands, United Kingdom
Source:CEPI

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Accelerated market deterioration in printing & writing paper market in 2013

Economic environment bearing down on demand in printing & writing papers segment in Europe

- *Volume drop in distribution (- 9%) and production (- 8%) in first half-year*
- *Continuing volume decline (- 7%) in second half-year in greater proportion than expected by the various market operators*
- *Strong pressure on selling prices*
- *Unfavourable trend of product mix in fine papers segment*

Good resilience of Specialties business (Arjowiggins) and of Packaging and Visual Communication segments (Antalis)

Prices of raw materials, energy and chemicals remaining at high levels

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Key milestones of the Group's strategy

2008 | 2009 | 2010 | 2011 | 2012 | 2013

Consolidation of Map into Antalis (antalis)

- Antalis **RACE 2012** Program Roll-Out
- Antalis **Packaging & Visual com.** acquisitions
- Antalis DNA Initiative
- Antalis Xerox

Arjowiggins' Green Paper strategy and development of Specialty activities (ARJOWIGGINS)

Strategic Plan roll-out and cost-cutting measures driven by fall in demand (ARJOWIGGINS, antalis)

- Greater Autonomy of Branches, Corporate downsizing
- Restructuring of Carbonless
- Arjowiggins: Capacity cuts
- Antalis: cost reduction plans stepped-up

€180m cost savings over 2 years (2009 vs. 2007)

- Closures – Witcel (1 machine - Argentina), Rives (France)
- Shorter working time arrangements, etc.
- Closures - Dalum (Denmark) Witcel (Argentina), Ivybridge (UK)
- Appleton US restructuring & cash protection plan

Divestment of non strategic assets & contribution to market consolidation process

- antalis: - Promotional Products; - Office Supplies
- ARJOWIGGINS: - B. Dumas; - Decor Paper Asia; - Carbonless; - Decor / Abrasive; - Moulin du Roy; -Casting; -US Coated exit
- SEQUANA: - AWA Ltd (exit Fox River envir. Claim); - Antonin Rodet

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2013 Highlights

Antalis

- *Acquisition of Xerox's Western European office paper distribution business*
  - *Transaction will boost earnings as from 2014*

Arjowiggins

- *Cost-cutting programme rolled out in US Coated in Q4 and sale process launched*
  - *Appleton Coated reclassified as discontinued operation*
- *Sale of the casting paper commercial business to Favini*
  - *Exclusive long-term supply agreement signed by Arjowiggins Creative Papers for a minimum 5-year term*
- *Closure of Ivybridge plant in the UK*

Decline in operating performance

Sales down 7.7% to €3,326 million

- *Negative impact of decline in volumes for printing and writing papers, pressure on selling prices and deterioration in product mix*

EBITDA came in at €117 million, reflecting the sharp drop in volumes for printing papers and pressure on selling prices; EBITDA margin held firm at 3.5%

- *Positive impact of reduction in overheads resulting from plant closures at Arjowiggins in 2012 and late 2013 and the restructuring of logistics operations at Antalis*

Recurring operating income down 15.2% to €49 million

- *including in 2013 gains of €12 million arising on changes to pension plans*

Net loss of €301 million

- *including €295 million in net non-recurring expenses, consisting mainly of asset impairment (€262 million) and restructuring costs incurred in 2013 (€48 million)*

At the AGM, the Board will recommend not paying any dividend for 2013

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Outlook

Continuing structural slowdown in printing & writing paper demand in Europe

- *Expected volume decline of 2% to 5% per annum in Europe in the mid term, in line with the trends registered in Q1 2014*

Continued integration of Xerox and good resilience of Packaging and Visual Communication segments (Antalis) and of most specialties businesses (Arjowiggins)

Necessity to speed up the transformation plan of Arjowiggins and refocus on specialty segments where it is market leader, in order to restore its margins and end its cash burn

An in-depth restructuring project of the Arjowiggins printing and writing paper activities was presented today to our relevant work councils

Group restructuring plan

The group's industrial and financial plan enables it to pursue its long term development by repositioning it on promising segments and strengthening its financial structure

	Strategic & industrial pillar	Financial pillar	Outcome
Arjowiggins	• Refocusing on speciality segments with leadership positions • Exit from loss-making businesses and simplification of industrial footprint • Back to positive cash flow generation	• Credit facility restructuring from €400m down to €120m • Maturity extension of reinstated debt until end 2020 • Rescheduling of repayments and lighter covenants	Sustainability secured by a refocused business and a stronger balance sheet
Antalis	• Continued acquisition plan in high growth segments and geographic areas	• Debt maturity extended to end 2018 • Significantly improved financial flexibility (maturities, covenants and acquisition baskets) • Partial refinancing through a factoring programme (€200m out of €520m)	Continued growth potential and diversified sources of financing
Sequana		• €64m rights issue • Reduction of credit facilities from €26m down to €10m	Lighter financial structure

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Restructuring project - AW Creative Papers

Change the operational model to restore a favourable competitive position

Change of economic model to capture market shares and bolster the leadership

- *Simplifying the product range*
- *Increasing the size of production runs*
- *Targeted sales and marketing organisation to capture market shares in emerging countries and promising sectors like labelling, luxury packaging or specialty papers*
- *Improving the efficiency of the production equipment and bolstering its competitiveness*

Production concentrated in a limited number of sites

- *Launch of a disposal process for the Charavines mill (France)*
  - *Active search for a buyer, or closure of the site if no buyer can be found*
- *Ultimately, transfer of production from Charavines to Stoneywood (UK)*
  - *Capital investment to increase the production capacity and technical capability of the site*
- *Refocusing the Gelida mill (Spain) on the book binding market*
  - *Gradual and partial transfer of fine paper volumes to Stoneywood*
- *Optimising industrial facilities in the Tracing paper business*
  - *One shift less at Chartham (UK) and transfer of volumes to Quzhou (China)*

178 jobs affected by the reorganisation project

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Restructuring project - AW Graphic

Bolstering the leadership in the recycled paper market and reduced exposure to standard coated paper

Production concentrated in a limited number of sites in France

- *Launch of a disposal process for the Wizernes mill (France)*
  - *Active search for a buyer, or closure of the site if no buyer can be found*
- *Ultimately, transfer of production from Wizernes to Bessé mill*
- *Selective focus on the most profitable clients and countries in standard coated paper*

Boosted leadership of Arjowiggins Graphic in recycled graphic papers

- *Building of a de-inking plant (€30m) at Bessé mill (France), expected to be operational in mid-2016, to make the site self-reliant in recycled pulp*
- *Greenfield: recycled pulp production for Arjowiggins Group and external clients*

307 jobs affected by the reorganisation project

Exit from US Coated

The Group has initiated a disposal process for the US Coated division following a substantial savings programme conducted in Q4 2013

- *Only non-integrated virgin pulp player, facing tough competition due to overcapacities in the standard coated paper market*
- *Sharp deterioration of financial results*
- *Key figures 2013*
  - *Sales: €246m*
  - *EBITDA: (€4.2m)*
  - *Workforce: 592*
- *Substantial cost savings programme conducted in Q4 2013*
- *Performance still under pressure due to the steady deterioration of the market environment*

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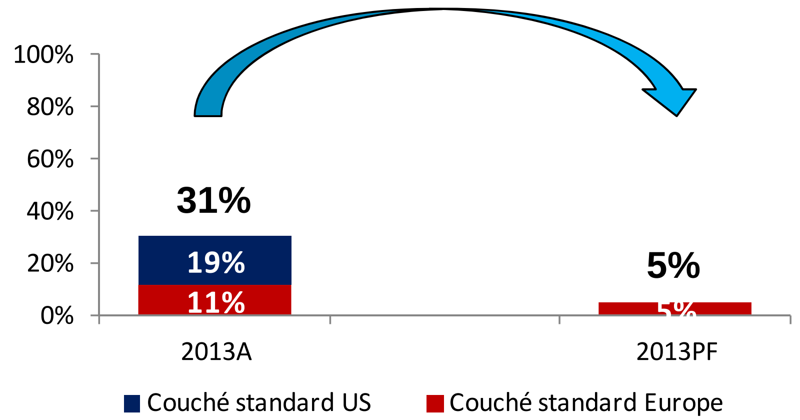
AW: revenue split pre- and post-restructuring

The restructuring of Arjowiggins' printing & writing activities will enable it to reduce its exposure to standard coated paper and to focus on specialty segments where it is a market leader

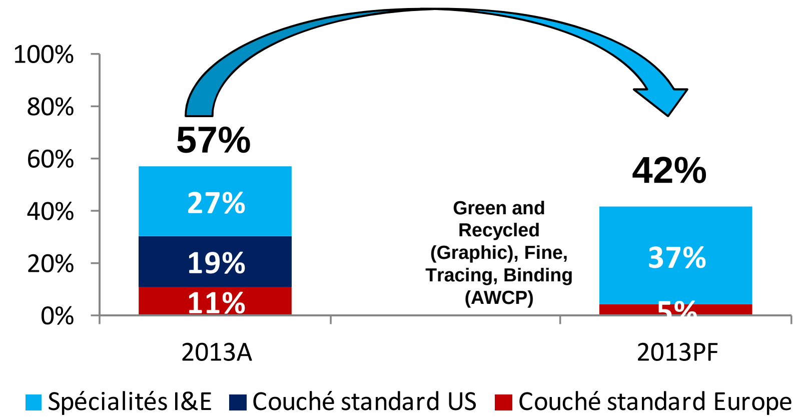
- *The share of commodity segments (standard coated) will go down from around 30% in 2013 (including US Coated) to around 5% pro forma*
- *AW's exposure to the printing & writing segment will go down from nearly 60% to around 40%*

AW: Revenue breakdown pre- and post-restructuring

AW: % of sales in standard coated



AW: % of sales in printing & writing



Note: ***2013 data not adjusted for the treatment of US Coated business under*** *IFRS 5*
Estimated pro forma data including reduced exposure to standard coated in Europe and exit from US Coated, but excluding expected developments in continuing activities (e.g. ,volume growth in recycled pulp and papers)

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Financial restructuring plan: objectives

The financial restructuring plan, expected to materialise in Q3 2014, aims at ensuring the sustainability of the group's refocusing and operational restructuring measures. It enables Arjowiggins to fund its repositioning and restore a sustainable financial structure while providing Antalis with further resources to fund its strategic development

- *Restoring a balanced and sustainable financial structure: agreement in principle between Sequana and its banks representing 93% of its financial debt setting out the terms and conditions for the restructuring of all of its credit facilities*
  - *Funding of Arjowiggins (via Sequana's €64m rights issue)*
  - *Substantial reduction in the credit facility of Arjowiggins (from €400m down to €120m) and those of Sequana (from €26m down to €10m)*
  - *Diversification of Antalis' sources of financing through the implementation of a factoring programme*
  - *Extended debt maturities (2018 for Antalis and 2020 for Arjowiggins) and lighter covenants*
- *Sufficient liquidity to run the Group's operations*
- *Possibility for the Group, with a refocused and profitable scope of activities, to durably focus on its clients and operations and for Antalis to pursue its targeted acquisition strategy*

Key terms of the financial restructuring plan

Arjowiggins

- **Restructuring of €400m credit facility**
  - €125m conversion into ORNANEs (net share settled bonds convertible into new shares and/or exchangeable for existing shares) giving access to Sequana's share capital
  - €100m reinstated gross debt (tranches A and B)
  - €20m reimbursement through asset disposal(s)
  - €155m debt write-off
- **Reduction in overdraft facilities from €50m to €30m**

Antalis

- **Restructuring of €520m credit facility**
  - Refinancing of €200m through setup of a factoring programme
  - Amend and extend of remaining €320m

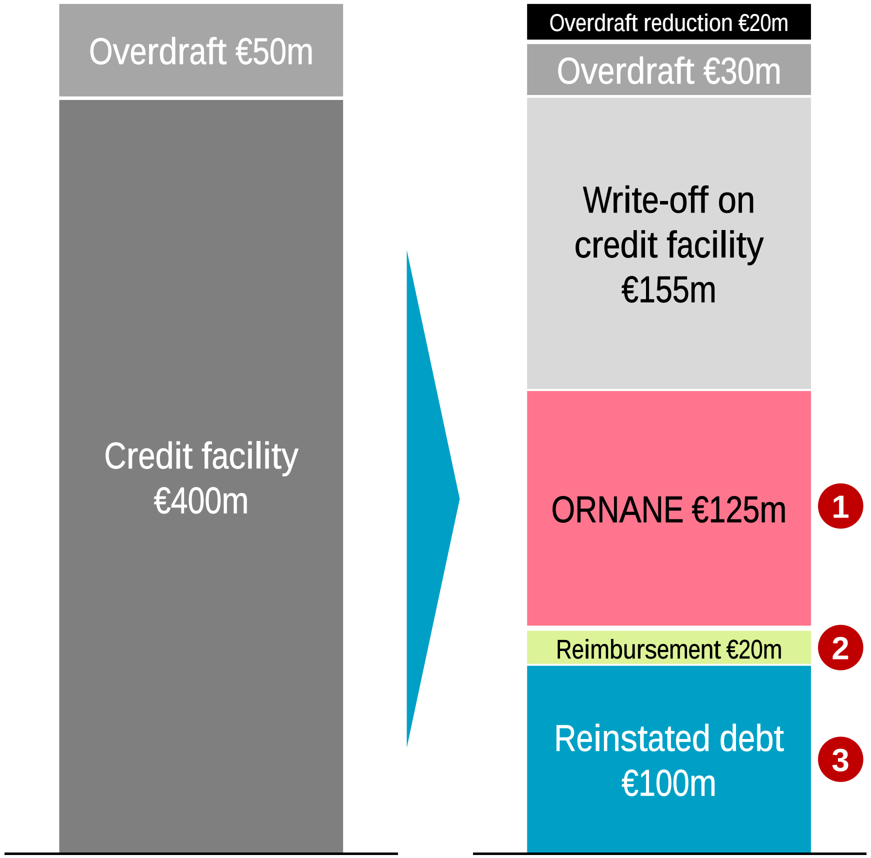
Sequana

- **€64m rights offering**
- **Restructuring of €26m credit facilities**
  - Repayment of €10m (of which €3m at closing)
  - €7m conversion into ORAs providing access to Sequana's share capital
  - €9m debt write-off

AW financial restructuring: overview

Substantial restructuring of AW's credit facility, reduced by €280m

Pre-restructuring | **Post-restructuring**



Comments

- **€50m overdraft reduced to €30m**
- **Write-off on credit facility: €155m**

1 ORNANE: €125m
- Issued to creditors by conversion of existing debt
- Maturing in December 2020
- Option for Arjowiggins to redeem in cash and/or Sequana shares giving access to 30% of Sequana's share capital (fully diluted)

2 Reimbursement: €20m
- Repayment in cash via proceeds from disposal of certain assets
- Short-term (March 2015)
- Potential balance converted into asset-backed financial debt

3 Reinstated debt: €100m
- Tranche A: €60m amortizable, maturity 2020
- Tranche B: €40m amortizable, maturity 2020 (converted into ORAs in case of financial under-performance)

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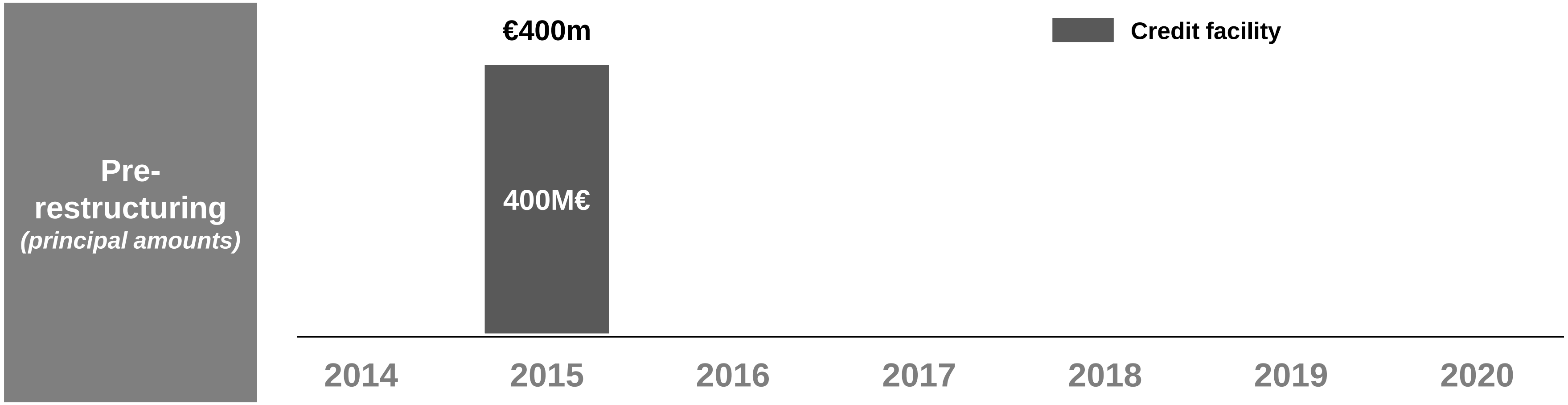
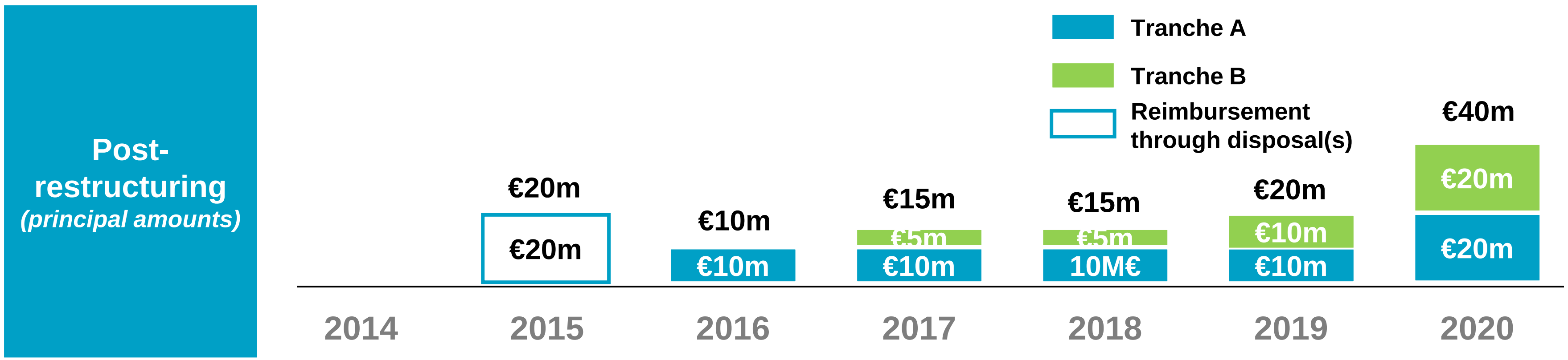
AW financial restructuring: a sharply improved maturity profile

Facility reduced from €400m down to €120m with significantly extended maturity profile (€50m overdraft reduced to €30m)





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Antalis financial restructuring: overview

Restructuring of the €520m Antalis credit facility with a partial refinancing through a factoring programme (€200m) and an extended amortization schedule on remaining payments (€320m)

Factoring (€200m)	▪ **€200m refinanced through the setup of a factoring programme** ➢ Implementation before end 2014
***Amend & Extend* (€320m)**	▪ ***Amend and Extend* of €320m reinstated debt** ➢ Tranche A: €70m ▪ Amortization in 3 instalments: €5m in December 2014, €5m in December 2015 and the balance in December 2018 ➢ Tranche B: €120m ▪ Maturing December 2018 ➢ Tranche C: €130m (swinglines) ▪ Maturing December 2018
Acquisition strategy	▪ **Comforted external growth strategy** thanks to increased acquisition baskets over 2014-2018

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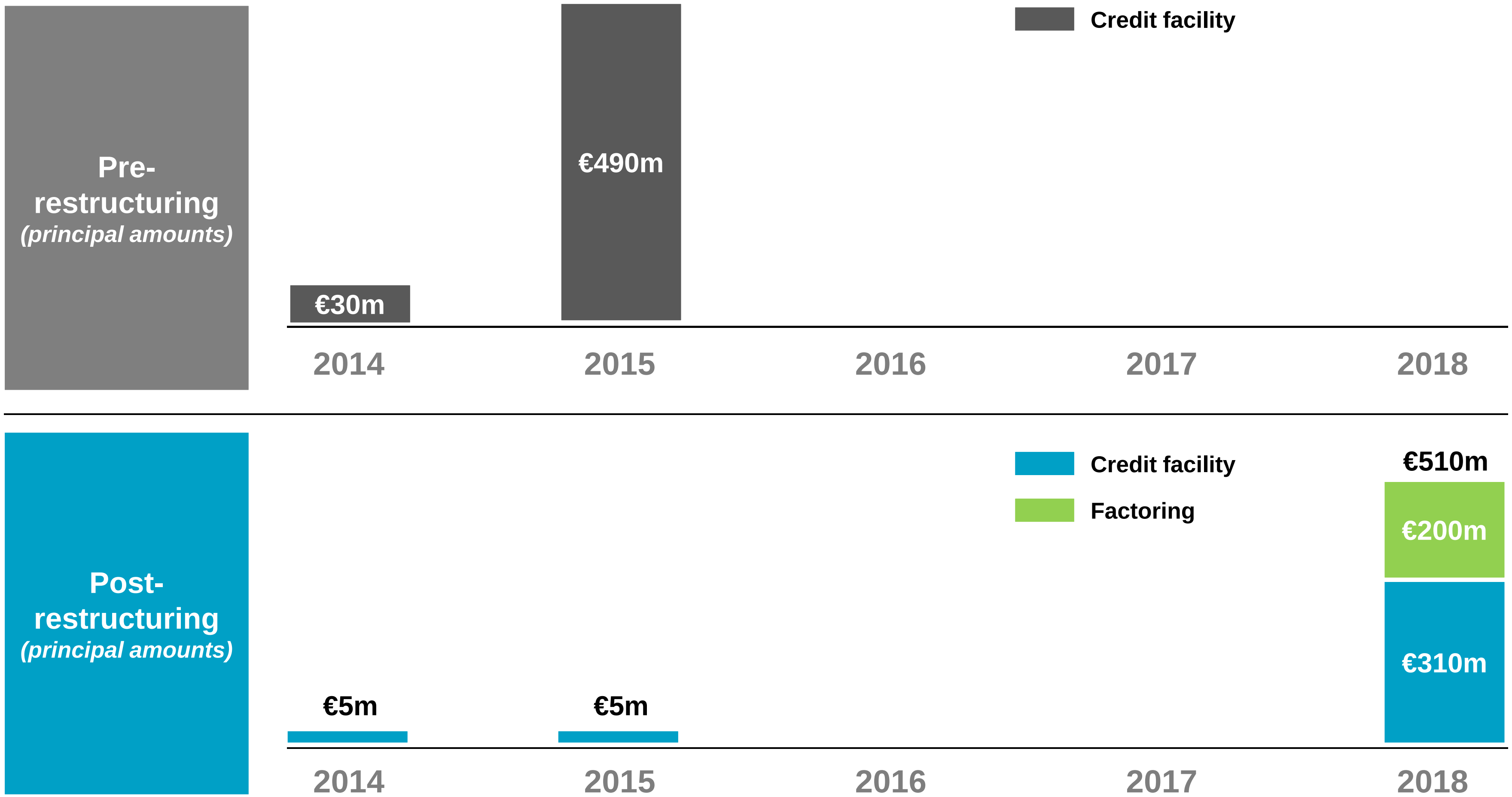
Antalis financial restructuring: a sharply improved maturity profile

Diversification of funding and maturity profile extended to 2018



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€64m rights offering (Sequana)

€64m rights issue (with preferential subscription rights)

- The financial restructuring will be complemented by a €64 million rights issue (inclusive of share issuance premium)
- Three of Sequana’s major shareholders (Bpifrance, Exor SA and the Allianz group) have committed to taking up €48 million of the offering, in proportion to their respective shares in Sequana’s capital, and they have underwritten the remainder of the issue
- Sequana will contribute the entire net proceeds of the capital increase to Arjowiggins

Financial restructuring allows a decrease in Sequana's debt of approximately €300m

In €uro millions

		Financing Lines Pre-Financial Restructuring	Financing Lines Post-Financial Restructuring
Arjowiggins	Credit Facility	400	100
	Reimbursement through asset disposal(s)	0	20
	Overdrafts	50	30
Antalis	Credit Facility	520	320
	Factoring	0	200
	Overdrafts	8	8
Holding	Credit facilities and overdrafts	26	10
Group	**Total**	**1 004**	**688**
	Reduction in Financial Debt		*(316)*
	Reduction in Financial Debt (excluding Overdraft)		*(296)*

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Group now repositioned and durably strengthened strategically and financially

	Arjowiggins	Antalis
Strategic / Industrial	• Refocusing on specialty activities • Strengthened leadership in recycled graphic papers and high potential creative papers • Streamlined industrial footprint	• Continued growth through acquisitions in growing segments and geographic areas
Financing	• Reduced debt through write-offs and conversions into quasi-equity • Extended maturities and rescheduled repayments • Lighter covenants	• Set up of factoring programme • Extended maturities and rescheduled repayments • Lighter covenants
Conclusions	• Refocused activity, cash generative again • Adequate financial structure	• Preserved resources to support growth • Diversification of financing sources

A refocused group enjoying a robust balance sheet, competitive industrial and distribution setup and the means to take part in market consolidation

Next steps

- <u>10 April 2014:</u>
  - Announcement of the industrial and financial restructuring plan
- <u>June 2014:</u>
  - Sequana’s shareholders meeting
- <u>Q3 2014:</u>
  - Sequana’s half-year 2014 results release
  - Signing of the final agreements relating to the financial restructuring
  - Launch and implementation of the rights offering

2. FY 2013 Financial Statements

Xavier Roy-Contancin – Chief Financial Officer

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Consolidated income statement

€ millions	2013	2012 (1)	Change(*) 2013/2012
Sales	3,326	3,603	-7.7%
EBITDA	117	133	- 11.6%
EBITDA margin (%)	*3.5%*	*3.7%*	*- 0.2 points*
Recurring operating income	49**	58	- 15.2%
Operating margin (%)	*1.5%*	*1.6%*	*- 0.1 points*
Non-recurring items	(295)	(93)	
Net financial expense	(52)	(51)	
Income tax	7	(1)	
Net income (loss) from discontinued operations	(8)	(36)	
Associates & non-controlling interests	(2)	-	
Net income (loss) attributable to owners	(301)	(123)	-

down 5.4% at constant exchange rates

(*) Percentage and margin changes are based on figures rounded out to one decimal place.
(**) Including gains of €12 million arising on changes to pension plans.
(1) The data shown above for 2012 has been restated to reflect the reclassification of Arjowiggins' US Coated business in discontinued operations and the first-time application of the revised IAS 19 in 2013.

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Breakdown by business

€ millions	2013	2012 (1)	Change * 2013/2012
Sales – Antalis	2,528	2,695	-6.2%
Sales – Arjowiggins	1,039	1,170	-11.2%
Eliminations & holding company	(241)	(262)	-
Consolidated net sales	**3,326**	**3,603**	**-7.7%**
EBITDA – Antalis	70	83	-16.1%
EBITDA – Arjowiggins	56	63	- 11.1%
EBITDA – holding company & other	(9)	(13)	-
Consolidated EBITDA	**117**	**133**	**-11.6%**
Recurring operating income – Antalis	44	52	-15.6%
Recurring operating income – Arjowiggins	15	20	-24.6%
Recurring operating loss – holding co. & other	(10)	(14)	-
Consolidated recurring operating income	**49****	**58**	**-15.2%**

(*) Percentage and margin changes are based on figures rounded out to one decimal place.

(**) Including gains of €12 million arising on changes to pension plans.

(1) The data shown above for 2012 has been restated to reflect the reclassification of Arjowiggins' US Coated business in discontinued operations and the first-time application of the revised IAS 19 in 2013.

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Breakdown of non-recurring items

€ millions, year ended 31 December	**2013**
Restructuring costs	(48)
Impairment of assets and of goodwill	(262)
Other non-recurring items	15
Non-recurring items	**(295)**

Antalis: €(38)m
Arjowiggins: €(7)m

Arjowiggins: €(239)m
Antalis: €(23)m

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Consolidated statement of financial position

€ millions	31 Dec. 2013	31 Dec. 2012
Goodwill	438	634
Property, plant & equipment and intangible assets	321	417
Other fixed assets	117	116
Operating WCR	265	348
Other current assets (liabilities)	(129)	(134)
Assets (liabilities) held for sale	20	16
Total assets	**1,031**	**1,397**
Shareholders' equity	321	654
Non-controlling interests	-	-
Provisions	173	205
Net debt	537	538
Total equity and liabilities	**1,031**	**1,397**

Impact of asset impairment charges

Breakdown of provisions

€ millions, at 31 December	2013	2012
Pension provisions	105	142
Restructuring provisions	33	24
Other risk and contingency provisions	35	39
Total	**173**	**205**

IAS 19 impact (pensions)

Change in net debt

€ millions	2013	2012 (1)
Consolidated net debt at 1 January	**(538)**	**(609)**
EBITDA	117	133
Change in WCR of businesses	74	38
CAPEX	(50)	(53)
Asset disposals	12	3
Net finance costs	(52)	(49)
Income tax expense	(12)	(19)
Restructuring costs	(49)	(58)
Disposals/acquisitions	5	(47)
Share capital increase	-	146
Cash flow from discontinued operations	(14)	(3)
Currency impact	(8)	(4)
Other items	(22)	(16)
Consolidated net debt at 31 December	**(537)**	**(538)**

Antalis: €93m
Arjowiggins: €(16)m

Antalis: €(23)m
Arjowiggins: €(23)m

Sale of casting business & acquisition of Xerox's office paper distribution business

(1) The data shown above for 2012 has been restated to reflect the reclassification of Arjowiggins' US Coated business in discontinued operations.

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Consolidated debt

Net debt totalled €537 million versus €538 million at 31 December 2012

- *Antalis:* *€199 million*
- *Arjowiggins:* *€325 million*

Financial ratios (covenants) at 31 December 2013

- ***Antalis***
  - *Net debt/EBITDA = 2.62 (< 3.25)*
  - *Rec. op. inc./net finance costs = 2.65 (≥ 2.35)*
  - *Gearing (net debt/equity) = 0.92 (≤ 1.1)*
- ***Arjowiggins***
  - *Net debt/EBITDA = 5.78 (< 6.00)*
  - *EBITDA/net finance costs = 5.98 (≥ 3.0)*

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3. Review of Antalis & Arjowiggins

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Business review

antalis

Just ask Antalis

Hervé Poncin – Chief Operating Officer of Antalis

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Results prove resilient in a deteriorated market

Tough market conditions

- *Decline in volumes for printing & writing papers in Europe and pressure on selling prices*
- *Non-paper markets fared better*

Sales came in at €2,528 million (down 6.2%), due primarily to the sharp drop in printing paper volumes

- *Packaging and Visual Communications businesses delivered solid performances*
- *Xerox office paper business contributed €40 million to sales for the last two months of the year*

Resilient operating performance

- *EBITDA fell 16.1% to €70 million, from €83 million in 2012; EBITDA margin down 0.3 points to 2.8%*
  - *Adverse impact of lower volumes, partly offset by an improved product mix and resilient selling prices for the stock business*
  - *Overheads reduced, particularly in logistics*
- *Recurring operating income down 15.6% to €44 million, including gains of €5 million arising on changes to pension plans*

Debt slashed by €46 million thanks to good operating cash flow generation and efficient management of WCR

2013 Highlights

antalis
Just ask Antalis

Positions strengthened in the office paper segment

- *Acquisition of Xerox's Western European office paper and digital print media business*
  - *Around €280 million in annual sales*
  - *280,000 tons of paper*
  - *Operating in 16 countries*
  - *Almost 20% of the office paper market in Europe*
- *Exclusive license to market and distribute Xerox-branded paper in this region*
- *Business consolidated in early November*

2013 Highlights

antalis
Just ask Antalis

Deployment of "Deliver the New Antalis" (DNA)

- *Harness the full potential of the tools developed for RACE 2012, in particular*
  - *Packaging and Visual Communications: representing 32% of Antalis gross margin in 2013 vs. 29% in 2012*
  - *e-commerce: share of total sales increased by 3 points to 22%, thanks to the deployment of the new platform in 27 countries*
  - *Roll-out of the service offer backed by a new-look service catalogue*
  - *Employee training stepped up with a new online skills and performance management platform*

Implementation of program to improve stock turn while maintaining service excellence

- *10% improvement in stock turn*

Continued cost-cutting efforts

- *Optimisation of logistics network in Europe, particularly Germany and Austria*
- *Closure of envelopes plant in Spain*

Key income statement items

antalis
Just ask Antalis

€ millions, year ended 31 December	2013	2012 (1)	Change 2013/2012
Sales	**2,528**	**2,695**	**- 6.2%**
EBITDA EBITDA margin (%)	70 2.8%	83 3.1%	- 16.1%
Recurring operating income **Operating margin (%)**	**44*** **1.7%**	**52** **1.9%**	**- 15.6%**
Capital employed ROCE	476 9.2%	604 8.6%	

down 3.8% at constant exchange rates

(*) Including gains of €5 million arising on changes to pension plans.
(1) The data shown above for 2012 has been restated to reflect the first-time application of the revised IAS 19 in 2013.

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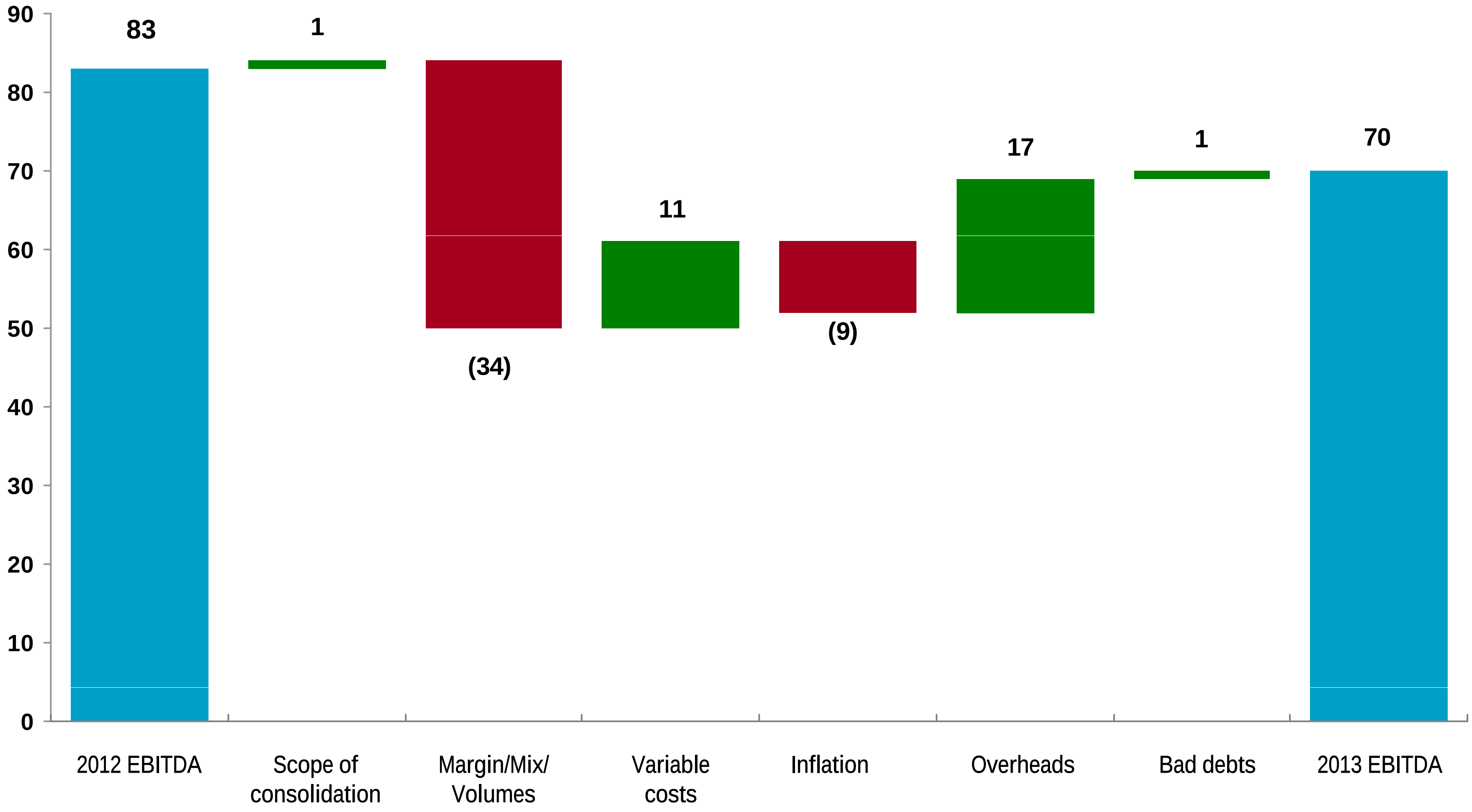
EBITDA trends



Key cash flow items

antalis
Just ask Antalis

€ millions, year ended 31 December	2013	2012
EBITDA	**70**	**83**
Change in WCR	93	18
CAPEX	(17)	(19)
Disposals of fixed assets	1	1
Operating cash flow	**147**	**83**
Net debt	199	245

Debt reduced by €46 million

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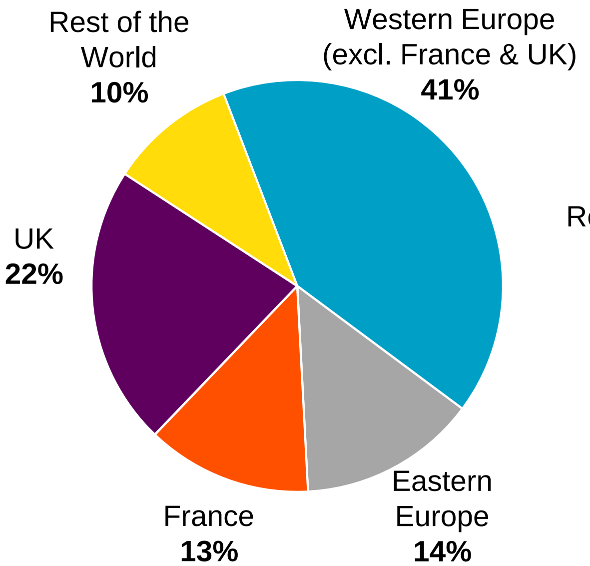
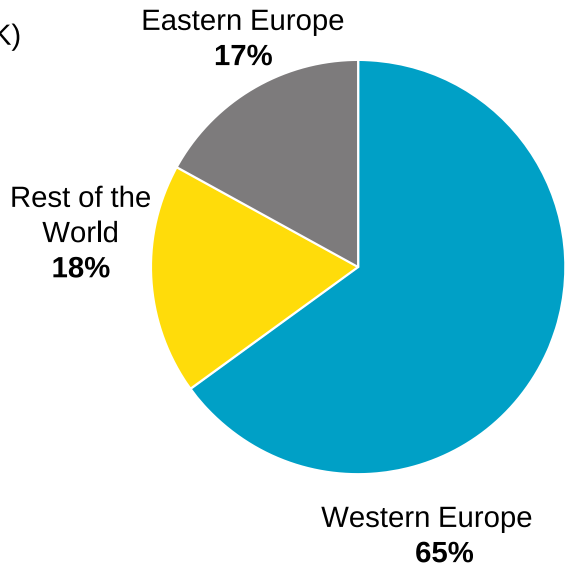
Breakdown of sales and EBITDA

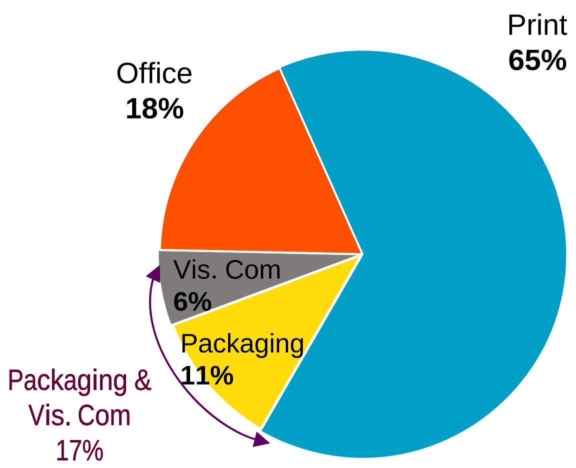
2013 sales by region



2013 EBITDA by region



2013 sales by business



Business review

ARJOWIGGINS

Pascal Lebard – Chief Executive Officer

Decline in operating performance

ARJOWIGGINS

Sales down 11.2% to €1,039 million

- *Marked drop in volumes for printing and writing papers*
- *Specialty businesses held firm*

EBITDA down 11.1% to €56 million versus €63 million in 2012

- *Adverse impact of the sharp fall in printing and writing paper volumes, the fine paper product mix and pressure on selling prices*
- *Positive impact of reduced overhead costs resulting from the closure of Dalum and Witcel plants in 2012 and Ivybridge in late 2013*
- *Input costs (pulp, chemical products, energy) remain high, though lower than in 2012*

Recurring operating income at €15 million versus €20 million in 2012

- *Including gains of €7 million in 2013 arising on pension plans*

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Key income statement items

ARJOWIGGINS

€ millions, year ended 31 December	2013	2012 (2)	Change 2013/2012
Sales	**1,039**	**1,170**	**- 11.2%**
EBITDA	56	63	- 11.1%
EBITDA margin (%)	*5.4%*	*5.4%*	
Recurring operating income	**15 (1)**	**20**	**- 24.6%**
Operating margin (%)	***1.5%***	***1.7%***	
Capital employed	235	357	
ROCE	6.6%	5.7%	

down 9.7% at constant exchange rates

(1) Including gains of €7 million arising on changes to pension plans.

(2) The data shown above for 2012 has been restated to reflect the reclassification of Arjowiggins' US Coated business in discontinued operations and the first-time application of the revised IAS 19 in 2013.

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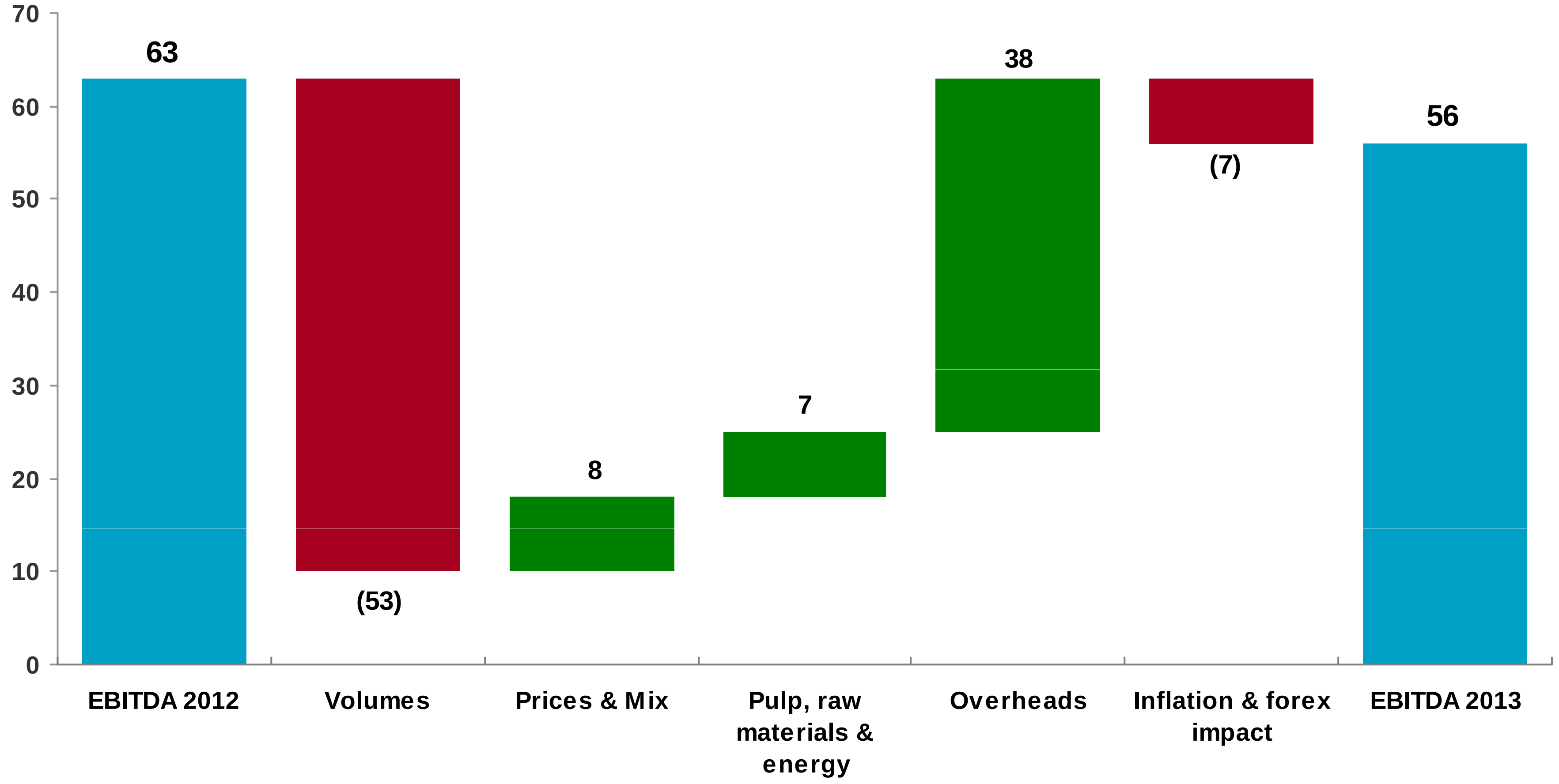
EBITDA trends



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Key cash flow items

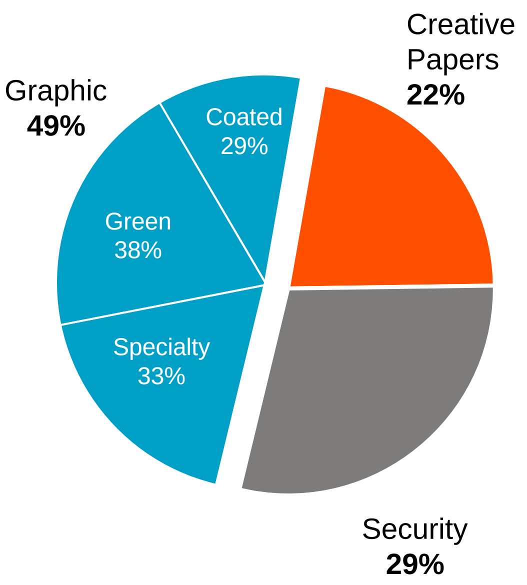
ARJOWIGGINS

€ millions, year ended 31 December	2013	2012
EBITDA	**56**	**63**
Change in WCR	(16)	20
CAPEX	(33)	(32)
Disposals	11	1
Operating cash flow	**18**	**53**
Net debt	325	275

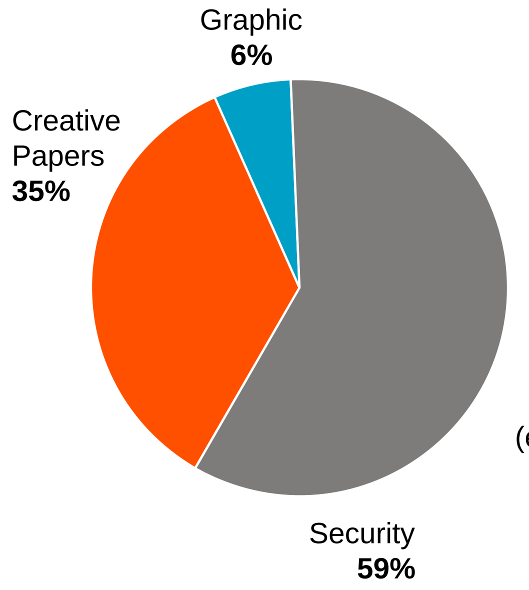
Breakdown of sales and EBITDA

ARJOWIGGINS

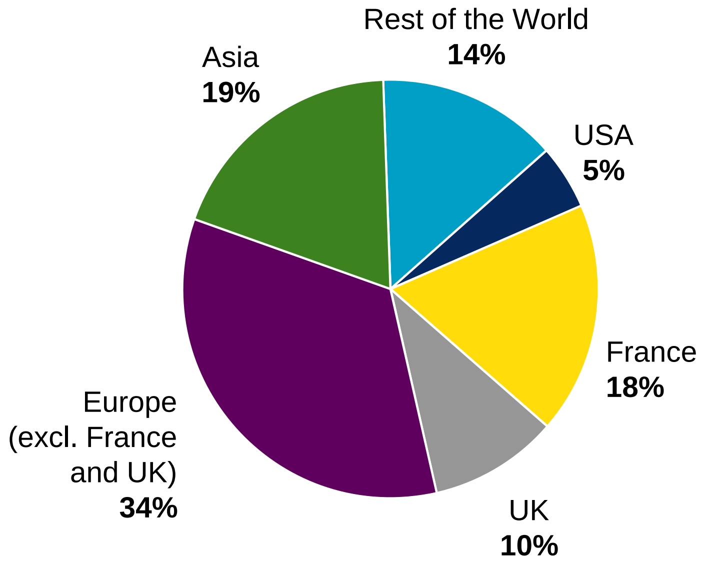
2013 sales by division



2013 EBITDA by division



2013 sales by region



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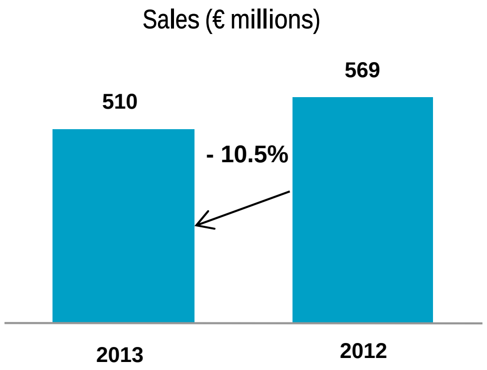
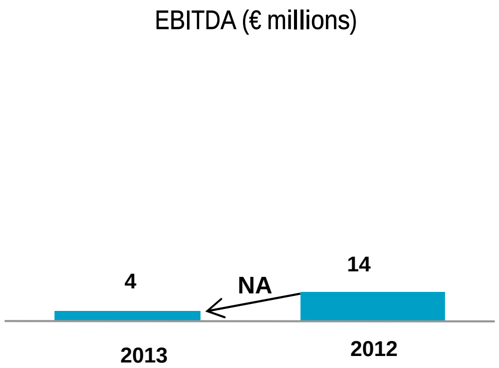
Results by division

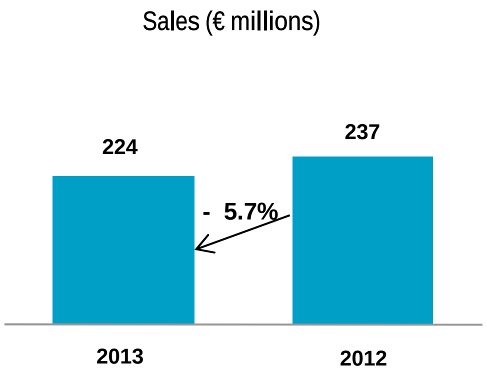
Graphic

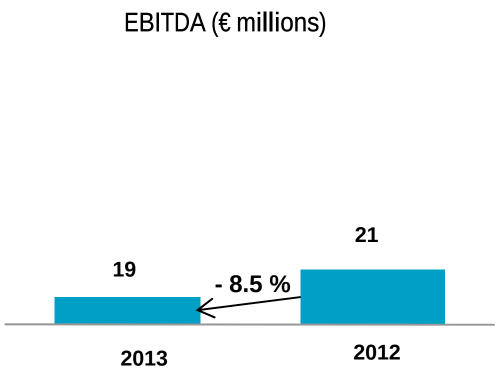




- *Ongoing decline in volumes of graphic coated papers amid strong pressure on selling prices*
- *Resilient demand for recycled papers in most countries, as well as for recycled pulp and in speciality businesses*
- *Positive impact of lower overhead costs thanks to the closure of Dalum (Denmark)*

Creative Papers





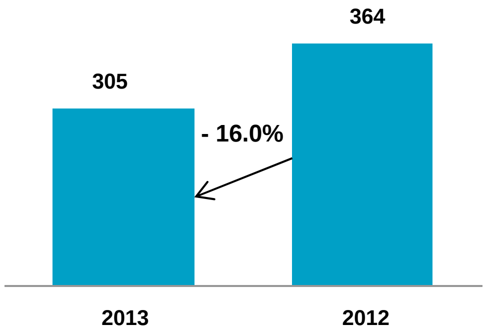
- *Further decline in volumes for fine papers and adverse impact of product mix (shift to mid-range papers)*
- *Good performance from speciality businesses (tracing and casting paper, and bookbinding)*
- *Sale of the casting paper commercial business to Favini and signature of a long-term supply agreement for a minimum five-year term*

Results by division

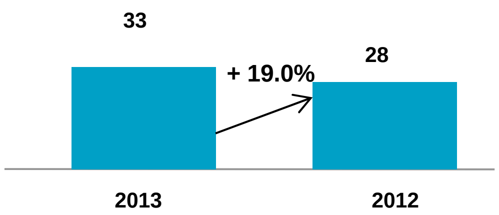
ARJOWIGGINS

Security

Sales (€ millions)



EBITDA (€ millions)



- *Banknote paper business proved resilient*
- *Sales in the e-document and access control solutions segments held firm*
- *Positive impact of cost savings thanks to the closure of Witcel (Argentina) in 2012 and Ivybridge (UK) in 2013*

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4. Corporate Social Responsibility

Pascal Lebard – Chairman and Chief Executive Officer

Corporate Social Responsibility (CSR) at Sequana

Sequana identified three priorities in 2013 as part of its overall CSR strategy

Governance

1. CSR policy: network & reporting
2. Business ethics

Natural resources

3. Forests - traceability
4. Energy
5. Water

Human relations

6. Health and safety
7. Skills and diversity

Product offering

8. Responsible products

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Progress in 2013

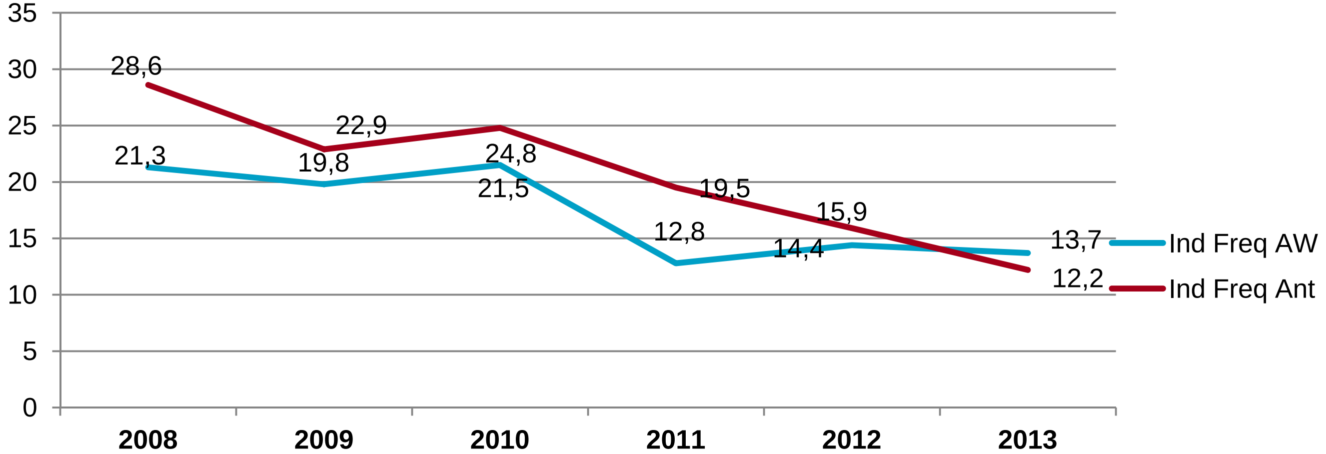
Traceability of supplies

- *Context: ever-stricter regulations on product traceability and increasing insistence on traceability from customers*
- *Aim: to guarantee full product traceability – right back to the forest*
  - *Roll-out of a platform for Antalis suppliers (over 150 suppliers already integrated)*
    - ✓ *Ensure that products supplied are compliant with regulations*
    - ✓ *Products are traced back to tree type and geographic origin*
    - ✓ *Value chain managed more effectively using a risk assessment tool*
  - *Antalis is pioneering the drive for traceability in the paper sector*

Progress in 2013

Employee safety

- *Improved performance but the target remains "zero accidents"*



Frequency indicator:
no. of lost-time accidents
per 1,000 employees

  - *Mixed situation*
    - ✓ *Antalis: constant improvement - employee safety concerns deeply embedded in day-to-day operations*
    - ✓ *Arjowiggins: performance unchanged since 2011, need to step up actions*

- *Prevention and training initiatives are essential for Sequana*
  - *5,972 employees were trained on occupational health and safety issues in 2013*

- *Constructive dialogue with employee representative bodies to improve working conditions*
  - *20 local health and safety agreements signed*

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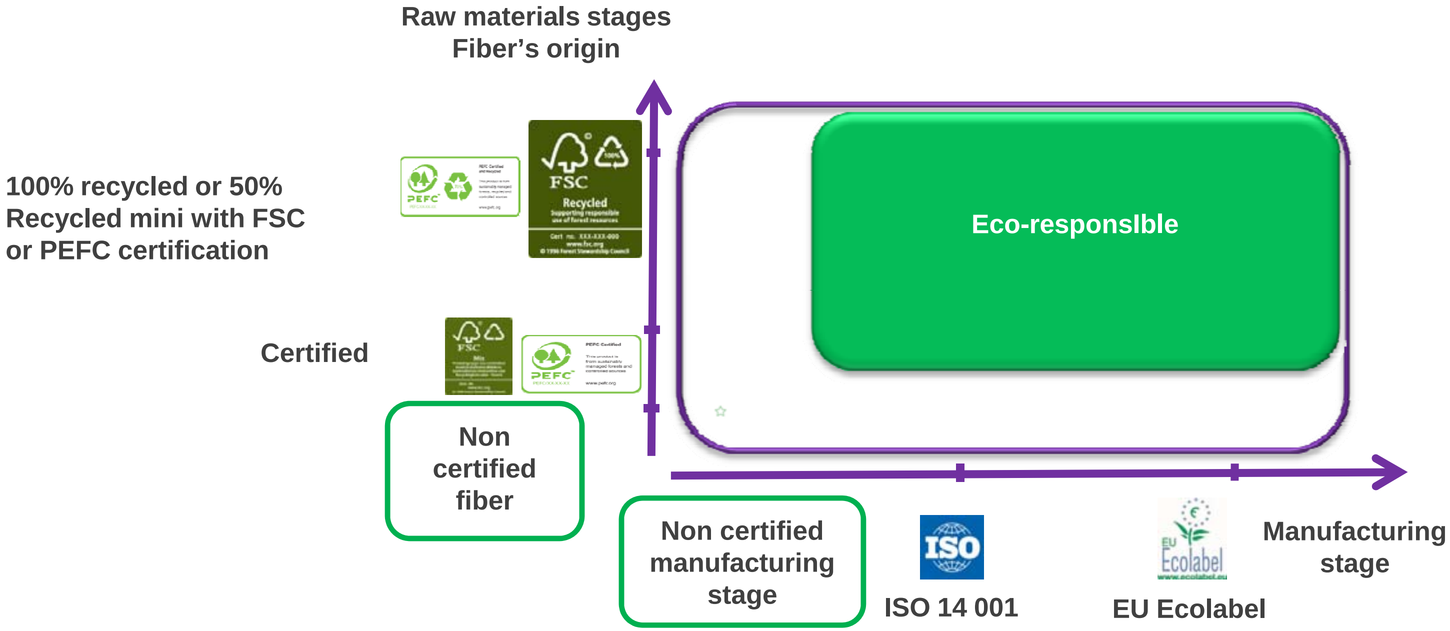
Progress in 2013

Eco-responsible offer

Sequana intends to become the undisputed leader in the market for eco-friendly papers

- *There is no industry-wide definition of eco-responsible paper*
- *For the Group, an eco-responsible product takes account of the main impacts of paper throughout its lifecycle*
- *Objective criteria based on international standards that provide customers with an easy-to-use assessment grid*



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Progress in 2013

- *Based on the Group's definition*

ARJOWIGGINS GRAPHIC ⇒ *91% of eco-responsible products*

ARJOWIGGINS creative papers ⇒ *97% of eco-responsible products*

antalis Just ask Antalis antalis.com ⇒ *72% of products distributed are eco-responsible products*

- *Sequana intends to promote this definition throughout the industry and the EU (via the European Commission)*
- *Antalis' "Green Star System" marketing plan aims to raise customer awareness of eco-responsible products and strengthen Antalis' role as a pioneer in this field*

5. Q&A

Pascal Lebard – Chairman and Chief Executive Officer of Sequana

Xavier Roy-Contancin – Chief Financial Officer

Hervé Poncin – Chief Operating Officer of Antalis

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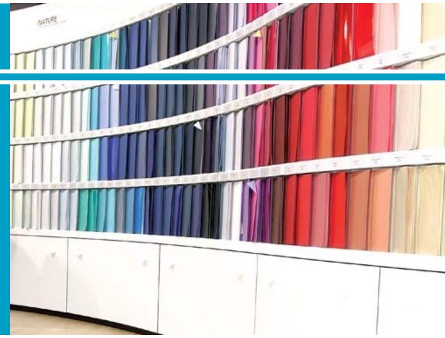
Appendix – Key financial data

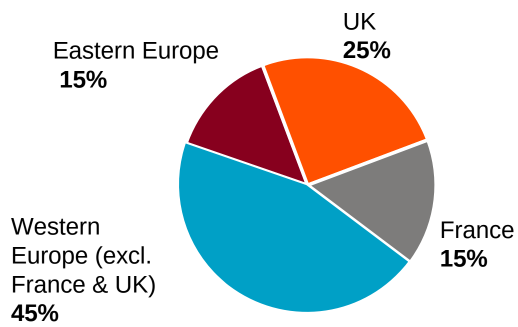


Antalis

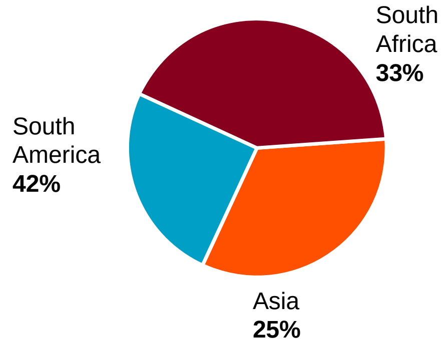
€ millions	2013	2012	Change 2013/ 2012
Sales – Europe	2,265	2,401	- 5.6%
Sales – Rest of the World	263	294	- 10.5%
Sales – Antalis	**2,528**	**2,695**	**- 6.2%**
EBITDA – Europe	58	67	- 13.7%
EBITDA – Rest of the World	12	16	- 25.2%
EBITDA – Antalis	**70**	**83**	**- 16.1%**
Recurring op. inc. – Europe	35	42	- 17.1%
Recurring op. inc. – Rest of the World	9	14	- 37.9%
Recurring operating income – Antalis	**44** (1)	**56** (2)	**- 22.5%**

(1) *Including gains of €5 million arising on changes to pension plans.*
(2) *Data not restated to reflect the retrospective application of the revised IAS 19, not reallocated by region.*

Europe
2013 sales by region



Rest of the World
2013 sales by region



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Arjowiggins

ARJOWIGGINS

€ millions	2013	2012	Change 2013/ 2012
Sales – Graphic	510	569	- 10.5%
Sales – Creative Papers	224	237	- 5.7%
Sales – Security	305	364	- 16%
Sales – Arjowiggins (1)	**1,039**	**1,170**	**- 11.2%**
EBITDA – Graphic	4	14	- 74.5%
EBITDA – Creative Papers	19	21	- 8.5%
EBITDA – Security	33	28	+ 19.0%
EBITDA – Arjowiggins (1)	**56**	**63**	**- 11.1%**
Recurring op. loss – Graphic	(16)	(6)	NA
Recurring op. inc. – Creative Papers	8	6	+ 30.7%
Recurring op. inc. – Security	23 (2)	16	+ 45.7%
Recurring operating income – Arjowiggins (1)	**15 (2)**	**16 (3)**	**- 0.6%**

(1) Excluding US Coated, reclassified in discontinued operations.
(2) Including gains of €7 million arising on changes to pension plans.
(3) Data not restated to reflect the retrospective application of the revised IAS 19, not reallocated by division.

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Appendices: financial restructuring

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Summary of Group restructuring plan

The group's industrial and financial plan enables it to pursue its long term development by repositioning it on promising segments and strengthening its financial structure

	Strategic and industrial pillar	Financial pillar
Arjowiggins	• Restructuring of printing & writing activities - Creative papers: simplification of business model and sale (or, if no buyer is found, closure) of the Charavines mill - Graphic: sale (or, if no buyer is found, closure) of the Wizernes mill, and setup of a de-inking unit at Bessé in order to boost leadership on recycled segment - Exit from the US Coated activity	• Restructuring of AW credit facility (€400m): - Conversion of AW debt into Sequana quasi-equity (€125m) - Reimbursement through asset disposal(s) (€20m) - Maturity extension of reinstated debt (€100m) until end 2020, rescheduling of repayments and lighter covenants - Debt write-offs (€155m) • Reduction in overdrafts from €50m to €30m
Antalis	• Continued acquisitions in high growth segments and geographic areas (packaging, visual communication, emerging markets) in order to bolster the group's positions	• Maturity on reinstated debt extended to end 2018; rescheduling of repayments and lighter covenants • Partial refinancing through the setup of a factoring programme before end 2014 (€200m)
Sequana		• €64m rights issue • Debt write-off (€9m) • Debt conversion into quasi-equity (€7m)

Arjowiggins financial restructuring: ORNANE and Reimbursement through asset disposal(s)

1. ***"ORNANE" or "Obligations Remboursables en Numéraire et/ou en Actions Nouvelles ou Existantes": €125m***

   - *Issued to Arjowiggins lenders by conversion of existing debt*
   - *Maturing in December 2020*
   - *Ultimately giving access to 30% of Sequana's share capital on a fully diluted basis if redeemed in shares*
   - *Option for the company to redeem all or part of such ORNANE in cash*

2. ***Reimbursement through asset disposal(s): €20m***

   - *Repayment in cash with the net proceeds from the sale of certain assets*
   - *Such proceeds to be shared between Arjowiggins and the creditors*
   - *Potential shortfall to be converted into asset-backed financial debt*
   - *Short term maturity (March 2015)*

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Arjowiggins Debt Restructuring: Reinstated Debt

3 A

- ***Tranche A: €60m***
  - *Maturity: December 2020*
  - *Interest: 2% PIK until 31 December 2016, then Euribor + 1% from 1 January 2017 on*
  - *Amortization in 4 equal instalments of €10m on 31 December of each year from 2016 to 2019 and the balance on a fifth and final instalment on 31 December 2020*
- ***Tranche B: €40m***

3 B

  - *Maturity: June 2020*
  - *Interest: 2% PIK until 30 June 2017, then Euribor + 1% from 1 July 2017 on*
  - *Amortization in 4 instalments: €5m in June 2017, €5m in June 2018, €10m in June 2019 and the balance on a fourth and final instalment in June 2020*
  - *To be converted into ORA (giving access to a maximum of 3.0% of Sequana's share capital on a fully diluted basis in December 2020) in case of in case of financial underperformance*
- **Covenants**
  - *First test on June 30, 2017 based on a covenant renegotiation to take place in 2016 between the company and its lenders*

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