

November 10, 2009

QUARTERLY FINANCIAL REPORT (THIRD QUARTER 2009)

(Art. L.451-1-2, IV of the Monetary and Financial Code and Art. 221-1 of the AMF's General Regulation)

▪ Metal prices

Lead and zinc prices increased in the beginning of the year 2009 and continued to grow during the third quarter of 2009. Despite this increase, the average lead and zinc prices at the end of September 2009 remained below the average at the end of September 2008 and were as follows:

<i>Average (euros / tonne)</i>	Financial Year 2009			
	First quarter	Second quarter	Third quarter	Average at end of September
Lead price	889	1 100	1 346	1 115
Zinc price	900	1 082	1 230	1 072

<i>Average (euros / tonne)</i>	Financial Year 2008			
	First quarter	Second quarter	Third quarter	Average at end of September
Lead price	1 933	1 476	1 271	1 555
Zinc price	1 621	1 353	1 177	1 380

▪ Consolidated sales (excl. taxes) – unaudited

Recylex Group's consolidated net sales broke down by business segment as follows:

<i>In thousand of euros</i>	Financial Year 2009			
	First quarter	Second quarter	Third quarter	TOTAL end of September
Lead	29 433	41 702	58 878	130 013
Zinc	8 137	11 961	14 531	34 629
Special metals	3 384	4 525	4 918	12 827
others (including plastics)	1 752	2 648	1 802	6 202
TOTAL Sales	42 706	60 836	80 129	183 671

<i>In thousand of euros</i>	Financial Year 2008			
	First quarter	Second quarter	Third quarter	TOTAL end of September
Lead	62 876	69 874	58 582	191 332
Zinc	27 339	21 281	18 689	67 309
Special metals	6 890	7 294	5 872	20 056
others (including plastics)	4 488	3 974	3 338	11 800
TOTAL Sales	101 593	102 423	86 481	290 497

- Lead

Sales in Lead segment continued to grow throughout the third quarter of 2009 due to the sharp increase in lead prices initiated in the start of 2009. This segment remained overall steady during the third quarter of 2009 compared to the same period of the previous year.

- Zinc

The resumption of Waelz oxides operations as well as the reasonable increase in zinc prices during the first quarters of 2009 led to growth in sales of the Zinc segment during the third quarter of 2009. The deviation compared to the same period of the previous year is attributable to the closing down of Norzinco SA's zinc oxides production activity in Anzin.

- Special metals segment

Sales in Special metals segment started to grow in the beginning of 2009 and continued to grow throughout the third quarter of 2009, but remained however below the level of the third quarter 2008, under depressed market conditions.

- Plastics segment

The sales contraction recorded by the Plastics business during the third quarter of 2009 was mainly due to the crisis in the automobile sector, which is the main outlet for products of this segment.

- **Parent company's sales (unaudited):**

The parent company's third-quarter 2009 sales came to €29.7 million, €28.7 million of which were recorded in the Lead segment and €1 million in services to Group companies. During the third quarter of the previous year, the parent company's sales totalled €50.5 million, €49.3 million of which were recorded in the Lead segment and €1.2 million in services to Group companies.

- **On-going litigation**

- The claim initiated by the liquidators of Metaleurop Nord SAS against the Company for payment of the liabilities of Metaleurop Nord SAS up to €50 million is still pending before the Douai Appeal Court. On February 27, 2007, the Béthune Regional Court dismissed the claim, considering that Recylex SA was not the de facto manager of Metaleurop Nord SAS. The liquidators appealed the judgment. The Douai Appeal Court issued a stay of proceedings on November 18, 2008 and invited the parties to bring the matter before the Conseil d'État on the basis of a review of the legality of a regulatory provision.

Recylex SA applied to the Conseil d'État for a preliminary ruling on legality on February 12, 2009. The preliminary ruling from the Conseil d'État is awaited before the Douai Appeal Court can rule on either the admissibility or the merits of the case.

- On September 15, 2009, the Management section of the Lens labour tribunal considered that Recylex was co-employer with Metaleurop Nord SAS of 89 former executive employees and awarded each plaintiff damages of €30,000 plus €300 in costs. It also decided that these damages, amounting to a total of around €2.7 million, should be incorporated into the liabilities of Recylex SA's continuation plan, paid off in instalments. Recylex SA has appealed against these decisions, thereby suspending their enforcement.
- The appeal lodged against the decisions of June 27, 2008 of the Industry section of the Lens labour tribunal was pleaded on October 30, 2009 and the decision is scheduled for December 18, 2009. As a reminder, the Industry section of the Lens labour tribunal considered that Recylex was co-employer with Metaleurop Nord SAS of 493 former non-managerial staff and awarded each plaintiff damages of €30,000 plus €300 in costs. It also decided that these damages, amounting to a total of around €14.9 million, should be incorporated into the liabilities of Recylex SA's continuation plan.

- **Financial Communication Schedule**

- Sales (4th quarter 2009) February 12, 2010

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