



# PRESS RELEASE

## CLAIMS FOR DAMAGES FOR PREJUDICE OF ANXIETY FROM FORMER EMPLOYEES OF METALEUROP NORD AND UPDATE ON OTHER LEGAL PROCEEDINGS

**Suresnes, July 3, 2013:** On July 1, 2013, Recylex SA (NYSE Euronext Paris: FR0000120388 - RX) received summonses to appear before the Lens labor court within the framework of claims for damages formulated by 299 former employees of Metaleurop Nord SAS for alleged prejudice of anxiety in relation to asbestos exposure and disruption to their living conditions.

These claims are believed to follow the Douai administrative appeal court's ruling of May 13, 2013, requiring the French Minister for Work, Employment, Professional Training and Employee Dialogue to include the Noyelles-Godault plant on the list of facilities giving right to the early retirement pension benefit for asbestos workers for the period from January 1, 1962 to December 31, 1996. Recylex has never been implicated within the framework of this procedure.

Hearings relating to 16 claims have been set for October 10, 2013 before the Lens labor court. 13 of these claimants are also claiming additional damages for dismissal without due and just cause or unfair dismissal.

The hearings relating to the other 283 claims have been set for November 12, 2013.

The total amount of claims comes to around €9.9 million.

### **Yves Roche, Chairman and Chief Executive Officer of Recylex, comments:**

*"Recylex is determined to defend its interests within the framework of these new proceedings, which have created a new risk for the company, its activities, its employees and its undertakings at a key point in the continuation plan. Furthermore, Recylex has filed a claim against Metaleurop Nord's liquidators for compensation of the damage it believes was due to their personal misconduct within the framework of making former Metaleurop Nord employees redundant. The men and women at Recylex are fighting on a daily basis in a difficult economic climate to meet the last three installments due under the continuation plan, which we have met without any defaults until now, as well as to pursue our major environmental rehabilitation program. More than ever, we remain committed to upholding the commitments made within the framework of the continuation plan in the interests of the Group's 675 employees, our shareholders, our partners and also all of private and public stakeholders."*

## **Update on legal proceedings concerning former employees of Metaleurop Nord**

As a reminder, total debt under Recylex SA's continuation plan increased by €16 million in 2009 and 2010 following the damages granted by the Douai Appeal Court to 552 former employees of Metaleurop Nord SAS who submitted their claims in 2005. At December 31, 2012, remaining debt under the continuation plan stood at €20.2 million.

In addition, within the framework of a second series of proceedings initiated in 2010 by 192 former Metaleurop Nord for dismissal without due and just cause, the total amount claimed comes to €9.96 million. Provisions have been set aside by Recylex SA for these claims. The deliberation by the Industry section of the Lens labor court concerning 137 of these claims is set for September 10, 2013.

In the event that the final rulings are unfavorable, these damages will increase Recylex SA's rescheduled liabilities within the framework of its continuation plan.

An increase of this kind in installments due under Recylex SA's continuation plan would no longer allow it to respect its commitments within the framework of this continuation plan and the rehabilitation of its former mining sites and the L'Estaque site. Without the sale of Recylex SA's assets and unless market conditions improve significantly, Recylex SA would no longer be in a position to execute its continuation plan without short-term external financing. In this case, Recylex SA would have to declare its suspension of payments situation, unless the Commercial Court agrees to amend its continuation plan, subject to the agreement of all creditors of such plan. Any declaration of suspension of payments would trigger the opening of liquidation proceedings.

## **Update on legal proceedings concerning former employees of Metaleurop Nord**

- Within the framework of the action for the repayment of liabilities initiated by the liquidators of Metaleurop Nord and rejected by the Douai Appeal Court on September 19, 2012, the case will be reviewed by the *Cour de Cassation* at its hearing of October 15, 2013. A ruling should be given four to six weeks later.
- In addition, Recylex SA has initiated a liability claim against Metaleurop Nord SAS's liquidators for the personal misconduct Recylex SA believes was committed by them within the framework of making former employees of Metaleurop Nord SAS redundant, resulting in damages being awarded to these employees.

## **Update on the search for external financing**

Within the context of the latest installments due under the continuation plan and also with a view to financing its investment projects, Recylex SA has appointed Oddo & Cie to find external financing of €30 million.

*A document summarizing the development of legal proceedings against Recylex SA can be founded on the Recylex website ([www.recylex.fr](http://www.recylex.fr) – News – Legal proceedings schedule).*

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### ***Recycle, Transform, Enhance***

*With operations in France, Germany and Belgium, Recylex is a European group specializing in lead and plastics recycling (mainly from automotive and industrial batteries), zinc recycling (from electric arc furnace dust and scrap zinc) and the production of special metals, primarily for the electronics industry.*

*The Recylex Group has close to 675 employees and generated consolidated sales of €471 million in 2012.*

*More information on the Recylex Group on: [www.recylex.fr](http://www.recylex.fr)*

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