5N PLUS INC.
INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE-MONTH PERIODS ENDED MARCH 31, 2013 AND 2012
(Figures in thousands of United States dollars)

5N PLUS INC.
UNAUDITED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(Figures in thousands of United States dollars)

	As at March 31, 2013 (Note 4)	As at December 31, 2012 (Note 4)
	$	$
ASSETS		
Current		
Cash and cash equivalents	12,221	9,535
Temporary investments (restricted)	2,286	2,357
Accounts receivable	83,857	87,807
Inventories (Note 5)	170,547	170,293
Income tax receivable	14,814	18,931
Derivative financial assets (Note 8)	1,262	-
Other current assets	2,407	2,514
Total current assets	287,394	291,437
Property, plant and equipment	55,377	55,548
Intangible assets	14,925	16,010
Deferred tax asset	11,652	12,650
Investments accounted for using the equity method	367	503
Other assets	6,158	9,248
Total non-current assets	88,479	93,959
Total assets	**375,873**	**385,396**
LIABILITIES AND EQUITY		
Current		
Bank indebtedness and short-term debt (Note 7)	11,152	8,014
Trade and accrued liabilities	57,775	62,214
Income tax payable	1,244	2,217
Derivative financial liabilities (Note 8)	1,639	2,817
Long-term debt due within one year (Note 7)	28,713	29,527
Total current liabilities	100,523	104,789
Long-term debt (Note 7)	100,453	110,898
Deferred tax liability	2,712	2,632
Retirement benefit obligation (Note 4)	16,493	16,667
Derivative financial liabilities (Note 8)	2,870	3,537
Other liabilities	1,698	1,560
Total non-current liabilities	124,226	135,294
Total liabilities	224,749	240,083
Shareholders' equity	150,599	144,955
Non-controlling interest	525	358
Total equity	151,124	145,313
Total liabilities and equity	**375,873**	**385,396**

Contingencies (Note 13)

The accompanying notes are an integral part of these condensed consolidated financial statements.

5N PLUS INC.
UNAUDITED INTERIM CONSOLIDATED STATEMENTS OF EARNINGS
For the three-month period ended
(Figures in thousands of United States dollars, except per share information)

	March 31, 2013	March 31, 2012
	$	$
Revenues	118,389	162,235
Cost of sales (Note 15)	99,388	132,247
Selling, general and administrative expenses (Note 15)	9,627	12,012
Other expenses, net (Note 15)	2,978	6,521
Share of loss from joint ventures	136	164
	112,129	150,944
Operating income	6,260	11,291
Financial expenses (income)		
Interest on long-term debt	1,842	2,386
Other interest expense	1,470	611
Foreign exchange and derivative (gain) loss	(3,017)	1,682
	295	4,679
Earnings before income tax	5,965	6,612
Income tax	427	1,721
Net earnings for the period	**5,538**	**4,891**
Attributable to:		
Equity holders of 5N Plus Inc.	5,371	4,972
Non-controlling interest	167	(81)
	5,538	**4,891**
Earnings per share attributable to equity holders of 5N Plus Inc. (Note 12)	0.06	0.07
Basic earnings per share (Note 12)	0.07	0.07
Diluted earnings per share (Note 12)	0.07	0.07

The accompanying notes are an integral part of these condensed consolidated financial statements.

5N PLUS INC.
UNAUDITED INTERIM CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
For the three-month period ended
(Figures in thousands of United States dollars, except per share information)

	March 31, 2013 (Note 4)	**March 31, 2012** (Note 4)
	$	**$**
Net earnings for the period	5,538	4,891
Other comprehensive income (loss), net of tax		
Items that may be reclassified subsequently to net income		
Cash flow hedges, net of income tax of ($64) and $39	173	(108)
De-designation of cash flow hedges, net of income tax of $19	(51)	-
Currency translation adjustment	37	195
	159	87
Items that will not be reclassified subsequently to net income		
Remeasurements of retirement benefit obligation (Note 4)	-	(697)
	159	(610)
Comprehensive income for the period	5,697	4,281
Attributable to equity holders of 5N Plus Inc.	5,530	4,362
Attributable to non-controlling interest	167	(81)

The accompanying notes are an integral part of these condensed consolidated financial statements.

5N PLUS INC.
UNAUDITED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS

(Figures in thousands of United States dollars)

	For the three-month period ended	
	March 31, 2013	**March 31, 2012**
	$	**$**
Operating activities		
Net earnings for the period	5,538	4,891
Adjustments to reconcile net earnings to cash flows		
Depreciation of property, plant and equipment and amortization of intangible assets	2,844	5,098
Amortization of other assets	1,465	258
Share-based compensation expense	114	190
Deferred income tax	(340)	142
Share of loss from joint ventures	136	164
Unrealized gain on non-hedge financial instruments	(3,004)	(2,527)
Unrealized foreign exchange (gain) loss on assets and liabilities	(2,145)	3,020
	4,608	11,236
Net change in non-cash working capital balances related to operations (Note 10)	6,244	26,971
Cash flows from operating activities	10,852	38,207
Investing activities		
Acquisition of property, plant and equipment	(2,518)	(4,763)
Acquisition of intangible assets	(139)	(70)
Temporary investments (restricted)	71	18,120
Cash flows from (used in) investing activities	(2,586)	13,287
Financing activities		
Repayment of long-term debt	(9,240)	(45,000)
Net increase (decrease) in bank indebtedness and short-term debt	3,138	(21,403)
Issuance of common shares	-	149
Financial instruments – net	62	184
Others	-	(2,406)
Cash flows used in financing activities	(6,040)	(68,476)
Effect of foreign exchange rate changes on cash and cash equivalents related to operations	460	(423)
Net increase (decrease) in cash and cash equivalents	2,686	(17,405)
Cash and cash equivalents, beginning of period	9,535	29,449
Cash and cash equivalents, end of period	12,221	12,044

Supplemental information[(a)]		
Income tax paid (received)	(4,062)	718
Interest paid	868	2,700

[(a)] Amounts paid (received) for interest and income tax were reflected as cash flows from operating activities in the consolidated statements of cash flows.

The accompanying notes are an integral part of these condensed consolidated financial statements.

5N PLUS INC.
UNAUDITED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

(Figures in thousands of United States dollars, except number of shares)

Total Equity	Number of shares March 31, 2013	March 31, 2013 (Note 4)	Number of shares March 31, 2012	March 31, 2012 (Note 4)
		$		$
Shareholders' Equity				
Share Capital				
Balance at beginning of period	83,908,269	343,272	70,961,125	305,928
Common shares issued on exercise of stock options	-	-	43,531	218
Balance at end of period	83,908,269	343,272	71,004,656	306,146
Contributed Surplus				
Balance at beginning of period		3,180		2,691
Share-based compensation expense		114		190
Exercise of stock options		-		(69)
Balance at end of period		3,294		2,812
Retained Earnings (Deficit)				
Balance at beginning of period		(198,073)		30,850
Net earnings attributable to equity holders of 5N Plus Inc. for the period		5,371		4,972
Balance at end of period		(192,702)		35,822
Accumulated Other Comprehensive Loss				
Balance at beginning of period (Note 4)		(3,424)		(597)
Cash flow hedges, net of income tax of ($64) and $39		173		(108)
De-designation of cash flow hedges net of income tax of $19		(51)		-
Currency translation adjustment		37		195
Remeasurements of retirement benefit obligation, net of deferred tax of $313 (Note 4)		-		(697)
Balance at end of period		(3,265)		(1,207)
Total shareholders' equity at end of period		**150,599**		**343,573**
Non-Controlling Interest				
Balance at beginning of period		358		469
Share of profit (loss)		167		(81)
Balance at end of period		525		388
Total Equity		**151,124**		**343,961**

The accompanying notes are an integral part of these condensed consolidated financial statements.

(Figures in thousands of United States dollars, unless otherwise indicated)

NOTE 1 – GENERAL INFORMATION

Nature of operations

5N Plus Inc. ("5N Plus" or the "Company") is a Canadian-based international company. 5N Plus is a producer of specialty metal and chemical products. Fully integrated with closed-loop recycling facilities, the Company's head office is located at 4385 Garand Street, Saint-Laurent, Quebec (Canada) H4R 2B4. The Company operates manufacturing facilities and sales offices in several locations in Europe, the Americas and Asia. The Company's shares are listed on the Toronto Stock Exchange ("TSX"). 5N Plus and its subsidiaries represent the "Company" mentioned throughout these interim condensed consolidated financial statements. The Company has two reportable business segments, namely Electronic Materials and Eco-Friendly Materials. Corporate expenses associated with the head office and unallocated selling, general and administrative expenses together with financing costs and gains and/or losses on foreign exchange and derivative have been regrouped under the heading Corporate and unallocated (Note 9). Corresponding operations and activities are managed accordingly by the Company's key decision-makers.

The Electronic Materials segment is headed by a vice president who oversees locally managed operations in North America, Europe and Asia. Its main products are associated with the following metals: cadmium, gallium, germanium, indium and tellurium. These metals are sold as elements, alloys, chemicals and compounds.

The Eco-Friendly Materials segment is associated mainly with bismuth. This segment is headed by a vice president who oversees locally managed operations in Europe and China. The segment manufactures and sells refined bismuth and bismuth chemicals, low melting-point alloys as well as refined selenium and selenium chemicals.

The Company's operations are not subject to seasonal fluctuations.

These unaudited interim condensed consolidated financial statements were authorized for issuance by the Company's Board of Directors on May 13, 2013.

NOTE 2 – BASIS OF PRESENTATION

These unaudited interim condensed consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and as applicable to the preparation of interim financial statements, including International Accounting Standard ("IAS") 34, Interim Financial Reporting. The interim condensed consolidated financial statements should be read in conjunction with the annual consolidated financial statements for the year ended December 31, 2012, which have been prepared in accordance with IFRS as issued by the IASB.

The preparation of financial statements in accordance with IAS 34 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies.

Income taxes

Taxes on income in interim periods are accrued using the tax rate that would be applicable to expected total annual profit and loss.

Certain comparative figures have been reclassified to conform to the current presentation (Note 4).

NOTE 3 – ACCOUNTING POLICIES

The accounting policies followed in these unaudited interim condensed consolidated financial statements are consistent with those of the previous financial year, except as described below.

Changes in accounting policies

The Company had adopted the following new and revised standards, along with any consequential amendments, effective January 1, 2013. These changes were made in accordance with the applicable transitional provisions.

The Company has adopted the amendments to IAS 1 effective January 1, 2013. These amendments required the Company to group other comprehensive income items by those that will be reclassified subsequently to profit or loss and those that will not be reclassified. The Company has reclassified comprehensive income items of the comparative period. These changes did not result in any adjustments to other comprehensive income or comprehensive income.

IAS 19, "Employee Benefits", was amended in June 2011. The impact on the Company is as follows: to immediately recognize all past service costs; and to replace interest cost and expected return on plan assets with a net interest amount that is calculated by applying the discount rate to the net defined benefit liability (asset).

The Company assessed its conclusions on January 1, 2013 and the impact of the adoption of IAS 19 is presented in note 4.

IFRS 10, "Consolidated Financial Statements", builds on existing principles by identifying the concept of control as the determining factor in whether an entity should be included within the condensed consolidated financial statements of the parent company. The standard provides additional guidance to assist in the determination of control where this is difficult to assess.

The Company assessed its consolidation conclusions on January 1, 2013 and the impact of the adoption of IFRS 10 did not result in any change in the consolidation status of any of its subsidiaries and investees.

IFRS 12, "Disclosures of Interests in Other Entities", includes the disclosure requirements for all forms of interests in other entities, including joint arrangements, associates, special-purpose vehicles and other off-balance sheet vehicles.

The Company assessed its disclosure requirements on January 1, 2013 and the impact of the adoption of IFRS 12 did not result in any change in its disclosure of interest.

IFRS 13, "Fair value measurement", provides a single framework for measuring fair value. The measurement of the fair value of an asset or liability is based on assumptions that market participants would use when pricing the asset or liability under current market conditions, including assumptions about risk. The Company adopted IFRS 13 on January 1, 2013 on a prospective basis. The adoption of IFRS 13 did not require any adjustments to the valuation techniques used by the Company to measure fair value and did not result in any measurement adjustments as at January 1, 2013.

(Figures in thousands of United States dollars, unless otherwise indicated)

NOTE 4 – IAS 19, EMPLOYEE BENEFITS

The impact of the adoption of IAS 19 is as follows:

Adjustments to the statements of financial position:

	March 31, 2013	December 31, 2012	January 1, 2012
	$	$	$
Equity before accounting change	154,281	148,470	339,710
Increase in retirement benefit obligation	(4,575)	(4,575)	(535)
Increase in deferred tax assets related to the retirement benefit obligation	1,418	1,418	166
Net change	(3,157)	(3,157)	(369)
Equity after accounting change	151,124	145,313	339,341

Adjustments to the other comprehensive income:

	Quarter ended March 31, 2013	Quarter ended March 31, 2012
	$	$
Comprehensive income before accounting change	5,697	4,978
Decrease in other comprehensive income for remeasurements of retirement benefit obligation, net of deferred tax of $313	-	(697)
Comprehensive income after accounting change	5,697	4,281

Adjustments to the accumulated other comprehensive loss:

	Quarter ended March 31, 2013	Quarter ended March 31, 2012
	$	$
Opening balance before accounting change	(267)	(228)
Decrease in other comprehensive income for remeasurements of retirement benefit obligation, net of deferred tax of $1,418 and $166 for March 31, 2013 and 2012	(3,157)	(369)
Opening balance after accounting change	(3,424)	(597)

(Figures in thousands of United States dollars, unless otherwise indicated)

NOTE 5 – INVENTORIES

	March 31, 2013	December 31, 2012
	$	$
Raw materials	57,107	60,410
Work-in-progress and finished goods	113,440	109,883
Total inventories	**170,547**	**170,293**

For the period ended March 31, 2013, a total of $91,769 of inventories was included as an expense in cost of sales (period ended March 31, 2012 – $118,662).

For the periods ended March 31, 2013 and 2012, a total of $6,465 and $14,763 previously written down was recognized as a reduction of expenses in cost of sales ($2,974 and $10,848 for the Electronic Materials segment and $3,491 and $3,915 for the Eco-Friendly Materials segment).

The majority of inventories are pledged as security for the revolving credit facility (Note 7).

NOTE 6 – GOODWILL

Goodwill is allocated to the following cash-generating units ("CGUs") for the purpose of annual impairment testing:

	$
Electronic Materials segment	110,460
Eco-Friendly Materials segment	14,450
Total goodwill allocated before impairment	124,910
Impairment:	
Electronic Materials segment	(110,460)
Eco-Friendly Materials segment	(14,450)
	(124,910)
Total goodwill as at March 31, 2013 and December 31, 2012	-

NOTE 7 – BANK INDEBTEDNESS, SHORT AND LONG-TERM DEBT

a) Bank indebtedness and short-term debt

The Company has credit lines with financial institutions in China. These credit lines are guaranteed by other group companies. The bank indebtedness and short-term debt presented in the contractual and reporting (US) currency are as follows:

	As at March 31, 2013		As at December 31, 2012	
	RMB	US	RMB	US
Facility available	187,000	29,789	217,000	34,438
Amount drawn	70,000	11,152	50,500	8,014

The Chinese renminbi ("RMB") credit lines bear interest at 105% to 110% of the RMB base rate.

(Figures in thousands of United States dollars, unless otherwise indicated)

b) Long-term debt

	March 31, 2013	December 31, 2012
	$	$
Unsecured balance of purchase price and holdback to the former shareholders of MCP for an amount of €51,899 (€36,928 as a promissory note and €14,971 as holdback), bearing interest at interest rate swap three-year rate plus 3.00%[(b)]. The promissory note is repayable in two annual instalments beginning April 2013 and the holdback is repayable in April 2014[(a) and (b)].	63,909	65,928
Senior secured revolving facility of $100,000 with a syndicate of banks, maturing in August 2015[(c)]	63,000	72,213
Term loan, non-interest bearing, repayable under certain conditions, maturing in 2023. If the loan has not been repaid in full by the end of 2023, the balance will be forgiven[(d)]	797	797
Debt, bearing interest at a rate of three-month LIBOR plus 3.00%, repayable in April 2013	773	769
Other loans	687	718
	129,166	140,425
Less: Current portion of long-term debt	28,713	29,527
	100,453	**110,898**

(a) Under agreements entered into with two executives who left the Company in 2012, the Company made payments of HK$10 million and €0.9 million (approximately $2,600 in aggregate) in October 2012. These payments could be applied as a reduction of the unsecured balance of purchase price above of $63,909 if certain conditions are eventually met.

(b) Refer to Note 13.

(c) In March 2013, the Company signed an amendment to its senior secured multi-currency revolving credit facility under which the facility was reduced to $100,000 starting March 31, 2013. The amendment establishes new financial covenants for the year 2013 and maintains the original maturity (August 2015). The interest rate has been changed and is linked to the Debt/EBITDA ratio, and can vary from LIBOR, banker's acceptance rate or EURIBOR plus 3.00% to 4.50% or US base rate or prime rate plus 2.00% to 3.5%. Standby fees from 0.75% to 1.25% are paid on the unused portion. At any time, the Company has the option to request that the credit facility be expanded to $140 million through the exercise of an additional $40 million accordion feature, subject to review and approval by the lenders. This revolving credit facility can be drawn in US dollars, Canadian dollars or Euros. The amount drawn as at March 31, 2013 is in US dollars. The amount drawn as at December 31, 2012 was $1,052 in Canadian dollar and $71,161 in U.S. dollar. The facility is subject to covenants. As at March 31, 2013, the Company met all covenants.

(d) The term loan has been reclassified as short-term debt since these amounts could become payable on demand.

Under the terms of its credit facility, the Company is required to satisfy certain restrictive covenants as to financial ratios. In order to comply with these covenants, the Company has prepared and will need to execute on its budgeted EBITDA and cash flow estimates. Management believes that the assumptions used by the Company in preparing its budgets are reasonable and that it is not likely that the financial covenants will be violated in the next 12 months. However, the risk remains. Successful achievement of these budgeted results is dependent on stability in the price of metals and other raw materials, optimization of the Company's working capital and the continued viability and support of the Company's bank.

(Figures in thousands of United States dollars, unless otherwise indicated)

NOTE 8 – CATEGORIES OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES

Fair value

All financial assets classified as loans and receivables, as well as financial liabilities classified as other liabilities are initially measured at their fair values and subsequently at their amortized cost using the effective interest method. All financial assets and financial liabilities classified as held for trading are measured at their fair values. Gains and losses related to periodic revaluations are recorded in net earnings (loss).

The Company has determined that the carrying value of its short-term financial assets and financial liabilities, including cash and cash equivalents, temporary investments (restricted), accounts receivable, bank indebtedness and short-term debt, and trade and accrued liabilities approximates their fair value due to the short-term maturities of these instruments.

As at March 31, 2013, the fair value of long-term debt approximates its carrying value and is calculated using the present value of future cash flows at the year-end rate for similar debt with the same terms and maturities.

The following table presents financial assets and financial liabilities measured at fair value in the consolidated statements of financial position in accordance with the fair value hierarchy. This hierarchy groups financial assets and financial liabilities into three levels based on the significance of inputs used in measuring the fair value of the financial assets and financial liabilities. The fair value hierarchy has the following levels:

- Level 1: unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The level in which the financial asset or financial liability is classified is determined based on the lowest level of significant input to the fair value measurement. The financial assets and financial liabilities measured at fair value in the consolidated statements of financial position are grouped into the fair value hierarchy as follows:

As at March 31, 2013	**Level 1**	**Level 2**
	$	**$**
Financial assets (liabilities)		
Interest rate swap	-	(3,633)
Foreign exchange forward contracts	-	1,262
Options	-	(82)
Warrants	(794)	-
Total	**(794)**	**(2,453)**

As at December 31, 2012	**Level 1**	**Level 2**
	$	**$**
Financial assets (liabilities)		
Interest rate swap	-	(3,870)
Foreign exchange forward contracts	-	(1,080)
Options	-	(239)
Warrants	(1,165)	-
Total	**(1,165)**	**(5,189)**

(Figures in thousands of United States dollars, unless otherwise indicated)

Derivative assets and liabilities

The Company currently has derivative financial instruments which relate to the following:

- Interest rate swap to fix the interest rate on part of its revolving credit facility;
- Foreign exchange forward contracts to sell US dollars in exchange for euros related to hedge strategies;
- Options sold to a financial institution related to hedge strategies; and
- Warrants.

The derivatives are measured at fair value as follows:

Assets (liability)	**March 31, 2013**	**December 31, 2012**
	$	**$**
Interest rate swap[a]	(3,633)	(3,870)
Foreign exchange forward contracts[b]	1,262	(1,080)
Option[c]	(82)	(239)
Warrants[d]	(794)	(1,165)
Total	**(3,247)**	**(6,354)**

[a] The interest rate swap has a nominal value of $100,000 commencing in January 2013 and ending in August 2015. Under this swap, the Company will pay a fixed interest rate of 1.82%. The Company received $1,700 when entering into this forward starting interest rate swap in September 2011. This amount forms part of the fair value that is recorded as a long-term liability. The Company initially designated this contract as a cash flow hedge of anticipated variable payments of interest on a nominal amount of $100,000 of the revolving line of credit, and the change in its fair value was recorded in the interim consolidated statements of comprehensive income. On September 4, 2012, the Company repaid part of its credit facility and de-designated $30,000 of the nominal amount of the swap. The Company reclassified the estimated fair value of this portion of the swap from accumulated other comprehensive loss to unrealized loss on de-designation within the interim condensed consolidated statement of earnings.

The Company assessed the effectiveness of the cash flow hedge as at March 31, 2013.

[b] The foreign exchange forward contracts are to sell US dollars in exchange of euros. As at March 31, 2013, the contracts are:

- Nominal value of the euro forwards is €9,000 until April 11, 2014 at US$/euro rate of 1.3641. The change in its fair value is recorded in the interim consolidated statement of earnings.
- Nominal value of the euro forwards is €36,000 for a period of nine months starting after April 30, 2013 at US$/euro rate of 1.338. The change in its fair value is recorded in the interim consolidated statement of earnings.

[c] The Company sold an option to a financial institution, giving it the right to sell euros to the Company on specific dates. The option has a nominal value of €36,000 with a euro/US$ rate of 1.2726 and will mature in April 2013.

[d] On June 6, 2012, the Company issued 6,451,807 warrants, which expire on June 6, 2014.

The following methods were used to estimate fair value:

- Interest rate swap: Estimated by discounting expected future cash flows using period-end interest rate yield curves;
- Foreign exchange forward contracts: Estimated by discounting expected future cash flows using period-end currency rate;
- Options: Standard Black-Scholes model using end of period market data as input; and
- Warrants: Fair value based on the TSX closing price. The ticker symbol of the publicly traded warrants is VNP.WT.

(Figures in thousands of United States dollars, unless otherwise indicated)

NOTE 9 – OPERATING SEGMENTS

The following tables summarize the information reviewed by the Company's management when measuring performance:

For the three-month period ended March 31, 2013	Eco-Friendly Materials	Electronic Materials	Corporate and unallocated	Total
	$	$	$	$
Segment revenues	70,033	48,356	-	118,389
Adjusted EBITDA[1]	5,067	7,078	(2,030)	10,115
Interest on long-term debt and other interest expense	-	-	3,312	3,312
Litigation and restructuring costs	87	56	868	1,011
Foreign exchange and derivative (gain) loss	-	-	(3,017)	(3,017)
Depreciation and amortization	1,220	1,580	44	2,844
Earnings before income tax	3,760	5,442	(3,237)	5,965
Capital expenditures	**892**	**557**	**-**	**1,449**

For the three-month period ended March 31, 2012	Eco-Friendly Materials	Electronic Materials	Corporate and unallocated	Total
	$	$	$	$
Segment revenues	88,870	73,365	-	162,235
Adjusted EBITDA[1]	10,066	10,766	(3,965)	16,867
Interest on long-term debt and other interest expense	-	-	2,997	2,997
Litigation and restructuring costs	-	-	478	478
Foreign exchange and derivative (gain) loss	-	-	1,682	1,682
Depreciation and amortization	2,717	2,358	23	5,098
Earnings before income tax	7,349	8,408	(9,145)	6,612
Capital expenditures	**907**	**3,988**	**79**	**4,974**

As at March 31, 2013	Eco-Friendly Materials	Electronic Materials	Corporate and unallocated	Total
	$	$	$	$
Total assets excluding the following:	164,857	194,076	4,921	363,854
Investment accounted for using equity method	-	367	-	367
Deferred tax asset	5,102	5,681	869	11,652

As at December 31, 2012	Eco-Friendly Materials	Electronic Materials	Corporate and unallocated	Total
	$	$	$	$
Total assets excluding the following:	162,073	204,578	5,592	372,243
Investment accounted for using equity method	-	503	-	503
Deferred tax asset	5,291	5,996	1,363	12,650

(1) Earnings (loss) before income tax, depreciation and amortization and the following: interest on long-term debt and other interest expense, litigation and restructuring costs, impairment of inventories, reversal of impairment of property, plant and equipment, impairment of property, plant and equipment, of intangibles assets and goodwill, acquisition-related costs, and foreign exchange and derivative (gain) loss.

(Figures in thousands of United States dollars, unless otherwise indicated)

The geographic distribution of the Company's revenues based on the location of the customers for the periods ended March 31, 2013 and 2012, and the identifiable non-current assets as at March 31, 2013 and December 31, 2012 are summarized as follows:

Revenues	**March 31, 2013**	**March 31, 2012**
	$	**$**
Asia		
China	7,547	17,950
Japan	2,174	2,261
Others	23,808	25,251
America		
United States	25,034	35,410
Canada and others	5,517	3,547
Europe		
France	5,443	11,635
Germany	19,060	26,928
United Kingdom	5,414	15,368
Others	22,426	23,399
Other	1,966	486
Total	**118,389**	**162,235**

For the three-month period ended March 31, 2013, one customer represented approximately 12.9% (11.4% for the three-month period ended March 31, 2012) of revenues, and is included in the Electronic Materials revenues.

Non-current assets as at	**March 31, 2013**	**December 31, 2012**
	$	**$**
Asia		
Hong Kong	9,854	10,801
Other	9,576	9,543
United States	5,979	6,058
Europe		
Germany	25,138	25,173
Belgium	7,481	9,164
Other	6,037	6,087
Canada	24,414	27,133
Total	**88,479**	**93,959**

(Figures in thousands of United States dollars, unless otherwise indicated)

NOTE 10 – SUPPLEMENTAL CASH FLOW INFORMATION

Net change in non-cash working capital balances related to operations consists of the following:

	For the three-month period ended March 31, 2013	**For the three-month period ended March 31, 2012**
	$	**$**
Decrease (increase) in assets:		
Accounts receivable	4,991	(19,917)
Inventories	(254)	47,506
Income tax receivable	4,074	46
Other current assets	-	(821)
Increase (decrease) in liabilities:		
Trade and accrued liabilities	(1,594)	(3,017)
Income tax payable	(973)	3,174
Net change	**6,244**	**26,971**

The consolidated statements of cash flows exclude or include the following transactions:

	March 31, 2013	**March 31, 2012**
a) Exclude additions unpaid at end of period:		
	$	**$**
Additions to property, plant and equipment	325	401
b) Include additions unpaid at beginning of period:		
	$	**$**
Additions to property, plant and equipment	1,394	190

NOTE 11 – SHARE CAPITAL

Authorized:

- An unlimited number of common shares, participating, with no par value, entitling the holder to one vote per share
- An unlimited number of preferred shares, issuable in one or more series with specific terms, privileges and restrictions to be determined for each class by the Board of Directors. As at March 31, 2013, no preferred shares were issued

None of the Company's shares is held by any subsidiary or joint venture.

(Figures in thousands of United States dollars, unless otherwise indicated)

NOTE 12 – EARNINGS PER SHARE

The following table reconciles the numerators and denominators used for the computation of basic and diluted loss per share:

Numerators	For the three-month period ended March 31, 2013	For the three-month period ended March 31, 2012
	$	$
Net earnings attributable to equity holders of 5N Plus Inc.	**5,371**	4,972
Net earnings for the period	**5,538**	4,891

	For the three-month period ended March 31, 2013	For the three-month period ended March 31, 2012
Weighted average number of shares outstanding – **Basic**	83,908,269	70,981,780
Effect of dilutive securities	20,930	113,182
Weighted average number of shares outstanding – Diluted	**83,929,199**	**71,094,962**

Given the Company's stock price for the quarter ended March 31, 2013, most of the stock options and warrants were excluded from the weighted average number of shares outstanding-diluted due to their anti-dilutive effect.

NOTE 13 – CONTINGENCIES

In the normal course of operations, the Company is exposed to events that could give rise to contingent liabilities or assets. As at the date of issue of the condensed consolidated financial statements, the Company was not aware of any significant events that would have a material effect on its condensed consolidated financial statements, except for the following.

The Company has filed a request for arbitration against Florinvest S.A., Heresford Ltd., Metals Corp. S.C.R.L. and S.R.I.W. S.A. (the "Vendors"), which are all former shareholders of MCP Group S.A. ("MCP"), as it believes that the Vendors have breached the terms of the Acquisition Agreement and certain other related agreements, including breaches with respect to representations and warranties made by the Vendors and breaches of closing conditions.

The Company and MCP have instituted civil proceedings against the former directors of MCP, holding them personally liable for any and all damages caused by any faults or tortuous acts committed by them acting as directors of MCP or in any other capacity. The Vendors have also instituted civil proceedings against the Company to obtain payment of the sums due in April 2013 under the promissory notes. The Company will vehemently contest these proceedings and intends to be fully indemnified by the Vendors and the former directors of MCP for any damage in excess of the balance of the sums previously owed under the terms of the Acquisition Agreement.

The Company did not pay any amounts due in April 2013 under the balance of purchase price and does not intend to pay any amount of the promissory notes and holdback until resolution of the arbitration and other judicial proceedings.

(Figures in thousands of United States dollars, unless otherwise indicated)

The Company is investigating the potential impact that any such breaches may have had on the pre- and post-acquisition business practices of MCP. As of the date hereof, the Company has not received any claims related to these events for fines, penalties or other monetary compensation from any third party. Due to the nature of the investigation including the possibility that the scope maybe broadened, the Company cannot predict at this time the final outcome with respect to any investigation nor can it reasonably estimate the range of loss, if any, which could result from any such investigations and could have a material adverse impact on its future results of operations.

NOTE 14 – FINANCIAL RISK MANAGEMENT

In the normal course of operations, the Company is exposed to various financial risks. These risk factors include market risk (currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

Market risk

Market risk is the risk that changes in market price, such as foreign exchange rates, equity prices and interest rates, will affect the Company's net (loss) or the value of financial instruments.

The objective of market risk management is to mitigate exposures within acceptable limits, while maximizing returns.

(i) Currency risk

Currency risk refers to the fluctuation of financial commitments, assets, liabilities, income or cash flows due to changes in foreign exchange rates. The Company conducts business transactions and owns assets in several countries and is therefore subject to fluctuations in the currencies in which it operates. The Company's revenues and expenses are exposed to currency risk largely in the following ways:

- Translation of foreign currency-denominated revenues and expenses into US dollars, the Company's functional currency – When the foreign currency changes in relation to the US dollar, earnings reported in US dollars will change. The impact of a weakening foreign currency in relation to the US dollar for foreign currency-denominated revenues and expenses will result in lower net earnings (higher net loss) because the Company has more foreign currency-denominated revenues than expenses.

- Translation of foreign currency-denominated debt and other monetary items – A weakening foreign currency in respect of the Company's foreign currency-denominated debt will decrease the debt in US dollar terms and generate foreign exchange gain on bank advances and other short-term debt, which is recorded in earnings. The Company calculates the foreign exchange on short-term debt using the difference in foreign exchange rates at the beginning and end of each reporting period. Other foreign currency-denominated monetary items will also be affected by changes in foreign exchange rates.

(Figures in thousands of United States dollars, unless otherwise indicated)

The following table summarizes in US dollar equivalents the Company's major currency exposures as at March 31, 2013:

	CA$	**EUR**	**GBP**	**RMB**	**HK$**
	$	**$**	**$**	**$**	**$**
Cash and cash equivalents	171	3,030	196	5,803	10
Temporary investments (restricted)	-	2,286	-	-	-
Accounts receivable	1,084	18,285	2,244	247	2,295
Bank indebtedness and short-term debt	-	-	-	(11,152)	-
Trade and accrued liabilities	(2,289)	(10,703)	(1,529)	(711)	(309)
Long-term debt	(1,001)	(63,909)	-	-	-
Net financial assets (liabilities)	**(2,035)**	**(51,011)**	**911**	**(5,813)**	**1,996**

The following table shows the impact on loss before income tax of a one-percentage point strengthening or weakening of foreign currencies against the US dollar as at March 31, 2013 for the Company's financial instruments denominated in non-functional currencies:

	CA$	**EUR**	**GBP**	**RMB**	**HK$**
	$	**$**	**$**	**$**	**$**
1% Strengthening					
Earnings (loss) before tax	(20)	(510)	9	(58)	20
1% Weakening					
Earnings (loss) before tax	20	510	(9)	58	(20)

Occasionally, the Company will enter into short-term foreign exchange forward contracts to sell US dollars in exchange for Canadian dollars, euros, Hong Kong dollars and British pounds sterling. These contracts would hedge a portion of ongoing foreign exchange risk on the Company's cash flows since much of its non-US dollar expenses outside China are incurred in Canadian dollars, euros, Hong Kong dollars and British pounds sterling.

(ii) Market risk – Interest rate risk

Interest rate risk refers to the risk that future cash flows will fluctuate as a result of changes in market interest rates. The Company is exposed to interest rate fluctuations on its revolving credit facility, which bears a floating interest rate.

As at March 31, 2013, the Company has an outstanding interest rate swap contract to hedge its interest rate risk on the revolving credit facility. The nominal value is $100,000 commencing in January 2013 and ending in August 2015. This interest rate swap fixed the LIBOR interest rate at 1.82%. The Company received $1,700 when entering into this interest rate swap in September 2011, which was the fair value of the instrument on signing. The fair value of the contract is $(3,633) as at March 31, 2013 and is recorded as part of derivative financial liabilities in the interim consolidated statements of financial position.

(Figures in thousands of United States dollars, unless otherwise indicated)

(iii) Market risk – Other price risk

Other price risk is the risk that fair value or future cash flows will fluctuate because of changes in market prices, other than those arising from interest rate risk or currency risk. The Company is exposed to other price risk with respect to the underlying risks of the held-for-trading financial instruments included in the consolidated statements of financial position.

Warrants

In June 2012, the Company issued 12,903,613 units at a price of CA$3.10 per unit. Each unit comprises one common share and one-half of a common share purchase warrant. The Company issued 6,451,807 warrants, which are recorded as part of derivative financial liabilities at fair value based on the stock exchange market. The fair value is $(794) as at March 31, 2013 and $(1,165) as at December 31, 2012. Fair value depends on several factors, such as market volatility, foreign exchange rate volatility, interest rate fluctuations, the Company's market activity and other market conditions.

Options

The Company sold an option to a financial institution, giving it the right to sell euros to the Company on specific dates. The option has a nominal value of €36,000 with a euro/US$ rate of 1.2726, and will mature in April 2013. The fair value is $(82) as at March 31, 2013 and $(239) as at December 31, 2012.

The market value of those financial instruments depends on several factors, such as foreign market volatility, the remaining duration of the instruments and other market conditions.

Because of the above, it is very difficult for the Company to evaluate market risk. The Company believes that a sensitivity analysis would be unrepresentative.

Credit risk

Credit risk refers to the possibility that a customer or counterparty will fail to fulfill its obligations under a contract and, as a result, create a financial loss for the Company. The Company has a credit policy that defines standard credit practice. This policy dictates that all new customer accounts be reviewed prior to approval and establishes the maximum amount of credit exposure per customer. The creditworthiness and financial well-being of the customer are monitored on an ongoing basis.

The Company establishes an allowance for doubtful accounts as determined by management based on its assessment of collection; therefore, the carrying amount of accounts receivable generally represents the maximum credit exposure. As at March 31, 2013 and December 31, 2012, the Company has an allowance for doubtful accounts of $255 and $168 respectively. The provision for doubtful accounts, if any, is included in selling, general and administrative expenses in the consolidated statements of earnings (loss), and is net of any recoveries that were provided for in prior periods.

Counterparties to financial instruments may expose the Company to credit losses in the event of non-performance. Counterparties for derivative and cash transactions are limited to high credit quality financial institutions, which are monitored on an ongoing basis. Counterparty credit assessments are based on the financial health of the institutions and their credit ratings from external agencies. As at March 31, 2013, the Company does not anticipate non-performance that would materially impact its interim condensed consolidated financial statements.

(Figures in thousands of United States dollars, unless otherwise indicated)

No financial assets are past due except for trade receivables. The aging analysis of the latter two categories of receivables is as follows:

	March 31, 2013	December 31, 2012
	$	$
Up to 3 months	17,181	22,966
More than 3 months	2,007	1,395
	19,188	**24,361**

The following table summarizes the changes in the allowance for doubtful accounts for trade receivables:

	For the three-month period ended March 31, 2013	For the year ended December 31, 2012
	$	$
Beginning of period	168	482
Provision for impairment	87	1,333
Trade receivables written off during the year as uncollectible[(a)]	-	(1,647)
End of period	**255**	**168**

[(a)] For the year ended December 31, 2012, a client from the Eco-Friendly Materials segment had significant difficulties and the Company wrote off the account receivable of $1.4 million (€1.1 million).

Amounts charged to the allowance account are generally written off when there is no expectation of recovering additional cash.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they come due (Note 7(b)). The Company manages liquidity risk through the management of its capital structure. It also manages liquidity risk by continually monitoring actual and projected cash flows, taking into account the Company's sales and receipts and matching the maturity profile of financial assets and financial liabilities. The Board of Directors reviews and approves the Company's annual operating and capital budgets, as well as any material transactions out of the ordinary course of business, including proposals on acquisitions and other major investments.

The following table reflects the contractual maturity of the Company's financial liabilities (including interest) as at March 31, 2013:

	Carrying amount	1 year	2-3 years	4-5 years	Beyond 5 years	Total
	$	$	$	$	$	$
Bank indebtedness and short-term debt	11,152	11,871	-	-	-	11,871
Trade and accrued liabilities	57,775	57,775	-	-	-	57,775
Derivative financial instruments	4,509	1,639	2,870	-	-	4,509
Long-term debt	129,166	30,205	102,224	200	21	132,650
Total	**202,602**	**101,490**	**105,094**	**200**	**21**	**206,805**

(Figures in thousands of United States dollars, unless otherwise indicated)

Subject to the outcome of the legal proceedings described in note 13, the Company may be required to pay to the selling shareholders of MCP the amounts set out in the unsecured balance of purchase price and holdback described in note 7. The Company may need to find additional sources of financing to pay the foregoing indebtedness if and when a settlement occurs on the legal proceedings. There can be no guarantee that the Company would be able to obtain additional financing on terms acceptable to it or at all at such time.

NOTE 15 – EXPENSE BY NATURE

Expense by nature	**For the three-month period ended March 31, 2013**	**For the three-month period ended March 31, 2012**
	$	**$**
Wages and salaries	10,734	10,370
Share-based compensation	114	190
Depreciation of property, plant and equipment and amortization of intangible assets	2,844	5,098
Research and development (net of tax credit)	599	2,004
Litigation and restructuring costs	1,011	478