



PRESS RELEASE

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5N Plus Inc. Reports \$10.1 Million EBITDA, \$5.5 Million Net Earnings and Debt Reduction for the First Quarter Ended March 31, 2013

Montreal, Québec, May 13, 2013 – 5N Plus Inc. (TSX:VNP), the leading producer of specialty metal and chemical products, today reported financial results for the first quarter ended March 31, 2013.

- EBITDA¹ for the first quarter 2013 reached the highest level in four quarters lying at \$10.1 million. This compares with an EBITDA of \$16.9 million for the first quarter of 2012.
- Net debt¹ decreased to \$125.8 million down from \$136.5 million on December 31, 2012 and \$232.1 million on March 31, 2012. Total debt also decreased to \$140.3 million down from \$148.4 million on December 31, 2012 and \$278.1 million on March 31, 2012.
- Net earnings for the first quarter 2013 reached \$5.5 million or \$0.07 per share and adjusted net earnings¹ \$6.3 million or \$0.08 per share. Comparative figures for the first quarter 2012 were \$4.9 million or \$0.07 per share and \$5.3 million or \$0.07 per share.
- Revenues for the first quarter 2013 and the first quarter 2012 were \$118.4 million and \$162.2 million respectively following a trend of decreasing underlying commodity pricing.
- Similarly the backlog¹ of orders expected to translate into sales over the following twelve months decreased to \$166.3 million as at March 31, 2013 compared to \$215.6 million one year earlier but remained approximately constant on a quarter-over-quarter basis at \$165.8 million.

Jacques L'Ecuyer, President and Chief Executive Officer, said "Earnings and EBITDA recovered during the quarter despite the fact that the Company still holds a significant proportion of inventories which are fully valued and the costs incurred in the restructuring of a portion of the business which is the subject of the dispute with former shareholders and directors of MCP Group."

Mr. L'Ecuyer continued, "The quarter was generally characterized by healthy demand for most products which is expected in the first quarter of the year as customers replenish stock levels following year-end. Backlog and revenues were negatively impacted in the quarter by the decrease in the underlying commodity pricing but were otherwise very much in line with sales volumes for the previous fiscal year."

Mr. L'Ecuyer concluded, "We continue to focus on improving efficiency throughout the group and at reducing costs as previously announced and we remain cautiously optimistic about future prospects."

Webcast Information

5N Plus will host a conference call on Tuesday, May 14, 2013 at 8:00 am ET with financial analysts to discuss results of the first quarter ended March 31, 2013. All interested parties are invited to participate in the live broadcast on the Company's Web site at www.5nplus.com. A replay of the webcast and a recording of the Q&A will be available until May 21, 2013.

To participate in the conference call:

- Montreal area: 514-807-9895
- Toronto area: 647-427-7450
- Toll-Free : 1- 888-231-8191

Enter access code 68998936.

Non-IFRS Measures

Adjusted net earnings means the net earnings (loss) before the effect of charge and reversal of impairment related to inventory, PPE and intangible assets, litigation and restructuring costs and acquisitions costs net of the related income tax. We use adjusted net earnings (loss) because we believe it is a meaningful measure of the operating performance of our ongoing business without the effects of unusual inventory write-downs and property plant and equipment and intangible asset impairment charges, litigation and restructuring costs and acquisition costs. The definition of this non-IFRS measure used by the Company may differ from that used by other companies.

Backlog represents the expected value of orders we have received but have not yet executed and that are expected to translate into sales within the next 12 months. Bookings represents the value of orders received during the period considered and is calculated by adding revenues to the increase or decrease in backlog for the period considered. We use backlog to provide an indication of expected future revenues, and bookings to determine our ability to sustain and increase our revenues.

EBITDA means net earnings (loss) before financial expenses (income), income taxes, depreciation and amortization, impairment or reversal of impairment of property plant and equipment, litigation and restructuring costs and acquisition-related costs. We use EBITDA because we believe it is a meaningful measure of the operating performance of our ongoing business without the effects of certain expenses. The definition of this non-IFRS measure used by the Company may differ from that used by other companies.

Adjusted EBITDA means EBITDA as defined above before impairment of inventories. We use adjusted EBITDA because we believe it is a meaningful measure of the operating performance of our ongoing business without the effects of inventory write-downs. The definition of this non-IFRS measure used by the Company may differ from that used by other companies.

Funds from operations means the amount of cash generated from operating activities before changes in non-cash working capital balances related to operations. This amount appears directly in the consolidated statements of cash flows of the Company. We consider funds from operations to be a key measure as it demonstrates the Company's ability to generate cash necessary for future growth and debt repayment.

Net debt or net cash is a measure we use to monitor how much debt we have after taking into account cash and cash equivalents and temporary investments. We use it as an indicator of our overall financial position, and calculate it by taking our total debt, including the current portion, and subtracting cash and cash equivalents and temporary investments.

About 5N Plus Inc.

5N Plus is the leading producer of specialty metal and chemical products. Fully integrated with closed-loop recycling facilities, the Company is headquartered in Montreal, Québec, Canada and operates manufacturing facilities and sales offices in several locations in Europe, the Americas and Asia. 5N Plus deploys a range of proprietary and proven technologies to produce products which are used in a number of advanced pharmaceutical, electronic and industrial applications. Typical products include purified metals such as bismuth, gallium, germanium, indium, selenium and tellurium, inorganic chemicals based on such metals and compound semiconductor wafers. Many of these are critical precursors and key enablers in markets such as solar, light-emitting diodes and eco-friendly materials.

Forward-Looking Statements and Disclaimer

This press release may contain forward-looking information within the meaning of applicable securities laws. All information and statements other than statements of historical facts contained in this press release are forward-looking information. Such statements and information may be identified by words such as “about”, “approximately”, “may”, “believes”, “expects”, “will”, “intends”, “should”, “plans”, “predicts”, “potential”, “projects”, “anticipates”, “estimates”, “continues” or similar words or the negative thereof or other comparable terminology. Forward-looking statements are based on the best estimates available to 5N Plus at this time and involve known and unknown risks, uncertainties and other factors that may cause 5N Plus’ actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. A description of the risks affecting 5N Plus’ business and activities appears under the heading “Risk and Uncertainties” of 5N Plus’ 2012 MD&A dated March 28, 2013 and Note 13 of the unaudited interim condensed consolidated financial statements for three-month periods ended March 31, 2013 and 2012 available on SEDAR at www.sedar.com. No assurance can be given that any events anticipated by the forward-looking information in this press release will transpire or occur, or if any of them do so, what benefits that 5N Plus will derive therefrom. In particular, no assurance can be given as to the future financial performance of 5N Plus. The forward-looking information contained in this press release is made as of the date hereof and 5N Plus undertakes no obligation to publicly update such forward-looking information to reflect new information, subsequent or otherwise, unless required by applicable securities laws. The reader is warned against placing undue reliance on these forward-looking statements.

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5N PLUS INC.**UNAUDITED INTERIM CONSOLIDATED STATEMENTS OF EARNINGS**

For the three-month periods ended March 31, 2013 and 2012

(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	99,388	132,247
Selling, general and administrative expenses	9,627	12,012
Other expenses, net	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.	0.06	0.07
Basic earnings per share	0.07	0.07
Diluted earnings per share	0.07	0.07

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

(Figures in thousands of United States dollars)

	As at March 31, 2013	As at December 31, 2012
	\$	\$
ASSETS		
Current		
Cash and cash equivalents	12,221	9,535
Temporary investments (restricted)	2,286	2,357
Accounts receivable	83,857	87,807
Inventories	170,547	170,293
Income tax receivable	14,814	18,931
Derivative financial assets	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	11,152	8,014
Trade and accrued liabilities	57,775	62,214
Income tax payable	1,244	2,217
Derivative financial liabilities	1,639	2,817
Long-term debt due within one year	28,713	29,527
Total current liabilities	100,523	104,789
Long-term debt	100,453	110,898
Deferred tax liability	2,712	2,632
Retirement benefit obligation	16,493	16,667
Derivative financial liabilities	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

5N PLUS INC.

(Figures in thousands of United States dollars)

Cash Flows

	Q1 2013	Q1 2012	% Change
	\$	\$	
Funds from operations ¹	4,608	11,236	-59%
Net changes in non-cash working capital items	6,244	26,971	-77%
Operating activities	10,852	38,207	-72%
Investing activities	(2,586)	13,287	-119%
Financing activities	(6,040)	(68,476)	91%
Effect of foreign exchange rate changes on cash and cash equivalents related to operations	460	(423)	209%
Net increase (decrease) in cash and cash equivalents	2,686	(17,405)	115%

Revenues by Segment

	Q1 2013	Q1 2012	% Change
	\$	\$	
Electronic Materials Segment	48,356	73,365	-34%
Eco-Friendly Materials Segment	70,033	88,870	-21%
Total Revenues	118,389	162,235	-27%

EBITDA

	Q1 2013	Q1 2012	% Change
	\$	\$	
Electronic Materials	7,078	10,766	-34%
Eco-Friendly Materials	5,067	10,066	-50%
Corporate	(2,030)	(3,965)	49%
EBITDA¹	10,115	16,867	-40%
Impairment of inventory	-	-	-
Adjusted EBITDA¹	10,115	16,867	-40%

Bookings and Backlog

	BACKLOG ¹			BOOKINGS		
	Q1 2013	Q4 2012	Q1 2012	Q1 2013	Q4 2012	Q1 2012
	\$	\$	\$	\$	\$	\$
Electronic Materials Segment	92,797	100,718	133,747	40,435	59,342	57,073
Eco-Friendly Materials Segment	73,493	65,071	81,841	78,455	72,744	97,573
	166,290	165,789	215,588	118,890	132,086	154,646

¹ See Non-IFRS Measures