



PRESS RELEASE

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5N Plus Inc. Reports Results for the Third Quarter Ended September 30, 2013

Montreal, Québec, November 11, 2013 – 5N Plus Inc. (TSX:VNP), the leading producer of specialty metal and chemical products, today reported financial results for the third quarter ended September 30, 2013.

- EBITDA¹ reached \$5.8 million in the quarter and \$12.3 million in the nine-month period ended September 2013, compared to \$9.0 million and \$5.4 million for the same periods of the last year.
- Net debt¹ decreased to \$63.5 million down from \$84.7 million on June 30, 2013, and \$136.5 million on December 31, 2012. Total debt also decreased to \$79.7 million down from \$148.4 million on December 31, 2012.
- Net earnings reached \$1.3 million or \$0.02 per share in the quarter and adjusted net earnings¹ \$1.5 million or \$0.02 per share compared to \$1.3 million or \$0.02 per share and \$0.6 million or \$0.01 per share the same period last year. For the nine-month period ended September 30, 2013 net earnings reached \$41.1 million or \$0.49 per share and adjusted net earnings \$8.8 million or \$0.11 per share compared to net losses of \$16.0 million or (\$0.21) per share and adjusted net earnings of \$4.0 million or \$0.05 per share the same period last year.
- Revenues for Q3 2013 were \$108.6 million and \$339.6 million for the nine-month period ended September 2013 compared with revenues of \$120.7 million and \$423.1 million for the corresponding periods of the last fiscal year.
- Bookings¹ decreased by 6% to \$88.6 million compared to \$94.1 million in the third quarter of last year. Bookings for the nine-month period ended September 30, 2013 decreased to \$307.2 million compared to \$362.2 million for the same period last year. Backlog¹ as at September 30, 2013 stood at \$133.4 million which compares to backlog of \$162.3 million one year ago.

Jacques L'Ecuyer, President and Chief Executive Officer, said "Earnings, and EBITDA recovered somewhat during the quarter despite the competitive landscape and the fact that we sold fully valued inventories during most of the period. Demand for our products remained strong especially in the Eco-Friendly Materials business unit where sales of bismuth bearing products are now on track to reach record levels for the year. Revenues failed to fully capture this, however, decreasing by 10% reflecting depressed underlying commodity prices in much the same way as for bookings and backlog".

Mr. L'Ecuyer continued, "We continued to focus on reducing our debt level and the size of our working capital in an effort aimed at improving efficiency and usage of capital. As a result, net debt fell by over \$21 million since the last quarter and further improvements are expected before year-end. This will provide greater financial flexibility and the ability to quickly redeploy capital towards the most promising growth opportunities, organic or acquisition related. We have identified some of these recently including our plans to develop a

¹ See Non-IFRS Measures

range of powder products from our partnership with AM&M, our developing Korean footprint and the exclusive bismuth offtake agreement recently announced with Masan Resources in Vietnam”.

Mr. L’Ecuyer concluded, “We continue to remain cautiously optimistic given recent and expected developments in the solar and LED industry which should positively impact our Electronic Materials sales, and the continuing strong demand for our Eco-Friendly Material products. Combined with a trend of underlying commodity pricing which now appears more favorable, and efforts undertaken to reduce costs and improve efficiency, we are confident on our ability to increase profitability and shareholder value in the coming quarters”.

Webcast Information

5N Plus will host a conference call on Tuesday, November 12, 2013 at 8:00 am ET with financial analysts to discuss results of the third quarter ended September 30, 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 November 19, 2013.

To participate in the conference call:

- Montreal area: 514-807-9895
- Toll-Free : 1-866-865-3087

Enter access code 97249427.

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, impairment of goodwill, litigation and restructuring costs, settlement of purchase price 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, the settlement of purchase price and acquisition costs. The definition of this non-IFRS measure used by the Company may differ from that used by other companies.

EBITDA means net earnings (loss) before financial expenses (income), income taxes, depreciation and amortization, impairment or reversal of impairment of PPE and intangible assets, impairment of goodwill, litigation and restructuring costs, acquisition-related costs and the settlement of purchase price. 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.

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.

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 14 of the unaudited interim condensed consolidated financial statements for three and nine-month periods ended September 30, 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 periods of three and nine months ended September 30, 2013 and 2012

(Figures in thousands of United States dollars, except per share information)

	Q3		YTD	
	2013	2012	2013	2012
	\$	\$	\$	\$
Revenues	108,570	120,744	339,596	423,055
Cost of sales	96,176	102,846	302,209	386,028
Selling, general and administrative expenses	7,682	9,618	27,459	33,181
Other expenses (income), net	2,289	3,900	(36,026)	14,521
Share of loss from joint ventures	28	161	281	380
	106,175	116,525	293,923	434,110
Operating income (loss)	2,395	4,219	45,673	(11,055)
Financial expenses (income)				
Interest on long-term debt	1,304	1,706	4,722	6,483
Other interest expense	308	244	2,023	882
Foreign exchange and derivative loss (gain)	(1,406)	807	(3,115)	3,119
	206	2,757	3,630	10,484
Earnings (loss) before income taxes	2,189	1,462	42,043	(21,539)
Income taxes expense (recovery)	866	187	901	(5,643)
Net earnings (loss) for the period	1,323	1,275	41,142	(15,896)
Attributable to:				
Equity holders of 5N Plus Inc.	1,083	1,218	40,639	(15,732)
Non-controlling interest	240	57	503	(164)
	1,323	1,275	41,142	(15,896)
Earnings (loss) per share attributable to equity holders of 5N Plus Inc.	\$0.01	\$0.01	\$0.48	\$(0.21)
Basic earnings (loss) per share	\$0.02	\$0.02	\$0.49	\$(0.21)
Diluted earnings (loss) per share	\$0.02	\$0.02	\$0.49	\$(0.21)

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

(Figures in thousands of United States dollars)

	As at September 30, 2013	As at December 31, 2012
	\$	\$
ASSETS		
Current		
Cash and cash equivalents	13,639	9,535
Temporary investments (restricted)	2,503	2,357
Accounts receivable	66,828	87,807
Inventories	163,110	170,293
Income tax receivable	8,031	18,931
Derivative financial assets	751	-
Other current assets	3,080	2,514
Total current assets	257,942	291,437
Property, plant and equipment	56,618	55,548
Intangible assets	14,063	16,010
Deferred tax asset	15,669	12,650
Investments accounted for using the equity method	222	503
Other assets	6,866	9,248
Total non-current assets	93,438	93,959
Total assets	351,380	385,396
LIABILITIES AND EQUITY		
Current		
Bank indebtedness and short-term debt	8,965	8,014
Trade and accrued liabilities	57,241	62,214
Income tax payable	3,075	2,217
Derivative financial liabilities	2,369	2,817
Long-term debt due within one year	4,362	29,527
Total current liabilities	76,012	104,789
Long-term debt	66,335	110,898
Deferred tax liability	1,814	2,632
Retirement benefit obligation	16,961	16,667
Derivative financial liabilities	1,321	3,537
Other liabilities	1,311	1,560
Total non-current liabilities	87,742	135,294
Total liabilities	163,754	240,083
Shareholders' equity	186,765	144,955
Non-controlling interest	861	358
Total equity	187,626	145,313
Total liabilities and equity	351,380	385,396

5N PLUS INC.

(Figures in thousands of United States dollars)

Cash Flows

	Q3 2013	Q3 2012	% Change	YTD 2013	YTD 2012	% Change
	\$	\$		\$	\$	
Funds from operations ¹	4,822	10,320	-53%	10,990	21,149	-48%
Net changes in non-cash working capital items	20,042	29,700	-33%	27,558	73,734	-63%
Operating activities	24,864	40,020	-38%	38,548	94,883	-59%
Investing activities	(3,218)	(7,214)	55%	(7,993)	37,983	-121%
Financing activities	(22,819)	(36,498)	37%	(25,920)	(154,864)	83%
Effect of foreign exchange rate changes on cash and cash equivalents related to operations	(676)	(826)	18%	(531)	(123)	-332%
Net increase (decrease) in cash and cash equivalents	(1,849)	(4,518)	59%	4,104	(22,121)	119%

Revenues by Segment

	Q3 2013	Q3 2012	% Change	YTD 2013	YTD 2012	% Change
	\$	\$		\$	\$	
Electronic Materials Segment	41,960	49,724	-16%	133,104	177,852	-25%
Eco-Friendly Materials Segment	66,610	71,020	-6%	206,492	245,203	-16%
Total Revenues	108,570	120,744	-10%	339,596	423,055	-20%

EBITDA and Adjusted EBITDA

	Q3 2013	Q3 2012	% Change	YTD 2013	YTD 2012	% Change
	\$	\$		\$	\$	
Electronic Materials	5,780	9,233	-37%	18,310	12,770	43%
Eco-Friendly Materials	1,786	2,299	-22%	(221)	3,363	-107%
Corporate	(1,791)	(2,531)	29%	(5,838)	(10,740)	46%
EBITDA¹	5,775	9,001	-36%	12,251	5,393	127%
Electronic Materials	-	-	-%	150	15,558	-99%
Eco-Friendly Materials	-	-	-%	10,032	10,510	-5%
Impairment of inventory	-	-	-%	10,182	26,068	-61%
Electronic Materials	5,780	9,233	-37%	18,460	28,328	-35%
Eco-Friendly Materials	1,786	2,299	-22%	9,811	13,873	-29%
Corporate	(1,791)	(2,531)	29%	(5,838)	(10,740)	46%
Adjusted EBITDA¹	5,775	9,001	-36%	22,433	31,461	-29%

Bookings and Backlog

	BACKLOG ¹			BOOKINGS ¹		
	Q3 2013	Q2 2013	Q3 2012	Q3 2013	Q2 2013	Q3 2012
	\$	\$	\$	\$	\$	\$
Electronic Materials	72,309	82,681	96,630	31,588	32,672	30,000
Eco-Friendly Materials	61,043	70,596	65,693	57,057	66,952	64,090
Total	133,352	153,277	162,323	88,645	99,624	94,090

¹ See Non-IFRS Measures