



PRESS RELEASE

Source: Supremex Inc.

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SUPREMEX INC.: 2011 FOURTH QUARTER RESULTS

- Not for distribution in the United States or over U.S. newswires -

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| <ul style="list-style-type: none">• NET EARNINGS INCREASE OF 1.4% AT \$3.0 MILLION• EBITDA BEFORE ACQUISITION COSTS AND RESTRUCTURING EXPENSES OF \$7.8 MILLION COMPARED WITH \$8.3 MILLION IN THE FOURTH QUARTER OF 2010• REDUCTION OF DEBT, NET OF CASH, OF \$7.6 MILLION IN THE FOURTH QUARTER OF 2011 FOR A TOTAL OF \$17.4 MILLION IN 2011 |
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Montreal, Quebec, February 15, 2012 – Supremex Inc., Canada's largest provider of stock and custom-manufactured envelopes (TSX: SXP), today announced its results for the fourth quarter ended December 31, 2011, in accordance with the newly adopted International Financial Reporting Standards ("IFRS").

For the fourth quarter of 2011, Supremex generated revenue of \$36.7 million compared with \$40.2 million for the three-month period ended December 31, 2010, representing a decrease of \$3.5 million or 8.8%. The decrease in revenue is mainly attributable to the lower number of units sold in Canada. Revenue from sales in Canada decreased by \$3.1 million or 8.4%, from \$37.0 million to \$33.9 million. Revenue from sales in the United States decreased by \$0.4 million or 12.5%, from \$3.2 million to \$2.8 million.

The decrease in sales revenue in Canada was driven by a 12.1% decrease in the number of units sold partially offset by a 4.1% increase in the average selling price. The decrease in the number of units sold was mainly seen in the government and form resellers markets.

The decrease in sales revenue in the United States was due to a 22.4% decrease in the number of units sold partially offset by a 13.2% increase in the average selling price. The decrease in the number of units sold is mainly attributable to specific orders done in the fourth quarter of 2010 that were not repeated, and by the incremental volume in the fourth quarter of 2010 related to the start-up of the Buffalo partnership partially offset by the increase in the average selling price resulting from the change in the product mix.

EBITDA before acquisition costs and restructuring expenses for the fourth quarter of 2011 amounted to \$7.8 million compared with \$8.3 million for the same period in 2010, representing a decrease of \$0.5 million or 6.4%. EBITDA margin before acquisition costs and restructuring expenses was 21.3% compared with 20.7% in the fourth quarter of 2010.

Net earnings for the fourth quarter of 2011 amounted to \$3.0 million or \$0.10 per share compared with \$2.9 million or \$0.10 per share for the same period in 2010, representing an increase of \$0.1 million.

Cash flows generated by the operating activities were \$9.5 million in the fourth quarter of 2011 compared with \$13.0 million for the same period in 2010.

The Company renewed its credit agreement on November 4, 2011 for a period of 4 years. The total credit facilities of \$95 million consist of a term credit facility of \$50 million, a revolving facility of \$20 million and an acquisition/capital expenditures facility of \$25 million. The Company's total secured credit facilities net of cash amounted to \$51.6 million as at December 31, 2011, which represents a reduction of \$7.6 million in the fourth quarter of 2011 and \$17.4 million during the year.

In 2011, Supremex generated revenue of \$143.9 million compared with \$153.1 million in 2010, representing a decrease of \$9.2 million or 6.0%. The EBITDA before acquisition costs and restructuring expenses for 2011 was \$29.5 million compared with \$33.2 million for 2010, a decrease of \$3.7 million or 11.0%.

"The EBITDA margins before restructuring expenses in the fourth quarter were healthy at 21.3%. Volume was down on last year, mainly due to large open bids at the government levels that were lost due to extremely low prices tendered. The Canadian envelope industry has been very competitive lately, due to lower volume and increased pressure from imports due to the strong Canadian dollar" said Gilles Cyr, President and Chief Executive Officer of Supremex.

"Our Diversified Group is showing strong growth and we are working on lots of opportunities for our unique packaging solutions. The sale cycle is long but leads to sustainable and repeat business. With this kind of momentum, we are expecting to expand this line of business.

Even if the Canadian dollar is strong, the Buffalo partnership is bringing steady volume and we are working with a few large prospects in the US that should result in increased volume in 2012 from the US.

The renewal of our credit facilities in November 2011 allows us to continue to review opportunities to diversify Supremex in complementary industries in order to grow and enhance our actual lines of business" said Mr. Cyr.

The Board of Directors has declared today a quarterly dividend of \$0.03 per Common Share, payable on March 15, 2012 to shareholders of record at the close of business on February 29, 2012. This dividend is designated as "eligible" dividend for the purposes of the *Income Tax Act* (Canada) and any similar provincial legislation.

Transition to IFRS

Supremex's audited consolidated financial statements for the year ended December 31, 2011 have been prepared using IFRS. Amounts relating to the year ended December 31, 2010 have been restated to reflect the adoption of IFRS. Details for the significant accounting differences can be found in our 2011 audited consolidated financial statements.

Forward-Looking Statements

This press release contains "forward-looking statements" within the meaning of applicable Canadian securities laws, including (but not limited to) statements about the EBITDA projection, future performance of Supremex and similar statements concerning anticipated future results, circumstances, performance or expectations. A statement is forward-looking when it uses what Supremex knows and expects today to make a statement about the future. Forward-looking statements may include words such as anticipate, assumption, believe, could, expect, goal, guidance, intend, may, objective, outlook, plan, seek, should, strive, target and will. These statements relate to future events or future performance and reflect current assumptions, expectations and estimates of Management regarding growth, results of operations, performance, business prospects and opportunities, Canadian economic environment and liability to attract and retain customers. Such forward-looking statements reflect current assumptions, expectations and estimates of Management and are based on information currently available to Supremex as at the date of this press release.

Forward-looking statements are subject to certain risks and uncertainties, and should not be read as guarantees of future performance or results and actual results may differ materially from the conclusion, forecast or projection stated in such forward-looking statements. These risks, uncertainties and other factors include but are not limited to the following: economic cycles, availability of capital, decline in envelope consumption, increase of competition, exchange rate fluctuation, raw material increases, credits risks with respect to trade receivables, increase in funding of pension plans, postal services deficiencies, interest rates fluctuation and potential risk of litigation. Such assumptions, expectations, estimates, risks and uncertainties are discussed throughout Supremex MD&A for the fiscal year 2011 and, in particular, in "Risk Factors". Consequently, we cannot guarantee that any forward-looking statements will materialize. Readers should not place any undue reliance on such forward-looking statements.

The Management's Discussion and Analysis can be found on www.sedar.com and on Supremex's website www.supremex.com.

Non-IFRS Measures

References to EBITDA are to earnings before net financing charges, income taxes, amortization and write-down of property, plant and equipment, intangible assets and deferred compensation and loss on disposal of property, plant and equipment.

EBITDA is not earnings measures recognized under IFRS and do not have standardized meanings prescribed by IFRS. Therefore, EBITDA may not be comparable to similar measures presented by other entities. Investors are cautioned that EBITDA should not be construed as an alternative to net earnings or loss determined in accordance with IFRS as indicators of Supremex's performance.

About Supremex

Supremex Inc. is Canada's largest manufacturer and marketer of a broad range of stock and custom envelopes and related products. Supremex is the only national envelope manufacturer in Canada, with facilities across six provinces and employs approximately 600 people. This nationwide presence enables it to manufacture products tailored to the specifications of major national customers such as leading Canadian corporations, national resellers and governmental entities, as well as paper merchants and process and solutions providers.

Supremex Inc.
Reconciliation of EBITDA before acquisition costs and restructuring expenses to Net Earnings
(Unaudited)

	Three-month period ended December 31, 2011	Three-month period ended December 31, 2010
Net earnings for the period	2,950,094	2,909,533
Add :		
Amortization of property, plant and equipment	852,340	1,431,756
Amortization of intangible assets	1,540,975	1,540,975
Loss on disposal of property, plant and equipment	85,881	94,105
Financing charges	992,169	1,158,146
Income tax expense	1,009,935	703,860
EBITDA	7,431,394	7,838,375
Acquisition costs	—	(16,137)
Restructuring expenses	372,549	512,735
EBITDA before acquisition costs and restructuring expenses	7,803,943	8,334,973