BETER BED HOLDING
Hard at work on a good night's rest

PRESS RELEASE

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BETER BED: € 15.2 MILLION PROFIT AND 3% REVENUE INCREASE THROUGH THIRD QUARTER OF 2008

Highlights:

- **Third-quarter net profit of € 4.3 million (Q3 2007: € 5.4 million) with 1.8% higher revenue**
- **Interim dividend of € 0.29 per share (last year: € 0.35 per share)**
- **Outlook: lower net profit in fourth quarter 2008 compared to same period of 2007**
- **Number of stores exceeds 1,000 in the third quarter**

Beter Bed Holding N.V. realised net profit totalling € 15.2 million in the first nine months of 2008 (first nine months 2007: € 18.5 million). Revenue in the first nine months of 2008 amounted to € 265.2 million, compared to € 257.5 million in the first nine months of 2007. This represents an increase of 3.0%.

Revenue totalled € 89.9 million in the third quarter of 2008. This represents a 1.8% increase in comparison to the same period of last year (€ 88.3 million). Net profit of € 4.3 million was achieved in the third quarter of 2008 compared to € 5.4 million in the same period of 2007.

<u>First nine months</u>
Despite unfavourable market conditions, Beter Bed Holding succeeded in realising growth in revenue and market share in all the countries in which it is active:

Netherlands:	2%
Germany:	2%
Austria:	15%
Switzerland:	21%
Spain:	5%
Belgium:	activities launched in September 2007

A total of 95 stores were opened and 40 stores were closed during the first nine months of 2008. This brought the total number of stores to 1,015 at the end of September 2008, compared to 960 at year-end 2007. Revenue in comparable stores fell by 5.8% in the first nine months of 2008. It was possible to compensate for a large part of the negative effect this had on operating profit by improving the gross profit and by reducing the average costs per store. The company succeeded in improving gross profit despite increased raw material prices and in reducing the average costs per store by 3% per store despite higher energy and transport costs.

Revenue totalled € 265.2 million in the first nine months of 2008. This constitutes a 3.0% increase in comparison to the first nine months of last year when revenue amounted to € 257.5 million. Gross profit also rose in comparison to the same period of last year and amounted to 53.9% in the first nine months of 2008 (first nine months of 2007: 53.1%). Due to the increased number of stores, operational expenses rose from € 112.1 million in the first nine months of 2007 to € 121.3 million in the same period of 2008. Average costs per store were reduced by 3% during the same period. This resulted in operating profit (EBIT) totalling € 21.6 million in the first nine months of 2008 (8.1% of the revenue), compared to € 24.6 million (9.5% of the revenue) during the same period of 2007. Net profit amounted to € 15.2 million in the first nine months of 2008, compared to € 18.5 million in the same period of last year. Net profit in the first nine months of 2007 includes a tax gain of € 1 million, while a tax gain of € 0.2 million was realised this year.

Third quarter of 2008

Revenue totalling € 89.9 million was achieved in the third quarter of 2008, representing a 1.8% increase in comparison to the same period of last year (€ 88.3 million). Revenue in comparable stores decreased by 4.5%. This decrease was not as steep as in the second quarter of 2008 when revenue in comparable stores fell by more than 8%. Gross profit amounted to 53.9% in the third quarter of 2008, compared to 53.2% in the third quarter of last year. Due to the increased number of stores, operational expenses rose from € 39.2 million to € 41.8 million. It was, however, possible to reduce the average costs per store by 3% in the third quarter of 2008. Beter Bed Holding achieved operating profit (EBIT) totalling € 6.7 million, compared to € 7.8 million last year. Net profit of € 4.3 million was achieved in the third quarter of 2008, compared to € 5.4 million last year. Owing to the seasonal pattern, revenue and profit are normally lower in the second and third quarters than in the first and fourth quarters.

Balance sheet and cash flow

Solvency amounted to 44.1% at the end of the third quarter of 2008. The balance of bank debts and liquid assets was only € 3.5 million negative on a balance sheet total of € 94.1 million on 30 September 2008. This reveals that the company has a solid balance sheet. In combination with the strong cash flow, this gives the company the opportunity to finance the growth in the number of stores from its own resources and to pay out interim dividend.

Interim dividend

The company will pay out an interim dividend as it did last year. The amount of the interim dividend has been established at € 0.29 per share (2007: € 0.35 per share). The dividend will be made available for payment on 19 November 2008 and the share will be listed ex-dividend on 3 November 2008, which means that the record date has been set for 5 November 2008.

Outlook

Low consumer confidence and the related unpredictable consumer behaviour will continue to persist in the fourth quarter of 2008. Net profit in the fourth quarter of 2008 is consequently expected to be lower than in the same period of last year.

Profile

Beter Bed operates in the European bedroom furnishings market. Its activities include retail trade through more than 1,000 stores that operate via the chains Beter Bed (active in the Netherlands), Matratzen Concord (active in Germany, the Netherlands, Austria, Switzerland and Belgium), El Gigante del Colchón (active in Spain), BeddenReus, Dormaël and Slaapgenoten (all three active in the Netherlands) and MAV (active in Germany). Beter Bed Holding is also active in the field of developing and wholesaling branded products in the bedroom furnishings sector in the Netherlands, Belgium, Germany and in Spain via its subsidiary DBC International. Beter Bed Holding achieved net revenue of € 351.2 million in 2007. The company has been listed on Euronext Amsterdam since December 1996. The Beter Bed Holding share is included in the Amsterdam Small cap Index.

APPENDIX:

- **Results third quarter 2008**

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BETER BED HOLDING N.V.

THIRD QUARTER RESULTS

2008

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1. Consolidated balance sheet

(* EUR 1.000)	**30-9-2008**	**30-9-2007**	**31-12-2007**
Tangible fixed assets	31.492	28.139	29.688
Intangible fixed assets	3.811	3.811	3.811
Stocks	47.965	43.652	49.763
Debtors, prepayments and accrued income	6.245	5.229	5.338
Cash and cash equivalents	4.615	6.032	6.560
TOTAL ASSETS	**94.128**	**86.863**	**95.160**
Equity attributable to equity holders of the parent	41.513	44.220	45.066
Long-term liabilities	1.660	1.581	1.772
Short-term bankloans	8.104	3.464	14.065
Current liabilities	42.851	37.598	34.257
TOTAL LIABILITIES	**94.128**	**86.863**	**95.160**

The accounting principles for the interim results are unchanged compared to the 2007 financial statements.

2. Consolidated profit and loss account

(* EUR 1.000)

Third quarter 2008	Third quarter 2007		2008	2007
89.903	88.342	Revenue	265.154	257.476
(41.408)	(41.380)	Cost of sales	(122.225)	(120.815)
48.495	46.962	Gross margin	142.929	136.661
53,9%	*53,2%*		*53,9%*	*53,1%*
19.593	19.026	Staff costs	57.697	53.997
1.789	1.721	Depreciation	5.382	5.121
20.444	18.461	Other operating expenses	58.257	52.974
(41.826)	(39.208)	Total operating expenses	(121.336)	(112.092)
-46,5%	*-46,5%*		*-45,8%*	*-43,5%*
6.669	**7.754**	**Operating result (EBIT)**	**21.593**	**24.569**
7,4%	***8,8%***		***8,1%***	***9,5%***
(346)	(122)	Financial income and expense	(676)	(292)
6.323	7.632	Profit before tax	20.917	24.277
(1.999)	(2.272)	Income tax expense	(5.738)	(5.733)
4.324	**5.360**	**Net profit**	**15.179**	**18.544**
4,8%	***6,1%***		***5,7%***	***7,2%***
0,20	0,25	Earnings per share €	0,71	0,86
0,20	0,25	Diluted earnings per share €	0,71	0,85

The accounting principles for the interim results are unchanged compared to the 2007 financial statements.

3. Consolidated cash flow statement

(* EUR 1.000)

	cumulative			
	2008-Q3		2007-Q3	
Cash flow from/(used in) operating activities				
Net group profit	15.179		18.544	
Depreciation	5.382		5.121	
Movements in:				
Stocks	1.798		(3.377)	
Debtors	(907)		(322)	
Creditors	8.594		(107)	
Deferred tax liabilities	(112)		---	
Movement in equity because of costs of employee share options	387		298	
Other	(29)		---	
Cash flow from/(used in) operating activities		30.292		20.157
Cash flow from/(used in) investing activities				
Additions to tangible fixed assets	(7.332)		(7.268)	
Disposals of tangible fixed assets	146		179	
Cash flow used in investing activities		(7.186)		(7.089)
Cash flow from/(used in) financing activities				
Income from the issue of new shares	---		553	
Repayment of long-term liabilities	---		(417)	
Share buy back	(4.196)		(5.007)	
Dividend paid	(14.894)		(14.173)	
Cash flow from/(used in) financing activities		(19.090)		(19.044)
Net cash flow for financial year		4.016		(5.976)
Balance of cash and cash equivalents/ short-term bankloans at 1 January		(7.505)		8.544
Balance of cash and cash equivalents/ short-term bankloans at 30 September		(3.489)		2.568

The accounting principles for the interim results are unchanged compared to the 2007 financial statements.

4. Consolidated overview of movements equity

(* EUR 1.000)	total	issued share capital	share premium reserve	reserve for currency translation differences	revaluation reserve	other reserves	retained earnings
Balance on 1 January 2008	45.066	436	16.145	(10)	2.852	(1.929)	27.572
Profit 2008	15.179	-	-	-	-	-	15.179
Revaluation	-	-	-	-	-	-	-
Movement in reserve for currency translation differences	(29)	-	-	(29)	-	-	-
Total recognised income and expense for 2008	**15.150**	**0**	**0**	**(29)**	**0**	**0**	**15.179**
Profit appropriation 2007	(14.894)	-	-	-	-	12.678	(27.572)
Share buy back	(4.196)	-	-	-	-	(4.196)	-
Expenses employee share options	387	-	-	-	-	387	-
Balance on 30 September 2008	41.513	436	16.145	(39)	2.852	6.940	15.179

(* EUR 1.000)	total	issued share capital	share premium reserve	reserve for currency translation differences	revaluation reserve	other reserves	retained earnings
Balance on 1 January 2007	42.701	433	15.596	-	1.548	1.294	23.830
Profit 2007	18.544	-	-	-	-	-	18.544
Movement in reserve for currency translation differences	-	-	-		-	-	-
Adjustment to reserve for currency translation differences	-	-	-		-	-	-
Revaluation	1.304	-	-	-	1.304	-	-
Total recognised income and expense for 2007	**19.848**	**-**	**-**	**-**	**1.304**	**-**	**18.544**
Profit appropriation 2006	(14.173)	-	-	-	-	9.657	(23.830)
Share issue	553	3	550	-	-	-	-
Share buy back	(5.007)	-	-	-	-	5.007-	-
Expenses employee share options	298	-	-	-	-	298	-
Balance on 30 September 2007	44.220	436	16.146	-	2.852	6.242	18.544

The accounting principles for the interim results are unchanged compared to the 2007 financial statements.