

Trading update for 1Q/2012

- Sales decreased by 2.4% from EUR 359.6 million to EUR 351.1 million
- Further growth in Insulation (+9.5%)
- Overall profitability in line with market consensus
- Net financial debt of EUR 170.0 million

Note: All comparisons are made with the first quarter of 2011, unless mentioned otherwise.

TRADING REPORT

Total consolidated sales decreased from EUR 359.6 million to **EUR 351.1 million** (-2.4%).

In line with the trend observed during fourth quarter of 2011, trading conditions remained very challenging in all end-markets, especially in the Bedding segment.

During the first quarter of 2012, raw material prices have been at levels comparable to those of the first quarter of 2011, and have been quickly rising as last year. However, despite lower sales in all segments except Insulation, the overall profitability remains in line with expectations thanks to the progressive pass-through of the higher raw material costs into the selling prices.

Breakdown of sales per segment (unaudited)

<i>in million EUR</i>	1Q/2011	1Q/2012	Δ
Flexible Foams	159,8	157,4	-1,5%
Bedding	78,9	73,6	-6,7%
Insulation	48,4	53,0	9,5%
Automotive	88,1	82,4	-6,5%
Eliminations	(15,6)	(15,4)	-1,2%
TOTAL	359,6	351,1	-2,4%

- ***Flexible Foams***

Flexible Foams sales decreased by 1.5% to **EUR 157.4 million**. This was attributable to lower volumes in the Comfort sub-segment, and to weak business levels in Spain and Scandinavia.

- ***Bedding***

Bedding sales decreased by 6.7% to **EUR 73.6 million**. Although both 'Brand' and 'Private label' sub-segments recorded lower sales, it was particularly the 'Private label' sub-segment that suffered from the weakening consumer confidence.

- ***Insulation***

Insulation sales increased by 9.5% to **EUR 53.0 million** and continued to benefit from the increased demand for high performing building insulation products, as well as the increased market penetration of polyurethane solutions. However, the overall activity level has been impacted by the low temperatures in the first half of February, which brought the building construction activity to a halt during that period.

The Industrial Insulation division recorded increased sales as well.

- ***Automotive***

Automotive sales decreased by 6.5% to **EUR 82.4 million**. In the sub-segment **Interiors** the lower sales level (-11%) was expected, as some running programs approach their phase-out stage.

In **Proseat** (the 51/49 joint venture between Recticel and Canadian group Woodbridge) sales were stable.

FINANCIAL SITUATION

On 31 March 2012, net financial debt (excluding non-recourse factoring/forfeiting programs) amounted to EUR 170.0 million (compared to EUR 150.1 million at 31 December 2011). The net financial debt has been mainly influenced by a seasonal working capital build-up.

OUTLOOK

Given the challenging and uncertain environment in the economies in which Recticel operates, the Board of Directors reiterates that it is not in a position to assess the growth potential in 2012.

UNCERTAINTY RISKS CONCERNING THE FORECASTS MADE

This press report contains forecasts which entail risks and uncertainties, including with regard to statements concerning plans, objectives, expectations and/or intentions of the Recticel Group and its subsidiaries. Readers are informed that such forecasts entail known and unknown risks and/or may be subject to considerable business, macroeconomic and competition uncertainties and unforeseen circumstances which largely lie outside the control of the Recticel Group. Should one or more of these risks, uncertainties or unforeseen or unexpected circumstances arise or if the underlying assumptions were to prove to be incorrect, the final financial results of the Group may possibly differ significantly from the assumed, expected, estimated or extrapolated results. Consequently, neither Recticel nor any other person assumes any responsibility for the accuracy of these forecasts.

FINANCIAL CALENDAR

Annual General Meeting	29.05.2012 (at 10:00 AM CET)
Ex-coupon date	31.05.2012
Dividend record date	04.06.2012
Dividend payment date	05.06.2012
First half year results 2012	30.08.2012 (before opening of the stock exchange)
Third quarter trading update 2012	09.11.2012 (before opening of the stock exchange)

FOR ADDITIONAL INFORMATION

RECTICEL - Olympiadenlaan 2, B-1140 Brussels (Evere)

PRESS

Mr Jan De Moor

Mobile : +32 475 42 78 26

Tel: +32 2 775 18 95

demoor.jan@recticel.com

INVESTOR RELATIONS

Mr Michel De Smedt

Mobile: +32 479 91 11 38

desmedt.michel@recticel.com

RECTICEL IN A NUTSHELL

Recticel is a Belgian Group with a strong European dimension, but also operates in the rest of the world. Recticel has 107 establishments in 28 countries.

Recticel contributes to daily comfort with foam filling for seats, mattresses and slat bases of top brands, insulation material, interior comfort for cars and an extensive range of other industrial and domestic applications.

Recticel is the Group behind well-known bedding brands (Beka®, Lattoflex®, Literie Bultex®, Schlaraffia®, Sembella®, Swissflex®, Superba®, Ubica®, etc.). Within the Insulation division high-quality thermal insulation products are marketed under the well-known brands Eurowall®, Powerroof®, Powerdeck® and Powerwall®.

Recticel is driven by technological progress and innovation, which has led to a revolutionary breakthrough at the biggest names in the car industry.

Recticel achieved sales of EUR 1.38 billion in 2011.

Recticel (NYSE Euronext: REC – Reuters: RECTt.BR – Bloomberg: REC:BB) is listed on NYSE Euronext in Brussels.



The press release is available in English, Dutch and French on the website www.recticel.com