Recticel - 1st semester 2012 Results

- **Notwithstanding a 2.8% reduction in sales to EUR 680.2 million, influenced by the weak European economic environment, REBITDA improved to EUR 48.5 million (+2.0%) and REBIT to EUR 28.8 million (+9.5%) as a result of structural improvements**
- **Result of the period (share of the Group): EUR 12.0 million (1H/2011: EUR 12.3 million)**
- **Net financial debt: from EUR 184.4 million (30 June 2011) to EUR 179.0 million (30 June 2012) (31 December 2011: EUR 150.1 million)**

1. KEY FIGURES

in million EUR	1H/2011	1H/2012	Δ
Sales	**699,8**	**680,2**	***-2,8%***
Gross profit	106,3	113,0	*6,3%*
as % of sales	*15,2%*	*16,6%*	
REBITDA (1)	**47,5**	**48,5**	***2,0%***
as % of sales	*6,8%*	*7,1%*	
EBITDA (2)	**47,1**	**44,1**	***-6,4%***
as % of sales	*6,7%*	*6,5%*	
REBIT (1)	**26,3**	**28,8**	***9,5%***
as % of sales	*3,8%*	*4,2%*	
EBIT	**25,8**	**24,0**	***-7,1%***
as % of sales	*3,7%*	*3,5%*	
Result of the period (share of the Group)	**12,3**	**12,0**	***-2,5%***
Result of the period (share of the Group) - base (per share, in EUR)	0,43	0,41	***-2,5%***
Total Equity	**246,6**	**255,0**	***3,4%***
Net financial debt (5)	184,2	179,0	*-2,8%*
Gearing ratio	**74,8%**	**70,2%**	
Average capital employed (3)	413,2	404,0	*-2,2%*
ROCE = Return on capital employed (4)	12,5%	11,9%	
ROE = Return on equity (4)	10,1%	9,5%	

(1) REBITDA = EBITDA before non-recurring elements; REBIT = EBIT before non-recurring elements. Non-recurring elements comprise operating income, expenses or provisions that are related to restructuring programs, impairments on assets, capital gains or losses on divestments and on the liquidation of affiliated companies, and other events or transactions that are clearly distinct from the ordinary activities of the Group.

(2) EBITDA = EBIT + depreciation, amortisation and impairment on assets.

(3) Capital Employed = net intangible assets + goodwill + net property, plant & equipment + working capital. Working capital = current assets (without cash deposits) - non-financial current liabilities.

(4) Half-yearly average = [Capital employed at the end of the previous period + Capital employed at the end of the current period] / 2. For Return on Equity (ROE), the same based on Equity (share of the Group). The annual averages are calculated as the mean of the half-yearly figures.

(5) Net financial debt = Interest-bearing borrowings – Cash and cash equivalents – Available for sale investments. The interest-bearing borrowings do not include the drawn amounts (at 30/06/2012: EUR 49.4 million compared to EUR 49.6 million at 30/06/2011 and EUR 45.5 million at 31/12/2011) under non-recourse factoring/forfeiting programs.

2. COMMENTS ON THE CONSOLIDATED RESULTS

Sales: from EUR 699.8 million to **EUR 680.2 million** (-2.8%)

Before exchange rate differences (accounting for +0.3%) and net changes in the scope of consolidation (+0.1%) sales dropped by 3.2%.

Changes in the scope of consolidation in 1H/2012 related to:

- The Group decided in June 2011 to buy out the 50% joint venture partners in the holding company Enipur bv (The Netherlands), which controls the operations in Greece (Teknofoam Hellas) and in Turkey (Teknofoam Turkey). With effect as from 1 July 2011, they are consolidated following the global consolidation method (previously 50% following the proportional consolidation method).
- As from 01 January 2012: first consolidation of Recticel India Private Limited, which was started up in the course of 2011 (previously not consolidated).

Breakdown of sales by segment

in million EUR	1Q/2011	2Q/2011	1H/2011	1Q/2012	2Q/2012	1H/2012	Δ 1H
Flexible Foams	*159,8*	*142,4*	302,2	*157,4*	*146,1*	303,5	*0,4%*
Bedding	*78,9*	*62,7*	141,6	*73,6*	*60,0*	133,6	*-5,6%*
Insulation	*48,4*	*60,3*	108,6	*53,0*	*56,5*	109,5	*0,8%*
Automotive	*88,1*	*87,0*	175,1	*82,4*	*78,9*	161,3	*-7,9%*
Eliminations	*(15,6)*	*(12,2)*	(27,8)	*(15,4)*	*(12,4)*	(27,8)	*0,0%*
Total	***359,6***	***340,1***	**699,8**	***351,1***	***329,1***	**680,2**	***-2,8%***

The weakening sales trend observed in 1Q/2012 (-2.4%) was confirmed in 2Q/2012 (-3.2%) and is explained by an overall softer demand in most end-use markets.

Automotive and Bedding were most impacted with respectively –7.9% and –5.6% sales turnover reduction compared to 1H/ 2011.

Sales in Flexible Foams remained stable.

Sales in Insulation grew by 1% versus 1H/2011, which had been an extremely strong half-year. Sales growth has reduced, impacted by a decrease of 2 to 7% of the residential construction markets, and by a 4 to 6% reduction in the renovation markets in which the Group operates. Weather conditions in some countries during the semester, cold in February and rain in 2Q have also moved business into the second half of the year.

REBITDA: from EUR 47.5 million to EUR **48.5 million** (+2.0%)

Despite the lower sales level and the currently very challenging economic environment, Recticel has improved its overall profitability.

During the first half-year of 2012, raw material market prices have again increased and reached new record high levels, slightly above those of the first half-year of 2011. The combination of the pass-through of raw material costs into the selling prices, of the restructuring and efficiency improvement measures and of the purchasing performance have contributed to the improved recurrent profitability.

Breakdown of REBITDA by segment

in million EUR	1H/2011	1H/2012	Δ
Flexible Foams	13,5	17,2	*27,4%*
Bedding	7,7	4,6	*-39,9%*
Insulation	18,2	18,8	*3,4%*
Automotive	16,3	15,8	*-3,0%*
Corporate	(8,2)	(8,0)	*-2,3%*
Total	**47,5**	**48,5**	***2,0%***

EBITDA: from EUR 47.1 million to **EUR 44.1 million** (-6.4%)

EBITDA includes non-recurring elements for a net amount of EUR –4.4 million (compared to EUR –0.4 million in 1H/2011). These elements relate mainly to:(i) restructuring charges in Flexible Foams (Eurofoam Germany and UK), in Bedding (Austria and Germany) and in Automotive Interiors (Germany and Belgium) and (ii) additional legal fees with respect to the on-going EU Commission inspection.

Breakdown of EBITDA by segment

in million EUR	1H/2011	1H/2012	Δ
Flexible Foams	14,0	14,8	*5,8%*
Bedding	7,5	4,0	*-46,5%*
Insulation	18,2	18,8	*3,4%*
Automotive	15,7	14,3	*-8,9%*
Corporate	(8,2)	(7,8)	*-5,2%*
Total	**47,1**	**44,1**	***-6,4%***

REBIT: from EUR 26.3 million to **EUR 28.8 million** (+9.5%)

Breakdown of REBIT by segment

in million EUR	1H/2011	1H/2012	Δ
Flexible Foams	6,7	10,6	*59,1%*
Bedding	4,7	1,9	*-60,2%*
Insulation	16,4	16,8	*2,3%*
Automotive	7,0	7,8	*12,4%*
Corporate	(8,5)	(8,3)	*-1,8%*
Total	**26,3**	**28,8**	***9,5%***

EBIT: from EUR 25.8 million to **EUR 24.0 million** (-7.1%)

EBIT includes EUR –4.9 million of net non-recurring elements (EUR –0.5 million in 1H/2011). These comprise the above-mentioned non-recurring elements in EBITDA, as well as an impairment of EUR -0.5 million (EUR -0.1 million in 1H/2011) relating to equipment becoming idle following the restructuring of Eurofoam's German operations.

Despite these non-recurring elements, all segments contributed positively to the EBIT result of 1H/2012.

Breakdown of EBIT by segment

in million EUR	1H/2011	1H/2012	Δ
Flexible Foams	7,1	7,7	*7,9%*
Bedding	4,5	1,2	*-72,4%*
Insulation	16,4	16,8	*2,3%*
Automotive	6,3	6,3	*1,1%*
Corporate	(8,5)	(8,1)	*-4,6%*
Total	**25,8**	**24,0**	***-7,1%***

Financial result: from EUR –7.8 million to **EUR –7.1 million** (-9.3%)**.**

Net interest charges remained stable at EUR –6.0 million, in line with the average outstanding debt which, including the usage of off-balance sheet factoring/forfeiting programs, amounted to EUR 224.6 million (1H/2011: EUR 226.8 million).

'Other net financial income and expenses' (EUR –1.1 million, compared to EUR –1.8 million in 1H/2011) comprise mainly interest capitalisation costs under provisions for pension liabilities (EUR –0.9 million) and negative exchange rate differences (EUR –0.1 million).

Income taxes and deferred taxes: from EUR -5.7 million to **EUR –4.9 million**:

- Current income tax charges: EUR –1.4 million (EUR –1.5 million in 1H/2011) mainly incurred by subsidiaries in Eastern Europe, Austria and China;
- Deferred tax charges: EUR –3.5 million (EUR -4.1 million in 1H/2011).

Result of the period (share of the Group): from EUR 12.3 million to **EUR 12.0 million (-2.5%)**.

3. MARKET SEGMENTS

A. Flexible Foams

in million EUR	1H/2011	1H/2012	Δ
Sales	302,2	303,5	*0,4%*
REBITDA	13,5	17,2	*27,4%*
as % of sales	*4,5%*	*5,7%*	
EBITDA	14,0	14,8	*5,8%*
as % of sales	*4,6%*	*4,9%*	
REBIT	6,7	10,6	*59,1%*
as % of sales	*2,2%*	*3,5%*	
EBIT	7,1	7,7	*7,9%*
as % of sales	*2,4%*	*2,5%*	

Sales

Sales in **Flexible Foams** increased by 0.4% from EUR 302.2 million to **EUR 303.5 million**, as a result of slightly higher volumes in the 'Comfort' segment; which compensated for lower sales recorded in the 'Technical foams' and 'Composite Foams' segments.

The **'Comfort'** segment reported higher sales (**EUR 184.7 million**; +1.8%). Most markets recorded higher sales, with the exception of Belgium, Scandinavia and Spain.

The **'Technical foams'** segment (**EUR 107.6 million**, -1.2%) suffered from the lower demand from the various industrial and automotive markets, especially in Spain, France and Italy.

The **'Composite foams'** segment (**EUR 11.2 million**, -5.3%) sales were negatively influenced by low volumes of bonded foam products to markets depending on public spending levels.

EBITDA

EBITDA improved by 5.8% to EUR 14.8 million. This positive evolution is explained by a combination of (i) slightly higher overall sales; (ii) the effect of the various cost saving measures and (iii) the benefits of the implemented reorganisation plans.

Net non-recurring elements amounted to EUR –2.5 million (compared to EUR +0.4 million in 1H/2011) and relate mainly to restructuring charges in Eurofoam Germany and in the UK, and to additional legal fees with respect to the on-going EU inspection.

In line with its intention to reduce complexity and to adjust the industrial footprint in its Flexible Foams activities, the Group completed the closure of its production site in Bladel (The Netherlands) by mid-2012. The Group joint venture company Eurofoam is closing its production site in Bexbach (Germany).

In addition, the Group has declared its intention to close the "Gwalia" comfort foam converting plant in Gwent Vale (UK) before the end of 2012. This restructuring plan will lead to the collective redundancy of 42 employees on a total of 474 people employed in the Flexible Foams' activities in the United Kingdom. The cost has been estimated at EUR 0.5 million and will be accounted for in 2H/2012.

B. Bedding

in million EUR	1H/2011	1H/2012	Δ
Sales	141,6	133,6	*-5,6%*
REBITDA	7,7	4,6	*-39,9%*
as % of sales	*5,4%*	*3,5%*	
EBITDA	7,5	4,0	*-46,5%*
as % of sales	*5,3%*	*3,0%*	
REBIT	4,7	1,9	*-60,2%*
as % of sales	*3,3%*	*1,4%*	
EBIT	4,5	1,2	*-72,4%*
as % of sales	*3,2%*	*0,9%*	

Sales

Sales in **Bedding** decreased by 5.6% from EUR 141.6 to **EUR 133.6 million**.

Sales of the '**Brand'** segment (EUR 73.2 million; -5.9%) were lower in all countries, especially in Austria and Germany.

Sales in the '**Private Label**'' segment (EUR 60.4 million; -5.3%) also suffered from the drop in consumer confidence in Western Europe.

EBITDA

EBITDA decreased by 46.5% to EUR 4.0 million.

Lowering demand has put the profit margins under pressure. However, the negative variance with 1H/2011 is mitigated by the fact that in 1H/2011 EBITDA included a capital gain (EUR 1.3 million) realised upon the sale of a building in Switzerland. Not taking into account this capital gain, EBITDA dropped by 35.2%.

Over 1H/2012 the Group decided to further reduce costs and consequently EBITDA was impacted by non-recurring restructuring charges in Austria and Germany for a total amount of EUR -0.6 million (1H/2011: EUR -0.26 million).

C. Insulation

in million EUR	1H/2011	1H/2012	Δ
Sales	108,6	109,5	*0,8%*
REBITDA	18,2	18,8	*3,4%*
as % of sales	*16,7%*	*17,2%*	
EBITDA	18,2	18,8	*3,4%*
as % of sales	*16,7%*	*17,2%*	
REBIT	16,4	16,8	*2,3%*
as % of sales	*15,1%*	*15,3%*	
EBIT	16,4	16,8	*2,3%*
as % of sales	*15,1%*	*15,3%*	

Sales

Sales in **Insulation** increased by 0.8% from EUR 108.6 million to **EUR 109.5 million**.

The **Building Insulation** segment stabilised its sales at **EUR 101.2 million** (+0.1%). The overall activity level has been impacted by decreasing residential construction markets, which were further aggravated by bad weather conditions over the period.

Nonetheless, structural demand for high performing polyurethane building insulation products is expected to continue to grow on the long term as a result of stricter insulation standards and regulations, higher energy prices and ever growing awareness of the need for more and better insulation.

The new factory for thermal insulation boards in Bourges (France) is expected to be operational as from October 2012.

The '**Industrial Insulation**' segment recorded higher sales (**EUR 8.3 million**; +10.0%) generated by additional export projects.

EBITDA

EBITDA improved by 3.4% to EUR 18.8 million thanks to positive product-mix developments. Recticel will continue to privilege margins over volumes.

D. Automotive

in million EUR	1H/2011	1H/2012	Δ
Sales	175,1	161,3	*-7,9%*
REBITDA	16,3	15,8	*-3,0%*
as % of sales	*9,3%*	*9,8%*	
EBITDA	15,7	14,3	*-8,9%*
as % of sales	*9,0%*	*8,9%*	
REBIT	7,0	7,8	*12,4%*
as % of sales	*4,0%*	*4,9%*	
EBIT	6,3	6,3	*1,1%*
as % of sales	*3,6%*	*3,9%*	

Sales

Automotive sales decreased by 7.9% from EUR 175.1 million to **EUR 161.3 million** driven by decreasing European market resulting in reduced car production.

Sales in **Interiors** decreased by -11.8% to **EUR 80.0 million** as a result of the anticipated phase-out of some contracts, mainly in the United States. But except for that, the Interiors sub-segment resisted better than the market, because it mainly supplies the premium car segment which remained very strong thanks to the German and Asian demand.

Sales in **Seating** (Proseat, the 51/49 joint venture between Recticel and Woodbridge) decreased by 3.7% to **EUR 75.2 million**. Also this business resisted better than the European market thanks to its high exposure to German OEM's.

Sales in **'Exteriors'** decreased by 12.5% to **EUR 6.1 million**. Since the sale of the compounding activities to BASF in 2008, sales are limited to compounds produced for the account of BASF under a toll agreement.

EBITDA

In line with the lower sales, the EBITDA generated by **Automotive** decreased by 8.9% to **EUR 14.3 million**, including net non-recurring elements of EUR –1.5 million (1H/2011: EUR –0.6 million) which relate mainly to cost adaptation measures in the Interiors operations.

During 1H/2012, Interiors has completed the shutdown of its German factory in Unterriexingen, as well as implemented further staff reductions.

4. FINANCIAL SITUATION

At 30 June 2012, Recticel **net financial debt** amounted to **EUR 179.0 million** excluding the drawn amounts under off-balance non-recourse factoring/forfeiting programs of EUR 49.4 million compared to respectively EUR 184.4 million and EUR 49.6 million on 30 June 2011 and to EUR 150.1 million and EUR 45.5 million on 31 December 2011. The increase is mainly attributable to (i) the traditional seasonal working capital effect and (ii) the pay-out of restructuring costs.

This results in a 'net debt to equity' ratio of 70.2%, compared to 74.8% at the end of June 2011 (60.3% at year-end 2011).

The Group financial situation has significantly improved over the last years, and its financing is assured until December 2016.

5. POST BALANCE SHEET DATE EVENTS

- ***Closing of Gwalia converting plant in Ebbw Vale (Gwent) (United Kingdom)***

In July 2012 Recticel Limited (UK) decided that, in line with Group strategy, it will rationalise its Flexible Foams converting activities in the United Kingdom by closing its "Gwalia" comfort foam converting factory located in Ebbw Vale (Gwent) before the end of 2012.

This restructuring plan will lead to the collective redundancy of 42 employees on a total of 474 people employed in the Flexible Foams' activities in the United Kingdom. The total closure costs will be booked in the second half of 2012.

6. INSPECTION BY DIRECTORATE FOR COMPETITION OF THE EUROPEAN COMMISSION AND INSPECTION BY THE GERMAN FEDERAL CARTEL OFFICE ("BUNDESKARTELLAMT")

- ***Inspection by Directorate General for Competition of the European Commission***

No further developments to be reported.

- ***Inspection by the German Federal Cartel Office ("Bundeskartellamt")***

No further developments to be reported.

7. 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 for the remainder of 2012.

In this environment the Group has taken many decisions over the last two years in order to streamline operations and reduce complexity. These actions are generating the expected contribution to recurring results.

The Group will continue to focus on the execution of its strategic plan 2010-2015 and the realization of its corporate objective, which remain unchanged.

ANNEXES

All figures and tables contained in these annexes have been compiled in accordance with the IFRS accounting and valuation principles, as adopted within the European Union. The applied valuation principles, as published in the latest available annual report at 31 December 2011, were consistently applied for the figures included in this press release.

The analysis of the risk management is described in the annual report which is/will be available from www.recticel.com.

1. Condensed consolidated income statement

in million EUR	1H/2011	1H/2012	Δ
Sales	**699,8**	**680,2**	**-2,8%**
Gross profit	106,3	113,0	6,3%
as % of sales	*15,2%*	*16,6%*	
EBITDA	**47,1**	**44,1**	**-6,4%**
as % of sales	*6,7%*	*6,5%*	
of which Income from associates	0,8	(0,0)	-101,9%
of which Income from investments	0,0	0,0	-
EBIT	**25,8**	**24,0**	**-7,1%**
as % of sales	*3,7%*	*3,5%*	
Interest income	0,2	0,3	51,5%
Interest expenses	(6,2)	(6,3)	1,9%
Other financial income & expenses	(1,8)	(1,1)	-40,5%
Financial result	**(7,8)**	**(7,1)**	**-9,3%**
Result for the period before taxes	**18,0**	**16,9**	**-6,1%**
as % of sales	*2,6%*	*2,5%*	
Income taxes	(5,7)	(4,9)	-14,0%
Result for the period after taxes	**12,3**	**12,0**	**-2,5%**
as % of sales	*1,8%*	*1,8%*	
Result attributable to non-controlling interests	0,0	0,0	-
Result attributable to the owners of the parent	**12,3**	**12,0**	**-2,5%**
as % of sales	*1,8%*	*1,8%*	

Result for the period after taxes	**12,3**	**12,0**
Other comprehensive income		
Hedging reserves	1,3	(0,7)
Currency translation differences	(0,6)	2,6
Deferred taxes on hedging	(0,5)	0,2
Other comprehensive income net of tax	**0,2**	**2,1**
Total comprehensive income for the period	**12,5**	**14,1**

Total comprehensive income for the period	**12,5**	**14,1**
of which attributable to non-controlling interests	0,0	0,0
of which attributable to the owners of the parent	12,5	14,1

2. Earnings per share

in EUR	1H/2011	1H/2012	Δ
Number of shares outstanding	28 931 456	28 931 456	0,0%
Weighted average number of shares outstanding (before dilution effect)	28 931 456	28 931 456	0,0%
Weighted average number of shares outstanding (after dilution effect)	33 735 156	33 727 610	-0,02%
EBITDA	1,63	1,52	-6,4%
EBIT	0,89	0,83	-7,1%
Result for the period before taxes	0,62	0,58	-6,1%
Result for the period after taxes	0,43	0,41	-2,5%
Result for the period (share of the Group) - basic	0,425	0,415	-2,5%
Result for the period (share of the Group) - diluted	0,383	0,374	-2,3%
Net book value	8,52	8,81	2,5%

3. Condensed consolidated balance sheet

in million EUR	31-dec-11	30-jun-12	Δ
Intangible assets	12,6	13,0	3,5%
Goodwill	34,7	35,0	1,0%
Property, plant & equipment	255,3	248,6	-2,6%
Investment property	3,3	3,3	0,0%
Interest in associates	13,0	12,5	-3,5%
Other financial investments and available for sale investments	3,5	2,6	-25,6%
Non-current receivables	8,3	9,0	7,9%
Deferred tax	50,3	47,6	-5,4%
Non-current assets	**381,0**	**371,7**	**-2,5%**
Inventories and contracts in progress	116,0	127,0	9,5%
Trade receivables	132,9	149,6	12,5%
Other current assets	43,4	47,3	9,0%
Cash, cash equivalents and available for sale investments	54,6	19,4	-64,4%
Disposal group held for sale	0,2	0,2	0,0%
Current assets	**347,1**	**343,5**	**-1,0%**
TOTAL ASSETS	**728,1**	**715,1**	**-1,8%**

in million EUR	31-dec-11	30-jun-12	Δ
Equity (share of the Group)	248,8	255,0	2,5%
Non-controlling interests	0,0	0,0	-
Total equity	**248,8**	**255,0**	**2,5%**
Pensions and other provisions	48,3	47,1	-2,3%
Deferred tax	9,1	9,7	5,7%
Interest-bearing borrowings	137,2	139,5	1,7%
Other amounts payable	0,4	0,4	8,5%
Non-current liabilities	**195,0**	**196,7**	**0,9%**
Pensions and other provisions	9,5	4,1	-56,5%
Interest-bearing borrowings	67,7	59,1	-12,7%
Trade payables	119,3	109,8	-7,9%
Income tax payables	4,0	2,9	-26,6%
Other amounts payable	84,0	87,5	4,1%
Current liabilities	**284,4**	**263,4**	**-7,4%**
TOTAL LIABILITIES	**728,1**	**715,1**	**-1,8%**

in million EUR	30-dec-11	30-jun-12	Δ
Net financial debt	150,1	179,0	19,3%
Net financial debt / Equity (non-controlling interests included)	60,3%	70,2%	
Equity (non-controlling interests included) / Total assets	34,2%	35,7%	

4. Condensed consolidated statement of cash flow

in million EUR	1H/2011	1H/2012	Δ
EBIT	**25,8**	**24,0**	***-7,1%***
Depreciation, amortisation and impairment losses on assets	21,3	20,1	*-5,5%*
Other non-cash elements	(19,5)	(7,3)	*-62,5%*
Gross operating cash flow	**27,6**	**36,8**	***33,2%***
Changes in working capital	(25,6)	(36,6)	*43,1%*
Operating cash flow	**2,0**	**0,2**	***-90,2%***
Income taxes paid	(4,3)	(3,4)	*-19,9%*
Net operating cash flow (a)	**(2,2)**	**(3,2)**	***44,2%***
Net cash flow from investment activities (b)	**(9,8)**	**(9,4)**	*-4,4%*
Paid interest charges (1)	(4,9)	(4,8)	*-3,5%*
FREE CASH FLOW	**(17,0)**	**(17,3)**	***2,3%***
Paid dividends (2)	(7,7)	(8,1)	*6,0%*
Increase (Decrease) of financial liabilities (3)	5,2	(9,5)	*nr*
Other (4)	0,0	0,0	-
Net cash flow from financing activities (c)= (1)+(2)+(3)+(4)	**(7,4)**	**(22,4)**	***200,5%***
Effect of exchange rate changes (d)	(2,0)	(0,7)	*-64,3%*
Effect of change in scope of consolidation (e)	(0,3)	0,5	*nr*
Changes in cash and cash equivalents (a)+(b)+(c)+(d)+(e)	**(21,8)**	**(35,2)**	***61,5%***

5. Condensed consolidated statement of changes in equity

in million EUR	Capital	Share premium	IFRS 2 Other capital reserves	Retained earnings	Translation differences reserves	Hedging reserves	Total shareholders' equity	Non-controlling interests	Total equity, non-controlling interests included
At the end of the preceding period	**72,3**	**107,0**	**2,2**	**83,0**	**(8,9)**	**(6,8)**	**248,8**	**0,0**	**248,8**
Dividends	0,0	0,0	0,0	(8,1)	0,0	0,0	(8,1)	0,0	(8,1)
Stock options (IFRS 2)	0,0	0,0	0,1	0,0	0,0	0,0	0,1	0,0	0,1
Shareholders' movements	**0,0**	**0,0**	**0,1**	**(8,1)**	**0,0**	**0,0**	**(8,0)**	**0,0**	**(8,0)**
Profit or loss of the period (1)	**0,0**	**0,0**	**0,0**	**12,0**	**0,0**	**0,0**	**12,0**	**0,0**	**12,0**
Gains (Losses) on cash flow hedge	0,0	0,0	0,0	0,0	0,0	(0,7)	(0,7)	0,0	(0,7)
Deferred taxes	0,0	0,0	0,0	0,0	0,0	0,2	0,2	0,0	0,2
Translation differences	0,0	0,0	0,0	0,0	2,6	(0,1)	2,6	0,0	2,6
Other comprehensive income (2)	0,0	0,0	0,0	0,0	2,6	(0,5)	2,1	0,0	2,1
Comprehensive income' (1)+(2)	**0,0**	**0,0**	**0,0**	**12,0**	**2,6**	**(0,5)**	**14,1**	**0,0**	**14,1**
Change in scope	**0,0**	**0,0**	**0,0**	**0,0**	**0,0**	**0,0**	**0,0**	**0,0**	**0,0**
At the end of the period	**72,3**	**107,0**	**2,4**	**86,9**	**-6,3**	**-7,3**	**255,0**	**0,0**	**255,0**

6. Limited review of the auditor

The auditor's limited review report on the consolidated half-year financial information for the six month period ended 30 June 2012 contains an unqualified conclusion with an explanatory paragraph. [a]

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[a] For a complete version of the limited review report we refer the reader to the half-year consolidated financial statements on our website www.recticel.com under the heading Investor Relations > Annual and half-year Reports > Condensed financial statements per 30 June 2012 (available as from 30 August 2012 onwards).

UNCERTAINTY RISKS CONCERNING THE FORECASTS MADE

This press report contains forecasts that 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 that 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

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)
Annual results 2012	01.03.2013 (before opening of the stock exchange)
First quarter 2013 trading update	07.05.2013 (before opening of the stock exchange)
Annual General Meeting	28.05.2013 (at 10:00 AM CET)
First half-year 2013 results	30.08.2013 (before opening of the stock exchange)

FOR ADDITIONAL INFORMATION

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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 110 establishments in 27 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 sub-segment 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.

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