PRESS RELEASE

Regulated information issued by the Board of Directors

Brussels, 01 March 2013 – 07:00 AM CET

Recticel – Annual results 2012

- **REBITDA of EUR 90.7 million (+2.3%) and REBIT of 50.8 million (+7.8%), including a EUR 7.0 million reversal of provisions for early retirement rights**
- **Sales of EUR 1,319.5 million (-4.3%), mainly due to Automotive and Bedding**
- **Result of the period (share of the Group) increased by 0.8% to EUR 17.6 million**
- **Net financial debt[5]: from EUR 149.6 million to EUR 172.6 million, including the EUR 23 million financing of a new Insulation plant in Bourges (France)**
- **Proposal to pay a gross dividend of EUR 0.29 per share**

Note: All comparisons are made with 2011, unless mentioned otherwise. The figures mentioned are audited.

1. KEY FIGURES

in million EUR	2H/2011	2H/2012	Δ 2H	FY 2011	FY 2012	Δ FY
Sales	**678,4**	**639,3**	***-5,8%***	**1 378,1**	**1 319,5**	***-4,3%***
Gross profit	105,0	97,9	*-6,7%*	211,3	211,0	*-0,2%*
as % of sales	*15,5%*	*15,3%*		*15,3%*	*16,0%*	
REBITDA [1]	**41,1**	**42,2**	***2,6%***	**88,6**	**90,7**	***2,3%***
as % of sales	*6,1%*	*6,6%*		*6,4%*	*6,9%*	
EBITDA [2]	**41,7**	**37,0**	***-11,2%***	**88,8**	**81,1**	***-8,6%***
as % of sales	*6,1%*	*5,8%*		*6,4%*	*6,1%*	
REBIT [1]	**20,8**	**22,0**	***5,7%***	**47,1**	**50,8**	***7,8%***
as % of sales	*3,1%*	*3,4%*		*3,4%*	*3,9%*	
EBIT	**16,2**	**15,8**	***-2,9%***	**42,0**	**39,7**	***-5,5%***
as % of sales	*2,4%*	*2,5%*		*3,0%*	*3,0%*	
Result of the period (share of the Group)	**5,1**	**5,6**	***8,8%***	**17,4**	**17,6**	***0,8%***
Result of the period (share of the Group) - base (per share, in EUR)	0,18	0,19	***8,8%***	0,60	0,61	***0,8%***
Gross dividend per share (in EUR) [6]	-	-		0,28	0,29	***3,6%***
Total Equity	**248,8**	**260,6**	***4,8%***	**248,8**	**260,6**	***4,8%***
Net financial debt [5]	149,6	172,6	*15,4%*	149,6	172,6	*15,4%*
Gearing ratio	**60%**	**66%**		**60%**	**66%**	
Average capital employed [3]	404,5	416,2	*2,9%*	408,9	410,1	*0,3%*
ROCE = Return on capital employed [4]	8,0%	7,6%		10,3%	9,7%	
ROE = Return on equity [4]	4,1%	4,3%		7,1%	6,9%	

(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 + Net marked-to-market value position of hedging derivative instruments. The interest-bearing borrowings do not include the drawn amounts (2012: EUR 45.0 million versus EUR 45.5 million in 2011) under non-recourse factoring/forfeiting programs.

(6) Proposed dividend over 2012.

2. COMMENTS ON THE CONSOLIDATED RESULTS

Sales: from EUR 1,378.1 million to **EUR 1,319.5 million** (-4.3%)

The weakening sales trend observed in Q1/2012 (-2.4%), in Q2/2012 (-3.2%) and in Q3/2012 (-6.0%) has extended in Q4/2012 (-5.5%), mirroring the weak European economic environment on which the Group relies for 95% of its activity and the softer demand in most end-use markets.

Sales decreased in Automotive (-10.8%) and Bedding (-5.3%), while Flexible Foams and Insulation remained overall stable.

Before exchange rate differences (accounting for +0.9%) and net changes in the scope of consolidation (+0.03%) sales contracted by 5.2%.

Changes in the scope of consolidation in 2012 related to the following elements:

- The Group decided in June 2011 to buy out the 50% joint venture partners in Greece (Teknofoam Hellas) and in Turkey (Teknofoam Turkey). With effect as from 1 July 2011, these subsidiaries 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 started up in the course of 2011 (previously not consolidated).

Breakdown of sales by segment

2H/2011	2H/2012	Δ 2H	*in million EUR*	FY2011	FY2012	Δ FY
294,0	284,7	*-3,1%*	Flexible Foams	596,2	588,3	*-1,3%*
150,6	142,9	*-5,1%*	Bedding	292,2	276,5	*-5,3%*
114,4	111,2	*-2,8%*	Insulation	223,1	220,7	*-1,1%*
149,7	128,4	*-14,3%*	Automotive	324,8	289,7	*-10,8%*
(30,3)	(27,9)	*-7,8%*	Eliminations	(58,1)	(55,7)	*-4,1%*
678,4	**639,3**	***-5,8%***	**TOTAL**	**1 378,1**	**1 319,5**	***-4,3%***

3Q/2011	3Q/2012	Δ 3Q	*in million EUR*	4Q/2011	4Q/2012	Δ 4Q
147,3	140,1	*-4,9%*	Flexible Foams	*146,6*	*144,6*	*-1,4%*
76,8	68,2	*-11,2%*	Bedding	*73,8*	*74,8*	*1,3%*
54,8	58,5	*6,8%*	Insulation	*59,7*	*52,7*	*-11,7%*
74,3	62,8	*-15,4%*	Automotive	*75,4*	*65,5*	*-13,1%*
(16,6)	(13,3)	*-20,0%*	Eliminations	*(13,7)*	*(14,6)*	*7,0%*
336,6	**316,4**	***-6,0%***	**TOTAL**	**341,8**	**322,9**	***-5,5%***

REBITDA: from EUR 88.6 million to EUR **90.7 million** (+2.3%)

The Group substantially compensated the contribution lost due to the lower sales volumes through the implementation of structural productivity and efficiency improvement measures throughout the entire supply chain. In addition the raw material cost increases were passed on into the selling prices, while the average market price of raw materials reached a new all-time record over the year 2012.

Furthermore, considering the changes in the Belgian legislation with regard to early retirement rights and the Group's confirmed policy to maintain employability of its senior workforce, the Group reversed EUR 7.0 million of accumulated provisions for early retirement rights. This reversal is included in the reported REBITDA.

Breakdown of REBITDA by segment

2H/2011	2H/2012	Δ 2H	*in million EUR*	FY2011	FY2012	Δ FY
10,1	12,7	*26,1%*	Flexible Foams	23,6	29,9	*26,9%*
9,2	10,0	*8,6%*	Bedding	16,9	14,6	*-13,6%*
21,3	17,5	*-17,7%*	Insulation	39,5	36,3	*-8,0%*
8,9	8,3	*-7,1%*	Automotive	25,3	24,1	*-4,5%*
(8,4)	(6,4)	*-24,5%*	Corporate	(16,6)	(14,4)	*-13,6%*
41,1	**42,2**	***2,6%***	**TOTAL**	**88,6**	**90,7**	***2,3%***

In summary:

- Flexible Foams has consistently improved performance throughout the year.
- Bedding materialized significant improvements in 2H2012, after a very difficult 1H2012, coupled with a leadership change.
- The Automotive segments managed to limit the impact of the steep Automotive market slowdown.
- Insulation delivered a slightly reduced profit due to a softer European construction market and the start-up costs of the new Bourges facility.

REBIT: from EUR 47.1 million to **EUR 50.8 million** (+7.8%)

Breakdown of REBIT by segment

2H/2011	2H/2012	Δ 2H	*in million EUR*	FY2011	FY2012	Δ FY
3,7	5,8	*56,5%*	Flexible Foams	10,4	16,4	*58,2%*
6,5	7,2	*11,8%*	Bedding	11,2	9,1	*-18,6%*
19,4	15,5	*-20,0%*	Insulation	35,8	32,3	*-9,8%*
0,0	0,3	*770,6%*	Automotive	7,0	8,1	*16,1%*
(8,8)	(6,8)	*-22,4%*	Corporate	(17,3)	(15,1)	*-12,3%*
20,8	**22,0**	***5,7%***	**TOTAL**	**47,1**	**50,8**	***7,8%***

Non-recurring elements

As planned, the execution of the Group's rationalisation plan, which is one dimension of its strategy, resulted in substantial restructuring charges and impairments. This, in addition to legal and advisory fees resulted in non-recurring charges of EUR -11.1 million (2011: EUR –5.1 million) in total.

Over the course of 2012, 7 redundant sites were closed or disposed of in the UK, the Netherlands, Germany, Greece and the USA, bringing the net number of sites down to 103 from 107 in 2011 taking account of the opening of three new sites: the new Automotive site in Beijing (China), a Flexible Foams converting unit in Mumbai (India), and the Insulation plant in Bourges (France). The implemented measures contribute to a continued simplification and rationalisation of the Group structures, and to lower fixed costs.

For 2012 the non-recurring result related mainly to:

- impairments on assets in Flexible Foams (Eurofoam and Recticel Spain) and in Automotive - Interiors (Czech Republic)
- incurred charges and net provisions for restructuring programs and related onerous contracts in Flexible Foams (Eurofoam Germany, Greece and United Kingdom), in Automotive - Interiors (Belgium and Germany), and in Bedding (Austria and Germany)
- legal fees (EUR -2.0 million) incurred in 2012 relative to the on-going investigations in Flexible Foams and Bedding (see below)
- in Corporate: a fair value gain on investment property in Belgium of EUR +0.8 million and advisory fees of EUR -1.2 million.

in million EUR	2011	1H/2012	2H/2012	2012
Restructuring charges and provisions	(0,6)	(3,7)	(2,4)	(6,1)
Loss on liquidation or disposal of financial assets	(0,2)	0,0	(0,8)	(0,8)
Gain on liquidation or disposal of financial assets	0,1	0,0	0,0	0,0
Fair value gain on investment property	2,8	0,0	0,8	0,8
Other (i.e. Legal and advisory fees)	(1,9)	(0,7)	(2,8)	(3,5)
Total impact on EBITDA	**0,2**	**(4,4)**	**(5,1)**	**(9,5)**
Impairments	(5,3)	(0,5)	(1,1)	(1,6)
Total impact on EBIT	**(5,1)**	**(4,9)**	**(6,2)**	**(11,1)**

EBITDA: from EUR 88.8 million to **EUR 81.1 million** (-8.6%)

Breakdown of EBITDA by segment

2H/2011	2H/2012	Δ 2H	*in million EUR*	FY2011	FY2012	Δ FY
8,7	9,5	*9,5%*	Flexible Foams	22,6	24,3	*7,2%*
9,2	8,8	*-4,1%*	Bedding	16,6	12,8	*-23,1%*
21,3	17,3	*-18,6%*	Insulation	39,5	36,1	*-8,4%*
8,7	8,2	*-5,5%*	Automotive	24,4	22,5	*-7,7%*
(6,1)	(6,8)	*10,9%*	Corporate	(14,3)	(14,5)	*1,6%*
41,7	**37,0**	***-11,2%***	**TOTAL**	**88,8**	**81,1**	***-8,6%***

EBIT: from EUR 42.0 million to **EUR 39.7 million** (-5.5%)

All segments contributed positively to the EBIT result of 2012.

Breakdown of EBIT by segment

2H/2011	2H/2012	Δ 2H	*in million EUR*	FY2011	FY2012	Δ FY
0,4	2,1	*472,1%*	Flexible Foams	7,5	9,8	*30,4%*
6,5	6,1	*-6,2%*	Bedding	10,9	7,3	*-33,3%*
19,4	15,3	*-21,0%*	Insulation	35,8	32,1	*-10,3%*
(3,5)	(0,4)	*-87,3%*	Automotive	2,8	5,9	*113,5%*
(6,5)	(7,2)	*11,6%*	Corporate	(15,0)	(15,3)	*2,4%*
16,2	**15,8**	***-2,9%***	**TOTAL**	**42,0**	**39,7**	***-5,5%***

Financial result: from EUR –16.7 million to **EUR –14.3 million**.

The net interest charges (EUR –11.9 million) decreased by EUR 1.4 million compared to 2011 (EUR –13.3 million). This decrease is primarily attributable to lower funding rates and to a lower average interest-bearing debt level throughout the year. The increase in net debt at year-end is mainly induced by the investment in the new Insulation plant in France (EUR 23 million).

'Other net financial income and expenses' (EUR –2.5 million, compared to EUR –3.4 million in 2011) comprise interest capitalisation costs under provisions for pension liabilities (EUR –1.7 million versus EUR -2.1 million in 2011) and exchange rate differences (EUR –0.5 million versus EUR -0.8 million in 2011).

Income taxes and deferred taxes: from EUR -7.9 million to **EUR –7.8 million**:

- Current income tax charges (EUR –3.2 million, compared to EUR –1.6 million in 2011) are mainly incurred by subsidiaries in Eastern Europe, Austria and China;
- The deferred tax result of EUR –4.6 million compares to a deferred tax result of EUR -6.4 million in 2011.

Result of the period (share of the Group): from EUR 17.4 million to **EUR 17.6 million** (+0.8%).

3. MARKET SEGMENTS

A. Flexible Foams

in million EUR	2H/2011	2H/2012	Δ 2H	2011	2012	Δ FY
Sales	294,0	284,7	*-3,1%*	596,2	588,3	*-1,3%*
REBITDA	10,1	12,7	*26,1%*	23,6	29,9	*26,9%*
as % of sales	*3,4%*	*4,5%*		*4,0%*	*5,1%*	
EBITDA	8,7	9,5	*9,5%*	22,6	24,3	*7,2%*
as % of sales	*3,0%*	*3,3%*		*3,8%*	*4,1%*	
REBIT	3,7	5,8	*56,5%*	10,4	16,4	*58,2%*
as % of sales	*1,3%*	*2,0%*		*1,7%*	*2,8%*	
EBIT	0,4	2,1	*472,1%*	7,5	9,8	*30,4%*
as % of sales	*0,1%*	*0,7%*		*1,3%*	*1,7%*	

Sales

Sales in **Flexible Foams** decreased by 1.3% from EUR 596.2 million to **EUR 588.3 million.**

The **Comfort** sub-segment reported stable sales (**EUR 363.1 million**; -0.7%) despite deteriorating demand. Demand has been soft in Southern Europe throughout the year, while the overall sales level stabilized in a very competitive market in the other countries. In the second half of the year, signs of a slowdown became tangible in Central & Eastern European countries.

The **Technical Foams** sub-segment (**EUR 203.0 million**, -2.2%) suffered from the lower demand from the various industrial and automotive markets, especially in Belgium, France and Spain. On the contrary, sales levels improved strongly in the USA and in emerging markets such as China, Turkey and India.

In the **Composite Foams** sub-segment (**EUR 22.1 million**, -3.0%) sales decreased as a result of lower trim volumes linked to improved efficiency, and lower bonded foam sales volumes.

EBITDA

Despite slightly lower overall sales (-1.3%), and significant non-recurring charges, EBITDA improved by 7.2% to EUR 24.3 million. This positive evolution is primarily explained by a combination of (i) the effect of rationalisation and efficiency improvement measures, (ii) an improved mix, (iii) the impact of streamlining commercial actions, and the pass-through of raw material price increases

Net non-recurring elements amounted to EUR –5.7 million (compared to EUR -0.98 million in 2011) and relate mainly to restructuring charges in Eurofoam Germany and in the United Kingdom, as well as to additional legal fees with respect to the on-going EU investigation (EUR –1.3 million).

The Group implemented in 2012 the closure of its production sites in Bladel (The Netherlands) and in Gwent Vale (United Kingdom), and discontinued its activities in Greece. The joint venture company Eurofoam closed its production site in Bexbach (Germany). These measures reduced complexity and further rationalized the industrial footprint of the Flexible Foams' activities.

B. Bedding

in million EUR	2H/2011	2H/2012	Δ 2H	2011	2012	Δ FY
Sales	150,6	142,9	-5,1%	292,2	276,5	-5,3%
REBITDA	9,2	10,0	8,6%	16,9	14,6	-13,6%
as % of sales	6,1%	7,0%		5,8%	5,3%	
EBITDA	9,2	8,8	-4,1%	16,6	12,8	-23,1%
as % of sales	6,1%	6,2%		5,7%	4,6%	
REBIT	6,5	7,2	11,8%	11,2	9,1	-18,6%
as % of sales	4,3%	5,1%		3,8%	3,3%	
EBIT	6,5	6,1	-6,2%	10,9	7,3	-33,3%
as % of sales	4,3%	4,2%		3,7%	2,6%	

Sales

Sales in **Bedding** decreased by 5.3% from EUR 292.2 to **EUR 276.5 million**, impacted by reduced consumer confidence leading to a delay in the purchase of slow moving consumer goods. In that environment, and in line with the market, sales of branded products suffered more than non-branded or private label products.

Sales of the '**Brand**' sub-segment (**EUR 149.8 million**; -6.2%) decreased in all countries, except in Poland. However, the successful market introduction of the innovative Geltex® technology in 2H/2012 has positively impacted volumes.

Sales evolution in the '**Private label**' sub-segment (**EUR 126.0 million**; -4.4%) was mixed. Higher sales in Switzerland and Scandinavia were compensated by significantly lower sales in Austria and to a lesser extent in Poland. Germany and Benelux remained stable.

Changes brought in the management of the division during 2012, including the appointment of a new General Manager Bedding, have immediately been translated in the Q4/2012 performance.

EBITDA

EBITDA decreased by 23.1% to EUR 12.8 million.

The EBITDA decreased as a result of lower demand and higher non-recurring charges. The EBITDA of 2011 included a capital gain of EUR 1.3 million realised upon the sale of a building. Nonetheless, the second half of 2012 showed a marked improvement versus the first half.

Restructuring measures undertaken in Austria and Germany and legal fees relating to the on-going Bundeskartellamt investigation generated non-recurring charges of EUR -1.8 million (2011: EUR -0.3 million).

C. Insulation

in million EUR	2H/2011	2H/2012	Δ 2H	2011	2012	Δ FY
Sales	114,4	111,2	-2,8%	223,1	220,7	-1,1%
REBITDA	21,3	17,5	-17,7%	39,5	36,3	-8,0%
as % of sales	18,6%	15,7%		17,7%	16,5%	
EBITDA	21,3	17,3	-18,6%	39,5	36,1	-8,4%
as % of sales	18,6%	15,6%		17,7%	16,4%	
REBIT	19,4	15,5	-20,0%	35,8	32,3	-9,8%
as % of sales	17,0%	14,0%		16,1%	14,6%	
EBIT	19,4	15,3	-21,0%	35,8	32,1	-10,3%
as % of sales	17,0%	13,8%		16,1%	14,6%	

<u>Sales</u>

Sales in **Insulation** decreased by 1.1% from EUR 223.1 million to **EUR 220.7 million**.

The **Building Insulation** sub-segment, which accounts for more than 90% of the segment sales, stabilised its turnover at **EUR 205.3 million** (-0.7%). After a good performance during the first nine months of the year, Q4/2012 ended 10.5% below last year, as a result of softer construction markets, and an unfavourable comparison basis with Q4/2011 which had been very strong as a result of accelerated ordering from customers following Recticel's price increase announcement for January 2012.

Throughout the year, the overall activity level has been impacted by soft residential construction and renovation markets in Europe, with the exception of Germany. More specifically, the Dutch market has collapsed, while UK has been soft during the whole year. France and Belgium started to suffer in H2/2012.

Despite a difficult European construction market, 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 **Industrial Insulation** sub-segment (**EUR 15.3 million**; -5.4%) remained below expectations; particularly the fourth quarter was weak.

<u>EBITDA</u>

As a result of almost stable sales, increased price competition induced by a tough market environment, and the incremental fixed costs linked to the successful start-up of the new plant in Bourges (France), EBITDA declined by 8.4%.

D. Automotive

in million EUR	2H/2011	2H/2012	Δ 2H	2011	2012	Δ FY
Sales	149,7	128,4	-14,3%	324,8	289,7	-10,8%
REBITDA	8,9	8,3	-7,1%	25,3	24,1	-4,5%
as % of sales	6,0%	6,5%		7,8%	8,3%	
EBITDA	8,7	8,2	-5,5%	24,4	22,5	-7,7%
as % of sales	5,8%	6,4%		7,5%	7,8%	
REBIT	0,0	0,3	770,6%	7,0	8,1	16,1%
as % of sales	0,0%	0,2%		2,2%	2,8%	
EBIT	(3,5)	(0,4)	-87,3%	2,8	5,9	113,5%
as % of sales	-2,3%	-0,3%		0,8%	2,0%	

Sales

Sales in **Automotive** decreased by 10.8% from EUR 324.8 million to **EUR 289.7 million**, due to a substantially reduced car production in Europe, leading to unprecedented restructuring actions by OEM's.

Sales in **Interiors** decreased by 14.6% to **EUR 140.1 million**. This drop was expected as some programs, mainly in the USA, were phasing-out. The Interiors sub-segment resisted better than the market, because it is positioned on the premium car segment which was more resilient thanks to the Asian and German demand. However, the first signs of weakening volumes have been noticed from the 2nd quarter in Asia and 4rd quarter in Germany.

Sales in **Seating** (i.e. Proseat, the 51/49 joint venture between Recticel and Woodbridge) decreased by 6.2% to **EUR 137.8 million**, performing slightly better than the general automotive market in Europe, which dropped by more than 7.5%.

Sales in **'Exteriors'** decreased by 14.3% to **EUR 11.7 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

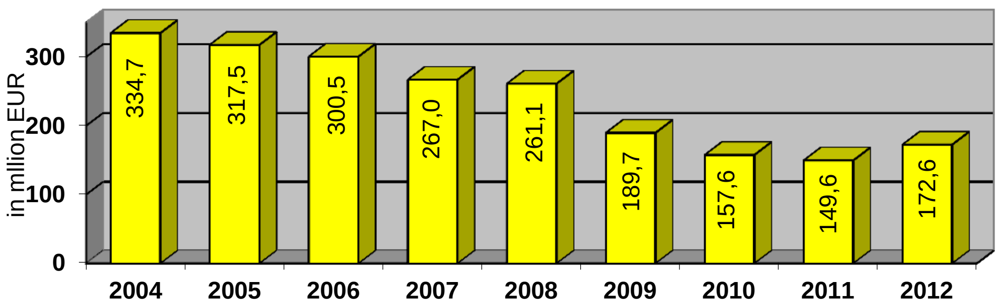
Driven by lower sales, EBITDA decreased by 7.7% to EUR 22.5 million, including net non-recurring elements of EUR –1.6 million (2011: EUR –0.9 million). These relate mainly to cost adaptation measures in the Interiors operations and the shutdown of the Interiors factories in Unterriexingen (Germany) and Clarkson (USA).

4. FINANCIAL SITUATION

On 31 December 2012, **net financial debt** amounted to **EUR 172.6 million** (excluding the drawn amounts under off-balance factoring/forfeiting programs: EUR 45.0 million) compared to respectively EUR 149.6 million and EUR 45.5 million on 31 December 2011. The higher net financial debt level is resulting from the EUR 23 million financing of the new Insulation plant in France.

This results in a **'net debt to equity' ratio** of **66%**, compared to 60% at the end of 2011.

Net financial debt (per 31 December)



The Group reconfirms its corporate objective to further reduce the gearing ratio below 50%.

5. REPORTING CHANGE IAS 19R AS FROM 2013

The revised standard IAS 19R – *Employee Benefits* – will be applicable as from 2013, with a restatement of the 2012 net pension liabilities.

The "corridor" method, which allowed to defer the recognition of the expenses over multiple accounting periods, will no longer be used. This accounting change will have an estimated impact before taxes on the consolidated equity of EUR -23.5 million as per 01.01.2013.

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

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

Although the Commission has given no formal indications regarding its findings, it is pursuing its investigation. At this stage, the Group is not in a position to predict what the position of the Commission in relation with the case will be; hence it is currently unable to assess the possible financial consequences.

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

No further developments to be reported.

7. PROPOSED DIVIDEND

The Board of Directors will propose to the Annual General Meeting of 28 May 2013 the payment of a gross dividend of EUR 0.29 per share (2011: EUR 0.28).

8. OUTLOOK

Given the uncertainty in the growth forecasts for the economies in which Recticel is active, the Board of Directors is not in a position to assess growth potential for 2013.

The Group maintains its focus on the execution of the strategic plan 2010-2015, which includes (i) a strict prioritization of the allocation of its resources to its portfolio of business, (ii) a continuous effort to streamline operations and reduce complexity, (iii) geographical diversification to reduce dependency on Europe and (iv) the introduction of new innovative solutions.

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. Consolidated income statement

in million EUR	2H/2011	2H/2012	Δ	2011	2012	Δ 12/11
Sales	**678,4**	**639,3**	**-5,8%**	**1 378,1**	**1 319,5**	**-4,3%**
Distribution costs	(32,9)	(33,4)	1,4%	(65,2)	(65,8)	1,0%
Cost of sales	(540,5)	(508,0)	-6,0%	(1 101,6)	(1 042,7)	-5,3%
Gross profit	**105,0**	**97,9**	**-6,7%**	**211,3**	**211,0**	**-0,2%**
General and administrative expenses	(42,9)	(42,5)	-1,1%	(85,1)	(83,7)	-1,6%
Sales and marketing expenses	(35,9)	(37,2)	3,6%	(73,8)	(74,8)	1,3%
Research and development expenses	(8,0)	(7,6)	-4,4%	(14,8)	(14,9)	0,5%
Impairments	(5,2)	(1,1)	-78,9%	(5,3)	(1,6)	-70,4%
Other operating revenues (1)	10,3	10,7	3,3%	17,4	15,3	-12,4%
Other operating expenses (2)	(7,7)	(5,2)	-32,5%	(9,1)	(12,2)	35,0%
Other operating result (1)+(2)	2,7	5,5	105,0%	8,4	3,0	-63,7%
Income from associates	0,9	0,7	-23,4%	1,7	0,7	-59,2%
Income from investments	(0,4)	0,0	-100,0%	(0,4)	0,0	-100,0%
EBIT	**16,2**	**15,8**	**-2,9%**	**42,0**	**39,7**	**-5,5%**
Interest income	0,2	0,1	-44,8%	0,4	0,4	6,9%
Interest expenses	(7,5)	(6,0)	-19,7%	(13,6)	(12,3)	-9,9%
Other financial income	8,0	6,4	-19,6%	18,2	15,1	-16,9%
Other financial expenses	(9,6)	(7,8)	-18,7%	(21,6)	(17,6)	-18,7%
Financial result	**(8,9)**	**(7,2)**	**-18,2%**	**(16,7)**	**(14,3)**	**-14,1%**
Result of the period before taxes	**7,4**	**8,5**	**15,6%**	**25,4**	**25,4**	**0,2%**
Income taxes	(2,3)	(3,0)	31,0%	(7,9)	(7,8)	-1,2%
Result of the period after taxes	**5,1**	**5,6**	**8,8%**	**17,4**	**17,6**	**0,8%**
of which attributable to the owners of the parent	5,1	5,6	8,8%	17,4	17,6	0,8%
of which attributable to non-controlling interests	0,0	0,0	-	0,0	0,0	-

Consolidated comprehensive income

in million EUR	2H/2011	2H/2012	Δ	2011	2012	Δ 12/11
Result of the period after taxes	**5,1**	**5,6**	**8,8%**	**17,4**	**17,6**	**0,8%**
Other comprehensive income						
Hedging reserves	(2,7)	(0,6)	-77,2%	(1,4)	(1,4)	-2,9%
Currency translation differences	(1,9)	0,3	-115,2%	(2,5)	2,9	-217,1%
Foreign currency translation reserve differences recycled in the income statement	0,6	0,0	-108,3%	0,6	0,0	-108,3%
Deferred taxes on hedging reserves	0,5	0,2	-53,0%	0,0	0,5	-
Other comprehensive income net of tax	**(3,6)**	**(0,1)**	**-96,3%**	**(3,3)**	**2,0**	**-159,5%**
Total comprehensive income for the period	**1,5**	**5,4**	**252,9%**	**14,1**	**19,6**	**39,0%**

Total comprehensive income for the period	**1,5**	**5,4**	**252,9%**	**14,1**	**19,6**	**39,0%**
of which attributable to the owners of the parent	1,5	5,4	252,9%	14,1	19,6	39,0%
of which attributable to non-controlling interests	0,0	0,0	-	0,0	0,0	-

2. Earnings per share

in EUR	2011	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)	33 769 050	33 990 837	*0,7%*
EBITDA	3,07	2,80	*-8,6%*
EBIT	1,45	1,37	*-5,5%*
Result for the period before taxes	0,88	0,88	*0,2%*
Result for the period after taxes	0,60	0,61	*0,8%*
Result for the period (share of the Group) - basic	0,60	0,61	*0,8%*
Result for the period (share of the Group) - diluted	0,55	0,55	*-0,5%*
Net book value	8,60	9,01	*4,8%*

3. Condensed consolidated balance sheet

in million EUR	31 DEC 11	31 DEC 12	Δ
Intangible assets	12,6	13,0	*3,6%*
Goodwill	34,7	35,0	*0,9%*
Property, plant & equipment	255,3	270,9	*6,1%*
Investment property	3,3	4,5	*33,7%*
Interest in associates	13,0	13,8	*6,4%*
Other financial investments and available for sale investments	3,5	0,4	*-89,7%*
Non-current receivables	8,3	7,7	*-7,7%*
Deferred tax	50,3	45,5	*-9,5%*
Non-current assets	**381,0**	**390,7**	***2,5%***
Inventories and contracts in progress	116,0	116,6	*0,5%*
Trade receivables	132,9	114,5	*-13,8%*
Other current assets	43,4	52,5	*20,9%*
Cash, cash equivalents and available for sale investments	54,8	27,1	*-50,6%*
Disposal group held for sale	0,0	0,0	-
Current assets	**347,1**	**310,7**	***-10,5%***
TOTAL ASSETS	**728,1**	**701,4**	***-3,7%***

in million EUR	31 DEC 11	31 DEC 12	Δ
Equity (share of the Group)	248,8	260,6	*4,8%*
Non-controlling interests	0,0	0,0	-
Total equity	**248,8**	**260,6**	***4,8%***
Pensions and other provisions	48,3	37,8	*-21,6%*
Deferred tax	9,1	8,6	*-6,3%*
Interest-bearing borrowings	137,2	142,5	*3,9%*
Other amounts payable	0,4	0,5	*41,9%*
Non-current liabilities	**195,0**	**189,4**	***-2,8%***
Pensions and other provisions	9,5	3,1	*-67,7%*
Interest-bearing borrowings	67,7	57,8	*-14,5%*
Trade payables	119,3	105,0	*-12,0%*
Income tax payables	4,0	2,3	*-42,6%*
Other amounts payable	84,0	83,2	*-0,9%*
Current liabilities	**284,4**	**251,4**	***-11,6%***
TOTAL LIABILITIES	**728,1**	**701,4**	***-3,7%***

in million EUR	31 DEC 11	31 DEC 12	Δ
Net financial debt	149,6	172,6	*15,4%*
Net financial debt / Equity (non-controlling interests included)	60%	66%	
Equity (non-controlling interests included) / Total assets	34%	37%	

4. Condensed consolidated statement of cash flow

in million EUR	2011	2012	Δ
EBIT	**42,0**	**39,7**	***0,0%***
Depreciation, amortisation and impairment losses on assets	46,8	41,4	*-11,5%*
Other non-cash elements	(28,9)	(20,2)	*-30,2%*
Gross operating cash flow	**59,9**	**61,0**	***1,7%***
Changes in working capital	(7,8)	(14,3)	*83,3%*
Operating cash flow	**52,1**	**46,6**	***-10,5%***
Income taxes paid	(6,4)	(5,4)	*-15,4%*
Net operating cash flow (a)	**45,7**	**41,2**	***-9,8%***
Net cash flow from investment activities (b)	**(12,8)**	**(40,3)**	*215,0%*
Paid interest charges (1)	(11,2)	(12,0)	*7,0%*
FREE CASH FLOW	**21,7**	**(11,0)**	***nr***
Paid dividends (2)	(7,7)	(8,7)	*13,5%*
Increase (Decrease) of financial liabilities (3)	(13,9)	(7,4)	*-47,1%*
Other (4)	0,0	0,0	-
Net cash flow from financing activities (c)= (1)+(2)+(3)+(4)	**(32,9)**	**(28,1)**	***-14,5%***
Effect of exchange rate changes (d)	0,0	(1,4)	*5679,2%*
Effect of change in scope of consolidation (e)	0,6	1,0	*67,7%*
Changes in cash and cash equivalents (a)+(b)+(c)+(d)+(e)	**0,6**	**(27,6)**	***nr***

5. Condensed consolidated statement of changes in equity

in million EUR	Capital	Share premium	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**	**85,2**	**(8,9)**	**(6,8)**	**248,8**	**0,0**	**248,8**
Dividends	0,0	0,0	(8,1)	(0,0)	0,0	(8,1)	0,0	(8,1)
Stock options (IFRS 2)	0,0	0,0	0,4	0,0	0,0	0,4	0,0	0,4
Shareholders' movements	**0,0**	**0,0**	**(7,7)**	**(0,0)**	**0,0**	**(7,7)**	**0,0**	**(7,7)**
Profit or loss of the period (1)	**0,0**	**0,0**	**17,6**	**0,0**	**0,0**	**17,6**	**0,0**	**17,6**
Gains (Losses) on cash flow hedge	0,0	0,0	0,0	0,0	(1,4)	(1,4)	0,0	(1,4)
Deferred taxes	0,0	0,0	0,0	0,0	0,5	0,5	0,0	0,5
Translation differences	0,0	0,0	0,0	2,9	(0,0)	2,9	0,0	2,9
Other comprehensive income (2)	0,0	0,0	0,0	2,9	(0,9)	2,0	0,0	2,0
Comprehensive income' (1)+(2)	**0,0**	**0,0**	**17,6**	**2,9**	**(0,9)**	**19,6**	**0,0**	**19,6**
Change in scope	**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**	**95,0**	**-6,0**	**-7,8**	**260,6**	**0,0**	**260,6**

6. Auditor's report

To the Board of Directors

The auditor confirms that the audit is substantially completed, and did not reveal any significant adjustments to the financial information included in the press release.

26 February 2013

The Auditor

DELOITTE Bedrijfsrevisoren
BV o.v.v.e. CVBA
Represented by William Blomme and Kurt Dehoorne

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

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)
Third quarter trading update 2013	31.10.2013 (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 103 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 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 1.32 billion in 2012.

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

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