PRESS RELEASE

Regulated information – Inside information

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Annual results 2019

- **Combined[1] sales decreased by 7.2% on a comparable restated basis[2]**
- **Combined Adjusted EBITDA: EUR 114.7 million, EUR 88.2 million before IFRS 16**
- **Result of the period (share of the Group): EUR 24.8 million, EUR 26.0 million[3] before IFRS 16**
- **Total combined net financial debt[4]: EUR 227.5 million, including EUR 87.0 million impact of IFRS 16 (30 September 2019: 237.2 million; 30 June 2019: EUR 261.3 million)**
- **Proposal to pay a stable gross dividend of EUR 0.24 per share**

Olivier Chapelle (CEO): *"Amid global trade tensions and geopolitical uncertainty, our topline has decreased by 7.2% in 2019. It has been primarily influenced by selling price erosion as a consequence of substantial isocyanates raw material cost decrease, and by soft global Automotive and Comfort markets.*

Our Flexible Foams division delivered a record performance, in spite of lower volumes. In changing market dynamics, our Bedding division has confirmed its growth potential over the last 9 months of 2019, and has significantly improved its profitability. Considering the overall turmoil in the sector, especially in China, our Automotive division has adapted itself and managed to limit the impacts on its profitability when compared to sector peers. Our Insulation division has grown its volumes in 2019, but has seen its profitability reduced due to margin erosion on the back of intensified competition in its main markets, in combination with the ramp-up costs of its new Scandinavian facility.

While the Group's profitability has been slightly affected by these circumstances, Recticel generated a solid cash flow allowing to further reduce its financial debt.

The Automotive Interiors divestment progresses in unfavourable market circumstances, but has been recently slowed down by the most recent developments in the Chinese market, still not allowing us to communicate on its outcome."

OUTLOOK

Looking forward into 2020, our key markets remain difficult to predict given the volatile economic and geopolitical environment, further complicated by the impacts of the coronavirus on the world economy. Compared to 2019, and building on its strong positions in key markets and segments and its ability to quickly adapt to changing market conditions, Recticel targets an increase of its Adjusted EBITDA in 2020.

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[1] For the definition of terminology used, see Glossary and Alternative Performance Measures ("APM") at the end of this press release.

[2] Due to rounding, numbers presented throughout this and other documents may not add up precisely to the totals provided and percentages may not precisely reflect the absolute figures
All comparisons are made with the comparable period of 2018, unless mentioned otherwise.
Following the partial divestment from Proseat (Automotive – Seating) in February 2019, Proseat is integrated in the 2019 combined figures according to the 'equity method', i.o. previously on a proportionate basis. For comparison purposes the 2018 data have been restated accordingly.

[3] To facilitate comparisons and understanding of the Group's underlying performance, all comments in this document on developments in revenue or results are made on a like-for-like basis unless otherwise indicated; i.e. 2018 restated data compared to 2019 data before the impact of IFRS 16.

[4] Including the drawn amounts under non-recourse factoring programs: EUR 47.0 million per 31 December 2019 versus EUR 32.9 million per 30 September 2019 and EUR 60.2 million per 30 June 2019.

1. KEY FIGURES

1.1. CONSOLIDATED DATA[1]

- **Sales: from EUR 1,117.7 million to EUR 1,038.5 million (-7.1%), including a currency effect of +0.24%**
- **EBITDA: EUR 95.3 million, EUR 70.8 million[3] before IFRS 16 (versus EUR 80.5 million[2])**
- **EBIT: EUR 37.1 million, EUR 34.4 million[3] before IFRS 16 (versus EUR 42.9 million[2])**
- **Result of the period (share of the Group): EUR 24.8 million, EUR 26.0 million[3] before IFRS 16**
- **Total net financial debt[4]: EUR 215.6 million including EUR 80 million impact of IFRS 16 (30 September 2019: EUR 222.4 million; 30 June 2019: EUR 243.9 million)**

in million EUR	FY2018 (a)	FY2019 before IFRS 16 (b)	Δ % (b)/(a)-1	FY2019 after IFRS 16 (c)	Δ (c) - (b)
Sales	**1 117,7**	**1 038,5**	***-7,1%***	**1 038,5**	**0,0**
Gross profit	201,6	189,4	*-6,1%*	191,1	1,6
as % of sales	*18,0%*	*18,2%*		*18,4%*	
Income from joint ventures and associates	10,2	9,4	*-8,0%*	9,3	(0,1)
EBITDA	**80,5**	**70,8**	***-12,1%***	**95,3**	**24,5**
as % of sales	*7,2%*	*6,8%*		*9,2%*	
EBIT	**42,9**	**34,4**	***-20,0%***	**37,1**	**2,8**
as % of sales	*3,8%*	*3,3%*		*3,6%*	
Financial result	(3,9)	(4,2)	*8,3%*	(8,2)	(4,0)
Income taxes and deferred taxes	(10,2)	(4,2)	*-58,8%*	(4,2)	0,0
Result of the period (share of the Group)	**28,8**	**26,0**	***-9,9%***	**24,8**	**(1,2)**
Result of the period (share of the Group) - base (per share, in EUR)	0,53	0,47	*-11,1%*	0,45	(0,02)
	31 Dec 18	31 Dec 19		31 Dec 19	
Total Equity	**265,0**	**276,6**	***4,4%***	**275,4**	**-1,2**
Net financial debt [5]	84,6	88,6	*4,7%*	168,6	80,0
Gearing ratio (Net financial debt/Total Equity)	**31,9%**	**32,0%**		**61,2%**	
Leverage ratio (Net financial debt/EBITDA)	**1,1**	**1,3**		**1,8**	

[5] Excluding the drawn amounts under non-recourse factoring programs: EUR 47.0 million per 31 December 2019 versus EUR 32.9 million per 30 September 2019 and EUR 60.2 million per 30 June 2019.

Consolidated sales: from EUR 1,117.7 million to **EUR 1,038.5 million** (-7.1%)

Income from joint ventures and associates: from EUR 10.2 million to EUR 9.3 million

The decrease in 'Income from joint ventures & associates' is mainly due to the lower contribution of the Eurofoam group, impacted by closure costs of the Troisdorf plant (Germany).

Consolidated EBITDA: **EUR 95.3 million,** EUR 70.8 million before IFRS 16 versus EUR 80.5 million in 2018.

Consolidated EBIT: **EUR 37.1 million**, EUR 34.4 million before IFRS 16 versus EUR 42.9 million in 2018.

Consolidated financial result: **EUR -8.2 million**, EUR -4.2 million before IFRS 16 versus EUR -3.9 million in 2018.

Net interest charges: EUR -7.0 million, EUR -2.8 million before IFRS 16 versus EUR -3.3 million in 2018.

'Other net financial income and expenses': EUR -1.2 million, EUR -1.5 million before IFRS 16 versus EUR -0.6 million in 2018. This item comprises mainly interest capitalisation costs under provisions for pension liabilities (EUR -0.8 million versus EUR -0.8 million in 2018) and exchange rate differences (EUR +0.1 million versus EUR +0.1 million in 2018).

Consolidated income taxes and deferred taxes: from EUR -10.2 million to **EUR -4.2 million**

- Current income tax: EUR -6.7 million (2018: EUR -3.3 million);
- Deferred tax: EUR +2.4 million (2018: EUR -7.0 million).

Consolidated result of the period (share of the Group): **EUR 24.8 million**, EUR 26.0 million before IFRS 16 versus EUR 28.8 million in 2018.

1.2. COMBINED DATA[1]

- **Sales: from EUR 1,315.5 million to EUR 1,220.9 million (-7.2%) including currency effect (+0.1%)**
- **Adjusted EBITDA: EUR 114.7 million, EUR 88.2 million (-9.6%) before IFRS 16 (versus EUR 97.7 million)[2]**
- **EBITDA: EUR 105.6 million, EUR 79.1 million[3] (-9.5%) before IFRS 16 (versus EUR 87.3 million)[2]**
- **Total net financial debt[4]: EUR 227.5 million including EUR 87 million IFRS 16 impact (30 September 2019: EUR 237.2 million[3]; 30 June 2019: 261.3 million[3])**

in million EUR	FY2018 (as published)	FY2018 (restated) [2] (a)	FY2019 before IFRS 16 (b)	Δ % (b)/(a)-1	FY2019 after IFRS 16 (c)	Δ (c) - (b)
Sales	**1 448,3**	**1 315,5**	**1 220,9**	***-7,2%***	**1 220,9**	**0,0**
Gross profit	239,5	224,8	217,4	*-3,3%*	219,1	1,7
as % of sales	*16,5%*	*17,1%*	*17,8%*		*17,9%*	
Adjusted EBITDA	**103,8**	**97,7**	**88,2**	***-9,7%***	**114,7**	**26,6**
as % of sales	*7,2%*	*7,4%*	*7,2%*		*9,4%*	
EBITDA	**93,4**	**87,3**	**79,1**	***-9,5%***	**105,6**	**26,6**
as % of sales	*6,4%*	*6,6%*	*6,5%*		*8,7%*	
Adjusted EBIT	**63,3**	**60,9**	**48,3**	***-20,7%***	**51,2**	**2,9**
as % of sales	*4,4%*	*4,6%*	*4,0%*		*4,2%*	
EBIT	**47,0**	**44,9**	**37,4**	***-16,7%***	**40,3**	**2,9**
as % of sales	*3,2%*	*3,4%*	*3,1%*		*3,3%*	
	31 Dec 18	31 Dec 18	31 Dec 19		31 Dec 19	
Total Equity	**265,0**	**265,0**	**276,6**	***4,4%***	**275,4**	**-1,2**
Net financial debt [6]	100,2	84,6	93,4	*10,5%*	180,4	87,0
Gearing ratio (Net financial debt[4]/Total Equity)	**37,8%**	**31,9%**	**33,8%**		**65,5%**	
Leverage ratio (Net financial debt[4]/EBITDA)	**1,1**	**1,0**	**1,2**		**1,7**	

6 Excluding the drawn amounts under non-recourse factoring programs: EUR 47.0 million per 31 December 2019 versus EUR 32.9 million per 30 September 2019 and EUR 51.3 million per 31 December 2018.

2. COMMENTS ON THE GROUP RESULTS

Detailed comments on sales and results of the different segments are given in chapter 4 on the basis of the combined figures (joint ventures integrated following the proportionate consolidation method).

Main changes in the scope of consolidation in 2019:

- Reduction of the participation in Proseat (Automotive – Seating) from 51% to 25%. Consequently Proseat is integrated in the combined figures of 2019 according to the 'equity method' and no longer on a proportionate basis.
- Increase of the participation in Turvac (Insulation) from 50% to 74%, leading to its full consolidation.

Combined Sales: on a like-for-like basis sales decreased by 7.2% from EUR 1,315.5 million[2] (as published: EUR 1,448.3 million) to **EUR 1,220.9 million**, including a currency impact of +0.1%.

4Q2019 Combined sales decreased on a like-for-like basis by 6.9% from EUR 318.9 million to EUR 296.8 million.

- Flexible Foams sales decreased essentially due to price erosion due to lower raw material costs, and to soft demand in the comfort and automotive end-use markets throughout the year, leading to lower volumes.

- Bedding sales were flat over the full year, after a weak 1Q. The enhanced product offerings of the division allowed for external sales growth rates (2Q2019: +3.6%; 3Q2019: +1.9%; 4Q2019: +4.7%).

- The Insulation volumes increased by a double-digit percentage on an annual basis, although quite weak in 4Q due to inventory adjustments at our customers. The volume effect on sales has however been more than offset by lower selling prices induced by lower raw material costs and intense competition in some markets.

- The Automotive division reported lower sales on a like-for-like basis[2] as volumes dropped globally in the main Automotive markets.

RECTICEL
The passion for comfort

Breakdown of the **combined** sales by segment

in million EUR	FY2018 restated [2]	1Q2019	2Q2019	3Q2019	4Q2019	FY2019
Flexible Foams	621,5	148,0	139,2	128,4	133,5	549,1
Bedding	243,8	64,3	55,6	57,8	64,6	242,3
Insulation	271,2	62,5	67,4	62,9	54,4	247,2
Automotive	229,6	54,1	61,0	53,9	54,7	223,7
Eliminations	(50,5)	(11,2)	(10,1)	(9,5)	(10,4)	(41,2)
TOTAL COMBINED SALES	**1 315,5**	**317,6**	**313,0**	**293,6**	**296,8**	**1 220,9**
Adjustment for joint ventures by application of IFRS 11	(197,9)	(49,4)	(45,1)	(43,2)	(44,7)	(182,4)
TOTAL CONSOLIDATED SALES	**1 117,7**	**268,2**	**267,9**	**250,3**	**252,1**	**1 038,5**

	as published			restated [2]						2019 versus 2018 restated		
in million EUR	1H2018	2H2018	FY2018	1H2018	2H2018	FY2018	1H2019	2H2019	FY2019	Δ 1H	Δ 2H	Δ FY
Flexible Foams	*330,6*	*290,9*	621,5	*330,6*	*290,9*	621,5	*287,2*	*261,9*	549,1	*-13,1%*	*-10,0%*	*-11,7%*
Bedding	*124,6*	*119,2*	243,8	*124,6*	*119,2*	243,8	*119,8*	*122,4*	242,3	*-3,8%*	*2,7%*	*-0,6%*
Insulation	*132,7*	*138,5*	271,2	*132,7*	*138,5*	271,2	*129,8*	*117,3*	247,2	*-2,2%*	*-15,3%*	*-8,9%*
Automotive	*195,6*	*168,3*	363,9	*121,5*	*108,1*	229,6	*115,1*	*108,6*	223,7	*-5,3%*	*0,5%*	*-2,6%*
Eliminations	*(27,6)*	*(24,5)*	(52,1)	*(26,6)*	*(23,8)*	(50,5)	*(21,4)*	*(19,9)*	(41,2)	*-19,8%*	*-16,6%*	*-18,3%*
TOTAL COMBINED SALES	***755,9***	***692,4***	**1 448,3**	***682,7***	***632,8***	**1 315,5**	***630,6***	***590,4***	**1 220,9**	***-7,6%***	***-6,7%***	***-7,2%***
Adjustment for joint ventures by application of IFRS 11	*(176,2)*	(154,4)	(330,6)	*(103,0)*	(94,8)	(197,9)	*(94,5)*	(87,9)	(182,4)	*-8,3%*	*-7,3%*	*-7,8%*
TOTAL CONSOLIDATED SALES	***579,7***	***537,9***	**1 117,7**	***579,7***	***537,9***	**1 117,7**	***536,1***	***502,4***	**1 038,5**	***-7,5%***	***-6,6%***	***-7,1%***

Combined Adjusted EBITDA: **EUR 114.7 million,** EUR 88.2 million[3] before IFRS 16 versus EUR 97.7 million[2] in FY2018 (as published: EUR 103.8 million)

Adjusted EBITDA margin of 9.4 %, 7.2%[3] before IFRS 16 versus 7.4%[2] in FY2018 (as published: 7.2%).

Breakdown of the **combined** Adjusted EBITDA by segment

in million EUR	FY2018 (as published)	FY2018 (restated) [2]	FY2019 before IFRS 16	Δ	FY2019 after IFRS 16
		(a)	(b)	(b)/(a)-1	
Flexible Foams	41,5	41,5	49,0	*18,2%*	58,9
Bedding	6,8	6,8	12,4	*80,7%*	16,9
Insulation	44,7	44,7	28,5	*-36,3%*	31,6
Automotive	25,9	19,8	14,4	*-27,0%*	22,1
Corporate	(15,2)	(15,2)	(16,1)	*6,3%*	(14,7)
TOTAL COMBINED ADJUSTED EBITDA	**103,8**	**97,7**	**88,2**	***-9,7%***	**114,7**

- Despite lower volumes, Flexible Foams continued to benefit from a positive product & price mix as well as from continuous operational improvements.
- Bedding strongly improved profitability, driven by a gradually improving volume trend over the year, an improved product-mix following the introduction of new product ranges and further cost rationalisation measures.
- Despite substantially higher sales volumes, profitability in Insulation decreased as a consequence of lower average margins due to intensified competition in its main markets. The new plant in Finland, which started production in 4Q2018, was ramping-up, leading to temporarily unabsorbed additional fixed costs.
- Automotive was impacted by lower overall call-offs under running programs.

Combined Adjusted EBIT: **EUR 51.2 million,** EUR 48.3 million[3] before IFRS 16 versus EUR 60.9 million[2] in FY2018 (as published: EUR 63.3 million)

Adjusted EBIT margin of 4.2 %, 4.0%[3] before IFRS 16 versus 4.6%[2] in FY2018 (as published: 4.4%).

Breakdown of the **combined** Adjusted EBIT by segment

in million EUR	FY2018 (as published)	FY2018 (restated) [2]	FY2019 before IFRS 16	Δ	FY2019 after IFRS 16
		(a)	(b)	(b)/(a)-1	
Flexible Foams	28,9	28,9	36,5	*26,4%*	37,6
Bedding	2,3	2,3	7,8	*234,7%*	8,2
Insulation	38,1	38,1	20,2	*-46,9%*	20,9
Automotive	9,8	7,4	0,9	*-87,9%*	1,7
Corporate	(15,9)	(15,9)	(17,2)	*8,1%*	(17,1)
TOTAL COMBINED ADJUSTED EBIT	**63,3**	**60,9**	**48,3**	***-20,7%***	**51,2**

Adjustments to EBIT: (on combined basis, including pro rata share in joint ventures)

in million EUR	2018 (as published)	2018 (restated)[2]	1H2019	2H2019	2019
Gain/(loss) on disposals	0,0	0,0	5,0	0,9	5,9
Restructuring charges and provisions	(10,1)	(9,9)	(3,2)	(8,0)	(11,2)
Net impact fire incident in Most	5,6	5,6	0,0	0,0	0,0
Other	(6,0)	(6,0)	(1,5)	(2,2)	(3,8)
Total impact on EBITDA	**(10,4)**	**(10,2)**	**0,3**	**(9,3)**	**(9,1)**
Impairments	(5,8)	(5,8)	(0,7)	(1,1)	(1,8)
Total impact on EBIT	**(16,2)**	**(16,0)**	**(0,4)**	**(10,5)**	**(10,9)**

Adjustments to EBIT in 2019 include the net gain realised in 1H upon the reduction of the participation in Proseat from 51% to 25% (cfr. press release dd. 19.02.2019) and the fair value of the put/call option structure defining the terms of divestment of the remaining 25% participation in Proseat, as well as various additional restructuring measures in execution of the Group's rationalisation plan.

Restructuring measures (EUR -11.2 million) in execution of the Group's rationalisation plan, include: (i) restructuring costs in Flexible Foams following the closure of the Troisdorf plant (Eurofoam Germany), (ii) rationalisation measures in Automotive Interiors (Germany) and (iv) further streamlining in the corporate and central services.

The 'other' adjustments to EBIT (EUR -3.8 million) relate mainly to costs and fees for legacy remediation and litigations, and costs linked to the contingency plan following the fire incident in the plant in Wetteren (Belgium).

Impairment charges of EUR -1.8 million (2018: EUR -5.8 million) include (i) in Bedding: impairment of assets following the closure of the Hassfurt plant (EUR -0.3 million) and (ii) in Automotive Interiors: impairment of assets in Germany (EUR -0.8 million) and in China (EUR -0.7 million).

Combined EBITDA: **EUR 105.6 million,** EUR 79.1 million[3] before IFRS 16 versus EUR 87.3 million[2] in FY2018 (as published: EUR 93.4 million)

EBITDA margin of 8.7%, 6.5%[3] before IFRS 16 versus 6.6%[2] in FY2018 (as published: 6.4%).

Breakdown of EBITDA by segment

in million EUR	FY2018 (as published)	FY2018 (restated) [2]	FY2019 before IFRS 16	Δ	FY2019 after IFRS 16
		(a)	(b)	(b)/(a)-1	
Flexible Foams	33,0	33,0	44,2	*34,2%*	54,1
Bedding	2,0	2,0	11,5	*474,1%*	16,0
Insulation	44,7	44,7	28,3	*-36,6%*	31,4
Automotive	30,5	24,5	17,2	*-29,8%*	24,8
Corporate	(16,8)	(16,8)	(22,2)	*31,9%*	(20,8)
TOTAL COMBINED EBITDA	**93,4**	**87,3**	**79,1**	***-9,5%***	**105,6**
Adjustment for joint ventures by application of IFRS 11	(12,9)	(5,0)	(8,3)	*66,4%*	(10,4)
TOTAL CONSOLIDATED EBITDA	**80,5**	**82,4**	**70,8**	***-14,1%***	**95,3**

Combined EBIT: **EUR 40.3 million,** EUR 37.4 million[3] before IFRS 16 versus EUR 44.9 million[2] in FY2018 (as published: EUR 47.0 million)

EBIT margin of 3.3%, 3.1%[3] before IFRS 16 versus 3.4%[2] in FY2018 (as published: 3.2%).

Breakdown of EBIT by segment

in million EUR	FY2018 (as published)	FY2018 (restated) [2] (a)	FY2019 before IFRS 16 (b)	Δ (b)/(a)-1	FY2019 after IFRS 16
Flexible Foams	15,6	15,6	31,6	*103,3%*	32,7
Bedding	(2,1)	(2,1)	6,7	*n.m.*	7,0
Insulation	38,1	38,1	20,1	*-47,4%*	20,7
Automotive	12,9	10,8	2,2	*-79,6%*	3,0
Corporate	(17,5)	(17,5)	(23,2)	*32,6%*	(23,1)
TOTAL COMBINED EBIT	**47,0**	**44,9**	**37,4**	***-16,7%***	**40,3**
Adjustment for joint ventures by application of IFRS 11	(4,1)	(0,1)	(3,0)	*4206,1%*	(3,1)
TOTAL CONSOLIDATED EBIT	**42,9**	**44,8**	**34,4**	***-23,4%***	**37,1**

3. *FINANCIAL POSITION*

in million EUR	31 DEC 2018	31 MAR 2019	30 JUN 2019	31 SEP 2019	31 DEC 2019
TOTAL EQUITY - before IFRS 16	**265,0**	**-**	**266,5**	**-**	**276,6**
Combined debt figures					
Net financial debt on balance sheet	100,2	103,6	83,9	113,5	93,4
+ Impact of application IFRS 16	-	112,0	117,1	90,8	87,0
+ Drawn amounts under factoring programs	51,3	36,0	60,2	32,9	47,0
TOTAL COMBINED NET FINANCIAL DEBT	**151,5**	**251,6**	**261,3**	**237,2**	**227,5**
Gearing - combined before IFRS16	**37,8%**	**-**	**-**	**-**	**33,8%**
Leverage - combined before IFRS16	**1,1**	**-**	**-**	**-**	**1,2**
Consolidated debt figures					
Net financial debt on balance sheet	84,6	97,0	73,8	105,5	88,6
+ Impact of application IFRS 16	-	105,0	109,8	84,0	80,0
+ Drawn amounts under factoring programs	51,3	36,0	60,2	32,9	47,1
TOTAL CONSOLIDATED NET FINANCIAL DEBT	**135,9**	**237,9**	**243,9**	**222,4**	**215,6**
Gearing - consolidated before IFRS16	**31,9%**	**-**	**-**	**-**	**32,0%**
Leverage - consolidated before IFRS16	**1,1**	**-**	**-**	**-**	**1,3**

The Group further reduced its combined financial debt.

End-December 2019, the application of IFRS 16 to outstanding operating lease arrangements led to an addition of EUR 87.0 million to the combined net financial debt and EUR 80.0 million to the consolidated net financial debt. Compared to the position per 30 June 2019, the reduction in IFRS 16 impact on consolidated and combined debt results essentially from the exercise of the option to purchase the Insulation plant in Stoke-on-Trent (United Kingdom) for GBP 18.4 million.

The application of IFRS 16 has no consequences for the Group's financial covenant testing, as the syndicated bank financing agreement includes a 'frozen GAAP' provision.

The Group confirms that all conditions under the financial arrangements with its banks are respected.

4. MARKET SEGMENTS

IFRS 8 requires operating segments to be identified on the basis of the internal reporting structure of the Group that allows a regular performance review by the chief operating decision maker and an adequate allocation of resources to each segment. Therefore, the Group will continue to comment on the development of the different segments on the basis of the **combined** figures, consistent with the managerial reporting and in line with IFRS 8.

4.1. FLEXIBLE FOAMS

in million EUR	FY2018 (a)	FY2019 before IFRS 16 (b)	Δ (b)/(a)-1	FY2019 after IFRS 16
Sales	**621,5**	**549,1**	**-11,7%**	**549,1**
Adjusted EBITDA	**41,5**	**49,0**	**18,2%**	**58,9**
as % of sales	*6,7%*	*8,9%*		*10,7%*
EBITDA	**33,0**	**44,2**	**34,2%**	**54,1**
as % of sales	*5,3%*	*8,1%*		*9,9%*
Adjusted EBIT	**28,9**	**36,5**	**26,4%**	**37,6**
as % of sales	*4,6%*	*6,6%*		*6,8%*
EBIT	**15,6**	**31,6**	**103,3%**	**32,7**
as % of sales	*2,5%*	*5,8%*		*6,0%*

Sales

Fourth quarter 2019

During 4Q2019 **combined sales** decreased from EUR 145.4 million to **EUR 133.5 million** (-8.2%).

Full-year 2019

For the **full-year 2019**, **combined sales** decreased from EUR 621.5 million to **EUR 549.1 million** (-11.7%), including a -0.1% impact from exchange rate differences.

Both sub-segments Comfort (EUR 305.9 million; -14.2%) and Technical Foams (EUR 243.1 million; -8.2%) reported lower sales, due to a combination of selling price erosion as a consequence of falling chemical raw material prices, and lower volumes.

Profitability

Adjusted EBITDA margin of 10.7%, 8.9%[3] before IFRS 16 versus 6.7%[2] in 2018. The margin improvement is attributable to positive net pricing effects including increased prices for trim foam, an improved product-mix and operational efficiency gains.

EBITDA includes adjustments for EUR - 4.8 million (2018: EUR -8.5 million) mainly (i) restructuring charges following the closure of the Eurofoam plant in Troisdorf (Germany), (ii) streamlining of central departments, and (iii) net costs linked to the fire incident in the Wetteren plant (Belgium).

4.2. BEDDING

in million EUR	FY2018 (a)	FY2019 before IFRS 16 (b)	Δ (b)/(a)-1	FY2019 after IFRS 16
Sales	**243,8**	**242,3**	**-0,6%**	**242,3**
Adjusted EBITDA	**6,8**	**12,4**	**80,7%**	**16,9**
as % of sales	*2,8%*	*5,1%*		*7,0%*
EBITDA	**2,0**	**11,5**	**474,1%**	**16,0**
as % of sales	*0,8%*	*4,7%*		*6,6%*
Adjusted EBIT	**2,3**	**7,8**	**234,7%**	**8,2**
as % of sales	*1,0%*	*3,2%*		*3,4%*
EBIT	**(2,1)**	**6,7**	**n.m.**	**7,0**
as % of sales	*-0,8%*	*2,8%*		*2,9%*

Sales

Fourth quarter 2019

The positive sales trend observed in 2Q2019 (+3.6%) and 3Q2019 (+1.9%), was confirmed in 4Q2019, following the success of the new generation of Geltex® products. **Combined sales** increased by 4.4% from EUR 61.9 million to **EUR 64.6 million**, including a +0.2% impact from exchange rate differences.

Full-year 2019

For the **full-year 2019**, **combined sales** slightly decreased from EUR 243.8 million to **EUR 242.3 million** (-0.6%), including a -0.1% impact from exchange rate differences.

The sub-segment “Branded Products” grew by 4.6% thanks to the new innovative Geltex 2.0 and boxsprings product lines, while the sub-segment “Non-Branded/Private Label” receded by 8.1% in a market characterised by strong competition from e-commerce players, and a specific market situation related to one customer in Germany.

Profitability

Adjusted EBITDA margin of 7.0%, 5.1%[3] before IFRS 16 versus 2.8%[2] in FY2018.

EBITDA, before IFRS 16 impact, increased from EUR 2.0 million to EUR 11.5 million; including adjustments for EUR -0.9 million (2018: EUR -4.8 million) mainly for reorganisation charges in central departments.

The growth in Branded sales, the reduction of low margin business and cost reductions as a result of the closure of the Hassfurt plant, were the key drivers behind the profitability improvement.

4.3. INSULATION

in million EUR	FY2018 (a)	FY2019 before IFRS 16 (b)	Δ (b)/(a)-1	FY2019 after IFRS 16
Sales	**271,2**	**247,2**	**-8,9%**	**247,2**
Adjusted EBITDA	**44,7**	**28,5**	**-36,3%**	**31,6**
as % of sales	*16,5%*	*11,5%*		*12,8%*
EBITDA	**44,7**	**28,3**	**-36,6%**	**31,4**
as % of sales	*16,5%*	*11,5%*		*12,7%*
Adjusted EBIT	**38,1**	**20,2**	**-46,9%**	**20,9**
as % of sales	*14,1%*	*8,2%*		*8,4%*
EBIT	**38,1**	**20,1**	**-47,4%**	**20,7**
as % of sales	*14,1%*	*8,1%*		*8,4%*

Sales

Fourth quarter 2019

Sales dropped by 21.4% **in 4Q2019,** from EUR 69.3 million to **EUR 54.4 million**, including a currency impact of +1.1%; primarily due to price erosion linked to isocyanates raw material price reduction, and lower volumes driven by inventory reduction measures taken by customers.

Full-year 2019

Despite a double-digit volume growth, sales decreased over the **full year 2019** by 8.9% from EUR 271.2 million to **EUR 247.2 million**, including a currency impact of +0.2%.

Price erosion due to intensified competition has more than offset the positive volume impact.

The new production facility in Finland – which started production in 4Q2018 – is ramping-up, with all products now certified for the Nordic countries.

Profitability

Adjusted EBITDA margin of 12.8%, 11.5%[3] before IFRS 16 versus 16.5%[2] in FY2018.

Before IFRS 16 impact, profitability receded as the growth in sales volumes was more than offset by lower average profit margins. In addition, the new plant in Finland which started production in 4Q2018 was still ramping-up and hence induced incremental fixed costs which were not yet absorbed by the additional sales contribution. It is expected that this new plant will generate a positive contribution to the results as from 4Q2020 onwards.

4.4. AUTOMOTIVE

in million EUR	FY2018 (as published)	FY2018 (restated) [2] (a)	FY2019 before IFRS 16 (b)	Δ (b)/(a)-1	FY2019 after IFRS 16
Sales	**363,9**	**229,6**	**223,7**	**-2,6%**	**223,7**
of which Interiors	*199,4*	*199,4*	*183,5*	*-8,0%*	*183,5*
of which sale of chemicals to Proseat	*14,8*	*30,1*	*40,2*	*33,3%*	*40,2*
Adjusted EBITDA	**25,9**	**19,7**	**14,4**	**-26,8%**	**22,1**
as % of sales	*7,1%*	*8,6%*	*6,5%*		*9,9%*
EBITDA	**30,5**	**24,5**	**17,2**	**-29,8%**	**24,8**
as % of sales	*8,4%*	*10,7%*	*7,7%*		*11,1%*
Adjusted EBIT	**9,8**	**7,4**	**0,9**	**-87,9%**	**1,7**
as % of sales	*2,7%*	*3,2%*	*0,4%*		*0,8%*
EBIT	**12,9**	**10,8**	**2,2**	**-79,6%**	**3,0**
as % of sales	*3,5%*	*4,7%*	*1,0%*		*1,3%*

Sales

Fourth quarter 2019

Sales comprise the Interiors business (4Q2019: EUR 44.7 million; -5.0%) as well as sales of chemical raw materials at cost to the Proseat companies (4Q2019: EUR 10.0 million; +46.3%), as Recticel became - since April 2019 - the sole supplier of such raw materials to Proseat (versus 51% of the volumes previously).

The trend observed during 1Q2019 (-7.2%), 2Q2019 (-3.5%) and 3Q2019 (-0.5%) reversed somewhat in 4Q2019. On a like-for-like basis[2] **combined sales** increased from EUR 53.9 million to **EUR 54.7 million** (+1.5%) in **4Q2019**, including exchange rate differences (+0.5%).

Full-year 2019

For the full year 2019, like-for-like sales decreased by 2.6% from EUR 229.6 million to **EUR 223.7 million**, including a currency impact of +0.8%. Sales comprise the Interiors business (FY2019: EUR 183.5 million; -8.0%) and sales of chemical raw materials at cost to the Proseat companies (FY2019: EUR 40.2 million; +33.3%)

Sales volumes remained adversely affected by the continued weakness of the European and Chinese Automotive markets.

Profitability

Adjusted EBITDA margin of 9.9%, 6.5%[3] before IFRS 16 versus 8.6%[2] in 2018 (as published: 7.1%).

Before IFRS 16 impact, the profitability decreased mainly due to lower volumes in Interiors.

EBITDA includes adjustments for a net amount of EUR +2.7 million (2018: EUR -4.5 million) representing the gain linked to the partial divestment from the Proseat companies in February 2019 and the revaluation of the option structure determining the minimum value of the remaining participation, which is offset by restructuring costs in the Interiors operations in Germany (EUR -2.9 million).

5. PROPOSED DIVIDEND

The Board of Directors will propose to the Annual General Meeting of 26 May 2020 the payment of a gross dividend of EUR 0.24 per share on 55.4 million shares or a total dividend pay-out of EUR 13.3 million (2018: respectively EUR 0.24/share and EUR 13.3 million in total).

APPENDICES

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 annual report at 31 December 2018, were - with the exception of IFRS 16 which has been applied as from 01 January 2019 - consistently applied for the figures included in this press release.

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

For the impact of IFRS 16, reference is made to the first half-year 2019 report published on August 30, 2019 (https://www.recticel.com/sites/default/files/investors/Annual_half_year_reports/2019/1H2019_IAS34_Interim_report_%28final%29.pdf)

1. Condensed consolidated income statement

Group Recticel in thousand EUR	**FY2018** **(a)**	**FY2019** **after IFRS 16**
Sales	**1 117 652**	**1 038 517**
Distribution costs	(59 973)	(60 840)
Cost of sales	(856 056)	(786 620)
Gross profit	**201 623**	**191 057**
General and administrative expenses	(70 562)	(73 561)
Sales and marketing expenses	(72 593)	(72 743)
Research and development expenses	(11 042)	(11 599)
Impairments goodwill, tangible and intangible assets	(5 819)	(1 821)
Other operating revenues	17 900	20 274
Other operating expenses	(26 730)	(23 731)
Income from joint ventures & associates	10 170	9 271
EBIT	**42 947**	**37 148**
Interest income	606	438
Interest expenses	(3 898)	(7 424)
Other financial income	3 602	11 519
Other financial expenses	(4 196)	(12 760)
Financial result	**(3 886)**	**(8 227)**
Result of the period before taxes	**39 061**	**28 921**
Income taxes	(10 212)	(4 203)
Result of the period after taxes	**28 849**	**24 718**
of which attributable to the owners of the parent	28 849	24 762
of which attributable to non-controlling interests	0	(44)

2. Earnings per share

in EUR	2018	2019	Δ
Number of shares outstanding (including treasury shares)	55 227 012	55 397 439	0,3%
Weighted average number of shares outstanding (before dilution effect)	54 659 774	54 959 861	0,5%
Weighted average number of shares outstanding (after dilution effect)	55 093 295	55 154 501	0,1%
EBITDA	1,47	1,73	17,7%
EBIT	0,79	0,68	-14,0%
Result for the period before taxes	0,71	0,53	-26,4%
Result for the period after taxes	0,53	0,45	-14,8%
Result for the period (share of the Group) - basic	0,53	0,45	-14,6%
Result for the period (share of the Group) - diluted	0,52	0,45	-14,3%
Net book value	4,80	4,97	3,6%

3. Condensed consolidated statement of comprehensive income

Group Recticel in thousand EUR	2018	2019
Result for the period after taxes	**28 849**	**24 718**
Other comprehensive income		
Items that will not subsequently be recycled to profit and loss		
Actuarial gains (losses) on employee benefits recognized in equity	4 529	(6 432)
Deferred taxes on actuarial gains (losses) on employee benefits	(502)	746
Currency translation differences	(19)	(193)
Joint ventures & associates	449	(925)
Total	**4 457**	**(6 804)**
Items that subsequently may be recycled to profit and loss		
Hedging reserves	665	0
Currency translation differences	(1 822)	3 301
Foreign currency translation reserve difference recycled in the income sta	0	368
Deferred taxes on hedging interest reserves	(117)	0
Joint ventures & associates	(806)	47
Total	**(2 080)**	**3 716**
Other comprehensive income net of tax	**2 377**	**(3 089)**
Total comprehensive income for the period	**31 226**	**21 629**
Total comprehensive income for the period	**31 226**	**21 629**
of which attributable to the owners of the parent	31 226	21 673
of which attributable to non-controlling interests	0	(44)

4. Condensed consolidated statement of financial position

Group Recticel in thousand EUR	31 Dec 2018	31 Dec 2019 after IFRS 16
Intangible assets	12 045	14 306
Goodwill	23 354	24 412
Property, plant & equipment	232 541	227 617
Right-of-use assets	0	105 110
Investment property	3 289	3 331
Investments in joint ventures and associates	68 631	65 465
Other financial investments	791	580
Non-current receivables	15 655	25 802
Other non-current contract assets	15 326	11 138
Deferred taxes	20 468	24 108
Non-currrent assets	**392 099**	**501 869**
Inventories	103 789	101 797
Trade receivables	107 680	99 117
Other current contract assets	13 782	11 300
Other receivables and other financial assets	55 226	32 667
Income tax receivables	5 587	1 448
Other investments	138	154
Cash and cash equivalents	39 554	48 479
Assets held for sale	19 201	5 638
Current assets	**344 958**	**300 600**
TOTAL ASSETS	**737 057**	**802 469**
Capital	138 068	138 494
Share premium	129 941	130 334
Share capital	**268 009**	**268 828**
Treasury shares	(1 450)	(1 450)
Other reserves	(19 214)	(25 621)
Retained earnings	39 636	51 226
Hedging and translation reserves	(22 003)	(18 287)
Equity (share of the Group)	**264 978**	**274 696**
Equity attributable to non-controlling interests	0	701
Total equity	**264 978**	**275 397**
Pensions and similar obligations	48 055	57 164
Provisions	14 318	6 905
Deferred taxes	9 650	10 023
Financial liabilities	34 706	100 334
Non-current contract liabilities	24 096	20 339
Other amounts payable	202	43
Non-current liabilities	**131 027**	**194 808**
Pensions and similar obligations	4 720	696
Provisions	2 573	5 759
Financial liabilities	90 021	117 415
Trade payables	90 756	93 008
Current contract liabilities	44 964	32 832
Income tax payables	3 061	1 229
Other amounts payable	104 957	81 325
Current liabilities	**341 052**	**332 264**
TOTAL EQUITY AND LIABILITIES	**737 057**	**802 469**

5. Condensed consolidated statement of cash flow

Group Recticel in thousand EUR	2018	2019 after IFRS 16
EBIT	**42 947**	**37 148**
Depreciation, amortisation and impairment losses on assets	37 453	58 070
Write-offs (-back) on assets	508	667
Changes in provisions	- 2	-6 740
Income from associates and joint ventures	-10 170	-9 270
Valorisation call/put option Proseat	0	-3 762
(Gain)/Loss on disposal of assets	- 671	-3 740
Other non-cash elements	0	- 38
Gross operating cash flow	**70 065**	**72 335**
Changes in working capital and long-term receivables	-6 697	-1 668
Gross operating cash flow after changes in working capital	**63 368**	**70 667**
Income taxes paid	-5 996	-3 899
Net cash flow from operating activities (a)	**57 372**	**66 768**
Net cash flow from investment activities (b)	**-42 287**	**-30 717**
Paid interest charges on financial debt (1.a.)	-4 700	-2 453
Paid interest charges on lease debt (1.b.)	- 163	- 146
Paid dividends (2)	-12 023	-13 163
Increase (Decrease) of capital (3)	3 086	819
Increase of financial debt (4.a.)	55 690	51 169
Decrease of lease debt (4.b.)	-1 843	-24 466
Decrease of financial debt (4.c.)	-75 722	-13 151
Net cash flow from financing activities (c)	**-35 676**	**-1 391**
Effect of exchange rate changes (d)	480	- 697
Changes in cash and cash equivalents (a)+(b)+(c)+(d)+(e)	**-20 111**	**33 963** *
FREE CASH FLOW (a)+(b)+(1.a)+(1.b)+(4.b)	**8 379**	**8 986**

* Opening balance of cash and cash equivalents of 2019 has been restated for the overdraft position in accordance with IAS 7

6. Condensed consolidated statement of changes in shareholders' equity

Group Recticel in thousand EUR	Capital	Share premium	Treasury shares	Other reserves	Retained earnings	Translation differences reserves and Hedging reserves	Total shareholders' equity	Non-controlling interests	Total equity, non-controlling interests included
At the end of the period (31 December 2018)	**138 068**	**129 941**	**-1 450**	**-19 214**	**39 636**	**-22 003**	**264 977**	**0**	**264 977**
Dividends	0	0	0	0	-13 254	0	-13 254	0	-13 254
Stock options (IFRS 2)	0	0	0	485	0	0	485	0	485
Capital movements	426	393	0	- 100	100	0	819	0	819
Change in scope	0	0	0	79	- 79	0	0	745	745
Shareholders' movements	**426**	**393**	**0**	**464**	**-13 233**	**0**	**-11 950**	**745**	**-11 205**
Profit or loss of the period	**0**	**0**	**0**	**0**	**24 762**	**0**	**24 762**	**- 44**	**24 718**
Other comprehensive income'	**0**	**0**	**0**	**-6 805**	**- 4**	**3 348**	**-3 461**	**0**	**-3 461**
Change in scope	**0**	**0**	**0**	**0**	**0**	**367**	**367**	**0**	**367**
Reclassification	**0**	**0**	**0**	**- 67**	**67**	**0**	**0**	**0**	**0**
At the end of the period (31 December 2019)	**138 494**	**130 334**	**-1 450**	**-25 622**	**51 228**	**-18 288**	**274 696**	**701**	**275 397**

7. Reconciliation with alternative performance measures (consolidated)

in thousand EUR	31 DEC 2019			31 DEC 2018			
Group Recticel	**Combined**	**Adjustement for joint ventures by application of IFRS 11**	**Consolidated**	**Combined**	**Adjustement for joint ventures by application of IFRS 11**	**Consolidated**	**Combined**
Income statement							
Sales	1 220 949	(182 432)	1 038 517	1 448 264	(330 612)	1 117 652	1 460 820
Gross profit	219 118	(27 824)	191 294	239 499	(37 876)	201 623	207 412
EBITDA	105 641	(10 377)	95 264	93 353	(12 853)	80 500	94 118
EBIT	40 260	(3 112)	37 148	47 046	(4 099)	42 947	48 081
EBIT	**40 260**	**(3 112)**	**37 148**	**47 046**	**(4 099)**	**42 947**	**48 081**
Amortisation intangible assets	3 701	(1 034)	2 667	4 167	(1 538)	2 629	3 847
Depreciation tangible assets	33 388	(4 282)	29 107	34 080	(6 712)	27 368	33 232
Depreciation right-of-use assets	24 611	(1 982)	22 630	0	0	0	11 914
Impairments on goodwill, intangible and tangible fixed assets	1 821	0	1 821	5 783	36	5 819	7 009
Amortisation other operational assets[1]	1 860	32	1 892	2 276	(539)	1 737	1 949
EBITDA	**105 641**	**(10 377)**	**95 264**	**93 353**	**(12 853)**	**80 500**	**106 032**

[1] Mainly the release of upfront payments in Automotive to profit and loss account.

EBITDA	105 641	-	-	93 353	-	-	94 118
Net impact of fire incident in Most	0	-	-	(5 639)	-	-	1 092
Restructuring charges	11 215	-	-	10 103	-	-	3 701
Gain/(loss) on disposals	(7 283)	-	-	0	-	-	
Other	5 162	-	-	5 977	-	-	6 639
Adjusted EBITDA	**114 735**	**-**	**-**	**103 794**	**-**	**-**	**105 550**
EBIT	40 260	-	-	47 046	-	-	7 009
Net impact of fire incident in Most	0	-	-	(5 639)	-	-	1 092
Restructuring charges	11 215	-	-	10 103	-	-	3 701
Gain/(loss) on disposals	(7 283)	-	-	0	-	-	
Other	5 160	-	-	5 977	-	-	6 639
Impairments	1 823	-	-	5 783	-	-	7 009
Adjusted EBIT	**51 175**	**-**	**-**	**63 270**	**-**	**-**	**25 450**
Total net financial debt							
Non-current financial liabilities	118 714	(18 380)	100 334	47 205	(12 499)	34 706	112 194
Non-current contract liabilities	20 339	0	20 339	-	-	-	
Current financial liabilities	122 651	(5 236)	117 415	90 437	(2 237)	88 200	83 989
Current contract liabilities	32 832	60 176	93 008	-	-	-	
Cash	(60 210)	11 731	(48 479)	(36 780)	(953)	(37 733)	(73 206)
Other financial assets [1]	(53 880)	(60 179)	(114 059)	(691)	83	(608)	(85)
Net financial debt on statement of financial position	**180 446**	**(11 888)**	**168 558**	**100 171**	**(15 606)**	**84 565**	**122 892**
Factoring programs	47 049	3	47 051	51 320	0	51 320	54 701
Total net financial debt	**227 494**	**(11 885)**	**215 609**	**151 491**	**(15 606)**	**135 885**	**177 593**

[1] Hedging instruments and interest advances

Gearing ratio (Net financial debt / Total equity)							
Total equity	275 397	0	275 397	264 978	0	264 978	261 786
Net financial debt on statement of financial position / Total equity	65,5%	-	61,2%	37,8%	-	31,9%	46,9%
Total net financial debt / Total equity	82,6%	-	78,3%	57,2%	-	51,3%	67,8%
Leverage ratio (Net financial debt / EBITDA)							
EBITDA	105 641	(10 377)	95 264	93 353	(12 883)	80 470	94 119
Net financial debt on statement of financial position / EBITDA	1,7	-	1,8	1,1	-	1,1	1,3
Total net financial debt / EBITDA	2,2	-	2,3	1,6	-	1,7	1,9
Net working capital							
Inventories and contracts in progress	-	-	101 797	-	-	103 789	-
Trade receivables	-	-	99 117	-	-	107 680	-
Current contract assets	-	-	11 300	-	-	13 782	-
Other receivables	-	-	32 667	-	-	55 227	-
Income tax receivables	-	-	1 448	-	-	5 587	-
Trade payables	-	-	(93 008)	-	-	(90 756)	-
Current contract liabilities	-	-	(32 832)	-	-	(44 964)	-
Income tax payables	-	-	(1 229)	-	-	(3 061)	-
Other amounts payable	-	-	(79 173)	-	-	(104 957)	-
Net working capital	**-**	**-**	**40 087**	**-**	**-**	**42 327**	**-**
Current ratio (= Current assets / Current liabilities)							
Current assets	-	-	300 600	-	-	343 137	-
Current liabilities	-	-	330 112	-	-	339 774	-
Current ratio (factor)	**-**	**-**	**0,9**	**-**	**-**	**1,0**	**-**

8. Auditor's report

The statutory auditor, Deloitte Bedrijfsrevisoren CVBA, represented by Kurt Dehoorne, has confirmed that the audit, which is substantially complete, has not to date revealed any material misstatements in the draft condensed consolidated income statement, condensed consolidated statement of comprehensive income, condensed consolidated statement of financial position and condensed consolidated statement of cash flow, and that the consolidated accounting data reported in the press release is consistent, in all material respects, with the draft condensed consolidated income statement, condensed consolidated statement of comprehensive income, condensed consolidated statement of financial position and condensed consolidated statement of cash flow from which it has been derived.

Ghent, 27 February 2020

The Statutory Auditor

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DELOITTE Bedrijfsrevisoren CVBA/SCRL

Represented by Kurt Dehoorne

Glossary

- **IFRS measures**

Consolidated (data) : financial data following the application of IFRS 11, whereby Recticel's joint ventures are integrated on the basis of the equity method.

- **Alternative Performance Measures**

In addition, the Group uses alternative performance measures (Alternative Performance Measures or "APM") to express its underlying performance and to help the reader to better understand the results. APM are not defined performance indicators by IFRS. The Group does not present APM as an alternative to financial measures determined in accordance with IFRS and does not give more emphasis to APM than the defined IFRS financial measures.

Adjusted EBIT (previously labelled REBIT) : EBIT before Adjustments to EBIT

Adjusted EBITDA (previously labelled REBITDA) : EBITDA before Adjustments (to EBIT)

Adjustments to EBIT (previously "Non-recurring elements") :

include operating revenues, expenses and provisions that pertain to restructuring programmes (redundancy payments, closure & clean-up costs, relocation costs,...), reorganisation charges and onerous contracts, impairments on assets ((in)tangible assets and goodwill), revaluation gains or losses on investment property, gains or losses on divestments of non-operational investment property, and on the liquidation of investments in affiliated companies, gains or losses on discontinued operations, revenues or charges due to important (inter)national legal issues.

Combined (data) : financial data including Recticel's pro rata share in the joint ventures, after elimination of intercompany transactions, in accordance with the proportional consolidation method.

Current ratio : Current assets / Current liabilities

EBIT : Earnings before interest and tax. Earnings comprise income from joint ventures and associates

EBITDA : EBIT + depreciation, amortisation and impairment on assets.

Gearing : Net financial debt / Total equity

Leverage : Net financial debt / EBITDA. For half-year figures, EBITDA equals 2 times EBITDA of the period.

Net free cash-flow : Net free cash flow: is the sum of the (i) Net cash flow after tax from operating activities, (ii) the Net cash flow from investing activities and (iii) the Interest paid on financial liabilities; as shown in the consolidated cash flow statement.

Net financial debt : Interest bearing financial liabilities and lease liabilities at more than one year + interest bearing financial liabilities and lease liabilities within maximum one year + accrued interests – cash and cash equivalents + Net marked-to-market value position of hedging derivative instruments. The interest-bearing borrowings do not include the drawn amounts under non-recourse factoring/forfeiting programs

Net working capital : Inventories and contracts in progress + Trade receivables + Other receivables + Income tax receivables – Trade payables – Income tax payables – Other amounts payable

Total net financial debt : Net financial debt + the drawn amounts under off-balance sheet non-recourse factoring/forfeiting programs

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 results 2019	28.02.2020 (at 07:00 AM CET)
First quarter 2020 trading update	28.04.2020 (at 07:00 AM CET)
Annual General Meeting	26.05.2020 (at 10:00 AM CET)
First half-year 2020 results	28.08.2020 (at 07:00 AM CET)
Third quarter 2020 trading update	30.10.2020 (at 07:00 AM CET)
Annual results 2020	26.02.2021 (at 07:00 AM CET)
First quarter 2021 trading update	27.04.2021 (at 07:00 AM CET)
Annual General Meeting	25.05.2021 (at 10:00 AM CET)
First half-year 2021 results	27.08.2021 (at 07:00 AM CET)
Third quarter 2021 trading update	29.10.2021 (at 07:00 AM CET)

For additional information

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Recticel in a nutshell

Recticel is a Belgian Group with a strong European dimension, but it also operates in the rest of the world. Recticel (excluding minority stakes in joint ventures) employs 7,028 people in 81 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®, etc.) and GELTEX® inside. Within the Insulation sub-segment high-quality thermal insulation products are marketed under the well-known brands Eurowall®, Powerroof®, Powerdeck®, Powerwall® and Xentro®. Technological progress and innovation have led to breakthrough at the biggest names in the Automotive industry thanks to Colo-Fast®, Colo-Sense® and Colo-Sense Lite®.

In 2019 Recticel achieved combined sales of EUR 1.22 billion (IFRS 11 consolidated sales: EUR 1.0 billion).

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

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