



Hunter Douglas first half year 2008 results

Rotterdam, August 12, 2008 – Hunter Douglas', the world market leader in window coverings (Luxaflex®) and a major manufacturer of architectural products, results for the first half year 2008:

- . **Sales:** 6.4% higher to USD 1,569.0 million compared with USD 1,474.5 million in the first half of 2007.
- . **Income from Operations:** 32.4% lower to USD 105.3 million compared with USD 155.8 million in the first half of 2007.
- . **Net profit from Operations:** 8.2% lower to USD 96.0 million compared with USD 104.6 million in the first half of 2007.
- . **Net Result Investment Portfolio:** USD 57.8 million negative compared with USD 72.1 million positive in the first half of 2007.
- . **Total Net Profit:** USD 38.2 million; compared with USD 176.7 million in the first half of 2007.

Sales were USD 1,569.0 million, 6.4% higher than USD 1,474.5 million in the first half 2007. The sales increase reflects 4.2% volume decrease, 3.5% increase from acquisitions and 7.1% positive currency impact. Organic sales in Europe and North America declined and were higher in Latin America, Asia and Australia.

Europe accounted for 46% of sales, North America 38%, Latin America 6%, Asia 6% and Australia 4%. Window Coverings were 83% and Architectural and Other Products were 17% of sales.

Income from Operations was USD 105.3 million, 32.4% lower than USD 155.8 million in the first half 2007. In local currencies, Income from Operations was higher in Latin America and Asia and lower in all other areas.

Net Profit from Operations was USD 96.0 million, 8.2% lower than USD 104.6 million in the first half of 2007. Net profit from operations was higher in Latin America and Asia and lower in all other areas.

Included in last year's Net Profit from Operations was an extraordinary loss on the sale of the Vlissingen smelter of USD 23.7 million.

Net Result Investment Portfolio was USD 57.8 million negative (after deduction of imputed interest and expenses) compared with USD 72.1 million positive in the first half of 2007. The investment portfolio had a fair value on June 30, 2008 of USD 609 million compared with USD 849 million at the end of December 2007. The investment portfolio is being reduced by about USD 225 million, part of which was effected in the first half, in order to finance half of the April share buy back. The Portfolio's return in U.S. dollars (before imputed interest and expenses) was 4.9% negative compared with 11.7% positive in the first half of 2007. Management of these assets

Total Net Profit was USD 38.2 million, compared with USD 176.7 million in the first half 2007. Net profit per average outstanding common share was USD 0.96 (EUR 0.62) compared with USD 4.21 (EUR 3.16) in the first half 2007.

Capital expenditures were USD 64 million compared with USD 61 million in the first half of 2007, while depreciation was USD 44 million, compared with USD 39 million in the first half of 2007. For the full year capital expenditures are expected to be approximately USD 145 million and depreciation USD 90 million .

Shareholder's equity was USD 1,464 million compared with USD 1,969 million at the end of 2007, reflecting USD 463 million reduction due to the buy back and cancellation of 6,774,741 common shares and the dividend payment of USD 112 million, partly offset by the first half year results and positive exchange translation.

Acquisitions

Acme Window Coverings, Illinois, U.S.A., a fabricator of window covering products, was acquired in June. The company had sales in 2007 of USD 23 million and has 100 employees.

Second Quarter 2008

Q2 Sales were USD 845.7 million, 4.8% higher than USD 807.0 million in the same period of 2007. The increase reflects 4.0% volume decrease, 1.9% contribution from acquisitions and a positive currency impact of 6.9%. Second quarter organic sales

were lower in Europe, North America and Australia, level in Asia and higher in Latin America.

Q2 Income from Operations was USD 72.8 million, 29.2% lower than USD 102.8 million in the second quarter of 2007. In local currencies profits were higher in Latin America and lower in all other areas.

Q2 Net Profit from Operations was USD 72.3 million, 17.0% higher than USD 61.8 million in the second quarter of 2007. Net profit from operations were higher in Latin America and lower in all other areas.

Q2 Net Result Investment portfolio was USD 2.7 million negative (after deduction of imputed interest and expenses) compared with USD 49.8 million positive in the second quarter of 2007. The Portfolio's return in U.S. dollars in the second quarter of 2008 (before imputed interest and expenses) was 0.5% positive compared with 7.4% positive in the second quarter of 2007.

Q2 Total Net Profit was USD 69.6 million, down 37.4% from USD 111.6 million in the same period of 2007. Net profit per average common share decreased to USD 1.70 (EUR 1.11) compared with USD 2.66 (EUR 1.98) in the second quarter of 2007.

Sales by Region first half year 2008

Europe

Sales in Europe increased by 12% to USD 720 million. The sales increase reflects 5% volume decrease, 5% contribution from acquisitions and 12% positive currency impact. In EUR, sales decreased by 2.7% to EUR 469 million.

North America

North American sales were USD 601 million, 3% lower than in the same period last year. This is the result of 8% volume decrease, 3% contribution from acquisitions and 2% positive currency impact.

Latin America

Latin American sales were USD 98 million, 23% higher than in the same period last year. The sales increase reflects 17% volume increase and 6% positive currency impact.

Asia

Asian sales were USD 93 million, 11% higher than in the same period last year. This is the result of 5% volume increase and 6% positive currency impact.

Australia

Australian sales were USD 57 million, 16% higher than in the same period last year. The sales increase reflects 2% volume increase and 14% positive currency impact.

Outlook

Hunter Douglas is increasingly cautious about the outlook for 2008 compared with record results in 2007, in view of lower sales in North America and the UK which are strongly affected by the declining housing markets, and signs of slowing in other European markets.

Profile Hunter Douglas

Hunter Douglas is the world market leader in window coverings and a major manufacturer of architectural products. The Company has its Head Office in Rotterdam, The Netherlands, and a Management Office in Lucerne, Switzerland. The Group is comprised of 170 companies with 67 manufacturing and 103 assembly operations in more than 100 countries. Hunter Douglas employs about 21,000 people, and had sales in 2007 of USD 3.028 billion.

The common shares of Hunter Douglas N.V. are traded on Amsterdam's Euronext and the Deutsche Boerse.

For further information:

Leen Reijtenbagh

Chief Financial Officer

Tel. +31 10 486 9582

E-mail : l.reijtenbagh@hdnv.nl

Website: www.hunterdouglasgroup.com

A consolidated Statement of Income for the first half year and the second quarter (Annex 1+2), Balance Sheet (Annex 3), and Sales change attribution percentages by geographic region for the first half year and second quarter 2008 (Annex 4) are attached.

- Consolidated Statement of Income for the first half year and the second quarter (Annex 1)
[Annex 1](#)

- Consolidated Statement of Income for the first half year and the second quarter (Annex 2)
[Annex 2](#)
- Balance Sheet (Annex 3)
[Annex 3](#)
- Sales change attribution percentages by geographic region for the first half year and second quarter 2008 (Annex 4)
[Annex 4](#)