

## HUNTER DOUGLAS RESULTS 2011

### HUNTER DOUGLAS RESULTS 2011

**Rotterdam, March 14, 2012** – Hunter Douglas, the world market leader in window coverings (Luxaflex®) and a major manufacturer of architectural products, results for 2011:

- **Sales:** 5.2% higher to USD 2.573 billion compared with USD 2.445 billion in 2010.
- **Earnings before interest, tax, depreciation and amortization - EBITDA (before non-recurring restructuring expenses)** were USD 229.9 million, 10.5% lower than USD 256.9 million in 2010.
- **Income from Operations (before non-recurring restructuring expenses):** 14.4% lower to USD 142.8 million compared with USD 166.8 million in 2010; lower in all areas except Latin America and Asia.
- **Non-recurring restructuring expenses** were USD 31.4 million compared with USD 17.0 million in 2010. The 2011 non-recurring restructuring expenses relate to the European and North American operations.
- **Net Result Investment Portfolio:** USD 18.6 million negative (after deduction of imputed interest and expenses) compared with USD 11.2 million positive in 2010.
- **Total Net Result:** USD 77.5 million (per share EUR 1.57) compared with USD 152.8 million in 2010 (per share EUR 3.24).

**Sales:** The 5.2% sales increase reflects a 0.6% volume increase, a 1.2% increase from acquisitions and a 3.4% positive currency impact. Volume was higher in North and Latin America and Asia, level in Europe and lower in Australia.

Europe accounted for 41% of sales, North America 38%, Latin America 10%, Asia 7% and Australia 4%. Window Coverings were 81% and Architectural and Other Products were 19% of sales.

**Net Result Investment Portfolio:** The Portfolio's return in U.S. dollars (before imputed interest and expenses) was 7.8% negative compared with 13.7% positive in 2010. The Portfolio had a fair value at year end 2011 of USD 192 million compared with USD 143 million on December 31, 2010. Management of these assets is delegated to a widely diversified range of independent managers. The Portfolio will be wound down over the course of the year reducing debt.

**Operating cash flow:** USD 180 million compared with USD 159 million in 2010.

**Capital expenditures** were USD 111 million compared with USD 71 million in 2010, while depreciation was USD 81 million, compared with USD 85 million in 2010.

In 2012 capital expenditures will be about USD 100 million and depreciation USD 90 million.

**Shareholder's equity** was USD 1,137 million compared with USD 1,159 million at the end of 2010. Dividends of USD 63 million and negative exchange translation were partly offset by 2011 earnings.

**Financing:** All borrowings are covered by committed long term facilities.

**Return before interest on Net Assets Employed – RONA (before non-recurring expenses):** 8.4% compared with 10.3% in 2010.

**Employees:** The company had approximately 16,500 employees at the end of 2011 compared with 17,000 last year.

**Dividend:** The Board of Directors proposes a Regular Dividend for 2011 of EUR 1.25 per Common share, the same as last year.

#### Q4 2011

**Q4 Sales** were USD 643.2 million, 0.1% higher than USD 642.6 million in the same period of 2010. This reflects a 0.1% volume increase, a 0.3% increase from acquisitions and a negative currency impact of 0.3%. Fourth quarter organic sales were higher in North and Latin America, level in Europe and lower elsewhere.

**Q4 Earnings before interest, tax, depreciation and amortization - EBITDA (before non-recurring restructuring expenses)** was USD 60.2 million, compared with USD 70.2 million in Q4 2010.

**Q4 Income from Operations (before non-recurring restructuring expenses)** was USD 40.1 million, compared with USD 47.0 million in Q4 2010. In local currencies Latin America and Asia had higher results while results in other areas were lower.

**Q4 Non-recurring restructuring expenses** were USD 23.7 million compared with USD 12.7 million last year. The 2011 non-recurring restructuring expenses relate to the European and North American operations.

**Q4 Net Result Investment portfolio** was USD 1.4 million (after deduction of imputed interest and expenses) compared with USD 7.1 million in the fourth quarter of 2010. The Portfolio's return in U.S. dollars in Q4 (before imputed interest and expenses) was 1.2% compared with 7.5% in Q4 of 2010.

**Q4 Total Net Result:** USD 1.1 million (per share EUR 0.02) compared with USD 38.1 million in Q4 2010 (per share EUR 0.80).

### **Total year 2011 by Region**

#### **Europe**

European operations had higher sales but lower profits.

European sales were USD 1,054 million, 7% higher than USD 986 million in the same period last year. This reflects level volume, a 2% increase from acquisitions and a 5% positive currency impact. In EUR, sales increased by 2% to EUR 756 million compared with EUR 742 million in 2010.

#### **North America**

North American sales were higher but profits lower.

North American sales increased by 2% to USD 975 million, reflecting a 1% volume increase and a 1% positive currency impact.

#### **Latin America**

Latin American operations had higher sales and profits.

Latin American sales were USD 247 million, 13% higher than USD 219 million in the same period last year. The sales increase reflects a 9% volume increase and a 4% positive currency impact.

#### **Asia**

Asian operations had higher sales and profits.

Asian sales were USD 192 million, 5% higher than USD 182 million in the same period last year. The sales increase reflects a 1% volume increase and a 4% positive currency impact.

#### **Australia**

Australian sales were USD 105 million compared with USD 103 million in the same period last year reflecting a 19% volume decrease, a 8% increase from acquisitions and 13% positive currency impact.

**Outlook:** The outlook remains cautious for Europe and North America where the business environment is expected to remain challenging until housing markets and consumer confidence recover. Continued growth is expected in Asia and Latin America.

Hunter Douglas remains in a strong position in terms of its products, distribution, finances and management.

### **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 168 companies with 68 manufacturing and 100 assembly operations in more than 100 countries. The common shares of Hunter Douglas N.V. are traded on Amsterdam's Euronext and Deutsche Boerse.

**For further information:**

Leen Reijtenbagh

Chief Financial Officer

Tel. +31 10 486 9582

E-mail : [l.reijtenbagh@hdnv.nl](mailto:l.reijtenbagh@hdnv.nl)

Website: [www.hunterdouglasgroup.com](http://www.hunterdouglasgroup.com)

A consolidated Statement of Income for the full year 2011 and Q4 2011 (Annex 1+2), Balance Sheet (Annex 3), Cash Flow Statement (Annex 4) and Sales change attribution percentages by geographic region for the full year 2011 and Q4 2011 (Annex 5) are attached.

[Annex 1](#)

[Annex 2](#)

[Annex 3](#)

[Annex 4](#)

[Annex 5](#)