

For release: March 17, 2011
08.00 hrs

HUNTER DOUGLAS RESULTS 2010

Rotterdam, March 17, 2011 – Hunter Douglas, the world market leader in window coverings (Luxaflex®) and a major manufacturer of architectural products, results for 2010:

- **Sales:** 2.9% higher to USD 2.445 billion compared with USD 2.376 billion in 2009.
- **Earnings before interest, tax, depreciation and amortization - EBITDA (before non-recurring restructuring expenses)** were USD 256.9 million, 20.8% higher than USD 212.7 million in 2009.
- **Income from Operations (before non-recurring restructuring expenses):** 39.0% higher to USD 166.8 million compared with USD 120.0 million in 2009; was higher in all areas except Latin America and Asia.
- **Net Profit from Operations (before non-recurring restructuring expenses):** USD 158.6 million (per share EUR 3.37), 38.6% higher than USD 114.4 million in 2009 (per share EUR 2.31).
- **Non-recurring restructuring expenses** were USD 17.0 million compared with USD 27.2 million in 2009. The 2010 non-recurring restructuring expenses relate to the European, North American and Asian operations.
- **Net profit from Operations (after non-recurring restructuring expenses):** USD 141.6 million (per share EUR 3.01) 62.4% higher than USD 87.2 million in 2009 (per share EUR 1.76).
- **Net Result Investment Portfolio:** USD 11.2 million (after deduction of imputed interest and expenses) compared with USD 2.9 million in 2009.
- **Total Net Result:** USD 152.8 million (per share EUR 3.24), 69.6% higher than USD 90.1 million in 2009 (per share EUR 1.82).

Sales: The 2.9% sales increase reflects a 0.3% volume decrease, a 2.5% increase from acquisitions and a 0.7% positive currency impact. Volume was higher in North and Latin America and declined in Europe, Asia and Australia.

Europe accounted for 40% of sales, North America 40%, Latin America 9%, Asia 7% and Australia 4%. Window Coverings were 83% and Architectural and Other Products were 17% of sales.

Net Result Investment Portfolio: The Portfolio's return in U.S. dollars (before imputed interest and expenses) was 13.7% compared with 5.4% in 2009. The Portfolio had a fair value at year end 2010 of USD 143 million compared with USD 144 million on December 31, 2009. It will be increased to about USD 200 mln. Management of these assets is delegated to a widely diversified range of independent managers.

HUNTER DOUGLAS N.V., Piekstraat 2, 3071 EL Rotterdam, Nederland, Tel. 010 – 4869911, Telefax 010 - 4850355

Operating cash flow: USD 159 million compared with USD 234 million in 2009.

Capital expenditures were USD 71 million compared with USD 63 million in 2009, while depreciation was USD 85 million, compared with USD 88 million in 2009.

In 2011 capital expenditures will be about USD 125 million and depreciation USD 87 million.

Shareholder's equity was USD 1,159 million compared with USD 1,372 million at the end of 2009. Dividends of USD 345 million and negative exchange translation were partly offset by 2010 earnings.

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

Return before interest on Net Assets Employed – RONA E

(before non-recurring expenses): 10.3% compared with 7.1% in 2009.

Employees: The company had approximately 17,000 employees at the end of 2010, the same as last year.

Dividend: The Board of Directors proposes a Regular Dividend for 2010 of EUR 1.25 per Common share, compared with EUR 1.00 in 2009.

Q4 2010

Q4 Sales were USD 642.6 million, 0.3% higher than USD 640.9 million in the same period of 2009. The increase reflects a 1.7% volume decrease, a 2.9% increase from acquisitions and a negative currency impact of 0.9%. Fourth quarter organic sales were higher in Europe and Latin America and lower elsewhere.

Q4 Earnings before interest, tax, depreciation and amortization - EBITDA

(before non-recurring restructuring expenses) was USD 70.2 million, compared with USD 87.6 million in Q4 2009.

Q4 Income from Operations (before non-recurring restructuring expenses) was USD 47.0 million, compared with USD 66.6 million in Q4 2009. In local currencies North America and Australia had higher results while results in other areas were lower.

Q4 Net Profit from Operations (before non-recurring restructuring expenses):

was USD 43.7 million (per share EUR 0.92) compared with USD 57.8 million in Q4 2009 (per share EUR 1.16).

Q4 Non-recurring restructuring expenses were USD 12.7 million compared with USD 11.3 million last year. The 2010 non-recurring restructuring expenses relate to the European, North American and Asian operations.

Q4 Net profit from Operations (after non-recurring restructuring expenses):

USD 31.0 million (per share EUR 0.66) compared with USD 46.5 million in Q4 2009 (per share EUR 0.94).

HUNTER DOUGLAS N.V., Piekstraat 2, 3071 EL Rotterdam, Nederland, Tel. 010 – 4869911, Telefax 010 - 4850355

Q4 Net Result Investment portfolio was USD 7.1 million (after deduction of imputed interest and expenses) compared with USD 4.0 million in the fourth quarter of 2009. The Portfolio's return in U.S. dollars in Q4 (before imputed interest and expenses) was 7.5% compared with 2.9% in Q4 of 2009.

Q4 Total Net Result: USD 38.1 million (per share EUR 0.80) compared with USD 50.5 million in Q4 2009 (per share EUR 1.01).

Total year 2010 by Region

Europe

European operations had lower sales and higher profits.

European sales were USD 986 million, 1% lower than USD 997 million in the same period last year. This reflects a 4% volume decrease, a 6% increase from acquisitions and a 3% negative currency impact. In EUR, sales increased by 4% to EUR 742 million compared with EUR 714 million in 2009.

North America

North American sales and profits were higher.

North American sales increased by 5% to USD 955 million, reflecting a 3% volume increase and a 2% positive currency impact.

Latin America

Latin American operations had lower profits with higher sales.

Latin American sales were USD 219 million, 16% higher than USD 189 million in the same period last year. The sales increase reflects a 8% volume increase and a 8% positive currency impact.

Asia

Asian operations had higher sales with lower profits.

Asian sales were USD 182 million, 1% higher than USD 181 million in the same period last year. The sales increase reflects a 2% volume decrease and a 3% positive currency impact.

Australia

Australian sales were USD 103 million compared with USD 97 million in the same period last year reflecting a 9% volume decrease and a 15% 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 strong growth is expected in Asia and Latin America.

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

HUNTER DOUGLAS N.V., Piekstraat 2, 3071 EL Rotterdam, Nederland, Tel. 010 – 4869911, Telefax 010 - 4850355

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 167 companies with 68 manufacturing and 99 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
Website: www.hunterdouglasgroup.com

A consolidated Statement of Income for the full year 2010 and Q4 2010 (Annex 1+2), Balance Sheet (Annex 3), Cash Flow Statement (Annex 4) and Sales change attribution percentages by geographic region for the full year 2010 and Q4 2010 (Annex 5) are attached.

ANNEX 1

CONSOLIDATED STATEMENT OF INCOME

Year ended December 31

(amounts in USD/mIn)

	<u>2010</u>	%	<u>2009</u>	%
Net sales	2,444.9		2,376.1	
Cost of sales	-1,415.6		-1,415.8	
Gross profit	1,029.3	42.1	960.3	40.4
Gross profit Metals Trading	20.2		18.4	
Total gross profit	1,049.5	42.9	978.7	41.2
Expenses:				
-Selling and marketing	-484.2		-464.6	
-General and administrative	-308.4		-301.4	
Subtotal expenses	-792.6		-766.0	
EBITDA	256.9	10.5	212.7	9.0
Depreciation and amortization	-90.1		-92.7	
Income from operations before non-recurring restructuring expenses	166.8	6.8	120.0	5.0
Non-recurring restructuring expenses	-17.0		-27.2	
Income from operations after non-recurring restructuring expenses	149.8	6.1	92.8	3.9
Interest received	7.2		8.9	
Interest paid	-15.7		-16.7	
Non-operational exchange result	2.2		3.7	
Other financial income	1.1		0.9	
Net result investment portfolio	11.2		2.9	
Income before taxes	155.8		92.5	
Taxes on income	-2.1		-1.7	
Profit before minority interest	153.7		90.8	
Minority interest	-0.9		-0.7	
Net profit	152.8	6.2	90.1	3.8
Net profit per average common share	4.31		2.54	
Net profit per average common share - fully diluted	4.31		2.54	

ANNEX 2

CONSOLIDATED STATEMENT OF INCOME

Q4 ended December 31

(amounts USD/mlin)

	<u>2010</u>	%	<u>2009</u>	%
Net sales	642.6		640.9	
Cost of sales	-371.4		-368.2	
Gross profit	271.2	42.2	272.7	42.6
Gross profit Metals Trading	7.8		6.0	
Total gross profit	279.0	43.4	278.7	43.5
Expenses:				
-Selling and marketing	-123.9		-110.5	
-General and administrative	-84.9		-80.6	
Subtotal expenses	-208.8		-191.1	
EBITDA	70.2	10.9	87.6	13.7
Depreciation and amortization	-23.2		-21.0	
Income from operations before non-recurring restructuring expenses	47.0	7.3	66.6	10.4
Non-recurring restructuring expenses	-12.7		-11.3	
Income from operations after non-restructuring expenses	34.3	5.3	55.3	8.6
Interest received	1.6		2.2	
Interest paid	-1.8		-3.0	
Non-operational exchange result	-2.4		0.3	
Other financial income	0.5		0.3	
Net result investment portfolio	7.1		4.0	
Income before taxes	39.3		59.1	
Taxes on income	-0.9		-8.5	
Profit before minority interest	38.4		50.6	
Minority interest	-0.3		-0.1	
Net profit	38.1	5.9	50.5	7.9
Net profit per average common share	1.07		1.42	
Net profit per average common share - fully diluted	1.07		1.42	

CONSOLIDATED BALANCE SHEET
Year ended December 31
(amounts USD/mlin)

	<u>2010</u>	<u>2009</u>	
ASSETS			
Fixed assets			
Intangible fixed assets	301.6	294.6	
Property, plant and equipment	579.3	599.8	
Other financial non-current assets	84.2	34.6	
Total fixed assets	965.1	929.0	
Current assets			
Inventories	627.2	600.6	
Accounts receivable			
-Trade	384.6	391.2	
-Other	253.3	248.7	
Investment portfolio	143.0	144.5	
Cash and other short-term deposits	60.5	68.6	
Total current assets	1,468.6	1,453.6	
	<u>2,433.7</u>	<u>2,382.6</u>	
SHAREHOLDERS' EQUITY AND LIABILITIES			
Shareholders' equity			
Capital stock	11.4	12.3	
Additional paid-in capital	94.5	101.8	
Retained earnings	1,053.4	1,258.2	
Total shareholders' equity	1,159.3	1,372.3	
Minority interest	4.2	3.9	
Total Group equity	1,163.5	1,376.2	
Non-current liabilities			
Interest-bearing loans	494.2	228.6	
Preferred shares	11.1	11.9	
Provisions	32.7	29.8	
Deferred income tax liabilities	22.5	21.2	
Total non-current liabilities	560.5	291.5	
Current liabilities			
Trade and other payables	580.9	585.0	
Interest-bearing loans	128.8	129.9	
Total current liabilities	709.7	714.9	
	<u>2,433.7</u>	<u>2,382.6</u>	

CONSOLIDATED CASH FLOW STATEMENT

Year ended December 31

(amounts in USD/mIn)

Cash flow from operations	2010	2009
Net profit attributable to equity shareholders	152.8	90.1
Adjustments for:		
Depreciation property, plant & equipment	84.7	87.6
Amortization patents & trademarks	5.3	5.1
Decrease provisions	-2.0	-38.8
Non-cash tax items	-25.0	-
Other non-cash items	-15.3	-
Unrealized result investment portfolio	-17.8	-10.8
Operating cash flow before working capital changes	182.7	133.2
Changes in working capital:		
-decrease trade and other receivables and prepayments	19.2	67.9
-(increase) decrease inventories	-15.6	96.7
-decrease trade and other payables	-27.2	-63.5
Operating cash flow	159.1	234.3
Dividend paid	-344.6	-50.0
Net cash from operations	-185.5	184.3
Cash flow from investing activities		
Investments subsidiaries, net of cash acquired	-43.5	-
Investment intangible fixed assets	-	-0.8
Investment property, plant and equipment	-71.1	-63.4
Divestment property, plant and equipment	26.2	23.4
Decrease investment portfolio	9.2	255.5
Decrease other financial non current assets	5.9	11.9
Increase other financial non current assets	-12.3	-10.3
Net cash from investing activities	-85.6	216.3
Cash flow from financing activities		
Increase (decrease) interest-bearing loans and borrowings	262.9	-368.6
Net cash from financing activities	262.9	-368.6
Net (decrease) increase in cash and cash equivalents	-8.2	32.0
Change in cash and cash equivalents		
Balance at 1 January	68.6	36.3
Net (decrease) increase in cash and cash equivalents	-8.2	32.0
Exchange difference cash and cash equivalents	0.1	0.3
Balance at 31 December	60.5	68.6

PERCENTAGE SALES CHANGE ATTRIBUTION

by geographic area

2010 vs 2009

Area	Volume	Currency	Acquisitions	Total
Europe	-4	-3	6	-1
North America	3	2	-	5
Latin America	8	8	-	16
Asia	-2	3	-	1
Australia	-9	15	-	6
Total	-	1	2	3

Q4 2010 vs Q4 2009

Area	Volume	Currency	Acquisitions	Total
Europe	3	-7	7	3
North America	-2	1	-	-1
Latin America	9	8	-	17
Asia	-22	3	-	-19
Australia	-12	9	-	-3
Total	-2	-1	3	0