

## PRESS RELEASE

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### HUNTER DOUGLAS RESULTS Q1 2019

**Rotterdam, May 7, 2019** – Hunter Douglas, the world market leader in window coverings (Luxaflex®) and a major manufacturer of architectural products, results for Q1 2019:

- **Sales:** 4.3% lower to USD 783.6 million, compared with USD 818.4 million in Q1 2018.

The 4.3% sales decrease reflects a 2.0% volume increase, 4.0% negative currency impact, 3.8% decrease from divestments and 1.5% increase from acquisitions. Volume increased in all areas except in Asia where sales were lower.

North America accounted for 47% of sales, Europe 40%, Asia 5%, Latin America 4%, and Australia 4%. Window Coverings were 90% and Architectural Products were 10% of sales.

- **Earnings before interest, tax, depreciation and amortization – EBITDA:** USD 81.6 million, 2.9% higher than USD 79.3 million in Q1 2018.
- **Income from Operations:** USD 46.0 million compared with USD 45.1 million in Q1 2018. Results in local currencies were better in all areas.
- **Profit before Tax:** USD 43.0 million, 5.9% higher than USD 40.6 million in Q1 2018.
- **Total Net Profit:** USD 34.5 million (per share EUR 0.87) compared with USD 33.1 million in Q1 2018 (per share EUR 0.78).

**Operating cash flow:** USD 5.7 million negative compared with USD 16.7 million negative in Q1 2018.

#### IFRS standards

The 2018 Balance Sheet and Statement of Income have been restated for comparison reasons in order to comply with IFRS 16 – Lease accounting, implemented per January 1, 2019.

#### Outlook

Hunter Douglas expects continued but slower growth in the US, Europe and Asia, and improving economic conditions in Latin America.

Hunter Douglas is in a strong position in terms of its brands, products, distribution and finances.

### **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 133 companies with 47 manufacturing and 86 assembly operations in more than 100 countries. Hunter Douglas employs about 23,000 people and had sales in 2018 of USD 3.634 billion.

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

### **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 (Annex 1), Balance Sheet (Annex 2), Cash Flow Statement (Annex 3) and Sales change attribution percentages by geographic region (Annex 4) are attached.

Annex 1

CONSOLIDATED STATEMENT OF INCOME

Q1 ended March 31  
 (amounts in USD/mlin)

	<u>2019</u>	%	<u>2018</u>	%
<b>Net sales</b>	<b>783.6</b>		818.4	
Cost of sales	<u>-457.2</u>		<u>-482.0</u>	
Gross profit	<b>326.4</b>	<b>41.7</b>	336.4	41.1
Gross profit Metals Trading	<u>6.1</u>		<u>4.1</u>	
<b>Total gross profit</b>	<b>332.5</b>	<b>42.4</b>	340.5	41.6
<b>Expenses:</b>				
-Marketing, A & P and selling	<u>-167.4</u>		<u>-174.1</u>	
-General and administrative	<u>-83.5</u>		<u>-87.1</u>	
Subtotal expenses	<u>-250.9</u>		<u>-261.2</u>	
<b>EBITDA</b>	<b>81.6</b>	<b>10.4</b>	79.3	9.7
Depreciation and amortization	<u>-35.6</u>		<u>-34.2</u>	
<b>Income from operations</b>	<b>46.0</b>	<b>5.9</b>	45.1	5.5
Interest received	<b>0.2</b>		0.2	
Interest paid	<u>-5.0</u>		<u>-5.9</u>	
Other financial income	<b>1.8</b>		0.9	
Net result investment portfolio			0.3	
<b>Income before taxes</b>	<b>43.0</b>		40.6	
Taxes on income	<u>-8.3</u>		<u>-6.4</u>	
<b>Profit before non-controlling interest</b>	<b>34.7</b>		34.2	
Non-controlling interest	<u>-0.2</u>		<u>-1.1</u>	
<b>Total net profit</b>	<b>34.5</b>	<b>4.4</b>	33.1	4.0
<b>Net profit per average common share</b>	<b>0.99</b>		0.95	
<b>Net profit per average common share - fully diluted</b>	<b>0.99</b>		0.95	

Annex 2

CONSOLIDATED BALANCE SHEET

As per March 31

(amounts in USD/mln)

	<u>2019</u>	<u>2018</u>
<b>ASSETS</b>		
<b>Fixed assets</b>		
Intangible fixed assets	1,085.7	1,114.4
Tangible fixed assets	602.4	633.0
Other financial non-current assets	<u>205.9</u>	<u>243.0</u>
<b>Total fixed assets</b>	<b>1,894.0</b>	1,990.4
<b>Current assets</b>		
Inventories	763.3	750.3
Accounts receivable		
-Trade	505.8	491.1
-Other	199.8	257.4
Investment portfolio	0.5	11.7
Cash and other short-term deposits	<u>17.7</u>	<u>35.7</u>
<b>Total current assets</b>	<b>1,487.1</b>	1,546.2
	<b><u>3,381.1</u></b>	<b><u>3,536.6</u></b>
<b>SHAREHOLDERS' EQUITY AND LIABILITIES</b>		
<b>Shareholders' equity</b>		
Capital stock	9.4	10.5
Additional paid-in capital	79.4	87.1
Retained earnings	<u>1,483.6</u>	<u>1,329.7</u>
<b>Total shareholders' equity</b>	<b>1,572.4</b>	1,427.3
Non-controlling interest	<u>9.0</u>	<u>24.6</u>
<b>Total Group equity</b>	<b>1,581.4</b>	1,451.9
<b>Non-current liabilities</b>		
Long-term debt	662.1	1,006.8
Preferred shares	9.3	10.2
Provisions	260.6	238.6
Deferred income tax liabilities	<u>9.5</u>	<u>9.8</u>
<b>Total non-current liabilities</b>	<b>941.5</b>	1,265.4
<b>Current liabilities</b>		
Trade and other payables	666.3	680.4
Interest-bearing loans and borrowings	<u>191.9</u>	<u>138.9</u>
<b>Total current liabilities</b>	<b>858.2</b>	819.3
	<b><u>3,381.1</u></b>	<b><u>3,536.6</u></b>

Annex 3

CONSOLIDATED CASH FLOW STATEMENT  
 Q1 ended March 31  
 (amounts in USD/mln)

	<u>2019</u>	<u>2018</u>
<b>Net profit attributable to equity shareholders</b>	<b>34.5</b>	33.1
<b>Adjustments for:</b>		
Depreciation property, plant & equipment	<b>30.9</b>	29.1
Amortization patents & trademarks	<b>4.7</b>	5.1
(Decrease) increase provisions	<b>-1.9</b>	0.5
Other non-cash items	<b>4.8</b>	-1.7
Unrealized result investment portfolio		-0.3
<b>Operating cash flow before working capital changes</b>	<b>73.0</b>	65.8
<b>Changes in working capital:</b>		
-decrease trade and other receivables and prepayments	<b>13.0</b>	20.4
-decrease (increase) inventories	<b>7.1</b>	-14.5
-decrease trade and other payables	<b>-98.8</b>	-88.4
<b>Net cash from operations</b>	<b>-5.7</b>	-16.7
<b>Cash flow from investing activities</b>		
Investments in subsidiaries, net of cash acquired		-28.7
Investments in property, plant and equipment	<b>-31.5</b>	-37.6
Divestments property, plant and equipment	<b>2.0</b>	3.7
Investments intangible fixed assets	<b>-0.8</b>	-5.0
Decrease investment portfolio		22.0
Decrease (increase) other financial non-current assets	<b>0.1</b>	-2.2
<b>Net cash from investing activities</b>	<b>-30.2</b>	-47.8
<b>Cash flow from financing activities</b>		
Increase interest-bearing loans and borrowings	<b>22.3</b>	67.5
<b>Net cash from financing activities</b>	<b>22.3</b>	67.5
<b>Net (decrease) increase in cash and cash equivalents</b>	<b>-13.6</b>	3.0
<b>Change in cash and cash equivalents</b>		
<b>Balance at 1 January</b>	<b>31.1</b>	32.0
Net (decrease) increase in cash and cash equivalents	<b>-13.6</b>	3.0
Exchange difference cash and cash equivalents	<b>0.2</b>	0.7
<b>Balance at 31 March</b>	<b>17.7</b>	35.7

Annex 4

PERCENTAGE SALES CHANGE ATTRIBUTION  
Explanation by geographic area  
Q1 2019 vs Q1 2018

Area	Volume	Currency	Acquisitions	Divestments	Total
Europe	4	-7	2	-7	-8
North America	1	0	0	-2	-1
Latin America	8	-13	0	0	-5
Asia	-12	-4	0	0	-16
Australia	8	-8	31	0	31
<b>Total</b>	<b>2</b>	<b>-4</b>	<b>2</b>	<b>-4</b>	<b>-4</b>