

For release: August 10, 2010
08.00 hrs

HUNTER DOUGLAS FIRST HALF YEAR 2010 RESULTS

Rotterdam, August 10, 2010 – Hunter Douglas', the world market leader in window coverings (Luxaflex®) and a major manufacturer of architectural products, first half year 2010 results:

- **Sales:** 3.2% higher to USD 1,164.2 million compared with USD 1,128.1 million in the first half of 2009.
- **Earnings before interest, tax, depreciation and amortization - EBITDA (before non-recurring restructuring expenses)** were USD 109.2 million compared with USD 68.8 million in the first half of 2009.
- **Income from Operations (before non-recurring restructuring expenses):** USD 64.6 million compared with USD 19.4 million in the first half of 2009. All areas had better results than last year.
- **Net Profit from Operations (before non-recurring restructuring expenses):** USD 68.7 million (per share EUR 1.46) compared with USD 24.1 million in the first half of 2009 (per share EUR 0.51).
- **Non-recurring restructuring expenses in the first half of 2010** were none compared with USD 13.3 million in the first half of 2009.
- **Net Profit from Operations (after non-recurring restructuring expenses):** USD 68.7 million (per share EUR 1.46) compared with USD 10.8 million in the first half of 2009 (per share EUR 0.23).
- **Net Profit Investment Portfolio:** USD 0.4 million positive (after deduction of imputed interest and expenses) compared with USD 5.6 million negative in the first half of 2009.
- **Total Net Profit:** USD 69.1 million (per share EUR 1.46) compared with USD 5.2 million in the first half of 2009 (per share EUR 0.11).

Sales: The 3.2% sales increase reflects a 1.2% volume decrease, a 1.6% increase from acquisitions and a 2.8% positive currency impact. Volume increased in all areas except Europe and Australia, where sales declined.

Europe accounted for 40% of sales, North America 40% Latin America 8% Asia 8% and Australia 4% Window Coverings were 84% and Architectural and Other Products were 16% of sales.

Net Profit Investment Portfolio: The Portfolio's return in U.S. dollars (before imputed interest and expenses) was 1.6% positive compared with 0.9% negative in the first half of 2009. The Portfolio had a fair value per June 30, 2010 of USD 129 million and is being further reduced, compared with USD 144 million on December 31, 2009. Management of these assets is delegated to a widely diversified range of independent managers.

Operating cash flow: USD 54.9 million compared with USD 119.0 million in the first half of 2009 when there was a substantial reduction of inventory as part of the restructuring program.

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Capital expenditures were USD 24 million compared with USD 27 million in the first half of 2009, while depreciation was USD 42 million, compared with USD 47 million in the first half of 2009. For the full year capital expenditures are expected to be approximately USD 80 million and depreciation USD 90 million .

Shareholder's equity was USD 1,041 million compared with USD 1,372 million at the end of 2009, reflecting the payment of the normal dividend of EUR 1.00 and the extra dividend of EUR 7.00, in total USD 345 million and negative exchange translation, offset by the first half year results.

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

Q2 2010

Q2 Sales were USD 628.7 million, 0.1% lower than USD 629.3 million in the same period of 2009. The decrease reflects a 2.5% volume decrease, a 2.6% contribution from acquisitions and a negative currency impact of 0.2%. Second quarter organic sales were higher in North America, Latin America and Asia and lower in Europe and Australia.

Q2 Earnings before interest, tax, depreciation and amortization - EBITDA (before non-recurring restructuring expenses) was USD 76.5 million, 15.9% higher than USD 66.0 million in Q2 2009.

Q2 Income from Operations (before non-recurring restructuring expenses) was USD 52.7 million, 39.1% higher than USD 37.9 million in Q2 2009. Results in local currencies were better in all areas except Latin America where results were slightly lower.

Q2 Net Profit from Operations (before non-recurring restructuring expenses): 53.7% higher to USD 58.1 million (per share EUR 1.23) compared with USD 37.8 million in Q2 2009 (per share EUR 0.81).

Q2 Non-recurring restructuring expenses were none compared with USD 11.0 million in Q2 2009.

Q2 Net Profit from Operations (after non-recurring restructuring expenses): USD 58.1 million (per share EUR 1.23) compared with USD 26.8 million in Q2 2009 (per share EUR 0.57).

Q2 Net Profit Investment portfolio was USD 2.9 million negative (after deduction of imputed interest and expenses) compared with USD 4.1 million positive in the second quarter of 2009. The Portfolio's return in U.S. dollars in Q2 of 2010 (before imputed interest and expenses) was 2.3% negative compared with 3.0% positive in Q2 of 2009.

Q2 Total Net Profit: USD 55.2 million (per share EUR 1.18) compared with USD 30.9 million in Q2 2009 (per share EUR 0.66).

First half year 2010 by Region

Europe

European sales were USD 460 million, 6% lower than USD 490 million in the same period last year. This reflects a 10% volume decrease and a 4% contribution from acquisitions. In EUR, sales decreased by 5% to EUR 345 million compared with EUR 363 million in 2009.

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North America

North American sales increased by 7% to USD 464 million, reflecting a 5% volume increase and a 2% positive currency impact.

Latin America

Latin American sales were USD 93 million, 18% higher than USD 79 million in the same period last year. The sales increase reflects a 6% volume increase and a 12% positive currency impact.

Asia

Asian sales were USD 98 million, 17% higher than USD 84 million in the same period last year. The sales increase reflects a 15% volume increase and a 2% positive currency impact.

Australia

Australian sales were USD 49 million compared with USD 42 million in the same period last year reflecting a 4% volume decrease and a 21% positive currency impact

Outlook

Consumer demand remains sluggish and the economic outlook uncertain in Europe and the US. Hunter Douglas therefore continues to be cautious in its outlook.

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 169 companies with 69 manufacturing and 100 assembly operations in more than 100 countries. Hunter Douglas employs about 17,500 people, and had sales in 2009 of USD 2.376 billion.

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

The consolidated first half year report prepared in accordance with IAS 34 is available on our website www.hunterdouglasgroup.com.

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A consolidated Statement of Income for the first half year and Q2 (Annex 1+2), Balance Sheet (Annex 3), Cash Flow Statement (Annex 4) and Sales change attribution percentages by geographic region for the first half year and Q2 (Annex 5) are attached.

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Annex 1

CONSOLIDATED STATEMENT OF INCOME
First half year ended June 30
(amounts in USD/mln)

	<u>2010</u>	<u>%</u>	<u>2009</u>	<u>%</u>
Net sales	1,164.2		1,128.1	
Cost of sales	<u>-672.0</u>		<u>-685.8</u>	
Gross profit	492.2	42.3	442.3	39.2
Gross profit Metals Trading	<u>8.3</u>		<u>8.2</u>	
Total gross profit	500.5	43.0	450.5	39.9
Expenses:				
- Selling and marketing	<u>-235.3</u>		<u>-227.0</u>	
- General and administrative	<u>-156.0</u>		<u>-154.7</u>	
Subtotal expenses	<u>-391.3</u>		<u>-381.7</u>	
EBITDA	109.2	9.4	68.8	6.1
Depreciation and amortization	<u>-44.6</u>		<u>-49.4</u>	
Income from operations before non-recurring restructuring expenses	64.6	5.5	19.4	1.7
Non-recurring restructuring expenses	<u>-</u>		<u>-13.3</u>	
Income from operations after non-recurring restructuring expenses	64.6	5.5	6.1	0.5
Interest received	2.7		4.5	
Interest paid	<u>-7.5</u>		<u>-10.1</u>	
Non-operational exchange result	5.1		2.5	
Other financial income	0.6		0.4	
Net result investment portfolio	0.4		-5.6	
Income before taxes	65.9		-2.2	
Taxes on income	<u>3.3</u>		<u>7.6</u>	
Profit before minority interest	69.2		5.4	
Minority interest	<u>-0.1</u>		<u>-0.2</u>	
Net profit	69.1	5.9	5.2	0.5
	=====		=====	
Net profit per average common share	1.95		0.15	
Net profit per average common share - fully diluted	1.95		0.15	

Annex 2

CONSOLIDATED STATEMENT OF INCOME Q2 ended June 30 (amounts in USD/mln)

	<u>2010</u>	<u>%</u>	<u>2009</u>	<u>%</u>
Net sales	628.7		629.3	
Cost of sales	<u>-362.2</u>		<u>-377.5</u>	
Gross profit	266.5	42.4	251.8	40.0
Gross profit Metals Trading	<u>4.7</u>		<u>3.6</u>	
Total gross profit	271.2	43.1	255.4	40.6
Expenses:				
- Selling and marketing	-119.6		-115.1	
- General and administrative	<u>-75.1</u>		<u>-74.3</u>	
Subtotal expenses	-194.7		-189.4	
EBITDA	<u>76.5</u>	12.2	<u>66.0</u>	10.5
Depreciation and amortization	<u>-23.8</u>		<u>-28.1</u>	
Income from operations before non-recurring restructuring expenses	52.7	8.4	37.9	6.0
Non-recurring restructuring expenses	<u>-</u>		<u>-11.0</u>	
Income from operations after non-recurring restructuring expenses	52.7	8.4	26.9	4.3
Interest received	0.8		2.3	
Interest paid	-3.7		-4.0	
Non-operational exchange result	3.3		1.4	
Other financial income	0.6		0.4	
Net result investment portfolio	-2.9		4.1	
Income before taxes	<u>50.8</u>		<u>31.1</u>	
Taxes on income	<u>4.4</u>		<u>-</u>	
Profit before minority interest	55.2		31.1	
Minority interest	<u>-</u>		<u>-0.2</u>	
Net profit	55.2	8.8	30.9	4.9
	=====		=====	
Net profit per average common share	1.56		0.88	
Net profit per average common share - fully diluted	1.56		0.88	

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Annex 3

CONSOLIDATED BALANCE SHEET

As per June 30

(amounts in USD/mln)

	<u>2010</u>	<u>2009</u>
ASSETS		
Fixed assets		
Intangible fixed assets	286.0	297.2
Property, plant and equipment	563.0	615.5
Other financial non-current assets	<u>39.6</u>	<u>37.3</u>
Total fixed assets	888.6	950.0
Current assets		
Inventories	603.8	627.6
Accounts receivable		
- Trade	410.5	410.1
- Other	257.7	330.4
Investment portfolio	128.8	150.4
Cash and other short-term deposits	<u>64.6</u>	<u>33.0</u>
Total current assets	<u>1,465.4</u>	<u>1,551.5</u>
	<u>2,354.0</u>	<u>2,501.5</u>
	=====	=====
SHAREHOLDERS' EQUITY AND LIABILITIES		
Shareholders' equity		
Capital stock	10.5	12.0
Additional paid-in capital	87.0	100.0
Retained earnings	<u>943.4</u>	<u>1,162.6</u>
Total shareholders' equity	1,040.9	1,274.6
Minority interest	<u>3.8</u>	<u>3.8</u>
Total Group equity	1,044.7	1,278.4
Non-current liabilities		
Interest-bearing loans	564.2	499.6
Preferred shares	10.2	11.7
Provisions	32.4	33.8
Deferred income tax liabilities	<u>20.0</u>	<u>33.3</u>
Total non-current liabilities	626.8	578.4
Current liabilities		
Trade and other payables	579.8	577.0
Interest-bearing loans	<u>102.7</u>	<u>67.7</u>
Total current liabilities	<u>682.5</u>	<u>644.7</u>
	<u>2,354.0</u>	<u>2,501.5</u>
	=====	=====

Annex 4

CONSOLIDATED CASH FLOW STATEMENT

First half year ended June 30

(amounts in USD/mln)

	<u>2010</u>	<u>2009</u>
Cash flow from operations		
Net profit attributable to equity shareholders	69.1	5.2
Adjustments for:		
Depreciation property, plant and equipment	42.1	46.8
Amortization patents & trademarks	2.5	2.6
(Decrease) increase provisions	- 10.7	1.4
Unrealized result investment portfolio	- 2.1	<u>1.5</u>
Operating cash flow before working capital changes	100.9	57.5
Changes in working capital:		
- (increase) decrease trade and other receivables and prepayments	-48.6	82.6
- (increase) decrease inventories	-16.3	55.1
- increase (decrease) trade and other payables	18.9	<u>-76.2</u>
Operating cash flow	54.9	119.0
Dividend paid	-344.6	<u>-50.0</u>
Net cash from operations	-289.7	69.0
Cash flow from investing activities		
Investments subsidiaries, net of cash acquired	-33.8	-
Investments intangible fixed assets	-	-2.2
Investments property, plant and equipment	-24.2	-27.2
Divestments property, plant and equipment	4.7	4.6
Decrease investment portfolio	26.6	113.3
Increase other financial non-current assets	-5.0	<u>-2.8</u>
Net cash from investing activities	-31.7	85.7
Cash flow from financing activities		
Increase (decrease) interest-bearing loans and borrowings	317.1	<u>-158.2</u>
Net cash from financing activities	317.1	-158.2
Net decrease in cash and cash equivalents	-4.3	<u>-3.5</u>
	=====	=====
Change in cash and cash equivalents		
Balance at 1 January	68.6	36.3
Net decrease in cash and cash equivalents	-4.3	-3.5
Exchange difference cash and cash equivalents	0.3	<u>0.2</u>
Balance at 30 June	64.6	33.0
	=====	=====

Annex 5

PERCENTAGE SALES CHANGE ATTRIBUTION Explanation by geographic area

First half year 2010 vs first half year 2009

Area	Volume	Currency	Acquisitions	Total
Europe	-10	-	4	-6
North America	5	2	-	7
Latin America	6	12	-	18
Asia	15	2	-	17
Australia	-4	21	-	17
Total	-1	3	1	3

Q2 2010 vs Q2 2009

Area	Volume	Currency	Acquisitions	Total
Europe	-8	-5	6	-7
North America	1	2	-	3
Latin America	7	7	-	14
Asia	6	-	-	6
Australia	-10	15	-	5
Total	-3	-	3	-