



Hunter Douglas first half year 2007 results

HUNTER DOUGLAS FIRST HALF YEAR 2007 RESULTS

Rotterdam, August 14, 2007 – Hunter Douglas', the world market leader in window coverings (Luxaflex®) and a major manufacturer of architectural products (Luxalon®), results for the first half year 2007:

- . **Sales: 14.7% higher to USD 1,474.5 million;**
compared with USD 1,285.5 million in the first half of 2006.
- . **Income from Operations: 5.8% higher to USD 155.8 million;**
compared with USD 147.2 million in the first half of 2006.
- . **Net profit from Operations before extraordinary loss:**
16.6% higher to USD 128.3 million;
compared with USD 110.0 million in the first half of 2006.
- . **Extraordinary loss on sale of Vlissingen smelter participation:**
USD 23.7 million.
- . **Net Profit from Operations including extraordinary loss:**
4.9% lower to USD 104.6 million;
compared with USD 110.0 million in the first half of 2006.
- . **Net Profit Investment Portfolio:** USD 72.1 million;
compared with USD 27.7 million in the first half of 2006.
- . **Total Net Profit:** 28.3% higher to USD 176.7 million;
compared with USD 137.7 million in the first half of 2006.

Sales were USD 1,474.5 million, 14.7% higher than USD 1,285.5 million in the first half 2006. The sales increase reflects a 3.6% volume increase, a 7.3% increase from acquisitions (net of divestments) and a 3.8% positive currency impact. All geographic areas had organic growth except North America.

Europe accounted for 44% of sales, North America 42%, Latin America 5%, Asia 6% and Australia 3%. Window Coverings were 86% and Architectural and Other Products were 14% of sales.

Income from Operations was USD 155.8 million, 5.8% higher than USD 147.2 million in the first half 2006. In local currencies, Income from Operations was higher in all areas, except in North America and Australia.

Net Profit from Operations before extraordinary loss was USD 128.3 million, 16.6% higher than USD 110.0 million in the first half of 2006. Net profit from operations was higher in all areas, except North America and Australia.

Net Profit from Operations including extraordinary loss was USD 104.6 million, 4.9% lower than USD 110.0 million in the first half of 2006. The decrease is caused by the loss of USD 23.7 million on the sale of the Vlissingen smelter participation in July 2007.

Net Profit Investment Portfolio was USD 72.1 million (after deduction of imputed interest and expenses) compared with USD 27.7 million in the first half of 2006. The investment portfolio had a fair value on June 30, 2007 of USD 911 million compared with USD 771 million at the end of December 2006. The Portfolio's return in U.S. dollars (before imputed interest and expenses) was 11.7% compared with 6.6% in the first half of 2006. Management of these assets is delegated to a widely diversified range of

Total Net Profit was USD 176.7 million, 28.3% higher than USD 137.7 million in the first half 2006. Net profit per average outstanding common share was USD 4.21 (EUR 3.16) compared with USD 3.29 (EUR 2.68) in the first half 2006.

Capital expenditures were USD 61 million compared with USD 38 million in the first half of 2006, while depreciation was USD 39 million, compared with USD 34 million in the first half of 2006. For the full year capital expenditures are expected to be approximately USD 150 million.

Shareholder's equity was USD 1,777 million, up from USD 1,680 million at the end of 2006.

Change of Reporting Currency

Hunter Douglas has changed its reporting currency as from the full year 2006 from Euros to U.S. dollars. This will better reflect the performance of the business as operational sales and profits and the Investment Portfolio are predominantly U.S. dollar related. For comparative purposes the first half year results are reported both in U.S. dollars and Euros for 2007 and 2006.

Second Quarter 2007

Q2 Sales were USD 807.0 million, 14.9% higher than USD 702.3 million in the same period of 2006. The increase reflects a 2.4% volume increase, a 8.8% contribution from acquisitions (net of divestments) and a positive currency impact of 3.7%. Second quarter organic sales were higher in all areas, except North America.

Q2 Income from Operations was USD 102.8 million, 5.0% higher than USD 97.9 million in the second quarter of 2006. In local currencies profits were higher in all areas, except in Australia.

Q2 Net Profit from Operations before extraordinary loss was USD 85.5 million, 9.5% higher than USD 78.1 million in the second quarter of 2006. Net profit from operations was higher in all areas.

Q2 Net Profit from Operations including extraordinary loss was USD 61.8 million, 20.9% lower than USD 78.1 million in the second quarter of 2006. The decrease is caused by the loss of USD 23.7 million on the sale of Vlissingen smelter participation in July 2007.

Q2 Net Profit Investment portfolio was USD 49.8 million (after deduction of imputed interest and expenses) compared with USD 5.0 million negative in the second quarter of 2006. The Portfolio's return in U.S. dollars in the second quarter of 2007 (before imputed interest and expenses) was 7.4%, compared with 0.1% negative in the second quarter of 2006.

Q2 Total Net Profit was USD 111.6 million, up 52.7% from USD 73.1 million in the same period of 2006. Net profit per average common share increased to USD 2.66 (EUR 1.98) compared with USD 1.75 (EUR 1.39) in the second quarter of 2006.

Sales by Region first half year 2007

Europe

Sales in Europe increased by 31% to USD 642 million. The sales increase reflects 10% volume increase, 13% contribution from acquisitions (net of divestments) and 8% positive currency impact. In EUR, sales increased by 21% to EUR 482 million.

North America

North American sales were level and amount to USD 619 million. This is the result of a 5% volume decrease and 5% contribution from acquisitions.

Latin America

Latin American sales were USD 80 million, 25% higher than in the same period last year. The sales increase reflects 22% volume increase and 3% positive currency impact.

Asia

Asian sales were USD 84 million, 20% higher than in the same period last year. This is the result of 17% volume increase and 3% positive currency impact.

Australia

Australian sales were USD 50 million, 14% higher than in the same period last year. The sales increase reflects 5% volume increase and 9% positive currency impact .

Outlook

Hunter Douglas remains cautious about the outlook for 2007 compared with the record 2006 results, considering slower North American sales which are affected by the decline in the US housing market.

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 66 manufacturing and 102 assembly operations in more than 100 countries. Hunter Douglas employs about 21,000 people, and had sales in 2006 of USD 2.630 billion.

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

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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 2007 (Annex 4) are attached.

- [STATEMENT OF INCOME \(Annex 1\)](#)

- _____ (Annex 2)
- [CONSOLIDATED BALANCE SHEET \(Annex 3\)](#)
- [PERCENTAGE SALES CHANGE ATTRIBUTION \(Annex 4\)](#)