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HUNTER DOUGLAS RESULTS FIRST HALF YEAR 2011

Rotterdam, August 11, 2011 – Hunter Douglas', the world market leader in window coverings (Luxaflex®) and a major manufacturer of architectural products, results for the first half year 2011 :

- **Sales:** 10.2% higher to USD 1,283.3 million compared with USD 1,164.2 million in the first half of 2010.
- **Earnings before interest, tax, depreciation and amortization - EBITDA (before non-recurring restructuring expenses):** USD 121.8 million, 11.5% higher than USD 109.2 million in the first half of 2010.
- **Income from Operations (before non-recurring restructuring expenses):** USD 76.2 million, 18.0% higher than USD 64.6 million in the first half of 2010. Results were better in all areas except in Asia and Australia which were lower.
- **Non-recurring restructuring expenses** were USD 4.3 million in North America and Europe compared with none in the first half of 2010.
- **Net Result Investment Portfolio:** USD 0.2 million (after deduction of imputed interest and expenses) compared with USD 0.4 million in the first half of 2010.
- **Total Net Profit:** USD 76.1 million (per share EUR 1.52), 10.1% higher than USD 69.1 million in the first half of 2010 (per share EUR 1.46).

Sales: The 10.2% sales increase reflects a 3.4% volume increase, a 1.9% increase from acquisitions and a 4.9% positive currency impact. Volume increased in all areas except Australia where sales declined.

Europe accounted for 41% of sales, North America 38%, Latin America 9%, Asia 8% 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 1.0% compared with 1.6% in the first half of 2010. The Portfolio had a fair value at June 30, 2011 of USD 225 million compared with USD 143 million on December 31, 2010. Management of these assets is delegated to a widely diversified range of independent managers.

Operating cash flow: USD 9.3 million negative compared with USD 54.9 million positive in the first half of 2010.

Capital expenditures were USD 46 million compared with USD 24 million in the first half of 2010, while depreciation was USD 43 million compared with USD 42 million. For the full year capital expenditures are expected to be approximately USD 125 million and depreciation USD 90 million .

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Shareholder's equity was USD 1,211 million compared with USD 1,159 million at the end of 2010, reflecting the first half year results and positive exchange translation offset by the payment of the dividend of EUR 1.25, totalling USD 63 million.

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

Q2 2011

Q2 Sales were USD 694.5 million, 10.5% higher than USD 628.7 million in the same period of 2010. The increase reflects a 2.3% volume increase, a 0.9% contribution from acquisitions and a positive currency impact of 7.3%. Second quarter organic sales were higher in all areas, except Australia where sales were lower.

Q2 Earnings before interest, tax, depreciation and amortization - EBITDA (before non-recurring restructuring expenses) was USD 88.1 million, 15.2% higher than USD 76.5 million in Q2 2010.

Q2 Income from Operations (before non-recurring restructuring expenses) was USD 64.7 million, 22.8% higher than USD 52.7 million in Q2 2010. Results in local currencies were better in all areas except Australia where results were lower.

Q2 Non-recurring restructuring expenses were USD 3.3 million in the North American and European operations compared with none in Q2 2010.

Q2 Net Result Investment portfolio was USD 1.8 million negative (after deduction of imputed interest and expenses) compared with USD 2.9 million negative in the second quarter of 2010. The Portfolio's return in U.S. dollars in Q2 of 2011 (before imputed interest and expenses) was 0.8% negative compared with 2.3% negative in Q2 of 2010.

Q2 Total Net Profit: USD 60.6 million (per share EUR 1.20) compared with USD 55.2 million in Q2 2010 (per share EUR 1.18).

First half year 2011 by Region

Europe

European sales were USD 533 million, 16% higher than USD 460 million in the same period last year. This reflects a 4% volume increase, a 5% contribution from acquisitions and a 7% positive currency impact. In EUR, sales increased by 10% to EUR 378 million compared with EUR 345 million in 2010.

North America

North American sales increased by 4% to USD 482 million, reflecting a 3% volume increase and a 1% positive currency impact.

Latin America

Latin American sales were USD 114 million, 23% higher than USD 93 million in the same period last year. The sales increase reflects a 14% volume increase and a 9% positive currency impact.

Asia

Asian sales were USD 105 million, 7% higher than USD 98 million in the same period last year. The sales increase reflects a 3% volume increase and a 4% positive currency impact.

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Australia

Australian sales were USD 49 million, the same as last year, reflecting a 16% volume decrease and a 16% 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

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. Hunter Douglas employs about 17,000 people, and had sales in 2010 of USD 2.445 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.

Annex 1

CONSOLIDATED STATEMENT OF INCOME

First half year ended June 30

(amounts in USD/mln)

	<u>2011</u>	%	<u>2010</u>	%
Net sales	1,283.3		1,164.2	
Cost of sales	-746.9		-672.0	
Gross profit	536.4	41.8	492.2	42.3
Gross profit Metals Trading	8.0		8.3	
Total gross profit	544.4	42.4	500.5	43.0
Expenses:				
-Selling and marketing	-266.7		-235.3	
-General and administrative	-155.9		-156.0	
Subtotal expenses	-422.6		-391.3	
EBITDA	121.8	9.5	109.2	9.4
Depreciation and amortization	-45.6		-44.6	
Income from operations before non-recurring restructuring expenses	76.2	5.9	64.6	5.5
Non-recurring restructuring expenses	-4.3			
Income from operations after non-recurring restructuring expenses	71.9	5.6	64.6	5.5
Interest received	3.0		2.7	
Interest paid	-7.3		-7.5	
Non-operational exchange result			5.1	
Other financial income	0.1		0.6	
Net result investment portfolio	0.2		0.4	
Income before taxes	67.9		65.9	
Taxes on income	8.5		3.3	
Profit before minority interest	76.4		69.2	
Minority interest	-0.3		-0.1	
Net profit	76.1	6.0	69.1	5.9
Net profit per average common share	2.15		1.95	
Net profit per average common share - fully diluted	2.15		1.95	

Annex 2

CONSOLIDATED STATEMENT OF INCOME

Q2 ended June 30

(amounts in USD/mIn)

	<u>2011</u>	%	<u>2010</u>	%
Net sales	694.5		628.7	
Cost of sales	-396.0		-362.2	
Gross profit	298.5	43.0	266.5	42.4
Gross profit Metals Trading	4.1		4.7	
Total gross profit	302.6	43.6	271.2	43.1
Expenses:				
-Selling and marketing	-138.9		-119.6	
-General and administrative	-75.6		-75.1	
Subtotal expenses	-214.5		-194.7	
EBITDA	88.1	12.7	76.5	12.2
Depreciation and amortization	-23.4		-23.8	
Income from operations before non-recurring restructuring expenses	64.7	9.3	52.7	8.4
Non-recurring restructuring expenses	-3.3			
Income from operations after non-recurring restructuring expenses	61.4	8.8	52.7	8.4
Interest received	0.8		0.8	
Interest paid	-3.6		-3.7	
Non-operational exchange result			3.3	
Other financial income			0.6	
Net result investment portfolio	-1.8		-2.9	
Income before taxes	56.8		50.8	
Taxes on income	4.1		4.4	
Profit before minority interest	60.9		55.2	
Minority interest	-0.3			
Net profit	60.6	8.7	55.2	8.8
Net profit per average common share	1.72		1.56	
Net profit per average common share - fully diluted	1.72		1.56	

Annex 3

CONSOLIDATED BALANCE SHEET

As per June 30

(amounts in USD/mln)

	<u>2011</u>	<u>2010</u>
ASSETS		
Fixed assets		
Intangible fixed assets	309.7	286.0
Tangible fixed assets	598.9	563.0
Other financial non-current assets	107.1	55.4
Total fixed assets	1,015.7	904.4
Current assets		
Inventories	694.5	603.8
Accounts receivable		
-Trade	438.1	410.5
-Other	249.9	248.9
Investment portfolio	224.5	128.8
Cash and other short-term deposits	66.2	64.6
Total current assets	1,673.2	1,456.6
	<u>2,688.9</u>	<u>2,361.0</u>
SHAREHOLDERS' EQUITY AND LIABILITIES		
Shareholders' equity		
Capital stock	12.3	10.5
Additional paid-in capital	102.3	87.0
Retained earnings	1,096.6	943.4
Total shareholders' equity	1,211.2	1,040.9
Minority interest	3.8	3.8
Total Group equity	1,215.0	1,044.7
Non-current liabilities		
Interest-bearing loans and borrowings	713.9	564.2
Preferred shares	12.0	10.2
Provisions	36.7	32.4
Deferred income tax liabilities	16.8	27.0
Total provisions	779.4	633.8
Current liabilities		
Trade and other payables	577.8	579.8
Interest-bearing loans and borrowings	116.7	102.7
Total current liabilities	694.5	682.5
	<u>2,688.9</u>	<u>2,361.0</u>

Annex 4

CONSOLIDATED CASH FLOW STATEMENT

First half year ended June 30

(amounts in USD/mln)

	<u>2011</u>	<u>2010</u>
Cash flow from operations		
Net profit attributable to equity shareholders	76.1	69.1
Adjustments for:		
Depreciation property, plant & equipment	42.6	42.1
Amortization patents & trademarks	3.0	2.5
Decrease provisions	-5.9	-10.7
Non-cash tax items	-2.0	
Unrealized result investment portfolio	-1.9	-2.1
Operating cash flow before working capital changes	111.9	100.9
Changes in working capital:		
-increase trade and other receivables and prepayments	-52.5	-48.6
-increase inventories	-46.5	-16.3
-(decrease) increase trade and other payables	-22.2	18.9
Operating cash flow	-9.3	54.9
Dividend paid	-63.0	-344.6
Net cash from operations	-72.3	-289.7
Cash flow from investing activities		
Investments subsidiaries, net of cash acquired		-33.8
Investment intangible fixed assets	-1.1	
Investment property, plant and equipment	-45.6	-24.2
Divestment property, plant and equipment	4.7	4.7
(Increase) decrease investment portfolio	-79.7	26.6
Decrease (increase) other financial non-current assets	1.7	-5.0
Net cash from investing activities	-120.0	-31.7
Cash flow from financing activities		
Increase interest-bearing loans and borrowings	197.0	317.1
Net cash from financing activities	197.0	317.1
Net increase (decrease) in cash and cash equivalents	4.7	-4.3
Change in cash and cash equivalents		
Balance at 1 January	60.5	68.6
Net increase (decrease) in cash and cash equivalents	4.7	-4.3
Exchange difference cash and cash equivalents	1.0	0.3
Balance at 30 June	66.2	64.6

Annex 5

PERCENTAGE SALES CHANGE ATTRIBUTION

Explanation by geographic area

First half year 2011 vs first half year 2010

Area	Volume	Currency	Acquisitions	Total
Europe	4	7	5	16
North America	3	1	0	4
Latin America	14	9	0	23
Asia	3	4	0	7
Australia	-16	16	0	0
Total	3	5	2	10

PERCENTAGE SALES CHANGE ATTRIBUTION

Explanation by geographic area

Q2 2011 vs Q2 2010

Area	Volume	Currency	Acquisitions	Total
Europe	2	12	2	16
North America	2	1	0	3
Latin America	13	10	0	23
Asia	5	4	0	9
Australia	-14	24	0	10
Total	2	7	1	10