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HUNTER DOUGLAS RESULTS Q1 2011

Rotterdam, May 17, 2011 – Hunter Douglas, the world market leader in window coverings (Luxaflex®) and a major manufacturer of architectural products, results for Q1 2011:

- **Sales:** 10.0% higher to USD 588.8 million compared with USD 535.5 million in Q1 2010.
- **Earnings before interest, tax, depreciation and amortization - EBITDA (before non-recurring restructuring expenses)** was USD 33.7 million, compared with USD 32.7 million in Q1 2010.
- **Income from Operations (before non-recurring restructuring expenses):** USD 11.5 million compared with USD 11.9 million in Q1 2010. Results were better in Europe and Latin America and lower in all other areas.
- **Non-recurring restructuring expenses in Q1 2011** were USD 1.0 million compared with none in 2010.
- **Net Result Investment Portfolio:** USD 2.0 million (after deduction of imputed interest and expenses) compared with USD 3.3 million in Q1 2010.
- **Total Net Profit:** USD 15.5 million (per share EUR 0.32), 11.5% higher than USD 13.9 million in Q1 2010 (per share EUR 0.28).

Sales: The 10.0% sales increase reflects a 4.9% volume increase, a 3.1% increase from acquisitions and a 2.0% positive currency impact. Volume increased in all areas except Asia where sales were level and Australia where sales declined.

Europe accounted for 40% of sales, North America 38%, Latin America 9%, Asia 8% and Australia 5%. Window Coverings were 83% and Architectural and Other Products were 17% of sales.

Operating cash flow: USD 52.4 million negative compared with USD 15.9 million negative in Q1 2010.

Net Result Investment Portfolio: The Portfolio's return in U.S. dollars (before imputed interest and expenses) was 1.8% compared with 3.9% in Q1 2010. The Portfolio had a fair value per March 31, 2011 of USD 207 million compared with USD 143 million on December 31, 2010. Management of these assets is delegated to a widely diversified range of independent managers.

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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.

For further information:

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A consolidated Statement of Income for Q1 2011 (Annex 1), Balance Sheet per March 31, 2011 (Annex 2), Cash Flow Statement for Q 1 2011 (Annex 3) and Sales change attribution percentages by geographic region for Q1 2011 (Annex 4) are attached.

Annex 1

CONSOLIDATED STATEMENT OF INCOME

Q1 ended March 31
(amounts in USD/mIn)

	<u>2011</u>	%	<u>2010</u>	%
Net sales	588.8		535.5	
Cost of sales	-350.9		-309.8	
Gross profit	237.9	40.4	225.7	42.1
Gross profit Metals Trading	3.9		3.6	
Total gross profit	241.8	41.0	229.3	42.8
Expenses:				
-Selling and marketing	-127.8		-115.7	
-General and administrative	-80.3		-80.9	
Subtotal expenses	-208.1		-196.6	
EBITDA	33.7	5.7	32.7	6.1
Depreciation & amortization	-22.2		-20.8	
Income from operations before non-recurring restructuring expenses	11.5	1.9	11.9	2.2
Non-recurring restructuring expenses	-1.0			
Income from operations after non-recurring restructuring expenses	10.5	1.8	11.9	2.2
Interest received	2.2		1.9	
Interest paid	-3.7		-3.8	
Non-operational exchange result			1.8	
Other financial income	0.1			
Net result investment portfolio	2.0		3.3	
Income before taxes	11.1		15.1	
Taxes on income	4.4		-1.1	
Profit before minority interest	15.5		14.0	
Minority interest			-0.1	
Net profit	15.5	2.6	13.9	2.6
Net profit per average common share	0.43		0.39	
Net profit per average common share - fully diluted	0.43		0.39	

Annex 2

CONSOLIDATED BALANCE SHEET

As per March 31

(amounts in USD/mln)

	<u>2011</u>	<u>2010</u>
ASSETS		
Fixed assets		
Intangible fixed assets	307.6	292.0
Property, plant and equipment	589.9	583.1
Other financial non-current assets	<u>111.4</u>	<u>73.9</u>
Total fixed assets	1,008.9	949.0
Current assets		
Inventories	681.0	586.8
Accounts receivable		
-Trade	415.5	366.5
-Other	241.7	257.6
Investment portfolio	206.5	135.1
Cash and other short-term deposits	<u>53.9</u>	<u>52.2</u>
Total current assets	1,598.6	1,398.2
	<u>2,607.5</u>	<u>2,347.2</u>
SHAREHOLDERS' EQUITY AND LIABILITIES		
Shareholders' equity		
Capital stock	12.1	11.5
Additional paid-in capital	100.6	95.3
Retained earnings	<u>1,091.3</u>	<u>1,257.8</u>
Total shareholders' equity	1,204.0	1,364.6
Minority interest	<u>3.7</u>	<u>3.9</u>
Total Group equity	1,207.7	1,368.5
Non-current liabilities		
Interest-bearing loans	617.9	243.1
Preferred shares	11.8	11.1
Provisions	31.0	27.2
Deferred income tax liabilities	<u>22.3</u>	<u>24.8</u>
Total non-current liabilities	683.0	306.2
Current liabilities		
Trade and other payables	579.8	552.1
Interest-bearing loans	<u>137.0</u>	<u>120.4</u>
Total current liabilities	716.8	672.5
	<u>2,607.5</u>	<u>2,347.2</u>

Annex 3

CONSOLIDATED CASH FLOW STATEMENT

Q1 ended March 31

(amounts in USD/mln)

	<u>2011</u>	<u>2010</u>
Net profit attributable to equity shareholders	15.5	13.9
Adjustments for:		
Depreciation property, plant & equipment	20.7	19.7
Amortization patents & trademarks	1.5	1.3
Decrease provisions	-5.4	-14.7
Unrealized result investment portfolio	-3.4	-4.9
Operating cash flow before working capital changes	28.9	15.3
Changes in working capital:		
-increase trade and other receivables and prepayments	-29.5	-19.0
-(increase) decrease inventories	-39.0	4.5
-decrease trade and other payables	-12.8	-16.7
Operating cash flow	-52.4	-15.9
Net cash from operations	-52.4	-15.9
Cash flow from investing activities		
Investments subsidiaries, net of cash acquired		-4.6
Investment property, plant and equipment	-21.0	-15.9
Divestment property, plant and equipment	2.5	1.4
(Increase) decrease investment portfolio	-60.1	11.2
Decrease other financial non-current assets	1.4	2.2
Increase other financial non-current assets		-2.4
Net cash from investing activities	-77.2	-8.1
Cash flow from financing activities		
Increase interest-bearing loans and borrowings	122.8	7.5
Net cash from financing activities	122.8	7.5
Net decrease in cash and cash equivalents	-6.8	-16.5
Change in cash and cash equivalents		
Balance at 1 January	60.5	68.6
Net decrease in cash and cash equivalents	-6.8	-16.5
Exchange difference cash and cash equivalents	0.2	0.1
Balance at 31 March	53.9	52.2

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Annex 4

PERCENTAGE SALES CHANGE ATTRIBUTION

Explanation by geographic area

Q1 2011 vs Q1 2010

Area	Volume	Currency	Acquisitions	Total
Europe	8	-	8	16
North America	4	1	-	5
Latin America	15	7	-	22
Asia	-	5	-	5
Australia	-18	11	-	-7
Total	5	2	3	10