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HUNTER DOUGLAS RESULTS FIRST HALF YEAR 2015

Rotterdam, August 5, 2015 – Hunter Douglas, the world market leader in window coverings (Luxaflex®) and a major manufacturer of architectural products, results for the first half year 2015 :

- . **Sales:** USD 1,260.1 million, 4.8% lower compared with USD 1,323.9 million in the first half of 2014.
- . **Earnings before interest, tax, depreciation and amortization - EBITDA:** USD 140.1 million, 5.1% higher than USD 133.3 million in the first half of 2014.
- . **Income from Operations:** USD 96.4 million, 10.2% higher than USD 87.5 million in the first half of 2014. Results in local currencies were better in all areas except in Asia and Latin America where they were lower.
- . **Net Profit Investment Portfolio:** USD 5.6 million (after deduction of imputed interest and expenses). The portfolio did not exist in the first half of 2014.
- . **Profit before Tax:** USD 93.4 million, 21.1% higher than USD 77.1 million in the first half of 2014.
- . **Total Net Profit:** USD 77.4 million (per share EUR 1.98), 19.6% higher than USD 64.7 million in the first half of 2014 (per share EUR 1.36).

Sales: The 4.8% sales decrease reflects a 3.7% volume increase, a 9.4% negative currency impact and 0.9% increase from acquisitions. Volume increased in North America, Europe and Australia and decreased in Asia and Latin America.

North America accounted for 47% of sales, Europe 36%, Latin America 7%, Asia 7% and Australia 3%. Window Coverings were 84% and Architectural and Other Products were 16% of sales.

Investment Portfolio: The Portfolio's return in U.S. dollars (before imputed interest and expenses) was 4.7% positive. The Portfolio had a fair value at June 30, 2015 of USD 209 million.

Operating cash flow: USD 63.2 million compared with USD 10.3 million in the first half of 2014.

Capital expenditures were USD 25 million compared with USD 31 million in the first half of 2014, while depreciation was USD 40 million compared with USD 42 million in the first half of 2014. For the full year capital expenditures are expected to be approximately USD 65 million and depreciation USD 80 million.

Shareholder's equity was USD 1,015 million compared with USD 1,050 million at the end of 2014, reflecting the first half year results offset by negative exchange translation and the payment of the dividend of EUR 1.35, totalling USD 53 million.

HUNTER DOUGLAS N.V., Piekstraat 2, 3071 EL Rotterdam, Nederland, Tel. 010 – 4869911, Telefax 010 - 4850355

Q2 2015

Q2 Sales: USD 673.3 million, 6.3% lower than USD 718.3 million in the same period of 2014. The increase reflects a 2.0% volume increase, a 9.7% negative currency impact and 1.4% increase from acquisitions. Second quarter organic sales were higher in all areas, except in Asia and Latin America where sales were lower.

Q2 Earnings before interest, tax, depreciation and amortization – EBITDA: USD 96.3 million, 2.9% higher than USD 93.6 million in Q2 2014.

Q2 Income from Operations: USD 73.4 million, 2.2% higher than USD 71.8 million in Q2 2014. Results in local currencies were better in all areas except in Asia and Latin America where they were lower.

Q2 Net Profit Investment Portfolio: USD 2.0 million (after deduction of imputed interest and expenses). The portfolio did not exist in Q2 2014.

Q2 Profit before Tax: USD 71.3 million, 6.6% higher than USD 66.9 million in Q2 2014.

Q2 Total Net Profit: USD 59.3 million (per share EUR 1.52), 9.6% higher than USD 54.1 million in Q2 2014 (per share EUR 1.14).

First half year 2015 by Region

Europe

European sales were USD 454 million, 12% lower than USD 518 million in the same period last year. This reflects a 2% volume increase, a 17% negative currency impact and 3% increase from acquisitions. In EUR, sales increased by 7% to EUR 404 million compared with EUR 378 million in 2014.

North America

North American sales increased by 9% to USD 582 million. The sales increase reflects a 11% volume increase and a 2% negative currency impact.

Latin America

Latin American sales were USD 92 million, 21% lower than USD 117 million in the same period last year. The sales decrease reflects a 4% volume decrease and a 17% negative currency impact.

Asia

Asian sales decreased by 16% to USD 90 million. The lower sales reflect a volume decrease of 12% and a 4% negative currency impact.

Australia

Australian sales were USD 42 million, 11% lower than last year. This reflects a 2% volume increase and a 13% negative currency impact.

Outlook

We expect further improvement in economic conditions in the US and Asia, continued growth in the UK, stable conditions in Europe and more difficult conditions in Latin America.

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

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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 125 companies with 50 manufacturing and 75 assembly operations in more than 100 countries. Hunter Douglas employs about 16,000 people, and had sales in 2014 of USD 2.695 billion.

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

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

For further information:

Leen Reijtenbagh

Chief Financial Officer

Tel. +31 10 486 9582

E-mail : l.reijtenbagh@hdnv.nl

Website: www.hunterdouglasgroup.com

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>2015</u>	%	<u>2014</u>	%
Net sales	1,260.1		1,323.9	
Cost of sales	<u>-709.2</u>		<u>-771.1</u>	
Gross profit	550.9	43.7	552.8	41.8
Gross profit Metals Trading	<u>7.2</u>		<u>7.3</u>	
Total gross profit	558.1	44.3	560.1	42.3
Expenses:				
-Marketing, A & P and selling	<u>-256.7</u>		-266.2	
-General and administrative	<u>-161.3</u>		<u>-160.6</u>	
Subtotal expenses	<u>-418.0</u>		<u>-426.8</u>	
EBITDA	140.1	11.1	133.3	10.1
Depreciation and amortization	<u>-43.7</u>		<u>-45.8</u>	
Income from operations	96.4	7.7	87.5	6.6
Interest received	1.9		0.5	
Interest paid	<u>-11.0</u>		<u>-11.4</u>	
Non-operational exchange result			0.1	
Other financial income	0.5		0.4	
Net result investment portfolio	5.6			
Income before taxes	93.4		77.1	
Taxes on income	<u>-15.8</u>		<u>-11.7</u>	
Profit before minority interest	77.6		65.4	
Minority interest	<u>-0.2</u>		<u>-0.7</u>	
Total net profit	77.4	6.1	64.7	4.9
Net profit per average common share	2.23		1.86	
Net profit per average common share - fully diluted	2.23		1.86	

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Annex 2

CONSOLIDATED STATEMENT OF INCOME

Q2 ended June 30

(amounts in USD/mlin)

	<u>2015</u>	%	<u>2014</u>	%
Net sales	673.3		718.3	
Cost of sales	<u>-367.1</u>		<u>-411.8</u>	
Gross profit	306.2	45.5	306.5	42.7
Gross profit Metals Trading	<u>2.7</u>		<u>3.8</u>	
Total gross profit	308.9	45.9	310.3	43.2
Expenses:				
-Marketing, A & P and selling	-128.5		-139.9	
-General and administrative	<u>-84.1</u>		<u>-76.8</u>	
Subtotal expenses	-212.6		-216.7	
EBITDA	96.3	14.3	93.6	13.0
Depreciation and amortization	<u>-22.9</u>		<u>-21.8</u>	
Income from operations	73.4	10.9	71.8	10.0
Interest received	0.9		0.3	
Interest paid	-5.2		-5.5	
Non-operational exchange result			-0.1	
Other financial income	0.2		0.4	
Net result investment portfolio	2.0			
Income before taxes	71.3		66.9	
Taxes on income	<u>-12.1</u>		<u>-12.1</u>	
Profit before minority interest	59.2		54.8	
Minority interest	<u>0.1</u>		<u>-0.7</u>	
Total net profit	59.3	8.8	54.1	7.5
Net profit per average common share	1.71		1.55	
Net profit per average common share - fully diluted	1.71		1.55	

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Annex 3

CONSOLIDATED BALANCE SHEET

As per June 30

(amounts in USD/mln)

	<u>2015</u>	<u>2014</u>
ASSETS		
Fixed assets		
Intangible fixed assets	309.9	318.2
Tangible fixed assets	466.5	541.3
Other financial non-current assets	<u>199.9</u>	<u>139.1</u>
Total fixed assets	976.3	998.6
Current assets		
Inventories	598.4	677.0
Accounts receivable		
-Trade	411.9	433.1
-Other	125.8	149.6
Investment portfolio	208.7	
Cash and other short-term deposits	<u>24.1</u>	<u>21.1</u>
Total current assets	<u>1,368.9</u>	<u>1,280.8</u>
	<u>2,345.2</u>	<u>2,279.4</u>
SHAREHOLDERS' EQUITY AND LIABILITIES		
Shareholders' equity		
Capital stock	9.5	11.6
Additional paid-in capital	79.0	96.6
Retained earnings	<u>926.5</u>	<u>1,016.4</u>
Total shareholders' equity	1,015.0	1,124.6
Minority interest	<u>12.9</u>	<u>16.7</u>
Total Group equity	1,027.9	1,141.3
Non-current liabilities		
Interest-bearing loans and borrowings	501.5	384.6
Preferred shares	9.2	11.3
Provisions	177.9	98.7
Deferred income tax liabilities	<u>1.4</u>	<u>2.5</u>
Total non-current liabilities	690.0	497.1
Current liabilities		
Trade and other payables	571.6	585.0
Interest-bearing loans and borrowings	<u>55.7</u>	<u>56.0</u>
Total current liabilities	<u>627.3</u>	<u>641.0</u>
	<u>2,345.2</u>	<u>2,279.4</u>

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Annex 4

CONSOLIDATED CASH FLOW STATEMENT

First half year ended June 30

(amounts in USD/mln)

	<u>2015</u>	<u>2014</u>
Net profit attributable to equity shareholders	77.4	64.7
Adjustments for:		
Depreciation property, plant & equipment	40.4	42.2
Amortization patents & trademarks	3.3	3.6
Increase (decrease) provisions	3.0	-4.0
Non-cash items on loans and borrowings	-32.0	
Other non-cash items		0.3
Unrealized result investment portfolio	-7.6	
Operating cash flow before working capital changes	84.5	106.8
Changes in working capital:		
-increase trade and other receivables and prepayments	-8.8	-45.8
-decrease (increase) inventories	30.8	-46.2
-decrease trade and other payables	-43.3	-4.5
Operating cash flow	63.2	10.3
Dividend paid	-53.0	-59.0
Net cash from operations	10.2	-48.7
Cash flow from investing activities		
Investment intangible fixed assets		-2.5
Investment property, plant and equipment	-25.4	-30.9
Divestment property, plant and equipment	0.1	5.8
(Increase) decrease investment portfolio	-85.1	2.4
Increase other financial non-current assets	-27.9	-7.6
Net cash from investing activities	-138.3	-32.8
Cash flow from financing activities		
Increase interest-bearing loans and borrowings	122.5	74.4
Net cash from financing activities	122.5	74.4
Net decrease in cash and cash equivalents	-5.6	-7.1
Change in cash and cash equivalents		
Balance at 1 January	32.3	32.2
Net decrease in cash and cash equivalents	-5.6	-7.1
Exchange difference cash and cash equivalents	-2.6	-4.0
Balance at 30 June	24.1	21.1

Annex 5

PERCENTAGE SALES CHANGE ATTRIBUTION

Explanation by geographic area

First half year 2015 vs first half year 2014

Area	Volume	Currency	Acquisitions	Total
Europe	2	-17	3	-12
North America	11	-2	0	9
Latin America	-4	-17	0	-21
Asia	-12	-4	0	-16
Australia	2	-13	0	-11
Total	4	-10	1	-5

PERCENTAGE SALES CHANGE ATTRIBUTION

Explanation by geographic area

Q2 2015 vs Q2 2014

Area	Volume	Currency	Acquisitions	Total
Europe	1	-17	4	-12
North America	7	-2	0	5
Latin America	-5	-17	0	-22
Asia	-16	-3	0	-19
Australia	4	-17	0	-13
Total	2	-10	2	-6