HunterDouglas

Annual Report 2008

HunterDouglas®

Luxaflex®

DUETTE®

SILHOUETTE®

LUMINETTE®

VIGNETTE®

PIROUETTE®

3form®

LUXALON®

NBK | Ceramic
ARCHITECTURAL TERRACOTTA

MERMET

TURNILS®

Nedal®

Operational Headquarters:

- **Rotterdam, The Netherlands**
  World Headquarters and
  European Operations
- **Lucerne, Switzerland**
  Management Office
- **Upper Saddle River, NJ, USA**
  North American Operations
- **São Paulo, Brazil**
  Latin American Operations
- **Kuala Lumpur, Malaysia**
  Asian Operations

HunterDouglas

Hunter Douglas is the world market leader in window coverings and a major manufacturer of architectural products.

Hunter Douglas has its Head Office in Rotterdam, The Netherlands, and a Management Office in Lucerne, Switzerland.

The Group is comprised of 162 companies with 67 manufacturing and 95 assembly operations and marketing organizations in more than 100 countries.

Hunter Douglas employs about 19,000 people and had sales in 2008 of USD 2.942 billion.

Sales: 2.8% lower to USD 2.942 billion compared with USD 3.028 billion in 2007.

Earnings before interest, tax, depreciation and amortization - EBITDA (before non-recurring restructuring expenses): was USD 284.9 million, compared with USD 415.8 million in 2007.

Income from Operations (before non-recurring restructuring expenses): 39.0% lower to USD 198.7 million compared with USD 325.5 million in 2007; was higher in Latin America and lower in all other areas.

Net Profit from Operations (before non-recurring restructuring expenses): 29.0% lower to USD 192.7 million (per share EUR 3.48) compared with USD 271.3 million in 2007 (per share EUR 4.69).

Non-recurring restructuring expenses 2008: were USD 68.4 million. These mainly relate to the North American and European operations.

In 2007 there was an extraordinary USD 23.7 million loss on sale of the Vlissingen aluminium smelter participation.

Net profit from Operations (after non-recurring restructuring expenses): 49.8% lower to USD 124.3 million (per share EUR 2.24) compared with USD 247.6 million in 2007 (per share EUR 4.28).

Net Result Investment Portfolio: USD 159.8 million negative (after deduction of imputed interest and expenses and net of fair value adjustment) compared with USD 61.8 million positive in 2007.

Total Net Result: USD 35.5 million negative (per share EUR -0.64) compared with USD 309.4 million positive in 2007 (per share EUR 5.35).

- Window Coverings and Architectural Products
- Manufactured and marketed in 5 geographic markets: Europe, North America, Latin America, Asia and Australia
- Entrepreneurial management: dynamic and performance oriented
- Decentralized organization structure
  - Global federation of small and medium-sized companies
  - Guiding principle: 'Maximum accountability with minimum interference'
- Strong brands:

  HunterDouglas® in North America and Asia, and for Architectural Products worldwide

  Luxaflex® for residential window coverings in the rest of the world
- Unique and innovative proprietary products
- Creative marketing programs
- Wide geographic spread of business
- Integrated manufacturing

Contents

Financial highlights

Two-year summary

	Notes	USD millions 2008	USD millions 2007	Notes	EUR per common share 2008	EUR per common share 2007
Net Sales		**2,942**	3,028			
Earnings before interest, tax, depreciation and amortization (before non-recurring restructuring expenses)		**285**	416	3	**5.14**	7.19
Income from Operations (before non-recurring restructuring expenses)		**198**	325			
Net Profit from Operations (before non-recurring restructuring expenses)		**193**	271	3	**3.48**	4.69
Non-recurring restructuring expenses		**-68**	-24			
Net Profit from Operations (after non-recurring restructuring expenses)		**125**	247	3	**2.24**	4.28
Net Result Investment Portfolio		**-160**	62			
Total Net Result	1	**-35**	309	3	**-0.64**	5.35
Operating Cash flow		**138**	187	3	**2.62**	3.01
Investments in tangible fixed assets		**131**	140			
Depreciation		**80**	85			
Net Assets Employed	2	**1,810**	1,849			
Shareholders' equity		**1,272**	1,964	4	**25.64**	31.57
Dividend				5	**1.00**	2.00
RONAE % Operations: (Return before interest/net assets employed)		**11.2%**	20.2%			
Employees (at year-end)		**19,246**	20,902			

1 Net Result attributable to equity shareholders
2 Total assets (excl. Investment Portfolio) minus non-interest-bearing current liabilities
3 Based on the average number of shares outstanding during the affected year
4 Based on the number of shares outstanding at year-end, adjusted for treasury shares
5 Proposed for 2008

Chairman's letter

To our shareholders

Hunter Douglas has been affected by sharply declining sales since September 2008 as a result of the worst financial crisis and economic recession in recent times, particularly in the US and the UK.

We are therefore restructuring our businesses in the US and Europe for lower sales levels, curtailing capital expenditures, reducing our Investment Portfolio to a level of about USD 175 million in Q1 and USD 160 million in Q2, and generally adopting a conservative posture.

These measures have resulted in substantial restructuring charges but will assure the Company's long term strength.

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Acquisitions were:

- In Europe:
  - Asco, a Roermond, Holland based manufacturer of fabric cutting machines for window coverings

- In the US:
  - Acme Window Coverings, a Chicago based fabricator of Hunter Douglas branded window coverings,
  - Fashion Tech, an Oregon based fabricator of private label window coverings.

- In Australia:
  - Design Blinds of Australia, a Melbourne based fabricator of window coverings,
  - Vogue Vinyl, a Brisbane based fabricator of vinyl shutters.

Capital Expenditures in 2008 were USD 131 million, whilst depreciation was USD 80 million. Investments were dedicated to growing our existing businesses, efficiency improvements and new products. In 2009 capital expenditures will be substantially less than depreciation, in view of the poor economic outlook.

Ralph Sonnenberg – Chairman & CEO
David & Marko Sonnenberg – Co-Presidents & COO's

Net Result Investment Portfolio: The Portfolio's return in US dollars (before imputed interest and expenses) was 24.3% negative compared with 14.4% positive in 2007. The Portfolio had a fair value at year end 2008 of USD 265 million compared with USD 849 million at the end of 2007. Management of these assets is delegated to a widely diversified range of independent managers. The 2008 results reflect the release of the Company's USD 72 million fair value adjustment of the investment portfolio.

Buy-back of Common Shares: In April, the Company completed the repurchase of 6,774,741 common shares at a price of EUR 43.00 per share. This was financed by a USD 323 million reduction of the Investment Portfolio and the balance with term bank lines.

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

Board: Mr. J.E. Andriessen retired from our Board in June. We thank him for his many years of service and contributions to our Company.

Outlook: The world is experiencing the worst financial crisis and economic recession in recent times. Consumer demand continues to decline sharply in many of Hunter Douglas' main markets; particularly in the US and the UK. The Company is therefore adjusting its operations to the difficult economic conditions and outlook.

The Company remains in a strong position in terms of its products, distribution, finances and management.

The people of Hunter Douglas are our most important and valuable asset. They create, make and market our products and are responsible for our continuing success. The Board and I express our sincere thanks and appreciation for their contributions, dedication and support.

Ralph Sonnenberg
Chairman & Chief Executive Officer

History

1919-1946

In 1919 Henry Sonnenberg founded a machine tool distribution and subsequently manufacturing company in Düsseldorf, Germany. In 1933 he moved to The Netherlands and established a machine tool operation.

In 1940, he moved to the United States where he founded the Douglas Machinery Company.

In 1946 Henry Sonnenberg established a joint venture with Joe Hunter which developed new technology and equipment for the continuous casting and fabrication of aluminium. This led to the production of lightweight aluminium slats for Venetian Blinds.

Hunter Douglas, as we know it today, was born.

1946-1960

Hunter Douglas aluminium blinds quickly gained leadership in the American market. As innovative as the product was the business model for its distribution. Hunter Douglas developed a vast network of more than 1,000 independent fabricators in the United States and Canada. They sold blinds during the day and custom assembled them in their workrooms at night.

In 1956, policy differences led to the sale of the US business. Henry Sonnenberg moved Hunter Douglas' headquarters to Montreal, Canada and, using the European machinery business as a base, concentrated on building the window covering business outside the United States.

Innovations

Innovation is about envisioning what comes next. Ever since we created the aluminium blind in 1946, we have defined our industry with products that deliver revolutionary style and functionality. What's more, our expertise in customization helps keep our customers around the world at the forefront of design.

14 mm Facette® Shades

Facette® Shades

The innovative Facette® Shades fabric is made of high-quality fire-retardant Trevira CS yarns for peace of mind. Available in 3 vane sizes.

1960-1980

Hunter Douglas expanded its operations in Europe and into Australia and Latin America.

In 1969 the Hunter Douglas Group went public, and its shares were listed on the Montreal and Amsterdam Stock Exchanges.
In 1971, Hunter Douglas' Group headquarters were moved to Rotterdam, The Netherlands, and Hunter Douglas N.V., became the worldwide Group Holding Company.

In 1976, Hunter Douglas reacquired its former US business.

1980-2000

Hunter Douglas continued its global growth and expanded into Asia. The innovative spirit of the company led to the development of revolutionary new products to meet the increasing demand for fashion and functionality.

1985 - Duette® Honeycomb Shades
1991 - Silhouette® Window Shadings
1994 - Vignette® Modern Roman Shades
1996 - Luminette® Privacy Sheers and PowerRise® battery-powered remote control system
1999 - UltraGlide® retractable cord system

2000-2008

2000 - LiteRise® cordless system was launched in the US and EOS® hardware operating system for blinds and shades was introduced in Europe.
2003 - Techstyle® Acoustical Ceilings
2004 - Facette® Shades, XL Panel and the Alustra® Collection
2005 - Duette® TruRise® lifting system
2006 - Duette® Architella® Shades, Skyline™ Window Panels and Reveal™ with MagnaView™ Blinds
2007 - Pirouette® Window Shadings and Platinum™ Technology Motorization
2008 - Nano Roller Blinds.

Nano Roller Blinds

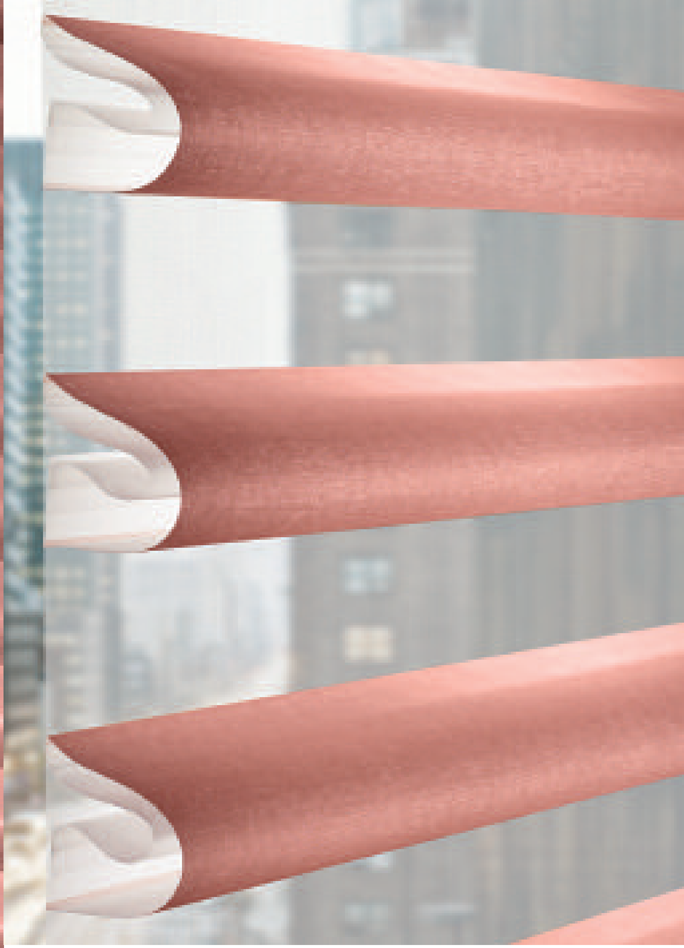
Nano Roller Blinds for turn-and-tilt windows. These proprietary blinds can be mounted directly on the glass between the window frame. The design option Top Down/Bottom Up offers a more variable light control together with secure privacy.

Fabrics with Enduris™ Glass Core Technology

Offering sustainable performance, leading design, and proven durability in shading, fabrics with Enduris™ Glass Core Technology are designed and tested for the highest levels of performance and feature a wide palette of attractive designs.

Vignette® Modern Roman Shades Tiered™ Design

The new Tiered™ Design option offers the soft elegant stacked-fabric look of a traditional Roman shade, yet with the exclusive Vignette® Modern Roman Shades construction that eliminates unsightly and potentially dangerous exposed cords, rings and grommets on the back of the shade.



Pirouette® Window Shadings

Duette® Architella® Shades

Window Coverings

Hunter Douglas is the world market leader in window coverings.

• Our strength is our ability to develop and market innovative, high quality, proprietary products, targeted primarily at upscale consumers.

• Our success is based upon trusted brand names recognized around the world: HunterDouglas®, Luxaflex®, Duette®, Silhouette® and Vignette®.

• Our proprietary fabric shades are consistently recognized for excellence in design, styling, features, quality and breadth of selection: Duette® Honeycomb Shades, Silhouette® and Pirouette® Window Shadings, Luminette® Privacy Sheers, Vignette® Modern Roman Shades and Facette® Shades.

• In addition to our fabric shades, we offer a fully integrated line of fashion and coordinated window coverings at all price points. These include Venetian and Vertical Blinds, Roman, Roller and Woven Wood Shades, Pleated Shades, Wood and alternative Wood Blinds and Custom Shutters. And Exterior Venetian Blinds, Screen Products, Shutters and Awnings.

• We customize each window covering to the individual consumer's specific needs, and deliver that unique product typically within a week of ordering.

• Our proprietary operating systems are equally innovative and unique. They offer ease of use, reliable performance, convenience and improved safety features, identified by our 'Designed with Safety in Mind' logo. They also include the EOS® modular hardware system.

Pirouette® Window Shadings

The newest innovation in window fashion design, Pirouette® Window Shadings combine the look and feel of a classic Roman Shade with the ability to control light in an entirely new way. Its revolutionary Invisi-Lift™ system transforms the soft fabric vanes from what appears to be cascading fabric to contoured folds, allowing an enhanced outside view through the sheer backing.

Platinum™ Technology Motorization

This advanced, yet simple to install home automation system offers the ultimate in operating convenience. It allows precise control of every Hunter Douglas window covering, either individually or grouped together, at distances of up to 30' away with the infrared control, and up to 100' away in the radio frequency mode.

Silhouette® Window Shadings

Architectural Products

Hunter Douglas is a world-leading manufacturer of sun-control solutions, suspended ceilings, ventilated façade systems, and translucent materials.

- We focus on high-performance architectural materials with proprietary characteristics in design, comfort, and sustainability.
- Our strength is our ability to develop customizable product systems, which assure reliable installation and enable design flexibility with minimal custom engineering.
- Our success is based on giving architects a high degree of technical and design assistance in applying our products. We collaborate with architects and owners to realize their design objectives while also meeting functional needs such as light control, energy efficiency, and acoustics.
- Our global network of specialized manufacturing facilities lets us deliver a broad, consistent range of solutions that can be adapted to local design requirements.

Sun-Control Solutions

Hunter Douglas offers an unparalleled breadth of solutions and expertise to manage heat and light inside and outside windowed walls. We are at the forefront of the emerging field of architectural solar-control products.

NBK Terrart®-Mid glazed Terracotta

Ventilated Façade Systems

Our QuadroClad ventilated façade system features a versatile substructure and attractive metal, glass, and resin panels in a wide range of sizes and shapes.

In 2007 the Group acquired NBK, a pioneering manufacturer of terracotta façades. NBK is today the market and quality leader in size, flatness, and design options for large terracotta panels.

Suspended Ceilings

Our Luxalon® metal ceiling systems enable a wide variety of designs and applications, including curved and specialty shapes.

Our revolutionary Techstyle® acoustical panels deliver superior noise reduction; a clean, monolithic look; and easy access to the plenum.

3form® Translucent Materials

In 2007, Hunter Douglas acquired 3form®, the leading manufacturer of translucent panels. 3form® Resin Panels encapsulate a wide variety of materials, giving architects and interior designers the flexibility to create a wide range of designs and applications, including back-lit feature walls, translucent surfaces and space dividers, as well as sliding doors.


5

2008

Research & Development

Hunter Douglas was founded on a tradition of bringing breakthrough products to market. At the beginning of the 21st century, our new product development has accelerated with the introduction of a number of innovative products, including Facette® Shades, EOS® Hardware systems, UltraGlide® and LiteRise® operating systems, Techstyle® Acoustical Ceilings and Duette® Architella® Shades.

- We have specialized R & D Centres in the United States, The Netherlands, Germany, China and South Korea where products are currently under development for introduction in 2009, 2010 and beyond.

- Around the world, our subsidiaries adapt products to respond to local market needs.

- We are continually seeking, testing and developing new ideas and concepts that will enable Hunter Douglas to serve and grow our markets in future years.

- Top priorities are the comfort and safety of the end users, the functionality and durability of our products and the evolving fashion and style needs of the marketplace.

- We strive to simplify assembly, improve production processes, eliminate waste and reduce maintenance.

- In 2009 we expect our R & D activities to remain at similar levels as in 2008.

Manufacturing

More than 60 years ago, Hunter Douglas pioneered a unique, continuous casting and integrated manufacturing process for aluminium, to produce painted aluminium strip, and from that the basic materials for many of our products. That innovative thinking has been applied to all aspects of our operation.

- We have applied the lessons learned in manufacturing metal products to our fabric shades and have set the industry standard for fabric: trapping air in cellular pockets to provide insulation, light diffusion, privacy, light control and sun protection.

- Our proprietary innovations include the energy-efficient honeycomb cell used in Duette® and Duette® Architella® Shades; translucent sheer fabrics used in shades, sheers and shading systems; and the process for bonding diverse fabrics to yield products like Silhouette® and Pirouette® Window Shadings, Vignette® Modern Roman Shades and Luminette® Privacy Sheers.

- We concentrate production of our principal products in a few efficient manufacturing locations around the world.

- Process re-engineering and automation is a critical concept in a custom business, allowing us to better manage inventory and our other assets, lower costs, and serve our customers more quickly and efficiently.

Worldwide distribution system

Our distribution system is key to our business and an essential element in our marketing strategy. It is as distinctive as it is efficient.

- We rely upon a worldwide network of several thousand independent and 95 company-owned fabricators to sell, assemble and distribute our products in local markets.

- We closely support fabricators to ensure they consistently offer the best quality and service.

- We provide sophisticated sampling, merchandising and training programs to enable our fabricators to establish strong dealer networks.

- We provide support to over 100,000 retail dealers - the second tier in our distribution network. They rely upon us for sales and marketing programs; advertising and promotional campaigns; sampling, displays and signage; product education and business-building programs; technical service and assistance in computer-supported administrative areas.

- Proper installation of our products is key to lifetime performance and customer satisfaction. We have expanded our training to assist the thousands of professional Hunter Douglas installers around the world.

- Strong and enduring relationships have been forged between Hunter Douglas, our fabricators and our dealers. We consider them to be our strategic partners and the principal sales and marketing arms for our products.

Marketing

We want consumers who purchase Hunter Douglas to have a thoroughly satisfying experience throughout their process of selecting, buying and living with our products. We have built an additive-process marketing program that builds awareness of and desire for our products and creates strong brand loyalty.

- Brand awareness is built through many channels: print, broadcast and online advertising campaigns; a comprehensive consumer website; retail merchandising and displays; relationship building with the trade and consumer press, as well as interior designers and architects; newspaper and magazine articles and editorials; sponsorship of special events and worthy charitable causes at the local, national and international levels.

- Our messages are based upon extensive research into consumer needs, motivations and regional differences, enabling us to better understand what dealers need to support and sell our products.

- Once in a retail store, the consumer will find a wealth of materials that help simplify the purchase decision: brochures, design books, sampling of the full range of colours and options, and displays that show how actual products look and function.

- We actively support our commercial clients with products that meet their needs and specifications, and with technical information concerning light control, motorization and climate control.

Our internet sites enable us to:

- Give consumers the information they need to make appropriate buying decisions and to bring them to our dealers' showroom.

- Educate and support our dealers and installers; including interactive features to select, measure, order and install products.

New contemporary Hunter Douglas Gallery® Display

Education and Corporate Citizenship

Education

We have developed multi-level training and education programs for our fabricators, retail dealers, professional designers and installers.

- We hold consumer seminars to help prospective buyers understand the importance of window coverings for home fashions and for light control and energy efficiency.

- We provide training seminars and hands-on workshops for retailers, designers and installers - including CD-Roms, videotapes, and web-based instructions - throughout the world.

- We've created the industry's first and only formal Retail Alliance Program, offering our very best dealers a choice of tiered partnership options that reward their brand loyalty with lucrative business-building benefits, including financial incentives and exclusive products and programs.

- Through our exclusive partnership with Archiprix International, we build relationships with the next generation of architects as they begin their careers after college. With our support, Archiprix organizes a biennial international competition for the best graduation projects in architecture. Finalists travel to a host city with hundreds of architects from around the world, where an independent jury evaluates the student entries and recognizes the most outstanding work with the Hunter Douglas award. The host city for 2009 is Montevideo, Uruguay.

- Our 'Windows of Opportunity' seminar on the use of window fashions in interior design reaches more than 2,500 design school students and designers in major United States' markets each year.

- At the Fashions Institute of Technology in New York and other leading design schools, we provide industry overviews and a business perspective through teaching opportunities.

- At the renowned Pratt School of Architecture, we sponsor design studio projects that challenge students to envision new and novel ways to integrate our products and materials into architectural structures.

Corporate Citizenship

- We actively support the communities in which we live, work and do business. Decisions about which causes to support and the form that support takes are made locally by our management in each country.

- We provide window coverings to hospitals, research centres and healthcare facilities around the world.

- We support educational opportunities for the families of our staff and less privileged members of our communities.

- In the United States and Canada, we sponsor Habitat for Humanity, donating custom window coverings for the homes they have built for low-income families since 1993. Our employees have also contributed thousands of hours in sweat equity assisting with the building of homes at the local level.

- We stimulate students' awareness of our products and encourage their creativity through competitions in which they are judged upon the innovative application of our products in their design projects.

Building homes for Habitat for Humanity

- Hunter Green™ is an important new company-wide environmental initiative being undertaken by our Hunter Douglas branded companies to reduce energy consumption, water usage and our overall carbon-footprint. It also includes a consumer marketing effort creating increased awareness of the superior energy-saving benefits of our products.

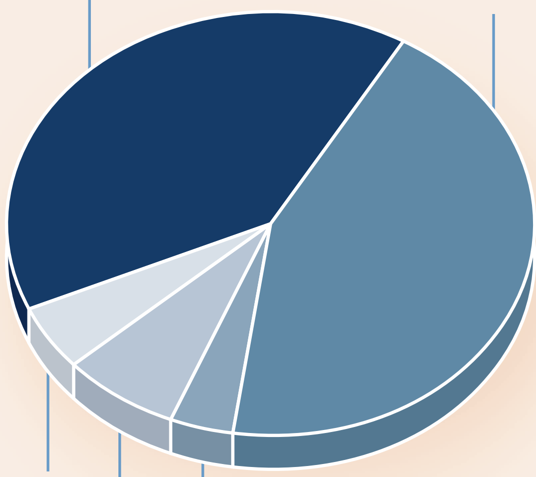
Financial Risk Management Objectives and Policies

For risk management objectives and policies in relation to the financial instruments reference is made to note 25 of the financial statements.

Strategy

Our Strategy remains unchanged: To grow the market and our market share by continuing to introduce innovative, proprietary, new products and by expanding our presence in key geographic markets.

Worldwide sales



Segment information*

USD x million	Europe		North America		Latin America		Asia		Australia		Total	
	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007
Net sales												
Window Coverings	**1,022**	1,078	**1,068**	1,216	**154**	128	**65**	69	**106**	107	**2,415**	2,598
Architectural Products	**156**	91	**101**	68	**51**	43	**97**	99	**5**	5	**410**	306
Other	**117**	124									**117**	124
Total	**1,295**	1,293	**1,169**	1,284	**205**	171	**162**	168	**111**	112	**2,942**	3,028
-												
Net assets employed (**)	**973**	959	**571**	661	**67**	59	**118**	100	**45**	51	**1,774**	1,830
Additions to tangible fixed assets	**66**	51	**35**	68	**11**	5	**17**	12	**2**	4	**131**	140
Depreciation tangible fixed assets	**37**	44	**32**	31	**3**	3	**7**	5	**1**	2	**80**	85
Employees per year-end	**8,012**	8,319	**7,540**	9,126	**1,469**	1,417	**1,723**	1,630	**502**	410	**19,246**	20,902

(*) This table excludes the turnover of 428 (2007: 568) and net assets employed of 36 (2007: 19) of Metals Trading.
(**)Total assets (excl. Investment Portfolio) minus non-interest-bearing current liabilities.

Further restructuring measures, to continue the Company's adjustment to lower sales levels, are expected to result in further reductions in the number of employees.
Relative profitability per area is in line with net sales per area.
Relative distribution of employees per business segment per area is in line with net sales per area.

Europe

European Operations had lower sales and profits.

Aad Kuiper | President, European Operations

Hunter Douglas Europe

Our main operation had a sharp decline in sales and profits as from October, due to the financial and economic crisis, which strongly affected consumer demand in the UK, Ireland and Spain. Results were further affected by currency devaluations in the UK, Scandinavia and the CEE.

Results were also significantly affected by one time charges for reorganizations, initiated in Q4, to reduce headcounts by almost 20% in order to bring capacity and expenses in line with lower sales.

Window Covering Products

- Sales and profits of our company owned blindmakers were flat. Record results in The Netherlands and Norway were offset by sharp declines in the UK, and Iberia.
- Component sales to independent blindmakers were slightly lower; as increases in Germany, The Netherlands, Italy and Russia were offset by declines in other regions.
- Achieved double digit growth of Duette® Shades for the sixth consecutive year.
- Launched new Hunter Douglas Wholesale collections for Vertical Venetian Blinds, Plissé and Duette® Shades.
- Gained 15 new European fabrication customers for the EOS® Plissé and Duette® hardware system and fabric collection.
- Successfully introduced Nano Roller Blinds for turn-and-tilt windows. These proprietary blinds can be mounted directly on the glass between the window frame.
- Acquired Asco, a Dutch based market leader in the development and manufacture of fabric cutting machines for window coverings.
- Thomas Sanderson Blinds, our UK conservatory blind specialist, was strongly affected by the sharp slowdown in the UK housing market, and had significantly lower results.
- Blöcker, our market-leading supplier of pleated blind systems and fabrics achieved record profits on level sales.
- Gardenia, the leading distributor of packaged window coverings in Germany and Central Eastern Europe, in which Hunter Douglas has a 49% interest, had good results, mainly due to growth in Eastern Europe.

Luxaflex® Window Coverings

- Luxaflex® Window Coverings introduced:
  - A new Duette® collection book, featuring innovations such as 'Batiste', a line of unique woven-look fabrics, 'Architella®' a proprietary cell in cell construction, and the new 'LiteRise' operating system.

Facette® Shades

- A new selection of state-of-the-art decorative fabrics for Plissé Shades.
- New, fashion-forward colours and two new opening fabrics for Facette® Shades.

• Expanded our Inspiration shop network of dealers by 20% to 1100.
• Opened our first 7 Gallery dealers in the Netherlands and the UK. European Gallery dealers commit 100% of their window coverings business to Luxaflex®, in a 50 m^2 shop-in-shop display area. The first shop was named the best Window Fashion dealer in The Netherlands, by the leading Dutch trade magazine.
• In Scandinavia, our recently acquired blindmaker introduced its first new Luxaflex® collections for Silhouette® and Facette® Shades.
• Heytens, the interior decorating retail chain with 120 dealers in Belgium, France and Switzerland, selected Luxaflex® as its made-to-measure window-fashion brand.
• Achieved a doubling of unique visitors to the redesigned 'Luxaflex.com' website.

Architectural and Project Market

• Continued to extend project activities for both Window Coverings and Architectural Products, resulting in significantly increased sales and specifications. Further strengthened solution-based sales program to focus on daylight management, climate control and energy savings for buildings.
• Experienced a sharp decline in the commercial sunscreen business in the 4th quarter, mainly due to the sharply contracting Spanish and UK project markets.
• Achieved record sales and profits in Russia, Middle East, Czechia and Poland.
• Grew sales of interior ceilings and metal façade systems.
• Achieved record sales and profits at Limelight Sun Control Systems in The Netherlands and at Flexalum in Germany.
• NBK, our Germany based manufacturer of large terracotta façade panels, completed their new plant in Portugal, doubling capacity.
• Established the European 3form® plant for resin panels in Schiedam, The Netherlands.
• Continued to develop our relationship with Archiprix International, the leading bi-annual competition for graduate students in Architecture around the world, for which Hunter Douglas is the sole sponsor. The Archiprix Exhibition and Award ceremony in 2009 will take place in Montevideo, Uruguay.

Operations/Manufacturing

• The new wider aluminium continuous caster and rolling mill in Rotterdam is fully operational, but was affected by the downturn in demand starting in Q4.
• Continued to expand Artex, our strongly performing textile manufacturer in Aarle Rixtel, The Netherlands.
• Our low-cost window covering assembly operation in Kadan, Czechia continued to perform well.

Turnils Europe

• Experienced lower sales and profits due to a significant reduction in demand for Venetian Blinds.
• Continued to streamline sales and production facilities to reduce costs, and enhance operational efficiencies.
• Continued to grow the Nordic Light® branded retail fabricator program, especially in Scandinavia.
• Launched pleated and performance fabrics collections.

Nedal

Our Dutch-based aluminium extrusion operation had lower sales, but higher operational profits.

Europe

EUR x million	2008	2007
Net sales		
Window coverings	**693**	784
Architectural products	**106**	66
Other	**79**	90
Total	**878**	940
Net assets employed	**695**	651
Employees per year-end	**8,012**	8,319

70 mm Venetian Blind

North America

North American sales and profits were lower.

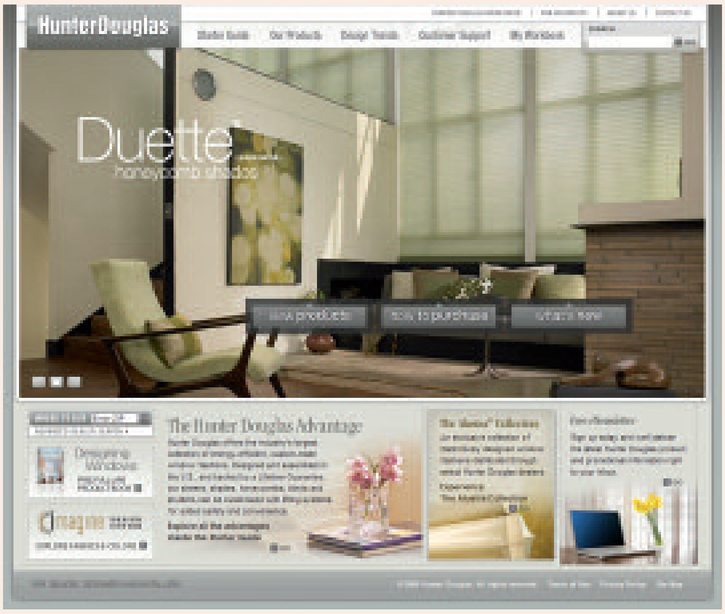
Marv Hopkins | President & CEO,
North American Operations

The US financial and housing crisis, which became much more severe beginning in September, resulted in an 18% decline in US Q4 sales as consumers sharply reduced their spending.

Profits were further affected by the substantial restructuring of our businesses throughout the year, in anticipation of continuing lower sales. Eight of our 22 US fabricating plants were closed and integrated into existing facilities. Numerous other cost reduction initiatives were implemented, and the total number of US employees was reduced by more than 20% from December 2007. Further substantial cost reduction measures are being taken in 2009 - to ensure that the business remains strong and vital and is well positioned for the future.

- Received the coveted Product of the Year award from the Window Covering Manufacturing Association (WCMA) for the 13th time in the past 14 years, this time for Pirouette® Window Shadings.
- Expanded the distribution of our proprietary Pirouette® Window Shadings product to all Hunter Douglas Alliance dealers in the US and Canada.
- Placed more than 100,000 new product sample books and updates with our retail dealer customers, including Silhouette® Window Shadings, Provenance® Woven Wood Shades and Designer Roller Shades.

Pirouette® Window Shadings



New redesigned hunterdouglas.com consumer website

- The premier Alustra® Collection, sold exclusively through our Gallery and Showcase dealer network, grew by 9%.
- Launched a new company-wide Green initiative, named Hunter Green, to reinforce our commitment to reduce our carbon footprint and continue to offer and develop highly energy efficient products, such as our award-winning Duette® Architella® Shade.
- Launched a new, redesigned hunterdouglas.com consumer website providing more user-friendly technologies and in-depth product information. The new site makes it easier to access the dealer locator from any page, and the award-winning iMagine™ Design Center is the place to view over 3,600 fabrics and colours visualized in the windows of several popular room styles.
- Increased the number of our closely aligned Hunter Douglas Gallery and Showcase Priority dealers to over 1,500 and increased membership in our 100% loyal Centurion Club program to 540 dealers.
- Experienced only a minimal increase in average receivables in relation to sales, despite very challenging economic conditions.
- Improved employee safety performance and reduced worker compensation costs through ongoing safety audits and aggressive safety programs throughout the company.
- Continued the significant upgrade of our Enterprise Resource Planning (ERP) computing system, using state-of-the-art technologies to provide outstanding customer service to our dealers and consumers and increase our supply chain efficiency and our internal operations.
- Captured 45% of all Hunter Douglas Fabrication orders electronically, an increase of 10% over 2007, leading to reduced errors and greater efficiency.
- Acquired two more companies: Chicago based Acme Window Coverings, a fabricator of Hunter Douglas branded custom window coverings, and Oregon based Fashion Tech, a fabricator of private label window coverings.
- Achieved record sales levels in Hunter Douglas Canada while expanding the Centurion Club 100% loyalty program to 189 retail dealers.
- Continued to grow our Contract Division. Achieved record results through aggressive marketing and by expanding our distribution footprint and product offering.
- Achieved a sharp increase in sales and record profits at our 3form® division, as the architecture and design market continued to embrace its innovative translucent panels for a host of decorative applications. Continued to extend the 3form® product portfolio with launches of a patented modular system of textured wall panels called Wovin Wall™, and a line of translucent light fixtures and solutions via the acquisition of two small lighting companies.
- Introduced our line of rainscreen façades in the US, leveraging the recently acquired fast growing business of NBK terracotta façades, and the increasing interest in Green building design.
- Mermet, our fiberglass sunscreen manufacturer, increased sales and profits and launched Enduris™ Glass Core, a new brand promoting the benefits of fiberglass yarn.
- Provided college scholarships to eligible children of Hunter Douglas employees and continued to fund a college scholarship program for qualified minority students.
- Donated over 20,000 Hunter Douglas custom window coverings for more than 6,000 new Habitat for Humanity homes during 2008.

North America

USD x million	2008	2007
Net sales		
Window coverings	**1,068**	1,216
Architectural products	**101**	68
Other	**-**	-
Total	**1,169**	1,284
Net assets employed	**571**	661
Employees per year-end	**7,540**	9,126

Latin America

Continued growth in sales and higher profits.

Renato Rocha | President, Latin American Operations

Our Latin American Operations achieved record sales and profits despite significant currency devaluations throughout the region, especially during the 4th quarter. Our Window Covering business continued to grow strongly, throughout the region with record sales and profit in nearly all countries. Significant growth came from our most loyal and exclusive dealers. Our Stock Window Covering Products business had higher sales in units but lower sales in dollars due to regional currency devaluations. Our Architectural Products business increased sharply to record levels of sales and profit.

Brazil

- Sales and profits - largely Window Coverings - grew to record levels. While sales grew sharply, profits were negatively affected by currency devaluations during the 4th quarter.

Mexico

- Sales rose to record level while profits were slightly lower, due mainly to currency losses in Q4.

Chile

- Sales rose significantly while profits were lower. Chile was also affected by currency losses during the last quarter. All businesses recorded higher sales but only Architectural Products achieved higher profits.

XVI Biennial of Architecture of Chile

Colombia

- Sales and profits rose significantly to record levels in all business units except in our stock products business, where profits declined.
- We acquired our small licensee located in Bucaramanga, and now coordinate all our sales activities through our own blindmaker.

Argentina

- Sales and profits rose sharply to record levels benefiting from our increased marketing support and Priority Dealer focus.

Venezuela

- While our Venezuelan business reported significantly higher sales and profits, we continue to experience an increasingly difficult and uncertain regulatory environment, and uncertain economic outlook.

Peru

- We incurred a small start-up loss during our first year.

Latin America USD x million	2008	2007
Net sales		
Window coverings	**154**	128
Architectural products	**51**	43
Other	**-**	-
Total	**205**	171
Net assets employed	**67**	59
Employees per year-end	**1,469**	1,417

Asia

Asian Operations had slightly lower sales and profits.

G.C. Neoh | President, Asian Operations

Our Window Covering business continued to have strong growth in sales and profits, driven by the expansion of our distribution and strong marketing programs. Our Architectural business had lower sales and profits due to the completion of several large projects in the prior year and the delay of several major projects in China.

China

- Lower sales and profits due to lower architectural project sales.
- Strong growth in sales and profits in window coverings.
- Commenced production of 3form® translucent panels in Guangzhou to supply the Asian market.
- New manufacturing plant in Chengdu has commenced production to supply the Western China market.

Korea

- Slightly lower sales and profits.
- Completed our new sunscreen manufacturing plant and R&D centre in Gumi Industrial Park, Taegu.
- Secured multi million dollar contract to supply 3form® translucent panels for new LG Electronic Stores worldwide.

India

- Slightly lower sales but much higher profits after completing the Hyderabad Airport project last year.
- Strong growth in sales and profits in window coverings.
- Established a metal ceiling manufacturing plant in Bhiwandi near Mumbai.
- Secured a multi-million metal ceiling mega project for Terminal 3 of New Delhi International Airport for completion in 2009.

Taiwan

- Higher sales and profits.
- Strong growth in sales and profits in window coverings driven by successful Window Fashion Gallery program.

Japan

- Higher sales and profits.
- Continued to develop and grow our consumer window covering business.

Vietnam, Indonesia, Philippines, Malaysia

- Strong growth in sales and profits.

Hong Kong, Singapore, Thailand

- Lower sales and profits.

Metal Façade Panels

Asia

USD x million	2008	2007
Net sales		
Window coverings	**65**	69
Architectural products	**97**	99
Other	**-**	-
Total	**162**	168
Net assets employed	**118**	100
Employees per year-end	**1,723**	1,630

3form®
Varia Ecoresin

Consolidated statement of income for the year

Amounts in millions	Notes	USD 2008	2007
Net sales	3	**2,942**	3,028
Cost of sales	4	**-1,862**	-1,798
Gross profit		**1,080**	1,230
Gross profit metals trading	3	**24**	20
Total gross profit		**1,104**	1,250
Selling and marketing expense	3	**-573**	-539
General and administrative expense	3	**-401**	-386
Income from operations (EBIT)		**130**	325
Finance costs	4	**-170**	-40
Finance income	4	**7**	108
Other expense	4		-24
Income before taxes		**-33**	369
Taxes on income	19	**-1**	-59
Net (loss) profit for the year		**-34**	310
Net profit attributable to minority interest		**1**	1
Net (loss) profit attributable to equity shareholders		**-35**	309
Earnings per share attributable to equity shareholders	20		
- basic for (loss) profit for the year		**-0.95**	7.35
- fully diluted for (loss) profit for the year		**-0.95**	7.34

In 2008 the calculation of the diluted income per share does not assume the exercise of options and subsequent re-issuance of treasury shares, as such conversion would have an anti-dilutive effect due to the loss incurred for the period.

The accounting policies and explanatory notes on pages 37 through 62 form an integral part of the financial statements.

Leen Reijtenbagh
Vice President &
Chief Financial Officer

Chris King
Vice President General Counsel

Consolidated cash flow statement for the year

Amounts in millions	Notes	USD 2008	2007
Net (loss) profit attributable to equity shareholders		**-35**	309
Adjustment for:			
Depreciation property, plant & equipment		**80**	85
Amortization patents & trademarks		**6**	6
Increase provisions		**33**	4
Unrealized result investment portfolio		**132**	-117
Operating cash flow before working capital changes		**216**	287
Changes in working capital:			
- decrease (increase) trade and other receivables and prepayments		**28**	-113
- decrease (increase) inventories		**10**	-4
- (decrease) increase trade and other payables		**-116**	17
Operating cash flow		**138**	187
Dividend paid		**-112**	-124
Net cash from operations		**26**	63
Cash flow from investing activities			
Investments subsidiaries, net of cash acquired	5	**-21**	-116
Divestments subsidiaries and participations			5
Investment intangible fixed assets		**-4**	-8
Investment property, plant and equipment		**-131**	-140
Divestment property, plant and equipment		**18**	28
Decrease investment portfolio		**451**	40
Decrease other financial non current assets		**6**	6
Increase other financial non current assets		**-12**	-1
Net cash from investing activities		**307**	-186
Cash flow from financing activities			
Share buy-back		**-463**	
Treasury shares		**-4**	31
Increase interest-bearing loans and borrowings		**103**	72
Net cash from financing activities		**-364**	103
Net decrease in cash and cash equivalents		**-31**	-20
Change in cash and cash equivalents			
Balance at 1 January		**72**	87
Net decrease in cash and cash equivalents		**-31**	-20
Exchange difference cash and cash equivalents		**-5**	5
Balance at 31 December	14	**36**	72

Income tax paid 33 (2007: 52), interest paid 39 (2007: 39) and interest received 4 (2007: 41) are included in net cash from operations.

The accounting policies and explanatory notes on pages 37 through 62 form an integral part of the financial statements.

Consolidated balance sheet as per 31 December

Assets

Amounts in millions	Notes	USD 2008	2007
Non current assets			
Intangible fixed assets	7	289	301
Property, plant and equipment	8	624	621
Other financial non current assets	9	33	30
Other non current assets		946	952
Current Assets			
Inventories	10	666	708
Trade and other receivables	11	570	608
Prepaid income tax		34	74
Prepayments	12	155	170
Currency derivatives		2	11
Metal derivatives		43	6
Investment portfolio	13	265	849
Cash and short-term deposits	14	36	72
Total current assets		1,771	2,498
TOTAL ASSETS		2,717	3,450

The accounting policies and explanatory notes on pages 37 through 62 form an integral part of the financial statements.

Shareholders' equity and liabilities as per 31 December

Amounts in millions	Notes	USD 2008	2007
Equity attributable to equity shareholders			
Issued capital	15	12	15
Share premium		99	103
Treasury shares	15	-4	
Foreign currency translation		-58	16
Retained earnings		1,223	1,830
Total equity attributable to equity shareholders of the parent		1,272	1,964
Minority interest		4	5
Total equity		1,276	1,969
Non current liabilities			
Interest-bearing loans and borrowings	16	594	492
Preferred shares	16	12	14
Provisions	17	34	43
Deferred income tax liabilities	19	30	25
Total non current liabilities		670	574
Current liabilities			
Trade and other payables	18	550	685
Income tax payable		1	64
Restructuring provisions		34	
Currency derivatives		31	
Metal derivatives		26	3
Interest-bearing loans and borrowings	16	129	155
Total current liabilities		771	907
TOTAL LIABILITIES		1,441	1,481
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		2,717	3,450

The accounting policies and explanatory notes on pages 37 through 62 form an integral part of the financial statements.

Consolidated statement of changes in equity for the year

Amounts in USD x millions	Attributable to equity shareholders of the parent							
	Issued capital	Share premium	Treasury shares	Foreign currency translation	Retained earnings	Total	Minority interest	Total Equity
At 1 January 2007	13	79	-16	-41	1,645	1,680	3	1,683
Net profit					309	309	1	310
Currency translation differences	2	9		57		68	1	69
Total comprehensive income (expense)	2	9	0	57	309	377	2	379
Exercise of options		15	16			31		31
Equity dividends					-124	-124		-124
At 31 December 2007	15	103	0	16	1,830	1,964	5	1,969
Net (loss) profit					-35	-35	1	-34
Currency translation differences		-4		-74		-78	-2	-80
Total comprehensive income (expense)	0	-4	0	-74	-35	-113	-1	-114
Purchase own shares			-4			-4		-4
Equity dividends					-112	-112		-112
Share buy-back	-3				-460	-463		-463
At 31 December 2008	12	99	-4	-58	1,223	1,272	4	1,276

The accounting policies and explanatory notes on pages 37 through 62 form an integral part of the financial statements.

Notes to consolidated financial statements

USD (millions, unless indicated otherwise)

1. Corporate information

The consolidated financial statements of Hunter Douglas N.V. for the year ended 31 December 2008 were authorized for issue on 10 March 2009. These financial statements will be adopted by the Annual General Meeting of Shareholders on 9 June 2009.

Hunter Douglas N.V. is incorporated in The Netherlands Antilles and has its statutory seat in Curaçao. Common shares are publicly traded at Amsterdam (HDG) and Frankfurt (HUD) for the common shares; the preferred shares are traded at Amsterdam (HUNDP).

The principal activities of the Group are described in note 3.

2. Summary of significant accounting policies

Basis of presentation

The consolidated financial statements have been prepared on a historical cost basis, except for the investment portfolio and derivative financial instruments which have been measured at fair value.
The consolidated financial statements are presented in US dollars and all values are rounded to the nearest million except when otherwise indicated.

Statement of compliance

The consolidated financial statements of Hunter Douglas N.V. and all its subsidiaries have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union and International Financial Reporting Standards as issued by the IASB.

In accordance with Article 2:402 of the Civil Code, an abbreviated version of the income statement is presented in the company financial statements.

Basis of consolidation

The consolidated financial statements comprise the financial statements of Hunter Douglas N.V. and its subsidiaries as at 31 December each year. The financial statements of subsidiaries are prepared for the same reporting year as the parent company, using consistent accounting policies. All inter-company balances and transactions, including unrealized profits arising from intra-group transactions, have been eliminated upon consolidation.

Subsidiaries are consolidated from the date on which control is transferred to the Group and cease to be consolidated from the date on which control is transferred out of the Group, in which case the consolidated financial statements include the results for the part of the reporting year during which Hunter Douglas N.V. had control.

Joint ventures have been included in the consolidated financial statements using the proportionate consolidation method. Acquisitions have been included in the consolidated financial statements using the purchase method of accounting. The purchase method of accounting involves allocating the costs of the business combination to the fair value of the assets acquired and liabilities assumed at the date of acquisition.

Accordingly, the consolidated financial statements include the results from the new acquisitions from the date of their acquisition. The new acquisitions are disclosed in further detail in note 5.

Minority interest represents the portion of profit or loss and net assets in some Latin American subsidiaries not held by Hunter Douglas N.V. and are presented separately in the statement of income and within equity in the consolidated balance sheet, separately from shareholders' equity.

Foreign currency translation

The consolidated financial statements are presented in US dollars, which is the Company's presentation currency. The Euro is the company's functional currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency. Transactions in foreign currencies are initially recorded at the functional currency rate on the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency rate of exchange on the balance sheet dates. All differences are taken to the income statement with the exception of differences on foreign currency borrowings that provide a hedge against a net investment in a foreign entity. These are taken directly to equity until the disposal of the net investment, at which time they are recognized in the income statement.
Tax charges and credits attributable to exchange differences on those borrowings are also dealt with in equity. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date the fair value was determined.
As at the reporting date, the assets and liabilities of the subsidiaries are translated into the presentation currency of the Group (US dollar) at the rate of exchange on the balance sheet date and their income statements are translated at the weighted average exchange rates for the year.
The exchange differences arising on the translation are taken directly to a separate component of equity. On disposal of a foreign entity, the deferred cumulative amount recognized in equity relating to that particular foreign operation is recognized in the income statement.

Intangible fixed assets

Intangible assets with finite lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life is reviewed at least at each financial year end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortization period or method, as appropriate, and treated as changes in accounting estimates. The amortization expense on intangible assets with finite lives is recognized in the income statement in the expense category consistent with the function of the intangible asset.

Business Combinations and Goodwill

Business Combinations are accounted for using the acquisition accounting method. This involves recognizing identifiable assets (including previously unrecognized intangible assets) and liabilities (including contingent liabilities and excluding future restructuring) of the acquired business at fair value. Goodwill on acquisition is initially measured at cost being the excess of the cost of the business combination over the acquirer's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities. Following initial recognition, goodwill is measured at cost less any accumulated impairment losses. Goodwill on acquisitions after 1 January 2004 is not amortized and goodwill already carried in the balance sheet is not amortized after 1 January 2004. Goodwill is reviewed for impairment annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired.

As at the acquisition date, any goodwill acquired is allocated to each of the cash-generating units expected to benefit from the combination's synergies. Impairment is determined by assessing the recoverable amount of the cash-generating unit, to which the goodwill relates. Where the recoverable amount of the cash-generating unit is less than the carrying amount, an impairment loss is recognized. Where goodwill forms part of a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of in this circumstance is measured on the basis of the relative values of the operation disposed of and the portion of the cash-generating unit retained.

Significant accounting judgment and estimates

The preparation of financial statements requires management to make estimates and assumptions that affect amounts reported in the consolidated financial statements in order to conform to IFRS. These estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent liabilities at the date of the consolidated financial statements, and the reported amounts of revenues and expenses during the reporting period. We evaluate these estimates and judgements on an ongoing basis and base our estimates on experience, current and expected future conditions, third-party evaluations and various other assumptions that we believe are reasonable under the circumstances. The results of these estimates form the basis for making judgements about the carrying values of assets and liabilities as well as identifying and assessing the accounting treatment with respect to commitments and contingencies. Actual results could differ from the estimates and assumptions.

Estimates significantly impact goodwill and other intangibles acquired, impairments, fair value of the investment portfolio, liabilities from employee benefit plans, other provisions and tax and other contingencies. The fair values of acquired identifiable intangibles are based on an assessment of future cash flows. Impairment analyses of goodwill are performed annually and whenever a triggering event has occurred to determine whether the carrying value exceeds the recoverable amount. These analyses are based on estimates of future cash flows.

Assumptions used to determine pension liabilities include the interest rate and discount rate. Assumptions used to determine the fair value of the investment portfolio relate to credit risk and liquidity risk of the fund.

Property, plant and equipment
Property, plant and equipment are carried at cost less accumulated depreciation and any accumulated impairment in value. Fixed assets are depreciated over the expected useful lives, using the straight-line method. An indication of the expected useful life is as follows:

Buildings	20 - 40 years
Machinery & equipment	5 - 10 years
Other property, plant and equipment	3 - 10 years
Land is not depreciated.	

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable. If any such indication exists and where the carrying values exceed the estimated recoverable amounts, the assets of cash-generating units are written down to their recoverable amount.

Other financial non current assets
Other financial non current assets are recorded at amortized costs.

Inventories
Inventories are valued at the lower of production cost and net realizable value. Costs incurred in bringing each product to its present location and conditions are accounted for as follows:
- Raw materials are stated principally at the lower of cost (first-in/first-out) or net realizable value;
- Finished goods and work-in progress are stated at cost of direct materials and labor and a proportion of manufacturing overheads based on normal operating capacity but excluding borrowing costs.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

Trade and other receivables
Trade receivables, which generally have 30-60 day terms, are recognized and carried at original invoice amount less an allowance for any uncollectible amounts. An estimate for doubtful debts is made when collection of the full amount is not longer probable.

Cash and cash equivalents
Cash and short-term deposits in the balance sheet comprise cash at bank and in hand and short-term deposits with an original maturity of less than one year. For the purpose of the consolidated cash flow statement, cash and cash equivalents consist of cash and cash equivalents as defined above.

Interest-bearing loans and borrowings
All loans and borrowings are initially recognized at cost, being the fair value of the consideration received net of issue costs associated with the borrowing. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the effective interest method. Amortized cost is calculated by taking into account any issue costs, and any discount or premium on settlement. Gains and losses are recognized in net profit or loss when the liabilities are derecognized, as well as through the amortization process. Borrowing costs are recognized as an expense when incurred.

Provisions
Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where the Group expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the income statement net of any reimbursement. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as a borrowing cost.

Pensions and other post-employment benefits
The Group operates three defined benefit pension schemes, all of which require contributions to be made to separately administered funds.

The cost of providing benefits under the plans is determined separately for each plan using the projected unit credit actuarial valuation method. Actuarial gains and losses are recognized as income or expense when the net cumulative unrecognized actuarial gains and losses for each individual plan at the end of the previous reporting year exceed 10% of the higher of the defined benefit obligation and the fair value of plan assets at that date. These gains or losses are recognized over the expected average remaining working lives of the employees participating in the plans.

The past service cost is recognized as an expense on a straight-line basis over the average period until the benefits become vested. If the benefits are already vested immediately following the introduction of, or changes to a pension plan, past service cost is recognized immediately.
The defined benefit liability is the aggregate of the present value of the defined benefit obligation and actuarial gains and losses not recognized and the fair value of plan assets. If such aggregate is negative, the asset is measured at the lower of such aggregate or the aggregate of cumulative unrecognized net actuarial losses and past service cost and the present value of any economic benefits available in the form of refunds from the plan or reductions in the future contributions to the plan.
If the asset is measured at the aggregate of cumulative unrecognized net actuarial losses and past service cost and the present value of any economic benefits available in the form of refunds from the plan or reduction in the future contributions to the plan, net actuarial losses of the current period and past service cost of the current period are recognized immediately to the extent that they exceed any reduction in the present value of those economic benefits. If there is no change or an increase in the present value of the economic benefits, the entire net actuarial losses of the current period and past service cost of the current period are recognized immediately. Similarly, net actuarial gains of the current period after the deduction of past service cost of the current period exceeding any increase in the present value of the economic benefits stated above are recognized immediately if the asset is measured at the aggregate of cumulative unrecognized net actuarial losses and past service cost and the present value of any economic benefits available in the form of refunds from the

plan or reductions in the future contributions to the plan. If there is no change or a decrease in the present value of the economic benefits, the entire net actuarial gains of the current period after the deduction of past service cost of the current period are recognized immediately.

The Group also operates a number of defined contribution pension plans. The cost of providing contributions under the plans is charged to the income statement in the period to which the contributions relate.

Share-based payments/option plans
Share-based payments are expensed on the basis of their value determined by using option pricing models. The share-based payments qualify as cash-settled transactions and are measured initially at fair value at the grant date using the Black-Scholes formula, taking into account the terms and conditions upon which the instruments were granted (see Note 22 employee benefits). This fair value is expensed over the period until vesting with recognition of a corresponding liability. The liability is re-measured at each balance sheet date up to and including the settlement date with changes in fair value recognized in the income statement.

Treasury shares
Own equity instruments which are reacquired (treasury shares) are deducted from equity. No gain or loss is recognized in the income statement on the purchase, sales, issue or cancellation of the Group's own equity instruments.

Leases
Leases which do not transfer to the Group substantially all the risks and benefits of ownership of the asset are classified as operating leases. Operating lease payments are recognized as an expense in the income statement on a straight-line basis over the lease term.

Net sales
Net sales are recognized to the extent that it is probable that the economic benefits will flow to the Group and the net sales can be reliably measured.
Net sales represent the invoiced value of manufactured products delivered to customers net of freight, returns, allowances and sales tax. Net sales are recognized when the significant risks and rewards of ownership of the goods have passed to the buyer and can be reliably measured. Cost of sales are recorded in the same period as sales are recognized. Other revenues and expenses are recorded in the period in which they originate.

Metals trading
Metals trading is presented on a net basis as these activities classify as broker/trader activities. Metals trading sales are excluded from net sales. Gross profit on metals trading represents the margin earned on bulk metals delivered to clients net of direct acquisition and trading costs.

Research and development
Research costs are expensed as incurred. Development costs are capitalized if it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity; and the cost of the asset can be measured reliably.

Income tax
Current tax assets and liabilities for the current and prior years are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the balance sheet date.

Deferred income tax is provided, using the liability method, on all temporary differences at the balance sheet date between the tax basis of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred income tax liabilities are recognized for all taxable temporary differences such as the value of inventories, fixed assets and provisions for tax purposes which differ from the value used for financial reporting purposes, except where the deferred income tax liability arises from the initial recognition of goodwill or the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and in respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, except where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred income tax assets are recognized for all deductible temporary differences, carry-forward of unused tax assets and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry-forward of unused tax assets and unused tax losses can be utilized, except where the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and in respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are only recognized to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

The carrying amount of deferred income tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

Income taxes relating to items recognized directly in equity are recognized in equity and not in the income statement.

Revenues, expenses and assets are recognized net of the amount of sales tax except:
- where the sales tax incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the sales tax is recognized as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables and payables are stated with the amount of sales tax included.

The net amount of sales tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

Derecognition of financial instruments
The derecognition of a financial instrument takes place when the Group no longer controls the contractual rights that comprise the financial instrument, which is normally the case when the instrument is sold, or all the cash flows attributable to the instrument are passed through to an independent third party.

Derivative financial instruments
The Group uses derivative financial instruments such as foreign currency contracts, interest rate swaps and metals futures to hedge its risks associated with interest rate, metal commodities and foreign currency fluctuations. Such derivative financial instruments are stated at fair value. Derivatives are carried as assets when the fair value is positive and as liabilities when the fair value is negative. Any gains or losses arising from changes in fair value on derivatives are taken directly to the income statement. No hedge accounting is applied.
The fair value of a financial instrument is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction. Fair values are determined from listed market prices, price quotations from banks or from pricing models.

Investment portfolio
The investment portfolio is reported separately on the balance sheet at fair value. Net results of the investment portfolio are reported separately. Third parties participating in the investment

portfolio are presented separately under trade and other payables. The individual investments held by the various investment funds are valued at fair value by the fund. The net asset values reported by the fund managers are adjusted (discounted) by management as management expects that it may not be able to fully realize the underlying fair values of the investments held by the investment funds. This assessment is made by individual funds and the valuation is adjusted accordingly.

IFRS accounting standards effective as from 2008

IFRIC 11 IFRS 2 Group and Treasury Share Transactions
IFRIC 11 requires arrangements whereby an employee is granted rights to an entity's equity instruments to be accounted for as an equity-settled scheme, even if the entity buys the instruments from another party, or the shareholders provide the equity instruments needed. This interpretation had no impact on the consolidated financial position or financial performance of the company.

IFRIC 12 Service Concession Arrangements
This interpretation applies to service concession operators and explains how to account for the obligations undertaken and rights received in service concession arrangements. This interpretation had no impact on the company as the company does not have any service concession arrangements.

IFRIC 14 IAS 19 The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction
This interpretation provides guidance on how to assess the limit on the amount of surplus in a defined benefit scheme that can be recognized as an asset under IAS 19 Employee Benefits. This interpretation had no impact on the consolidated financial position or performance of the company.

Future Changes in Accounting Principles

IAS 1 Presentation of Financial Statements
The revised IAS 1 Presentation of Financial Statements was issued in September 2007 and becomes effective for financial years beginning on or after 1 January 2009. The Standard separates owner and non-owner changes in equity. The statement of changes in equity will include only details of transactions with owners, with all non-owner changes in equity presented as a single line. In addition, the Standard introduces the statement of comprehensive income: it presents all items of income and expense recognised in profit or loss, together with all other items of recognised income and expense, either in one single statement, or in two linked statements. The adoption of this Standard will have no impact on the financial position or performance of the Company, this revision will only impact the presentation.

IFRS 2 Share-based Payment - Vesting Conditions and Cancellations
This amendment to IFRS 2 was issued in January 2008 and becomes effective for annual periods beginning on or after 1 January 2009. The amendment clarifies the definition of a vesting condition and prescribes the treatment of an award that is effectively cancelled because a non-vesting condition is not satisfied. This amendment is not expected to have an impact on Hunter Douglas.

IFRS 3 Amendment - Business Combinations
The revised standard was issued in January 2008 and becomes effective for financial years beginning on or after 1 July 2009. IFRS 3R introduces a number of changes in the accounting for business combinations that will impact the amount of goodwill recognised, the reported results in the period that an acquisition occurs, and future reported results. The changes introduced by IFRS 3R must be applied prospectively and will affect future acquisitions and transactions with minority interests. The impact of this standard is still to be determined but is expected to be limited.

IFRS 8 Operating Segments
IFRS 8 was issued in November 2006 and is effective for annual periods beginning on or after 1 January 2009. IFRS 8 requires entities to disclose segment information reviewed by the entity's chief operating decision maker. The impact of this standard on the other segment disclosures is still to be determined. No significant changes are expected in Hunter Douglas' segment reporting.

IAS 23 Borrowing Costs
A revised IAS 23 Borrowing Costs was issued in March 2007 and becomes effective for financial years beginning on or after 1 January 2009. The standard has been revised to require capitalization of borrowing costs when such costs relate to a qualifying asset. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use or sale. In accordance with the transitional requirements in the Standard, the Company will adopt this as a prospective change. Accordingly borrowing costs will be capitalized on qualifying assets with a commencement date after 1 January 2009. No changes will be made for borrowing costs incurred to this date that have been expensed.

IAS 27 Consolidated and Separate Financial Statements (revised in 2008)
The revised IAS 27 explains the method of recognising the loss of control of a consolidated entity. The revised IAS 27 stipulates that the transaction gain or loss is determined as the difference between the carrying amount of the total net assets of the entity of which control is transferred and the fair value of the revenue, as well as the fair value of the remaining interest in the entity concerned and, possibly, the carrying amount of minority interests owned by this entity. This shows that if control is transferred, but an interest is retained by virtue of which the entity has significant influence, but not control, the fair value of the remaining interest represents the initial value of the interest in the associate. The new provisions are applicable as from 1 July 2009. This revision is not expected to have an impact on Hunter Douglas.

IAS 32 Financial Instruments: Presentation and IAS 1 Presentation of Financial Statements - Puttable Financial Instruments and Obligations Arising on Liquidation
These amendments to IAS 32 and IAS 1 were issued in February 2008 and become effective for annual periods beginning on or after 1 January 2009. The amendments allow a limited scope exception for puttable financial instruments to be classified as equity if they fulfill a number of specified features. These amendments are not expected to have an impact on Hunter Douglas.

IAS 39 Financial Instruments: Recognition and Measurement - Eligible Hedged Items
These amendments to IAS 39 were issued in August 2008 and become effective for financial years beginning on or after 1 July 2009. The amendment addresses the designation of a onesided risk in a hedged item, and the designation of inflation as a hedged risk or portion in particular situations. It clarifies that an entity is permitted to designate a portion of the fair value changes or cash flow variability of a financial instrument as hedged item. These amendments are not expected to have an impact on Hunter Douglas.

IFRIC 13 Customer loyalty programmes
IFRIC has published interpretation 13 on customer loyalty programmes (such as air miles, frequent flyer miles, points) according to which proceeds should be divided between the first performance and the rights to subsequent performances. The effective date is financial statements starting on or after 1 July 2008. The Company expects that this interpretation will have no impact on the Group's financial statements as no such schemes currently exist.

IFRIC 16 Hedges of a Net Investment in a Foreign Operation
This is an interpretation on the hedging of the foreign currency risk for a net investment in foreign operations. IFRIC 16 states that foreign currency risks between functional currencies within the Group can be hedged, but this does not apply to any differences between functional currency and presentation currency. This interpretation is not expected to have an impact on Hunter Douglas.
Other changes in accounting principles have no impact on the Company.

3. Segment information

The Group's primary reporting format is business segments and its secondary format is geographical segments. The business segments are organized and managed separately according to the nature of the products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. The window coverings segment relates to sales and manufacturing of window coverings and architectural products for commercial and residential use. The investment segment relates to the Group's investment portfolio which is invested in marketable securities in a variety of asset classes, including hedged equities, arbitrage, financial trading and fixed income. The metal trading segment represents trading in metals mainly in contracts on bulk metals. Transfer prices between business segments are set on an arm's length basis in a manner similar to transactions with third parties. The Group's geographical segments are determined by the location of the Group's assets and operations.

Business segments

The following table presents revenue and income information and certain asset and liability information regarding the Group's business segments for the years ended 31 December 2008 and 2007.

Amounts in USD x millions	Window Coverings		Investment Portfolio		Metals Trading		Reclassification		Total	
	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007
Revenue										
Sales to external customers	2,942	3,028							2,942	3,028
Segment revenue	2,942	3,028							2,942	3,028
Total gross profit	1,080	1,230			24	20			1,104	1,250
Selling and marketing expense	-573	-539							-573	-539
General and administrative expense	-396	-381	-6	-6	-5	-5	6	6	-401	-386
Income from operations	111	310	-6	-6	19	15	6	6	130	325
Finance costs	-9	-38	-33	-39	-1	-2	-127	39	-170	-40
Finance income	7	46						62	7	108
Other expense		-24								-24
Gross result investment portfolio			-132	117			132	-117		
Third party interest in investment portfolio			11	-10			-11	10		
Income before taxes	109	294	-160	62	18	13			-33	369
Taxes on income	4	-54			-5	-5			-1	-59
Net (loss) profit	113	240	-160	62	13	8			-34	310
Net profit attributable to minority interest	1	1							1	1
Net (loss) profit attributable to equity shareholders	112	239	-160	62	13	8			-35	309
Assets and liabilities										
Segment assets	2,288	2,491	265	849	163	109			2,716	3,449
Investment in an associate	1	1							1	1
Total assets	2,289	2,492	265	849	163	109			2,717	3,450
Segment liabilities	1,053	537	265	849	123	95			1,441	1,481
Total liabilities	1,053	537	265	849	123	95			1,441	1,481
Net assets employed	1,774	1,830			36	19			1,810	1,849
Other segment information										
Capital expenditure:										
Property, plant and equipment	131	140							131	140
Depreciation	80	85							80	85

The geographical segment information is reported separately on page 21.

4. Revenues and expenses

Amounts in millions	2008	2007
Finance costs		
Bank loans and overdraft	**-26**	-17
Other loans (including non-cumulative redeemable preference shares)	**-13**	-19
Net Result Investment Portfolio	**-127**	
Non-operational exchange result	**-4**	-4
Total finance costs	**-170**	-40
Finance income		
Bank interest receivable	**7**	4
Net Result Investment Portfolio		101
Other financial income		3
Total finance income	**7**	108
Other expense (non-recurring)		
Loss on sale Pechiney Nederland C.V. minority participation		-24
Non-recurring restructuring expenses are included in the consolidated income statement as follows:		
Cost of sales	**57**	
Selling and marketing expense	**6**	
General and administrative expense	**5**	
	68	
Depreciation, amortization and costs of inventories included in consolidated income statement		
Included in cost of sales:		
Depreciation of property, plant and equipment	**63**	70
Costs of inventories recognized as an expense	**1,799**	1,728
	1,862	1,798
Included in general and administrative expenses:		
Minimum lease payments recognized as an operating lease expense	**9**	9
Amortization other intangibles	**6**	6
Employee benefits expense		
Wages and salaries	**764**	738
Social security costs	**132**	125
Pension costs	**37**	44
Expense of share-based payments	**1**	1
	934	908

Research costs

Research costs consist of 35 (2007: 33) charged directly to general and administrative expense in the income statement.

5. Business combination

In 2008 Hunter Douglas acquired the following companies:
- 100% of Asco, a Roermond (The Netherlands) based manufacturer of fabric cutting machines for window coverings, employing 32 people, since January.
- 100% of Fashion Tech, an Oregon (USA) based fabricator of window coverings, employing 117 people, since January.
- 100% of Acme Window Coverings, a Chicago (USA) based fabricator of window coverings, employing 100 people, since June.
- 100% of Design Blinds of Australia, a Melbourne (Australia) based fabricator of window coverings, employing 89 people, since October.
- 100% of Vogue Vinyl, a Brisbane (Australia) based fabricator of vinyl shutters, employing 16 people, since November.

In 2007 Hunter Douglas acquired the following companies:
- 100% of Vista Products, USA.
- 100% of 3form®, USA.
- 100% of ESI, USA.
- 100% of Hexcelscreen, France.
- 100% of NBK, Germany.

All 2008 and 2007 acquisitions relate to the window coverings business segment.

The fair value of the identifiable assets and liabilities of these companies determined as at the date of acquisition are:

	Recognized on acquisitions 2008	Carrying value 2008	Recognized on acquisitions 2007	Carrying value 2007
Property, plant and equipment	2	2	35	35
Patents and trademarks			39	
Intangibles				18
Inventories	8	8	23	23
Trade and other receivables	8	8	25	25
Cash and short-term deposits	2	2	10	10
Long-term interest-bearing loans and borrowings	-1	-1	-7	-7
Provisions	-1	-1	-9	-9
Deferred income tax liabilities			-9	
Trade and other payables	-10	-10	-30	-30
Short-term interest-bearing loans and borrowings			-6	-6
Fair value of net assets	8	8	71	59
Goodwill arising on acquisitions	15		55	
Total consideration	23		126	
Cash outflow on acquisitions:				
Cash paid	-23		-126	
Net cash acquired with acquisitions	2		10	
	-21		-116	

On a yearly basis net sales of the in 2008 acquired companies would have been 33.

Relative profitability of the acquisitions is in line with the business segments.

None of these acquisitions are individually significant.

6. Impairment testing of indefinitely lived goodwill, patents and licenses

The carrying amount of goodwill is allocated to the cash-generating units within the window coverings segment.
The recoverable amount of the units is based on value-in-use calculations. Those calculations use cash flow projections based on the budget for the coming year extrapolated with no growth to determine the termination value. A post-tax Weighted Average Cost of Capital (WACC) of 10.4% (2007: 10.7%) has been used as a basis to discount the projected cash flows. Per unit local market conditions are accounted for in determining next year's budget. The budgets are founded on achieved results in the preceding years and expectations on local industry developments going forward. With regard to the assessment of value in use, management believes that, considering the conservative assumptions used, no reasonably possible change in any of the above key assumptions would cause the carrying value of the unit to materially exceed its recoverable amount.

7. Intangible fixed assets

	Goodwill		Patents & Trademarks		Total	
Amounts in millions	**2008**	**2007**	**2008**	**2007**	**2008**	**2007**
At 1 January	**236**	176	**65**	24	**301**	200
Additions	**4**			8	**4**	8
Acquisitions	**15**	55		39	**15**	94
Amortizations			**-6**	-6	**-6**	-6
Exchange	**-25**	5			**-25**	5
At 31 December	**230**	236	**59**	65	**289**	301
At 1 January						
Cost	**236**	176	**75**	28	**311**	204
Accumulated amortization			**-10**	-4	**-10**	-4
Net carrying amount	**236**	176	**65**	24	**301**	200
At 31 December						
Cost	**230**	236	**75**	75	**305**	311
Accumulated amortization			**-16**	-10	**-16**	-10
Net carrying amount	**230**	236	**59**	65	**289**	301

Goodwill is not amortized but is subject to annual impairment testing (see note 6). Patents and trademarks are amortized between 5 and 10 years. For the 2007 acquisitions the fair value amounts were provisional. These have been finalized in 2008. For the 2008 acquisitions the fair value amounts are provisional. These will be finalized in 2009.

8. Property, plant and equipment

Amounts in millions	Land & Buildings 2008	Land & Buildings 2007	Machinery & Equipment 2008	Machinery & Equipment 2007	Other fixed assets 2008	Other fixed assets 2007	Total 2008	Total 2007
At 1 January, net of accumulated depreciation	**343**	284	**249**	212	**29**	26	**621**	522
Additions	**42**	62	**85**	72	**4**	6	**131**	140
Disposals	**-4**	-22	**-13**	-5	**-1**	-1	**-18**	-28
Acquisitions		17	**1**	18	**1**		**2**	35
Depreciation charge for the year	**-16**	-16	**-60**	-65	**-4**	-4	**-80**	-85
Exchange	**-18**	18	**-13**	17	**-1**	2	**-32**	37
At 31 December, net of accumulated depreciation	**347**	343	**249**	249	**28**	29	**624**	621
At 1 January								
Cost	**528**	451	**1,022**	902	**85**	75	**1,635**	1,428
Accumulated depreciation	**-185**	-167	**-773**	-690	**-56**	-49	**-1,014**	-906
Net carrying amount	**343**	284	**249**	212	**29**	26	**621**	522
At 31 December								
Cost	**532**	528	**1,002**	1,022	**81**	85	**1,615**	1,635
Accumulated depreciation	**-185**	-185	**-753**	-773	**-53**	-56	**-991**	-1,014
Net carrying amount	**347**	343	**249**	249	**28**	29	**624**	621

Included in Property, plant and equipment at 31 December 2008 is an amount of 28 (2007: 44) relating to expenditure in construction.

9. Other financial non current assets

Amounts in millions	2008	2007
Receivables from key management employees	**2**	2
Other long-term receivables	**24**	21
Deferred income tax asset	**6**	2
Other	**1**	5
	33	30

10. Inventories

Amounts in millions	2008	2007
Raw materials (at cost)	**444**	441
Work-in-progress (at cost)	**49**	57
Finished goods:		
- At cost	**282**	313
- Provision	**-109**	-103
	666	708

11. Trade and other receivables (current)

Amounts in millions	2008	2007
Trade receivables	**413**	480
Financial institutions	**150**	113
Short-term loans and advances	**7**	15
	570	608

Trade receivables are non-interest bearing and are generally on 30-60 day terms. The net amount of sales tax receivable and sales tax payable is non-interest bearing and is remitted to the appropriate taxation authorities on a quarterly basis.

As at 31 December 2008, trade receivables at nominal value of 37 (2007: 38) were impaired and fully provided for. Movements in the provision for impairment of trade receivables were as follows:

Amounts in millions	2008	2007
At 1 January	**38**	39
Additions	**9**	15
Deductions	**-8**	-18
Exchange	**-2**	2
At 31 December	**37**	38

As at 31 December the ageing of trade receivables that were not impaired is as follows:

	Not due		Past due		
Amounts in millions	< 30 days	30-60 days	60-90 days	90-120 days	> 120 days
2008	**241**	**95**	**38**	**17**	**22**
2007	313	109	27	14	17

12. Prepayments

Amounts in millions	2008	2007
Prepaid expenses	**131**	151
Prepaid taxes (no income tax)	**15**	15
Other	**9**	4
	155	170

13. Investment portfolio

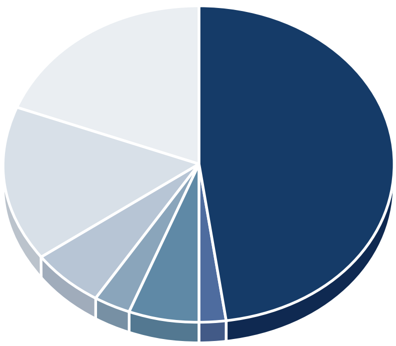
Hunter Douglas has had an investment portfolio since mid-1991. Management of the investments is delegated after screening to a widely diversified range of independent managers. Hunter Douglas does not control or influence the manager's investments. The Net Asset Value (NAV) of the investments is determined and advised each month by the funds' administrators. Hunter Douglas monitors each manager's results on a monthly basis. Hunter Douglas limits the portfolio's risk by initially generally investing less than 0.5% of the total portfolio in each fund. At year-end 2008, Hunter Douglas had investments in about 100 funds in a wide range of asset classes, industries, geographies, currencies and with differing risk profiles. The broad diversification of the portfolio reduces the risk per manager and mitigates the risk of fluctuations in markets and interest and exchange rates. The net asset value of the investment portfolio at year-end 2008 was 265 million.

The investment portfolio has earned the gross percentage returns and had year-end book values as indicated in the table below:

Amounts in millions	2001	2002	2003	2004	2005	2006	2007	2008
Investment portfolio at year-end	305	353	564	590	680	771	849	265
Percent gross return (in USD) before attributed interest and expenses	8.3%	4.3%	21.3%	16.1%	8.8%	16.9%	14.4%	-24.3%

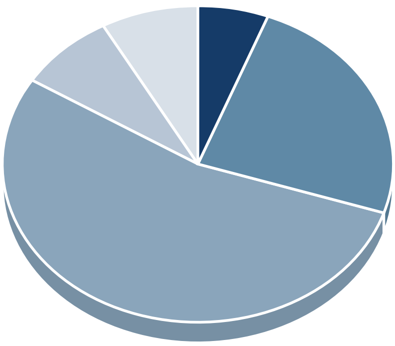
The breakdown of the investment portfolio per year-end 2008 by asset class and geography as well as its liquidity is shown below:

% Funds by Sector
(No. of Funds)



- Equity L/S 48% (45)
- Equity Long only 2% (2)
- Commodities 6% (6)
- Quants + CTA's 3% (3)
- Macro 6% (6)
- Arbitrage 16% (15)
- Fixed Income 19% (18)

% Funds Geographic Allocation
(No. of Funds)



- Europe 6% (10)
- North America 24% (24)
- International 54% (31)
- Asia 8% (11)
- Emerging Markets 8% (19)

At year-end the Investment Portfolio of USD 265 mln had 95 Managers, of which USD 37 mln with 29 Managers was suspended or gated. Of the remaining USD 228 mln, 59 Managers with liquidity of 90 days or less represented 96.7%. Five Managers with liquidity over 90 days and less than 180 days represented 3.2%. Two Managers with liquidity over 180 days represented 0.1%.

14. Cash and short-term deposits

Cash at bank and in hand earns interest at floating rates based on market conditions. Short-term deposits are made for varying periods of between one day and one year depending on the immediate cash requirements of the Group, and earn interest at the respective short-term deposit rates. The fair value of cash and cash equivalents is 36 (2007: 72).

At 31 December 2008, the Group had available 355 (2007: 396) of undrawn committed borrowing facilities in respect of which all conditions precedent had been met. For the purposes of the consolidated cash flow statement, cash and cash equivalents comprise the following at 31 December:

Amounts in millions	2008	2007
Cash at bank and in hand	**29**	32
Short-term deposits	**7**	40
	36	72

Funds in certain countries in which the Group operates are subject to varying exchange regulations. No material restrictions exist for transfers of a current nature, such as dividends from subsidiaries. A few countries have more severe restrictions on remittances of a capital nature.

15. Issued capital and reserves

	Ordinary shares	
Numbers x 1,000	2008	2007
	€ 0.24 each	€ 0.24 each
Issued and fully paid-in		
At 1 January	**42,207**	42,207
Stock dividend	**-6,775**	
At 31 December	**35,432**	42,207
Treasury shares		
At 1 January	**3**	305
At 31 December	**66**	3

In April 2008, the Company repurchased 6,774,741 of its common shares, for EUR 43.00 per common share and these shares have been cancelled.

Mr. R. Sonnenberg, indirectly or through trusts, owned or controlled at year-end 2008 28,764,039 common shares of Hunter Douglas N.V. representing 81.18% of the common shares of the company.

The company has two share option schemes under which options to subscribe for the company's shares have been granted to certain executives and senior employees (note 22).

Share premium: under present Dutch Law, substantially all share premium may be distributed as stock dividend free from Dutch dividend withholding tax.

Foreign currency translation reserve is a legal reserve and when negative the retained earnings cannot be distributed for this amount.

Retained earnings: this reserve is freely distributable.

There are no external capital requirements.

16. Interest-bearing loans and borrowings

Amounts in millions	Currency	Interest rate	Maturity date	2008	2007
Current					
Bank Overdraft		Various*	N/A	**24**	15
Short-term Bankloans		Various*	N/A	**50**	100
Current Portion of LT Debt	USD	4.72	N/A	**55**	40
				129	155
Non current					
US Notes	USD	4.72	18-12-2008		55
US Notes	USD	4.97	18-12-2010	**52**	52
US Notes	USD	5.01	28-5-2013	**100**	100
IRB South Carolina	USD	Various*	2019	**6**	6
IRB Pinellas County	USD	Various*	2022	**5**	5
IRB Washington	USD	Various*	2022	**7**	7
ABN AMRO Bank	USD	Various*	2013	**88**	134
ABN AMRO Bank	EUR	Various*	2013	**28**	
ABN AMRO Bank	JPY	Various*	2013	**3**	6
ING Bank	EUR	Various*	2013**	**140**	
ING Bank	EUR	Various*	2012		75
ING Bank	USD	Various*	2012	**65**	40
Fortis Bank	EUR	Various*	2012	**91**	
Long-term Loans (Fixed)	EUR	Various*	Various	**9**	11
Long-term Loans (Variable)	EUR	Variable	Variable		1
				594	492
Preferred Shares					
Preferred Shares	EUR	Various*	N/A	**12**	14

* *Mostly at Interbank rates plus a margin*
** *Maturing in equal quarterly installments from July 2010 through March 2013*

Average life of long-term loans is 3.88 years (2007: 4.27 years); 27.03% are at fixed rates of interest. Total weighted average of the effective interest of the fixed non current loans is 5.00% in the year. The balance consists mainly of multi-currency lines of credit at Interbank interest rates with varying spreads. Almost all loans are unsecured.

Hunter Douglas N.V.'s Articles of Association fix the annual dividend on each preferred share at a percentage of the par value. This percentage amounts to 2.25% per annum over the European Central Bank's deposit rate on the last working day of May of the affected year.

In April 2008, the Company repurchased 3,926,480 of the preferred shares for EUR 0.30 per preferred share.

17. Provisions

Amounts in millions	Pensions	Other	Total
	(note 22)		
At 1 January 2008	8	35	**43**
Acquisition of a subsidiary		1	**1**
Additions from income statement		12	**12**
Releases from income statement		-16	**-16**
Exchange	-3	-3	**-6**
At 31 December 2008	5	29	**34**
Non current 2008	5	29	**34**
Non current 2007	8	35	**43**

18. Trade and other payables (current)

Amounts in millions	2008	2007
Trade payables	**178**	210
Accrued wages, social charges and other compensation	**200**	225
Other payables and accrued expenses	**112**	103
Third parties participating in the investment portfolio (mainly related parties)	**19**	59
Commissions, discounts and allowances	**32**	37
Other	**9**	51
	550	685

Terms and conditions of the above financial liabilities:
Trade payables are non-interest-bearing and are normally settled on 45-day terms.
Other payables are non-interest-bearing and have an average term of 6 months.

19. Income tax

Major components of income tax expense for the years ended 31 December 2008 and 2007 are:

Amounts in millions	2008	2007
Consolidated income statement		
Current income tax		
Current income tax charge	**15**	65
Adjustments in respect of current income tax of previous years	**-3**	-4
Deferred income tax		
Relating to origination and reversal of temporary differences	**-11**	-2
Income tax expense reported in consolidated income statement	**1**	59

A reconciliation of income tax expense applicable to accounting profit before income tax at the statutory income tax rate to income tax expense at the Group's effective income tax rate for the years ended 31 December 2008 and 2007 is as follows:

	2008	2007
Accounting (loss) profit before income tax	**-33**	369
At Dutch statutory income tax rate of 25.5% (2007: 25.5%)	**-8**	94
Adjustments in respect of current income tax of previous years	**-3**	-4
Tax loss carry forward	**-11**	23
Impact different tax rates per country	**18**	-52
Other	**5**	-2
At effective income tax rate of -3.0% (2007: 16.0%)	**1**	59
Income tax expense reported in consolidated income statement	**1**	59

Deferred income tax at 31 December relates to the following:

	Consolidated Balance sheet		Consolidated Income statement		Via Equity
Amounts in millions	2008	2007	2008	2007	2008
Deferred income tax assets					
Losses available for offset against future taxable income	**6**	2	**4**	2	
Losses available for offset against future taxable income	**7**		**7**		
	13	2			
Deferred income tax liabilities					
Revaluation of inventories	**4**	8	**4**		
Revaluation of foreign currency loan	**13**				**-13**
Fair value adjustment on acquisition	**10**		**-10**		
Other	**10**	17	**7**		
Rounding			**-1**		
	37	25			
Deferred income tax income (expense)			**11**	2	**-13**
Deferred income tax net	**-24**				
reported in the balance sheet as follows:					
- Other financial non current assets	**6**				
- Deferred income tax liabilities	**-30**				
	-24				

The Group has tax losses of 61 (2007: 91), of which 11 expires within 5 years and 50 expires after 5 year, that are available for offset against future taxable profits of the companies in which the losses arose. Deferred tax assets have not been recognized in respect of these losses as they may not be used to offset taxable profits elsewhere in the Group and they have arisen in subsidiaries that have been loss making for some time.

20. Earnings per share

Basic earnings per share amounts are calculated by dividing net profit for the year attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year. Diluted earnings per share amounts are calculated by dividing the net profit attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the year (adjusted for the effects of dilutive options).

The income and share data used in the basic and diluted earnings per share computations is as follows:

Amounts in millions	2008	2007
Net (loss) profit attributable to equity shareholders	**-35**	309
Numbers x 1,000		
Weighted average number of ordinary shares for basic earnings per share	**37,577**	42,072
Effect of dilution:		
Share options	**0**	102
Adjusted weighted average number of ordinary shares for diluted earnings per share	**35,577**	42,174

In 2008 the calculation of the diluted income per share does not assume the exercise of options and subsequent re-issuance of treasury shares, as such conversion would have an anti-dilutive effect due to the loss incurred for the period. There have been no other transactions involving ordinary shares or potential ordinary shares since the reporting date and before the completion of these financial statements.

21. Dividends paid and proposed

Amounts in millions	2008	2007
Declared and paid during the year:		
Equity dividends on ordinary shares:		
Final dividend for 2007: EUR 2.00 (2006: EUR 2.00)	**112**	124
Proposed for approval at AGM (not recognized as a liability as at 31 December):		
Equity dividends on ordinary shares:		
Final dividend for 2008: EUR 1.00 (2007: EUR 2.00)	**50**	124

22. Employee benefits

Employee share incentive plans
At year-end, directors and employees of the Hunter Douglas Group had the following options to buy common shares of Hunter Douglas N.V. The table below illustrates the number and prices of share options:

Issued in	Number of share options 2008	Number of share options 2007	Price per share (EUR)*	Year of expiration
2003		11,334	**25.00**	2008
2003		69,669	**37.00**	2008
2004	**1,667**	1,667	**38.00**	2009
2004	**1,000**	1,000	**35.71**	2009
2004	**6,000**	6,000	**36.10**	2009
2006		280,000	**50.50**	2011
2008	**530,000**		**17.00**	2013
	538,667	369,670		

** These prices equal the trading price of the common shares of Hunter Douglas N.V. on the Amsterdam Stock Exchange on the dates when these options were granted. One option represents the right to buy one common share.*

Hunter Douglas has for many years operated a stock option plan. The purpose of the plan and of the stock options granted under it is to foster long-term employment of valued executives and employees of the Hunter Douglas Group, to associate them with the financial results of the Group and to interest them in the development of the public market for the shares of the company. Under the plan, stock options are granted in each case for a period of five years. Options granted are exercisable as long as the beneficiary of the option remains in the employment of the Hunter Douglas Group. In the event of death, the option remains exercisable by the executor of the decedent within a period of three months. The average share price for the exercised options was EUR 45.22 for which 15,668 treasury shares were used. Balance treasury shares at year-end 2008: 66,089 (2007: 3,136). The carrying amount of the liability relating to the cash-settled options at 31 December 2008 is 6 (2007: 6).

22. Employee benefits (continued)

Year Option Grant	Year Option Expiry	Option Price per share	Option Shares (HDNV common shares) Outstanding 1-1-2007	Exercised	Lapsed	Balance 31-12-2007	Granted	Exercised	Lapsed	Balance 31-12-2008
Directors										
2003	2008	€ 25.00	200,000	200,000		0				0
2006	2011	€ 50.50	270,000			270,000			270,000	0
2008	2013	€ 17.00				0	520,000			520,000
			470,000	200,000		270,000	520,000		270,000	520,000
Officers										
2002	2007	€ 25.50	36,667	36,667		0				0
2003	2008	€ 37.00	56,667	6,667		50,000			50,000	0
2006	2011	€ 50.50	10,000			10,000			10,000	0
2008	2013	€ 17.00				0	10,000			10,000
			103,334	43,334		60,000	10,000		60,000	10,000
Other employees										
2001	2006	€ 22.00	10,000	10,000		0				0
2002	2007	€ 25.50	5,371	5,371		0				0
2003	2008	€ 25.00	13,001	1,667		11,334		11,334		0
2003	2008	€ 37.00	47,670	24,668	3,333	19,669		4,334	15,335	0
2004	2009	€ 38.00	5,000	3,333		1,667				1,667
2004	2009	€ 36.10	8,000	2,000		6,000				6,000
2004	2009	€ 35.71	2,000	1,000		1,000				1,000
2006	2011	€ 50.50	10,000	10,000		0				0
			101,042	58,039	3,333	39,670		15,668	15,335	8,667
			674,376	**301,373**	**3,333**	**369,670**	**530,000**	**15,668**	**345,335**	**538,667**

The fair value of the cash-settled options is calculated by using the Black-Scholes formula based on the following value input parameters:

Amounts in millions	2008	2007
Share price (In EUR)	**23.50**	50.68
Dividend yield (%)	**3.64**	3.37
Volatility (%)	**35.00**	26.00
Interest rates (%):		
1 month	**N/A**	N/A
1 year	**2.65**	4.78
2 years	**2.73**	4.61
3 years	**2.97**	4.55
4 years	**3.13**	4.54
5 years	**3.26**	4.55
Expected life of option (years)	**4.00**	4.00

22. Employee benefits (continued)

Pension plans

Defined benefit plans
Employee pension plans have been established in many countries in accordance with the legal requirements, customs and the local situation in the countries involved. The majority of employees in The Netherlands, United Kingdom and North America are covered by defined benefit plans. The defined benefit plans in The Netherlands and North America are based on average wage earned, in the United Kingdom is the defined benefit plan based on last wage earned. The benefits provided by these plans are based on employees' years of service and compensation levels. The measurement date for defined benefit plans is 31 December.

Contributions are made by the Company, as necessary, to provide assets sufficient to meet the benefits payable to defined benefit pension plan participants. These contributions are determined based upon various factors, including funded status, legal and tax considerations as well as local customs.
The following tables summarize the components of the net benefit expense recognized in the consolidated income statement and the funded status and amounts recognized in the consolidated balance sheet, as well as the principal assumptions applied.

The principal assumptions used for the purpose of the actuarial valuation are as follows:

%	Pension plans NL		Pension plans US		Pension plans UK	
	2008	**2007**	**2008**	**2007**	**2008**	**2007**
Discount rate	**5.60**	5.00	**6.00**	6.50	**6.00**	5.80
Expected return on scheme assets	**6.35**	6.35	**8.50**	8.50	**5.60**	8.06
Future salary increase	**2.00**	2.00	**4.00**	4.50	**3.10**	3.30
Inflation assumption	**2.00**	2.00	**3.00**	3.00	**3.00**	3.20

The overall expected rate of return is calculated by weighting the individual rates in accordance with the anticipated balance in the plan's portfolios. In accordance with IAS 19, paragraph 92, actuarial gains and losses are recognized only to the extent that they exceed the greater of 10% of the present value of the obligations or the fair value of plan assets. The excess amount is spread over the remaining working lives of the active employees and recognized as income or expense.

The amount recognized in the balance sheet in respect of the Group's defined benefit retirement plans is as follows:

Amounts in millions	NL Pension plan				
	2008	**2007**	**2006**	**2005**	**2004**
Defined-benefit obligations	**-288**	-317	-309	-267	-287
Fair value of plan assets	**288**	358	324	281	298
Funded status	**0**	41	15	14	11
Effect of asset cap		-41	-15	-14	-11
Net asset (liability) in balance sheet	**0**	0	0	0	0

No economic benefits are available to the Company in the form of refunds from the NL pension plan or reduction in future contributions to the NL pension plan.

22. Employee benefits (continued)

Amounts in millions	US Pension plan				
	2008	2007	2006	2005	2004
Defined-benefit obligations	**-179**	-151	-142	-132	-111
Fair value of plan assets	**162**	174	127	104	90
Funded status	**-17**	23	-15	-28	-21
Unrecognized actuarial (gains)/losses	**47**	1	7	17	7
Net asset (liability) in balance sheet	**30**	24	-8	-11	-14

This asset is recorded under prepayments.

Amounts in millions	UK Pension plan				
	2008	2007	2006	2005	2004
Defined-benefit obligations	**-41**	-59	-55	-46	-42
Fair value of plan assets	**39**	49	41	34	33
Funded status	**-2**	-10	-14	-12	-9
Unrecognized actuarial (gains)/losses	**-3**	2	5	5	1
Unrecognized past service cost					
Effect of asset cap					
Net asset (liability) in balance sheet	**-5**	-8	-9	-7	-8

Amounts recognized in profit or loss in respect of the defined-benefit plans are as follows:

Amounts in millions	Pension plans					
	NL		US		UK	
	2008	2007	**2008**	2007	**2008**	2007
Current service cost	**4**	7	**10**	10	**1**	1
Past service cost						1
Interest cost on benefit obligation	**16**	14	**10**	8	**3**	3
Expected return on plan assets	**-23**	-21	**-15**	-11	**-4**	-3
Net actuarial losses/(gains) recognized in year						
Net benefit expense	**-3**	0	**5**	7	**0**	2
Actual return on plan assets	**-41**	5	**-19**	12	**4**	4

22. Employee benefits (continued)

Changes in the fair value of the defined benefit obligations are as follows:

Amounts in millions	Pension plans NL		US		UK	
	2008	2007	2008	2007	2008	2007
Opening defined-benefit obligations	**317**	309	**151**	142	**59**	55
Current service cost	**4**	7	**10**	10	**1**	1
Employee contribution	**3**					
Past service cost						1
Interest cost on benefit obligation	**16**	14	**10**	8	**3**	3
Benefits paid	**-15**	-15	**-3**	-3	**-2**	-2
Actuarial (gain)/loss	**-20**	-36	**11**	-6	**-3**	
Exchange differences	**-17**	38			**-17**	1
Closing defined-benefit obligations	**288**	317	**179**	151	**41**	59

The liability in respect of the pension obligations of Hunter Douglas Europe (NL) is based on and calculated pursuant to IAS 19. Pursuant to the Dutch Pension and Savings Law (Pensioen- en spaarfondsenwet), Hunter Douglas Europe is required to provide all pension benefits through a regulated pension fund.
Hunter Douglas Europe has contracted with a single-employer fund (Stichting Pensioenfonds Hunter Douglas) to provide these benefits. As of the date of the financial statements, Hunter Douglas Europe has satisfied all its liabilities to the fund and has no further financial obligations to the fund.

Changes in the fair value of the plan assets are as follows:

Amounts in millions	Pension plans NL		US		UK	
	2008	2007	2008	2007	2008	2007
Opening fair value of plan assets	**358**	324	**174**	127	**49**	41
Expected return on plan assets	**23**	21	**15**	11	**4**	3
Contributions by employer	**5**	5	**10**	39	**1**	2
Benefits paid	**-15**	-15	**-3**	-3	**-2**	-2
Actuarial gain (loss)	**-64**	-17	**-34**		**1**	3
Exchange differences	**-19**	40			**-14**	2
Closing fair value of plan assets	**288**	358	**162**	174	**39**	49
Of which:						
Bonds	**237**	168	**3**	10	**12**	
Equities	**38**	165	**64**	127	**27**	49
Other	**13**	25	**95**	37		
The actual return on plan assets amounts	-12.8%	0.8%	-11.1%	8.0%	7.2%	8.3%

The plan assets do not include any of the Group's own financial instruments, nor any property occupied or other assets used by the Group. The Group expects to contribute approximately 3 to its defined benefit plan in 2009. Contribution by employer will not materially differ from previous years.

Defined contribution plans
The expense of the defined contribution plans for 2008 amounts to 35 (2007: 35).

23. Commitments and contingencies

Operating lease commitments - Group as lessee
The Group has entered into commercial leases on certain premises, motor vehicles and items of small machinery. These leases have an average life of between 5 and 10 years with renewal terms included in the contracts. Renewals at market conditions are at the option of the specific entity that holds the lease. There are no restrictions placed upon the lessee by entering into these leases.

Future minimum rentals payable under non-cancelable operating leases at 31 December are as follows:

Amounts in millions	2008	2007
Within one year	**27**	26
After one year but not more than five years	**61**	58
More than five years	**3**	7

Capital commitments
At 31 December 2008, the Group has commitments for capital expenditures of 12 (2007: 37).

Legal claim
Legal claims have been filed against the Company in the course of its normal business. Management together with their legal counsel have assessed that the chances that any legal claim would have a material financial impact on the financial statements to be remote. As a result, no provision for any legal claim filed against the Company has been made in these financial statements.

Guarantees
Hunter Douglas N.V. has the following contingent liabilities at 31 December 2008:

- The Company is contingently liable for guarantees given mainly for its subsidiaries, on which no material losses are expected.
- The Company forms part of a fiscal unity for Dutch corporate income tax purposes, and as such is jointly and severally liable for the liabilities of the whole fiscal unity.

24. Related party disclosures

The consolidated financial statements include the financial statements of Hunter Douglas N.V. and the subsidiaries as listed on page 70 and 71.

Compensation of key management employees (directors and officers) of the Group

Amounts in millions	2008	2007
Short-term employee benefits	**11**	17
Share-based payments	**2**	1
Total compensation paid to key management employees	**13**	18

The cost of post-employment pension benefits relates mainly to defined contribution schemes.
As per year-end loans and advances to key management employees amounted to 2 (2007: 2), bearing market interest.

25. Financial risk management objectives and policies

The Group has procedures and policies in place to control risks related to financial instruments. These policies and procedures include a clear segregation of duties between operating, settlement, accounting and controlling of all financial instruments used. The Group's senior management takes an active role in the risk management process. In addition, the geographical spread of the Company's activities limits the exposures to concentrations of credit or market risk.

The Company attempts to minimize the counterparty credit risk associated with the financial instruments used by selecting counterparties that it assumes to be creditworthy, given their high credit ratings.

The Company does not have significant credit risk exposure to any individual customer or counterparty. A substantial part of trade receivables is covered by securities obtained, credit insurance or letters of credit. The Company invests in an investment portfolio. Also, the Company has concluded netting arrangements with some counterparties to offset financial instruments. Given their credit ratings, the remaining credit exposure with these counterparties is not considered of significance.

The following instruments are used:

a. *Interest derivatives*
Interest derivatives are used to manage exposure to movements in interest rates and to assume trading positions.

b. *Foreign exchange derivatives*
Foreign exchange derivatives are used to manage the exposure of currency exchange rate risks resulting from cash flows from (anticipated) business activities and financing arrangements denominated in foreign currencies and to assume trading positions.

c. *Commodity derivatives*
Commodity derivatives all relate to aluminium and are used to manage the exposure of the price and timing risks on underlying (anticipated) business activities and to assume trading positions. The contract amounts of financial instruments are indicative of the Company's use of derivatives but are not necessarily a measure for the exposure to market or credit risk through its use of financial instruments.

Interest, commodity and foreign exchange derivatives are carried at their fair value. The interest, commodity and foreign exchange derivatives generally mature within one year. All changes in the fair value of derivatives are taken directly to the income statement as no hedge accounting is applied.

The Company also enters into forward sales and purchase contracts for commodities that are settled by physical delivery of receipt of the commodity. These sales and purchases contracts do not qualify as derivatives under IAS 39.

Interest rate risk table

The following table demonstrates the sensitivity to a reasonably possible change in interest rates, with all other variances held constant, of the Group's profit before tax (through the impact on floating rate borrowings).

Amounts in millions	Increase/decrease in basis points	Effect on profit before tax	Effect on equity
2008			
Euro	**50**	**2**	
US dollar	**50**	**1**	
2007			
Euro	50	1	
US dollar	50	1	

25. Financial risk management objectives and policies (continued)

Foreign currency risk
As a result of significant operations in Europe, the Group's balance sheet can be affected significantly by movements in the US dollar/Euro exchange rates. The Group seeks to mitigate the effect of its structural currency exposure by borrowing in Euros. Between 20% and 50% of the Group's investment in non-USD operations will be hedged in this manner.

The following table demonstrates the sensitivity to a reasonably possible change in the Euro exchange rate, with all other variances held constant, of the Group's profit before tax (due to changes in the fair value of monetary assets and liabilities) and the Group's equity (due to changes in the net investment hedges).

Amounts in millions	Increase/decrease in Euro exchange rate	Effect on profit before tax	Effect on equity
2008	**5%**	**4**	**17**
	-5%	**-1**	**-17**
2007	5%	-12	16
	-5%	4	-16

26. Financial instruments

Amounts in millions	Face amount	Fair value
Currency forwards		
Buy	78	-2
Sell	-51	-3
	27	**-5**
Currency options		
Buy - call	1,155	19
Buy - put	1,107	7
Sell - call	-1,715	-31
Sell - put	-1,825	-19
	-1,278	**-24**

Currency forwards are valued at existing forward rates at the balance sheet date.
Currency options are valued at their market value at the balance sheet date.

Amounts in millions	Tonnage	Face amount	Fair value
Metal derivatives			
Buy	52,567	Optional	-26
Sell	52,569	Optional	43
			17

The value of the metal derivatives is based on quoted metal market prices. Commodity contracts that are used for trading by Hunter Douglas Metals Inc. are also considered as derivatives and also valued based on quoted metal market prices.

26. Financial instruments (continued)

Fair values

Set out below is a comparison by category of carrying amounts and fair values of all the Group's financial instruments.

The fair value of derivatives and borrowings has been calculated by discounting the expected future cash flows at prevailing interest rates. The fair value of other financial assets has been calculated using the market interest rates.

Amounts in millions	Carrying amount		Fair value	
	2008	2007	2008	2007
Financial assets				
Non current				
Other financial assets - loans and receivables	33	30	33	30
Current				
Trade receivables - loans and receivables	413	480	413	480
Financial institutions and brokers - fair value through P&L	150	113	150	113
Currency derivatives - held for trading	2	11	2	11
Metal derivatives - held for trading	43	6	43	6
Investment portfolio - fair value through P&L	265	849	265	849
Cash and short-term deposits - loans and receivables	36	72	36	72
Short-term loans - loans and receivables	7	15	7	15
	916	1,546	916	1,546
Financial liabilities				
Non current - loans and receivables				
US Notes - fixed rates	152	207	165	212
Preferred shares - floating rate*	12	14	12	14
Other borrowings - floating rate*	442	285	442	285
	606	506	619	511
Current				
Trade payables - loans and receivables	178	210	178	210
Currency derivatives - held for trading	31		31	
Metal derivatives - held for trading	26	3	26	3
Bank overdraft - floating rate* - loans and receivables	24	15	24	15
Short-term bank loans - floating rate* - loans and receivables	50	100	50	100
Current portion of long-term debt - floating rate* - loans and receivables		2		2
Current portion of long-term debt - fixed rate - loans and receivables	55	38	57	38
	364	368	366	368

** For interest-bearing loans and borrowings with a floating rate their fair value approximates their carrying value.*

26. Financial instruments (continued)

Liquidity risk
The following table sets out the carrying amount, by maturity, of the Group's financial instruments that are exposed to interest rate risk as per year ended 31 December of:

Amounts in millions	Within 1 year		1-2 years		2-3 years		3-4 years		4-5 years		More than 5 years		Total	
	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007
Fixed rate														
Loan notes	55	37	52	55		52			100			100	207	244
Bank loans		1			8	2		7	1			1	9	11
Floating rate														
Loan notes											18	18	18	18
Bank loans	74	117	23	1	47		203		142	256			489	374
	129	155	75	56	55	54	203	7	243	256	18	119	723	647
Preferred shares											12	14	12	14
											30	133	735	661

Amounts in millions	Within 1 year		1-2 years		2-3 years		3-4 years		4-5 years		More than 5 years		Total	
	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007
Interest	24	24	17	17	12	14	10	11	7	11		6	70	83

Interest on financial instruments classified as floating rate is repriced at intervals of less than one year.
Interest on financial instruments classified as fixed rate is fixed until the maturity of the instrument.
The other financial instruments of the Group that are not included in the above tables are non-interest-bearing and are therefore not subject to interest rate risk.

The Group in principle does not apply hedge accounting.

Balance sheet* & statement of income - Hunter Douglas N.V.

Amounts in millions	Notes	USD 2008	2007
ASSETS			
Non current assets			
Financial fixed assets			
- Investments in subsidiaries	2	2,996	3,144
- Advances to/from subsidiaries		1	5
- Other		3	4
Total non current assets		3,000	3,153
Current assets			
Accounts receivable		43	12
Accounts receivable - affiliated companies		1,174	1,114
Cash		2	
Total current assets		1,219	1,126
TOTAL ASSETS		4,219	4,279
SHAREHOLDERS' EQUITY AND LIABILITIES			
Shareholders' equity			
Issued capital	3	12	15
Share premium		99	103
Treasury shares		-4	
Foreign currency translation		-58	16
Retained earnings		1,258	1,521
Net profit for the year		-35	309
Total shareholders' equity		1,272	1,964
Provisions			
Provision for pensions		3	2
Deferred income tax liabilities		7	
		10	2
Non current liabilities			
Long-term loans - other	4	560	391
Long-term loans - affiliated companies		33	36
		593	427
Current liabilities			
Short-term borrowings		31	51
Short-term portion of long-term loans	4	55	37
Accounts payable - other		62	27
Accounts payable - affiliated companies		2,196	1,771
Total current liabilities		2,344	1,886
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		4,219	4,279
STATEMENT OF INCOME			
Income from subsidiaries and affiliates after taxation		39	367
Other income (expense), net		-74	-58
Net (loss) profit		-35	309

** before appropriation of net profit*

Notes to financial statements

1. Accounting policies

General
The company financial statements have been prepared in accordance with Title 9 of Book 2 of The Netherlands Civil Code. As permitted by Article 2:362 paragraph 8 of this code, the company financial statements have been prepared applying the same IFRS accounting policies as used in the consolidated financial statements in order to maintain consistency between the figures in the consolidated and company financial statements. In accordance with Article 2:402 of the Civil Code, an abbreviated version of the income statement is presented. The principal accounting policies adopted are the same as those set out in note 2 to the consolidated financial statements except that investments in subsidiaries are stated at net asset value as the Company effectively exercises influence of significance over the operational and financial activities of these investments. The net asset value is determined on the basis of the accounting principles applied by the Company.

2. Financial fixed assets

Investment in subsidiaries	2008	2007
Beginning of the year	**3,144**	2,427
Change during the year		
Share in results, net	**39**	367
Received dividends	**-16**	-25
Increase (decrease), net		239
Exchange differences	**-171**	136
Net change	**-148**	717
End of year	**2,996**	3,144

Affiliated companies acounts to 0.1 (2007: 0.1).

3. Shareholders' equity

Details are given in note 15 to the consolidated financial statements.

4. Long-term loans

Amounts in millions	2008	2007
Unsecured loans maturing in various installments through 2013	**548**	377

Average life of long-term loans is 3.55 years (2007: 4.05 years); 27.74% are at fixed rates of interest (weighted average 5.00% per year). Maturities until 2013 are: 2010 - 75, 2011 - 47, 2012 - 203 and 2013 - 223.

Amounts in millions	2008	2007
Preferred shares	**12**	14

For the conditions in respect of preferred shares: see page 66.

5. Contingencies

The Company is contingently liable for guarantees given mainly for its subsidiaries, on which no material losses are expected.

The Company forms part of a fiscal unity for Dutch corporate income tax purposes, and as such is jointly and separately liable for the liabilities of the whole fiscal unity.

6. Employee benefits

	Year Option Grant	Year Option Expiry	Option Price per share	Option Shares (HDNV common shares) Outstanding 1 January	Granted	Exercised	Lapsed	Balance 31 December
				see notes 1; 2				see note 2
Directors								
2007								
R. Sonnenberg	2003	2008	€ 25.00	200,000		200,000		0
R. Sonnenberg	2006	2011	€ 50.50	250,000				250,000
J.T. Sherwin	2006	2011	€ 50.50	20,000				20,000
				470,000		200,000		270,000
2008								
R. Sonnenberg	2006	2011	€ 50.50	250,000			250,000	0
R. Sonnenberg	2008	2013	€ 17.00		510,000			510,000
J.T. Sherwin	2006	2011	€ 50.50	20,000			20,000	0
J.T. Sherwin	2008	2013	€ 17.00		10,000			10,000
				270,000	520,000		270,000	520,000

Compensation* paid to directors was: R. Sonnenberg nil (2007: nil), J.T. Sherwin 792 (2007: 4,100) as compensation and all other directors 44 (2007: 41) as directors fee. No pension contributions were paid. The share option expense for the directors was 3.

** Amounts in thousands*

7. Remuneration of the auditor

The total costs related to the services provided by Ernst & Young Accountants LLP in The Netherlands were as follows (amounts in thousands):

	2008	2007
Audit of financial statements	**582**	532
Other audit services	**10**	19
Non-audit services	**59**	111
	651	662

Employees

The number of employees at year-end amounts 28 (2007: 26).

Rotterdam, 10 March 2009

Board of Directors

Additional information

1. Auditors' report

To: The Board of Directors of Hunter Douglas N.V.

Report on the financial statements
We have audited the financial statements 2008 of Hunter Douglas N.V., Curaçao (as set out on pages 32 to 65). The financial statements consist of the consolidated financial statements and the Company's financial statements. The consolidated financial statements comprise the consolidated balance sheet as at 31 December 2008, the consolidated statement of income, the consolidated cash flow statement and the consolidated statement of changes in equity, for the year then ended, and a summary of significant accounting policies and other explanatory notes. The Company's financial statements comprise the Company's balance sheet as at 31 December 2008, the Company's statement of income for the year then ended and the notes.

Management's responsibility
Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards as adopted by the European Union and International Financial Reporting Standards as issued by the IASB and with Part 9 of Book 2 of The Netherlands Civil Code, and for the preparation of the Annual Report in accordance with Part 9 of Book 2 of The Netherlands Civil Code. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility
Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with Dutch law. This law requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion with respect to the consolidated financial statements
In our opinion, the consolidated financial statements give a true and fair view of the financial position of Hunter Douglas N.V., as at 31 December 2008, and of its result and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union and International Financial Reporting Standards as issued by the IASB and with Part 9 of Book 2 of The Netherlands Civil Code.

Opinion with respect to the Company's financial statements
In our opinion, the Company's financial statements give a true and fair view of the financial position of Hunter Douglas N.V., as at 31 December 2008, and of its result for the year then ended in accordance with Part 9 of Book 2 of The Netherlands Civil Code.

Report on other legal and regulatory requirements
Pursuant to the legal requirement under 2:393 sub 5 part f of The Netherlands Civil Code, we report, to the extent of our competence, that the Annual Report is consistent with the financial statements as required by 2:391 sub 4 of The Netherlands Civil Code.

Rotterdam, The Netherlands,
10 March 2009

Ernst & Young Accountants LLP

/s/ C.Th. Reckers

2. Appropriation of profits

Common shares
Hunter Douglas N.V.'s Articles of Association require the general meeting of common and preferred shareholders to determine the value of the annual common share dividend and the meeting of common shareholders to decide that the dividend will be distributed in cash or alternatively, shares. The directors recommend a cash dividend of EUR 1.00 per common share. The general meeting of common shareholders is to decide whether such dividend is distributed in cash or alternatively, shares.

Preferred shares
Hunter Douglas N.V.'s Articles of Association fix the annual dividend on each preferred share at a percentage of the par value. This percentage amounts to 2.25% per annum over the European Central Bank's deposit rate on the last working day of May of the affected year. The general meeting of preferred shareholders is to decide whether such dividend is distributed in cash or alternatively, shares.

3. Shareholders' meetings

The shareholders' meetings will be held on 9 June 2009 at the Avila Beach Hotel, Penstraat 130, Curaçao, starting at 9.00 a.m. for the common shareholders, 9.30 a.m. for the preferred shareholders and 10.00 a.m. for the common and preferred shareholders.

4. Dividends

The directors recommend a cash dividend on all shares. Dividends declared pursuant to the preceding paragraphs will be distributed on 24 June 2009.

5. Audit and Compensation Committees

The members for both committees are:

C. Boonstra
H.F. van den Hoven
A. van Tooren

Hunter Douglas Corporate Governance

Hunter Douglas N.V. is incorporated in The Netherlands Antilles and has its statutory seat in Curaçao. Hunter Douglas is therefore not subject to The Netherlands Corporate Governance Code. However, Hunter Douglas adheres to good Corporate Governance and follows many of these recommendations.

Corporate Structure

Board of Directors Hunter Douglas has a one-tier corporate structure. Under its Charter the Board of Directors is responsible for the overall management and control of the Company. The Board is appointed by the shareholders at the annual General Meeting. The Board has four regular meetings per year and additional meetings as required. Board members may not be members of more than five boards of public companies.

Independence The Board has five Members, of whom three are independent. It acts collectively by majority resolution.

Functions The Board reviews the overall strategy, financial objectives, budgets, acquisitions, divestments, capital expenditures, currency and aluminium hedging, portfolio composition and returns, results and risks in the Company's business.

Audit and Compensation Committees The Board has an Audit and a Compensation Committee, whose members are independent. The Audit Committee reviews the Company's accounts, internal controls and meets with the Company's external Auditors twice a year. The Compensation Committee reviews the Directors' and Officers' compensation and stock options.

Chairman, President & CEO
Mr. Ralph Sonnenberg is Chairman of the Board of Directors, President and Chief Executive Officer.

Officers The Board annually appoints the Officers of the Company - the President, the Co-Presidents, four regionally responsible Vice Presidents, two Staff Vice Presidents and a Corporate Secretary. The Vice Presidents and Corporate Secretary report to the President.

Financial reporting
To the best of our knowledge, and in accordance with the applicable reporting principles, the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group. The annual report includes a fair review of the development and performance of the business and the position of the Group, together with a description of the principal opportunities and risks associated with the expected development of the Group.

Internal Controls

The Company has the following key internal controls.

Conflicts of Interest Policy The Company has a 'Conflicts of Interest Policy' applicable to all key employees which covers relations with customers, suppliers and other third parties.

Insider Trading Policy The Company has an 'Insider Trading Policy', as prescribed by the Authority Financial Markets ('AFM'), restricting trading in the Company's shares by Directors, Officers, key employees and related persons.

Internal Audit Function Hunter Douglas' principal Operating Companies have an Internal Audit Program.

Authority Limits Every Manager, including the Regional Vice Presidents, has clearly defined Authority Limits.

Whistleblower Policy Hunter Douglas has a 'Whistleblower' Policy in each Company.

Compensation

Compensation is reviewed by the Compensation Committee of the Board. The Company also follows the 'best practices':

Stock Options Stock options are granted for five years with vesting starting after two years.

Stock It is not the Company's Policy to provide stock at no cost.

Loans to Directors, Officers or other employees bear market interest. There is no forgiveness of principal or interest.

Investor Relations

Hunter Douglas has an Investor Relations Website, regularly issues press releases and holds analysts and investor meetings.

Objectives and Sensitivity to External Factors

Objectives

The Company's objectives are to:

- Expand its Window Coverings and Architectural Products businesses at a growth rate exceeding that of the market while continuing to be the best company in the industry;
- Develop and introduce innovative new products;
- Seek acquisitions that add to the Company's organic growth by expanding product lines or distribution and that meet its return targets;
- Continue with an efficient decentralized entrepreneurial organization, based on the principle of 'maximum accountability with minimum interference'.

Sensitivity to External Factors

The Company's results are sensitive to external factors of which the following are most influential:

- Overall economic activity and particularly consumer confidence which affects demand for consumer durables;
- Prices for raw materials, in particular: aluminium, steel, fabric, synthetics and other oil based products;
- Exchange rates: The majority of the Company's sales and profits are realized outside the Euro zone. Euro rates against the dollar and other currencies can therefore affect the Company's results. Hunter Douglas' policy is to generally hedge transactional exposures, to selectively hedge translation of earnings, and generally not to hedge balance sheet exposures.

Five-year summary

Millions, except per share data	Notes	2008	2007	USD 2006	2005	2004
Net sales		**2,942**	3,028	2,630	2,397	2,150
Earnings before interest, tax, depreciation and amortization (before non-recurring restructuring expenses)		**285**	416	415	366	305
Income from Operations (before non-recurring restructuring expenses)		**198**	325	341	299	241
Net Profit from Operations (before non-recurring restructuring expenses)		**193**	271	261	199	169
Non-recurring restructuring expenses		**-68**	-24			
Net Profit from Operations (after non-recurring restructuring expenses)		**125**	247	261	199	169
Net Result Investment Portfolio		**-160**	62	66	24	61
Total Net Result		**-35**	309	327	223	230
Operating cash flow		**138**	187	279	247	284
Investments in tangible fixed assets		**131**	140	107	82	67
Depreciation of tangible fixed assets		**80**	85	70	67	70
Net Assets Employed		**1,810**	1,849	1,522	1,332	1,252
Shareholders' equity		**1,272**	1,964	1,680	1,403	1,267
Per common share						
- Total Net Result	1	**-0.95**	7.35	7.82	5.35	5.55
- Operating Cash flow	1	**3.67**	4.44	6.67	5.93	6.80
- Shareholders' equity	2	**35.90**	46.54	40.09	33.56	30.47
- Dividend in EUR (proposed for 2008)		**1.00**	2.00	2.00	1.85	1.35
Average annual exchange rate EUR/USD		**1.48**	1.38	1.26	1.25	1.25
Year-end exchange rate EUR/USD		**1.40**	1.47	1.32	1.18	1.37
Average number of outstanding common shares (thousands)	3	**37,577**	42,072	41,849	41,680	41,721
Year-end number of outstanding common shares (thousands)	3	**35,432**	42,204	41,902	41,810	41,579

1 Based on average number of shares outstanding during affected year, adjusted for stock dividends and treasury shares, where applicable.
2 Based on number of shares outstanding at year-end, adjusted for stock dividends and treasury shares, where applicable.
3 Adjusted for stock dividends and treasury shares, where applicable.

Hunter Douglas Principal Operating Companies

Europe, Middle East and Africa
www.hunterdouglas.nl

Belgium
Hunter Douglas Belgium, Lokeren
Luxaflex Belgium, Bruges
Helioscreen, Lokeren

Bulgaria
Hunter Douglas Bulgaria, Sofia

Croatia
Hunter Douglas Croatia, Zagreb

Czechia
Hunter Douglas Czechia, Prague
Hunter Douglas Kadan, Kadan

Denmark
Window Fashions Scandinavia, Risskov, Hornum

Finland
Window Fashions Scandinavia, Helsinki

France
Hunter Douglas, Paris
Luxalon Plafonds France, Bonneuil, Lille
Filtersun/Goeland, La Loupe, Tremblay le Village
XL Screen, Lyon
Luxaflex France, Tourcoing
Turnils, Brumath
Mermet Industries, Veyrins-Thuellin

Germany
Blöcker, Bremen
Hunter Douglas, Düsseldorf, Bremerhaven, Kassel
Hunter Douglas Produktions, Glauchau
Hunter Douglas Architektur-Systeme, Haan, Hohenbrunn
Gardinia, Isny (49%)
NBK, Emmerich

Hungary
Hunter Douglas Hungary, Budapest

Ireland
T.M. Blinds, Newcastle

Italy
Hunter Douglas Italia, Milan

Netherlands
Hunter Douglas, Rotterdam
Hunter Douglas Europe, Rotterdam, Leek, Oudenbosch
Hunter Douglas Construction Elements, Leek
Industrie- en Handelsonderneming 'Buismetaal', Rotterdam
Artex, Aarle-Rixtel
Asco, Roermond
HCI Holland Coatings Industries, Hoogeveen
Kendix, Aarle-Rixtel
Luxaflex Nederland, Hardinxveld-Giessendam, Tolbert
Limelight, Breda
Mado, Eindhoven
Multisol Raambekleding, Nijmegen
Nedal, Utrecht
Schellekens en Schellekens, Beuningen
Sunway (Benelux), Nieuwegein
3form, Schiedam

Norway
Hunter Douglas Norge, Gjövik, Oslo
Window Fashions Scandinavia, Oslo

Poland
Hunter Douglas Polska, Warsaw
Turnils, Zdunska Wola
Magnum Metal, Zdunska Wola

Portugal
Hofesa, Fajozes
NBK, Figueira da Foz

Rumania
Hunter Douglas Romania, Bucharest, Cluj

Russia
Hunter Douglas, Moscow

South Africa
Hunter Douglas South Africa, Johannesburg

Spain
Hunter Douglas España, Llagostera, Madrid
Hunter Douglas Andalucia, Sevilla
Hunter Douglas Cataluña, Barcelona

Sweden
Hunter Douglas Scandinavia, Gothenburg
Hunter Douglas Assembly Automation, Stenungsund
Haglunds, Falköping
Turnils, Alingsås, Mullsjö, Hillerstorp, Malmö
AMA Produktions, Gothenburg
Nibrol, Angered
Window Fashions Scandinavia, Helsingborg, Anderstorp

Switzerland
Hunter Douglas Management, Lucerne
Hunter Douglas (Schweiz), Root, Wängi

Turkey
Hunter Douglas, Istanbul

United Arab Emirates
Hunter Douglas Middle East, Dubai

United Kingdom
AMO Blinds, Liversedge, Hartlepool
Apollo Blinds, Liversedge
Hunter Douglas, Sunninghill, Cannock, Hartlepool, Larkhall, Stockport, Birmingham
Thomas Sanderson Blinds, Waterlooville
Turnils, Birmingham
Eclipse, Glasgow

North America
www.hunterdouglas.com

Canada
Hunter Douglas Canada, Brampton, Edmonton
Nysan Shading Systems, Calgary
Shade-O-Matic, Toronto, Vancouver
Turnils, Toronto
Vinylbilt, Toronto

U.S.A.
Hunter Douglas North America, Upper Saddle River (NJ)
Hunter Douglas Window Fashions, Broomfield (CO)
Hunter Douglas Window Designs Division, Bessemer City (NC)
Hunter Douglas R&D Centre, Whitesville (KY)
Hunter Douglas Metals and Distribution Centre, Tupelo (MS)
Hunter Douglas Plastics and Casting Centre, Owensboro (KY)
Hunter Douglas Ceiling Products, Thornton (CO)
Hunter Douglas Custom Shutters, Gilbert (AZ)
Hunter Douglas Horizontal Blinds Division, Gilbert (AZ)
Hunter Douglas Fabrication, Beltsville (MD), Cumberland (MD), Dallas (TX), Denver (CO), Milpitas (CA), Pinellas Park (FL), Poway (CA), Renton (WA), Salt Lake City (UT), Stockton (CA), W. Sacramento (CA)
Hunter Douglas Hospitality, Chicago (IL)
Carole Fabrics, Augusta (GA)
Century Blinds, Corona (CA)
Comfortex, Maplewood (NY)
Coast Drapery Services, Las Vegas (NV)
Custom Brands Group, Artesia (CA)
Elmar Window Fashions, Willow Grove (PA)
Electronic Solutions, Lafayette (CO)
Fashion Tech, Portland (OR)
Flexo Solutions, Appleton (WI)
ILM, Playeas de Rosario (Mexico)
Luxalon Metal Ceilings, Norcross (GA)
Mermet, Cowpens (SC)
Nibrol, Lancaster (SC)
Paris Texas Hardware, Dallas (TX)
Timber Blinds, Dallas (TX)
Turnils, Atlanta (GA)
Vista Products, Sarasota (FL)
3form, Salt Lake City (UT)

Hunter Douglas Metals, Chicago (IL)

Latin America
www.hunterdouglas.cl

Argentina
Hunter Douglas Argentina, Buenos Aires

Brazil
Hunter Douglas do Brasil (95%),
São Paulo, Campinas

Chile
Hunter Douglas Chile (95%), Santiago
Hunter Douglas Comercial (95%), Santiago
Persianas Andina (95%), Santiago

Colombia
Hunter Douglas de Colombia (95%),
Bogotá

Mexico
Hunter Douglas de Mexico, Mexico City

Netherlands Antilles
Hunter Douglas International, Curaçao

Panama
Hunter Douglas Panama, Panama City

Peru
Hunter Douglas Peru, Lima

Venezuela
Hunter Douglas Venezuela, Caracas

Asia
www.hunterdouglas.com.my

China
Hunter Douglas Architectural Products,
Beijing, Shanghai, Guangzhou, Shenzhen,
Xiamen, Xian
Hunter Douglas Window Covering
Products, Beijing, Chengdu, Wuhan,
Shanghai, Guangzhou, Shenzhen, Xiamen,
Xian
Turnils/Mermet, Shanghai

Hong Kong
Hunter Douglas China/Hong Kong

India
Hunter Douglas India, Mumbai, New Delhi,
Chennai, Bangalore, Silvassa, Bhiwandi

Indonesia
Hunter Douglas Indonesia, Jakarta,
Cikarang

Japan
Hunter Douglas Japan, Tokyo, Ibaraki

Korea
Hunter Douglas Korea, Seoul, Eumseong,
Gumi

Malaysia
Hunter Douglas Malaysia, Kuala Lumpur
Hunter Douglas Window Fashions,
Kuala Lumpur

Philippines
Hunter Douglas Philippines, Manila

Singapore
Hunter Douglas Singapore, Singapore

Taiwan
Hunter Douglas Taiwan, Taipei

Thailand
Hunter Douglas Thailand, Bangkok

Vietnam
Hunter Douglas Vietnam, Ho Chi Minh City,
Hanoi, Danang, Can Tho

Australia
www.hunterdouglas.com.au

Hunter Douglas, Sydney
Hunter Douglas Architectural Products,
Sydney
Design Blinds, Melbourne
Turnils, Melbourne
Mermet, Melbourne
Vogue Vinyl, Brisbane

Hunter Douglas N.V.

Directors

R. Sonnenberg
Chairman & CEO
Hunter Douglas N.V.

C. Boonstra
President Philips Electronics N.V. (retired)

H.F. van den Hoven
Chairman Unilever N.V. (retired)

J.T. Sherwin
Executive Vice President
Hunter Douglas N.V. (retired)

A. van Tooren
Former Senior Executive ING Group

Officers

R. Sonnenberg
Chairman & CEO

D.H. Sonnenberg
Co-President & COO

M.H. Sonnenberg
Co-President & COO

M.B. Hopkins
President & CEO
North American Operations

C. King
Vice President General Counsel

A. Kuiper
President & CEO European Operations

G.C. Neoh
President & CEO Asian Operations

L. Reijtenbagh
Vice President & CFO

R. Rocha
President & CEO Latin American
Operations

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Hunter Douglas N.V.
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Phone: +31-10-486 99 11/484 44 44
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Stock listings
Common shares:
- Amsterdam (HDG)
- Frankfurt (HUD)

Preferred shares:
- Amsterdam (HUNDP)

Hunter Douglas Management AG
Adligenswilerstrasse 37
6006 Lucerne
Switzerland
Phone: +41-41-419 27 27
Fax: +41-41-419 27 28

R. Sonnenberg
President & CEO

C. King
Vice President, General Counsel &
Secretary

Investor relations
www.hunterdouglasgroup.com

L. Reijtenbagh
Vice President & CFO
Phone: +31-10-486 95 82

Depositaries and dividend disbursement agents
- ABN AMRO BANK N.V.: Amsterdam, Rotterdam - The Netherlands
- ING BANK: Amsterdam, Rotterdam - The Netherlands
- FORTIS BANK: Amsterdam, Rotterdam - The Netherlands

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SM Servicemark of Hunter Douglas
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