

HOLLAND COLOURS PRESS RELEASE

LOWER OPERATING AND NET RESULT DESPITE TURNOVER INCREASE IN FIRST QUARTER 2011/2012

Key first-quarter developments:

- 3% higher sales
- Noticeably lower gross margin
- Increased raw material prices are being passed on to sales prices with delay
- Lower operating and net result expected over first half year

In the first quarter of the 2011/2012 fiscal year, Holland Colours realized 3% higher sales than in the same period last year. Corrected for foreign exchange rate effects turnover increased with approximately 9%.

Mainly due to continued pressure on the prices for raw materials, operating and net results are lower than in the first quarter of the previous fiscal year. Where possible, the increases in raw material prices are being passed on to sales prices for end products. However, a delay is experienced in this process, which is an important cause of the, in comparison to last year, noticeably lower gross margin.

The Building & Construction focus market showed a marginal increase in turnover in the first quarter relative to the first quarter of last year. The Divisions Europe and Asia realized a higher turnover but the Division Americas showed a decrease which was worsened by the lower exchange rate of the US dollar. The sales increase in Europe was realized in the first months of the fiscal year. Since the start of the summer, due to a slowdown of the market for Building and Construction also in this region sales are lower than in the same period last year.

The Packaging market also enjoyed a marginal increase of turnover. Positive developments in the Division Europe were partially perished by lower sales in the rest of the world.

The Silicones & Elastomers focus market realized a significant increase in turnover compared with the first quarter of last year. All divisions contributed to this growth, but all to a different degree. The largest growth was realized in the United States.

Exclusive of foreign exchange rate effects, the Division Europe realized a marked sales growth and the Division Asia a considerable growth. On the other hand, the Division Americas showed a modest decline in turnover.

At the end of December, working capital was much higher than in the same period last fiscal year. This difference is only partially explained by the higher level of activity. Higher inventories, resulting partly from the scarcity on the raw materials market and the increased raw material prices, are also playing an important role. Despite the increase in working capital, the Total Debt / EBITDA ratio stayed comfortably within the bandwidth agreed with the bank. We also complied with the other covenants agreed with the bank.

Unforeseen circumstances and exchange rate effects aside, turnover for the first half year is expected to be comparable with the first half year of 2010/2011. Due to the delay in which the rising raw material prices can be incorporated in the sales prices, the operating and net result will stay noticeably behind the first half year of 2010/2011. Particularly because of the insecurities of the markets in which Holland Colours operates, Holland Colours will refrain from making any statements for the 2011/2012 financial year as a whole.

The results for the first half year 2011/2012 will be announced to the market on Thursday November 3, 2011 after stock-exchange close.

Apeldoorn, August 17, 2011

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HOLLAND COLOURS

Profile

- Approximately 390 employees;
- 2,000 customers in 80 countries;
- 10 (production) sites;
- Worldwide network of agents;
- Each employee is shareholder.

Holland Colours was founded in 1979 and has been listed on the NYSE Euronext Amsterdam Stock Exchange since 1989. It is an independent Dutch corporation with offices in North America and Mexico, Europe and Asia. Holland Colours makes products for coloring synthetic materials, the main products being Holcobatch and Holcoprill. Both these products have the advantage of being free flowing, dust-free, and very easy to dose. Furthermore, Holland Colours makes pastes for coloring silicones, elastomers, PET packaging and other applications.

Holland Colours concentrates worldwide on three focus markets:

- Building & Construction (especially PVC applications)
- Packaging (especially PET applications)
- Silicones & Elastomers

Around 85% of turnover is realized in these three markets.

Virtually the entire production is generated by our four principal plants in the Netherlands, Hungary, the United States and Indonesia.

Holland Colours is organized in three regional divisions that operate as profit centers in each specific region: Europe (including the Middle East and Africa), Americas and Asia.

The global turnover distribution is Europe 55%, Americas 30% and Asia 15%.

Important dates:

3 November 2011	Publication of the 2010/2011 half-yearly figures (after stock-exchange close)
13 February 2012	Trading update (before stock-exchange opening)
29 May 2012	Publication of the 2010/2011 annual results (before stock-exchange-opening)
10 July 2012	General meeting of Shareholders