Hunter Douglas N.V.

Unaudited interim condensed consolidated financial statements

30 June 2009

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Chairman’s letter

To our shareholders

Though the financial crisis is subsiding, consumer demand remains weak in many of Hunter Douglas’ main markets. While the decline in sales has stabilized, the Company continues to adjust its operations to present business levels and difficult ongoing economic conditions.

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

Sales: 28.1% lower to USD 1,128.1 million compared with USD 1,569.0 million in the first half of 2008.

Earnings before interest, tax, depreciation and amortization - EBITDA (before non-recurring restructuring expenses) were USD 68.8 million compared with USD 154.4 million in the first half of 2008.

Income from Operations (before non-recurring restructuring expenses): USD 19.4 million compared with USD 105.3 million in the first half of 2008; all areas had positive results, although lower than last year.

Net Profit from Operations (before non-recurring restructuring expenses): USD 24.1 million (per share EUR 0.51) compared with USD 96.0 million in the first half of 2008 (per share EUR 1.58).

Non-recurring restructuring expenses in 2009 were USD 13.3 million and are included in cost of sales.
These relate to the North American operations.

Net profit from Operations (after non-recurring restructuring expenses): USD 10.8 million (per share EUR 0.23) compared with USD 96.0 million in the first half of 2008 (per share EUR 1.58).

Net Result Investment Portfolio: USD 5.6 million negative (after deduction of imputed interest and expenses) compared with USD 57.8 million negative in the first half of 2008.

Total Net Result: USD 5.2 million (per share EUR 0.11) compared with USD 38.2 million in the first half of 2008 (per share EUR 0.63).

Capital expenditures were USD 27 million compared with USD 65 million in the first half of 2008, while depreciation was USD 47 million, compared with USD 46 million in the first half of 2008. For the full year capital expenditures are expected to be approximately USD 50 million and depreciation USD 91 million.

Net Result Investment Portfolio: The Portfolio’s return in U.S. dollars (before imputed interest and expenses) was 0.9% negative compared with 4.9% negative in the first half of 2008. The Portfolio had a fair value per June 30, 2009 of USD 150 million compared with USD 265 million on December 31, 2008. The Portfolio will be further reduced to about USD 100 million per December 31, 2009. Management of these assets is delegated to a widely diversified range of independent managers.

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

Interim consolidated statement of income for the first half year ended 30 June

Amounts in millions	USD **2009** **(unaudited)**	 2008 (unaudited)
Net sales	**1,128.1**	1,569.0
Cost of sales	**-736.9**	-962.5
Gross profit	**391.2**	606.5
Gross profit metals trading	**8.2**	7.6
Total gross profit	**399.4**	614.1
Selling and marketing expense	**-229.8**	-297.0
General and administrative expense	**-163.5**	-211.8
Income from operations (EBIT)	**6.1**	105.3
Finance costs	**-15.7**	-64.3
Finance income	**7.4**	3.8
Income before taxes	**-2.2**	44.8
Taxes on income	**7.6**	-6.2
Net profit for the first half year	**5.4**	38.6
Net profit attributable to minority interest	**0.2**	0.4
Net profit attributable to equity shareholders	**5.2**	38.2
Earnings per share attributable to equity shareholders		
-basic for profit for the first half year	**0.15**	0.96
-fully diluted for profit for the first half year	**0.15**	0.96

Interim consolidated statement of comprehensive income for the first half year ended 30 June

Amounts in millions	USD **2009** **(unaudited)**	 2008 (unaudited)
Net profit for the first half year	**5.4**	38.6
Currency translation differences	**47.0**	35.7
Total comprehensive income for the first half year, net of tax	**52.4**	74.3
Attributable to equity shareholders	**52.2**	73.9
Attributable to minority interest	**0.2**	0.4
	52.4	74.3

Interim consolidated statement of income for the second quarter ended 30 June

Amounts in millions	USD **2009** **(unaudited)**	2008 (unaudited)
Net sales	**629.3**	845.7
Cost of sales	**-409.5**	-510.8
Gross profit	**219.8**	334.9
Gross profit metals trading	**3.6**	3.9
Total gross profit	**223.4**	338.8
Selling and marketing expense	**-116.4**	-151.4
General and administrative expense	**-80.1**	-114.6
Income from operations (EBIT)	**26.9**	72.8
Finance costs	**-4.0**	-5.2
Finance income	**8.2**	2.9
Income before taxes	**31.1**	70.5
Taxes on income		-0.7
Net profit for the second quarter	**31.1**	69.8
Net profit attributable to minority interest	**0.2**	0.2
Net profit attributable to equity shareholders	**30.9**	69.6
Earnings per share attributable to equity shareholders		
-basic for profit for the second quarter	**0.88**	1.70
-fully diluted for profit for the second quarter	**0.88**	1.70

Interim consolidated statement of comprehensive income for the second quarter ended 30 June

Amounts in millions	USD **2009** **(unaudited)**	2008 (unaudited)
Net profit for the second quarter	**31.1**	69.8
Currency translation differences	**60.3**	2.5
Total comprehensive income for the second quarter, net of tax	**91.4**	72.3
Attributable to equity shareholders	**91.2**	72.1
Attributable to minority interest	**0.2**	0.2
	91.4	72.3

Interim consolidated cash flow statement for the first half year ended 30 June

Amounts in millions	USD **2009** **(unaudited)**	 2008 (unaudited)
Net profit attributable to equity shareholders	**5.2**	38.2
Adjustments for:		
Depreciation property, plant & equipment	**46.8**	45.7
Amortization patents & trademarks	**2.6**	3.4
Unrealized result investment portfolio	**1.5**	38.4
Operating cash flow before working capital changes	**56.1**	125.7
Changes in working capital:		
-decrease (increase) trade and other receivables and prepayments	**82.6**	-26.8
-decrease (increase) inventories	**55.1**	-55.7
-decrease trade and other payables	**-76.2**	-16.2
-increase (decrease) provisions	**1.4**	-4.2
Operating cash flow	**119.0**	22.8
Dividend paid	**-50.0**	-111.6
Net cash from operations	**69.0**	-88.8
Cash flow from investing activities		
Investments subsidiaries, net of cash acquired		-22.6
Investments intangible fixed assets	**-2.2**	
Divestments intangible fixed assets		2.7
Investments property, plant and equipment	**-27.2**	-64.6
Divestments property, plant and equipment	**4.6**	4.3
Decrease investment portfolio	**113.3**	201.6
Increase other financial non current assets	**-2.8**	
Decrease other financial non current assets		0.3
Net cash from investing activities	**85.7**	121.7
Cash flow from financing activities		
Share buy-back		-463.1
Treasury shares		-4.5
Increase interest-bearing loans and borrowings	**-158.2**	393.6
Net cash from financing activities	**-158.2**	-74.0
Net decrease in cash and cash equivalents	**-3.5**	-41.1
Change in cash and cash equivalents		
Balance at 1 January	**36.3**	72.4
Net decrease in cash and cash equivalents	**-3.5**	-41.1
Exchange difference cash and cash equivalents	**0.2**	2.3
Balance at 30 June	**33.0**	33.6

Interim consolidated balance sheet as per

Assets

	USD	
Amounts in millions	**30-jun-09 (unaudited)**	31-dec-08
Non current assets		
Intangible fixed assets	**297.2**	288.6
Tangible fixed assets	**615.5**	623.6
Other financial non current assets	**37.3**	32.9
Total non current assets	**950.0**	945.1
Current assets		
Inventories	**627.6**	666.2
Trade and other receivables	**477.7**	569.8
Prepaid income tax	**55.0**	33.8
Prepayments	**172.6**	155.3
Currency derivatives	**12.3**	1.9
Metals derivatives	**22.9**	43.4
Investment portfolio	**150.4**	265.2
Cash and other short-term deposits	**33.0**	36.3
Total current assets	**1,551.5**	1,771.9
TOTAL ASSETS	**2,501.5**	2,717.0

Interim consolidated balance sheet as per

Shareholders' equity and liabilities

Amounts in millions	USD 30-jun-09 (unaudited)	31-dec-08
Equity attributable to equity shareholders		
Issued capital	**12.0**	11.9
Share premium	**100.0**	99.0
Treasury shares	**-3.8**	-3.8
Foreign currency translation	**-10.7**	-58.0
Retained earnings	**1,177.1**	1,223.0
Total equity attributable to equity shareholders of the parent	**1,274.6**	1,272.1
Minority interest	**3.8**	3.9
Total equity	**1,278.4**	1,276.0
Non current liabilities		
Interest-bearing loans and borrowings	**499.6**	594.2
Preferred shares	**11.7**	11.6
Provisions	**33.8**	34.0
Deferred income tax liabilities	**33.3**	29.9
Total non current liabilities	**578.4**	669.7
Current liabilities		
Trade and other payables	**537.7**	574.7
Income tax payable	**1.7**	0.4
Restructuring provisions	**22.7**	34.4
Currency derivatives	**14.9**	5.7
Metals derivatives		26.5
Interest-bearing loans and borrowings	**67.7**	129.6
Total current liabilities	**644.7**	771.3
TOTAL LIABILITIES	**1,223.1**	1,441.0
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	**2,501.5**	2,717.0

Interim consolidated statement of changes in equity for the first half year 2009

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 2009	11.9	99.0	-3.8	-58.0	1,223.0	1,272.1	3.9	1,276.0
Net profit					5.2	5.2	0.2	5.4
Currency translation differences	0.1	1.0		47.3	-1.1	47.3	-0.3	47.0
Total comprehensive income (expense)	0.1	1.0	0.0	47.3	4.1	52.5	-0.1	52.4
Equity dividends					-50.0	-50.0		-50.0
At 30 June 2009 (unaudited)	12.0	100.0	-3.8	-10.7	1,177.1	1,274.6	3.8	1,278.4

Interim consolidated statement of changes in equity for the first half year 2008

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 2008	14.9	103.4	0.0	16.0	1,830.1	1,964.4	5.0	1,969.4
Net profit					38.2	38.2	0.4	38.6
Currency translation differences	1.1	8.2		35.8	-9.3	35.8	-0.1	35.7
Total comprehensive income (expense)	1.1	8.2	0.0	35.8	28.9	74.0	0.3	74.3
Share buy-back	-2.6				-460.5	-463.1		-463.1
Equity dividends					-111.6	-111.6		-111.6
Purchase own shares			-4.6			-4.6		-4.6
At 30 June 2008 (unaudited)	13.4	111.6	-4.6	51.8	1,286.9	1,459.1	5.3	1,464.4

Notes to the interim condensed consolidated financial statements
USD (millions, unless indicated otherwise)

1. Corporate information

The consolidated financial statements of Hunter Douglas N.V. for the half year ended 30 June 2009 were authorized for issue in accordance with a resolution of the directors on 10 August 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. Basis of preparation and significant accounting policies

Basis of preparation

The consolidated financial statements of Hunter Douglas N.V. and all its subsidiaries have been prepared in accordance with IAS 34 *Interim Financial Reporting.*

The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group’s annual financial statements as at 31 December 2008.

Significant accounting policies

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of Hunter Douglas' annual financial statements for the year ended December 31, 2008, except for the adoption of new Standards and Interpretations, noted below:

IFRS 8 Operating segments
This standard required disclosure of information about the Group's operating segments and replaces the requirement to determine primary (business) and secondary (geographical) reporting segments of the Group. Adoption of this Standard did not have any effect on the financial position or performance of the Group. The Group determined that the operating segments were the same as the business segments previously identified under IAS 14 Segment Reporting. Additional disclosures about each of these segments are shown in Note 3.

IAS 1 Revised Presentation of Financial Statements
The revised Standard separates owner and non-owner changes in equity. The statement of changes in equity includes only details of transactions with owners, with non-owners changes in equity presented as a single line. In addition, the Standard introduces the statement of comprehensive income: it presents all items of recognized income and expense, either in one single statement, or in two linked statements, The group has elected to present 2 statements.

Other new Standards, interpretations, improvements and amendments did not have any effect on the financial position or performance of the Group.

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 information regarding the Group's business segments:

First half year 2009	**Window Coverings**	**Investment Portfolio**	**Metals Trading**	**Total**
Revenue				
Sales to external customers	**1,128.1**			**1,128.1**
Total revenue	**1,128.1**			**1,128.1**
Results				
Segment profit before tax	**-1.2**	**-5.6**	**4.6**	**-2.2**

First half year 2008	**Window Coverings**	**Investment Portfolio**	**Metals Trading**	**Total**
Revenue				
Sales to external customers	**1,569.0**			**1,569.0**
Total revenue	**1,569.0**			**1,569.0**
Results				
Segment profit before tax	**98.2**	**-57.8**	**4.4**	**44.8**
Segment assets				
At 30 June 2009	**2,239.6**	**150.4**	**111.5**	**2,501.5**
At 31 December 2008	2,288.0	265.2	163.8	2,717.0

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

An impairment analysis has been performed per the end of 2008. There are no impairment indicators that would require an updated calculation.

5. 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 at 30 June 2009 is 33.0 (30 June 2008: 33.6).

At 30 June 2009 the Group had available 432 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 30 June:

Amounts in millions	**2009**	**2008**
Cash at bank and in hand	**30.0**	30.6
Short-term deposits	**3.0**	3.0
	33.0	33.6

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.

6. Dividends paid and proposed

Amounts in millions	**2009**	**2008**
Declared and paid during the first half year:		
Equity dividends on ordinary shares:		
Final dividend for 2008: EUR 1.00 (2007: EUR 2.00)	**50.0**	111.6

7. Capital commitments and other commitments

Capital commitments
At 30 June 2009, the Group has commitments for capital expenditures of 28 (31 December 2008: 12).

8. Financial reporting
In accordance with the applicable accounting principles for interim financial reporting, the interim consolidated financial statements give a true and fair view of the assets, liabilities, financial position and profit and loss of the Group.

9. 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: aluminum, 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.

Rotterdam, 10 August 2009

Board of Directors