

An analyst meeting will be held on 30 July 2010 at 10.00 a.m. The analyst presentation and audio webcast will be made available on www.cvg.nl

Velsen, 30 July 2010 (before market opening)

- **NET PROFIT FOR FIRST SIX MONTHS OF 2010 EUR 0.5 MILLION (FIRST HALF 2009: EUR 2.4 MILLION)**
- **DESPITE HIGHER SALES VOLUME, SELLING PRICE INCREASES AND PRODUCT MIX IMPROVEMENTS, STRONG INCREASE IN PULP PRICES DROVE RESULTS LOWER**
- **FURTHER SELLING PRICE INCREASES ANTICIPATED TO COMPENSATE HIGHER INPUT COSTS AS FROM Q3 2010**
- **2010 OUTLOOK YET UNCERTAIN, POSSIBLY LOSS-MAKING**
- **MEASURES IN EFFECT TO REDUCE STAFF AND OTHER FIXED COSTS**

KEY FIGURES

<i>(in EUR x 1,000)</i>	30 June 2010	30 June 2009
Total revenue	77,332	73,437
Operating result	133	2,805
Net result	480	2,350
Net result, attributable to equity holders of the parent	432	2,328
Capital expenditure	2,543	2,032
Sales (ton)	103,900	98,100
Production (ton)	101,600	97,400
Number of employees (on average)	315	298
Per depository receipt of share (in EUR)		
Operating cash flow	0.33	0.66
Net result (attributable to equity holders of the parent)	0.10	0.53
Closing price	6.72	6.30
Equity	20.37	20.16
Number of depository receipts	4,356,005	4,356,005

Mees Hartvelt, CEO, commented: "The order inflow in the European paper industry took a turn for the better in the first half of 2010. However, pre-crisis levels have not been reached yet and overcapacity is still a dominating factor in the market. The surge in raw material costs, with prices even higher than 2008 pre-crisis level, necessitates further selling price increases, which have been announced for the autumn. In addition, we have taken measures to reduce fixed costs to improve results. Unfortunately this will also include a reduction of staff. The introduction of new and improved products under the New Business Development (NBD) programme made good progress. Despite volatile markets, our company is well on

its way in reaching its goal as laid out in Vision 2012, to improve its product mix as a niche-player in profitable markets”.

Operating review

Results

Crown Van Gelder's (CVG) net result for the first six months of 2010 was EUR 0.5 million vs. EUR 2.4 million in the first six months of 2009. The results are in line with earlier communicated expectations. Despite higher production and sales volumes, and product mix improvements, results dropped due to the strong increase in pulp prices, with selling price increases lagging behind input costs increases. In the first half of 2010 revenue amounted to EUR 77.3 million (H1 2009: EUR 73.4 million). The sales volume increased by around 6% to a level of 103,900 ton and the production volume rose by 4% to 101,600 ton.

Raw materials prices, energy and other costs

Pulp is the most important raw material for CVG's papers and also the largest input cost in the papermaking process. Since pulp prices bottomed out in spring 2009, with price levels 30% below 2008 record highs, prices have risen at an unprecedented pace. Low inventory levels throughout the industry's supply chain, continued strong pulp demand from China, weather related supply problems during the winter of 2009/2010 and the earthquake in Chile (temporarily taking out 8% of global market pulp capacity) led to a quick tightening of the pulp market and a surge in pulp prices.

Since April 2009, the NBSK benchmark (long fibre) pulp price increased by 70% from its low to around USD 980 per ton which is higher than the 2008 pre-crisis level. The price of short fibre pulp, which is of greater importance to CVG than NBSK pulp, more than doubled (in EUR) compared to its lowest point in Q2 2009. The average pulp price in EUR for CVG in the first half of 2010 was more than 30% higher than in the first half of 2009. The adverse impact on operating costs of higher pulp prices in the first half of 2010 was around EUR 8 million compared to the first half of 2009. As announced earlier, energy prices for 2010 have been fixed at roughly the same level as in 2009. On balance, other operating costs remained stable.

Capital expenditure

In the first half of 2010 capital expenditure amounted to EUR 2.5 million. For the full year 2010, capital expenditure will be around EUR 7 million. This amount includes the revamp of the rewinding section to better meet changing customer demands and safety regulations and to improve operating efficiency. Other investments are necessary replacement investments in machinery and equipment. All investments can be financed through operating cash flow and available credit lines.

CVG has signed an agreement to participate in a pilot project to produce lactic acid from papermaking waste streams. The project, which will run for around two years, is part of the Dutch Bio Refinery programme and partially subsidised by the Dutch Ministries of Economic Affairs and Agriculture. For CVG limited costs are involved in this project. The outcome of the study and possible revenues for the company are yet hard to predict, but the study underlines the ambition of CVG to promote sustainable operations.

Market developments

In the first half of 2010, the order volume in the European market for woodfree uncoated paper showed a strong increase of 14% compared to the same period last year, which was the worst period of the economic recession when paper demand dropped dramatically. The recovery in demand in the first half of 2010 was supported by the strengthening of the European paper export position, due to the weakening of the EUR compared to the USD and a further build-up of inventories by paper consumers in anticipation of announced price hikes.

The strong surge in order intake has improved the supply and demand balance in the European paper industry, although overcapacity is still a dominating factor.

The drop in selling prices in the second half of 2009 was balanced by strong price hikes in the first half of 2010. Compared to the first half of 2009, the average selling price in the first half of 2010 remained unchanged and compared to the lowest point during the recession, in Q3 2009, selling prices increased by over 10% on average.

Under the current market conditions CVG's result could be adversely affected by customer insolvencies. Although the insolvency risk of our customers is higher than in the past, in the first half of 2010 no insolvencies have been reported. In the first half of 2009 insolvency losses amounted to EUR 300.000.

Outlook 2010

CVG's order book remained good during the first half of 2010. Production and sales volumes in the second half of 2010 are expected to be more or less in line with the first half of 2010, bringing the 2010 volume to at least 200,000 ton (2009:198,000 ton). However, uncertainties regarding the strength of the economic recovery remain.

The further introduction of new and improved products under the New Business Development (NBD) programme made good progress in the first half of 2010 and has contributed favourably to the product mix and results of the company. Around 30,000 of NBD products were sold compared to 25,000 ton in the first half of 2009. The total NBD sales volume for 2010 is forecasted at 60,000 ton in 2010 (up around 20% on 2009).

The development of results in the second half of 2010 will among others depend on the strength of the economic recovery, paper demand, pulp price, selling price and exchange rate developments. For a full description of all relevant risks, reference is made to the risk management paragraph in the 2009 Annual Report.

For the coming months, pulp prices are expected to stabilise around current record levels. The Chinese economy slowed in Q2 2010 as the Chinese government steered monetary and fiscal policy back to normal after a record credit surge to counter the global economic crisis. With the ebbing of government stimulus spending, there are some signs that inventory build-up of commodities, including pulp, is coming to an end. In China, the first price cuts for pulp have been reported but it is yet uncertain if these cuts will get broader repercussions.

In the first half of 2010, CVG succeeded to increase average selling prices significantly, to compensate for the higher pulp prices, which was supported by a healthy demand for paper. However, selling price increases are lagging behind input cost increases and the full impact of the recent surge in pulp prices has not yet fully materialised in CVG's margins and results due to a time-lag in the supply chain. The company makes every effort to negotiate higher prices with its customers.

The company's financial structure is strong, with a high equity ratio and a good cash flow. CVG is taking appropriate steps to weather through the challenging economic environment in the second half of 2010. As from 1 July 2010, actions are in effect, to reduce the number of staff and other operating costs.

Due to uncertainties in the pulp and selling markets, CVG is not in a position to give a reliable forecast for the full year 2010. Based on the latest insights, operations could turn loss-making in 2010. Non-recurring items could also have an impact on results.

Crown Van Gelder expects to publish a trading update on 11 November 2010 (before market opening) and will publish the 2010 annual results on 11 February 2011 (before market opening).

Due to the introduction of the Shareholder Rights Act coming into force as of 1 July 2010, CVG has made some changes in the financial calendar for 2011, regarding the AGM and dividend schedule.

The new schedule for 2011 is as follows:

Annual General Meeting of Shareholders:	12 May 2011 (was: 28 April 2011)
Ex-dividend date:	16 May 2011 (was: 2 May 2011)
Record date:	18 May 2011 (was: 4 May 2011)
Dividend payment date:	24 May 2011 (was: 28 May 2011)

For more information, please contact:

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Profile:

Crown Van Gelder N.V. produces and sells high quality specialty products in the woodfree uncoated and single-coated paper sector. The company is based in Velsen (the Netherlands) and employs around 300 people.

The company operates two paper machines and its product portfolio consists of a range of specialty paper grades for transactional print, envelopes and other stationery, direct mail, books and manuals, packaging materials and tailor-made face and base paper customer solutions, like base papers for self-adhesive materials and direct thermal printing.

Crown Van Gelder N.V. is listed at the Official Market of NYSE Euronext Amsterdam.

Appendices:

- Interim consolidated income statement
- Interim consolidated statement of comprehensive income
- Interim consolidated statement of financial position
- Interim consolidated cash flow statement
- Interim consolidated statement of changes in equity
- Accounting policies
- Explanatory notes to the accounts
- Directors' statement of responsibilities
- Review report

INTERIM CONSOLIDATED INCOME STATEMENT		
1 JANUARY TO 30 JUNE (x EUR 1,000)		
	2010	2009
Total revenue	77,332	73,437
Costs related to turnover	(3,879)	(4,353)
Raw materials, consumables and energy	(52,302)	(42,127)
Change in inventories of finished goods	747	(2,440)
Employee benefits costs	(10,976)	(10,627)
Depreciation and amortisation	(4,038)	(4,105)
Other expenses	(6,751)	(6,980)
Total operating expenses	(77,199)	(70,632)
Operating result	133	2,805
Finance income	2	5
Finance costs	(151)	(196)
Net finance income	(149)	(191)
Share of after tax result of associate	287	184
Result before tax	271	2,798
Tax income / (expense)	209	(448)
Result for the period from continuing operations	480	2,350
Result for the period attributable to:		
Equity holders of the parent	432	2,328
Non-controlling interests	48	22
NET RESULT FROM CONTINUING OPERATIONS	480	2,350
Basic earnings per depository receipt of share	0.10	0.53
Diluted earnings per depository receipt of share	0.10	0.53

INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (x EUR 1,000)
1 JANUARY TO 30 JUNE

	2010	2009
Result for the period from continuing operations	480	2,350
Realised gains / (losses) on cash flow hedges	-	242
Income tax effect	-	(62)
	-	180
Adjustments in respect of pension scheme	3,306	(411)
Income tax effect	(844)	105
	2,462	(306)
Other comprehensive income for the year, net of tax	2,462	(126)
Total comprehensive income for the period, net of tax	2,942	2,224
Total comprehensive income for the year attributable to:		
Equity holders of the parent	2,894	2,202
Non-controlling interests	48	22
Total comprehensive income for the period, net of tax	2,942	2,224

INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION (x EUR 1,000) (before profit appropriation)			
	30 June 2010		31 December 2009
ASSETS			
Non-current assets			
Property, plant and equipment	56,573		57,898
Intangible assets	1,909		2,078
Investment in associate	1,159		1,272
Other assets	2,438		2,492
Deferred tax asset	4,622		5,394
		66,701	69,134
Current assets			
Inventories	28,390		27,351
Trade and other receivables	22,553		20,702
Tax receivable	-		-
Cash and cash equivalents	341		1,142
		51,284	49,195
Total assets		117,985	118,329
EQUITY AND LIABILITIES			
Shareholders' equity		88,681	87,965
Non-controlling interests		55	52
Total equity		88,736	88,017
Non-current liabilities			
Employee benefit liability	-		3,306
Deferred tax liabilities	3,911		4,072
		3,911	7,378
Current liabilities			
Interest-bearing liabilities	11,343		9,297
Trade creditors	9,732		8,053
Other tax payable	290		150
Other short-term liabilities	3,973		5,434
		25,338	22,934
Total liabilities		29,249	30,312
Total equity and liabilities		117,985	118,329

INTERIM CONSOLIDATED CASH FLOW STATEMENT
1 JANUARY TO 30 JUNE (x EUR 1,000)

	2010	2009
Cash flow from Operating activities		
Operating result	133	2,805
<i>Adjustments for:</i>		
Depreciation and amortisation	4,038	4,105
Pensions	13	46
	4,050	4,151
<i>Movements in working capital:</i>		
Trade and other receivables	(1,851)	(4,151)
Inventories	(1,039)	1,644
Trade creditors	1,679	(1,332)
Other items	(1,406)	(598)
	(2,617)	(4,437)
	1,566	2,519
Interest paid	(135)	(265)
Interest received	2	5
Income taxes received / (paid)	-	628
	(133)	368
	1,433	2,887
Cash flow from Investing activities		
Investments in property, plant and equipment	(2,483)	(1,699)
Investments in intangible assets	(61)	(333)
Dividends received	442	486
	(2,102)	(1,546)
Cash flow from Financing activities		
Dividends paid	(2,178)	(2,178)
Interest-bearing liabilities	2,046	(185)
	(132)	(2,363)
Increase / (decrease) in cash and cash equivalents	(801)	(1,022)
Cash and cash equivalents at 1 January	1,142	1,750
Cash and cash equivalents at 30 June	341	728

INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (x EUR 1,000)							
	Sub- scribed and paid up capital	Retained earnings	Other reserves	Result for the period	Total	Non- controlling interests	Total equity
At 1 January 2009	8,712	99,646	(5,673)	(14,921)	87,764	46	87,810
Movements in 1st half 2009							
Result for the period	-	-	-	2,328	2,328	22	2,350
Other comprehensive income / (loss)	-	-	(126)	-	(126)	-	(126)
Total comprehensive income	-	-	(126)	2,328	2,202	22	2,224
Paid dividends	-	(2,178)	-	-	(2,178)	-	(2,178)
Result appropriation	-	(14,921)	-	14,921	-	-	-
Dividends non- controlling interests	-	-	-	-	-	(39)	(39)
At 30 June 2009	8,712	82,547	(5,799)	2,328	87,788	29	87,817
At 1 January 2010	8,712	82,416	(7,683)	4,520	87,965	52	88,017
Movements in 1st half 2010							
Result for the period	-	-	-	432	432	48	480
Other comprehensive income / (loss)	-	-	2,462	-	2,462	-	-
Total comprehensive income	-	-	2,462	432	2,894	48	2,942
Paid dividends	-	-	-	(2,178)	(2,178)	-	(2,178)
Result appropriation	-	2,342	-	(2,342)	-	-	-
Dividends non- controlling interests	-	-	-	-	-	(42)	(42)
Other movements	-	-	-	-	-	(3)	(3)
At 30 June 2010	8,712	84,758	(5,221)	432	88,681	55	88,736

Accounting Policies

The accounting policies applied in the consolidated interim financial statements are the same accounting policies and methods of computation as applied in the annual report 2009.

These interim financial statements have been prepared in accordance with IAS 34 "Interim Financial reporting".

The consolidated interim financial statements of Crown Van Gelder N.V. have been prepared on a historical cost basis. The consolidated financial statements are presented in euros (EUR) and all values are rounded to the nearest thousand except when otherwise indicated.

In April 2009, the IASB issued its second omnibus of amendments to standards, primarily with a view to remove inconsistencies and clarifying wording. These amendments did not require retrospective adjustments to any opening balance of components in equity.

For the calculation of the pension asset and the pension expense, the results are obtained by extrapolation (on a so-called roll forward basis) of the latest actuarial valuation (year end 2009).

Explanatory notes to the accounts

Geographical distribution of total revenue (as a percentage of the total)		
	1st half year 2010	1st half year 2009
The Netherlands	17	18
Germany	25	22
United Kingdom	9	11
Belgium / Luxembourg	13	12
France	17	18
Other Europe	15	13
Outside Europe	4	6
Total	100	100

Components of other comprehensive income

Movements of other comprehensive income before tax		
	1st half year 2010	1st half year 2009
Cash flow hedges:		
Gains (losses) arising during the year	-	222
Reclassification adjustments for gains / (losses) included in the income statement	-	20
Total effect on other comprehensive income resulting from cash flow hedges (before tax)	-	242
Pension scheme:		
Gains (losses) arising during the year	3,306	(411)
Reclassification adjustments for gains / (losses) included in the income statement	-	-
Total effect on other comprehensive income resulting from pension scheme (before tax)	3,306	(411)

Tax effect of components of other comprehensive income		
	1st half year 2010	1st half year 2009
Cash flow hedges:		
Gains (losses) arising during the year	-	(57)
Reclassification adjustments for gains / (losses) included in the income statement	-	(5)
Total tax effect on other comprehensive income resulting from cash flow hedges	-	(62)
Pension scheme:		
Gains (losses) arising during the year	(844)	105
Reclassification adjustments for gains / (losses) included in the income statement	-	-
Total tax effect on other comprehensive income resulting from pension scheme	(844)	105

Property, plant and equipment

During the period ended 30 June 2010 Crown Van Gelder N.V. acquired assets with a cost of EUR 2,543,000 (2009: EUR 2,032,000). There were no disposals during this period.

Dividends paid

The Annual General Meeting of Shareholders, held on 22 April 2010, has adopted a cash dividend of EUR 0.50 per depository receipt of share out of the net profit attributable to equity holders of the parent for the financial year 2009. On 4 May 2010, a total amount of EUR 2.178 million on dividend has been paid out.

Employee benefits costs

In the first half of 2010, employee benefits costs include a net pension expense of EUR 732,500 (2009: net pension expense EUR 795,500).

Commitments and contingencies

At 30 June 2010, Crown Van Gelder had commitments amounting to EUR 3.4 million relating to various investment projects.

Tax

Tax income in the income statement is positively influenced by the release of EIA (Energy Investment Allowance) amounting to EUR 0.2 million (H1 2009: EUR 0.2 million).

Pensions

The funded status as at 31 December 2009, as included in the notes to the consolidated balance sheet in 2009 financial statements, was based on a best estimate. In the meantime the actual position as at 31 December 2009 has been determined, resulting in an increase of EUR 5.2 million in the funded status. Although a positive funded status of EUR 1.8 million has been attained, in accordance to IAS 19 paragraph 58, 58A and 58B (asset ceiling), Crown Van Gelder N.V. can not, based on the current terms of the plan, recover that asset fully through refunds or reductions in future contributions. The net pension asset comprises the present value of the economic benefit available in the form of refunds or reductions in future contributions. This number has been determined to be nil.

Related party transactions

There have been no significant related party transactions or changes in related party transactions described in the latest annual report that could have a material effect on the financial position or performance of the company in the first six months of the financial year.

Valuation of assets

Despite a higher sales volume and selling price increases management refers to the impact of the unpredictable increase in pulp prices which materially influence EBIT. The company was faced with a surge in pulp prices during 2010, although based on current market information a decrease is expected. The continuous uncertainty of the development in pulp prices, and lagging sales price increases could have an impact on estimates used and could have a material effect for the preparation of the company's upcoming financial statements.

Directors' statement of responsibilities

In compliance with the statutory requirements, the directors confirm that:

1. The 2010 interim consolidated financial information give a true and fair view of the assets, liabilities, financial position and results of Crown Van Gelder N.V. and the companies jointly included in the consolidation.
2. The 2010 directors' report gives a true and fair review of the situation on the balance sheet date, the developments during the financial year at Crown Van Gelder N.V. and its related companies whose details have been included in its 2010 financial statements.
3. The 2010 interim report describes the principal risks and uncertainties which Crown Van Gelder N.V. is facing, both in the preceding and subsequent six months.

Velsen, 29 July 2010

M. Hartvelt, Chief Executive Officer
M. Dronkers, Chief Operating Officer

Review report

To: The Supervisory Board of Crown Van Gelder N.V.

Introduction

We have reviewed the accompanying consolidated interim financial information for the six month period ended 30 June 2010, of Crown Van Gelder N.V., Velsen, which comprises the statement of financial position as at 30 June, 2010, the income statement, statement of comprehensive income, cash flow statement and the statement of changes in equity for the 6 month period then ended. Management is responsible for the preparation and presentation of this consolidated interim financial information in accordance with IAS 34, 'Interim Financial Reporting' as adopted by the European Union. Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope

We conducted our review in accordance with Dutch law including standard 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity'. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Dutch auditing standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying consolidated interim financial information as at 30 June, 2010 is not prepared, in all material respects, in accordance with IAS 34, 'Interim Financial Reporting', as adopted by the European Union.

The Hague, 29 July 2010

Ernst & Young Accountants LLP
Signed by E.J. Pieters