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### HUNTER DOUGLAS RESULTS FIRST HALF YEAR 2016

**Rotterdam, August 3, 2016** – Hunter Douglas, the world market leader in window coverings (Luxaflex®) and a major manufacturer of architectural products, results for the first half year 2016 :

- **Sales:** USD 1,306.3 million, 3.7% higher compared with USD 1,260.1 million in the first half of 2015.  
  
The 3.7% sales increase reflects a 4.9% volume increase, a 3.1% negative currency impact and 1.9% increase from acquisitions. Volume increased in all areas except in Australia where sales were level.  
  
North America accounted for 48% of sales, Europe 36%, Latin America 6%, Asia 7% and Australia 3%. Window Coverings were 83% and Architectural and Other Products were 17% of sales.
- **Earnings before interest, tax, depreciation and amortization - EBITDA:** USD 154.0 million, 9.9% higher than USD 140.1 million in the first half of 2015.
- **Income from Operations:** USD 114.2 million, 18.5% higher than USD 96.4 million in the first half of 2015. Results in local currencies were better in all areas except in Australia where results were lower.
- **Profit before Tax (excluding Net Result Investment Portfolio):** USD 110.8 million, 26.2% higher than USD 87.8 million in the first half of 2015.
- **Net Result Investment Portfolio:** USD 7.3 million negative (after deduction of imputed interest and expenses) compared with USD 5.6 million positive in the first half of 2015. The Portfolio's return in U.S. dollars (before imputed interest and expenses) was 3.1% negative. The Portfolio had a fair value at June 30, 2016 of USD 196 million compared with USD 202 million at December 31, 2015. The Portfolio is being reduced to approximately USD 100 million by year-end to fund acquisitions.
- **Profit before Tax:** USD 103.5 million, 10.8% higher than USD 93.4 million in the first half of 2015.
- **Total Net Profit:** USD 83.7 million (per share EUR 2.17), 8.1% higher than USD 77.4 million in the first half of 2015 (per share EUR 1.98).

**Capital expenditures** were USD 32 million compared with USD 25 million in the first half of 2015, while depreciation was USD 36 million compared with USD 40 million in the first half of 2015. For the full year capital expenditures are expected to be approximately USD 55 million and depreciation USD 70 million.

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### Acquisitions (included in results after date shown):

- **Levolor / Kirsch:** A leading North American supplier of window coverings and drapery hardware to home centers with 2015 sales of USD 302 million (June 30, 2016).
- **Blinds 2go:** 60% of the leading online blinds retailer in the UK with 2015 sales of GBP 34 million (June 10, 2016).
- **Aluvert:** 88% of a leading South African window covering fabricator with 2015 sales of EUR 11 million which will absorb the company's existing window covering business (March 1, 2016).
- **Lunex:** A Norwegian direct selling window covering business with 2015 sales of EUR 18 million (March 10, 2016).

**Operating cash flow:** USD 18.8 million compared with USD 63.2 million in the first half of 2015.

**Shareholder's equity** was USD 1,085 million compared with USD 1,065 million at the end of 2015, reflecting the first half year results offset by negative exchange translation and the payment of the dividend of EUR 1.50, totalling USD 59 million.

**RONAE (Return before interest/net assets employed) excluding Metals Trading and Investment Portfolio** was 16.6% compared with 13.4% in the first half of 2015.

### Q2 2016

**Q2 Sales:** USD 715.2 million, 6.2% higher than USD 673.3 million in the same period of 2015. The increase reflects a 5.9% volume increase, a 2.4% negative currency impact and 2.7% increase from acquisitions. Second quarter organic sales were higher in all areas, except in Australia where sales were lower.

**Q2 Earnings before interest, tax, depreciation and amortization – EBITDA:** USD 101.1 million, 5.0% higher than USD 96.3 million in Q2 2015.

**Q2 Income from Operations:** USD 80.3 million, 9.4% higher than USD 73.4 million in Q2 2015. Results in local currencies were better in all areas except in Australia where they were lower.

**Q2 Net Result Investment Portfolio:** USD 0.5 million negative (after deduction of imputed interest and expenses) compared with USD 2.0 million positive in Q2 2015.

**Q2 Profit before Tax:** USD 78.9 million, 10.7% higher than USD 71.3 million in Q2 2015.

**Q2 Total Net Profit:** USD 65.1 million (per share EUR 1.69), 9.8% higher than USD 59.3 million in Q2 2015 (per share EUR 1.52).

### First half year 2016 by Region

#### Europe

European sales were USD 474 million, 4% higher than USD 454 million in the same period last year. This reflects a 2% volume increase, a 3% negative currency impact and 5% increase from acquisitions. In EUR, sales increased by 6% to EUR 427 million compared with EUR 404 million in 2015.

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### **North America**

North American sales increased by 6% to USD 619 million. The sales increase reflects a 7% volume increase and a 1% negative currency impact.

### **Latin America**

Latin American sales were USD 77 million, 16% lower than USD 92 million in the same period last year. The sales decrease reflects a 2% volume increase and a 18% negative currency impact.

### **Asia**

Asian sales increased by 7% to USD 96 million. The higher sales reflect a volume increase of 9% and a 2% negative currency impact.

### **Australia**

Australian sales were USD 40 million, level compared with last year.

### **Outlook**

Hunter Douglas expects continued growth in the US and Asia, stable economic conditions in Europe and continued difficult conditions in Latin America.

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

### **Profile Hunter Douglas**

Hunter Douglas is the world market leader in window coverings and a major manufacturer of architectural products. The Company has its Head Office in Rotterdam, the Netherlands, and a Management Office in Lucerne, Switzerland. The Group is comprised of 130 companies with 50 manufacturing and 80 assembly operations in more than 100 countries. Hunter Douglas employs about 19,500 people, and had sales in 2015 of USD 2.552 billion.

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

The consolidated first half year report, prepared in accordance with IAS 34, is available on our website [www.hunterdouglasgroup.com](http://www.hunterdouglasgroup.com).

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A consolidated Statement of Income for the first half year and Q2 (Annex 1+2), Balance Sheet (Annex 3), Cash Flow Statement (Annex 4) and Sales change attribution percentages by geographic region for the first half year and Q2 (Annex 5) are attached.

Annex 1

CONSOLIDATED STATEMENT OF INCOME

First half year ended June 30

(amounts in USD/mln)

	<u>2016</u>	%	<u>2015</u>	%
<b>Net sales</b>	<b>1,306.3</b>		1,260.1	
Cost of sales	<u>-751.1</u>		<u>-709.2</u>	
Gross profit	<b>555.2</b>	<b>42.5</b>	550.9	43.7
Gross profit Metals Trading	<u>6.3</u>		<u>7.2</u>	
<b>Total gross profit</b>	<b>561.5</b>	<b>43.0</b>	558.1	44.3
<b>Expenses:</b>				
-Marketing, A & P and selling	<b>-256.0</b>		-256.7	
-General and administrative	<u>-151.5</u>		<u>-161.3</u>	
Subtotal expenses	<b>-407.5</b>		-418.0	
<b>EBITDA</b>	<b>154.0</b>	<b>11.8</b>	140.1	11.1
Depreciation and amortization	<b>-39.8</b>		-43.7	
<b>Income from operations</b>	<b>114.2</b>	<b>8.7</b>	96.4	7.7
Interest received	<b>0.4</b>		1.9	
Interest paid	<b>-3.9</b>		-11.0	
Other financial income	<b>0.1</b>		0.5	
Net result investment portfolio	<b>-7.3</b>		5.6	
<b>Income before taxes</b>	<b>103.5</b>		93.4	
Taxes on income	<b>-19.3</b>		-15.8	
<b>Profit before minority interest</b>	<b>84.2</b>		77.6	
Minority interest	<u>-0.5</u>		<u>-0.2</u>	
<b>Total net profit</b>	<b>83.7</b>	<b>6.4</b>	77.4	6.1
<b>Net profit per average common share</b>	<b>2.41</b>		2.23	

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### Annex 2

#### CONSOLIDATED STATEMENT OF INCOME

Q2 ended June 30

(amounts in USD/mIn)

	<u>2016</u>	%	<u>2015</u>	%
<b>Net sales</b>	<b>715.2</b>		673.3	
Cost of sales	<u>-401.7</u>		<u>-367.1</u>	
Gross profit	<b>313.5</b>	<b>43.8</b>	306.2	45.5
Gross profit Metals Trading	<u>3.3</u>		<u>2.7</u>	
<b>Total gross profit</b>	<b>316.8</b>	<b>44.3</b>	308.9	45.9
<b>Expenses:</b>				
-Marketing, A & P and selling	<b>-133.6</b>		-128.5	
-General and administrative	<u>-82.1</u>		<u>-84.1</u>	
Subtotal expenses	<u>-215.7</u>		<u>-212.6</u>	
<b>EBITDA</b>	<b>101.1</b>	<b>14.1</b>	96.3	14.3
Depreciation and amortization	<u>-20.8</u>		<u>-22.9</u>	
<b>Income from operations</b>	<b>80.3</b>	<b>11.2</b>	73.4	10.9
Interest received	<b>0.2</b>		0.9	
Interest paid	<b>-1.1</b>		-5.2	
Other financial income			0.2	
Net result investment portfolio	<b>-0.5</b>		2.0	
<b>Income before taxes</b>	<b>78.9</b>		71.3	
Taxes on income	<u>-13.4</u>		<u>-12.1</u>	
<b>Profit before minority interest</b>	<b>65.5</b>		59.2	
Minority interest	<u>-0.4</u>		<u>0.1</u>	
<b>Total net profit</b>	<b>65.1</b>	<b>9.1</b>	<b>59.3</b>	<b>8.8</b>
<b>Net profit per average common share</b>	<b>1.88</b>		1.71	
<b>Net profit per average common share - fully diluted</b>	<b>1.88</b>		1.71	

## Annex 3

### CONSOLIDATED BALANCE SHEET

As per June 30

(amounts in USD/mln)

	<u>2016</u>	<u>2015</u>
<b>ASSETS</b>		
<b>Fixed assets</b>		
Intangible fixed assets	594.5	309.9
Tangible fixed assets	445.3	466.5
Other financial non-current assets	<u>170.4</u>	<u>199.9</u>
<b>Total fixed assets</b>	<b>1,210.2</b>	976.3
<b>Current assets</b>		
Inventories	669.7	598.4
Accounts receivable		
-Trade	401.5	411.9
-Other	130.6	125.8
Investment portfolio	196.1	208.7
Cash and other short-term deposits	<u>41.8</u>	<u>24.1</u>
<b>Total current assets</b>	<u>1,439.7</u>	<u>1,368.9</u>
	<u><b>2,649.9</b></u>	<u><b>2,345.2</b></u>
<b>SHAREHOLDERS' EQUITY AND LIABILITIES</b>		
<b>Shareholders' equity</b>		
Capital stock	9.5	9.5
Additional paid-in capital	78.6	79.0
Retained earnings	<u>996.7</u>	<u>926.5</u>
<b>Total shareholders' equity</b>	<u>1,084.8</u>	1,015.0
Minority interest	<u>18.0</u>	<u>12.9</u>
<b>Total Group equity</b>	<b>1,102.8</b>	1,027.9
<b>Non-current liabilities</b>		
Interest-bearing loans and borrowings	735.4	501.5
Preferred shares	9.2	9.2
Provisions	140.0	177.9
Deferred income tax liabilities	<u>0.6</u>	<u>1.4</u>
<b>Total non-current liabilities</b>	<b>885.2</b>	690.0
<b>Current liabilities</b>		
Trade and other payables	596.9	571.6
Interest-bearing loans and borrowings	<u>65.0</u>	<u>55.7</u>
<b>Total current liabilities</b>	<u>661.9</u>	<u>627.3</u>
	<u><b>2,649.9</b></u>	<u><b>2,345.2</b></u>

### Annex 4

#### CONSOLIDATED CASH FLOW STATEMENT

First half year ended June 30

(amounts in USD/mln)

	<u>2016</u>	<u>2015</u>
<b>Net profit attributable to equity shareholders</b>	<b>83.7</b>	77.4
<b>Adjustments for:</b>		
Depreciation property, plant & equipment	<b>36.3</b>	40.4
Amortization patents & trademarks	<b>3.5</b>	3.3
Increase provisions	<b>4.8</b>	3.0
Non-cash items on loans and borrowings		-32.0
Other non-cash items	<b>4.2</b>	
Unrealized result investment portfolio	<b>5.3</b>	-7.6
Operating cash flow before working capital changes	<b>137.8</b>	84.5
<b>Changes in working capital:</b>		
-increase trade and other receivables and prepayments	<b>-52.1</b>	-8.8
-(increase) decrease inventories	<b>-38.9</b>	30.8
-decrease trade and other payables	<b>-28.0</b>	-43.3
<b>Operating cash flow</b>	<b>18.8</b>	63.2
Dividend paid	<b>-58.6</b>	-53.0
<b>Net cash from operations</b>	<b>-39.8</b>	10.2
<b>Cash flow from investing activities</b>		
Investments subsidiaries, net of cash acquired	<b>-301.6</b>	
Investment property, plant and equipment	<b>-32.3</b>	-25.4
Divestment property, plant and equipment	<b>7.9</b>	0.1
Increase investment portfolio		-85.1
Decrease (increase) other financial non-current assets	<b>0.4</b>	-27.9
<b>Net cash from investing activities</b>	<b>-325.6</b>	-138.3
<b>Cash flow from financing activities</b>		
Increase interest-bearing loans and borrowings	<b>377.1</b>	122.5
<b>Net cash from financing activities</b>	<b>377.1</b>	122.5
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>11.7</b>	-5.6
<b>Change in cash and cash equivalents</b>		
Balance at 1 January	<b>30.9</b>	32.3
Net increase (decrease) in cash and cash equivalents	<b>11.7</b>	-5.6
Exchange difference cash and cash equivalents	<b>-0.8</b>	-2.6
Balance at 30 June	<b>41.8</b>	24.1

Annex 5

### PERCENTAGE SALES CHANGE ATTRIBUTION

Explanation by geographic area

First half year 2016 vs first half year 2015

<b>Area</b>	<b>Volume</b>	<b>Currency</b>	<b>Acquisitions</b>	<b>Total</b>
Europe	2	-3	5	4
North America	7	-1	0	6
Latin America	2	-18	0	-16
Asia	9	-2	0	7
Australia	0	-5	0	-5
<b>Total</b>	<b>5</b>	<b>-3</b>	<b>2</b>	<b>4</b>

### PERCENTAGE SALES CHANGE ATTRIBUTION

Explanation by geographic area

Q2 2016 vs Q2 2015

<b>Area</b>	<b>Volume</b>	<b>Currency</b>	<b>Acquisitions</b>	<b>Total</b>
Europe	2	-2	8	8
North America	7	-1	0	6
Latin America	11	-15	0	-4
Asia	17	-2	0	15
Australia	-5	-5	0	-10
<b>Total</b>	<b>5</b>	<b>-2</b>	<b>3</b>	<b>6</b>