

## Press release

investor relations

---

### TenCate records substantial increase in profit in first quarter of 2011

#### TenCate trading update for first quarter of 2011

TenCate sales increased by 46% to €279 million compared with the first quarter of 2010. Pre-tax profits rose significantly from €3.0 million to €14.1 million during the first quarter. The increase in sales and profit shown is partly the result of considerably higher demand for TenCate Defender™ M products compared with the first quarter of 2010. There has also been an improvement in the capacity usage in production at several TenCate companies and a good upturn in profit in the Netherlands.

X € million	First quarter 2011	First quarter 2010	Change
Sales	€ 279	€ 192	+ 46%
EBITA	€ 20.1	€ 8.0	+ 151%
Pre-tax profit	€ 14.1	€ 3.0	+ 370%
Net profit	€ 9.9	- € 0.8	-
Net profit (excluding extraordinary expenses)	€ 9.9	€ 1.6	+ 519%

#### Key developments in each market group

- **Protective Fabrics**
  - Sales of TenCate Defender™ M products (US Army) continued at an as yet exceptionally high level.
  - The potential for TenCate Defender™ M in countries outside the US is growing; order for the Italian Army secured.
  - Sales of TenCate Tecasafe™ Plus fabrics in the industrial market showed further growth.
  - Positive sales growth in new geographical markets.
- **Space & Aerospace Composites and Armour Composites**
  - The industrial sector for commercial aircraft has recovered; the production of TenCate Cetex® for Airbus Industries in particular is at a higher level (A380, A350 XWB).
  - Delay at Boeing (B787) has had only a limited impact and will be compensated for in other areas.
  - A good start was made in the armour market; the order position forms a sound basis for the entire year.

Koninklijke Ten Cate nv

Wierdensestraat 40  
7607 GJ Almelo  
P.O. Box 58  
7600 GD Almelo  
The Netherlands

Tel 0031 546 544 977  
Fax 0031 546 824 655  
www.tencate.com  
media@tencate.com

KvK nr. 06016321  
Royal Bank of Scotland 448627868  
BTW nr. NL 004645054B02

- Significant progress with regard to the armouing of helicopters (including the Eurocopter).
- **Geosynthetics**
  - Further growth in the American market.
  - Sales growth in new geographical markets (including South America).
  - TenCate Geotube® prescribed in large environmental projects (remediation of sludge).
  - Production concentration in the Netherlands completed.
- **Grass**
  - Sales at a higher level.
  - Sharp increase in costs of raw materials due to unrest in the Middle East.
  - Seasonal pattern in sales and result reinforced by the new composition of TenCate Grass (down-stream activities); sales / profit generated on installation work during the summer months.
  - Price increases (fibres) introduced in the second quarter; margin pressure due to higher raw material costs will persist for some time.
- **Other activities**
  - TenCate Enbi: sales developed favourably; shift in the sales mix with somewhat lower margins.
  - Positive sales growth at Xennia; order position increases sharply.

**Loek de Vries, President and CEO:** 'The year 2011 has started well. The first quarter of 2011 showed a significantly better result. This is, however, not indicative of the rest of the year, given the weak first quarter of 2010. There is improved market sentiment in a number of markets. As a result of recent events, the safety and protection of people and their environment have achieved even higher priority on the political agenda. TenCate has anticipated this by developing new concepts, such as the ABDS™ active blast countermeasure system, which is regarded as an opportunity. New concepts in safety fabrics for the industrial market have shown strong growth.

TenCate is also performing well in new geographical markets and the intention is to acquire strong market positions here through alliances with local partners. Taking into consideration the markets for TenCate products, developments are in line with our expectations'.

**Royal Ten Cate**  
**Almelo, the Netherlands, Tuesday 3 May 2011**

---

**For further information:**

F.R. Spaan, Corporate Director, Business Development & Investor Relations

Telephone : + 31 546 544 977

Mobile : + 31 612 96 17 24

E-mail : [f.spaan@tencate.com](mailto:f.spaan@tencate.com)

Internet : [www.tencate.com](http://www.tencate.com)

**Royal Ten Cate** (TenCate) is a multinational company that combines textile technology with chemical processes and material technology in the development and production of functional materials with distinctive characteristics. TenCate products are sold throughout the world.

Systems and materials from TenCate come under four areas of application: safety and protection; space and aerospace; infrastructure and the environment; sport and recreation. TenCate occupies leading positions in protective fabrics, composites for space and aerospace, antiballistics, geosynthetics and synthetic turf. TenCate is listed on NYSE Euronext (AMX).