Press release

Velsen, 26 July 2007 (after market close)

- **NET PROFIT FOR FIRST SIX MONTHS OF 2007 EUR 0.7 MILLION (REVISED 2006: EUR 1.0 MILLION)**
- **INCREASES IN SALES VOLUME AND SELLING PRICES**
- **INPUT COSTS INCREASE CONTINUES**
- **RESTRUCTURING OF EUROPEAN PAPER INDUSTRY CONTINUES**
- **CVG EXPECTS TO BENEFIT FROM FURTHER SELLING PRICE INCREASES AND FORECASTS A HIGHER NET RESULT IN 2nd HALF vs. 1st HALF OF 2007**

KEY FIGURES

(in EUR x 1,000)	**30 June 2007**	**30 June 2006**
Net turnover	78,262	72,764
Operating result *	818	1,143
Net profit *	735	960
Capital expenditure	1,359	2,602
Sales (ton)	104,200	101,300
Production (ton)	105,400	103,500
Number of employees (on average)	284	290
Per depository receipt of share *(in EUR)*		
Operating cash flow	0.14	(0.04)
Net profit *	0.17	0.22
Closing price	18.19	18.53
Equity *	25.93	26.61
* 2006 figures revised due to change in pension accounting method		
Number of depository receipts	4,356,005	4,356,005

Mees Hartvelt, CEO, commented: “During the first half of 2007 CVG was able to benefit from improving market conditions. The higher production and sales volume had a positive impact on the operating efficiency. The increase in selling prices, however, was not sufficient to offset the higher costs of pulp and energy. Margins therefore remained under pressure. The net profit amounted to EUR 0.7 million, slightly above expectations. The restructuring of the European paper industry is gradually leading to a more balanced supply and demand situation. We expect that CVG in the second half of 2007 will continue to benefit from improving market conditions and that higher selling prices will contribute to an improvement of results."

Operating review

Results
Crown Van Gelder's (CVG) net profit for the first six months of 2007 was EUR 0.7 million, down EUR 0.3 million from the revised result in first six months of 2006 (EUR 1.0 million). The developments are in line with earlier indications and the result is slightly better than the break-even result that was expected. In the first half of 2007 turnover amounted to EUR 78.3 million (2006: EUR 72.8 million). The sales volume increased by 3% to a level of 104,200 ton. The production volume rose by 2% to 105,400 ton.

Raw materials prices, energy and other costs
Bleached pulp is the most important raw material for CVG's papers.
Pulp prices have remained at a high level during the first half of 2007. Since early 2007, the NBSK benchmark pulp price has increased by around USD 70 to USD 800 per ton.
The price of short fibre pulp, which already showed a strong increase since 2005, increased more moderately. The average bleached pulp price for CVG in EUR was around 4% higher than in the first half of 2006. Energy costs rose by EUR 1.6 million, partly due to the lack of revenues from the sale of CO2 emission allowances (EUR 1.3 million in the first half of 2006).
Operating expenses increased slightly (EUR 0.2 million) due to higher depreciation costs and other expenses, partly offset by lower employee benefit costs.

The company has concluded the gas contract for the years 2008 and 2009 with fixed gas prices for the years up to and including 2009. The new contract will contribute to a reduction in energy costs of around EUR 4 million in 2008 (and 2009) and will support a sustained recovery of results after this year.

Capital Expenditure
Capital expenditure in 2007 is focussed on the continuous improvement of the paper machines and minor capital replacements. In the first half of 2007 capital expenditure amounted to EUR 1.4 million and for the full year capital expenditure will be around EUR 5 million.

CVG is investigating the feasibility of a gas production unit with RDF (refuse-derived fuel) feedstock. The syngas produced by this unit could partially replace the current natural gas, at lower costs. Reference visits to a similar gas production unit are currently under way and procedures to apply for environmental permits have been started. The outcome of CVG's feasibility study is expected at the end of 2007 year or early 2008.

Market developments
In the first half of 2007, the order volume in the European market for woodfree uncoated paper decreased by 1% in comparison with the same period last year. Stock replenishments in anticipation of selling price increases contributed to a considerable growth in order intake during the first quarter of 2007. In the second quarter, order intake in the European paper market dropped substantially, partly due to the conclusion of stock replenishment and partly due to lower export volumes outside Europe.
The closure of loss-making and excess production capacity by the European paper industry is now leading to a more balanced supply and demand situation. CVG could take advantage of the improving market conditions. The sales volume rose by 2,900 ton and year-on-year selling prices increased by 4%.

Revision of 2006 result

The 2006 half year net result has been revised upward by EUR 0.1 million. During the financial year 2006 CVG has changed its accounting policy regarding the pension scheme. The financial statements for the first half of 2006 have been revised for the above mentioned change in accounting policies to provide comparable information.

Press release

Outlook 2007

As indicated in previous press releases, higher pulp prices and the increase in energy costs have hampered a recovery of results in the first half of 2007.
Bleached pulp markets continue to be extremely tight. Suppliers of bleached pulp, especially of long fibre NBSK, have announced further price increases for the coming months above the already record level of USD 800 per ton.
Low inventories of pulp, wood supply problems in Scandinavia coupled with strong demand, especially from China, could lead to persistent high pulp prices during the remainder of the year. The production capacity of short fibre pulp is expected to increase later this year. This could somewhat mitigate pulp price increases in Q4 2007.

The persistent high pulp prices necessitate further selling price increases. CVG expects that the actions taken by the larger European paper producers to remove loss-making production capacity will support a further improvement in market conditions. The next round of selling prices increases by CVG will come into effect as from September 2007. CVG's orderbook is relatively strong and the company expects a production and sales volume of 215,000 ton in 2007.

Further increases in selling prices will contribute to an improvement of results in the second half compared to the first half of 2007.

Crown Van Gelder will publish the 2007 annual results on 8 February 2008 (before market opening).

An analyst meeting will be held on 27 July 2007 at 10.00 a.m. The analyst presentation and audio webcast will be made available on www.cvg.nl

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Internet site: www.cvg.nl

Profile:
Crown Van Gelder N.V. produces and sells high quality industrial and graphical specialty products in the woodfree uncoated and single-coated paper sector. The company is based in Velsen (the Netherlands) and employs around 290 people. The company operates two paper machines and its products include base paper for self-adhesive materials, paper for digital colour printing, base paper for direct thermal printing, board for tickets, paper suitable for optical character reading (OCR), rotary offset paper and continuous stationery for laser and inkjet printers.
Crown Van Gelder N.V. is listed at the Official Market of the Euronext Amsterdam Stock Market N.V. and has been a part of the NextPrime segment since 25 February 2003.

Appendices:
- Consolidated profit and loss account
- Consolidated balance sheet
- Consolidated cash flow statement
- Consolidated statement of changes in equity
- Accounting policies
- Explanatory note on change in pension accounting principles
- Explanatory notes to the accounts
- Review report

CONSOLIDATED PROFIT AND LOSS ACCOUNT 1 JANUARY TO 30 JUNE (x EUR 1,000)				
		2007		**2006**
Net turnover		**78,262**		**72,764**
Other income		-		1,330
Total revenue		78,262		74,094
Costs related to turnover	(3,834)		(3,424)	
Raw materials, consumables and energy	(54,950)		(51,454)	
Change in inventories of finished goods	1,307		1,704	
Employee benefits costs	(8,615)		(9,231)	
Depreciation and amortisation	(4,764)		(4,594)	
Other expenses	(6,588)		(5,952)	
Total operating expenses		(77,444)		(72,951)
Operating profit		**818**		**1,143**
Finance income	13		16	
Finance costs	(378)		(303)	
		(365)		(287)
Share of after tax profit of associate		148		186
Profit on ordinary activities before taxation		**601**		**1,042**
Tax expense		87		(64)
Profit for the period		**688**		**978**
Minority interests		47		(18)
NET PROFIT		**735**		**960**
Basic earnings per depository receipt of share		0.17		0.22
Diluted earnings per depository receipt of share		0.17		0.22

CONSOLIDATED BALANCE SHEET (x EUR 1,000) (before profit appropriation)				
		30 June 2007		**31 December 2006**
ASSETS				
Non-current assets				
Property, plant and equipment	86,877		90,603	
Intangible assets	775		450	
Investment in associate	1,006		1,183	
Pension asset	7,377		7,377	
Other assets	2,766		2,820	
		98,801		102,433
Current assets				
Inventories	27,526		26,638	
Trade and other receivables	24,389		22,855	
Tax receivable	1,298		1,049	
Cash and cash equivalents	721		1,644	
		53,934		52,186
Total assets		**152,735**		**154,619**
EQUITY AND LIABILITIES				
Shareholders' equity		112,903		115,789
Minority interests		30		118
Total equity		**112,933**		**115,907**
Non-current liabilities				
Deferred tax liabilities		6,744		6,671
Current liabilities				
Interest-bearing liabilities	20,056		16,249	
Trade creditors	8,263		9,133	
Tax payable	165		164	
Other short-term liabilities	4,574		6,495	
		33,058		32,041
Total liabilities		**39,802**		**38,712**
Total equity and liabilities		**152,735**		**154,619**

CONSOLIDATED CASH FLOW STATEMENT 1 JANUARY TO 30 JUNE (x EUR 1,000)				
		2007		2006
Cash flow from Operating activities				
Operating profit		818		1,143
Adjustments for:				
Depreciation and amortisation	4,764		4,594	
Pensions	(515)		(55)	
		4,249		4,539
Movements in working capital:				
Trade and other receivables	(1,534)		(2,966)	
Inventories	(888)		175	
Trade creditors	(870)		(2,647)	
Other items	(484)		(1,683)	
		(3,776)		(7,121)
		1,291		**(1,439)**
Finance cost	(349)		(199)	
Finance income	13		16	
Income taxes paid	(333)		1,435	
		(669)		1,252
		622		**(187)**
Cash flow from Investing activities				
Investments in property, plant and equipment	(1,026)		(2,492)	
Investments in intangible assets	(333)		(110)	
Dividends received	363		350	
		(996)		**(2,252)**
Cash flow from Financing activities				
Dividends paid	(4,356)		(4,356)	
Interest-bearing liabilities	3,807		6,552	
		(549)		**2,196**
Decrease in cash and cash equivalents		**(923)**		**(243)**
Cash and cash equivalents at 1 January		**1,644**		**1,120**
Cash and cash equivalents at 30 June		**721**		**877**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (x EUR 1,000)							
	Sub-scribed and paid up capital	Retained earnings	Other reserves	Profit for the year	Total share-holders' equity	Minority interest	Total equity
Balance sheet value at 1 January 2006	**8,712**	**99,268**	**319**	**9,016**	**117,315**	**117**	**117,432**
Movements in 1st half 2006							
Profit appropriation	-	4,660	-	(4,660)	-	-	-
Paid dividends	-	-	-	(4,356)	(4,356)	-	(4,356)
Other movements *	-	1,056	(1,056)	-	-	39	39
Profit for the 1st half 2006	-	-	-	960	960	18	978
Balance sheet value at 30 June 2006	**8,712**	**104,984**	**(737)**	**960**	**113,919**	**174**	**114,093**
Balance sheet value at 1 January 2007	**8,712**	**103,928**	**908**	**2,241**	**115,789**	**118**	**115,907**
Movements in 1st half 2007							
Profit appropriation	-	-	-	-	-	-	-
Paid dividends	-	(2,115)	-	(2,241)	(4,356)	-	(4,356)
Other movements *	-	-	735	-	735	(41)	694
Profit for the 1st half 2007	-	-	-	735	735	(47)	688
Balance sheet value at 30 June 2007	**8,712**	**101,813**	**1,643**	**735**	**112,903**	**30**	**112,933**

* includes hedge accounting (2007) and SoRIE-approach movements

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 2006.

The consolidated interim financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board and adopted by the EU.

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 tot the nearest thousand except when otherwise indicated.

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 2006).

Explanatory note on change in pension accounting principles

COMPARISON OF CHANGES DUE TO SoRIE APPROACH (x EUR 1,000)				
	30 June 2007	**30 June 2006** revised on SoRIE	**Change** due to SoRIE	**30 June 2006** Original accounting method
Consolidated Profit and Loss account				
Employee benefit costs	(8,615)	(9,231)	56	(9,287)
Profit for the period	735	960	56	904
Consolidated Balance Sheet				
Pension asset	7,377	4,800	(1,047)	5,847
Deferred tax liabilities	(6,744)	(5,855)	310	(6,165)
Shareholders' equity	(112,903)	(113,919)	681	(114,599)

Explanatory notes to the accounts

Geographical distribution of total revenue (as a percentage of the total)		
	1st half year 2007	**1st half year 2006**
The Netherlands	16	14
Germany	20	22
United Kingdom	15	13
Belgium / Luxembourg	17	15
France	17	20
Other Europe	8	6
Outside Europe	7	10
Total	**100**	**100**

Property, plant and equipment

During the period ended 30 June 2007 Crown Van Gelder N.V. acquired assets with a cost of EUR 1,026,000 (2006: EUR 2,492,000). There were no disposals during this period.

Dividends paid

The Annual General Meeting of Shareholders, held on 26 April 2007, has adopted a cash dividend of EUR 0.51 per depository receipt of share from the 2006 net result and a cash dividend of EUR 0.49 per depository receipt out of the distributable reserves, giving a total pay-out of EUR 1.00 per depository receipt over the 2006 financial year. On 4 May 2007 a total amount of EUR 4.356 million on dividend has been paid out.

Employee benefits costs

In the first half of 2007, employee benefits costs include a net pension expense of EUR 88,000 (2006 revised: EUR 456,000).

Commitments and contingencies

At 30 June 2007, Crown Van Gelder had commitments amounting to EUR 0.4 million relating to various investment projects.

Review report

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

Introduction
We have reviewed the accompanying consolidated interim financial information for the 6 month period ended 30 June 2007, of Crown Van Gelder N.V., Velsen, which comprises the consolidated balance sheet as at 30 June 2007, the consolidated profit and loss account, consolidated statement of changes in equity and consolidated cash flow statement for the 6 month period then ended. Management of the company 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 consolidated interim financial information based on our review.

Scope of Review
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 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 2007 is not prepared, in all material respects, in accordance with IAS 34, 'Interim Financial Reporting', as adopted by the European Union.

Haarlem, 26 July 2007
for Ernst & Young Accountants

Was signed by E.J. Pieters