
Embargo 08.01.09 – 18:00

RECTICEL
Buy-back of convertible bonds

Recticel announces that in the past few weeks it has bought back a portion of the subordinated convertible bond loan it issued in July 2007.

Given the sharp falls on the international convertible bond markets, Recticel decided to buy back EUR 12.1 million of the original EUR 57.5 million subordinated convertible bond loan. The purchase price of these bonds amounted to 52.5% of their nominal value, after inclusion of transaction costs.

As a result of this transaction, Recticel generates an accounting gain of EUR 3.8 million, of which EUR 3.5 million will be booked in the results of 2008, and EUR 0.3 million in 2009. This buy-back will however not influence positively the earnings after taxes (Group share) in 2008 due to the deterioration of the economy during the the fourth quarter.

The convertible bonds purchased will be held in portfolio by one of the Group's subsidiaries and for the time being will not be destroyed.

Following this operation, third parties still hold a total of EUR 45.4 million net in convertible bonds, which in the event of conversion, can be converted into a maximum of 3,203,952 new shares. This loan, which falls due in July 2017, bears a 5% coupon and is convertible into ordinary Recticel shares at the current conversion price of EUR 14.17 per share. The conversion price is adjustable in accordance with the usual conditions.

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Recticel in a nutshell

Recticel is a Belgian Group with a strong European dimension, but also operates in the rest of the world. Recticel has some 130 establishments in 27 countries.

Recticel contributes to daily comfort with foam filling for seats, mattresses and slat bases of top brands, insulation material, interior comfort for cars and an extensive range of other industrial and domestic applications.

Recticel is the Group behind well-known bedding brands (Beka, Epeda, Lattoflex, Literie Bultex, Schlaraffia, Sembella, Swissflex, Superba, Ubica, ...). The Insulation division supplies highquality thermal insulation products under the well-known brands Eurowall, Powerroof and Powerdeck.

Recticel is driven by technological progress and innovation, which has led to a revolutionary breakthrough at the biggest names in the car industry.

Recticel achieved sales to a value of 1.6 billion euros in 2007.

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This press release is available in English, French and Dutch on the website www.recticel.com