

RECTICEL
CONDENSED FINANCIAL STATEMENTS
PER 30 JUNE 2013

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I. FINANCIAL STATEMENTS

The condensed consolidated financial statements have been authorised for issue by the Board of Directors on 29 August 2013.

I.1. CONDENSED CONSOLIDATED INCOME STATEMENT

Group Recticel in thousand EUR	Notes *	1H/2013	1H/2012 (restated for IAS 19R)	1H/2012 (as published)
Sales	II.3.	632 647	680 201	680 201
Distribution costs		(32 205)	(32 488)	(32 488)
Cost of sales		(505 392)	(534 669)	(534 669)
Gross profit		95 050	113 044	113 044
General and administrative expenses		(41 010)	(41 246)	(41 246)
Sales and marketing expenses		(37 843)	(37 570)	(37 570)
Research and development expenses		(6 350)	(7 280)	(7 280)
Impairments	II.3.	(1 205)	(468)	(468)
Other operating revenues ⁽¹⁾		4 243	4 579	4 578
Other operating expenses ⁽²⁾		(13 997)	(6 632)	(7 070)
Total other operating revenues/(expenses) ⁽¹⁾⁺⁽²⁾	II.4.1.	(9 754)	(2 053)	(2 492)
Income from associates		267	(15)	(15)
Income from investments		0	0	0
EBIT	II.3.	(845)	24 412	23 973
Interest income		151	306	306
Interest expenses		(5 575)	(6 308)	(6 308)
Other financial income		6 920	7 486	8 702
Other financial expenses		(7 954)	(8 829)	(9 791)
Financial result	II.4.2.	(6 458)	(7 345)	(7 091)
Result of the period before taxes		(7 303)	17 067	16 882
Income taxes		(2 828)	(4 917)	(4 883)
Result of the period after taxes		(10 131)	12 150	11 999
of which attributable to non-controlling interests		0	0	0
of which share of the Group		(10 131)	12 150	11 999

* The accompanying notes are an integral part of this income statement.

I.2. EARNINGS PER SHARE

Group Recticel in EUR	Notes *	1H/2013	1H/2012 (restated for IAS 19R)	1H/2012 (as published)
Basic earnings per share		(0,351)	0,416	0,415
Diluted earnings per share		(0,351)	0,374	0,374

I.3. CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Group Recticel in thousand EUR	Notes *	1H/2013	1H/2012 (restated for IAS 19R)	1H/2012 (as published)
Result for the period after taxes		(10 131)	12 150	11 999
Other comprehensive income				
Hedging reserves		-	-	(739)
Currency translation differences		-	-	2 637
Deferred taxes on hedging		-	-	228
Items that will not subsequently be recycled to profit and loss				
Available for sale		(100)	0	-
Actuarial gains and losses recognized in equity		(2 894)	(134)	-
Deferred taxes on actuarial gains and losses		125	317	-
Total		(2 869)	183	-
Items that subsequently may be recycled to profit and loss				
Hedging interest reserves		2 058	(739)	-
Hedging currency reserves		0	0	-
<u>Hedging net investment reserves</u>		<u>142</u>	<u>0</u>	-
Hedging reserves		2 200	(739)	-
Currency translation differences		(3 481)	2 509	-
Deferred taxes on hedging interest reserves		(700)	228	-
Total		(1 981)	1 998	-
Other comprehensive income net of tax		(4 850)	2 181	2 126
Total comprehensive income for the period		(14 981)	14 331	14 125
Total comprehensive income for the period		(14 981)	14 331	14 125
of which attributable to non-controlling interests		0	0	0
of which attributable to the owners of the parent		(14 981)	14 331	14 125

I.4. CONDENSED CONSOLIDATED BALANCE SHEET

Group Recticel in thousand EUR	Notes *	30 Jun 2013	31 Dec 2012 (restated for IAS 19R)	31 Dec 2012 (as published)
Intangible assets		13 698	13 031	13 031
Goodwill		34 441	35 003	35 003
Property, plant & equipment	II.5.1.	258 449	270 904	270 904
Investment property		4 452	4 452	4 452
Investments in associates		13 275	13 784	13 784
Other financial investments		162	240	240
Available for sale investments		200	122	122
Non-current receivables		10 019	7 664	7 664
Deferred tax		49 928	50 005	45 520
Non-current assets		384 624	395 205	390 720
Inventories and contracts in progress		121 229	116 607	116 607
Trade receivables		117 991	114 540	114 540
Other receivables		45 749	48 123	48 123
Income tax receivables		5 394	4 345	4 345
Available for sale investments		45	45	45
Cash and cash equivalents		43 609	27 008	27 008
Current assets		334 017	310 668	310 668
Total assets		718 641	705 873	701 388

Group Recticel in thousand EUR	Notes *	30 Jun 2013	31 Dec 2012 (restated for IAS 19R)	31 Dec 2012 (as published)
Capital		72 361	72 329	72 329
Share premium		107 036	107 013	107 013
Share capital		179 397	179 342	179 342
Retained earnings		53 707	75 565	95 010
Hedging and translation reserves		(15 852)	(13 817)	(13 728)
Equity (share of the Group)		217 252	241 090	260 624
Equity attributable to non-controlling interests		0	0	0
Total equity		217 252	241 090	260 624
Pensions and similar obligations	II.5.2.	52 693	52 211	28 048
Provisions	II.5.3.	11 095	9 798	9 798
Deferred tax		9 522	8 410	8 554
<i>Bonds and notes</i>		45 279	45 023	45 023
<i>Financial leases</i>		20 976	20 850	20 850
<i>Bank loans</i>		89 456	74 595	74 595
<i>Other loans</i>		1 959	2 039	2 039
Interest-bearing borrowings	II.5.4.	157 670	142 507	142 507
Other amounts payable		448	501	501
Non-current liabilities		231 428	213 427	189 408
Pensions and similar obligations	II.5.2.	2 124	1 529	1 529
Provisions	II.5.3.	5 261	1 523	1 523
Interest-bearing borrowings	II.5.4.	43 253	57 840	57 840
Trade payables		122 008	104 980	104 980
Income tax payables		3 126	2 281	2 281
Other amounts payable		94 189	83 203	83 203
Current liabilities		269 961	251 356	251 356
Total liabilities and equity		718 641	705 873	701 388

* The accompanying notes are an integral part of this balance sheet.

I.5. CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW

Group Recticel in thousand EUR	Notes *	1H/2013	1H/2012 (restated for IAS 19R)	1H/2012 (as published)
EARNINGS BEFORE INTEREST AND TAXES (EBIT)		(845)	24 412	23 973
Amortisation of intangible assets		1 740	1 761	1 761
Depreciation of tangible assets	II.5.1.	17 482	17 407	17 407
Amortisation of deferred long term and upfront payment		652	501	501
Impairment losses on tangible assets	II.5.1.	1 205	468	468
Write-offs on assets		760	481	481
Changes in provisions		2 867	(7 943)	(7 504)
(Gains) / Losses on disposals of assets		(1 324)	(317)	(317)
Income from associates		(267)	15	15
GROSS OPERATING CASH FLOW		22 270	36 784	36 784
<i>Inventories</i>		(6 724)	(9 458)	(9 458)
<i>Trade receivables</i>		(2 720)	(15 771)	(15 771)
<i>Other receivables</i>		(2 995)	(1 061)	(1 061)
<i>Trade payable</i>		20 158	(13 542)	(13 542)
<i>Other payable</i>		8 729	3 246	3 246
Changes in working capital		16 448	(36 586)	(36 586)
Income taxes paid		(2 401)	(3 429)	(3 429)
NET CASH FLOW FROM OPERATING ACTIVITIES (a)		36 317	(3 231)	(3 231)
Interests received		447	516	516
Dividends received		175	475	475
New investments and subscriptions to capital increases		(678)	0	0
(Increase) / Decrease of loans and receivables		(381)	(1 322)	(1 322)
Investments in intangible assets		(2 414)	(2 203)	(2 203)
Investments in property, plant and equipment		(9 568)	(8 204)	(8 204)
Disposals of intangible assets		228	171	171
Disposals of property, plant and equipment		1 102	1 177	1 177
Disposals of financial investments		0	38	38
Disposals of investments available for sale		0	0	0
NET CASH FLOW FROM INVESTMENT ACTIVITIES (b)		(11 090)	(9 353)	(9 353)
Interests paid (1)		(3 676)	(4 765)	(4 765)
FREE CASH FLOW		21 551	(17 348)	(17 349)
Dividends paid (2)		(5 899)	(8 121)	(8 121)
Increase (Decrease) of capital (3)		55	0	0
Increase of financial debt (4)		24 756	25 837	25 837
(Decrease) of financial debt (5)		(23 240)	(35 316)	(35 316)
CASH FLOW FROM FINANCING ACTIVITIES (c)=(1)+(2)+(3)+(4)+(5)		(8 003)	(22 366)	(22 366)
Effect of exchange rate changes (d)		(624)	(730)	(730)
Effect of changes in scope of consolidation and of foreign currency translation reserves recycled (e)		0	508	508
CHANGES IN CASH AND CASH EQUIVALENTS (a)+(b)+(c)+(d)+(e)		16 600	(35 171)	(35 171)
Net cash position opening balance		27 008	54 575	54 575
Net cash position closing balance		43 609	19 404	19 404
CHANGES IN CASH POSITION		16 600	(35 171)	(35 171)

COMMENTS ON THE CONDENSED CONSOLIDATED CASH FLOW STATEMENT

The **gross operating cash flow before working capital movements (EUR 22.3 million)** is EUR 14.5 million lower than the same period of last year primarily due to the significantly lower EBIT (EUR -0.8 million versus EUR 24.4 million (restated for IAS 19R) in 1H/2012).

Whereas depreciation and amortisation charges remained stable, the re-integration in the cash flow of other non-cash charges, mainly the net movement in provisions (EUR +2.9 million versus EUR -7.9 million in 1H/2012), mitigated the impact of the lower EBIT.

The **net cash flow from operating activities (EUR 36.3 million)** is EUR 39.5 million better than last year, despite a lower gross operating cash flow. This positive variance is induced by a lower seasonal increase in working capital needs due to the lower level of activity, the implementation of new factoring programs and by a substantial increase of trade payables and other payables.

As a consequence of the lower result, income taxes paid were also lower (EUR -2.4 million versus EUR -3.4 million in 1H/2012).

The **net cash flow from investing activities** amounted to EUR -11.1 million, versus EUR -9.4 million in 1H/2012.

The **free cash flow** resulting from (i) the net cash flow from operating activities (EUR +36.3 million), (ii) the net cash flow from investment activities (EUR -11.1 million) and (iii) interests paid (EUR -3.7 million) amounts to EUR +21.6 million, compared to EUR -17.3 million in 1H/2012. The difference of EUR +38.9 million is mainly attributable to the working capital evolution.

The **cash flow from financing activities** came out at EUR -8.0 million versus EUR -22.4 million in 1H/2012, as a consequence of lower interests paid (EUR -3.7 versus EUR -4.8 million in 1H/2012), lower dividend payments (EUR -5.9 million versus EUR -8.1 million in 1H/2012) and a net increase in financial debt.

I.6. CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

For the half-year ending 30 June 2013

in million EUR	Capital	Share premium	Investment revaluation reserve	Actuarial gains and losses (IAS 19R)	IFRS 2 Other capital reserves	Retained earnings	Translation differences reserves	Hedging reserves	Total shareholders' equity	Non-controlling interests	Total equity, non-controlling interests included
At the end of the preceding period (31 December 2012 - as published)	72 329	107 013	0	0	2 562	92 447	(5 964)	(7 763)	260 624	0	260 624
Changes in accounting policies	0	0	0	(5 597)	0	(13 849)	(89)	0	(19 535)	0	(19 535)
At the end of the preceding period (31 December 2012 - restated for IAS 19R)	72 329	107 013	0	(5 597)	2 562	78 598	(6 053)	(7 763)	241 089	0	241 089
Dividends	0	0	0	0	0	(8 357)	0	0	(8 357)	0	(8 357)
Changes in subscribed capital	32	23	0	0	0	0	0	0	55	0	55
Stock options (IFRS 2)	0	0	0	0	124	(678)	0	0	(554)	0	(554)
Shareholders' movements	32	23	0	0	124	(9 035)	0	0	(8 856)	0	(8 856)
Profit or loss of the period (1)	0	0	0	0	0	(10 131)	0	0	(10 131)	0	(10 131)
<i>Components of other comprehensive income that will not be recycled to profit or loss, net of tax</i>											
Available for sale	0	0	(100)	0	0	0	0	0	(100)	0	(100)
Actuarial gains & losses recognized in equity	0	0	0	(2 894)	0	0	0	0	(2 894)	0	(2 894)
Deferred tax	0	0	0	125	0	0	0	0	125	0	125
Total other comprehensive income that will not be recycled to profit or loss, net of tax (a)	0	0	(100)	(2 769)	0	0	0	0	(2 869)	0	(2 869)
<i>Components of other comprehensive income that will be recycled to profit or loss, net of tax</i>											
Gains (losses) on cash flow hedge	0	0	0	0	0	0	0	2 058	2 058	0	2 058
Deferred taxes	0	0	0	0	0	0	0	(700)	(700)	0	(700)
Translation differences	0	0	0	55	0	0	(3 536)	142	(3 339)	0	(3 339)
Total other comprehensive income that will be recycled to profit or loss, net of tax (b)	0	0	0	55	0	0	(3 536)	1 500	(1 981)	0	(1 981)
Comprehensive income' (1)+(a)+(b)	0	0	(100)	(2 714)	0	(10 131)	(3 536)	1 500	(14 981)	0	(14 981)
Reclassification	0	0	0	(3)	0	3	0	0	0	0	0
At the end of the period (30 June 2013)	72 361	107 036	(100)	(8 314)	2 686	59 435	(9 589)	(6 263)	217 252	0	217 252

For the year ending 30 June 2012 (revised for IAS 19R)

in million EUR	Capital	Share premium	Investment revaluation reserve	Actuarial gains and losses (IAS 19R)	IFRS 2 Other capital reserves	Retained earnings	Translation differences reserves	Hedging reserves	Total shareholders' equity	Non-controlling interests	Total equity, non-controlling interests included
At the end of the preceding period (31 December 2011 - as published)	72 329	107 013	0	0	2 207	82 984	(8 914)	(6 825)	248 794	0	248 794
Changes in accounting policies	0	0	0	0	0	(11 628)	0	0	(11 628)	0	(11 628)
At the end of the preceding period (31 December 2011 - restated for IAS 19R)	72 329	107 013	0	0	2 207	71 356	(8 914)	(6 825)	237 166	0	237 166
Dividends	0	0	0	0	0	(8 101)	0	0	(8 101)	0	(8 101)
Changes in subscribed capital	0	0	0	0	0	0	0	0	0	0	0
Stock options (IFRS 2)	0	0	0	0	147	0	0	0	147	0	147
Shareholders' movements	0	0	0	0	147	(8 101)	0	0	(7 954)	0	(7 954)
Profit or loss of the period (1)	0	0	0	0	0	12 150	0	0	12 150	0	12 150
Components of other comprehensive income that will not be recycled to profit or loss, net of tax											
Actuarial gains & losses recognized in equity	0	0	0	(134)	0	0	0	0	(134)	0	(134)
Deferred tax	0	0	0	305	0	12	0	0	317	0	317
Total other comprehensive income that will not be recycled to profit or loss, net of tax (a)	0	0	0	171	0	12	0	0	183	0	183
Components of other comprehensive income that will be recycled to profit or loss, net of tax											
Gains (losses) on cash flow hedge	0	0	0	0	0	0	0	(670)	(670)	0	(670)
Deferred taxes	0	0	0	0	0	0	0	228	228	0	228
Translation differences	0	0	0	6	0	0	2 503	(69)	2 440	0	2 440
Total other comprehensive income that will be recycled to profit or loss, net of tax (b)	0	0	0	6	0	0	2 503	(511)	1 998	0	1 998
Comprehensive income' (1)+(a)+(b)	0	0	0	177	0	12 162	2 503	(511)	14 331	0	14 331
Reclassification	0	0	0	0	0	1	0	0	1	0	1
At the end of the period (30 June 2012)	72 329	107 013	0	177	2 354	75 418	(6 411)	(7 336)	243 544	0	243 544

II. NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDING 30 JUNE 2013

II.1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

II.1.1. STATEMENT OF COMPLIANCE - BASIS OF PREPARATION

These condensed consolidated financial statements for the six months ended 30 June 2013 have been prepared in accordance with IAS 34 Interim Financial Reporting, as endorsed by the European Union. They do not include all of the information required for full annual financial statements, and should be read in conjunction with the consolidated financial statements of the Group as at and for the year ended 31 December 2012.

These condensed consolidated interim financial statements have been authorised for issue by the Board of Directors on 29 August 2013.

II.1.2. GENERAL PRINCIPLES – SIGNIFICANT ACCOUNTING POLICIES

In accordance with the consolidated annual report as of 31 December 2012, the following new Standards and Interpretations became effective in the current period; however, the initial application did not have any significant impact on the financial position and results of the Group, except for the adoption of IAS 19 revised (IAS 19R).

Standards and interpretations applicable for the annual period beginning on 1 January 2013:

- IFRS 13 Fair Value Measurement (applicable for annual periods beginning on or after 1 January 2013)
- Improvements to IFRS (2009-2011) (normally applicable for annual periods beginning on or after 1 January 2013)
- Amendments to IFRS 1 First Time Adoption of International Financial Reporting Standards – Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters (applicable for annual periods beginning on or after 1 January 2013)
- Amendments to IFRS 1 First Time Adoption of International Financial Reporting Standards – Government Loans (applicable for annual periods beginning on or after 1 January 2013)
- Amendments to IFRS 7 Financial Instruments: Disclosures – Offsetting Financial Assets and Financial Liabilities (applicable for annual periods beginning on or after 1 January 2013)
- Amendments to IAS 1 Presentation of Financial Statements - Presentation of Items of Other Comprehensive Income (applicable for annual periods beginning on or after 1 July 2012)
- Amendments to IAS 12 Income Taxes – Deferred Tax: Recovery of Underlying Assets (applicable for annual periods beginning on or after 1 January 2013)
- Amendments to IAS 19 Employee Benefits (applicable for annual periods beginning on or after 1 January 2013)
- IFRIC 20 Stripping Costs in the Production Phase of a Surface Mine (applicable for annual periods beginning on or after 1 January 2013)

Standards and interpretations published, but not yet applicable for the annual period beginning on 1 January 2013:

- IFRS 9 Financial Instruments and subsequent amendments (applicable for annual periods beginning on or after 1 January 2015, but not yet endorsed in EU)
- IFRS 10 Consolidated Financial Statements (applicable for annual periods beginning on or after 1 January 2014)
- IFRS 11 Joint Arrangements (applicable for annual periods beginning on or after 1 January 2014)
- IFRS 12 Disclosures of Interests in Other Entities (applicable for annual periods beginning on or after 1 January 2014)
- IAS 27 Separate Financial Statements (applicable for annual periods beginning on or after 1 January 2014)
- IAS 28 Investments in Associates and Joint Ventures (applicable for annual periods beginning on or after 1 January 2014)
- Amendments to IFRS 10, IFRS 12 and IAS 27 – Consolidated Financial Statements and Disclosure of Interests in Other Entities: Investment Entities (applicable for annual periods beginning on or after 1 January 2014, but not yet endorsed in EU)
- Amendments to IAS 32 Financial Instruments: Presentation – Offsetting Financial Assets and Financial Liabilities (applicable for annual periods beginning on or after 1 January 2014, but not yet endorsed in EU)
- Amendments to IAS 36 – Impairment of Assets – Recoverable Amount Disclosures for Non-Financial Asset (applicable for annual periods beginning on or after 1 January 2014, but not yet endorsed in EU)
- Amendments to IAS 39 – Financial Instruments – Novation of Derivatives and Continuation of Hedge Accounting (applicable for annual periods beginning on or after 1 January 2014)
- IFRIC 21 – Levies (applicable for annual periods beginning on or after 1 January 2014, but not yet endorsed in EU)

II.2. CHANGES IN SCOPE OF CONSOLIDATION

There are no changes in the scope of consolidation in 1H/2013.

II.3. OPERATING SEGMENTS AND GEOGRAPHICAL INFORMATION

II.3.1. OPERATING SEGMENTS

The principal categories of market for these goods are the four operating segments: Flexible Foams, Bedding, Insulation, Automotive, and Corporate. For more details on these segments, reference is made to the press release of 30 August 2013 (1H/2013 Result). Information regarding the Group's reportable segments is presented below. Inter-segment sales are made at prevailing market conditions.

Segment information about these businesses is presented below.

Segment information for the first half-year 2013

Group Recticel in thousand EUR	FLEXIBLE FOAMS	BEDDING	AUTOMOTIVE	INSULATION	ELIMINATIONS	CONSOLIDATED
SALES						
External sales	266 013	127 715	129 413	109 506	0	632 647
Inter-segment sales	31 267	12 317	262	18	(43 864)	0
Total sales	297 280	140 032	129 675	109 524	(43 864)	632 647
EARNINGS BEFORE INTEREST AND TAXES (EBIT)						
Segment result	6 440	496	(7 976)	9 786	0	8 746
Unallocated corporate expenses						(9 592)
EBIT	6 440	496	(7 976)	9 786	0	(845)
Financial result						(6 458)
Result for the period before taxes						(7 303)
Income taxes						(2 828)
Result for the period after taxes						(10 131)
Attributable to non-controlling interests						0
Share of the Group						(10 131)

Other segment information first half-year 2013

Group Recticel in thousand EUR	FLEXIBLE FOAMS	BEDDING	AUTOMOTIVE	INSULATION	CORPORATE	CONSOLIDATED
Depreciation and amortisation	6 149	3 091	7 301	2 788	545	19 874
Impairment losses recognised in profit and loss ¹	5	0	1 200	0	0	1 205
EBITDA ²	12 592	3 587	523	12 574	(9 045)	20 230
Capital additions	4 020	549	3 261	2 000	2 184	12 014

¹ Impairment losses recognized in profit and loss are related to the Rheinbreitbach plant (Germany - Automotive Interiors). It is the result from a value-in-use impairment test with a weighted average cost of capital of 8%.

² EBITDA for Insulation (from EUR 18.8 million to EUR 12.6 million, -33.1%) was negatively impacted by the depreciation of the Pound Sterling, by the additional fixed costs and the ramp-up costs of the new factory in Bourges (France), and by increased competition in a weaker market environment. The performance level of the new factory in Bourges is the new benchmark in the Group.

Balance sheet information per segment at 30 June 2013

Group Recticel in thousand EUR	FLEXIBLE FOAMS	BEDDING	AUTOMOTIVE	INSULATION	ELIMINATIONS	CONSOLIDATED
ASSETS						
Segment assets	260 376	116 982	145 146	141 227	(136 036)	527 695
Investment in associates	13 274	0	0	0	0	13 274
Unallocated corporate assets						177 672
Total consolidated assets						718 641
LIABILITIES						
Segment liabilities	132 979	52 184	65 504	66 229	(136 036)	180 860
Unallocated corporate liabilities						320 529
Total consolidated liabilities (excluding equity)						501 389

The unallocated assets, which amount to EUR 177.7 million, include mainly the following items:

- Financial receivables for EUR 18.8 million
- Current tax receivables for EUR 5.4 million
- Other receivables for EUR 24.2 million
- Deferred tax assets for EUR 49.9 million
- Cash & cash equivalent for EUR 43.6 million.

The unallocated liabilities, which amount to EUR 320.5 million (equity excluded), includes mainly the following items:

- Provisions for EUR 80.7 million
- Financial liabilities for EUR 200.9 million

Segment information for the first half-year 2012 (restated for IAS 19R)

Group Recticel in thousand EUR	FLEXIBLE FOAMS	BEDDING	AUTOMOTIVE	INSULATION	ELIMINATIONS	CONSOLIDATED
SALES						
External sales	277 083	132 580	161 091	109 447	0	680 201
Inter-segment sales	26 442	1 032	246	49	(27 769)	0
Total sales	303 525	133 612	161 337	109 496	(27 769)	680 201
EARNINGS BEFORE INTEREST AND TAXES (EBIT)						
Segment result	7 961	1 219	6 439	16 818	0	32 438
Unallocated corporate expenses						(8 026)
EBIT	7 961	1 219	6 439	16 818	0	24 412
Financial result						(7 345)
Result for the period before taxes						17 067
Income taxes						(4 917)
Result for the period after taxes						12 150
Attributable to non-controlling interests						0
Share of the Group						12 150

Other segment information first half-year 2012 (restated for IAS 19R)

Group Recticel in thousand EUR	FLEXIBLE FOAMS	BEDDING	AUTOMOTIVE	INSULATION	CORPORATE	CONSOLIDATED
Depreciation and amortisation	6 599	2 758	8 000	2 002	310	19 669
Impairment losses recognised in profit and loss	468	0	0	0	0	468
EBITDA	15 028	3 977	14 439	18 820	(7 717)	44 547
Capital additions	3 607	1 896	2 317	2 009	2 932	12 760

Balance sheet information per segment at 30 June 2012 (restated for IAS 19R)

Group Recticel in thousand EUR	FLEXIBLE FOAMS	BEDDING	AUTOMOTIVE	INSULATION	ELIMINATIONS	CONSOLIDATED
ASSETS						
Segment assets	327 634	104 703	160 347	108 570	(111 259)	589 995
Investment in associates	12 986	0	0	(479)	0	12 507
Unallocated corporate assets						114 261
Total consolidated assets						716 763
LIABILITIES						
Segment liabilities	137 336	42 253	67 763	44 916	(111 259)	181 009
Unallocated corporate liabilities						292 210
Total consolidated liabilities (excluding equity)						473 219

The unallocated assets, which amount to EUR 114.3 million, include mainly the following items:

- Other receivables for EUR 22.0 million,
- Deferred tax assets for EUR 49.2 million
- Cash & cash equivalent for EUR 19.4 million.

The unallocated liabilities, which amount to EUR 292.2 million (equity excluded), includes mainly the following items:

- Provisions for EUR 64.5 million
- Financial liabilities for EUR 199.0 million

Segment information for the first half-year 2012 (as published)

Group Recticel in thousand EUR	FLEXIBLE FOAMS	BEDDING	AUTOMOTIVE	INSULATION	ELIMINATIONS	CONSOLIDATED
SALES						
External sales	277 083	132 580	161 091	109 447	0	680 201
Inter-segment sales	26 442	1 032	246	49	(27 769)	0
Total sales	303 525	133 612	161 337	109 496	(27 769)	680 201
EARNINGS BEFORE INTEREST AND TAXES (EBIT)						
Segment result	7 692	1 232	6 325	16 805	0	32 055
Unallocated corporate expenses						(8 082)
EBIT	7 692	1 232	6 325	16 805	0	23 973
Financial result						(7 091)
Result for the period before taxes						16 882
Income taxes						(4 883)
Result for the period after taxes						11 999
Attributable to non-controlling interests						0
Share of the Group						11 999

Other segment information first half-year 2012 (as published)

Group Recticel in thousand EUR	FLEXIBLE FOAMS	BEDDING	AUTOMOTIVE	INSULATION	CORPORATE	CONSOLIDATED
Depreciation and amortisation	6 599	2 758	8 000	2 002	310	19 669
Impairment losses recognised in profit and loss	468	0	0	0	0	468
EBITDA	14 759	3 990	14 325	18 807	(7 773)	44 108
Capital additions	3 607	1 896	2 317	2 009	2 932	12 760

Balance sheet information per segment at 30 June 2012 (as published)

Group Recticel in thousand EUR	FLEXIBLE FOAMS	BEDDING	AUTOMOTIVE	INSULATION	ELIMINATIONS	CONSOLIDATED
ASSETS						
Segment assets	327 634	104 703	160 347	108 570	(111 259)	589 995
Investment in associates	12 986	0	0	(479)	0	12 507
Unallocated corporate assets						112 612
Total consolidated assets						715 114
LIABILITIES						
Segment liabilities	137 336	42 253	67 763	44 916	(111 259)	181 009
Unallocated corporate liabilities						279 140
Total consolidated liabilities (excluding equity)						460 149

The unallocated assets, which amount to EUR 112.6 million, include mainly the following items:

- Other receivables for EUR 22.0 million,
- Deferred tax assets for EUR 47.6 million
- Cash & cash equivalent for EUR 19.4 million.

The unallocated liabilities, which amount to EUR 279.1 million (equity excluded), includes mainly the following items:

- Provisions for EUR 60.9 million
- Financial liabilities for EUR 199.0 million

Non-recurring elements in the operating result per segment

Group Recticel in thousand EUR	FLEXIBLE FOAMS	BEDDING	AUTOMOTIVE	INSULATION	NOT ALLOCATED	CONSOLIDATED
First half-year 2013						
Impairment	(5)	0	(1 200)	0	0	(1 205)
Restructuring charges	(1 579)	(789)	(7 948)	(83)	(249)	(10 648)
Other	(828)	(335)	0	0	(1 260)	(2 423)
TOTAL	(2 412)	(1 124)	(9 148)	(83)	(1 509)	(14 276)

- Impairment charges relate to the Automotive-Interiors activities in Rheinbreitbach (Germany).

- Restructuring charges are mainly related to Automotive-Interiors in Germany (Rheinbreitbach site). New provisions were also booked for the Flexible Foams activities in the UK (closure of Pendle site). In Bedding restructuring charges were booked in Germany.

- Other non-recurring elements relate mainly to (i) additional legal fees in relation with the on-going EU investigation (Flexible Foams) (EUR -1.0 million) and (ii) after a complete investigation, the impact of the regularisation of past irregularities in Spain (see post-balance sheet date events in Annual Report 2012) (EUR -1.5 million).

First half-year 2012						
Impairment	(468)	0	0	0	0	(468)
Restructuring charges	(1 805)	(606)	(1 505)	0	236	(3 680)
Other	(676)	(33)	0	0	0	(709)
TOTAL	(2 949)	(639)	(1 505)	0	236	(4 857)

- Impairment charges relate mainly to Flexible Foams activities in Germany (EUR 0.5 million).

- Restructuring charges are mainly related to the Flexible Foams activities in Germany, The Netherlands and UK. In Automotive new provisions for restructuring were mainly recognised in Interiors in Belgium and Germany. In Bedding restructuring charges were booked in Germany and Austria.

- Other non-recurring elements relate mainly to (i) additional legal fees in relation with the ongoing EU investigation (Flexible Foams) (EUR -0.6 million), (ii) a provision for financial risks on the investment in Teknofoam Hellas (EUR -0.2 million) and (iii) the consolidation impact of the Italian subsidiary ARTE (Flexible Foams) (EUR +0.2 million).

II.3.2. GEOGRAPHICAL INFORMATION

The Group's operations are mainly located in the European Union.
The following table provides an analysis of the Group's sales and fixed assets by geographical market.

SALES (by region of destination)

Group Recticel in thousand EUR	1H/2013	1H/2012
European Union	560 512	598 295
<i>of which Belgium</i>	67 763	73 469
<i>of which France</i>	77 058	83 381
<i>of which Germany</i>	139 823	152 738
<i>of which other European Union countries</i>	275 868	288 707
Other	72 135	81 906
TOTAL	632 647	680 201

INTANGIBLE ASSETS – PROPERTY, PLANT & EQUIPMENT – INVESTMENT PROPERTY

Group Recticel in thousand EUR	Acquisitions, including own production			
	30 Jun 2013	30 Jun 2012	1H/2013	1H/2012
European Union	262 070	250 800	10 369	10 912
<i>of which Belgium</i>	73 852	71 776	3 989	4 198
<i>of which France</i>	43 422	22 863	1 320	1 376
<i>of which Germany</i>	38 522	44 703	744	1 235
<i>of which other European Union countries</i>	106 274	111 458	4 316	4 103
Other	14 529	14 174	1 645	1 848
TOTAL	276 599	264 974	12 014	12 760

II.4. INCOME STATEMENT

II.4.1. OTHER OPERATING REVENUES AND EXPENSES

Group Recticel in thousand EUR	1H/2013	1H/2012 (restated for IAS 19R)	1H/2012 (as published)
Other operating revenues	4 242	4 578	4 578
Other operating expenses	(13 996)	(6 631)	(7 070)
TOTAL	(9 754)	(2 053)	(2 492)

Group Recticel in thousand EUR	1H/2013	1H/2012 (restated for IAS 19R)	1H/2012 (as published)
Restructuring costs	(11 068)	(3 680)	(3 680)
Gain (Loss) on disposal of intangible and tangible assets	1 369	193	193
Gain (Loss) on disposal of business assets and of associates	(2)	173	173
Gain (Loss) on realization of receivables/payables	(178)	0	0
Other	125	1 261	822
TOTAL	(9 754)	(2 053)	(2 492)

COMMENTS ON FIRST HALF-YEAR RESULTS 2013

Restructuring

Restructuring charges are mainly related to Automotive-Interiors in Germany (Rheinbreitbach site). New provisions were also booked for the Flexible Foams activities in the UK (closure of Pendle site). In Bedding restructuring charges were booked in Germany.

Gain (Loss) on disposal of intangible and tangible assets

In 1H/2013 this item relates to two transactions in Flexible Foams, i.e.: (i) an asset deal (equipment and clientele) in Norway (EUR 0.7 million) and (ii) the sale of land in Turkey (EUR +0.6 million).

Gain (Loss) on realization of receivables/payables

This item relates to (i) the write-off of a receivable on the Italian affiliate ARTE srl (Flexible Foams) (EUR -0.3 million) and (ii) a reversal of a write-off of a receivable on Teknofoam Hellas (in liquidation) (Flexible Foams) (EUR +0.1 million).

Other operating revenues and expenses

Other operating revenues and expenses during the first half-year of 2013 comprised, a.o.

- (i) the impact of pension liabilities (EUR +0.7 million)
- (ii) additional legal fees in relation with the on-going EU investigation (Flexible Foams) (EUR -1,0 million)
- (iii) the reversal of provisions for financial risks on the investment in the affiliate ARTE srl (EUR +0.3 million) and in Plasteurop sa (in liquidation) (EUR +0.5 million)
- (iv) net revenues from insurance premiums (EUR +1.4 million)
- (v) strategic consultancy fees (EUR -0.3 million).
- (vi) following the on-going investigation, the estimated impact of the regularisation of past irregularities in one of the subsidiaries of the Group (see post-balance sheet date events in Annual Report 2012) (EUR -1.5 million).

COMMENTS ON FIRST HALF-YEAR RESULTS 2012

Restructuring

Restructuring charges were mainly related to the Flexible Foams activities in Germany, The Netherlands and UK. In Automotive new provisions for restructuring were mainly recognised in Interiors in Belgium and Germany. In Bedding restructuring charges were booked in Germany and Austria.

Gain (Loss) on disposal of intangible and tangible assets

In 1H/2012 this item related to various small capital gains on the sale of equipment, furniture and vehicles in different countries.

Gain (Loss) on disposal of business assets and of associates

In 1H/2012 this item related to the Italian subsidiary ARTE (Flexible Foams).

Other operating revenues and expenses

Other operating revenues during the first half-year of 2012 comprised, a.o.

- (i) the impact of pension liabilities (EUR -1.7 million)
- (ii) additional legal fees in relation with the on-going EU investigation (Flexible Foams) (EUR -0,6 million)
- (iii) the impact of provisions for financial risks on the investment in Teknofoam Hellas (EUR -0.2 million)
- (iv) net revenues from insurance premiums (EUR +1.2 million)
- (v) the reversal accrual provisions for rebates and guarantees in Bedding activity (EUR +0.5 million)
- (vi) the re invoicing of services and goods, and rental income (EUR +0.6 million)
- (vii) compensation income from development project in Automotive Interiors in China (EUR +0.8 million).

II.4.2. FINANCIAL RESULT

Group Recticel in thousand EUR	1H/2013	1H/2012 (restated for IAS 19R)	1H/2012 (as published)
Interest charges on bonds & notes	(1 098)	(1 323)	(1 323)
Interest on financial lease	(453)	(388)	(388)
Interest on long-term bank loans	(1 476)	(1 823)	(1 823)
Interest on short-term bank loans & overdraft	(1 024)	(1 076)	(1 076)
Interest on other long-term loans	(57)	(103)	(103)
Interest on other short-term loans	(36)	(136)	(136)
Net interest charges on Interest Rate Swaps	(1 096)	(1 016)	(1 016)
Net interest charges on foreign currency swaps	(136)	(181)	(181)
Capitalized intercalary interest	48	0	0
Total borrowing cost	(5 326)	(6 046)	(6 046)
Interest income from bank deposits	24	67	67
Interest income from financial receivables	127	212	212
Interest income from financial receivables and cash	151	279	279
Interest charges on other debts	(271)	(245)	(245)
Interest income from other financial receivables	22	10	10
Total other interest	(249)	(235)	(235)
Interest income and expenses	(5 424)	(6 002)	(6 002)
Exchange rate differences ⁽¹⁾	(21)	(131)	(131)
Premium on CAP/Floor contracts	(9)	(56)	(56)
Result on derivative instruments	(9)	(56)	(56)
Interest actualisation and expected return on provisions for employee benefits	0	0	(884)
Interest actualisation for other provisions	(21)	0	0
Net interest cost IAS 19	(927)	(1 138)	0
Interest on provisions for employee benefits and other debt	(948)	(1 138)	(884)
Other financial result	(56)	(18)	(18)
FINANCIAL RESULT	(6 458)	(7 345)	(7 091)

II.4.3 DIVIDENDS

The Board of Directors' proposal to distribute a gross dividend of EUR 0.29 per share or EUR 8.4 million for the year 2012 was approved by the shareholders at the Annual General Meeting of 28 May 2013. The payment of this dividend took place on 05 June 2013, and is thus reflected in the financial statements for the first half of 2013.

II.5. BALANCE SHEET

II.5.1. PROPERTY, PLANT & EQUIPMENT

For the half-year ending 30 June 2013:

Group Recticel in thousand EUR	Land and buildings	Plant, machinery & equipment	Furniture and vehicles	Leases and similar rights	Other tangible assets	Assets under construction and advance payments	TOTAL
At the end of the preceding period							
Gross value	202 904	598 468	31 851	40 328	6 565	27 864	907 980
Accumulated depreciation	(116 048)	(457 235)	(26 460)	(14 248)	(2 258)	(34)	(616 283)
Accumulated impairments	(748)	(18 672)	(58)	(255)	(484)	(576)	(20 793)
Net book value at opening	86 108	122 561	5 333	25 825	3 823	27 254	270 904
Movements during the period							
Acquisitions, including own production	41	2 189	699	539	40	6 150	9 658 ⁽¹⁾
Impairments	0	(1 205)	0	0	0	0	(1 205)
Expensed depreciation	(3 155)	(12 219)	(969)	(1 063)	(77)	0	(17 483)
Sales and scrapped	(359)	(231)	(5)	0	0	(348)	(943) ⁽²⁾
Transfers from one heading to another	3 096	16 495	641	755	10	(21 173)	(176)
Exchange rate differences	(609)	(1 480)	(43)	(12)	(21)	(141)	(2 306)
At the end of the period	85 122	126 110	5 656	26 044	3 775	11 742	258 449
Gross value	204 235	604 031	32 069	41 577	6 508	12 336	900 756
Accumulated depreciation	(118 380)	(461 608)	(26 369)	(15 307)	(2 249)	(39)	(623 952)
Accumulated impairments	(733)	(16 313)	(44)	(226)	(484)	(555)	(18 355)
Net book value at the end of the period	85 122	126 110	5 656	26 044	3 775	11 742	258 449
Acquisitions				Disposals			
Cash-out on acquisitions tangible assets	(10 392)			Cash-in from disposals tangible assets			1 102
Acquisitions shown in working capital	734			Disposals shown in working capital			(159)
Total acquisitions tangible assets ⁽¹⁾	(9 658)			Total disposals tangible assets ⁽²⁾			943
Cash-out on acquisitions intangible assets				Cash-in from disposals intangible assets			

For the year ending 31 December 2012:

Group Recticel in thousand EUR	Land and buildings	Plant, machinery & equipment	Furniture and vehicles	Leases and similar rights	Other tangible assets	Assets under construction and advance payments	TOTAL
At the end of the preceding period							
Gross value	201 237	632 866	31 837	27 346	7 151	13 942	914 379
Accumulated depreciation	(111 453)	(477 999)	(27 112)	(12 881)	(2 901)	163	(632 183)
Accumulated impairments	(866)	(25 214)	(92)	(313)	0	(364)	(26 849)
Net book value at opening	88 918	129 653	4 633	14 152	4 250	13 741	255 347
Movements during the period							
Changes in scope of consolidation	0	1 632	81	0	0	50	1 763
Acquisitions, including own production	1 350	5 023	2 723	13 346	218	25 609	48 269 ⁽¹⁾
Impairments	(5)	(1 027)	(1)	0	(484)	(39)	(1 556)
Expensed depreciation	(5 966)	(25 325)	(2 033)	(1 606)	(168)	0	(35 098)
Sales and scrapped	(445)	(122)	(238)	0	(94)	(29)	(928) ⁽²⁾
Transfers from one heading to another	1 491	11 088	141	(79)	92	(12 125)	608
Exchange rate differences	765	1 639	27	12	9	47	2 499
At the end of the period	86 108	122 561	5 333	25 825	3 823	27 254	270 904
Gross value	202 904	598 468	31 851	40 328	6 565	27 864	907 980
Accumulated depreciation	(116 048)	(457 235)	(26 460)	(14 248)	(2 258)	(34)	(616 283)
Accumulated impairments	(748)	(18 672)	(58)	(255)	(484)	(576)	(20 793)
Net book value at the end of the period	86 108	122 561	5 333	25 825	3 823	27 254	270 904
Acquisitions				Disposals			
Cash-out on acquisitions tangible assets	(38 364)			Cash-in from disposals tangible assets			1 831
Acquisitions shown in working capital	(9 905)			Disposals shown in working capital			(903)
Total acquisitions tangible assets ⁽¹⁾	(48 269)			Total disposals tangible assets ⁽²⁾			928

Total acquisitions of tangible assets amount to EUR 9.7 million in the first half of 2013, compared to EUR 10.6 million during the half-year 2012.

In December 2011, Recticel SA/NV and Recticel International Services SA/NV concluded a new joint credit facility agreement ('club deal') amounting to EUR 175 million. Under this club deal, Recticel SA/NV and/or its affiliates have pledged their production sites in Belgium, Germany, France, the Netherlands and Sweden in favour of the banks up to a maximum amount of EUR 175 million plus interest and related costs.

At 30 June 2013, the Group has entered into contractual commitments for the acquisition of property, plant & equipment amounting to EUR 9.0 million.

At 31 December 2012, the Group had entered into contractual commitments for the acquisition of property, plant & equipment amounting to EUR 5.8 million.

II.5.2. PENSIONS AND SIMILAR OBLIGATIONS

Retirement benefit schemes

Several Recticel companies operate defined benefit and/or defined contribution plans. The main defined benefit plans, which typically provide retirement benefits related to remuneration and period of service, are located in Belgium, France, Germany, the Netherlands and the UK.

The funded plans' assets are invested in mixed portfolios of shares and bonds or insurance contracts.

The amended standard IAS19R –*Employee Benefits*– is applicable as from 2013, with a restatement of the 2012 net pension liabilities.

This accounting change has an impact before deferred taxes on the consolidated equity of EUR - 24.2 million as per 01.01.2013.

The impact on the relevant positions in the income statement, statement of comprehensive income, balance sheet and cash flow statement for the prior and actual period are shown in the table below:

Group Recticel in thousand EUR	As published	Adjustment	Restated
Balance sheet as of 01 January 2012			
Deferred taxes assets	50 290	1 598	51 888
Total assets	728 124	1 598	729 722
Equity	248 794	(11 628)	237 166
Pensions & similar obligations	38 415	13 223	51 638
Deferred tax liabilities	9 134	3	9 137
Total equity & liabilities	728 124	1 598	729 722
Income statement as 30 June 2012			
Other operating expenses	(7 070)	439	(6 631)
EBIT	23 973	439	24 412
Other financial income	8 702	(1 216)	7 486
Other financial expenses	(9 791)	962	(8 829)
Financial result	(7 091)	(254)	(7 345)
Income taxes	(4 883)	(34)	(4 917)
Result of the period after taxes	11 999	151	12 150
Earnings per share (share of the Group) as per 30 June 2012 (in EUR)			
Basic	0,42	0,01	0,42
Diluted	0,37	0,00	0,38
Other comprehensive income as of 30 June 2012			
Result of the period after taxes (a)	11 999	151	12 150
Items that will be not reclassified subsequently to profit or loss (b)	0	183	183
Actuarial gain/losses on employee benefits	0	(134)	(134)
Deferred taxes on actuarial gains/losses on employee benefits	0	317	317
Items that may be reclassified subsequently to profit or loss (c)	2 126	(128)	1 998
Hedging reserves	(739)	0	(739)
Currency translation difference	2 637	(128)	2 509
Deferred taxes on hedging interest reserves	228	0	228
Other comprehensive income net of tax (d) = (b)+(c)	2 126	55	2 181
Total comprehensive income for the period including FCTR recycled (a)+(d)	14 125	206	14 331
Total comprehensive income for the period	14 125	206	14 331
Attributable to owners of parent	14 125	206	14 331
Attributable to non-controlling interests	0	0	0
Statement of cash flow as per 30 June 2012			
EBIT	23 973	439	24 412
Other non-cash items	12 811	(439)	12 372
Operating cash flow before working capital movements	36 784	0	36 784

Group Recticel in thousand EUR	As published	Adjustment	Restated
Balance sheet as of 31 December 2012			
Deferred taxes assets	45 520	4 485	50 005
Total assets	701 388	4 485	705 873
Equity	260 624	(19 534)	241 090
Pensions & similar obligations	29 577	24 163	53 740
Deferred tax liabilities	8 554	(144)	8 410
Total equity & liabilities	701 388	4 485	705 873
Income statement as of 31 December 2012			
Other operating expenses	(12 237)	(2 956)	(15 193)
EBIT	39 737	(2 956)	36 781
Other financial income	15 146	(2 448)	12 698
Other financial expenses	(17 596)	2 009	(15 587)
Financial result	(14 339)	(439)	(14 778)
Income taxes	7 834	1 181	9 015
Result of the period after taxes	17 564	(2 214)	15 350
Earnings per share (share of the Group) as of 31 December 2012 (in EUR)			
Basic	0,61	-0,08	0,53
Diluted	0,55	-0,07	0,48
Other comprehensive income as of 31 December 2012			
Result of the period after taxes (a)	17 564	(2 214)	15 350
Items that will be not reclassified subsequently to profit or loss (b)	0	(5 606)	(5 606)
Actuarial gain/losses on employee benefits	0	(7 459)	(7 459)
Deferred taxes on actuarial gains/losses on employee benefits	0	1 853	1 853
Items that may be reclassified subsequently to profit or loss (c)	1 992	(86)	1 906
Hedging reserves	(1 355)	0	(1 355)
Currency translation difference	2 930	(86)	2 844
FCTR difference recycled in income statement	(46)	0	(46)
Deferred taxes on hedging interest reserves	463	0	463
Other comprehensive income net of tax (d) = (b)+(c)	1 992	(5 692)	(3 700)
Total comprehensive income for the period including FCTR recycled (a)+(d)	19 556	(7 906)	11 650
Total comprehensive income for the period	19 556	(7 906)	11 650
Attributable to owners of parent	19 556	(7 906)	11 650
Attributable to non-controlling interests	0	0	0

Group Recticel in thousand EUR	As published with IAS 19R included	Adjustment to previous standard	with previous IAS 19 standard
Balance sheet as of 30 June 2013			
Deferred taxes assets	49 928	(4 670)	45 258
Total assets	718 641	(4 670)	713 971
Equity	217 252	21 711	238 963
Pensions & similar obligations	54 817	(26 465)	28 352
Deferred tax liabilities	9 522	84	9 606
Total equity & liabilities	718 641	(4 670)	713 971
Income statement as of 30 June 2013			
Other operating expenses	(13 997)	(798)	(14 795)
EBIT	(845)	(798)	(1 643)
Other financial income	6 920	1 342	8 262
Other financial expenses	(7 954)	(889)	(8 843)
Financial result	(6 458)	453	(6 005)
Income taxes	(2 828)	0	(2 828)
Result of the period after taxes	(10 131)	(345)	(10 476)
Earnings per share (share of the Group) as of 30 June 2013 (in EUR)			
Basic	-0,35	-0,01	-0,36
Diluted	-0,35	-0,01	-0,36
Other comprehensive income as of 30 June 2013			
Result of the period after taxes (a)	(10 131)	(345)	(10 476)
Items that will be not reclassified subsequently to profit or loss (b)	(2 869)	2 769	(100)
Revaluation	(100)	0	(100)
Actuarial gain/losses on employee benefits	(2 894)	2 894	0
Deferre taxes on Actuarial gain/losses on employee benefits	125	(125)	0
Items that may be reclassified subsequently to profit or loss (c)	(1 981)	(279)	(2 260)
Hedging reserves	2 200	0	2 200
Currency translation difference	(3 481)	(279)	(3 760)
FCTR difference recycled in income statement	0	0	0
Deferred taxes on hedging interest reserves	(700)	0	(700)
Other comprehensive income net of tax (d)=(b)+(c)	(4 850)	2 490	(2 360)
Total comprehensive income for the period including FCTR recycled (a)+(d)	(14 981)	2 145	(12 836)
Total comprehensive income for the period	(14 981)	2 145	(12 836)
Attributable to owners of parent	(14 981)	2 145	(12 836)
Attributable to non-controlling interests	0	0	0
Statement of cash flow as per 30 June 2013			
EBIT	(845)	-797	(1 642)
Other non-cash items	23 115	797	23 912
Operating cash flow before working capital movements	22 270	0	22 270

II.5.3. PROVISIONS

For the half-year ending 30 June 2013:

Group Recticel in thousand EUR	EMPLOYEE BENEFITS	TAX LITIGATION	OTHER LITIGATION	DEFECTIVE PRODUCTS	ENVIRONMENTAL RISKS	REORGANISATION	PROVISIONS FOR ONEROUS CONTRACTS	OTHER RISKS	FINANCIAL RISKS ON DISPOSAL SUBSIDIARIES	TOTAL
At the end of the preceding year	53 740	0	135	1 596	6 006	1 400	580	726	878	65 061
Movements during the year										
Actuarial gains (losses) recognized in equity	2 894	0	0	0	0	0	0	0	0	2 894
Actualisation	927	0	0	0	0	21	0	0	0	948
Increases	1 553	0	0	20	0	9 089	21	32	(300)	10 415
Utilisations	(3 265)	0	(24)	0	(647)	(1 985)	(225)	(299)	0	(6 445)
Write-backs	(588)	0	(44)	(58)	0	0	(21)	(38)	(479)	(1 228)
Transfers from one heading to another	0	0	(8)	0	0	(21)	21	0	0	(8)
Exchange rate differences	(444)	0	0	(9)	0	(5)	0	(6)	0	(464)
At year-end	54 817	0	59	1 549	5 359	8 499	376	415	99	71 173
Non-current provisions (more than one year)	52 693	0	59	1 500	5 109	3 597	376	355	99	63 788
Current provisions (less than one year)	2 124	0	0	49	250	4 902	0	60	0	7 385
Total	54 817	0	59	1 549	5 359	8 499	376	415	99	71 173

For the year ending 31 December 2012: (revised for IAS 19R)

Group Recticel in thousand EUR	EMPLOYEE BENEFITS	TAX LITIGATION	OTHER LITIGATION	DEFECTIVE PRODUCTS	ENVIRONMENTAL RISKS	REORGANISATION	PROVISIONS FOR ONEROUS CONTRACTS	OTHER RISKS	FINANCIAL RISKS ON DISPOSAL SUBSIDIARIES	TOTAL
At the end of the preceding year	38 415	0	189	1 996	6 178	7 937	2 265	727	0	57 707
Movements during the year										
Changes in accounting policies	13 223	0	0	0	0	0	0	0	0	13 223
Actuarial gains (losses) recognized in equity	7 459	0	0	0	0	0	0	0	0	7 459
Actualisation	2 208	0	0	0	0	0	0	7	0	2 215
Increases	4 108	0	3	219	300	2 605	29	169	399	7 832
Utilisations	(7 549)	0	(52)	(39)	(442)	(8 699)	(1 515)	(64)	0	(18 360)
Write-backs	(4 345)	0	(5)	(602)	(30)	(505)	(151)	(44)	0	(5 682)
Transfers from one heading to another	(8)	0	0	16	0	55	(55)	(71)	479	416
Exchange rate differences	229	0	0	6	0	7	7	2	0	251
At year-end	53 740	0	135	1 596	6 006	1 400	580	726	878	65 061
Non-current provisions (more than one year)	52 211	0	127	1 544	5 756	277	580	636	878	62 009
Current provisions (less than one year)	1 529	0	8	52	250	1 123	0	90	0	3 052
Total	53 740	0	135	1 596	6 006	1 400	580	726	878	65 061

II.5.4. INTEREST-BEARING BORROWINGS

II.5.4.1. FINANCIAL LIABILITIES CARRIED AT AMORTISED COST

Group Recticel in thousand EUR	Non-current liabilities <u>used</u>		Current liabilities <u>used</u>	
	30 Jun 2013	31 Dec 2012	30 Jun 2013	31 Dec 2012
Secured				
Financial leases	20 976	20 850	2 715	3 291
Bank loans	88 653	73 546	0	0
Bank loans - factoring with recourse	0	0	0	0
Discounted bills of exchange	0	0		406
Total secured	109 629	94 396	2 715	3 697
Unsecured				
Bonds & notes	45 279	45 023	0	0
Non-current bank loans with current portion	803	1 049	588	498
Other loans	1 959	2 039	234	352
Current bank loans	0	0	15 718	23 478
Bank loans - forfeiting	0	0	2 223	1 219
Bank overdraft	0	0	11 985	17 077
Other financial debts	0	0	9 790	11 519
Total unsecured	48 041	48 111	40 538	54 143
Total liabilities carried at amortised cost	157 670	142 507	43 253	57 840

As of June 30, 2013, the gross interest bearing borrowings of the group amounted to EUR 200.9 million compared to EUR 200.3 million at the end of December 2012; or EUR +0.6 million).

The average outstanding debt was at a slightly higher level throughout the first half of 2013 compared to the same period in 2012.

As of 30 June 2013, the weighted lifetime of the debt payables after one year was at 3.84 years (as of 31 December 2012: 4.31 years).

Besides the drawn amounts under the 'club deal' facility (EUR 88.7 million), other long term loan commitments are available for EUR 72.5 million of which EUR 3.4 million are maturing within one year (subject to the comment below on the put option related to the convertible bond). On top of this, the Group also has access to EUR 76.2 million undrawn short term credit lines.

A convertible bond was issued in July 2007 for a nominal amount of 57.5 million, of which the Group bought back EUR 11.2 million in 2008, EUR 17.3 million in 2009 and EUR 1.4 million in 2011. Out of the remaining balance of EUR 27.7 million, EUR 25.3 million is recorded under financial debt and the remaining balance is entered in a specific capital account. The bond has a 10 year term with a put option for investors in July 2014. The coupon amounts to 5% and is payable annually. The bond is convertible in shares from September 3, 2007 until July 16, 2017 into ordinary shares at the then prevailing conversion price. The current (at 30 June 2013) conversion price is EUR 12.00.

Unless the loan is redeemed, converted or cancelled earlier, the bonds will be redeemed in cash on 23 July 2017 at par, together with the interest due and not yet paid.

This compares to the situation as of December 31, 2012, where the drawn amounts under the 'club deal' facility amounted to EUR 75.0 million. Besides the Group also had access to EUR 73.1 million long term loan commitments of which EUR 3.2 million are maturing within one year. The undrawn short term commitments amounted to EUR 95.4 million.

The bonds and financial leases are at fixed rates.

Other interest bearing borrowings payable after one year are mostly at floating interest rate. Their fair value therefore approximates to the nominal value. The interest cost for these Group borrowings ranges from 1.92% to 2.10% in EUR.

As of June 30, 2013, the total outstanding borrowings were directly or synthetically (through currency swaps) denominated for 67.3% in EUR, 8.4% in GBP, 7.5% in CZK, 4.8% in CHF, 5% in SEK, 1.5% in PLN, 2.8% in USD and 2.7% in various other currencies.

The majority of the Group's financial debt is centrally contracted and managed through Recticel International Services, which acts as the Group's internal bank.

The borrowings under the 'club deal' are subject to bank covenants based on an adjusted leverage ratio, an adjusted interest cover and a minimum equity requirement. At 30 June 2013, Recticel complied with all its bank covenants.

As stated in the club deal, the maximum dividend authorised for distribution amounts to the highest of (i) 50% of the consolidated net income of the Group for the previous financial year and (ii) EUR 8.0 million.

II.5.4.2. FINANCIAL DEBT OVERVIEW TABEL BY MATURITY

For the half-year ending 30 June 2013

Group Recticel in thousand EUR	Maturing within one year	Maturing between 1 and 5 years	Maturing after 5 years	TOTAL LONG- TERM	Future financial charges	Present value of the minimum payments
Bonds and notes ¹	2 203	51 154	0	53 357	(8 078)	45 279
Financial leases	4 299	17 492	10 060	31 851	(8 160)	23 691
Bank loans	2 614	93 874	0	96 488	(6 444)	90 044
Other loans	234	920	1 600	2 754	(562)	2 192
Total interest-bearing borrowings - long term	9 350	163 440	11 660	184 450	(23 244)	161 206
Bank loans	15 718					
Bank loans - forfeiting	2 223					
Bank loans - factoring with recourse	0					
Discounted bills of exchange	0					
Bank overdraft	11 985					
Other financial debt	134					
Current accounts & cash pooling	125					
Accrued liabilities - financial short term	258					
Deferred income - financial short term	4					
Total interest-bearing borrowings - short term (a)	30 447					
Interest rate swaps	0	6 711	0	6 711	0	6 711
Interest from FX swaps	39					
Trading/economic hedge	370					
Derivative instruments at fair value (b)	409	6 711	0	6 711	0	6 711
Grand total financial debt due within one year	40 206					
Non-current financial liabilities	I.4.		157 670			
Current portion of non-current financial liabilities			3 536			
Total			161 206			
Total financial liabilities - short term (a)			30 447			
Derivative instruments at fair value (b)			7 120			
Current portion of non-current financial liabilities			3 536			
Interest accruals on non-current financial liabilities			2 149			
Total current financial liabilities	I.4.		43 252			

¹ At 30 June 2013, this liability amounted on the balance sheet to EUR 25.3 million (convertible bond) and EUR 20,0 million (private placement) . The net present value as of the convertible bond at 30 June 2013 is EUR 30.3 million, and of the private placement EUR 22,7 million. The present value is obtained by discounting the related cash flows of the bond/notes at the relevant market interest rates.

For the year ending 31 December 2012

Group Recticel in thousand EUR	Maturing within one year	Maturing between 1 and 5 years	Maturing after 5 years	TOTAL LONG- TERM	Future financial charges	Present value of the minimum payments
Bonds and notes	2 203	52 410	0	54 613	(9 590)	45 023
Financial leases	3 912	16 068	8 753	28 733	(4 593)	24 140
Bank loans	2 813	81 000	0	83 813	(8 719)	75 094
Other loans	352	1 420	1 731	3 503	(1 112)	2 391
Total interest-bearing borrowings - long term	9 280	150 898	10 484	170 662	(24 014)	146 648
Bank loans	23 478					
Bank loans - forfeiting	1 219					
Bank loans - factoring with recourse	0					
Discounted bills of exchange	406					
Bank overdraft	17 077					
Other financial debt	269					
Current accounts & cash pooling	1 368					
Accrued liabilities - financial short term	393					
Deferred income - financial short term	1					
Total interest-bearing borrowings - short term (a)	44 211					
Interest rate swaps	492	0	7 700	7 700	0	7 700
Premium for derivative instruments						
Interest from FX swaps	29					
Trading/economic hedge	260					
Currency options - seller	0					
Derivative instruments at fair value (b)	781	0	7 700	7 700	0	7 700
Grand total financial debt due within one year	54 272					
Non-current financial liabilities	I.4.		142 507			
Current portion of non-current financial liabilities			4 141			
Total			146 648			
Total financial liabilities - short term (a)			44 211			
Derivative instruments at fair value (b)			8 481			
Current portion of non-current financial liabilities			4 141			
Interest accruals on non-current financial liabilities			1 007			
Total current financial liabilities	I.4.		57 840			

II.5.4.3. FINANCIAL INSTRUMENTS AND FINANCIAL RISKS

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1 : quoted (unadjusted) prices in active markets for identical assets or liabilities

Level 2 : other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly

Level 3 : techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

During the reporting period ending 30 June 2013, there were no transfers between Level 1 and Level 2 fair value measurements, and no transfers into and out of Level 3 fair value measurements.

Financial instruments carried at fair value : situation 30 June 2013

Group Recticel in thousand EUR	QUOTED PRICES (UNADJUSTED) IN ACTIVE MARKETS	OBSERVABLE MARKET INPUTS (OTHER THAN QUOTED PRICES IN ACTIVE MARKETS)	INPUTS NOT BASED ON OBSERVABLE MARKET DATA	TOTAL
Trading/economic hedge - FX forward	0	1 171	0	1 171
Total hedging assets	0	1 171	0	1 171
Short term investments - gross	0	45	0	45
Total trading investments	0	45	0	45
				0
Interest rate swaps	0	6 711	0	6 711
Interest from foreign currency swaps	0	39	0	39
Trading/economic hedge - FX forward	0	370	0	370
Total hedging liabilities	0	7 120	0	7 120

For first half-year 2013

1. Hedging of economic risk (shown at fair value with processing in the income statement)

Group Recticel in thousand EUR	NOMINAL VALUE	MARKET VALUE AT 30 JUN 2013	RECOGNISED IN THE INCOME STATEMENT OF 2013	RECOGNISED IN THE INCOME STATEMENT OF 30 JUNE 2012
Overview of CAP contracts				
Bought "CAP" options	0	0	27	(27)
Bought forward starting "CAP" options	0	0	0	0
Total CAP contracts	0	0	27	(27)
Overview of IRS contracts				
	0	0	0	0
Total IRS contracts	0	0	0	0

2. Hedge accounting

Group Recticel in thousand EUR	NOMINAL VALUE	MARKET VALUE AT 30 JUN 2013	RECOGNISED IN EQUITY OF 2013	RECOGNISED IN THE EQUITY OF 30 JUNE 2012
Overview of IRS contracts				
Interest Rate Swaps (IRS) in EUR	57 000	(6 180)	(4 504)	(1 676)
Forward-starting IRS in EUR	10 000	56	5 876	(5 820)
Total IRS contracts	67 000	(6 124)	1 372	(7 496)

II.5.5. WORKING CAPITAL NEED

Compared to the same period last year, the net working capital need improved mainly as a result of higher trade payables combined with the utilization of extended factoring/forfeiting programs on the receivables (EUR 73.4 million versus EUR 49.4 million in 1H/2012).

At mid-year the net working capital need is traditionally influenced by the normal seasonal build-up of working capital in the Bedding and Insulation activities.

II.6. MISCELLANEOUS

II.6.1. EVENTS AFTER THE BALANCE SHEET DATE

There are no subsequent events after the balance sheet date to be reported.

II.6.2. JOINT VENTURES

The share of joint venture companies in the consolidated financial statements is as follows:

in thousand EUR	30 Jun 2013	31 Dec 2012 (restated for IAS 19)	31 Dec 2012 (as published)
ASSETS			
Intangible assets	1 629	1 884	1 884
Goodwill	9 887	9 890	9 890
Plant, property & equipment	49 057	51 724	51 724
Other financial investments	1	4	4
Available for sale investments	10	10	10
Non-current receivables	1 688	1 682	1 682
Deferred tax	400	476	198
Non-current assets	62 672	65 670	65 392
Inventories and contracts in progress	24 572	25 579	25 579
Trade receivables	40 514	38 567	38 567
Other current receivables	6 105	6 684	6 684
Income tax receivables	1 018	609	609
Cash and cash equivalents	7 422	8 476	8 476
Current assets	79 631	79 915	79 915
Total assets	142 303	145 585	145 307

in thousand EUR	30 Jun 2013	31 Dec 2012 (restated for IAS 19)	31 Dec 2012 (as published)
LIABILITIES			
Hedging and translation reserves	(10 259)	(9 359)	(9 356)
Consolidated reserves	59 631	64 699	65 967
Equity, minority interests included	49 372	55 340	56 611
Non-current pensions provisions and similar obligations	7 462	7 663	5 978
Provisions	336	358	358
Deferred tax liabilities	1 288	1 153	1 289
Interest-bearing borrowings	40 081	40 577	40 577
Non-current liabilities	49 167	49 751	48 202
Current pensions provisions and similar obligations	139	125	125
Provisions	112	268	268
Interest-bearing borrowings	12 560	14 916	14 916
Trade payables	17 266	14 627	19 943
Income tax payables	343	210	210
Other amounts payable	13 344	10 346	5 032
Current liabilities	43 764	40 492	40 494
Total liabilities	142 303	145 583	145 307

in thousand EUR	1H/2013	1H/2012 (restated)	1H/2012 (as published)
INCOME STATEMENT			
Sales	152 737	162 808	162 808
Distribution costs	(5 557)	(5 548)	(5 548)
Cost of sales	(118 541)	(125 792)	(125 792)
Gross profit	28 639	31 468	31 468
General and administrative expenses	(8 139)	(8 078)	(8 078)
Sales and marketing expenses	(4 407)	(4 412)	(4 412)
Research and development expenses	(810)	(881)	(881)
Other operating revenues and expenses	(11 575)	(12 289)	(12 330)
EBIT	3 708	5 808	5 767
Interest income	65	72	72
Interest expenses	(1 118)	(1 440)	(1 440)
Other financial income and expenses	173	(416)	(412)
Financial result	(880)	(1 784)	(1 780)
Result of the period before taxes	2 828	4 024	3 987
Income taxes	(865)	(684)	(674)
Result of the period after taxes	1 963	3 340	3 313
Actuarial gains (losses)	51	(89)	0
Deferred taxes	(46)	15	0
Foreign currency translation reserves	(1 140)	1 095	970
Comprehensive income	828	4 361	4 283

II.6.3. RELATED PARTY TRANSACTIONS

Compared to December 2012 there are no significant changes in the related party transactions.

II.6.4. EXCHANGE RATES

in EUR		Closing rate		Average rate	
		30 JUN 13	31 DEC 12	1H/2013	1H/2012
Bulgarian Lev	BGN	0,511300	0,511300	0,511300	0,511300
Canadian Dollar	CAD	0,729182	0,761209	0,749577	0,766851
Swiss Franc	CHF	0,810504	0,828363	0,813041	0,829994
Yuan Renminbi	CNY	0,124564	0,121644	0,123024	0,122099
Czech Crown	CZK	0,038537	0,039760	0,038911	0,039723
EURO	EUR	1,000000	1,000000	1,000000	1,000000
Pound Sterling	GBP	1,166589	1,225340	1,175321	1,215776
Forint	HUF	0,003392	0,003421	0,003378	0,003385
Indian Rupee	INR	0,012867	0,013782	0,013836	0,014794
Yen	JPY	0,007729	0,008802	0,007971	0,009680
Lithuanian Litas	LTL	0,289620	0,289620	0,289620	0,289620
Moroccan Dirham	MAD	0,089782	0,089574	0,089729	0,089768
Moldova Lei	MDL	0,060670	0,062546	0,061782	0,064528
Norwegian Krone	NOK	0,126831	0,136086	0,132963	0,132050
Zloty	PLN	0,230542	0,245459	0,239395	0,235521
Romanian Leu (new)	RON	0,224200	0,224997	0,227730	0,227769
Serbian Dinar	RSD	0,008800	0,008904	0,008933	0,008922
Russian Rouble	RUB	0,023340	0,024796	0,024538	0,025183
Swedish Krona	SEK	0,113930	0,116523	0,117218	0,112582
Turkish Lira (new)	TRY	0,396668	0,424610	0,420010	0,428064
Ukrainian Hryvnia	UAH	0,093830	0,094161	0,093719	0,095383
US Dollar	USD	0,764526	0,757920	0,761398	0,771326

II.6.5. CONTINGENT ASSETS AND LIABILITIES

The contingent assets and liabilities as communicated in the annual report 2012 (section III.6.11.) encountered the following developments:

I. TERTRE

1. Carbochim, which was progressively integrated into Recticel in the 1980's and early 1990's, owned the Tertre industrial site, where various carbochemical activities in particular had been carried on since 1928. These activities were gradually spun off and are now carried on by different companies, including Yara and Erachem (Eramet group). Finapal, a Recticel subsidiary, retained ownership of some plots on the site, chiefly old dumping sites and settling ponds that have been drained.

In 1986, Recticel sold its 'fertiliser' division, which included the Tertre site activities, to Kemira, since taken over by Yara. As part of the deal, Recticel contracted to put an old settling pond (the "Valcke pond") into compliance with environmental regulations. It has not yet been possible to

fulfil this obligation because of the inseparable link with the environmental situation of the whole Tertre site, and so a provision has been created to cover the containment costs. In order to protect its rights, Yara issued a writ of summons against Recticel pursuant to this obligation in July 2003. A settlement agreement was negotiated and executed by the parties in the course of 2011, putting a final end to the litigation.

Under the settlement agreement, Yara and Recticel commit to jointly work out a remediation plan covering four polluted spots on the Tertre site, among which the Valcke pond and a dumping site belonging to Finapal, and to share all the costs related thereto.

The parties submitted the plan to the Walloon Authorities for approval in July 2012; it was further revised and resubmitted in December 2012.

2. As a result of the sale of Sadacem to the French Comilog group, now part of the Eramet group, Recticel undertook to share the costs of cleaning up an old industrial waste dump on the Erachem site. The execution of this clean-up has been studied with Erachem and a provision has been created in the Recticel Group accounts. The proposed plan, covering both the Erachem waste dump and a Finapal settling pond, was submitted to the "Office Wallon des Déchets" in April 2009 and has been approved by the Administration. A request for bids was launched in the first semester 2012 and the project was awarded in the fall of 2012 to one of the bidders; the final contract was signed in the first quarter of 2013. The implementation of the plan was started earlier this year and should be completed during 2014.

II. INSPECTION BY THE DIRECTORATE GENERAL FOR COMPETITION OF THE EUROPEAN COMMISSION

On July 27 and 28, 2010, officials from the European Commission and various national antitrust authorities conducted unannounced inspections at Recticel's offices in Brussels, Wetteren, and Alfretton, as well as the office of Eurofoam in Kremsmünster, Austria. The purpose of these inspections was to collect information relating to allegedly unlawful conduct believed to have taken place in the European polyurethane foam sector.

Investigations were also carried out in the United States as part of a coordinated investigation. It is to be noted that the Recticel Group has had no foaming activities in the United States since December 1991, and has not been visited or contacted by the antitrust regulators there. The Group's activities in the United States are limited to specialized foam converting (acoustical applications) and Automotive Interiors. Recticel has had no indication that these business areas are a focus of the competition investigations.

Recticel decided at the time to cooperate with the European Commission. The Commission has in the meantime authorized Recticel to communicate the fact that this cooperation is done in the framework of the Leniency Program, as set forth in the "Commission notice on immunity from fines and reduction of fines in cartel cases", published in the Official Journal C 298, 8.12.2006, p.17.

A request for information was addressed by the Commission to the Company at the end of December 2011, to which answers were given in due time. Further questions were asked in the course and after the close of the first semester of 2012, regarding Recticel's Flexible Foams business, to which answers were provided.

At this time, Recticel has not received any formal objections from the European Commission.

The Group's potential exposure is summarized as follows:

At EU level, the Commission has given Recticel no formal indications regarding its findings, it is nevertheless progressing with its investigation. At this stage, the Group is not in a position to make a reliable estimate as to its possible financial consequences.

At the national levels, as a rule, national authorities will not take up a case which is treated by the Commission. Recticel is aware that the national authorities in Spain and Portugal opened investigations into the polyurethane foam sector in February 2011. Recticel has received a request for information from the Spanish authority, but Recticel premises in Spain were not visited by the authority. On March, 6th, 2013, the CNC, the Spanish National Competition Commission, announced that it has imposed fines on ten companies in the Spanish market, including Recticel Iberica SL, and the national sector association, for forming a cartel on the market for the manufacture of flexible polyurethane foam for the comfort industry. Recticel Iberica SL has been exempted from payment under the CNC's leniency program.

III. INSPECTION BY THE FEDERAL CARTEL OFFICE (Germany)

On August 4th 2011, the German Federal Cartel Office started an investigation covering the sector of mattress and slat base manufacturers in Germany. Recticel's German bedding affiliate, Recticel Schlafkomfort GmbH, in Bochum was included in the investigation.

The representatives of the Federal Cartel Office requested certain information, which was provided to them. Recticel Schlafkomfort GmbH is cooperating with the Federal Cartel Office investigation.

To this date, Recticel Schlafkomfort GmbH has not received any further request for information, nor any formal objections from the Federal Cartel Office.

At this stage, the Group is not in a position to predict what the position of the Federal Cartel Office in relation with the case will be, and hence currently is unable to assess its possible financial consequences.

III. DECLARATION BY THE RESPONSIBLE PERSONS

Mr Etienne Davignon (Chairman of the Board of Directors), Mr Olivier Chapelle (Chief Executive Officer) and Mr Jean-Pierre Mellen (Chief Financial Officer), certify in the name and on behalf of Recticel, that to the best of their knowledge:

- the summary financial information, prepared in conformity with applicable accounting standards, reflects the faithful image of the financial situation and results of the Recticel Group
- the intermediate report contains a faithful presentation of significant events occurring over the first six months of 2013, and their impact on the summary financial information

* * *

IV. STATUTORY AUDITOR'S REPORT ON THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDING 30 JUNE 2013

RECTICEL NV

Limited review report on the consolidated interim financial information for the six-month period ended 30 June 2013

To the board of directors

We have performed a limited review of the accompanying consolidated condensed balance sheet, condensed income statement, condensed statement of comprehensive income, condensed statement of cash flow, condensed statement of changes in equity and selective notes II.1 to II.6 (jointly the "interim financial information") of Recticel NV ("the company") and its subsidiaries (jointly "the group") for the six-month period ended 30 June 2013. The board of directors of the company is responsible for the preparation and fair presentation of this interim financial information. Our responsibility is to express a conclusion on this interim financial information based on our review.

The interim financial information has been prepared in accordance with international financial reporting standard IAS 34 – *Interim Financial Reporting* as adopted by the European Union.

Our limited review of the interim financial information was conducted in accordance with international standard ISRE 2410 – *Review of interim financial information performed by the independent auditor of the entity*. A limited review consists of making inquiries of group management and applying analytical and other review procedures to the interim financial information and underlying financial data. A limited review is substantially less in scope than an audit performed in accordance with the International Standards on Auditing (ISA). Accordingly, we do not express an audit opinion on the interim financial information.

Based on our limited review, nothing has come to our attention that causes us to believe that the interim financial information for the six-month period ended 30 June 2013 is not prepared, in all material respects, in accordance with IAS 34 – *Interim Financial Reporting* as adopted by the European Union.

Without prejudice to the conclusion issued above, we draw attention to the note II.6.5 of the interim financial information, where is stated that the group is subject to an inspection by the directorate for competition of the European Commission and indicated that the group is cooperating in the frame of the Leniency Program as set forth in the "Commission notice on immunity for fines and reduction of fines in cartel cases". Furthermore the group is subject to an investigation by the German Federal Cartel Office in the framework of an investigation covering the sector of mattress manufacturers and dealers in Germany. At this stage the group is not in a position to predict what the position of the Commission or the German Federal Cartel Office in relation with the cases will be and hence, the group is unable to assess its possible financial consequences. No provision has been recognized in the consolidated financial statements.

Diegem, 29 August 2013

The statutory auditor

DELOITTE Bedrijfsrevisoren / Reviseurs d'Entreprises
BV o.v.v.e. CVBA / SC s.f.d. SCRL
Represented by William Blomme

V. LEXICON

Appropriated capital, Average	Half yearly: average appropriated capital at the beginning and at the end of the period. Average = [Appropriated capital at the end of last year + Appropriated capital at the end of the last period] / 2. For the full year: average of the half yearly averages.
Associated companies	Entities in which Recticel has a significant influence and that are processed using the equity-method.
CGU	Is short for Cash Generating Unit or cash flow generating unit.
Earnings per share, base	Net result for the period (Group share) / Average outstanding shares over the period.
Earnings per share, diluted	Net result for the period (Group share) / [Average number of outstanding shares over the period – own shares + (number of possible new shares that have to be issued within the framework of the existing outstanding stock option plans x dilution effect of the stock option plans)].
EBIT	Operating results + profit or loss from equities.
EBITDA	EBIT + depreciation and additional impairments/increases on assets.
Equity capital	Total equity, including minority interests.
Gearing ratio	Net financial debt / Total equity (including shares of external parties).
Investments	Capitalized investments in tangible and intangible assets.
Joint ventures	Entities that are controlled jointly and that are consolidated proportionately.
Market capitalization	Closing price x total number of outstanding shares.
Net financial debt	Interest bearing financial debts at more than one year + interest bearing financial debts within maximum one year – cash and cash equivalents - Available for sale investments + Net marked-to-market value position of hedging derivative instruments.
Non-recurring elements	Non-recurring elements include operating revenues, expenses and provisions that pertain to restructuring programmes, impairments on assets, gain or loss on divestments and on liquidations of affiliated companies, as well as other events or transactions that clearly deviate from the normal activities of the Group.
Recurring EBIT(DA) or REBIT(DA)	EBIT(DA) for non-recurring elements.
Return on Capital Employed	EBIT / average appropriated capital.
Return on Equity (ROE)	Net result for the period (share of the Group) / Average total equity over the period (the Group's share).
ROCE	Represents Return on Capital Employed.
Subsidiaries	Fully consolidated entities under Recticel control.
Working capital	Inventories + trade receivables + other receivables + recoverable taxes - trade payables - payable taxes - other commitments.