

# RECTICEL

## Annual Results 2017

Financial Analysts Meeting  
Brussels, February 26th, 2018

Olivier Chapelle – Chief Executive Officer

Jean-Pierre Mellen – Chief Financial Officer

Michel De Smedt – Investor Relations Officer

# Agenda

- 1 Key highlights 2017
- 2 2017 Results
- 3 Financial position
- 4 Dividend proposal and Outlook 2018
- 5 Comments on results per business line
- 6 Annexes

# Key highlights 2017 – Recticel delivers further sales and profit growth

1

**Sales +8.4% | REBITDA +8.0% | REBIT +14.2% | Net Result +46.4%**

2

**New converting units in Flexible Foams to start up in China and Morocco during Q2 2018  
New greenfield Insulation plant in Finland to start up during Q4 2018**

3

**Serious fire in Most plant in Czech Republic (Automotive) on 22 January 2017  
BASF TDI pollution issue on 5 October 2017**

4

**Unprecedented raw material price hikes (+27.6%), combined with isocyanate shortage  
Adverse overall currency environment: weak £ (-7.0%) and strong €**

5

**Resilient profitability : some volume growth, reactive price increases and structural SG&A costs savings**

6

**Net debt (on & off B/S) of €177.6m, an historical low  
Gearing @ 46.9% and Leverage @ 1.29**

7

**Syndicated loan: agreement reached with banks in January 2018 to release all securities & pledges**

8

**Recticel will distribute a €0.22 gross dividend per share (+22% vs 2016)**

## Status fire incident on 22/01/2017 in Most (CZ) – Automotive Interiors

On 22 January 2017, a serious fire incident occurred in one of the production halls of the Automotive Interiors site in Most (Czech Republic). As a result of this, RAI Most s.r.o., a 100% subsidiary of Recticel, had to declare force majeure to its customers.

Recticel and its customers, supported by the affected OEMs PSA Peugeot Citroën, Renault, Daimler, BMW and Volkswagen, have actively cooperated since then to fully restore contractual deliveries, which happened as of September 2017.

RAI Most s.r.o. is insured according to industry standards. At the end of 2017, the net non-recurring financial impact was assessed at EUR -7.8 million, being the result of: additional expenses, inefficiencies and losses on assets induced by the fire, impairments, reinsurance costs and insurance payments. Additional non-recurring costs as well as insurance indemnity payments are still expected in 2018.

The plant in Most produces - on the basis of the patented Colo-Fast® and Colo-Sense® Lite spray technologies - elastomer interior trim parts for cars, such as skins for dashboard and door panels, which are sold to various Tier-1 automotive suppliers. In 2017, RAI Most s.r.o. realised sales of CZK 865 million (EUR 32.8 million) and employed 519 people.

# Insulation division plans expansion investment in Finland

As announced in the press release of 21 June 2017, Recticel will establish a new manufacturing unit in Finland. The project is on schedule to start production in the course of 4Q2018, and is expected to generate growth in Scandinavia, the Baltics and Russia as from 2019.

# Status TDI quality supply issues at BASF

On 10 October 2017, Recticel announced that on 5 October 2017 it received a notification from BASF stating that between 25 August 2017 and 29 September 2017, polluted toluene diisocyanate (“TDI”) – more particularly Lupranate T80 A - has been supplied by the BASF plant in Ludwigshafen (Germany) to five Recticel sites, producing flexible polyurethane foams for the industry. BASF is one of the major suppliers of TDI and other BASF customers have been confronted with the same issue and received similar notifications.

On 19 October 2017, Recticel confirmed that all affected sites have restarted production with conform TDI. All affected foam products still in the Recticel sites were quarantined, and in close cooperation with its customers, Recticel completed the traceability exercise to identify all affected foam deliveries. BASF provided clarity with regard to the safety concern and risk associated with the non-conform BASF TDI, stating that there was no health risk, and offered - as a precautionary measure - to collect all foam products produced with non-conform BASF TDI for the bedding and upholstery industries.

Recticel continues to cooperate with BASF to resolve the remaining issues with customers and to deal with the collection of the affected foam products and does not expect this issue to have a material financial impact.

Most end-use markets have been supportive in 2017  
Raw Material prices and Currencies have generated strong headwinds !  
Oil price closed 2017 @ 64\$/bl, increasing steadily....

● **Currencies & Oil**

- The 2017 average evolution of the main currencies versus EUR:  
GBP -7.0% vs average 2016  
CNY -3.8%  
USD -2.1%  
PLN +2.4%
- Oil price levels 45.09\$/bl average 2016 vs 54.85\$/bl average 2017 → +21.6%
- Chemical raw materials average formulation cost 2017 vs 2016 → +27.6%

● **Countries/regions**

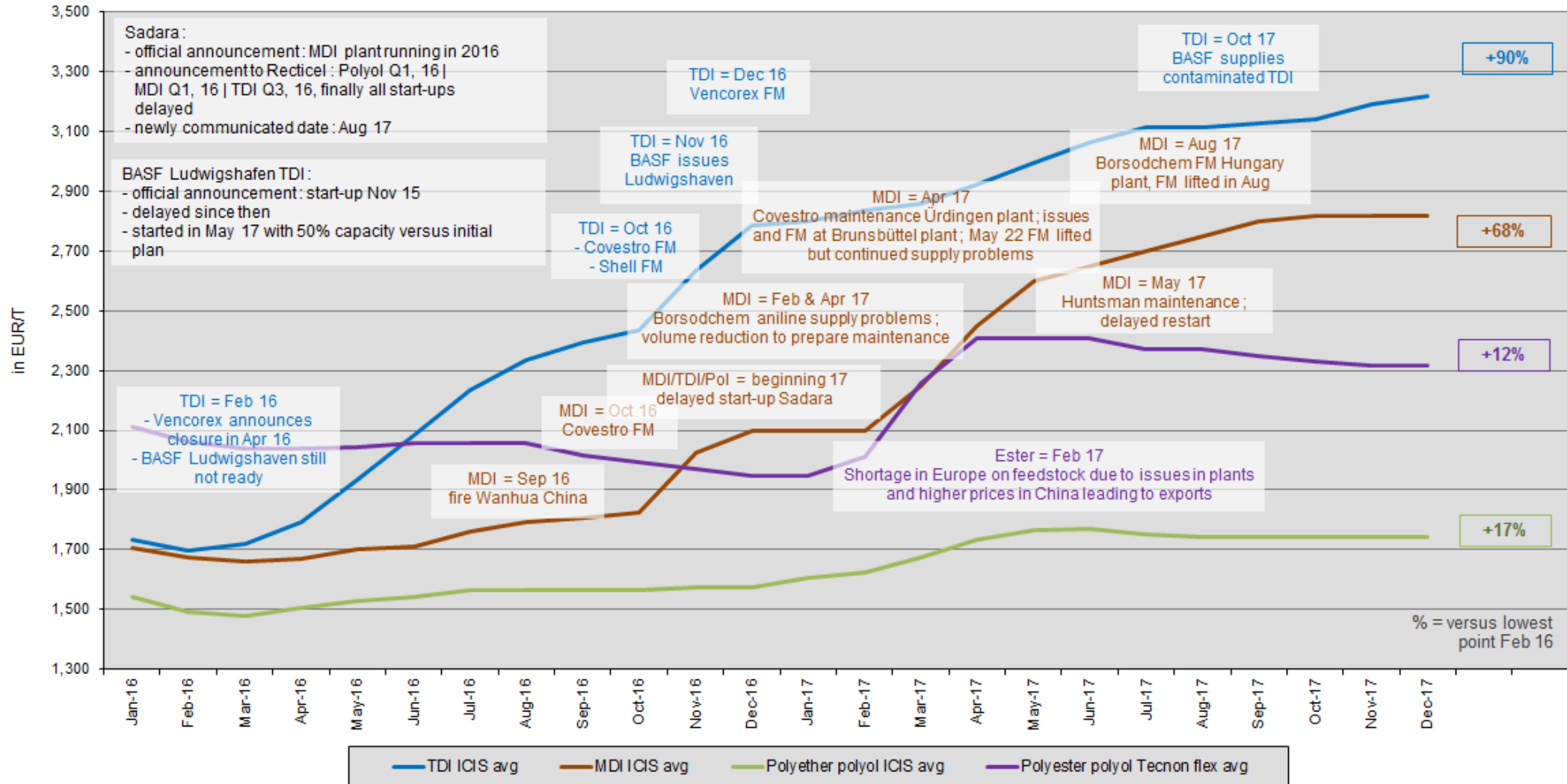
- United Kingdom → weakening: automotive market down, construction subdued, slow SMCG
- Spain → strong
- France → stronger
- Benelux, Germany & Central EU → strong
- Scandinavia → stable
- International → strong

● **Market Segments**

- Automotive → stable in USA, still growing in EU and China
- Bedding/Furniture → significant impacted by BASF TDI quality issue impacted Q4 2017
- Construction → stronger in France, weakening in UK, strong in BNL
- Industry → strong

# Polyols prices have stabilised.... Isocyanates prices still increasing..., MDI shortage is over !

Recent market price evolution TDI / Crude MDI / Polyether & Polyester flex polyol  
(price source ICIS/Tecnon)





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Sales growth of +8.4% leads to REBITDA increase +8.0% and Rebit increase +14.2%  
 Most & BASF impacts broadly compensated at EBITDA level  
 Most Impairment, lower financial charges and higher taxes lead to EAT +46.4%

| in m€                | 2016        | 2017         | Δ 17/16 |
|----------------------|-------------|--------------|---------|
| Net sales            | 1.347,9     | 1.460,8      | 8,4%    |
| <b>REBITDA</b>       | <b>97,7</b> | <b>105,5</b> | 8,0%    |
| Non-recurring result | -12,3       | -11,4        |         |
| <b>EBITDA</b>        | <b>85,4</b> | <b>94,1</b>  | 10,2%   |
| Depreciation         | -39,5       | -39,0        |         |
| Impairment           | -1,7        | -7,0         |         |
| <b>REBIT</b>         | <b>58,2</b> | <b>66,5</b>  | 14,2%   |
| <b>EBIT</b>          | <b>44,3</b> | <b>48,1</b>  | 8,6%    |
| Financial result     | -13,4       | -5,7         |         |
| <b>EBT</b>           | <b>30,9</b> | <b>42,4</b>  | 37,3%   |
| Tax current          | -7,3        | -7,4         |         |
| Tax deferred         | -7,2        | -11,0        |         |
| <b>EAT</b>           | <b>16,3</b> | <b>23,9</b>  | 46,4%   |
| EAT per share (€)    | 0,31        | 0,44         |         |

# 2017 sales increased by +8.4%, including a currency impact of -0.9%

## Positive sales evolution in 1H2017 (+5.9%) accelerated in 2H2017 (+10.9%)

- Higher annual net sales reported in all segments, except Bedding:
  - Insulation** (+16.3%) : flat volumes, higher selling prices, currency effects -2.3% (Pound Sterling)
  - Automotive** (+21.3%) : strong market dynamics and new programs started-up in Interiors, currency effects -0.2%
  - Flexible Foams** (+3.1%) : strong Technical Foams, BASF TDI pollution (4Q17), higher selling prices, currency effect -1.0%
  - Bedding** (-7.1%): further contracted in 4Q17, impacted by BASF TDI pollution, currency effect -0.2%
- 2H2017 sales up by +10.9% including -0.8% currency impact
  - Sales increase driven by increased selling prices to reflect higher raw material costs

| 2H2016       | 2H2017       | Δ 2H         | <i>in million EUR</i>       | FY2016         | FY2017         | Δ FY        |
|--------------|--------------|--------------|-----------------------------|----------------|----------------|-------------|
| 297.0        | 308.6        | 3.9%         | Flexible Foams              | 607.2          | 626.1          | 3.1%        |
| 144.9        | 133.8        | -7.7%        | Bedding                     | 292.9          | 272.1          | -7.1%       |
| 116.0        | 143.1        | 23.4%        | Insulation                  | 234.1          | 272.3          | 16.3%       |
| 142.0        | 176.9        | 24.6%        | Automotive                  | 288.9          | 350.4          | 21.3%       |
| ( 38.0)      | ( 28.4)      | -25.4%       | Eliminations                | ( 75.4)        | ( 60.1)        | -20.2%      |
| <b>661.9</b> | <b>734.0</b> | <b>10.9%</b> | <b>TOTAL COMBINED SALES</b> | <b>1 347.9</b> | <b>1 460.8</b> | <b>8.4%</b> |

| 3Q2016       | 3Q2017       | Δ 3Q         | <i>in million EUR</i>       | 4Q2016       | 4Q2017       | Δ 4Q         |
|--------------|--------------|--------------|-----------------------------|--------------|--------------|--------------|
| 141.3        | 148.6        | 5.2%         | Flexible Foams              | 155.7        | 159.9        | 2.7%         |
| 70.1         | 64.9         | -7.5%        | Bedding                     | 74.7         | 68.9         | -7.8%        |
| 59.0         | 72.4         | 22.5%        | Insulation                  | 57.0         | 70.8         | 24.2%        |
| 64.2         | 84.1         | 30.9%        | Automotive                  | 77.8         | 92.8         | 19.3%        |
| ( 16.7)      | ( 14.0)      | -16.0%       | Eliminations                | ( 21.4)      | ( 14.4)      | -32.7%       |
| <b>318.1</b> | <b>356.0</b> | <b>11.9%</b> | <b>TOTAL COMBINED SALES</b> | <b>343.8</b> | <b>378.0</b> | <b>10.0%</b> |

# REBITDA increases by 8.0% and REBITDA margin stabilizes at 7.2% in challenging environment: raw materials – currencies – Most fire – BASF TDI

- **Despite headwinds** from raw material price increases, adverse currencies, the fire incident in Most (CZ) and TDI quality issues at BASF rebitda increased by 8% recurrent profitability increased thanks to a combination of 1/ Volume growth, especially in Automotive, 2/ Increased selling prices in Insulation and Flexible Foams, 3/ Positive mix, and 4/ Structural SG&A cost savings

| in million EUR                | 1H16        | 2H16        | FY16        | 1H17        | 2H17        | FY17         | Δ 1H         | Δ 2H         | Δ FY        |
|-------------------------------|-------------|-------------|-------------|-------------|-------------|--------------|--------------|--------------|-------------|
| Flexible Foams                | 28.2        | 18.1        | 46.3        | 23.3        | 17.3        | 40.6         | -17.2%       | -4.9%        | -12.4%      |
| Bedding                       | 7.9         | 7.8         | 15.7        | 7.7         | 7.4         | 15.1         | -2.0%        | -5.4%        | -3.7%       |
| Insulation                    | 17.8        | 15.3        | 33.1        | 14.2        | 26.1        | 40.3         | -20.2%       | 71.2%        | 21.9%       |
| Automotive                    | 10.5        | 9.4         | 19.9        | 13.5        | 12.1        | 25.6         | 27.9%        | 29.1%        | 28.5%       |
| Corporate                     | ( 9.6)      | ( 7.8)      | ( 17.3)     | ( 8.6)      | ( 7.5)      | ( 16.1)      | -9.9%        | -3.1%        | -6.8%       |
| <b>TOTAL COMBINED REBITDA</b> | <b>54.8</b> | <b>42.9</b> | <b>97.7</b> | <b>50.1</b> | <b>55.4</b> | <b>105.5</b> | <b>-8.6%</b> | <b>29.2%</b> | <b>8.0%</b> |

- **Flexible Foams** improved its operational efficiency and its mix, and effectively increased selling prices (except in Eurofoam)
- **Bedding** lower sales – partially explained by BASF TDI pollution – not fully compensated by higher margin mix and significant cost reduction measures. Supply chain under control
- **Insulation** improved its operational efficiency and effectively increased selling prices. Despite slightly lower volumes due to shortages in the MDI supply in 2Q2017 and 3Q2017, profitability in Insulation further improved as the higher raw material costs were passed on to the market
- **Automotive** benefited from strong market, new programs and positive mix

# Non-recurring elements of EUR -18.4 million vs EUR -13.9 million in 2016

| in million EUR                                | 2016           | 1H2017        | 2H2017        | 2017           |
|---|----------------|---------------|---------------|----------------|
| Net impact fire incident Automotive Interiors | 0.0            | ( 4.9)        | 3.9           | ( 1.1)         |
| Restructuring charges and provisions          | ( 7.8)         | 0.4           | ( 4.1)        | ( 3.7)         |
| Other   | ( 4.4)         | ( 4.5)        | ( 2.1)        | ( 6.6)         |
| <b>Total impact on EBITDA</b>                 | <b>( 12.2)</b> | <b>( 9.1)</b> | <b>( 2.3)</b> | <b>( 11.4)</b> |
| Impairments linked to fire incident in Most   | 0.0            | 0.0           | ( 6.7)        | ( 6.7)         |
| Impairments - other                           | ( 1.7)         | 0.0           | ( 0.3)        | ( 0.3)         |
| <b>Total impact on EBIT</b>                   | <b>( 13.9)</b> | <b>( 9.1)</b> | <b>( 9.3)</b> | <b>( 18.4)</b> |

- **Impact non-recurring elements on EBITDA** : -11.4m€ (2016: -12.2m€)
- **Impact non-recurring elements on EBIT** : -18.4m€ (2016: -13.9m€)

- **Non-recurring elements** relate to:

- The fire incident in the Automotive Interiors plant in Most (Czech Republic). At EBIT level, its net financial impact on 31 December 2017 amounts to EUR -7.8 million, including reinsurance costs, insurance compensations and EUR -6.7 million impairments,.
- Additional restructuring measures for EUR -3.7 million decided and/or implemented in execution of the Group's rationalisation plan:
  - further reorganisations in Flexible Foams (Buren, NL),
  - some additional costs relating to sites closed in 2016
- Legacy environment, legal files and provisions for litigation: 'other' for EUR -6.6 million
- Other impairments amount to EUR -0.3 million, relating to idle tangible and intangible assets in Flexible Foams and Bedding

# REBIT margin increases to 4.6%

- EBITDA: from 85.4m € to 94.1m€ (+10.2%)

EBITDA margin increased from 6.3% to 6.4%

| in million EUR   | 1H16        | 2H16        | FY16        | 1H17        | 2H17        | FY17        | Δ 1H          | Δ 2H         | Δ FY         |
|--|-------------|-------------|-------------|-------------|-------------|-------------|---------------|--------------|--------------|
| Flexible Foams   | 23.6        | 15.9        | 39.6        | 18.7        | 11.9        | 30.6        | -21.0%        | -25.2%       | -22.7%       |
| Bedding  | 6.6         | 5.5         | 12.1        | 7.6         | 6.8         | 14.3        | 15.0%         | 21.8%        | 18.1%        |
| Insulation   | 17.8        | 15.1        | 32.9        | 14.2        | 25.9        | 40.1        | -20.0%        | 71.4%        | 22.0%        |
| Automotive   | 9.5         | 8.8         | 18.3        | 9.1         | 15.9        | 25.0        | -4.4%         | 81.1%        | 36.6%        |
| Corporate  | (9.7)       | (7.8)       | (17.4)      | (8.6)       | (7.3)       | (16.0)      | -10.9%        | -5.5%        | -8.5%        |
| <b>TOTAL COMBINED EBITDA</b>   | <b>47.9</b> | <b>37.6</b> | <b>85.4</b> | <b>41.0</b> | <b>53.1</b> | <b>94.1</b> | <b>-14.3%</b> | <b>41.3%</b> | <b>10.2%</b> |
| Adjustment for joint ventures by application of IFRS 11 <sup>1</sup> | (6.9)       | (5.9)       | (12.7)      | (5.6)       | (5.8)       | (11.3)      | -19.1%        | -1.7%        | -11.1%       |
| <b>TOTAL CONSOLIDATED EBITDA</b>                                     | <b>41.0</b> | <b>31.7</b> | <b>72.7</b> | <b>35.4</b> | <b>47.3</b> | <b>82.8</b> | <b>-13.5%</b> | <b>49.3%</b> | <b>13.9%</b> |

<sup>1</sup> By application of IFRS 11 the net result after depreciation, financial and tax charges are integrated in consolidated EBITDA

- REBIT : from 58.2m€ to 66.5€ (+14.2%)

REBIT margin increased from 4.3% to 4.6%

| in million EUR              | 1H16        | 2H16        | FY16        | 1H17        | 2H17        | FY17        | Δ 1H          | Δ 2H         | Δ FY         |
|-----------------------------|-------------|-------------|-------------|-------------|-------------|-------------|---------------|--------------|--------------|
| Flexible Foams              | 22.0        | 11.8        | 33.8        | 17.1        | 10.7        | 27.9        | -22.0%        | -9.1%        | -17.5%       |
| Bedding                     | 5.1         | 5.3         | 10.4        | 5.4         | 5.1         | 10.5        | 5.3%          | -3.9%        | 0.6%         |
| Insulation                  | 14.7        | 12.0        | 26.8        | 11.0        | 22.7        | 33.7        | -25.6%        | 88.7%        | 25.8%        |
| Automotive                  | 3.9         | 1.8         | 5.7         | 7.0         | 4.5         | 11.4        | 80.5%         | 147.5%       | 101.8%       |
| Corporate                   | (10.1)      | (8.3)       | (18.4)      | (9.1)       | (7.9)       | (17.0)      | -10.0%        | -5.2%        | -7.9%        |
| <b>TOTAL COMBINED REBIT</b> | <b>35.6</b> | <b>22.6</b> | <b>58.2</b> | <b>31.3</b> | <b>35.1</b> | <b>66.5</b> | <b>-11.9%</b> | <b>55.2%</b> | <b>14.2%</b> |

- EBIT: from 44.3m € to +48.1m€ (+8.6%)

EBIT margin stable at 3.3%.

| in million EUR   | 1H16        | 2H16        | FY16        | 1H17        | 2H17        | FY17        | Δ 1H          | Δ 2H         | Δ FY         |
|--|-------------|-------------|-------------|-------------|-------------|-------------|---------------|--------------|--------------|
| Flexible Foams   | 17.2        | 9.3         | 26.5        | 12.5        | 5.2         | 17.7        | -27.3%        | -43.8%       | -33.1%       |
| Bedding  | 3.1         | 2.6         | 5.8         | 5.3         | 4.3         | 9.6         | 67.3%         | 65.3%        | 66.4%        |
| Insulation   | 14.7        | 11.9        | 26.6        | 11.0        | 22.5        | 33.5        | -25.3%        | 89.2%        | 26.0%        |
| Automotive   | 2.9         | 1.2         | 4.0         | 2.6         | 1.5         | 4.1         | -8.6%         | 28.8%        | 2.2%         |
| Corporate  | (10.2)      | (8.3)       | (18.6)      | (9.1)       | (7.7)       | (16.8)      | -11.0%        | -7.4%        | -9.4%        |
| <b>TOTAL COMBINED EBIT</b>   | <b>27.6</b> | <b>16.6</b> | <b>44.3</b> | <b>22.2</b> | <b>25.9</b> | <b>48.1</b> | <b>-19.6%</b> | <b>55.3%</b> | <b>8.6%</b>  |
| Adjustment for joint ventures by application of IFRS 11 <sup>1</sup> | (3.0)       | (2.0)       | (5.1)       | (1.6)       | (1.6)       | (3.2)       | -45.6%        | -22.9%       | -36.4%       |
| <b>TOTAL CONSOLIDATED EBIT</b>                                       | <b>24.6</b> | <b>14.6</b> | <b>39.2</b> | <b>20.6</b> | <b>24.3</b> | <b>44.9</b> | <b>-16.4%</b> | <b>66.3%</b> | <b>14.4%</b> |

<sup>1</sup> By application of IFRS 11 the net result after financial and tax charges are integrated in consolidated EBIT

# Financial charges strongly reduced – Net interest charges down by 18.3%

## Stable current taxes - Higher deferred tax charges due to Belgium tax reform

### Net profit increases by 46.4%

- **Combined financial result: from - 13.4m € to -5.7m€**

- Net interest charges decreased by 1.7m€ (from -9.3m€ to -7.6m€) as a result of a lower cost of debt.
- 'Other net financial income and expenses' from -4.1m€ to +1.8m€; comprise mainly interest capitalisation costs under provisions for pension liabilities (-1.1m€ versus -1.3 m€ in 2016) and exchange rate differences (+3.5m€ versus -2.8m€ in 2016).

- **Combined income taxes and deferred taxes : from -14.6m€ to -18.4m€**

- Current income tax charges: -7.4m€ (2016: -7.3m€)
- Deferred tax charges: -11.0m€ (2016: -7.2m€) . The corporate tax reform in Belgium lead to a EUR -4.5 million additional deferred tax charge.

- **Result of the period (share of the Group): from +16.3m€ to +23.9m€ (+46.4%)**

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## Higher equity, lower net debt (on & off B/S) @ 177.6m€ and increased EBITDA lead to further improvements in Gearing and Leverage

| <b>Combined Group capital structure (m€)</b> | <b>2014</b> | <b>2015</b> | <b>2016</b> | <b>2017</b> |
|--|-------------|-------------|-------------|-------------|
| Equity                                       | 159         | 249         | 251         | 262         |
| Net Financial Debt (on + off balance sheet)  | 254         | 183         | 178         | 178         |
| Factoring + forfeiting                       | 59          | 60          | 52          | 55          |
| Net Financial Debt (on balance sheet)        | 195         | 123         | 126         | 123         |
| Gearing (on + off balance sheet)             | 160%        | 74%         | 71%         | 68%         |
| Gearing (on balance sheet)                   | 123%        | 49%         | 50%         | 47%         |
| Leverage (on + off balance sheet)            | 5.3         | 2.7         | 2.1         | 1.9         |
| Leverage (on balance sheet)                  | 4.0         | 1.8         | 1.5         | 1.3         |

# Combined Net Cash Flow

| <b>COMBINED LEGAL CASH FLOW - Recticel Group in k EUR</b> | <b>31.12.2017</b> | <b>31.12.2016</b> |
|---|-------------------|-------------------|
| <b>EARNINGS before INTEREST AND TAXES (EBIT)</b>          | <b>48,081</b>     | <b>44,291</b>     |
| Depreciations and Amortizations                           | 39,041            | 39,489            |
| Impairment losses on Assets                               | 7,009             | 1,672             |
| Write-offs on Assets                                      | 6,677             | -1,329            |
| Changes in provisions                                     | -734              | -3,561            |
| Gains / Losses on disposals of Assets                     | -757              | 265               |
| Income from Associates                                    | -1,632            | -1,447            |
| <b>GROSS OPERATING CASH FLOW</b>                          | <b>97,686</b>     | <b>79,380</b>     |
| Changes in working capital                                | -10,764           | -8,524            |
| Trade & Other Long term debts                             | -1,290            | -6,863            |
| <b>CASH GENERATED by OPERATIONS</b>                       | <b>85,631</b>     | <b>63,992</b>     |
| Income taxes paid   | -9,831            | -5,976            |
| <b>NET CASH FLOW FROM OPERATING ACTIVITIES</b>            | <b>75,801</b>     | <b>58,016</b>     |
| Interest received   | 911               | 614               |
| Dividend received   | 1,082             | 871               |
| Investments and subscription capital increase             | 0                 | -1,513            |
| Increase / Decrease of Loans and Receivables              | 633               | -1,399            |
| Investments in intangible Assets                          | -5,447            | -4,034            |
| Investments in property, plant and equipment              | -68,325           | -46,961           |
| Disposals of Intangible Assets                            | 89                | 89                |
| Disposals of Property, plant and equipment                | 12,810            | 7,575             |
| Disposals subsidiaries                                    | 0                 | 503               |
| Disposals of investments available for sale               | -16               | -16               |
| <b>NET CASH FLOW FROM INVESTMENT ACTIVITIES</b>           | <b>-58,264</b>    | <b>-44,269</b>    |
| Interest paid   | -7,752            | -8,655            |
| Dividends paid  | -9,683            | -7,492            |
| Increase/Decrease of capital                              | 3,695             | 1,210             |
| Increase / Decrease Financial debt                        | 16,495            | -20,619           |
| <b>CASH FLOW FROM FINANCING ACTIVITIES</b>                | <b>2,755</b>      | <b>-35,556</b>    |
| Effect of Exchange rate Changes                           | 1,251             | -2,067            |
| <b>CHANGES IN CASH AND CASH EQUIVALENTS</b>               | <b>21,543</b>     | <b>-23,876</b>    |
| Net cash position opening balance                         | 51,663            | 75,539            |
| Net cash position closing balance                         | 73,206            | 51,663            |
| <b>NET VARIATION CASH &amp; CASH EQUIVALENT</b>           | <b>21,543</b>     | <b>-23,876</b>    |

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## Proposal to increase the dividend by 22.2%

The Board of Directors will propose to the Annual General Meeting of 29 May 2018 the payment of a **gross dividend of EUR 0.22 per share** on 54.8 million shares or a total dividend payout of EUR 12.1 million (2016: respectively EUR 0.18/share and EUR 9.7 million in total).

## Outlook 2018

For the full-year 2018, the Group expects continued growth of its combined sales and REBITDA thanks to a combination of volume growth, improved mix and efficiency gains.

# Agenda

- 1 Key highlights 2017
- 2 2017 results
- 3 Financial position
- 4 Dividend proposal and Outlook 2018
- 5 Comments on results per business line
- 6 Annexes

# Improved product-mix but high raw material costs and TDI quality issues weigh on margins

## Key financials

| in million EUR | 1H16         | 2H16         | FY16         | 1H17         | 2H17         | FY17         | Δ 1H   | Δ 2H   | Δ FY   |
|----------------|--------------|--------------|--------------|--------------|--------------|--------------|--------|--------|--------|
| <b>Sales</b>   | <b>310.3</b> | <b>297.0</b> | <b>607.2</b> | <b>317.5</b> | <b>308.6</b> | <b>626.1</b> | 2.3%   | 3.9%   | 3.1%   |
| <b>REBITDA</b> | <b>28.2</b>  | <b>18.1</b>  | <b>46.3</b>  | <b>23.3</b>  | <b>17.3</b>  | <b>40.6</b>  | -17.2% | -4.9%  | -12.4% |
| as % of sales  | 9.1%         | 6.1%         | 7.6%         | 7.3%         | 5.6%         | 6.5%         |        |        |        |
| <b>EBITDA</b>  | <b>23.6</b>  | <b>15.9</b>  | <b>39.6</b>  | <b>18.7</b>  | <b>11.9</b>  | <b>30.6</b>  | -21.0% | -25.2% | -22.7% |
| as % of sales  | 7.6%         | 5.4%         | 6.5%         | 5.9%         | 3.9%         | 4.9%         |        |        |        |
| <b>REBIT</b>   | <b>22.0</b>  | <b>11.8</b>  | <b>33.8</b>  | <b>17.1</b>  | <b>10.7</b>  | <b>27.9</b>  | -22.0% | -9.1%  | -17.5% |
| as % of sales  | 7.1%         | 4.0%         | 5.6%         | 5.4%         | 3.5%         | 4.5%         |        |        |        |
| <b>EBIT</b>    | <b>17.2</b>  | <b>9.3</b>   | <b>26.5</b>  | <b>12.5</b>  | <b>5.2</b>   | <b>17.7</b>  | -27.3% | -43.8% | -33.1% |
| as % of sales  | 5.5%         | 3.1%         | 4.4%         | 3.9%         | 1.7%         | 2.8%         |        |        |        |

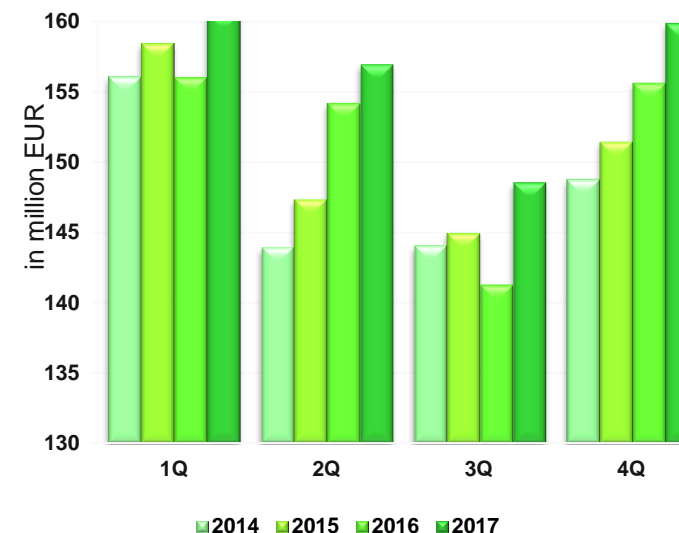
## Recent developments

- High and volatile chemical raw material prices (TDI)
- Improved product/market-mix (i.e. Technical Foams)
- Structural progress in operational efficiency
- Closure of the site in Buren (The Netherlands)

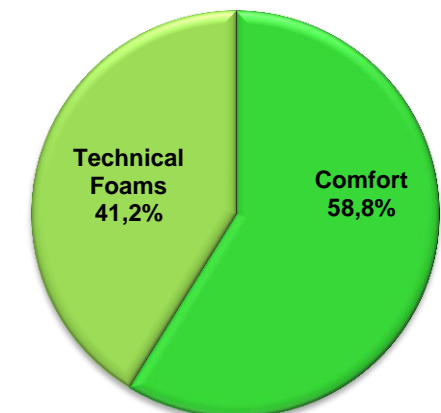
## 2017 key topics

- Sales 2017: €626.1m (+3.1%)**, with external sales increasing by +4.4%
- Comfort: flat (+0.2%), as it temporarily suffered from the TDI quality issues at BASF
- Technical Foams: +7.5% driven by solid industrial demand and dynamic automotive markets
- Profit margins decreased** as a consequence of the Eurofoam joint venture not succeeding in fully passing through the substantial raw material price increases to the market.

Combined Sales Flexible Foams (2014-2017)



Combined sales 2017



# Improved product-mix though sales suffered from difficult market conditions and the TDI quality issues at BASF

## Key financials

| in million EUR | 1H16  | 2H16  | FY16  | 1H17  | 2H17  | FY17  | Δ 1H  | Δ 2H  | Δ FY  |
|----------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| <b>Sales</b>   | 148.1 | 144.9 | 292.9 | 138.3 | 133.8 | 272.1 | -6.6% | -7.7% | -7.1% |
| <b>REBITDA</b> | 7.9   | 7.8   | 15.7  | 7.7   | 7.4   | 15.1  | -2.0% | -5.4% | -3.7% |
| as % of sales  | 5.3%  | 5.4%  | 5.4%  | 5.6%  | 5.5%  | 5.6%  |       |       |       |
| <b>EBITDA</b>  | 6.6   | 5.5   | 12.1  | 7.6   | 6.8   | 14.3  | 15.0% | 21.8% | 18.1% |
| as % of sales  | 4.5%  | 3.8%  | 4.1%  | 5.5%  | 5.0%  | 5.3%  |       |       |       |
| <b>REBIT</b>   | 5.1   | 5.3   | 10.4  | 5.4   | 5.1   | 10.5  | 5.3%  | -3.9% | 0.6%  |
| as % of sales  | 3.5%  | 3.7%  | 3.6%  | 3.9%  | 3.8%  | 3.9%  |       |       |       |
| <b>EBIT</b>    | 3.1   | 2.6   | 5.8   | 5.3   | 4.3   | 9.6   | 67.3% | 65.3% | 66.4% |
| as % of sales  | 2.1%  | 1.8%  | 2.0%  | 3.8%  | 3.2%  | 3.5%  |       |       |       |

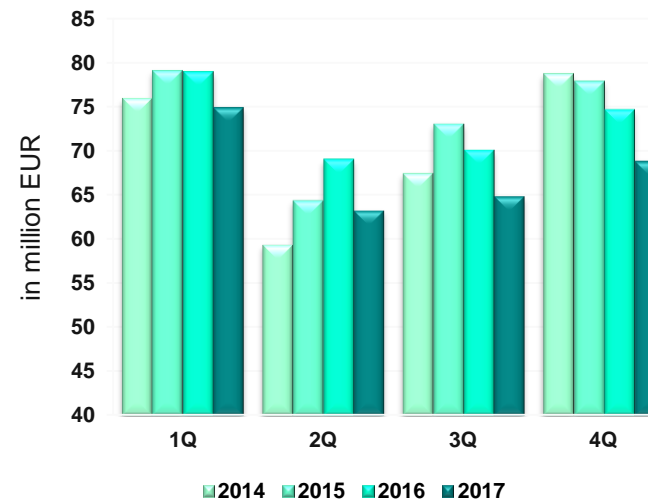
## Recent developments

- Improved product-mix with higher profit margins
- Successful commercial performance of bedsprings and innovative GELTEX® inside 2.0 products

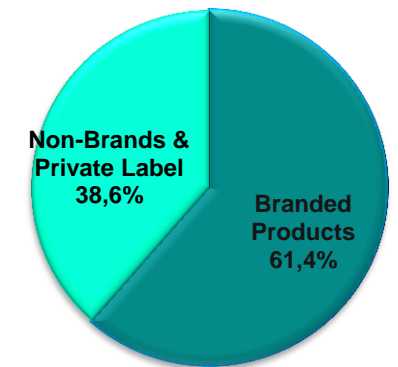
## 2017 key topics

- Sales 2017: €272.1m (-7.1%)**, with external sales decreasing by -3.7%
  - Branded Products: -1.6%
  - Non-Branded/Private Label: -7.2%
- In **4Q2017** the sector was negatively impacted by the TDI quality issues at BASF
- Rather difficult market conditions, especially in Germany
- Past supply chain issues have been solved

Combined Sales Bedding (2014-2017)



Combined sales 2017



# Strong growth of sales and good profitability, partially offset by adverse currency impact



## Key financials

| in million EUR       | 1H16  | 2H16  | FY16  | 1H17  | 2H17  | FY17  | Δ 1H   | Δ 2H  | Δ FY  |
|----------------------|-------|-------|-------|-------|-------|-------|--------|-------|-------|
| <b>Sales</b>         | 118.1 | 116.0 | 234.1 | 129.2 | 143.1 | 272.3 | 9.4%   | 23.4% | 16.3% |
| <b>REBITDA</b>       | 17.8  | 15.3  | 33.1  | 14.2  | 26.1  | 40.3  | -20.2% | 71.2% | 21.9% |
| <i>as % of sales</i> | 15.1% | 13.2% | 14.1% | 11.0% | 18.2% | 14.8% |        |       |       |
| <b>EBITDA</b>        | 17.8  | 15.1  | 32.9  | 14.2  | 25.9  | 40.1  | -20.0% | 71.4% | 22.0% |
| <i>as % of sales</i> | 15.0% | 13.0% | 14.0% | 11.0% | 18.1% | 14.7% |        |       |       |
| <b>REBIT</b>         | 14.7  | 12.0  | 26.8  | 11.0  | 22.7  | 33.7  | -25.6% | 88.7% | 25.8% |
| <i>as % of sales</i> | 12.5% | 10.4% | 11.4% | 8.5%  | 15.9% | 12.4% |        |       |       |
| <b>EBIT</b>          | 14.7  | 11.9  | 26.6  | 11.0  | 22.5  | 33.5  | -25.3% | 89.2% | 26.0% |
| <i>as % of sales</i> | 12.4% | 10.3% | 11.4% | 8.5%  | 15.7% | 12.3% |        |       |       |

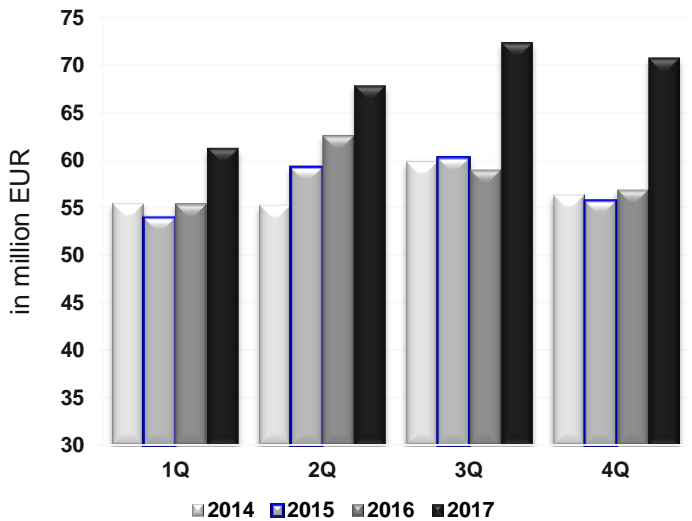
## Recent developments

- Announcement of investment in new greenfield manufacturing facility in Finland. Start of Production planned for 4Q2018.

## 2017 key topics

- Sales 2017: 272.3m€ (+16.3%)**, including exchange rate differences of -2.3% (i.e. GBP)
- Volumes were broadly flat, not due to weaker demand, but as a consequence of the supply shortage of MDI in 2Q and 3Q2017.
- The lower volumes and the negative impact of the GBP have been offset by a better product-mix in combination with significantly higher selling prices which had to be implemented following the substantial rise in MDI prices

Combined sales Insulation (2014-2017)





# Growth driven by start-up of new Interiors programs and overall strong global automotive markets

## Key financials

| in million EUR | 1H16         | 2H16         | FY16         | 1H17         | 2H17         | FY17         | Δ 1H  | Δ 2H   | Δ FY   |
|----------------|--------------|--------------|--------------|--------------|--------------|--------------|-------|--------|--------|
| <b>Sales</b>   | <b>146.9</b> | <b>142.1</b> | <b>288.9</b> | <b>173.5</b> | <b>176.9</b> | <b>350.4</b> | 18.1% | 24.5%  | 21.3%  |
| <b>REBITDA</b> | <b>10.5</b>  | <b>9.4</b>   | <b>19.9</b>  | <b>13.5</b>  | <b>12.1</b>  | <b>25.6</b>  | 27.9% | 29.1%  | 28.5%  |
| as % of sales  | 7.2%         | 6.6%         | 6.9%         | 7.8%         | 6.9%         | 7.3%         |       |        |        |
| <b>EBITDA</b>  | <b>9.5</b>   | <b>8.8</b>   | <b>18.3</b>  | <b>9.1</b>   | <b>15.9</b>  | <b>25.0</b>  | -4.4% | 81.1%  | 36.6%  |
| as % of sales  | 6.5%         | 6.2%         | 6.3%         | 5.3%         | 9.0%         | 7.1%         |       |        |        |
| <b>REBIT</b>   | <b>3.9</b>   | <b>1.8</b>   | <b>5.7</b>   | <b>7.0</b>   | <b>4.5</b>   | <b>11.4</b>  | 80.5% | 147.5% | 101.8% |
| as % of sales  | 2.6%         | 1.3%         | 2.0%         | 4.0%         | 2.5%         | 3.3%         |       |        |        |
| <b>EBIT</b>    | <b>2.9</b>   | <b>1.2</b>   | <b>4.0</b>   | <b>2.6</b>   | <b>1.5</b>   | <b>4.1</b>   | -8.6% | 28.8%  | 2.2%   |
| as % of sales  | 2.0%         | 0.8%         | 1.4%         | 1.5%         | 0.8%         | 1.2%         |       |        |        |

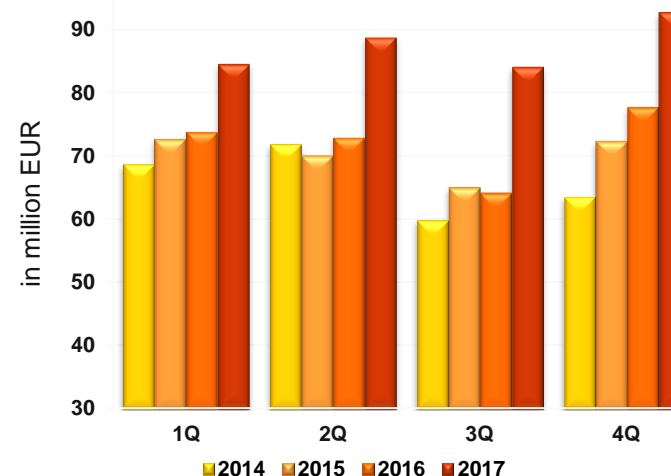
## Recent developments

- Interiors' plant in Most (CZ), is again fully operational
- High and volatile chemical raw material costs, impact primarily the Seating business

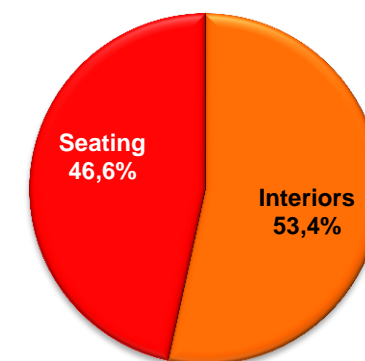
## 2016 key topics

- Sales 2017: 350.4m€ (+21.3%)**, including a currency exchange differences for -0.2%
  - Interiors:** 187.1m€ (+30.4%), growth coming from gradual start-up and ramp-up of new programs.
  - Severe fire incident in Most-plant (CZ) in January 2017
  - Seating:** 163.3m€ (+12.2%)
  - Overall supportive automotive markets

Combined sales Automotive (2014-2017)



Combined sales 2017



# Agenda

- 1 Key highlights 2017
- 2 2017 results
- 3 Financial position
- 4 Dividend proposal and Outlook 2018
- 5 Comments on results per business line
- 6 Annexes

# Consolidated key figures 2017 \*

\* All comparisons are made with the comparable period of 2016, unless mentioned otherwise.

- **Sales: from 1,048.3m€ to 1,135.4m€ (+8.3%), including currency effects (-1.4%)**
- **EBITDA: from 72.7m€ to 82.8m€ (+13.9%)**
- **EBIT: from 39.2m€ to 44.9m€ (+14.4%)**
- **Result of the period (share of the Group): from +16.3m€ to +23.9m€ (+46.4%)**
- **Net financial debt<sup>1</sup>: from 108.4m€ (31-Dec-16) to 87.1m€ (31-Dec-17)**
- **Gearing ratio (Net financial debt<sup>1</sup>/Total equity): from 43.1% (31-Dec-16) to 33.3%**
- **Leverage ratio (Net financial debt<sup>1</sup>/EBITDA): from 1.49 (31-Dec-2016) to 1.05**

<sup>1</sup> Excluding the drawn amounts under non-recourse factoring/forfeiting programs: 54.7m€ per 31 December 2017 versus 51.7m€ per 31 December 2016.

# ANNEXES – Consolidated Income Statement

| in million EUR                                     | 1H16          | 2H16          | FY2016         | 1H17          | 2H17          | FY2017         |
|--|---------------|---------------|----------------|---------------|---------------|----------------|
| <b>Sales</b>                                       | <b>534.5</b>  | <b>513.8</b>  | <b>1 048.3</b> | <b>566.0</b>  | <b>569.3</b>  | <b>1 135.4</b> |
| Distribution costs                                 | ( 29.5)       | ( 28.4)       | ( 57.9)        | ( 31.7)       | ( 30.2)       | ( 62.0)        |
| Cost of sales                                      | ( 396.2)      | ( 393.2)      | ( 789.4)       | ( 443.3)      | ( 446.5)      | ( 889.9)       |
| <b>Gross profit</b>                                | <b>108.8</b>  | <b>92.3</b>   | <b>201.1</b>   | <b>91.0</b>   | <b>92.5</b>   | <b>183.5</b>   |
| General and administrative expenses                | ( 41.9)       | ( 37.5)       | ( 79.4)        | ( 43.0)       | ( 35.5)       | ( 78.4)        |
| Sales and marketing expenses                       | ( 37.3)       | ( 34.7)       | ( 72.0)        | ( 33.9)       | ( 35.6)       | ( 69.5)        |
| Research and development expenses                  | ( 6.9)        | ( 6.0)        | ( 12.9)        | ( 7.0)        | ( 6.7)        | ( 13.7)        |
| Impairments  | ( 1.0)        | ( 0.8)        | ( 1.8)         | 0.0           | ( 7.0)        | ( 7.0)         |
| Other operating revenues (1)                       | 2.7           | 4.2           | 6.9            | 25.2          | 30.8          | 56.0           |
| Other operating expenses (2)                       | ( 10.6)       | ( 9.1)        | ( 19.6)        | ( 13.1)       | ( 15.2)       | ( 28.3)        |
| Other operating result (1)+(2)                     | ( 7.9)        | ( 4.9)        | ( 12.7)        | 12.0          | 15.6          | 27.6           |
| Income from joint ventures & associates            | 10.7          | 6.2           | 16.9           | 1.5           | 0.9           | 2.4            |
| <b>EBIT</b>  | <b>24.6</b>   | <b>14.6</b>   | <b>39.2</b>    | <b>20.6</b>   | <b>24.3</b>   | <b>44.9</b>    |
| Interest income                                    | 0.4           | 0.3           | 0.7            | 0.4           | 0.2           | 0.6            |
| Interest expenses                                  | ( 4.3)        | ( 4.5)        | ( 8.8)         | ( 4.0)        | ( 3.1)        | ( 7.1)         |
| Other financial income                             | 5.4           | 1.7           | 7.1            | 8.7           | 3.9           | 12.6           |
| Other financial expenses                           | ( 6.5)        | ( 4.2)        | ( 10.7)        | ( 7.2)        | ( 3.6)        | ( 10.9)        |
| <b>Financial result</b>                            | <b>( 5.0)</b> | <b>( 6.8)</b> | <b>( 11.7)</b> | <b>( 2.1)</b> | <b>( 2.7)</b> | <b>( 4.7)</b>  |
| <b>Result of the period before taxes</b>           | <b>19.7</b>   | <b>7.8</b>    | <b>27.5</b>    | <b>18.5</b>   | <b>21.6</b>   | <b>40.1</b>    |
| Income taxes                                       | ( 2.2)        | ( 1.3)        | ( 3.5)         | ( 2.1)        | ( 3.9)        | ( 6.0)         |
| Deferred taxes                                     | ( 2.0)        | ( 5.7)        | ( 7.6)         | ( 2.1)        | ( 8.1)        | ( 10.2)        |
| <b>Result of the period after taxes</b>            | <b>15.5</b>   | <b>0.8</b>    | <b>16.3</b>    | <b>14.3</b>   | <b>9.6</b>    | <b>23.9</b>    |
| of which attributable to the owners of the parent  | 15.5          | 0.8           | 16.3           | 14.3          | 9.6           | 23.9           |
| of which attributable to non-controlling interests | 0.0           | 0.0           | 0.0            | 0.0           | 0.0           | 0.0            |

# ANNEXES – Consolidated Comprehensive Income

| in million EUR   | 1H16           | 2H16       | FY2016        | 1H17          | 2H17          | FY2017        |
|--|----------------|------------|---------------|---------------|---------------|---------------|
| <b>Result for the period after taxes</b>                               | <b>15.5</b>    | <b>0.8</b> | <b>16.3</b>   | <b>14.3</b>   | <b>9.6</b>    | <b>23.9</b>   |
| <b>Other comprehensive income</b>                                      |                |            |               |               |               |               |
| <i>Items that will not subsequently be recycled to profit and loss</i> |                |            |               |               |               |               |
| Actuarial gains and losses on employee benefits recognized in equity   | ( 10.1)        | 2.7        | ( 7.4)        | 0.5           | ( 4.6)        | ( 4.1)        |
| Deferred taxes on actuarial gains and losses on employee benefits      | 2.2            | 0.2        | 2.4           | ( 0.3)        | ( 0.5)        | ( 0.7)        |
| Currency translation differences                                       | 0.7            | 0.2        | 0.9           | 0.1           | 0.2           | 0.3           |
| Joint ventures & Associates  | 0.0            | 0.3        | 0.3           | 0.0           | ( 0.4)        | ( 0.4)        |
| <b>Total</b>   | <b>( 7.3)</b>  | <b>3.4</b> | <b>( 3.8)</b> | <b>0.4</b>    | <b>( 5.3)</b> | <b>( 4.9)</b> |
| <i>Items that subsequently may be recycled to profit and loss</i>      |                |            |               |               |               |               |
| Hedging reserves   | 0.5            | 1.3        | 1.9           | 1.1           | 1.1           | 2.2           |
| Currency translation differences                                       | ( 4.7)         | ( 0.3)     | ( 5.0)        | 0.0           | ( 6.5)        | ( 6.5)        |
| Foreign currency translation difference recycled in income statement   | 0.0            | ( 0.3)     | ( 0.3)        | ( 2.9)        | 2.9           | 0.0           |
| Deferred taxes on interest hedging reserves                            | ( 0.3)         | ( 0.3)     | ( 0.6)        | ( 0.4)        | 0.8           | 0.4           |
| Joint ventures & Associates  | 0.0            | 0.4        | 0.4           | 0.0           | 1.1           | 1.1           |
| <b>Total</b>   | <b>( 4.5)</b>  | <b>0.7</b> | <b>( 3.8)</b> | <b>( 2.1)</b> | <b>( 0.6)</b> | <b>( 2.7)</b> |
| <b>Other comprehensive income net of tax</b>                           | <b>( 11.8)</b> | <b>4.1</b> | <b>( 7.6)</b> | <b>( 1.7)</b> | <b>( 5.9)</b> | <b>( 7.6)</b> |
| <b>Total comprehensive income for the period</b>                       | <b>3.7</b>     | <b>5.0</b> | <b>8.7</b>    | <b>12.6</b>   | <b>3.7</b>    | <b>16.3</b>   |
| <b>Total comprehensive income for the period</b>                       | <b>3.7</b>     | <b>5.0</b> | <b>8.7</b>    | <b>12.6</b>   | <b>3.7</b>    | <b>16.3</b>   |
| of which attributable to the owners of the parent                      | 3.7            | 5.0        | 8.7           | 12.6          | 3.7           | 16.3          |
| of which attributable to non-controlling interests                     | 0.0            | 0.0        | 0.0           | 0.0           | 0.0           | 0.0           |

# ANNEXES – Consolidated Balance Sheet

|  | in million EUR | 31 DEC 16    | 31 DEC 17    | Δ            |
|--|----------------|--------------|--------------|--------------|
| Intangible assets  |                | 12.1         | 12.3         | 1.8%         |
| Goodwill   |                | 25.1         | 24.2         | -3.6%        |
| Property, plant & equipment                                    |                | 216.2        | 226.8        | 4.9%         |
| Investment property  |                | 3.3          | 3.3          | 0.0%         |
| Interest in joint ventures & associates                        |                | 82.4         | 76.2         | -7.5%        |
| Other financial investments and available for sale investments |                | 0.5          | 0.7          | 38.7%        |
| Non-current receivables  |                | 13.9         | 14.8         | 6.8%         |
| Deferred tax   |                | 37.8         | 26.2         | -30.6%       |
| <b>Non-current assets</b>                                      |                | <b>391.3</b> | <b>384.6</b> | <b>-1.7%</b> |
| Inventories and contracts in progress                          |                | 91.9         | 99.4         | 8.2%         |
| Trade receivables  |                | 101.5        | 110.9        | 9.3%         |
| Other receivables  |                | 69.6         | 73.4         | 5.5%         |
| Income tax receivables   |                | 1.4          | 1.4          | -6.3%        |
| Available for sale investments                                 |                | 0.1          | 0.1          | 15.0%        |
| Cash and cash equivalents                                      |                | 37.2         | 57.8         | 55.6%        |
| Disposal group held for sale                                   |                | 0.0          | 2.6          | n.r.         |
| <b>Current assets</b>  |                | <b>301.7</b> | <b>345.6</b> | <b>14.6%</b> |
| <b>TOTAL ASSETS</b>  |                | <b>693.0</b> | <b>730.2</b> | <b>5.4%</b>  |

|                                | in million EUR | 31 DEC 16    | 31 DEC 17    | Δ           |
|--------------------------------|----------------|--------------|--------------|-------------|
| Equity (share of the Group)    |                | 251.2        | 261.8        | 4.2%        |
| Non-controlling interests      |                | 0.0          | 0.0          | -           |
| <b>Total equity</b>            |                | <b>251.2</b> | <b>261.8</b> | <b>4.2%</b> |
| Pensions and other provisions  |                | 64.2         | 68.6         | 6.8%        |
| Deferred tax                   |                | 10.1         | 9.1          | -9.9%       |
| Interest-bearing borrowings    |                | 97.0         | 96.1         | -1.0%       |
| Other amounts payable          |                | 0.2          | 0.2          | 25.7%       |
| <b>Non-current liabilities</b> |                | <b>171.5</b> | <b>174.0</b> | <b>1.4%</b> |
| Pensions and other provisions  |                | 5.9          | 5.1          | -13.7%      |
| Interest-bearing borrowings    |                | 50.1         | 49.0         | -2.3%       |
| Trade payables                 |                | 102.9        | 126.6        | 23.0%       |
| Income tax payables            |                | 2.3          | 2.4          | 5.2%        |
| Other amounts payable          |                | 108.9        | 111.3        | 2.2%        |
| <b>Current liabilities</b>     |                | <b>270.2</b> | <b>294.4</b> | <b>8.9%</b> |
| <b>TOTAL LIABILITIES</b>       |                | <b>693.0</b> | <b>730.2</b> | <b>5.4%</b> |

# ANNEXES – Consolidated Statement of Cash Flow

| in million EUR  | 2016           | 2017           |
|---|----------------|----------------|
| <b>EBIT</b>   | <b>39.2</b>    | <b>44.9</b>    |
| Depreciation, amortisation and impairment losses on assets              | 33.5           | 37.9           |
| Income from associates and joint ventures                               | ( 16.9)        | ( 2.4)         |
| Other non-cash elements   | ( 4.8)         | 5.2            |
| <b>Gross operating cash flow</b>  | <b>50.9</b>    | <b>85.6</b>    |
| Changes in working capital  | ( 5.9)         | ( 4.2)         |
| <b>Gross operating cash flow after changes in working capital</b>       | <b>45.0</b>    | <b>81.3</b>    |
| Income taxes paid   | ( 2.5)         | ( 5.7)         |
| <b>Net cash flow from operating activities (a)</b>                      | <b>42.5</b>    | <b>75.6</b>    |
| <b>Net cash flow from investment activities (b)</b>                     | <b>( 37.0)</b> | <b>( 40.8)</b> |
| Paid interest charges (1)   | ( 7.6)         | ( 7.1)         |
| Paid dividends (2)  | ( 7.5)         | ( 9.7)         |
| Increase (Decrease) of capital (3)                                      | 1.2            | 3.7            |
| Increase (Decrease) of financial liabilities (4)                        | ( 8.3)         | ( 2.3)         |
| Other (5)   | 0.0            | 0.0            |
| <b>Net cash flow from financing activities (c)= (1)+(2)+(3)+(4)+(5)</b> | <b>( 22.2)</b> | <b>( 15.4)</b> |
| Effect of exchange rate changes (d)                                     | ( 2.1)         | 1.3            |
| Effect of change in scope of consolidation (e)                          | 0.0            | 0.0            |
| <b>Changes in cash and cash equivalents (a)+(b)+(c)+(d)+(e)</b>         | <b>( 18.8)</b> | <b>20.7</b>    |
| <b>FREE CASH FLOW (a)+(b)+(1)</b>                                       | <b>( 2.1)</b>  | <b>27.7</b>    |

# ANNEXES – Statement of changes in equity

| in million EUR  | Capital      | Share premium | Treasury shares | Other reserves | Retained earnings | Translation differences reserves | Hedging reserves | Total shareholders' equity | Non-controlling interests | Total equity, non-controlling interests included |
|---|--------------|---------------|-----------------|----------------|-------------------|----------------------------------|------------------|----------------------------|---------------------------|--|
| <b>At the end of the period (31 December 2016)</b>  | <b>135.2</b> | <b>126.1</b>  | <b>( 1.5)</b>   | <b>( 17.4)</b> | <b>24.9</b>       | <b>( 11.0)</b>                   | <b>( 5.0)</b>    | <b>251.2</b>               | <b>0.0</b>                | <b>251.2</b>                                     |
| Dividends   | 0.0          | 0.0           | 0.0             | 0.0            | ( 9.7)            | 0.0                              | 0.0              | ( 9.7)                     | 0.0                       | ( 9.7)   |
| Stock options (IFRS 2)  | 0.0          | 0.0           | 0.0             | 0.3            | 0.0               | 0.0                              | 0.0              | 0.3                        | 0.0                       | 0.3  |
| Capital movements   | 1.8          | 1.9           | 0.0             | ( 0.6)         | 0.6               | 0.0                              | 0.0              | 3.7                        | 0.0                       | 3.7  |
| <b>Shareholders' movements</b>  | <b>1.8</b>   | <b>1.9</b>    | <b>0.0</b>      | <b>( 0.3)</b>  | <b>( 9.1)</b>     | <b>0.0</b>                       | <b>0.0</b>       | <b>( 5.7)</b>              | <b>0.0</b>                | <b>( 5.7)</b>                                    |
| <b>Profit or loss of the period</b>   | <b>0.0</b>   | <b>0.0</b>    | <b>0.0</b>      | <b>0.0</b>     | <b>23.9</b>       | <b>0.0</b>                       | <b>0.0</b>       | <b>23.9</b>                | <b>0.0</b>                | <b>23.9</b>                                      |
| <i>Components of other comprehensive income that will not be recycled to profit or loss, net of tax</i> |              |               |                 |                |                   |                                  |                  |                            |                           |  |
| Revaluation   | 0.0          | 0.0           | 0.0             | 0.0            | 0.0               | 0.0                              | 0.0              | 0.0                        | 0.0                       | 0.0  |
| <b>Total other comprehensive income that will not be recycled to profit or loss, net of tax (a)</b>     | <b>0.0</b>   | <b>0.0</b>    | <b>0.0</b>      | <b>( 4.9)</b>  | <b>0.0</b>        | <b>0.0</b>                       | <b>0.0</b>       | <b>( 4.9)</b>              | <b>0.0</b>                | <b>( 4.9)</b>                                    |
| <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             | 0.0            | 0.0               | 0.0                              | 2.2              | 2.2                        | 0.0                       | 2.2  |
| Deferred taxes  | 0.0          | 0.0           | 0.0             | 0.0            | 1.2               | 0.0                              | ( 0.8)           | 0.4                        | 0.0                       | 0.4  |
| Currency translation differences  | 0.0          | 0.0           | 0.0             | 0.0            | 0.0               | ( 5.4)                           | 0.0              | ( 5.3)                     | 0.0                       | ( 5.3)   |
| <b>Total other comprehensive income that will be recycled to profit or loss, net of tax (b)</b>         | <b>0.0</b>   | <b>0.0</b>    | <b>0.0</b>      | <b>0.0</b>     | <b>1.2</b>        | <b>( 5.4)</b>                    | <b>1.5</b>       | <b>( 2.7)</b>              | <b>0.0</b>                | <b>( 2.7)</b>                                    |
| <b>Comprehensive income'</b>  | <b>0.0</b>   | <b>0.0</b>    | <b>0.0</b>      | <b>( 4.9)</b>  | <b>25.1</b>       | <b>( 5.4)</b>                    | <b>1.5</b>       | <b>16.4</b>                | <b>0.0</b>                | <b>16.4</b>                                      |
| <b>At the end of the period (31 December 2017)</b>  | <b>136.9</b> | <b>128.0</b>  | <b>( 1.5)</b>   | <b>( 22.6)</b> | <b>40.9</b>       | <b>( 16.4)</b>                   | <b>( 3.5)</b>    | <b>261.8</b>               | <b>0.0</b>                | <b>261.8</b>                                     |



# ANNEXES – Data per share

| in EUR   | 2016       | 2017       | Δ     |
|--|------------|------------|-------|
| Number of shares outstanding (including treasury shares)               | 54 062 520 | 54 776 357 | 1.3%  |
| Weighted average number of shares outstanding (before dilution effect) | 53 504 432 | 54 110 396 | 1.1%  |
| Weighted average number of shares outstanding (after dilution effect)  | 59 643 102 | 57 941 701 | -2.9% |
| EBITDA   | 1.36       | 1.53       | 12.6% |
| EBIT   | 0.73       | 0.83       | 13.1% |
| Result for the period before taxes                                     | 0.51       | 0.74       | 44.3% |
| Result for the period after taxes                                      | 0.31       | 0.44       | 44.8% |
| Result for the period (share of the Group) - basic                     | 0.31       | 0.44       | 44.8% |
| Result for the period (share of the Group) - diluted                   | 0.30       | 0.43       | 43.9% |
| Net book value   | 4.65       | 4.78       | 2.9%  |

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## Financial calendar

|                                   |                              |
|-----------------------------------|------------------------------|
| Annual results 2017               | 26.02.2018 (at 07:00 AM CET) |
| First quarter 2018 trading update | 26.04.2018 (at 07:00 AM CET) |
| Annual General Meeting            | 29.05.2018 (at 10:00 AM CET) |
| First half-year 2018 results      | 29.08.2018 (at 07:00 AM CET) |
| Third quarter 2018 trading update | 31.10.2018 (at 07:00 AM CET) |

## Uncertainty risks concerning the forecasts made

This report contains forecasts which entail risks and uncertainties, including with regard to statements concerning plans, objectives, expectations and/or intentions of the Recticel Group and its subsidiaries. Readers are informed that such forecasts entail known and unknown risks and/or may be subject to considerable business, macroeconomic and competition uncertainties and unforeseen circumstances which largely lie outside the control of the Recticel Group. Should one or more of these risks, uncertainties or unforeseen or unexpected circumstances arise or if the underlying assumptions were to prove to be incorrect, the final financial results of the Group may possibly differ significantly from the assumed, expected, estimated or extrapolated results. Consequently, neither Recticel nor any other person assumes any responsibility for the accuracy of these forecasts.

For more product information or direct business contacts, please consult our web site [www.recticel.com](http://www.recticel.com), where interested parties can also find our press releases and slide presentations of our annual or half year results.

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Thank you for your attention!

Q&A