

# RECTICEL

## First Half-Year 2018 Results

Financial Analysts Meeting  
Brussels – August 29, 2018

Olivier Chapelle – Chief Executive Officer

Jean-Pierre Mellen – Chief Financial Officer

Michel De Smedt – Investor Relations Officer



# Agenda

- 1 Key highlights 1H2018
- 2 Results 1H2018
- 3 Financial position
- 4 Outlook FY2018
- 5 Comments on results per business line
- 6 Appendices

# Key highlights 1H2018 – Recticel delivers further sales and profit growth

1

**Sales +4.0% | REBITDA +12.1% | EBIT +39.4% | Net Result +30.7%**

2

**New converting units in Flexible Foams successfully started up in Wuxi (China) and Tanger (Morocco)**

3

**New greenfield Insulation plant in Finland is scheduled to start production in 4Q2018**

4

**The processes launched end of February 2018 to divest the Automotive divisions are so far on track**

5

**Additional chemical raw material price hikes in 1Q2018 lead to new record highs**

6

**Profitability has increased on reactive price increases and overall efficiency gains**

7

**Gearing (55%) and Leverage (1.3x) have improved versus 30 June 2017 (59% - 1.9x)**

# Converting technical Foams plants have started up in China and Morocco

As announced in the press release of 26 April 2018, Recticel Technical Foams teams are finalising their expansion projects in China and Morocco.



中国

Chinese operation, located in Wuxi (Shanghai area)



المغرب

Moroccan operation, located in Zone Franche of Tangers

# The Insulation division expansion plan in Scandinavia is on time

As announced in the press release of 21 June 2017, Recticel is investing EUR 26 million in a greenfield production site in Finland to meet growing demand for high-performance thermal insulation materials in the Nordic region (Finland, Norway, Sweden, Denmark and the Baltic countries).

As confirmed in the press release of 26 April 2018, the production start-up is expected for the fourth quarter of 2018



# Comfort markets still under pressure, PIR insulation market improving

## Oil price increased to \$70.9 in 1H2018, and Isocyanates prices are receding

## Currencies remain unfavourable versus 1H2017

### ○ Currencies & Oil

- The YTD average evolution of the main currencies versus EUR :
  - GBP -2.2% versus average 1H2017
  - CNY -3.5%
  - USD -11.8%
  - PLN +1.1%
- Oil price levels 70.9\$/bl 1H2018 versus 52.9\$/bl 1H2017 → +33.9%
- Chemical raw materials average formulation cost 1H2018 versus 1H2017 → +14.5%

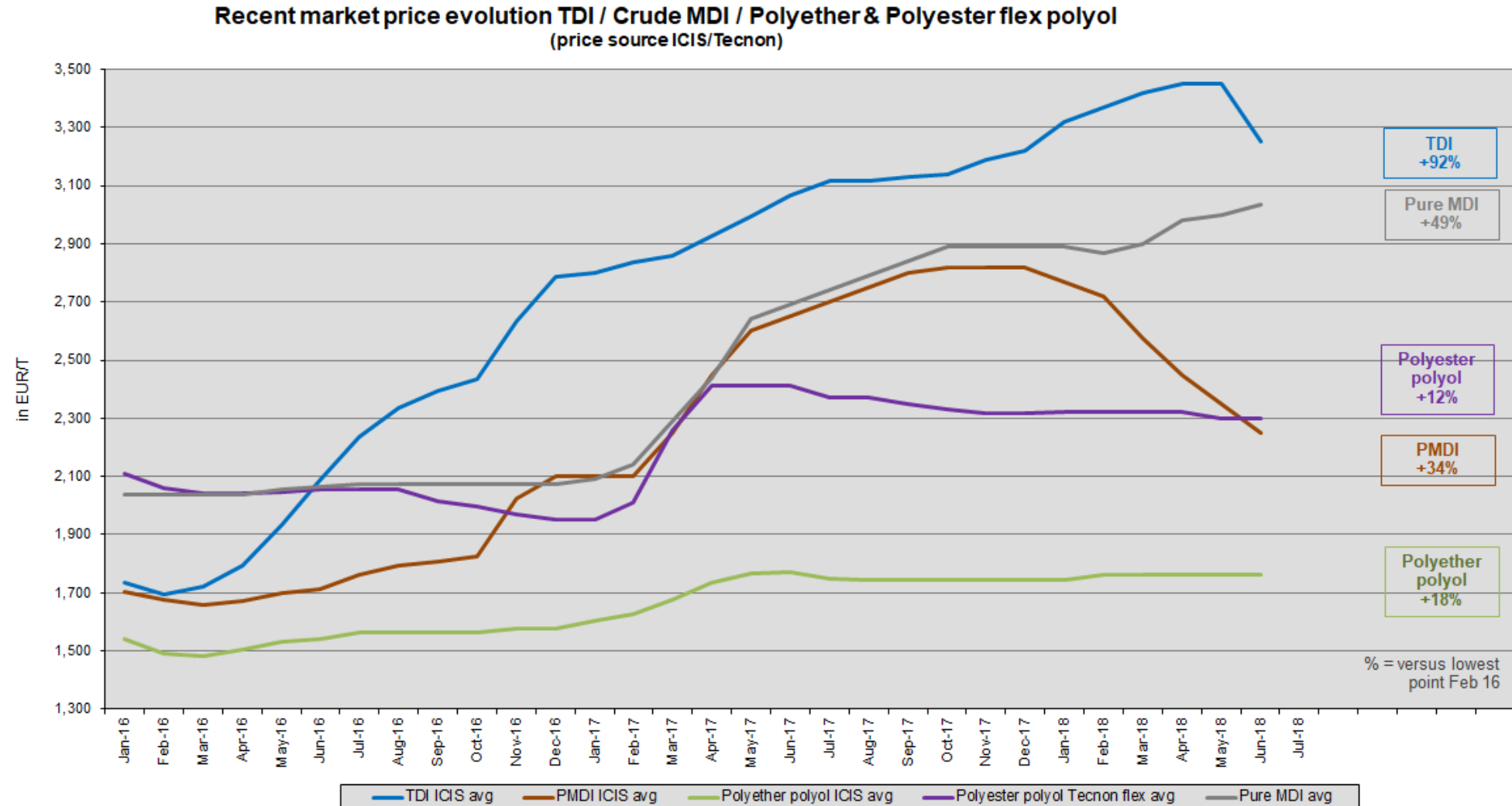
### ○ Countries/regions

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

### ○ Market Segments

- Automotive → stabilizing in USA, still growing in EU and China
- Bedding/Furniture → weak markets due to overall low traffic in the shops
- Construction → strong in most countries
- Industry → strong

MDI & TDI prices started to decrease in February & June respectively.  
Polyol prices have remained stable.



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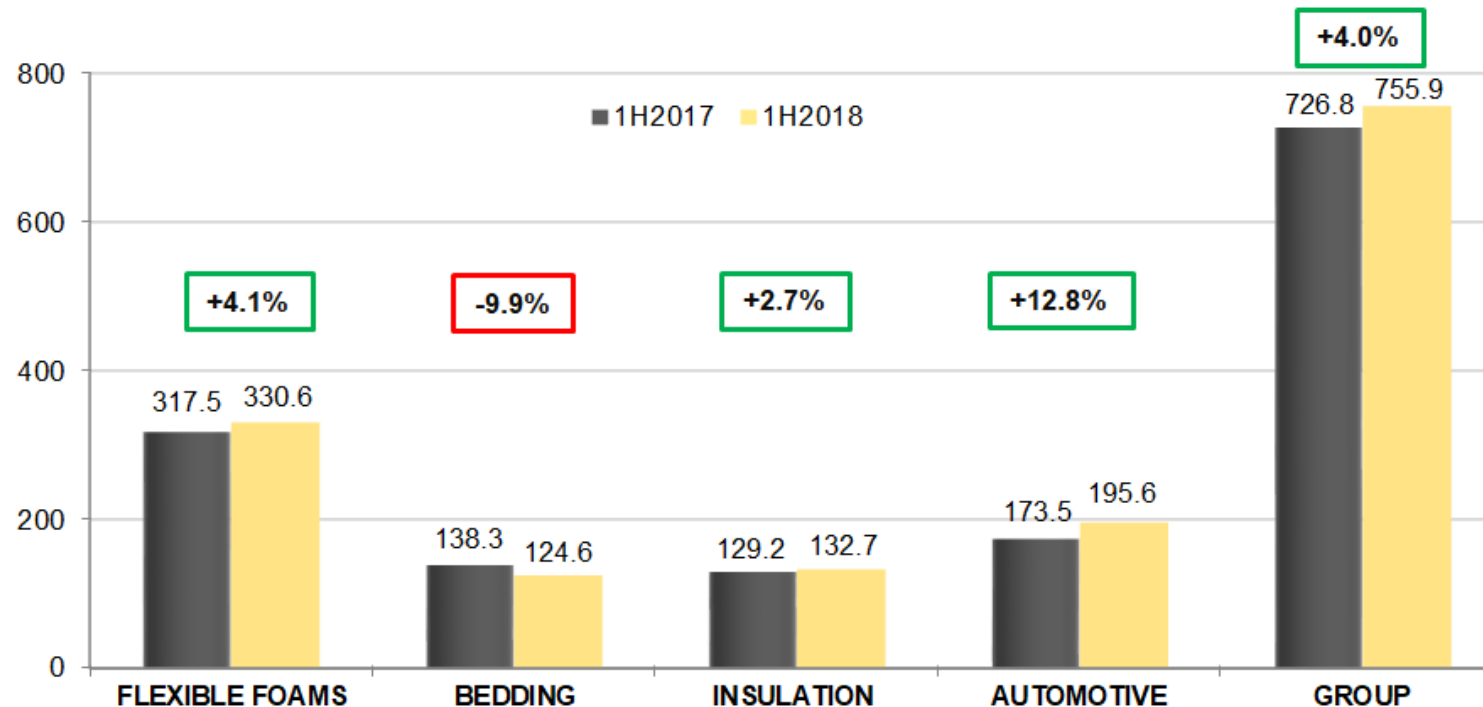
Sales growth of +4.0% leads to increase REBITDA +12.1% & EBIT +39.4%  
Overall inflation (incl. raw materials) and currency effects were overcompensated  
Lower non-recurring costs offset higher financial and tax charges

Combined figures - in m€	1H2017	1H2018	Δ 18/17
Net Sales	726.8	755.9	4.0%
<b>REBITDA</b>	<b>50.1</b>	<b>56.2</b>	12.1%
Non-recurring result	(9.1)	(4.6)	
<b>EBITDA</b>	<b>41.0</b>	<b>51.6</b>	25.7%
Depreciation	(18.8)	(20.0)	
Impairments	0.0	(0.6)	
<b>REBIT</b>	<b>31.3</b>	<b>36.2</b>	15.5%
<b>EBIT</b>	<b>22.2</b>	<b>31.0</b>	39.4%
Interest Income & Expenses	(4.1)	(2.6)	
Other Financial Income & Expenses	1.8	(2.7)	
<b>Pre Tax Result (EBT)</b>	<b>19.9</b>	<b>25.6</b>	28.6%
Current Tax	(2.8)	(3.8)	
Deferred Tax	(2.8)	(3.1)	
<b>After Tax Result (EAT)</b>	<b>14.3</b>	<b>18.7</b>	30.7%
Non-controlling interests	0.0	0.0	
<b>Net Result (Group share)</b>	<b>14.3</b>	<b>18.7</b>	30.7%
Net Result (Group share) per share (in €)	0.27	0.34	25.9%

1H2018 sales increased by +4.0%, including a currency impact of -1.2%  
Positive sales evolution in 1Q2018 (+4.6%) extended in 2Q2018 (+3.4%)

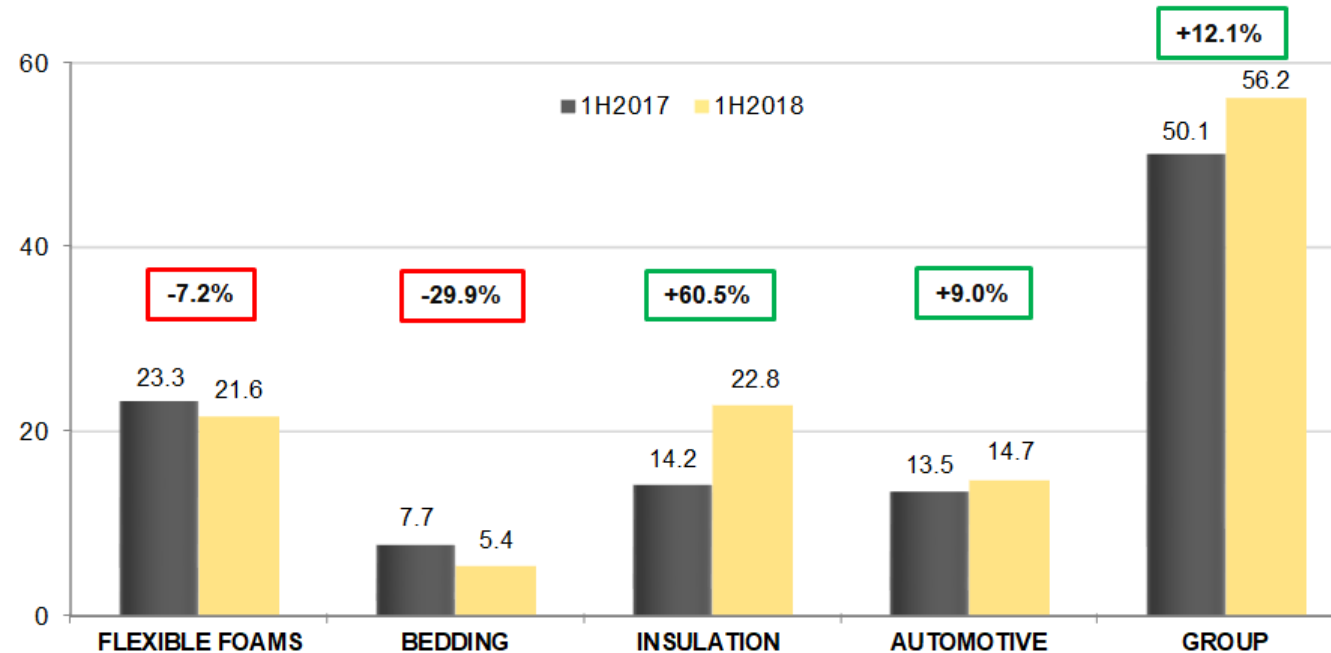
○ **Higher net sales reported in all segments, except Bedding**

- **Insulation** (+2.7%) : Sales growth driven by higher selling prices. Currency effects -0.8% (Pound Sterling)
- **Automotive** (+12.8%) : Positive market dynamics in both divisions and new programs start-ups in Interiors. Currency effects -1.2%
- **Flexible Foams** (+4.1%) : Good volumes in Technical Foams. Pricing adjustments in Comfort compensated by slightly lower volumes in overall softer markets. Currency effect -1.0%
- **Bedding** (-9.9%) : Branded Products as well as Non-Brands/Private Label suffered from low traffic in shops. Currency effect -0.9%.



# REBITDA increases by 12.1% and REBITDA margin improves from 6.9% to 7.4%.

- Despite headwinds from raw material price increases in 1Q2018, adverse currencies and soft demand in Comfort Foams and Bedding, overall REBITDA increased by 12.1% on higher efficiencies and price increases.



- Flexible Foams** continued to implement its operational efficiency and mix improvement plan. REBITDA slightly down due to raw material price increases in the first 5 months of 2018, combined with soft volumes in Comfort foam segment.
- Bedding** volumes down due to low traffic in the shops, especially in Germany, which could not be fully compensated by significant efficiency & mix improvements.
- Insulation** improved thanks to excellent operational efficiency, positive mix and pricing.
- Automotive** benefited from higher volumes, both in Interiors and Seating, induced by strong market demand and the addition of new programs in Interiors.

# Non-recurring elements of -5.2m€ versus -9.1m€ in 1H2017

in million EUR	1H2017	1H2018
Net impact fire incident Automotive Interiors	( 4,9)	( 0,8)
Restructuring charges and provisions	0,4	( 0,2)
Other	( 4,5)	( 3,7)
<b>Total impact on EBITDA</b>	<b>( 9,1)</b>	<b>( 4,6)</b>
Impairments	0,0	( 0,6)
<b>Total impact on EBIT</b>	<b>( 9,1)</b>	<b>( 5,2)</b>

- **Impact non-recurring elements on EBITDA** : -4.6m€ (1H2017: -9.1m€)
- **Impact non-recurring elements on EBIT** : -5.2m€ (1H2017: -9.1m€)
- **Non-recurring elements** relate mainly to:
  - provisions for litigations and legal fees
  - the residual impact of the fire incident in the Automotive Interiors plant in Most (Czech Republic in 1Q2017).

# EBIT margin increases from 3.1% to 4.1%

- EBITDA: from 41.0m€ to 51.6m€ (+25.7%)  
EBITDA margin increased from 5.6% to 6.8%

<i>in million EUR</i>	1H2017	1H2018	Δ
Flexible Foams	18.7	18.8	0.9%
Bedding	7.6	5.5	-27.3%
Insulation	14.2	22.8	60.6%
Automotive	9.1	13.2	45.1%
Corporate	( 8.6)	( 8.9)	3.1%
<b>TOTAL COMBINED EBITDA</b>	<b>41.0</b>	<b>51.6</b>	<b>25.7%</b>
Adjustment for joint ventures by application of IFRS 11	( 5.6)	( 6.1)	10.5%
<b>TOTAL CONSOLIDATED EBITDA</b>	<b>35.4</b>	<b>45.4</b>	<b>28.1%</b>

- EBIT: from 22.2m€ to 31.0m€ (+39.4%)  
EBIT margin increased from 3.1% to 4.1%.

<i>in million EUR</i>	1H2017	1H2018	Δ
Flexible Foams	12.5	11.6	-6.9%
Bedding	5.3	3.7	-29.3%
Insulation	11.0	19.6	79.0%
Automotive	2.6	5.2	99.4%
Corporate	( 9.1)	( 9.2)	1.2%
<b>TOTAL COMBINED EBIT</b>	<b>22.2</b>	<b>31.0</b>	<b>39.4%</b>
Adjustment for joint ventures by application of IFRS 11	( 1.6)	( 1.8)	12.2%
<b>TOTAL CONSOLIDATED EBIT</b>	<b>20.6</b>	<b>29.1</b>	<b>41.5%</b>

Lower interest charges offset by negative currency effect  
Slightly higher current & deferred tax charges due to much higher EBT (+28.6%)  
Net profit increases by 30.7%

- **Combined financial result: from -2.3m€ to -5.3m€**
  - Net interest charges decreased by 1.5m€ (from -4.1m€ to -2.6m€) as a result of a lower average debt combined to a reduced cost of debt (new commercial paper program and reimbursement of the 5% convertible bonds in July 2017).
  - 'Other net financial income and expenses' from +1.8m€ to -2.7m€; comprise mainly interest capitalisation costs under provisions for pension liabilities (-0.5m€ versus -0.6m€) and exchange rate differences (-2.2m€ versus +2.4m€).
- **Combined income taxes and deferred taxes : from -5.6m€ to -6.9m€**
  - Current income tax charges: -3.8m€ (1H2017: -2.8m€)
  - Deferred tax charges: -3.1m€ (1H2017: -2.8m€).
- **Result of the period (share of the Group): from +14.3m€ to +18.7m€ (+30.7%)**

# Recticel share price evolution since beginning 2015 (capital increase 22/04/2015)



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Gearing & leverage substantially improve versus 1H2017 on lower debt & higher EBITDA. Equity slightly down due to IFRS 15.

Combined Group capital structure (m€)	2015	2016	2017	1H2017	1H2018
Equity	249	251	262	257	255
Net Financial Debt (on + off balance sheet)	183	178	178	222	201
Factoring + forfeiting	60	52	55	71	62
Net Financial Debt (on balance sheet)	123	126	123	151	139
Gearing (on + off balance sheet)	74%	71%	68%	86%	79%
Gearing (on balance sheet)	49%	50%	47%	59%	55%
Leverage (on + off balance sheet)	2.7	2.1	1.9	2.8	1.9
Leverage (on balance sheet)	1.8	1.5	1.3	1.9	1.3

COMBINED LEGAL CASH FLOW Group Recticel in k€	30.06.2017 Combined	30.06.2018 Combined
<b>EBIT</b>	<b>22,228</b>	<b>30,982</b>
Depreciations and Amortizations	18,767	19,998
Impairment losses on Assets	0	570
Write-offs on Assets	1,457	-302
Changes in provisions	-2,760	-6,508 (1)
Gains / Losses on disposals of Assets	3,231	-43
Income from Associates	-988	-667
<b>GROSS OPERATING CASH FLOW</b>	<b>41,935</b>	<b>44,031</b>
Changes in working capital	-29,840	-13,946 (2)
Trade & Other Long term debts	-12	-534
<b>CASH GENERATED by OPERATIONS</b>	<b>12,083</b>	<b>29,552</b>
Income taxes paid	-4,090	-4,743
<b>NET CASH FLOW FROM OPERATING ACTIVITIES (a)</b>	<b>7,993</b>	<b>24,809</b>
Interest received	85	47
Dividend received	249	397
Investments and subscription capital increase	0	-125
(Increase) Decrease of Loans and Receivables	34	-735
Investments in intangible Assets	-1,817	-2,446 (3)
Investments in property, plant and equipment	-22,670	-24,496 (3)
Disposals of Intangible Assets	0	91
Disposals of Property, plant and equipment	62	150
<b>NET CASH FLOW FROM INVESTMENT ACTIVITIES (b)</b>	<b>-24,058</b>	<b>-27,117</b>
Interest paid (1)	-3,851	-3,830
Dividends paid (2)	-9,684	-12,029
Increase (Decrease) of capital (3)	2,814	1,568
Increase (Decrease) of Financial debt (4)	33,490	4,129
<b>CASH FLOW FROM FINANCING ACTIVITIES (c) = (1)+(2)+(3)+(4)</b>	<b>22,769</b>	<b>-10,162</b>
Effect of Exchange rate Changes (d)	960	-303
<b>CHANGES IN CASH AND CASH EQUIVALENTS (a)+(b)+(c)+(d)</b>	<b>7,664</b>	<b>-12,775</b>
Net cash position opening balance	51,663	73,206
Net cash position closing balance	59,327	60,430
<b>NET VARIATION CASH &amp; CASH EQUIVALENT</b>	<b>7,664</b>	<b>-12,776</b>
<b>NET FREE CASH FLOW (a)+(b)+(1)</b>	<b>-19,915</b>	<b>-6,138</b>

## Combined Net Cash Flow

<b>(1) Changes in provisions</b>	<b>-6.5</b>
<b>Net additions</b>	2.5
> Pension provisions	2.5
<b>Net utilisations</b>	-9.0
> Pension provisions	-4.7
> Restructuring	-0.4
> Environmental	-0.2
> Other	-3.7
<b>(2) Changes in Working Capital</b>	<b>-13.9</b>
> Inventories	-0.4
> Trade receivables	-21.1
> Other receivables	8.7
> Trade payables	-13.5
> Other payables	12.4
<b>(3) Capex paid</b>	<b>-26.9</b>
> Flexible foams	-7.3
> Insulation	-8.6
> Bedding	-1.4
> Seating	-1.4
> Interiors	-7.2
> Other (SID, ICT, Corporate)	-1.0

For the investment and disposal activities, only the cash payment and cash receipts have been reported as stipulated under IAS7.

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# The outlook for full-year 2018 is confirmed.

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.

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Price increases, operational efficiency and reduced non-recurring costs lead to stable EBITDA, offsetting inflation and softer volumes

### Key financials

in million EUR	1H2017	1H2018	Δ
<b>Sales</b>	<b>317,5</b>	<b>330,6</b>	<b>4,1%</b>
<b>REBITDA</b>	<b>23,3</b>	<b>21,6</b>	<b>-7,2%</b>
as % of sales	7,3%	6,5%	
<b>EBITDA</b>	<b>18,7</b>	<b>18,8</b>	<b>0,9%</b>
as % of sales	5,9%	5,7%	
<b>REBIT</b>	<b>17,1</b>	<b>15,4</b>	<b>-9,9%</b>
as % of sales	5,4%	4,7%	
<b>EBIT</b>	<b>12,5</b>	<b>11,6</b>	<b>-6,9%</b>
as % of sales	3,9%	3,5%	

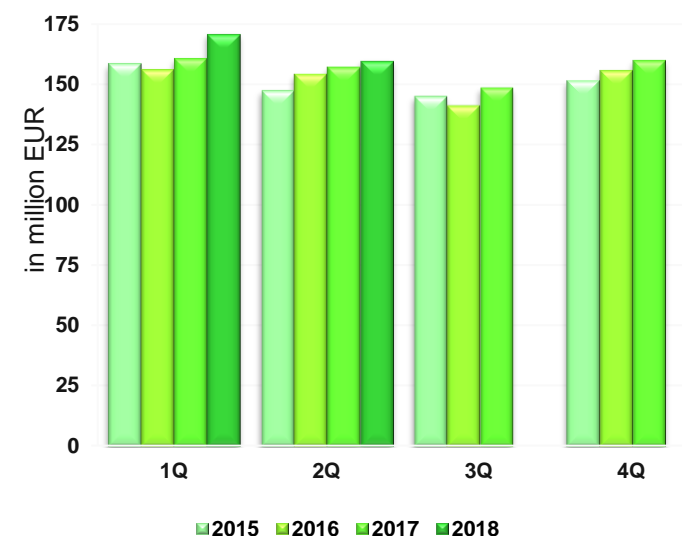
### 1H2018 key topics

- **Sales 1H2018: 330.6m€ (+4.1%)**, with external sales increasing by +3.5%. Exchange rate differences: -1.3%
  - Comfort: +2.5% due to pricing adjustments for higher raw material costs. Lower volumes due to softer markets.
  - Technical Foams: +6.3% driven by good industrial demand and dynamic automotive markets
- **Profit margins slightly decreased** as a result of the very limited time lag required to pass through the substantial 1Q2018 raw material price increases in the selling prices.
- Non-recurring elements: -3.8m€ (1H2017: -4.6m€)

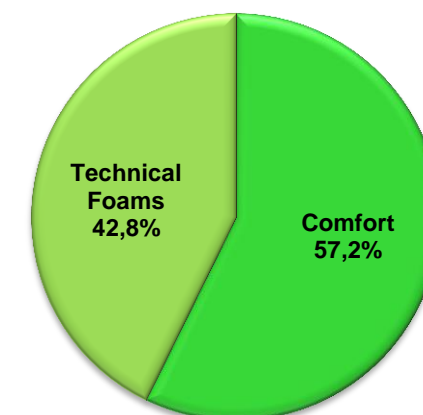
### Recent developments

- High and volatile chemical raw material prices (TDI)
- Improved product/market-mix (i.e. Technical Foams)
- Structural progress in operational efficiency
- Expansion with start-up of new converting sites in Wuxi (China) and Tanger (Morocco)
- Production in Buren (The Netherlands) will be closed by year-end.

Combined Sales Flexible Foams (2015-2018)



Combined sales 1H2018



Mix, efficiency and fixed costs improvements could not offset the lower volumes linked to a very soft 2nd Quarter.

### Key financials

in million EUR	1H2017	1H2018	Δ
<b>Sales</b>	<b>138,3</b>	<b>124,6</b>	<b>-9,9%</b>
<b>REBITDA</b>	<b>7,7</b>	<b>5,4</b>	<b>-29,9%</b>
as % of sales	5,6%	4,3%	
<b>EBITDA</b>	<b>7,6</b>	<b>5,5</b>	<b>-27,3%</b>
as % of sales	5,5%	4,4%	
<b>REBIT</b>	<b>5,4</b>	<b>3,2</b>	<b>-40,9%</b>
as % of sales	3,9%	2,6%	
<b>EBIT</b>	<b>5,3</b>	<b>3,7</b>	<b>-29,3%</b>
as % of sales	3,8%	3,0%	

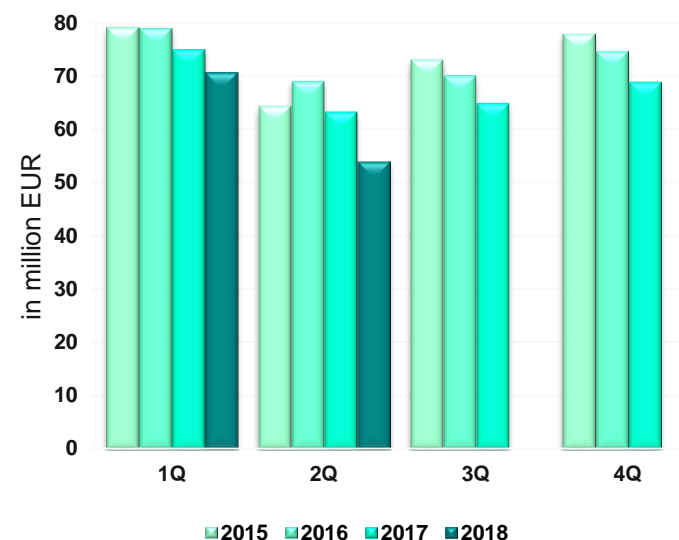
### 1H2018 key topics

- **Sales 1H2018: 124.6m€** (-9.9%), with external sales decreasing by -9.3%. Currency impact: -0.9%
  - Branded Products: -7.6%
  - Non-Branded/Private Label: -12.0%
- Difficult market conditions with low shop traffic.
- Improved mix and operational efficiency were insufficient to compensate for negative impact of lower volumes

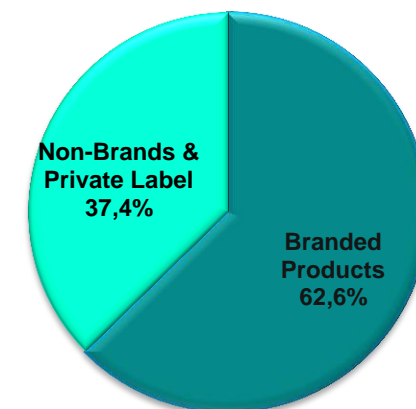
### Recent developments

- The introduction of the new innovative Geltex 2.0 and boxsprings product lines is taking place in order to be ready for the high season starting in 4Q2018.

Combined Sales Bedding (2015-2018)



Combined sales 1H2018



EBITDA increases thanks to operational efficiency, positive mix, and pricing overcompensating the raw material costs, negative currency impact, slightly lower volumes and budgeted increased fixed costs (Finland)

### Key financials

in million EUR	1H2017	1H2018	Δ
<b>Sales</b>	<b>129,2</b>	<b>132,7</b>	<b>2,7%</b>
<b>REBITDA</b>	<b>14,2</b>	<b>22,8</b>	<b>60,5%</b>
<i>as % of sales</i>	<i>11,0%</i>	<i>17,2%</i>	
<b>EBITDA</b>	<b>14,2</b>	<b>22,8</b>	<b>60,6%</b>
<i>as % of sales</i>	<i>11,0%</i>	<i>17,2%</i>	
<b>REBIT</b>	<b>11,0</b>	<b>19,6</b>	<b>79,0%</b>
<i>as % of sales</i>	<i>8,5%</i>	<i>14,8%</i>	
<b>EBIT</b>	<b>11,0</b>	<b>19,6</b>	<b>79,0%</b>
<i>as % of sales</i>	<i>8,5%</i>	<i>14,8%</i>	

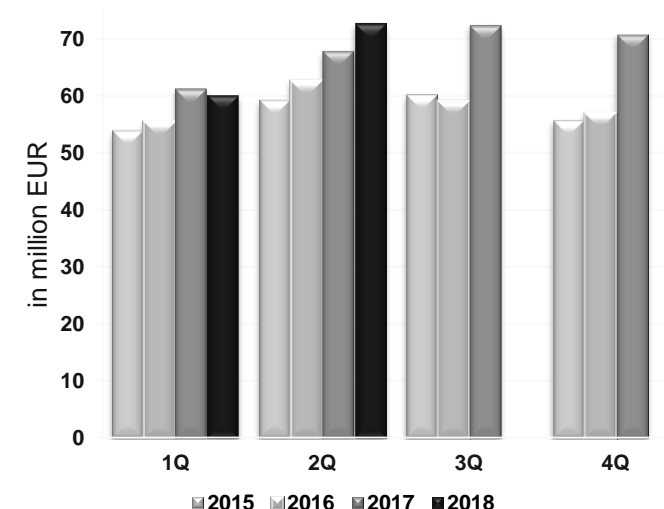
### 1H2018 key topics

- **Sales 1H2018: 132.7m€ (+2.7%)**, including exchange rate differences of -0.8% (i.e. GBP)
- Lower volumes and the negative impact of the GBP have been offset by operational efficiency, positive mix in combination with price adjustments - to reflect higher chemical raw material prices.

### Recent developments

- Construction of the new plant in Finland, dedicated to the supply of the Scandinavian and Baltics markets, is on schedule to start up in 4Q2018.

Combined sales Insulation (2015-2018)





Sales grew on strong Automotive markets and new program start-up.  
EBITDA +45.1% mainly linked to reduced non-recurring costs

## Key financials

in million EUR	1H2017	1H2018 <sup>1</sup>	Δ
<b>Sales</b>	<b>173,5</b>	<b>195,6</b>	<b>12,8%</b>
<b>REBITDA</b>	<b>13,5</b>	<b>14,7</b>	<b>9,0%</b>
as % of sales	7,8%	7,5%	
<b>EBITDA</b>	<b>9,1</b>	<b>13,2</b>	<b>45,1%</b>
as % of sales	5,3%	6,8%	
<b>REBIT</b>	<b>7,0</b>	<b>6,7</b>	<b>-4,2%</b>
as % of sales	4,0%	3,4%	
<b>EBIT</b>	<b>2,6</b>	<b>5,2</b>	<b>99,4%</b>
as % of sales	1,5%	2,7%	

## 1H2018 key topics

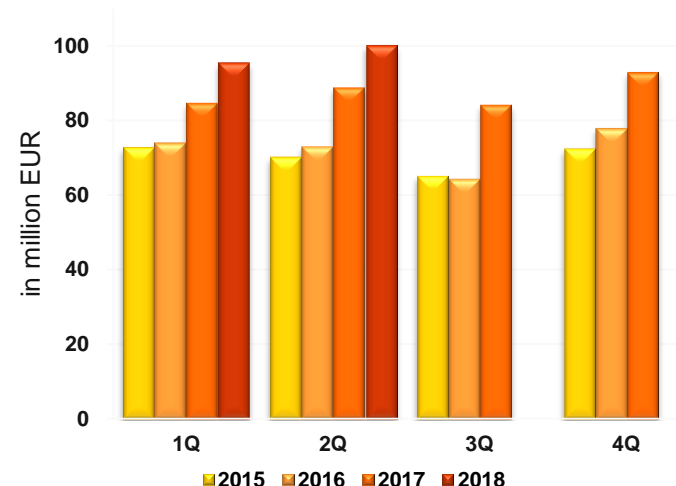
- **Sales 1H2018: 195.6m€ (+12.8%)**, including a currency exchange differences for -1.2%
  - **Interiors:** 104.7m€ (+13.4%), growth coming from strong demand and impact of new programs.
  - **Seating:** 90.8m€ (+12.0%)
  - Overall supportive automotive markets with strong volumes in both divisions.

<sup>1</sup> The financial figures of 1H2018 include the impact of IFRS 15.

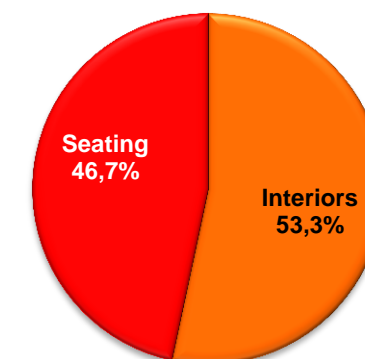
## Recent developments

- Interiors' plant in Most (CZ), is again fully operational
- Processes engaged during 1Q2018 regarding the decision to divest from Automotive divisions are on-going and so far progressing according to plan

Combined sales Automotive (2015-2018)



Combined sales 1H2018



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# Consolidated key figures 1H2018 \*

\* All comparisons are made with the comparable period of 2017, unless mentioned otherwise.

- **Sales: from 566.0m€ to 579.7m€ (+2.4%), including currency effects (-1.3%)**
- **EBITDA: from 35.4m€ to 45.4m€ (+28.1%)**
- **EBIT: from 20.6m€ to 29.1m€ (+41.5%)**
- **Result of the period (share of the Group): from 14.3m€ to 18.7m€ (+30.7%)**
- **Net financial debt<sup>1</sup>: from 87.1m€ (31-Dec-17) to 104.3m€ (30-Jun-18)**
- **Gearing ratio (Net financial debt<sup>1</sup>/Total equity): from 33.3% (31-Dec-17) to 41.0%**

<sup>1</sup> Excluding the drawn amounts under non-recourse factoring/forfeiting programs: 62.3m€ per 30 June 2018 versus 70.8m€ per 30 June 2017 and 54.7m€ per 31 December 2017.

# Consolidated Income Statement

in million EUR	1H2017	1H2018 <sup>1</sup>	Δ
	(a)	(b)	(b)/(a)-1
<b>Sales</b>	<b>566.0</b>	<b>579.7</b>	<b>2.4%</b>
Distribution costs	( 31.7)	( 29.4)	-7.3%
Cost of sales	( 453.2)	( 448.2)	-1.1%
<b>Gross profit</b>	<b>81.1</b>	<b>102.2</b>	<b>26.0%</b>
General and administrative expenses	( 33.1)	( 35.3)	6.8%
Sales and marketing expenses	( 33.9)	( 34.4)	1.3%
Research and development expenses	( 7.0)	( 6.9)	-1.8%
Impairments	0.0	( 0.6)	n.m.
Other operating revenues (1)	25.2	5.0	-80.1%
Other operating expenses (2)	( 13.1)	( 8.3)	-36.9%
Other operating result (1)+(2)	12.0	( 3.3)	-127.3%
Income from joint ventures & associates	1.5	7.5	395.9%
Income from investments	0.0	0.0	n.m.
<b>EBIT</b>	<b>20.6</b>	<b>29.1</b>	<b>41.5%</b>
Interest income	0.4	0.3	-30.3%
Interest expenses	( 4.0)	( 2.3)	-41.0%
Other financial income	8.7	3.3	-62.6%
Other financial expenses	( 7.2)	( 5.6)	-23.0%
<b>Financial result</b>	<b>( 2.1)</b>	<b>( 4.4)</b>	<b>109.7%</b>
<b>Result of the period before taxes</b>	<b>18.5</b>	<b>24.8</b>	<b>33.8%</b>
Income taxes	( 4.2)	( 6.1)	44.7%
<b>Result of the period after taxes</b>	<b>14.3</b>	<b>18.7</b>	<b>30.7%</b>
of which attributable to the owners of the parent	14.3	18.7	30.7%
of which attributable to non-controlling interests	0.0	0.0	n.m.

<sup>1</sup> The consolidated financial statements of 1H2018 include the impact of IFRS 15.

# Consolidated Comprehensive Income

in million EUR	1H2017	1H2018 <sup>1</sup>
<b>Result for the period after taxes</b>	<b>14.3</b>	<b>18.7</b>
<b>Other comprehensive income</b>		
<i><b>Items that will not subsequently be recycled to profit and loss</b></i>		
Actuarial gains (losses) on employee benefits recognized in equity	0.4	4.5
Deferred taxes on actuarial gains (losses) on employee benefits	( 0.1)	( 0.6)
Currency translation differences	0.2	( 0.0)
Joint ventures & associates	( 0.0)	0.5
<b>Total</b>	<b>0.4</b>	<b>4.4</b>
<i><b>Items that subsequently may be recycled to profit and loss</b></i>		
Hedging reserves	1.1	0.6
Currency translation differences	( 3.8)	0.5
Deferred taxes on hedging interest reserves	( 0.4)	( 0.1)
Joint ventures & associates	0.9	( 1.4)
<b>Total</b>	<b>( 2.1)</b>	<b>( 0.4)</b>
<b>Other comprehensive income net of tax</b>	<b>( 1.7)</b>	<b>4.0</b>
<b>Total comprehensive income for the period</b>	<b>12.6</b>	<b>22.6</b>
<b>Total comprehensive income for the period</b>	<b>12.6</b>	<b>22.6</b>
of which attributable to the owners of the parent	12.6	22.6
of which attributable to non-controlling interests	0.0	0.0

<sup>1</sup> The consolidated financial statements of 1H2018 include the impact of IFRS 15.

# Consolidated Balance Sheet

	in million EUR	31 DEC 17	30 JUN 18 <sup>1</sup>	Δ
Intangible assets		12.3	12.2	-1.3%
Goodwill		24.2	23.3	-3.6%
Property, plant & equipment		226.8	234.6	3.4%
Investment property		3.3	3.3	0.0%
Interest in joint ventures & associates		76.2	76.9	0.8%
Other financial investments and available for sale investments		0.7	0.8	18.6%
Non-current receivables		14.8	14.6	-1.2%
Non-current contract assets		0.0	19.2	n.m.
Deferred tax		26.2	23.3	-11.3%
<b>Non-current assets</b>		<b>384.6</b>	<b>408.1</b>	<b>6.1%</b>
Inventories and contracts in progress		99.4	107.2	7.9%
Trade receivables		110.9	142.6	28.5%
Current contract assets		0.0	14.2	n.m.
Other receivables		73.4	57.3	-21.9%
Income tax receivables		1.4	2.1	57.6%
Other investments		0.1	0.1	0.0%
Cash and cash equivalents		57.8	41.2	-28.7%
Disposal group held for sale		2.6	2.6	0.0%
<b>Current assets</b>		<b>345.6</b>	<b>367.4</b>	<b>6.3%</b>
<b>TOTAL ASSETS</b>		<b>730.2</b>	<b>775.5</b>	<b>6.2%</b>
Equity (share of the Group)		261.8	254.7	-2.7%
Non-controlling interests		0.0	0.0	n.m.
<b>Total equity</b>		<b>261.8</b>	<b>254.7</b>	<b>-2.7%</b>
Pensions and other provisions		68.6	60.7	-11.4%
Deferred tax		9.1	9.2	0.9%
Interest-bearing borrowings		96.1	19.5	-79.7%
Other amounts payable		0.2	0.2	2.6%
Non-current contract liabilities		0.0	30.2	n.m.
<b>Non-current liabilities</b>		<b>174.0</b>	<b>119.9</b>	<b>-31.1%</b>
Pensions and other provisions		5.1	4.0	-21.3%
Interest-bearing borrowings		49.0	126.9	158.9%
Trade payables		126.6	108.9	-14.0%
Current contract liabilities		0.0	45.8	n.m.
Income tax payables		2.4	1.4	-41.4%
Other amounts payable		111.3	114.0	2.4%
<b>Current liabilities</b>		<b>294.4</b>	<b>401.0</b>	<b>36.2%</b>
<b>TOTAL LIABILITIES</b>		<b>730.2</b>	<b>775.5</b>	<b>6.2%</b>

<sup>1</sup> The consolidated financial statements of 1H2018 include the impact of IFRS 15.

# Consolidated Statement of Cash Flow

in million EUR	1H2017	1H2018	Δ
	(a)	(b)	(b)/(a) -1
<b>EBIT</b>	<b>20.6</b>	<b>29.1</b>	<b>41.5%</b>
Depreciation, amortisation and impairment losses on assets	14.8	16.3	9.8%
Write-offs (-back) on assets	1.4	( 0.3)	nr
Changes in provisions	( 2.9)	( 4.8)	67.0%
Income from associates and joint ventures	( 1.5)	( 7.5)	395.9%
Other non-cash elements	3.2	( 0.0)	nr
<b>Gross operating cash flow</b>	<b>35.7</b>	<b>32.8</b>	<b>-8.2%</b>
Changes in working capital	( 24.1)	( 14.7)	-38.9%
<b>Gross operating cash flow after changes in working capital</b>	<b>11.6</b>	<b>18.0</b>	<b>55.8%</b>
Income taxes paid	( 2.8)	( 4.0)	45.0%
<b>Net cash flow from operating activities (a)</b>	<b>8.8</b>	<b>14.0</b>	<b>59.2%</b>
<b>Net cash flow from investment activities (b)</b>	<b>( 8.9)</b>	<b>( 18.1)</b>	<b>102.1%</b>
Paid interest charges (1)	( 3.4)	( 3.3)	-2.0%
Paid dividends (2)	( 9.7)	( 12.0)	24.2%
Increase (Decrease) of capital (3)	2.8	1.6	-44.3%
Increase (Decrease) of financial liabilities (4)	21.4	1.3	-94.1%
Other (5)	0.0	0.0	-
<b>Net cash flow from financing activities (c)= (1)+(2)+(3)+(4)+(5)</b>	<b>11.1</b>	<b>( 12.6)</b>	<b>nr</b>
Effect of exchange rate changes (d)	0.3	( 0.0)	nr
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>11.3</b>	<b>( 16.6)</b>	<b>nr</b>
<b>FREE CASH FLOW (a)+(b)+(1)</b>	<b>( 3.5)</b>	<b>( 7.4)</b>	<b>108.5%</b>

# 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 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>
IFRS 9	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
IFRS 15	0.0	0.0	0.0	0.0	( 19.5)	0.0	0.0	( 19.5)	0.0	( 19.5)
<b>Changes in accounting policies</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>( 19.5)</b>	<b>0.0</b>	<b>0.0</b>	<b>( 19.5)</b>	<b>0.0</b>	<b>( 19.5)</b>
Dividends	0.0	0.0	0.0	0.0	( 12.0)	0.0	0.0	( 12.0)	0.0	( 12.0)
Stock options (IFRS 2)	0.0	0.0	0.0	0.2	0.0	0.0	0.0	0.2	0.0	0.2
Capital movements	0.6	1.0	0.0	( 0.3)	0.3	0.0	0.0	1.6	0.0	1.6
Income tax related to components of shareholder movements	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Shareholders' movements</b>	<b>0.6</b>	<b>1.0</b>	<b>0.0</b>	<b>( 0.1)</b>	<b>( 11.8)</b>	<b>0.0</b>	<b>0.0</b>	<b>( 10.3)</b>	<b>0.0</b>	<b>( 10.3)</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>18.7</b>	<b>0.0</b>	<b>0.0</b>	<b>18.7</b>	<b>0.0</b>	<b>18.7</b>
<b>Other comprehensive income'</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>4.4</b>	<b>0.0</b>	<b>( 0.9)</b>	<b>0.5</b>	<b>4.0</b>	<b>0.0</b>	<b>4.0</b>
<b>At the end of the period (30 June 2018)</b>	<b>137.5</b>	<b>129.0</b>	<b>( 1.5)</b>	<b>( 18.3)</b>	<b>28.3</b>	<b>( 17.3)</b>	<b>( 3.0)</b>	<b>254.7</b>	<b>0.0</b>	<b>254.7</b>



# Data per share

in million EUR	1H2017	1H2018 <sup>1</sup>	Δ
	(a)	(b)	(b)/(a)-1
Number of shares outstanding (including treasury shares)	54 542 382	54 998 850	0.8%
Weighted average number of shares outstanding (before dilution effect)	53 918 269	54 527 800	1.1%
Weighted average number of shares outstanding (after dilution effect)	60 351 199	55 139 945	-8.6%
EBITDA	0.66	0.83	26.7%
EBIT	0.38	0.53	40.0%
Result for the period before taxes	0.34	0.45	32.3%
Result for the period after taxes	0.27	0.34	29.2%
Result for the period (share of the Group) - basic	0.265	0.343	29.2%
Result for the period (share of the Group) - diluted	0.248	0.339	36.6%
Net book value	4.71	4.63	-1.7%

<sup>1</sup> The consolidated financial statements of 1H2018 include the impact of IFRS 15.

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## Financial calendar

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)
Annual results 2018	28.02.2019 (at 07:00 AM CET)
First quarter 2019 trading update	29.04.2019 (at 07:00 AM CET)
Annual General Meeting	28.05.2019 (at 10:00 AM CET)
First half-year 2019 results	30.08.2019 (at 07:00 AM CET)
Third quarter 2019 trading update	30.10.2019 (at 07:00 AM CET)

### Uncertainty risks concerning the forecasts made

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Thank you for your attention!

Q&A