

# RECTICEL

## General Group Presentation

May 2019

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# Profile

**Belgian multinational**

**European leader in  
polyurethane application**

**Diversified activities over 4  
business lines**

**Globally active**

**97 locations  
in 28 countries**

**ca. 8,400 employees**

**FY2018 combined net  
sales: €1.45bn**

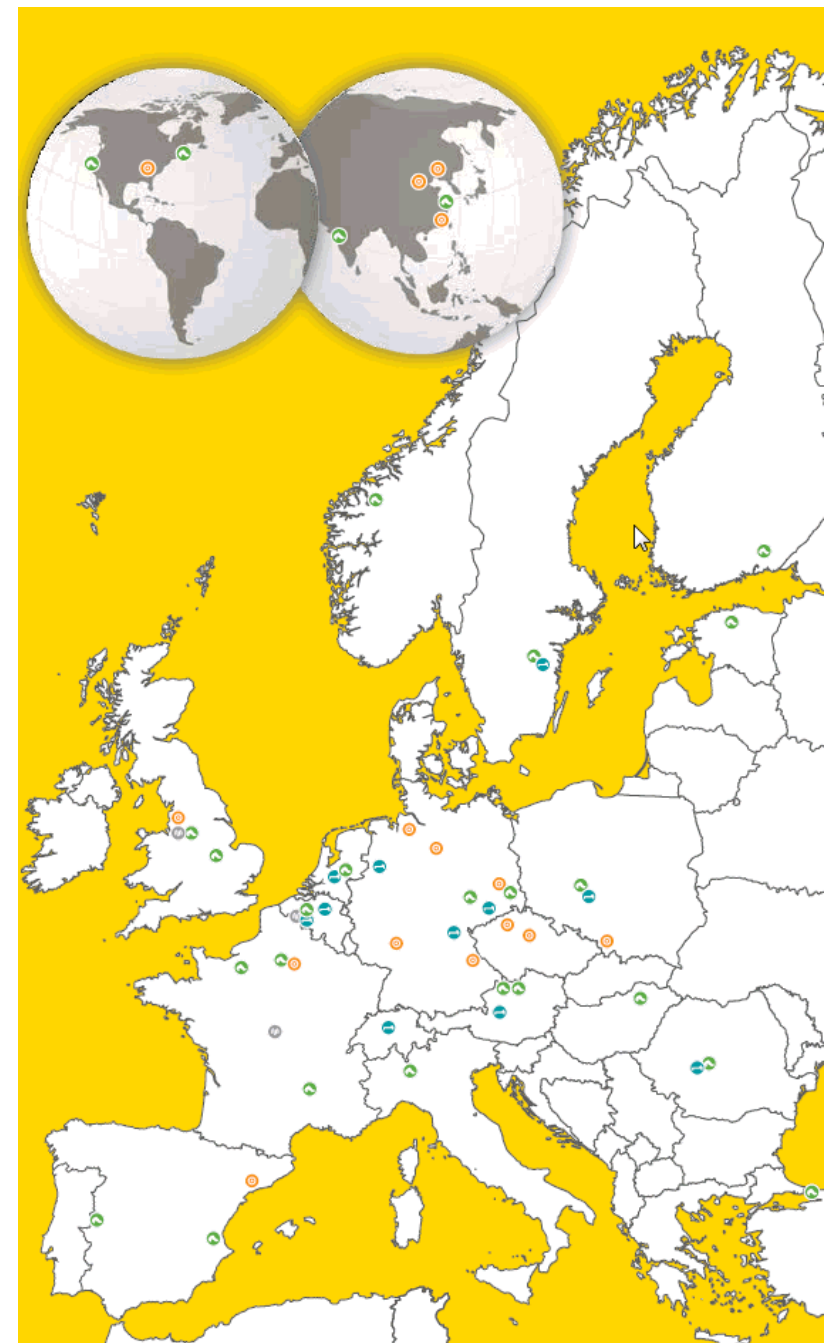
**90% of sales realised in  
Europe**

Listed on  **EURONEXT**



**Market capitalization of  
ca. €460 million**

**Recticel is a European leader in polyurethane  
applications with selected global presence**



# Key highlights

1 European leader in polyurethane applications

2 Strong underlying market fundamentals and characteristics of polyurethane

3 Market-driven innovation is at the heart of Recticel's growth strategy

4 Clearly defined growth strategy based on a highly integrated business model

5 Sustainability and high environmental and safety standards

6 Highly experienced and committed management team

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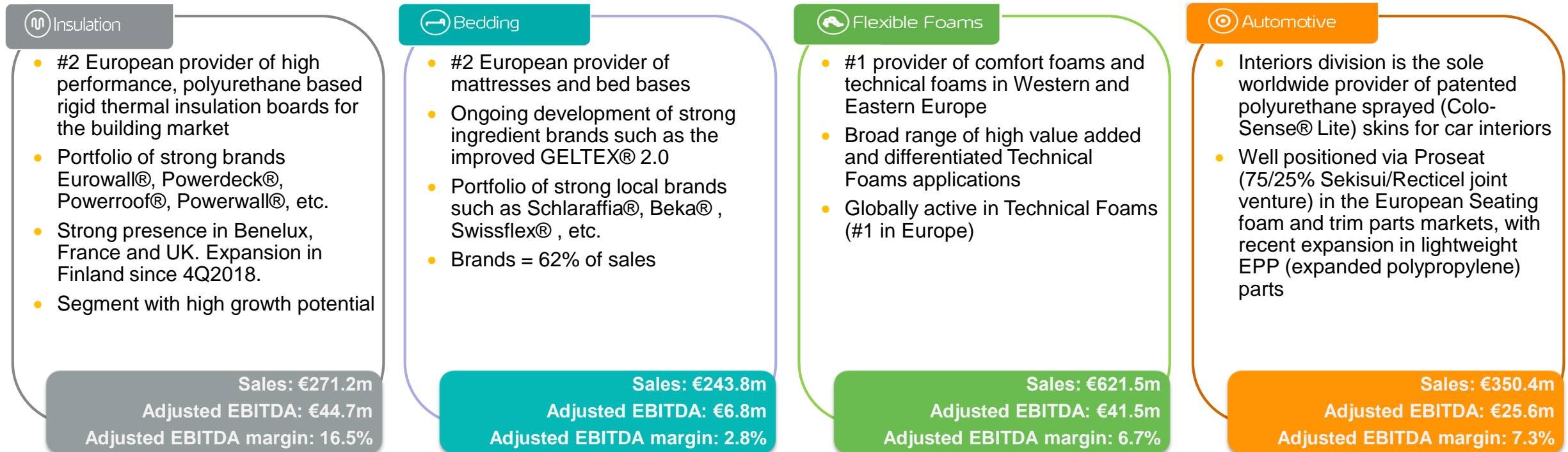
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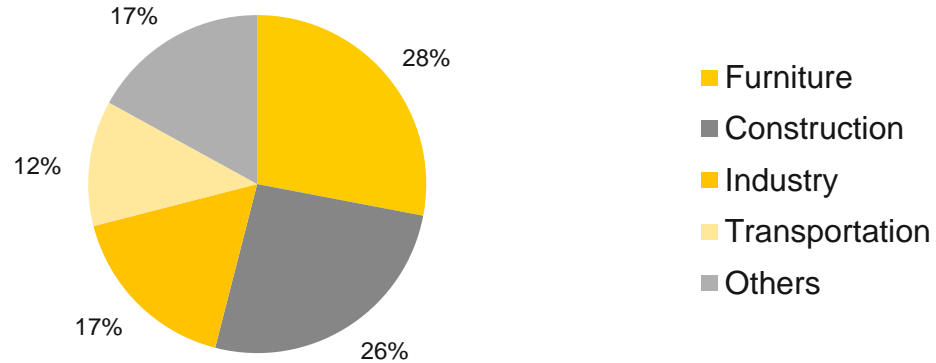
# Recticel at a glance

- Recticel is an important innovator in the industry, being the European #1 & Worldwide #2 in polyurethane applications
- Its activities are concentrated in Europe (90% of sales) and growing in Asia (6% of sales) and USA (4% of sales)
- Recticel generates, on a combined basis, sales of €1.45bn and Adjusted EBITDA of €103.8m with 8,472 employees spread over 97 locations in 28 countries
- 4 business lines serve Recticel's key end-use markets (2018 combined figures):

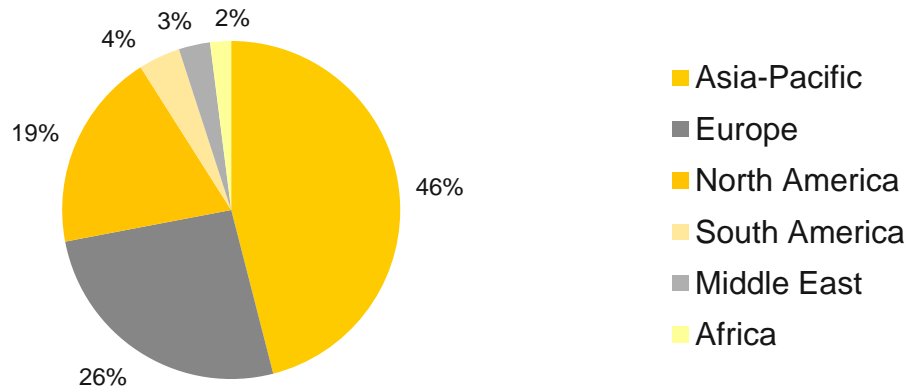


# Leading player offering specific polyurethane solutions to global customers

## Global polyurethane markets<sup>1</sup>



## Global production of polyurethane<sup>1</sup>



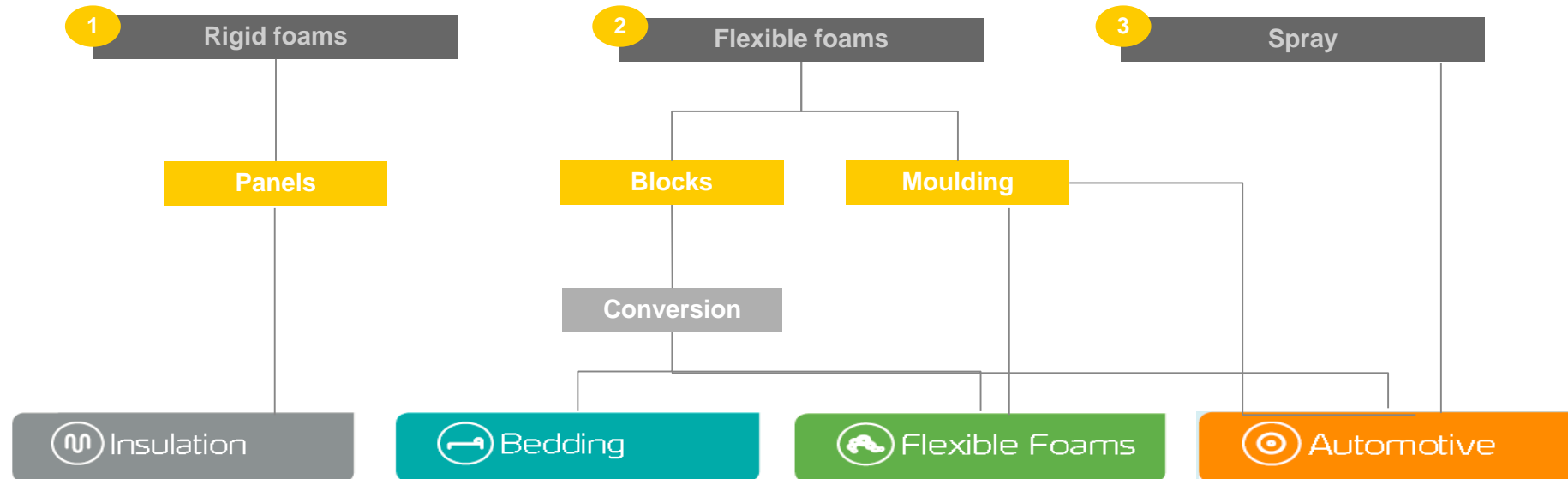
- **Global PU applications market of €50bn**
- **Worldwide annual PU raw materials consumption of ~13.5 million tons**
- **Highly attractive PU applications market:**
  - Broad and diversified end-markets
  - Large markets which are regionally driven due to high transportation costs
  - PU is versatile material with high performance characteristics, enabling value enhancing solutions
  - Global and long-term mega trends driving several PU applications:
    - Environmental protection
    - Energy conservation
    - Increasing consumer appetite for premium quality and comfort

➔ **Recticel is an important innovator in the industry, being the European #1 & Worldwide #2 in polyurethane applications**

# Production process serving all 4 business lines

Type and characteristics of final products depend on the manufacturing process:

- 1 Laminated foaming resulting in rigid foam panels
- 2 Traditional foaming of raw materials resulting in flexible foam blocks or moulded parts
- 3 Sprayed raw materials forming PU elastomers





# Significant synergies within the Group

## 1 Strong technology synergies throughout the organization

- Centralized R&D as a platform for innovations in multiple segments
- Sharing of experience and know-how in both foam manufacturing and converting leading to cross-fertilization throughout the organization

## 2 High level of complementarity between business lines

- Broad supplier-customer internal relationship and sharing of production sites between Bedding and Flexible Foams leads to faster innovation
- Strong product synergy between Insulation and Flexible Foams for acoustic combined with thermal insulation

## 3 Central purchasing leading to increased purchasing power

- Centralized purchasing organization leveraging the size of the Group
- Purchasing synergies particularly realized in the sourcing of chemical raw materials (polyols and isocyanates)

## 4 Recycling within the different production processes leading to additional benefits

- Foam waste from the conversion process is recycled and subsequently compounded for use in many applications and markets

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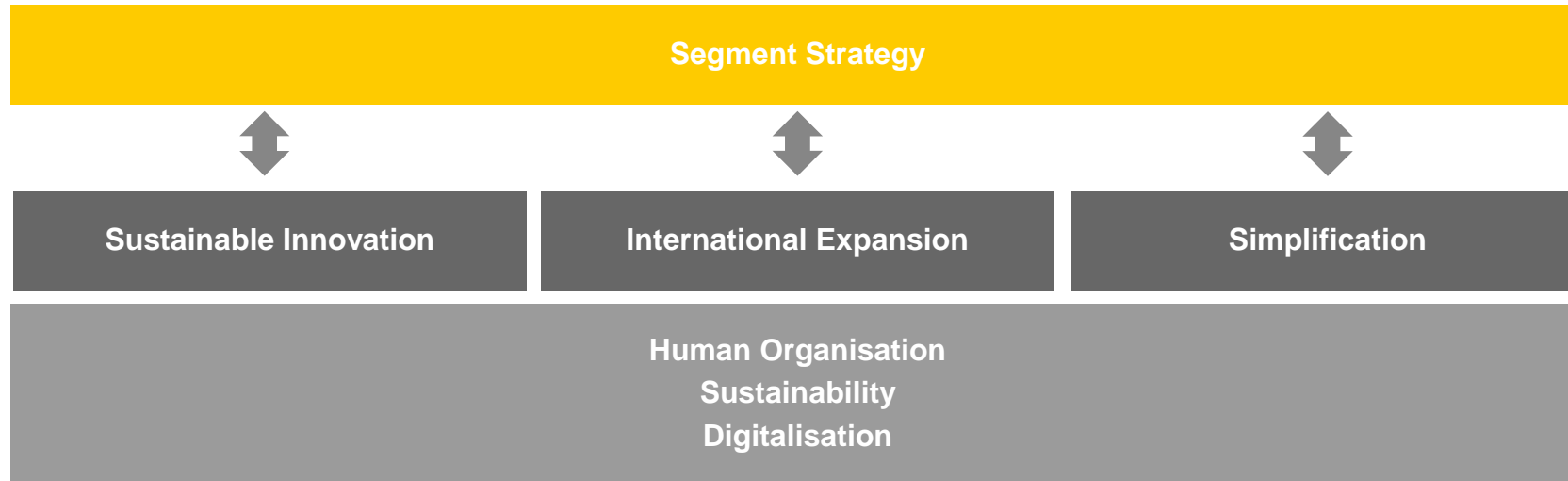
**4** 4 business lines

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# Strategy focused on being the leading provider of high value added solutions in its core markets...

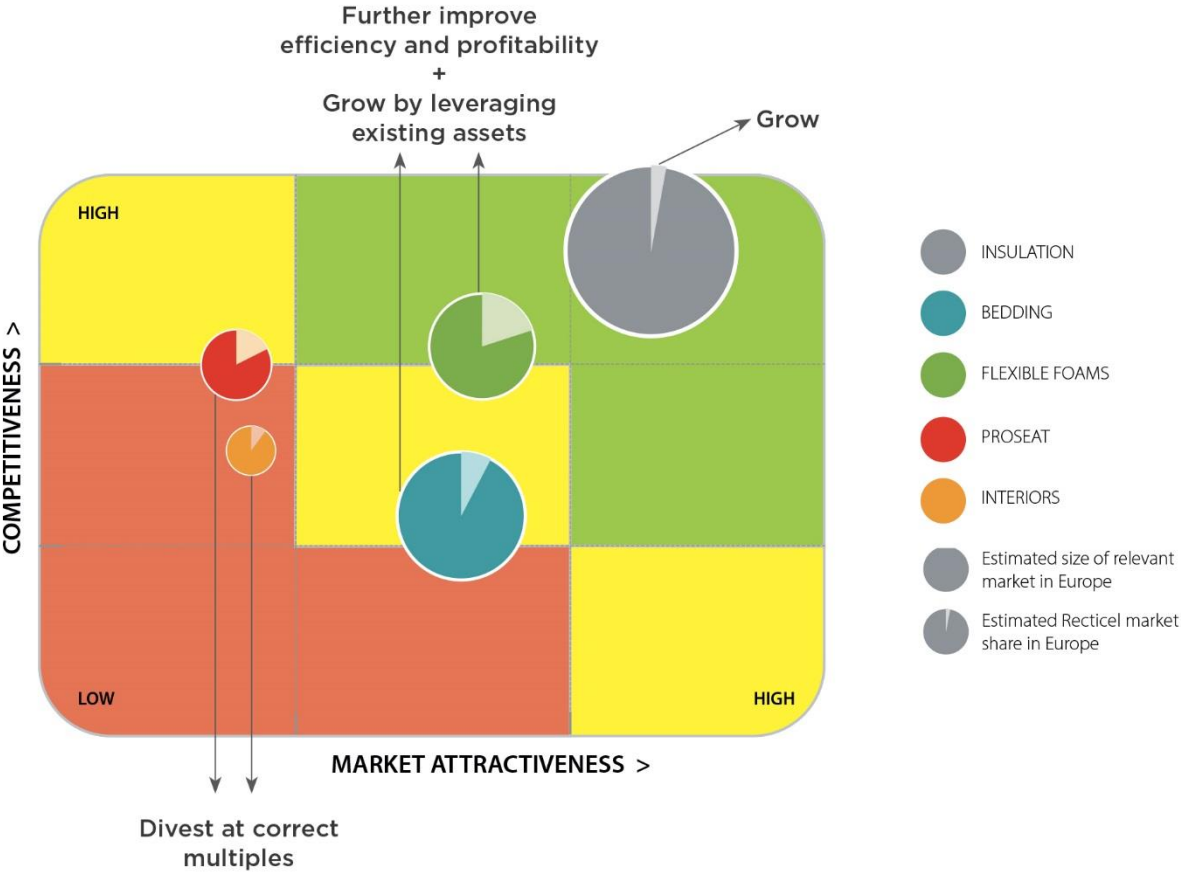
- The building blocks of the Group's strategy are illustrated as follows:



- Overall group wide strategic priorities supported by specific business line strategy:
  - Innovation in high value added applications, products and materials
  - Overall simplification of the Group and finalizing the rationalization of the manufacturing footprint
  - Pursue prudent international expansion outside Europe
  - Integration of sustainable development criteria in all business decisions
  - Embracing digitalization in order to constantly challenge the status quo and to seize new growth opportunities

...implemented through a thorough business line assessment...

Business Line Strategy		
Sustainable Innovation	Simplification	International Expansion
Sustainability		



The strategic plan prioritizes resource allocation based on the relative attractiveness of the end-markets and the competitive strength of the Group in each market

# ...leading to differentiated business line strategies

Business Line Strategy		
Sustainable Innovation	Simplification	International Expansion
Sustainability		

## Insulation

### Organically grow through

- geographic expansion
- innovation and the introduction of new products, modules and distribution channels, and
- if possible, accelerate growth through acquisitions.

## Bedding

### Prioritise the development of branded products which should be supported by

- a strong marketing strategy
- distinctive product innovation
- an online strategy
- geographic expansion and
- an optimised network of highly efficient production facilities; whereby Europe will remain the focal market.

## Flexible Foams

### Bolster profitability through

- selective growth initiatives based on new products
- further geographic expansion in the Technical Foams division, particularly in North America, Asia and North Africa
- rationalisation and modernisation of the manufacturing footprint
- commercial and operational excellence.

## Automotive

- Fully capitalise on the existing production capacity and introduce new innovative products.
- Exit from the Seating activities, operated since February 2019 through the new joint venture Proseat (75/25 Sekisui/Recticel).
- Pursue a divestment of the Interiors activities.

# Business aligned sustainable innovation – 5 innovation programs



## Fit<sup>2</sup>

Bedding  
Flexible Foams



## Silencing

Flexibe Foams  
Insulation



## Low Lambda

Insulation



## X-Lite

Automotive



## Sustainability

Bedding  
Automotive  
Flexible Foams  
Insulation



### Geltex<sup>®</sup> 2.0

foam and mattresses  
introduced in January  
2018 at IMM trade fair in  
Cologne.

Introduction in 2018 of  
CO<sub>2</sub>-based materials for  
the Kapua<sup>®</sup> foam product  
family.

# KAPUA<sup>®</sup>

Center of competence for  
acoustics (noise & vibration  
damping)

### Simfofit<sup>®</sup> and Silentpart<sup>®</sup>

fiber-bonded foam  
acoustic insulation  
panel reducing  
sound by up to 12dB



**Xentro<sup>®</sup> insulation**  
technology introduced  
in 2017



and the improved  
Dupanel<sup>®</sup> X insulation  
boards for agricultural  
buildings

 **Dupanel<sup>®</sup> X**

**ColoSense<sup>®</sup> X-Lite**  
skin technology  
passed development  
gate #5 out of 6



Prepare  
durable PU-products for  
the circular economy



EU-funded R&D  
programs such as :

- PUreSmart
- Valpumat
- Carbon4PUR
- Sweetwoods

# Large number of recent innovations and product launches in the Insulation business line

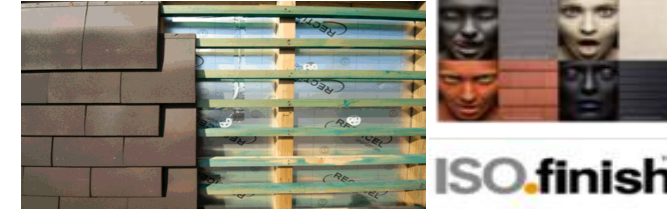
Business Line Strategy		
Sustainable Innovation	Simplification	International Expansion
Sustainability		

 Insulation

- Product line Home® (all-in-one isolation system for DIY)



- Iso-finish® (external insulation concept)



- Lambda-21 Eurowall® (new generation of PIR panels offering a 10% improvement in thermal insulation)



- Glow: ETICS (external thermal insulation composite systems)



- L-Ments™ (fully integrated and self-supporting thermal insulation structures for pitched roofs)



- VIP (Vacuum Insulation Panels)

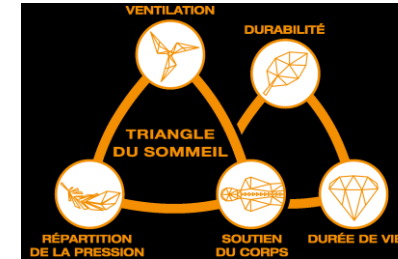


# Launch of GELTEX® 2.0 - the largest and most important innovation of the last decade in Bedding

Business Line Strategy		
Sustainable Innovation	Simplification	International Expansion
Sustainability		

Bedding

- GELTEX® 2.0 combines
  - optimal pressure distribution
  - ideal support
  - maximum permeability/climate control properties
  - better sustainability
  - improved durability over life-cycle





# New generation of foams launched within the Flexible Foams business line

Business Line Strategy		
Sustainable Innovation	Simplification	International Expansion
Sustainability		

 Flexible Foams

- New acoustic foams leading to new contracts for SpaceX



- Development of new comfort foams: GELTEX® and angelpearl® for the bedding sector

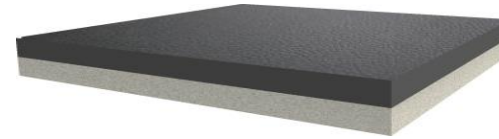


- Launch of improved acoustic foam solutions with Silentium<sup>3</sup> (Silentium Triplex)



# Launch of Colo-sense® Lite, a new high performance skin, in the automotive business line

Business Line Strategy		
Sustainable Innovation	Simplification	International Expansion
Sustainability		



# Overall simplification of the Group leading to increased efficiency and reduced fixed costs

Business Line Strategy		
Innovation	Simplification	International Expansion
Sustainability		

## Realized streamlining 2010-2018

- **# Locations:**
  - 36 locations closed or sold: 30 closed in EU, 1 closed in USA and 5 sold in EU
  - Interiors -5, Proseat -5, Bedding -1, Flexible Foams -23 and Insulation -2
- **# Employees:** reduction by ~2,400 to reach 8,472 employees end 2018
- **# Joint ventures:** reduction from 22 to 12
- **# Legal entities:** reduction from 119 to 81
- **# SKU's** reduction in most segments or factories
- **Procurement** activities now centralized in a Group Purchasing Organization
- **Transactional accounting** services now optimized, standardized and centralized in a European Shared Service Centre

## Future actions 2019-2020

- **The Group is committed to continue its efforts to streamline the organization**
- **Further streamlining the Bedding and Flexible Foams operations**
- **Further optimization of central and corporate functions (2019-20)**
- **Further work on standardization of product ranges, rationalization customer portfolio, number of joint ventures, number of consolidated entities, ...**

# International expansion strategy backed by strong market positions in Europe

Business Line Strategy		
Innovation	Simplification	International Expansion
Sustainability		

- Recticel is a true international group pursuing further growth through international expansion inside and outside Europe

## Recently realized growth initiatives in some core European countries as well as outside Europe

- **Europe:** France (Insulation), Slovenia (Insulation), UK (Insulation) and Finland (Insulation - 2018)
- **China:** Beijing-Changchun-Langfang-Shenyang-(Interiors), Ningbo (Interiors) and Shanghai (Flexible Foams), Wuxi (Flexible Foams)
- **India:** Mumbai (Flexible Foams) and Bangalore (Flexible Foams)
- **Morocco:** Tanger (Flexible Foams)
- **Turkey:** Istanbul (Flexible Foams)
- **USA:** Auburn Hills (Interiors), Tuscaloosa (Interiors), New-York (Flexible Foams) and San Diego (Flexible Foams)

## Pursue growth via international expansion, inside as well as outside Europe

- Grow **Insulation** sales in regions/countries specifying and valuing high performance insulation materials
- Expand Branded **Bedding** sales in countries valuing Recticel brands
- Grow **Technical Foams**' presence and activities outside Europe (USA and Asia)
- Expand **Interiors** activities by following end-customers and OEM's via a plant-in-plant concept (mainly in China and Mexico)

# Embracing sustainability to create value for all stakeholders

Business Line Strategy		
Innovation	Simplification	International Expansion
Sustainability		

- Embracing sustainability creates a significant competitive edge, reduces cost, fosters innovation and thus creates value for all stakeholders
- Prioritizing investments in solutions fulfilling societal needs (e.g. insulation = energy saving)
- Managing production processes and supply chain efficiently to minimize raw material, energy & water consumption, waste and transport
- R&D focused on sustainable innovations uncovering new solutions for the circular economy, including chemistry research programmes with leading universities
- Operating to the highest standards of health, safety and environment for the wellbeing of all stakeholders

## RECTICEL PRODUCTS HELP

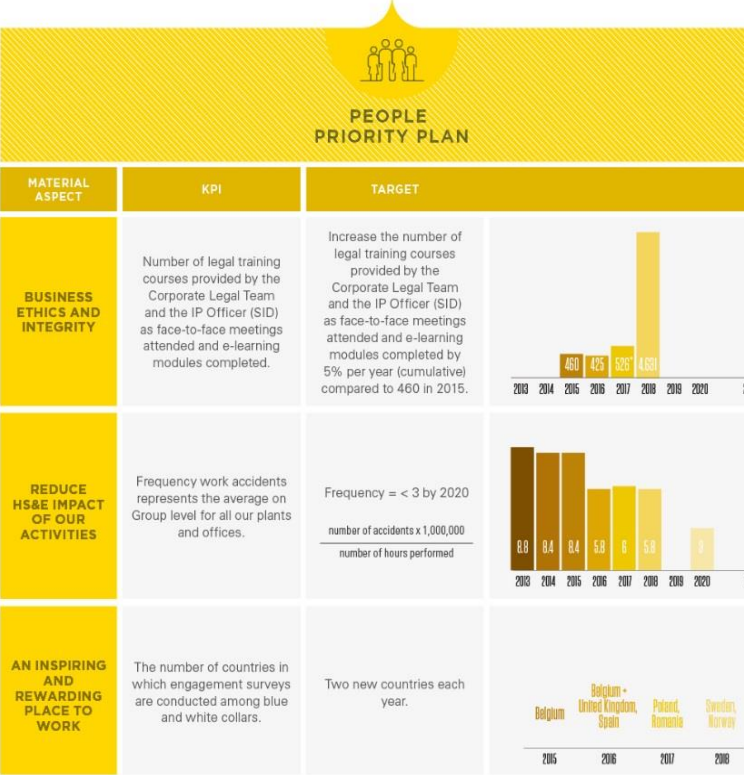
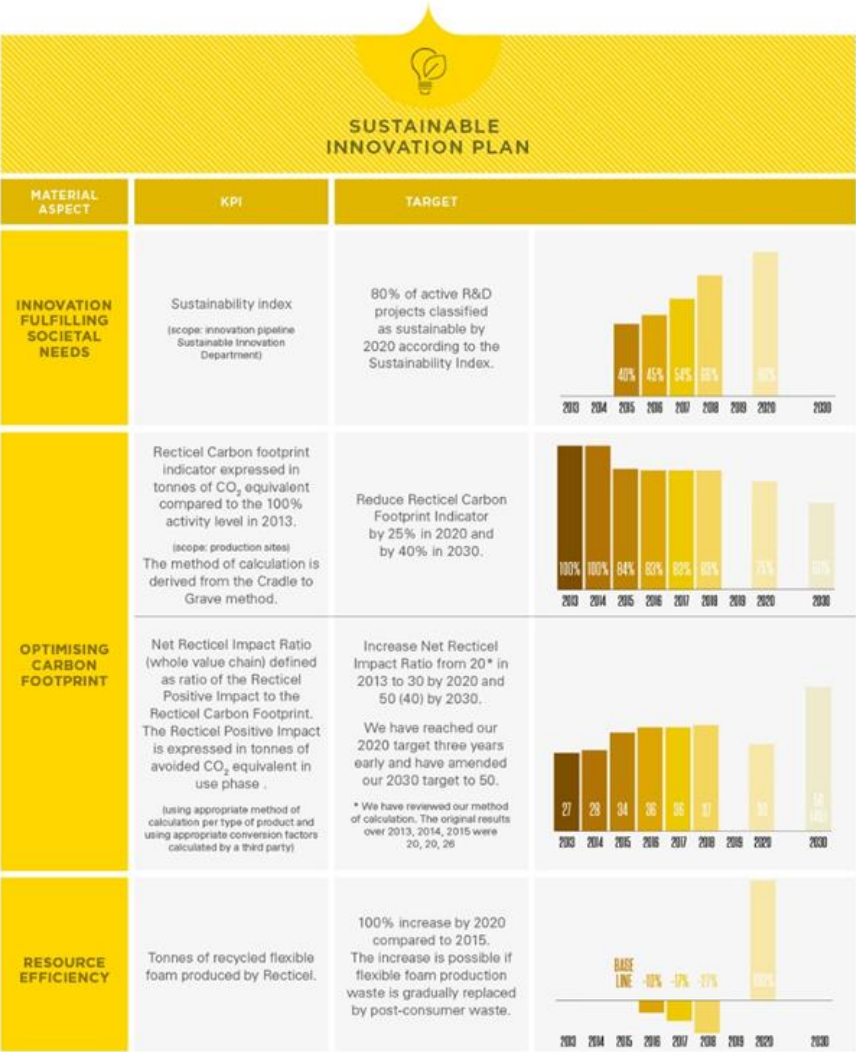
AVOID 20x MORE CO<sub>2</sub> EMISSIONS THAN THEIR OWN CO<sub>2</sub> IMPACT





# Sustainability report in accordance with Global Reporting Initiatives (GRI)

## SUSTAINABILITY STRATEGY SUMMARY



\* The figures have slightly increased due to a restatement

## SUMMARY TABLE

### RECTICEL'S MATERIAL TOPICS AND RELATED KPI

(table subject to PwC limited assurance\*)

MATERIAL ASPECT	KPI	2016	2017
INNOVATION FULFILLING SOCIETAL NEEDS	Sustainability Index (Percentage of active R&D projects classified as sustainable)	45%	54%
OPTIMISING CARBON FOOTPRINT	Recticel carbon footprint (tonnes of CO <sub>2</sub> e)	1.082.707 tonnes	1.090.548 tonnes
	Positive impact Recticel expressed in tonnes of avoided CO <sub>2</sub> e in use phase	38.767.116 tonnes	39.391.355 tonnes
RESOURCE EFFICIENCY	Tonnes of recycled flexible foam produced by Recticel	5.567	5.129
BUSINESS ETHICS AND INTEGRITY	Number of legal training courses provided by the Corporate Legal Team and the IP Officer (SID) as face-to-face meetings attended and e-learning modules completed	425	526
REDUCING HS&E IMPACTS OF OUR ACTIVITIES	Work accident frequency rate	5,8	6
INSPIRING & REWARDING PLACE TO WORK	The number of countries in which engagement surveys are conducted among blue and white collars	3 countries	2 countries

(\*) The Independent Limited Assurance report by PwC covering 2018 can be found as an annex

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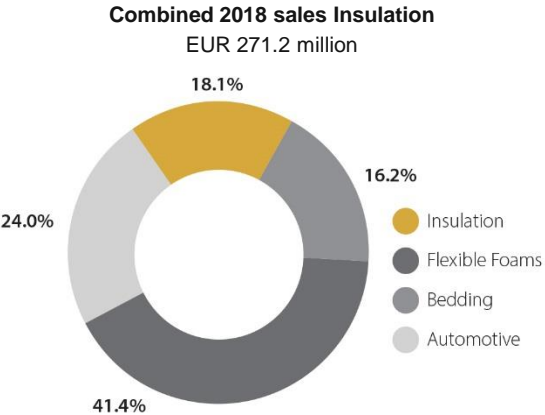
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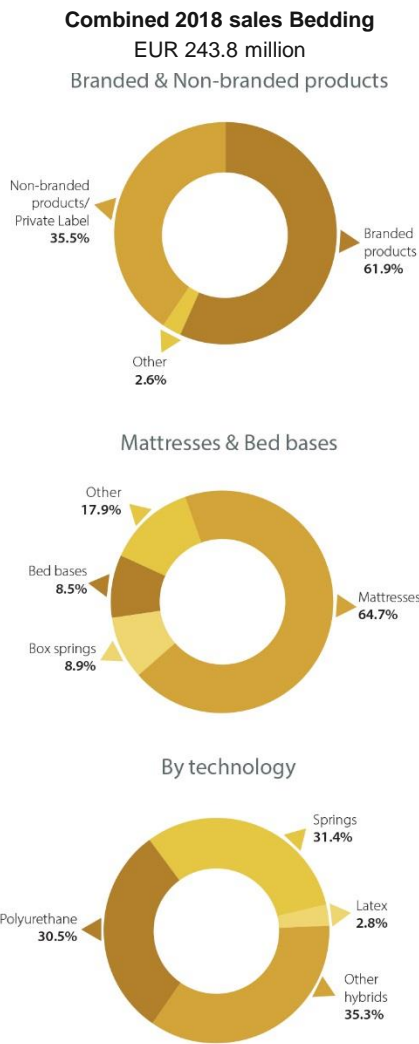
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# 4 Segments

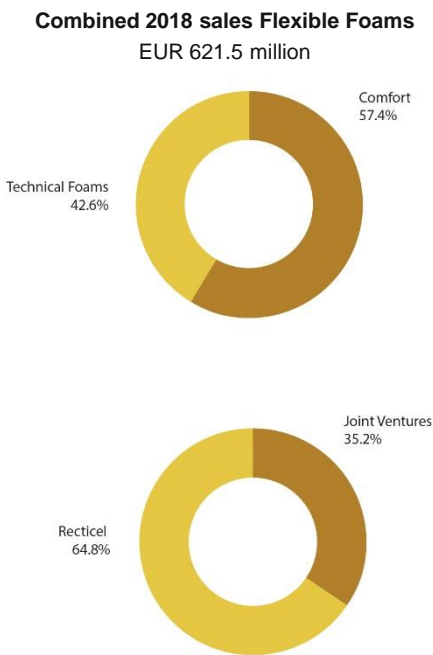
Insulation



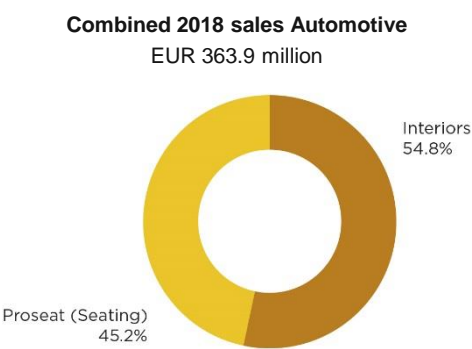
Bedding



Flexible Foams



Automotive





# #2 position in Europe backed by structural growth drivers and innovation capacity



## Market dynamics

- **Structurally growing market for thermal insulation in Europe**
  - Driven by the EU regulation aiming to save energy and reduce CO<sub>2</sub> emissions
- **European market size of €9.2bn (172 million m<sup>3</sup>)**
- **Fragmented market with few international players**
- **Different technologies:**
  - Oil-based: polystyrene, polyurethane (PUR), polyisocyanurate (PIR)
  - Mineral-based (glass-fibre wool and rock wool)
  - Natural-based (softwool, paper/cellulose and cork)
- **Polyurethanes (PUR or PIR) are the most efficient thermal insulation materials with lowest thermoconductivity, leading to thinner applications**
- **PUR/PIR accounts for approximately 15% of the European insulation market and is expected to grow faster than the total market**

## Key strengths

- **#2 player in Europe in PUR/PIR with an estimated market share in the European PUR/PIR segment of +/-15%**
- **Strong product brands, like Eurowall®, Powerroof®, Eurofloor®, Xentro®, ... recognized for superior quality and related service**
- **Proven innovation capacity**
- **Four integrated, state-of-the-art production facilities with high cost efficiency**
- **Focused on most performant PUR/PIR technology**
- **Product offering adapted to most demanding needs of diversified end-markets (residential, commercial, industrial and agricultural)**



# Financial performance driven by recent product launches and expansion projects



## Key financials

<i>in million €</i>	2018	2017	2016
<b>Sales</b>	<b>271.2</b>	<b>272.3</b>	<b>234.1</b>
<b>Adjusted EBITDA</b>	<b>44.7</b>	<b>40.3</b>	<b>33.1</b>
<i>as % of sales</i>	<i>16.5%</i>	<i>14.8%</i>	<i>14.1%</i>
<b>Adjusted EBIT</b>	<b>38.1</b>	<b>33.7</b>	<b>26.8</b>
<i>as % of sales</i>	<i>14.1%</i>	<i>12.4%</i>	<i>11.4%</i>
<b>EBIT</b>	<b>38.1</b>	<b>33.5</b>	<b>26.6</b>
<i>as % of sales</i>	<i>14.1%</i>	<i>12.3%</i>	<i>11.4%</i>
<b>Investments</b>	<b>17.0</b>	<b>14.1</b>	<b>13.2</b>
<i>as % of sales</i>	<i>6.3%</i>	<i>5.2%</i>	<i>5.7%</i>

## 1Q2019 update

- Sales 1Q2019: €62.5m (+4.0%)
- Solid volume growth overcompensating decreasing average selling prices in UK and Belgium
- PIR/PUR insulation boards continued to regain market share lost in Europe after MDI supply shortages in 2Q & 3Q2017 and the subsequent dramatic raw material price increases.



## Recent developments

- **Recent introduction of new innovative products:**
  - Iso-finish® external insulation concept
  - “Do-it-Yourself” product line
  - Lambda-21: high performance wall insulation boards
  - L-Ments™: fully integrated and self-supporting thermal insulation structures for pitched roofs
  - Glow: plastered external wall insulation
- **2013: new greenfield plant in Bourges (France)**
- **2015: capacity expansion at Stoke-on-Trent (UK)**
- **2015-2016: expansion investment at Wevelgem (Belgium)**
- **2016: acquisition of Innortex (France) business in order to combine thermal and acoustic insulation.**
- **2016: investment in joint venture Turvac (Slovenia) for the production of Vacuum Insulation Panels (VIP)** (since 2019 participation increased to 75% compared to initially 50%)
- **2018: new greenfield plant in Finland – start-up in 4Q2018**

# Strong growth of PU foam market supporting further strengthening of Recticel's leading position



## Market dynamics

- **Addressable market of €1.7bn**
  - Total European market of ~€3bn
  - Total Global market of ~€16bn
- **Fragmented market: top-30 suppliers worldwide represent ~50% market share**
- **Mature market with high brand relevance: mix of supplier brands and distributor brands (private labels)**
- **3 main technologies for mattresses: PU foam, innersprings and latex**
- **Strong growth of the PU foams share in Europe: from 25% to 42% over the last 10 years**

## Key strengths

- **#2 player in Europe with an average estimated market share of ~17% in its key markets**
- **Strong positions in key markets: Germany, Benelux, Austria, Switzerland and Poland, supported by well-known local brands**
- **Strong innovative brand GELTEX® 2.0 and Bultex® support product mix optimization**
- **Integration with comfort foam operations translates in fast innovation-to-market capacity and operational synergies**
- **Provider of multiple high quality and innovative bedding products: mattresses, slat bases and box springs**

# Successful introduction of GELTEX® inside 2.0 as a platform for future growth



## Key financials

<i>in million €</i>	2018	2017	2016
<b>Sales</b>	<b>243.8</b>	<b>272.1</b>	<b>292.9</b>
<b>Adjusted EBITDA</b>	<b>6.8</b>	<b>15.1</b>	<b>15.7</b>
<i>as % of sales</i>	<i>2.8%</i>	<i>5.6%</i>	<i>5.4%</i>
<b>Adjusted EBIT</b>	<b>2.3</b>	<b>10.5</b>	<b>10.4</b>
<i>as % of sales</i>	<i>1.0%</i>	<i>3.9%</i>	<i>3.6%</i>
<b>EBIT</b>	<b>(2.1)</b>	<b>9.6</b>	<b>5.8</b>
<i>as % of sales</i>	<i>-0.8%</i>	<i>3.5%</i>	<i>2.0%</i>
<b>Investments</b>	<b>3.4</b>	<b>3.2</b>	<b>2.6</b>
<i>as % of sales</i>	<i>1.4%</i>	<i>1.2%</i>	<i>0.9%</i>

## 1Q2019 update

- Sales 1Q2019: €64.3m (-9.0%)
- External sales receded by -8.5%
- Improved relative product-mix, but difficult market in Germany

## Recent developments

- Successful introduction of new innovative GELTEX® inside 2.0 products at the IMM Fair in Cologne
- Successful introduction of the bridge® slatbase technology under the Swissflex® brand
- Footprint optimisation by closing of plant in Hassfurt (Germany)
- Reduced complexity of assortments



is available at:  
Beka®, Lattoflex®, Schlaraffia®,  
Sembella®, Superba®  
and Swissflex®



# #1 position in Europe and recent innovations adding to the capacity to increase global reach



## Market dynamics

- **European market of ~5.9m tons**
- **Expected volume CAGR '11-'18 of +5%**
- **Very versatile material used in a wide variety of applications**
- **Mainly used in furniture & upholstery 'comfort' applications (including Bedding) followed by applications for the transport sector**
- **Competitive landscape in Europe characterized by:**
  - 8 players representing ~65% of the European flexible foams market
  - And more than 50 other players

## Key strengths

- **#1 provider of comfort foams and technical foams in Europe**
- **Proven innovation capacity related to development of specific foam qualities for a variety of applications**
- **Strong presence in Central & Eastern Europe, developed via the Eurofoam joint venture**
- **Capacity to increase global reach in Technical Foams, through development of global key accounts**

# New generation of innovative foam products leading to important contract wins



## Key financials

<i>in million €</i>	2018	2017	2016
<b>Sales</b>	<b>621.5</b>	<b>626.1</b>	<b>607.2</b>
<b>Adjusted EBITDA</b>	<b>41.5</b>	<b>40.6</b>	<b>46.3</b>
<i>as % of sales</i>	<i>6.7%</i>	<i>6.5%</i>	<i>7.6%</i>
<b>Adjusted EBIT</b>	<b>28.9</b>	<b>27.9</b>	<b>33.8</b>
<i>as % of sales</i>	<i>4.6%</i>	<i>4.5%</i>	<i>5.6%</i>
<b>EBIT</b>	<b>15.6</b>	<b>17.7</b>	<b>26.5</b>
<i>as % of sales</i>	<i>2.5%</i>	<i>2.8%</i>	<i>4.4%</i>
<b>Investments</b>	<b>16.4</b>	<b>12.0</b>	<b>13.2</b>
<i>as % of sales</i>	<i>2.6%</i>	<i>1.9%</i>	<i>2.1%</i>

## 1Q2019 update

- Sales 1Q2019 €148.0m (-13.4%)
- External sales decreased by 12.4%
- Lower volumes in Comfort foams as well as in Technical foam due to weaker end-markets
- Lower average selling prices as a consequence of falling TDI raw material prices

## Recent developments

- Important streamlining of industrial footprint realized since 2010
- Prudent geographical expansion in USA, China, India, Turkey and Morocco
- Introduction of new innovative foam products (e.g. acoustic foams, GELTEX® "2.0", angelpearl®, etc.)
- New contracts gained for acoustic and anti-vibration applications with SpaceX



# Unique technology and strong position serving a recovering industry



## Market dynamics

- **2008-2010: Significant disruptions due to global economic crisis**
- **Industry is recovering and resuming growth**
- **Main drivers for OEM customers are cost competitiveness of the products, maximum design freedom and weight reduction**
- **Complex and high-demanding relationship between customers, OEM's and Tier1 / Tier2 suppliers**
- **Innovation driven sector**



## Key strengths

### ● Interiors



- Unique patented Interiors technology (Colo-fast® Spray and Colo-Sense® Lite) for the production of light stable skins in PU for dashboards and door panels
- Durability, high design freedom and best-in-class gloss characteristics
- Strong position with premium OEM's: Optimized footprint to serve customers globally (Europe, China and USA)



### ● Proseat (JV)



- #2 European player
- One-stop-shop: moulded seat cushions, head and arm rests, consoles, trim parts and lightweight EPP (expanded polypropylene) parts
- Combining strength of 2 partners in chemical engineering and process technology leads to strong innovation capacity





# Recovering sales supported by strong order books



## Key financials

<i>in million €</i>	2018	2017	2016
<b>Sales</b>	<b>363.9</b>	<b>350.4</b>	<b>288.9</b>
<b>Adjusted EBITDA</b>	<b>25.9</b>	<b>25.6</b>	<b>19.9</b>
<i>as % of sales</i>	<i>7.1%</i>	<i>7.3%</i>	<i>6.9%</i>
<b>Adjusted EBIT</b>	<b>9.8</b>	<b>11.4</b>	<b>5.7</b>
<i>as % of sales</i>	<i>2.7%</i>	<i>3.3%</i>	<i>2.0%</i>
<b>EBIT</b>	<b>12.9</b>	<b>4.1</b>	<b>4.0</b>
<i>as % of sales</i>	<i>3.5%</i>	<i>1.2%</i>	<i>1.4%</i>
<b>Investments</b>	<b>13.6</b>	<b>36.1</b>	<b>22.0</b>
<i>as % of sales</i>	<i>3.7%</i>	<i>10.3%</i>	<i>7.6%</i>

## 1Q2019 update

### ● Sales 1Q2019: €54.1m versus €58.3 million (restated\*) (-7.2%)

- Volumes remained adversely affected by the continued weakness of the European and Chinese Automotive markets.

\* Following the partial divestment from Proseat (Feb '19), the latter is integrated in the 2019 combined figures following the 'equity method'; i.o. to a proportionate basis. 2018 Sales have been restated accordingly.

## Recent developments

- Significant Interiors order book
- February 2019: Partial divestment of stake in Proseat joint venture (25/75% Recticel/Sekisui)



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**3** Strategy

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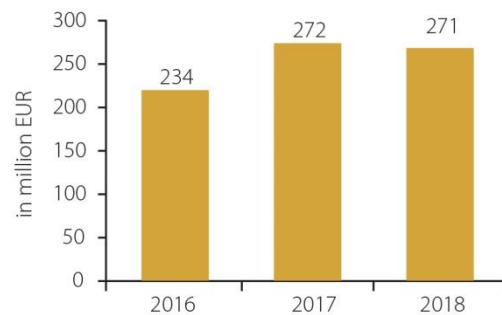
**5** Financials

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# Financials – segment data (combined sales figures)

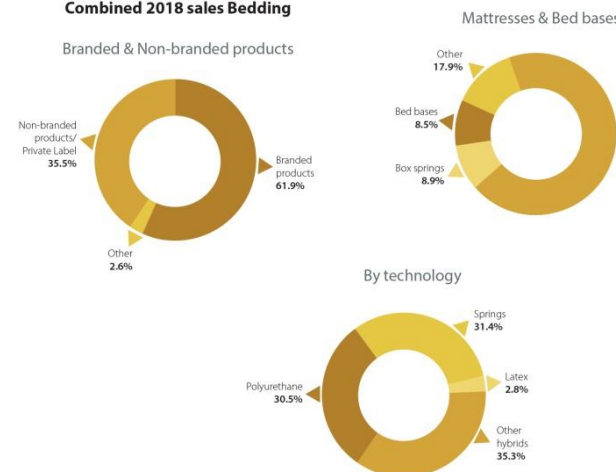
## Insulation

Combined sales Insulation

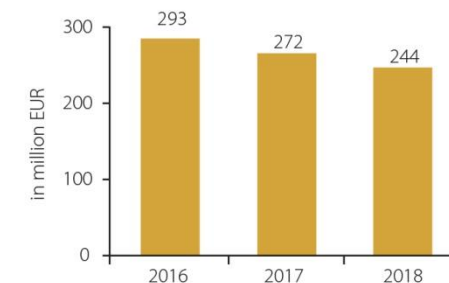


## Bedding

Combined 2018 sales Bedding



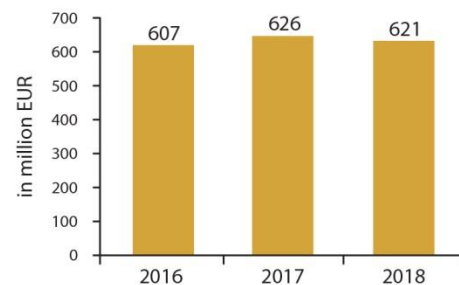
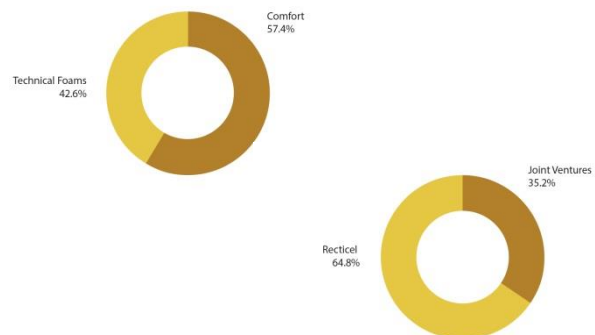
Combined sales Bedding



## Flexible Foams

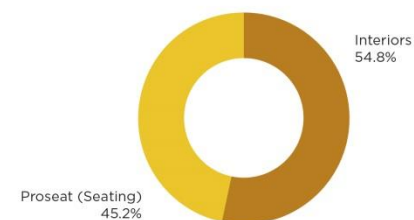
Combined 2018 sales Flexible Foams  
EUR 621.5 million

Combined sales Flexible Foams

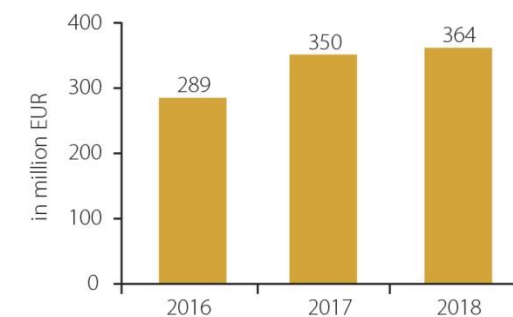


## Automotive

Combined 2018 sales Automotive



Combined sales Automotive



# Financials – segment data (combined figures)

## Insulation

<i>in million €</i>	2018	2017	2016
<b>Sales</b>	<b>271.2</b>	<b>272.3</b>	<b>234.1</b>
<b>Adjusted EBITDA</b>	<b>44.7</b>	<b>40.3</b>	<b>33.1</b>
<i>as % of sales</i>	<i>16.5%</i>	<i>14.8%</i>	<i>14.1%</i>
<b>Adjusted EBIT</b>	<b>38.1</b>	<b>33.7</b>	<b>26.8</b>
<i>as % of sales</i>	<i>14.1%</i>	<i>12.4%</i>	<i>11.4%</i>
<b>EBIT</b>	<b>38.1</b>	<b>33.5</b>	<b>26.6</b>
<i>as % of sales</i>	<i>14.1%</i>	<i>12.3%</i>	<i>11.4%</i>
<b>Investments</b>	<b>17.0</b>	<b>14.1</b>	<b>13.2</b>
<i>as % of sales</i>	<i>6.3%</i>	<i>5.2%</i>	<i>5.7%</i>

## Bedding

<i>in million €</i>	2018	2017	2016
<b>Sales</b>	<b>243.8</b>	<b>272.1</b>	<b>292.9</b>
<b>Adjusted EBITDA</b>	<b>6.8</b>	<b>15.1</b>	<b>15.7</b>
<i>as % of sales</i>	<i>2.8%</i>	<i>5.6%</i>	<i>5.4%</i>
<b>Adjusted EBIT</b>	<b>2.3</b>	<b>10.5</b>	<b>10.4</b>
<i>as % of sales</i>	<i>1.0%</i>	<i>3.9%</i>	<i>3.6%</i>
<b>EBIT</b>	<b>(2.1)</b>	<b>9.6</b>	<b>5.8</b>
<i>as % of sales</i>	<i>-0.8%</i>	<i>3.5%</i>	<i>2.0%</i>
<b>Investments</b>	<b>3.4</b>	<b>3.2</b>	<b>2.6</b>
<i>as % of sales</i>	<i>1.4%</i>	<i>1.2%</i>	<i>0.9%</i>

## Flexible Foams

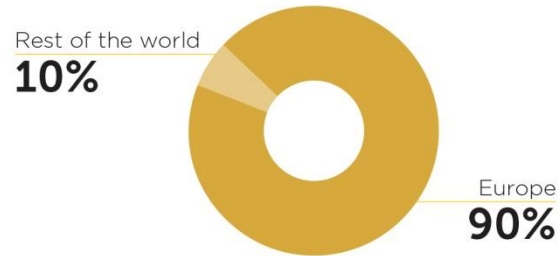
<i>in million €</i>	2018	2017	2016
<b>Sales</b>	<b>621.5</b>	<b>626.1</b>	<b>607.2</b>
<b>Adjusted EBITDA</b>	<b>41.5</b>	<b>40.6</b>	<b>46.3</b>
<i>as % of sales</i>	<i>6.7%</i>	<i>6.5%</i>	<i>7.6%</i>
<b>Adjusted EBIT</b>	<b>28.9</b>	<b>27.9</b>	<b>33.8</b>
<i>as % of sales</i>	<i>4.6%</i>	<i>4.5%</i>	<i>5.6%</i>
<b>EBIT</b>	<b>15.6</b>	<b>17.7</b>	<b>26.5</b>
<i>as % of sales</i>	<i>2.5%</i>	<i>2.8%</i>	<i>4.4%</i>
<b>Investments</b>	<b>16.4</b>	<b>12.0</b>	<b>13.2</b>
<i>as % of sales</i>	<i>2.6%</i>	<i>1.9%</i>	<i>2.1%</i>

## Automotive

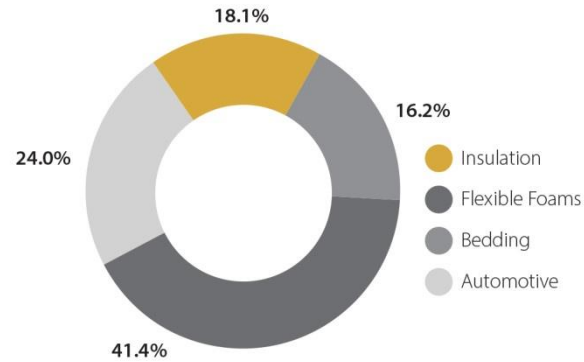
<i>in million €</i>	2018	2017	2016
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# Key Financial Figures

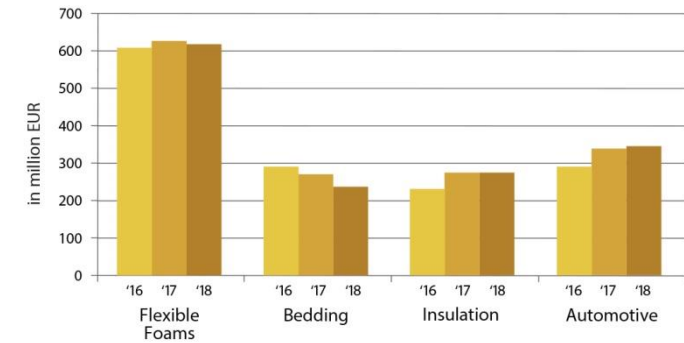
Combined sales 2018 (before intra-Group sales)



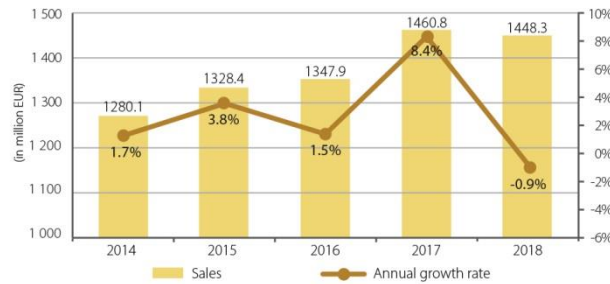
Combined sales 2018 (before intra-Group sales)



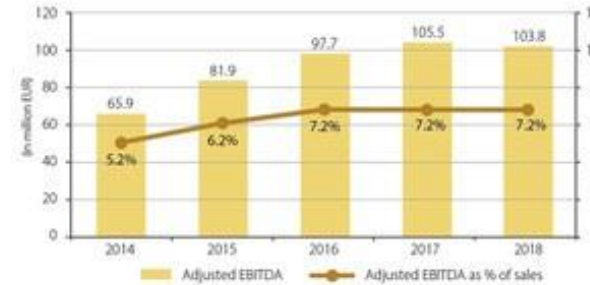
Combined sales per business line



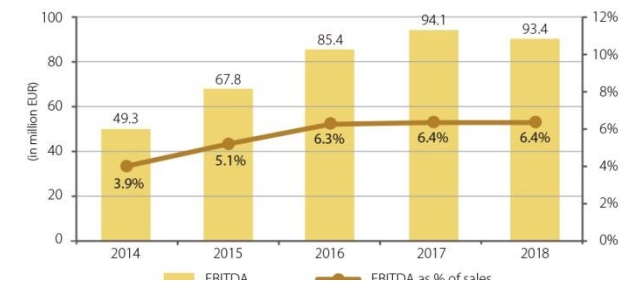
Combined sales & growth rates



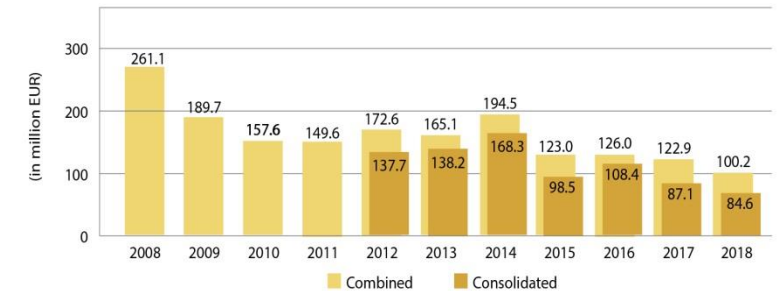
Combined Adjusted EBITDA & Adjusted EBITDA margin



Combined EBITDA & EBITDA margin



Net financial debt<sup>1</sup> (per 31 December)

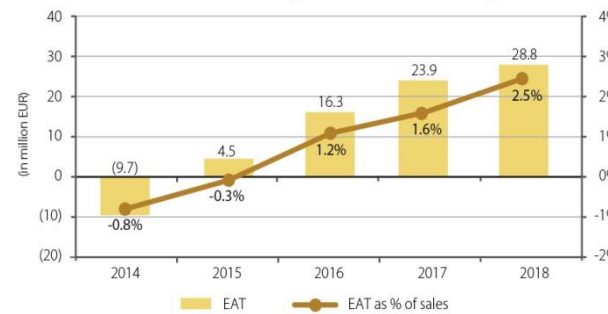


<sup>1</sup> Excluding the drawn amounts under non-recourse factoring/forfeiting programmes.

Combined EBIT & EBIT margin



Combined earnings after taxes & EAT margin



***Thank you for your attention!***

**Q&A**

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## Financial calendar

Annual General Meeting	28.05.2019 (at 10:00 AM CET)
Ex-coupon date	30.05.2019
Record date	31.05.2019
Dividend payment date	03.06.2019
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)
Annual results 2019	28.02.2020 (at 07:00 AM CET)
First quarter 2020 trading update	28.04.2020 (at 07:00 AM CET)
Annual General Meeting	26.05.2020 (at 10:00 AM CET)
First half-year 2020 results	28.08.2020 (at 07:00 AM CET)
Third quarter 2020 trading update	30.10.2020 (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.

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