

## TRADING UPDATE FOR 1Q/2013

- Sales decreased by 9.5% from EUR 351.1 million to EUR 317.9 million, mainly due to Automotive (-23.0%)
- Reduced profitability as a result of lower volumes
- Net financial debt of EUR 191.3 million, which is linked to the seasonal working capital build-up

Note: All comparisons are made with 1Q/2012, unless mentioned otherwise. The figures mentioned are not audited.

### TRADING REPORT

**Total consolidated sales** decreased from EUR 351.1 million to **EUR 317.9 million** (-9.5%).

Weak economic environment in Europe, low consumer confidence and poor weather conditions have continued to weigh on the Group end-use markets, which are all geared towards slow moving consumer goods and investment goods. Automotive has been most impacted, leading to a sales turnover reduction of 23.0%.

Raw material market prices have significantly increased compared to 1Q/2012, however, they sequentially stabilised during 1Q/2013 compared to 4Q/2012.

Profitability during the quarter is impacted by the lower activity level.

### Breakdown of sales per segment

<i>in million EUR</i>	<b>1Q/2012</b>	<b>1Q/2013</b>	<b>Δ</b>
Flexible Foams	157,4	151,5	-3,8%
Bedding	73,6	75,5	2,5%
Insulation	53,0	49,9	-5,8%
Automotive	82,4	63,5	-23,0%
Eliminations	( 15,4)	( 22,5)	46,5%
<b>TOTAL</b>	<b>351,1</b>	<b>317,9</b>	<b>-9,5%</b>

Footnote: In 2013 some intercompany activities which were previously eliminated within the segment Flexible Foams have been transferred to the Bedding segment. As a result of this internal transfer Bedding includes new intersegment sales for EUR 6.2 million which are also increasing 'Eliminations' with the same amount .

- **Flexible Foams**

Flexible Foams sales decreased by 3.8% to **EUR 151.5 million**. All segments reported lower sales volumes.

- **Bedding**

Bedding sales increased by 2.6% to **EUR 75.5 million**. The increase is explained by the internal transfer of some activities from the Flexible Foams segment into the Bedding segment. Without this change Bedding sales would have been lower by EUR 6.2 million, hence a decrease of 5.9%. Both the 'Brand' and 'Private label' segments recorded lower sales.

- **Insulation**

Insulation sales decreased by 5.8% to **EUR 49.9 million**. The Building Insulation segment has been impacted by the progressive softening of European construction markets since the summer 2012, compounded by adverse weather conditions during 1Q/2013 in Europe.

- **Automotive**

Automotive sales decreased by 23.0% to **EUR 63.5 million**. European automotive markets have performed in 1Q/2013 significantly below last year.

In the **Interiors segment**, the lower sales level (-32.2%) has been amplified by existing programs running out.

In **Proseat** (the 51/49 joint venture between Recticel and Canadian group Woodbridge), sales dropped by 14.8%.

### **FINANCIAL SITUATION**

On 31 March 2013, net financial debt (excluding non-recourse factoring/forfeiting programs) amounted to EUR 191.3 million (compared to EUR 172.6 million at 31 December 2012). The net financial debt increase is linked to the seasonal working capital build-up.

### **OUTLOOK**

Given the volatility in the performance of the markets in which Recticel is active, the Group is not in a position to assess growth potential for 2013.

The Group maintains its focus on the execution of the strategic plan 2010-2015, which includes (i) a strict prioritization of the allocation of its resources to its portfolio of business, (ii) a continuous effort to streamline operations and reduce complexity, (iii) geographical diversification to reduce dependency on Europe and (iv) the introduction of new innovative solutions.

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## **Uncertainty risks concerning the forecasts made**

This press 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.

## **Financial calendar**

First quarter 2013 trading update	07.05.2013 (before opening of the stock exchange)
Annual General Meeting	28.05.2013 (at 10:00 AM CET)
Ex-coupon date	31.05.2013
Record date	04.06.2013
Dividend payment date	05.06.2013
First half-year 2013 results	30.08.2013 (before opening of the stock exchange)
Third quarter trading update 2013	31.10.2013 (before opening of the stock exchange)

## **For additional information**

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## **Recticel in a nutshell**

Recticel is a Belgian Group with a strong European dimension, but also operates in the rest of the world. Recticel has 103 establishments in 28 countries.

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

Recticel is the Group behind well-known bedding brands (Beka®, Lattoflex®, Literie Bultex®, Schlaraffia®, Sembella®, Swissflex®, Superba®, Ubica®, etc.). Within the Insulation sub-segment high-quality thermal insulation products are marketed under the well-known brands Eurowall®, Powerroof®, Powerdeck® and Powerwall®.

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

Recticel achieved sales of EUR 1.32 billion in 2012.

Recticel (NYSE Euronext: REC – Reuters: RECTt.BR – Bloomberg: REC:BB) is listed on NYSE Euronext in Brussels.



The press release is available in English, Dutch and French on the website [www.recticel.com](http://www.recticel.com)