

TRADING UPDATE FOR 1st QUARTER 2015

Forenote: This 1st quarter 2015 Trading Update, which was originally scheduled for 07 May 2015 is published already today following the announcement of the €75 million rights' issue.

1. TRADING REPORT (COMBINED^a)

- Restated like-for-like¹ 1Q sales have increased by +4.2%; all business lines have grown during the quarter
- Positive evolution of the profitability
- Combined net financial debt²: from EUR 170.5 million (31 March 2014) to EUR 189.5 million (31 March 2015) (31 December 2014: EUR 194.5 million).

¹ In February 2015 Recticel sold its 50% participation in the joint venture company Kingspan Tarec Industrial Insulation (KTII).

² Excluding the drawn amounts under non-recourse factoring/forfeiting programs (EUR 78.2 million per 31 March 2015, EUR 71.6 million per 31 March 2014, and EUR 62.7 million per 31 December 2014).

Restated like-for-like¹ combined sales increased from EUR 329.7 million in 1Q2014 to **EUR 343.4 million in 1Q2015** (+4.2%), including a +2.3% positive impact from exchange rate differences.

All segments have grown. The favourable impacts of the Euro depreciation and the oil price decrease, combined with the growth initiatives launched in all business segments, have enabled sales to grow by 4.2% compared to 1Q2014, which was a very strong quarter.

The industrial performance, which has been an issue in the Flexible Foams division during 4Q2014, has been restored to a great extent. Likewise, the polyol prices have receded now that the propylene oxide supply issues have been solved.

Breakdown of sales by segment (unaudited)

<i>in million EUR</i>	1Q2014 (as published)	1Q2014 (restated)³ (a)	1Q2015 (b)	Δ 1Q (b)/(a)-1
Flexible Foams	156,1	156,1	158,5	1,6%
Bedding	76,0	76,0	79,1	4,1%
Insulation	55,5	51,8	54,0	4,2%
Automotive	68,7	68,7	72,7	5,9%
Eliminations	(22,9)	(22,9)	(20,9)	-8,5%
TOTAL COMBINED	333,4	329,7	343,4	4,2%
Contribution joint ventures proportionally consolidated in segment reporting	(77,5)	(72,8)	(75,0)	3,0%
TOTAL CONSOLIDATED	255,9	256,9	268,4	4,5%

³ Excluding the pro-rata share of sales by the joint venture Kingspan Tarec Industrial Insulation, which was sold in February 2015

^a **Combined figures**

Figures including Recticel's pro rata share in the joint ventures, after elimination of intercompany transactions, in accordance with the proportional consolidation method.

A. Flexible Foams

Combined sales increased from EUR 156.1 million in 1Q2014 to **EUR 158.5 million in 1Q2015** (+1.6%). Excluding intersegment sales, **combined external sales**, increased by +2.5% in **1Q2015** to **EUR 142.5 million**.

Sales decreased by -1.2% in **Comfort** but sales in **Technical Foams** increased by +6.0%. The Central European and UK markets remained strong, with Spain now recovering.

B. Bedding

Combined sales increased from EUR 76.0 million in 1Q2014 to **EUR 79.1 million in 1Q2015** (+4.1%). Excluding intersegment sales, **combined external sales** increased from EUR 70.3 million in 1Q2014 to **EUR 74.3 million in 1Q2015** (+5.7%).

The **Brand** sub-segment sales increased by +8.7% during 1Q2015. Besides, the product-mix improved as the GELTEX® inside products continued to grow (+40% in comparison to 1Q2014).

Non-Branded/Private Label sub-segment sales have slightly increased by +1.0% in 1Q2015.

C. Insulation

Restated like-for-like¹ combined sales (ie. Building Insulation) increased by +4.2% from EUR 51.8 million in 1Q2014 to EUR 54.0 million in 1Q2015. Volumes grew in the United Kingdom and to a lesser extent in France.

The 1Q2014 figures have been restated for the divestment in February 2015 of the 50% participation in Kingspan Tarec Industrial Insulation (cfr. press release dd 18 February 2015).

D. Automotive

Combined sales increased from EUR 68.7 million in 1Q2014 to **EUR 72.7 million in 1Q2015** (+5.9%).

The increase is primarily explained by the sub-segment **Interiors**, which sales increased from EUR 28.2 million in 1Q2014 to **EUR 31.4 million** (+11.3%) in 1Q2015, supported by strong sales particularly in the Czech Republic, China and the USA.

Sales of the sub-segment **Seating** stabilized in 1Q2015 to **EUR 37.9 million** (+0.1%).

Sales in the sub-segment **Exteriors** increased by +30.3% from EUR 2.6 million in 1Q2014 to **EUR 3.4 million** in 1Q2015.

¹ In February 2015 Recticel sold its 50% participation in the joint venture company Kingspan Tarec Industrial Insulation (KTII).

2. OFFICIAL KEY DATA (CONSOLIDATED)

- Consolidated 1Q sales increased by +4.5% from EUR 255.9 million to EUR 268.4 million.
- Net financial debt¹ amounted to EUR 168.9 million, compared to EUR 145.9 million per 31 March 2014 and to EUR 168.3 million per 31 December 2014.

¹ Excluding the drawn amounts under non-recourse factoring/forfeiting programs (EUR 69.8 million per 31 March 2015, EUR 64.3 million per 31 March 2014 and EUR 55.1 million per 31 December 2014).

3. FINANCIAL SITUATION

On 31 March 2015, the Group **net consolidated financial debt** amounted to **EUR 168.9 million** (31 March 2014: EUR 145.9 million; 31 December 2014: EUR 168.3 million), excluding the drawn amounts under off-balance non-recourse factoring/forfeiting programs of EUR 69.8 million (31 March 2014: EUR 64.3 million; 31 December 2014: EUR 55.1 million).

On a **combined** basis, **net financial debt** amounted to **EUR 189.5 million** on 31 March 2015 (31 March 2014: EUR 170.5 million; 31 December 2014: EUR 194.5 million), excluding the drawn amounts under the off-balance non-recourse factoring/forfeiting programs of EUR 78.2 million (31 March 2014: EUR 71.6 million; 31 December 2014: EUR 62.7 million)

4. OUTLOOK

In the first quarter of 2015 the company experienced the first signs of a more supportive business environment which leads it to expect an increase in combined sales for the full year 2015, despite the divestment of its 50% participation in Kingspan Tarec Industrial Insulation. REBITDA for the full year is expected to increase by about 10%.

The company furthermore confirmed today its intention to increase its capital in May 2015 by around EUR 75 million, which will allow the company to reduce the gearing ratio, to execute the intended investments and to pursue the streamlining of its organisation and footprint.

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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

Annual General Meeting	26.05.2015 (at 10:00 AM CET)
Ex-coupon date	23.04.2015
Dividend payment date	02.06.2015
First half-year 2015 results	28.08.2015 (before opening of the stock exchange)
Third quarter 2015 trading update	30.10.2015 (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 employs 7,578 people in 99 establishments in 27 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.) and GELTEX® inside. Within the Insulation sub-segment high-quality thermal insulation products are marketed under the well-known brands Eurowall®, Powerroof®, Powerdeck® and Powerwall®. Technological progress and innovation have led to breakthrough at the biggest names in the Automotive industry thanks to Colofast®, Colosense® and Colosense Lite®.

In 2014 Recticel achieved combined sales of EUR 1.28 billion (IFRS 11 consolidated sales: EUR 0.98 billion).

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

The press release is available in English, Dutch and French on the website www.recticel.com