

TRADING UPDATE FOR 3rd QUARTER 2015

1. COMBINED¹ DATA

- **Combined 3Q sales²:** from EUR 305.3 million to EUR 323.4 million; +5.9 %, including currency effects of +2.2%
- **Combined year-to-date 9M sales²:** from EUR 943.0 million to EUR 990.8 million; +5.1%, including currency effects of +2.4%
- **Net financial debt³:** EUR 123.1 million compared to EUR 193.2 million per 30 September 2014 and EUR 137.5 million per 30 June 2015

¹ Including Recticel's pro rata share in the joint ventures, after elimination of intercompany transactions, in accordance with the proportional consolidation method.

² Excluding the contribution to sales by the joint venture Kingspan Tarec Industrial Insulation, which was sold in February 2015 (3Q2014: EUR 4.2 million; 9M14: EUR 11.7 million)

³ Excluding the drawn amounts under non-recourse factoring/forfeiting programs (EUR 71.1 million per 30 September 2015; EUR 70.6 million per 30 September 2014 and EUR 78.3 million per 30 June 2015).

Combined sales² increased from EUR 305.3 million in 3Q2014 to **EUR 323.4 million in 3Q2015** (+5.9%).

Sales growth accelerated to +5.9% during 3Q2015 (including exchange rate differences of +2.2%), following 1Q2015 (+4.1%, including exchange rate differences of +2.3%) and 2Q2015 (+5.2%, including exchange differences of +2.9%).

All segments have grown during the third quarter.

Growth initiatives in Insulation and Bedding, combined with the favourable currency impacts are the main drivers for revenue growth.

Over **9M2015** combined sales² increased by +5.1% from EUR 943.0 million to **EUR 990.8 million**

Breakdown of **combined** sales by segment (unaudited)

in million EUR	2014		2015		Δ 3Q y-o-y	Δ 9M y-o-y
	3Q	9M	3Q	9M		
	--- restated ¹ ---					
Flexible Foams	144,1	444,2	145,0	450,9	0,6%	1,5%
Bedding	67,5	202,9	73,1	216,6	8,4%	6,7%
Insulation	55,7	159,0	60,3	173,6	8,3%	9,2%
Automotive	59,9	200,4	65,1	207,9	8,7%	3,7%
Eliminations	(21,9)	(63,4)	(20,1)	(58,1)	-8,0%	-8,4%
TOTAL COMBINED SALES	305,3	943,0	323,4	990,8	5,9%	5,1%
Contribution joint ventures proportionally consolidated in segment reporting	(66,2)	(209,9)	(70,5)	(218,9)	6,6%	4,3%
TOTAL CONSOLIDATED SALES	239,1	733,1	252,8	771,9	5,7%	5,3%

¹ Excluding the contribution to sales by the joint venture Kingspan Tarec Industrial Insulation, which was sold in February 2015 (3Q2014: EUR 4,2 million; 9M2014: EUR 11,7 million)

A. Flexible Foams

3Q2015 combined external sales increased by +1.8% from EUR 127.3 million to **EUR 129.6 million**. Total combined sales, including intersegment sales (3Q2015: EUR 15.4 million; -8.3%), increased by +0.6% from EUR 144.1 million in 3Q2014 to **EUR 145.0 million in 3Q2015**.

9M2015, combined external sales grew by +2.5% from EUR 396.7 million to **EUR 406.8 million**. Total combined sales, including intersegment sales (9M2015: EUR 44.1 million; -7.2%), increased by +1.5% from EUR 444.2 million to **EUR 450.9 million**. Currency exchange differences had a positive effect of +1.9%.

Higher 9M2015 sales in Technical Foams (EUR 179.3 million; +4.9%), which are supported by stronger industrial demand as well as higher demand in non-European markets, compensated for the weaker activity level in Comfort (EUR 271.6 million; -0.6%).

Sales in the Central & Eastern European countries remained strong, and the recovery in Spain is gaining momentum.

B. Bedding

3Q2015 combined external sales increased by +9.5% from EUR 62.6 million to **EUR 68.5 million**. Total combined sales, including intersegment sales (3Q2015: EUR 4.6 million; -6.4%), increased by +8.4% from EUR 67.5 million in 3Q2014 to **EUR 73.1 million in 3Q2015** (including exchange rate differences for +0.6%).

9M2015 combined external sales grew by +8.3% from EUR 187.5 million to **EUR 203.0 million**. Total combined sales, including intersegment sales (9M2015: EUR 13.6 million; -12.0%), increased by +6.7% from EUR 202.2 million to **EUR 216.6 million** (including exchange rate differences for +1.0%).

Revenues of the sub-segment **Branded Products** increased by +9.7%, supported by the GELTEX® inside products' growth of more than +19% versus 9M2014.

The sub-segment **Non-Branded/Private Label** also recorded higher sales (+6.3%).

C. Insulation

3Q2015 combined sales¹ increased by +8.3% from EUR 55.7 million to **EUR 60.3 million**, including exchange rate differences for +4.2%.

9M2015 combined sales¹ increased by +9.2% from EUR 159.0 million to **EUR 173.6 million**. Currency exchange differences had a positive effect of +4.0%. Most countries reported higher sales.

Further growth in the structural demand for high performing polyurethane building insulation products is expected over the long term as a result of stricter insulation standards and regulations (cfr European Energy Performance of Buildings Directive (EPBD) (Directive 2010/31/EU) which are progressively adopted by the EU member states), volatile energy prices and growing awareness of the need for more and better insulation; hence continually increasing insulation thicknesses.

¹ Excluding the contribution of the joint venture Kingspan Tarec Industrial Insulation (KTII), which was sold in February 2015.

D. Automotive

3Q2015 combined sales increased by +8.7% from EUR 59.9 million to **EUR 65.1 million**.

Sales in **Interiors** increased by +14.1% to **EUR 27.4 million**, compared to EUR 24.0 million in 3Q2014. The evolution is due to the gradual start-up of new programs, to revenues recognized on moulds for the recently acquired programs and currency exchange differences (+4.7%).

Sales in **Seating** (i.e. Proseat, the 51/49 joint venture between Recticel and Woodbridge) were +4.1% higher in **3Q2015 (EUR 34.6 million)**.

Sales in **Exteriors** increased in **3Q2015** by +16.5% to **EUR 3.0 million**.

9M2015 combined sales increased by +3.7% from EUR 200.4 million to **EUR 207.9 million**.

Sales in **Interiors** grew by +5.8% over 9M2015 to **EUR 88.6 million**. Currency exchange differences had a positive impact of +4.6%.

Sales in **Seating** grew by +1.2% over 9M2015 to **EUR 110.0 million**.

Sales in **Exteriors** increased over 9M2015 by +15.6% to **EUR 9.4 million** (including currency exchange differences of +9.9%).

2. CONSOLIDATED¹ DATA

- **3Q consolidated sales:** from EUR 239.1 million to EUR 252.8 million (+6.6%), including currency effects (+2.8%)
- **Year-to-date 9M consolidated sales:** from EUR 733.1 million to EUR 771.9 million (+5.3%), including currency effects (+3.0%)
- **Net financial debt²:** EUR 95.5 million (30 June 2015: EUR 112.2 million; 30 September 2014: EUR 167.2 million)

1 Consolidated figures: following the application of IFRS 11, whereby joint ventures are integrated on the basis of the equity method.

2 Excluding the drawn amounts under non-recourse factoring/forfeiting programs (EUR 65.0 million per 30 September 2015; EUR 64.9 million per 30 September 2014 and EUR 70.4 million per 30 June 2015).

3. FINANCIAL SITUATION

On 30 September 2015, **net consolidated financial debt** amounted to **EUR 95.5 million** (30 September 2014: EUR 167.2 million; 30 June 2015: EUR 112.2 million) excluding the drawn amounts under off-balance non-recourse factoring/forfeiting programs of EUR 65.0 million (30 September 2014: EUR 64.9 million; 30 June 2015: EUR 70.4 million).

On 30 September 2015 **net combined financial debt** amounted to **EUR 123.1 million** (30 June 2015: EUR 137.5 million; 30 September 2014: EUR 193.2 million) excluding the drawn amounts under the off-balance non-recourse factoring/forfeiting programs of EUR 71.1 million (30 September 2014: EUR 70.6 million; 30 June 2015: EUR 78.3 million).

4. OUTLOOK

In the first nine months of 2015, Recticel experienced a more favorable business environment which, supported by successful market initiatives and despite growing uncertainty and volatile global economic context, will lead to combined sales growth for the full year 2015. Combined REBITDA³ for the full year 2015 is expected to increase by about 15%.

³ Excluding the contribution of the joint venture Kingspan Tarec Industrial Insulation (KTII), which was sold in February 2015.

ooo

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

FY2015 Results	26.02.2016 (before opening of the stock exchange)
First quarter 2016 trading update	06.05.2016 (before opening of the stock exchange)
Annual General Meeting	31.05.2016 (at 10:00 AM CET)
First half-year 2016 results	26.08.2016 (before opening of the stock exchange)
Third quarter 2016 trading update	31.10.2016 (before opening of the stock exchange)

For additional information

RECTICEL - Olympiadenlaan 2, B-1140 Brussels (Evere)

PRESS

Mr Olivier Chapelle
Tel: +32 2 775 18 01
chapelle.olivier@recticel.com

INVESTOR RELATIONS

Mr Michel De Smedt
Mobile: +32 479 91 11 38
desmedt.michel@recticel.com

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