

# RECTICEL

## First Half-Year 2015 Results

### Financial Analysts' Meeting

Brussels, 28 August 2015

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# Agenda

- 1 Key highlights 1H2015**
- 2 1H2015 Consolidated & Combined Results**
- 3 Financial Situation**
- 4 Outlook Full Year 2015**
- 5 1H2015 Comments on Combined Results per Business Line**
- 6 Annexes**

# Key highlights 1H2015

1

**Successful capital increase of € 75.9 million (13 May 2015)**

2

**Divestment of 50% participation in joint venture KTI (Insulation) (February 2015)**

3

**Sales +4.7% and Rebitda +15.7%, driven mainly by Insulation and Bedding**

4

**Operational issues in Flexible Foams (cfr 4Q2014) solved**

5

**Further progress in the streamlining of the company drives efficiency gains**

6

**Reduced net financial debt and Gearing (net financial debt/equity) ratio**

# Key market developments 1H2015

## ► Tailwinds

- Depreciation of Euro vs other currencies during H1 has stabilised, then partially reversed.
- Oil price reduction : relative stability expected during remainder of 2015

## ► Countries/regions

- East and Central Europe → relatively strong
- United Kingdom → strong
- Spain → recovery after 6 years of decline is gaining momentum
- Scandinavia → weakening
- International → weakening (China)
- France → weak
- Other European countries → neutral

## ► Markets/Segments

- Automotive → still strong new car registration in EU 28, but production is slowing !  
→ China automotive markets slowing down
- Bedding → -4% in 1H2014, +/-0% in 2H2014, positive in 1H2015
- Construction → Quite competitive : poor in France, strong in UK, neutral elsewhere
- Furniture/upholstery → neutral
- Industry → neutral

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**1 Key highlights 1H2015**

**2 1H2015 Combined Results**

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## Combined key figures\*

\* All comparisons are made with the comparable period of 2014, restated for IFRIC 21 and the divestment of Kingspan Tarec Industrial Insulation (KTII) (February 2015), unless mentioned otherwise.

- ▶ **Sales:** from 637.8m€ to **667.5m€** (+4.7%, including +2.6% currency effects)
- ▶ **Sales growth** of 9.7% in **Insulation** and 5.9% in **Bedding**
- ▶ **REBITDA:** from 37.0m€ to **42.9m€** (+15.7%)
- ▶ **EBITDA:** from 24.4m€ to **38.8m€** (+59.0%)
- ▶ **REBIT:** from 19.2m€ to **24.8m€** (+29.1%)
- ▶ **EBIT:** from 6.5m€ to **20.0m€** (x3.0)
- ▶ **Net financial debt**<sup>1</sup>: from 191.8m€ (30-Jun-14) or 194.5m€ (31-Dec-14) to **137.5m€** (30-Jun-15)
- ▶ **Gearing ratio:** from 117.1% (31-Dec-14) to **55.1%**

<sup>1</sup> Excluding the drawn amounts under non-recourse factoring/forfeiting programs: 78.3m€ per 30 June 2015 versus 62.7m€ per 31 December 2014 and 74.8m€ per 30-Jun-14.

# Combined 1H net sales are up 4.7%, including +2.6% currency impact

- ▶ **Net sales:** from 637.7m€ to **667.5m€ (+4.7%)**
  - ❑ **1Q/15:** from 329.7m€ to 343.4m€ (+4.1%)
  - ❑ **2Q/15:** from 308.0m€ to 324.1m€ (+5.2%)
- ▶ Currency exchange differences had a positive impact of 16.5m€ (+2.6%)
- ▶ Higher net sales in all segments:
  - ❑ **Insulation** (+9.7%) with very strong sales growth in 2Q2015 (+15.2%), including positive currency effect of sales in the United Kingdom
  - ❑ **Bedding** (+5.9%) further expanded the branded products' segment (now 60% of sales turnover), supported by the GELTEX® inside product range and new boxsprings collections.
  - ❑ **Flexible Foams** (+1.9%) benefitted from improving industrial demand for Technical Foams, as well as from higher sales in the non-European markets.
  - ❑ **Automotive** (+1.6%) growth is driven by the planned start-ups of recently acquired programs, and by the end of life of existing programs

## The positive sales evolution in 1Q2015 accelerated during 2Q2015, except in Automotive

<i>in million EUR</i>	1Q2014	2Q2014	1H2014	1Q2015	2Q2015	1H2015	Δ 1Q	Δ 2Q	Δ 1H
	-----	(restated) <sup>1</sup>	-----						
Flexible Foams	156,1	144,0	300,1	158,5	147,4	305,9	1,5%	2,4%	1,9%
Bedding	76,0	59,4	135,4	79,1	64,4	143,5	4,1%	8,3%	5,9%
Insulation	51,8	51,5	103,3	54,0	59,3	113,3	4,2%	15,2%	9,7%
Automotive	68,7	71,9	140,6	72,7	70,1	142,9	5,9%	-2,4%	1,6%
Eliminations	( 22,9)	( 18,7)	( 41,6)	( 20,9)	( 17,1)	( 38,0)	-8,5%	-8,7%	-8,6%
<b>TOTAL COMBINED SALES</b>	<b>329,7</b>	<b>308,0</b>	<b>637,7</b>	<b>343,4</b>	<b>324,1</b>	<b>667,5</b>	<b>4,1%</b>	<b>5,2%</b>	<b>4,7%</b>
Contribution joint ventures proportionally consolidated in segment reporting	( 73,8)	( 69,9)	( 143,7)	( 75,0)	( 73,4)	( 148,4)	1,6%	5,0%	3,2%
<b>TOTAL CONSOLIDATED SALES</b>	<b>255,9</b>	<b>238,1</b>	<b>494,0</b>	<b>268,4</b>	<b>250,7</b>	<b>519,1</b>	<b>4,9%</b>	<b>5,3%</b>	<b>5,1%</b>

<sup>1</sup> Restated for IFRIC 21 and excluding the contribution of sales by the joint venture Kingspan Tarec Industrial Insulation, which was sold in February 2015



# Combined REBITDA increased by 15.7%

- ▶ **REBITDA:** from 37.0m€ to **42.9m€** (+15.7%)
  - Increased recurrent profitability due to:
    - Higher sales, and favorable product mix (Flexible Foams and Bedding)
    - Improved cost performance reflecting the impact from past restructuring efforts and cost control initiatives
    - Lower raw material prices
  - All segments contributed strongly to the profitability improvement, with the exception of Automotive - which was anticipated
- ▶ **Flexible Foams** restored its industrial performance, which had been an issue in 4Q2014. Likewise, polyol prices have receded and the product-mix has improved.
- ▶ **Bedding** benefited in 1H2015 from an improved product-mix, including the further expansion of its GELTEX® inside product line, supported by continued advertising efforts.
- ▶ **Insulation** increased its profitability, supported by higher volumes. Cost reduction initiatives and receding raw material prices, compensated price erosion in some of its most competitive markets.
- ▶ **Automotive** profitability declined, as expected, as a direct consequence of start-up costs for the numerous new programs, mainly in the Interiors segment.

# Combined REBITDA and REBIT make parallel progress

- **REBITDA** : from 37.0m€ to **42.9m€** (+15.7%)

<i>in million EUR</i>	<b>1H2014</b> (restated) <sup>1</sup>	<b>1H2015</b>	<b>Δ</b>
Flexible Foams	16,6	20,4	23,1%
Bedding	3,3	6,0	79,9%
Insulation	12,4	16,1	29,9%
Automotive	12,8	9,5	-25,3%
Corporate	( 8,0)	( 9,2)	14,1%
<b>TOTAL COMBINED REBITDA</b>	<b>37,0</b>	<b>42,9</b>	<b>15,7%</b>

<sup>1</sup> Restated for IFRIC 21 and excluding the contribution of REBITDA by the joint venture Kingspan Tarec Industrial Insulation, which was sold in February 2015

- **REBIT** : from 19.2m€ to **24.8m€** (+29.1%)

<i>in million EUR</i>	<b>1H2014</b> (restated) <sup>1</sup>	<b>1H2015</b>	<b>Δ</b>
Flexible Foams	11,0	14,6	32,9%
Bedding	( 0,0)	2,8	n.r.
Insulation	9,7	13,3	37,5%
Automotive	7,2	3,8	-48,2%
Corporate	( 8,7)	( 9,7)	11,5%
<b>TOTAL COMBINED REBIT</b>	<b>19,2</b>	<b>24,8</b>	<b>29,1%</b>

## Lower non-recurring elements (on combined basis), all “investigations” consequences in the books

in million EUR	1H2014	1H2015
Provision for settlement German Federal Cartel Office investigation	( 8,2)	0,0
Restructuring charges and provisions	( 4,2)	( 5,3)
Capital gain on divestment	0,0	1,6
Other (i.e. Legal and advisory fees, sale of operating assets, ...)	( 0,2)	( 0,4)
<b>Total impact on EBITDA</b>	<b>( 12,6)</b>	<b>( 4,1)</b>
Impairments	( 0,1)	( 0,7)
<b>Total impact on EBIT</b>	<b>( 12,7)</b>	<b>( 4,8)</b>

- ▶ **Impact non-recurring elements on EBITDA: -4.1m€** (1H2014: -12.6m€)
- ▶ **Impact non-recurring elements on EBIT: -4.8m€** (1H2014: -12.7m€)
- ▶ **Non-recurring elements** mainly relate to:
  - ❑ Additional restructuring measures linked to the closure of the Automotive-Seating plant in Rüsselsheim (Germany), and additional actions in Flexible Foams (Spain and Sweden) and in Bedding (Germany and Netherlands)
  - ❑ Capital gain of +1.6m€ on divestment 50% participation in KTII (Insulation) in February 2015
  - ❑ Impairments of -0.7m€ (1H2014: -0.1m€) in Flexible Foams (The Netherlands)

# Strong improvement of combined EBITDA & EBIT

## ► EBITDA: from 24.4m€ to **38.8m€** (+59.0%)

<i>in million EUR</i>	<b>1H2014</b> (restated) <sup>1</sup>	<b>1H2015</b>	<b>Δ</b>
Flexible Foams	15,5	19,9	28,3%
Bedding	( 6,8)	5,1	n.r.
Insulation	12,4	17,7	42,6%
Automotive	12,4	5,7	-54,3%
Corporate	( 9,1)	( 9,5)	4,7%
<b>TOTAL COMBINED EBITDA</b>	<b>24,4</b>	<b>38,8</b>	<b>59,0%</b>
Contribution joint ventures proportionally consolidated in segment reporting	( 5,8)	( 7,1)	22,2%
<b>TOTAL CONSOLIDATED EBITDA</b>	<b>18,6</b>	<b>31,7</b>	<b>70,4%</b>

<sup>1</sup> Restated for IFRIC 21 and excluding the contribution of REBIT by the joint venture Kingspan Tarec Industrial Insulation, which was sold in February 2015

## ► EBIT: from 6.5m€ to **+20.0m€**

<i>in million EUR</i>	<b>1H2014</b> (restated) <sup>1</sup>	<b>1H2015</b>	<b>Δ</b>
Flexible Foams	9,8	13,3	35,2%
Bedding	( 10,2)	1,9	n.r.
Insulation	9,7	14,9	53,8%
Automotive	6,9	( 0,1)	-101,7%
Corporate	( 9,7)	( 10,0)	3,0%
<b>TOTAL COMBINED EBIT</b>	<b>6,5</b>	<b>20,0</b>	<b>209,0%</b>
Contribution joint ventures proportionally consolidated in segment reporting	( 2,1)	( 3,0)	42,4%
<b>TOTAL CONSOLIDATED EBIT</b>	<b>4,3</b>	<b>16,9</b>	<b>290,3%</b>

# Slightly higher consolidated financial charges and income taxes

- ▶ **Consolidated financial result:** from -7.0m€ to **-7.5m€**
  - Net interest charges increased from -4.8m€ to -5.1m€, as a result of a higher average net interest-bearing debt level, including the usage of 'off-balance' factoring/forfeiting programs, until the receipt of the proceeds of the capital increase in May 2015.
  - 'Other net financial income and expenses' from -2.2m€ to -2.4m€. Comprise mainly interest capitalisation costs under provisions for pension liabilities (-0.5m€ versus -0.8m€ in 1H2014) and exchange rate differences (-1.8m€ versus -0.6m€ in 1H2014). 1H2014 included also -0.8m€ financing costs resulting from the EC fine payment terms.
  
- ▶ **Consolidated income taxes and deferred taxes :** from -3.8m€ to **-4.4m€**
  - Current income tax charges: -0.7m€ (-1.1m€ in 1H2014);
  - Deferred tax charges: -3.7m€ (-2.7m€ in 1H2014).
  
- ▶ **Consolidated result of the period (share of the Group):** from a loss of -6.5m€ to a profit of **+5.0m€**

in k€	A 30/06/2015	LY 30/06/2014
	Combined, restated without KTI and with IFRIC 21	
<b>EARNINGS before INTEREST AND TAXES (EBIT)</b>	<b>19,960</b>	<b>6,460</b>
Depreciations and Amortizations	18,099	17,854
Impairment losses on Assets	744	96
Write-off on Assets	476	349
Changes in provisions	* 3,034	3,555
Gains / Losses on disposals of Assets	-1,891	-280
Income from associates	-141	-477
<b>GROSS OPERATING CASH FLOW</b>	<b>40,282</b>	<b>27,557</b>
Changes in working capital	** -25,674	-39,698
Trade & Other Long term debts (deferred EU fine)	*** -6,575	13,947
<b>CASH GENERATED by OPERATIONS</b>	<b>8,032</b>	<b>1,806</b>
Income taxes paid	-2,825	-2,255
<b>NET CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>5,207</b>	<b>-449</b>
Interest received	201	201
Dividend received	218	345
Investments and subscription capital increase	0	-13
Increase / Decrease of Loans and Receivables	-118	2,743
Purchases of intangible assets	*** -2,770	-2,079
Purchases of property, plant and equipment	* -15,166	-17,514
Disposals of intangible assets	34	335
Disposals of property, plant and equipment	2,634	491
Disposals of financial investments	7,792	
<b>NET CASH FLOW FROM INVESTMENT ACTIVITIES</b>	<b>-7,176</b>	<b>-15,491</b>
Interest paid	-4,565	-4,977
Dividends paid	-5,887	-5,820
Increase/Decrease of capital	73,157	2,710
Increase/Decrease financial debts	-44,487	25,489
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>	<b>18,219</b>	<b>17,402</b>
Effect of Exchange rate Changes	-485	517
Effect of Change in Scope of consolidation and foreign currency translation reserves recycled	0	-739
<b>CHANGES IN CASH AND CASH EQUIVALENT</b>	<b>15,766</b>	<b>1,241</b>
Net cash position opening balance	42,830	40,832
Net cash position closing balance	58,596	42,073
<b>NET VARIATION CASH &amp; CASH EQUIVALENT</b>	<b>15,766</b>	<b>1,241</b>

## Combined Cash flow

<b>(*) Changes in provisions</b>	<b>3.0</b>
<b>Net additions</b>	<b>7.3</b>
> Pension provisions	2.4
> Restructuring	3.8
> Environment Tertre	1.0
> Other	0.1
<b>Net utilisations</b>	<b>(4.3)</b>
> Pension provisions	(1.8)
> Restructuring	(2.1)
> Environment Tertre	(0.4)
> Other	
<b>(**) Changes in Working Capital</b>	<b>(25.7)</b>
> Inventories	0.4
> Trade receivables	(23.9)
> Other receivables	(8.9)
> Trade payables	(7.2)
> Other payables	14.0
<b>(***) EU fine paid</b>	<b>(6.6)</b>
<b>(****) Capex paid</b>	<b>(17.9)</b>
> Flexible foams	(8.1)
> Insulation F, B, UK	(3.5)
> Bedding	(0.9)
> Seating	(0.9)
> Interiors	(3.6)
> Other (IDC, ICT, Corporate)	(0.9)

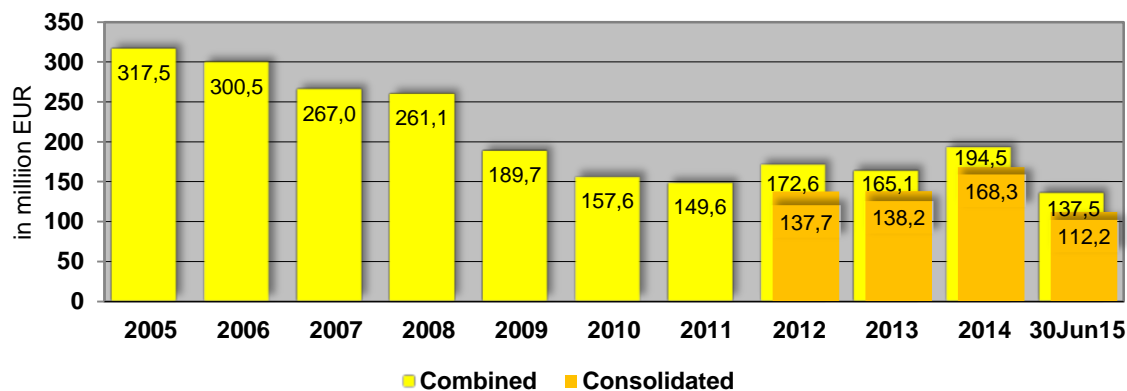
For the investment and disposal activities, only the cash payment and cash receipts have been reported as stipulated under IAS7.

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# Lower net financial debt\*, as a consequence of the capital increase

## ► Combined versus Consolidated net financial debt\*



The decrease of the net financial debt is largely explained by the fact that the net proceeds of the right's issue of May 2015 were used for the repayment of debt.

- **Gearing ratio (net debt-to-equity):** The rights' issue of May 2015 strengthened the company's equity position
  - ❑ **Consolidated gearing ratio:** from 101.3% (end 2014) to **45.0%**
  - ❑ **Combined gearing ratio:** from 117.1% (end 2014) to **55.1%**

\* Excluding the drawn amounts under non-recourse factoring/forfeiting programs



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# Outlook full year 2015

**In the first half 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<sup>1</sup> growth for the full year 2015. Combined REBITDA<sup>1</sup> for the full year 2015 is expected to increase by about 15%, in line with the first half 2015 trend.**

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

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# Better industrial performance, improved product-mix and lower raw material prices



## Key financials

in million EUR	1H2014 (restated) <sup>1</sup>	1H2015	Δ
<b>Sales</b>	<b>300,1</b>	<b>305,9</b>	<b>1,9%</b>
<b>REBITDA</b>	<b>16,6</b>	<b>20,4</b>	<b>23,1%</b>
as % of sales	5,5%	6,7%	
<b>EBITDA</b>	<b>15,5</b>	<b>19,9</b>	<b>28,3%</b>
as % of sales	5,2%	6,5%	
<b>REBIT</b>	<b>11,0</b>	<b>14,6</b>	<b>32,9%</b>
as % of sales	3,7%	4,8%	
<b>EBIT</b>	<b>9,8</b>	<b>13,3</b>	<b>35,2%</b>
as % of sales	3,3%	4,3%	

<sup>1</sup> Restated for IFRIC 21

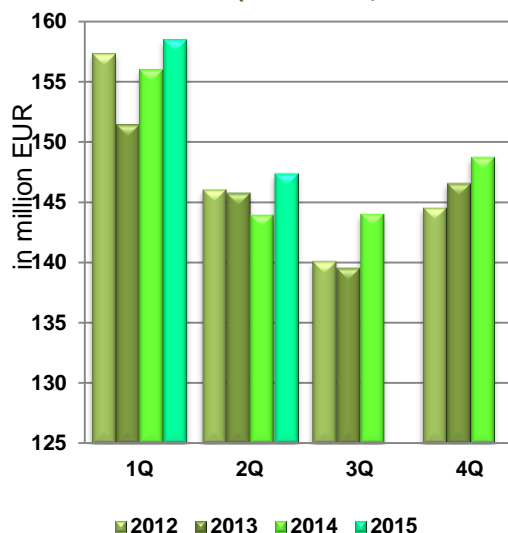
## 1H2015 key topics

- ▶ Sales 1H2015: €305.9m (+1.9%) vs €300.1m, with external sales increasing by +2.9%
  - Comfort: -0.7%
  - Technical Foams: +6.0% (strong industrial and automotive markets)
- ▶ **Central & Eastern European countries remained strong**, and recovery in Spain is gaining momentum

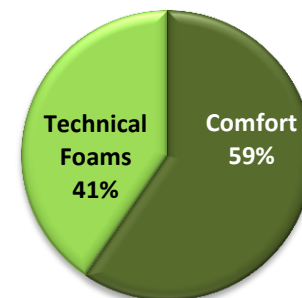
## Recent developments

- ▶ **Improved product/market-mix** (i.e. Technical Foams)
- ▶ Higher sales in **non-European markets**
- ▶ **Restored industrial performance** (cfr 4Q2014)
- ▶ Positive impact of **cost management initiatives**
- ▶ **Lower raw material prices**
- ▶ **Reorganisation** in Spain and Sweden

Combined Sales Flexible Foams (2012-2015)



Combined sales 1H2015



# Further growth of branded products and GELTEX® inside product line



## Key financials

in million EUR	1H2014 (restated) <sup>1</sup>	1H2015	Δ
<b>Sales</b>	<b>135,4</b>	<b>143,5</b>	<b>5,9%</b>
<b>REBITDA</b>	<b>3,3</b>	<b>6,0</b>	<b>79,9%</b>
as % of sales	2,5%	4,2%	
<b>EBITDA</b>	<b>( 6,8)</b>	<b>5,1</b>	<b>n.r.</b>
as % of sales	-5,0%	3,5%	
<b>REBIT</b>	<b>( 0,0)</b>	<b>2,8</b>	<b>n.r.</b>
as % of sales	0,0%	2,0%	
<b>EBIT</b>	<b>( 10,2)</b>	<b>1,9</b>	<b>n.r.</b>
as % of sales	-7,5%	1,3%	

<sup>1</sup> Restated for IFRIC 21

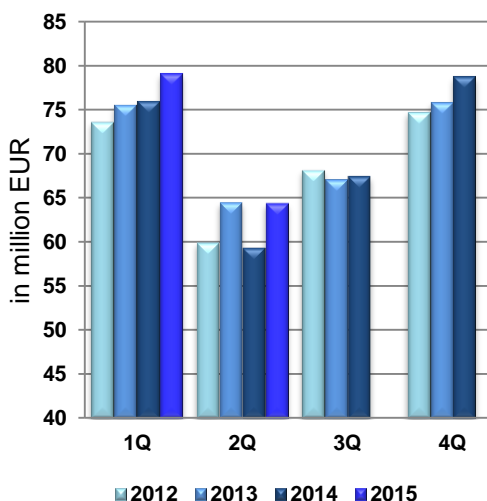
## 1H2015 key topics

- ▶ Sales 1H2015: €143.5m (+5.9%) vs €135.4m, with external sales increasing by +7.7%
  - Branded Products: +11.2%
  - Non-Brands/Private Label: +2.5%
- ▶ **>40% growth of GELTEX® inside products**
- ▶ Strong sales growth in Germany and Austria

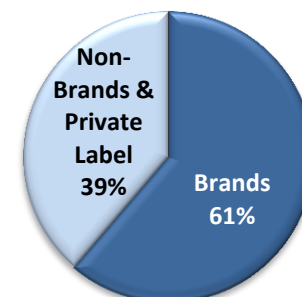
## Recent developments

- ▶ Successful commercial performance of **innovative GELTEX® inside products**
- ▶ **Improved product-mix** due to further expansion of Branded Products segment
- ▶ **Sales growth rate significantly higher** than estimated market growth rates in reference markets
- ▶ **Restructuring** in Germany and The Netherlands

Combined Sales Bedding (2012-2015)



Combined sales 1H2015



# Strong growth of sales and profitability



## Key financials

in million EUR	1H2014 (restated) <sup>1</sup>	1H2015	Δ
<b>Sales</b>	<b>103,3</b>	<b>113,3</b>	<b>9,7%</b>
<b>REBITDA</b>	<b>12,4</b>	<b>16,1</b>	<b>29,9%</b>
as % of sales	12,0%	14,2%	
<b>EBITDA</b>	<b>12,4</b>	<b>17,7</b>	<b>42,6%</b>
as % of sales	12,0%	15,6%	
<b>REBIT</b>	<b>9,7</b>	<b>13,3</b>	<b>37,5%</b>
as % of sales	9,4%	11,7%	
<b>EBIT</b>	<b>9,7</b>	<b>14,9</b>	<b>53,8%</b>
as % of sales	9,4%	13,1%	

<sup>1</sup> Restated for IFRIC 21 and excluding the contribution by the joint venture Kingspan Tarec Industrial Insulation, which was sold in February 2015

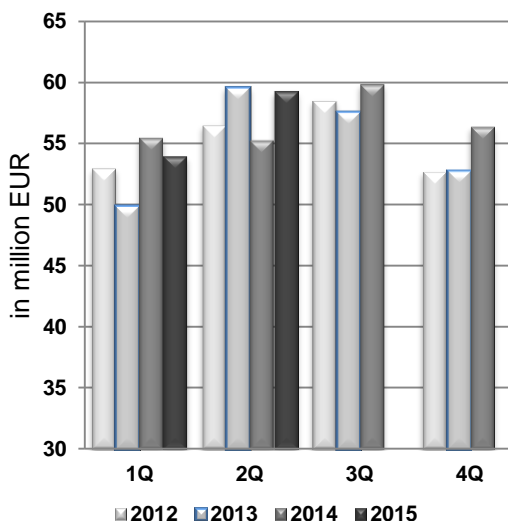
## 1H2015 key topics

- ▶ Sales 1H2015: €113.3m (+9.7%) vs €103.3m (excluding the 50% participation in the KTII joint venture<sup>1</sup>)
- ▶ Sales **growth accelerated** in 2Q2015 (+15.2%) after a good 1Q2015 (+4.2%)
- ▶ **Higher volumes** and positive currency impact on sales in the United Kingdom

## Recent developments

- ▶ Still **relatively soft construction markets**
- ▶ **Price erosion** in some of the most competitive markets, compensated by **cost reduction initiatives and lower raw material prices**
- ▶ **Divestment** in February 2015 of the 50% participation in the joint venture Kingspan Tarec Industrial Insulation (KTII) (capital gain: 1.6m€)

Combined sales Insulation  
(2012-2015)



# Growth driven by start-up of new programs and by end-of-life of existing programs



## Key financials

in million EUR	1H2014 (restated) <sup>1</sup>	1H2015	Δ
<b>Sales</b>	<b>140,6</b>	<b>142,9</b>	<b>1,6%</b>
<b>REBITDA</b>	<b>12,8</b>	<b>9,5</b>	<b>-25,3%</b>
as % of sales	9,1%	6,7%	
<b>EBITDA</b>	<b>12,4</b>	<b>5,7</b>	<b>-54,3%</b>
as % of sales	8,8%	4,0%	
<b>REBIT</b>	<b>7,2</b>	<b>3,8</b>	<b>-48,2%</b>
as % of sales	5,2%	2,6%	
<b>EBIT</b>	<b>6,9</b>	<b>( 0,1)</b>	<b>-101,7%</b>
as % of sales	4,9%	-0,1%	

<sup>1</sup> Restated for IFRIC 21

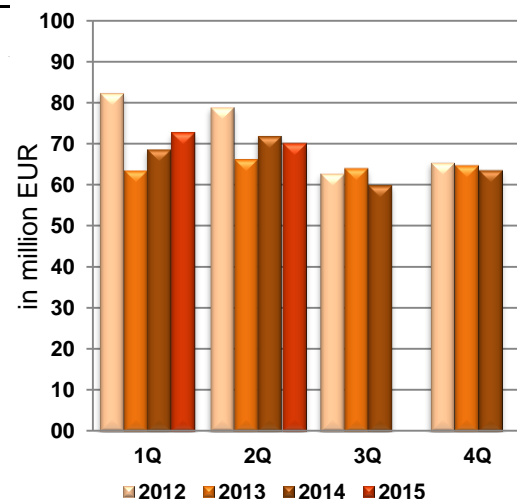
## 1H2015 key topics

- ▶ Sales 1H2015: €142.9m (+1.6%) vs €140.6m
  - ❑ **Interiors**: €61.2m **(+2.5%)**, despite phase-out of some programs in 2014
  - ❑ **Seating**: €75.4m, **stable**
  - ❑ Positive currency exchange effect

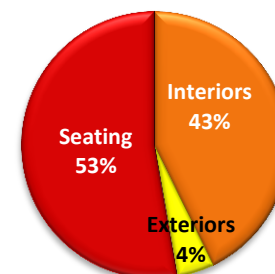
## Recent developments

- ▶ As expected, higher **start-up costs** due to newly acquired **Interiors programs** - with new production sites in China (Changchun and Langfang)
- ▶ **Seating**: restructuring due to announced closure of Rüsselsheim (Germany) plant and further rationalisation of overheads

Combined sales Automotive  
(2012-2015)



Combined sales 1H2015



# Agenda

- 1 Key highlights 1H2015
- 2 1H2015 Consolidated & Combined Results
- 3 Financial Situation
- 4 Outlook Full Year 2015
- 5 1H2015 Comments on Combined Results per Business Line
- 6 Annexes



## Consolidated key figures\*

\* All comparisons are made with the comparable period of 2014, restated for IFRIC 21 and the divestment of Kingspan Tarec Industrial Insulation (KTII) (February 2015), unless mentioned otherwise.

- ▶ **Sales:** from 494.0m€ to **519.1m€** (+5.1%, incl. +3.1% currency effects)
- ▶ **EBITDA:** from 18.6m€ to **31.7m€** (+70.4%), whereby 1H2014 included a provision for settlement of Bundeskartellamt investigation (-8.2m€), legal fees and restructuring charges
- ▶ **EBIT:** from 4.3m€ to **+16.9m€** (x3.9)
- ▶ **Result of the period** (share of the Group): from -6,5m€ to **+5.0m€**
- ▶ **Net financial debt**<sup>1</sup>: from 161.3m€ (30-Jun-14) or 168.3m€ (31-Dec-14) to **112.2m€** (30-Jun-15)
- ▶ **Gearing ratio:** from 101.3% (30-Dec-14) to **45.0%**

<sup>1</sup> Excluding the drawn amounts under non-recourse factoring/forfeiting programs: 70.4m€ per 30 June 2015 versus 55.1 m€ per 31 December 2014 and 67.3m€ per 30-Jun-14.

# ANNEXES – Consolidated Income Statement

in million EUR	1H2014		1H2015		Δ
	(as published)	(restated for IFRIC 21 and the divestment from KTII) (a)	(b)	(b)/(a) - 1	
<b>Sales</b>	<b>494,0</b>	<b>494,0</b>	<b>519,1</b>	<b>5%</b>	
Distribution costs	( 26,8)	( 26,9)	( 28,3)	5%	
Cost of sales	( 378,2)	( 378,8)	( 390,8)	3%	
<b>Gross profit</b>	<b>88,9</b>	<b>88,3</b>	<b>100,0</b>	<b>13%</b>	
General and administrative expenses	( 35,6)	( 36,0)	( 39,6)	10%	
Sales and marketing expenses	( 36,5)	( 36,5)	( 37,4)	2%	
Research and development expenses	( 6,9)	( 6,9)	( 6,5)	-7%	
Impairments	( 0,1)	( 0,1)	( 0,7)	675%	
Other operating revenues (1)	3,8	3,8	5,4	44%	
Other operating expenses (2)	( 15,0)	( 15,0)	( 6,3)	-58%	
Other operating result (1)+(2)	( 11,2)	( 11,2)	( 0,9)	-92%	
Income from joint ventures & associates	7,2	6,8	2,0	-70%	
Income from investments	0,0	0,0	0,0	-100%	
<b>EBIT</b>	<b>5,9</b>	<b>4,3</b>	<b>16,9</b>	<b>290%</b>	
Interest income	0,3	0,3	0,4	22%	
Interest expenses	( 5,1)	( 5,1)	( 5,5)	7%	
Other financial income	3,7	3,7	5,4	47%	
Other financial expenses	( 5,9)	( 5,9)	( 7,8)	32%	
<b>Financial result</b>	<b>( 7,0)</b>	<b>( 7,0)</b>	<b>( 7,5)</b>	<b>7%</b>	
<b>Result of the period before taxes</b>	<b>( 1,1)</b>	<b>( 2,7)</b>	<b>9,4</b>	<b>n.r.</b>	
Income taxes	( 3,8)	( 3,8)	( 4,4)	15%	
<b>Result of the period after taxes</b>	<b>( 5,0)</b>	<b>( 6,5)</b>	<b>5,0</b>	<b>n.r.</b>	
of which attributable to the owners of the parent	( 5,0)	( 6,5)	5,0	n.r.	
of which attributable to non-controlling interests	0,0	0,0	0,0	-	

# ANNEXES – Consolidated Comprehensive Income

in million EUR	1H2014 (as published)	1H2014 (restated for IFRIC 21 and the divestment from KTIL)	1H2015
<b>Result for the period after taxes</b>	<b>( 5,0)</b>	<b>( 6,5)</b>	<b>5,0</b>
<b>Other comprehensive income</b>			
<i><b>Items that will not subsequently be recycled to profit and loss</b></i>			
Actuarial gains and losses on employee benefits recognized in equity	( 4,2)	( 4,2)	6,1
Deferred taxes on actuarial gains and losses on employee benefits	0,0	0,0	( 1,1)
<b>Total</b>	<b>( 4,2)</b>	<b>( 4,2)</b>	<b>5,0</b>
<i><b>Items that subsequently may be recycled to profit and loss</b></i>			
Hedging reserves	( 0,9)	( 0,9)	( 0,3)
Investment revaluation reserve	0,0	0,0	0,0
Currency translation differences	0,0	0,0	5,5
Deferred taxes on hedging interest reserves	0,3	0,3	( 0,2)
<b>Total</b>	<b>( 0,6)</b>	<b>( 0,6)</b>	<b>4,9</b>
<b>Other comprehensive income net of tax</b>	<b>( 4,8)</b>	<b>( 4,8)</b>	<b>9,9</b>
<b>Total comprehensive income for the period</b>	<b>( 9,8)</b>	<b>( 11,3)</b>	<b>15,0</b>
<b>Total comprehensive income for the period</b>	<b>( 9,8)</b>	<b>( 11,3)</b>	<b>15,0</b>
of which attributable to the owners of the parent	( 9,8)	( 11,3)	15,0
of which attributable to non-controlling interests	0,0	0,0	0,0

# ANNEXES – Consolidated Balance Sheet

in million EUR	31 DEC 14	30 JUN 15	Δ
Intangible assets	12,4	12,3	-1%
Goodwill	24,9	26,5	6%
Property, plant & equipment	202,7	207,2	2%
Investment property	3,3	3,3	1%
Interest in joint ventures & associates	73,6	71,4	-3%
Other financial investments and available for sale investments	0,9	0,9	2%
Non-current receivables	13,4	13,3	-1%
Deferred tax	46,8	43,3	-8%
<b>Non-current assets</b>	<b>378,2</b>	<b>378,2</b>	<b>0%</b>
Inventories and contracts in progress	96,6	97,8	1%
Trade receivables	78,1	110,4	41%
Other receivables	49,6	50,2	1%
Income tax receivables	0,5	1,9	274%
Available for sale investments	0,1	0,1	0%
Cash and cash equivalents	26,2	51,4	97%
Disposal group held for sale	8,6	1,6	-82%
<b>Current assets</b>	<b>259,7</b>	<b>313,4</b>	<b>21%</b>
<b>TOTAL ASSETS</b>	<b>637,8</b>	<b>691,6</b>	<b>8%</b>

in million EUR	31 DEC 14	30 JUN 15	Δ
Equity (share of the Group)	166,2	249,5	50%
Non-controlling interests	0,0	0,0	-
<b>Total equity</b>	<b>166,2</b>	<b>249,5</b>	<b>50%</b>
Pensions and other provisions	61,8	59,0	-5%
Deferred tax	8,9	9,2	4%
Interest-bearing borrowings	142,1	131,5	-7%
Other amounts payable	6,8	0,2	-97%
<b>Non-current liabilities</b>	<b>219,7</b>	<b>199,9</b>	<b>-9%</b>
Pensions and other provisions	6,9	5,6	-19%
Interest-bearing borrowings	52,8	33,5	-36%
Trade payables	96,4	94,4	-2%
Income tax payables	0,4	1,3	220%
Other amounts payable	95,5	107,5	13%
<b>Current liabilities</b>	<b>251,9</b>	<b>242,3</b>	<b>-4%</b>
<b>TOTAL LIABILITIES</b>	<b>637,8</b>	<b>691,6</b>	<b>8%</b>

# ANNEXES – Consolidated Statement of Cash Flow

in million EUR	1H2014 (as published)	1H2014 (restated for IFRIC 21 and the divestment from KTII)	1H2015	Δ
		(a)	(b)	(b)/(a) -1
<b>EBIT</b>	<b>5,9</b>	<b>4,3</b>	<b>16,9</b>	<b>290%</b>
Depreciation, amortisation and impairment losses on assets	14,6	14,6	15,2	4%
Income from associates and joint ventures	( 7,2)	( 6,8)	( 2,0)	-70%
Other non-cash elements	3,4	3,4	( 2,4)	nr
<b>Gross operating cash flow</b>	<b>16,8</b>	<b>15,6</b>	<b>27,7</b>	<b>77%</b>
Changes in working capital	( 13,2)	( 12,0)	( 26,6)	122%
<b>Gross operating cash flow after changes in working capital</b>	<b>3,6</b>	<b>3,6</b>	<b>1,0</b>	<b>-72%</b>
Income taxes paid	( 1,0)	( 1,0)	( 1,1)	14%
<b>Net cash flow from operating activities (a)</b>	<b>2,6</b>	<b>2,6</b>	<b>( 0,1)</b>	<b>nr</b>
<b>Net cash flow from investment activities (b)</b>	<b>( 14,8)</b>	<b>( 14,8)</b>	<b>( 2,9)</b>	<b>-81%</b>
Paid interest charges (1)	( 4,2)	( 4,2)	( 4,3)	1%
Paid dividends (2)	( 5,8)	( 5,8)	( 5,9)	1%
Increase (Decrease) of capital (3)	2,7	2,7	73,2	2600%
Increase (Decrease) of financial liabilities (4)	20,1	20,1	( 34,7)	nr
Other (5)	0,0	0,0	0,0	#DIV/0!
<b>Net cash flow from financing activities (c)= (1)+(2)+(3)+(4)+(5)</b>	<b>12,8</b>	<b>12,8</b>	<b>28,4</b>	<b>121%</b>
Effect of exchange rate changes (d)	0,1	0,1	( 0,1)	nr
Effect of change in scope of consolidation (e)	0,0	0,0	0,0	#DIV/0!
<b>Changes in cash and cash equivalents (a)+(b)+(c)+(d)+(e)</b>	<b>0,8</b>	<b>0,8</b>	<b>25,3</b>	<b>3260%</b>
<b>FREE CASH FLOW (a)+(b)+(1)</b>	<b>( 16,4)</b>	<b>( 16,4)</b>	<b>( 7,3)</b>	<b>-56%</b>

# ANNEXES – Statement of changes in equity

in million EUR	Capital	Share premium	Treasury shares	Investment revaluation reserve	Actuarial gains and losses	IFRS 2 Other capital 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 preceding period (31 December 2014)</b>	<b>74,2</b>	<b>108,6</b>	<b>( 1,7)</b>	<b>( 0,0)</b>	<b>( 19,8)</b>	<b>3,0</b>	<b>18,6</b>	<b>( 10,0)</b>	<b>( 6,6)</b>	<b>166,2</b>	<b>0,0</b>	<b>166,2</b>
Dividends	0,0	0,0	0,0	0,0	0,0	0,0	( 5,9)	0,0	0,0	( 5,9)	0,0	( 5,9)
Stock options (IFRS 2)	0,0	0,0	0,0	0,0	0,0	0,1	0,0	0,0	0,0	0,1	0,0	0,1
Capital movements	59,3	16,6	0,3	0,0	0,0	0,0	( 3,1)	0,0	0,0	73,2		73,2
Income tax relating to components of shareholder movements	0,0	0,0	0,0	0,0	0,0	0,0	1,0	0,0	0,0	1,0	0,0	1,0
<b>Shareholders' movements</b>	<b>59,3</b>	<b>16,6</b>	<b>0,3</b>	<b>0,0</b>	<b>0,0</b>	<b>0,1</b>	<b>( 8,0)</b>	<b>0,0</b>	<b>0,0</b>	<b>68,3</b>	<b>0,0</b>	<b>68,3</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>0,0</b>	<b>0,0</b>	<b>5,0</b>	<b>0,0</b>	<b>0,0</b>	<b>5,0</b>	<b>0,0</b>	<b>5,0</b>
<b>Comprehensive income'</b>	<b>0,0</b>	<b>0,0</b>	<b>0,0</b>	<b>0,0</b>	<b>4,4</b>	<b>0,0</b>	<b>5,0</b>	<b>6,1</b>	<b>( 0,5)</b>	<b>15,0</b>	<b>0,0</b>	<b>15,0</b>
<b>Change in scope</b>	<b>0,0</b>	<b>0,0</b>	<b>0,0</b>	<b>0,0</b>	<b>0,1</b>	<b>0,0</b>	<b>( 0,1)</b>	<b>0,0</b>	<b>0,0</b>	<b>0,0</b>	<b>0,0</b>	<b>0,0</b>
<b>At the end of the period (30 June 2015)</b>	<b>133,5</b>	<b>125,2</b>	<b>( 1,5)</b>	<b>( 0,0)</b>	<b>( 15,3)</b>	<b>3,0</b>	<b>15,6</b>	<b>( 4,0)</b>	<b>( 7,1)</b>	<b>249,5</b>	<b>0,0</b>	<b>249,5</b>

# ANNEXES – Data per share

in EUR	1H2014 (as published)	1H2014 (restated for IFRIC 21) (a)	1H2015 (b)	Δ (b)/(a) -1
Number of shares outstanding (including treasury shares)	29 530 356	29 530 356	53 401 060	81%
Weighted average number of shares outstanding (before dilution effect)	28 645 036	28 645 036	35 667 987	25%
Weighted average number of shares outstanding (after dilution effect)	28 645 036	28 645 036	41 648 601	45%
EBITDA	0,70	0,70	0,89	26%
EBIT	0,21	0,16	0,47	n.r.
Result for the period before taxes	( 0,04)	( 0,08)	0,26	n.r.
Result for the period after taxes	( 0,17)	( 0,23)	0,14	n.r.
Result for the period (share of the Group) - basic	( 0,174)	( 0,228)	0,141	n.r.
Result for the period (share of the Group) - diluted	( 0,174)	( 0,228)	0,136	n.r.
Net book value	5,89	5,85	4,67	-20%

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## Financial calendar

Third quarter 2015 trading update	30.10.2015 (before opening of the stock exchange)
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)

## Uncertainty risks concerning the forecasts made

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Thank you for your attention!

Q&A