

RECTICEL

ANNUAL GENERAL SHAREHOLDERS' MEETING

Brussels, 30 May 2017

Johnny Thijs – Chairman of the Board of Directors

Olivier Chapelle – Chief Executive Officer

Jean-Pierre Mellen – Chief Financial Officer

Agenda

- 1** **FY2016: Recticel delivers further structural profit growth** **O. Chapelle**
- 2** **Supportive 1Q2017 trading update** O. Chapelle
- 3** **Outlook 2017 – dividend proposal – share price** O. Chapelle
- 4** **Resolutions on the Agenda of the Annual General Meeting** J. Thijs

Key highlights 2016 – Recticel delivers further structural profit growth

1

Sales +1.5% • REBITDA +19.3% • REBIT +29.6% • Net Result x 3.6

2

Strong performance of Flexible Foams and Automotive divisions

3

Volatile oil & raw material prices and currencies in overall supportive economies

4

Strong efficiency gains and further progress in the streamlining of the company

5

Net debt (incl. off B/S elements) reached a historical low at €178.2m

6

Gearing @ 50.1% and Leverage @ 1.42

7

Insulation: acquisition of Innortex activities and creation of Turvac Joint Venture

Innortex : acquisition in Insulation perimeter

- ▶ Acquired on 6/10/2016
- ▶ Location : Angers, France
- ▶ State-of-the-art production facility producing fiber bonded solutions by using Flexible Foams production wastes or end of life materials (flexible foams and/or textiles).
- ▶ Combines thermal and acoustic insulation for use in applications such as :
 - insulation of partition walls, in between rafters, in intermediate floors...
 - carpeting systems in Automotive applications
- ▶ Highly sustainable end products that perfectly meet the requirements of a circular economy
- ▶ Supports Recticel sustainability strategy by contributing to the resource efficiency target included in our Sustainability Report : “by 2020, Recticel will double its production volume of recycled solutions”



Turvac : Joint Venture in Insulation perimeter

- ▶ 50/50% JV with Turna, created on 28 November 2016
- ▶ Location : greenfield production site in Šoštanj, Slovenia (80 km from Ljubljana)
- ▶ Produces Vacuum Insulation Panels (VIPs) : core made from fumed silica or glass fiber, which is put into a bag of a high barrier multilayer film and then put under vacuum
- ▶ Aged thermal conductivity 3 times better than highest performance PIR product
- ▶ Systems combining VIPs and PIR panels open a wide field of high thermal performance applications
- ▶ Particularly applications with space limitations (e.g. terraces, tapered roofs, etc) are preferred areas for the usage of VIP based solutions



COVER - FOIL BAG

Function:
to prevent deserting of gas
and moisture into the panel

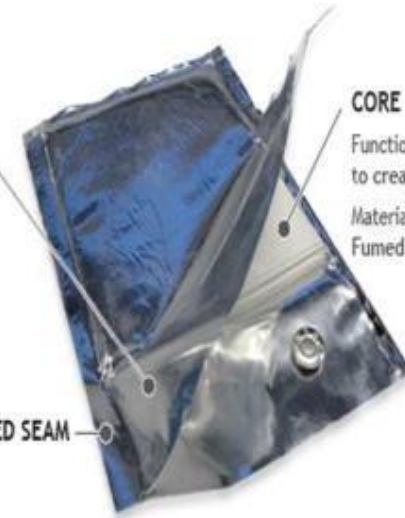
Materials:
hight barrier multilayer film

CORE

Function:
to create shape and to channel heat wave

Materials:
Fumed Silica, glass fiber

HEAT SEALED SEAM



Market environment broadly supportive in 2016, but currencies & raw materials prices have turned into strong headwinds !

► Tailwinds → Headwinds

- ❑ Brexit: the Sterling pound lost 16% (0.85£/€) compared to its average level of 2015 (0.73£/€)
- ❑ The appreciation of the Euro since end December 2015 creates adverse variances (average FY 2016) :
 - GBP -11.7%
 - PLN -2.3%
 - CNY -4.1%
 - USD -1.7%
- ❑ Oil price levels close to 56\$/bl up 82% vs mid-February 2016
- ❑ Chemical raw materials increased by 18.6% between bottom (April 2016) and January 2017, mainly due to isocyanates

► Countries/regions

- ❑ United Kingdom → strong and still without Brexit impact on the volumes
- ❑ Spain → stronger
- ❑ France → still weak
- ❑ Benelux, Germany & Central EU → relatively strong
- ❑ Scandinavia → stable
- ❑ International → volatile

► Market Segments

- ❑ Automotive → “plateau” in USA, volumes very positive in EU and China
- ❑ Bedding/Furniture → stable to positive
- ❑ Construction → still weak but improving in France, strong in UK, strong in NL, stronger in BE
- ❑ Industry → positive

Income Statement: Sales increased by 1.5%, despite -2.2% currency effect. Strong volumes & efficiency improvements enabled REBITDA to increase by 19.3% and EAT x 3.6

MEUR	A 31/12/2015	A 31/12/2016	16/15
Net Sales	1,328.4	1,347.9	1.5%
REBITDA	81.9	97.7	19.3%
Non-recurring result	(14.1)	(12.2)	
EBITDA	67.8	85.4	26.0%
Depreciation	(37.0)	(39.4)	
Impairments	(1.0)	(1.7)	
REBIT	44.9	58.3	29.7%
EBIT	29.8	44.3	48.6%
Interest Income & Expenses	(11.5)	(9.3)	
Other Financial Income & Expenses	(3.8)	(4.1)	
Pre Tax Result (EBT)	14.5	30.9	
Current Tax	(6.3)	(7.3)	
Deferred Tax	(3.6)	(7.2)	
After Tax Result (EAT)	4.5	16.3	
Non-controlling interests			
<u>Net Result (Group share)</u>	<u>4.5</u>	<u>16.3</u>	
Net Result (Group share) per share (in EUR)	0.10	0.31	

Net sales are up 1.5%, including currency impact of -2.2% (mainly £/€)

► **Currency exchange differences** had a negative impact of -2.2%

- **1Q2016:** -0.8% ; **2Q2016:** -2.0% (**1H2016:** -1.4%)
- **3Q2016:** -2.8% ; **4Q2016:** -2.9% (**2H2016:** -2.8%)

► **Net sales:** from 1,328.4m€ to **1,347.9m€ (+1.5%)**

<i>in million EUR</i>	FY2015	FY2016	Δ FY	Adverse currency effect
Flexible Foams	602.3	607.2	0.8%	-2.1% (GBP, PLN, CNY)
Bedding	294.5	292.9	-0.5%	-0.6% (PLN, CHF)
Insulation	229.4	234.1	2.1%	-4.4% (GBP)
Automotive	280.3	288.9	3.1%	-1.4% (GBP, PLN, CNY)
Eliminations	(78.1)	(75.4)	-3.5%	
TOTAL COMBINED SALES	1 328.4	1 347.9	1.5%	-2.2%

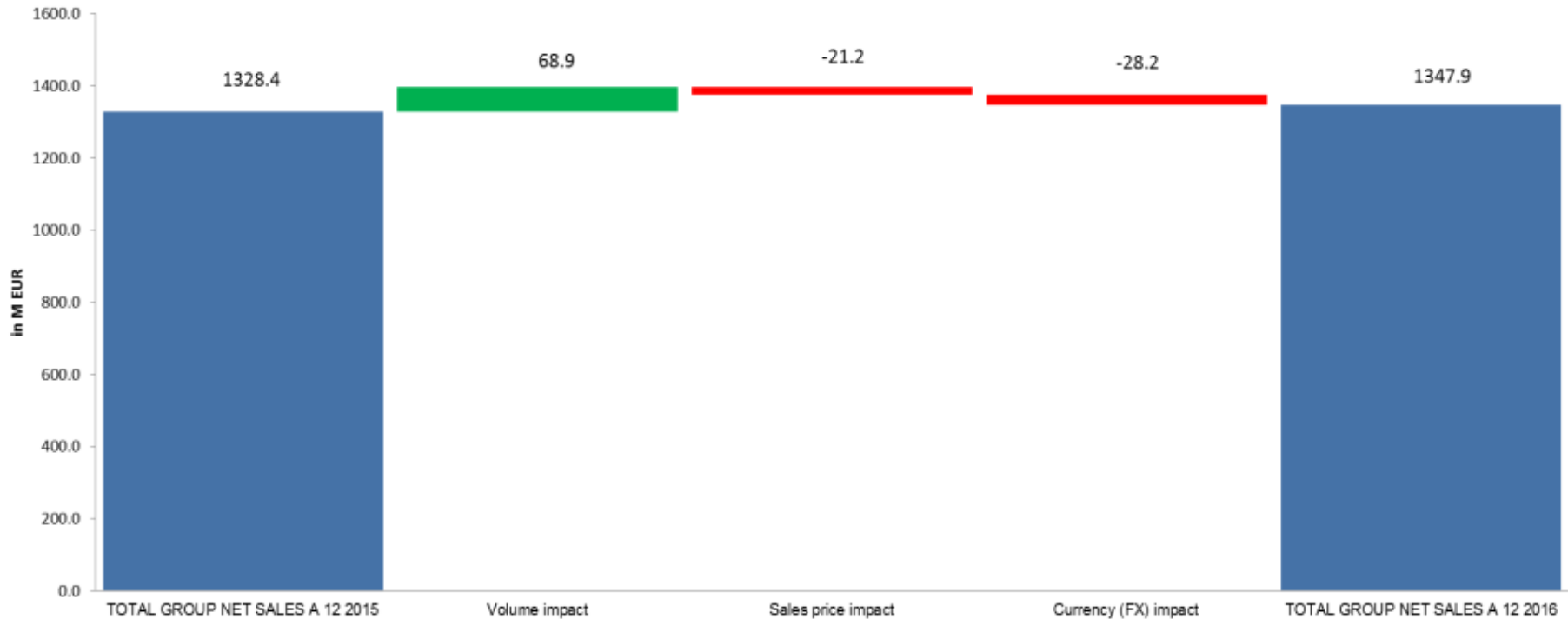
► **Positive sales evolution in 1H2016, stabilising 2H2016 sales**

- **1Q2016:** from 343.4m€ to 345.5m€ (**+0.6%**)
- **2Q2016:** from 324.1m€ to 340.5m€ (**+5.1%**)
- **3Q2016:** from 323.4m€ to 318.1m€ (**-1.6%**)
- **4Q2016:** from 337.6m€ to 343.8m€ (**+1.8%**)

<i>in million EUR</i>	1Q2016	2Q2016	3Q2016	4Q2016
Flexible Foams	156.1	154.2	141.3	155.7
Bedding	79.0	69.1	70.1	74.7
Insulation	55.5	62.7	59.0	57.0
Automotive	73.9	73.0	64.2	77.8
Eliminations	(18.9)	(18.4)	(16.7)	(21.4)
TOTAL COMBINED SALES	345.5	340.5	318.1	343.8
Adjustment for joint ventures by application of IFRS 11	(75.9)	(75.6)	(68.0)	(80.0)
TOTAL CONSOLIDATED SALES	269.6	264.9	250.1	263.8

FY2016 Group Sales bridge : net Sales increased by +1.5%, supported by strong volumes, but impacted by a -2.2% currency impact and by price erosion

NET SALES BRIDGE - Act 12 2015 vs Act 12 2016 - TOTAL GROUP RECTICEL



Group REBITDA margin rises from 6.2% to 7.2%

► **REBITDA:** from 81.9m€ to **97.7m€** (+19.3%)

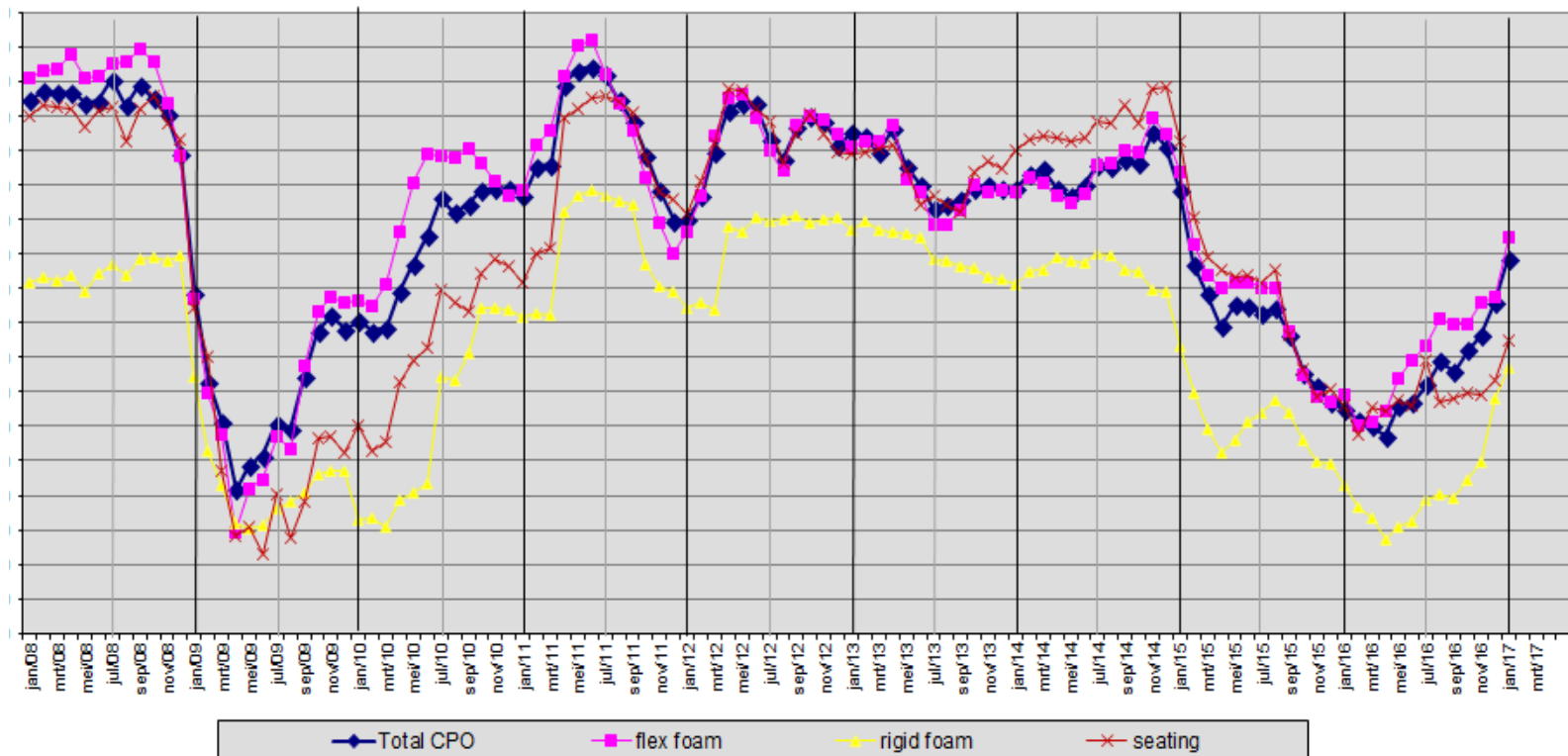
- Strong increase of recurrent profitability due to:
 - Strong volumes and positive product-mix
 - Operational efficiency

- All segments contributed to the profitability improvement

in million EUR	1H15	2H15	FY15	1H16	2H16	FY16	Δ 1H	Δ 2H	Δ FY	REBITDA as % of net sales	
										FY15	FY16
Flexible Foams	20.4	17.6	38.0	28.2	18.1	46.3	37.8%	3.1%	21.7%	6.3%	7.6%
Bedding	6.0	8.1	14.1	7.9	7.8	15.7	31.6%	-3.4%	11.5%	4.8%	5.4%
Insulation	16.1	16.2	32.3	17.8	15.3	33.1	10.6%	-5.9%	2.3%	14.1%	14.1%
Automotive	9.5	5.9	15.4	10.5	9.4	19.9	10.7%	58.7%	29.1%	5.5%	6.9%
Corporate	(9.2)	(8.8)	(18.0)	(9.6)	(7.8)	(17.3)	4.1%	-12.0%	-3.7%		
TOTAL COMBINED REBITDA	42.9	39.0	81.9	54.8	42.9	97.7	27.9%	9.8%	19.3%	6.2%	7.2%

Average chemical raw material prices have decreased by -6.4% in FY2016 vs FY2015, but are increasing since Apr/16

Monthly weighted average net vendor prices CPO



- Note : Price increases since lowest level in 2016 (April)
- | | |
|-------------------------------------|---------------------|
| □ Total formulation average price : | <u>January 2017</u> |
| □ TDI price : | +18.6% |
| □ MDI price : | +68.1% |
| | +27.4% |

Non-recurring elements of €-13.9m vs €-15.1m in 2015

in million EUR	2015	1H2016	2H2016	2016
Restructuring charges and provisions	(12.7)	(4.7)	(3.1)	(7.8)
Capital gain on divestment	1.6	0.0	0.0	0.0
Other	(3.0)	(2.3)	(2.1)	(4.4)
Total impact on EBITDA	(14.1)	(7.0)	(5.2)	(12.2)
Impairments	(1.0)	(1.0)	(0.7)	(1.7)
Total impact on EBIT	(15.1)	(7.9)	(6.0)	(13.9)

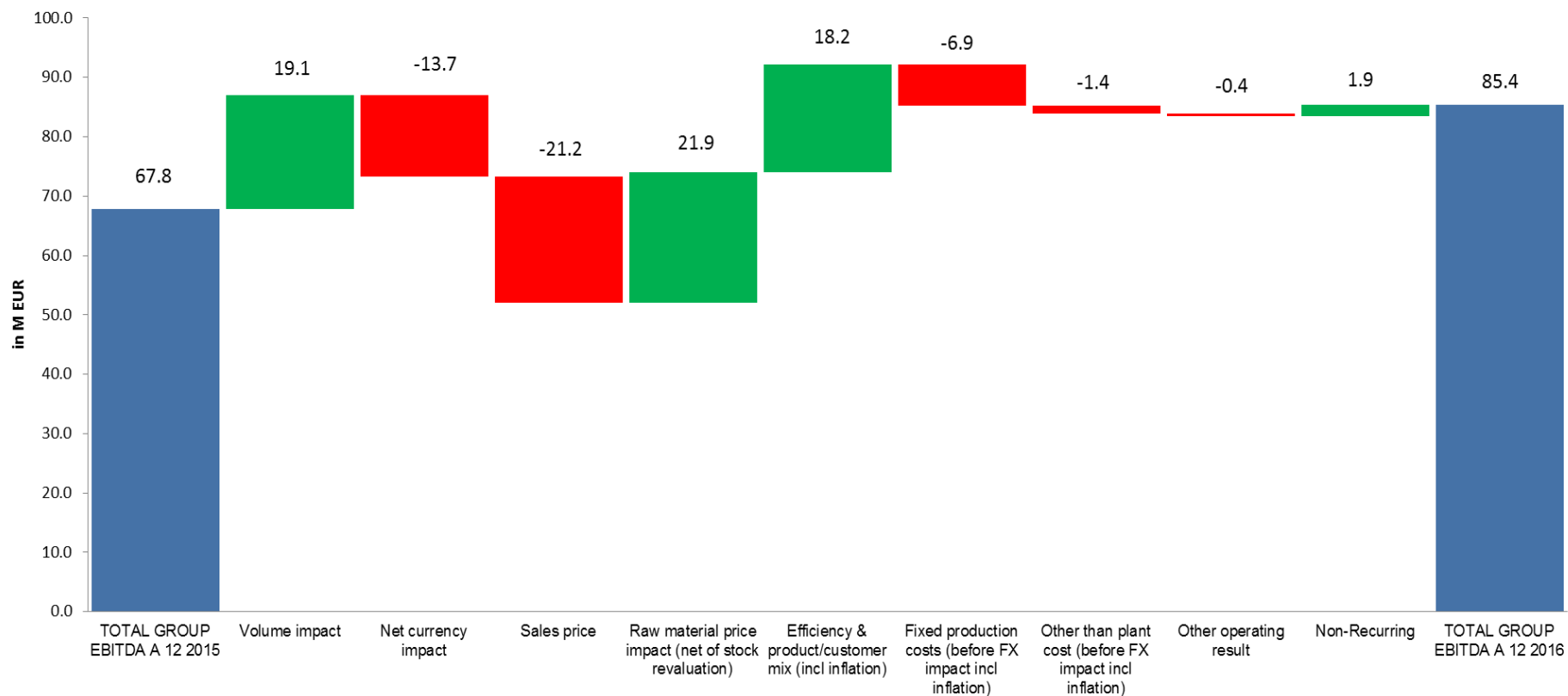
- ▶ **Impact non-recurring elements on EBITDA : -12.2m€ (2015: -14.1m€)**
- ▶ **Impact non-recurring elements on EBIT : -13.9m€ (2015: -15.1m€)**

- ▶ **Non-recurring elements** mainly relate to:
 - Additional restructuring measures implemented in execution of the Group's rationalisation plan :
 - the closure of the Flexible Foams plant in Noyen-sur-Sarthe (France), and of Automotive in Beijing (China)
 - further rationalisation measures in Bedding
 - additional costs relating to sites closed in 2015, and
 - incurred costs and provisions for legal fees

 - Impairment charges: EUR -1.7 million (2015: EUR -1.0 million) relate to:
 - idle equipment in Flexible Foams in the United Kingdom and France (cfr. closure of Noyen-sur-Sarthe)
 - idle tangible and intangible assets in Bedding.

FY2016 Group EBITDA bridge : volume impact and efficiency/mix improvement lead to a 26.0% EBITDA increase

EBITDA BRIDGE - Act 12 2015 vs Act 12 2016 - TOTAL GROUP RECTICEL



Strong improvement of EBIT

► **EBIT: from 29.8m€ to +44.3m€ (+48.6%)**

- EBIT margin increased from 2.2% to 3.3%.

in million EUR	1H15	2H15	FY15	1H16	2H16	FY16	Δ 1H	Δ 2H	Δ FY
Flexible Foams	13.3	7.8	21.1	17.2	9.3	26.5	29.6%	18.9%	25.6%
Bedding	1.9	1.2	3.2	3.1	2.6	5.8	63.0%	111.3%	81.9%
Insulation	14.9	12.6	27.5	14.7	11.9	26.6	-1.3%	-5.4%	-3.2%
Automotive	(0.1)	(1.8)	(1.9)	2.9	1.2	4.0	n.m.	n.m.	n.m.
Corporate	(10.0)	(10.1)	(20.0)	(10.2)	(8.3)	(18.6)	2.5%	-17.0%	-7.3%
TOTAL COMBINED EBIT	20.0	9.8	29.8	27.6	16.6	44.3	38.5%	69.2%	48.6%
Adjustment for joint ventures by application of IFRS 11 ¹	(3.0)	(3.5)	(6.6)	(3.0)	(2.0)	(5.1)	0.0%	-42.3%	-22.8%
TOTAL CONSOLIDATED EBIT	16.9	6.3	23.2	24.6	14.6	39.2	45.3%	132.0%	68.8%

¹ By application of IFRS 11 the net result after financial and tax charges are integrated in consolidated EBIT

Lower combined financial charges – net interest charges down by 19.2% Higher tax charges – due to increased profitability

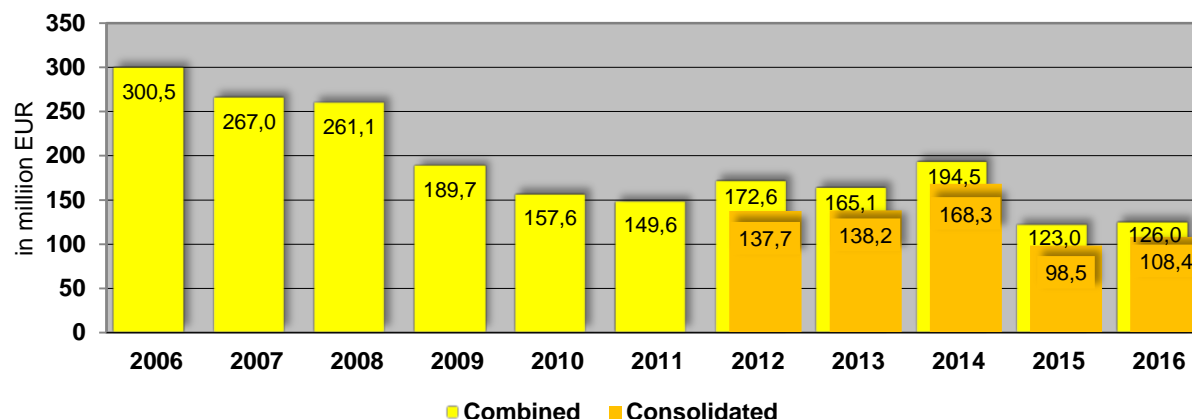
- ▶ **Combined financial result:** from -15.3m€ to **-13.4m€**
 - Net interest charges decreased by 2.2m€ (from -11.5m€ to -9.3m€) following a lower average net interest-bearing debt, including the usage of 'off-balance' factoring/forfeiting programs, and better credit conditions following the refinancing of the credit facility in February 2016.
 - 'Other net financial income and expenses' from -3.8m€ to -4.1m€; comprise mainly interest capitalisation costs under provisions for pension liabilities (EUR -1.3m€ versus EUR -1.2 m€ in 2015) and exchange rate differences (EUR -2.8m€ versus EUR -2.3 m€ in 2015).

- ▶ **Combined income taxes and deferred taxes :** from -10.0m€ to **-14.5m€**
 - Current income tax charges: -7.3m€ (2015: -6.4m€)
 - Deferred tax charges: -7.2m€ (2015: -3.6m€)

- ▶ **Result of the period (share of the Group):** from +4.5m€ to **+16.3 m€.**

Total combined net financial debt (including factoring) of 178.2m€ : a record low

- ▶ **Total¹ combined net financial debt:** from 183.4m€ (31 Dec 2015) to 178.2m€ (31 Dec 2016)
- ▶ **Combined versus Consolidated net financial debt on balance sheet** (excluding factoring)



- ▶ **Successful refinancing of € 175 million “club deal” facility until February 2021**

On 25 February 2016, Recticel extended its EUR 175 million secured multi-currency credit facility for 5 years. The extension of the credit facility, concluded with six European banks, allows Recticel to secure liquidity and to extend its debt maturity profile.

¹ Including the drawn amounts under off-balance non-recourse factoring/forfeiting programs

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1Q2017 Trading Update (26 April 2017)

- ▶ Combined sales growth of +5.7%, despite an exchange rate impact of -1.2%

<i>in million EUR</i>	1Q2016	1Q2017	Δ	Adverse currency effect
Flexible Foams	156.1	160.6	2.9%	-1.1%
Bedding	79.0	75.0	-5.0%	+0.1%
Insulation	55.5	61.3	10.5%	-3.9%
Automotive	73.9	84.6	14.5%	-0.4%
Eliminations	(18.9)	(16.3)	-14.0%	
TOTAL COMBINED NET SALES	345.5	365.3	5.7%	-1.2%
Adjustment for joint ventures by application of IFRS 11	(75.9)	(83.4)	9.9%	
TOTAL CONSOLIDATED NET SALES	269.6	281.9	4.6%	-1.6%

- ▶ Total Combined net financial debt¹: from 184.7m€ (31 Mar 2016) to 194.2m€ (31 Mar 2017) (178.2m€ per 31 Dec 2016)
- ▶ Rising of chemical raw material prices; particularly isocyanates (MDI/TDI)

¹ Including the drawn amounts under non-recourse factoring/forfeiting programs (58.3m€ per 31 Mar 2017, 69.2m€ per 31 Mar 2016, and 52.2m€ per 31 Dec 2016).

Update on fire incident on 22/01/2017 in Most (CZ)

(press release 26 April 2017)

Automotive Interiors – Czech Republic

On 22 January 2017, a serious fire incident occurred in one of the production halls of the Automotive-Interiors site in Most (Czech Republic). As a result of this, RAI Most s.r.o., a 100% subsidiary of Recticel, had to declare *force majeure* to its customers.

Recticel and its customers, supported by the affected OEMs PSA Peugeot Citroën, Renault, Daimler, BMW and Volkswagen, are cooperating actively to maximize the output of the solutions and alternative production plans decided together, in order to minimize the impacts on the production programs at the customers' assembly plants.

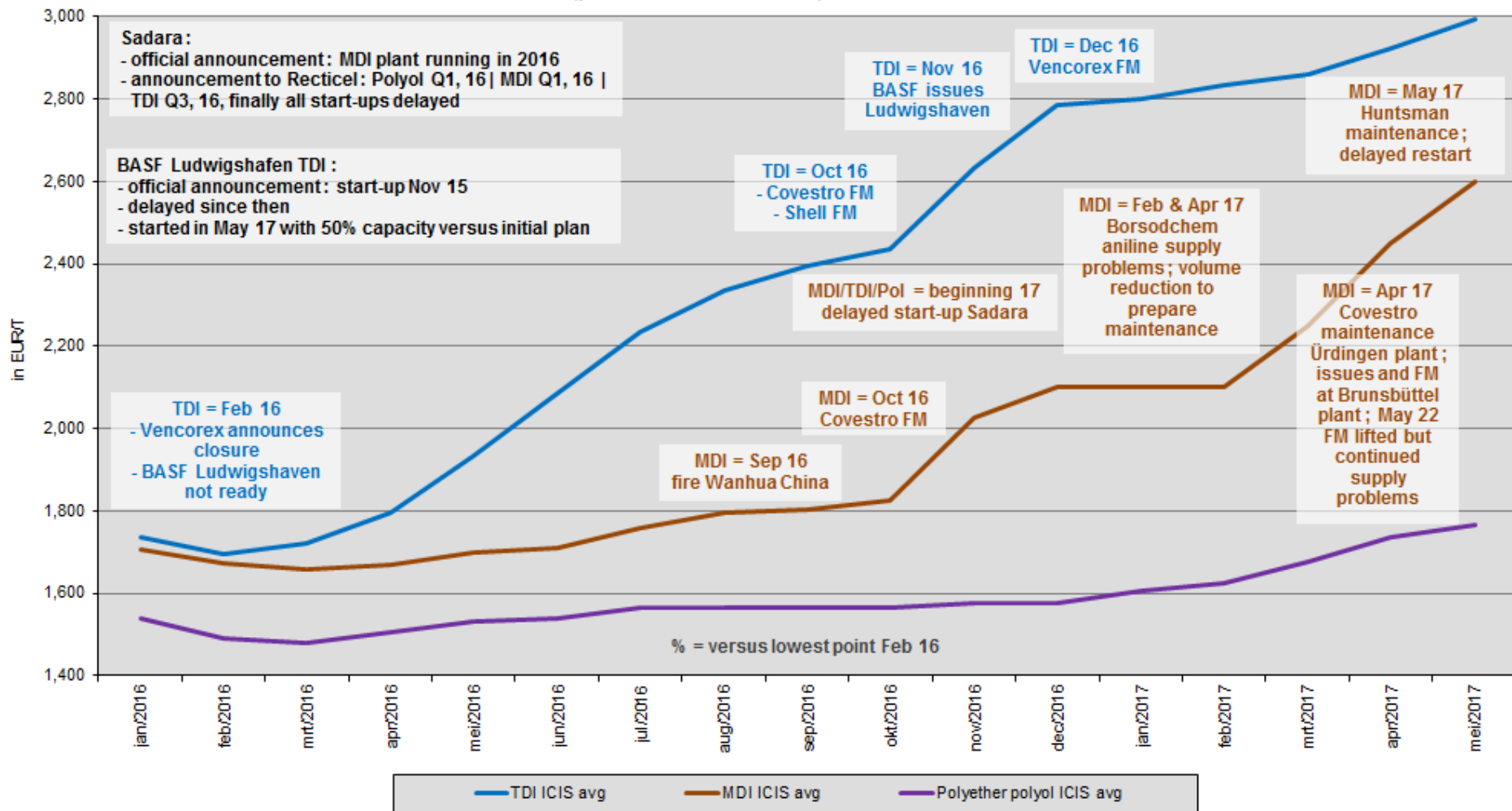
Since 27 January 2017, intense engineering and contractor work is ongoing in Most and in other facilities of the division to which some production has been transferred. As a result, production has restarted for the majority of the parts originally produced in Most, and although the situation is not yet normalized, Tier 1 and OEM customers are now being delivered with substantial volumes.

RAI Most s.r.o. is insured according to industry standards. To date, the non-recurring financial impact is assessed at EUR -4 million, including the insurance deductibles. Going forward, Recticel will keep the market informed of any new developments in this regard.

The plant in Most produces - on the basis of the patented Colo-Fast® and Colo-Sense® Lite spray technologies - elastomer interior trim parts for cars, such as skins for dashboard and door panels, which are sold to various Tier-1 automotive suppliers. In 2016, RAI Most s.r.o. realised sales of CZK 547 million (EUR 20.3 million) and employed 390 people.

1Q2017 Trading Update – rising raw material prices

Recent market price evolution TDI / Crude MDI / Polyether & Polyester flex polyol
(price source ICIS/Tecnon)



Market shortage of MDI raw materials affects operations at Recticel Insulation

(press release 12 May 2017)

In its trading update of 26 April 2017, Recticel highlighted the challenging and unprecedented raw material price increases prevailing in the polyurethane industry due to a tightening supply of isocyanates (TDI and MDI).

Recticel announces today that the situation has further deteriorated due to a new force majeure at Covestro and start-up issues at Huntsman, both pertaining to the production of MDI (methylene diphenyl diisocyanate). As a consequence, MDI is no longer available in sufficient quantities. This shortage is affecting the Insulation business of Recticel, leading to a curtailment of its production output by about 15%, and is not expected to improve before July 2017. In 2016, the Insulation division represented 16.4% of the Group's combined sales.

While the overall raw material situation will lead the Group's 1H2017 combined REBITDA to remain below the 1H2016 combined REBITDA, Recticel re-iterates the full year guidance provided at the occasion of its 1Q2017 trading update to grow its full year 2017 combined REBITDA.

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Outlook 2017 and dividend proposal

► Outlook 2017

While the overall raw material situation will lead the Group's 1H2017 combined REBITDA to remain below the 1H2016 combined REBITDA, Recticel re-iterates the full year guidance provided at the occasion of its 1Q2017 trading update to grow its full year 2017 combined REBITDA, thanks to a combination of volume growth, improved mix, efficiency gains and price increases, off-setting the increased costs of its raw materials and negative currency impacts.

► Dividend proposal

The Board of Directors proposes to the Annual General Meeting of 30 May 2017 the payment of a gross dividend of EUR 0.18 per share on 54.1 million shares or a total dividend payout of EUR 9.7 million (2015: respectively EUR 0.14/share and EUR 7.5 million)

Recticel share price evolution since 01 January 2015



Recticel share price evolution since 01 January 2016



Agenda

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Ordinary general meeting resolutions

Propositions faisant l'objet de la **première résolution** :

Résolution n° 1.1: Approbation des comptes sociaux au 31 décembre 2016.

Voorstellen die het voorwerp van het **eerste besluit** uitmaken:

Besluit nr 1.1: Goedkeuring van de vennootschappelijke jaarrekening per 31 december 2016.

Proposals forming the subject of the **first resolution**:

Resolution # 1.1: Approval of the statutory annual accounts as on 31 December 2016.

Ordinary general meeting resolutions

Résolution n° 1.2:

Approbation de l'affectation du résultat, à savoir:

Besluit nr 1.2:

Goedkeuring van de verrichte aanwending van het resultaat, te weten:

Resolution # 1.2:

Approval of the appropriation of the result, i.e.:

		in EUR
Bénéfice de l'exercice Winst van het boekjaar Profit for the financial year	+	25 005 896,21
Bénéfice reporté de l'année précédente Overgedragen winst van het vorige boekjaar Profit brought forward from the previous year	+	39 572 274,79
Résultat à affecter Te bestemmen resultaat Result to be appropriated	=	64 578 171,00
Dividende brut aux actions (*) Brutodividend voor de aandelen (*) Gross dividend on shares (*)	-	9 731 253,60
Affectation à la réserve légale Toevoeging aan wettelijke reserves Transfer to legal reserve	-	1 250 294,81
Bénéfice à reporter Over te dragen winst Profit to be carried forward	=	53 596 622,59

(*) Dividende brut par action de EUR 0,18, donnant droit à un dividende net de précompte mobilier de EUR 0,126 par action ordinaire.

(*) Brutodividend per aandeel van EUR 0,18, te verminderen met de roerende voorheffing, resulterend in een nettodividend van EUR 0,126 per gewoon aandeel.

(*) Gross dividend per share of EUR 0.18, giving an entitlement to a dividend net of withholding tax of EUR 0.126 per ordinary share.

Ordinary general meeting resolutions

Proposition faisant l'objet de la **deuxième résolution**:

Résolution n° 2: Décharge à accorder aux Administrateurs pour l'exécution de leur mandat au cours de l'exercice social clôturé au 31 décembre 2016.

Voorstel dat het voorwerp van het **tweede besluit** uitmaakt:

Besluit nr 2: Kwijting te verlenen aan de Bestuurders voor de uitoefening van hun mandaat tijdens het boekjaar afgesloten op 31 december 2016.

Proposal forming the subject of the **second resolution**:

Resolution # 2: Discharge to be given to the Directors for the performance of their duties during the financial year ended 31 December 2016.

Ordinary general meeting resolutions

Proposition faisant l'objet de la **troisième résolution**:

Résolution n° 3: Décharge à accorder au Commissaire pour l'exécution de son mandat au cours de l'exercice social clôturé au 31 décembre 2016.

Voorstel dat het voorwerp van het **derde besluit** uitmaakt:

Besluit nr 3: Kwijting te verlenen aan de Commissaris voor de uitoefening van zijn mandaat tijdens het boekjaar afgesloten op 31 december 2016.

Proposal forming the subject of the **third resolution**:

Resolution # 3: Discharge to be given to the Auditor for the performance of his duties during the financial year ended 31 December 2016.

Ordinary general meeting resolutions

Propositions faisant l'objet de la **quatrième résolution**:

Résolution n° 4.1: Constatation de non reconduction du mandat de REVAM SPRL représentée par Monsieur Wilfried Vandepoel, comme administrateur non exécutif, dont le mandat prend fin à l'issue de l'Assemblée Générale Ordinaire du 30 mai 2017. Elle ne se représente pas pour un nouveau mandat. Constatation de pourvoir à son remplacement.

Voorstellen die het voorwerp van het **vierde besluit** uitmaken:

Besluit nr 4.1: Vaststelling dat het mandaat van REVAM BVBA, vertegenwoordigd door de heer Wilfried VANDEPOEL, als niet-uitvoerend bestuurder afloopt na de Gewone Algemene Vergadering van 30 mei 2017. Zij stelt zich niet hernieuwbaar voor een nieuw mandaat. Besluit om in haar vervanging te voorzien.

Proposals forming the subject of the **fourth resolution**:

Resolution # 4.1: Notification that the mandate of REVAM BVBA, represented by Mr. Wilfried VANDEPOEL, as non-executive director, will end after the Ordinary General Meeting of 30 May 2017. It is not available for a renewal of the mandate. Decision is to foresee a replacement.

Ordinary general meeting resolutions

Résolution n° 4.2:

En remplacement de REVAM SPRL, représentée par Monsieur Wilfried Vandepoel, élection de IPGM Consulting GmbH, représentée par Madame Anne De Vos, comme administrateur non exécutif et indépendant, pour une période de trois ans qui expirera à l'issue de l'Assemblée Générale Ordinaire de 2020.

Besluit nr 4.2:

Ter vervanging van REVAM BVBA, vertegenwoordigd door de heer Wilfried VANDEPOEL, benoeming van IPGM Consulting GmbH, vertegenwoordigd door mevrouw Anne De Vos, als niet-uitvoerend en onafhankelijk bestuurder, voor een periode van drie jaar die zal eindigen na de Gewone Algemene Vergadering van 2020.

Resolution # 4.2:

In replacement of REVAM BVBA, represented by Mr. Wilfried VANDEPOEL, appointment of IPGM Consulting GmbH, represented by Ms. Anne De Vos, as non-executive and independent director, for a term of three years expiring after the Ordinary General Meeting of 2020.

Ordinary general meeting resolutions

Propositions faisant l'objet de la **cinquième résolution**:

Election de IPGM Consulting GmbH, représentée par Madame Anne De Vos, comme administrateur indépendant, au sens des articles 524 §2 et 526bis §2 du Code des Sociétés. Elle répond à tous les critères énoncés à l'article 526ter du Code des Sociétés ainsi qu'aux critères d'indépendance prévus par le Code de Gouvernance d'Entreprise 2009.

Madame Anne De Vos a obtenu un MBA en marketing international et un Master en génie chimique et elle a acquis de l'expérience entre autres chez Givaudan et Sigma Aldrich Corporation.

Voorstellen die het voorwerp van het **vijfde besluit** uitmaken:

Benoeming van IPGM Consulting GmbH, vertegenwoordigd door mevrouw Anne De Vos, tot onafhankelijk bestuurder, in de zin van artikel 524 §2 en 526bis §2 van het Wetboek van Vennootschappen. Zij voldoet aan alle criteria zoals vermeld in artikel 526ter van het Wetboek van Vennootschappen evenals aan de onafhankelijkheidsvereisten van de Corporate Governance Code 2009.

Mevrouw Anne De Vos behaalde een MBA in international marketing en een Master in Chemical Engineering en bouwde ervaring op bij onder meer Givaudan en Sigma-Aldrich Corporation.

Proposals forming the subject of the **fifth resolution**:

Election of IPGM Consulting GmbH, represented by Ms. Anne De Vos, as independent director in the sense of articles 524 §2 and 526bis §2 of the Companies Code. She meets all the criteria indicated in article 526ter of the Companies Code as well as the independence criteria of the Code on Corporate Governance 2009.

Ms. Anne De Vos obtained an MBA in international marketing and a Master in Chemical Engineering and gained experience amongst others with Givaudan and Sigma Aldrich Corporation.

Ordinary general meeting resolutions

Propositions faisant l'objet de la **sixième résolution**:

Examen du rapport de rémunération relatif à l'exercice 2016, dont question dans la déclaration de gouvernement d'entreprise.

Résolution n° 6.1: Approbation du rapport de rémunération 2016.

Voorstellen die het voorwerp van het **zesde besluit** uitmaken:

Kennisname van het remuneratieverslag met betrekking tot het boekjaar 2016, waarvan sprake in de verklaring inzake deugdelijk bestuur.

Besluit nr 6.1: Goedkeuring van het remuneratieverslag 2016.

Proposals forming the subject of the **sixth resolution**:

Examination of the remuneration report for financial year 2016, as referred to in the corporate governance statement.

Resolution # 6.1: Approval of the remuneration report 2016.

Ordinary general meeting resolutions

Résolution n° 6.2:

Fixation et approbation des émoluments des Administrateurs pour 2017, à savoir :

- Une indemnité fixe unique pour les Administrateurs de € 15.000 par an et pour le Président du Conseil d'Administration de € 30.000 par an ;
- Des jetons de présence pour les Administrateurs de € 2.500 par réunion et pour le Président du Conseil d'Administration de € 5.000 par réunion.

Besluit nr 6.2:

Bepaling en goedkeuring van de emolumenten van de Bestuurders voor 2017, d.i.:

- Een vaste eenmalige vergoeding voor de Bestuurders van € 15.000 per jaar en voor de Voorzitter van de Raad van Bestuur van € 30.000 per jaar;
- Zitpenningen voor de Bestuurders van € 2.500 per vergadering en voor de Voorzitter van de Raad van Bestuur van € 5.000 per vergadering.

Resolution # 6.2:

Fixing and approval of the Directors' emoluments for 2017, i.e.:

- A single fixed indemnity for Directors of € 15,000 a year and for the Chairman of the Board of Directors of € 30,000 a year;
- Directors' fees of € 2,500 per meeting and for the Chairman of the Board of Directors of € 5,000 per meeting.

Ordinary general meeting resolutions

Résolution n° 6.3:

Fixation du montant des jetons de présence pour 2017 pour les membres du Comité d'Audit à € 2.500 par réunion et pour le Président du Comité d'Audit à € 5.000 par réunion.

Besluit nr 6.3:

Bepaling van de zitpenningen voor 2017 van de leden van het Auditcomité op € 2.500 per vergadering en die van de Voorzitter van het Auditcomité op € 5.000 per vergadering.

Resolution # 6.3:

Fixing of the amount of fees for 2017 for the members of the Audit Committee at € 2.500 per meeting and for the Chairman of the Audit Committee at € 5.000 per meeting.

Ordinary general meeting resolutions

Résolution n° 6.4:

Fixation du montant des jetons de présence pour 2017 pour les membres du Comité de Rémunération et de Nomination à € 2.500 par réunion et pour le Président du Comité de Rémunération et de Nomination à € 5.000 par réunion.

Besluit nr 6.4:

Bepaling van de zitpenningen voor 2017 van de leden van het Remuneratie- en Benoemingscomité op € 2.500 per vergadering en die van de Voorzitter van het Remuneratie- en Benoemingscomité op € 5.000 per vergadering.

Resolution # 6.4:

Fixing of the amount of fees for 2017 for the members of the Remuneration and Nomination Committee at € 2,500 per meeting and for the Chairman of the Audit Committee at € 5,000 per meeting.

Ordinary general meeting resolutions

Résolution n° 6.5:

Approbation de la proposition de renoncer au principe de report de paiement sur une période de trois ans et de permettre le paiement complet, dans l'année, de la rémunération variable en faveur de l'Administrateur Délégué et CEO, OLIVIER CHAPELLE SPRL.

Besluit nr 6.5:

Goedkeuring van het voorstel om van het principe van uitstel van betaling over drie jaar af te wijken en om binnen één jaar de volledige uitbetaling van de variabele remuneratie ten gunste van de Gedelegeerd Bestuurder en CEO, OLIVIER CHAPELLE BVBA, toe te laten.

Resolution # 6.5:

Approval of the deviation from the principle of a deferral over three years to allow, for the benefit of the Managing Director and CEO, OLIVIER CHAPELLE SPRL, the full payment of the variable remuneration within one year.

Ordinary general meeting resolutions

Proposition faisant l'objet de la septième résolution:

Résolution n° 7: Nouvelle édition du Plan d'Options sur Actions du Groupe Recticel.

Le Conseil d'Administration a l'intention d'émettre au cours de la période jusqu'à la prochaine assemblée générale en mai 2018, dans le cadre du capital autorisé, une nouvelle édition du Plan d'Options sur Actions du Groupe Recticel. Il demande à cet effet l'autorisation de l'Assemblée Générale, non pas par obligation légale, mais en concordance avec le Code de Gouvernance d'Entreprise 2009.

L'Assemblée donne son autorisation au Conseil d'Administration afin de, le cas échéant, émettre une nouvelle édition du Plan d'Options sur Actions du Groupe Recticel en faveur des cadres dirigeants du Groupe Recticel. En cas de décision en ce sens du Conseil d'Administration, ladite nouvelle édition comprendra l'émission de maximum 500.000 options sur actions, avec une période d'exercice de trois à maximum neuf ans et une période d'indisponibilité de trois ans, et qui seront allouées gratuitement aux bénéficiaires. Le prix d'émission sera fixé sur la base du cours moyen de l'action Recticel durant la période habituelle précédant l'offre.

Voorstel dat het voorwerp van het zevenste besluit uitmaakt:

Besluit nr 7: Nieuwe editie van het Recticel Group Stock Option Plan.

De Raad van Bestuur heeft de intentie om in de periode tot aan de volgende gewone algemene vergadering in mei 2018 in het kader van het toegestane kapitaal net zoals voorgaande jaren een nieuwe editie uit te geven van het Recticel Group Stock Option Plan. Zij vraagt hiervoor de toelating van de Algemene Vergadering, niet omdat dit wettelijk vereist zou zijn, doch in overeenstemming met de Code Corporate Governance 2009.

De Vergadering verleent haar goedkeuring aan de Raad van Bestuur om desgevallend, een nieuwe editie uit te geven van het Recticel Group Stock Option Plan ten behoeve van de leidende kaderleden van de Recticel Groep. Indien de Raad van Bestuur daartoe beslist, zal deze nieuwe editie de uitgifte van maximaal 500.000 aandelenopties omvatten, met een uitoefenperiode van drie tot maximaal negen jaar en een onbeschikbaarheidsperiode van drie jaar, en die kosteloos toegekend zullen worden aan de begunstigden. De uitgifteprijs zal vastgelegd worden op basis van de gemiddelde koers van het Recticel aandeel gedurende de gebruikelijke periode voorafgaand aan het aanbod.

Proposal forming the subject of the seventh resolution:

Resolution # 7: New edition of the Stock Option Plan of the Recticel Group.

The Board of Directors intends to issue in the course of the period until the next Ordinary General Meeting of May 2018, within the framework of the authorised capital, a new edition of the Stock Option Plan of the Recticel Group. To this effect, it requests the authorisation of the General Meeting, not through any legal obligation but in accordance with the 2009 Code of Corporate Governance.

The Meeting is requested to give its authorisation to the Board of Directors so that, if appropriate, it can issue a new edition of the Stock Option Plan of the Recticel Group in favour of the senior managers of the Recticel Group. If the Board of Directors decides to do this, the new edition will include the issue of a maximum of 500,000 stock options, with a period for exercising the option of three to maximum nine years and an unavailability period of three years, to be allocated to the beneficiaries free of charge. The issue price will be fixed on the basis of the average price of a Recticel share over the normal period preceding the offer.

Ordinary general meeting resolutions

Propositions faisant l'objet de la **première résolution** :

Renouvellement de l'autorisation octroyée au Conseil d'Administration dans le cadre du capital autorisé :

Rapport spécial du Conseil d'Administration établi conformément à l'article 604, paragraphe 2 du Code des Sociétés justifiant le renouvellement du capital autorisé.

Voorstellen die het voorwerp van het **eerste besluit** uitmaken:

Hernieuwing van de machtigingen verleend aan de Raad van Bestuur in het kader van het toegestane kapitaal.

Bijzonder verslag van de raad van bestuur opgemaakt overeenkomstig artikel 604, paragraaf 2 van het Wetboek van Vennootschappen tot staving van de hernieuwing van het toegestane kapitaal.

Proposals forming the subject of the **first resolution**:

Renewal of the authorisations given to the Board of Directors within the framework of the authorised capital:

Special report by the Board of Directors drawn up in accordance with Article 604, paragraph 2 of the Company Code justifying the renewal of the authorised capital.

Extraordinary general meeting resolutions

Proposition faisant l'objet de la **deuxième résolution**:

Créer pour une durée de validité de trois ans un nouveau capital autorisé équivalent au montant actuel du capital social souscrit, avec effet à la date à laquelle la résolution sera publiée aux annexes au Moniteur belge, et en conséquence, d'annuler le solde non utilisé du capital autorisé existant à la date de publication au Moniteur belge du nouveau capital autorisé.

Voorstel dat het voorwerp van het **tweede besluit** uitmaakt:

Een nieuw toegestaan kapitaal te creëren, dat gelijk is aan het huidig bedrag van het geplaatst maatschappelijk kapitaal, voor een geldigheidsduur van drie jaar met ingang vanaf de datum waarop het besluit in de bijlagen bij het Belgisch Staatsblad zal worden bekendgemaakt en bijgevolg om het niet-gebruikte saldo van het toegestane kapitaal dat bestaat op datum van de publicatiedatum in het Belgisch Staatsblad van het nieuwe toegestaan kapitaal te annuleren.

Proposal forming the subject of the **second resolution**:

Create for a period of validity of three years a new authorised capital equivalent to the current amount of the subscribed capital, effective as of the date of the date of publication into the appendices of the Belgian Official Gazette, and consequently to cancel the unused balance of the authorised capital existing on the date of the publication of this resolution into the Belgian Official Gazette.

Extraordinary general meeting resolutions

Proposition faisant l'objet de la **troisième résolution**:

Renouveler pour un nouveau terme de trois ans l'autorisation accordée au conseil d'administration de faire usage, dans les limites fixées par la loi, du capital autorisé en cas d'offre publique d'acquisition.

Voorstel dat het voorwerp van het **derde besluit** uitmaakt:

Hernieuwing voor een nieuwe geldigheidsduur van drie jaar van de machtiging die aan de raad van bestuur toegekend werd om, binnen de beperkingen bepaald door de wet, gebruik te maken van het toegestane kapitaal ingeval van openbaar overnamebod.

Proposal forming the subject of the **third resolution**:

Renew for a further term of three years the authorisation given to the Board of Directors to make use, within the limits fixed by law, of the authorised capital in the event of a takeover bid.

Extraordinary general meeting resolutions

Propositions faisant l'objet de la quatrième résolution:

Modifier les statuts de la Société pour y mentionner le nouveau capital autorisé comme suit:

Article six :

- Adapter le texte du premier alinéa pour y mentionner le nouveau capital autorisé et remplacer la date du vingt-deux juillet deux mille quinze par la date effective à laquelle la présente résolution sera adoptée par l'assemblée générale.
- Au dernier alinéa de cet article, remplacer deux fois la date du « vingt-deux juillet deux mille quinze » par la date effective à laquelle la présente résolution sera adoptée par l'assemblée générale.

Voorstellen die het voorwerp van het vierde besluit uitmaken:

Wijziging van de statuten om er het nieuwe toegestane kapitaal te vermelden. Voorstel dat het voorwerp uitmaakt van het vierde besluit om in de statuten het nieuwe toegestane kapitaal als volgt te vermelden:

Artikel zes:

- de tekst van de eerste alinea aanpassen om er het nieuwe toegestane kapitaal te vermelden alsook de datum van “tweeëntwintig juli tweeduizend vijftien” vervangen door de effectieve datum waarop dit besluit zal worden genomen door de algemene vergadering.
- in de laatste alinea van dit artikel, tweemaal de datum van “tweeëntwintig juli tweeduizend vijftien” vervangen door de effectieve datum waarop dit besluit zal worden genomen door de algemene vergadering.

Proposals forming the subject of the fourth resolution:

Amend the Company's Articles of Association to mention the new authorised capital, as follows:

Article six:

- Adapt the wording of the first subparagraph to mention the new authorised capital as well as replace the date “twenty-two July two thousand fifteen” by the actual date on which the present resolution is passed by the General Meeting.
- In the last subparagraph of this Article, replace twice the date “twenty-two July two thousand fifteen” by the actual date on which the present resolution is passed by the General Meeting.

Extraordinary general meeting resolutions

Propositions faisant l'objet de la **cinquième résolution**: Renouvellement des autorisations conférées au Conseil d'Administration d'acquisition et aliénation d'actions propres.

Proposition de renouveler pour une nouvelle durée de validité de trois ans, les deux autorisations conférées au Conseil d'Administration conformément aux articles 620, paragraphe 1, et 622, paragraphe 2, 2° du Code des Sociétés, d'acquérir et d'aliéner les actions propres lorsque cette acquisition ou aliénation est nécessaire pour éviter à la Société un dommage grave et imminent, avec effet à la date à laquelle la résolution sera publiée aux annexes au Moniteur belge.

Voorstellen die het voorwerp van het **vijfde besluit** uitmaken: Vernieuwing van de machtigingen verleend aan de Raad van Bestuur voor verwerving en vervreemding van eigen aandelen.

Voorstel om voor een nieuwe geldigheidsduur van drie jaar de twee machtigingen te vernieuwen die aan de raad van bestuur zijn verleend overeenkomstig de artikels 620, paragraaf 1, en 622, paragraaf 2, 2° van het Wetboek van Vennootschappen om de eigen aandelen te verwerven en te vervreemden als deze verwerving of vervreemding nodig is om dreigend ernstig nadeel voor de vennootschap te vermijden, met ingang vanaf de datum waarop het besluit in de bijlagen bij het Belgisch Staatsblad zal worden bekendgemaakt.

Proposals forming the subject of the **fifth resolution**: Renewal of the authorisations given to the Board of Directors to acquire and dispose of own shares.

Proposal to renew for a further period of three years the two authorisations given to the Board of Directors in accordance with Articles 620, paragraph 1, and 622, paragraph 2, 2° of the Company Code to acquire and dispose of own shares when this acquisition or disposal is necessary to prevent the Company from suffering serious and imminent damage, effective as of the date of publication of this resolution into the Appendices of the Belgian Official Gazette.

Extraordinary general meeting resolutions

Propositions faisant l'objet de la **sixième résolution**:

Proposition de modification de l'article 15 des statuts de la Société pour y mentionner la nouvelle autorisation dont question au point 2.1. de l'ordre du jour.

Voorstellen die het voorwerp van het **zesde besluit** uitmaken:

Voorstel tot wijziging van artikel 15 van de statuten van de Vennootschap om er de nieuwe machtiging waarvan sprake is in punt 2.1. van de agenda in te vermelden.

Proposals forming the subject of the **sixth resolution**:

Proposal to amend Article fifteen of the Company's Articles of Association to mention the new authorisation referred to in item 2.1. on the agenda.

Extraordinary general meeting resolutions

Proposition faisant l'objet de la **septième résolution**:

Proposition d'autoriser le Conseil d'Administration de la Société, avec possibilité de sous-délégation, d'acquérir, pendant une période de cinq ans, des actions propres de la Société, tant que la valeur fractionnelle des actions de la Société détenues en portefeuille ne dépasse pas 20 % de son capital social, à un prix unitaire qui ne pourra être inférieur de plus de 20 % au cours de clôture moyen des vingt derniers cours de clôture sur Euronext Brussels précédant immédiatement l'acquisition, ni supérieur de plus de 20 % au même cours de clôture moyen. Dans les limites de la loi, cette autorisation vaut pour toute acquisition à titre onéreux au sens le plus large, en ou hors bourse. Cette autorisation remplace et annule l'autorisation accordée par l'Assemblée Générale Extraordinaire du 22 juillet 2015, avec effet à la date à laquelle la résolution sera publiée aux annexes au Moniteur belge.

Voorstel dat het voorwerp van het **zevenste besluit** uitmaakt:

Voorstel om aan de Raad van Bestuur van de Vennootschap de bevoegdheid te verlenen, met mogelijkheid tot sub-delegatie, om gedurende een termijn van vijf jaar eigen aandelen van de Vennootschap te verwerven zolang de fractiewaarde van de in portefeuille gehouden aandelen van de Vennootschap niet hoger is dan 20% van haar geplaatst kapitaal, tegen een eenheidsprijs die niet lager mag zijn dan 20% onder het gemiddelde van de twintig laatste slotkoersen op Euronext Brussels voorafgaand aan de datum van verwerving, en niet hoger dan hetzelfde gemiddelde vermeerderd met 20%. Binnen de wettelijke voorwaarden geldt deze machtiging voor alle verwervingen onder bezwarende titel in de meest ruime betekenis, op of buiten de beurs. Deze machtiging vervangt en annuleert de inkoopmachtiging verleend door de Buitengewone Algemene Vergadering van 22 juli 2015, met ingang vanaf de datum waarop het besluit in de bijlagen bij het Belgisch Staatsblad zal worden bekendgemaakt.

Proposal forming the subject of the **seventh resolution**:

Proposal that the Board of Directors of the Company be granted authority, with power of sub-delegation, valid for a period of five years, to purchase the Company's own shares, provided the fractional value of the Company's shares held as portfolio assets does not exceed 20% of its authorized capital, at a unit price not lower than the average of the last twenty closing prices on the Euronext Brussels exchange immediately preceding the purchase at a maximum premium of 20% or a maximum discount of 20%. To the extent permitted by law, this authorization shall apply to all market or over-the-counter acquisitions for value in the widest sense. This authorization supersedes and cancels the authorization granted by the Extraordinary General Meeting of 22 July 2015, effective as of the date of publication of this resolution into the Appendices of the Belgian Official Gazette.

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Financial calendar

Annual General Meeting	30.05.2017 (at 10:00 AM CET)
Ex-coupon date	31.05.2017
Record date	01.06.2017
Dividend payment date	02.06.2017
First half-year 2017 results	31.08.2017 (before opening of the stock exchange)
Third quarter 2017 trading update	31.10.2017 (before opening of the stock exchange)

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.

For more product information or direct business contacts, please consult our web site www.recticel.com, where interested parties can also find our press releases and slide presentations of our annual or half year results.

Customers, suppliers, shareholders, investors and all other stakeholders and interested parties who wish to receive Recticel's annual report and/or its regular press releases, are invited to subscribe to Recticel's email alert on the above web site address. This service is free of charge.

Thank you for your attention!

Q&A

Better industrial performance and improved product-mix



Key financials

in million EUR	1H15	2H15	FY15	1H16	2H16	FY16	Δ 1H	Δ 2H	Δ FY
Sales	305,9	296,4	602,3	310,3	297,0	607,2	1,4%	0,2%	0,8%
REBITDA	20,4	17,6	38,0	28,2	18,1	46,3	37,8%	3,1%	21,7%
as % of sales	6,7%	5,9%	6,3%	9,1%	6,1%	7,6%			
EBITDA	19,9	14,2	34,0	23,6	15,9	39,6	19,0%	12,4%	16,3%
as % of sales	6,5%	4,8%	5,6%	7,6%	5,4%	6,5%			
REBIT	14,6	11,5	26,1	22,0	11,8	33,8	50,6%	2,3%	29,3%
as % of sales	4,8%	3,9%	4,3%	7,1%	4,0%	5,6%			
EBIT	13,3	7,8	21,1	17,2	9,3	26,5	29,6%	18,8%	25,6%
as % of sales	4,3%	2,6%	3,5%	5,5%	3,1%	4,4%			

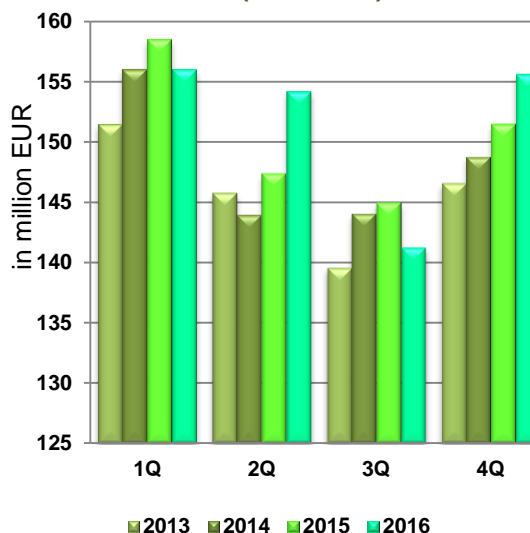
Recent developments

- ▶ Strong volumes
- ▶ Improved product/market-mix (i.e. Technical Foams)
- ▶ Structural progress in operational efficiency
- ▶ Closure of plant in Noyen-sur-Sarthe (France)
- ▶ Increasing raw material prices in 2H2016

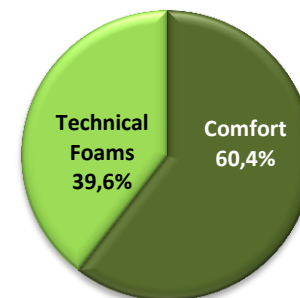
2016 key topics

- ▶ Sales 2016: €607.2m (+0.8%), with external sales increasing by +1.4%
 - ❑ Comfort: flat, especially in Western Europe
 - ❑ Technical Foams: +1.7% driven by solid industrial demand and dynamic automotive markets
 - ❑ Central & Eastern European countries remained strong
- ▶ Overall improvement of profit margins

Combined Sales Flexible Foams (2013-2016)



Combined sales 2016



Improved product and customer-mix with strong growth of boxspring beds



Key financials

in million EUR	1H15	2H15	FY15	1H16	2H16	FY16	Δ 1H	Δ 2H	Δ FY
Sales	143,5	151,1	294,5	148,1	144,9	292,9	3,2%	-4,1%	-0,5%
REBITDA	6,0	8,1	14,1	7,9	7,8	15,7	31,6%	-3,4%	11,5%
as % of sales	4,2%	5,4%	4,8%	5,3%	5,4%	5,4%			
EBITDA	5,1	4,4	9,5	6,6	5,5	12,1	29,6%	25,6%	27,7%
as % of sales	3,5%	2,9%	3,2%	4,5%	3,8%	4,1%			
REBIT	2,8	4,9	7,7	5,1	5,3	10,4	81,7%	8,3%	35,0%
as % of sales	2,0%	3,3%	2,6%	3,5%	3,7%	3,6%			
EBIT	1,9	1,2	3,2	3,1	2,6	5,8	63,0%	111,3%	81,9%
as % of sales	1,3%	0,8%	1,1%	2,1%	1,8%	2,0%			

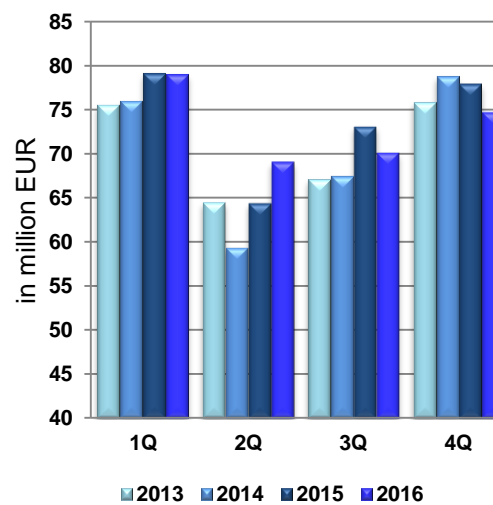
2016 key topics

- ▶ Sales 2016: €292.9m (-0.5%), with external sales slightly decreasing by -0.4%
 - Branded Products: +3.9%
 - Non-Branded/Private Label: -6.0%
- ▶ Further improvement of product and customer-mix
- ▶ Strong sales growth in bedsprings
- ▶ Sales growth GELTEX® inside products: +0.8%
- ▶ Sales developed very differently from one country to another.
- ▶ Overall improvement of profit margins

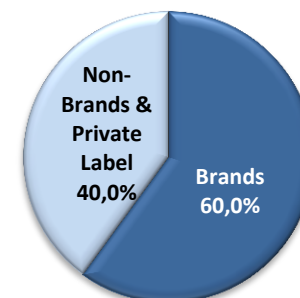
Recent developments

- ▶ Improved product-mix due to further expansion of Branded Products segment
- ▶ Successful commercial performance of bedsprings and innovative GELTEX® inside products
- ▶ Rationalisation measures in Switzerland

Combined Sales Bedding (2013-2016)



Combined sales 2016



Strong growth of sales and good profitability, partially offset by adverse currency impact

Key financials

in million EUR	1H15	2H15	FY15	1H16	2H16	FY16	Δ 1H	Δ 2H	Δ FY
Sales	113,3	116,1	229,4	118,1	116,0	234,1	4,3%	-0,1%	2,1%
REBITDA	16,1	16,2	32,3	17,8	15,3	33,1	10,6%	-5,9%	2,3%
as % of sales	14,2%	14,0%	14,1%	15,1%	13,2%	14,1%			
EBITDA	17,7	15,7	33,4	17,8	15,1	32,9	0,4%	-3,9%	-1,6%
as % of sales	15,6%	13,6%	14,6%	15,0%	13,0%	14,0%			
REBIT	13,3	13,1	26,4	14,7	12,0	26,8	10,8%	-7,8%	1,6%
as % of sales	11,7%	11,2%	11,5%	12,5%	10,4%	11,4%			
EBIT	14,9	12,6	27,5	14,7	11,9	26,6	-1,3%	-5,4%	-3,2%
as % of sales	13,1%	10,8%	12,0%	12,4%	10,3%	11,4%			

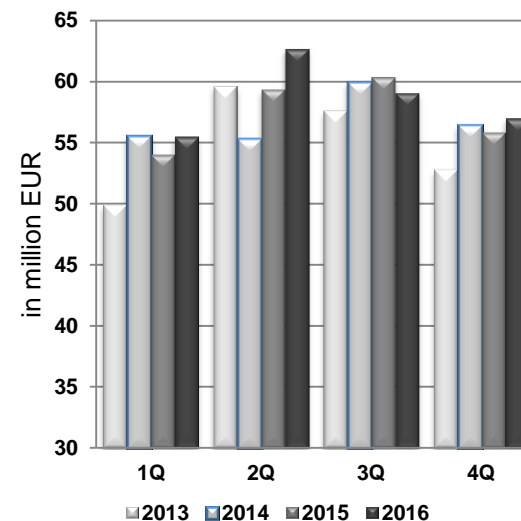
2016 key topics

- ▶ Sales 2016: 234.1m€ (+2.1%), including exchange rate differences of -4.4% (i.e. Pound Sterling)
- ▶ Growth trend of the previous quarters was confirmed (1Q2016: +2.8%; 2Q2016: +5.7% and weaker 3Q2016: -2.1%; but 4Q2016: +2.0%).
- ▶ Growing volumes offset by negative currency effect and some price erosion in the most competitive markets.
- ▶ Higher raw material (isocyanates) costs in 2H2016.

Recent developments

- ▶ Divestment in February 2015 of the 50% participation in the joint venture Kingspan Tarec Industrial Insulation (KTII)
- ▶ 2016: Expansion in France in field of fiber bonded foam solutions for acoustic insulation (Innortex)
- ▶ 2016: Creation of production joint venture for Vacuum Insulation Panels (VIP) for niche applications.

Combined sales Insulation (2013-2016)



Growth driven by start-up of new Interiors programs and overall strong global automotive markets



Key financials

in million EUR	1H15	2H15	FY15	1H16	2H16	FY16	Δ 1H	Δ 2H	Δ FY
Sales	142,9	137,4	280,3	146,9	142,1	288,9	2,8%	3,4%	3,1%
REBITDA	9,5	5,9	15,4	10,5	9,4	19,9	10,7%	58,7%	29,1%
as % of sales	6,7%	4,3%	5,5%	7,2%	6,6%	6,9%			
EBITDA	5,7	4,3	9,9	9,5	8,8	18,3	68,8%	104,9%	84,4%
as % of sales	4,0%	3,1%	3,5%	6,5%	6,2%	6,3%			
REBIT	3,8	(0,1)	3,6	3,9	1,8	5,7	2,9%	n.m.	55,3%
as % of sales	2,6%	-0,1%	1,3%	2,6%	1,3%	2,0%			
EBIT	(0,1)	(1,8)	(1,9)	2,9	1,2	4,0	n.m.	n.m.	n.m.
as % of sales	-0,1%	-1,3%	-0,7%	2,0%	0,8%	1,4%			

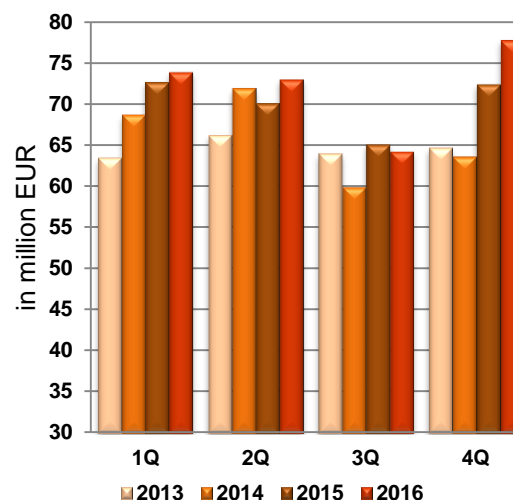
2016 key topics

- ▶ Sales 2016: 288.9m€ (+3.1%), including a currency exchange differences for -1.4%
 - **Interiors:** 143.5m€ (+9.0%), including currency exchange differences (-0.8%)
 - Growth coming from gradual start-up and ramp-up of new programs.
 - **Seating:** 145.5m€ (-2.1%), including currency exchange differences (-2.0%) (i.e. £ and PLN)
 - Lower volumes by year-end

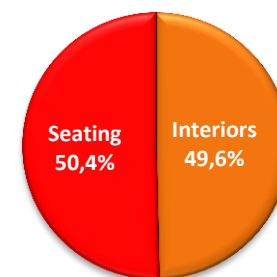
Recent developments

- ▶ As expected, higher volumes following the gradual start-up and ramp-up of new **Interiors programs** - with new production sites in China (Changchun and Langfang)
- ▶ Jan 2017: Fire incident in Interiors' plant in Most (Czech Republic)
- ▶ **Seating:** efficiency gains following closure of the Rüsselsheim (Germany) plant in 2015

Combined sales Automotive (2013-2016)



Combined sales 2016



Consolidated key figures*

* All comparisons are made with the comparable period of 2015, unless mentioned otherwise.

- ▶ **Sales:** from 1,033.8m€ to **1,048.3m€** (+1.4%), including currency effects (-2.3%)
- ▶ **EBITDA:** from 52.9m€ to **72.7m€** (+37.5%)
- ▶ **EBIT:** from 23.2m€ to **39.2m€** (+68.8%)
- ▶ **Result of the period** (share of the Group): from +4.5m€ to **+16.3m€**
- ▶ **Net financial debt**¹: from 98.5m€ (31-Dec-15) to **108.4m€** (31-Dec-16)
- ▶ **Gearing ratio:** from 39.6% (30-Dec-15) to **43.1%**

¹ Excluding the drawn amounts under non-recourse factoring/forfeiting programs: 51.7m€ per 31 December 2016 versus 53.7m€ per 31 December 2015.

ANNEXES – Consolidated Income Statement

in million EUR	1H15	2H15	FY2015	1H16	2H16	FY2016
Sales	519,1	514,7	1 033,8	534,5	513,8	1 048,3
Distribution costs	(28,3)	(29,8)	(58,0)	(29,5)	(28,4)	(57,9)
Cost of sales	(390,8)	(390,5)	(781,3)	(396,2)	(393,2)	(789,4)
Gross profit	100,0	94,4	194,4	108,8	92,3	201,1
General and administrative expenses	(39,6)	(37,1)	(76,7)	(41,9)	(37,5)	(79,4)
Sales and marketing expenses	(37,4)	(39,7)	(77,1)	(37,3)	(34,7)	(72,0)
Research and development expenses	(6,5)	(6,1)	(12,5)	(6,9)	(6,0)	(12,9)
Impairments	(0,7)	(0,2)	(1,0)	(1,0)	(0,8)	(1,8)
Other operating revenues (1)	5,4	3,4	8,9	2,7	4,2	6,9
Other operating expenses (2)	<u>(6,3)</u>	<u>(13,3)</u>	<u>(19,6)</u>	<u>(10,6)</u>	<u>(9,1)</u>	<u>(19,6)</u>
Other operating result (1)+(2)	(0,9)	(9,9)	(10,7)	(7,9)	(4,9)	(12,7)
Income from joint ventures & associates	2,0	4,8	6,9	10,7	6,2	16,9
EBIT	16,9	6,3	23,2	24,6	14,6	39,2
Interest income	0,4	0,4	0,8	0,4	0,3	0,7
Interest expenses	(5,5)	(4,8)	(10,3)	(4,3)	(4,5)	(8,8)
Other financial income	5,4	3,0	8,4	5,4	1,7	7,1
Other financial expenses	(7,8)	(3,6)	(11,4)	(6,5)	(4,2)	(10,7)
Financial result	(7,5)	(5,0)	(12,5)	(5,0)	(6,8)	(11,7)
Result of the period before taxes	9,4	1,3	10,7	19,7	7,8	27,5
Income taxes	(4,4)	(1,8)	(6,2)	(4,2)	(7,0)	(11,2)
Result of the period after taxes	5,0	(0,5)	4,5	15,5	0,8	16,3
of which attributable to the owners of the parent	5,0	(0,5)	4,5	15,5	0,8	16,3
of which attributable to non-controlling interests	0,0	0,0	0,0	0,0	0,0	0,0

ANNEXES – Consolidated Comprehensive Income

in million EUR	1H15	2H15	FY2015	1H16	2H16	FY2016
Result for the period after taxes	5,0	(0,5)	4,5	15,5	0,8	16,3
Other comprehensive income						
<i>Items that will not subsequently be recycled to profit and loss</i>						
Actuarial gains and losses on employee benefits recognized in equity	6,1	(0,3)	5,8	(10,1)	2,7	(7,4)
Deferred taxes on actuarial gains and losses on employee benefits	(1,1)	0,0	(1,1)	2,2	0,2	2,4
Currency translation differences	(0,6)	0,2	(0,5)	0,7	0,2	0,9
Total	4,4	(0,1)	4,2	(7,3)	3,1	(4,1)
<i>Items that subsequently may be recycled to profit and loss</i>						
Hedging reserves	(0,3)	1,9	1,6	0,5	1,3	1,9
Currency translation differences	7,1	(3,0)	4,1	(4,7)	(0,3)	(5,0)
Foreign currency translation difference recycled in income statement	(1,0)	0,3	(0,7)	0,0	0,0	0,0
Deferred taxes on interest hedging reserves	(0,2)	(0,3)	(0,6)	(0,3)	(0,3)	(0,6)
Total	5,6	(1,1)	4,4	(4,5)	0,7	(3,8)
Other comprehensive income net of tax	9,9	(1,3)	8,7	(11,8)	3,8	(7,9)
Total comprehensive income for the period	15,0	(1,7)	13,2	3,7	4,7	8,4
Total comprehensive income for the period	15,0	(1,7)	13,2	3,7	4,7	8,4
of which attributable to the owners of the parent	15,0	(1,7)	13,2	3,7	4,7	8,4
of which attributable to non-controlling interests	0,0	0,0	0,0	0,0	0,0	0,0

ANNEXES – Consolidated Balance Sheet

in million EUR	31 DEC 15	31 DEC 16	Δ
Intangible assets	13,4	12,1	-9,7%
Goodwill	25,9	25,1	-3,1%
Property, plant & equipment	209,7	216,2	3,1%
Investment property	3,3	3,3	0,0%
Interest in joint ventures & associates	73,2	82,4	12,6%
Other financial investments and available for sale investments	1,0	0,5	-54,0%
Non-current receivables	13,6	13,9	1,9%
Deferred tax	43,3	37,8	-12,6%
Non-current assets	383,4	391,3	2,0%
Inventories and contracts in progress	93,2	91,9	-1,4%
Trade receivables	83,4	101,5	21,7%
Other receivables	55,3	69,6	25,7%
Income tax receivables	2,1	1,4	-30,1%
Available for sale investments	0,1	0,1	17,6%
Cash and cash equivalents	56,0	37,2	-33,6%
Disposal group held for sale	3,2	0,0	-100,0%
Current assets	293,2	301,7	2,9%
TOTAL ASSETS	676,7	693,0	2,4%

in million EUR	31 DEC 15	31 DEC 16	Δ
Equity (share of the Group)	249,0	251,2	0,9%
Non-controlling interests	0,0	0,0	-
Total equity	249,0	251,2	0,9%
Pensions and other provisions	61,1	64,2	5,1%
Deferred tax	9,5	10,1	6,4%
Interest-bearing borrowings	40,4	97,0	140,4%
Other amounts payable	0,2	0,2	-19,0%
Non-current liabilities	111,2	171,5	54,3%
Pensions and other provisions	6,9	5,9	-14,2%
Interest-bearing borrowings	114,7	50,1	-56,3%
Trade payables	94,3	102,9	9,2%
Income tax payables	2,5	2,3	-7,0%
Other amounts payable	98,2	108,9	10,9%
Current liabilities	316,5	270,2	-14,6%
TOTAL LIABILITIES	676,7	693,0	2,4%

ANNEXES – Consolidated Statement of Cash Flow

in k€	LY 31/12/2015	A 31/12/2016
EARNINGS before INTEREST AND TAXES (EBIT)	23,235	39,218
Depreciations and Amortizations	28,656	31,726
Impairment losses on Assets	983	1,762
Write-off on Assets	1,555	-1,557
Changes in provisions	2,817	-3,577 (1)
Gains / Losses on disposals of Assets	-1,939	292
Income from associates	-6,873	-16,927
GROSS OPERATING CASH FLOW	48,433	50,938
Changes in working capital	-11,051	980 (2)
Trade & Other Long term debts (deferred EU fine)	-6,626	-6,915 (3)
CASH GENERATED by OPERATIONS	30,756	45,003
Income taxes paid	-1,865	-2,539
NET CASH FLOW FROM OPERATING ACTIVITIES	28,891	42,465
Interest received	587	1,052
Dividend received	13,764	7,350
Investments and subscription capital increase	0	0
Increase / Decrease of Loans and Receivables	-2,415	-8,345
Investments in intangible assets	-3,872	-3,060 (4)
Investments in property, plant and equipment	-29,967	-40,552 (4)
Investment in associates	-5,100	-1,513
Disposals of intangible assets	116	95
Disposals of property, plant and equipment	4,010	7,506
Disposals subsidiaries	8,934	503
Increase / Decrease of investments available for sale	-16	-16
NET CASH FLOW FROM INVESTMENT ACTIVITIES	-13,958	-36,979
Interest paid	-9,777	-7,559
Dividends paid	-5,893	-7,492
Increase/Decrease of capital	74,216	1,210
Increase/Decrease financial debts	-41,956	-8,336
CASH FLOW FROM FINANCING ACTIVITIES	16,590	-22,176
Effect of Exchange rate Changes	-1,719	-2,101
CHANGES IN CASH AND CASH EQUIVALENT	29,803	-18,792
Net cash position opening balance	26,163	55,967
Net cash position closing balance	55,967	37,174
NET VARIATION CASH & CASH EQUIVALENT	29,804	-18,792

(1) Changes in provisions (3.6)

Net additions	11.1
> Pension provisions	4.3
> Restructuring	4.0
> Other	2.8
Net utilisations	(14.7)
> Pension provisions	(7.2)
> Restructuring	(6.2)
> Environmental	(0.8)
> Other	(0.5)

(2) Changes in Working Capital 1.0

> Inventories	0.1
> Trade receivables	(20.7)
> Other receivables	(5.8)
> Trade payables	8.2
> Other payables	19.2

(3) EU fine paid (6.9)

(4) Capex paid (43.6)

> Flexible foams	(8.3)
> Insulation	(13.1)
> Bedding	(1.9)
> Interiors	(18.5)
> Other (IDC, ICT, Corporate)	(1.8)

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
At the end of the preceding period (31 December 2015)	134,3	125,7	(1,5)	(0,0)	(15,5)	3,1	15,0	(6,0)	(6,2)	249,0	0,0	249,0
Dividends	0,0	0,0	0,0	0,0	0,0	0,0	(7,5)	0,0	0,0	(7,5)	0,0	(7,5)
Stock options (IFRS 2)	0,0	0,0	0,0	0,0	0,0	(0,4)	0,6	0,0	0,0	0,2	0,0	0,2
Capital movements	0,8	0,4	0,0	0,0	0,0	(0,1)	0,1	0,0	0,0	1,2	0,0	1,2
Shareholders' movements	0,8	0,4	0,0	0,0	0,0	(0,6)	(6,8)	0,0	0,0	(6,1)	0,0	(6,1)
Profit or loss of the period	0,0	0,0	0,0	0,0	0,0	0,0	16,3	0,0	0,0	16,3	0,0	16,3
<i>Components of other comprehensive income that will not be recycled to profit or loss, net of tax</i>												
Actuarial gains & losses recognized in equity	0,0	0,0	0,0	0,0	(7,4)	0,0	0,0	0,0	0,0	(7,4)	0,0	(7,4)
Income tax	0,0	0,0	0,0	0,0	2,4	0,0	0,0	0,0	0,0	2,4	0,0	2,4
Currency translation differences	0,0	0,0	0,0	0,0	0,9	0,0	0,0	0,0	0,0	0,9	0,0	0,9
Total other comprehensive income that will not be recycled to profit or loss, net of tax (a)	0,0	0,0	0,0	0,0	(4,1)	0,0	0,0	0,0	0,0	(4,1)	0,0	(4,1)
<i>Components of other comprehensive income that will be recycled to profit or loss, net of tax</i>												
Gains (losses) on cash flow hedge	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	1,9	1,9	0,0	1,9
Deferred taxes	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	(0,6)	(0,6)	0,0	(0,6)
Currency translation differences	0,0	0,0	0,0	0,0	0,0	(0,0)	0,0	(5,1)	0,0	(5,0)	0,0	(5,0)
Total other comprehensive income that will be recycled to profit or loss, net of tax (b)	0,0	0,0	0,0	0,0	0,0	(0,0)	0,0	(5,1)	1,2	(3,8)	0,0	(3,8)
Comprehensive income'	0,0	0,0	0,0	0,0	(4,1)	(0,0)	16,3	(5,1)	1,3	8,4	0,0	8,4
Reclassification	0,0	0,0	0,0	0,0	0,0	(0,4)	0,4	0,0	0,0	0,0	0,0	0,0
At the end of the period (31 December 2016)	135,2	126,1	(1,5)	(0,0)	(19,6)	2,2	24,9	(11,0)	(4,9)	251,2	0,0	251,2

ANNEXES – Data per share

in EUR	2015	2016	Δ
Number of shares outstanding (including treasury shares)	53 731 608	54 062 520	0,6%
Weighted average number of shares outstanding (before dilution effect)	44 510 623	53 504 432	20,2%
Weighted average number of shares outstanding (after dilution effect)	44 704 483	59 643 102	33,4%
EBITDA	1,19	1,36	14,3%
EBIT	0,52	0,73	40,4%
Result for the period before taxes	0,24	0,51	113,5%
Result for the period after taxes	0,10	0,31	199,0%
Result for the period (share of the Group) - basic	0,10	0,31	199,0%
Result for the period (share of the Group) - diluted	0,10	0,30	191,5%
Net book value	4,63	4,65	0,3%

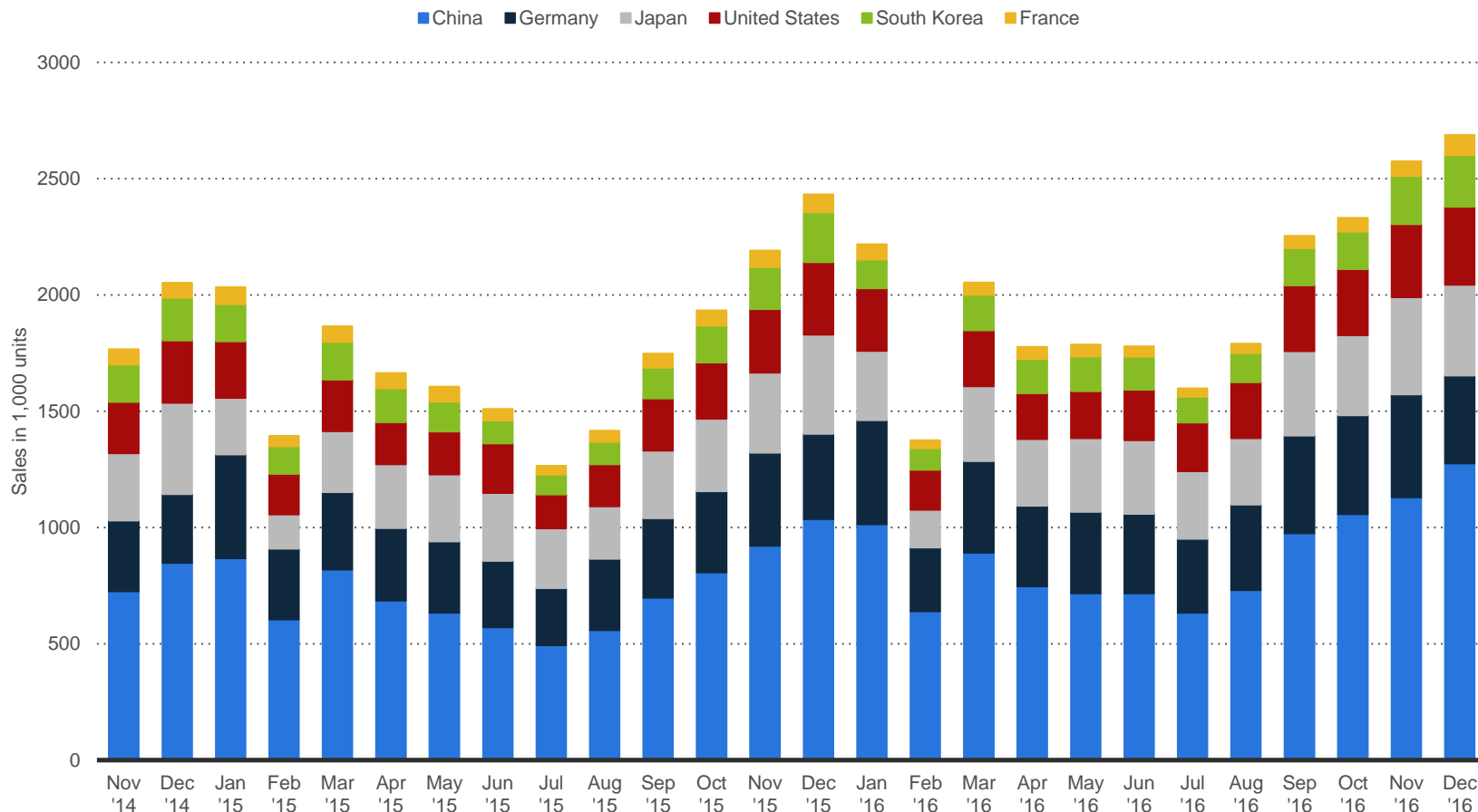
ANNEXES: Automotive – EU28 new passenger car registrations increased by +5.8% year end 2016 vs 2015, but remain ~13% below the 2007 peak.

17/01/2017

	December '16	December '15	%Change 16/15	Jan - Dec '16	Jan - Dec '15	%Change 16/15
AUSTRIA	25,662	22,832	+12.4	329,604	308,555	+6.8
BELGIUM	33,523	32,741	+2.4	539,519	501,066	+7.7
BULGARIA	3,555	3,141	+13.2	26,370	23,500	+12.2
CROATIA	3,383	1,855	+82.4	43,015	34,820	+23.5
CYPRUS	818	959	-14.7	12,643	10,344	+22.2
CZECH REPUBLIC	21,913	19,768	+10.9	259,693	230,857	+12.5
DENMARK	19,394	18,462	+5.0	222,927	207,556	+7.4
ESTONIA	1,304	1,268	+2.8	22,429	20,347	+10.2
FINLAND	8,146	7,925	+2.8	118,986	108,819	+9.3
FRANCE	194,372	183,720	+5.8	2,015,177	1,917,226	+5.1
GERMANY	256,533	247,355	+3.7	3,351,607	3,206,042	+4.5
GREECE	4,765	6,816	-30.1	78,873	75,805	+4.0
HUNGARY	9,750	7,094	+37.4	96,552	77,171	+25.1
IRELAND	430	344	+25.0	146,603	124,804	+17.5
ITALY	124,438	110,060	+13.1	1,824,968	1,575,737	+15.8
LATVIA	1,144	1,060	+7.9	16,359	13,765	+18.8
LITHUANIA	1,418	1,207	+17.5	20,320	17,085	+18.9
LUXEMBOURG	3,065	2,636	+16.3	50,561	46,473	+8.8
NETHERLANDS	35,723	68,779	-48.1	382,825	448,927	-14.7
POLAND	43,721	37,358	+17.0	416,123	354,975	+17.2
PORTUGAL	16,988	13,142	+29.3	207,330	178,503	+16.1
ROMANIA	9,331	8,739	+6.8	94,924	81,162	+17.0
SLOVAKIA	8,010	7,316	+9.5	88,163	77,968	+13.1
SLOVENIA	4,078	3,433	+18.8	63,674	59,450	+7.1
SPAIN	96,886	88,609	+9.3	1,147,007	1,034,232	+10.9
SWEDEN	37,281	33,540	+11.2	372,318	345,108	+7.9
UNITED KINGDOM	178,022	180,077	-1.1	2,692,786	2,633,503	+2.3
EUROPEAN UNION¹	1,143,653	1,110,236	+3.0	14,641,356	13,713,800	+6.8
EU15 ²	1,035,228	1,017,038	+1.8	13,481,091	12,712,356	+6.0
EU12 ³	108,425	93,198	+16.3	1,160,265	1,001,444	+15.9
ICELAND	706	842	-16.2	18,442	14,004	+31.7
NORWAY	13,602	13,078	+4.0	154,603	150,686	+2.6
SWITZERLAND	35,325	32,642	+8.2	317,318	323,783	-2.0
EFTA	49,633	46,562	+6.6	490,363	488,473	+0.4
EU + EFTA	1,193,286	1,156,798	+3.2	15,131,719	14,202,273	+6.5
EU15 + EFTA	1,084,861	1,063,600	+2.0	13,971,454	13,200,829	+5.8

ANNEXES: Automotive – China new passenger car registrations increased by 15% yoy in 2016 ! (+23% vs 2014)

Monthly passenger car sales in China from November 2014 to December 2016, by country of brand origin (in 1,000 units)



ANNEXES: New residential building markets have been negative in 2013, stabilised in 2014 & 2015, growing in 2016 and expected to grow further in 2017

Development of building market in Europe 2013-2019 Outlook (%)

Country/Year				Total	New	Renovation	Forecasts		Outlook
	2013	2014	2015	2016 (estimate)			2017	2018	2019
Austria	-0.5	-0.7	-0.5	1.7	1.9	1.4	1.7	1.5	1.2
Belgium	-0.3	1.8	1.9	4.0	6.1	1.9	2.1	2.8	2.8
Denmark	-1.0	3.8	0.2	2.2	2.4	2.1	2.9	3.4	3.4
Finland	-4.6	-2.8	1.3	7.7	14.8	1.5	0.7	0.7	-0.4
France	-1.6	-6.3	-1.3	2.9	3.5	2.6	4.0	3.1	2.7
Germany	-0.6	1.3	0.7	2.5	6.7	0.3	1.6	0.2	-0.6
Ireland	4.6	11.4	9.1	13.5	17.5	5.8	11.4	9.2	12.1
Italy	-2.7	-1.9	-0.2	1.9	-0.8	2.7	2.1	1.4	1.8
Netherlands	-6.2	0.9	10.6	6.8	7.1	6.6	5.3	4.8	4.6
Norway	-0.6	0.1	1.3	5.3	9.4	1.2	0.9	1.6	3.1
Portugal	-13.6	-2.0	5.2	3.6	1.2	5.9	4.6	5.7	6.0
Spain	-15.0	-3.2	1.9	6.6	8.5	4.1	5.8	3.9	3.7
Sweden	2.6	7.4	8.9	9.1	22.0	0.0	2.8	0.1	-2.1
Switzerland	3.3	2.9	1.9	0.5	0.2	0.9	1.3	1.5	1.1
United Kingdom	1.4	10.3	1.0	1.1	2.1	-0.4	-0.4	1.0	1.8
Western Europe (EC-15)	-1.9	0.9	1.2	3.1	4.8	1.7	2.2	1.8	1.7
Czech Republic	-6.0	3.2	2.8	-6.6	-3.9	-11.2	-3.6	3.8	6.8
Hungary	-4.1	3.4	3.6	5.0	13.4	-1.5	12.0	13.1	5.5
Poland	-1.4	4.4	5.2	0.9	0.6	1.8	2.4	3.7	4.3
Slovak Republic	-8.3	-4.3	4.4	3.2	1.6	6.6	2.2	1.8	-1.7
Eastern Europe (EC-4)	-3.3	3.4	4.4	-0.2	0.6	-1.8	2.1	4.7	4.6
Euroconstruct Countries (EC-19)	-2.0	1.0	1.3	2.9	4.5	1.6	2.2	2.0	1.8

Source: EUROCONSTRUCT, November 2016