Recticel – Annual results 2010

- **On a comparable basis[1], sales up by 8% driven by strong growth in Insulation (+12.6%) and Automotive (+12.2%)**
- **In line with expectations, REBITDA reached EUR 104.0 million despite a EUR 52.2 million raw material cost increase**
- **Net financial debt: from EUR 192.0 million to EUR 158.7 million**
- **Result of the period (share of the Group): EUR 14.4 million (2009: EUR 20.7 million), after EUR -31.3 million impact from restructuring measures to adapt the industrial footprint**
- **Proposal to pay a gross dividend of EUR 0.27 per share**

[1] The indicated trend in sales is based on a comparable scope of consolidation. This comment refers particularly to the Bedding business line, which sold in July 2009 its 50% interest in COFEL of France.

1. KEY FIGURES

in million EUR	2009	1H/2010	2H/2010	2010	Δ 10/09
Sales	**1 276,7**	**670,4**	**678,1**	**1 348,4**	***5,6%***
Gross profit	232,1	114,8	102,0	216,9	*-6,6%*
as % of sales	*18,2%*	*17,1%*	*15,0%*	*16,1%*	
REBITDA (1)	**106,9** (2)	**57,2**	**46,9**	**104,0**	***-2,7%***
as % of sales	*8,4%*	*8,5%*	*6,9%*	*7,7%*	
EBITDA (3)	**102,3**	**53,2**	**30,3**	**83,5**	***-18,3%***
as % of sales	*8,0%*	*7,9%*	*4,5%*	*6,2%*	
REBIT (1)	**61,2**	**35,2**	**23,8**	**58,9**	***-3,7%***
as % of sales	*4,8%*	*5,2%*	*3,5%*	*4,4%*	
EBIT	**46,2**	**27,8**	**(0,1)**	**27,6**	***-40,3%***
as % of sales	*3,6%*	*4,1%*	*0,0%*	*2,0%*	
Result of the period (share of the Group)	**20,7**	**13,2**	**1,2**	**14,4**	***-30,4%***
Result of the period (share of the Group) - base (per share, in EUR)	0,72	0,46	0,04	0,50	***-30,4%***
Gross dividend per share (in EUR)	0,25	-	-	0,27 (7)	***8,0%***
Total Equity	**226,0**	**229,4**	**241,7**	**241,7**	***7,0%***
Net financial debt (6)	192,0	193,6	158,7	158,7	*-17,3%*
Gearing ratio	**85%**	**84%**	**66%**	**66%**	
Average capital employed (4)	458,9	428,3	416,7	422,5	*-7,9%*
ROCE = Return on capital employed (5)	10,1%	13,0%	-0,1%	6,4%	
ROE = Return on equity (5)	9,4%	11,6%	1,1%	6,3%	

(1) REBITDA = EBITDA before non-recurring elements; REBIT = EBIT before non-recurring elements.
Non-recurring elements comprise operating income, expenses or provisions that are related to restructuring programs, impairments on assets, capital gains or losses on divestments and on the liquidation of affiliated companies, and other events or transactions that are clearly distinct from the ordinary activities of the Group.
(2) Comparable REBITDA, restated for elimination of COFEL's contribution until divestment in July 2009, amounted to EUR 104.8 million.
(3) EBITDA = EBIT + depreciation, amortisation and impairment on assets.
(4) Capital Employed = net intangible assets + goodwill + net property, plant & equipment + working capital. Working capital = current assets (without cash deposits) - non-financial current liabilities.
(5) Half-yearly average = [Capital employed at the end of the previous period + Capital employed at the end of the current period] / 2. For Return on Equity (ROE), the same based on Equity (share of the Group).
The annual averages are calculated as the mean of the half-yearly figures.
(6) Net financial debt = Interest-bearing borrowings – Cash and cash equivalents – Available for sale investments. The interest-bearing borrowings do not include the drawn amounts (2010: EUR 19.7 million versus EUR 12.0 million in 2009) under non-recourse factoring/forfeiting programs.
(7) Proposed dividend payment.

2. COMMENTS ON THE CONSOLIDATED RESULTS

Sales: from EUR 1,276.7 million to **EUR 1,348.4 million** (+5.6%)

Before exchange rate differences (accounting for +2.0%) sales growth was 3.6%.

On a restated basis(1), total sales increased by 8.0%. On this basis, all business lines recorded higher sales.

Changes in the scope of consolidation in 2010:

- With effect as from 1 January 2010 the Group's subsidiaries Recticel GuKoTech GmbH and Recticel Foams (Shanghai) Co. Ltd. are for the first time fully consolidated.
- With effect as from 1 July 2010 the Group sold its "slat base" activities (Bedding) in Masevaux (France)

Changes in the scope of consolidation in 2009:

- With effect as from 1 May 2009 the shareholder structure of the group Gestind (Automotive – Seating) has been modified, whereby the Polish subsidiary has been fully taken over by the Proseat group and whereby the Italian subsidiary has been fully disposed of.
- In July 2009 the Group sold its 50% stake in Cofel SAS (France) (Bedding), which was consolidated using the proportional consolidation method.
- At the end of 2009 the Group sold Corpura (Flexible Foams), which was consolidated using the full consolidation method.

Breakdown of sales by business line

in million EUR	2009	2009 (1) (restated)	1H/2010	2H/2010	2010	Δ 10/09 (1)
Flexible Foams	570,6	570,6	298,7	304,1	602,7	*5,6%*
Bedding	312,6	277,2	142,7	150,6	293,3	*5,8%*
Insulation	166,5	166,5	88,4	99,0	187,4	*12,6%*
Automotive	289,4	289,4	168,0	156,9	324,9	*12,2%*
Eliminations	(62,4)	(54,9)	(27,5)	(32,4)	(59,9)	*9,0%*
Total	**1 276,7**	**1 248,7**	**670,4**	**678,1**	**1 348,4**	***8,0%***

Compared to the first half of 2010, sales increased in all business lines, except in Automotive.

[1] The indicated trend in sales is based on a comparable scope of consolidation. This comment refers to the Bedding business line, which sold in July 2009 its 50% interest in COFEL of France.

REBITDA: from EUR 106.9 million to **EUR 104.0 million** (-2.7%)

Between 1Q/2009, which corresponds to the bottom of the raw material cycle, and December 2010, the cost per ton of the purchased raw material mix has progressively increased by 32%. In 2010, despite a raw material cost increase of EUR 52.2 million, the Group recorded a recurring EBITDA comparable to 2009. The Group indeed succeeded to compensate the effect of these higher raw material costs by the additional contribution generated by higher volumes, by selling price increases and by a combination of cost savings and other production efficiency measures.

Breakdown of REBITDA by business line

in million EUR	2009	2009 [1] (restated)	1H/2010	2H/2010	2010	Δ 10/09 [1]
Flexible Foams	46,9	46,9	18,3	12,3	30,6	*-34,7%*
Bedding	23,2	21,1	7,7	12,6	20,3	*-3,5%*
Insulation	40,3	40,3	17,4	18,1	35,5	*-12,0%*
Automotive	13,7	13,7	21,9	11,8	33,7	*145,4%*
Corporate	(17,3)	(17,3)	(8,1)	(8,0)	(16,2)	*-6,7%*
Total	**106,9**	**104,8**	**57,2**	**46,9**	**104,0**	***-0,7%***

[1] The indicated trend is based on a comparable scope of consolidation. This comment refers to the Bedding business line, which sold in July 2009 its 50% interest in COFEL of France.

REBIT: from EUR 61.2 million to **EUR 58.9 million** (-3.7%)

Non-recurring elements

in million EUR	1H/2010	2H/2010	2010
Impairments	(3,5)	(7,3)	(10,8)
Restructuring charges and provisions	(2,0)	(17,8)	(19,8)
Loss on liquidation or disposal of financial assets	0,0	(3,5)	(3,5)
Gain on liquidation or disposal of financial assets	0,0	1,6	1,6
Other	(2,0)	3,2	1,2
Total	**(7,5)**	**(23,8)**	**(31,3)**

The result was influenced by a number of unfavourable non-recurring elements amounting to EUR –31.3 million (EUR –14.9 million in 2009).

These elements related mainly to the incurred costs and provisions for restructuring programs and related onerous contracts in Flexible Foams (Spain), Bedding (France), Automotive - Interiors (Germany and the USA), and Proseat in Belgium.

In addition, new impairments on assets were recorded, mainly as a consequence of the announced restructuring measures in Flexible Foams (Spain) and in Automotive (Belgium and Germany).

Furthermore the non-recurring result includes:
- in Flexible Foams: the legal fees (EUR 1.9 million) incurred in 2010 relative to the ongoing EC investigation (see below); and
- in Corporate: the impact of a (non-cash) loss (EUR 2.1 million) booked upon the liquidation of the US entity RUS Inc.

EBIT: from EUR 46.2 million to **EUR 27.6 million** (-38.7%)

Despite the above-mentioned significant non-recurring items, all business lines contributed positively to the result.

Breakdown of EBIT by business line

in million EUR	2009	2009 [(1)] restated	1H/2010	2H/2010	2010	Δ 10/09 [(1)]
Flexible Foams	25,8	25,8	10,0	(8,8)	1,2	*-95,3%*
Bedding	33,8 [(2)]	11,6	3,8	7,6	11,5	*-0,8%*
Insulation	37,2	37,2	15,8	16,4	32,1	*-13,5%*
Automotive	(32,2)	(32,2)	6,5	(4,9)	1,6	*n.r.*
Corporate	(18,3)	(18,3)	(8,3)	(10,5)	(18,8)	*2,8%*
Total	**46,2**	**24,0**	**27,8**	**(0,1)**	**27,6**	***14,9%***

1 The indicated trend is based on a comparable scope of consolidation. This comment refers to the Bedding business line, which sold in July 2009 its 50% interest in COFEL of France.

2 The amount includes the net non-recurring income attributable to the divestment of the 50% interest in COFEL (France), as well as COFEL's contribution to EBIT until July 2009.

Financial result: from EUR –13.8 million to **EUR –17.1 million**.

The net interest charges (EUR –11.8 million) decreased by EUR 5.1 million compared to 2009 (EUR –16.9 million). This reduction is attributable to (i) a lower average outstanding debt and (ii) lower interest rates.

'Other financial income and expenses' (EUR –5.3 million, compared to EUR +3.1 million in 2009) comprise mainly positive exchange rate differences (EUR +2.9 million), non-cash charges from the impact on the foreign currency translation reserve following the liquidation of the US legal entity RUS Inc. (EUR –6.0 million) and from the capitalisation of provisions for pension liabilities (EUR –2.4 million).

Income taxes and deferred taxes: from EUR –12.4 million to **EUR +4.1 million**:

- Current income tax charges (EUR –7.7 million, compared to EUR –7.9 million in 2009) are mainly incurred by subsidiaries in Eastern Europe, Germany and Scandinavia;
- The positive deferred tax result (EUR +11.8 million, compared to a charge of EUR –4.5 million in 2009) is mainly the result of the realisation of a substantial tax-deductible liquidation loss for tax purposes on the liquidation of the US legal entity RUS, Inc.

Result of the period (share of the Group): from EUR 20.7 million to **EUR 14.4 million**.

3. MARKET SEGMENTS

A. Flexible Foams

in million EUR	2009	1H/2010	2H/2010	2010	Δ 10/09
Sales	570,6	298,7	304,1	602,7	*5,6%*
REBITDA	46,9	18,3	12,3	30,6	*-34,7%*
as % of sales	*8,2%*	*6,1%*	*4,1%*	*5,1%*	
EBITDA	45,1	17,9	4,3	22,2	*-50,7%*
as % of sales	*7,9%*	*6,0%*	*1,4%*	*3,7%*	
REBIT	31,1	10,5	5,2	15,7	*-49,3%*
as % of sales	*5,4%*	*3,5%*	*1,7%*	*2,6%*	
EBIT	25,8	10,0	-8,8	1,2	*-95,3%*
as % of sales	*4,5%*	*3,3%*	*-2,9%*	*0,2%*	

Sales

Sales in the Flexible Foams business line **(EUR 602.7 million)** increased by 5.6% as a result of higher volumes in the division 'Technical foams' which benefited most from the upturn in the industrial markets.

'Comfort' (EUR 385.8 million; –1.0%) stabilised its global sales level in a very competitive market.

'Technical foams' (EUR 191.1 million, +20.9%) benefited from a much higher demand from industrial and automotive markets.

'Composite foams' (EUR 25.8 million, +12.7%) improved on the back of higher volumes and better world market prices for trim foam.

EBITDA

Despite higher sales, profitability declined. Nevertheless, there were important differences in the development of the various sub-segments.

In a competitive commodity market, EBITDA in '**Comfort'** declined as higher raw material prices could yet not be fully passed through in the selling prices. In Spain, the Group incurred substantial operating losses (EUR –1.6 million). Upon this the Group decided to downsize its industrial footprint in the 'Comfort' activities in Spain, a market plagued by 40% overcapacity partially due to the impact of the crisis on the demand. The overall cost of this restructuring plan had a negative non-recurring impact in 2010 of EUR –7.9 million.

In 2010 the result was also impacted by legal fees (EUR -1.9 million) relative to the ongoing EC investigation (see below).

The EBITDA increased strongly in **'Technical foams'** mainly the consequence of significantly higher sales volumes to the automotive and industrial markets.

B. Bedding

in million EUR	2009	2009 (1) restated	1H/2010	2H/2010	2010	Δ 10/09 (1)
Sales	312,6	277,2	142,7	150,6	293,3	*5,8%*
REBITDA	23,2	21,1	7,7	12,6	20,3	*-3,5%*
as % of sales	*7,4%*	*7,6%*	*5,4%*	*8,4%*	*6,9%*	
EBITDA	41,1	17,9	6,6	10,6	17,3	*-3,7%*
as % of sales	*13,1%*	*6,5%*	*4,7%*	*7,1%*	*5,9%*	
REBIT	16,5	21,1	4,9	9,7	14,6	*-30,5%*
as % of sales	*5,3%*	*7,6%*	*3,4%*	*6,5%*	*5,0%*	
EBIT	33,8	11,6	3,8	7,6	11,5	*-0,8%*
as % of sales	*10,8%*	*4,2%*	*2,7%*	*5,1%*	*3,9%*	

(1) The indicated trend is based on a comparable scope of consolidation.
The FY2009 figures have been adapted to take into account the sale in July 2009 of the 50% interest in COFEL of France (Bedding).

Sales

On an 'as published' basis, sales in Bedding **(EUR 293.3 million)** decreased by 6.2% following the divestment of the 50% participation in COFEL in July 2009. On a comparable basis(1), and despite difficult market conditions, sales increased by 5.8%. This increase is attributable to higher sales(1) in both the 'brand' and the 'private label' segments. Sales in Germany, the Group's largest market, improved in the second half after a relatively slow first half-year.

EBITDA

On a restated basis, EBITDA declined slightly in 2010.

During 1H/2010, difficult market conditions in Poland, Germany and Switzerland, in combination with higher raw material prices, put the profit margins under pressure. Furthermore, the Group recorded in 1H/2010 a non-recurring loss on the sale of the slat base activities of LeBed SAS (France).

In 2H/2010, seasonality effects and improving market conditions combined with price increase actions have restored the profitability. However, in the non-brand segment competition remains fierce and raw material price rises are much more difficult to pass on to the market.

C. Insulation

in million EUR	2009	1H/2010	2H/2010	2010	Δ 10/09
Sales	166,5	88,4	99,0	187,4	*12,6%*
REBITDA	40,3	17,4	18,1	35,5	*-12,0%*
as % of sales	*24,2%*	*19,7%*	*18,3%*	*18,9%*	
EBITDA	40,3	17,4	18,1	35,5	*-12,0%*
as % of sales	*24,2%*	*19,7%*	*18,3%*	*18,9%*	
REBIT	37,2	15,8	16,4	32,1	*-13,5%*
as % of sales	*22,3%*	*17,8%*	*16,5%*	*17,2%*	
EBIT	37,2	15,8	16,4	32,1	*-13,5%*
as % of sales	*22,3%*	*17,8%*	*16,5%*	*17,2%*	

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Sales

Insulation activities grew by 12.6% to **EUR 187.4 million**.

Sales in '**Building Insulation'** increased by 13.8% to **EUR 171.3 million,** and continued to benefit from the increased demand for building insulation products, as well as the increased market penetration of polyurethane solutions.

After the traditionally weaker construction activity during the winter months, sales increased strongly as from March. Structural demand is expected to remain high as a result of stricter insulation standards, higher energy prices and growing environmental awareness of the need for more and better insulation.

In this context the Group decided in November 2010 to build a new factory for thermal insulation panels in France. It is expected that the new factory will become operational by early 2013.

Sales in '**Industrial Insulation'** increased by 1.1% to **EUR 16.1 million**.

EBITDA

Due to the exceptionally favourable raw material cost trend in 2009, the 2009 EBITDA margin reached a high level. In 2010, the Group could not fully offset the sharp rise in raw material prices in all markets. As a consequence, the EBITDA declined from EUR 40.3 million to EUR 35.5 million. EBITDA evolution in 2H/2010 was positive mainly as a result of higher volumes.

D. Automotive

in million EUR	2009	1H/2010	2H/2010	2010	Δ 10/09
Sales	289,4	168,0	156,9	324,9	*12,2%*
REBITDA	13,7	21,9	11,8	33,7	*145,4%*
as % of sales	*4,7%*	*13,0%*	*7,5%*	*10,4%*	
EBITDA	-6,9	19,4	7,5	26,9	*n.r.*
as % of sales	*-2,4%*	*11,5%*	*4,8%*	*8,3%*	
REBIT	-5,8	13,0	0,0	13,0	*n.r.*
as % of sales	*-2,0%*	*7,8%*	*0,0%*	*4,0%*	
EBIT	-32,2	6,5	-4,9	1,6	*n.r.*
as % of sales	*-11,1%*	*3,9%*	*-3,1%*	*0,5%*	

Sales

Sales in **Automotive** increased by 12.2% to **EUR 324.9 million**.

This improvement is mainly attributable to higher sales volumes in '**Interiors'** (**EUR 170.2 million**; +22.3%). This division mainly supplies the premium segment, which was the hardest hit by the global economic crisis in 2009. In 2010, sales in all countries (Western & Eastern Europe, USA and China) recovered significantly.

The premium car market segment remained strong (both in Europe and the USA), and was further pulled by the demand in emerging economies such as China.

Sales in '**Seating'** (Proseat - the 51/49 joint venture between Recticel and the Canadian group Woodbridge) which focuses more on the low-to-mid segment of the car market, increased by 4.5% to **EUR 136.6 million**. The lower growth in this segment is explained by the progressive reduction of various governmental incentive programs for car renewals which had boosted demand in the previous year.

Sales in **'Exteriors'** (**EUR 18.1 million**, -7.4%) were slightly down. Since the divestment of the compounding activities to BASF in 2008, sales are limited to compounds produced for the account of BASF under a toll agreement.

EBITDA

EBITDA of the **Automotive** business line increased from EUR –6.9 million to **EUR 26.9 million**, including net non-recurring elements of EUR –6.1 million (2009: EUR –20.7 million). These non-recurring elements include mainly restructuring costs in Germany ('Interiors' - Unterriexingen) and in Belgium (Proseat Hulshout).

The profitability of 'Interiors' improved significantly due to the impact of (i) considerably higher volumes, (ii) the effect of different restructuring measures that have been taken and implemented over the last years, and (iii) the fact that in April 2010 two US subsidiaries emerged from Chapter 11.

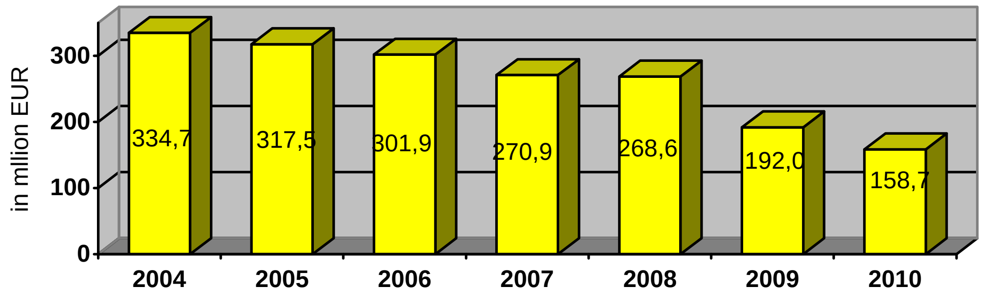
Despite higher sales, the result for **'Seating'** (**Proseat**) came out lower on the back of higher raw material prices and the effect of the restructuring costs in Belgium (EUR 4.8 million).

4. FINANCIAL SITUATION

On 31 December 2010, **net financial debt** (excluding non-recourse factoring/forfeiting programs) amounted to **EUR 158.7 million** (compared to EUR 192.0 million at 31 December 2009).

This results in an improved 'net debt to equity' ratio of 66%, compared to 85% at the end of 2009.

Net financial debt (per 31 December)



5. INSPECTION BY THE DIRECTORATE FOR COMPETITION OF THE EUROPEAN COMMISSION

On July 27 and 28, 2010, officials from the European Commission and various national antitrust authorities conducted unannounced inspections at Recticel's offices in Belgium, UK and Austria. The purpose of these inspections was to collect information relating to allegedly unlawful conduct believed to have taken place in the European Economic Area polyurethane foam sector.

Investigations were also carried out in the United States as part of a coordinated investigation. It is to be noted that the Recticel Group has had no foaming activities in the United States since December 1991, and has not been visited or contacted by the antitrust regulators there. The Group's activities in the United States are limited to specialized foam converting (acoustical applications) and Automotive Interiors. Recticel has had no indication that these business areas are a focus of the competition investigations.

Recticel decided then to cooperate with the European Commission. The Commission has now authorized Recticel to communicate the fact that this cooperation is done in the frame of the Leniency Program, as set forth in the "Commission notice on immunity from fines and reduction of fines in cartel cases", published in the Official Journal C 298, 8.12.2006, p.17.

At this time, Recticel has not received any formal objections from the Commission.

Recticel's current evaluation of the Group's potential exposure is summarized as follows:

- **At the EU level**. The Commission has given Recticel no indications regarding its findings. At this stage, therefore, the Group is not in a position to predict what the position of the Commission in relation with the case will be, and hence is currently unable to assess its possible financial consequences.

- **At the national levels**. As a rule, national authorities will not take up a case which is treated by the Commission. Recticel is aware that the national authorities in Spain and Portugal opened investigations into the polyurethane foam sector in February 2011. Recticel has received a request for information from the Spanish authority, but Recticel's premises in Spain were not visited by the authority.

6. CHANGES IN THE COMPOSITION OF THE BOARD OF DIRECTORS

On 03 March 2011, Mr Klaus Wendel (Independent Director) resigned as member of the Board of Directors of Recticel. The Board of Directors co-opted Mr André Bergen, representing André Bergen g.c.v., to fulfil the mandate of Mr Klaus Wendel expiring in May 2013. André Bergen g.c.v. will become Chairman of the Audit Committee, and member of the Remuneration and Nomination Committee.

7. PROPOSED DIVIDEND

The Board of Directors will propose to the Annual General Meeting of 10 May 2011 the payment of a gross dividend of EUR 0.27 per share (2009: EUR 0.25).

8. OUTLOOK

Given the positive orientation of its main markets, the Group expects its overall sales to further increase in 2011. The Group intends to compensate additional raw material price increases in 2011 through a combination of improved activity levels, adequate pricing policies and cost efficiencies as a result of the restructuring measures.

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ANNEXES

All figures and tables contained in these annexes have been compiled in accordance with the IFRS accounting and valuation principles, as adopted within the European Union. The applied valuation principles, as published in the latest available annual report at 31 December 2009, were consistently applied for the figures included in this press release.

The analysis of the risk management is described in the annual report which is/will be available from www.recticel.com.

1. Condensed consolidated income statement

in million EUR	2009	1H/2010	2H/2010	2010	Δ 10/09
Sales	**1 276,7**	**670,4**	**678,1**	**1 348,4**	***5,6%***
Gross profit	232,1	114,8	102,0	216,9	*-6,6%*
as % of sales	*18,2%*	*17,1%*	*15,0%*	*16,1%*	
EBITDA	**102,3**	**53,2**	**30,3**	**83,5**	***-18,3%***
as % of sales	*8,0%*	*7,9%*	*4,5%*	*6,2%*	
of which Income from associates	1,6	0,7	0,2	0,9	*-41,9%*
of which Income from investments	0,0	0,1	1,1	1,2	*n.r.*
EBIT	**46,2**	**27,8**	**(0,1)**	**27,6**	***-40,3%***
as % of sales	*3,6%*	*4,1%*	*0,0%*	*2,0%*	
Interest income	0,9	0,4	0,1	0,5	*-47,0%*
Interest expenses	(17,9)	(6,3)	(6,0)	(12,3)	*-31,3%*
Other financial income & expenses	3,1	(0,6)	(4,8)	(5,3)	*n.r.*
Financial result	**(13,8)**	**(6,5)**	**(10,6)**	**(17,1)**	***23,9%***
Result of the period before taxes	**32,4**	**21,3**	**(10,8)**	**10,5**	***-67,6%***
as % of sales	*2,5%*	*3,2%*	*-1,6%*	*0,8%*	
Income taxes	(12,4)	(8,1)	12,2	4,1	*n.r.*
Result of the period after taxes	**20,0**	**13,2**	**1,4**	**14,6**	***-27,0%***
as % of sales	*1,6%*	*2,0%*	*0,2%*	*1,1%*	
Non-controlling interests	0,7	0,0	(0,2)	(0,2)	*n.r;*
Result of the period (share of the Group)	**20,7**	**13,2**	**1,2**	**14,4**	***-30,4%***
as % of sales	*1,6%*	*2,0%*	*0,2%*	*1,1%*	

Result of the period after taxes	**20,0**	**13,2**	**1,4**	**14,6**
Other comprehensive income				
Hedging reserves	(1,4)	(3,9)	2,6	(1,3)
Currency translation differences	0,0	0,9	0,9	1,8
Deferred taxes on hedging	0,4	0,9	(0,8)	0,1
Other comprehensive income net of tax	**(1,0)**	**(2,1)**	**2,7**	**0,5**
Total comprehensive income of the period	**19,0**	**11,1**	**4,1**	**15,2**

Total comprehensive income of the period	**19,0**	**11,1**	**4,1**	**15,2**
of which attributable to the owners of the parent	19,7	11,1	3,9	15,0
of which attributable to non-controlling interests	(0,7)	(0,0)	0,2	0,2

2. Earnings per share

in EUR	2009	2010	Δ
Number of shares outstanding	28 931 456	28 931 456	*0,0%*
Weighted average number of shares outstanding (before dilution effect)	28 931 456	28 931 456	*0,0%*
Weighted average number of shares outstanding (after dilution effect)	28 931 456	29 329 026	*1,4%*
EBITDA	3,54	2,89	*-18,3%*
EBIT	1,60	0,95	*-40,3%*
Result for the period before taxes	1,12	0,36	*-67,6%*
Result for the period after taxes	0,69	0,51	*-27,0%*
Result for the period (share of the Group) - basic	0,72	0,50	*-30,4%*
Result for the period (share of the Group) - diluted	0,72	0,49	*-31,3%*
Net book value	7,80	8,35	*7,2%*

3. Condensed consolidated balance sheet

in million EUR	31 DEC 09	31 DEC 10	Δ
Intangible assets	14,3	13,3	*-7,0%*
Goodwill	33,3	34,4	*3,2%*
Property, plant & equipment	286,8	271,0	*-5,5%*
Investment property	0,9	0,9	*0,0%*
Interest in associates	15,7	15,5	*-1,6%*
Other financial investments and available for sale investments	2,1	1,2	*-40,6%*
Non-current receivables	9,6	10,1	*4,8%*
Deferred tax	43,4	55,7	*28,5%*
Non-current assets	**406,0**	**402,0**	***-1,0%***
Inventories and contracts in progress	105,8	113,7	*7,4%*
Trade receivables	142,1	141,8	*-0,2%*
Other current assets	62,4	65,8	*5,5%*
Cash, cash equivalents and available for sale investments	41,5	54,1	*30,3%*
Disposal group held for sale	0,0	0,0	-
Current assets	**351,9**	**375,4**	***6,7%***
TOTAL ASSETS	**757,9**	**777,5**	***2,6%***

in million EUR	31 DEC 09	31 DEC 10	Δ
Equity (share of the Group)	225,5	241,7	*7,2%*
Non-controlling interests	0,4	0,0	*-100,0%*
Total equity	**226,0**	**241,7**	***7,0%***
Pensions and other provisions	60,2	59,4	*-1,3%*
Deferred tax	8,2	8,8	*7,7%*
Interest-bearing borrowings	185,8	167,1	*-10,0%*
Other amounts payable	0,4	0,5	*42,1%*
Non-current liabilities	**254,5**	**235,9**	***-7,3%***
Pensions and other provisions	12,2	18,3	*50,2%*
Interest-bearing borrowings	47,7	45,7	*-4,3%*
Trade payables	114,2	141,9	*24,2%*
Income tax payables	4,7	7,5	*59,5%*
Other amounts payable	98,6	86,5	*-12,3%*
Liabilities related to disposal group held for sale	0,0	0,0	-
Current liabilities	**277,4**	**299,9**	***8,1%***
TOTAL LIABILITIES	**757,9**	**777,5**	***2,6%***

in million EUR	31 DEC 09	31 DEC 10	Δ
Net financial debt	192,0	158,7	*-17,3%*
Net financial debt / Equity (non-controlling interests included)	85%	66%	
Equity (non-controlling interests included) / Total assets	30%	31%	

4. Condensed consolidated statement of cash flow

in million EUR	2009 (restated)	2010	Δ
EBIT	**46,2**	**27,6**	***-40,3%***
Depreciation, amortisation and impairment losses on assets	56,1	55,9	*-0,3%*
Other non-cash elements	(14,7)	4,1	*nr*
Gross operating cash flow	**87,6**	**87,7**	***0,0%***
Changes in working capital	(11,1)	(6,0)	*-46,1%*
Operating cash flow	**76,6**	**81,7**	***6,7%***
Income taxes paid	(10,2)	(4,3)	*-57,7%*
Net operating cash flow	**66,3**	**77,4**	***16,6%***
Net cash flow from investment activities	**21,8**	**(25,1)**	*nr*
Paid interest charges	(18,3)	(10,6)	*-42,2%*
FREE CASH FLOW	**69,9**	**41,7**	***-40,3%***
Paid dividends	(5,7)	(7,3)	*27,6%*
Increase (Decrease) of financial liabilities	(92,4)	(25,2)	*-72,7%*
Other	(0,2)	(0,0)	*-85,0%*
Net cash flow from financing activities	**(116,5)**	**(43,1)**	***-63,0%***
Effect of exchange rate changes	3,9	(4,9)	*nr*
Effect of change in scope of consolidation	(2,3)	8,2	*nr*
Changes in cash and cash equivalents	**(26,8)**	**12,5**	***nr***

[1] For the investment and disposal activities, only the cash payments and cash receipts have been reported as stipulated under IAS7. In this respect and for the sake of comparison, the statement of cash for the previous period has been restated.

5. Condensed consolidated statement of changes in equity

in million EUR	Capital	Share premium	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	**72,3**	**107,0**	**67,6**	**(16,7)**	**(4,7)**	**225,5**	**0,4**	**226,0**
Dividends	0,0	0,0	(7,2)	0,0	0,0	(7,2)	0,0	(7,2)
Stock options (IFRS 2)	0,0	0,0	0,4	0,0	0,0	0,4	0,0	0,4
Shareholders' movements	**0,0**	**0,0**	**(6,8)**	**0,0**	**0,0**	**(6,8)**	**0,0**	**(6,8)**
Profit or loss of the period	0,0	0,0	14,4	0,0	0,0	14,4	0,2	14,6
Other comprehensive income	0,0	0,0	0,0	1,8	(1,2)	0,5	0,0	0,5
'Comprehensive income'	**0,0**	**0,0**	**14,4**	**1,8**	**(1,2)**	**15,0**	**0,2**	**15,2**
Change in scope	**0,0**	**0,0**	**0,0**	**8,0**	**0,0**	**8,0**	**(0,6)**	**7,4**
At the end of the period	**72,3**	**107,0**	**75,2**	**-7,0**	**-5,9**	**241,7**	**0,0**	**241,7**

6. Auditor’s report

To the Board of Directors

The auditor confirms that the audit is substantially completed, and did not reveal any significant adjustments to the financial information included in the press release.

3 March 2011

The Auditor

DELOITTE Bedrijfsrevisoren
BV o.v.v.e. CVBA
Represented by Kurt Dehoorne

UNCERTAINTY RISKS CONCERNING THE FORECASTS MADE

This press report contains forecasts that 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 that largely lie outside the control of the Recticel Group. Should one or more of these risks, uncertainties or unforeseen or unexpected circumstances arise or if the underlying assumptions were to prove to be incorrect, the final financial results of the Group may possibly differ significantly from the assumed, expected, estimated or extrapolated results. Consequently, neither Recticel nor any other person assumes any responsibility for the accuracy of these forecasts.

FINANCIAL CALENDAR

First quarter trading update 2011 (before stock exchange opening)	10.05.2011
Annual General Shareholders' Meeting	10.05.2011
Announcement of first half-year results 2011 (before stock exchange opening)	30.08.2011
Third quarter trading update 2011 (before stock exchange opening)	10.11.2011

FOR ADDITIONAL INFORMATION

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RECTICEL IN A NUTSHELL

Recticel is a Belgian Group with a strong European dimension, but also operates in the rest of the world. Recticel has 110 establishments in 27 countries.

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

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

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

Recticel achieved sales of EUR 1.35 billion in 2010.

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

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