
Press Release

Regulated Information – Third quarter 2012 trading update
Under embargo until Thursday 17 October 2012 at 7:30 a.m. CET

Deceuninck: Q3 sales increase 5.1% to € 147.1 million.

Consolidated 9M 2012 sales: +3.1% at € 421.5 million.

Sales breakdown Q3 2012

- Consolidated Q3 sales increase 5.1% to € 147.1 million (Q3 2011: € 139.9 million).
- Volume: +1.7%. Volume developed favourably in Russia, Turkey, Germany and US. Volume was stable in Belgium and declined in most other countries.
- Exchange rates: +3.6%, mainly positive impact from US dollar, Turkish lira, British Pound sterling and Russian Ruble.
- Mix effects stable at -0.2%.

Sales breakdown 9M 2012

- Consolidated 9M 2012 sales increase 3.1% to € 421.5 million (9M 2011: € 408.8 million).
- Volume: +0.3%. Volume developed favourably in Russia, Turkey and US. Volume was stable in Germany and Belgium. Volume declined in most other countries.
- Exchange rates: +0.9%
- Mix effects: +1.9%, as a result of a positive mix effect during the first quarter.

Tom Debusschere, Deceuninck CEO:

“Third quarter sales increased 5.1%, supported by strong demand in Turkey, Russia and United States. The public debt crisis and austerity measures continue to weigh on economic activity and consumer confidence throughout Europe. Within this environment, we gain market share in all markets where Deceuninck is active. These gains are supported by assertive sales and innovative products.

Innovation – PVC remains the most economical solution for insulation values. For the region Western Europe, we launched Zendow#neo with Linktrusion technology: Deceuninck now offers a window system which substitutes traditional, badly insulating metal reinforcements with glass fibre reinforcement already built in. In the USA, our customers can now improve insulation values by substituting aluminium reinforcements with Innergy, a polyurethane pultruded profile system.

Ecology – PVC continues to reduce its ecological footprint. On October 17, Deceuninck opened a new PVC recycling factory in Diksmuide (Belgium) adjacent to the existing 105,000 ton/year PVC compounding facility. The € 3 million investment includes recycling equipment for both postindustrial and postconsumer rigid PVC. The 20,000 tonnes capacity makes Deceuninck Recycling the largest of its kind for rigid PVC recycling in the Benelux. Deceuninck closes the loop by using all recycled material in new window systems and building products, and continues to design 100% recyclable products.



Design – PVC windows now also become a true architectural solution for beautiful aesthetics in the home, school or office building. Ever more intricate wood surface decors and coated colours become available to the market. Deceuninck now invests in a new coating factory in Gits, Belgium, which will be operational by year end.

Outlook full year 2012: remaining profitable

The public debt crisis continues to weigh on consumer confidence in Europe, while reports on an emerging recession provide for uncertain conditions in important markets. Most countries in Europe show a decline. Within this environment sales in Germany and in Belgium develop up well in a challenging eurozone. Also sales in Russia, Turkey and USA develop well.

This mixed picture, combined with a short order book, does not allow Deceuninck to provide a quantified guidance for full year 2012. We experience an increase in bad debt risk in some markets. Within this environment however, we remain committed to innovative products, protecting margins and remaining profitable.

Q3 and 9M 2012 sales per region

In € million	Q1 YoY	Q2 YoY	Q3 2012	Q3 YoY	9M 2012	9M YoY	Var.YTD loc.curr.
Western Europe	-5.7%	-11.5%	43.4	-8.7%	150.2	-8.8%	
Central & Eastern Europe	+6.8%	+6.2%	52.6	+2.8%	129.0	+4.9%	
Turkey	+3.3%	+14.3%	32.2	+22.0%	89.9	+13.8%	+15.5%
United States	+15.9%	+27.9%	19.0	+27.4%	52.4	+24.3%	+12.2%
Total	+1.3%	+2.6%	147.1	+5.1%	421.5	+3.1%	

Western Europe

Third quarter 2012 sales in Western Europe were € 43.4 million, a year-on-year decrease of 8.7% in line with the first half year 2012. Sales were particularly weak in all countries of Southern Europe, France and in Holland. Sales in Belgium were stable.

9M 2012 sales were € 150.2 million, a year-on-year decrease of 8.8%.

Central & Eastern Europe (incl. Germany)

Third quarter 2012 sales in Central & Eastern Europe increased 2.8% to € 52.6 million.

Sales growth was weaker in comparison with the first half of the year. Solid growth was achieved in Russia, on the domestic German market and in some smaller countries. Sales declined in all other countries of the region on the back of a weakening macro-economic environment and government austerity measures. The changeover of the region to the Inoutic

The logo for Deceuninck, featuring the company name in white lowercase letters on a blue rectangular background.

product platform is still on track and will be finalized as scheduled by the end of the year. Sales performance is supported by the new product strategy and new customers. 9M 2012 sales increased 4.9% to € 129.0 million.

Turkey

Third quarter 2012 sales in Turkey increased by 22.0% to € 32.2 million. Sales were impacted by a strong Turkish lira. At constant exchange rates sales increased by 12.7%. Both domestic and export volumes were solid.

9M 2012 sales increased 13.8% to € 89.9 million (at constant exchange rates: + 15.5%)

United States

Third quarter 2012 sales at Deceuninck North America increased 27.4% to € 19.0 million. At constant exchange rates sales increased by 10.5%. The trend from the first half year remains unchanged. Demand from the renovation market segment was solid throughout the quarter. Sales growth was supported by product innovations, new customers and external raw material sales.

9M 2012 sales increased 24.3% to € 52.4 million (at constant exchange rates: + 12.2%)

End of press release

Building a sustainable home

At Deceuninck, our commitment towards innovation, ecology and design provides us with a clear focus: building a sustainable home. A home that is more energy-efficient to live in and more attractive to look at. Deceuninck works worldwide with state-of-the-art materials, resulting in low maintenance, top insulating and long lasting products that can be fully recycled at end of life. Moreover, our values of Candor, Top performance and Entrepreneurship help us build a better world for our Partners and end users. Deceuninck has strong ambitions. We want to build a work environment in which people are proud to contribute, and strengthen our position within the top three market players. Alongside our ecological sustainability, Deceuninck also pursues financial sustainability.

Deceuninck employs about 2800 people in 25 countries, of which 700 in Belgium. Deceuninck sales in 2011 were € 536.1 million with a net positive result of € 6.3 million.

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