
Press Release

Regulated Information – Fourth quarter & full year 2011 trading update
Under embargo until Thursday 26 January 2012 at 7:30 a.m. CET

2011 sales decrease 3.9% to € 536.1 million. Deceuninck confirms guidance for a 2011 net profit.

Q4 2011 sales decrease 9.1% to € 127.3 million

Sales full year 2011

- Consolidated sales decrease 3.9% to € 536.1 million (2010: € 557.8 million)
- Volume: -6.8%. Volume developed favourably in the Benelux, France, Turkey and Germany. Volume declined in the US, UK, Russia and Central Europe.
- Exchange rates: -4.1%, mainly Turkish lira and US dollar
- Price and mix effects: +7.0%, due to charge through of PVC and additive cost increases and a more favourable geographic mix.

Sales fourth quarter 2011

- Consolidated sales decrease 9.1% to € 127.3 million (Q4 2010: € 140 million)
- Volume: -10.0%. Volume developed favourably in Turkey and some East European countries. Volume declined in the US and Russia.
- Exchange rates: -5.5%, mainly due to Turkish lira and Polish zloty
- Price and mix effects: +6.4%, due to charge through of PVC and additive cost increases and a more favourable geographic mix.

Outlook results 2011

- Deceuninck confirms its guidance of a net profit for full year 2011

Tom Debusschere, Deceuninck CEO:

“As forecasted we finished the year at -3.9% in sales. Although Q4 sales closed at -9.1%, all measures taken throughout the year allow us to confirm guidance for a net profit in 2011.

An estimated 70% of Deceuninck’s global business is driven by residential renovation. The worldwide economic environment impacted consumer confidence in most regions. This reduced the willingness to invest in insulation improvements in the residential market.

PVC resin prices started a slow decline off the June 2011 record level. This trend has started to reverse in January 2012. Historically, additive costs have shown little variability. In 2011, particularly titanium dioxide costs have increased substantially.

During Q4, the price increases - to pass through the increased raw material costs - have ended in most markets.



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

Building a sustainable home

During 2011 Deceuninck announced its vision of “Building a sustainable home”. This vision is founded on 3 pillars: Innovation – Ecology – Design. In Q4, implementation was started :

Innovation

The greenest energy is the energy you do not consume. Latest generation windows offer excellent improvements in insulation, helping families to save over 50,000 litres of heating fuel during a 50+ year lifetime.

At the Batimat Paris exhibition, Deceuninck launched Zendow#neo: a new generation energy efficient window system, meeting tomorrow’s energy efficiency needs.

Zendow#neo uses linktrusion technology, linking PVC with other composites to obtain the best insulation performance. Window sashes consist of glass fibre reinforced PVC profiles, whereas outer frames use a thermal reinforcement to obtain the required insulation levels.

Ecology

The greenest raw material is the one that you do not consume. Our latest window designs provide an improved energy performance at an ever lower weight. We now meet passive house insulation requirements, at up to 40% less material consumption. This helps the users of our products to preserve natural resources.

On top of this reduced material consumption, Deceuninck announced in December 2011 the acquisition of the recycling equipment from Verpola. This investment guarantees a closed loop for all the products we put on the market: PVC, Twinson wood composite, as well as the newly launched glass fibre reinforced PVC”

For further information on our vision: <http://www.deceuninck.com/en/about-us.aspx>

Regional sales evolution

In €million	Q1	Q2	Q3	Q4	Q4	FY	2011	2011
	YoY	YoY	YoY	2011	YoY	2011	YoY	loc.curr.
Western Europe	+10.3%	+4.0%	-3.5%	47.0	-3.3%	211.6	+2.0%	
Central & Eastern Europe	+6.6%	-3.8%	-10.1%	38.9	-10.2%	161.9	-5.9%	
Turkey	+5.8%	-1.1%	-4.1%	27.0	-6.3%	106.0	-1.9%	+13.7%
United States	-5.3%	-21.5%	-20.9%	14.4	-25.0%	56.6	-19.3%	-12.1%
Total	+6.8%	-2.4%	-8.2%	127.3	-9.1%	536.1	-3.9%	

Fourth quarter and full year 2011 sales per region

Western Europe

Fourth quarter sales in Western Europe were €47.0 million, a year-on-year decrease of 3.3%. The impact of a weakening economic environment continued in all countries of the region. Sales continued to increase in Belgium and Italy. Sales declined in France, Spain, UK and the Netherlands.

Full year 2011 sales in Western Europe increased by 2.0% to €211.6 million (2010: €207.5 million). Sales increased in the Benelux, France and Italy. In UK and Spain sales dropped.

Central & Eastern Europe (incl. Germany)

Fourth quarter sales in Central & Eastern Europe decreased 10.2% to €38.9 million. Sales were impacted by weakening demand in some countries combined with year-on-year unfavourable evolution of currencies. Sales developed favourably in some East European countries. Sales in Russia continued to be weak.

Full year 2011 sales were €161.9 million, a year-on-year decrease by 5.9%. (2010: €172.1 million). Sales were weak in Russia and Central Europe, except for Germany. Strong growth was recorded in some smaller markets.



Turkey

Fourth quarter sales in Turkey decreased by 6.3% to €27.0 million. Sales were impacted by a continued weak Turkish lira. At constant exchange rates sales increased by 17.2%.

Full year 2011 sales decreased by 1.9% to €106.0 million (2010: €108.0 million). At constant exchange rate sales increased 13.7%. Domestic demand continued to improve throughout the year. Exports from Turkey to Northern Africa were negatively impacted by the political instability in the region.

United States

Fourth quarter sales at Deceuninck North America continued the trend of the previous quarter on the back of a difficult comparison base. Sales decreased by 25.0 % to €14.4 million. At constant exchange rates sales decreased by 21.1%. Residential renovation activity continued to be affected by falling housing prices, relatively high unemployment and tight credit markets.

Full year 2011 sales decreased by 19.3% to €56.6 million. At constant exchange rates sales fell by 12.1%.

Financial calendar 2012

23	February	2012	2011 annual results
30	March	2012	2011 annual report online www.deceuninck.com
8	May	2012	Q1 2012 trading update
8	May	2012	Annual Shareholders meeting at 11 am
12	July	2012	Q2 2012 trading update
23	August	2012	2012 half-year results
18	October	2012	Q3 2012 trading update

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 3000 people in 25 countries, of which 700 in Belgium. Deceuninck sales in 2011 were €536 million

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