



half-yearly financial report 2013

RESILUX – Half-yearly financial report as per 30 June 2013

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1 CONSOLIDATED KEY FIGURES (1)

	1° Sem 2013	1° Sem 2012	Evolution
	(EUR '000)	restated (EUR '000)	Difference in %
Key figures of the income statement			
Turnover	152'753	142'033	7.5%
Total revenues	154'417	147'582	4.6%
Added value (2)	31'677	28'831	9.9%
Operating cash flow - EBITDA (3)	16'646	13'725	21.3%
Depreciations and other non-cash costs	6'187	6'491	-4.7%
Operating result	10'459	7'234	44.6%
Financial result	-579	-493	17.4%
Result of operating activities before taxes	9'880	6'741	46.6%
Taxes	-2'336	-1'136	105.6%
Net result, part of group	7'544	5'605	34.6%
Net cash flow (4)	13'731	12'096	13.5%
Net profit for the year	5'681	4'153	36.8%
Key figures of the the balance sheet			
	(EUR '000)	(EUR '000)	Evolution (%)
Equity sensu stricto	75'892	72'400	4.8%
Equity sensu lato (incl. subordinated loans)	75'892	72'639	4.5%
Net financial debts (excl. subordinated loans) (5)	38'604	39'944	-3.4%
Balance sheet total	202'329	182'032	11.2%
Key figures per share			
	EUR	EUR	Evolution (%)
Operating cash flow	8.41	6.93	21.3%
Operating result	5.28	3.65	44.6%
Net result, share of the group	3.81	2.83	34.6%
Net cash flow	6.93	6.11	13.5%
Net profit for the year	2.87	2.10	36.8%
Average number of shares	1'980'410	1'980'410	
Key figures per share - diluted (6)			
	Euro	Euro	Evolution (%)
Operating cash flow	8.22	6.78	21.3%
Operating result	5.17	3.57	44.6%
Net result, share of the group	3.73	2.77	34.6%
Net cash flow	6.78	5.97	13.5%
Net profit for the year	2.81	2.05	36.8%
Average number of shares	2'024'860	2'024'860	

(1) Figures are fully in conformity with IFRS-rules.

(2) Revenues minus trade goods and raw materials minus services and other goods.

(3) Operating profit plus depreciations and write offs of intangible and tangible assets, plus provisions for write offs in value relating to stocks and trade accounts receivable.

(4) Net result plus depreciations and other non-cash costs.

(5) Financial debt - available funds and investments.

(6) In 2013 44.450 warrants are issued in favour of the personnel

2 CONDENSED CONSOLIDATED INCOME STATEMENT

Income statement in 000 Eur	1H 2013	1H 2012 <i>restated</i>	%
Operating revenues	154'417	147'582	4.6%
Turnover	152'753	142'033	7.5%
Changes in inventories finished goods	-1'034	3'501	-129.5%
Other operating income	2'698	2'048	31.7%
Operating expenses	143'958	140'348	2.6%
Raw materials and consumables used	102'226	98'970	3.3%
Services and other goods	20'514	19'781	3.7%
Remuneration, soc. security charges and pensions	14'088	14'661	-3.9%
Depreciation and amortisation expense	6'187	6'491	-4.7%
Other operating expenses	943	445	111.9%
Operating result	10'459	7'234	44.6%
Net financial result	-579	-493	-17.4%
Result before taxes	9'880	6'741	46.6%
Income taxes	-2'336	-1'136	-105.6%
Net result	7'544	5'605	34.6%
Share of profit of joint venture	-1'863	-1'452	-28.3%
Net profit for the year	5'681	4'153	36.8%

2b CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Statement of realized and unrealized results	1H 2013	1H 2012 <i>restated</i>	%
Currency translation adjustments (*1)	-1'703	211	-907.1%
Cash flow hedges (*1)	-3	8	-137.5%
Actuarial gains and losses (net) (*2)	13	-4	-425.0%
Total of the unrealized results	-1'693	215	-887.4%
Total of the realized and unrealized results	3'988	4'368	-8.7%

*1 Recyclable to income statement

*2 Non-Recyclable to income statement

3 CONDENSED CONSOLIDATED BALANCE SHEET

Balance sheet in 000 Eur	30.06.2013	31.12.2012 <i>restated</i>	30.06.2012 <i>restated</i>	01.01.2012 <i>restated</i>
Non-current assets	92'668	86'996	84'884	81'843
Goodwill	13'685	13'685	13'685	13'685
Property, plant & equipment	68'103	64'474	61'903	59'779
Intangible assets	1'086	319	319	339
Other financial assets	4'418	4'575	4'766	4'387
Deferred tax	2'739	2'640	2'658	2'481
Non-current receivables	2'637	1'303	1'553	1'172
Current assets	109'661	94'272	97'148	95'799
Inventories	45'515	43'134	38'578	42'463
Trade receivables	48'829	38'454	44'886	38'684
Other current assets	8'596	6'357	7'291	7'354
Cash and cash equivalents	6'721	6'327	6'393	7'298
Total Assets	202'329	181'268	182'032	177'642
Equity	75'892	75'146	72'400	71'299
Non-current liabilities	34'705	17'176	20'399	24'611
Subordinated loans	0	0	239	718
Interest-bearing borrowings	27'212	9'598	12'263	15'786
Other amounts payables	2'327	2'423	2'290	2'411
Provisions	1'993	1'732	1'882	1'877
Deferred tax	3'173	3'423	3'725	3'819
Current liabilities	91'732	88'946	89'233	81'732
Subordinated loans	0	239	0	800
Interest-bearing borrowings	18'112	30'253	34'073	35'933
Trade payables	61'429	48'251	43'434	33'164
Income tax payables	2'406	1'049	822	413
Other amounts payables	9'785	9'154	10'904	11'422
Total Liabilities	202'329	181'268	182'032	177'642

4 CONDENSED CONSOLIDATED CASH FLOW STATEMENT

Condensed cash flow statement in 000 Eur	1H 2013	1H 2012 <i>restated</i>	%
EBIT	10'459	7'234	44.6%
Depreciation and amortization	6'187	6'491	-4.7%
Gross operating cash flow	16'646	13'725	21.3%
Changes in net working capital	-3'717	5'845	-163.6%
Operating cash flow	12'929	19'570	-33.9%
Net finance costs	-579	-493	-17.4%
Income taxes paid	-1'340	-931	-43.9%
Net cash flow from operating activities	11'010	18'146	-39.3%
Net cash flow from investment activities	-11'015	-6'897	-59.7%
Net cash flow from financing activities	3'627	-9'000	140.3%
Dividends paid	-3'268	-3'268	0.0%
Effect of exchange rate changes on cash and cash equivalents	40	114	64.9%
Changes in cash and cash equivalents	394	-905	143.5%

5 CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Statement of changes in equity in 000 Eur	
Total equity per 31.12.2012	75'146
Result for the period	5'681
Currency translation differences	-1'703
Unrealised result hedging contracts	-3
Actuarial gains and losses (net)	13
Share-base payments	26
Dividends paid	-3'268
Total equity per 30.06.2013	75'892

6 SELECTED NOTES TO THE HALF-YEARLY FINANCIAL REPORT

6.1 Principles of the interim financial reporting

The summary interim financial statements have been drawn up in conformity with IAS 34 Interim Financial Reporting as approved by the EU. The present interim financial statements also meet the requirements imposed by the FSMA and Euronext.

The interim financial statements were approved by the members of the Board of directors on 27th August 2013.

6.2 Accounting principles

In preparing the interim financial statements the IFRS principles for inclusion and valuation have been applied as for the consolidated annual financial statements of 31 December 2012, except for IAS 19 *Employee Benefits*.

Resilux has per 1st of January 2013 adopted the revised standard IAS 19 Employee Benefits. As a consequence, an additional pension obligation has been recognized as per 1st of January 2012 for an amount of EUR 1.4 million in the Swiss subsidiary. This pension obligation has been included as a defined benefit plan. As a consequence, comparative numbers have been restated for :

- The recognition of the net pension obligation (gross obligation decreased with plan assets);
- The full recognition of the actuarial profits and losses in the Statement of realized and unrealized results;
- The recognition of an additional administration cost;
- The recognition of a net interest cost on the net pension obligation (gross obligation decreased with plan assets);

These are the different restatements by period :

Income statement in 000 Eur	1H 2012	1H 2012 restatement restated	
Services and other goods	19'770	19'781	11
Net financial result	-478	-493	-15
Income taxes	-1'140	-1'136	4

Statement of other comprehensive income	1H 2012	1H 2012 restatement restated	
Actuarial gains and losses (net)	0	-4	-4

Condensed cash flow statement in 000 Eur	1H 2012	1H 2012 restatement restated	
EBIT	7'245	7'234	-11
Gross operating cash flow	13'736	13'725	-11
Changes in net working capital	5'819	5'845	26
Net finance costs	-478	-493	-15

Balance sheet in 000 Eur	31.12.2011	01.01.2012 restatement restated	
Deferred tax - Assets	2'318	2'481	163
Equity	72'539	71'299	-1'240
Provisions	433	1'877	1'444
Deferred tax - liabilities	3'860	3'819	-41

Balance sheet in 000 Eur	30.06.2012	30.06.2012 restatement restated	
Deferred tax - Assets	2'613	2'658	45
Equity	73'679	72'400	-1'279
Provisions	393	1'882	1'489
Deferred tax - liabilities	3'891	3'725	-166

Balance sheet in 000 Eur	31.12.2012	31.12.2012 restatement restated	
Deferred tax - Assets	2'591	2'640	49
Equity	76'447	75'146	-1'301
Provisions	218	1'732	1'514
Deferred tax - liabilities	3'589	3'423	-166

The detailed notes related to the pension obligation will be provided in the annual report per 31 December 2013.

6.3 Segment reporting

Segment information is presented in respect of the company's geographical segments based on production units. The segment reporting is in accordance with the management reporting. No additional segmentation has been made because the different activities are related to each other.

1° Sem 2013			
000 Euro	Turnover	EBIT	EBITDA
Belgium	44'455	3'332	4'685
Spain	25'286	1'781	2'785
Russia	17'905	612	1'176
Greece	13'844	15	808
Switzerland	26'495	3'006	4'203
Unites Stated	16'597	611	1'740
Hungary	21'188	690	1'074
Holdings	1'349	17	17
Consolidation	-14'366	395	158
Total	152'753	10'459	16'646

1° Sem 2012			
000 Euro	Turnover	EBIT	EBITDA
Belgium	37'412	594	2'186
Spain	21'823	862	1'913
Russia	20'436	927	1'431
Greece	9'183	-774	144
Switzerland	26'080	3'686	4'892
Unites Stated	16'282	953	1'761
Hungary	20'665	757	1'379
Holdings	664	-30	-28
Consolidation	-10'512	259	47
Totaal	142'033	7'234	13'725

6.4 Consolidation perimeter

During the first half of 2013, there were no changes to the Group structure of Resilux.

6.5 Investments

The net investments in intangible and tangible fixed assets in the first half of 2013 amount to EUR 11.0 million compared to EUR 6.9 million in the first half of 2012. These investments include the remaining part of a new building in Switzerland and the purchase of a new building in the United States. Furthermore, investments were made in increased production capacity and in new production tools. Resilux continues to invest in further diversification of products, markets and customers.

6.6 Financial debts

As per 15th of January 2013 Resilux has repaid the remaining balance of EUR 0.2 million or 33,3% of the subordinated loan between Resilux America and the Belgische Maatschappij voor Internationale Investerings (BMI-SBI).

6.7 Income tax expense

A pre-tax profit was realized of EUR 9.9 million compared to EUR 6.7 million in the first half of 2012. The total taxes amount to EUR -2.3 million. This amount includes taxes payable for EUR -2.7 million and deferred taxes for +0.4 million. After taxes, the Group has realized a net profit of EUR 7.5 million or an increase of 34.6%.

The share of profit of joint venture amounts to EUR -1.9 million compared to EUR -1.5 million for the first half of 2012. This results relates to the joint venture Airolux AG. After the share of profit of joint venture the total profit for the year amounts to EUR 5.7 million compared to EUR 4.2 million during the first half of 2012.

6.8 Related parties

The affiliated parties of Resilux Group consist of subsidiaries, management and directors.

- a) remuneration

Non-executive Directors

During the first half of 2013, the following fees were attributed to the non-executive directors:

FVDH BVBA, with permanent representative Francis Vanderhoydonck	€ 7.500,00
Guido Vanherpe BVBA, with permanent representative Guido Vanherpe	€ 7.500,00
LVW INT. BVBA, with permanent representative Dirk Lannoo	€ 7.500,00
CVD BVBA, with permanent representative Chris Van Doorslaer	€ 7.500,00
Alex De Cuyper (provision of a car and mobile phone)	€ 4.995,24

Remuneration of members of the Executive Committee, with the exception of executive directors

The members of the Executive Committee, with the exception of two executive directors, were paid a total remuneration of € 464.165,58 during the first half 2013.

These amounts include:

Basic salaries (gross): € 405.874,13

Contributions to the pension scheme / group insurance: € 33.074,28

Other components: benefits in kind and representation allowances: € 25.217,17

Remuneration of Executive Committee members, main representatives of the executive management

Because of the fact that the executive functions that both Dirk De Cuyper as Peter De Cuyper at the head of the Resilux group exert, are similar but complementary, they both are regarded as principal representatives of the executive committee / executive management and the amounts of remuneration and other benefits to be granted to them are stated on a joint manner.

The two executive directors received a remuneration amounting to € 571.046,39 for the first half of 2013

These amounts include:

Basic allowances: € 554.600,50

Other components: € 16.445,89

b) Share and share options.

During the first half of 2013, 37.500 warrants were issued in favour of the members of the Executive Committee. No other (performance-related bonuses in) shares, share options or other rights to acquire shares were attributed in 2013 to one or more members of the Executive Committee, nor were there any exercises of lapsing thereof.

c) Departure fees

No recruitment of departure arrangements were made with members of the Executive Committee in 2013.

6.9 Key events after balance sheet closing date

Since June 30th, 2013, no other important events have occurred of a nature to influence the results of the company significantly.

6.10 Seasonal features

In competitive market conditions, Resilux remains moderately positive. The good weather conditions during the months of July and August have led to a good start of the second half year of 2013. As a consequence, Resilux expects that the results for the second semester 2013 will be at least in line with the results for the second semester 2012.

A positive evolution of the sales and results is expected regarding the joint venture Airolux. For the second half of 2013, the result based upon the equity method of Airolux is expected to be less negative compared to the first half of 2013.

Resilux expects in the second half of 2013 to invest EUR 8.0 to EUR 10.0 million.

7 INTERIM REPORT

INTERIM REPORT OF THE BOARD OF DIRECTORS

This interim financial report should be read in conjunction with the consolidated balance sheet and income statement of Resilux NV (group), and the related selected notes (see item 6 above). This interim report is drawn up in accordance with the Royal Decree of 14 November 2007 concerning the obligations of the issuers of financial statements.

- Significant events during the first six months of the financial year

For a listing of the most significant events having occurred during the first six months of the financial year and their effect on the abbreviated financial statements we refer to paragraph 6. 'selected notes to the half-yearly financial report'.

For a general discussion of the results we refer to the press release, which is embargoed till Friday 30th of August at 05.40 p.m..

- Main risks and uncertainties for the remaining months of the financial year

Concerning the description of the major risks and uncertainties the company can be confronted with, the exposure to risks arising from foreign currencies, interest rates, raw material prices, and creditworthiness are a consequence of the normal operations of the group. It is the aim of the group to manage each of these risks by covering mostly all interest rate risks and mainly covering the credit risks by credit insurances.

- Main transactions with related parties

No significant changes have occurred regarding the financial statements as of 31st December 2012.

Wetteren August, 27th 2013

The Board of Directors

8 DECLARATION CONCERNING THE INFORMATION GIVEN IN THIS HALF-YEARLY FINANCIAL REPORT

Obligations with regards to periodical information – Consolidated statements at June 30th, 2013.

Declaration regarding the information given in the half-yearly financial report

The undersigned declare that, to the best of their knowledge,

- the abbreviated financial statements that have been prepared according to applicable standards for financial statements and furthermore established according to the international standard applicable to interim financial reporting, give a true and fair view of the capital, of the financial situation and of the results of the Firm and the enterprise incorporated in the consolidation;
- the interim financial statement gives a true overview of the important events, which have occurred during the first six months of the fiscal year, the most important transactions with affiliated parties and the effect of the aforementioned on the abbreviated financial statements, as well as a description of the most important risks and uncertainties for the remaining months of the fiscal year.

Dirk De Cuyper
Managing Director

Peter De Cuyper
Managing Director

9 AUDITOR'S REPORT



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Report of the statutory auditor to the shareholders of Resilux NV on the review of the interim condensed consolidated financial statements as of 30 June 2013 and for the 6 month period then ended

Introduction

We have reviewed the accompanying interim condensed consolidated statement of financial position of Resilux NV (the "Company"), and its subsidiaries (collectively referred to as "the Group") as at 30 June 2013 and the related interim condensed consolidated income statement, consolidated statement of realized and unrealized results, consolidated statement of changes in equity and the consolidated cash flow statement for the 6 month period then ended, and explanatory notes, collectively, the "Interim Condensed Consolidated Financial Statements". These statements show consolidated total assets of € 202.329 thousand and a consolidated profit for the 6 month period then ended of € 5.681 thousand. Management is responsible for the preparation and presentation of these Interim Condensed Consolidated Financial Statements in accordance with International Financial Reporting Standard IAS 34 *Interim Financial Reporting* ("IAS 34") as adopted for use in the European Union. Our responsibility is to express a conclusion on these Interim Condensed Consolidated Financial Statements based on our review.

Scope of Review

We conducted our review in accordance the International Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" applicable to review engagements. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the International Standards on Auditing and, consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying Interim Condensed Consolidated Financial Statements do not give a true and fair view of the financial position of the Group as at 30 June 2013, and of its financial performance and its cash flows for the 6 month period then ended in accordance with IAS 34.

Ghent, 27 August 2013

Ernst & Young Réviseurs d'Entreprises SCCRL
Statutory auditor
represented by

Paul Eelen
Partner

Ref: 140030