TENCATE

CORPORATE

Press release

investor relations

TenCate net profit €15 million for first half of 2012

Summary of first half of 2012

- Decrease in revenues of 9% to €540 million (-17% organic; +4% currency effect; +4% acquisitions / divestments)
- EBITA €32.3 million; -42% (-48% organic; +4% currency effect; +2% acquisitions / divestments)
- Net profit €14.7 million (2011: €33.1 million)
- Revenues of Advanced Textiles & Composites sector show an organic decrease of 25%, due to decline in sales of TenCate Advanced Armour and TenCate Defender™ M product portfolio (related to US defence forces)
- Positive trends at TenCate Advanced Composites, TenCate Geosynthetics and TenCate Grass (downstream)
- Net earnings per share -56% to €0.57
- Adjustment to 2012 profit forecast and sharpening of strategic focus, combined with structural cost reductions, with a future positive effect on EBITA of approximately €25 million on an annual basis (see press release dated 20 July, 2012).

TenCate key figures for first half of 2012

x €1 million	H1 2012	H1 2011	Change (%)
Revenues	539.6	592.4	-9%
EBITA	32.3	56.1	-42%
EBITA margin	6.0%	9.5%	
EBIT	25.0	50.1	-50%
Pre-tax profit	18.8	44.4	-58%
Net profit	14.7	33.1	-56%
Earnings per share (€)	0.57	1.30	-56%

Loek de Vries, President and CEO: 'The anticipated decrease in US Army-related sales proved to be greater than had been expected in the second quarter. The revenues anticipated for the current financial year were largely based on forecasts issued by the US Army with regard to the purchase of TenCate Defender™ M products.

Ten Cate Nederland bv

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Due to the strong growth in revenues and profit in the first half of 2011, principally as a result of an exceptional rate of growth in TenCate Defender™ M products, the performance in the first half of 2012 cannot, as indicated previously, be compared to that in the first half of 2011.

US budget discussions and the forthcoming presidential elections led to lower defence expenditure, partly due to a delay in releasing projects and to the cutting back of inventories in the US market.

The picture for the future remains positive, because TenCate materials protect army units and this theme continues to feature high on the political agenda. The protection of military personnel in crisis areas therefore remains a global growth market.

The present trend in sales of TenCate Defender™ M outside the United States provides a sound basis for a greater geographic breakdown in sales.

The composite markets are one of the strongest growth markets in the TenCate business portfolio, with organic growth expected to be well in excess of 10%. A sharpening of the strategic focus will be implemented in the buy & build strategy, with the aim of also achieving revenue growth outside the aerospace market.

The automotive market offers opportunities for the composite technologies developed by TenCate. This market is currently showing strong growth, partly as a result of current industrial trends.

The Geosynthetics & Grass sector recorded an organic recovery in results in the second quarter, with a major contribution being delivered by TenCate Geosynthetics. The process of profit recovery in the coming periods must be continued, with a growing contribution from TenCate Grass.´

Performance in the second quarter of 2012
Revenues in the second quarter of 2012 decreased by 10% to €283 million.

In particular the impact of the decrease in sales of the TenCate Defender™ M portfolio was a determining factor in the financial performance of TenCate.

The European armour activities showed growth, which can mainly be attributed to increases in the activities relating to armour for helicopters and aircraft. In the US by contrast there was a marked fall in the number of vehicle armour projects. Positive developments occurred in the composites market for aerospace applications as well as at the Geosynthetics group and TenCate Grass (downstream).

The operating result before amortization of intangible fixed assets (EBITA) decreased by 47% to €19.1 million.
The net profit in the second quarter amounted to €9.6 million (-59%).

Other financial information for first half of 2012
Investments in the first six months of €9.6 million remained at a relatively low level (2011: €13.3 million). The main investments were made in China (production of geosynthetics), in development costs for the TenCate ABDS™ active blast countermeasure system and in digital finishing (TenCate Advanced Textiles).
The net interest-bearing debt at the end of June 2012 is €6 million below the level of June 2011. The organic decline in the debt position amounted to €57 million, partly as a result of the organic reduction in working capital. The exchange rate trend in the dollar led to a considerable rise (€34 million) in the debt position (translation effect).
The debt / EBITDA ratio was 2.74 at the end of June.

Outlook for 2012
In the press release of Friday, 20 July, 2012 it was indicated that some restraint is expected to become evident during the second half of 2012, particularly in the US defence market, resulting in uncertainty as regards the timing of government orders.

It is consequently no longer likely that, as previously announced, the profit forecast for full-year 2012 that was issued earlier will be attainable. No further profit forecast for the current year will be made.

Sharpening of strategic focus
At the same time it was indicated that a sharpening of the buy & build strategy will be implemented, in which the emphasis will be placed on growth (organic and through acquisitions and / or alliances) in the field of composite materials. A key market in this regard is the automotive industry.

TenCate will also implement structural cost savings with a positive EBITA effect of approximately €25 million on an annual basis. This will involve the shedding of approximately 450 jobs, partly through the termination of flexible contracts and natural wastage. The majority of these workforce reductions will be made outside the Netherlands and they are not expected to result in any significant restructuring charges.

Performance by sector

Advanced Textiles & Composites sector

(x €million)	H1 2012	H1 2011	Change (%)
Net revenues	**240.9**	289.5	-17%
EBITA	**19.0**	41.2	-54%
EBITA margin	**7.9%**	14.2%	

The organic decrease in revenues for the first half of the year amounted to 25% (+4% currency effect; +4% acquisition / divestment effect). This decrease in revenues occurred mainly in the US defence market.

Overall, sales of TenCate Defender™ M products decreased in the first half of 2012 by approximately US$ 60 million. In the second quarter there was an unexpected reduction in the demand for orders by the US military.

There continues to be an increasing number of applications for these products among various units of the US Army.
Another positive trend is the gradual increase in the geographic breakdown of sales.

The demand for TenCate Tecasafe™ Plus products continued to grow satisfactorily, with the oil and gas industry constituting a major potential market. Initial orders have now been received from leading players such as Shell, BP, Gazprom and Total. TenCate has expanded its European product portfolio to include new products, which are attracting a good degree of interest.

The TenCate Advanced Composites and TenCate Advanced Armour market groups as a whole showed continued growth, which is attributable to the activities of aerospace and industrial composites and of European armour composites.

The European aerospace-armour activities recorded continued growth and the prospects for the future are favourable. The combination of specific aerospace and armour competencies affords TenCate a unique position in the market.
A decrease in US armour sales resulted overall in a decrease in revenues in the armour segment of approximately €4.8 million during the first six months.

The acquisition of Baycomp - the company that forms the basis for the Industrial Composites market group, which is currently under development - has already given an encouraging boost to TenCate activities in the field of composite materials for new markets, such as the automotive industry.

Developments relating to the TenCate ABDS™ active blast countermeasure system are promising, with a number of government agencies also being involved. For reasons of confidentiality, no further announcements can be made at present with regard to the financial consequences, the timing of the market launch, etc.

Geosynthetics & Grass sector

(x €million)	H1 2012	H1 2011	Change (%)
Net revenues	**261.7**	**267.6**	-2%
EBITA	**15.8**	**13.9**	+14%
EBITA margin	**6.0%**	**5.2%**	

The organic change in revenues of the Geosynthetics & Grass sector amounted to -10% (+ 4% currency effect; +4% acquisitions / divestments).

The geosynthetics activities in Asia showed strong growth, mainly due to the recent acquisition of Emas Kiara (Malaysia). In organic terms there was a decrease in revenues of 9% at the Geosynthetics group. Nevertheless, for the geosynthetics activities as a whole there was a positive margin trend, which provided an important basis for the trend in results in this sector.

The growth in the downstream activities within the Grass group has also largely occurred through acquisitions. Increasing interest is being shown by market participants (installation companies) in affiliating with the downstream organization of TenCate Grass. TenCate supports such partners in the development of new / innovative synthetic turf systems.
As a result GreenFields has witnessed an increase in sales. A number of independently operating high calibre players, in addition to GreenFields, have also secured the position of "preferred partner" and are able to make use of the innovative synthetic turf systems and components from TenCate Grass. This enables them to present a profile of distinctive quality to the market.

Technologies sector / Technical Components sector / Holding & Services

(x €million)	H1 2012	H1 2011	Change(%)
Net revenues	**37.0**	**35.3**	+5%
EBITA	**-2.5**	**1.0**	

The revenues of the other activities relate to TenCate Enbi and Xennia Technology.

The performance at Enbi showed no significant changes overall. In the US high initial start-up costs were incurred relating to components for a new printer type of a major US customer. In Asia developments were positive due to an increase in qualifications for Japanese producers of printers and copiers. This is one of the reasons for the Enbi site in China (Zhuhai) becoming the activity to have shown the strongest rate of growth.

Xennia Technology continued the developments associated with the expansion of its commercial focus on industrial decoration. In the first half of 2012 Xennia recorded a 27% organic increase in revenues.

The development costs relating to process innovation for textile-related applications (approximately €2.5 million on an annual basis) are currently putting pressure on the result. Major steps have been taken with regard to the implementation of inkjet technology within TenCate and the creation of a business model.

The development in EBITA partly reflects a revised policy associated with the capitalization of development costs (Xennia Technology). These are to a large extent immediately recorded as costs in 2012.

Statement by the Executive Board
´The Executive Board hereby states that, to the best of its knowledge, the interim report, prepared in accordance with IAS 34, Interim Financial Reporting, gives a true and fair view of the assets, the liabilities, the financial position and the profit of Royal Ten Cate and the companies included in the consolidation, and that the interim report provides a true and fair view of the information required pursuant to Section 5.25d paragraphs 8 and 9 of the Dutch Financial Supervision Act.'

Royal Ten Cate
Almelo, Friday, 27 July, 2012

For further information:

On Friday, 27 July, 2012 the Executive Board press conference concerning the interim results for 2012 will be held for the media in the Hilton Amsterdam at 10.30 CET. At 11.30 CET a conference call will take place for the financial relations of TenCate. Dial number +31 (0)10-3010805 and than the participant code 2016#.

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Royal Ten Cate (TenCate) is a multinational company that combines textile technology with chemical processes and material technology in the development and production of functional materials with distinctive characteristics. TenCate products are sold throughout the world.
Systems and materials from TenCate come under four areas of application: safety and protection; space and aerospace; infrastructure and the environment; sport and recreation. TenCate occupies leading positions in protective fabrics, composites for space and aerospace, antiballistics, geosynthetics and synthetic turf. TenCate is listed on NYSE Euronext (AMX).

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KEY FIGURES

For the first six months

in millions of euros	**2012**	**2011**	
Condensed consolidated statement of income			
Sales	539.6	592.4	-9%
Operating result before depreciation and amortisation (EBITDA)	51.0	73.3	-30%
Operating result before amortisation (EBITA)	32.3	56.1	-42%
Operating result before amortisation as % of sales	6.0%	9.5%	-37%
Operating result (EBIT)	25.0	50.1	-50%
Net profit	14.7	33.1	-56%
Condensed consolidated statement of financial position			
Average net capital employed	810.1	741.5	9%
Net interest-bearing debt	312.4	318.8	-2%
Condensed consolidated statement of cash flows			
Net cash flow from operating activities	18.8	-28.7	
Investment in / divestments of tangible and intangible fixed assets	-9.4	-13.2	
Net acquisition / disposal of operating companies and associated companies	-15.3	-34.4	
(x 1.000)			
Number of outstanding shares at period end	26,498	25,929	2%
Average number of outstanding shares (before dilution)	25,887	25,475	2%
Average number of outstanding shares (after dilution)	26,075	25,854	1%
Earnings per share:			
Net profit	0.57	1.30	-56%
Diluted net profit	0.56	1.28	-56%
Employees *			
Number of staff at period-end	4,662	4,526	3%
of which in the Netherlands	815	847	-4%

Quarterly key figures	**2012**		**2011**	
	Q1	**Q2**	**Q1**	**Q2**
Sales	256.7	282.9	278.8	313.6
Operating result (EBITA)	13.2	19.1	20.1	36.0
Net profit	5.1	9.6	9.9	23.2

*) excluding contracted personnel

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KEY FIGURES PER SEGMENT

For the first six months

in millions of euros	2012	2011	
Advanced Textiles & Composites			
Sales	240.9	289.5	-17%
EBITA	19.0	41.2	-54%
EBITA margin	7.9%	14.2%	-44%
Capital expenditures	5.7	2.4	138%
Depreciation	5.3	4.8	10%
Amortisation	2.6	2.9	-10%
Average net capital employed	313.9	278.3	13%
Number of staff-years at period-end *)	1,657	1,578	5%
Geosynthetics & Grass			
Sales	261.7	267.6	-2%
EBITA	15.8	13.9	14%
EBITA margin	6.0%	5.2%	15%
Capital expenditures	3.3	8.6	-62%
Depreciation	12.4	11.5	8%
Amortisation	3.2	2.2	45%
Average net capital employed	432.4	406.1	6%
Number of staff-years at period-end *)	2,379	2,325	2%
Other			
Sales	37.0	35.3	5%
EBITA	-2.5	1.0	-350%
Capital expenditures	0.6	2.3	-74%
Depreciation	1.0	0.9	11%
Amortisation	1.5	0.9	67%
Average net capital employed	63.8	57.1	12%
Number of staff-years at period-end *)	626	623	-

*) excluding contracted personnel

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CONDENSED CONSOLIDATED PROFIT & LOSS ACCOUNT

For the first six months

in millions of euros	**2012**	**2011**
Sales	539.6	592.4
Cost of sales *)	425.6	463.3
Gross margin *)	114.0	129.1
Marketing and sales expenses *)	33.8	31.2
Research and development expenses *)	11.6	9.0
General and administrative expenses *)	43.6	38.8
Operating result (EBIT)	**25.0**	**50.1**
Net finance expenses	-6.2	-5.7
Pre-tax income	18.8	44.4
Profit tax	-5.5	-11.1
Net income associates	-0.3	-0.1
Result after tax	**13.0**	**33.2**
Profit for the period attributable to:		
Shareholders of parent company (net profit)	**14.7**	**33.1**
Minority interests	-1.7	0.1
Earnings per share		
Net profit	0.57	1.30
Diluted net profit	0.56	1.28

*) Changed for comparison purposes

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CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the first six months

in millions of euros	**2012**	**2011**
Result after tax	**13.0**	**33.2**
Other comprehensive income, net of profit tax		
Foreign currency translation differences for foreign operations	7.1	-23.9
Result hedge accounting	-	0.7
Other comprehensive income, net of profit tax	**7.1**	**-23.2**
Total comprehensive income	**20.1**	**10.0**
Total comprehensive income attributable to:		
Shareholders of parent company	21.7	10.3
Minority interests	-1.6	-0.3
Total comprehensive income	**20.1**	**10.0**

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CONDENSED CONSOLIDATED BALANCE SHEET

in millions of euros

	30 June 2012		31 December 2011	
Fixed assets				
Intangible fixed assets	282.5		273.0	
Tangible fixed assets	215.3		221.9	
Financial fixed assets	37.8		36.8	
Total fixed assets		535.6		531.7
Current assets				
Inventories	262.1		267.9	
Trade and other receivables	209.6		181.1	
Cash and cash equivalents	20.9		22.7	
Total current assets		492.6		471.7
Total assets		1,028.2		1,003.4
Group equity				
Total shareholders' equity	476.6		465.8	
Minority interests	2.0		3.7	
Group equity		478.6		469.5
Long-term liabilities				
Long-term debts	288.0		275.1	
Provisions and deferred profit tax liabilities	43.9		45.6	
Total long-term liabilities		331.9		320.7
Short-term liabilities				
Cash loans, overdrafts and repayment of long-term debts	45.3		36.3	
Trade creditors and other payables	168.6		169.1	
Provisions and profit tax liabilities	3.8		7.8	
Total short-term liabilities		217.7		213.2
Total liabilities		549.6		533.9
Total group equity and liabilities		1,028.2		1,003.4

CONDENSED CONSOLIDATED CASH FLOW STATEMENT
For the first six months

in millions of euros

	2012		2011	
Cash flow from operating activities				
Result after tax	13.0		33.2	
Adjustments:				
Depreciation and amortization	25.9		23.2	
Financing	0.1		0.3	
Profit tax	4.1		-3.3	
Change in working capital	-20.0		-79.7	
Change in provisions and pension liabilities	-5.6		-3.5	
Other	1.3		1.1	
Net cash flow from operating activities		**18.8**		**-28.7**
Cash flow from investing activities				
Investments in (in)tangible fixed assets	-9.6		-13.3	
Acquisitions of operating companies less cash acquired	-15.3		-28.9	
Investments in associated companies	-		-5.5	
Other	-0.4		-0.4	
Net cash used in investing activities		**-25.3**		**-48.1**
Cash flow from financing activities				
Net drawing of long-term debts	7.6		91.3	
Dividend payment to shareholders	-12.2		-6.3	
Other	0.3		-2.2	
Net cash flow from (used in) financing activities		**-4.3**		**82.8**
Change in cash and cash equivalents		**-10.8**		**6.0**
Cash and cash equivalents on 1 January		-12.7		-44.1
Effect of exchange rate fluctuations on cash and cash equivalents held		0.2		-2.9
Cash and cash equivalents on 30 June		**-23.3**		**-41.0**

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CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN GROUP EQUITY

in millions of euros	2012	2011
Group equity as at 1 January	**469.5**	**442.3**
Changes:		
Total comprehensive income after profit tax	20.1	10.0
Dividend to shareholders	-12.2	-6.3
Share-based payments	1.0	1.0
Share options exercised	0.3	2.3
Purchase of own shares	-	-4.5
Acquisition of non-controlling interests	-0.1	-1.9
Group equity as at 30 June	**478.6**	**442.9**

EXPLANATORY NOTES ON THE CONDENSED CONSOLIDATED INTERIM REPORT

Reporting entity
The condensed consolidated interim report of Royal Ten Cate (the Company), established in Almelo, for the first half year of 2012 relates to the Company and its operating companies (referred to collectively as the 'Group') and the Group's interests in associated companies and jointly controlled entities.

Statement of compliance
This condensed consolidated interim report has been prepared in accordance with *IAS 34 Interim Financial Reporting* as adopted by the European Union. It does not contain all the information that is required for full financial statements and should be read in conjunction with the Group's 2011 consolidated financial statements. The condensed consolidated financial statements are unaudited, but have been reviewed by the Company's independent auditor. All amounts in this report are in millions of euros, unless otherwise stated. The Group's consolidated financial statements for the 2011 financial year are available on request from the Company's registered office in Almelo or can be downloaded from www.tencate.com. This condensed consolidated interim report was prepared by the Executive Board and released for publication by the Supervisory Board on 26 July 2012.

Accounting policies
Unless otherwise stated below, the accounting policies applied by the Group in this condensed consolidated interim report are the same as those applied by the Group on pages 85 to 95 of the consolidated financial statements for the 2011 financial year.

Change in accounting policy
With effect from 2012 the profit and loss account will be prepared on the basis of a functional layout instead of a categorical layout. The functional layout is consistent with the internal management of the company with effect from 2012. The change has been included retrospectively from 1 January 2011. This change to accounting policy has no effect on the result and equity in 2011 and 2012.

Risks and uncertainties
The 2011 annual report includes a detailed description of the risk management of TenCate. No significant change has occurred in the risk profile included herein. The continuing uncertain political climate combined with the present economic conditions may have a negative effect on market developments for TenCate in 2012.

Estimates
The preparation of this condensed consolidated interim report requires judgement by management, who make estimates and assumptions which affect the application of policies for financial reporting and the reported value of assets and liabilities and the amount of income and expenditure. The actual results may differ from these estimates.
Unless otherwise stated below, in preparing this condensed consolidated interim report, the significant judgements made by management in applying the group's policies for financial reporting and the key sources of estimation are the same as those applied in the preparation of the consolidated 2011 financial statements.

Segment information
For the first half year

The table below presents each of the reporting segments.

Segment information	Advanced Textiles & Composites		Geosynthetics & Grass		Other		Consolidated	
EUR x 1 million	2012	2011	2012	2011	2012	2011	2012	2011
External sales	240.9	289.5	261.7	267.6	37.0	35.3	539.6	592.4
Inter-segment sales*)	-	-	-	0.1	-	-0.1	-	-
Total sales	**240.9**	**289.5**	**261.7**	**267.7**	**37.0**	**35.2**	**539.6**	**592.4**
EBIT	**16.4**	**38.3**	**12.6**	**11.7**	**-4.0**	**0.1**	**25.0**	**50.1**
Net financial expenses							-6.2	-5.7
Profit tax							-5.5	-11.1
Net result from associated companies							-0.3	-0.1
Result after tax							13.0	33.2

*) changed for comparison purposes

Acquisitions and their effects

On 2 May 2012 the Group acquired the company PMC Baycomp. PMC Baycomp possesses technologies in thermoplastic composite materials and components for use in, among other fields, the automotive industry, oil & gas extraction and consumer electronics.
This acquisition has been included in the Advanced Textiles & Composites segment.

The acquisitions are accounted for in accordance with the acquisition method (IFRS 3). The acquisition amounts have been allocated to the identified acquired assets and liabilities, which are based on the fair value. The purchase price allocations for the above acquisition has not yet been completed.

The acquisition has no material effect on assets, liabilities, sales and the result after tax in the first half of 2012. The Group has incurred costs related to the acquisitions of € 0.3 million in connection with external legal costs and due diligence costs.

Goodwill

The movements of goodwill in the first half are as follows:

in millions of euros	Total
Balance as of 1 January 2012	212.0
Acquisitions	4.9
Exchange rate differences	4.6
Balance as of 30 June 2012	221.5

In the first six months of 2012 Ten Cate assessed whether there are any indications for goodwill impairment. As a result of this assessment there are no major changes to report with respect to the conclusions presented in the 2011 annual report.

Profit tax expense
The Group's consolidated effective tax rate in respect of continued operations for the first six months was 29.3% (first half of 2011: 25.0%). The reduction in the effective tax rate is principally due to a less favourable mix of high and low taxable profits and not capitalizing fiscal losses.

Share capital and share premium

- **Issuance of ordinary shares**
  In May 2012, 568,752 shares were issued in connection with a stock dividend. On 30 June 2012 the number of outstanding shares amounted to 26,497,666 (31 December 2011: 25,928,914).
- **Repurchased shares**
  In the first half of 2012, 23,250 repurchased shares were issued through the exercise of options. On 30 June 2012 the balance of repurchased shares amounted to 597,071 (31 December 2011: 620,321).
- **Dividend**
  At the Annual General Meeting of Shareholders on 19 April 2012 the dividend was set at €0.95 per ordinary share of €2.50. The dividend was made payable in cash or as a stock dividend on 16 May 2012. The ratio was one new share for 22 dividend rights.
  On 16 May 2012, €12.2 million was paid in cash and 568,752 shares were issued in connection with the stock dividend.

Pensions
The pension expenses in the first half year are recorded on the basis of a proportionate share of the expected annual costs in 2012. In the first half of 2011 and 2012 no actuarial results have been recorded.

Long-term liabilities
The syndicated loan facility amounted to €450.0 million on 30 June 2012 (31 December 2011: €450.0 million). The Group has agreed a ratio of net debt to EBITDA in a covenant with the banks in the participating bank syndicate. The actual ratio at the end of June was 2.74, remaining comfortably within the bank covenant limit.

Investments, divestments and liabilities
In the first half of the year investments in intangible and tangible fixed assets amounted to €9.6 million. At the end of the first half of the year, the Group had entered into investment liabilities amounting to €2.0 million.

Related parties
In the first half of the year associates and other participating interests and a joint venture purchased goods from the Group amounting to €11.5 million (2011: €8.8 million). At the end of the first half of the year outstanding trade receivables due to the Group from associated and other participating interests amounted to €4.9 million (2011: €1.4 million) and from joint ventures €4.8 million (2011: €5.8 million). The Group had trade accounts payable to associates and other participating interests amounting to €0.2 million (2011: €0.1 million).

Events subsequent to the balance sheet date
No material events have taken place since 30 June 2012.

Almelo, 26 July 2012
Executive Board

Review report

To: the Executive Board and Supervisory Board of Royal Ten Cate

Introduction

We have reviewed the accompanying condensed consolidated interim financial information of Koninklijke Ten Cate nv, Almelo, which comprises the condensed consolidated balance sheet as at 30 June 2012, the condensed consolidated profit and loss account, the condensed consolidated statement of comprehensive income, the condensed consolidated statement of changes in group equity and the condensed consolidated cash flow statement for the period of six months ended 30 June 2012, and the notes. Management is responsible for the preparation and presentation of this condensed consolidated interim financial information in accordance with IAS 34, 'Interim Financial Reporting' as adopted by the European Union. Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope

We conducted our review in accordance with Dutch law including standard 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". 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 auditing standards 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 condensed consolidated interim financial information as at 30 June 2012 are not prepared, in all material respects, in accordance with IAS 34, 'Interim Financial Reporting', as adopted by the European Union.

Amstelveen, 26 July 2012
KPMG ACCOUNTANTS N.V.

T. van der Heijden RA