

## PRESS RELEASE HOLLAND COLOURS

(this is a translation of the Dutch press release issued by the company on the same date)

### Modestly lower sales Holland Colours in first quarter of 2013/2014

Main developments of the first quarter:

- 3% lower sales
- Limited lower operating- and net result
- Gross margin remains good

In the first quarter of the 2013/2014 financial year, Holland Colours realized 3% lower sales than in the same period last year. Currency effects had a negative impact of approximately 1.5% on the sales development this quarter. Lower sales are mainly due to a decrease in the Building & Construction focus market in Europe.

The gross margin percentage over the first quarter was higher than over the first quarter of the 2012/2013 financial year.

Operating costs in the first quarter were nearly 8% higher than in last financial year. Without currency effects, operating costs would have been 9.5% higher. Increased employee expenses (both structural as well as incidental) are the main cause for the operating cost increase.

With lower sales –albeit at higher margins- and increased operating costs, Holland Colours ends the first quarter with a limited lower operating- and net result in comparison with last financial year.

The market circumstances remain challenging, which was reflected in unstable sales development: during the first quarter, monthly sales levels were either lower or higher in comparison with last year.

On aggregate, first quarter sales were comparable with last year in the divisions Americas and Asia, whereas Europe ended limited behind.

In the focus market Building & Construction, first quarter sales were markedly lower versus the last year's first quarter. This decrease comes almost completely for the account of the division Europe. On the other hand, sales in this focus market in both the divisions Americas and Asia were close to last year's levels.

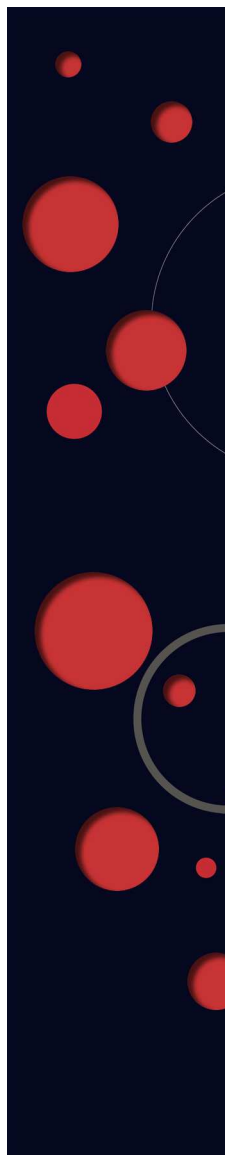
Sales levels in the focus market Packaging were at comparable levels as last year. A decrease in the division Americas was compensated by an increase in the division Asia.

Silicones & Elastomers focus market sales were marginally lower than last year's first quarter sales levels. A limited –mainly Building & Construction related- decrease in Europe was offset by significant growth in the division Asia. The division Americas reports a modest decrease.

The Specialties segment showed comparable sales levels as last year. A decrease in Asia was compensated by an increase in Americas, with sales in Europe almost equaling last year.

Operating working capital at the end of June was markedly lower than end of June last financial year. Partly this decrease is explained by currency effects, however lower inventory levels are the main reason. Trade debtor levels were comparable to last year whereas trade creditors, in comparison to end of June last year, are at limited higher level.

During the entire first quarter, Holland Colours remained within the agreed bank covenants.



July sales were – in comparison with the same period last year- no exception to the aforementioned unstable trend of higher and lower sales levels, in the sense that this was a positive month.

Because of the unsteady sales development mentioned and the persistent economic uncertainty in the markets Holland Colours operates in, Holland Colours does not issue a forecast regarding the 2013/2014 financial year.

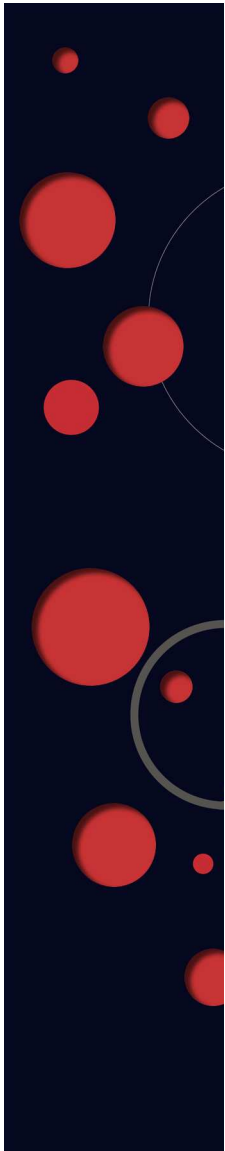
The results over the first half year will be announced to the market on Thursday, 31 October 2013.

Apeldoorn, 15 August 2013

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## HOLLAND COLOURS

### Profile

- Approximately 400 employees;
- 2000 customers in 80 countries;
- 10 locations;
- Worldwide network of agents;
- Every employee is a shareholder.

Holland Colours NV was founded in 1979 and has been listed on the NYSE Euronext Amsterdam stock exchange since 1989. It is an independent Dutch company with offices in the United States, Mexico, Europe and Asia.

Holland Colours makes products for colouring synthetic materials, the main products being Holcobatch and Holcoprill. Both these products have the advantage of being free-flowing, dust-free and very easy to dose, Furthermore, Holland Colours makes pastes for colouring Silicones & Elastomers, PET packaging and other applications.

Holland Colours concentrates worldwide on three focus markets:

- Building & Construction (especially PVC applications);
- Packaging (especially PET applications);
- Silicones & Elastomers.

Roughly 80% of sales are realised in these three markets.

Virtually the entire production is generated by the four principal plants in the Netherlands, Hungary, the United States and Indonesia.

Holland Colours is organised in three regional divisions that operate as profit centres in each specific region: Europe (including the Middle East, India and Africa), the Americas and Asia.

The worldwide distribution of sales is as follows: Europe 53%, Americas 32% and Asia 15%.

### Important dates:

31 October 2013	Publication of semi-annual figures for 2013/2014
6 February 2014	Interim statement
29 May 2014	Publication of annual figures for 2013/2014
10 July 2014	General Meeting of Shareholders

### HOLLAND COLOURS NV

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