

HOLLAND COLOURS PRESS RELEASE

Markedly lower sales for Holland Colours in first quarter 2014/2015

Key developments in the first quarter:

- 9% lower sales
- Negative currency effects
- Considerably lower operating and net results
- Higher gross margin percentage

In the first quarter of the 2014/2015 financial year, Holland Colours realised 9% lower sales than in the same period last year. Currency effects, especially resulting from a lower US dollar, had a negative effect of about 2.5% on sales development over the quarter. One-off effects, such as incidental sales during the first quarter last year, as well as deferred sales this year, are estimated to have had an effect of approximately 4%.

Each of the divisions – Europe, Americas and Asia – realised lower sales than last year

The lower sales are mainly due to lagging sales in Packaging and Specialties. First-quarter sales in Silicones & Elastomers were higher and those in Building & Construction approximately the same as last year.

The gross margin percentage ended the first quarter higher than in the first quarter of 2013/2014.

Operating expenses were marginally higher in the first quarter than in the last financial year.

Mainly due to the lower sales Holland Colours closed the first quarter with approximately 35% lower operating and net profit.

In the first quarter, sales in the Building & Construction focus market were approximately the same as last year. The sales in both the Americas and Asia divisions were – in local currency- higher, while for the Europe division approximately the same as last year.

Sales in the Silicones & Elastomers focus market were marginally higher than in the first quarter last year. A decrease in Asia was offset by growth in the Europe and Americas divisions.

Sales in the Packaging focus market lagged significantly versus sales in the first quarter of last year, with lower sales in every division. Incidental sales last year, as well as customer order patterns, played a role.

The Specialties segment showed a significant decrease in sales relative to last year, particularly in Asia. Changed customer order patterns played a role.

At the end of June, operational working capital was significantly lower than at the end of June last financial year. Currency effects partly explain this decrease, but the main reason was lower trade receivables. Inventory levels were also lower than last year, while compared to the end of June last year trade payables ended at a limitedly higher level.

The covenants agreed with the bank were met throughout the entire first quarter.

Due to the continuing economic uncertainty in the markets Holland Colours operates in, as well as the exchange-rate volatility (especially of the US dollar), Holland Colours will not issue a forecast regarding the 2014/2015 financial year.

The results for the first six months of the 2014/2015 financial year will be published on Thursday 30 October 2014.

Holland Colours NV, 14 August 2014

The Management Board

Rob Harmsen
Marco Kok
Tineke Veldhuis - Hagedoorn

HOLLAND COLOURS

Corporate profile

- Approximately 400 employees;
- 2.000 customers in 80 countries;
- 10 (production) sites;
- Worldwide network of agents;
- Each employee is stockholder.

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 North America, Mexico, Europe and Asia. Holland Colours makes products for colouring synthetic materials. These so-called colour concentrates are available as both solid and liquid. The key products in solid form are Holcobatch and Holcoprill. The liquid products Holland Colours makes are pastes for colouring Silicones & Elastomers, PET packaging and various other applications.

Holland Colours concentrates worldwide on three focus markets:

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

Around 80% of turnover is realized in these three markets.

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

Holland Colours is organized 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 global distribution of sales is: Europe 54%, Americas 32% and Asia 14%.

Important dates:

30 October 2014	Publication of semi-annual figures for 2014/2015
5 February 2015	Interim statement
28 May 2015	Publication of annual figures for 2014/2015
09 July 2015	General Meeting of Shareholders

For further information:

Holland Colours NV

Rob Harmsen
CEO Holland Colours
Tel: +31 (0)55 368 0700

HOLLAND COLOURS NV

PO Box 720 | 7300 AS Apeldoorn | The Netherlands
T +31 (0)55 36 80 700 | F +31 (0)55 366 29 81
ir@hollandcolours.com | www.hollandcolours.com