HunterDouglas

Annual Report 2009

HunterDouglas®

Luxaflex®

DUETTE®

SILHOUETTE®

LUMINETTE®

VIGNETTE®

PIROUETTE®

3form®

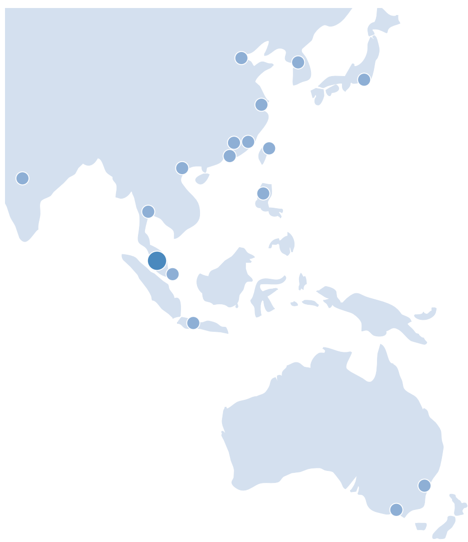
LUXALON®

NBK | Ceramic
ARCHITECTURAL TERRACOTTA

Nedal®

Operational Headquarters

- **Rotterdam, The Netherlands**
  World Headquarters and
  European Operations
- **Lucerne, Switzerland**
  Management Office
- **Upper Saddle River, NJ, USA**
  North American Operations
- **São Paulo, Brazil**
  Latin American Operations
- **Kuala Lumpur, Malaysia**
  Asian Operations



HunterDouglas

Hunter Douglas is the world market leader in window coverings and a major manufacturer of architectural products.

Hunter Douglas has its Head Office in Rotterdam, The Netherlands, and a Management Office in Lucerne, Switzerland.

The Group is comprised of 162 companies with 67 manufacturing and 95 assembly operations and marketing organizations in more than 100 countries.

Hunter Douglas employs about 17,000 people and had sales in 2009 of USD 2.4 billion.

Operating Style

Hunter Douglas is professionally managed by entrepreneurial managers who run our business as their own.

Dynamic and performance oriented

Decentralized organization structure
- Global federation of small and medium-sized companies
- Guiding principle: 'Maximum accountability with minimum interference'

Innovative proprietary products

Creative marketing and promotional programs

Strong brands:
HunterDouglas® in North America and Asia, and for Architectural Products worldwide
Luxaflex® for residential window coverings in the rest of the world

Contents

Financial highlights

Two-year summary

	USD millions				EUR per common share	
	Notes	2009	2008	Notes	2009	2008
Net Sales		**2,376**	2,942			
Earnings before interest, tax, depreciation and amortization (before non-recurring restructuring expenses)		**213**	285	3	**4.30**	5.14
Income from Operations (before non-recurring restructuring expenses)		**120**	198			
Net Profit from Operations (before non-recurring restructuring expenses)		**114**	193	3	**2.31**	3.48
Non-recurring restructuring expenses		**-27**	-68			
Net Profit from Operations (after non-recurring restructuring expenses)		**87**	125	3	**1.76**	2.24
Net Result Investment Portfolio		**3**	-160			
Total Net Result	1	**90**	-35	3	**1.82**	-0.64
Operating Cash flow		**234**	138	3	**4.59**	2.62
Investments in tangible fixed assets		**63**	131			
Depreciation property, plant and equipment		**88**	80			
Net Assets Employed	2	**1,654**	1,810			
Shareholders' equity		**1,372**	1,272	4	**26.90**	25.64
Dividend				5	**1.00**	1.00
Extra dividend				5	**7.00**	
RONAE % Operations: (Return before interest/net assets employed)		**7.1%**	11.2%			
Employees (at year-end)		**16,818**	19,246			

1 Net Result attributable to equity shareholders
2 Total assets (excl. Investment Portfolio) minus non-interest-bearing current liabilities
3 Based on the average number of shares outstanding during the affected year
4 Based on the number of shares outstanding at year-end, adjusted for treasury shares
5 Proposed for 2009

Chairman's letter

To our shareholders

Ralph Sonnenberg – Chairman & CEO
David & Marko Sonnenberg – Co-Presidents & COO's

Hunter Douglas continued to be affected by sharply lower sales, as a result of the worst financial crisis and economic recession in recent times, particularly in the U.S. and some European markets (U.K., Ireland and Spain).

We therefore restructured our businesses in Europe and the U.S. for lower sales levels, curtailed capital expenditures, are reducing our Investment Portfolio to about USD 100 mln, and have generally adopted a conservative posture.

These measures resulted in restructuring charges but assure the Company's long term strength.

Sales: were USD 2.376 billion; 19.2% lower than in 2008.

Sales volumes (excluding currency effects) were 21% lower in North America, 15% in Europe and 10% in Australia, and 13% higher in Asia and 3% in Latin America.

Earnings before interest, tax, depreciation and amortization – EBITDA (before non-recurring restructuring expenses) was USD 212.7 million, compared with USD 284.9 million in 2008.

Income from Operations (before non-recurring restructuring expenses): 39.6% lower to USD 120.0 million compared with USD 198.7 million in 2008; higher in all areas except North America.

Net Profit from Operations (before non-recurring restructuring expenses): 40.6% lower to USD 114.4 million compared with USD 192.7 million in 2008.

Non-recurring restructuring expenses 2009 were USD 27.2 million. These relate to the North American and European operations.

Net profit from Operations (after non-recurring restructuring expenses): 29.8% lower to USD 87.2 million compared with USD 124.3 million in 2008.

Net Result Investment Portfolio: USD 2.9 million positive (after deduction of imputed interest and expenses) compared with USD 159.8 million negative in 2008.

Total Net Result: USD 90.1 million (per share EUR 1.82) compared with USD 35.5 million negative in 2008 (per share EUR -0.64)

Acquisitions which were announced in January/February 2010 were:

- Faber-Benthin, a European manufacturer of both made-to-measure window covering products under the Faber brand as well as components and machinery for the assembly of window covering products under the Benthin brand.
- Hamstra, the leading Dutch based developer and manufacturer of insect screens.

Capital Expenditures in 2009 were USD 63 mln, whilst depreciation was USD 88 mln.
Investments were dedicated to growing our existing businesses, efficiency improvements and new products. In 2010 capital expenditures will, in view of the still uncertain economic outlook, be about equal to depreciation.

Net Result Investment Portfolio: The Portfolio's return in U.S. dollars (before imputed interest and expenses) was 5.4% positive compared with 24.3% negative in 2008. The Portfolio had a fair value at year end 2009 of USD 144 million compared with USD 265 million at the end of 2008. It is being reduced to about $100 million. Management of these assets is delegated to diversified independent managers.

From its establishment in 1991 until year end, the Portfolio has achieved a compounded annual return of almost 12%.

Dividend: The Directors propose a Regular Dividend for 2009 of EUR 1.00 per Common share, the same as in 2008.

In addition, they propose to distribute an Extra Dividend of EUR 7.00 per Common share.

The Extra Dividend will be financed from existing Term Bank facilities. This financing, combined with last year's redemptions from the Company's Investment Portfolio and improved profits and cash flow resulting from the reorganization of the European and North American operations, provides an efficient but conservative capital structure.

Financing: All borrowings are covered by committed long term facilities.

Outlook: Sales in Europe and the U.S. are stabilizing, while growing in Asia and Latin America. Consumer demand remains weak in Europe and the U.S. and Hunter Douglas therefore continues to adjust its Operations in these markets to difficult ongoing economic conditions.

Hunter Douglas remains in a strong position in terms of its products, distribution, finances and management.

The people of Hunter Douglas are our most important and valuable asset. They create, make and market our products and are responsible for our continuing success. The Board and I express our sincere thanks and appreciation for their contributions, dedication and support.

Ralph Sonnenberg
Chairman & Chief Executive Officer

History

Global time line 1919 - 2009

1919-1946
In 1919 Henry Sonnenberg founded a machine tool distribution and subsequently manufacturing company in Düsseldorf, Germany.

In 1933 he moved to The Netherlands and established a machine tool operation.

In 1940, he moved to the United States where he founded the Douglas Machinery Company.

In 1946 Henry Sonnenberg established a joint venture with Joe Hunter which developed new technology and equipment for the continuous casting and fabrication of aluminium. This led to the production of lightweight aluminium slats for Venetian Blinds.

Hunter Douglas, as we know it today, was born.

1946-1960
Hunter Douglas aluminium blinds quickly gained leadership in the American market. As innovative as the product was the business model for its distribution. Hunter Douglas developed a vast network of more than 1,000 independent fabricators in the United States and Canada. They sold blinds during the day and custom assembled them in their workrooms at night.

In 1956, policy differences led to the sale of the U.S. business. Henry Sonnenberg moved Hunter Douglas' headquarters to Montreal, Canada and, using the European machinery business as a base, concentrated on building the window covering business outside the United States.

1960-1980
Hunter Douglas expanded its operations in Europe and into Australia and Latin America.

In 1969 the Hunter Douglas Group went public, and its shares were listed on the Montreal and Amsterdam Stock Exchanges.
In 1971, Hunter Douglas' Group headquarters were moved to Rotterdam, The Netherlands, and Hunter Douglas N.V., became the worldwide Group Holding Company.

In 1976, Hunter Douglas reacquired its former U.S. business.

1980-2000
Hunter Douglas continued its global growth and expanded into Asia. The innovative spirit of the company led to the development of revolutionary new products to meet the increasing demand for fashion and functionality.

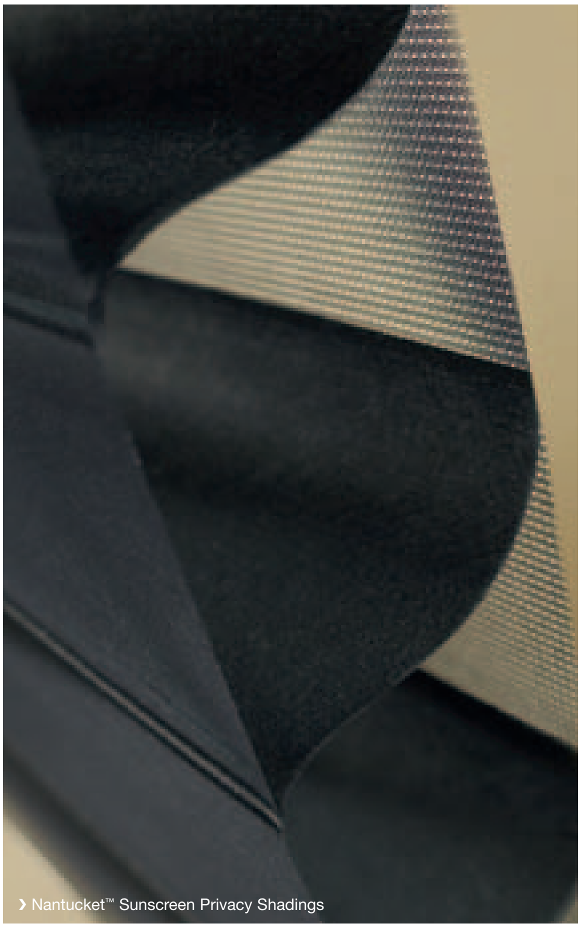
1985 - Duette® Honeycomb Shades
1991 - Silhouette® Window Shadings
1994 - Vignette® Modern Roman Shades
1996 - Luminette® Privacy Sheers and PowerRise® battery-powered remote control system
1999 - UltraGlide® retractable cord system

2000-2009
2000 - LiteRise® cordless system was launched in the U.S. and EOS® hardware operating system for blinds and shades was introduced in Europe.
2003 - Techstyle® Acoustical Ceilings
2004 - Facette® Shades, XL Panel and the Alustra® Collection
2005 - Duette® TruRise® lifting system
2006 - Duette® Architella® Shades, Skyline™ Window Panels and Reveal™ with MagnaView™ Blinds
2007 - Pirouette® Window Shadings and Platinum™ Technology Motorization
2008 - Nano Roller Blinds
2009 - Luminette® Modern Draperies, Nantucket™ Sunscreen Privacy Shadings and Design Studio™ Roman Shades

Innovation

About envisioning what comes next

Ever since we created the aluminium blind in 1946, we have defined our industry with products that deliver revolutionary style and functionality. What's more, our expertise in customization helps keep our customers around the world at the forefront of design.



› Nantucket™ Sunscreen Privacy Shadings

› Luminette® Modern Draperies

Nantucket™ Sunscreen Privacy Shadings

Screen shades are already popular for their style, view-through and glare reduction. New Nantucket™ Sunscreen Privacy Shadings offer these same qualities with the added benefits of variable light control and privacy provided by the suspended rotating vanes.

Luminette® Modern Draperies

Adding a contemporary twist to traditional draperies, new Luminette® Modern Draperies feature woven face fabrics formed into softly contoured folds for a more dimensional look at the window. This new product can even be combined with Luminette® Privacy Sheers (as shown here) to create a multi-functional and truly distinctive beauty.

“We make ‘green’ beautiful with stylish solutions for saving energy.”

Pirouette® Window Shadings

“Workspaces which are comfortable, naturally lit, and allow occupants access to the outdoors can reduce turnover and costly absenteeism.”

Panels 250 mm

Window Coverings

Hunter Douglas is the world market leader in window coverings.

› Our strength is our ability to develop and market innovative, high quality, proprietary products, targeted primarily at upscale consumers.

› Our success is based upon trusted brand names recognized around the world: HunterDouglas®, Luxaflex®, Duette®, Silhouette® and Vignette®.

› Our proprietary fabric shades are consistently recognized for excellence in design, styling, features, quality and breadth of selection: Duette® Honeycomb Shades, Silhouette® and Pirouette® Window Shadings, Luminette® Privacy Sheers, Vignette® Modern Roman Shades and Facette® Shades.

› In addition to our fabric shades, we offer a fully integrated line of fashion and coordinated window coverings at all price points. These include Venetian and Vertical Blinds, Roman, Roller, Pleated and Woven Wood Shades, Wood and Alternative Wood Blinds and Custom Shutters. And Exterior Venetian Blinds, Screen Products, Shutters and Awnings.

› We customize each window covering to the individual consumer's specific needs, and deliver that unique product typically within a week of ordering.

› Our proprietary operating systems are equally innovative and unique. They offer ease of use, reliable performance, convenience and improved safety features, identified by our 'Designed with Safety in Mind' logo. They also include the EOS® modular hardware system.

› Duette® Architella® Honeycomb Shades

Luminette® Modern Draperies

Softly contoured folds of elegant fabrics distinguish new Luminette® Modern Draperies from the flat, one-dimensional appearance of traditional draperies. Options include combining it with Luminette® Privacy Sheers to provide the dual benefits of a sheer and opaque fabric window covering together in one, and motorization for the ultimate in operating convenience.

Nantucket™ Sunscreen Privacy Shadings

Featuring soft 3" fabric vanes suspended between a front sheer facing and an innovative rear screen fabric, new Nantucket™ Sunscreen Privacy Shadings marry softly diffused light and variable light control that are hallmarks of our innovative shading products with the styling and glare reduction qualities of screen shades.

Architectural Products

Hunter Douglas is a world-leading manufacturer of sun-control solutions, suspended ceilings, ventilated façade systems, and translucent materials.

› We focus on high-performance architectural materials with proprietary characteristics in design, comfort, and sustainability.

› Our strength is our ability to develop customizable product systems, which assure reliable installation and enable design flexibility with minimal custom engineering.

› Our success is based on giving architects a high degree of technical and design assistance in applying our products. We collaborate with architects and owners to realize their design objectives while also meeting functional needs such as light control, energy efficiency, and acoustics.

› Our global network of specialized manufacturing facilities lets us deliver a broad, consistent range of solutions that can be adapted to local design requirements.

Sun-Control Solutions

Hunter Douglas offers an unparalleled breadth of solutions and expertise to manage heat and light inside and outside windowed walls. We are at the forefront of the emerging field of architectural solar-control products.

Ventilated Façade Systems

Our QuadroClad™ ventilated façade system features a versatile substructure and attractive metal, glass, and resin panels in a wide range of sizes and shapes.
In 2007 the Group acquired NBK, a pioneering manufacturer of terracotta façades. NBK is today the market and quality leader in size, flatness, and design options for large terracotta panels.

Suspended Ceilings

Our Luxalon® metal ceiling systems enable a wide variety of designs and applications, including curved and specialty shapes.

Our revolutionary Techstyle® acoustical panels deliver superior noise reduction; a clean, monolithic look; and easy access to the plenum.

3form® Translucent Materials

In 2007, Hunter Douglas acquired 3form®, the leading manufacturer of translucent panels. 3form® Resin Panels encapsulate a wide variety of materials, giving architects and interior designers the flexibility to create a wide range of designs and applications, including back-lit feature walls, translucent surfaces and space dividers, as well as sliding doors.

› NBK ceramic rods, Museum Brandhorst, Munich

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2009

Research & Development

Hunter Douglas was founded on a tradition of bringing breakthrough products to market. At the beginning of the 21st century, our new product development has accelerated with the introduction of a number of innovative products, including Facette® Shades, EOS® Hardware systems, LiteRise® cord-less operating systems, Techstyle® Acoustical Ceilings and Duette® Architella® Shades.

› We have specialized R & D Centres in the United States, The Netherlands, Germany, China and South Korea where products are currently under development for introduction in 2010, 2011 and beyond.

› Around the world, our subsidiaries adapt products to respond to local market needs.

› We are continually seeking, testing and developing new ideas and concepts that will enable Hunter Douglas to serve and grow our markets in future years.

› Top priorities are the comfort and safety of the end users, the functionality and durability of our products and the evolving fashion and style needs of the marketplace.

› We strive to simplify assembly, improve production processes, eliminate waste and reduce maintenance.

› In 2010 we expect our R & D activities to remain at similar levels as in 2009.

Manufacturing

More than 60 years ago, Hunter Douglas pioneered a unique, continuous casting and integrated manufacturing process for aluminium, to produce painted aluminium strip, and from that the basic materials for many of our products. That innovative thinking has been applied to all aspects of our operation.

› We have applied the lessons learned in manufacturing metal products to our fabric shades and have set the industry standard for fabric: trapping air in cellular pockets to provide insulation, light diffusion, privacy, light control and sun protection.

› Our proprietary innovations include the energy-efficient honeycomb cell used in Duette® and Duette® Architella® Shades; translucent sheer fabrics used in shades, sheers and shading systems; and the process for bonding diverse fabrics to yield products like Silhouette® and Pirouette® Window Shadings, Vignette® Modern Roman Shades and Luminette® Privacy Sheers.

› We concentrate production of our principal products in a few efficient manufacturing locations around the world.

› Process re-engineering and automation is a critical concept in a custom business, allowing us to better manage inventory and our other assets, lower costs, and serve our customers more quickly and efficiently.

Worldwide distribution system

Our distribution system is key to our business and an essential element in our marketing strategy. It is as distinctive as it is efficient.

› We rely upon a worldwide network of several thousand independent and 95 company-owned fabricators to sell, assemble and distribute our products in local markets.

› We closely support fabricators to ensure they consistently offer the best quality and service.

› We provide sophisticated sampling, merchandising and training programs to enable our fabricators to establish strong dealer networks.

› We provide support to over 100,000 retail dealers - the second tier in our distribution network. They rely upon us for sales and marketing programs; advertising and promotional campaigns; sampling, displays and signage; product education and business-building programs; technical service and assistance in computer-supported administrative areas.

› Proper installation of our products is key to lifetime performance and customer satisfaction. We have expanded our training to assist the thousands of professional Hunter Douglas installers around the world.

› Strong and enduring relationships have been forged between Hunter Douglas, our fabricators and our dealers. We consider them to be our strategic partners and the principal sales and marketing arms for our products.

Marketing

We want consumers who purchase Hunter Douglas to have a thoroughly satisfying experience throughout their process of selecting, buying and living with our products. We have built an additive-process marketing program that builds awareness of and desire for our products and creates strong brand loyalty.

› Brand awareness is built through many channels: print, broadcast and online advertising campaigns; a comprehensive consumer website; retail merchandising and displays; relationship building with the trade and consumer press, as well as interior designers and architects; newspaper and magazine articles and editorials; sponsorship of special events and worthy charitable causes at the local, national and international levels.

› Our messages are based upon extensive research into consumer needs, motivations and regional differences, enabling us to better understand what consumers most desire from our products and what dealers need to support and sell them.

› Once in a retail store, the consumer will find a wealth of materials that help simplify the purchase decision: brochures, design books, sampling of the full range of colours and options, and displays that show how actual products look and function.

› We actively support our commercial clients with products that meet their needs and specifications, and with technical information concerning light control, motorization and climate control.

Our internet sites enable us to:

› Give consumers the information and interactive design tools they need to help narrow their product selections and make appropriate buying decisions when visiting our dealers' showrooms.

› Educate and support our dealers and installers; including online learning modules and interactive features to select, measure, order and install products.

Luxaflex
window styling
Luxaflex
Duette Plissé

Education and Corporate Citizenship

Education

We have developed multi-level training and education programs for our fabricators, retail dealers, professional designers and installers.

› We hold consumer seminars to help prospective buyers understand the importance of window coverings for home fashions and for light control and energy efficiency.

› We provide training seminars and hands-on workshops for retailers, designers and installers - including CD-Roms, videotapes, and web-based instructions - throughout the world.

› We've created the industry's first and only formal Retail Alliance Program, offering our very best dealers a choice of tiered partnership options that reward their brand loyalty with lucrative business-building benefits, including financial incentives and exclusive products and programs.

› Through our exclusive partnership with Archiprix International, we build relationships with the next generation of architects as they begin their careers after college. With our support, Archiprix organizes a biennial international competition for the best graduation projects in architecture. Finalists travel to a host city with hundreds of architects from around the world, where an independent jury evaluates the student entries and recognizes the most outstanding work with the Hunter Douglas award. The host city for 2009 was Montevideo, Uruguay.

› Our 'Windows of Opportunity' seminar on the use of window fashions in interior design reaches more than 2,500 design school students and designers in major United States' markets each year.

› At the Fashions Institute of Technology in New York and other leading design schools, we provide design students with industry overviews and a business perspective through teaching opportunities.

› At the renowned Pratt School of Architecture, we have sponsored design studio projects that challenge students to envision new and novel ways to integrate our products and materials into architectural structures.

Corporate Citizenship

› We actively support the communities in which we live, work and do business. Decisions about which causes to support and the form that support takes are made locally by our management in each country.

› We provide window coverings to hospitals, research centres and healthcare facilities around the world.

› We support educational opportunities for the families of our staff and less privileged members of our communities.

› In the United States and Canada, we sponsor Habitat for Humanity, donating custom window coverings for the homes they have built for low-income families since 1993. Our employees have also contributed thousands of hours in sweat equity assisting with the building of these homes at the local level.

› We stimulate students' awareness of our products and encourage their creativity through competitions in which they are judged upon the innovative application of our products in their design projects.

› Hunter Green™ and Keen on Green are important new company-wide environmental initiatives being undertaken by our Hunter Douglas branded companies to reduce energy consumption, water usage and our overall carbon-footprint. It also includes an ongoing consumer marketing effort creating increased awareness of our corporate commitment to the cause as well as the superior energy-saving benefits of our products.

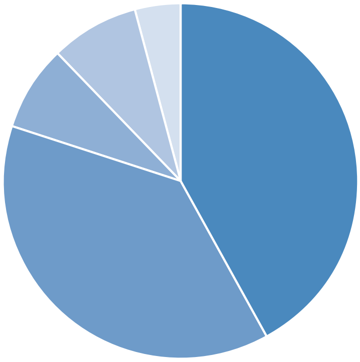
Financial Risk Management Objectives and Policies

For risk management objectives and policies in relation to the financial instruments reference is made to note 25 of the financial statements.

Strategy

Our Strategy remains unchanged: To grow the market and our market share by continuing to introduce innovative and proprietary new products and by expanding our presence in key geographic markets.

Worldwide sales



Europe, Middle East and Africa 42% (2008: 44%)
North America 38% (2008: 40%)
Latin America 8% (2008: 7%)
Asia 8% (2008: 5%)
Australia 4% (2008: 4%)

Segment information*

USD x million	Europe		North America		Latin America		Asia		Australia		Total	
	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008
Net sales												
Window Coverings	**809**	1,022	**826**	1,068	**146**	154	**64**	65	**92**	106	**1,937**	2,415
Architectural Products	**119**	156	**86**	101	**43**	51	**117**	97	**5**	5	**370**	410
Other	**69**	117									**69**	117
Total	**997** ***	1,295 ***	**912**	1,169	**189**	205	**181**	162	**97**	111	**2,376**	2,942
Net assets employed**	**800** ***	973 ***	**477**	571	**91**	67	**188**	118	**58**	45	**1,614**	1,774
of which												
Non-current assets	**383**	397	**400**	423	**39**	29	**80**	76	**27**	21	**929**	946
Additions to tangible fixed assets	**27**	66	**14**	35	**11**	11	**9**	17	**2**	2	**63**	131
Depreciation tangible fixed assets	**45**	37	**30**	32	**4**	3	**7**	7	**2**	1	**88**	80
Employees per year-end	**6,984**	8,012	**6,205**	7,540	**1,506**	1,469	**1,712**	1,723	**411**	502	**16,818**	19,246

(*) This table excludes the turnover of 318 (2008: 428) and net assets employed of 40 (2008: 36) of Metals Trading.
(**) Total assets (excl. Investment Portfolio) minus non-interest-bearing current liabilities.
(***) Net sales in The Netherlands were 199 (2008: 239) and non-current assets 98 (2008: 102).

Relative profitability per area is in line with net sales per area.
Relative distribution of employees per business segment per area is in line with net sales per area.

Europe

Our European Operations had lower sales, but improved profits.

Aad Kuiper
President & CEO
European Operations

Hunter Douglas Europe

Hunter Douglas Europe continued to face a challenging operating environment. Consumer demand remained exceptionally weak in the U.K., Ireland, Spain and Portugal, declined further in Eastern Europe, but remained relatively stable elsewhere. Nevertheless, the completion of the restructuring program that was initiated in late 2008, as well as improved operating efficiencies enabled us to improve profitability; though not yet to normalized levels. Headcount has been reduced by almost 20% in order to bring capacity and expense levels in line with the ongoing lower sales level.

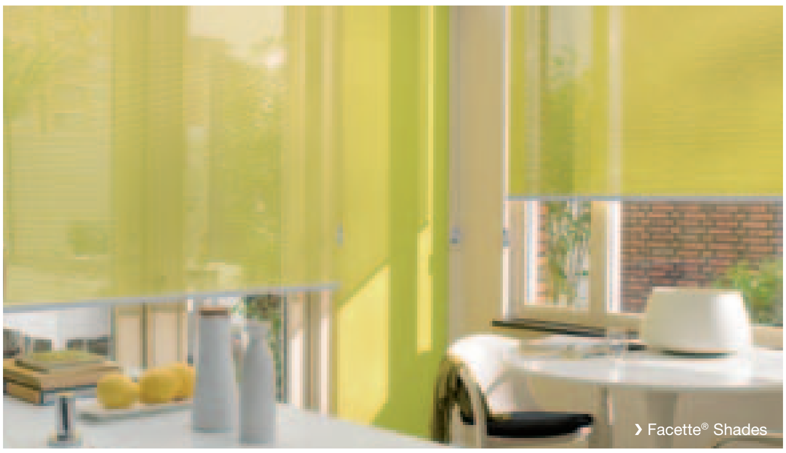
Window Covering Products

- Company Owned Blindmakers had lower sales and profits as a whole, with continued good performance in The Netherlands, Belgium, Scandinavia and South Africa being more than offset by continued weak results in the U.K., Ireland and Spain.
- Component sales to independent blindmakers decreased in line with the market.
- Blöcker, our market-leading supplier of pleated blind systems and fabrics was a notable exception, and once again achieved record profits on increased sales.
- Gardinia, the leading distributor of packaged window coverings in Germany and Central Eastern Europe, in which Hunter Douglas has a substantial interest, had stable results, despite reduced demand and currency devaluations in Eastern Europe.
- Duette® and Pleated Blind sales grew to record levels, as 14 new European fabrication customers geared up to market these growing product lines.
- Hunter Douglas' Wholesale business, which markets components to independent fabricators, launched new collections including Nano Roller Blinds, a range of wider Duette® 64 mm, and Facette® Shades.
- Sunway Benelux introduced the Parametre blind, an innovative product with a unique 3D cell structure, designed by 3form®, which won a prestigious European design award.

Luxaflex® Window Coverings

- Our main brand in Europe continued to gain share through continued product innovation as well as strong marketing and dealer loyalty programs.
- Introduced a new Roller Blind collection, including innovative new fabrics, such as textiles incorporating Swarovski crystals, and ecological friendly materials.
- Introduced the XL Roller Blind system which can span large windows with a sturdy top tube,

Amounts in millions	EUR 2009	2008
Net sales		
Window coverings	**579**	693
Architectural products	**85**	106
Other	**50**	79
Total	**714**	878
Net assets employed	**556**	695
Employees per year-end	**6,984**	8,012



› Facette® Shades

and commercial grade operating mechanisms.

› Introduced new proprietary motors & control systems. These systems will strengthen our cost position and unique selling features in shade motorization, an area of increasing demand, especially in the commercial market.
› Launched a new Venetian Blind collection with the award winning MegaView™ blind, as well as 70 mm blinds which address the increasing interest in bolder, larger scale designs.
› Duette® Architella® Shades won the Innovation Prize at the Heimtextil Exhibition in Frankfurt.
› Facette® Shades showed strong sales growth.
› Alliance dealer numbers have increased 30% to a total of 2,485.
› “Style your Window” on-line campaign resulted in a 50% increase in visitors on our website.

Architectural and Project Market

› Our Commercial businesses remained relatively stable in the beginning of the year, but experienced strong declines in the last quarter, with large projects being put on hold, especially in Central and Eastern Europe.
The Netherlands and South Africa were notable positive outliers, with sales reaching record levels in both countries. Sales in the Middle East also remained solid, as weakness in Dubai was more than offset by strength in Abu Dhabi and Saudi Arabia.
› The Architectural Products Business remained profitable overall, mainly due to considerable expense reduction programs, consolidation of assembly facilities, and higher margins.
› Sunscreen fabrics demand declined sharply, especially in the important Spanish market. Cost cutting programs were implemented in our main operations in France, which will bring this business back to profitability this year.
› Despite the challenging environment, we continued to extend our specification sales force for both window coverings and architectural products, to better leverage our increasing product strength and gain share. We are increasingly focusing on solution based selling, as our wide product range enables us to help architects design for improved daylight management, climate control and energy savings.
› Notable product launches this year included a new façade product QuadroClad™ Zinc; a new sliding shutter incorporating sunscreen fabrics; Dynamics Sun Control and patented Beaufort™ side channels which make sunscreens wind resistant.
› The Archiprix award ceremony in Montevideo was attended by 250 architects. Hunter Douglas is the sole sponsor of this leading international competition for graduating students in architecture.

Operations/Manufacturing

› The reorganization of our main manufacturing facilities in The Netherlands was successfully completed, bringing capacity in line with present demand.
› Artex, our textile manufacturer in Aarle Rixtel, The Netherlands, continued to perform well.
› Our low-cost window covering assembly operation in Kadan, Czechia, also performed well.

Turnils Europe

› Achieved higher profits through aggressive cost cuts. Sales continued to be seriously affected by weakening demand for venetian blinds, but stabilized in the fourth quarter.
› Turnils’ Swedish venetian blind coilstock painting activities are being consolidated into our main paintline operations in The Netherlands.
› The Nordic Light retail fabricator program continued to grow in Scandinavia.
› Product introductions included the extension of the unique INTU hardware system, which enables easy mounting of venetian, pleated and roller blinds into tilt and turn windows; and a new series of cassette awnings.

Nedal

Our Dutch based aluminium extrusion operation had lower sales and profits due to price pressure and lower demand.

› MegaView™ Blind

North America

North American sales and profit were lower.

U.S. sales and profits were down significantly in 2009 as consumers sharply curtailed spending on all home furnishings, including window coverings, in the most difficult economic environment in decades.

Our Canadian company's sales and profits declined, but to a much lesser extent than in the U.S., and sales began turning up in the latter part of the year, boding well for 2010.

Anticipating further declines in the housing market and consumer spending, we initiated a broad and aggressive restructuring program in late 2007, resulting in the closure of a number of our U.S. facilities, in both 2008 and 2009, and their integration into newer, state-of-the-art operations. This restructuring entailed numerous other cost reductions, as well, and also included a streamlining of our fabrication organization. In total, these initiatives have brought our overhead and expense structures more in line with the lower sales volumes without affecting the quality of our products or the overall level of service and support to our customers.

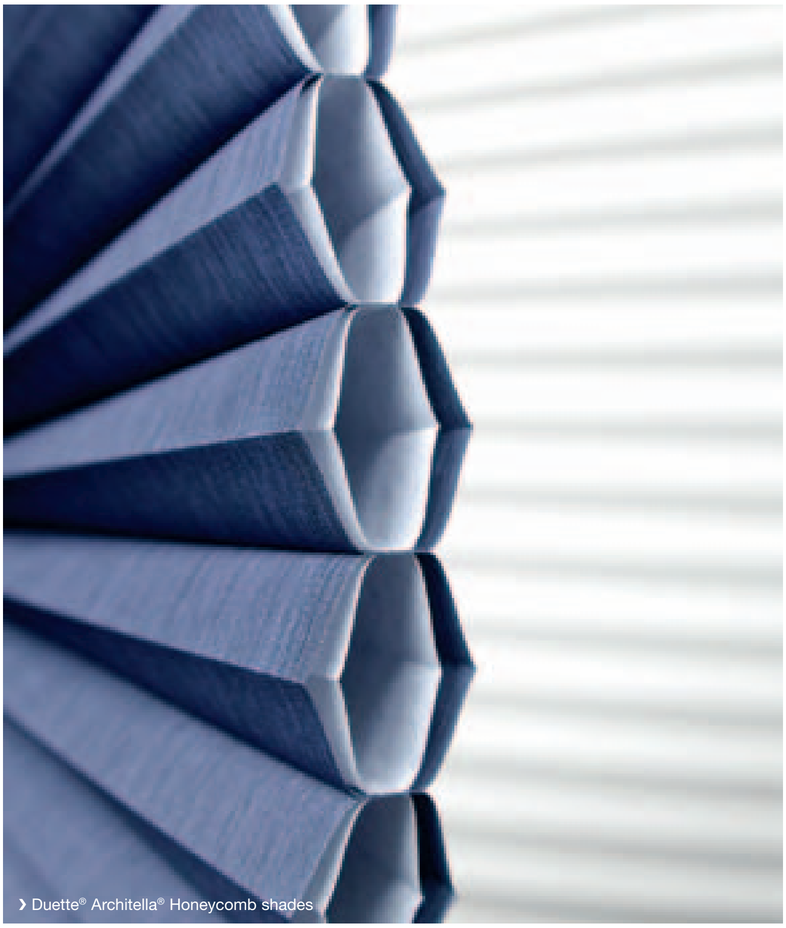
Amounts in millions	USD 2009	USD 2008
Net sales		
Window coverings	**826**	1,068
Architectural products	**86**	101
Other	**-**	-
Total	**912**	1,169
Net assets employed	**477**	571
Employees per year-end	**6,205**	7,540

Marvin B. Hopkins
President & CEO
North American Operations

As a result, the company is well positioned for the future.

› Received 25 of the 38 industry awards at the annual Window Covering Manufacturing Association (WCMA) presentations where the best new products and programs of the prior twelve months were honored.

› Received the Outstanding Website award from the Web Marketing Association in worldwide competition. Also received the Internet Standard of Excellence award for the Hunter Douglas Internet Customer Management system (ICM) for retail dealers.



› Duette® Architella® Honeycomb shades

› Certified our unique Duette® Architella® Honeycomb Shade for the U.S. Federal Tax Credit which enables consumers to receive energy tax credits of up to $1,500 with purchases of Architella® products in 2009 and 2010.

› Increased our elite distribution base of Gallery and Showcase dealers, despite the difficult market environment.

› Expanded our Centurion Club and Exclusive At Home dealers by 20%. These are our most loyal dealers who commit to purchase 100% of their window covering products from us. The increases in these numbers reflect the strength of our Centurion program and the inclination of the dealers to align themselves with the industry leader, especially during these unsettled times.

› Introduced seven new sample book product collections, including Duette® honeycomb shades, Vignette® Modern Roman Shades and Palm Beach™ Custom Shutters and placed over 50,000 new sample books with our retail dealers.

› Introduced a new custom Roman shade collection, called Design Studio, into the western U.S. This will extend our penetration into the custom soft shades and drapery market.

› Introduced the Vignette® Tiered™ Modern Roman Shade collection which has no exposed rear cords for enhanced child safety.

› Completed the acquisitions of Gulf Coast American Fabrication, a window covering fabricator based in Florida and AWS, a west coast fabricator of high-end specialty window coverings.

› Vignette® Modern Roman Shades

› Completed eight incentive trip programs to European, Caribbean and U.S. destinations for more than 3,000 of our best dealers.

› Continued to improve company-wide safety metrics, and reduced workers compensation cost by 49%.

› Generated strong cash flow as a result of a 22% reduction in inventory, reduced capital expenditures and a negligible increase in the average receivables to sales ratio.

› Developed a method at our Comfortex division that enables the on-demand fabrication of custom shades in hundreds of different colours and designs. This proprietary process, which requires minimal inventory investment, allows Comfortex to provide unique and customized collections to a variety of customers for products such as roller blinds and Roman and honeycomb shades.

› Achieved relatively steady sales in our Contract Division, which continued to gain share in a highly challenging market. Sales were supported by several large project wins, the introduction of rainscreen façades, and the continued growth of specialty sun-control systems.

› Continued to launch numerous breakthrough products at 3form®. 3form® Koda, an innovative range of exterior translucent panels, gained immediate traction with a major order from the City of San Francisco to supply such panels for its bus stations. 3form® was voted one of the top five most inspiring commercial brands in the U.S. by a leading survey of architects.

› Provided college scholarships to all eligible children of Hunter Douglas employees and continued to fund a college scholarship program for minority students.

› Donated Hunter Douglas custom window coverings for all new Habitat for Humanity homes built in the U.S. during 2009.

Latin America

Higher profits with lower sales.

Renato Rocha
President & CEO
Latin American Operations

Our Latin American operations achieved record profits with lower sales. Sales declined modestly throughout the area, especially during the first quarter, but began to recover later in the year. Profits were positively affected by significant currency revaluations in most markets.

Our Window Covering business progressed strongly with slightly lower sales but record profits. Our most loyal and exclusive dealers, which service an upscale clientele, continue to be the focal point and foundation of this business.

Our Stock Window Covering Products business performed well with slightly lower sales and improved profits.

Our Architectural Products business, which was most affected by the economic downturn, had lower sales and slightly lower profits.

Brazil

› Sales were lower for the year overall, but recovered strongly to record levels during the 4th quarter. We achieved record profits, supported by the revaluation of the Real.

Mexico

› Despite challenging economic conditions, and lower sales, profits remained stable, due to aggressive cost reductions and a modest strengthening of the currency.

Chile

› Sales dropped significantly, especially in Architectural Products but improved during the 4th quarter. Our Chilean manufacturing facility, which is our main Architectural Products plant in the region, was affected by lower export sales. Nevertheless profits were only slightly lower, supported by a strengthening currency.

› Our 3form® plant is running smoothly at breakeven after just one year.

Colombia

› Sales and profits declined significantly in all businesses except stock products, where profits were higher.

Argentina

› Sales and profits were slightly higher at record levels. Increased marketing, continued development of Priority Dealers, as well as our expansion in the interior of the country are fueling growth in spite of sluggish demand.

Venezuela

› Sales and profits rose significantly in all businesses except for AP, where sales were lower.

› The difficult and unstable regulatory environment continues to be of concern.

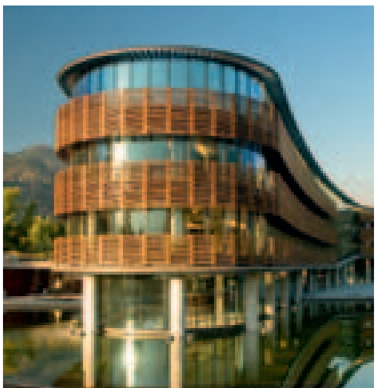
Peru

› Our second year in Peru resulted in a small loss as sales growth was somewhat lower than projected. We continue to steadily build our position in this market through the recruitment of new dealers, and by supporting the build-out of their showrooms.

Panama

› This new start-up operation had a successful first year reaching breakeven within 6 months. We plan to increase marketing to accelerate growth.

Amounts in millions	USD 2009	USD 2008
Net sales		
Window coverings	**146**	154
Architectural products	**43**	51
Other	**-**	-
Total	**189**	205
Net assets employed	**91**	67
Employees per year-end	**1,506**	1,469



› Transoceanica Corporate Building features an innovative use of Woodscreen 85.

Asia

Our Asian Operations achieved higher sales and profits.

G.C. Neoh
President & CEO
Asian Operations

Our Asian Operations achieved higher sales and profits, driven by the strong growth of Architectural Products; particularly in the 2nd half year. Window Coverings had level sales due to lower consumer spending in the 1st half caused by the financial crisis; while growth resumed in the 2nd half.

China
› Higher sales and profits.

› Strong growth in sales and profits of Architectural Products.

› Completed the multi-million dollar metal façade of the China Pavilion and Cultural & Performance Theatre; two iconic buildings of World Expo 2010 in Shanghai.

› Building a new plant in Xian to cater to the fast growing Western China market.

› Special metal façade for the China Pavilion - World Expo 2010, Shanghai

Amounts in millions	USD 2009	USD 2008
Net sales		
Window coverings	**64**	65
Architectural products	**117**	97
Other	**-**	-
Total	**181**	162
Net assets employed	**188**	118
Employees per year-end	**1,712**	1,723

India
› Strong growth in sales and profits.

› Completed the multi-million dollar metal ceilings project for Terminal 3 of the New Delhi International Airport.

› Strong growth in sales and profits in residential window coverings, driven by the successful Window Fashion Gallery Program and retail dealer network expansion.

Vietnam
› Strong growth in sales and profits, primarily in Architectural Products.

Singapore, Indonesia
› Higher sales and profits.

Hong Kong, Korea, Japan, Malaysia, Thailand, Taiwan, Philippines
› Lower sales and profits.

"There is no substitute for the beauty of natural daylight."

Silhouette® Window Shadings

“Not only are the world’s leading architects our partners, they’re our inspiration.”

3form® Varia

Consolidated statement of income for the year

Leen Reijtenbagh
Vice President & CFO

Chris King
Vice President General Counsel

Amounts in millions	Notes	USD 2009	2008
Net sales	3	**2,376**	2,942
Cost of sales	4	**-1,499**	-1,862
Gross profit		**877**	1,080
Gross profit metals trading	3	**18**	24
Total gross profit		**895**	1,104
Selling and marketing expense	3	**-473**	-573
General and administrative expense	3	**-329**	-401
Income from operations (EBIT)		**93**	130
Finance costs	4	**-17**	-170
Finance income	4	**17**	7
Income before taxes		**93**	-33
Taxes on income	19	**-2**	-1
Net profit (loss) for the year		**91**	-34
Net profit attributable to minority interest		**1**	1
Net profit (loss) attributable to equity shareholders		**90**	-35
Earnings per share attributable to equity shareholders	20		
- basic for profit (loss) for the year		**2.54**	-0.95
- fully diluted for profit (loss) for the year		**2.54**	-0.95

In 2008 the calculation of the diluted income per share does not assume the exercise of options and subsequent re-issuance of treasury shares, as such conversion would have an anti-dilutive effect due to the loss incurred for the period.

Consolidated statement of comprehensive income for the year

Amounts in millions	Notes	USD 2009	2008
Net profit (loss) for the year		**91**	-34
Other comprehensive income			
Currency translation differences		**64**	-80
Net movement in cash flow hedges		**-5**	
Total comprehensive income for the year, net of tax		**150**	-114
Attributable to equity shareholders		**150**	-113
Attributable to minority interest			-1

The accounting policies and explanatory notes on pages 35 through 61 form an integral part of the financials statements.

Consolidated cash flow statement for the year

Amounts in millions	Notes	USD 2009	2008
Net profit (loss) attributable to equity shareholders		90	-35
Adjustments for:			
Depreciation property, plant & equipment		88	80
Amortization patents & trademarks		5	6
(Decrease) increase provisions		-39	33
Unrealized result investment portfolio		-11	132
Operating cash flow before working capital changes		133	216
Changes in working capital:			
- decrease trade and other receivables and prepayments		68	28
- decrease inventories		97	10
- decrease trade and other payables		-64	-116
Operating cash flow		234	138
Dividend paid		-50	-112
Net cash from operations		184	26
Cash flow from investing activities			
Investments subsidiaries, net of cash acquired	5		-21
Investment intangible fixed assets		-1	-4
Investment property, plant and equipment		-63	-131
Divestment property, plant and equipment		23	18
Decrease investment portfolio		256	451
Decrease other financial non-current assets		12	6
Increase other financial non-current assets		-10	-12
Net cash from investing activities		217	307
Cash flow from financing activities			
Share buy-back			-463
Treasury shares			-4
(Decrease) increase interest-bearing loans and borrowings		-369	103
Net cash from financing activities		-369	-364
Net increase (decrease) in cash and cash equivalents		32	-31
Change in cash and cash equivalents			
Balance at 1 January		36	72
Net increase (decrease) in cash and cash equivalents		32	-31
Exchange difference cash and cash equivalents		1	-5
Balance at 31 December	14	69	36

Income tax paid 7 (2008: 33), interest paid 19 (2008: 39) and interest received 9 (2008: 4) are included in net cash from operations.

The accounting policies and explanatory notes on pages 35 through 61 form an integral part of the financial statements.

Consolidated balance sheet as per December 31

Assets

Amounts in millions	Notes	USD 2009	2008
Non-current assets			
Intangible fixed assets	7	295	289
Property, plant and equipment	8	600	624
Deferred income tax asset	19	2	6
Other financial non-current assets	9	32	27
Other non-current assets		929	946
Current assets			
Inventories	10	601	666
Trade and other receivables	11	426	570
Prepaid income tax		48	34
Prepayments	12	129	155
Currency derivatives		11	2
Metal derivatives		26	43
Investment portfolio	13	144	265
Cash and short-term deposits	14	69	36
Total current assets		1,454	1,771
TOTAL ASSETS		2,383	2,717

The accounting policies and explanatory notes on pages 35 through 61 form an integral part of the financial statements.

Consolidated balance sheet as per December 31

Shareholders' equity and liabilities

Amounts in millions	Notes	USD 2009	2008
Equity attributable to equity shareholders			
Issued capital	15	12	12
Share premium		102	99
Treasury shares		-4	-4
Cash flow hedge reserve		-5	
Foreign currency translation		4	-58
Retained earnings		1,263	1,223
Total equity attributable to equity shareholders of the parent		1,372	1,272
Minority interest		4	4
Total equity		1,376	1,276
Non-current liabilities			
Interest-bearing loans and borrowings	16	229	594
Preferred shares	16	12	12
Provisions	17	30	34
Deferred income tax liabilities	19	21	30
Total non-current liabilities		292	670
Current liabilities			
Trade and other payables	18	543	550
Income tax payable		10	1
Restructuring provisions		11	34
Currency derivatives		11	31
Metal derivatives		10	26
Interest-bearing loans and borrowings	16	130	129
Total current liabilities		715	771
TOTAL LIABILITIES		1,007	1,441
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		2,383	2,717

The accounting policies and explanatory notes on pages 35 through 61 form an integral part of the financial statements.

Consolidated statement of changes in equity for the year

Amounts in USD x millions	Attributable to equity shareholders of the parent								
	Issued capital	Share premium	Treasury shares	Cashflow hedge reserve	Foreign currency translation	Retained earnings	Total	Minority interest	Total equity
At 1 January 2008	15	103			16	1,830	1,964	5	1,969
Net profit (loss)						-35	-35	1	-34
Other comprehensive income (expense)		-4			-74		-78	-2	-80
Total comprehensive income (expense)	0	-4	0	0	-74	-35	-113	-1	-114
Purchase own shares			-4				-4		-4
Equity dividends						-112	-112		-112
Share buy-back	-3					-460	-463		-463
At 31 December 2008	12	99	-4	0	-58	1,223	1,272	4	1,276
Net profit						90	90	1	91
Other comprehensive income (expense)		3		-5	62		60	-1	59
Total comprehensive income (expense)	0	3	0	-5	62	90	150	0	150
Equity dividends						-50	-50		-50
At 31 December 2009	12	102	-4	-5	4	1,263	1,372	4	1,376

The accounting policies and explanatory notes on pages 35 through 61 form an integral part of the financial statements.

Notes to consolidated financial statements

1. Corporate information

The consolidated financial statements of Hunter Douglas N.V. for the year ended 31 December 2009 were authorized for issue on 10 March 2010. These financial statements will be adopted by the Annual General Meeting of Shareholders on 15 June 2010.

Hunter Douglas N.V. is incorporated in The Netherlands Antilles and has its statutory seat in Curaçao. Common shares are publicly traded at Amsterdam (HDG) and Frankfurt (HUD) for the common shares; the preferred shares are traded at Amsterdam (HUNDP).

The principal activities of the Group are described in note 3.

2. Summary of significant accounting policies

Basis of presentation

The consolidated financial statements have been prepared on a historical cost basis, except for the investment portfolio and derivative financial instruments which have been measured at fair value. The consolidated financial statements are presented in U.S. dollars and all values are rounded to the nearest million except when otherwise indicated.

Statement of compliance

The consolidated financial statements of Hunter Douglas N.V. and all its subsidiaries have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union and International Financial Reporting Standards as issued by the IASB.

In accordance with Article 2:402 of the Civil Code, an abbreviated version of the income statement is presented in the company financial statements.

Basis of consolidation

The consolidated financial statements comprise the financial statements of Hunter Douglas N.V. and its subsidiaries as at 31 December each year. The financial statements of subsidiaries are prepared for the same reporting year as the parent company, using consistent accounting policies. All inter-company balances and transactions, including unrealized profits arising from intra-group transactions, have been eliminated upon consolidation.

Subsidiaries are consolidated from the date on which control is transferred to the Group and cease to be consolidated from the date on which control is transferred out of the Group, in which case the consolidated financial statements include the results for the part of the reporting year during which Hunter Douglas N.V. had control.
Joint ventures have been included in the consolidated financial statements using the proportionate consolidation method.

Acquisitions have been included in the consolidated financial statements using the purchase method of accounting. The purchase method of accounting involves allocating the costs of the business combination to the fair value of the assets acquired and liabilities assumed at the date of acquisition. Accordingly, the consolidated financial statements include the results from the new acquisitions from the date of their acquisition.

Minority interest represents the portion of profit or loss and net assets in some Latin American subsidiaries not held by Hunter Douglas N.V. and are presented separately in the statement of income and within equity in the consolidated balance sheet, separately from shareholders' equity.

Foreign currency translation

The consolidated financial statements are presented in U.S. dollars, which is the Company's presentation currency. The U.S. dollar is the company's functional currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency. Transactions in foreign currencies are initially recorded at the functional currency rate on the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency rate of exchange on the balance sheet dates. All differences are taken to the income statement with the exception of differences on foreign currency borrowings that provide a hedge against a net investment in a foreign entity. These are taken directly to equity until the disposal of the net investment, at which time they are recognized in the income statement. Tax charges and credits attributable to exchange differences on those borrowings are also dealt with in equity. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date the fair value was determined.

As at the reporting date, the assets and liabilities of the subsidiaries are translated into the presentation currency of the Group (U.S. dollar) at the rate of exchange on the balance sheet date and their income statements are translated at the weighted average exchange rates for the year. The exchange differences arising on the translation are taken directly to a separate component of equity. On disposal of a foreign entity, the deferred cumulative amount recognized in equity relating to that particular foreign operation is recognized in the income statement.

Intangible fixed assets

Intangible assets with finite lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life is reviewed at least at each financial year end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortization period or method, as appropriate, and treated as changes in accounting estimates. The amortization expense on intangible assets with finite lives is recognized in the income statement in the expense category consistent with the function of the intangible asset.

Business Combinations and Goodwill

Business Combinations are accounted for using the acquisition accounting method. This involves recognizing identifiable assets (including previously unrecognized intangible assets) and liabilities (including contingent liabilities and excluding future restructuring) of the acquired business at fair value. Goodwill on acquisition is initially measured at cost being the excess of the cost of the business combination over the acquirer's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities. Following initial recognition, goodwill is measured at cost less any accumulated impairment losses. Goodwill on acquisitions after 1 January 2004 is not amortized and goodwill already carried in the balance sheet is not amortized after 1 January 2004. Goodwill is reviewed for impairment annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired.

As at the acquisition date, any goodwill acquired is allocated to each of the cash-generating units expected to benefit from the combination's synergies. Impairment is determined by assessing the recoverable amount of the cash-generating unit, to which the goodwill relates. Where the recoverable amount of the cash-generating unit is less than the carrying amount, an impairment loss is recognized. Where goodwill forms part of a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of in this circumstance is measured on the basis of the relative values of the operation disposed of and the portion of the cash-generating unit retained.

Significant accounting judgment and estimates

The preparation of financial statements requires management to make estimates and assumptions that affect amounts reported in the consolidated financial statements in order to conform to IFRS. These estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent liabilities at the date of the consolidated financial statements, and the reported amounts of revenues and expenses during the reporting period. We evaluate these estimates and judgements on an ongoing basis and base our estimates on experience, current and expected future conditions, third-party evaluations and various other assumptions that we believe are reasonable under the circumstances. The results of these estimates form the basis for making judgements about the carrying values of assets and liabilities as well as identifying and assessing the accounting treatment with respect to commitments and contingencies. Actual results could differ from the estimates and assumptions.

Estimates significantly impact goodwill and other intangibles acquired, impairments, fair value of the investment portfolio, liabilities from employee benefit plans, other provisions and tax and other contingencies. The fair values of acquired identifiable intangibles are based on an assessment of future cash flows. Impairment analyses of goodwill are performed annually and

Notes to consolidated financial statements

whenever a triggering event has occurred to determine whether the carrying value exceeds the recoverable amount. These analyses are based on estimates of future cash flows.

Assumptions used to determine pension liabilities include the interest rate and discount rate. Assumptions used to determine the fair value of the investment portfolio relate to credit risk and liquidity risk of the fund.

In various countries the company has taken standpoints regarding its tax position which may at any time be challenged by the tax authorities because the authorities in question interpret the law differently. In determining the probability of realization of deferred tax assets and liabilities these uncertainties are taken into account.

Property, plant and equipment
Property, plant and equipment are carried at cost less accumulated depreciation and any accumulated impairment in value. Fixed assets are depreciated over the expected useful lives, using the straight-line method. An indication of the expected useful life is as follows:

Buildings	20 - 40 years
Machinery & equipment	5 - 10 years
Other property, plant and equipment	3 - 10 years
Land is not depreciated	

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable. If any such indication exists and where the carrying values exceed the estimated recoverable amounts, the assets of cash-generating units are written down to their recoverable amount.

Other financial non-current assets
Other financial non-current assets are recorded at amortized costs.

Inventories
Inventories are valued at the lower of production cost and net realizable value. Costs incurred in bringing each product to its present location and conditions are accounted for as follows:

- Raw materials are stated principally at the lower of cost (first-in/first-out) or net realizable value;
- Finished goods and work-in-progress are stated at cost of direct materials and labor and a proportion of manufacturing overheads based on normal operating capacity but excluding borrowing costs.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

Trade and other receivables
Trade receivables, which generally have 30-60 day terms, are recognized and carried at original invoice amount less an allowance for any uncollectible amounts. An estimate for doubtful debts is made when collection of the full amount is not longer probable.

Cash and cash equivalents
Cash and short-term deposits in the balance sheet comprise cash at bank and in hand and short-term deposits with an original maturity of less than one year. For the purpose of the consolidated cash flow statement, cash and cash equivalents consist of cash and cash equivalents as defined above.

Interest-bearing loans and borrowings
All loans and borrowings are initially recognized at cost, being the fair value of the consideration received net of issue costs associated with the borrowing. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the effective interest method. Amortized cost is calculated by taking into account any issue costs, and any discount or premium on settlement. Gains and losses are recognized in net profit or loss when the liabilities are derecognized, as well as through the amortization process.
The revised IAS 23 requires capitalization of borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset. The Group's previous policy was to expense borrowing costs as they were incurred. In accordance with the transitional provisions of the amended IAS 23, the Group has adopted the standard on a prospective basis. Therefore, borrowing costs are capitalized on qualifying assets with a commencement date on or after 1 January 2009. During the 12 months to 31 December 2009, no borrowing costs have been capitalized on qualifying assets included in construction in progress.

Provisions
Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event. It is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where the Group expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the income statement net of any reimbursement. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as a borrowing cost.

Pensions and other post-employment benefits
The Group operates three defined benefit pension schemes, all of which require contributions to be made to separately administered funds.

The cost of providing benefits under the plans is determined separately for each plan using the projected unit credit actuarial valuation method. Actuarial gains and losses are recognized as income or expense when the net cumulative unrecognized actuarial gains and losses for each individual plan at the end of the previous reporting year exceed 10% of the higher of the defined benefit obligation and the fair value of plan assets at that date. These gains or losses are recognized over the expected average remaining working lives of the employees participating in the plans.

The past service cost is recognized as an expense on a straight-line basis over the average period until the benefits become vested. If the benefits are already vested immediately following the introduction of, or changes to a pension plan, past service cost is recognized immediately.
The defined benefit liability is the aggregate of the present value of the defined benefit obligation and actuarial gains and losses not recognized and the fair value of plan assets. If such aggregate is negative, the asset is measured at the lower of such aggregate or the aggregate of cumulative unrecognized net actuarial losses and past service cost and the present value of any economic benefits available in the form of refunds from the plan or reductions in the future contributions to the plan.
If the asset is measured at the aggregate of cumulative unrecognized net actuarial losses and past service cost and the present value of any economic benefits available in the form of refunds from the plan or reduction in the future contributions to the plan, net actuarial losses of the current period and past service cost of the current period are recognized immediately to the extent that they exceed any reduction in the present value of those economic benefits. If there is no change or an increase in the present value of the economic benefits, the entire net actuarial losses of the current period and past service cost of the current period are recognized immediately. Similarly, net actuarial gains of the current period after the deduction of past service cost of the current period exceeding any increase in the present value of the economic benefits stated above are recognized immediately if the asset is measured at the aggregate of cumulative unrecognized net actuarial losses and past service cost and the present value of any economic benefits available in the form of refunds from the plan or reductions in the future contributions to the plan. If there is no change or a decrease in the present value of the economic benefits, the entire net actuarial gains of the current period after the deduction of past service cost of the current period are recognized immediately.

The Group also operates a number of defined contribution pension plans. The cost of providing contributions under the plans is charged to the income statement in the period to which the contributions relate.

Share-based payments/option plans
Share-based payments are expensed on the basis of their value determined by using option pricing models. The share-based payments qualify as cash-settled transactions and are measured initially at fair value at the grant date using the Black-Scholes formula, taking into account the terms and conditions upon which the instruments were granted (see Note 22 employee benefits). This fair value is expensed over the period until vesting with recognition of a corresponding liability. The liability is re-measured at each

Notes to consolidated financial statements

balance sheet date up to and including the settlement date with changes in fair value recognized in the income statement.

Treasury shares
Own equity instruments which are reacquired (treasury shares) are deducted from equity. No gain or loss is recognized in the income statement on the purchase, sales, issue or cancellation of the Group's own equity instruments.

Leases
Leases which do not transfer to the Group substantially all the risks and benefits of ownership of the asset are classified as operating leases. Operating lease payments are recognized as an expense in the income statement on a straight-line basis over the lease term.

Net sales
Net sales are recognized to the extent that it is probable that the economic benefits will flow to the Group and the net sales can be reliably measured.

Net sales represent the invoiced value of manufactured products delivered to customers net of freight, returns, allowances and sales tax. Net sales are recognized when the significant risks and rewards of ownership of the goods have passed to the buyer and can be reliably measured. Cost of sales are recorded in the same period as sales are recognized. Other revenues and expenses are recorded in the period in which they originate.

Metals trading
Metals trading is presented on a net basis as these activities classify as broker/ trader activities. Metals trading sales are excluded from net sales. Gross profit on metals trading represents the margin earned on bulk metals delivered to clients net of direct acquisition and trading costs.

Research and development
Research costs are expensed as incurred. Development costs are capitalized if it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity; and the cost of the asset can be measured reliably.

Income tax
Current tax assets and liabilities for the current and prior years are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the balance sheet date.

Deferred income tax is provided, using the liability method, on all temporary differences at the balance sheet date between the tax basis of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred income tax liabilities are recognized for all taxable temporary differences such as the value of inventories, fixed assets and provisions for tax purposes which differ from the value used for financial reporting purposes, except where the deferred income tax liability arises from the initial recognition of goodwill or the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and in respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, except where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred income tax assets are recognized for all deductible temporary differences, carry-forward of unused tax assets and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry-forward of unused tax assets and unused tax losses can be utilized, except where the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and in respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are only recognized to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

The carrying amount of deferred income tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

Income taxes relating to items recognized directly in equity are recognized in equity and not in the income statement.

Revenues, expenses and assets are recognized net of the amount of sales tax except:

- where the sales tax incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the sales tax is recognized as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables and payables are stated with the amount of sales tax included.

The net amount of sales tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

Derecognition of financial instruments
The derecognition of a financial instrument takes place when the Group no longer controls the contractual rights that comprise the financial instrument, which is normally the case when the instrument is sold, or all the cash flows attributable to the instrument are passed through to an independent third party.

Derivative financial instruments
The Group uses derivative financial instruments such as foreign currency contracts, interest rate swaps and metals futures to hedge its risks associated with interest rate, metal commodities and foreign currency fluctuations. Such derivative financial instruments are stated at fair value. Derivatives are carried as assets when the fair value is positive and as liabilities when the fair value is negative. The fair value of a financial instrument is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction. Fair values are determined from listed market prices, price quotations from banks or from pricing models. Any gains or losses arising from changes in fair value on derivatives are taken directly to the income statement. No hedge accounting is applied except for cash flow hedges, which are recognized in other comprehensive income. For the purpose of hedge accounting, hedges are classified as cash flow hedges when hedging exposure to variability in cash flows that is either attributable to a particular risk associated with a recognized asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognized firm commitment.
Foreign currency differences arising on the retranslation of a financial liability designated as a hedge of a net investment in a foreign operation are recognized directly as a separate component of equity, to the extent that the hedge is effective. To the extent that the hedge is ineffective, such differences are recognized in the statement of income.

Investment portfolio
The investment portfolio is reported separately on the balance sheet at fair value. Net results of the investment portfolio are reported separately. Third parties participating in the investment portfolio are presented separately under trade and other payables. The individual investments held by the various investment funds are valued at fair value by the fund. The net asset values reported by the fund managers are adjusted (discounted) by management as management expects that it may not be able to fully realize the underlying fair values of the investments held by the investment funds. This assessment is made by individual funds and the valuation is adjusted accordingly.

IFRS accounting standards newly adopted in 2009
The accounting policies adopted are consistent with those of the previous financial year except for the newly adopted or amended IAS 1, IFRS 7 and IFRS 8. These standards only impact presentation.

IFRS accounting standards effective as from 2009

IFRS 2 Share-based Payments (amendment) - Group and cash-settled share-based payment arrangements
In June 2009, the IASB published amendments to IFRS 2 to provide regulations on group cash-settled share-based payment transactions. Goods or services received by an entity are recognized as equity-settled share-based payment transactions when such entity's equity instruments are granted or the entity has no obligation to settle the transaction. Entities under

the obligation to settle the transaction are to recognise the transaction as an equity-settled share-based payment when the transaction is equity-settled. If not, the transaction is to be recognized as a cash-settled share-based payment. The amendments further clarify the interaction between IFRS 2 and other standards. The regulations previously included in IFRIC 8 and IFRIC 11 are now included in IFRS 2 as a result of the amendments. The amended standard applies to financial years beginning on or after 1 January 2010, but may be applied earlier. It has not yet been endorsed by the EU.

This amendment is not expected to have an effect on Hunter Douglas.

IFRS 3 Business Combinations (revised in 2008)
In January 2008, the IASB published a new standard on business combinations. The following are the principal amendments:
- the scope of IFRS 3 is expanded to cover mergers and acquisitions brought about by contract, as well as mergers and acquisitions between co-operatives and mutual entities.
- to the extent that relationships between the acquirer and the acquiree pre-existed, they are accounted for as settlements of such relationships as a consequence of the business combination.
- measurement of the fair value of the acquiree's assets and liabilities is clarified.
- transaction costs are taken to profit or loss rather than being recognized as a part of cost.
- contingent payments, such as earn-outs, are estimated at the time of the acquisition. Differences compared to the estimate are recognized as results rather than as amendments to the purchase price.
- all payments resulting from the condition that the seller continues to be employed are considered staff costs and not a part of cost.
- for less-than 100% acquisitions, for instance only 80%, the acquirer may opt to recognise 100% of the goodwill.
- the purchase of an interest from or the sale of an interest to non-controlling shareholders is recognized as an equity transaction. In other words, no goodwill can arise upon the purchase of an interest from a non-controlling shareholder in a consolidated entity or a gain or loss upon the sale of an interest to a non-controlling shareholder if control is retained.

The revised standard applies to financial years beginning on or after 1 July 2009, but may be applied earlier. It will have substantial consequences for the impact of mergers and acquisitions on IFRS financial statements. The revised IFRS 3 was endorsed by the EU in June 2009.

IFRS 3 Revised might have an impact on Hunter Douglas' reporting.

IFRS 9 Financial Instruments
The IASB has published Phase 1 of IFRS 9, Financial instruments. IFRS 9 is the standard that will eventually replace IAS 39, Financial Instruments: Recognition and Measurement. Phase 1 establishes a new framework for classifying and measuring financial assets. At initial recognition, all financial assets are measured at fair value. Subsequently, financial assets are measured at amortized cost or fair value. Measurement at amortized cost is allowed if:
- the objective of the entity's business model is to hold the financial asset to collect the contractual cash flows rather than to sell the instrument prior to its contractual maturity; and
- the cash flows are solely contractual payments of principal and interest.

If these conditions are not met, financial assets are measured at fair value through profit or loss. All financial assets that are equity instruments are measured at fair value through equity (Other Comprehensive Income) or profit or loss. The standard must be applied to financial years beginning on or after 1 January 2013. Endorsement of the standard by the EU has been postponed.

IFRS 9 might have an impact on Hunter Douglas' reporting.

IAS 24 Related Party Disclosures
In November 2009, the IASB published a revised IAS 24 on related party disclosures. The term 'related party' has been redefined. The revised standard must be applied to financial years beginning on or after 1 January 2011, but may be applied earlier. The standard has not yet been endorsed by the EU.

This standard will only impact the presentation.

IAS 27 Consolidated and Separate Financial Statements (revised in 2008)
IAS 27 was revised in conjunction with IFRS 3. The revised IAS 27 regulates how the loss of control in a consolidated entity is to be accounted for. The result of the transaction is determined as the difference between:
- the carrying amount of all of the net asset of the associate over which control was transferred; and
- the fair value of the revenue obtained and the fair value of the residual holding in the relevant associate, and the carrying amount of the interest of third parties that belongs to the associate, if any.

Consequently, if control is transferred, but an interest that does not provide control but does provide significant influence is retained, the fair value of the remaining holding is the initial value of the interest in the associate.
The revised standard applies to financial years beginning on or after 1 July 2009, but may be applied earlier. The revised IAS 27 was endorsed by the EU in June 2009.

IAS 27 Revised is not expected to have an effect on Hunter Douglas.

Amendments to IAS 39 Financial Instruments: Recognition and Measurement - Eligible Hedged Items
The amendment to IAS 39 primarily pertains to the classification of unilateral exposure and the designation of inflation as an exposure that can be hedged. The amendment expressly reflects that a portion of the fair value changes or a portion of uncertain cash flows can be classified as an exposure that can be hedged.
An example of a unilateral exposure could be that of an entity being able to hedge the exposure of the dollar exchange rate dropping below a certain level or the exposure of the fair value of a financial asset decreasing.
The amended standard applies to financial years beginning on or after 1 July 2009. Retrospective designation of hedging relationships is not allowed. The revised IAS 39 was endorsed by the EU in September 2009.

The amendments to IAS 39 are not expected to have an effect on Hunter Douglas.

Amendments to IFRIC 14/IAS 19 Prepayments on Minimum Funding Requirements
The application of IFRIC 14 encountered unintended practical problems in respect of prepayments on minimum funding requirements. The amendment allows the recognition of a prepayment as an asset, subsequently applying the standard requirements of IFRIC 14 as if no prepayment was made. The new standard applies to financial years beginning on or after 1 January 2011, but may be applied earlier. The Interpretation has not yet been endorsed by the EU.

The amendments to IFRIC 14 / IAS 19 might have an impact on Hunter Douglas' reporting.

IFRIC 16, Hedges of a Net Investment in a Foreign Operation
This Interpretation deals with hedging the currency exposure of a net investment in a foreign operation. IFRIC 16 provides that currency exposures between functional currencies within a group may be hedged, but that this is not the case for any differences between functional currency and presentation currency. At the latest, the Interpretation is effective for financial years beginning on or after 30 June 2009. The Interpretation was endorsed by the EU in June 2009.

IFRIC 16 is not expected to have an effect on Hunter Douglas.

Notes to consolidated financial statements

3. Segment information

The company has determined its reportable segments based on its internal reporting practices and on how the company's management evaluates the performance of operations and allocates resources. The segments are organized and managed separately according to the nature of the products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. The window coverings segment relates to sales and manufacturing of window coverings and architectural products for commercial and residential use. The investment segment relates to the Group's investment portfolio which is invested in marketable securities in a variety of asset classes, including hedged equities, arbitrage, financial trading and fixed income. The metal trading segment represents trading in metals mainly in contracts on bulk metals. No operating segments have been aggregated to form the above reportable business segments. Management monitors the operating results of its business segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on net profit and is measured consistently with net profit in the consolidated financial statements. Transfer prices between business segments are set on an arm's length basis in a manner similar to transactions with third parties. The Group's geographical segments are determined by the location of the Group's assets and operations.

Business segments

The following table presents revenue and income information and certain asset and liability information regarding the Group's business segments for the years ended 31 December 2009 and 2008.

Amounts in USD x millions	Window Coverings		Investment Portfolio		Metals Trading		Reclassification		Total	
	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008
Revenue										
Sales to external customers	2,376	2,942							2,376	2,942
Segment revenue	2,376	2,942							2,376	2,942
Total gross profit	877	1,080			18	24			895	1,104
Selling and marketing expense	-473	-573							-473	-573
General and administrative expense	-324	-396	-2	-6	-5	-5	2	6	-329	-401
Income from operations	80	111	-2	-6	13	19	2	6	93	130
Finance costs	-15	-9	-6	-33	-2	-1	6	-127	-17	-170
Finance income	14	7					3		17	7
Gross result investment portfolio			11	-132			-11	132		
Third party interest in investment portfolio				11				-11		
Income before taxes	79	109	3	-160	11	18			93	-33
Taxes on income	2	4			-4	-5			-2	-1
Net profit	81	113	3	-160	7	13			91	-34
Net profit attributable to minority interest	1	1							1	1
Net profit attributable to equity shareholders	80	112	3	-160	7	13			90	-35
Assets and liabilities										
Segment assets	2,099	2,288	144	265	138	163			2,381	2,716
Investment in an associate	2	1							2	1
Total assets	2,101	2,289	144	265	138	163			2,383	2,717
Segment liabilities	765	1,053	144	265	98	123			1,007	1,441
Total liabilities	765	1,053	144	265	98	123			1,007	1,441
Net assets employed	1,614	1,774			40	36			1,654	1,810
Other segment information										
Capital expenditure:										
Property, plant and equipment	63	131							63	131
Depreciation	88	80							88	80

The geographical segment information is reported separately on page 19.

Notes to consolidated financial statements

4. Revenues and expenses

Amounts in millions	2009	2008
Finance costs		
Bank loans and overdraft	-9	-26
Other loans (including non-cumulative redeemable preference shares)	-8	-13
Net result investment portfolio		-127
Non-operational exchange result		-4
Total finance costs	-17	-170
Finance income		
Bank interest receivable	9	7
Net result investment portfolio	3	
Non-operational exchange result	4	
Other financial income	1	
Total finance income	17	7
Non-recurring restructuring expenses are included in the consolidated income statement as follows:		
Cost of sales	22	57
Selling and marketing expense	2	6
General and administrative expense	3	5
	27	68
Depreciation, amortization and costs of inventories included in consolidated income statement		
Included in cost of sales:		
Depreciation of property, plant and equipment	62	63
Costs of inventories recognized as an expense	1,437	1,799
	1,499	1,862
Included in general and administrative expenses:		
Minimum lease payments recognized as an operating lease expense	10	9
Amortization other intangibles	5	6
Employee benefits expense		
Wages and salaries	627	764
Social security costs	117	132
Pension costs	39	37
Expense of share-based payments	8	1
	791	934

Research costs

Research costs consists of 28 (2008: 35) charged directly to general and administrative expense in the income statement.

5. Business combination

In 2008 Hunter Douglas acquired the following companies:

- 100% of Asco, a Roermond (The Netherlands) based manufacturer of fabric cutting machines for window coverings, employing 32 people, since January.
- 100% of Fashion Tech, an Oregon (USA) based fabricator of window coverings, employing 117 people, since January.
- 100% of Acme Window Coverings, a Chicago (USA) based fabricator of window coverings, employing 100 people, since June.
- 100% of Design Blinds of Australia, a Melbourne (Australia) based fabricator of window coverings, employing 89 people, since October.
- 100% of Vogue Vinyl, a Brisbane (Australia) based fabricator of vinyl shutters, employing 16 people, since November.

All 2008 acquisitions relate to the window coverings business segment.

The fair value of the identifiable assets and liabilities of these companies determined as at the date of acquisition are:

	Recognized on acquisitions	Carrying value
	2008	2008
Property, plant and equipment	2	2
Inventories	8	8
Trade and other receivables	8	8
Cash and short-term deposits	2	2
Long-term interest-bearing loans and borrowings	-1	-1
Provisions	-1	-1
Trade and other payables	-10	-10
Fair value of net assets	8	8
Goodwill arising on acquisitions	15	
Total consideration	23	
Cash outflow on acquisitions:		
Cash paid	-23	
Net cash acquired with acquisitions	2	
	-21	

Relative profitability of the acquisitions is in line with the business segments.

None of these acquisitions are individually significant.

6. Impairment testing of indefinitely lived goodwill, patents and licenses

The carrying amount of goodwill is allocated to the cash-generating units within the window coverings segment.
The recoverable amount of the units is based on value-in-use calculations. Those calculations use cash flow projections based on the budget for the coming year extrapolated with no growth to determine the termination value. A pre-tax Weighted Average Cost of Capital (WACC) of 10.1% (2008: 10.9%) has been used as a basis to discount the projected cash flows. Per unit local market conditions are accounted for in determining next year's budget. The budgets are founded on achieved results in the preceding years and expectations on local industry developments going forward. With regard to the assessment of value in use, management believes that, considering the conservative assumptions used, no reasonably possible change in any of the above key assumptions would cause the carrying value of the unit to materially exceed its recoverable amount.

7. Intangible fixed assets

Amounts in millions	Goodwill		Patents & Trademarks		Total	
	2009	**2008**	**2009**	**2008**	**2009**	**2008**
At 1 January	**230**	236	**59**	65	**289**	301
Additions		4				4
Acquisitions		15				15
Amortization			**-5**	-6	**-5**	-6
Exchange	**11**	-25			**11**	-25
At 31 December	**241**	230	**54**	59	**295**	289
At 1 January						
Cost	**230**	236	**75**	75	**305**	311
Accumulated amortization			**-16**	-10	**-16**	-10
Net carrying amount	**230**	236	**59**	65	**289**	301
At 31 December						
Cost	**241**	230	**75**	75	**316**	305
Accumulated amortization			**-21**	-16	**-21**	-16
Net carrying amount	**241**	230	**54**	59	**295**	289

Goodwill is not amortized but is subject to annual impairment testing (see note 6). Patents and trademarks are amortized between 5 and 10 years. For the 2008 acquisitions the fair value amounts were provisional. These have been finalized without any adjustments in 2009.

Notes to consolidated financial statements

8. Property, plant and equipment

Amounts in millions	Land & Buildings		Machinery & Equipment		Other fixed assets		Total	
	2009	2008	2009	2008	2009	2008	2009	2008
At 1 January, net of accumulated depreciation	**347**	343	**249**	249	**28**	29	**624**	621
Additions	**17**	42	**43**	85	**3**	4	**63**	131
Disposals	**-20**	-4	**-2**	-13	**-1**	-1	**-23**	-18
Acquisitions				1		1		2
Depreciation charge for the year	**-18**	-16	**-66**	-60	**-4**	-4	**-88**	-80
Exchange	**13**	-18	**11**	-13		-1	**24**	-32
At 31 December, net of accumulated depreciation	**339**	347	**235**	249	**26**	28	**600**	624
At 1 January								
Cost	**532**	528	**1,002**	1,022	**81**	85	**1,615**	1,635
Accumulated depreciation	**-185**	-185	**-753**	-773	**-53**	-56	**-991**	-1,014
Net carrying amount	**347**	343	**249**	249	**28**	29	**624**	621
At 31 December								
Cost	**536**	532	**1,037**	1,002	**78**	81	**1,651**	1,615
Accumulated depreciation	**-197**	-185	**-802**	-753	**-52**	-53	**-1,051**	-991
Net carrying amount	**339**	347	**235**	249	**26**	28	**600**	624

Included in Property, plant and equipment at 31 December 2009 is an amount of 16 (2008: 28) relating to expenditure in construction.

9. Other financial non-current assets

Amounts in millions	2009	2008
Receivables from key management employees	**2**	2
Other long-term receivables	**26**	24
Other	**4**	1
	32	27

10. Inventories

Amounts in millions	2009	2008
Raw materials (at cost)	**396**	444
Work-in-progress (at cost)	**46**	49
Finished goods:		
- At cost	**280**	282
- Provision	**-121**	-109
	601	666

Notes to consolidated financial statements

11. Trade and other receivables (current)

Amounts in millions	2009	2008
Trade receivables	**391**	413
Financial institutions	**26**	150
Short-term loans and advances	**9**	7
	426	570

Trade receivables are non-interest-bearing and are generally on 30-60 day terms. The net amount of sales tax receivable and sales tax payable is non-interest-bearing and is remitted to the appropriate taxation authorities on a quarterly basis.

As at 31 December 2009, trade receivables at nominal value of 38 (2008: 37) were impaired and fully provided for. Movements in the provision for impairment of trade receivables were as follows:

Amounts in millions	2009	2008
At 1 January	**37**	38
Additions	**22**	9
Deductions	**-21**	-8
Exchange		-2
At 31 December	**38**	37

As at 31 December the ageing of trade receivables that were not impaired is as follows:

	Not due		Past due		
Amounts in millions	< 30 days	30-60 days	60-90 days	90-120 days	> 120 days
2009	**242**	**85**	**26**	**19**	**19**
2008	241	95	38	17	22

12. Prepayments

Amounts in millions	2009	2008
Prepaid expenses	**109**	131
Prepaid taxes (no income tax)	**13**	15
Other	**7**	9
	129	155

Notes to consolidated financial statements

13. Investment portfolio

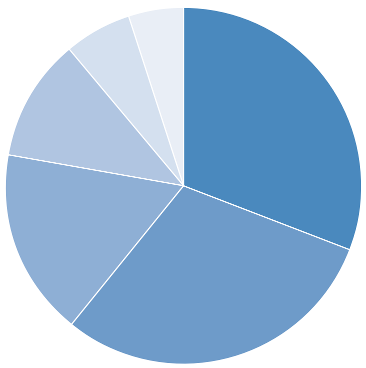
Hunter Douglas has had an investment portfolio since mid-1991. Management of the investments is delegated after screening to a widely diversified range of independent managers. Hunter Douglas does not control or influence the manager's investments. The Net Asset Value (NAV) of the investments is determined and advised each month by the funds' administrators. Hunter Douglas monitors each manager's results on a monthly basis. Hunter Douglas limits the portfolio's risk by initially generally investing less than 0.5% of the total portfolio in each fund. At year-end 2009, Hunter Douglas had investments in 55 (2008: 100) funds in a wide range of asset classes, industries, geographies, currencies and with differing risk profiles. The broad diversification of the portfolio reduces the risk per manager and mitigates the risk of fluctuations in markets and interest and exchange rates. The net asset value of the investment portfolio at year-end 2009 was USD 144 million.

The investment portfolio has earned the gross percentage returns and had year-end book values as indicated in the table below:

Amounts in millions	2002	2003	2004	2005	2006	2007	2008	2009
Investment portfolio at year-end	353	564	590	680	771	849	265	**144**
Percent gross return (in USD) before attributed interest and expenses	4.3%	21.3%	16.1%	8.8%	16.9%	14.4%	-24.3%	**5.4%**

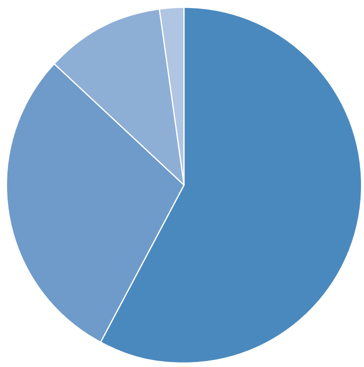
The breakdown of the investment portfolio per year-end 2009 by asset class and geography as well as its liquidity is shown below:

% Funds by Sector
(No. of Funds)



Equity L/S 31% (23)
Fixed Income 30% (13)
Quants + CTA's 17% (3)
Arbitrage 11% (8)
Macro 6% (4)
Commodities 5% (4)

% Funds Geographic Allocation
(No. of Funds)



International 58% (22)
North America 29% (17)
Emerging Markets 11% (11)
Europe 2% (5)

At year-end the Investment Portfolio of USD 144 mln had 55 Managers, of which USD 10 mln with 20 Managers was suspended or gated. Of the remaining USD 134 mln, 29 Managers with liquidity of 90 days or less represented 90.4% and 6 Managers with liquidity over 180 days represented 9.6%.

Notes to consolidated financial statements

14. Cash and short-term deposits

Cash at bank and in hand earns interest at floating rates based on market conditions. Short-term deposits are made for varying periods of between one day and one year depending on the immediate cash requirements of the Group, and earn interest at the respective short-term deposit rates. The fair value of cash and cash equivalents is 69 (2008: 36).

At 31 December 2009, the Group had available 643 (2008: 355) of undrawn committed borrowing facilities in respect of which all conditions precedent had been met. For the purposes of the consolidated cash flow statement, cash and cash equivalents comprise the following at 31 December:

Amounts in millions	2009	2008
Cash at bank and in hand	**25**	29
Short-term deposits	**44**	7
	69	36

Funds in certain countries in which the Group operates are subject to varying exchange regulations. No material restrictions exist for transfers of a current nature, such as dividends from subsidiaries. A few countries have more severe restrictions on remittances of a capital nature.

15. Issued capital and reserves

	Ordinary shares	
Numbers x 1,000	2009	2008
	€ 0.24 each	€ 0.24 each
Issued and fully paid-in		
At 1 January	**35,432**	42,207
Buy-back		-6,775
At 31 December	**35,432**	35,432
Treasury shares		
At 1 January	**66**	3
At 31 December	**66**	66

Mr. R. Sonnenberg, indirectly or through trusts, owned or controlled at year-end 2009 28,764,039 (2008: 28,764,039) common shares of Hunter Douglas N.V. representing 81.18% (2008: 81.18%) of the common shares of the company.

The company has two share option schemes under which options to subscribe for the company's shares have been granted to certain executives and senior employees (note 22).

Share premium: under present Dutch Law, substantially all share premium may be distributed as stock dividend free from Dutch dividend withholding tax.

Foreign currency translation reserve is a legal reserve and when negative the retained earnings cannot be distributed for this amount.

Retained earnings: this reserve is freely distributable.

There are no external capital requirements.

Notes to consolidated financial statements

16. Interest-bearing loans and borrowings

Amounts in millions	Currency	Interest rate	Maturity date	2009	2008
Current					
Bank Overdraft		Various *	N/A	**38**	24
Short Term Bank loans		Various *	N/A	**38**	50
Current Portion of LT Debt	EUR	Various *	N/A	**24**	
Current Portion of LT Debt	USD	4.72	N/A		55
Current Portion of LT Debt	USD	4.97	N/A	**30**	
				130	129
Non-current					
US Notes	USD	4.97	18-12-2010		52
US Notes	USD	5.01	28-5-2013	**100**	100
IRB South Carolina	USD	Various *	2019		6
IRB Pinellas County	USD	Various *	2022		5
IRB Washington	USD	Various *	2022		7
ABN AMRO Bank	USD	Various *	2013		88
ABN AMRO Bank	EUR	Various *	2013		28
ABN AMRO Bank	JPY	Various *	2013	**5**	3
ING Bank	EUR	Various *	2013 **	**120**	140
ING Bank	USD	Various *	2012		65
Fortis Bank	EUR	Various *	2012		91
Long Term Loans (Fixed)	EUR	Various *	Various	**4**	9
				229	594
Preferred Shares					
Preferred Shares	EUR	Various *	N/A	**12**	12

* *Mostly at Interbank rates plus a margin*
** *Maturing in equal quarterly installments from July 2010 through March 2013*

Average life of long-term loans is 2.85 years (2008: 3.88 years); 45.15% are at fixed rates of interest. Total weighted average of the effective interest of the fixed non-current loans is 5.01% in the year. The balance consists mainly of multi-currency lines of credit at Interbank interest rates with varying spreads. Almost all loans are unsecured.

Hunter Douglas N.V.'s Articles of Association fix the annual dividend on each preferred share at a percentage of the par value. This percentage amounts to 2.25% per annum over the European Central Bank's deposit rate on the last working day of May of the affected year.

17. Provisions

Amounts in millions	Pensions	Other Employee Benefits	Social Plan	Other	Total
	(note 22)				
At 1 January 2009	5	14	5	10	**34**
Additions from income statement	1	1	1		**3**
Utilized			-1	-7	**-8**
Exchange				1	**1**
At 31 December 2009	6	15	5	4	**30**
Non-current 2009	6	15	5	4	**30**
Non-current 2008	5	14	5	10	**34**

18. Trade and other payables (current)

Amounts in millions	2009	2008
Trade payables	**161**	178
Accrued wages, social charges and other compensation	**184**	200
Other payables and accrued expenses	**113**	112
Third party participating in the investment portfolio (mainly related parties)	**9**	19
Commissions, discounts and allowances	**37**	32
Other	**39**	9
	543	550

Terms and conditions of the above financial liabilities:
Trade payables are non-interest-bearing and are normally settled on 45-day terms.
Other payables are non-interest-bearing and have an average term of 6 months.

Notes to consolidated financial statements

19. Income tax

Major components of income tax expense for the years ended 31 December 2009 and 2008 are:

Amounts in millions	2009	2008
Consolidated income statement		
Current income tax		
Current income tax charge	1	15
Adjustments in respect of current income tax of previous years		-3
Deferred income tax		
Relating to origination and reversal of temporary differences	1	-11
Income tax expense reported in consolidated income statement	2	1

A reconciliation of income tax expense applicable to accounting profit before income tax at the statutory income tax rate to income tax expense at the Group's effective income tax rate for the years ended 31 December 2009 and 2008 is as follows:

Amounts in millions	2009	2008
Accounting profit (loss) before income tax	92	-33
At Dutch statutory income tax rate of 25.5% (2008: 25.5%)	23	-8
Adjustments in respect of current income tax of previous years		-3
Tax loss carry forward		-11
Impact different tax rates per country	-21	18
Other		5
At effective income tax rate of 1.8% (2008: -3.0%)	2	1
Income tax expense reported in consolidated income statement	2	1

Deferred income tax at 31 December relates to the following:

Amounts in millions	Consolidated Balance Sheet 2009	Consolidated Balance Sheet 2008	Consolidated Income Statement 2009	Consolidated Income Statement 2008	Via Equity 2009	Via Equity 2008
Deferred income tax assets						
Losses available for offset against future taxable income	**2**	6		4		
Losses available for offset against future taxable income	**9**	7		7		
	11	13				
Deferred income tax liabilities						
Revaluation of inventories		4	**2**	4		
Revaluation of foreign currency loan	**9**	13			**-9**	-13
Fair value adjustment on acquisition	**10**	10		-10		
Other	**2**	10	**-1**	7		
Rounding				-1		
	21	37				
Deferred income tax income (expense)			**1**	11	**-9**	-13
Deferred income tax net	**-10**	-24				
reported in the balance sheet as follows:						
- Other current assets	**2**					
- Other non-current assets	**2**	6				
- Other current liabilities	**7**					
- Deferred income tax liabilities	**-21**	-30				
	-10	-24				

The Group has tax losses of 67 (2008: 61), of which 20 expires within 5 years and 47 expires after 5 years, that are available for offset against future taxable profits of the companies in which the losses arose.

20. Earnings per share

Basic earnings per share amounts are calculated by dividing net profit for the year attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year. Diluted earnings per share amounts are calculated by dividing the net profit attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the year (adjusted for the effects of dilutive options). The income and share data used in the basic and diluted earnings per share computations is as follows:

Amounts in millions	2009	2008
Net profit (loss) attributable to equity shareholders	**90**	-35

Numbers x 1,000	2009	2008
Weighted average number of ordinary shares for basic earnings per share	**35,432**	37,577
Effect of dilution:		
Adjusted weighted average number of ordinary shares for diluted earnings per share	**35,432**	37,577

In 2008 the calculation of the diluted income per share does not assume the exercise of options and subsequent re-issuance of treasury shares, as such conversion would have an anti-dilutive effect due to the loss incurred for the period. There have been no other transactions involving ordinary shares or potential ordinary shares since the reporting date and before the completion of these financial statements.

21. Dividends paid and proposed

Amounts in millions	2009	2008
Declared and paid during the year:		
Equity dividends on ordinary shares:		
Final dividend for 2008: EUR 1.00 (2007: EUR 2.00)	50	112
Proposed for approval at AGM		
(not recognized as a liability as at 31 December):		
Equity dividends on ordinary shares:		
Final dividend for 2009: EUR 1.00 (2008: EUR 1.00)	51	50
Final extra dividend for 2009: EUR 7.00 (2008: EUR nil)	357	
	408	50

22. Employee benefits

Employee share incentive plans
At year-end, directors and employees of the Hunter Douglas Group had the following options to buy common shares of Hunter Douglas N.V. The table below illustrates the number and prices of share options:

Issued in	Number of share options 2009	2009	Price per share (EUR)*	Year of expiration
2004		1,667	38.00	2009
2004		1,000	35.71	2009
2004		6,000	36.10	2009
2008	530,000	530,000	17.00	2013
	530,000	538,667		

** These prices equal the trading price of the common shares of Hunter Douglas N.V. on the Amsterdam Stock Exchange on the dates when these options were granted. One option represents the right to buy one common share.*

Hunter Douglas has for many years operated a stock option plan. The purpose of the plan and of the stock options granted under it is to foster long-term employment of valued executives and employees of the Hunter Douglas Group, to associate them with the financial results of the Group and to interest them in the development of the public market for the shares of the company. Under the plan, stock options are granted in each case for a period of five years. Options granted are exercisable as long as the beneficiary of the option remains in the employment of the Hunter Douglas Group. In the event of death, the option remains exercisable by the executor of the decedent within a period of three months. Balance treasury shares at year-end 2009: 66,089 (2008: 66,089). The carrying amount of the liability relating to the cash-settled options at 31 December 2009 is 14 (2008: 6).

Notes to consolidated financial statements

22. Employee benefits (continued)

Year Option Grant	Year Option Expiry	Option Price per share	Option Shares (HDNV common shares) Outstanding 1-1-2008	Granted	Exercised	Lapsed	Balance 31-12-2008	Lapsed	Balance 31-12-2009
Directors									
2006	2011	€ 50.50	270,000			270,000	0		0
2008	2013	€ 17.00		520,000			520,000		520,000
			270,000	520,000		270,000	520,000		520,000
Officers									
2003	2008	€ 37.00	50,000			50,000	0		0
2006	2011	€ 50.50	10,000			10,000	0		0
2008	2013	€ 17.00		10,000			10,000		10,000
			60,000	10,000		60,000	10,000		10,000
Other Employees									
2003	2008	€ 25.00	11,334		11,334		0		0
2003	2008	€ 37.00	19,669		4,334	15,335	0		0
2004	2009	€ 38.00	1,667				1,667	1,667	0
2004	2009	€ 36.10	6,000				6,000	6,000	0
2004	2009	€ 35.71	1,000				1,000	1,000	0
			39,670		15,668	15,335	8,667	8,667	0
			369,670	**530,000**	**15,668**	**345,335**	**538,667**	**8,667**	**530,000**

The fair value of the cash-settled options is calculated by using the Black-Scholes formula based on the following value input parameters:

Amounts in millions	2009	2008
Share price (in EUR)	**34.03**	23.50
Dividend yield (%)	**3.66**	3.64
Volatility (%)	**43.00**	35.00
Interest rates (%):		
1 month	**NA**	NA
1 year	**NA**	2.65
2 years	**NA**	2.73
3 years	**2.01**	2.97
4 years	**2.19**	3.13
5 years	**2.35**	3.26
Expected life of option (years)	**4.00**	4.00

Notes to consolidated financial statements

22. Employee benefits (continued)

Pension plans

Defined benefit plans
Employee pension plans have been established in many countries in accordance with the legal requirements, customs and the local situation in the countries involved. The majority of employees in The Netherlands, United Kingdom and North America are covered by defined benefit plans. The defined benefit plans in The Netherlands and North America are based on average wage earned, in the United Kingdom is the defined benefit plan based on last wage earned. The benefits provided by these plans are based on employees' years of service and compensation levels. The measurement date for defined benefit plans is 31 December.

Contributions are made by the Company, as necessary, to provide assets sufficient to meet the benefits payable to defined benefit pension plan participants. These contributions are determined based upon various factors, including funded status, legal and tax considerations as well as local customs.
The following tables summarize the components of the net benefit expense recognized in the consolidated income statement and the funded status and amounts recognized in the consolidated balance sheet, as well as the principal assumptions applied.

The principal assumptions used for the purpose of the actuarial valuation are as follows:

%	Pension plans					
	NL		US		UK	
	2009	2008	2009	2008	2009	2008
Discount rate	**5.00**	5.60	**6.00**	6.00	**5.70**	6.00
Expected return on scheme assets	**5.20**	6.35	**8.50**	8.50	**6.90**	5.60
Future salary increase	**2.00**	2.00	**4.00**	4.00	**3.60**	3.10
Inflation assumption	**2.00**	2.00	**3.00**	3.00	**3.50**	3.00

The overall expected rate of return is calculated by weighting the individual rates in accordance with the anticipated balance in the plan's portfolios. In accordance with IAS 19, paragraph 92, actuarial gains and losses are recognized only to the extent that they exceed the greater of 10% of the present value of the obligations or the fair value of plan assets. The excess amount is spread over the remaining working lives of the active employees and recognized as income or expense.

The amount recognized in the balance sheet in respect of the Group's defined benefit retirement plans is as follows:

Amounts in millions	NL Pension plan				
	2009	2008	2007	2006	2005
Defined benefit obligations	**-327**	-288	-317	-309	-267
Fair value of plan assets	**313**	288	358	324	281
Funded status	**-14**	0	41	15	14
Unrecognized actuarial (gains)/losses	**14**				
Effect of asset cap			-41	-15	-14
Net asset (liability) in balance sheet	**0**	0	0	0	0

No economic benefits are available to the Company in the form of refunds from the NL pension plan or reduction in future contributions to the NL pension plan.

22. Employee benefits (continued)

Amounts in millions	US Pension plan				
	2009	2008	2007	2006	2005
Defined benefit obligations	**-191**	-179	-151	-142	-132
Fair value of plan assets	**171**	162	174	127	104
Funded status	**-20**	-17	23	-15	-28
Unrecognized actuarial (gains)/losses	**42**	47	1	7	17
Net asset (liability) in balance sheet	**22**	30	24	-8	-11

This asset is recorded under prepayments.

Amounts in millions	UK Pension plan				
	2009	2008	2007	2006	2005
Defined benefit obligations	**-52**	-41	-59	-55	-46
Fair value of plan assets	**43**	39	49	41	34
Funded status	**-9**	-2	-10	-14	-12
Unrecognized actuarial (gains)/losses	**3**	-3	2	5	5
Net asset (liability) in balance sheet	**-6**	-5	-8	-9	-7

Amounts recognized in profit or loss in respect of the defined benefit plans are as follows:

Amounts in millions	Pension plans NL		Pension plans US		Pension plans UK	
	2009	2008	2009	2008	2009	2008
Current service cost	**3**	4	**10**	10		1
Interest cost on benefit obligation	**17**	16	**10**	10	**3**	3
Expected return on plan assets	**-19**	-23	**-13**	-15	**-2**	-4
Net actuarial losses/(gains) recognized in year			**2**			
Net benefit expense	**1**	-3	**9**	5	**1**	0
Actual return on plan assets	**23**	-41	**12**	-19	**0**	4

22. Employee benefits (continued)

Changes in the fair value of the defined benefit obligations are as follows:

Amounts in millions	Pension plans NL 2009	NL 2008	US 2009	US 2008	UK 2009	UK 2008
Opening defined benefit obigations	**288**	317	**179**	151	**41**	59
Current service cost	**3**	4	**10**	10	**1**	1
Employee contribution	**3**	3				
Interest cost on benefit obligation	**17**	16	**10**	10	**3**	3
Benefits paid	**-13**	-15	**-4**	-3	**-2**	-2
Actuarial (gain)/loss	**22**	-20	**-3**	11	**4**	-3
Expenses paid			**-1**			
Exchange differences on plans	**7**	-17			**5**	-17
Closing defined benefit obligations	**327**	288	**191**	179	**52**	41

The liability in respect of the pension obligations of Hunter Douglas Europe (NL) is based on and calculated pursuant to IAS 19. Pursuant to the Dutch Pension and Savings Law (Pensioen- en spaarfondsenwet), Hunter Douglas Europe is required to provide all pension benefits through a regulated pension fund.
Hunter Douglas Europe has contracted with a single-employer fund (Stichting Pensioenfonds Hunter Douglas) to provide these benefits. As of the date of the financial statements, Hunter Douglas Europe has satisfied all its liabilities to the fund and has no further financial obligations to the fund.

Changes in the fair value of the plan assets are as follows:

Amounts in millions	Pension plans NL 2009	NL 2008	US 2009	US 2008	UK 2009	UK 2008
Opening fair value of plan assets	**288**	358	**162**	174	**39**	49
Expected return on plan assets	**19**	23	**14**	15	**2**	4
Contributions by employer	**7**	5	**1**	10	**1**	1
Benefits paid	**-13**	-15	**-4**	-3	**-2**	-2
Actuarial gain/(loss)	**5**	-64	**-1**	-34	**-3**	1
Disposal/transfer of assets			**-1**		**1**	
Exchange differences	**7**	-19			**5**	-14
Closing fair value of plan assets	**313**	288	**171**	162	**43**	39
Of which:						
Bonds	**188**	237	**9**	3	**4**	12
Equities	**110**	38	**131**	64	**39**	27
Other	**15**	13	**31**	95		
The actual return on plan assets amounts	**9.4%**	-12.8%	**8.2%**	-11.1%	**1.3%**	7.2%

The plan assets do not include any of the Group's own financial instruments, nor any property occupied or other assets used by the Group. The Group expects to contribute approximately 4 to its defined benefit plans in 2010. Contribution by employer will not materially differ from previous years.

Defined contribution plans
The expense of the defined contribution plans for 2009 amounts to 28 (2008: 35).

Notes to consolidated financial statements

23. Commitments and contingencies

Operating lease commitments - Group as lessee

The Group has entered into commercial leases on certain premises, motor vehicles and items of small machinery. These leases have an average life of between 5 and 10 years with renewal terms included in the contracts. Renewals at market conditions are at the option of the specific entity that holds the lease. There are no restrictions placed upon the lessee by entering into these leases.

Future minimum rentals payable under non-cancelable operating leases at 31 December are as follows:

Amounts in millions	2009	2008
Within one year	**29**	27
After one year but not more than five years	**64**	61
More than five years	**9**	3

Capital commitments

At 31 December 2009, the Group has commitments for capital expenditures of 8 (2008: 12).

Legal claims

Legal claims have been filed against the Company in the course of its normal business. Management together with their legal counsel have assessed that the chances that any legal claim would have a material financial impact on the financial statements to be remote. As a result, no provision for any legal claim filed against the Company has been made in these financial statements.

Guarantees

Hunter Douglas N.V. has the following contingent liabilities at 31 December 2009:

- The Company is contingently liable for guarantees given mainly for its subsidiaries, on which no material losses are expected.
- The Company forms part of a fiscal unity for Dutch corporate income tax purposes, and as such is jointly and severally liable for the liabilities of the whole fiscal unity.

24. Related party disclosure

The consolidated financial statements include the financial statements of Hunter Douglas N.V. and the subsidiaries as listed on page 70 and 71.

Compensation of key management employees (directors and officers) of the Group

The cost of post-employment pension benefits relates mainly to defined contribution schemes.

Amounts in millions	2009	2008
Short-term employee benefits	**10**	11
Share-based payments	**8**	2
Total compensation paid to key management employees	**18**	13

As per year-end loans and advances to key management employees amounted to 2 (2008: 2), bearing market interest.

Notes to consolidated financial statements

25. Financial risk management objectives and policies

The dividend proposed will be financed from the existing Term Bank facilities. This financing, combined with last year's redemptions from the Company's investment portfolio and improved profits and cash flow resulting from reorganization of the European and North American operations, provides an efficient but conservative capital structure. The Group has procedures and policies in place to control risks related to financial instruments. These policies and procedures include a clear segregation of duties between operating, settlement, accounting and controlling of all financial instruments used. The Group's senior management takes an active role in the risk management process. In addition, the geographical spread of the Company's activities limits the exposures to concentrations of credit or market risk.

The Company attempts to minimize the counterparty credit risk associated with the financial instruments used by selecting counterparties that it assumes to be creditworthy, given their high credit ratings.

The Company does not have significant credit risk exposure to any individual customer or counterparty. A substantial part of trade receivables is covered by securities obtained, credit insurance or letters of credit. The Company invests in an investment portfolio. Also, the Company has concluded netting arrangements with some counterparties to offset financial instruments. Given their credit ratings, the remaining credit exposure with these counterparties is not considered of significance.

The following instruments are used:

a. Interest derivatives
Interest derivatives are used to manage exposure to movements in interest rates and to assume trading positions.

b. Foreign exchange derivatives
Foreign exchange derivatives are used to manage the exposure of currency exchange rate risks resulting from cash flows from (anticipated) business activities and financing arrangements denominated in foreign currencies and to assume trading positions.

c. Commodity derivatives
Commodity derivatives all relate to aluminium and are used to manage the exposure of the price and timing risks on underlying (anticipated) business activities and to assume trading positions. The contract amounts of financial instruments are indicative of the Company's use of derivatives but are not necessarily a measure for the exposure to market or credit risk through its use of financial instruments.

Interest, commodity and foreign exchange derivatives are carried at their fair value. The interest, commodity and foreign exchange derivatives generally mature within one year. All changes in the fair value of derivatives are taken directly to the income statement as no hedge accounting is applied, with the exception of interest derivatives for which cash flow hedge accounting is applied. The cash flow hedges of the expected future interest payments were assessed to be highly effective and a net unrealized gain of 5 (net of taxes) relating to the hedging instruments is included in other comprehensive income.

The Company also enters into forward sales and purchase contracts for commodities that are settled by physical delivery of receipt of the commodity. These sales and purchases contracts do not qualify as derivatives under IAS 39.

Interest rate risk table

The following table demonstrates the sensitivity to a reasonably possible change in interest rates, with all other variances held constant, of the Group's profit before tax (through the impact on floating rate borrowings).

Amounts in millions	Increase/decrease in basis points	Effect on profit before tax	Effect on equity
2009			
Euro	**50**	**1**	**1**
U.S. dollar	**50**		
2008			
Euro	50	2	
U.S. dollar	50	1	

Notes to consolidated financial statements

25. Financial risk management objectives and policies (continued)

Foreign currency risk
As a result of significant operations in Europe, the Group's balance sheet can be affected significantly by movements in the U.S. dollar/Euro exchange rates. The Group seeks to mitigate the effect of its structural currency exposure by borrowing in Euros. Between 20% and 50% of the Group's investment in non-USD operations will be hedged in this manner.

The following table demonstrates the sensitivity to a reasonably possible change in the Euro exchange rate, with all other variances held constant, of the Group's profit before tax (due to changes in the fair value of monetary assets and liabilities) and the Group's equity (due to changes in the net investment hedges).

Amounts in millions	Increase/decrease Euro exchange rate	Effect on profit before tax	Effect on equity
2009	**5%**	**1**	**6**
	-5%	**-1**	**-6**
2008	5%	4	17
	-5%	-1	-17

26. Financial instruments

Amounts in millions	Face amount	Fair value
Currency forward		
Buy	19	0
Sell	-99	0
	-80	**0**
Currency options		
Buy - call	449	-8
Buy - put	334	-3
Sell - call	-528	7
Sell - put	-474	4
	-219	**0**

Currency forwards are valued at existing forward rates at the balance sheet date.
Currency options are valued at their market value at the balance sheet date.

Amounts in millions	Tonnage	Face amount	Fair value
Metal derivatives			
Buy	52,762	Optional	20
Sell	52,859	Optional	-10
			10

The value of the metal derivatives is based on quoted metal market prices. Commodity contracts that are used for trading by Hunter Douglas Metals Inc. are also considered as derivatives and also valued based on quoted metal market prices.

Notes to consolidated financial statements

26. Financial instruments (continued)

Fair values
Set out below is a comparison by category of carrying amounts and fair values of all the Group's financial instruments.

The fair value of derivatives and borrowings has been calculated by discounting the expected future cash flows at prevailing interest rates.
The fair value of other financial assets has been calculated using the market interest rates.

Amounts in millions	Carrying amount		Fair value	
	2009	2008	2009	2008
Financial assets				
Non-current				
Other financial assets - loans and receivables	**32**	27	**32**	27
Current				
Trade receivables - loans and receivables	**391**	413	**391**	413
Financial institutions and brokers - fair value through P&L	**26**	150	**26**	150
Currency derivatives - held for trading	**11**	2	**11**	2
Metal derivatives - held for trading	**26**	43	**26**	43
Investment portfolio - fair value through P&L	**144**	265	**144**	265
Cash and short-term deposits - loans and receivables	**69**	36	**69**	36
Short-term loans - loans and receivables	**9**	7	**9**	7
	676	916	**676**	916
Financial liabilities				
Non-current - loans and receivables				
US Notes - fixed rates	**100**	152	**106**	152
Preferred shares - floating rate*	**12**	12	**12**	12
Other borrowings - floating rate*	**129**	442	**129**	442
	241	606	**247**	606
Current				
Trade payables - loans and receivables	**161**	178	**161**	178
Currency derivatives - held for trading	**11**	31	**11**	31
Metal derivatives - held for trading	**10**	26	**10**	26
Bank overdraft - floating rate* - loans and receivables	**38**	24	**38**	24
Short-term bank loans - floating rate* - loans and receivables	**38**	50	**38**	50
Current portion of long-term debt - fixed rate* - loans and receivables	**54**	55	**55**	57
	312	364	**313**	366

** For interest-bearing loans and borrowings with a floating rate their fair value approximates their carrying value.*

Notes to consolidated financial statements

26. Financial instruments (continued)

Assets measured at fair value

Amounts in millions	Fair value measurement at the end of the reporting period using: Level 1	Level 2	Level 3	Total
Description				
Financial assets at fair value through profit and loss				
Trading securities			144	144
Trading derivatives	26	11		37
Total	**26**	**11**	**144**	**181**

Liabilities measured at fair value

Amounts in millions	Fair value measurement at the end of the reporting period using: Level 1	Level 2	Total
Description			
Financial liabilities at fair value through profit and loss			
Trading derivatives	10	11	21
Total	**10**	**11**	**21**

Assets measured at fair value based on Level 3

Amounts in millions	Fair value measurement at the end of the reporting period: Trading securities	Total
Financial assets at fair value through profit and loss		
Opening balance	265	**265**
Total gains or losses in profit or loss	11	**11**
Settlements	-132	**-132**
Closing balance	144	**144**
Total gains or losses for the period included in profit or loss for assets held at the end of the reporting period	11	**11**

Notes to consolidated financial statements

26. Financial instruments (continued)

Liquidity risk

The following table sets out the carrying amount, by maturity, of the Group's financial instruments that are exposed to interest rate risk as per year ended 31 December of:

Amounts in millions	Within 1 year		1-2 years		2-3 years		3-4 years		4-5 years		More than 5 years		Total	
	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008
Trade payables	**161**	178											**161**	178
Fixed rate														
Loan notes	**30**	55		52			**100**			100			**130**	207
Bank loans			**2**			8	**2**			1			**4**	9
Floating rate														
Loan notes												18		18
Bank loans	**100**	74	**48**	23	**48**	47	**29**	203		142			**225**	489
	291	307	**50**	75	**48**	55	**131**	203		243		18	**520**	901
Preferred shares											**12**	12	**12**	12
											12	30	**532**	913

Amounts in millions	Within 1 year		1-2 years		2-3 years		3-4 years		4-5 years		More than 5 years		Total	
	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008
Interest	**12**	24	**6**	17	**6**	12	**3**	10		7			**27**	70

Interest on financial instruments classified as floating rate is repriced at intervals of less than one year.
Interest on financial instruments classified as fixed rate is fixed until the maturity of the instrument.
The other financial instruments of the Group that are not included in the above tables are non-interest-bearing and are therefore not subject to interest rate risk.

27. Events after balance sheet date

On February 1, 2010 Hunter Douglas had agreed to acquire Faber-Benthin from the Danish VKR Holding.

Faber-Benthin is a European manufacturer of window covering products. The company manufactures both made-to-measure window covering products, under the Faber brand, as well as components and machinery for the assembly of window covering products, under the Benthin brand.

Faber-Benthin operates plants in Bremerhaven (Germany), Ryslinge (Denmark), Chludowo (near Poznan, Poland), St. Soupplets (France) and Northampton (U.K.).

Faber-Benthin has sales of around EUR 60 million and has 500 employees.

This acquisition is conditional on the approval by the German competition authorities.

On February 11, 2010 Hunter Douglas had agreed to acquire Hamstra, a Dutch manufacturer of insect screens.

Hamstra, with sales of EUR 11 million, is the leading developer and manufacturer of insect screens in The Netherlands. The company, which is based in Almere, employs around 50 employees.

Balance sheet* & statement of income – Hunter Douglas N.V.

Amounts in millions	Notes	2009 USD	2008 USD
ASSETS			
Non-current assets			
Financial fixed assets			
- Investments in subsidiaries	2	**3,187**	2,996
- Advances to/from subsidiaries		**330**	1
- Other		**2**	3
Total non-current assets		**3,519**	3,000
Current assets			
Accounts receivable		**41**	43
Accounts receivable - affiliated companies		**77**	1,174
Cash		**19**	2
Total current assets		**137**	1,219
TOTAL ASSETS		**3,656**	4,219
SHAREHOLDERS' EQUITY AND LIABILITIES			
Shareholders' equity			
Issued capital	3	**12**	12
Share premium		**102**	99
Treasury shares		**-4**	-4
Cash flow hedge reserve		**-5**	
Foreign currency translation		**4**	-58
Retained earnings		**1,173**	1,258
Net result for the year		**90**	-35
Total shareholders' equity		**1,372**	1,272
Provisions			
Provision for pensions		**3**	3
Deferred income tax liabilities		**9**	7
Total provisions		**12**	10
Non-current liabilities			
Long-term loans - other	4	**232**	560
Long-term loans - affiliated companies		**1,385**	33
Total non-current liabilities		**1,617**	593
Current liabilities			
Short-term borrowings		**71**	31
Short-term portion of long-term loans	4	**54**	55
Accounts payable - other		**37**	62
Accounts payable - affiliated companies		**493**	2,196
Total current liabilities		**655**	2,344
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		**3,656**	4,219
STATEMENT OF INCOME			
Income from subsidiaries and affiliates after taxation		**113**	39
Other income (expense), net		**-23**	-74
Net (loss) profit		**90**	-35

** before appropriation of net profit*

Notes to financial statements

1. Accounting policies

General

The company financial statements have been prepared in accordance with Title 9 of Book 2 of The Netherlands Civil Code. As permitted by Article 2:362 paragraph 8 of this code, the company financial statements have been prepared applying the same IFRS accounting policies as used in the consolidated financial statements in order to maintain consistency between the figures in the consolidated and company financial statements. In accordance with Article 2:402 of the Civil Code, an abbreviated version of the income statement is presented. The principal accounting policies adopted are the same as those set out in note 2 to the consolidated financial statements except that investments in subsidiaries are stated at net asset value as the company effectively exercises influence of significance over the operational and financial activities of these investments. The net asset value is determined on the basis of the accounting principles applied by the company.

2. Financial fixed assets

Investment in subsidiaries

Amounts in millions	2009	2008
Beginning of the year	**2,996**	3,144
Change during the year		
Share in results, net	**113**	39
Received dividends	**-15**	-16
Increase (decrease), net	**2**	
Exchange differences	**91**	-171
Net change	**191**	-148
End of year	**3,187**	2,996

Affiliated companies amount to 0.1 (2008: 0.1).

3. Shareholders’ equity

Details are given in note 15 to the consolidated financial statements.

4. Long-term loans

Amounts in millions	2009	2008
Unsecured loans maturing in various installments through 2013	**220**	548

Average life of long-term loans is 2.85 years (2008: 3.55 years); 45.44% are at fixed rates of interest (weighted average 5.01% per year). Maturities until 2013 are: 2010 - 54, 2011 - 48, 2012 - 48 and 2013 - 124.

Amounts in millions	2009	2008
Preferred shares	**12**	12

For the conditions in respect of preferred shares: see page 65.

Notes to financial statements

5. Contingencies
The company is contingently liable for guarantees given mainly for its subsidiaries, on which no material losses are expected.

The company forms part of a fiscal unity for Dutch corporate income tax purposes, and as such is jointly and separately liable for the liabilities of the whole fiscal unity.

6. Employee benefits

	Year Option Grant	Year Option Expiry	Option Price per share	Option Shares (HDNV common shares) Outstanding 1 January	Granted	Lapsed	Balance 31 December
				see notes 1;2			see note 2
Directors							
2009							
R. Sonnenberg	2008	2013	€ 17.00	500,000			500,000
J.T. Sherwin	2008	2013	€ 17.00	20,000			20,000
				520,000			520,000
2008							
R. Sonnenberg	2006	2011	€ 50.50	250,000		250,000	0
R. Sonnenberg	2008	2013	€ 17.00		500,000		500,000
J.T. Sherwin	2006	2011	€ 50.50	20,000		20,000	0
J.T. Sherwin	2008	2013	€ 17.00		20,000		20,000
				270,000	520,000	270,000	520,000

Compensation* paid to directors was: R. Sonnenberg nil (2008: nil), J.T. Sherwin 805 (2008: 792) as compensation and all other directors 42 (2008: 44) as directors fee. No pension contributions were paid. The share option expense for the directors was 8 (2008: 3).

** Amounts in thousands*

7. Remuneration of the auditor
The total costs related to the services provided by Ernst & Young in The Netherlands were as follows (amounts in thousands):

	2009	2008
Audit of financial statements	**426**	582
Other audit services	**13**	10
Non-audit services	**33**	59
	472	651

8. Employees
The number of employees at year-end amounts 28 (2008: 28).

Rotterdam, 10 March 2010

Board of Directors

Additional information

1. Auditors' report

To: The Board of Directors of Hunter Douglas N.V.

We have audited the financial statements 2009 of Hunter Douglas N.V., Curaçao (as set out on pages 30 to 64). The financial statements consist of the consolidated financial statements and the company financial statements. The consolidated financial statements comprise the consolidated balance sheet as at 31 December 2009, the consolidated statement of income, the consolidated statement of comprehensive income, the consolidated cash flow statement and the consolidated statement of changes in equity, for the year then ended, and a summary of significant accounting policies and other explanatory notes. The company financial statements comprise the Company's balance sheet as at 31 December 2009, the company statement of income for the year then ended and the notes.

Management's responsibility
Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards as adopted by the European Union and International Financial Reporting Standards as issued by the IASB and with Part 9 of Book 2 of The Netherlands Civil Code, and for the preparation of the Annual Report in accordance with Part 9 of Book 2 of The Netherlands Civil Code. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility
Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with Dutch law. This law requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion with respect to the consolidated financial statements
In our opinion, the consolidated financial statements give a true and fair view of the financial position of Hunter Douglas N.V., as at 31 December 2009, and of its result and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union and with International Financial Reporting Standards as issued by the IASB and with Part 9 of Book 2 of The Netherlands Civil Code.

Opinion with respect to the Company's financial statements
In our opinion, the Company's financial statements give a true and fair view of the financial position of Hunter Douglas N.V., as at 31 December 2009, and of its result for the year then ended in accordance with Part 9 of Book 2 of The Netherlands Civil Code.

Report on other legal and regulatory requirements

Pursuant to the legal requirement under 2:393 sub 5 part f of The Netherlands Civil Code, we report, to the extent of our competence, that the Annual Report is consistent with the financial statements as required by 2:391 sub 4 of The Netherlands Civil Code.

Rotterdam, The Netherlands,
10 March 2010

Ernst & Young Accountants LLP

/s/ C.Th. Reckers

2. Appropriation of profits

Common shares
Hunter Douglas N.V.'s Articles of Association require the general meeting of common and preferred shareholders to determine the value of the annual common share dividend and the meeting of common shareholders to decide that the dividend will be distributed in cash or alternatively, shares. The directors recommend a cash dividend of EUR 1.00 per common share and an extra cash dividend of EUR 7.00 per common share.

Preferred shares
Hunter Douglas N.V.'s Articles of Association fix the annual dividend on each preferred share at a percentage of the par value. This percentage amounts to 2.25% per annum over the European Central Bank's deposit rate on the last working day of May of the affected year. The general meeting of preferred shareholders is to decide whether such dividend is distributed in cash or alternatively, shares.

3. Shareholders' meetings

The shareholders' meetings will be held on 15 June 2010 at the Avila Beach Hotel, Penstraat 130, Curaçao, starting at 9.00 a.m. for the common shareholders, 9.30 a.m. for the preferred shareholders and 10.00 a.m. for the common and preferred shareholders.

4. Dividends

Cash dividends will be distributed on all shares. Dividends declared pursuant to the preceding paragraphs will be distributed on 29 June 2010.

5. Audit and Compensation Committees

The members for both committees are:

C. Boonstra
H.F. van den Hoven
A. van Tooren

Hunter Douglas Corporate Governance

Hunter Douglas N.V. is incorporated in The Netherlands Antilles and has its statutory seat in Curaçao. Hunter Douglas is therefore not subject to The Netherlands Corporate Governance Code. However, Hunter Douglas adheres to good Corporate Governance and follows many of these recommendations.

Corporate structure

Board of Directors
Hunter Douglas has a one-tier corporate structure. Under its Charter the Board of Directors is responsible for the overall management and control of the Company. The Board is appointed by the shareholders at the annual General Meeting. The Board has four regular meetings per year and additional meetings as required. Board members may not be members of more than five boards of public companies.

Independence
The Board has six Members, of whom four are independent. It acts collectively by majority resolution.

Functions
The Board reviews the overall strategy, financial objectives, budgets, acquisitions, divestments, capital expenditures, currency and aluminium hedging, portfolio composition and returns, results and risks in the Company's business.

Audit and Compensation Committees
The Board has an Audit and a Compensation Committee, whose members are independent. The Audit Committee reviews the Company's accounts, internal controls and meets with the Company's external Auditors twice a year. The Compensation Committee reviews the Directors' and Officers' compensation and stock options.

Chairman, President & CEO
Mr. Ralph Sonnenberg is Chairman of the Board of Directors, President and Chief Executive Officer.

Officers
The Board annually appoints the Officers of the Company - the President, the Co-Presidents, four regionally responsible Vice Presidents, two Staff Vice Presidents and a Corporate Secretary. The Vice Presidents and Corporate Secretary report to the President.

Financial reporting
To the best of our knowledge, and in accordance with the applicable reporting principles, the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group. The annual report includes a fair review of the development and performance of the business and the position of the Group, together with a description of the principal opportunities and risks associated with the expected development of the Group.

Internal Controls

The Company has the following key internal controls.

Conflicts of Interest Policy
The Company has a 'Conflicts of Interest Policy' applicable to all key employees which covers relations with customers, suppliers and other third parties.

Insider Trading Policy
The Company has an 'Insider Trading Policy', as prescribed by the Authority Financial Markets ('AFM'), restricting trading in the Company's shares by Directors, Officers, key employees and related persons.

Internal Audit Function
Hunter Douglas' principal Operating Companies have an Internal Audit Program.

Authority limits
Every Manager, including the Regional Vice Presidents, has clearly defined Authority Limits.

Whistleblower Policy
Hunter Douglas has a 'Whistleblower' Policy in each Company.

Compensation

Compensation is reviewed by the Compensation Committee of the Board. The Company also follows the 'best practices':

Stock options
Stock options are granted for five years with vesting starting after two years.

Stock
It is not the Company's Policy to provide stock at no cost.

Loans
Loans to Directors, Officers or other employees bear market interest. There is no forgiveness of principal or interest.

Investor Relations

Hunter Douglas has an Investor Relations Website, regularly issues press releases and holds analysts and investor meetings.

Objectives and Sensitivity to External Factors

Objectives

The Company's objectives are to:

- Expand its Window Coverings and Architectural Products businesses at a growth rate exceeding that of the market while continuing to be the best company in the industry;
- Develop and introduce innovative new products;
- Seek acquisitions that add to the Company's organic growth by expanding product lines or distribution and that meet its return targets;
- Continue with an efficient decentralized entrepreneurial organization, based on the principle of 'maximum accountability with minimum interference'.

Sensitivity to External Factors

The Company's results are sensitive to external factors of which the following are most influential:

- Overall economic activity and particularly consumer confidence which affects demand for consumer durables;
- Prices for raw materials, in particular: aluminium, steel, fabric, synthetics and other oil based products;
- Exchange rates: The majority of the Company's sales and profits are realized outside the Euro zone. Euro rates against the dollar and other currencies can therefore affect the Company's results. Hunter Douglas' policy is to generally hedge transactional exposures, to selectively hedge translation of earnings, and generally not to hedge balance sheet exposures.

Five-year summary

Millions, except per share data	Notes	2009	2008	USD 2007	2006	2005
Net sales		**2,376**	2,942	3,028	2,630	2,397
Earnings before interest, tax, depreciation and amortization (before non-recurring restructuring expenses)		**213**	285	416	415	366
Income from Operations (before non-recurring restructuring expenses)		**120**	198	325	341	299
Net Profit from Operations (before non-recurring restructuring expenses)		**114**	193	271	261	199
Non-recurring restructuring expenses		**-27**	-68	-24		
Net Profit from Operations (after non-recurring restructuring expenses)		**87**	125	247	261	199
Net Result Investment Portfolio		**3**	-160	62	66	24
Total Net Result		**90**	-35	309	327	223
Operating cash flow		**234**	138	187	279	247
Investments in tangible fixed assets		**63**	131	140	107	82
Depreciation of tangible fixed assets		**88**	80	85	70	67
Net Assets Employed		**1,654**	1,810	1,849	1,522	1,332
Shareholders' equity		**1,372**	1,272	1,964	1,680	1,403
Per common share						
- Total Net Result	1	**2.54**	-0.95	7.35	7.82	5.35
- Operating Cash flow	1	**6.61**	3.67	4.44	6.67	5.93
- Shareholders' equity	2	**38.80**	35.97	46.54	40.09	33.56
- Dividend in EUR (proposed for 2009)		**1.00**	1.00	2.00	2.00	1.85
- Extra dividend in EUR (proposed for 2009)		**7.00**				
Average annual exchange rate EUR/USD		**1.40**	1.48	1.38	1.26	1.25
Year-end exchange rate EUR/USD		**1.44**	1.40	1.47	1.32	1.18
Average number of outstanding common shares (thousands)	3	**35,432**	37,577	42,072	41,849	41,680
Year-end number of outstanding common shares (thousands)	3	**35,366**	35,366	42,204	41,902	41,810

1 Based on average number of shares outstanding during affected year, adjusted for stock dividends and treasury shares, where applicable.
2 Based on number of shares outstanding at year-end, adjusted for stock dividends and treasury shares, where applicable.
3 Adjusted for stock dividends and treasury shares, where applicable.

Hunter Douglas Principal Operating Companies

Europe, Middle East and Africa
www.hunterdouglas.nl

Belgium
Hunter Douglas Belgium, Lokeren
Luxaflex Belgium, Bruges
Helioscreen, Lokeren

Bulgaria
Hunter Douglas Bulgaria, Sofia

Croatia
Hunter Douglas Croatia, Zagreb

Czechia
Hunter Douglas Czechia, Prague
Hunter Douglas Kadan, Kadan

Denmark
Window Fashions Scandinavia, Risskov, Hornum

Finland
Window Fashions Scandinavia, Helsinki

France
Hunter Douglas, Paris
Luxalon Plafonds France, Bonneuil, Lille
Filtersun/Goeland, La Loupe, Tremblay le Village
XL Screen, Lyon
Luxaflex France, Tourcoing
Turnils, Brumath
Mermet Industries, Veyrins-Thuellin

Germany
Blöcker, Bremen
Hunter Douglas, Düsseldorf, Bremerhaven, Kassel
Hunter Douglas Produktions, Glauchau
Hunter Douglas Architektur-Systeme, Haan, Hohenbrunn
Gardinia, Isny (49%)
NBK, Emmerich

Hungary
Hunter Douglas Hungary, Budapest

Ireland
T.M. Blinds, Newcastle

Italy
Hunter Douglas Italia, Milan

Netherlands
Hunter Douglas, Rotterdam
Hunter Douglas Europe, Rotterdam, Leek, Oudenbosch
Hunter Douglas Construction Elements, Leek
Industrie- en Handelsonderneming 'Buismetaal', Rotterdam
Artex, Aarle-Rixtel
Asco, Roermond
HCI Holland Coatings Industries, Hoogeveen
Luxaflex Nederland, Hardinxveld-Giessendam, Tolbert
Limelight, Oudenbosch
Mado, Eindhoven
Multisol Raambekleding, Nijmegen
Nedal, Utrecht
Schellekens en Schellekens, Beuningen
Sunway (Benelux), Nieuwegein
3form, Schiedam

Norway
Hunter Douglas Norge, Gjövik, Oslo
Window Fashions Scandinavia, Oslo

Poland
Hunter Douglas Polska, Warsaw
Turnils, Zdunska Wola
Magnum Metal, Zdunska Wola

Portugal
Hofesa, Fajozes
NBK, Figueira da Foz

Rumania
Hunter Douglas Romania, Bucharest, Cluj

Russia
Hunter Douglas, Moscow

South Africa
Hunter Douglas South Africa, Johannesburg

Serbia
Hunter Douglas, Belgrade

Spain
Hunter Douglas España, Llagostera, Madrid
Hunter Douglas Andalucia, Sevilla
Hunter Douglas Cataluña, Barcelona

Sweden
Hunter Douglas Scandinavia, Gothenburg
Hunter Douglas Assembly Automation, Stenungsund
Haglunds, Falköping
Turnils, Alingsås, Mullsjö, Hillerstorp, Malmö
AMA Produktions, Gothenburg
Nibrol, Angered
Window Fashions Scandinavia, Helsingborg, Anderstorp

Switzerland
Hunter Douglas Management, Lucerne
Hunter Douglas (Schweiz), Root, Wängi

Turkey
Hunter Douglas, Istanbul

United Arab Emirates
Hunter Douglas Middle East, Dubai

United Kingdom
AMO Blinds, Liversedge, Hartlepool
Apollo Blinds, Liversedge
Hunter Douglas, Sunninghill, Cannock, Hartlepool, Stockport, Birmingham
Thomas Sanderson Blinds, Waterlooville
Turnils, Birmingham
Eclipse, Glasgow

North America
www.hunterdouglas.com

Canada
Hunter Douglas Canada, Brampton, Edmonton
Nysan Shading Systems, Calgary
Shade-O-Matic, Toronto
Turnils, Toronto
Vinylbilt, Toronto

U.S.A.
Hunter Douglas North America, Upper Saddle River (NJ)
Hunter Douglas Window Fashions, Broomfield (CO)
Hunter Douglas Window Designs Division, Bessemer City (NC)
Hunter Douglas R&D Centre, Whitesville (KY)
Hunter Douglas Metals and Distribution Centre, Tupelo (MS)
Hunter Douglas Plastics and Casting Centre, Owensboro (KY)
Hunter Douglas Ceiling Products, Thornton (CO)
Hunter Douglas Custom Shutters, Gilbert (AZ)
Hunter Douglas Horizontal Blinds Division, Gilbert (AZ)
Hunter Douglas Fabrication, Beltsville (MD), Chicago (IL), Cumberland (MD), Dallas (TX), Denver (CO), Milpitas (CA), Pinellas Park (FL), Poway (CA), Renton (WA), Salt Lake City (UT), W. Sacramento (CA)
Hunter Douglas Hospitality, Chicago (IL)
Architectural Window Shades, Pasadena (CA)
Carole Fabrics, Augusta (GA)
Century Blinds, Corona (CA)
Comfortex, Maplewood (NY)
Coast Drapery Services, Las Vegas (NV)
Custom Brands Group, Artesia (CA)
Elmar Window Fashions, Willow Grove (PA)
Electronic Solutions, Lafayette (CO)
Fashion Tech, Portland (OR)
Flexo Solutions, Appleton (WI)
ILM, Playeas de Rosario (Mexico)
Luxalon Metal Ceilings, Norcross (GA)
Mermet, Cowpens (SC)
Nibrol, Lancaster (SC)
Paris Texas Hardware, Dallas (TX)
Timber Blinds, Dallas (TX)
Turnils, Atlanta (GA)
Vista Products, Jacksonville (FL)
3form, Salt Lake City (UT)

Hunter Douglas Metals, Chicago (IL)

Hunter Douglas Principal Operating Companies

Latin America
www.hunterdouglas.cl

Argentina
Hunter Douglas Argentina, Buenos Aires

Brazil
Hunter Douglas do Brasil, São Paulo, Campinas

Chile
Hunter Douglas Chile (95%), Santiago
Persianas Andina (95%), Santiago

Colombia
Hunter Douglas de Colombia (95%), Bogotá

Mexico
Hunter Douglas de Mexico, Mexico City

Netherlands Antilles
Hunter Douglas International, Curaçao

Panama
Hunter Douglas Panama, Panama City

Peru
Hunter Douglas Peru, Lima

Venezuela
Hunter Douglas Venezuela, Caracas

Asia
www.hunterdouglas.asia

China
Hunter Douglas Architectural Products, Beijing, Shanghai, Guangzhou, Chengdu, Shenzhen, Xiamen, Xian
Hunter Douglas Window Covering Products, Beijing, Chengdu, Wuhan, Shanghai, Guangzhou, Shenzhen, Xiamen, Xian
Turnils/Mermet, Shanghai

Hong Kong
Hunter Douglas China/Hong Kong

India
Hunter Douglas India, Mumbai, New Delhi, Chennai, Bangalore, Silvassa, Bhiwandi

Indonesia
Hunter Douglas Indonesia, Jakarta, Cikarang

Japan
Hunter Douglas Japan, Tokyo, Ibaraki

Korea
Hunter Douglas Korea, Seoul, Eumseong, Gumi

Malaysia
Hunter Douglas Malaysia, Kuala Lumpur
Hunter Douglas Window Fashions, Kuala Lumpur

Philippines
Hunter Douglas Philippines, Manila

Singapore
Hunter Douglas Singapore, Singapore

Taiwan
Hunter Douglas Taiwan, Taipei

Thailand
Hunter Douglas Thailand, Bangkok

Vietnam
Hunter Douglas Vietnam, Ho Chi Minh City, Hanoi, Danang, Can Tho

Australia
www.hunterdouglas.com.au

Hunter Douglas, Sydney
Hunter Douglas Architectural Products, Sydney
Design Blinds, Melbourne
Turnils, Melbourne
Mermet, Melbourne
Vogue Vinyl, Brisbane

Hunter Douglas N.V.

Directors

R. Sonnenberg
Chairman & CEO
Hunter Douglas N.V.

C. Boonstra
President Philips Electronics N.V.
(retired)

H.F. van den Hoven
Chairman Unilever N.V. (retired)

J.T. Sherwin
Executive Vice President
Hunter Douglas N.V. (retired)

A. van Tooren
Former Senior Executive ING Group

Officers

R. Sonnenberg
Chairman & CEO

D.H. Sonnenberg
Co-President & COO

M.H. Sonnenberg
Co-President & COO

M.B. Hopkins
President & CEO
North American Operations

C. King
Vice President General Counsel

A. Kuiper
President & CEO European Operations

G.C. Neoh
President & CEO Asian Operations

L. Reijtenbagh
Vice President & CFO

R. Rocha
President & CEO Latin American
Operations

Registered office
Hunter Douglas N.V.
Orionweg 30, Indel Building
Curaçao
The Netherlands Antilles

Head office
Hunter Douglas N.V.
2, Piekstraat
3071 EL Rotterdam
The Netherlands
Phone: +31-10-486 99 11/484 44 44
Fax: +31-10-485 03 55
E-mail: info@hdnv.nl

Stock listings
Common shares:
- Amsterdam (HDG)
- Frankfurt (HUD)

Preferred shares:
- Amsterdam (HUNDP)

Hunter Douglas Management AG
Adligenswilerstrasse 37
6006 Lucerne
Switzerland
Phone: +41-41-419 27 27
Fax: +41-41-419 27 28

R. Sonnenberg
President & CEO

C. King
Vice President, General Counsel &
Secretary

Investor relations
www.hunterdouglasgroup.com

L. Reijtenbagh
Vice President & CFO
Phone: +31-10-486 95 82

Depositaries and dividend disbursement agents
- THE ROYAL BANK OF SCOTLAND: Amsterdam, Rotterdam - The Netherlands
- ING BANK: Amsterdam, Rotterdam - The Netherlands
- FORTIS BANK: Amsterdam, Rotterdam - The Netherlands

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