Half year report 2013

SIOEN INDUSTRIES

SIOEN INDUSTRIES

Content

Half year report

2013

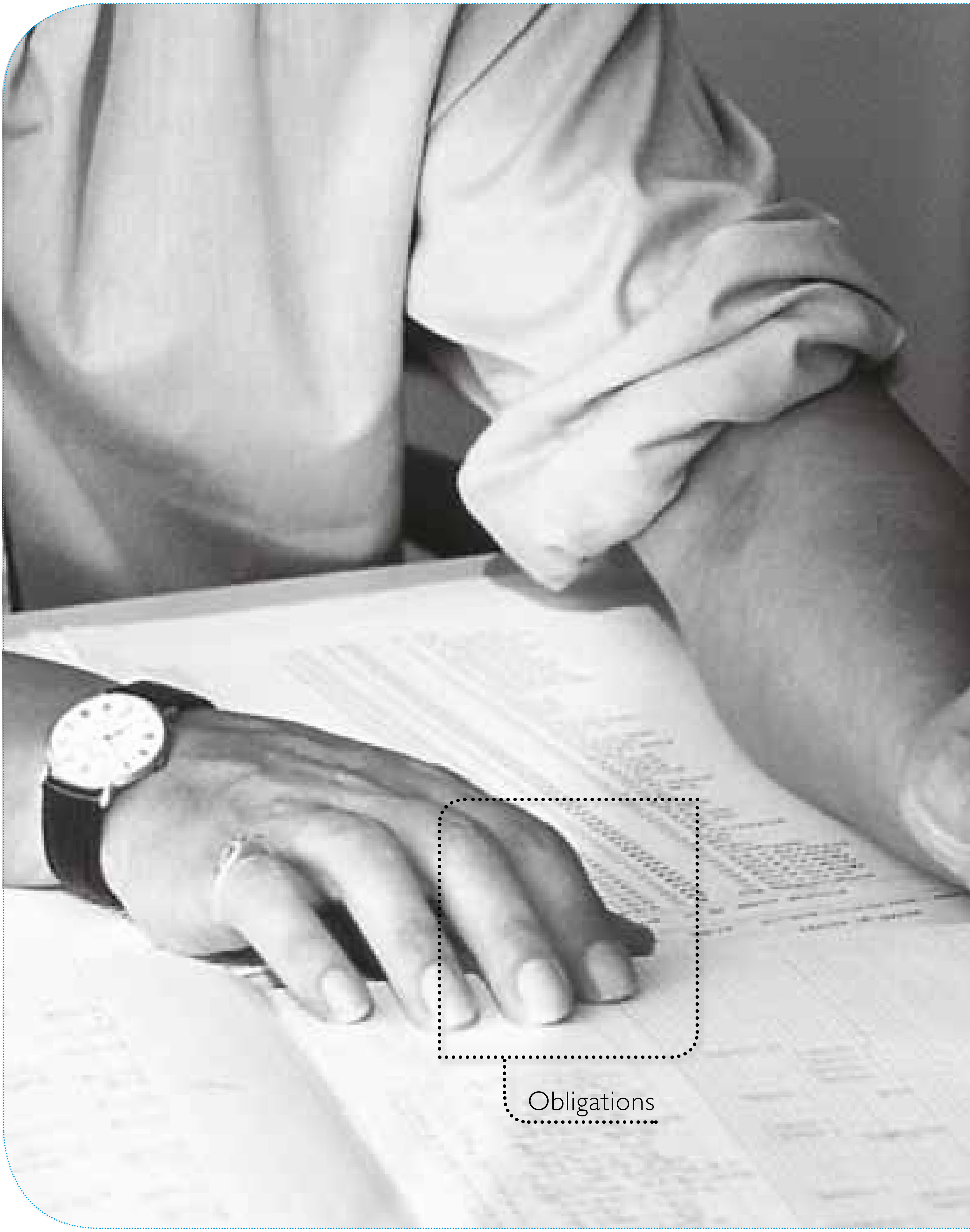
Corporate information

Report of the Board of Directors

Financial Overview

Corporate information

Corporate information


Obligations

MANAGEMENT STATEMENT

Obligations to provide periodic information under the Transparency Directive effective from 1 January 2008

Declaration regarding the information given in this report for the 6 months ended 30 June 2013.

The undersigned declare that:

> The half year accounts, prepared in accordance with the applicable standards for annual financial statements, give a true and fair view of the net assets, financial condition and results of Sioen Industries and the companies included in the consolidation.

> The half year report gives a true and fair overview of the development and results of the company and the position of Sioen Industries and the companies included in the consolidation, and a description of the principal risks and uncertainties that they face.

Michèle Sioen, CEO
Geert Asselman, CFO

The full financial report is available from 30 August 2013 in the 'Investor Relations' section of our website www.sioen.com.

GROUP STRUCTURE

COATING

(1) **Sioen Industries NV**
Spinning, weaving, direct coating, online coating, Belgium

100.0% **Saint Frères SAS**
Direct coating, France

100.0% **Sioen Shanghai**[2]
Sales office, China

100.0% **Sioen Fabrics SA**
Transfer coating, Calendering, Belgium

100.0% **Siofab SA**
Transfer coating, Portugal

100.0% **Pennel Automotive SAS**
France

100.0% **Coatex NV**
Processing of coated fabrics and films, Belgium

100.0% **Saint Frères Confection SAS**
Heavy-duty manufacturing, France

100.0% **Sioen Felt & Filtration SA**
Felt and filter production, Belgium

APPAREL

99.6% **Sioen NV**
Apparel / Central distribution unit, Belgium

10.5% **Confection Tunisienne de Sécurité SA** 89.5%
Apparel, Tunisia

Sioen Ireland [3] 100.0%
Apparel, Ireland

100.0% **Mullion Survival Technology Ltd.**
Apparel, UK

95.0% **PT. Sioen Indonesia** 5.0%
Apparel, Indonesia

95.0% **PT. Sungintex** 5.0%
Apparel, Indonesia

Sioen France SAS 99.8%
Sales office, France

99.7% **Sioen Tunisie SA**
Sales office, Tunisia

99.9% **Sioen Zaghouan SA** 0.1%
Apparel, Tunisia

5.0% **Siorom SRL** 95.0%
Apparel, Romania

SIOEN INDUSTRIES NV

Shared Service Center

CHEMICALS

100.0% **European Master Batch NV**
Production pastes, inks, varnishes, Belgium

Richard SAS 99.9%
Paste production, France

OTHER

100.0% **TIS NV**
Belgium

100.0% **Roltrans Tegelen BV** (4)
the Netherlands

Roltrans Group America Inc. 100.0%
USA

Roland Planen GmbH 100.0%
Germany

Roland Real Estate Sp.z.o.o. 100.0%
Poland

Roland Ukraine llc. 100.0%
Ukraine

(1) Merger Holding company Sioen Industries (Shared Service Center) and Belgian direct coating companies at July 1st 2009

(2) Official name: Sioen Coated Fabrics Shanghai Trading Ltd.

(3) Official name: Gairmeidi Caomhnaithe Dhun na nGall Teoranta

(4) Respectively through Monal SA and Roltrans Group BV

Report of the Board of Directors

Report of the Board of Directors

COMMENTS ON THE CONSOLIDATED FINANCIAL STATEMENTS

Sioen Industries Group, a producer of technical textiles, fine chemicals and hightech protective clothing.

> Net sales:

At the end of the first half of 2013 the Sioen Industries Group realized sales from continuing operations of EUR 161.7 million compared to EUR 167.1 million from comparable activities over the same period in 2012 or a decrease by 3.2 %.

> Gross margin:

Continuous efforts in research and development combined with a strict pricing policy result in a gross margin of EUR 79.6 million at the end of the first half of 2013, in line with the same period in 2012.

> Services and other goods:

Expressed as a percentage over net sales, services and other goods increased compared to the same period in 2012. The costs amounted to EUR 23.8 million in 2013 or 14.7% over net sales compared to EUR 23.3 million in 2012 or 13.9%.

> Remuneration, social security and pensions:

Labor cost at the end of the first half of 2013 amounted to EUR 36.3 million or 22.5% over net sales compared to EUR 34.6 million or 20.7% over net sales over the same period in 2012.

> Depreciations:

Depreciations decreased from EUR 8.4 million at the end of the first half of 2012 to EUR 8.2 million at the end of the first half of 2013 as a result of a lower investment pattern.

> Write off inventories and receivables:

Under this section we recorded, according to our accounting policies, movements on provisions for obsolete stocks and doubtful debtors.

> Other operating income:

Other operating income mainly consists of received rent for buildings, transport recharges, received indemnities and gain on sale of assets. Compared to the same period last year, other operating income decreased due to the sale of a building, part of a French entity, in 2012.

> Other operating charges:

These charges cover a number of general expenses, mostly non-profit related taxes such as property tax, 'taxe professionelle' in France and similar.

> Operating result:

The operating result at the end of the first half of 2013 amounted to EUR 11.3 million compared to EUR 15.2 million over the same period last year. As a percentage over net sales, operating result decreased from 9.1% to 7.0% at the end of the period.

> Financial result:

Financial result of the Group for the first half of 2013 amounted to EUR -2.6 million compared to EUR -1.6 million over the same period last year.

The main reason for the decreased financial result is the negative revaluation of general accounts (unrealized exchange gains/losses) during the first half of 2013. This effect is partly compensated by an increased interest result, due to deposits.

> Income tax:

Income tax amounts to EUR 3.3 million over the first half of 2013 compared to EUR 4.8 million over the same period in 2012. We refer to note II.10. 'Income taxes relating to continuing operations'.

Protection through Innovation

> Profit (loss) for the period from continuing operations:

The Group recorded a profit from continuing operations of EUR 5.4 million for the first half of 2013 compared to EUR 8.8 million over the same period last year.

> Net cash flow from continuing operations:

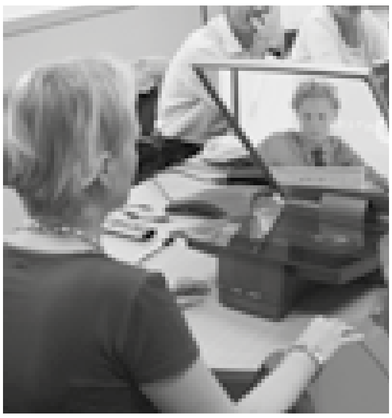
The net cash flow from continuing operations amounted to EUR 13.8 million compared to EUR 16.7 million over the same period last year.

EVENTS AFTER REPORTING DATE

On 28 May 2013 the Group issued a letter of intent for the acquisition of 'Van Ochten Bedrijfskleding BV'. The acquisition, with a purchase price of EUR 3.0 million, has been finalized on 5 July 2013.

Van Ochten Bedrijfskleding is a specialized company that designs, personalizes and sells high quality workwear through the distribution to various industries (petrochemical workers, welders, construction workers, …). Van Ochten Bedrijfskleding BV realizes sales on an annual basis of about EUR 4 million. As from July 2013 the company will be integrated in the Group consolidated financial statements, as part of the apparel division.

No other subsequent events occurred which could have a significant impact on the consolidated financial statements of the Group, for the period ended 30 June 2013.



DEVELOPMENTS BY DIVISION

Coating division

The coating division specializes in the coating (applying a protective layer) of textiles. This division is fully vertically integrated. Everything starts with the extrusion of technical yarns (polyester), which are woven into technical fabric and then coated with various polymers (PVC, PU, silicons, etc.). The Group is the only player in the world with full competency in various coating technologies, each with its own specific products and markets.

An extreme long winter has left his marks in the whole industry. Construction projects were delayed, road works were postponed, other outdoor activities were at a low level, the demand for transportation decreased, … . As a result, a slight decline in all markets where Sioen is active, was recorded at the end of the first half of 2013.

Apparel division

This division stands for 'technical protective clothing'. The apparel division is an innovative producer of a wide range of high-quality technical protective clothing that meets all European standards. Sioen Apparel is active in various sectors where attention to safety is a priority. Attention to customer needs, strong quality consciousness and continuing research and development, combined with technically advanced products, are the basis of the successful development of this division.

The apparel division realized a slight growth, although weather conditions were unfavorable. The increase is mainly situated in the professional markets and in leisure wear.

Chemicals division

Sioen Chemicals processes basic raw materials (PVC powders, pigments, etc.) into high quality technical semi-finished products (pigment pastes and inks) for a wide range of applications.

Sales in the chemicals division remained status quo, thanks to a well-balanced product range and our presence in various markets.

Division other

This division consists of the Roland activities and TIS NV.

BALANCE SHEET AND CASH FLOW STATEMENT

Working capital, expressed as a percentage of net sales, increased slightly from 31.4% as per 30 June 2012 to 32.4% as per 30 June 2013. In Euro however, it has decreased to EUR 104 million or an improvement of about EUR 1 million.

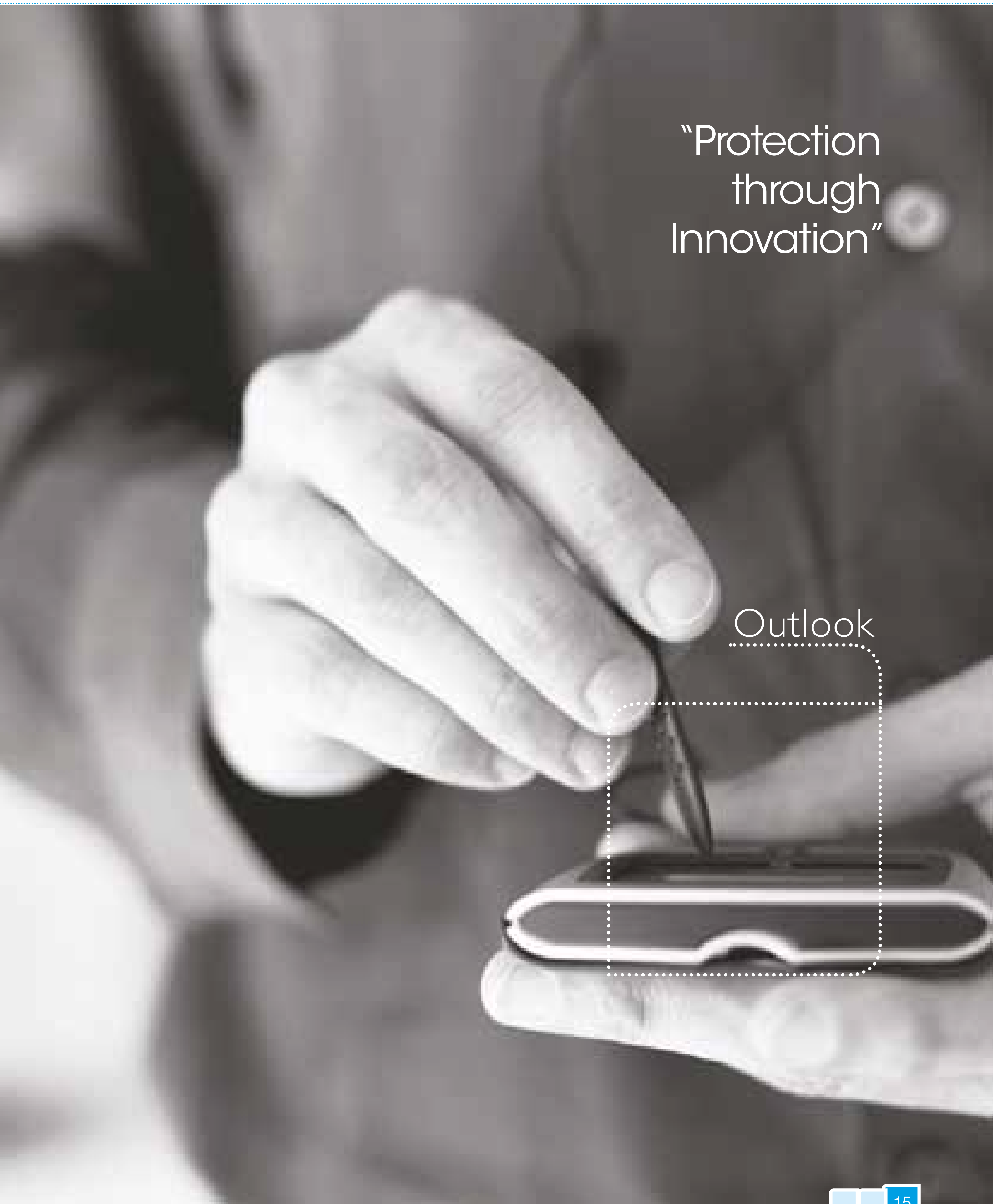
The net financial debt position increased from EUR 65.0 million at the end of last year, to EUR 69.4 million at the end of June 2013.

OUTLOOK FOR 2013

The first signs of economic revival are present, but offer too little grip to make predictions.
Sioen Industries holds on to its basic values:

- A well spread product portfolio
- Strong emphasis on R&D
- Cost consciousness

These fundamentals are the basis for the future development of the Group.



"Protection through Innovation"

Outlook

INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 30 JUNE 2013 - Unaudited

Financial overview

I. INTERIM CONSOLIDATED FINANCIAL STATEMENTS

for the six months ended 30 June 2013- unaudited

I.1. Consolidated statement of financial position/ in thousands of euros

ASSETS	Note	30 June 2013	31 December 2012
		unaudited	restated [1]
NON-CURRENT ASSETS			
Intangible assets		5 062	5 911
Goodwill		17 582	17 593
Property, plant and equipment		97 550	102 787
Investment property		6 537	6 744
Long term trade receivables		12	11
Other long term assets		1 448	2 309
Deferred tax assets		641	3 645
TOTAL NON-CURRENT ASSETS		**128 832**	**139 000**
CURRENT ASSETS			
Inventories	II.15	92 003	83 960
Trade receivables		56 714	49 524
Other receivables		3 802	4 154
Other financial assets	II.16	17 122	23 613
Cash and cash equivalents	I.3	40 621	47 409
Deferred charges and accrued income		1 234	1 255
TOTAL CURRENT ASSETS		**211 496**	**209 915**
Assets related to discontinued operations	II.21	650	657
TOTAL ASSETS	II.8	**340 978**	**349 572**

EQUITY & LIABILITIES	Note	30 June 2013	31 December 2012
		unaudited	restated (1)
EQUITY			
Share capital		46 000	46 000
Retained earnings		105 151	112 493
Other reserves		-6 316	-10 546
TOTAL EQUITY	I.4	**144 835**	**147 947**
Equity attributable to the owners of the company		144 835	147 947
Non-controlling interest		0	0
NON-CURRENT LIABILITIES			
Borrowings		99 590	99 590
Provisions	II.17	405	406
Retirement benefit obligations		3 492	3 485
Deferred tax liabilities		2 638	4 522
Obligations under finance leases		10 231	11 621
Other amounts payable		3	3
TOTAL NON-CURRENT LIABILITIES		**116 359**	**119 628**
CURRENT LIABILITIES			
Trade and other payables		30 228	28 967
Borrowings		14 507	22 024
Provisions	II.17	613	672
Retirement benefit obligations		30	30
Current income tax liabilities		1 112	793
Social debts		13 506	9 820
Other amounts payable		3 638	4 546
Obligations under finance leases		2 804	2 816
Derivatives fair value		8 444	8 471
Accrued charges and deferred income		2 397	1 248
TOTAL CURRENT LIABILITIES		**77 279**	**79 387**
Liabilities directly associated with assets from discontinued operations	II.21	2 505	2 610
TOTAL EQUITY AND LIABILITIES	II.8	**340 978**	**349 572**

(1) Certain amounts shown do not correspond to the consolidated financial statements as per 31 December 2012 and reflect adjustments made for the adoption of IAS 19-revised, as further detailed in II.1.

I. 2. Consolidated income statement

I. 2.1. By function/ in thousand of euros

	Note	Six months ended 30 June 2013	Six months ended 30 June 2012
		unaudited	unaudited - restated [2]
Net sales	II.8	161 749	167 125
Cost of sales		-129 107	-133 189
MANUFACTURING CONTRIBUTION		**32 642**	**33 935**
Sales and marketing expenses		-8 869	-8 134
Research and development expenses		-3 025	-2 852
Administrative expenses		-11 060	-10 067
Financial income		1 445	1 214
Financial charges		-4 043	-2 833
Other income		1 971	2 637
Other expenses		-271	-288
Non-recurring result [1]		-79	
PROFIT OR LOSS BEFORE TAXES	II.8	**8 709**	**13 612**
Income tax	II.10	-3 326	-4 811
PROFIT (LOSS) FOR THE PERIOD FROM CONTINUING OPERATIONS		**5 384**	**8 802**
Profit (loss) for the period from discontinued operations	II.11	-24	-19
GROUP PROFIT/LOSS	I.2.3	**5 360**	**8 783**
Group profit/loss attributable to shareholders of Sioen Industries		5 360	8 783
Group profit/loss attributable to non-controlling interest		0	0
EBIT FROM CONTINUING OPERATIONS		**11 308**	**15 231**
EBITDA FROM CONTINUING OPERATIONS		**19 681**	**23 151**
NET CASH FLOW FROM CONTINUING OPERATIONS		**13 758**	**16 721**

(1) Non-recurring items relate to impairment losses, restructuring expenses, costs related to asset clean-up and start-up costs of new, significant investments projects until the product is ready to be sold at normal market conditions.
(2) Certain amounts shown do not correspond to the interim consolidated financial statements as per 30 June 2012 and reflect adjustments made for the adoption of IAS 19-revised, as further detailed in II.1.

Earnings per share/ amounts in EUR

	Six months ended 30 June 2013	Six months ended 30 June 2012
		restated (1)
BASIC EARNINGS PER SHARE		
Net earnings for the period	**5 360 237**	**8 782 777**
Net earnings from continuing operations	5 383 758	8 801 507
Net earnings from discontinued operations	-23 522	-18 729
Weighted average ordinary shares outstanding	**20 325 331**	**21 391 070**
Ordinary shares per 01 January	20 456 805	21 391 070
Ordinary shares per 30 June	20 110 622	31 391 070
Basic earnings per share	**0.26**	**0.41**
Basic earnings per share from continuing operations	**0.26**	**0.41**
DILUTED EARNINGS PER SHARE		
Net earnings for the period	**5 360 237**	**8 782 777**
Net earnings from continuing operations	5 383 758	8 801 507
Net earnings from discontinued operations	-23 522	-18 729
Weighted average ordinary shares outstanding	**20 325 331**	**21 391 070**
Ordinary shares per 01 January	20 456 805	21 391 070
Ordinary shares per 30 June	20 110 622	31 391 070
Basic earnings per share	**0.26**	**0.41**
Basic earnings per share from continuing operations	**0.26**	**0.41**

(1) Certain amounts shown do not correspond to the interim consolidated financial statements as per 30 June 2012 and reflect adjustments made for the adoption of IAS 19-revised, as further detailed in II.1.

I. 2. 2. By nature / in thousand of euros

	Note	Six months ended 30 June 2013	Six months ended 30 June 2012
		unaudited	unaudited - restated [4]
Net sales	II.8	161 749	167 125
Changes in stocks and WIP (work in progress)		3 823	4 430
Other operating income [2]		2 114	3 002
Raw materials and consumables used		-85 998	-91 629
GROSS MARGIN		**49.20%**	**47.82%**
Services and other goods		-23 836	-23 288
Remuneration, social security and pensions		-36 316	-34 630
Depreciations	II.8	-8 198	-8 350
Write off inventories and receivables		-222	233
Other operating charges [3]		-1 730	-1 662
Non-recurring result [1]		-79	
OPERATING RESULT	II.8	**11 308**	**15 231**
Financial result		- 2 598	-1 618
Financial income		1 445	1 214
Financial charges		-4 043	-2 833
PROFIT OR LOSS BEFORE TAXES	II.8	**8 709**	**13 612**
Income tax	II.10	-3 326	-4 811
PROFIT (LOSS) FOR THE PERIOD FROM CONTINUING OPERATIONS		**5 384**	**8 802**
Profit (loss) for the period from discontinued operations	II.11	-24	-19
GROUP PROFIT/LOSS	I.2.3	**5 360**	**8 783**
Group profit/loss attributable to shareholders of Sioen Industries		5 360	8 783
Group profit/loss attributable to non-controlling interest		0	0
EBIT FROM CONTINUING OPERATIONS		**11 308**	**15 231**
EBITDA FROM CONTINUING OPERATIONS		**19 681**	**23 151**
NET CASH FLOW FROM CONTINUING OPERATIONS		**13 758**	**16 721**

(1) Non-recurring items relate to impairment losses, restructuring expenses, costs related to asset clean-up and start-up costs of new, significant investments projects until the product is ready to be sold at normal market conditions.
(2) Other operating income mainly consists of received rent for buildings, transport recharges, received indemnities and gain on sale of assets.
(3) Other operating charges mainly consist of taxes on tangible assets and local taxes.
(4) Certain amounts shown do not correspond to the interim consolidated financial statements as per 30 June 2012 and reflect adjustments made for the adoption of IAS 19-revised, as further detailed in II.1.

I. 2. 3. Consolidated statement of total comprehensive income/ in thousand of euros

	Note	Six months ended 30 June 2013	Six months ended 30 June 2012
			restated [(1)]
GROUP PROFIT/LOSS	I.2	**5 360**	**8 783**
Items that may be reclassified subsequently to profit or loss:			
Exchange differences on translating foreign operations			
Exchange difference arising during the period	I.4	122	387
Cash flow hedges			
Gains/losses arising during the period	I.2.3	60	-1 848
Income tax	I.4	-20	628
Items that will not be reclassified subsequently to profit or loss:			
Revaluation surplus			
Revaluation surplus arising during the period	I.4	76	
Remeasurement of defined benefit obligation			
Gains/losses arising during the period	I.4	55	-25
Income tax	I.4	-18	8
Other comprehensive income for the period net of tax		***275***	***-850***
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	I.4	**5 635**	**7 933**
Attributable to shareholders of Sioen Industries		5 635	7 933
Attributable to non-controlling interests		0	0

(1) Certain amounts shown do not correspond to the interim consolidated financial statements as per 30 June 2012 and reflect adjustments made for the adoption of IAS 19-revised, as further detailed in II.1.

I. 3. Consolidated statement of cash flows/ in thousands of euros

	Note	Six months ended 30 June 2013	Six months ended 30 June 2012
		unaudited	unaudited - restated [2]
GROUP PROFIT/LOSS	I.2	**5 360**	**8 783**
Income tax [1]		3 326	4 823
Financial charges [1]		4 043	2 890
Financial income [1]		-1 446	-1 254
OPERATING RESULT[1]		**11 283**	**15 242**
Depreciation and amortisation of non-current assets		8 198	8 474
Write off inventories and receivables		222	-1 773
Provisions		238	-326
Movements in working capital:			
Inventories		-8 043	-6 410
Trade receivables		-7 189	-2 490
Other long term assets, other receivables & deferred charges and accrued income		804	-3 825
Trade and other payables		1 260	6 142
Current income tax liabilities, social debts, other amounts payable & accrued charges and deferred income		4 612	4 385
Amounts written off inventories and receivables		-147	2 041
Cash flow from operating activities		*11 238*	*21 460*
Income taxes paid		-1 032	-1 875
NET CASH FLOW FROM OPERATING ACTIVITIES		**10 205**	**19 585**
Interest received		777	113
Other financial assets		5 000	-6 118
Investments in intangible and tangible fixed assets		-1 977	-3 335
Disposal and sale of intangible and tangible fixed assets		131	453
NET CASH FLOW FROM INVESTING ACTIVITIES		**3 931**	**-8 888**
Net cash flow before financing activities		*14 137*	*10 697*
Purchase of treasury shares		-2 415	
Interest paid		-2 871	-2 938
Disbursed dividend		-6 500	-5 991
Increase/(decrease) short term borrowings		-7 517	-982
Increase/(decrease) obligations under finance leases		-1 411	-1 134
Other		-169	368
Currency result		-235	343
NET CASH FLOW FROM FINANCING ACTIVITIES		**-21 117**	**-10 334**
Impact of cumulative translation adjustments and hedging		193	-833
CHANGE IN CASH AND CASH EQUIVALENTS		**-6 788**	**-470**
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD		**47 409**	**30 170**
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	I.1	**40 621**	**29 700**

(1) Including discontinued operations
(2) Certain amounts shown do not correspond to the interim consolidated financial statements as per 30 June 2012 and reflect adjustments made for the adoption of IAS 19-revised, as further detailed in II.1.

I. 4. Consolidated statement of changes in equity/ in thousands of euros

	Share capital	Reserves	Other reserves: Foreign currency translation reserve	Other reserves: Revaluation surplus	Other reserves: Pension reserves	Other reserves: Treasury shares	Other reserves: Hedging reserves	Equity before non-controlling interest	Non-controlling interest	Equity	Note
BALANCE AT 1 JANUARY 2013 RESTATED (1)	**46 000**	**112 493**	**116**		**-475**	**-5 751**	**-4 436**	**147 947**		**147 947**	II.1
Group profit/loss		5 360						5 360		5 360	I.2
Hedging							60	60		60	I.2.3
Currency translation adjustments			122					122		122	I.2.3
Remeasurement of defined benefit obligation					55			55		55	I.2.3
Revaluation surplus				76				76		76	I.2.3
Deferred tax					-18		-20	-39		-39	I.2.3
Total comprehensive income for the period		5 360	*122*	*76*	*37*		*40*	*5 635*		*5 635*	I.2.3
Payment of dividends		-6 342						-6 342		-6 342	
Purchase of treasury shares						-2 405		-2 405		-2 405	
Elimination of treasury shares purchased		-6 361				6 361					
BALANCE AT 30 JUNE 2013	**46 000**	**105 151**	**238**	**76**	**-438**	**-1 796**	**-4 396**	**144 835**		**144 835**	I.1

BALANCE AT 1 JANUARY 2012 RESTATED (1)	**46 000**	**104 681**	**147**				**-2 551**	**148 277**		**148 277**	
Group profit/loss		8 783						8 783		8 783	I.2
Hedging							-1 848	-1 848		-1 848	I.2.3
Currency translation adjustments			387					387		387	I.2.3
Remeasurement of defined benefit obligation					-25			-25		-25	I.2.3
Revaluation surplus											
Deferred tax					8		628	637		637	I.2.3
Total comprehensive income for the period		8 783	*387*		*-17*		*-1 220*	*7 933*		*7 933*	I.2.3
Payment of dividends											
Purchase of treasury shares		-5 776						-5 776		-5 776	
Elimination of treasury shares purchased											
BALANCE AT 30 JUNE 2012 RESTATED (1)	**46 000**	**107 688**	**534**		**-17**		**-3 772**	**150 434**		**150 434**	

(1) Certain amounts shown do not correspond to the interim consolidated financial statements as per 30 June 2012 and the consolidated financial statements as per 31 December 2011 and 2012, and reflect adjustments made for the adoption of IAS 19-revised, as further detailed in II.1.

II. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

II.1. Application of new and revised International Financial Reporting Standards (IFRSs)

In the current year, the Group has adopted all of the new and revised Standards and Interpretations issued by the International Accounting Standards Board (the IASB) and the International Financial Reporting Interpretations Committee (the IFRIC) of the IASB that are relevant to its operations and effective for annual reporting periods beginning on 1 January 2013, all of which were endorsed by the European Union.

Standards and interpretations applicable for the annual period beginning on 1 January 2013

> IFRS 13 Fair Value Measurement (applicable for annual periods beginning on or after 1 January 2013)
> Improvements to IFRS (2009-2011) (normally applicable for annual periods beginning on or after 1 January 2013)
> Amendments to IFRS 1 First Time Adoption of International Financial Reporting Standards – Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters (applicable for annual periods beginning on or after 1 January 2013)
> Amendments to IFRS 1 First Time Adoption of International Financial Reporting Standards – Government Loans (applicable for annual periods beginning on or after 1 January 2013)
> Amendments to IFRS 7 Financial Instruments: Disclosures – Offsetting Financial Assets and Financial Liabilities (applicable for annual periods beginning on or after 1 January 2013)
> Amendments to IAS 1 Presentation of Financial Statements - Presentation of Items of Other Comprehensive Income (applicable for annual periods beginning on or after 1 July 2012)
> Amendments to IAS 12 Income Taxes – Deferred Tax: Recovery of Underlying Assets (applicable for annual periods beginning on or after 1 January 2013)
> Amendments to IAS 19 Employee Benefits (applicable for annual periods beginning on or after 1 January 2013)
> IFRIC 20 Stripping Costs in the Production Phase of a Surface Mine (applicable for annual periods beginning on or after 1 January 2013)

Standards and interpretations published, but not yet applicable for the annual period beginning on 1 January 2013

> IFRS 9 Financial Instruments and subsequent amendments (applicable for annual periods beginning on or after 1 January 2015, but not yet endorsed in EU)
> IFRS 10 Consolidated Financial Statements (applicable for annual periods beginning on or after 1 January 2014)
> IFRS 11 Joint Arrangements (applicable for annual periods beginning on or after 1 January 2014)
> IFRS 12 Disclosures of Interests in Other Entities (applicable for annual periods beginning on or after 1 January 2014)
> IAS 27 Separate Financial Statements (applicable for annual periods beginning on or after 1 January 2014)
> IAS 28 Investments in Associates and Joint Ventures (applicable for annual periods beginning on or after 1 January 2014)
> Amendments to IFRS 10, IFRS 12 and IAS 27 – Consolidated Financial Statements and Disclosure of Interests in Other Entities: Investment Entities (applicable for annual periods beginning on or after 1 January 2014, but not yet endorsed in EU)
> Amendments to IAS 32 Financial Instruments: Presentation – Offsetting Financial Assets and Financial Liabilities (applicable for annual periods beginning on or after 1 January 2014, but not yet endorsed in EU)
> Amendments to IAS 36 – Impairment of Assets – Recoverable Amount Disclosures for Non-Financial Asset (applicable for annual periods beginning on or after 1 January 2014, but not yet endorsed in EU)
> Amendments to IAS 39 – Financial Instruments – Novation of Derivatives and Continuation of Hedge Accounting (applicable for annual periods beginning on or after 1 January 2014)
> IFRIC 21 – Levies (applicable for annual periods beginning on or after 1 January 2014, but not yet endorsed in EU)

It is expected that the standards and interpretations, not yet applicable, will have no significant impact on the Group's consolidated financial result or position.

Application of new amended IFRS standards and IFRIC interpretations

Restatements of historical financial information due to the retroactive application of the adjustments to the IAS 19 Employee benefits standard.

The Group has adopted the revised IAS 19 Employee benefits standard as of 1 January 2013. The standard includes changes to accounting principles of defined benefit plans, including actuarial gains and losses that are now recognized in other comprehensive income and permanently excluded from profit and loss, expected returns on plan assets are no longer recognized in profit or loss, instead, there is a requirement to recognize interest on the net defined benefit liability (asset) in profit or loss, calculated using the discount rate used to measure the defined benefit obligation, and, unvested past service costs are now recognized in profit and loss at the earlier of when the amendment occurs or when the related restructuring or termination costs are recognized.

The Group previously recognized only the net cumulative unrecognized actuarial gains and losses of the previous period, which exceeded 10% of the higher of the defined benefit obligation and the fair value of the plan assets. As a consequence, the Group's statement of financial position did not reflect a significant part of the unrecognized net actuarial gains and losses. As a result of the adoption of the amendments in IAS 19, the Group will recognize actuarial gains and losses in the period in which they occur in total in other comprehensive income.

The following adjustments were made to the financial statements:

	31 December 2011	30 June 2012	31 December 2012
Deferred tax assets			295
TOTAL ASSETS			**295**
Consolidated reserves	-682	-17	-475
Foreign currency translation reserve	9		8
Non-current retirement benefit obligations	673		440
TOTAL EQUITY AND LIABILITIES		**-17**	**-27**
CONSOLIDATED INCOME STATEMENT		**17**	**322**

The mandatory application of all other amendments to or improvements of standards and interpretations listed above did not give rise to any major effects on the Group's financial position and financial performance.

II.2. Reporting entity

The consolidated interim financial statements of Sioen Industries NV (the 'Company') include the financial statements of the Company and its subsidiaries (together referred to as the 'Group'). The consolidated interim financial statements give a general overview of the Group's activities and the results obtained. They give an accurate picture of the entity's financial position, financial performance and cash flow, and are drawn up on a going concern basis.

The consolidated interim financial statements are stated in thousands of euros, as the euro is the currency of the primary economic environment in which the Group is active. The financial statements of foreign participations are converted in accordance with the principles described in the section 'Foreign currencies' of the annual report 2012.

II.3. Statement of compliance with IFRS

These interim consolidated financial statements are for the six months ended 30 June 2013. They have been prepared in accordance with International Accounting Standard (IAS) 34 Interim Financial Reporting.

The interim consolidated financial statements do not include all of the information required in annual financial statements in accordance with IFRS, and should be read in conjunction with the consolidated financial statements of the Group for the year ended 31 December 2012.

II.4. Significant accounting policies

These consolidated interim financial statements have been prepared in accordance with the accounting policies adopted in the last annual financial statements for the year ended 31 December 2012.

The accounting policies have been applied consistently throughout the Group for the purposes of preparation of these consolidated interim financial statements.

II.5. Seasonality of interim operations

The consolidated income statement of the continuing operations used to reflect the seasonality of the coating business, as a result of which positive earnings were primarily generated in the first and second quarter of any one year. However, the apparel division (textile business), of which sales remain at level and positive earnings are primarily generated in the third and fourth quarter of any one year, has become more significant within the Group.

II.6. Significant events and transactions

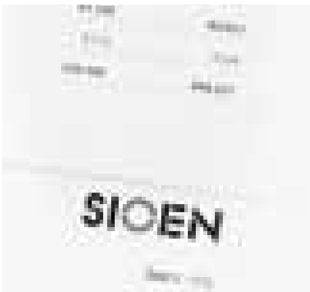
The Group's management believes that the Group is well positioned in the current economic circumstances. Factors contributing to the Group's strong position are:

> the Group does not expect to need additional borrowing facilities in the next 12 months, as a result of its significant financial resources, existing facilities and strong liquidity reserves.

The Group has no debt covenants to comply with.

> the Group's major customers have not experienced financial difficulties. Credit quality of trade receivables as at 30 June 2013 is considered to be good.

Overall, the Group is in a strong position despite the current economic environment, and has sufficient capital and liquidity to service its operating activities and debt. The Group's objectives and policies for managing capital, credit risk and liquidity risk are described in its recent annual financial statements.


"Integrity, fairness,
honesty
and respect"

Transactions

II.7. Assessment criteria in the application of the valuation rules

In the application of the valuation rules, in certain cases an accounting assessment must be made. This assessment is done by making the most accurate assessment possible of uncertain future evolutions. The management determines its assessment on the basis of different realistically assessed parameters, such as future market expectations, sector growth rates, industry studies, economic realities, budgets and multi-year plans, expected profitability studies, etc. The most important elements within the Group that are subject to this are: impairments, provisions and deferred tax items.

Impairment test for the six months ended 30 June 2013

In order to provide the stakeholders with in-depth knowledge as to the financial strength of the Group, we reassessed the recoverable amount of assets. Key assumptions related to all divisions of the Group, as described in our annual report of 2012, are still valid and review based on the latest developments did not result in any adverse changes. There are no impairment indicators during the first half of the year.

II.8. Segment information/ in thousands of euros

The Group has adopted IFRS 8 Operating Segments with effect from 1 January 2009. IFRS 8 requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by the chief operating decision maker in order to allocate resources to the segments and to assess their performance.

In 2013 the operating segments have not changed. We refer to section 'Group structure'. The Group operates in following main business segments: coating, apparel and chemicals. These divisions are the basis on which the Group reports its segment information. The principal products and services of each of these divisions are described in the annual report of 2012.

Intersegment sales are undertaken at prevailing market conditions.

The segment liabilities, for example the centrally contracted financial debt, have been allocated according the capital employed by the segment. The assets and liabilities of the head office (Group) have been allocated to the segments as far as possible. Additionally, a part of equity is allocated to the segments.

Segment revenues and results

	Coating	Apparel	Chemicals	Other	Total from continuing operations	Note
Six months ended 30 June 2013						
Revenue from external customers	95 787	45 409	20 547	6	161 749	I.2
Intersegment revenues	3 185	1	4 436			
Segment operating result	8 746	2 244	2 129	-296	12 824	
Six months ended 30 June 2012						
Revenue from external customers	101 868	44 880	20 376		167 125	I.2
Intersegment revenues	2 692	1	4 715	1 133		
Segment operating result	9 370	4 019	2 871	135	16 395	

Segment operating profit can be reconciled to Group's profit or loss as presented in its financial statements as follows:

	Note	Six months ended 30 June 2013	Six months ended 30 June 2012
			restated
SEGMENT OPERATING RESULT		**12 824**	**16 395**
Reconciling items:			
Elimination of intersegment results		-1 516	-1 164
OPERATING RESULT	I.2.2	**11 308**	**15 231**
Financial charges	I.2	-4 043	-2 833
Financial income	I.2	1 445	1 214
PROFIT OR LOSS BEFORE TAX	I.2	**8 709**	**13 612**

Segment assets, equity and liabilities

	Coating	Apparel	Chemicals	Other	Relating to discontinued operations	Unallocated/ eliminations	Total	Note
30 June 2013								
Segment assets	210 357	71 639	32 722	10 109	657	15 494	**340 978**	I.1
Segment equity and liabilities	210 357	71 639	32 722	10 109	2 610	13 541	**340 978**	I.1
31 December 2012 restated								
Segment assets	198 081	89 481	30 442	11 985	657	18 926	**349 572**	I.1
Segment equity and liabilities	198 081	89 481	30 442	11 985	2 610	16 973	**349 572**	I.1

Other segment information

	Coating	Apparel	Chemicals	Other	Head office	Total	Note
Six months ended 30 June 2013							
Depreciations	5 722	677	1 062	120	617	**8 198**	I.2.2
Additions to non-current assets	1 463	442	52	12	148	**2 117**	
Six months ended 30 June 2012							
Depreciations	5 843	677	1 190	14	626	**8 350**	I.2.2
Additions to non-current assets	3 216	294	310	9	354	**4 184**	

II.9. Exchange rates

Code	Rate	30 June 2013	31 December 2012	30 June 2012
EUR	average	1.0000	1.0000	1.0000
	closing	1.0000	1.0000	1.0000
USD	average	1.3107	1.2930	1.3033
	closing	1.3080	1.3194	1.2590
GBP	average	0.8534	0.8121	0.8225
	closing	0.8572	0.8161	0.8068
RMB	average	8.1042	8.1456	8.2336
	closing	8.0280	8.2207	8.0011
PLN	average	4.2156	4.1677	4.2195
	closing	4.3376	4.0740	4.2488
TDN	average	2.1004	2.0154	2.0044
	closing	2.1598	2.0476	2.0045
UAH	average	10.6605	10.4398	10.4595
	closing	10.6176	10.6252	10.2258
RON	average	4.3883		
	closing	4.4588		

II.10. Income taxes relating to continuing operations/ in thousands of euros

	Note	Six months ended 30 June 2013		Six months ended 30 June 2012	
					restated
Profit or loss before taxes	I.2	8 709		13 612	
INCOME TAX EXPENSE CALCULATED AT THEORETICAL TAX RATE (1)		**2 946**	**33.8%**	**4 132**	**30.4%**
Tax impact of:					
effect of expenses that are not deductible in determining taxable profit		399	4.6%	382	2.8%
effect of revenue that is exempt from taxation		- 238	-2.7%	- 177	-1.3%
deferred tax assets not recognized		223	2.6%	190	1.4%
tax assets recognized on current year losses		-172	-2.0%	-19	-0.1%
adjustments recognized in current year in relation to the current tax of prior years		129	1.5%	362	2.7%
notional interest deduction		-244	-2.8%	-58	-0.4%
other (2)		283	3.3%		
INCOME TAX EXPENSE RECOGNIZED IN PROFIT OR LOSS	I.2	**3 326**	**38.2%**	**4 811**	**35.3%**

(1) is the weighted average tax rate
(2) 2013: withholding taxes related to interests received

II.11. Discontinued operations/ in thousands of euros

II.11.1. Plan to dispose of the 'end-market, truck cover' business

On 30 November 2009, the Board of Directors announced a plan to dispose of the Group's 'end-market, truck cover' business. The disposal is consistent with the Group's long-term policy to focus on its core activities.

The agreement in principle of 6 April 2011 has been executed on 10 February 2012 (www.sioen.be). The agreement contains an earn-out provision. The new owner is the Dutch Loadlok Group, which specializes in production and sale of cargo control systems and multi-temp products in Europe. The purchase of Roland International fits perfectly into their strategy to serve optimally European trailer builders and transport companies with high quality products. Roland International was already classified as "discontinued operations".

Details of the assets and liabilities sold are disclosed in note II.24. Acquisition and disposal of subsidiaries. The disposal Group 'end market, truck cover' relates to the division other. The impact on the balance sheet and the results of 2012 is marginal. As a result of the sale of activities, the real estate (division other) remains part of the Sioen Industries Group.

II.11.2. Abandoning of the 'specialized automotive foils in small batches' business

As per 31 December 2009, the Group abandoned its 'specialized automotive foils in small batches' business, consistent with the Group's long-term policy to focus on its core activities in the automotive market. The 'specialized automotive foils in small batches' business relates to the division coating.

II.11.3. Analysis of profit (loss) of the year from discontinued operations

The combined results of the discontinued operations included in the income statement are set out below. The discontinued operations have been classified and accounted for at 30 June 2013 as a disposal Group related to discontinued operations.

	Note	Six months ended 30 June 2013	Six months ended 30 June 2012
PROFIT (LOSS) FOR THE PERIOD FROM DISCONTINUED OPERATIONS			
Net sales		-3	968
Other operating income		61	759
Expenses		-82	-1 733
Indemnity insurance premium received			
Profit or loss before tax		**-24**	**-6**
Attributable income tax			-13
PROFIT (LOSS) FOR THE PERIOD FROM DISCONTINUED OPERATIONS	I.2	**-24**	**-19**
CASH FLOWS FROM DISCONTINUED OPERATIONS			
Net cash flow from operating activities		-101	321
Net cash flow from investing activities			7
Net cash flow from financing activities		-16	-1
NET CASH FLOW		**-117**	**328**

In 2013, no operations related to the Roland activities (II.11.1.) are included, compared to one month of operations in 2012.

II.12. Debt and equity securities

There were no insurances, repurchases and repayments of debt and equity securities for the six months ended 30 June 2013.

II.13. Dividends

The Board of Directors does not propose to pay an interim dividend for the six months ended 30 June 2013.

II.14. Property, plant and equipment

During the reporting period, the Group invested for approximately EUR 1.9 million on assets compared to EUR 3.7 million over the same period ended 30 June 2012. Investments in 2013 mainly related to machinery in the coating and the apparel division. Investments in 2012 mainly related to the coating division (extension of looms and other machinery), machinery in the apparel and chemicals division and the implementation of a new ERP system at an entity of the Group.

The net value of assets, related to continuing operations sold and disposed in 2013, amount to EUR 0.1 million EUR, compared to a net value of EUR 1.0 million over the same period of last year (building in France and certain machinery and tools).

An impairment analysis has been done at the end of June 2013 (see 'impairment test' review).

The Group did not enter into any significant contractual commitments during the first half of 2013.

II.15. Inventories/ in thousands of euros

	Note	30 June 2013	31 December 2012
Gross Inventory			
Raw materials		24 350	19 804
Consumables		58	58
Work in progress		5 220	2 501
Finished goods		66 069	63 741
Goods in transit		3 059	4 598
		98 757	**90 702**
Amounts written off			
Amounts written off raw materials		-3 352	-3 307
Amounts written off consumables			
Amounts written off work in progress			
Amounts written off finished goods		-3 403	-3 435
Amounts written off goods in transit			
		-6 754	**-6 742**
NET INVENTORY			
Raw materials		20 998	16 497
Consumables		58	58
Work in progress		5 220	2 501
Finished goods		62 667	60 306
Goods in transit		3 059	4 598
	I.1	**92 003**	**83 960**

Amounts written of inventory	31 December 2012	write-down	reversal	Exchange rate differences	(Other) movements or adjustments	30 June 2013
	6 742	299	-294	8		**6 754**

Amounts written of inventory	31 December 2011	write-down	reversal	Exchange rate differences	(Other) movements or adjustments	31 December 2012
	6 360	1 080	-728	30		**6 742**

Gross inventories (excl. write-off) in respect of continuing operations increased by EUR 8.1 million or 8.9%. The built-up of finished goods for delivery during the holiday period mainly resulted in an inventory increase in the apparel division.

Obsolescence reserves on inventories in respect of the continuing operations are comparable to 31 December 2012 and amount to EUR 6.8 million at the end of the reporting period compared with EUR 6.7 million at the end of 2012. There was no significant write-down of obsolete inventory to net realisable value during the first six months of 2013. Obsolescence reserves are recorded on the basis of a detailed aging and rotation analysis per unit.

II.16. Other financial assets/ in thousands of euros

	Note	30 June 2013	31 December 2012
Other investments and deposits		17 122	23 613
Options			
TOTAL OTHER FINANCIAL ASSETS	I.1	**17 122**	**23 613**

II.17. Provisions/ in thousands of euros

	31 December 2012	Additional provision recognized	Reductions arising from payments	Reversal	Exchange rate differences	Acquired via business combination	Classified as related to discontinued operations	Unwinding of discount and effect of changes in the discount rate	30 June 2013	Note
Provisions for environmental issues	692		-63						628	
Provisions for other liabilities and charges	387	260	-259	-67	-1		69		390	
TOTAL PROVISIONS	**1 078**	**260**	**-322**	**-67**	**-1**		**69**		**1 018**	

	More than one year	Within one year	Note
Provisions for environmental issues	395	233	
Provisions for other liabilities and charges	10	379	
TOTAL PROVISIONS	**405**	**613**	I.1

	31 December 2011	Additional provision recognized	Reductions arising from payments	Reversal	Exchange rate differences	Acquired via business combination	Classified as related to discontinued operations	Unwinding of discount and effect of changes in the discount rate	31 December 2012	Note
Provisions for environmental issues	355	409	-72						692	
Provisions for other liabilities and charges	547	380	-238	-302	-1				386	
TOTAL PROVISIONS	**902**	**789**	**789**	**-302**	**-1**				**1 078**	

	More than one year	Within one year	Note
Provisions for environmental issues	395	297	
Provisions for other liabilities and charges	11	375	
TOTAL PROVISIONS	**406**	**672**	I.1

The carrying amount of the provisions reflects the net present value of future liabilities discounted at the weighted average cost of capital, applicable for the operating unit.

Provisions for environmental issues mainly consist of a provision relating to the land in Temse belonging to TIS NV and the land in Ardooie belonging to Sioen Industries NV. The risk in Temse originates in the period before the takeover.

These provisions are mainly set up for more than one year and are discounted using the weighted average capital costs (7.4%) of the coating division. In 2010 the Group decided to dispose part of its property for which a provision for sanitation was set up. The land and the related provision for sanitation have been classified as 'discontinued' since 2010. We refer to note II.21. Assets & liabilities related to discontinued operations.

The increase and the use of provisions for other liabilities and charges mainly relate to restructuring provisions in Belgium and France.

II.18. Borrowings

Long-term interest bearing loans, including financial long-term leasing debt

There were no other significant changes in the long term borrowings of the Company compared to those disclosed in the consolidated financial statements of the Group for the year ended 31 December 2012.

Short-term interest bearing loans

As per 30 June 2013, short-term straight loans amounted to EUR 9.7 million. They only consist of dollar loans of USD 12.7 million, used for FX hedging purposes, with a weighted average interest rate of 1.4%.

As per 30 June 2012, short-term straight loans amounted to EUR 8.7 million. They only consist of dollar loans of USD 10.9 million, used for FX hedging purposes, with a weighted average interest rate of 1.7%.

II.19. Obligations under finance leases

There were no new commitments for the acquisition of intangible and tangible assets at the end of the reporting period.

II.20. Share capital & shareholder structure

On 30 June 2013, the share capital amounted to EUR 46 million, represented by 20 364 332 shares. In 2013, the Group continued its share buyback program. At the General Shareholders meeting of 26 April 2013, it was decided to destroy 1 026 738 own shares.

Ownership of the Company's shares was as follows:

Notifying party	Number of share	Percentage of total number of shares
Sihold NV (1) and companies/parties under the influence of the family Sioen	12 906 212	63.38%
Sioen Industries NV (2)	253 710	1.25%
ING Groep NV (3)	680 000	3.34%
TOTAL	**13 839 922**	**67.96%**

(1) Sihold NV is controlled by Sicorp NV, which is controlled in turn by the Dutch foundation Stichting Administratiekantoor Midapa. This foundation is controlled by Mrs Sioen.
(2) Share buyback program: Situation as per 30 June 2013: 253 710 shares
Per 26 April 2013 (destruction own shares): 1 026 738 shares
(3) ING Groep NV controls ING Insurance Topholding NV which in turn controls ING Verzekeringen NV. ING Verzekeringen NV controls ING controls ING Insurance Eurasia NV wich in turn controls ING Investments Management Holdings NV. ING Investments Management Holdings NV controls ING Investment Management (Europe) BV wich in turn controls ING Investment Management Belgium S.A.

There were no movements in the issued capital of the Company in either current or the prior interim reporting periods.

II.21. Assets & liabilities related to discontinued operations/ in thousands of euros

30 June 2013	Note	Total	ABANDONED Specialized automotive foils in small batches	HELD FOR SALE Property Temse	End-market truck cover
Intangible assets					
Goodwill					
Property, plant and equipment		650		624	26
Inventories					
Trade receivables					
Other LT assets, other receivables; deferred charges and accrued income					
Cash and cash equivalents					
TOTAL ASSETS RELATED TO DISCONTINUED OPERATIONS	I.1	**650**		**624**	**26**
Provisions		2 496	55	2 441	
Trade and other payables, retirement benefit obligations, obligations under finance leases		9			9
Current income tax liabilities					
Social debts, other amounts payable, accrued charges and deferred income					
Other amounts payable					
TOTAL LIABILITIES RELATED TO DISCONTINUED OPERATIONS	I.1	**2 505**	**55**	**2 441**	**9**
NET ASSETS RELATED TO DISCONTINUED OPERATIONS		**-1 855**	**-55**	**-1 817**	**17**

31 December 2012	Note	Total	ABANDONED Specialized automotive foils in small batches	HELD FOR SALE Property Temse	End-market truck cover
Intangible assets					
Goodwill					
Property, plant and equipment		657		624	33
Inventories					
Trade receivables					
Other LT assets, other receivables; deferred charges and accrued income					
Cash and cash equivalents					
TOTAL ASSETS RELATED TO DISCONTINUED OPERATIONS	I.1	**657**		**624**	**33**
Provisions		2 593	78	2 441	74
Trade and other payables, retirement benefit obligations, obligations under finance leases		17			17
Current income tax liabilities					
Social debts, other amounts payable, accrued charges and deferred income					
Other amounts payable					
TOTAL LIABILITIES RELATED TO DISCONTINUED OPERATIONS	I.1	**2 610**	**78**	**2 441**	**91**
NET LIABILITIES RELATED TO DISCONTINUED OPERATIONS		**-1 953**	**-78**	**-1 817**	**-58**

II.22. Financial instruments/ in thousands of euros

	30 June 2013			31 December 2012		
FIXED RATES (EUR)	**Nominal value**	**Fair Value**	**Note**	**Nominal value**	**Fair Value**	**Note**
Forward sales contracts						
Forward sales contracts within 1 year						
Rights						
Obligation	20 896 (1)	-7		19 621 (1)	-112	
Collar derivative	50 000 (2)	-8 444	I.1	50 000 (2)	-8 471	I.1
	Nominal value (1)	**Fair Value**		**Nominal value (1)**	**Fair Value**	
Bond	100 000	101 550		100 000	103 420	
Borrowing costs capitalised	-879			-879		
Finance leases	13 044	13 246		14 437	14 931	
Bank loans						
TOTAL	**112 165**	**114 796**		**113 558**	**118 351**	

(1) Nominal value equals foreign currency amount * contract rate
(2) Amount in the contract

Financial risk management

The Group manages a portfolio of derivatives to hedge against risks relating to exchange rate and interest rate positions arising as a result of operating and financial activities. It is the Group's policy to avoid engaging in speculative transactions or transactions with a leverage effect and not to hold derivatives for trading purposes.

Fair value

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction. In conformity with IAS 39 all derivatives are recognised at fair value in the balance sheet.

Non-derivative financial liabilities

The fair value of non-derivate financial liabilities is calculated based on commonly-used valuation techniques (i.e. net present value of future principal amounts and interest charges discounted at market rate). These are based on market inputs from reliable financial information providers. Fair values determined by reference to prices provided by reliable financial information providers are periodically checked for consistency against other pricing sources.

As shown in the fair value analysis, Sioen Industries is now in an overall favourable position concerning interest rate conditions compared to the actual fair values of the loans.

Interest risk management

On 21 April 2011, the Group entered into a cash flow hedge to hedge, within certain limits, the interest rate risk on highly probable future debt to be issued in March 2016 for a term of 10 years, for a principal amount of EUR 50 million. For this purpose, the Group entered into a forward starting interest rate collar for a nominal amount of EUR 50 million. A collar is a derivative financial instrument by which the buyer of the instrument receives / executes payments at the end of the reference period in which the interest rate evolves out of the agreed upon borders (upper and lower border / tunnel). The forward starting interest rate collar will be settled in cash in March 2016, and the effective part of the gain or loss on the derivative will be amortised to profit or loss over the term of the hedged debt (ie over a term of 10 years).

The fair value of the forward starting collar as of 30 June 2013 was EUR -8.4 million (EUR -8.5 million as of 31 December 2012). As per 30 June 2013, an amount (net of tax) of EUR -0.1 million was recognised in Other Comprehensive Income (Cash Flow Hedge Reserve) (EUR -0.2 million - net of tax - as per 30 June 2012). This is the effective part of the total change in FV of the derivative. During the first half of 2013, no significant amount was recognised directly in profit or loss as ineffectiveness arising from this cash flow hedge.

Collar (in 000euro)	Nominal amount	Rate	Start date	End date	Barrier Option Type	Estimated fair value at 30 June 2013
CAP	50 000	5%	16/03/2016	16/03/2026	Knock-In: from 2.5%	-8 444
Floor	50 000	4%	16/03/2016	16/03/2026	increasing to 3.5% over the period	

Collar (in 000euro)	Nominal amount	Rate	Start date	End date	Barrier Option Type	Estimated fair value at 30 June 2012
CAP	50 000	5%	16/03/2016	16/03/2026	Knock-In: from 2.5%	-8 471
Floor	50 000	4%	16/03/2016	16/03/2026	increasing to 3.5% over the period	

II.23. Related party transactions/ in thousands of euros

	Nature of transaction	Six months ended 30 June 2013
Recticel Group	Sale	587
Recticel Group	Purchase	83
INCH	Sale	375

	Nature of transaction	Six months ended 30 June 2012
Recticel Group	Sale	641
Recticel Group	Purchase	108
INCH	Sale	390

These transactions consist of construction project services (SVB) and commercial transactions (Inch, Recticel Group) and are done on an 'at arm's length' basis.

Other transactions with related parties, other than directors, are not included given the negligible amount (under EUR 20 000 in current and last year).

II.24. Acquisition and disposal of subsidiaries/ in thousands of euros

2013

There were no acquisitions and disposals during the first half of 2013.

2012

The agreement in principle of 6 April last year, regarding the sale of Roland International, has been executed on 10 February 2012. The new owner is the Dutch Loadlok Group, which specializes in production and sale of cargo control systems and multi-temp products in Europe. Roland International was already classified as "discontinued operations".

Roland activities	
Intangible assets	42
Goodwill	
Property, plant and equipment	28
Inventories	1 587
Trade receivables	2 996
Other LT assets, other reveivables, deferred charges and accrued income	128
Cash and cah equivalents	646
TOTAL ASSETS RELATED TO DISCONTINUED OPERATIONS	**5 427**
Provisions	69
Trade and other payables, retirement benefit obligations under finance leases	951
Current income tax liabilities	505
Deferred tax liabilities	
Social debts, other amounts payable, accrued charges and deferred income	1 180
TOTAL LIABILITIES RELATED TO DISCONTINUED OPERATIONS	**2 705**
NET ASSETS RELATED TO DISCONTINUED OPERATIONS	**2 722**

II.25. Events after reporting date

On 28 May 2013 the Group issued a letter of intent for the acquisition of 'Van Ochten Bedrijfskleding BV'. The acquisition, with a purchase price of EUR 3.0 million, has been finalized on 5 July 2013.
Van Ochten Bedrijfskleding is a specialized company that designs, personalizes and sells high quality workwear through the distribution to various industries (petrochemical workers, welders, construction workers, …). Van Ochten Bedrijfskleding BV realizes sales on an annual basis of about EUR 4.0 million. As from July 2013 the company will be integrated in the Group consolidated financial statements, as part of the apparel division.

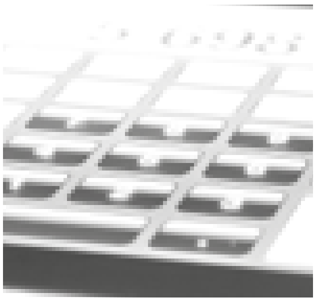
No other subsequent events occurred which could have a significant impact on the consolidated financial statements of the Group, for the period ended 30 June 2013.

II.26. Contingent assets and liabilities

There were no significant changes in the contingencies of the Company and its subsidiaries from those described above and those disclosed in the consolidated financial statements of the Group for the year ended 31 December 2012.

II.27. Financial risk management

The Group's financial risk management objectives and policies are consistent with those disclosed in the consolidated financial statements as at and for the year ended 31 December 2012.




II.28. Staff

Country	30 June 2013	31 December 2012
Indonesia	2 643	2 824
Belgium	886	877
Tunisia	552	580
France	173	179
Romania	146	30
Ireland	34	40
Portugal	17	20
China	17	17
Germany	5	7
UK	4	5
The Netherlands	3	2
Ukraine	3	1
TOTAL	**4 483**	**4 582**
Blue Collar	3 679	3 860
White Collar	804	722
TOTAL	**4 483**	**4 582**

II.29. Approval of interim financial statements

These interim consolidated financial statements have been approved for issue by the Board of Directors on 28 August 2013.

We hereby confirm, to the best of our knowledge, that the consolidated interim financial statements give a true and fair view of the financial position of the Group as at 30 June 2013, as well as of the financial performance and cash flows for the said period, fully in compliance with the accounting standards adopted for use in the EU for interim financial statements (EU adopted IAS 34, Interim Financial Reporting);

Michèle Sioen
CEO

Geert Asselman
CFO

Sioen Industries

Fabriekstraat 23
B-8850 Ardooie
T +32(0)51 74 09 80
F +32(0)51 74 09 79
E corporate@sioen.be
W www.sioen.com
BTW BE 0441.642.780
RPR 0441.642.780 Brugge

Halfjaarverslag/ half year report

Dit halfjaarverslag is beschikbaar in het Nederlands en het Engels.
This half year report is available in English and Dutch.

Financial information and investor relations

For all further information, institutional investors and financial analysts are advised to contact: Geert Asselman Chief Financial Officer

Financial calendar

Trading update third quarter 2013: Friday, November 15th 2013