Ontex H1 2015: Robust first half performance

Aalst-Erembodegem, July 29, 2015 - Ontex Group NV (Euronext Brussels: ONTEX; 'Ontex,' 'the Group' or 'the Company') today announced their unaudited interim results for the six months period ending June 30, 2015.

H1 2015 Highlights

- Revenue was €852.8 million, an increase of 5.3% on a reported basis and 4.4% on a like-for-like (LFL)[1] basis
- Adjusted EBITDA[2] grew 11.5% to €109.9 million; Adjusted EBITDA margin expansion was 72 basis points to 12.9%
- Foreign exchange (FX) impacts were net €7.6 million positive on revenue, and net €8.7 million negative on Adjusted EBITDA
- Adjusted Free Cash Flow[3] for H1 2015 was €106.9 million due to solid operational profitability and management of working capital requirements
- Net Debt further decreased to €504.7 million as of June 30, 2015, leading to a net financial debt/LTM Adjusted EBITDA ratio of 2.43x

Q2 2015 Highlights

- Revenue of €427.7 million, up 4.4% on a reported basis and 3.6% on a LFL basis
- Adjusted EBITDA increased by 17.2% year-on-year to €57.9 million, resulting in an Adjusted EBITDA margin to 13.5%, 148 bps above a year ago. The strong tailwind from oil-based commodities in Q2 2015 will not recur in Q3 2015, due to increases in the price indices of these products, as disclosed in our Q1 trading update.
- In Q2 2015 FX impacts were net €3.2 million positive on revenue, and net €3.7 million negative on Adjusted EBITDA

Key Financials H1 2015 and Q2 2015

In € million, except per share data	Q2 2015	Q2 2014	% Change		H1 2015	H1 2014	% Change
Reported Revenue	427.7	409.7	*4.4%*		852.8	809.9	*5.3%*
LFL Revenue[1]	424.5	409.7	*3.6%*		845.2	809.9	*4.4%*
Adjusted EBITDA[2]	57.9	49.4	*17.2%*		109.9	98.6	*11.5%*
Adj. EBITDA Margin	13.5%	12.1%	*148bps*		12.9%	12.2%	*72bps*
Profit/(loss) for the period	28.9	(2.7)	*N.M.*		56.9	11.9	*N.M.*
Basic EPS	0.42	(0.04)	*N.M.*		0.84	0.17	*N.M.*
Adj. Free Cash Flow[3]	54.7	40.7	*34.4%*		106.9	46.2	*131.4%*
Net Debt[4]	N.A.	N.A.	*N.A.*		504.7	532.8	*(5.3%)*

CEO Charles Bouaziz commented: "This is a very robust set of results. We have made further progress on both the top and bottom line in the first half of 2015. Despite slowing market growth and heightened competitiveness in Western Europe, group revenue moved 4.4% higher on a LFL basis, and 5.3% higher on a reported basis due to net favorable foreign exchange impacts. We maintain a disciplined commercial approach where competitive pressures are particularly strong, and captured revenue growth in a number of our developing markets, confirming the benefits of our balanced portfolio. In a more volatile FX and commodities environment, our commitment remains to grow profitably, including a relentless pursuit of efficiencies which will support continued moderate margin expansion for the full year 2015. The benefits of our refinancing are now coming through, driving strong net profit growth. And finally, our net debt position improved further, demonstrating financial discipline."

1 *LFL is defined as at constant currency excluding change in perimeter of consolidation or M&A*
2 *Adjusted EBITDA is a non-IFRS measure, defined as EBITDA plus non-recurring expenses and revenues excluding non-recurring depreciation and amortization and has consistently been applied throughout reporting periods. EBITDA is a non-IFRS measure, defined as earnings before net finance cost, income taxes, depreciation and amortization. For further detail refer to Annex A, page 12.*
3 *Adjusted Free Cash Flow calculated as Adjusted EBITDA less capex, change in working capital and cash taxes paid.*
4 *For definition and further detail of Net Debt, refer to Annex A, page 25*

Market Dynamics

For the first half of 2015, the Western European markets have grown at a slower rate, and price competition remains intense in both retail and institutional channels. Our developing markets continued to grow, with increasing volumes, as well as higher prices implemented to offset the impact of devaluating currencies. Retailer brands in our categories continued to outgrow markets in both Western and Eastern Europe.

Changes in foreign currencies had a net positive impact on revenue, and net negative impact on Adjusted EBITDA in H1 2015. The largest positive impacts related to the British Pound and Turkish Lira (Lira only for revenue), while in particular the Russian Rouble had a negative impact. The incremental negative impact on Adjusted EBITDA was attributable to the US Dollar strengthening against the Euro, as 15% to 20% of our raw materials relate to fluff pulp purchased in USD.

For the first half of 2015, overall costs of our major raw materials were lower than a year ago, as lower oil-based materials were partly offset by higher fluff pulp. The main driver was lower oil-based commodities only in the second quarter, while fluff pulp costs remained near record high levels in US Dollars throughout the first half. However, as communicated at the Q1 2015 results, indices for oil-based commodities started rising already in March, and have continued to increase further, despite much lower crude oil pricing.

For Adjusted EBITDA, based upon published indices, the impact from commodities will be broadly neutral in Q3 2015 year on year. At current rates, foreign exchange will continue to be a headwind.

Overview of Ontex Performance in H1 2015

Ontex recorded a very solid first half with revenue of €852.8 million, up 4.4% LFL and 5.3% on a reported basis, due to a net favorable impact of currencies. Growth of 3.6% LFL in Q2 2015 reflected the anticipated rebalancing of growth between Q1 and Q2. All four Divisions and three product categories generated more revenue in H1 2015 on a LFL basis than the same period a year ago. In a more challenging environment in Mature Market Retail and Healthcare, we have continued to grow ahead of the markets in which we operate. This is being supported by good growth in our developing markets, with MENA and Growth Markets combined revenue 19% above last year on a LFL basis.

Continued top line growth and further efficiency gains, together with oil-based commodity tailwinds in Q2 drove Adjusted EBITDA up 11.5% to €109.9 million, in spite of a negative FX impact of nearly

€9 million. Adjusted EBITDA margin was 12.9% for H1 2015, up 72 bps compared to the same period last year.

Operational Review: Divisions

	Second Quarter				Six Months			
in € million	**Q2 2015**	**Q2 2014[1]**	**% Δ as reported**	**% Δ at LFL**	**H1 2015**	**H1 2014[1]**	**% Δ as reported**	**% Δ at LFL**
Ontex Reported Revenue	**427.7**	**409.7**	**4.4%**	**3.6%**	**852.8**	**809.9**	**5.3%**	**4.4%**
Mature Market Retail	232.4	229.0	1.5%	(1.0%)	460.8	445.9	3.4%	1.0%
Growth Markets	42.4	31.5	34.6%	49.2%	73.7	59.5	23.8%	42.8%
Healthcare	106.9	105.0	1.8%	0.2%	215.3	210.5	2.3%	0.7%
MENA	46.0	44.2	4.1%	2.9%	103.0	94.0	9.5%	4.2%

1 *As previously disclosed in the FY 2014 report, following a review of the Group's customers and countries, a slight modification to the 4 Divisions has been made for which revenue is reported, effective January 1, 2015. A limited amount of activities which represent in aggregate less than 2% of Group revenue have been re-assigned to the Growth Markets Division from Mature Market Retail, Middle East Africa (MEA) which becomes Middle East North Africa (MENA), and Healthcare. Prior year information has been restated as a basis for comparison in future reporting. Refer to the FY 2014 report for further details.*

Mature Market Retail

The Mature Market Retail Division delivered LFL growth of 1.0% in H1 2015 (+3.4% on a reported basis, mainly due to the British Pound) in challenging market conditions, and against a strong comparable result in the same period last year. H1 revenue grew in spite of slower market growth and an intensified competitive environment. We have remained disciplined and focused on sustainable, profitable growth, accepting that this can have an unfavourable impact on gains and losses in the short term. First half 2015 revenue was higher year on year in Australia, Poland and Southern Europe, while the UK and Germany were lower.

Growth Markets

H1 revenue in the Growth Markets Division was up 42.8% on a LFL basis (+23.8% reported due to a negative FX impact, primarily the Russian Rouble). Volumes continued to grow in Russia, in particular for the small but growing retailer brand category, which provides an attractive alternative to consumers, leading to solid LFL growth in H1. Also in Russia, in addition to higher volumes, industry- wide prices have risen to compensate for a negative FX impact, further driving LFL revenue. Elsewhere in the Division, Central Eastern Europe also continued to capture volume-led growth.

Healthcare

Healthcare Divisional revenue rose 0.7% on a LFL basis in H1 2015 (reported +2.3% due to a positive impact of the British Pound). H1 2015 revenue increased in Italy on the back of continued growth in home delivery, which also continued to develop positively in the UK, while France and Benelux also grew. In Germany, revenue declined, entirely due to some scaled down contracts as disclosed in previous quarters.

MENA

Middle East North Africa Divisional revenue was up 4.2% in H1 2015 on a LFL basis, and 9.5% higher as reported due to a positive FX impact, mainly due to the Turkish Lira. The main drivers of higher LFL in the Division were growth of our branded sales in Turkey, in particular in adult incontinence, as well as in Pakistan, where we continue to build our position. At the same time, in some of our markets in North Africa, we are working to improve our distribution network to address a heightened competitive environment and reduced market liquidity.

Operational Review: Categories

	Second Quarter				Six Months			
in € million	Q2 2015	Q2 2014	% Δ as reported	% Δ at LFL	H1 2015	H1 2014	% Δ as reported	% Δ at LFL
Ontex Reported Revenue[1]	**427.7**	**409.7**	**4.4%**	**3.6%**	**852.8**	**809.9**	**5.3%**	**4.4%**
Babycare	230.0	218.6	5.2%	4.3%	456.5	428.8	6.5%	5.2%
Femcare	50.8	50.7	0.2%	(1.0%)	101.6	100.1	1.5%	0.5%
Adult Inco	140.1	134.1	4.5%	4.0%	282.4	269.0	5.0%	4.5%

1 *Includes €6.8 million in Q2 2015; €12.3 million in H1 2015; €6.3 million in Q2 2014; €12.0 million H1 2014 from Other category*

Babycare
H1 2015 Babycare category revenue was up 5.2% LFL (+6.5% reported) on top of an exceptionally high comparable period (+11.4% LFL) a year ago, due to the exit of a competitor. This continued growth was achieved with retailer brands in both developed and developing markets, as well as with Ontex brands in developing markets.

Femcare
Revenue for the Femcare category rose 0.5% on a LFL basis (+1.5% reported) in the first six months of 2015, growing in line with Western European retailer brands market performance where most of our sales are generated.

Adult Inco
Adult Inco revenue grew 4.5% LFL (reported +5.0%) for H1 2015, with revenue of pull-ups continuing to perform well. Growth was again recorded in institutional channels, as well as in retail where revenue was 14% higher on a LFL basis than a year ago.

Operational Review: Geographies

	Second Quarter				Six Months			
in € million	Q2 2015	Q2 2014	% Δ as reported	% Δ at LFL	H1 2015	H1 2014	% Δ as reported	% Δ at LFL
Ontex Reported Revenue	**427.7**	**409.7**	**4.4%**	**3.6%**	**852.8**	**809.9**	**5.3%**	**4.4%**
Western Europe	279.5	282.2	(1.0%)	(3.1%)	559.6	559.2	0.1%	(2.0%)
Eastern Europe	72.6	55.1	31.8%	39.6%	133.4	102.7	29.9%	40.8%
ROW	75.6	72.4	4.4%	2.5%	159.8	148.0	8.0%	3.3%

Revenue for Eastern Europe and ROW together represented 34% of total Ontex revenue in H1 2015, up from 31% in the first half of last year.

OUTLOOK

We remain committed to delivering sustainable, profitable growth. While the growth in our key developed markets is slower than last year and overall at the low end of the range of 3% to 4%, we continue to aim to outperform by helping retailers grow their brands and increasing Ontex brand share. Accessing faster growth in our developing markets allows us to maintain commercial discipline in competitive developed markets. Given the outlook for commodities and foreign exchange for the rest of 2015, for full year 2015 Adjusted EBITDA growth we confirm our full year aim to deliver about 30bps of Adjusted EBITDA margin expansion.

FINANCIAL REVIEW

Selected P&L Financial Information

in € million	Six Months		
	H1 2015	H1 2014	% Δ
Ontex Reported Revenue	**852.8**	**809.9**	**5.3%**
Cost of sales	(612.8)	(587.6)	4.3%
Gross margin	240.0	222.3	8.0%
Operating expenses	(146.4)	(139.7)	4.8%
Non-recurring revenue and expenses	(2.3)	(22.0)	N.M.
Operating profit	91.3	60.6	50.7%
Net finance cost	(17.4)	(39.1)	(55.5%)
Income tax expense	(17.0)	(9.6)	77.1%
Profit/loss for the period	56.9	11.9	N.M.
Basic EPS	0.84	0.17	N.M.
Adjusted EBITDA	109.9	98.6	11.5%

Selected Liquidity Financial Information

in € million	Six Months		
	H1 2015	H1 2014	% Δ
Adjusted Free Cash Flow (post tax)	106.9	46.2	131.4%
- Of which change in WC	19.0	(29.6)	N.M.
- Of which Capex	(15.3)	(18.7)	(18.2%)
Net debt	504.7	532.8	(5.3%)
Available liquidity (cash and cash equivalents plus undrawn RCF)	216.4	453.4	*(52.3%)*

Gross Margin

H1 2015 gross margin was €240.0 million, an 8.0% increase compared to H1 2014 in spite of a negative foreign exchange impact, mainly related to raw material purchases in US Dollars. As a percentage of sales, H1 2015 gross margin expanded to 28.1%, 69 basis points higher than last year. The main driver of this growth was an ongoing focus on capturing efficiencies and a strong tailwind from oil-based commodities in the second quarter.

Adjusted EBITDA

Adjusted EBITDA is a non-IFRS measure, defined as EBITDA plus non-recurring expenses and revenues excluding non-recurring depreciation and amortization. EBITDA is also a non-IFRS measure, defined as earnings before net finance cost, income taxes, depreciation and amortization.

H1 2015 Adjusted EBITDA rose by 11.5% to €109.9 million, and by 17.2% to €57.9 million in Q2. This growth is mainly attributable to an increase in gross margins detailed above. We continued to invest strongly in sales and marketing, as well as in support functions.

Foreign Exchange

The impact of foreign exchange on revenue for H1 2015 was a positive €7.6 million. Positive effects were mainly due to the British Pound and to a much lesser extent Turkish Lira, while the Russian Rouble had a negative impact.

By contrast, changes in foreign exchange rates impacted Adjusted EBITDA negatively by €8.7 million in H1 2015, where the positive impact of the British Pound could not offset the strong negative impacts of the US Dollar, and to a lesser extent the Russian Rouble.

Net Finance Costs
The net finance cost for H1 2015 totalled €17.4 million, 55.5% lower than the previous year. The sharp fall in net finance costs is almost entirely due to lower interest expenses, as a result of lower average net debt and a lower average interest rate, following the IPO and refinancing of our debt in Q4 2014.

Income Tax Expense
Income Tax Expense was €17.0 million in H1 2015, an increase of 77.1% compared to H1 2014.

Working Capital
H1 2015 working capital as a percentage of sales was 9.5%. This performance is mainly due to a focus on receivables, and also benefited from the sale of €16.1 million of the VAT in Italy which built up during 2014.

Capex
Capital expenditures for H1 2015 were €15.3 million, reflecting phasing year to date. For the full year, our guidance of capex/sales is slightly above 3% linked to IT investments.

Adjusted Free Cash Flow (post tax)
Adjusted Free Cash Flow calculated as Adjusted EBITDA (see definition above) less capex, change in working capital and cash taxes paid.
H1 2015 adjusted free cash flow was €106.9 million. This result is primarily due to a strong operating profit and an improvement in working capital detailed above.

Financing and Liquidity
Cash and cash equivalents were €116.4 million at June 30, 2015.

Net debt at June 30, 2015 amounted to €504.7 million, and leverage based on the last twelve months Adjusted EBITDA was 2.43x.

The revolving credit facility of €100 million was undrawn at the end of June 2015, and available liquidity was €216.4 million.

CONFERENCE CALL

Management will host a presentation for investors and analysts on July 29, 2015 at 8:00am BST / 9:00am CET. A copy of the presentation slides will be available at http://www.ontexglobal.com/.

If you would like to participate in the conference call, please dial-in 5 to 10 minutes prior using the details below:

United Kingdom:	+44 20 3427 1903
United States:	+1 646 254 3365
Belgium:	+32 2 402 3092
France:	+33 (0)1 76 77 22 25
Germany:	+49 (0)69 2222 10621
Passcode:	3029195

FINANCIAL CALENDAR 2015

Third Quarter and Nine Months 2015	November 5, 2015

ENQUIRIES

Investors
Philip Ludwig
+32 53 333 730
Philip.ludwig@ontexglobal.com

Press
Gaëlle Vilatte
+32 53 333 708
Gaelle.vilatte@ontexglobal.com

ANNEX A ONTEX GROUP NV UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

STATEMENT OF THE BOARD OF DIRECTORS

The Board of Directors of Ontex Group NV certifies in the name and on behalf of Ontex, that to the best of their knowledge, the condensed consolidated financial statements, established in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union, give a true and fair view of the assets, financial position and results of Ontex and of the entities included in the consolidation.

The financial report gives an accurate overview of the information that needs to be disclosed pursuant to paragraphs 5 and 6 of article 13 of the Royal Decree of 14 November 2007.

Statutory auditor's report on review of consolidated condensed financial information for the period ended 30 June 2015

To the Board of Directors Ontex Group NV

Statutory auditor's report on review of consolidated condensed financial information for the period ended 30 June 2015

Introduction

We have reviewed the accompanying unaudited condensed consolidated statement of financial position of Ontex Group NV and its subsidiaries as of 30 June 2015 and the related unaudited condensed consolidated income statement, the unaudited condensed consolidated statement of comprehensive income, the unaudited condensed consolidated changes in equity and the unaudited condensed consolidated statement of cash flows for the 6-month period then ended, as well as the explanatory notes. The board of directors is responsible for the preparation and presentation of this unaudited condensed interim financial information in accordance with IAS 34, as adopted by the European Union. Our responsibility is to express a conclusion on this consolidated condensed financial information based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity." A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and, consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated interim financial information is not prepared, in all material respects, in accordance with IAS 34, as adopted by the European Union.

Gent, 28 July 2015

The statutory auditor
PwC Reviseurs d'Entreprises sccrl / Bedrijfsrevisoren bcvba
Represented by

Peter Opsomer*
Bedrijfsrevisor

*Peter Opsomer BVBA
Board Member, respresented by its fixed representative,
Peter Opsomer

PwC Bedrijfsrevisoren cvba, burgerlijke vennootschap met handelsvorm - PwC Reviseurs d'Entreprises scrl, société civile à forme commerciale - Financial Assurance Services
Maatschappelijke zetel/Siège social: Woluwe Garden, Woluwedal 18, B-1932 Sint-Stevens-Woluwe
Vestigingseenheid/Unité d'établissement: Sluisweg 1 bus 8, B-9000 Gent
T: +32 (0)9 268 82 11, F: +32 (0)9 268 82 99, www.pwc.com
BTW/TVA BE 0429.501.944 / RPR Brussel - RPM Bruxelles / ING BE43 3101 3811 9501 - BIC BBRUBEBB / RBS BE89 7205 4043 3185 - BIC ABNABEBR

Unaudited Condensed Consolidated Interim Income Statement

in € million	Note	First Half 2015	First Half 2014
Revenue	3	852.8	809.9
Cost of sales		(612.8)	(587.6)
Gross margin		**240.0**	**222.3**
Distribution expenses		(75.9)	(75.8)
Sales and marketing expenses		(48.3)	(41.1)
General administrative expenses		(26.0)	(22.0)
Other operating income/(expense), net		3.8	(0.8)
Non-recurring expenses (*)	9	(2.3)	(22.0)
Operating profit		**91.3**	**60.6**
Finance income		10.8	6.1
Finance costs		(28.2)	(45.2)
Net finance cost		**(17.4)**	**(39.1)**
(Profit /(Loss) before income tax		**73.9**	**21.5**
Income tax expense		(17.0)	(9.6)
Profit /(Loss) for the period from continuing operations		**56.9**	**11.9**
Profit /(Loss) for the period		**56.9**	**11.9**
Profit /(Loss) attributable to:			
Owners of the parent		56.9	11.9
Non-controlling interests		-	-
Profit /(Loss) for the period		**56.9**	**11.9**

(*) Non-recurring expenses is a non-IFRS measure defined in note 9.

The notes 1 to 14 are an integral part of the Unaudited Condensed Consolidated Interim Financial Statements.

EARNINGS PER SHARE

in €	**Note**	**First Half 2015**	**First Half 2014**
Basic Earnings per share	10	0.84	0.17
Diluted Earnings per share	10	0.84	0.17
Adjusted Basic Earnings per share (*)	10	0.87	0.50
Diluted Adjusted Basic Earnings per share	10	0.87	0.50
Number of Shares	10	68,055,555	68,055,555

(*) Adjusted basic earnings defined as Profit /(Loss) for the period plus non-recurring expenses and tax effect on non-recurring expenses, attributable to the owners of the parent

The notes 1 to 14 are an integral part of the Unaudited Condensed Consolidated Interim Financial Statements.

Unaudited Condensed Consolidated Interim Income Statement (continued)

in € million	First Half 2015	First Half 2014
Reconciliation of Non-IFRS Financial Measures		
Reconciliation of operating profit to net income before interest, tax, depreciation and amortization (EBITDA)		
Operating Profit	**91.3**	**60.6**
Depreciation and amortization (*)	16.3	16.1
EBITDA (**)	**107.6**	**76.7**
Reconciliation of net income before interest, tax, depreciation and amortization (EBITDA) to adjusted EBITDA		
EBITDA(**)	**107.6**	**76.7**
Non-recurring expenses excluding amortization	2.3	21.9
Adjusted EBITDA (***)	**109.9**	**98.6**
Reconciliation of Profit /(Loss) of the period (Basic Earnings) to Adjusted Basic Earnings		
Profit /(Loss) of the period (Basic Earnings)	**56.9**	**11.9**
Non-recurring expenses attributable to owners of the Parent	2.3	22.0
Tax correction	-	-
Adjusted Basic Earnings	**59.2**	**33.9**

(*) Depreciation and amortization (D&A) included €16.3 million of recurring D&A and €0.0 million of non-recurring D&A in H1 2015. D&A included €16.0 million of recurring D&A and €0.1 million of non-recurring D&A for the H1 2014.

(**) EBITDA is a non-IFRS measure. EBITDA is defined as earnings before net finance cost, income taxes, depreciation and amortization.

(***) Adjusted EBITDA is a non-IFRS measure. Adjusted EBITDA is defined as EBITDA plus non-recurring expenses excluding non-recurring depreciation and amortization

The notes 1 to 14 are an integral part of the Unaudited Condensed Consolidated Interim Financial Statements.

Unaudited Condensed Consolidated Interim Statement of Comprehensive Income

in € million	**First Half 2015**	**First Half 2014**
Income / (loss) for the period	**56.9**	**11.9**
Other comprehensive income/(loss) for the period, after tax:		
Items that will not be reclassified subsequently to income statement		
Actuarial gains / (losses) on defined benefit pension plans	(0.1)	-
Items that will be reclassified subsequently to income statement		
Exchange differences on translating foreign operations	(1.3)	2.1
Cash flow hedge	(1.6)	(0.4)
Other comprehensive income /(loss) for the period, net of tax	**(3.0)**	**1.7**
Total comprehensive income/(loss) for the period	**53.9**	**13.6**
Total comprehensive income attributable to:		
Owners of the parent	53.9	13.6
Non-controlling interests	-	-
Total comprehensive income/(loss) for the period	**53.9**	**13.6**

The notes 1 to 14 are an integral part of the Unaudited Condensed Consolidated Interim Financial Statements.

Unaudited Condensed Consolidated Statement of Financial Position

in € million	Note	June 30, 2015	December 31, 2014	June 30, 2014
ASSETS				
Non-current Assets				
Goodwill and other intangible assets	4	864.5	864.6	864.4
Property, plant and equipment	5	298.4	296.5	288.6
Deferred tax assets		6.2	10.4	0.3
Non-current receivables		-	-	0.1
		1,169.1	**1,171.5**	**1,153.4**
Current Assets				
Inventories		203.7	200.9	198.9
Trade receivables		215.5	204.3	222.8
Prepaid expenses and other receivables		39.7	55.9	52.9
Current income tax		6.2	6.1	4.6
Derivative financial assets		4.1	7.3	1.5
Cash and cash equivalents	8	116.4	35.5	378.4
		585.6	**510.0**	**859.1**
TOTAL ASSETS		**1,754.7**	**1,681.5**	**2,012.5**

The notes 1 to 14 are an integral part of the Unaudited Condensed Consolidated Interim Financial Statements.

Unaudited Condensed Consolidated Statement of Financial Position (continued)

in € million	**Note**	**June 30, 2015**	**December 31, 2014**	**June 30, 2014**
EQUITY AND LIABILITIES				
Equity attributable to owners of the company				
Share capital		799.7	799.7	799.7
Cumulative translation differences		(19.6)	(18.3)	(19.2)
Consolidated reserves		(67.9)	(110.4)	(105.7)
TOTAL EQUITY		**712.2**	**671.0**	**674.8**
Non-current liabilities				
Employee benefit liabilities		19.6	19.6	15.7
Provisions		0.2	0.2	0.1
Interest-bearing debts	8	618.8	618.2	898.0
Other non-current financial liabilities		5.0	5.0	5.0
Deferred income tax liabilities		22.6	22.3	14.8
Other payables		0.1	-	0.1
		666.3	**665.3**	**933.7**
Current liabilities				
Interest-bearing debts	8	2.3	2.4	13.2
Derivative financial liabilities		5.2	5.5	4.1
Other current financial liabilities		5.0	5.0	5.0
Trade payables		275.9	254.5	297.1
Accrued expenses and other payables		25.1	22.3	24.8
Social liabilities		31.9	28.8	27.5
Current income tax liabilities		26.3	20.9	25.2
Provisions		4.5	5.8	7.1
		376,2	**345.2**	**404.0**
TOTAL LIABILITIES		**1,042.5**	**1,010.5**	**1,337.7**
TOTAL EQUITY AND LIABILITIES		**1,754.7**	**1,681.5**	**2,012.5**

The notes 1 to 14 are an integral part of the Unaudited Condensed Consolidated Interim Financial Statements.

Unaudited Condensed Consolidated Interim Statement of Cash Flow

in € million	Note	First Half 2015	First Half 2014
CASH FLOWS FROM OPERATING ACTIVITIES			
Net profit/(loss) for the year		56.9	11.9
Adjustments for:			
Income tax expense		17.0	9.6
Depreciation and amortization		16.3	16.1
(Profit)/loss on disposal of property, plant and equipment		-	0.7
Provisions (including employee benefit liabilities)		-	(0.8)
IPO expenses through income statement		-	21.1
Unrealized F/x difference on operating activities		-	2.2
Finance costs - net (including unrealized F/x difference on financing)		17.4	39.1
Changes in working capital:			
Inventories		(3.0)	(17.4)
Trade and other receivables and prepaid expenses		3.9	(38.1)
Trade and other payables and accrued expenses		18.1	25.9
Social liabilities		2.5	1.5
Cash from operating activities before taxes		**129.1**	**71.7**
Income tax paid		(6.7)	(4.1)
NET CASH GENERATED FROM OPERATING ACTIVITIES		**122.4**	**67.6**
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases of property, plant and equipment and intangibles (including capital grants)		(15.3)	(18.7)
Gain on disposal		0.1	-
Acquisition price paid		-	(8.0)
NET CASH USED IN INVESTING ACTIVITIES		**(15.2)**	**(26.7)**
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of borrowings		(0.3)	(1.0)
Interest paid		(12.6)	(33.0)
Interest received		0.4	-
Cost of refinancing & Other costs of financing		(3.0)	(2.6)
Realized foreign exchange (losses)/gains on financing activities		3.8	1.0
Derivative financial asset		(1.7)	-
IPO expenses paid through equity		-	(6.1)
Dividend paid		(12.9)	-
Capital increase (net of IPO expenses)		-	317.8
NET CASH GENERATED FROM / (USED IN) FINANCING ACTIVITIES		**(26.3)**	**276.1**
NET INCREASE IN CASH,CASH EQUIVALENTS AND BANK OVERDRAFTS		**80.9**	**317.0**
CASH, CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD		**35.5**	**61.4**
CASH, CASH EQUIVALENTS AT THE END OF THE PERIOD		**116.4**	**378.4**

The notes 1 to 14 are an integral part of the Unaudited Condensed Consolidated Interim Financial Statements.

Unaudited Condensed Consolidated Interim Statement of Cash Flow (continued)

in € million	**Note**	**First Half 2015**	**First Half 2014**
Reconciliation of Non-IFRS Measures – Adjusted FCF calculation			
Operating profit		**91.3**	**60.6**
Depreciation and Amortization		16.3	16.1
EBITDA		**107.6**	**76.7**
Non-recurring expenses		2.3	21.9
Adjusted EBITDA		**109.9**	**98.6**
Change in Working Capital			
Inventories		(3.0)	(17.4)
Trade and other receivables		3.9	(38.1)
Trade and other payables		18.1	25.9
Capex		(15.3)	(18.7)
Adjusted Free Cash Flow (pre-tax)		**113.6**	**50.3**
Cash taxes paid		**(6.7)**	**(4.1)**
Adjusted Free Cash Flow (post-tax)		**106.9**	**46.2**

The notes 1 to 14 are an integral part of the Unaudited Condensed Consolidated Interim Financial Statements.

Unaudited Condensed Consolidated Statement of Changes in Equity

	Attributable to equity holders of the Company							
in € million	Number of shares	Share capital	Share Premium	Cumulative translation reserves	Retained earnings and other reserves	Total Equity	Non-controlling interests	Total Equity
Balance at December 31, 2014	**68,055,555**	**655.3**	**144.4**	**(18.3)**	**(110.4)**	**671.0**	**-**	**671.0**
Transactions with owners at the level of Ontex Group NV:								
Settlement of Share based Payment	-	-	-	-	0.2	0.2	-	0.2
Dividend	-	-	-	-	(12.9)	(12.9)	-	(12.9)
Total transactions with owners 2014	**-**	**-**	**-**	**-**	**(12.7)**	**(12.7)**	**-**	**(12.7)**
Comprehensive income:								
Profit for the year	**-**	**-**	**-**	**-**	**56.9**	**56.9**	**-**	**56.9**
Other comprehensive income:								
Exchange differences on translating foreign operations	-	-	-	(1.3)	-	(1.3)	-	(1.3)
Actuarial gains/(losses) on defined benefit pension plans	-	-	-	-	(0.1)	(0.1)	-	(0.1)
Cash flow hedges	-	-	-	-	(1.6)	(1.6)	-	(1.6)
Other movements	-	-	-	-	-	-	-	-
Total other comprehensive income	**-**	**-**	**-**	**(1.3)**	**(1.7)**	**(3.0)**	**-**	**(3.0)**
Balance at June 30, 2015	**68,055,555**	**655.3**	**144.4**	**(19.6)**	**(67.9)**	**712.2**	**-**	**712.2**

Unaudited Condensed Consolidated Statement of Changes in Equity (Continued)

			Attributable to equity holders of the Company							
in € million	Note	Number of shares	Share capital	Share Premium	CPECs	Cumulative translation reserves	Retained earnings and other reserves	Total Equity	Non-controlling interests	Total Equity
Balance at December 31, 2013		**2,101,250,000**	**21.0**	**-**	**399.0**	**(19.9)**	**(64.4)**	**335.7**	**23.5**	**359.2**
Transactions with owners at the level of Ontex Group NV:										
Paid-in capital at establishment:		7,000	0.1	-	-	-	-	0.1	-	0.1
Contribution in kind of Ontex I S.à.r.l. shares		49,993,000	499.9	400.1	-	-	23.5	923.5	(23.5)	900.0
Settlement of share based payment	11	-	-	-	-	-	2.4	2.4	-	2.4
Transfer of share premium to capital		-	400.1	(400.1)	-	-	-	-	-	-
Primary tranche of IPO		18,055,555	180.6	144.4	-	-	-	325.0	-	325,0
Capital decrease		-	(400.0)	-	-	-	400.0	-	-	-
IPO Expenses attributed to primary tranche		-	(25.3)	-	-	-	-	(25.3)	-	(25.3)
Elimination of common control transaction and equity Ontex I Sàrl (*)		(2,101,250,000)	(21.0)	-	(399.0)	-	(480.0)	(900.0)	-	(900.0)
Total transactions with owners 2014		**68,055,555**	**634.3**	**144.4**	**(399.0)**	**-**	**(54.1)**	**325.6**	**(23.5)**	**302.1**
Comprehensive income:										
Profit for the year		-	-	-	-	-	13.5	13.5	(1.6)	11.9
Other comprehensive income:										
Exchange differences on translating foreign operations		-	-	-	-	0.7	-	0.7	1.4	2.1
Actuarial gains/(losses) on defined benefit pension plans		-	-	-	-	-	(0.1)	(0.1)	0.1	-
Cash flow hedges		-	-	-	-	-	(0.4)	(0.4)	-	(0.4)
Other movements		-	-	-	-	-	(0.2)	(0.2)	0.1	(0.1)
Total other comprehensive income		**-**	**-**	**-**	**-**	**0.7**	**(0.7)**	**-**	**1.6**	**1.6**
Balance at June 30, 2014		68,055,555	**655.3**	**144.4**	**-**	**(19.2)**	**(105.7)**	**674.8**	**-**	**674.8**

The notes 1 to 14 are an integral part of the Unaudited Condensed Consolidated Interim Financial Statements.
(*) Ontex Group NV was established with the purpose of structuring the IPO of the Group. The transfer of the ownership of the shares of Ontex I S.à.r.l. constitutes transactions under common control and need to be eliminated as well as the predecessor equity. This elimination is posted against other reserves. As a consequence, the equity increases only pursuant to external transactions, being the primary tranche of the IPO (net of expenses).

Notes to the Unaudited Condensed Consolidated Interim Financial Statements

NOTE 1 Corporate Information

The interim condensed consolidated financial statements of Ontex Group for the first six months ended 30 June 2015 were authorized for issue in accordance with a resolution of the Board on July 28, 2015.

NOTE 1.1 Legal status

Ontex Group is a limited-liability company incorporated in the form of a *naamloze vennootschap* under Belgian law. Ontex Group has its registered office at Korte Keppestraat 21, 9320 Erembodegem (Aalst), Belgium. The shares of Ontex Group are listed on the regulated market of Euronext Brussels.

NOTE 2 Summary of significant accounting policies

NOTE 2.1 General information

The accounting policies used to prepare the condensed consolidated interim financial statements for the period from January 1, 2015 to June 30, 2015 are consistent with those applied in the audited consolidated financial statement for the year ended December 31, 2014 of Ontex Group NV.

The accounting policies have been consistently applied to all the periods presented.

A summary of the most important accounting policies, critical accounting estimates and accounting judgments can be found in the audited consolidated financial statements for the year ended December 31, 2014 of Ontex Group NV that can be found in the Annual Review 2014 on the website (www.ontexglobal.com), from page 64 through page 79.

NOTE 2.2 Basis of preparation

The condensed consolidated interim financial statements of the Group for the half year ended June 30, 2015 have been drawn up in compliance with IFRS ("International Financial Reporting Standards") as adopted by the European Union. These include all IFRS standards and IFRIC interpretations issued and effective for the financial year beginning January 1, 2015. The new standards, amendments to standards and interpretations that are mandatory for the first time for the financial year beginning January 1, 2015, did not have a significant impact. No new standards, amendments to standards or interpretations were early adopted.

These condensed consolidated unaudited interim financial statements present information on the Ontex Group.

These condensed consolidated unaudited interim financial statements have been prepared in accordance with IAS 34, 'Interim Financial Reporting', as adopted by the European Union. The condensed consolidated interim financial statements should be read in conjunction with the audited consolidated financial statements for the year ended December 31, 2014 of Ontex Group NV, that can be found on the website: http://www.ontexglobal.com.

The amounts in this document are presented in € millions, unless noted otherwise. In most of the tables of this report, amounts are shown in € million for reasons of transparency. This may give rise to rounding differences in the tables presented in the report.

This report has been prepared in Dutch and translated into English. In the case of discrepancies between the two versions, the Dutch version will prevail.

NOTE 2.3 Measurement in the consolidated interim financial statements

Revenues and costs that are incurred unevenly during the financial year are anticipated or deferred in the interim report only if it would be also appropriate to anticipate or defer such revenues and costs at the end of the financial year.

NOTE 2.4 Critical accounting estimates and judgments

The preparation of interim financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing these condensed interim financial statements, the significant judgements made by management in applying the group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended December 31, 2014, with the exception of changes in estimates that are required in determining the provision for income taxes.

NOTE 3 Segment reporting

According to IFRS 8, reportable operating segments are identified based on the "management approach". This approach stipulates external segment reporting based on the Group's internal organizational and management structure and on internal financial reporting to the chief operating decision maker. The Group's activities are in one segment, "Hygienic Disposable Products". There are no other significant classes of business, either singularly or in aggregate. The chief operating decision makers, the Board of Directors, review the operating results and operating plans, and make resource allocation decisions on a company-wide basis. Therefore the Group operates as one segment. Enterprise-wide disclosures about product sales, geographic areas and revenues from major customers are presented below:

NOTE 3.1 Information by division

in € million	**First Half 2015**	**First Half 2014** [1]
Mature Market Retail	460.8	445.9
Growth Markets	73.7	59.5
Healthcare	215.3	210.5
Middle East and North Africa	103.0	94.0
Ontex Group Revenues	**852.8**	**809.9**

[1] As previously disclosed in the FY 2014 report, following a review of the Group's customers and countries, a slight modification to the 4 Divisions has been made for which revenue is reported, effective January 1, 2015. A limited amount of activities which represent in aggregate less than 2% of Group revenue have been re-assigned to the Growth Markets Division from Mature Market Retail, Middle East Africa (MEA) which becomes Middle East North Africa (MENA), and Healthcare. Prior year information has been restated as a basis for comparison in future reporting. Refer to the FY 2014 report for further details.

NOTE 3.2 Information by product group

in € million	First Half 2015	First Half 2014
Babycare	456.5	428.8
Feminine care	101.6	100.1
Adult Incontinence	282.4	269.0
Other	12.3	12.0
Ontex Group Revenues	**852.8**	**809.9**

NOTE 3.3 Information by geographic area

The organizational structure of the Group and its system of internal information indicates that the main source of geographical risks results from the location of its customers (destination of its sales) and not the physical location of its assets (origin of its sales). The location of the Group's customers is accordingly the geographical segmentation criterion and is defined as below:

in € million	First Half 2015	First Half 2014
Western Europe	559.6	559.2
Eastern Europe	133.4	102.7
Rest of the World	159.8	148.0
Ontex Group Revenues	**852.8**	**809.9**

The activity of Ontex Group is not subject to significant seasonality throughout the year. Therefore, the additional disclosure of financial information for the 12-month period ended on the interim reporting date, encouraged in IAS 34.21, is not provided.

NOTE 3.4 Revenues from major customers

The Group does not have a single significant customer. In H1 2015, the single largest customer represented 8.0% of the Group's revenues. The 10 largest customers represented 38.4% of total sales for H1 2015 revenues.

NOTE 4 Goodwill and other intangible assets

in € million	**Goodwill**	**IT implementation costs**	**Other intangibles**	**Total**
Half-Year ended June 30, 2015				
Opening net book amount	860.1	4.2	0.3	864.6
Additions	-	1.0	-	1.0
Transfers	-	-	-	-
Disposals	-	-	-	-
Amortization charge	-	(1.1)	-	(1.1)
Closing net book amount	**860.1**	**4.1**	**0.3**	**864.5**
At June 30, 2015				
Cost or valuation	860.1	16.1	0.8	877.0
Accumulated amortization and impairment	-	(12.0)	(0.5)	(12.5)
Net book amount	**860.1**	**4.1**	**0.3**	**864.5**

in € million	**Goodwill**	**IT implementation costs**	**Other intangibles**	**Total**
Half-Year ended June 30, 2014				
Opening net book amount	860.1	4.4	0.3	864.8
Additions	-	0.6	-	0.6
Transfers	-	-	-	-
Disposals	-	-	-	-
Amortization charge	-	(1.0)	-	(1.0)
Closing net book amount	**860.1**	**4.0**	**0.3**	**864.4**
At June 30, 2014				
Cost or valuation	860.1	13.7	0.9	874.7
Accumulated amortization and impairment	-	(9.7)	(0.6)	(10.3)
Net book amount	**860.1**	**4.0**	**0.3**	**864.4**

Capitalised IT implementation costs represent internally developed and externally purchased software for own use. Other intangibles represent acquired customer relationships.

NOTE 5 Property plant and equipment

in € million	Land, land improvements and buildings	Plant, machinery and equipment	Furniture and vehicles	Other tangible assets	Assets under construction and advance payments	Total
Half-Year ended June 30, 2015						
Opening net book amount	95.1	167.0	0.9	10.3	23.2	296.5
Additions	0.2	6.6	0.1	0.2	11.7	18.8
Transfers	0.7	5.0	-	-	(5.8)	(0.1)
Disposals	(0.1)	-	-	-	(2.0)	(2.1)
Depreciation charge	(1.9)	(12.5)	(0.1)	(0.6)	-	(15.1)
Exchange differences	0.4	0.1	-	(0.1)	-	0.4
Closing net book amount	**94.4**	**166.2**	**0.9**	**9.8**	**27.1**	**298.4**
At June 30, 2015						
Cost	113.3	283.3	1.7	16.8	27.1	442.2
Accumulated depreciation	(18.9)	(117.1)	(0.8)	(7.0)	-	(143.8)
Net book amount	**94.4**	**166.2**	**0.9**	**9.8**	**27.1**	**298.4**

in € million	Land, land improvements and buildings	Plant, machinery and equipment	Furniture and vehicles	Other tangible assets	Assets under construction and advance payments	Total
Half-Year ended June 30, 2014						
Opening net book amount	98.6	154.6	0.6	10.1	18.2	282.0
Additions	0.1	4.9	0.1	0.1	16.1	21.2
Transfers	-	15.1	-	(0.1)	(15.0)	-
Disposals	(0.4)	-	(0.1)	-	-	(0.4)
Depreciation charge	(1.9)	(12.4)	(0.1)	(0.6)	-	(15.0)
Exchange differences	-	0.5	-	0.1	0.1	0.8
Closing net book amount	**96.4**	**162.7**	**0.5**	**9.6**	**19.4**	**288.6**
At June 30, 2014						
Cost	115.7	259.8	1.2	16.6	19.4	412.7
Accumulated depreciation and impairment	(19.3)	(97.1)	(0.7)	(7.0)	-	(124.1)
Net book amount	**96.4**	**162.7**	**0.5**	**9.6**	**19.4**	**288.6**

The additions to property, plant and equipment represent mainly investments in capacity extension, investments in innovation, investments to improve the efficiency and IT investments.

The Group has contracted expenditures for the acquisition of property, plant and equipment at June 30, 2015 of €25.0 million.

NOTE 6 Legal claims

The Group recognizes a provision for certain legal claims brought against the Group by customers, suppliers or former employees. There have been no significant developments in respect of claims compared to prior year end.

NOTE 7 Reconciliation of Non-IFRS Financial Measures

For a reconciliation of EBITDA and Adjusted EBITDA to operating profit, we refer to the section “Unaudited Condensed Consolidated Interim Income Statement”.

For a reconciliation of Adjusted free cash flow to operating profit, we refer to the section “Unaudited Condensed Consolidated Interim Statement of Cash Flow”.

NOTE 8 Net Debt

The Group monitors capital on the basis of the net debt position. The Group’s net debt position is calculated by adding all short and long-term interest bearing debts and by deducting the available short-term liquidity.

The net debt positions of the Group for the periods ended June 30, 2015, June 30, 2014 and December 31, 2014 are as follows:

in € million	**June 30, 2015**	**December 31, 2014**	**June 30, 2014**
NET DEBT			
Long-term interest bearing debt	618.8	618.2	898.0
Short-term interest bearing debt	2.3	2.4	13.2
IPO cash proceeds	-	-	(313.1)
Cash and cash equivalents	(116.4)	(35.5)	(65.3)
Total net debt position	**504.7**	**585.1**	**532.8**
IPO costs to be paid	-	-	33.1
Pro forma net financial debt	**504,7**	**585.1**	**565.9**
LTM Adjusted EBITDA (*)	207.4	196.1	189.7
Net financial debt/LTM Adjusted EBITDA ratio	**2.43**	**2.98**	**2.98**

(*) LTM Adjusted EBITDA is a non-IFRS measure. LTM Adjusted EBITDA is defined as EBITDA plus non-recurring expenses excluding non-recurring depreciation and amortization for the last twelve months.

NOTE 9 Non-recurring revenues and expenses

in € million	First Half 2015	First Half 2014
Factory Closure	(0.1)	(0.9)
Business restructuring	(0.7)	(0.4)
Acquisition related expenses	(0.4)	(0.5)
Asset impairment	-	(0.1)
IPO costs	-	(21.1)
Refinancing	(0.1)	-
Other	(1.0)	1.0
Total non-recurring Income and Expenses	**(2.3)**	**(22.0)**

Items classified under the heading non-recurring revenue and expenses are those items that are considered by management to be non-recurring or unusual because of their nature. The Group has adopted this classification to allow a better understanding of its recurring financial performance.

The majority of the non-recurring expenses H1 2014 relate to the IPO on June 25, 2014. The total amount of known and accrued IPO related expenses is €46.5 million, of which €21.1 million has been recognized as non-recurring expenses and €25.4 million has been reported under equity. Other than IPO expenses, we have reported following items as non-recurring:

Factory closure: The Group closed the production facility in Recklinghausen, Germany in 2012. The non-recurring items in H1 2014 relate to remaining expenses in respect of the factory closure.

Business restructuring: The Group undertook a number of projects to optimize the management of its business. The costs in H1 2014 mainly comprise of professional fees and costs related to breach of contract. The costs in H1 2015 relate to the simplification of the corporate structure of the Ontex group. In order to optimize the structure of the Group, the Group will eliminate certain of the intermediate holding companies between the Company and Ontex Bvba.

Acquisition related expenses: In H1 2014, the Group incurred expenses in relation to the acquisition and subsequent integration of Serenity Spa.

Asset Impairment: The asset impairment charge is a non-cash item.

Other: In H1 2014, the Group also included the revenue on the disposal of land in Russia as non-recurring result for an amount of €1.8 million. Following the divestment of the Goldman Sachs Group, Inc. and TPG Group Holdings (SBS) Advisors, Inc. the Group incurred expenses of €1.0 million in H1 2015.

NOTE 10 Earnings per share

In accordance with IAS 33, the 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. The number of shares used for the year 2014 and 2015 is 68,055,555, which is the number of shares issued in connection with the contribution of the Group and the IPO.

Diluted earnings per share amounts are calculated by dividing the net profit attributable to ordinary equity holders of the parent (after adjusting for the effects of all dilutive potential ordinary shares) by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

In case of Ontex Group NV, no effects of dilution affect the net profit attributable to ordinary equity holders and the weighted average number of ordinary shares. The table below reflects the income and share data used in the basic and diluted earnings per share computations:

in € million	**First Half 2015**	**First Half 2014**
Profit /(Loss) from continuing operations attributable to owners of the parent	56.9	11.9
Adjustment dilution	-	-
Profit /(Loss) from continuing operations attributable to owners of the parent, adjusted for dilution	56.9	11.9
Total non-recurring Income and Expenses	2.3	22.0
Adjusted Basic Earnings (*)	59.2	33.9
Adjustment dilution	-	-
Adjusted Basic Earnings, adjusted for dilution	59.2	33.9

Number of Shares	**First Half 2015**	**First Half 2014**
Average number of basic shares	68,055,555	68,055,555
Dilution	-	-
Average number of diluted shares	68,055,555	68,055,555

Earnings per share (€)	**First Half 2015**	**First Half 2014**
Basic Earnings per share	0.84	0.17
Diluted Earnings per Share	0.84	0.17
Adjusted basic earnings per share	0.87	0.50
Diluted Adjusted earnings per share	0.87	0.50

(*) Adjusted basic earnings defined as profit for the period plus non-recurring expenses and tax effect on non-recurring expenses, attributable to the owners of the parent

NOTE 11 Share based payments

Following the IPO, the Company implemented a Long Term Incentive Plan ('LTIP'), which is based on a combination of stock options (further 'Options') and restricted stock units (further 'RSU's'). The Options and RSU's are accounted for as equity settled share based payments.

On or about 26 September 2014 a total of 242,642 stock options and 49,040 RSU's were granted, 4,277 share options and 866 RSU's have forfeited, expired or have been exercised as of June 30, 2015.

On or about 26 June 2015 a total of 159,413 stock options and 38,294 RSU's were granted, no share options and/or RSU's have forfeited, expired or have been exercised as of June 30, 2015.

The following share-based payment arrangements were in existence during the current year:

Period ended June 30, 2015	**Expiry Date**	**Exercise Price per share (€)**	**Fair value (€)**	**# Options/RSU's:**
LTIP 2014				
Options	2022	17.87	3.57	238,365
RSU's	2017	N/A	15.97	48,174
LTIP 2015				
Options	2023	26.60	6.39	159,413
RSU's	2018	N/A	24.45	38,294

The fair market value of the stock options has been determined based on the Black and Sholes model. The expected volatility used in the model for LTIP 2015 is the realised volatility of the return of the share price since the listing of Ontex, augmented with 5%.

Below is an overview of all the parameters used in this model.

	LTIP 2014	**LTIP 2015**
Exercise Price	€ 17.87	€ 26.60
Expected volatility of the shares	23.58%	26.32%
Expected dividends yield	2.94%	2.14%
Risk free interest rate	1.13%	1.02%

The fair value of the RSU's has been determined by deducting from the exercise price the expected and discounted dividend flow, based on the same parameters as above. Social charges related to the LTIP are accrued for over the vesting period.

NOTE 12 Contingencies

The Group is involved in a number of environmental, contractual, product liability, patent (or intellectual property), employment and other claims and disputes incidental to our business.

We currently believe that the disposition of all claims and disputes, individually or in the aggregate, should not have a material adverse effect on our consolidated financial condition, results of operations or liquidity.

NOTE 13 Related Party transactions

Following the divestment of The Goldman Sachs Group, Inc. and TPG Group Holdings (SBS) Advisors, Inc., and their affiliated entity Whitehaven B S.à r.l., in March 2015 , there are no substantial related parties per June 30, 2015.

The remuneration of the members of the Board of Directors and key management is determined on an annual basis, for which reason no further details are included in this interim report.

NOTE 14 Events after the reporting period

The Board of Directors of the Group has decided on June 1, 2015 to implement a full hedging program (total return swap) for the share based payment arrangements LTIP 2014 and LTIP 2015 starting July 1, 2015 (see note 11 Share based payments for details on the arrangements). In the course of July 2015 the hedging program has been fully installed.

DISCLAIMER

This report may include forward-looking statements. Forward-looking statements are statements regarding or based upon our management's current intentions, beliefs or expectations relating to, among other things, Ontex's future results of operations, financial condition, liquidity, prospects, growth, strategies or developments in the industry in which we operate. By their nature, forward-looking statements are subject to risks, uncertainties and assumptions that could cause actual results or future events to differ materially from those expressed or implied thereby. These risks, uncertainties and assumptions could adversely affect the outcome and financial effects of the plans and events described herein.

Forward-looking statements contained in this report regarding trends or current activities should not be taken as a report that such trends or activities will continue in the future. We undertake no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. You should not place undue reliance on any such forward-looking statements, which speak only as of the date of this report.

The information contained in this report is subject to change without notice. No re-report or warranty, express or implied, is made as to the fairness, accuracy, reasonableness or completeness of the information contained herein and no reliance should be placed on it.

In most of the tables of this report, amounts are shown in € million for reasons of transparency. This may give rise to rounding differences in the tables presented in the report.

This report has been prepared in Dutch and translated into English. In the case of discrepancies between the two versions, the Dutch version will prevail.