

Velsen, 12 February 2010 (before market opening)

An analyst meeting will be held on 12 February 2010 at 1.00 p.m. The analyst presentation and audio webcast will be made available on www.cvg.nl

ANNUAL RESULTS CROWN VAN GELDER 2009

- **NET PROFIT OF EUR 4.5 MILLION IN 2009**
- **IMPROVEMENT IN RESULTS FROM LOWER RAW MATERIALS COSTS DESPITE LOWER SALES VOLUME AND SELLING PRICES**
- **PROPOSAL TO MAINTAIN DIVIDEND AT EUR 0.50 PER DEPOSITORY RECEIPT**
- **HIGHER PULP COSTS NECESSITATE INCREASE IN SELLING PRICES**
- **2010 OUTLOOK YET UNCERTAIN**

KEY FIGURES

<i>(in EUR x 1,000)</i>	2009	2008
Total revenue	144,669	160,780
Operating result	5,372	(2,081)
Operating result after impairment charge	5,372	(20,581)
Net result	4,520	(1,138)
Net result after impairment charge	4,520	(14,921)
Capital expenditure	5,973	6,284
Sales (ton)	198,200	212,200
Production (ton)	197,800	213,300
Number of employees (on average)	301	291
Per depository receipt of share (in EUR)		
Operating cash flow	2.37	2.46
Net result	1.04	(3.43)
Dividend (2009: proposal)	0.50	0.50
Closing price	8.10	5.83
Equity	20.21	20.16
Number of depository receipts	4,356,005	4,356,005

Mees Hartvelt, CEO, commented: "The economic downturn and consequential drop in European order intake has brought substantial challenges for our company in the traditional lines of uncoated woodfree products. The continuous strong focus on the execution of our New Business Development programme has resulted in a decent utilisation of our production capacity under current market conditions. A better product mix and the drop in raw material costs, combined with lower depreciations cost due to the 2008 impairment charge, contributed favourably to operating results. It is yet too early to conclude if the economic downturn will lead to structural changes in the European market for uncoated woodfree products. Crown Van Gelder's order book is good, however there is a strong need to digest the present strong upturn in raw material costs in CVG's selling prices, as current increases in selling prices are

insufficient to fully compensate for the higher cost levels. Given the present overcapacity in the European paper industry this will be a prominent issue for our company.”

Operating review

Results 2009

Crown Van Gelder's (CVG) net profit in 2009 was EUR 4.5 million, compared to a net loss of EUR 1.1 million (excluding impairment charge of EUR 13.8 million) in 2008. The operating profit was EUR 5.4 million, compared to an operating loss of EUR 2.1 million (excluding impairment charge) in 2008. Despite lower sales and production volumes and a lower average selling price, the results improved due to lower raw materials and depreciation costs, supported by a substantially better product mix. CVG's sales volume went down nearly 7% to 198,200 ton, which is slightly better than the market average in the woodfree uncoated (WFU) sector in which CVG operates. Total revenues amounted to EUR 144.7 million (2008: EUR 160.8 million).

Market developments

In 2009 the economic downturn had a major impact on paper demand. European paper companies counteracted the strong drop in order intake by large scale production curtailments, both temporary and permanent, in order to improve the supply and demand balance. The improved balance was adversely affected by the start-up up of a new woodfree uncoated mill in Portugal with an annual production capacity of 500,000 ton.

The order volume in the European market for WFU paper on reels was down 8% in 2009 compared to 2008. However, during 2009 order volumes gradually recovered from depressed intake levels earlier in the year. Despite the upturn in market demand and improving operating rates at paper mills in the second half of 2009, selling prices softened. The average selling price in 2009 dropped by 4% including the unfavourable currency effects of the British Pound.

In 2009, a considerable part of production time at CVG has been spent on the development and testing of new and improved products under the NBD (New Business Development) programme. NBD products, which are gradually replacing products that are at the end of their life cycle, are contributing favourably to results and the prospects of CVG. The total NBD sales volume in 2009 amounted to 49,000 ton, up 40% compared to 2008. This volume increase, combined with a lower export volume outside Europe which generally generates below average margins, has contributed strongly to a better product mix. CVG is well on track to reach the goal of 80,000 ton of NBD products set for 2012, which is one of our main strategic ambitions.

Under the current economic conditions, the insolvency risk of our customers is higher than in the past. Combined with decreased credit insurance cover, CVG's results could be adversely affected by customer insolvencies. In 2009 the company incurred insolvency losses amounting to EUR 0.3 million (2008: EUR 0.3 million).

Raw materials prices, energy and other costs

Bleached pulp is the most important raw material for CVG. Pulp prices bottomed out in spring 2009, at price levels 30% below previous year's highs. Pulp production curtailments, low inventory levels at suppliers and consumers, especially in Europe and continued strong demand from China provided pulp producers again with stimulus to increase pulp prices. Pulp price increases gained strength as from the second half of 2009. The weakening of the USD compared to EUR initially mitigated the price increases in EUR.

On balance, the average bleached pulp price (in EUR) for CVG in 2009 was 27% lower than in 2008, contributing strongly to the recovery of results.

As announced earlier, energy prices for 2009 were fixed at roughly the same level as in 2008.

Depreciation costs dropped by EUR 1.5 million, due to the impairment charge on fixed assets in 2008. Other operating costs rose, mainly due to higher maintenance and employee benefits costs. The increase in employee benefits costs is mainly due to higher (IFRS) pension costs.

Capital Expenditure

In 2009 capital expenditure amounted to EUR 6.0 million. A large part of capital expenditure was related to replacement and safety investments. In 2010 capital expenditure is expected to be around EUR 8 million, which is in line with depreciation costs.

Dividend proposal

The Supervisory Board will propose an unchanged cash dividend of EUR 0.50 per depository receipt of share (2008: EUR 0.50), which represents a pay-out of 48%. The equity ratio of CVG on 31 December 2009 is 74%.

Outlook for 2010

CVG is a financially sound company, with a strong balance sheet and a good operating cash flow. Under difficult market conditions, the company has also shown its resilience in the timely execution of its New Business Development programme, clearly bearing fruit in 2009.

In last year's economic environment, the production capacity of CVG could not be fully utilised. In recent months, economic growth forecasts in Europe for 2010 have been revised upwards, based on better than expected growth figures in the last quarter of 2009. However, the economic recovery in latter part of 2009 was strongly supported by monetary and fiscal stimulus by governments and central banks. In addition, some stock rebuilding has taken place to replenish depressed stock levels throughout the supply chain. Therefore, until now economic growth was merely based on non-recurring events. Economic growth will only sustain and improve when customer confidence returns. CVG's order book is good and the company expects that sales and production volumes in 2010 will at least match the 2009 levels (of around 200,000 ton).

In recent months, severe weather conditions around the globe have resulted in lower pulp supplies and combined with strong demand to a further tightening of the pulp market. Since April 2009, the NBSK benchmark (long fibre) pulp price surged by over 45% from its low to around USD 840 per ton. The price of short fibre pulp, which is of greater importance for CVG than NBSK pulp, is currently trading around EUR 190 per ton (or 55%) above its trough in Q2 2009.

Energy prices for 2010 have been fixed at roughly the same level as in 2009. CVG has also energy contracts in place for 2011 and 2012 and has partially fixed the energy prices for this period with the aim to avoid strong costs increases for energy in the future.

The current pulp price upsurge necessitates selling price increases. CVG has announced and partially implemented selling price increases in several markets, effective as from the start of Q1 2010. However, the current increases are insufficient to fully compensate for the higher cost levels.

The ultimate magnitude of additional selling price increases as well as further developments in the pulp markets will be crucial in realising positive results in the first half of 2010. Given all these uncertainties, Crown Van Gelder is not in the position to give an outlook for the development of results in 2010.

Crown Van Gelder will publish the 2010 half year results on 30 July 2010 (before market opening) and will provide a trading update on 22 April 2010, when the AGM will convene.

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Profile:

Crown Van Gelder N.V. produces and sells high quality industrial and graphical specialty products in the woodfree uncoated and single-coated paper sector. The company is based in Velsen (the Netherlands) and employs around 300 people.

The company operates two paper machines and its products include base paper for self-adhesive materials, paper for digital colour printing, base paper for direct thermal printing, board for tickets, paper suitable for optical character reading (OCR), rotary offset paper and continuous stationery for laser and inkjet printers.

Crown Van Gelder N.V. is listed at the Official Market of NYSE Euronext Amsterdam.

Appendices:

- Consolidated income statement
- Consolidated statement of comprehensive income
- Consolidated statement of financial position
- Consolidated cash flow statement
- Consolidated statement of changes in equity

The 2009 annual accounts have yet not been drawn up. Therefore the 2009 consolidated income statement, statement of comprehensive income, financial position, cash flow and changes in equity have not been audited.

CONSOLIDATED INCOME STATEMENT (x EUR 1,000)		
	2009	2008
Total revenue	144,669	160,780
Other income	-	249
	144,669	161,029
Costs related to turnover	(7,886)	(8,426)
Raw materials, consumables and energy	(84,547)	(111,741)
Change in inventories of finished goods	(1,728)	(158)
Employee benefits costs	(21,705)	(19,376)
Depreciation and amortisation	(8,275)	(9,773)
Other expenses	(15,156)	(13,636)
Total operating expenses	(139,297)	(163,110)
Operating result	5,372	(2,081)
Impairment on fixed assets	-	(18,500)
Operating result after impairment	5,372	(20,581)
Finance income	7	60
Finance costs	(350)	(781)
Net finance income	(343)	(721)
Share of after tax result of associate	391	569
Result before taxation	5,420	(20,733)
Tax income / (expense)	(855)	5,851
Result for the year from continuing operations	4,565	(14,882)
Non-controlling interests	(45)	(39)
NET RESULT FROM CONTINUING OPERATIONS	4,520	(14,921)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (x EUR 1,000)		
	2009	2008
Result for the year from continuing operations	4,565	(14,882)
Realised gains / (losses) on cash flow hedges	242	(242)
Income tax	(62)	62
	180	(180)
Actuarial gains / (losses) in respect of pension scheme	(12,469)	(10,687)
Asset ceiling adjustments in respect of pension scheme	9,353	9,203
Income tax	795	377
	(2,321)	(1,107)
Other comprehensive income for the year, net of tax	(2,141)	(1,287)
Total comprehensive income for the year, net of tax	2,424	(16,169)
Total comprehensive income for the year attributable to:		
Equity holders of the parent	2,379	(16,208)
Non-controlling interests	45	39
Total comprehensive income for the year, net of tax	2,424	(16,169)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (x EUR 1,000) (before result appropriation)		
	31 December 2009	31 December 2008
ASSETS		
Non-current assets		
Property, plant and equipment	57,898	60,405
Intangible assets	2,078	1,897
Investment in associate	1,272	1,331
Other assets	2,492	2,602
Deferred tax asset	5,394	5,813
	69,134	72,048
Current assets		
Inventories	27,351	25,639
Trade and other receivables	20,702	19,440
Tax receivable	-	663
Cash and cash equivalents	1,142	1,750
	49,195	47,492
Total assets	118,329	119,540
EQUITY AND LIABILITIES		
Shareholders' equity	87,965	87,764
Non-controlling interests	52	46
Total equity	88,017	87,810
Non-current liabilities		
Employee benefit liability	3,306	-
Deferred tax liabilities	4,072	4,489
	7,378	4,489
Current liabilities		
Interest-bearing liabilities	9,297	12,593
Trade creditors	8,053	10,080
Tax payable	150	23
Other short-term liabilities	5,434	4,545
	22,934	27,241
Total liabilities	30,312	31,730
Total equity and liabilities	118,329	119,540

CONSOLIDATED CASH FLOW STATEMENT (x EUR 1,000)		
	2009	2008
Cash flow from Operating activities		
Operating result	5,372	(2,081)
<i>Adjustments for:</i>		
Depreciation and amortisation	8,275	9,777
Pensions	(30)	(1,553)
	8,245	8,224
<i>Movements in working capital:</i>		
Trade and other receivables	(1,292)	4,262
Inventories	(1,712)	3,393
Trade creditors	(2,027)	(2,390)
Other items	1,486	215
	(3,515)	5,480
	10,102	11,623
Interest paid	(444)	(820)
Interest received	7	60
Income taxes received / (paid)	663	(153)
	226	(913)
	10,328	10,710
Cash flow from Investing activities		
Investments in property, plant and equipment	(5,438)	(5,433)
Investments in intangible assets	(535)	(851)
Dividends received	487	400
Disposals of tangible fixed assets	24	-
	(5,462)	(5,884)
Cash flow from Financing activities		
Dividends paid	(2,178)	(4,356)
Interest-bearing liabilities	(3,296)	(15)
	(5,474)	(4,371)
Increase / (decrease) in cash and cash equivalents	(608)	455
Cash and cash equivalents at 1 January	1,750	1,295
Cash and cash equivalents at 31 December	1,142	1,750

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (EUR x 1,000)							
	Subscribed and paid up capital	Retained earnings	Other reserves	Result for the year	Total	Non-controlling interests	Total equity
As at 1 January 2008	8,712	101,811	(4,386)	2,190	108,327	58	108,385
Result for the period	-	-	-	(14,921)	(14,921)	39	(14,882)
Other comprehensive income / (loss)	-	-	(1,287)	-	(1,287)	-	(1,287)
Total comprehensive income	-	-	(1,287)	(14,921)	(16,208)	39	(16,169)
Paid dividends	-	(2,178)	-	(2,178)	(4,356)	-	(4,356)
Result appropriation	-	12	-	(12)	-	-	-
Dividends non-controlling interests	-	1	-	-	1	(51)	(50)
As at 31 December 2008	8,712	99,646	(5,673)	(14,921)	87,764	46	87,810
As at 1 January 2009	8,712	99,646	(5,673)	(14,921)	87,764	46	87,810
Result for the period	-	-	-	4,520	4,520	45	4,565
Other comprehensive income / (loss)	-	-	(2,141)	-	(2,141)	-	(2,141)
Total comprehensive income	-	-	(2,141)	4,520	2,379	45	2,424
Paid dividends	-	(2,178)	-	-	(2,178)	-	(2,178)
Result appropriation	-	(14,921)	-	14,921	-	-	-
Dividends non-controlling Interests	-	-	-	-	-	(39)	(39)
Other movements	-	(131)	131	-	-	-	-
As at 31 December 2009	8,712	82,416	(7,683)	4,520	87,965	52	88,017