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NOTICE

LSF9 Balta Issuer S.A. Announces First Quarter 2017 Financial Results

LSF9 Balta Issuer S.A. (the "Company"), an entity indirectly controlled by Lone Star Fund IX, today announces its financial results for the three months ended March 31, 2017.

Highlights

Revenue increases by 5.2% to €155.5 million. The **organic growth is equal to 6.4%,** driven by a very strong performance in our Rugs (up 17.2% on a constant currency basis) and Commercial segment (up 10.0% on a constant currency basis), while revenue of the Residential division decreased by 2.5% on a constant currency basis compared to a strong Q1 2016. The weakening of the pound sterling offset 1.2% of the group's organic growth, with implemented price increases partially offsetting the decline of revenue from the UK.

Adjusted EBITDA increased by 5.3% to €20.1 million. **On a constant currency basis, Adjusted EBITDA increased by 19.5%**, with Adjusted EBITDA margin increasing 158 bps year over year, from 12.9% to 14.5%. This increase is mainly driven by top line growth. Residential EBITDA was penalized by the depreciation of the pound sterling and came in flat on a constant currency basis compared to a strong Q1 2016 (which was up 16% compared to Q1 2015).

The acquisition of the Bentley Mills Group ("Bentley) did not have an impact on reported revenue and Adjusted EBITDA for Q1 2017. Given the acquisition date of 22 March 2017, Bentley will contribute to the consolidated earnings of the Balta Group as from Q2 2017. Bentley sales and EBITDA amounted to €27.7 million (9.5% organic growth) and €2.9 million (21.9% organic growth). **On a pro forma basis for the acquisition of Bentley, revenue for Q1 2017 is equal to €183.2 million and Adjusted EBITDA is equal to €23.0 million which corresponds to organic growth of 6.8% and 19.7% respectively. Group Q1 2017 LTM pro forma revenue is equal to €679.3 million and pro forma Adjusted EBITDA is equal to €99.0 million, corresponding to a 14.6% margin**

Net debt at the end of Q1 2017 is equal to **€385 million**, representing a leverage **of 3.9 times pro forma Adjusted EBITDA** of the latest twelve months.

Revenue and Adjusted EBITDA per segment

(€ thousands, unless otherwise stated)	Q1 2017 Actual	Q1 2016 Actual	% change	o/w organic growth	o/w FX
Rugs	63,377	54,188	17.0%	17.2%	(0.2%)
Residential	63,132	66,153	(4.6%)	(2.5%)	(2.1%)
Commercial	22,147	20,344	8.9%	10.0%	(1.1%)
Non-woven	6,877	7,157	(3.9%)	(3.9%)	--
Consolidated Revenue	**155,534**	**147,842**	**5.2%**	**6.4%**	**(1.2%)**
Bentley	27,686	24,429	13.3%	9.5%	3.8%
Pro Forma Revenue	**183,220**	**172,271**	**6.4%**	**6.8%**	**(0.5%)**
Rugs	11,188	8,032	39.3%	39.3%	--
Residential	5,097	7,466	(31.7%)	--	(31.8%)
Commercial	2,972	2,792	6.4%	18.3%	(11.8%)
Non-woven	850	801	6.1%	6.1%	--
Consolidated Adjusted EBITDA	**20,107**	**19,091**	**5.3%**	**19.5%**	**(14.2%)**
Bentley	2,926	2,330	25.6%	21.9%	3.7%
Pro Forma Adjusted EBITDA	**23,033**	**21,421**	**7.5%**	**19.7%**	**(12.2%)**
Rugs	17.7%	14.8%	2.8%	2.8%	--
Residential	8.1%	11.3%	(3.2%)	0.3%	(3.5%)
Commercial	13.4%	13.7%	(0.3%)	1.0%	(1.3%)
Non-woven	12.4%	11.2%	1.2%	1.2%	--
Consolidated Adjusted EBITDA Margin	**12.9%**	**12.9%**	**--**	**1.6%**	**(1.6%)**
Bentley	10.6%	9.5%	1.0%	1.1%	--
Pro Forma Adjusted EBITDA Margin	**12.6%**	**12.4%**	**0.1%**	**1.5%**	**(1.4%)**

Rugs

Strong growth across all regions, driven by a 19% increase in volumes resulting from the continued solid growth in North America (28% organic growth, and 31% total growth due to a stronger US dollar) and the successful introduction of new products in Europe. Revenue went up by 17.0% to €63.4 million and EBITDA increased by 39.3% to €11.2 million, with Adjusted EBITDA margin significantly expanding by 280bps to reach 17.7%

Residential

Our Residential division witnessed a 5% decline in volumes sold, resulting in a decline of revenue on a constant currency basis of 2.5%. This decline is driven by challenging market conditions in Germany and France, where market demand for carpet has decreased. The Company has responded to this by upscaling the product mix such that the impact of a decrease in demand is less pronounced on revenue and margin. In the division's main market, the UK, organic growth was positive (+0.3%), driven by the success of new, higher quality products for which Balta charges a premium. The positive impact on average sales prices in the UK has more than offset the impact of slightly lower volumes (1.5% decrease in volumes sold in the UK). On a constant currency basis, Adjusted EBITDA was flat at €7.5 million, with Adjusted EBITDA margin on a constant currency basis increasing by 29 bps. The decline in reported Adjusted EBITDA is entirely driven by the devaluation of the pound sterling, which had a negative impact of €2.4 million on Adjusted EBITDA

Commercial

Revenue at constant currency in our Commercial division increased by 10%, driven by 13% organic growth in the sale of commercial tiles and 5% organic growth in the sale of broadloom carpet as our business continued to gain market share from competitors. The growth is driven by a combination of both increased volumes and an increased average net sales price resulting from the upscaling of our product mix. The division is realizing such growth due to its continued investments in product development and a more direct sales approach, and is increasingly gaining traction outside the European market, with strong performance in North America, South America and Asia Pacific. With respect to margins, on a constant currency basis, Adjusted EBITDA increased by 18.3% to €3.3 million, with Adjusted EBITDA margin on a constant currency basis increasing by 103 bps to 14.8%

Bentley

Bentley sales amounted to €27.7 million, representing an organic growth of 9.5% and 13.3% total growth in reported revenue. This strong performance reflects the successful execution of its strategy to increase market share through product introductions aimed at broadening the addressable market, focusing on growing the range of premium carpet tile products which are suitable for more mid-range project budgets, sales force improvements and increased productivity from the existing sales force, and the benefits from recently established strategic national account managers.

Cash flow and net debt

Net debt at the end of March 2017 is equal to €385.0 million, which implies a leverage of 3.9 times pro forma EBITDA. The components of net debt are as follows:

- €291.0 million of Senior Secured Notes issued by LSF9 Balta Issuer S.A., adjusted for the financing fees included in the carrying amount;
- €75.1 million of debt drawn under the Senior Term Loan agreement entered into on 16 March 2017 for the acquisition of Bentley by the Balta Group;
- €17.3 million of finance lease debt;
- €10.4 million of amounts drawn by Bentley under a revolving credit facility of $18.0 million
- €30.9 million of senior term loan debt incurred by Bentley
- €0.1 million of bank overdrafts; and
- (€39.7 million) of cash and cash equivalents

The table below shows the capital expenditure and changes in working capital, both for Balta standalone and on a pro forma basis. Whilst changes in other working capital are similar in Q1 2017 vs Q1 2016 (driven by the payment of annual rebates to customers), Balta has been successful at reducing its trade working capital by €4.2 million in Q1 2017, as compared to an increase in trade working capital of €1.6 million in Q1 2016.

(€ thousands, unless otherwise stated)	**Q1 2017**	**Q1 2016**
Maintenance capex..............................	4,272	4,540
Growth and Innovation capex	4,224	3,095
Total consolidated capital expenditure	**8,496**	**7,635**
Bentley capital expenditure (pro forma)	1,646	1,224
Total pro forma capital expenditure	**10,141**	**8,859**
Change in trade working capital	**6,446**	**(1,624)**
of which: Balta standalone	4,171	(1,624)
of which: impact acquisition Bentley...	2,275	--
Change in other working capital	**(5,429)**	**(4,602)**
of which: Balta standalone	(6,407)	(4,602)
of which: impact acquisition Bentley...	978	--
Change in total working capital........	**1,017**	**(6,226)**
of which: Balta standalone	(2,236)	(6,226)
of which: impact acquisition Bentley...	3,253	--

Tom Debusschere,

CEO Balta Group

Dated 2 May 2017

The Investor Relations team is responsible for arranging for the release of this announcement on behalf of the Balta Group. For enquiries please contact Investor.Relations@baltagroup.com.

Definitions Used

Organic growth measures the change in revenue as compared with the same period in the previous year, at constant exchange rates. In order to measure the FX impact on revenue, the exchange rate effect is calculated by applying the previous period's exchange rates to revenue for the current period and calculating the difference as compared with revenue for the current period. It also includes the impact of price adjustments intended to offset movements in local currencies, regardless of whether such price adjustments are (i) automatic via contractual mechanisms or (ii) the result of management action. In order to determine the organic growth at EBITDA level, management judgement has been made in good faith to estimate the FX impact, given that not all parameters used in the calculation can be easily derived from the company's accounting system.

Adjusted EBITDA is defined as operating profit / (loss) adjusted for (i) the impact of the purchase price allocation on (a) raw material expenses and (b) changes in inventories, (ii) gains on assets disposal, (iii) legal claims, (iv) integration and restructuring expenses, (v) depreciation / amortization and (vi) impairment and write-off.

Maintenance capex excludes proceeds from disposals but includes investment in buildings, health, safety and environmental requirements, information technology and samples.

Basis of preparation

The summary consolidated financial information as of and for the three months ended March 31, 2017, 2016 has been derived from the unaudited consolidated condensed interim financial statements of LSF9 Balta Issuer S.A. and its subsidiaries as of and for the period from January 1, 2017 to March 31, 2017 and January 1, 2016 to March 31, 2016 (the "Quarterly Financial Statements"). The Quarterly Financial Statements have been prepared on the basis described therein. The Bentley information used to generate the pro forma information is derived from the unaudited consolidated condensed interim financial statements of BPS Parent, Inc., and its subsidiaries prepared on the basis described therein for the period from January 1, 2017 to March 22, 2017, that do not form a part of the historical financial information provided with respect to LSF9 Balta Issuer S.A.

Important Regulatory Notice

This press release is for informational purposes only and does not constitute a prospectus or an offer to sell or issue or the solicitation of an offer to buy or subscribe for any securities in the Grand Duchy of Luxembourg, the United States or any other jurisdiction. This announcement contains inside information.

Certain financial data included in this press release are "non-IFRS financial measures." These non-IFRS financial measures may not be comparable to similarly titled measures presented by other entities, nor should they be construed as an alternative to other financial measures determined in accordance with International Financial Reporting Standards. Although Balta believes these non-IFRS financial measures provide useful information to users in measuring the financial performance and condition of its business, users are cautioned not to place undue reliance on any non-IFRS financial measures or any ratios included in this presentation.

The financial information included in this press release includes preliminary figures that have not been subject to an audit or review by any independent auditor in accordance with any generally accepted auditing standards. This presentation also includes certain unaudited pro forma consolidated financial information. The unaudited pro forma adjustments are based upon available information and certain assumptions that Balta management believes to be reasonable. Neither the assumptions underlying the pro forma adjustments nor the resulting unaudited pro forma combined financial information have been audited or reviewed in accordance with any generally accepted auditing standards.

This press release may include projections and other "forward-looking" statements within the meaning of applicable securities laws. Any such projections or statements reflect the current views of the issuer about further events and financial performance. No assurances can be given that such events or performance will occur as projected and actual results may differ materially from these projections.