

Shareholders' Guide 2008



Investing in sustainable profitable growth

Cover picture

Dramix® steel fibers were used in the precast segmental lining in the Thameslink tunnels from St Pancras International station in London constructed under the Channel Tunnel Rail Link project (now High Speed 1). Bekaert provided a total of over 6 500 tons of Dramix® steel fibers for the High Speed 1 tunnel linings.

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Message from the Chairman and the Chief Executive Officer



Bert De Graeve
Chief Executive Officer

Baron Buysse CMG, CBE
Chairman of the Board of Directors

Dear shareholder,

2008 was a highly unusual year. Bekaert achieved record-breaking results in the first three quarters with previously unheard of increases in sales. Bekaert ultimately finished the year with consolidated sales of € 2.7 billion, an increase of 22.5% compared to 2007. The operating result before non-recurring items amounted to € 294 million and earnings per share were € 8.83. Combined sales, including joint ventures, came to a record € 4.0 billion. Our focus on the emerging markets and innovation has produced excellent results and we have reaped the rewards of our strategy of sustainable profitable growth.

Over the course of 2008 we continued to implement and even accelerated our strategy with major investments and a consolidation of our presence in growth markets. In China, we again increased our steel cord capacity and we set up a 50/50 joint venture with our Chinese partner, Ansteel, so we are now in a position to penetrate new growth markets in inland China as well. We also invested in additional production capacity in Indonesia and India.

In Latin America, we managed to strategically reinforce our positions. Along with our Ecuadorian partners, we set up a holding company – in which Bekaert holds 80% of the shares – which covers our stakes in companies in Ecuador, Venezuela, Colombia and Peru.

In Russia, we started the construction of our own production platform in the Lipetsk Special Economic Zone and we anticipate further investments in the future. In Turkey, we acquired the remaining 50% of shares from our partner in Beksa.

The very competitive market conditions and stagnation in Western European demand have compelled us to reconfigure our production platform in this region. In Belgium we closed the steel cord plant in Lanklaar and we are gradually integrating the activities at Waregem into another plant. We announced the closure of the steel wire plant in Hemiksem.

We have made the decision to continue to invest in innovation. In order to stimulate our growth we will continue to collaborate closely with our customers and partners to make targeted investments in product innovation. Our investments in process innovation enable us to increase our operational performance with minimal impact on the environment.



Bert De Graeve
Chief Executive Officer

To counter the impact of the malaise in the financial markets and the entire economy, we were quick to take a number of measures to safeguard our strong financial position. Increased efforts were made to further reduce working capital as of the last quarter of 2008, investment projects were spread over longer periods or postponed, and cost-saving measures were taken at every level and in every region.

Dear shareholder,

After strong results in the first half of the year, our stock saw its highest ever one-day increase of over 13% and climbed to a historic high of € 121. The effects of the credit crisis began to become noticeable shortly thereafter in the huge slow-down of the real economy. Orders decreased and the pipeline of inventories and interim stocks dropped, giving rise to a sharp decrease in activity in the industry. The banks' restrictive credit policies shifted attention to the debt structure and refinancing options for businesses. Bekaert, with its relatively low level of debt and strong balance sheet structure, stood firm.

Given these rapidly deteriorating macroeconomic conditions and the forced sale of shares by cash-strapped institutional investors, the already volatile situation became even more unpredictable. The third quarter publication of a sales increase topping 40% brought no relief. The fear of negative consequences connected to the severe slow-downs overshadowed everything else. On 31 December 2008 shares traded at € 48.32, well below book value.

Your support and your trust in our company and our people are important. They allow us to implement our strategy and to continue to progress – even under difficult circumstances. So we thank you for your confidence in our strategic choices and in us.

In this guide, you'll find more information about our 2008 figures. As with previous editions, our aim is to provide clear and transparent information on our results, but also on our shares and on our company as a whole.

If you have further questions or remarks after reading this guide, please do not hesitate to contact us or the Investor Relations department.



Baron Buysse CMG, CBE
Chairman of the Board of Directors

Company profile



Commissioned by Gates, subcontractor of Vensys wind mills, Bekaert developed high-quality steel cord for the reinforcement of the drive system of the rotor blades.

Bekaert in brief

Bekaert is a global player in advanced metal transformation and advanced materials and coatings headquartered in Belgium. With 23 000 employees and customers in over 120 countries, together we achieved combined sales of € 4 billion in 2008.

Bekaert's core skills are transforming metal wire and applying coating technology.

As the leading purchaser in the world, we buy more than 2.5 million tons of wire rod annually, our primary raw material. Depending on the customer's requirements, we draw wire from it in different diameters and strengths, even to ultra fine fibers of 1 micron. We group the wires into cords, weave or knit them into fabric, or process them into an end product.

We are distinguished by our market oriented innovation. Depending on the application, we give our wires or other materials, such as film and sputter targets, specific properties using highly technological coatings. We thus create added value for our customers.

Bekaert's long-term strategy is focused on sustainable profitable growth. Year after year, we strengthen the two core competences with which we achieve our company strategy: worldwide market leadership and technological leadership.

Our company wants to be present worldwide where there are markets for our products and systems. Over the course of the past 5 years, we have steadily strengthened our presence in the growth markets.

In close cooperation with partners and customers, we are conducting research and development both at the Bekaert Technology Center in Deerlijk and at Bekaert Asia R&D Center in Jiangyin. We invest mainly in products with high added value. Innovation is an increasingly important engine of growth for our company.

Our combined aspiration to achieve global market leadership and technological leadership has resulted in sustainable profitable growth. Over the course of our 128-year existence, Bekaert has become a resilient company, more resistant to temporary downturns in certain markets or regions. The steady increase in both our sales and our profitability also enables us to invest further in the future of our company.

Bekaert R&D centers have the equipment and expertise to test and co-develop rubber reinforcement characteristics in collaboration with the tire manufacturers.



Wire rod is Bekaert's most important raw material.

Bekaert in 2008

Combined sales:	€ 4.0 billion
Consolidated sales:	€ 2.7 billion
Recurring operating result:	€ 294 million
Operating result:	€ 210 million
Result for the period attributable to the Group:	€ 174 million
Operational cash flow:	
EBITDA consolidated:	€ 412 million
EBITDA joint ventures:	€ 216 million
Employees:	23 000
Euronext Brussels: BEKB	
Average market capitalization:	€ 1.7 billion

www.bekaert.com

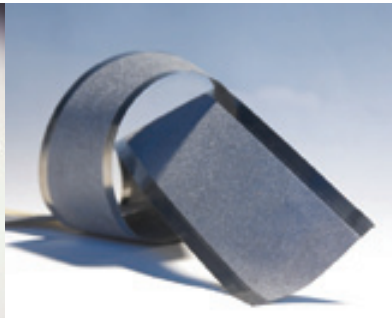
Segment reporting

Consistent with our strategic vision, Bekaert reports on its activities and results in accordance with the International Financial Reporting Standards (IFRS). Primary segmentation is by business segment:

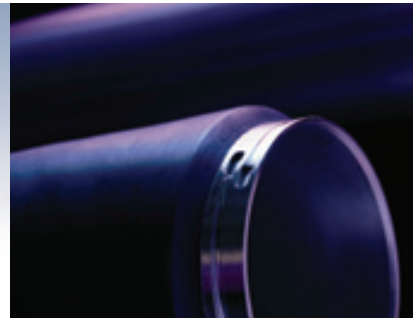
advanced wire products, advanced materials and advanced coatings. Secondary segmentation is based on the geographical distribution of sales by business segment.



One in four tires worldwide is reinforced with Bekaert steel cord.



High-performance diesel particulate filters made of Bekaert fibers remove over 90% of the fine particulates.



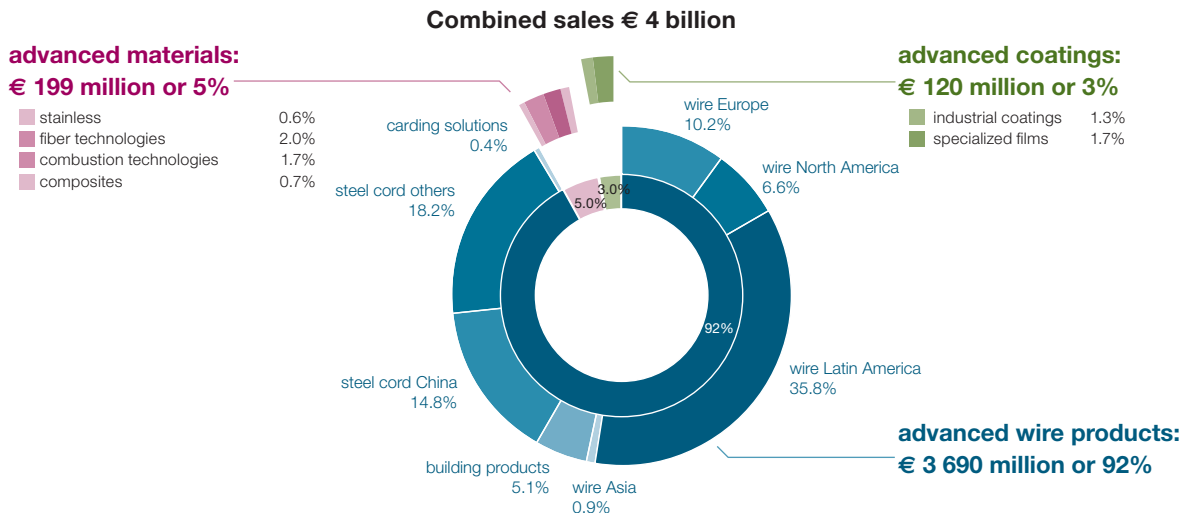
Bekaert is world leader in sputter hardware and in rotatable sputter targets.

Three business segments

Bekaert produces a highly diverse range of **advanced wire products** which find application in many sectors. Steel wires of various grades and in various forms are used in a variety of applications meeting many different product specifications. The product range runs from very high-tensile wires to ultra-thin metal fibers of 1 micron. The development of wires with higher tensile strength allows thinner wires to be used without compromising flexibility. High-tensile wires are bunched into steel cord.

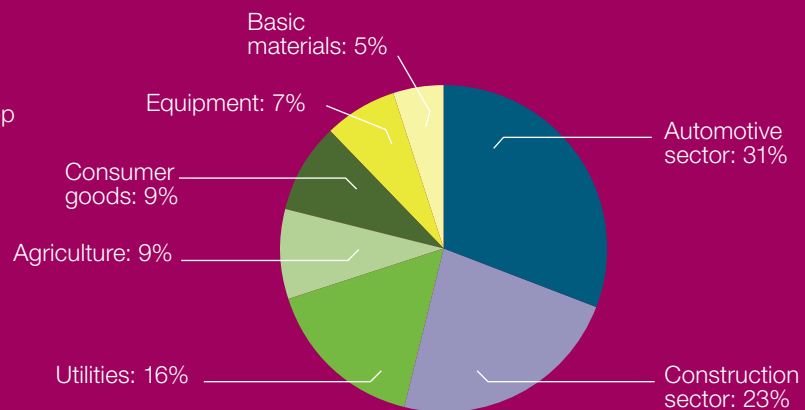
The **advanced materials segment**, based on stainless steel, covers applications such as fiber and combustion technologies. On the basis of its expertise, the company uses ultra-thin Bekaert metal fibers to produce environment-friendly filters, gas burners and combustion systems for both residential and industrial applications. It also develops products for other applications in textiles and in conductive plastics.

The **advanced coatings segment** covers industrial coatings and specialized films. Within the industrial coatings activity platform, Bekaert deploys its expertise in the application of coatings to various materials, mainly glass and metal. The company manufactures a range of window films for vehicles and buildings to keep out the sun's heat, filter out ultraviolet radiation and hold glass together in the event of breakage.



Strong in diverse sectors

Bekaert has a strong presence in diverse sectors. This makes Bekaert less sensitive to sector-specific trends and it also benefits our customers, because solutions we develop for customers in one sector often form the basis of innovations in others.



Automotive sector: 75% replacement market

The automotive sector is the most significant buyer of Bekaert products, accounting for 31% of our sales, of which our tire reinforcement business represents the largest share. Bekaert supplies steel cord for nearly all tire manufacturers in the world: one in four tires worldwide is reinforced with Bekaert steel cord. 55% of our offerings in this range is destined for trucks and industrial transport; the rest for passenger vehicles. Of this market segment approximately 75% is supplied to the replacement market, which is less susceptible to economic market fluctuations. Other innovative and quality products are delivered to automakers' suppliers. We supply our customers with specialized products that satisfy the highest quality standards. In this sector, we are constantly striving to make products of higher quality that do not inflate the costs. Environmental protection and sustainability are driving forces behind innovation in the automotive sector. Products which ensure that solutions last longer or that cars consume less are seeing robust growth. The high performance tires that are on the rise in mature markets contain steel cord that is stronger, meaning that less steel is required. This results in a reduction of the weight of the tire as well as lower fuel consumption. Our metal fibers are utilized in diesel soot filters: a solution for the harmful fine particulate.

Products: tire cord, bead wire, suspension spring wire, clutch spring wire, wires for windscreen wiper arms and blades, wires and cables for window systems, wires and fibers for car seats, window film, medium for the filtration of diesel soot particles, heating cord, welding wire, steel cord reinforced thermoplastic strips for bumpers, attachment spring wire for hub caps, wire for door locks, wheel weights, etc.



Steel cord consists of cord structures that are used to reinforce radial tires.

Construction sector: project and infrastructure related

The construction sector accounts for 23% of Bekaert's sales. Our wire, mesh and innovative fiber products find applications in construction, in lifts and burners, in fencing and reinforcement, in roads and bridges, in architectural solutions, in concrete reinforcement and window film. We focus on sustainable, cost-efficient applications with a minimum impact on the environment.

In growth markets such as Latin America, it is generally the construction sector that is the first to pick up as a result of investments in infrastructure. These tend to be the more traditional building products in our portfolio that represent a large share of the volume. Our strong presence in the local markets triggers a number of new product developments for specific applications, such as in mining. In the mature markets, we see a different pattern of demand that is characterized by higher quality requirements such as materials with a high resistance to corrosion and that allows for faster, simpler completion. Here we achieve growth in the construction sector thanks to ground-breaking solutions such as Dramix® Green, the environmentally friendly variation. Both the search for more environmentally friendly solutions and the drive for better materials, greater safety and lower energy consumption are driving forces behind our growth in the construction sector. For example, our window film protects against solar heat, ultraviolet rays and the consequences of glass breakage. Our gas burners achieve a very high efficiency and excel in environmental friendliness.

Products: Dramix® and Dramix® Green steel fiber for concrete reinforcement, Murfor® masonry reinforcement, Stucanet® plaster lath, Mesh Track, Bitufor®, wires and cables for hoisting applications and lifts, gas burners and heat exchangers, cable wire for bridges, cables for motorway median barriers, wire for fencing products, gabions for erosion and cliff protection, welded mesh, window film, nails and annealed wire, etc.



Bekaert Bezinal® steel wire is used by manufacturers of integrated solutions for protection against natural disasters.

Utilities: growth driver

Utilities is one of the most robustly growing sectors. It now comprises a combined 16% of Bekaert's sales while a few years ago it accounted for less than 5%. We make a particular contribution to the production and distribution of energy, but are also active in facilities for water and telecom. Our solutions include cable reinforcement; profiled wires and cables for oil and gas drilling; high-pressure vessels for desalinization; and burners that guarantee optimum incineration of residual gases during oil extraction. In these industrial sectors, the drive towards renewable energy is a preeminent driving force behind our innovation. With sawing wire, for example, we make it possible in the photovoltaic industry to cut silicon for solar cells with a minimum loss of materials. Bekaert can also respond to this thanks to its extensive knowledge of mechanical strengths, coatings, specific wire forms and applications. Our steel cord reinforced thermoplastic strips – that withstand pressure up to 500 bar – emerge from the need to keep the output of existing oil sources up to level.

Products: wire and cable for oil and gas exploration, wire for the reinforcement of telecom and energy cables, wire for the reinforcement of overhead power lines, flat and profiled wires for the reinforcement of flexible pipes, steel cord reinforced thermoplastic strips, sawing wire for cutting silicon, burners for environmentally friendly incineration of residual gases during oil extraction, high-pressure vessels for water desalinization, etc.



Bekaert high tensile cables are excellent for deep sea applications. That's why they are used to anchor drilling platforms and to reinforce pipes for gas or oil extraction.

Agriculture: innovative solutions

Agriculture accounts for 9% of Bekaert's sales. In all agricultural sectors, we are working on future-orientated innovations that make day-to-day work easier and increase productivity. The sector is a customer for our specialized fencing solutions among other products. In growth markets like Latin America, we are particularly successful with the traditional wire products such as barbed wire, while our growth in more mature markets comes from specialties such as fences with specific requirements for tensile strength and corrosion resistance. Viticulturists choose our vineyard wires to support grape branches, and our metal fiber burners to trim excess foliage. Fish cages are also made increasingly with high quality Bekaert wires.

Products: biodegradable wire coating, tensioning wire for plant support and binding, vineyard wire, fencing products, barbed wire, spiral wire for the livestock feed industry, wire for fish farming cages and oyster breeding, wire for fishing ropes for industrial fishing, etc.



Bekaert tomato hook wire combines optimal functionality with an adequate corrosion resistance.

Consumer goods: used every day

Consumer goods comprise a combined 9% of Bekaert's sales. The many different applications that Bekaert wire finds itself in attest to the degree to which we succeed in satisfying diverse requirements. End customers have a choice of our wires in a variety of coatings and colors in the form of champagne cork *muselets*, paper clips, fishhooks, staples, spokes, etc. and durable and industrial applications such as ski lift cable, inkjet cartridges, heat resistant textile, etc.

Products: champagne cork wire, wire for kitchen utensils, steel wool wire, spring wire for bedding and seating, bra wire, staples, music wire, bookbinding and stitching wire, wire for medical instruments (catheters, etc.), etc.

Equipment: safety first

Equipment accounts for a combined 7% of sales. Machine builders and operators utilize a variety of our specialized wire products for components. These include spring and shaped wire, hydraulic filter media, fine cord and hose wire. Our solutions are used both in the construction of machines and in the machine equipment itself.

Products: brush wire, card clothing, wire for revolving tops, fine cord for timing belts, hoisting cables for cranes, spring wire, shaped wire, hose wire, etc.

Basic materials: strong in process components

A not insignificant portion of Bekaert products – 5% of sales – is used in the production or exploration of basic materials: coal, metal, glass, pulp and paper, chemicals and textiles.

For example, we provide cables and wefts for conveyor belts for diverse industries. Or in filter media for the production of synthetic fibers and films. Bekaert offers customers in the textile industry wires for carding. We also produce high-grade steel wire for the heddles and springs of Jacquard looms. In the glass industry, we are a trendsetter with our sputter hardware and rotating targets.

Products: cables and woven materials for conveyor belts, carding wire for the textile industry, hot gas filtration media, polymer filtration media, paper-drying systems, sputter targets & hardware, heat-resistant separation materials, fibers for protective clothing, etc.

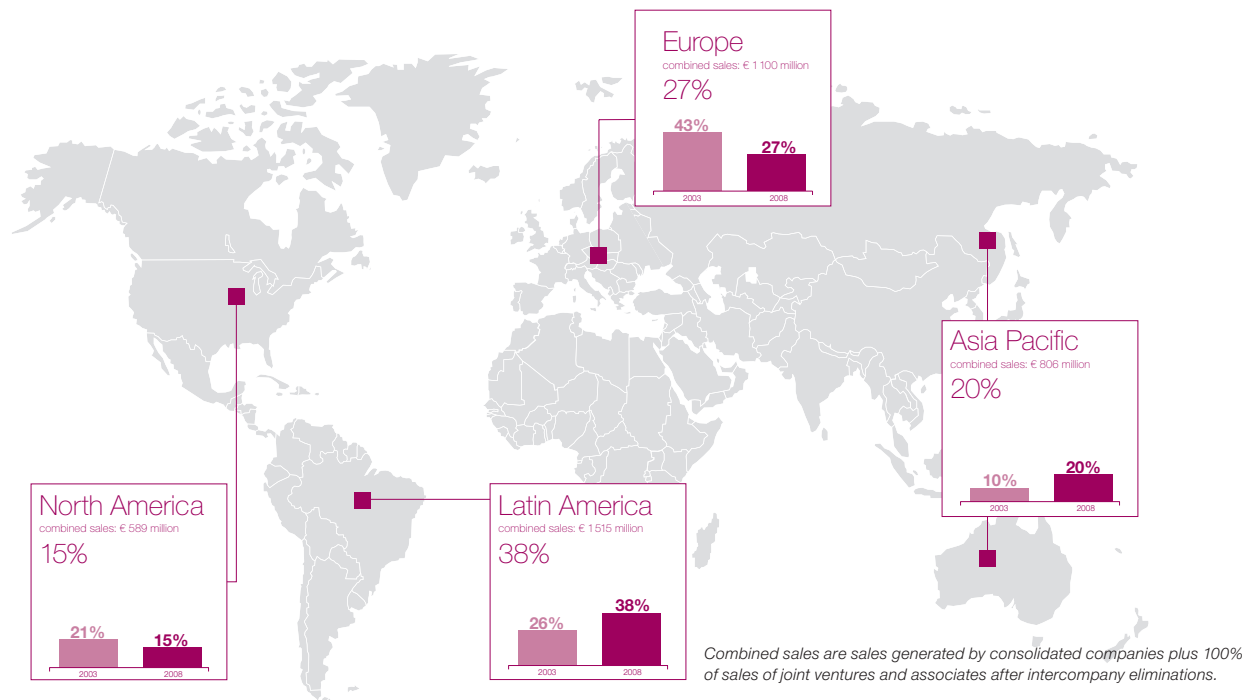


Bekaert's sputter hardware technology has become the standard process worldwide for applying specialized coatings to all kinds of glass.

Global market leadership

A global presence in all our current and potential markets is the first leverage of our business strategy. In the past 5 years, Bekaert managed to achieve a significant shift. Bekaert has grown in recent years to

become a true global player on every continent, close to our customers, supporting them with a customized range and approach.



From our home base in Western Europe, Bekaert has always invested in future **growth markets**. We started in the 50s with the first joint venture in Latin America. We have been active in China since the early 90s. Later we followed our customers to Central Europe, to meet the growing demand there. Today we are adding to our production platforms in Russia, China, Latin America, India and Indonesia. Thanks to our strong presence in the growth markets, we have succeeded in being close to our customers and optimally meeting their requirements. In these markets, the demand for products that meet increasingly higher quality standards is rising, a demand that Bekaert can respond to perfectly with an extensive product portfolio. At the same time, our presence in these markets allows us to respond quickly to opportunities that arise.

In the **mature markets** of Western Europe and North America, our customers want to achieve growth via new products and new functionalities that are better, stronger, faster, longer-lasting and containing less raw materials. Bekaert – focused on market-orientated innovation – brainstorms with them and develops both new production methods and innovative products. In recent years, for example, we have launched steel cord with ever higher tensile strength for lighter, and

as a result more energy efficient tires; we develop metal fibers for the filtration of diesel soot particles for environmentally friendly burners; we are launching biodegradable wires on the market for applications in agriculture and our fine cable applications create added value for wind turbine manufacturers. These future oriented products protect our position in mature markets and may later find their way to the growth markets.

Globally we are anticipating macro-economic factors. We are expanding our portfolio to support growing global transport: with updated steel cord for radial tires for cars, buses and trucks, for example. We have responded to the increasing exploration for raw materials with cables and wefts for conveyor belts and with wire mesh protection in mine shafts. We also ensure that the right products are distributed to the right markets. For example, we are anticipating growth in construction, telecommunication and infrastructure in emerging markets by selectively expanding our portfolio.

Thanks to our focused approach, our strategy of worldwide market leadership makes us versatile. We are succeeding in enjoying the growth of specific markets and specific segments.

Technological leadership

Technological leadership is the other leverage utilized by Bekaert to realize the business strategy. Our research and development activities are focused both on new products and product applications, innovative production processes (that limit the costs, the environmental impact and energy consumption) and breakthroughs in machines and production equipment.

Our efforts for the development of new materials and products focus mainly on our two technological core skills. On the one hand, the Bekaert Technology Center conducts research into metal transformation and into the mechanical properties of metal, such as strength, resistance and fatigue. On the other hand, we research how we can improve the surface properties of metal using coatings: for example, adhesion and corrosion resistance. The Technology Center aims to optimize the synergy between both research fields.

With our R&D, we and our customers anticipate the big challenges of tomorrow. We focus on the mobility issue; the need for sufficient and clean resources and energy; and the need for materials with new properties. Thanks to focused developments, we can reply to the maximum to growth segments such as energy and electricity transmission, green energy (primarily solar energy), telecommunication, mining, oil and gas. These activities are seeing especially rapid growth.

Many technology projects occur in close cooperation with external partners: customers, universities and research institutions. Bekaert has successfully applied this type of 'open innovation' for many years. Our cooperation projects have resulted in various successful applications, such as metal fibers for diesel particulate filters and steel cord with ever higher tensile strength for lighter, more durable tires.

Our own engineering department supports Bekaert's technological leadership worldwide. The department develops and builds all advanced technological production lines and sees to continual process optimization.

Our drive for technological leadership results in innovations in all sectors and in all of the markets in which Bekaert is present. Thanks to this leverage, we manage to consolidate our increase in income and profitability, year after year, in both mature markets and in growth markets.

Bekaert is an R&D-intensive company; the resources – € 68 million – we invest in technology and innovation account for approximately 2.5% of the consolidated sales and 7% of the added value we achieve. Over the period 2002-2008, investments in technology grew substantially; both in terms of the operating budget and in terms of staff.



Bekaert's research and development activities are focused on new products and product applications, innovative production processes and breakthroughs in machines and production equipment.



Sustainability

Corporate sustainability is gaining interest. At Bekaert, too, an increasing number of activities and initiatives have been launched that are given a place under the broad umbrella of sustainability.

A healthy and safe working environment for our employees and concern for the environment have long been intrinsic components of Bekaert's aspirations for sustainable profitable growth. In the coming years we will formulate even more clearly defined goals and a more general approach to reducing our impact on the environment – via process innovation, product development and infrastructure – and to streamlining local community support.

Our staff: of capital importance

Our 23 000 highly qualified and driven employees create the dynamic that characterizes the international corporate culture at Bekaert. They are recruited and supported throughout their career by local HR departments who keep their fingers on the pulse of the labor market. These services are centrally managed and trained.

In 2008, we added a large number of newcomers to the company. In order to attract this great diversity of profiles – both in tight labor markets and in quickly growing economies – we made our HR tools and processes more professional. In 2007, we worked on the Bekaert e-recruitment tool that was implemented world-wide in 2008. Last year, a total of 19 000 CVs were registered. Some 4 400 applicants around the world were tested using the online testing tool that is available for all job levels in 24 languages. These smart, efficient methods are necessary to support our rapid growth.

Due to the challenging economic circumstances, in 2008 Bekaert found it necessary to rearrange its activities, which included the announcement of its intention to close a number of sites. As a responsible employer, Bekaert is dedicated to correctly informing the employees affected by the restructuring and closings, and to the immediate commencement of consultations with the social partners. This occurs in accordance with all valid legal regulations. We attach great importance to the maximal re-employment of our employees and provide career guidance support. This may be in the form of internal transfer, individually supported outplacement or retraining. For employees who cannot assume any other position within the organization, we provide fair financial accommodation.



Priority number one: a healthy and safe working environment for all employees.

Learning is synonymous with improving at Bekaert. That is why Bekaert invests substantially in continuing staff training. We make efforts when we welcome the many newcomers, as well as to increase the proactivity and efficiency of current employees. And we organize trainings for operational excellence in key projects.

Safety has been a key concern at Bekaert since the days of old: it is embedded in our long tradition of operational excellence. Performance in this area was monitored continually and compared globally. In 2008, a target was set for a 15% decrease of accidents; we outperformed our target with a decrease of 18%.

Safety is also an action item in the annual plans of each Bekaert plant. Annually, Bekaert presents a special certificate to the plants that have distinguished themselves in this respect.

On 25 September 2008, Bekaert organized a *premiere*: the first World Safety Day, going by the motto *better together* in safety and health. By means of this action, the management clearly presented the importance of health and safety to the 23 000 employees at all plants the world over.

Environmental protection in our production

With less use of materials, more modest energy consumption and reduced waste, we are striving to impact the environment we live in as little as possible. We set up an internal benchmark that compares all our

plants in terms of emissions, water pollution, the use of energy, water and materials for each end product. This international comparison is part of our Total Environmental Care management system. It is also impetus to continually perform better.

REACH is the European regulation for the registration, evaluation and admission of chemical substances. Bekaert proactively aspires to REACH compliance. We submitted a preregistration for all the substances for which this is needed. Based on a detailed analysis we could ascertain that we can continue to offer our current product range in the future. Based on a thorough screening of our end products, it turned out that these do not contain any substances of very high concern listed on the applicant list of the European Chemicals Agency.

Energy-driven process innovation

These days, the increasing cost of energy is a driving force at Bekaert for process innovation. After all, the energy costs involved in the production of wire and steel cord are considerable: many typical Bekaert processes like annealing, galvanizing, wire drawing and bunching are energy-intensive processes.

Through various initiatives, Bekaert has sought for a number of years to map out and reduce energy consumption of the steel cord and wire plants. Our infrastructure and our equipment are checked in regular internal audits for energy losses. At the same time, we determine which parameters have an impact internationally on energy consumption. We also discover best practices that are shared and conveyed within the group.

Sense of public responsibility vis-à-vis the community

In the local communities in which we operate, we want to be a loyal, responsible partner. We attach great importance to interacting with local governments in a transparent, constructive way. We make a commit-

ment to comply with national legislation and collective labor agreements. Bekaert is an adherent of the Universal Declaration of Human Rights and the treaties and recommendations of the International Labor Organization.

Bekaert attaches special importance to learning. That is why support by the company is often geared towards educational projects. Some examples:

- For years Bekaert is a sponsor of a renowned business school in China: the China Europe International Business School in Shanghai.
- In Peru, Bekaert provides free 'summer school' not just for the children of our own staff, but also for other children in the village. Workshops are organized for their mothers.

Bekaert recognized as a sustainable investment

Precisely on account of our unremitting efforts in corporate social responsibility, Bekaert has been included in several economic indices for sustainable investments. For example, Bekaert is a constituent of the Ethibel Excellence Index and the Ethibel Pioneer Index. The company is also a member of the Kempen/SNS Smaller Europe SRI Index, one of the highest-yielding sustainable share funds in Europe.



All over the world, our highly qualified employees create the dynamic that characterizes the international corporate culture at Bekaert.

Bekaert is included in several economic indices for sustainable investments



More information on corporate social responsibility can be found at www.bekaert.com in the investors section.

Corporate governance

Bekaert attaches great importance to good corporate governance and is aware that good governance of listed companies is an important factor in investment decisions. The company complies with internationally accepted standards and rules. In accordance with the Belgian Corporate Governance Code, the Board of Directors adopted the Bekaert Corporate Governance Charter on 16 December 2005. Bekaert complies in principle with the Belgian Corporate Governance Code and explains in its Charter or in the Corporate Governance chapter of its annual report why it departs from some of its provisions. The Bekaert Corporate Governance Charter is available at www.bekaert.com.

Composition of the Board of Directors

The Board of Directors consists of fourteen members, and eight of whom are nominated by the principal shareholders. The Chairman and the Chief Executive Officer are never the same individual. The Chief Executive Officer is the only Board member with an executive function. All other members are non-executive directors. Three of the Directors are independent within the meaning of Belgian company law and the Belgian Corporate Governance Code.

In September 2008, the Board of Directors held one of its regular meetings in China and visited different plants and offices.

Committees of the Board of Directors

The Board of Directors has established three advisory committees: the Audit and Finance Committee, the Nomination and Remuneration Committee, and the Strategic Committee. Each committee is chaired by the Chairman of the Board, and has one independent Director among its members.

Executive Management

The Bekaert Group Executive has five members. It is chaired by the Chief Executive Officer and further consists of four members, who bear the title of Group Executive Vice President and who are responsible for the various activity platforms, finance and administration, and technology.

External supervision

The company's Statutory Auditor is Deloitte Bedrijfsrevisoren.

Situation as at 31 December 2008

More information on corporate governance can be found at www.bekaert.com in the investors section.



Company performance



Apollo, one of the leading Indian tire manufacturers, and Bekaert have an undeniable win-win relationship: Apollo gains from Bekaert's technological know-how and expertise while Bekaert rides the company's impressive wave of expansion.

Financial review

Performance and long term guidance

LT/GUIDANCE		2008	2007	2006
Growth	GDP +	22.50%	8.20%	5.00%
ROIC > WACC	>	13.0 > 8.7	11.1 > 8.3	10.3 > 8.0
EBITDA on sales	15%	15.5%	13.7%	13.0%
EBIT	7% - 9%	7.9%	8.0%	7.3%
Recurring EBIT		11.1%	8.6%	8.1%
Working capital (on sales)	20%	22%	22%	22%
Dividend pay out	40%	32%	36%	36%
Tax	25%	16%	14%	16%
Debt				
Structure (equity / total assets)	40%	44%	50%	51%
Gearing (net debt / equity)	50%	54%	39%	33%
Financing (net debt / EBITDA)	<2	1.5	1.5	1.4

Executive summary 2008

- +59% EPS before non-recurring items: € 13.08 compared with € 8.22
- +58% EBIT before non-recurring items of € 294 million
- +38% EBITDA of € 412 million
- +23% Consolidated sales of € 2.66 billion
- +17% Combined sales of € 4 billion
- +16% EPS: € 8.83 compared with € 7.63
- Strong dividend of € 2.80 per share

Record sales

In 2008, Bekaert achieved consolidated sales of € 2.66 billion and combined sales of € 4.01 billion, an increase of 22.5% and 17.3% respectively.^{1 2} Growth in consolidated sales stemmed 17.7% from organic growth, largely driven by passed-on raw material price increases, and 5.8% from the acquisitions in Vicson (Venezuela) and Proalco (Colombia). Fluctuations in several exchange rates largely compensated each other with a net negative impact of 1.0%. More information on combined sales figures can be found on the next page.

Continuing strong dividend

In the light of Bekaert's strong performance in 2008 and confidence in its future, the Board of Directors will propose that the General Meeting of Shareholders on 13 May 2009 approves the distribution of a gross

dividend of € 2.80 per share, compared with € 2.76 last year. If this proposal is accepted, the net dividend per share will amount to € 2.10 and the net dividend on shares with VVPR strip, entitling the holder to reduced withholding tax of 15%, will be € 2.38. The dividend will be payable as from 20 May 2009.

Non-recurring items

Non-recurring expenses totaled € 83.8 million and included provisions for the restructuring of the Belgian manufacturing operations of advanced wire products (€ 42.5 million); for production platform moves within Europe; for environmental liabilities; and for several asset impairments, including those related to carding solutions (other advanced wire products: € 10 million) and several activities within the advanced materials segment (€ 18.8 million), applying mainly to stainless and combustion technologies.

Excellent financial results

Bekaert achieved a record operating result (EBIT) before non-recurring income and expenses of € 294 million, compared with € 186 million for the financial year 2007 (+58%). This equates to an EBIT margin on sales before non-recurring items of 11.1%, compared with 8.6% last year. Including non-recurring items, EBIT was € 210 million (2007: € 175 million), representing an EBIT margin on sales of 7.9% compared with 8.0%. EBITDA reached a record high € 412 million, compared with € 299 million in 2007 (+38%). The increase in interest charges was due to the net debt position incurred to finance major capital expenditures and an increased working capital level in line with growth. Taxation on profit amounted to € 25 million compared with € 19 million in 2007. Notwithstanding the transfer of Vicson and Proalco to the consolidated perimeter, the share in the results of joint ventures and associated companies totaled € 56 million (2007: € 47 million). This increase, reflecting the higher results posted by joint ventures, was mainly driven by the operations in Brazil. The result for the period therefore attained € 192 million, compared with € 162 million in 2007. After third-party minority interests (€ 17.7 million as against € 8.7 million), the result for the period attributable to the Group was € 174 million, compared with € 153 million last year. Bekaert ended the year with earnings per share of € 8.83 (2007: € 7.63), an increase of 16%. Before non-recurring items the earnings per share amounted to € 13.08 compared with € 8.22 a year ago, a significant increase of 59%. Cash flow attributable to the Group totaled € 376 million as against € 277 million in 2007.

¹ All comparisons are made relative to the financial year 2007.

² Combined sales are sales of consolidated companies plus 100% of sales of joint ventures and associates after intercompany elimination.

Strong balance sheet

As at 31 December 2008, shareholders' equity represented 44% of total assets. Net debt increased to € 627 million (2007: € 448 million), mainly due to capital expenditure programs and increased working capital in line with growth. The gearing ratio (net debt to equity) was 53.5%.

Bekaert repurchased 238 800 of its own shares in 2008. The company canceled 161 000 shares, kept 55 000 in portfolio, and delivered 22 800 to option holders. This reduced the total number of outstanding shares to 19 783 625 as at year-end 2008.

Cash flow statement

Net cash flow from operating activities amounted to € 222 million (2007: € 221 million). Operating working capital increased by € 162 million to € 653 million, mainly reflecting organic growth. Cash flows from investing activities amounted to € 243 million, of which € 239 million from expansions in Asia, Slovakia and Belgium.

Acquisitions represented an investment of € 44 million (mainly the acquisition of the remaining 50% of the shares in Beksa Celik Kord Sanayi ve Ticaret AS, Turkey). Dividends received from joint ventures amounted to € 46 million.

The share buy-back program represented a cash outflow of € 20 million.

Other activities

Bekaert further increased its investments in research and development, totaling € 68.5 million in 2008 (+21%). These R&D expenses applied to the activities of the technology centers in Deerlijk (Belgium) and in Jiangyin (China). The engineering department, which is the main supplier of proprietary machinery for the company's investment programs, operated at a high activity level during the first nine months of the year, and adjusted to changing market circumstances and the subsequent investment spread from the fourth quarter onwards.

Combined sales figures per segment

Bekaert **advanced wire products** posted vigorous sales growth across nearly all activity platforms throughout 2008. Earnings increased significantly as a result of accelerated business development in emerging countries and Bekaert's continued efforts for product portfolio and capacity optimization.

- **Significant expansion in emerging markets**
Steel cord China (+64%), wire Asia (+74%) and wire Latin America (+20%) represented 56% of the revenues of the advanced wire products business segment, versus 52% in the same period of last year. Combined with sales generated by the Central European activity platforms, total sales in emerging markets added up to over 70%.

- **Accelerated growth through innovation**
Major investments in R&D and in Bekaert's production capacity for product innovations – especially when built up in emerging countries – created strong leverage on results. These innovation efforts allowed Bekaert to significantly improve profitability, taking maximum advantage of growth sectors such as energy and mining.

- **Adjusted production capacity in mature markets**
In wire North America, sales grew by almost 20%. This strong growth was driven partly by the start-up of a sales and trading operation. Lower market demand in North America and in Western Europe has led to almost flat sales in steel cord others. Wire Europe experienced difficult market conditions, especially in the Western European platforms. Bekaert took appropriate actions in 2008 to adjust the wire and steel cord capacity in Belgium in line with declining demand.

Throughout 2008, sales of **advanced materials** were relatively stable in the aggregate, but showed fluctuations by individual activity platform and ended with a 2% decline year-on-year. The sales drop in stainless was the result of decreased volumes and sustained pressure on margins from strong fluctuations in nickel-based raw materials prices. Other activity platforms operated in a highly competitive market environment and were impacted by the economic downturn towards the end of the year. Consequently, Bekaert advanced materials ended with an almost break-even operating result before non-recurring items.

Both in terms of sales and results, the **advanced coatings segment** showed comparable year-on-year figures in the aggregate. Industrial coatings was particularly impacted by the economic downturn in the last months of the year, while the nominal growth of specialized film coatings (+6%) was canceled out entirely by exchange rate movements. Solid growth in industrial film applications compensated for the declining demand from residential and car film markets.

Key figures for consolidated companies

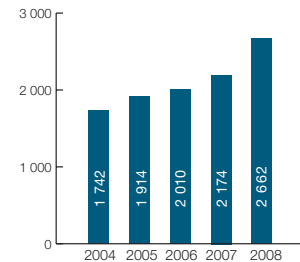
Consolidated financial statements

in millions of €

	2007	2008	Trend
Income statement			
Sales	2 174	2 662	+22.5%
Operating result (EBIT)	175	210	+20.5%
EBIT before non-recurring items	186	294	+57.9%
Result from continuing operations	162	192	+18.7%
Result from discontinued operations	-	-	
Result for the period	162	192	+18.7%
attributable to the Group	153	174	+13.9%
attributable to minority interests	9	18	+103.0%
Cash flow	277	376	+35.7%
EBITDA	299	412	+38.0%
Depreciation PP&E	109	125	+14.2%
Amortization and impairment	15	77	+416.1%
Balance sheet			
Equity	1 147	1 172	+2.2%
Non-current assets	1 336	1 409	+5.4%
Capital expenditure (PP&E)	192	239	+24.0%
Balance sheet total	2 313	2 667	+15.3%
Net debt	448	627	+40.0%
Capital employed	1 534	1 835	+19.7%
Working capital	494	653	+32.2%
Employees as at 31 December	15 242	16 971	+11.3%
Ratios			
EBITDA on sales	13.7%	15.5%	
EBIT before non-recurring on sales	8.6%	11.1%	
EBIT on sales	8.0%	7.9%	
EBIT interest coverage	5.8	5.5	
ROCE	11.9%	12.5%	
ROE	14.3%	16.5%	
Capital ratio	49.6%	44.0%	
Gearing (Net debt on equity)	39.1%	53.5%	
Net debt on EBITDA	1.5	1.5	

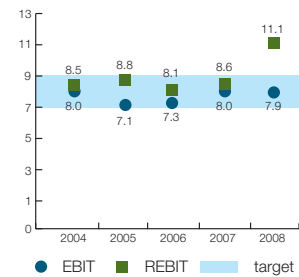
Sales

in millions of €



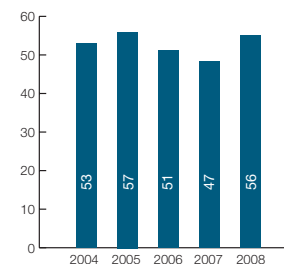
EBIT on sales

in %



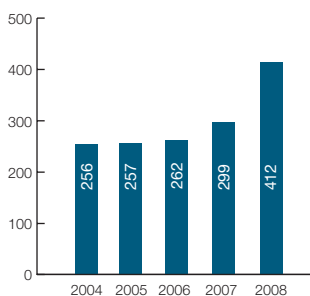
Share in the result of joint ventures and associates

in millions of €



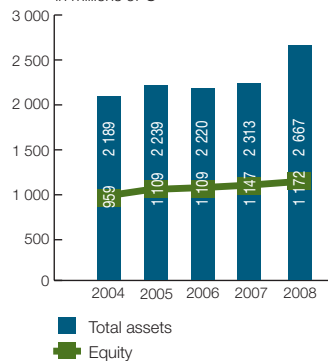
EBITDA

in millions of €



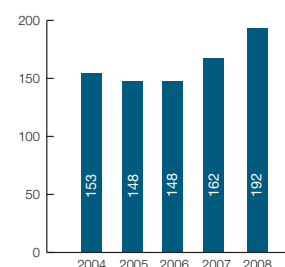
Equity and total assets

in millions of €



Result from continuing operations

in millions of €



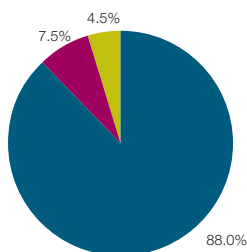
Historical review of financial statements

Consolidated income statement

in millions of €

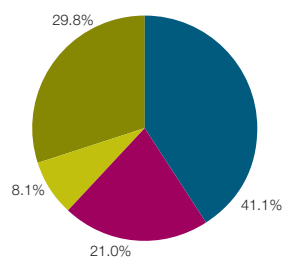
	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
CONTINUING OPERATIONS										
Sales	1 765	1 756	1 796	1 863	1 797	1 742	1 914	2 010	2 174	2 662
Cost of sales	-1 436	-1 411	-1 467	-1 490	-1 424	-1 341	-1 522	-1 615	-1 740	-2 061
Gross profit	329	345	329	373	373	401	392	395	434	602
Selling expenses	-96	-102	-116	-110	-111	-86	-92	-97	-98	-122
Administrative expenses	-87	-95	-114	-109	-101	-95	-100	-95	-97	-114
R&D expenses	-32	-34	-33	-36	-36	-53	-45	-49	-57	-69
Other operating revenues	20	22	22	20	20	18	29	23	15	11
Other operating expenses	-33	-20	-28	-14	-23	-37	-16	-14	-11	-14
EBIT before non-recurring	101	116	60	124	122	148	168	163	186	294
Non-recurring items	n/a	n/a	n/a	-60	-10	-9	-32	-17	-11	-84
Operating result (EBIT)	101	116	60	64	112	139	136	146	175	210
Interest income	3	6	3	3	3	9	6	4	2	5
Interest expenses	-24	-32	-34	-36	-35	-25	-33	-28	-35	-46
Other financial results	5	10	5	-97	-11	-5	12	-7	-8	-8
Result continuing operations before taxes	85	100	34	-66	69	118	121	115	134	161
Income taxes	-23	-23	5	7	-8	-18	-30	-18	-19	-26
Result continuing operations (consol. companies)	62	77	39	-59	61	100	91	97	115	136
Group's share in the results of the joint ventures	23	29	13	19	33	53	57	51	47	56
Result continuing operations	85	106	52	-40	94	153	148	148	162	192
DISCONTINUED OPERATIONS										
Result discontinued operations	-	-	-	-	-	27	54	-	-	-
Result for the period	85	106	52	-40	94	180	202	148	162	192
Attributable to:										
the Group	80	102	48	-46	87	168	190	143	153	174
Minority interests	5	4	4	6	7	12	12	5	9	18
Growth figures (in %)										
Sales	-0.1	-0.5	2.3	3.8	-3.6	-3.1	9.9	5.0	8.2	22.5
EBIT	43.8	14.8	-48.5	8.0	74.0	24.3	-2.0	7.1	19.6	20.5
EBITDA	16.3	5.0	-16.1	8.8	5.9	6.9	0.7	1.8	13.9	38.0

Consolidated sales by business segment



■ Advanced wire products: 87.9%
 ■ Advanced materials: 7.5%
 ■ Advanced coatings: 4.5%

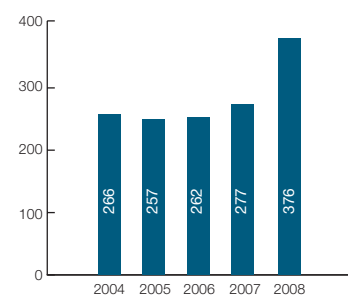
Consolidated sales by geographical area



■ Europe: 41.1%
 ■ North America: 21.0%
 ■ Latin America: 8.1%
 ■ Asia: 29.8%

Cash flow

in millions of €

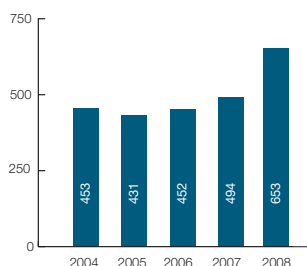


Consolidated balance sheet

in millions of €	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Non-current assets	1 184	1 230	1 425	1 174	1 181	1 241	1 247	1 306	1 336	1 409
Intangible assets	32	27	61	55	48	42	45	57	52	52
Goodwill	51	21	93	72	71	76	80	77	70	59
Property, plant and equipment	852	841	910	778	758	792	800	824	918	1 071
Investments joint ventures	239	288	301	205	201	220	238	238	216	200
Other non-current assets	10	52	51	54	88	93	68	91	75	18
Deferred tax assets	-	1	9	10	15	18	16	19	5	9
Current assets	832	864	821	748	757	948	992	914	977	1 258
Inventories	321	351	343	312	323	419	348	368	385	511
Trade receivables	310	340	322	311	307	385	354	399	438	483
Other receivables	56	81	66	42	31	36	54	54	53	53
Short-term deposits	55	28	15	20	31	42	91	29	15	14
Cash and cash equivalents	58	47	58	53	50	57	132	52	58	105
Other current assets	32	17	17	10	15	9	9	10	20	72
Assets held for sale	-	-	-	-	-	-	4	2	8	21
Total assets	2 016	2 094	2 246	1 922	1 938	2 189	2 239	2 220	2 313	2 667
Equity	1 062	1 080	982	802	834	959	1 109	1 109	1 147	1 172
Share capital	170	170	170	170	170	171	173	173	174	175
Retained earnings and other reserves	843	861	769	588	621	739	885	887	924	956
Minority interests	49	49	43	44	43	49	51	49	48	42
Non-current liabilities	482	516	772	663	604	526	563	516	526	514
Employee benefit obligations	113	141	187	176	171	172	169	151	121	143
Provisions	39	40	39	54	44	44	35	27	25	32
Interest-bearing debt	246	217	450	324	312	242	288	274	323	288
Other non-current liabilities	14	8	6	43	12	4	12	4	2	11
Deferred tax liabilities	70	110	90	66	65	64	58	60	55	39
Current liabilities	472	498	492	457	500	704	567	595	640	981
Interest-bearing debt	119	202	187	147	177	312	246	218	253	503
Trade payables	187	171	156	185	192	251	187	228	232	254
Employee benefit obligations	78	72	76	76	70	89	73	76	83	118
Provisions	-	-	-	-	-	-	9	13	12	30
Income taxes payable	7	6	6	5	7	13	10	16	13	18
Other current liabilities	81	47	67	44	54	39	42	44	44	54
Liabilities associated with assets held for sale	-	-	-	-	-	-	-	-	3	5
Total liabilities	2 016	2 094	2 246	1 922	1 938	2 189	2 239	2 220	2 313	2 667

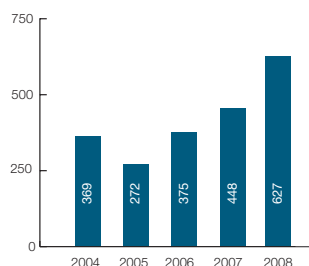
Working capital

in millions of €



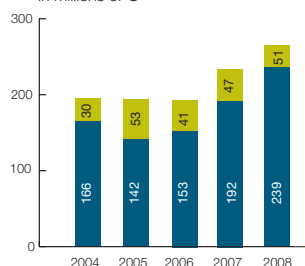
Net debt

in millions of €



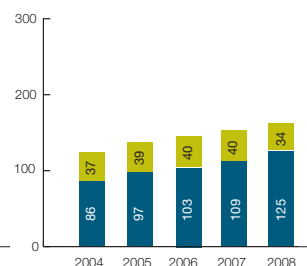
Capital expenditure (PP&E)

in millions of €



Depreciation

in millions of €



■ Joint ventures and associates
■ Consolidated companies

■ Joint ventures and associates
■ Consolidated companies

Consolidated changes in equity

in millions of €	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Opening balance	934	1 062	1 080	982	802	834	959	1 109	1 109	1 147
Effect of changes in accounting policies	-	-	-	-	-	-	-21	-	-	-
Result for the period	85	106	52	-40	94	180	202	148	162	192
Results directly in equity	81	-40	-97	-101	-25	-	62	-25	42	-58
Acquisitions of own shares	-	-8	-6	-1	-2	-10	-35	-56	-111	-20
Dividends to shareholders	-35	-36	-37	-37	-37	-39	-44	-64	-50	-54
Dividends to minority interests	-3	-4	-3	-6	-8	-6	-9	-8	-7	-8
Other	-	-	-7	5	10	-	-5	5	2	-27
Closing balance	1 062	1 080	982	802	834	959	1 109	1 109	1 147	1 172

Consolidated statement of comprehensive income

in millions of €	2006	2007	2008
Result for the period	148	162	192
Other comprehensive income			
Exchange differences	-31	6	4
Cash flow hedges	-3	-4	-4
Actuarial gains and losses (-) on defined benefit plans	12	26	-52
Other	-3	14	-6
Other comprehensive income for the period, net of tax	-25	42	-58
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	123	204	134
Attributable to the Group	120	196	113
minority interests	3	8	21

Consolidated cash flow statement

in millions of €	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Operating activities										
Operating result (EBIT)	101	115	60	64	112	185	136	146	175	210
Non-cash and investing items	135	131	132	167	96	131	106	104	115	228
Income taxes	-13	-24	-11	-13	-19	-33	-25	-17	-25	-28
Gross cash	223	222	181	218	189	283	217	233	265	411
Changes in working capital	-	-70	56	39	-18	-112	-32	-32	-42	-159
Other operating cash flows	-	5	-29	-8	-21	-11	-6	-9	-2	-42
Cash from operating activities	223	157	208	249	150	160	179	192	221	210
Investing activities										
New portfolio investments	-21	-69	-189	-5	-34	-17	-21	-43	-15	-44
Disposals of investments	-	-4	4	3	6	-	86	-	4	1
Dividends received	6	17	15	14	19	23	44	35	55	46
Capital expenditure intangibles	-11	-10	-45	-7	-9	-7	-10	-9	-7	-12
Capital expenditure (PP&E)	-99	-103	-122	-78	-109	-166	-142	-153	-193	-239
Other investing cash flows	47	3	11	13	11	7	7	13	4	5
Cash from investing activities	-78	-166	-326	-60	-116	-160	-36	-157	-152	-243
Financing activities										
Interests received	3	6	3	3	3	3	6	4	3	5
Interests paid	-15	-31	-28	-30	-21	-19	-21	-26	-33	-36
Dividends paid	-38	-40	-40	-43	-45	-45	-52	-74	-57	-62
Other financing cash flows	-67	63	192	-121	30	68	-4	-17	25	173
Cash from financing activities	-117	-2	127	-191	-33	7	-71	-113	-62	79
Changes in cash	28	-11	9	-2	1	7	72	-78	7	46
Cash at the beginning	30	58	47	58	52	50	57	132	52	58
Exchange rate differences	-	-	2	-4	-3	-	3	-2	-1	1
Cash at the end of the period	58	47	58	52	50	57	132	52	58	105

Consolidated additional key figures

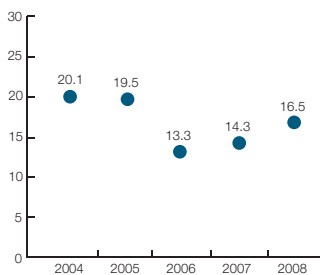
in millions of €

Key figures	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Capital expenditure (PP&E)	99	103	122	78	109	166	142	153	192	239
Capital expenditure (intangibles)	11	10	45	7	10	7	10	9	7	12
Depreciation (PP&E)	119	123	126	125	103	86	97	103	109	125
Amortization and impairment	17	8	22	37	25	30	24	13	15	77
EBITDA	235	247	207	225	239	256	257	262	299	412
Cash flow	220	238	200	205	224	266	257	262	277	376
Capital employed	1 295	1 335	1 493	1 256	1 231	1 363	1360	1410	1534	1835
Working capital	360	437	421	351	354	453	431	452	494	653
Net debt	246	336	545	348	329	369	272	375	448	627
Added value	742	712	714	774	749	707	704	724	774	936
Employees charges	503	461	502	549	507	450	450	462	473	524
Employees as at 31 December	10 329	10 242	10 438	10 071	11 204	10 380	11 022	12 728	15 242	16 971

Performance	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Gross profit on sales (%)	18.6	19.6	18.3	20.1	20.7	22.9	20.5	19.7	20.0	22.6
EBITDA on sales (%)	13.3	14.1	11.6	12.1	13.3	14.7	13.4	13.0	13.7	15.5
EBIT on sales (%)	5.7	6.6	3.3	3.4	6.2	8.0	7.1	7.3	8.0	7.9
EBIT before non-recurring items on sales (%)	n/a	n/a	n/a	6.6	6.8	8.5	8.8	8.1	8.6	11.1
Sales on capital employed	1.4	1.3	1.3	1.4	1.4	1.7	1.5	1.5	1.5	1.5
Return on capital employed ROCE (%)	7.9	8.8	4.2	4.7	9.0	14.3	10.7	10.5	11.9	12.5
ROE (%)	8.6	10.2	5.0	-4.4	11.5	20.1	19.5	13.3	14.3	16.5
Net debt on EBITDA	1.0	1.4	2.6	1.5	1.4	1.4	1.1	1.4	1.5	1.5
EBIT interest coverage	5	5	2	3	6	14	7	6	6	6
EBITDA interest coverage	11	10	8	9	13	26	13	11	10	11
Capital ratio (%)	51	52	44	42	43	44	50	50	50	44
Gearing (net debt to equity) (%)	24	31	56	43	39	39	25	34	39	54
Net debt on net capitalization (%)	19	24	36	30	28	28	20	25	28	35
Working capital on sales (%)	20	23	24	21	20	19	21	22	22	22

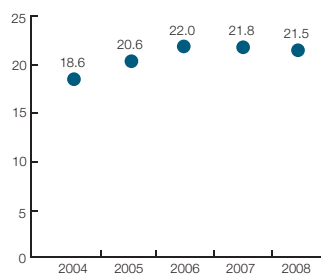
Return on equity

in %



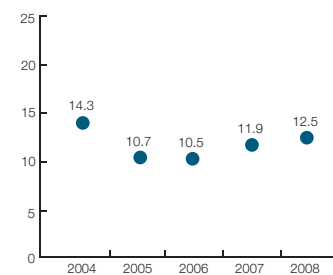
Working capital on sales

in %



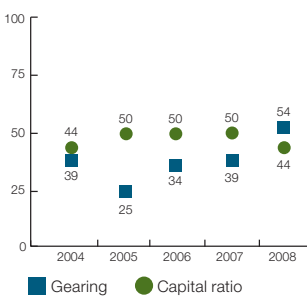
Return on capital employed

in %



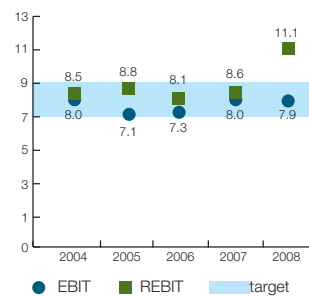
Gearing and capital ratio

in %



EBIT on sales

in %



EBITDA on sales

in %



Historical review of joint ventures and associates

Key figures joint ventures and associates

in millions of €	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Sales	723	970	1 019	947	821	969	1 171	1 185	1 245	1 348
Operating result	82	112	96	106	111	171	165	151	139	182
Net result	51	72	40	55	82	126	128	118	102	125
Capital expenditure	38	48	100	41	31	30	53	41	47	51
Depreciation	45	52	47	49	39	37	39	40	40	34
Employees as at 31 December	6 123	6 960	7 023	6 765	5 979	6 022	6 074	5 788	5 138	5 599
Group's share net result	23	29	13	19	33	53	57	51	47	56
Group's share equity	239	261	276	185	191	213	233	232	210	195
Dividends received	6	17	15	14	19	23	44	35	55	46

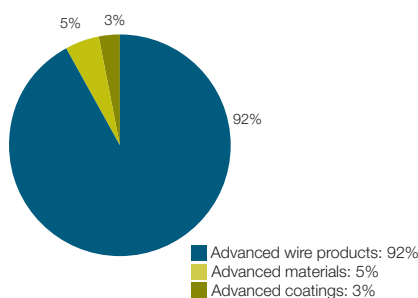
Performance joint ventures and associates

in %	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
EBIT on sales	11.3	11.5	9.4	11.2	13.5	17.6	14.1	12.7	11.2	13.5
ROE	9.4	12.9	14.5	10.0	18.9	28.1	25.7	22.2	20.6	27.5
Average participation	45.1	47.2	41.4	41.7	43.3	44.9	44.3	43.3	46.2	44.9
Dividend pay-out	38.9	76.2	49.2	114.4	99.2	68.0	81.5	61.8	107.3	97.8

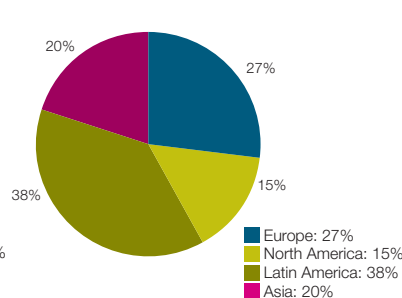
Historical review of combined key figures

in millions of €	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Sales	2 488	2 726	2 815	2 810	2 618	2 711	3 085	3 195	3 419	4 010
Capital expenditure (PP&E)	137	151	222	119	140	196	195	193	239	290
Employees as at 31 December	16 452	17 202	17 461	16 836	17 183	16 402	17 096	18 516	20 380	22 570

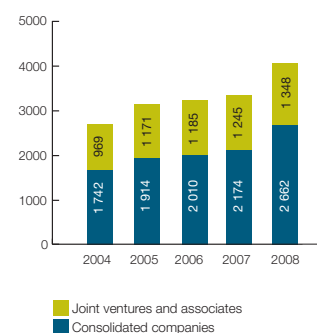
Combined sales by business segment



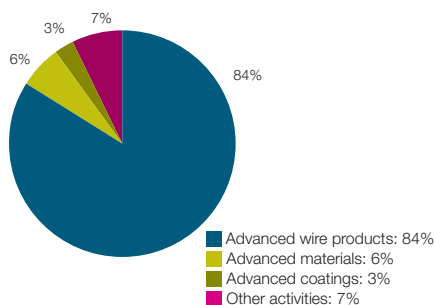
Combined sales by geographical area



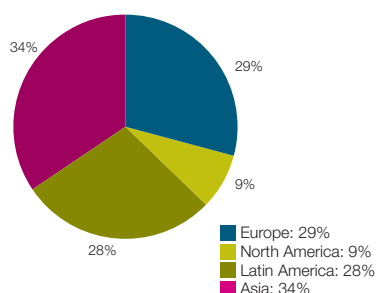
Combined sales in millions of €



Employees by business segment



Employees by geographical area



Historical review of segment reporting

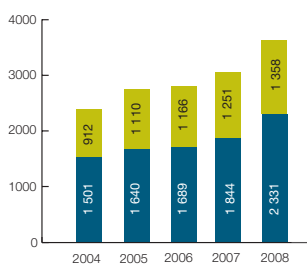
Advanced wire products

in millions of €

	2002	2003	2004	2005	2006	2007	2008
Consolidated companies							
Sales	1 246	1 241	1 501	1 640	1 689	1 844	2 331
Operating result (EBIT) before non-recurring items	132	124	185	198	189	215	352
Non-recurring items	-11	-3	-4	-16	-12	-7	-62
Operating result (EBIT)	121	121	181	182	177	208	290
EBIT margin (%)	10.0	9.8	12.0	11.1	10.5	11.3	12.5
Depreciation	96	85	77	91	93	104	141
Impairment losses	1	-	1	-	6	2	17
EBITDA	218	206	259	273	276	314	448
EBITDA margin (%)	17.5	16.6	17.3	16.6	16.4	17.0	19.2
Segment assets	1 009	1 009	1 180	1 400	1 499	1 676	1 992
Segment liabilities	179	179	241	249	299	332	333
CE average	-	830	885	1 065	1 167	1 272	1 501
ROCE (%)	-	14.6	20.4	17.1	15.2	16.4	19.3
Capital expenditure (PP&E)	54	88	145	140	154	186	223
Capital expenditure (intangible)	3	6	3	6	5	4	10
Employees as at 31 December	6 138	7 400	8 217	8 592	9 996	12 276	13 545
Joint ventures and associates							
Sales	845	747	912	1 110	1 166	1 251	1 358
Group's share in the net result	33	35	56	57	51	47	57
Capital expenditure (PP&E)	23	27	28	53	41	47	43
Employees as at 31 December	5 676	5 335	5 467	5 507	5 787	5 135	5 577
Equity share	174	186	213	233	232	210	197
Total							
Combined sales	2 091	1 988	2 413	2 750	2 854	3 095	3 690
Capital expenditure (PP&E)	77	115	173	193	196	233	267
Employees as at 31 December	11 814	12 735	13 684	14 099	15 783	17 411	19 122

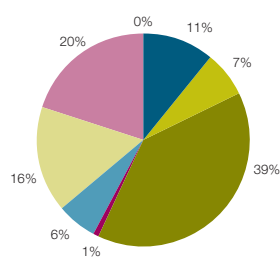
Sales

in millions of €



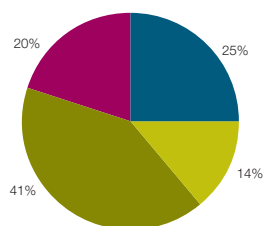
■ Joint ventures and associates
■ Consolidated companies

Combined sales by activity platform



■ Wire Europe: 11%
■ Wire North America: 7%
■ Wire Latin America: 39%
■ Wire Asia: 1%
■ Building Products: 6%
■ Steel cord China: 16%
■ Steel cord Others: 20%
■ Other advanced wire products: 0.4%

Combined sales by geographical area



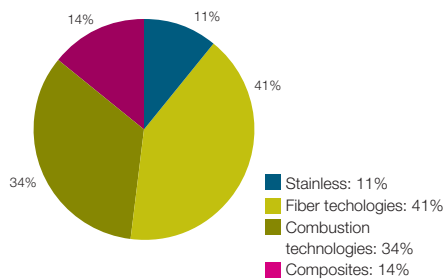
■ Europe: 25%
■ North America: 14%
■ Latin America: 41%
■ Asia: 20%

Advanced materials

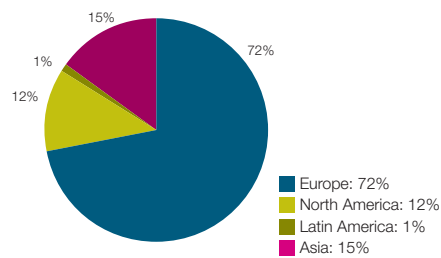
in millions of €

	2002	2003	2004	2005	2006	2007	2008
Consolidated companies							
Sales	97	103	117	141	184	204	199
Operating result (EBIT) before non-recurring items	10	9	9	13	16	17	1
Non-recurring items	-8	-1	-1	-8	-1	-	-18
Operating result (EBIT)	2	8	8	6	15	17	-17
EBIT margin (%)	2.2	7.5	6.5	3.9	8.2	8.5	-8.5
Depreciation	5	6	5	7	9	8	17
Impairment losses	-	-	2	8	-	-	19
EBITDA	7	14	15	20	24	26	18
EBITDA margin (%)	7.2	13.3	12.7	14.1	13.0	12.6	9.2
Segment assets	84	88	111	128	163	172	150
Segment liabilities	24	24	31	39	52	51	45
CE average	-	62	72	84	109	116	113
ROCE (%)	-	12.4	10.4	6.6	13.9	14.9	-15.1
Capital expenditure (PP&E)	4	4	4	8	7	15	13
Capital expenditure (intangible)	1	1	-	1	-	1	0
Employees as at 31 December	569	592	712	892	1 076	1 177	1 256

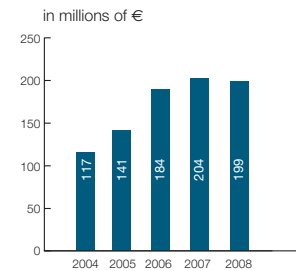
Sales by activity platform



Sales by geographical area



Sales

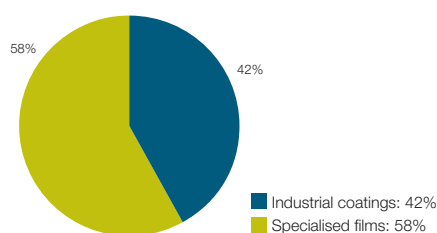


Advanced coatings

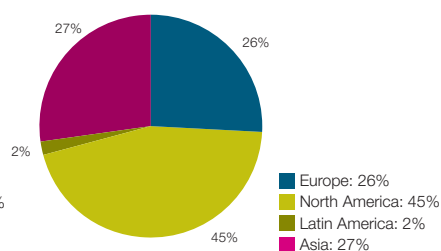
in millions of €

	2002	2003	2004	2005	2006	2007	2008
Consolidated companies							
Sales	119	113	127	133	136	124	120
Operating result (EBIT) before non-recurring items	6	-	-1	3	3	3	4
Non-recurring items	-3	-2	-7	-7	-2	-4	-1
Operating result (EBIT)	3	-2	-8	-4	1	-1	3
EBIT margin (%)	2.5	-1.9	-6.1	-3.2	0.6	-0.6	2.2
Depreciation	15	14	15	11	11	9	8
Impairment losses	5	-	6	6	-1	3	-
EBITDA	23	12	13	13	12	11	11
EBITDA margin (%)	19.3	10.5	10.4	10.1	8.5	9.0	9.2
Segment assets	189	171	160	166	145	122	110
Segment liabilities	22	23	21	21	21	21	21
CE average	-	158	144	142	135	113	95
ROCE (%)	-	-1.3	-5.4	-2.9	0.6	-0.7	2.8
Capital expenditure (PP&E)	8	6	7	9	4	6	6
Capital expenditure (intangible)	1	-	1	2	1	-	0
Employees as at 31 December	536	606	676	728	745	663	574

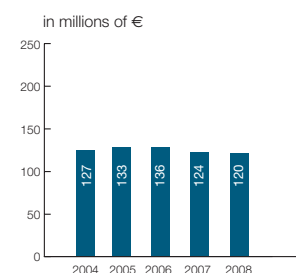
Sales by activity platform



Sales by geographical area



Sales



The Bekaert share



Bekaert provides Ducab, one of the most modern producers of advanced cable technology in the Middle-East, with heavy galvanized cable armoring wire for Burj Dubai, the tallest man-made structure in the world that adorns the skyline of Dubai.

Bekaert share in 2008

The share started the year at a price of € 90.59 but dropped fairly quickly in the wake of the downturn in the financial markets to € 73.50 in the third week of January. The February announcement of robust sales figures and March announcement of good results for 2007 were the basis of a rise in the share price in the first six months of the year, peaking on 19 May at € 109.37.

The last quarter of the year got off to a shaky start and the share dropped in mid-July to € 89.35. The initial half year results were awaited with hesitance. Strong results for the first half of 2008 were marked by better than expected resilience in the United States and in the construction industry; the steady, organic growth in China and in Latin America; the possibility of passing on the costs of raw materials, as well as a product mix in which innovative products provided for higher added value. That all resulted in accelerated growth and an expansion of the EBIT margin to 11.2% over the first half of the year. Immediately after these results were announced, the stock saw its highest ever one-day increase of over 13%. On 2 September the share price climbed further to a historic high of € 121.24. The highest target price at that time was € 147.

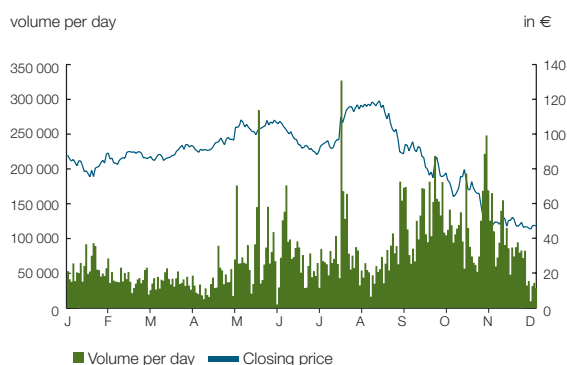
The effects of the credit crisis began to become noticeable shortly thereafter in the huge slow-down of the real economy. The United States had already been in a recession for nearly a year and, technically speaking, the Eurozone also entered a recession. The United Kingdom watched in disillusionment as their GDP dropped by 0.5% in the third quarter.

The fear of deflation and globalization of the recession intensified the pressure on the growth countries, with Argentina and Iceland finding times especially difficult. China was also feeling the effects but is taking key steps to support its national economy. Orders decreased and the pipeline of inventories and interim stocks dropped, giving rise to a sharp decrease in activity in the industry. The banks' restrictive credit policies shifted attention to the debt structure and businesses' refinancing options. Bekaert, with its relatively low level of debt and strong balance sheet structure, stood firm.

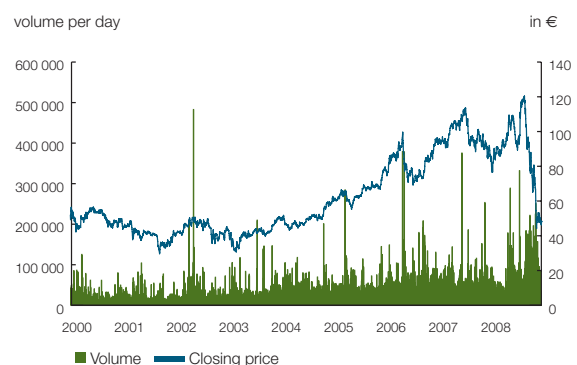
Given these rapidly deteriorating macroeconomic conditions and the forced sale of shares by cash-strapped institutional investors, the already volatile situation became even more unpredictable. Most companies saw their share prices plummet. Whereas Bekaert kept its head up during the first three quarters, its share price also dropped by 64% from its early September rate to € 43.70 on 20 November 2008. The third quarter publication of a sales increase topping 40% did not bring any relief. The fear of negative consequences connected to the severe slow-downs in the automotive and building industries and the expectation that growth countries will also suffer greatly from the credit crisis have overshadowed everything else. On 31 December 2008, the share traded at € 48.32, well below book value.

In late December, Bekaert confirmed its membership in the BEL20, the Belgian reference index.

Closing price and volume in 2008



Closing price and volume from 2000-2008



Key figures per share

NV Bekaert SA	2007	2008
Number of shares as at 31 December	19 831 000	19 783 625
Average number of shares	20 039 098	19 718 641
Number of VVPR strips	30 894 001	4 007 566
Average daily traded volume	57 430	74 380

in millions of €

NV Bekaert SA	2007	2008
Annual turnover	1 433	1 652
Average daily turnover	5.4	6.4
Free float	61.7%	60.9%
Velocity (band adjusted)	121%	161%
Market capitalization as at 31 December	1 824	956

in €

Per share	2007	2008
EBITDA	14.90	20.90
EBIT	8.71	10.67
EPS	7.63	8.83
EPS (diluted)	7.58	8.79
Cash flow	13.82	19.06
Sales	108.47	135.02
Book value	57.82	59.26
Gross dividend	2.760	2.800
Net dividend	2.070	2.100
Net dividend with VVPR strip	2.346	2.380

in €

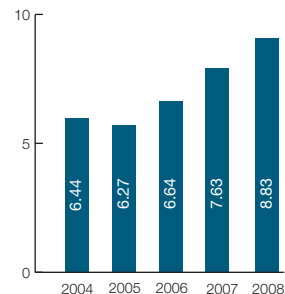
Valorization	2007	2008
Price as at 31 December	92.00	48.32
Price (average)	98.19	88.53
Price-earnings as at 31 December	12.1	5.5
Price on cash flow	6.7	2.5
Price on book value	1.59	0.82
VVPR strip price	0.45	0.68
Dividend yield	3.0%	5.8%
Dividend yield (average)	2.8%	3.2%
Dividend pay-out	36%	32%

Relative position on Euronext BEL20



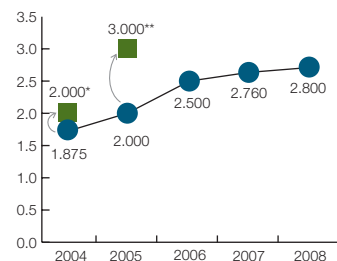
EPS

in €



Gross dividend

in €

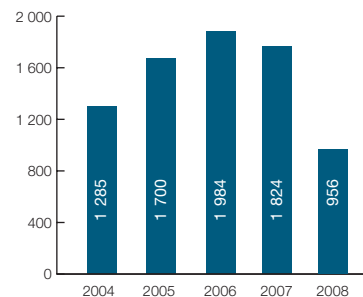


* Exceptional payment for 125th anniversary

** Exceptional payment (sale Bekaert Fencing NV)

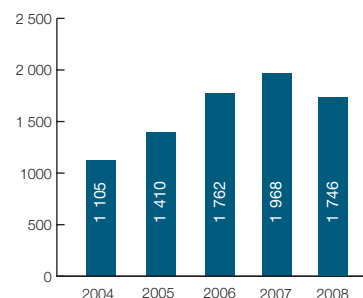
Market capitalization 31/12

in millions of €



Market capitalization average

in millions of €



Fact sheet

Bekaert shares are listed on the stock exchange of Euronext Brussels (stock code BEKB) and were first listed in December 1972. Bekaert shares have no par value. The shares are registered or made out to bearer in multiples of 1, 10, 50, 100 and 1 000.

Number of shares

	2007	2008
Number of shares as at 31 December	19 831 000	19 783 625
Number of shares: weighted average	20 039 098	19 718 641
Number of shares: diluted average	20 069.889	19 796 210
Number of VVPR strips as at 31 December	3 894 001	4 007 566
Average daily traded volume	57 430	74 380

Market

	Euronext Brussels	BRU	Market	Continuous
Share	ISIN	BE0003780948	Mnemo	BEKB
VVPR strip	ISIN	BE0005569406	Mnemo	BEKS
Bond 2008-2013	ISIN	BE0002160266	Mnemo	BEKO
Bond 2009-2012	ISIN	BE0002166321	Mnemo	BEKO
Bond 2009-2014	ISIN	BE0002167337	Mnemo	BEKO

Indices

Euronext BEL20	BEL20 Return Institutionals
Euronext Next150	Euronext BEL20 Return Private
Euronext Diversified Industrials	IN.flanders®
Vlam21	
DJ Stoxx TMI Small	DJ Stoxx Total Market Index
DJ Stoxx TMI EURO Small	DJ Stoxx TMI Euro
DJ Stoxx TMI Ex UK	DJ Stoxx TMI Ex UK Small
FTSE Global All Cap Indices	
Ethibel Excellence Index®	Ethibel Pioneer Index®
Kempen/SNS Smaller Europe Socially Responsible Investment	

Sector classification

ICB Diversified Industrials 2727

Historical review per share

Share data

in €	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
EBITDA	10.48	11.04	9.33	10.19	10.81	11.66	11.90	12.20	14.90	20.90
Operating result (EBIT)	4.49	5.16	2.67	2.90	5.06	6.34	6.30	6.79	8.71	10.67
EPS	3.56	4.56	2.15	-2.09	3.92	6.44	6.27	6.64	7.63	8.83
EPS (diluted)	3.56	4.56	2.15	-2.09	3.92	6.43	6.25	6.61	7.58	8.79
Cash flow	9.79	10.62	8.98	9.25	10.12	12.12	11.87	12.21	13.82	19.06
Sales	78.58	78.43	80.71	84.13	81.27	79.46	88.49	93.51	108.47	135.02
Book value	45.76	48.44	44.32	36.29	37.80	43.82	51.49	52.94	57.82	59.26

Valuation data

	1999	2000	2001	2002	2003	2004	2005 ¹	2006 ¹	2007	2008
Price - earnings as at 31 December	15	11	20	NR	13	9	13	14	12	5
Price - earnings (average)	12	11	19	NR	10	8	10	12	13	10
Price on cash flow	5.6	4.7	4.8	4.6	5.0	4.8	6.6	7.8	6.7	2.5
Price on book value	1.20	1.03	0.98	1.19	1.34	1.34	1.53	1.79	1.59	0.82
Price on sales	0.70	0.63	0.53	0.51	0.62	0.74	0.89	1.01	0.85	0.36

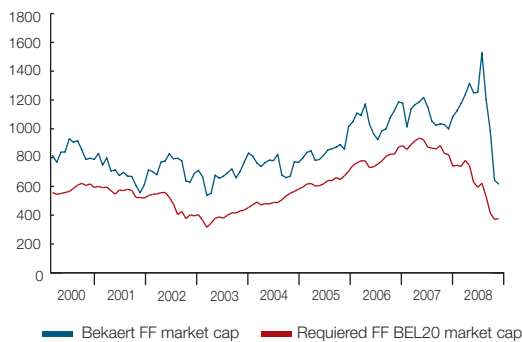
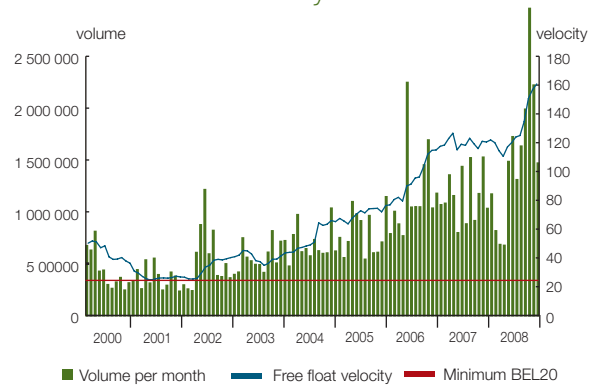
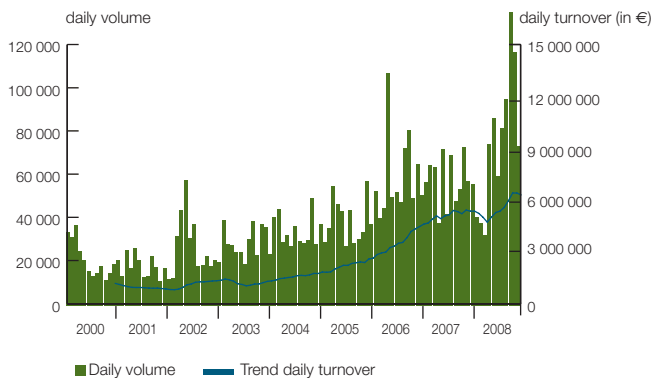
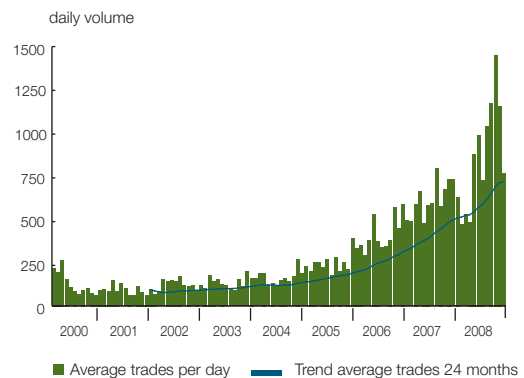
¹ Based upon restated financial statements.

Share listing

in €	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Price as at 31 December	55.10	49.85	43.27	43.15	50.50	58.75	78.95	94.70	92.00	48.32
Price high	57.50	58.50	51.00	50.95	50.75	59.95	78.95	102.60	113.90	121.24
Price low	34.80	42.50	28.00	35.50	31.00	43.37	55.30	69.20	82.90	43.70
Price average closing	43.17	50.46	40.51	45.57	41.22	50.06	65.13	81.99	98.19	88.53
Strips as at 31 December	0.05	0.06	0.15	0.55	0.79	0.51	0.62	0.56	0.45	0.68
Daily volume	37 939	21 450	18 362	27 309	28 950	33 439	39 639	58 414	57 430	74 380
Daily turnover (in millions of €)	1.6	1.1	0.7	1.2	1.2	1.7	2.6	4.5	5.4	6.4
Annual turnover (in millions of €)	410	272	188	317	304	435	653	1 228	1 433	1 652
Velocity (% annual)	42	23	21	29	33	39	46	69	72	96
Velocity (% adjusted free float)	70	31	27	39	44	65	77	115	121	161
Free float	59.5	60.1	59.9	59.8	59.7	57.9	57.2	56.1	61.7	60.9

Free float market capitalization

in millions of €

**Free float velocity****Liquidity****Trades per day****Traded volumes**

The average daily trading volume was 74 380 in 2008, a 30% increase over 2007. The volumes were low in the first half of the year, while liquidity increased markedly in the second half, even reaching a monthly average in October of 135 000 shares a day. The volume peaked on 1 August at 330 000, a completely different picture than 2001 when a daily volume of only 18 000 shares was achieved.

Market capitalization

in millions of €	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Capitalization as at 31 December	1 237	1 112	959	955	1 115	1 285	1 700	1 984	1 824	956
Capitalization average	-	1 133	903	1 010	912	1 105	1 410	1 762	1 968	1 746
Capitalization – high	1 291	1 314	1 137	1 129	1 123	1 323	1 700	2 209	2 264	2 396
Capitalization – low	782	954	624	787	686	957	1 210	1 491	1 648	865
Capitalization free float	742	667	575	573	669	771	1 020	1 190	1 186	621

Dividends

Policy on profit appropriation

It is the policy of the Board of Directors to propose a profit appropriation to the General Meeting of Shareholders which, insofar as the profit permits, provides a stable or growing dividend while maintaining an adequate level of cash flow in the company for investment and self-financing in order to support growth. In practice, this means that the company seeks to maintain a pay-out ratio of around 40% of the result for the period attributable to the Group over the longer term.

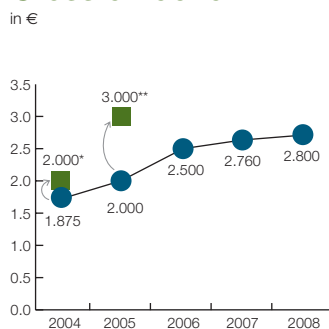
Profit appropriation

In the light of the company's strong performance in 2008 and its confidence in the future, the Board of Directors will propose that the General Meeting of Shareholders approves the distribution of a gross dividend of € 2.80 per share, an increase of the basic amount by 1.4 %. If this proposal is accepted, the net dividend per share will be € 2.10, and the net dividend on shares with VVPR strip, giving entitlement to reduced withholding tax of 15%, will be € 2.38 per share.

in €	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Per share										
Gross dividend	1.60	1.68	1.68	1.68	1.75	2.00	3.00	2.50	2.76	2.80
Gross dividend without exceptionals	1.60	1.68	1.68	1.68	1.75	1.88	2.00	2.50	2.76	2.80
Net dividend	1.20	1.26	1.26	1.26	1.31	1.50	2.25	1.88	2.07	2.10
Net dividend with VVPR strip	1.36	1.43	1.43	1.43	1.49	1.70	2.55	2.13	2.35	2.38
Coupon number	1	2	3	4	5	6	7	8	9	10
Date of payment	26-05-00	16-05-01	15-05-02	21-05-03	19-05-04	18-05-05	17-05-06	16-05-07	21-05-08	20-05-09

in €	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Valuation										
Dividend yield	2.9	3.4	3.9	3.9	3.5	3.4	3.8	2.6	3.0	5.8
Dividend yield (average)	3.7	3.3	4.2	3.7	4.2	4.0	4.6	3.0	2.8	3.2
Dividend pay-out ratio	45	37	78	NR	45	26	34	36	36	32
Dividend growth	7.4	5.0	-	-	4.2	7.1	6.7	25.0	10.4	1.4

Gross dividend



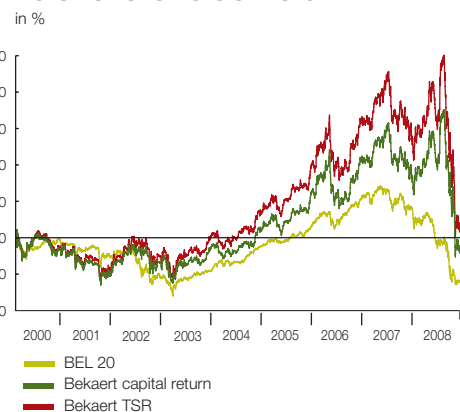
* Exceptional payment for 125th anniversary
 ** Exceptional payment (sale Bekaert Fencing NV)

Dividend yield



● Dividend yield 31/12 ■ Dividend average

Total shareholder return



Share buy-back

Bekaert purchased a total of 238 800 own shares in 2008: 22 800 shares were delivered to the individuals who had exercised their options under the SOP2 stock option plan and 161 000 shares were cancelled in the framework of a share buy-back program.

This reduction of the number of shares is aimed at further optimizing the debt structure of Bekaert.

55 000 shares are held as treasury shares.

As a result of those movements, the number of issued shares decreased by 47 375 and the number of VVPR strips increased by 113 625.

Stock option plans

Under the SOP 2005-2009 stock option plan in 2008, a third issue of subscription rights took place. 76 400 subscription rights were issued at an exercise price of € 85.00. A fourth offer of 100 900 subscription rights was made on 18 December 2008 at an exercise price of € 49.98. Under the SOP2 stock option plan in 2008, 14 500 options were granted at an exercise price of € 85.00. A new offer of 21 500 options was made on 18 December 2008.

Detailed information about capital, shares and stock option plans can be found in the Financial Review (Note 6.11) in the annual report or on www.bekaert.com in the investors section.

Shareholder structure

Historical review of issued shares

in %	2001	2002	2003	2004	2005	2006	2007	2008
Principal shareholdings	40.1	40.1	40.3	40.6	42.8	43.9	38.3	39.1
Public (unidentified)	44.8	42.4	36.3	29.9	24.1	17.8	19.6	15.1
Institutionals	15.1	17.5	23.4	29.5	33.1	38.3	42.1	45.8
of which Belgian institutions	82	63	50	36	27	21	20	18
of which international institutions	18	37	50	64	73	79	80	82

Principal shareholders

Bekaert received declarations of interests in the securities representing the capital of the company in accordance with the Act of 2 March 1989 since the publication of the 2006 annual report. On 31 December 2008 the total number of shares was 19 783 625 and the total number of shares together with subscription rights was 20 060 603.

Declarant	Date of declaration	Number of shares	Percentage of total number	Percentage of total number of issued shares and subscription rights
Total outstanding			19 783 625	20 060 603
Stichting Administratiekantoor Bekaert	27.10.2008	7 736 861	39.11%	38.57%
Non-free float subtotal		7 736 861	39.11%	38.57%
AXA S.A.	17.10.2008	598 821	3.03%	2.99%
Total declarations		8 335 682	42.13%	41.55%

The Stichting Administratiekantoor Bekaert (S.A.K.) has declared that it is acting in concert with Velge & Co, (in liquidation), Berfin SA, Subeco SA and Millenium 3 SA and that they have concluded an agreement (a) aimed either at acquiring control, at frustrating the successful outcome of a bid or at maintaining control, and (b) to adopt, by concerted exercise of the voting rights they hold, a lasting common policy.

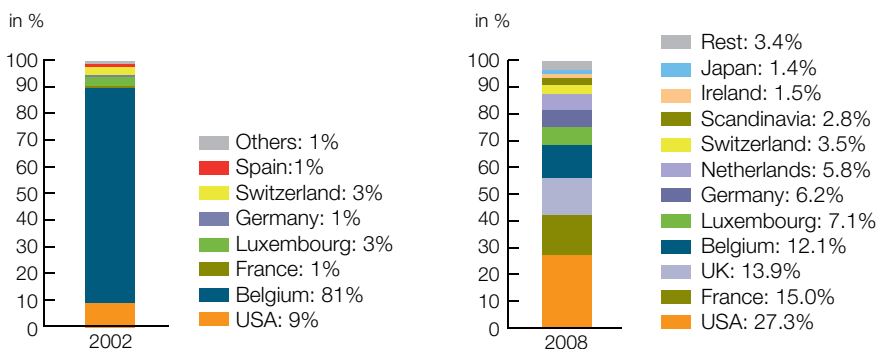
AXA S.A. has declared that it is acting in its capacity as parent company or controlling person of AXA Belgium, AXA France Vie and AXA France Iard.

Registered shares

Of the total number of shares 572 044 were registered as at 31 December 2008 of which 558 980 belong to the Stichting Administratiekantoor Bekaert.

Shareholders wishing to convert from bearer to registered shares can contact the legal department by phone (+32 56 23 05 11) or contact the IR department through the contact form on the website.

Institutional shareholders



Historical review of issued shares

Year	31 December	Weighted average	Diluted average	Transaction	Capital in millions of €
2008	19 783 625	19 718 641	19 796 210	161 000 shares repurchased and cancelled listing of 113 625 new shares	174.7
2007	19 831 000	20 039 098	20 169 889	Conversion of 41 866 subscription rights	173.7
2006	20 946 779	21 491 565	21 596 843	1 157 645 shares repurchased and cancelled	173.3
2005	21 530 195	21 633 346	21 707 875	Conversion of 44 350 subscription rights	172.9
2004	21 873 705	21 920 662	21 954 841	627 766 shares repurchased and cancelled	171.0
2003	22 070 300	22 111 807	22 111 890	Conversion of 233 040 subscription rights	170.0
2002	22 121 630	22 149 092	22 163 985	576 550 shares repurchased and cancelled	170.0
2001	22 157 374	22 250 160	22 250 160	220 300 shares repurchased and cancelled	170.0
2000	22 300 888	22 394 049	22 394 049	51 330 shares repurchased and cancelled	170.0
1999	22 457 320			143 514 shares repurchased and cancelled	170.0
				156 432 shares repurchased and cancelled	170.0
				Capitalization of reserves and conversion into euros. Conversion of VVPR shares into ordinary shares, issue of VVPR strips and a 10-for-1 share split	170.0
1994				AFV shares redesignated VVPR shares	
1988	2 245 732			Capitalization of reserves	167.3
1983	2 245 732			Issue of 355 104 new shares subject to reduced withholding tax ('AFV shares')	99.2
1982	1 890 628			Conversion of 129 656 convertible bonds	81.3
1980	1 760 972			Conversion of 2 659 convertible bonds	75.7
1979	1 758 313			Conversion of 117 608 convertible bonds	75.6
1978	1 640 705			Conversion of 25 795 convertible bonds	70.5
1976	1 614 910			Conversion of 245 convertible bonds	69.4
1975	1 614 665			Conversion of 265 convertible bonds	69.4
1972	1 614 400			11 December 1972 : listing on Brussels stock exchange 2-for-1 share split	69.4
1970	807 200			Capital increase due to contribution in cash of BEF 70 000 000 under pre-emptive right and capitalization of reserves of BEF 1 106 400 000 without share issue	69.4
1969	787 200			Conversion to public limited company (N.V.) and 16-for-1 share split	40.2
1965	49 200			Capitalization of reserves and increase in nominal value of shares to BEF 33 000	40.2
				Merger with N.V. Bekaert Steelcord	
1952	48 000			Capitalization of reserves and increase in nominal value of shares to BEF 10 000	11.9
1941	48 000			Capital increase due to contribution in cash and in kind and capitalization of reserves	11.9
1935				Conversion to private limited company (P.V.B.A.)	
1932	15 005			Merger with S.C. Espérance, Fontaine-L'Évêque	0.4
1929	15 000			Capital increase due to capitalization of reserves and contribution in cash	0.4
1924	300			Formation of public limited company (N.V.)	0.1
1880				Formation of family company	

Stay in touch



The utilities sector is one of the most robustly growing sectors for Bekaert. For the oil platform branch, the company produces wire for mooring lines, for umbilicals and for the reinforcement of flexible pipes.

General Meeting of Shareholders

Calendar

In accordance with the Articles of Association, the Ordinary General Meeting of Shareholders is held at 10:30 a.m. on the second Wednesday in May of each year. Should that day be a statutory holiday in Belgium, the meeting will be held on the second next working day. The agenda of the Ordinary General Meeting essentially includes the approval of the annual accounts, the appropriation of the results and the appointment or reappointment of Directors and the Statutory Auditor.

An Extraordinary or Special General Meeting of Shareholders may be called at any time by the Board of Directors or by the Statutory Auditor.

Attendance

A General Meeting is called by means of a notice which is published at least 24 days prior to the meeting in the Belgian Official Journal and in a newspaper with nationwide circulation (in practice *De Tijd*). The language of this publication is Dutch (the official language of the Company's place of domicile). In addition, the Dutch-language notice and unofficial French and English translations are posted on the Company's website simultaneously with the publication in the Belgian Official Journal and *De Tijd*.

Registered shareholders and holders of subscription rights are invited in writing at least 15 days prior to any General Meeting.

Each notice contains the agenda of the General Meeting (including the text of the proposed resolution where applicable), as well as precise instructions for shareholders and subscription rights holders desiring to attend the meeting.

Proxy

A shareholder may attend a General Meeting in person or by proxy. The Company will accept only the power of attorney forms provided by it: these are available as indicated in the notice and posted on the website (and enclosed with the invitation sent to registered shareholders). The power of attorney forms are in Dutch: they are essentially a transcript of the notice, of which French and English translations are available on the website.

A shareholder can grant power of attorney only to a person who is also a Bekaert shareholder in his/her own right. However:

- a legal person may be represented by a person who is not a Bekaert shareholder;
- an incapacitated person may be represented by his/her legal representative;
- a married person may be represented by his/her spouse;
- joint owners, usufructuaries, bare owners, pledgors and pledgees may be represented by one single person.

A holder of subscription rights can attend a General Meeting in person only and is not entitled to vote.

Voting

Each shareholder can vote at a General Meeting in respect of all the shares accounted for in accordance with the instructions included in the notice or invitation, subject to compliance with large shareholding notification and disclosure requirements imposed by law or the Articles of Association. One share equals one vote.

There is no quorum requirement for Ordinary or Special General Meetings and resolutions can accordingly be passed whatever the number of shares represented at the meeting. Resolutions are adopted by a simple majority of votes.

An Extraordinary General Meeting requires a quorum of at least 50% of the registered capital. If the quorum is not reached, a second Extraordinary General Meeting has to be called. The notice and invitation for the second meeting will be made available as described above (except that the prior notice is reduced from 24 to 17 days if the date of the second meeting was mentioned in the notice of the first meeting). There is no quorum requirement for the second meeting. Resolutions of an Extraordinary General Meeting require a qualified majority of the votes to be adopted (75% or more, as specified in the Companies Code).

Investor Relations

Bekaert is committed to providing its shareholders with high-quality financial information. For Bekaert, clarity and transparency are not just empty words – our listing in the Euronext NextPrime segment is proof of our intention to engage constantly in an open dialog with our shareholders.

Meetings

To improve insight into Bekaert as an investment opportunity, we organize meetings with financial analysts and individual and institutional investors. At these meetings, which are held in various countries around the world, we provide information on our financial results and corporate strategy. Financial experts are invited to join us on field trips and visits to manufacturing units. Bekaert aims to establish investor contact in capital markets in which the company has not previously been active.

Information

If you require a complete overview of Bekaert's strengths and added value, the www.bekaert.com website provides a wealth of information. In the extensive Investor Relations section, you'll find specific information for shareholders such as the latest financial information, research reports from financial analysts and spreadsheet data on stock prices. We also provide shareholders, investors and other interested parties with our official reports.

Annual report

The Group's annual report, the annual accounts of NV Bekaert SA or other information published by the Group, can be found on www.bekaert.com in the investors section.

Contact

T +32 56 23 05 11 – F +32 56 22 85 57
investor.relations@bekaert.com

The Investor Relations department coordinates the company's efforts in providing continuous, timely, clear and transparent financial information.



The Investor Relations department organizes several meetings with financial analysts and individual and institutional investors.



Financial calendar

2008 annual report available on the internet
17 April 2009

First quarter trading update 2009
13 May 2009

General Meeting of Shareholders
13 May 2009

Dividend payable (coupon nr. 10)
20 May 2009

2009 half year results
31 July 2009

Third quarter trading update 2009
13 November 2009

2009 results
26 February 2010

2009 annual report available on the internet
31 March 2010

First quarter trading update 2010
12 May 2010

General Meeting of Shareholders
12 May 2010

Dividend payable (coupon nr. 11)
19 May 2010

2010 half year results
30 July 2010

Third quarter trading update 2010
10 November 2010

Definitions

Added value	Operating result (EBIT) + remuneration, social security and pension charges + depreciation, amortization and impairment of assets.
Associates	Companies in which Bekaert has a significant influence, generally reflected by an interest of at least 20%. Associates are accounted for using the equity method.
Capital employed (CE)	Working capital + net intangible assets + net goodwill + net property, plant and equipment. The average CE is computed as capital employed at previous year-end plus capital employed at balance sheet date divided by two.
Capital ratio	Equity relative to total assets.
Cash flow	Result from continuing operations of the Group + depreciation, amortization and impairment of assets. This definition differs from that applied in the consolidated cash flow statement.
Combined	Data consolidated and including 100% of data of joint ventures and associates after intercompany elimination.
Dividend yield	Gross dividend as a percentage of the share price on 31 December.
EBIT	Operating result (earnings before interest and taxation).
EBIT interest coverage	Operating result divided by net interest expense.
EBITDA	Operating result (EBIT) + depreciation, amortization and impairment of assets.
Equity method	Method of accounting whereby an investment (in a joint venture or an associate) is initially recognized at cost and subsequently adjusted for any changes in the investor's share of the joint venture's or associate's net assets (i.e. equity). The income statement reflects the investor's share in the net result of the investee.
Gearing	Net debt relative to equity.
Joint ventures	Companies under joint control in which Bekaert generally has an interest of approximately 50%. Joint ventures are accounted for using the equity method.
Net capitalization	Net debt + equity.
Net debt	Interest-bearing debt net of current loans (included in other current assets), short term deposits and cash and cash equivalents. For the purpose of debt calculation only, interest bearing debt is remeasured to reflect the effect of any cross-currency interest-rate swaps (or similar instruments), which convert this debt to the entity's functional currency.
Non-recurring items	Operating income and expenses that are related to restructuring programs, impairment losses, environmental provisions or other events and transactions that are clearly distinct from the normal activities of the Group
Pay-out ratio	Gross dividend as a percentage of result for the period attributable to the Group.
Price-earnings ratio	Share price divided by result for the period attributable to the Group per share.
Return on capital employed (ROCE)	Operating result (EBIT) relative to average capital employed.
Return on equity (ROE)	Result for the period relative to average equity.
Sales (combined)	Sales of consolidated companies + 100% of sales of joint ventures and associates after intercompany elimination.
Subsidiaries	Companies in which Bekaert exercises control and generally has an interest of more than 50%.
Velocity	Velocity is calculated by taking the sum of the daily division of the number of shares traded by the outstanding number of shares existing the same day, and that for the twelve previous months.
Velocity (adjusted)	Velocity divided by the free-float band of 65% end 2008.
Working capital (operating)	Inventories + trade receivables + advances paid - trade payables - advances received - remuneration and social security payables - employment-related taxes.

Investing in sustainable profitable growth?

Discover in this brochure why you are *better together* with Bekaert.

More information can also be found at www.bekaert.com in the investors section.

This brochure contains forward-looking information that involves risks and uncertainties.

Readers are cautioned that forward-looking statements include known and unknown risks and are subject to significant business, economic and competitive uncertainties and contingencies.

Neither Bekaert, nor any other person assumes any responsibility for the accuracy of these forward-looking statements. The company undertakes no obligation to publicly update any forward-looking statements.

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