

## Shareholders' Guide 2007



Investing in sustainable profitable growth

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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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Bert De Graeve  
*Chief Executive Officer*

Baron Buisse CMG CBE  
*Chairman of the Board of Directors*

# Message from the Chairman and the Chief Executive Officer

Dear shareholder,

Bekaert continued in 2007 on the upward trend we have maintained for several years. We again succeeded in achieving sustainable profitable growth. In our traditional markets of Europe and North America we invested in selected markets segments. The rapid growth in the BRIC countries – where we generate half of our sales – confirms the success of the strategic choices we have made. China for example, where Bekaert is investing heavily, grew once more with almost 50%.

To take maximum advantage of the growth opportunities in emerging markets, Bekaert took a number of significant steps in 2007 and the beginning of this year. In Latin America, we strengthened our position by acquiring control of our plants in Venezuela and Colombia. In early 2008, we decided to build a new steel cord plant in Russia and increased our interest in the plant in Turkey to 100%. In our forward-looking strategy, a global presence – backed by an appropriate product range – is an absolute priority.

We are supporting our growth with substantial investments in research and development. Over the past decade our R&D budget has risen from € 30 million to € 57 million, representing 3% of consolidated sales and over 7% of consolidated added value.

In 2007, we placed our research and development activities in an international context, with the opening – under the guidance of the Bekaert Technology Center in Belgium – of the Bekaert Asia Research and Development Center in China.



**Bert De Graeve**  
Chief Executive Officer

Bekaert has maintained its strong financial autonomy. Despite the high level of investment, our net debt is still low. Over the past four years, we have spent in excess of € 200 million on buying back more than 10% of the total number of Bekaert shares in issue. This, and the further rising dividend by 10.4% to € 2.76 per share, has created shareholder value.

All these achievements are reflected in the figures for the 2007 financial year which are presented in this shareholders' guide. As with previous editions of the guide, our aim is to provide clear and transparent financial information. In it we also present our corporate profile and explain the basis of our segmented financial reporting, our financial key performance indicators and a historical performance review. It concludes with additional information on the Bekaert share, our dividend policy and general meeting of shareholders.

Through financial openness, we translate our *better together* baseline to you, the shareholder. You will observe that Bekaert is becoming an increasingly attractive investment to a broad international public.

Dear shareholder,

With your continuing support, we are realizing our objective of sustainable profitable growth year on year and we thank you for the confidence you place in us.

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



**Baron Buysse CMG CBE**  
Chairman of the Board of Directors



# Company profile



## Bekaert in brief

Bekaert is an international player with its headquarters in Belgium. Our business is built on two core competences: advanced metal transformation and advanced materials and coatings. This unique combination of competences is Bekaert's strength.



Wire rod is Bekaert's most important raw material. Bekaert buys wire rod in many different qualities and compositions to meet the most diverse production specifications.

Bekaert is also indispensable in the kitchen, applying its technology for safety guards, shelving, storage, fryer baskets ...

Our basic raw material is wire rod, steel wire about the thickness of a finger, which we convert by mechanical deformation and heat treatment into wires that can be as fine as 1/50th the thickness of a human hair. These wires are then turned into cable and cord, woven or knitted into cloth or processed into ultra-fine filters and fibers, for a wide range of industrial applications in virtually all sectors of the economy.

We also develop coating technologies. Applied to our steel wires and fibers, adding even more value for the customer. As a business-to-business supplier, we take account both of our industrial customers' technological requirements and of their end-users' wishes.

Bekaert invests heavily in growth regions, such as China, India, Latin America and Russia, while working to strengthen its position in its traditional markets of Western Europe and North America. Bekaert aspires to both market and technological leadership. These are the forces driving our pursuit of Bekaert's strategic objective: sustainable profitable growth.

### Bekaert in 2007

Combined sales:	€ 3.4 billion
Consolidated sales:	€ 2.2 billion
Operating result:	€ 175 million
Result for the period attributable to the Group:	€ 153 million
Operational cash flow:	
EBITDA consolidated:	€ 299 million
EBITDA joint ventures:	€ 180 million
Employees:	20 400

Euronext® Brussel: BEKB  
Average market capitalization: € 2 billion

[www.bekaert.com](http://www.bekaert.com)

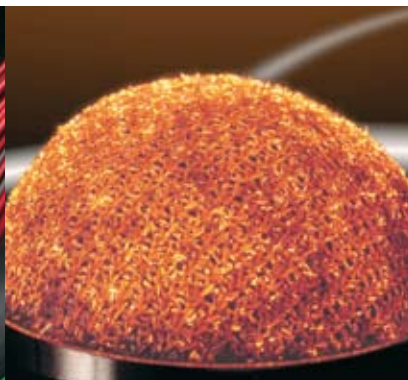
# Segment reporting

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.



Bekaert colored wires



Bekaert gas burner



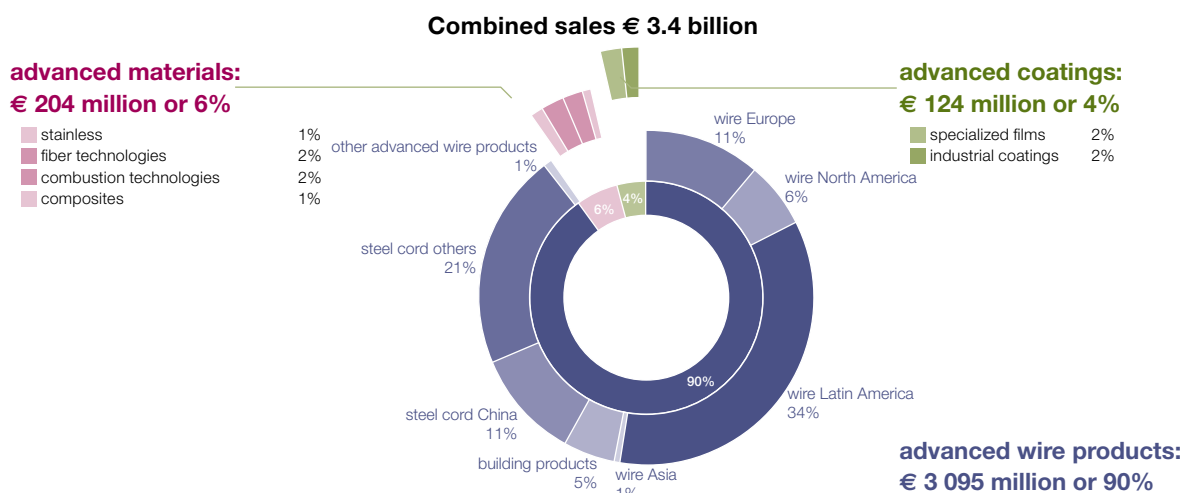
Bekaert window film

## 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.





## Our products: used in many sectors

Bekaert is active in many sectors with its advanced wire products and advanced materials and coatings. The automotive, construction, textile, offshore and telecom sectors are its most important markets.



Worldwide, one radial tire in every four is reinforced with Bekaert steel cord.

Other important products include window films which, as well as keeping out the sun's heat and filtering out harmful UV rays, hold the glass together in the event of breakage. Bekaert window film is applied to some 40 000 square meters of glass every day.

In the **glass industry**, Bekaert has built a strong reputation in the field of sputter hardware and rotatable



The Dramix® Booster adds automatically the right quantity of Dramix® steel fibers to the concrete mix.

Our diversified presence is a significant advantage, because it makes Bekaert less sensitive to sector-specific trends. Bekaert's many contacts in these different sectors not only give us great breadth of view, they also enable us to respond swiftly to opportunities as they arise. The diversity of markets and sectors that Bekaert addresses also benefits our customers, because solutions we develop for customers in one sector often form the basis of innovations in others.

The **automotive sector** is Bekaert's most important market, accounting for around one-third of total sales. The replacement market accounts for the lion's share of sales in this sector. Bekaert is known around the world – it numbers virtually all international tire manufacturers among its customers – for its steel cord for reinforcement of radial tires for cars and trucks. Bekaert also supplies customers in the automotive sector with many other specialized wire products, including spring wires, fine cable wires, welding wires, wires for windshield wiper arms, cables for side-window systems, wire for seat heating elements and many others. Other products supplied to the automotive sector include solar-control window film and diamond-like coatings on engine components.

Bekaert also has a strong presence in the **construction sector**, with products such as Dramix® steel fibers for concrete reinforcement, strands and wires for pre-stressed concrete elements, plastering mesh and corner beads. We also develop cables and cable wires for applications in elevators and other machinery.

sputter targets. This technology has become the standard process worldwide for applying ultra-thin coatings to glass.

To customers in the **textile industry**, Bekaert supplies carding products, high-quality steel wire for heddles and springs in Jacquard looms, metal fibers for the textile industry and nylon-coated bra wire for lingerie.

The **chemical sector** benefits from our expertise in filter media. We make filter media for gases, polymers and liquids which, because they are reusable, have a very long service life. Working with customers, we also develop complete filtration solutions.

The **agricultural and horticultural** sector has always been a major user of Bekaert's fencing products. The wine industry buys our vineyard wire on which to train their vines and our metal fiber burners to burn off excess foliage and thus improve yields. And the consumer? No champagne cork pops until the Bekaert wire locking it in place is removed.

Bekaert is also present in **other sectors**. It is a major supplier for telecommunication, submarine energy transmission, green energy, mining, and oil and gas production segments to which it offers reinforcing wire for cables and flat and profiled wire for flexible pipes, sawing wire, and wires for hoisting.

The printing industry uses Bekaert bookbinding wire. Bekaert also delivers environment-friendly gas burners to manufacturers of domestic heating systems.

# A global player with customer focus

## An international group

A global presence in all our current and potential markets is an essential element of our business strategy. We have a presence in all regions in which our customers are active, so that we can respond as effectively

Because we also operate at a global level, we can accommodate any decisions tire manufacturers take regarding technology or capacity. Recent years have also seen the emergence of



Bekaert has been active in Latin America for many years via joint ventures with local partners, with whom it works constantly to create win-win situations with its customers.



China is a good example of Bekaert's skill in identifying opportunities in an early stage. The company is expanding its activities and is currently active on the Chinese market on a large scale.

as possible to their needs. Our wide geographical coverage enables us to identify and respond swiftly to new trends and opportunities.

Given our long international experience, doing business at a global level has become second nature to Bekaert. Wherever we are active, we seek to integrate our operations seamlessly with the local economy. Forming joint ventures, as we have done in Latin America, speeds up this process. In other regions such as China, we make it a priority to develop good relations with local partners and agencies. Our plants are run almost 100% by local personnel.

For customers who operate internationally, our global network offers significant advantages. They want to be able to buy high-quality products of a uniform standard at the best possible price, anywhere in the world. At the same time, they need local players offering just-in-time delivery who can respond flexibly to their requirements. With our global network, we are able to meet their needs perfectly. Global customers are fully supported by our global account managers. If there is a shortage of capacity anywhere in the world because of peaks in demand, our global manufacturing footprint means we can release extra capacity elsewhere, which gives Bekaert a clear competitive advantage.

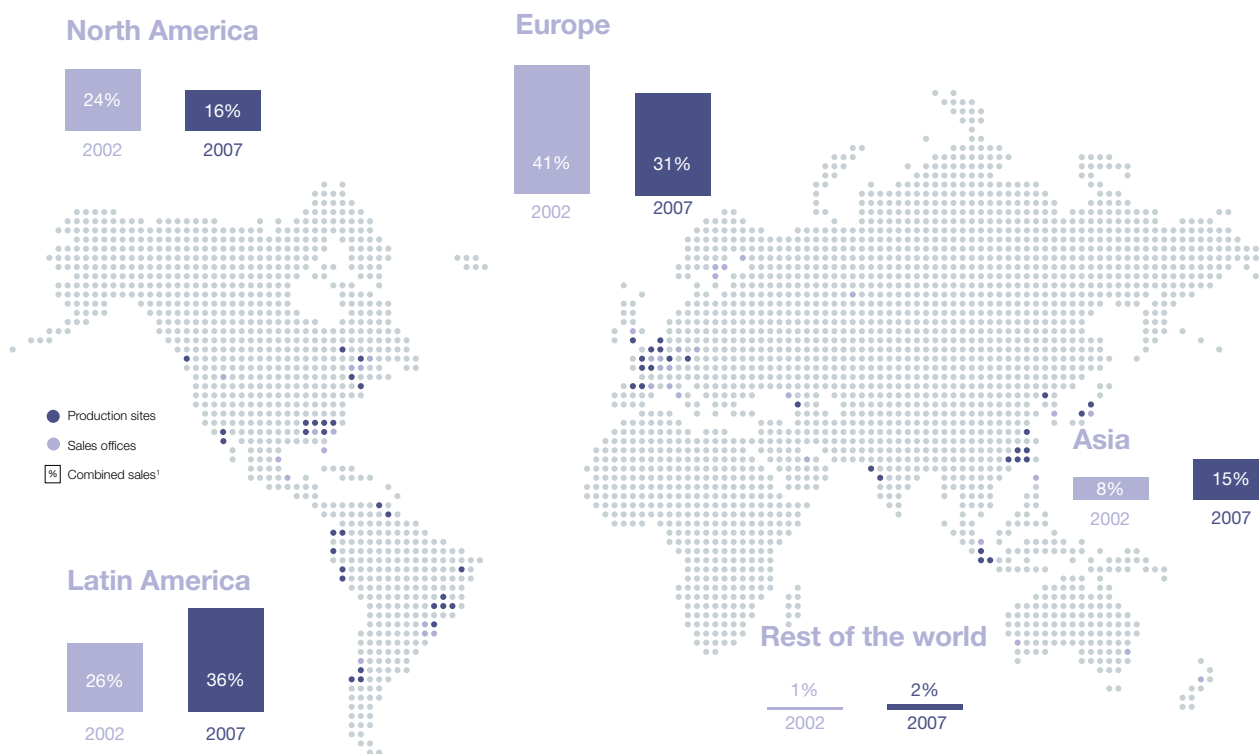
- One typical globally organized sector is the automotive industry, for which Bekaert is primarily a supplier of steel cord for tire reinforcement in a highly concentrated market.

numerous Chinese players, serving the rapidly growing Chinese tire market, whose activities have a more regional focus.

- The offshore industry is another globally organized sector, which uses Bekaert's flat and profiled wire to reinforce the flexible pipes employed in offshore oil and gas production and steel wire for anchoring platforms. This is a niche market, with a small number of players who operate virtually worldwide, and Bekaert is market leader in this specialty.
- We supply a range of top-class products to customers in the construction sector in all parts of the world where Bekaert is active. Dramix® steel fibers for concrete reinforcement, for example, are used worldwide. Other products, such as window film or fiber products for burners, are more regional success stories, but have the potential for deployment elsewhere, in the same or different applications.
- Our customers are also active globally in other specific fields, including advanced materials (such as stainless steel), fiber technology, combustion technology and composites, and in certain wire products.
- We have a global customer base in the textile sector, where there are a number of growth markets and new products are being created in the mature markets. Several of Bekaert's major customers for non-woven applications have a global presence.

## Global dynamic

Market demand changes over time: some markets become saturated, new niche markets emerge and other markets suddenly take off. Our customers also change: some relocate while others extend their international presence. Whatever their stage of development and wherever they are based, Bekaert aims to provide the best possible support for their growth.



That is one reason why Bekaert’s geographical coverage changes, as we constantly align our production platform in response to customer demand and market trends. Another reason is that it enables us to continuously strengthen our position.

Over the past five years, the share of our traditional markets in our activities has declined in relative (not absolute) terms. In **Europe** we disposed of the fencing operations and a number of other activities which were not part of our core business. Carding products for the textile sector are declining, due to the market shifting to Asia. Products with higher added value are gaining ever more significance. For example, the acquisition of Cold Drawn Products Limited in the United Kingdom in 2006 strengthened our competitive position in the market for flexible-pipe reinforcement products for the offshore industry.

In **North America**, we disposed of the wire activities in Muskegon (Michigan) in 2006 and closed the steel cord plant in Dyersburg (Tennessee) in 2007. On the other hand, we made several promising acquisitions, such as Delta Wire (bead wire for tires), and investments including Specialty Films (window film) and Titan Steel & Wire Co. (advanced wire products).

For the past five years, **Latin America** has been our largest market and a growth market, where we have achieved rapid organic growth with a wide range of wire products. Bekaert strengthened its position in 2007 by acquiring full ownership of Vicson, S.A. (Venezuela) and thereby an indirect majority interest in Proalco S.A. (Colombia).

We have made good progress in **Asia** in the past five years. As a leading supplier of steel cord to the burgeoning Chinese tire market, we are growing very fast.

<sup>1</sup> Combined sales are sales generated by consolidated companies plus 100% of sales of joint ventures and associates after intercompany elimination.

# Strategy towards sustainable profitable growth

Bekaert's long-term strategic objective is sustainable profitable growth. In pursuit of that objective, the company aims for global market leadership and technological leadership in specific applications of its two core competences: advanced metal transformation and

in Latin America (Venezuela and Colombia). In our traditional markets, we invest in products with high added value. In the interests of our global manufacturing footprint, our position in these markets is strategic. The stronger our company's market position becomes,



Bekaert signed in September 2007 a cooperation agreement with the Indian steel maker Mukand to set up a plant in Maharashtra (India) to produce stainless steel wires on a joint venture basis.



The internationalization of our activities has led to greater diversification of our research and development activities. The formation of the Bekaert Asia R&D Center was a milestone in that respect.

advanced materials and coatings. A company can only achieve sustainable profitable growth if it is a leader in the markets on which it operates, which is why we aim for a global presence where there are markets for our products and systems. Our extensive sales network now covers over 120 countries.

The growth we achieve in this way enables us to invest in promising new developments which will be the foundations of sustainable profitable growth in the future.

## Global market leadership

Because, in today's rapidly changing market environment, the life-cycle of industrial products is becoming ever shorter, our product portfolio has to be continuously renewed if we are to secure the future of our company. Funding this investment requires market leadership and high volumes, which is why Bekaert constantly defends – and where possible extends – its position as global market leader in many applications. Bekaert's market leadership is inextricably linked to the high standards of quality assurance we apply to all products and processes, an approach that is mirrored in our relations with all stakeholders, especially customers, partners and employees.

Through capital investments and carefully selected acquisitions and joint ventures, we gain faster access to new markets, activities and/or technologies. Examples in 2007 included our joint venture with Mukand (India), our investments in China and the consolidation exercise

the wider and more innovative the product portfolio we can offer our customers and prospects. Our market leadership thus benefits from and is reinforced by our technological leadership and vice-versa.

## Reinforcing technological leadership, internally and externally

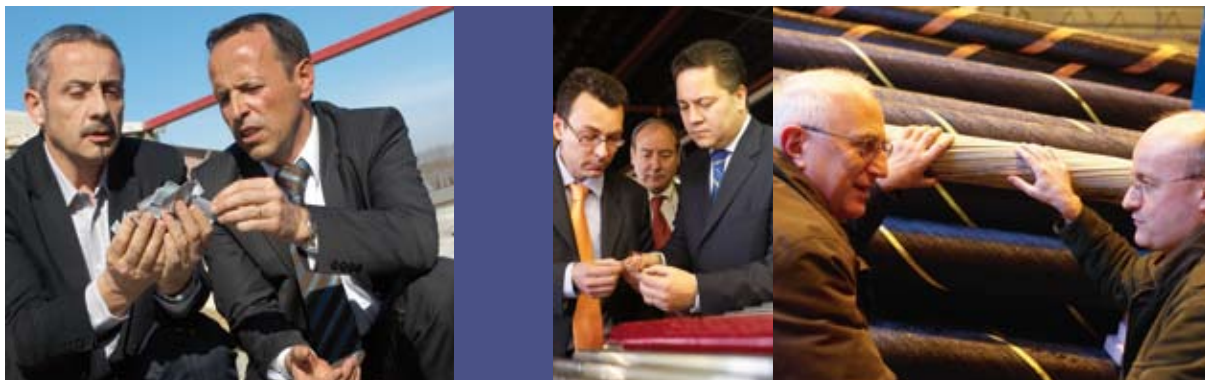
Bekaert invests 3% of its sales in research and development. The company currently holds over 2 000 patents, which both protect our intellectual property and reinforce our technological leadership. We engage in research and development in close cooperation with our principal customers. At the Bekaert Technology Center in Deerlijk (Belgium) and the Bekaert Asia R&D Center in Jiangyin (Jiangsu province, China), our teams of engineers and scientists work on the further development of our diverse but balanced product range. In 2008, there will be 100 staff working in research and development in China and the number in Deerlijk will increase from 285 to over 300, so Bekaert will be employing a total of over 400 people on technological development. One out of four of the engineers in the Bekaert Technology Center is not Belgian.

Bekaert is also a leader in customer-driven innovation, which is the product of close cooperation with lead customers. The company has a long tradition of total quality management programs and we work constantly, all over the world, to raise the quality of our products, production processes and services. We work with our customers to find cost-efficient solutions to such issues



as reducing energy consumption. Utilizing our extensive knowledge of markets, products and processes, we aim to reduce the total cost of ownership for the customer, through improvements in the production process, products with a longer service life or cheaper technological

To further extend and consolidate our market position, Bekaert strives to offer customers a balanced and steadily expanding product portfolio while continuing to innovate and develop new applications and remain alert to new market opportunities.



Cooperation with customers, local authorities and colleagues from various business units in all parts of the world is a source of inspiration and dynamism. We constantly translate our *better together* philosophy into practice.

solutions. To minimize costs, Bekaert also endeavors to supply the customer from the most cost-effective location.

Bekaert facilitates considerable research in the context of its open innovation program in association with internationally renowned research centers such as the Fraunhofer Institut (Germany), the University of Cincinnati (Ohio, United States) and the Holst Open Innovation Center (founded by IMEC in Belgium and TNO in The Netherlands). The shift of emphasis towards sophisticated niche products and solutions with high added value is a safeguard for the future.

With the help of our engineering team, which produces Bekaert's machines and unique high-performance process equipment, we are able to optimize the total cost of ownership of our plants and reinforce our technological leadership.

### Global customer focus

On the markets in which we are active, we aim for long-term growth which is better than the growth in gross national product. We achieve this by concentrating specifically on the quality of our products and our relationships with customers, partners, suppliers and employees all over the world.

We also seek to strengthen our position by investing in expansion in existing and new geographical markets. Externally, Bekaert gains access to new geographical markets, activities, competences and technologies through selective acquisition. In some markets, joint ventures are the springboard for growth, enabling us to join forces with successful partners and thus create win-win situations that benefit our customers.

## Sustainability

As a high-performing company, Bekaert sees the creation of economic added value as its fundamental responsibility. We strive to deliver quality products and services which meet the needs of our customers, to generate and maintain the profitability necessary to secure the future of our company and to provide

an essential component of Bekaert's operational excellence and is the focus of ongoing attention and improvement at all plants and in all regions in which we operate, in the interests of everyone in the workplace. Our safety record is good: in several of our plants, there have been no accidents involving absence from work



Safety has improved over the past few years. The plant in Indonesia celebrated the fifth year in a row without a lost time accident.



Bekaert also investigates environment-friendly products that contribute to a better environment: Dramix® Green and the Bekaert diesel particulate filter are only two examples.



acceptable returns for our shareholders and competitive remuneration for our personnel, while operating sustainably and with respect for people, society and the environment.

Sustainable operation depends on an ongoing process of improvement, a process which we continued to pursue in 2007 by endeavoring to provide our personnel with the opportunity to develop in a healthy and safe working environment. We seek to minimize our impact on the environment of both our products and our manufacturing operations. Finally, we aim to be loyal and responsible partners within the local communities in which we operate and within society as a whole.

### Our people – a capital asset

Bekaert sets out to appeal to people who have the abilities and competences needed to achieve our corporate objectives. Given our plans for growth, recruitment was the main focus in 2007. Our recruitment efforts have been extremely successful in attracting people in emerging markets. Name recognition in growth markets is essential if we are to be seen as an attractive employer in regions where many other fast-growing companies are setting up. Bekaert presents itself as a global player with strong regional links.

For Bekaert, safety in the workplace is an absolute priority: safeguarding the physical wellbeing of our staff is a basic principle of sustainable operation. Safety is also

for many years. In 2007, Bekaert fine-tuned its monitoring system, which is based on the international OHSAS 18001 standard for health and safety assessment.

### Reducing our ecological footprint

Bekaert is committed to an ongoing process of reducing the ecological footprint left by its products and production processes. We strive for rational usage of raw materials and energy and seek in particular to develop products and services which will contribute to a cleaner and safer world. Our aim is not just to respect laws and regulations but to anticipate them. Our programs to reduce raw material usage, energy consumption and waste not only protect the environment but are also an integral element in our system of operational excellence. Bekaert also actively investigates environment-friendly products that contribute to a better environment.

### A good citizen

Sustainability requires a company to fully live up to its responsibilities in every country and in every community in which it operates. This is part of Bekaert's *Code of Conduct*, by which all employees are bound. We value transparent and constructive dialogue with local authorities. We are committed to compliance with national laws and collective labor agreements. Our company adheres to the Universal Declaration of Human Rights and to the conventions and recommendations of the International Labor Organization.

We support selected local initiatives and projects for social, cultural and economic development, in a spirit of strict neutrality and without encroaching on the role of government. We do not support political institutions and we adopt a neutral position in all communications regarding political matters.



Safety is an everyday concern for all employees. To reward the best safety performers in North America, an annual safety award was granted to the Rogers plant in Arkansas.



Exchanging ideas about safety: the safety team at the Hlohovec plant in Slovakia.

## Recognition and awards

- In Belgium, Bekaert was awarded 'Top Employer 2008' status by CRF International, an independent Human Resources research organization.
- The Bekaert North American plants in Amherst, Orrville and Rogers were among the winners of the annual Safety Excellence Awards.
- Belgo-Mineira Bekaert Artefatos de Arame Ltda in Brazil celebrated seven years without a single accident resulting in absence from work and the plant in Karawang (Indonesia) celebrated five years.
- Bekaert Shandong Tire Cord Corporation (Shandong province) was chosen to receive awards as National Outstanding Foreign Investment Enterprise and Excellent Foreign Investment Enterprise in Fulfillment of Social Responsibility.
- The Bekaert plant in Shenyang was honored with the Excellent Contribution Award for CSR Compliance, in recognition of its support for local educational projects.

## 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.

## Bekaert is included in:



More information on corporate social responsibility can be found at [www.bekaert.com](http://www.bekaert.com) in the shareholders' section.

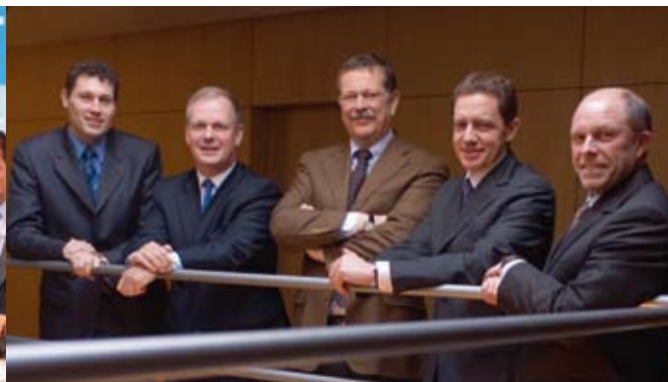
## Corporate governance

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

the Bekaert Group Executive, the remuneration policy with respect to senior management and all aspects of the company's subscription rights and option plans. The Committee has four members. **The Strategic Committee** advises the Board on the general policy of the company and on the most important strategic



In light of its concern to keep in touch with Bekaert's global operations, the Board held one of its regular meetings in Slovakia, where the company operates two production plants.



The operational responsibility for the company's activities is vested in the Bekaert Group Executive which is supervised by the Board of Directors.

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 this chapter on corporate governance why it departs from some of its provisions. The Bekaert Corporate Governance Charter is available at [www.bekaert.com](http://www.bekaert.com).

### Composition of the Board of Directors

The Board of Directors consists of fourteen members, four of whom are independent 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.

### Committees of the Board of Directors

The Board of Directors has established three advisory committees. **The Audit and Finance Committee** advises the Board on the appointment, dismissal and remuneration of the statutory auditor and on the extent of its control mission, and generally on all subjects relating to the annual and consolidated accounts and the half-year results. The Committee has four members. **The Nomination and Remuneration Committee** advises the Board on the (re)appointment of directors, the appointment and remuneration of the members of

decisions concerning the company's development. The Committee has six 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, for finance and administration and for technology.

### External supervision

The company's Statutory Auditor is Deloitte Bedrijfs-revisoren.

More information on remuneration, contractual arrangements, conflicts of interests, market abuse, capital, shares, elements pertinent to a take-over bid or other elements of corporate governance can be found at [www.bekaert.com](http://www.bekaert.com) in the investors section.



# Company performance



# Financial review

## Performance and long term guidance

	LT/guidance	2006	2007
Growth	GDP+	5.0%	8.2%
ROIC > WACC	>	10.3 > 8.0	11.3 > 8.3
EBITDA on sales	15%	13%	14%
EBIT on sales	7.0% - 9.0%	7.3%	8.0%
REBIT on sales	-	8.1%	8.6%
Working capital on sales	20%	22%	22%
Dividend pay out	40%	36%	36%
Tax	25%	16%	14%
Equity on total assets	40%	51%	50%
Gearing (net debt/ equity)	50%	33%	39%

## Executive summary 2007

- Record sales of € 2 174 million (+8.2%)
- Record EBITDA of € 299 million (+14%)
- 8.6% EBIT margin on sales before non-recurring items, compared with 8.1%
- 8.0% EBIT margin on sales, compared with 7.3%
- Earnings per share: € 7.63 compared with € 6.64 (+15%)
- Gross dividend of € 2.76 per share compared with € 2.50 (+10.4%)

## Consolidated figures

### Sales

In 2007, Bekaert achieved consolidated sales of € 2.2 billion, an increase of 8.2%<sup>1</sup>.

The consolidated sales' increase was 8.0% from organic growth and 2.5% from the net movement in acquisitions and divestments. Currency movements had a negative impact of 2.3%.

For more information on combined sales figures, see below.

### Profitability

Bekaert posted an operating result (EBIT) before non-recurring income and expenses of € 186 million (2006: € 163 million). This equates to an EBIT margin on sales before non-recurring income and expenses of 8.6% (2006: 8.1%). The main drivers of this improvement in the results were the strong sales growth, particularly in China, and rising sales of products with high added value.

Non-recurring expenses amounted to € 11.7 million (2006: € 16.8 million), largely due to the cost of the restructuring programs in Europe and the United States for the carding products and steel cord activities. This translated into an operating result (EBIT) of € 175 million (2006: € 146 million), which equates to an EBIT margin on sales of 8.0% (2006: 7.3%).

The increase in interest charges was due to the higher market interest rates and the increase in net debt due to the high capital expenditures and the share buy-back program which continued in 2007.

Taxation on profit amounted to € 19 million (2006: € 18 million).

The share in the results of joint ventures and associated companies amounted to € 47 million (2006: € 51 million), reflecting the lower results posted by the joint ventures in the Mercosur region (Brazil and Chile) and the restructuring costs relating to the closure of the steel cord plant in Australia, a joint venture with OneSteel.

The result for the period therefore came out at € 162 million, compared with € 148 million in 2006. After third-party minority interests (€ 8.7 million as against € 4.8 million in 2006), the result for the period attributable to the Group was € 153 million (2006: € 143 million).

Bekaert ended the year with earnings per share of € 7.63 (2006: € 6.64), an increase of 15%.

EBITDA amounted to € 299 million, compared with € 262 million in 2006. The cash flow attributable to the Group was € 277 million (2006: € 262 million).

### Balance sheet

As at 31 December 2007, shareholders' equity represented 50% of total assets. Net debt increased to € 448 million (2006: € 375 million), mainly due to the share buy-back program and the capital expenditure program. The gearing ratio (net debt to equity) was 39%.

In order to increase shareholder value, Bekaert repurchased and cancelled 1 157 645 of its own shares in 2007. This reduced the total number of outstanding shares to 19 831 000 as at year-end 2007. On 5 March 2008 a further 161 000 shares were purchased and subsequently cancelled.

<sup>1</sup> All comparisons are made relative to the figures of the financial year 2006.

### Cash flow

Net cash flow from operating activities amounted to € 221 million (2006: € 193 million). Operating working capital increased by € 42 million to € 494 million, mainly reflecting organic growth and new acquisitions. Cash from investing activities amounted to € 152 million. Investments in property, plant and equipment totaled € 192 million, mainly due to the capital expenditure programs in China, Belgium and Slovakia. Bekaert plans a similar level of investment in 2008.

Acquisitions represented an investment of € 15 million. Dividends received from joint ventures amounted to € 55 million and the share buy-back program represented a cash outflow of € 111 million.

### Dividends

In the light of Bekaert's strong performance in 2007 and confidence in its future, the Board of Directors will propose that the General Meeting of Shareholders on 14 May 2008 approves the distribution of a gross dividend of € 2.76 per share, which represents an increase of 10.4%. If this proposal is accepted, the net dividend per share will amount to € 2.07 and the net dividend on shares with VVPR strip, entitling the holder to reduced withholding tax of 15%, will be € 2.346. The dividend will be payable as from 21 May 2008.

### Combined sales figures per segment

In 2007, Bekaert achieved combined sales of € 3.4 billion, an increase of 7.0%.<sup>1,2</sup>

In **advanced wire products** Bekaert recorded a combined sales growth of 8.4%. The negative effect on sales of exchange rate movements, mainly due to the strong euro, amounted to 2.1%.

In Europe, Bekaert strengthened its position in the booming offshore sector, driven by high oil prices, which generated strong demand for flat and profiled wire for reinforcement of flexible pipes. The acquisition of Cold Drawn Products Limited (United Kingdom), which supplies specialty profiled wires, made a substantial contribution to sales growth in this segment. An improved product mix was responsible for most of the 9.9% growth in European wire products sales.

Bekaert's wire activities in North America held up well despite the difficult market conditions. However, exchange rate movements had an 8% negative effect on sales. On the other hand, the weak dollar created export

opportunities, more particularly for reinforcement of flexible pipes in the offshore sector.

In Latin America, Bekaert posted a strong 11.6% sales increase in 2007. This growth was concentrated in particular in the Andina region, where Bekaert significantly strengthened its position in 2007 with the acquisition of 100% of Vicson, S.A. (Venezuela). This indirectly gave it a majority interest in Productora de Alambres Colombianos S.A. Sales growth in Brazil and Chile was restrained by heightened competition.

For wire Asia, Bekaert benefited from good demand for nylon-coated wire and spring wire. It was another good year for building products, helped in particular by greater market penetration of Bekaert's steel fibers for concrete reinforcement. The 10.9% growth reflected favorable market conditions in virtually all regions.

Bekaert's steel cord sales also posted vigorous growth worldwide in 2007, particularly in China. The company recorded lower sales in the other regions, which was anticipated by capacity adaptations in North America. For other advanced wire products, Bekaert noted a decline in demand for carding products worldwide.

Sales of **advanced materials** were 10.4% higher in 2007. The sales growth in stainless activities was largely due to higher selling prices reflecting the higher prices of nickel-based wire rod compared with 2006. The growth in fiber technology sales was due to a commercial breakthrough for Bekaert's application of metal fibers for diesel particulate filters. Capacity utilization for composites improved in the fourth quarter.

In combustion technology, a contributor to growth was the acquisition of Aluheat B.V. (Netherlands), which specializes in environment-friendly technologies for condensing boilers for central heating systems. Solaronics, specializing in drying installations used in the paper industry and elsewhere, had a very strong fourth quarter.

Sales of advanced coatings were 8.9% lower in 2007. For specialized films, the company experienced weaker demand in North America. This adverse effect was compounded by exchange rate movements, but was partially offset by higher sales in Asia and Europe. The market for industrial coatings remained extremely competitive and sales were lower, partly due to the cessation of Bekaert's activities in Raleigh, (Durham, United States) and Asia.

<sup>1</sup> Combined sales are sales generated by consolidated companies plus 100% of sales of joint ventures and associates after intercompany elimination.

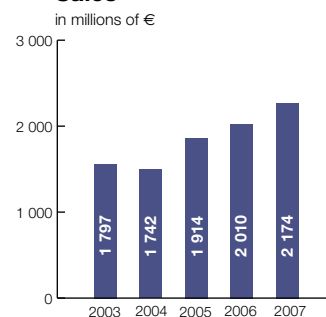
<sup>2</sup> All comparisons are made relative to the figures of the financial year 2006.

# Key figures for consolidated companies

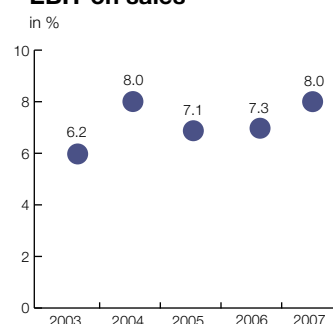
## Consolidated financial statements

in millions of €	2006 <sup>1</sup>	2007	Trend
<b>Income statement</b>			
Sales	2 010	2 174	<b>+8.2%</b>
Operating result (EBIT)	146	175	<b>+19.6%</b>
EBIT before non-recurring items	163	186	<b>+14.5%</b>
Result from continuing operations	148	162	<b>+9.5%</b>
Result from discontinued operations	-	-	
Result for the period	148	162	<b>+9.5%</b>
attributable to the Group	143	153	<b>+7.1%</b>
attributable to minority interests	5	9	<b>+83.1%</b>
Cash flow	262	277	<b>+5.6%</b>
EBITDA	262	299	<b>+13.9%</b>
Depreciation	116	124	<b>+6.7%</b>
<b>Balance sheet</b>			
Equity	1 109	1 147	<b>+3.4%</b>
Non-current assets	1 306	1 336	<b>+2.3%</b>
Capital expenditure (PP&E)	153	192	<b>+25.9%</b>
Balance sheet total	2 220	2 313	<b>+4.2%</b>
Net debt	375	448	<b>+19.6%</b>
Capital employed	1 410	1 534	<b>+8.8%</b>
Working capital	452	494	<b>+9.4%</b>
Employees as at 31 December	12 728	15 242	<b>+19.8%</b>
<b>Ratios</b>			
EBITDA on sales	13.0%	13.7%	
EBIT on sales	7.3%	8.0%	
EBIT interest coverage	6.3	5.8	
ROCE	10.5%	11.9%	
ROE	13.3%	14.3%	
Capital ratio	50.0%	49.6%	
Gearing (Net debt on equity)	33.8%	39.1%	
Net debt on EBITDA	1.4	1.5	

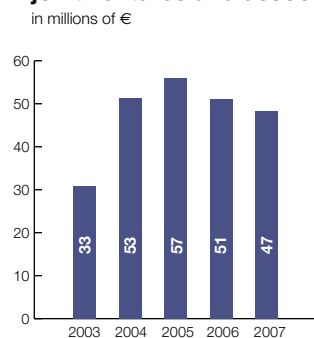
## Sales



## EBIT on sales

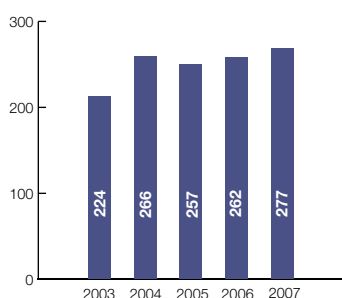


## Share in the result of joint ventures and associates



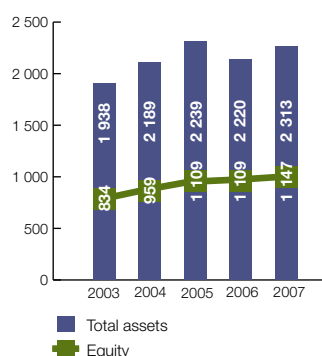
## Cash flow

in millions of €



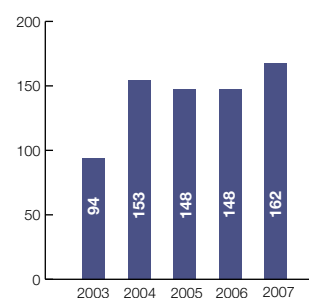
## Equity and total assets

in millions of €



## Result from continuing operations

in millions of €



<sup>1</sup> Figures for 2006 on this and subsequent pages have been restated. The restatement relates to the election for the IAS 19 option to recognize actuarial gains and losses on defined-benefit plans directly in equity.

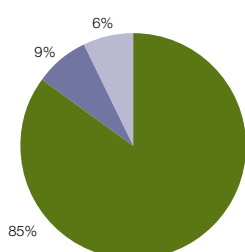


# Historical review of financial statements

## Consolidated income statement

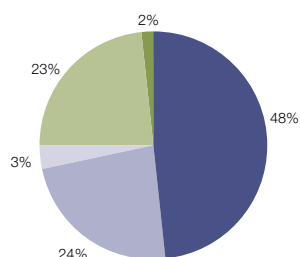
in millions of €	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
<b>CONTINUING OPERATIONS</b>										
Sales	1 767	1 765	1 756	1 796	1 863	1 797	1 742	1 914	2 010	2 174
Cost of sales	-1 486	-1 436	-1 411	-1 467	-1 490	-1 424	-1 341	-1 522	-1 615	-1 740
<b>Gross profit</b>	<b>281</b>	<b>329</b>	<b>345</b>	<b>329</b>	<b>373</b>	<b>373</b>	<b>401</b>	<b>392</b>	<b>395</b>	<b>434</b>
Selling expenses	-98	-96	-102	-116	-110	-111	-86	-92	-97	-98
Administrative expenses	-75	-87	-95	-114	-109	-101	-95	-100	-95	-97
R&D expenses	-29	-32	-34	-33	-36	-36	-53	-45	-49	-57
Other operating revenues	14	20	22	22	20	20	18	29	23	15
Other operating expenses	-23	-33	-20	-28	-14	-23	-37	-16	-14	-11
<b>EBIT before non-recurring</b>	<b>70</b>	<b>101</b>	<b>116</b>	<b>60</b>	<b>124</b>	<b>122</b>	<b>148</b>	<b>168</b>	<b>163</b>	<b>186</b>
Non-recurring items	n/a	n/a	n/a	n/a	-60	-10	-9	-32	-17	-11
<b>Operating result (EBIT)</b>	<b>70</b>	<b>101</b>	<b>116</b>	<b>60</b>	<b>64</b>	<b>112</b>	<b>139</b>	<b>136</b>	<b>146</b>	<b>175</b>
Interest income	3	3	6	3	3	3	9	6	4	2
Interest expenses	-30	-24	-32	-34	-36	-35	-25	-33	-28	-35
Other financial results	-9	5	10	5	-97	-11	-5	12	-7	-8
<b>Result continuing operations before taxes</b>	<b>34</b>	<b>85</b>	<b>100</b>	<b>34</b>	<b>-66</b>	<b>69</b>	<b>118</b>	<b>121</b>	<b>115</b>	<b>134</b>
Income taxes	-14	-23	-23	5	7	-8	-18	-30	-18	-19
<b>Result continuing operations (consol. companies)</b>	<b>20</b>	<b>62</b>	<b>77</b>	<b>39</b>	<b>-59</b>	<b>61</b>	<b>100</b>	<b>91</b>	<b>97</b>	<b>115</b>
Share in the joint ventures	16	23	29	13	19	33	53	57	51	47
<b>Result continuing operations</b>	<b>36</b>	<b>85</b>	<b>106</b>	<b>52</b>	<b>-40</b>	<b>94</b>	<b>153</b>	<b>148</b>	<b>148</b>	<b>162</b>
<b>DISCONTINUED OPERATIONS</b>										
Result discontinued operations	-	-	-	-	-	-	27	54	-	-
<b>Result for the period</b>	<b>36</b>	<b>85</b>	<b>106</b>	<b>52</b>	<b>-40</b>	<b>94</b>	<b>180</b>	<b>202</b>	<b>148</b>	<b>162</b>
Attributable to:										
the Group	34	80	102	48	-46	87	168	190	143	153
Minority interests	2	5	4	4	6	7	12	12	5	9
<b>Growth figures (in%)</b>										
Sales	1.6	-0.1	-0.5	2.3	3.8	-3.6	-3.1	9.9	5.0	8.2
EBIT	-20.3	44.8	14.8	-48.5	8.0	74.0	24.3	-2.0	7.1	19.6
EBITDA	-3.9	16.3	5.0	-16.1	8.8	5.9	6.9	0.7	1.8	13.9

### Consolidated sales by business segment



■ Advanced wire products: 85%  
■ Advanced materials: 9%  
■ Advanced coatings: 6%

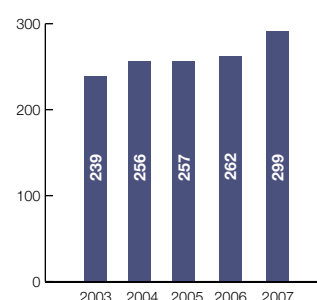
### Consolidated sales by geographical area



■ Europe: 48%  
■ North America: 24%  
■ Latin America: 3%  
■ Asia: 23%  
■ Other regions: 2%

### EBITDA

in millions of €

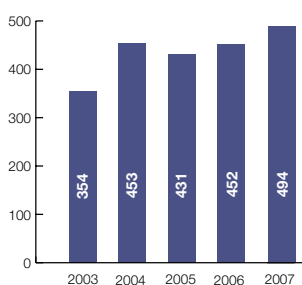


## Consolidated balance sheet

in millions of €	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
<b>Non-current assets</b>	<b>1 125</b>	<b>1 184</b>	<b>1 230</b>	<b>1 425</b>	<b>1 174</b>	<b>1 181</b>	<b>1 241</b>	<b>1 247</b>	<b>1 306</b>	<b>1 336</b>
Intangible assets	31	32	27	61	55	48	42	45	57	52
Goodwill	37	51	21	93	72	71	76	80	77	70
Property, plant and equipment	850	852	841	910	778	758	792	800	824	918
Investments joint ventures	198	239	288	301	205	201	220	238	238	216
Other non-current assets	9	10	52	51	54	88	93	68	91	75
Deferred tax assets	-	-	1	9	10	15	18	16	19	5
<b>Current assets</b>	<b>730</b>	<b>832</b>	<b>864</b>	<b>821</b>	<b>748</b>	<b>757</b>	<b>948</b>	<b>992</b>	<b>914</b>	<b>977</b>
Inventories	300	321	351	343	312	323	419	348	368	385
Trade receivables	270	310	340	322	311	307	385	354	399	438
Other receivables	35	56	81	66	42	31	36	54	54	53
Short-term deposits	78	55	28	15	20	31	42	91	29	15
Cash and cash equivalents	30	58	47	58	53	50	57	132	52	58
Other current assets	17	32	17	17	10	15	9	9	10	20
Assets held for sale	-	-	-	-	-	-	-	4	2	8
<b>Total assets</b>	<b>1 855</b>	<b>2 016</b>	<b>2 094</b>	<b>2 246</b>	<b>1 922</b>	<b>1 938</b>	<b>2 189</b>	<b>2 239</b>	<b>2 220</b>	<b>2 313</b>
<b>Equity</b>	<b>934</b>	<b>1 062</b>	<b>1 080</b>	<b>982</b>	<b>802</b>	<b>834</b>	<b>959</b>	<b>1 109</b>	<b>1 109</b>	<b>1 147</b>
Share capital	167	170	170	170	170	170	171	173	173	174
Retained earnings and other reserves	726	843	861	769	588	621	739	885	887	924
Minority interests	41	49	49	43	44	43	49	51	49	48
<b>Non-current liabilities</b>	<b>463</b>	<b>482</b>	<b>516</b>	<b>772</b>	<b>663</b>	<b>604</b>	<b>526</b>	<b>563</b>	<b>516</b>	<b>526</b>
Employee benefit obligations	111	113	141	187	176	171	172	169	151	121
Provisions	31	39	40	39	54	44	44	35	27	25
Interest-bearing debt	238	246	217	450	324	312	242	288	274	323
Other non-current liabilities	18	14	8	6	43	12	4	12	4	2
Deferred tax liabilities	65	70	110	90	66	65	64	58	60	55
<b>Current liabilities</b>	<b>458</b>	<b>472</b>	<b>498</b>	<b>492</b>	<b>457</b>	<b>500</b>	<b>704</b>	<b>567</b>	<b>595</b>	<b>640</b>
Interest-bearing debt	166	119	202	187	147	177	312	246	218	253
Trade payables	147	187	171	156	185	192	251	187	228	232
Employee benefit obligations	69	78	72	76	76	70	89	73	76	83
Provisions	-	-	-	-	-	-	-	9	13	12
Income taxes payable	4	7	6	6	5	7	13	10	16	13
Other current liabilities	72	81	47	67	44	54	39	42	44	44
Liabilities associated with assets held for sale	-	-	-	-	-	-	-	-	-	3
<b>Total liabilities</b>	<b>1 855</b>	<b>2 016</b>	<b>2 094</b>	<b>2 246</b>	<b>1 922</b>	<b>1 938</b>	<b>2 189</b>	<b>2 239</b>	<b>2 220</b>	<b>2 313</b>

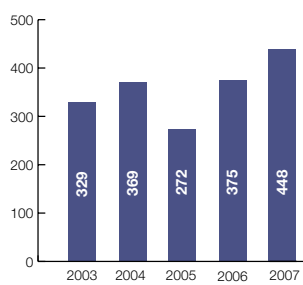
### Working capital

in millions of €



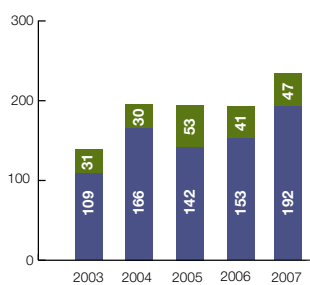
### Net debt

in millions of €



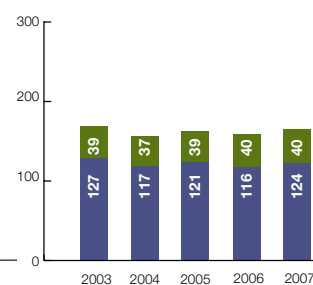
### Capital expenditure (PP&E)

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 €	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
<b>Opening balance</b>	<b>971</b>	<b>934</b>	<b>1062</b>	<b>1080</b>	<b>982</b>	<b>802</b>	<b>834</b>	<b>959</b>	<b>1109</b>	<b>1109</b>
Effect of changes in accounting policies	-	-	-	-	-	-	-	-21	-	-
Result for the period	36	85	106	52	-40	94	180	202	148	162
Results directly in equity	-39	81	-40	-97	-101	-25	-	62	-25	42
Acquisitions of own shares	-	-	-8	-6	-1	-2	-10	-35	-56	-111
Dividends to shareholders	-33	-35	-36	-37	-37	-37	-39	-44	-64	-50
Dividends to minority interests	-1	-3	-4	-3	-6	-8	-6	-9	-8	-7
Other	-	-	-	-7	5	10	-	-5	5	2
<b>Closing balance</b>	<b>934</b>	<b>1062</b>	<b>1080</b>	<b>982</b>	<b>802</b>	<b>834</b>	<b>959</b>	<b>1109</b>	<b>1109</b>	<b>1147</b>

## Consolidated statement of comprehensive income

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

## Consolidated cash flow statement

in millions of €	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
<b>Operating activities</b>										
Operating result (EBIT)	70	101	115	60	64	112	185	136	146	175
Non-cash and investing items	129	135	131	132	167	96	131	106	104	115
Income taxes	-15	-13	-24	-11	-13	-19	-33	-25	-17	-25
<b>Gross cash</b>	<b>184</b>	<b>223</b>	<b>222</b>	<b>181</b>	<b>218</b>	<b>189</b>	<b>283</b>	<b>217</b>	<b>233</b>	<b>265</b>
Changes in working capital	-19	-	-70	56	39	-18	-112	-32	-32	-42
Other operating cash flows	-	-	5	-29	-8	-21	-11	-6	-9	-2
<b>Cash from operating activities</b>	<b>165</b>	<b>223</b>	<b>157</b>	<b>208</b>	<b>249</b>	<b>150</b>	<b>160</b>	<b>179</b>	<b>192</b>	<b>221</b>
<b>Investing activities</b>										
New business combinations	-15	-21	-69	-189	-5	-34	-17	-21	-43	-15
Disposals of investments	-	-	-4	4	3	6	-	86	-	4
Dividends received	4	6	17	15	14	19	23	44	35	55
Capital expenditure intangibles	-17	-11	-10	-45	-7	-9	-7	-10	-9	-7
Capital expenditure (PP&E)	-104	-99	-103	-122	-78	-109	-166	-142	-153	-193
Other investing cash flows	10	47	3	11	13	11	7	7	13	4
<b>Cash from investing activities</b>	<b>-122</b>	<b>-78</b>	<b>-166</b>	<b>-326</b>	<b>-60</b>	<b>-116</b>	<b>-160</b>	<b>-36</b>	<b>-157</b>	<b>-152</b>
<b>Financing activities</b>										
Interests received	4	3	6	3	3	3	3	6	4	3
Interests paid	-28	-15	-31	-28	-30	-21	-19	-21	-26	-33
Dividends paid	-34	-38	-40	-40	-43	-45	-45	-52	-74	-57
Other financing cash flows	17	-67	63	192	-121	30	68	-4	-17	25
<b>Cash from financing activities</b>	<b>-41</b>	<b>-117</b>	<b>-2</b>	<b>127</b>	<b>-191</b>	<b>-33</b>	<b>7</b>	<b>-71</b>	<b>-113</b>	<b>-62</b>
<b>Changes in cash</b>	<b>2</b>	<b>28</b>	<b>-11</b>	<b>9</b>	<b>-2</b>	<b>1</b>	<b>7</b>	<b>72</b>	<b>-78</b>	<b>7</b>
Cash at the beginning	28	30	58	47	58	52	50	57	132	52
Exchange rate differences	-	-	-	2	-4	-3	-	3	-2	-1
Cash at the end of the period	30	58	47	58	52	50	57	132	52	58

## Consolidated additional key figures

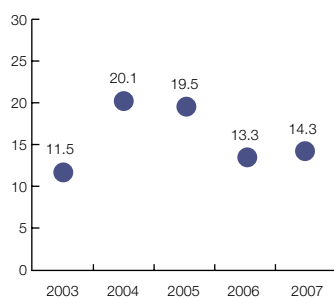
in millions of €

Key figures	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Capital expenditure (PP&E)	104	99	103	122	78	109	166	142	153	192
Capital expenditure (intangibles)	17	11	10	45	7	10	7	10	9	7
Depreciation	135	136	132	145	149	127	117	121	116	124
EBITDA	202	235	247	207	225	239	256	257	262	299
Cash flow	168	220	238	200	205	224	266	257	262	277
Capital employed	1 262	1 295	1 335	1 493	1 256	1 231	1 363	1 360	1 410	1 534
Working capital	345	360	437	421	351	354	453	431	452	494
Net debt	296	246	336	545	348	329	369	272	375	448
Added value	722	742	712	714	774	749	707	704	724	774
Employees charges	520	503	461	502	549	507	450	450	462	473
Employees as at 31 December	10 926	10 329	10 242	10 438	10 071	11 204	10 380	11 022	12 728	15 242

Performance	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Gross profit on sales (%)	15.9	18.6	19.6	18.3	20.1	20.7	22.9	20.5	19.7	20.0
EBITDA on sales (%)	11.5	13.3	14.1	11.6	12.1	13.3	14.7	13.4	13.0	13.7
EBIT on sales (%)	4.0	5.7	6.6	3.3	3.4	6.2	8.0	7.1	7.3	8.0
EBIT on sales (%) before non-recurring items	n/a	n/a	n/a	n/a	6.6	6.8	8.5	8.8	8.1	8.6
Sales on capital employed	1.4	1.4	1.3	1.3	1.4	1.4	1.7	1.5	1.5	1.5
Return on capital employed ROCE (%)	5.5	7.9	8.8	4.2	4.7	9.0	14.3	10.7	10.5	11.9
ROE (%)	3.7	8.6	10.2	5.0	-4.4	11.5	20.1	19.5	13.3	14.3
Net debt on EBITDA	1.5	1.0	1.4	2.6	1.5	1.4	1.4	1.1	1.4	1.5
EBIT interest coverage	3	5	5	2	3	6	14	7	6	6
EBITDA interest coverage	7	11	10	8	9	13	26	13	11	10
Capital ratio (%)	50	51	52	44	42	43	44	50	50	50
Gearing (net debt to equity) (%)	32	24	31	56	43	39	39	25	34	39
Net debt on net capitalization (%)	24	19	24	36	30	28	28	20	25	28
Working capital on sales (%)	19	20	23	24	21	20	19	21	22	22

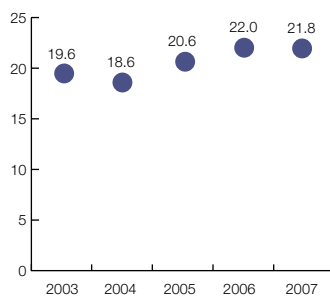
### Return on equity

in %



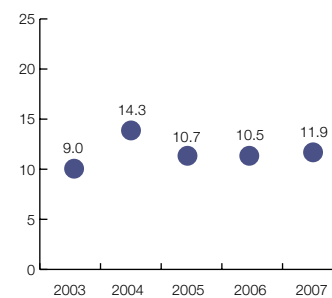
### Working capital on sales

in %



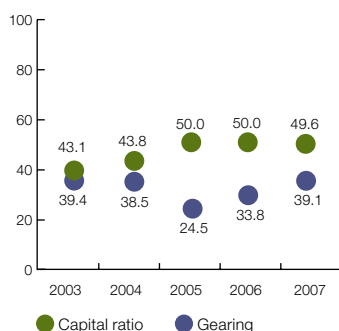
### Return on capital employed

in %



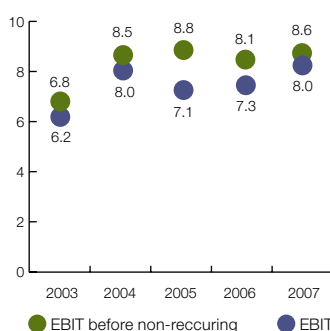
### Gearing and capital ratio

in %



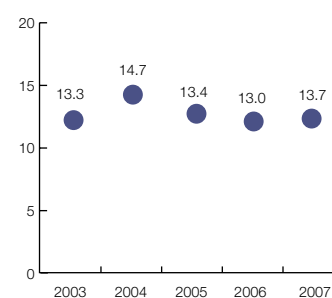
### EBIT on sales

in %



### EBITDA on sales

in %





# Historical review of joint ventures and associates

## Key figures for joint ventures and associates<sup>1</sup>

in millions of €	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Sales	753	723	970	1019	947	821	969	1171	1185	1245
Operating result	64	82	112	96	106	111	171	165	151	139
Net result	36	51	72	40	55	82	126	128	118	102
Capital expenditure	41	38	48	100	41	31	30	53	41	47
Depreciation	37	45	52	47	49	39	37	39	40	40
Employees as at 31 December	5 799	6 123	6 960	7 023	6 765	5 979	6 022	6 074	5 788	5 138
Group's share net result	16	23	29	13	19	33	53	57	51	47
Group's share equity	198	239	261	276	185	191	213	233	232	210
Dividends received	4	6	17	15	14	19	23	44	35	55

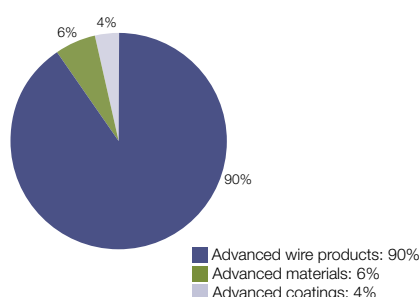
## Performance of joint ventures and associates

in %	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
EBIT on sales	8.5	11.3	11.5	9.4	11.2	13.5	17.6	14.1	12.7	11.2
ROE	8.1	9.4	12.9	14.5	10.0	18.9	28.1	25.7	22.2	20.6
Average participation	44.4	45.1	47.2	41.4	41.7	43.3	44.9	44.3	43.3	46.2
Dividend pay-out	27.3	38.9	76.2	49.2	114.4	99.2	68.0	81.5	61.8	107.3

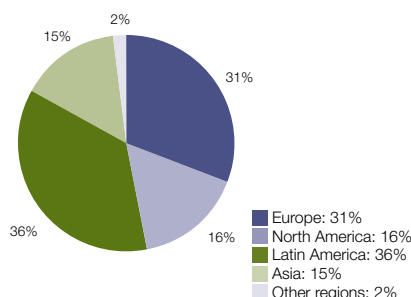
# Historical review of combined key figures<sup>2</sup>

in millions of €	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Sales	2 520	2 488	2 726	2 815	2 810	2 618	2 711	3 085	3 195	3 419
Capital expenditure (PP&E)	145	137	151	222	119	140	196	195	193	239
Employees as at 31 December	16 725	16 452	17 202	17 461	16 836	17 183	16 402	17 096	18 516	20 380

### Combined sales by business segment

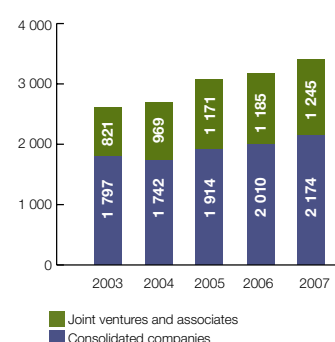


### Combined sales by geographical area

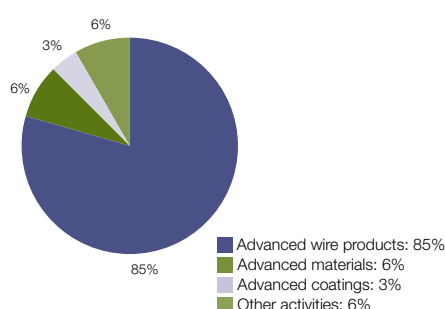


### Combined sales

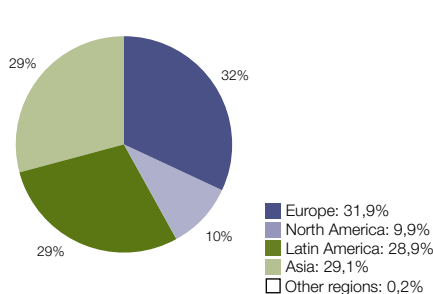
in millions of €



### Employees by business segment



### Employees by geographical area



<sup>1</sup> at 100%.

<sup>2</sup> Combined items are data of consolidated companies plus 100% of data of joint ventures and associates after intercompany elimination.

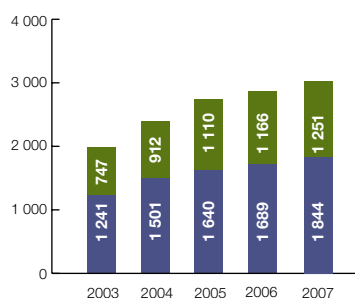
# Historical review of segment reporting

## Advanced wire products

in millions of €	2002	2003	2004	2005	2006	2007
<b>Consolidated companies</b>						
Sales	1246	1241	1501	1640	1689	1844
Operating result (EBIT) before non-recurring items	132	124	185	198	189	215
Non-recurring items	-11	-3	-4	-16	-12	-7
Operating result (EBIT)	121	121	181	182	177	208
EBIT margin (%)	10.0	9.8	12.0	11.1	10.5	11.3
Depreciation	96	85	77	91	93	104
Impairment losses	1	-	1	-	6	2
EBITDA	218	206	259	273	276	314
EBITDA margin (%)	17.5	16.6	17.3	16.6	16.4	17.0
Segment assets	1009	1009	1180	1400	1499	1676
Segment liabilities	179	179	241	249	299	332
CE average	-	830	885	1065	1167	1272
ROCE (%)	-	14.6	20.4	17.1	15.2	16.4
Capital expenditure (PP&E)	54	88	145	140	154	186
Capital expenditure (intangible)	3	6	3	6	5	4
Employees as at 31 December	6138	7400	8217	8592	9996	12276
<b>Joint ventures and associates</b>						
Sales	845	747	912	1110	1166	1251
Result share	33	35	56	57	51	47
Capital expenditure (PP&E)	23	27	28	53	41	47
Employees as at 31 December	5676	5335	5467	5507	5787	5135
Equity share	174	186	213	233	232	210
<b>Total</b>						
Combined sales	2091	1988	2413	2750	2854	3095
Capital expenditure (PP&E)	77	115	173	193	196	233
Employees as at 31 December	11814	12735	13684	14099	15783	17411

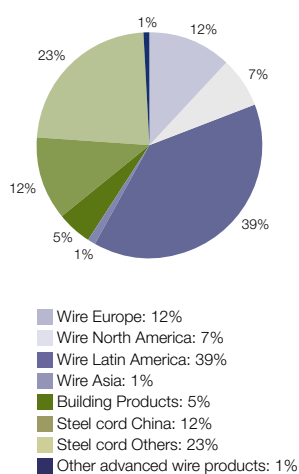
## Sales

in millions of €

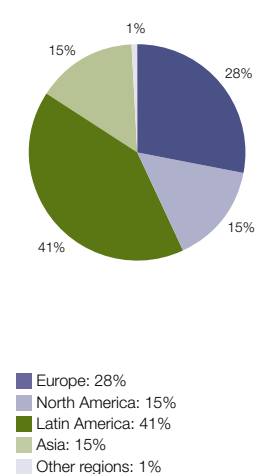


■ Joint ventures and associates  
■ Consolidated companies

## Combined sales by activity platform



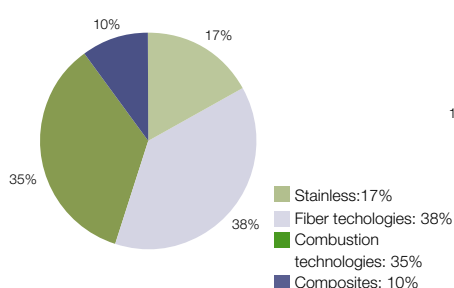
## Combined sales by geographical area



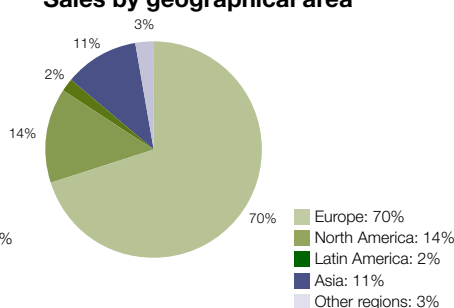
### Advanced materials

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

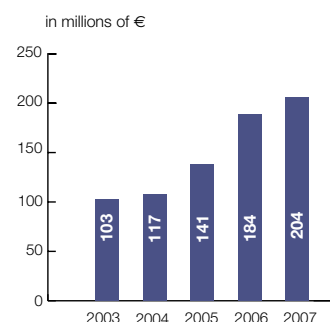
#### Sales by activity platform



#### Sales by geographical area



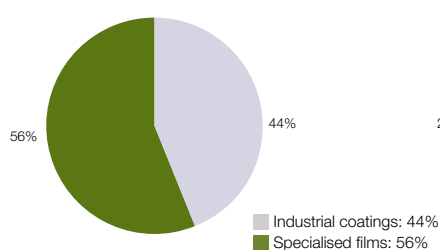
#### Sales



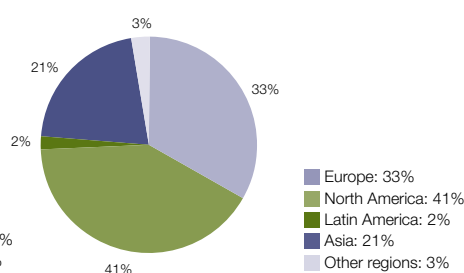
### Advanced coatings

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

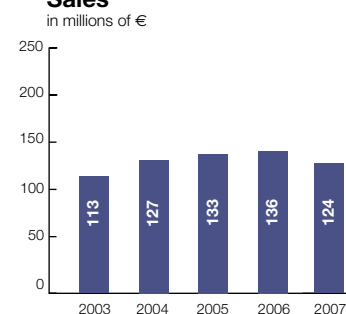
#### Sales by activity platform



#### Sales by geographical area



#### Sales





# The Bekaert share





## Fact sheet

Bekaert shares are listed on the stock exchange of Euronext® Brussels (stock code BEKB) and were first listed in December 1972. The 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.

### Market

Number of shares as at 31 December 2007	19 831 000
Number of shares: weighted average	20 039 098
Number of shares: diluted average	20 169 889
Number of VVPR strips as at 31 December 2007	3 894 001
Average daily traded volume	57 430

### Share

Euronext® Brussels		Market	Continuous
ISIN	BE0003780948	MEP	BRU
Euronext® Brussels	BE0003780948	Mnemo	BEKB
Sedol	5827431		

### VVPR strip

Euronext® Brussels			
ISIN	BE0005569406	MEP	BRU
Euronext	BE0005569406	Mnemo	BEKS

### Sector classification

ICB Diversified Industrials 2727

### Indices

Euronext BEL20®	Euronext BEL20® Return Institutionals
Euronext Next150	Euronext BEL20® Return Private
Euronext Next Prime Index	Euronext BEL Mid
Euronext Diversified Industrials	Euronext BEL Mid Return
Euronext Belgian All shares (BAS Price)	Euronext Belgian Continuous Return
Euronext Belgian All shares (BAS Return)	Euronext Engineering Machinery Vlam21

IN.flanders®	
DJ Stoxx TMISmall	MSCIBelgium
DJ Stoxx TMIEURO Small	MSCIIndustrials
DJ Stoxx TMIEEx UK	MSCIAI Country World Index
DJ Stoxx Total Market Index	MSCIWorld
DJ Stoxx TMIEuro	MSCIEAFE
DJ Stoxx TMIEEx UK Small	MSCIEurope
FTSE Global All Cap Indices	
Ethibel Excellence Index®	
Ethibel Pioneer Index®	
Kempen/SNS Smaller Europe Socially Responsible Investment	

### Agencies

Reuters	BERTt.BR	IR Channel BEKB.BE
Bloomberg	BEK.BB	



# Key figures per share

<b>NV Bekaert SA</b>	<b>2006</b>	<b>2007</b>
Number of shares as at 31 December	20 946 779	19 831 000
Average number of shares	21 491 565	20 039 098
Number of WPR strips	3 852 135	3 894 001
Average daily traded volume	58 414	57 430

in millions of €

<b>NV Bekaert SA</b>	<b>2006</b>	<b>2007</b>
Annual turnover	1 228	1 433
Average daily turnover	4.5	5.4
Free float	56.1%	61.7%
Velocity (band adjusted)	115%	121%
Market capitalization as at 31 December	1 984	1 824

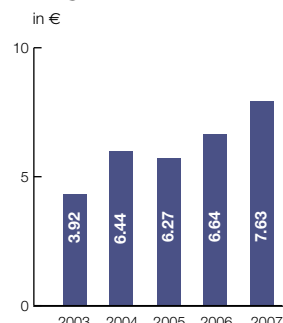
in €

<b>Per share</b>	<b>2006</b>	<b>2007</b>
EBITDA	12.20	14.90
EBIT	6.79	8.71
EPS	6.64	7.63
EPS (diluted)	6.61	7.58
Cash flow	12.21	13.82
Sales	93.51	108.47
Book value	52.94	57.82
Gross dividend	2.500	2.760
Net dividend	1.875	2.070
Net dividend with WPR strip	2.125	2.346

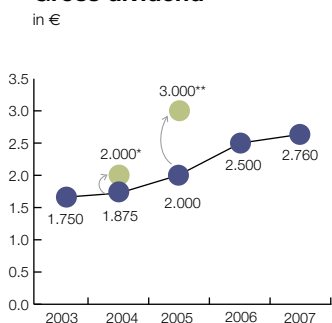
in €

<b>Valorization</b>	<b>2006</b>	<b>2007</b>
Price as at 31 December	94.70	92.00
Price (average)	81.99	98.19
Price-earnings as at 31 December	14.3	12.1
Price on cash flow	7.8	6.7
Price on book value	1.8	1.6
WPR strip price	0.56	0.45
Dividend yield	2.6%	3.0%
Dividend yield (average)	3.0%	2.8%
Dividend pay-out	36%	36%

## EPS

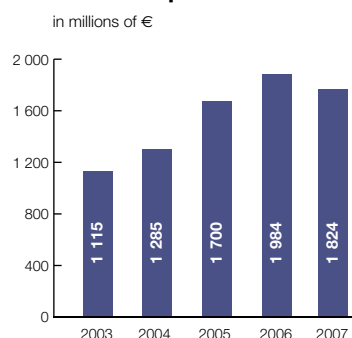


## Gross dividend

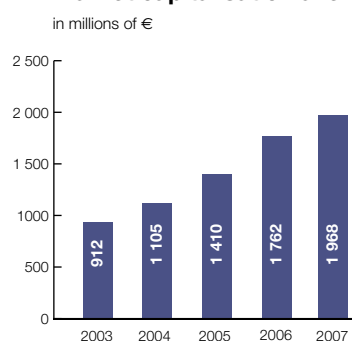


\* Exceptional payment for 125th anniversary  
 \*\* Exceptional payment (sale Bekaert Fencing NV)

## Market capitalisation 31/12



## Market capitalisation average



## Relative position on Euronext® BEL20



# Historical review of figures per share

## Share data

in €	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
EBITDA	9.02	10.48	11.04	9.33	10.19	10.81	11.66	11.90	12.20	14.90
Operating result (EBIT)	3.12	4.49	5.16	2.67	2.90	5.06	6.34	6.30	6.79	8.71
EPS	1.52	3.56	4.56	2.15	-2.09	3.92	6.44	6.27	6.64	7.63
EPS (diluted)	1.52	3.56	4.56	2.15	-2.09	3.92	6.43	6.25	6.61	7.58
Cash flow	7.46	9.79	10.62	8.98	9.25	10.12	12.12	11.87	12.21	13.82
Sales	78.66	78.58	78.43	80.71	84.13	81.27	79.46	88.49	93.51	108.47
Book value	41.61	45.76	48.44	44.32	36.29	37.80	43.82	51.49	52.94	57.82

## Valuation data

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Price - earnings as at 31 December	28	15	11	20	NR	13	9	13	14	12
Price - earnings (average)	39	12	11	19	NR	10	8	10	12	13
Price on cash flow	5.7	5.6	4.7	4.8	4.6	5.0	4.8	6.6	7.8	6.7
Price on book value	1.02	1.20	1.03	0.98	1.19	1.34	1.34	1.53	1.79	1.59
Price on sales	0.54	0.70	0.63	0.53	0.51	0.62	0.74	0.89	1.01	0.85

## Bekaert share in 2007

The share price remained relatively stable in the early months of 2007, averaging € 95.00 ahead of the good full-year results for 2006.

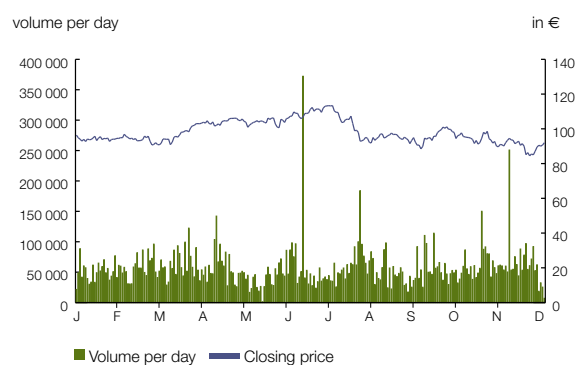
At the end of February, the share price dropped a little to € 90.70, following a price correction on the Chinese exchanges. Shortly after the announcement of the 2006 results in mid-March and supported by Bekaert's ongoing expansion in China, the share price recovered and reached an all-time high on 17 July 2007 at € 113.90. In the summer, however, the credit crunch hit the United States and had a serious impact on the financial markets. Fear of inflation and the effects of an economic recession in the United States, combined with the weakness of the US dollar and the trend in raw material prices, dominated the stock market climate in the second half of the year. The Bekaert share price was

highly volatile during this period and fell on 25 September to € 88.20.

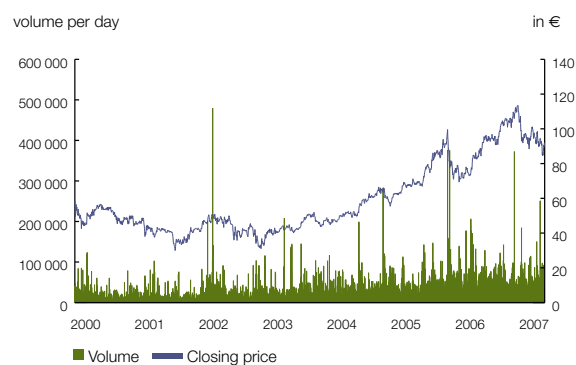
A turning point came after the third quarter, when the financial markets recovered their confidence. The market responded positively to the ending of the takeover talks with Russian steel cord manufacturer Uralkord and on 15 October the share price rose to € 101.80 before dropping back again. A month later, Bekaert announced good sales figures for the first nine months of 2007. The best performing market was again China, where our sales of steel cord products were up 60% in the third quarter. This boosted the share price from € 92.00 to € 98.50 in mid-November, but it then fell to a low of € 82.90 on 17 December, following market sentiment.

Bekaert's inclusion in BEL20®, the Belgian reference stock market index, was confirmed at the end of December.

## Closing price and volume in 2007



## Closing price and volume from 2000-2007

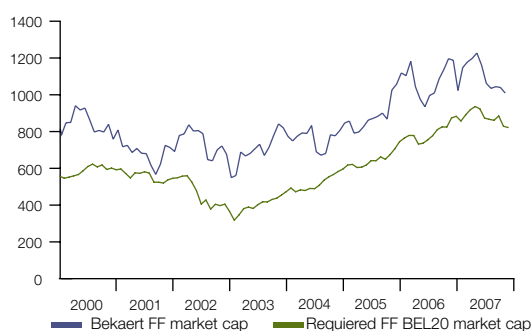


## Share listing

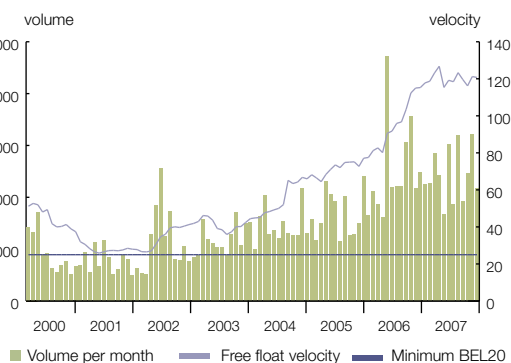
in €	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Price as at 31 December	42.27	55.10	49.85	43.27	43.15	50.50	58.75	78.95	94.70	92.00
Price high	77.47	57.50	58.50	51.00	50.95	50.75	59.95	78.95	102.60	113.90
Price low	41.89	34.80	42.50	28.00	35.50	31.00	43.37	55.30	69.20	82.90
Price average closing	59.18	43.17	50.46	40.51	45.57	41.22	50.06	65.13	81.99	98.19
Strips as at 31 December	-	0.05	0.06	0.15	0.55	0.79	0.51	0.62	0.56	0.45
Daily volume	34 730	37 939	21 450	18 362	27 309	28 950	33 439	39 639	58 414	57 430
Daily turnover (in millions of €)	2.0	1.6	1.1	0.7	1.2	1.2	1.7	2.6	4.5	5.4
Annual turnover (in millions of €)	512	410	272	188	317	304	435	653	1 228	1 433
Velocity (% annual)	39	42	23	21	29	33	39	46	69	72
Velocity (% adjusted free float)	64	70	31	27	39	44	65	77	115	121
Free float	59.5	59.5	60.1	59.9	59.8	59.7	57.9	57.2	56.1	61.7

## Free float market capitalization

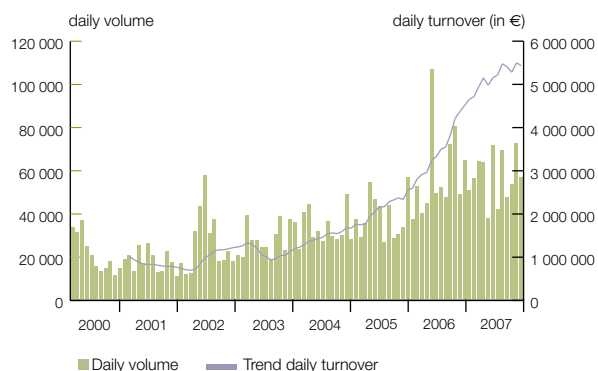
in millions of €



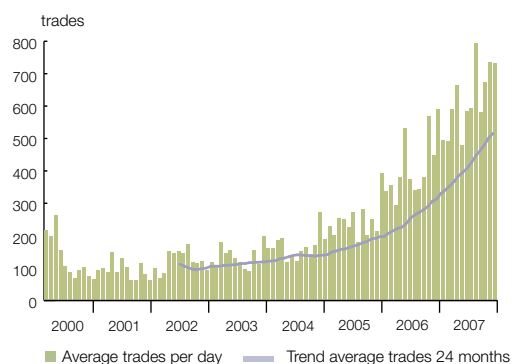
## Free float velocity



## Liquidity



## Trades per day



## Traded volumes

The daily average number of traded shares in 2007 was 57 500. In June and August a daily traded volume of as much as 70 000 shares was reached. The endeavor to achieve greater liquidity was thus achieved. The daily traded volume in 2001 was only 18 000 shares.

## Market capitalization

in millions of €	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Capitalization as at 31 December	949	1 237	1 112	959	955	1 115	1 285	1 700	1 984	1 824
Capitalization average	-	-	1 133	903	1 010	912	1 105	1 410	1 762	1 968
Capitalization – high	1 737	1 291	1 314	1 137	1 129	1 123	1 323	1 700	2 209	2 264
Capitalization – low	937	782	954	624	787	686	957	1 210	1 491	1 648
Capitalization free float	569	742	667	575	573	669	771	1 020	1 190	1 186



## Dividends

### Policy on profit appropriation

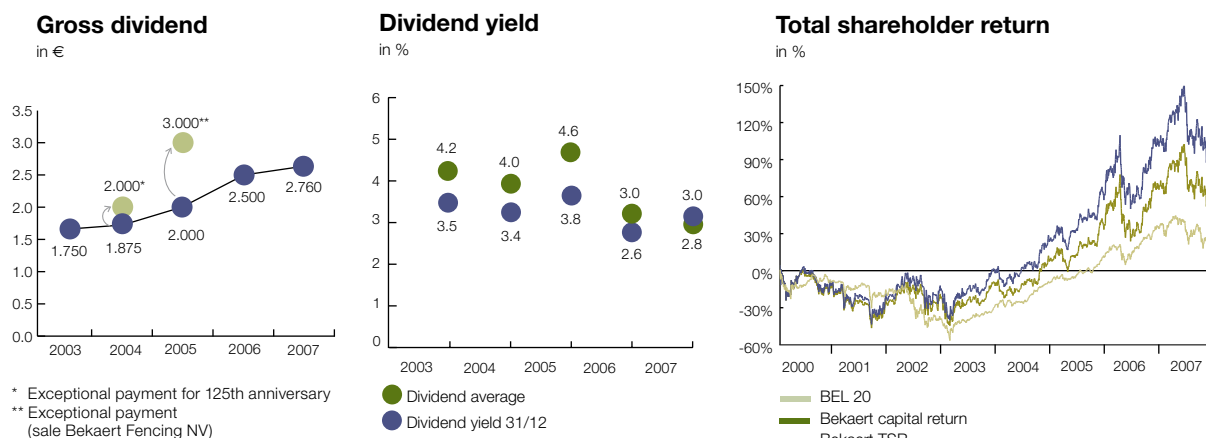
It is the policy of the Board of Directors to propose a profit appropriation to the General Meeting of Shareholders which, insofar as the profit permits, provides a stable or growing dividend while maintaining an adequate level of cash flow in the company for investment and self-financing in order to 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.

### Appropriation of available profit

In the light of Bekaert's strong performance in 2007 and confidence in its future, the Board of Directors will propose that the General Meeting of Shareholders on 14 May 2008 approves the distribution of a gross dividend of € 2.760 per share, which represents an increase of 10.4%. If this proposal is accepted, the net dividend per share will amount to € 2.070 and the net dividend on shares with VVPR strip to € 2.346. The dividend will be payable as from 21 May 2008.

in €	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
<b>Per share</b>										
Gross dividend (incl. exceptionals)	1.49	1.60	1.68	1.68	1.68	1.75	2.00	3.00	2.50	2.76
Dividend baseline	1.49	1.60	1.68	1.68	1.68	1.75	1.88	2.00	2.50	2.76
Net dividend	1.12	1.20	1.26	1.26	1.26	1.31	1.50	2.25	1.88	2.07
Net dividend with VVPR strip	1.26	1.36	1.43	1.43	1.43	1.49	1.70	2.55	2.13	2.35
Coupon number	60	1	2	3	4	5	6	7	8	9
Date of payment	11/06/99	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

in %	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
<b>Valuation</b>										
Dividend yield 31/12	3.5	2.9	3.4	3.9	3.9	3.5	3.4	3.8	2.6	3.0
Dividend yield (average)	-	3.7	3.3	4.2	3.7	4.2	4.0	4.6	3.0	2.8
Dividend pay-out ratio	98	45	37	78	NR	45	26	34	36	36
Dividend baseline growth	-	7.4	5.0	-	-	4.2	7.1	6.7	25.0	10.4



### Share buy-back

In 2007, Bekaert purchased a total of 1 160 425 own shares. 2 780 shares were delivered to individuals and 1 157 645 shares were cancelled.

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

As a result of those movements, the issued share capital of NV Bekaert SA was represented by 19 831 000 shares with no par value. The number of VVPR strips was 3 894 001.

### Stock option plans

A total of 41 866 subscription rights were exercised, resulting in the issue of 41 866 new NV Bekaert SA shares and VVPR strips. The total number of issued subscription rights is 315 703.

Detailed information on capital, shares and stock option plans can be found in the Financial Review (Note 4.11) in the annual report or on [www.bekaert.com](http://www.bekaert.com) in the investors section.

# Shareholder structure

## Historical review of the shareholdings

in %	2001	2002	2003	2004	2005	2006	2007
Principal shareholdings	40.1	40.1	40.3	40.6	42.8	43.9	38.3
Registered shares	0.2	0.1	0.1	0.1	0.1	0.1	0.1
Management stock options	0.7	1.4	1.4	1.8	1.9	1.4	1.4
Public (unidentified)	43.9	40.9	34.9	28.0	22.1	16.3	18.1
Institutionals	15.1	17.5	23.4	29.5	33.1	38.3	42.1
of which Belgian institutions	82	63	50	36	27	21	20
of which international institutions	18	37	50	64	73	79	80

### Principal shareholders

Three declarations of interests in the securities representing the capital of the company were received in accordance with the Act of 2 March 1989 since the publication of the 2006 annual report. On 31 December 2007 the total number of shares was 19 831 000 and the total number of shares together with subscription rights was 20 146 703.

Declarant	Date of declaration	Number of shares	Percentage of total number of issued shares	Percentage of total number of issued shares and subscription
<b>Total outstanding</b>			<b>19 831 000</b>	<b>20 146 703</b>
Stichting Administratiekantoor Bekaert	08.12.2007	7 454 330	37.59%	37.00%
SA Subeco	08.12.2007	52 600	0.27%	0.26%
SA Berfin	19.01.2007	30 640	0.15%	0.15%
Millenium 3 SA	09.01.2007	30 000	0.15%	0.15%
Velge & Co, in liquidation	12.01.2007	19 000	0.10%	0.10%
<b>Non-free float subtotal</b>		<b>7 586 570</b>	<b>38.26%</b>	<b>37.96%</b>
Barclays PLC	09.07.2007	605 579	3.08%	3.03%
<b>Total declarations</b>		<b>8 192 149</b>	<b>41.34%</b>	<b>40.69%</b>

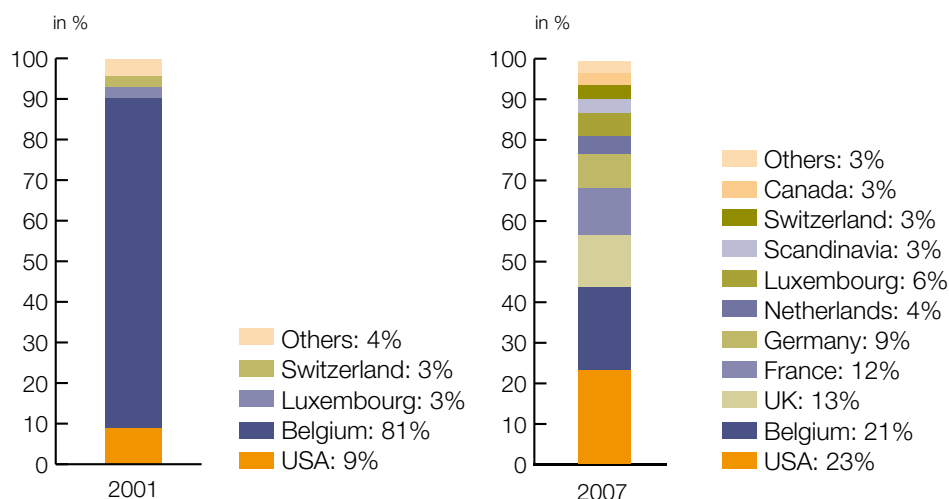
The Stichting Administratiekantoor Bekaert has declared that it is acting in concert with the companies Velge & Co, in liquidation, SA Berfin, SA Subeco and Millenium 3 SA.

### Registered shares

Of the total number of shares 571 746 were registered as at 31 December 2007 of which 558 980 belong to the Stichting Administratiekantoor Bekaert.

Shareholders wishing to convert to registered shares should contact the legal department by telephone (+32 56 23 05 11) or send an e-mail to: [registered.shares@bekaert.com](mailto:registered.shares@bekaert.com).

### Institutional shareholders



## Historical review of issued shares

Year	31 December	Weighted average	Diluted average	Transaction	Capital in millions of €
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	Conversion of 23 705 subscription rights	170.0
2000	22 300 888	22 394 049	22 394 049	220 300 shares repurchased and cancelled	170.0
1999	22 457 320			51 330 shares repurchased and cancelled	170.0
				35 744 shares repurchased and cancelled	170.0
				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
1952	48 000			Merger with N.V. Bekaert Steelcord	11.9
1941	48 000			Capitalization of reserves and increase in nominal value of shares to BEF 10 000	11.9
1935				Capital increase due to contribution in cash and in kind and capitalization of reserves	11.9
1932	15 005			Conversion to private limited company (P.V.B.A.)	0.4
1929	15 000			Merger with S.C. Espérance, Fontaine-L'Évêque	0.4
1924	300			Capital increase due to capitalization of reserves and contribution in cash	0.4
1880				Formation of public limited company (N.V.)	0.1
				Formation of family company	



# Stay in touch





# 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;



The Bekaert Ordinary General Meeting of Shareholders is held on the second Wednesday in May of each year.

- 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.



The Investor Relations department organizes several meetings with financial analysts and individual and institutional investors to provide information on the financial results and the corporate strategy.

### 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](http://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

If you would like a copy of the Group's annual report, the annual accounts of NV Bekaert SA or other information published by the Group, contact us at any time or subscribe to the financial mailing list on [www.bekaert.com](http://www.bekaert.com) in the Investors Relations section.

### Contact

T +32 56 23 05 11 • F +32 56 22 85 57  
[investor.relations@bekaert.com](mailto:investor.relations@bekaert.com)

## Financial calendar

First quarter trading update 2008  
**14 May 2008**

General Meeting of Shareholders  
**14 May 2008**

Dividend payable (coupon n° 9)  
**21 May 2008**

2008 half year results  
**1 August 2008**

Third quarter trading update 2008  
**7 November 2008**

Fourth quarter trading update 2008  
**20 February 2009**

2008 results  
**13 March 2009**

2008 annual report available on internet  
**17 April 2009**

First quarter trading update 2009  
**13 May 2009**

General Meeting of Shareholders  
**13 May 2009**

Dividend payable (coupon n° 10)  
**20 May 2009**

## Definitions

<b>Added value</b>	Operating result (EBIT) + remuneration, social security and pension charges + depreciation, amortization and impairment of assets.
<b>Associates</b>	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.
<b>Capital employed (CE)</b>	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.
<b>Capital ratio</b>	Equity relative to total assets.
<b>Cash flow</b>	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.
<b>Dividend yield</b>	Gross dividend as a percentage of the share price on 31 December.
<b>EBIT</b>	Operating result (earnings before interest and taxation).
<b>EBIT interest coverage</b>	Operating result divided by net interest expense.
<b>EBITDA</b>	Operating result (EBIT) + depreciation, amortization and impairment of assets.
<b>Equity method</b>	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.
<b>Gearing</b>	Net debt relative to equity.
<b>Joint ventures</b>	Companies under joint control in which Bekaert generally has an interest of approximately 50%. Joint ventures are accounted for using the equity method.
<b>Net capitalization</b>	Net debt + equity.
<b>Net debt</b>	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.
<b>Non-recurring items</b>	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.
<b>Pay-out ratio</b>	Gross dividend as a percentage of result for the period attributable to the Group.
<b>Price-earnings ratio</b>	Share price divided by result for the period attributable to the Group per share.
<b>Return on capital employed (ROCE)</b>	Operating result (EBIT) relative to average capital employed.
<b>Return on equity (ROE)</b>	Result for the period relative to average equity.
<b>Sales (combined)</b>	Sales of consolidated companies + 100% of sales of joint ventures and associates after intercompany elimination.
<b>Subsidiaries</b>	Companies in which Bekaert exercises control and generally has an interest of more than 50%.
<b>Velocity</b>	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.
<b>Velocity (adjusted)</b>	Velocity divided by the free-float band of 65% end 2007.
<b>Working capital (operating)</b>	Inventories + trade receivables - trade payables - advances received - current employee benefit obligations - 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](http://www.bekaert.com) in the investors section.*

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