

Press release

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Press

Katelijjn Bohez
T +32 56 23 05 71

Investor Relations

Jacques Anckaert
T +32 56 23 05 72

Fourth quarter trading update 2008

Bekaert sales top €4 billion in 2008 (+17.3%)

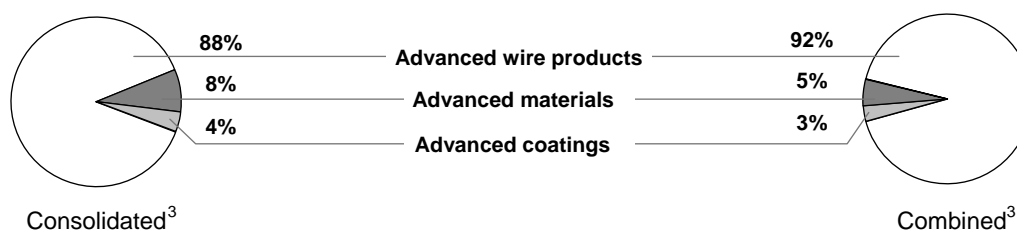
In 2008, Bekaert achieved consolidated sales of €2.66 billion and combined sales of €4.01 billion, an increase of 22.5% and 17.3% respectively.^{1 2}

Growth in consolidated sales stemmed 17.7% from organic growth, largely driven by passed on raw material price increases, and 5.8% from the acquisitions in Vicson (Venezuela) and in Proalco (Colombia). Fluctuations in several exchange rates largely compensated each other with a net negative impact of 1.0%.

Even in the fourth quarter of 2008, the economic downturn notwithstanding and compared with a strong last quarter of 2007, Bekaert posted consolidated growth of 5%.

Consolidated and combined sales by business segment – full year 2008

2008	Consolidated sales		Combined sales	
	Millions of €	Variance	Millions of €	Variance
Advanced wire products	2 331	+26.4%	3 690	+19.2%
Advanced materials	199	-2.0%	199	-2.0%
Advanced coatings	121	-3.1%	121	-3.1%
Intersegment sales and others	12	-	-	-
Total	2 663	+22.5%	4 010	+17.3%



¹ All comparisons are made relative to the financial year 2007. The figures in this press release are provisional and unaudited. The full annual results will be published on 13 March, 2009.

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

³ Excluding 'intersegment sales and others'.

Combined sales by activity platform – full year 2008 versus 2007

Advanced wire products	+19.2%	Advanced materials	-2.0%
Wire Europe	+7.3%	Stainless	-33.5%
Wire North America	+19.2%	Fiber technologies	+3.7%
Wire Latin America	+19.8%	Combustion technologies	-5.6%
Wire Asia	+73.8%	Composites	+42.9%
Building products	+21.7%		
Steel cord China	+63.7%	Advanced coatings	-3.1%
Steel cord others	+1.4%	Industrial coatings	-7.0%
Other advanced wire products	-24.3%	Specialized films	-0.1%

Bekaert **advanced wire products** posted vigorous sales growth across nearly all activity platforms throughout 2008.

Wire Europe experienced difficult market conditions, especially in the Western European platforms. In wire North and Latin America, sales grew by almost 20% as a result of sustained demand and increased price levels reflecting the raw material-linked price increases. Building products revenues rose 22%, maintaining high activity levels across all entities.

Increased demand and Bekaert's matching local production capacity offering a broad and dedicated product portfolio, combined to produce growth in the Asian wire and steel cord activity platforms. Lower market demand in Western Europe and North America has led to almost flat sales in steel cord others.

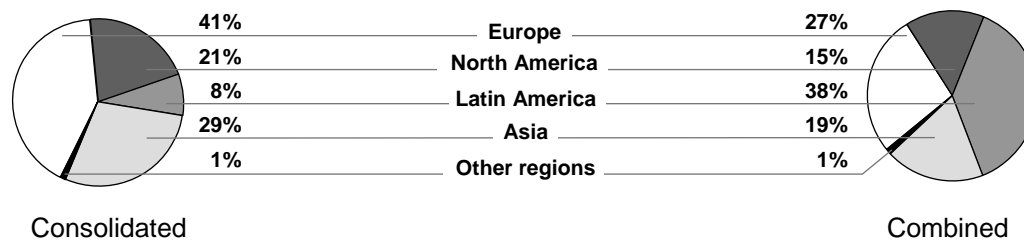
Compared with 2007, revenues from **advanced materials** and **advanced coatings** were slightly down.

Lower sales of stainless products resulted from a decline in demand and decreasing nickel-based raw material prices. Industrial coatings and combustion technologies were particularly impacted by the economic downturn. Composites grew strongly in highly competitive market circumstances. The nominal growth of specialized film coatings (+6%) was canceled out entirely by exchange rate movements.

The global economic crisis started to impact demand in most activity platforms during the fourth quarter of 2008. Customers in diverse industries and regions postponed orders and gave priority to using available stocks first. However, market demand for innovative products with high added value was sustained throughout the year. This particularly applied to Bekaert's advanced wire products for the utilities sector.

Combined sales by geographical area – full year 2008

2008	Combined sales	
	Millions of €	Variance
Europe	1 100	+4.0%
North America	589	+8.3%
Latin America	1 515	+21.4%
Asia	764	+47.8%
Other regions	42	-19.5%
Total	4 010	+17.3%



Outlook

Consolidated sales from January onwards will include the revenues of Ideal Alambrec (Ecuador) and Prodac (Peru), as the regional holding company covering the businesses in Ecuador, Peru, Venezuela and Colombia came into effect on 1 January 2009. Bekaert holds 80% of the shares in this holding company. Consequently, all respective entities will be included in the consolidated perimeter as of the start of 2009.

Short-term visibility on market developments is extremely limited. However, Bekaert does not expect the current activity slowdown to last on a company-wide scale. The company's proven resilience now shows in its flexibility to optimally manage production capacity and capital spending in line with demand and to limit working capital and cost levels accordingly.

Notwithstanding the economic circumstances, Bekaert is confident that its broad geographical coverage with a strong presence in emerging markets, as well as its growing portfolio of product innovations, will be of strategic importance. Bekaert will closely monitor market developments and customer requirements, so advantage can be taken of opportunities the moment they arise.

Financial calendar

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
2009 half-year results	31	July	2009
Third quarter trading update 2009	13	November	2009

Profile

Bekaert (www.bekaert.com) is a global technological leader in its two core competences: advanced metal transformation and advanced materials and coatings, and a market leader in drawn wire products and applications. Bekaert (Euronext Brussels: BEKB) is a global company with headquarters in Belgium, employing over 23 000 people worldwide. Serving customers in 120 countries, Bekaert pursues sustainable profitable growth in all its activities and generates annual combined sales of €4 billion.