

Press release

Regulated information

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Press

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First quarter trading update 2009

Bekaert reports stable consolidated sales

Volume drop offset by integration of Latin American entities and currency movements

Bekaert's first quarter consolidated sales were stable in comparison with the first quarter of an exceptional 2008, with strong differences between regions. Weak market demand in EMEA and North America drove an organic sales decline of 14.3%. This was fully offset by the integration of Prodac (Peru) and Ideal Alambrec (Ecuador) in Latin America, which added 6.5%, and the positive impact of currency movements, which contributed 7.7%.¹

Combined sales² decreased 12.7% in comparison with the first quarter of last year. This was a result of lower market demand that was reflected in an organic decline of 15.0%, slightly tempered by favorable exchange rate differences of 2.3%.

Consolidated and combined sales by segment³

First quarter consolidated sales in millions of €

	2008	2009	Variance	Share
EMEA	290.3	210.3	-28%	35%
North America	134.1	141.9	+6%	24%
Latin America	37.7	80.6	+114%	14%
Asia Pacific	130.5	159.3	+22%	27%
Total	592.6	592.1	-	100%

First quarter combined sales in millions of €

	2008	2009	Variance	Share
EMEA	288.4	209.1	-28%	26%
North America	133.6	139.2	+4%	18%
Latin America	347.6	279.9	-19%	36%
Asia Pacific	133.1	160.2	+20%	20%
Total	902.7	788.4	-13%	100%

¹ All comparisons are made relative to the first quarter sales of 2008, which have been readjusted according to the new segment reporting. The figures in this press release are provisional and unaudited.

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

³ The new segment reporting implemented by Bekaert as from January 2009 implies segmentation by geographical market. More details can be found on www.bekaert.com-investors-datacenter.

Combined sales by segment

EMEA

An overall weak market demand, reflecting both low economic activity and stock depletion, resulted in a sharp drop in sales across all activity platforms.

North America

In North America, sales grew by 4% as a result of a favorable product mix and a strong US dollar, though volumes decreased in line with slowing economic activity.

Latin America

Revenues were down 19% in Latin America due to a decline in market demand and a strong negative currency impact in Brazil, while operations in the rest of Latin America – including Bekaert's subsidiaries which are now structured within the new holding company – showed a stable activity level and sales in line with the first quarter of 2008.

Asia Pacific

The 20% sales growth in Asia Pacific reflects stable nominal sales: Asian activity picked up after the Chinese New Year and benefited from positive exchange rate differences versus a weaker euro.

First quarter market developments

Bekaert is active in many sectors. The largest markets for Bekaert's products are the automotive, construction and energy sectors. In **automotive**, sales are largely driven by the replacement market which is not as sensitive to economic downturns. In general, Bekaert's automotive-related sales figures showed relatively good performance in North America and Asia, while EMEA sales dropped in line with the overall economic decline in this sector. A long and cold winter, along with the impact of the crisis, affected sales in the North American and EMEA **construction** markets. **Energy**-related markets continued to perform well on a global level across many different applications, including petroleum extraction, solar energy and wind energy.

Investment update

Net debt increased to € 697 million (year-end 2008: € 627 million), mainly due to the integration of Prodac and Ideal Alambrec in the consolidation perimeter (€ 42 million), and the impact of exchange rate movements (€ 19 million).

Bekaert issued two bonds on 17 March 2009, which were fully subscribed for the total maximum amount of € 300 million at the date of the issue. The three-year and five-year bonds were each subscribed for an amount of € 150 million. The bond issue fits in with a debt-restructuring plan that aims to provide a better balance between short- and long-term debts. The payment of the bonds was received on Bekaert's account on 16 April 2009.

Outlook

Bekaert has not revised its outlook: market visibility is limited. However, Bekaert does not expect the current activity slowdown to persist on a company-wide scale.

Financial calendar

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 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.