

Press release

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Press

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President Medvedev officially visits the new Bekaert steel cord plant in Lipetsk, Russia

The plant has been officially inaugurated on the same day

Mr. Dmitry Medvedev, President of the Russian Federation, visited the new Bekaert steel cord plant at the Lipetsk Special Economic Zone (SEZ) today, where he was hosted by Mr. Bert De Graeve, Chief Executive Officer of Bekaert. The President was accompanied by three Deputy Prime Ministers of the Russian Federation: Mr. Ivanov, Mr. Sechin and Mr. Sobyenin (also Chief of Government Staff), as well as by Mr. Surkov and Mr. Abramov of the Presidential Administration, Mr. Poltavchenko, Presidential Representative in the Central Federal District, and Mr. Korolev, Governor of the Lipetsk province.

Bekaert Management also organized an inauguration event today to which its main customers and suppliers in the region were invited. The inauguration took place in the presence of Mr. Lavrentiev, the Lipetsk Director of the Federal Agency for Special Economic Zones, Mr. Korobeinikov, Vice-Governor of the Lipetsk Province, and H.E. Mr. Trouveroy, the Belgian Ambassador to the Russian Federation.

Bekaert Lipetsk will produce steel cord for tire reinforcement, a market in which Bekaert has built up a global leadership position. This new manufacturing platform will be servicing the domestic market and the wider CIS region. In so doing, Bekaert is responding to the rising local demand for steel cord products.

Situated about 400 kilometers south of Moscow, Lipetsk is strategically located close to Bekaert's regional target markets, with good logistics and easy access to energy supplies and skilled labor. The new plant currently employs 92 people. Another 320 jobs will be created along with the continued investments planned, from now through 2013.

Bert De Graeve, Chief Executive Officer of Bekaert, commented: *"Setting up a local production plant in Russia is consistent with our strategic focus of investing in growth markets. Bekaert expects that the country's growth potential and investment impulses for industry and infrastructure will further fuel economic activity and demand. We highly appreciate the Government's commitment in providing support and guidance to investors. This has been demonstrated in all phases of Bekaert's investment project in Lipetsk. The visit of the President and the Ministers of the Russian Federation today is an ultimate expression of Government's interest and commitment, and a great honor to our company."*

Vladimir Lavrentiev, the Lipetsk Director of the Federal Agency for Special Economic Zones, added: *"The start-up of this plant in less than one year is an excellent example of true international cooperation between teams. And more specifically, between the Lipetsk SEZ expert teams on one side, and a global industrial company such as Bekaert on the other. We wish the plant success in achieving its objectives, so that plans for increased employment and investment can be realized soon."*

Bekaert in Russia

Bekaert Lipetsk strengthens Bekaert's presence in Russia, where it has already built up a portfolio of customers for steel cord products for tire reinforcement, steel fibers for concrete reinforcement, and other specialized wire products sourced from its plants in Central Europe. Bekaert has a sales office in Moscow, which has represented the group in the CIS region since 1998.

Bekaert 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.

Pictures of today's event

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