

## Press release

### Regulated information

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#### Press

Katelijin Bohez  
T +32 56 23 05 71

#### Investor Relations

Jérôme Lebecque  
T +32 56 23 05 72

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

## Bekaert: first quarter trading update 2013

In the first quarter of 2013 Bekaert achieved consolidated sales of € 799 million and combined<sup>1</sup> sales of € 1 036 million, a decrease of 10.8% and 8.7% respectively<sup>2</sup>, compared with the first quarter of 2012.

Market conditions during the first quarter are reflected in Bekaert's revenue, with low demand in mature markets and a highly competitive environment driving strong price pressure in emerging markets.

Organic consolidated sales were down by 8.2%, 2.8% of which was from lower volumes. Unfavorable currency movements (-3.2%) added to the decline and were fully attributable to the Venezuelan currency. The net effect of acquisitions and divestments was slightly positive (0.6%).

The organic decline was 4.2% at the combined sales level. The effect of currency movements was -5.0% and the net impact from acquisitions and divestments was limited to 0.5%.

### Consolidated and combined sales by segment

#### First quarter consolidated sales in millions of €

Consolidated sales	2012	2013	Variance	Share
EMEA	290	260	-10%	33%
North America	176	146	-17%	18%
Latin America	197	176	-10%	22%
Asia Pacific	232	216	-7%	27%
<b>Total</b>	<b>895</b>	<b>799</b>	<b>-11%</b>	<b>100%</b>

#### First quarter combined sales in millions of €

Combined sales	2012	2013	Variance	Share
EMEA	290	259	-10%	25%
North America	176	146	-17%	14%
Latin America	423	404	-4%	39%
Asia Pacific	247	226	-9%	22%
<b>Total</b>	<b>1 135</b>	<b>1 036</b>	<b>-9%</b>	<b>100%</b>

<sup>1</sup> Combined sales are sales of 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 for the first quarter of 2012.

## Sales by segment

### EMEA

Depressed automotive and other industrial markets across Europe drove demand down in all business platforms. Compared with a rather strong first quarter of 2012, this affected the sales volumes in the region.

### North America

Low demand in tire replacement markets, investment delays in energy markets, and increased competition from Asian imports drove sales down in North America. Moreover, Bekaert decided not to participate in trading activities competing with cheap imports.

### Latin America

Bekaert's entities in Latin America continued to report solid sales driven by strong demand, especially in Peru and Ecuador. Vicson in Venezuela realized high sales volumes, but revenue dropped significantly as a result of the applied changes in consolidation accounting. As announced before, Bekaert started applying inflation accounting and valuation at the corresponding economic exchange rate at the beginning of 2013. Based on prudence principles, the company herewith addresses the uncertain situation in the country and avoids financial statement recognition at an overvalued currency. Excluding the applied changes, the segment Latin America recorded a nominal consolidated sales growth of 4%.

The sales decline for Latin America was tempered at the combined level as a result of higher sales recorded by the Brazilian joint ventures.

### Asia Pacific

The price levels of products serving the tire markets have been sliding in China due to weak demand and general overcapacity. Bekaert has managed to keep the volumes stable and notes a prudent trend toward price stabilization. Sales were positively impacted by the integration of the recently acquired activities in Malaysia.

## First quarter market developments

Global **automotive** markets were adversely impacted by weak OEM markets in Europe, a global downturn of truck sales, tire replacement delays in most markets, and increased competition as a result of overcapacity and currency-driven import flows.

**Energy**-related sectors started to contract at the beginning of 2013 as a result of delayed projects and investments in both the oil and gas sector as well as in electric power grid infrastructure. No rebound in solar markets took place or is expected.

**Construction** markets were somewhat lower in Europe, in line with seasonal effects, while continuing to grow in Latin America, mainly for basic construction steel products.

## Other information

Net debt increased to € 746 million, from € 700 million at year-end 2012 as a result of the share buy-back program and an increase of working capital in line with seasonal effects.

Bekaert bought back 712 977 shares in 2013 at an average price of € 21.42. The total number of shares booked as treasury shares currently amounts to 1 652 677. The purpose of the share buy-back program is to cover stock option plans.

## Outlook

Bekaert reconfirms its outlook statement of 27 February 2013:

The Group is on track with the implementation of its cost reduction programs. The continued weak economic environment, the lack of consistent indicators of a global recovery, overcapacity in most markets and the corresponding overall price pressure, will however weigh on profitability.

Bekaert is determined to remain a market and technology leader through its global positioning and broad product portfolio, in full support of its customers and all other stakeholders on a worldwide scale.

## Financial calendar

General Meeting of Shareholders	08	May	2013
Dividend ex-date	10	May	2013
Dividend payable	15	May	2013
2013 half year results	26	July	2013
Third quarter trading update 2013	14	November	2013

## Disclaimer

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## Profile

Bekaert ([www.bekaert.com](http://www.bekaert.com)) is a world market and technology leader in steel wire transformation and coatings. Bekaert (Euronext Brussels: BEKB) is a global company with headquarters in Belgium, employing 27 000 people worldwide. Serving customers in 120 countries, Bekaert pursues sustainable profitable growth in all its activities and generated combined sales of € 4.4 billion in 2012.