

## Press release

### Regulated information

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## Bekaert Annual Results 2014

### Highlights<sup>1</sup>

Bekaert achieved stable 2014 revenues compared with 2013. The company realized an organic sales growth of 2.8%, most of which was cancelled out by adverse currency movements. Bekaert's activities in EMEA achieved excellent results while continued price erosion in Chinese tire markets led to profit deterioration in Asia Pacific. The North American business remained stable. Subdued demand and competition from import flows led to depressed margins in Latin America. In spite of a weak final quarter, Bekaert achieved improved EBIT, EBITDA and EPS results for the year 2014.

- Consolidated sales of € 3.2 billion (+0.9%) and combined sales of € 4.0 billion (-1.7%)
- Currency impact: € -72 million (-2.3%) on consolidated sales and € -144 million (-3.5%) on combined sales
- Gross profit of € 486 million (15.1% margin) compared with € 482 million (15.1%) in 2013
- REBIT of € 164 million (5.1% margin) compared with € 166 million (5.2%)
- Non-recurring items of € +7 million compared with € -29 million
- EBIT of € 171 million (5.3%) compared with € 137 million (4.3%)
- EBITDA of € 342 million (10.6%) compared with € 297 million (9.3%)
- EPS: € 1.51 compared with € 0.42

Bekaert continued to invest in future growth:

- Since January 2014 the company acquired a steel wire business in Costa Rica, the steel cord activities of Pirelli, and ropes businesses in the US and Brazil. The company also signed an agreement for the acquisition of a ropes entity in Australia early 2015
- R&D expenses totaled € 59 million (€ 62 million in 2013)
- Capital expenditure (plant, property and equipment) reached € 133 million, up 40% from last year
- Net debt increased from € 574 million to € 853 million, primarily as a result of cash costs associated with the Pirelli steel cord acquisition

The Board of Directors will propose to the Annual Meeting of Shareholders a gross dividend of € 0.85 per share, unchanged from the previous year.

### Outlook

We expect the low running rate of the fourth quarter of 2014, driven particularly by a downturn in Asia, to continue in the first quarter of 2015. However, we do expect a positive impact of currency movements as of the first quarter and we anticipate improved demand in the balance of the year.

Given the economic environment and the company's current performance, Bekaert is undertaking a set of actions to drive value creation over time. In addition, the recently acquired tire cord and ropes businesses will be important contributors to our strategy of improving our product portfolio and financial performance.

<sup>1</sup> All comparisons are made relative to the financial year 2013.

## Financial Statements Summary

| in millions of €                                    | 2013  | 2014  | 1H 2014 | 2H 2014 |
|---|-------|-------|---------|---------|
| Consolidated sales                                  | 3 186 | 3 216 | 1 609   | 1 607   |
| Operating result before non-recurring items (REBIT) | 166   | 164   | 101     | 63      |
| REBIT margin on sales                               | 5.2%  | 5.1%  | 6.3%    | 3.9%    |
| Non-recurring items                                 | -29   | 7     | 17      | -10     |
| Operating result (EBIT)                             | 137   | 171   | 118     | 53      |
| EBIT margin on sales                                | 4.3%  | 5.3%  | 7.3%    | 3.3%    |
| Depreciation, amortization and impairment losses    | 160   | 182   | 83      | 99      |
| Negative goodwill                                   | -     | -11   | -11     | 0       |
| EBITDA  | 297   | 342   | 190     | 152     |
| EBITDA margin on sales                              | 9.3%  | 10.6% | 11.8%   | 9.5%    |
| Combined sales                                      | 4 111 | 4 040 | 2 023   | 2 017   |

## Sales

Bekaert achieved € 3.2 billion consolidated sales and € 4.0 billion combined sales in 2014, remaining stable over last year. The organic consolidated sales growth (+2.8%) was cancelled out in Bekaert's top line by the effect of adverse currency movements, the Chilean peso in particular.

At the combined sales level, currency effects were highly negative due to the average depreciation of the Brazilian real for the full year 2014.

## Consolidated and combined sales by segment

### 2014 quarter-on-quarter progress per segment – consolidated sales in millions of €

| Consolidated sales | 1 <sup>st</sup> Q | 2 <sup>nd</sup> Q | 3 <sup>rd</sup> Q | 4 <sup>th</sup> Q | Q4 y-o-y <sup>2</sup> | Q4 FX <sup>3</sup> |
|--------------------|-------------------|-------------------|-------------------|-------------------|-----------------------|--------------------|
| EMEA               | 275               | 279               | 264               | 245               | -2%                   | -2                 |
| North America      | 139               | 142               | 140               | 134               | +8%                   | +11                |
| Latin America      | 141               | 154               | 163               | 173               | +17%                  | -1                 |
| Asia Pacific       | 226               | 252               | 247               | 241               | -1%                   | +17                |
| <b>Total</b>       | <b>782</b>        | <b>827</b>        | <b>814</b>        | <b>793</b>        | <b>+4%</b>            | <b>+25</b>         |

### Full Year 2014 consolidated sales in millions of €

| Consolidated sales | 2013         | 2014         | Variance   | Share       | FX impact  |
|--------------------|--------------|--------------|------------|-------------|------------|
| EMEA               | 1 040        | 1 064        | +2%        | 33%         | -9         |
| North America      | 548          | 555          | +1%        | 17%         | -5         |
| Latin America      | 645          | 631          | -2%        | 20%         | -47        |
| Asia Pacific       | 953          | 966          | +1%        | 30%         | -11        |
| <b>Total</b>       | <b>3 186</b> | <b>3 216</b> | <b>+1%</b> | <b>100%</b> | <b>-72</b> |

<sup>2</sup> Q4 year-on-year sales: 4<sup>th</sup> quarter 2014 versus 4<sup>th</sup> quarter 2013.

<sup>3</sup> Foreign exchange impact on sales in the 4<sup>th</sup> quarter of 2014. Year-on-year comparison computed on the basis of ytd Q4 versus ytd Q3.

**2014 quarter-on-quarter progress per segment – combined sales<sup>4</sup> in millions of €**

| Combined sales | 1 <sup>st</sup> Q | 2 <sup>nd</sup> Q | 3 <sup>rd</sup> Q | 4 <sup>th</sup> Q | Q4 y-o-y <sup>5</sup> | 4Q FX <sup>6</sup> |
|----------------|-------------------|-------------------|-------------------|-------------------|-----------------------|--------------------|
| EMEA           | 273               | 275               | 259               | 242               | -1%                   | -2                 |
| North America  | 139               | 142               | 140               | 134               | +8%                   | +11                |
| Latin America  | 340               | 353               | 370               | 358               | +3%                   | -4                 |
| Asia Pacific   | 237               | 264               | 260               | 253               | =                     | +18                |
| <b>Total</b>   | <b>990</b>        | <b>1 033</b>      | <b>1 029</b>      | <b>988</b>        | <b>+2%</b>            | <b>+24</b>         |

**Full Year 2014 combined sales in millions of €**

| Combined sales | 2013         | 2014         | Variance   | Share       | FX impact   |
|----------------|--------------|--------------|------------|-------------|-------------|
| EMEA           | 1 028        | 1 049        | +2%        | 26%         | -9          |
| North America  | 548          | 555          | +1%        | 14%         | -5          |
| Latin America  | 1 534        | 1 422        | -7%        | 35%         | -118        |
| Asia Pacific   | 1 001        | 1 014        | +1%        | 25%         | -13         |
| <b>Total</b>   | <b>4 111</b> | <b>4 040</b> | <b>-2%</b> | <b>100%</b> | <b>-144</b> |

## Segment reports

### EMEA

| Key figures (in millions of €)                      | 2013  | 2014  | 1H 2014 | 2H 2014 |
|---|-------|-------|---------|---------|
| Consolidated sales                                  | 1 040 | 1 064 | 555     | 509     |
| Operating result before non-recurring items (REBIT) | 88    | 114   | 64      | 51      |
| REBIT margin on sales                               | 8.5%  | 10.8% | 11.5%   | 10.0%   |
| Non-recurring items                                 | -3    | 2     | 7       | -5      |
| Operating result (EBIT)                             | 85    | 116   | 70      | 46      |
| EBIT margin on sales                                | 8.1%  | 10.9% | 12.7%   | 9.0%    |
| Depreciation, amortization and impairment losses    | 48    | 49    | 22      | 27      |
| EBITDA  | 133   | 165   | 93      | 72      |
| EBITDA margin on sales                              | 12.8% | 15.5% | 16.7%   | 14.2%   |
| Segment assets                                      | 716   | 877   | 780     | 877     |
| Segment liabilities                                 | 188   | 211   | 203     | 211     |
| Capital employed                                    | 528   | 666   | 578     | 666     |

Demand from European markets was strong throughout 2014 across most sectors. Automotive demand, in particular, boosted volume growth for tire cord and other steel wire applications in the region.

Our activities in EMEA delivered solid results driven through increased volumes and a favorable product mix. Bekaert realized 30% REBIT increase in the region and lifted profit margins to a record high, making this segment the largest contributor to the Group's consolidated profit for the year 2014.

Non-recurring items amounted to € +2 million and mainly related to the gain on the sale of property in Belgium, partly offset by impairments.

<sup>4</sup> Combined sales are sales of consolidated companies plus 100% of sales of joint ventures and associates after intercompany elimination.

<sup>5</sup> Q4 year-on-year sales: 4<sup>th</sup> quarter 2014 versus 4<sup>th</sup> quarter 2013.

<sup>6</sup> Foreign exchange impact on sales in the 4<sup>th</sup> quarter of 2014. Year-on-year comparison computed on the basis of ytd Q4 versus ytd Q3.

Capital expenditure (PP&E) amounted to € 33 million and mainly related to capacity expansions in Slovakia and Belgium.

Bekaert anticipates continued solid demand and performance in most European markets. Europe will become even a bigger contributor to the Group's consolidated figures as a result of the integration of the steel cord entities acquired from Pirelli in Romania, Italy and Turkey.

## NORTH AMERICA

| Key figures (in millions of €)                      | 2013 | 2014 | 1H 2014 | 2H 2014 |
|---|------|------|---------|---------|
| Consolidated sales                                  | 548  | 555  | 281     | 274     |
| Operating result before non-recurring items (REBIT) | 19   | 20   | 14      | 6       |
| REBIT margin on sales                               | 3.4% | 3.6% | 5.1%    | 2.1%    |
| Non-recurring items                                 | -11  | 8    | 1       | 7       |
| Operating result (EBIT)                             | 8    | 28   | 15      | 13      |
| EBIT margin on sales                                | 1.5% | 5.0% | 5.4%    | 4.7%    |
| Depreciation, amortization and impairment losses    | 14   | 10   | 5       | 5       |
| EBITDA  | 22   | 38   | 20      | 17      |
| EBITDA margin on sales                              | 4.0% | 6.8% | 7.2%    | 6.4%    |
| Segment assets                                      | 245  | 303  | 289     | 303     |
| Segment liabilities                                 | 58   | 69   | 69      | 69      |
| Capital employed                                    | 187  | 234  | 220     | 234     |

Improved demand from automotive markets could not compensate for our demand decline in other North American industrial, construction and agriculture markets in 2014.

Bekaert's activities recorded higher volumes in comparison with a weak 2013. The segment, however, continued to underperform in terms of profitability due to underutilized production capacity and price pressure from import flows. On top of the usual seasonality effects at year-end, Bekaert was hit by a fire which caused structural damage to parts of the Rome (Georgia) production plant.

Non-recurring items amounted to € +8 million and mainly related to a recognition of the insurance revenue related to the Rome fire, while further expenses associated with the plant reconstruction will be incurred in 2015.

Capital expenditure (PP&E) amounted to € 26 million and related mainly to ropes, tire cord and bead wire activities.

Bekaert anticipates a slight improvement in most markets in 2015, but does not project a major turnaround in profitability due to persistent price pressure and increased transportation expenses as well as partial volume losses caused by the fire in Rome.

## LATIN AMERICA

| Key figures (in millions of €)                      | 2013  | 2014  | 1H 2014 | 2H 2014 |
|---|-------|-------|---------|---------|
| Consolidated sales                                  | 645   | 631   | 295     | 336     |
| Operating result before non-recurring items (REBIT) | 44    | 26    | 11      | 15      |
| REBIT margin on sales                               | 6.8%  | 4.1%  | 3.9%    | 4.4%    |
| Non-recurring items                                 | -     | 8     | 10      | -2      |
| Operating result (EBIT)                             | 44    | 34    | 21      | 13      |
| EBIT margin on sales                                | 6.8%  | 5.4%  | 7.1%    | 3.9%    |
| Depreciation, amortization and impairment losses    | 20    | 17    | 8       | 9       |
| Negative goodwill                                   | -     | -11   | -11     | 0       |
| EBITDA  | 64    | 40    | 18      | 22      |
| EBITDA margin on sales                              | 9.9%  | 6.3%  | 6.2%    | 6.4%    |
| Combined sales                                      | 1 534 | 1 422 | 693     | 729     |
| Segment assets                                      | 407   | 620   | 507     | 620     |
| Segment liabilities                                 | 76    | 112   | 98      | 112     |
| Capital employed                                    | 331   | 508   | 409     | 508     |

Latin American markets have become very competitive due to increased Asian imports. Reduced government budgets and public spending, driven by the price declines for copper, oil and other commodities have led to a downturn in mining and public infrastructure markets. Fiscal reforms and elections added to the uncertainty in various countries and sectors. The economy in Venezuela came to a standstill as a result of the political and monetary instability.

Excluding the impact of acquisitions and of Venezuela where volumes dropped more than 40% as a result of forced shutdowns due to raw material shortages, Bekaert's activities in Latin America achieved stable volumes over last year. The segment's top line increased significantly in the second half of 2014 (+15% year-on-year), thanks to a better price-mix and a much lower impact of adverse currency effects as accounted for in the first half of 2014. Profit margins picked up slightly in the second half of 2014 but remained at a low level due to competition with imports and the integration and start-up costs in Costa Rica.

The non-recurring items mainly related to pension plan adjustments, the acquisition in Costa Rica, and the purchase of the remaining shares of the ropes activity in Brazil.

Bekaert invested € 32 million in property, plant and equipment, including the Dramix® greenfield in Costa Rica.

The significant impact of currency movements on combined sales was due to the volatility of the Brazilian real. While picking up toward year-end the total average year-on-year effect of the real was € -71 million on sales.

Bekaert anticipates a relatively stable demand for its consolidated businesses in the first quarter of 2015. The integration of the steel cord entity acquired from Pirelli in Brazil will add to Bekaert's financial statements as of 1 January 2015.

Bekaert projects weakening business conditions in Brazil, in line with the evolutions impacting the Brazilian economy.

## ASIA PACIFIC

| Key figures (in millions of €)                      | 2013  | 2014  | 1H 2014 | 2H 2014 |
|---|-------|-------|---------|---------|
| Consolidated sales                                  | 953   | 966   | 478     | 488     |
| Operating result before non-recurring items (REBIT) | 77    | 63    | 43      | 20      |
| REBIT margin on sales                               | 8.1%  | 6.5%  | 8.9%    | 4.2%    |
| Non-recurring items                                 | -4    | -9    | -4      | -6      |
| Operating result (EBIT)                             | 73    | 54    | 39      | 15      |
| EBIT margin on sales                                | 7.7%  | 5.6%  | 8.2%    | 3.1%    |
| Depreciation, amortization and impairment losses    | 80    | 106   | 49      | 57      |
| EBITDA  | 153   | 159   | 88      | 71      |
| EBITDA margin on sales                              | 16.1% | 16.5% | 18.4%   | 14.6%   |
| Combined sales                                      | 1 001 | 1 014 | 501     | 513     |
| Segment assets                                      | 1 221 | 1 282 | 1 219   | 1 282   |
| Segment liabilities                                 | 134   | 144   | 143     | 144     |
| Capital employed                                    | 1 087 | 1 139 | 1 076   | 1 139   |

Bekaert's activities in Asia Pacific achieved 6% volume growth year-on-year. This was the result of strong sales across Asia in the first nine months of the year, followed by a weak fourth quarter driven by the overall demand slowdown in Chinese tire markets. Price erosion, currency effects and passed-on lower wire rod prices tempered the top line growth rate in the region to 1.3% year-on-year.

Bekaert held on to stable price levels in China during the weak final quarter of 2014, and lost some market share in truck tire markets.

Bekaert's tire cord activities in India recorded solid growth. The company also retained its leadership position at a constant share in the growing solar markets in China. The resulting positive effects were, however, compensated by continued weak performance in the recently acquired entities in South-East Asia.

The non-recurring items mainly related to asset impairments on activities in South-East Asia.

Bekaert continued to invest significantly across the region and recorded a total of € 51 million investments in PP&E in 2014.

Bekaert projects continued difficult market conditions in China in the first quarter of 2015. The company is implementing actions to improve the cost-efficiency of operations and to turn around the underperformance of the Malaysian businesses.

## Investment update and other information

On 6 February 2015, Bekaert and Pirelli successfully closed the acquisition by Bekaert of the Pirelli steel cord plant in Izmit, Turkey. The deal closing in Turkey followed the ownership transfer of the steel cord plants in Figline (Italy), Slatina (Romania), and Sumaré (Brazil) as announced on 18 December 2014. The agreement between Bekaert and Pirelli also includes Pirelli's steel cord activities in Yanzhou (China). The closing of the acquisition of the steel cord entity in Yanzhou, China, will occur when the respective regulatory approvals are obtained. The financial results of the entities in Italy, Romania and Brazil are included in the consolidated statements of Bekaert as from 1 January 2015. The results of the plant in Turkey will be integrated as from 1 February 2015.

Bekaert announced, on 5 February 2015, the acquisition of the wire rope business of Arrium Ltd in Newcastle, Australia. The integration of the Australian ropes activities will enhance Bekaert's growth strategy in steel wire ropes in general and will enable the Group to take a leading global market position in mining ropes in particular. The transaction is estimated to add € 40 million to Bekaert's consolidated sales on an annual basis and has an enterprise value of approximately € 60 million. Bekaert and Arrium anticipate a deal closing in the course of the first quarter of 2015. Upon deal closure, the Australian ropes activities will be integrated in the Bekaert Rope Group. In this newly established Group, Bekaert and their Chilean partners, through Matco Cables SpA, now hold 65% and 35% respectively of all ropes entities in Canada, Chile, Peru, Brazil and the US.

In addition to the 1 652 677 treasury shares held as of 31 December 2013, Bekaert purchased 2 622 333 own shares in the course of 2014. None of those shares were disposed of in connection with stock option plans or cancelled in 2014. As a result, the company held an aggregate 4 275 010 treasury shares at the end of 2014.

Net debt increased from € 574 million to € 853 million as a result of capital expenditure and acquisitions. The acquisition impact of the Pirelli steel cord plants accounted for € 207 million of the increase. Net debt on EBITDA was 2.5. Excluding the Pirelli impact, net debt on EBITDA was 1.9, unchanged from last year.

## Financial Review

### Dividend

The Board of Directors will propose that the General Meeting of Shareholders on 13 May 2015 approve the distribution of a gross dividend of € 0.85 per share. The dividend will, upon approval by the General Meeting of Shareholders, become payable as of 20 May 2015.

### Financial results

Bekaert achieved an operating result before non-recurring items (REBIT) of € 164 million (versus € 166 million in 2013). This equates to a REBIT margin on sales of 5.1%. Non-recurring items amounted to € 7 million (compared with € -29 million last year), mainly related to the recognition of a negative goodwill on business combinations and the gains on the sale of property. Including non-recurring items, EBIT was € 171 million, representing an EBIT margin on sales of 5.3% (versus 4.3%). EBITDA reached € 342 million, representing an EBITDA margin on sales of 10.6% (versus 9.3%).

Selling and administrative expenses increased by € 12 million to € 265 million as a result of the significant reversal of bad debt provisions in 2013 and expenses incurred in 2014 in relation to the acquisition transactions. Research and development expenses decreased by € 3 million to € 59 million as a result of efficiency gains.

Interest income and expenses amounted to € -63 million (versus € -64 million) due to an average lower interest rate on the gross debt. Other financial income and expenses amounted to € -4 million (versus € -20 million), mainly due to currency movements.

Taxation on profit was € 42 million versus € 48 million last year.

The share in the result of joint ventures and associated companies decreased from € 30 million to € 25 million due to a difficult economic environment in Brazil.

The result for the period thus totaled € 88 million, compared with € 36 million in 2013. The result attributable to non-controlling interests was limited to € 0.4 million due to the losses and impairments on businesses in South East Asia. After non-controlling interests, the result for the period attributable to the Group was € 87 million, compared with € 25 million last year. Earnings per share amounted to € 1.51, up from € 0.42 in 2013.

## Balance sheet

As at 31 December 2014, shareholders' equity represented 39.6% of total assets. The gearing ratio (net debt to equity) was 54.5% (versus 38.2%).

## Cash flow statement

Cash from operating activities amounted to € 187 million (2013: € 306 million). Operating working capital increased by € 55 million. Cash flow attributable to investing activities amounted to € -225 million, of which € -133 million related to capital expenditure (PP&E) and € -110 million on new business combinations. Cash flows from financing activities totaled € 88 million (versus € -192 million in 2013) and were, among other elements, driven by € 194 million spent on interests, dividend and treasury shares and the issuance of the convertible bond (€ 300 million).

## NV Bekaert SA (statutory accounts)

The Belgium-based entity's sales amounted to € 414 million, an increase of 7 % compared to 2013. The operating profit was € 44.8 million, compared with € -4.1 million last year, resulting from the application of the extended scope of capitalization of R&D project costs. The financial result was € 7.1 million (€ 5.6 million in 2013) and the extraordinary result was € 18.0 million (versus € 61.0 million), mainly related to gains on disposals of assets and extraordinary depreciations. This led to a result for the period of € 71.3 million compared with € 63.5 million in 2013.



## Financial Calendar

|   |    |          |      |
|---|----|----------|------|
| 2014 results  | 27 | February | 2015 |
| The CEO and the CFO of Bekaert will present the results to the investment community at 02:00 p.m. CET.<br>This conference can be accessed live upon registration via the Bekaert <a href="#">website</a> in listen-only mode. |    |          |      |
| 2014 annual report available on <a href="http://www.bekaert.com">www.bekaert.com</a>  | 27 | March    | 2015 |
| First quarter trading update 2015   | 13 | May      | 2015 |
| General Meeting of Shareholders   | 13 | May      | 2015 |
| Dividend ex-date  | 15 | May      | 2015 |
| Dividend payable  | 20 | May      | 2015 |
| 2015 half year results  | 31 | July     | 2015 |
| Third quarter trading update 2015   | 13 | November | 2015 |

### Statement from the statutory auditor

The statutory auditor has confirmed that the audit procedures on the consolidated financial statements have been substantially completed and have revealed no material adjustments that would have to be made to the accounting information included in this press release. In preparing the consolidated financial statements, the same accounting policies and methods of computation have been used as in the 31 December 2013 annual consolidated financial statements. None of the new, amended or revised IFRSs that have been adopted as of 1 January 2014 have had a material impact on this report.

### Statement from the responsible persons

The undersigned persons state that, to the best of their knowledge:

- the consolidated financial statements of NV Bekaert SA and its subsidiaries as of 31 December 2014 have been prepared in accordance with the International Financial Reporting Standards, and give a true and fair view of the assets and liabilities, financial position and results of the whole of the companies included in the consolidation; and
- the annual report on the consolidated financial statements gives a fair overview of the development and the results of the business and of the position of the whole of the companies included in the consolidation, as well as a description of the principal risks and uncertainties faced by them.

On behalf of the Board of Directors,

Matthew Taylor  
Chief Executive Officer

Bert De Graeve  
Chairman of the Board of Directors

### Disclaimer

This press release may contain forward-looking statements. Such statements reflect the current views of management regarding future events, and involve known and unknown risks, uncertainties and other factors that may cause actual results to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Bekaert is providing the information in this press release as of this date and does not undertake any obligation to update any forward-looking statements contained in this press release in light of new information, future events or otherwise. Bekaert disclaims any liability for statements made or published by third parties and does not undertake any obligation to correct inaccurate data, information, conclusions or opinions published by third parties in relation to this or any other press release issued by Bekaert.

### Company 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 more than 28 000 people worldwide. Serving customers in 120 countries, Bekaert pursues sustainable profitable growth in all its activities and generated combined sales of € 4 billion in 2014.

Annex 1: Press release 27 February 2015

## Consolidated income statement

| (in thousands of €)  | 2013           | 2014           |
|--|----------------|----------------|
| Sales  | 3 185 628      | 3 215 714      |
| Cost of sales  | -2 703 316     | -2 729 995     |
| <b>Gross profit</b>  | <b>482 312</b> | <b>485 719</b> |
| Selling expenses   | -128 207       | -138 126       |
| Administrative expenses                                    | -124 924       | -126 894       |
| Research and development expenses                          | -62 429        | -59 261        |
| Other operating revenues                                   | 12 502         | 21 978         |
| Other operating expenses                                   | -13 337        | -19 009        |
| <b>Operating result before non-recurring items (REBIT)</b> | <b>165 917</b> | <b>164 407</b> |
| Non-recurring items  | -28 647        | 6 847          |
| <b>Operating result (EBIT)</b>                             | <b>137 270</b> | <b>171 254</b> |
| Interest income  | 6 449          | 5 291          |
| Interest expense   | -70 154        | -68 215        |
| Other financial income and expenses                        | -19 822        | -3 730         |
| <b>Result before taxes</b>                                 | <b>53 743</b>  | <b>104 600</b> |
| Income taxes   | -47 916        | -42 376        |
| <b>Result after taxes (consolidated companies)</b>         | <b>5 827</b>   | <b>62 224</b>  |
| Share in the results of joint ventures and associates      | 30 244         | 25 330         |
| <b>RESULT FOR THE PERIOD</b>                               | <b>36 071</b>  | <b>87 554</b>  |
| Attributable to  |                |                |
| the Group  | 24 574         | 87 176         |
| non-controlling interests                                  | 11 497         | 378            |
| <b>EARNINGS PER SHARE (in € per share)</b>                 |                |                |
| Result for the period attributable to the Group            |                |                |
| Basic  | 0.42           | 1.51           |
| Diluted  | 0.42           | 1.33           |

Annex 2: Press release 27 February 2015

## Reconciliation of segment reporting

### Key Figures per Segment

| (in millions of €)                            | EMEA  | N-AM | L-AM | APAC  | GROUP <sup>1</sup> | RECONC <sup>2</sup> | 2014  |
|---|-------|------|------|-------|--------------------|---------------------|-------|
| Consolidated sales                            | 1 064 | 555  | 631  | 966   | -                  | -                   | 3 216 |
| Operating result before non-recurring items   | 114   | 20   | 26   | 63    | -61                | 2                   | 164   |
| REBIT margin on sales                         | 10.8% | 3.6% | 4.1% | 6.5%  | -                  | -                   | 5.1%  |
| Non-recurring items                           | 2     | 8    | 8    | -9    | -1                 | -                   | 7     |
| Operating result (EBIT)                       | 116   | 28   | 34   | 54    | -62                | 1                   | 171   |
| EBIT margin on sales                          | 10.9% | 5.0% | 5.4% | 5.6%  | -                  | -                   | 5.3%  |
| Depreciation, amortization, impairment losses | 49    | 10   | 17   | 106   | 15                 | -15                 | 182   |
| Negative goodwill                             | -     | -    | -11  | -     | -                  | -                   | -11   |
| EBITDA  | 165   | 38   | 40   | 159   | -48                | -12                 | 342   |
| EBITDA margin on sales                        | 15.5% | 6.8% | 6.3% | 16.5% | -                  | -                   | 10.6% |
| Segment assets                                | 877   | 303  | 620  | 1 282 | 160                | -205                | 3 037 |
| Segment liabilities                           | 211   | 69   | 112  | 144   | 76                 | -99                 | 513   |
| Capital employed                              | 666   | 234  | 508  | 1 139 | 84                 | -107                | 2 524 |

<sup>1</sup> Group and business support

<sup>2</sup> Reconciliations

Annex 3: Press release 27 February 2015

## Consolidated statement of comprehensive income

| (in thousands of €)   | 2013           | 2014           |
|---|----------------|----------------|
| <b>Result for the period</b>  | <b>36 071</b>  | <b>87 554</b>  |
| <b>Other comprehensive income (OCI)</b>   |                |                |
| <i>Other comprehensive income reclassifiable to profit or loss in subsequent periods:</i>     |                |                |
| Exchange differences  | -86 105        | 92 868         |
| Inflation adjustments   | 758            | 1 574          |
| Cash flow hedges  | 854            | 755            |
| Available-for-sale investments  | 773            | 1 405          |
| Share of reclassifiable OCI of joint ventures and associates                                  | -              | -              |
| Deferred taxes relating to reclassifiable OCI   | -2 201         | 1 066          |
| <b>OCI reclassifiable to profit or loss in subsequent periods, after tax</b>                  | <b>-85 921</b> | <b>97 668</b>  |
| <i>Other comprehensive income non-reclassifiable to profit or loss in subsequent periods:</i> |                |                |
| Remeasurement gains and losses on defined-benefit plans                                       | 21 734         | -28 418        |
| Share of non-reclassifiable OCI of joint ventures and associates                              | -              | -219           |
| Deferred taxes relating to OCI not to be reclassified   | 826            | 1 021          |
| <b>OCI non-reclassifiable to profit or loss in subsequent periods, after tax</b>              | <b>22 560</b>  | <b>-27 616</b> |
| <b>Other comprehensive income for the period</b>  | <b>-63 361</b> | <b>70 052</b>  |
| <b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>  | <b>-27 290</b> | <b>157 606</b> |
| Attributable to   |                |                |
| the Group   | -23 472        | 141 948        |
| non-controlling interests   | -3 818         | 15 658         |

Annex 4: Press release 27 February 2015

## Consolidated balance sheet

| (in thousands of €)  | 2013             | 2014             |
|--|------------------|------------------|
| <b>Non-current assets</b>                                      | <b>1 608 640</b> | <b>1 850 842</b> |
| Intangible assets  | 71 043           | 98 087           |
| Goodwill   | 16 369           | 18 483           |
| Property, plant and equipment                                  | 1 239 058        | 1 432 803        |
| Investments in joint ventures and associates                   | 155 838          | 155 734          |
| Other non-current assets                                       | 48 781           | 44 468           |
| Deferred tax assets  | 77 551           | 101 267          |
| <b>Current assets</b>  | <b>1 771 817</b> | <b>2 106 873</b> |
| Inventories  | 539 265          | 640 807          |
| Bills of exchange received                                     | 110 218          | 114 118          |
| Trade receivables  | 583 215          | 707 569          |
| Other receivables  | 83 781           | 106 627          |
| Short-term deposits  | 10 172           | 14 160           |
| Cash and cash equivalents                                      | 391 857          | 458 542          |
| Other current assets   | 51 213           | 65 050           |
| Assets classified as held for sale                             | 2 096            | -                |
| <b>Total</b>   | <b>3 380 457</b> | <b>3 957 715</b> |
| <b>Equity</b>  | <b>1 503 876</b> | <b>1 566 212</b> |
| Share capital  | 176 773          | 176 914          |
| Share premium  | 31 055           | 31 693           |
| Retained earnings  | 1 307 618        | 1 352 197        |
| Other Group reserves   | -169 170         | -194 013         |
| <b>Equity attributable to the Group</b>                        | <b>1 346 276</b> | <b>1 366 791</b> |
| <b>Non-controlling interests</b>                               | <b>157 600</b>   | <b>199 421</b>   |
| <b>Non-current liabilities</b>                                 | <b>904 966</b>   | <b>1 204 581</b> |
| Employee benefit obligations                                   | 136 602          | 175 774          |
| Provisions   | 40 510           | 55 744           |
| Interest-bearing debt  | 688 244          | 910 074          |
| Other non-current liabilities                                  | 2 587            | 8 736            |
| Deferred tax liabilities                                       | 37 023           | 54 253           |
| <b>Current liabilities</b>                                     | <b>971 615</b>   | <b>1 186 922</b> |
| Interest-bearing debt  | 321 907          | 441 552          |
| Trade payables   | 338 864          | 390 943          |
| Employee benefit obligations                                   | 121 117          | 121 934          |
| Provisions   | 23 912           | 20 493           |
| Income taxes payable   | 83 329           | 97 424           |
| Other current liabilities                                      | 82 486           | 114 576          |
| Liabilities associated with assets classified as held for sale | -                | -                |
| <b>Total</b>   | <b>3 380 457</b> | <b>3 957 715</b> |

Annex 5: Press release 27 February 2015

## Consolidated statement of changes in equity

| (in thousands of €)                               | 2013             | 2014             |
|---|------------------|------------------|
| <b>Opening balance</b>                            | <b>1 603 593</b> | <b>1 503 876</b> |
| Total comprehensive income for the period         | -27 290          | 157 606          |
| Capital contribution by non-controlling interests | -                | 53 399           |
| Effect of acquisitions and disposals              | -                | 22 683           |
| Creation of new shares                            | 1 048            | 779              |
| Treasury shares transactions                      | -15 275          | -72 102          |
| Dividends to shareholders of NV Bekaert SA        | -49 596          | -49 650          |
| Dividends to non-controlling interests            | -12 960          | -53 224          |
| Other   | 4 356            | 2 845            |
| <b>Closing balance</b>                            | <b>1 503 876</b> | <b>1 566 212</b> |

Annex 6: Press release 27 February 2015

## Consolidated cash flow statement

| (in thousands of €)  | 2013            | 2014            |
|--|-----------------|-----------------|
| Operating result (EBIT)  | 137 270         | 171 254         |
| Non-cash items included in operating result                      | 192 884         | 187 847         |
| Investing items included in operating result                     | 480             | -8 057          |
| Amounts used on provisions and employee benefit obligations      | -45 329         | -44 452         |
| Income taxes paid  | -51 507         | -45 827         |
| <b>Gross cash flows from operating activities</b>                | <b>233 798</b>  | <b>260 765</b>  |
| Change in operating working capital                              | 78 491          | -54 623         |
| Other operating cash flows                                       | -6 526          | -19 193         |
| <b>Cash flows from operating activities</b>                      | <b>305 763</b>  | <b>186 949</b>  |
| New business combinations  | -               | -108 512        |
| Other portfolio investments                                      | -               | -1 973          |
| Proceeds from disposals of investments                           | 6 668           | 3 103           |
| Dividends received   | 13 705          | 20 724          |
| Purchase of intangible assets                                    | -2 176          | -21 752         |
| Purchase of property, plant and equipment                        | -94 637         | -132 784        |
| Other investing cash flows                                       | 4 474           | 15 847          |
| <b>Cash flows from investing activities</b>                      | <b>-71 966</b>  | <b>-225 347</b> |
| Interest received  | 9 989           | 5 338           |
| Interest paid  | -75 291         | -61 069         |
| Gross dividend paid  | -58 341         | -66 396         |
| Proceeds from non-current interest-bearing debt                  | 80 036          | 343 960         |
| Repayment of non-current interest-bearing debt                   | -202 201        | -191 172        |
| Cash flows from/to(-) current interest-bearing debt              | -34 338         | 147 605         |
| Treasury shares transactions                                     | -15 275         | -72 102         |
| Other financing cash flows                                       | 103 005         | -18 219         |
| <b>Cash flows from financing activities</b>                      | <b>-192 416</b> | <b>87 945</b>   |
| <b>Net increase or decrease (-) in cash and cash equivalents</b> | <b>41 381</b>   | <b>49 547</b>   |
| <b>Cash and cash equivalents at the beginning of the period</b>  | <b>352 312</b>  | <b>391 857</b>  |
| Effect of exchange rate fluctuations                             | -1 836          | 17 138          |
| <b>Cash and cash equivalents at the end of the period</b>        | <b>391 857</b>  | <b>458 542</b>  |

Annex 7: Press release 27 February 2015

## Additional key figures

| (in € per share)   | 2013        | 2014        |
|--|-------------|-------------|
| Number of existing shares at 31 December                   | 60 063 871  | 60 111 405  |
| Book value   | 22.41       | 22.74       |
| Share price at 31 December                                 | 25.72       | 26.35       |
| Weighted average number of shares                          |             |             |
| Basic  | 58 519 782  | 57 599 873  |
| Diluted  | 58 699 429  | 58 876 312  |
| Result for the period attributable to the Group            |             |             |
| Basic  | 0.42        | 1.51        |
| Diluted  | 0.42        | 1.33        |
| (in thousands of € - ratios)                               | 2013        | 2014        |
| EBITDA   | 296 991     | 341 935     |
| Depreciation and amortization and impairment losses        | 159 721     | 181 573     |
| Negative goodwill  | -           | -10 893     |
| Capital employed   | 2 119 306   | 2 523 984   |
| Operating working capital                                  | 792 836     | 974 611     |
| Net debt   | 574 016     | 852 959     |
| REBIT on sales   | 5.2%        | 5.1%        |
| EBIT on sales  | 4.3%        | 5.3%        |
| EBITDA on sales  | 9.3%        | 10.6%       |
| Equity on total assets                                     | 44.5%       | 39.6%       |
| Gearing (net debt on equity)                               | 38.2%       | 54.5%       |
| Net debt on EBITDA   | 1.9         | 2.5         |
| Net debt on REBITDA  | 1.8         | 2.6         |
| <b>NV Bekaert SA - Statutory Profit and Loss Statement</b> | <b>2013</b> | <b>2014</b> |
| (in thousands of €)  |             |             |
| Sales  | 386 339     | 413 834     |
| Operating result   | -4 122      | 44 843      |
| Financial result   | 5 644       | 7 062       |
| Profit from ordinary activities                            | 1 522       | 51 905      |
| Extraordinary results                                      | 61 009      | 18 046      |
| Profit before income taxes                                 | 62 531      | 69 951      |
| Income taxes   | 1 013       | 1 303       |
| Result for the period                                      | 63 544      | 71 254      |



Annex 8: Press release 27 February 2015

## Definitions

### Associates

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.

### Book value per share

Group equity divided by number of shares outstanding at balance sheet date.

### Capital employed (CE)

Working capital + net intangible assets + net goodwill + net property, plant and equipment. The average CE is weighted by the number of periods that an entity has contributed to the consolidated result.

### EBIT

Operating result (earnings before interest and taxation).

### EBITDA

Operating result (EBIT) + depreciation, amortization, impairment of assets and negative goodwill.

### Equity method

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.

### Gearing

Net debt relative to equity.

### Joint ventures

Companies under joint control in which Bekaert generally has an interest of approximately 50%. Joint ventures are accounted for using the equity method.

### Net debt

Interest-bearing debt net of current loans, non-current financial receivables and cash guarantees, 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.

### Non-recurring items

Operating income and expenses that are related to restructuring programs, impairment losses, business combinations, business disposals, environmental provisions or other events and transactions that have a one-time effect.

### REBIT

Recurring EBIT = EBIT before non-recurring items.

### Sales (combined)

Sales of consolidated companies + 100% of sales of joint ventures and associates after intercompany elimination.

### Subsidiaries

Companies in which Bekaert exercises control and has an interest of more than 50%.

### Working capital (operating)

Inventories + trade receivables + bills of exchange received + advances paid - trade payables - advances received - remuneration and social security payables - employment-related taxes.