

Summary of 2003 results

- Overall strong performance
- Result from operations reached €112 million, an increase of 74%
- A net result of €85 million
- EPS before goodwill amounts to €4.32
- A proposed gross dividend of €1.748 per share, an increase of 4%

IFRS

In 2003, Bekaert decided to move to full compliance with IFRS as a 'first-time adopter'; consequently the results are compliant with the application of IFRS 1. Bekaert now reports in four segments (advanced wire products, fencing systems Europe, advanced materials and advanced coatings). This reporting is introduced in accordance with the standard IAS 14 (see page 46).

Sales

At €1.8 billion, consolidated sales were down by 3.6%. At constant currencies, consolidated sales would have been up by 4.1%. This growth was driven by organic growth (2.4%) and by new acquisitions, net of divestments (1.7%). Sales were favourably affected by the increasing activities in Asia and in Central Europe, while sales in North America and Western Europe remained weak.

Sales 2003 by segment		Consolidated		
in millions of euro	€	%	Δ2002	
Advanced wire products	1 196	66.6	(0.8%)	
Fencing systems Europe	383	21.3	(8.5%)	
Advanced materials	103	5.7	5.5%	
Advanced coatings	112	6.2	(6.5%)	
Others and intersegment sales	3	0.2	-	
TOTAL	1 797	100%	(3.6%)	

Combined sales¹ amounted to €2.6 billion, a decrease of 6.8%, but, at constant currencies, combined sales would have increased by 3.2%, despite difficult economic circumstances.

Sales of the joint ventures and associates decreased by 13.3% to €0.8 billion but would have increased by 2% at constant currencies. Bekaert performed well in the joint ventures due to the good activity level in Latin America in the whole range of wire products.

Profitability

Bekaert achieved a consolidated result from operations (EBIT) of €112 million, an increase of 74% compared with 2002 that was adversely affected by non-recurring items. This 2003 result represents a margin of 6.2% on sales.

At constant currencies, the result from operations would have been €138 million or 7.1% on sales. The capital employed amounted to €1 231 million, while the return on capital employed was 9%.

Result from operations by segment	2003		
in thousands of euros	EBIT	EBIT / sales	EBITDA
Advanced wire products	121 213	10.1%	206 460
Fencing systems Europe	25 445	6.6%	43 701
Advanced materials	7 738	7.5%	13 746
Advanced coatings	(2 104)	(1.9%)	11 827
Others (*)	(40 491)	(2.3%)	(36 626)
TOTAL	111 801	6.2%	239 108

(*) 'Others' comprises mainly R&D and Group Services.

Consolidated net result of the Group

The consolidated net result of the Group amounted to €85 million or €96 million before goodwill amortization. The earnings per share were respectively €3.85 and €4.32. The share in the result of companies accounted for under the equity method increased from €23 million to €35 million, mainly driven by the Latin American companies and the exit from Unisolar.

Balance sheet

The balance sheet remains strong. At the end of 2003, shareholders' equity accounted for 43% of total assets. Net debt remained constant at €364 million and the gearing ratio at 31 December, defined as net debt on equity, was 44%. Working capital remained also stable at €354 million or 19.6% on sales.

Cash flow

The operational cash flow (EBITDA) reached €239 million, an increase of 6% and the consolidated cash flow amounted to €222 million, an increase of 8%, representing a cash flow per share of €10.07.

Dividend

The Board of Directors will propose to the Annual General Meeting of Shareholders, that the gross dividend be increased by 4% up to €1.748 per share.

¹ Combined sales are the sales realised by the consolidated companies, joint ventures and associated companies.

Key figures

Combined¹ figures²

in millions of euros

	2003	2002	2001
Sales	2 618	2 810	2 815
Capital expenditures	140	119	222
Personnel (no.)	17 183	16 836	17 461

Consolidated statements²

	2003	2002	2001
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Income statement key figures

Sales	1 797	1 863	1 796
Result from operations (EBIT)	112	64	60
Consolidated net result	85	(46)	48
Net result before goodwill	96	(31)	57
Minority interest	8	6	3
Depreciation	127	149	145
of which goodwill	7	11	6

Balance sheet key figures

Equity (incl. minority interests)	822	802	982
Non-current assets	1 154	1 164	1 416
Capital expenditures (P, P&E)	109	78	122
Balance sheet total	1 926	1 922	2 246
Net debt	364	366	544
Capital employed (CE)	1 231	1 256	1 485
Working capital (WC)	354	351	421
Cash flow	222	205	200
Operational cash flow (EBITDA)	239	226	207
Personnel (no.)	11 204	10 071	10 438

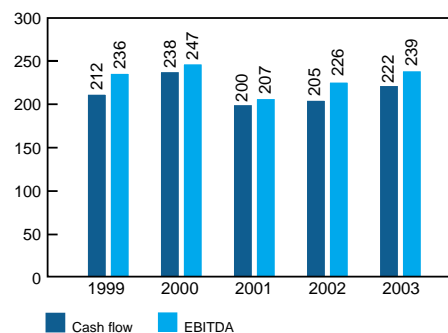
Ratios

EBITDA / sales	13.3%	12.1%	11.6%
EBIT / sales	6.2%	3.4%	3.3%
EBIT / CE (ROCE)	9.0%	4.7%	4.2%
Net result / equity (ROE)	11.4%	(4.4%)	5.0%
Equity / total assets	42.7%	41.8%	43.7%
Net debt / equity (gearing)	44.2%	45.6%	55.4%
EBIT interest coverage	6.2	2.6	2.2
Net debt / EBITDA	1.5	1.6	2.6

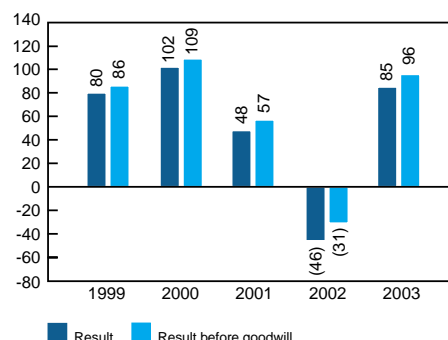
Joint ventures & associated companies²

	2003	2002	2001
Sales	821	947	1 019
Result from operations	111	106	96
Net result	78	55	40
Share in result	35	23	17
Capital expenditures	31	41	100
Depreciation	41	49	47
Goodwill	3	4	4
Equity	179	185	276
Personnel (no.)	5 979	6 765	7 023

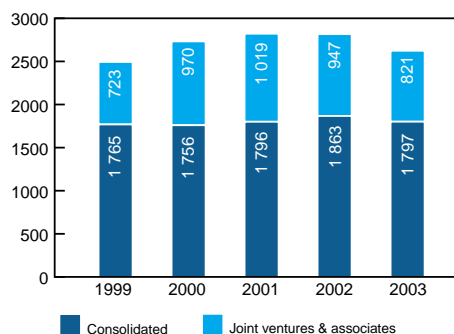
Cash flow (in millions of euros)



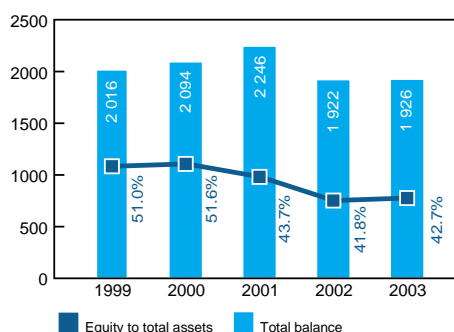
Profit (in millions of euros)



Sales (in millions of euros)



Equity to total assets (in millions of euros)



¹ Combined figures are the figures realised by the consolidated companies, joint ventures and associated companies.

² Definitions and historical review: see Information for shareholders (page 49).

Key figures per share

N.V. Bekaert S.A.

	2003	2002	2001
Number of shares	22 070 300	22 121 630	22 157 374
Number of VVPR strips	3 551 040	3 551 040	3 551 040
Average daily traded volume	28 950	27 309	18 362
	in millions of euros		
Annual turnover	304.3	317.4	188.2
Average daily turnover	1.2	1.2	0.7
Market capitalisation 31/12	1 114.6	954.6	958.8
Free float	59.7%	59.8%	59.9%
Velocity (band adjusted)	44.0%	39.26%	27.38%

Bekaert shares are listed on Euronext® Brussels (BEKB). A total of 51 330 shares were repurchased under the stock option plan and cancelled to avoid future dilution of voting rights on Bekaert shares. This reduced the number of shares from 22 121 630 to 22 070 300. The total number of VVPR strips remained unchanged.

Per share¹

in euros

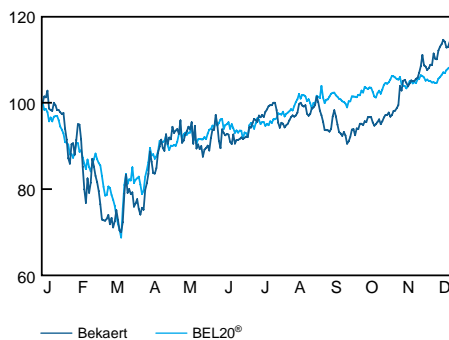
	2003	2002	2001
EBITDA	10.83	10.21	9.36
EBIT	5.07	2.90	2.69
EPS (net result)	3.85	(2.09)	2.15
EPS (before goodwill)	4.32	(1.40)	2.58
Cash flow	10.07	9.29	9.02
Gross dividend	1.7480	1.680	1.680
Net dividend	1.3110	1.260	1.260
Net dividend with VVPR strip	1.4858	1.428	1.428
Book value	37.26	36.29	44.32

Valorisation¹

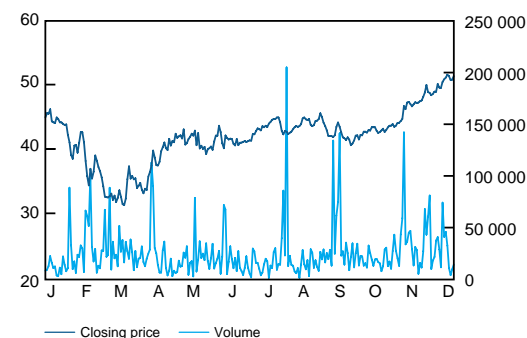
	2003	2002	2001
Price (31 December)	50.50	43.15	43.27
Price (average)	41.22	45.57	40.51
Price / earnings (P/E)	11	NR	19
Price / cash flow (P/CF)	5.0	4.6	4.8
Price / book value (P/BV)	1.36	1.19	0.98
VVPR strip price	0.79	0.55	0.15
Dividend yield	3.5%	3.9%	3.9%
Dividend pay-out	45%	NR	78%

¹ Definitions and historical review: see Information for shareholders (page 49).

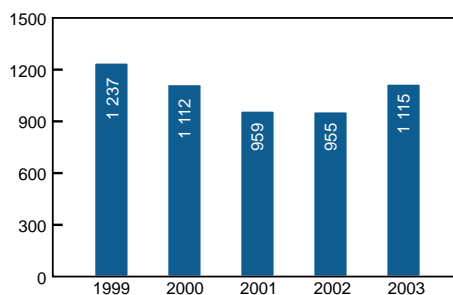
Relative position on Euronext® Brussels BEL20® (2003)



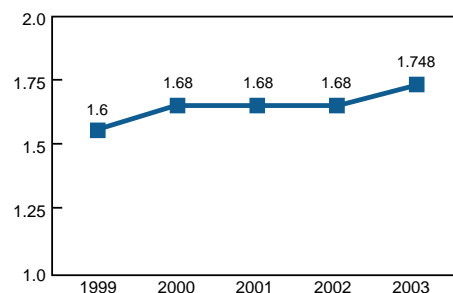
Closing price and volume



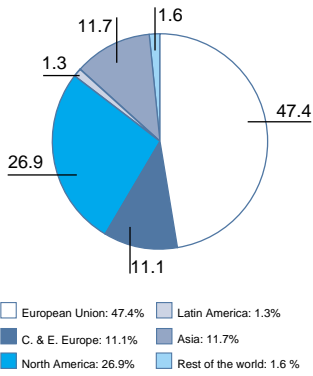
Market capitalisation (in millions of euros)



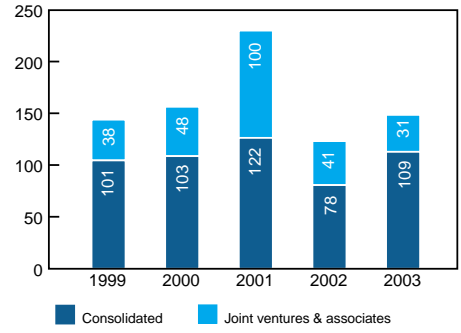
Gross dividend (in euros)



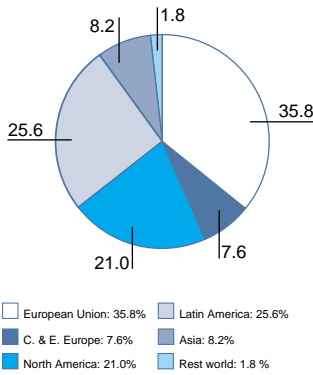
Geographical spread of sales 2003: Consolidated



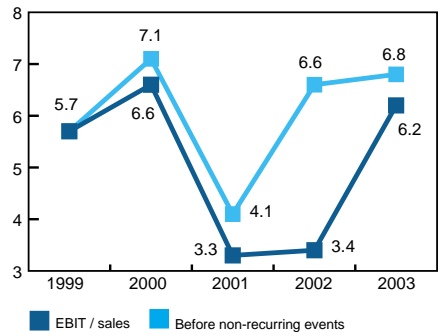
Capital expenditures (in millions of euros)



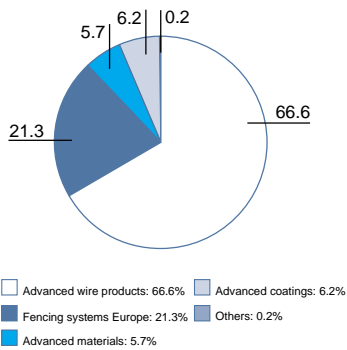
Geographical spread of sales 2003: Combined



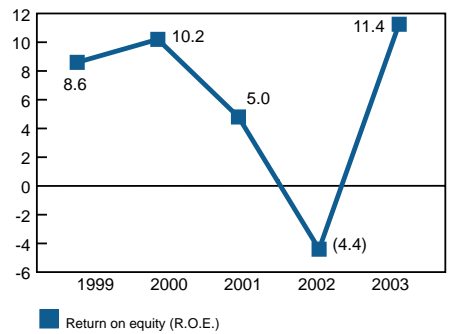
Operating profit as % of sales



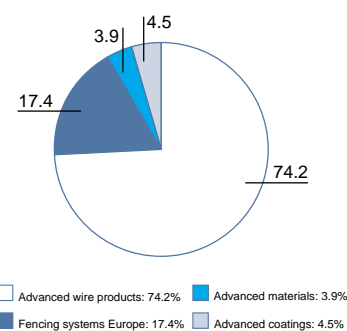
Sales by segment 2003: Consolidated



Return on equity (in %)



Sales by segment 2003: Combined



Profit share of joint ventures and associates (in millions of euros)

