



Capital Markets Day

Q&A

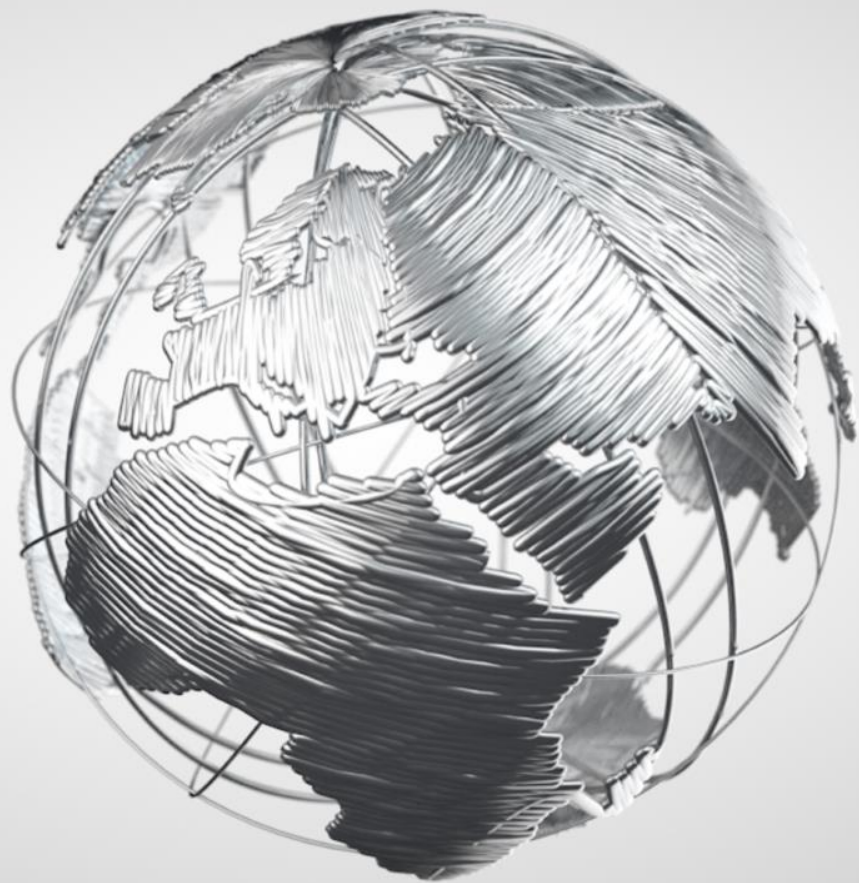
15 November 2019

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Additional information shared during Q&A

- Net debt / uEBITDA YE2019: below 2.5
- Working capital / net debt 2020: below 2019 levels
- More factoring potential 2020? Yes, if financing conditions remain favorable, extend in other regions
- CAPEX guidance 2019: lower end of € 100 to € 120 million range and 2020: € 150 to € 200 million
- Cash impact of total one-offs 2019: 70% cash – 30% non-cash
- Loss making (annualized) of additional plant closures/restructuring announced 15 November 2019: about € 8 million – loss making not the only criterion: low (positive) margin activities also pull overall profitability down.
- Capacity impact of the two SWS plant closures: about 50-55 ktons (annualized) or 5% of consolidated SWS.
- Adverse, non-cash effects of inventory valuation adjustments at YE2019: estimated at € -50 million (equally driven by positive effects 2018 and negative effects 2019). As per HY1 2019, this impact was € -30 million. Where in July 2019 wire rod prices were stabilizing, the price levels declined sharply in September-October.
- uEBIT bridge positives H1 2019 (mix, pricing, cost, overheads) will further expand for FY2019. uEBIT bridge negatives H1 2019 (inventory valuation raw materials) will expand with an extra € -20 million for FY2019.
- Top line growth 2019/2020? Growth in target markets provided no overall downturn, offset by restructuring impact (plant closures) in 2020. Downward impact from passed-on raw materials prices.
- Maccaferri buy-out in BMUS: € 9.5 million gross purchase price (net effect lower due to cash balance).



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