

CONSOLIDATED ANNUAL RESULTS 2010

KEY FIGURES AND HEADLINES

- Ter Beke group:
 - **Turnover** increase from 392.4 million EUR to **402.2 million EUR** (+2.5%);
 - **EBITDA** increase from 35.2 million EUR to **37.5 million EUR** (+6.7%);
 - **EBIT** increase from 15.1 million EUR to **17.8 million EUR** (+18%);
 - **EAT** increase from 8.3 million EUR to **10.5 million EUR** (+26.7%);
 - **Investments** total **24 million EUR**.

- Processed Meats division:
 - Turnover growth of 1.5%;
 - Growing market share in Belgium;
 - Further growth of slicing activities in The Netherlands;
 - Start of activities at the new slicing plant and value added logistics platform in Nijmegen (The Netherlands).

- Ready Meals division:
 - Turnover growth of 4.7%;
 - Successful increased investment in the Come a casa® brand in Belgium;
 - Preparation of joint venture for Central & Eastern Europe.

- Proposal to increase the gross dividend from 2.35 EUR per share to 2.50 EUR per share.



CONSOLIDATED KEY FIGURES*

| <u>In '000 EUR</u> | <u>2010</u> | <u>2009</u> | <u>Δ%</u> |
|---|-------------|-------------|-----------|
| Revenu (net turnover) | 402.180 | 392.374 | 2,5% |
| EBITDA** | 37.501 | 35.155 | 6,7% |
| Operating result (EBIT) | 17.801 | 15.087 | 18,0% |
| Net financing costs | -3.511 | -2.660 | 32,0% |
| Operating result after net financing costs (EBT) | 14.290 | 12.427 | 15,0% |
| Taxes | -3.832 | -4.171 | |
| Earnings after taxes (EAT) | 10.458 | 8.256 | 26,7% |
| Net cash flow from operating activities | 30.158 | 28.050 | 6,5% |
| Total assets | 242.613 | 230.016 | 5,5% |
| Equity | 89.116 | 82.808 | 7,6% |
| Net financial debt | 57.168 | 65.464 | -12,7% |
| Equity/Total assets | 36,7% | 36,0% | |
| Gearing ratio*** | 64,2% | 79,1% | |
| <u>In EUR per share</u> | <u>2010</u> | <u>2009</u> | <u>Δ%</u> |
| Number of shares | 1.732.621 | 1.732.621 | |
| Average number of shares | 1.732.621 | 1.732.621 | |
| Net cash flow from operating activities | 17,4 | 16,2 | 6,5% |
| Earnings after taxes | 6,0 | 4,8 | 26,7% |
| EBITDA | 21,6 | 20,3 | 6,7% |

* The consolidated 2010 income statement and balance sheet can be consulted on the website www.terbeke.com

** EBITDA= Operating result + depreciation + impairment + changes in provisions

*** Gearing ratio = Net financial debt / Equity

The statutory auditor, DELOITTE Auditors BV o.v.v.e. CVBA, represented by Mr. Dirk Van Vlaenderen and Mr. Kurt Dehoorne, has confirmed that his auditing work, which is essentially completed, has brought no significant correction to light which would have to be reflected in the bookkeeping information included in this press release.



NOTES TO THE CONSOLIDATED KEY FIGURES

1. Turnover

In 2010, the group's turnover increased from 392.4 million EUR to 402.2 million EUR. At the same time, a considerable volume increase was realised in both divisions.

In the processed meats division, turnover increased by 1.5%. This positive evolution is the result both of a growth of the service slicing activities in the Netherlands and the growth in our traditional processed meats activities in our home markets. This resulted in an increase in market share on the Belgian market.

In the ready meals division, turnover increased by 4.7%, despite a slightly weaker third quarter. This turnover growth results from a volume increase in the international markets and an increase in sales in Belgium of products marketed under the Come a casa® brand. Ter Beke invested heavily in this brand in 2010, through (1) upgrading of recipes, (2) development of new packaging and (3) through an extensive promotion campaign including three intensive television campaigns.

The support of the Come a casa® brand added considerably to the growth of the ready meals category in the Belgian market. The brand increasingly brings about positive associations with the consumer. 2010 IPSOS research shows a strong increase in the Come a casa® brand equity. The further improvement of the quality of the products as well as the increasing relevance of the brand for the consumer, were key elements in this respect.

The turnover growth in both divisions was slowed down by the evolution of raw material prices and the overall price pressure in the market.

2. EBITDA and Operating result (EBIT)

In 2010, EBITDA increased by 6.7% from 35.2 million EUR to 37.5 million EUR. The operating result (EBIT) increased by 18.0% in 2010, going from 15.1 million EUR to 17.8 million EUR.

The increase of the operating result is mainly caused by an increase in volume, further efficiency improvements in the entire supply chain and increased cost control and cost reduction efforts.



The increased investments in Come a casa® were entirely expensed in 2010.

On October 14th, 2010, the new slicing site and value added logistics platform in Nijmegen (The Netherlands) was started up. As of the end of 2010, all slicing activities that were previously carried out in Milsbeek were transferred to this new site. In 2011, all Dutch logistic activities will also be gradually transferred to the new site. This will give rise to an increased efficiency of our service and our logistic activities in The Netherlands.

The non-cash costs (depreciations and amortisations) are maintained at the same level in 2010 as in 2009 and amount to approximately 20 million EUR.

3. Net financing costs

Net financing costs increase from 2.7 million EUR to 3.5 million EUR.

The net interest charges remain almost at the same level as in 2009. The increase in net financing costs is primarily explained by the difference in exchange rate result on the British Pound and the costs relating to the hedging contracts.

4. Investments

In 2010, Ter Beke invested over 24 million EUR in fixed assets compared to 17 million in 2009.

The main investment project in the processed meats division concerned the full automation of the production of paté at the Wommelgem site. A new paté-tubs packaging line was installed at this site and a fully automated cooking and cooling installation for paté products was started up.

In the ready meals division, investments primarily concerned the production and optimisation of the production sites in Wanze and Marche-en-Famenne and the further improvement of the supply chain.

On 30 September 2010, Ter Beke signed an agreement with the shareholders of the French Stefano Toselli® for the incorporation of a joint venture. This joint venture will commercialise lasagne and pasta meals throughout Central and Eastern Europe. The business plan also assesses the construction of a production site in Central Europe, exclusively dedicated to production for the Central and Eastern European market. The



market and location studies are on schedule so that all conditions precedent should be realised in spring 2011.

In 2011, the group plans to invest again about 20 million EUR in further efficiency improvements and the further automation of its production facilities.

5. Taxes

In 2010, the tax rate amounted to 26.8% compared to 33.6% in 2009. In 2009, the tax rate was higher than average because of a number of adjustments from previous years and because no deferred tax assets were set up.

6. Net profit after taxes and dividend proposal

In 2010, the net profit after taxes amounted to 10.5 million EUR compared to 8.3 million EUR in 2009 (+26.7%).

Based on this positive evolution, the Board of Directors will propose to the General Meeting of Shareholders to increase the gross dividend from 2.35 EUR per share over 2009 to 2.50 EUR per share over 2010.

In doing so, the Board of Directors wishes to maintain a proper balance between the company's needs and an appropriate return for the shareholders.

PROSPECTS FOR 2011

The group is confident that it can maintain the growth in both divisions and that a further improvement of the results can be realised in 2011, save for unexpected circumstances.



Press release 25 February 2011 – 7:30 a.m.

Regulated information

www.terbeke.com

FINANCIAL CALENDAR

| | |
|-------------------------------------|---------------------------------------|
| Annual report 2010: | At the latest 30 April 2011 |
| Business update first quarter 2011: | 13 May 2011 before market opening |
| General Meeting 2011: | 26 May 2011 at 11.00 am |
| Half year results 2011: | 26 August 2011 before market opening |
| Business update third quarter 2011: | 4 November 2011 before market opening |

CONTACTS

For questions about this press release or for further information, please contact:

Marc Hofman
Managing Director
Tel. +32 (0)9 370 13 16
m.hofman@terbeke.be

René Stevens
CFO
Tel. +32 (0)9 370 13 45
rene.stevens@terbeke.be

You can also consult this press release and send your questions to us via the Investor Relations module of our website (www.terbeke.com)



Press release 25 February 2011 – 7:30 a.m.

Regulated information

www.terbeke.com

TER BEKE IN BRIEF

Ter Beke (Euronext Brussels: TERB) is an innovating Belgian fresh foods group selling its range of products in 10 European countries. The group has 2 core activities: processed meats and fresh ready meals; it has 9 industrial sites in Belgium, the Netherlands and France and employs approximately 1.850 people. Ter Beke generated a turnover of EUR 402 million in 2010.

Processed meat Division:

- Producer and slicer of processed meats for the Benelux, the UK and Germany
- 4 production plants in Belgium (Wommelgem, Waarschoot, Marche-en-Famenne, and Herstal) and 4 centres for the slicing and packaging of processed meats, 2 of which are in Belgium (Wommelgem and Veurne) and 2 in the Netherlands (Milsbeek and Ridderkerk)
- Innovating in the segment of prepackaged processed meats
- Distribution brands and own brand names L'Ardennaise®, Pluma® and Daniël Coopman®
- Approximately 1.100 employees

Ready meals Division:

- Producer of fresh ready meals for the European market
- Market leader in chilled lasagne in Europe
- 3 production plants, 2 of which are in Belgium (Wanze and Marche-en-Famenne) and 1 in France (Alby-sur-Chéran)
- Brand names Come a casa® and Vamos® in addition to distribution brands
- Approximately 750 employees

