

CONSOLIDATED ANNUAL RESULTS 2012

KEY FIGURES AND HEADLINES

- Ter Beke group:
 - Turnover increase from EUR 403.7 million to EUR 421.1 million (+4.3%);
 - REBITDA amounts to EUR 33.1 million compared to EUR 33.2 million in 2011 (-0.4%);
 - REBIT amounts to EUR 13.9 million compared to EUR 15.3 million in 2011 (-9.0%);
 - Results contain approx. EUR 2 million dismissal and restructuring costs, the main part being related to the termination of the industrial activity in Alby-sur-Chéran;
 - EAT amounts to EUR 8.2 million compared to EUR 9.0 million in 2011 (-8.9%);
 - Net cashflow amounts to EUR 25.6 million compared to EUR 27.1 million in 2011 (-5.6%);
 - Investments total EUR 12.1 million.

- Processed Meats division:
 - Strong turnover increase, in particular in the slicing and packaging activities, does not lead to a result increase because of the increased raw material prices and the changed product mix;
 - Launch of the Oligusto®-range.

- Ready Meals division:
 - Slight turnover increase in lasagne and pasta meals;
 - Come a casa® continues to grow in Belgium;
 - Termination of industrial activity in Alby-sur-Chéran (France) per 30 June 2012.

- Proposal to pay a gross dividend of 2.50 EUR per share (equal to 2011).



CONSOLIDATED KEY FIGURES (1)

<u>In '000 EUR</u>	<u>2012</u>	<u>2011</u>	<u>Δ%</u>
Revenu (net turnover)	421.078	403.715	4,3%
REBITDA	33.100	33.233	-0,4%
EBITDA (2)	31.130	33.233	-6,3%
Recurring operating result (REBIT)	13.948	15.333	-9,0%
Operating result (EBIT)	13.568	15.333	-11,5%
Net financing costs	-2.424	-2.713	-10,7%
Operating result after net financing costs (EBT)	11.144	12.620	-11,7%
Taxes	-3.120	-3.414	-8,6%
Result after tax before share in the result of enterprises accounted for using the equity method	8.024	9.206	-12,8%
Share in enterprises accounted for using the equity method	183	-200	
Earnings after taxes (EAT)	8.207	9.006	-8,9%
Net cash flow (3)	25.586	27.106	-5,6%
Total assets	249.557	252.936	-1,3%
Equity	98.036	93.879	4,4%
Net financial debt (4)	51.476	59.619	-13,7%
Equity/Total assets	39,30%	37,1%	
Gearing ratio (5)	52,50%	63,5%	
<u>In EUR per share</u>	<u>2012</u>	<u>2011</u>	
Number of shares	1.732.621	1.732.621	0,0%
Average number of shares	1.732.621	1.732.621	0,0%
Net cash flow	14,77	15,64	-5,6%
Earnings after taxes	4,74	5,20	-8,9%
EBITDA	17,97	19,18	-6,3%

- (1) The consolidated income statement and balance sheet can be consulted on the website www.terbeke.com
- (2) EBITDA = Operating result + depreciation + impairments + changes in provisions
- (3) Net cashflow = Result after tax before share in the result of enterprises accounted for using the equity method + depreciation + impairments + changes in provisions
- (4) Net financial debt = interest bearing liabilities – interest bearing receivables, cash and cash equivalents
- (5) Gearing ratio = Net financial debt / Equity



NOTES TO THE CONSOLIDATED KEY FIGURES

1. Turnover

In 2012, the total group turnover increased by 4.3% from EUR 403.7 million to EUR 421.1 million.

In the processed meats division, the turnover increased by EUR 14.7 million. The increase in turnover is partly due to an increase of the sales prices, which on a full year basis were still not enough to offset the rise in raw material prices. The increase is also caused by growth in the slicing and packaging activities.

In the ready meals division, the turnover increased by EUR 2.7 million, mainly due to a sales increase in lasagne and notwithstanding the termination of a number of contracts in France due to the termination of the industrial activities there.

2. REBITDA, EBITDA, REBIT and Operating result (EBIT)

The turnover increase does not result in a profit increase.

In 2012, the group launched a new range of processed meats under the brand name Oligusto®. It concerns meat enriched with olive oil and a lower total fat content. The launch costs for this have been included in the result of the first semester. The commercial start-up was somewhat delayed.

The new media campaign at the start of 2012 in the Come a casa® brand in Belgium has again resulted in an increasing market share. Come a casa® is increasingly fulfilling its leading position as engine of the fresh Mediterranean meals market.

The increased volumes, the implemented price increases and a far-reaching cost control and reduction were not able to entirely offset increased production costs (chiefly raw materials, energy and wages) and the costs of market investments. The changed product mix, with an increase in the sales of cheaper products at the expense of more expensive products caused by the general economic climate, curbed margin growth in the processed meats division.

Hence, REBITDA amounts to EUR 33.1 million compared to EUR 33.2 million in 2011.

On 5 April 2012 the group announced the intention to terminate industrial activity at the site in Alby-sur-Chéran (France). Meanwhile, this industrial activity was effectively terminated on 30 June 2012. The group does retain its commercial activities in France for products that are produced at the Belgian sites of the ready meals division (Marche-en-Famenne and Wanze). The costs regarding this termination amounted to EUR 1.1 million. These costs, along with a total of EUR 0.9 million other dismissal costs, cause EBITDA to amount to EUR 31.1 million in 2012.

In 2012, total non-cash costs decreased by EUR 0.3 million to EUR 17.5 million.

This results in an EBIT of EUR 13.6 million in 2012 compared to EUR 15.3 million in 2011 (-11.5%).



As the 2012 non-cash costs comprise a one-time reversal of impairments on the material fixed assets in Alby-sur-Chéran in the amount of EUR 1.6 million, the non-recurring operational result amounts to EUR -0.3 million. Hence, the 2012 REBIT amounts to EUR 13.9 million compared to EUR 15.3 million in 2011 (-9.0%).

3. Net financing costs

The EUR 0.3 million improvement of the net financing costs is mainly due to the positive difference in the exchange rate result on the GBP pursuant to the group's hedging policy and by lower interest rates and bank costs.

4. Investments

The group invested EUR 12.1 million in 2012. These investments relate primarily to the continuation of various efficiency and infrastructure investments in all sites of the group.

5. Taxes

The 2012 tax rate (28.0%) is in line with the tax rate over the financial year 2011 (27.1%).

6. Result Joint Venture Poland

As previously announced, Ter Beke and the shareholders of France based Stefano Toselli incorporated, in 2011, a joint venture for the production and sale of lasagne and pasta meals in Central and Eastern Europe. The joint venture was incorporated under the name "The Pasta Food Company".

The business plan of the joint venture provides for the construction in Poland of a production plant that will produce for the Central and Eastern European market.

Ter Beke's share in the results of The Pasta Food Company in 2012 amounts to EUR 183 thousand. This result of the joint venture is accounted for using the equity method.

7. Dividend proposal

The Board of Directors will propose to the General Meeting of Shareholders to pay a gross dividend of 2.50 EUR per share. This equals the dividend paid over 2011.



Press release 1 March 2013 – 7:30 a.m.

Regulated information

www.terbeke.com

EXTERNAL CONTROL

The statutory auditor, DELOITTE Auditors BV o.v.v.e. CVBA, represented by Mr. Dirk Van Vlaenderen and Mr. Kurt Dehoorne, has confirmed that its 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.

PROSPECTS FOR 2013

Since January 2013, the frozen ready meals sector has been confronted with a scandal originating from the presence of horse meat or horse DNA in frozen ready meals which, according to the label, should not contain such meat or DNA.

Ter Beke only produces chilled ready meals. We deplore that these events also negatively impact our sector, even though Ter Beke's products are not at all concerned.

The reduced demand implies that Ter Beke adjusts its production planning on a daily basis and is currently applying temporarily unemployment in its lasagna production facilities in Wanze and Marche-en-Famenne. This is necessary because we use fresh products and operate with limited inventory levels.

We concentrate fully on an open and transparent communication with our customers and our consumers and are doing our utmost to reconfirm our customers' confidence in our chilled products.

Meanwhile, it is almost impossible to assess the impact on the 2013 results.

As far as possible, we will communicate further on this matter when we report on the first quarter results.

CONTACTS

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

Dirk De Backer
Company Secretary
Tel. +32 (0)9 370 13 17
dirk.debacker@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)



FINANCIAL CALENDAR

Annual report 2012:	At the latest on 30 April 2013
Business update first quarter 2013:	3 May 2013 before market opening
General Meeting of Shareholders 2013:	30 May 2013 at 11 a.m.
First semester 2013 results	29 August 2013 before market opening

TER BEKE IN BRIEF

Ter Beke (Euronext Brussel: TERB) is an innovative Belgian fresh foods concern that markets its assortment in 10 European countries. The group has 2 core activities: processed meats and fresh ready meals; it has 8 industrial sites in Belgium and the Netherlands and employs approximately 1,750 people. Ter Beke generated a turnover of EUR 421.1 million in 2012.

Processed Meats Division:

- producer and slicer of processed meats for the Benelux, the UK and Germany;
- 3 production plants in Belgium (Wommelgem, Waarschoot 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 (Wijchen and Ridderkerk);
- innovating in the pre-packed processed meats segment;
- distribution brands and own brand names L'Ardennaise[®], Pluma[®], Oligusto[®] and Daniël Coopman[®];
- employs approximately 1100 staff.

Ready Meals Division:

- produces fresh ready meals for the European market;
- market leader in chilled lasagne in Europe;
- 2 production sites in Belgium (Wanze and Marche-en-Famenne);
- brand names Come a casa[®] and Vamos[®] in addition to distribution brands;
- employs approximately 650 staff;
- joint venture The Pasta Food Company established in Poland (2011).

