

CONSOLIDATED ANNUAL RESULTS 2011

KEY FIGURES AND HEADLINES

- Ter Beke group:
 - Second semester 2011 better than the first and in line with 2010;
 - Turnover increase from EUR 402.2 million to EUR 403.7 million (+0.4%);
 - EBITDA amounts to EUR 33.2 million compared to EUR 37.5 million in 2010 (-11.4%);
 - EBIT amounts to EUR 15.3 million compared to EUR 17.8 million in 2010 (-13.9%);
 - EAT, excl. share in the joint venture, amounts to EUR 9.2 million compared to EUR 10.5 million in 2010 (-12.0%);
 - Net cashflow amounts to EUR 27.1 million compared to EUR 30.2 million in 2010 (-10.1%);
 - Investments total EUR 14.6 million;
 - Joint venture “The Pasta Food Company” incorporated in Poland and construction file in preparation.

- Processed Meats division:
 - Market share increases in Belgium, the United Kingdom and Germany;
 - Changed product mix explains the slight drop in turnover with stable volume;
 - Increased raw material prices put pressure on the margin.

- Ready Meals division:
 - Turnover and volume growth in lasagne and pasta meals;
 - Increased raw material prices put pressure on the margin;
 - Come a casa[®] continues to grow in Belgium.

- Proposal to pay a gross dividend of 2.50 EUR per share (equal to 2010).



CONSOLIDATED KEY FIGURES (1)

<u>In '000 EUR</u>	<u>2011</u>	<u>2010</u>	<u>Δ%</u>
Revenu (net turnover)	403.715	402.180	0,4%
EBITDA (2)	33.233	37.501	-11,4%
Recurring operating result (REBIT)	15.333	17.801	-13,9%
Operating result (EBIT)	15.333	17.801	-13,9%
Net financing costs	-2.713	-3.511	-22,7%
Operating result after net financing costs (EBT)	12.620	14.290	-11,7%
Taxes	-3.414	-3.832	-10,9%
Result after tax before share in the result of enterprises accounted for using the equity method	9.206	10.458	-12,0%
Share in enterprises accounted for using the equity method	-200	0	
Earnings after taxes (EAT)	9.006	10.458	-13,9%
Net cash flow (3)	27.106	30.158	-10,1%
Total assets	252.936	242.613	4,3%
Equity	93.879	89.116	5,3%
Net financial debt (4)	59.619	57.168	4,3%
Equity/Total assets	37,1%	36,7%	
Gearing ratio (5)	63,5%	64,2%	
<u>In EUR per share</u>	<u>2011</u>	<u>2010</u>	<u>Δ%</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	15,64	17,41	-10,1%
Earnings after taxes	5,20	6,04	-13,9%
EBITDA	19,18	21,64	-11,4%

- (1) The consolidated 2011 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

The results of the group are in line with the announced prospects but are being slowed down compared to last year because of the strong increase in raw material prices, wages and energy costs and because of more cautious consumer behaviour. Competition between the various players in the market increased, both on the supplier side as on the customer side.

1. Turnover

In 2011, the total group turnover increased by 0.4% from EUR 402.2 million to EUR 403.7 million.

In the ready meals division, the turnover increased by EUR 4.8 million (+3.9%). This increase is mainly due to a strong volume increase in lasagne and pasta meals.

In the processed meats division, the turnover decreased by EUR 3.3 million (-1.1%) with stable total volumes. The turnover decrease is mainly due to a changed product-mix, whereby sales volumes of cheaper products go up to the detriment of sales volumes of more expensive products. The group's market share grew in Belgium, the United Kingdom and Germany.

2. EBITDA and Operating result (EBIT)

EBITDA decreases by EUR 4.3 million (-11.4%) going from EUR 37.5 million in 2010 to EUR 33.2 million in 2011.

This decrease is mainly due to raw material prices, which have been rising since the second semester of 2010. Because of the nature of the contracts the group enters into with its major retail customers, there is an inevitable delay in charging these price increases on in the sales prices.

Ter Beke invests further in the quality of its produce, in innovation and in the support of its Come a casa[®] brand in Belgium. This leads to a further growth of the market share of Come a casa[®] and even stimulates sales in the entire category.

At the same time, the group continues to work on a strict cost control and cost reduction on all its sites in an attempt to limit the impact of the raw material price increase and the increase of wages and energy costs on the results of the group. The results of a number of important efficiency investments were realised with a delay.



Total non-cash costs decreased to EUR 17.9 million. This is primarily due to lower impairments on fixed assets compared to 2010.

This results in an EBIT of EUR 15.3 million compared to EUR 17.8 million in 2010 (-13.9%).

3. Net financing costs

EUR 0.5 million of the EUR 0.8 million improvement of the net financing costs is due to the positive difference in the exchange rate result on the GBP pursuant to the group's hedging policy, the remaining EUR 0.3 million being caused by lower interest rates and bank costs.

4. Investments

The group invested EUR 14.6 million in 2011. These investments relate primarily to the next phase of the automation investments in the paté-production in Wommelgem and the continuation of various efficiency and infrastructure investments in all other sites.

5. Taxes

The 2011 tax rate (27.1%) is in line with the tax rate over the financial year 2010 (26.8%).

6. Result Joint Venture Poland

As previously announced, Ter Beke and the shareholders of France based Stefano Toselli signed on May, 25th, 2011 the final agreements with regard to their joint venture for the production and sale of lasagne and pasta meals in Central and Eastern Europe.

Meanwhile, the joint venture was incorporated under the name "The Pasta Food Company".

The business plan of the joint venture provides for the construction of a production plant that will produce for the Central and Eastern European market. Pursuant to a thorough investigation, it was decided to construct the plant in Opole, a city in the south of Poland. Meanwhile, the land was purchased and the preparation of the construction file was started.

Ter Beke's share in the results of The Pasta Food Company in 2011 amounts to EUR - 0.2 million. This is 50% of the start-up costs of the joint venture and the first expenses



made in relation to the construction of the factory in Opole. This result of the joint venture is accounted for using the equity method.

7. Net profit after taxes and dividend proposal

As announced, Ter Beke's results for the second half of 2011 are in line with the 2010 results.

Because of the weaker first semester and taking into account Ter Beke's share in the start-up costs of the Polish joint venture, the net result after taxes amounts to EUR 9.0 million compared to EUR 10.5 million in 2010 (-13.9%).

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 2010.

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 2012

In 2012, the group continues to work on the improvement of the profitability in both divisions, through the launch of new products and concepts, through investing in a better product mix and through the necessary increase of sales prices.

In addition, the investments in the Come a casa® brand and in the further efficiency of the total supply chain are continued in 2012.

At the same time, the group will closely monitor the evolution of the fixed costs.

This should again lead to an improvement of the results in 2012. However, considering the current economic circumstances, we prefer not to give any further guidance at this stage.



Press release 29 February 2012 – 7:30 a.m.

Regulated information

www.terbeke.com

FINANCIAL CALENDAR

Annual report 2011:	At the latest 30 April 2012
Business update first quarter 2012:	11 May 2012 before market opening
General Meeting 2012:	31 May 2012 at 11.00 am
Half year results 2012:	31 August 2012 before market opening
Business update third quarter 2012:	9 November 2012 before market opening

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You can also consult this press release and send your questions to us via the Investor Relations module of our website (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 1.800 people. Ter Beke generated a turnover of EUR 403,7 million in 2011.

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 segment of prepackaged processed meats
- distribution brands and own brand names L'Ardennoise®, Pluma® and Daniël Coopman®
- approximately 1.050 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
- joint venture The Pasta Food Company incorporated in Poland (2011)

