



driven by the zeal for your everyday meal

Press release 26 August 2014 – 7:30 a.m.

Regulated information

www.terbeke.com

FIRST SEMESTER 2014 CONSOLIDATED RESULTS

KEY FIGURES AND HEADLINES

- Ter Beke group:
 - In the first half of 2014 the group succeeded in improving the result and the net cash flow to by 22.8% and 5.1% respectively.
 - The consolidated turnover decreased in 2014 by EUR 3.3 million (-1.6%) to EUR 199.3 million;
 - REBITDA amounts to EUR 16.3 million in 2014 compared to EUR 14.4 million in 2013 (+13%),
 - The first half of 2014 includes EUR 1.2 million in non-recurring expenses. This concerns redundancy payments.
 - As a result of the above
 - EBITDA amounts to EUR 15.1 million compared to EUR 13.6 million in 2013 (+11.3%);
 - EBIT amounts to EUR 6.3 million compared to EUR 4.5 million in 2013 (+39.8%);
 - the result after taxes amounts to EUR 3.7 million compared to EUR 3.0 million in 2013 (+22.8%);
 - net cash flow amounts to EUR 12.7 million compared to EUR 12.0 million in 2013 (+5.1%);
- Processed Meats Division:
 - Drop in turnover due to extensive optimisation of the product range and the termination of own production of dried and cured processed meats;
 - Development and launch of a range of dried sausage snacks;
 - Relaunch of the range of over the counter processed meats under the Daniël Coopman® brand;
 - New range of recloseable packaging for the Dutch and UK market.
- Ready Meals Division:
 - Increase in turnover and results from lasagne, partly due to a renewed consumer confidence;
 - Notwithstanding the high raw material prices, the group improved its result, thanks also to a strict cost control and reduction;
 - Launch of a new microwaveable packaging in the German market;
 - Construction of the new ready meals factory in Opole (Poland) on schedule.



Daniel Coopman

CONSOLIDATED KEY FIGURES FIRST SEMESTER 2014

Income statement in 000 EUR			
	30/06/14	30/06/13	Δ %
Revenue (net turnover)	199.298	202.567	-1,6%
REBITDA ⁽¹⁾	16.307	14.426	13,0%
EBITDA ⁽²⁾	15.097	13.560	11,3%
Recurring result of operating activities (REBIT)	7.545	5.396	39,8%
Result of operating activities (EBIT)	6.335	4.530	39,8%
Net financing costs	-778	-640	21,6%
Result of operating activities after net financing costs (EBT)	5.557	3.890	42,9%
Taxes	-1.654	-871	89,9%
Result after tax before share in the result of enterprises accounted for using the equity method	3.903	3.019	29,3%
Share in enterprises accounted for using the equity method	-217	-18	
Earnings after taxes (EAT)	3.686	3.001	22,8%
Net cash flow ⁽³⁾	12.665	12.049	5,1%
Financial position in 000 EUR			
	30/06/14	31/12/13	
Balance sheet total	231.204	240.676	-3,9%
Equity	98.729	99.489	-0,8%
Net financial debts (4)	36.998	40.823	-9,4%
Equity/Total assets (in %)	42,7%	41,3%	3,3%
Gearing Ratio ⁽⁵⁾	37,5%	41,0%	-8,7%
Key figures in EUR per share			
	30/06/14	30/06/13	
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	7,31	6,95	5,1%
Earnings after taxes	2,13	1,73	22,8%
EBITDA	8,71	7,83	11,3%

(1) REBITDA: EBITDA from recurring operating activities

(2) EBITDA: earnings before taxes + depreciation + amortization + changes in provisions

(3) Net cash flow: earnings after taxes + depreciation + amortization + changes in provisions

(4) Net financial debts: interest bearing liabilities – interest bearing receivables, cash and cash equivalents

(5) Gearing ratio: Net financial debt/Equity



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NOTES TO THE CONSOLIDATED KEY FIGURES

Turnover

In the first six months of the year, the total turnover of the group decreased by EUR 3.3 million (-1.6%) from EUR 202.6 million to EUR 199.3 million.

The turnover of the ready meals division increased by EUR 3.6 million (+6.3%), partly due to a renewed consumer confidence in lasagne.

The turnover of the processed meats division decreased by EUR 6.9 million (-4.7%). This drop in turnover is mainly due to the termination of dried and cured meat manufacturing as per 31 December 2013, as well as extensive optimisation of the product range following which a number of less profitable product varieties were discontinued.

Results of operating activities

The REBITDA increased by EUR 1.9 million (+13%) from EUR 14.4 million in the first half of 2013 to EUR 16.3 million in the same period in 2014.

This is mainly due to sales growth in the ready meals division (see above), increased focus on profitability of the product range and extensive cost management.

Aided by specific consumer campaigns, the Come a casa[®] brand was able to confirm its position as market leader in the fresh Mediterranean meals segment in Belgium.

The recurring non-cash costs in the first half of 2014 (EUR 8.8 million) were EUR 0.1 million lower than the same period in 2013.

Consequently, the REBIT increased by 39.8% from EUR 5.4 million in 2013 to EUR 7.5 million in 2014.

The non-recurring result from the first half of 2014 consists of EUR 1.2 million from miscellaneous redundancy payments. In 2013 this non-recurring result amounted to EUR 0.9 million.

The EBITDA increased by EUR 1.5 million (+11.3%) from EUR 13.6 million in 2013 to EUR 15.1 million in 2014 and the EBIT increased by EUR 1.8 million (+39.8%) from EUR 4.5 million in 2013 to EUR 6.3 million in 2014.

Net financing costs

In the first semester of 2014, the net-financing expenses are EUR 0.1 million higher than in the same period of 2013, mainly due to the negative exchange rate differences.



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Taxes

The tax rate over the first half of 2014 (29.8%) is in line with that for 2013 (30.3%).

Balance sheet

Under IAS-34, the balance sheet figures of 30 June 2014 are to be compared with those of 31 December 2013. Changes in balance sheet items are limited as there have been no changes in the scope of consolidation since 31 December 2013.

Non-current assets decreased by EUR 2.2 million. Property, plant and equipment and intangible non-current assets decreased EUR 2.4 million as a result of EUR 6.4 million investments and EUR 8.8 million depreciations and write-downs. Financial fixed assets increased by EUR 0.3 million.

Net debt decreased by EUR 3.8 million. This is the result of the incoming cash flow from operations (EUR 15.5 million) and financial movements (EUR -0.1 million), compared to an outgoing cash flow from net paid investments (EUR 6.5 million) and dividend and interest payments (amounting to EUR 5.1 million).

The equity difference is chiefly the result of the first semester after tax profit decreased with the dividend that was granted over the previous financial year.

Investments

The investments amounting to EUR 6.4 million in the first half of 2014 relate primarily to the further investments in efficiency and changes to the infrastructure at the various sites. In the first semester of 2013, EUR 5.8 million was invested.

The foundation stone of the new ready meals factory in Opole (Poland) was laid on 26 June 2013; this factory is being constructed by the joint venture The Pasta Food Company. The construction is progressing on schedule. From September 2014 the first ready meals will be produced for the Central and Eastern European markets.

The initial costs of the full manufacturing operation in Opole will initially result in a significantly higher loss in the joint venture in the second half of the year. The group's share in this result will be recognised via the equity method.



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PROSPECTS FOR 2014

Barring unexpected market conditions the group expects the result for 2014 to exceed that of 2013, even after allocation of the start up losses in the Opole factory.

HALF YEAR FINANCIAL REPORT

The half year financial report of the group is available on www.terbeke.com in the Investor Relations module.

The half year financial report contains the condensed consolidated financial statements drawn up in accordance with IAS 34, the declaration without reservations of the auditor on his limited review and the other legally required specifications.

CONTACTS

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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)

FINANCIAL CALENDAR

Annual result 2014:	27 February 2015 before market opening
Annual report 2014:	At the latest on 28 April 2015
General Meeting of Shareholders 2015:	28 May 2015 at 11 a.m.



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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 7 industrial sites in Belgium and the Netherlands and employs approximately 1,650 people. Ter Beke generated a turnover of EUR 407 million in 2013.

Processed Meats Division:

- producer and slicer of processed meats for the Benelux, the UK and Germany;
- 2 production plants in Belgium (Wommelgem and Waarschoot) 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[®] and Daniël Coopman[®];
- employs approximately 1050 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 600 staff;
- joint venture The Pasta Food Company established in Poland (2011).



Daniël Coopman