

---

## CONSOLIDATED ANNUAL RESULTS 2015

### KEY FIGURES AND HEADLINES

- Ter Beke group:
  - Net result growth of 26.6%.
  - The consolidated turnover decreased by EUR 3.4 million (-0.9%) to EUR 396.3 million.
  - REBITDA amounts to EUR 35.8 million in 2015 compared to EUR 33,7 million in 2014 (+6.0%).
  - 2015 includes EUR 2.8 million in non-recurring expenses. This concerns redundancy payments for EUR 1.5 million and an impairment on the Binet fixed asset in the amount of EUR 1.3 million.
  - As a result of the above:
    - EBITDA amounts to EUR 34.3 million compared to EUR 31.4 million in 2014 (+9.1%)
    - EBIT amounts to EUR 15.8 million compared to EUR 13.8 million in 2014 (+14.3%)
    - the result after taxes amounts to EUR 10.3 million compared to EUR 8.1 million in 2014 (+26.6%)
    - net cash flow amounts to EUR 29.3 million compared to EUR 26.4 million in 2014 (+10.9%)
  - The group successfully implemented a new ERP system in its ready meals division. The roll-out in the other divisions is provided for 2016 and 2017.
  - On 28 August 2015, the group acquired a 33% minority interest in the French ready meals producer Stefano Toselli.
- Processed Meats Division:
  - Continued focus on the profitability of the product range and extensive cost-savings have resulted in substantially improved results in comparison to 2014.
  - Relaunch of range of “over the counter” processed meats under the Daniël Coopman® brand.
  - Development and roll-out of the growth strategy for the Dutch market holds much promise.
- Ready Meals Division:
  - Decrease in turnover caused by the loss of an important contract in the German market.
  - Pressure on the margins require a continued focus on the profitability of the product range and extensive cost-savings.
  - Further specialization of the Wanze production site in the production of large production volumes and relocation of the smaller more complex volumes to Marche-en-Famenne.
  - Efficient launch of production activities by The Pasta Food Company (Polish joint venture).
  - Come a casa® wins two Superior Taste Awards.
- Proposal to pay a gross dividend of 3.50 EUR per share over 2015 (+40%).



Daniel Coopman

## CONSOLIDATED KEY FIGURES (1)

| <u>In '000 EUR</u>   | <u>2015</u> | <u>2014</u> | <u>Δ%</u> |
|--|-------------|-------------|-----------|
| Revenu (net turnover)  | 396.319     | 399.730     | -0,9%     |
| REBITDA  | 35.779      | 33.748      | 6,0%      |
| EBITDA (2)   | 34.273      | 31.418      | 9,1%      |
| Recurring operating result (REBIT)   | 18.594      | 16.174      | 15,0%     |
| Operating result (EBIT)  | 15.829      | 13.844      | 14,3%     |
| Net financing costs  | -1.201      | -1.402      |           |
| Operating result after net financing costs (EBT)   | 14.628      | 12.442      | 17,6%     |
| Taxes  | -3.817      | -3.637      |           |
| Result after tax before share in the result of enterprises accounted for using the equity method | 10.811      | 8.805       | 22,8%     |
| Share in enterprises accounted for using the equity method                                       | -513        | -673        |           |
| Earnings after taxes (EAT)   | 10.298      | 8.132       | 26,6%     |
| Net cash flow (3)  | 29.255      | 26.379      | 10,9%     |
| Total assets   | 241.528     | 232.725     | 3,8%      |
| Equity   | 108.843     | 102.815     | 5,9%      |
| Net financial debt (4)   | 34.312      | 29.566      | 16,1%     |
| Equity/Total assets  | 45,1%       | 44,2%       | 2,0%      |
| Gearing ratio (5)  | 31,5%       | 28,8%       | 9,6%      |
| <u>In EUR per share</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  | 16,88       | 15,22       | 10,9%     |
| Earnings after taxes   | 5,94        | 4,69        | 26,6%     |
| EBITDA   | 19,78       | 18,13       | 9,1%      |

(1) The consolidated income statement and balance sheet can be consulted on the website [www.terbeke.com](http://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



Daniel Coopman

## NOTES TO THE CONSOLIDATED KEY FIGURES

### Turnover

The group's turnover in the second half of 2015 increased by 7% compared to the first half of 2015 (+2.2% compared to the second half of 2014).

The total turnover of the group decreased by EUR 3.4 million (-0.9%), from EUR 399.7 million to EUR 396.3 million.

The turnover of the Ready Meals Division decreased by EUR 4.7 million compared to 2014 (-4.0%). This decrease occurred entirely in the first half of 2015. The turnover in the second half of 2015 was almost equal to that of the same period in 2014.

The turnover of the Processed Meats Division increased by EUR 1.3 million (+0.5%). This improvement includes the initial results of the growth strategy for the Dutch processed meats market.

It is important to report that both divisions continued further with the extensive optimisation of the product range.

### REBITDA, EBITDA, REBIT and Operating result (EBIT)

The REBITDA has risen by EUR 1.9 million (+6.0%) from EUR 33.7 million in 2014 to EUR 35.6 million in 2015.

This is both a consequence of the increased turnover in the second half of the year as well as the continued focus on the profitability of the product range and extensive cost control in both divisions.

However, the cost control measures do not prevent the group from working in various ways on its future development.

Extensive market research carried out in Belgium, the Netherlands, England and Germany offers us a valuable insight into the needs of the end consumer. This inspires our Research and Development Department to work in a focused manner on innovative products and concepts.

We prefer to offer the most high-quality innovations under our consumer brands. In 2015, we launched successful salami, poultry and cooked ham products under the Daniel Coopman® brand. The restyling of the packaging, continuous upgrade in quality and the new products launched under the Come a casa® brand in 2015 have been much appreciated by Belgian consumers. For the development of private label products, we continuously work together with our customers on the desired improvement and innovations in our product range.

Additional investments in efficiency improvements in the factories and the investment in ERP software have allowed us to optimize our business processes.



Daniel Coopman

As announced last year, the CEO remuneration partly consists of a reward for exceptional growth of shareholder value at the end of his tenure in 2018. On the basis of the 2015 results, a provision was already set up in this respect amounting to EUR 0.6 million.

This provision, along with a EUR 0.9 million decrease in depreciations and a non recurring impairment of EUR 1.3 million on the Binet fixed asset, explains the larger part of the increase in non-cash costs in 2015 (+ EUR 0.8 million).

The remaining non-recurring result for 2015 consists of a limited number of significant redundancy payments. These amounted to a total of EUR 1.5 million in 2015 and EUR 2.3 million in 2014.

Consequently, the REBIT increased by 15.0% from EUR 16.2 million in 2014 to EUR 18.6 million in 2015.

The EBITDA increased by EUR 2.9 million (+9.1%), from EUR 31.4 million in 2014 to EUR 34.3 million in 2015. In addition, the EBIT increased by EUR 2.0 million (+14.3%), from EUR 13.8 million in 2014 to EUR 15.8 million in 2015.

#### Net financing costs

In 2015, the net-financing costs were EUR 0.2 million lower than in 2014, primarily due to lower interest rates.

#### Taxes

The tax rate for 2015 (26.1%) is lower than the tax percentage for 2014 (29.2%).

#### Investments

The investments of EUR 16.9 million made during 2015 relate primarily to the continuation of efficiency and infrastructure investments at the various sites. The increase in relation to 2014 is primarily due to the set up and implementation of the new ERP software. In 2014, investments amounted to EUR 14.5 million.

On 28 August 2015, Ter Beke and GS&DH Holdings, the sole shareholder in the French company Stefano Toselli (a ready meals producer), signed an agreement whereby Ter Beke acquired a 33% minority interest in Stefano Toselli, effective immediately.

#### Balance sheet

Fixed assets increased by EUR 8.3 million. This is mainly the consequence of the purchase of 33% of the shares of Stefano Toselli for EUR 9.4 million. In addition, the group invested EUR 16.9 million and recorded depreciations and write-downs of EUR 17.9 million.



*Daniel Coopman*

Net debt increased by EUR 4.7 million. This is the result of the incoming cash flow from operations (EUR 28.1 million) compared to an outgoing cash flow from net paid investments (EUR 27.5 million) and dividend and interest payments (amounting to EUR 5.3 million).

The equity difference is chiefly the result of after-tax profit minus the dividend that was granted over the previous financial year.

### Dividend proposal

Considering the strong increase in earnings, the Board of Directors will make a proposal to the General Meeting of Shareholders to distribute a gross dividend of 3.50 EUR per share over 2015 (+40% versus 2014).

### EXTERNAL CONTROL

The statutory auditor, DELOITTE Auditors BV o.v.v.e. CVBA, represented by 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 2016

In 2016, the group will work towards a heightened focus on the profitability of the product range and on extensive cost-savings and reductions.

The group is confident that, barring unforeseen market circumstances, the results for 2016 will surpass those of 2015.

### CONTACTS

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

René Stevens  
CFO  
Tel. +32 (0)9 370 13 45  
[rene.stevens@terbeke.be](mailto: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](http://www.terbeke.com))

### FINANCIAL CALENDAR

|                                       |  |
|---------------------------------------|--|
| Annual report 2015:                   | At the latest on 26 April 2016         |
| General Meeting of Shareholders 2016: | 26 May 2016 at 11 a.m.                 |
| First semester 2016 results:          | 2 September 2016 before market opening |



Daniel Coopman

# terbeke

driven by the zeal for your everyday meal

Press release 25 February 2016 – 7:30 a.m.

Regulated information

[www.terbeke.com](http://www.terbeke.com)

---

## 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 396.3 million in 2015.

### 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 5 centres for the slicing and packaging of processed meats, 3 of which are in Belgium (Wommelgem, Waarschoot 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<sup>®</sup>, Pluma<sup>®</sup> and Daniël Coopman<sup>®</sup>;
- employs approximately 1050 staff.

### Ready Meals Division:

- produces fresh ready meals for the European market;
- market leader in chilled lasagne in Europe;
- 7 highly automated production lines in 2 specialized production sites in Belgium (Wanze and Marche-en-Famenne);
- brand names Come a casa<sup>®</sup> and Vamos<sup>®</sup> in addition to distribution brands;
- employs approximately 600 staff;
- joint venture The Pasta Food Company established in Poland (2011).



Daniël Coopman