HALF YEAR FINANCIAL REPORT
FIRST SEMESTER 2013

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*The Dutch version of this report is considered to be the official version

1. CONDENSED CONSOLIDATED FINANCIAL STATEMENTS TER BEKE GROUP PER 30 JUNE 2013

CONDENSED CONSOLIDATED BALANCE SHEET

in '000 EUR	30/06/2013	31/12/2012
Assets		
Non-current assets	**150.653**	**154.380**
Goodwill	35.204	35.204
Intangible non-current assets	2.207	2.313
Tangible non-current assets	98.549	101.835
Joint venture using equity method	4.576	4.897
Other long term receivables	117	131
Long term interest bearing receivables	10.000	10.000
Deferred tax assets		0
Current assets	**97.929**	**95.177**
Stocks	26.089	25.316
Trade- and other receivables	65.860	65.515
Cash and cash equivalents	5.980	4.346
Total assets	**248.582**	**249.557**
Liabilities		
Shareholders equity	**96.347**	**98.036**
Capital and share premiums	53.191	53.095
Reserves	43.156	44.941
Non-controlling interests	0	0
Deferred tax liabilities	**7.860**	**8.484**
Long-term liabilities	**35.366**	**41.637**
Provisions	1.812	2.006
Long-term interest-bearing obligations	33.554	39.631
Other long-term obligations		0
Short-term liabilities	**109.009**	**101.400**
short-term interest-bearing obligations	34.862	26.191
Trade liabilities and other debts	63.000	62.856
Social liabilities	9.435	10.499
Tax liabilities	1.712	1.854
Total liabilities	**248.582**	**249.557**

CONDENSED CONSOLIDATED INCOME STATEMENT

in '000 EUR	30/06/2013	30/06/2012
Revenu	**202.567**	**208.235**
Trade goods, raw and auxiliary materials	-112.662	-111.755
Services and miscellaneous goods	-37.978	-42.389
Wages and salaries	-38.585	-40.161
Depreciation costs	-9.202	-8.944
Impairments, write-offs and provisions	172	-51
Other operating income and expenses	218	523
Result of operating activities	**4.530**	**5.458**
Financial income	284	146
Financial expenses	-924	-1.547
Result of operating activities after net financing expenses	**3.890**	**4.057**
Tax	-871	-966
Result after tax before share in the result of enterprises accounted for using the equity method	**3.019**	**3.091**
Share in enterprises accounted for using the equity method	**-18**	**24**
Profit of the period	**3.001**	**3.115**
Basis profit per share	1,73	1,80
Diluted profit per share	1,73	1,80

CONDENSED COMPREHENSIVE INCOME

in '000 EUR	30/06/2013	30/06/2012
Profit of the reported period	3.001	3.115
Other elements of the result (included in the equity)		
Other elements of the result that can be restated later as part of the result		
Calculation differences	-340	244
Other elements of the result that cannot be restated later as part of the result		
Revaluation of net obligations with regard to allocated pension arrangements	-109	
Comprehensive income	**2.552**	**3.359**

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

in '000 EUR	Capital	Capital reserves	Share premiums	Reserved profits	Calculation differences	Total	Number of shares
Balance on 1 January 2012	**4.903**	**0**	**48.288**	**41.094**	**-406**	**93.879**	**1.732.621**
Treasury shares reserve		-98				-98	
Dividend				-4.332		-4.332	
Result of the year				3.115		3.115	
Other elements of the comprehensif income of the period					244	244	
Comprehansif income for the period				3.115	244	3.359	
Movements via reserves							
-Result from treasury shares				-9		-9	
Balance on 30 June 2012	**4.903**	**-98**	**48.288**	**39.868**	**-162**	**92.799**	**1.732.621**
Treasury shares reserve		2				2	
Dividend						0	
Result of the year				5.092		5.092	
Other elements of the comprehensif income of the period					154	154	
Comprehensif income for the period				5.092	154	5.246	
Movements via reserves							
-Result from treasury shares				-11		-11	
Balance on 31 December 2012	**4.903**	**-96**	**48.288**	**44.949**	**-8**	**98.036**	**1.732.621**
Treasury shares reserve		96				96	
Dividend				-4.332		-4.332	
Result of the year				3.001		3.001	
Other elements of the comprehensif income of the period				-109	-340	-449	
Comprehensif income for the period				2.892	-340	2.552	
Movements via reserves							
-Result from treasury shares				-5		-5	
Balance on 30 June 2013	**4.903**	**0**	**48.288**	**43.504**	**-348**	**96.347**	**1.732.621**

CONDENSED CONSOLIDATED CASHFLOW STATEMENT

in '000 EUR	30/06/2013	30/06/2012
Operating activities		
Result of operating activities	4.530	5.458
Adjustments for:		
-Depreciation	9.202	8.944
-Change in impairments and write-offs	26	13
-Change in provisions	-198	38
-Proceeds from the sale of fixed assets	-9	-65
Changes in net operating capital		
-Changes in stock	-771	-1.089
-Changes in trade and other receivables	-291	3.979
-Changes in trade and other liabilities	-903	-2.546
-Changes in other items	-35	30
Cash from operating activities	**11.551**	**14.762**
Tax paid	-1.625	-836
Net cash from operating activities	**9.926**	**13.926**
Investing activities		
Proceeds from the sale of tangible fixed assets	23	899
Investments in intangible fixed assets	-324	-267
Investments in tangible fixed assets	-5.714	-6.009
Net investments in financial fixed assets	14	3
Net investments in joint venture	-1	0
Investments in third party loans	0	-5.000
Takeover of subsidiaries	0	0
Net cash used in investing activities	**-6.002**	**-10.374**
Financing activities		
Treasury share purchase	90	-108
Proceeds from take-up of new loans	21.300	25.600
Dividend payments to shareholders	-4.333	-4.346
Interest paid (through P&L account)	-881	-1.221
Loan settlement	-18.695	-21.933
Repayment of financial leasing liabilities	-11	-18
Other financial resources/(expenses)	241	-181
Net cash from financing activities	**-2.289**	**-2.207**
Net change in cash and cash equivalents	**1.635**	**1.345**
Cash funds at the beginning of the period	4.345	5.742
Cash funds at the end of the period	**5.980**	**7.087**

2. NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

INFORMATION ON THE COMPANY

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).

DECLARATION OF CONFORMITY

The above condensed interim consolidated financial statements are set up in accordance with IAS-34 interim financial reporting, as accepted by the EU. These statements do not contain all information required for full annual accounts and need to be read together with the consolidated annual accounts for the reporting period ending 31 December 2012, as published in the annual report to the shareholders on the financial year 2012.

The group's scope of consolidation has not changed since 31 December 2012.

These condensed consolidated financial statements were approved for publication by the Board of Directors on 28 August 2013.

VALUATION AND INTERPRETATION RULES

The valuation rules used in preparing these condensed interim consolidated financial statements are consistent with those set out and applied in preparing the consolidated financial statements for the accounting period ending 31 December 2012.

New standards or interpretations applicable from 1 January 2013 have no significant impact on the condensed financial statements per 30 June 2013. Changes in IAS19 would have as a consequence that 2012 actuary losses (EUR 169 thousand) and historic service costs (EUR -15 thousand) had to be imputed on equity rather than on the result. As the amounts concerned (EUR 154 thousand per 31 December 2012 and EUR 77 thousand per 30 June 2012) are immaterial compared to the total result, it was decided not to restate the 30 June 2012 and 31 December 2012 results.

GENERAL

No changes were made to the estimated amounts in the financial statements over the previous financial year.

The General Meeting of Shareholders of 30 May 2013 approved the dividend proposed by the Board of Directors (EUR 2.50/share). The awarded dividend amounted to a total of EUR 4,331,552.5, of which more than 99% had been paid out per 30 June 2013.

The results of the group are hardly influenced by seasonal effects, except for a higher level of activity in December.

There are no material events to be reported post balance sheet at the date of the present half year financial report.

In the first semester of 2013, no related party transactions occurred that had a material influence on the financial position or the results of the group in that period.

As of 1 June 2013, Dirk Goeminne, permanent representative of NV Fidigo, was appointed as new CEO of the group. A 5 year agreement was entered into with NV Fidigo. A fixed annual remuneration of EUR 500.000 is paid to NV Fidigo. In addition, an annual variable remuneration is paid to NV Fidigo in line with the provisions of the group variable remuneration policy. The base variable remuneration amounts to 25% of the total annual remuneration. Finally, at the end of the agreement, a cash remuneration is awarded to NV Fidigo, on the condition that an exceptional equity value growth is realised at that time. This remuneration is set at an agreed percentage of the exceptional equity value growth that is realised.

The investments of EUR 5.8 million in the first half of 2013 relate primarily to the continuation of efficiency and infrastructure investments in the various sites. In the first semester of 2012, EUR 5.7 million was invested.

The group is exposed to an exchange rate risk on sales in Pound Sterling (GBP). On 30 June 2013, long term contracts were open for the sale of GBP 3.0 million against EUR and an option to sell GBP 2.6 million against EUR. On 31 December 2012, long term contracts were open for the sale of GBP 5.1 million against EUR and an option to sell GBP 2.0 million against EUR. On 30 June 2013, no negative market value was recorded on open long term contracts (on 30 June 2012, no negative market value was recorded).

On 30 June 2013, the group had a net GBP position of GBP 1.2 million (GBP 1.4 million on 31 December 2012).

On 30 June 2013, the EUR/GBP balance sheet rate amounted to 0.8572 compared to 0.8068 on 31 December 2012. On 30 June 2013, the average result rate amounted to 0.8506 compared to 0.8234 on 30 June 2012.

NOTES TO THE BALANCE SHEET

Under IAS-34, the balance sheet figures of 30 June 2013 are to be compared with those of 31 December 2012. Changes in balance sheet items are limited as there have been no changes in the scope of consolidation since 31 December 2012.

Fixed assets drop by EUR 3.7 million. The tangible and intangible fixed assets decreased EUR 3.4 million as a result of EUR 5.8 million investments less EUR 9.2 million depreciations and write-downs. Financial fixed assets decrease EUR 0.3 million, chiefly as a result of the increased exchange rate of the Polish Zloty.

Net debt increased by EUR 1.0 million. This is the result of the incoming cash flow from operations (EUR 9.9 million) and financial movements (EUR 0.3 million), as opposed to an outgoing cash flow comprising paid up investments (EUR 6.0 million) and dividend and interest payments (EUR 5.2 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.

NOTES TO THE INCOME STATEMENT

Turnover

In the first semester, the total group turnover decreased by EUR 5.6 million (-2.7%) from EUR 208.2 million to EUR 202.6 million.

The turnover of the Ready Meals Division decreased by EUR 10.4 million (-15.3%). This decrease is mainly due to the horsemeat crisis that, even though our products were not at all involved, has seriously affected consumer confidence in ready meals in general and lasagne in particular. With the aid of its suppliers and customers, the group has taken numerous actions in order to restore consumer confidence in the ready meals category.

The turnover of the Processed Meats Division increased by EUR 4.7 million (+3.3%). The increase in turnover is mainly due to an increase in sales prices subsequent to a rise in raw material prices and a further growth in the Dutch slicing and packaging activities.

Results of operating activities

The REBITDA decreased by EUR 1.4 million (-8.9%) from EUR 15.8 million in the first semester 2012 to EUR 14.4 million in the same period of 2013.

This is primarily due to lower sales in the ready meals division (see above).

Better results in the processed meats division, as well as a strict cost control allowed the group to partially compensate the effect of this turnover and result decrease.

Through specific actions to restore consumer confidence, sales under the Come a casa® brand resisted better. The brand confirms its leading role in the Mediterranean ready meals. In Belgium.

“Services and miscellaneous goods” comprises:

in '000 EUR	30/06/2013	30/06/2012
Third party remuneration	7.887	9.021
Repair & Maintenance	6.042	7.736
Marketing & Sales costs	9.289	10.518
Transport costs	6.646	7.237
Energy	4.290	4.819
Rent	2.379	1.405
Other	1.445	1.653
Total	**37.978**	**42.389**

"Other operating income and expenses" comprises:

in '000 EUR	30/06/2013	30/06/2012
Recovery of wage-related costs	592	648
Recovery of logistic costs	36	72
Government grants	1	55
Profits from the disposal of assets	30	84
Recovery waste	56	0
Recovery insurances	78	136
Rent income	31	31
Recovery Poland	0	108
Preemption rights and similar	0	-35
Write-off on disposal of assets	-14	-5
Paid or received indemnities	91	60
Local taxes	-756	-716
Other	72	86
Total	**217**	**524**

Recurring non-cash costs in the 2013 first semester (EUR 9.0 million) were EUR 0.3 million lower than the same period of 2012.

All this resulted in a decrease of the REBIT by 17.4% from EUR 6.5 million in 2012 to EUR 5.4 million in 2013.

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 did 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, amounting to EUR 1.1 million, regarding this termination were charged in full to the result of the first semester. These costs relate chiefly to personnel costs. Together with a number of other dismissal costs (- EUR 0.2 million) and a reversal of impairments on fixed assets (+ EUR 0.3 million) the non-recurrent result in the first semester of 2012 amounted to - EUR 1.0 million.

The non-recurrent result of the first semester 2013 consists of EUR 0.5 million dismissal costs and EUR 0.4 million one time costs relating to the horsemeat crisis.

Together with the aforementioned, this explains the decrease of the EBITDA by EUR 0.9 million (-6.2%) from EUR 14.5 million in 2012 to EUR 13.6 million in 2013 and the decrease of the EBIT by EUR 0.9 million (-17.0%) from EUR 5.5 million in 2012 to EUR 4.5 million in 2013.

Net financing costs

The net financing costs in 2013 are EUR 0.8 million lower than in 2012. Exchange rate differences and interest differences each explain about half of this variance.

Taxes

The first semester 2013 tax rate (22.4%) is in line with the tax percentage over the first semester of 2012 (23.8%).

KEY DATA PER BUSINESS SEGMENT

	Processed Meats	Ready Meals	Total	Processed Meats	Ready Meals	Total
Segment income statement						
Segment sales	145.083	57.484	202.567	140.396	67.839	208.235
Segment results	4.689	1.545	6.234	2.807	4.147	6.954
Non-allocated results			-1.704			-1.496
Net financing cost			-640			-1.401
Taxes			-871			-966
Share in companies according to equity method			-18			24
Consolidated result			3.001			3.115
Other segment information						
Segment investments	3.865	1.603	5.468	4.399	1.024	5.423
Non-allocated investments			359			263
Total investments			5.827			5.686
Segment depreciations and non-cash costs	5.896	2.733	8.629	5.451	3.082	8.533
Non-allocated depreciations and non-cash costs			401			462
Total depreciations and non-cash costs			9.030			8.995

The difference between the current GBP exchange rates and the standard exchange rates is added to the segment result in each period in order to obtain a better view on the economic result of the segment. On 30 June 2013 and 30 June 2012 this amount was non-material. This amount is corrected in the non-allocated results. They also contain the costs of central services that are not allocated to one of the divisions.

As the turnover between both segments is non-material, the group opted to report only the extra-group turnover.

CALCULATION OF EARNINGS PER SHARE

Calculation earnings per share	**30/06/2013**	**30/06/2012**
Number of outstanding ordinary shares per 1 January	1.732.621	1.732.621
Effect of issued ordinary shares		
Weighted average number of outstanding ordinary shares per 30 June of the financial year	1.732.621	1.732.621
Net profit	3001	3.115
Average number of shares	1.732.621	1.732.621
Profit per share	**1,73**	**1,80**
Calculation diluted earnings per share	**30/06/2013**	**30/06/2012**
Net profit	3.001	3.115
Average number of shares	1.732.621	1.732.621
Dilution effect warrant plans		
Adjusted average number of shares	1.732.621	1.732.621
Diluted profit per share	**1,73**	**1,80**

As the number of treasury shares, purchased within the framework of the liquidity provider contract, is immaterial, it was decided not to take these into account in the calculation of the earnings per share.

3. INTERIM SEMESTER REPORT

KEY FIGURES AND HEADLINES

- Ter Beke group:
    - In the first semester 2013, the group succeeds in realising almost the same result and net cashflow as in the first semester of 2012, notwithstanding the strong negative impact of the horsemeat crisis on the sales in the ready meals division;
    - The consolidated turnover increases in 2013 by EUR 5.6 million (2.7%) to EUR 202.6 million;
    - EBITDA from recurring operating activities amounts to EUR 14.4 million in 2013 compared to EUR 15.8 million in 2012 (-8.9%), primarily due to the turnover decrease in ready meals;
    - The first semester 2013 contains EUR 0.9 million non-recurrent costs (EUR 0.5 million dismissal costs and EUR 0.4 million one time costs relating to the horsemeat crisis);
    - As a result of the foregoing:
        - EBITDA amounts to EUR 13.6 million compared to EUR 14.5 million in 2011 (-6.2%);
        - EBIT amounts to EUR 4.5 million compared to EUR 5.5 million in 2012 (-17.0%);
        - Result after taxes amounts to EUR 3.0 million compared to EUR 3.1 million in 2012 (-2.3%);
        - Net cash flow amounts to EUR 12.0 million compared to EUR 12.1 million in 2012 (-0.3%);
    - Dirk Goeminne, permanent representative of NV Fidigo, was appointed as new CEO of the group per 1 June 2013.

- Processed Meats Division:
    - Increase in turnover, especially in the Dutch slicing and packaging activities;
    - Launch of a new recloseable packaging for processed meats;
    - Roll out of the single portion concept;
    - Extension of the Maya® range (lic. Studio 100®)

- Ready Meals Division:
    - Turnover and result decrease in lasagne due to the horse meat crisis;
    - Start of the construction of the new ready meals plant in Opole (Poland);

CONSOLIDATED KEY FIGURES FIRST SEMESTER 2013

Income statement in 000 EUR			
	30/06/13	30/06/12	Δ %
Revenue (net turnover)	202.567	208.235	-2,7%
REBITDA [(1)]	14.426	15.828	-8,9%
EBITDA [(2)]	13.560	14.453	-6,2%
Recurring result of operating activities (REBIT)	5.396	6.533	-17,4%
Result of operating activities (EBIT)	4.530	5.458	-17,0%
Net financing costs	-640	-1.401	-54,3%
Result of operating activities after net financing costs (EBT)	3.890	4.057	-4,1%
Taxes	-871	-966	-9,8%
Result after tax before share in the result of enterprises accounted for using the equity method	3.019	3.091	-2,3%
Share in enterprises accounted for using the equity method	-18	24	
Earnings after taxes (EAT)	3.001	3.115	-3,7%
Net cash flow [(3)]	12.049	12.086	-0,3%
Financial position in 000 EUR			
	30/06/13	31/12/12	
Balance sheet total	248.582	249.557	-0,4%
Equity	96.347	98.036	-1,7%
Net financial debts (4)	52.436	51.476	1,9%
Equity/Total assets (in %)	38,8%	39,3%	
Gearing Ratio (5)	54,4%	52,5%	
Key figures in EUR per share			
	30/06/13	30/06/12	
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	6,95	6,98	-0,3%
Earnings after taxes	1,73	1,80	-3,7%
EBITDA	7,83	8,34	-6,2%

(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

NOTES TO THE CONSOLIDATED KEY FIGURES

Turnover

In the first semester, the total group turnover decreased by EUR 5.6 million (-2.7%) from EUR 208.2 million to EUR 202.6 million.

The turnover of the Ready Meals Division decreased by EUR 10.4 million (-15.3%). This decrease is mainly due to the horsemeat crisis that, even though our products were not at all involved, has seriously affected consumer confidence in ready meals in general and lasagne in particular. With the aid of its suppliers and customers, the group has taken numerous actions in order to restore consumer confidence in the ready meals category.

The turnover of the Processed Meats Division increased by EUR 4.7 million (+3.3%). The increase in turnover is mainly due to an increase in sales prices subsequent to a rise in raw material prices and a further growth in the Dutch slicing and packaging activities.

Results of operating activities

The REBITDA decreased by EUR 1.4 million (-8.9%) from EUR 15.8 million in the first semester 2012 to EUR 14.4 million in the same period of 2013.

This is primarily due to lower sales in the ready meals division (see above).

Better results in the processed meats division, as well as a strict cost control allowed the group to partially compensate the effect of this turnover and result decrease.

Through specific actions to restore consumer confidence, sales under the Come a casa® brand resisted better. The brand confirms its leading role in the Mediterranean ready meals. In Belgium.

Recurring non-cash costs in the 2013 first semester (EUR 9.0 million) were EUR 0.3 million lower than the same period of 2012.

All this resulted in a decrease of the REBIT by 17.4% from EUR 6.5 million in 2012 to EUR 5.4 million in 2013.

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 did 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, amounting to EUR 1.1 million, regarding this termination were charged in full to the result of the first semester. These costs relate chiefly to personnel costs. Together with a number of other dismissal costs (- EUR 0.2 million) and a reversal of impairments on fixed assets (+ EUR 0.3 million) the non-recurrent result in the first semester of 2012 amounted to - EUR 1.0 million.

The non-recurrent result of the first semester 2013 consists of EUR 0.5 million dismissal costs and EUR 0.4 million one time costs relating to the horsemeat crisis.

Together with the aforementioned, this explains the decrease of the EBITDA by EUR 0.9 million (-6.2%) from EUR 14.5 million in 2012 to EUR 13.6 million in 2013 and the decrease of the EBIT by EUR 0.9 million (-17.0%) from EUR 5.5 million in 2012 to EUR 4.5 million in 2013.

Net financing costs

The net financing costs in 2013 are EUR 0.8 million lower than in 2012. Exchange rate differences and interest differences each explain about half of this variance.

Taxes

The first semester 2013 tax rate (22.4%) is in line with the tax percentage over the first semester of 2012 (23.8%).

Balance sheet

Under IAS-34, the balance sheet figures of 30 June 2013 are to be compared with those of 31 December 2012. Changes in balance sheet items are limited as there have been no changes in the scope of consolidation since 31 December 2012.

Fixed assets drop by EUR 3.7 million. The tangible and intangible fixed assets decreased EUR 3.4 million as a result of EUR 5.8 million investments less EUR 9.2 million depreciations and write-downs. Financial fixed assets decrease EUR 0.3 million, chiefly as a result of the increased exchange rate of the Polish Zloty.

Net debt increased by EUR 1.0 million. This is the result of the incoming cash flow from operations (EUR 9.9 million) and financial movements (EUR 0.3 million), as opposed to an outgoing cash flow comprising paid up investments (EUR 6.0 million) and dividend and interest payments (EUR 5.2 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 of EUR 5.8 million in the first half of 2013 relate primarily to the continuation of efficiency and infrastructure investments in the various sites. In the first semester of 2012, EUR 5.7 million was invested.

26 June 2013 marks the start of the construction works on the new ready meals plant in Opole (Poland), constructed by the joint venture company The Pasta Food Company. As of mid 2014, this plant will produce ready meals for the Central and Eastern European markets.

PROSPECTS FOR 2013

It is at this stage impossible to assess how long the horsemeat crisis will continue to affect consumer confidence. The group is doing its utmost to neutralise its negative impact in the second semester as well.

Depending on this and save for any other unforeseen market circumstances, the group remains confident that the full year result 2013 can still equal that of 2012.

RELATED PARTY TRANSACTIONS

In the first semester of 2013, no related party transactions occurred that had a material influence on the financial position or the results of the group in that period.

As of 1 June 2013, Dirk Goeminne, permanent representative of NV Fidigo, was appointed as new CEO of the group. A 5 year agreement was entered into with NV Fidigo. A fixed annual remuneration of EUR 500.000 is paid to NV Fidigo. In addition, an annual variable remuneration is paid to NV Fidigo in line with the provisions of the group variable remuneration policy. The base variable remuneration amounts to 25% of the total annual remuneration. Finally, at the end of the agreement, a cash remuneration is awarded to NV Fidigo, on the condition that an exceptional equity value growth is realised at that time. This remuneration is set at an agreed percentage of the exceptional equity value growth that is realised.

MATERIAL RISKS AND UNCERTAINTIES

The material risks and uncertainties for the remainder of 2013 are largely the same as described on pages 31-32 of the annual report on the financial year 2012 and relate primarily to the quality and price fluctuations of the raw materials used.

4. DECLARATION OF THE RESPONSIBLE PERSONS

The undersigned, Dirk Goeminne*, Managing Director, and René Stevens, Chief Financial Officer, declare that, to their knowledge:

- the condensed interim consolidated financial statements on the first semester of 2013, established in accordance with the International Financial Accounting Standards ("IFRS"), provide a true and fair view of the estate, the financial position and the results of Ter Beke NV and the consolidated companies;

- the half year financial report provides a true and fair view of the important events of the first semester of the financial year 2013, of the related party transactions and of the material risks and uncertainties for the remainder of the financial year.

Waarschoot, 28 August 2013

Dirk Goeminne*
Managing Director

René Stevens
Chief Financial Officer

*representing NV Fidigo

5. REPORT FROM THE STATUTORY AUDITOR ON THE HALF YEAR INFORMATION

FREE TRANSLATION
The original text of this report is in Dutch

Ter Beke NV

Limited review report on the consolidated interim financial information for the six-month period ended 30 June 2013

To the board of directors

We have performed a limited review of the accompanying consolidated condensed balance sheet, condensed income statement, condensed statement of comprehensive income, condensed cash flow statement, condensed statement of changes in equity and selective notes (jointly the "interim financial information") of Ter Beke NV ("the company") and its subsidiaries (jointly "the group") for the six-month period ended 30 June 2013. The board of directors of the company is responsible for the preparation and fair presentation of this interim financial information. Our responsibility is to express a conclusion on this interim financial information based on our review.

The interim financial information has been prepared in accordance with international financial reporting standard IAS 34 – *Interim Financial Reporting* as adopted by the European Union.

Our limited review of the interim financial information was conducted in accordance with international standard ISRE 2410 – *Review of interim financial information performed by the independent auditor of the entity*. A limited review consists of making inquiries of group management and applying analytical and other review procedures to the interim financial information and underlying financial data. A limited review is substantially less in scope than an audit performed in accordance with the International Standards on Auditing (ISA). Accordingly, we do not express an audit opinion on the interim financial information.

Based on our limited review, nothing has come to our attention that causes us to believe that the interim financial information for the six-month period ended 30 June 2013 is not prepared, in all material respects, in accordance with IAS 34 – *Interim Financial Reporting* as adopted by the European Union.

Kortrijk, 28 August 2013

The statutory auditor

DELOITTE Bedrijfsrevisoren / Reviseurs d'Entreprises
BV o.v.v.e. CVBA / SC s.f.d. SCRL
Represented by Kurt Dehoorne

6. CONTACTS

If you have any questions on the present half year report or for further information, please contact:

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dirk.debacker@terbeke.be

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

You can also review the present half year report and send us your questions through the Investor relations module on our website (www.terbeke.com)

7. FINANCIAL CALENDAR

Business update third quarter 2013:	8 November 2013 before market opening
Annual result 2013:	28 February 2014 before market opening
Annual report 2013:	At the latest on 27 April 2014
Business update first quarter 2014:	9 May 2014 before market opening
General Meeting of Shareholders 2014:	28 May 2014 at 11 a.m.

8. 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).