driven by the zeal for your everyday meal

Press release 4 September 2015 – 7:30 a.m.
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FIRST SEMESTER 2015 CONSOLIDATED RESULTS

KEY FIGURES AND HEADLINES

- Ter Beke group:
  - Net result growth of 27.8%.
  - The consolidated turnover decreased by EUR 7.9 million (-4.0%) to EUR 191.4 million.
  - REBITDA amounts to EUR 16.3 million in 2015 compared to EUR 15.9 million in 2014 (+2.5%).
  - The first half of 2015 includes EUR 0.8 million in non-recurring expenses. This concerns redundancy payments.
  - As a result of the above:
    - EBITDA amounts to EUR 15.5 million compared to EUR 14.7 million in 2014 (+5.3%)
    - EBIT amounts to EUR 7.5 million compared to EUR 5.9 million in 2014 (+25.6%)
    - the result after taxes amounts to EUR 4.4 million compared to EUR 3.4 million in 2014 (+27.8%)
    - net cash flow amounts to EUR 12.8 million compared to EUR 12.4 million in 2014 (+3.1%)
  - The group is preparing to implement a new ERP system at group level.
  - On 28 August 2015, the group acquired a 33% minority interest in the French ready meals producer Stefano Toselli.
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- 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.
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- 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.
  - Highly efficient launch of production activities by The Pasta Food Company (Polish joint venture).
  - Come a casa® wins two Superior Taste Awards.

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CONSOLIDATED KEY FIGURES FIRST SEMESTER 2015

Income statement in 000 EUR		**Revised**	
	30/06/15	**30/06/14**	**Δ %**
Revenue (net turnover)	191.409	199.298	-4,0%
REBITDA (1)	16.314	15.918	2,5%
EBITDA (2)	15.493	14.708	5,3%
Recurring result of operating activities (REBIT)	8.288	7.156	15,8%
Result of operating activities (EBIT)	7.467	5.946	25,6%
Net financing costs	-898	-778	15,4%
Result of operating activities after net financing costs (EBT)	6.569	5.168	27,1%
Taxes	-1.799	-1.522	18,2%
Result after tax before share in the result of enterprises accounted for using the equity method	4.770	3.646	30,8%
Share in enterprises accounted for using the equity method	-389	-217	79,3%
Earnings after taxes (EAT)	4.381	3.429	27,8%
Net cash flow (3)	12.796	12.408	3,1%
Financial position in 000 EUR			
	30/06/15	**31/12/14**	
Balance sheet total	221.330	232.725	-4,9%
Equity	103.017	102.815	0,2%
Net financial debts (4)	33.847	29.566	14,5%
Equity/Total assets (in %)	46,5%	44,2%	
Gearing Ratio (5)	32,9%	28,8%	
Key figures in EUR per share		**Revised**	
	30/06/15	**30/06/14**	
Number of shares	1.732.621	1.732.621	
Average number of shares	1.732.621	1.732.621	
Net cash flow	7,39	7,16	3,1%
Earnings after taxes	2,53	1,98	27,8%
EBITDA	8,94	8,49	5,3%

(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

NOTES TO THE CONSOLIDATED KEY FIGURES

Turnover

In the first six months of the year, the total turnover of the group decreased by EUR 7.9 million (-4.0%) from EUR 199.3 million to EUR 191.4 million.

The turnover of the processed meats division decreased by EUR 3.2 million (-2.3%), while the turnover of the ready meals division decreased by EUR 4.7 million (-7.6%).

The decrease in turnover in both divisions was a result of extensive optimization of the product range, whereby a number of less profitable product varieties were discontinued. The group's ready meals division lost an important contract in the German market. It goes without saying that the group will do its utmost to recover this volume.

In the first half of the year, the group invested in the development and roll-out of a growth strategy for the Dutch processed meats market. The first results of these efforts are promising for the future.

Results of operating activities

The REBITDA increased by EUR 0.4 million (+2.5%) from EUR 15.9 million in the first half of 2014 to EUR 16.3 million in the same period in 2015.

This is primarily a consequence of the increased focus on the profitability of the product range and further cost-savings in both divisions.

The loss of an important German contract affected the result of the ready meals division. Along with the increasing pressure on the margins, this explains the slight decline in the operational result in the first semester. However, the group has confidence that the lost volume will be recovered and is responding to the pressure on the margins by investing more in efficiency improvements in the factories and in innovative products and concepts.

For example, in 2015 the group invested a considerable amount in the relaunch of the range of bulk quality processed meats under the Daniël Coopman® brand.

The continued investments in the quality and innovation of the Come a casa® range of ready meals were rewarded with two Superior Taste Awards, awarded by a panel of chefs/food connoisseurs of Gault Millau® and Michelin®.

The non-cash costs in the first half of 2015 (EUR 8.0 million) were EUR 0.8 million lower than the same period in 2014.

Consequently, the REBIT increased by 15.8% from EUR 7.1 million in 2014 to EUR 8.3 million in 2015.

The non-recurring result for the first semester in both 2015 and 2014 is made up of a limited number of significant redundancy payments. In 2015 these amounted to a total of EUR 0.8 million, in 2014 EUR 1.2 million.

The EBITDA increased by EUR 0.8 million (+5.3%) from EUR 14.7 million in 2014 to EUR 15.5 million in 2015 and the EBIT increased by EUR 1.6 million (+25.6%) from EUR 5.9 million in 2014 to EUR 7.5 million in 2015.

Net financing costs

In 2015, the net financing expenses in the first half of the year were EUR 0.1 million higher than in the same period in 2014, mainly due to the negative exchange rate differences.

Taxes

The tax rate in the first half of 2015 (27.4%) was slightly lower than in June 2014 (29.4%).

Balance sheet

Under IAS-34, the balance sheet figures of 30 June 2015 are to be compared with those of 31 December 2014. Changes in balance sheet items are limited as there have been no changes in the scope of consolidation since 31 December 2014.

Non-current assets increased by EUR 0.5 million. This is mainly because of EUR 8.6 million in investments reduced by EUR 8.1 million in depreciations and write-downs.

Net debt increased by EUR 4.3 million. This is the result of the incoming cash flow from operations (EUR 11 million), compared to an outgoing cash flow from net paid investments (EUR 10 million), dividend and interest payments (EUR 4.9 million) and financial movements (EUR -0.4 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 8.6 million in the first half of 2015 relate primarily to the further investments in efficiency and changes to the infrastructure at the various sites. The increase in relation to 2014 is primarily caused by the further expansion and implementation of the new ERP package. EUR 6.4 million was invested in the first semester of 2014.

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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.

Ter Beke and GS&DH Holdings had earlier established The Pasta Food Company in 2011, a 50/50 joint venture in Poland. The objective of this joint venture was to produce and market ready meals in central and eastern Europe.

The joint venture has built a highly automated production facility in Opole (Poland) which has been fully operational since October 2014. Turnover is increasing more slowly than anticipated, but the factory is also achieving the efficiency targets earlier than expected. As mentioned earlier, this factory will not make a positive contribution to the result in 2015. The group's share in this result will be recognised via the equity method.

In the contracts that were drawn up in 2011, the parties to the joint venture agreed on a call option for Ter Beke on:

(1) 50% of shares in the Polish joint venture in possession of GS&DH Holdings and
(2) all the shares GS&DH Holdings holds in Stefano Toselli SAS, so that Ter Beke can acquire 100% of the shares in Stefano Toselli.

On 28 August 2015, Ter Beke and GS&DH Holdings agreed that Ter Beke will partially exercise its call option on the Stefano Toselli shares, so that it has now acquired 33% of the shares in Stefano Toselli, 3 years earlier than anticipated. Ter Beke paid EUR 9.4 million for these shares.

The earlier exercise of part of the call option is confirmation of the parties' strategy to establish a strong European ready meals group.

PROSPECTS FOR 2015

In 2015, the group will work towards a heightened focus on the profitability of the product range and on extensive cost-savings and reductions. In Opole the group will continue its launch of new contracts/customers. For 2015 we do not expect the joint venture will yet be making a positive contribution to the consolidated results.

The group is confident that, barring unforeseen market circumstances, the results for 2015 will surpass those of 2014.

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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

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 result 2015:	25 February 2016 before market opening
Annual report 2015:	At the latest on 26 April 2016
General Meeting of Shareholders 2016:	26 May 2016 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 399.7 million in 2014.

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®, 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;
- 7 highly automated production lines in 2 specialized 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).