

TRADING UPDATE FIRST QUARTER 2012

Evolution of activities and results:

In the first quarter of 2012 Ter Beke realised an **increase in turnover** compared to the same period in 2011. This increase in turnover occurs both in the Ready Meals Division and the Processed Meats Division.

The group still faces **high raw material prices**.

The overall economic climate caused a **change in the mix** of products sold, where we see sales of the more profitable products declining in favour of less profitable products.

As previously announced the group invested considerably in the profitability of activities in both divisions, including the launch of new products and concepts.

At the beginning of May, in the **Processed Meats** Division the group launched a new range of meat products under the brand **Oligusto®**. The Oligusto® range of products consists of salami, sliced chicken fillet, paté, ham sausage and cooked ham, all enriched and refined with olive oil. This reduces the average intake of fat via these meat products by 40%. Oligusto® fits in perfectly with the trend towards more awareness and healthier food. The innovation and start-up costs for this new range were recognised in full in the first quarter of 2012.

In 2012, in the **Ready Meals** Division, a new television advertising campaign was developed for **Come a casa®**. This campaign has been running since March on the key Belgian television channels and is well on target: the market share commanded by Come a casa® in this category continues to grow. The brand proves its leadership in this market segment.

In the first months of 2012 several new products were launched under the Come a casa® brand. On the one hand, two lasagnes which are suitable for speed heating in the microwave oven, and on the other a range of lasagnes specially developed with the well-known Italian TV chef **Peppé Giacomazza**.

The costs of this TV campaign and the product introductions were also booked to the results of the first quarter of 2012.



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Regulated information

www.terbeke.com

The evolution of raw material prices and the changed mix, combined with the investments in Come a casa® and Oligusto®, mean that the increase in turnover in the first quarter did not result in a rise in the **operational result** in the same period.

The effects and investments mentioned above will also have an influence on the results for the first six months of the year.

On 5 April 2012 the group announced to the works council at the **Alby-sur-Chéran** production site the intention to terminate industrial activity at that site. After the reorganisation in 2008 the group had examined all possible routes to make the industrial activities in the French company profitable. However, none of the routes investigated have led to the desired result. In conjunction with the works council, the decision has been made to shut down industrial activity at Alby-sur-Chéran no later than 30 June 2012.

The group retains 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 involved in terminating industrial activities at Alby-sur-Chéran will have a negative influence on the group results for the first half-year.

Prospects:

The group remains confident that, save for unforeseen market conditions, over the full year 2012, **results can be improved**.

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

General Meeting 2012:	31 May 2012 at 11.00 am
Dividend payment date:	15 June 2012
Half year results 2012:	31 August 2012 before market opening
Business update third quarter 2012:	9 November 2012 before market opening
Annual results 2012:	At the latest 29 April 2013

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'Ardennaise[®], Pluma[®], Oligusto[®] 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)

