

Press release

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Press

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Bekaert completes acquisition of three Pirelli tire cord plants

Today, Bekaert and Pirelli have successfully closed the acquisition by Bekaert of the Pirelli steel cord plants in Figline (Italy), Slatina (Romania), and Sumaré (Brazil). As a part of this transaction, a long-term supply agreement will come into effect for the delivery of Bekaert tire cord products to Pirelli.

The integration process of the three tire cord plants into the Bekaert Group will start immediately.

[As announced earlier this year](#), the agreement between Bekaert and Pirelli also includes Pirelli's steel cord activities in Izmit (Turkey) and in Yanzhou (China). The closing of the acquisition of these two plants will occur when regulatory approvals are obtained in the respective countries. While no assurances can be given, we expect the closing to take place in the first quarter of 2015.

The integration of the steel cord activities and the long-term supply agreement will further enhance Bekaert's status as a preferred supplier to the tire industry.

Deal structure

Bekaert has acquired all shares held by Pirelli in the steel cord entities in Italy, Romania and Brazil. The entities will be renamed:

- Bekaert Figline SpA (Italy), 100% Bekaert;
- Bekaert Slatina SRL (Romania), 80% Bekaert. Continental AG will retain, through its subsidiary Continental Global Holding Netherlands BV, 20% of the shares;
- Bekaert Sumaré Ltda (Brazil), 100% Bekaert.

The financial results of these entities will be included in the consolidated statements of Bekaert as from 1 January 2015.

The final contractual terms of the transaction of the remaining two Pirelli steel cord entities include full ownership by Bekaert of the entity in Izmit (Turkey) and the establishment of a partnership in China in which Bekaert will hold 80% of the shares, and Hixih Rubber Industrial Group Co Ltd, Pirelli's existing partner in the Yanzhou entity, the remaining 20%.

About Bekaert

Bekaert (www.bekaert.com) is a world market and technology leader in steel wire transformation and coatings. Bekaert (Euronext Brussels: BEKB) is a global company with headquarters in Belgium, employing 28 000 people worldwide. Serving customers in 120 countries, Bekaert pursues sustainable profitable growth in all its activities and generated combined sales of €4.1 billion in 2013.

Bekaert and the tire industry

Bekaert has been developing and manufacturing steel cord for the tire industry since the 1950's. Bekaert's industry-high investments in R&D, with a strong focus on innovations for tire markets, its strong belief in customer proximity, enabled by the company's global footprint and its readiness and flexibility to support tire manufacturers in any decision they take with respect to tire cord supply needs and solutions, have made Bekaert a preferred supplier to the tire industry.

Disclaimer

The foregoing release may contain forward-looking statements regarding the impact of the transaction on the financial statements of Bekaert. Such statements reflect the current views of management regarding future events, and involve known and unknown risks, uncertainties and other factors that may cause actual results to be materially different from any future results, performance or achievements expressed or implied by such statements. Bekaert is providing the information in this press release as of this date and does not undertake any obligation to update any forward-looking statements contained in this press release as a result of new information, future events or otherwise. Bekaert disclaims any liability for statements made or published by third parties and does not undertake any obligation to correct inaccurate data, information, conclusions or opinions published by third parties in relation to this or any other press release issued by Bekaert.