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Press release

Regulated information

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Press - Investors
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Full Year Results 2016

Bekaert delivers strong profit growth as it moves into higher gear

8.2% Underlying EBIT, up 32% to € 305 million - Underlying EBITDA +18%, exceeding half a billion euro

Highlights[1]

Bekaert achieved strong margin and volume growth throughout 2016. An overall stronger business portfolio and the growing impact from the various global transformation programs boosted the company's profit performance and cash generation. The underlying EBIT[2] increased by 32% to € 305 million, representing a margin on sales of 8.2%. Our underlying EBITDA totaled € 513 million, up 18% from last year and reflecting a margin of 13.8%. We achieved an improvement in ROCE (from 9.1 to 11.8% underlying) which resulted in ROIC (8.3) exceeding the WACC (8.0), allowing us to return to a value creative position.

The Group's 4% organic volume growth[3] stemmed from firm demand in global automotive markets and steadily increasing sales volumes in industrial steel wire and construction markets. This growth was largely offset in Bekaert's top line by the lower wire rod prices and price-mix effects (-3%).The net effect of mergers, acquisitions and divestments was +2.5% while adverse currency movements accounted for -2.5%.

Bekaert achieved excellent results in all regional segments: EMEA improved on the already high profit margins of last year; our activities in North America and Asia Pacific almost doubled their underlying EBIT performance compared with 2015; and Latin America delivered excellent results with an EBIT margin increase of 50%. The integration of the Bridon activities in Bekaert's consolidated statements via the newly established Bridon-Bekaert Ropes Group, tempered Bekaert's profit performance in the second half, as anticipated.

- Consolidated sales of € 3.7 billion (+1%) and combined sales of € 4.4 billion (-1%)
- Currency impact: € -65 million (-2%) on consolidated sales; € -96 million (-2%) on combined sales
- Gross profit of € 690 million (18.6% margin) compared with € 598 million (16.3% margin) in 2015
- Underlying EBIT of € 305 million (8.2% margin) compared with € 231 million (6.3% margin)
- EBIT of € 260 million (7.0% margin) compared with € 219 million (6.0% margin)
- Underlying EBITDA of € 513 million (13.8% margin) compared with € 436 million (11.9% margin)
- Underlying ROCE of 11.8% compared with 9.1%
- Net debt of € 1 068 million, including € 279 million acquisition impact of the Bridon merger deal. Net debt on underlying EBITDA was 2.1, slightly higher than last year (1.9). Excluding the Bridon impact, net debt on underlying EBITDA dropped to 1.5, reflecting the strong cash generation of Bekaert in 2016
- EPS: € 1.87 compared with € 1.82

The Board of Directors confirms its confidence in the strategy and future perspectives of the company and will propose to the Annual General Meeting of Shareholders a gross dividend of € 1.10 per share, compared with € 0.90 last year.

[1] All comparisons are made relative to the financial year 2015.
[2] Definitions of financial parameters: Annex 9, page 22.
[3] 2.7% volume growth when including the -1.4% effect of the shutdown period of the Venezuelan operations due to raw material shortages. The latter impact was limited to -0.4% at the consolidated sales level and is included in 'currency movements'.

Outlook

Firm demand from automotive markets has been a consistent driver of value creating growth throughout 2016. Despite growing uncertainty in Europe and in global markets driven by recent political events, we project automotive markets to continue to perform well in the first half of 2017. We expect demand from oil and gas markets to remain weak due to the continuing low planned investment activity in extraction projects. We expect a strong start to the year in solar markets, ahead of changes to feed-in tariffs in China which will create major volatility in demand later in the year.

In 2016 we have made great progress on our transformation journey towards unlocking Bekaert's full potential. Despite some tough economic headwinds, especially from oil and gas markets and in Latin America, our transformation programs have been impactful.

- Bekaert has made a clear prioritization of where to grow and how to improve the business portfolio. We have narrowed our focus on those parts of the business where we can leverage our strengths and drive value creating growth.
- The global transformational programs supporting the company's vision and strategies are expected to gain further ground over the coming years. They include a manufacturing excellence program aimed at gaining competitiveness by improving the company's safety, quality, delivery performance and productivity; a customer excellence program to drive growth and margin performance; and a supply chain excellence program to improve our planning and inventory management capability. These programs are expected to increasingly underpin our move towards a sustainable higher level performance.

The results of 2016 are a reflection of what we are capable of and have made us more confident and more ambitious about our future. We believe we will broadly repeat in 2017 our current strong underlying EBIT level as we expect our transformation programs will compensate for the adverse effects of changes to our consolidation scope, among which the full-year integration of the Bridon-Bekaert Ropes Group at still lower than average margins.

We want to build from what we have been achieving. Our current performance encourages us to extend our transformation programs and take more significant steps going forward. While there will be cycles, and provided there will be no exceptional, unforeseeable circumstances, the improvements we are making within our business will move our underlying EBIT margin trend towards 10% over the next 5 years.

NOTES

Besides IFRS accounts, Bekaert also presents the key underlying business performance parameters of profitability and cash generation, to provide a more consistent and comparable view on the Group's financial performance. These underlying business performance indicators adjust the IFRS figures for the one-off accounting impacts of restructuring costs, provisions for environmental sanitization programs, asset impairments, M&A related fees, and other such non-recurring items that would distort the analysis of the Group's underlying Business performance. 'REBIT' and 'REBITDA' - reflecting the 'recurring' or 'underlying' business performance - are now named[4] **EBIT-Underlying** and **EBITDA-Underlying** respectively. **EBIT** and **EBITDA** according to IFRS are referred-to as such or as **EBIT-reported** and **EBITDA-reported** when specification adds clarity.

The 2015 comparative information has been restated in line with IAS19 and ESMA guidelines which came into effect in 2016. The restatement elements and effects are summarized in annex[5] to this press release.

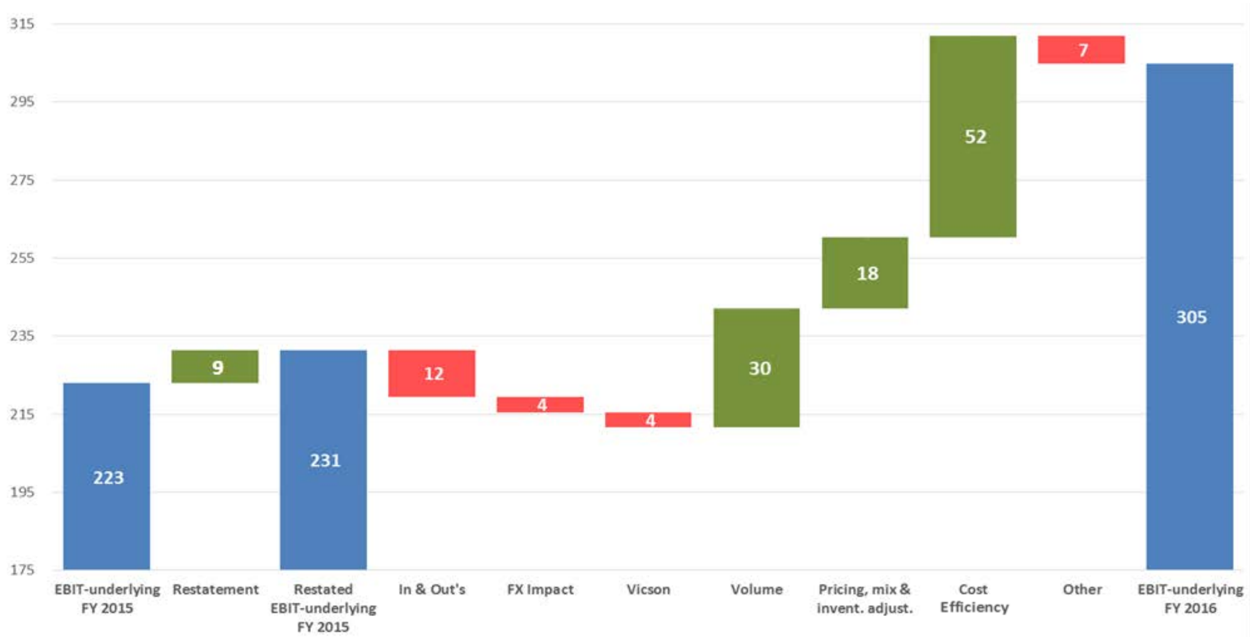
[4] Definitions of financial parameters: Annex 9, page 22.
[5] Restatement elements and effects: Annex 7, pages 18-20.

Financial Statements Summary

	Underlying				Reported	
in millions of €	**2015**	**2016**	**1H 2016**	**2H 2016**	**2015**	**2016**
Consolidated sales	3 671	3 715	1 819	1 896	3 671	3 715
Operating result (EBIT)	231	305	157	148	219	260
EBIT margin on sales	6.3%	8.2%	8.6%	7.8%	6.0%	7.0%
Depreciation, amortization and impairment losses	205	208	102	106	222	222
EBITDA	436	513	259	254	441	481
EBITDA margin on sales	11.9%	13.8%	14.2%	13.4%	12.0%	13.0%
ROCE	9.1%	11.8%			8.7%	10.0%
Combined sales	4 402	4 351	2 125	2 226	4 402	4 351

Underlying EBIT bridge

Bekaert's underlying EBIT increased by 32% to € 305 million, reflecting a margin of 8.2%. This was the result of solid volume growth, positive pricing and product-mix and inventory adjustments, and significant cost savings. These margin enhancing effects were partially offset by the integration of the Bridon activities in the Bridon-Bekaert Ropes Group, adverse currency effects, low margins in Venezuela due to volume losses and currency evolutions, and various other impacts.



Sales

Bekaert achieved consolidated sales of € 3.7 billion in 2016, an increase of 1% compared with last year. Volume growth drove up consolidated sales by 4%[6].This growth was largely offset in Bekaert's top line by the lower wire rod prices (-1%) and price-mix effects (-2%).The net effect of mergers, acquisitions and divestments was +2.5% while adverse currency movements accounted for -2.5%.

[6] 2.7% volume growth when including the -1.4% effect of the shutdown period of the Venezuelan operations due to raw material shortages. The latter impact was limited to -0.4% at the consolidated sales level and is included in 'currency movements'.

Fourth quarter sales were up 9% compared with the last quarter of 2015. Mergers and acquisitions accounted for 6% and the organic sales growth was 3%, driven by strong volume growth in Asia Pacific. Currency effects were almost neutral after a steep climb of the Brazilian real and the Chilean peso in recent months.

Combined sales[7] totaled € 4.4 billion for the year, slightly down (-1%) from 2015 due to flat organic growth, a limited net effect of mergers, acquisitions and divestments (+1%) and unfavorable exchange rate movements (-2%).

Consolidated sales by segment

Full Year 2016 – in millions of €

Consolidated sales	2015	2016	Variance	Share	FX impact
EMEA	1 174	1 148	-2%	31%	-5
North America	528	512	-3%	14%	+2
Latin America	712	682	-4%	18%	-18
Asia Pacific	1 019	1 052	+3%	28%	-38
BBRG	239	320	+34%	9%	-6
Total	**3 671**	**3 715**	**+1%**	**100%**	**-65**

2016 quarter-on-quarter progress – in millions of €

Consolidated sales	1st Q	2nd Q	3rd Q	4th Q	Q4 y-o-y
EMEA	295	312	268	273	-1%
North America	133	131	127	121	+1%
Latin America	162	167	176	177	+2%
Asia Pacific	244	273	261	274	+9%
BBRG	50	52	108	111	+98%
Total	**884**	**935**	**940**	**956**	**+9%**

Combined sales by segment

Full Year 2016 – in millions of €

Combined sales	2015	2016	Variance	Share	FX impact
EMEA	1 169	1 147	-2%	27%	-5
North America	528	512	-3%	12%	+2
Latin America	1 400	1 320	-6%	30%	-47
Asia Pacific	1 068	1 052	-1%	24%	-40
BBRG	238	319	+34%	7%	-6
Total	**4 402**	**4 351**	**-1%**	**100%**	**-96**

2016 quarter-on-quarter progress per segment – in millions of €

Combined sales	1st Q	2nd Q	3rd Q	4th Q	Q4 y-o-y
EMEA	295	312	268	272	-1%
North America	133	131	127	121	+1%
Latin America	308	327	344	341	+10%
Asia Pacific	244	273	261	274	+3%
BBRG	50	51	108	111	+98%
Total	**1 030**	**1 095**	**1 107**	**1 119**	**+9%**

[7] Combined sales are sales of consolidated companies plus 100% of sales of joint ventures and associates after intercompany elimination.

Segment reports

EMEA

	Underlying				Reported	
Key figures (in millions of €)	**2015**	**2016**	**1H 2016**	**2H 2016**	**2015**	**2016**
Consolidated sales	1 174	1 148	608	541	1 174	1 148
Operating result (EBIT)	128	141	81	60	135	136
EBIT margin on sales	10.9%	12.2%	13.3%	11.1%	11.5%	11.8%
Depreciation, amortization and impairment losses	54	59	30	29	55	58
EBITDA	183	200	111	89	190	194
EBITDA margin on sales	15.6%	17.4%	18.2%	16.5%	16.2%	16.9%
Segment assets	848	881	911	881	848	881
Segment liabilities	214	240	240	240	214	240
Capital employed	634	642	671	642	634	642
ROCE	19.3%	22.1%			20.3%	21.3%

Bekaert's activities in EMEA delivered excellent results with record EBIT, EBITDA and ROCE performance.

Compared with a strong 2015, demand from European markets remained solid. This applied to automotive and construction markets in particular, while demand for profiled wires declined as a result of investment delays and cancellations in the oil and gas sector. Sales were lower in the second half of the year due to the usual seasonal effects.

The strengthened business portfolio after recent acquisitions, divestments and business exits and the increased benefits from various transformation programs drove EMEA's solid, double-digit profit base to a record full-year underlying EBIT margin of 12.2% and € 141 million in absolute numbers, up 10% from last year.

The one-off adjustments amounted to € -5 million and were mainly related to restructuring costs in Turkey.

Capital expenditure (PP&E) was € 52 million and included capacity expansions and equipment upgrades in all plants, particularly in Slovakia, Romania and Belgium.

Bekaert anticipates continued good demand from most markets except oil and gas. The European activities have made a strong start to the year but do project some temporary margin pressure due to the time needed to pass fast increasing raw material prices on to the market. Moreover, we remain cautious about the potential impact of growing uncertainty in Europe, following Britain's choice to leave the European Union.

NORTH AMERICA

	Underlying				Reported	
Key figures (in millions of €)	**2015**	**2016**	**1H 2016**	**2H 2016**	**2015**	**2016**
Consolidated sales	528	512	264	248	528	512
Operating result (EBIT)	14	26	13	13	27	26
EBIT margin on sales	2.6%	5.1%	5.0%	5.1%	5.2%	5.1%
Depreciation, amortization and impairment losses	11	13	6	7	10	13
EBITDA	24	39	19	19	38	39
EBITDA margin on sales	4.6%	7.6%	7.4%	7.8%	7.2%	7.6%
Segment assets	270	300	280	300	270	300
Segment liabilities	62	62	68	62	62	62
Capital employed	208	237	212	237	208	237
ROCE	7.0%	11.7%			14.0%	11.7%

Bekaert's activities in North America recorded an organic volume growth of 8%, driven by the volume increase from the plant reconstruction in Rome, Georgia (US). This growth was more than offset on the sales level due to the lower wire rod prices (-4.4%) passed on to our customers; unfavorable mix effects (-5.2%) from firm growth in lower priced product groups; and the effect of business divestments (-1%).

Automotive, agriculture and industrial steel wire markets performed well, while decreased demand from the oil and gas sector drove sales of profiled wires down.

Underlying EBIT was almost doubled compared with last year as a result of better capacity utilization driven by higher volumes and the effects from actions put in place to raise our competitiveness in target markets. Profit margins have not yet reached the desired levels but the effects of the implemented measures are clearly visible. Cash generation (underlying EBITDA) was 60% better than in the previous year and ROCE rose to almost 12%.

In 2016 there were no one-off adjustments, as opposed to 2015 which included € +14 million impact from the final insurance settlement proceeds related to the Rome fire.

Capital expenditure (PP&E) amounted to € 21 million and related mainly to investments in tire cord activities.

Bekaert projects more effects from the transformation programs in the course of 2017. We also expect to see the first benefits from the ongoing capacity investments aimed at meeting a growing demand for products 'made in America'. We do remain cautious about the effects on margins of US trade policy and related tariff changes.

LATIN AMERICA

	Underlying				Reported	
Key figures (in millions of €)	**2015**	**2016**	**1H 2016**	**2H 2016**	**2015**	**2016**
Consolidated sales	712	682	328	353	712	682
Operating result (EBIT)	46	67	33	34	45	67
EBIT margin on sales	6.5%	9.8%	9.9%	9.7%	6.4%	9.8%
Depreciation, amortization and impairment losses	23	22	13	9	24	22
EBITDA	69	89	45	43	69	88
EBITDA margin on sales	9.6%	13.0%	13.8%	12.2%	9.8%	12.9%
Combined sales	1 400	1 320	636	684	1 400	1 320
Segment assets	509	464	527	464	509	464
Segment liabilities	110	118	124	118	110	118
Capital employed	398	347	403	347	398	347
ROCE	11.1%	16.6%			11.0%	16.5%

In Latin America, consolidated sales were down 4% as a result of the volume losses in Venezuela caused by shutdown periods due to raw material shortages (-2%) and unfavorable currency movements (-2%).

Fourth quarter sales were up 2.5% compared with the same period last year as a result of positive currency effects following the steep rise of the Brazilian real and the Chilean peso in recent months. Significant fluctuations of local currencies against the USD explain the counterbalancing effects of wire rod prices (+7%) and the price-mix from sales in local currency (-7%) in the fourth quarter, year-on-year.

Bekaert's activities in Latin America outperformed the market in most countries. EBIT and ROCE increased by about 50% as a result of: a strengthened business portfolio in the region, particularly in Ecuador and Brazil; strong demand in Chile throughout 2016; and better pricing and cost competitiveness in Peru. The EBITDA margin of 13% drove strong cash generation.

Bekaert invested € 14 million in property, plant and equipment across the region, particularly in Ecuador and Chile.

We expect a continued weak economy in Brazil and general economic uncertainty across the region. We anticipate increasing pressure from Chinese imports as a result of stronger local currencies and perceive some difficulty in timely pushing increased wire rod prices into the market.

We are in discussions of bringing Bekaert's wholly-owned subsidiary in Sumaré (Brazil), a high-margin tire cord subsidiary acquired from Pirelli, into the BMB (Belgo-Mineira Bekaert) joint venture partnership with ArcelorMittal. Bekaert holds 44.5% of the shares in the joint venture and would – upon reaching an agreement and receiving regulatory approvals – no longer report the results of the Sumaré plant in its consolidated statements. This would affect the overall margin level of the segment as the entity's profitability is above average.

Notwithstanding the economic and ownership evolutions, we expect to maintain the benefits of our strong market positions, sustained cost savings and an increased impact from the implementation of our transformation programs.

Bekaert's combined sales decline (-1%) was mainly due to the average currency impact of the Brazilian real (-4% year-on-year), despite the steep climb of the currency in the second half of 2016. The results of our joint ventures in Brazil outperformed the weak economic conditions in the country and their contribution to Bekaert's net result was equal to 2015.

ASIA PACIFIC

	Underlying				Reported	
Key figures (in millions of €)	**2015**	**2016**	**1H 2016**	**2H 2016**	**2015**	**2016**
Consolidated sales	1 019	1 052	517	535	1 019	1 052
Operating result (EBIT)	69	119	58	62	58	100
EBIT margin on sales	6.8%	11.3%	11.1%	11.5%	5.7%	9.5%
Depreciation, amortization and impairment losses	109	103	51	52	122	119
Negative goodwill	0	0	0	0	0	0
EBITDA	178	222	108	113	179	219
EBITDA margin on sales	17.5%	21.1%	21.0%	21.2%	17.6%	20.8%
Combined sales	1 068	1 052	517	535	1 068	1 052
Segment assets	1 168	1 115	1 162	1 115	1 168	1 115
Segment liabilities	160	179	156	179	160	179
Capital employed	1 007	936	1 006	936	1 007	936
ROCE	6.5%	12.2%			5.4%	10.3%

Bekaert achieved 8.5% organic volume growth in Asia Pacific, compared with 2015. Strong demand from automotive markets throughout the year boosted the growth. The wire rod price impact was limited in the aggregate (+1.5%) after significant price drops in the first half of the year, followed by a steep climb in the second half. Price erosion and currency movements totaled -4% each. The net effect of mergers, acquisitions and divestments was less than +1%.

Bekaert's activities in Asia Pacific achieved a robust performance in the last quarter of the year. The organic sales growth of 10% compared with the same period of 2015 stemmed from increased volumes (+5%) and sharp wire rod price increases (+10%), tempered by price erosion and mix effects (-5%). Demand from solar markets picked up as from the second half of November, after the sudden drop in the third quarter which was driven by changes to feed-in tariffs in China in July 2016. Sawing wire accounted for 12% of Bekaert's sales in Asia Pacific in 2016.

Our activities achieved strong margin growth across the region: underlying EBIT increased by 72% to € 119 million, reflecting a margin of 11.3%. Underlying EBITDA was € 222 million, 25% higher than last year and representing a margin of 21%. ROCE almost doubled to more than 12%.

This robust performance across the whole region was the result of high capacity utilization, M&A activity, and significant benefits from various transformation programs.

As announced before, Bekaert started to phase out the Shah Alam plant in Malaysia and the move of certain product lines to the Ipoh facility, also in Malaysia. We also decided to close the small tire cord plant in Huizhou, Guandong province (China). Investment restrictions in Huizhou have put a burden on the plant's potential to grow scale and improve cost effectiveness to the level of our other operations. Therefore the decision was taken to stop operations in Huizhou, and invest in other existing locations in the country.

Bekaert invested significantly across the region and recorded a total of € 59 million investments in PP&E in 2016, including expansion investments in tire cord activities in China, India and Indonesia.

The one-off adjustments (€ -19 million) reflect the asset impairments of the Huizhou plant in China and the costs related to the closure of the Shah Alam plant in Malaysia.

We expect the high run rate in our tire markets to continue into 2017, and project solar markets to make a strong start to the year, in anticipation of new changes to feed-in tariffs, upon which we expect strong volatility in demand. We expect our transformation programs will enable us to sustain the higher revenue and profitability trends in 2017.

Bridon-Bekaert Ropes Group

	Underlying				Reported	
Key figures (in millions of €)	**2015**	**2016**	**1H 2016**	**2H 2016**	**2015**	**2016**
Consolidated sales	239	320	102	219	239	320
Operating result (EBIT)	29	13	10	4	29	-9
EBIT margin on sales	12.3%	4.1%	9.3%	1.7%	12.0%	-2.7%
Depreciation, amortization and impairment losses	14	21	7	15	14	22
EBITDA	44	35	16	19	43	13
EBITDA margin on sales	18.2%	10.8%	15.9%	8.5%	17.9%	4.0%
Segment assets	278	613	619	613	278	613
Segment liabilities	34	92	81	92	34	92
Capital employed	244	522	538	522	244	522
ROCE	12.6%	3.4%			12.3%	-2.3%

Bekaert achieved 34% sales growth in the ropes and advanced cords segment. The integration of the Bridon activities accounted for an increase of 37%. Unfavorable currency effects (-2%) and a slight organic sales decline (-1%) tempered the growth. Depressed market conditions in the oil & gas sector affected the sales volumes and the overall capacity utilization in most ropes plants. Ropes volumes picked up modestly in the fourth quarter and the advanced cords business performed well throughout the year.

We project continued difficult market circumstances in oil & gas markets in the near future. We do expect improved results from Bridon-Bekaert Ropes Group in the course of 2017. The management is implementing actions to strengthen its market position and gradually leverage the benefits of its increased scale through improvements in the manufacturing footprint and the global business portfolio. This includes the closure of the Bridon-Bekaert ScanRope AS manufacturing plant in Tønsberg (Norway) and the recent announcement of the restructuring of the Belton facility in Texas (US).

The one-off adjustments accounted for € -22 million: € 9 million from M&A transaction fees and € 13 million related to asset impairments and restructuring costs, mainly regarding the closure of the ScanRope facility.

Investment update and other information

Net debt increased to € 1 068 million, up from € 837 million as at year-end 2015 and down from € 1 148 million as at 30 June 2016. Net debt on underlying EBITDA was 2.1, compared with 1.9 on 31 December 2015. Excluding the net debt effect of the Bridon merger, net debt on underlying EBITDA dropped to 1.5, reflecting a significant underlying reduction primarily driven by strong cash generation.

Bekaert has announced today the decision to close the manufacturing plant in Huizhou, Guandong Province (China). Investment restrictions in Huizhou had put a burden on the plant's potential to grow its scale and cost effectiveness to the level of our other operations. Therefore the decision was taken to stop operations in Huizhou.

The Bridon-Bekaert ScanRope AS manufacturing plant in Tønsberg (Norway) has been closed. The plant's activity level had been heavily affected by the downturn in oil and gas markets which set in early 2015.

On 17 February 2017, the management of Bridon-Bekaert Ropes Group has announced to restructure the Bridon-Bekaert ropes plant in Belton, Texas (US). A workforce reduction combined with equipment upgrades will align the operations with future needs and opportunities.

We are in discussions of bringing Bekaert's wholly-owned subsidiary in Sumaré (Brazil), a high-margin tire cord subsidiary acquired from Pirelli, into the BMB (Belgo-Mineira Bekaert) joint venture partnership with ArcelorMittal. Bekaert holds 44.5% of the shares in the joint venture and would – upon reaching an agreement and receiving regulatory approvals – no longer report the results of the Sumaré plant in its consolidated statements.

In 2016, 392 049 treasury shares were disposed of in connection with the exercise of stock options and the sale to members of the Bekaert Group Executive in the context of the Personal Shareholding Requirement Plan. As a result, the company currently owns 3 885 446 treasury shares.

Financial Review

Dividend

The Board of Directors confirms its confidence in the strategy and future perspectives of the company and will propose that the General Meeting of Shareholders on 10 May 2017 approve the distribution of a gross dividend of € 1.10 per share, compared with € 0.90 per share last year. The dividend will, upon approval by the General Meeting of Shareholders, become payable as of 15 May 2017.

Financial results

Bekaert achieved an operating result (EBIT-Underlying) of € 305 million (versus € 231 million in 2015[8]). This equates to a margin on sales of 8.2% (versus 6.3% in 2015). The one-off adjustments amounted to € -45 million (€ -12 million in 2015) and included restructuring costs in Turkey, Malaysia and Bridon-Bekaert Ropes Group (totaling € -27.1 million), impairment losses on PP&E Huizhou, China (€ -16.2 million), M&A related fees (€ -8.6 million) and various one-off gains (€ +7 million). Including these one-offs, EBIT was € 260 million, representing an EBIT margin on sales of 7.0% (versus € 219 million or 6.0%). Underlying EBITDA was € 513 million (13.8% margin) compared with € 436 million (11.9%) and EBITDA reached € 481 million, representing an EBITDA margin on sales of 13.0% (vs 12.0%).

Selling and administrative expenses increased by € 18 million to € 315 million due to the impact of mergers, acquisitions and divestments (€ 23 million) and costs related to the customer excellence program (€ 7.8 million), effects which were partly offset by overhead cost reductions such as the reduction of costs related to the manufacturing excellence program (€ -6.7 million savings compared with last year) and the positive impact from

[8] 2015 was restated. See annex 7 – p. 18-20 for restatement elements and effects.

currency movements. Research and development expenses decreased from € 65 million to € 64 million. Other operating revenues and expenses mainly reflect the one-off elements referred-to above.

Interest income and expenses amounted to € -73 million, significantly higher than last year (€ -62 million) as a result of the gross debt increase (by € 320 million) related to the Bridon merger. Other financial income and expenses amounted to € -37.5 million (versus € -33.8 million) and was the result of an adverse non-cash impact of € -42.7 million related to the fair value adjustment of the conversion option of the previous bond in line with the evolution of the share price, and the fair value adjustment of the option under the new convertible bond which resulted in a positive impact of € +5.3 million. Other financial income and expenses reduced by € 16 million in the second half of 2016 due to the repayment of USD-loans in Vicson, Venezuela, which resulted in the release of a provision set up for this purpose.

Taxation on profit amounted to € 62 million, compared with € 36 million in 2015. The increase was due to higher profitability and to the significant share of non-deductible (non-cash) items, mainly from the convertible bond exchange which drove a higher effective tax rate.

The share in the result of joint ventures and associated companies increased from € 18 million to € 25 million. The results of the joint ventures in Brazil were stable while the loss-generating entities in Xinyu (China) were deconsolidated as per year-end 2015.

The result for the period thus totaled € 112 million, compared with € 105 million in 2015. The result attributable to non-controlling interests increased from € 4 million to € 7 million. After non-controlling interests, the result for the period attributable to the Group was € 105 million, compared with € 102 million last year. Earnings per share amounted to € 1.87, up from € 1.82 in 2015.

Balance sheet

As at 31 December 2016, shareholders' equity represented 37.1% of total assets, down from 38.9% in 2015. The gearing ratio (net debt to equity) was 66.8% (versus 55.4%).

Net debt was € 1 068 million, down from € 1 148 million as at 30 June 2016 and up from € 837 million as at year-end 2015. The significant reduction since 30 June 2016 was primarily driven by strong cash generation. The increase versus 31 December 2015 includes the effect on net debt of the Bridon merger (€ 279 million). Net debt on underlying EBITDA was 2.1, compared with 1.9 on 31 December 2015. Excluding the net debt effect of the Bridon merger, net debt on underlying EBITDA dropped to 1.5, reflecting strong cash generation.

Cash flow statement

Cash from operating activities amounted to € 400 million, a decrease from € 584 million in 2015. The improved cash generation was offset by higher taxation and the operating working capital reduction was less than in 2015.

Cash flow attributable to investing activities amounted to € -107 million (versus € -363 million): € -159 million related to capital expenditure (PP&E) and € +41 million to the net impact of acquisitions and divestments.

Cash flows from financing activities totaled € -302 million (versus € -268 million in 2015) and were driven by the repayment of interest-bearing debt, dividend payments and interest expenses.

NV Bekaert SA (statutory accounts)

The Belgium-based entity's sales amounted to € 358 million, compared with € 420 million in 2015. The operating loss before non-recurring results was € -8.1 million, compared with a profit of € +17.5 million last year, while non-recurring result as part of the operating result was € -3.9 million in 2016, compared to € -5.2 million last year. The financial result was € -16.0 million (€ +340.4 million in 2015, mainly related to dividend revenue) and included the net non-recurring impact of the BBRG-set up (net € -49.1 million). This led to a result for the period of € -24.3 million compared with € +355.1 million in 2015.

Financial Calendar

2016 results	1	March	2017

The CEO and the CFO of Bekaert will present the results to the investment community at 02:00 p.m. CET.
This conference can be accessed live upon registration via the Bekaert website in listen-only mode.

2016 annual report available on www.bekaert.com	24	March	2017
First quarter trading update 2017	10	May	2017
General Meeting of Shareholders	10	May	2017
Dividend ex-date	11	May	2017
Dividend payable	15	May	2017
2017 half year results	28	July	2017
Third quarter trading update 2017	10	November	2017

Statement from the statutory auditor

The statutory auditor has confirmed that the audit procedures on the consolidated financial statements have been substantially completed and have revealed no material adjustments that would have to be made to the accounting information included in this press release. In preparing the consolidated financial statements, the same accounting policies and methods of computation have been used as in the 31 December 2015 annual consolidated financial statements, except for the following new, amended or revised IFRSs or except for the application of new guidelines that have been adopted as of 1 January 2016 and that have had an impact on this report:

- IAS 19 (Annual improvements to IFRS 2012-2014), Employee benefits. The main revision affecting this report requires that for currencies for which there is no deep market in high quality corporate bonds the discount rate to be used for post-employment benefits obligations should be based on market yields on government bonds denominated in that currency. The revised Standard is applied retrospectively, which explains the changes made to the 2015 comparative figures in the financial statements in this report.
- In accordance with the ESMA guidelines the distinction between 'recurring' and 'non-recurring' EBIT and EBITDA will no longer be presented. The amounts previously reported under 'non-recurring' are reported as part of the other operating expenses and revenues. 'REBIT' and 'REBITDA' are presented as 'EBIT-Underlying' and 'EBITDA-Underlying' affecting also the 2015 comparative figures in the financial statements in this report.

In addition we note that reclassifications have been performed of ‘acquisition related external professional fees’ and ‘accrued interest income and charges” to enhance the presentation consistency. These reclassifications affect also the 2015 comparative figures in the financial statements.

Statement from the responsible persons

The undersigned persons state that, to the best of their knowledge:

- the consolidated financial statements of NV Bekaert SA and its subsidiaries as of 31 December 2016 have been prepared in accordance with the International Financial Reporting Standards, and give a true and fair view of the assets and liabilities, financial position and results of the whole of the companies included in the consolidation; and
- the annual report on the consolidated financial statements gives a fair overview of the development and the results of the business and of the position of the whole of the companies included in the consolidation, as well as a description of the principal risks and uncertainties faced by them.

On behalf of the Board of Directors,

Matthew Taylor	Bert De Graeve
Chief Executive Officer	Chairman of the Board of Directors

Disclaimer

This press release may contain forward-looking statements. 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 forward-looking 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 in light 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.

Company Profile

Bekaert (www.bekaert.com) is a world market and technology leader in steel wire transformation and coating technologies. We pursue to be the preferred supplier for our steel wire products and solutions by continuously delivering superior value to our customers worldwide. Bekaert (Euronext Brussels: BEKB) is a global company with almost 30 000 employees worldwide, headquarters in Belgium and € 4.4 billion in annual revenue.

Annex 1: Press release 1 March 2017

Consolidated income statement

(in thousands of €)	**2015**	**2016**
Sales	3 671 081	3 715 217
Cost of sales	-3 073 407	-3 025 225
Gross profit	**597 674**	**689 992**
Selling expenses	-156 106	-175 340
Administrative expenses	-140 679	-139 558
Research and development expenses	-64 597	-63 590
Other operating revenues	85 516	24 376
Other operating expenses	-102 422	-76 226
Operating result (EBIT)	**219 386**	**259 654**
EBIT - Underlying	**231 482**	**304 952**
Interest income	8 585	6 325
Interest expense	-70 758	-79 493
Other financial income and expenses	-33 810	-37 458
Result before taxes	**123 403**	**149 028**
Income taxes	-36 259	-62 052
Result after taxes (consolidated companies)	**87 144**	**86 976**
Share in the results of joint ventures and associates	18 320	25 445
RESULT FOR THE PERIOD	**105 464**	**112 421**
Attributable to		
the Group	101 722	105 166
non-controlling interests	3 742	7 255
EARNINGS PER SHARE (in € per share)		
Result for the period attributable to the Group		
Basic	1.82	1.87
Diluted	1.81	1.85

Annex 2: Press release 1 March 2017

Reconciliation of segment reporting

Key Figures per Segment

(in millions of €)	EMEA	N-AM	L-AM	APAC	GROUP[1]	BBRG	RECONC[2]	2016
				Underlying				
Consolidated sales	1 148	512	682	1 052	-	320	-	3 715
Operating result (EBIT)	141	26	67	119	-64	13	3	305
EBIT margin on sales	12.2%	5.1%	9.8%	11.3%	-	4.1%	-	8.2%
Depreciation, amortization, impairment losses	59	13	22	103	4	21	-15	208
EBITDA	200	39	89	222	-60	35	-11	513
EBITDA margin on sales	17.4%	7.6%	13.0%	21.1%	-	10.8%	-	13.8%
Segment assets	881	300	464	1 115	176	613	-199	3 351
Segment liabilities	240	62	118	179	115	92	-105	701
Capital employed	642	237	347	936	61	522	-93	2 650
ROCE	22.1%	11.7%	16.6%	12.2%	-	3.4%	-	11.8%
Capital expenditure - PP&E	52	21	14	59	10	14	-11	159

(in millions of €)	EMEA	N-AM	L-AM	APAC	GROUP[1]	BBRG	RECONC[2]	2016
				Reported				
Consolidated sales	1 148	512	682	1 052	-	320	-	3 715
Operating result (EBIT)	136	26	67	100	-63	-9	3	260
EBIT margin on sales	11.8%	5.1%	9.8%	9.5%	-	-2.7%	-	7.0%
Depreciation, amortization, impairment losses	58	13	22	119	3	22	-15	222
EBITDA	194	39	88	219	-60	13	-11	481
EBITDA margin on sales	16.9%	7.6%	12.9%	20.8%	-	4.0%	-	13.0%
Segment assets	881	300	464	1 115	176	613	-199	3 351
Segment liabilities	240	62	118	179	115	92	-105	701
Capital employed	642	237	347	936	61	522	-93	2 650
ROCE	21.3%	11.7%	16.5%	10.3%	-	-2.3%	-	10.0%
Capital expenditure - PP&E	52	21	14	59	10	14	-11	159

[1] Group and business support
[2] Reconciliations

Annex 3: Press release 1 March 2017

Consolidated statement of comprehensive income

(in thousands of €)	2015	2016
Result for the period	**105 464**	**112 421**
Other comprehensive income (OCI)		
Other comprehensive income reclassifiable to profit or loss in subsequent periods:		
Exchange differences	-16 682	36 836
Inflation adjustments	1 208	1 483
Cash flow hedges	175	742
Available-for-sale investments	-2 001	2 349
Share of reclassifiable OCI of joint ventures and associates	-	
Deferred taxes relating to reclassifiable OCI	-67	-135
OCI reclassifiable to profit or loss in subsequent periods, after tax	**-17 367**	**41 275**
Other comprehensive income non-reclassifiable to profit or loss in subsequent periods:		
Remeasurement gains and losses on defined-benefit plans	14 473	-9 978
Share of non-reclassifiable OCI of joint ventures and associates	-30	40
Deferred taxes relating to OCI not to be reclassified	-603	-602
OCI non-reclassifiable to profit or loss in subsequent periods, after tax	**13 840**	**-10 540**
Other comprehensive income for the period	**-3 527**	**30 735**
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	**101 937**	**143 156**
Attributable to		
the Group	91 993	134 686
non-controlling interests	9 944	8 470

Annex 4: Press release 1 March 2017

Consolidated balance sheet

(in thousands of €)	**2015**	**2016**
Non-current assets	**1 921 987**	**2 136 528**
Intangible assets	109 448	140 377
Goodwill	35 699	152 345
Property, plant and equipment	1 490 454	1 514 714
Investments in joint ventures and associates	114 119	146 582
Other non-current assets	39 773	32 142
Deferred tax assets	132 494	150 368
Current assets	**1 960 422**	**2 167 785**
Inventories	628 731	724 500
Bills of exchange received	68 005	60 182
Trade receivables	686 364	739 145
Other receivables	99 286	108 484
Short-term deposits	10 216	5 342
Cash and cash equivalents	401 771	365 546
Other current assets	66 049	52 225
Assets classified as held for sale	-	112 361
Total	**3 882 409**	**4 304 313**
Equity	**1 511 651**	**1 597 893**
Share capital	176 957	177 612
Share premium	31 884	36 594
Retained earnings	1 397 110	1 432 394
Other Group reserves	-223 740	-179 508
Equity attributable to the Group	**1 382 211**	**1 467 092**
Non-controlling interests	**129 440**	**130 801**
Non-current liabilities	**1 083 412**	**1 504 487**
Employee benefit obligations	172 681	182 641
Provisions	50 198	63 107
Interest-bearing debt	792 116	1 161 310
Other non-current liabilities	15 204	44 873
Deferred tax liabilities	53 213	52 556
Current liabilities	**1 287 346**	**1 201 933**
Interest-bearing debt	501 224	297 916
Trade payables	456 783	556 361
Employee benefit obligations	131 281	132 913
Provisions	26 973	17 720
Income taxes payable	105 832	101 683
Other current liabilities	65 253	61 840
Liabilities associated with assets classified as held for sale	-	33 500
Total	**3 882 409**	**4 304 313**

Annex 5: Press release 1 March 2017

Consolidated statement of changes in equity

(in thousands of €)	2015	2016
Opening balance	**1 566 212**	**1 511 651**
Restatements	-5 645	-
Opening balance (restated)	**1 560 567**	**1 511 651**
Total comprehensive income for the period (restated)	101 937	143 157
Capital contribution by non-controlling interests	14 967	-
Effect of acquisitions and disposals	-114 769	-6 003
Creation of new shares	234	5 364
Treasury shares transactions	1 206	7 538
Dividends to shareholders of NV Bekaert SA	-48 006	-50 472
Dividends to non-controlling interests	-7 391	-17 791
Other	2 906	4 449
Closing balance	**1 511 651**	**1 597 893**

Annex 6: Press release 1 March 2017

Consolidated cash flow statement

(in thousands of €)	2015	2016
Operating result (EBIT)	219 386	259 654
Non-cash items included in operating result	246 973	256 227
Investing items included in operating result	-13 551	1 034
Amounts used on provisions and employee benefit obligations	-40 807	-44 864
Income taxes paid	-56 657	-96 388
Gross cash flows from operating activities	**355 344**	**375 663**
Change in operating working capital	212 266	16 336
Other operating cash flows	15 952	7 553
Cash flows from operating activities	**583 562**	**399 552**
New business combinations	-129 833	40 917
Other portfolio investments	-109 559	-41
Proceeds from disposals of investments	30 761	-7 315
Dividends received	18 411	22 422
Purchase of intangible assets	-5 868	-5 955
Purchase of property, plant and equipment	-170 702	-158 529
Other investing cash flows	3 806	1 187
Cash flows from investing activities	**-362 984**	**-107 314**
Interest received	7 320	7 338
Interest paid	-64 302	-63 397
Gross dividend paid	-55 566	-67 977
Proceeds from non-current interest-bearing debt	145 151	172 072
Repayment of non-current interest-bearing debt	-127 945	-375 255
Cash flows from/to(-) current interest-bearing debt	-184 093	-5 567
Treasury shares transactions	1 206	7 538
Other financing cash flows	10 421	23 193
Cash flows from financing activities	**-267 808**	**-302 055**
Net increase or decrease (-) in cash and cash equivalents	**-47 230**	**-9 817**
Cash and cash equivalents at the beginning of the period	**458 542**	**401 771**
Effect of exchange rate fluctuations	-9 541	-26 408
Cash and cash equivalents at the end of the period	**401 771**	**365 546**

Annex 7 Press release 1 March 2017

Restatement effects

The 2015 comparative information has been restated due to:

(a) The application of the amendment to IAS 19 ‘Employee benefits’ coming into effect in 2016.

The appropriate discount factor in accounting for employee benefit obligations should be currency based and no longer country based. Moreover this principle should be applied retrospectively, requiring a restatement of the comparative period. The new standard affects the defined benefit plans in Ecuador, where a reference is made to USD bonds, both on defined benefit obligation (€ 5.6 million) and on benefit expense level.

(b) The guidelines from ESMA.

The terms ‘recurring’ and ‘non-recurring’ will no longer be used. The amounts previously reported under ‘non-recurring’ are reported as part of the other operating expenses and revenues. Terms as ‘EBIT’ and ‘EBITDA’ will be kept as such, while ‘REBIT’ and ‘REBITDA’ will be changed into ‘EBIT-Underlying’ and ‘EBITDA-Underlying’.

(c) The reclassification of ‘acquisition-related external professional fees’.

Similar to the treatment of professional fees in relation to the divestment of a business, fees for acquisition-related professional services rendered by third parties are presented as other operating expenses and excluded from Underlying EBIT(DA). This does not apply to services rendered for integration programs related to acquired companies. The accounts have been restated in this respect for an amount of € 9.3 million (decrease of administrative expenses).

(d) The reclassification of accrued interest income to current financial receivables and accrued interest charges to current interest-bearing debt.

In accordance with IFRS, financial assets and liabilities, except for specific categories which are carried at fair value, are carried at amortized cost using the effective interest method, which basically means that accrued interests are included. Therefore, in order to enhance presentation consistency and compliance, accrued interest income (2015: € 1.6 million) is reclassified (within other current assets) from accrued income to current financial receivables, while accrued interest charges (2015: € 6.5 million) are reclassified from other current liabilities to current interest-bearing debt. Both of these reclassifications also affect the net debt.

The IAS 19 restatements effects in the statement of changes in equity have been presented as adjustments of the opening balances. For the purpose of this annual report, the restatement effects are not presented on the face of the other financial statements. They are summarized below in a concise format and referenced to one of the above restatement elements (a, b, c or d) where appropriate.

Consolidated income statement

in thousands of € - Year ended 31 December	2015	2016 H1
Cost of sales (a)	-733	-254
Gross profit	**-733**	**-254**
Administrative expenses (c)	9 326	-
Other operating revenues (b)	68 396	-
Other operating expenses (b)	-80 491	-
Other operating expenses (c)	-9 326	-
Operating result (EBIT)	**-733**	**-254**
EBIT - Underlying (b)	**8 593**	**-254**
Interest expenses (a)	183	86
Result before taxes	**-550**	**-168**
Income taxes (a)	128	39
Result after taxes (consolidated companies)	**-422**	**-129**
RESULT FOR THE PERIOD	**-422**	**-129**
Attributable to		
the Group	*-247*	*-75*
non-controlling interests	*-176*	*-54*

Earnings per share

in € per share	2015	2016 H1
Result for the period attributable to the Group		
Basic	*-0.004*	*-0.001*
Diluted	*-0.004*	*-0.001*

Consolidated statement of comprehensive income

in thousands of € - Year ended 31 December	2015	2016 H1
Result for the period	**-422**	**-129**
Other comprehensive income (OCI)		
Other comprehensive income reclassifiable to income statement in subsequent periods		
Exchange differences		
Exchange differences arising during the year (a)	-612	-1
OCI reclassifiable to income statement in subsequent periods, after tax	**-612**	**-1**
Other comprehensive income non-reclassifiable to income statement in subsequent periods		
Remeasurement gains and losses on defined-benefit plans (a)	3 152	-
Deferred taxes relating to non-reclassifiable OCI (a)	-733	-
OCI non-reclassifiable to income statement in subsequent periods, after tax	**2 419**	**-**
Other comprehensive income for the period	**1 808**	**-1**
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	**1 385**	**-129**
Attributable to		
the Group	*809*	*-75*
non-controlling interests	*576*	*-54*

Assets as at 31 December

in thousands of €	2015	2016 H1
Non-current assets		
Deferred tax assets (a)	1 290	39
Total	**1 290**	**39**

Equity and liabilities as at 31 December

in thousands of €	2015	2016 H1
Retained earnings (a)	-247	-75
Other Group reserves (a)	-2 241	-
Equity attributable to the Group	**-2 488**	**-75**
Non-controlling interests (a)	**-1 772**	**-54**
Non-current liabilities	**5 550**	**168**
Interest-bearing debt (d)	6 510	6 271
Employee benefit obligations (a)	5 550	168
Other current liabilities (d)	-6 510	-6 271
Total	**1 290**	**39**

Consolidated cash flow statement

in thousands of € - Year ended 31 December	2015	2016 H1
Operating activities		
Operating result (EBIT)	-733	-254
Non-cash items included in operating result (a)	733	254
Gross cash flows from operating activities	**-**	**-**

Annex 8: Press release 1 March 2017

Additional key figures

(in € per share)	2015	2016
Number of existing shares at 31 December	60 125 525	60 347 525
Book value	22.99	24.31
Share price at 31 December	28.39	38.49
Weighted average number of shares		
Basic	55 841 843	56 263 172
Diluted	56 060 677	56 886 582
Result for the period attributable to the Group		
Basic	1.82	1.87
Diluted	1.81	1.85

(in thousands of € - ratios)	2015	2016
EBITDA	440 709	481 432
EBITDA - Underlying	436 119	513 230
Depreciation and amortization and impairment losses	221 663	221 779
Negative goodwill	-340	-
Capital employed	2 448 359	2 649 944
Operating working capital	812 757	842 508
Net debt	836 886	1 067 683
EBIT on sales	6.0%	7.0%
EBIT - Underlying on sales	6.3%	8.2%
EBITDA on sales	12.0%	13.0%
EBITDA - Underlying on sales	11.9%	13.8%
Equity on total assets	38.9%	37.1%
Gearing (net debt on equity)	55.4%	66.8%
Net debt on EBITDA	1.9	2.2
Net debt on EBITDA - Underlying	1.9	2.1

NV Bekaert SA - Statutory Profit and Loss Statement	**2015**	**2016**
(in thousands of €)		
Sales	419 945	358 291
Operating result before non-recurring items	17 454	-8 131
Non-recurring operational items	-5 229	-3 898
Operating result after non-recurring items	12 225	-12 029
Financial result before non-recurring items	343 872	33 121
Non-recurring financial items	-3 429	-49 098
Financial result after non-recurring items	340 443	-15 977
Profit before income taxes	352 668	-28 006
Income taxes	2 472	3 691
Result for the period	355 140	-24 315

Annex 9: Press release 1 March 2017

Financial definitions

Added value	Operating result (EBIT) + remuneration, social security and pension charges + depreciation, amortization, impairment of assets and negative goodwill.
Associates	Companies in which Bekaert has a significant influence, generally reflected by an interest of at least 20%. Associates are accounted for using the equity method.
Book value per share	Equity attributable to the Group divided by number of shares outstanding at balance sheet date.
Capital employed (CE)	Working capital + net intangible assets + net goodwill + net property, plant and equipment. The average CE is weighted by the number of periods that an entity has contributed to the consolidated result.
Capital ratio	Equity relative to total assets.
Combined figures	Sum of consolidated companies + 100% of joint ventures and associated companies after elimination of intercompany transactions (if any). Examples: sales, capital expenditure, number of employees.
Dividend yield	Gross dividend as a percentage of the share price on 31 December.
EBIT	Operating result (earnings before interest and taxation).
EBIT - Underlying	EBIT before operating income and expenses that are related to restructuring programs, impairment losses, business combinations, business disposals, environmental provisions or other events and transactions that have a one-time effect.
EBIT interest coverage	Operating result divided by net interest expense.
EBITDA	Operating result (EBIT) + depreciation, amortization, impairment of assets and negative goodwill.
Equity method	Method of accounting whereby an investment (in a joint venture or an associate) is initially recognized at cost and subsequently adjusted for any changes in the investor's share of the joint venture's or associate's net assets (i.e. equity). The income statement reflects the investor's share in the net result of the investee.
Gearing	Net debt relative to equity.
Joint ventures	Companies under joint control in which Bekaert generally has an interest of approximately 50%. Joint ventures are accounted for using the equity method.
Net capitalization	Net debt + equity.
Net debt	Interest-bearing debt net of current loans, non-current financial receivables and cash guarantees, short-term deposits, cash and cash equivalents.
Return on capital employed (ROCE)	Operating result (EBIT) relative to the weighted average capital employed.
Return on equity (ROE)	Result for the period relative to average equity.
Return on invested capital (ROIC)	NOPLAT on invested capital. NOPLAT is EBIT after tax (using a target tax rate of 27%), and includes the Group's share in the NOPLAT of its joint ventures and associates. Invested capital is the aggregate of total equity, net debt, non-current employee benefit obligations and non-current other provisions, and includes the Group's share in the net debt of its joint ventures and associates.
Subsidiaries	Companies in which Bekaert exercises control and generally has an interest of more than 50%.
Weighted average cost of capital (WACC)	Cost of debt and cost of equity weighted with a target gearing of 50% (net debt/equity structure) after tax (using a target tax rate of 27%). Bekaert calculates a WACC for its three main currency environments: EUR, USD and CNY, the average of which (7.6%) has been rounded to 8% to set a long-term target.
Working capital (operating)	Inventories + trade receivables + bills of exchange received + advanced paid - trade payables - advances received - remuneration and social security payables - employment-related taxes.