

# Press release

Regulated Information – inside information

Press - Investors

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28 March 2019 – 08:10 CET

## Bekaert announces restructuring plans Belgium

Bekaert is implementing actions to rebuild the financial performance of the business. We want to raise our competitiveness and upgrade our capability and speed in responding to customer needs and fast moving market developments. Increased competitive pressure and a too high cost structure are affecting our margins. We are therefore implementing actions that will improve our competitive position in the market place worldwide by significantly reducing our cost structure, which will help improve the financial performance of the Group sustainably.

These actions include, among others, the intention to restructure certain activities in Belgium. The management of Bekaert has today informed its Belgian and European works councils concerning the proposed measures and their possible impact on the activities and the employment in Belgium. The intended restructuring would affect 281 jobs in Belgium. The management regrets the personal consequences of this plan and, together with the social partners, will evaluate the options to mitigate the social impact.

Intended lines of action:

- 1- We want to organize ourselves in a more agile and cost-efficient way. We therefore have the intention to move certain activities closer to our operations, in lower cost locations. We intend to move:
  - the production-related standard test lab activities to production plants that have a global service role;
  - the spare parts activities to Slovakia, close to our main production plants in Central Europe;
  - certain pilot line developments and the upscaling of pilot developments to industrialization. These activities would be located in the relevant 'key learning plants' in order to speed up the development and bring-to-market process of product and process innovations.
- 2- The EMEA market of steel fibers for concrete reinforcement has become much tougher: our competitors have moved their manufacturing footprint to Central Europe or are sourcing fibers from low cost countries. Bekaert's Dramix® plant in Moen, Belgium, does not have the ability to remain competitive with the current pricing trends in EMEA. The actions to secure our position in the European concrete reinforcement market include the intention to close the Dramix® plant in Moen, Belgium and the further upscaling of the production capacity of the Dramix® plant in Petrovice, Czech Republic.
- 3- We have the intention to reduce certain activities and align them better with the business needs and the new organizational structure of the Group. This would include a downsizing of administrative and other support roles by better leveraging the potential of standardization, centralization, outsourcing and relocation.

The engineering, technology and functional departments in Belgium will be focusing much more on their respective, global expertise roles and act as strategic business partners. They will be helping the business with the capability to deliver on the short and long term goals.

**Profile**

Bekaert ([www.bekaert.com](http://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 30 000 employees worldwide, headquarters in Belgium and €5 billion in combined revenue.

**Profile Bekaert in Belgium**

Bekaert was founded in 1880 in Zwevegem (Belgium) by Leo Leander Bekaert. Headquartered in Belgium, Bekaert today employs more than 1 900 people in its facilities in Zwevegem, Deerlijk, Moen, Ingelmunster, Wetteren, Aalter, Erembodegem and Brussels. The range of Belgian activities comprises manufacturing, sales, research and development, engineering, as well as corporate, business unit management, and functional services for the Group.

**Disclaimer**

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