

Financial definitions

<i>Added value</i>	Operating result (EBIT) + remuneration, social security and pension charges + depreciation, amortization, impairment of assets and negative goodwill.
<i>Associates</i>	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.
<i>Book value per share</i>	Equity attributable to the Group divided by number of shares outstanding at balance sheet date.
<i>Capital employed (CE)</i>	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.
<i>Capital ratio</i>	Equity relative to total assets.
<i>Combined figures</i>	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.
<i>Dividend yield</i>	Gross dividend as a percentage of the share price on 31 December.
<i>EBIT</i>	Operating result (earnings before interest and taxation).
<i>EBIT - Underlying</i>	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.
<i>EBIT interest coverage</i>	Operating result divided by net interest expense.
<i>EBITDA</i>	Operating result (EBIT) + depreciation, amortization, impairment of assets and negative goodwill.
<i>EBITDA – Underlying</i>	EBITDA 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.
<i>Equity method</i>	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.
<i>Gearing</i>	Net debt relative to equity.
<i>Joint ventures</i>	Companies under joint control in which Bekaert generally has an interest of approximately 50%. Joint ventures are accounted for using the equity method.
<i>Net capitalization</i>	Net debt + equity.
<i>Net debt</i>	Interest-bearing debt net of current loans, non-current financial receivables and cash guarantees, short-term deposits, cash and cash equivalents.
<i>Return on capital employed (ROCE)</i>	Operating result (EBIT) relative to the weighted average capital employed.
<i>Return on equity (ROE)</i>	Result for the period relative to average equity.
<i>Return on invested capital (ROIC)</i>	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.
<i>Subsidiaries</i>	Companies in which Bekaert exercises control and generally has an interest of more than 50%.
<i>Weighted average cost of capital (WACC)</i>	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.
<i>Working capital (operating)</i>	Inventories + trade receivables + bills of exchange received + advanced paid - trade payables - advances received - remuneration and social security payables - employment-related taxes.

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
Chief Executive Officer



Bert De Graeve
Chairman of the Board of Directors

Disclaimer

This report 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 report as of this date and does not undertake any obligation to update any forward-looking statements contained in this report 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 report or press release issued by Bekaert.

Financial calendar

visit: <http://www.bekaert.com/financialcalendar>

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investors' data center on bekaert.com

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