

Conference call

3Q18 results

Brussels, October 25, 2018



Tessenderlo Group

EVERY MOLECULE COUNTS



A replay of the webcast will be available on our website www.tessengerlo.com

Business highlights

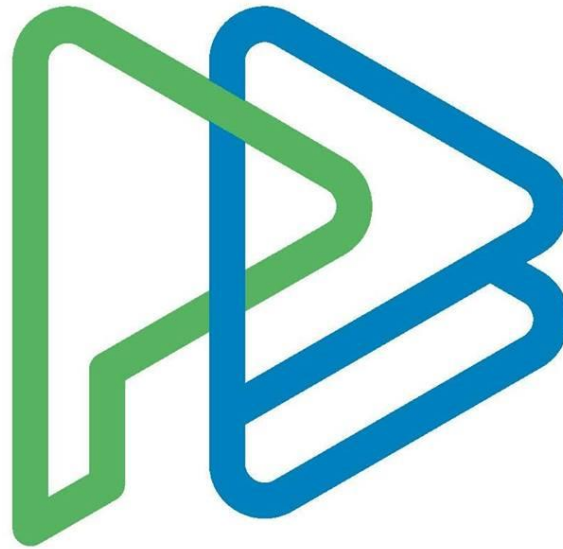


Tessenderlo Group
EVERY MOLECULE COUNTS

Acquisition of the remaining 80% of the shares of T-Power nv, a gas-fired 425 MW power plant



PB Gelatins/PB Leiner changed to PB Leiner



PB LEINER

The Clear Solution



BT, BTH and Nyloplast became BT Nyloplast



BU Performance Chemicals inaugurated its new membrane electrolysis plant in Loos



3Q18 Trading update



Operational key figures

3Q18	3Q17	% Change excluding fx effect	% Change as reported	Million EUR	9M18	9M17	% Change excluding fx effect	% Change as reported
374.6	376.0	-1.7%	-0.4%	Revenue Group	1,219.6	1,300.7	-3.4%	-6.2%
-0.2	-11.3			- Other revenue included in revenue Group	-5.0	-41.0		
374.4	364.7	1.3%	2.6%	Revenue	1,214.6	1,259.7	-0.7%	-3.6%
35.6	40.6	-15.9%	-12.3%	REBITDA Group	133.1	163.5	-12.9%	-18.6%
1.2	-3.4			- Other REBITDA included in REBITDA Group	3.8	-5.8		
36.8	37.1	-4.9%	-0.9%	REBITDA	136.9	157.7	-7.1%	-13.2%
				Net debt	25.3	53.4		

- Excluding the foreign exchange effect, 3Q18 revenue increased by 1.3% compared to one year earlier. The revenue of the operating segment Industrial Solutions increased (+6.7%, mainly related to Plastic Pipe Systems), the revenue of Bio-valorization remained stable (-0.4%), while the Agro revenue slightly decreased (-2.2%).
- The 3Q18 REBITDA decreased by -0.9% (or decreased by -4.9% when excluding the foreign exchange effect) and amounted to 36.8 million EUR, compared to 37.1 million EUR one year earlier. Inventory write-offs following accounting estimates concerning inventory obsolescence amounted to -2.1 million EUR in 3Q18, while the impact thereof was nihil in 3Q17.



Operational key figures

- The **Agro** REBITDA slightly increased, as the impact of lower Tessenderlo Kerley International volumes was compensated by the performance of the other Agro activities.
- The third quarter REBITDA of **Bio-valorization** remained stable compared to prior year thanks to an improved Gelatin performance, which could offset the negative impact of the lower Akiolis downstream market prices (mainly fats).
- The third quarter REBITDA of **Industrial Solutions** decreased compared to 3Q17, as the improved performance of Plastic Pipe Systems could not offset the lower Mining & Industrial results nor the 3Q17 positive impact of the settlement of the dispute related to the expiration of a contract within the Environmentally Clean Systems (ECS) business unit.

Following an unforeseen technical issue at the production plant in Loos (France, BU Performance Chemicals), the sodium hydroxide (NaOH) output has been at 60% of the normal capacity since September 2018. It is anticipated that the issue will continue throughout the fourth quarter of 2018.

- As from 4Q18 the contribution of **T-Power** nv will be included in a fourth segment.



Outlook

The group confirms its previous forecast that the 2018 REBITDA, when including the estimated fourth quarter REBITDA contribution of T-Power nv, is expected to be in line with the 2017 REBITDA despite the evolution of the EUR/USD exchange rate and the evolution of raw material/fat prices.

The group would like to emphasize that it currently operates in a volatile political, economic and financial environment.



Financial calendar

- Full year results 2018

March 13, 2019





Thank you

