

Brussels, February 26 2014

Regulated information*

Press release

Tessenderlo Group announces Fourth Quarter and Full Year 2013 results

Significant transformation work completed; group ready to embark on the second phase of its repositioning

- In 2013, Tessenderlo Group completed a major divestment process which started in 2010. During the year, the group sold its Profiles activities in Continental Europe as well as in the UK; its global Compounds activities, its OCD activities in Italy and the Aliphos Phosphates business excluding the phosphate production in Ham (Belgium). The group has now concluded its divestment program.
- In addition to these actions, the group also took an important step to sustain profitability of its Ham (Belgium) potassium sulphates business, by launching its plan for the future.
- Selective growth initiatives were implemented: additional investment for KTS® fertilizer in Hanford (California), as well as a new CaTs® production unit to supply thiosulphates to Barrick Gold's Goldstrike mine in Nevada.
- In November 2013, Picanol Group (NYSE Euronext:PIC) purchased a 27.5% stake in Tessenderlo Group from SNPE SA, and became the largest shareholder of the group.
- In December 2013, the Board of Directors appointed Luc Tack and Mel de Vogue as co-CEOs, and in January 2014 appointed Stefaan Haspeslagh as an Executive Director in the Group Management Committee (GMC). The GMC now consists of: Luc Tack, Mel de Vogue, Findar BVBA represented by Stefaan Haspeslagh, Jordan Burns, Pol Deturck and Jan Vandendriessche.

2013 operating performance mainly impacted by the segment Gelatin & Akiolis; Tessenderlo Kerley performed well but solid profitability did not match record 2012

- 4Q13 revenue dropped 12.4% to 346.0 million EUR; FY13 revenue moved down 2.9% to 1.8 billion EUR.
- REBITDA for 4Q13 was 56.4% lower at 9.1 million EUR; FY13 REBITDA of 116.6 million EUR was 24.1% below last year.
- Recurrent profit amounted to -11.7 million EUR for 4Q13 and 1.7 million EUR for FY13.
- A loss of -17.8 million EUR was registered in 4Q13, while for the full year 2013, the group had a loss of -65.1 million EUR.

GROUP KEY FIGURES - YEAR TO DATE

Million EUR	12M12	12M13	% change as reported	% change at comparable scope
Revenue	2,129.6	1,790.1	-15.9%	-2.9%
REBITDA	160.0	116.6	-27.1%	-24.1%
REBIT	74.8	45.8	-38.8%	-41.1%
Recurrent profit(+)/loss(-) for the period ¹	28.5	1.7	-94.0%	-95.1%
Profit(+)/loss(-) for the period	-198.4	-65.1	nm	nm

All comments included in this document, unless otherwise indicated, are based on the group's results at comparable scope i.e. adjusted for the impact of businesses which have been purchased or sold during the past 12 months. Further information can be found on page 2. The group has adopted the revised IAS 19 Employee Benefits standard as of January 1, 2013, meaning that the 2012 comparative financial statements have been restated in compliance with the requirements of the revised standard.

Net debt decreased further due to cash proceeds

- **Net financial debt** at the end of December 2013 was 258.9 million EUR, resulting in leverage of 2.2x and gearing of 52.3%.
- **Notional net debt** at the end of December 2013 was 340.8 million EUR; on this basis, leverage was 2.9x and gearing 59.0%.
- Cash flow from divestments received during 2013 was 89.2 million EUR.
- All covenants remain fully respected.
- The Board of Directors will propose to the General Meeting of Shareholders not to pay out a dividend for the 2013 financial year.

Outlook 2014

Based on current assumptions, which include low visibility in the fragile economic environment, Tessenderlo Group anticipates that 2014 REBITDA will be broadly in line with 2013 REBITDA at the same scope of activity. Compared to 2013, 2014 REBITDA is expected to be lower in the first and second quarters and higher in the third and fourth quarters. This is partly explained by the fact that on a comparable basis, the year on year group REBITDA declines were more limited in the first two quarters of 2013, while the decreases were more important in the last two quarters of 2013.

This outlook is based upon a REBITDA decline for Inorganics impacted by the project to transform the Ham (Belgium) site into being exclusively focused on sulfates. In addition, the segment Gelatin and Akiolis is anticipated to deliver REBITDA in 2014 below the level achieved in 2013. Apart from these impacts, Tessenderlo Kerley, Plastic Pipe Systems and Water Treatment are anticipated to deliver REBITDA growth in the coming year. Overall, the focus will be to continue implementing cost reduction and commercial improvement actions, in order to recover profitability.

¹ Recurrent profit (+)/loss (-) for the period is the profit (+)/loss (-) for the period excluding non-recurring items, net of taxes.
 * The enclosed information constitutes regulated information as defined in the Royal Decree of 14 November 2007 regarding the duties of issuers of financial instruments which have been admitted for trading on a regulated market.

► Group Performance Review

- All quarterly information included in the press release is unaudited.
- Figures may not add up due to rounding.

Comparison at comparable scope

Scope indicates the impact of a change in the consolidation scope of the group, related to the purchase or sale of a business or businesses during the last 12 months. For comparison purposes, management presents the evolution of the group's results on the basis of the same consolidation scope.

Changes in the consolidation scope are as follows:

- End of August 2012: sale of Lianyungang Taile Chemical Industry, Co. Ltd (operating segment Organic Chlorine Derivatives within Other Businesses).
- End of November 2012: sale of Calaire Chimie SAS and Farchemia srl (operating segment Pharmaceutical Intermediates within Other Businesses).
- End of January 2013: sale of continental European profiles activities (operating segment Plastic Pipe Systems and Profiles).
- Beginning of May 2013: sale of Tessenderlo Partecipazioni S.p.A including its subsidiary Tessenderlo Italia srl (operating segment Organic Chlorine Derivatives within Other Businesses).
- In June 2013: sale of Compounds activities (operating segment Compounds within Other Businesses).
- In September 2013: sale of UK Profiles activities (operating segment Plastic Pipe Systems and Profiles).

The subsidiary Tessenderlo Trading (Shanghai) Co. Ltd continues to perform some immaterial trading activities for several disposed groups (Organic Chlorine Derivatives, Pharmaceutical Intermediates and Compounds). The revenue of these activities is included in Non-allocated as from the moment of disposal. This reclassification is treated as a scope adjustment within Other Businesses and Non-allocated.

GROUP KEY FIGURES - FOURTH QUARTER				
Million EUR	4Q12	4Q13	%change as reported	%change at comparable scope
Revenue	503.9	346.0	-31.3%	-12.4%
Tessenderlo Kerley	65.4	62.2	-4.9%	-4.9%
Gelatin and Akiolis	144.1	122.9	-14.7%	-14.7%
Inorganics	94.7	71.7	-24.3%	-24.3%
Plastic Pipe Systems and Profiles	128.9	65.9	-48.9%	-2.5%
Other Businesses	70.8	22.0	-69.0%	-3.3%
Non-allocated	0.0	1.4	nm	nm
REBITDA	24.5	9.1	-62.7%	-56.4%
Tessenderlo Kerley	10.7	11.4	6.5%	6.5%
Gelatin and Akiolis	15.9	-2.1	-113.2%	-113.2%
Inorganics	-0.0	1.5	nm	nm
Plastic Pipe Systems and Profiles	5.1	5.1	0.0%	133.5%
Other Businesses	0.9	0.4	-58.3%	30.9%
Non-allocated	-8.1	-7.2	nm	nm
REBIT	4.7	-6.3	-234.5%	-255.7%
Non-recurring items	-154.3	-4.4	-	nm
EBIT	-149.7	-10.7	-	nm

GROUP KEY FIGURES - YEAR TO DATE

Million EUR	12M12	12M13	%change as reported	%change at comparable scope
Revenue	2,129.6	1,790.1	-15.9%	-2.9%
Tessenderlo Kerley	326.8	332.2	1.7%	1.7%
Gelatin and Akiolis	524.0	514.6	-1.8%	-1.8%
Inorganics	405.0	370.2	-8.6%	-8.6%
Plastic Pipe Systems and Profiles	544.4	413.2	-24.1%	-3.9%
Other Businesses	329.5	154.2	-53.2%	-1.8%
Non-allocated	0.0	5.6	nm	nm
REBITDA	160.0	116.6	-27.1%	-24.1%
Tessenderlo Kerley	79.2	71.0	-10.3%	-10.3%
Gelatin and Akiolis	67.7	29.1	-57.0%	-57.0%
Inorganics	1.7	12.1	596.9%	596.9%
Plastic Pipe Systems and Profiles	36.0	30.9	-14.1%	-4.7%
Other Businesses	5.5	4.6	-17.5%	82.6%
Non-allocated	-30.1	-31.1	nm	nm
REBIT	74.8	45.8	-38.8%	-41.1%
Non-recurring items	-238.0	-64.4	-	nm
EBIT	-163.3	-18.7	-	nm

Revenue

Revenue for the fourth quarter 2013 was 346.0 million EUR, or a decrease of 12.4% year on year (-10.4% at constant exchange rates). The segments PPS and Profiles, Other Businesses, and Tessenderlo Kerley recorded revenue which was between 2% and 5% lower than last year (Tessenderlo Kerley revenue was +0.6% in US dollars). Gelatin and Akiolis segment revenue was about 15% below a year ago, and Inorganics revenue fell by 24%.

FY13 revenue moved 2.9% lower than 2012 to 1.8 billion EUR (-1.2% at constant exchange rates). Tessenderlo Kerley grew revenue about 2% (+5.1% in US dollars), while Other Businesses and Gelatin and Akiolis saw revenue down by about 2%. PPS and Profiles had about 4% less revenue, while Inorganics revenue decreased by nearly 9%.

REBITDA

Fourth quarter 2013 REBITDA decreased 56.4% to 9.1 million EUR (-51.4% at constant exchange rates), in line with expectations. The segment Gelatin and Akiolis dropped strongly, as volumes and margins were lower than the strong 4Q12. This decline was only partly offset by REBITDA increases in all other business segments.

REBITDA for FY13 of 116.6 million EUR represented a decline of 24.1% year on year (-21.3% at constant exchange rates). Gelatin and Akiolis 2013 REBITDA dropped strongly and was the main driver of lower group REBITDA. Better REBITDA was recorded in Inorganics and to a lesser extent Other Businesses, whereas there was a limited decrease of PPS and Profiles, as well as solid full year Tessenderlo Kerley which did not match the record 2012 amount.



Cash flow from operating activities

Cash flow from operating activities was 109.8 million EUR for the full year 2013 (FY12: 49.7 million EUR). Trade working capital was 16.9% of revenue at the end of December 2013 (end December 2012: 17.0%). Adjusting for the impact of transactions, the proforma trade working capital as a percentage of revenue was 19.3% at the end of December 2013 (proforma end December 2012: 19.8%).

Net financial debt

At the end of December 2013, group net financial debt stood at 258.9 million EUR, versus 314.0 million EUR at the end of December 2012. The main driver of this reduction is the proceeds from the sale of non-strategic assets.

Notional net debt was 340.8 million EUR at the end of December 2013, versus 393.9 million EUR at the end of December 2012.

At the end of December 2013, leverage was 2.2x (2.9x based on notional net debt). Gearing was 52.3% at the end of December 2013 (59.0% based on notional net debt).

► Operating segments performance review

TESSENDERLO KERLEY								
4Q12	4Q13	% change as reported	% change at comparable scope	Million EUR	12M12	12M13	% change as reported	% change at comparable scope
65.4	62.2	-4.9%	-4.9%	Revenue	326.8	332.2	1.7%	1.7%
10.7	11.4	6.5%	6.5%	REBITDA	79.2	71.0	-10.3%	-10.3%
16.4%	18.3%	-	-	REBITDA margin	24.2%	21.4%	-	-
6.6	7.6	15.9%	15.9%	REBIT	65.7	56.2	-14.5%	-14.5%
10.1%	12.3%	-	-	REBIT margin	20.1%	16.9%	-	-

Tessenderlo Kerley Inc. (TKI)'s 4Q13 revenue for TKI was 62.2 million EUR, 4.9% below a year ago (+0.6% in US dollars). Demand for fertilizers remained muted, due to record levels of corn production in the US for the 2013 season, as well as strong production of other commodity crops leading to lower crop and fertilizer prices. Volumes of Thio-Sul[®] (ammonium thiosulfate) were down in the quarter, as customers purchased less product in light of declining input costs since the middle of the year. KTS[®] (potassium thiosulfate) volumes grew further, as a consequence of robust demand for applications on specialty crops. Average selling prices for TKI's portfolio were incrementally higher than 4Q12. NovaSource[®], TKI's crop protection business performed well in the fourth quarter of 2013 but results were below the exceptionally strong 4Q12. Demand for soil fumigant products was robust, bolstered by a later season as significant volume shifted from 3Q13 to 4Q13. REBITDA for the segment amounted to 11.4 million EUR, an increase of 6.5% year on year (+12.7% in USD), mainly as a result of improved margins of the fertilizer activities.

Segment revenue for TKI in **FY13** of 332.2 million EUR represented growth of 1.7% compared (+5.1% in USD), driven by higher sales of fertilizers. Segment REBITDA was 71.0 million EUR, 10.3% lower (-7.3% in USD) than FY12, primarily due to volumes and margins of fertilizers ending up lower than in the record year of 2012.

GELATIN AND AKIOLIS								
4Q12	4Q13	% change as reported	% change at comparable scope	Million EUR	12M12	12M13	% change as reported	% change at comparable scope
144.1	122.9	-14.7%	-14.7%	Revenue	524.0	514.6	-1.8%	-1.8%
15.9	-2.1	-113.2%	-113.2%	REBITDA	67.7	29.1	-57.0%	-57.0%
11.0%	-1.7%	-	-	REBITDA margin	12.9%	5.7%	-	-
8.7	-8.7	-200.0%	-200.0%	REBIT	36.3	-0.3	-100.8%	-100.8%
6.0%	-7.0%	-	-	REBIT margin	6.9%	-0.1%	-	-

Gelatin and Akiolis revenue for the fourth quarter 2013 dropped 14.7% to 122.9 million EUR. REBITDA fell to -2.1 million EUR versus a positive REBITDA a year ago, due to lower volumes and margins versus 4Q12.

Revenue for segment for the **fourth quarter** was under the revenue generated in 4Q 2012. Overall sales volumes decreased, with most regions lower, while South American volumes rose. 4Q13 average sales prices had a decline, partly influenced by a drop in commodity prices and the temporary reduction of exports to Asia, while prices of raw materials were higher. REBITDA was strongly down mainly due to lower commercial results when compared to the solid REBITDA a year ago, despite cost reduction measures already implemented.

Gelatin and Akiolis segment revenue for **FY13** of 514.6 million EUR was 1.8% below 2012, mainly attributed to lower volumes. FY13 REBITDA for the segment totaled 29.1 million EUR or 57.0% less than a year ago, largely reflecting market conditions.

Management has implemented and continues to implement cost savings measures in Gelatin and Akiolis, which shall result in a reduction of 115 positions.

INORGANICS								
4Q12	4Q13	% change as reported	% change at comparable scope	Million EUR	12M12	12M13	% change as reported	% change at comparable scope
94.7	71.7	-24.3%	-24.3%	Revenue	405.0	370.2	-8.6%	-8.6%
-0.0	1.5	nm	nm	REBITDA	1.7	12.1	596.9%	596.9%
0.0%	2.1%	-	-	REBITDA margin	0.4%	3.3%	-	-
-1.0	0.7	-172.8%	-172.8%	REBIT	-4.1	7.6	-286.5%	-286.5%
-1.1%	1.0%	-	-	REBIT margin	-1.0%	2.1%	-	-

Inorganics segment revenue declined 24.3% in 4Q13 to 71.7 million EUR, while REBITDA increased from breakeven last year to 1.5 million EUR in the quarter this year.

Segment revenue in **4Q13** was well below a year ago, partly as a consequence of temporarily reduced volumes produced during the quarter, as well as the foreseen ending of phosphate production in Ham (Belgium). Average sales prices evolved downwards in light of decreasing raw material costs. Despite lower sales prices and volumes, as well as the negative impact on fixed costs due to the temporary reduction of production, REBITDA was higher than the weak performance last year due to increased margins and less overhead costs.

Segment revenue for Inorganics dropped 8.6% to 370.2 million EUR in **FY13**, due to lower volumes and prices. Segment REBITDA for the full year totaled 12.1 million EUR, well above the weak REBITDA in 2012, due mainly to improvement in margins and lower overhead costs.

PLASTIC PIPE SYSTEMS AND PROFILES								
4Q12	4Q13	% change as reported	% change at comparable scope	Million EUR	12M12	12M13	% change as reported	% change at comparable scope
128.9	65.9	-48.9%	-2.5%	Revenue	544.4	413.2	-24.1%	-3.9%
5.1	5.1	0.0%	133.5%	REBITDA	36.0	30.9	-14.1%	-4.7%
4.0%	7.8%	-	-	REBITDA margin	6.6%	7.5%	-	-
0.1	2.1	1415.0%	-298.1%	REBIT	13.7	14.2	3.4%	-1.2%
0.1%	3.2%	-	-	REBIT margin	2.5%	3.4%	-	-

4Q13 **Plastic Pipe Systems and Profiles** revenue came in at 65.9 million EUR, representing 2.5% less revenue at comparable scope than the same period a year ago. Revenue declined year on year, as reduced demand in Belgium and the Netherlands was partly offset by revenue growth in the UK; favorable weather conditions in December were also supportive. Pricing remained relatively stable in the quarter. REBITDA for the segment grew strongly to 5.1 million EUR, partly due to lower overhead costs, as well as some one-time positive items.

FY13 segment revenue for PPS and Profiles came in at 413.2 million EUR or 3.9% below a year ago, as volume decreases in Belgium, France and the Netherlands could not be fully offset by UK growth. Segment REBITDA amounted to 30.9 million EUR for the full year, or 4.7% less than a year ago. The negative impact of depressed demand in many markets was largely compensated by ongoing cost control, as well as demand recovery in the UK.

OTHER BUSINESSES									
4Q12	4Q13	% change as reported	% change at comparable scope	Million EUR	12M12	12M13	% change as reported	% change at comparable scope	
70.8	22.0	-69.0%	-3.3%	Revenue	329.5	154.2	-53.2%	-1.8%	
0.9	0.4	-58.3%	30.9%	REBITDA	5.5	4.6	-17.5%	82.6%	
1.3%	1.8%	-	-	REBITDA margin	1.7%	3.0%	-	-	
-1.4	-0.6	-57.0%	-27.5%	REBIT	-5.4	1.2	-122.5%	-138.5%	
-1.9%	-2.7%	-	-	REBIT margin	-1.6%	0.8%	-	-	

In 4Q13, the **Other Businesses** segment had revenue of 22.0 million EUR revenue, 3.3% lower than a year ago. Revenue of Water Treatment increased due to higher volumes, whereas Sulfur Derivatives revenue was below last year due to lower pricing. REBITDA for the segment totaled 0.4 million EUR, a year on year gain of 30.9%, despite an important negative impact on Water Treatment due to social actions in Ham (Belgium).

Other Businesses **FY13** revenue was down 1.8% to 154.2 million EUR. Less revenue was recorded for both OCD and Sulfur Derivatives, while revenue for both Water Treatment and Compounds were higher. Segment REBITDA moved up 82.6% to 4.6 million EUR, with higher contributions from Compounds and Sulfur Derivatives.

► Additional Financial information

Non-recurring items

NON-RECURRING INCOME / (EXPENSE) ITEMS				
Million EUR	4Q13	4Q12	12M13	12M12
Gains and losses on disposals	-0.0	3.8	4.9	15.4
Restructuring	0.4	-5.8	-37.6	-14.8
Losses on disposal groups	-3.2	-45.2	-15.8	-115.7
Impairment losses	-0.8	-19.1	-5.6	-20.6
Provisions and claims	7.2	-86.2	5.7	-88.0
Other income and expenses	-8.0	-1.8	-16.1	-14.4
Total	-4.4	-154.3	-64.4	-238.0

Gains and losses on disposals (FY13: a gain of 4.9 million EUR)

For the fourth quarter of 2013 there are no significant non-recurring gains and losses on disposals.

In the first three quarters of 2013, the gains on disposals of 5.0 million EUR mainly related to the sale of some non-strategic assets, mainly land in France and in the United States of America.

Restructuring (FY13: -37.6 million EUR)

For the fourth quarter of 2013, non-recurring items related to restructuring amounted to 0.4 million EUR and included:

- Expenses and provisions for a restructuring within Dyka BV (Netherlands) and Dyka Plastics NV (Belgium) (operating segment Plastic Pipe Systems and Profiles).
- Expenses related to the reorganization of group management.
- Expenses for further operational efficiency improvements, including the termination of an operating agreement.
- An income which was recognized following adjustments made to existing restructuring provisions, mainly for the restructuring of the site in Ham (Belgium) and ongoing restructuring programs in France.

The restructuring expenses of the three first quarters of 2013 of -38.0 million EUR included expenses and a provision for a restructuring within Akiolis; expenses and provisions for restructuring of the site in Ham (Belgium); and expenses and provisions related to the termination of an operating agreement within Other Businesses.

Losses on disposal groups (FY13: -15.8 million EUR)

For the fourth quarter of 2013, losses on disposal groups amounted to -3.2 million EUR and mainly related to the measurement of disposal groups at the lower of their carrying amount and their fair value less cost to sell, as well as the settlement and subsequent expenditures of divestures.

The losses on disposal groups of the three first quarters of 2013 of -12.6 million EUR are mainly related to previously announced actions, including the group's intention to divest the Aliphos phosphates activity excluding the site in Ham (Belgium) which has been closed; the sale of the group's UK Profiles activities; and the settlement and subsequent expenditures related to the sales of the activities of continental European Profiles, Compounds, Pharmaceutical intermediates and Organic chlorine derivatives.

Impairment losses (FY13: -5.6 million EUR)

For the fourth quarter of 2013 an impairment loss of -0.8 million EUR was recognized.



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In the three first quarters of 2013, an impairment charge of -4.8 million EUR was recognized. The impairment losses mainly relate to property, plant and equipment impacted by the restructuring plans described above.

Provisions and claims (FY13: a gain of 5.7 million EUR)

A non-recurring gain of 7.2 million EUR was recognized in 4Q13 on provisions and claims and mainly included:

- The derecognition of the defined benefit pension liabilities in the Netherlands following the transfer of their pension plans to a sector pension fund. The past obligations were fully financed and therefore no further obligations were to be recognized. As a result a non-recurring gain of 10.8 million EUR was recognized.
- The recognition of a provision for an onerous lease contract for -3.3 million EUR.

The provisions and claims recognized during the first three quarters of 2013 of -1.5 million EUR were mainly related to a provision for an onerous lease contract and related expenses, and a decrease of the outstanding environmental provisions, due to an increase of the discount rates used.

Other income and expenses (FY13: -16.1 million EUR)

For the fourth quarter of 2013, other income and expenses of -8.0 million EUR mainly related to:

- The realized loss on an electricity contract which is no longer for own use following the sale of the majority of the PVC/Chlor-Alkali activities in 2011 (-1.1 million EUR).
- A reassessment of the valuation of an electricity purchase agreement which was performed in 4Q13, leading to the recognition of a charge of -13.2 million EUR .
- The dissolution of Tessenderlo UK Ltd which resulted in the reclassification of the translation reserves through the income statement. A non-recurring gain of 9.6 million EUR was recognized.
- Other one-off expenses (-3.0 million EUR) including mainly costs related to the closing of the phosphates activity.

The other income and expenses during the first three quarters of 2013 of -8.1 million EUR mainly related to the realized loss on an electricity contract which is no longer for own use following the sale of the majority of the PVC/Chlor-Alkali activities in 2011; one-off consultancy fees and other expenses related to the reorganization and optimization of several activities; and other one-off expenses including mainly expenses for a potential industrial project which was discontinued.

Net finance costs

The net finance costs and income for FY13 were -27.3 million EUR compared to -24.5 million EUR in 2012 (4Q13: -6.7 million EUR, compared to -5.0 million EUR in 4Q12).

The 4Q13 and FY13 net finance costs and income are further detailed as follows:

FINANCE COSTS AND INCOME				
Million EUR	4Q13	4Q12	12M13	12M12
Interest expense on financial liabilities	-3.0	-3.4	-13.2	-14.6
Amortization charges of transaction costs related to financial liabilities	-0.5	-0.5	-1.9	-1.9
Commitment fee on unused portion of the syndicated credit facility	-0.6	-0.4	-2.1	-1.7
Factoring expense	-0.6	-0.4	-2.4	-2.0
Total borrowing costs	-4.6	-4.8	-19.6	-20.2
Dividend income from non-consolidated companies	0.5	-0.0	0.7	0.1
Interest income	0.1	-0.1	0.4	0.1
Total income from investments and cash & cash equivalents	0.6	-0.1	1.0	0.2
Expense for the unwinding of discounted provisions	-0.5	-0.2	-2.0	-0.9
Net interest (expense)/income on pension asset/(liability)	-0.3	-0.1	-1.1	-0.2
Net foreign exchange gains and losses (including revaluation to fair value of derivative financial instruments)	-1.4	0.5	-3.2	-1.9
Amortization charges related to the unwinding of derivative financial instruments	0.0	0.0	0.0	-0.3
Net other finance (costs)/income	-0.4	-0.4	-2.4	-1.3
Total	-6.7	-5.0	-27.3	-24.5

The net foreign exchange gains and losses (including revaluation to fair value of derivative financial instruments) decreased in 4Q13 to -1.4 million EUR (FY13: -3.2 million EUR) compared to 0.5 million EUR in 4Q12 (FY12: -1.9 million EUR) and is mainly explained by exchange losses in the gelatin plant in Argentina.

Income tax expense

In 4Q13, tax expenses amounted to -1.0 million EUR, versus a tax income of 4.4 million EUR in 4Q12. Last year's income was mainly explained by the recognition of deferred tax assets on timing differences, mainly provisions.

The tax expense for the full year 2013 was -23.4 million EUR (FY12: -17.9 million EUR).

The income tax expenses mainly relate to the operations in the United States within the operating segments Tessenderlo Kerley and Gelatin and Akiolis. Furthermore, deferred tax assets were only recognized on fiscal losses within some other operations of the group.

Profit/loss for the period

The result for the fourth quarter amounted to -17.8 million EUR, compared to a result of -148.2 million EUR in 4Q12.

The result for FY13 amounted to -65.1 million EUR, compared to -198.4 million EUR in FY12.

The decrease of the loss for the fourth quarter and full year can be mainly explained by lower non-recurring income/(expense) items.

Capital expenditures

Capital expenditures in 4Q13 were 25.8 million EUR (4Q12: 38.9 million EUR or 34.3 million EUR at comparable scope) and 99.2 million EUR for FY13 (FY12: 118.0 million EUR or 108.8 million EUR at comparable scope). Capital expenditure dedicated to growth projects amounted to 51.9 million EUR for the full year, for which a large part was related to building storage and a new KTS production unit in Hanford, CA, as well as a new CaTs production unit to supply thiosulfates to Barrick Gold in Nevada. Both projects will allow Tessenderlo Kerley to better serve its fertilizer and mining customers in the coming years.



Equity

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY		
Million EUR	31.12.2013	31.12.2012
Balance at 01.01	335.5	584.6
Profit (+) / loss (-) for the period attributable to equity holders of the company	-64.0	-198.7
Other comprehensive income for the period, net of income tax	-14.8	-29.3
Costs of warrants and capital increase	0.8	0.0
Acquisition minority shareholdings	-	-1.4
Shares issued	19.4	20.3
Own shares	0.5	-0.6
Dividends paid to shareholders	-40.9	-39.4
Ending balance	236.6	335.5

Equity attributable to equity holders of the company decreased by -99.0 million EUR to 236.6 million EUR. This is mainly a consequence of the negative result of FY13 (-64.0 million EUR). The dividend payable to shareholders of the company impacted equity attributable to equity holders of the company by -40.9 million EUR. The shares created following the outcome of the optional stock dividend led to an increase of equity by 18.7 million EUR in 3Q13. The capital increase in favor of the group's employees led to an increase of equity by 0.8 million EUR in 3Q13. The other comprehensive income for the period, net of income tax, including negative translation differences, the net change in fair value of derivative financial instruments and the net change in actuarial losses, amounted to -14.8 million EUR. This loss includes the impact of the reclassification of translation reserves through the income statement following the dissolution of Tessenderlo UK Ltd (-9.6 million EUR), leading to a non-recurring gain for the same amount. In November 2012, the Board of Directors offered a new emission of warrants, which could be accepted by their beneficiaries no later than January 12, 2013. The cost of these warrants amounted to -0.8 million EUR and was recognized in 1Q13.

The other comprehensive income for the period, net of income tax (-29.3 million EUR) in 2012 included -27.5 million EUR actuarial gains and losses, net of tax (IAS 19R).

Consolidated financial information at December 31 2013

CONSOLIDATED INCOME STATEMENT				
Million EUR	12M13	12M12 ¹	4Q13	4Q12 ¹
Revenue	1,790.1	2,129.6	346.0	503.9
Cost of sales	-1,430.8	-1,710.1	-284.8	-412.8
Gross profit	359.3	419.5	61.2	91.1
Distribution expenses	-91.4	-101.0	-20.4	-24.1
Sales and marketing expenses	-69.0	-71.6	-15.8	-19.1
Administrative expenses	-134.0	-157.2	-26.7	-40.8
Other operating income and expenses	-19.1	-14.9	-4.5	-2.5
Profit (+) / loss (-) from operations before non-recurring items (REBIT)	45.8	74.8	-6.3	4.7
Gains and losses on disposals	4.9	15.4	-0.0	3.8
Restructuring	-37.6	-14.8	0.4	-5.8
Losses on disposal groups	-15.8	-115.7	-3.2	-45.2
Impairment losses	-5.6	-20.6	-0.8	-19.1
Provisions and claims	5.7	-88.0	7.2	-86.2
Other income and expenses	-16.1	-14.4	-8.0	-1.8
Profit (+) / loss (-) from operations (EBIT)	-18.7	-163.3	-10.7	-149.7
Finance costs	-62.9	-49.5	-23.6	10.2
Finance income	35.7	25.0	16.9	-15.2
Finance costs - net	-27.3	-24.5	-6.7	-5.0
Share of result of equity accounted investees, net of income tax	4.2	7.3	0.6	2.0
Profit (+) / loss (-) before tax	-41.7	-180.5	-16.8	-152.6
Income tax expense	-23.4	-17.9	-1.0	4.4
Profit (+) / loss (-) for the period	-65.1	-198.4	-17.8	-148.2
Attributable to:				
- Equity holders of the company	-64.0	-198.7	-17.1	-148.3
- Non-controlling interest	-1.1	0.4	-0.7	0.1
Basic earnings per share (EUR)	-2.02	-6.28	-0.54	-4.68
Diluted earnings per share (EUR)	-2.02	-6.28	-0.54	-4.68
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME				
Million EUR	12M13	12M12 ¹	4Q13	4Q12 ¹
Profit (+) / loss (-) for the period	-65.1	-198.4	-17.8	-148.2
Translation differences	-15.8	-2.9	-12.0	-3.2
Net change in fair value of derivative financial instruments, before tax	0.7	-6.0	-0.3	-0.8
Other movements	-0.1	0.2	-0.0	-0.0
Income tax on other comprehensive income	-0.2	2.1	0.1	0.3
Other comprehensive income to be reclassified to profit or loss in subsequent periods	-15.4	-6.7	-12.2	-3.7
Actuarial gains/(losses)	-0.3	-33.3	-4.0	-33.3
Change in consolidation scope, before tax	-	7.7	-	0.0
Income tax on other comprehensive income	0.8	3.3	1.4	5.9
Other comprehensive income not being reclassified to profit or loss in subsequent periods	0.5	-22.4	-2.7	-27.4
Other comprehensive income for the period, net of income tax	-15.0	-29.0	-14.9	-31.1
Total comprehensive income for the period	-80.0	-227.4	-32.7	-179.3
Attributable to:				
- Equity holders of the company	-78.8	-227.9	-31.9	-179.4
- Non-controlling interest	-1.3	0.5	-0.8	0.0
Total comprehensive income for the period	-80.0	-227.4	-32.7	-179.3

¹ 2012 as reported, adjusted to reflect the effects of retrospective application on the revised IAS 19 *Employee Benefits*.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Million EUR	31.12.2013	31.12.2012 ¹
ASSETS		
Total non-current assets	595.0	621.9
Property, plant and equipment	436.7	471.8
Goodwill	37.1	37.2
Other intangible assets	49.9	60.0
Investments accounted for using the equity method	24.0	21.4
Other investments	4.3	4.8
Deferred tax assets	5.1	5.8
Trade and other receivables	34.2	20.8
Derivative financial instruments	3.7	-
Total current assets	486.2	576.7
Inventories	255.7	303.3
Trade and other receivables	177.0	237.9
Derivative financial instruments	4.6	0.9
Cash and cash equivalents	48.9	34.7
Non-current assets classified as held for sale	8.8	64.4
Total assets	1,089.9	1,263.0
EQUITY AND LIABILITIES		
Total equity	239.9	340.1
Equity attributable to equity holders of the company	236.6	335.5
Issued capital	159.2	153.7
Share premium	102.0	88.0
Reserves and retained earnings	-24.6	93.2
Amounts recognised in other comprehensive income and accumulated in equity relating to non-current assets held for sale	0.0	0.6
Non-controlling interest	3.3	4.5
Total liabilities	850.0	922.9
Total non-current liabilities	432.4	492.7
Loans and borrowings	199.8	275.5
Employee benefits	41.6	50.5
Provisions	147.1	129.7
Trade and other payables	0.5	1.8
Derivative financial instruments	10.9	6.5
Deferred tax liabilities	32.4	28.6
Total current liabilities	409.4	389.5
Bank overdrafts	4.1	5.2
Loans and borrowings	103.8	68.0
Trade and other payables	257.3	290.6
Derivative financial instruments	7.6	-
Current tax liabilities	8.9	2.7
Employee benefits	1.4	-
Provisions	26.2	23.1
Liabilities associated with assets classified as held for sale	8.3	40.6
Total equity and liabilities	1,089.9	1,263.0

¹ 2012 as reported, adjusted to reflect the effects of retrospective application on the revised IAS 19 *Employee Benefits*.

CONSOLIDATED STATEMENT OF CASH FLOWS

Million EUR	31.12.2013	31.12.2012 ¹
OPERATING ACTIVITIES		
Profit (+) / loss (-) for the period	-65.1	-198.4
Depreciation, amortization and impairment losses on tangible assets, goodwill and other intangible assets	76.5	104.7
Impairment losses on disposal groups classified as held for sale	13.2	106.6
Changes in provisions	4.5	87.0
Finance costs	62.9	48.8
Finance income	-35.7	-24.2
Loss / (profit) on sale of non-current assets	-2.7	-7.2
Impact capital increase expense, purchase own shares and warrant plan	0.8	0.0
Share of result of equity accounted investees, net of income tax	-4.2	-7.3
Income tax expense	23.4	17.9
Other non-cash items	-1.2	-4.1
Changes in inventories	16.1	-13.1
Changes in trade and other receivables ²	8.2	8.3
Changes in trade and other payables	15.9	-48.3
<i>Cash generated from operations</i>	<i>112.6</i>	<i>70.6</i>
Income tax paid	-8.1	-27.4
Dividends received	5.3	7.1
Dividends paid to non-controlling interests	-	-0.6
Cash flow from operating activities	109.8	49.7
INVESTING ACTIVITIES		
Acquisition of property, plant and equipment	-94.8	-114.2
Acquisition of other intangible assets	-4.4	-3.7
Acquisitions of investments accounted for using the equity method	-	-0.9
Acquisition of businesses, net of cash acquired	-	-15.6
Acquisition of investments	-0.5	-
Proceeds from the sale of property, plant and equipment	8.2	3.1
Proceeds from the sale of other intangible assets	0.3	-
Proceeds from the sale of subsidiaries, net of cash disposed of	80.7	-1.7
Further settlement of the PVC/Chlor-Alkali sales transaction	-	11.1
Proceeds from the sale of investments accounted for using the equity method	-	20.9
Cash flow from investing activities	-10.5	-101.0
FINANCING ACTIVITIES		
Increase / (decrease) of issued capital	0.7	0.8
Own shares	0.5	-0.6
Increase of financial liabilities	46.5	115.8
(Decrease) of financial liabilities	-84.1	-24.8
Interest paid	-13.6	-14.6
Interest received	0.4	0.3
Other finance costs paid	-8.5	-5.4
(Increase) / decrease of long term receivables	-1.4	-4.8
Dividends paid to shareholders	-22.2	-19.8
Cash flow from financing activities	-81.8	46.8
Net increase / (decrease) in cash and cash equivalents	17.4	-4.5
Effect of exchange rate differences	-2.1	-0.3
Cash and cash equivalents less bank overdrafts at the beginning of the period	29.5	34.2
Cash and cash equivalents less bank overdrafts at the end of the period	44.8	29.5

¹ 2012 as reported, adjusted to reflect the effects of retrospective application on the revised IAS 19 *Employee Benefits*.

² The movement in the trade and other receivables as per December 31, 2013 includes the positive effect of the securitization program in the United States and Europe, reducing the trade receivables in certain affiliates in those regions.



► Notes to the consolidated financial information

Basis of preparation

The consolidated financial information in this press release has been prepared in accordance with International Financial Reporting Standards (IFRS), as adopted for use by the European Union.

The consolidated financial statements will be authorized for issuance by the Board of Directors on March 26, 2014.

Significant accounting policies

The accounting policies used by the group in the present consolidated financial information are consistent with those used in the preparation of the consolidated financial statements as at and for the year ended December 31, 2012, except for the accounting of employee benefits, following the adoption of IAS 19R.

Segment reporting

Please see annexes 1 and 2.

Acquisitions and disposals

On January 31 2013, the group completed the sale of the continental European Profiles activities, known under the brand name Profialis (operating segment Plastic Pipe Systems and Profiles), to OpenGate Capital, a global private investment company. The transaction resulted in the sale of 100% of the shares of the following companies: Profialis NV, Profialis SAS, Profialis Kft, Profialis Sp.z.o.o, Wymar Nederland BV and Wymar Ukraine.

In February 2013, the group sold its 49.5% participation in Alkemin S de RL de CV (operating segment Tessenderlo Kerley).

On May 3, 2013, the group completed the sale of the Italian organic chlorine derivatives activities (operating segment OCD within Other Businesses) to International Chemical Investors Group (ICIG), a private industrial holding company. The transaction resulted in the sale of 100% of the shares of Tessenderlo Partecipazioni S.p.A including its subsidiary Tessenderlo Italia Srl.

On June 18, 2013, the group completed the sale of the Compounds activities (operating segment Compounds within Other Businesses) to Mitsubishi Chemical Corporation, a global industrial company already present in the compounds industry. The transaction resulted in the sale of 100% of the shares of the following companies: Thermoplastiques Cousin Tessier SAS, CTS-Marvyflo SAS and Technicompound SAS (France), CTS Hasselt BVBA (Belgium), T.C.T. Polska Sp.z.o.o. (Poland) and CTS Automotive Compounds (Changsu) Co. Ltd. (China).

On September 11, 2013 the group has completed the sale of its UK Profiles activities, known under the brand name Eurocell (within the operating segment Plastic Pipe Systems and Profiles) to H2 Equity Partners, a private investment firm. The sale comprises three production sites, a warehousing site and 124 sales branches, employing 978 employees.

On November 20, 2013, the group announced its agreement to divest the Aliphos phosphates activity (within the operating segment Inorganics). The divestment comprises one production site in The Netherlands (Tessenderlo Chemie Rotterdam BV) and three sales offices. In accordance with IFRS 5 Non-current assets held for sale and discontinued operations, the assets and liabilities of the disposal group were presented as assets classified as held for sale and liabilities associated with assets held for sale at the end of December 2013. The transaction is expected to be completed during the first quarter of 2014.

Subsequent events

The group has the intention to reorganize the gelatins activity worldwide (within the operating segment Gelatins and Akiolis), resulting in a reduction of the headcount with 78 people over different sites. Increased competition putting pressure on volumes and margins requires additional cost savings by aligning the organizational structures and further optimizing processes.



Bringing Chemistry to Life

Statement of the statutory auditor

The statutory auditor has confirmed that the audit, which is substantially complete, has not to date revealed any material misstatement in the draft consolidated accounts, and that the accounting data reported in the press release is consistent, in all material respects, with the draft accounts from which it has been derived.

► Financial calendar

First quarter 2014 results	April 30, 2014
Second quarter 2014 results	August 27, 2014
Third quarter 2014 results	October 29, 2014

Agenda for February 26 2014

2.30 pm CET/1.30 pm UK - conference call and webcast for analysts and investors
Registration details are available at: <http://www.tessenderlo.com/investors/>

Tessenderlo Group is a worldwide specialty company, focused on food, agriculture, water management and on valorizing bio-residuals. The group employs about 5,000 people and is a leader in most of its markets, with a consolidated revenue of 1.8 billion EUR in 2013. Tessenderlo Chemie NV is listed on NYSE Eurolist by Euronext Brussels and is part of Next 150 and BEL Mid indices. Financial News wires: Bloomberg: TESB BB – Reuters: TesBt.BR – Datastream: B:Tes

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This **press release** is available in **Dutch and English** on the corporate website www.tessenderlogroup.com - under 'News & Media'

Annex 1 – segment overview - quarter

SEGMENT REPORTING FOURTH QUARTER		
Million EUR	4Q13	4Q12
Tessenderlo Group		
Revenue	346.0	503.9
REBITDA	9.1	24.5
REBIT	-6.3	4.7
Tessenderlo Kerley		
Revenue	62.2	65.4
REBITDA	11.4	10.7
REBIT	7.6	6.6
Gelatin and Akiolis		
Revenue	122.9	144.1
REBITDA	-2.1	15.9
REBIT	-8.7	8.7
Inorganics		
Revenue	71.7	94.7
REBITDA	1.5	-0.0
REBIT	0.7	-1.0
Plastic Pipe Systems and Profiles		
Revenue	65.9	128.9
REBITDA	5.1	5.1
REBIT	2.1	0.1
Other Businesses		
Revenue	22.0	70.8
REBITDA	0.4	0.9
REBIT	-0.6	-1.4
Non-allocated		
Revenue	1.4	-
REBITDA	-7.2	-8.1
REBIT	-7.5	-8.3

Annex 2 – segment overview – year to date

SEGMENT REPORTING - YEAR TO DATE		
Million EUR	12M13	12M12
Tessenderlo Group		
Revenue	1,790.1	2,129.6
REBITDA	116.6	160.0
REBIT	45.8	74.8
Tessenderlo Kerley		
Revenue	332.2	326.8
REBITDA	71.0	79.2
REBIT	56.2	65.7
Gelatin and Akiolis		
Revenue	514.6	524.0
REBITDA	29.1	67.7
REBIT	-0.3	36.3
Inorganics		
Revenue	370.2	405.0
REBITDA	12.1	1.7
REBIT	7.6	-4.1
Plastic Pipe Systems and Profiles		
Revenue	413.2	544.4
REBITDA	30.9	36.0
REBIT	14.2	13.7
Other Businesses		
Revenue	154.2	329.5
REBITDA	4.6	5.5
REBIT	1.2	-5.4
Non-allocated		
Revenue	5.6	-
REBITDA	-31.1	-30.1
REBIT	-33.1	-31.4

Annex 3 – details for comparable scope - quarter

GROUP KEY FIGURES - FOURTH QUARTER						
Million EUR	4Q12	Scope adjustment	Underlying change	4Q13	% change as reported	% change at comparable scope
Revenue	503.9	-109.2	-48.8	346.0	-31.3%	-12.4%
Tessenderlo Kerley	65.4	0.0	-3.2	62.2	-4.9%	-4.9%
Gelatin and Akiolis	144.1	0.0	-21.1	122.9	-14.7%	-14.7%
Inorganics	94.7	0.0	-23.0	71.7	-24.3%	-24.3%
Plastic Pipe Systems and Profiles	128.9	-61.4	-1.7	65.9	-48.9%	-2.5%
Other Businesses	70.8	-48.1	-0.8	22.0	-69.0%	-3.3%
Non-allocated	0.0	0.4	1.0	1.4	nm	nm
REBITDA	24.5	-3.5	-11.8	9.1	-62.7%	-56.4%
Tessenderlo Kerley	10.7	0.0	0.7	11.4	6.5%	6.5%
Gelatin and Akiolis	15.9	0.0	-18.0	-2.1	-113.2%	-113.2%
Inorganics	-0.0	0.0	1.6	1.5	nm	nm
Plastic Pipe Systems and Profiles	5.1	-2.9	2.9	5.1	0.0%	133.5%
Other Businesses	0.9	-0.6	0.1	0.4	-58.3%	30.9%
Non-allocated	-8.1	0.0	0.9	-7.2	nm	nm
REBIT	4.7	-0.6	-10.3	-6.3	-234.5%	-255.7%
Non-recurring items	-154.3	nm	nm	-4.4	-	nm
EBIT	-149.7	nm	nm	-10.7	-	nm

Annex 4 – details for comparable scope – year to date

GROUP KEY FIGURES - YEAR TO DATE						
Million EUR	12M12	Scope adjustment	Underlying change	12M13	% change as reported	% change at comparable scope
Revenue	2,129.6	-286.1	-53.4	1,790.1	-15.9%	-2.9%
Tessenderlo Kerley	326.8	0.0	5.5	332.2	1.7%	1.7%
Gelatin and Akiolis	524.0	0.0	-9.4	514.6	-1.8%	-1.8%
Inorganics	405.0	0.0	-34.7	370.2	-8.6%	-8.6%
Plastic Pipe Systems and Profiles	544.4	-114.4	-16.8	413.2	-24.1%	-3.9%
Other Businesses	329.5	-172.5	-2.8	154.2	-53.2%	-1.8%
Non-allocated	0.0	0.8	4.8	5.6	nm	nm
REBITDA	160.0	-6.5	-36.9	116.6	-27.1%	-24.1%
Tessenderlo Kerley	79.2	0.0	-8.2	71.0	-10.3%	-10.3%
Gelatin and Akiolis	67.7	0.0	-38.6	29.1	-57.0%	-57.0%
Inorganics	1.7	0.0	10.4	12.1	596.9%	596.9%
Plastic Pipe Systems and Profiles	36.0	-3.5	-1.5	30.9	-14.1%	-4.7%
Other Businesses	5.5	-3.0	2.1	4.6	-17.5%	82.6%
Non-allocated	-30.1	0.1	-1.1	-31.1	nm	nm
REBIT	74.8	3.0	-32.0	45.8	-38.8%	-41.1%
Non-recurring items	-238.0	nm	nm	-64.4	-	nm
EBIT	-163.3	nm	nm	-18.7	-	nm