



TESSENDERLO GROUP

Second Quarter 2013 and HY 2013 Results

August 29, 2013

Key takeaways

Operational performance impacted by weakness in Akiolis, lower PPS volumes and limited margin contraction in Kerley

- Second quarter 2013 group revenue increased 7.5% led by Tessenderlo Kerley, Inorganics and Gelatin & Akiolis
- REBITDA decreased 8.4% versus the same period a year ago, due mainly to weakness in Akiolis and Plastic Pipe Systems, while Tessenderlo Kerley had some margin contraction

Forecasts for 2013 adjusted to reflect continued pressure in Akiolis and PPS

- Best estimate is that 2013 REBITDA should be around 20% below 2012

Akiolis

- Higher competition for volumes collection in France & margin pressure
- Comprehensive improvement plan currently being implemented
- Commitment to fully recover market position and restore profitability over time

Plastic Pipe Systems

- Low level of European construction activity especially in the Netherlands putting pressure on volumes and profitability
- Management focused on preserving gross margins and controlling fixed costs

Key takeaways - continued

Forecasts for 2013 adjusted to reflect continued pressure in Akiolis and PPS

Tessenderlo Kerley

- HY 2013 solid volumes but margins below record level last year: higher raw materials and logistics costs not passed on to customers
- Second half 2013 “wait and see” approach for fertilizer purchases as commodity prices are decreasing and below exceptionally high levels last year
- Agriculture fundamentals remain attractive - TKI investing to seize opportunities

Commitment to executing announced strategy and capturing long term prospects remains unchanged

- 2013 outlook of lower REBITDA does not change view of long term growth prospects
- Full commitment to continue executing announced strategy
 - Implement profit improvement actions
 - Pursue selected growth opportunities
 - Divest non-strategic assets
 - Balance sheet under control with secured funding in place

Highlights

Sharpening focus on core activities and realizing cash proceeds

- May 2013: Tessenderlo Group sold its Italian organic chlorine derivatives (OCD) activities, completing the group's exit from the OCD industry
- June 2013: The group completed the sale of its Compounds activities

2Q13 operating performance characterized by weakness in Akiolis, lower volumes in Plastic Pipe Systems, and margin contraction in Tessenderlo Kerley

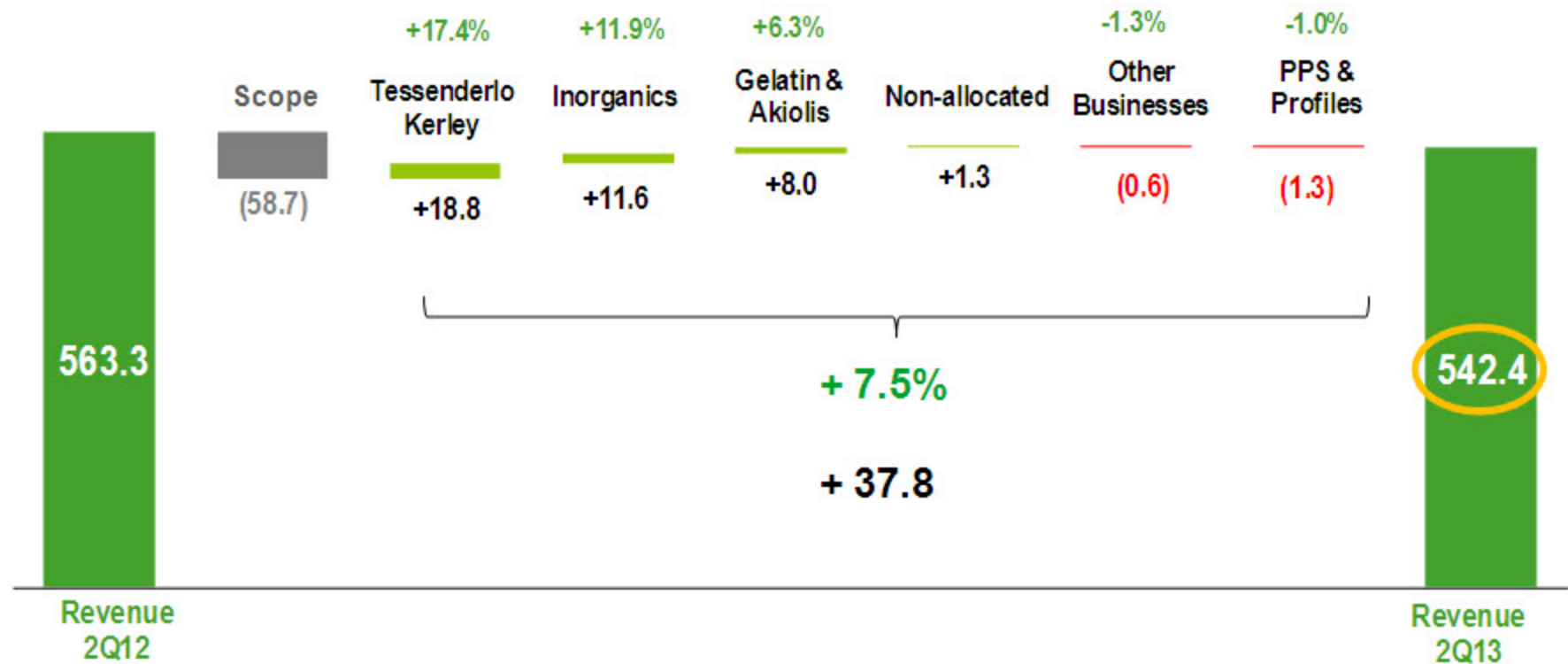
- 2Q13 revenue rose 7.5% to 542 million EUR, and HY13 grew 1.8% to 1.0 billion EUR
- REBITDA in 2Q13 of 49.0 million EUR was 8.4% lower, and in HY13 declined 14.9% to 81.7 million EUR

Net debt decreased due to cash proceeds and improved working capital

- Net debt of 251 million EUR and notional net debt of 378 million EUR were both lower versus December 2012 and March 2013
- Cash proceeds from divestments of 30.2 million EUR in 2Q13 and an improvement in working capital contributed to the reduction in net debt
- The group continued to fully respect all covenants

2Q13 revenue by operating segment

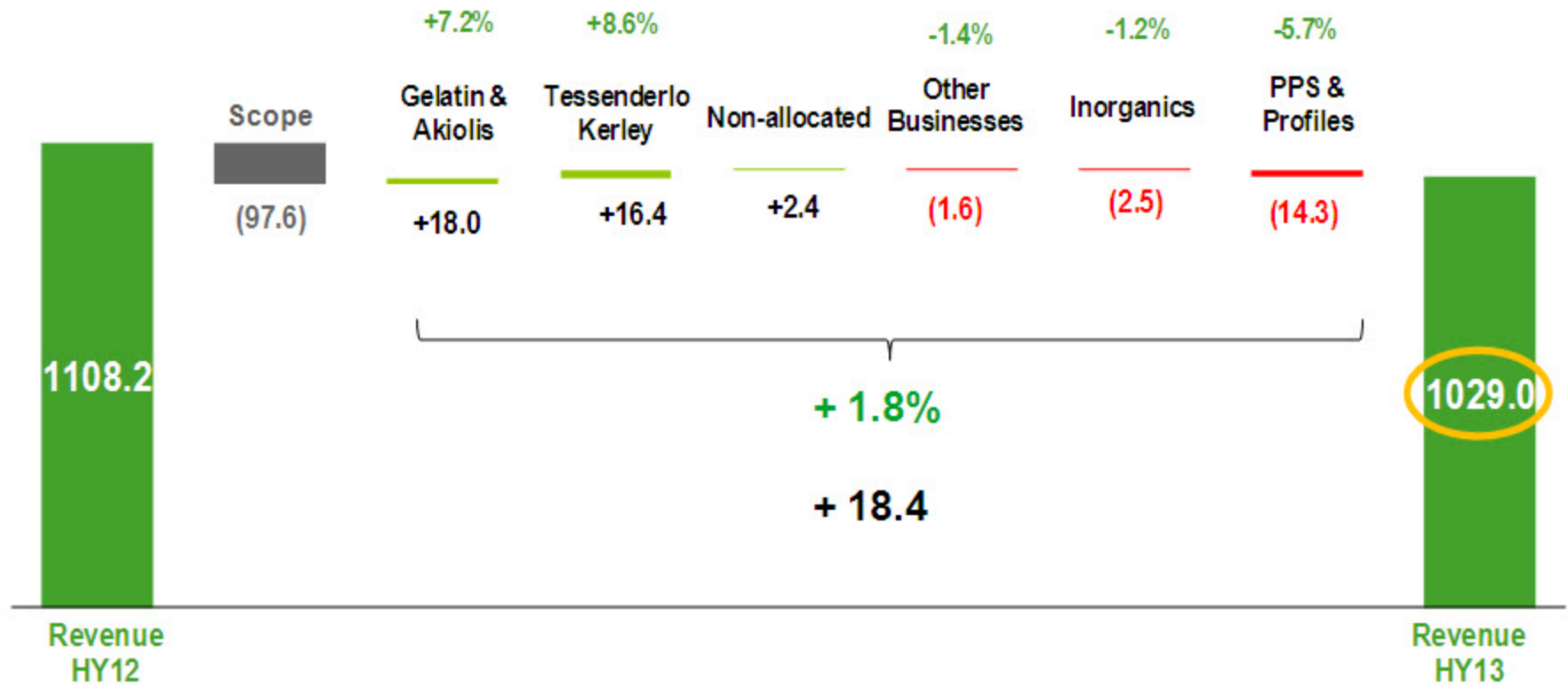
Million EUR and % increase versus 2Q12 at comparable scope



- 2Q13 revenue growth in Tessenderlo Kerley, Inorganics and Gelatin & Akiolis, while Other Businesses and PPS & Profiles were marginally lower

HY13 revenue by operating segment

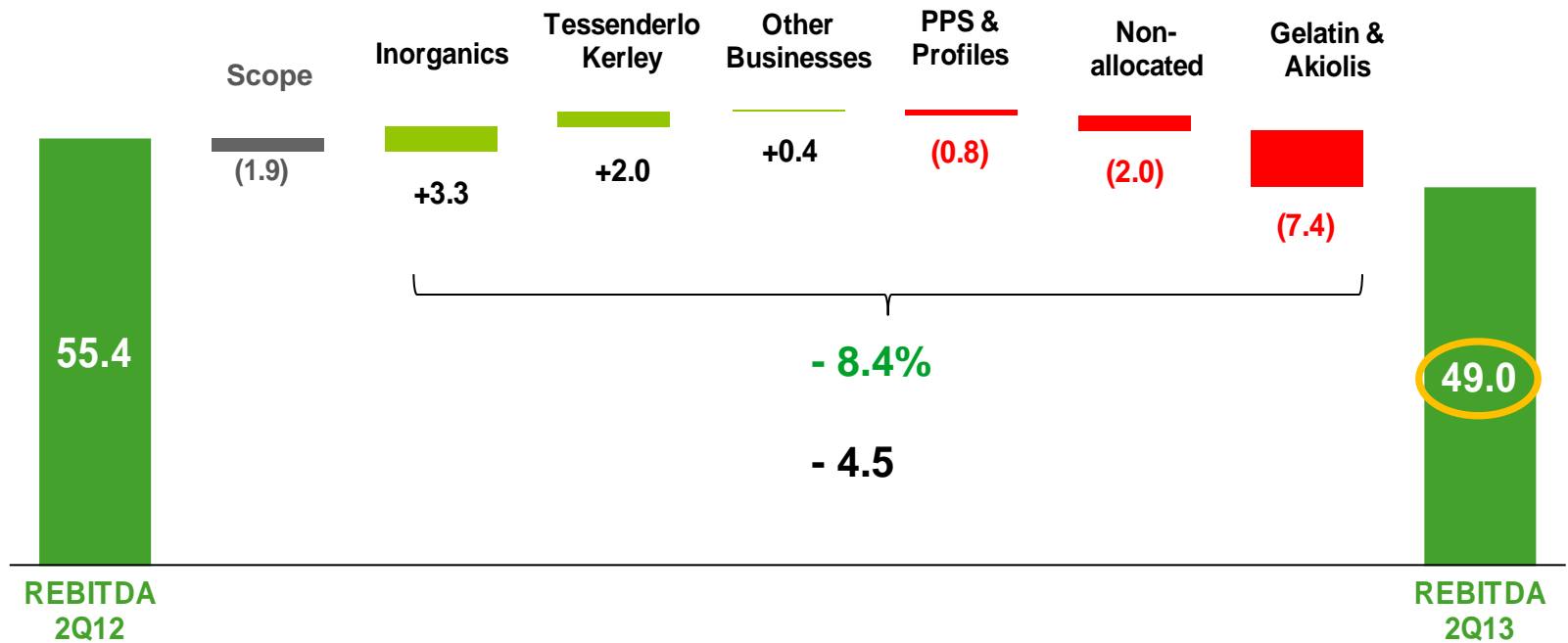
Million EUR and % increase versus HY12 at comparable scope



- Revenue in HY13 rose 1.8% led by Gelatin & Akiolis and Tessenderlo Kerley; Other Businesses and Inorganics was incrementally lower while PPS & Profiles decreased primarily due to a slow start to the year

2Q13 REBITDA by operating segment

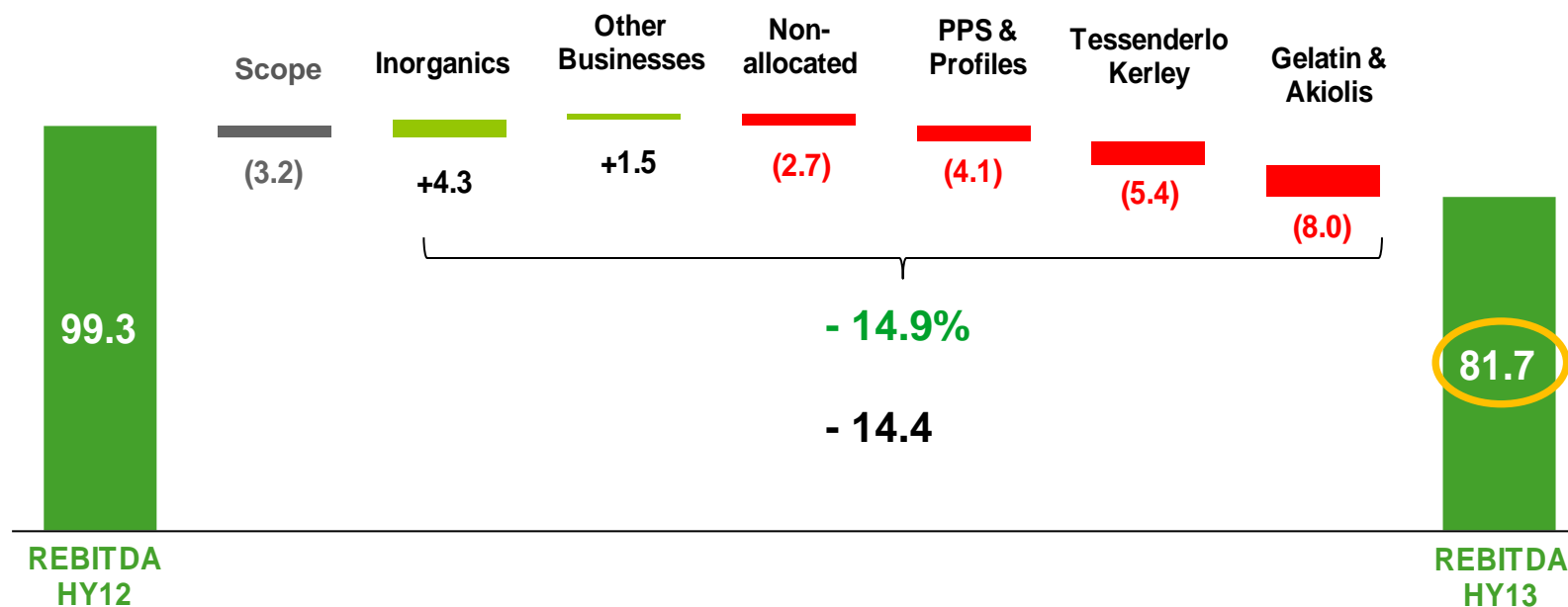
Million EUR and % increase versus 2Q12 at comparable scope



- 2Q13 REBITDA was down 8.4%: Inorganics and Tessenderlo Kerley grew year on year, while weaker PPS activity and unusually intense competitive pressures in Akiolis led to a fall in REBITDA

HY13 REBITDA by operating segment

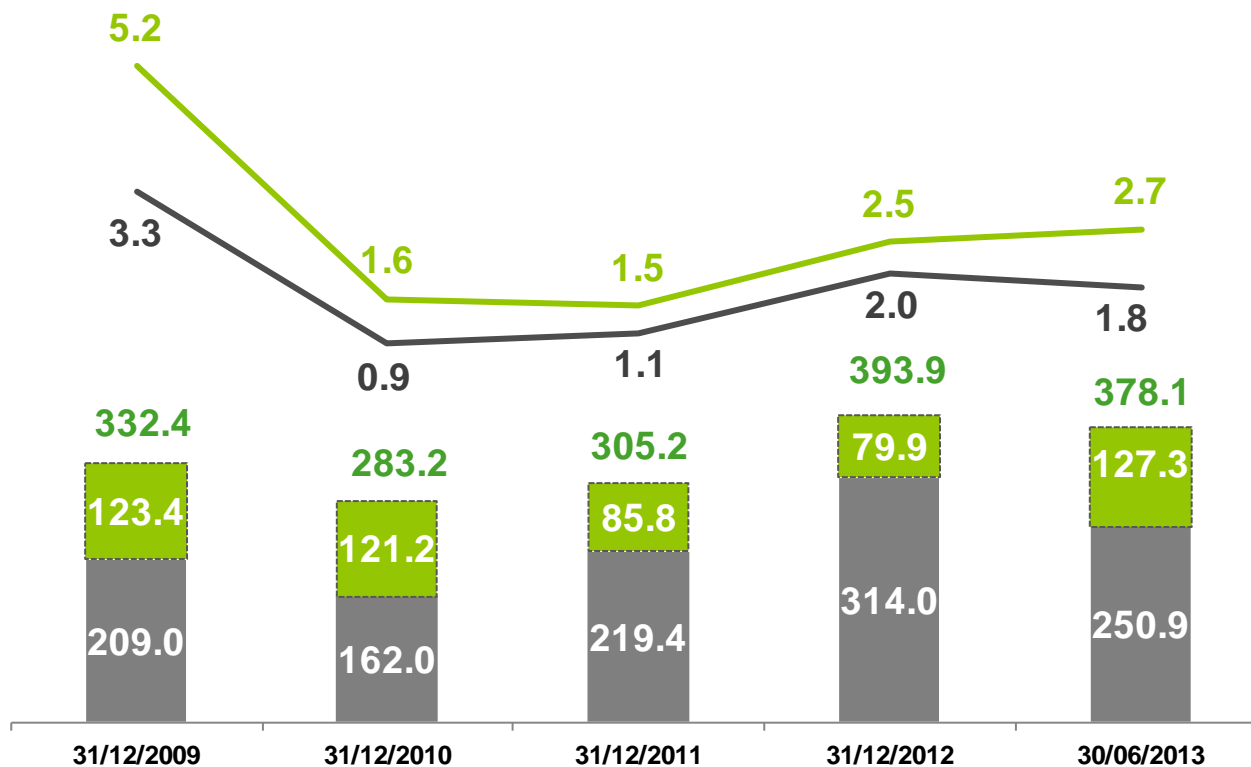
Million EUR and % increase versus HY12 at comparable scope



- REBITDA decreased 14.9% in the first half of 2013: Inorganics increased compared to a low comparable period a year ago, while PPS and Tessenderlo Kerley had lower HY13 REBITDA mainly due to much lower first quarter activity; Akiolis is much lower due to ongoing increase in competitive pressures

Net debt position

Million EUR



■ Net debt (Million EUR)

■ Non-recourse factoring (Million EUR)

— Notional net debt including non-recourse factoring / LTM REBITDA (x)

— Net debt / LTM REBITDA (x)

Operational Highlights

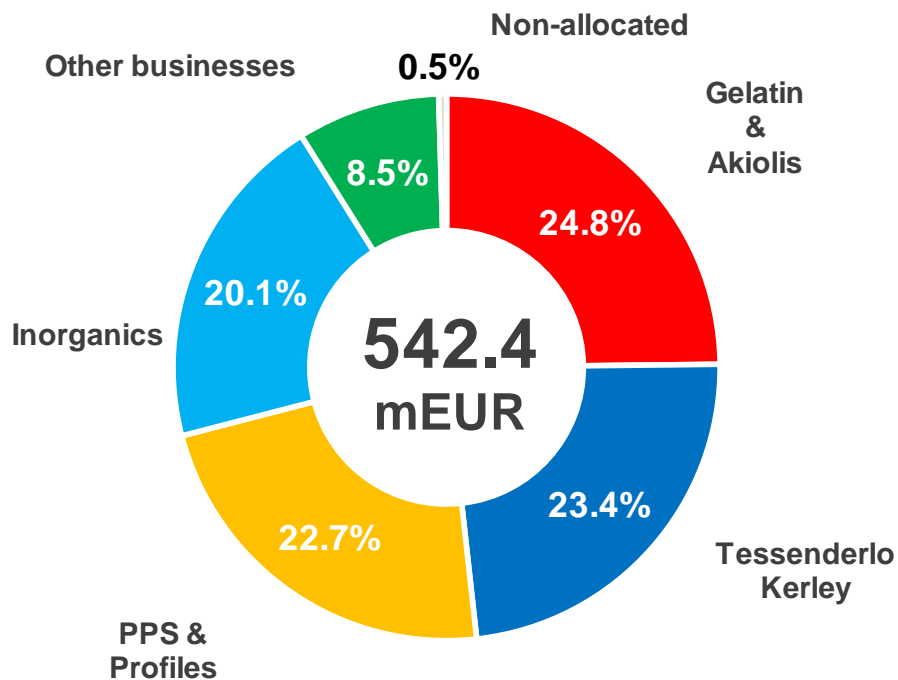


GROUP KEY FIGURES

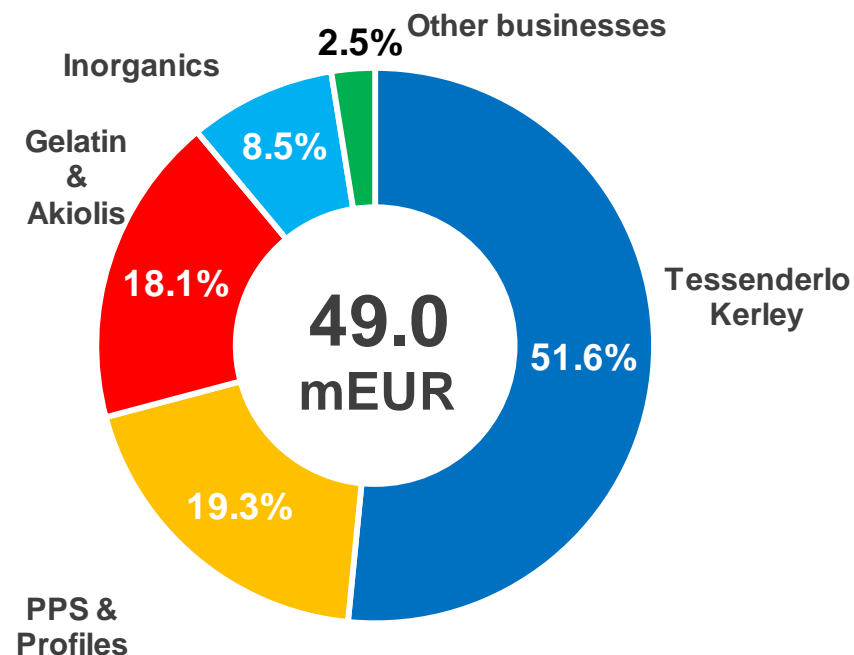
2Q13	2Q12	% Change at comparable scope	Million EUR	HY13	HY12	% Change at comparable scope
542.4	563.3	7.5%	Revenue	1029.0	1108.2	1.8%
49.0	55.4	-8.4%	REBITDA	81.7	99.3	-14.9%
9.0%	9.8%	-	REBITDA margin	7.9%	9.0%	-
30.3	33.0	-10.1%	REBIT	43.9	55.4	-22.4%
5.6%	5.9%	-	REBIT margin	4.3%	5.0%	-
-49.0	-33.1	-	Non-recurring items	-49.0	-37.7	-
-18.7	0.0	nm	EBIT	-5.1	17.7	nm
11.2	16.5	-35.8%	Recurrent profit (+)/loss (-) for the period	13.9	26.7	-50.0%
-36.2	-15.3	nm	Profit (+)/loss (-) for the period	-35.1	-9.7	nm

2Q13 group revenue and REBITDA per segment

Revenue (% of total)



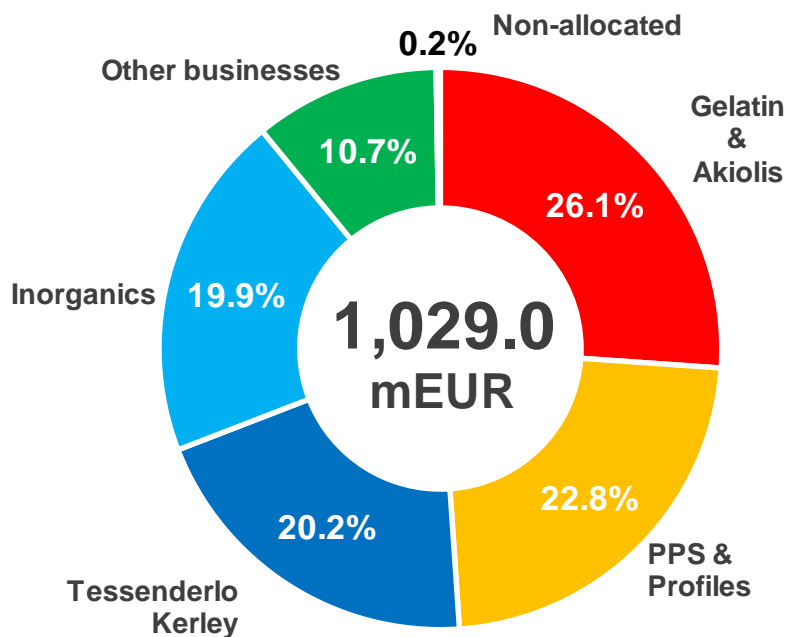
REBITDA (% of total*)



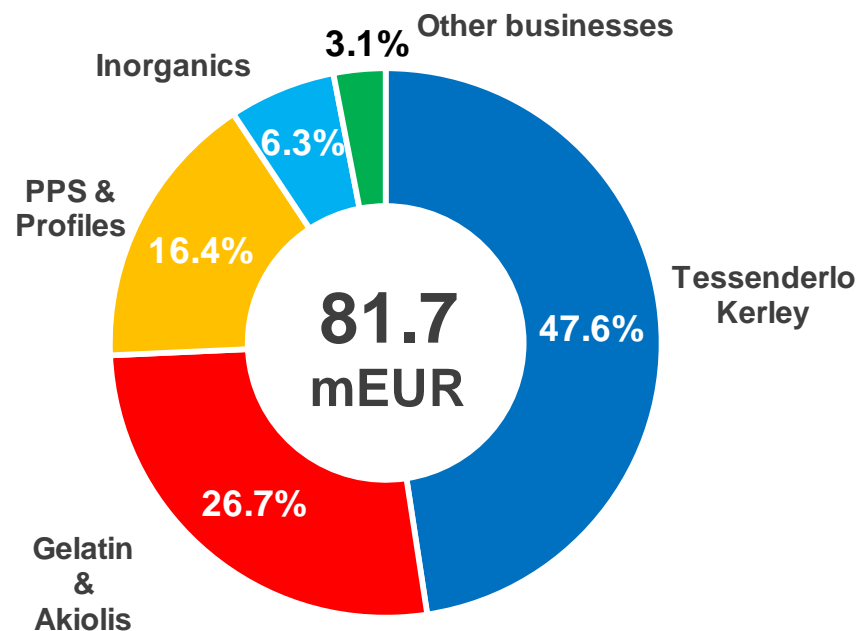
*Percentage of total REBITDA before non-allocated costs

HY13 group revenue and REBITDA per segment

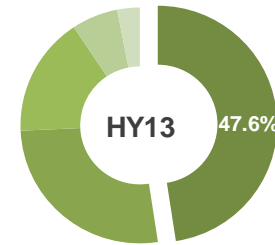
Revenue (% of total)



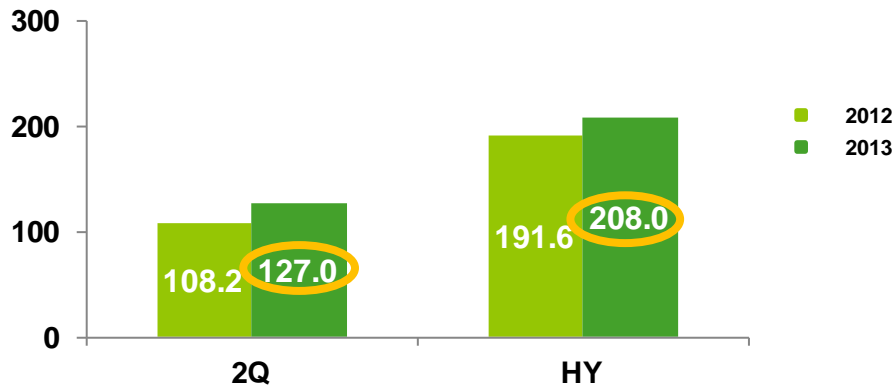
REBITDA (% of total*)



*Percentage of total REBITDA before non-allocated costs

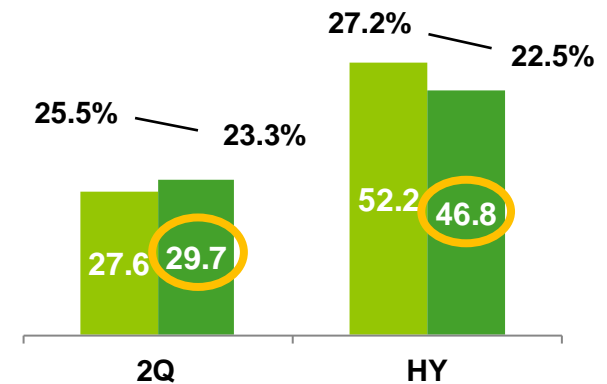


Revenue (Million EUR)



Revenue	2Q	HY
% Change at comparable scope	+ 17.4%	+ 8.6%

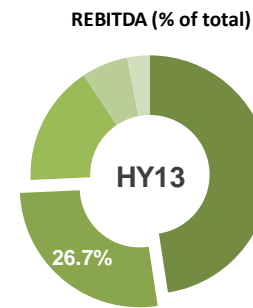
REBITDA (Million EUR) & REBITDA margin (%)



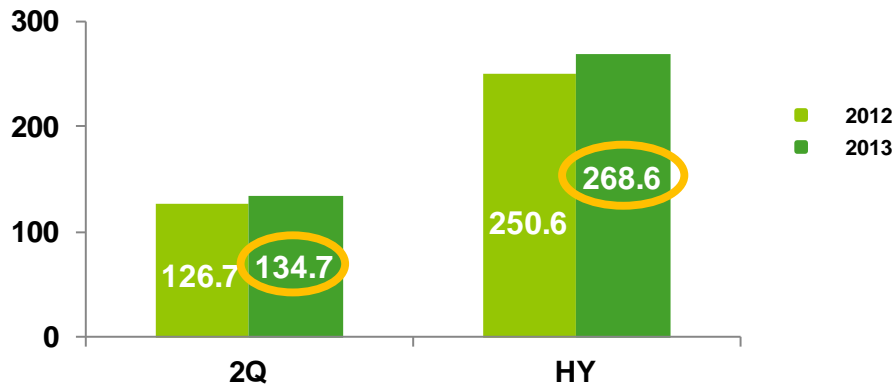
REBITDA	2Q	HY
% Change at comparable scope	+ 7.3%	- 10.3%

- Segment revenue for TKI was up 17.4% (+19.6% in USD) as Thio-Sul (ATS) volumes were well above a year ago after a delayed start to the planting season, while average fertilizer prices were broadly unchanged; NovaSource also had higher revenue due to the 2Q catch-up; 2Q13 segment revenue growth underpinned HY13 revenue rise of 8.6% (10.0% in USD)
- 2Q13 REBITDA grew 7.3%, mainly due to higher ATS volumes and higher NovaSource contribution, offset by lower ATS margins and temporarily higher KTS logistics costs; REBITDA for the first six months was 10.3% lower (-9.2% in USD) mainly due to reduced activity in 1Q13 in both Kerley Core and NovaSource which could not be compensated for in 2Q13

Gelatin and Akiolis

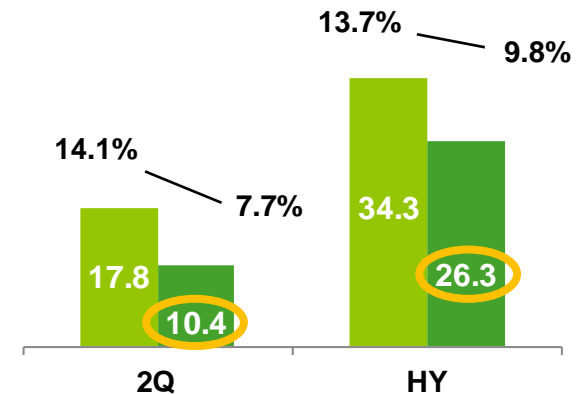


Revenue (Million EUR)



Revenue	2Q	HY
% Change at comparable scope	+6.3%	+ 7.2%

REBITDA (Million EUR) & REBITDA margin (%)

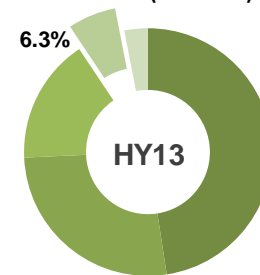


REBITDA	2Q	HY
% Change at comparable scope	- 41.4%	- 23.4%

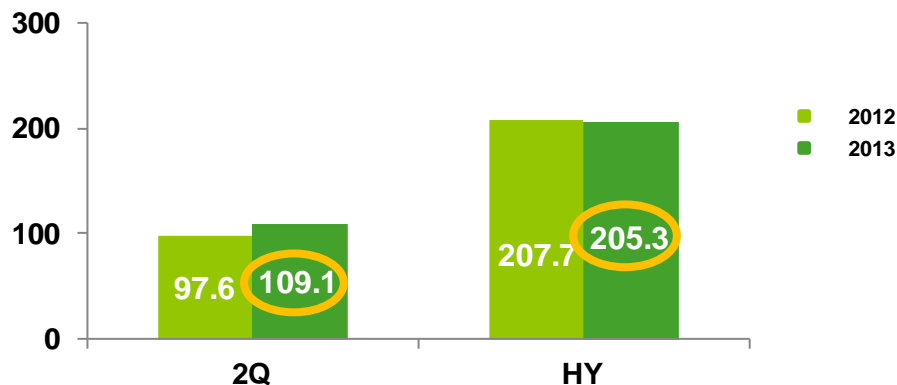
- Segment revenue in 2Q13 was 6.3% above last year, nearly all due to Gelatin (higher volumes and prices) while Akiolis was marginally higher (higher prices offsetting lower volumes); HY13 segment revenue was 7.2% ahead year on year as a result of higher selling prices
- REBITDA for the segment fell by 41.4% in 2Q13, largely explained by lower volumes, decreasing margins for fats and the costs of responding to the extremely competitive environment for Akiolis, while Gelatin also decreased due to margin contraction and higher expenses linked to growth initiatives and the ramp up of new production capacity; REBITDA for HY13 dropped 23.4%, mainly linked to the weak second quarter performance in Akiolis

Inorganics

REBITDA (% of total)

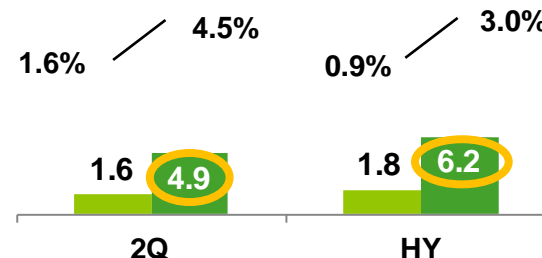


Revenue (Million EUR)



Revenue	2Q	HY
% Change at comparable scope	+ 11.9%	- 1.2%

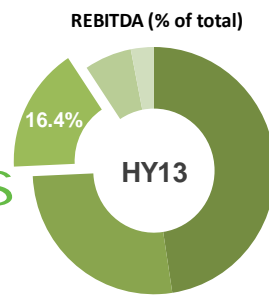
REBITDA (Million EUR) & REBITDA margin (%)



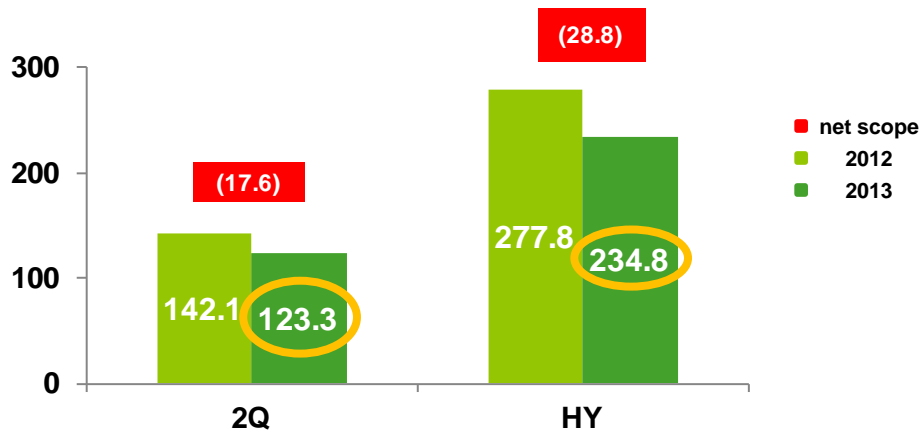
REBITDA	2Q	HY
% Change at comparable scope	+ 205.0%	+ 235.2%

- Inorganics segment revenue rose 11.9% in 2Q13, as sulfates volumes were much higher than a year ago, which more than offset lower volumes for phosphates, and lower pricing for both sulfates and phosphates; HY13 segment revenue was 1.2% below HY12 as sulfate volume growth mostly compensated lower phosphates volumes and lower pricing
- REBITDA was much higher in 2Q13 thanks to a better commercial performance in sulfates, as well as lower fixed costs in phosphates; HY13 REBITDA also grew, attributable to the improvement in sulfates' commercial results compared to the same period last year

Plastic Pipe Systems and Profiles

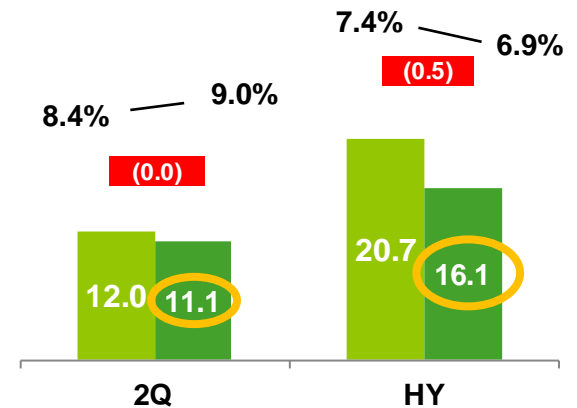


Revenue (Million EUR)



Revenue	2Q	HY
% Change at comparable scope	- 1.0%	- 5.7%

REBITDA (Million EUR) & REBITDA margin (%)

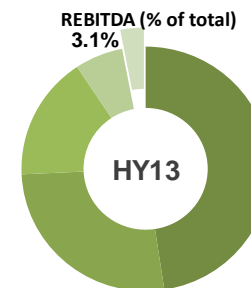


REBITDA	2Q	HY
% Change at comparable scope	- 7.0%	- 20.1%

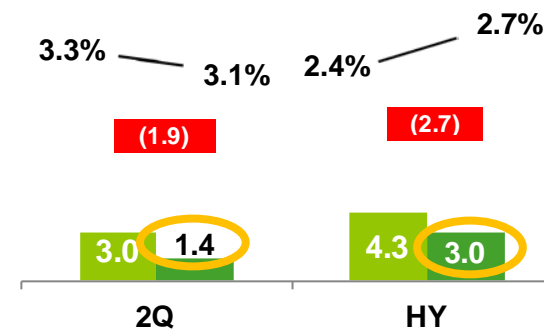
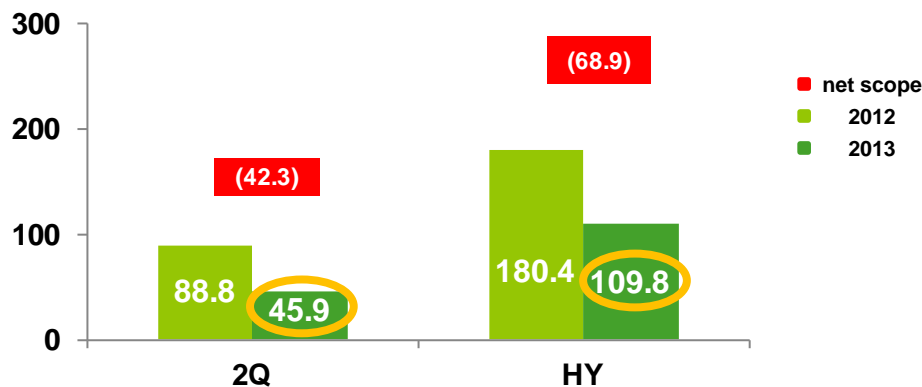
- 2Q13 segment revenue for PPS & Profiles decreased by 1.0%, with lower PPS revenue (mainly France and the Netherlands declining, while UK grew) and much higher revenue in Eurocell due to better activity in the UK; HY13 segment revenue was 5.7% down on a year ago as a result of the weather impacted slow start to the year
- 2Q13 REBITDA was 7.0% lower than a year ago, as the impact of lower volume in PPS was partly offset by cost control and an improved commercial result in Eurocell; HY13 REBITDA decreased by 20.1% as weakness in construction activity in the main PPS markets could not be compensated by higher REBITDA in Eurocell

Other Businesses*

* Includes Compounds, OCD, Pharma, Water Treatment and Sulfur Derivatives



REBITDA (Million EUR)
& REBITDA margin (%)



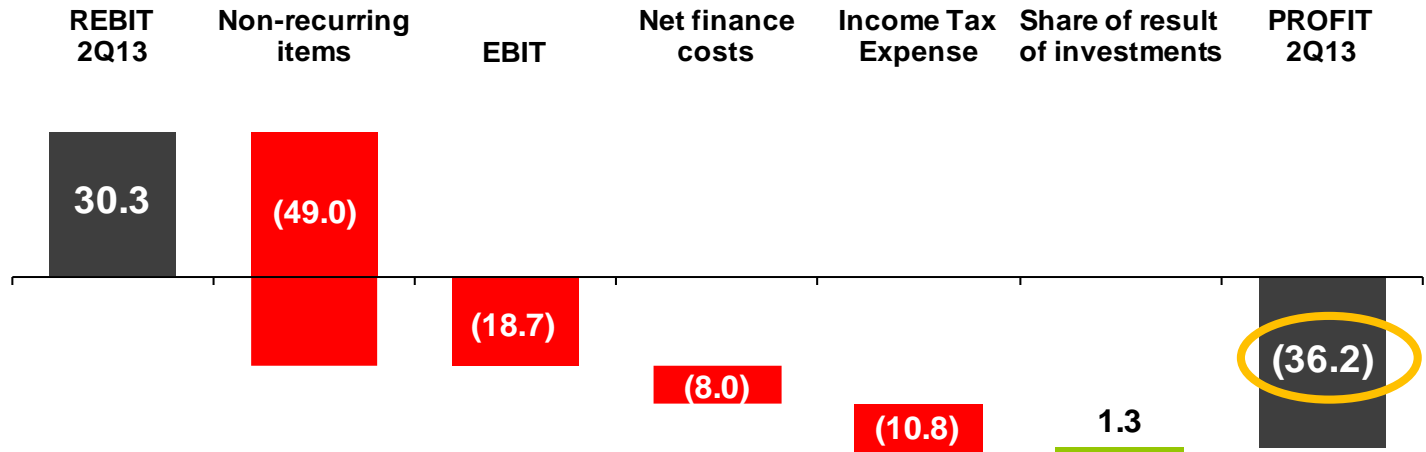
Revenue	2Q	HY
% Change at comparable scope	- 1.3%	- 1.4%

REBITDA	2Q	HY
% Change at comparable scope	+ 33.6%	+ 95.9%

- Segment revenue for Other Businesses was down by 1.3% mainly as a result of lower Sulphur Derivatives and OCD revenue, while Water Treatment was higher and Compounds was flat year on year; segment revenue for HY13 was 1.4% lower as again Sulphur Derivatives and OCD decreased while Water Treatment and Compounds recorded more revenue than a year ago
- REBITDA in 2Q13 was 33.6% above last year, mostly due to better results in Compounds, while HY13 REBITDA grew 95.9% thanks to improvements in Sulphur Derivatives and Compounds

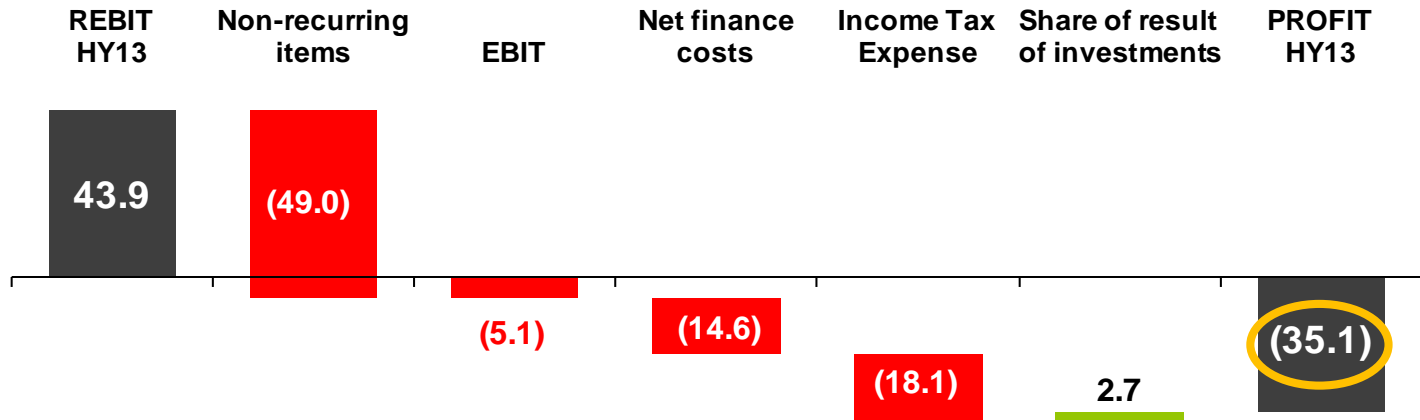
REBIT to Profit details for 2Q13

Million EUR



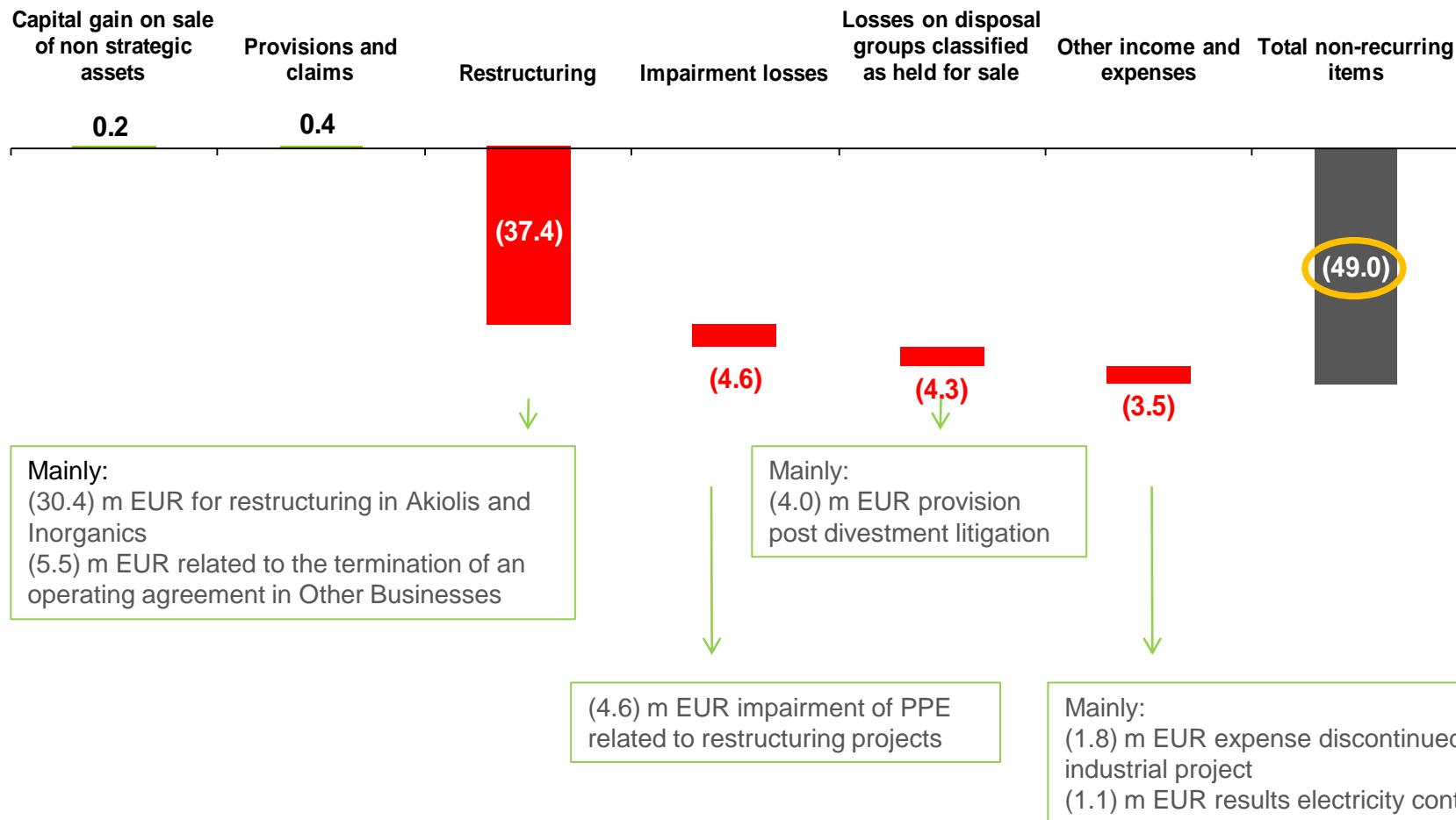
REBIT to Profit details for HY13

Million EUR



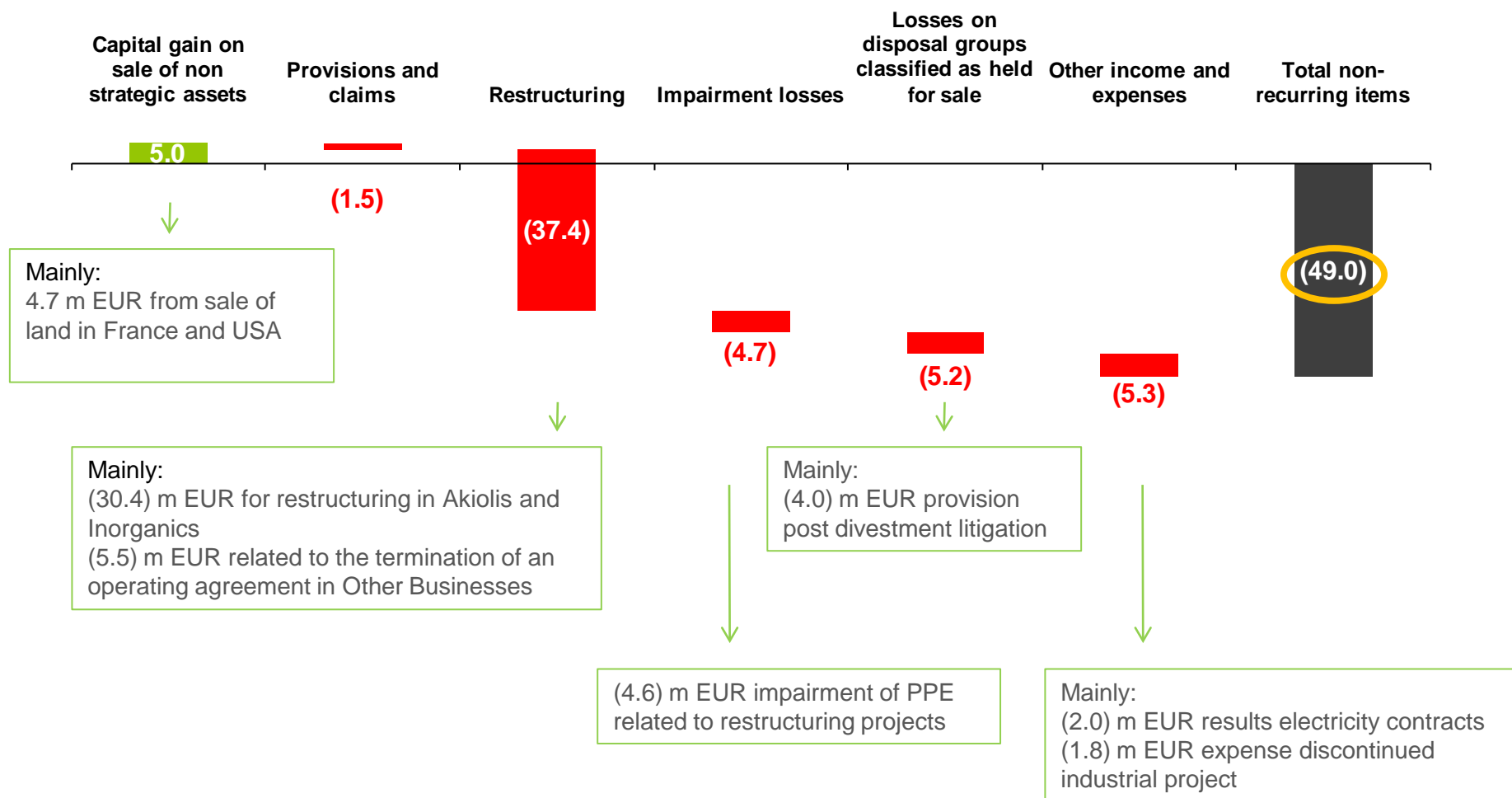
Non-recurring items 2Q13

Million EUR



Non-recurring items HY13

Million EUR



Net debt evolution 2Q13

Million EUR

**Net debt
31/03/2013**

**Net debt
30/06/2013**

(332.6)

(250.9)

CAPEX

(29.0)

Non-recurring
and other

(16.0)

Financial charges
& taxes

(5.0)

Dividends
received

2.3

Change in WC
(before
factoring)

22.3

Change in
factoring

27.9

Sale of non-
strategic assets

30.2

REBITDA

49.0

Growth CAPEX: (15.6)
Other: (13.4)

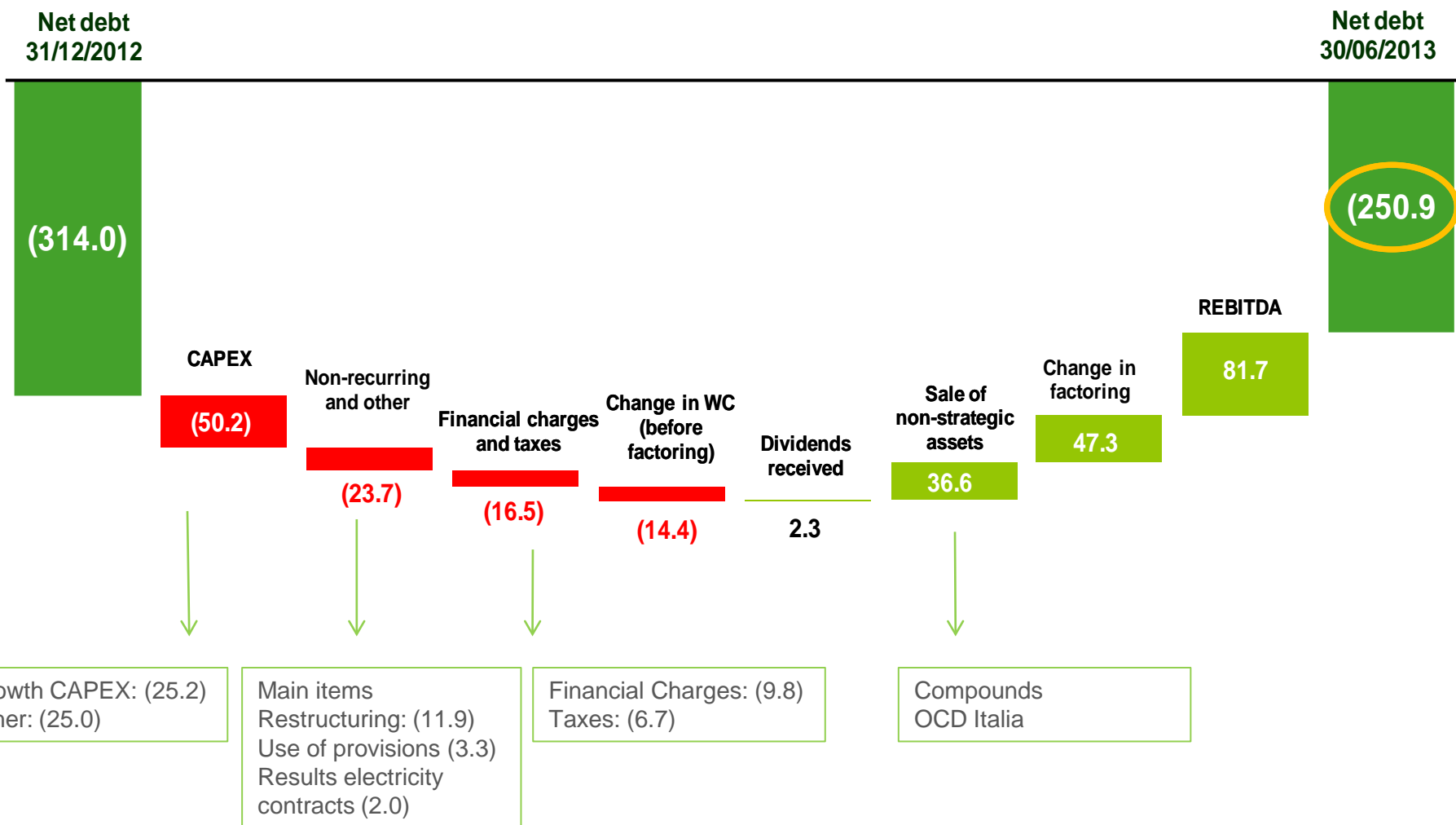
Main items
Restructuring: (9.4)
Use of provisions (2.8)
Results electricity
contracts (1.0)

Financial Charges: (5.0)
Taxes: -

Compounds
OCD Italia

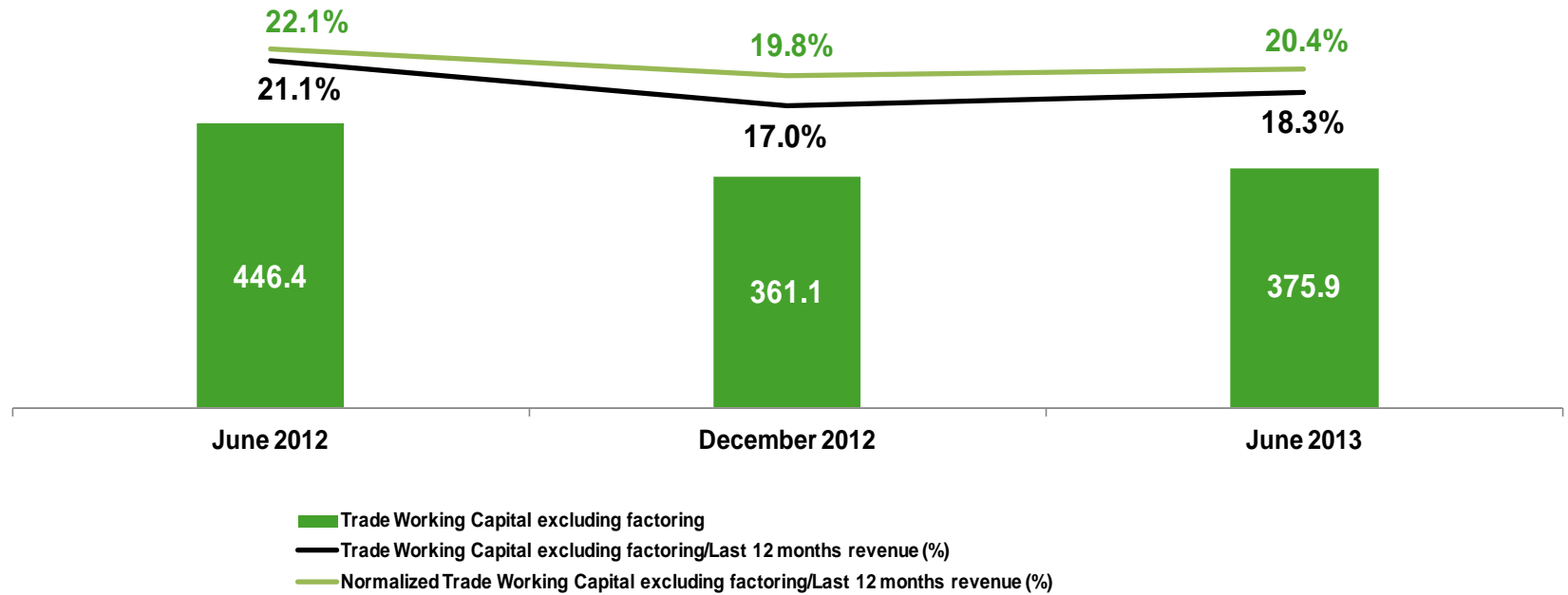
Net debt evolution HY13

Million EUR



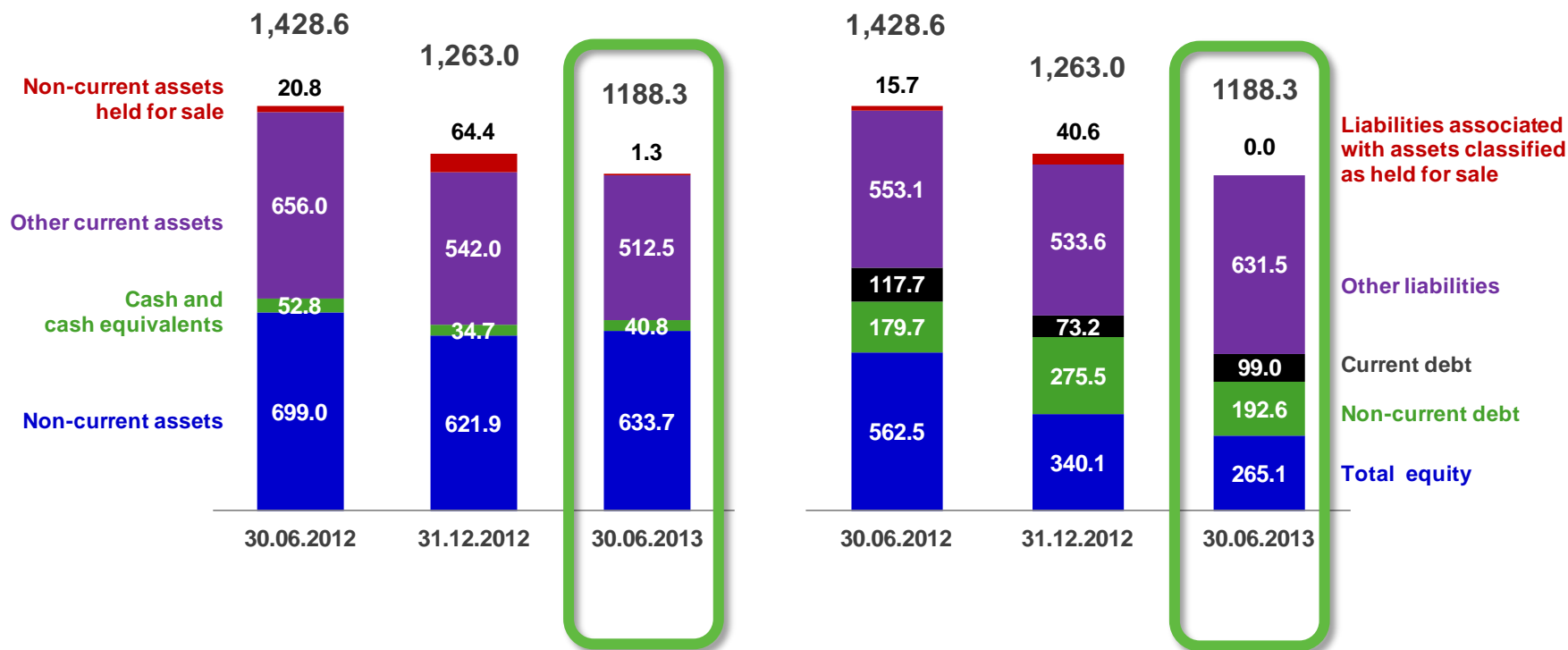
Group Trade Working Capital

Million EUR



Balance Sheet

Million EUR





Tessenderlo Group is a worldwide specialty company, focused on food, agriculture, water management and on valorizing bio-residuals. The group employs about 6,200 people and is a leader in most of its markets, with a consolidated revenue of 2.1 billion EUR in 2012. 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

2Q13 Results

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