



TESSENDERLO GROUP

HY14 Results

August 27, 2014

2Q14 results confirm 1Q14 performance, thanks to the profitability of the Agro segment and to cost management initiatives throughout the group.

Operating performance

- HY14 revenue at comparable scope decreased by 4.3% compared to HY13, or by 2.2% when excluding the FX effect.
- Rebitda in HY14 at comparable scope increased by 18.0% compared to the same period last year or 24.5% when excluding the FX effect.
- The group is able to generate a positive net result after taxes of 27.7 million EUR, leading to an EPS of 0.88 EUR in HY14.

Decrease of net financial debt

- Net debt decreases from 258.9 million EUR at year end 2013 to 199.0 million EUR at HY14 (notional net debt decreases from 340.8 million EUR at YE13 to 291.3 million EUR at HY14), driven by higher operational results.
- Leverage stands at 1.6x, gearing at 44.0%.

Operational Highlights

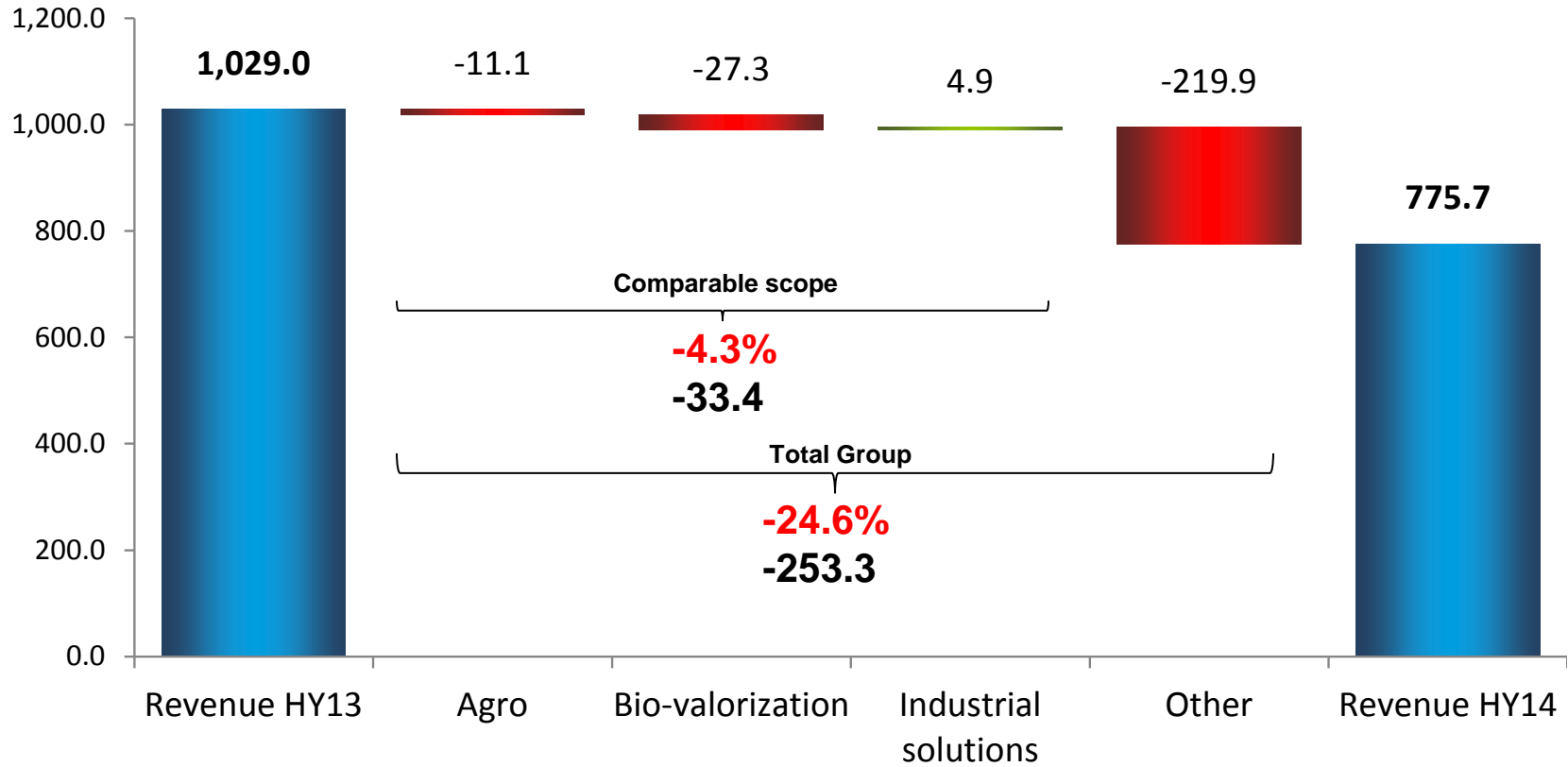


GROUP KEY FIGURES in Million EUR

2Q14	2Q13	% Change at comparable scope	Million EUR	HY14	HY13	% Change at comparable scope
379.3	542.4	-11.0%	Revenue	775.7	1,029.0	-4.3%
45.3	49.0	8.4%	REBITDA	87.1	81.7	18.0%
11.9%	9.0%		REBITDA margin	11.2%	7.9%	
			REBIT	54.7	43.9	37.2%
			REBIT margin	7.1%	4.3%	
			Non-recurring items	-2.2	-49.0	
			EBIT	52.6	-5.1	
			Profit (+)/loss (-) for the period	27.7	-35.1	nm

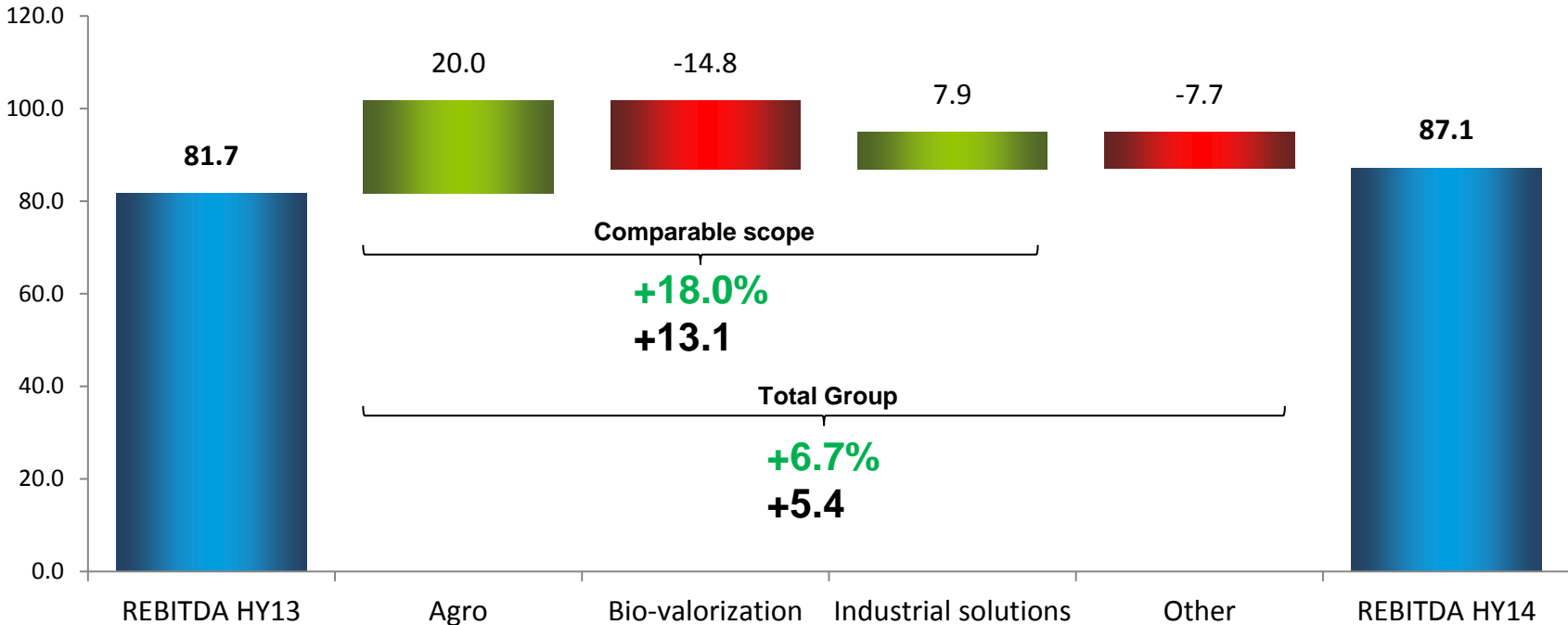
HY14 revenue by operating segment

Million EUR and % increase versus HY13



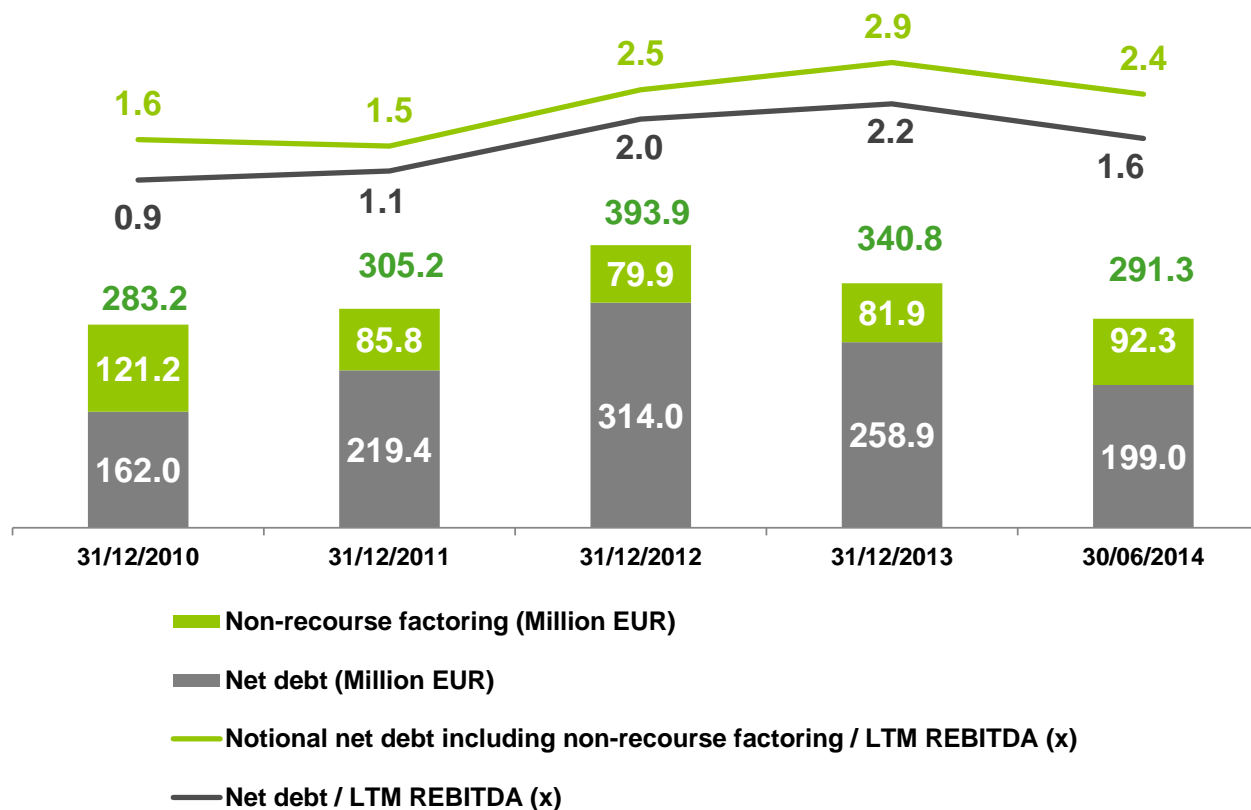
HY14 REBITDA by operating segment

Million EUR and % increase versus HY13



Net debt position

Million EUR



Outlook

The group does not anticipate any material recovery of volumes and margins in the bio-valorization segment for the foreseeable future.

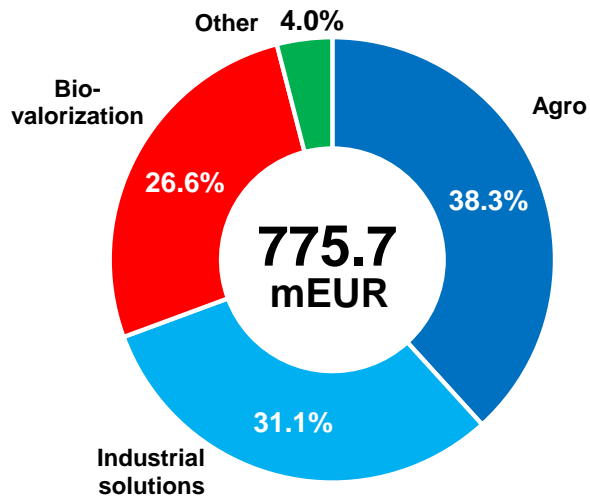
Based on the current assumptions and in view of the seasonality of the business, the group anticipates the REBITDA Group for the full year to end up slightly higher than last year.

The net debt at the end of the year should end up slightly higher than at end of December 2013, reflecting capex and increased working capital requirements in preparation of the 2015 Agro season.

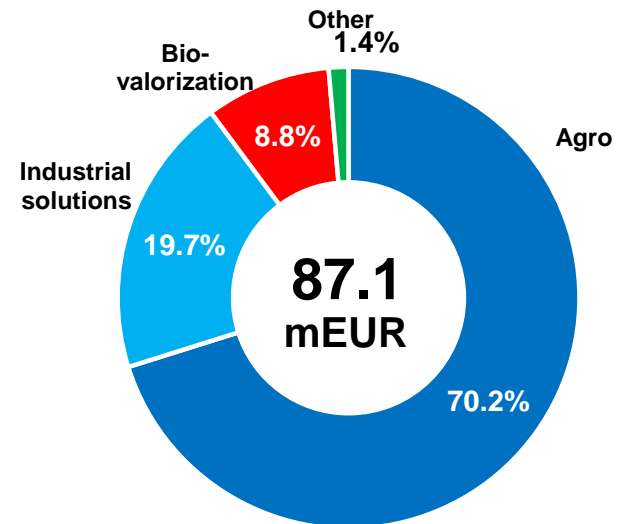
In view of the anticipated refinancing of its corporate bond and syndicated loan facility and in order to realize its strategy, including growth and stay in business capex, the group is currently reviewing its funding structure and evaluating various funding options.

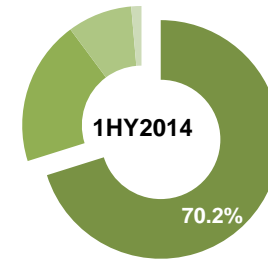
HY14 group revenue and REBITDA per segment

Revenue (% of total)

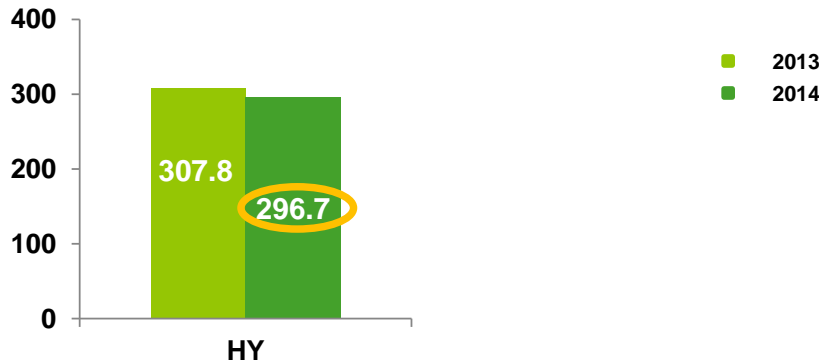


REBITDA (% of total)



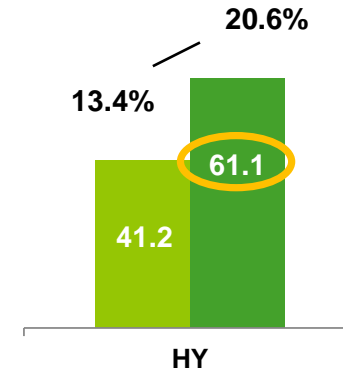


Revenue (Million EUR)



Revenue	HY
% Change	-3.6%

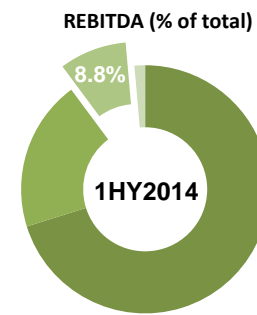
REBITDA (Million EUR) & REBITDA margin (%)



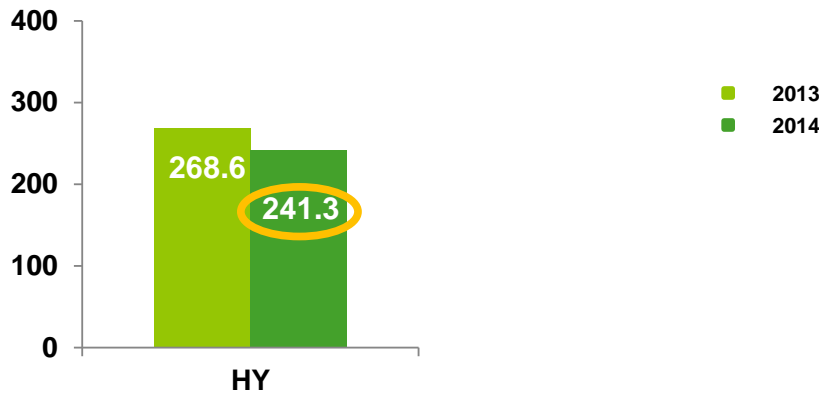
Rebitda	HY
% Change	+48.5%

- The HY14 revenue decreased by 3.6% or by 0.8% when excluding the foreign exchange effect. The growth in the Kerley agro businesses was offset by lower sulfates sales. The decrease of the sulfates sales was mostly linked to the transition at the production facility in Ham (Belgium) following the stop of the phosphates production at the end of 2013.
- All businesses contributed to the rebitda growth of the segment (+48.5% or +54.6% when excluding the foreign exchange effect). The Group experienced a good product demand and the investments in infrastructure & logistics positively impacted the Group's ability to serve the customers.

Bio-valorization

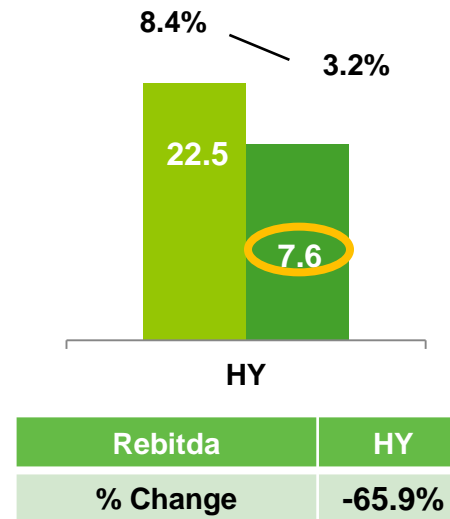


Revenue (Million EUR)



Revenue	HY
% Change	-10.2%

REBITDA (Million EUR) & REBITDA margin (%)

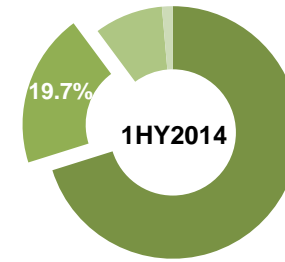


Rebitda	HY
% Change	-65.9%

- The revenue decreased by 10.2% in HY14 or by 7.2% when excluding the foreign exchange effect. While the group experienced some volume drop in HY14 versus HY13, the main reason for the revenue decrease was the negative price evolution.
- Important programs are ongoing to reduce operating costs in the segment “Bio-valorization”, however, the margin pressure is still more impactful in HY14, leading to the lower segment profitability in HY14.

Industrial solutions

REBITDA (% of total)

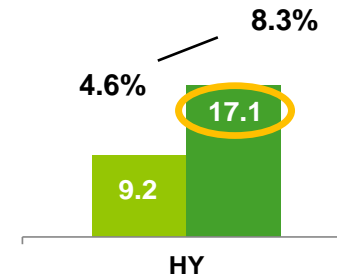


Revenue (Million EUR)



Revenue	HY
% Change	+2.4%

REBITDA (Million EUR) & REBITDA margin (%)

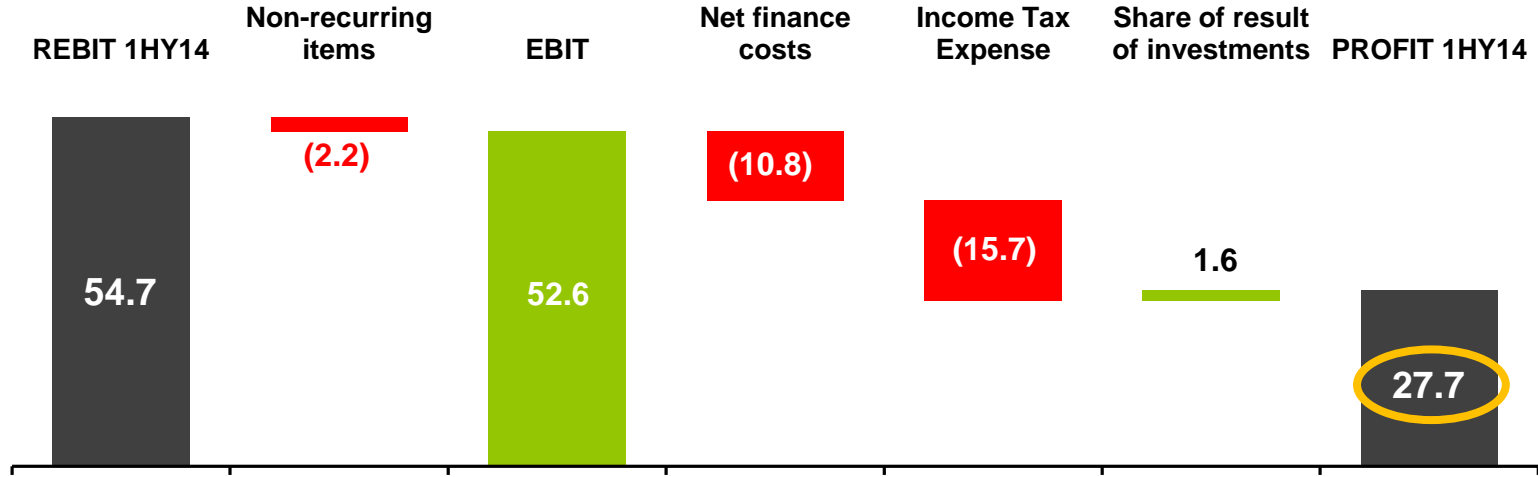


Rebitda	HY
% Change	+86.4%

- The HY14 revenue of the segment “Industrial solutions” increased by 2.4% (or 2.3% when excluding the foreign exchange rate effect), supported especially by higher sales in the Plastic Pipes business, as result of the milder winter conditions during the first months of the year.
- All businesses contributed to the strong profitability improvement in HY14. Apart from the top line growth, solid margins and cost management also supported the rebitda evolution.

REBIT to Profit details for HY14

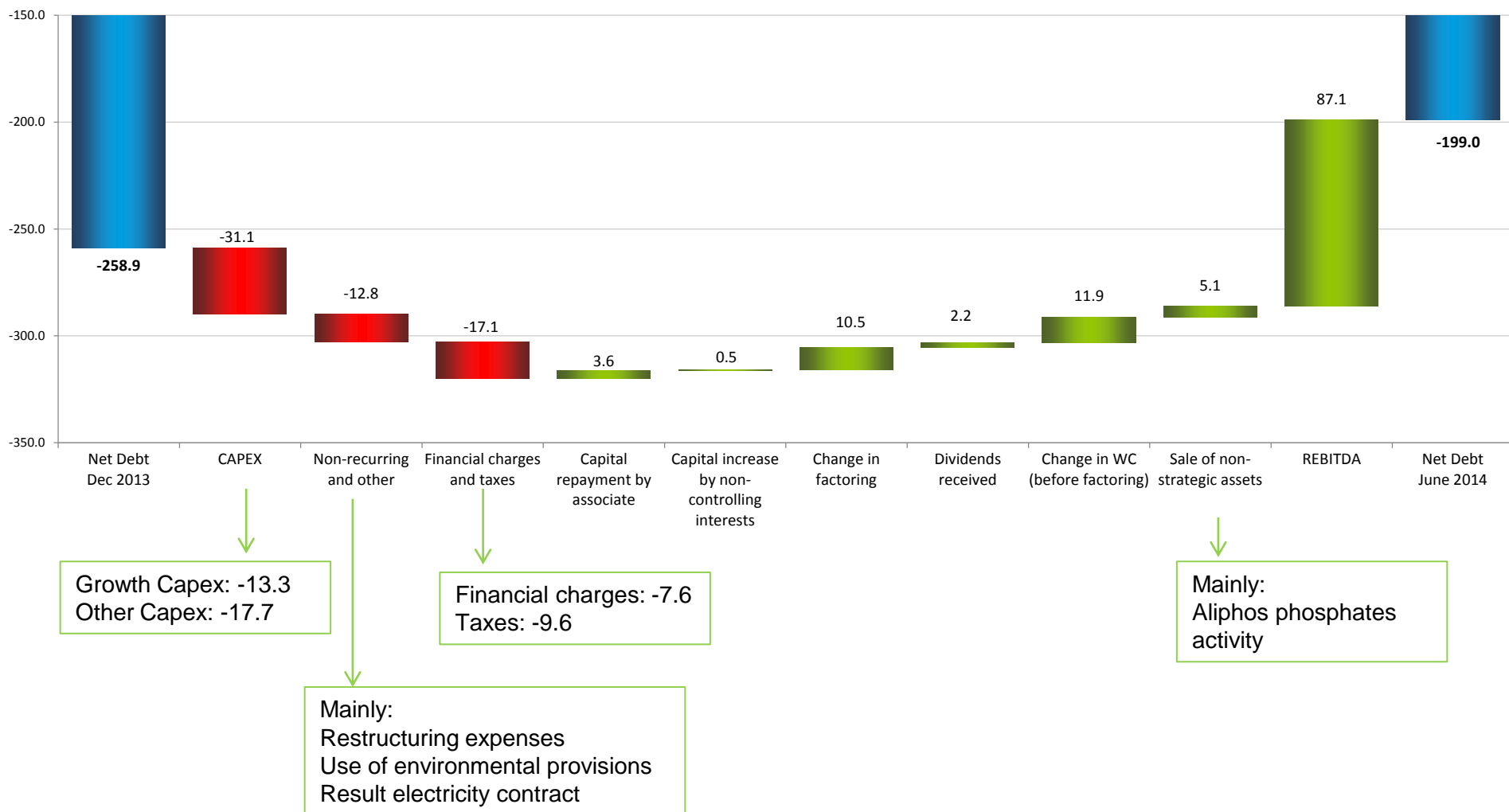
Million EUR



Net debt evolution HY14

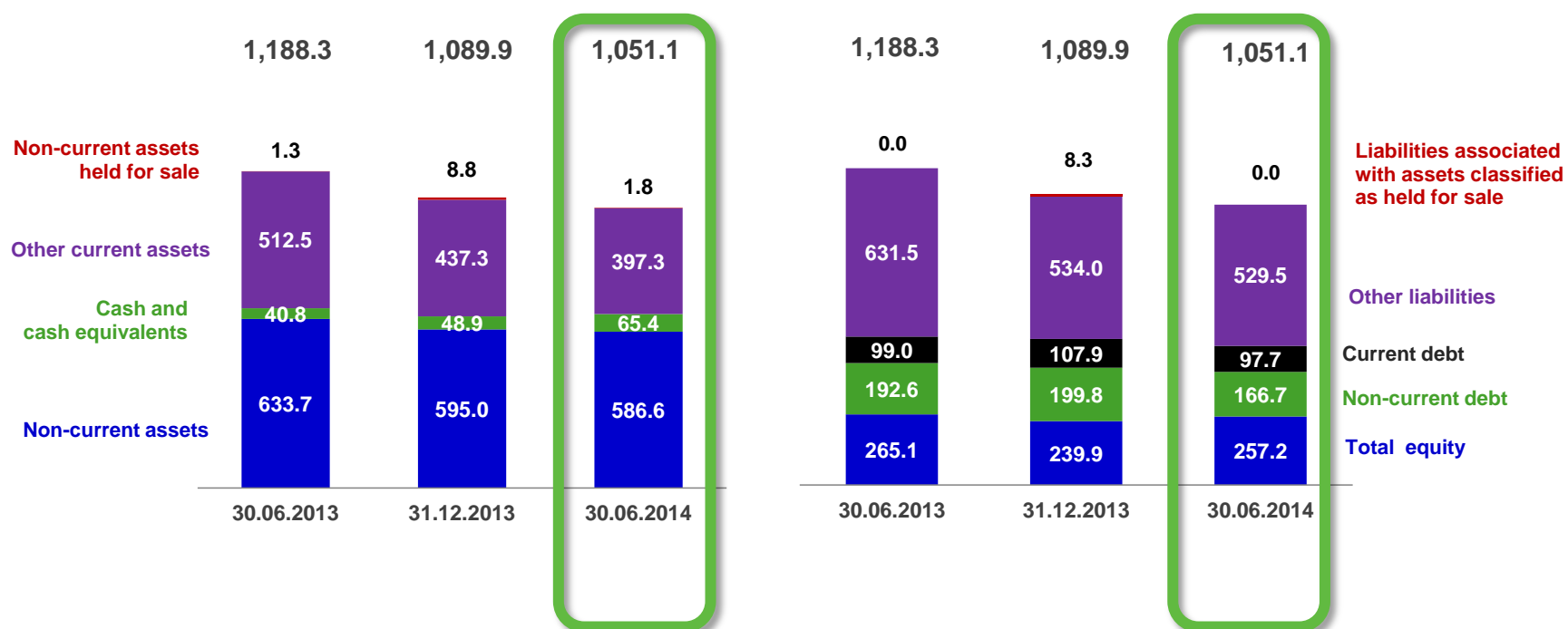
Million EUR

Net Debt Evolution - 1HY 2014



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 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 –
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