

## TESSENDERLO GROUP: SOLID 2018 RESULTS

### 1. KEY EVENTS

- In January 2019, Performance Chemicals lifted the force majeure on the sodium hydroxide (NaOH) production in the production plant in Loos (France), which was declared in September 2018 due to unforeseen technical issues.
- Performance Chemicals will raise the production capacity of its Ecoferric™ product line by 25% at its site in Loos in order to meet increasing demand in Western Europe for coagulants for wastewater treatment and for drinking water production.
- The business unit Plastic Pipe Systems changed its name to DYKA Group in the first quarter of 2019. DYKA Group is composed of the following three companies: DYKA, JDP and BT Nyloplast.
- 2019 marks the 100<sup>th</sup> anniversary of Tessenderlo Group. To commemorate this impressive milestone, we are proud to announce the launch of a new website, which highlights 100 remarkable facts relating to the history of Tessenderlo Group: [www.100yearstessenderlo.com](http://www.100yearstessenderlo.com).

4Q18	4Q17	% Change excluding fx effect <sup>2</sup>	% Change as reported	Million EUR	2018	2017	% Change excluding fx effect	% Change as reported
401.4	356.6	10.9%	12.5%	Revenue	1,620.9	1,657.3	-0.5%	-2.2%
-18.8	-			- T-Power revenue <sup>3</sup>	-18.8	-		
-0.1	-5.0			- S8 Engineering revenue <sup>4</sup>	-5.1	-46.0		
<b>382.5</b>	<b>351.6</b>	<b>7.1%</b>	<b>8.8%</b>	<b>Revenue excluding T-Power and S8 Engineering</b>	<b>1,597.1</b>	<b>1,611.3</b>	<b>0.8%</b>	<b>-0.9%</b>
44.7	24.3	75.8%	83.6%	Adjusted EBITDA <sup>5</sup>	177.8	187.8	-2.3%	-5.3%
-13.5	-			- T-Power Adjusted EBITDA <sup>3</sup>	-13.5	-		
1.7	1.3			- S8 Engineering Adjusted EBITDA <sup>4</sup>	5.5	-4.5		
<b>32.8</b>	<b>25.6</b>	<b>20.8%</b>	<b>28.3%</b>	<b>Adjusted EBITDA excluding T-Power and S8 Engineering</b>	<b>169.7</b>	<b>183.3</b>	<b>-4.2%</b>	<b>-7.4%</b>
				Adjusted EBIT <sup>6</sup>	98.5	116.3	-11.9%	-15.3%
				- T-Power Adjusted EBIT <sup>3</sup>	-4.3	-		
				- S8 Engineering Adjusted EBIT <sup>4</sup>	5.6	-4.3		
				<b>Adjusted EBIT excluding T-Power and S8 Engineering</b>	<b>99.8</b>	<b>112.0</b>	<b>-7.1%</b>	<b>-10.9%</b>
				<b>Profit (+) / loss (-) for the period</b>	<b>92.1</b>	<b>25.8</b>		<b>256.5%</b>
				<b>Total comprehensive income</b>	<b>97.5</b>	<b>31.1</b>		<b>213.4%</b>
				<b>Capital expenditure</b>	<b>83.4</b>	<b>90.4</b>		<b>-7.7%</b>
				<b>Cash flow from operating activities</b>	<b>107.6</b>	<b>184.2</b>		<b>-41.6%</b>
				<b>Operational free cash flow<sup>7</sup></b>	<b>56.6</b>	<b>124.9</b>		<b>-54.6%</b>

All quarterly information included in the press release is unaudited.

1 The enclosed information constitutes regulated information as defined in the Royal Decree of November 14, 2007, regarding the duties of issuers of financial instruments which have been admitted for trading on a regulated market.

2 As the group results might be impacted significantly by foreign exchange changes, the group reports some key financial indicators excluding any foreign exchange impact. The "% change excluding foreign exchange effect" is calculated by translating the 2018 result of foreign currency entities at the average exchange rate of 2017. The variance between this calculated result and the previous year result shows the effective result variance excluding any foreign exchange impact.

3 On October 2, 2018, Tessenderlo Group closed the acquisition of the remaining 80% shares of T-Power nv, which is a gas-fired 425 MW power plant in Tessenderlo (Belgium). In order to improve the comparability with 2017 figures, T-Power results are presented separately.

4 The subsidiary S8 Engineering (former Tessenderlo Kerley Services Inc.) has executed specific engineering and construction activities for the joint-venture Jupiter Sulphur LLC. In order to improve the comparability of figures, the entire S8 Engineering results are presented separately for both reported periods.

5 Adjusted EBITDA equals adjusted EBIT plus depreciation and amortization.

6 Adjusted EBIT is considered by the group to be a relevant performance measure in order to compare results over the period 2017-2018 as it excludes adjusting items from the EBIT (Earnings Before Interests and Taxes). EBIT adjusting items principally relate to restructuring, impairment losses, provisions, gains or losses on significant disposals of assets or subsidiaries and the effect of the electricity purchase agreement.

7 Operational free cash flow equals to Adjusted EBITDA minus capital expenditure minus change in trade working capital.



## 2. REVENUE

4Q18 revenue, when excluding the impact of S8 Engineering and the contribution of the newly acquired T-Power, increased by +8.8% (or increased by +7.1% when excluding the foreign exchange effect) compared to the same period last year. Excluding the foreign exchange effect, the revenue of the three operating segments increased. The Agro revenue increased by +12.5%, as higher 4Q18 SOP volumes compensated their 3Q18 decrease. The revenue of the operating segment Industrial Solutions increased by +6.3%, mainly thanks to the contribution of DYKA Group and Mining & Industrial. Bio-valorization revenue increased by +3.3%, thanks to higher volumes, which were only partially offset by decreased fat prices.

2018 revenue, when excluding the impact of S8 Engineering and T-Power, decreased by -0.9% (or increased by +0.8% when excluding the foreign exchange effect). The revenue of Industrial Solutions increased, mainly thanks to DYKA Group, while the Agro revenue remained stable and the revenue of Bio-valorization decreased following lower volumes and decreased fat prices.

T-Power nv, the gas-fired 425 MW power plant in Tessenderlo (Belgium) acquired on October 2, 2018, contributed 18.8 million EUR to the 4Q18 and 2018 revenue, which was in line with expectations.

## 3. ADJUSTED EBITDA

The 4Q18 Adjusted EBITDA, when excluding the impact of S8 Engineering and the contribution of T-Power, increased by +28.3% (or increased by +20.8% when excluding the foreign exchange effect) and amounted to 32.8 million EUR, compared to 25.6 million EUR one year earlier. Inventory write-off reversals amounted to +1.5 million EUR in 4Q18, while the 4Q17 impact thereof was -0.8 million EUR. When excluding the foreign exchange effect, the 4Q18 Adjusted EBITDA increase within Bio-valorization was partially offset by a slight decrease of the Agro Adjusted EBITDA, while the Adjusted EBITDA of Industrial Solutions remained stable.

The 2018 Adjusted EBITDA, when excluding the impact of S8 Engineering and T-Power, decreased by -7.4% (or by -4.2% when excluding the foreign exchange effect). The 2018 Adjusted EBITDA includes additional inventory write-offs for -1.4 million EUR, while a reversal of inventory write-offs positively impacted the 2017 Adjusted EBITDA (+1.0 million EUR). The 2018 Adjusted EBITDA remained stable within Agro, while the Adjusted EBITDA decreased within Bio-valorization (-3.4%) and Industrial Solutions (-17.8%). The latter noted a decrease in all activities except for DYKA Group.

T-Power contributed 13.5 million EUR to the 4Q18 and 2018 Adjusted EBITDA, which was in line with expectations.

## 4. NET FINANCIAL DEBT

At year-end 2018, group net financial debt amounts to 348.0 million EUR, resulting in a leverage of 2.0x. When excluding the impact of the acquisition of the remaining 80% shares of T-Power nv, the leverage would have amounted to 0.2x. Net financial debt as per year-end 2017 amounted to 58.7 million EUR. The cash flow from operating activities amounts to 107.6 million EUR (184.2 million EUR in 2017), partially offset by capital expenditure for an amount of 83.4 million EUR (compared to 90.4 million EUR in 2017).

## 5. PROFIT (+) / LOSS (-) FOR THE PERIOD

The 2018 profit amounts to 92.1 million EUR compared to 25.8 million EUR in 2017. The profit (+)/loss (-) for the year was impacted by exchange gains and losses, mainly on non-hedged intercompany loans and cash and cash equivalents in USD. Excluding these exchange gains and losses, the profit (+) / loss (-) for 2018 would have amounted to approximately 79 million EUR, while the 2017 result would have amounted to approximately 89 million EUR.

## 6. OPERATIONAL FREE CASH FLOW

The 2018 operational free cash flow amounts to 56.6 million EUR, compared to 124.9 million EUR in 2017. A lower 2018 Adjusted EBITDA (-10.0 million EUR) and a negative cash flow from changes in trade working capital (-37.8 million EUR, compared to +27.4 million EUR in 2017, the latter being impacted by the high working capital position as per year end 2016) could only be partially compensated by the lower 2018 capital expenditure compared to 2017 (+7.0 million EUR, from 90.4 million EUR in 2017 to 83.4 million EUR in 2018).

## Outlook

The following statements are forward looking and actual results may differ materially.

In addition to the full-year contribution of T-Power, which is expected to amount to approximately 50 million EUR, and the implementation of IFRS 16 Leases, which will lead to an additional Adjusted EBITDA of around 20 million EUR, the group anticipates that the 2019 Adjusted EBITDA will be higher compared to 2018.

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

## OPERATING SEGMENTS PERFORMANCE REVIEW

GROUP KEY FIGURES - YEAR TO DATE			
Million EUR	2018	2017	% Change as reported
<b>Revenue Group</b>	<b>1,620.9</b>	<b>1,657.3</b>	<b>-2.2%</b>
<b>Agro</b>	589.8	598.9	-1.5%
<b>Bio-valorization</b>	496.9	517.0	-3.9%
<b>Industrial Solutions</b>	510.4	495.3	3.0%
<b>T-Power</b>	18.8	-	nm
<b>Other</b>	5.1	46.0	-88.9%
<b>Adjusted EBITDA Group</b>	<b>177.8</b>	<b>187.8</b>	<b>-5.3%</b>
<b>Agro</b>	110.2	114.4	-3.7%
<b>Bio-valorization</b>	27.5	29.1	-5.3%
<b>Industrial Solutions</b>	32.0	39.8	-19.6%
<b>T-Power</b>	13.5	-	nm
<b>Other</b>	-5.5	4.5	nm
<b>Adjusted EBIT Group</b>	<b>98.5</b>	<b>116.3</b>	<b>-15.3%</b>
<b>Agro</b>	86.3	89.9	-4.0%
<b>Bio-valorization</b>	2.4	2.2	7.4%
<b>Industrial Solutions</b>	11.2	20.0	-43.9%
<b>T-Power</b>	4.3	-	nm
<b>Other</b>	-5.6	4.3	nm
<b>EBIT adjusting items</b>	11.6	-5.0	nm
<b>EBIT</b>	110.1	111.3	-1.1%

AGRO				
Million EUR	2018	2017	% Change excluding fx effect	% Change as reported
<b>Revenue</b>	589.8	598.9	1.1%	-1.5%
<b>Adjusted EBITDA</b>	110.2	114.4	0.3%	-3.7%
<b>Adjusted EBITDA margin</b>	18.7%	19.1%		
<b>Adjusted EBIT</b>	86.3	89.9	0.3%	-4.0%
<b>Adjusted EBIT margin</b>	14.6%	15.0%		

2018 revenue decreased by -1.5% (or increased by +1.1% when excluding the foreign exchange effect). Lower volumes within Tessenderlo Kerley International were compensated by the other Agro activities.

The 2018 Adjusted EBITDA decreased by -3.7% compared to prior year (or remained stable when excluding the foreign exchange effect). The slight improvement of the Adjusted EBITDA of Crop Vitality and NovaSource was offset by a lower Tessenderlo Kerley International Adjusted EBITDA, where the impact of lower Tessenderlo Kerley International volumes and production issues in Ham (Belgium) and Rouen (France), which have been solved in the meantime, could not be compensated by the contribution of the new Thio-Sul<sup>®</sup> plant (production started in Rouen in 3Q17) and lower maintenance expenses.

BIO-VALORIZATION				
Million EUR	2018	2017	% Change excluding fx effect	% Change as reported
Revenue	496.9	517.0	-2.3%	-3.9%
Adjusted EBITDA	27.5	29.1	-3.4%	-5.3%
Adjusted EBITDA margin	5.5%	5.6%		
Adjusted EBIT	2.4	2.2	4.6%	7.4%
Adjusted EBIT margin	0.5%	0.4%		

Revenue decreased by -3.9% in 2018 (or by -2.3% when excluding the foreign exchange effect), because of lower volumes and decreased fat prices.

The Adjusted EBITDA decreased from 29.1 million EUR in 2017 to 27.5 million EUR in 2018 (-5.3% or -3.4% when excluding the foreign exchange effect). The 2018 Adjusted EBITDA was negatively impacted by an inventory write-off of -0.1 million EUR, while in 2017 a reversal of inventory write-offs was recognized for +3.2 million EUR. The Akiolis Adjusted EBITDA decreased due to lower fat prices in the downstream markets, which were not compensated by the upstream markets. The 2018 PB Leiner Adjusted EBITDA increased compared to 2017, mainly thanks to increased collagen peptides volumes.

INDUSTRIAL SOLUTIONS				
Million EUR	2018	2017	% Change excluding fx effect	% Change as reported
Revenue	510.4	495.3	3.7%	3.0%
Adjusted EBITDA	32.0	39.8	-17.8%	-19.6%
Adjusted EBITDA margin	6.3%	8.0%		
Adjusted EBIT	11.2	20.0	-41.8%	-43.9%
Adjusted EBIT margin	2.2%	4.0%		

2018 Industrial Solutions revenue increased by +3.0% (or increased by +3.7% when excluding the foreign exchange effect). A revenue increase could be noted in the different segment activities.

The 2018 Adjusted EBITDA decreased by -19.6% (or by -17.8% when excluding the foreign exchange effect) as the revenue increase did not result in a higher Adjusted EBITDA. The Adjusted EBITDA of DYKA Group remained stable as the revenue increase was offset by start-up costs for new branches. Further start-up expenses for the NaOH production in Loos (new membrane electrolysis plant in France), as well as unforeseen technical issues at the production plant in Loos negatively impacted the Adjusted EBITDA of Performance Chemicals, while Mining & Industrial Adjusted EBITDA was negatively impacted by lower volumes. Furthermore, the 2017 Adjusted EBITDA of Environmentally Clean Systems was positively impacted by the outcome following the expiration of a contract.



T-POWER				
Million EUR	2018	2017	% Change excluding fx effect	% Change as reported
Revenue	18.8	-	nm	nm
Adjusted EBITDA	13.5	-	nm	nm
Adjusted EBITDA margin	72.2%	-		
Adjusted EBIT	4.3	-	nm	nm
Adjusted EBIT margin	22.9%	-		

T-Power contributed in the fourth quarter of 2018 18.8 million EUR to the revenue and 13.5 million EUR to the Adjusted EBITDA of the Group. These results were in line with expectations, as T-Power fulfilled all tolling agreement requirements. The group is currently reviewing the T-Power financing structure, which is expected to lead to a future reduction of the finance costs.

## ADDITIONAL FINANCIAL INFORMATION

### EBIT ADJUSTING ITEMS

The net impact of the EBIT adjusting items amounts to +11.6 million EUR (2017: -5.0 million EUR).

EBIT adjusting items		
Million EUR	2018	2017
Gains and losses on disposals	12.1	0.8
Restructuring	0.9	-1.5
Impairment losses	-	-0.8
Provisions and claims	-0.9	-0.0
Other income and expenses	-0.5	-3.4
<b>Total</b>	<b>11.6</b>	<b>-5.0</b>

As a result of the acquisition of the remaining 80% of the shares of T-Power nv, the group obtained 100% control in T-Power nv. In accordance with IFRS 3 *Business combinations*, the original 20% share was remeasured at fair value which resulted in a gain of 12.1 million EUR.

Adjustments to ongoing restructuring programs and claims and provisions did not have a significant impact on the group's result.

Other income and expenses mainly relate to the impact of an electricity purchase agreement, for which the own-use exemption under IAS 39 is not applicable anymore, and several other individually insignificant items.

## FINANCE COSTS AND INCOME

Net finance costs and income amount to +2.5 million EUR in 2018, compared to -71.4 million EUR in 2017, and are detailed below:

FINANCE COSTS AND INCOME						
Million EUR	2018			2017		
	Finance costs	Finance income	Total	Finance costs	Finance income	Total
Interest expense on loans and borrowings measured at amortized cost	-10.3	-	-10.3	-6.9	-	-6.9
Commitment fee on unused portion of the credit facility	-0.2	-	-0.2	-0.2	-	-0.2
Factoring expense	-0.0	-	-0.0	-0.0	-	-0.0
Dividend income from other investments	-	0.1	0.1	-	0.1	0.1
Interest income from cash and cash equivalents	-	2.2	2.2	-	1.3	1.3
Expense for the unwinding of discounted provisions	-1.0	-	-1.0	-1.0	-	-1.0
Net interest (expense)/income on pension asset/(liability)	-0.5	-	-0.5	-0.6	-	-0.6
Net foreign exchange gains and losses (including revaluation to fair value and realization of derivative financial instruments)	-9.0	21.7	12.7	-68.8	5.3	-63.5
Net other finance (costs)/income	-0.7	0.2	-0.5	-0.7	0.2	-0.5
<b>Total</b>	<b>-21.7</b>	<b>24.2</b>	<b>2.5</b>	<b>-78.3</b>	<b>6.9</b>	<b>-71.4</b>

The interest expenses on loans and borrowings amount to -10.3 million EUR (2017: -6.9 million EUR) and mainly consist of the interest charges on the outstanding bonds, which were issued in 2015. The increase is related to the acquisition of T-Power nv, of which the financial liabilities amounted to 262.7 million EUR at acquisition date, and were reduced to 249.3 million EUR at year end 2018. The interest expenses, related to T-Power nv and expensed in the fourth quarter of 2018, amount to -3.3 million EUR.

The net foreign exchange gains can be explained by the unrealized foreign exchange gains on intercompany loans and cash and cash equivalents (mainly in USD), which are not hedged. The strengthening of the USD against the euro (+4.5%) impacted this result.

## INCOME TAX EXPENSE

Tax expenses amount to -24.3 million EUR in 2018 versus -18.1 million EUR one year earlier. The income tax expenses mainly relate to the operations in the United States within the operating segment "Agro".

## CONSOLIDATED FINANCIAL INFORMATION AT DECEMBER 31, 2018

CONSOLIDATED INCOME STATEMENT		
Million EUR	2018	2017
<b>Revenue</b>	<b>1,620.9</b>	<b>1,657.3</b>
Cost of sales	-1,235.5	-1,251.1
<b>Gross profit</b>	<b>385.5</b>	<b>406.2</b>
Distribution expenses	-105.1	-102.9
Sales and marketing expenses	-61.7	-62.6
Administrative expenses	-104.8	-111.9
Other operating income and expenses	-15.3	-12.4
<b>Adjusted EBIT</b>	<b>98.5</b>	<b>116.3</b>
EBIT adjusting items	11.6	-5.0
<b>EBIT (Profit (+) / loss (-) from operations)</b>	<b>110.1</b>	<b>111.3</b>
Finance costs	-21.7	-78.3
Finance income	24.2	6.9
<b>Finance (costs) / income - net</b>	<b>2.5</b>	<b>-71.4</b>
Share of result of equity accounted investees, net of income tax	3.7	4.0
<b>Profit (+) / loss (-) before tax</b>	<b>116.3</b>	<b>44.0</b>
Income tax expense	-24.3	-18.1
<b>Profit (+) / loss (-) for the period</b>	<b>92.1</b>	<b>25.8</b>
Attributable to:		
- <b>Equity holders of the company</b>	<b>91.7</b>	<b>25.6</b>
- <b>Non-controlling interest</b>	<b>0.3</b>	<b>0.2</b>
Basic earnings per share (EUR)	2.13	0.59
Diluted earnings per share (EUR)	2.13	0.59

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME		
Million EUR	2018	2017
<b>Profit (+) / loss (-) for the period</b>	<b>92.1</b>	<b>25.8</b>
Translation differences	-1.7	-7.4
Net change in fair value of derivative financial instruments, before tax	8.1	2.1
Other movements	0.0	0.4
Income tax on other comprehensive income	-2.3	-1.3
<b>Other comprehensive income to be reclassified to profit or loss in subsequent periods</b>	<b>4.1</b>	<b>-6.2</b>
Remeasurements of the net defined benefit liability, before tax	1.4	9.2
Income tax on other comprehensive income	-0.1	2.3
<b>Other comprehensive income not being classified to profit or loss in subsequent periods</b>	<b>1.3</b>	<b>11.4</b>
<b>Other comprehensive income, net of income tax</b>	<b>5.4</b>	<b>5.3</b>
<b>Total comprehensive income</b>	<b>97.5</b>	<b>31.1</b>
Attributable to:		
- Equity holders of the company	97.0	30.7
- Non-controlling interest	0.5	0.4



CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Million EUR	31.12.2018	31.12.2017
<b>ASSETS</b>		
<b>Total non-current assets</b>	<b>1,083.0</b>	<b>650.6</b>
Property, plant and equipment	789.2	503.3
Goodwill	35.0	33.8
Other intangible assets	190.2	30.6
Investments accounted for using the equity method	18.5	29.1
Other investments	11.1	10.0
Deferred tax assets	24.6	31.7
Trade and other receivables	14.4	12.1
<b>Total current assets</b>	<b>754.6</b>	<b>761.1</b>
Inventories	303.0	279.1
Trade and other receivables	286.6	286.5
Derivative financial instruments	0.9	0.0
Cash and cash equivalents	164.1	195.5
<b>Total assets</b>	<b>1,837.6</b>	<b>1,411.7</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Total equity</b>	<b>737.2</b>	<b>639.5</b>
<b>Equity attributable to equity holders of the company</b>	<b>735.0</b>	<b>637.7</b>
Issued capital	216.2	216.1
Share premium	237.9	237.6
Reserves and retained earnings	281.0	184.0
<b>Non-controlling interest</b>	<b>2.2</b>	<b>1.7</b>
<b>Total liabilities</b>	<b>1,100.4</b>	<b>772.2</b>
<b>Total non-current liabilities</b>	<b>773.1</b>	<b>464.5</b>
Loans and borrowings	464.0	224.7
Employee benefits	57.9	55.7
Provisions	128.8	132.4
Trade and other payables	2.6	6.4
Derivative financial instruments	40.8	11.2
Deferred tax liabilities	79.1	34.1
<b>Total current liabilities</b>	<b>327.3</b>	<b>307.7</b>
Bank overdrafts	0.1	0.1
Loans and borrowings	48.0	29.3
Trade and other payables	247.1	255.2
Derivative financial instruments	13.6	6.1
Current tax liabilities	1.1	1.3
Employee benefits	1.3	1.5
Provisions	16.0	14.1
<b>Total equity and liabilities</b>	<b>1,837.6</b>	<b>1,411.7</b>





CONSOLIDATED STATEMENT OF CASH FLOWS

Million EUR	31.12.2018	31.12.2017
<b>OPERATING ACTIVITIES</b>		
<b>Profit (+) / loss (-) for the period</b>	<b>92.1</b>	<b>25.8</b>
Depreciation, amortization and impairment losses	79.3	72.3
Changes in provisions	-1.8	-2.5
Finance costs	21.7	78.3
Finance income	-24.2	-6.9
Loss / (profit) on sale of non-current assets	-0.4	-2.7
Share of result of equity accounted investees, net of income tax	-3.7	-4.0
Income tax expense	24.3	18.1
Other non-cash items	-1.5	-1.3
Changes in inventories	-24.4	12.8
Changes in trade and other receivables	-6.6	-25.4
Changes in trade and other payables	-15.2	44.2
Change in accounting estimates - inventory write off	1.4	-1.0
Revaluation electricity forward contracts	-2.6	-0.9
Impact step-up acquisition T-Power nv	-12.1	-
<b>Cash generated from operations</b>	<b>126.0</b>	<b>206.9</b>
Income tax paid	-21.7	-23.8
Dividends received	3.3	1.1
<b>Cash flow from operating activities</b>	<b>107.6</b>	<b>184.2</b>
<b>INVESTING ACTIVITIES</b>		
Acquisition of property, plant and equipment	-82.3	-89.2
Acquisition of other intangible assets	-1.0	-1.1
Acquisition of business combinations, net of cash acquired	-50.5	-
Proceeds from the sale of property, plant and equipment <sup>8</sup>	10.2	10.0
<b>Cash flow from investing activities</b>	<b>-123.7</b>	<b>-80.3</b>
<b>FINANCING ACTIVITIES</b>		
Increase of issued capital - conversion of warrants	0.3	2.4
Proceeds from new borrowings	11.5	0.3
(Reimbursement) of borrowings	-16.4	-2.1
Interest paid	-13.7	-6.9
Interest received	2.2	1.2
Other finance costs paid	-1.2	-1.4
(Increase) / decrease of long term receivables	-0.8	-8.5
<b>Cash flow from financing activities</b>	<b>-18.2</b>	<b>-14.9</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>-34.3</b>	<b>89.0</b>
Effect of exchange rate differences	2.9	-12.8
Cash and cash equivalents less bank overdrafts at the beginning of the period	195.3	119.2
Cash and cash equivalents less bank overdrafts at the end of the period	164.0	195.3

<sup>8</sup>2018 proceeds from the sale of property, plant and equipment (10.2 million EUR) mainly include proceeds from the ongoing liquidation process, which started already in 2017, of the Chinese plant PB Gelatins Wenzhou Co., Ltd.



## 7. DIVIDEND

The Board of Directors will propose to the shareholders, at the annual shareholders' meeting of May 14, 2019, not to pay out a dividend for the 2018 financial year.

## 8. STATEMENT OF THE STATUTORY AUDITOR

The statutory auditor, PwC Bedrijfsrevisoren CVBA, represented by Peter Van den Eynde, has confirmed that the audit, which is substantially complete, has not to date revealed any material misstatement in the draft consolidated income statement, consolidated statement of comprehensive income, consolidated statement of financial position and consolidated statement of cash flows, and that the accounting data reported in the press release is consistent, in all material respects, with the draft consolidated income statement, consolidated statement of comprehensive income, consolidated statement of financial position and consolidated statement of cash flows from which it has been derived.

## 9. FINANCIAL CALENDAR

Publication annual report + sustainability report 2018	April 1, 2019
Annual General Meeting of shareholders	May 14, 2019
Half year 2019 results	August 26, 2019

The Board of Directors of Tessenderlo Group has decided to stop publishing trading updates for the first quarter and the third quarter. Management will continue to interact with investors and analysts in order to address strategic themes and discuss the progress towards the group's long-term ambitions.

### Agenda for March 14, 2019:

3pm CET/2pm UK - conference call and webcast for analysts and investors.  
Registration details are available at: [www.tessengerlo.com](http://www.tessengerlo.com).

### **About Tessenderlo Group**

*Tessengerlo Group is a diversified industrial group that focuses on agriculture, valorizing bio-residuals and providing industrial solutions. The group employs approximately 4,600 people, is a leader in most of its markets and recorded a consolidated revenue of 1.6 billion EUR in 2018. Tessenderlo Group is listed on Euronext Brussels and is part of Next 150 and BEL Mid indices. Financial News wires: Bloomberg: TESB BB – Reuters: TESB.BR – Datastream: B:Tes*

### **Media Relations**

Frederic Dryhoel

☎ +32 2 639 19 85

[frederic.dryhoel@tessengerlo.com](mailto:frederic.dryhoel@tessengerlo.com)

### **Investor Relations**

Kurt Dejonckheere

☎ +32 2 639 18 41

[kurt.dejonckheere@tessengerlo.com](mailto:kurt.dejonckheere@tessengerlo.com)

This **press release** is available in **Dutch and English** on the corporate website [www.tessengerlo.com](http://www.tessengerlo.com) - under 'News & Media'

### *Disclaimer*

*This document may contain forward-looking statements. Such statements reflect the views of management regarding future events at the date of this document. Furthermore, they involve known and unknown risks, uncertainties and other factors that may cause actual results to be different from any results, performance or achievements expressed or implied by such forward-looking statements. Tessenderlo Group provides the information in this press release as at the date of publication and, subject to applicable legislation, does not undertake any obligation to update, clarify or correct any forward-looking statements contained in this press release in light of new information, future events or otherwise. Tessenderlo Group disclaims any liability for statements made or published by third parties (including any employees who are not explicitly mandated by Tessenderlo Group) and, subject to applicable legislation, does not undertake any obligation to correct inaccurate data, information, conclusions or opinions published by third parties in relation to this or any other press release it issues.*