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2023 Half Year Results

Another period of strategic progress and financial resilience in difficult markets

Sales at € 2.3 billion ▪ EBITu[1] of € 226 million (margin 9.7%) ▪ Free Cash Flow of € 80m ▪ ROCE 20.5% ▪ Net debt/EBITDAu[1] of 0.8x

Bekaert delivered another period of robust profitability and cash flows, and has addressed pro-actively weaker conditions in many of its end markets. Despite lower volumes, the core businesses continue to benefit from the successful execution of Bekaert's strategy, alongside swift actions in the period to maintain pricing discipline and cost efficiencies. Whilst looking beyond, the repositioning to target new opportunities from the energy transition and decarbonization trends continues, with growing demand in a range of new products.

Financial Highlights[2]

- Consolidated sales of € 2.3 billion (-8.2%) and combined sales[3] of € 2.9 billion (-8.6%), driven primarily by lower volumes, passed-on lower raw material costs and an unfavorable impact from exchange rate movements
- Gross profit remained stable at € 409 million (vs € 411 million in H1 2022) at a margin of 17.6% (vs 16.3% in H1 2022)
- Robust operating profitability and strong margin performance, driven by ongoing business mix improvements, despite the lower volumes
  - EBITDAu[1] of € 317 million (-6.8%), delivering a margin on sales of 13.7% (vs 13.5% in H1 2022)
  - EBITu[1] of € 226 million (-10.2%), resulting in a margin of 9.7% (vs 9.9% in H1 2022)
- Underlying EPS of € 3.07 (vs € 4.04 in H1 2022) impacted by lower EBIT and significant non-cash currency movements
- Strong cash conversion, despite lower volumes
  - Free Cash Flow (FCF) of € +80 million, compared to € -80 million in H1 2022, benefiting from improved working capital management
- Net debt of € 530 million (€ 563 million H1 2022), resulting in net debt to EBITDAu of 0.8x
- Share buyback program of up to € 120 million continues

Operational and strategic highlights

- Fast-paced, tactical pricing discipline and business selection to mitigate lower volumes
- Intense focus on cost efficiencies and procurement savings with an ongoing range of initiatives, including supplier rationalization and optimized operating models
- Ongoing successful strategic execution, re-positioning the business towards higher margin, higher growth and less commoditized sectors, and focusing on growth markets, innovation, and sustainability:
  - Increased customer penetration of higher margin 4D and 5D Dramix® products
  - Scale production in Currento® (Hydrogen electrolyzer component)
  - Significant demand growth for Armofor® in both traditional and clean energy applications
  - Launch of Ampact™ (component for the next generation of electric vehicles) and first customer samples delivered

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[1] EBITu = underlying EBIT and EBITDAu = underlying EBITDA
[2] All comparisons are relative to H1 2022 unless otherwise indicated. All figures are adjusted to exclude the assets marked for disposal in Chile and Peru, see Note on disposal adjustments on page 2.
[3] Combined sales are sales of fully consolidated companies plus 100% of sales of joint ventures and associates after intercompany elimination.

- Production ramp-up and customer approval received in Vietnam, balancing the plant footprint in Asia
- The disposal of Steel Wire Solutions businesses in Chile and Peru remains on track and is expected to close in the second half of 2023, subject to applicable regulatory approvals

Outlook

Despite facing a challenging market environment, the Group has delivered robust results in H1 2023, particularly in terms of operating margin and cash flow performance. As we noted earlier this year, we anticipate the competitive and demanding environment to persist across most of our business sectors for the rest of 2023. Nevertheless, Bekaert remains committed to responding to these pressures and will continue to implement its strategy to strengthen its core business and capitalize on growth opportunities.

While we recognize the Group's typical seasonality in the second half and anticipate some additional volume pressures, both expectations for the full year of 2023 and our profitability ambitions of 9-11% EBITu margin in the medium term, remain unchanged.

Note on disposal adjustments

All sales and income statement items (up to Result for the Period from Continued Operations) exclude any contribution from the Steel Wire Solutions businesses in Chile and Peru subject to the proposed disposal. In-line with IFRS 5, the 2022 comparative data has been restated on the same basis enabling a like for like comparison. On the balance sheet, all H1 2023 assets and liabilities related to the business under disposal are presented as held for sale, however the 2022 balance sheet data has not been restated. The cash flow statement was not adjusted for the disposed entities.

Net debt, working capital and most ratios and alternative performance measures (APM) have been restated to provide a like for like comparison for the continued operations (see note 15). A separate earnings per share (EPS) from continued operations is provided (note 9). Ratios that relate to equity do not fully exclude the businesses under disposal.

Note 11 on Discontinued Operations provides more information on the content of the result from discontinued operations, the related cash flows and the nature of the assets and liabilities held for sale. Note 14 provides more information on the impact of the disposal adjustments versus the results of 2022 as published on 29th of July 2022 and 1st of March 2023.

Conference Call

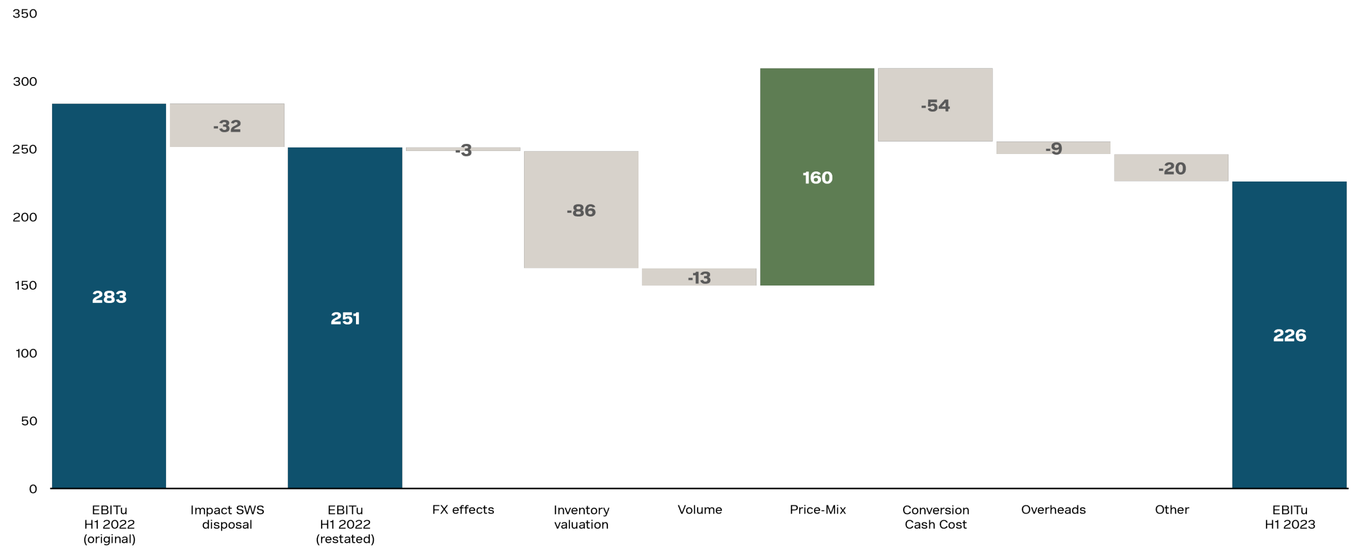
The CEO and the CFO of Bekaert will present the H1 2023 results at 10:00 a.m. CET on Friday 28th July. This presentation can be accessed live upon registration [via the Bekaert website (bekaert.com/en/investors)](bekaert.com/en/investors) and will be available on the website after the event.

Financial Statement - Summary

	Underlying			Reported		
in millions of €	**H1 2022**	**H2 2022**	**H1 2023**	**H1 2022**	**H2 2022**	**H1 2023**
Consolidated sales	2 524	2 480	2 318	2 524	2 480	2 318
Operating result (EBIT)	251	159	226	248	69	220
EBIT margin on sales	9.9%	6.4%	9.7%	9.8%	2.8%	9.5%
Depreciation, amortization and impairment losses	90	92	92	89	158	93
EBITDA	341	251	317	337	227	313
EBITDA margin on sales	13.5%	10.1%	13.7%	13.4%	9.2%	13.5%
ROCE (H2 = FY2022 references)	22.9%	19.8%	20.5%	22.6%	15.3%	20.1%
Combined sales	**3 121**	**3 091**	**2 852**	**3 121**	**3 091**	**2 852**

Underlying EBIT Bridge

In millions of €



Bekaert's underlying EBIT for H1 2022 as published mid last year was € 283 million. Adjusting for the impact of the Steel Wire solutions entities under disposal, the underlying EBIT in H1 2022 was € 251 million. The underlying EBIT for H1 2023 was impacted by lower sales volumes, higher cash conversion costs and an inventory valuation following lower raw material prices, which was more than offset by positive mix effects, in terms of higher added value applications and end-markets served, and robust pricing. The positive price-mix effect includes some temporary benefit from lower input costs. The higher cash conversion costs relate mainly to labor inflation and lower production volumes leading to less fixed costs absorption. The overhead expenses increased by the combined effect of labor inflation and an increase in innovation capabilities.

Sales

Bekaert achieved consolidated sales of € 2 318 million, down -8.2% versus the same period last year. Unfavorable currency movements had an impact of -1.4% on the top line. The volume impact was -4.3%, while the pricing impact of passed-on raw material changes was -8.5%. These variances were partly offset by a positive price-mix contribution of +6.1%.

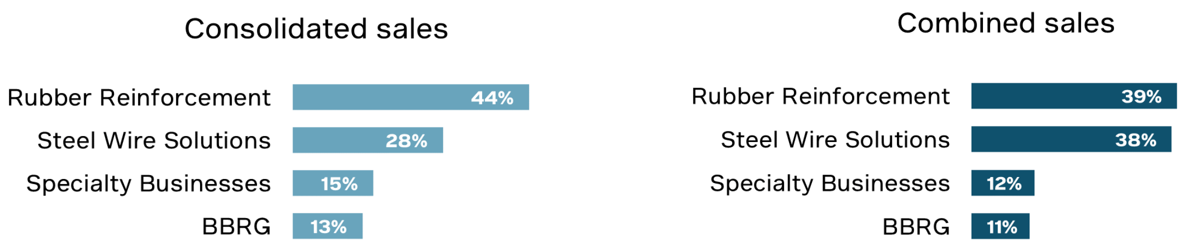
The sales of Bekaert's joint ventures in Brazil was down -12.1% versus last year, driven by lower volumes (-2.3%), price-mix effects in combination with passing-on lower raw material costs (-11.2%), with a small positive currency effect (+1.4%). Including joint ventures, combined[4] sales decreased by -8.6%, reaching € 2 852 million (vs € 3 121 million in H1 2022).

[4] Combined sales are sales of fully consolidated companies plus 100% of sales of joint ventures and associates after intercompany elimination.

Consolidated and combined sales per segment - in millions of €

Consolidated third party sales	H1 2022	H1 2023	Share	Variance[5]	Organic	FX
Rubber Reinforcement	1 110	1 019	44%	-8%	-6%	-2%
Steel Wire Solutions	733	635	28%	-13%	-13%	-1%
Specialty Businesses	399	349	15%	-13%	-12%	-1%
BBRG	268	309	13%	+16%	+17%	-1%
Group	14	7	–	–	–	–
Total	**2 524**	**2 318**	**100%**	**-8%**	**-7%**	**-1%**

Combined third party sales[6]	H1 2022	H1 2023	Share	Variance[5]	Organic	FX
Rubber Reinforcement	1 239	1 119	39%	-10%	-8%	-2%
Steel Wire Solutions	1 212	1 072	38%	-12%	-12%	0%
Specialty Businesses	399	349	12%	-13%	-12%	-1%
BBRG	268	309	11%	+16%	+17%	-1%
Group	4	3	–	–	–	–
Total	**3 121**	**2 852**	**100%**	**-9%**	**-8%**	**-1%**



2023 quarter-on-quarter progress - in millions of €

Consolidated third party sales	1st Q	2nd Q	Q2:Q1	Q2 y-o-y[7]
Rubber Reinforcement	539	480	-11%	-17%
Steel Wire Solutions	327	307	-6%	-18%
Specialty Businesses	173	176	+2%	-16%
BBRG	152	157	+3%	+9%
Group	3	4	–	–
Total	**1 194**	**1 124**	**-6%**	**-14%**

Combined third party sales[6]	1st Q	2nd Q	Q2:Q1	Q2 y-o-y[7]
Rubber Reinforcement	593	526	-11%	-18%
Steel Wire Solutions	548	524	-4%	-18%
Specialty Businesses	173	176	+2%	-16%
BBRG	152	157	+3%	+9%
Group	–	2	–	–
Total	**1 467**	**1 385**	**-6%**	**-15%**

[5] Comparisons are relative to H1 2022, unless otherwise indicated. H1 2022 sales figures have been adjusted to exclude the sales from the SWS businesses in Peru and Chile (subject to disposal). See Note on disposal adjustments on page 2.
[6] Combined sales are sales of fully consolidated companies plus 100% of sales of joint ventures and associates after intercompany elimination.
[7] Q2 year-on-year sales: 2nd quarter 2023 versus 2nd quarter 2022.

Segment Reports

Rubber Reinforcement: China volumes offsetting lower sales elsewhere, with a strong margin performance across regions

	Underlying			Reported		
Key figures (in millions of €)	**H1 2022**	**H2 2022**	**H1 2023**	**H1 2022**	**H2 2022**	**H1 2023**
Consolidated third party sales	1 110	1 087	1 019	1 110	1 087	1 019
Consolidated sales	1 125	1 103	1 030	1 125	1 103	1 030
Operating result (EBIT)	101	78	105	99	12	102
EBIT margin on sales	8.9%	7.1%	10.2%	8.8%	1.0%	9.9%
Depreciation, amortization and impairment losses	46	45	45	46	104	43
EBITDA	147	123	150	145	115	145
EBITDA margin on sales	13.0%	11.1%	14.5%	12.9%	10.5%	14.0%
Combined third party sales	1 239	1 226	1 119	1 239	1 226	1 119
Segment assets	1 780	1 495	1 412	1 780	1 495	1 412
Segment liabilities	445	376	324	445	376	324
Capital employed	1 335	1 119	1 088	1 335	1 119	1 088
ROCE - FY2022 references		15.6%	19.0%		9.7%	18.4%

Consolidated sales

The Rubber Reinforcement business reported lower consolidated third party sales (-8.3%). This was principally the impact from passed-on wire rod price decreases on pricing (-8.3%), partially offset by higher volumes (+2.5%). Unfavorable currency movements amounted to -1.8%. Sales decreased in all regions, however volumes recovered strongly in China albeit at lower price points. Pricing and mix-effects were roughly flat with a minor decrease (-0.5%).

Financial performance

An intense focus on operating costs and maintaining pricing discipline, offset the impact of lower sales, with EBITu margin increasing to 10.2%. The business unit delivered in H1 2023 an underlying EBIT of € 105 million. The underlying EBITDA margin was 14.5%, compared with 13.0% in H1 2022 and underlying ROCE was 19.0%. Capital expenditure (PP&E) amounted to € 22 million and included investments mainly in Vietnam and Europe.

Combined sales and joint venture performance

The Rubber Reinforcement joint venture in Brazil achieved € 101 million in revenue in H1 2023, down from € 130 million in H1 2022, driven mainly by lower volumes and the impact of passing-on lower raw material costs. Including joint ventures, the business unit's combined sales were € 1 119 million (-9.6%). The margin performance of the joint venture weakened due to lower demand. The results are accounted for in Bekaert's Income Statement under the equity method as part of the 'share in the results of joint ventures and associates'.

Market perspectives

Since the end of Q1, demand has been increasing in China and we anticipate this positive momentum to continue into H2 2023. Other markets including Europe and North America have been and will continue to be weaker. South East Asia, including India, is showing strong growth potential and the ramp-up of our Vietnam plant is progressing well with the first customer acceptances. Overall there remains significant market interest in Rubber Reinforcement's premium products and sustainable solutions, such as recycled steel tire cord applications.

Steel Wire Solutions: Energy and Utilities robust, other markets have been more challenged

	Underlying			Reported		
Key figures (in millions of €)	**H1 2022**	**H2 2022**	**H1 2023**	**H1 2022**	**H2 2022**	**H1 2023**
Consolidated third party sales	733	694	635	733	694	635
Consolidated sales	755	712	652	755	712	652
Operating result (EBIT)	75	25	49	75	23	49
EBIT margin on sales	9.9%	3.5%	7.6%	9.9%	3.3%	7.5%
Depreciation, amortization and impairment losses	16	20	18	16	20	18
EBITDA	91	45	68	90	43	67
EBITDA margin on sales	12.0%	6.3%	10.4%	12.0%	6.1%	10.2%
Combined third party sales	1 212	1 172	1 072	1 212	1 172	1 072
Segment assets	861	717	697	861	717	697
Segment liabilities	408	290	270	408	290	270
Capital employed	452	426	426	452	426	426
ROCE - FY2022 references		25.5%	23.3%		25.1%	22.9%

Consolidated Sales

Steel Wire Solutions reported lower consolidated third party sales (-13.4%). This was a combination of lower volumes (-11.6%) and the impact from passed-on wire rod price decreases, partially offset by a strong focus on pricing discipline and improved sales mix (-0.9%). Unfavorable currency movements amounted to -0.9%. The sales volume declines were across most markets, particularly in more commoditized sub-segments.

Demand from energy and utility markets was strong throughout the period, especially in North America supported by federal infrastructure investment. The general market conditions have been weak in EMEA, with the exception of Energy where there is developing demand for Flexpipe.

Financial performance

Despite the lower volumes, an intense focus on plant efficiency and cost control lead to a gross profit margin decline of only 1 percentage point to reach 13.8%. This also led the division to an underlying EBIT of € 49 million or 7.6% margin on sales (vs 9.9% in H1 of 2022). The underlying EBITDA margin was 10.4% and underlying ROCE remained robust at 23.3%. Capital expenditure (PP&E) amounted to €11 million and included investments primarily in Slovakia and in US.

Combined sales and joint venture performance

The Steel Wire Solutions joint venture in Brazil reported revenues of € 432 million, -9.4% against H1 2022. Volumes were flat and the main impact came from the combined effect of price-mix and lower wire rod costs. Including joint ventures, the combined sales were € 1 072 million (-11.6%). The margin performance in the joint venture was strong. The results are accounted for in Bekaert's Income Statement under the equity method as part of the 'share in the results of joint ventures and associates'.

Market perspectives

The second half of the year remains a continuing opportunity in North America, supported by stock replenishment and release of Federal funds in the utilities sector, whilst Europe, Latin America and Asia regions remain subdued.

The first customer sample shipment of the Ampact™ product, a component in 800V fast charging of electric vehicles, was delivered in June and there is developing customer interest.

The disposal of Steel Wire Solutions businesses in Chile and Peru remains on track to be completed in H2 2023 subject to applicable regulatory approvals.

Specialty Businesses: Continued strategic progress, with shorter term headwinds

	Underlying			Reported		
Key figures (in millions of €)	**H1 2022**	**H2 2022**	**H1 2023**	**H1 2022**	**H2 2022**	**H1 2023**
Consolidated third party sales	399	373	349	399	373	349
Consolidated sales	408	380	355	408	380	355
Operating result (EBIT)	74	58	64	74	57	63
EBIT margin on sales	18.1%	15.2%	18.1%	18.1%	15.0%	17.7%
Depreciation, amortization and impairment losses	10	12	11	10	12	11
EBITDA	84	70	75	84	69	74
EBITDA margin on sales	20.6%	18.4%	21.2%	20.6%	18.3%	20.8%
Segment assets	510	470	500	510	470	500
Segment liabilities	164	143	123	164	143	123
Capital employed	346	327	377	346	327	377
ROCE - FY2022 references		44.7%	36.5%		44.4%	35.7%

Sales

Compared with a very strong performance in H1 2022 (when sales grew by 38% vs H1 2021), Specialty Businesses reported a decrease in sales of -12.6% in H1 2023 to € 349 million with declines in all of the division's sub-segments with the exception of the Fiber Technologies subdivision.

Building Products reported project postponements and volume declines in-line with broader construction market weakness, particularly in Europe. There were notable contract wins in the US flooring market and in flooring and tunneling across all regions while the successful penetration of higher value 4D/5D products continues. Fiber Technologies saw significant competitive pressure in high-end filtration and semiconductor applications, however the ramp-up of hydrogen production applications continues at pace. After increased demand for burners and heat exchangers in 2022, Combustion Technologies saw significantly lower demand and is awaiting regulatory clarity in key markets. Hose and conveyor belt (HCB) activities also reported weaker demand, but robust business fundamentals.

Financial performance

Despite falling sales, Specialty Businesses delivered a robust EBITu margin of 18.1% (flat versus the same period last year) and EBITu of € 64 million in H1 2023, down from € 74 million in the same period last year. The profit margin was driven by continued pricing discipline and the increased share of high-end applications, despite lower demand and an increased cost base for the Hydrogen ramp-up. There were no material one-off elements. The underlying EBITDA margin reached 21.2%, slightly above the margin of H1 last year (20.6%). ROCE was 36.5%.

Capital expenditure (PP&E) amounted to almost € 16 million and will accelerate in the second half of 2023 and 2024 as we continue the ramp-up of our production into the Hydrogen market which has significant growth potential and good profit perspectives and backed by an increasing number of long-term supply agreements with customers.

Market perspectives

The business units' long-term potential remains clear as it focuses on capitalizing on the opportunities arising from the technology shifts toward decarbonization, which offers future growth potential for Dramix® steel fibers for concrete reinforcement, Fiber Technologies' advanced hydrogen electrolysis technologies, and energy-efficient combustion technologies. In construction in particular we see a positive development in high end applications.

Bridon-Bekaert Ropes Group: Another strong performance across all sector and products, order book remains strong

	Underlying			Reported		
Key figures (in millions of €)	**H1 2022**	**H2 2022**	**H1 2023**	**H1 2022**	**H2 2022**	**H1 2023**
Consolidated third party sales	268	318	309	268	318	309
Consolidated sales	270	319	310	270	319	310
Operating result (EBIT)	35	25	40	36	3	40
EBIT margin on sales	13.1%	7.8%	12.9%	13.3%	0.9%	12.8%
Depreciation, amortization and impairment losses	17	16	17	17	28	20
EBITDA	53	41	57	53	31	60
EBITDA margin on sales	19.6%	13.0%	18.5%	19.7%	9.7%	19.3%
Segment assets	655	629	653	655	629	653
Segment liabilities	145	138	123	145	138	123
Capital employed	510	491	530	510	491	530
ROCE - FY2022 references		12.9%	15.7%		8.3%	15.5%

Sales

Bridon-Bekaert Ropes Group (BBRG) delivered record revenues of € 309 million up +15.7% against H1 2022 and driven by a combination of price-mix improvements (+12.1%) and higher volumes (+5.0%) and a negative impact from currency effects (-1.4%). The organic growth resulted from strong demand in the Ropes sub-segment in key end markets of Mining and Oil and Gas and in the A-Cords sub-segment from our Armofor® (Thermoplastic Reinforced pipe) product.

Financial performance

BBRG has continued to successfully execute dynamic pricing and carefully managed costs, to improve mix and margins. As a consequence, the business unit delivered an excellent underlying EBIT of € 40 million at a margin on sales of 12.9% in H1 2023. Underlying EBITDA margin was also strong at 18.5%. This performance compares very favorably with H1 2022 which benefited from a one-time sale of idle land in Doncaster (UK) that contributed € +11.5 million to underlying EBIT and EBITDA of H1 2022.

BBRG invested € 14 million in PP&E, equally distributed in Ropes and in Advanced Cords plants where Bekaert increased production capacity in China.

Market perspectives

Overall, the global order book remains at a high level and the business unit expects continued strong demand in A-Cords for Armofor®. The Hoisting business, however, is likely to reduce in H2, in-line with lower overall construction activity. Ropes continues to execute on its first contract for synthetic mooring lines for deepwater offshore Asia and the market environment for Steel Ropes' key segments is expected to remain robust in H2.

Strategic and investment updates

Bekaert continues its strategy-led transformation, strengthening and optimizing its core businesses, while developing as a leading products and solutions supplier to the focused growth markets of energy transition, green construction and new mobility. In the first half of 2023, this strategy was further demonstrated by:

- the announcement of the expansion in Belgium of both the manufacturing and research capacity in electrolysis technologies for green hydrogen production, with the establishment of a dedicated hydrogen lab in Deerlijk and a new manufacturing plant in Wetteren;
- the Bekaert-led Comforthybel project that will accelerate design and testing of Armofor® steel reinforced flexible pipe solutions for hydrogen transmission. This project is supported by the Belgian Federal government and receives funding by the European Union (NextGenerationEU Recovery & Resilience Facility);
- the first customer sample shipment of Ampact™, our new PEEK insulated copper magnet wire designed for stators in high-voltage e-motors (800V and beyond).

As previously disclosed, Bekaert has announced its intention to sell its stake in the Steel Wire Solutions businesses in Chile and Peru to its current partners, with a total enterprise value of approximately US$ 350 million, and resulting in net proceeds for our stake of US$ 136 million. The sale is in-line with Bekaert's strategy, which has been to improve its business portfolio by reducing the Group's exposure to lower growth, more commoditized and volatile markets, while increasing its presence in fast-growing markets. The disposal remains on track for completion in H2 2023, subject to applicable regulatory approvals.

Bekaert has also continued to invest in the organic growth of the company with € 61 million investments in property, plant and equipment (up from € 43 million in H1 2022). The investments allow for future growth opportunities in our core segments and beyond. The largest investment program in H1 2023 related to the Vietnam plant for Rubber Reinforcement with additional significant investments in hydrogen, ropes and advanced cord applications.

Share buyback and treasury shares

On 31 December 2022, Bekaert held 4 380 475 treasury shares. Between 1 January 2023 and 30 June 2023, a total of 234 731 stock options were exercised under Stock Option Plan 2010-2014 and Stock Option Plan 2015-2017, and 234 731 own shares were used for that purpose. Bekaert sold 4 742 own shares to members of the Bekaert Group Executive in the framework of the Bekaert personal shareholding requirement plan and granted in total 11 202 own shares to the Chairman of the Board of Directors and other non-executive Directors as remuneration for the performance of their duties. A total of 213 317 own shares were disposed of following the vesting of 213 317 performance share units under the Bekaert performance share plan.

Between 1 January 2023 and 30 June 2023, Bekaert bought back 1 553 557 shares pursuant to its share buyback program. On 24 February 2023, 2 038 935 shares were cancelled and a further 1 112 545 shares were cancelled on 30 June 2023.

Including the transactions under the liquidity agreement with Kepler Cheuvreux, the balance held by Bekaert on 30 June 2023 was 2 308 142 shares (4.13% of the total share capital).

Since the commencement of the sixth tranche of its share buyback program overall equity market trading volumes have been significantly lower and this has also affected Bekaert's trading volumes and ability to buy shares. As a consequence € 26 million of shares have been bought in the period for the sixth tranche, less than the intended € 30 million.

Bekaert will commence the seventh tranche of its share buyback program for a total maximum consideration of € 30 million today and to help improve the number of shares available for purchase, the Group is temporarily pausing the liquidity agreement with Kepler Cheuvreux. Full details of the seventh tranche will be separately announced today.

Financial review

Financial results

The gross profits of the Group remained stable at € 409 million (versus € 411 million in H1 2022) with positive mix effects both in terms of higher added value applications and in end markets served and robust pricing offsetting impacts from lower volumes, higher conversion cash costs and a negative inventory valuation due to lower wire rod prices.

The underlying overhead expenses increased by € 8 million in absolute numbers, reflecting labor inflation and an increase in innovation capabilities. Underlying other operating revenues and expenses decreased from € +21 million in the first half of last year to € +6 million this year, which is mainly due to a one-time gain of € 11.5 million the Group benefited from last year on the sale of land in Doncaster (UK).

Bekaert achieved an operating result (EBITu) of € 226 million (versus € 251 million in the first half of last year), resulting in an EBITu margin of sales of 9.7%, broadly in-line with last year (9.9%). Excluding one-time effects, the EBIT underlying (EBITu) would be € 14 million below the level of last year (instead of € 25 million). The operating result in H1 2023 was also impacted by a significant negative inventory revaluation of € -86 million (June year on year variance).

The one-off items amounted to € -5 million (€ -3 million in H1 2022) and related to various restructuring items. Including one-off items, EBIT was € 220 million, representing an EBIT margin on sales of 9.5% (versus € 248 million or 9.8% in H1 2022). Underlying EBITDA (EBITDAu) was € 317 million compared with € 341 million with a higher EBITDAu margin in H1 2023 (13.7%) compared to H1 last year (13.5%). Reported EBITDA reached € 313 million, or a margin on sales of 13.5% (versus 13.4%).

Interest income and expenses amounted to € -14 million, in-line with last year. Other financial income and expenses amounted to € -21 million which is materially different from the amount of € +18 million last year, the difference fully relating to negative effects of exchange rate translation effects.

Income taxes decreased from € -49 million last year to € -45 million. The overall effective tax rate was 24.5% versus 26.7% for full year 2022.

The share in the result of joint ventures and associated companies was € +23 million (versus € +29 million last year), reflecting a solid performance in the steel wire activities of the joint venture in Brazil while smaller joint ventures performed less well.

The result for the period from continued operations thus totaled € +162 million, compared with € +231 million for the same period last year with material differences coming from the negative effects of exchange rate translation effects (€ -39 million) and lower positive one-time impacts in comparison with the same period last year (€ 11.5 million).

The result for the period relating to the operations in the Steel Wire Solutions entities in Chile and Peru currently under disposal amounted to € +15 million versus € +21 million last year. The result attributable to non-controlling interests was € +16 million (versus € +14 million) which is almost entirely coming from the result of the entities in Chile and Peru currently under disposal that are fully allocated to non-controlling interests as the deal will close retroactively as from 1 January 2023. After non-controlling interests, the result for the period attributable to equity holders of Bekaert was € +161 million versus € +237 million last year. Earnings per share for continued operations amounted to € +2.98, down from € +3.99 last year. On an underlying basis, the EPSu was € 3.07 versus € 4.04 last year.

Balance Sheet

On 30th of June 2023, equity represented 49.8% of total assets, up from 45.0% at mid-year 2022. The gearing ratio (net debt to equity) further improved from 28.8% in June last year to 26.7% now. As these ratios relate to equity, they include the Steel Wire Solutions businesses currently under disposal.

On a like for like basis and excluding the Steel Wire Solutions businesses in Chile and Peru currently under disposal, the net debt amounted to € 530 million, down from € 563 million at H1 2022, driven by good working capital and cash management. This resulted in net debt on underlying EBITDA of 0.84x which is in-line with the level of H1 last year (0.83x).

Cash on hand was € 344 million at the end of the period, compared with € 701 million at the close of 2022 and € 442 million at the end of the first half last year (all numbers excluding cash on hand from the entities in Steel

Wire Solutions subject to disposal). The net decrease in cash was primarily due to repayments of debt in the first half of this year.

The average working capital on sales was 16.1%, compared with 13.7% in H1 2022 (both excluding working capital from the entities in Steel Wire Solutions subject to disposal). In absolute amounts working capital decreased with € 44 million since H1 2022. Both inventories and accounts receivables decreased, which was partly offset by a decrease in accounts payable. There was an impact in all working capital elements from lower raw material costs.

Cash Flow Statement

Cash flows from operating activities amounted to € +162 million, versus € -26 million in the first half of 2022 mainly due to a better working capital and also through a lower cash expense from income taxes.

The Free Cash Flow (FCF) amounted to € +80 million versus € -80 million in H1 2022. FCF is calculated from the Cash Flow Statement as Net Cash Flow from Operations minus Capex (purchase of Property, Plant and Equipment and Intangible Assets) minus net interest plus dividends received. The significant year on year improvement in FCF came through lower working capital outflows, more than offsetting the lower cash margin contribution and higher capex spend.

Cash flows attributable to investing activities amounted to € -66 million (versus € -45 million in H1 2022) due to increased capital investments.

Cash flows from financing activities totaled € -419 million, compared with € -148 million in the first half of last year. H1 2023 included the repayment of part of the Schuldschein loans and other debt for more than € 240 million, as well as dividend (€ 92 million) and share buy back payments (€ 55 million).

NV Bekaert SA (statutory accounts)

The Belgium-based entity's sales in the first half of 2023 amounted to € +279 million, compared with € +298 million in the first half of 2022. The operating result including non-recurring items was € +51 million, compared with € +59 million in the first half of 2022. The financial result including non-recurring items was € +12 million (versus € +99 million in the first half of 2022), mainly due to less dividends received. This led to a result for the period of € +64 million compared with € +159 million for the first half of 2022.

Financial Calendar

Half Year Results 2023 The CEO and the CFO of Bekaert will present the 2023 half year results to the investment community at 10:00 a.m. CET. This conference can be accessed live upon registration via the Bekaert website (bekaert.com/en/investors)	28 July 2023
Third quarter trading update 2023	17 November 2023
Capital Markets Day	7 December 2023

Statement from the responsible persons

The undersigned persons state that, to the best of their knowledge:

- the consolidated condensed interim financial statements of NV Bekaert SA and its subsidiaries as of 30 June 2023 have been prepared in accordance with the International Financial Reporting Standards, and give a true and fair view of the assets and liabilities, financial position and result of the whole of the companies included in the consolidation; and
- the interim management report gives a fair overview of the information required to be included therein.

Taoufiq Boussaid   Chief Financial Officer
Oswald Schmid   Chief Executive Officer

Disclaimer

This press release may contain forward-looking statements. Such statements reflect the current views of management regarding future events, and involve known and unknown risks, uncertainties and other factors that may cause actual results to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Bekaert is providing the information in this press release as of this date and does not undertake any obligation to update any forward-looking statements contained in this press release in light of new information, future events or otherwise. Bekaert disclaims any liability for statements made or published by third parties and 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 issued by Bekaert.

Company Profile

Bekaert's ambition is to be the leading partner for shaping the way we live and move, and to always do this in a way that is safe, smart, and sustainable. As a global market and technology leader in material science of steel wire transformation and coating technologies, Bekaert (bekaert.com) also applies its expertise beyond steel to create new solutions with innovative materials and services for markets including new mobility, low-carbon construction, and green energy. Founded in 1880, with its headquarters in Belgium, Bekaert (Euronext Brussels, BEKB) is a global company whose 27 000 employees worldwide together generated almost € 7 billion in combined revenue in 2022.

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Note 1: Consolidated income statement

(in thousands of €)	H1 2022	H2 2022	H1 2023
Sales	2 523 741	2 480 228	2 318 005
Cost of sales	-2 115 035	-2 223 882	-1 915 632
Gross profit	**408 706**	**256 346**	**402 373**
Selling expenses	-79 952	-79 726	-83 846
Administrative expenses	-74 320	-75 468	-75 943
Research and development expenses	-28 529	-33 786	-31 350
Other operating revenues	29 641	17 253	18 300
Other operating expenses	-7 559	-15 512	-9 137
Operating result (EBIT)	**247 987**	**69 107**	**220 398**
of which			
EBIT - Underlying	**251 016**	**158 888**	**225 505**
One-off items	**-3 029**	**-89 781**	**-5 107**
Interest income	1 594	2 827	6 472
Interest expense	-15 648	-18 396	-20 456
Other financial income and expenses	17 871	-27 738	-21 267
Result before taxes	**251 804**	**25 801**	**185 147**
Income taxes	-49 422	-24 737	-45 266
Result after taxes (consolidated companies)	**202 382**	**1 064**	**139 880**
Share in the results of joint ventures and associates	28 842	25 369	22 586
RESULT FOR THE PERIOD FROM CONTINUED OPERATIONS	**231 224**	**26 433**	**162 466**
Discontinued operations of the Group			
Result for the period from discontinued operations	20 658	11 002	14 721
RESULT FOR THE PERIOD	**251 881**	**37 435**	**177 188**
Attributable to			
equity holders of Bekaert	*237 463*	*31 396*	*161 388*
non-controlling interests	*14 418*	*6 039*	*15 800*
Earnings per share (in € per share)			
Result for the period attributable to equity holders of Bekaert			
Basic	4.16		2.98
Basic from continued operations	3.99		2.98
Diluted	4.12		2.97
Diluted from continued operations	3.95		2.97

Note 2: Reported and Underlying

(in thousands of €)	H1 2022 Reported	H1 2022 of which underlying	H1 2022 of which one-offs	H1 2023 Reported	H1 2023 of which underlying	H1 2023 of which one-offs
Sales	2 523 741	2 523 741	–	2 318 005	2 318 005	–
Cost of sales	-2 115 035	-2 112 388	-2 647	-1 915 632	-1 909 489	-6 143
Gross profit	**408 706**	**411 353**	**-2 647**	**402 373**	**408 516**	**-6 143**
Selling expenses	-79 952	-79 591	-361	-83 846	-82 734	-1 112
Administrative expenses	-74 320	-73 102	-1 218	-75 943	-74 673	-1 270
Research and development expenses	-28 529	-28 380	-149	-31 350	-31 350	–
Other operating revenues	29 641	27 510	2 131	18 300	13 413	4 887
Other operating expenses	-7 559	-6 774	-785	-9 137	-7 668	-1 469
Operating result (EBIT)	**247 987**	**251 016**	**-3 029**	**220 398**	**225 505**	**-5 107**

Note 3: One-off items

One-off items H1 2022 (in thousands of €)	Cost of Sales	Selling expenses	Admini-strative expenses	R&D	Other operating revenues	Other operating expenses	Total
Restructuring programs by segment							
Rubber Reinforcement[8]	-1 311	–	–	–	–	–	-1 311
Steel Wire Solutions[9]	-220	–	–	–	192	-8	-37
Specialty Businesses[10]	-162	–	–	-57	–	–	-219
Bridon-Bekaert Ropes Group (BBRG)[11]	-507	–	-78	–	764	-204	-25
Group[12]	-447	-361	-1 063	-91	219	-573	-2 316
Total restructuring programs	**-2 647**	**-361**	**-1 141**	**-149**	**1 175**	**-785**	**-3 908**
Other events and transactions							
Specialty Businesses	–	–	–	–	184	–	184
Bridon-Bekaert Ropes Group (BBRG)	–	–	–	–	474	–	474
Group	–	–	-77	–	298	–	221
Total other events and transactions	**–**	**–**	**-77**	**–**	**956**	**–**	**879**
Total	**-2 647**	**-361**	**-1 218**	**-149**	**2 131**	**-785**	**-3 029**

One-off items H1 2023 (in thousands of €)	Cost of Sales	Selling expenses	Admini-strative expenses	R&D	Other operating revenues	Other operating expenses	Total
Restructuring programs by segment							
Rubber Reinforcement[8]	-3 754	–	–	–	–	-580	-4 334
Steel Wire Solutions[9]	-538	-138	-121	–	–	–	-797
Specialty Businesses[10]	-1 191	-182	–	–	–	-65	-1 438
Bridon-Bekaert Ropes Group (BBRG)[11]	-1 989	-587	–	–	2 061	-18	-532
Group[12]	-47	-204	-618	–	2 825	-33	1 923
Total restructuring programs	**-7 519**	**-1 112**	**-739**	**–**	**4 887**	**-696**	**-5 178**
Impairment losses/ (reversals of impairment losses) other than restructuring							
Rubber Reinforcement[13]	1 912	–	–	–	–	–	1 912
Specialty Businesses[13]	32	–	–	–	–	–	32
Intersegment[13]	-333	–	–	–	–	–	-333
Total other impairment losses/ (reversals)	**1 611**	**–**	**–**	**–**	**–**	**–**	**1 611**
Environmental provisions/ (reversals of provisions)							
Rubber Reinforcement[14]	–	–	–	–	–	-500	-500
Group	–	–	–	–	–	-273	-273
Total environmental provisions/ (reversals)	**–**	**–**	**–**	**–**	**–**	**-773**	**-773**
Other events and transactions							
Rubber Reinforcement[13]	-235	–	–	–	–	–	-235
Group	–	–	-531	–	–	–	-531
Total other events and transactions	**-235**	**–**	**-531**	**–**	**–**	**–**	**-767**
Total	**-6 143**	**-1 112**	**-1 270**	**–**	**4 887**	**-1 469**	**-5 107**

[8] Restructuring related mainly to the building remediation project in Rome (US), lay-off costs in Indonesia and the closure of the Figline plant (Italy).
[9] Related mainly to lay-off costs in China (2023) and to the restructuring in North America (2022).
[10] Related mainly to lay-off costs in Bekaert Combustion Technology BV (the Netherlands).
[11] Related mainly to the restructuring in the UK (2023) and to the gain on the sale of the land in Norway and restructuring in Canada (2022).
[12] Related mainly to the reversal of a customs/VAT provision in India (2023) and the restructuring in Belgium (2023 & 2022).
[13] Related to the plant in Russia.
[14] Related to the closure of the Figline plant (Italy).

Note 4: Reconciliation of segment reporting

Key Figures per Segment[15]: Underlying

(in millions of €)	RR	SWS	SB	BBRG	GROUP[16]	RECONC[17]	H1 2023
Consolidated third party sales	1 019	635	349	309	7	–	2 318
Consolidated sales	1 030	652	355	310	51	-81	2 318
Operating result (EBIT)	105	49	64	40	-34	1	226
EBIT margin on sales	10.2%	7.6%	18.1%	12.9%	–	–	9.7%
Depreciation, amortization, impairment losses	45	18	11	17	6	-5	92
EBITDA	150	68	75	57	-28	-4	317
EBITDA margin on sales	14.5%	10.4%	21.2%	18.5%	–	–	13.7%
Segment assets	1 412	697	500	653	-19	-132	3 110
Segment liabilities	324	270	123	123	92	-66	867
Capital employed	1 088	426	377	530	-111	-67	2 243
ROCE	19.0%	23.3%	36.5%	15.7%	–	–	20.5%
Capital expenditure - PP&E[18]	22	11	16	14	2	-5	61

Key Figures per Segment[15]: Reported

(in millions of €)	RR	SWS	SB	BBRG	GROUP[16]	RECONC[17]	H1 2023
Consolidated third party sales	1 019	635	349	309	7	–	2 318
Consolidated sales	1 030	652	355	310	51	-81	2 318
Operating result (EBIT)	102	49	63	40	-33	–	220
EBIT margin on sales	9.9%	7.5%	17.7%	12.8%	–	–	9.5%
Depreciation, amortization, impairment losses	43	18	11	20	5	-5	93
EBITDA	145	67	74	60	-27	-4	313
EBITDA margin on sales	14.0%	10.2%	20.8%	19.3%	–	–	13.5%
Segment assets	1 412	697	500	653	-19	-132	3 110
Segment liabilities	324	270	123	123	92	-66	867
Capital employed	1 088	426	377	530	-111	-67	2 243
ROCE	18.4%	22.9%	35.7%	15.5%	–	–	20.1%
Capital expenditure - PP&E[18]	22	11	16	14	2	-5	61

[15] RR = Rubber Reinforcement; SWS = Steel Wire Solutions; SB = Specialty Businesses; BBRG = Bridon-Bekaert Ropes Group
[16] Group and business support
[17] Reconciliation column: intersegment eliminations
[18] Gross increase of PP&E

Key Figures per Segment[19]: Underlying

(in millions of €)	RR	SWS	SB	BBRG	GROUP[20]	RECONC[21]	H1 2022
Consolidated third party sales	1 110	733	399	268	14	–	2 524
Consolidated sales	1 125	755	408	270	48	-83	2 524
Operating result (EBIT)	101	75	74	35	-35	2	251
EBIT margin on sales	8.9%	9.9%	18.1%	13.1%	–	–	9.9%
Depreciation, amortization, impairment losses	46	16	10	17	4	-5	90
EBITDA	147	91	84	53	-31	-3	341
EBITDA margin on sales	13.0%	12.0%	20.6%	19.6%	–	–	13.5%
Segment assets	1 780	861	510	655	-94	-128	3 583
Segment liabilities	445	408	164	145	94	-58	1 198
Capital employed	1 335	452	346	510	-188	-70	2 385
ROCE	16.0%	37.1%	48.5%	14.9%	–	–	22.9%
Capital expenditure - PP&E[22]	19	8	4	14	2	-2	43

Key Figures per Segment[19]: Reported

(in millions of €)	RR	SWS	SB	BBRG	GROUP[20]	RECONC[21]	H1 2022
Consolidated third party sales	1 110	733	399	268	14	–	2 524
Consolidated sales	1 125	755	408	270	48	-83	2 524
Operating result (EBIT)	99	75	74	36	-37	2	248
EBIT margin on sales	8.8%	9.9%	18.1%	13.3%	–	–	9.8%
Depreciation, amortization, impairment losses	46	16	10	17	4	-5	89
EBITDA	145	90	84	53	-33	-3	337
EBITDA margin on sales	12.9%	12.0%	20.6%	19.7%	–	–	13.4%
Segment assets	1 780	861	510	655	-94	-128	3 583
Segment liabilities	445	408	164	145	94	-58	1 198
Capital employed	1 335	452	346	510	-188	-70	2 385
ROCE	15.8%	37.1%	48.5%	15.0%	–	–	22.6%
Capital expenditure - PP&E[22]	19	8	4	14	2	-2	43

[19] RR = Rubber Reinforcement; SWS = Steel Wire Solutions; SB = Specialty Businesses; BBRG = Bridon-Bekaert Ropes Group
[20] Group and business support
[21] Reconciliation column: intersegment eliminations
[22] Gross increase of PP&E

Note 5: Consolidated statement of comprehensive income

(in thousands of €)	H1 2022	H1 2023
Result for the period	**251 881**	**177 188**
Other comprehensive income (OCI)		
Other comprehensive income reclassifiable to income statement in subsequent periods		
Exchange differences arising during the year	122 566	-18 830
Reclassification adjustments relating to entity disposals or step acquisitions	-482	–
OCI reclassifiable to income statement in subsequent periods, after tax	**122 084**	**-18 830**
Other comprehensive income non-reclassifiable to income statement in subsequent periods:		
Remeasurement gains and losses on defined-benefit plans	33 302	5 099
Net fair value gain (+)/loss (-) on investments in equity instruments designated as at fair value through OCI	-1 481	-1 535
Deferred taxes relating to non-reclassifiable OCI	-8 261	-1 251
OCI non-reclassifiable to income statement in subsequent periods, after tax	**23 560**	**2 313**
Other comprehensive income for the period	**145 643**	**-16 516**
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	**397 524**	**160 671**
Attributable to		
equity holders of Bekaert	*376 796*	*143 266*
non-controlling interests	*20 728*	*17 405*

Note 6: Consolidated balance sheet

(in thousands of €)	31-Dec-22	30-Jun-23
Non-current assets	**1 975 079**	**1 829 517**
Intangible assets	62 149	60 246
Goodwill	152 567	149 831
Property, plant and equipment	1 238 041	1 089 376
RoU Property, plant and equipment	130 750	124 572
Investments in joint ventures and associates	221 886	247 190
Other non-current assets	65 314	65 341
Deferred tax assets	104 372	92 961
Current assets	**2 854 234**	**2 668 242**
Inventories	1 143 096	936 589
Bills of exchange received	39 764	45 858
Trade receivables	730 786	677 667
Other receivables	151 426	117 356
Short-term deposits	4 766	5 928
Cash and cash equivalents	728 095	343 704
Other current assets	55 541	67 260
Assets classified as held for sale	760	473 881
Total	**4 829 313**	**4 497 759**

Equity	**2 229 556**	**2 239 865**
Share capital	173 737	164 463
Share premium	39 519	39 518
Retained earnings	2 115 216	2 077 851
Other Group reserves	-235 766	-194 307
Equity attributable to equity holders of Bekaert	**2 092 706**	**2 087 526**
Non-controlling interests	**136 850**	**152 339**
Non-current liabilities	**875 537**	**832 029**
Employee benefit obligations	68 037	49 332
Provisions	27 925	28 432
Interest-bearing debt	735 408	712 513
Other non-current liabilities	150	151
Deferred tax liabilities	44 018	41 602
Current liabilities	**1 724 220**	**1 425 865**
Interest-bearing debt	500 588	179 131
Trade payables	921 113	734 872
Employee benefit obligations	142 068	117 617
Provisions	6 154	3 339
Income taxes payable	66 180	59 875
Other current liabilities	88 118	77 705
Liabilities associated with assets classified as held for sale	–	253 324
Total	**4 829 313**	**4 497 759**

Note 7: Consolidated statement of changes in equity

(in thousands of €)	Attributable to equity holders of Bekaert										
	Share capital	Share premium	Retained earnings	Treasury shares	Cumulative translation adjustments	Other reserves	Reserve of disposal group held for sale	Total	Non-controlling interests	Total equity
Balance as at 1 January 2022	**177 923**	**38 850**	**1 984 791**	**-95 517**	**-137 183**	**688**	**–**	**1 969 551**	**130 971**	**2 100 522**
Adoption of IFRIC guidance on IAS 19 and IAS 38	–	–	-2 915	–	56	–	–	-2 859	–	-2 859
Balance as at 1 January 2022 (restated)	**177 923**	**38 850**	**1 981 876**	**-95 517**	**-137 127**	**688**	**–**	**1 966 692**	**130 971**	**2 097 663**
Result for the period	–	–	237 458	–	–	–	–	237 458	14 418	251 876
Other comprehensive income	–	–	–	–	116 025	23 308	–	139 333	6 310	145 643
Equity-settled share-based payment plans	–	–	-11 486	–	–	–	–	-11 486	–	-11 486
Treasury shares transactions	-4 266	–	-42 273	2 268	–	–	–	-44 270	–	-44 270
Dividends	–	–	-86 463	–	–	–	–	-86 463	-19 763	-106 226
Balance as at 30 June 2022	**173 657**	**38 850**	**2 079 112**	**-93 249**	**-21 102**	**23 996**	**–**	**2 201 264**	**131 936**	**2 333 200**
Balance as at 1 January 2023	**173 737**	**39 519**	**2 115 216**	**-139 314**	**-93 820**	**-2 631**	**–**	**2 092 706**	**136 850**	**2 229 556**
Result for the period	–	–	161 388	–	–	–	–	161 388	15 800	177 188
Other comprehensive income	–	–	-1	–	-20 435	2 313	–	-18 123	1 606	-16 516
Other compr income linked to Discontinued operations	–	–	–	–	5 220	4 060	-9 280	–	–	–
Equity-settled share-based payment plans	–	–	-13 167	–	–	–	–	-13 167	–	-13 167
Creation of new shares	1	-1	–	–	–	–	–	–	–	–
Treasury shares transactions	-9 275	–	-97 021	59 581	–	–	–	-46 715	–	-46 715
Dividends	–	–	-88 564	–	–	–	–	-88 564	-1 917	-90 481
Balance as at 30 June 2023	**164 463**	**39 518**	**2 077 851**	**-79 733**	**-109 036**	**3 742**	**-9 280**	**2 087 525**	**152 339**	**2 239 865**

Note 8: Consolidated cash flow statement

(in thousands of €)	H1 2022	H1 2023
Operating result (EBIT) from continued operations	247 987	220 398
Operating result (EBIT) from discontinued operations	31 587	20 389
Total operating result (EBIT)	**279 574**	**240 787**
Non-cash items included in operating result	101 665	104 010
Investing items included in operating result	117	-1 374
Amounts used on provisions and employee benefit obligations	-14 726	-16 800
Income taxes paid	-73 579	-32 451
Gross cash flows from operating activities	**293 051**	**294 172**
Change in operating working capital	-306 222	-125 704
Other operating cash flows	-12 873	-6 592
Cash flows from operating activities	**-26 044**	**161 876**
New business combinations	-2 373	-4 150
Other portfolio investments	-736	-394
Proceeds from disposals of investments	90	4 600
Dividends received	28 159	16 588
Purchase of intangible assets *	-5 002	-4 487
Purchase of property, plant and equipment *	-66 094	-83 126
Proceeds from disposals of fixed assets	1 333	4 943
Cash flows from investing activities	**-44 623**	**-66 027**
Interest received	2 062	6 518
Interest paid	-13 343	-16 890
Gross dividends paid	-105 042	-92 442
Proceeds from long-term interest-bearing debt	18 125	13 844
Repayment of long-term interest-bearing debt	-55 589	-208 998
Cash flows from / to (-) short-term interest-bearing debt	27 429	-53 587
Treasury shares transactions	-51 176	-55 376
Other financing cash flows	29 202	-12 295
Cash flows from financing activities	**-148 331**	**-419 227**
Net increase or decrease (-) in cash and cash equivalents	**-218 998**	**-323 377**
Cash and cash equivalents at the beginning of the period	**677 270**	**728 095**
Effect of exchange rate fluctuations	23 821	-8 758
Cash and cash equivalents reclassified as held for sale	–	-52 257
Cash and cash equivalents at the end of the period	**482 093**	**343 704**

* Difference vs total capex related to payable balances

Note 9: Additional key figures

(in € per share)	H1 2022	H1 2023
Number of existing shares at 30 June	59 002 852	55 877 772
Book value	37.31	37.36
Share price at 30 June	31.06	41.50
Weighted average number of shares		
Basic	57 040 825	54 148 336
Diluted	57 571 050	54 389 010
Result for the period attributable to equity holders of Bekaert		
Basic	4.16	2.98
Basic from continued operations	3.99	2.98
Basic underlying EPS from continued operations	4.04	3.07
Diluted	4.12	2.97
Diluted from continued operations	3.95	2.97
Diluted underlying EPS from continued operations	4.00	3.06

(in thousands of € - ratios)	H1 2022	H1 2023
EBITDA	337 027	313 356
EBITDA - Underlying	340 540	317 338
Depreciation and amortization and impairment losses	89 040	92 958
Capital employed	2 385 195	2 243 046
Operating working capital	862 533	819 022
Net debt	563 036	529 974
EBIT on sales	9.8 %	9.5 %
EBIT - Underlying on sales	9.9 %	9.7 %
EBITDA on sales	13.4 %	13.5 %
EBITDA - Underlying on sales	13.5 %	13.7 %
Equity on total assets	45.0 %	49.8 %
Gearing (net debt on equity)	28.8 %	26.7 %
Net debt on EBITDA	0.84	0.85
Net debt on EBITDA - Underlying	0.83	0.84

NV Bekaert SA - Statutory Profit and Loss Statement (in thousands of €)	H1 2022	H1 2023
Sales	298 287	278 651
Operating result before non-recurring items	59 210	50 837
Non-recurring operational items	-445	20
Operating result after non-recurring items	58 765	50 857
Financial result before non-recurring items	99 320	12 187
Non-recurring financial items	-303	-23
Financial result after non-recurring items	99 017	12 164
Profit before income taxes	157 782	63 021
Income taxes	1 016	1 026
Result for the period	158 798	64 047

Note 10: Additional disclosures on disaggregation of revenues

The Group recognizes revenue from the following sources: delivery of products and, to a limited extent, of services and construction contracts commissioned by third parties. Bekaert assessed that the delivery of products represents the main performance obligation. The Group recognizes revenue at a point in time when it transfers control over a product to a customer. Customers obtain control when the products are delivered (based on the related inco terms in place). The amount of revenue recognized is adjusted for volume discounts. No adjustment is made for return nor for warranty as the impact is deemed immaterial based on historical information.

In the following table, net sales is disaggregated by industry, as this analysis is often presented in press releases, shareholders' guides and other presentations. The table includes a reconciliation of the net sales by industry with the Group's operating segments.

H1 2022 (in thousands of €)	**Rubber Reinforcement**	**Steel Wire Solutions**	**Specialty Businesses**	**BBRG**	**Group ***	**Consolidated**
Industry						
Tire & Automotive	1 066 530	67 864	39 084	4 660	–	1 178 138
Energy & Utilities	–	154 356	17 012	46 670	–	218 038
Construction	–	172 915	290 487	36 237	–	499 639
Consumer Goods	–	60 199	2 349	–	–	62 548
Agriculture	–	159 023	–	21 533	–	180 556
Equipment	43 637	57 166	6 046	79 093	14 443	200 385
Basic Materials	–	61 261	43 791	79 385	–	184 437
Total	**1 110 167**	**732 784**	**398 769**	**267 578**	**14 443**	**2 523 741**

H1 2023 (in thousands of €)	**Rubber Reinforcement**	**Steel Wire Solutions**	**Specialty Businesses**	**BBRG**	**Group ***	**Consolidated**
Industry						
Tire & Automotive	1 017 480	64 635	18 551	4 966	–	1 105 632
Energy & Utilities	–	149 849	15 177	60 541	–	225 567
Construction	–	132 495	210 015	40 688	–	383 198
Consumer Goods	–	43 132	1 658	–	–	44 790
Agriculture	–	132 011	–	18 135	–	150 146
Equipment	1 070	52 782	58 814	80 535	6 750	199 951
Basic Materials	–	59 791	44 297	104 632	–	208 720
Total	**1 018 550**	**634 695**	**348 512**	**309 497**	**6 750**	**2 318 005**

* Sales Engineering

Note 11: Discontinued operations

On 1 March 2023, Bekaert announced that it had reached an agreement on the sale of its Steel Wire Solutions businesses in Chile and Peru to its current partners. The transaction is expected to close in 2023, subject to applicable regulatory approvals and customary closing conditions. When approved, the deal closes retroactively as from 1 January 2023. The measurement principles of IFRS 5 have been applied as from that date and no impairment on the assets was required.

The transaction covers the production and distribution facilities of the Steel Wire Solutions activities in Chile and Peru. These facilities manufacture, sell, and distribute steel wire products primarily for construction, agricultural fencing, mining, and industrial applications. The intended transaction regards the sale of the shares held by Bekaert in the following entities: Industrias Chilenas de Alambre-Inchalam SA in Talcahuano, Chile; and Prodalam SA in Santiago, Chile; along with their subsidiaries in Chile and Peru. Bekaert currently holds 52% of the shares in the Chilean entities and 38% of the shares in the Peruvian entities.

At 30 June 2023, the Steel Wire Solutions businesses in Chile and Peru were classified as a disposal group held for sale and as a discontinued operation. The results for the year are presented below:

(in thousands of €)	**H1 2022**	**H1 2023**
Sales	335 238	307 952
Cost of sales	-274 672	-257 362
Gross profit	**60 566**	**50 590**
Selling expenses	-22 694	-24 217
Administrative expenses	-4 868	-5 255
Other operating result	-1 418	-729
Operating result (EBIT)	**31 587**	**20 389**
of which		
EBIT - Underlying	31 587	20 389
One-off items	–	–
Interest income	231	742
Interest expense	-3 652	-5 230
Other financial income and expenses	-2 174	2 332
Result before taxes	**25 992**	**18 233**
Income taxes	-5 381	-3 510
Result after taxes (consolidated companies)	**20 611**	**14 723**
Share in the results of joint ventures and associates	47	-1
RESULT FOR THE PERIOD FROM DISCONTINUED OPERATIONS	**20 658**	**14 721**

The result for H1 2023 from discontinued operations was fully allocated to the result attributable to non-controlling interests.

Other comprehensive income includes the following elements linked to discontinued operations:

(in thousands of €)	**H1 2023**
Other comprehensive income reclassifiable to income statement in subsequent periods	
Exchange differences arising during the year	5 128

The major classes of assets and liabilities classified as held for sale at 30 June 2023 are as follows:

(in thousands of €)	H1 2023		H1 2023
Non-current assets		**Non-current liabilities**	
Intangible assets	654	Employee benefit obligations	12 967
Goodwill	3 194	Provisions	25
Property, plant and equipment	120 609	Interest-bearing debt	24 195
RoU Property, plant and equipment	3 193	Other non-current liabilities	–
Investments in joint ventures and associates	–	Deferred tax liabilities	13 413
Other non-current assets	2 798		
Deferred tax assets	10 040		
Current assets		**Current liabilities**	
Inventories	158 323	Interest-bearing debt	95 166
Bills of exchange received	6 548	Trade payables	91 164
Trade receivables	91 196	Employee benefit obligations	10 435
Other receivables	23 620	Provisions	–
Short-term deposits	–	Income taxes payable	2 432
Cash and cash equivalents	52 263	Other current liabilities	3 528
Other current assets	1 199		
Total Assets classified as held for sale	**473 637**	**Total Liabilities associated with assets classified as held for sale**	**253 324**

The net cash flows incurred by the Steel Wire Solutions businesses in Chile and Peru are as follows:

(in thousands of €)	H1 2022	H1 2023
Operating activities	-7 559	51 561
Investing activities	-5 111	-6 350
Financing activities	-5 132	-21 086
Net cash (outflow)/inflow	**-17 802**	**24 124**

Note 12: Additional disclosures on fair value of financial instruments

In accordance with IFRS[23], specific interim disclosures are required regarding the fair value of each class of financial assets and financial liabilities and the way their fair value was measured.

The following tables list the different classes of financial assets and financial liabilities with their carrying amounts in the balance sheet and their respective fair value and analyzed by their measurement category under IFRS 9.

Cash and cash equivalents, short-term deposits, trade and other receivables, bills of exchange received, loans and receivables primarily have short terms to maturity; hence, their carrying amounts at the reporting date approximate the fair values. For the same reason, the carrying amounts of trade and other payables also approximate their fair values. Furthermore, the Group has no exposure to collateralized debt obligations (CDOs).

Abbreviations used are explained below:

Abbreviation	**Category in accordance with IFRS 9**
AC	Financial assets or financial liabilities at amortized cost
FVTOCI/Eq	Equity instruments designated as at fair value through OCI
FVTPL/Mnd	Financial assets mandatorily measured at fair value through profit or loss
FVTPL	Financial liabilities measured as at fair value through profit or loss

[23] IAS 34, Interim Reporting, §16(j), referring to IFRS 7, Financial Instruments: Disclosures, §§ 25, 26 and 28-30, and to IFRS 13, Fair Value Measurement, §§ 91-93(h), 94-96, 98 and 99.

(in thousands of €)		31-Dec-22		30-Jun-23	
Carrying amount vs fair value	**Category in accordance with IFRS 9**	**Carrying amount**	**Fair value**	**Carrying amount**	**Fair value**
Assets					
Non-current financial assets					
- Financial & other receivables and cash guarantees	AC	12 211	12 211	9 886	9 886
- Equity investments	FVTOCI/Eq	26 023	26 023	24 042	24 042
- Derivatives					
- Held for trading	FVTPL/Mnd	14 678	14 678	18 345	18 345
Current financial assets					
- Financial receivables and cash guarantees	AC	6 352	6 352	2 897	2 897
- Cash and cash equivalents	AC	728 095	728 095	343 704	343 704
- Short term deposits	AC	4 766	4 766	5 928	5 928
- Trade receivables	AC	730 786	730 786	677 667	677 667
- Bills of exchange received	AC	39 764	39 764	45 858	45 858
- Other current assets					
- Other receivables	AC	24 732	24 732	19 429	19 429
- Derivatives					
- Held for trading	FVTPL/Mnd	5 694	5 694	3 880	3 880
Financial assets classified as held for sale	AC	–	–	158 030	158 030
Liabilities					
Non-current interest-bearing debt					
- Lease liabilities	AC	57 203	57 203	56 013	56 013
- Cash guarantees received	AC	210	210	192	192
- Credit institutions	AC	146 413	146 413	125 000	125 000
- Schuldschein loans	AC	131 582	131 582	131 308	131 308
- Bonds	AC	400 000	347 800	400 000	350 000
Current interest-bearing debt					
- Lease liabilities	AC	20 002	20 002	18 772	18 772
- Credit institutions	AC	291 989	291 989	160 359	160 359
- Schuldschein Loans	AC	188 598	188 598	–	–
Other non-current liabilities					
- Other payables	AC	150	150	151	151
Trade payables	AC	921 113	921 113	734 872	734 872
Other current liabilities					
- Other payables	AC	38 459	38 459	32 348	32 348
- Derivatives					
- Held for trading	FVTPL	1 548	1 548	1 992	1 992
Financial liabilities classified as held for sale	AC	–	–	211 841	211 841
Aggregated by category in accordance with IFRS 9					
Financial assets	AC	1 546 706	1 546 706	1 263 400	1 263 400
	FVTOCI/Eq	26 023	26 023	24 042	24 042
	FVTPL/Mnd	20 372	20 372	22 225	22 225
Financial liabilities	AC	2 007 120	1 954 920	1 870 856	1 820 856
	FVTPL	1 548	1 548	1 992	1 992

The fair value of all financial instruments measured at amortized cost in the balance sheet has been determined using level-2 fair value measurement techniques. For most financial instruments the carrying amount approximates the fair value.

Financial instruments by fair value measurement hierarchy

The fair value measurement of financial assets and financial liabilities can be characterized in one of the following ways:

- 'Level 1' fair value measurement: the fair values of financial assets and liabilities with standard terms and conditions and traded on active liquid markets are determined with reference to quoted market prices in these active markets for identical assets and liabilities. This mainly relates to financial assets at fair value through other comprehensive income such as the investment in Shougang Concord Century Holdings Ltd.

- 'Level 2' fair value measurement: the fair values of other financial assets and financial liabilities are determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices from observable current market transactions and dealer quotes for similar instruments. This mainly relates to derivative financial instruments. Forward exchange contracts are measured using quoted forward-exchange rates and yield curves derived from quoted interest rates with matching maturities. Interest-rate swaps are measured at the present value of future cash flows estimated and discounted using the applicable yield curves derived from quoted interest rates. The fair value measurement of cross-currency interest-rate swaps is based on discounted estimated cash flows using quoted forward-exchange rates, quoted interest rates and applicable yield curves derived therefrom.

- 'Level 3' fair value measurement: the fair value of the remaining financial assets and financial liabilities is derived from valuation techniques which include inputs that are not based on observable market data. At the end of 2022, Bekaert had two types of financial instruments, namely the VPPA agreement and several equity investments, for which the fair value measurement can be characterized as 'level 3'. The fair value of the VPPA contract is determined using a Monte Carlo valuation model. The main factors determining the fair value of the VPPA agreement are the discount rate (level 2), the estimated energy output based on wind or solar studies in the area and the off-peak/on-peak price volatility (level 3). The fair value of the main equity investment (Xinju Metal Products Co Ltd) is determined using a 5-year forecast timeframe of cash flows based on the latest business plan, followed by a terminal value assumption. The main factors determining the fair value are the discount rate and EBITDA.

The following table shows the sensitivity of the fair value calculation to the most significant level-3 input for the VPPA agreements for King Plains wind Project.

Sensitivity analysis King Plains wind project

(in thousands of €)	Change	Impact on VPPA derivative	
Power forward sensitivity	+10%	increased by	276
	-10%	decreased by	-322
Production sensitivity	+5%	increased by	874
	-5%	decreased by	-920

The following table shows the sensitivity of the fair value calculation for the VPPA derivative to the key Level 3 inputs for Rockhound solar D.

Sensitivity analysis Rockhound Solar D project

(in thousands of €)	Change	Impact on VPPA derivative	
Power forward sensitivity	+10%	increased by	2 945
	-10%	decreased by	-2 945
Production sensitivity	+5%	increased by	1 565
	-5%	decreased by	-1 472

The sensitivity of the fair value calculation of the equity investment in Xinju Metal Products Co Ltd (€ 6.5 million) is shown below:

- If EBITDA would be CNY 4.0 million lower in all periods of the business plan, the fair value would decrease by € 1.8 million;
- If the discount factor would be 1% higher, the decrease of the fair value would be € 1.3 million;
- If EBITDA would be CNY 4.0 million lower in all years of the business plan and the discount factor would be 1% higher, the fair value would decrease by € 2.1 million.

The following table provides an analysis of financial instruments measured at fair value in the balance sheet, in accordance with the fair value measurement hierarchy described above:

2022 (in thousands of €)	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets mandatorily measured as at fair value through profit or loss				
Derivative financial assets	*–*	*12 872*	*7 500*	*20 372*
Equity instruments designated as at fair value through OCI				
Equity investments	*6 614*	*–*	*19 410*	*26 023*
Total assets	**6 614**	**12 872**	**26 910**	**46 395**
Financial liabilities held for trading				
Other derivative financial liabilities	*–*	*1 548*	*–*	*1 548*
Total liabilities	**–**	**1 548**	**–**	**1 548**

H1 2023 (in thousands of €)	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets mandatorily measured as at fair value through profit or loss				
Derivative financial assets	*–*	*9 387*	*12 838*	*22 225*
Equity instruments designated as at fair value through OCI				
Equity investments	*5 079*	*–*	*18 963*	*24 042*
Total assets	**5 079**	**9 387**	**31 801**	**46 267**
Financial liabilities held for trading				
Other derivative financial liabilities	*–*	*1 992*	*–*	*1 992*
Total liabilities	**–**	**1 992**	**–**	**1 992**

Note 13: Other disclosures

Treasury shares

On 31 December 2022, Bekaert held 4 380 475 own shares. Between 1 January 2023 and 30 June 2023, a total of 234 731 stock options were exercised under Stock Option Plan 2010-2014 and Stock Option Plan 2015-2017, and 234 731 own shares were used for that purpose. Bekaert sold 4 742 own shares to members of the Bekaert Group Executive in the framework of the Bekaert personal shareholding requirement plan and granted in total 11 202 own shares to the Chairman of the Board of Directors and other non-executive Directors as remuneration for the performance of their duties. A total of 213 317 own shares were disposed of following the vesting of 213 317 performance share units under the Bekaert performance share plan. During the same period, Bekaert bought back 1 553 557 shares pursuant to its share buyback program that was continued as announced on 1 March 2023. 2 038 935 shares were cancelled on 24 February 2023 and 1 112 545 shares were cancelled on 30 June 2023. Including the transactions under the liquidity agreement with Kepler Cheuvreux, the balance held by Bekaert on 30 June 2023 was 2 308 142 shares (4.13% of the total share capital).

Related parties

There were no other related party transactions or changes that could materially affect the financial position or results of the Group.

Accounting policies

These unaudited and condensed consolidated interim financial statements have been prepared in accordance with IAS 34 - Interim Financial Reporting. This interim report only provides an explanation of events and transactions that are significant to understand the changes in financial position and financial performance since the last annual reporting period. It should therefore be read in conjunction with the consolidated financial statements for the financial year ended on December 31, 2022, which have been prepared in accordance with International Financial Reporting Standards (IFRSs) as issued by the International Accounting Standards Board (IASB) and adopted by the European Union.

In preparing this interim report, the same accounting policies and methods of computation have been used as in the 2022 annual consolidated financial statements. For an overview of the IFRS standards, amendments and interpretations that have become effective in 2023, we refer to the Statement of Compliance (section 2.1) of the financial review in the 2022 Annual Report.

Subsequent events

There are no subsequent events.

Note 14: Impact discontinued operations on 2022 results

(in millions of €)	H1 2022 including	H1 2022 impact	H1 2022 excluding
Sales	2 859	335	2 524
Cost of sales	-2 390	-275	-2 115
Gross profit	**469**	**61**	**409**
Operating result (EBIT)	**280**	**32**	**248**
of which			
EBIT - Underlying	283	32	251
One-off items	-3	–	-3
Result before taxes	**278**	**26**	**252**
Income taxes	-55	-5	-49
Result after taxes (consolidated companies)	**223**	**21**	**202**
Share in the results of joint ventures and associates	29	–	29
RESULT FOR THE PERIOD	**252**	**21**	**231**

(in millions of €)	H2 2022 including	H2 2022 impact	H2 2022 excluding
Sales	2 793	313	2 480
Cost of sales	-2 490	-266	-2 224
Gross profit	**303**	**47**	**256**
Operating result (EBIT)	**86**	**17**	**69**
of which	–	–	–
EBIT - Underlying	176	17	159
One-off items	-90	–	-90
Result before taxes	**38**	**13**	**26**
Income taxes	-26	-2	-25
Result after taxes (consolidated companies)	**12**	**11**	**1**
Share in the results of joint ventures and associates	25	–	25
RESULT FOR THE PERIOD	**37**	**11**	**26**

(in millions of €)	FY 2022 including	FY 2022 impact	FY 2022 excluding
Sales	5 652	648	5 004
Cost of sales	-4 879	-540	-4 339
Gross profit	**772**	**107**	**665**
Operating result (EBIT)	**366**	**49**	**317**
of which			
EBIT - Underlying	459	49	410
One-off items	-93	–	-93
Result before taxes	**316**	**39**	**278**
Income taxes	-81	-7	-74
Result after taxes (consolidated companies)	**235**	**32**	**203**
Share in the results of joint ventures and associates	54	–	54
RESULT FOR THE PERIOD	**289**	**32**	**258**

Note 15: Alternative performance measures: definitions and reasons for use

Metric	Definition	Reason for use
Capital employed (CE)	Working capital + net intangible assets + net goodwill + net property, plant and equipment + net RoU Property, plant and equipment. The weighted average CE is weighted by the number of periods that an entity has contributed to the consolidated result.	Capital employed consists of the main balance sheet items that operating management can actively and effectively control to optimize its financial performance, and serves as the denominator of ROCE.
Capital ratio (financial autonomy)	Equity relative to total assets.	This ratio provides a measure of the extent to which the Group is equity-financed.
Current ratio	Current assets to Current liabilities.	This ratio provides a measure for the liquidity of the company. It measures whether a company has enough resources to meet it short-term obligations.
Combined figures	Sum of consolidated companies + 100% of joint ventures and associates after elimination of intercompany transactions (if any). Examples: sales, capital expenditure, number of employees.	In addition to Consolidated figures, which only comprise controlled companies, combined figures provide useful insights of the actual size and performance of the Group including its joint ventures and associates.
EBIT	Operating result (earnings before interest and taxation).	EBIT consists of the main income statement items that operating management can actively and effectively control to optimize its profitability, and a.o. serves as the numerator of ROCE and EBIT interest coverage.
EBIT – underlying (EBITu)	EBIT before operating income and expenses that are related to restructuring programs, impairment losses, business combinations, business disposals, environmental provisions or other events and transactions that have a material one-off effect that is not inherent to the business.	EBIT – underlying is presented to assist the reader's understanding of the operating profitability before one-off items, as it provides a better basis for comparison and extrapolation.
EBITDA	Operating result (EBIT) + depreciation, amortization and impairment of assets + negative goodwill.	EBITDA provides a measure of operating profitability before non-cash effects of past investment decisions and working capital assets.
EBITDA – underlying (EBITDAu)	EBITDA before operating income and expenses that are related to restructuring programs, impairment losses, business combinations, business disposals, environmental provisions or other events and transactions that have a material one-off effect that is not inherent to the business.	EBITDA – underlying is presented to assist the reader's understanding of the operating profitability before one-off items and non-cash effects of past investment decisions and working capital assets, as it provides a better basis for comparison and extrapolation.
EBIT interest coverage	Operating result (EBIT) divided by net interest expense.	The EBIT interest coverage provides a measure of the Group's capability to service its debt through its operating profitability.
Free Cash Flow (FCF)	Cash flows from Operating activities - capex + dividends received - net interest paid.	Free cash flow (FCF) represents the cash available for the company to repay financial debt or pay dividends to investors.
Gearing	Net debt relative to equity.	Gearing is a measure of the Group's financial leverage and shows the extent to which its operations are funded by lenders versus shareholders.
Margin on sales	EBIT, EBIT-underlying, EBITDA and EBITDA-underlying on sales.	Each of these ratios provides a specific measure of operating profitability expressed as a percentage on sales.
Net capitalization	Net debt + equity.	Net capitalization is a measure of the Group's total financing from both lenders and shareholders.
Net debt	Interest-bearing debt net of current loans, non-current financial receivables and cash guarantees, short-term deposits, cash and cash equivalents.	Net debt is a measure of debt after deduction of financial assets that can be deployed to repay the gross debt.
Net debt on EBITDA	Net debt divided by EBITDA.	Net debt on EBITDA provides a measure of the Group's capability (expressed as a number of years) to repay its debt through its operating profitability.
Operating free cash flow	Cash flows from Operating activities – capex (net of disposals of fixed assets).	Operating cash flow measures the net cash required to support the business (working capital and capital expenditure needs).

Metric	Definition	Reason for use
Return on capital employed (ROCE)	Operating result (EBIT) relative to the weighted average capital employed.	ROCE provides a measure of the Group's operating profitability relative to the capital resources deployed and managed by operating management.
Return on equity (ROE)	Result for the period relative to average equity.	ROE provides a measure of the Group's net profitability relative to the capital resources provided by its shareholders.
Underlying EPS	(EBITu + interest income - interest expense +/- other financial income and expense - income tax + share in the result of JVs and associates - result attributable to non-controlling interests) divided by the weighted average nr of ordinary shares (excluding treasury shares).	Underlying earnings per share or underlying EPS or EPSu is presented to assist the reader's understanding of the earnings per share before one-off items, as it provides a clearer basis for comparison and extrapolation.
WACC	Cost of debt and cost of equity weighted with a target gearing of 50% (net debt/equity structure) after tax.	WACC is used to assess an investor's return on an investment in the Company.
Operating Working capital	Inventories + trade receivables + bills of exchange received + advanced paid - trade payables - advances received - remuneration and social security payables - employment-related taxes.	Working capital includes all current assets and liabilities that operating management can actively and effectively control to optimize its financial performance. It represents the current component of capital employed.
Internal Bekaert Management Reporting	Focusing on the operational performance of the industrial companies of the Group, leaving out financial companies and other non-industrial companies, in a flash approach and as such not including all consolidation entries reflected in the full hard-close consolidation on which the annual report is based.	The pragmatic approach enables a short follow-up process regarding the operational performance of the business throughout the year.

APM reconciliation table

(in millions of €)	H1 2022	FY 2022	H1 2023
Net Debt			
Non-current interest-bearing debt	657	657	657
L/T Lease Liability - non-current	48	55	56
Current interest-bearing debt	349	371	160
L/T Lease Liability - current	18	18	19
Total financial debt	1 071	1 101	892
Non-current financial receivables and cash guarantees	-10	-10	-9
Current financial receivables and cash guarantees	-5	-6	-3
Short-term deposits	-50	-5	-6
Cash and cash equivalents	-442	-701	-344
Net debt	**563**	**380**	**530**

Capital Employed	**H1 2022**	**FY 2022**	**H1 2023**
Intangible assets	59	61	60
Goodwill	152	150	150
Property, plant and equipment	1 189	1 119	1 089
RoU Property plant and equipment	124	127	125
Working capital (operating)	863	676	819
Capital employed	**2 385**	**2 133**	**2 243**
Weighted average capital employed	**1 098**	**2 070**	**1 099**

Working capital (operating)	**H1 2022**	**FY 2022**	**H1 2023**
Inventories	1 163	967	937
Trade receivables	841	646	678
Bills of exchange received	39	34	46
Advances paid	17	14	26
Trade payables	-1 061	-837	-735
Advances received	-22	-23	-22
Remuneration and social security payables	-109	-115	-104
Employment-related taxes	-6	-11	-6
Working capital (operating)	**863**	**676**	**819**
Weighted average working capital (operating)	**347**	**600**	**374**

EBITDA	**H1 2022**	**FY 2022**	**H1 2023**
EBIT	248	317	220
Amortization intangible assets	5	10	6
Depreciation property, plant & equipment	71	144	69
Depreciation RoU property, plant & equipment	12	25	13
Write-downs/(reversals of write-downs) on inventories and receivables	1	10	7
Impairment losses/ (reversals of depreciation and impairment losses) on fixed assets	–	58	-2
EBITDA	**337**	**564**	**313**

EBITDA - Underlying	**H1 2022**	**FY 2022**	**H1 2023**
EBIT - Underlying	251	410	226
Amortization intangible assets	5	10	6
Depreciation property, plant & equipment	71	143	69
Depreciation RoU property, plant & equipment	12	25	13
Write-downs/(reversals of write-downs) on inventories and receivables	2	2	5
Impairment losses/ (reversals of impairment losses) on fixed assets	–	1	–
EBITDA - Underlying	**341**	**591**	**317**

ROCE	**H1 2022**	**FY 2022**	**H1 2023**
EBIT	248	317	220
Weighted average capital employed	1 098	2 070	1 099
ROCE	**22.6 %**	**15.3 %**	**20.1 %**

EBIT interest coverage	**H1 2022**	**FY 2022**	**H1 2023**
EBIT	248	317	220
(Interest income)	-2	-4	-6
Interest expense	16	34	20
(interest element of discounted provisions)	–	-1	-1
Net interest expense	14	29	13
EBIT interest coverage	**18.0**	**11.0**	**16.7**

ROE (return on equity)	**H1 2022**	**FY 2022**	**H1 2023**
Result for the period - excluding discontinued operations	231	258	162
Result of the period - including discontinued operations	252	289	177
Average equity	2 215	2 164	2 235
ROE	**22.7 %**	**13.4 %**	**15.9 %**

Capital ratio (Financial autonomy)	**H1 2022**	**FY 2022**	**H1 2023**
Equity	2 333	2 230	2 240
Total assets	5 183	4 829	4 498
Financial autonomy	**45.0 %**	**46.2 %**	**49.8 %**

Gearing	H1 2022	FY 2022	H1 2023
Net debt - excluding discontinued operations	563	380	530
Net debt - including discontinued operations	673	487	597
Equity	2 333	2 230	2 240
Gearing (net debt on equity)	**28.8 %**	**21.8 %**	**26.7 %**

Net debt on EBITDA	H1 2022	FY 2022	H1 2023
Net debt	563	380	530
EBITDA	337	564	313
Net debt on EBITDA (annualized)	**0.84**	**0.67**	**0.85**

Net debt on EBITDA- Underlying	H1 2022	FY 2022	H1 2023
Net debt	563	380	530
EBITDA-Underlying	341	591	317
Net debt on EBITDA-underlying (annualized)	**0.83**	**0.64**	**0.84**

Current Ratio - including discontinued operations	H1 2022	FY 2022	H1 2023
Current Assets	3 098	2 854	2 668
Current liabilities	1 950	1 724	1 426
Current Ratio	**1.6**	**1.7**	**1.9**

Operating free cash flow	H1 2022	FY 2022	H1 2023
Cash flows from operating activities	-26	340	162
Purchase of intangible assets	-5	-15	-4
Purchase of PP&E	-66	-170	-83
Purchase of RoU Land	–	–	–
Proceeds from disposals of fixed assets	1	3	5
Operating free cash flow	**-96**	**158**	**79**

Free Cash Flow (FCF)	H1 2022	FY 2022	H1 2023
Cash flows from operating activities	-26	340	162
Purchase of intangible assets	-5	-15	-4
Purchase of property, plant and equipment	-66	-170	-83
Purchase of RoU Land	–	–	–
Dividends received	28	68	17
Interest received	2	5	7
Interest paid	-13	-37	-17
Free Cash Flow	**-80**	**191**	**80**

Underlying earnings per share (EPSu)	H1 2022	FY 2022	H1 2023
EBITu	251	410	226
Interest income	2	4	6
(Interest expense)	-16	-34	-20
Other financial income/(expense)	18	-10	-21
(Income tax)	-49	-74	-45
Share in result of JVs and associates	29	54	23
(Result attributable to non-controlling interests)	-4	-5	-1
Underlying earnings for the period attributable to the Group	**230**	**346**	**166**
Basic Underlying earnings per share	4.04	6.15	3.07
Diluted Underlying earnings per share	4.00	6.10	3.06