

Press release

Regulated information

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Press - Investors
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Bekaert launches an offering of up to €380 million convertible bonds due 2021 and the repurchase of its outstanding €300 million 0.75% convertible bonds due 2018

NV Bekaert SA announces today the launch of:

- An offering of senior unsecured convertible bonds due June 2021, under the company's authorized capital for an initial principal amount of €250 million with an increase option of up to €130 million, potentially depending on the amount of the outstanding €300 million 0.75% convertible bonds due 2018 (ISIN: BE6228573091) to be repurchased pursuant to the concurrent repurchase; and
- A potential concurrent repurchase of all outstanding convertible bonds through a reverse bookbuilding.

Bekaert reserves the right not to proceed with the issue of the new bonds and with the concurrent repurchase of outstanding convertible bonds if Bekaert has not received, by no later than the closing of the reverse bookbuilding, offers from eligible holders of the outstanding bonds to sell the outstanding bonds at the repurchase price representing 50% or more in outstanding nominal amount of the outstanding bonds (the "Final Repurchase Condition").

Offering of convertible bonds

The bonds will be issued at 100% of their principal amount and are expected to have a coupon ranging between 0.00% and 0.50% per annum. The conversion price is expected to be set at a premium ranging between 27.5% and 35% over the volume weighted average price of the company's ordinary shares on Euronext Brussels on the launch day. The final terms of the new bonds are expected to be announced through a press release after closing of trading on Euronext Brussels today.

- The new bonds will be issued in denominations of €100,000 in principal amount and integral multiples thereof.
- The final terms and conditions of the bonds will contain customary clauses that allow Bekaert to redeem the bonds in the combination of cash, new shares and treasury shares and thereby mitigate dilution to shareholders.
- The bonds will be offered to institutional investors only, outside the United States of America – in accordance with Regulation S under the Securities Act – and outside Canada, Australia, South Africa and Japan.
- The company will agree (subject to certain customary exceptions) not to issue or dispose of ordinary shares, convertible bonds or related securities from launch until 90 days after the closing of the offering.
- The proceeds of the offering will be used to finance the concurrent repurchase of outstanding bonds and, to the extent of the remainder (if any), to strengthen its balance sheet liquidity as well as to fund future internal and external growth, consistent with its strategy.
- Settlement of the offering of the new convertible bonds is expected to take place on 9 June 2016
- Application will be made for the bonds to be admitted to trading on the Open Market (*Freiverkehr*) segment of the Frankfurt Stock Exchange no later than three months following the closing date of the transaction.

BNP Paribas Fortis and J.P. Morgan Securities plc are acting as joint bookrunners.

Repurchase of the outstanding convertible bonds

Concurrently with the offering, the joint bookrunners are assisting Bekaert in carrying out a reverse bookbuilding process to invite the holders of its outstanding convertible bonds due 2018 to submit offers to sell their bonds to the company for cash.

The concurrent repurchase is not open to any persons located or resident in the United States (or that are otherwise US persons in accordance with Regulation S under the US Securities Act 1933), or persons acting for the account or benefit of such persons, or in any other jurisdiction where participation in the concurrent repurchase would be unlawful.

The company may decide to repurchase the outstanding bonds tendered subject to the settlement of the new bonds. The company further reserves the right not to proceed with the issue of the bonds and with the concurrent repurchase if the Final Repurchase Condition is not satisfied.

Holders accepting the invitation will be eligible to receive a cash consideration equal to the closing price of the outstanding bonds prior to the launch of the offer, adjusted for variations in the price of the ordinary shares of the company on the launch day, plus a tender premium. In addition, the company will pay interest accrued on the outstanding bonds from - and including - the immediately preceding interest payment date to - but excluding - the settlement date of the concurrent repurchase.

Any outstanding bonds repurchased (if any) will be cancelled after settlement by the company in accordance with their terms and conditions. Pursuant to Condition 6 (b) of the outstanding bonds, if at any time there shall have been exercised and/or purchased (and corresponding cancellations and/or redemptions effected) in respect of 85% or more in principal amount of the outstanding bonds originally issued, the company may redeem such outstanding bonds in whole but not in part at their principal amount, together with accrued and unpaid interest to such date (and the company intends to exercise this right if the aggregate amount of outstanding bonds repurchased pursuant to the concurrent repurchase (if any) exceeds this threshold).

Settlement of the concurrent repurchase is expected to take place on 14 June 2016.

Consent solicitation

If the Final Repurchase Condition is met but the aggregate nominal amount of the outstanding bonds for which offers from eligible holders of outstanding bonds to sell the outstanding bonds at the repurchase price have been received by no later than the closing of the reverse bookbuilding is below 85% in principal amount of the outstanding bonds originally issued, a general meeting of bondholders will take place to align the definition of "Material Subsidiary" between the new bonds and the outstanding bonds.

This general meeting will be asked to resolve upon a resolution to amend the definition of 'Material Subsidiary' contained within the terms and conditions of the outstanding bonds so as to permit the company to carve the intended Bridon-Bekaert Ropes Group out so that, as a consequence, such definition mirrors the definition of material subsidiary in the new bonds.

The meeting, if convened, is scheduled to take place on 9 June 2016.

Holders of the outstanding bonds that offer to sell their outstanding bonds in the reverse bookbuilding will be deemed to have irrevocably undertaken to participate to the meeting and to vote in favour of the resolution at the meeting. Please refer to the Participation Solicitation Memorandum, that is expected to be published on or around 24 May 2016 in relation to the meeting for details on how to participate.

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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.

Profile

Bekaert (www.bekaert.com) is a world market and technology leader in steel wire transformation and coating technologies. We pursue to be the preferred supplier for our steel wire products and solutions by continuously delivering superior value to our customers worldwide. Bekaert (Euronext Brussels: BEKB) is a global company with almost 30 000 employees worldwide, headquarters in Belgium and €4.4 billion in annual revenue.

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The concurrent repurchase is not being made and will not be made, directly or indirectly, in or into, or by use of the mails of, or by any means or instrumentality (including, without limitation, facsimile transmission, telex, telephone, e-mail and other forms of electronic transmission) of interstate or foreign commerce of, or any facility of a national securities exchange of, the United States, and the concurrent repurchase may not be accepted by any such use, means, instrumentality or facility from or within the United States or by persons located or resident in the United States, or persons (including agents, fiduciaries or other intermediaries) acting for the account or benefit of persons located or resident in the United States. Any purported acceptance of the concurrent repurchase resulting directly or indirectly from a violation of these restrictions will be invalid and if made by a person located or resident in the United States or any person (including any agent, fiduciary or other intermediary) acting for the account or benefit of persons located or resident in the United States will not be accepted. For these purposes, "United States" means the United States of America, its territories and possessions, any State of the United States of America and the district of Columbia.

This communication is not an extension of the concurrent repurchase in the United States.

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