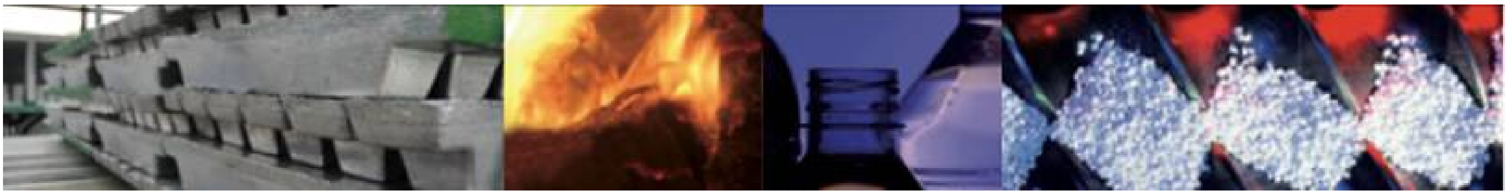
campine

1912 - 2012

Annual Financial Report 2013



Contents

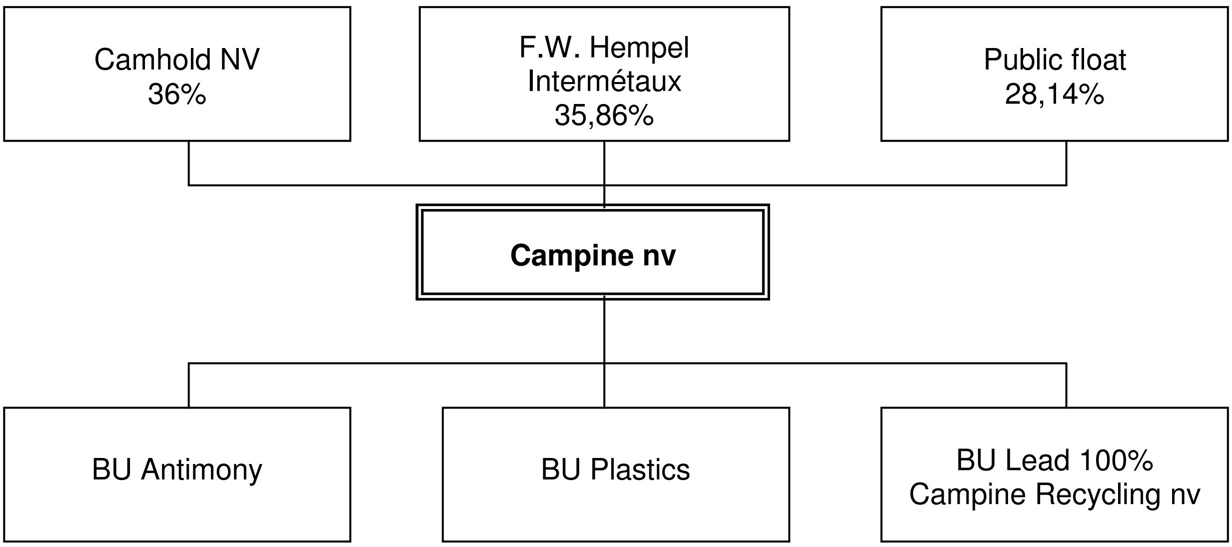
Financial highlights and business scope

Financial highlights *

	2013	2012
Revenue	137.465	149.925
Operating result	- 1.703	- 1.508
Net financial result	172	- 1.840
Result before tax	- 1.531	- 3.348
Income tax expense	387	882
Result after tax	- 1.144	- 2.466
Result per share after tax	- 0,76	- 1,64
Current assets	43.352	59.294
Total assets	54.657	71.664
Current liabilities	29.391	43.785
Total liabilities	32.984	48.753
Total equity	21.673	22.911

(*) Consolidated per year and as per 31 December in '000 EUR

Group structure



Core activities

Campine is a leading specialist in fire retardancy and concentrates, masterbatches for plastics, PET catalysts and lead recycling. The company was founded in 1912 and has been listed on the stock exchange since 1936.

In its production process, Campine processes primarily antimony and lead. Consistent application of its marketing strategy has enabled Campine to build up significant market positions in a number of specialist markets.

Antimony trioxide (Sb_2O_3) is used as a flame retardant in the textile, plastics and cable industries and is also used as a catalyst in PET production. It also has many and varied applications in the glass, pigments and varistor industries.

In its plastics division Campine produces ready-to-use masterbatches for the plastics industry. These masterbatches are delivered in granulated form to enable customers to dose them easily and dust-free.

In the lead recycling division, Campine Recycling converts lead from spent batteries and industrial waste into lead and lead alloys. These are sold to manufacturers of batteries and lead plates (e.g. for X-ray protection).

2013: a difficult year

2013 was a difficult year in which the expected – and much hoped-for – recovery failed to materialise. Fortunately, the situation improved slightly compared with 2012.

Following the crisis in 2009, the recovery in 2010 - 2011 and the subsequent downturn in 2012 and 2013, many players in our market have taken a hard look at what their real added value is and how to build or ensure their existence into the future.

The conclusions of this process are becoming slowly but surely visible. Unable to secure earnings simply through volume growth and rising prices, businesses are going to look for added value on the basis of their competences.

Campine has long been aware of this and has already taken steps in this direction.

The experience of the past five years calls for a degree of modesty but the management of Campine – backed by the Board of Directors – continued throughout the crisis period to invest in people and processes, and looks to the future with confidence.

However, it is still difficult to make predictions for the following year. There are signs that things will improve in the course of this year and that the price front will stabilise. We should therefore return to profitability.

F.-W. Hempel
President

A challenging year

In summary, 2013 was a challenging year, this was mainly due to the worldwide slow economic activities in the most important sectors in which Campine is active being construction, automotive industry and electronics.

In antimony oxide the effect of the large rise in prices during 2010 and ongoing high levels have pushed a number of customers to make an active search for cheaper alternatives with a reduction of the antimony use by reformulation. This combination together with the weak economic growth has put pressure on us.

Overcapacity in secondary lead recycling, combined with some companies investment in subsidised collection systems, has resulted in continuously increasing prices for used batteries, and so reduced margins, during the last few years.

However sales premiums for lead alloys have increased and some raw material price adjustments begin to appear.

The plastics activity has grown considerably compared to 2012 and it is expected that this trend will continue.

Despite the tough last years, Campine has invested in its organisation and processes. Campine has succeeded in every business unit to create innovative new products and to implement processes which will, when economy recovers, certainly contribute to improved profitability. It is crucial to continue this trend as the future lies more and more in creating and generating added value rather than just in volume and price increases.

Campine with its current standard and diversity of activities definitely has a “raison d’être” as a recycler of “precious” raw materials and a supplier of sustainable solutions which contribute to safety, comfort, energy and processability.

Geert Krekel
Managing Director

Report of the Board of Directors to the Annual Meeting of Shareholders on Tuesday 13 May 2014, based on the consolidated annual financial statements

Campine Group

In 2013, the Campine Group realised a turnover of EUR 137.46 million, compared with EUR 149.93 million in 2012 (-8 %).

The pre-tax loss of the first semester was EUR -0.08 million. The second half year resulted in a loss before taxes of EUR -1.45 million - giving a pre-tax loss for the year of EUR -1.53 million. This compared with a pre-tax loss of EUR -3.35 million in 2012.

The operating loss amounted to EUR -1.70 million (2012: EUR -1.51 million). 2013 was characterised by low demand in business unit antimony. The plastics unit realised a reasonable growth. In business unit lead demand slightly increased but margins were under continued pressure.

Net financial result amounted to a profit of EUR 0.17 million compared with a loss of EUR -1.84 million in 2012.

The lead hedging resulted in a net profit of EUR 1.04 million (compared with a net loss of EUR -0.88 million in 2012). The objective of hedging is to limit the fluctuations of Campine's results due to the impact of changes in lead prices on the value of purchases and sales and of inventories. These amounts include the fair value of the LME lead hedge on December 31, which is included in the income statement in accordance with the specific IFRS standards.

Due to the loss of the year, no current tax provision was set up. A deferred tax asset was set up for EUR 0.37 million, including other timing differences the tax credit was EUR 0.39 million.

Loss after taxes was EUR -1.14 million, compared with a EUR -2.47 million loss in 2012. The results were effected by low demand in antimony, lower lead scrap margins and continuing reduced economic activity.

The Board of Directors proposes that the company will not pay a dividend.
In 2013 no dividend was paid.

<u>Added value</u>

In '000 EUR	2013	2012	Difference in EUR	in %
Added value (1)	13.843	14.140	-297	-2%
Relation towards turnover (%)	10%	9%		
Average number of employees	160	171		-6%
Added value per employee	86	83	3	4%

(1) We define added value as the difference between turnover and the value of the purchased goods + services which can be related to production (stock adjustment included).

Working capital

In '000 EUR	2013	2012	Difference in EUR	in %
Stocks	23.872	35.838	-11.966	-33%
Trade debtors	15.478	18.503	-3.025	-16%
Other receivables	2.801	2.257	544	24%
Total	**42.151**	**56.598**	**-14.447**	**-26%**
Trade creditors	11.759	8.893	2.866	32%
Taxes	-	2.059	-2.059	-100%
Other short payables	1.716	2.855	-1.139	-40%
Total	**13.475**	**13.807**	**-332**	**-2%**
Working capital employed	**28.676**	**42.791**	**-14.115**	**-33%**

Return on equity

In '000 EUR	2013	2012	Difference in EUR	in %
Result after taxes	-1.144	-2.466	1.322	-54%
Result after taxes per share in EUR	-0,76	-1,640	0,88	-54%
Gross dividend per share in EUR	-	-	-	-
Net dividend per share in EUR	-	-	-	-
Equity	21.673	22.911	-1.238	-5%
Return on equity	-5%	-11%		5%

Volume and turnover per business unit

	Antimony			Plastics			Lead			Total		
	2013	2012	%	2013	2012	%	2013	2012	%	2013	2012	%
Volume in mT	8.303	7.887	5%	5.091	4.330	18%	43.551	41.670	5%	56.945	53.887	6%
Turnover (1) in '000 EUR	58.347	71.330	-18%	22.812	20.604	11%	58.013	58.405	-1%	139.172	150.339	-7%
Unit price per mT in EUR	7.027	9.044	-22%	4.481	4.758	-6%	1.332	1.402	-5%			
Margin (2) in '000 EUR	3.416	2.962	15%	2.302	2.000	15%	3.246	3.454	-6%	8.964	8.416	7%

(1) Turnover as in the segment information of the Group, see note 5.4.1.
(2) The margin is the difference between the turnover and the direct cost + sales cost of the goods sold.
Direct costs include raw materials and direct salaries and wages as well as indirect production costs.

Lead

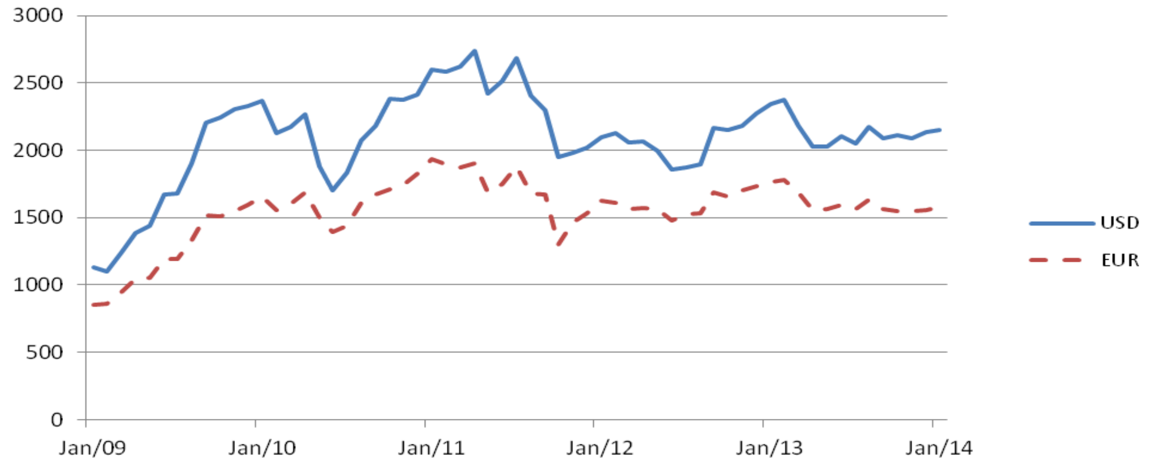
Campine Recycling processes spent lead batteries and lead-containing waste such as cable sheathing, roofing and old pipes. From this waste we produce a whole range of useful applications such as lead alloys and soft lead. In so doing we help to create a cleaner and safer environment.

In the lead market Campine Recycling is a significant recycler of secondary lead in Europe, in a market dominated by “majors” like battery manufacturers. End customers are primarily the automotive industry (for battery production), medicine (X-ray protection) and construction (roofing).

Results and volumes

The business unit lead realised a turnover of EUR 58.01 million (EUR 58.41 million in 2012) (-1 %) with a slightly higher sales volume of 43,551 mT (41,670 mT in 2012) (+5 %).

Lead LME cash/mT in USD and in EUR



Market

In general, the lead price fluctuated between EUR 1,500/mT and EUR 1,800/mT during 2013. We note a decrease from EUR 1,800/mT in the beginning of January, EUR 1,635/mT at the end of March and EUR 1,573/mT at the end of June 2013. In the third quarter of the year, prices fluctuated slightly between EUR 1,510/mT and EUR 1,680/mT. Quarter four showed no large changes, moving from EUR 1,500/mT at the beginning of October to EUR 1,600/mT at the end of December 2013.

Campine increased the lead recycling output in 2013. The order portfolio has improved with high value alloys for demanding customers who choose Campine based on our favourable location and the combination of quality, service, flexibility and supply reliability.

Lead battery scrap (our main feed stock) prices remained high compared to the LME, keeping pressure on margins.

Production

We improved refining efficiency and treated a higher percentage of our throughput internally. The renovated lead blast furnace cover resulted in a major reduction of emissions.

Although we comply with industrial legislation, we took additional steps to protect our workforce in order to further reduce lead values in blood.

We are working at methods of processing other antimony and lead containing residues.

The European Commission investigation on purchasing prices paid for used batteries – which started in 2012 – is on-going but we have not been informed of any conclusions.

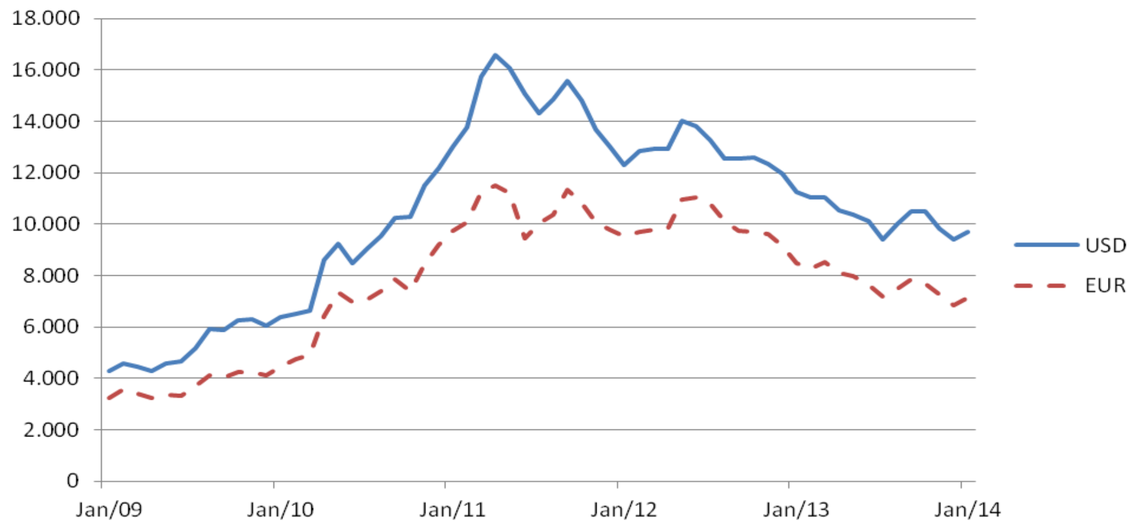
Antimony

Campine's antimony business unit converts antimony metal (Sb) into antimony trioxide (Sb_2O_3). This is used in flame retardant applications and in the production of PET bottles, films and industrial fibres.

Results and volumes

Volume increased to 8,303 mT (7,887 mT in 2012) (+5 %). Average sales prices were far lower than in 2012 and consequently turnover fell to EUR 58.35 million (EUR 71.33 million in 2012) (-18 %).

Antimony free market 99.6% in USD/mT and in EUR/mT



Market

In general, average antimony prices have fluctuated between EUR 6,750/mT and EUR 9,000/mT in the course of 2013 moving from EUR 9,000/mT early January 2013 to EUR 7,400/mT at the end of June 2013. This was followed by a steady increase to EUR 7,500/mT in early November and a decrease to EUR 7,000/mT by end December 2013.

In a number of applications customers have been looking for consumption and cost reduction to compensate for the high prices of the last years. Reformulation and use of alternatives – together with the weak economy – resulted in a reduction of consumption of 20% since 2011.

As consumption shrank, margins were under pressure.

Improved management of the supply chain and good forecasting help us to offer customers the 'right material at the right quality at the right time', while stock and work-in-progress can be controlled reducing the impact of price volatility for both Campine and its customers. Campine is working to improve returns on a more sustained way.

Process improvements are reducing lead times and create more flexibility toward raw materials availability to help to manage this better. An additional positive effect of these process improvements is the better quality and new features of our products.

Flame retardancy regulations are becoming more stringent. Campine, as a world leader in flame retardancy, offers solutions to our costumers to comply fully. Higher purity levels are needed which Campine supplies.

Production

Reworking of intermediate materials in a closed loop and improvement in the packaging installation have increased our yield.

These measurements contribute to faster stock rotation and less capital use while improving service to customers.

Plastics

The plastics unit produces ready-to-use flame retardant masterbatches and compounds for the plastics industry. Multiple applications include flame retardant insulation plates, dashboards, plastic pipes, foil for construction and home appliances. These masterbatches are supplied in granular form for easy and dust-free dispensing at customer premises.

Results and volumes
Turnover increased to EUR 22.81 million (EUR 20.60 million in 2012) (+11 %). Volume also increased to 5,091 mT (2012: 4,330 mT) (+18 %).

Market
Sales volumes in 2013 have seen an increase, while sales margins have generally been maintained.

2013 has been a reasonable year supported by an improving market situation in existing markets and solid developments into new markets. The growth of global demand of flame retardancy and the increasing sophistication of solutions drives the growth of the plastics unit.

Production
A production highlight was the up-scaling of the next generation of masterbatches for the XPS market. This enables customers to comply with regulations applicable in 2015.

A new underwater pelletisation was installed to improve quality, output, efficiency and ergonomics.

Support services

Safety, health and environment
Thanks to our focus on safety the number of severe accidents has reduced in 2013. In 2014 we will continue to increase safety awareness of personnel by evaluating and adjusting working methods.

Bio-monitoring continues to show good results. Campine is well within the permitted standards and will continue to improve by investing in

- Environmental measures including improved filter equipment
- Optimising dust removal from the work floor
- Personal protection equipment (eg airstream helmets)

Emissions are in line with our permit.

Our energy consumption is being monitored and energy-saving measures are being investigated.

Human Resources and IT

Continuous recruitment and training of personnel in sales, business, product and process development remains an important task. This enables us to fulfill customer needs and maintain innovation.

In August we again organised a “safety and teamwork” day for the entire personnel.

Perspectives for 2014

We see some signs of economic recovery with demand slowly increasing.

For the business unit lead we expect to realise a further volume increase. Profitability still depends highly on the raw material market which has improved recently but is still far from the desired level.

In antimony we expect a slight volume increase compared to 2013, but margins remain under pressure.

In plastics we expect increasing volumes.

Over the financial year 2014 we anticipate a positive result.

Corporate matters

Fairness statement
The Board of Directors declares that to the best of their knowledge:

- The financial statements, prepared in accordance with the IFRS, give a true and fair view of the assets, liabilities, financial position and the results of the company, including its consolidated subsidiaries;
- The annual report gives a true and fair view of the development and results of the company, including its consolidated subsidiaries, together with a description of principal risks and uncertainties that they face.

Independence and competence criteria independent directors
The law of 17 December 2008 regarding the Audit committee in listed companies entered into force on 8 January 2009. The Group complies with the requirements of this law and confirms that the independent directors comply with the law as to independence and competence criteria in the field of accounting and audit.

Significant events after the close of the year
No significant events – effecting Campine – occurred after the close of the financial year.

Use of financial instruments by the company, to the extent that these are significant in evaluating its assets, liabilities, financial situation and earnings
Since 2006, Campine takes positions in LME lead futures where it sells forward lead via future contracts. The objective of this activity is to reduce the fluctuations of Campine's net income due to changes in lead prices. Despite hedging a specific risk in an economic manner, these derivative financial instruments do not respect the strict criteria for the application of hedging accounting under IAS 39.

From the beginning of 2009 the company has also started to hedge fixed price-sell contracts with specific customers. Future purchase contracts (with the same expiry dates and the same amounts) are closed on the LME. The objective is to reduce fluctuations in the result because of movements in the lead price. These derivatives are defined as "fair value hedge of firm commitment" and fulfil the criteria of IAS39 (hedge accounting).

From the beginning of 2009 the company has also started to hedge fixed price-purchase contracts with specific suppliers. Future sell contracts (with the same expiry dates and the same amounts) are closed on the LME. The objective is to reduce fluctuations in the result because of movements in the lead price. These derivatives are defined as "fair value hedge of firm commitment" and fulfil the criteria of IAS39 (hedge accounting).

The value of these fixed price contracts and the future LME commitments are both shown in the balance sheet; changes in the values will be shown in the profit and loss account.

The classification of the fair value of the hedge instruments is level 1 (unadjusted quoted prices in an active market for identical assets or liabilities) in the "fair value hierarchy" of IFRS 13.

Circumstances which could significantly influence the development of the company
There were no changes in circumstances which could substantially influence the development of the company.

Research and development
Research and development is a constant theme in the improvement of the mastering of our production processes and the applicability of our products in specific markets. In each business unit research projects were started up in collaboration with customers to develop new innovative products.

Risks and uncertainties
Campine, together with all other companies, is confronted with a number of uncertainties as a consequence of worldwide developments. The management aims to tackle these in a constructive way.

Campine pays particular attention to the company risks related and inherent to the sector:
- Fluctuations of the prices of raw materials and metal. Prices fluctuate as a result of a changing supply and/or demand of raw materials and end products, but also because of pure speculation;
- Fluctuations of the energy prices, which represent an important part of our production cost;
- Changes in regulations (Flemish, Belgian, European and global) in the field of environment and safety/health including legislation related to sale (REACH) and storage (SEVESO) of chemical products;
- Market risks: interest risk, foreign exchange risk and price risk (see note 5.29.).

Information concerning the possible effects of a public take over bid
The company is represented by 1.500.000 shares. There are no different kinds of shares and every share represents one vote. There are no specific legal nor statutory limitations regarding the transfer of these shares, no specific control nor shareholders agreements.
For both, the appointment and substitution of Board members and the modification of the Articles of Association, ordinary legislation is valid. Neither the Board of Directors, nor its individual members have a special power and/or agreement exercisable in case of a public take over bid.

Dividend
The Board of Directors proposes that the company will not pay a dividend. In 2013 no dividend was paid.

Statutory Auditor
In 2013 the statutory auditor fee for audit and non-audit services reached 103.951 EUR for the Group.
The non-audit services in 2013 amounted to 23.366 EUR and were related to:
- Other attestation services (12.380 EUR)
- Tax advice (10.986 EUR)

Discharge to Directors and Statutory Auditor
The Board of Directors proposes granting discharge to all Directors and the Statutory Auditor in respect of the exercise of their mandates in 2013.

Statutory appointments
The mandate of the Auditor of Deloitte Bedrijfsrevisoren, represented by Mrs Kathleen De Brabander, expires at the Annual Meeting of shareholders. The Board of Directors will propose to the annual meeting to renew the mandate of Auditor of Deloitte Bedrijfsrevisoren, represented by Mrs Kathleen De Brabander for a period of 3 years. The mandate will automatically end, unless renewed after the Annual Meeting of Shareholders of 2017. The annual fee for audit services amounts to 80.585 EUR. This amount is yearly indexable.

Appointment of Christulf BVBA, represented by its permanent representative Christian Dewulf, as independent Board member for a period of 3 years to replace Mrs. Reynaers who resigned. The Board of Directors has determined that Christulf BVBA, represented by its permanent representative Christian Dewulf, complies with all criteria required by article 526ter of the Company Code and thus can be considered as an independent Director in compliance with the law and the company's Corporate Governance Code. The Board of Directors will propose to the annual meeting to appoint Christulf BVBA, represented by its permanent representative Christian Dewulf, as independent Board member for a period of 3 years, which will, subject to renewal, automatically end after the Annual Meeting of Shareholders of 2017. The Directors' remuneration amounts to EUR 12.750 for 2014. According to the Articles of Association the amount is automatically increased by two hundred and fifty euros (EUR 250) on the first day of each new financial year.

Corporate Governance Statement & Remuneration Report 2013

I. Introduction

As a company incorporated under the laws of Belgium and listed on Euronext Brussels, Campine nv adheres to the principles and provisions of the Belgian Corporate Governance Code 2009, taking into account Campine's characteristics such as its specific business environment and its relatively limited size.

The Corporate Governance Statement has been established in accordance with the "comply or -explain"-principle and mentions the parts of the Belgian Corporate Governance Code 2009 of which Campine differs and gives substantiated reasons. The recommendations 2.3, 5.5, 5.2./4. of the Corporate Governance Code 2009 are not or only partially followed. The explanation for these deviations is to be found further in this Corporate Governance Statement.

The existing Corporate Governance model of Campine structures the existing procedures and ensures the efficient and transparent operation of the Group in the interest of the Group and its stakeholders.

The Corporate Governance Charter of Campine has been adopted by the Board of Directors on 9 March 2006 and has been amended by a decision of the Board of Directors on 26 February 2014. It aims at providing a comprehensive and transparent disclosure of the rules and policies that together with applicable law constitute the governance framework within which the company operates.

This Corporate Governance Charter has been and will be further up-dated by the Board in case of further developments of, or changes to, the Belgian Corporate Governance Code 2009 or to Campine's Corporate Governance model. The Corporate Governance Charter is mentioned on the website (www.campine.be) at "investor's relations".

II. Corporate capital and shareholding

The corporate capital is set at four million euro (EUR 4,000,000.00), represented by one million and five hundred thousand (1,500,000) shares without nominal value. The capital is fully paid up. There are no statutory nor legal restrictions regarding the transfer of shares.

<u>Shareholding structure on balance sheet date</u>
No changes were made to the known shareholder structure of Campine in 2013 as the company received no notifications in 2013.

Name	**Number of shares**	**% of the share capital**
1. Camhold NV Nijverheidsstraat 2, 2340 Beerse	540.000	36,00%
2. F.W. Hempel Intermétaux SA Rue Vallin 2, 1201 Genève, Switzerland	537.900	35,86%

The remaining shares (28,14%) are, as far as the company knows, held by private investors. The company has until now not received any notices from other shareholders, who are compelled to disclose their shareholdings pursuant to Belgian law governing the notification of major shareholdings.

<u>Public takeover bid</u>
Proceedings in case of public takeover bid are mentioned in articles 7 and 12 of the Articles of Association.

<u>Rules regarding the exercise of the voting rights</u>
Rules regarding the exercise of the voting rights are mentioned in article 10 of the Articles of Association. No shareholder has any special rights. There are no statutory restrictions regarding the exercise of voting rights.

III. The Board of Directors

<u>Composition</u>
Rules for the appointment and replacement of the Directors are mentioned in articles 13 and 14 of the Articles of Association.

The Board should consist of a minimum of three and a maximum of nine members according to the Articles of Association. The Board is composed of six members, being one executive director and five non-executive directors, of whom are two independent directors:

Mr Friedrich-Wilhelm Hempel, Chairman of the Board
- Non-executive Board member (appointed for a period of 3 years on 8 May 2012);
- Shareholder and director of various private companies in Europe.

Mr André Hempel
- Non-executive Board member (appointed for a period of 3 years on 8 May 2012);
- Shareholder and director of various private companies in Europe.

DELOX BVBA (On 25 June 2013 DELOX NV changed its management form to DELOX BVBA)
- Non-executive and independent Board member represented by its permanent representative Mr Patrick De Groote (appointed for a period of 3 years on 8 May 2012);
- Board member of various companies.

Mr Hans-Rudolf Orgs
- Non-executive Board member (appointed for a period of 3 years on 8 May 2012);
- Managing Director of the holding company F.W. Hempel & Co Erze & Metalle.

Mrs Martine Reynaers (resigned on 26 February 2014)
- Non-executive and independent Board member (appointed on 23 August 2012 until the Annual Meeting in 2015);
- Managing Director of Reynaers Aluminium.

Mr Geert Krekel
- Managing Director (appointed for a period of 3 years on 8 May 2012);
- Chairman of the Board of Campine Recycling nv.

From left to right: H.-R. Orgs, P. de Groote, F.-W. Hempel, M. Reynaers, G. Krekel, A. Hempel

Campine applies to the independence criteria as mentioned in the Corporate Governance Charter. The independent directors declare that they comply with art. 526ter of the Company Code.

The Belgian Corporate Governance Code 2009 requires that the Board should comprise at least three independent directors (article 2.3), while the company currently only has two independent directors. This is explained by the fact that the number of the directors has to be seen in the perspective of the size of the company.

The Board is small enough for efficient decision-making and on the other side large enough for its members to contribute experience and knowledge from different fields and for changes to be managed without undue disruption.

Each director has a specific and complementary role to play on the Board.

<u>Functioning</u>
The Board determines the company's strategy and at the same time monitors and controls the risks attached to the company's activities. The Board determines the company's annual budgets as well as the risk positions in metals and decides on investments and divestments of the Group and the composition of the Executive Management Team.

The Board meets on average four times a year, in February, May, August and November. This frequency enables the Board to keep regular and continuous track of the consolidated and unconsolidated results, the general state of business and developments at both Campine and its subsidiary, Campine's investment programmes, acquisitions and divestments by the Group, development of the management, etc...

Nevertheless, the Board shall be called by the Chairman or the Managing Director whenever the company's corporate interest so requires. Upon request of at least two directors additional meetings are convened.

During the financial year which closed per 31 December 2013, the following Board meetings were held:

Date of the Board meeting	Present
27 February 2013	F.-W. Hempel, A. Hempel, G. Krekel, H.-R. Orgs, DELOX NV, M. Reynaers
25 March 2013	F.-W. Hempel, A. Hempel, G. Krekel, H.-R. Orgs, DELOX NV, M. Reynaers
14 May 2013	F.-W. Hempel, A. Hempel, G. Krekel, H.-R. Orgs, DELOX NV, M. Reynaers
30 August 2013	A. Hempel, G. Krekel, H.-R. Orgs, DELOX BVBA, M. Reynaers
27 November 2013	F.-W. Hempel, A. Hempel, G. Krekel, H.-R. Orgs, DELOX BVBA, M. Reynaers

<u>During the Board meetings, following subjects were – among others – discussed:</u>
- Results of Campine and its subsidiary Campine Recycling
- Evaluation of last and current year's budget
- Determination of next year's budget
- Approval of new investments
- Evaluation of running and completed investments
- Determination of the annual accounts for approval by the Annual Meeting of Shareholders
- Composition of the annual report to the Annual Meeting of Shareholders
- Approval of the invitation of the Annual Meeting of Shareholders
- Approval of press releases to be published
- Proposal of the nominations to the Annual Meeting of Shareholders
- Evaluation and determination of the risk position of lead and antimony, credit risk
- Credit loans and bank balances

- Status of the different departments (production, purchase, sales, personnel, …) of the different BU's
- Status: personnel and organisation
- Status: safety, health and environment

Evaluation of the Board of Director and Board Committees

The Board evaluates periodically – every two years – its size, its composition, its own performance and that of any committees installed by it, in order to assess whether (i) the evaluated management body operates efficiently, (ii) important issues are debated and prepared properly, (iii) each director makes a constructive contribution to the decision making process, taking into account changing circumstances.

Such assessment is prepared by the Nomination & Remuneration committee, and discussed with the full Board, under the leadership of the Chairman. The purpose of such assessment is to improve the performance of the Board of Directors and the committees installed by it where necessary.

The performance of the individual Directors is reviewed by the Nomination & Remuneration committee when the Director is considered for re-nomination. The committee assesses the Director's actual contribution to the work of the Board.

The first evaluation will take place in 2014 after the nomination of the new independent Board member.

Company secretary

The Company secretary works in close cooperation with the Managing Director and has the following tasks:
- Support and advise the Chairman of the Board of Directors, the Chairmen of the Board Committees and all Board members in the execution of the general and specific tasks and obligations;
- Provide a good information flow within the Board of Directors and its committees and between the Executive Management Team and the non-executive directors;
- Report regularly to the Board – conducted by the Chairman – on the way procedures, regulations and rules of the Board of Directors and the Corporate Governance Charter are executed and complied with and possibly give suggestions regarding required adjustments of these procedures, rules and regulations of the Board of Directors and the Corporate Governance Charter;
- Act as a secretary of the Audit committee.

He has the authority and obligation to use suitable, necessary and proportional means to execute his tasks in an efficient way.

The function of Company secretary is executed by Mr R.P. Pearson.

IV. Executive Management Team

Composition

Geert Krekel
Managing Director
Chief Operating Decision Maker (CODM)

Jan Keuppens
Finance and Administration Manager

Hilde Goovaerts
Operations Manager

Ronny Van Britsom
Site Facility Manager

Functioning

The Managing Director's responsibilities include developing and monitoring of the business plans for each business unit, as approved by the Board, the implementation of the decisions of the Board and the setting up of the necessary investment programmes, which are then presented to the Board for approval. Furthermore the Managing Director ensures that valid legislation is respected and that the company works in compliance with all valid safety, health and environmental regulations.

The Managing Director is assisted by the Executive Management Team. The Executive Management Team reports to the Managing Director and enables the Managing Director to properly perform his duties of daily management.

V. Board committees

The Board has set up the following specialised committees:

1. The Nomination & Remuneration committee

The Nomination & Remuneration committee (that acts as a Remuneration committee within the meaning of article 526quater of the Company Code) assists the Board in all matters related to the appointment and remuneration of the directors and the Executive Management Team. The Nomination & Remuneration committee prepares the Remuneration report and clarifies it during the Annual Meeting of Shareholders.

The Managing Director will participate in the committee with an advisory vote, each time the Nomination & Remuneration committee is dealing with the remuneration of the members of the Executive Management Team and when the committee invites him.
The Nomination & Remuneration committee consists of the Chairman of the Board (Mr F.-W. Hempel) and the two independent directors (Mrs M. Reynaers and DELOX

BVBA, represented by its permanent representative Mr P. De Groote). Both Mrs M. Reynaers and Mr P. De Groote have the necessary expertise in the field of remuneration as a result of their year-long experience in the business environment and in business associations.

2. The Audit committee

In addition to the legal requirements to the Board, the Audit committee has, at least, the following tasks:

- Monitoring the financial reporting process;
- Monitoring the effectiveness of the company's internal control and risk management systems;
- Monitoring the internal audit and its effectiveness;
- Monitoring the statutory audit of the annual and consolidated accounts, including any follow-up on any questions and recommendations made by the statutory auditor;
- Review and monitoring the independence of the statutory auditor, in particular regarding the provision of additional services to the company.

The Audit committee consists of Mr H.-R. Orgs and the independent director Mrs M. Reynaers.

The law of 17 December 2008 regarding the Audit committee in listed companies entered into force on 8 January 2009. The Group complies with the requirements of this law and confirms that the independent directors comply with the law as to independence and competence criteria in the field of accounting and audit.

Pursuant to the Belgian Corporate Governance Code 2009 requires each committee should comprise at least three members (article 5.5). Currently the Audit committee only has two members. This is explained by the fact that the number of directors and hence the committee is to be seen in the perspective of the size of the company.

Pursuant to the Belgian Corporate Governance Code 2009 the majority of the members of the Audit committee should be independent (article 5.2./4). Currently only half of the Audit committee is independent. This is explained by the fact that the Audit committee – seeing the size of the Board – only has two members at this moment.

3. The Strategy committee

The Strategy committee assists the Board in all matters related to the general management of the company and its subsidiary.
It consists of the independent director DELOX BVBA, represented by its permanent representative Mr P. De Groote, the Managing Director Geert Krekel and Mr A. Hempel.

4. Functioning of the committees

During the financial year which closed per 31 December 2013 the following Board committee meetings were held:

Board committee	Date of the meeting	Members present
Nomination & Remuneration committee	28 June 2013	F.-W. Hempel, Delox BVBA
	26 November 2013	F.-W. Hempel, Delox BVBA, M. Reynaers
Audit committee	20 February 2013	H.-R. Orgs, M. Reynaers
	7 May 2013	H.-R. Orgs, M. Reynaers
	27 August 2013	H.-R. Orgs, M. Reynaers
	22 November 2013	H.-R. Orgs, M. Reynaers
Strategy committee	23 September 2013	A. Hempel, DELOX BVBA, G. Krekel
	24 October 2013	A. Hempel, DELOX BVBA, G. Krekel

During the Nomination & Remuneration committee meetings, following subjects were discussed:
- Nomination of new Board members
- Remuneration policy: the attendance and working fees of non-executive Board members
- Preparation of the Remuneration report for the Board
- Confirmation of director's remuneration: tantièmes and director's remuneration
- Composition of the Executive Management Team
- Remuneration 2014 of the Managing Director and of the key-personnel
- Functioning of the Board committees

During the Audit committee meetings, following subjects were discussed:
- Evaluation results of the current year
- Evaluation forecast of the current year
- Preparation of the credit risk for the Board
- Preparation of the risk position of lead and antimony for the Board
- Internal control: contracts distributors, agents and consignment, inventories in external locations
- Examination year and half-year figures and the evaluation of the accounting estimates and judgements as a result of the end of the financial year
- Examination legal cases
- Preparation of next year's budget for the Board
- Evaluation of the current budget
- Press releases to be published: year results, half-year results, intermediate report

During the Strategy committee meetings, following subjects were discussed:
- Business development
- Diversification of the supply of raw materials
- Management of impurities

The committee's regulations can be found in annex of the Corporate Governance Charter. The Board intends to further officialise the working of the committees in compliance with the Belgian Corporate Governance Code 2009 in the coming years.

VI. Main features of the internal control and risk management system

Campine organises the management of internal control and corporate risks by defining its control environment (general framework), identifying and classifying the main risks to which it is exposed, analysing its level of control of these risks and organising 'control of control'. It also pays particular attention to the reliability of the financial reporting and communication process.

1. Control environment
   a. Company organisation:
      - the company is organised into a number of departments as set out in an organisation chart. Each person has a job description. There is a power of attorney procedure. The company's representation in different areas like human resources, purchase, sales, … is integrated in the "internal powers" document. For fluctuating commitments due to price volatility of the product (energy, raw materials, foreign currency, …) specific procedures apply.
      - the support functions are being carried out by the departments of Accounting, IT, Logistics & Procurement, Human Resources and Secretariat, Safety, Health & Environment.
      - management control is the responsibility of the controllers. The Finance & Administration Manager is in charge of organising risk management.

   b. Organisation of internal control: The Audit committee has a specific duty in terms of internal control and corporate risk management. The role, composition and activities of the Audit committee are described above.

c. Ethics: The Board of Directors has drafted and approved a Corporate Governance Charter and a Code of Conduct (appendix of Corporate Governance Charter). They can also be consulted on the website.

2. Risk analysis and control activities
All processes – from administration to effective production – are managed in our management house – a documented management system which is based on the different risk analyses systems. The risks regarding safety, health, environment & quality are inventorised, evaluated, managed and controlled in a dynamic way based on 'continuous improvement'. The Audit committee reviews the risk analysis twice a year. These risks are described in the note "market risk" in the annual report.

3. Financial information and communication
The process of establishing financial information is organised as follows:
A planning chart sets out the tasks to be completed for the monthly, half-yearly and annual closures of the company and its subsidiary, with deadlines. Campine has a check list of actions to be followed up by the financial department. The accounts team produces the accounting figures under the supervision of the chief accountant. The controllers check the validity of these figures and produce the reporting. The figures are checked using the following techniques:
   - coherence tests by comparison with historical or budget figures;
   - sample checks of transactions according to their materiality.

4. Personnel involved in the supervision and assessment of internal control
The quality of internal control is assessed over the fiscal year:
   - by the Audit committee. Over the fiscal year, the Audit committee reviewed the half-yearly closures and the specific accounting methods. It also reviewed the disputes and main risks facing the company.
   - by the Auditor in the context of their review of the half-yearly and annual accounts. When appropriate, the Auditor makes recommendations in particular concerning the keeping of the financial statements.
   - by the Board of Directors in the context of the day-to-day management.

The Board of Directors supervises the performance of the duties of the Audit committee in that connection, notably through that committee's reporting.

VII. Dealing code regarding to transactions of the company's shares

The dealing code – part of our Code Conduct – stipulates the rules regarding transactions of shares of the company. It sets limitations for key-persons regarding transactions in specific periods ("closed periods" and "prohibited periods") and imposes a disclosure obligation to the Compliance Officer in case of transactions outside these periods.
The Board of Directors has appointed Mr Geert Krekel as Compliance Officer who monitors the key-persons' compliance with the dealing code.

VIII. Comments on the application of the policy for transactions not covered by the legal provisions on conflicts of interest

All transactions with related parties are conducted at arm's length and in compliance with all legal requirements and the Corporate Governance Charter.

During 2013 no conflict of interest (Article 523-524 Company Code) occurred.

IX. Remuneration Report

1. Remuneration policy

The Board is composed in such a way that it represents shareholders on the one side and other stakeholders on the other side. The Board – who finally decides upon the remuneration of the Management – oversees that the performance of the Management is related to the continuity and long term results of the company and that their remuneration is in relation to their performance and in the interest of all stakeholders.

At remaining circumstances, this remuneration policy is also applicable for the next two financial years.

Non-executive Board members
The remuneration policy is set in the Articles of Association of the Company.

Managing Director
The Board of Directors decides upon the appointment, remuneration and removal of the Managing Director. The performance of the Managing Director is assessed by the Nomination & Remuneration committee. During a Board meeting – where the Managing Director is not present – the Chairman of the Nomination & Remuneration committee informs the members about this assessment which is consequently discussed.

Executive Management Team
The Nomination & Remuneration committee advises on the nomination, remuneration and removal of the members of the Executive Management Team.

2. Statement on the remuneration policy applied during 2013

Non-executive Board members

Non-executive directors do not receive a merit pay such as bonus or any advantage in kind nor advantage related to a pension plan.

Board members who are member of a specialised committee do not receive additional remuneration for that.

The director's remuneration granted to the non-executive directors is set in the Articles of Association and specified under point 3 below. It is paid during the corresponding financial year. Directors who have not exercised their mandate for the whole financial year, will be paid pro rata the full months of their mandate.

The tantième granted to the non-executive directors is set in the Articles of Association and specified under point 3 below. It is paid in May following the close of the financial year to which the tantièmes relate.

Managing Director

Fixed and variable
The Managing Director does not receive any compensation for his duty as mere director.

The Managing Director's remuneration for the execution of his function consisting of both a fixed and a variable compensation is based on market references, based on a comparison of companies of the same size whose remuneration is publicly available.

The variable part of the remuneration is partly result-related and partly linked to a system of company, BU and personal objectives.

According to the Articles of Association of the company the obligation mentioned in article 520ter, second paragraph, and article 525, last paragraph of the Company Code does not apply to executive directors, the persons who, alone or together, are charged with the day-to-day management and other leaders mentioned in article 96, §3, last paragraph of the Company Code of the company.

The criteria for an additional bonus are fixed by the Nomination & Remuneration committee.

Article 23 of the Articles of Association of Campine provide for an exception on the application of article 520ter, second paragraph, and article 525, fourth paragraph of the Company Code.

The company and BU objectives can include profit to be realised, sales, purchase, environmental, health and safety targets as well as targets in the field of process control, innovation, maintenance and possibly other areas.

The objectives are set up annually and apply for the entire financial year and some possible over multiple financial years. The choice of objective areas can change every year depending on economic circumstances, regulations, organisation, strategy and other factors. The effective targets are not communicated in detail as this would reveal and make public confidential information on the strategy of the company.

Pensions
The Managing Director participates in a pension plan based on fixed contributions.

Other benefits
The Managing Director participates – as do all employees of the company – in a group and health insurance. Other benefits are representation allowance, company car, internet connection, company phone in compliance with local market practices.

Terms of hiring and termination arrangements
The contractual terms of hiring and termination arrangements of the Managing Director do not provide any specific compensation commitments, other than standard notice periods as foreseen by the law, in the event of early termination. The term of notice is maximum 12 months, with a possible deviation until the Claeys formula in case of early termination.

The right to reclaim the variable remuneration in case of incorrect financial data
The company has no right to reclaim the variable remuneration when the variable remuneration was granted to the Managing Director based on incorrect financial data.

Executive Management Team

Fixed and variable
The remuneration of the members of the Executive Management Team, consisting of both fixed and variable compensation, is based on a market study, using reference functions, based on a comparison of companies of the same size whose remuneration is publicly available.

The variable part of the remuneration is partly result-related and partly linked to a system of company, BU and personal objectives.

According to the Articles of Association of the company the obligation mentioned in article 520ter, second paragraph, and article 525, last paragraph of the Company Code does not apply to executive directors, the persons who, alone or together, are charged with the day-to-day management and other leaders mentioned in article 96, §3, last paragraph of the Company Code of the company.

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The company and BU objectives can include profit to be realised, sales, purchase, environmental, health and safety targets as well as targets in the field of process control, innovation, maintenance and possibly other areas.

The objectives are set up annually and apply for the entire financial year and some possible over multiple financial years. The choice of objective areas can change every year depending on economic circumstances, regulations, organisation, strategy and other factors. The effective targets are not communicated in detail as this would reveal and make public confidential information on the strategy of the company.

Pensions
The members of the Executive Management Team participate in a pension plan based on fixed contributions.

Other benefits
The members of the Executive Management Team participate – as do all employees of the company – in a group and health insurance.
Other benefits are representation allowance, company car, internet connection, company phone in compliance with local market practices.

Terms of hiring and termination arrangements
The contractual terms of hiring and termination arrangements of the members of the Executive Management Team do not provide any specific compensation commitments, other than standard notice periods as foreseen by the law, in the event of early termination. The term of notice is maximum 12 months, with a possible deviation until the Claeys formula in case of early termination.

The right to reclaim the variable remuneration in case of incorrect financial data
There is no right to reclaim the variable remuneration in favour of the company when the variable remuneration was granted to the Executive Management Team based on incorrect financial data.

3. Remuneration 2013

Non-executive directors

- During the financial year closed per 31 December 2013, the non-executive directors (F.-W. Hempel, A. Hempel, H.-R. Orgs, DELOX BVBA, M. Reynaers) received each a gross compensation of 12.500 EUR for fulfilling their duties as directors.
- For the financial year closed per 31 December 2013, no tantièmes will be paid.
- During the financial year closed per 31 December 2013, none of the non-executive directors (F.-W. Hempel, A. Hempel, H.-R. Orgs, DELOX BVBA, M. Reynaers) received any shares, share options or other rights to acquire shares of the company or Group.

Managing Director

- Geert Krekel, Managing Director on an independent base, is in charge of the daily management and did not receive any compensation for his duty as mere director.
- As Managing Director, Geert Krekel received a gross pay, including benefits of all kinds, of 200.386 EUR over 2013. This amount was made up of a fixed component of 178.800 EUR, pension contributions and invalidity insurance of 13.200 EUR (on the basis of a “defined contribution” system) and benefits in kind (car, mobile phone, internet connection, representation costs) to the value of 8.386 EUR. (There is no variable component for 2013).
- During the financial year closed per 31 December 2013 Geert Krekel did not receive any shares, share options or other rights to acquire shares of the company or Group.

Executive Management Team

- The members of the Executive Management Team (see point IV Executive Management Team – composition) together received a total gross pay of 483.181 EUR for 2013. This amount was made up of a fixed component of 402.809 EUR, a variable component of 24.634 EUR, pension contributions and invalidity insurance of 32.453 EUR (on the basis of a “defined contribution” system) and benefits in kind (car, mobile phone, internet connection, representation costs) to the value of 23.284 EUR.
- During the financial year closed per 31 December 2013 none of the members of the Executive Management Team received any shares, share options or other rights to acquire shares of the company or Group.

The Board of Directors requests the Annual Meeting of Shareholders to consider the annual report of the Board including the corporate governance statement and to approve the remuneration report.

Consolidated financial statements 2013

1. Consolidated income statement for the year ended 31 December 2013

'000 EUR	Notes	Year ended 31/12/2013	Year ended 31/12/2012
Revenue	4	137.465	149.925
Other operating income	5	1.981	2.812
Raw materials and consumables used		- 117.543	- 130.722
Employee benefits expense	27	- 12.008	- 12.430
Depreciation and amortisation expense	9 / 10	- 3.538	- 3.218
Other operating expenses	5	- 8.060	- 7.875
Operating result		- 1.703	- 1.508
Investment revenues		2	2
Hedging results	14	1.042	- 879
Finance costs	6	- 872	- 963
Result before tax		- 1.531	- 3.348
Income tax expense	7	387	882
Result for the year		- 1.144	- 2.466
Result for the year		**- 1.144**	**- 2.466**
Attributable to:			
Equity holders of the parent		- 1.144	- 2.466
Minority interest		-	-
		- 1.144	- 2.466
RESULT PER SHARE (in EUR)	8		
Basic		- 0,76	- 1,64
Diluted		- 0,76	- 1,64

Condensed consolidated overview of the total result

'000 EUR	Notes	Year ended 31/12/2013	Year ended 31/12/2012
Result for the year		- 1.144	- 2.466
Other comprehensive income			
Comprehensive income to be reclassified to the profit or loss statement in the future		-	-
Comprehensive income not to be reclassified to the profit or loss statement in the future	28	- 94	-
Total result for the year		**- 1.238**	**- 2.466**
Attributable to:			
Equity holders of the parent		- 1.238	- 2.466
Minority interest		-	-

2. Consolidated balance sheet on 31 December 2013

'000 EUR	Notes	Year ended 31/12/2013	Year ended 31/12/2012
ASSETS			
Non-current assets			
Property, plant and equipment	9	9.223	10.506
Intangible assets	10	646	865
Deferred tax assets	17	1.161	724
Cash restricted in its use		275	275
		11.305	12.370
Current assets			
Inventories	12	23.872	35.838
Trade and other receivables	13	18.279	20.701
Derivatives	14	-	59
Cash and cash equivalents		1.201	2.696
		43.352	59.294
TOTAL ASSETS		**54.657**	**71.664**
EQUITY AND LIABILITIES			
Capital and reserves			
Share capital	15	4.000	4.000
Translation reserves		-	-
Retained earnings*		17.673	18.911
Equity attributable to equity holders of the parent		21.673	22.911
Total equity		21.673	22.911
Non-current liabilities			
Retirement benefit obligation	28	593	463
Deferred tax liabilities	17	-	-
Bank loans	16	1.875	3.375
Provisions	21	1.125	1.130
		3.593	4.968
Current liabilities			
Retirement benefit obligation	28	120	151
Trade and other payables	18	13.546	11.255
Derivatives	14	71	493
Current tax liabilities		-	2.059
Bank overdrafts and loans	16	15.654	29.827
Provisions	21	-	-
		29.391	43.785
Total liabilities		32.984	48.753
TOTAL EQUITY AND LIABILITIES		**54.657**	**71.664**

* Retained earnings consist of legal reserves (965 KEUR) and other reserves and retained results (16.708 KEUR).

3. Consolidated statement of changes in equity for the year ended 31 December 2013

'000 EUR	Share capital	Retained earnings	Attributable to equity holders of the parent	Total
Balance on 31 December 2011	**4.000**	**23.302**	**27.302**	**27.302**
Total result of the year	-	- 2.466	- 2.466	- 2.466
Dividends and tantièmes	-	- 1.925	- 1.925	- 1.925
Balance on 31 December 2012	**4.000**	**18.911**	**22.911**	**22.911**
Total result of the year	-	- 1.238	- 1.238	- 1.238
Dividends and tantièmes	-	-	-	-
Balance on 31 December 2013	**4.000**	**17.673**	**21.673**	**21.673**

4. Consolidated cash flow statement for the year ended 31 December 2013

'000 EUR	Notes	Year ended 31/12/2013	Year ended 31/12/2012
OPERATING ACTIVITIES			
Total result for the year		-1.238	-2.466
Adjustments for:			
Other gains and losses (investment grants)		-	-
Investment revenues		-2	-2
Other gains and losses (hedging results)	14	-1.042	879
Finance costs	6	872	963
(Deferred) tax expenses of the total result	7	-435	-882
Depreciation of property, plant and equipment		3.538	3.218
Gain on disposal of property, plant and equipment		-	-487
Change in provisions (incl. retirement benefit)		94	-931
Change in inventory value reduction	12	-81	-2.444
Others		-2	11
Operating cash flows before movements in working capital		1.704	-2.141
Change in inventories	12	12.047	9.130
Change in receivables	13	2.422	5.223
Change in trade and other payables	19	2.291	-6.754
Cash generated from operations		18.464	5.458
Hedging results		679	-771
Interest paid	6	-872	-963
Income taxes paid		-2.059	-1.201
Net cash (used in) / from operating activities		***16.212***	***2.523***
INVESTING ACTIVITIES			
Interest received		2	2
Proceeds on disposal of property, plant and equipment		-	539
Purchases of property, plant and equipment	9	-2.036	-3.387
Purchases of intangible assets	10	-	-270
Net cash (used in) / from investing activities		***-2.034***	***-3.116***
FINANCING ACTIVITIES			
Dividends paid and tantièmes paid		-	-1.925
Repayments of borrowings	16	-2.700	-2.700
New bank loans raised	16	-	-
Change in cash restricted in its use		-	-
Change in bank overdrafts	16	-12.973	6.866
Net cash (used in) / from financing activities		***-15.673***	***2.241***
Net change in cash and cash equivalents		***-1.495***	***1.648***
Cash and cash equivalents at the beginning of the year		2.696	1.048
Effect of foreign exchange rate changes		-	-
Cash and cash equivalents at the end of the year		***1.201***	***2.696***
Bank balances and cash		***1.201***	***2.696***

5. Notes to the consolidated financial statement for the year ended 31 December 2013

5.1. General information

Campine nv (the Company) is a limited liability company incorporated in Belgium. The addresses of its registered office and principal place of business are disclosed in the Corporate Data. The principal activities of the Company and its subsidiaries (the Group) are described in this annual report.

5.2. Significant accounting policies

The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted by the EU.

The Group has adopted all new and revised standards and interpretations relevant for its activities and which became applicable for the financial year starting 1 January 2013.

Became applicable for 2013, but don't have a material impact on the presentation, notes or the financial statements of the Group, except IFRS 13 and IAS 19.

- IFRS 13 *Fair Value Measurement* (applicable for annual periods beginning on or after 1 January 2013). *more extensive explanations are included in note 20.*
- Improvements to IFRS (2009-2011) (normally applicable for annual periods beginning on or after 1 January 2013).
- Amendments to IFRS 1 *First Time Adoption of International Financial Reporting Standards – Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters* (applicable for annual periods beginning on or after 1 January 2013).
- Amendments to IFRS 1 *First Time Adoption of International Financial Reporting Standards – Government Loans* (applicable for annual periods beginning on or after 1 January 2013).
- Amendments to IFRS 7 Financial Instruments: Disclosures – Offsetting Financial Assets and Financial Liabilities (applicable for annual periods beginning on or after 1 January 2013).
- Amendments to IAS 1 *Presentation of Financial Statements - Presentation of Items of Other Comprehensive Income* (applicable for annual periods beginning on or after 1 July 2012).
- Amendments to IAS 12 *Income Taxes – Deferred Tax: Recovery of Underlying Assets* (applicable for annual periods beginning on or after 1 January 2013).
- Amendments to IAS 19 *Employee Benefits* (applicable for annual periods beginning on or after 1 January 2013). *We refer to note 28 for the impact and further explanations.*
- IFRIC 20 *Stripping Costs in the Production Phase of a Surface Mine* (applicable for annual periods beginning on or after 1 January 2013).

Issued but not yet effective for 2013

- IFRS 9 *Financial Instruments* and subsequent amendments (applicable for annual periods beginning on or after 1 January 2015, but not yet endorsed in EU).
- IFRS 10 *Consolidated Financial Statements* (applicable for annual periods beginning on or after 1 January 2014).
- IFRS 11 *Joint Arrangements* (applicable for annual periods beginning on or after 1 January 2014).
- IFRS 12 *Disclosures of Interests in Other Entities* (applicable for annual periods beginning on or after 1 January 2014).
- IAS 27 *Separate Financial Statements* (applicable for annual periods beginning on or after 1 January 2014).
- IAS 28 *Investments in Associates and Joint Ventures* (applicable for annual periods beginning on or after 1 January 2014).
- Amendments to IFRS 10, IFRS 12 and IAS 27 – *Consolidated Financial Statements and Disclosure of Interests in Other Entities: Investment Entities* (applicable for annual periods beginning on or after 1 January 2014, but not yet endorsed in EU).
- Amendments to IAS 32 *Financial Instruments: Presentation – Offsetting Financial Assets and Financial Liabilities* (applicable for annual periods beginning on or after 1 January 2014).
- Amendments to IAS 36 – *Impairment of Assets – Recoverable Amount Disclosures for Non-Financial Asset* (applicable for annual periods beginning on or after 1 January 2014, but not yet endorsed in EU).
- Amendments to IAS 39 – *Financial Instruments – Novation of Derivatives and Continuation of Hedge Accounting* (applicable for annual periods beginning on or after 1 January 2014, but not yet endorsed in EU).
- IFRIC 21 – *Levies* (applicable for annual periods beginning on or after 1 January 2014, but not yet endorsed in EU).

At this stage, the Group does not expect first adoption of the amendments listed above to standards and new interpretations to have a material impact on the financial statements.

5.2.1. Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries). Control is achieved where the Company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

The results of subsidiaries acquired or disposed of during the year are included in the consolidated income statement from the effective date of acquisition and up to the effective date of disposal, as appropriate. Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by other members of the Group.

All intra-group transactions, balances, income and expenses are eliminated on consolidation.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary.

When the Group loses control of a subsidiary, the profit or loss on disposal is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill) and liabilities of the subsidiary and any non-controlling interests. Amounts previously recognised in other comprehensive income in relation to the subsidiary are accounted for (i.e. reclassified to profit or loss or transferred directly to retained earnings) in the same manner as would be required if the relevant assets or liabilities were disposed of. The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under IAS 39 Financial Instruments: Recognition and Measurement or, when applicable, the cost on initial recognition of an investment in an associate or jointly controlled entity.

Non-controlling interests in subsidiaries are identified separately from the Group's equity therein. The interest of non-controlling shareholders may be initially measured either at fair value or at the non-controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets. The choice of measurement basis is made on an acquisition-by-acquisition basis. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity. Total comprehensive income is attributed to non-controlling interests even if this results in the non-controlling interests having a deficit balance.

5.2.2. Business combinations

The acquisition of subsidiaries is accounted for using the purchase method. The cost of the acquisition is measured at the aggregate of the fair values, at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued by the Group in exchange for control of the acquiree. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition under IFRS 3 are recognised at their fair values at the acquisition date, except for non-current assets (or disposal groups) that are classified as held for sale, which are recognised and measured at fair value less costs to sell.

Goodwill arising on acquisition is recognised as an asset and initially measured at cost, being the excess of the cost of the business combination over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognised. If, after reassessment, the Group's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities exceeds the cost of the business combination, the excess is recognised immediately in profit or loss.

The interest of minority shareholders in the acquiree is initially measured at the minority's proportion of the net fair value of the assets, liabilities and contingent liabilities recognised.

Acquisition-related costs are recognised in profit or loss as incurred.

Where applicable, the consideration for the acquisition includes any asset or liability resulting from a contingent consideration arrangement, measured at its acquisition-date fair value. Subsequent changes in such fair values are adjusted against the cost of acquisition where they qualify as measurement period adjustments (see below). All other subsequent changes in the fair value of contingent consideration classified as an asset or liability are accounted for in accordance with relevant IFRSs. Changes in the fair value of contingent consideration classified as equity are not recognised.

Where a business combination is achieved in stages, the Group's previously held interests in the acquired entity are remeasured to fair value at the acquisition date (i.e. the date the Group attains control) and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss, where such treatment would be appropriate if that interest were disposed of.

5.2.3. Goodwill

Goodwill arising on the acquisition of a subsidiary or a jointly controlled entity represents the excess of the cost of acquisition over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the subsidiary or jointly controlled entity recognised at the date of acquisition. Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less any accumulated impairment losses.

On disposal of a subsidiary or a jointly controlled entity, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

5.2.4. Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts and sales related taxes. Sales of goods are recognised when goods are delivered and title has passed.

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount.

5.2.5. Leasing

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets of the Group at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation. Lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability.
Finance charges are charged to profit or loss, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the Group's general policy on borrowing costs (see further). Rentals payable under operating leases are charged to profit or loss on a straight-line basis over the term of the relevant lease. Benefits received and receivable as an incentive to enter into an operating lease are also spread on a straight-line basis over the lease term.

5.2.6. Foreign currencies

The individual financial statements of each group entity are presented in the currency of the primary economic environment in which the entity operates (its functional currency). For the purpose of the consolidated financial statements, the results and financial position of each entity are expressed in EUR, which is the functional currency of the Company, and the presentation currency for the consolidated financial statements.

In preparing the financial statements of the individual entities, transactions in currencies other than the entity's functional currency (foreign currencies) are recorded at the rates of exchange prevailing on the dates of the transactions. At each balance sheet date, monetary items denominated in foreign currencies are retranslated at the rates prevailing on the balance sheet date. Non-monetary items that are measured in terms of historical cost in a foreign currency remain at historical rate.

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, are included in profit or loss for the period (within other operating income/expenses).

For the purpose of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations (including comparatives) are expressed in EUR using exchange rates prevailing on the balance sheet date.
Income and expense items (including comparatives) are translated at the average exchange rates for the period, unless exchange rates fluctuated significantly during that period, in which case the

exchange rates at the dates of the transactions are used. Exchange differences arising, if any, are classified as equity and transferred to the Group's translation reserve. Such translation differences are recognised in profit or loss in the period in which the foreign operation is disposed of.

5.2.7. Financial instruments

Since 2006, Campine takes positions in LME lead futures where it sells forward lead via future contracts.
The objective of this activity is to reduce the fluctuations of Campine's net income due to changes in lead prices. Despite hedging a specific risk in an economic manner, these derivative financial instruments do not respect the strict criteria for the application of hedging accounting under IAS 39.

From the beginning of 2009 the company has also started to hedge fixed price-sell contracts with specific customers. Future purchase contracts (with the same expiry dates and the same amounts) are closed on the LME. The objective is to reduce fluctuations in the result because of movements in the lead price. These derivatives are defined as "fair value hedge of firm commitment" and fulfil the criteria of IAS39 (hedge accounting).

From the beginning of 2009 the company has also started to hedge fixed price-purchase contracts with specific suppliers. Future sell contracts (with the same expiry dates and the same amounts) are closed on the LME. The objective is to reduce fluctuations in the result because of movements in the lead price. These derivatives are defined as "fair value hedge of firm commitment" and fulfil the criteria of IAS39 (hedge accounting).

Therefore these instruments are recognised on the balance sheet at fair value, while variations in the fair value of such instruments are directly recognised in the income statement.

The classification of the fair value of the hedge instruments is level 1 (unadjusted quoted prices in an active market for identical assets or liabilities) in the "fair value hierarchy" of IFRS 13.

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recognised in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk. The change in the fair value of the hedging instrument and the change in the hedged item attributable to the hedged risk are recognised in the line of the income statement relating to the hedged item.

Hedge accounting is discontinued when the Group revokes the hedging relationship, the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. The fair value adjustment to the carrying amount of the hedged item arising from the hedged risk is amortized to profit or loss from that date.

5.2.8. Borrowing costs

Borrowing costs are recognised in profit or loss in the period in which they are incurred, unless they are directly attributable to qualifying assets, in which case they are capitalised.

5.2.9. Government grants

Government grants are recognised in profit or loss (in other operating income) over the periods necessary to match them with the related costs.

Government grants related to later periods are presented in the financial statements as deferred income.

5.2.10. Retirement benefit costs and termination benefits

Payments to defined contribution retirement benefit plans are recognised as an expense during the period of service which entitles employees to the contributions.

For defined benefit retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding interest), is reflected immediately in the statement of financial position with a charge or credit recognised in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to profit or loss. Past service cost is recognised in profit or loss in the period of a plan amendment.

Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

- Service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements)
- Net interest expense or income
- Remeasurement

The Group presents the first 2 components of defined benefit costs in profit and loss in the line item employee benefits expense. Curtailment gains and losses are accounted for as past service costs. The 3th component is recognised directly to equity.

The retirement benefit obligation recognised in the consolidated statement of financial position represents the actual deficit or surplus in the Group's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.

5.2.11. Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realised. Deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

5.2.12. Property, plant and equipment

Property, plant & equipment are stated at cost less accumulated depreciation and any accumulated impairment losses.

Properties in the course of construction for production, rental or administrative purposes, are carried at cost, less any recognised impairment loss. Cost includes professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Group's accounting policy. Depreciation of these assets commences when the assets are ready for their intended use.

Depreciation is charged so as to write off the cost or valuation of assets, other than land and properties under construction, over their estimated useful lives, using the straight-line method.

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets or, where shorter, the term of the relevant lease.
The gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

5.2.13. Internally-generated intangible assets – research and development expenditure
Expenditure on research activities is recognised as an expense in the period in which it is incurred.

An internally-generated intangible asset arising from the Group's development is recognised only if all of the following conditions are met:

- an asset is created that can be identified (such as software and new processes);
- it is probable that the asset created will generate future economic benefits and;
- the development cost of the asset can be measured reliably.

Internally-generated intangible assets are amortised on a straight-line basis over their estimated useful lives. Where no internally-generated intangible asset can be recognised, development expenditure is charged to profit or loss in the period in which it is incurred.

5.2.14. Patents, trademarks and software purchased
Patents, trademarks and software purchased are measured initially at purchase cost and are amortised on a straight-line basis over their estimated useful lives.

5.2.15. Impairment of tangible and intangible assets excluding goodwill
At each balance sheet date, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

5.2.16. Inventories
Cost of the raw materials includes both the purchasing price (using the principle of First in First out ("FIFO")) and the direct purchasing costs, like import duties, transportation and completion costs. Cost of work in progress and finished products comprises all direct and indirect costs necessary that have been incurred in bringing the inventories to their present location condition on balance sheet date. Direct costs include, among others, the cost of the used raw materials and the direct labour costs. Indirect costs include a systematical impute of fixed and variable indirect production costs proceeded from the conversion of raw materials in end products. The impute of fixed indirect production costs is based on the normal capacity of the production facilities.

For the determination of the cost, the standard cost price method is used. The standard cost price takes into account the normal use of raw and auxiliary materials, labour, efficiency and capacity. The standard cost price is frequently being evaluated and, if necessary, revised in consideration with the present conditions. The standard cost price of the raw and auxiliary materials, as also the appreciation of it in work in progress and in raw materials, will be revised every month on the basis of the new determined FIFO value of these raw and auxiliary materials.

The inventories are valued at the lower of cost, determined as described above, or net realisable value. The net realisable value represents the estimated selling price in normal circumstances less estimated cost of completion and costs to be incurred to realise sales (marketing, selling and distribution). The estimated selling price is affected by the LME quotation (London Metal Exchange) for lead and the MB (Metal Bulletin) quotation for antimony.

Value reductions are made for the old and slow moving inventories.

5.2.17. Trade receivables
Trade receivables are measured at initial recognition at fair value. Appropriate allowances for estimated irrecoverable amounts are recognised in profit or loss when there is objective evidence that the asset is impaired. The allowance recognised is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the effective interest rate computed at initial recognition. Based on a regular age analysis of the assets, it is determined case per case if a liability for doubtful debtors is needed.

5.2.18. Cash and cash equivalents
Cash and cash equivalents comprise cash on hand and demand deposits. Cash and cash equivalents are included at fair value.

5.2.19. Bank borrowings
Interest-bearing bank loans and overdrafts are measured at fair value. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in accordance with the Group's accounting policy for borrowing costs (see above).

5.2.20. Trade payables
Trade payables are measured at fair value.

5.2.21. Provisions
Provisions are recognised when the Group has a present obligation as a result of a past event, and it is probable that the Group will be required to settle that obligation. Provisions are measured at the directors' best estimate of the expenditure required to settle the obligation at the balance sheet date, and are discounted to present value where the effect is material.

5.3. Judgement and use of estimates
The preparation of financial statements requires the use of estimates and assumptions to determine the value of assets and liabilities, to assess the positive and negative consequences of unforeseen situations and events at the balance sheet date, and to form a judgment as to the revenues and expenses of the fiscal year.

Significant estimates made by the Group in the preparation of the financial statements relate mainly to:

- Valuation of the recoverable amount of stocks (see note 5.12.).
  The inventories are valued at cost, determined as described above, or at net realisable value, if the latter is lower.

- Valuation of sanitation provisions (see note 5.21.).
  The Group has set up a provision for soil sanitation.

- Provisions for doubtful debtors (see note 5.13.1.).
  Based on a regular age analysis of the assets, it is determined case per case if a provision for doubtful debtors is needed.

- Pension and related liabilities (see note 5.28.).
  The estimated liability arising from defined contribution retirement benefit plans of the Group, is based on actuarial assumptions. The pre-tax discount rate and estimated salary expectations are actuarial assumptions which can significantly affect the liability.

- Deferred tax assets (see note 5.7.).
  Deferred tax assets are recognised for the carry-forward of unused tax losses and unused tax credits to the extent that it is probable that future taxable profit will be available against which the unused tax losses and unused tax credits can be utilised. In making its judgement, the Board takes into account long-term business strategy. A major uncertainty in the determination of the future taxable result concerns the volatility and unpredictability of raw material prices.

- Others; litigation and lawsuits
  The Group is, and can in the future become, involved in legal disputes. Until now, Campine is – as plaintive or defendant – involved in some legal proceedings which can have no important global impact on Campine – as to the information upon which the Group disposes on the date of this report: the probability of resulting assets or liabilities is particularly low and / or it concerns relatively insignificant amounts.

Due to the uncertainties inherent in all valuation processes, the Group revises its estimates on the basis of regularly updated information. Future results may differ from these estimates.

As well as the use of estimates, Group management also uses judgment in defining the accounting treatment for certain operations and transactions not addressed under the IFRS standards and interpretations currently in force.

5.4. Operating segments

5.4.1. Business segments
For management purposes, the Group is organised into three operating divisions Antimony, Plastics & Lead. These divisions are the basis on which the Group reports its primary segment information. Principal activities as follows:

- Antimony trioxide (Sb_2O_3) is used as a fire retardant in the textile, plastics, cable and pigment industries and is also applied as a high efficiency catalyst in PET-production.
- Our plastics activities enable us to offer predispersed and ready to use flame retardant masterbatches for processors and compounders to provide a dust-free handling and increase production efficiency.
- Our lead recycling business is based on converting lead from used car and truck batteries and industrial scrap into lead bullion and alloys that are marketed to battery and lead sheet producers (a.o. X-ray protection).

Actual information about the different divisions is mentioned in the report of the Board of Directors (page 5 until 10).

Geographical information of the Group is presented hereafter.

'000 EUR 2013	Antimony Year ended 31/12/2013	Plastics Year ended 31/12/2013	Lead Year ended 31/12/2013	Elimination / others Year ended 31/12/2013	Total Year ended 31/12/2013
REVENUE					
External sales	58.347	22.812	58.013	-	139.172
Inter-segment sales	-	-	-	- 1.707	- 1.707
Total revenue	58.347	22.812	58.013	- 1.707	137.465
Inter-segment sales are charged at prevailing market prices					
RESULT					
Segment operating result	769	573	885		2.227
Unallocated expenses					- 3.930
Operating result					- 1.703
Investment revenues					2
Hedging results			1.042		1.042
Other gains and losses					-
Finance costs					- 872
Result before tax					- 1.531
Income tax expense					387
Result for the year					**- 1.144**

'000 EUR 2013	Antimony 31/12/2013	Plastics 31/12/2013	Lead 31/12/2013	Others 31/12/2013	Total 31/12/2013
OTHER INFORMATION					
Capital additions	584	296	1.064	92	2.036
Disposals	-	-	-	-	-
Depreciation and amortisation	808	213	1.785	732	3.538
BALANCE SHEET					
Assets					
Fixed assets	2.280	632	4.280	2.677	9.869
Deferred tax assets				1.161	1.161
Cash restricted in its use	-	-	275	-	275
Stocks	7.297	3.420	12.169	986	23.872
Trade and other receivables	8.174	2.246	7.231	628	18.279
Derivatives	-	-	-	-	-
Cash and cash equivalent	-	-	-	1.201	1.201
Total Assets	**17.751**	**6.298**	**23.955**	**6.653**	**54.657**
Liabilities					
Long term liabilities					
Retirement benefit obligation	-	-	-	593	593
Deferred tax liabilities	-	-	-	-	-
Bank loans	-	-	-	1.875	1.875
Obligations under finance leases	-	-	-	-	-
Provisions	-	-	1.125	-	1.125
Short term liabilities					
Retirement benefit obligation	-	-	-	120	120
Trade and other payables	1.453	897	8.697	2.499	13.546
Derivatives	-	-	71	-	71
Current tax liabilities	-	-	-	-	-
Obligations under finance leases	-	-	-	-	-
Bank overdrafts and loans	-	-	-	15.654	15.654
Provisions	-	-	-	-	-
Total liabilities	**1.453**	**897**	**9.893**	**20.741**	**32.984**

'000 EUR 2012	Antimony Year ended 31/12/2012	Plastics Year ended 31/12/2012	Lead Year ended 31/12/2012	Elimination / others Year ended 31/12/2012	Total Year ended 31/12/2012
REVENUE					
External sales	71.105	20.604	58.405	- 189	149.925
Inter-segment sales	9.501	-	-	- 9.501	-
Total revenue	80.606	20.604	58.405	- 9.690	149.925
Inter-segment sales are charged at prevailing market prices					
RESULT					
Segment operating result	1.013	642	1.392		3.047
Unallocated expenses					- 4.555
Operating result					- 1.508
Investment revenues					2
Hedging results			- 879		- 879
Other gains and losses					-
Finance costs					- 963
Result before tax					- 3.348
Income tax expense					882
Result for the year					**- 2.466**

'000 EUR 2012	Antimony 31/12/2012	Plastics 31/12/2012	Lead 31/12/2012	Others 31/12/2012	Total 31/12/2012
OTHER INFORMATION					
Capital additions	1.529	216	825	1.088	3.658
Disposals	-	-	-	- 37	- 37
Depreciation and amortisation	697	154	1.729	638	3.218
BALANCE SHEET					
Assets					
Fixed assets	2.504	549	5.001	3.317	11.371
Deferred tax assets				724	724
Cash restricted in its use	-	-	275	-	275
Stocks	18.045	4.569	12.228	996	35.838
Trade and other receivables	8.366	1.760	8.267	2.308	20.701
Derivatives	-	-	59	-	59
Cash and cash equivalent	-	-	-	2.696	2.696
Total Assets	**28.915**	**6.878**	**25.830**	**10.041**	**71.664**
Liabilities					
Long term liabilities					
Retirement benefit obligation	-	-	-	463	463
Deferred tax liabilities	-	-	-	-	-
Bank loans	-	-	-	3.375	3.375
Obligations under finance leases	-	-	-	-	-
Provisions	-	-	1.130	-	1.130
Short term liabilities					
Retirement benefit obligation	-	-	-	151	151
Trade and other payables	2.000	750	5.203	3.302	11.255
Derivatives	-	-	493	-	493
Current tax liabilities	-	-	-	2.059	2.059
Obligations under finance leases	-	-	-	-	-
Bank overdrafts and loans	-	-	-	29.827	29.827
Provisions	-	-	-	-	-
Total liabilities	**2.000**	**750**	**6.826**	**39.177**	**48.753**

5.4.2. Geographical segments

The Group's manufacturing operations are located in Belgium.
The following table provides an analysis of the Group's sales by geographical market.

'000 EUR	Year ended 31/12/2013	%	Year ended 31/12/2012	%
Belgium	5.578	4%	12.685	8%
Germany	36.659	27%	36.993	25%
Italy	13.571	10%	16.426	11%
The Netherlands	10.478	8%	12.817	9%
France	9.300	7%	11.409	8%
United Kingdom	6.999	5%	4.195	3%
Other European countries	33.010	24%	32.393	22%
North America	18.135	13%	17.635	12%
Asia	1.154	1%	2.064	1%
Others	2.581	2%	3.308	2%
	137.465	**100%**	**149.925**	**100%**

5.5. Other operating expense and income

Other operating expenses:

'000 EUR	Year ended 31/12/2013	Year ended 31/12/2012
Office expenses & IT	599	564
Fees	1.149	992
Insurances	365	271
Interim personnel	148	646
Carry-off of waste	1.529	1.418
Travel expenses	236	281
Transportation costs	1.650	1.407
Other sales expenses	558	649
Expenses on operational hedges	53	320
Operational exchange rates	320	-
Renting	237	187
Subscriptions	222	270
Other Taxes (unrelated to the result)	142	210
Financial costs (other than interest)	210	268
Others	642	392
	8.060	**7.875**

Other operating income:

'000 EUR	Year ended 31/12/2013	Year ended 31/12/2012
Operating hedge results	63	608
Employee subsidy	586	706
Finance income (other than interest)	5	177
Recuperation of waste materials	1.007	551
Claims	166	34
Gains - disposals of fixed assets	10	487
Others	144	249
	1.981	**2.812**

5.6. Finance costs

'000 EUR	Year ended 31/12/2013	Year ended 31/12/2012
Interest on bank overdrafts and loans	872	963
Total borrowing costs	**872**	**963**

5.7. Income tax expense

'000 EUR	Year ended 31/12/2013	Year ended 31/12/2012
Current tax	2	- 16
Deferred tax	- 389	- 866
Income tax expense for the year	**- 387**	**- 882**

Domestic income tax is calculated at 33,99% (2012: 33,99%) of the estimated assessable result for the year. Taxation for other jurisdictions is calculated at the rates prevailing in the relevant jurisdictions.

On 31/12/2013 deferred taxes amount to 1.161 KEUR (724 KEUR on 31/12/2012).

Theoretically, a deferred tax asset of EUR 1.5 Mio can be set up. By way of precaution Campine estimates the deferred tax asset recoverable within a reasonable period to EUR 1.1 Mio. A major uncertainty in the determination of the future taxable result concerns the volatility and unpredictability of raw material prices.

5.8. Dividends and tantièmes

No tantièmes were paid to the non-executive Board members in 2013.

No dividend was paid in 2013 over the financial year 2012.
The Board of Directors proposes that the company will not pay a dividend over the financial year 2013.

5.8.1. Result per share

As no potential shares – which could lead to dilution – were issued and no activities were ceased, the diluted result per share equals the basic result per share.

The calculation of the basic and diluted result per share attributable to the ordinary equity holders of the parent is based on the following data:

'000 EUR	Year ended 31/12/2013	Year ended 31/12/2012
RESULT		
Result for purposes of basic and diluted results per share (result for the year attributable to equity holders of the parent)	- 1.144	- 2.466
NUMBER OF SHARES		
Weighted average number of ordinary shares for the purposes of basic and diluted results per share	1.500.000	1.500.000

5.9. Property, plant and equipment

'000 EUR	Land and buildings	Properties under construction	Fixtures and equipment	Total
COST OR VALUATION				
On 31 December 2011	12.609	162	46.414	59.185
Additions	535	91	2.925	3.551
Transfers	-	- 162	-	- 162
Disposals	- 37	-	-	- 37
On 31 December 2012	13.107	91	49.339	62.537
Additions	-	15	2.111	2.126
Transfers	-	- 91	-	- 91
Disposals	-	-	-	-
On 31 December 2013	13.107	15	51.450	64.572
ACCUMULATED DEPRECIATION				
On 31 December 2011	9.937	-	39.066	49.003
Deprecation charge for the year	443	-	2.585	3.028
Eliminated on disposals	-	-	-	-
On 31 December 2012	10.380	-	41.651	52.031
Deprecation charge for the year	563	-	2.755	3.318
Eliminated on disposals	-	-	-	-
On 31 December 2013	10.943	-	44.406	55.349
CARRYING AMOUNT				
On 31 December 2013	**2.164**	**15**	**7.044**	**9.223**
On 31 December 2012	**2.727**	**91**	**7.688**	**10.506**

We always depreciate until residual value 0. The following depreciation rates are used for property, plant and equipment:

Industrial, administrative, commercial buildings	5%
Furniture	20%
Vehicles	25%
Installations, machinery and equipment	min 10% – max 33% depending on the life time

There are no assets based on finance leases. The Group has not pledged land and buildings to secure banking facilities granted to the Group.

5.10. Intangible assets

'000 EUR	Patents, trademarks and software purchased
COST	
On 31 December 2011	1.152
Additions	270
On 31 December 2012	1.422
Additions	-
On 31 December 2013	1.422
CUMULATED DEPRECIATION AND AMORTISATION	
On 31 December 2011	366
Charge for the year	191
On 31 December 2012	557
Charge for the year	219
On 31 December 2013	776
CARRYING AMOUNT	
At 31 December 2013	**646**
At 31 December 2012	**865**

The intangible assets included in the table have finite useful lives. Intangible assets are, depending on the category, depreciated over 3 to 8 years.

In 2013 there were no investments related to intangible assets. Investments of 2012 existed of the finalisation of the transfer of our data system to SAP and the extension of our server network. On account of the 100th anniversary of Campine a company film has been made.

5.11. Subsidiaries

Details of the Group's subsidiaries on 31 December 2013 are as follows:

Name of subsidiary	Place of incorporation (or registration) and operation	Proportion of ownership interest	Proportion of voting power held	Principal activity
Campine Recycling nv VATno: 0474.955.451	Belgium	99,99%	100%	Lead recycling

5.12. Inventories

'000 EUR	31/12/2013	31/12/2012
Raw materials	4.949	11.392
Work-in-progress	6.433	12.591
Finished goods	12.490	11.855
	23.872	**35.838**

The inventory per year-end includes a value reduction of 712 KEUR (2012: 793 KEUR) to value inventory at the lower of cost and net realisable value.

The inventory value is related to the cost of completion of the products which is linked to the LME quotation (London Metal Exchange) for lead and the MB (Metal Bulletin) quotation for antimony.

5.13. Financial assets

5.13.1. Trade and other receivables

'000 EUR	31/12/2013	31/12/2012
Amounts receivable from the sale of goods	15.478	18.503
Other receivables	2.801	2.198
	18.279	**20.701**

An allowance has been recorded for estimated irrecoverable amounts from the sale of goods of 659 KEUR (2012: 597 KEUR). This allowance has been determined on a case-by-case basis. Balances are written-off when sufficiently certain that the receivable is definitely lost. The Board of Directors confirms that the carrying amount of trade and other receivables approximates their fair value as those balances are short-term.

The overdue amounts which are not provided for are not older than 30 days and / or fully covered by a credit insurance.

5.13.2. Bank balances and cash

Bank balances and cash comprise cash held by the Group and short-term bank deposits with an original maturity of three months or less. The carrying amount of these assets approximates their fair value.

5.13.3. Credit risk

The Group’s principal financial assets are bank balances and cash, trade and other receivables.

The credit risk on liquid funds is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

The Group’s credit risk is primarily attributable to its trade receivables. The amounts presented in the balance sheet are after allowances for doubtful receivables. An allowance for impairment is made where there is an identified loss event which, based on previous experience, is evidence of a reduction in the recoverability of the cash flows.

Concentrations of credit risk with respect to trade receivables are limited due to the Group’s customer base being large and unrelated. Due to this, the Board of Directors believes that there is no further credit risk provision required in excess of the allowance for bad and doubtful debts.

Roll-forward of the allowances for doubtful debtors:

'000 EUR	31/12/2013	31/12/2012
Opening allowance doubtful debtors	597	597
Additions	64	-
Reversals	- 2	-
Closing allowance doubtful debtors	**659**	**597**

Included in the Group’s trade receivable balance are debtors with a carrying amount of 719 KEUR (2012: 782 KEUR) which are past due at the reporting date but for which the Group has not provided as there has not been a significant change in credit quality and the amounts are still considered recoverable. The Group has taken out a credit insurance for these amounts. The average age of these receivables is 27 days past due (2012: 33 days).

5.14. Other financial assets and liabilities

5.14.1. Derivatives

Since 2006, Campine takes positions in LME lead futures where it sells forward lead via future contracts. The objective of this activity is to reduce the fluctuations of Campine's net income due to changes in lead prices. Despite hedging a specific risk in an economic manner, these derivative financial instruments do not respect the strict criteria for the application of hedging accounting under IAS 39.

From the beginning of 2009 the company has also started to hedge fixed price-sell contracts with specific customers. Future purchase contracts (with the same expiry dates and the same amounts) are closed on the LME. The objective is to reduce fluctuations in the result because of movements in the lead price. These derivatives are defined as "fair value hedge of firm commitment" and fulfil the criteria of IAS39 (hedge accounting).

From the beginning of 2009 the company has also started to hedge fixed price-purchase contracts with specific suppliers. Future sell contracts (with the same expiry dates and the same amounts) are closed on the LME. The objective is to reduce fluctuations in the result because of movements in the lead price. These derivatives are defined as "fair value hedge of firm commitment" and fulfil the criteria of IAS39 (hedge accounting).

The value of these fixed price contracts and the future LME commitments are both shown in the balance sheet; changes in the values will be shown in the profit and loss account.

The table below summarizes the net change in fair value – realised and unrealised – of the positions on the LME lead futures where it sells forward lead via future contracts of +1.042 KEUR included in the income statement during the year ended 31 December 2013. (31 December 2012: -879 KEUR).

'000 EUR	Fair value of current instruments	Underlying open positions (in mT)	Change in fair value in income statement
On 31 December 2012	- 433	5.925	- 879
On 31 December 2013	- 71	3.925	1.042

The fair value of the derivatives are included in the balance sheet as current liabilities – derivatives for 71 KEUR.

There was no open position for the specific hedge on purchase nor on the specific hedge on sales on 31 December 2013.

The classification of the fair value of the hedge instruments is level 1 (unadjusted quoted prices in an active market for identical assets or liabilities) in the "fair value hierarchy" of IFRS 13.

5.15. Share capital

'000 EUR	31/12/2013	31/12/2012
Authorised		
1.500.000 ordinary shares of par value 2,67 EUR each	4.000	4.000
Issued and fully paid	4.000	4.000

The Company has one class of ordinary shares which carry no right to fixed income.

5.16. Bank borrowings (finance lease obligations not included)

'000 EUR	31/12/2013	31/12/2012
Bank loans	3.375	5.475
Bank overdrafts	14.154	27.727
	17.529	**33.202**

The borrowings are repayable as follows:

'000 EUR	31/12/2013	31/12/2012
Bank loans after more than one year	1.875	3.375
Bank loans within one year	1.500	2.100
Bank overdrafts on demand	14.154	27.727
	17.529	**33.202**

The average interest rates paid were as follows:

	Year ended 31/12/2013	Year ended 31/12/2012
Bank overdrafts	2,50%	2,25%
Bank loans	4,65%	4,77%

Bank loans are arranged at fixed interest rates. Other borrowings (bank overdrafts: 14.154 KEUR per 31 December 2013 (per 31 December 2012: 27.727 KEUR)) are arranged at floating rates, thus exposing the Group to an interest rate risk (see note 5.29.1.). On 31 December 2013, the Group had available 6.897 KEUR (31 December 2012: 4.969 KEUR) of undrawn committed borrowing facilities.

The credit agreements with our bankers contain a number of covenants, based on equity, solvability and stock rotation. On 31 December 2013 the Group complied with the covenants. In view of the volatility and unpredictability of raw material prices, the Group committed to conclude commercial finance agreements by April 1, 2014 at the latest. This protects liquidity against possible price fluctuations.

5.17. Deferred tax

The following are the major deferred tax liabilities and assets recognised by the Group, and the movements thereon, during the current and prior reporting periods.

'000 EUR	Timing differences on fixed assets	Full costing inventories	Retirement benefit obligations	Fiscal losses	Others	Total
On 31 December 2011	**25**	**97**	**- 65**	**-**	**84**	**141**
Charge/(credit) to result for the year	- 9	- 97	7	- 750	- 16	- 865
On 31 December 2012	**16**	**-**	**- 58**	**- 750**	**68**	**- 724**
Charge/(credit) to result for the year	-	-	3	- 375	- 17	- 389
Charge/(credit) to other comprehensive income	-	-	- 48	-	-	- 48
On 31 December 2013	**16**	**-**	**- 103**	**- 1.125**	**51**	**- 1.161**

Certain deferred tax assets and liabilities have been offset in accordance with the Group's accounting policy.

5.18. Trade and other payables

'000 EUR	31/12/2013	31/12/2012
Trade creditors and accruals	11.759	8.893
Other payables and accruals	1.787	2.362
	13.546	**11.255**

Trade creditors and accruals principally comprise amounts outstanding for trade purchases and ongoing costs. The Board of Directors consider that the carrying amount of trade payables approximates their fair value as those balances are short-term.

There are no trade payables older than 60 days (with the exception of disputes), hence an age analysis is irrelevant.

5.19. Liquidity risk

The following table details the Group's remaining contractual maturity for its non-derivative financial liabilities. The table has been drawn based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay.
The table includes both interest and principal cash flows.

'000 EUR	31/12/2013			31/12/2012		
	< 1 year	1-5 years	> 5 years	< 1 year	1-5 years	> 5 years
Trade and other liabilities	13.546	-	-	11.255	-	-
Bank overdrafts	14.154	-	-	27.727	-	-
Bank loans	1.633	1.941	-	2.308	3.574	-
Finance lease obligations	-	-	-	-	-	-

5.20. Financial instruments

The major financial instruments of the Group are financial and trade receivables and payables, investments, cash and cash equivalents as well as derivatives.

Below is an overview of the financial instruments as on 31 December 2013:

'000 EUR	Categories	Book value	Fair value	Level
I. Fixed assets				
II. Current Assets				
Trade and other receivables	A	18.279	18.279	2
Cash and cash equivalents	B	1.201	1.201	2
Total financial instruments on the assets side of the balance sheet		**19.480**	**19.480**	
I. Non-current liabilities				
Interest-bearing liabilities	A	1.875	1.943	2
Other non-current liabilities	A	-	-	2
Other financial liabilities	C	-	-	2
II. Current liabilities				
Interest-bearing liabilities	A	15.654	15.708	2
Current trade and other debts	A	13.546	13.546	2
Derivatives	C	71	71	1
Total financial instruments on the liabilities side of the balance sheet		**31.146**	**31.268**	

The categories correspond with the following financial instruments:

A. Financial assets or liabilities (including receivables and loans) held until maturity, at the amortised cost.

B. Investments held until maturity, at the amortised cost.

C. Assets or liabilities, held at the fair value through the profit and loss account.

The aggregate financial instruments of the Group correspond with levels 1 and 2 in the fair values hierarchy. Fair value valuation is carried out regularly.

- Level 1: unadjusted quoted prices in an active market for identical assets or liabilities.
- Level 2: the fair value based on other information, which can, directly or indirectly, be determined for the relevant assets or liabilities.

The valuation techniques regarding the fair value of the level 2 financial instruments are the following:

- The fair value of the other level 2 financial assets and liabilities is almost equal to their book value:
    - either because they have a short-term maturity (like trade receivables and debts),
    - or because they have a variable interest rate.
- For fixed-income payables the fair value was determined using interest rates that apply to active markets.

5.21. Provisions

'000 EUR	Soil sanitation cost	Other	Total
On 31 December 2012	1.130	-	1.130
Additional provision in the year	-	-	-
Utilisation of provision	- 5	-	- 5
At 31 December 2013	**1.125**	**-**	**1.125**

'000 EUR	31/12/2013	31/12/2012
Analysed as:		
Current liabilities	-	-
Non-current liabilities	1.125	1.130
	1.125	**1.130**

Status provisions on 31 December 2013:

- The provisions remained almost equal in 2013. These mainly relate to the soil sanitation obligation on and around the site of the Group and were determined in compliance with the requirements of OVAM – by an independent study bureau.

5.22. Non-cash transactions

No additions to fixtures and equipment were financed by new finance leases during the year.

5.23. Contingent liabilities

The power to pledge the goodwill was granted to the banks for an amount of 11.000 KEUR (31/12/2012: 11.000 KEUR).

5.24. Commitments

In the normal course of business the Group has commitments to buy and sell metals in the future.

5.25. Operating lease arrangements

The Group as lessee:

'000 EUR	31/12/2013	31/12/2012
Minimum lease payments under operating leases recognised as an expense in the year	157	133

At the balance sheet date, the Group has outstanding commitments under non-cancellable operating leases, which fall due as follows:

'000 EUR	31/12/2013	31/12/2012
Within one year	158	149
In the second year to fifth year inclusive	157	252
After five years	-	-
	315	**401**

Operating lease payments represent rentals payable by the Group for vehicles and equipment. This concerns company cars, copiers and printers. There were no restrictions nor purchase obligations added to the agreements and these were not index related. Leases are negotiated for an average term of four years.

5.26. Share-based payments

During the financial year closed per 31 December 2013 none of the members of the Executive Management Team received any shares, share options or other rights to acquire shares of the company or Group.

5.27. Employee benefits expense

'000 EUR	31/12/2013	31/12/2012
Long term		
Pensioncost (incl. early retirement)	201	181
Short term		
Salaries	7.882	8.446
Contribution social security	2.575	2.757
Other employee benefits expense	1.350	1.227
	12.008	**12.430**
Average number of FTE's	160	171

5.28. Retirement benefit plans

following amounts with regard to the (early) retirement are booked on the balance sheet:

'000 EUR	31/12/2013	31/12/2012	
		According to IAS 19	According to IAS 19R*
Defined benefit plan	304	173	482
Early retirement provision	409	441	441
	713	**614**	**923**

* Due to materiality reasons the figures on 31/12/2012 were not restated.

In the table of note 5.28.1, the restatements following IAS 19R are included in the comparative figures of 2012 in order disclose, for information purposes only, the impact of a retrospective application of the new standard IAS 19R. The impact of IAS 19R amounts to 308 KEUR extra pension liability under the defined benefit plan as of 31 December 2012. Because this impact is considered as immaterial, it has not been processed retroactively in the 2012 financial statements but has been accounted for in 2013 through the “other elements of comprehensive income”. Together with the recognition of the net actuarial gains of 2013 in the “other elements of comprehensive income” (166 KEUR), the net impact on the “other elements of comprehensive income” is - 142 KEUR (-94 KEUR after taxes).

5.28.1. Defined benefit plan

The Group operates a funded defined benefit plan for qualifying employees of Campine and its subsidiary in Belgium. The defined benefit plan foresees an amount based on the salary and seniority payable at the age of 60. For the financed plans, plan assets consist of mixed portfolio’s of shares, bonds or insurance contracts. The plan assets do not contain direct investments in Campine shares or in fixed assets or other assets used by the Group.

The current value of the retirement benefit obligations and the assets has evolved as follows:

* DBO: Defined Benefit Obligation

'000 EUR	DBO (IAS 19R)	Plan Assets	Deficit	Net liability / (asset)
On 31 December 2011 (restated IAS 19R)	**1.709**	**- 1.507**	**202**	**202**
Components of defined benefit cost				
Service cost in P/L				
Current service cost (net of employee contributions)	134			134
Past service cost (incl effect of curtailments)	-			-
Settlement (gain)/loss	-			-
Service cost				**134**
Net interest on the net liability / (asset) in P/L 4,60%				
Interest cost on DBO	79			79
Interest income on plan assets		- 73		- 73
Interest on effect of the asset ceiling				-
Net interest				**6**
Administration costs paid from plan assets in P/L				-
Components of defined benefit cost recognised in P/L				**140**
Remeasurements of the net liability / (asset) in OCI				
Actuarial (gain) / loss arising from				
- Changes in demographic assumptions	-			-
- Changes in financial assumptions	311			311
- Experience adjustments	- 13			- 13
Return on plan assets (excl. amounts in net interest)		20		20
Change in effect of the asset ceiling (excl. amounts in net interest)				-
Total remeasurement recognised in OCI				**318**
Defined benefit cost (total amount recognised in P/L and OCI)				**457**
Cash Flows				
Employee contributions	-	-		-
Employer contributions to plan assets (incl. 4,4% taxes)		- 164		- 164
Benefit payments from plan assets	- 21	21		-
Direct benefit payments by employer	-	-	-	-
Taxes paid from plan assets (4,4%)	- 7	7		-
Taxes paid directly by employer (8,86%)	- 14			- 14
On 31 December 2012	**2.198**	**- 1.717**	**482**	**482**

'000 EUR	DBO (IAS 19R)	Plan Assets	Deficit	Net liability / (asset)
On 31 December 2012 (restated IAS 19R)	**2.198**	**- 1.717**	**482**	**482**
Components of defined benefit cost				
Service cost in P/L				
Current service cost (net of employee contributions)	166			166
Past service cost (incl effect of curtailments)	-			-
Settlement (gain)/loss	-			-
Service cost				**166**
Net interest on the net liability / (asset) in P/L 3,00%				
Interest cost on DBO	58			58
Interest income on plan assets		- 47		- 47
Interest on effect of the asset ceiling				-
Net interest				**11**
Administration costs paid from plan assets in P/L				-
Components of defined benefit cost recognised in P/L				**177**
Remeasurements of the net liability / (asset) in OCI				
Actuarial (gain) / loss arising from				
- Changes in demographic assumptions	-			-
- Changes in financial assumptions	- 169			- 169
- Experience adjustments	17			17
Return on plan assets (excl. amounts in net interest)		- 14		- 14
Change in effect of the asset ceiling (excl. amounts in net interest)				-
Total remeasurement recognised in OCI				**- 166**
Defined benefit cost (total amount recognised in P/L and OCI)				**11**
<u>Cash Flows</u>				
Employee contributions	-	-		-
Employer contributions to plan assets (incl. 4,4% taxes)		- 173		- 173
Benefit payments from plan assets	- 250	250		-
Direct benefit payments by employer				-
Taxes paid from plan assets (4,4%)	- 7	7		
Taxes paid directly by employer (8,86%)	- 15			- 15
On 31 December 2013	**2.021**	**- 1.717**	**304**	**304**

Major actuarial assumptions in use at balance sheet date:

	Valuation at	
	31/12/2013	31/12/2012
Discount rate	3,00%	2,80%
Return on plan assets	3,00%	3,60%
Expected rate of salary increases	2,25%	3,00%
Inflation	1,25%	2,00%

The Group expects to contribute approx. 135 KEUR to its defined benefit plan in 2014.

Split of the plan assets on 31/12/2013 and the comparison with 2012:

'000 EUR	31/12/2013	31/12/2012
Equity securities	7,50%	7,50%
Fixed income securities, incl cash	92,50%	92,50%
Real estate	-	-
Other	-	-

Sensitivity analysis of a percentage increase or decrease in the discount rate or an increase in salary to the retirement benefit obligation:

Discount rate	-1,00%		+1,00%
Assumptions	2,00%	3,00%	4,00%
DBO (KEUR)	2.205	2.021	1.855

Salary increase (incl. index adjustment)	+1,00%		-1,00%
Assumptions	3,25%	2,25%	1,25%
DBO (KEUR)	2.032	2.021	1.945

5.28.2. Disclosure regarding early retirement provision

Early retirement provisions are set up based on agreements with those affected on amounts to be paid until the age of 65 year. The provision on 31 December 2013 amounts to 409 KEUR (at 31 December 2012 provision amounted to 441 KEUR).

5.29. Market risk

5.29.1. Interest risk

Funding of the company is done through bank loans and bank overdrafts. On 31 December 2013 bank loans amounted to 3.375 KEUR and bank overdrafts amounted to 14.154 KEUR. Bank loans are arranged at fixed rates.

5.29.2. Foreign Exchange risk

The Group is managing its foreign currency risk by matching foreign currency cash inflows with foreign cash outflows (USD is our main foreign currency).

An increase or decrease of the USD/EUR rate with 10% would have an impact on the income statement of +226 KEUR (in case of 10% increase) or -226 KEUR (in case of 10% decrease) based upon the assets and liabilities denominated in USD per 31 December 2013. The share capital will also be influenced.

5.29.3. Price risk

The value of these fixed price contracts and the future LME commitments are both shown in the balance sheet; changes in the values will be shown in the profit and loss account (see note 5.14.1. Derivatives).

There is no price risk on the fixed price contracts as the impact of price fluctuation on respective fixed purchase and sell contracts are compensated by the impact on the respective sell and purchase contracts on the LME.

A movement in 2014 of the LME lead futures price by 10% would have impacts on the income statement. The immediate effect based on the underlying open position on 31 December 2013 of a price fall of 10% would be +629 KEUR or of a price raise of 10% would be -629 KEUR.

5.30. Events after the balance sheet date

No important events occurred after the close of the financial year.

5.31. Related parties

The controlling party of the Group is Camhold NV (incorporated in Belgium). F.W. Hempel Intermétaux SA (incorporated in Switzerland) is the other major shareholder. 71,86% of the company's shares are held by two companies as follows:

Name	Number of shares	% of the share capital
1. Camhold NV Nijverheidsstraat 2, 2340 Beerse	540.000	36,00%
2. F.W. Hempel Intermétaux SA Rue Vallin 2, 1201 Geneva, Switzerland	537.900	35,86%

The remaining shares (28,14%) are, as far as the company knows, held by private investors. The company has until now not received any notices from other shareholders, who are compelled to disclose their shareholdings pursuant to Belgian law governing the notification of major shareholdings.

No changes were made to the known shareholder structure of Campine in 2013 as the company received no notifications in 2013.

Transactions between the company and its subsidiary, which are related parties of the company, have been eliminated on consolidation and are not disclosed in this note. Transactions between the Group and the management and key-management are disclosed in the remuneration report. Details of transactions between the Group and other related parties are disclosed below.

5.32. Related party transactions

All related party transactions are conducted on a business base and in accordance with all legal requirements and the Corporate Governance Charter.

5.32.1. Trading transactions

In 2013, Group entities entered into the following trading transactions with related parties that are not members of the Group:
- Purchase of antimony metal from F.W. Hempel Intermétaux SA for an amount of 6.036 KEUR.

In 2012, Group entities entered into the following trading transactions with related parties that are not members of the Group:
- Purchase of antimony metal from F.W. Hempel Intermétaux SA for an amount of 10.255 KEUR.
- Sales of antimony metal to F.W. Hempel Intermétaux SA for an amount of 233 KEUR.

5.32.2. Other transactions

Camhold performed certain administrative/management services for the Campine Group, for which a management fee of 18 KEUR (2012: 18 KEUR) was charged and paid, being an appropriate allocation of costs incurred by relevant administrative departments.

Hempel Wire Ltd. performed certain administrative/management services for the Campine Group, for which a management fee of 35 KEUR (2012: 40 KEUR) was charged and paid, being an appropriate allocation of costs incurred by relevant administrative departments.

5.33. Rights and obligations not included in the balance sheet

Commercial commitments:
There are firm commitments to deliver or receive metals to customers or from suppliers at fixed prices.

'000 EUR	31/12/2013	31/12/2012
Commercial commitments for metals purchased (to be received)	3.259	2.898
Commercial commitments for metals sold (to be delivered)	4.812	4.791

5.34. Compensation of key management personnel

For the financial year 2013, the total remuneration of the Executive Management Team including the Board members amounts to 756 KEUR (2012: 1.014 KEUR). For further details, we refer to the remuneration report.

During the financial year closed per 31 December 2013 none of the above mentioned persons received any shares, share options or other rights to acquire shares of the company or Group. The remuneration of the members of the Executive Management Team is decided upon by the Nomination and Remuneration committee, based on market trends and individual performances.

5.35. Approval of financial statements

The financial statements were approved by the Board of Directors and authorised for issue on 26 February 2014.

Auditor's report

Statutory auditor's report to the shareholders' meeting on the consolidated financial statements for the year ended 31 December 2013

To the shareholders

As required by law, we report to you in the context of our appointment as the company's statutory auditor. This report includes our report on the consolidated financial statements together with our report on other legal and regulatory requirements. These consolidated financial statements comprise the consolidated balance sheet as on 31 December 2013, the consolidated income statement, the consolidated overview of the total result, the consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended, as well as the summary of significant accounting policies and other explanatory notes.

Report on the consolidated financial statements – Unqualified opinion

We have audited the consolidated financial statements of Campine NV ("the company") and its subsidiaries (jointly "the group"), prepared in accordance with International Financial Reporting Standards as adopted by the European Union and with the legal and regulatory requirements applicable in Belgium.

The consolidated balance sheet shows total assets of 54.657 (000) EUR and the consolidated income statement shows a consolidated loss (group share) for the year then ended of 1.144 (000) EUR.

Board of Directors' responsibility for the preparation of the consolidated financial statements

The Board of Directors is responsible for the preparation and fair presentation of consolidated financial statements in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union and with the legal and regulatory requirements applicable in Belgium, and for such internal control as the Board of Directors determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Statutory auditor's responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing (ISA). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the statutory auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the statutory auditor considers internal control relevant to the group's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements. We have obtained from the group's officials and the Board of Directors the explanations and information necessary for performing our audit.
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Unqualified opinion

In our opinion, the consolidated financial statements of Campine NV give a true and fair view of the group's net equity and financial position as of 31 December 2013, and of its results and its cash flows for the year then ended, in accordance with International Financial Reporting Standards as adopted by the European Union and with the legal and regulatory requirements applicable in Belgium.

Report on other legal and regulatory requirements

The Board of Directors is responsible for the preparation and the content of the directors' report on the consolidated financial statements.

As part of our mandate and in accordance with the Belgian standard complementary to the International Standards on Auditing applicable in Belgium, our responsibility is to verify, in all material respects, compliance with certain legal and regulatory requirements. On this basis, we make the following additional statement, which does not modify the scope of our opinion on the consolidated financial statements:

- The directors' report on the consolidated financial statements including the information required by law, is consistent with the consolidated financial statements and is free from material inconsistencies with the information that we became aware of during the performance of our mandate.

Antwerp, 27 February 2014

The statutory auditor

DELOITTE Bedrijfsrevisoren / Reviseurs d'Entreprises
BV o.v.v.e. CVBA / SC s.f.d. SCRL
Represented by Kathleen De Brabander

Corporate Data

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Auditor

Deloitte Bedrijfsrevisoren:
Represented by Kathleen De Brabander

Financial calendar

13 May 2014	General Meeting of Shareholders
Not applicable in 2014	Payment of dividend Record date Ex-date
1st half of May 2014	Announcement intermediate information 1st semester
Last week of August 2014	Announcement of half-year results
1st half of November 2014	Announcement intermediate information 2nd semester
Last week of February 2015	Announcement of 2014 annual results