

29 June 2016

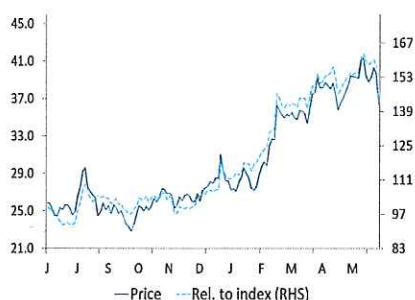
## BEKAERT

### New CFO and closing Bridon transaction

GENERAL INDUSTRIES  
BELGIUM

CURRENT PRICE € 37.48  
TARGET PRICE € 38.00

**HOLD**  
RATING UNCHANGED



Source: Thomson Reuters Datastream

Bloomberg	BEKB.BB
Reuters	BEKB.BR
www.bekaert.com	
Market Cap	€ 2,244.2m
Shares outst.	60.1m
Volume (daily)	€ 5,002,278
Free float	62.0%

Next corporate event

Results 1H16: 29 July 2016

(€ m)	2015	2016E	2017E
Sales	3,671.1	3,941.3	4,219.3
REBITDA	441.4	465.7	508.8
Net earnings	102.2	130.3	152.4
Adj. EPS (€)	1.77	2.37	2.75
P/E (x)	14.8	15.8	13.6
EV/REBITDA	6.0	7.6	6.7
FCF Yield	15.9%	6.0%	7.5%
Dividend yield	3.4%	2.7%	3.3%

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Bekaert this morning announces the appointment of a new CFO as well as the closing of the Bridon – Bekaert Ropes transaction.

Ms. Beatriz Garcia-Cos Muntanola will join Bekaert as from 1 July. Ms. Garcia-Cos started her career as auditor with Audigest in Barcelona and worked 13 years at PPG Industries in Rubi, Spain, as Accounting, Tax and Finance Manager before moving to Vestas in 2006 where she was Finance Director for EMEA and Latin America. Ms. Garcia-Cos was appointed CFO of the Mining business of Trafigura in 2012, a position she held until recently.

The merger of Bekaert Ropes with Bridon, announced on 7 December 2015, has satisfied all regulatory requirements and customary closing conditions. The JV will start under the Bridon-Bekaert Ropes Group name in which Bekaert holds 67% and Ontario Teachers' 33%. Mr. Bruno Humblet, former CFO of Bekaert has been appointed CEO. The merger creates the world's leading ropes business with approximately \$ 650m in sales on an annualised basis in a normalised business context. The Group projects a lower run rate over the first two years due to current demand instability in oil and gas and mining markets.

#### Conclusion:

We welcome the closing of the BBRG transaction as it allows Bekaert to become a global leader in ropes as well as opens up for synergies. In the short to medium term, BBRG however will be confronted with challenging trading conditions i.e. from oil & gas and mining end markets.