

Bekaert

Indy - Industrial, Diversified / Belgium

Target Price EUR 93.00

Expected performance (12 mth) 11.0%

BUY EUR 83.78 (Closing price 28-Apr-11)

[Preview on results](#)

Preview: bright 1Q11, but 2H11 could be clouded

29 April 2011

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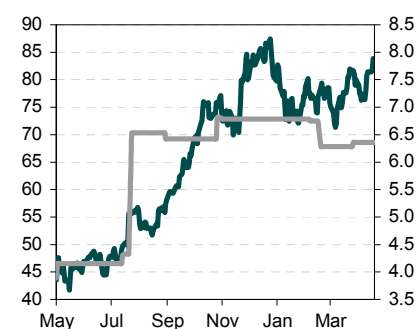
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Opinion on qualitative criteria

Accounting	IFRS 01/01/2004
Quality of track record	High
Solvency	High
Currency risk	High
Risk of asset write-off	Neutral

Share price performance/EPS revision (EUR)

Price ABN AMRO EPS est. 2011



Source: FactSet, ABN Amro Equity Research

Market capitalisation (EUR m)	5,017.2
No. of shares (m)	59.9
Free float	62.0%
1/3/12 mth perf. (%)	8.0/12.9/89.9
High/low 52 weeks (EUR)	87.43/39.43
Next results due	11 May 2011
Price/book value (x)	2.7
Volatility (β) (5yrs/)	
Reuters symbol	BEKB.BR
Bloomberg symbol	BEKB BB
Website	www.bekaert.com

Bekaert is due to release a sales trading update for 1Q11 on Wednesday 11 May. We believe that the update could be a tale of two stories. On the one hand, we anticipate ongoing robust sales growth 1Q11 (helped by easy comps). On the other hand, we would not be surprised if Bekaert's outlook statement could contain another shot for the bow for 2H11, as we expect that Asia Pacific margins could finally come under pressure. While this should not come as a surprise to the market, the fact that margin erosion is actually occurring could still get on investors' nerves. We warn momentum-oriented investors that the matter could weigh on sentiment towards the stock and temporarily stall share price momentum. Fundamentally-oriented investors with a longer-term horizon should in our view still be appealed by the incremental value that we expect to be created from growth opportunities in emerging markets (where >70% of sales is generated), the high CAPEX in capacity expansion (among others in India) and strong balance sheet (0.5x net debt/EBITDA end 2011). We believe that these attractions are not fully valued at 12.1x P/E and 5.8x EV/EBITDA 2012.

Solid 1Q11 sales performance anticipated

At the release of the FY10 results, Bekaert gave an outlook of a sustained strong performance in 1H11. The main drivers are continued strong demand for tire cord and sawing wire in China. The y-o-y performance in 1Q11 is also helped by easy comps, as 1Q10 was relatively weak. For 1Q11, we forecast a 17% y-o-y rise in **consolidated sales** to EUR 810m, with 30% growth seen for the Asia Pacific division. **Combined sales** (i.e., including 100% of sales from equity-accounted JVs and associates) is forecast to have increased by 10% y-o-y to

Year to December	2009	2010	2011e	2012e	2013e
Sales (EUR m)	2,437.3	3,262.5	3,565.6	3,912.0	4,214.8
EBITDA (EUR m)	385.7	725.3	752.8	794.0	802.8
Net profit excl. extr. & amort. (EUR m)	165.4	385.7	380.9	415.6	436.3
Net profit (EUR m)	151.8	367.6	380.9	415.6	436.3
EBITDA margin (%)	15.8	22.2	21.1	20.3	19.0
ROCE (incl. goodwill) (%)	9.9	18.6	16.6	16.7	16.4
Net gearing (%)	36.9	35.9	22.2	7.5	(2.0)
EPS before extr. & amort. (EUR)	2.79	6.51	6.36	6.94	7.29
EPS (EUR)	2.56	6.21	6.36	6.94	7.29
DPS (EUR)	0.98	1.67	1.91	2.43	2.55
% change sales	(8.5)	33.9	9.3	9.7	7.7
% change EPS (excl. extr. & amort.)	(21.3)	133.0	(2.3)	9.1	5.0
EV/Sales	0.96	1.60	1.39	1.21	1.08
EV/EBITDA	6.0	7.2	6.6	6.0	5.6
P/E (excl. extr. & amort.)	9.0	8.2	13.2	12.1	11.5
P/E	9.8	8.7	13.2	12.1	11.5
PE/growth (excl. extr.)	22.9	0.2	0.2	2.1	1.6
Free cash flow yield (%)	18.4	1.2	4.6	6.7	6.4

EUR 1,087m. We refer to the table below for more detail.

Quarterly sales (EUR m)											
	1Q10	2Q10	3Q10	4Q10	FY2010	1Q11E	2Q11E	3Q11E	4Q11E	FY2011E	FY2012E
Consolidated sales:											
EMEA	244	282	271	269	1,066	268	294	282	277	1,122	1,189
North America	141	172	170	155	638	155	174	177	160	666	693
Latin America	67	77	89	78	311	72	82	93	82	330	349
Asia Pacific	242	310	336	360	1,248	315	378	380	376	1,448	1,681
Total	694	841	866	861	3,262	810	928	932	896	3,566	3,912
% chg.	17.2%	38.4%	39.9%	39.3%	33.9%	16.8%	10.3%	7.6%	3.9%	9.3%	9.7%
Organic	23.9%	34.4%	33.9%	33.6%	31.5%	14.5%	10.3%	5.8%	2.2%	7.9%	8.9%
foreign exchange	-6.7%	1.4%	4.2%	4.8%	1.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
consolidation	0.0%	2.6%	1.9%	1.1%	1.4%	2.2%	0.0%	1.8%	1.7%	1.4%	0.8%
EMEA % chg.	16.0%	41.2%	36.9%	22.6%	28.8%	10.0%	4.4%	4.0%	3.0%	5.2%	6.0%
North America % chg.	-0.6%	41.4%	60.4%	48.7%	34.7%	10.0%	1.3%	4.0%	3.6%	4.5%	4.0%
Latin America % chg.	-16.9%	-2.9%	2.3%	-3.1%	-5.0%	8.0%	6.1%	5.0%	5.3%	6.0%	6.0%
Asia Pacific % chg.	51.9%	49.6%	47.4%	67.7%	54.2%	30.0%	21.8%	13.0%	4.5%	16.0%	16.1%
Combined sales:											
EMEA	243	280	269	265	1,057	268	291	280	273	1,112	1,179
North America	139	171	169	152	631	153	174	176	157	659	686
Latin America	329	398	420	381	1,528	352	422	443	402	1,620	1,717
Asia Pacific	242	311	337	364	1,254	315	378	381	381	1,455	1,689
Total	953	1,160	1,195	1,162	4,470	1,087	1,265	1,280	1,214	4,846	5,270
EMEA % chg.	16.2%	41.5%	36.5%	21.0%	28.4%	10.1%	4.1%	4.1%	3.1%	5.2%	6.0%
North America % chg.	-0.1%	42.4%	61.0%	45.2%	34.5%	9.9%	1.6%	3.9%	3.5%	4.5%	4.0%
Latin America % chg.	17.5%	32.9%	28.8%	14.9%	23.5%	7.0%	6.1%	5.5%	5.6%	6.0%	6.0%
Asia Pacific % chg.	51.1%	48.9%	47.2%	68.5%	54.1%	30.1%	21.6%	13.1%	4.6%	16.0%	16.1%
Total % chg.	20.9%	40.4%	39.4%	33.3%	33.7%	14.1%	9.1%	7.1%	4.5%	8.4%	8.8%

Source: company data and ABN AMRO estimates

The start of margin pressure from 2H11 could weigh on sentiment

In the outlook given at the FY10 results, Bekaert already cautioned about limited visibility beyond six months. It furthermore noted: *In the short term we see measures for more controlled growth in China and policies to contain inflation in several countries as growth tempering factors. We also notice increased competitive capacities. Moreover, both the volatility of raw material prices and changes in fiscal incentive programs in several relevant business sectors are indicators for a more irregular future growth pattern.* We believe that these comments relate to a large degree to the high profits generated by the Asia Pacific division from sawing wire.

We believe that Bekaert's Asia Pacific division already faced competitive pricing pressure in 2010. The effect thereof was then offset by strong volume growth for tyre cord and particularly sawing wire (revenue for the latter product more than doubled in 2010). The strong volume growth for high-margin (>60%) sawing wire had a positive mix effect on the EBIT margin, offsetting competitive pressure on prices (prices in sawing wire are not sustainable with more players entering this market, like Xingda). We expect that this trend has continued in 1H11. In 2H11, on the other hand, we could see more pressure on profitability, as ongoing pricing pressure may not be compensated by positive mix effects from sawing wire then. Bekaert has indicated that visibility on sawing wire demand is limited for 2H11, as there could be a correction in due to a possible reduction in subsidies on solar panels in Germany (which has been a major driver for demand in recent years). At the Capital Markets Day in March, Bekaert highlighted the lack of visibility by pointing to the wide range of forecasts from industry researchers regarding the growth in solar panels in 2011 (although there is a widespread consensus about a strong growth outlook for this industry on a longer-term view).

Momentum-oriented investors should beware that margin pressure from 2H11 could weigh on sentiment

From 2H11 onwards, Asia Pacific margins will most likely set in the long-awaited downtrend. Despite the second half of the year usually being stronger margin wise, we expect to see this year a sequential deterioration of the margin from 34% in 1H11 to 33% in 2H11 (and down from 38% in 2H10). While this should not come as a surprise to the market, the fact that margin erosion is actually occurring could still get on investors' nerves. We warn momentum-oriented investors that the matter could weigh on sentiment towards the stock and temporarily stall share price momentum. Fundamentally-oriented investors with a longer-term horizon should in our view still be appealed by the incremental value that we expect to be created from growth opportunities in emerging markets (where >70% of sales is generated), the high CAPEX in capacity expansion (among others in India) and strong balance sheet (0.5x net debt/EBITDA end 2011). We believe that these attractions are not fully valued at 12.1x P/E and 5.8x EV/EBITDA 2012.

P & L Statement (EUR m) Year to December	2004	2005	2006	2007	2008	2009	2010	2011e	2012e	2013e
Net sales	1,741.9	1,914.3	2,009.6	2,173.6	2,662.4	2,437.3	3,262.5	3,565.6	3,912.0	4,214.8
Other income	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Personnel costs	(450.3)	(449.9)	(462.0)	(472.6)	(524.2)	(499.1)	(596.9)	(625.1)	(655.3)	(683.9)
Other operating costs										
EBITDA	255.6	257.4	262.2	298.6	412.2	385.7	725.3	752.8	794.0	802.8
Depreciation	(107.6)	(107.4)	(110.7)	(119.7)	(165.9)	(139.8)	(173.0)	(187.7)	(191.6)	(193.8)
EBITA	148.0	150.0	151.4	178.9	246.3	245.8	552.3	565.1	602.3	608.9
Reported provisions	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Amortisation	(9.0)	(13.7)	(5.5)	(4.3)	(35.8)	(13.6)	(18.0)	0.0	0.0	0.0
EBIT	139.0	136.3	145.9	174.6	210.5	232.2	534.3	565.1	602.3	608.9
Net financials	(20.5)	(15.3)	(31.0)	(41.0)	(49.2)	(65.6)	(32.4)	(50.7)	(36.7)	(20.7)
Profit Before Taxes (PBT)	118.5	121.0	114.9	133.6	161.2	166.6	501.9	514.3	565.7	588.2
Taxes	(18.4)	(30.3)	(18.4)	(19.1)	(25.5)	(33.9)	(139.5)	(144.0)	(164.0)	(170.6)
Income from associates	53.5	56.9	51.0	47.1	56.1	37.8	36.1	41.9	48.1	54.5
Minorities	(12.3)	(12.0)	(4.8)	(8.7)	(17.7)	(18.6)	(30.9)	(31.3)	(34.2)	(35.9)
Net profit before extraordinary	141.3	135.7	142.8	152.9	174.1	151.8	367.6	380.9	415.6	436.3
Extraordinary items	26.3	54.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net reported profit	167.6	189.9	142.8	152.9	174.1	151.8	367.6	380.9	415.6	436.3
% change in Sales	(3.1)	9.9	5.0	8.2	22.5	(8.5)	33.9	9.3	9.7	7.7
% change in EBITDA	6.9	0.7	1.8	13.9	38.0	(6.4)	88.1	3.8	5.5	1.1
% change in EBITA	32.4	1.3	1.0	18.1	37.7	(0.2)	124.7	2.3	6.6	1.1
% change in PBT	72.1	2.1	(5.0)	16.3	20.7	3.3	201.3	2.5	10.0	4.0
% change in Net profit before extraordinary	63.0	(3.9)	5.2	7.1	13.9	(12.8)	142.2	3.6	9.1	5.0

Cash Flow Statement (EUR m)	2004	2005	2006	2007	2008	2009	2010	2011e	2012e	2013e
EBITDA	255.6	257.4	262.2	298.6	412.2	385.7	725.3	752.8	794.0	802.8
Change in provisions excluding tax provisions	(0.6)	(15.4)	(12.3)	(8.9)	26.2	(44.5)	1.7	0.0	0.0	0.0
Change in net working capital	(112.6)	(32.3)	(31.9)	(41.9)	(162.4)	195.6	(276.9)	(76.4)	(30.5)	(79.2)
Gross operating cash flow	142.4	209.8	217.9	247.8	276.0	536.8	450.1	676.4	763.4	723.6
Taxes paid	(32.9)	(25.5)	(16.8)	(24.9)	(27.5)	(31.1)	(113.3)	(144.0)	(164.0)	(170.6)
Capex	(172.9)	(151.6)	(161.3)	(199.8)	(251.1)	(173.8)	(249.1)	(252.4)	(228.1)	(213.2)
Free cash flow	(63.3)	32.7	39.8	23.1	(2.6)	331.9	87.7	280.0	371.2	339.8
Net interest received	(16.0)	(14.8)	(22.0)	(30.8)	(31.5)	(39.2)	(43.5)	(50.7)	(36.7)	(20.7)
Other	75.5	96.6	(25.4)	42.1	24.2	172.3	16.6	47.4	34.5	40.2
Acquisitions	(16.9)	(21.2)	(42.7)	(14.7)	(44.2)	(3.4)	(29.9)	(18.0)	0.0	0.0
Divestments	0.1	86.5	0.0	4.2	0.7	(0.5)	12.6	0.0	0.0	0.0
Share issues/buybacks	(8.8)	(24.3)	(56.1)	(111.0)	(19.7)	(0.5)	(57.7)	0.0	0.0	0.0
Dividend (adj. stock dividend)	(45.3)	(52.2)	(74.1)	(57.2)	(62.2)	(50.6)	(118.5)	(99.8)	(114.3)	(145.5)
Extraordinary items (after tax)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Change in interest-bearing debt	77.4	20.6	39.1	136.4	180.4	(252.5)	299.8	(158.8)	(254.8)	(213.8)
Change in cash & cash equivalents	2.7	123.8	(141.5)	(7.9)	45.1	157.5	167.1	0.0	0.0	0.0

Balance Sheet (EUR m)	2004	2005	2006	2007	2008	2009	2010	2011e	2012e	2013e
Net intangible fixed assets	118.4	125.4	134.5	122.0	111.5	105.0	131.1	136.0	142.4	150.2
Net tangible fixed assets	791.6	799.8	824.2	917.6	1,070.7	1,127.7	1,295.1	1,354.9	1,385.0	1,396.7
Financials fixed assets (FFA)	331.1	325.5	348.6	303.4	247.7	311.7	339.6	339.6	339.6	339.6
Inventories	419.3	348.3	368.8	385.4	510.5	358.4	507.7	545.0	587.3	632.7
Trade debtors	385.2	354.2	398.9	437.7	483.2	479.6	774.3	797.4	832.0	896.4
Other debtors	44.9	63.4	63.7	73.1	125.3	171.2	182.4	226.1	258.7	285.4
Cash & securities	98.9	222.7	81.2	73.2	118.3	275.8	442.9	442.9	442.9	442.9
Total Assets	2,189.3	2,239.3	2,219.8	2,312.6	2,667.2	2,829.5	3,673.1	3,842.0	3,988.0	4,143.9
Shareholder's equity	909.7	1,057.5	1,060.1	1,098.2	1,130.6	1,284.8	1,610.7	1,891.8	2,193.1	2,483.9
Other equity	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Minorities	48.8	51.1	48.9	48.4	41.8	88.7	86.0	104.8	125.3	146.8
Provisions	373.0	357.5	331.4	298.8	373.4	329.9	379.9	379.9	379.9	379.9
Long-term interest bearing debt	242.3	288.3	274.4	322.5	288.1	598.1	700.5	541.7	286.9	73.2
Short-term interest bearing debt	312.0	245.6	218.0	253.0	503.1	151.4	320.3	320.3	320.3	320.3
Trade creditors	250.8	187.4	227.8	231.7	253.8	247.1	341.7	373.4	409.7	441.4
Other non-interest bearing liabilities	52.7	52.0	59.3	60.0	76.4	129.4	234.2	230.2	272.8	298.5
Total Liabilities & Capital	2,189.3	2,239.3	2,219.8	2,312.6	2,667.2	2,829.5	3,673.1	3,842.0	3,988.0	4,143.9
Enterprise Value (EV)	1,330.5	1,503.0	1,827.0	1,829.4	1,317.4	2,331.9	5,226.4	4,959.5	4,725.2	4,533.0
Net debt/(Net cash)	455.4	311.2	411.2	502.2	672.9	473.7	577.9	419.1	164.3	(49.5)
Capital Employed incl. goodwill (avg.)	1,458.6	1,515.7	1,517.1	1,610.5	1,850.3	1,969.4	2,148.5	2,450.4	2,557.8	2,643.6
Cumulative goodwill (as of 1991)	131.3	85.3	82.2	75.2	74.6	76.6	77.5	77.5	77.5	77.5
Capital Employed (avg.)	1,332.4	1,407.4	1,433.3	1,531.8	1,775.5	1,893.9	2,071.4	2,372.9	2,480.3	2,566.1
Net working capital	545.9	526.6	544.3	604.6	788.8	632.7	888.5	964.9	995.5	1,074.7
Discounted value of leases	26.3	36.6	32.2	28.6	28.9	28.9	43.9	47.4	50.6	53.5
Adjusted equity	1,041.0	1,142.9	1,142.3	1,173.3	1,205.2	1,361.4	1,688.2	1,969.2	2,270.6	2,561.4

Per Share Data (EUR)	2004	2005	2006	2007	2008	2009	2010	2011e	2012e	2013e
Avg. no. of shares (m)	65.8	64.9	64.5	60.1	59.2	59.2	59.2	59.9	59.9	59.9
Eoy. no. of shares (m)	65.6	64.6	62.8	59.5	59.4	59.5	59.9	59.9	59.9	59.9
Avg. no. of shares fully diluted (m)	65.9	65.1	64.8	60.5	59.4	59.4	59.6	60.2	60.2	60.2
Enterprise Value (EV)	20.28	23.27	29.07	30.75	22.20	39.19	87.27	82.82	78.90	75.69
Net debt less FFA plus minorities	2.64	0.57	1.77	4.16	7.87	4.21	5.41	3.08	(0.84)	(4.05)
Sales	26.49	29.50	31.17	36.16	45.01	41.16	55.06	59.54	65.33	70.38
EBITDA	3.89	3.97	4.07	4.97	6.97	6.51	12.24	12.57	13.26	13.41
EBITA	2.25	2.31	2.35	2.98	4.16	4.15	9.32	9.44	10.06	10.17
EBIT	2.11	2.10	2.26	2.90	3.56	3.92	9.02	9.44	10.06	10.17
Net profit before extr. & amort. (EUR)	2.29	2.30	2.30	2.61	3.55	2.79	6.51	6.36	6.94	7.29
Net profit before extraordinary (EUR)	2.15	2.09	2.21	2.54	2.94	2.56	6.21	6.36	6.94	7.29
Cash Flow (EUR)	3.92	3.96	4.02	4.61	6.35	5.15	9.43	9.50	10.14	10.52
Gross Dividend (EUR)	0.67	1.00	0.83	0.92	0.93	0.98	1.67	1.91	2.43	2.55
Book value (EUR)	13.86	16.37	16.87	18.46	19.05	21.59	26.90	31.59	36.62	41.48
Adjusted equity	15.86	17.69	18.18	19.72	20.31	22.88	28.19	32.88	37.92	42.77
Free Cash Flow	(0.96)	0.50	0.62	0.38	(0.04)	5.60	1.48	4.68	6.20	5.67
% change in EPS before extr. & amort.	74.88	0.76	(0.11)	13.68	35.68	(21.26)	133.05	(2.28)	9.10	4.98

Valuation	2004	2005	2006	2007	2008	2009	2010	2011e	2012e	2013e
P/E (excl. extr. & amort.)	7.3	9.4	11.9	12.5	8.3	9.0	8.2	13.2	12.1	11.5
P/CF (x)	4.3	5.5	6.8	7.1	4.6	4.9	5.7	8.8	8.3	8.0
P/Book (x)	1.4	1.6	1.9	1.7	0.8	1.7	3.2	2.7	2.3	2.0
Dividend yield (%)	4.0	4.6	3.0	2.8	3.2	3.9	3.1	2.3	2.9	3.0
Free cash flow yield (%)	(7.2)	0.4	0.9	(0.5)	(2.5)	18.4	1.2	4.6	6.7	6.4
EV/Sales (x)	0.8	0.8	0.9	0.8	0.5	1.0	1.6	1.4	1.2	1.1
EV/EBITDA (x)	5.2	5.8	7.0	6.1	3.2	6.0	7.2	6.6	6.0	5.6
EV/EBITA (x)	9.0	10.0	12.1	10.2	5.3	9.5	9.5	8.8	7.8	7.4
EV/EBIT (x)	9.6	11.0	12.5	10.5	6.3	10.0	9.8	8.8	7.8	7.4
EV/Capital Employed (x)	1.0	1.1	1.3	1.2	0.7	1.2	2.5	2.1	1.9	1.8
EV/CE (incl. goodwill) (x)	0.9	1.0	1.2	1.1	0.7	1.2	2.4	2.0	1.8	1.7
Share price : High (EUR)	19.92	26.32	33.20	37.80	40.11	36.35	86.69	87.43		
Share price : Low (EUR)	14.50	18.47	23.12	28.15	14.82	12.62	33.67	71.34		
Share price : Average (EUR)	16.71	21.72	27.39	32.73	29.42	25.11	53.68	83.78	83.78	83.78
Share price : Year end (EUR)	19.58	26.32	31.57	30.67	16.11	36.17	85.90	83.78	83.78	83.78

Capital Efficiency/Solvability	2004	2005	2006	2007	2008	2009	2010	2011e	2012e	2013e
Sales/CE (incl. goodwill)	1.2	1.3	1.3	1.3	1.4	1.2	1.5	1.5	1.5	1.6
Sales/Fixed assets (x)	2.2	2.4	2.4	2.4	2.5	2.2	2.5	2.6	2.8	3.0
Sales/Net working capital (x)	3.2	3.6	3.7	3.6	3.4	3.9	3.7	3.7	3.9	3.9
Inventories/Sales (days)	87.9	66.4	67.0	64.7	70.0	53.7	56.8	55.8	54.8	54.8
Trade debtors/Sales (days)	80.7	67.5	72.5	73.5	66.2	71.8	86.6	81.6	77.6	77.6
Trade creditors/Sales (days)	52.6	35.7	41.4	38.9	34.8	37.0	38.2	38.2	38.2	38.2
CAPEX/Depreciation (%)	160.7	141.1	145.7	166.9	151.3	124.3	144.0	134.4	119.1	110.0
Equity/Total assets (%)	41.6	47.2	47.8	47.5	42.4	45.4	43.8	49.2	55.0	59.9
Net debt/Equity (%)	50.1	29.4	38.8	45.7	59.5	36.9	35.9	22.2	7.5	(2.0)
Interest cover (x)	6.3	4.8	5.5	5.2	5.4	4.0	9.5	9.0	12.3	18.3
Dividend payout (%)	29.1	43.2	35.3	34.8	26.4	35.3	25.9	30.0	35.0	35.0
ROCE (average) (%)	9.4	8.0	8.9	10.0	11.7	10.3	19.3	17.1	17.2	16.8
ROCE (incl. goodwill) (average) (%)	8.6	7.4	8.4	9.5	11.2	9.9	18.6	16.6	16.7	16.4

Operating Efficiency & Profitability ratios	2004	2005	2006	2007	2008	2009	2010	2011e	2012e	2013e
Sales per FTE employee ('000s)	161.4	178.9	169.2	155.4	165.3	139.0	163.2	174.6	187.3	198.2
Wage costs per FTE employee ('000s)	41.7	42.0	38.9	33.8	32.5	28.5	29.9	30.6	31.4	32.2
EBIT per FTE employee ('000s)	12.9	12.7	12.3	12.5	13.1	13.2	26.7	27.7	28.8	28.6
Gross margin (%)										
EBITDA margin (%)	14.7	13.4	13.0	13.7	15.5	15.8	22.2	21.1	20.3	19.0
Operating margin (%)	8.0	7.1	7.3	8.0	7.9	9.5	16.4	15.8	15.4	14.4
Net margin (%)	6.3	5.5	5.1	5.5	6.4	6.0	11.7	10.4	10.3	9.9
Tax rate (%)	15.5	25.0	16.0	14.3	15.8	20.4	27.8	28.0	29.0	29.0

Important disclosures

Issuer	Ticker	Price (EUR)
Bekaert	BEKB.BR	83.78

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Maarten Bakker - Equity Research Analyst

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29 April 2011

ABN AMRO Bank N.V. Primary Equity Research Coverage: 100

Historical equity recommendations and target price for Bekaert (EUR)



History of Target Prices

Date	Recommendation	Target Price
2/28/2011	BUY	EUR 93.00
11/10/2010	BUY	EUR 88.00
11/5/2010	BUY	EUR 88.33
8/2/2010	BUY	EUR 83.33
7/26/2010	BUY	EUR 57.67
7/23/2010	BUY	EUR 57.33
6/2/2010	BUY	EUR 55.33
5/12/2010	BUY	EUR 55.00
3/9/2010	BUY	EUR 51.67
1/7/2010	BUY	EUR 44.67
11/17/2009	BUY	EUR 42.33
11/16/2009	BUY	EUR 41.67
8/5/2009	BUY	EUR 37.33
4/7/2009	BUY	EUR 25.00

History of Recommendations

Date	Recommendation	Target Price
8/5/2009	BUY	EUR 37.33
5/8/2009	HOLD	EUR 25.00
4/7/2009	BUY	EUR 25.00

Source: ABN AMRO Bank Equity Research, FactSet

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