

**Bekaert**

Belgium/General Industrials

Analysers

**Hold**

Recommendation unchanged

**Share price: EUR 29.28**

closing price as of 17/11/2011

**Target price: EUR 30.00**

Target Price unchanged

Reuters/Bloomberg

BEKB.BR/BEKB BB

Market capitalisation (EURm)	1,756
Current N° of shares (m)	60
Free float	61%
Daily avg. no. trad. sh. 12 mth	288,632
Daily avg. trad. vol. 12 mth (m)	18
Price high 12 mth (EUR)	87.43
Price low 12 mth (EUR)	28.50
Abs. perf. 1 mth	-6.92%
Abs. perf. 3 mth	-20.90%
Abs. perf. 12 mth	-59.18%

Key financials (EUR)	12/10	12/11e	12/12e
Sales (m)	3,263	3,218	3,087
EBITDA (m)	725	490	390
EBITDA margin	22.2%	15.2%	12.6%
EBIT (m)	534	327	230
EBIT margin	16.4%	10.2%	7.4%
Net Profit (adj.)(m)	389	208	158
ROCE	16.2%	8.8%	6.3%
Net debt/(cash) (m)	523	695	606
Net Debt/Equity	0.3	0.4	0.3
Debt/EBITDA	0.7	1.4	1.6
Int. cover(EBITDA/Fin. int)	14.5	9.3	7.3
EV/Sales	1.7	0.7	0.7
EV/EBITDA	7.5	4.5	5.5
EV/EBITDA (adj.)	7.5	4.5	5.5
EV/EBIT	10.2	6.8	9.3
P/E (adj.)	13.2	8.5	11.1
P/BV	3.2	1.0	1.0
OpFCF yield	4.4%	2.1%	18.5%
Dividend yield	5.7%	5.7%	5.7%
EPS (adj.)	6.48	3.46	2.63
BVPS	26.86	28.48	29.06
DPS	1.66	1.66	1.66

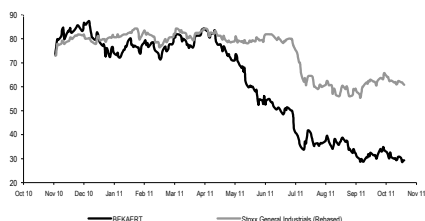
**Early closing of the bonds subscription period**

**The facts:** Yesterday evening Bekaert announced that the subscription period of the dual tranche bond offers has been early terminated on 17 November 2011 at 5:30 p.m. CET instead of 2 December.

The aggregate nominal amount of bonds to be issued on 6 December 2011 has been fixed at EUR 400m, of which EUR 205m for the 5-year tranche and EUR 195m for the 8-year tranche. We recall that Bekaert expected total minimum amount of EUR 200m.

**Our analysis:** The net proceed will be used the refund certain bank indebtedness, refinance the bonds maturing in early 2012 and for general purpose.

**Conclusion & Action:** We maintain our Hold rating and TP of EUR 30 on the share.

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