



25 February 2013

## Investment Research

### Hold

Recommendation unchanged

**Share price: EUR 20.69**

closing price as of 22/02/2013

**Target price: EUR 20.00**

Target Price unchanged

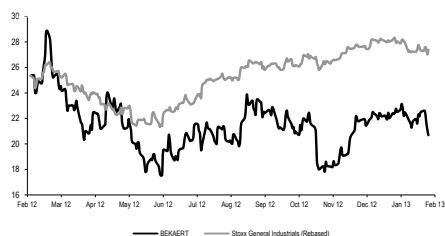
Reuters/Bloomberg

BEKB.BR/BEKB.BB

Daily avg. no. trad. sh. 12 mth	192,489
Daily avg. trad. vol. 12 mth (m)	4.16
Price high 12 mth (EUR)	28.83
Price low 12 mth (EUR)	17.51
Abs. perf. 1 mth	-7.4%
Abs. perf. 3 mth	11.3%
Abs. perf. 12 mth	-27.2%

Market capitalisation (EURm)	1,241
Current N° of shares (m)	60
Free float	61%

Key financials (EUR)	12/11	12/12e	12/13e
Sales (m)	3,340	3,444	3,611
EBITDA (m)	477	314	338
EBITDA margin	14.3%	9.1%	9.3%
EBIT (m)	268	(51)	150
EBIT margin	8.0%	nm	4.1%
Net Profit (adj.)(m)	202	(34)	55
ROCE	7.1%	-0.9%	5.1%
Net debt/(cash) (m)	860	848	870
Net Debt Equity	0.5	0.6	0.6
Net Debt/EBITDA	1.8	2.7	2.6
Int. cover(EBITDA/Fin.int)	7.2	3.2	3.7
EV/Sales	0.7	0.7	0.6
EV/EBITDA	5.1	7.2	6.6
EV/EBITDA (adj.)	5.1	6.8	6.2
EV/EBIT	9.1	nm	14.9
P/E (adj.)	7.4	nm	22.5
P/BV	0.9	0.9	0.9
OpFCF yield	-3.6%	6.8%	0.7%
Dividend yield	5.7%	2.3%	2.3%
EPS (adj.)	3.36	(0.57)	0.92
BVPS	28.24	23.58	23.43
DPS	1.17	0.47	0.47



Source: Factset  
Shareholders: Bekaert Fam. & Rel. 39%;

For company description please see summary table footnote

## Very poor figures expected for 2H/FY12 results

**The facts:** Bekaert will release its 2H/FY12 results on Wednesday 27<sup>th</sup> of February, before market. An analyst meeting is scheduled the same day at 02:00 pm CET.

**Our analysis:** 1H12 results were already extremely weak, reflecting the decline in sawing wire activity in the European and Chinese markets, the weak automotive markets in Europe and the overcapacity in the Chinese tire cord market that resulted into price competition. On top of that huge restructuring and impairment charges were booked during the first half for a total amount of EUR 114m.

Bekaert : key figures (EUR m)	1H11	2H11	2011	1H12	2H12e	2012e	% chg
<b>Combined sales</b>	<b>2,412</b>	<b>2,187</b>	<b>4,599</b>	<b>2,255</b>	<b>2,188</b>	<b>4,443</b>	<b>-3.4%</b>
<b>Consolidated sales</b>	<b>1,780</b>	<b>1,560</b>	<b>3,340</b>	<b>1,783</b>	<b>1,655</b>	<b>3,438</b>	<b>2.9%</b>
<b>Rebit</b>	<b>242</b>	<b>39</b>	<b>281</b>	<b>85</b>	<b>63</b>	<b>149</b>	<b>-47.1%</b>
Margin	13.6%	2.5%	8.4%	4.8%	2.9%	3.3%	
-EMEA	54	12	66	36	24	60	-8.6%
-North America	28	4	32	21	15	36	13.5%
-Latin America	16	19	35	29	28	57	61.8%
-Asia Pacific	185	39	224	35	30	65	-70.9%
-Corporate	-41	-35	-76	-36	-34	-70	-8.1%
<b>Operating result</b>	<b>232</b>	<b>37</b>	<b>268</b>	<b>4</b>	<b>-54</b>	<b>-49</b>	<b>nr</b>
Margin	13.0%	2.3%	8.0%	0.2%	-2.4%	-1.1%	
<b>Group's share in net result</b>	<b>144</b>	<b>48</b>	<b>193</b>	<b>-79</b>	<b>-101</b>	<b>-180</b>	<b>nr</b>
EPS (EUR)	2.41	0.81	3.21	-1.31	-1.69	-3.00	nr

Sources : Bekaert / Bank Degroof estimates

There were no real signs of markets improvement during the second half, with the exception of the US and of most of Latin American markets. The car production in Europe dropped significantly, while the price competition in tire cord and in sawing wire further intensified in China. It is our understanding that the Chinese sawing wire activity was producing closed to the cash cost level in 3Q12. Mid-November, management also indicated that it expected EUR 100m additional non-recurring charges to be booked in the 2H12 accounts. These charges are linked to bad debt provisions (for EUR ~25m) and to the impairment of the remaining sawing wire assets in China (for EUR ~75m). As a result, we anticipated a negative EBIT for both 2H12 and FY12. Note that to these EUR 100m should be added the non-recurring charges related to the EUR 100m savings program announced in February 2012 and for which Bekaert did not provide details, so far. We just got an indication of the associated costs (EUR 50m to be split between 2H12 and 1H13) and on the timing of its full effects (2014). That year Bekaert expects to reach back to bottom end of the long term targeted EBIT margin range of 7-9%. It also recognised that at 2H12 market conditions this target is challenging.

Since December the share price recovered from its low level of end November, supported by more encouraging economic indicators in Asia and more specifically in China. Although we believe there are good chances that the tire cord market bottomed out this year, we are more sceptical for the sawing wire, given the still high overcapacities in the photovoltaic (PV) sector, even after having discounted the strong PV installation targets.

**Conclusion & Action:** We still believe it is too early to turn positive on Bekaert. Rating and TP maintained ahead of the FY12 reporting.

Analyst(s): Bernard Hanssens +32 (0) 2 287 9689 b

## Bekaert: Summary tables

<b>PROFIT &amp; LOSS (EURm)</b>	<b>12/2009</b>	<b>12/2010</b>	<b>12/2011</b>	<b>12/2012e</b>	<b>12/2013e</b>	<b>12/2014e</b>
<b>Sales</b>	<b>2,437</b>	<b>3,263</b>	<b>3,340</b>	<b>3,444</b>	<b>3,611</b>	<b>3,790</b>
Cost of Sales & Operating Costs	-2,050	-2,537	-2,863	-3,129	-3,274	-3,371
Non Recurrent Expenses/Income	0.0	0.0	0.0	-19.2	-25.0	0.0
<b>EBITDA</b>	<b>387</b>	<b>726</b>	<b>477</b>	<b>314</b>	<b>338</b>	<b>419</b>
<b>EBITDA (adj.)*</b>	<b>387</b>	<b>726</b>	<b>477</b>	<b>334</b>	<b>363</b>	<b>419</b>
Depreciation	-155	-191	-208	-186	-188	-181
<b>EBITA</b>	<b>232</b>	<b>534</b>	<b>268</b>	<b>128</b>	<b>150</b>	<b>239</b>
<b>EBITA (adj)*</b>	<b>232</b>	<b>534</b>	<b>268</b>	<b>147</b>	<b>175</b>	<b>239</b>
Amortisations and Write Downs	0.0	0.0	0.0	-179	0.0	0.0
<b>EBIT</b>	<b>232</b>	<b>534</b>	<b>268</b>	<b>-50.7</b>	<b>150</b>	<b>239</b>
<b>EBIT (adj.)*</b>	<b>232</b>	<b>534</b>	<b>268</b>	<b>-31.5</b>	<b>175</b>	<b>239</b>
Net Financial Interest	-56.7	-50.1	-65.8	-97.2	-90.2	-86.8
Other Financials	-8.9	17.7	47.3	-4.0	-4.0	-2.0
Associates	37.8	36.1	25.4	12.9	17.0	21.4
Other Non Recurrent Items	0.0	0.0	0.0	0.0	0.0	0.0
<b>Earnings Before Tax (EBT)</b>	<b>204</b>	<b>538</b>	<b>275</b>	<b>-139</b>	<b>72.4</b>	<b>171</b>
Tax	-33.9	-139	-68.1	-45.0	-25.0	-40.5
<i>Tax rate</i>	<i>16.6%</i>	<i>25.9%</i>	<i>24.7%</i>	<i>nm</i>	<i>34.6%</i>	<i>23.6%</i>
Discontinued Operations	0.0	0.0	0.0	0.0	0.0	0.0
Minorities	-18.6	-30.9	-14.6	-20.0	-25.0	-30.0
<b>Net Profit (reported)</b>	<b>152</b>	<b>368</b>	<b>193</b>	<b>-204</b>	<b>22.4</b>	<b>101</b>
<b>Net Profit (adj.)</b>	<b>170</b>	<b>389</b>	<b>202</b>	<b>-34.3</b>	<b>55.2</b>	<b>113</b>
<b>CASH FLOW (EURm)</b>	<b>12/2009</b>	<b>12/2010</b>	<b>12/2011</b>	<b>12/2012e</b>	<b>12/2013e</b>	<b>12/2014e</b>
Cash Flow from Operations before change in NWC	283	594	398	176	232	307
Change in Net Working Capital	196	-277	-175	63.6	-78.3	-18.2
<b>Cash Flow from Operations</b>	<b>478</b>	<b>317</b>	<b>223</b>	<b>240</b>	<b>154</b>	<b>289</b>
Capex	-164	-320	-276	-150	-145	-155
Net Financial Investments	0.0	0.0	0.0	0.0	0.0	0.0
<b>Free Cash Flow</b>	<b>314</b>	<b>-2.7</b>	<b>-53.1</b>	<b>89.5</b>	<b>8.6</b>	<b>134</b>
Dividends	-60.5	-63.7	-109	-76.7	-30.6	-30.6
Other (incl. Capital Increase & share buy backs)	0.5	-27.4	-175	0.0	0.0	0.0
<b>Change in Net Debt</b>	<b>254</b>	<b>-93.9</b>	<b>-337</b>	<b>12.9</b>	<b>-22.0</b>	<b>103</b>
NOPLAT	163	374	188	-22.1	122	167
<b>BALANCE SHEET &amp; OTHER ITEMS (EURm)</b>	<b>12/2009</b>	<b>12/2010</b>	<b>12/2011</b>	<b>12/2012e</b>	<b>12/2013e</b>	<b>12/2014e</b>
Net Tangible Assets	1,128	1,295	1,406	1,191	1,148	1,122
Net Intangible Assets (incl. Goodwill)	105	131	131	131	131	131
Net Financial Assets & Other	259	276	338	338	338	338
<b>Total Fixed Assets</b>	<b>1,492</b>	<b>1,702</b>	<b>1,875</b>	<b>1,660</b>	<b>1,617</b>	<b>1,592</b>
Inventories	358	508	578	560	614	644
Trade receivables	480	774	828	792	831	834
Other current assets	174	182	182	182	182	182
Cash (-)	-325	-507	-706	-719	-697	-800
<b>Total Current Assets</b>	<b>1,338</b>	<b>1,971</b>	<b>2,294</b>	<b>2,252</b>	<b>2,323</b>	<b>2,460</b>
<b>Total Assets</b>	<b>2,830</b>	<b>3,673</b>	<b>4,169</b>	<b>3,912</b>	<b>3,940</b>	<b>4,052</b>
Shareholders Equity	1,285	1,611	1,694	1,415	1,406	1,474
Minority	88.7	86.0	72.5	86.0	108	136
Total Equity	1,374	1,697	1,766	1,501	1,514	1,610
Long term interest bearing debt	603	710	918	918	918	918
Provisions	325	370	341	341	341	341
Other long term liabilities	0.0	0.0	0.0	0.0	0.0	0.0
<b>Total Long Term Liabilities</b>	<b>928</b>	<b>1,080</b>	<b>1,259</b>	<b>1,259</b>	<b>1,259</b>	<b>1,259</b>
Short term interest bearing debt	151	320	648	648	648	648
Trade payables	247	342	291	300	314	330
Other current liabilities	129	234	204	204	204	204
<b>Total Current Liabilities</b>	<b>528</b>	<b>896</b>	<b>1,143</b>	<b>1,152</b>	<b>1,167</b>	<b>1,183</b>
<b>Total Liabilities and Shareholders' Equity</b>	<b>2,830</b>	<b>3,673</b>	<b>4,169</b>	<b>3,912</b>	<b>3,940</b>	<b>4,052</b>
<b>Net Capital Employed</b>	<b>2,128</b>	<b>2,590</b>	<b>2,968</b>	<b>2,689</b>	<b>2,725</b>	<b>2,717</b>
<b>Net Working Capital</b>	<b>591</b>	<b>940</b>	<b>1,116</b>	<b>1,052</b>	<b>1,130</b>	<b>1,148</b>
<b>GROWTH &amp; MARGINS</b>	<b>12/2009</b>	<b>12/2010</b>	<b>12/2011</b>	<b>12/2012e</b>	<b>12/2013e</b>	<b>12/2014e</b>
<i>Sales growth</i>	<i>-8.5%</i>	<i>33.9%</i>	<i>2.4%</i>	<i>3.1%</i>	<i>4.9%</i>	<i>5.0%</i>
<b>EBITDA (adj.)* growth</b>	<b>-6.2%</b>	<b>87.5%</b>	<b>-34.3%</b>	<b>-30.1%</b>	<b>8.7%</b>	<b>15.7%</b>
<i>EBITA (adj.)* growth</i>	<i>10.3%</i>	<i>130.1%</i>	<i>-49.8%</i>	<i>-45.1%</i>	<i>18.5%</i>	<i>36.9%</i>
<i>EBIT (adj.)* growth</i>	<i>10.3%</i>	<i>130.1%</i>	<i>-49.8%</i>	<i>-chg</i>	<i>+chg</i>	<i>36.9%</i>

## Bekaert: Summary tables

<b>GROWTH &amp; MARGINS</b>	<b>12/2009</b>	<b>12/2010</b>	<b>12/2011</b>	<b>12/2012e</b>	<b>12/2013e</b>	<b>12/2014e</b>
Net Profit growth	-28.1%	128.4%	-48.1%	-chg	+chg	105.3%
EPS adj. growth	-28.3%	126.6%	-48.1%	-chg	+chg	105.3%
DPS adj. growth	5.0%	69.5%	-29.6%	-60.1%	0.0%	49.9%
EBITDA (adj)* margin	15.9%	22.2%	14.3%	9.7%	10.0%	11.1%
EBITA (adj)* margin	9.5%	16.4%	8.0%	4.3%	4.8%	6.3%
EBIT (adj)* margin	9.5%	16.4%	8.0%	nm	4.8%	6.3%
<b>RATIOS</b>	<b>12/2009</b>	<b>12/2010</b>	<b>12/2011</b>	<b>12/2012e</b>	<b>12/2013e</b>	<b>12/2014e</b>
Net Debt/Equity	0.3	0.3	0.5	0.6	0.6	0.5
Net Debt/EBITDA	1.1	0.7	1.8	2.7	2.6	1.8
Interest cover (EBITDA/Fin.interest)	6.8	14.5	7.2	3.2	3.7	4.8
Capex/D&A	106.1%	167.0%	132.4%	41.1%	77.1%	85.9%
Capex/Sales	6.7%	9.8%	8.3%	4.4%	4.0%	4.1%
NWC/Sales	24.2%	28.8%	33.4%	30.5%	31.3%	30.3%
ROE (average)	14.1%	26.9%	12.2%	-2.2%	3.9%	7.9%
ROCE (adj.)	8.9%	15.8%	7.1%	-0.9%	5.1%	7.0%
WACC	11.8%	11.8%	11.8%	11.8%	11.8%	11.8%
ROCE (adj.)/WACC	0.8	1.3	0.6	-0.1	0.4	0.6
<b>PER SHARE DATA (EUR)***</b>	<b>12/2009</b>	<b>12/2010</b>	<b>12/2011</b>	<b>12/2012e</b>	<b>12/2013e</b>	<b>12/2014e</b>
Average diluted number of shares	59.5	60.0	60.0	60.0	60.0	60.0
EPS (reported)	2.55	6.13	3.21	-3.40	0.37	1.68
EPS (adj.)	2.86	6.48	3.36	-0.57	0.92	1.89
BVPS	21.59	26.86	28.24	23.58	23.43	24.57
DPS	0.98	1.66	1.17	0.47	0.47	0.70
<b>VALUATION</b>	<b>12/2009</b>	<b>12/2010</b>	<b>12/2011</b>	<b>12/2012e</b>	<b>12/2013e</b>	<b>12/2014e</b>
EV/Sales	1.1	1.8	0.7	0.7	0.6	0.6
EV/EBITDA	7.0	8.0	5.1	7.2	6.6	5.1
<b>EV/EBITDA (adj.)*</b>	<b>7.0</b>	<b>8.0</b>	<b>5.1</b>	<b>6.8</b>	<b>6.2</b>	<b>5.1</b>
EV/EBITA	11.7	10.8	9.1	17.7	14.9	9.0
<b>EV/EBITA (adj.)*</b>	<b>11.7</b>	<b>10.8</b>	<b>9.1</b>	<b>15.4</b>	<b>12.8</b>	<b>9.0</b>
EV/EBIT	11.7	10.8	9.1	nm	14.9	9.0
<b>EV/EBIT (adj.)*</b>	<b>11.7</b>	<b>10.8</b>	<b>9.1</b>	<b>nm</b>	<b>12.8</b>	<b>9.0</b>
<b>P/E (adj.)</b>	<b>12.6</b>	<b>13.2</b>	<b>7.4</b>	<b>nm</b>	<b>22.5</b>	<b>11.0</b>
P/BV	1.7	3.2	0.9	0.9	0.9	0.8
Total Yield Ratio	3.0%	2.1%	6.2%	2.5%	2.5%	
EV/CE	1.5	2.4	0.9	1.0	0.9	0.9
OpFCF yield	14.6%	-0.1%	-3.6%	6.8%	0.7%	10.8%
OpFCF/EV	11.6%	0.0%	-2.2%	4.0%	0.4%	6.2%
Payout ratio	38.4%	27.1%	36.4%	-13.7%	125%	41.6%
Dividend yield (gross)	2.7%	1.9%	5.7%	2.3%	2.3%	3.4%
<b>EV AND MKT CAP (EURm)</b>	<b>12/2009</b>	<b>12/2010</b>	<b>12/2011</b>	<b>12/2012e</b>	<b>12/2013e</b>	<b>12/2014e</b>
Price** (EUR)	36.17	85.90	24.79	21.88	20.69	20.69
Outstanding number of shares for main stock	59.5	60.0	60.0	60.0	60.0	60.0
<b>Total Market Cap</b>	<b>2,152</b>	<b>5,152</b>	<b>1,487</b>	<b>1,312</b>	<b>1,241</b>	<b>1,241</b>
<b>Net Debt</b>	<b>429</b>	<b>523</b>	<b>860</b>	<b>848</b>	<b>870</b>	<b>766</b>
<i>o/w Cash &amp; Marketable Securities (-)</i>	<i>-325</i>	<i>-507</i>	<i>-706</i>	<i>-719</i>	<i>-697</i>	<i>-800</i>
<i>o/w Gross Debt (+)</i>	<i>755</i>	<i>1,030</i>	<i>1,566</i>	<i>1,566</i>	<i>1,566</i>	<i>1,566</i>
<b>Other EV components</b>	<b>125</b>	<b>97</b>	<b>86</b>	<b>105</b>	<b>122</b>	<b>138</b>
<b>Enterprise Value (EV adj.)</b>	<b>2,707</b>	<b>5,772</b>	<b>2,433</b>	<b>2,265</b>	<b>2,233</b>	<b>2,146</b>

Source: Company, Bank Degroof estimates.

### Notes

\* Where EBITDA (adj.) or EBITA (adj.) = EBITDA (or EBITA) -/+ Non Recurrent Expenses/Income and where EBIT (adj.) = EBIT -/+ Non Recurrent Expenses/Income - PPA amortisation

\*\*Price (in local currency): Fiscal year end price for Historical Years and Current Price for current and forecasted years

Sector: General Industrials/Diversified Industrials

Company Description: Bekaert is a company built on two core competences: "advanced metal transformation" and "advanced materials & coatings". Bekaert strives to be a market and technological leader in its niches markets in which it is seeking substantial profitable growth. Bekaert is strongly exposed to BRIC countries and other growing markets, which together represent almost 80% of the "combined" sales.

## ESN Recommendation System

The ESN Recommendation System is **Absolute**. It means that each stock is rated on the basis of a **total return**, measured by the upside potential (including dividends and capital reimbursement) over a **12 month time horizon**.

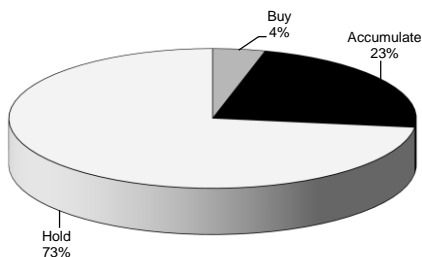
The ESN spectrum of recommendations (or ratings) for each stock comprises 5 categories: **Buy, Accumulate (or Add), Hold, Reduce and Sell (in short: B, A, H, R, S)**.

Furthermore, in specific cases and for a limited period of time, the analysts are allowed to rate the stocks as **Rating Suspended (RS)** or **Not Rated (NR)**, as explained below.

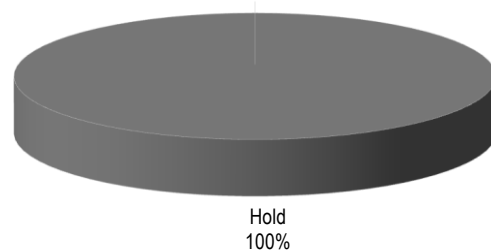
### Meaning of each recommendation or rating:

- **Buy:** the stock is expected to generate total return of **over 20%** during the next 12 months time horizon
- **Accumulate:** the stock is expected to generate total return of **10% to 20%** during the next 12 months time horizon
- **Hold:** the stock is expected to generate total return of **0% to 10%** during the next 12 months time horizon.
- **Reduce:** the stock is expected to generate total return of **0% to -10%** during the next 12 months time horizon
- **Sell:** the stock is expected to generate total return **under -10%** during the next 12 months time horizon
- **Rating Suspended:** the rating is suspended due to a capital operation (take-over bid, SPO, ...) where the issuer of the document (a partner of ESN) or a related party of the issuer is or could be involved or to a change of analyst covering the stock
- **Not Rated:** there is no rating for a company being floated (IPO) by the issuer of the document (a partner of ESN) or a related party of the issuer

Bank Degroof Ratings Breakdown



Bank Degroof Ratings Breakdown for companies with conflicts of interest

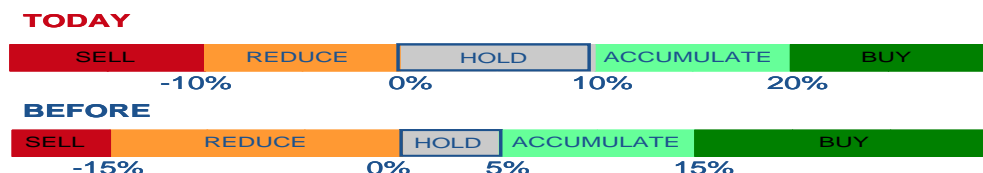


### History of ESN Recommendation System

**Since 18 October 2004**, the Members of ESN are using an Absolute Recommendation System (before was a Relative Rec. System) to rate any single stock under coverage.

**Since 4 August 2008**, the ESN Rec. System has been amended as follow.

- Time horizon changed to 12 months (it was 6 months)
- Recommendations Total Return Range changed as below:




**Institutional & corporate equity desk**

Damien Crispiels	+32 2 287 96 97
Bart Beullens	+32 2 287 91 80
Laurent Goethals	+32 2 287 91 85
Pascal Magis	+32 2 287 97 81
Peter Rysseleere	+32 2 287 97 46

**Institutional & corporate bond desk**

Peter Deknopper	+32 2 287 91 22
Gauthier de Ghellinck	+32 2 287 68 74
Fabrice Faccenda	+32 2 287 91 81

**Institutional & Structured products**

Edouard Nouvellon	+32 2 287 93 23
Quentin De Decker	+32 2 287 92 87
Tim Vercammen	+32 2 287 91 83
Jerome Verhaegen	+32 2 287 92 56

**Fund Services**

Thomas Palmblad	+32 2 287 93 27
Oliver Gigounon	+32 2 287 91 84
Fabio Ghezzi Morgalanti	+32 2 287 92 72
Frederic Collett	+32 2 287 93 06

**Real Estate**

Jean-Baptiste Van Ex	+32 2 287 91 27
Preben Bruggeman, CFA	+32 2 287 95 71

**Equity brokerage**

John Paladino	+32 2 287 96 40
Tanguy del Marmol	+32 2 287 96 13
Frederic Lebrun	+32 2 287 96 84
Robin Podevyn	+32 2 287 91 82
Christian Saint-Jean	+32 2 287 97 80

**Derivatives brokerage**

Mohamed Abalhossain	+32 2 287 95 10
Olivier-Pierre Morrot	+32 2 287 96 18

**Treasury desk**

Alain Strapart	+32 2 287 95 16
Jeroen De Keer	+32 2 287 97 71

**Equity research**

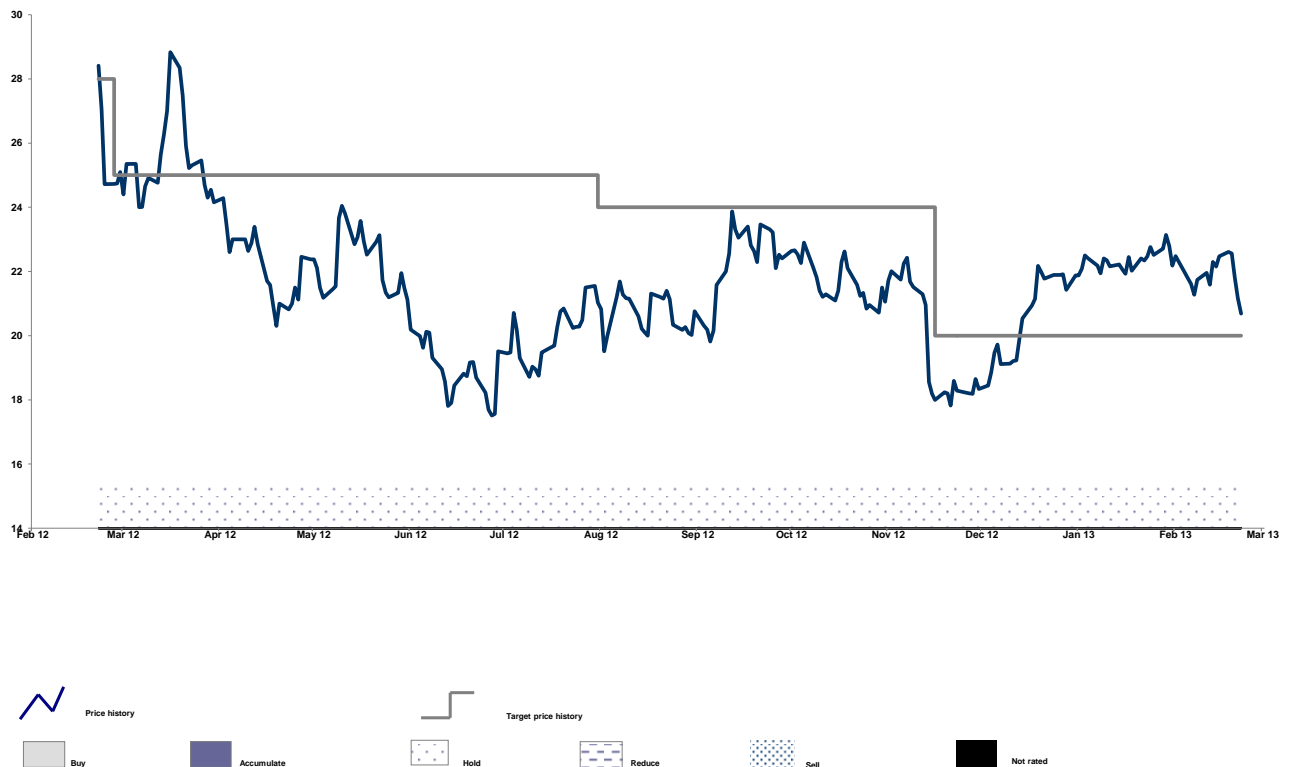
Jean-Marie Caucheteux	+32 2 287 99 20
Hans D'Haese	+32 2 287 92 23
Dries Dury	+32 2 287 91 76
Bernard Hanssens	+32 2 287 96 89
Marc Leemans, CFA	+32 2 287 93 61

**Mail:** [firstname.lastname@degroof.be](mailto:firstname.lastname@degroof.be)

**Recommendation history for BEKAERT**

Date	Recommendation	Target price	Price at change date
16-Nov-12	Hold	20.00	18.00
14-Nov-12	Hold	24.00	18.56
20-Jul-12	Hold	25.00	20.85
03-Feb-12	Hold	28.00	27.64
15-Dec-11	Hold	30.00	25.98
04-Nov-11	Accumulate	36.00	30.74
01-Aug-11	Accumulate	50.00	39.88
15-Jul-11	Accumulate	69.00	50.23
20-Jun-11	Accumulate	80.00	58.04
10-May-11	Accumulate	90.00	83.54

Source: Factset & ESN, price data adjusted for stock splits.  
 This chart shows Bank Degroof continuing coverage of this stock; the current analyst may or may not have covered it over the entire period. Current analyst: Bernard Hanssens (since 05/02/1997)



**Bank Degroof acts as liquidity provider for:**

Aedifica, Atenor, Banimmo, Bois Sauvage, BSB International, Connect Group, D'Ieteren, Eckert-Ziegler, Elia, Floridienne, GIMV, Home Invest Belgium, Intervest Retail, I.R.I.S., Kinopolis, Leasinvest, Luxempart, Montea, PinguinLutosa, Realco, Resilux, Roularta, Sapec, Ter Beke, Van de Velde.

**Bank Degroof holds a significant stake in:**

Fountain and Proximedia.

**Bank Degroof board members and employees hold mandates in the following listed companies:**

Aedifica, Atenor, Barco, Brederode, Cofinimmo, D'Ieteren, Elia, Floridienne, Proximedia, Sapec, Sipef, Ter Beke, Tessengerlo and Zetes.

All opinions and projections expressed in this document constitute the judgement of Bank Degroof as of the date of their publication and are subject to change without notice. Bank Degroof and/or any of its subsidiaries may hold long/short positions in the securities referred to herein including derivative instruments related to the latter or may have business relations with the companies discussed herein. This material is intended for the information of the recipient only and does not constitute an offer to subscribe or purchase any securities. Although they are based on data which is presumed to be reliable and all while reasonable care has been taken to ensure they are derived from sources which are reliable, Bank Degroof has not independently verified such data and takes no responsibility as to their accuracy or completeness and accepts no liability for loss arising from the use of the opinions expressed in this document. Local laws and regulations may restrict the distribution of this document in other jurisdictions. Persons who enter in possession of this document should inform themselves about and observe any such restrictions. All information presented in this document is, unless otherwise specified, under copyright of Bank Degroof. No part of this publication may be copied or redistributed to other persons or firms without the written consent of Bank Degroof.



## Disclaimer:

These reports have been prepared and issued by the Members of European Securities Network LLP ('ESN'). ESN, its Members and their affiliates (and any director, officer or employee thereof), are neither liable for the proper and complete transmission of these reports nor for any delay in their receipt. Any unauthorised use, disclosure, copying, distribution, or taking of any action in reliance on these reports is strictly prohibited. The views and expressions in the reports are expressions of opinion and are given in good faith, but are subject to change without notice. These reports may not be reproduced in whole or in part or passed to third parties without permission. The information herein was obtained from various sources. ESN, its Members and their affiliates (and any director, officer or employee thereof) do not guarantee their accuracy or completeness, and neither ESN, nor its Members, nor its Members' affiliates (nor any director, officer or employee thereof) shall be liable in respect of any errors or omissions or for any losses or consequential losses arising from such errors or omissions. Neither the information contained in these reports nor any opinion expressed constitutes an offer, or an invitation to make an offer, to buy or sell any securities or any options, futures or other derivatives related to such securities ('related investments'). These reports are prepared for the clients of the Members of ESN only. They do not have regard to the specific investment objectives, financial situation and the particular needs of any specific person who may receive any of these reports. Investors should seek financial advice regarding the appropriateness of investing in any securities or investment strategies discussed or recommended in these reports and should understand that statements regarding future prospects may not be realised. Investors should note that income from such securities, if any, may fluctuate and that each security's price or value may rise or fall. Accordingly, investors may receive back less than originally invested. Past performance is not necessarily a guide to future performance. Foreign currency rates of exchange may adversely affect the value, price or income of any security or related investment mentioned in these reports. In addition, investors in securities such as ADRs, whose value are influenced by the currency of the underlying security, effectively assume currency risk.

ESN, its Members and their affiliates may submit a pre-publication draft (without mentioning neither the recommendation nor the target price/fair value) of its reports for review to the Investor Relations Department of the issuer forming the subject of the report, solely for the purpose of correcting any inadvertent material inaccuracies. Like all members employees, analysts receive compensation that is impacted by overall firm profitability. For further details about the specific risks of the company and about the valuation methods used to determine the price targets included in this report/note, please refer to the latest relevant published research on single stock or contact the analyst named on the front of the report/note. Research is available through your sales representative. ESN will provide periodic updates on companies or sectors based on company-specific developments or announcements, market conditions or any other publicly available information. Unless agreed in writing with an ESN Member, this research is intended solely for internal use by the recipient. Neither this document nor any copy of it may be taken or transmitted into Australia, Canada or Japan or distributed, directly or indirectly, in Australia, Canada or Japan or to any resident thereof. This document is for distribution in the U.K. Only to persons who have professional experience in matters relating to investments and fall within article 19(5) of the financial services and markets act 2000 (financial promotion) order 2005 (the "order") or (ii) are persons falling within article 49(2)(a) to (d) of the order, namely high net worth companies, unincorporated associations etc (all such persons together being referred to as "relevant persons"). This document must not be acted on or relied upon by persons who are not relevant persons. Any investment or investment activity to which this document relates is available only to relevant persons and will be engaged in only with relevant persons. The distribution of this document in other jurisdictions or to residents of other jurisdictions may also be restricted by law, and persons into whose possession this document comes should inform themselves about, and observe, any such restrictions. By accepting this report you agree to be bound by the foregoing instructions. You shall indemnify ESN, its Members and their affiliates (and any director, officer or employee thereof) against any damages, claims, losses, and detriments resulting from or in connection with the unauthorized use of this document.

For disclosure upon "conflicts of interest" on the companies under coverage by all the ESN Members and on each "company recommendation history", please visit the ESN website ([www.esnpartnership.eu](http://www.esnpartnership.eu)) For additional information and individual disclaimer please refer to [www.esnpartnership.eu](http://www.esnpartnership.eu) and to each ESN Member websites:

[www.bancaakros.it](http://www.bancaakros.it) regulated by the CONSOB - Commissione Nazionale per le Società e la Borsa

[www.bankiabolosa.es](http://www.bankiabolosa.es) regulated by CNMV - Comisión Nacional del Mercado de Valores

[www.caixabi.pt](http://www.caixabi.pt) regulated by the CMVM - Comissão do Mercado de Valores Mobiliários

[www.cgdsecurities.com.br](http://www.cgdsecurities.com.br) regulated by the CVM - Comissão de Valores Mobiliários

[www.cmcics.com](http://www.cmcics.com) regulated by the AMF - Autorité des marchés financiers

[www.degroof.be](http://www.degroof.be) regulated by the FSMA - Financial Services and Markets Authority

[www.equinet-ag.de](http://www.equinet-ag.de) regulated by the BaFin - Bundesanstalt für Finanzdienstleistungsaufsicht

[www.ibg.gr](http://www.ibg.gr) regulated by the HCMC - Hellenic Capital Market Commission

[www.pohjola.com](http://www.pohjola.com) regulated by the Financial Supervision Authority

[www.snssecurities.nl](http://www.snssecurities.nl) regulated by the AFM - Autoriteit Financiële Markten

## Members of ESN (European Securities Network LLP)



**Banca Akros S.p.A.**  
Viale Eginardo, 29  
20149 MILANO  
Italy  
Phone: +39 02 43 444 389  
Fax: +39 02 43 444 302



**Equinet Bank AG**  
Gräfststraße 97  
60487 Frankfurt am Main  
Germany  
Phone: +49 69 - 58997 - 410  
Fax: +49 69 - 58997 - 299



**Bank Degroof**  
Rue de l'Industrie 44  
1040 Brussels  
Belgium  
Phone: +32 2 287 91 16  
Fax: +32 2 231 09 04



**Investment Bank of Greece**  
24B, Kifisias Avenue  
151 25 Marousi  
Greece  
Phone: +30 210 81 73 000  
Fax: +30 210 68 96 325



**Bankia Bolsa**  
Serrano, 39  
28001 Madrid  
Spain  
Phone: +34 91 436 7813  
Fax: +34 91 577 3770



**Pohjola Bank plc**  
P.O.Box 308  
FI-00013 Pohjola  
Finland  
Phone: +358 10 252 011  
Fax: +358 10 252 2703



**Caixa-Banco de Investimento**  
Rua Barata Salgueiro, 33-5  
1269-050 Lisboa  
Portugal  
Phone: +351 21 389 68 00  
Fax: +351 21 389 68 98



**SNS Securities N.V.**  
Nieuwezijds Voorburgwal 162  
P.O.Box 235  
1000 AE Amsterdam  
The Netherlands  
Phone: +31 20 550 8500  
Fax: +31 20 626 8064



**CM - CIC Securities**  
6, avenue de Provence  
75441 Paris  
Cedex 09  
France  
Phone: +33 1 4596 7940  
Fax: +33 1 4596 7748

