

# Morning Note

01 December 2003

## Bekaert

BERTt.BR / BEKB BB

Belgium

Current price: € 46.70  
 Target price: € 48.00  
 Market cap: € 1,041m  
 Free Float 60 %

	EPS* (€)	P/E
FY02	-1.55	-
FY03E	4.39	10.63
FY04E	4.98	9.38

\* Adjusted for goodwill & exceptionals

## Lanklaar plant resuming production

**Neutral**  
 (Rating unchanged)

On Friday, Nov.-28, the Lanklaar steel cord plant resumed its production following a two-week strike. The production loss might be estimated at about 1,050 ton (compared to Bekaert's annual steel cord capacity of 260,000 ton). In addition, the production will not immediately reach its full capacity, which we estimate at an additional loss of about 450 ton. In total, we lowered our sales estimate for the steel cord division by € 2.25m to € 619.5m. Our EPS 03 estimate has been adjusted from € 4.48 to 4.39. Obviously, the strike does not change our investment opinion nor has any impact on valuation or 2004 estimates. Our DCF model yields a theoretical fair price of € 51.17 per share.

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