

Bekaert

BERTL.BR / BEKB.BB

Engineering & Machinery
Belgium

Current price € 61.85
Target price € 65.00
Market cap € 1,353m
Free float 59%

	EPS (€)	P/E
FY04E	6.06	10.2
FY05E	5.32	11.6
FY06E	6.21	10.0

4Q04 Trading Update

Bekaert, this morning reported its 2004 sales figures pointing to impressive growth figures. Consolidated sales were up by 20.9% to € 2,173m, exceeding our estimate of only € 2,057m. Organic growth amounted to 22%, while net movement in acquisitions and divestments and adverse currency movements amounted to resp. 3% and 4%. Including associates, combined sales were up by 20.1% to € 3,144m. Double digit growth figures were recorded in all business segments with advance wire products, fencing, advance materials and advance coatings recording 20.9%, 18.4%, 13.0% and 12.8% growth in consolidated sales. In 2004, Bekaert proved very successful in pricing through increased raw material prices and maintaining supplies to customers.

Bekaert is regarding the outlook as favourable despite the continuing challenges in the raw materials markets.

Bekaert will report its full year results on 17 March. We confirm our rating at outperform with target price at € 65 and will probably revise our 2004 scenario slightly upwards.

Outperform

Rating Unchanged