

Bekaert

BEKB.BR / BEKB.BB

Increased estimates & target price**Accumulate**

Rating Unchanged

Engineering & Machinery
Belgium

Following a revision of our scenario, we have increased our adjusted EPS forecasts for 2008, 2009 and 2010 from € 8.03, € 7.85 and € 7.68 to € 8.27, € 8.42 and € 8.68.

Current price € 106.00
Target price € 115.00
Market cap € 2,085m
Free float 63%

For the current year, we now bank on an 8.8% increase y/y in consolidated sales. Recurring EBIT is forecasted to firm from € 186.3m to € 204.0m. However, our forecast for the net result stands at € 152.5m, unchanged from last year's level. This explains by higher taxes and lower contribution from associates following the full acquisition of Vicson. Last year's share buy-backs are supporting EPS growth though.

	EPS (€)	P/E
FY07	8.05	12.2
FY08E	8.27	12.8
FY09E	8.42	12.6

We confirm our positive stance on Bekaert with increased target price of € 115 per share (€ 110).