

Bekaert

BEKB.BR / BEKB.BB

Engineering & Machinery
Belgium

Current price € 105.00
Target price € 115.00
Market cap € 2,065m
Free float 61%

	EPS (€)	P/E
FY07	8.05	12.2
FY08E	8.27	12.7
FY09E	8.42	12.5

Exploring cooperation projects with Ansteel

Bekaert this morning announced to have signed a Memorandum of Understanding (MoU) with Ansteel, outlining the terms of a close partnership between the two companies in the future. Both companies have agreed to explore strategic cooperation projects in order to address more effectively the growing demand for advanced wire products in China. More news is to be expected in the near future. Ansteel is currently one of the major suppliers to Bekaert in China and the announced MoU is probably to strengthen this relationship. With regards to potential cooperation projects, we would not rule out both companies to team up in the construction of a half-products plant or Ansteel to take a minority stake in a potential new steel cord plant.

Accumulate
Rating Unchanged