

3 December 2010

BEKAERT

Bond issue

GENERAL INDUSTRIES
BELGIUM

CURRENT PRICE € 79.89
TARGET PRICE € 85.00

BUY
RATING UNCHANGED



Source: Thomson Financial Datastream

Bloomberg BEKB.BB
Reuters BEKB.BR

www.bekaert.com

Market Cap € 4,714.3m
Shares outst. 59.5m
Volume (daily) € 14,893,569
Free float 61.4%

Next corporate event

Results FY10: 25 February 2011

(€ m)	2009	2010E	2011E
Sales	2,437.3	3,160.3	3,451.3
REBITDA	410.1	681.3	714.9
Net earnings	151.8	330.6	339.8
Adj. EPS (€)	2.85	5.86	6.00
P/E (x)	8.8	13.6	13.3
EV/REBITDA	4.6	7.7	7.1
FCF Yield	24.4%	2.2%	5.7%
Dividend yield	3.9%	2.2%	2.3%

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Yesterday, after market, Bekaert announced it will issue 8-year bonds for an expected minimum total amount of € 100m in the form of a public offering in Belgium and Luxembourg. The bonds will be issued at 101.875% and bear an annual coupon of 4.50% gross (gross return of 4.22% on the issue price). The offer period runs from 3 December (9:00) until 21 December (16:00), subject to early termination.

The net proceeds of the bond will be used to fund capital expenditure and refund certain bank indebtedness. With this bond issue, Bekaert aims to achieve an optimal balance between short- and long-term debt, as well as between bank financing and financing through the capital markets.

KBC Bank acts as joint bookrunner and lead manager for the transaction.