

# PETERCAM

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Belgium / Metal technology

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## Bekaert

### Estimates and target price increase

- In this short update we increase our operating forecasts for 2009 and we increase our target price to EUR 105.3 based on a mix of EV/CE and SoP valuation.
- We increase our 2009 EBIT forecast from EUR 184.6m to EUR 189.2m. Our net earnings are virtually left unchanged at EUR 125.8m, since we reduced our joint venture contribution by EUR 5m.
- Despite a EUR 20m higher than expected FIFO related impact from raw materials, Bekaert's Q1 EBIT was EUR 10m above our forecast of EUR 69m.
- The group's earnings were pulled by China. Asia Pacific EBIT reached EUR 128m (EUR 107m in H1 08) or an EBIT margin of 34.9%. In Latin America, EBIT reached EUR 9m (EUR 11m in H1 08) with a raw material FIFO impact of a few millions. In EMEA the EBIT was negative for EUR 21m (EUR +53m in H1 08) but the negative raw material impact was most pronounced in this region for EUR 25m. The US also faced a negative impact of some EUR 5 - 10m, resulting in a negative EBIT of EUR 5m (EUR 21m in H1 08).
- H2 will also be an odd semester with in Q3 still a significant yoy drop of raw material prices (see below), which should be much less pronounced in Q4. However, sequentially, we expect prices to increase gradually, which will eliminate a similar FIFO impact as in H1.
- In H2, Brazil and China should be better compared to H1. China is recording increased production levels each month since March and Brazil recovered in Q2 after a very bad Q1. Visibility in Europe remains extremely low, while the US even deteriorated in Q2.
- Our new target price of EUR 104 is based on an average of SoP and EV/CE methods. The SoP clearly highlights the Chinese importance, which merits a premium valuation given the growth outlook and market position.

Year end	Sales (m)	EBITDA (m)	Adj. profit (m)	EPS	Div.	EV/ EBITDA (*)	P/E (*)	FCF Yield (*)	Div. Yield (*)
12/05	1,914	257	149	6.91	3.00	6.8	11.4	8.7%	3.8%
12/06	2,010	268	148	6.88	2.50	7.4	13.8	6.1%	2.6%
12/07	2,174	299	153	7.63	2.76	7.0	12.1	8.5%	3.0%
12/08	2,662	412	210	10.65	2.80	3.4	4.5	11.9%	5.8%
12/09e	2,493	330	126	6.40	2.80	6.4	14.3	15.5%	3.1%
12/10e	2,596	356	156	7.92	2.80	5.6	11.6	10.2%	3.1%
12/11e	2,678	377	177	8.99	2.85	4.9	10.2	12.2%	3.1%

(\*) 2005-2008 figures of EV, P/E and Yield are based on end F.Y. price

### Add

Price: EUR 91.57  
(06/08/09)

Target price: 104.00  
Risk: Medium

Reuters: BERTt.BR  
Bloomberg: BEKB BB

Shares number (m): 19.67  
Market cap. (m): 1,801  
Net debt 12/09e (m): 502  
Net debt/equity 12/09e: 40%

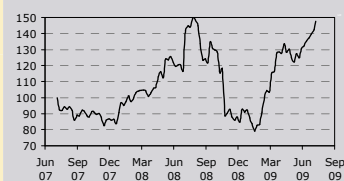
H/L 1 year: 120.32 - 37.88  
1 year price perf.: -20.3%  
Diff. with DJ Euro Stoxx 2.8%  
Volume (sh./day): 86,577

Free Float 61%  
Family shareholders 39%

### Company description:

Bekaert seeks sustainable profitable growth based on its two core competences : advanced metal transformation & advanced materials and coatings.

Bekaert relative to DJ Euro Stoxx (6/08/09)



### Analyst:

**Stefaan Genoe**  
+32 2 229 64 66  
stefaan.genoe@petercam.be

## Valuation

Given the new geographical reporting structure we have included a SoP valuation based on EV/EBITDA ratio's. We have applied a 7.0x EV/EBITDA multiple to the Chinese business given the high growth profile and market leadership.

We have applied the lowest multiple to the US, given the high portion of trading business, while we also have applied a relatively low multiple to Europe given the high European cost base and mature market environment.

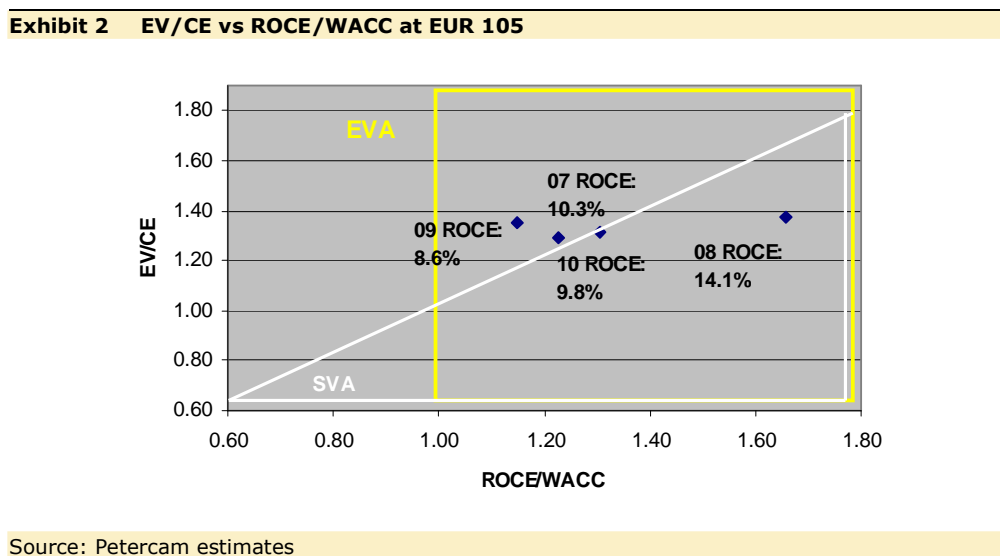
The Brazilian business and Chilean joint venture businesses are taken into account using a DDM and we have applied a multiple of 8x EBIT to the non-allocated costs.

Based on this SoP a valuation of EUR 102.3 is obtained.

<b>Exhibit 1 SoP valuation</b>			
	<b>EV/EBITDA</b>	<b>EBITDA 10</b>	<b>implied value</b>
EMEA	4.5	56	252.0
North America	4.0	21	84.0
Latin America	6.0	36	216.0
Asia Pacific	7.0	303.5	2,124.5
Enterprise Value	6.6		2,676.5
Net debt 10			-402.9
Provisions			-216.8
Non-allocated costs			-428.0
Joint Ventures (Brazil)			383.9
Equity Value			2,012.8
<b>Per share value</b>			<b>102.3</b>

Source: Petercam estimates

Based on EV/CE we arrive at a target of EUR 105, which puts the EV/CE vs ROCE/WACC on the tangent line. This exhibit also highlights the exceptional nature of 2008.



## Estimates

For 2009 we increase our EBIT forecast from EUR 184.6m to EUR 189.2m. Our net earnings are virtually left unchanged at EUR 125.8m, since we reduced our joint venture contribution by EUR 5m.

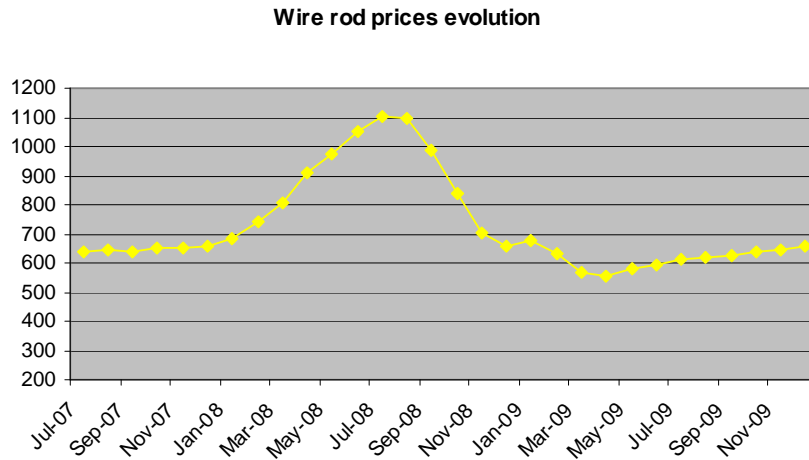
We have lowered our US and European estimates, but significantly increased our Chinese forecasts. Despite a very weak Q1, the EBIT margin in Asia Pacific reached 34.8%!

<b>Exhibit 3 P&amp;L forecasts</b>									
<b>in EUR m</b>	<b>2008</b>	<b>Q1 09</b>	<b>Q2 09</b>	<b>H1 09</b>	<b>Q3 09</b>	<b>Q4 09</b>	<b>H2 09</b>	<b>2009e</b>	<b>2010e</b>
Combined Revenues	4,010.5	788.3	825.8	1,614.1	874.1	840.0	1,714.1	3,328.2	3,513.9
y/y	17.3%	-12.7%	-22.7%	-18.1%	-23.9%	-5.1%	-15.7%	-17.0%	5.6%
Associates	1,345.7	196.2	217.8	414.0	214.7	206.8	421.4	835.4	917.8
Revenues	2,661.8	592.1	608.0	1,200.1	659.4	633.3	1,292.7	2,492.8	2,596.1
yoy	22.5%	-0.2%	-14.4%	-7.9%	-12.2%	4.7%	-40.5%	-6.3%	4.1%
volume		-3.8%	-7.7%	-5.9%	-2.3%	5.2%	1.1%	-2.3%	3.7%
price		-10.5%	-19.8%	-15.5%	-18.6%	-5.9%	-12.9%	-14.2%	3.0%
acq/div		6.5%	4.9%	5.6%	4.7%	5.7%	5.1%	5.4%	0.0%
forex		7.7%	8.1%	7.9%	4.8%	-2.0%	1.7%	4.7%	-1.2%
EMEA	1,167.8	210.3	199.7	410.0	181.4	245.7	427.1	837.2	882.3
North America	605.2	141.9	121.1	263.0	151.5	121.6	273.0	536.1	563.7
Latin America	176.6	80.6	79.4	160.0	85.0	83.5	168.5	328.5	349.6
Asia Pacific	712.9	159.3	207.7	367.0	241.5	182.6	424.0	791.0	800.5
Gross Profit	601.8			227.2			270.7	497.9	532.2
gross margin	22.6%			18.9%			20.9%	20.0%	20.5%
EBITDA	412.2			145.2			185.2	330.5	356.5
margin	15.5%			12.1%			14.3%	13.3%	13.7%
EMEA	60.3			0.5			26.0	26.5	56.0
North America	41.2			4.3			0.0	4.3	21.0
Latin America	19.5			11.5			15.0	26.5	36.0
Asia Pacific	305.1			156.9			172.0	328.9	303.5
Other	-65.4			-28.5			-28.0	-56.5	-60.0
REBIT	294.3			86.0			118.2	204.3	223.5
margin	11.1%			7.2%			9.1%	8.2%	8.6%
non-recurring	-83.7			-7.1			-8.0	-15.1	-15.0
<b>EBIT</b>	<b>210.7</b>			<b>78.9</b>			<b>110.2</b>	<b>189.2</b>	<b>208.5</b>
margin	7.9%			6.6%			8.5%	7.6%	8.0%
EMEA	-8.7			-26.5			-3.0	-29.5	2.0
North America	25.2			-4.7			-10.0	-14.7	2.0
Latin America	15.5			7.5			10.0	17.5	25.0
Asia Pacific	244.1			127.9			141.0	268.9	239.5
Other	-65.4			-25.5			-28.0	-53.5	-60.0
Net financial charges	-49.3			-30.5			-28.5	-59.0	-52.7
PBT	161.4			48.4			81.7	130.1	155.7
taxes	-25.5			-13.3			-15.5	-28.8	-33.5
tax rate	15.8%			20.0%			19.0%	22.1%	21.5%
Associates	56.1			17.4			22.2	39.6	49.6
<b>Net profit</b>	<b>174.3</b>			<b>44.4</b>			<b>81.4</b>	<b>125.8</b>	<b>155.9</b>
EPS	10.65			2.29			4.12	6.40	7.92
y/y	39.6%							-40.0%	23.9%

Source: Petercam estimates

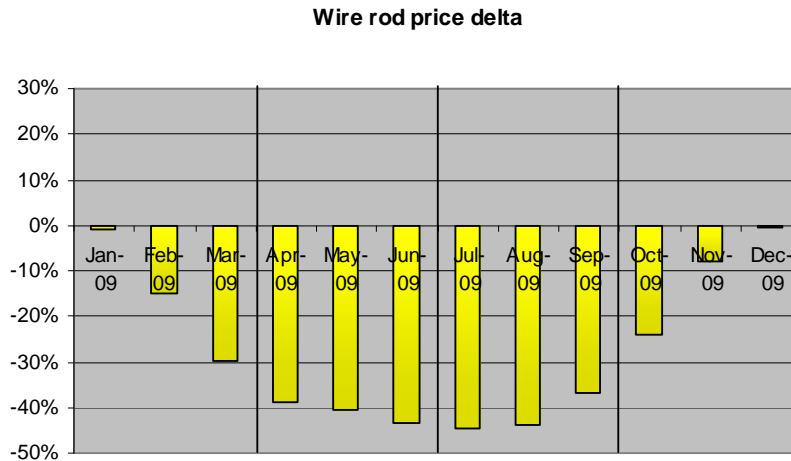
To be able to put into perspective the sequential quarterly sales trend, it's important to have a look at the below shown exhibits. These graphs show the quarterly raw material price evolution and because they directly impact the group's selling prices it's important to take into account this trend in forecasting revenues. The prices are not the exact prices Bekaert faces, but it provides a generic framework to estimate the sales trend.

**Exhibit 4 Wire rod price evolution**



Source: Petercam estimates and SBB

**Exhibit 5 Wire rod yoy quarterly price delta**



Source: Petercam estimates and SBB

<b>Profit &amp; Loss (EUR m)</b>	<b>12/05</b>	<b>12/06</b>	<b>12/07</b>	<b>12/08</b>	<b>12/09e</b>	<b>12/10e</b>	<b>12/11e</b>
<b>Revenues</b>	<b>1,914.3</b>	<b>2,009.6</b>	<b>2,173.6</b>	<b>2,661.8</b>	<b>2,492.8</b>	<b>2,596.1</b>	<b>2,677.9</b>
(Y/Y - %)	-12%	5%	8%	22%	-6%	4%	3%
Gross profit	392.1	394.9	433.9	602.1	497.9	532.2	562.4
Selling expenses	-92.4	-96.7	-98.2	-121.8	-111.0	-115.0	-120.0
R & D expenses	-45.0	-49.6	-56.7	-68.5	-70.1	-72.7	-76.2
General & administ. expenses	-100.4	-95.3	-96.6	-113.6	-116.6	-120.0	-123.0
Other expenses	-4.3	-1.9	-7.8	-51.5	4.1	-1.0	-1.0
<b>EBITDA</b>	<b>257.4</b>	<b>267.7</b>	<b>298.6</b>	<b>412.2</b>	<b>330.5</b>	<b>356.5</b>	<b>377.1</b>
EBITA	150.0	151.4	174.6	210.7	189.2	208.5	227.1
(Ebita margin - %)	7.8%	7.5%	8.0%	7.9%	7.6%	8.0%	8.5%
Amortization	-13.7	-5.5	0.0	-35.7	-15.1	-15.0	-15.0
Impairment	-	-	-	-	-	-	-
EBIT	136.3	145.9	174.6	210.7	189.2	208.5	227.1
Net Financial Result	-26.9	-25.1	-32.5	-41.4	-50.6	-42.7	-34.0
(of which Net interest charges)	-19.7	-23.2	-32.5	-41.4	-50.6	-42.7	-34.0
(of which Other)	-7.2	-1.9	0.0	0.0	0.0	0.0	0.0
Pre-tax result	121.0	114.2	133.7	161.4	130.1	155.7	183.1
Taxes	-30.3	-18.1	-19.1	-25.5	-28.8	-33.5	-39.4
Except. / Discont. operations	-	-	-	-	-	-	-
Associates	56.9	51.0	47.1	56.1	39.6	49.6	49.9
Minorities	-12.0	-4.8	-8.7	-17.7	-15.2	-15.9	-16.7
Net declared earnings	189.9	142.3	152.9	174.3	125.8	155.9	176.9
<b>Net adjusted earnings</b>	<b>149.4</b>	<b>147.8</b>	<b>152.9</b>	<b>210.0</b>	<b>125.8</b>	<b>155.9</b>	<b>176.9</b>
<b>Cash Flow (EUR m)</b>	<b>12/05</b>	<b>12/06</b>	<b>12/07</b>	<b>12/08</b>	<b>12/09e</b>	<b>12/10e</b>	<b>12/11e</b>
EBIT	136.3	145.9	174.6	210.7	189.2	208.5	227.1
Depreciation	107.5	116.2	124.0	166.5	140.0	145.0	150.0
Amortization	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Impairment	13.7	5.5	0.0	35.7	15.1	15.0	15.0
Changes in provision	-15.3	0.0	0.0	0.0	0.0	0.0	0.0
Changes in working capital	-2.0	-31.9	-41.9	-162.4	84.0	-22.7	-17.0
Others	-5.5	-8.4	-1.5	0.0	18.6	-4.6	-3.7
<b>Operational Cash Flow</b>	<b>234.6</b>	<b>227.3</b>	<b>255.2</b>	<b>255.5</b>	<b>446.9</b>	<b>341.1</b>	<b>371.5</b>
Tax expenses	-25.5	-16.8	-24.9	-28.8	-28.8	-33.5	-39.4
Dividends from associates	43.6	35.2	54.7	46.1	31.7	39.7	41.4
Net interest charges	-14.8	-22.0	-30.8	-41.4	-50.6	-42.7	-34.0
Others	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>CF from operating activities</b>	<b>237.9</b>	<b>223.6</b>	<b>254.2</b>	<b>232.7</b>	<b>399.2</b>	<b>304.6</b>	<b>339.5</b>
CAPEX	-151.6	-161.3	-199.8	-251.0	-170.2	-150.0	-150.0
Investments in intangibles	-	-	-	-	-	-	-
Acquisitions	-21.2	-42.7	-14.7	-44.2	-2.1	0.0	0.0
Divestments	93.0	11.4	8.0	6.0	0.0	0.0	0.0
Others	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>CF from investing activities</b>	<b>-79.9</b>	<b>-192.6</b>	<b>-206.6</b>	<b>-289.2</b>	<b>-172.3</b>	<b>-150.0</b>	<b>-150.0</b>
Dividend payment	-52.2	-74.1	-57.2	-62.2	-56.3	-55.1	-55.1
Minor. & pref. dividends	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Equity financing	-35.2	-52.8	-111.0	-19.7	0.0	0.0	0.0
Others	12.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>CF from financing activities</b>	<b>-75.4</b>	<b>-127.0</b>	<b>-168.2</b>	<b>-81.9</b>	<b>-56.3</b>	<b>-55.1</b>	<b>-55.1</b>
Changes in consolidation scope	-	-	-	0.0	-	-	-
Exchange rate impact	0.0	0.0	0.0	-0.7	0.0	0.0	0.0
<b>Net debt/cash change</b>	<b>82.7</b>	<b>-96.0</b>	<b>-120.6</b>	<b>-138.5</b>	<b>170.6</b>	<b>99.5</b>	<b>134.4</b>
FCF to Enterprise	150.1	133.4	157.8	130.5	308.3	226.8	256.2
FCF to Equity	147.8	121.3	155.3	112.7	279.2	184.6	219.5
<b>Notes</b>	-	-	-	-	-	-	-

<b>Balance Sheet (EUR m)</b>	<b>12/05</b>	<b>12/06</b>	<b>12/07</b>	<b>12/08</b>	<b>12/09e</b>	<b>12/10e</b>	<b>12/11e</b>
<b>Fixed assets</b>	-	-	<b>1,335.5</b>	<b>1,408.7</b>	<b>1,372.7</b>	<b>1,356.4</b>	<b>1,331.0</b>
Tangible fixed assets	-	-	917.6	1,070.7	1,051.2	1,017.1	983.2
Goodwill	-	-	70.1	59.1	59.1	59.1	59.1
Other intang. assets	-	-	51.9	52.3	52.3	52.3	52.3
Financial fixed assets	-	-	295.9	226.6	210.0	227.9	236.4
Other fixed assets	-	-	-	-	-	-	-
<b>Current assets</b>	-	-	<b>977.1</b>	<b>1,258.5</b>	<b>1,316.5</b>	<b>1,449.9</b>	<b>1,609.8</b>
Inventories	-	-	385.4	510.5	464.6	480.6	492.7
Trade receivables	-	-	437.7	483.2	409.9	424.1	434.7
Other current assets	-	-	73.1	125.3	152.7	156.8	160.1
Cash & Equivalents	-	-	73.2	118.3	289.3	388.3	522.3
Discontinued assets	-	-	7.6	21.1	0.0	0.0	0.0
<b>Total assets</b>	-	-	<b>2,312.6</b>	<b>2,667.2</b>	<b>2,689.2</b>	<b>2,806.3</b>	<b>2,940.8</b>
<b>Total Equity</b>	-	-	<b>1,146.6</b>	<b>1,172.3</b>	<b>1,241.9</b>	<b>1,342.7</b>	<b>1,464.5</b>
Equity	-	-	1,098.2	1,130.6	1,200.1	1,300.9	1,422.7
Minorities & preferred	-	-	48.4	41.8	41.8	41.8	41.8
Provisions	-	-	201.0	214.9	214.9	214.9	214.9
Provisions for pensions	-	-	120.8	143.4	143.4	143.4	143.4
Deferred taxes	-	-	55.0	39.3	39.3	39.3	39.3
Other provisions	-	-	25.2	32.2	32.2	32.2	32.2
Other LT liabilities	-	-	2.1	10.7	10.7	10.7	10.7
LT interest bearing debt	-	-	322.5	288.1	288.1	288.1	288.1
<b>Current liabilities</b>	-	-	<b>640.5</b>	<b>981.1</b>	<b>933.6</b>	<b>950.0</b>	<b>962.6</b>
ST interest bearing debt	-	-	253.0	503.1	503.1	503.1	503.1
Accounts payables	-	-	231.7	253.8	218.6	226.2	231.8
Other ST liabilities	-	-	152.9	219.5	211.9	220.7	227.6
Discontinued liabilities	-	-	2.9	4.7	0.0	0.0	0.0
<b>Total liabilities</b>	-	-	<b>2,312.6</b>	<b>2,667.2</b>	<b>2,689.2</b>	<b>2,806.3</b>	<b>2,940.8</b>
<b>EV and CE details (EUR m)</b>	<b>12/05</b>	<b>12/06</b>	<b>12/07</b>	<b>12/08</b>	<b>12/09e</b>	<b>12/10e</b>	<b>12/11e</b>
<b>Market cap.</b>	<b>1,699.8</b>	<b>1,983.7</b>	<b>1,824.5</b>	<b>950.5</b>	<b>1,801.2</b>	<b>1,801.2</b>	<b>1,801.2</b>
+ Net financial debt	-	-	502.2	672.9	502.3	402.9	268.4
(of which LT debt)	-	-	322.5	288.1	288.1	288.1	288.1
(of which ST debt)	-	-	253.0	503.1	503.1	503.1	503.1
(of which Cash position)	-	-	73.2	118.3	289.3	388.3	522.3
+ Provisions (pension)	138.9	135.6	120.8	143.4	143.4	143.4	143.4
+ Minorities (MV)	51.1	48.9	48.4	46.8	46.8	46.8	46.8
- Peripheral assets (MV)	-402.8	-571.7	-418.1	-393.5	-393.5	-393.5	-393.5
+ Others	-	-	-	-	-	-	-
<b>Enterprise Value</b>	<b>1,758.7</b>	<b>1,974.0</b>	<b>2,077.8</b>	<b>1,419.9</b>	<b>2,100.1</b>	<b>2,000.6</b>	<b>1,866.2</b>
<b>Equity (group share)</b>	-	-	<b>1,098.2</b>	<b>1,130.6</b>	<b>1,200.1</b>	<b>1,300.9</b>	<b>1,422.7</b>
+ Net financial debt	-	-	502.2	672.9	502.3	402.9	268.4
+ Provisions (pension)	-	-	120.8	143.4	143.4	143.4	143.4
+ Minorities	-	-	48.4	41.8	41.8	41.8	41.8
- Peripheral assets	-242.2	-239.4	-220.2	-199.9	-183.3	-201.2	-209.6
+ Others	-	-	-	-	-	-	-
<b>Capital employed (for ROCE)</b>	<b>1,298.7</b>	<b>1,395.1</b>	<b>1,549.3</b>	<b>1,788.7</b>	<b>1,704.3</b>	<b>1,687.7</b>	<b>1,666.6</b>
+ Accumulated goodwill amortiz.	-	-	57.3	57.3	57.3	57.3	57.3
<b>CE (for ROCE grossed gdwl)</b>	<b>1,356.0</b>	<b>1,452.4</b>	<b>1,606.7</b>	<b>1,846.1</b>	<b>1,761.6</b>	<b>1,745.1</b>	<b>1,724.0</b>
Notes	-	-	-	-	-	-	-

Per Common Share (EUR)	12/05	12/06	12/07	12/08	12/09e	12/10e	12/11e
<b>Adjusted EPS (*)</b>	<b>6.91</b>	<b>6.88</b>	<b>7.63</b>	<b>10.65</b>	<b>6.40</b>	<b>7.92</b>	<b>8.99</b>
Adjusted EPS (fully diluted)	6.88	6.88	7.63	10.65	6.40	7.92	8.99
Declared EPS	-	-	-	-	-	-	-
CFS	11.87	12.29	13.82	20.88	13.58	15.45	16.62
FCF (to Equity)	6.83	5.64	7.75	5.72	14.19	9.38	11.16
Dividend	3.00	2.50	2.76	2.80	2.80	2.80	2.85
Book Value	49.89	49.90	54.80	57.36	61.01	66.14	72.33

### Shares (m)

At the end of F.Y.	21.530	20.947	19.831	19.670	19.670	19.670	19.670
Average number	21.633	21.492	20.039	19.710	19.670	19.670	19.670
Fully diluted Average number	21.708	21.597	20.367	20.026	19.986	19.986	19.986

(\*) Adjusted EPS : pre-goodwill amortisation earnings, adjusted for post-tax non-recurrent items

Ratios	12/05	12/06	12/07	12/08	12/09e	12/10e	12/11e
<b>Valuation analysis</b>							
P/E	11.4	13.8	12.1	4.5	14.3	11.6	10.2
P/CF	6.6	7.7	6.7	2.3	6.7	5.9	5.5
P/BV	1.6	1.9	1.7	0.8	1.5	1.4	1.3
EV/Sales	0.9	1.0	1.0	0.5	0.8	0.8	0.7
EV/EBITDA	6.8	7.4	7.0	3.4	6.4	5.6	4.9
EV/EBITA	11.7	13.0	11.9	6.7	11.1	9.6	8.2
EV/EBIT	12.9	13.5	11.9	6.7	11.1	9.6	8.2
EV/CE	1.4	1.4	1.3	0.8	1.2	1.2	1.1
EV/CE (grossed goodwill)	1.3	1.4	1.3	0.8	1.2	1.1	1.1
EV/FCF (1)	11.7	14.8	13.2	10.9	6.8	8.8	7.3
FCF yield (2)	8.7%	6.1%	8.5%	11.9%	15.5%	10.2%	12.2%
Dividend yield	3.8%	2.6%	3.0%	5.8%	3.1%	3.1%	3.1%
<b>Financial ratios</b>							
Interest cover	5.1	5.8	5.4	5.1	3.7	4.9	6.7
Net Debt/EBITDA	-	-	1.7	1.6	1.5	1.1	0.7
Net Debt/Equity	-	-	43.8%	57.4%	40.5%	30.0%	18.3%
Net Debt/FCF (2)	-	-	3.2	6.0	1.8	2.2	1.2
Capital turnover	1.5	1.4	1.4	1.5	1.5	1.5	1.6
ROCE pre-tax	12.9%	11.7%	12.0%	16.5%	12.0%	13.2%	14.5%
ROCE post-tax	12.4%	11.2%	11.6%	15.9%	11.6%	12.8%	14.0%
ROCE pre-tax (grossed goodwill)	9.7%	9.8%	10.3%	13.9%	9.3%	10.4%	11.4%
ROCE post-tax (grossed gdwill)	9.3%	9.4%	9.9%	13.4%	9.0%	10.1%	11.0%
ROE	13.8%	13.8%	13.9%	18.6%	10.5%	12.0%	12.4%
Working capital (in % of sales)	-	-	27.2%	27.8%	26.3%	26.1%	26.0%
Payout	43.4%	36.3%	36.2%	26.3%	43.8%	35.3%	31.7%
<b>Margin analysis and tax rate</b>							
Gross margin	20.5%	19.7%	20.0%	22.6%	20.0%	20.5%	21.0%
EBITDA margin	13.4%	13.3%	13.7%	15.5%	13.3%	13.7%	14.1%
EBITA margin	7.8%	7.5%	8.0%	7.9%	7.6%	8.0%	8.5%
Adjusted profit margin	7.8%	7.4%	7.0%	7.9%	5.0%	6.0%	6.6%
Tax rate	24.6%	15.9%	14.3%	15.8%	22.1%	21.5%	21.5%
<b>Growth analysis</b>							
Sales	-12%	5%	8%	22%	-6%	4%	3%
EBITDA	-19%	4%	12%	38%	-20%	8%	6%
EBITA	-21%	1%	15%	21%	-10%	10%	9%
Adjusted profit	-19%	-1%	3%	37%	-40%	24%	13%
Adjusted EPS	-18%	0%	11%	40%	-40%	24%	13%
Dividend	50%	-17%	10%	1%	0%	0%	2%

(1) Based on FCF to Enterprise - (2) Based on FCF to Equity

Notes -

# Petercam Institutional Research and Sales

www.petercam.com

Place Sainte-Gudule 19 – 1000 Brussels

De Lairessestraat 180 – 1075 HM Amsterdam

JPP Eurosecurities, 595 Madison Avenue – 38<sup>th</sup> floor – New York, NY 10022

**Marc Janssens - Managing Director – +32.2.229.64.28**

Analysts			Sales	
<b>Stefaan Genoe</b>	<b>Head of Research</b>	<b>+32.2.229.64.66</b>	<b>Damien Fontaine</b>	<b>+32.2.229.65.62</b>
	Telecom/Technology		Rob de Jong	+31.20.573.54.02
Thijs Berkelder	Transport/Media/Staffing	+31.20.573.54.72	Mathieu De Sutter, CFA	+32.2.229.66.12
Emmanuel Carlier	Industrials/Media	+32.2.229.63.97	Xavier Gossaert	+32.2.229.63.27
Fernand de Boer	Retail/Food	+31.20.573.54.17	Laure-Anne Heylen	+32.2.229.66.91
Eric de Graaf	IT Hardware & Equipment	+31.20.573.54.64	Gerben Lagerwaard	+31.20.573.55.08
Delphine Delhez	Biotech	+32.2.229.65.51	Gert Potvlieghe	+32.2.229.66.59
Matthias De Wit	Technology/Imaging	+32.2.229.65.56	Jurgen Smits van Oyen	+31.20.573.55.03
Kris Kippers	Food & Beverages/Engineering	+32.2.229.65.95		
Luuk van Beek	IT Services/Engineering	+31.20.573.54.71		
Jan Van den Bossche, CFA	Life Sciences/Chemicals	+32.2.229.66.82		
Bart Van den Wijngaard	Industrials/Construction	+31.20.573.54.73		
Pieter van der Meijden	Real Estate	+32.2.229.63.40	Caroline Colot	+32.2.229.66.18
Stephan van Weeren	Real Estate	+31.20.573.54.22	Hans de Jonge	+31.20.573.54.04
Alexandre Weinberg, CFA	Industrials/Shipping	+32.2.229.63.42	Veronique De Schoemaeker	+32.2.229.66.20
			Tim Olijerhoek	+31.20.573.54.10
<b>Senior Advisor</b>			Richard Schulein	+31.20.573.54.11
<b>Marc Debrouwer</b>	Industrials/Utilities	+32.2.229.65.78	Frans van Wakeren	+31.20.573.54.07

## Sales Trading

## JPP Eurosecurities

Arjan Dorrestijn	+1.212.521.67.23
Simon Vlamincx	+1.212.521.67.35

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	SELL	REDUCE	HOLD	ADD	BUY
<b>High</b> Beta > 1.3	RP < -15%	-15% ≤ RP < -6%	-6% ≤ RP < +6%	+6% ≤ RP < +15%	RP ≥ 15%
<b>Medium</b> 0.9 < Beta ≤ 1.3	RP < -10%	-10% ≤ RP < -4%	-4% ≤ RP < +4%	+4% ≤ RP < +10%	RP ≥ 10%
<b>Low</b> Beta ≤ 0.9	RP < -6%	-6% ≤ RP < -2%	-2% ≤ RP < +2%	+2% ≤ RP < +6%	RP ≥ 6%

RP : Relative Performance against Petercam coverage universe

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