

KPN

Telecom Operators - Netherlands

Stock vs Sector	Neutral
Sector vs Market	Neutral
Price (30 January 2007)	EUR11.2
Target price	10.5 (-6%)

Earnings revisions	12/05	12/06e	12/07e	12/08e
Attrib. net profit (adj.) (EURm)				
Revised	1,437	1,470	1,530	1,606
Previous	1,437	1,502	1,530	1,606
EPS restated (EUR)				
Revised	0.66	0.73	0.81	0.90
Previous	0.66	0.75	0.81	0.90
% change	-	(3)	-	-

Market cap./Free float (EURbn)	20.5/20.5
EV (EURbn)	32.09
12-month high/low (EUR)	11.7/7.7
Reuters/Bloomberg	KPN.AS/KPN.NA
DJ STOXX50	3,765.5
Risk rating	B

Per share data (EUR)	12/05	12/06e	12/07e	12/08e
EPS restated	0.66	0.73	0.81	0.90
EPS reported	0.66	0.74	0.81	0.90
EPS (IBES)	0.66	0.75	0.80	0.85
CFPS	1.72	2.19	2.15	1.98
Net dividend	0.45	0.50	0.55	0.60

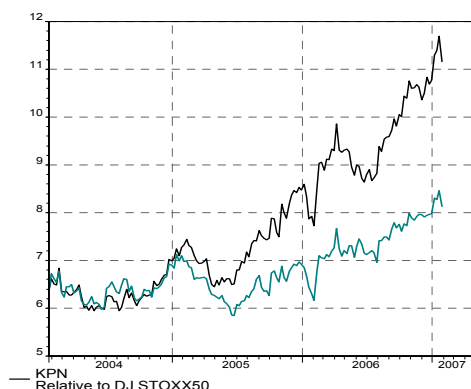
Stockmarket ratios*	12/05	12/06e	12/07e	12/08e
P/E (x)	11.1	12.9	13.8	12.5
P/E rel. DJ STOXX50 (%)	84.0	102.2	116.4	113.5
P/CF (x)	4.2	4.3	5.2	5.6
P/BVPS (x)	3.0	4.4	5.7	6.1
Net yield (%)	6.2	5.3	4.9	5.4
EV/Sales (x)	2.3	2.6	2.6	2.6
EV/EBITDA (x)	5.8	6.4	6.5	6.3
EV/EBIT (x)	11.6	12.9	12.7	11.8

* Yearly average prices for FY to end-12/05, 12/06

P&L highlights (EURm)	12/05	12/06e	12/07e	12/08e
Sales	11,936	12,037	12,193	12,185
Op. profit (loss)	2,348	2,398	2,523	2,635
Attrib. net profit (adj.)	1,437	1,470	1,530	1,606

Performance (%)	1-w	1-m	3-m	12-m
Absolute	(4)	4	4	47
Rel. DJ STOXX50	(4)	2	2	35
Rel. sector	(2)	0	(4)	18

Price relative to DJ STOXX50



Source: Datastream

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FY results on 6 February: Maintain Neutral

► We are maintaining our sector relative Neutral rating and EUR10.5 target price ahead of full year 2006 results on 6 February. We are, however, fine-tuning down our 2006e EBITDA by 1% (Q4 reduced by 3.5%) to reflect increased commercial spending at E-Plus and KPN Mobile NL in the quarter as well as seasonal factors. Our 2007 and 2008 forecasts remain unchanged. We will review our long-term forecasts and target price following full year results.

► We expect Q4 revenues of EUR3,084m (3% y-o-y decline), EBITDA of EUR1,231m (7% y-o-y decline, due to non-recurring items in Q4 2005) and net income of EUR342m (43% y-o-y decline due to tax credit in Q4 2005).

► We also expect the company to declare a final DPS of EUR0.34, bringing total 2006 dividends to EUR0.50 per share and to announce a EUR1bn share repurchase programme for 2007.

FY 2006 results on Tuesday, 6 February

KPN is scheduled to report fourth quarter and full-year 2006 results on Tuesday, 6 February at 08:00 CET.

The company will also host an analyst meeting the same day in London at 14:00 UK time. The dial-in number for the analyst meeting is +31 20 531 5846 and is also available via web-cast at www.kpn.com. There will also be a replay of the analyst meeting available at +31 70 315 4300 (access code 123 779#).

Q4 results outlook – similar underlying trends

Although we expect underlying trends in the company's various divisions to be broadly in-line with those reported during the first three quarters of the year, several one-time items (gain, release of provisions, restructuring charges, release of pension provision) which increased reported EBITDA during the fourth quarter of 2005 by around EUR132m, should make year-over-year comparisons difficult.

These one-time items include around EUR110m of one-time net gains from NTT DoCoMo included in the mobile division. Second, the consolidation of Telfort (Dutch mobile operator) from the fourth quarter of 2005 makes fourth quarter growth rates at KPN Mobile NL not comparable with the growth rates reported during the first nine months of the year. Third, reported EBITDA in the fixed-line division in the fourth quarter of 2005 was relatively weak due to OPTA (Dutch regulator) fine and restructuring charges (combined total of around EUR57m), which reduces the year-over-year decline expected in this division in the fourth quarter of 2006. Finally, there was an additional EUR30m of financial expense (due to adverse value effects) and a tax benefit of EUR69m during the fourth quarter of 2005 compared with our forecast of a tax charge of EUR140m in the fourth quarter of 2006 (equivalent to a tax rate of 29%).

Overall, we expect continued growth in the company's wireless division, driven by BASE in Belgium and E-Plus in Germany and continued pressure in the company's domestic fixed-line business due to continued competitive pressures. As has been the case in the past, we expect total traditional (PSTN and ISDN) access lines to show a decline of around 8.5% compared with average decline of around 10.5% during the first three quarters of the year. We expect retail consumer DSL growth in the quarter of 100,000 compared with 87,000 in the third quarter, 69,000 in the second quarter and 127,000 in the first quarter of the year. In the company's wireless division, we expect E-Plus to add around 500,000 new customers in the quarter, KPN Mobile NL to add around 150,000 new customers and BASE (Belgium) to add around 100,000 new customers.

Consolidated revenue decline of 3% expected

We expect KPN to report fourth quarter revenues of EUR3,084m, equivalent to a 3% reported decline compared with the same period last year. It is worth noting that the mobile division had a total of EUR110m of "non-recurring" revenues in the fourth quarter of 2005 (the majority of which were included in "other" within the mobile division). If we exclude these non-recurring revenues in 2005, the consolidated year-over-year growth in revenues would be around 1%.

We expect fourth quarter EBITDA of EUR1,231m, equivalent to a reported year-over-year decline of 7%. If we exclude the EUR132m of non-recurring EBITDA reported in the fourth quarter of 2005, the consolidated year-over-year growth rate in EBITDA would be 4%, in-line with the reported growth during the third quarter of the year. Our fourth quarter EBITDA estimate reflects a decline of around EUR45m compared with our prior forecast to reflect increased commercial spending at E-Plus (around EUR20m) and at KPN Mobile NL (around EUR25m), as well as some other minor adjustments to our forecasts to reflect seasonal factors that were not incorporated into our prior estimates.

Finally, we expect net income of EUR342m, equivalent to a reported decline of 43%. In addition to the non-recurring EBITDA in the fourth quarter mentioned above, reported net income growth is affected by the EUR30m additional financial charge last year and the tax credit. If we exclude both the non-recurring EBITDA and financial items, we estimate profit before taxes growth would be 10% compared with a decline of 10% on a reported basis. We also estimate that, on a pro forma basis for these items as well as a normalised tax rate of 29% during the fourth quarter of 2005, net income growth in the fourth quarter would be around 10% compared with our expected reported decline of 43%.

Period-end net debt of EUR9.05bn

We expect KPN to report period-end net debt of EUR9.05bn compared with EUR9.4bn at the end of the third quarter. For the fourth quarter, we forecast operating free cash flow of around EUR350m (cash flow from operations of EUR972m less capital expenditures of EUR620m). As there were no dividends paid or share repurchases during the fourth quarter (the 2006 share repurchase programme was completed in the third quarter), our forecast sequential change in net debt is essentially equal to forecast operating free cash flow in the quarter. For the full-year, we forecast total capital expenditures of EUR1.7bn.

Additional share repurchase expected to be announced

In connection with the release of full-year results, we expect KPN to announce its cash distribution policy for 2007. Included in this, we expect the company to announce a share repurchase for 2007 of EUR1bn. Combined with our 2007e DPS forecast of EUR0.55 (total dividends of around EUR1bn), this produces total expected cash return of around EUR2bn for 2007e (around 10% of current market capitalisation), in-line with the amount returned to shareholders in 2006.

Consolidated forecasts

The following table presents our forecast for fourth quarter (and full-year) 2006 results as well as prior periods for comparison purposes. Please note that our full-year 2006e EBITDA forecast excludes EUR65m of reported one-time items in the first quarter of the year as these are included in extraordinary income.

Table 1: KPN consolidated Q4 2006 forecasts

(Year ended December 31, EUR m)	Q4 05	2005	3Q-06	Growth (%)	4Q-06e	Growth (%)	2006e	Growth (%)
Revenues								
KPN Mobile NL	736	2,484	778	29	751	2	2,966	19
E-Plus	755	2,822	760	6	780	3	2,927	4
BASE (Belgium)	149	548	162	17	169	14	631	15
Other	40	4	(11)	nm	(10)	nm	(45)	nm
Total KPN Mobile	1,680	5,857	1,689	17	1,690	1	6,480	11
Consumer	589	2,383	557	(4)	573	(3)	2,275	(5)
Business	669	2,653	615	(5)	643	(4)	2,532	(5)
Wholesale and operations (incl iBasis)	1,256	4,985	1,167	(6)	1,194	(5)	4,758	(5)
Intercompany sales within division	(780)	(3,138)	(709)	(9)	(730)	(6)	(2,917)	(7)
Fixed Networks	1,734	6,883	1,630	(4)	1,680	(3)	6,647	(3)
Other	52	255	13	(75)	13	(75)	74	(71)
Inter-company sales	(300)	(1,059)	(295)	11	(300)	0	(1,164)	10
Total operating revenues	3,166	11,936	3,037	4	3,084	(3)	12,037	1
EBITDA								
KPN Mobile NL	266	928	269	14	285	7	1,083	17
E-Plus	214	674	248	46	251	17	936	39
BASE (Belgium)	53	204	71	31	71	34	271	33
Other	50	30	(5)	nm	(5)	nm	(19)	nm
KPN Mobile	583	1,835	583	29	602	3	2,271	24
Consumer	81	380	66	(28)	73	(10)	288	(24)
Business	67	358	75	(15)	84	26	352	(2)
Wholesale and operations	508	2,038	454	(10)	472	(7)	1,923	(6)
Other	(2)	16	28	nm	5	nm	39	nm
Fixed	654	2,792	623	(11)	634	(3)	2,602	(7)
Other units	82	97	(8)	nm	(5)	nm	(22)	nm
Total consolidated EBITDA	1,319	4,724	1,198	4	1,231	(7)	4,851	3
Depreciation and amortisation	624	2,377	624	10	624	0	2,453	3
Operating income	695	2,348	574	(1)	608	(13)	2,398	2
Net interest expense	(160)	(547)	(115)	(6)	(127)	(21)	(434)	(21)
Share in income from participating interests	4	13	2	0	2	(50)	9	(31)
Profit (loss) before taxes	539	1,814	461	0	483	(10)	1,974	9
Income taxes	69	(360)	(112)	(12)	(140)	(303)	(502)	39
Minority interests	(4)	(17)	(3)	nm	(1)	nm	(2)	nm
Net income	604	1,437	346	5	342	(43)	1,470	2
Extraordinary income, net of taxes	0	0	0	nm	0	nm	65	nm
Profit or loss after taxes	604	1,437	346	5	342	(43)	1,535	7

Source: Company, Exane BNP Paribas estimates

Wireless EBITDA of EUR602m expected

As highlighted in the following table, we expect total Q4 wireless EBITDA of EUR602m, equivalent to year-over-year growth of 3%. As highlighted, the driver of lower growth in the fourth quarter compared with the first three quarters of the year was the fact that Telfort (KPN Mobile NL) was consolidated from the fourth quarter of 2005 and strong EBITDA in "other" during the fourth quarter of 2005. Finally, we expect service revenue growth of 11% in the quarter compared with 19% in the third quarter, again driven by the consolidation effect of Telfort.

Table 2: KPN Mobile Q4 2006e forecasts

EUR m	4Q-05	2005	1Q-06e	2Q-06	3Q-06	4Q-06e	2006e
Consolidated Revenues							
KPN Mobile NL	736	2,484	700	737	778	751	2,966
E-Plus	755	2,822	665	722	760	780	2,927
BASE (Belgium)	149	548	144	156	162	169	631
Other	40	4	(10)	(14)	(11)	(10)	(45)
Total revenues	1,680	5,857	1,499	1,601	1,689	1,690	6,480
Growth (%)	22	11	15	13	17	1	11
Service revenues							
KPN Mobile NL	690	2,368	670	710	752	733	2,865
E-Plus	629	2,462	609	683	714	734	2,740
BASE (Belgium)	146	541	141	152	159	167	619
Total service revenues	1,466	5,371	1,420	1,546	1,625	1,634	6,224
Service revenue growth (%)							
KPN Mobile NL	29	11	29	25	28	6	21
E-Plus	4	7	8	10	11	17	11
BASE (Belgium)	31	30	16	11	15	14	14
Total service revenue growth (%)	17	11	18	16	19	11	16
Consolidated EBITDA							
KPN Mobile NL	266	928	241	288	269	285	1,083
E-Plus	214	674	170	267	248	251	936
BASE (Belgium)	53	204	57	72	71	71	271
Other	50	30	(4)	(5)	(5)	(5)	(19)
Total EBITDA	583	1,835	464	622	583	602	2,271
Growth (%)	32	7	26	44	29	3	24
EBITDA margin (%)							
KPN Mobile NL	36.1	37.4	34.4	39.1	34.6	38.0	36.5
E-Plus	28.3	23.9	25.6	37.0	32.6	32.2	32.0
BASE (Belgium)	35.6	37.3	39.5	46.2	43.8	42.0	42.9
Total EBITDA margin	34.7	31.3	30.9	38.9	34.5	35.6	35.0

Source: Company, Exane BNP Paribas estimates

Maintain sector relative Neutral rating

We are maintaining our sector relative Neutral rating ahead of full-year 2006 results. Although our target price is 5% below the current share price, this is not significantly different from our average sector downside (relative to respective target prices) of around 1%. Furthermore, we expect to review our long-term estimates and target price following 2006 results.

At current prices, the shares trade at a proportionate 2007e EV/EBITDA multiple of 6.5x compared with the European incumbent sub-sector of 6.2x. On the other hand, the shares trade at a 2007e proportionate (and based on normalised tax rates) free cash flow yield of 10.5% compared with the incumbent sub-sector median of 8.1%. As such, we believe the strong cash flow and cash return policy of the company will continue to provide support at current levels.

30 January 2007

Forthcoming events

Date	Event
6 Feb. 2007	FY 2006 Results
8 May 2007	Q1 2007 Results
31 Jul. 2007	H1 2007 Results
30 Oct. 2007	Q3 2007 Results

Commitment of transparency (see www.exane.com/disclosureequitiesuk for details. Complete disclosures available on www.exane.com/compliance)

Exane is independent of BNP Paribas (BNPP) and the agreement between the two companies is structured to guarantee the independence of Exane's research, published under the brandname « Exane BNP Paribas ». Nevertheless, to respect a principle of transparency, we separately identify potential conflicts of interest with BNPP regarding the company/(ies) covered by this research document.

Exane

Investment banking	Distributor	Liquidity provider	Corporate links	Analyst's personal interest	Equity stake US Law	Equity stake French Law	Disclosure to company	Additional material conflicts
NO	NO	NO	NO	NO	NO	NO	NO	NO

Source: Exane

BNP Paribas

Potential conflicts of interest: None.

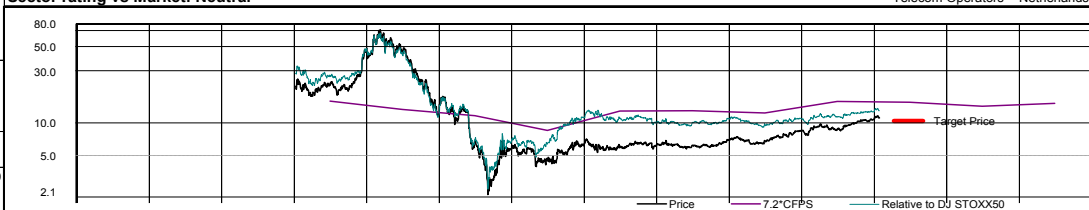
Source: BNP Paribas

Price at 30/01/07: EUR 11.2
Target price: EUR 10.5 / -6.3%

Stock rating vs Sector: Neutral
Sector rating vs Market: Neutral

KPN
Telecom Operators - Netherlands

12-mth high / low (EUR)	11.7 / 7.7
Enterprise value (EURm)	32 094
Mkt cap. / Free float (EURm)	20 530 / 20 530
Performance	1mth 3mths 12mths
Absolute	4% 4% 47%
Rel. (DJ STOXX50)	2% 2% 35%
Rel. (Sector)	0% (4%) 18%
Reuters/Bloomberg	KPN.AS / KPN.NA
Analyst: Stuart Birdt	
CAGR	2000/2006 2006/2009
EPS restated (*)	13% 10%
CFPS	3% (1%)



PER SHARE DATA (EUR)	Dec. 99	Dec. 00	Dec. 01	Dec. 02	Dec. 03	Dec. 04	Dec. 05	Dec. 06e	Dec. 07e	Dec. 08e	Dec. 09e
No of shares year end, basic, (m)	958.731	1 203.653	2 251.438	2 469.675	2 468.678	2 329.400	2 091.000	1 928.000	1 833.000	1 738.000	1 643.000
Average no of shares, diluted, excl. treasury stocks (m)	955.989	984.892	1 274.495	2 423.921	2 468.678	2 385.419	2 192.000	2 011.000	1 881.000	1 786.000	1 690.000
EPS restated	0.81	0.35	(0.14)	0.08	0.38	0.72	0.66	0.73	0.81	0.90	0.98
% change	NS	(56.9%)	NS	NS	387.4%	90.2%	(8.4%)	11.5%	11.3%	10.6%	9.5%
EPS reported	0.81	(0.65)	(1.08)	(0.07)	0.26	0.72	0.66	0.74	0.81	0.90	0.98
CFPS	2.21	1.85	1.62	1.19	1.79	1.81	1.72	2.19	2.15	1.98	2.10
Book value (BVPS) (a)	6.6	13.5	5.3	1.8	2.9	2.8	2.4	2.1	2.0	1.8	1.7
Net dividend	0.53	0.53	0.00	0.00	0.25	0.35	0.45	0.50	0.55	0.60	0.65

STOCKMARKET RATIOS	YEARLY AVERAGE PRICES for end Dec. 99 to Dec. 06											
	Dec. 99	Dec. 00	Dec. 01	Dec. 02	Dec. 03	Dec. 04	Dec. 05	Dec. 06e	Dec. 07e	Dec. 08e	Dec. 09e	
P / E (P/ EPS restated)	28.8x	114.8x	NC	69.7x	16.5x	8.8x	11.1x	12.9x	13.8x	12.5x	11.4x	
P / E relative to DJ STOXX50	137%	568%	NC	314%	104%	63%	84%	102%	116%	113%	111%	
P / CF	10.5x	21.6x	5.2x	4.5x	3.5x	3.5x	4.2x	4.3x	5.2x	5.6x	5.3x	
FCF yield	(1.2%)	(4.3%)	(3.5%)	21.3%	17.2%	15.1%	15.2%	13.3%	11.7%	9.1%	9.2%	
P / BVPS	3.51x	2.97x	1.59x	2.95x	2.14x	2.29x	3.00x	4.45x	5.72x	6.07x	6.45x	
Net yield	2.3%	1.3%	0.0%	0.0%	4.0%	5.6%	6.2%	5.3%	4.9%	5.4%	5.8%	
Payout	65.5%	NS	(0.0%)	0.0%	66.4%	48.9%	68.6%	68.4%	67.6%	66.7%	66.0%	
EV / Sales	2.97x	5.16x	1.78x	2.08x	1.86x	2.12x	2.28x	2.56x	2.63x	2.56x	2.47x	
EV / Restated EBITDA	8.5x	16.9x	6.1x	5.8x	4.6x	5.2x	5.8x	6.4x	6.5x	6.3x	6.0x	
EV / Restated EBIT	19.1x	43.2x	20.5x	12.9x	8.3x	9.5x	11.6x	12.9x	12.7x	11.8x	11.1x	
EV / OpFCF	66.5x	NC	19.2x	5.6x	6.1x	8.7x	9.1x	10.4x	10.3x	9.9x	9.7x	
EV / Capital employed (incl. gross goodwill)	2.6x	1.4x	0.5x	0.7x	0.7x	0.7x	0.8x	0.9x	1.0x	1.0x	0.9x	

ENTERPRISE VALUE (EURm)	Dec. 99	Dec. 00	Dec. 01	Dec. 02	Dec. 03	Dec. 04	Dec. 05	Dec. 06e	Dec. 07e	Dec. 08e	Dec. 09e
Market cap	25 413	57 582	22 065	25 362	22 674	25 111	27 237	30 845	32 094	31 161	30 145
+ Adjusted net debt	4,131	21,900	15,753	12,343	8,361	7,929	8,940	9,027	8,800	9,002	9,322
+ Other liabilities and commitments	362	410	851	868	1,112	1,994	2,201	2,745	2,620	2,548	2,276
+ Revalued minority interests	25	336	184	272	195	145	145	145	145	145	145
- Revalued investments	1,376	4,537	5,537	1,163	2,318	0	0	0	0	0	0

P & L HIGHLIGHTS (EURm)	Switch to IFRS data from FY ended 12/04											
	Dec. 99	Dec. 00	Dec. 01	Dec. 02	Dec. 03	Dec. 04	Dec. 05	Dec. 06e	Dec. 07e	Dec. 08e	Dec. 09e	
Sales	8,557	11,158	12,362	12,170	12,209	11,819	11,936	12,037	12,193	12,185	12,200	
Restated EBITDA (b)	2,995	3,404	3,590	4,379	4,958	4,835	4,724	4,851	4,917	4,968	5,021	
Depreciation	(1,665)	(2,070)	(2,512)	(2,414)	(2,223)	(2,191)	(2,377)	(2,453)	(2,394)	(2,334)	(2,296)	
Restated EBIT (b) (*)	1,330	1,334	1,078	1,965	2,735	2,644	2,348	2,398	2,523	2,635	2,724	
Reported operating profit (loss)	1,330	1,334	1,078	1,965	2,735	2,644	2,348	2,398	2,523	2,635	2,724	
Net financial income (charges)	(277)	(906)	(1,317)	(1,178)	(862)	(589)	(547)	(434)	(470)	(470)	(472)	
Affiliates	99	102	23	(108)	(4)	13	9	8	8	8	8	
Other	56	2,447	(6,085)	(9,379)	2,076	0	65	0	0	0	0	
Tax	(382)	(318)	(213)	(496)	(960)	(300)	(360)	(502)	(515)	(543)	(565)	
Minorities	4	132	250	4	20	(50)	(17)	(2)	(16)	(24)	(32)	
Goodwill amortisation	0	(969)	(1,230)	(350)	(274)	-	-	-	-	-	-	
Net attributable profit reported	830	1,822	(7,494)	(9,542)	2,731	1,707	1,437	1,535	1,530	1,606	1,664	
Net attributable profit restated (c)	774	(825)	(1,409)	(163)	655	1,707	1,437	1,470	1,530	1,606	1,664	

CASH FLOW HIGHLIGHTS (EURm)	Dec. 99	Dec. 00	Dec. 01	Dec. 02	Dec. 03	Dec. 04	Dec. 05	Dec. 06e	Dec. 07e	Dec. 08e	Dec. 09e
EBITDA (reported)	2,995	3,404	3,590	4,379	4,958	4,835	4,724	4,851	4,917	4,968	5,021
EBITDA adjustment (b)	0	0	0	0	0	0	0	0	0	0	0
Other items	(225)	(356)	8	173	484	185	(360)	0	0	0	0
Change in WCR	136	302	499	1,097	(333)	(474)	16	(153)	(2)	(2)	5
Operating cash flow	2,906	3,350	4,097	5,649	5,109	4,547	4,380	4,698	4,915	4,966	5,026
Capex	(2,524)	(3,847)	(2,949)	(1,137)	(1,421)	(1,668)	(1,394)	(1,730)	(1,790)	(1,810)	(1,930)
Operating free cash flow (OpFCF)	382	(497)	1,147	4,513	3,688	2,879	2,986	2,961	3,125	3,156	3,096
Net financial items + tax paid	(659)	(1,224)	(1,530)	(1,674)	(1,022)	(589)	(547)	(434)	(470)	(470)	(472)
Free cash flow	(277)	(1,721)	(383)	2,839	2,666	2,290	2,439	2,528	2,296	1,783	1,699
Net financial investments	(130)	(19,002)	1,285	802	1,373	94	(812)	(244)	(50)	0	0
Other	0	(788)	479	(231)	(57)	(114)	(18)	120	0	0	0
Capital increase (decrease)	3	4,000	4,765	0	0	(1,042)	(1,730)	(1,509)	(1,000)	(1,000)	(1,000)
Dividends paid	(375)	(258)	0	0	0	(796)	(890)	(982)	(1,019)	(986)	(1,019)
Increase (decrease) in net financial debt	779	17,769	(6,147)	(3,410)	(3,982)	(432)	1,011	87	(227)	202	320
Cash flow, group share	2,111	1,824	2,068	2,878	4,420	4,307	3,773	4,411	4,046	3,542	3,556

BALANCE SHEET HIGHLIGHTS (EURm)	Dec. 99	Dec. 00	Dec. 01	Dec. 02	Dec. 03	Dec. 04	Dec. 05	Dec. 06e	Dec. 07e	Dec. 08e	Dec. 09e
Fixed operating assets, incl. gross goodwill	9,928	41,008	41,202	36,234	35,363	35,322	35,168	34,696	34,142	33,619	33,252
WCR	18	1,583	(75)	(1,127)	(931)	(757)	(983)	(830)	(829)	(827)	(831)
Capital employed, incl. gross goodwill	9,946	42,591	41,127	35,107	34,432	34,565	34,185	33,866	33,313	32,792	32,421
Shareholders' funds, group share	6,364	16,238	11,988	4,508	7,164	6,411	5,076	4,078	3,589	3,209	2,853
Minorities	25	336	184	272	195	145	28	8	16	32	56
Provisions/ Other liabilities	802	8,020	2,254	1,677	3,369	4,436	4,328	4,583	4,739	4,379	4,019
Net financial debt (cash)	4,131	21,900	15,753	12,343	8,361	7,929	8,940	9,027	8,800	9,002	9,322

FINANCIAL RATIOS (%)	Dec. 99	Dec. 00	Dec. 01	Dec. 02	Dec. 03	Dec. 04	Dec. 05	Dec. 06e	Dec. 07e	Dec. 08e	Dec. 09e
Sales (% change)	NS	30.4%	10.8%	(1.6%)	0.3%	(3.2%)	1.0%	0.8%	1.3%	(0.1%)	0.1%
Organic sales growth	NS	30.4%	10.8%	(1.6%)	0.3%	(3.2%)	(0.3%)	(3.0%)	1.3%	(0.1%)	0.1%
Restated EBIT (% change) (*)	NS	0.3%	(19.2%)	82.3%	39.2%	(3.3%)	(11.2%)	2.1%	5.2%	4.5%	3.4%
Restated attributable net profit (% change) (*)	NS	(55.6%)	NS	NS	396.4%	83.7%	(15.8%)	2.3%	4.1%	5.0%	3.6%
Personnel costs / Sales	18.8%	17.5%	17.7%	16.2%	13.9%	14.4%	12.1%	-	-	-	-
Restated EBITDA margin	35.0%	30.5%	29.0%	36.0%	40.6%	40.9%	39.6%	40.3%	40.3%	40.8%	41.2%
Restated EBIT margin	15.5%	12.0%	8.7%	16.1%	22.4%	19.7%	19.9%	20.7%	21.6%	21.6%	22.3%
Tax rate	36.3%	74.3%	NC	63.0%	51.3%	14.6%	20.0%	25.5%	25.1%	25.1%	25.1%
Net margin	9.7%	15.1%	(62.6%)	22.2%	14.9%	12.2%	12.8%	12.8%	12.7%	13.4%	13.9%
Capex / Sales	29.5%	34.5%	23.9%	9.3%	11.6%	14.1%	11.7%	14.4%	14.7%	14.9%	15.8%
OpFCF / Sales	4.5%	(4.5%)	9.3%	37.1%	30.2%	24.4%	25.0%	24.6%	25.6%	25.9%	25.4%
WCR / Sales	0.2%	14.2%	(0.6%)	(9.3%)	(7.6%)	(6.4%)	(8.2%)	(6.9%)	(6.8%)	(6.8%)	(6.8%)
Capital employed (excl. gross goodwill) / Sales	104.2%	121.5%	89.5%	71.8%	67.1%	69.6%	61.6%	58.5%	53.2%	48.9%	45.8%
ROE (before goodwill)	12.2%	2.1%	(1.5%)	4.2%	13.0%	26.6%	28.3%	36.0%	42.6%	50.0%	58.3%
Gearing	65%	132%	129%	258%	114%	121%	175%	221%	244%	278%	320%
EBITDA / Financial charges	10.8x	3.8x	2.7x	3.7x	5.8x	8.2x	8.6x	11.2x	10.5x	10.6x	10.6x
Adjusted financial debt / EBITDA	1.4x	6.4x	4.4x	2.8x	1.7x	1.6x	1.9x	1.9x	1.8x	1.8x	1.9x
ROCE, excl. gross goodwill	9.8%	6.4%	6.4%	14.7%	21.9%	21.1%	21.9%	24.0%	29.2%	33.1%	36.5%
ROCE, incl. gross goodwill	8.8%	2.1%	1.7%	3.7%	5.2%	5.0%	4.7%	5.0%	5.7%	6.0%	6.3%
WACC	8.0%	7.0%	6.0%	6.5%	7.2%	7.3%	6.5%	7.3%	6.9%	6.9%	6.9%
Average number of employees											