

20 July 2010


**Equity Market**  
Poland

# Morning Comments

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Index	Close	Change	Index	Close	Change	Index	Close	Change
DJIA	10 154.4	+0.56%	FTSE 100	5 148.3	-0.20%	Copper (LME)	6 510.0	+0.39%
S&P 500	1 071.3	+0.60%	WIG20	2 381.9	+0.28%	Crude Oil (Brent)	74.6	+0.12%
NASDAQ	2 198.2	+0.88%	BUX	21 843.4	-2.90%	USD/PLN	3.19	+0.40%
DAX	6 009.1	-0.52%	PX 50	1 147.5	-0.49%	EUR/PLN	4.13	+0.46%
CAC 40	3 500.2	-2.28%	PLBonds10	5.90	+0.91%	EUR/USD	1.29	+0.09%

## Company & Sector Information

### Lotos

Reduce - 07/04/10

Target price: PLN 26.5

### PGNiG

Buy - 14/06/10

Target price: PLN 4.32

### PKN Orlen

Hold - 08/04/10

Target price: PLN 40.2

### Government proposes compromise on Lotos privatization

According to reports, Polish treasury and economy ministries have put forth that, rather than selling Lotos to any highest bidder, they would hand the refiner over to either PKN Orlen, or PGNiG. The State Treasury wants to sell up to 53% of Lotos shares, which were estimated to be worth PLN 2.14 billion yesterday, and it is expected to demand a PLN 3bn control premium (making for a total price of PLN 43 / share). **However hard, we can imagine Lotos being taken over by PKN or PGNiG, but not at PLN 43 a share. Even if the acquirer pays just the current market price, the transaction would meet with wide criticism. Lotos could generate synergy benefits for PKN Orlen, though they would probably be limited to logistics because of local politics which would probably not allow for Lotos's headquarters and administration in Gdańsk to be closed down. (K. Kliszcz)**

### Astarta

Sell - 11/05/10

Target price: PLN 45.83

### Kernel

### Weather threatens Ukrainian crops

Ukrainian crop producers listed on the Warsaw Stock Exchange have been hit by spells of bad weather: first heavy rainfall, and then droughts. A spokesperson for Astarta has suggested that, as a result, this year's sugar-beet yield might be lower than forecasted, and that, paired with the planned reductions in sugar imports from Belarus, this will probably keep Ukrainian sugar prices high in the long term. For Kernel, lower grain harvest means lower export volumes. **In our opinion, heavy rainfall followed by drought does not necessarily have to affect the supply of sugar beet, which can retain water in its root, and whose sugar content depends on the amount of sunshine of which there is plenty during a drought. As for grain crops, there is no doubt that their harvest is going to be affected: the latest forecasts by the Ukrainian Ministry of Agrarian Policy predict this year's grain yield at 42 million tons, of which 18Mt will go toward exports, which compares to volumes of 46MT and 21MT respectively. We are reiterating a negative outlook on Astarta. (J. Szkopek)**

### Energoinstal

### New order

Energoinstal signed a contract for delivery of a steam boiler to the Finnish waste management plant Oulu for EUR 5.6m (PLN 23m). The contract has a deadline in mid-November 2011.

### Energomontaż Południe

### EPD teams up with Chinese partner

Energomontaż Południe has formed a consortium with the China Dongfang Electric Corporation to compete for a contract for a new power-generating unit for the Kozinice power plant. The contract, which is estimated at PLN 5.2-5.3 billion, is expected to be pursued by nine bidders.

### Mostostal Zabrze

### New contract

MSZ won a contract for construction of a hydrogen plant for a Dutch customer for EUR 9.6m (PLN 39.4m). The deadline is 6 June 2011.

### Polimex Mostostal

Buy - 02/06/10

Target price: PLN 5.16

### Energomontaż Północ

### Shareholders OK another subsidiary absorption

The shareholders of Polimex's subsidiary Energomontaż Północ voted in favor of the company's merger with the parent.

## More News

<b>ABC Data</b>	ABC Data is working on a CEE acquisition. The company is observing a pickup in the IT distribution market, but not substantial enough to warrant upward revisions to 2010 earnings forecasts.
<b>Novita</b>	Novita generated better financial results in June 2010 than in the same month a year ago - sales – PLN 7,957,000 - EBIT – PLN 662,000 - pre-tax income – PLN 615,000 - net income – PLN 492,000
<b>PKN Orlen</b>	Subsidiary Orlen Upstream is aiming to start drilling in Poland's lubelskie region in 2011 to confirm the presence of shale gas in commercial quantities.
<b>Rainbow Tours</b>	Rainbow Tours has reaffirmed its FY2010 estimates of PLN 7.6m profit and PLN 325m revenues. The company is negotiating two acquisitions, one of which may be completed within a few months.
<b>Tauron</b>	Half a thousand employees of Tauron companies including Enion, EnergiaPro, and PKE, have signed up for the voluntary separation plan.

## Insider Trading and Fund Activity

<b>ABC Data</b>	An entity related to a Supervisory Board member sold 138,244 shares for an avg. PLN 2.46 a share between 13 and 16 July.
<b>Milkpol &lt;NC&gt;</b>	Deputy Supervisory Board Chair sold 20,000 shares for an avg. PLN 5.15 a share.
<b>Nicolas Games &lt;NC&gt;</b>	GO Advisers reduced equity interests to 8.13% from 10.01%.
<b>Quercus TFI</b>	Management Board member sold 15,370 shares for an avg. PLN 2.88 a share between 15 and 16 July.

## Macroeconomics

### Strong industrial production growth continues

In June, industrial production growth accelerated to 14.5% y/y from 13.5% y/y recorded in May (revised). Nearly 16% y/y growth was recorded in manufacturing. The seasonally adjusted growth rate was 11.7% y/y, compared to 10.7% y/y in May.

According to the data, growth was observed in 27 out of 34 sectors. The structure of this growth (electronics, computers: over 98% y/y, metals, cars, chemicals) shows that industrial production in Poland is still strongly affected by the revival in the exports-driven German economy. The enduring weakness of the zloty, which boosts the competitiveness of Polish exports, may play an important role as well. This tendency is likely to persist in the coming months. One thing to note is the increasing contribution of the so-called "domestic component" to industrial production growth, which allows more optimism as to how high the growth rate will be in the coming months (i.e. as to internal self-sustainability of this growth).

Moving on to our GDP growth estimates for Q2'10, it may turn out even higher than the 3.0% y/y recorded in Q1'10. Construction output has outperformed expectations by a large margin for two straight months (+9.6% in June), which suggests that the infrastructural projects accelerated already in Q2'10, leading to a rebound in the aggregate investment figure. Therefore, we can vouch to say that the 12.4% y/y drop in investment in Q1'10, which was due to weather conditions, will not undermine GDP growth in FY 2010.

### Effects of F/X changes on PPI

Producer prices increased by 1.9% y/y in June. It is difficult to consider this a surprise, however, given that the monthly change in producer prices was in line with our forecast (+0.8% m/m), and the higher reading was a consequence of the revision of the data for the preceding month from 1.6% to 1.9% m/m (which usually happens when prices are rising quickly and is a consequence of the failure to return questionnaires by some of those surveyed). In manufacturing, prices increased by 0.8% m/m, which is nearly 1/3 slower than a month ago (the core figure, excluding prices related to coke production and crude oil refining, was 0.6% vs. 2.2% a month ago, i.e. the deceleration was much more visible here).

The changes in PPI over the past three months have been a consequence of a price shock (F/X rates, metal prices) which hit three months ago. This scenario is confirmed by the typical, hump-shaped behavior of m/m fluctuations. Despite the temporary nature of this shock impulse, a

significant (i.e. lasting) increase in the companies' inflationary expectations has been observed. Linking this fact with strong production growth and idle capacity utilization (the industrial production index has already exceeded levels observed before the slowdown, and it can be considered a fairly exact reflection of capacity utilization), we can expect producer prices to accelerate (though not in such a shock mode anymore), which will then be gradually transferred onto consumers; in addition, higher payroll costs are looming on the horizon (rapid employment growth, increasing salaries).

The data had practically no impact on financial markets (the zloty is being swayed by what is happening in Hungary), as investors are not associating rapid production and producer prices growth with future inflationary pressure.

Despite the Monetary Policy Council's unwillingness to change monetary policy parameters, we reiterate our view that nominal processes, and perhaps also issues related to fiscal policy, will force a monetary tightening before the end of 2010.

**BRE Bank S.A.**

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## Corporate Action Calendar

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**Tuesday /20.07.10/**

DECORA First ex-dividend day (PLN 0.3/share).  
ERBUD Suggested dividend payout date.

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**Wednesday /21.07.10/**

APATOR Second dividend payment, PLN 0.30/share (total dividend is PLN 0.50).

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**Thursday /22.07.10/**

DECORA Dividend record date, PLN 0.3/share.  
DĘBICA First ex-dividend day (PLN 4.5/share).  
PANI TERESA PLN 1.1-a-share dividend payout.

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**Friday /23.07.10/**

ELEKTROBUDOWA Dividend record date, PLN 3.5/share.  
PGNiG First ex-dividend day (PLN 0.08/share).  
PKO BP Adjourned General Meeting resumes; on agenda: PLN 0.80 dividend vote.

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**Monday /26.07.10/**

NETIA AGM, agenda includes votes on Supervisory Board compensation and new appointments.  
POLNORD Dividend record date (PLN 0.86/share).

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## Economic Calendar

### Tuesday /20.07.10/

Time	Region	Report	Period	Forecast	Previous
14:00	Poland	CPI core	June	1.5%/y/y	0.1% m/m; 1.6% y/y
14:30	USA	Building permits	June	570,000 m/m	574,000 m/m
14:30	USA	Housing starts	June	577,000 m/m	593,000 m/m
		Interest rate		0.75%	0.5%
Quarterly earnings announcement from Bank Of New York, Goldman Sachs, Johnson & Johnson, Pepsico before US market open.					
Quarterly earnings announcement from Altera, Apple, Juniper Networks, Yahoo after US market close.					

### Wednesday /21.07.10/

Time	Region	Report	Period	Forecast	Previous
13:00	USA	Mortgage loan applications	July		-2.9%
16:30	USA	Crude inventories	July		353.1m
Quarterly earnings announcement from Check Point Software, Coca Cola, EMC, Wells Fargo before US market open.					
Quarterly earnings announcement from Altria, Ebay, Qualcomm after US market close.					

### Thursday /22.07.10/

Time	Region	Report	Period	Forecast	Previous
10:00	EU	Euro-Zone Capital Account	1Q		2.2bn
10:00	EU	Euro-Zone Current Account	1Q		-9.2bn
10:00	EU	Euro-Zone Financial Account	1Q		12.6bn
10:00	EU	PMI Manufacturing	July	55.2	55.6
11:00	EU	Industrial new orders	May	0.2% m/m; 19.5% y/y	0.9% m/m; 22.1% y/y
16:00	USA	Existing home sales	June	5.2m	5.66m
16:00	USA	House Price Index	May	-0.3%	0.8% m/m
16:00	USA	Leading Indicators	June	-0.3%	0.4%
16:30	USA	Natural gas inventories	July		2840bn
Quarterly earnings announcement from 3M, AT&T, Bristol Myers Squibb, Caterpillar, Credit Suisse, Eli Lilly, Nokia, Xerox before US market open.					
Quarterly earnings announcement from Amazon, Microsoft after US market close.					

### Friday /23.07.10/

Time	Region	Report	Period	Forecast	Previous
10:00	Poland	Unemployment rate	June		11.9%
Quarterly earnings announcement from Ericsson, Honeywell, Verizon Communications before US market open.					


### Monday /26.07.10/

Time	Region	Report	Period	Forecast	Previous
16:00	USA	New home sales	June		300,000


**Current recommendations of BRE Bank Securities S.A.**

Company	Recommendation	Target price	Current price	Date issued	Price on report date	P/E 2010
AB	Accumulate	18.80	16.40	2010-05-06	16.90	9.6
ACTION	Accumulate	18.49	18.50	2010-07-05	17.10	11.8
AGORA	Hold	24.70	22.70	2010-05-27	24.76	19.4
ASBIS	Hold	4.69	4.20	2010-05-10	4.65	9.7
ASSECO POLAND	Buy	70.60	56.60	2010-04-06	57.60	13.0
ASTARTA	Sell	45.83	59.00	2010-05-11	57.50	4.8
BUDIMEX	Reduce	78.30	89.00	2010-07-05	89.90	12.3
BZWBK	Hold	200.50	196.50	2010-04-07	216.50	14.4
CENTRUM KLIMA	Buy	14.65	13.46	2010-05-06	12.00	14.4
CERSANIT	Hold	13.43	13.20	2010-06-04	14.00	15.6
CEZ	Hold	131.87	140.00	2010-03-03	133.90	9.9
CIECH	Buy	39.20	24.30	2010-06-02	27.00	9.6
CINEMA CITY	Hold	39.90	39.50	2010-07-16	39.00	17.2
COMARCH	Hold	93.10	83.00	2010-07-05	81.00	16.8
CYFROWY POLSAT	Accumulate	16.03	14.25	2010-03-25	15.79	12.6
DOM DEVELOPMENT	Accumulate	50.10	48.00	2010-07-05	44.80	44.0
ELEKTROBUDOWA	Hold	169.20	167.80	2010-03-12	171.00	16.2
EMPERIA HOLDING	Hold	81.60	81.00	2010-03-09	77.50	15.9
ENEA	Buy	21.24	18.10	2010-06-02	18.17	12.2
ERBUD	Accumulate	54.60	52.50	2010-07-05	50.00	12.9
EUROCASH	Reduce	18.60	22.57	2010-05-06	20.61	24.2
FAMUR	Hold	2.03	1.89	2010-05-28	2.00	15.9
GETIN	Hold	10.34	9.79	2010-05-06	10.19	12.8
GTC	Hold	23.90	22.80	2010-05-28	23.80	6.6
HANDLOWY	Buy	87.10	74.05	2010-06-02	75.00	15.3
ING BSK	Hold	749.00	790.00	2010-04-07	766.00	15.2
J.W. CONSTRUCTION	Hold	16.40	17.48	2010-07-09	16.10	5.8
KĘTY	Hold	100.71	103.90	2010-07-06	103.00	13.3
KGHM	Hold	96.10	94.20	2010-05-27	93.70	5.6
KOMPUTRONIK	Hold	11.56	13.23	2009-12-08	11.39	14.4
KOPEX	Hold	18.46	18.82	2010-05-28	18.90	17.4
KREDYT BANK	Hold	15.30	15.44	2010-04-07	14.60	32.6
LOTOS	Reduce	26.50	30.95	2010-04-07	31.40	10.3
LW BOGDANKA	Buy	80.70	77.10	2010-05-19	72.45	14.1
MILLENNIUM	Accumulate	5.31	4.62	2010-04-27	4.84	19.0
MONDI	Hold	67.30	74.00	2010-06-02	67.90	18.9
MOSTOSTAL WARSZAWA	Accumulate	76.80	67.20	2010-05-06	68.30	12.5
NETIA	Hold	4.30	4.82	2009-11-06	4.36	50.1
PBG	Reduce	194.00	220.00	2010-06-02	213.40	14.6
PEKAO	Hold	172.80	159.90	2010-03-05	165.50	15.8
PGE	Buy	27.90	21.30	2010-03-30	23.00	11.7
PGNiG	Buy	4.32	3.45	2010-06-14	3.45	12.1
PKN ORLEN	Hold	40.20	38.40	2010-04-08	39.40	10.6
PKO BP	Hold	40.10	38.48	2010-03-17	39.07	15.5
POLICE	Hold	5.50	4.97	2010-06-02	5.39	
POLIMEX MOSTOSTAL	Buy	5.16	4.54	2010-06-02	4.44	13.4
POLNORD	Buy	51.60	34.98	2010-06-02	37.70	22.6
PZU	Hold	358.80	373.70	2010-05-11	312.50	14.3
RAFAKO	Buy	14.00	12.72	2010-07-05	11.95	17.2
SYGNITY	Buy	18.20	12.86	2010-03-02	12.57	
TELEKOMUNIKACJA POLSKA	Accumulate	16.10	15.40	2010-04-23	16.35	17.9
TRAKCJA POLSKA	Hold	4.16	4.02	2010-05-06	4.14	15.4
TVN	Hold	16.69	16.45	2010-05-19	18.00	19.5
ULMA CONSTRUCCION POLSKA	Accumulate	82.20	70.50	2010-07-05	73.00	14.9
UNIBEP	Accumulate	9.00	8.00	2010-05-14	7.90	13.9
ZAPUŁAWY	Hold	72.05	68.50	2010-01-06	80.90	15.9

**CEE bank valuations /19.07.2010/**


	Price	P/E			ROE			P/BV			D/Y		
		2009	2010	2011	2009	2010	2011	2009	2010	2011	2009	2010	2011
<b>POLISH BANKS</b>													
BZ WBK	196.5	16.2	14.4	11.3	16%	16%	18%	2.4	2.2	1.9	0.0%	2.0%	2.3%
Getin	9.8	25.3	12.8	10.3	7%	13%	14%	1.8	1.6	1.4	0.0%	0.0%	0.0%
Handlowy	74.1	19.2	15.3	11.1	9%	10%	13%	1.6	1.5	1.4	0.0%	5.1%	5.2%
ING BSK	790.0	17.3	15.2	11.1	13%	13%	15%	2.1	1.8	1.6	0.0%	0.0%	0.0%
Kredyt Bank	15.4	121.4	32.6	9.5	1%	5%	15%	1.6	1.5	1.3	0.0%	0.0%	0.0%
Millenium	4.6	2622.5	19.0	10.7	0%	9%	12%	1.4	1.4	1.2	0.0%	0.0%	0.0%
Pekao	159.9	17.4	15.8	13.3	14%	14%	16%	2.3	2.2	2.1	0.0%	1.8%	5.1%
PKO BP	38.5	20.9	15.5	11.1	13%	15%	18%	2.4	2.2	1.9	2.6%	2.1%	3.2%
<b>Median</b>		<b>20.0</b>	<b>15.4</b>	<b>11.1</b>	<b>11%</b>	<b>13%</b>	<b>15%</b>	<b>2.0</b>	<b>1.7</b>	<b>1.5</b>	<b>0.0%</b>	<b>0.9%</b>	<b>1.1%</b>
<b>INVESTORS IN POLISH BANKS</b>													
AIB	0.8	-	-	-	-	-	-	0.1	0.2	0.3	0.0%	0.0%	0.0%
BCP	0.6	15.6	9.1	6.8	4%	6%	8%	0.5	0.5	0.5	3.8%	4.8%	6.6%
Citigroup	4.0	-	12.9	9.1	-	6%	8%	0.7	0.7	0.7	0.3%	0.1%	0.6%
Commerzbank	6.2	-	-	12.5	-	-	6%	0.5	0.7	0.6	0.0%	0.0%	0.2%
ING	6.5	24.3	6.8	5.3	1%	10%	11%	0.7	0.6	0.6	0.1%	0.3%	2.3%
KBC	32.0	-	8.0	6.7	-	15%	15%	1.0	0.9	0.8	0.0%	2.4%	3.5%
UCI	2.0	20.2	17.0	8.5	3%	4%	7%	0.6	0.6	0.6	1.3%	2.3%	4.5%
<b>Median</b>		<b>20.2</b>	<b>9.1</b>	<b>7.6</b>	<b>3%</b>	<b>6%</b>	<b>8%</b>	<b>0.6</b>	<b>0.6</b>	<b>0.6</b>	<b>0.1%</b>	<b>0.3%</b>	<b>2.3%</b>
<b>FOREIGN BANKS</b>													
BEP	4.6	8.2	10.3	7.9	10%	7%	9%	0.8	0.7	0.7	6.0%	4.9%	6.3%
Deutsche Bank	47.2	6.9	7.0	5.9	13%	12%	12%	0.8	0.7	0.7	1.9%	2.2%	3.6%
Erste Bank	28.3	11.1	11.9	8.0	9%	8%	10%	1.0	0.9	0.8	1.7%	2.1%	2.7%
Komerční B.	3650.0	12.8	11.9	10.6	17%	17%	18%	2.2	2.0	1.8	4.5%	5.1%	5.8%
OTP	4850.0	9.1	8.5	6.1	13%	12%	15%	1.1	1.0	0.9	1.0%	3.1%	5.2%
Santander	9.6	9.0	8.9	7.6	14%	13%	15%	1.2	1.1	1.0	5.8%	6.0%	6.7%
Türkiye Garanti B.	7.4	11.2	9.4	8.3	24%	23%	21%	2.5	2.0	1.7	1.3%	2.0%	2.6%
Türkiye Halk B.	12.4	9.9	8.9	8.0	31%	28%	25%	2.8	2.2	1.8	3.3%	3.4%	4.0%
Sberbank	2.6	94.4	12.5	7.6	2%	16%	23%	2.3	1.9	1.6	0.2%	0.8%	1.7%
VTB Bank	5.1	-	38.9	12.2	-	2.4%	12.3%	1.5	1.5	1.4	0.3%	0.4%	1.4%
<b>Median</b>		<b>9.9</b>	<b>9.8</b>	<b>8.0</b>	<b>13%</b>	<b>13%</b>	<b>15%</b>	<b>1.3</b>	<b>1.3</b>	<b>1.2</b>	<b>1.8%</b>	<b>2.6%</b>	<b>3.8%</b>

**Insurance company valuations /19.07.2010/**


	Price	P/E			ROE			P/BV			D/Y		
		2009	2010	2011	2009	2010	2011	2009	2010	2011	2009	2010	2011
<b>POLISH COMPANIES</b>													
PZU	373.7	8.6	14.3	12.0	25%	20%	21%	2.9	2.6	2.3	-	2.9%	3.2%
<b>FOREIGN COMPANIES</b>													
Vienna Insurance G.	34.0	12.4	11.2	9.7	9%	9%	10%	1.0	1.0	0.9	3.3%	3.1%	3.5%
Uniq	13.6	29.7	13.0	10.4	4%	7%	9%	1.4	1.3	1.2	2.0%	2.7%	3.0%
Aegon	4.3	-	9.1	6.3	0%	8%	9%	0.7	0.6	0.5	0.1%	0.9%	3.5%
Allianz	84.8	8.5	7.8	7.1	12%	12%	12%	1.0	0.8	0.8	4.6%	5.3%	5.7%
Aviva	3.3	5.9	5.9	4.9	13%	15%	17%	0.8	0.9	0.8	7.3%	7.8%	8.4%
AXA	12.7	8.5	6.8	6.0	9%	10%	10%	0.7	0.6	0.6	4.0%	5.9%	6.9%
Baloise	79.0	8.5	7.9	7.2	12%	11%	11%	0.9	0.8	0.8	5.7%	5.9%	6.2%
Generali	92.5	16.6	13.5	12.1	8%	8%	9%	1.3	1.2	1.1	2.9%	2.9%	3.0%
Helvetia	311.3	9.0	7.7	7.1	11%	12%	12%	0.9	0.8	0.8	4.4%	4.8%	5.1%
Mapfre	2.4	7.3	7.7	7.4	17%	14%	14%	1.1	1.0	0.9	6.3%	6.3%	6.6%
RSA Insurance	1.2	9.5	9.3	8.6	12%	14%	14%	1.2	1.2	1.1	6.6%	7.0%	7.4%
Zurich Financial	239.1	10.3	8.5	7.8	13%	14%	14%	1.2	1.1	1.1	5.0%	6.4%	6.7%
<b>Median</b>		<b>9.0</b>	<b>8.2</b>	<b>7.3</b>	<b>12%</b>	<b>11%</b>	<b>12%</b>	<b>1.0</b>	<b>1.0</b>	<b>0.9</b>	<b>4.5%</b>	<b>5.6%</b>	<b>6.0%</b>

Source: BRE Bank Securities for Polish companies, IBES/Bloomberg for foreign companies

**Fuels producer valuations /19.07.2010/**

	Price	EV/EBITDA			EV/S			P/E		EBITDA margin			D/Y			
		2009	2010	2011	2009	2010	2011	2009	2010	2009	2010	2011	2009	2010	2011	
<b>OIL COMPANIES</b>																
Lotos	31.0	13.0	12.8	8.0	0.7	0.6	0.5	4.6	10.3	7.0	5%	5%	6%	0.0%	0.0%	0.0%
PKN Orlen	38.4	8.0	7.4	6.6	0.4	0.4	0.4	12.5	10.6	10.9	5%	5%	6%	0.0%	0.0%	1.9%
MOL	20000.0	9.6	6.9	6.0	1.2	0.9	0.8	23.1	11.3	8.5	13%	13%	14%	1.6%	2.3%	3.3%
OMV	24.6	4.4	3.3	2.9	0.6	0.5	0.5	10.2	6.7	5.4	14%	17%	17%	3.5%	4.1%	4.5%
Hellenic Petroleum	6.1	7.6	7.4	6.6	0.5	0.4	0.4	9.1	10.1	8.0	7%	6%	6%	7.3%	7.3%	7.7%
Tupras	31.8	6.7	6.0	5.3	0.4	0.3	0.2	10.3	9.2	8.4	5%	5%	5%	8.0%	8.9%	9.2%
Unipetrol	200.0	13.0	8.0	6.3	0.6	0.5	0.4	-	49.6	20.1	5%	6%	7%	0.1%	3.6%	4.9%
<b>Median</b>		<b>8.0</b>	<b>7.4</b>	<b>6.3</b>	<b>0.6</b>	<b>0.5</b>	<b>0.4</b>	<b>10.2</b>	<b>10.3</b>	<b>8.4</b>	<b>5%</b>	<b>6%</b>	<b>6%</b>	<b>1.6%</b>	<b>3.6%</b>	<b>4.5%</b>
<b>GAS COMPANIES</b>																
PGNiG	3.5	7.5	6.3	6.3	1.1	1.1	1.2	16.9	12.1	12.7	15%	18%	18%	0.7%	2.3%	3.3%
Gazprom	164.0	4.8	3.8	3.3	1.6	1.5	1.3	5.8	4.7	4.0	34%	39%	38%	1.4%	1.6%	1.9%
GDF Suez	24.5	6.5	6.2	5.7	1.1	1.1	1.1	12.2	12.2	10.9	17%	18%	19%	6.2%	6.3%	6.6%
Gas Natural SDG	12.4	8.0	7.1	6.8	1.9	1.8	1.7	8.7	8.5	8.1	24%	25%	25%	6.2%	6.8%	7.3%
<b>Median</b>		<b>7.0</b>	<b>6.3</b>	<b>6.0</b>	<b>1.4</b>	<b>1.3</b>	<b>1.2</b>	<b>10.5</b>	<b>10.3</b>	<b>9.5</b>	<b>21%</b>	<b>21%</b>	<b>22%</b>	<b>3.8%</b>	<b>4.3%</b>	<b>5.0%</b>

**Power Utilities company valuations /19.07.2010/**

	Price	EV/EBITDA			EV/S			P/E		EBITDA margin			D/Y			
		2009	2010	2011	2009	2010	2011	2009	2010	2009	2010	2011	2009	2010	2011	
<b>ENERGY COMPANIES</b>																
CEZ	140.0	6.6	7.2	7.4	3.1	3.3	3.4	9.0	9.9	10.0	46%	46%	45%	5.7%	6.4%	5.8%
ENEA	18.1	6.2	4.2	4.9	1.0	0.8	0.9	15.6	12.2	12.2	16%	18%	18%	2.5%	3.2%	4.1%
PGE	21.3	5.7	5.8	6.0	2.1	2.0	2.1	10.9	11.7	11.1	37%	35%	36%	3.3%	3.6%	4.3%
E.ON	21.8	6.0	5.9	5.8	1.0	1.0	0.9	7.5	7.9	7.6	16%	16%	16%	6.9%	7.0%	7.2%
EDF	30.5	6.2	5.8	5.4	1.6	1.5	1.5	15.0	14.2	12.3	25%	26%	27%	3.9%	3.9%	4.3%
Endesa	18.0	5.7	5.8	5.8	1.8	1.7	1.7	7.3	8.4	8.5	32%	30%	29%	7.6%	6.2%	6.2%
ENEL SpA	3.6	6.3	6.1	6.0	1.6	1.5	1.5	7.2	8.1	8.0	25%	25%	24%	7.5%	7.3%	7.5%
Fortum	17.9	9.3	9.1	9.2	4.0	3.8	3.7	12.2	11.9	12.2	43%	42%	41%	5.2%	5.5%	5.5%
Iberdrola	5.1	8.3	7.9	7.4	2.2	2.2	2.1	9.8	9.9	9.3	27%	28%	29%	6.4%	6.4%	6.5%
RWE AG	52.4	4.9	4.3	4.2	0.9	0.8	0.8	8.3	7.5	7.5	18%	19%	19%	6.7%	7.0%	7.2%
<b>Median</b>		<b>6.2</b>	<b>5.9</b>	<b>5.9</b>	<b>1.7</b>	<b>1.6</b>	<b>1.6</b>	<b>9.4</b>	<b>9.9</b>	<b>9.6</b>	<b>26%</b>	<b>27%</b>	<b>28%</b>	<b>6.1%</b>	<b>6.3%</b>	<b>6.0%</b>

Source: BRE Bank Securities for Polish companies, IBES/Bloomberg for foreign companies

**Fertilizer producers and chemical company valuations /19.07.2010/**

	Price	EV/EBITDA			EV/S			P/E			EBITDA margin			D/Y		
		2009	2010	2011	2009	2010	2011	2009	2010	2011	2009	2010	2011	2009	2010	2011
<b>FERTILIZER PRODUCERS</b>																
POLICE	5.0	-	10.4	5.8	0.3	0.4	0.3	-	-	14.4	-	4%	6%	0.0%	0.0%	0.0%
ZA Puławy	68.5	8.3	6.6	3.0	0.6	0.6	0.4	19.3	15.9	5.8	7%	8%	14%	14.9%	1.3%	1.6%
Acron	26.0	7.8	5.8	5.3	1.7	1.4	1.2	8.9	7.0	6.9	22%	24%	23%	2.0%	3.0%	4.2%
Agrium	44.3	9.8	6.3	5.3	0.9	0.9	0.8	18.1	9.6	7.7	9%	14%	15%	0.3%	0.3%	0.3%
DSM	34.1	3.6	3.5	3.5	1.4	1.4	1.4	37.3	30.3	28.6	38%	40%	40%	2.0%	2.3%	2.5%
K+S	38.8	19.9	9.0	6.9	2.3	1.7	1.6	67.0	17.1	11.8	12%	19%	23%	0.7%	2.4%	3.6%
Silvinit	17724.1	6.7	6.5	4.9	4.6	4.0	3.1	10.3	10.0	7.1	68%	61%	64%	1.8%	1.3%	2.4%
Uralkali	3.8	14.2	9.7	7.3	7.5	5.3	4.3	23.2	6.5	4.7	53%	55%	59%	1.4%	3.1%	6.0%
Yara	220.7	15.5	7.9	7.9	1.3	1.2	1.1	26.8	12.2	10.7	8%	15%	14%	2.0%	2.4%	2.7%
<b>Median</b>		<b>9.1</b>	<b>6.6</b>	<b>5.3</b>	<b>1.4</b>	<b>1.4</b>	<b>1.2</b>	<b>21.3</b>	<b>11.1</b>	<b>7.7</b>	<b>17%</b>	<b>19%</b>	<b>23%</b>	<b>1.8%</b>	<b>2.3%</b>	<b>2.5%</b>
<b>CHEMICAL COMPANIES</b>																
Ciech	24.3	6.2	4.9	4.3	0.6	0.6	0.5	-	9.6	6.0	10%	12%	12%	0.0%	0.0%	0.0%
Akzo Nobel	43.4	7.1	6.6	6.1	0.9	0.9	0.9	16.8	14.0	12.0	13%	14%	14%	3.1%	3.4%	3.9%
BASF	44.5	7.5	5.6	5.2	1.1	1.0	0.9	21.3	12.3	10.9	14%	17%	17%	3.5%	4.3%	4.6%
Croda	11.3	12.3	9.9	9.2	2.0	1.9	1.8	22.4	15.8	14.5	17%	20%	20%	1.8%	2.2%	2.4%
Dow Chemical	25.1	9.6	7.0	6.1	1.1	1.0	0.9	48.8	14.9	9.7	12%	14%	15%	3.5%	3.1%	3.1%
Rhodia	14.7	6.2	3.9	3.7	0.7	0.6	0.6	-	9.0	7.0	11%	15%	15%	0.1%	2.0%	2.5%
Sisecam	1.8	5.9	5.0	4.3	1.1	1.0	0.9	15.6	10.1	6.9	19%	21%	22%	0.0%	1.1%	2.2%
Soda Sanayii	1.6	5.3	5.9	4.2	1.1	1.0	0.8	8.0	6.7	3.9	20%	16%	18%	-	6.1%	8.1%
Solvay	69.8	6.6	9.7	8.7	0.9	1.2	1.2	11.9	22.7	17.4	14%	13%	14%	3.8%	3.7%	3.9%
Tata Chemicals	325.5	6.1	7.1	6.8	1.0	1.4	1.3	10.6	11.5	10.3	16%	19%	19%	2.7%	2.6%	2.6%
Tessenderlo Chemie	22.4	15.6	5.7	4.5	0.5	0.4	0.4	-	25.9	10.9	3%	7%	9%	5.4%	5.6%	5.8%
Wacker Chemie	124.4	10.8	6.7	5.8	1.8	1.6	1.5	36.4	16.4	13.5	17%	24%	25%	0.9%	1.5%	1.8%
<b>Median</b>		<b>6.9</b>	<b>6.2</b>	<b>5.5</b>	<b>1.0</b>	<b>1.0</b>	<b>0.9</b>	<b>16.8</b>	<b>13.1</b>	<b>10.6</b>	<b>14%</b>	<b>16%</b>	<b>16%</b>	<b>2.7%</b>	<b>2.8%</b>	<b>2.8%</b>

**European national operator valuations /19.07.2010/**

	Price	EV/EBITDA			EV/S			P/E			EBITDA margin			D/Y		
		2009	2010	2011	2009	2010	2011	2009	2010	2011	2009	2010	2011	2009	2010	2011
<b>POLISH COMPANIES</b>																
Netia	4.8	6.0	4.9	4.2	1.1	1.0	0.9	21.2	50.1	24.0	19%	21%	22%	-	2.0%	4.2%
TPSA	15.4	4.0	4.5	4.5	1.5	1.6	1.7	16.1	17.9	17.1	38%	36%	37%	9.7%	9.7%	9.7%
<b>Median</b>		<b>5.0</b>	<b>4.7</b>	<b>4.4</b>	<b>1.3</b>	<b>1.3</b>	<b>1.3</b>	<b>18.6</b>	<b>34.0</b>	<b>20.6</b>	<b>28%</b>	<b>29%</b>	<b>30%</b>	<b>9.7%</b>	<b>5.9%</b>	<b>7.0%</b>
<b>MID CAPS</b>																
Belgacom	27.2	5.7	5.2	5.7	1.8	1.7	1.7	10.5	10.6	11.0	32%	32%	30%	7.7%	8.0%	8.0%
Cesky Telecom	428.5	5.0	5.4	5.4	2.2	2.3	2.3	12.3	12.6	12.1	44%	43%	43%	10.7%	9.2%	9.1%
Hellenic Telekom	6.4	3.8	4.1	4.1	1.4	1.4	1.5	6.3	7.2	6.6	36%	35%	35%	11.0%	8.6%	9.2%
Matav	677.0	4.2	4.5	4.6	1.7	1.7	1.8	8.8	9.5	9.6	39%	39%	39%	11.0%	11.0%	11.0%
Portugal Telecom	8.0	5.7	5.4	5.2	2.0	1.9	1.9	13.1	13.0	11.4	36%	35%	36%	7.1%	7.2%	7.3%
Telecom Austria	9.0	4.2	4.6	4.6	1.5	1.6	1.6	11.2	13.4	11.8	37%	35%	35%	8.3%	8.3%	8.3%
<b>Median</b>		<b>4.6</b>	<b>4.9</b>	<b>4.9</b>	<b>1.7</b>	<b>1.7</b>	<b>1.7</b>	<b>10.9</b>	<b>11.6</b>	<b>11.2</b>	<b>36%</b>	<b>35%</b>	<b>36%</b>	<b>10%</b>	<b>8%</b>	<b>9%</b>
<b>BIG CAPS</b>																
BT	1.4	4.5	3.9	3.9	1.0	1.0	1.1	9.9	9.4	8.7	22%	27%	27%	5.8%	5.0%	5.4%
DT	10.1	4.5	4.6	4.6	1.4	1.5	1.5	15.2	14.0	13.6	32%	32%	32%	7.7%	7.1%	7.1%
FT	14.7	4.5	4.8	4.8	1.5	1.7	1.7	8.7	8.4	8.2	33%	35%	35%	9.6%	9.5%	9.5%
KPN	10.8	5.5	5.3	5.3	2.1	2.1	2.1	11.8	9.6	9.1	38%	40%	40%	6.4%	7.4%	7.9%
Swisscom	391.1	6.3	6.5	6.4	2.5	2.5	2.5	10.4	10.9	10.6	40%	38%	39%	5.7%	5.9%	6.2%
TELEFONICA	16.1	5.3	5.4	5.3	2.1	2.1	2.1	9.4	9.0	8.6	40%	39%	39%	7.1%	8.7%	9.7%
TeliaSonera	53.0	8.2	7.7	7.5	2.7	2.7	2.6	12.2	11.5	10.8	33%	35%	35%	4.0%	4.8%	5.2%
TI	0.9	4.8	4.8	4.8	2.0	2.0	2.0	9.2	8.3	7.8	41%	41%	42%	5.6%	6.0%	6.6%
<b>Median</b>		<b>5.0</b>	<b>5.1</b>	<b>5.0</b>	<b>2.0</b>	<b>2.0</b>	<b>2.0</b>	<b>10.1</b>	<b>9.5</b>	<b>8.9</b>	<b>36%</b>	<b>37%</b>	<b>37%</b>	<b>6.1%</b>	<b>6.5%</b>	<b>6.9%</b>


Source: BRE Bank Securities for Polish companies, IBES/Bloomberg for foreign companies

**IT company valuations /19.07.2010/**

	Price	EV/EBITDA			EV/S			P/E			EBITDA margin			D/Y		
		2009	2010	2011	2009	2010	2011	2009	2010	2011	2009	2010	2011	2009	2010	2011
<b>POLISH COMPANIES</b>																
AB	16.4	6.5	6.9	6.3	0.1	0.1	0.1	8.6	9.6	8.7	2%	2%	2%	0.0%	0.0%	0.0%
ACTION	18.5	6.8	8.5	7.3	0.1	0.2	0.2	10.2	11.8	9.6	2%	2%	2%	7.4%	2.0%	1.7%
ASBIS	4.2	14.7	5.4	4.4	0.1	0.1	0.1	-	9.7	6.5	0%	1%	1%	0.0%	0.0%	0.0%
ASSECO POLAND	56.6	7.5	7.5	6.9	1.6	1.5	1.4	11.8	13.0	12.3	21%	20%	20%	2.6%	2.3%	2.4%
COMARCH	83.0	9.9	8.9	6.5	0.8	0.8	0.7	19.8	16.8	12.9	8%	9%	11%	0.0%	0.0%	0.0%
KOMPUTRONIK	13.2	14.6	9.3	6.4	0.1	0.2	0.1	50.3	14.4	9.4	1%	2%	2%	0.0%	0.0%	0.0%
SYGNITY	12.9	-	8.7	4.7	0.3	0.3	0.2	-	-	-	-	3%	5%	0.0%	0.0%	0.0%
<b>Median</b>		<b>8.7</b>	<b>8.5</b>	<b>6.4</b>	<b>0.1</b>	<b>0.2</b>	<b>0.2</b>	<b>11.8</b>	<b>12.4</b>	<b>9.5</b>	<b>2%</b>	<b>2%</b>	<b>2%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>
<b>FOREIGN COMPANIES</b>																
Accenture	39.2	7.4	7.4	6.9	1.1	1.1	1.1	14.8	14.8	13.0	15%	15%	15%	1.3%	2.5%	2.1%
Atos Origin	32.8	5.4	5.0	4.4	0.5	0.5	0.5	15.1	12.4	10.1	9%	10%	11%	0.2%	0.5%	0.8%
CapGemini	35.8	6.6	6.9	5.6	0.6	0.6	0.5	18.2	19.3	14.0	8%	8%	10%	2.2%	2.4%	2.8%
IBM	129.8	7.9	7.5	7.0	1.9	1.8	1.7	13.1	11.5	10.5	24%	24%	25%	1.6%	1.8%	1.9%
Indra Sistemas	12.4	6.8	6.7	6.3	0.9	0.9	0.9	10.2	10.0	9.4	13%	13%	14%	5.3%	5.5%	5.9%
LogicaCMG	1.1	7.3	6.3	6.0	0.6	0.6	0.6	10.2	9.1	8.4	8%	9%	9%	2.8%	3.1%	3.4%
Microsoft	25.2	8.2	7.4	6.8	3.2	3.1	2.9	14.9	12.2	10.9	39%	42%	42%	2.0%	2.1%	1.8%
Oracle	23.6	10.4	8.8	7.8	5.0	4.3	3.3	16.6	14.6	12.4	48%	48%	43%	0.1%	0.8%	0.9%
SAP	37.2	13.9	11.9	10.7	4.2	4.0	3.7	21.9	18.4	16.4	30%	33%	34%	1.3%	1.5%	1.8%
TietoEnator	13.4	6.5	5.6	5.0	0.6	0.6	0.6	12.6	10.7	9.1	9%	11%	12%	3.2%	4.4%	5.2%
<b>Median</b>		<b>7.3</b>	<b>7.1</b>	<b>6.5</b>	<b>1.0</b>	<b>1.0</b>	<b>1.0</b>	<b>14.8</b>	<b>12.3</b>	<b>10.7</b>	<b>14%</b>	<b>14%</b>	<b>15%</b>	<b>1.8%</b>	<b>2.2%</b>	<b>2.0%</b>

Source: BRE Bank Securities for Polish companies, IBES/Bloomberg for foreign companies

**Media company valuations /19.07.2010/**

	Price	EV/EBITDA			EV/S			P/E			EBITDA margin			D/Y		
		2009	2010	2011	2009	2010	2011	2009	2010	2011	2009	2010	2011	2009	2010	2011
<b>POLISH COMPANIES</b>																
AGORA	22.7	7.3	6.1	5.8	0.9	0.8	0.8	30.2	19.4	18.7	12%	14%	13%	1.7%	2.6%	2.7%
CYFROWY POLSAT	14.3	11.4	8.4	7.2	3.0	2.5	2.4	16.1	12.6	11.2	26%	30%	33%	5.3%	4.1%	5.3%
TVN	16.5	9.4	11.7	9.6	3.5	3.1	2.8	13.3	19.5	15.5	37%	27%	29%	4.7%	1.9%	1.5%
<b>DAILY</b>																
Arnolgo Mondadori	2.4	9.9	7.1	6.1	0.7	0.7	0.7	14.7	10.6	8.2	7%	10%	11%	2.2%	7.1%	8.6%
Axel Springer	82.7	8.6	7.4	6.4	1.2	1.1	1.1	10.1	12.0	10.1	14%	15%	16%	5.3%	5.5%	5.9%
Daily Mail	4.6	9.0	8.0	7.4	1.3	1.4	1.4	12.7	11.1	9.6	15%	18%	19%	3.2%	3.3%	3.5%
Gruppo Editoriale	1.5	9.3	5.4	4.7	1.0	1.0	0.9	45.8	11.0	8.4	10%	18%	20%	0.0%	4.1%	6.1%
Mcclatchy	3.3	6.1	5.7	5.8	1.5	1.6	1.6	10.4	5.6	5.9	24%	28%	27%	2.7%	-	-
Naspers	286.8	19.5	17.6	14.3	4.6	4.3	3.7	27.1	20.5	15.5	24%	24%	26%	0.7%	0.9%	1.1%
New York Times	8.9	4.1	3.3	3.3	0.5	0.5	0.5	41.7	12.4	12.2	13%	16%	16%	0.0%	-	-
Promotora de Inform	2.0	7.9	7.6	6.9	1.5	1.5	1.5	6.6	5.1	3.8	19%	20%	22%	0.6%	0.6%	0.6%
SPIR Comm	16.4	21.0	9.7	6.6	0.4	0.4	0.4	-	-	36.0	2%	4%	6%	22.0%	-	-
Trinity Mirror	0.8	4.0	3.6	3.4	0.7	0.7	0.7	4.4	3.2	2.9	18%	19%	20%	0.0%	0.7%	3.1%
<b>Mediana</b>		<b>8.8</b>	<b>7.3</b>	<b>6.3</b>	<b>1.1</b>	<b>1.0</b>	<b>1.0</b>	<b>12.7</b>	<b>11.0</b>	<b>9.0</b>	<b>14%</b>	<b>18%</b>	<b>19%</b>	<b>1.5%</b>	<b>3.3%</b>	<b>3.5%</b>
<b>TV</b>																
Antena 3 Televis	5.6	20.0	9.5	7.7	2.0	1.8	1.7	27.3	11.5	9.2	10%	19%	22%	3.1%	6.4%	7.7%
CETV	427.9	33.3	13.1	9.2	3.1	2.7	2.4	-	-	25.5	9%	21%	26%	0.0%	0.0%	0.0%
Gestevisión Telecinco	8.1	18.7	11.4	7.1	3.2	2.4	2.0	28.8	16.5	11.0	17%	21%	28%	3.5%	4.7%	7.5%
ITV PLC	0.5	12.6	8.0	6.4	1.4	1.3	1.3	38.5	14.7	9.8	11%	17%	20%	0.0%	0.2%	1.2%
M6-Metropole Tel	16.7	7.9	7.3	6.8	1.6	1.5	1.4	16.5	15.6	14.2	20%	20%	21%	5.6%	5.1%	5.3%
Mediaset SPA	4.6	5.9	5.3	4.8	1.9	1.7	1.6	18.3	13.5	11.3	32%	32%	32%	5.3%	6.2%	7.1%
RTL Group	63.1	11.9	10.2	9.2	1.8	1.8	1.7	23.8	17.3	15.5	15%	17%	19%	3.6%	4.6%	5.3%
TF1-TV Francaise	11.2	13.2	12.0	8.2	1.1	1.0	1.0	31.6	24.8	14.1	9%	9%	12%	2.4%	3.5%	4.5%
<b>Mediana</b>		<b>12.9</b>	<b>9.8</b>	<b>7.4</b>	<b>1.8</b>	<b>1.7</b>	<b>1.6</b>	<b>27.3</b>	<b>15.6</b>	<b>12.7</b>	<b>13%</b>	<b>19%</b>	<b>21%</b>	<b>3.3%</b>	<b>4.7%</b>	<b>5.3%</b>
<b>PAY TV</b>																
BSkyB PLC	7.0	12.9	12.0	10.3	2.6	2.4	2.2	26.6	23.1	18.3	20%	20%	22%	2.5%	2.7%	2.9%
Canal Plus	5.4	5.3	5.2	5.1	0.2	0.2	0.2	14.9	15.5	15.1	5%	5%	4%	4.7%	4.9%	5.0%
Cogeco	34.7	5.5	5.5	5.1	2.3	2.2	2.0	16.0	14.9	12.7	41%	39%	40%	1.3%	1.6%	1.7%
Comcast	19.0	6.0	5.7	5.5	2.3	2.2	2.1	16.1	15.3	13.5	39%	39%	39%	1.4%	1.9%	2.2%
Liberty Global	27.7	6.2	6.9	6.7	2.7	3.0	3.0	-	-	34.5	43%	43%	45%	0.0%	0.0%	0.0%
Multimedia	9.7	6.6	6.1	5.7	3.2	3.0	2.8	23.1	18.4	15.2	49%	50%	50%	0.0%	3.0%	4.1%
Shaw Communications	19.3	7.4	6.7	6.2	3.4	3.1	2.7	15.6	14.8	13.2	46%	46%	44%	4.3%	4.5%	4.7%
<b>Mediana</b>		<b>6.2</b>	<b>6.1</b>	<b>5.7</b>	<b>2.6</b>	<b>2.4</b>	<b>2.2</b>	<b>16.1</b>	<b>15.4</b>	<b>15.1</b>	<b>41%</b>	<b>39%</b>	<b>40%</b>	<b>1.4%</b>	<b>2.7%</b>	<b>2.9%</b>

Source: BRE Bank Securities for Polish companies, IBES/Bloomberg for foreign companies

**Construction company valuations /19.07.2010/**

	Price	EV/EBITDA			EV/S			P/E			EBITDA margin			D/Y		
		2009	2010	2011	2009	2010	2011	2009	2010	2011	2009	2010	2011	2009	2010	2011
<b>POLISH COMPANIES</b>																
Budimex	89.0	7.0	9.8	9.8	0.5	0.5	0.5	13.1	12.3	14.1	7%	5%	5%	6.6%	7.6%	5.0%
Elektrobudowa	167.8	8.7	10.7	9.6	1.0	1.0	0.9	14.6	16.2	14.6	11%	9%	9%	1.9%	2.0%	2.2%
Erbud	52.5	7.7	9.1	8.6	0.5	0.5	0.4	15.8	12.9	13.2	7%	5%	5%	0.2%	1.0%	1.2%
Mostostal Warszawa	67.2	5.1	6.8	7.2	0.4	0.4	0.4	11.2	12.5	14.2	8%	6%	5%	0.0%	4.5%	4.0%
PBG	220.0	11.4	10.3	10.1	1.5	1.1	0.9	14.9	14.6	14.2	13%	10%	8%	0.0%	1.4%	1.4%
Polimex Mostostal	4.5	7.5	8.4	7.8	0.5	0.6	0.5	13.5	13.4	12.3	7%	7%	7%	0.2%	0.0%	0.0%
Rafako	12.7	9.6	9.4	7.4	0.7	0.6	0.4	23.5	17.2	14.7	7%	7%	5%	0.0%	0.0%	0.0%
Trakcja Polska	4.0	5.8	8.1	7.8	0.7	0.6	0.5	9.0	15.4	16.0	12%	8%	6%	2.5%	0.0%	0.0%
Ulma Construcccion	70.5	8.2	4.6	4.0	3.4	2.4	2.0	-	14.9	11.2	41%	51%	51%	0.0%	0.0%	0.0%
Unibep	8.0	8.8	10.5	10.5	0.7	0.5	0.4	15.3	13.9	14.3	8%	4%	4%	1.3%	0.0%	0.7%
<b>Median</b>		<b>7.9</b>	<b>9.2</b>	<b>8.2</b>	<b>0.7</b>	<b>0.6</b>	<b>0.5</b>	<b>14.6</b>	<b>14.2</b>	<b>14.2</b>	<b>8%</b>	<b>7%</b>	<b>6%</b>	<b>0.2%</b>	<b>0.5%</b>	<b>0.9%</b>
<b>FOREIGN COMPANIES</b>																
AMEC	8.6	9.2	8.3	7.4	0.8	0.8	0.7	18.2	16.5	14.4	9%	9%	10%	2.0%	2.2%	2.4%
BILFINGER	42.5	7.4	5.2	5.1	0.3	0.3	0.3	13.4	9.0	8.3	4%	6%	6%	4.3%	5.6%	5.6%
EIFFAGE	38.0	8.6	8.6	8.1	1.2	1.2	1.2	12.4	14.0	11.5	14%	14%	15%	3.0%	3.0%	3.3%
HOCHTIEF	46.4	5.4	4.7	4.4	0.3	0.3	0.2	17.7	14.1	12.2	5%	5%	6%	3.1%	3.5%	4.0%
NCC	122.5	6.8	7.7	7.0	0.3	0.3	0.3	12.3	12.8	11.5	5%	4%	5%	3.2%	4.6%	4.9%
SKANSKA	117.7	6.4	7.1	7.1	0.3	0.3	0.3	14.0	15.7	15.4	5%	5%	5%	4.7%	4.8%	5.0%
STRABAG	16.5	3.7	3.7	3.6	0.2	0.2	0.2	12.0	11.3	11.3	5%	5%	5%	3.2%	3.0%	3.1%
<b>Median</b>		<b>6.8</b>	<b>7.1</b>	<b>7.0</b>	<b>0.3</b>	<b>0.3</b>	<b>0.3</b>	<b>13.4</b>	<b>14.0</b>	<b>11.5</b>	<b>5%</b>	<b>5%</b>	<b>6%</b>	<b>3.2%</b>	<b>3.5%</b>	<b>4.0%</b>

**Property Developers company valuations /19.07.2010/**


	Price	EV/EBITDA			P/BV			P/E			EBITDA margin			D/Y		
		2009	2010	2011	2009	2010	2011	2009	2010	2011	2009	2010	2011	2009	2010	2011
<b>POLISH COMPANIES</b>																
Dom Development	48.0	12.9	31.9	11.2	1.7	1.6	1.5	14.7	44.0	14.0	16%	9%	18%	1.7%	0.6%	1.8%
GTC	22.8	-	9.1	8.4	4.6	5.2	4.4	-	6.6	6.9	-	142%	166%	0.0%	0.0%	0.0%
J.W. Construction	17.5	9.9	5.7	7.8	2.9	2.3	1.6	9.4	5.8	6.6	21%	30%	47%	0.0%	0.0%	0.0%
Polnord	35.0	13.4	19.9	14.2	0.7	0.7	0.7	12.2	22.6	11.4	48%	15%	32%	0.0%	0.0%	0.0%
<b>Median</b>		<b>12.9</b>	<b>14.5</b>	<b>9.8</b>	<b>2.3</b>	<b>1.9</b>	<b>1.6</b>	<b>12.2</b>	<b>14.6</b>	<b>9.2</b>	<b>21%</b>	<b>22%</b>	<b>39%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>
<b>FOREIGN COMPANIES</b>																
CA IMMO INTERNATIONAL	6.5	21.4	17.7	14.4	0.5	0.6	0.6	-	-	-	66%	52%	55%	0.0%	0.0%	1.5%
CITYCON	2.4	18.4	16.6	15.5	0.6	0.7	0.7	13.6	11.0	10.4	56%	58%	59%	5.6%	5.7%	6.0%
CORIO	41.4	25.1	17.5	15.5	0.8	0.9	0.9	13.7	14.0	13.6	64%	83%	87%	6.4%	6.5%	6.7%
DEUTSCHE EUROSHOP	22.5	18.3	16.7	16.0	0.8	0.9	0.9	19.5	15.8	14.2	87%	86%	86%	4.7%	4.8%	5.2%
ECHO INVESTMENT	4.4	14.2	14.9	11.4	1.1	1.1	1.0	20.5	16.1	11.6	58%	61%	71%	0.0%	0.0%	0.0%
HAMMERSON	3.7	18.7	19.3	18.6	0.5	0.9	0.8	17.9	16.9	17.6	77%	78%	79%	4.1%	4.4%	4.5%
KLEPIERRE	24.1	21.3	17.4	16.6	0.8	1.2	1.0	16.1	16.6	15.9	71%	85%	86%	5.2%	5.2%	5.3%
SPARKASSEN IMMO	5.0	24.4	17.2	15.2	0.6	0.7	0.6	-	12.2	7.5	53%	50%	50%	0.0%	1.7%	5.3%
UNIBAIL-RODAMCO	136.7	17.9	17.8	16.7	0.8	1.0	1.0	14.6	14.7	14.1	86%	82%	81%	5.8%	6.0%	6.3%
<b>Median</b>		<b>18.7</b>	<b>17.4</b>	<b>15.5</b>	<b>0.8</b>	<b>0.9</b>	<b>0.9</b>	<b>16.1</b>	<b>15.2</b>	<b>13.9</b>	<b>66%</b>	<b>78%</b>	<b>79%</b>	<b>4.7%</b>	<b>4.8%</b>	<b>5.3%</b>

Source: BRE Bank Securities for Polish companies, IBES/Bloomberg for foreign companies \* polish company


**Machinery manufacturer valuations /19.07.2010/**

	Price	EV/EBITDA			EV/S			P/E			EBITDA margin			D/Y		
		2009	2010	2011	2009	2010	2011	2009	2010	2011	2009	2010	2011	2009	2010	2011
<b>POLISH COMPANIES</b>																
FAMUR	1.9	7.5	8.9	5.1	1.4	1.4	1.3	15.7	15.9	9.4	19%	16%	26%	0.0%	0.0%	0.0%
KOPEX	18.8	8.4	7.7	6.3	0.8	0.7	0.7	16.0	17.4	12.3	9%	9%	10%	0.0%	0.0%	0.0%
<b>Median</b>		<b>7.9</b>	<b>8.3</b>	<b>5.7</b>	<b>1.1</b>	<b>1.1</b>	<b>1.0</b>	<b>15.9</b>	<b>16.6</b>	<b>10.8</b>	<b>14%</b>	<b>13%</b>	<b>18%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>
<b>FOREIGN COMPANIES</b>																
Atlas Copco	115.5	13.6	11.5	9.8	2.5	2.4	2.1	21.9	17.3	14.4	18%	21%	22%	2.5%	2.8%	3.2%
Bucyrus	52.6	8.2	6.6	5.4	1.7	1.2	1.0	13.3	13.8	10.4	20%	18%	19%	0.2%	0.2%	0.2%
Emeco	0.6	3.3	3.9	3.3	1.2	1.6	1.4	7.0	9.5	6.6	38%	41%	45%	5.4%	3.0%	6.8%
Industrea	0.4	5.2	4.5	4.0	1.8	1.5	1.3	7.3	7.4	5.8	34%	34%	34%	1.7%	3.4%	4.3%
Joy Global	54.9	7.7	10.1	8.2	1.6	1.9	1.7	12.9	17.6	14.0	21%	19%	20%	1.3%	1.3%	1.3%
Sandvik	95.5	37.3	10.8	8.3	2.0	1.9	1.7	-	21.2	13.9	5%	17%	20%	1.7%	2.3%	3.3%
<b>Median</b>		<b>7.9</b>	<b>8.3</b>	<b>6.8</b>	<b>1.7</b>	<b>1.7</b>	<b>1.6</b>	<b>12.9</b>	<b>15.6</b>	<b>12.1</b>	<b>21%</b>	<b>20%</b>	<b>21%</b>	<b>1.7%</b>	<b>2.6%</b>	<b>3.3%</b>

**Paper manufacturer valuations /19.07.2010/**

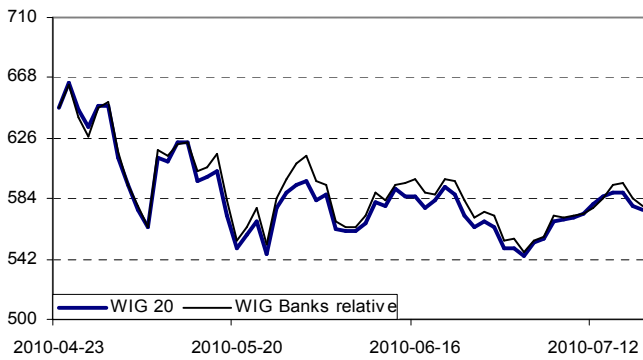
	Price	EV/EBITDA			EV/S			P/E			EBITDA margin			D/Y		
		2009	2010	2011	2009	2010	2011	2009	2010	2011	2009	2010	2011	2009	2010	2011
<b>POLISH COMPANIES</b>																
MONDI	74.0	20.1	10.5	8.7	3.2	2.4	2.2	51.8	18.9	13.3	16%	23%	25%	0.0%	0.0%	6.9%
<b>FOREIGN COMPANIES</b>																
Billerund	46.4	7.2	4.2	4.7	0.8	0.7	0.7	29.9	8.0	9.5	11%	17%	15%	1.2%	4.2%	5.3%
Holmen	192.0	7.9	10.0	8.0	1.3	1.3	1.2	16.1	28.1	17.3	16%	13%	15%	4.7%	3.6%	3.7%
INTL Paper	23.1	6.1	5.8	5.1	0.8	0.7	0.7	26.3	13.0	9.3	13%	13%	14%	1.4%	1.6%	2.0%
M-Real	2.9	67.2	6.8	6.4	0.8	0.8	0.7	-	26.9	14.1	1%	11%	12%	0.0%	0.5%	0.6%
Norske Skog	7.0	5.2	10.5	6.4	0.6	0.6	0.6	-	-	-	11%	6%	10%	0.0%	0.0%	0.0%
Portucel EMP.	2.1	11.0	7.9	6.8	2.2	1.8	1.7	17.3	13.3	10.5	20%	23%	25%	3.7%	4.5%	5.3%
Stora Enso	6.2	10.6	8.0	6.9	0.9	0.8	0.8	38.2	15.3	12.2	9%	11%	12%	2.8%	3.3%	3.4%
Svenska	94.2	6.9	7.0	6.2	1.0	1.0	1.0	11.8	11.5	9.5	14%	14%	15%	3.9%	4.2%	4.6%
UPM-Kymmene	10.3	9.1	7.7	6.5	1.2	1.1	1.0	-	23.1	14.2	13%	14%	16%	3.7%	4.5%	4.7%
<b>Median</b>		<b>7.9</b>	<b>7.7</b>	<b>6.4</b>	<b>0.9</b>	<b>0.8</b>	<b>0.8</b>	<b>21.8</b>	<b>14.3</b>	<b>11.3</b>	<b>13%</b>	<b>13%</b>	<b>15%</b>	<b>2.8%</b>	<b>3.6%</b>	<b>3.7%</b>

**Mining company valuations /19.07.2010/**

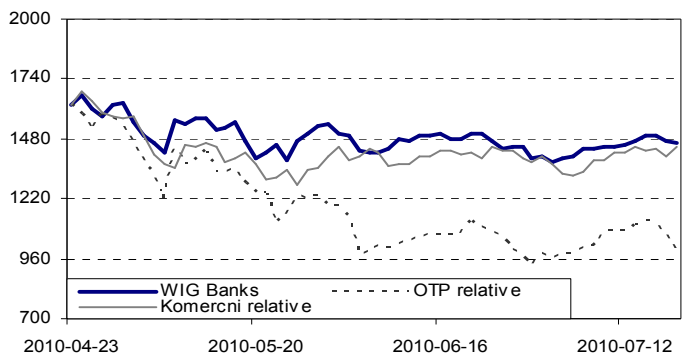
	Price	EV/EBITDA			EV/S			P/E			EBITDA margin			D/Y		
		2009	2010	2011	2009	2010	2011	2009	2010	2011	2009	2010	2011	2009	2010	2011
<b>POLISH COMPANIES</b>																
KGHM	94.2	4.9	4.6	5.5	1.6	1.5	1.5	7.4	5.6	9.6	33%	34%	27%	12.4%	3.2%	5.3%
<b>FOREIGN COMPANIES</b>																
Anglo Amer.	23.5	6.7	3.8	3.1	1.9	1.5	1.3	10.9	5.6	4.3	29%	40%	43%	0.3%	1.7%	4.2%
BHP Billiton	18.2	4.9	4.3	2.9	2.2	2.0	1.6	10.2	7.5	4.8	44%	48%	55%	4.3%	4.7%	5.3%
Freeport-MCMOR	60.9	4.5	3.4	3.2	2.2	1.8	1.7	11.3	7.5	6.8	48%	52%	52%	0.2%	1.7%	2.4%
Rio Tinto	30.5	6.6	3.6	3.2	2.1	1.6	1.5	9.3	4.7	3.9	31%	44%	47%	1.8%	3.2%	3.5%
Southern Peru	29.3	13.8	8.1	6.3	6.7	4.8	3.7	27.4	13.6	10.2	49%	59%	60%	1.6%	5.2%	6.4%
<b>Median</b>		<b>6.6</b>	<b>3.8</b>	<b>3.2</b>	<b>2.2</b>	<b>1.8</b>	<b>1.6</b>	<b>10.9</b>	<b>7.5</b>	<b>4.8</b>	<b>44%</b>	<b>48%</b>	<b>52%</b>	<b>1.6%</b>	<b>3.2%</b>	<b>4.2%</b>

Source: BRE Bank Securities for Polish companies, IBES/Bloomberg for foreign companies

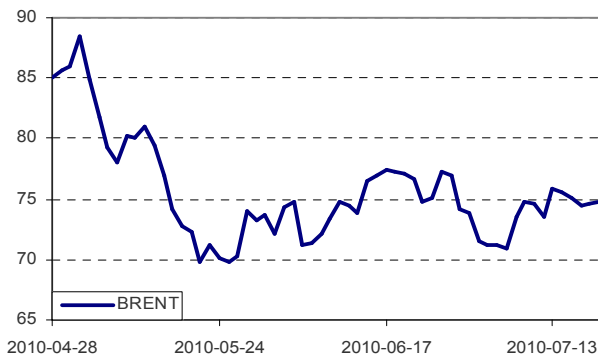
**WIG Banks index vs. WIG 20 index (EUR)**



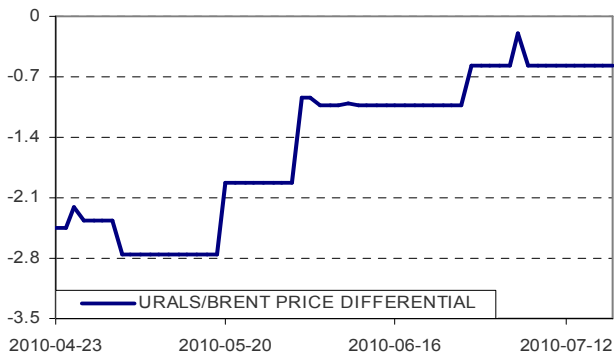
**OTP and Komerčni's relative performance vs. WIG Banks index (EUR)**



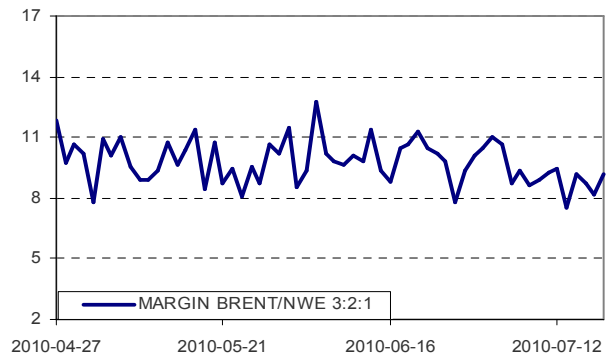
**BRENT (USD/bbl)**



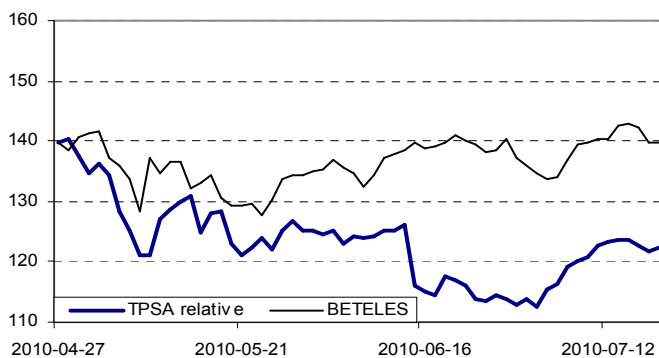
**BRENT (USD/bbl)**



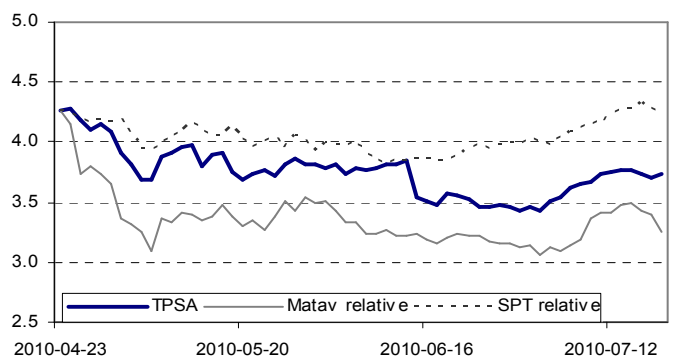
**BRENT (USD/bbl)**



**TPSA vs. BETELES - Bloomberg Europe 500 Telecom Services Index (EUR)**

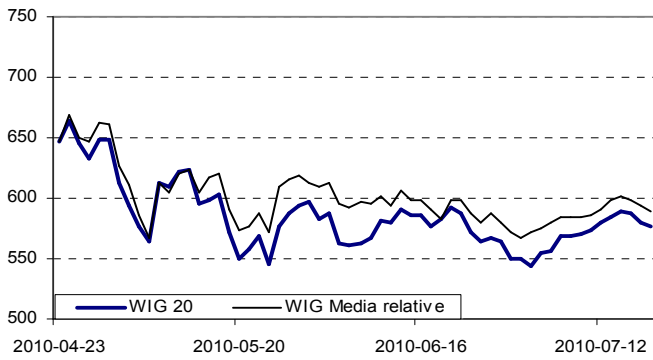


**National operator quotations: TPSA, Hungarian Magyar Telecom and Czech SPT (EUR)**

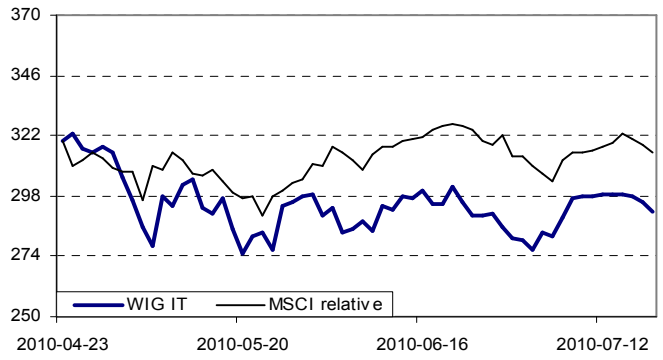


Source: Bloomberg

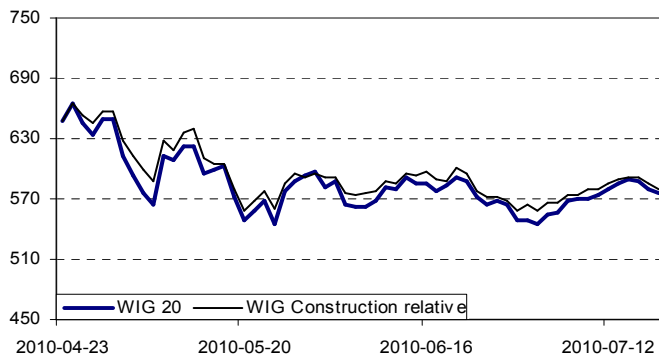
**WIG Media index vs. WIG 20 index (EUR)**



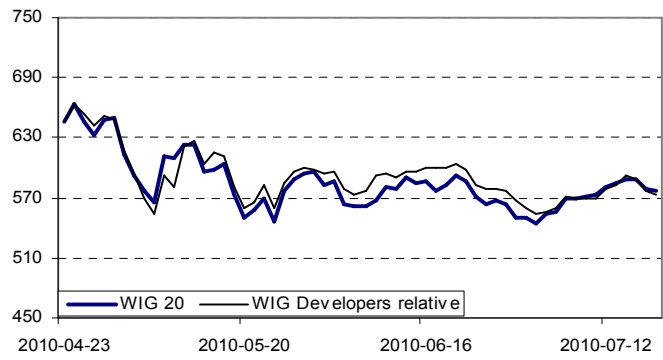
**WIG IT index vs. MSCI**



**WIG Construction index vs. WIG 20 index (EUR)**



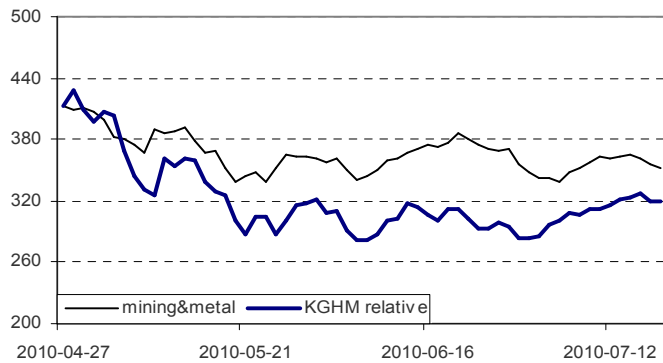
**WIG Developers index vs. WIG 20 index (EUR)**



**Copper price on LME**



**KGHM vs. mining&metal sector index (USD)**



Source: Bloomberg

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**List of abbreviations and ratios contained in the report.**

**EV** – net debt + market value (EV – economic value)

**EBIT** – Earnings Before Interest and Taxes

**EBITDA** – EBIT + Depreciation and Amortisation

**PBA** – Profit on Banking Activity

**P/CE** – price to earnings with amortisation

**MC/S** – market capitalisation to sales

**EBIT/EV** – operating profit to economic value

**P/E** – (Price/Earnings) – price divided by annual net profit per share

**ROE** – (Return on Equity) – annual net profit divided by average equity

**P/BV** – (Price/Book Value) – price divided by book value per share

**Net debt** – credits + debt papers + interest bearing loans – cash and cash equivalents

**EBITDA margin** – EBITDA/Sales

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**BUY** – we expect that the rate of return from an investment will be at least 15%

**ACCUMULATE** – we expect that the rate of return from an investment will range from 5% to 15%

**HOLD** – we expect that the rate of return from an investment will range from -5% to +5%

**REDUCE** – we expect that the rate of return from an investment will range from -5% to -15%

**SELL** – we expect that an investment will bear a loss greater than 15%

Recommendations are updated at least once every nine months.

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**Comparative** – based on a comparison of valuation multipliers of companies from a given sector; simple in construction, reflects the current state of the market better than DCF; weak points include substantial variability (fluctuations together with market indices) as well as difficulty in the selection of the group of comparable companies.