

26 July 2010


**Equity Market**  
Poland

# Morning Comments

Institutional Sales and Research:

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M. Jeżewska (22 6974737)

K. Kliszcz (22 6974706)

P. Grzybowski (22 6974717)

M. Stokłosa (22 6974741)

J. Szkopek (22 697 47 40)

Index	Close	Change	Index	Close	Change	Index	Close	Change
DJIA	10 424.6	+0.99%	FTSE 100	5 312.6	-0.02%	Copper (LME)	7 029.0	+0.27%
S&P 500	1 102.7	+0.82%	WIG20	2 461.0	+0.23%	Crude Oil (Brent)	76.9	-0.54%
NASDAQ	2 269.5	+1.05%	BUX	21 942.9	-1.50%	USD/PLN	3.15	-0.68%
DAX	6 166.3	+0.39%	PX 50	1 166.4	-0.29%	EUR/PLN	4.06	-0.53%
CAC 40	3 600.6	+3.05%	PLBonds10	5.87	+0.00%	EUR/USD	1.29	+0.12%

## Company & Sector Information

### PGNiG

Buy - 14/06/10

Target price: PLN 4.24

### PGNiG to request another tariff hike

According to reports, PGNiG is about to file a request with the energy regulator (URE) to approve a 10% increase in natural-gas prices as of October. The price tariff currently in force is valid until November. **We assumed a 5% hike in Q4 2010 in our valuation model, and we believe that PGNiG is justified in requesting an even higher increase given how expensive gas imports have become. European spot prices are also on the rise (the spread to PGNiG's tariff price has narrowed from \$150 to \$20-40 per 1000 cubic meters), driven by an increasing share of Russian gas. Given the circumstances, a price hike will not undermine the competitive position of Polish chemicals producers. (K. Kliszcz)**

### ZA Puławy

Hold - 06/01/10

Target price: PLN 72.05

### ZCH Police

Hold - 02/06/10

Target price: PLN 5.5

### First offers are in

The Ministry of the State Treasury has received four preliminary offers on a 50.9% stake in ZA Puławy, and two offers on a 59.4% stake in ZCH Police. The Ministry gives itself until the end of August to examine the offers. **We consider ZA Puławy to be the more attractive of the two acquisitions, possibly worth a premium to market price. In case of ZCH Police, high debt will probably prompt expectations of a discount from prospective investors. (K. Kliszcz)**

### TPSA

Accumulate - 23/04/10

Target price: PLN 16.1

### TPSA OK to reduce prices

The Office of Electronic Communications (UKE) has approved TPSA's new price schedule of retail broadband services (for 1-2 Mb/s connections) based on a margin-squeeze test. **This means that TPSA is able to offer lower prices of its most popular connection speeds without having to reduce the wholesale line rental rates for the competition. As a result, the dominant operator can more effectively compete with alternative ISPs, who will be forced to accept lower margins to maintain their cost advantage. We are reiterating a positive outlook on TPSA. (M. Marczak)**

### Komputronik

Hold - 08/12/09

Target price: PLN 11.56

### Komputronik signs agreement with US investor

As promised, Komputronik signed an agreement enacting the terms of a memorandum of understanding signed earlier with mystery investors, who, as it turns out, are Ms. Halina Paszyńska and the Texass Ranch Company Sp. z o.o. Under the agreement, the investors are going to purchase Komputronik's claims against Techmex for PLN 11.75 million. Moreover, they are going to acquire new shares of Komputronik representing 16.5% of the share capital, and take 786 million shares of Karen (for PLN 0.5/share) in exchange for a PLN 340m property and a PLN 53m cash contribution. Komputronik will have a put option on its interests in Karen, exercisable in two year's time at PLN 2.66 per share. Further, the company will issue PLN 35m in bonds convertible into Karen shares, either to the investors, or to Karen. Finally, Komputronik will buy Karen's retail outlets for PLN 18.56m. **The terms of the final agreement vary slightly from what was set forth in the memorandum. The most important difference is the higher stock issue by Karen which will give the new investor an over-90% equity interest authorizing a minority squeeze-out. We also have concerns about the reduction in the par value of Karen's stock, and in its share capital and the potential implications for Karen's minority shareholders. (P. Grzybowski)**

### KGHM

Hold - 27/05/10

Target price: PLN 96.1

### CEO switch?

There are rumors that KGHM's Supervisory Board is going to dismiss CEO Wirth at the next meeting in an act of disapproval over the changes he made in the management boards of KGHM itself and its subsidiaries. **Investors have high regard for Mr. Wirth, and they will not be happy about his dismissal. That said, KGHM's earnings rely on trends in global copper and silver**

markets, and on the performance of the zloty, therefore, any consequences of a negative reaction from the market will be short-lived. We remain neutral on KGHM. (M. Marczak)

### Astarta

Sell – 11/05/10  
Target price: PLN 45.83  
**Kernel**

### Droughts without impact on quality of Ukrainian crops

The Ukrainian Deputy Prime Minister has issued a statement saying that recent droughts have not affected the quality of commercial crops. The condition of sugar-beet sowings is 30% better than in the same period a year ago, and the state of corn and sunflowers is nothing short of perfect, according to the government official. **The good health of sugar-beet crops is bad news for Astarta because it implies a high supply, and hence lower prices, of sugar. In turn, Kernel can look forward to an abundance of feedstock for its sunflower-oil products. We are reiterating a negative outlook on Astarta.** (J. Szkopek)

### Famur

Hold – 28/05/10  
Target price: PLN 2.03

### Kopex

Hold – 28/05/10  
Target price: PLN 18.46

### Poland gets new coal handling terminal

According to financial daily *Puls Biznesu*, a new coal-handling terminal with an annual capacity of 12 million tons, was opened last week in Gdańsk. **The terminal allows for increased imports of Russian coal which, in May 2010, traded at \$91 per ton compared to \$75 per ton of domestically-mined coal. These price gaps suggest that Polish coal producers have no reason for concern at the moment. We are reiterating our outlook for Famur and Kopex.** (J. Szkopek)

### Kopex

Hold – 28/05/10  
Target price: PLN 18.46

### Major contract

Kopex signed a PLN 20.4m coal-sales agreement with PHU Energokrak, valid from 1 August 2010 until 28 January 2011. **The coal probably comes from KHW, and was given to Kopex as settlement for the coal producer's bonds. No impact on stock performance.** (J. Szkopek)

### Budimex

Reduce – 05/07/10  
Target price: PLN 78.3

### PLN 275.5m road contract

Budimex is going to build a section of the S3 expressway for PLN 275.5m net (6.4% of forecasted 2010 revenues). The contract has a deadline in 25 months. **The contract is factored in our financial forecasts for Budimex.** (M. Stokłosa)

### Customer extends financing-search period

Budimex signed an annex to its March 2010 conditional agreements with an office-building project owner, extending the period during which the investor is to secure financing for the project until 23 September. Moreover, Budimex's fee was raised by ca. PLN 1m to PLN 105.5m (2.4% of forecasted 2010 revenues). **No impact on stock performance.** (M. Stokłosa)

### Elektrobudowa

Hold – 12/03/10  
Target price: PLN 169.2

### ELB eyes better-than-expected H1 results

Elektrobudowa had a better-than-expected first half of the year in spite of an undersupply of new contracts. **In our opinion, the H1 2010 outlook is already priced in.** (M. Stokłosa)

### PBG

Reduce – 02/06/10  
Target price: PLN 194

### Hydrobudowa lands PLN 144.8m contract

Hydrobudowa Polska and consortium partners PRG Metro, Hydrobudowa 9, and Infra, were selected to deliver stage two of a sewage treatment plant in Warsaw. The PLN 144.8m contract accounts for 4.4% of the forecasted 2010 revenues of PBG. **This is a confirmation of an earlier award announcement.** (M. Stokłosa)

### Echo Investment

### Echo wins land auction

Echo Investment won an auction for a perpetual leasehold on a property in Warsaw with an area of 73,600 square meters, on which the firm plans to build a 60,000 sqm residential/office development. The price is PLN 63m (PLN 1050 / 1 sqm). **At such a low price, the property can generate a gross margin as high as 30%, depending on whether Echo's plans for it prove feasible.** (M. Stokłosa)

## More News

### Banks

Seven out of 91 major European banks failed stress tests, and need to increase their equities if they want to survive another crisis.

### Banks, Property Developers

The value of property loans increased by PLN 16,201.3 million in June. FCY loans were worth PLN 13,862.3m more than in May, and the value of zloty loans increased by PLN 2,339.0m.

	PLN	FCY	TOTAL (PLN m)
June	89,674.6	161,730.7	251,405.3
May	87,335.7	147,868.3	235,204.0

### BZ WBK, PKO BP

According to reports, if PKO BP is chosen to take over BZ WBK, the two banks will be merged.

<b>Elkop</b>	Elkop is going to issue 70.67 million warrants and conditionally raise its share capital by PLN 35.33m through an issue of 70.67 million shares of F stock (to be traded ex-rights). The proceeds will be used to finance new projects.
<b>Enea</b>	The Ministry of the State Treasury has extended the deadline for preliminary offer submissions until 13 August.
<b>Ergis-Eurofilms</b>	Ergis-Eurofilms purchased ca. PLN 21m-worth of electricity supplies from Dalkia Energy and Technical Services under a contract expiring on 31 December 2015.
<b>Graal</b>	CEO Bogusław Kowalski says that subsidiary Koral is not the only one to potentially be taken public in the future.
<b>Harper Hygienics</b>	Harper Hygienics wants to increase the share of exports in total sales to 50% in 203 years. The company going to build a new factory by the end of the year.
<b>Inter-Cars</b>	Polish auto-parts manufacturers are enjoying a continuing upward momentum in exports, which increased by one-third between January and April.
<b>Intersport</b>	Intersport has extended a lease on one of its shopping-center locations until the end of 2013. The sports retailer has 28 outlets, and does not plan any new openings this year.
<b>Mirbud</b>	Mirbud estimates that its H1 revenues were ca. 10% higher than in the same period in 2009. The net margin might also prove higher.
<b>MNI</b>	MIT Mobile Internet Technology is going to offer MNI another 21.39 million warrants in consideration of MNI shares. 18.75 million shares remain to finalize the stock swap deal between former MNI Premium and MIT shareholders.
<b>MOL</b>	MOL's 47% Croatian subsidiary INA sold its Crobenz 14-station fuel chain to Russia's Lukoil for an undisclosed price. The sales was the prerequisite for MOL to take over operational control over INA.
<b>Pekao, Banks</b>	Pekao's VP Andrzej Kopyrski predicts a decline in the Polish market for corporate lending this year.
<b>PKO BP</b>	The State Treasury wants PKO BP to pay PLN 2.375 billion dividends failing the acquisition of BZ WBK. The per-share distribution would be PLN 1.90. The proposed date of record is 23 October, with payout tentatively set for 20 December. According to CEO Zbigniew Jagiełło, a higher distribution out of 2009 earnings will not affect the bank's liquidity ratios. PKO BP is looking at a few potential acquisition targets from the financial industry. PKO BP has passed the European stress test.
<b>Prochem</b>	Adam Parzydło has been appointed to the Supervisory Board.
<b>Telecommunications</b>	The mobile penetration rate amounted to 119.8% in Q2 2010. The number of active SIM cards was 521.2 thousand higher than in Q1 2010, totaling 45.755 million.
<b>TPSA</b>	The telecommunications regulator UKE approved TPSA's proposed new prices of broadband Internet services.
<b>Telestrada</b>	Telestrada generated sales over PLN 1.6 million in June.
<b>Zetkama</b>	Subsidiary Śrubena Unia signed another screw and nut supply contract with Huta Łabędy. The total value of the contracts signed to date is PLN 6.32m.

### **Insider Trading and Fund Activity**

<b>Advadis</b>	Managing Director sold nearly 0.5 million shares for ca. PLN 200,000.
<b>Konsorcjum Stali</b>	Skyline Investment sold 154,000 shares for an avg. PLN 45.00 per share.
<b>Tesgas</b>	Aviva Investors FIO increased equity interests to 8% from 3.76%.

## Macroeconomics

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### Retail sales on upward momentum

Retail sales displayed 6.4% year-on-year growth in June compared to 4.3% in May (consensus: 4.0%), fueled mainly by increased sales of food (3.2% y/y vs. -3.6% in May). Other components also showed decent growth rates last month, with car sales up 8.5% y/y, sales of furniture, household appliances, and electronics soaring 19.7%, pharmaceuticals sales rising an impressive 20.4%, and clothing sales up 12.2%. The World Cup games might have been a source of an additional push in the period. The positive retail-sales readings are in contrast with slightly weaker confidence indicators. Given the current consumer optimism (reflected in an increasing number of mortgages) and the clear improvement in the labor market, we see no important factors that could slow retail sales down anytime in the near future. The economic data gave interest rates a small lift (short end). However, even good data from the real economy have not been able to convince investors that inflationary pressure is rising, and the Polish Monetary Policy Council might be forced to tighten rates even as the ECB stands still. We expect the situation to change in coming months once inflation rebounds, about the time of second-quarter GDP data (we expect GDP growth to near 4% y/y). Good data from the real economy have offset any fiscal concerns to date, but fiscal risks remain high and need to be closely monitored.

### BRE Bank S.A.

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## Corporate Action Calendar

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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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### Tuesday /27.07.10/

MILLENNIUM Consolidated H1 2010 earnings announcement.  
PGNiG Dividend record date, PLN 0.08/share.

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### Wednesday /28.07.10/

BZ WBK Consolidated H1 2010 earnings announcement.  
TPSA Consolidated H1 2010 earnings announcement.

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### Thursday /29.07.10/

PKN ORLEN Preliminary Q2 2010 results.

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### Friday /30.07.10/

ERBUD Dividend payout, PLN 0.48/share.

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## Economic Calendar

### Monday /26.07.10/

Time	Region	Report	Period	Forecast	Previous
16:00	USA	New home sales	June	338,000	300,000

### Tuesday /27.07.10/

Time	Region	Report	Period	Forecast	Previous
10:00	EU	M3 money supply	June		-0.2%/y/y
15:00	USA	S&P/Case-Shiller Home Price Index (20-City composite)	May		3.8%/y/y
16:00	USA	Consumer confidence	July	51.5	52.9
16:00	USA	Richmond Fed Manufacturing Index	July	18	23

Quarterly earnings announcement from Air France KLM, BP, Daimler, Deutsche Bank, Du Pont, Office Depot, SAP, UBS, before US market open.  
 Quarterly earnings announcement from Broadcom after US market close.

### Wednesday /28.07.10/

Time	Region	Report	Period	Forecast	Previous
14:00	Poland	Consumer confidence			
14:30	USA	Durable goods orders ex transportation	June		0.9%
14:30	USA	Durable goods orders	June		-1.1%
16:30	USA	Fuel inventories	One week		
20:00	USA	Beige Book			

Quarterly earnings announcement from Aetna, Boeing, Eastman Kodak, Infineon before US market open.  
 Quarterly earnings announcement from Visa, after US market close.

### Thursday /29.07.10/

Time	Region	Report	Period	Forecast	Previous
11:00	EU	Business Climate Indicator	July		0.37
11:00	EU	Consumer Confidence Index	July		-17
11:00	EU	Economic Confidence Index	July		98.7
11:00	EU	GDP	Q1		0%q/q; -2.2%/y/y
11:00	EU	Household Spending	Q1		0%q/q
11:00	EU	Industrial Confidence Index	July		-6
11:00	EU	Services Confidence Index	July		4
14:30	USA	Initial Jobless Claims	One week		

Quarterly earnings announcement from Deutsche Lufthansa, France Telecom, Siemens, Sony, Volkswagen before US market open.

### Friday /30.07.10/


Time	Region	Report	Period	Forecast	Previous
11:00	EU	Unemployment	June		10%
11:00	EU	HICP	July		1.4% y/y
14:30	USA	GDP Deflator	Q2		1.1%
14:30	USA	GDP	Q2	2.5% q/q	2.7% q/q; 2.4% y/y
14:30	USA	PCE	Q2		3% q/q; 1.6% y/y
14:30	USA	PCE Core	Q2.		1.4% y/y
15:45	USA	Chicago PMI	July	58	59.10
15:55	USA	University of Michigan confidence index - fin.	July		66.5
	EU	Foreign reserves	June		569.7bn

Quarterly earnings announcement from Alcatel-Lucent, Total before US market open.


**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	16.69	2010-05-06	16.90	9.7
ACTION	Accumulate	18.49	19.00	2010-07-05	17.10	12.1
AGORA	Hold	24.70	24.15	2010-05-27	24.76	20.7
ASBIS	Hold	4.69	4.35	2010-05-10	4.65	9.9
ASSECO POLAND	Buy	70.60	57.30	2010-04-06	57.60	13.2
ASTARTA	Sell	45.83	59.50	2010-05-11	57.50	4.7
BUDIMEX	Reduce	78.30	90.50	2010-07-05	89.90	12.5
BZWBK	Hold	200.50	194.40	2010-04-07	216.50	14.3
CENTRUM KLIMA	Buy	14.65	13.95	2010-05-06	12.00	14.9
CERSANIT	Hold	13.43	13.63	2010-06-04	14.00	16.1
CEZ	Hold	131.87	142.80	2010-03-03	133.90	10.0
CIECH	Buy	39.20	26.20	2010-06-02	27.00	10.3
CINEMA CITY	Hold	39.90	39.00	2010-07-16	39.00	16.9
COMARCH	Hold	93.10	83.80	2010-07-05	81.00	17.0
CYFROWY POLSAT	Accumulate	16.03	14.60	2010-03-25	15.79	12.9
DOM DEVELOPMENT	Accumulate	50.10	47.05	2010-07-05	44.80	43.1
ELEKTROBUDOWA	Hold	169.20	167.50	2010-03-12	171.00	16.2
EMPERIA HOLDING	Hold	81.60	84.00	2010-03-09	77.50	16.5
ENEA	Buy	21.24	18.38	2010-06-02	18.17	12.4
ERBUD	Accumulate	54.60	51.60	2010-07-05	50.00	12.6
EUROCASH	Reduce	18.60	23.35	2010-05-06	20.61	25.1
FAMUR	Hold	2.03	2.05	2010-05-28	2.00	17.3
GETIN	Hold	10.34	10.10	2010-05-06	10.19	13.2
GTC	Hold	23.90	23.24	2010-05-28	23.80	6.7
HANDLOWY	Buy	87.10	76.00	2010-06-02	75.00	15.7
ING BSK	Hold	749.00	790.00	2010-04-07	766.00	15.2
J.W. CONSTRUCTION	Hold	16.40	17.55	2010-07-09	16.10	5.8
KĘTY	Hold	100.71	104.00	2010-07-06	103.00	13.3
KGHM	Hold	96.10	104.00	2010-05-27	93.70	6.2
KOMPUTRONIK	Hold	11.56	13.84	2009-12-08	11.39	15.1
KOPEX	Hold	18.46	18.98	2010-05-28	18.90	17.5
KREDYT BANK	Hold	15.30	15.68	2010-04-07	14.60	33.1
LOTOS	Reduce	26.50	32.35	2010-04-07	31.40	10.7
LW BOGDANKA	Buy	80.70	78.15	2010-05-19	72.45	14.3
MILLENNIUM	Accumulate	5.31	4.70	2010-04-27	4.84	19.3
MONDI	Hold	67.30	74.35	2010-06-02	67.90	19.0
MOSTOSTAL WARSZAWA	Accumulate	76.80	66.40	2010-05-06	68.30	12.4
NETIA	Hold	4.30	5.00	2009-11-06	4.36	52.0
PBG	Reduce	194.00	229.90	2010-06-02	213.40	15.3
PEKAO	Hold	172.80	164.00	2010-03-05	165.50	16.2
PGE	Buy	27.90	22.30	2010-03-30	23.00	12.3
PGNiG	Buy	4.24	3.57	2010-06-14	3.45	12.5
PKN ORLEN	Hold	40.20	39.69	2010-04-08	39.40	10.9
PKO BP	Hold	40.10	39.70	2010-03-17	39.07	16.0
POLICE	Hold	5.50	5.27	2010-06-02	5.39	
POLIMEX MOSTOSTAL	Buy	5.16	4.70	2010-06-02	4.44	13.9
POLNORD	Buy	51.60	34.65	2010-06-02	37.70	22.4
PZU	Hold	358.80	377.00	2010-05-11	312.50	14.4
RAFAKO	Buy	14.00	12.59	2010-07-05	11.95	17.1
SYGNITY	Buy	18.20	13.17	2010-03-02	12.57	
TELEKOMUNIKACJA POLSKA	Accumulate	16.10	15.40	2010-04-23	16.35	17.9
TRAKCJA POLSKA	Hold	4.16	4.14	2010-05-06	4.14	15.8
TVN	Hold	16.69	17.19	2010-05-19	18.00	20.4
ULMA CONSTRUCCION POLSKA	Accumulate	82.20	72.50	2010-07-05	73.00	15.3
UNIBEP	Accumulate	9.00	8.13	2010-05-14	7.90	14.1
ZAPUŁAWY	Hold	72.05	67.50	2010-01-06	80.90	15.6

**CEE bank valuations /23.07.2010/**


	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	194.4	16.0	14.3	11.2	16%	16%	18%	2.4	2.1	1.9	0.0%	2.1%	2.3%
Getin	10.1	26.1	13.2	10.6	7%	13%	14%	1.9	1.6	1.4	0.0%	0.0%	0.0%
Handlow y	76.0	19.7	15.7	11.4	9%	10%	13%	1.6	1.6	1.5	0.0%	5.0%	5.1%
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	15.7	123.3	33.1	9.6	1%	5%	15%	1.6	1.6	1.3	0.0%	0.0%	0.0%
Millenium	4.7	2667.9	19.3	10.9	0%	9%	12%	1.4	1.4	1.2	0.0%	0.0%	0.0%
Pekao	164.0	17.8	16.2	13.6	14%	14%	16%	2.4	2.3	2.1	0.0%	1.8%	4.9%
PKO BP	39.7	21.5	16.0	11.5	13%	15%	18%	2.4	2.2	2.0	2.5%	2.0%	3.1%
<b>Median</b>		<b>20.6</b>	<b>15.8</b>	<b>11.2</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>1.2%</b>
<b>INVESTORS IN POLISH BANKS</b>													
AIB	0.9	-	-	-	-	-	-	0.1	0.2	0.3	0.0%	0.0%	0.0%
BCP	0.6	16.2	9.4	7.0	4%	6%	8%	0.5	0.6	0.5	3.6%	4.6%	6.3%
Citigroup	4.0	-	13.0	9.2	-	6%	8%	0.8	0.7	0.7	0.2%	0.1%	0.6%
Commerzbank	6.5	-	-	13.0	-	-	6%	0.6	0.7	0.7	0.0%	0.0%	0.2%
ING	6.9	25.8	7.3	5.6	1%	10%	11%	0.8	0.6	0.6	0.1%	0.3%	2.2%
KBC	33.6	-	8.4	7.0	-	15%	15%	1.1	0.9	0.8	0.0%	2.2%	3.3%
UCI	2.0	20.8	17.4	8.7	3%	4%	7%	0.6	0.6	0.6	1.2%	2.3%	4.4%
<b>Median</b>		<b>20.8</b>	<b>9.4</b>	<b>7.9</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>2.2%</b>
<b>FOREIGN BANKS</b>													
BEP	4.8	8.5	10.7	8.2	10%	7%	9%	0.8	0.8	0.7	5.8%	4.7%	6.0%
Deutsche Bank	49.8	7.3	7.4	6.3	13%	12%	12%	0.9	0.8	0.7	1.8%	2.0%	3.4%
Erste Bank	30.2	11.9	12.7	8.6	9%	8%	10%	1.0	0.9	0.9	1.6%	2.0%	2.5%
Komercni B.	3700.0	12.9	12.1	10.7	17%	17%	18%	2.2	2.0	1.8	4.4%	5.0%	5.8%
OTP	5031.0	9.4	8.8	6.4	13%	12%	15%	1.1	1.0	0.9	0.9%	3.0%	5.1%
Santander	10.1	9.5	9.4	8.0	14%	13%	15%	1.2	1.2	1.1	5.5%	5.7%	6.4%
Turkiye Garanti B.	7.6	11.6	9.7	8.6	24%	23%	21%	2.6	2.0	1.7	1.2%	2.0%	2.5%
Turkiye Halk B.	12.6	10.1	9.0	8.1	31%	28%	25%	2.9	2.3	1.9	3.3%	3.3%	4.0%
Sbierbank	2.7	98.7	13.0	8.0	2%	16%	23%	2.4	2.0	1.6	0.2%	0.8%	1.6%
VTB Bank	5.3	-	40.5	12.7	-	2.4%	12.3%	1.6	1.6	1.4	0.3%	0.4%	1.3%
<b>Median</b>		<b>10.1</b>	<b>10.2</b>	<b>8.2</b>	<b>13%</b>	<b>13%</b>	<b>15%</b>	<b>1.4</b>	<b>1.4</b>	<b>1.2</b>	<b>1.7%</b>	<b>2.5%</b>	<b>3.7%</b>

**Insurance company valuations /23.07.2010/**


	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	377.0	8.7	14.4	12.1	25%	20%	21%	2.9	2.6	2.3	-	2.9%	3.1%
<b>FOREIGN COMPANIES</b>													
Vienna Insurance G.	35.8	13.0	11.7	10.2	9%	9%	10%	1.1	1.1	1.0	3.1%	3.0%	3.3%
Uniq	13.8	29.9	13.1	10.5	4%	7%	9%	1.4	1.3	1.2	2.0%	2.6%	3.0%
Aegon	4.5	-	9.4	6.5	0%	8%	9%	0.7	0.6	0.6	0.1%	0.8%	3.4%
Allianz	86.8	8.7	8.0	7.3	12%	12%	12%	1.0	0.9	0.8	4.5%	5.2%	5.6%
Aviva	3.5	6.2	6.1	5.2	13%	15%	17%	0.9	1.0	0.9	6.9%	7.5%	8.0%
AXA	13.1	8.8	7.0	6.2	9%	10%	10%	0.7	0.6	0.6	3.8%	5.7%	6.7%
Baloise	81.2	8.8	8.1	7.4	12%	11%	11%	0.9	0.9	0.8	5.5%	5.7%	6.0%
Generali	91.1	16.4	13.3	11.9	8%	8%	9%	1.3	1.2	1.1	2.9%	2.9%	3.1%
Helvetia	316.0	9.1	7.8	7.2	11%	12%	12%	1.0	0.9	0.8	4.4%	4.8%	5.0%
Mapfre	2.6	8.0	8.4	8.0	17%	14%	14%	1.2	1.1	1.0	5.8%	5.8%	6.1%
RSA Insurance	1.3	9.7	9.5	8.8	12%	14%	14%	1.3	1.2	1.2	6.5%	6.9%	7.2%
Zurich Financial	239.8	10.4	8.5	7.9	13%	14%	14%	1.2	1.1	1.1	5.0%	6.4%	6.7%
<b>Median</b>		<b>9.1</b>	<b>8.4</b>	<b>7.6</b>	<b>12%</b>	<b>11%</b>	<b>12%</b>	<b>1.0</b>	<b>1.0</b>	<b>0.9</b>	<b>4.4%</b>	<b>5.4%</b>	<b>5.8%</b>

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

**Fuels producer valuations /23.07.2010/**

	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	32.4	13.2	13.0	8.1	0.7	0.6	0.5	4.8	10.7	7.3	5%	5%	6%	0.0%	0.0%	0.0%
PKN Orlen	39.7	8.2	7.5	6.7	0.4	0.4	0.4	13.0	10.9	11.3	5%	5%	6%	0.0%	0.0%	1.9%
MOL	19500.0	9.4	6.8	5.9	1.2	0.9	0.8	22.5	11.0	8.3	13%	13%	14%	1.6%	2.4%	3.4%
OMV	25.4	4.5	3.3	2.9	0.6	0.6	0.5	10.5	6.9	5.5	14%	17%	17%	3.4%	3.9%	4.3%
Hellenic Petroleum	6.0	7.5	7.3	6.5	0.5	0.4	0.4	9.0	9.9	7.9	7%	6%	6%	7.4%	7.4%	7.8%
Tupras	34.0	7.2	6.5	5.8	0.4	0.3	0.3	11.0	9.8	9.0	5%	5%	5%	7.4%	8.3%	8.5%
Unipetrol	203.1	13.2	8.1	6.4	0.6	0.5	0.5	-	50.3	20.4	5%	6%	7%	0.1%	3.5%	4.8%
<b>Median</b>		<b>8.2</b>	<b>7.3</b>	<b>6.4</b>	<b>0.6</b>	<b>0.5</b>	<b>0.5</b>	<b>10.8</b>	<b>10.7</b>	<b>8.3</b>	<b>5%</b>	<b>6%</b>	<b>6%</b>	<b>1.6%</b>	<b>3.5%</b>	<b>4.3%</b>
<b>GAS COMPANIES</b>																
PGNiG	3.6	7.7	6.5	6.5	1.1	1.1	1.2	17.5	12.5	13.1	15%	18%	18%	0.7%	2.2%	3.2%
Gazprom	163.0	4.8	3.8	3.3	1.6	1.5	1.3	5.7	4.7	4.0	34%	39%	38%	1.4%	1.6%	1.9%
GDF Suez	25.3	6.6	6.4	5.8	1.1	1.1	1.1	12.6	12.6	11.2	17%	18%	19%	6.0%	6.1%	6.4%
Gas Natural SDG	13.0	8.1	7.2	6.9	1.9	1.8	1.7	9.1	8.9	8.4	24%	25%	25%	6.0%	6.5%	7.0%
<b>Median</b>		<b>7.2</b>	<b>6.4</b>	<b>6.1</b>	<b>1.4</b>	<b>1.3</b>	<b>1.2</b>	<b>10.9</b>	<b>10.7</b>	<b>9.8</b>	<b>21%</b>	<b>21%</b>	<b>22%</b>	<b>3.7%</b>	<b>4.2%</b>	<b>4.8%</b>

**Power Utilities company valuations /23.07.2010/**

	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	142.8	6.7	7.2	7.5	3.1	3.3	3.4	9.2	10.0	10.1	46%	46%	45%	5.6%	6.2%	5.7%
ENEA	18.4	6.3	4.3	5.0	1.0	0.8	0.9	15.8	12.4	12.4	16%	18%	18%	2.5%	3.2%	4.0%
PGE	22.3	5.9	6.1	6.2	2.2	2.1	2.2	11.4	12.3	11.7	37%	35%	36%	3.2%	3.4%	4.1%
E.ON	22.3	6.1	6.0	5.9	1.0	1.0	1.0	7.7	8.1	7.8	16%	16%	16%	6.7%	6.8%	7.0%
EDF	31.9	6.4	6.0	5.5	1.6	1.5	1.5	15.6	14.9	12.8	25%	26%	27%	3.7%	3.7%	4.1%
Endesa	18.8	5.8	5.9	5.9	1.9	1.8	1.7	7.7	8.8	8.8	32%	30%	29%	7.3%	6.0%	6.0%
ENEL SpA	3.7	6.3	6.1	6.0	1.6	1.5	1.5	7.3	8.2	8.1	25%	25%	24%	7.4%	7.2%	7.4%
Fortum	18.2	9.5	9.2	9.3	4.1	3.9	3.8	12.4	12.1	12.5	43%	42%	41%	5.1%	5.4%	5.4%
Iberdrola	5.3	8.5	8.0	7.5	2.3	2.3	2.2	10.3	10.3	9.7	27%	28%	29%	6.1%	6.1%	6.2%
RWE AG	53.5	4.9	4.4	4.2	0.9	0.8	0.8	8.4	7.6	7.6	18%	19%	19%	6.6%	6.9%	7.1%
<b>Median</b>		<b>6.3</b>	<b>6.0</b>	<b>6.0</b>	<b>1.7</b>	<b>1.7</b>	<b>1.6</b>	<b>9.7</b>	<b>10.2</b>	<b>9.9</b>	<b>26%</b>	<b>27%</b>	<b>28%</b>	<b>5.9%</b>	<b>6.1%</b>	<b>5.8%</b>

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

**Fertilizer producers and chemical company valuations /23.07.2010/**

	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	5.3	-	10.7	6.0	0.3	0.4	0.3	-	-	15.3	-	4%	6%	0.0%	0.0%	0.0%
ZA Puławy	67.5	8.1	6.5	2.9	0.6	0.5	0.4	19.0	15.6	5.7	7%	8%	14%	15.1%	1.3%	1.6%
Acron	26.3	7.8	5.8	5.3	1.7	1.4	1.2	8.9	7.1	7.0	22%	24%	23%	1.9%	2.9%	4.2%
Agrium	47.1	10.4	6.6	5.6	0.9	0.9	0.9	19.2	10.2	8.2	9%	14%	15%	0.3%	0.2%	0.2%
DSM	36.4	3.7	3.6	3.6	1.4	1.4	1.4	39.9	32.4	30.6	38%	40%	40%	1.9%	2.2%	2.3%
K+S	40.9	20.9	9.5	7.3	2.4	1.8	1.7	-	18.1	12.4	12%	19%	23%	0.7%	2.3%	3.4%
Silvinit	17600.0	6.7	6.5	4.9	4.6	4.0	3.1	10.2	9.9	7.0	68%	61%	64%	1.8%	1.3%	2.4%
Uralkali	3.8	14.2	9.7	7.2	7.4	5.3	4.2	23.2	6.5	4.7	53%	55%	59%	1.4%	3.1%	6.0%
Yara	217.6	15.3	7.8	7.8	1.2	1.2	1.1	26.4	12.0	10.6	8%	15%	14%	2.0%	2.4%	2.7%
<b>Median</b>		<b>9.2</b>	<b>6.6</b>	<b>5.6</b>	<b>1.4</b>	<b>1.4</b>	<b>1.2</b>	<b>19.2</b>	<b>11.1</b>	<b>8.2</b>	<b>17%</b>	<b>19%</b>	<b>23%</b>	<b>1.8%</b>	<b>2.2%</b>	<b>2.4%</b>
<b>CHEMICAL COMPANIES</b>																
Ciech	26.2	6.3	5.0	4.4	0.6	0.6	0.5	-	10.3	6.5	10%	12%	12%	0.0%	0.0%	0.0%
Akzo Nobel	45.4	7.4	6.8	6.3	0.9	0.9	0.9	17.6	14.6	12.6	13%	14%	14%	2.9%	3.3%	3.7%
BASF	46.7	7.8	5.8	5.4	1.1	1.0	0.9	22.4	12.9	11.5	14%	17%	17%	3.3%	4.1%	4.4%
Croda	11.7	12.6	10.2	9.5	2.1	2.0	1.9	23.2	16.4	15.1	17%	20%	20%	1.8%	2.1%	2.3%
Dow Chemical	26.9	10.0	7.3	6.4	1.2	1.0	0.9	52.3	16.0	10.4	12%	14%	15%	3.3%	2.9%	2.9%
Rhodia	15.2	6.3	4.0	3.7	0.7	0.6	0.6	-	9.3	7.2	11%	15%	15%	0.1%	1.9%	2.4%
Sisecam	1.9	5.9	5.0	4.3	1.1	1.0	0.9	15.9	10.3	7.0	19%	21%	22%	0.0%	1.1%	2.1%
Soda Sanayii	1.6	5.3	5.9	4.2	1.1	1.0	0.8	8.1	6.7	3.9	20%	16%	18%	-	6.0%	8.1%
Solvay	73.6	6.9	10.0	9.1	1.0	1.3	1.3	12.5	23.9	18.4	14%	13%	14%	3.6%	3.5%	3.7%
Tata Chemicals	327.4	6.2	7.2	6.8	1.0	1.4	1.3	10.6	11.6	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	132.2	11.5	7.1	6.2	1.9	1.7	1.5	38.7	17.4	14.4	17%	24%	25%	0.9%	1.4%	1.7%
<b>Median</b>		<b>7.1</b>	<b>6.4</b>	<b>5.8</b>	<b>1.0</b>	<b>1.0</b>	<b>0.9</b>	<b>17.6</b>	<b>13.8</b>	<b>10.6</b>	<b>14%</b>	<b>16%</b>	<b>16%</b>	<b>2.7%</b>	<b>2.7%</b>	<b>2.7%</b>

**European national operator valuations /23.07.2010/**

	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	5.0	6.2	5.1	4.4	1.2	1.1	1.0	21.9	52.0	24.9	19%	21%	22%	-	1.9%	4.0%
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>5.1</b>	<b>4.8</b>	<b>4.5</b>	<b>1.3</b>	<b>1.4</b>	<b>1.3</b>	<b>19.0</b>	<b>34.9</b>	<b>21.0</b>	<b>28%</b>	<b>29%</b>	<b>30%</b>	<b>9.7%</b>	<b>5.8%</b>	<b>6.9%</b>
<b>MID CAPS</b>																
Belgacom	27.5	5.7	5.3	5.8	1.9	1.7	1.7	10.7	10.7	11.1	32%	32%	30%	7.6%	7.9%	7.9%
Cesky Telecom	430.1	5.1	5.5	5.4	2.2	2.3	2.3	12.3	12.7	12.2	44%	43%	43%	10.7%	9.2%	9.1%
Hellenic Telekom	6.0	3.7	4.0	4.0	1.3	1.4	1.4	5.8	6.7	6.1	36%	35%	35%	11.8%	9.2%	9.9%
Matav	665.0	4.2	4.4	4.5	1.6	1.7	1.7	8.6	9.3	9.5	39%	39%	39%	11.2%	11.2%	11.2%
Portugal Telecom	8.1	5.7	5.4	5.3	2.0	1.9	1.9	13.3	13.1	11.5	36%	35%	36%	7.1%	7.2%	7.2%
Telecom Austria	9.1	4.2	4.6	4.7	1.6	1.6	1.7	11.3	13.5	11.9	37%	35%	35%	8.3%	8.3%	8.3%
<b>Median</b>		<b>4.7</b>	<b>4.9</b>	<b>5.0</b>	<b>1.7</b>	<b>1.7</b>	<b>1.7</b>	<b>11.0</b>	<b>11.7</b>	<b>11.3</b>	<b>36%</b>	<b>35%</b>	<b>36%</b>	<b>9%</b>	<b>9%</b>	<b>9%</b>
<b>BIG CAPS</b>																
BT	1.4	4.6	3.9	3.9	1.0	1.1	1.1	10.1	9.5	8.8	22%	27%	27%	5.8%	4.9%	5.3%
DT	10.2	4.5	4.6	4.6	1.4	1.5	1.5	15.3	14.1	13.6	32%	32%	32%	7.6%	7.1%	7.1%
FT	15.0	4.5	4.8	4.9	1.5	1.7	1.7	8.8	8.6	8.3	33%	35%	35%	9.4%	9.4%	9.3%
KPN	11.1	5.6	5.4	5.3	2.1	2.2	2.2	12.2	9.9	9.3	38%	40%	40%	6.2%	7.2%	7.7%
Swisscom	393.4	6.3	6.5	6.5	2.5	2.5	2.5	10.4	11.0	10.7	40%	38%	39%	5.7%	5.9%	6.2%
TELEFONICA	16.6	5.4	5.5	5.4	2.1	2.1	2.1	9.7	9.3	8.9	40%	39%	39%	6.9%	8.5%	9.4%
TeliaSonera	53.9	8.3	7.8	7.6	2.7	2.7	2.7	12.4	11.6	11.0	33%	35%	35%	3.9%	4.7%	5.1%
TI	1.0	4.9	4.9	4.8	2.0	2.0	2.0	9.5	8.5	8.0	41%	41%	42%	5.4%	5.8%	6.4%
<b>Median</b>		<b>5.1</b>	<b>5.1</b>	<b>5.1</b>	<b>2.1</b>	<b>2.1</b>	<b>2.1</b>	<b>10.2</b>	<b>9.7</b>	<b>9.1</b>	<b>36%</b>	<b>37%</b>	<b>37%</b>	<b>6.0%</b>	<b>6.5%</b>	<b>6.8%</b>


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

**IT company valuations /23.07.2010/**

	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	16.7	6.6	7.0	6.4	0.1	0.1	0.1	8.8	9.7	8.8	2%	2%	2%	0.0%	0.0%	0.0%
ACTION	19.0	7.0	8.6	7.4	0.1	0.2	0.2	10.5	12.1	9.8	2%	2%	2%	7.2%	1.9%	1.6%
ASBIS	4.4	14.9	5.5	4.4	0.1	0.1	0.1	-	9.9	6.6	0%	1%	1%	0.0%	0.0%	0.0%
ASSECO POLAND	57.3	7.5	7.6	7.0	1.6	1.5	1.4	11.9	13.2	12.4	21%	20%	20%	2.5%	2.3%	2.4%
COMARCH	83.8	10.0	9.0	6.6	0.8	0.8	0.7	20.0	17.0	13.1	8%	9%	11%	0.0%	0.0%	0.0%
KOMPUTRONIK	13.8	15.1	9.6	6.6	0.1	0.2	0.1	52.6	15.1	9.8	1%	2%	2%	0.0%	0.0%	0.0%
SYGNITY	13.2	-	8.9	4.8	0.3	0.3	0.3	-	-	-	-	3%	5%	0.0%	0.0%	0.0%
<b>Median</b>		<b>8.8</b>	<b>8.6</b>	<b>6.6</b>	<b>0.1</b>	<b>0.2</b>	<b>0.2</b>	<b>11.9</b>	<b>12.7</b>	<b>9.8</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	40.4	7.7	7.6	7.2	1.2	1.2	1.1	15.2	15.3	13.4	15%	15%	15%	1.2%	2.4%	2.0%
Atos Origin	33.6	5.5	5.1	4.5	0.5	0.5	0.5	15.4	12.7	10.3	9%	10%	11%	0.2%	0.5%	0.8%
CapGemini	35.4	6.5	6.8	5.6	0.5	0.6	0.5	18.0	19.1	13.9	8%	8%	10%	2.2%	2.4%	2.8%
IBM	128.4	7.8	7.4	6.9	1.9	1.8	1.7	13.0	11.4	10.4	24%	24%	25%	1.6%	1.8%	1.9%
Indra Sistemas	12.7	7.0	6.8	6.4	0.9	0.9	0.9	10.5	10.3	9.6	13%	13%	14%	5.1%	5.3%	5.7%
LogicaCMG	1.1	7.1	6.1	5.8	0.6	0.6	0.5	9.8	8.8	8.1	8%	9%	9%	2.9%	3.2%	3.5%
Microsoft	25.8	8.4	7.6	6.9	3.3	3.2	2.9	15.3	12.5	11.1	39%	42%	42%	1.9%	2.0%	1.7%
Oracle	24.5	10.8	9.2	8.1	5.2	4.4	3.5	17.2	15.2	12.9	48%	48%	43%	0.1%	0.8%	0.9%
SAP	37.4	13.9	12.0	10.8	4.2	4.0	3.7	22.0	18.5	16.5	30%	33%	34%	1.3%	1.5%	1.7%
TietoEnator	12.9	6.2	5.4	4.8	0.6	0.6	0.6	12.1	10.3	8.8	9%	11%	12%	3.3%	4.6%	5.4%
<b>Median</b>		<b>7.4</b>	<b>7.1</b>	<b>6.7</b>	<b>1.0</b>	<b>1.0</b>	<b>1.0</b>	<b>15.2</b>	<b>12.6</b>	<b>10.8</b>	<b>14%</b>	<b>14%</b>	<b>15%</b>	<b>1.8%</b>	<b>2.2%</b>	<b>1.9%</b>

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

**Media company valuations /23.07.2010/**

	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	24.2	7.8	6.6	6.3	0.9	0.9	0.8	32.1	20.7	19.9	12%	14%	13%	1.6%	2.4%	2.5%
CYFROWY POLSAT	14.6	11.7	8.6	7.4	3.0	2.6	2.4	16.5	12.9	11.5	26%	30%	33%	5.1%	4.0%	5.1%
TVN	17.2	9.7	12.1	9.9	3.6	3.2	2.9	13.9	20.4	16.2	37%	27%	29%	4.5%	1.8%	1.5%
<b>DAILY</b>																
Arnolgo Mondadori	2.5	10.2	7.4	6.3	0.7	0.7	0.7	15.4	11.1	8.6	7%	10%	11%	2.1%	6.8%	8.2%
Axel Springer	89.2	9.2	8.0	6.9	1.3	1.2	1.1	10.9	12.9	10.9	14%	15%	16%	4.9%	5.1%	5.4%
Daily Mail	4.9	9.4	8.4	7.7	1.4	1.5	1.5	13.6	12.0	10.3	15%	18%	19%	3.0%	3.1%	3.3%
Gruppo Editoriale	1.6	9.8	5.7	4.9	1.0	1.0	1.0	49.1	11.8	9.0	10%	18%	20%	0.0%	3.8%	5.7%
Mcclatchy	3.6	6.2	5.8	5.9	1.5	1.6	1.6	11.2	6.0	6.4	24%	28%	27%	2.5%	-	-
Naspers	304.0	20.6	18.6	15.1	4.9	4.5	3.9	28.7	21.7	16.4	24%	24%	26%	0.7%	0.8%	1.0%
New York Times	9.3	4.3	3.4	3.5	0.6	0.6	0.6	43.4	12.9	12.7	13%	16%	16%	0.0%	-	-
Promotora de Inform	2.1	7.9	7.6	6.9	1.5	1.5	1.5	6.9	5.3	4.0	19%	20%	22%	0.6%	0.6%	0.6%
SPiR Comm	16.5	21.1	9.8	6.7	0.4	0.4	0.4	-	-	36.3	2%	4%	6%	21.8%	-	-
Trinity Mirror	0.8	4.1	3.7	3.4	0.7	0.7	0.7	4.6	3.4	3.0	18%	19%	20%	0.0%	0.6%	2.9%
<b>Mediana</b>		<b>9.3</b>	<b>7.5</b>	<b>6.5</b>	<b>1.1</b>	<b>1.1</b>	<b>1.1</b>	<b>13.6</b>	<b>11.8</b>	<b>9.6</b>	<b>14%</b>	<b>18%</b>	<b>19%</b>	<b>1.4%</b>	<b>3.1%</b>	<b>3.3%</b>
<b>TV</b>																
Antena 3 Televis	5.8	20.7	9.8	8.0	2.1	1.9	1.7	28.6	12.0	9.6	10%	19%	22%	3.0%	6.1%	7.4%
CETV	426.5	33.2	13.0	9.2	3.1	2.7	2.4	-	-	25.3	9%	21%	26%	0.0%	0.0%	0.0%
Gestevisión Telecinco	9.0	20.6	12.5	7.8	3.5	2.6	2.2	31.9	18.2	12.1	17%	21%	28%	3.2%	4.3%	6.8%
ITV PLC	0.5	13.4	8.5	6.8	1.5	1.4	1.4	41.9	16.0	10.7	11%	17%	20%	0.0%	0.2%	1.1%
M6-Metropole Tel	17.2	8.2	7.5	7.1	1.6	1.5	1.4	17.0	16.0	14.6	20%	20%	21%	5.4%	4.9%	5.2%
Mediaset SPA	4.8	6.1	5.5	5.0	1.9	1.7	1.6	19.2	14.1	11.8	32%	32%	32%	5.1%	5.9%	6.8%
RTL Group	62.5	11.8	10.1	9.1	1.8	1.7	1.7	23.6	17.2	15.3	15%	17%	19%	3.6%	4.6%	5.3%
TF1-TV Francaise	12.5	14.5	13.2	9.1	1.2	1.2	1.1	35.1	27.6	15.7	9%	9%	12%	2.1%	3.1%	4.1%
<b>Mediana</b>		<b>14.0</b>	<b>10.0</b>	<b>7.9</b>	<b>1.9</b>	<b>1.7</b>	<b>1.7</b>	<b>28.6</b>	<b>16.0</b>	<b>13.3</b>	<b>13%</b>	<b>19%</b>	<b>21%</b>	<b>3.1%</b>	<b>4.5%</b>	<b>5.3%</b>
<b>PAY TV</b>																
BSkyB PLC	7.0	13.0	12.0	10.3	2.6	2.4	2.2	26.8	23.2	18.4	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	35.4	5.6	5.5	5.2	2.3	2.2	2.1	16.3	15.2	13.0	41%	39%	40%	1.3%	1.6%	1.7%
Comcast	19.3	6.0	5.8	5.6	2.3	2.2	2.2	16.4	15.6	13.7	39%	39%	39%	1.4%	1.9%	2.1%
Liberty Global	28.6	6.2	7.0	6.8	2.7	3.0	3.1	-	-	35.7	43%	43%	45%	0.0%	0.0%	0.0%
Multimedia	9.7	6.6	6.1	5.7	3.2	3.0	2.8	23.0	18.3	15.1	49%	50%	50%	0.0%	3.0%	4.1%
Shaw Communications	19.8	7.6	6.8	6.3	3.5	3.1	2.8	16.0	15.2	13.5	46%	46%	44%	4.2%	4.4%	4.6%
<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>16.4</b>	<b>15.5</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 /23.07.2010/**

	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	90.5	7.2	10.0	9.9	0.5	0.5	0.5	13.3	12.5	14.3	7%	5%	5%	6.5%	7.5%	4.9%
Elektrobudowa	167.5	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%	2.3%
Erbud	51.6	7.5	8.9	8.4	0.5	0.5	0.4	15.6	12.6	13.0	7%	5%	5%	0.2%	1.0%	1.2%
Mostostal Warszawa	66.4	5.0	6.7	7.1	0.4	0.4	0.4	11.0	12.4	14.0	8%	6%	5%	0.0%	4.5%	4.0%
PBG	229.9	11.8	10.7	10.5	1.5	1.1	0.9	15.6	15.3	14.9	13%	10%	8%	0.0%	1.3%	1.3%
Polimex Mostostal	4.7	7.7	8.7	8.0	0.5	0.6	0.5	13.9	13.9	12.7	7%	7%	7%	0.2%	0.0%	0.0%
Rafako	12.6	9.5	9.3	7.3	0.7	0.6	0.4	23.2	17.1	14.6	7%	7%	5%	0.0%	0.0%	0.0%
Trakcja Polska	4.1	6.0	8.5	8.2	0.7	0.7	0.5	9.3	15.8	16.4	12%	8%	6%	2.4%	0.0%	0.0%
Ulma Construcccion	72.5	8.3	4.7	4.1	3.4	2.4	2.1	-	15.3	11.5	41%	51%	51%	0.0%	0.0%	0.0%
Unibep	8.1	8.9	10.6	10.7	0.7	0.5	0.4	15.5	14.1	14.5	8%	4%	4%	1.2%	0.0%	0.7%
<b>Median</b>		<b>8.0</b>	<b>9.1</b>	<b>8.3</b>	<b>0.7</b>	<b>0.6</b>	<b>0.5</b>	<b>14.6</b>	<b>14.7</b>	<b>14.4</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	9.0	9.8	8.8	7.9	0.8	0.8	0.8	19.1	17.2	15.1	9%	9%	10%	1.9%	2.1%	2.3%
BILFINGER	44.8	7.6	5.4	5.3	0.3	0.3	0.3	14.1	9.5	8.7	4%	6%	6%	4.0%	5.3%	5.3%
EIFFAGE	39.5	8.7	8.7	8.1	1.2	1.2	1.2	12.9	14.5	12.0	14%	14%	15%	2.9%	2.9%	3.2%
HOCHTIEF	49.2	5.6	4.8	4.5	0.3	0.3	0.3	18.8	14.9	13.0	5%	5%	6%	3.0%	3.3%	3.7%
NCC	130.2	7.1	8.1	7.4	0.3	0.4	0.3	13.1	13.6	12.2	5%	4%	5%	3.0%	4.3%	4.6%
SKANSKA	124.9	6.9	7.6	7.6	0.3	0.4	0.3	14.8	16.6	16.3	5%	5%	5%	4.4%	4.5%	4.7%
STRABAG	16.7	3.8	3.7	3.7	0.2	0.2	0.2	12.1	11.4	11.4	5%	5%	5%	3.1%	2.9%	3.1%
<b>Median</b>		<b>7.1</b>	<b>7.6</b>	<b>7.4</b>	<b>0.3</b>	<b>0.4</b>	<b>0.3</b>	<b>14.1</b>	<b>14.5</b>	<b>12.2</b>	<b>5%</b>	<b>5%</b>	<b>6%</b>	<b>3.0%</b>	<b>3.3%</b>	<b>3.7%</b>

**Property Developers company valuations /23.07.2010/**


	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	47.1	12.7	31.4	11.0	1.7	1.5	1.5	14.4	43.1	13.8	16%	9%	18%	1.7%	0.6%	1.8%
GTC	23.2	-	9.1	8.4	4.7	5.3	4.4	-	6.7	7.1	-	142%	166%	0.0%	0.0%	0.0%
J.W. Construction	17.6	10.0	5.7	7.8	2.9	2.3	1.6	9.5	5.8	6.7	21%	30%	47%	0.0%	0.0%	0.0%
Polnord	34.7	13.3	19.8	14.1	0.7	0.7	0.7	12.0	22.4	11.3	48%	15%	32%	0.0%	0.0%	0.0%
<b>Median</b>		<b>12.7</b>	<b>14.5</b>	<b>9.7</b>	<b>2.3</b>	<b>1.9</b>	<b>1.6</b>	<b>12.0</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	14.3	0.5	0.6	0.6	-	-	-	66%	52%	55%	0.0%	0.0%	1.5%
CITYCON	2.6	18.7	16.9	15.8	0.7	0.7	0.8	14.4	11.7	11.0	56%	58%	59%	5.3%	5.4%	5.7%
CORIO	44.5	26.2	18.3	16.2	0.8	1.0	1.0	14.7	15.1	14.6	64%	83%	87%	6.0%	6.0%	6.2%
DEUTSCHE EUROSHOP	23.4	18.7	17.0	16.3	0.9	1.0	1.0	20.3	16.5	14.8	87%	86%	86%	4.5%	4.6%	5.0%
ECHO INVESTMENT	4.4	14.2	14.8	11.3	1.1	1.1	1.0	20.4	16.0	11.6	58%	61%	71%	0.0%	0.0%	0.0%
HAMMERSON	3.8	19.3	19.8	19.1	0.6	1.0	0.9	18.8	17.8	18.5	77%	78%	79%	3.9%	4.1%	4.3%
KLEPIERRE	25.7	21.8	17.8	17.0	0.9	1.2	1.1	17.2	17.7	17.0	71%	85%	86%	4.8%	4.9%	5.0%
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	147.9	18.7	18.6	17.5	0.9	1.1	1.1	15.8	15.9	15.2	86%	82%	81%	5.4%	5.5%	5.8%
<b>Median</b>		<b>19.3</b>	<b>17.7</b>	<b>16.2</b>	<b>0.8</b>	<b>1.0</b>	<b>1.0</b>	<b>17.2</b>	<b>16.0</b>	<b>14.7</b>	<b>66%</b>	<b>78%</b>	<b>79%</b>	<b>4.5%</b>	<b>4.6%</b>	<b>5.0%</b>

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


**Machinery manufacturer valuations /23.07.2010/**

	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	2.1	8.0	9.7	5.6	1.5	1.5	1.5	17.0	17.3	10.2	19%	16%	26%	0.0%	0.0%	0.0%
KOPEX	19.0	8.4	7.7	6.4	0.8	0.7	0.7	16.2	17.5	12.4	9%	9%	10%	0.0%	0.0%	0.0%
<b>Median</b>		<b>8.2</b>	<b>8.7</b>	<b>6.0</b>	<b>1.2</b>	<b>1.1</b>	<b>1.1</b>	<b>16.6</b>	<b>17.4</b>	<b>11.3</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	124.0	14.5	12.2	10.4	2.6	2.5	2.3	23.5	18.6	15.4	18%	21%	22%	2.3%	2.7%	3.0%
Bucyrus	61.7	9.5	7.7	6.4	1.9	1.4	1.2	15.6	16.1	12.1	20%	18%	19%	0.2%	0.2%	0.2%
Emeco	0.6	3.3	3.9	3.3	1.2	1.6	1.5	7.0	9.6	6.7	38%	41%	45%	5.3%	3.0%	6.7%
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	60.5	8.5	11.1	9.1	1.8	2.1	1.8	14.3	19.4	15.5	21%	19%	20%	1.2%	1.2%	1.2%
Sandvik	98.9	38.4	11.1	8.6	2.1	1.9	1.7	-	21.9	14.4	5%	17%	20%	1.6%	2.2%	3.2%
<b>Median</b>		<b>9.0</b>	<b>9.4</b>	<b>7.5</b>	<b>1.9</b>	<b>1.8</b>	<b>1.6</b>	<b>14.3</b>	<b>17.4</b>	<b>13.3</b>	<b>21%</b>	<b>20%</b>	<b>21%</b>	<b>1.7%</b>	<b>2.4%</b>	<b>3.1%</b>

**Paper manufacturer valuations /23.07.2010/**

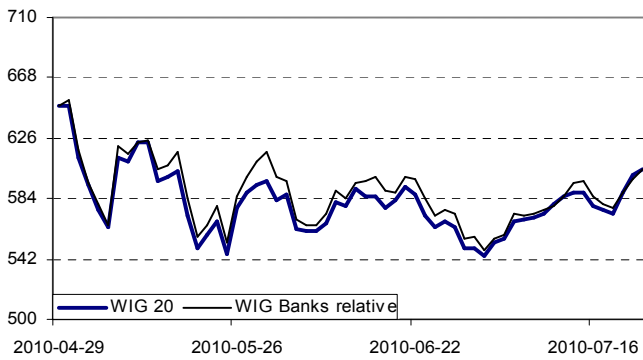
	Price	EV/EBITDA			EV/S			P/E			EBITDA margin			D/Y		
		2009	2010	2011	2009	2010	2011	2009	2010	2011	2009	2010	2011	2009	2010	2011
<b>POLISH COMPANIES</b>																
MONDI	74.4	20.2	10.5	8.7	3.2	2.4	2.2	52.1	19.0	13.3	16%	23%	25%	0.0%	0.0%	6.8%
<b>FOREIGN COMPANIES</b>																
Billerund	47.1	7.2	4.3	4.8	0.8	0.7	0.7	30.4	8.1	9.7	11%	17%	15%	1.2%	4.1%	5.3%
Holmen	193.4	7.9	10.0	8.0	1.3	1.3	1.2	16.2	28.3	17.4	16%	13%	15%	4.7%	3.6%	3.7%
INTL Paper	25.0	6.3	6.0	5.3	0.8	0.8	0.8	28.5	14.1	10.1	13%	13%	14%	1.3%	1.5%	1.8%
M-Real	2.9	67.9	6.9	6.5	0.8	0.8	0.8	-	27.5	14.4	1%	11%	12%	0.0%	0.4%	0.6%
Norske Skog	7.3	5.2	10.5	6.5	0.6	0.6	0.6	-	-	-	11%	6%	10%	0.0%	0.0%	0.0%
Portucel EMP.	2.1	11.2	8.1	6.9	2.3	1.9	1.7	17.7	13.6	10.7	20%	23%	25%	3.6%	4.4%	5.2%
Stora Enso	6.6	11.0	8.4	7.3	0.9	0.9	0.8	41.0	16.4	13.0	9%	11%	12%	2.7%	3.0%	3.2%
Svenska	103.8	7.3	7.5	6.5	1.1	1.1	1.0	13.0	12.6	10.5	14%	14%	15%	3.5%	3.8%	4.2%
UPM-Kymmene	10.7	9.3	7.9	6.7	1.3	1.1	1.1	-	24.0	14.8	13%	14%	16%	3.6%	4.3%	4.6%
<b>Median</b>		<b>7.9</b>	<b>7.9</b>	<b>6.5</b>	<b>0.9</b>	<b>0.9</b>	<b>0.8</b>	<b>23.1</b>	<b>15.2</b>	<b>11.9</b>	<b>13%</b>	<b>13%</b>	<b>15%</b>	<b>2.7%</b>	<b>3.6%</b>	<b>3.7%</b>

**Mining company valuations /23.07.2010/**

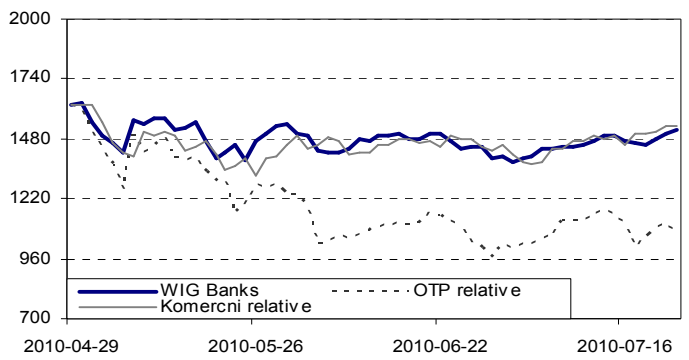
	Price	EV/EBITDA			EV/S			P/E			EBITDA margin			D/Y		
		2009	2010	2011	2009	2010	2011	2009	2010	2011	2009	2010	2011	2009	2010	2011
<b>POLISH COMPANIES</b>																
KGHM	104.0	5.4	5.1	6.2	1.8	1.7	1.7	8.2	6.2	10.6	33%	34%	27%	11.2%	2.9%	4.8%
<b>FOREIGN COMPANIES</b>																
Anglo Amer.	25.2	7.0	4.0	3.3	2.0	1.6	1.4	11.6	6.1	4.6	29%	40%	43%	0.3%	1.6%	4.0%
BHP Billiton	19.6	5.3	4.6	3.1	2.3	2.2	1.7	11.0	8.1	5.2	44%	48%	55%	4.0%	4.4%	4.9%
Freeport-MCMOR	71.1	5.1	3.9	3.6	2.5	2.0	1.9	13.2	8.7	7.9	48%	52%	52%	0.1%	1.4%	2.0%
Rio Tinto	33.4	7.1	3.9	3.4	2.2	1.7	1.6	10.2	5.2	4.3	31%	44%	47%	1.6%	2.9%	3.2%
Southern Peru	32.3	15.1	8.9	6.9	7.4	5.3	4.1	30.1	15.0	11.2	49%	59%	60%	1.4%	4.7%	5.8%
<b>Median</b>		<b>7.0</b>	<b>4.0</b>	<b>3.4</b>	<b>2.3</b>	<b>2.0</b>	<b>1.7</b>	<b>11.6</b>	<b>8.1</b>	<b>5.2</b>	<b>44%</b>	<b>48%</b>	<b>52%</b>	<b>1.4%</b>	<b>2.9%</b>	<b>4.0%</b>

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

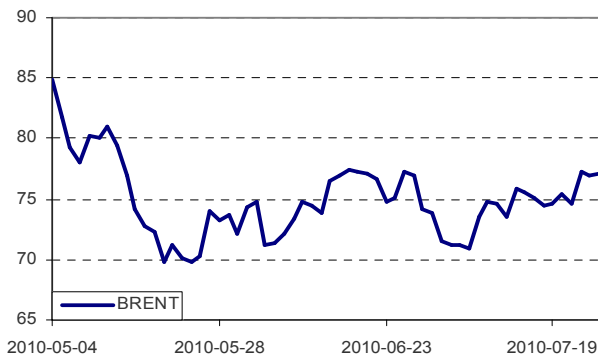
**WIG Banks index vs. WIG 20 index (EUR)**



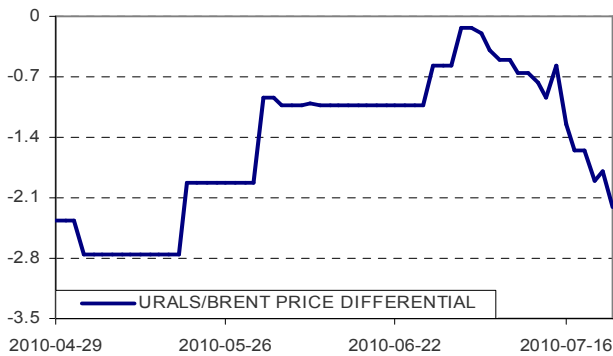
**OTP and Komerčni's relative performance vs. WIG Banks index (EUR)**



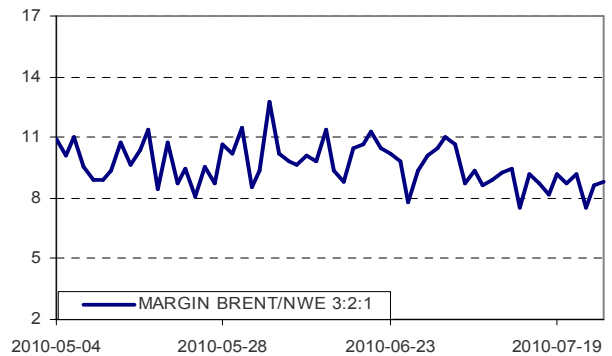
**BRENT (USD/bbl)**



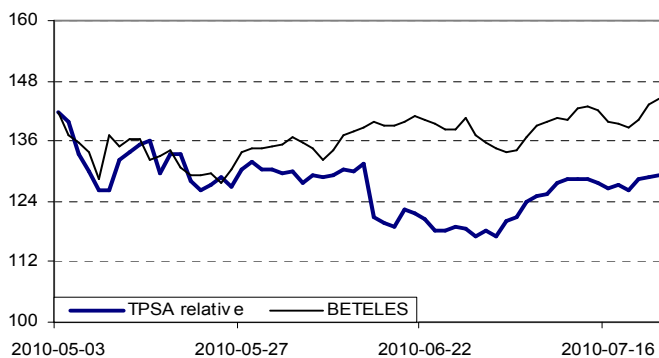
**BRENT (USD/bbl)**



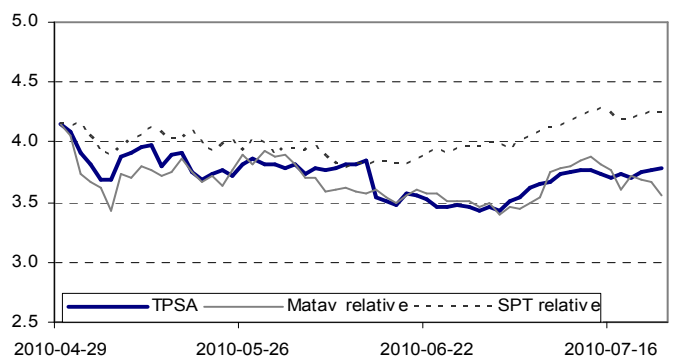
**BRENT (USD/bbl)**



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

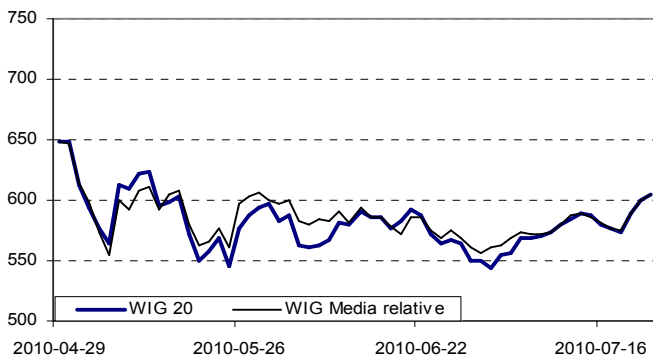


**National operator quotations: TPSA, Hungarian Magyar Telecom and Czech SPT (EUR)**

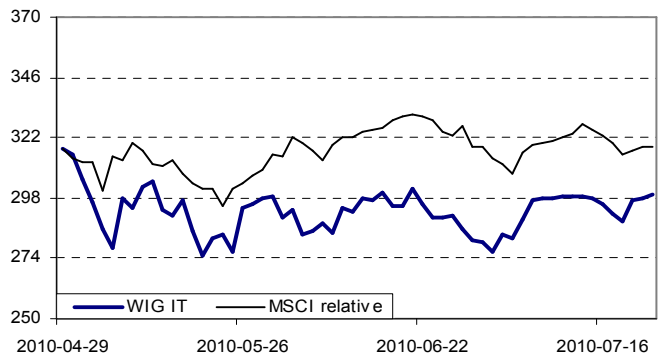


Source: Bloomberg

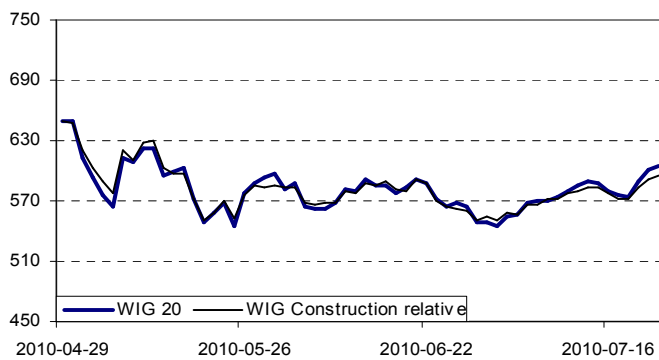
**WIG Media index vs. WIG 20 index (EUR)**



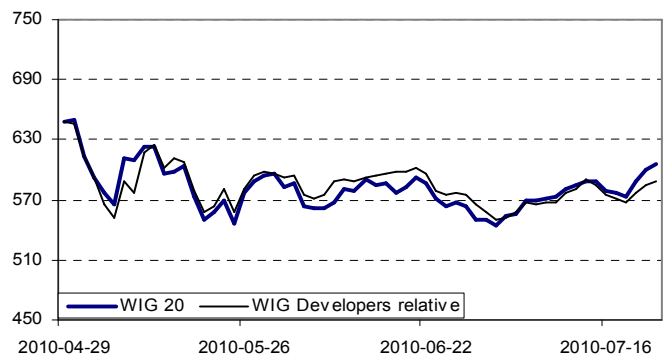
**WIG IT index vs. MSCI**



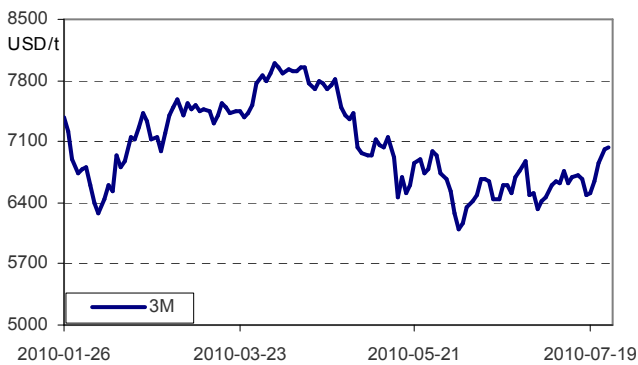
**WIG Construction index vs. WIG 20 index (EUR)**



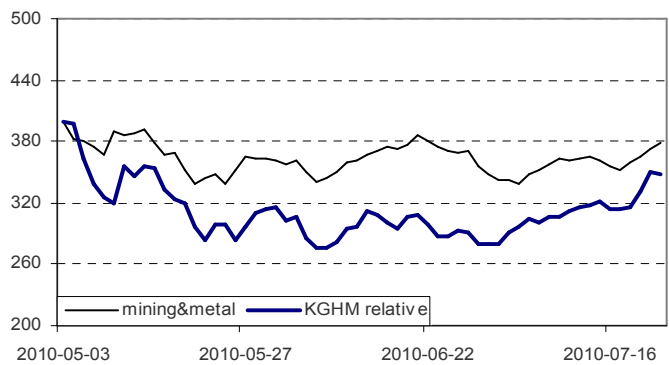
**WIG Developers index vs. WIG 20 index (EUR)**



**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.