

31 August 2010


Equity Market
Poland

Morning Comments

Institutional Sales and Research:

M. Marczak (22 6974738)

I. Rokicka (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	10 009.7	-1.39%	FTSE 100	5 201.6	+0.00%	Copper (LME)	7 459.0	+0.00%
S&P 500	1 048.9	-1.47%	WIG20	2 413.9	-0.68%	Crude Oil (Brent)	75.5	-1.10%
NASDAQ	2 120.0	-1.56%	BUX	21 969.1	-0.25%	USD/PLN	3.16	+1.53%
DAX	5 912.4	-0.65%	PX 50	1 154.7	+0.25%	EUR/PLN	4.00	+0.76%
CAC 40	3 507.4	+0.93%	PLBonds10	5.42	+0.18%	EUR/USD	1.27	-0.78%

Company & Sector Information

BZ WBK

Hold – 07/04/10

Target price: PLN 200.5

PKO BP

Hold – 17/03/10

Target price: PLN 40.1

UOKiK does not object to PKO BP's takeover of BZ WBK

The Chair of the competition watchdog UOKiK, Ms. Małgorzata Krasnodębska-Tomkiel, said in a ratio interview that she saw no serious obstacles to the potential takeover of BZ WBK by PKO BP. This is not a final decision, however. Ms. Krasnodębska-Tomkiel did note that there were areas where the post-merger bank would dominate the market with a ca. 40% share (personal accounts, debit cards). **Another institution seems to be supporting PKO BP in its efforts to acquire BZ WBK. In our opinion, PKO BP remains the frontrunner in this race, ahead of BNP Paribas and Santander. (I. Rokicka)**

PZU

Suspended – 04/08/10

Reinsurance prices may go up as natural disasters become more frequent

Parkiet reports that reinsurance companies will want to increase their prices for services related to catastrophic risk, as these seem to materialize ever more often. On the other hand, insurance companies will aim to transfer these costs onto their customers, primarily by rising the price of motor insurance, but possibly also other property insurance (property etc.) (I. Rokicka)

Astarta

Sell – 11/05/10

Target price: PLN 45.83

Sugar campaign starts in Ukraine

Ukraine's Deputy Minister of Agriculture, Mr. Yevhen Lavrov, said that the country's sugar campaign had started. He added that in the following season, there would be enough sugar in the market to meet domestic demand. According to Mr. Lavrov, Ukraine will produce 2.1 Mt of sugar. **The government maintains there will be enough beets and sugar to meet domestic demand this season. Astarta claims the sugar beet harvest may prove insufficient, leading to sugar shortages next season, which could keep prices high. We believe the expected abundance of sugar in Ukraine in the following season may push prices down, and therefore also Astarta's earnings. (J. Szkopek)**

Famur

Hold – 28/05/10

Target price: PLN 2.03

Kopex

Hold – 28/05/10

Target price: PLN 18.46

KHW announces WSE debut

The CEO of Poland's leading coal miner Katowicki Holding Węglowy (KHW) says that the company may go public in the second half of 2011. The miner would be looking to raise about PLN 1.5bn through the IPO, with a view to funding capital investment with an estimated ten-year value of PLN 7.5 billion (KHW spent about PLN 1.7bn in the last two years). The investments are aimed at creating a "mega-mine" with one shaft replacing the current seven. **The stock-market debut of another coal miner is good news for mining equipment producers, who can look forward to larger orders from their main customers. That said, the prospect of KHW's debut is a remote one. (J. Szkopek)**

Polimex Mostostal

Reduce - 30/07/10

Target price: PLN 4.27

2010 financial outlook

CEO Jaskóła expects Polimex Mostostal's 2010 net profit to be at least as good as last year's. The company has a chance of winning at least one major power-engineering contract. **Our own forecasts for Polimex foresee flat y/y revenues and a net-earnings decline to PLN 142m. (M. Stokłosa)**

Quarter Earnings

Sygnity

Buy - 02/03/10

Target price: PLN 18.2

Q2 slightly ahead of expectations

Sygnity's 2010 second-quarter results proved slightly better than expected, with revenues at PLN 118.6m vs. our estimate of PLN 115.0m. The gross margin expanded to 16.1% from 13.0% in Q1 2010. General expenses were kept steady at Q1 level in spite of earlier promises that they would go down by about PLN 4m thanks to an ongoing downsizing exercise. Other operating expenses amounted to PLN 1.2m, leading to an EBIT loss of PLN 13.7m, slightly lower than our forecasted PLN 14.6m.

Financial expenses were also lower than predicted (PLN 1.8m vs. PLN 2.5m) thanks to slower debt growth. After a negative tax in the amount of PLN 1.4m, the second-quarter net loss proved lower than thought at PLN 13.7m (we expected PLN -17.0m).

All in all, while slightly better than predicted, Sygnity's Q2 2010 results failed to demonstrate any positive effects of the ongoing restructuring and effectiveness-enhancing measures. The company has accumulated an order backlog of PLN 466m vs. PLN 487m captured a year ago, and, given the low capacity usage seen in the first half of the year, the orders should drive revenues in the second half. Next year's backlog is strong at PLN 150m vs. PLN 85m in the same period of 2009. Finally, the company maintains good liquidity in spite of earnings losses and seasonal pressure on working capital, with net debt at a relatively low level of PLN 23m. **(P. Grzybowski)**

Reported vs. forecasted Q2 2010 results

(PLN m)	2Q2010	2Q2009	change	2Q2010F	differ.	consensus	differ.	2010	2009	change
Revenues	118.6	141.1	-15.9%	115.0	3.2%	103.7	14.4%	653.0	572.7	14.0%
EBITDA	-6.7	-78.1	-91.5%	-6.6	1.6%	-8.7	-23.5%	22.0	-60.3	-136.4%
Margin	-5.6%	-55.3%	-	-5.7%	-	-8.4%	-	3.4%	-	-
EBIT	-13.7	-85.4	-84.0%	-14.6	-5.9%	-16.1	-15.0%	-9.6	-94.8	-89.9%
Pre-tax income	-15.0	-87.6	-82.9%	-17.1	-12.0%	-	-	-16.9	-103.1	-83.6%
Net income	-13.7	-75.6	-81.9%	-17.0	-19.7%	-16.5	-17.0%	-13.7	-89.4	-84.7%

Source: Sygnity, F - forecasts by BRE Bank Securities, Consensus estimates by PAP

LW Bogdanka

Hold - 04/08/10

Target price: PLN 80.7

LWB reports in-line Q2 results

LW Bogdanka reported 2010 second-quarter results in line with expectations. In the first half of the year, the company generated revenues of PLN 578.1m, an EBIT of PLN 126.6m, and a net profit of PLN 106.9m (this compares to our estimates of PLN 578m, 122m, and 103m, respectively). The six-month coal output amounted to PLN 2.8 MT (+13.6% y/y), and sales totaled PLN 2.73m (+17.4% y/y). Second-quarter sales were 1.36MT (we expected 1.32MT). Inventories at 30 June stood at 149KT (-4.9% y/y). Coal prices in H1 2010 averaged PLN 205/T, which was 4.5% less than in the same period a year ago. The average per-ton price in the first-quarter was PLN 207.8. The downtrend in effective sales prices is a consequence of the cuts made by Silesian coal mines. We still believe that coal prices will reach a full-year average of PLN 206/T, given that Polish coal is about 20% cheaper than exported coal, and considering that the energy industry is about to start stocking up on feedstock for the winter. LWB's second-quarter results are neutral to our view. We are waiting to hear the company's own Management speak about future prospects, and, most importantly, to give their assessment of upcoming trends in coal prices. We reckon (although this guess is not factored in our financial forecasts for LWB) that we will see prices rebound toward the end of the year. **(M. Marczak)**

More News

Asseco Poland	AP's backlog for FY10 figures to PLN 2.54bn, including PLN 1.73bn in proprietary software and services. Asseco is still working on the acquisition of a Nasdaq-listed company, which could be announced soon. Otherwise, AP will continue to seek other opportunities for a surge in growth.
Bakalland, Helio	Bakalland and Helio both had a successful FY 2009/2010. Analysts expect their earnings to keep improving.
Boryszew	Boryszew has been allowed to carry a due diligence study at an automotive company.
Drozapol	Drozapol is considering a merger with a WSE-listed steel distributor, although a merger with a newcomer to Poland is also possible. The Company wants to generate PLN 80-100m in manufacturing revenue.

EKO Holding	The coming quarters will bring continued improvements; the FY forecast is not as risk. The company wants to expand its franchised drugstore network Jasmin, so that 200 are operational by the end of the year.
KERNEL	Kernel Holding forecasts FY 2011 net profit at USD 195m. EBITDA should reach USD 255m, and revenue, USD 1.3bn. The company's net profit for FY10 (four quarters) was USD 153m.
Mennica Polska	Shareholders approve a buyback program of up to 100,000 shares for no more than PLN 131 per share. The shares will be cancelled.
NKT Cables	NTK Cables A/S announced a minority squeeze out (353,365 shares, 9.39% of the share capital) at PLN 29 apiece.
Nowa Gala	Net profit in Q2'10 figured to PLN 2.35m, while analysts expected PN 2-3. EBIT was PLN 3.24m (vs. PLN 3.1-4.8m). Revenue was PLN 45.53m (cs. PLN46-48.1m).
PGNiG	PGNiG saw a negative margin on the sales of methane-rich gas (-3%).
Tauron	Tauron is working on debt refinancing, could refinance PLK 1bn by the end of the year.
Redan	After H1 earnings, the company reiterates is FY2010 forecasts (PLNN 333.7m revenue, PLN 5.8m net profit).

Insider Trading and Fund Activity

Warimpex	Aviva OFE BZ WBK increases its interest to 5.05%.
-----------------	---

Macroeconomics

Faster than expected GDP growth in Q2 2010

In Q2'10, Poland's GDP growth accelerated from 3.0% y/y to 3.5% y/y, thanks to improving private consumption, continued restocking and infrastructural projects.

In terms of individual components, private consumption accelerated from 2.2% y/y to 3.0% y/y, and investment accelerated from -12.4% y/y to -1.7% y/y. Judging by official data on fixed capital investment by big corporations (-17.7% in H1'10), it seems that the improvement in national accounts is almost entirely attributable to infrastructural projects. As we have suggested, the restocking process continued in the second quarter (inventories contributed +1.9p to GDP growth, which is close to the Q1 figure). Domestic demand increased by 3.9% y/y, compared to 2.2% y/y in the first quarter. Due to strong statistical base effects, the contribution of net exports to GDP growth fell to -0.3pp (the statistical base effect will no longer be there in the third quarter, and we should see a higher value). On the supply side, value added in manufacturing continued to increase (with the growth rate going up from 13.1% to 11.2% y/y). Better weather conditions translated into a rebound in construction (+4.0% y/y vs. -5.8% y/y in Q1). Services stagnated vs. Q1'10 (+0.3% y/y). As in Q1, after the publication of GDP data we decided to decompose the recent growth in industrial output (the supply side) into the change of inventories, exports and the rest (which we name the internal component which encompasses everything from industrial output but inventories and exports). We see that industrial output in the second quarter was heavily influenced by the global acceleration in exports (also visible in the excellent data from the German economy). In the following quarters, the importance of exports will likely decline, but the internal component will remain strong, which, coupled with a positive contribution from restocking, should support continued high GDP growth.

The structure of GDP growth, with a strong internal component, is in line with our earlier analyses and suggests that internal cyclic factors should suffice to support growth over the next 2-3 quarters. Other growth-supporting factors are lax fiscal policy, ongoing infrastructural investment and delayed effects of easy monetary policy.

The data had little impact on the markets save for a slight increase in FRA rates. The market is recovering after the rather rapid rally, and investors have ceased to expect a prompt monetary tightening. In theory, faster GDP growth supports lower fiscal risk premium in bonds. The forthcoming macro data (with decent real sphere readings but gradually rising inflation over the next 1-2 months) should not change the investors' perceptions. The Monetary Policy Council will continue its wait-and-see approach. The reduction in fiscal deficit promised by the government will meet with a warm welcome, and the Council will not want to desynchronize its policies with the ECB too quickly. This attitude will change towards the end of the year, due to solid inflation growth (to above 3% y/y). The market reaction should be then tailored to the scenario in which an emerging market like Poland is starting rising rates to fight inflation.

BRE Bank S.A.

(Ernest Pytlarczyk, Marcin Mazurek)
research@brebank.com.pl

Corporate Action Calendar

Tuesday /31.08.10/

ACTION	Consolidated H1 2010 earnings announcement.
BUDIMEX	Consolidated H1 2010 earnings announcement.
CENTRUM KLIMA	Consolidated H1 2010 earnings announcement.
CERSANIT	Consolidated H1 2010 earnings announcement.
CEZ	Consolidated H1 2010 earnings announcement.
CIECH	Consolidated H1 2010 earnings announcement.
COMARCH	Consolidated H1 2010 earnings announcement.
ELEKTROBUDOWA	Consolidated H1 2010 earnings announcement.
EMPERIA HOLDING	Consolidated H1 2010 earnings announcement.
ERBUD	Consolidated H1 2010 earnings announcement.
FAMUR	Consolidated H1 2010 earnings announcement.
KGHM	Consolidated H1 2010 earnings announcement.
KOPEX	Consolidated H1 2010 earnings announcement.
LW BOGDANKA	Consolidated H1 2010 earnings announcement.
Mostostal Warszawa	Consolidated H1 2010 earnings announcement.
PGE	Consolidated H1 2010 earnings announcement.
PGNiG	Consolidated H1 2010 earnings announcement.
PKN ORLEN	Consolidated H1 2010 earnings announcement.
POLNORD	Consolidated H1 2010 earnings announcement.
RAFAKO	Consolidated H1 2010 earnings announcement.
SYGNITY	Consolidated H1 2010 earnings announcement.
ULMA	Consolidated H1 2010 earnings announcement.

Wednesday /01.09.10/

KOMPUTRONIK	EGM, agenda includes vote on a private E stock placement.
POLIMEX MOSTOSTAL	Dividend record date (PLN 0.04).

Thursday /02.09.10/

ZEG	Last day of tenders in an offer by ZZM SA for 33,636 ZEG shares.
-----	--

Friday /03.09.10/

UNIMA 2000	Dividend payment, gross DY = PLN 0.19.
------------	--

Monday /06.09.10/

GRUPA ZUE	Maximum issue price announcement.
MULTIMEDIA POLSKA	EGM to authorize Management Board to carry out repurchase of 7.7 million treasury shares at PLN 9.70 apiece.

Economic Calendar

Tuesday /31.08.10/

Time	Region	Report	Period	Forecast	Previous
11:00	EU	Unemployment rate	July	10%	10%
15:00	USA	S&P/Case-Shiller Composite 20	June	3.6% y/y	4.6% y/y
15:45	USA	Chicago PMI	August	57.9	62.3
16:00	USA	Consumer confidence	August	51.3	50.4

Wednesday /01.09.10/

Time	Region	Report	Period	Forecast	Previous
9:00	Poland	PMI Manufacturing	August		52.1
10:00	EU	PMI Manufacturing	August	55	56.7
13:00	USA	Mortgage loan applications	27 August		4.9%
14:15	USA	ADP National Employment Report	August	22,000	42,000
16:00	USA	Construction spending	July	-0.3%	0.1%
16:00	USA	ISM Manufacturing	August	53.6	55.5
16:30	USA	Crude inventories	27 August		358.3m

Thursday /02.09.10/

Time	Region	Report	Period	Forecast	Previous
11:00	EU	GDP	2Q	1% q/q	0.2% q/q; 0.6% y/y
11:00	EU	PPI	July	0.2% m/m	0.3% m/m; 3% y/y
13:45	EU	Interest rate		1%	1%
14:30	USA	Continuing jobless claims	21 August		4456,000
14:30	USA	Initial jobless claims	28 August	479 tys.	473,000
14:30	USA	Non-farm productivity	2Q	-1.9% q/q	2.8% q/q; 6.1% y/y
14:30	USA	Unit labor costs	2Q	1.5% q/q	-1.3% q/q; -4.2% y/y
16:00	USA	Factory orders	July	0.5% m/m	-1.2% m/m
16:00	USA	Pending home sales	July	-1.5%	-2.57%
16:30	USA	Natural gas inventories	27 August		3052bn

Friday /03.09.10/

Time	Region	Report	Period	Forecast	Previous
10:00	EU	PMI Services	August	55.6	55.8
11:00	EU	Retail sales	July		0% m/m; 0.4% y/y
14:30	USA	Average hourly earnings	August		19.04
14:30	USA	Average workweek hours	August		33.5
14:30	USA	Manufacturing payrolls change	August		36,000 m/m
14:30	USA	Nonfarm payrolls	August		-131,000 m/m
14:30	USA	Unemployment rate	August		9.5%
16:00	USA	ISM Non-Manufacturing	August		54.3


Monday /06.09.10/

Time	Region	Report	Period	Forecast	Previous
	USA	Labor Day			


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	19.26	2010-05-06	16.90	11.2
ACTION	Hold	18.49	16.65	2010-08-04	18.47	10.6
AGORA	Accumulate	25.80	24.90	2010-08-27	24.30	21.3
ASBIS	Hold	4.69	3.81	2010-05-10	4.65	8.8
ASSECO POLAND	Buy	70.60	55.00	2010-04-06	57.60	12.7
ASTARTA	Sell	45.83	69.35	2010-05-11	57.50	5.6
BUDIMEX	Sell	78.30	90.85	2010-08-04	98.20	12.5
BZWBK	Hold	200.50	185.00	2010-04-07	216.50	13.6
CENTRUM KLIMA	Accumulate	14.65	15.41	2010-08-04	13.58	16.5
CERSANIT	Hold	13.43	14.76	2010-06-04	14.00	17.4
CEZ	Hold	131.87	132.70	2010-03-03	133.90	9.4
CIECH	Buy	34.50	29.15	2010-08-23	28.27	9.3
CINEMA CITY	Hold	39.90	42.35	2010-07-16	39.00	18.9
COMARCH	Reduce	79.50	76.00	2010-08-03	86.35	29.3
CYFROWY POLSAT	Hold	16.03	14.20	2010-08-04	14.94	12.5
DOM DEVELOPMENT	Accumulate	50.10	47.50	2010-07-05	44.80	43.6
ELEKTROBUDOWA	Hold	169.20	178.90	2010-03-12	171.00	17.3
EMPERIA HOLDING	Hold	81.60	83.00	2010-03-09	77.50	16.3
ENEA	Buy	21.24	20.16	2010-06-02	18.17	13.6
ERBUD	Accumulate	54.60	48.30	2010-07-05	50.00	11.8
EUROCASH	Reduce	18.60	22.35	2010-05-06	20.61	24.0
FAMUR	Hold	2.03	2.05	2010-05-28	2.00	17.3
GETIN	Hold	10.34	9.59	2010-05-06	10.19	12.6
GTC	Hold	23.90	22.29	2010-05-28	23.80	6.6
HANDLOWY	Buy	87.10	76.90	2010-06-02	75.00	15.9
ING BSK	Suspended		774.00	2010-08-04	821.00	14.9
J.W. CONSTRUCTION	Hold	16.40	16.19	2010-07-09	16.10	5.3
KERNEL	Accumulate	68.65	62.00	2010-08-19	63.20	8.7
KĘTY	Accumulate	115.38	106.00	2010-08-23	105.50	12.0
KGHM	Hold	96.10	106.30	2010-05-27	93.70	6.1
KOMPUTRONIK	Hold	11.56	10.50	2009-12-08	11.39	11.5
KOPEX	Hold	18.46	17.95	2010-05-28	18.90	16.6
KREDYT BANK	Hold	15.30	14.50	2010-04-07	14.60	30.6
LOTOS	Sell	26.50	29.85	2010-08-04	33.15	9.9
LW BOGDANKA	Hold	80.70	82.50	2010-08-04	79.15	15.1
MILLENNIUM	Suspended		4.45	2010-08-04	4.68	18.3
MONDI	Hold	71.10	75.00	2010-08-13	73.70	17.6
MOSTOSTAL WARSZAWA	Hold	68.60	64.00	2010-08-02	67.50	16.1
NETIA	Accumulate	5.30	4.80	2010-08-10	4.86	24.9
PBG	Reduce	194.00	225.40	2010-06-02	213.40	15.0
PEKAO	Hold	172.80	155.00	2010-03-05	165.50	15.3
PGE	Buy	27.90	22.50	2010-03-30	23.00	12.4
PGNiG	Buy	4.24	3.48	2010-06-14	3.45	12.2
PKN ORLEN	Hold	40.20	38.20	2010-04-08	39.40	10.5
PKO BP	Hold	40.10	38.05	2010-03-17	39.07	15.3
POLICE	Hold	5.50	5.79	2010-06-02	5.39	12.3
POLIMEX MOSTOSTAL	Reduce	4.27	4.50	2010-07-30	4.74	15.1
POLNORD	Buy	51.60	36.40	2010-06-02	37.70	23.5
PZU	Suspended		375.20	2010-08-04	399.00	14.3
RAFAKO	Hold	14.00	12.89	2010-08-04	13.85	17.5
SYGNITY	Buy	18.20	12.75	2010-03-02	12.57	
TAURON	Buy	8.42	5.36	2010-08-16	5.10	11.8
TELEKOMUNIKACJA POLSKA	Accumulate	18.20	16.80	2010-07-29	15.55	17.2
TRAKCJA POLSKA	Hold	4.16	4.44	2010-05-06	4.14	17.0
TVN	Reduce	16.69	16.84	2010-08-04	18.70	20.0
ULMA CONSTRUCCION POLSKA	Accumulate	82.20	71.00	2010-07-05	73.00	15.0
UNIBEP	Accumulate	9.00	8.51	2010-05-14	7.90	14.7
ZA PULAWY	Hold	72.05	77.00	2010-01-06	80.90	17.8

CEE bank valuations /30.08.2010/


	Price	P/E			ROE			P/BV			D/Y		
		2009	2010	2011	2009	2010	2011	2009	2010	2011	2009	2010	2011
POLISH BANKS													
BZ WBK	185.0	15.2	13.6	10.6	16%	16%	18%	2.3	2.0	1.8	0.0%	2.2%	2.4%
Getin	9.6	24.8	12.6	10.1	7%	13%	14%	1.8	1.6	1.4	0.0%	0.0%	0.0%
Handlowy	76.9	19.9	15.9	11.6	9%	10%	13%	1.6	1.6	1.5	0.0%	4.9%	5.0%
ING BSK	774.0	16.9	14.9	10.9	13%	13%	15%	2.1	1.8	1.6	0.0%	0.0%	0.0%
Kredyt Bank	14.5	114.0	30.6	8.9	1%	5%	15%	1.5	1.4	1.2	0.0%	0.0%	0.0%
Millenium	4.5	2526.0	18.3	10.3	0%	9%	12%	1.4	1.3	1.2	0.0%	0.0%	0.0%
Pekao	155.0	16.9	15.3	12.9	14%	14%	16%	2.2	2.1	2.0	0.0%	1.9%	5.2%
PKO BP	38.1	20.6	15.3	11.0	13%	15%	18%	2.3	2.1	1.9	2.6%	2.1%	3.3%
Median		20.3	15.3	10.8	11%	13%	15%	1.9	1.7	1.5	0.0%	0.9%	1.2%
INVESTORS IN POLISH BANKS													
AIB	0.8	-	-	-	-	-	-	0.1	0.2	0.2	0.0%	0.0%	0.0%
BCP	0.6	16.0	9.3	6.9	4%	6%	8%	0.5	0.5	0.5	3.7%	4.6%	6.4%
Citigroup	3.7	-	11.9	8.4	-	6%	8%	0.7	0.7	0.6	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	7.0	26.0	7.3	5.6	1%	10%	11%	0.8	0.6	0.6	0.1%	0.3%	2.1%
KBC	32.3	-	8.1	6.8	-	15%	15%	1.0	0.9	0.8	0.0%	2.3%	3.5%
UCI	1.9	18.9	15.8	7.9	3%	4%	7%	0.6	0.6	0.5	1.4%	2.5%	4.9%
Median		18.9	9.3	7.4	3%	6%	8%	0.6	0.6	0.6	0.1%	0.3%	2.1%
FOREIGN BANKS													
BEP	4.7	8.4	10.6	8.2	10%	7%	9%	0.8	0.8	0.7	5.8%	4.7%	6.1%
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	29.1	11.4	12.2	8.3	9%	8%	10%	1.0	0.9	0.8	1.7%	2.1%	2.6%
Komerční B.	3842.0	13.4	12.5	11.1	17%	17%	18%	2.3	2.1	1.9	4.2%	4.8%	5.6%
OTP	4621.0	8.7	8.1	5.8	13%	12%	15%	1.0	0.9	0.8	1.0%	3.2%	5.5%
Santander	9.2	8.7	8.5	7.3	14%	13%	15%	1.1	1.1	1.0	6.1%	6.2%	7.0%
Türkiye Garanti B.	7.3	11.1	9.3	8.3	24%	23%	21%	2.5	2.0	1.7	1.3%	2.0%	2.6%
Türkiye Halk B.	12.1	9.7	8.7	7.8	31%	28%	25%	2.8	2.2	1.8	3.4%	3.5%	4.1%
Sberbank	2.5	93.4	12.3	7.5	2%	16%	23%	2.2	1.9	1.5	0.2%	0.8%	1.7%
VTB Bank	5.2	-	40.4	12.6	-	2.4%	12.3%	1.6	1.6	1.4	0.3%	0.4%	1.3%
Median		9.7	9.9	8.0	13%	13%	15%	1.3	1.3	1.2	1.8%	2.6%	3.8%

Insurance company valuations /30.08.2010/


	Price	P/E			ROE			P/BV			D/Y		
		2009	2010	2011	2009	2010	2011	2009	2010	2011	2009	2010	2011
POLISH COMPANIES													
PZU	375.2	8.6	14.3	12.0	25%	20%	21%	2.9	2.6	2.3	-	2.9%	3.1%
FOREIGN COMPANIES													
Vienna Insurance G.	38.0	13.9	12.5	10.8	9%	9%	10%	1.2	1.1	1.0	2.9%	2.8%	3.1%
Uniq	13.4	29.2	12.8	10.3	4%	7%	9%	1.4	1.3	1.2	2.1%	2.7%	3.1%
Aegon	4.1	-	8.5	5.9	0%	8%	9%	0.6	0.5	0.5	0.1%	0.9%	3.8%
Allianz	81.1	8.1	7.4	6.8	12%	12%	12%	0.9	0.8	0.8	4.8%	5.5%	6.0%
Aviva	3.8	6.7	6.7	5.6	13%	15%	17%	1.0	1.1	1.0	6.4%	6.9%	7.4%
AXA	12.3	8.2	6.6	5.8	9%	10%	10%	0.7	0.6	0.5	4.1%	6.1%	7.1%
Baloise	82.5	8.9	8.3	7.5	12%	11%	11%	0.9	0.9	0.8	5.4%	5.6%	5.9%
Generali	94.1	16.9	13.7	12.3	8%	8%	9%	1.3	1.3	1.1	2.8%	2.8%	3.0%
Helvetia	330.5	9.6	8.2	7.6	11%	12%	12%	1.0	0.9	0.8	4.2%	4.6%	4.8%
Mapfre	2.3	7.0	7.3	7.0	17%	14%	14%	1.1	1.0	0.9	6.6%	6.6%	6.9%
RSA Insurance	1.2	9.6	9.3	8.7	12%	14%	14%	1.2	1.2	1.1	6.6%	7.0%	7.3%
Zurich Financial	226.6	9.8	8.0	7.4	13%	14%	14%	1.2	1.1	1.0	5.3%	6.8%	7.1%
Median		9.6	8.2	7.5	12%	11%	12%	1.0	1.0	0.9	4.5%	5.6%	6.0%

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

Fuels producer valuations /30.08.2010/

	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	
OIL COMPANIES																
Lotos	29.9	12.8	12.6	7.9	0.6	0.6	0.5	4.4	9.9	6.7	5%	5%	6%	0.0%	0.0%	0.0%
PKN Orlen	38.2	8.0	7.4	6.6	0.4	0.4	0.4	12.5	10.5	10.9	5%	5%	6%	0.0%	0.0%	1.9%
MOL	20520.0	9.7	7.0	6.1	1.2	0.9	0.8	23.7	11.6	8.7	13%	13%	14%	1.6%	2.2%	3.3%
OMV	25.7	4.5	3.3	2.9	0.7	0.6	0.5	10.6	7.0	5.6	14%	17%	17%	3.4%	3.9%	4.3%
Hellenic Petroleum	5.9	7.4	7.2	6.4	0.5	0.4	0.4	8.8	9.7	7.7	7%	6%	6%	7.6%	7.6%	8.0%
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	225.0	14.5	8.9	7.1	0.7	0.5	0.5	-	55.8	22.6	5%	6%	7%	0.0%	3.2%	4.3%
Median		8.0	7.2	6.4	0.6	0.5	0.5	10.8	9.9	8.7	5%	6%	6%	1.6%	3.2%	4.3%
GAS COMPANIES																
PGNiG	3.5	7.6	6.4	6.3	1.1	1.1	1.2	17.1	12.2	12.8	15%	18%	18%	0.7%	2.3%	3.3%
Gazprom	159.8	4.7	3.7	3.2	1.6	1.4	1.2	5.6	4.6	3.9	34%	39%	38%	1.4%	1.7%	2.0%
GDF Suez	24.8	6.5	6.3	5.8	1.1	1.1	1.1	12.4	12.3	11.0	17%	18%	19%	6.1%	6.2%	6.5%
Gas Natural SDG	11.9	7.9	7.0	6.7	1.9	1.8	1.7	8.4	8.2	7.7	24%	25%	25%	6.5%	7.0%	7.6%
Median		7.0	6.3	6.0	1.4	1.3	1.2	10.4	10.2	9.4	21%	21%	22%	3.8%	4.3%	4.9%

Power Utilities company valuations /30.08.2010/

	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	
ENERGY COMPANIES																
CEZ	132.7	6.4	6.9	7.2	3.0	3.2	3.3	8.6	9.4	9.5	46%	46%	45%	6.0%	6.6%	6.0%
ENEA	20.2	7.0	4.9	5.6	1.1	0.9	1.0	17.3	13.6	13.6	16%	18%	18%	2.3%	2.9%	3.7%
PGE	22.5	5.9	6.1	6.2	2.2	2.1	2.2	11.5	12.4	11.8	37%	35%	36%	3.2%	3.4%	4.0%
TAURON	5.4	4.4	4.4	4.4	0.8	0.8	0.8	11.4	11.8	11.4	19%	18%	19%	0.7%	0.0%	1.7%
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	32.0	6.4	6.0	5.5	1.6	1.5	1.5	15.7	14.9	12.9	25%	26%	27%	3.7%	3.7%	4.1%
Endesa	18.4	5.7	5.9	5.9	1.9	1.7	1.7	7.5	8.6	8.7	32%	30%	29%	7.4%	6.1%	6.1%
ENEL SpA	3.7	6.3	6.2	6.1	1.6	1.5	1.5	7.4	8.3	8.2	25%	25%	24%	7.3%	7.2%	7.3%
Fortum	18.1	9.4	9.2	9.3	4.0	3.9	3.8	12.3	12.0	12.4	43%	42%	41%	5.1%	5.4%	5.5%
Iberdrola	5.5	8.7	8.2	7.7	2.3	2.3	2.2	10.6	10.7	10.1	27%	28%	29%	5.9%	5.9%	6.0%
RWE AG	52.1	4.8	4.3	4.1	0.9	0.8	0.8	8.2	7.4	7.4	18%	19%	19%	6.8%	7.1%	7.3%
Median		6.3	6.0	5.9	1.6	1.5	1.5	10.6	10.7	10.1	25%	26%	27%	5.9%	5.9%	6.0%

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

Fertilizer producers and chemical company valuations /30.08.2010/

	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
FERTILIZER PRODUCERS																
POLICE	5.8	-	6.0	3.8	0.3	0.4	0.3	-	12.3	5.0	-	6%	8%	0.0%	0.0%	0.0%
ZA Puławy	77.0	15.3	7.4	3.4	0.6	0.6	0.5	54.3	17.8	6.5	4%	8%	14%	13.2%	1.2%	1.4%
Acron	30.0	8.6	6.4	5.8	1.9	1.5	1.3	10.3	8.2	8.1	22%	24%	23%	1.7%	2.5%	3.6%
Agrium	55.2	11.9	7.6	6.4	1.1	1.0	1.0	22.5	11.9	9.6	9%	14%	15%	0.2%	0.2%	0.2%
DSM	32.6	3.6	3.4	3.4	1.4	1.4	1.4	35.7	29.0	27.4	38%	40%	40%	2.1%	2.4%	2.6%
K+S	41.4	21.1	9.6	7.4	2.5	1.8	1.7	-	18.3	12.6	12%	19%	23%	0.7%	2.3%	3.4%
Silvinit	20189.9	7.5	7.3	5.4	5.1	4.4	3.5	11.7	11.4	8.0	68%	61%	64%	1.6%	1.2%	2.1%
Uralkali	4.3	16.1	11.0	8.2	8.5	6.0	4.8	26.4	7.4	5.3	53%	55%	59%	1.2%	2.8%	5.3%
Yara	247.3	17.0	8.7	8.7	1.4	1.3	1.2	30.0	13.7	12.0	8%	15%	14%	1.8%	2.1%	2.4%
Median		13.6	7.4	5.8	1.4	1.4	1.3	26.4	12.3	8.1	17%	19%	23%	1.6%	2.1%	2.4%
CHEMICAL COMPANIES																
Ciech	29.2	6.5	6.1	4.8	0.6	0.6	0.5	-	9.3	8.9	10%	10%	11%	0.0%	0.0%	0.0%
Akzo Nobel	41.3	6.8	6.3	5.8	0.9	0.9	0.8	16.0	13.3	11.4	13%	14%	14%	3.2%	3.6%	4.1%
BASF	41.6	7.2	5.3	5.0	1.0	0.9	0.9	20.0	11.5	10.2	14%	17%	17%	3.7%	4.6%	4.9%
Croda	12.8	13.6	10.9	10.2	2.2	2.1	2.0	25.3	17.9	16.4	17%	20%	20%	1.6%	2.0%	2.2%
Dow Chemical	24.3	9.4	6.9	6.0	1.1	0.9	0.9	47.2	14.5	9.4	12%	14%	15%	3.6%	3.2%	3.2%
Rhodia	15.1	6.2	4.0	3.7	0.7	0.6	0.6	-	9.2	7.2	11%	15%	15%	0.1%	1.9%	2.4%
Sisecam	2.2	6.4	5.4	4.7	1.2	1.1	1.0	18.6	12.0	8.2	19%	21%	22%	0.0%	1.0%	1.8%
Soda Sanayii	1.7	5.5	6.2	4.4	1.1	1.0	0.8	8.6	7.1	4.2	20%	16%	18%	-	5.7%	7.6%
Solvay	71.9	6.8	9.9	8.9	1.0	1.2	1.2	12.2	23.4	17.9	14%	13%	14%	3.6%	3.6%	3.8%
Tata Chemicals	387.2	6.9	8.0	7.6	1.1	1.5	1.4	12.6	13.7	12.2	16%	19%	19%	2.3%	2.2%	2.2%
Tessenderlo Chemie	22.2	15.5	5.7	4.5	0.5	0.4	0.4	-	25.7	10.8	3%	7%	9%	5.4%	5.6%	5.8%
Wacker Chemie	119.2	10.4	6.4	5.6	1.7	1.5	1.4	34.9	15.7	12.9	17%	24%	25%	1.0%	1.6%	1.9%
Median		6.9	6.2	5.3	1.1	1.0	0.9	18.6	13.5	10.5	14%	16%	16%	2.3%	2.7%	2.8%

European national operator valuations /30.08.2010/

	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
POLISH COMPANIES																
Netia	4.8	5.2	4.4	3.9	1.1	1.0	0.9	21.1	24.9	17.1	21%	23%	24%	0.0%	0.0%	4.0%
TPSA	16.8	4.3	4.6	4.6	1.6	1.7	1.7	17.5	17.2	15.9	38%	37%	38%	8.9%	8.9%	8.9%
Median		4.7	4.5	4.2	1.3	1.4	1.3	19.3	21.0	16.5	29%	30%	31%	4.5%	4.5%	6.5%
MID CAPS																
Belgacom	28.3	5.9	5.4	5.9	1.9	1.8	1.8	11.0	11.1	11.5	32%	32%	30%	7.4%	7.7%	7.7%
Cesky Telecom	437.8	5.2	5.6	5.5	2.3	2.4	2.4	12.5	12.9	12.4	44%	43%	43%	10.5%	9.0%	8.9%
Hellenic Telekom	5.5	3.6	3.9	3.9	1.3	1.4	1.4	5.4	6.1	5.6	36%	35%	35%	12.8%	10.0%	10.8%
Matav	672.0	4.2	4.4	4.5	1.7	1.7	1.8	8.7	9.4	9.6	39%	39%	39%	11.1%	11.1%	11.1%
Portugal Telecom	9.2	6.1	5.8	5.6	2.2	2.0	2.0	15.1	14.9	13.1	36%	35%	36%	6.2%	6.3%	6.3%
Telecom Austria	10.1	4.5	4.9	4.9	1.7	1.7	1.8	12.6	15.1	13.2	37%	35%	35%	7.4%	7.4%	7.4%
Median		4.8	5.2	5.2	1.8	1.7	1.8	11.8	12.0	11.9	36%	35%	36%	9%	8%	8%
BIG CAPS																
BT	1.3	4.4	3.9	3.8	1.0	1.0	1.1	9.6	9.1	8.4	22%	27%	27%	6.0%	5.1%	5.6%
DT	10.3	4.5	4.6	4.7	1.4	1.5	1.5	15.5	14.3	13.8	32%	32%	32%	7.5%	7.0%	7.0%
FT	15.9	4.7	5.0	5.0	1.6	1.7	1.7	9.4	9.1	8.9	33%	35%	35%	8.8%	8.8%	8.8%
KPN	11.3	5.6	5.4	5.4	2.2	2.2	2.2	12.4	10.1	9.5	38%	40%	40%	6.1%	7.0%	7.5%
Swisscom	394.2	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%	6.1%
TELEFONICA	17.3	5.5	5.6	5.6	2.2	2.2	2.2	10.1	9.7	9.3	40%	39%	39%	6.6%	8.1%	9.0%
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	1.1	5.0	5.0	5.0	2.1	2.1	2.1	10.3	9.3	8.8	41%	41%	42%	4.9%	5.3%	5.9%
Median		5.3	5.2	5.2	2.1	2.1	2.1	10.4	9.9	9.4	36%	37%	37%	6.1%	6.4%	6.6%


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

IT company valuations /30.08.2010/

	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
POLISH COMPANIES																
AB	19.3	7.4	7.8	7.1	0.1	0.1	0.1	10.1	11.2	10.2	2%	2%	2%	0.0%	0.0%	0.0%
ACTION	16.7	6.3	7.8	6.7	0.1	0.2	0.2	9.2	10.6	8.6	2%	2%	2%	8.3%	2.2%	1.9%
ASBIS	3.8	13.6	5.0	4.1	0.1	0.1	0.1	-	8.8	5.9	0%	1%	1%	0.0%	0.0%	0.0%
ASSECO POLAND	55.0	7.3	7.3	6.7	1.5	1.5	1.3	11.4	12.7	11.9	21%	20%	20%	2.6%	2.4%	2.5%
COMARCH	76.0	9.1	10.3	5.9	0.7	0.7	0.6	18.7	29.3	14.0	8%	7%	11%	0.0%	0.0%	0.0%
KOMPUTRONIK	10.5	12.4	8.0	5.5	0.1	0.1	0.1	39.9	11.5	7.5	1%	2%	2%	0.0%	0.0%	0.0%
SYGNITY	12.8	-	8.7	4.7	0.3	0.3	0.2	-	-	-	-	3%	5%	0.0%	0.0%	0.0%
Median		8.3	7.8	5.9	0.1	0.2	0.2	11.4	11.3	9.4	2%	2%	2%	0.0%	0.0%	0.0%
FOREIGN COMPANIES																
Accenture	36.9	6.9	6.9	6.5	1.1	1.1	1.0	13.9	14.0	12.3	15%	15%	15%	1.3%	2.6%	2.2%
Atos Origin	30.5	5.0	4.6	4.2	0.5	0.5	0.5	14.0	11.5	9.4	9%	10%	11%	0.3%	0.6%	0.9%
CapGemini	33.7	6.1	6.4	5.2	0.5	0.5	0.5	17.1	18.2	13.2	8%	8%	10%	2.3%	2.5%	3.0%
IBM	123.4	7.6	7.1	6.7	1.8	1.7	1.7	12.5	10.9	10.0	24%	24%	25%	1.7%	1.8%	2.0%
Indra Sistemas	13.2	7.2	7.0	6.6	0.9	0.9	0.9	10.9	10.7	10.0	13%	13%	14%	5.0%	5.1%	5.5%
LogicaCMG	1.1	7.4	6.4	6.0	0.6	0.6	0.6	10.3	9.2	8.5	8%	9%	9%	2.7%	3.1%	3.3%
Microsoft	23.6	7.6	6.9	6.3	3.0	2.9	2.6	14.0	11.4	10.2	39%	42%	42%	2.1%	2.2%	1.9%
Oracle	22.0	9.7	8.2	7.2	4.7	4.0	3.1	15.5	13.6	11.6	48%	48%	43%	0.1%	0.9%	1.0%
SAP	34.6	12.9	11.0	10.0	3.9	3.7	3.4	20.4	17.1	15.2	30%	33%	34%	1.4%	1.7%	1.9%
TietoEnator	13.0	6.3	5.5	4.8	0.6	0.6	0.6	12.2	10.4	8.9	9%	11%	12%	3.3%	4.5%	5.4%
Median		7.3	6.9	6.4	1.0	1.0	0.9	13.9	11.5	10.1	14%	14%	15%	1.9%	2.4%	2.1%

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

Media company valuations /30.08.2010/

	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
POLISH COMPANIES																
AGORA	24.9	8.1	6.9	6.6	1.0	0.9	0.9	33.1	21.3	20.5	12%	14%	13%	1.5%	2.3%	2.4%
CYFROWY POLSAT	14.2	11.4	8.4	7.2	2.9	2.5	2.4	16.0	12.5	11.2	26%	30%	33%	5.3%	4.1%	5.3%
TVN	16.8	9.6	11.9	9.8	3.6	3.2	2.8	13.6	20.0	15.9	37%	27%	29%	4.6%	1.8%	1.5%
DAILY																
Arnolgo Mondadori	2.2	9.5	6.8	5.8	0.7	0.7	0.7	13.6	9.8	7.6	7%	10%	11%	2.4%	7.7%	9.3%
Axel Springer	91.5	9.4	8.2	7.0	1.3	1.2	1.2	11.2	13.3	11.1	14%	15%	16%	4.8%	4.9%	5.3%
Daily Mail	4.5	8.9	8.0	7.3	1.3	1.4	1.4	12.6	11.0	9.5	15%	18%	19%	3.3%	3.3%	3.5%
Gruppo Editoriale	1.5	9.6	5.6	4.8	1.0	1.0	1.0	47.6	11.5	8.7	10%	18%	20%	0.0%	3.9%	5.8%
Mcclatchy	2.8	6.0	5.6	5.7	1.5	1.5	1.6	8.6	4.6	4.9	24%	28%	27%	3.3%	-	-
Naspers	295.0	20.0	18.1	14.7	4.7	4.4	3.8	27.9	21.1	15.9	24%	24%	26%	0.7%	0.8%	1.1%
New York Times	7.3	3.4	2.7	2.7	0.4	0.4	0.4	34.2	10.2	10.0	13%	16%	16%	0.0%	-	-
Promotora de Inform	1.6	7.8	7.4	6.8	1.5	1.5	1.5	5.2	4.1	3.1	19%	20%	22%	0.8%	0.8%	0.7%
SPIR Comm	18.2	22.0	10.2	6.9	0.4	0.5	0.4	-	-	40.0	2%	4%	6%	19.8%	-	-
Trinity Mirror	1.1	4.6	4.1	3.9	0.8	0.8	0.8	6.3	4.6	4.1	18%	19%	20%	0.0%	0.5%	2.1%
Mediana		9.2	7.1	6.3	1.1	1.1	1.1	12.6	10.2	9.1	14%	18%	19%	1.6%	3.3%	3.5%
TV																
Antena 3 Televis	5.3	19.2	9.1	7.4	1.9	1.7	1.6	26.1	11.0	8.8	10%	19%	22%	3.2%	6.7%	8.1%
CETV	420.0	33.1	13.0	9.1	3.1	2.7	2.4	-	-	25.2	9%	21%	26%	0.0%	0.0%	0.0%
Gestevisión Telecinco	7.7	17.9	10.9	6.8	3.1	2.3	1.9	27.5	15.7	10.5	17%	21%	28%	3.7%	5.0%	7.9%
ITV PLC	0.6	13.7	8.7	6.9	1.6	1.5	1.4	42.9	16.4	10.9	11%	17%	20%	0.0%	0.2%	1.1%
M6-Metropole Tel	16.3	7.8	7.2	6.7	1.5	1.4	1.4	16.2	15.2	13.8	20%	20%	21%	5.7%	5.2%	5.5%
Mediaset SPA	4.8	6.1	5.5	5.0	1.9	1.7	1.6	19.3	14.2	11.9	32%	32%	32%	5.0%	5.9%	6.8%
RTL Group	62.2	11.7	10.1	9.1	1.8	1.7	1.7	23.5	17.1	15.3	15%	17%	19%	3.6%	4.7%	5.4%
TF1-TV Francaise	11.7	13.7	12.5	8.5	1.2	1.1	1.1	32.9	25.9	14.7	9%	9%	12%	2.3%	3.4%	4.3%
Mediana		13.7	9.6	7.2	1.9	1.7	1.6	26.1	15.7	12.9	13%	19%	21%	3.4%	4.8%	5.4%
PAY TV																
BSkyB PLC	7.1	13.1	12.1	10.4	2.7	2.4	2.2	27.0	23.4	18.6	20%	20%	22%	2.5%	2.7%	2.9%
Canal Plus	5.4	5.2	5.1	5.0	0.2	0.2	0.2	14.8	15.5	15.0	5%	5%	4%	4.7%	4.9%	5.0%
Cogeco	36.0	5.7	5.6	5.2	2.3	2.2	2.1	16.6	15.5	13.2	41%	39%	40%	1.3%	1.6%	1.7%
Comcast	17.0	5.6	5.3	5.1	2.1	2.1	2.0	14.4	13.7	12.1	39%	39%	39%	1.6%	2.2%	2.4%
Liberty Global	27.3	6.1	6.9	6.7	2.6	3.0	3.0	-	-	34.0	43%	43%	45%	0.0%	0.0%	0.0%
Multimedia	9.6	6.6	6.0	5.6	3.2	3.0	2.8	22.7	18.1	14.9	49%	50%	50%	0.0%	3.0%	4.2%
Shaw Communications	20.6	7.8	7.0	6.5	3.6	3.2	2.9	16.6	15.8	14.0	46%	46%	44%	4.0%	4.2%	4.4%
Mediana		6.1	6.0	5.6	2.6	2.4	2.2	16.6	15.6	14.9	41%	39%	40%	1.6%	2.7%	2.9%

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

Construction company valuations /30.08.2010/

	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
POLISH COMPANIES																
Budimex	90.9	7.2	10.0	10.0	0.5	0.5	0.5	13.4	12.5	14.4	7%	5%	5%	6.4%	7.5%	4.9%
Elektrobudowa	178.9	9.4	11.5	10.4	1.1	1.1	1.0	15.6	17.3	15.6	11%	9%	9%	1.7%	1.9%	2.1%
Erbud	48.3	6.9	8.3	7.8	0.5	0.5	0.4	14.6	11.8	12.1	7%	5%	5%	0.2%	1.1%	1.3%
Mostostal Warszawa	64.0	4.9	8.5	8.4	0.4	0.4	0.4	10.9	16.1	16.7	8%	5%	5%	0.5%	4.6%	3.1%
PBG	225.4	11.6	10.5	10.3	1.5	1.1	0.9	15.3	15.0	14.6	13%	10%	8%	0.0%	1.3%	1.4%
Polimex Mostostal	4.5	7.4	9.1	9.6	0.5	0.6	0.6	13.3	15.1	16.7	7%	7%	6%	0.2%	0.9%	0.0%
Rafako	12.9	9.8	9.6	7.5	0.7	0.6	0.4	23.8	17.5	14.9	7%	7%	5%	0.0%	0.0%	0.0%
Trakcja Polska	4.4	6.6	9.3	9.1	0.8	0.7	0.5	9.9	17.0	17.6	12%	8%	6%	2.3%	0.0%	0.0%
Ulma Construcccion	71.0	8.2	4.7	4.1	3.4	2.4	2.0	-	15.0	11.3	41%	51%	51%	0.0%	0.0%	0.0%
Unibep	8.5	9.3	11.1	11.1	0.7	0.5	0.4	16.2	14.7	15.2	8%	4%	4%	1.2%	0.0%	0.7%
Median		7.8	9.4	9.4	0.7	0.6	0.5	14.6	15.1	15.0	8%	7%	6%	0.4%	1.0%	1.0%
FOREIGN COMPANIES																
AMEC	9.0	9.8	8.8	7.8	0.8	0.8	0.8	19.0	17.2	15.1	9%	9%	10%	1.9%	2.1%	2.3%
BILFINGER	46.9	7.9	5.6	5.5	0.3	0.3	0.3	14.7	9.9	9.1	4%	6%	6%	3.9%	5.1%	5.1%
EIFFAGE	36.5	8.5	8.5	8.0	1.2	1.2	1.2	11.9	13.4	11.1	14%	14%	15%	3.1%	3.1%	3.5%
HOCHTIEF	52.3	5.9	5.1	4.7	0.3	0.3	0.3	20.0	15.8	13.8	5%	5%	6%	2.8%	3.1%	3.5%
NCC	123.7	6.8	7.7	7.0	0.3	0.3	0.3	12.4	12.9	11.6	5%	4%	5%	3.2%	4.5%	4.8%
SKANSKA	113.3	6.1	6.8	6.8	0.3	0.3	0.3	13.4	15.1	14.8	5%	5%	5%	4.9%	5.0%	5.1%
STRABAG	16.8	3.8	3.7	3.7	0.2	0.2	0.2	12.2	11.5	11.5	5%	5%	5%	3.1%	2.9%	3.1%
Median		6.8	6.8	6.8	0.3	0.3	0.3	13.4	13.4	11.6	5%	5%	6%	3.1%	3.1%	3.5%

Property Developers company valuations /30.08.2010/


	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
POLISH COMPANIES																
Dom Development	47.5	12.8	31.6	11.1	1.7	1.6	1.5	14.5	43.6	13.9	16%	9%	18%	1.7%	0.6%	1.8%
GTC	22.3	-	9.1	8.4	4.5	5.1	4.3	-	6.6	7.0	-	142%	166%	0.0%	0.0%	0.0%
J.W. Construction	16.2	9.5	5.4	7.5	2.7	2.1	1.5	8.7	5.3	6.1	21%	30%	47%	0.0%	0.0%	0.0%
Polnord	36.4	13.7	20.4	14.5	0.7	0.7	0.7	12.6	23.5	11.9	48%	15%	32%	0.0%	0.0%	0.0%
Median		12.8	14.8	9.8	2.2	1.8	1.5	12.6	15.1	9.4	21%	22%	39%	0.0%	0.0%	0.0%
FOREIGN COMPANIES																
CA IMMO INTERNATIONAL	5.5	19.7	16.3	13.2	0.4	0.5	0.5	-	-	-	66%	52%	55%	0.0%	0.0%	1.7%
CITYCON	2.7	18.9	17.0	15.9	0.7	0.8	0.8	14.9	12.0	11.4	56%	58%	59%	5.1%	5.2%	5.5%
CORIO	45.0	26.4	18.5	16.3	0.8	1.0	1.0	14.8	15.2	14.8	64%	83%	87%	5.9%	6.0%	6.1%
DEUTSCHE EUROSHOP	23.2	18.6	16.9	16.2	0.9	1.0	0.9	20.1	16.3	14.6	87%	86%	86%	4.6%	4.7%	5.1%
ECHO INVESTMENT	4.6	14.6	15.2	11.7	1.2	1.1	1.1	21.4	16.9	12.2	58%	61%	71%	0.0%	0.0%	0.0%
HAMMERSON	3.6	18.6	19.1	18.4	0.5	0.9	0.8	17.6	16.6	17.3	77%	78%	79%	4.2%	4.4%	4.6%
KLEPIERRE	24.3	21.4	17.4	16.6	0.8	1.2	1.1	16.2	16.7	16.0	71%	85%	86%	5.1%	5.2%	5.3%
SPARKASSEN IMMO	5.1	24.5	17.3	15.3	0.6	0.7	0.7	-	12.5	7.7	53%	50%	50%	0.0%	1.6%	5.2%
UNIBAIL-RODAMCO	146.8	18.6	18.5	17.4	0.9	1.1	1.1	15.7	15.7	15.1	86%	82%	81%	5.4%	5.6%	5.9%
Median		18.9	17.3	16.2	0.8	1.0	0.9	16.2	16.0	14.7	66%	78%	79%	4.6%	4.7%	5.2%

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


Machinery manufacturer valuations /30.08.2010/

	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
POLISH COMPANIES																
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	18.0	8.1	7.4	6.1	0.8	0.7	0.6	15.3	16.6	11.7	9%	9%	10%	0.0%	0.0%	0.0%
Median		8.1	8.5	5.8	1.2	1.1	1.0	16.2	16.9	10.9	14%	13%	18%	0.0%	0.0%	0.0%
FOREIGN COMPANIES																
Atlas Copco	111.8	13.2	11.1	9.5	2.4	2.3	2.1	21.2	16.8	13.9	18%	21%	22%	2.6%	2.9%	3.3%
Bucyrus	56.3	8.7	7.0	5.8	1.8	1.3	1.1	14.2	14.7	11.1	20%	18%	19%	0.2%	0.2%	0.2%
Emeco	0.8	3.7	4.3	3.6	1.4	1.8	1.6	8.5	11.6	8.1	38%	41%	45%	4.4%	2.5%	5.5%
Industrea	0.3	5.1	4.4	3.9	1.7	1.5	1.3	7.1	7.2	5.7	34%	34%	34%	1.8%	3.5%	4.4%
Joy Global	55.9	7.8	10.3	8.4	1.7	1.9	1.7	13.2	17.9	14.3	21%	19%	20%	1.3%	1.3%	1.3%
Sandvik	87.2	34.8	10.0	7.8	1.9	1.7	1.5	-	19.3	12.7	5%	17%	20%	1.8%	2.5%	3.7%
Median		8.3	8.5	6.8	1.7	1.8	1.6	13.2	15.7	11.9	21%	20%	21%	1.8%	2.5%	3.5%

Paper manufacturer valuations /30.08.2010/

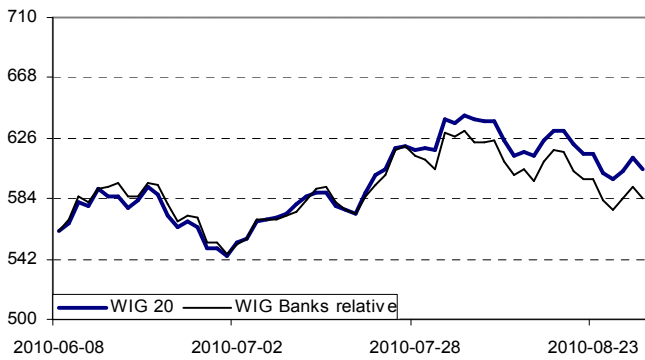
	Price	EV/EBITDA			EV/S			P/E			EBITDA margin			D/Y		
		2009	2010	2011	2009	2010	2011	2009	2010	2011	2009	2010	2011	2009	2010	2011
POLISH COMPANIES																
MONDI	75.0	20.3	10.2	8.1	3.3	2.1	1.8	52.5	17.6	12.2	16%	20%	23%	0.0%	0.0%	5.7%
FOREIGN COMPANIES																
Billerund	42.3	6.6	3.9	4.4	0.7	0.7	0.7	27.3	7.3	8.7	11%	17%	15%	1.3%	4.6%	5.9%
Holmen	204.5	8.2	10.5	8.4	1.3	1.4	1.3	17.1	29.9	18.4	16%	13%	15%	4.4%	3.4%	3.5%
INTL Paper	20.0	5.6	5.3	4.7	0.7	0.7	0.7	22.8	11.3	8.1	13%	13%	14%	1.7%	1.8%	2.3%
M-Real	2.8	66.5	6.7	6.3	0.8	0.8	0.7	-	26.3	13.8	1%	11%	12%	0.0%	0.5%	0.6%
Norske Skog	8.6	5.3	10.8	6.6	0.6	0.7	0.6	-	-	-	11%	6%	10%	0.0%	0.0%	0.0%
Portucel EMP.	2.2	11.5	8.3	7.1	2.3	1.9	1.8	18.4	14.2	11.1	20%	23%	25%	3.4%	4.3%	5.0%
Stora Enso	6.7	11.1	8.5	7.3	0.9	0.9	0.9	41.5	16.6	13.2	9%	11%	12%	2.6%	3.0%	3.1%
Svenska	98.9	7.1	7.2	6.4	1.0	1.0	1.0	12.3	12.0	10.0	14%	14%	15%	3.7%	4.0%	4.4%
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%
Median		8.2	7.9	6.6	0.9	0.9	0.9	20.6	15.4	12.2	13%	13%	15%	2.6%	3.4%	3.5%

Mining company valuations /30.08.2010/

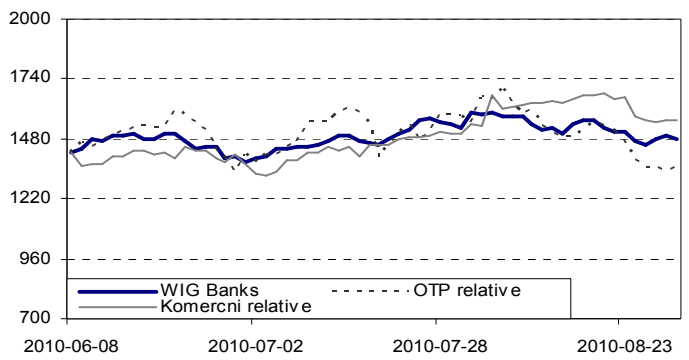
	Price	EV/EBITDA			EV/S			P/E			EBITDA margin			D/Y		
		2009	2010	2011	2009	2010	2011	2009	2010	2011	2009	2010	2011	2009	2010	2011
POLISH COMPANIES																
KGHM	106.3	5.6	5.2	6.3	1.8	1.8	1.7	8.4	6.1	10.8	33%	34%	27%	11.0%	2.8%	4.7%
FOREIGN COMPANIES																
Anglo Amer.	23.0	6.5	3.7	3.1	1.9	1.5	1.3	10.6	5.5	4.2	29%	40%	43%	0.3%	1.8%	4.3%
BHP Billiton	18.0	4.9	4.3	2.9	2.1	2.0	1.6	10.1	7.4	4.8	44%	48%	55%	4.4%	4.8%	5.4%
Freeport-MCMOR	70.4	5.1	3.8	3.6	2.4	2.0	1.9	13.1	8.7	7.8	48%	52%	52%	0.1%	1.4%	2.0%
Rio Tinto	32.2	6.9	3.8	3.3	2.2	1.7	1.6	9.9	5.0	4.2	31%	44%	47%	1.7%	3.0%	3.3%
Southern Peru	29.9	14.1	8.2	6.4	6.9	4.9	3.8	28.0	13.9	10.4	49%	59%	60%	1.6%	5.1%	6.3%
Median		6.5	3.8	3.3	2.2	2.0	1.6	10.6	7.4	4.8	44%	48%	52%	1.6%	3.0%	4.3%

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

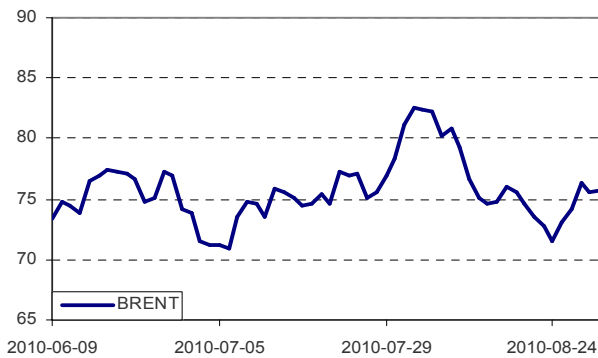
WIG Banks index vs. WIG 20 index (EUR)



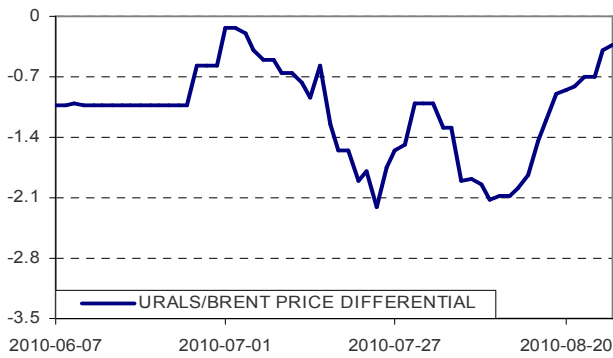
OTP and Komerčni's relative performance vs. WIG Banks index (EUR)



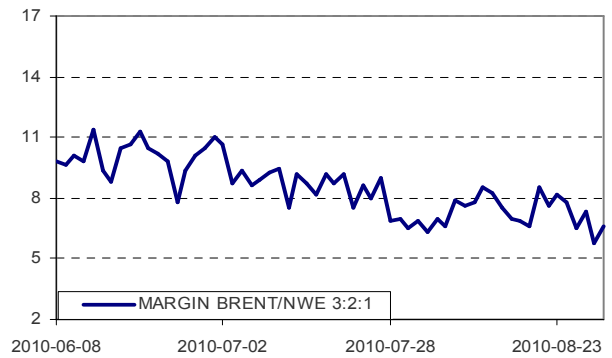
BRENT (USD/bbl)



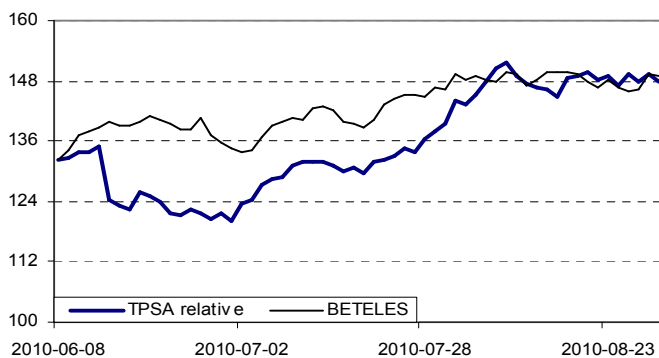
BRENT (USD/bbl)



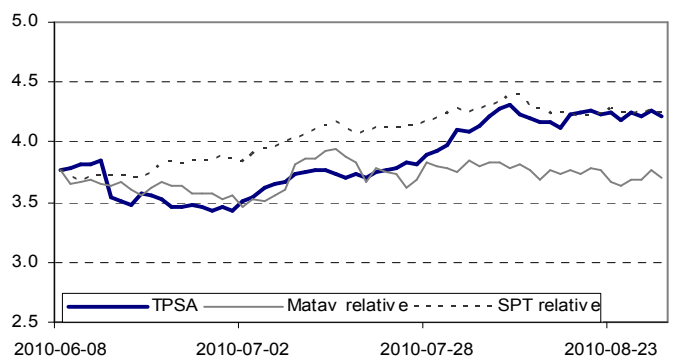
BRENT (USD/bbl)



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

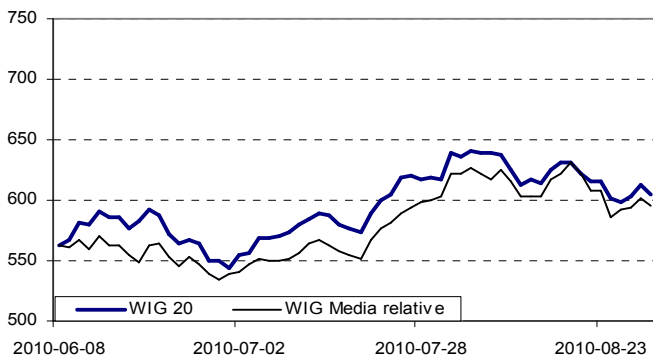


National operator quotations: TPSA, Hungarian Magyar Telecom and Czech SPT (EUR)

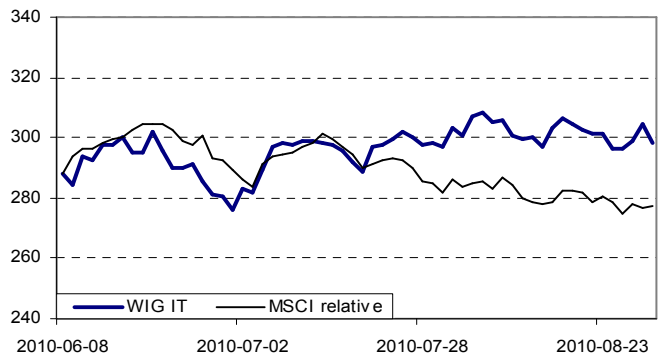


Source: Bloomberg

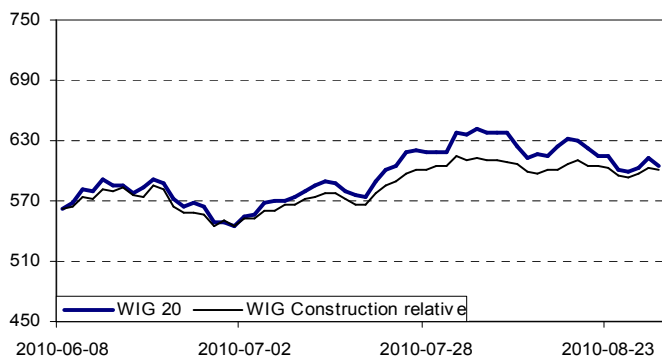
WIG Media index vs. WIG 20 index (EUR)



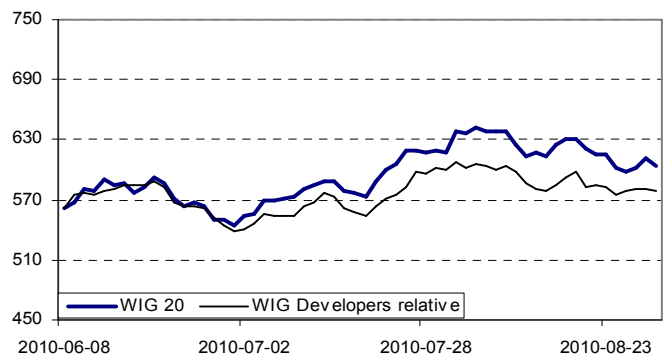
WIG IT index vs. MSCI



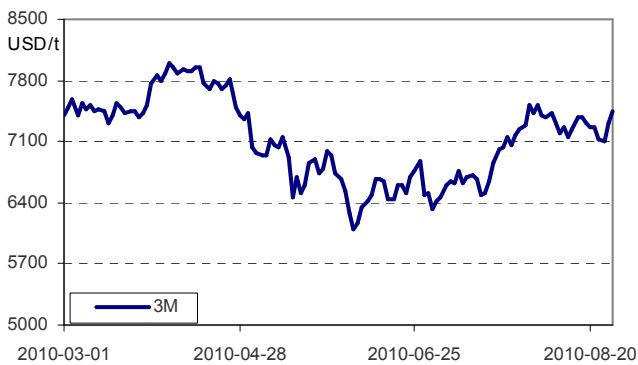
WIG Construction index vs. WIG 20 index (EUR)



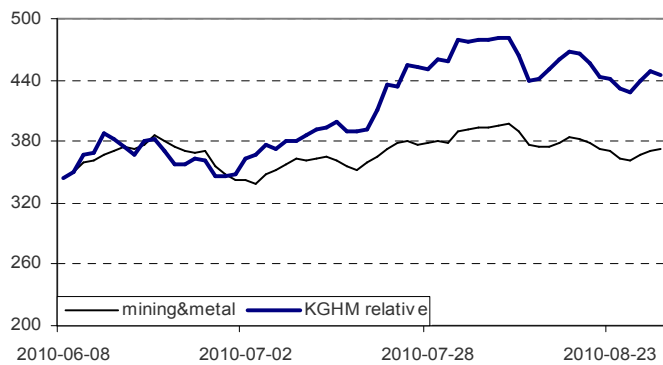
WIG Developers index vs. WIG 20 index (EUR)



Copper price on LME



KGHM vs. mining&metal sector index (USD)



Source: Bloomberg

Michał Marczak tel. (+48 22) 697 47 38
Managing Director
Head of Research
michal.marczak@dibre.com.pl
Strategy, Telco, Mining, Metals, Media

Research Department:

Kamil Kliszcz tel. (+48 22) 697 47 06
kamil.klischcz@dibre.com.pl
Fuels, Chemicals, Energy, Retail

Piotr Grzybowski tel. (+48 22) 697 47 17
piotr.grzybowski@dibre.com.pl
IT, Media

Maciej Stokłosa tel. (+48 22) 697 47 41
maciej.stoklosa@dibre.com.pl
Construction, Real-Estate Developers

Jakub Szkopek tel. (+48 22) 697 47 40
jakub.szkopek@dibre.com.pl
Manufacturers

Iza Rokicka tel. (+48 22) 697 47 37
iza.rokicka@dibre.com.pl
Banks

Sales and Trading:

Piotr Dudziński tel. (+48 22) 697 48 22
Director
piotr.dudzinski@dibre.com.pl

Marzena Łempicka-Wiliim tel. (+48 22) 697 48 95
Deputy Director
marzena.lempicka@dibre.com.pl

Traders:

Emil Onyszczuk tel. (+48 22) 697 49 63
emil.onyszczuk@dibre.com.pl

Grzegorz Stępien tel. (+48 22) 697 48 62
grzegorz.stepien@dibre.com.pl

Tomasz Dudź tel. (+48 22) 697 49 68
tomasz.dudz@dibre.com.pl

Michał Jakubowski tel. (+48 22) 697 47 44
michal.jakubowski@dibre.com.pl

Tomasz Jakubiec tel. (+48 22) 697 47 31
tomasz.jakubiec@dibre.com.pl

Grzegorz Strublewski tel. (+48 22) 697 48 76
grzegorz.strublewski@dibre.com.pl

Michał Stępkowski tel. (+48 22) 697 48 25
michal.stepkowski@dibre.com.pl

Foreign Markets Unit:

Adam Prokop tel. (+48 22) 697 48 46
Foreign Markets Manager
adam.prokop@dibre.com.pl

Michał Roźmiej tel. (+48 22) 697 48 64
michal.rozmiej@dibre.com.pl

Jakub Słotkiewicz tel. (+48 22) 697 48 64
jakub.slotkiewicz@dibre.com.pl

Jacek Wrześniewski tel. (+48 22) 697 49 85
jacek.wrzesniewski@dibre.com.pl

"Private Broker"

Jarosław Banasiak tel. (+48 22) 697 48 70
Manager, "Private Broker" Team
jaroslaw.banasiak@dibre.com.pl

Jacek Szczepański tel. (+48 22) 697 48 26
Director, Active Sales
jacek.szczepanski@dibre.com.pl

Dom Inwestycyjny
BRE Banku S.A.
ul. Wspólna 47/49
00-950 Warszawa
www.dibre.com.pl

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

Recommendations of BRE Bank Securities S.A.

A recommendation is valid for a period of 6-9 months, unless a subsequent recommendation is issued within this period. Expected returns from individual recommendations are as follows:

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.

The present report expresses the knowledge as well as opinions of the authors on day the report was prepared. The opinions and estimates contained herein constitute our best judgement at this date and time, and are subject to change without notice. The present report was prepared with due care and attention, observing principles of methodological correctness and objectivity, on the basis of sources available to the public, which BRE Bank Securities S.A. considers reliable, including information published by issuers, shares of which are subject to recommendations. However, BRE Bank Securities S.A., in no case, guarantees the accuracy and completeness of the report, in particular should sources on the basis of which the report was prepared prove to be inaccurate, incomplete or not fully consistent with the facts.

This document does not constitute an offer or invitation to subscribe for or purchase any financial instruments and neither this document nor anything contained herein shall form the basis of any contract or commitment whatsoever. It is being furnished to you solely for your information and may not be reproduced or redistributed to any other person. This document nor any copy hereof is not to be distributed directly or indirectly in the United States, Australia, Canada or Japan.

Recommendations are based on essential data from the entire history of a company being the subject of a recommendation, with particular emphasis on the period since the previous recommendation.

Investing in shares is connected with a number of risks including, but not limited to, the macroeconomic situation of the country, changes in legal regulations as well as changes on commodity markets. Full elimination of these risks is virtually impossible.

BRE Bank Securities S.A. bears no responsibility for investment decisions taken on the basis of the present report or for any damages incurred as a result of investment decisions taken on the basis of the present report.

It is possible that BRE Bank Securities S.A. renders, will render or in the past has rendered services for companies and other entities mentioned in the present report.

BRE Bank Securities S.A., its shareholders and employees may hold long or short positions in the issuers' shares or other financial instruments related to the issuers' shares. BRE Bank Securities S.A., its affiliates and/or clients may conduct or may have conducted transactions for their own account or for account of another with respect to the financial instruments mentioned in this report or related investments before the recipient has received this report.

Copying or publishing the present report, in full or in part, or disseminating in any way information contained in the present report requires the prior written agreement of BRE Bank Securities S.A. Recommendations are addressed to all Clients of BRE Bank Securities S.A. The activity of BRE Bank Securities S.A. is subject to the supervision of the Polish Financial Supervision Commission.

BRE Bank Securities S.A. serves as underwriter for the following issuers: Certyfikaty Skarbiec Nieruchomości, Erbud, Es-System, LW Bogdanka, Macrologic, Magellan, Mieszko, Mondy, Nepentes, Neuca, Pemug, Polimex-Mostostal.

BRE Bank Securities S.A. serves as market maker for the following issuers: O1 NFI, Rubikon Partners NFI, Asseco Poland, Erbud, Es-System, Macrologic, Mieszko, Mondy, Monnari Trade, Nepentes, Neuca, Optopol, Pemug, PKN Orlen, PKO BP, TP SA, TVN, Unibep.

BRE Bank Securities S.A. receives remuneration from issuers for services rendered to the following companies: Agora, Ambra, Arkus, Bakalland, BRE Bank, Deutsche Bank, DZ Bank Polska, Elektrobudowa, Elzab, Enea, Energoaparatura, Energomontaż Północ, Erbud, Es-System, Farmacol, Ferrum, Fortis Bank, GTC, Intergroclin Auto, Koelner, Komputronik, LW Bogdanka, Magellan, Mennica, Mercor, Mieszko, Mostostal Warszawa, Nepentes, Neuca, Odratrans, Pemug, PGF, PGNiG, Polimex-Mostostal, Polmos Lublin, Polnord, Prokom Software, PZU, Rubikon Partners NFI, Seco Warwick, Sfinks, Sokółów, Sygnity, Tauron, Techmex, Unibep, WSIP, ZA Puławy, ZUE.

In the last 12 months BRE Bank Securities S.A. has been an offering agent of the issuer's shares in a public offering for the following companies: Centrum Klimat.

BRE Bank Securities S.A. is an offering agent of the issuer's shares in a public offering for the following company ZUE.

Asseco Poland provides IT services to BRE Bank Securities.

BRE Bank Securities S.A. was the Issuer's domestic bookrunner for Tauron Polska Energia S.A.

Individuals who did not participate in the preparation of recommendations, but had or could have had access to recommendations prior to their publication, are employees of BRE Bank Securities S.A. authorised to access the premises in which recommendations are prepared, other than the analysts mentioned as the authors of the present recommendations.

Strong and weak points of valuation methods used in recommendations:

DCF – acknowledged as the most methodologically correct method of valuation; it consists in discounting financial flows generated by a company; its weak point is the significant susceptibility to a change of forecast assumptions in the model.

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.