



Equity Market
Poland

Morning Comments

Institutional Sales and Research:

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Index	Close	Change	Index	Close	Change	Index	Close	Change
DJIA	12 845.1	-0.13%	FTSE 100	5 892.2	-0.15%	Copper (LME)	8 500.0	-0.76%
S&P 500	1 344.3	-0.04%	WIG20	2 390.3	+0.67%	Crude Oil (Brent)	116.1	+1.59%
NASDAQ	2 902.0	-0.13%	BUX	19 900.9	+1.20%	USD/PLN	3.18	+0.25%
DAX	6 764.8	-0.03%	PX 50	1 011.3	+0.15%	EUR/PLN	4.17	+0.02%
CAC 40	3 405.3	-0.66%	PLBonds10	5.58	+0.78%	EUR/USD	1.31	-0.21%

Company & Sector Information

Handlowy

Hold - 19/01/12

Target price: PLN 72.0

Corporate loan portfolio set for continued growth in 2012

According to Handlowy's CEO Sławomir Sikora, the bank's portfolio of corporate loans will continue to grow this year at single-digit rates after a 37% surge in 2011. The retail loan portfolio, which declined 4% last year, is expected to remain steady in 2012. **Our forecasts for Handlowy assume 5% expansion in corporate loans and a 2% increase in retail loans. (I. Rokicka)**

Dividend recommendation set for March

Handlowy's Management Board is going to announce its recommendation regarding distribution of 2011 earnings in March. **We expect Handlowy will not be allowed to pay out more than 50% of the 2011 net income as dividends. A 50% payout ratio would imply per-share dividend of PLN 28.2 and dividend yield of 3.6%. (I. Rokicka)**

Mid-cycle cost of risk exceeds 2011 average

CEO Sikora says the mid-cycle cost of risk in the corporate segment is currently ca. 100bps. **The cost of risk for the corporate business was -27bps (net reversals) in 2011 and -43bps in 2010, resulting mainly from won court cases. After remaining at a healthy level of 61bps in 2011, Handlowy's cost of risk will probably increase to an estimated 83bps in 2012.**

Lotos

Hold - 16/01/12

Target price: PLN 21.6

PGNiG

Reduce - 16/01/12

Target price: PLN 3.69

PKN Orlen

Hold - 17/11/11

Target price: PLN 39.0

Who will be Lotos's new owner?

The Polish State Treasury is looking into the possibility of Lotos's takeover by either PKN Orlen or PGNiG. According to the *Gazeta Prawna* newspaper, the Treasury's number one prospective buyer is PGNiG. **We maintain that a merger between Lotos and PKN Orlen will be prevented by the anti-monopoly body UOKiK (which is not likely to issue even a conditional approval for such a merger since it would require the sale of one of the refineries). The Lotos-PGNiG merger scenario painted by the papers seems more likely. (K. Kliszcz)**

CEDC

Hold - 23/01/12

Target price: PLN 13.8

CEDC responds to letter from Russian Standard

In a response to a letter from Russian Standard (RS) proposing a "strategic alliance", CEDC's Board of Directors stated that, in accordance with its fiduciary duties and with the assistance of financial and legal advisors, it is currently in the process of reviewing the proposal put forward by Russian Standard. The Board further stated that there can be no assurance of any transaction as a result of its review of the Russian Standard proposal and it does not intend to discuss or provide interim updates regarding this process. **The "strategic alliance" as put forth by RS would entail conversion of a portion of the convertible notes held by RS into shares, acquisition of certain minority rights and board seats, provision of financing and possibly sale of distribution operations, all in exchange for a 32.99% stake in CEDC. (G. Borowska)**

Kernel

Reduce - 10/01/12

Target price: PLN 61.1

Ukrainian railway administration stops exports of oilseed meal

Ukraine's railway administrator Ukrzaliznytsia has imposed a temporary freeze on oilseed freight outside of the country due to a need to reallocate available rolling stock to carry the 2011 grain harvest within the country, and because of an inability to control the return of rolling stock from abroad (particularly former USSR countries). Stepan Kapshuk, the Director General of the vegetable oil producers' association Ukroliyprom, stated that some of the producers are on the verge of shutting down production as inventories pile up in the face of the export ban. **Ukraine**

sells sunflower meal, which is used to make animal fodder, to former USSR countries and the Baltic region. The export restrictions are bad news for Kernel. (J. Szkopek)

Kopex

Accumulate – 23/01/12
Target price: PLN 22.5

EUR 42.7m contract

Kernel is going to supply a longwall system to a Bosnian-Herzegovinian lignite miner for EUR 10.2m (PLN 42.7m). The deadline is in 12 months. **The 12-month deadline suggests that Kopex will make the delivery in the second half of 2012. The contract provides for a 20% advance. (J. Szkopek)**

Construction

PGE prepares to sign contract with general power plant contractor

PGE is preparing to sign a contract with the general contractor of its two planned power plants in Opole despite a lack of valid environmental approvals for the project. Obtainment of such approvals may take about two months. **News in line with expectations. (M. Stokłosa)**

Hydrobudowa Polska PBG

Hold - 26/01/12
Target price: PLN 78.5

Hydrobudowa makes lowest contract bid

A consortium led by Hydrobudowa Polska offered the lowest price for a contract to continue construction of a soccer stadium in Białystok. The consortium's bid was PLN 253.9m (PLN 208.1m net), representing 6.3% of the expected 2011 revenue of HBP's parent PBG, and 13% of HBP's expected 2011 revenue. The next lowest bids were not much higher at PLN 255.7m gross (Unibep) and PLN 276.7m gross (Warbud). Even so, HBP's bid is well over what the stadium owners anticipated. The former general contractor, Eiffage Budownictwo Mitex (who won the assignment with a net bid of PLN 156m), was fired because of major delays. **Good news for Hydrobudowa and PBG. (M. Stokłosa)**

PBG

Hold - 26/01/12
Target price: PLN 78.5

Tesgas

Tesgas cancels contract with Alpine Bau and PBG

Tesgas terminated a contract with Alpine Bau for electrical and communications wiring for a stretch of the S5 expressway, quoting the contractor's failure to provide payment guarantees in the event of any subcontractor claims. The estimated cost for Tesgas of the terminated contract is PLN 1.3m (1.5% of market cap). **We are curious why Alpine Bau, which is building the road as a 60% stakeholder in a consortium with 40% partner PBG, refused to provide such guarantees. The termination by Tesgas may have been prompted by reports of payment delays on the part of the general contractor. (M. Stokłosa)**

Polnord

Hold - 23/01/12
Target price: PLN 15.7

Home sales in January

Polnord sold 78 homes (89 before cancellations) in January 2012, compared to 47 units (52 before cancellations) sold in the same month in 2011. **The higher sales are a positive development. The January sales figures are only 14% lower than the 2011 monthly average. (P. Zybala)**

Quarterly Earnings Results

Echo Investment

Buy - 24/01/12

Target price: PLN 4.7

Echo reports weak Q4 2011 results

Echo's Q4 2011 revenue was 3% higher than in the quarter before and slightly higher than the consensus estimate. Quarter-on-quarter margin expansion from 58.8% to 60.1% led to a 5% increase in the gross profit. The segment of shopping centers generated a profit similar to that reported in Q3 2011, but the segments of offices and hotels and housing recorded an improvement. On the downside, Echo's Q4 2011 SG&A expenses were 25% higher than in Q3 2011 and 31% higher than in Q4 2010. Moreover, the company booked lower-than-expected gains from property sales and a higher-than-expected loss on investment property revaluations. On the other hand, higher-than-anticipated other operating income (PLN 13.9m) drove the quarterly operating profit to a level only slightly lower than our estimate (PLN 55.1m vs. PLN 56.7m). However, after higher-than-forecasted financing expenses and tax charges, the Q4 2011 net profit fell 23% short of our estimate and missed the consensus estimate by 36%. Summing up, Echo's disappointing Q4 2011 showing was due primarily to high costs and one-time expenses. On a positive note, the company posted growth in its gross profit and gross profit margin. (P. Zybała)

Reported vs. forecasted Q4 2011 results

(PLN m)	Q4 2011	Q4 2011F	Difference	Consensus	Difference	Q4 2010	Change
Revenue	112.4	113.4	-0.8%	111.1	1.2%	101.3	11.0%
Gross profit	67.5	67.1	0.6%			60.5	11.5%
Margin (%)	60.1%	59.2%	-			59.8%	-
Valuation gains (losses)	-11.7	-9.3	25.0%			-24.0	-51.3%
SG&A expenses	-26.5	-19.0	39.5%			-20.2	31.2%
Gains from property sales	11.8	16.9	-30.5%			15.0	-
Other operating income	13.9	1.0	1294.3%			3.1	351.1%
EBIT	55.1	56.7	-3.0%	60.3	-8.7%	34.4	60.1%
Margin (%)	49.0%	50.0%	-	54.3%	-	34.0%	-
Pre-tax income	19.2	23.6	-18.8%			31.7	-39.4%
Margin (%)	17.1%	20.8%	-			31.3%	-
Net income	16.7	21.7	-23.0%	26.2	-36.1%	31.0	-45.9%
Margin (%)	14.9%	19.2%	-	23.6%	-	30.6%	-

Source: Echo Investment, F – forecasts by BRE Bank Securities; Consensus estimates by PAP

More News

- BPH** Bank BPH is aiming to open over 100 thousand current accounts in 2012, most of them for new clients. The bank is also planning to open more than 10 new branches this year, and it is hoping for higher credit card sales.
- Delko** Delko's planned stock issue will be addressed to the owners of its acquisition targets, Delkor, Lubertda, and Delko Otto, which generate combined annual turnover of ca. PLN 250m. The issue price will be higher than the market price.
- Retail** Biedronka expects double-digit LFL sales growth in 2012, plans to open about 250 new locations this year. There is still room for grocery stores in Poland. Although growing, the number of supermarkets and discount stores is still small in Poland compared to other countries. This makes us an attractive market for giants like Wal-Mart. Poles still spend less on food than the average European.
- Hawe** Hawe estimates its 2011 net profit at PLN 47.26m, marking an increase from the PLN 37.23m posted in 2010. 2011 sales increased to PLN 130.13m from PLN 101.1m a year earlier. EBITDA grew to PLN 69.16m from PLN 47.03m. Hawe will be aiming for faster growth in 2012.
- Hutmen, Złomrex** Polish steel makers may be able to apply for EU funding between 2014 and 2020 depending on the outcome of ongoing negotiations.
- KGHM** Poland's majority party PO may propose amendments of an unknown nature to the mine tax bill. Firma Institutional Shareholder Services (ISS) made a recommendation to the shareholders of Quadra FNX to vote in favor of KGHM's takeover bid during the General Meeting on February 20th.

Komputronik	Komputronik's January 2012 revenue was 31.5% higher than in the same month in 2011 at PLN 83.9m.
Konsorcjum Stali	Konsorcjum Stali is going to launch production in its new service center in Krakow by the end of the first quarter. The center's target annual capacity is 5000 tons. It is expected to break even in 2013. CEO Robert Wojdyna says demand for steel products continues to be strong thanks to continuing Euro 2012 investment and infrastructure projects. He anticipates prices will stabilize or decline slightly.
KOV	Kulczyk Oil Ventures (KOV) has commenced drilling in the Makeevskoye-21 (M-21) well in the Ukraine. The projected total depth expected to be reached in about 45 days is 2200 meters.
Lotos, PGNiG	A merger between Lotos and PGNiG is the number 1 priority for the Polish State Treasury at the moment.
Point Group	AWR Wprost, publisher of the weekly news magazine <i>Wprost</i> , generated gross profit of PLN 3.48m and EBITDA of PLN 4.1m (ahead of PLN 2.8m estimate) on PLN 44.8m revenue (higher than PLN 41.2m guidance), in 2011.
TPSA	The telecom regulator UKE is going to consider extending its agreement with TPSA whereby the dominant operator committed to making certain telecom infrastructure investment in exchange for not being split into two separate entities. TPSA's claim against the telecom regulator concerning 2006-2009 universal service subsidies which the regulator estimated at PLN 67m and the company at PLN 803.6m, has been dismissed. The company can still appeal.
Zastal	Zastal and its main tenant Tabor Szynowy Opole extended the lease agreement at higher monthly rental rates.

Insider Trading and Fund Activity

Centrum Klima	Centrum Klima repurchased 220 treasury shares at an avg. PLN 10.19 a share on 3 February.
Ipopema	Aviva OFE increased equity interests to 5.29% from 4.91%.
Point Group	A related party sold 288,800 shares at an avg. PLN 0.54 apiece between 27 January and 3 February.

Corporate Action Calendar

Wednesday /08.02.12/	
BRE Bank	Q4 2011 earnings announcement.
ECHO	First day of tender offer by Park Postępu-Projekt Echo-93.
PZU	EGM re: changes to bylaws.
Thursday /09.02.12/	
ING BSK	Q4 2011 earnings announcement.
KREDYT BANK	Q4 2011 earnings announcement.
PKN ORLEN	Q4 2011 earnings announcement.

Economic Calendar

Tuesday /07.02.12/

Time	Region	Report	Period	Forecast	Previous
8:00	Germany	Retail sales	December		0.9% m/m; 0.8% y/y
8:45	France	Exports	December		37.43bn
8:45	France	Imports	December		41.84bn
8:45	France	Trade balance	December		-4.41bn
12:00	Germany	Industrial production	December		-0.6% m/m; 3.6% y/y
21:00	USA	Consumer credit	December		20.4bn
	Japan	Leading indicators	December		93.2

Wednesday /08.02.12/

Time	Region	Report	Period	Forecast	Previous
0:50	Japan	Capital account balance	December		5.4bn
0:50	Japan	Current account balance	December		138.5bn
0:50	Japan	Financial account balance	December		7699.3bn
	Japan	Consumer confidence index	January		38.2

Thursday /09.02.12/

Time	Region	Report	Period	Forecast	Previous
10:30	UK	Exports	December		41.68bn
10:30	UK	Imports	December		44.25bn
10:30	UK	Industrial production	December		-0.6% m/m; -3.1% y/y
10:30	UK	Manufacturing production	December		-0.2% m/m; -0.6% y/y
10:30	UK	Trade balance without EU	December		-5.02bn
10:30	UK	Trade balance	December		-2.57bn
10:30	UK	Trade balance with EU	December		-8.64bn
13:00	UK	Interest rate			0.5%
16:00	USA	Wholesale inventories	December		0.1% m/m; 10.5% y/y
16:00	USA	Wholesale sales	December		0.6% m/m; 11.3% y/y

Friday /10.02.12/

Time	Region	Report	Period	Forecast	Previous
0:50	Japan	Corporate goods price index	December		0.1% m/m; 1.3% y/y
8:45	France	Capital account balance	December		0.1bn
8:45	France	Current account balance	December		-2.3bn
8:45	France	Financial account balance	December		-8.9bn
8:45	France	Industrial production	December		1.1% m/m; 1.1% y/y
8:45	France	Manufacturing production	December		1.3% m/m; 2.2% y/y
10:30	UK	Core PPI Input	January		-0.5% m/m; 6.9% y/y
10:30	UK	Core PPI Output	January		-0.1% m/m; 3.0% y/y
10:30	UK	PPI Input	January		-0.6% m/m; 8.7% y/y
10:30	UK	PPI Output	January		-0.2% m/m; 4.8% y/y

Current recommendations of BRE Bank Securities S.A.

Company	Recommendation	Date issued	Price on report date	Target price	Current price	Upside / Downside	P/E 2011	P/E 2012	EV/EBITDA 2011	EV/EBITDA 2012
Banks										
GET BANK	Hold	2012-01-23	1.56	1.55	1.94	-20.1%	4.9	16.1		
HANDLOWY	Hold	2012-01-19	73.95	72.00	77.40	-7.0%	14.4	13.9		
ING BSK	Hold	2012-01-19	80.70	80.00	84.50	-5.3%	12.4	12.8		
KREDYT BANK	Reduce	2012-01-19	9.61	9.10	12.00	-24.2%	10.1	14.4		
MILLENNIUM	Reduce	2012-01-19	3.82	3.30	4.10	-19.5%	10.8	13.3		
PEKAO	Reduce	2012-01-19	145.90	135.00	163.00	-17.2%	14.9	15.6		
PKO BP	Accumulate	2012-01-19	32.89	35.00	36.07	-3.0%	12.0	13.4		
Insurance										
PZU	Accumulate	2012-01-23	327.00	345.00	348.00	-0.9%	12.5	12.8		
Financial services										
KRUK	Buy	2011-06-22	39.70	53.00	43.50	21.8%	11.4	9.8		
Fuels, chemicals										
CIECH	Buy	2012-01-16	17.35	21.50	19.30	11.4%	73.3	14.2	5.5	5.1
LOTOS	Hold	2012-01-16	21.80	21.60	26.63	-18.9%	4.8	8.2	6.0	8.2
PGNIG	Reduce	2012-01-16	4.04	3.69	3.75	-1.6%	17.3	22.9	8.9	7.6
PKN ORLEN	Hold	2011-11-17	39.25	39.00	39.30	-0.8%	4.1	14.1	4.0	6.5
POLICE	Hold	2012-01-16	9.62	10.00	10.75	-7.0%	3.4	10.6	3.1	6.0
ZA PULAWY	Hold	2011-09-26	85.00	85.54	94.45	-9.4%	10.2	10.0	5.6	5.2
Power Utilities										
CEZ	Reduce	2012-01-05	140.00	124.90	134.40	-7.1%	11.3	9.8	7.2	6.9
ENEA	Accumulate	2011-11-04	17.77	21.24	18.08	17.5%	10.6	9.0	3.7	3.7
PGE	Accumulate	2012-01-02	20.70	23.07	20.40	13.1%	6.5	8.6	4.5	4.5
TAURON	Buy	2012-01-02	5.35	7.44	5.43	37.0%	7.4	7.0	4.4	4.1
Telecommunications										
NETIA	Hold	2012-01-23	5.66	5.70	5.85	-2.6%	20.8	16.4	4.9	4.5
TPSA	Hold	2012-01-23	17.90	17.40	16.98	2.5%	11.7	18.9	4.1	4.9
Media										
AGORA	Buy	2012-01-23	10.66	15.30	12.22	25.2%	10.9	12.2	3.1	3.0
CINEMA CITY	Buy	2011-10-21	26.80	33.50	34.90	-4.0%	19.2	14.8	9.2	7.5
CYFROWY POLSAT	Hold	2011-10-13	15.35	14.80	14.25	3.9%	15.3	12.4	10.2	8.0
TVN	Hold	2011-12-05	10.13	10.30	11.25	-8.4%	-	13.5	10.0	8.5
IT										
AB	Accumulate	2012-01-23	20.20	22.50	22.50	0.0%	9.3	8.1	7.2	6.6
ACTION	Hold	2012-01-23	19.89	18.10	21.64	-16.4%	9.4	10.2	6.8	7.0
ASBIS	Buy	2012-01-23	2.05	2.47	2.49	-0.8%	23.2	7.4	6.3	4.8
ASSECO POLAND	Buy	2011-05-27	49.60	65.00	48.45	34.2%	9.7	8.9	5.8	5.3
COMARCH	Reduce	2011-10-13	50.25	45.90	60.90	-24.6%	24.6	15.3	9.8	6.8
SYGNITY	Buy	2012-01-23	18.59	20.80	18.71	11.2%	58.4	12.5	6.1	4.8
Mining & Metals										
JSW	Buy	2012-01-23	99.00	127.00	108.10	17.5%	7.3	5.5	3.2	2.3
KGHM	Buy	2012-01-23	129.90	151.50	143.00	5.9%	2.6	8.3	1.7	3.1
LW BOGDANKA	Buy	2012-01-23	109.90	132.00	125.50	5.2%	27.2	12.4	11.9	6.2
Manufacturers										
ASTARTA	Hold	2011-12-29	51.50	53.9	65.00	-17.1%	3.2	4.4	4.0	4.9
BORYSZEW	Hold	2012-01-04	0.67	0.65	0.80	-18.8%	14.2	19.9	8.3	9.2
CEDC	Hold	2012-01-23	13.10	13.8	17.86	-22.7%	5.1	5.0	8.0	6.9
CENTRUM KLIMA	Buy	2011-11-15	9.65	15.0	11.30	32.7%	11.0	9.6	7.1	6.1
FAMUR	Buy	2011-11-28	2.50	3.2	3.28	-2.4%	15.6	13.0	6.6	6.2
IMPEXMETAL	Buy	2012-01-19	3.46	5.7	3.81	49.6%	7.6	9.5	5.8	6.3
KERNEL	Reduce	2012-01-10	71.00	61.1	74.95	-18.5%	7.2	6.4	5.9	4.9
KĘTY	Buy	2011-11-07	101.00	136.7	113.80	20.1%	10.1	9.4	6.1	5.9
KOPEX	Accumulate	2012-01-23	21.30	22.5	24.00	-6.3%	13.0	12.5	8.5	6.9
MONDI	Buy	2012-01-23	58.30	77.0	63.30	21.6%	7.7	9.3	5.2	6.4
ROVESE	Buy	2011-12-29	4.02	6.0	5.43	10.5%	18.6	13.0	8.1	6.9
Construction										
BUDIMEX	Accumulate	2012-01-23	79.00	87.30	85.00	2.7%	9.1	9.0	4.6	5.1
ELEKTROBUDOWA	Accumulate	2012-01-26	97.80	112.40	102.00	10.2%	12.2	10.5	6.5	6.3
ERBUD	Buy	2012-01-26	17.25	24.00	23.12	3.8%	-	8.5	-	5.5
MOSTOSTAL WAR.	Buy	2012-01-26	18.72	27.20	21.89	24.3%	23.4	9.4	7.4	3.4
PBG	Hold	2012-01-26	76.90	78.50	78.80	-0.4%	5.7	5.2	8.0	5.8
POLIMEX MOSTOSTAL	Buy	2012-01-26	1.69	2.01	1.99	1.0%	13.3	8.8	6.4	5.4
RAFAKO	Buy	2012-01-23	7.63	11.00	9.40	17.0%	9.4	10.7	4.4	4.2
TRAKCJA TILTRA	Suspended	2011-12-19	1.10	-	1.31	-	-	-	-	-
ULMA CP	Accumulate	2012-01-23	60.70	69.30	59.95	15.6%	9.2	9.9	3.3	3.5
UNIBEP	Buy	2012-01-23	6.04	7.00	6.18	13.3%	10.8	5.1	8.6	5.1
ZUE	Buy	2012-01-26	7.33	9.20	8.14	13.0%	8.6	8.1	5.1	4.1
Property Developers										
BBI DEVELOPMENT	Hold	2012-01-23	0.32	0.34	0.31	9.7%	16.2	5.0	25.5	9.3
DOM DEVELOPMENT	Hold	2012-01-23	29.50	31.40	35.00	-10.3%	11.9	10.0	10.7	8.7
ECHO	Buy	2012-01-24	3.75	4.70	3.90	20.5%	8.3	4.0	9.3	6.6
GTC	Hold	2012-01-24	9.00	9.40	10.90	-13.8%	5.2	3.2	8.6	7.0
J.W.C.	Reduce	2012-01-23	7.15	6.10	7.25	-15.9%	15.3	12.1	13.8	13.4
PA NOVA	Buy	2012-01-23	19.23	25.80	20.22	27.6%	11.5	11.3	11.1	14.0
POLNORD	Hold	2012-01-23	15.10	15.70	17.18	-8.6%	6.6	5.6	11.2	14.4
ROBYG	Accumulate	2012-01-23	1.22	1.43	1.32	8.3%	39.8	4.6	64.4	5.8
Retail/Wholesale										
EUROCASH	Buy	2012-01-20	29.40	37.40	29.25	27.9%	29.5	23.4	15.7	13.1
LPP	Buy	2012-01-23	2 017.50	2 300.00	2 199.00	4.6%	17.4	14.7	10.6	9.1
NFI EMF	Hold	2011-12-29	8.34	8.80	9.20	-4.3%	14.3	18.4	6.6	6.1
NG2	Buy	2011-12-29	46.50	54.00	55.40	-2.5%	16.3	14.8	12.1	10.6
VISTULA	Hold	2011-11-21	0.86	0.90	1.15	-21.7%	-	18.7	9.7	8.2

CEE bank valuations /06.02.2012/

	Price	P/E			ROE			P/BV			D/Y		
		2010	2011	2012	2010	2011	2012	2010	2011	2012	2010	2011	2012
POLISH BANKS													
Get Bank	1.94	10.3	4.9	16.1	14%	24%	6%	1.3	1.0	1.0	0.0%	0.0%	0.0%
Handlowy	77.4	13.4	14.4	13.9	12%	11%	11%	1.6	1.6	1.5	4.9%	7.4%	3.5%
ING BSK	84.5	14.6	12.4	12.8	14%	15%	13%	1.9	1.7	1.5	0.0%	1.8%	0.8%
Kredyt Bank	12.0	17.5	10.1	14.4	7%	11%	7%	1.2	1.1	1.0	0.0%	3.1%	0.0%
Millenium	4.1	14.5	10.8	13.3	9%	11%	8%	1.2	1.1	1.0	0.0%	2.4%	0.0%
Pekao	163.0	16.9	14.9	15.6	13%	14%	12%	2.1	2.0	1.9	1.8%	4.2%	3.4%
PKO BP	36.1	14.0	12.0	13.4	15%	17%	14%	2.1	2.0	1.9	5.3%	5.5%	4.2%
Median		14.5	12.0	13.9	13%	14%	11%	1.6	1.6	1.5	0.0%	3.1%	0.8%
INVESTORS IN POLISH BANKS													
AIB	0.1	-	-	-	-	-	-	0.2	0.2	0.2	0.0%	0.0%	0.0%
BCP	0.1	2.9	7.3	6.3	4%	3%	3%	0.1	0.2	0.2	13.0%	2.7%	2.7%
Citigroup	33.3	8.5	8.6	7.6	8%	7%	7%	0.6	0.5	0.5	0.0%	0.1%	1.0%
Commerzbank	1.9	2.2	13.9	6.5	13%	3%	6%	0.3	0.4	0.4	0.0%	0.0%	0.8%
ING	7.3	7.0	5.1	5.5	10%	13%	11%	0.7	0.6	0.6	0.0%	0.0%	3.0%
KBC	17.5	3.7	5.2	3.7	15%	8%	14%	0.6	0.6	0.5	4.4%	2.0%	3.3%
UCI	4.2	5.0	-	4.0	2%	-	4%	0.1	0.2	0.2	7.2%	0.2%	6.5%
Median		4.4	7.3	5.9	9%	7%	7%	0.3	0.4	0.4	0.0%	0.1%	2.7%
FOREIGN BANKS													
BEP	3.5	8.4	12.0	12.7	6%	6%	5%	0.6	0.6	0.6	6.2%	4.8%	4.7%
Deutsche Bank	33.6	6.4	6.9	6.5	7%	9%	9%	0.6	0.6	0.6	2.2%	2.3%	2.4%
Erste Bank	18.5	7.9	43.6	8.0	8%	-	8%	0.6	0.7	0.6	3.4%	0.0%	2.3%
Komercni B.	3860.0	11.4	12.8	11.1	18%	15%	17%	1.9	1.9	1.8	5.3%	5.6%	6.4%
OTP	4147.0	8.9	9.8	7.7	10%	9%	11%	0.9	0.8	0.8	2.8%	2.7%	4.4%
Santander	6.5	6.6	7.6	7.4	12%	10%	11%	0.7	0.8	0.7	8.9%	9.0%	8.8%
Turkiye Garanti B.	7.0	9.0	9.6	9.3	22%	18%	16%	1.8	1.6	1.4	1.9%	2.0%	2.0%
Turkiye Halk B.	12.5	7.9	7.9	7.8	30%	25%	21%	2.2	1.8	1.5	2.7%	2.5%	2.9%
Sberbank	3.1	13.3	6.6	6.8	18%	27%	22%	2.2	1.6	1.4	0.7%	2.1%	2.4%
VTB Bank	4.8	15.0	7.8	7.9	10.7%	15.2%	13.5%	1.5	1.1	1.0	1.0%	1.2%	1.3%
Median		8.7	8.8	7.8	11%	15%	12%	1.2	1.0	0.9	2.8%	2.4%	2.6%

Insurance company valuations /06.02.2012/


	Price	P/E			ROE			P/BV			D/Y		
		2010	2011	2012	2010	2011	2012	2010	2011	2012	2010	2011	2012
POLISH COMPANIES													
PZU	348.0	12.3	12.5	12.8	20%	19%	18%	2.3	2.3	2.3	45.6%	7.5%	7.2%
FOREIGN COMPANIES													
Vienna Insurance G.	34.7	11.5	10.9	9.9	9%	10%	9%	1.0	1.0	0.9	2.9%	3.2%	3.5%
Uniqa	11.5	23.5	-	11.9	5%	-	12%	1.1	1.5	1.4	3.0%	0.3%	3.4%
Aegon	3.9	4.6	8.7	6.6	10%	4%	6%	0.4	0.4	0.4	0.0%	2.7%	5.3%
Allianz	87.7	7.8	11.0	7.5	12%	8%	11%	0.9	0.9	0.8	5.2%	4.9%	5.3%
Aviva	3.7	6.0	7.4	6.5	16%	12%	13%	0.9	0.9	0.8	6.8%	7.2%	7.6%
AXA	12.7	8.0	6.4	6.4	8%	11%	11%	0.6	0.6	0.6	5.4%	5.7%	6.3%
Baloise	71.3	7.7	17.7	7.5	11%	6%	11%	0.8	0.8	0.8	6.5%	6.1%	6.5%
Generali	58.8	8.3	7.8	7.5	9%	9%	10%	0.8	0.8	0.7	4.4%	6.5%	6.7%
Helvetia	323.0	8.3	9.2	7.7	11%	10%	11%	0.9	0.9	0.8	4.8%	5.1%	5.5%
Mapfre	2.6	8.5	8.3	7.7	14%	14%	14%	1.1	1.1	1.0	5.8%	6.0%	6.2%
RSA Insurance	1.1	10.3	7.8	7.5	12%	15%	14%	1.1	1.1	1.0	7.8%	8.4%	8.8%
Zurich Financial	227.5	9.0	8.4	7.8	12%	12%	12%	1.1	1.0	1.0	7.5%	7.9%	8.0%
Median		8.3	8.4	7.5	11%	10%	11%	0.9	0.9	0.8	5.3%	5.8%	6.2%

Fuel producer valuations /06.02.2012/


	Price	EV/EBITDA			EV/S			P/E			EBITDA margin			D/Y		
		2010	2011	2012	2010	2011	2012	2010	2011	2012	2010	2011	2012	2010	2011	2012
OIL COMPANIES																
Lotos	26.6	6.5	6.0	8.2	0.5	0.4	0.3	5.1	4.8	8.2	7%	6%	4%	0.0%	0.0%	0.0%
PKN Orlen	39.3	4.9	4.0	6.5	0.3	0.2	0.3	7.1	4.1	14.1	7%	6%	4%	0.0%	0.0%	7.5%
MOL	20460.0	6.4	5.4	5.0	0.8	0.7	0.7	11.3	8.4	8.1	13%	12%	14%	2.4%	3.3%	4.1%
OMV	27.1	3.8	3.7	3.3	0.7	0.5	0.5	6.8	8.0	6.8	18%	13%	15%	3.8%	3.8%	4.0%
Hellenic Petroleum	5.7	8.3	9.2	6.6	0.5	0.4	0.4	9.8	10.3	6.6	6%	5%	5%	7.0%	7.8%	8.2%
Tupras	44.1	7.4	5.4	6.0	0.4	0.3	0.2	13.0	10.3	9.7	5%	5%	4%	5.9%	7.2%	7.6%
Unipetrol	173.1	6.0	7.3	6.0	0.4	0.3	0.3	26.0	37.7	19.3	6%	4%	6%	0.3%	0.9%	2.3%
Median		6.4	5.4	6.0	0.5	0.4	0.3	9.8	8.4	8.2	7%	6%	5%	2.4%	3.3%	4.1%
GAS COMPANIES																
PGNiG	3.8	5.2	8.9	7.6	1.1	1.1	1.1	9.0	17.3	22.9	21%	12%	15%	0.6%	3.2%	2.3%
Gazprom	200.0	4.3	3.0	3.1	1.7	1.2	1.2	5.3	3.6	3.9	40%	41%	38%	1.3%	2.9%	3.2%
GDF Suez	21.3	6.2	5.6	5.2	1.1	1.0	1.0	10.9	12.9	11.6	18%	18%	19%	7.2%	7.2%	7.4%
Gas Natural SDG	12.8	7.2	7.1	6.8	1.8	1.6	1.6	9.9	10.2	9.4	25%	23%	23%	6.2%	6.4%	6.9%
Median		5.7	6.3	6.0	1.4	1.2	1.2	9.5	11.5	10.5	23%	21%	21%	3.8%	4.8%	5.0%

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


Power utilities valuations /06.02.2012/

	Price	EV/EBITDA			EV/S			P/E			EBITDA margin			D/Y		
		2010	2011	2012	2010	2011	2012	2010	2011	2012	2010	2011	2012	2010	2011	2012
ENERGY COMPANIES																
CEZ	134.4	6.5	7.2	6.9	2.9	3.0	2.9	9.2	11.3	9.8	45%	41%	42%	6.5%	6.2%	5.3%
ENEAG	18.1	3.8	3.7	3.7	0.7	0.6	0.6	12.5	10.6	9.0	17%	16%	17%	2.1%	2.3%	2.6%
PGE	20.4	5.7	4.5	4.5	1.9	1.2	1.2	12.7	6.5	8.6	33%	28%	28%	4.1%	3.2%	7.7%
TAURON	5.4	3.6	4.4	4.1	0.6	0.6	0.6	11.1	7.4	7.0	18%	14%	14%	0.1%	2.7%	4.0%
E.ON	17.1	5.2	7.4	6.3	0.8	0.7	0.7	6.4	13.7	10.4	16%	10%	11%	8.7%	5.9%	6.4%
EDF	18.5	4.8	5.3	4.9	1.2	1.2	1.2	9.9	10.1	8.8	26%	23%	24%	6.2%	6.3%	6.6%
Endesa	15.3	5.0	5.2	5.0	1.4	1.2	1.2	7.2	7.6	7.3	28%	23%	23%	7.0%	6.7%	6.9%
ENEL SpA	3.1	5.4	5.3	5.3	1.3	1.2	1.2	6.8	7.0	6.8	25%	23%	23%	8.8%	8.5%	8.8%
Fortum	18.2	9.1	8.4	8.7	3.7	3.5	3.4	11.3	11.8	11.5	41%	42%	40%	5.5%	5.6%	5.5%
Iberdrola	4.7	7.8	7.5	7.0	2.2	1.9	1.8	9.1	9.4	8.9	28%	25%	26%	7.0%	7.1%	7.4%
RWE AG	32.4	3.9	4.7	4.4	0.7	0.7	0.7	4.7	7.7	7.6	19%	16%	17%	10.8%	6.5%	6.6%
Median		5.2	5.3	5.0	1.3	1.2	1.2	9.2	9.4	8.8	26%	23%	23%	6.5%	6.2%	6.6%

Fertilizer producer and chemical company valuations /06.02.2012/

	Price	EV/EBITDA			EV/S			P/E			EBITDA margin			D/Y		
		2010	2011	2012	2010	2011	2012	2010	2011	2012	2010	2011	2012	2010	2011	2012
FERTILIZER PRODUCERS																
POLICE	10.8	13.0	3.1	6.0	0.5	0.4	0.4	29.4	3.4	10.6	4%	12%	6%	0.0%	0.0%	0.0%
ZA Pulawy	94.5	4.0	5.6	5.2	0.6	0.5	0.5	6.1	10.2	10.0	15%	10%	10%	1.1%	4.9%	4.9%
Acron	46.4	9.8	4.5	5.2	2.1	1.4	1.4	13.8	6.0	7.5	22%	32%	28%	1.7%	7.0%	3.1%
Agrium	63.2	7.7	4.2	4.2	1.1	0.7	0.7	13.1	6.7	6.8	14%	16%	16%	0.2%	0.2%	0.4%
DSM	41.0	3.5	3.7	3.7	1.4	1.5	1.5	35.8	33.3	32.9	41%	40%	40%	2.0%	2.1%	2.2%
K+S	40.0	8.8	6.8	6.4	1.7	1.6	1.5	18.0	11.5	10.5	19%	23%	24%	2.3%	3.7%	4.0%
Silvinit	28230.0	10.1	8.2	7.4	6.1	5.1	4.6	17.1	12.6	11.2	60%	62%	63%	1.2%	1.4%	1.5%
Uralkali	7.3	-	10.1	6.9	-	6.6	4.8	-	15.4	10.7	-	66%	69%	-	3.6%	6.2%
Yara	257.5	7.9	5.4	6.0	1.3	1.1	1.1	12.2	7.3	8.1	16%	20%	18%	2.3%	2.5%	2.7%
Median		8.4	5.4	6.0	1.4	1.4	1.4	15.4	10.2	10.5	18%	23%	24%	1.5%	2.5%	2.7%
CHEMICAL COMPANIES																
Ciech	19.3	5.3	5.5	5.1	0.5	0.5	0.5	26.4	-	14.2	10%	8%	10%	0.0%	0.0%	0.0%
Akzo Nobel	41.3	5.8	6.2	6.1	0.8	0.7	0.7	12.4	13.6	12.9	14%	12%	12%	3.5%	3.5%	3.6%
BASF	61.4	6.3	6.1	6.5	1.1	1.0	1.0	11.2	9.6	11.2	18%	16%	16%	3.5%	3.9%	3.9%
Croda	20.0	12.9	10.8	10.3	3.0	2.7	2.6	21.9	16.9	15.9	23%	25%	26%	1.7%	2.7%	2.9%
Dow Chemical	34.0	8.4	7.5	7.4	1.2	1.0	1.0	18.2	12.9	12.1	14%	14%	13%	1.8%	2.6%	3.0%
Rhodia	31.6	4.9	4.4	4.4	0.8	0.7	0.7	11.9	9.2	9.0	17%	16%	16%	1.3%	2.0%	2.1%
Sisecam	3.4	6.1	4.8	4.6	1.4	1.2	1.1	13.2	8.4	8.5	23%	25%	24%	1.0%	1.5%	2.4%
Soda Sanayii	3.3	7.3	4.6	4.9	1.3	1.1	1.0	12.3	6.2	7.6	18%	23%	20%	-	3.4%	4.8%
Solvay	79.4	4.6	3.5	2.5	0.6	0.6	0.4	25.3	16.1	12.0	14%	16%	15%	3.8%	3.6%	3.9%
Tata Chemicals	348.5	7.7	7.5	6.1	1.5	1.2	1.1	12.4	12.0	10.2	19%	17%	18%	2.4%	2.6%	3.0%
Tessenderlo Chemie	25.9	5.5	5.0	4.8	0.4	0.5	0.5	33.9	11.6	11.0	8%	9%	9%	4.9%	5.2%	5.2%
Wacker Chemie	75.8	3.4	3.4	4.1	0.9	0.8	0.8	7.5	8.1	12.0	25%	23%	20%	3.0%	3.8%	3.1%
Median		6.0	5.3	5.0	1.0	0.9	0.9	12.8	11.6	11.6	18%	16%	16%	2.4%	3.0%	3.1%

European national telecom operator valuations /06.02.2012/

	Price	EV/EBITDA			EV/S			P/E			EBITDA margin			D/Y		
		2010	2011	2012	2010	2011	2012	2010	2011	2012	2010	2011	2012	2010	2011	2012
POLISH COMPANIES																
Netia	5.9	5.4	4.9	4.5	1.3	1.2	1.1	37.2	20.8	16.4	23%	24%	24%	0.0%	3.3%	4.8%
TPSA	17.0	5.8	4.1	4.9	1.8	1.7	1.8	-	11.7	18.9	30%	42%	38%	8.8%	12.4%	8.8%
Median		5.6	4.5	4.7	1.5	1.5	1.4	37.2	16.3	17.6	27%	33%	31%	4.4%	7.8%	6.8%
MID CAPS																
Belgacom	24.0	4.5	5.1	5.3	1.5	1.5	1.6	9.8	10.0	10.5	33%	30%	29%	9.1%	9.1%	9.2%
Cesky Telecom	377.0	4.8	5.6	6.2	2.2	2.3	2.3	11.8	15.1	14.4	45%	41%	38%	10.4%	9.9%	9.4%
Hellenic Telekom	2.8	3.3	3.7	3.8	1.1	1.3	1.3	4.0	5.1	4.6	34%	33%	34%	5.6%	5.3%	6.9%
Matav	540.0	4.6	4.8	4.8	1.6	1.6	1.7	11.2	11.7	11.2	35%	34%	35%	10.4%	9.3%	9.6%
Portugal Telecom	4.1	4.0	2.6	2.4	1.6	0.9	0.9	9.8	7.4	7.3	39%	36%	35%	15.4%	21.9%	16.3%
Telecom Austria	9.0	4.5	4.9	5.1	1.6	1.7	1.7	12.7	20.5	16.5	35%	34%	33%	8.4%	7.4%	7.3%
Median		4.5	4.9	5.0	1.6	1.6	1.6	10.5	10.9	10.8	35%	34%	35%	10%	9%	9%
BIG CAPS																
BT	2.2	4.9	4.6	4.5	1.3	1.3	1.4	15.0	10.7	9.6	26%	29%	31%	3.2%	3.4%	3.8%
DT	8.9	4.4	4.8	4.9	1.4	1.5	1.5	11.2	12.0	12.2	31%	31%	31%	8.1%	7.9%	7.9%
FT	11.5	4.2	4.3	4.4	1.4	1.4	1.4	6.3	7.4	7.7	34%	33%	33%	12.2%	12.2%	12.2%
KPN	8.3	4.4	4.6	4.6	1.8	1.8	1.8	7.2	6.7	6.6	41%	40%	40%	9.7%	10.3%	10.9%
Swisscom	373.8	6.0	6.1	6.2	2.3	2.4	2.5	10.3	10.1	10.1	39%	40%	40%	5.9%	5.9%	6.2%
TELEFONICA	13.4	4.7	5.8	5.4	2.0	2.0	1.9	7.7	9.3	8.5	43%	34%	36%	10.4%	11.9%	9.7%
TeliaSonera	45.6	6.7	6.8	6.5	2.3	2.4	2.3	9.9	10.5	9.6	35%	35%	36%	5.5%	6.2%	6.6%
TI	0.8	4.5	4.2	4.2	1.9	1.7	1.7	6.5	6.3	6.4	42%	41%	41%	7.1%	8.5%	9.7%
Median		4.6	4.7	4.7	1.8	1.8	1.8	8.8	9.7	9.1	37%	35%	36%	7.6%	8.2%	8.8%

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

IT company valuations /06.02.2012/

	Price	EV/EBITDA			EV/S			P/E		EBITDA margin			D/Y			
		2010	2011	2012	2010	2011	2012	2010	2011	2012	2010	2011	2012	2010	2011	2012
POLISH COMPANIES																
AB	22.5	7.5	7.2	6.6	0.1	0.1	0.1	7.0	9.3	8.1	2%	2%	2%	1.4%	1.1%	1.2%
ACTION	21.6	9.5	6.8	7.0	0.2	0.2	0.2	14.2	9.4	10.2	2%	3%	2%	3.8%	1.9%	2.1%
ASBIS	2.5	6.8	6.3	4.8	0.1	0.1	0.1	45.8	23.2	7.4	1%	1%	1%	0.0%	0.0%	0.0%
ASSECO POLAND	48.5	6.7	5.8	5.3	1.4	1.0	0.9	9.1	9.7	8.9	21%	18%	17%	3.0%	3.7%	3.4%
COMARCH	60.9	6.2	9.8	6.8	0.5	0.6	0.5	11.2	24.6	15.3	8%	6%	8%	0.0%	0.0%	0.0%
KOMPUTRONIK	9.1	8.5	6.0	4.8	0.1	0.1	0.1	23.8	12.8	8.5	2%	2%	2%	0.0%	0.0%	1.6%
SYGNITY	18.7	-	6.1	4.8	0.4	0.4	0.3	-	58.4	12.5	-	7%	7%	0.0%	0.0%	0.0%
Median		7.2	6.3	5.3	0.2	0.2	0.2	12.7	12.8	8.9	2%	3%	2%	0.0%	0.0%	1.2%
FOREIGN COMPANIES																
Accenture	57.7	10.8	9.3	8.4	1.7	1.4	1.3	21.9	17.1	15.2	16%	15%	16%	1.7%	1.6%	2.3%
Atos Origin	41.1	6.8	5.1	4.0	0.7	0.5	0.4	15.2	13.0	10.7	10%	10%	10%	0.4%	1.4%	1.7%
CapGemini	29.5	5.0	4.2	4.0	0.4	0.4	0.4	14.0	12.5	11.6	9%	9%	9%	3.0%	3.5%	3.7%
IBM	192.8	10.3	9.3	8.8	2.5	2.3	2.2	16.8	14.4	13.0	24%	24%	25%	1.3%	1.5%	1.6%
Indra Sistemas	10.9	6.4	6.5	6.2	0.8	0.8	0.7	8.5	9.5	9.6	12%	12%	11%	6.0%	6.0%	6.1%
LogicaCMG	0.8	4.8	5.4	5.2	0.4	0.4	0.4	6.8	8.8	7.7	9%	7%	8%	4.8%	5.4%	5.5%
Microsoft	30.2	8.2	7.1	6.7	3.5	3.1	2.9	14.7	11.7	10.9	42%	43%	43%	1.7%	1.9%	2.5%
Oracle	29.0	11.4	8.2	8.0	5.3	4.0	3.8	17.9	13.3	12.4	47%	49%	48%	0.7%	0.6%	0.8%
SAP	48.1	14.7	11.8	11.3	4.9	4.3	3.9	22.0	17.4	16.0	33%	36%	35%	1.2%	1.5%	1.6%
TietoEnator	11.3	5.3	4.5	4.5	0.5	0.5	0.5	9.7	10.3	9.7	10%	11%	11%	4.6%	5.9%	6.0%
Median		7.5	6.8	6.5	1.2	1.1	1.0	14.9	12.7	11.3	14%	14%	14%	1.7%	1.8%	2.4%

Media company valuations /06.02.2012/

	Price	EV/EBITDA			EV/S			P/E		EBITDA margin			D/Y			
		2010	2011	2012	2010	2011	2012	2010	2011	2012	2010	2011	2012	2010	2011	2012
POLISH COMPANIES																
AGORA	12.2	3.3	3.1	3.0	0.5	0.4	0.4	8.7	10.9	12.2	15%	13%	12%	4.1%	4.1%	4.1%
CYFROWY POLSAT	14.3	15.3	10.2	8.0	4.2	3.0	2.4	14.8	15.3	12.4	27%	29%	30%	4.0%	0.0%	3.3%
TVN	11.3	10.1	10.0	8.5	2.5	2.4	2.2	-	-	13.5	25%	24%	26%	2.8%	0.0%	-
DAILY																
Arnolgo Mondadori	1.5	5.1	5.4	5.7	0.5	0.5	0.5	7.6	8.0	8.9	9%	9%	8%	10.4%	10.0%	10.0%
Axel Springer	37.7	7.5	6.6	6.5	1.4	1.2	1.2	12.3	12.7	12.6	18%	19%	18%	4.2%	4.4%	4.6%
Daily Mail	4.7	7.3	7.8	7.6	1.4	1.4	1.4	10.0	10.0	9.8	19%	18%	18%	3.3%	3.6%	3.9%
Gruppo Editoriale	1.1	4.1	3.8	3.8	0.7	0.7	0.7	8.7	7.8	7.7	17%	18%	18%	6.5%	7.4%	7.6%
Mclatchy	2.2	5.5	6.4	6.8	1.5	1.7	1.7	3.6	4.1	5.5	27%	26%	25%	0.0%	0.0%	0.0%
Naspers	383.3	23.4	20.7	21.4	5.6	4.9	4.2	27.4	21.9	21.1	24%	24%	20%	0.6%	0.8%	0.9%
New York Times	7.5	4.3	4.6	4.6	0.7	0.7	0.7	10.9	12.2	11.4	16%	15%	15%	0.0%	0.0%	0.0%
Promotora de Inform	0.8	6.9	8.2	7.0	1.3	1.5	1.5	2.3	11.8	9.5	20%	18%	21%	0.0%	0.0%	0.0%
SPIR Comm	24.1	5.8	5.8	3.8	0.2	0.2	0.2	-	-	21.2	4%	4%	6%	0.0%	0.0%	0.4%
Trinity Mirror	0.5	1.7	2.0	2.0	0.3	0.4	0.4	1.8	1.8	1.9	20%	18%	18%	1.3%	1.3%	3.8%
Mediana		5.7	6.1	6.1	1.0	1.0	1.0	8.7	10.0	9.7	18%	18%	18%	1.0%	1.0%	2.3%
TV																
Antena 3 Televis	5.3	8.0	9.7	10.6	1.6	1.6	1.6	10.2	12.0	13.1	20%	16%	15%	7.6%	7.1%	6.2%
CETV	156.0	15.1	9.8	8.2	2.2	1.9	1.7	-	-	-	15%	19%	21%	0.0%	0.0%	0.0%
Gestevision Telecinco	4.9	9.1	10.6	12.3	2.3	1.9	1.9	8.2	12.4	14.2	26%	18%	16%	7.4%	7.2%	6.7%
ITV PLC	0.8	7.9	7.1	6.9	1.6	1.6	1.6	14.4	10.9	10.5	20%	22%	23%	0.5%	1.8%	3.0%
M6-Metropole Tel	13.6	4.5	4.6	4.8	1.0	1.0	1.0	11.4	11.2	11.7	21%	22%	21%	6.9%	7.4%	7.3%
Mediaset SPA	2.5	5.3	4.3	4.4	1.2	1.2	1.2	6.8	9.7	10.4	23%	28%	28%	12.9%	9.4%	8.9%
RTL Group	74.1	9.1	8.4	8.6	2.0	1.9	1.9	17.6	16.1	15.6	22%	22%	22%	6.0%	6.8%	7.3%
TF1-TV Francaise	8.9	6.2	5.3	5.6	0.7	0.7	0.8	14.4	10.5	10.9	12%	14%	13%	5.2%	6.9%	6.9%
Mediana		8.0	7.8	7.5	1.6	1.6	1.6	11.4	11.2	11.7	21%	20%	21%	6.5%	7.0%	6.8%
PAY TV																
BSkyB PLC	6.9	11.4	9.7	8.5	2.3	2.1	1.9	22.7	17.2	14.1	20%	22%	23%	2.7%	3.1%	3.6%
Canal Plus	4.5	3.4	3.3	3.3	0.2	0.2	0.2	14.0	13.2	12.8	5%	5%	5%	6.0%	6.5%	6.5%
Cogeco	48.7	6.5	5.9	5.4	2.6	2.4	2.2	20.0	14.4	10.2	39%	41%	42%	1.1%	1.4%	2.1%
Comcast	27.1	6.9	5.4	5.1	2.7	1.8	1.6	21.5	17.8	14.5	39%	32%	32%	1.4%	1.6%	1.8%
Liberty Global	48.0	8.2	7.1	6.7	3.7	3.3	3.1	-	-	27.9	45%	46%	45%	0.0%	0.0%	0.0%
Multimedia	9.1	5.5	5.2	5.0	2.8	2.7	2.6	13.3	12.1	11.0	51%	52%	52%	-	-	-
Shaw Communications	19.8	7.3	6.1	5.8	3.3	2.6	2.4	15.3	12.7	11.7	46%	43%	43%	4.4%	4.6%	4.8%
Mediana		6.9	5.9	5.4	2.7	2.4	2.2	17.6	13.8	12.8	39%	41%	42%	2.1%	2.4%	2.9%

Mining company valuations /06.02.2012/

	Price	EV/EBITDA			EV/S			P/E		EBITDA margin			D/Y			
		2010	2011	2012	2010	2011	2012	2010	2011	2012	2010	2011	2012	2010	2011	2012
POLISH COMPANIES																
KGHM	143.0	4.2	1.7	3.1	1.6	0.9	1.3	6.3	2.6	8.3	39%	57%	40%	10.3%	10.3%	14.0%
FOREIGN COMPANIES																
Anglo Amer.	28.9	4.4	3.7	3.3	1.8	1.5	1.3	7.2	5.6	5.0	40%	41%	41%	1.8%	2.6%	2.9%
BHP Billiton	22.0	5.0	3.2	3.0	2.4	1.7	1.6	9.4	5.3	5.3	48%	53%	53%	3.9%	4.4%	5.0%
Freeport-MCMOR	46.7	4.8	4.6	4.6	2.5	2.3	2.2	10.5	9.7	9.8	52%	49%	48%	1.5%	3.2%	2.7%
Rio Tinto	39.5	3.4	3.1	3.0	1.5	1.4	1.3	5.6	4.8	4.7	46%	45%	44%	2.5%	3.1%	3.3%
Southern Peru	35.2	10.2	7.6	7.2	5.8	4.3	4.2	18.9	12.7	12.4	57%	57%	59%	4.6%	6.2%	5.2%
Median		4.8	3.7	3.3	2.4	1.7	1.6	9.4	5.6	5.3	48%	49%	48%	2.5%	3.2%	3.3%

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

Construction company valuations /06.02.2012/

	Price	EV/EBITDA			EV/S				P/E		EBITDA margin			D/Y		
		2010	2011	2012	2010	2011	2012	2010	2011	2012	2010	2011	2012	2010	2011	2012
POLISH COMPANIES																
Budimex	85.0	1.0	4.6	5.1	0.1	0.3	0.3	8.1	9.1	9.0	8%	6%	5%	8.0%	10.7%	5.5%
Elektrobudowa	102.0	6.8	6.5	6.3	0.6	0.5	0.4	10.7	12.2	10.5	8%	7%	7%	3.4%	5.9%	2.9%
Erbud	23.1	6.6	-	5.5	0.2	0.2	0.2	24.0	-	8.5	3%	-	4%	2.2%	1.0%	0.0%
Mostostal Warszawa	21.9	1.2	7.4	3.4	0.1	0.1	0.1	7.0	23.4	9.4	5%	2%	3%	8.2%	2.5%	1.3%
PBG	78.8	6.1	8.0	5.8	0.7	0.8	0.5	5.0	5.7	5.2	12%	10%	8%	1.8%	1.8%	1.8%
Polimex Mostostal	2.0	4.7	6.4	5.4	0.3	0.3	0.3	8.4	13.3	8.8	7%	5%	6%	2.0%	0.0%	0.0%
Rafako	9.4	6.4	4.4	4.2	0.4	0.3	0.3	15.0	9.4	10.7	6%	8%	7%	3.2%	6.1%	0.0%
Trakcja Tiltra	1.3	-	4.3	3.5	-	0.3	0.2	6.4	4.2	3.8	-	8%	7%	0.0%	0.0%	0.0%
Ulma Construccoon	60.0	5.0	3.3	3.5	2.4	1.7	1.6	30.8	9.2	9.9	48%	50%	46%	0.0%	0.0%	0.0%
Unibep	6.2	6.2	8.6	5.1	0.3	0.4	0.4	9.2	10.8	5.1	5%	4%	7%	1.6%	0.0%	0.0%
ZUE	8.1	6.2	5.1	4.1	0.5	0.4	0.3	10.7	8.6	8.1	8%	8%	8%	0.9%	0.0%	0.0%
Median		6.1	6.4	5.1	0.3	0.3	0.3	8.8	9.4	8.9	7%	7%	7%	2.1%	1.4%	0.0%
FOREIGN COMPANIES																
AMEC	10.6	10.4	8.8	7.7	1.0	0.8	0.7	18.0	15.8	13.7	9%	10%	10%	1.9%	2.8%	3.1%
BILFINGER	73.7	10.8	10.2	9.8	0.7	0.6	0.6	13.2	14.9	13.7	6%	6%	7%	3.2%	4.0%	3.6%
EIFFAGE	25.4	8.5	8.0	7.7	1.2	1.2	1.1	9.5	10.0	8.8	14%	14%	15%	4.8%	4.7%	4.8%
HOCHTIEF	52.8	4.8	6.0	3.9	0.3	0.3	0.3	15.9	-	12.7	6%	4%	7%	3.2%	2.9%	5.1%
NCC	151.0	7.7	7.9	6.1	0.4	0.3	0.3	13.4	14.6	10.5	5%	4%	5%	4.2%	6.2%	6.8%
SKANSKA	124.9	7.0	7.7	7.8	0.4	0.4	0.4	14.7	12.7	15.6	5%	5%	5%	4.6%	4.8%	5.0%
STRABAG	22.8	4.1	3.8	3.7	0.2	0.2	0.2	15.0	13.2	12.8	5%	5%	5%	2.3%	2.8%	2.9%
Median		7.7	7.9	7.7	0.4	0.4	0.4	14.7	13.9	12.8	6%	5%	7%	3.2%	4.0%	4.8%

Property developer valuations /06.02.2012/

	Price	EV/EBITDA			P/BV				P/E		EBITDA margin			D/Y		
		2010	2011	2012	2010	2011	2012	2010	2011	2012	2010	2011	2012	2010	2011	2012
POLISH COMPANIES																
BBI Development	0.3	9.0	25.5	9.3	0.7	0.7	0.6	13.6	16.2	5.0	42%	24%	46%	0.0%	0.0%	0.0%
Dom Development	35.0	14.7	10.7	8.7	1.1	1.0	1.0	21.3	11.9	10.0	12%	16%	14%	2.3%	2.6%	5.0%
Echo Investment	3.9	19.6	9.3	6.6	0.9	0.8	0.7	11.2	8.3	4.0	40%	92%	113%	0.0%	0.0%	0.0%
GTC	10.9	16.2	8.6	7.0	0.6	0.5	0.4	13.7	5.2	3.2	66%	127%	159%	0.0%	0.0%	0.0%
J.W. Construction	7.3	5.9	13.8	13.4	0.8	0.8	0.8	4.3	15.3	12.1	25%	22%	26%	0.0%	0.0%	0.0%
PA Nova	20.2	10.0	11.1	14.0	0.9	0.8	0.7	10.0	11.5	11.3	19%	18%	19%	0.0%	0.0%	0.0%
Polnord	17.2	21.8	11.2	14.4	0.3	0.3	0.3	7.4	6.6	5.6	28%	31%	22%	5.0%	1.9%	3.0%
Robyg	1.3	14.7	64.4	5.8	0.8	0.9	0.7	10.7	39.8	4.6	17%	9%	25%	0.0%	5.3%	1.0%
Median		14.7	11.1	9.0	0.8	0.8	0.7	10.9	11.7	5.3	27%	23%	26%	0%	0%	0%
FOREIGN COMPANIES																
CA IMMO INTERNATIONAL	5.6	32.8	29.1	23.7	0.5	0.6	0.6	-	19.3	9.1	43%	45%	48%	0.0%	1.8%	3.8%
CITYCON	2.6	19.8	17.9	16.7	0.8	0.8	0.8	14.6	13.9	13.2	55%	55%	57%	5.0%	5.2%	5.3%
CORIO	36.9	18.3	17.4	16.5	0.8	0.8	0.8	13.0	12.7	12.1	78%	83%	82%	7.1%	7.4%	7.5%
DEUTSCHE EUROSHOP	26.9	21.6	16.6	15.1	1.1	1.1	1.1	19.2	19.7	17.5	87%	87%	87%	4.1%	4.1%	4.4%
ECHO INVESTMENT	3.9	12.9	7.8	15.5	0.9	0.9	0.8	10.7	7.4	11.4	69%	114%	46%	0.0%	0.0%	0.0%
HAMMERSON	3.8	19.1	18.7	18.2	1.0	0.8	0.7	19.5	19.5	18.9	80%	77%	77%	4.2%	4.3%	4.4%
KLEPIERRE	23.3	16.8	16.1	15.5	1.1	0.9	1.0	14.9	12.3	12.6	84%	85%	85%	5.4%	5.9%	6.1%
SPARKASSEN IMMO	4.4	19.8	15.8	15.4	0.6	0.6	0.6	59.7	18.6	15.0	47%	48%	48%	0.0%	3.1%	3.4%
UNIBAIL-RODAMCO	145.7	20.4	19.7	19.0	1.1	1.2	1.1	16.2	16.3	15.5	84%	84%	85%	5.5%	5.6%	5.7%
Median		19.8	17.4	16.5	0.9	0.8	0.8	15.5	16.3	13.2	78%	83%	77%	4.2%	4.3%	4.4%

Machinery manufacturer valuations /06.02.2012/

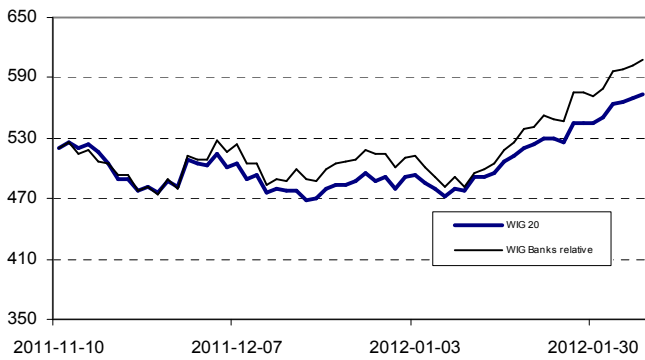
	Price	EV/EBITDA			EV/S				P/E		EBITDA margin			D/Y		
		2010	2011	2012	2010	2011	2012	2010	2011	2012	2010	2011	2012	2010	2011	2012
POLISH COMPANIES																
FAMUR	3.3	13.4	6.6	6.2	2.4	2.1	1.9	21.5	15.6	13.0	18%	32%	30%	0.0%	5.4%	0.0%
KOPEX	24.0	12.7	8.5	6.9	1.0	1.0	1.0	53.6	13.0	12.5	8%	12%	14%	0.0%	0.0%	0.8%
Median		13.0	7.6	6.6	1.7	1.5	1.4	37.6	14.3	12.7	13%	22%	22%	0.0%	2.7%	0.4%
FOREIGN COMPANIES																
Atlas Copco	168.9	13.2	10.8	10.6	3.1	2.7	2.6	20.7	16.0	16.0	24%	25%	24%	2.5%	2.8%	3.1%
Caterpillar	92.0	14.9	9.4	7.6	2.1	1.5	1.3	23.0	13.5	10.2	14%	16%	17%	1.9%	1.9%	2.0%
Emeco	1.0	5.3	4.4	3.8	2.2	2.0	1.8	16.3	11.7	9.5	41%	46%	46%	1.3%	7.0%	5.3%
Industrea	1.2	5.4	4.8	4.0	1.8	1.7	1.4	7.9	7.8	6.4	34%	34%	35%	3.0%	3.0%	4.6%
Joy Global	95.6	13.5	9.8	7.7	2.9	2.2	1.8	22.8	16.1	13.0	21%	23%	23%	0.7%	0.7%	0.8%
Sandvik	103.9	9.8	8.9	8.5	1.8	1.6	1.6	18.7	14.8	14.9	19%	18%	18%	2.7%	3.1%	3.6%
Median		11.5	9.2	7.6	2.1	1.8	1.7	19.7	14.2	11.6	22%	24%	24%	2.2%	2.9%	3.3%

Paper manufacturer valuations /06.02.2012/

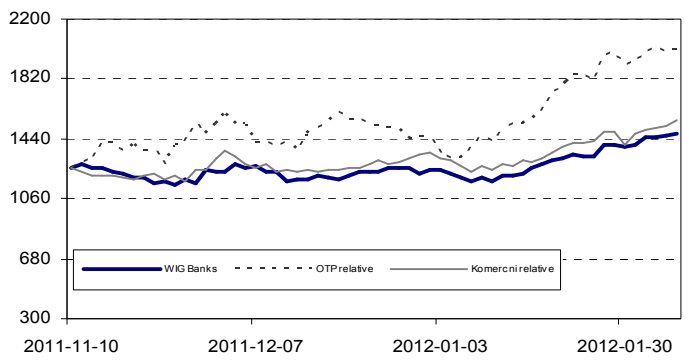
	Price	EV/EBITDA			EV/S				P/E		EBITDA margin			D/Y		
		2010	2011	2012	2010	2011	2012	2010	2011	2012	2010	2011	2012	2010	2011	2012
POLISH COMPANIES																
MONDI	63.3	7.5	5.2	6.4	1.6	1.2	1.2	12.7	7.7	9.3	22%	22%	19%	0.0%	0.0%	13.0%
FOREIGN COMPANIES																
Billerund	62.3	4.4	4.1	5.4	0.8	0.7	0.8	9.3	8.6	13.1	18%	18%	15%	4.5%	5.7%	5.3%
Holmen	195.1	8.9	6.8	7.2	1.3	1.2	1.2	22.4	12.4	14.1	15%	18%	17%	3.6%	-	-
INTL Paper	31.5	6.3	5.7	5.6	0.8	0.8	0.8	15.5	10.2	10.4	13%	14%	14%	1.3%	3.2%	3.4%
M-Real	1.9	4.6	9.0	7.1	0.5	0.6	0.7	9.0	-	15.1	12%	6%	9%	0.9%	0.4%	1.5%
Norske Skog	7.0	8.5	6.9	5.9	0.6	0.5	0.5	-	-	-	7%	8%	9%	0.0%	0.0%	0.0%
Portucel EMP.	1.9	5.4	5.3	5.3	1.5	1.4	1.4	8.1	7.4	7.7	28%	27%	27%	8.3%	7.0%	7.5%
Stora Enso	6.7	5.9	5.7	6.3	0.7	0.7	0.7	9.0	10.4	11.9	13%	12%	11%	3.8%	4.1%	4.4%
Svenska	114.4	7.5	8.0	7.3	1.1	1.1	1.1	13.0	13.6	12.2	15%	14%	15%	3.5%	3.7%	3.9%
UPM-Kymmene	10.4	6.1	6.2	6.0	1.0	0.9	0.9	11.0	11.2	12.5	16%	14%	14%	4.5%	5.4%	5.4%
Median		6.1	6.2	6.0	0.8	0.8	0.8	10.1	10.4	12.3	15%	14%	14%	3.6%	3.9%	4.1%

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

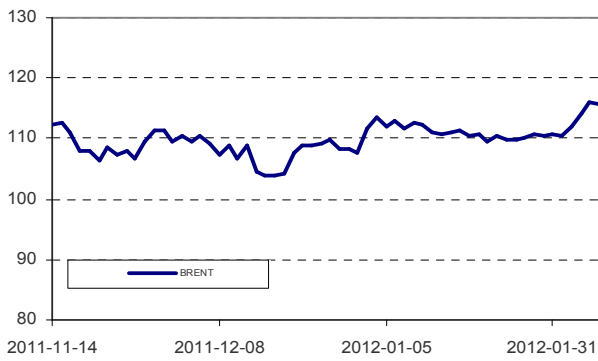
WIG Banks index vs. WIG 20 index (EUR)



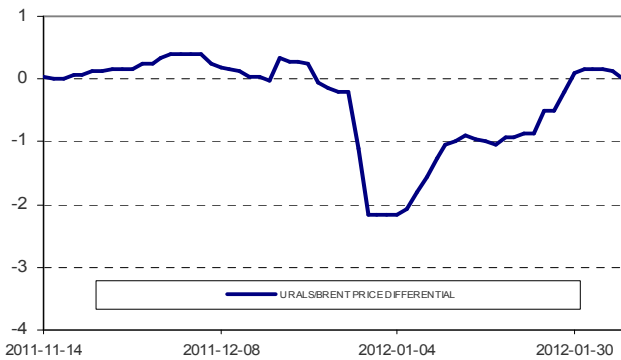
OTP and Komerčni's relative performance vs. WIG Banks index (EUR)



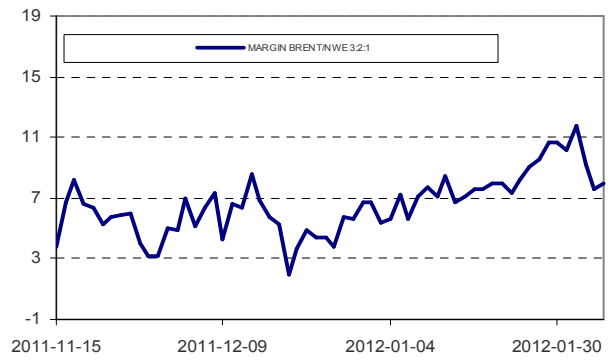
BRENT (USD/bbl)



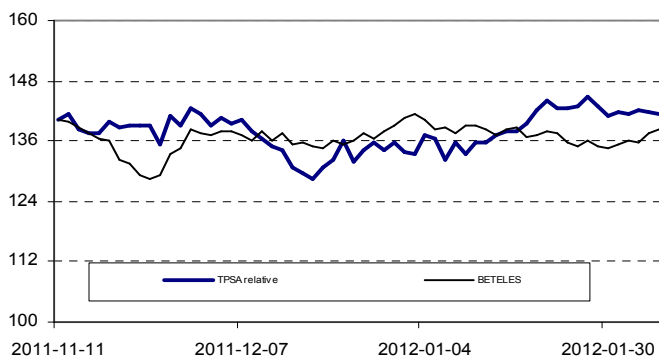
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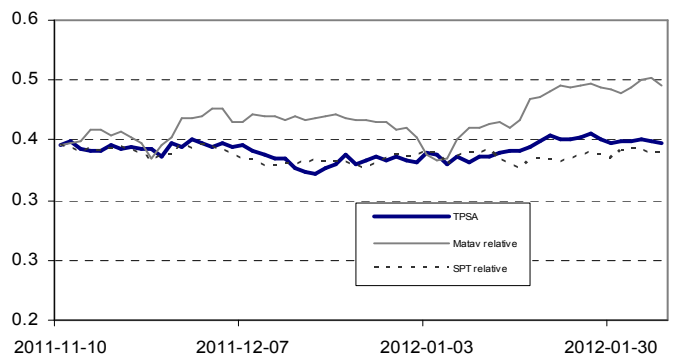
BRENT (USD/bbl)



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

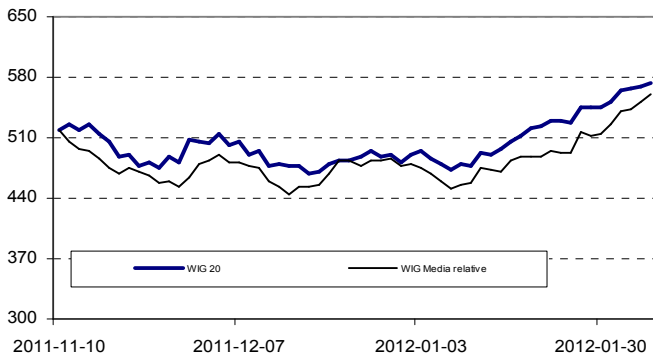


National operator quotations: TPSA, Hungarian Magyar Telecom and Czech SPT (EUR)

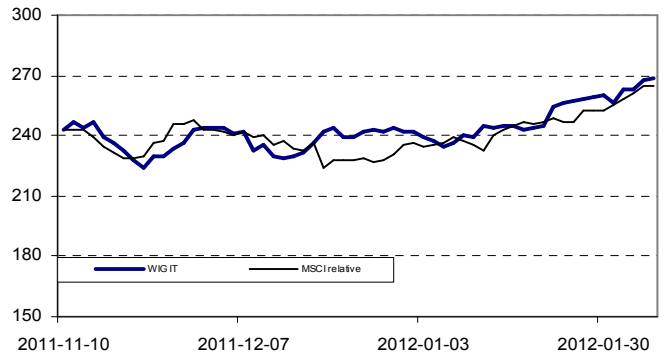


Source: Bloomberg

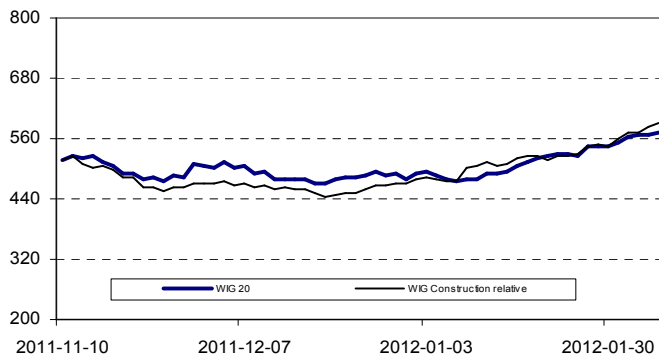
WIG Media index vs. WIG 20 index (EUR)



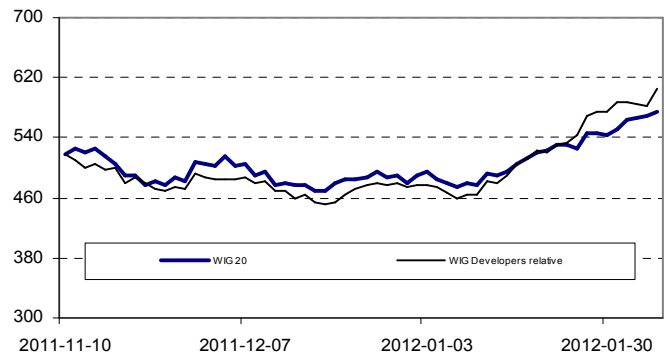
WIG IT index vs. MSCI



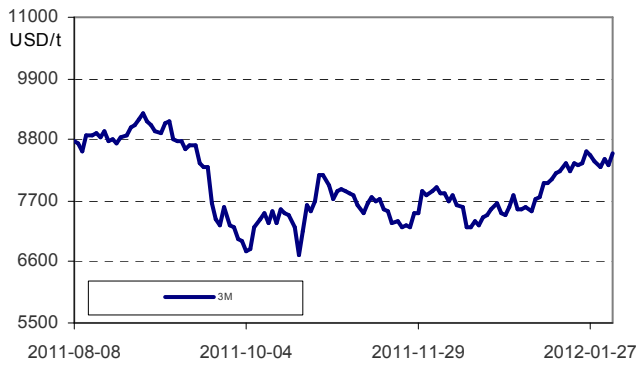
WIG Construction index vs. WIG 20 index (EUR)



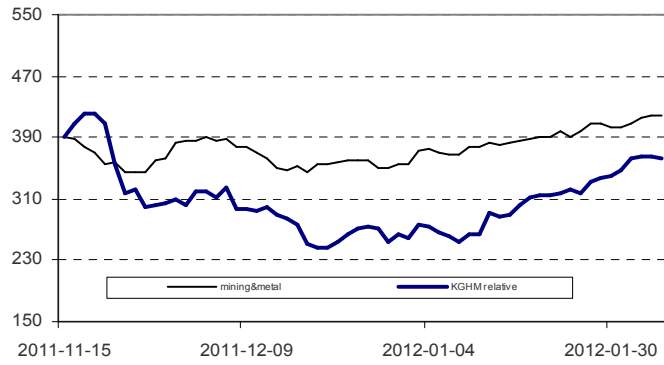
WIG Developers index vs. WIG 20 index (EUR)



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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