

8 September 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	10 340.7	-1.03%	FTSE 100	5 407.8	-0.58%	Copper (LME)	7 629.0	-1.04%
S&P 500	1 091.8	-1.15%	WIG20	2 478.8	-0.36%	Crude Oil (Brent)	76.6	+0.64%
NASDAQ	2 208.9	-1.11%	BUX	22 955.7	-0.95%	USD/PLN	3.11	+2.01%
DAX	6 117.9	-0.60%	PX 50	1 145.6	-1.41%	EUR/PLN	3.95	+0.46%
CAC 40	3 684.7	+0.34%	PLBonds10	5.51	-2.36%	EUR/USD	1.27	-1.51%

Company & Sector Information

BZ WBK

Hold - 07/04/10

Target price: PLN 200.5

All three candidates remain in the running

Rzeczpospolita reports that all three bidders for BZ WBK: BNP Paribas, Santander and PKO BP remain in the running. According to the newspaper, AIB is attempting to squeeze out a higher price, between PLN 210-215 per share. BNP Paribas is reported to have offered the highest price, followed by Santander, which allegedly wants to buy shares in the American bank M&T as well. PKO BP's offer is the lowest, but the bank is rumored to have regulatory support. (I. Rokicka)

Getin Holding

Hold - 06/05/10

Target price: PLN 10.34

Management reshuffle

Getin Noble Bank announced that its Supervisory Board had appointed Messrs. Karol Karolkiewicz and Maciej Szczechura members of the Management Board effective from 1 October. The current Senior Vice-President, Mr. Jarosław Augustyniak, has resigned in order to focus on his tasks as the Acting CEO of GMAC Bank Polska. (I. Rokicka)

ING BSK

Suspended - 04/08/10

ING BSK still wants to expand market share in mortgages

Mr. Eric Drok, the Vice President of ING BSK, says that the Bank wants to remain an active mortgage lender and would like to increase its market share. In H1 2010, ING BSK extended mortgages for a total of PLN 1.4bn, including PLN 0.8bn in Q2, when its market share increased from 6.3% to 6.6%. (I. Rokicka)

Ciech

Buy - 23/08/10

Target price: PLN 34.5

Privatization process to resume in H1 2011

Deputy Minister of the Treasury, Mr. Adam Leszkiewicz, says the privatization of Ciech will be resumed in H1 2011. Prior to that, the Company will have to reduce its debt through divestments and possibly a share capital increase. **This should come as no surprise.** (K. Kliszcz)

PGNiG

Buy - 14/06/10

Target price: PLN 4.24

CEO on tariff application

CEO Michał Szubski has confirmed that PGNiG is requesting a 10% tariff hike from the regulator, adding that even this will not be enough to fully reflect the increase in the price of imported gas. The application covers October and November, so the Company will have to file another one soon. **In our model we assume that tariffs will increase by 5%.** (K. Kliszcz)

ZA Puławy

Hold - 06/01/10

Target price: PLN 72.05

Binding bids due by 11 October

The Treasury wants parties interested in ZA Puławy and ZCH Police to submit binding bids by 11 October. At the moment, due diligence studies are being carried out at both of them. (K. Kliszcz)

ZCH Police

Hold - 02/06/10

Target price: PLN 5.5

Sygnity

Buy - 02/03/10

Target price: PLN 18.2

Sygnity benefits from rival woes

Utilis IT, a company established by the former employees of Sygnity's subsidiary Winuel, is struggling with a cash shortage. To keep itself afloat, the IT provider has been cutting jobs. According to the *Parkiet* business daily, some of its employees want to go back to Winuel. **When Utilis was formed toward the end of 2009, many investors were worried that it was going to take market share from Sygnity. But the downsizing proves that human capital alone, without software and solution licenses, is not enough to shift the balance of power in the IT market.** (P. Grzybowski)

Cersanit

 Hold - 04/06/10
 Target price: PLN 9.65

Ex-rights date

 Following the commencement of trading in rights to Cersanit's new shares, we are reducing our price target on the stock from PLN 13.43 to PLN 9.65 per share. **(J. Szkopek)**
Kernel

 Accumulate – 19/08/10
 Target price: PLN 68.65

Russian sunflower seed harvest may be lower than predicted

Analysts at APK-Inform are predicting that this year's sunflower seed harvest in Russia will decrease to 5.6MT from 6.9MT last year. The sunflower yield is expected to drop to 0.97 tons per hectare from 1.23 T/ha in 2009, resulting in a sunflower-oil output of no more than 2MT. In the Ukraine, the sunflower seed volumes harvested from 9% of the estimated hectareage as of September 7th amounted to 612.3 tons, with per-hectare yield at 1.52T compared to 1.50T in 2009. **Reduced sunflower oil production in Russia can enhance the competitiveness of Ukrainian oil. According to the USDA, Russia exported 23.2% of its output in the 2009/2010 season, compared to 92.2% for Ukraine. If APK-Inform's 2MT oil production forecast proves accurate, Russia's exports will be marginal after internal demand is met. We remain bearish on Kernel.** **(J. Szkopek)**

Polimex Mostostal

 Hold - 03/09/10
 Target price: PLN 4.23

Polimex eyes better third quarter

Polimex expects an increase in quarterly net income in Q3 2010. **News in line with expectations. To achieve the expected full-year profit of PLN 142m, Polimex needs to net PLN 100m in H2 2010, which seems a tough challenge considering that, historically, the company managed to get close to PLN 50m-profit marks only during record quarters.** **(M. Stokłosa)**

Projprzem
PLN 25.5m contract

Projprzem's subsidiary LPBP signed a contract for construction of manufacturing facilities for Alumetal. The PLN 25.5m contract accounts for 21.3% of last year's revenues. **Projprzem incurred losses in the first half of 2010 because of a shortage of orders for steel frames. The Alumetal deal is not going to give a big boost to earnings, but it will improve the operating rate (and help reduce fixed costs) of Projprzem's factory. Two more similar orders would help take Projprzem out of the negative earnings territory.** **(M. Stokłosa)**

More News
Bioton

Bioton may relinquish control over Biopartners to Iceland's Actavis. The Swiss company has cost Bioton ca. PLN 0.5bn.

Construction

PMR estimates that the value of the CE road construction market will exceed EUR 15bn by 2013, of which 40% (EUR 6bn) will be in Poland.

Cyfrowy Polsat

Aero 2 subsidiaries Mobyland and Centernet have launched an LTE 1800 network, to be offered to other operators. Approximately 2000 base stations are to be built by the end of 2011. CP and Aero 2 cooperate in the area of broadband internet.

DGA

The Company signed an agreement for a PLN 2.53m EU subsidy for a two year skill-building program for students of vocational schools in Poznań. The total value of the project is PLN 2.9m.

Duda

PKM Duda will absorb subsidiaries ZM Duda and the non-operational Agro Progress and Domco.

Pharmaceuticals

In August, the pharmaceuticals market increased by 10.8% y/y (+1.3% m/m) to PLN 1.7bn.

Marvipol

Subsidiary Melody Park buys a 5.75 hectare lot in Warsaw for PLN 40m net.

Otmuchów (IPO)

Price range was set at PLN 12-14.50 per share.

PZ Cormay

In 2011, revenue will increase by ca. 30% organically and by 70% with an acquisition counted in. FY10 guidance may be increased in the fourth quarter.

ZAK

ZAK is planning to allocate share offering gains to acquisitions. In FY 2010, its revenue will be record-high at ca. PLN 1.8bn.

ZA Tarnów

ZAT decided to acquire newly issued shares in ZA Kędzierzyn (30m at PLN 5 apiece).

Insider Trading and Fund Activity
AB

AvivaTFI increased voting interests to 6.68% from 4.98%.

Kopex

BZ WBK AIB AM decreased equity interests to 4.89% from 5.03%.

Corporate Action Calendar

Wednesday /08.09.10/

MOSTOSTAL PŁOCK Dividend payment, PLN 4.00 / share.

Thursday /09.09.10/

EMPERIA Dividend payment, PLN 0.92 / share.

PZU Dividend payment, PLN 10.91 / share.

Friday /10.09.10/

GRUPA ZUE First day of book-building process scheduled to end on 13 September.

Monday /13.09.10/

GRUPA ZUE Last day of book building, issue price announcement.

Tuesday /14.09.10/

GRUPA ZUE First day of individual and institutional subscriptions, scheduled to last through 16 September.

TAURON EGM, agenda includes bylaw amendments.

Economic Calendar

Wednesday /08.09.10/

Time	Region	Report	Period	Forecast	Previous
13:00	USA	Mortgage loan applications	3 September		2.7%
21:00	USA	Consumer credit	July	-4.3bn	-1.3bn
		Quarterly earnings announcement from Ciena before US market open.			

Thursday /09.09.10/

Time	Region	Report	Period	Forecast	Previous
14:30	USA	Initial claims	Week		472 tys.
14:30	USA	Trade balance	July	USD -48.3bn	USD -49.9bn
17:00	USA	Fuel inventories	Week		

Friday /10.09.10/

Time	Region	Report	Period	Forecast	Previous
14:00	Poland	Capital account balance	July		258bn
14:00	Poland	Current account balance	July		-1.0bn
14:00	Poland	Financial account balance	July		1.1bn
16:00	USA	Wholesale inventories	July		0.1% m/m; -0.3% y/y
16:00	USA	Wholesale sales	July		-0.7% m/m; 12.9% y/y

Monday /13.09.10/

Time	Region	Report	Period	Forecast	Previous
11:00	UE	Industrial production	July		-0.1% m/m; 8.2% y/y
20:00	USA	Government budget	August		-165.04bn


Tuesday /14.09.10/

Time	Region	Report	Period	Forecast	Previous
11:00	EU	Labor cost	2Q		2.1% y/y
11:00	EU	ZEW Current Situation	September		-13
11:00	EU	ZEW Economic Sentiment	September		15.8
14:00	Poland	CPI	August		-0.2% m/m; 2% y/y
14:00	Poland	M3 money supply	August		0.1% m/m; 7.8% y/y
14:30	USA	Retail sales	August		0.4% m/m; 5.5% y/y
14:30	USA	Retail sales ex. autos	August		0.2% m/m; 4.9% y/y
16:00	USA	Business inventories	July		0.3% m/m; 0.2% y/y
		Quarterly earnings announcement from Best Buy before US market open.			


Current recommendations of BRE Bank Securities S.A.

Company	Recommendation	Target price	Current price	Date issued	Price on report date	P/E 2010
AB	Accumulate	18.80	20.96	2010-05-06	16.90	12.2
ACTION	Accumulate	18.49	18.20	2010-09-03	17.10	11.6
AGORA	Accumulate	25.80	24.95	2010-08-27	24.30	18.9
ASBIS	Hold	4.69	3.78	2010-05-10	4.65	8.9
ASSECO POLAND	Buy	65.30	55.05	2010-08-31	55.00	10.6
ASTARTA	Sell	45.83	79.50	2010-05-11	57.50	6.6
BUDIMEX	Reduce	78.30	91.80	2010-09-03	91.30	12.6
BZWBK	Hold	200.50	193.90	2010-04-07	216.50	14.2
CENTRUM KLIMA	Hold	14.65	14.88	2010-09-03	14.83	15.9
CERSANIT	Hold	9.65	10.80	2010-06-04	14.00	10.3
CEZ	Hold	131.87	132.40	2010-03-03	133.90	9.5
CIECH	Buy	34.50	27.52	2010-08-23	28.27	8.8
CINEMA CITY	Hold	39.90	42.56	2010-07-16	39.00	19.2
COMARCH	Hold	79.50	76.80	2010-09-03	79.35	29.6
CYFROWY POLSAT	Accumulate	16.03	14.65	2010-09-03	14.33	12.9
DOM DEVELOPMENT	Accumulate	50.10	48.00	2010-07-05	44.80	44.0
ELEKTROBUDOWA	Reduce	165.70	188.00	2010-09-03	186.00	18.2
EMPERIA HOLDING	Hold	81.60	83.10	2010-03-09	77.50	16.3
ENEA	Accumulate	21.24	20.20	2010-09-03	20.10	13.6
ERBUD	Accumulate	54.10	50.50	2010-07-05	50.00	12.4
EUROCASH	Reduce	18.60	21.99	2010-05-06	20.61	23.6
FAMUR	Hold	2.03	2.27	2010-05-28	2.00	19.1
GETIN	Hold	10.34	9.98	2010-05-06	10.19	13.1
GTC	Hold	23.90	22.63	2010-05-28	23.80	6.8
HANDLOWY	Buy	87.10	79.50	2010-06-02	75.00	16.4
ING BSK	Suspended		799.50	2010-08-04	821.00	15.4
J.W. CONSTRUCTION	Hold	16.40	16.59	2010-07-09	16.10	5.5
KERNEL	Accumulate	68.65	60.95	2010-08-19	63.20	8.7
KĘTY	Accumulate	115.38	106.20	2010-08-23	105.50	12.0
KGHM	Hold	96.10	110.90	2010-05-27	93.70	6.4
KOMPUTRONIK	Hold	11.56	10.83	2009-12-08	11.39	11.8
KOPEX	Hold	18.46	16.60	2010-05-28	18.90	15.3
KREDYT BANK	Hold	15.30	14.63	2010-04-07	14.60	30.9
LOTOS	Reduce	26.50	30.45	2010-09-03	30.04	10.1
LW BOGDANKA	Hold	85.40	83.75	2010-09-01	83.70	15.1
MILLENNIUM	Suspended		4.49	2010-08-04	4.68	18.4
MONDI	Hold	71.10	73.40	2010-08-13	73.70	17.2
MOSTOSTAL WARSZAWA	Hold	68.60	63.80	2010-08-02	67.50	16.0
NETIA	Accumulate	5.30	4.74	2010-08-10	4.86	24.6
PBG	Reduce	194.00	237.50	2010-06-02	213.40	15.8
PEKAO	Hold	172.80	156.90	2010-03-05	165.50	15.5
PGE	Buy	27.90	23.61	2010-03-30	23.00	13.0
PGNiG	Buy	4.24	3.41	2010-06-14	3.45	11.9
PKN ORLEN	Hold	40.20	40.30	2010-04-08	39.40	11.1
PKO BP	Hold	40.10	39.68	2010-03-17	39.07	16.0
POLICE	Hold	5.50	5.48	2010-06-02	5.39	11.6
POLIMEX MOSTOSTAL	Hold	4.23	4.43	2010-09-03	4.44	14.9
POLNORD	Buy	50.70	38.80	2010-06-02	37.70	25.0
PZU	Suspended		383.00	2010-08-04	399.00	14.6
RAFAKO	Accumulate	13.70	13.00	2010-09-03	12.80	17.6
SYGNITY	Buy	18.20	14.60	2010-03-02	12.57	
TAURON	Buy	8.42	5.54	2010-08-16	5.10	12.2
TELEKOMUNIKACJA POLSKA	Accumulate	18.20	16.50	2010-07-29	15.55	16.8
TRAKCJA POLSKA	Hold	4.16	4.35	2010-05-06	4.14	16.6
TVN	Hold	16.69	17.18	2010-09-03	17.15	20.4
ULMA CONSTRUCCION POLSKA	Accumulate	82.20	70.60	2010-07-05	73.00	14.9
UNIBEP	Accumulate	9.00	8.40	2010-05-14	7.90	14.5
ZA PULAWY	Hold	72.05	76.05	2010-01-06	80.90	17.6

CEE bank valuations /07.09.2010/

	Price	P/E			ROE			P/BV			D/Y		
		2009	2010	2011	2009	2010	2011	2009	2010	2011	2009	2010	2011
POLISH BANKS													
BZ WBK	193.9	16.0	14.2	11.1	16%	16%	18%	2.4	2.1	1.9	0.0%	2.1%	2.3%
Getin	10.0	25.8	13.1	10.5	7%	13%	14%	1.9	1.6	1.4	0.0%	0.0%	0.0%
Handlowy	79.5	20.6	16.4	12.0	9%	10%	13%	1.7	1.6	1.5	0.0%	4.7%	4.9%
ING BSK	799.5	17.5	15.4	11.3	13%	13%	15%	2.1	1.9	1.6	0.0%	0.0%	0.0%
Kredyt Bank	14.6	115.0	30.9	9.0	1%	5%	15%	1.5	1.5	1.3	0.0%	0.0%	0.0%
Millenium	4.5	2548.7	18.4	10.4	0%	9%	12%	1.4	1.3	1.2	0.0%	0.0%	0.0%
Pekao	156.9	17.1	15.5	13.0	14%	14%	16%	2.3	2.2	2.1	0.0%	1.8%	5.2%
PKO BP	39.7	21.5	16.0	11.5	13%	15%	18%	2.4	2.2	2.0	2.5%	2.0%	3.1%
Median		21.1	15.7	11.2	11%	13%	15%	2.0	1.7	1.6	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	16.2	9.4	7.0	4%	6%	8%	0.5	0.6	0.5	3.6%	4.6%	6.3%
Citigroup	3.8	-	12.4	8.8	-	6%	8%	0.7	0.7	0.6	0.3%	0.1%	0.6%
Commerzbank	6.4	-	-	12.7	-	-	6%	0.5	0.7	0.7	0.0%	0.0%	0.2%
ING	7.4	27.6	7.8	6.0	1%	10%	11%	0.8	0.7	0.7	0.1%	0.3%	2.0%
KBC	33.5	-	8.4	7.0	-	15%	15%	1.1	0.9	0.8	0.0%	2.3%	3.3%
UCI	1.9	19.6	16.4	8.2	3%	4%	7%	0.6	0.6	0.6	1.3%	2.4%	4.7%
Median		19.6	9.4	7.6	3%	6%	8%	0.6	0.7	0.6	0.1%	0.3%	2.0%
FOREIGN BANKS													
BEP	4.8	8.6	10.8	8.3	10%	7%	9%	0.8	0.8	0.7	5.7%	4.7%	6.0%
Deutsche Bank	49.4	7.3	7.3	6.2	13%	12%	12%	0.9	0.8	0.7	1.8%	2.1%	3.4%
Erste Bank	29.2	11.5	12.3	8.3	9%	8%	10%	1.0	0.9	0.8	1.7%	2.0%	2.6%
Komerční B.	4026.0	14.1	13.1	11.7	17%	17%	18%	2.4	2.2	2.0	4.0%	4.6%	5.3%
OTP	4850.0	9.1	8.5	6.1	13%	12%	15%	1.1	1.0	0.9	1.0%	3.1%	5.2%
Santander	9.6	9.1	8.9	7.6	14%	13%	15%	1.2	1.1	1.0	5.8%	6.0%	6.7%
Türkiye Garanti B.	7.7	11.6	9.7	8.7	24%	23%	21%	2.6	2.1	1.7	1.2%	1.9%	2.5%
Türkiye Halk B.	12.6	10.1	9.0	8.1	31%	28%	25%	2.9	2.3	1.9	3.3%	3.3%	4.0%
Sberbank	2.6	96.0	12.7	7.7	2%	16%	23%	2.3	1.9	1.6	0.2%	0.8%	1.7%
VTB Bank	5.5	-	42.5	13.3	-	2.4%	12.3%	1.7	1.6	1.5	0.2%	0.4%	1.3%
Median		10.1	10.3	8.2	13%	13%	15%	1.4	1.4	1.3	1.8%	2.6%	3.7%

Insurance company valuations /07.09.2010/

	Price	P/E			ROE			P/BV			D/Y		
		2009	2010	2011	2009	2010	2011	2009	2010	2011	2009	2010	2011
POLISH COMPANIES													
PZU	383.0	8.8	14.6	12.3	25%	20%	21%	2.9	2.6	2.3	-	2.8%	3.1%
FOREIGN COMPANIES													
Vienna Insurance G.	37.4	13.7	12.3	10.6	9%	9%	10%	1.1	1.1	1.0	3.0%	2.8%	3.1%
Uniq	14.4	31.3	13.7	11.0	4%	7%	9%	1.5	1.4	1.3	1.9%	2.5%	2.9%
Aegon	4.3	-	9.0	6.2	0%	8%	9%	0.7	0.6	0.5	0.1%	0.9%	3.6%
Allianz	83.4	8.4	7.6	7.0	12%	12%	12%	0.9	0.8	0.8	4.7%	5.4%	5.8%
Aviva	3.9	6.9	6.8	5.8	13%	15%	17%	1.0	1.1	1.0	6.2%	6.7%	7.2%
AXA	13.0	8.7	7.0	6.1	9%	10%	10%	0.7	0.6	0.6	3.9%	5.7%	6.7%
Baloise	85.2	9.2	8.5	7.8	12%	11%	11%	1.0	0.9	0.8	5.2%	5.4%	5.7%
Generali	92.3	16.6	13.5	12.1	8%	8%	9%	1.3	1.2	1.1	2.9%	2.9%	3.0%
Helvetia	332.5	9.6	8.2	7.6	11%	12%	12%	1.0	0.9	0.8	4.1%	4.5%	4.8%
Mapfre	2.3	7.2	7.6	7.2	17%	14%	14%	1.1	1.0	0.9	6.4%	6.4%	6.7%
RSA Insurance	1.3	9.7	9.5	8.9	12%	14%	14%	1.3	1.2	1.2	6.4%	6.8%	7.2%
Zurich Financial	233.1	10.1	8.3	7.7	13%	14%	14%	1.2	1.1	1.0	5.2%	6.6%	6.9%
Median		9.6	8.4	7.6	12%	11%	12%	1.1	1.0	0.9	4.4%	5.4%	5.8%

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

Fuels producer valuations /07.09.2010/

	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
OIL COMPANIES																
Lotos	30.5	12.9	12.7	8.0	0.7	0.6	0.5	4.5	10.1	6.9	5%	5%	6%	0.0%	0.0%	0.0%
PKN Orlen	40.3	8.2	7.6	6.7	0.4	0.4	0.4	13.2	11.1	11.5	5%	5%	6%	0.0%	0.0%	1.8%
MOL	21560.0	10.0	7.2	6.2	1.3	1.0	0.9	24.9	12.2	9.1	13%	13%	14%	1.5%	2.1%	3.1%
OMV	26.5	4.6	3.4	3.0	0.7	0.6	0.5	10.9	7.2	5.8	14%	17%	17%	3.3%	3.8%	4.2%
Hellenic Petroleum	6.1	7.6	7.4	6.5	0.5	0.4	0.4	9.1	10.0	8.0	7%	6%	6%	7.3%	7.3%	7.7%
Tupras	35.3	7.5	6.8	6.0	0.4	0.3	0.3	11.4	10.2	9.4	5%	5%	5%	7.2%	8.0%	8.2%
Unipetrol	225.1	14.5	8.9	7.1	0.7	0.5	0.5	-	55.8	22.7	5%	6%	7%	0.0%	3.2%	4.3%
Median		8.2	7.4	6.5	0.7	0.5	0.5	11.2	10.2	9.1	5%	6%	6%	1.5%	3.2%	4.2%
GAS COMPANIES																
PGNiG	3.4	7.4	6.3	6.2	1.1	1.1	1.1	16.7	11.9	12.6	15%	18%	18%	0.7%	2.3%	3.4%
Gazprom	161.3	4.7	3.7	3.3	1.6	1.4	1.3	5.7	4.6	3.9	34%	39%	38%	1.4%	1.7%	2.0%
GDF Suez	26.3	6.8	6.5	6.0	1.2	1.2	1.1	13.1	13.0	11.7	17%	18%	19%	5.8%	5.9%	6.2%
Gas Natural SDG	12.1	7.9	7.0	6.8	1.9	1.8	1.7	8.5	8.3	7.8	24%	25%	25%	6.4%	7.0%	7.5%
Median		7.1	6.4	6.1	1.4	1.3	1.2	10.8	10.1	9.7	21%	21%	22%	3.6%	4.1%	4.8%

Power Utilities company valuations /07.09.2010/

	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
ENERGY COMPANIES																
CEZ	132.4	6.4	6.9	7.2	3.0	3.2	3.3	8.7	9.5	9.6	46%	46%	45%	6.0%	6.6%	6.0%
ENEA	20.2	7.0	4.9	5.6	1.1	0.9	1.0	17.4	13.6	13.6	16%	18%	18%	2.3%	2.9%	3.7%
PGE	23.6	6.2	6.4	6.5	2.3	2.2	2.3	12.1	13.0	12.4	37%	35%	36%	3.0%	3.2%	3.8%
TAURON	5.5	4.5	4.5	4.5	0.9	0.8	0.8	11.8	12.2	11.8	19%	18%	19%	0.7%	0.0%	1.6%
E.ON	23.3	6.2	6.1	6.0	1.0	1.0	1.0	8.0	8.4	8.1	16%	16%	16%	6.4%	6.6%	6.7%
EDF	32.8	6.5	6.0	5.6	1.6	1.6	1.5	16.1	15.3	13.2	25%	26%	27%	3.6%	3.6%	4.0%
Endesa	19.1	5.8	6.0	6.0	1.9	1.8	1.7	7.8	8.9	9.0	32%	30%	29%	7.2%	5.9%	5.9%
ENEL SpA	3.9	6.4	6.3	6.2	1.6	1.5	1.5	7.7	8.7	8.6	25%	25%	24%	7.0%	6.9%	7.0%
Fortum	18.2	9.4	9.2	9.3	4.1	3.9	3.8	12.4	12.1	12.5	43%	42%	41%	5.1%	5.4%	5.4%
Iberdrola	5.6	8.8	8.3	7.8	2.3	2.3	2.2	10.9	10.9	10.3	27%	28%	29%	5.8%	5.8%	5.9%
RWE AG	53.9	4.9	4.4	4.2	0.9	0.8	0.8	8.5	7.7	7.7	18%	19%	19%	6.5%	6.8%	7.0%
Median		6.4	6.1	6.0	1.6	1.6	1.5	10.9	10.9	10.3	25%	26%	27%	5.8%	5.8%	5.9%

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

Fertilizer producers and chemical company valuations /07.09.2010/

	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	5.5	-	5.8	3.6	0.3	0.4	0.3	-	11.6	4.8	-	6%	8%	0.0%	0.0%	0.0%
ZA Puławy	76.1	15.1	7.3	3.3	0.6	0.6	0.5	53.6	17.6	6.4	4%	8%	14%	13.4%	1.2%	1.4%
Acron	29.8	8.6	6.4	5.8	1.9	1.5	1.3	10.3	8.1	8.0	22%	24%	23%	1.7%	2.6%	3.7%
Agrium	56.4	12.1	7.8	6.5	1.1	1.1	1.0	23.0	12.2	9.8	9%	14%	15%	0.2%	0.2%	0.2%
DSM	34.9	3.7	3.5	3.5	1.4	1.4	1.4	38.3	31.0	29.3	38%	40%	40%	2.0%	2.3%	2.4%
K+S	41.5	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	19873.8	7.4	7.2	5.4	5.1	4.4	3.4	11.5	11.2	7.9	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	260.7	17.8	9.1	9.1	1.4	1.4	1.3	31.6	14.4	12.7	8%	15%	14%	1.7%	2.0%	2.3%
Median		13.6	7.3	5.8	1.4	1.4	1.3	26.4	12.2	8.0	17%	19%	23%	1.6%	2.0%	2.3%
CHEMICAL COMPANIES																
Ciech	27.5	6.4	6.0	4.7	0.6	0.6	0.5	-	8.8	8.4	10%	10%	11%	0.0%	0.0%	0.0%
Akzo Nobel	43.4	7.1	6.6	6.1	0.9	0.9	0.9	16.9	14.0	12.0	13%	14%	14%	3.1%	3.4%	3.9%
BASF	43.0	7.4	5.5	5.1	1.0	0.9	0.9	20.6	11.9	10.6	14%	17%	17%	3.6%	4.5%	4.7%
Croda	13.4	14.2	11.4	10.7	2.3	2.2	2.1	26.7	18.8	17.3	17%	20%	20%	1.5%	1.9%	2.0%
Dow Chemical	25.5	9.7	7.1	6.2	1.1	1.0	0.9	49.5	15.2	9.8	12%	14%	15%	3.5%	3.1%	3.1%
Rhodia	15.9	6.4	4.1	3.8	0.7	0.6	0.6	-	9.7	7.5	11%	15%	15%	0.1%	1.8%	2.3%
Sisecam	2.3	6.5	5.5	4.7	1.3	1.1	1.0	19.1	12.4	8.4	19%	21%	22%	0.0%	0.9%	1.8%
Soda Sanayii	1.7	5.6	6.2	4.4	1.1	1.0	0.8	8.7	7.2	4.2	20%	16%	18%	-	5.6%	7.5%
Solvay	75.3	7.0	10.2	9.2	1.0	1.3	1.3	12.8	24.5	18.8	14%	13%	14%	3.5%	3.4%	3.6%
Tata Chemicals	413.1	7.2	8.4	7.9	1.2	1.6	1.5	13.4	14.6	13.0	16%	19%	19%	2.1%	2.0%	2.0%
Tessenderlo Chemie	22.6	15.7	5.7	4.6	0.5	0.4	0.4	-	26.2	11.0	3%	7%	9%	5.3%	5.5%	5.7%
Wacker Chemie	124.3	10.8	6.6	5.8	1.8	1.6	1.5	36.4	16.3	13.5	17%	24%	25%	0.9%	1.5%	1.8%
Median		7.1	6.4	5.5	1.1	1.0	0.9	19.1	14.3	10.8	14%	16%	16%	2.1%	2.5%	2.7%

European national operator valuations /07.09.2010/

	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	4.7	5.1	4.3	3.8	1.1	1.0	0.9	20.8	24.6	16.9	21%	23%	24%	0.0%	0.0%	4.1%
TPSA	16.5	4.2	4.5	4.5	1.6	1.7	1.7	17.2	16.8	15.6	38%	37%	38%	9.1%	9.1%	9.1%
Median		4.7	4.4	4.1	1.3	1.3	1.3	19.0	20.7	16.3	29%	30%	31%	4.5%	4.5%	6.6%
MID CAPS																
Belgacom	28.0	5.8	5.4	5.9	1.9	1.7	1.8	10.9	10.9	11.4	32%	32%	30%	7.5%	7.8%	7.8%
Cesky Telecom	390.4	4.6	4.9	4.9	2.0	2.1	2.1	11.2	11.5	11.0	44%	43%	43%	11.8%	10.1%	10.0%
Hellenic Telekom	5.7	3.7	3.9	3.9	1.3	1.4	1.4	5.6	6.4	5.9	36%	35%	35%	12.2%	9.5%	10.3%
Matav	684.0	4.3	4.5	4.6	1.7	1.8	1.8	8.9	9.6	9.7	39%	39%	39%	10.9%	10.9%	10.9%
Portugal Telecom	9.4	6.2	5.8	5.7	2.2	2.1	2.0	15.4	15.2	13.3	36%	35%	36%	6.1%	6.2%	6.2%
Telecom Austria	10.4	4.6	5.0	5.0	1.7	1.8	1.8	12.9	15.4	13.6	37%	35%	35%	7.2%	7.2%	7.2%
Median		4.6	5.0	5.0	1.8	1.8	1.8	11.0	11.2	11.2	36%	35%	36%	9%	9%	9%
BIG CAPS																
BT	1.4	4.5	3.9	3.9	1.0	1.0	1.1	9.9	9.4	8.7	22%	27%	27%	5.8%	5.0%	5.4%
DT	10.3	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	16.1	4.7	5.0	5.1	1.6	1.7	1.7	9.5	9.2	9.0	33%	35%	35%	8.8%	8.7%	8.7%
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	397.7	6.3	6.6	6.5	2.5	2.5	2.5	10.5	11.1	10.8	40%	38%	39%	5.7%	5.8%	6.1%
TELEFONICA	17.8	5.6	5.7	5.7	2.2	2.2	2.2	10.4	9.9	9.5	40%	39%	39%	6.5%	7.9%	8.7%
TeliaSonera	53.1	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	5.1	5.1	5.0	2.1	2.1	2.1	10.6	9.5	9.0	41%	41%	42%	4.8%	5.2%	5.7%
Median		5.3	5.3	5.2	2.1	2.1	2.1	10.6	10.0	9.5	36%	37%	37%	6.0%	6.4%	6.5%


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

IT company valuations /07.09.2010/

	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	21.0	7.9	8.4	7.6	0.2	0.1	0.1	11.0	12.2	11.1	2%	2%	2%	0.0%	0.0%	0.0%
ACTION	18.2	6.8	8.4	7.2	0.1	0.2	0.2	10.0	11.6	9.4	2%	2%	2%	7.6%	2.0%	1.7%
ASBIS	3.8	13.6	5.1	4.1	0.1	0.1	0.1	-	8.9	6.0	0%	1%	1%	0.0%	0.0%	0.0%
ASSECO POLAND	55.1	7.3	6.8	6.3	1.5	1.4	1.2	11.4	10.6	11.1	21%	20%	20%	2.5%	2.8%	2.7%
COMARCH	76.8	9.3	10.4	6.0	0.7	0.8	0.6	18.9	29.6	14.1	8%	7%	11%	0.0%	0.0%	0.0%
KOMPUTRONIK	10.8	12.7	8.1	5.6	0.1	0.1	0.1	41.1	11.8	7.7	1%	2%	2%	0.0%	0.0%	0.0%
SYGNITY	14.6	-	9.7	5.3	0.3	0.3	0.3	-	-	-	-	3%	5%	0.0%	0.0%	0.0%
Median		8.6	8.4	6.0	0.2	0.2	0.2	11.4	11.7	10.3	2%	2%	2%	0.0%	0.0%	0.0%
FOREIGN COMPANIES																
Accenture	38.4	7.2	7.2	6.7	1.1	1.1	1.0	14.4	14.5	12.8	15%	15%	15%	1.3%	2.5%	2.1%
Atos Origin	32.0	5.2	4.9	4.3	0.5	0.5	0.5	14.7	12.1	9.8	9%	10%	11%	0.3%	0.5%	0.9%
CapGemini	35.4	6.5	6.8	5.6	0.5	0.6	0.5	18.0	19.1	13.9	8%	8%	10%	2.2%	2.4%	2.8%
IBM	126.0	7.7	7.3	6.8	1.8	1.8	1.7	12.7	11.2	10.2	24%	24%	25%	1.7%	1.8%	1.9%
Indra Sistemas	13.5	7.4	7.2	6.8	1.0	0.9	0.9	11.2	11.0	10.2	13%	13%	14%	4.8%	5.0%	5.4%
LogicaCMG	1.1	7.5	6.6	6.2	0.6	0.6	0.6	10.6	9.5	8.7	8%	9%	9%	2.6%	3.0%	3.3%
Microsoft	24.0	7.7	7.0	6.4	3.0	2.9	2.7	14.2	11.6	10.3	39%	42%	42%	2.1%	2.2%	1.8%
Oracle	24.3	10.7	9.1	8.0	5.2	4.4	3.4	17.1	15.0	12.7	48%	48%	43%	0.1%	0.8%	0.9%
SAP	35.3	13.1	11.3	10.2	4.0	3.8	3.5	20.7	17.4	15.5	30%	33%	34%	1.4%	1.6%	1.9%
TietoEnator	13.6	6.6	5.7	5.0	0.6	0.6	0.6	12.8	10.9	9.3	9%	11%	12%	3.1%	4.3%	5.1%
Median		7.4	7.1	6.6	1.0	1.0	1.0	14.3	11.9	10.3	14%	14%	15%	1.9%	2.3%	2.0%

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

Media company valuations /07.09.2010/

	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	25.0	8.1	6.7	6.6	1.0	1.0	0.9	33.2	18.9	19.8	12%	15%	14%	0.0%	2.0%	2.7%
CYFROWY POLSAT	14.7	11.8	8.7	7.4	3.0	2.6	2.4	16.5	12.9	11.5	26%	30%	33%	5.1%	4.0%	5.1%
TVN	17.2	9.7	12.1	9.9	3.6	3.2	2.9	13.9	20.4	16.2	37%	27%	29%	4.5%	1.8%	1.5%
DAILY																
Arnolgo Mondadori	2.2	9.5	6.8	5.9	0.7	0.7	0.7	13.7	9.8	7.6	7%	10%	11%	2.4%	7.7%	9.2%
Axel Springer	96.0	9.8	8.5	7.3	1.4	1.3	1.2	11.8	13.9	11.7	14%	15%	16%	4.5%	4.7%	5.0%
Daily Mail	4.8	9.3	8.3	7.6	1.4	1.5	1.4	13.4	11.8	10.1	15%	18%	19%	3.1%	3.1%	3.3%
Gruppo Editorial	1.5	9.5	5.5	4.8	1.0	1.0	1.0	46.7	11.2	8.5	10%	18%	20%	0.0%	4.0%	6.0%
Mcclatchy	3.0	6.0	5.6	5.7	1.5	1.5	1.6	9.3	5.0	5.3	24%	28%	27%	3.0%	-	-
Naspers	306.1	20.7	18.8	15.2	4.9	4.5	3.9	28.9	21.9	16.5	24%	24%	26%	0.7%	0.8%	1.0%
New York Times	7.8	3.6	2.9	2.9	0.5	0.5	0.5	36.4	10.8	10.6	13%	16%	16%	0.0%	-	-
Promotora de Inform	1.7	7.8	7.5	6.8	1.5	1.5	1.5	5.4	4.2	3.1	19%	20%	22%	0.8%	0.8%	0.7%
SPIR Comm	18.4	22.1	10.3	7.0	0.4	0.5	0.4	-	-	40.5	2%	4%	6%	19.5%	-	-
Trinity Mirror	1.2	4.8	4.3	4.0	0.8	0.8	0.8	6.7	4.9	4.4	18%	19%	20%	0.0%	0.4%	2.0%
Mediana		9.4	7.2	6.3	1.2	1.1	1.1	13.4	10.8	9.3	14%	18%	19%	1.6%	3.1%	3.3%
TV																
Antena 3 Televis	5.9	20.9	9.9	8.1	2.1	1.9	1.8	28.9	12.2	9.7	10%	19%	22%	2.9%	6.0%	7.3%
CETV	426.9	33.6	13.2	9.3	3.2	2.7	2.4	-	-	25.8	9%	21%	26%	0.0%	0.0%	0.0%
Gestevisión Telecinco	8.4	19.4	11.8	7.3	3.3	2.5	2.1	30.0	17.1	11.4	17%	21%	28%	3.4%	4.5%	7.3%
ITV PLC	0.6	13.9	8.8	7.0	1.6	1.5	1.4	43.9	16.8	11.2	11%	17%	20%	0.0%	0.2%	1.1%
M6-Metropole Tel	16.6	7.9	7.3	6.8	1.5	1.5	1.4	16.5	15.5	14.1	20%	20%	21%	5.6%	5.1%	5.4%
Mediaset SPA	5.0	6.3	5.7	5.1	2.0	1.8	1.7	20.0	14.8	12.3	32%	32%	32%	4.8%	5.6%	6.5%
RTL Group	64.2	12.1	10.4	9.4	1.9	1.8	1.7	24.3	17.6	15.8	15%	17%	19%	3.5%	4.5%	5.2%
TF1-TV Francaise	11.8	13.9	12.6	8.6	1.2	1.1	1.1	33.3	26.2	14.9	9%	9%	12%	2.3%	3.3%	4.3%
Mediana		13.9	10.2	7.7	1.9	1.8	1.7	28.9	16.8	13.2	13%	19%	21%	3.2%	4.5%	5.3%
PAY TV																
BSkyB PLC	7.1	13.1	12.1	10.4	2.7	2.4	2.2	27.0	23.5	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	36.3	5.7	5.6	5.2	2.3	2.2	2.1	16.7	15.6	13.3	41%	39%	40%	1.3%	1.5%	1.6%
Comcast	17.8	5.7	5.5	5.3	2.2	2.1	2.0	15.1	14.3	12.6	39%	39%	39%	1.5%	2.1%	2.3%
Liberty Global	28.8	6.2	7.0	6.8	2.7	3.0	3.1	-	-	35.9	43%	43%	45%	0.0%	0.0%	0.0%
Multimedia	9.7	6.6	6.0	5.7	3.2	3.0	2.8	22.9	18.2	15.0	49%	50%	50%	0.0%	3.0%	4.1%
Shaw Communications	21.6	8.1	7.3	6.7	3.7	3.3	3.0	17.4	16.6	14.7	46%	46%	44%	3.8%	4.0%	4.2%
Mediana		6.2	6.0	5.7	2.7	2.4	2.2	17.1	16.1	15.0	41%	39%	40%	1.5%	2.7%	2.9%

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

Construction company valuations /07.09.2010/

	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	91.8	7.4	10.1	10.1	0.5	0.5	0.5	13.5	12.6	14.5	7%	5%	5%	6.4%	7.4%	4.8%
Elektrobudowa	188.0	9.9	12.2	11.0	1.1	1.1	1.0	16.4	18.2	16.3	11%	9%	9%	1.7%	1.8%	2.0%
Erbud	50.5	7.3	8.7	8.2	0.5	0.5	0.4	15.2	12.4	12.7	7%	5%	5%	0.2%	1.1%	1.2%
Mostostal Warszawa	63.8	4.8	8.5	8.4	0.4	0.4	0.4	10.9	16.0	16.7	8%	5%	5%	0.5%	4.6%	3.1%
PBG	237.5	12.1	11.0	10.9	1.6	1.1	0.9	16.1	15.8	15.4	13%	10%	8%	0.0%	1.3%	1.3%
Polimex Mostostal	4.4	7.3	9.0	9.5	0.5	0.6	0.6	13.1	14.9	16.4	7%	7%	6%	0.2%	0.9%	0.0%
Rafako	13.0	9.9	9.7	7.6	0.7	0.6	0.4	24.0	17.6	15.0	7%	7%	5%	0.0%	0.0%	0.0%
Trakcja Polska	4.4	6.4	9.1	8.8	0.8	0.7	0.5	9.7	16.6	17.3	12%	8%	6%	2.3%	0.0%	0.0%
Ulma Construcccion	70.6	8.2	4.7	4.0	3.4	2.4	2.0	-	14.9	11.2	41%	51%	51%	0.0%	0.0%	0.0%
Unibep	8.4	9.2	10.9	11.0	0.7	0.5	0.4	16.0	14.5	15.0	8%	4%	4%	1.2%	0.0%	0.7%
Median		7.8	9.4	9.2	0.7	0.6	0.5	15.2	15.3	15.2	8%	7%	6%	0.4%	1.0%	0.9%
FOREIGN COMPANIES																
AMEC	9.2	10.1	9.0	8.0	0.9	0.9	0.8	19.4	17.5	15.4	9%	9%	10%	1.9%	2.1%	2.3%
BILFINGER	48.9	8.2	5.7	5.7	0.3	0.3	0.3	15.4	10.4	9.5	4%	6%	6%	3.7%	4.9%	4.9%
EIFFAGE	36.8	8.6	8.5	8.0	1.2	1.2	1.2	12.0	13.5	11.2	14%	14%	15%	3.1%	3.1%	3.4%
HOCHTIEF	54.3	6.0	5.2	4.9	0.3	0.3	0.3	20.8	16.5	14.3	5%	5%	6%	2.7%	3.0%	3.4%
NCC	126.2	6.9	7.9	7.2	0.3	0.3	0.3	12.7	13.2	11.8	5%	4%	5%	3.1%	4.4%	4.7%
SKANSKA	119.3	6.5	7.2	7.2	0.3	0.3	0.3	14.2	15.9	15.6	5%	5%	5%	4.6%	4.7%	4.9%
STRABAG	16.9	3.8	3.7	3.7	0.2	0.2	0.2	12.3	11.6	11.6	5%	5%	5%	3.1%	2.9%	3.0%
Median		6.9	7.2	7.2	0.3	0.3	0.3	14.2	13.5	11.8	5%	5%	6%	3.1%	3.1%	3.4%

Property Developers company valuations /07.09.2010/


	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	48.0	12.9	31.9	11.2	1.7	1.6	1.5	14.7	44.0	14.0	16%	9%	18%	1.7%	0.6%	1.8%
GTC	22.6	-	9.2	8.5	4.5	5.1	4.3	-	6.8	7.2	-	142%	166%	0.0%	0.0%	0.0%
J.W. Construction	16.6	9.6	5.5	7.6	2.8	2.2	1.5	8.9	5.5	6.3	21%	30%	47%	0.0%	0.0%	0.0%
Polnord	38.8	14.2	21.3	15.0	0.7	0.8	0.7	13.5	25.0	12.6	48%	15%	32%	0.0%	0.0%	0.0%
Median		12.9	15.3	9.9	2.2	1.9	1.5	13.5	15.9	9.9	21%	22%	39%	0.0%	0.0%	0.0%
FOREIGN COMPANIES																
CA IMMO INTERNATIONAL	6.0	20.5	16.9	13.7	0.4	0.6	0.5	-	-	-	66%	52%	55%	0.0%	0.0%	1.6%
CITYCON	2.8	19.1	17.3	16.1	0.7	0.8	0.8	15.5	12.6	11.9	56%	58%	59%	4.9%	5.0%	5.3%
CORIO	47.7	27.4	19.2	16.9	0.9	1.1	1.1	15.7	16.1	15.7	64%	83%	87%	5.6%	5.6%	5.8%
DEUTSCHE EUROSHOP	24.3	19.0	17.4	16.6	0.9	1.0	1.0	21.1	17.1	15.3	87%	86%	86%	4.3%	4.5%	4.9%
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	3.7	19.0	19.5	18.8	0.5	0.9	0.9	18.3	17.3	18.1	77%	78%	79%	4.0%	4.2%	4.4%
KLEPIERRE	25.3	21.7	17.7	16.9	0.8	1.2	1.1	16.9	17.4	16.7	71%	85%	86%	4.9%	5.0%	5.1%
SPARKASSEN IMMO	5.2	24.6	17.4	15.3	0.6	0.7	0.7	-	12.6	7.8	53%	50%	50%	0.0%	1.6%	5.1%
UNIBAIL-RODAMCO	155.3	19.3	19.2	18.0	0.9	1.1	1.2	16.6	16.7	16.0	86%	82%	81%	5.1%	5.3%	5.6%
Median		19.3	17.4	16.6	0.8	1.0	1.0	16.9	16.8	15.5	66%	78%	79%	4.3%	4.5%	5.1%

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


Machinery manufacturer valuations /07.09.2010/

	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	2.3	8.8	10.8	6.3	1.7	1.7	1.6	18.8	19.1	11.2	19%	16%	26%	0.0%	0.0%	0.0%
KOPEX	16.6	7.6	6.9	5.7	0.7	0.7	0.6	14.1	15.3	10.9	9%	9%	10%	0.0%	0.0%	0.0%
Median		8.2	8.9	6.0	1.2	1.2	1.1	16.5	17.2	11.1	14%	13%	18%	0.0%	0.0%	0.0%
FOREIGN COMPANIES																
Atlas Copco	117.4	13.8	11.6	9.9	2.5	2.4	2.2	22.2	17.6	14.6	18%	21%	22%	2.5%	2.8%	3.2%
Bucyrus	64.2	9.9	8.0	6.6	2.0	1.4	1.3	16.2	16.8	12.6	20%	18%	19%	0.2%	0.2%	0.2%
Emeco	0.8	3.8	4.5	3.8	1.4	1.8	1.7	9.0	12.2	8.5	38%	41%	45%	4.1%	2.3%	5.2%
Industrea	0.3	5.2	4.5	3.9	1.7	1.5	1.3	7.2	7.3	5.8	34%	34%	34%	1.7%	3.5%	4.3%
Joy Global	62.0	8.7	11.4	9.3	1.8	2.1	1.9	14.6	19.9	15.8	21%	19%	20%	1.1%	1.1%	1.1%
Sandvik	92.0	36.3	10.4	8.1	2.0	1.8	1.6	-	20.4	13.4	5%	17%	20%	1.7%	2.4%	3.5%
Median		9.3	9.2	7.4	1.9	1.8	1.6	14.6	17.2	13.0	21%	20%	21%	1.7%	2.3%	3.3%

Paper manufacturer valuations /07.09.2010/

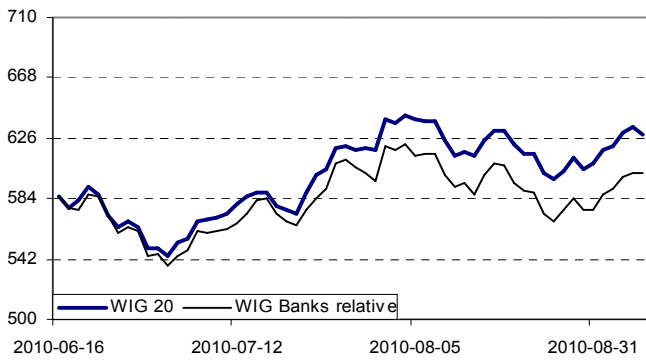
	Price	EV/EBITDA			EV/S			P/E			EBITDA margin			D/Y		
		2009	2010	2011	2009	2010	2011	2009	2010	2011	2009	2010	2011	2009	2010	2011
POLISH COMPANIES																
MONDI	73.4	19.9	10.0	8.0	3.2	2.0	1.8	51.4	17.2	11.9	16%	20%	23%	0.0%	0.0%	5.8%
FOREIGN COMPANIES																
Billerund	45.2	7.0	4.1	4.6	0.8	0.7	0.7	29.2	7.8	9.3	11%	17%	15%	1.2%	4.3%	5.5%
Holmen	213.8	8.5	10.8	8.6	1.4	1.4	1.3	17.9	31.2	19.2	16%	13%	15%	4.2%	3.3%	3.3%
INTL Paper	22.0	5.9	5.6	5.0	0.8	0.7	0.7	25.1	12.4	8.9	13%	13%	14%	1.5%	1.7%	2.1%
M-Real	2.8	67.1	6.8	6.4	0.8	0.8	0.7	-	26.8	14.1	1%	11%	12%	0.0%	0.5%	0.6%
Norske Skog	10.8	5.5	11.1	6.8	0.6	0.7	0.7	-	-	-	11%	6%	10%	0.0%	0.0%	0.0%
Portucel EMP.	2.2	11.6	8.3	7.1	2.3	1.9	1.8	18.6	14.3	11.2	20%	23%	25%	3.4%	4.2%	4.9%
Stora Enso	6.7	11.1	8.5	7.3	1.0	0.9	0.9	41.6	16.6	13.2	9%	11%	12%	2.6%	3.0%	3.1%
Svenska	103.2	7.3	7.4	6.5	1.0	1.0	1.0	12.9	12.5	10.4	14%	14%	15%	3.6%	3.9%	4.2%
UPM-Kymmene	11.5	9.7	8.2	7.0	1.3	1.2	1.1	-	25.9	16.0	13%	14%	16%	3.3%	4.0%	4.2%
Median		8.5	8.2	6.8	1.0	0.9	0.9	21.8	15.5	12.2	13%	13%	15%	2.6%	3.3%	3.3%

Mining company valuations /07.09.2010/

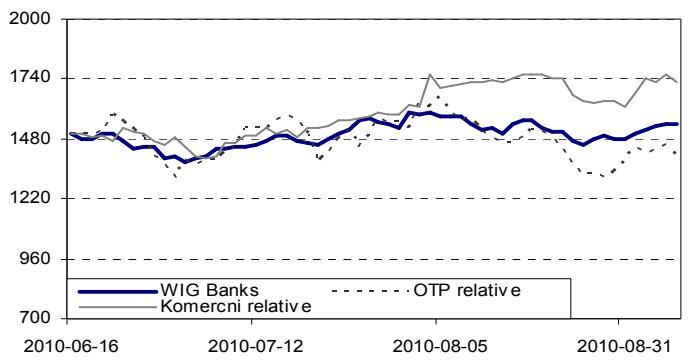
	Price	EV/EBITDA			EV/S			P/E			EBITDA margin			D/Y		
		2009	2010	2011	2009	2010	2011	2009	2010	2011	2009	2010	2011	2009	2010	2011
POLISH COMPANIES																
KGHM	110.9	5.8	5.5	6.5	1.9	1.8	1.8	8.7	6.4	11.2	33%	34%	27%	10.5%	2.7%	4.5%
FOREIGN COMPANIES																
Anglo Amer.	24.6	6.9	3.9	3.2	2.0	1.6	1.4	11.4	5.9	4.5	29%	40%	43%	0.3%	1.7%	4.1%
BHP Billiton	18.9	5.1	4.5	3.0	2.3	2.1	1.7	10.6	7.8	5.0	44%	48%	55%	4.2%	4.5%	5.1%
Freeport-MCMOR	77.9	5.5	4.2	3.9	2.7	2.2	2.0	14.5	9.6	8.7	48%	52%	52%	0.1%	1.3%	1.8%
Rio Tinto	34.5	7.3	4.0	3.5	2.3	1.8	1.6	10.6	5.3	4.5	31%	44%	47%	1.6%	2.8%	3.1%
Southern Peru	31.9	15.0	8.8	6.8	7.3	5.2	4.1	29.8	14.9	11.1	49%	59%	60%	1.5%	4.8%	5.9%
Median		6.9	4.2	3.5	2.3	2.1	1.7	11.4	7.8	5.0	44%	48%	52%	1.5%	2.8%	4.1%

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

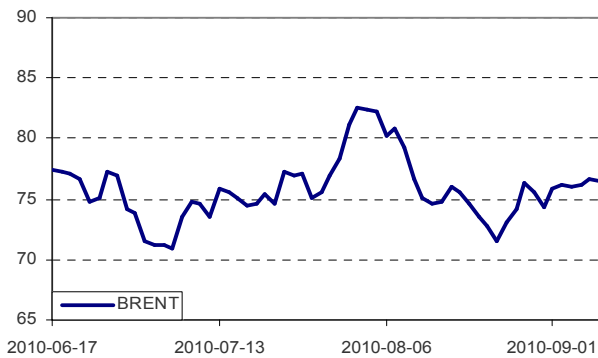
WIG Banks index vs. WIG 20 index (EUR)



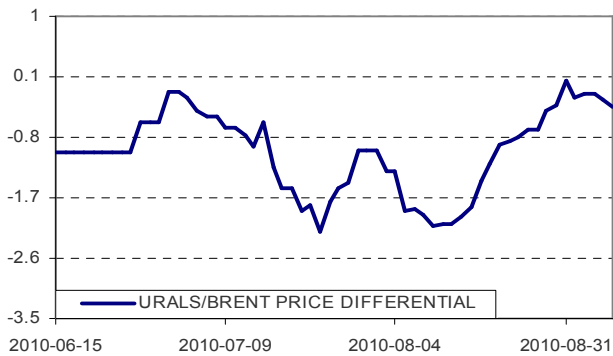
OTP and Komerčni's relative performance vs. WIG Banks index (EUR)



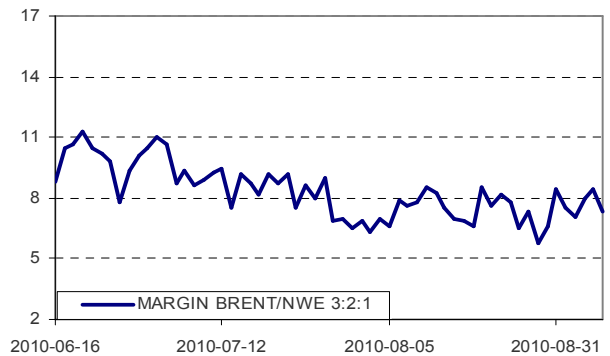
BRENT (USD/bbl)



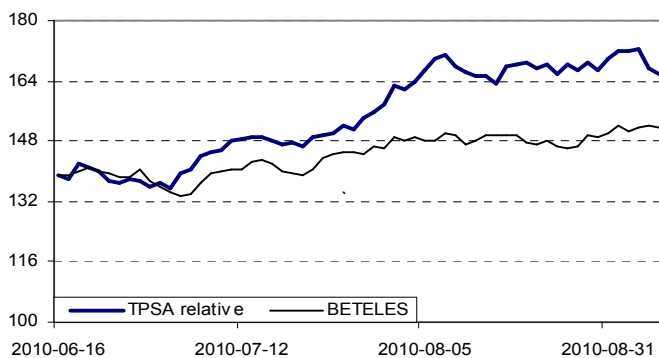
BRENT (USD/bbl)



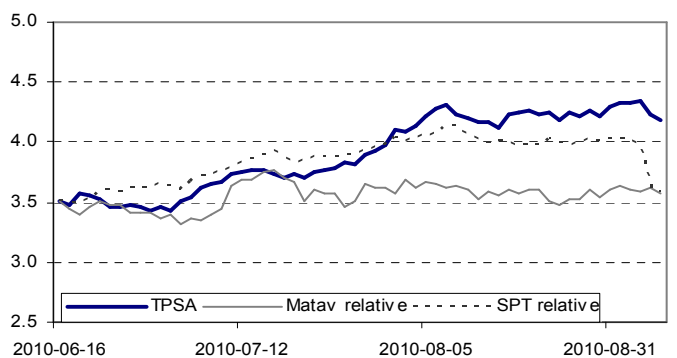
BRENT (USD/bbl)



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

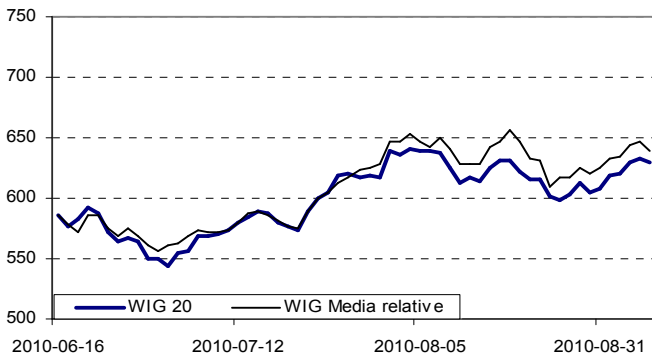


National operator quotations: TPSA, Hungarian Magyar Telecom and Czech SPT (EUR)

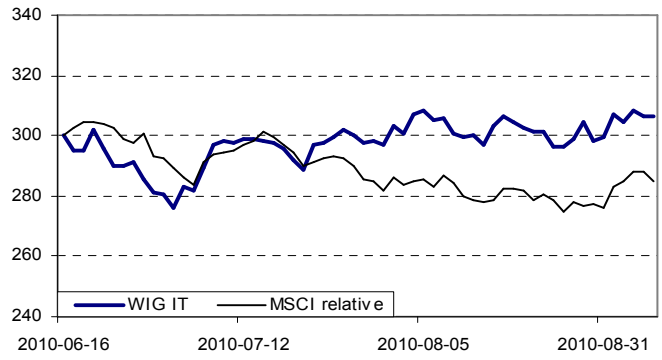


Source: Bloomberg

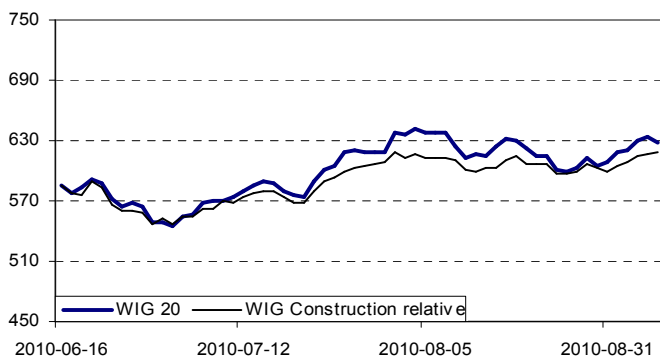
WIG Media index vs. WIG 20 index (EUR)



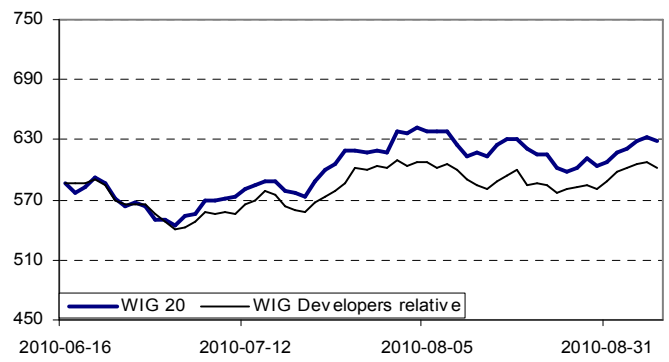
WIG IT index vs. MSCI



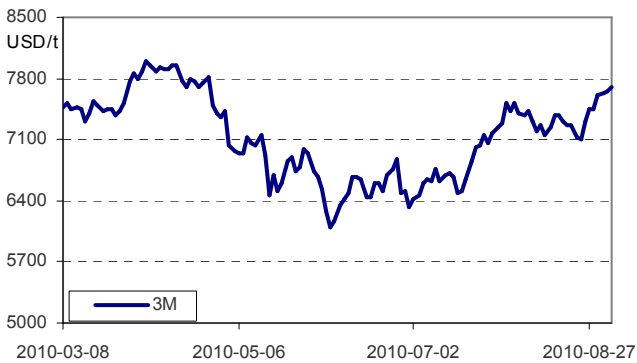
WIG Construction index vs. WIG 20 index (EUR)



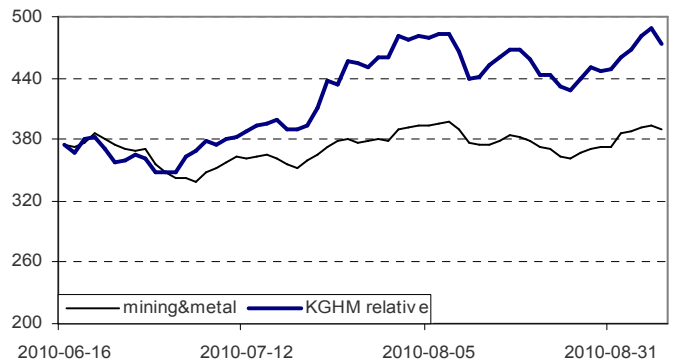
WIG Developers index vs. WIG 20 index (EUR)



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.