

9 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	10 387.0	+0.45%	FTSE 100	5 429.7	+0.41%	Copper (LME)	7 675.0	+0.60%
S&P 500	1 098.9	+0.64%	WIG20	2 530.6	+2.09%	Crude Oil (Brent)	77.4	+0.99%
NASDAQ	2 228.9	+0.90%	BUX	23 372.7	+1.82%	USD/PLN	3.10	-0.42%
DAX	6 164.4	+0.76%	PX 50	1 135.9	-0.85%	EUR/PLN	3.94	-0.13%
CAC 40	3 643.8	-1.11%	PLBonds10	5.53	+0.31%	EUR/USD	1.27	+0.30%

## Company & Sector Information

### Banks

#### KNF Chair expects banks to net ca. PLN 10bn in 2010

Stanisław Kluza, the Chair of the Financial Supervision Authority, says the banking industry's aggregate net profit in 2010 should amount to ca. PLN 10bn. After H1 2010, Polish banks had earned PLN 5.42bn. By way of comparison, in FY 2009 the figure was PLN 8.6bn. **PLN 10bn net profit in FY 2010 implies Y/Y growth of 16% and a 15% drop in H2 vs. H1. According to the current market consensus, the aggregate net profit of the eight banks we cover is expected to increase by 26% y/y. (I. Rokicka)**

### PKO BP

Hold – 17/03/10

Target price: PLN 40.1

#### CEO expects Q/Q stability in provisions

PKO BP's CEO, Mr. Zbigniew Jagiełło, said he expected provisions to stabilize in Q/Q terms in the third quarter, and go down in the fourth quarter. **In Q2 2010, the Bank reported provisions of PLN 458m, which entails a cost of risk of 151bps. Note that the category included a PLN 55m one-off charge for an off-balance sheet liability (a guarantee for Kredobank). It is not clear from the CEO's words whether he referred to total provisions, or to the total adjusted for this one-off. If the latter is the case, than this piece of news is in line with market expectations. (I. Rokicka)**

### PZU

Suspended – 04/08/10

#### CEO expects a PLN 1-1.5bn decline in profit in FY 2010

Mr. Andrzej Klesyk, the CEO, has said that PZU's profit will decline by some PLN 1.0-1.5bn y/y in FY 2010 from last year's PLN 3.8bn. This will be a result of a reduced income from investing activities following last year's payment of dividends from equity, and from lower reversals of reserves for long-term life insurance contracts on account of their conversion to one-year contracts ("P reserves") **A neutral piece of news. (I. Rokicka)**

### Power utilities

#### Binding bids for ENEA and Energa before the end of September

The Treasury is awaiting binding bids for ENEA by 27 September (due diligence studies and meetings with the Board will start next week). The Treasury hopes to get a 10-20% premium for control. In the case of Energa, binding bids are due by mid September. **Technicalities. (K. Kliszcz)**

### TVN

Hold – 03/09/10

Target price: PLN 16.69

#### Agreement with TP Emitel

TVN, Polsat, TV Puls and TV4 have reached an agreement with TP Emitel concerning the digital broadcasting of two of each of these broadcasters' channels. The value of the contract, which is for ten years, has not been disclosed. **The digitization model that has emerged should be considered a success of existing private broadcasters, given that not a single new entrant has been allowed into the market, at least in the first stage of the process. In the case of TVN, an interesting question is what channel will accompany the flagship "TVN" on the multiplex. Most likely, it will be TVN24 or TVN7. Financial considerations would point to the latter choice, because TVN24 earns considerable revenue from licensing fees (PLN 113m vs. PLN 77m in advertising revenue in the last four quarters). It will be hard to convince digital platform and cable TV operators to pay for a free-to-air program, and it is unlikely that advertising revenue would increase enough to offset a drop in licensing fees. (P. Grzybowski)**

### KGHM

Hold – 27/05/10

Target price: PLN 96.1

#### Unions demand pay hikes

"Solidarity", a trade union, is demanding a pay hike of PLN 300 per month per employee on average. **The unions' appetites have grown after KGHM published its FY 2010 guidance,**

which foresees a net profit of nearly PLN 4bn. The Management have been delaying increases in core salaries for quite a while despite the good situation in the market for metals. We assume that these demands will be met by the end of the year at the latest, which implies a ca. PLN 70m increase in payroll expenses. No impact on valuation. (M. Marczak)

### LW Bogdanka

Hold – 01/09/10

Target price: PLN 85.4

#### LWB negotiating another contract with ENEA

Before the next stage of the privatization process, ENEA and Bogdanka would like to conclude an agreement guaranteeing long-term (10 years) supplies of coal to the new power-generation unit which is to be built at the Koziencice power plant. The agreement would be a conditional one, and it would enter into force only if ENEA's new strategic investor approves it. In March, the Company signed a long-term agreement for coal supplies to existing units at the Koziencice plant. **News without impact for valuation. We still believe the Company will face no problems as far as selling coal from its new Stefanów field is concerned. Bogdanka's coal is several percent cheaper than Silesian coal, and thanks to dramatic differences in production costs (PLN 160/t vs. PLN 270/t), the Company should be able to sustain this differential in the long-term as well. In our model we assume that LWB will be able to sell all the coal it mines (while preserving operational reserves of ca. 100 kt), i.e. 5-5.5 Mt per year (by 2014, output will increase to 11 Mt).** (M. Marczak)

### Energomontaż Południe

#### EPD will not appeal lost power plant tender

Energomontaż Południe decided not to appeal the rejection of its offer on a contract for construction of a power plant in Koziencice. The company's bid, submitted jointly with China's Dongfang Electric Corporation, was rejected due to material formal errors resulting from differences between Polish and Chinese laws. EPD and Dongfang are also competing together for a power-plant project in Jaworzno, and the Polish firm plans to make a bid on a similar contract in Stalowa Wola, but this time it is going to look for a partner from another country than China. **A large corporation like Dongfang should theoretically be an asset to a mid-sized Polish builder were it not for the incompatibility of Polish and Chinese industry practices in terms of technology, quality standards, and laws. EPD's partnership with Dongfang might have been an attempt to drive down costs by securing access to cheap parts.** (M. Stokłosa)

### Rafako

Accumulate - 03/09/10

Target price: PLN 13.7

#### Treasury sets final offer deadline for ZE PAK acquisition at 30 September

The Ministry of the State Treasury is waiting until the end of December for binding offers from prospective buyers of its 50% stake in the PAK power-plant complex and an 85% stake in two mines. The Treasury estimates the value of these assets at PLN 1-2bn. The buyer will also have to obtain approval from ZE PAK's other shareholder, Elektrim. **If Rafako makes an offer (we estimate the chances of this at 33-50%), its cash expense on the deal will not exceed PLN 100m.** (M. Stokłosa)

### Ulma Construccio

Accumulate - 05/07/10

Target price: PLN 82.2

#### Ulma sees order pickup

Ulma is receiving double the amount of orders for structural formwork that came in a year ago, and it expects the pickup to accelerate toward the end of the year when a number of infrastructure projects are scheduled to take off. As these project advance, Ulma can count on using 100% of its capacity in 2011. **We agree that Ulma will see a major earnings improvement in 2011, among others thanks to the 50% increase in formwork rental prices observed in the last six months.** (M. Stokłosa)

### Dom Development

Accumulate - 05/07/10

Target price: PLN 50.1

#### DOM starts new housing batch in Warsaw

Dom Development has commenced construction and sales of flats in stage 5 of its "Regaty" development in Warsaw's Białołęka district. The 180 flats are priced between PLN 5,380 and PLN 5,860 per square meter, and they are scheduled for delivery in Q2 2012. **News in line with expectations. According to DOM's Website, there are currently 319 flats (and 29 houses) available in the Regaty development. Next in line for expansion are the "Klasyków" development (also in Białołęka), "Saska," "Adria," and "Derby." Moreover, two new locations in the capital city are ready for development. As these projects commence throughout September and October, DOM may be listing new dwellings for sale on a weekly basis.** (M. Stokłosa)

## More News

### ABM Solid

ABM Solid plans to issue up to 400 unsecured bonds worth PLN 100,000 each provided that an earlier PLN 12m issue is fully subscribed by 30 June 2011.

### Advadis

Advadis expects to achieve a net margin of 2% and a net profit of PLN 8-10m in 2011.

### Ambra

Ambra hopes to increase its net earnings by at least 20% in fiscal 2010/2011. The company is looking for acquisition targets in Romania, while expanding its wine-store network in Poland.

<b>City Interactive</b>	City Interactive generated a consolidated net profit of PLN 11.6m in the two-month period from July to August.
<b>Energy</b>	Energa expects its 2010 EBITDA to fall in the range of PLN 1.2bn-1.3 billion.
<b>Coal mining</b>	There are plans to privatize coal miners Katowicki Holding Węglowy and Jastrzębska Spółka Węglowa by taking them public in 2011.
<b>Marvipol</b>	Marvipol signed a preliminary property purchase agreement with Veolia Transport.
<b>Mirbud</b>	Mirbud was selected to build teaching facilities for the Warsaw University for PLN 54.4m gross.
<b>ZEG</b>	ZZM purchased 11,700 ZEG shares through a tender offer.
<b>Unima</b>	Unima 2000 signed a partnership agreement with Novainvest with an estimated 12-month value of PLN 4m.
<b>Sygnity</b>	Sygnity submitted the best bid (PLN 1.37m) on a contract to deliver and maintain DWDM network devices to the National Bank of Poland.

### Insider Trading and Fund Activity

<b>BRE</b>	An executive sold 159 shares for an avg. PLN 252.7 a share.
<b>Gastel Żurawie</b>	A Management Board member sold 12,000 shares for an avg. PLN 2.06 a share.
<b>Geoinvent</b>	DFP Doradztwo Finansowe reduced equity interests to 4.95% from 11.02%.
<b>GTC</b>	A Supervisory Board member has sold 262,000 shares since the beginning of September.
<b>Sfinks</b>	A Supervisory Board member sold 235,000 shares for PLN 10 a share in a block trade. A Management Board member purchased 235,000 shares for PLN 10 a share in a block trade.

### Corporate Action Calendar

<b>Thursday /09.09.10/</b>	
EMPERIA	Dividend payment, PLN 0.92 / share.
PZU	Dividend payment, PLN 10.91 / share.
<b>Friday /10.09.10/</b>	
GRUPA ZUE	First day of book-building process scheduled to end on 13 September.
<b>Monday /13.09.10/</b>	
GRUPA ZUE	Last day of book building, issue price announcement.
<b>Tuesday /14.09.10/</b>	
GRUPA ZUE	First day of individual and institutional subscriptions, scheduled to last through 16 September.
TAURON	EGM, agenda includes bylaw amendments.
<b>Wednesday /15.09.10/</b>	
CYFROWY POLSAT	EGM re: merger with M.Punkt Holdings Limited.
LPP	Dividend record date (PLN 50/share).

## Economic Calendar

### Thursday /09.09.10/

Time	Region	Report	Period	Forecast	Previous
14:30	USA	Initial claims	Week		472,000
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	EU	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.


### Wednesday /15.09.10/

Time	Region	Report	Period	Forecast	Previous
11:00	EU	CPI core	August		1% y/y
11:00	EU	CPI	August		-0.3% m/m; 1.7% y/y
14:30	USA	Empire State Manufacturing Survey	September		7.1
14:30	USA	Exports	August		-0.2% m/m; 3.9% y/y
14:30	USA	Import prices	August		0.2% m/m; 4.9% y/y
15:15	USA	Capacity utilization	August		74.8% m/m
15:15	USA	Industrial production	August		1% m/m; 7.7% y/y


**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	20.50	2010-05-06	16.90	12.0
ACTION	Accumulate	18.49	18.20	2010-09-03	17.10	11.6
AGORA	Accumulate	25.80	25.10	2010-08-27	24.30	19.0
ASBIS	Hold	4.69	3.75	2010-05-10	4.65	8.8
ASSECO POLAND	Buy	65.30	55.50	2010-08-31	55.00	10.6
ASTARTA	Sell	45.83	86.70	2010-05-11	57.50	7.2
BUDIMEX	Reduce	78.30	93.00	2010-09-03	91.30	12.8
BZWBK	Hold	200.50	194.50	2010-04-07	216.50	14.3
CENTRUM KLIMA	Hold	14.65	15.10	2010-09-03	14.83	16.1
CERSANIT	Hold	9.65	11.00	2010-06-04	14.00	10.5
CEZ	Hold	131.87	132.00	2010-03-03	133.90	9.5
CIECH	Buy	34.50	27.89	2010-08-23	28.27	8.9
CINEMA CITY	Hold	39.90	43.18	2010-07-16	39.00	19.5
COMARCH	Hold	79.50	77.50	2010-09-03	79.35	17.9
CYFROWY POLSAT	Accumulate	16.03	14.88	2010-09-03	14.33	13.1
DOM DEVELOPMENT	Accumulate	50.10	48.60	2010-07-05	44.80	44.6
ELEKTROBUDOWA	Reduce	165.70	186.00	2010-09-03	186.00	18.0
EMPERIA HOLDING	Hold	81.60	83.20	2010-03-09	77.50	16.3
ENEA	Accumulate	21.24	20.22	2010-09-03	20.10	13.7
ERBUD	Accumulate	54.10	50.50	2010-07-05	50.00	12.4
EUROCASH	Reduce	18.60	22.00	2010-05-06	20.61	23.6
FAMUR	Hold	2.03	2.35	2010-05-28	2.00	19.8
GETIN	Hold	10.34	10.20	2010-05-06	10.19	13.4
GTC	Hold	23.90	22.53	2010-05-28	23.80	6.8
HANDLOWY	Buy	87.10	78.95	2010-06-02	75.00	16.3
ING BSK	Suspended		800.00	2010-08-04	821.00	15.4
J.W. CONSTRUCTION	Hold	16.40	16.65	2010-07-09	16.10	5.5
KERNEL	Buy	77.28	62.30	2010-09-08	60.95	8.1
KĘTY	Accumulate	115.38	108.00	2010-08-23	105.50	12.2
KGHM	Hold	96.10	112.20	2010-05-27	93.70	6.5
KOMPUTRONIK	Hold	11.56	10.73	2009-12-08	11.39	11.7
KOPEX	Hold	18.46	16.68	2010-05-28	18.90	15.4
KREDYT BANK	Hold	15.30	14.80	2010-04-07	14.60	31.2
LOTOS	Reduce	26.50	31.30	2010-09-03	30.04	10.4
LW BOGDANKA	Hold	85.40	83.00	2010-09-01	83.70	15.0
MILLENNIUM	Suspended		4.56	2010-08-04	4.68	18.7
MONDI	Hold	71.10	73.80	2010-08-13	73.70	17.3
MOSTOSTAL WARSZAWA	Hold	68.60	63.25	2010-08-02	67.50	15.9
NETIA	Accumulate	5.30	4.80	2010-08-10	4.86	24.9
PBG	Reduce	194.00	250.20	2010-06-02	213.40	16.6
PEKAO	Hold	172.80	162.00	2010-03-05	165.50	16.0
PGE	Buy	27.90	23.79	2010-03-30	23.00	13.1
PGNiG	Buy	4.24	3.45	2010-06-14	3.45	12.1
PKO ORLEN	Hold	40.20	41.00	2010-04-08	39.40	11.3
PKO BP	Hold	40.10	40.60	2010-03-17	39.07	16.4
POLICE	Hold	5.50	5.53	2010-06-02	5.39	11.7
POLIMEX MOSTOSTAL	Hold	4.23	4.55	2010-09-03	4.44	15.3
POLNORD	Buy	50.70	39.20	2010-06-02	37.70	25.3
PZU	Suspended		395.00	2010-08-04	399.00	15.1
RAFAKO	Accumulate	13.70	12.91	2010-09-03	12.80	17.5
SYGNITY	Buy	18.20	15.10	2010-03-02	12.57	
TAURON	Buy	8.42	5.65	2010-08-16	5.10	12.5
TELEKOMUNIKACJA POLSKA	Hold	16.90	16.96	2010-09-08	16.50	5417.0
TRAKCJA POLSKA	Hold	4.16	4.37	2010-05-06	4.14	16.7
TVN	Hold	16.69	17.89	2010-09-03	17.15	21.2
ULMA CONSTRUCCION POLSKA	Accumulate	82.20	71.95	2010-07-05	73.00	15.2
UNIBEP	Accumulate	9.00	8.32	2010-05-14	7.90	14.4
ZA PULAWY	Hold	72.05	76.60	2010-01-06	80.90	17.7

**CEE bank valuations /08.09.2010/**


	Price	P/E			ROE			P/BV			D/Y		
		2009	2010	2011	2009	2010	2011	2009	2010	2011	2009	2010	2011
<b>POLISH BANKS</b>													
BZ WBK	194.5	16.0	14.3	11.2	16%	16%	18%	2.4	2.1	1.9	0.0%	2.1%	2.3%
Getin	10.2	26.3	13.4	10.7	7%	13%	14%	1.9	1.7	1.4	0.0%	0.0%	0.0%
Handlowy	79.0	20.5	16.3	11.9	9%	10%	13%	1.7	1.6	1.5	0.0%	4.8%	4.9%
ING BSK	800.0	17.5	15.4	11.3	13%	13%	15%	2.1	1.9	1.6	0.0%	0.0%	0.0%
Kredyt Bank	14.8	116.3	31.2	9.1	1%	5%	15%	1.6	1.5	1.3	0.0%	0.0%	0.0%
Millenium	4.6	2588.4	18.7	10.6	0%	9%	12%	1.4	1.4	1.2	0.0%	0.0%	0.0%
Pekao	162.0	17.6	16.0	13.5	14%	14%	16%	2.3	2.2	2.1	0.0%	1.8%	5.0%
PKO BP	40.6	22.0	16.4	11.8	13%	15%	18%	2.5	2.3	2.0	2.5%	2.0%	3.1%
<b>Median</b>		<b>21.2</b>	<b>16.1</b>	<b>11.2</b>	<b>11%</b>	<b>13%</b>	<b>15%</b>	<b>2.0</b>	<b>1.8</b>	<b>1.6</b>	<b>0.0%</b>	<b>0.9%</b>	<b>1.2%</b>
<b>INVESTORS IN POLISH BANKS</b>													
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	3.8	-	12.4	8.8	-	6%	8%	0.7	0.7	0.6	0.3%	0.1%	0.6%
Commerzbank	6.3	-	-	12.6	-	-	6%	0.5	0.7	0.6	0.0%	0.0%	0.2%
ING	7.4	27.8	7.8	6.0	1%	10%	11%	0.8	0.7	0.7	0.1%	0.3%	2.0%
KBC	33.9	-	8.5	7.1	-	15%	15%	1.1	0.9	0.8	0.0%	2.2%	3.3%
UCI	1.9	19.8	16.6	8.3	3%	4%	7%	0.6	0.6	0.6	1.3%	2.4%	4.6%
<b>Median</b>		<b>19.8</b>	<b>9.3</b>	<b>7.7</b>	<b>3%</b>	<b>6%</b>	<b>8%</b>	<b>0.6</b>	<b>0.7</b>	<b>0.6</b>	<b>0.1%</b>	<b>0.3%</b>	<b>2.0%</b>
<b>FOREIGN BANKS</b>													
BEP	4.8	8.6	10.8	8.4	10%	7%	9%	0.8	0.8	0.7	5.7%	4.6%	5.9%
Deutsche Bank	48.9	7.2	7.2	6.1	13%	12%	12%	0.9	0.8	0.7	1.8%	2.1%	3.5%
Erste Bank	29.1	11.5	12.3	8.3	9%	8%	10%	1.0	0.9	0.8	1.7%	2.0%	2.6%
Komerční B.	4015.0	14.0	13.1	11.6	17%	17%	18%	2.4	2.2	2.0	4.0%	4.6%	5.3%
OTP	4940.0	9.3	8.7	6.2	13%	12%	15%	1.1	1.0	0.9	0.9%	3.0%	5.2%
Santander	9.8	9.2	9.1	7.7	14%	13%	15%	1.2	1.1	1.0	5.7%	5.9%	6.6%
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.	12.5	10.0	8.9	8.1	31%	28%	25%	2.8	2.3	1.9	3.3%	3.4%	4.0%
Sberbank	2.7	97.8	12.9	7.9	2%	16%	23%	2.3	2.0	1.6	0.2%	0.8%	1.7%
VTB Bank	5.6	-	43.2	13.5	-	2.4%	12.3%	1.7	1.7	1.5	0.2%	0.4%	1.2%
<b>Median</b>		<b>10.0</b>	<b>10.3</b>	<b>8.2</b>	<b>13%</b>	<b>13%</b>	<b>15%</b>	<b>1.4</b>	<b>1.4</b>	<b>1.3</b>	<b>1.8%</b>	<b>2.5%</b>	<b>3.7%</b>

**Insurance company valuations /08.09.2010/**


	Price	P/E			ROE			P/BV			D/Y		
		2009	2010	2011	2009	2010	2011	2009	2010	2011	2009	2010	2011
<b>POLISH COMPANIES</b>													
PZU	395.0	9.1	15.1	12.7	25%	20%	21%	3.0	2.7	2.4	-	2.8%	3.0%
<b>FOREIGN COMPANIES</b>													
Vienna Insurance G.	37.6	13.7	12.3	10.7	9%	9%	10%	1.1	1.1	1.0	3.0%	2.8%	3.1%
Uniq	14.5	31.5	13.8	11.1	4%	7%	9%	1.5	1.4	1.3	1.9%	2.5%	2.9%
Aegon	4.3	-	9.1	6.3	0%	8%	9%	0.7	0.6	0.5	0.1%	0.9%	3.5%
Allianz	83.8	8.4	7.7	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	85.3	9.2	8.5	7.8	12%	11%	11%	1.0	0.9	0.8	5.2%	5.4%	5.7%
Generali	90.8	16.3	13.2	11.9	8%	8%	9%	1.3	1.2	1.1	2.9%	2.9%	3.1%
Helvetia	333.0	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	7.3	17%	14%	14%	1.1	1.0	0.9	6.4%	6.4%	6.7%
RSA Insurance	1.3	9.8	9.5	8.9	12%	14%	14%	1.3	1.2	1.2	6.4%	6.8%	7.1%
Zurich Financial	234.5	10.1	8.3	7.7	13%	14%	14%	1.2	1.1	1.0	5.1%	6.6%	6.8%
<b>Median</b>		<b>9.6</b>	<b>8.4</b>	<b>7.7</b>	<b>12%</b>	<b>11%</b>	<b>12%</b>	<b>1.1</b>	<b>1.1</b>	<b>0.9</b>	<b>4.4%</b>	<b>5.4%</b>	<b>5.8%</b>

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

**Fuels producer valuations /08.09.2010/**

	Price	EV/EBITDA			EV/S			P/E		EBITDA margin			D/Y			
		2009	2010	2011	2009	2010	2011	2009	2010	2009	2010	2011	2009	2010	2011	
<b>OIL COMPANIES</b>																
Lotos	31.3	13.0	12.9	8.0	0.7	0.6	0.5	4.6	10.4	7.1	5%	5%	6%	0.0%	0.0%	0.0%
PKN Orlen	41.0	8.3	7.6	6.8	0.4	0.4	0.4	13.4	11.3	11.7	5%	5%	6%	0.0%	0.0%	1.8%
MOL	22350.0	10.3	7.4	6.4	1.3	1.0	0.9	25.8	12.6	9.5	13%	13%	14%	1.4%	2.1%	3.0%
OMV	26.6	4.6	3.4	3.0	0.7	0.6	0.5	11.0	7.3	5.8	14%	17%	17%	3.3%	3.8%	4.1%
Hellenic Petroleum	6.1	7.5	7.4	6.5	0.5	0.4	0.4	9.1	10.0	7.9	7%	6%	6%	7.4%	7.3%	7.8%
Tupras	34.8	7.4	6.7	5.9	0.4	0.3	0.3	11.3	10.0	9.2	5%	5%	5%	7.3%	8.1%	8.4%
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%
<b>Median</b>		<b>8.3</b>	<b>7.4</b>	<b>6.5</b>	<b>0.7</b>	<b>0.5</b>	<b>0.5</b>	<b>11.1</b>	<b>10.4</b>	<b>9.2</b>	<b>5%</b>	<b>6%</b>	<b>6%</b>	<b>1.4%</b>	<b>3.2%</b>	<b>4.1%</b>
<b>GAS COMPANIES</b>																
PGNiG	3.5	7.5	6.3	6.3	1.1	1.1	1.2	16.9	12.1	12.7	15%	18%	18%	0.7%	2.3%	3.3%
Gazprom	163.9	4.8	3.8	3.3	1.6	1.5	1.3	5.8	4.7	4.0	34%	39%	38%	1.4%	1.6%	1.9%
GDF Suez	26.7	6.8	6.6	6.0	1.2	1.2	1.1	13.3	13.2	11.8	17%	18%	19%	5.7%	5.8%	6.1%
Gas Natural SDG	12.2	7.9	7.1	6.8	1.9	1.8	1.7	8.5	8.3	7.9	24%	25%	25%	6.4%	6.9%	7.5%
<b>Median</b>		<b>7.2</b>	<b>6.4</b>	<b>6.2</b>	<b>1.4</b>	<b>1.3</b>	<b>1.2</b>	<b>10.9</b>	<b>10.2</b>	<b>9.9</b>	<b>21%</b>	<b>21%</b>	<b>22%</b>	<b>3.5%</b>	<b>4.1%</b>	<b>4.7%</b>

**Power Utilities company valuations /08.09.2010/**

	Price	EV/EBITDA			EV/S			P/E		EBITDA margin			D/Y			
		2009	2010	2011	2009	2010	2011	2009	2010	2009	2010	2011	2009	2010	2011	
<b>ENERGY COMPANIES</b>																
CEZ	132.0	6.4	6.9	7.2	3.0	3.2	3.3	8.6	9.5	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	17.4	13.7	13.6	16%	18%	18%	2.3%	2.9%	3.7%
PGE	23.8	6.2	6.4	6.5	2.3	2.2	2.3	12.2	13.1	12.5	37%	35%	36%	3.0%	3.2%	3.8%
TAURON	5.7	4.6	4.6	4.5	0.9	0.8	0.8	12.0	12.5	12.0	19%	18%	19%	0.7%	0.0%	1.6%
E.ON	23.5	6.2	6.2	6.0	1.0	1.0	1.0	8.1	8.5	8.2	16%	16%	16%	6.4%	6.5%	6.7%
EDF	32.9	6.5	6.1	5.6	1.6	1.6	1.5	16.2	15.4	13.2	25%	26%	27%	3.6%	3.6%	3.9%
Endesa	19.2	5.8	6.0	6.0	1.9	1.8	1.7	7.8	9.0	9.0	32%	30%	29%	7.2%	5.8%	5.8%
ENEL SpA	3.9	6.5	6.3	6.2	1.6	1.5	1.5	7.8	8.8	8.7	25%	25%	24%	6.9%	6.8%	6.9%
Fortum	18.4	9.5	9.3	9.4	4.1	3.9	3.8	12.5	12.2	12.6	43%	42%	41%	5.1%	5.3%	5.4%
Iberdrola	5.7	8.8	8.3	7.8	2.3	2.3	2.2	11.0	11.1	10.4	27%	28%	29%	5.7%	5.7%	5.8%
RWE AG	54.2	5.0	4.4	4.3	0.9	0.8	0.8	8.6	7.7	7.7	18%	19%	19%	6.5%	6.8%	7.0%
<b>Median</b>		<b>6.4</b>	<b>6.2</b>	<b>6.0</b>	<b>1.6</b>	<b>1.6</b>	<b>1.5</b>	<b>11.0</b>	<b>11.1</b>	<b>10.4</b>	<b>25%</b>	<b>26%</b>	<b>27%</b>	<b>5.7%</b>	<b>5.7%</b>	<b>5.8%</b>

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

**Fertilizer producers and chemical company valuations /08.09.2010/**

	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
<b>FERTILIZER PRODUCERS</b>																
POLICE	5.5	-	5.8	3.7	0.3	0.4	0.3	-	11.7	4.8	-	6%	8%	0.0%	0.0%	0.0%
ZA Puławy	76.6	15.2	7.4	3.4	0.6	0.6	0.5	54.0	17.7	6.5	4%	8%	14%	13.3%	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	57.7	12.4	7.9	6.6	1.1	1.1	1.0	23.5	12.5	10.0	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	42.5	21.6	9.8	7.6	2.5	1.9	1.7	-	18.8	12.9	12%	19%	23%	0.7%	2.2%	3.3%
Silvinit	20024.0	7.5	7.2	5.4	5.1	4.4	3.5	11.6	11.3	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	261.2	17.8	9.1	9.1	1.5	1.4	1.3	31.7	14.4	12.7	8%	15%	14%	1.7%	2.0%	2.3%
<b>Median</b>		<b>13.8</b>	<b>7.4</b>	<b>5.8</b>	<b>1.5</b>	<b>1.4</b>	<b>1.3</b>	<b>26.4</b>	<b>12.5</b>	<b>8.0</b>	<b>17%</b>	<b>19%</b>	<b>23%</b>	<b>1.6%</b>	<b>2.0%</b>	<b>2.3%</b>
<b>CHEMICAL COMPANIES</b>																
Ciech	27.9	6.4	6.0	4.7	0.6	0.6	0.5	-	8.9	8.5	10%	10%	11%	0.0%	0.0%	0.0%
Akzo Nobel	43.9	7.2	6.6	6.1	0.9	0.9	0.9	17.0	14.1	12.1	13%	14%	14%	3.0%	3.4%	3.8%
BASF	43.1	7.4	5.5	5.1	1.0	0.9	0.9	20.7	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	26.6	18.8	17.2	17%	20%	20%	1.5%	1.9%	2.0%
Dow Chemical	25.8	9.7	7.1	6.2	1.2	1.0	0.9	50.0	15.3	9.9	12%	14%	15%	3.4%	3.0%	3.0%
Rhodia	16.2	6.5	4.2	3.9	0.7	0.6	0.6	-	9.9	7.7	11%	15%	15%	0.1%	1.8%	2.3%
Sisecam	2.3	6.6	5.5	4.8	1.3	1.1	1.0	19.3	12.5	8.5	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	8.6	7.2	4.2	20%	16%	18%	-	5.6%	7.6%
Solvay	75.8	7.0	10.3	9.3	1.0	1.3	1.3	12.9	24.6	18.9	14%	13%	14%	3.5%	3.4%	3.6%
Tata Chemicals	409.2	7.1	8.3	7.9	1.2	1.6	1.5	13.3	14.5	12.9	16%	19%	19%	2.1%	2.0%	2.1%
Tessenderlo Chemie	22.6	15.7	5.7	4.5	0.5	0.4	0.4	-	26.1	11.0	3%	7%	9%	5.3%	5.5%	5.7%
Wacker Chemie	124.4	10.8	6.7	5.8	1.8	1.6	1.5	36.4	16.4	13.5	17%	24%	25%	0.9%	1.5%	1.8%
<b>Median</b>		<b>7.2</b>	<b>6.4</b>	<b>5.5</b>	<b>1.1</b>	<b>1.0</b>	<b>0.9</b>	<b>19.3</b>	<b>14.3</b>	<b>10.8</b>	<b>14%</b>	<b>16%</b>	<b>16%</b>	<b>2.1%</b>	<b>2.5%</b>	<b>2.6%</b>

**European national operator valuations /08.09.2010/**

	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
<b>POLISH COMPANIES</b>																
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	17.0	4.6	6.5	5.0	1.7	1.9	1.9	17.7	-	17.2	38%	29%	38%	8.8%	8.8%	8.8%
<b>Median</b>		<b>4.9</b>	<b>5.4</b>	<b>4.4</b>	<b>1.4</b>	<b>1.4</b>	<b>1.4</b>	<b>19.4</b>	<b>24.9</b>	<b>17.2</b>	<b>29%</b>	<b>26%</b>	<b>31%</b>	<b>4.4%</b>	<b>4.4%</b>	<b>6.4%</b>
<b>MID CAPS</b>																
Belgacom	28.1	5.8	5.4	5.9	1.9	1.7	1.8	10.9	11.0	11.4	32%	32%	30%	7.5%	7.8%	7.8%
Cesky Telecom	377.0	4.4	4.8	4.8	2.0	2.0	2.0	10.8	11.1	10.7	44%	43%	43%	12.2%	10.5%	10.3%
Hellenic Telekom	5.8	3.7	3.9	4.0	1.3	1.4	1.4	5.7	6.5	5.9	36%	35%	35%	12.1%	9.5%	10.2%
Matav	690.0	4.3	4.5	4.6	1.7	1.8	1.8	8.9	9.6	9.8	39%	39%	39%	10.8%	10.8%	10.8%
Portugal Telecom	9.3	6.1	5.8	5.7	2.2	2.1	2.0	15.2	15.0	13.1	36%	35%	36%	6.2%	6.3%	6.3%
Telecom Austria	10.4	4.6	5.0	5.0	1.7	1.8	1.8	12.9	15.4	13.5	37%	35%	35%	7.2%	7.2%	7.2%
<b>Median</b>		<b>4.5</b>	<b>4.9</b>	<b>4.9</b>	<b>1.8</b>	<b>1.8</b>	<b>1.8</b>	<b>10.8</b>	<b>11.0</b>	<b>11.0</b>	<b>36%</b>	<b>35%</b>	<b>36%</b>	<b>9%</b>	<b>9%</b>	<b>9%</b>
<b>BIG CAPS</b>																
BT	1.4	4.6	4.0	3.9	1.0	1.1	1.1	10.1	9.6	8.9	22%	27%	27%	5.7%	4.9%	5.3%
DT	10.4	4.5	4.6	4.7	1.4	1.5	1.5	15.7	14.4	13.9	32%	32%	32%	7.5%	6.9%	6.9%
FT	16.3	4.7	5.0	5.1	1.6	1.8	1.8	9.6	9.3	9.1	33%	35%	35%	8.7%	8.6%	8.6%
KPN	11.3	5.7	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	397.9	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	17.9	5.7	5.7	5.7	2.3	2.2	2.2	10.5	10.0	9.6	40%	39%	39%	6.4%	7.9%	8.7%
TeliaSonera	53.4	8.2	7.7	7.6	2.7	2.7	2.7	12.3	11.5	10.9	33%	35%	35%	4.0%	4.7%	5.1%
TI	1.1	5.1	5.1	5.0	2.1	2.1	2.1	10.7	9.7	9.1	41%	41%	42%	4.8%	5.1%	5.7%
<b>Median</b>		<b>5.4</b>	<b>5.3</b>	<b>5.3</b>	<b>2.1</b>	<b>2.1</b>	<b>2.1</b>	<b>10.6</b>	<b>10.0</b>	<b>9.5</b>	<b>36%</b>	<b>37%</b>	<b>37%</b>	<b>5.9%</b>	<b>6.4%</b>	<b>6.5%</b>


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

**IT company valuations /08.09.2010/**

	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
<b>POLISH COMPANIES</b>																
AB	20.5	7.8	8.2	7.5	0.1	0.1	0.1	10.8	12.0	10.9	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	13.5	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	55.5	7.3	6.9	6.4	1.6	1.4	1.2	11.5	10.6	11.2	21%	20%	20%	2.5%	2.8%	2.7%
COMARCH	77.5	9.4	9.7	6.0	0.7	0.8	0.6	19.1	17.9	14.2	8%	8%	11%	0.0%	0.0%	0.0%
KOMPUTRONIK	10.7	12.6	8.1	5.6	0.1	0.1	0.1	40.8	11.7	7.6	1%	2%	2%	0.0%	0.0%	0.0%
SYGNITY	15.1	-	9.9	5.4	0.3	0.3	0.3	-	-	-	-	3%	5%	0.0%	0.0%	0.0%
<b>Median</b>		<b>8.6</b>	<b>8.2</b>	<b>6.0</b>	<b>0.1</b>	<b>0.2</b>	<b>0.2</b>	<b>11.5</b>	<b>11.7</b>	<b>10.1</b>	<b>2%</b>	<b>2%</b>	<b>2%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>
<b>FOREIGN COMPANIES</b>																
Accenture	38.1	7.2	7.2	6.7	1.1	1.1	1.0	14.4	14.4	12.7	15%	15%	15%	1.3%	2.5%	2.1%
Atos Origin	32.1	5.3	4.9	4.4	0.5	0.5	0.5	14.8	12.2	9.9	9%	10%	11%	0.2%	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	126.1	7.7	7.3	6.8	1.8	1.8	1.7	12.8	11.2	10.2	24%	24%	25%	1.7%	1.8%	1.9%
Indra Sistemas	13.9	7.5	7.4	7.0	1.0	1.0	1.0	11.5	11.2	10.5	13%	13%	14%	4.7%	4.9%	5.3%
LogicaCMG	1.1	7.6	6.6	6.2	0.6	0.6	0.6	10.7	9.6	8.8	8%	9%	9%	2.6%	3.0%	3.2%
Microsoft	23.9	7.7	7.0	6.3	3.0	2.9	2.7	14.2	11.6	10.3	39%	42%	42%	2.1%	2.2%	1.9%
Oracle	24.1	10.6	9.0	8.0	5.1	4.4	3.4	17.0	14.9	12.7	48%	48%	43%	0.1%	0.8%	0.9%
SAP	35.4	13.2	11.3	10.2	4.0	3.8	3.5	20.9	17.5	15.6	30%	33%	34%	1.4%	1.6%	1.8%
TietoEnator	13.8	6.7	5.8	5.1	0.6	0.6	0.6	13.0	11.1	9.4	9%	11%	12%	3.1%	4.3%	5.1%
<b>Median</b>		<b>7.6</b>	<b>7.1</b>	<b>6.5</b>	<b>1.0</b>	<b>1.0</b>	<b>1.0</b>	<b>14.3</b>	<b>11.9</b>	<b>10.4</b>	<b>14%</b>	<b>14%</b>	<b>15%</b>	<b>1.9%</b>	<b>2.3%</b>	<b>2.0%</b>

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

**Media company valuations /08.09.2010/**

	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
<b>POLISH COMPANIES</b>																
AGORA	25.1	8.2	6.7	6.6	1.0	1.0	0.9	33.4	19.0	19.9	12%	15%	14%	0.0%	2.0%	2.6%
CYFROWY POLSAT	14.9	12.0	8.8	7.5	3.1	2.7	2.5	16.8	13.1	11.7	26%	30%	33%	5.0%	3.9%	5.0%
TVN	17.9	10.0	12.5	10.2	3.8	3.3	2.9	14.5	21.2	16.9	37%	27%	29%	4.3%	1.7%	1.4%
<b>DAILY</b>																
Arnolgo Mondadori	2.3	9.6	6.9	5.9	0.7	0.7	0.7	13.9	10.0	7.8	7%	10%	11%	2.3%	7.5%	9.1%
Axel Springer	95.0	9.7	8.4	7.3	1.3	1.3	1.2	11.7	13.8	11.6	14%	15%	16%	4.6%	4.8%	5.1%
Daily Mail	4.9	9.3	8.3	7.7	1.4	1.5	1.4	13.5	11.8	10.2	15%	18%	19%	3.0%	3.1%	3.3%
Gruppo Editoriale	1.5	9.6	5.6	4.8	1.0	1.0	1.0	47.3	11.4	8.6	10%	18%	20%	0.0%	4.0%	5.9%
Mcclatchy	2.9	6.0	5.6	5.7	1.5	1.5	1.6	8.9	4.8	5.1	24%	28%	27%	3.1%	-	-
Naspers	306.0	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	8.4	3.9	3.1	3.2	0.5	0.5	0.5	39.3	11.7	11.5	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	18.1	21.9	10.2	6.9	0.4	0.4	0.4	-	-	39.8	2%	4%	6%	19.9%	-	-
Trinity Mirror	1.2	4.8	4.3	4.1	0.9	0.8	0.8	6.9	5.1	4.5	18%	19%	20%	0.0%	0.4%	1.9%
<b>Mediana</b>		<b>9.4</b>	<b>7.2</b>	<b>6.4</b>	<b>1.2</b>	<b>1.1</b>	<b>1.1</b>	<b>13.5</b>	<b>11.4</b>	<b>9.4</b>	<b>14%</b>	<b>18%</b>	<b>19%</b>	<b>1.6%</b>	<b>3.1%</b>	<b>3.3%</b>
<b>TV</b>																
Antena 3 Televis	5.8	20.8	9.9	8.0	2.1	1.9	1.8	28.7	12.0	9.6	10%	19%	22%	3.0%	6.1%	7.4%
CETV	426.0	33.6	13.2	9.3	3.2	2.7	2.4	-	-	25.7	9%	21%	26%	0.0%	0.0%	0.0%
Gestevisión Telecinco	8.6	19.8	12.0	7.5	3.4	2.5	2.1	30.5	17.4	11.6	17%	21%	28%	3.3%	4.5%	7.1%
ITV PLC	0.6	13.9	8.8	7.0	1.6	1.5	1.4	44.0	16.8	11.2	11%	17%	20%	0.0%	0.2%	1.0%
M6-Metropole Tel	16.8	8.0	7.4	6.9	1.6	1.5	1.4	16.7	15.7	14.3	20%	20%	21%	5.6%	5.0%	5.3%
Mediaset SPA	5.1	6.4	5.7	5.2	2.0	1.8	1.7	20.3	15.0	12.5	32%	32%	32%	4.8%	5.6%	6.4%
RTL Group	63.7	12.0	10.3	9.3	1.9	1.8	1.7	24.1	17.5	15.6	15%	17%	19%	3.5%	4.6%	5.2%
TF1-TV Francaise	12.1	14.2	12.9	8.8	1.2	1.1	1.1	34.2	26.9	15.3	9%	9%	12%	2.2%	3.2%	4.2%
<b>Mediana</b>		<b>14.1</b>	<b>10.1</b>	<b>7.8</b>	<b>1.9</b>	<b>1.8</b>	<b>1.7</b>	<b>28.7</b>	<b>16.8</b>	<b>13.4</b>	<b>13%</b>	<b>19%</b>	<b>21%</b>	<b>3.1%</b>	<b>4.5%</b>	<b>5.3%</b>
<b>PAY TV</b>																
BSkyB PLC	7.1	13.1	12.1	10.4	2.7	2.4	2.2	27.1	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	15.4	15.0	5%	5%	4%	4.7%	4.9%	5.0%
Cogeco	36.7	5.7	5.7	5.3	2.4	2.2	2.1	16.9	15.8	13.4	41%	39%	40%	1.3%	1.5%	1.6%
Comcast	17.9	5.7	5.5	5.3	2.2	2.1	2.1	15.2	14.4	12.7	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	3.4	3.0	17.5	16.6	14.8	46%	46%	44%	3.8%	4.0%	4.2%
<b>Mediana</b>		<b>6.2</b>	<b>6.0</b>	<b>5.7</b>	<b>2.7</b>	<b>2.4</b>	<b>2.2</b>	<b>17.2</b>	<b>16.2</b>	<b>15.0</b>	<b>41%</b>	<b>39%</b>	<b>40%</b>	<b>1.5%</b>	<b>2.7%</b>	<b>2.9%</b>

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

**Construction company valuations /08.09.2010/**

	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
<b>POLISH COMPANIES</b>																
Budimex	93.0	7.5	10.3	10.2	0.5	0.6	0.5	13.7	12.8	14.7	7%	5%	5%	6.3%	7.3%	4.8%
Elektrobudowa	186.0	9.8	12.0	10.9	1.1	1.1	1.0	16.2	18.0	16.2	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	63.3	4.8	8.4	8.3	0.4	0.4	0.4	10.8	15.9	16.6	8%	5%	5%	0.5%	4.6%	3.1%
PBG	250.2	12.6	11.5	11.4	1.7	1.2	1.0	17.0	16.6	16.2	13%	10%	8%	0.0%	1.2%	1.2%
Polimex Mostostal	4.6	7.4	9.2	9.7	0.5	0.6	0.6	13.5	15.3	16.8	7%	7%	6%	0.2%	0.9%	0.0%
Rafako	12.9	9.8	9.6	7.6	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	6.5	9.1	8.9	0.8	0.7	0.5	9.8	16.7	17.4	12%	8%	6%	2.3%	0.0%	0.0%
Ulma Construcccion	72.0	8.3	4.7	4.1	3.4	2.4	2.1	-	15.2	11.5	41%	51%	51%	0.0%	0.0%	0.0%
Unibep	8.3	9.1	10.8	10.9	0.7	0.5	0.4	15.9	14.4	14.9	8%	4%	4%	1.2%	0.0%	0.7%
<b>Median</b>		<b>7.9</b>	<b>9.4</b>	<b>9.3</b>	<b>0.7</b>	<b>0.6</b>	<b>0.5</b>	<b>15.2</b>	<b>15.6</b>	<b>15.5</b>	<b>8%</b>	<b>7%</b>	<b>6%</b>	<b>0.4%</b>	<b>1.0%</b>	<b>0.9%</b>
<b>FOREIGN COMPANIES</b>																
AMEC	9.2	10.1	9.0	8.1	0.9	0.9	0.8	19.5	17.6	15.4	9%	9%	10%	1.9%	2.1%	2.2%
BILFINGER	49.1	8.2	5.7	5.7	0.3	0.3	0.3	15.4	10.4	9.6	4%	6%	6%	3.7%	4.8%	4.8%
EIFFAGE	37.0	8.6	8.5	8.0	1.2	1.2	1.2	12.1	13.6	11.2	14%	14%	15%	3.1%	3.1%	3.4%
HOCHTIEF	54.6	6.0	5.2	4.9	0.3	0.3	0.3	20.9	16.6	14.4	5%	5%	6%	2.7%	3.0%	3.4%
NCC	128.1	7.0	8.0	7.3	0.3	0.4	0.3	12.9	13.4	12.0	5%	4%	5%	3.1%	4.4%	4.7%
SKANSKA	120.0	6.5	7.3	7.2	0.3	0.3	0.3	14.2	16.0	15.7	5%	5%	5%	4.6%	4.7%	4.9%
STRABAG	17.2	3.9	3.8	3.8	0.2	0.2	0.2	12.5	11.8	11.7	5%	5%	5%	3.0%	2.8%	3.0%
<b>Median</b>		<b>7.0</b>	<b>7.3</b>	<b>7.2</b>	<b>0.3</b>	<b>0.3</b>	<b>0.3</b>	<b>14.2</b>	<b>13.6</b>	<b>12.0</b>	<b>5%</b>	<b>5%</b>	<b>6%</b>	<b>3.1%</b>	<b>3.1%</b>	<b>3.4%</b>

**Property Developers company valuations /08.09.2010/**


	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
<b>POLISH COMPANIES</b>																
Dom Development	48.6	13.0	32.2	11.3	1.7	1.6	1.6	14.9	44.6	14.2	16%	9%	18%	1.6%	0.6%	1.8%
GTC	22.5	-	9.2	8.5	4.5	5.1	4.3	-	6.8	7.1	-	142%	166%	0.0%	0.0%	0.0%
J.W. Construction	16.7	9.6	5.5	7.6	2.8	2.2	1.6	9.0	5.5	6.3	21%	30%	47%	0.0%	0.0%	0.0%
Polnord	39.2	14.3	21.5	15.1	0.8	0.8	0.7	13.6	25.3	12.8	48%	15%	32%	0.0%	0.0%	0.0%
<b>Median</b>		<b>13.0</b>	<b>15.3</b>	<b>9.9</b>	<b>2.3</b>	<b>1.9</b>	<b>1.6</b>	<b>13.6</b>	<b>16.1</b>	<b>10.0</b>	<b>21%</b>	<b>22%</b>	<b>39%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>
<b>FOREIGN COMPANIES</b>																
CA IMMO INTERNATIONAL	5.8	20.3	16.8	13.6	0.4	0.6	0.5	-	-	-	66%	52%	55%	0.0%	0.0%	1.6%
CITYCON	2.8	19.2	17.3	16.2	0.7	0.8	0.8	15.6	12.7	12.0	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	24.4	19.1	17.4	16.7	0.9	1.0	1.0	21.2	17.2	15.4	87%	86%	86%	4.3%	4.4%	4.8%
ECHO INVESTMENT	4.6	14.6	15.2	11.7	1.2	1.1	1.1	21.4	16.8	12.2	58%	61%	71%	0.0%	0.0%	0.0%
HAMMERSON	3.8	19.2	19.8	19.1	0.6	1.0	0.9	18.8	17.7	18.5	77%	78%	79%	3.9%	4.2%	4.3%
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	5.3	24.7	17.4	15.4	0.6	0.7	0.7	-	12.8	7.9	53%	50%	50%	0.0%	1.6%	5.0%
UNIBAIL-RODAMCO	157.1	19.4	19.3	18.1	0.9	1.2	1.2	16.8	16.9	16.2	86%	82%	81%	5.1%	5.2%	5.5%
<b>Median</b>		<b>19.4</b>	<b>17.4</b>	<b>16.7</b>	<b>0.8</b>	<b>1.0</b>	<b>1.0</b>	<b>16.9</b>	<b>16.9</b>	<b>15.5</b>	<b>66%</b>	<b>78%</b>	<b>79%</b>	<b>4.3%</b>	<b>4.4%</b>	<b>5.0%</b>

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


**Machinery manufacturer valuations /08.09.2010/**

	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
<b>POLISH COMPANIES</b>																
FAMUR	2.4	9.1	11.2	6.5	1.8	1.8	1.7	19.5	19.8	11.6	19%	16%	26%	0.0%	0.0%	0.0%
KOPEX	16.7	7.6	7.0	5.7	0.7	0.7	0.6	14.2	15.4	10.9	9%	9%	10%	0.0%	0.0%	0.0%
<b>Median</b>		<b>8.4</b>	<b>9.1</b>	<b>6.1</b>	<b>1.2</b>	<b>1.2</b>	<b>1.1</b>	<b>16.9</b>	<b>17.6</b>	<b>11.3</b>	<b>14%</b>	<b>13%</b>	<b>18%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>
<b>FOREIGN COMPANIES</b>																
Atlas Copco	118.1	13.9	11.7	10.0	2.5	2.4	2.2	22.4	17.7	14.7	18%	21%	22%	2.5%	2.8%	3.2%
Bucyrus	67.1	10.3	8.3	6.9	2.1	1.5	1.3	16.9	17.6	13.2	20%	18%	19%	0.1%	0.1%	0.1%
Emeco	0.8	3.8	4.5	3.8	1.4	1.8	1.7	9.0	12.2	8.5	38%	41%	45%	4.2%	2.3%	5.3%
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	65.3	9.1	12.0	9.8	1.9	2.2	2.0	15.4	20.9	16.7	21%	19%	20%	1.1%	1.1%	1.1%
Sandvik	92.9	36.6	10.5	8.2	2.0	1.8	1.6	-	20.6	13.5	5%	17%	20%	1.7%	2.3%	3.4%
<b>Median</b>		<b>9.7</b>	<b>9.4</b>	<b>7.5</b>	<b>1.9</b>	<b>1.8</b>	<b>1.6</b>	<b>15.4</b>	<b>17.6</b>	<b>13.4</b>	<b>21%</b>	<b>20%</b>	<b>21%</b>	<b>1.7%</b>	<b>2.3%</b>	<b>3.3%</b>

**Paper manufacturer valuations /08.09.2010/**

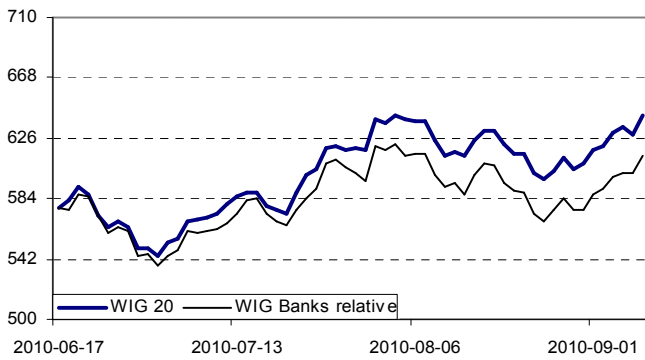
	Price	EV/EBITDA			EV/S			P/E			EBITDA margin			D/Y		
		2009	2010	2011	2009	2010	2011	2009	2010	2011	2009	2010	2011	2009	2010	2011
<b>POLISH COMPANIES</b>																
MONDI	73.8	20.0	10.1	8.0	3.2	2.1	1.8	51.7	17.3	12.0	16%	20%	23%	0.0%	0.0%	5.8%
<b>FOREIGN COMPANIES</b>																
Billerund	45.2	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	218.0	8.6	11.0	8.8	1.4	1.4	1.3	18.3	31.9	19.6	16%	13%	15%	4.1%	3.2%	3.3%
INTL Paper	21.6	5.9	5.6	4.9	0.8	0.7	0.7	24.6	12.2	8.7	13%	13%	14%	1.5%	1.7%	2.1%
M-Real	2.8	67.0	6.8	6.4	0.8	0.8	0.7	-	26.7	14.0	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	11.5	8.3	7.1	2.3	1.9	1.8	18.4	14.1	11.1	20%	23%	25%	3.4%	4.3%	5.0%
Stora Enso	6.8	11.2	8.6	7.4	1.0	0.9	0.9	42.2	16.9	13.4	9%	11%	12%	2.6%	2.9%	3.1%
Svenska	103.0	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	11.6	9.8	8.3	7.0	1.3	1.2	1.1	-	26.2	16.2	13%	14%	16%	3.3%	4.0%	4.2%
<b>Median</b>		<b>8.6</b>	<b>8.3</b>	<b>6.8</b>	<b>1.0</b>	<b>0.9</b>	<b>0.9</b>	<b>21.5</b>	<b>15.5</b>	<b>12.3</b>	<b>13%</b>	<b>13%</b>	<b>15%</b>	<b>2.6%</b>	<b>3.2%</b>	<b>3.3%</b>

**Mining company valuations /08.09.2010/**

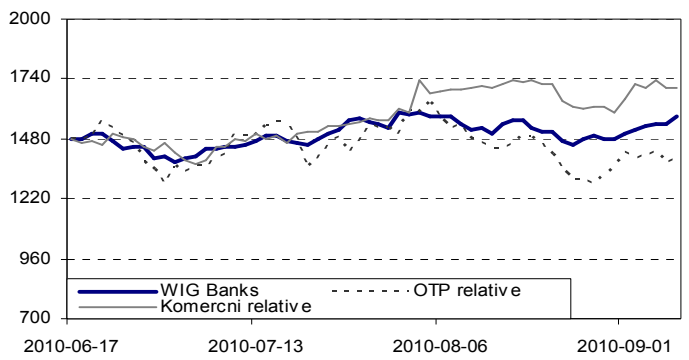
	Price	EV/EBITDA			EV/S			P/E			EBITDA margin			D/Y		
		2009	2010	2011	2009	2010	2011	2009	2010	2011	2009	2010	2011	2009	2010	2011
<b>POLISH COMPANIES</b>																
KGHM	112.2	5.9	5.5	6.6	1.9	1.9	1.8	8.8	6.5	11.3	33%	34%	27%	10.4%	2.7%	4.5%
<b>FOREIGN COMPANIES</b>																
Anglo Amer.	25.0	7.0	4.0	3.3	2.0	1.6	1.4	11.5	6.0	4.6	29%	40%	43%	0.3%	1.6%	4.0%
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%	4.6%	5.1%
Freeport-MCMOR	79.1	5.6	4.2	4.0	2.7	2.2	2.1	14.7	9.7	8.8	48%	52%	52%	0.1%	1.3%	1.8%
Rio Tinto	34.7	7.3	4.0	3.5	2.3	1.8	1.7	10.6	5.4	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	4.0	29.8	14.8	11.1	49%	59%	60%	1.5%	4.8%	5.9%
<b>Median</b>		<b>7.0</b>	<b>4.2</b>	<b>3.5</b>	<b>2.3</b>	<b>2.1</b>	<b>1.7</b>	<b>11.5</b>	<b>7.8</b>	<b>5.0</b>	<b>44%</b>	<b>48%</b>	<b>52%</b>	<b>1.5%</b>	<b>2.8%</b>	<b>4.0%</b>

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

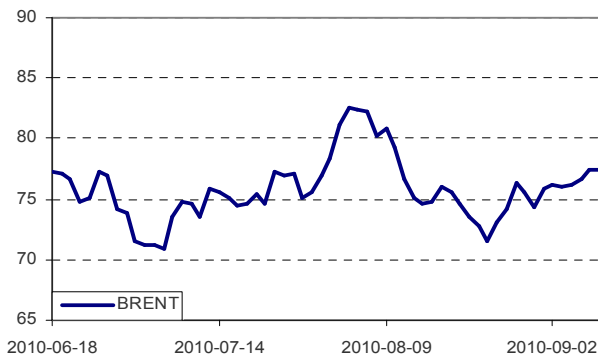
**WIG Banks index vs. WIG 20 index (EUR)**



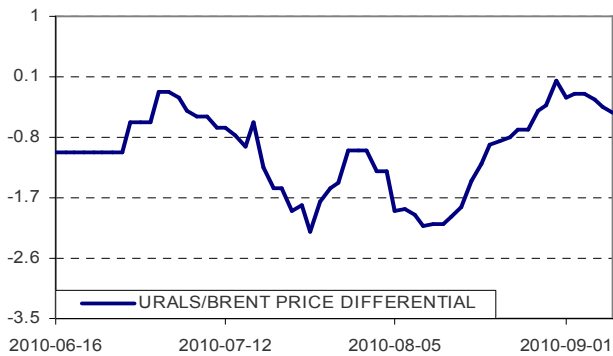
**OTP and Komerčni's relative performance vs. WIG Banks index (EUR)**



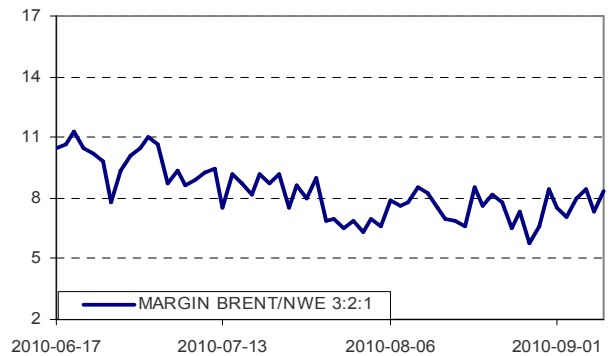
**BRENT (USD/bbl)**



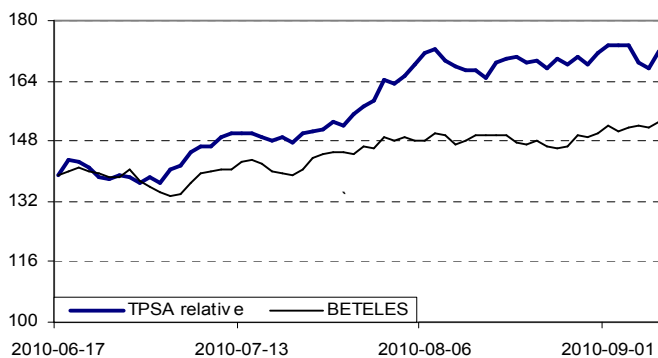
**BRENT (USD/bbl)**



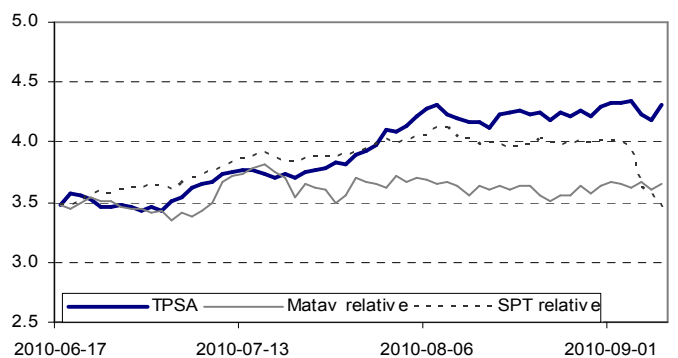
**BRENT (USD/bbl)**



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

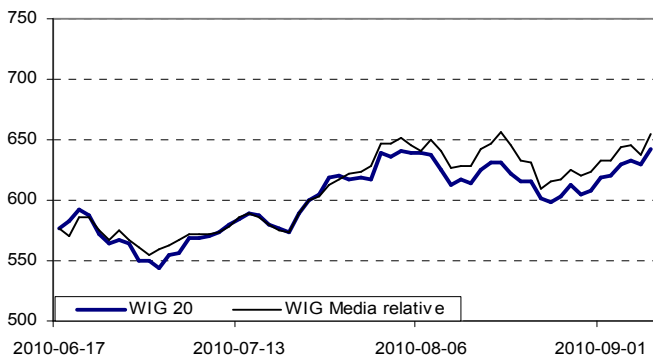


**National operator quotations: TPSA, Hungarian Magyar Telecom and Czech SPT (EUR)**

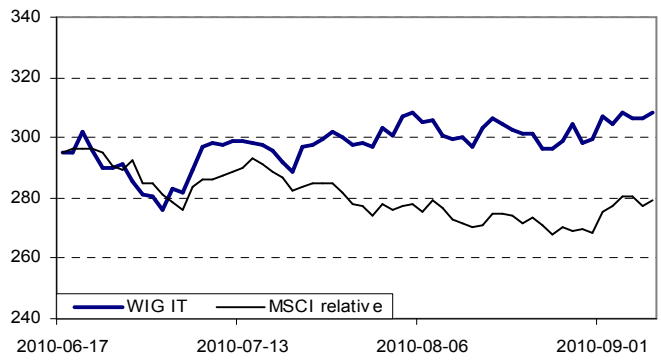


Source: Bloomberg

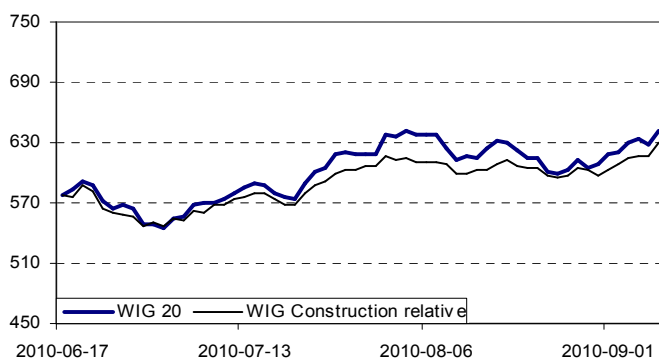
**WIG Media index vs. WIG 20 index (EUR)**



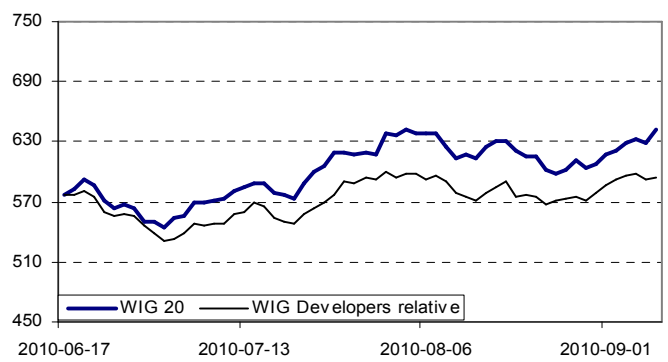
**WIG IT index vs. MSCI**



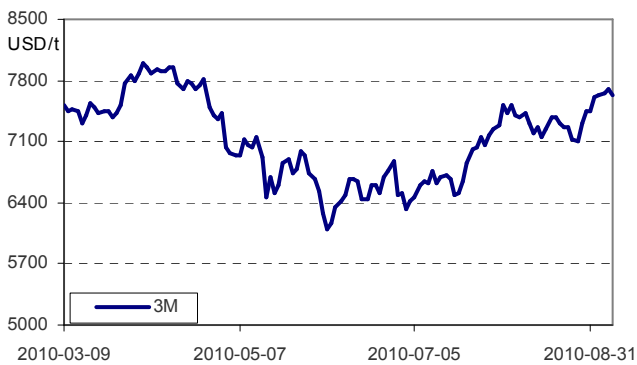
**WIG Construction index vs. WIG 20 index (EUR)**



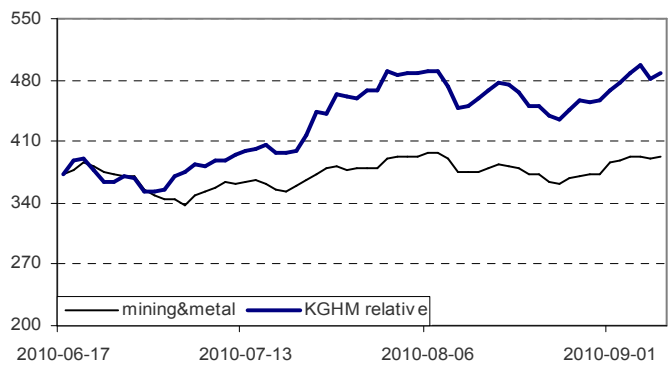
**WIG Developers index vs. WIG 20 index (EUR)**



**Copper price on LME**



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



Source: Bloomberg

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

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

**EBIT** – Earnings Before Interest and Taxes

**EBITDA** – EBIT + Depreciation and Amortisation

**PBA** – Profit on Banking Activity

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

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

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

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

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

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

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

**EBITDA margin** – EBITDA/Sales

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

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

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

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

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

Recommendations are updated at least once every nine months.

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