

10 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	10 415.2	+0.27%	FTSE 100	5 494.2	+1.19%	Copper (LME)	7 555.0	-1.56%
S&P 500	1 104.2	+0.48%	WIG20	2 535.9	+0.21%	Crude Oil (Brent)	76.6	-1.03%
NASDAQ	2 236.2	+0.33%	BUX	23 297.7	-0.32%	USD/PLN	3.11	+0.19%
DAX	6 221.5	+0.93%	PX 50	1 142.8	+0.61%	EUR/PLN	3.94	-0.02%
CAC 40	3 722.2	+1.22%	PLBonds10	5.50	-0.47%	EUR/USD	1.27	-0.19%

Company & Sector Information

BZ WBK

Hold – 07/04/10

Target price: PLN 200.5

PKO BP

Hold – 17/03/10

Target price: PLN 40.10

PKO BP

Hold – 17/03/10

Target price: PLN 40.10

Santander close to success in BZ WBK race, newspapers report

Parkiet reports AIB favors Santander's bid for AIB, and the questions it is directing of PKO BP and BNP Paribas are meant to up the stakes. **Earlier this week, *Gazeta Wyborcza* reported Santander was the likely winner.** (I. Rokicka)

PKO BP aiming at PLN 3.3-3.4bn in new mortgages in Q3 2010

The Bank's Vice-President, Mr. Wojciech Papierak, said that PKO BP was going to lend more in mortgages in Q3 2010 than in Q2 2010. The target for the third quarter is PLN 3.3-3.4bn in new mortgages, which will allow the Bank to keep its 30% market share; the same level of sales should be sustained in Q4 2010. In addition, the Bank wants to extend PLN 2.6-2.7bn worth of cash loans, of which 80% is to go to its existing clients. Mr. Papiertak added that the quality of the retail portfolio had not changed. **In Q2 2010, the Bank extended PLN 3.1bn worth of mortgages, which implies Q/Q growth of ca. 7-10%, as well as PLN 2.6bn worth of cash loans (+0-4% q/q).** (I. Rokicka)

PKO BP's credit / deposit ratio remains under 100%; costs of risk will decline in H2 vs. H1

The Bank's Vice-President, Mr. Krzysztof Dresler, said that PKO BP had kept its loans / deposits ratio below 100%. He added that he expected costs of risk to go down in the second half of the year thanks to slight improvements in the corporate segment. In addition, he noted that the Bank's goal was to keep the cost / income ratio at the current level, with administrative costs flat and payroll costs rising. **After Q2'10, the Bank's loans / deposits ratio was 96.4%. In the first half of the year, the cost / income ratio stood at 41.9%, and the costs of risk figured to 146bps. All this information had been communicated before, and we consider it neutral for the price of the stock.** (I. Rokicka)

PZU

Suspended – 04/08/10

Management to discuss dividend policy revisions with the Supervisory Board this year

CEO Andrzej Klesyk has said that before the end of the year the Management will open a discussion with the Supervisory Board concerning the Company's future dividend policies, stressing that capital management rules should be clearly defined and clearly communicated to shareholders. The Management Board will soon be working on PZU's FY 2011 financial plan for 2011, and this includes dividends. **The Company's current policy foresees payouts amounting to 25-45% of profits. The market wants more. The Management have already declared they want the payout ratio increased, hence this piece of news can be considered neutral.** (I. Rokicka)

PZU hopes to see a technical profit in the corporate segment in 2012

Mr. Witold Jaworski of the Management Board said that the Company hopes its 2012 technical (underwriting) profit in the corporate segment will be positive in 2012, when restructuring efforts have ended. At the moment, the portfolio generates losses. **In line with earlier declarations, PZU is currently restructuring its corporate portfolio to boost its profitability, which leads to a decline in sales.** (I. Rokicka)

Fuels

Positive surprise in crude oil inventories

In the week ended 3 September, US crude oil inventories declined by 1.85m bbl even though they had been expected to rise by 1m bbl. Gasoline inventories fell just slightly by 0.2m bbl (a 1m bbl drop was expected), and middle distillate inventories by 0.4m bbl (against expectations of a 0.7m

bbl increase). **The surprise in crude oil inventories seems to be attributable to increased capacity utilization at refineries, which boosted their capacity utilization by 1pp to 88.2%. The demand for fuels has not changed considerably since last week; in fact, in the case of gasoline a 1.2% drop was noted. (K. Kliszcz)**

PGNiG

Buy - 14/06/10

Target price: PLN 4.24

Regulator skeptical about a 10% tariff hike

The energy regulator URE, which is considering PGNiG's request for a tariff hike, disagrees with the Company's foreign-currency assumptions, as a result of which it does not consider the requested 10% hike in tariffs warranted. An increase by a smaller percentage can be expected instead. **As a reminder, our model assumes that regulated prices will increase by 5%. (K. Kliszcz)**

Kernel

Buy - 08/09/10

Target price: PLN 77.28

Russia's Ministry of Agriculture could ban sunflower oil exports

Russia's Ministry of Agriculture could ban sunflower oil exports due to the expected decline in the country's output to 2 Mt as a result of a lower sunflower harvest (5.6 Mt expected in 2010 vs. 6.9 Mt in 2009). **For now, sunflower harvest forecasts for Ukraine remain good and a decline in Russian exports will benefit Ukrainian exports. This is good news for Kernel, which will be able to get a higher price for its oil. We are reiterating our positive outlook on Kernel. (J. Szkopek)**

Budimex

Reduce - 03/09/10

Target price: PLN 78.3

BDX best bidder in PLN 327.1m road contract

A consortium of Budimex and Ferrovial was selected as the best bidder on an S17 expressway contract based on a PLN 327.1m quote (representing 7.4% of the 2010 revenues forecasted for Budimex). The contract's term is 30 months. **Budimex's offer won with a 1.5% cheaper bid by a consortium of FCC Construcción and Erbud. The next lowest bids (of which there were 11 in total) were at least 16.7% higher. (M. Stokłosa)**

Budimex wants PNI

Budimex is determined to purchase the railroad infrastructure maintenance company PNI, slated for privatization, from PKP PLK. The privatization process is set to start in Q4 2010. PNI generates about PLN 600m in annual revenues. **Budimex is branching out into new sectors of the construction industry in anticipation of an impending slowdown in road-infrastructure projects. PNI can offer the capacity and human resources to make the entry into the railroad market easier. Unless Budimex is desperate enough to overpay for a large company which may be in need of restructuring, the acquisition has potential to create value. No impact on stock performance. (M. Stokłosa)**

Budimex to distribute 70% of 2010 earnings to shareholders

Budimex plans to pay 70% of its 2010 earnings out as dividends to shareholders. **Assuming net earnings of PLN 200m, the distribution will amount to PLN 140m (dividend yield = 5.9%). (M. Stokłosa)**

Budimex aims to be 2010 earnings leader

Budimex hopes that its 2010 earnings will be the best in the Polish construction industry. The company has accumulated an order backlog close to PLN 8 billion, and it keeps capturing PLN 400m in new contracts on a monthly basis. Next year, net profitability is expected to contract because of smaller contributions from the real-estate business. **We agree that Budimex's earnings this year will be very strong. Next year, however, without a boost from one-time charge reversals, the bottom-line profit will most probably drop below PLN 100m. (M. Stokłosa)**

Mostostal Warszawa

Hold - 02/08/10

Target price: PLN 68.6

Remak
PLN 36.1m contract

Mostostal Warszawa and consortium partner Remak signed a contract to design and deliver a finely-ground biomass feed system to the "Energa Elektrownie Ostrołęka" power-plant complex. The PLN 36.1m contract represents 1.4% of MSW's expected 2010 revenues. **The contract is a small addition to MSW's order backlog. (M. Stokłosa)**

Polimex Mostostal

Hold - 03/09/10

Target price: PLN 4.23

PXM makes lowest contract bid

A consortium led by Polimex Mostostal submitted the lowest quote (PLN 44.5m, representing 1% of expected 2010 revenues) on a contract to expand the Raczyński Library building in Poznań. **The contract is a small addition to PXM's order backlog. (M. Stokłosa)**

Polnord

Buy - 02/06/10

Target price: PLN 50.7

Polnord eyes earnings growth in 2010

Polnord expects to report earnings growth in 2010 after a stronger second half of the year. H2 sales volumes will be about the same as in H1 (ca. 300 flats). Profits in the third quarter will be boosted by the sale of a 50% stake in the Wilanów shopping-center project to GTC, supported by revaluation gains on other properties. Polnord is determined to keep its debt to equity ratio at 50% going forward, and it is not planning any more equity or debt issues in the foreseeable future.

Further, the developer hopes to gain about PLN 60m by refinancing selected commercial properties, and it has put up for sale a land site in Novosibirsk (Russia). Finally, Polnord intends to pay 30% of its annual profits as dividends in the coming years. **Polnord's 2010 earnings projections are in line with our expectations. (M. Stokłosa)**

Polnord on search for commercial real-estate partners and PPP opportunities

Polnord is looking for partners for two office-building projects in Warsaw's Wilanów district, scheduled to commence in September and December. Both buildings are already 70% rented. In other news, the company is negotiating a PPP arrangement with the city of Opole for a project that involves an office building with a floor area of 8000 square meters, and storage and industrial facilities. The preliminary agreement may be signed still this year. Polnord is also discussing major PPP undertakings with Gdynia and Szczecin. **Polnord deserves kudos for managing to find tenants for 70% of spaces in two office buildings in a market ads weak as the current one. As for PPP contracts, given that they do not require the developer to freeze capital in land, they can be a value-driving factor. (M. Stokłosa)**

More News

Asseco Poland	The Asseco Group has received orders for a total of PLN 1.9m.
BRE	BRE Bank sees no factors that could negatively impact its provisions in Q3, and expects them to stabilize at PLN 120-160m in the medium term.
Budimex	Budimex will make a bid for PKP's subsidiary PNI. Budimex to pay out 70% of its FY 2010 profit as dividends In 2010, Budimex hopes to the highest earnings among construction companies.
Bytom	Bytom needs some PLN 20m to finance growth. A share offering is planned.
Centrozap	Most likely in November a court of appeals will reconsider Centrozap's claim for several million zloty from the state treasury.
Cersanit	Trading in preemptive rights will take place between September 10-14.
Real estate developers	In August, prices of second-hand homes declined by 0.4% in average. The expected seasonal revival in sales in the fall could send asking prices over the levels seen in December 2009.
DSS	Treasury will extend DSS's negotiating exclusivity for KSS until 17 September.
ED Invest	The Financial Supervision Authority (KNF) approved ED Invest's prospectus.
Forte	Forte may sell a property in Przemyśl before the end of this year. Its value has been put at over PLN 10.4m by an independent appraiser.
Coal mining	KHW may make a WSE debut in the second half of 2011. It could obtain up to PLN 1.5bn from a share offering, says the CEO.
Hyperion	Hyperion signed a preliminary agreement with Penta Investments concerning the purchase of a Cypriot company Cyfoca Holdings Public Co., which owns a 77.27% stake in the Kraków-based cable TV operator Stream Communications.
Introl	Introl raised this year's gross profit target by 13% to PLN 51.5m, and revenue target by 16% to PLN 232m. Profit on sales target was left unchanged at PLN 13m.
Lotos	VP says Lotos's operating profit will be higher in 2010 than in 2009. In 2011, Lotos will discuss the refinancing of a USD 400m loan taken out to fund crude oil purchases with the creditor banks (PKO BP, Pekao, Rabobank and BRE). The loan falls due on 31 December 2011
Mondi	The government is planning to include State Forests in the public finances sector so as to be able to use its financial surpluses and slow down the pace at which national debt is increasing.

MPL Group	MPL Group filed a prospectus with the KNF, is planning a WSE debut in late 2010 or early 2011.																
Netia	The antitrust authority UOKiK approves a joint venture by Centertel and P4 which is to make a bid for wholesale broadband in the LTE technology.																
PGE	PGE will invite tenders for the construction of a new generation unit at Turów by the end of the year.																
Polnord	CEO believes only cheap homes are in demand now. More expensive homes will become popular towards the end of 2011.																
Resbud	Supervisory Board dismissed Mr. Krzysztof Wolański from the Management Board.																
Oil	OPEC expects lower prices of crude oil than previously forecasted as the revival in the global economy turns out to be slower and supply on the part of non-OPEC producers is higher. US crude inventories are have declined by 1.85m bbl.																
	<table border="0"> <thead> <tr> <th>(m bbl)</th> <th>value</th> <th>change</th> <th>% change</th> </tr> </thead> <tbody> <tr> <td>Crude oil inventories</td> <td>359.85</td> <td>-1.85</td> <td>-0.5%</td> </tr> <tr> <td>Gasoline inventories</td> <td>225.16</td> <td>-0.243</td> <td>-0.1%</td> </tr> <tr> <td>Distillate inventories</td> <td>174.85</td> <td>-0.338</td> <td>-0.2%</td> </tr> </tbody> </table>	(m bbl)	value	change	% change	Crude oil inventories	359.85	-1.85	-0.5%	Gasoline inventories	225.16	-0.243	-0.1%	Distillate inventories	174.85	-0.338	-0.2%
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Gas & Oil	EC is not planning to withhold financing for the Świnoujście gas terminal (EUR 80m), but its is awaiting the German environmental assessment.																
Sobieski	GEM Global Yield Fund is ready to support Sobieski with up to EUR 70m in exchange for some of its stock.																
TPSA	Emitel, which has already agreed details of the agreement with broadcasters concerning the second multiplex, hopes to sign it by the end of September. The value of the agreement will be decreased by PLN 615.6m the Company will get form TVP for the operation of the third multiplex.																
Wikana	Wikana is planning to launch construction of 760 homes by the end of 2011; by the end of 2013, it should start construction over its entire land bank, which allows for 3000 homes. A commercial project in Lublin will also be started towards the end of 2010.																
ZEG	Shareholders voted to re-materialize the Company's shares.																

Insider Trading and Fund Activity

Mercor	Quercus funds increased voting interests to 5.4% from 2.58%.
Suway	Pegasus Investment Ltd increased equity interests to 16.55% from 13%.
Rubicon Partners Nfi	An entity affiliated with a supervisory board member purchased 95,000 shares for PLN 1.11 apiece on 16 September.

Corporate Action Calendar

Friday /10.09.10/

GRUPA ZUE First day of book building.

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.
TAURON EGM, agenda includes bylaw amendments.

Wednesday /15.09.10/

CYFROWY POLSAT EGM re: merger with M.Punkt Holdings Limited.
LPP Dividend record date (PLN 50/share).

Thursday /16.09.10/

GRUPA ZUE Last day of individual and institutional subscriptions.
POLIMEX MOSTOSTAL Dividend payout, PLN 0.04/share

Economic Calendar

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

Thursday /16.09.10/


Time	Region	Report	Period	Forecast	Previous
11:00	EU	Exports	July		130.8bn
11:00	EU	Imports	July		132.4bn
11:00	EU	Trade balance	July		-1.6bn
14:30	USA	PPI core	August		0.3% m/m
14:30	USA	PPI	August		0.2% m/m; 4.2% y/y
15:00	USA	Net long-term TIC flows	July		44.4bn
15:00	USA	Total net TIC flows	July		-6.7bn
16:00	USA	Philadelphia Federal Index	September		-7.7

Quarterly earnings announcement from Fedex before US market open.
Quarterly earnings announcements from Oracle, Research In Motion after US market close.


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	20.39	2010-05-06	16.90	11.9
ACTION	Accumulate	18.49	18.20	2010-09-03	17.10	11.6
AGORA	Accumulate	25.80	25.65	2010-08-27	24.30	19.4
ASBIS	Hold	4.69	3.72	2010-05-10	4.65	8.8
ASSECO POLAND	Buy	65.30	55.70	2010-08-31	55.00	10.7
ASTARTA	Sell	45.83	89.00	2010-05-11	57.50	7.4
BUDIMEX	Reduce	78.30	93.40	2010-09-03	91.30	12.9
BZWBK	Hold	200.50	196.90	2010-04-07	216.50	14.5
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	132.90	2010-03-03	133.90	9.5
CIECH	Buy	34.50	28.00	2010-08-23	28.27	8.9
CINEMA CITY	Hold	39.90	43.00	2010-07-16	39.00	19.5
COMARCH	Hold	79.50	77.95	2010-09-03	79.35	18.0
CYFROWY POLSAT	Accumulate	16.03	14.75	2010-09-03	14.33	13.0
DOM DEVELOPMENT	Accumulate	50.10	48.50	2010-07-05	44.80	44.5
ELEKTROBUDOWA	Reduce	165.70	186.20	2010-09-03	186.00	18.0
EMPERIA HOLDING	Hold	81.60	83.00	2010-03-09	77.50	16.3
ENEA	Accumulate	21.24	20.40	2010-09-03	20.10	13.8
ERBUD	Accumulate	54.10	51.90	2010-07-05	50.00	12.7
EUROCASH	Reduce	18.60	21.80	2010-05-06	20.61	23.4
FAMUR	Hold	2.03	2.40	2010-05-28	2.00	20.2
GETIN	Hold	10.34	10.18	2010-05-06	10.19	13.3
GTC	Hold	23.90	22.50	2010-05-28	23.80	6.8
HANDLOWY	Buy	87.10	79.00	2010-06-02	75.00	16.3
ING BSK	Suspended		808.00	2010-08-04	821.00	15.5
J.W. CONSTRUCTION	Hold	16.40	17.00	2010-07-09	16.10	5.6
KERNEL	Buy	77.28	63.00	2010-09-08	60.95	8.2
KĘTY	Accumulate	115.38	108.00	2010-08-23	105.50	12.2
KGHM	Hold	96.10	111.70	2010-05-27	93.70	6.5
KOMPUTRONIK	Hold	11.56	10.62	2009-12-08	11.39	11.6
KOPEX	Hold	18.46	16.80	2010-05-28	18.90	15.5
KREDYT BANK	Hold	15.30	14.93	2010-04-07	14.60	31.5
LOTOS	Reduce	26.50	31.50	2010-09-03	30.04	10.4
LW BOGDANKA	Hold	85.40	82.60	2010-09-01	83.70	14.9
MILLENNIUM	Suspended		4.56	2010-08-04	4.68	18.7
MONDI	Hold	71.10	74.10	2010-08-13	73.70	17.4
MOSTOSTAL WARSZAWA	Hold	68.60	63.45	2010-08-02	67.50	15.9
NETIA	Accumulate	5.30	4.90	2010-08-10	4.86	25.4
PBG	Reduce	194.00	251.20	2010-06-02	213.40	16.7
PEKAO	Hold	172.80	162.00	2010-03-05	165.50	16.0
PGE	Buy	27.90	23.90	2010-03-30	23.00	13.2
PGNiG	Buy	4.24	3.45	2010-06-14	3.45	12.1
PKO ORLEN	Hold	40.20	41.21	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	5.68	2010-06-02	5.39	12.1
POLIMEX MOSTOSTAL	Hold	4.23	4.57	2010-09-03	4.44	15.4
POLNORD	Buy	50.70	39.20	2010-06-02	37.70	25.3
PZU	Suspended		399.30	2010-08-04	399.00	15.3
RAFAKO	Accumulate	13.70	12.93	2010-09-03	12.80	17.5
SYGNITY	Buy	18.20	15.05	2010-03-02	12.57	
TAURON	Buy	8.42	5.60	2010-08-16	5.10	12.4
TELEKOMUNIKACJA POLSKA	Hold	16.90	17.00	2010-09-08	16.50	5429.8
TRAKCJA POLSKA	Hold	4.16	4.31	2010-05-06	4.14	16.5
TVN	Hold	16.69	17.90	2010-09-03	17.15	21.2
ULMA CONSTRUCCION POLSKA	Accumulate	82.20	73.80	2010-07-05	73.00	15.6
UNIBEP	Accumulate	9.00	8.37	2010-05-14	7.90	14.5
ZA PULAWY	Hold	72.05	77.80	2010-01-06	80.90	18.0

CEE bank valuations /09.09.2010/


	Price	P/E			ROE			P/BV			D/Y		
		2009	2010	2011	2009	2010	2011	2009	2010	2011	2009	2010	2011
POLISH BANKS													
BZ WBK	196.9	16.2	14.5	11.3	16%	16%	18%	2.4	2.2	1.9	0.0%	2.0%	2.3%
Getin	10.2	26.3	13.3	10.7	7%	13%	14%	1.9	1.7	1.4	0.0%	0.0%	0.0%
Handlow y	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	808.0	17.7	15.5	11.4	13%	13%	15%	2.2	1.9	1.6	0.0%	0.0%	0.0%
Kredyt Bank	14.9	117.4	31.5	9.2	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%
Median		21.2	16.1	11.3	11%	13%	15%	2.0	1.8	1.6	0.0%	0.9%	1.1%
INVESTORS IN POLISH BANKS													
AIB	0.8	-	-	-	-	-	-	0.1	0.2	0.2	0.0%	0.0%	0.0%
BCP	0.6	16.1	9.4	7.0	4%	6%	8%	0.5	0.5	0.5	3.7%	4.6%	6.4%
Citigroup	3.9	-	12.7	8.9	-	6%	8%	0.7	0.7	0.7	0.3%	0.1%	0.6%
Commerzbank	6.4	-	-	12.8	-	-	6%	0.5	0.7	0.7	0.0%	0.0%	0.2%
ING	7.7	28.6	8.0	6.2	1%	10%	11%	0.9	0.7	0.7	0.1%	0.3%	1.9%
KBC	34.7	-	8.7	7.3	-	15%	15%	1.1	0.9	0.9	0.0%	2.2%	3.2%
UCI	2.0	20.3	17.0	8.5	3%	4%	7%	0.6	0.6	0.6	1.3%	2.3%	4.5%
Median		20.3	9.4	7.9	3%	6%	8%	0.6	0.7	0.7	0.1%	0.3%	1.9%
FOREIGN BANKS													
BEP	4.9	8.7	10.9	8.4	10%	7%	9%	0.8	0.8	0.7	5.6%	4.6%	5.9%
Deutsche Bank	47.5	7.0	7.0	6.0	13%	12%	12%	0.8	0.7	0.7	1.9%	2.1%	3.6%
Erste Bank	29.7	11.7	12.5	8.4	9%	8%	10%	1.0	0.9	0.8	1.7%	2.0%	2.5%
Komerčni B.	3904.0	13.6	12.7	11.3	17%	17%	18%	2.3	2.1	1.9	4.2%	4.7%	5.5%
OTP	4880.0	9.1	8.6	6.2	13%	12%	15%	1.1	1.0	0.9	0.9%	3.0%	5.2%
Santander	9.9	9.3	9.2	7.8	14%	13%	15%	1.2	1.1	1.0	5.6%	5.8%	6.5%
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	100.8	13.3	8.1	2%	16%	23%	2.4	2.0	1.7	0.2%	0.8%	1.6%
VTB Bank	5.7	-	44.5	13.9	-	2.4%	12.3%	1.7	1.7	1.6	0.2%	0.4%	1.2%
Median		10.0	10.3	8.3	13%	13%	15%	1.5	1.4	1.3	1.8%	2.6%	3.8%

Insurance company valuations /09.09.2010/


	Price	P/E			ROE			P/BV			D/Y		
		2009	2010	2011	2009	2010	2011	2009	2010	2011	2009	2010	2011
POLISH COMPANIES													
PZU	399.3	9.2	15.3	12.8	25%	20%	21%	3.1	2.7	2.4	-	2.7%	3.0%
FOREIGN COMPANIES													
Vienna Insurance G.	38.1	13.9	12.5	10.8	9%	9%	10%	1.2	1.1	1.0	2.9%	2.8%	3.1%
Uniq	14.3	31.1	13.6	11.0	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%	5.3%	5.8%
Aviva	4.0	7.0	6.9	5.9	13%	15%	17%	1.0	1.1	1.0	6.1%	6.6%	7.1%
AXA	12.9	8.7	6.9	6.1	9%	10%	10%	0.7	0.6	0.6	3.9%	5.8%	6.8%
Baloise	85.7	9.2	8.6	7.8	12%	11%	11%	1.0	0.9	0.8	5.2%	5.4%	5.7%
Generali	91.5	16.5	13.4	12.0	8%	8%	9%	1.3	1.2	1.1	2.9%	2.9%	3.1%
Helvetia	329.0	9.5	8.1	7.5	11%	12%	12%	1.0	0.9	0.8	4.2%	4.6%	4.8%
Mapfre	2.4	7.3	7.7	7.3	17%	14%	14%	1.1	1.0	0.9	6.4%	6.4%	6.7%
RSA Insurance	1.3	9.9	9.6	9.0	12%	14%	14%	1.3	1.2	1.2	6.4%	6.8%	7.1%
Zurich Financial	236.6	10.2	8.4	7.8	13%	14%	14%	1.2	1.1	1.1	5.1%	6.5%	6.8%
Median		9.5	8.5	7.7	12%	11%	12%	1.1	1.1	0.9	4.4%	5.4%	5.8%

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

Fuels producer valuations /09.09.2010/

	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	
OIL COMPANIES																
Lotos	31.5	13.1	12.9	8.1	0.7	0.6	0.5	4.6	10.4	7.1	5%	5%	6%	0.0%	0.0%	0.0%
PKN Orlen	41.2	8.3	7.7	6.8	0.4	0.4	0.4	13.5	11.3	11.7	5%	5%	6%	0.0%	0.0%	1.8%
MOL	22200.0	10.2	7.4	6.4	1.3	1.0	0.9	25.6	12.5	9.4	13%	13%	14%	1.4%	2.1%	3.0%
OMV	26.8	4.7	3.4	3.0	0.7	0.6	0.5	11.1	7.3	5.9	14%	17%	17%	3.3%	3.7%	4.1%
Hellenic Petroleum	6.0	7.5	7.3	6.5	0.5	0.4	0.4	8.9	9.8	7.8	7%	6%	6%	7.5%	7.5%	7.9%
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	225.8	14.6	8.9	7.1	0.7	0.5	0.5	-	56.0	22.7	5%	6%	7%	0.0%	3.2%	4.3%
Median		8.3	7.4	6.5	0.7	0.5	0.5	11.2	10.4	9.2	5%	6%	6%	1.4%	3.2%	4.1%
GAS COMPANIES																
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	166.5	4.9	3.8	3.3	1.7	1.5	1.3	5.9	4.8	4.1	34%	39%	38%	1.4%	1.6%	1.9%
GDF Suez	26.9	6.9	6.6	6.1	1.2	1.2	1.1	13.4	13.4	11.9	17%	18%	19%	5.6%	5.7%	6.0%
Gas Natural SDG	12.1	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%
Median		7.2	6.5	6.2	1.4	1.3	1.2	11.0	10.2	9.9	21%	21%	22%	3.5%	4.0%	4.7%

Power Utilities company valuations /09.09.2010/

	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	
ENERGY COMPANIES																
CEZ	132.9	6.4	7.0	7.2	3.0	3.2	3.3	8.7	9.5	9.6	46%	46%	45%	5.9%	6.6%	6.0%
ENEA	20.4	7.1	4.9	5.6	1.2	0.9	1.0	17.5	13.8	13.8	16%	18%	18%	2.3%	2.9%	3.6%
PGE	23.9	6.2	6.5	6.5	2.3	2.3	2.3	12.3	13.2	12.5	37%	35%	36%	3.0%	3.2%	3.8%
TAURON	5.6	4.6	4.5	4.5	0.9	0.8	0.8	11.9	12.4	11.9	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%	6.5%	6.7%
EDF	33.0	6.5	6.1	5.6	1.6	1.6	1.5	16.2	15.4	13.3	25%	26%	27%	3.6%	3.6%	3.9%
Endesa	19.6	5.9	6.0	6.0	1.9	1.8	1.8	8.0	9.1	9.2	32%	30%	29%	7.0%	5.7%	5.7%
ENEL SpA	4.0	6.5	6.3	6.2	1.6	1.6	1.5	7.9	8.9	8.7	25%	25%	24%	6.9%	6.7%	6.9%
Fortum	19.3	9.8	9.6	9.7	4.2	4.0	4.0	13.1	12.8	13.2	43%	42%	41%	4.8%	5.1%	5.1%
Iberdrola	5.7	8.8	8.3	7.8	2.3	2.4	2.2	11.1	11.1	10.5	27%	28%	29%	5.6%	5.7%	5.8%
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	11.1	11.1	10.5	25%	26%	27%	5.6%	5.7%	5.7%

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

Fertilizer producers and chemical company valuations /09.09.2010/

	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	5.7	-	5.9	3.7	0.3	0.4	0.3	-	12.1	4.9	-	6%	8%	0.0%	0.0%	0.0%
ZA Puławy	77.8	15.5	7.5	3.4	0.6	0.6	0.5	54.9	18.0	6.6	4%	8%	14%	13.1%	1.1%	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	57.4	12.3	7.9	6.6	1.1	1.1	1.0	23.4	12.4	10.0	9%	14%	15%	0.2%	0.2%	0.2%
DSM	35.6	3.7	3.5	3.5	1.4	1.4	1.4	39.0	31.7	29.9	38%	40%	40%	1.9%	2.2%	2.4%
K+S	42.7	21.7	9.9	7.6	2.5	1.9	1.7	-	18.9	13.0	12%	19%	23%	0.7%	2.2%	3.3%
Silvinit	20200.0	7.5	7.3	5.4	5.1	4.4	3.5	11.7	11.4	8.1	68%	61%	64%	1.6%	1.2%	2.1%
Uralkali	4.3	16.1	11.0	8.3	8.5	6.0	4.8	26.4	7.4	5.3	53%	55%	59%	1.2%	2.8%	5.3%
Yara	260.4	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		13.9	7.5	5.8	1.4	1.4	1.3	26.4	12.4	8.1	17%	19%	23%	1.6%	2.0%	2.3%
CHEMICAL COMPANIES																
Ciech	28.0	6.5	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	44.9	7.3	6.7	6.2	0.9	0.9	0.9	17.4	14.5	12.4	13%	14%	14%	3.0%	3.3%	3.7%
BASF	43.5	7.4	5.5	5.1	1.0	0.9	0.9	20.9	12.0	10.7	14%	17%	17%	3.5%	4.4%	4.7%
Croda	14.0	14.6	11.8	11.0	2.4	2.3	2.2	27.7	19.6	18.0	17%	20%	20%	1.5%	1.8%	2.0%
Dow Chemical	25.7	9.7	7.1	6.2	1.2	1.0	0.9	49.9	15.3	9.9	12%	14%	15%	3.5%	3.0%	3.0%
Rhodia	16.7	6.6	4.2	3.9	0.7	0.6	0.6	-	10.2	7.9	11%	15%	15%	0.1%	1.7%	2.2%
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	77.1	7.1	10.4	9.4	1.0	1.3	1.3	13.1	25.0	19.2	14%	13%	14%	3.4%	3.4%	3.6%
Tata Chemicals	425.2	7.3	8.5	8.1	1.2	1.6	1.5	13.8	15.1	13.4	16%	19%	19%	2.1%	2.0%	2.0%
Tessenderlo Chemie	22.9	15.8	5.8	4.6	0.5	0.4	0.4	-	26.5	11.1	3%	7%	9%	5.3%	5.5%	5.6%
Wacker Chemie	131.0	11.4	7.0	6.1	1.9	1.7	1.5	38.4	17.2	14.2	17%	24%	25%	0.9%	1.4%	1.8%
Median		7.3	6.5	5.6	1.1	1.0	0.9	19.3	14.8	10.9	14%	16%	16%	2.1%	2.5%	2.6%

European national operator valuations /09.09.2010/

	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	4.9	5.3	4.5	4.0	1.1	1.0	0.9	21.5	25.4	17.5	21%	23%	24%	0.0%	0.0%	3.9%
TPSA	17.0	4.6	6.5	5.0	1.7	1.9	1.9	17.7	-	17.3	38%	29%	38%	8.8%	8.8%	8.8%
Median		5.0	5.5	4.5	1.4	1.5	1.4	19.6	25.4	17.4	29%	26%	31%	4.4%	4.4%	6.4%
MID CAPS																
Belgacom	28.4	5.9	5.4	5.9	1.9	1.8	1.8	11.0	11.1	11.5	32%	32%	30%	7.4%	7.7%	7.7%
Cesky Telecom	385.0	4.5	4.9	4.9	2.0	2.1	2.1	11.0	11.4	10.9	44%	43%	43%	12.0%	10.2%	10.1%
Hellenic Telekom	5.9	3.7	4.0	4.0	1.3	1.4	1.4	5.8	6.6	6.1	36%	35%	35%	11.8%	9.2%	9.9%
Matav	697.0	4.3	4.6	4.6	1.7	1.8	1.8	9.0	9.7	9.9	39%	39%	39%	10.7%	10.7%	10.7%
Portugal Telecom	9.3	6.2	5.8	5.7	2.2	2.1	2.0	15.2	15.0	13.2	36%	35%	36%	6.2%	6.2%	6.3%
Telecom Austria	10.4	4.6	5.0	5.0	1.7	1.8	1.8	13.0	15.5	13.6	37%	35%	35%	7.2%	7.2%	7.2%
Median		4.5	4.9	4.9	1.8	1.8	1.8	11.0	11.2	11.2	36%	35%	36%	9%	8%	9%
BIG CAPS																
BT	1.4	4.5	3.9	3.9	1.0	1.1	1.1	10.0	9.5	8.8	22%	27%	27%	5.8%	4.9%	5.4%
DT	10.4	4.5	4.7	4.7	1.4	1.5	1.5	15.7	14.5	14.0	32%	32%	32%	7.4%	6.9%	6.9%
FT	16.3	4.7	5.1	5.1	1.6	1.8	1.8	9.6	9.3	9.1	33%	35%	35%	8.6%	8.6%	8.6%
KPN	11.4	5.7	5.5	5.4	2.2	2.2	2.2	12.5	10.2	9.6	38%	40%	40%	6.1%	7.0%	7.5%
Swisscom	392.0	6.3	6.5	6.4	2.5	2.5	2.5	10.4	10.9	10.6	40%	38%	39%	5.7%	5.9%	6.2%
TELEFONICA	18.0	5.7	5.8	5.7	2.3	2.2	2.2	10.5	10.1	9.6	40%	39%	39%	6.4%	7.8%	8.6%
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%	4.8%	5.1%
TI	1.1	5.1	5.1	5.0	2.1	2.1	2.1	10.6	9.6	9.0	41%	41%	42%	4.8%	5.2%	5.7%
Median		5.4	5.3	5.3	2.1	2.1	2.1	10.6	10.1	9.6	36%	37%	37%	5.9%	6.4%	6.5%


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

IT company valuations /09.09.2010/

	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	20.4	7.7	8.2	7.5	0.1	0.1	0.1	10.7	11.9	10.8	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	3.7	13.5	5.0	4.0	0.1	0.1	0.1	-	8.8	5.9	0%	1%	1%	0.0%	0.0%	0.0%
ASSECO POLAND	55.7	7.3	6.9	6.4	1.6	1.4	1.2	11.6	10.7	11.3	21%	20%	20%	2.5%	2.8%	2.7%
COMARCH	78.0	9.4	9.8	6.1	0.7	0.8	0.6	19.2	18.0	14.3	8%	8%	11%	0.0%	0.0%	0.0%
KOMPUTRONIK	10.6	12.5	8.0	5.5	0.1	0.1	0.1	40.3	11.6	7.5	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%
Median		8.6	8.2	6.1	0.1	0.2	0.2	11.6	11.6	10.1	2%	2%	2%	0.0%	0.0%	0.0%
FOREIGN COMPANIES																
Accenture	38.2	7.2	7.2	6.7	1.1	1.1	1.0	14.4	14.5	12.7	15%	15%	15%	1.3%	2.5%	2.1%
Atos Origin	33.0	5.4	5.0	4.5	0.5	0.5	0.5	15.2	12.5	10.2	9%	10%	11%	0.2%	0.5%	0.8%
CapGemini	36.4	6.7	7.0	5.8	0.6	0.6	0.6	18.5	19.7	14.3	8%	8%	10%	2.2%	2.3%	2.7%
IBM	126.4	7.7	7.3	6.8	1.8	1.8	1.7	12.8	11.2	10.3	24%	24%	25%	1.7%	1.8%	1.9%
Indra Sistemas	14.1	7.6	7.5	7.0	1.0	1.0	1.0	11.6	11.4	10.6	13%	13%	14%	4.6%	4.8%	5.2%
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	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	12.8	48%	48%	43%	0.1%	0.8%	0.9%
SAP	36.1	13.4	11.5	10.4	4.1	3.8	3.6	21.3	17.9	15.9	30%	33%	34%	1.4%	1.6%	1.8%
TietoEnator	14.0	6.8	5.9	5.2	0.6	0.6	0.6	13.2	11.3	9.6	9%	11%	12%	3.0%	4.2%	5.0%
Median		7.6	7.1	6.5	1.1	1.0	1.0	14.3	12.1	10.5	14%	14%	15%	1.9%	2.3%	2.0%

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

Media company valuations /09.09.2010/

	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	25.7	8.4	6.9	6.8	1.0	1.0	0.9	34.1	19.4	20.3	12%	15%	14%	0.0%	1.9%	2.6%
CYFROWY POLSAT	14.8	11.8	8.7	7.5	3.1	2.6	2.5	16.6	13.0	11.6	26%	30%	33%	5.1%	4.0%	5.1%
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%
DAILY																
Arnolgo Mondadori	2.3	9.7	7.0	6.0	0.7	0.7	0.7	14.1	10.1	7.9	7%	10%	11%	2.3%	7.4%	9.0%
Axel Springer	93.6	9.6	8.3	7.2	1.3	1.2	1.2	11.5	13.6	11.4	14%	15%	16%	4.6%	4.8%	5.2%
Daily Mail	4.9	9.4	8.4	7.7	1.4	1.5	1.5	13.7	12.0	10.3	15%	18%	19%	3.0%	3.1%	3.3%
Gruppo Editorial	1.5	9.6	5.6	4.8	1.0	1.0	1.0	47.6	11.4	8.7	10%	18%	20%	0.0%	3.9%	5.8%
Mcclatchy	2.8	6.0	5.6	5.7	1.5	1.5	1.6	8.8	4.7	5.0	24%	28%	27%	3.2%	-	-
Naspers	305.9	20.7	18.8	15.2	4.9	4.5	3.9	28.9	21.8	16.5	24%	24%	26%	0.7%	0.8%	1.0%
New York Times	8.2	3.8	3.1	3.1	0.5	0.5	0.5	38.6	11.5	11.3	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	18.2	22.0	10.2	6.9	0.4	0.5	0.4	-	-	40.0	2%	4%	6%	19.8%	-	-
Trinity Mirror	1.2	4.8	4.3	4.1	0.8	0.8	0.8	6.8	5.0	4.5	18%	19%	20%	0.0%	0.4%	2.0%
Mediana		9.5	7.2	6.4	1.2	1.1	1.1	13.7	11.4	9.5	14%	18%	19%	1.5%	3.1%	3.3%
TV																
Antena 3 Televis	6.0	21.2	10.1	8.2	2.1	1.9	1.8	29.4	12.3	9.9	10%	19%	22%	2.9%	6.0%	7.2%
CETV	431.8	33.8	13.3	9.3	3.2	2.8	2.4	-	-	26.1	9%	21%	26%	0.0%	0.0%	0.0%
Gestevisión Telecinco	8.7	20.1	12.2	7.6	3.5	2.6	2.1	31.1	17.7	11.8	17%	21%	28%	3.3%	4.4%	7.0%
ITV PLC	0.6	14.0	8.9	7.0	1.6	1.5	1.4	44.3	16.9	11.3	11%	17%	20%	0.0%	0.2%	1.0%
M6-Metropole Tel	17.1	8.1	7.5	7.0	1.6	1.5	1.4	16.9	15.9	14.5	20%	20%	21%	5.5%	5.0%	5.2%
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%	5.5%	6.4%
RTL Group	64.0	12.0	10.4	9.4	1.9	1.8	1.7	24.2	17.6	15.7	15%	17%	19%	3.5%	4.5%	5.2%
TF1-TV Francaise	12.3	14.3	13.0	8.9	1.2	1.1	1.1	34.5	27.2	15.5	9%	9%	12%	2.2%	3.2%	4.1%
Mediana		14.2	10.2	7.9	1.9	1.8	1.7	29.4	16.9	13.5	13%	19%	21%	3.1%	4.5%	5.2%
PAY TV																
BSkyB PLC	7.2	13.2	12.2	10.5	2.7	2.5	2.3	27.4	23.7	18.8	20%	20%	22%	2.4%	2.6%	2.8%
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	37.4	5.8	5.7	5.3	2.4	2.3	2.1	17.3	16.1	13.7	41%	39%	40%	1.2%	1.5%	1.6%
Comcast	18.0	5.8	5.5	5.3	2.2	2.1	2.1	15.3	14.5	12.8	39%	39%	39%	1.5%	2.1%	2.3%
Liberty Global	29.2	6.2	7.0	6.8	2.7	3.1	3.1	-	-	36.4	43%	43%	45%	0.0%	0.0%	0.0%
Multimedia	9.5	6.5	6.0	5.6	3.2	3.0	2.8	22.5	17.9	14.8	49%	50%	50%	0.0%	3.0%	4.2%
Shaw Communications	21.7	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%
Mediana		6.2	6.0	5.6	2.7	2.5	2.3	17.4	16.4	14.8	41%	39%	40%	1.5%	2.6%	2.8%

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

Construction company valuations /09.09.2010/

	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	93.4	7.5	10.3	10.3	0.5	0.6	0.5	13.7	12.9	14.8	7%	5%	5%	6.3%	7.3%	4.7%
Elektrobudowa	186.2	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	51.9	7.6	9.0	8.5	0.5	0.5	0.4	15.7	12.7	13.1	7%	5%	5%	0.2%	1.0%	1.2%
Mostostal Warszawa	63.5	4.8	8.4	8.4	0.4	0.4	0.4	10.8	15.9	16.6	8%	5%	5%	0.5%	4.6%	3.1%
PBG	251.2	12.7	11.6	11.5	1.7	1.2	1.0	17.0	16.7	16.2	13%	10%	8%	0.0%	1.2%	1.2%
Polimex Mostostal	4.6	7.5	9.2	9.7	0.5	0.6	0.6	13.5	15.4	16.9	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	4.3	6.4	8.9	8.7	0.8	0.7	0.5	9.6	16.5	17.1	12%	8%	6%	2.3%	0.0%	0.0%
Ulma Construcccion	73.8	8.4	4.8	4.2	3.5	2.4	2.1	-	15.6	11.8	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	14.9	8%	4%	4%	1.2%	0.0%	0.7%
Median		8.0	9.4	9.2	0.7	0.6	0.5	15.7	15.8	15.6	8%	7%	6%	0.4%	0.9%	0.9%
FOREIGN COMPANIES																
AMEC	9.3	10.2	9.1	8.2	0.9	0.9	0.8	19.6	17.7	15.5	9%	9%	10%	1.9%	2.0%	2.2%
BILFINGER	49.4	8.2	5.8	5.7	0.3	0.3	0.3	15.5	10.4	9.6	4%	6%	6%	3.7%	4.8%	4.8%
EIFFAGE	37.1	8.6	8.5	8.0	1.2	1.2	1.2	12.1	13.7	11.3	14%	14%	15%	3.1%	3.1%	3.4%
HOCHTIEF	56.3	6.2	5.3	5.0	0.3	0.3	0.3	21.5	17.1	14.8	5%	5%	6%	2.6%	2.9%	3.3%
NCC	128.9	7.1	8.0	7.3	0.3	0.4	0.3	13.0	13.4	12.1	5%	4%	5%	3.0%	4.3%	4.6%
SKANSKA	121.4	6.6	7.4	7.3	0.3	0.3	0.3	14.4	16.2	15.9	5%	5%	5%	4.6%	4.6%	4.8%
STRABAG	17.0	3.8	3.8	3.7	0.2	0.2	0.2	12.4	11.7	11.6	5%	5%	5%	3.1%	2.9%	3.0%
Median		7.1	7.4	7.3	0.3	0.3	0.3	14.4	13.7	12.1	5%	5%	6%	3.1%	3.1%	3.4%

Property Developers company valuations /09.09.2010/

	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	48.5	13.0	32.2	11.3	1.7	1.6	1.5	14.9	44.5	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	17.0	9.8	5.6	7.7	2.8	2.2	1.6	9.2	5.6	6.4	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%
Median		13.0	15.3	9.9	2.3	1.9	1.6	13.6	16.1	10.0	21%	22%	39%	0.0%	0.0%	0.0%
FOREIGN COMPANIES																
CA IMMO INTERNATIONAL	5.9	20.3	16.8	13.6	0.4	0.6	0.5	-	-	-	66%	52%	55%	0.0%	0.0%	1.6%
CITYCON	2.9	19.3	17.4	16.3	0.7	0.8	0.8	16.0	13.0	12.3	56%	58%	59%	4.7%	4.8%	5.1%
CORIO	48.3	27.6	19.3	17.1	0.9	1.1	1.1	15.9	16.3	15.9	64%	83%	87%	5.5%	5.6%	5.7%
DEUTSCHE EUROSHOP	24.8	19.2	17.5	16.8	0.9	1.0	1.0	21.5	17.4	15.6	87%	86%	86%	4.3%	4.4%	4.8%
ECHO INVESTMENT	4.9	15.1	15.8	12.1	1.3	1.2	1.1	22.8	17.9	13.0	58%	61%	71%	0.0%	0.0%	0.0%
HAMMERSON	3.9	19.4	19.9	19.2	0.6	1.0	0.9	19.0	18.0	18.7	77%	78%	79%	3.9%	4.1%	4.3%
KLEPIERRE	25.9	21.9	17.8	17.0	0.9	1.2	1.1	17.3	17.8	17.1	71%	85%	86%	4.8%	4.9%	5.0%
SPARKASSEN IMMO	5.4	24.8	17.5	15.5	0.6	0.7	0.7	-	13.1	8.1	53%	50%	50%	0.0%	1.5%	4.9%
UNIBAIL-RODAMCO	159.4	19.6	19.5	18.3	1.0	1.2	1.2	17.0	17.1	16.4	86%	82%	81%	5.0%	5.1%	5.4%
Median		19.6	17.5	16.8	0.9	1.0	1.0	17.3	17.2	15.7	66%	78%	79%	4.3%	4.4%	4.9%

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


Machinery manufacturer valuations /09.09.2010/

	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	2.4	9.3	11.4	6.7	1.8	1.8	1.7	19.9	20.2	11.9	19%	16%	26%	0.0%	0.0%	0.0%
KOPEX	16.8	7.7	7.0	5.8	0.7	0.7	0.6	14.3	15.5	11.0	9%	9%	10%	0.0%	0.0%	0.0%
Median		8.5	9.2	6.2	1.3	1.2	1.2	17.1	17.8	11.4	14%	13%	18%	0.0%	0.0%	0.0%
FOREIGN COMPANIES																
Atlas Copco	119.3	14.0	11.8	10.1	2.6	2.4	2.2	22.6	17.9	14.8	18%	21%	22%	2.4%	2.8%	3.1%
Bucyrus	66.6	10.3	8.3	6.8	2.1	1.5	1.3	16.8	17.4	13.1	20%	18%	19%	0.2%	0.2%	0.2%
Emeco	0.9	3.9	4.6	3.9	1.5	1.9	1.7	9.4	12.8	8.9	38%	41%	45%	4.0%	2.2%	5.0%
Industrea	0.4	5.2	4.5	4.0	1.8	1.5	1.3	7.3	7.4	5.8	34%	34%	34%	1.7%	3.4%	4.3%
Joy Global	64.6	9.0	11.8	9.7	1.9	2.2	2.0	15.2	20.7	16.5	21%	19%	20%	1.1%	1.1%	1.1%
Sandvik	93.6	36.8	10.6	8.2	2.0	1.8	1.6	-	20.8	13.6	5%	17%	20%	1.7%	2.3%	3.4%
Median		9.6	9.4	7.5	1.9	1.9	1.7	15.2	17.7	13.4	21%	20%	21%	1.7%	2.3%	3.3%

Paper manufacturer valuations /09.09.2010/

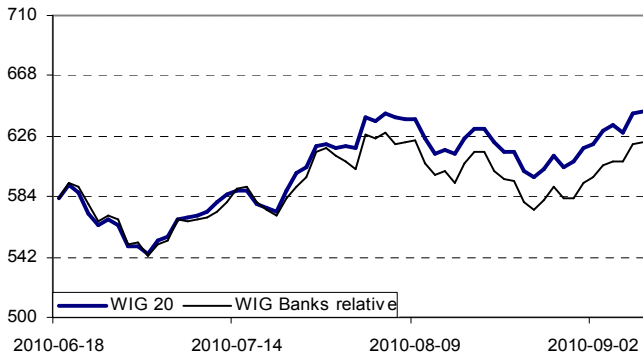
	Price	EV/EBITDA			EV/S			P/E			EBITDA margin			D/Y		
		2009	2010	2011	2009	2010	2011	2009	2010	2011	2009	2010	2011	2009	2010	2011
POLISH COMPANIES																
MONDI	74.1	20.1	10.1	8.1	3.2	2.1	1.8	51.9	17.4	12.0	16%	20%	23%	0.0%	0.0%	5.8%
FOREIGN COMPANIES																
Billerund	46.0	7.1	4.2	4.7	0.8	0.7	0.7	29.7	8.0	9.4	11%	17%	15%	1.2%	4.2%	5.4%
Holmen	214.1	8.5	10.8	8.6	1.4	1.4	1.3	17.9	31.3	19.3	16%	13%	15%	4.2%	3.3%	3.3%
INTL Paper	22.1	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	2.9	67.2	6.8	6.4	0.8	0.8	0.7	-	26.9	14.1	1%	11%	12%	0.0%	0.5%	0.6%
Norske Skog	10.7	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	8.4	7.1	2.3	1.9	1.8	18.7	14.3	11.2	20%	23%	25%	3.4%	4.2%	4.9%
Stora Enso	6.9	11.3	8.6	7.5	1.0	0.9	0.9	42.7	17.1	13.6	9%	11%	12%	2.5%	2.9%	3.0%
Svenska	103.4	7.3	7.4	6.5	1.0	1.1	1.0	12.9	12.6	10.4	14%	14%	15%	3.6%	3.9%	4.2%
UPM-Kymmene	11.8	9.9	8.4	7.1	1.3	1.2	1.1	-	26.6	16.4	13%	14%	16%	3.3%	3.9%	4.1%
Median		8.5	8.4	6.8	1.0	0.9	0.9	21.9	15.7	12.4	13%	13%	15%	2.5%	3.3%	3.3%

Mining company valuations /09.09.2010/

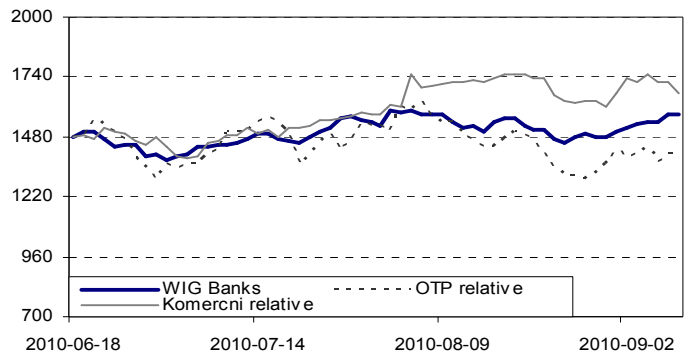
	Price	EV/EBITDA			EV/S			P/E			EBITDA margin			D/Y		
		2009	2010	2011	2009	2010	2011	2009	2010	2011	2009	2010	2011	2009	2010	2011
POLISH COMPANIES																
KGHM	111.7	5.9	5.5	6.6	1.9	1.9	1.8	8.8	6.5	11.3	33%	34%	27%	10.5%	2.7%	4.5%
FOREIGN COMPANIES																
Anglo Amer.	25.4	7.0	4.0	3.3	2.0	1.6	1.4	11.7	6.1	4.6	29%	40%	43%	0.3%	1.6%	3.9%
BHP Billiton	19.3	5.2	4.5	3.1	2.3	2.2	1.7	10.8	7.9	5.1	44%	48%	55%	4.1%	4.5%	5.0%
Freeport-MCMOR	78.2	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	35.4	7.4	4.1	3.6	2.3	1.8	1.7	10.8	5.5	4.6	31%	44%	47%	1.5%	2.8%	3.0%
Southern Peru	32.0	15.0	8.8	6.8	7.3	5.2	4.1	29.9	14.9	11.1	49%	59%	60%	1.5%	4.8%	5.9%
Median		7.0	4.2	3.6	2.3	2.2	1.7	11.7	7.9	5.1	44%	48%	52%	1.5%	2.8%	3.9%

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

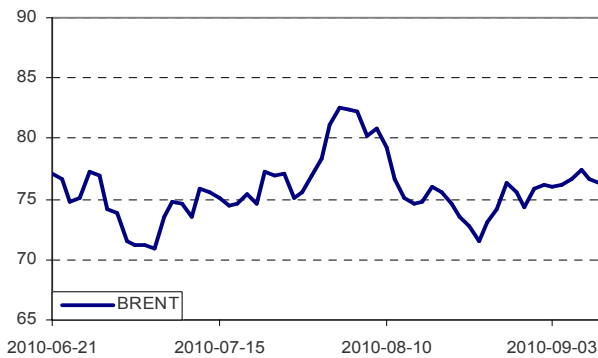
WIG Banks index vs. WIG 20 index (EUR)



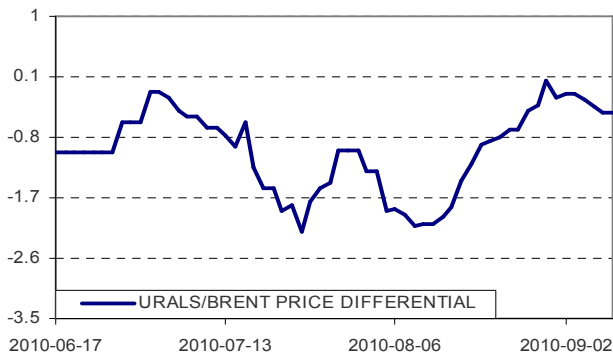
OTP and Komerčni's relative performance vs. WIG Banks index (EUR)



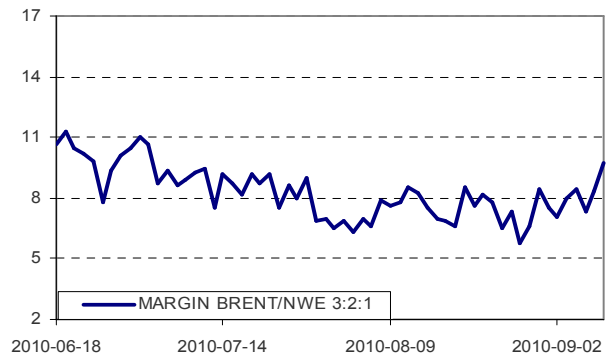
BRENT (USD/bbl)



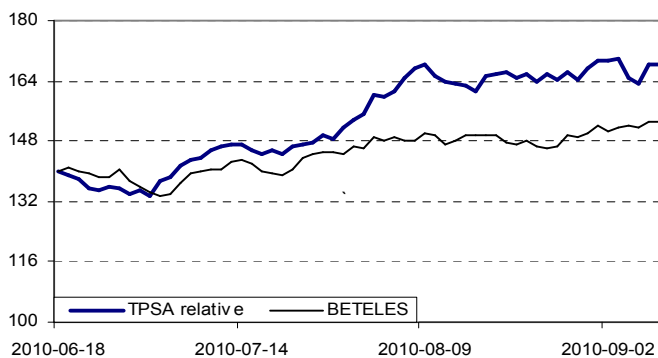
BRENT (USD/bbl)



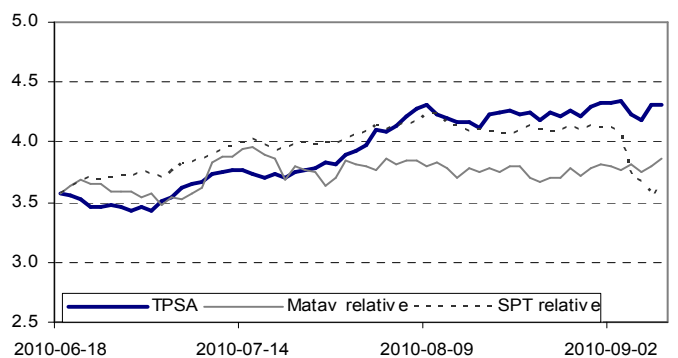
BRENT (USD/bbl)



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

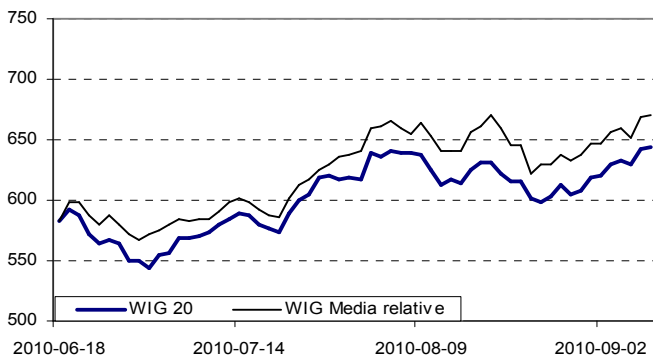


National operator quotations: TPSA, Hungarian Magyar Telecom and Czech SPT (EUR)

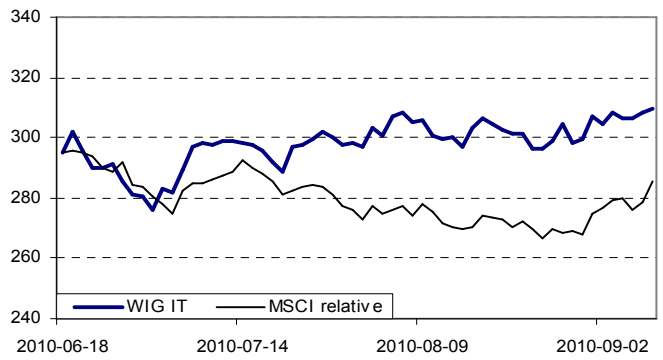


Source: Bloomberg

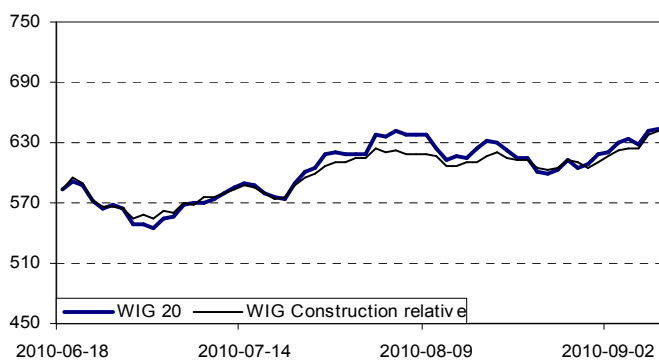
WIG Media index vs. WIG 20 index (EUR)



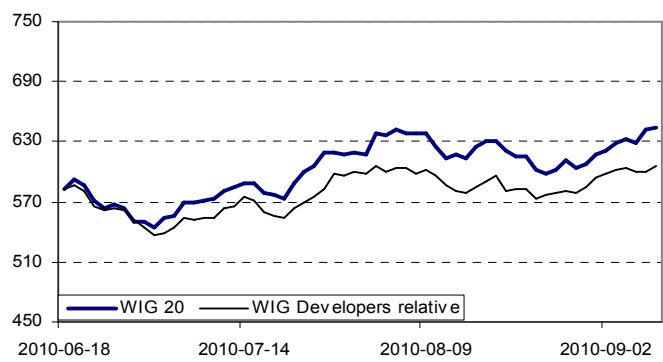
WIG IT index vs. MSCI



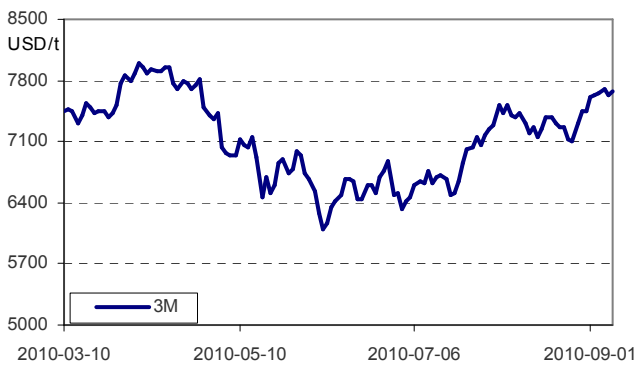
WIG Construction index vs. WIG 20 index (EUR)



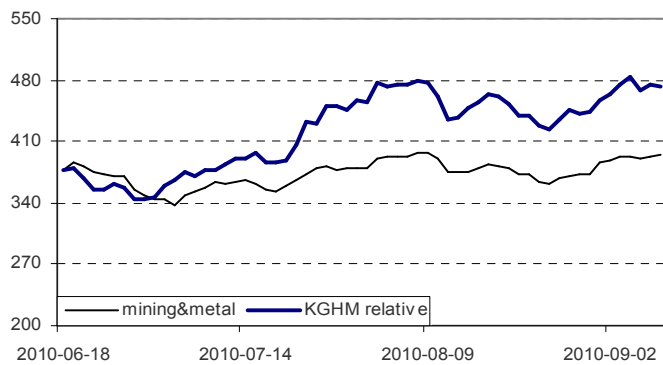
WIG Developers index vs. WIG 20 index (EUR)



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.kliszcz@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

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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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