

Friday, May 09, 2014 | daily publication

## Morning Comments

### Equity Market, Poland

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<b>DJIA</b>	16 551.0	+0.20%	<b>FTSE 100</b>	6 839.3	+0.63%	<b>Copper (LME)</b>	6 729.0	+1.11%
<b>S&amp;P 500</b>	1 875.6	-0.14%	<b>WIG20</b>	2 403.9	+0.61%	<b>Crude Oil (Brent)</b>	107.67	-0.19%
<b>NA SDAQ</b>	4 051.5	-0.40%	<b>BUX</b>	18 102.1	+0.65%	<b>USD/PLN</b>	3.0196	+0.30%
<b>DAX</b>	9 607.4	+0.90%	<b>PX 50</b>	1 007.9	-0.27%	<b>EUR/PLN</b>	4.1792	-0.21%
<b>CAC 40</b>	4 507.2	+1.37%	<b>PLBonds10</b>	3.854	-1.73%	<b>EUR/USD</b>	1.3840	-0.50%

### Company & Sector News

#### Telecommunications

##### T-Mobile wins appeal in LTE frequency case

The Supreme Administrative Court rejected an appeal filed by the telecom regulator UKE and Midas requesting the dismissal of a case won in 2012 by T-Mobile Poland which voided a 2007 LTE frequency auction. The ruling means that the award of 1800 MHz frequencies to Midas in the 2007 tender may be annulled and that the UKE may have to do a new auction. **According to Midas's lawyers, the case is not over, and it will take a long time to know for sure what the implications of the ruling are for mobile internet providers like Polkomtel and Cyfrowy Polsat. Midas says its frequencies are safe for now. (P. Szpigel)**

#### Asbis

Suspended – 05/02/13

##### Asbis eyes Q2 slowdown

After a net loss posted in Q1 as a consequence of the Ukraine crisis, Asbis expects an equally weak second quarter. The Company is taking steps to make up for the sales lost in Ukraine and Russia by expanding in other markets, and it is working on reducing costs. **News in line with expectations. Asbis is sacrificing sales profits for a reduced inventory. The cost cuts may be a sign of weak sales after Q2 as well. Asbis generates about 38% of its annual sales in former Soviet countries, but some of its clients in other parts of the world make considerable exports to Russia and Ukraine. (P. Szpigel)**

#### Action

Suspended – 05/02/13

##### Action may scrap share issue plans

In light of an unfavorable equity market, Action is considering abandoning its stock issue plans in favor of a bond issue. **We believe the switch is a good idea. (P. Szpigel)**

#### LW Bogdanka

Accumulate – 07/04/14  
Target price: PLN 136.90

##### Kompania Węglowa to reduce production

The CEO of Poland's largest coal producer Kompania Węglowa (KW) has hinted that part of the turnaround plan for the ailing miner is to reduce production. According to him, the KW family includes several mines which have great trouble breaking even and which may have to be phased out in a viable way. **The long-term implications of KW's capacity cuts are good for LW Bogdanka. They will reduce domestic coal supply by several million tons, and create a healthier pricing climate. In the near term, however, KW continues to put downward pressure on local sales prices. (M. Marczak)**

#### Unibep

Buy – 21/01/14  
Target price: PLN 10.20

##### Unibep signs PLN 143m contract in Russia

Unibep signed a contract to build an office/apartment complex in the Russian city of Tyumen for OOO MPF for a net fee of EUR 33.9m (PLN 142.8m). The deadline is in Q4 2015. **Good news from Unibep; the contract accounts for over 10% of annual revenues. Unibep and OOO MPF had agreed on a payment guarantee mechanism for the contract before signing. (P. Zybala)**

#### P.A. Nova

##### PA Nova to build new Kaufland store

P.A. Nova signed a contract for the construction of a Kaufland store for a fee of PLN 19.0m, and agreed to sell the store to Kaufland Polska after completion. Kaufland has ordered PLN 50.7m-worth of services from PA Nova in the last 12 months. **We suspect that the new Kaufland location is on P.A. Nova's commercial land property in Kamienna Góra. It is factored into our financial forecasts with the assumption that it will be finished and sold in 2015. (P. Zybala)**

## Quarterly Earnings Results

### PGNiG

Hold – 18/03/14

Target price: PLN 4.62

#### Q1 results beat consensus by 10%

At PLN 1.56 billion, the 2014 first-quarter EBIT of PGNiG fell slightly short of our estimate, but it exceeded the consensus forecast by 11%. Distribution EBIT was weaker than our PLN 494m estimate at PLN 409m due to a stronger impact of warm weather combined with lesser-than-anticipated restructuring effects (with costs reduced by just PLN 10m vs. Q1'13). The disappointment in Distribution was offset by upside surprises in Upstream and Power Generation. Upstream EBIT came in at PLN 845m vs. PLN 826m forecasted, led by lower D&A charges and operating costs. EBIT in Power Generation (represented by the PGNiG Termika unit) reached PLN 134m (we expected PLN 107m) after a lesser-than-expected slowdown owed to fuel savings and PLN 18m lower D&A. Trade EBIT came in at PLN 189m (we expected PLN 200m) despite recognition of PLN 60m allowances. The benefits of cheaper gas imports from Germany and favorable FX trends were slightly offset by a PLN 151m hedging loss.

PGNiG incurred lower-than-expected financing losses in Q1 (PLN 38m including losses incurred by EuRoPolGaz vs. PLN 54m forecast) thanks to lower interest expenses and higher FX gains generated in Norway. The Q1 effective tax rate was slightly lower than we anticipated at 22% (vs. 25%), owing to Norway operations (whose effective tax rate for the quarter was about 40%). After a release PLN 1 billion cash from working capital in line with seasonal patterns, operating cash flow in Q1 amounted to PLN 2.9 billion. Adjusted for PLN 0.7bn CAPEX, this resulted in net debt decreasing to PLN 2.6 billion.

Summing up, we have a positive view on PGNiG's performance in the first quarter as positive margins on gas trade are sure to raise expectations for the second quarter. **(K. Kliszczyk)**

#### PGNiG: Q1 2014 actuals vs. forecasts

(PLN m)	1Q'14	1Q'13	change	1Q'14F	differ.	Consensus (median)	differ.	2014F	2013	change
Revenue	9,537.0	10,255.0	-7%	9,333.3	2%	9,804.0	-3%	31,483.3	32,120.0	-2%
EBITDA	2,181.0	1,976.0	10%	2,286.1	-5%	2,068.0	5%	6,104.0	5,612.0	9%
margin	22.87%	19.27%	-	24.49%	-	21.09%	-	19.39%	17.47%	-
EBIT	1,558.0	1,427.0	9%	1,625.1	-4%	1,398.0	11%	3,635.3	3,149.0	15%
Pre-tax profit	1,520.0	1,280.0	19%	1,570.8	-	-	-	3,421.9	2,709.0	26%
Net profit	1,181.0	1,073.0	10%	1,178.1	0%	1,075.0	10%	2,617.2	1,918.0	36%

Source: PGNiG, F - forecasts by Dom Maklerski mBanku, Consensus estimates provided by PAP

### Astarta

Buy – 07/05/14

Target price: PLN 48.60

#### Astarta posts strong Q1 profits, cash flow

At UAH 1086.5m, the Q1 2014 revenue of Astarta came 13.5% ahead of expectations and showed year-on-year growth of 21.4%. Revenue from sugar sales was only 1.5% higher than we had forecast on 1.4% higher volume and 0.06% higher prices. Sales of milk and animal products exceeded our forecast by 13.2% at UAH 130.4m on in-line volumes and 13.1% higher prices, and revenue from grain sales was 3.9% higher than anticipated at UAH 266.3m on 24.4% higher volumes and 16.5% lower prices (the price difference was probably due to a higher share of corn). Further, revenue in the newly-launched soybean segment amounted to UAH 120.5m in Q1, representing 11.6% of the annual target. Astarta sold 8,000 tons of soybean oil and 33,000 tons of soybean meal in Q1 after crushing 45,000 tons of soya beans (23% of our annual output projection). Note that our forecasts for Q1 did not factor in the soybean crushing operations.

First-quarter gross profit (ex. revaluation effects) amounted to UAH 285.8m after soaring 36.4% year-on-year. Fair value adjustments to biological assets generated gains of UAH 213.8m contrary to our expectation of a UAH 40m loss. As a result, quarterly EBITDA and EBIT came ahead of our forecasts.

Astarta booked FX losses of UAH 850m (we expected UAH 811.7m) in Q1 on value adjustments to dollar and euro debt reflecting the depreciation of the hryvnia.

Operating cash flow amounted to UAH 302.8m in Q1 2014 vs. UAH 74.3m reported in Q1 2013, and the increase was achieved thanks to reduced working capital despite higher soya sales. The cash-to-EBITDA ratio reached its highest level since Q2'13 in Q1'14 at 67.3%. Accounts receivable decreased as well in the first quarter by about UAH 8m. FX losses drove net debt up by UAH 491.5m to UAH 3,517.6m as of 31 March (4.0x 12M EBITDA).

Astarta achieved 21.9% of our annual sales forecast in Q1 2014, and the ratio for EBITDA and EBIT was 29%. Assuming prices of sugar continue to increase, and sales of soybean oil grow, we believe the Company can deliver our projections. We stand by our bullish rating for AST. **(J. Szkopek)**

## Astarta: Q1 2014 actuals vs. forecasts

(UAH m)	1Q'14	1Q'13	change	1Q'14F	differ.	2014F	2013	change
Revenue	1,086.5	895.1	21.4%	957.6	13.5%	4,956.3	4,008.9	23.6%
EBITDA	449.9	249.6	80.2%	231.8	94.1%	1,549.5	670.4	131.1%
margin	41.4%	27.9%		24.2%		29.2%	16.7%	
EBIT	358.2	180.5	98.4%	151.7	136.1%	1,236.8	376.6	228.4%
Pre-tax profit	-534.5	121.1	-	-724.0	-	324.5	232.0	39.9%
Net profit	-543.8	123.4	-	-719.8	-	309.7	244.0	26.9%

Source: Astarta, F - forecasts by Dom Maklerski mBanku

## More News

## Alior Bank

Alior's Management Board is recommending retention of 2013 earnings in the Bank.

Alior Bank considers the 350m net profit consensus estimate for 2014 to be ambitious but achievable. The cost/income ratio could fall below 50% in 2014.

## AmRest

AmRest generated net profit of PLN 8.5m in Q1:

(PLN m)	Q1 2014	consensus	differ.
Net profit	8.5	3.5	1.429
EBIT	23.2	17.8	0.303
Revenue	674.1	674	0

## Asseco BS

The order backlog of Asseco Business Solutions is worth PLN 97.4m, up 8% y/y. Q2 2014 will be at least as good as Q2 2013. 2014 annual net margin should be 19%.

## Bank Handlowy

Handlowy generated net profit of PLN 247.7m in Q1.

(PLN m)	Q1 2014	consensus	differ.
Net interest income	293.1	299.9	-2%
Fee income	157	157.6	0%
Costs	314.4	317	-1%
Provisioning	2.4	-2.4	
Pre-tax profit	308.6	264.4	17%
Net profit	247.7	211.8	17%

(PLN m)	Q1 2014	Q1 13	y/y	Q4 13	q/q
Net interest income	293	327	-10%	298	-2%
Fee income	157	164	-4%	161	-2%
Costs	314	345	-9%	376	-16%
Provisioning	2	-10		19	
Pre-tax profit	309	440	-30%	198	56%
Net profit	248	355	-30%	152	63%

## Banks

Long-term financing is a challenge facing Polish banks.

## CCC

CCC expects to generate net profit over PLN 200m in 2014. DPS from 2013 profits is PLN 1.6. CCC may issue medium-term zloty of PLN 100m this year.

CCC is planning a push into new markets including Austria, Slovenia, Croatia, and Germany, at least one of which is expected to breakeven this year.

## CEZ

CEZ is thinking about distribution assets in Poland and investment in Germany and Slovakia.

## Chemicals

Global crop production will amount to 2,458 million tons in 2014, about 2.4% less than in 2013: FAO.

## Construction

Bilfinger wants to sell its construction business, including the Polish unit Bilfinger Infrastructure SA and the German unit Bilfinger Construction GmbH.

## Coal

The Polish coal industry generated a net loss of ca. PLN 15m in Q1. Sales prices averaged PLN 288/ton vs. ca. PLN 292 posted at the end of 2013. Prices of thermal coal in the period fell to PLN 257.5 from PLN 262 a ton. National coal stocks amounted to 7,5mmt as of 31 March 2014, 1mmt more than at 31 December 2013.

Kompania Węglowa is considering a eurobond issue to refinance existing debt. The coal producer is planning asset divestments in a more distant future.

Kompania Węglowa may not start generating profits again earlier than in three years. The priorities right now include restoration of liquidity and debt restructuring.

## Energy

The State Treasury has not changed its mind about dividend payments by power utilities.

## ES-System

ES-System is paying PLN 0.05 per-share dividend. The date of record is 1 July, and payout is set for 15 July.

## KBJ

KBJ wants to pay PLN 0.21 dividend.

## LPP

LPP is planning to expand its Reserved, Cropp, House, Mohito, and Sinsay brands in international markets. It will increase its total retail space by about 25% this year.

LPP generated a net loss of PLN 14.9m in Q1:

(PLN m)	Q1 2014	consensus	differ.
Net profit	-14.9	-21	-29.00%
EBIT	48.4	28.5	69.80%
Revenue	945	944	0.10%

## LW Bogdanka

Market consensus for LWB's net profit in 2014 at PLN 360m is ambitious and optimistic – CEO Stopa. LWB's coal output in Q2 will be steady at 2.24mmt.

LW Bogdanka expects that coal prices this year will fall in the mid-single digits. The Miner's output target for 2014 is 9.3-10mmt, and the CAPEX budget is PLN 708.25m.

## Netia, Mennica

7.7% of Netia shares changed hands in block trades at PLN 5.43 a share.

## PGS Software

PGS Software is paying bonus PLN 0.20 dividends. The date of record is 18 June, and payout is on 2 July.

## PKP Cargo

PKP has no intention of selling shares in PKP Cargo even after the end of the lockup period, and it is not going to push for higher dividend from the subsidiary.

## Ronson

Ronson expects to deliver ca. 550 homes to buyers this year, but profits will be weaker due to low margins and smaller sizes of the flats. Next year, the Developer is hoping to deliver over 1000 homes in profitable developments.

Ronson is looking for land to develop a 400-500-flat residential complex. The purchase will be financed from internal cash and bonds rather than a share issue.

## Talex

Talex shareholders approved a dividend payout of PLN 1.3 per share. The date of record is 20 May, and payout is set for 3 June.

## Tauron

Tauron's bond issue will happen in autumn at the earliest.

## TVN, Cyfrowy Polsat

In the week ended May 4th, advertising revenues amounted to PLN 61.81m for Polsat and PLN 43.18m for TVN. TVP1 was third with PLN 37.26m, representing an adspend share of 8.4%.

In the same week, TVN's audience share was 12.03.

Channel	Week of 4 May (%)	Previous week (%)
TVP1	10.86	14.22
TVN	12.03	11.18
TVP2	9.86	8.78
Polsat	11.05	11.84
TVP INFO	2.46	2.73
TVN7	3.31	3.45
TVN24	2.65	2.69
TV PULS	3.52	3.39
TV4	2.82	2.67
Polsat2	1.43	1.48

## Corporate Action Calendar

Friday, 9 May 2014	
Handlowy	Consolidated Q1 2014 earnings announcement
PGNiG	Consolidated Q1 2014 earnings announcement
Ulma	Consolidated Q1 2014 earnings announcement
Monday, 12 May 2014	
ABC DATA	Consolidated Q1 2014 earnings announcement
Agora	Consolidated Q1 2014 earnings announcement
Energa	Consolidated Q1 2014 earnings announcement
Erbud	Consolidated Q1 2014 earnings announcement
Pekao	Consolidated Q1 2014 earnings announcement
Tuesday, 13 May 2014	
CEZ	Consolidated Q1 2014 earnings announcement
Enea	Consolidated Q1 2014 earnings announcement
Impexmetal	Consolidated Q1 2014 earnings announcement
Kopex	Consolidated Q1 2014 earnings announcement
Wednesday, 14 May 2014	
Asseco Poland	Consolidated Q1 2014 earnings announcement
Elektrotim	Consolidated Q1 2014 earnings announcement
GTC	Consolidated Q1 2014 earnings announcement
JWC	Consolidated Q1 2014 earnings announcement
PGE	Consolidated Q1 2014 earnings announcement
PZU	Consolidated Q1 2014 earnings announcement
Tarczyński	Consolidated Q1 2014 earnings announcement
Tauron	Consolidated Q1 2014 earnings announcement
TVN	Consolidated Q1 2014 earnings announcement
Thursday, 15 May 2014	
Alchemia	Consolidated Q1 2014 earnings announcement
Boryszew	Consolidated Q1 2014 earnings announcement
Capital Park	Consolidated Q1 2014 earnings announcement
Ciech	Consolidated Q1 2014 earnings announcement
Cyfrowy Polsat	Consolidated Q1 2014 earnings announcement
Echo	Consolidated Q1 2014 earnings announcement
Elektrobudowa	Consolidated Q1 2014 earnings announcement
Elemental	Consolidated Q1 2014 earnings announcement
Famur	Consolidated Q1 2014 earnings announcement
Getin Noble Bank	Consolidated Q1 2014 earnings announcement
JSW	Consolidated Q1 2014 earnings announcement
KGHM	Consolidated Q1 2014 earnings announcement
Kruk	Consolidated Q1 2014 earnings announcement
PKO BP	Consolidated Q1 2014 earnings announcement
Robyg	Consolidated Q1 2014 earnings announcement
Rovese	Consolidated Q1 2014 earnings announcement
Unibep	Consolidated Q1 2014 earnings announcement
Work Service	Consolidated Q1 2014 earnings announcement
Vistal	Consolidated Q1 2014 earnings announcement
Friday, 16 May 2014	
OTP Bank	Consolidated Q1 2014 earnings announcement

## Economic Calendar

Friday, 9 May 2014					
Time	Region	Data	Period	Forecast	Previous
01:50	Japan	Foreign Reserves	April		1279.30bn
04:00	China	Exports	April	-7.00%	-6.60%
04:00	China	Imports	April	-11.00%	-11.30%
04:00	China	Trade Balance	April	23.81bn	7.71bn
07:00	Japan	Leading Indicators Index (P)	March	106.70	108.90
08:00	Germany	Current Account Balance	March		13.90bn
08:00	Germany	Exports	March		93.30bn
08:00	Germany	Imports	March		77.60bn
08:00	Germany	Trade Balance	March		15.70bn
10:30	UK	Exports	March		40.59bn
10:30	UK	Imports	March		42.65bn
10:30	UK	Industrial Production	March	0.03% m/m; 2.60% y/y	0.90% m/m; 2.70% y/y
10:30	UK	Manufacturing Production	March	0.35% m/m; 2.95% y/y	1.00% m/m; 3.80% y/y
10:30	UK	Trade Balance without EU	March	-2.80bn	-2.92bn
10:30	UK	Trade Balance	March	-2.00bn	-2.06bn
10:30	UK	Trade Balance with EU	March	-8.95bn	-9.09bn
16:00	USA	Wholesale Inventories	March		0.50% m/m; 4.70% y/y
16:00	USA	Wholesale Sales	March		0.70% m/m; 3.10% y/y
	France	Foreign Reserves	April		125.75bn
Monday, 12 May 2014					
Time	Region	Data	Period	Forecast	Previous
08:30	France	Business Sentiment	April		96
20:00	USA	Government Budget	April		-36.90bn
Tuesday, 13 May 2014					
Time	Region	Data	Period	Forecast	Previous
01:50	Japan	M3 Money Supply	April		2.90% y/y
04:00	China	Industrial Production	March		8.80% y/y
04:00	China	Retail Sales	March		12.20% y/y
08:45	France	Capital Account Balance	March		0.50bn
08:45	France	Current Account Balance	March		-1.40bn
08:45	France	Financial Account Balance	March		15.40bn
11:00	Germany	ZEW Current Situation	May		59.50
11:00	EU	ZEW Current Situation	May		-30.50
11:00	Germany	ZEW Economic Sentiment	May		43.20
11:00	EU	ZEW Economic Sentiment	May		61.20
14:30	USA	Exports	April	0.80% m/m; 0.20% y/y	
14:30	USA	Import Price Index	April	0.60% m/m; -0.60% y/y	
14:30	USA	Retail Sales	April	1.10% m/m; 3.80% y/y	
14:30	USA	Retail Sales Less Autos	April	0.70% m/m; 2.60% y/y	
16:00	USA	Business Inventories	March	0.40% m/m; 4.20% y/y	
Wednesday, 14 May 2014					
Time	Region	Data	Period	Forecast	Previous
01:50	Japan	Corporate Goods Price Index	April	0.00% m/m; 1.70% y/y	
08:00	Germany	CPI Harmonized (F)	April	-0.30% m/m; 1.10% y/y	
08:00	Germany	CPI (F)	April	-0.20% m/m; 1.30% y/y	
08:45	France	CPI Harmonized	April	0.50% m/m; 0.70% y/y	
08:45	France	CPI	April	0.40% m/m; 0.60% y/y	
10:30	UK	Unemployment Rate	March		6.90%
11:00	EU	Industrial Production	March	0.20% m/m; 1.70% y/y	
11:00	EU	Industrial Production	March		1.70% y/y
14:00	Poland	CPI	April	0.10% m/m; 0.70% y/y	
14:00	Poland	M3 Money Supply	April	1.10% m/m; 5.10% y/y	
14:30	USA	PPI	April	0.50% m/m; 1.40% y/y	

## Current Recommendations by Dom Maklerski mBanku

Company	Recommendation	Date issued	Price on report date	Target price	Current price	Upside / Downside	P/E		EV/EBITDA	
							2014	2015	2014	2015
<b>Banks</b>										
BZ WBK	Hold	2014-05-07	362.00	379.70	366.10	+3.7%	16.4	13.5		
GETIN NOBLE BANK	Sell	2014-03-06	3.20	2.59	3.37	-23.1%	20.6	14.5		
HANDLOWY	Hold	2014-03-06	110.45	111.70	109.20	+2.3%	16.6	14.0		
ING BSK	Hold	2014-03-06	128.50	127.00	131.00	-3.1%	17.1	14.6		
MILLENNIUM	Sell	2014-03-06	9.28	7.51	8.25	-9.0%	16.8	14.5		
PEKAO	Hold	2014-01-15	178.80	184.90	189.00	-2.2%	17.0	14.8		
PKO BP	Buy	2014-01-15	39.65	46.60	40.50	+15.1%	14.2	10.6		
KOMERCNI BANKA	Reduce	2014-01-15	4520.00	4115 CZK	4578.00	-10.1%	13.9	13.1		
ERSTE BANK	Hold	2014-01-15	28.59	29.6 EUR	24.02	+23.3%	12.6	9.4		
RBI	Buy	2014-01-15	26.70	32.1 EUR	23.38	+37.3%	8.1	5.4		
OTP BANK	Hold	2014-01-15	4440.00	4618 HUF	4480.00	+3.1%	8.0	6.9		
<b>Insurance</b>										
PZU	Hold	2013-11-06	468.00	425.00	428.00	-0.7%	13.5	13.3		
<b>Financial services</b>										
KRUK	Hold	2013-10-04	73.50	73.20	84.75	-13.6%	14.4	13.5		
<b>Fuels, chemicals</b>										
CIECH	Buy	2014-03-31	32.00	37.00	31.12	+18.9%	14.7	12.7	5.8	5.6
LOTOS	Hold	2014-03-26	36.31	38.60	37.75	+2.3%	8.4	7.9	5.9	5.4
MOL	Buy	2014-03-07	171.20	220.00	178.00	+23.6%	9.1	6.9	4.1	3.3
PGNiG	Hold	2014-03-18	4.49	4.62	4.79	-3.5%	10.8	10.4	5.4	5.3
PKN ORLEN	Buy	2014-02-18	41.45	52.30	43.50	+20.2%	9.8	8.6	5.6	4.9
<b>Power Utilities</b>										
CEZ	Reduce	2014-05-07	91.00	80.60	92.40	-12.8%	10.6	11.1	7.1	7.0
ENEA	Accumulate	2014-04-07	16.00	17.22	15.09	+14.1%	13.1	10.2	4.9	5.1
ENERGA	Accumulate	2014-03-06	17.20	19.90	17.90	+11.2%	9.8	10.9	5.5	5.8
PGE	Sell	2014-05-07	20.30	16.37	20.15	-18.8%	12.1	10.4	5.5	5.4
TAURON	Accumulate	2014-04-07	5.20	5.94	5.24	+13.4%	10.3	7.8	5.5	5.3
<b>Telecommunications</b>										
NETIA	Suspended	2013-02-21	4.01	-	5.40	-	-	-	-	-
ORANGE POLSKA	Sell	2014-04-22	10.32	8.60	10.16	-15.4%	35.3	73.3	4.8	5.2
<b>Media</b>										
AGORA	Reduce	2014-05-07	10.15	9.50	10.03	-5.3%	250.7	-	5.4	5.2
CYFROWY POLSAT	Buy	2014-01-10	18.73	24.10	20.62	+16.9%	20.4	14.7	10.0	5.7
GLOBAL CITY HOLDINGS	Buy	2014-01-15	35.20	41.50	34.67	+19.7%	14.9	11.6	8.2	6.9
TVN	Accumulate	2014-03-06	16.00	17.90	15.74	+13.7%	15.6	14.0	11.9	11.0
<b>IT</b>										
AB	Suspended	2013-02-05	23.50	-	28.41	-	-	-	-	-
ABC DATA	Buy	2013-11-19	4.52	5.71	3.99	+43.1%	7.4	6.7	7.1	6.5
ACTION	Suspended	2013-02-05	29.70	-	44.44	-	-	-	-	-
ASBIS	Suspended	2013-02-05	3.21	-	3.25	-	-	-	-	-
ASSECO POLAND	Hold	2014-04-07	46.35	50.00	44.00	+13.6%	10.4	10.2	6.3	6.1
COMARCH	Suspended	2013-03-11	89.60	-	87.10	-	-	-	-	-
SYGNITY	Suspended	2013-02-05	16.80	-	16.40	-	-	-	-	-
<b>Mining &amp; Metals</b>										
JSW	Hold	2014-01-15	50.73	55.00	43.17	+27.4%	-	26.9	6.3	2.8
KGHM	Buy	2014-01-15	114.50	144.00	111.50	+29.1%	8.9	7.6	4.6	4.0
LW BOGDANKA	Accumulate	2014-04-07	126.10	136.90	118.95	+15.1%	11.1	8.5	5.6	4.5
<b>Manufacturers</b>										
ALCHEMIA	Sell	2014-01-15	5.29	4.10	5.00	-18.0%	29.8	16.8	13.0	9.3
ASTARTA	Buy	2014-05-07	38.99	48.60	38.47	+26.3%	12.0	4.3	4.5	4.2
BORYSZEW	Hold	2014-01-15	4.90	5.20	4.12	+26.2%	10.4	9.2	7.6	6.8
FAMUR	Hold	2014-05-07	4.46	4.50	4.27	+5.4%	30.7	15.8	9.6	6.8
IMPEXMETAL	Hold	2014-03-06	3.33	3.40	2.38	+42.9%	8.8	7.7	6.9	6.1
KERNEL	Buy	2014-05-07	27.05	32.20	29.00	+11.0%	103.1	4.6	7.0	3.9
KĘTY	Hold	2014-01-15	208.40	213.20	213.20	+0.0%	15.1	13.3	8.3	7.7
KOPEX	Hold	2014-03-03	14.00	14.50	12.10	+19.8%	13.4	10.5	5.9	5.4
ROVESE	Reduce	2014-05-07	1.33	1.22	1.31	-6.9%	-	29.1	8.1	6.7
TARCZYŃSKI	Buy	2014-01-15	14.15	17.80	11.97	+48.7%	9.7	9.5	5.1	4.6
VISTAL	Buy	2014-02-10	16.10	24.30	15.50	+56.8%	8.6	6.4	7.8	5.9
<b>Construction</b>										
BUDIMEX	Accumulate	2014-03-24	132.00	151.80	125.95	+20.5%	20.0	15.5	9.1	7.1
ELEKTROBUDOWA	Buy	2014-01-21	118.00	140.70	87.31	+61.1%	11.0	7.5	6.5	5.5
ERBUD	Buy	2014-03-06	28.23	36.60	26.00	+40.8%	12.8	10.4	4.7	3.9
UNIBEP	Buy	2014-01-21	7.89	10.20	7.20	+41.7%	11.0	8.6	7.1	5.9
<b>Property Developers</b>										
CAPITAL PARK	Buy	2014-01-21	5.27	8.40	4.89	+71.8%	14.8	7.5	25.1	14.5
DOM DEVELOPMENT	Buy	2014-05-07	44.50	56.50	43.88	+28.8%	18.7	14.6	15.9	12.0
ECHO	Buy	2014-01-21	6.23	8.10	5.85	+38.5%	14.1	8.9	23.8	12.4
GTC	Buy	2014-01-21	7.59	9.20	7.34	+25.3%	17.4	5.2	15.8	7.7
ROBYG	Buy	2014-01-21	2.34	3.11	2.29	+35.8%	26.7	13.8	16.1	11.1
<b>Other</b>										
WORK SERVICE	Buy	2014-03-31	14.70	18.63	15.00	+24.2%	15.7	11.7	10.9	8.8



## CEE bank valuations (08-May-14)

	Price	P/E			ROE			P/BV			D/Y		
		2013	2014	2015	2013	2014	2015	2013	2014	2015	2013	2014	2015
<b>POLISH BANKS</b>													
BZ WBK	366.1	17.3	16.4	13.5	12%	14%	15%	2.5	2.1	1.9	2.1%	2.9%	3.2%
Getin Noble Bank	3.4	23.6	20.6	14.5	8%	8%	11%	1.8	1.6	1.5	0.0%	0.0%	0.0%
Handlowy	109.2	14.7	16.6	14.0	15%	11%	13%	2.0	1.9	1.8	5.3%	6.5%	6.0%
ING BSK	131.0	18.1	17.1	14.6	11%	11%	12%	1.9	1.8	1.6	0.0%	3.4%	1.8%
Millenium	8.3	18.7	16.8	14.5	11%	11%	12%	1.9	1.8	1.6	0.0%	2.7%	2.7%
Pekao	189.0	18.2	17.0	14.8	12%	12%	14%	2.1	2.1	2.1	4.4%	5.3%	5.9%
PKO BP	40.5	15.1	14.2	10.6	13%	13%	16%	2.0	1.8	1.6	4.4%	1.9%	3.5%
<b>Median</b>		<b>18.1</b>	<b>16.8</b>	<b>14.5</b>	<b>12%</b>	<b>11%</b>	<b>13%</b>	<b>2.0</b>	<b>1.8</b>	<b>1.6</b>	<b>2.1%</b>	<b>2.9%</b>	<b>3.2%</b>
<b>INVESTORS IN POLISH BANKS</b>													
BCP	0.2	-	213.7	17.8	-21%	0%	9%	1.6	1.6	1.5	0.0%	3.3%	3.3%
Citigroup	47.1	10.4	9.8	8.6	7%	7%	8%	0.7	0.7	0.6	0.1%	0.1%	0.8%
Commerzbank	12.0	26.5	17.4	10.5	1%	3%	4%	0.5	0.5	0.5	0.0%	0.3%	2.0%
ING	10.4	11.3	10.4	8.4	7%	8%	10%	0.8	0.8	0.8	0.0%	0.7%	3.2%
KBC	45.1	16.9	11.5	9.8	10%	13%	14%	1.6	1.5	1.3	0.0%	4.0%	2.8%
Santander	7.3	17.7	15.2	12.7	6%	7%	9%	1.1	1.1	1.1	8.2%	7.3%	6.6%
UCI	6.4	66.8	19.1	12.3	1%	4%	6%	0.6	0.7	0.7	1.3%	1.8%	2.8%
<b>Median</b>		<b>17.3</b>	<b>13.4</b>	<b>10.2</b>	<b>6%</b>	<b>7%</b>	<b>8%</b>	<b>0.8</b>	<b>0.8</b>	<b>0.7</b>	<b>0.0%</b>	<b>1.2%</b>	<b>2.8%</b>
<b>FOREIGN BANKS</b>													
Erste Bank*	24.0	47.5	12.6	9.4	2%	7%	8%	0.9	0.8	0.8	1.7%	0.7%	2.1%
RBI*	23.4	12.6	8.1	5.4	8%	7%	10%	0.6	0.6	0.5	5.0%	1.6%	3.7%
Komerční Banka*	4578.0	14.0	13.9	13.1	13%	12%	13%	1.7	1.7	1.6	5.0%	4.7%	4.7%
OTP*	4480.0	12.5	8.0	6.9	0%	0%	0%	0.7	0.7	0.6	3.3%	3.2%	3.4%
Banco Popular Espanol	5	68.7	24.8	13.1	2%	4%	7%	0.9	0.9	0.8	0.3%	1.2%	3.0%
Deutsche Bank	31	8.4	9.2	6.5	5%	5%	8%	-	-	-	2.4%	2.7%	3.6%
Sberbank	2.7	5.8	5.8	4.9	21%	19%	19%	1.1	1.0	0.8	3.3%	3.6%	4.4%
VTB Bank	2.4	6.2	6.2	4.8	9%	9%	10%	0.6	0.5	0.5	3.0%	3.2%	3.9%
Türkiye Garanti Bank	8.2	9.8	11.4	9.1	14%	11%	14%	1.5	1.4	1.2	2.0%	1.9%	2.4%
Türkiye Halk Bank	14.7	6.8	8.4	6.3	21%	18%	19%	1.3	1.2	1.0	2.9%	2.5%	2.6%
<b>Median</b>		<b>11.1</b>	<b>8.8</b>	<b>6.7</b>	<b>9%</b>	<b>8%</b>	<b>10%</b>	<b>0.9</b>	<b>0.9</b>	<b>0.8</b>	<b>3.0%</b>	<b>2.6%</b>	<b>3.5%</b>

## Insurance company valuations (08-May-14)

	Price	P/E			ROE			P/BV			D/Y		
		2013	2014	2015	2013	2014	2015	2013	2014	2015	2013	2014	2015
<b>POLISH COMPANIES</b>													
PZU	428.0	11.1	13.5	13.3	25%	22%	22%	3.1	2.9	2.9	6.9%	13.7%	7.4%
<b>FOREIGN COMPANIES</b>													
Vienna Insurance G.	37.9	16.7	11.1	10.3	5%	9%	9%	1.0	1.0	0.9	3.3%	3.6%	3.8%
Uniqia	9.2	9.4	9.7	8.1	11%	11%	12%	1.1	1.0	0.9	4.1%	4.3%	5.3%
Aegon	6.5	10.5	9.5	8.8	4%	7%	8%	0.7	0.7	0.7	3.5%	3.7%	4.1%
Allianz	121.1	9.2	9.0	8.7	12%	12%	11%	1.1	1.0	1.0	4.3%	4.6%	4.8%
Aviva	5.3	12.5	11.2	10.2	14%	15%	15%	1.7	1.6	1.4	2.8%	3.2%	3.6%
AXA	17.6	8.4	8.4	7.9	9%	10%	10%	0.8	0.8	0.8	4.7%	4.8%	5.2%
Baloise	108.2	11.1	10.4	10.0	10%	10%	10%	1.1	1.0	1.0	4.4%	4.5%	4.7%
Generali	112.7	13.3	13.0	12.2	-	-	-	1.2	1.2	1.2	4.6%	4.6%	4.7%
Helvetia	435.3	10.9	10.2	9.8	9%	9%	9%	1.0	1.0	0.9	4.0%	4.2%	4.3%
Mapfre	3.0	10.2	10.0	9.3	11%	11%	12%	1.1	1.1	1.1	4.1%	4.5%	4.8%
RSA Insurance	1.0	29.3	12.6	12.4	6%	12%	11%	1.2	1.1	1.1	2.1%	2.7%	3.5%
Zurich Financial	256.1	8.9	9.4	8.7	12%	12%	13%	1.2	1.1	1.1	7.3%	7.4%	7.5%
<b>Median</b>		<b>10.7</b>	<b>10.1</b>	<b>9.6</b>	<b>10%</b>	<b>11%</b>	<b>11%</b>	<b>1.1</b>	<b>1.0</b>	<b>1.0</b>	<b>4.1%</b>	<b>4.4%</b>	<b>4.7%</b>

## Gas & Oil valuations (08-May-14)

	Price	EV/EBITDA			EV/S			P/E			EBITDA margin			D/Y		
		2013	2014	2015	2013	2014	2015	2013	2014	2015	2013	2014	2015	2013	2014	2015
<b>OIL COMPANIES</b>																
Lotos	37.8	13.2	5.9	5.4	0.4	0.3	0.3	-	8.4	7.9	3%	6%	6%	0.0%	0.0%	2.4%
PKN Orlen	43.5	10.9	5.6	4.9	0.2	0.2	0.2	-	9.8	8.6	2%	4%	4%	3.5%	3.2%	4.2%
MOL	12930	4.7	4.7	4.5	0.4	0.5	0.5	12.7	9.2	8.3	9%	10%	11%	2.8%	3.8%	4.2%
OMV	32.5	3.8	3.4	3.1	0.4	0.4	0.4	8.8	8.1	7.8	11%	12%	14%	3.8%	3.9%	4.1%
Hellenic Petroleum	6.1	20.3	9.7	6.9	0.4	0.4	0.4	-	26.9	10.3	2%	4%	6%	2.4%	3.1%	5.5%
Tupras	47.7	14.8	11.8	6.7	0.4	0.3	0.3	9.7	9.6	8.8	2%	3%	5%	5.6%	5.0%	7.8%
Unipetrol	137.2	9.3	6.3	6.3	-	0.2	0.2	-	23.2	24.6	-	4%	3%	0.0%	0.3%	1.0%
<b>Median</b>		<b>10.9</b>	<b>5.9</b>	<b>5.4</b>	<b>0.4</b>	<b>0.3</b>	<b>0.3</b>	<b>9.7</b>	<b>9.6</b>	<b>8.6</b>	<b>3%</b>	<b>4%</b>	<b>6%</b>	<b>2.8%</b>	<b>3.2%</b>	<b>4.2%</b>
<b>GAS COMPANIES</b>																
Gazprom	135.6	2.1	2.3	2.4	0.8	0.8	0.8	2.5	2.8	2.9	37%	34%	33%	5.5%	6.1%	7.8%
GDF Suez	19.1	6.3	6.7	6.5	1.0	1.0	1.0	13.4	13.8	13.2	16%	16%	16%	7.9%	5.9%	5.7%
Gas Natural SDG	20.8	7.3	7.6	7.4	1.5	1.5	1.5	14.9	15.0	14.2	20%	20%	20%	4.2%	4.2%	4.4%
<b>Median</b>		<b>6.3</b>	<b>6.7</b>	<b>6.5</b>	<b>1.0</b>	<b>1.0</b>	<b>1.0</b>	<b>13.4</b>	<b>13.8</b>	<b>13.2</b>	<b>20%</b>	<b>20%</b>	<b>20%</b>	<b>5.5%</b>	<b>5.9%</b>	<b>5.7%</b>

Source: Dom Maklerski mBanku (Polish stocks and stocks marked with an asterisk), IBES/Bloomberg (foreign stocks)



## Power generation company valuations (08-May-14)

	Price	EV/EBITDA			EV/S			P/E			EBITDA margin			D/Y		
		2013	2014	2015	2013	2014	2015	2013	2014	2015	2013	2014	2015	2013	2014	2015
ENERGY COMPANIES																
CEZ	92.4	6.8	7.1	7.0	2.3	2.6	2.5	9.1	10.6	11.1	34%	37%	36%	6.6%	6.0%	5.2%
ENEA	15.1	3.4	4.9	5.1	0.6	0.9	1.0	9.3	13.1	10.2	18%	18%	20%	2.4%	3.9%	2.3%
ENERGA	17.9	5.3	5.5	5.8	0.9	1.1	1.0	9.7	9.8	10.9	17%	19%	18%	6.7%	5.4%	6.7%
PGE	20.2	4.3	5.5	5.4	1.1	1.4	1.4	9.1	12.1	10.4	27%	26%	27%	4.3%	6.5%	4.1%
Tauron	5.2	4.0	5.5	5.3	0.8	1.0	1.0	7.0	10.3	7.8	19%	18%	20%	3.8%	4.8%	2.9%
E.ON	13.5	5.4	5.9	5.8	0.4	0.4	0.4	11.3	14.2	13.6	7%	7%	7%	4.8%	3.9%	4.0%
EDF	28.2	5.6	5.6	5.2	1.2	1.2	1.2	15.2	13.8	13.0	22%	22%	23%	4.3%	4.5%	4.6%
Endesa	27.7	5.9	6.2	6.0	1.2	1.2	1.2	16.6	17.1	16.0	20%	20%	20%	3.5%	3.5%	3.5%
ENEL SpA	4.2	6.1	6.3	6.2	1.2	1.2	1.2	13.4	13.5	12.5	20%	20%	20%	3.1%	3.1%	3.9%
Fortum	16.8	9.9	11.0	12.4	3.8	4.5	4.5	13.8	14.0	14.9	38%	41%	36%	6.0%	6.3%	6.1%
Iberdrola	5.2	8.3	9.0	8.8	1.8	1.9	1.8	12.8	15.0	14.4	22%	21%	21%	5.4%	5.2%	5.2%
RWE AG	27.7	3.5	4.1	4.3	0.6	0.6	0.6	7.1	11.8	12.0	17%	14%	13%	3.6%	3.6%	3.6%
Median		5.5	5.7	5.8	1.2	1.2	1.2	10.5	13.3	12.2	20%	20%	20%	4.3%	4.6%	4.1%

## Fertilizer producers and chemical companies (08-May-14)

	Price	EV/EBITDA			EV/S			P/E			EBITDA margin			D/Y		
		2013	2014	2015	2013	2014	2015	2013	2014	2015	2013	2014	2015	2013	2014	2015
FERTILIZER PRODUCERS																
ZCh Police*	20.9	10.6	7.7	6.3	0.7	0.7	0.7	23.2	16.6	12.8	7%	9%	11%	1.3%	1.1%	3.1%
ZA Pulawy*	133.0	4.0	5.2	4.5	0.6	0.6	0.6	7.5	10.8	8.3	14%	12%	13%	4.5%	4.4%	1.3%
Acron	36.5	4.9	5.6	5.0	1.2	1.2	1.1	4.6	5.8	5.5	24%	22%	23%	6.0%	4.9%	4.7%
Agrium	68.0	5.9	5.9	5.1	0.8	0.7	0.7	9.3	9.3	7.5	13%	12%	14%	3.7%	4.3%	4.4%
DSM	52.9	6.3	6.5	6.6	2.2	2.2	2.2	-	-	-	35%	33%	34%	0.0%	0.1%	0.2%
K+S	25.2	6.2	8.0	7.4	1.4	1.5	1.5	11.8	19.8	18.5	23%	19%	20%	2.4%	1.0%	1.2%
Uralkali	4.7	11.3	11.8	11.1	5.5	5.6	5.2	11.8	11.6	10.9	48%	47%	47%	3.9%	4.4%	5.6%
Yara	275.5	5.9	6.8	6.5	1.0	0.9	0.9	10.5	12.3	11.7	16%	14%	14%	4.1%	3.5%	3.6%
Median		6.0	6.6	6.4	1.1	1.1	1.0	10.5	11.6	10.9	19%	16%	17%	3.8%	3.9%	3.4%
CHEMICAL COMPANIES																
Ciech	31.1	7.9	5.8	5.6	0.8	0.9	0.9	33.2	14.7	12.7	10%	15%	15%	0.0%	0.0%	0.0%
Akzo Nobel	55.2	10.3	8.8	7.7	1.1	1.1	1.0	19.4	17.3	14.5	11%	12%	13%	2.7%	2.7%	2.9%
BASF	82.4	8.8	8.3	7.7	1.2	1.3	1.3	15.3	13.9	12.7	14%	15%	17%	3.2%	3.4%	3.6%
Croda	24.9	12.1	11.6	10.9	3.3	3.3	3.1	19.3	18.2	16.7	28%	28%	29%	2.5%	2.7%	2.9%
Dow Chemical	49.2	9.5	8.5	8.0	1.3	1.3	1.2	21.6	16.6	13.7	14%	15%	15%	2.5%	2.8%	3.0%
Sisecam	2.7	6.7	5.5	4.9	1.1	1.0	0.9	10.5	10.0	6.7	17%	18%	18%	1.4%	1.7%	1.9%
Soda Sanayii	3.4	6.1	4.9	5.0	1.1	1.0	0.9	8.4	7.1	6.8	18%	20%	18%	4.0%	4.2%	5.5%
Solvay	122.9	7.7	7.1	6.4	1.3	1.2	1.2	20.5	17.8	14.4	17%	17%	18%	2.5%	2.6%	2.8%
Tata Chemicals	287.2	5.6	6.6	5.8	0.9	0.8	0.8	9.0	14.5	10.3	15%	12%	13%	3.6%	3.6%	3.8%
Tessenderlo Chemie	23.8	8.6	11.1	7.5	0.6	0.7	0.7	-	-	24.5	6%	6%	9%	0.0%	0.0%	0.3%
Wacker Chemie	81.4	8.6	6.2	5.8	1.2	1.1	1.1	-	38.2	26.8	14%	18%	18%	0.2%	0.8%	1.1%
Median		8.6	7.1	6.4	1.1	1.1	1.0	19.3	15.7	13.7	14%	15%	17%	2.5%	2.7%	2.9%

## European telecom valuations (08-May-14)

	Price	EV/EBITDA			EV/S			P/E			EBITDA margin			D/Y		
		2013	2014	2015	2013	2014	2015	2013	2014	2015	2013	2014	2015	2013	2014	2015
POLISH COMPANIES																
Netia*	5.4	4.0	4.4	4.6	1.2	1.3	1.3	40.0	34.4	26.1	29%	29%	28%	7.8%	7.9%	8.1%
Orange Polska*	10.2	4.4	4.7	4.8	1.4	1.5	1.5	40.8	37.5	35.2	31%	31%	31%	4.5%	6.0%	6.9%
Median		4.2	4.5	4.7	1.3	1.4	1.4	40.4	35.9	-	30%	30%	30%	6.1%	6.9%	7.5%
MID CAPS																
Belgacom	22.6	5.8	6.0	6.1	1.6	1.6	1.6	11.8	13.3	14.4	27%	27%	26%	8.6%	7.0%	6.9%
Cesky Telecom	299.2	5.5	5.7	5.8	2.1	2.1	2.2	17.3	17.3	17.4	38%	38%	37%	9.9%	9.9%	9.6%
Hellenic Telekom	10.8	5.6	5.2	5.3	1.8	1.9	1.9	15.5	15.6	13.3	33%	36%	36%	0.1%	2.6%	3.5%
Matav	327.0	4.2	4.4	4.4	1.2	1.2	1.2	14.0	16.3	17.1	28%	27%	27%	5.1%	6.0%	8.5%
Portugal Telecom	3.0	5.0	5.8	5.7	1.7	2.0	2.0	10.9	20.4	15.5	34%	34%	35%	4.7%	3.2%	3.3%
Telecom Austria	7.1	5.4	5.6	5.5	1.7	1.7	1.7	21.7	26.2	19.9	31%	31%	32%	0.7%	0.7%	1.2%
Median		5.5	5.6	5.6	1.7	1.8	1.8	14.7	16.8	16.3	32%	33%	34%	4.9%	4.6%	5.2%
BIG CAPS																
BT	3.9	6.3	6.3	6.2	2.1	2.1	2.1	15.3	14.7	13.5	34%	33%	34%	2.5%	2.8%	3.2%
DT	12.4	6.1	6.0	5.8	1.7	1.7	1.7	18.2	20.1	17.9	29%	29%	29%	4.2%	4.0%	4.2%
FT	12.2	5.2	5.4	5.5	1.6	1.6	1.7	11.5	13.3	13.3	31%	30%	30%	6.2%	5.2%	5.0%
KPN	2.6	6.7	7.0	7.0	2.4	2.3	2.4	19.9	31.0	17.4	35%	33%	34%	0.0%	2.3%	3.4%
Swisscom	524.5	8.2	8.0	7.9	3.1	3.0	3.0	16.7	16.2	16.0	37%	38%	38%	4.2%	4.3%	4.4%
TELEFONICA	12.0	5.7	6.1	6.0	1.9	2.0	2.0	12.0	12.8	12.1	33%	33%	33%	6.2%	6.3%	6.1%
TeliaSonera	48.5	7.6	7.7	7.6	2.7	2.7	2.7	11.3	11.7	11.4	35%	35%	35%	6.3%	6.6%	6.8%
TI	0.9	4.8	5.4	5.5	1.9	2.2	2.2	10.4	12.4	12.2	39%	40%	41%	1.3%	1.7%	1.7%
Median		6.2	6.2	6.1	2.0	2.1	2.2	13.6	14.0	13.4	35%	33%	34%	4.2%	4.1%	4.3%

Source: Dom Maklerski mBanku (Polish stocks and stocks marked with an asterisk), IBES/Bloomberg (foreign stocks)

### Machine and equipment manufacturers (08-May-14)

		EV/ EBITDA			EV/ S			P/ E			EBITDA margin			D/ Y		
	Price	2013	2014	2015	2013	2014	2015	2013	2014	2015	2013	2014	2015	2013	2014	2015
<b>POLISH COMPANIES</b>																
Alchemia	5.0	23.3	13.0	9.3	1.2	1.0	0.9	-	29.8	16.8	5%	8%	10%	0.0%	0.0%	1.0%
Famur	4.3	5.0	9.6	6.8	1.6	2.3	2.0	9.9	30.7	15.8	33%	24%	30%	0.0%	19.7%	0.0%
Kopex	12.1	5.5	5.9	5.4	0.9	0.9	0.8	13.3	13.4	10.5	17%	15%	16%	0.5%	1.5%	1.5%
<b>Median</b>		<b>5.5</b>	<b>9.6</b>	<b>6.8</b>	<b>1.2</b>	<b>1.0</b>	<b>0.9</b>	<b>11.6</b>	<b>29.8</b>	<b>15.8</b>	<b>17%</b>	<b>15%</b>	<b>16%</b>	<b>0.0%</b>	<b>1.5%</b>	<b>1.0%</b>
<b>FOREIGN COMPANIES</b>																
Atlas Copco	191.6	12.2	11.7	10.6	2.9	2.7	2.5	19.1	18.3	16.4	23%	23%	24%	3.0%	3.1%	3.3%
Caterpillar	92.0	9.5	9.1	8.1	1.4	1.4	1.3	16.8	15.1	12.9	15%	15%	16%	2.3%	2.7%	2.8%
Emeco	0.3	3.0	7.0	5.3	1.4	2.2	1.9	4.6	-	-	45%	31%	37%	11.2%	0.0%	1.5%
Sandvig AG	93.2	9.4	9.2	8.4	1.6	1.6	1.5	16.6	16.9	14.1	17%	18%	18%	3.7%	3.9%	4.3%
Joy Global	58.9	6.2	10.3	9.7	1.4	1.8	1.7	10.1	18.2	15.9	22%	18%	18%	1.2%	1.2%	1.2%
<b>Median</b>		<b>9.4</b>	<b>9.2</b>	<b>8.4</b>	<b>1.4</b>	<b>1.8</b>	<b>1.7</b>	<b>16.6</b>	<b>17.5</b>	<b>15.0</b>	<b>22%</b>	<b>18%</b>	<b>18%</b>	<b>3.0%</b>	<b>2.7%</b>	<b>2.8%</b>

### Mining company valuations (08-May-14)

		EV/ EBITDA			EV/ S			P/ E			EBITDA margin			D/ Y		
	Price	2013	2014	2015	2013	2014	2015	2013	2014	2015	2013	2014	2015	2013	2014	2015
<b>POLISH COMPANIES</b>																
KGHM	111.5	4.1	4.6	4.0	1.0	1.2	1.1	7.4	8.9	7.6	25%	25%	26%	8.8%	5.9%	4.5%
<b>FOREIGN COMPANIES</b>																
Anglo Amer.	15.9	4.3	4.5	4.1	1.3	1.3	1.2	8.5	8.1	7.0	30%	28%	29%	5.4%	5.5%	5.6%
BHP Billiton	19.1	4.7	4.1	4.0	2.0	2.0	1.9	7.8	7.1	7.1	42%	48%	48%	6.0%	6.4%	6.7%
Freeport-MCMOR	33.8	7.1	6.0	5.3	2.8	2.5	2.3	12.9	12.8	10.8	39%	42%	44%	5.5%	3.7%	3.7%
Rio Tinto	32.1	4.4	4.1	3.8	1.7	1.7	1.6	6.1	5.8	5.3	40%	42%	43%	5.6%	6.4%	7.0%
Southern Peru	28.7	8.8	9.1	7.5	4.4	4.3	3.6	15.2	16.3	13.4	50%	47%	48%	2.5%	2.0%	2.9%
<b>Median</b>		<b>4.7</b>	<b>4.5</b>	<b>4.1</b>	<b>2.0</b>	<b>2.0</b>	<b>1.9</b>	<b>8.5</b>	<b>8.1</b>	<b>7.1</b>	<b>40%</b>	<b>42%</b>	<b>44%</b>	<b>5.5%</b>	<b>5.5%</b>	<b>5.6%</b>

### Media company valuations (08-May-14)

		EV/ EBITDA			EV/ S			P/ E			EBITDA margin			D/ Y		
	Price	2013	2014	2015	2013	2014	2015	2013	2014	2015	2013	2014	2015	2013	2014	2015
<b>POLISH COMPANIES</b>																
Agora	10.0	5.5	5.4	5.2	0.5	0.5	0.4	-	-	-	10%	9%	9%	0.0%	0.0%	0.0%
Cyfrowy Polsat	20.6	8.4	10.0	5.7	3.0	3.8	2.3	13.7	20.4	14.7	36%	38%	41%	0.0%	1.3%	0.0%
TVN	15.7	20.3	11.9	11.0	4.9	4.5	4.3	-	15.6	14.0	24%	38%	39%	3.7%	0.0%	0.0%
<b>Median</b>		<b>8.4</b>	<b>10.0</b>	<b>5.7</b>	<b>3.0</b>	<b>3.8</b>	<b>2.3</b>	<b>13.7</b>	<b>18.0</b>	<b>14.4</b>	<b>0.2</b>	<b>0.4</b>	<b>0.4</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>DAILY</b>																
Arnolgo Mondadori	1.3	563.7	10.1	7.9	0.5	0.6	0.6	-	28.7	13.3	0%	5%	7%	0.0%	0.3%	1.3%
Axel Springer	44.2	9.1	9.9	9.2	1.6	1.8	1.7	16.8	19.7	17.9	17%	18%	19%	3.9%	4.1%	4.4%
Daily Mail	8.6	10.8	10.7	9.9	2.2	2.1	2.0	16.8	16.1	14.7	20%	19%	20%	2.2%	2.4%	2.6%
Gruppo Editoriale	1.6	11.6	8.3	6.8	1.0	1.1	1.0	-	29.4	17.5	9%	13%	15%	0.0%	1.6%	2.6%
McClatchy	5.2	-	8.9	8.8	-	2.0	2.0	-	15.8	13.3	-	22%	22%	-	-	-
Naspers	1020.0	56.4	57.8	47.8	9.0	7.0	5.8	47.6	39.8	28.3	16%	12%	12%	0.4%	0.5%	0.6%
New York Times	15.2	8.8	8.3	7.9	1.3	1.3	1.3	45.6	36.4	29.9	15%	16%	16%	0.5%	1.1%	1.1%
Promotora de Inform	0.4	11.2	10.3	8.2	1.3	1.3	1.2	-	-	-	12%	12%	15%	0.0%	0.0%	0.0%
SPIR Comm	13.9	-	8.1	4.7	0.3	0.3	0.3	-	-	-	-	3%	6%	0.0%	-	-
Trinity Mirror	1.7	4.0	4.3	4.2	0.8	0.8	0.9	5.7	6.0	6.1	20%	19%	20%	0.0%	0.0%	0.0%
<b>Median</b>		<b>11.0</b>	<b>9.4</b>	<b>8.0</b>	<b>1.3</b>	<b>1.3</b>	<b>1.3</b>	<b>16.8</b>	<b>24.2</b>	<b>16.1</b>	<b>15%</b>	<b>14%</b>	<b>16%</b>	<b>0.0%</b>	<b>0.8%</b>	<b>1.2%</b>
<b>TV</b>																
Atresmedia Corp	10.4	36.9	19.5	13.1	3.1	2.9	2.6	57.0	27.6	18.0	8%	15%	20%	0.9%	2.8%	4.5%
Gestevisión Telecinco	7.8	36.6	23.0	14.6	3.7	3.4	3.2	50.6	31.2	19.3	10%	15%	22%	1.3%	2.4%	4.0%
ITV PLC	1.9	11.6	10.3	9.5	3.2	3.0	2.8	17.2	14.9	13.6	28%	29%	30%	2.2%	2.9%	3.2%
M6-Metropole Tel	14.7	5.5	5.5	5.3	1.2	1.2	1.2	15.3	14.2	13.0	22%	23%	23%	5.9%	6.2%	6.7%
Mediaset SPA	4.0	5.6	7.6	6.6	2.0	2.0	1.9	-	36.9	22.2	37%	26%	29%	0.1%	1.6%	3.4%
Modern Times	292.3	14.0	11.0	9.6	1.5	1.3	1.3	15.6	14.1	12.0	10%	12%	13%	3.5%	3.8%	4.1%
Prosieben	32.7	2.3	2.2	2.0	0.7	0.6	0.6	18.3	16.3	14.8	30%	30%	30%	5.1%	5.0%	5.5%
RTL Group	75.3	9.5	9.2	8.7	2.1	2.1	2.0	15.6	15.6	14.8	22%	22%	23%	9.1%	7.0%	6.6%
TF1-TV Francaise	12.9	8.4	10.6	8.6	1.0	1.1	1.1	20.0	23.1	16.0	12%	11%	13%	4.1%	4.6%	4.5%
<b>Median</b>		<b>8.9</b>	<b>9.8</b>	<b>8.6</b>	<b>1.7</b>	<b>1.6</b>	<b>1.6</b>	<b>17.2</b>	<b>16.0</b>	<b>14.8</b>	<b>22%</b>	<b>23%</b>	<b>23%</b>	<b>3.8%</b>	<b>4.2%</b>	<b>4.3%</b>
<b>PAY TV</b>																
BSkyB PLC	8.9	9.1	9.2	8.5	2.1	2.0	1.9	15.4	15.6	13.7	23%	22%	22%	3.3%	3.6%	3.9%
Cogeco	62.0	7.5	6.5	6.4	3.5	3.0	2.9	14.9	13.0	12.7	46%	46%	46%	1.8%	1.9%	2.1%
Comcast	51.1	8.3	7.8	7.3	2.8	2.6	2.5	20.5	17.6	15.6	33%	33%	34%	1.5%	1.8%	1.9%
Dish Network	60.1	11.2	10.7	10.2	2.2	2.1	2.0	29.7	33.3	30.3	19%	20%	20%	0.0%	0.0%	0.0%
Liberty Global	43.0	11.1	8.6	7.9	5.0	4.0	3.7	-	-	46.0	45%	46%	47%	0.0%	0.0%	0.0%
Shaw Communications	24.9	7.4	7.3	7.1	3.2	3.1	3.1	14.8	14.2	14.0	43%	43%	43%	4.0%	4.3%	4.6%
<b>Median</b>		<b>8.7</b>	<b>8.2</b>	<b>7.6</b>	<b>3.0</b>	<b>2.8</b>	<b>2.7</b>	<b>15.4</b>	<b>15.6</b>	<b>14.8</b>	<b>38%</b>	<b>38%</b>	<b>38%</b>	<b>1.7%</b>	<b>1.8%</b>	<b>2.0%</b>

Source: Dom Maklerski mBanku (Polish stocks), IBES/Bloomberg (foreign stocks)

## IT company valuations (08-May-14)

	Price	EV/EBITDA			EV/S			P/E			EBITDA margin			D/Y		
		2013	2014	2015	2013	2014	2015	2013	2014	2015	2013	2014	2015	2013	2014	2015
<b>POLISH COMPANIES</b>																
AB*	28.4	9.3	8.0	7.2	0.1	0.1	0.1	10.9	8.5	7.5	1%	1%	1%	0.0%	0.0%	0.0%
ABC Data	4.0	7.8	7.1	6.5	0.1	0.1	0.1	8.4	7.4	6.7	2%	2%	2%	6.0%	8.0%	6.8%
Action*	44.4	9.0	7.8	6.8	0.2	0.2	0.1	12.3	10.6	9.4	2%	2%	2%	3.5%	4.6%	5.9%
Asseco Poland	44.0	6.6	6.3	6.1	1.0	1.0	0.9	9.3	10.4	10.2	15%	15%	15%	5.5%	5.9%	5.9%
Comarch*	87.1	7.3	6.9	5.5	0.7	0.7	0.7	28.7	17.6	12.3	10%	10%	12%	1.7%	1.6%	1.9%
Sygnity*	16.4	6.0	6.3	5.8	0.5	0.4	0.4	15.8	12.5	10.6	8%	7%	7%	-	-	0.0%
<b>Median</b>		<b>7.6</b>	<b>7.0</b>	<b>6.3</b>	<b>0.3</b>	<b>0.3</b>	<b>0.3</b>	<b>11.6</b>	<b>10.5</b>	<b>9.8</b>	<b>5%</b>	<b>4%</b>	<b>4%</b>	<b>3.5%</b>	<b>4.6%</b>	<b>3.9%</b>
<b>FOREIGN COMPANIES</b>																
Accenture	78.8	9.6	9.6	9.0	1.6	1.6	1.5	18.8	17.4	15.9	17%	16%	16%	2.1%	2.3%	2.5%
Atos Origin	61.5	5.8	5.5	5.1	0.6	0.6	0.6	14.1	13.8	12.7	10%	11%	12%	1.1%	1.1%	1.3%
CapGemini	50.2	7.1	6.9	6.4	0.8	0.7	0.7	16.2	14.4	13.0	11%	11%	11%	2.1%	2.3%	2.5%
IBM	188.9	8.2	8.3	7.9	2.2	2.3	2.2	11.2	10.6	9.5	27%	27%	29%	1.9%	2.1%	2.3%
Indra Sistemas	13.5	10.0	10.2	9.2	1.0	1.0	0.9	16.7	17.0	14.6	10%	9%	10%	2.5%	2.8%	3.1%
LogicaCMG	1.0	5.9	5.6	-	0.5	0.5	-	9.0	8.3	-	8%	9%	-	4.4%	4.3%	-
Microsoft	39.6	8.0	8.1	7.6	3.3	3.1	2.8	14.4	14.6	13.7	41%	38%	36%	2.3%	2.7%	2.9%
Oracle	40.9	9.0	8.7	8.2	4.5	4.4	4.2	15.2	14.1	12.8	50%	50%	51%	0.7%	1.2%	1.2%
SAP	55.2	11.4	11.1	10.3	4.0	3.9	3.7	16.5	16.0	14.7	35%	35%	36%	1.7%	1.8%	2.0%
TietoEnator	20.0	6.4	6.8	6.4	0.9	0.9	0.9	14.1	13.1	12.3	14%	14%	15%	4.2%	4.9%	5.8%
<b>Median</b>		<b>8.1</b>	<b>8.2</b>	<b>7.9</b>	<b>1.3</b>	<b>1.3</b>	<b>1.5</b>	<b>14.8</b>	<b>14.3</b>	<b>13.0</b>	<b>15%</b>	<b>15%</b>	<b>16%</b>	<b>2.1%</b>	<b>2.3%</b>	<b>2.5%</b>

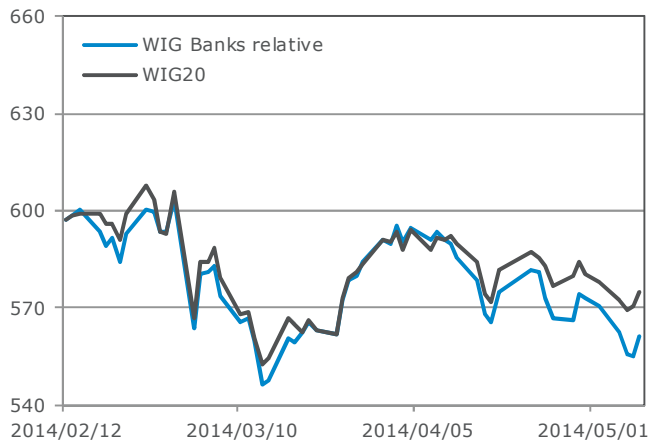
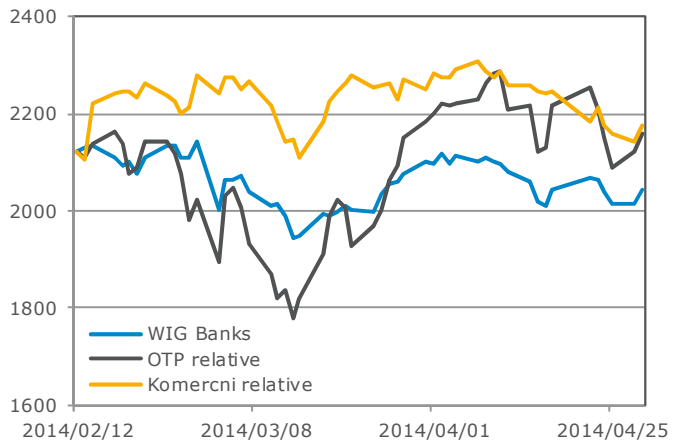
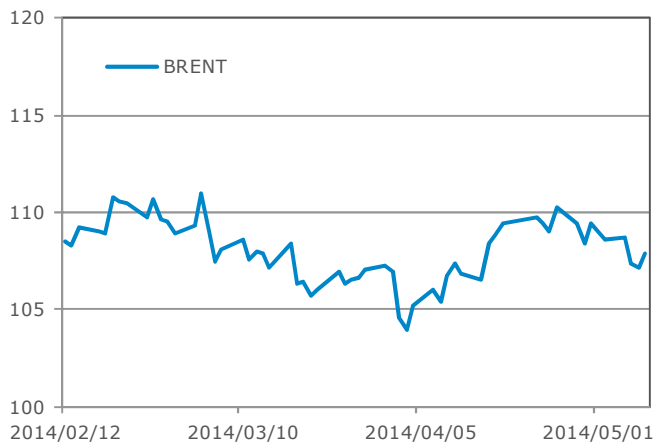
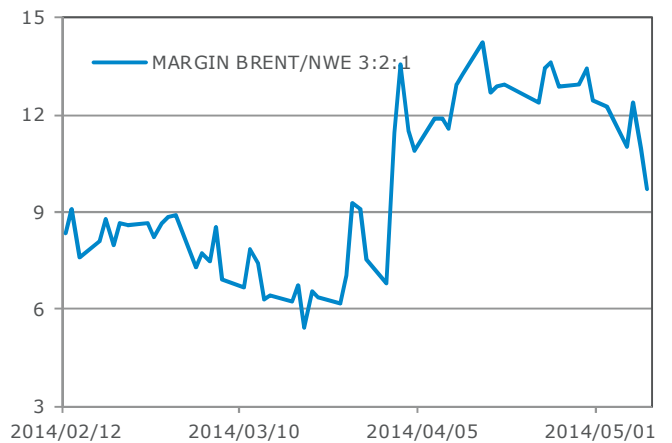
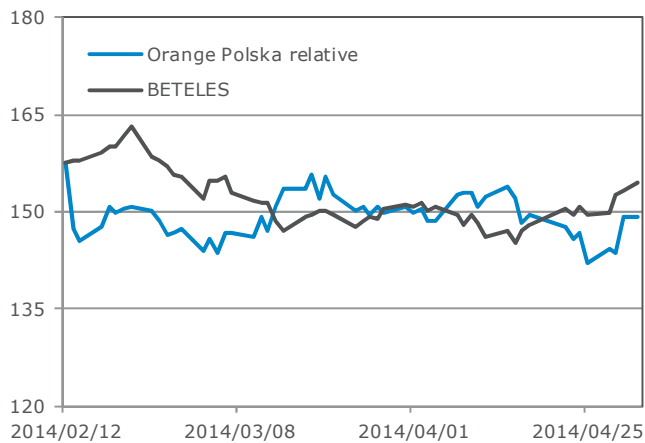
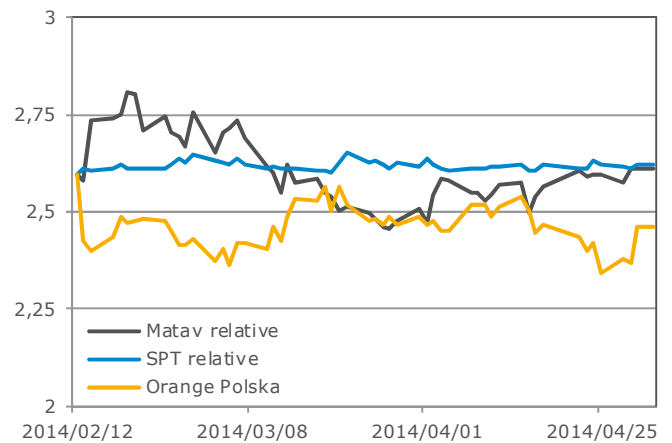
## Construction company valuations (08-May-14)

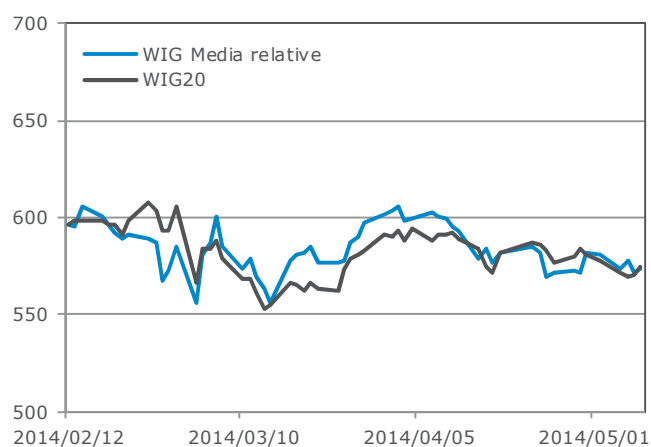
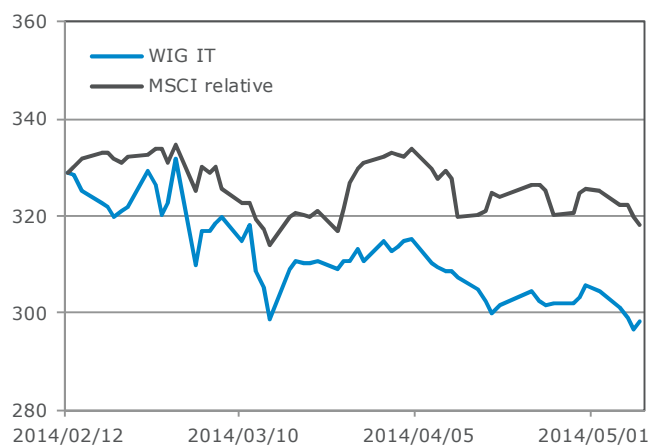
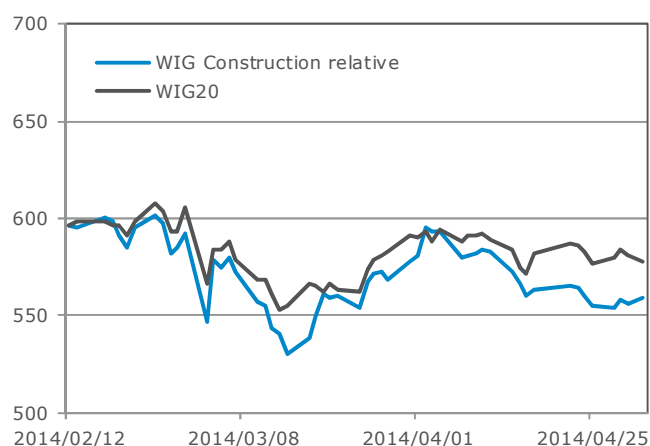
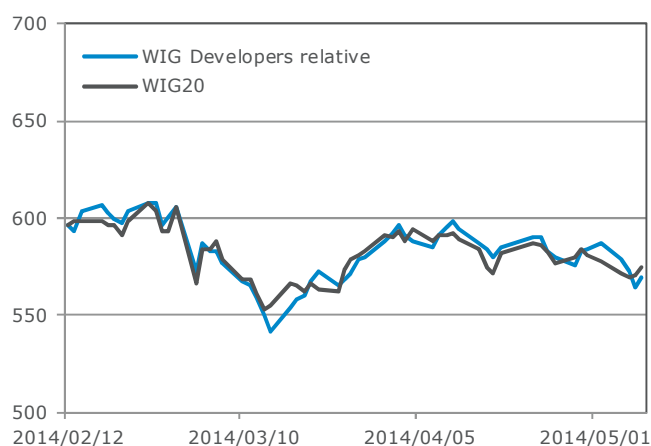
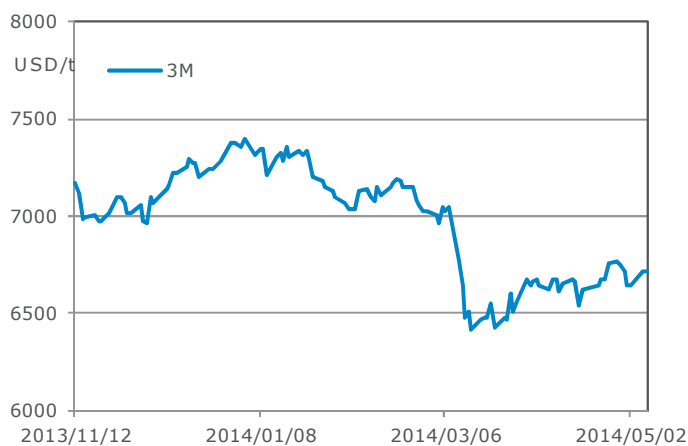
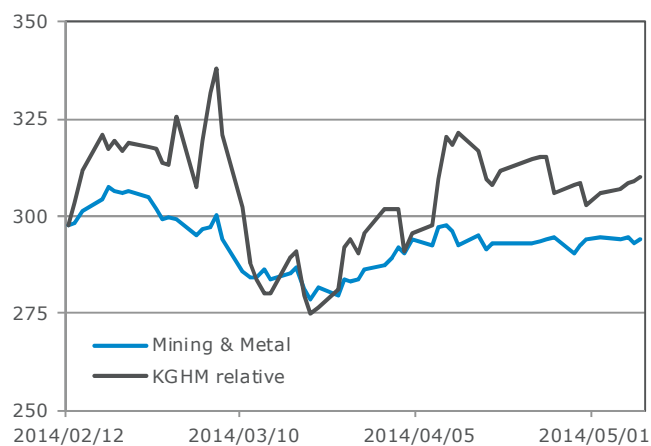
	Price	EV/EBITDA			EV/S			P/E			EBITDA margin			D/Y		
		2013	2014	2015	2013	2014	2015	2013	2014	2015	2013	2014	2015	2013	2014	2015
<b>POLISH COMPANIES</b>																
Budimex	126.0	4.5	9.1	7.1	0.3	0.4	0.4	10.7	20.0	15.5	8%	5%	5%	3.5%	9.4%	5.0%
Elektrobudowa	87.3	8.8	6.5	5.5	0.4	0.4	0.3	24.1	11.0	7.5	4%	6%	6%	2.3%	2.8%	4.5%
Elektrotim	10.7	6.5	6.5	6.5	0.4	0.4	0.4	15.2	12.7	12.7	6%	6%	6%	5.6%	5.6%	5.6%
Erbud	26.0	7.6	4.7	3.9	0.2	0.2	0.2	18.8	12.8	10.4	3%	4%	4%	0.0%	1.1%	3.9%
Herkules	2.1	6.7	5.2	4.9	1.6	1.3	1.2	24.9	11.5	10.4	23%	25%	25%	0.0%	0.0%	0.0%
Ulma Construcccion	91.0	6.6	4.8	4.4	2.3	1.9	1.8	-	23.7	22.2	34%	40%	41%	1.3%	0.0%	1.3%
Unibep	7.2	6.7	7.1	5.9	0.2	0.2	0.2	18.1	11.0	8.6	4%	3%	4%	1.7%	1.8%	3.7%
ZUE	8.5	7.8	7.3	6.8	0.4	0.4	0.3	16.5	14.9	14.2	5%	5%	5%	0.0%	0.0%	0.0%
<b>Median</b>		<b>6.7</b>	<b>6.5</b>	<b>5.7</b>	<b>0.4</b>	<b>0.4</b>	<b>0.3</b>	<b>18.1</b>	<b>12.8</b>	<b>11.6</b>	<b>6%</b>	<b>5%</b>	<b>5%</b>	<b>1.5%</b>	<b>1.4%</b>	<b>3.8%</b>
<b>FOREIGN COMPANIES</b>																
AMEC	12.1	9.9	9.3	8.8	0.9	0.8	0.8	14.3	13.4	12.0	9%	9%	9%	3.3%	3.8%	4.1%
BILFINGER	88.5	8.3	7.3	6.5	0.5	0.5	0.5	15.9	14.2	12.7	6%	7%	7%	3.3%	3.6%	3.8%
EIFFAGE	53.6	8.5	8.2	7.9	1.3	1.2	1.2	18.5	15.3	12.9	15%	15%	16%	2.2%	2.5%	2.5%
HOCHTIEF	66.2	3.5	3.9	3.6	0.2	0.2	0.2	26.2	20.0	16.6	7%	6%	7%	2.5%	2.7%	3.1%
NCC	232.8	10.0	9.5	9.4	0.6	0.6	0.6	13.4	12.6	12.4	6%	6%	6%	4.7%	5.6%	5.6%
SKANSKA	149.1	9.3	9.3	8.9	0.5	0.5	0.4	21.9	16.3	15.3	5%	5%	5%	4.1%	4.4%	4.6%
STRABAG	20.5	4.4	4.2	4.0	0.2	0.2	0.2	18.0	15.4	13.2	5%	5%	6%	2.0%	2.3%	2.6%
<b>Median</b>		<b>8.5</b>	<b>8.2</b>	<b>7.9</b>	<b>0.5</b>	<b>0.5</b>	<b>0.5</b>	<b>18.0</b>	<b>15.3</b>	<b>12.9</b>	<b>6%</b>	<b>6%</b>	<b>7%</b>	<b>3.3%</b>	<b>3.6%</b>	<b>3.8%</b>

## Real-estate developers (08-May-14)

	Price	EV/EBITDA			P/BV			P/E			EBITDA margin			D/Y		
		2013	2014	2015	2013	2014	2015	2013	2014	2015	2013	2014	2015	2013	2014	2015
<b>POLISH COMPANIES</b>																
BBI Development	1.6	199.2	9.6	13.7	0.6	0.6	0.6	9.8	7.4	6.9	3%	28%	32%	0.0%	0.0%	0.0%
Dom Development	43.9	15.7	15.9	12.0	1.3	1.3	1.2	20.0	18.7	14.6	11%	11%	11%	8.4%	4.9%	5.3%
Echo Investment	5.9	9.4	23.8	12.4	0.9	0.8	0.8	7.8	14.1	8.9	94%	38%	73%	0.0%	0.0%	0.0%
GTC	7.3	-	15.8	7.7	0.9	0.8	0.7	-	17.4	5.2	-	71%	143%	0.0%	0.0%	0.0%
J.W. Construction	3.7	15.3	27.9	13.7	0.4	0.4	0.4	24.7	-	10.2	17%	11%	16%	0.0%	0.0%	0.0%
PA Nova	15.2	11.8	11.5	13.7	0.5	0.5	0.5	9.8	8.0	7.9	19%	21%	21%	0.0%	3.3%	3.3%
Polnord	8.4	20.0	50.3	20.4	0.2	0.2	0.2	69.4	-	-	18%	6%	11%	0.0%	0.0%	0.0%
Robyg	2.3	14.8	16.1	11.1	1.4	1.5	1.4	22.9	26.7	13.8	12%	12%	14%	3.5%	4.8%	5.2%
<b>Median</b>		<b>15.3</b>	<b>16.0</b>	<b>13.0</b>	<b>0.8</b>	<b>0.7</b>	<b>0.6</b>	<b>20.0</b>	<b>15.7</b>	<b>8.9</b>	<b>17%</b>	<b>16%</b>	<b>19%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>
<b>FOREIGN COMPANIES</b>																
CA IMMO INT.	13.9	12.0	21.4	20.1	0.7	0.7	0.7	23.4	20.1	15.9	75%	64%	66%	2.9%	3.0%	3.3%
CITYCON	2.8	18.2	17.9	17.7	0.9	1.0	0.9	13.7	13.8	13.3	61%	61%	61%	5.8%	5.5%	5.5%
CORIO	36.1	18.3	19.3	19.5	0.9	0.9	1.0	13.8	14.3	14.5	76%	76%	76%	6.2%	5.8%	5.9%
DEUTSCHE EUROSHP	35.6	19.8	19.1	18.8	1.4	1.3	1.3	17.7	17.1	16.4	88%	87%	88%	3.6%	3.7%	3.8%
HAMMERSON	5.9	24.6	22.9	21.5	1.1	1.0	1.0	26.6	24.2	21.8	83%	81%	80%	3.2%	3.5%	3.8%
KLEPIERRE	34.2	18.8	20.6	20.4	1.5	1.2	1.3	16.7	16.8	16.2	82%	84%	84%	4.5%	4.5%	4.6%
SPARKASSEN IMMO	5.8	14.5	15.0	14.9	0.8	0.8	0.7	15.6	14.9	13.4	50%	50%	50%	2.9%	3.3%	3.9%
UNIBAIL-RODAMCO	174.0	23.2	21.4	20.3	1.3	1.2	1.1	17.0	16.1	15.1	87%	89%	89%	5.1%	5.4%	5.7%
<b>Median</b>		<b>18.6</b>	<b>19.9</b>	<b>19.8</b>	<b>1.0</b>	<b>1.0</b>	<b>1.0</b>	<b>16.9</b>	<b>16.4</b>	<b>15.5</b>	<b>79%</b>	<b>78%</b>	<b>78%</b>	<b>4.0%</b>	<b>4.1%</b>	<b>4.3%</b>

Source: Dom Maklerski mBanku (Polish stocks), IBES/Bloomberg (foreign stocks and stocks marked with an asterisk)

**WIG Banks vs. WIG20 (EUR)**

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

**BRENT (USD/bbl)**

**NWE BRENT NWE 3:2:1 crack spread (USD)**

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

**Incumbent telecoms: Orange Polska (PL) vs. Magyar Telekom (HU) and SPT (CZ) (EUR)**


**WIG Media vs. WIG20 (EUR)**

**WIG IT vs. MSCI**

**WIG Construction vs. WIG20 (EUR)**

**WIG Developers vs. WIG20 (EUR)**

**LME copper prices**

**KGHM vs. sector (USD)**


## 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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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.

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**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.

**Relative** – 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.

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