



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)

G. Borowska (22 6974736)

Index	Close	Change	Index	Close	Change	Index	Close	Change
DJIA	11 613.3	-2.04%	FTSE 100	5 598.2	-1.70%	Copper (LME)	9 260.0	+1.56%
S&P 500	1 256.9	-1.95%	WIG20	2 714.2	-1.25%	Crude Oil (Brent)	110.2	+2.19%
NASDAQ	2 616.8	-1.89%	BUX	21 900.4	-1.52%	USD/PLN	2.95	+2.13%
DAX	6 513.8	-2.01%	PX 50	1 201.7	-0.39%	EUR/PLN	4.10	+1.42%
CAC 40	3 696.6	-2.23%	PLBonds10	6.28	+0.22%	EUR/USD	1.39	-0.70%

Company & Sector Information

PZU

Akumuluj – z dn. 13.12.10
Target price: PLN 390.0

PZU expects lower costs, higher premiums in 2011

A member of the Management Board of PZU, Mr. Przemysław Dąbrowski, said that the Company was planning to cut administrative costs and expected premiums to rise in 2011. **In FY 2010, PZU's consolidated administrative costs amounted to PLN 1,663m, having declined by 8% y/y, and the gross written premium figured to PLN 14,544m after a 1% y/y increase. Our forecasts for 2011 assume a 5% increase in gross premium and a 9% reduction in administrative expenses.** (I. Rokicka)

New dividend policy under preparation

The Management of PZU has confirmed that it is working on a new dividend policy for the Company, which will allow for payouts higher than 45% of the net profit. The CEO added that all changes are likely to be announced at the Company's general meeting following their approval by the Supervisory Board. **Our forecasts assume that PZU's dividend payout ratio will increase to 60% for 2011 and 75% for 2012. We expect that PZU will pay out 45% of its 2010 profits, i.e. PLN 12.7 per share.** (I. Rokicka)

Andrzej Klesyk reappointed as CEO

The Supervisory Board has reappointed Mr. Andrzej Klesyk to the post of CEO. (I. Rokicka)

Fuels

Fuel stocks decline in USA, but so does demand

According to US Department of Energy, the country's crude oil stock increased by 1.7m Bbl. last week, i.e. by more than the expected 1.3m Bbl., driven by a 4.5% increase in imports. In turn, processed fuel inventories declined more than expected, by 4.2m Bbl. for gasoline (vs. -1.7m Bbl. expected) and by 2.6m Bbl. for middle distillates, despite increased capacity utilization at American refineries (with the CUR at 83.4% vs. 82% last week) coupled with a decline in demand. **Gasoline consumption declined by 3.9% w/w, and middle distillate consumption by 7% w/w, which confirms that the recent excellent readings might have been one-offs. It is on demand that everybody's attention focuses at the moment. We reiterate our view that at the current prices of crude oil, the ambitious market forecasts for fuel demand might not be met.** (K. Kliszcz)

Power Utilities

Demand for energy rises 3.2% y/y in February

According to data provided by PSE, the demand for electricity in Poland rose by 3.2% y/y in February following a 0.8% y/y decline in January. As a result, demand growth after the first two months of the year figures to 1.1%. **Note that the data for January and February were distorted by weather factors. In January 2011, the average temperature was nearly 6 degrees Celsius higher than in January 2010, but the average temperature for February was nearly 1.3 degree lower than last year. The YTD increase in electricity consumption is below the 2.4% target that underpins the distributors' tariffs, but this weaker onset to the year may still be made up for later in the year. As far as production is concerned, it increased clearly at hard-coal fired power plants (+5% y/y) while declining slightly at lignite-fired mines (-0.8% y/y). This may come as a surprise of sorts given the recent launch of a new unit at Bełchatów, which is already feeding energy into the system. The likely cause is the fact that maintenance downtimes on two other 370 MW units of that power plant, which started in April and August of last year, have not ended yet and continue to depress available capacity. It should be remembered, however, that the number of maintenance days at Bełchatów will be considerably lower this year than last year (534 days vs. 672 days according to PSE's plans), which means that production should increase more than just by the additional output of the new 858 MW unit.** (K. Kliszcz)

PGE

Buy - 13/09/10

Target price: PLN 26.73

PGNiG

Buy - 03/12/10

Target price: PLN 4.4

PGE will consider the acquisition of SPEC

PGE's CEO Tomasz Zadroga said that the Company was analyzing the informational memorandum on the Warsaw heat distributor SPEC. Offers can be submitted until 28 March. As a reminder, Dalkia, Fortum and PGNiG have already expressed their interest in SPEC. **We do not know SPEC's results for 2010, but in 2008 and 2009 it generated an EBITDA of PLN 134m and PLN 143m, respectively. The book value may be a good starting point for valuation, given that SPEC is an infrastructural company, which is regulated by the URE and whose profits are based on the return on regulatory asset value. At the end of December 2009, the value of SPEC's net assets was ca. PLN 990m, but since just like electricity distributors it has not yet broken even operationally at the WACC level (the return on assets amounted to 3.7% in 2009), it seems that a discount to book value is warranted. According to newspapers, the city of Warsaw is hoping to get some PLN 750m for SPEC. We believe it would match the business profile of either PGE or PGNiG. Needless to say, price is the key issue. (K. Kliszcz)**

PGNiG

Buy - 03/12/10

Target price: PLN 4.4

PGNiG asks for gas tariff increase

PGNiG adjusted its wholesale gas tariff request, asking the energy regulator (URE) to approve higher rates. **The request is probably a consequence of the weakening zloty observed in recent weeks, paired with rallying oil prices. The prices of Yamal gas are fixed in US dollars for the next quarter, which means that the zloty/dollar relationship will have a major impact on PGNiG's costs. These costs are fairly easy to predict just two weeks before the start of the second quarter. Assuming steady oil prices and exchange rates, we estimate that the price of Russian gas will increase about 11% in Q2, justifying a request for an 8.5% tariff hike after taking into account the composition of PGNiG's sales mix. As a reminder, the period which is crucial to the gas giant's annual earnings is the fourth quarter – sales volumes in Q2 and Q3 are seasonally much lower. (K. Kliszcz)**

TPSA

Accumulate - 01/12/10

Target price: PLN 17.6

PTC / Centertel joint venture

PTC and TPSA's mobile arm PTK Centertel obtained the regulator's permission to form a joint venture managing (but not owning) the radio networks of both operators. **The PTC/ Centertel alliance follows the good examples set by other European telecoms, and it is a step in the right direction as a way of achieving savings. That said, it is too early still to tell what kind of measurable benefits the joint venture can bring for TPSA. (M. Marczak)**

Rafako

Accumulate - 01/02/11

Target price: PLN 13.4

Rafako rejected in bid for ZE PAK

The Polish State Treasury decided not to continue its negotiations with Rafako concerning the privatization of the ZE PAK power plant and mine complex. The Treasury has opted to take the ZE PAK power plants (and possibly also the mines) public in the second half of the year. ZE PAK's other major owner, Elektrim, decided not to increase its interests. **Since the acquisition of ZE PAK entailed as many potential rewards as it did risks, the lost bid should not affect Rafako's stock value. The company is back to being first and foremost a provider of power engineering solutions. (M. Stokłosa)**

Robyg

Buy - 07/01/11

Target price: PLN 2.59

PLN 0.07 dividend

Robyg announced that it was planning to pay PLN 18m, i.e. 0.07 per share, in dividends to shareholders (DY = 2.7%). The company's Supervisory Board also approved a framework dividend policy for the future which provides for 40% distributions depending on financial performance and capital requirements. **The planned dividend is higher than our PLN 10.5m assumption, but the yield is far from spectacular. (M. Stokłosa)**

Robyg moves into commercial real estate

Robyg's Supervisory Board is in favor of the company's expansion into commercial real estate. **We are waiting to hear more details during the Q4 2010 earnings conference. For now, what this piece of means to us is that Robyg will be buying commercial-zoned land. (M. Stokłosa)**

Quarter Earnings

Cyfrowy Polsat

Hold - 17/12/10

Target price: PLN 15.3

Q4'10 earnings in line with expectations

Cyfrowy Polsat's Q4 2010 earnings results came in line with our expectations and consensus estimates. Revenues from TV subscriptions amounted to PLN 353.4m (we expected PLN 354.6m), and revenues from phone subscriptions and other sources were also in line. The overall revenue figure missed the mark slightly because of lower-than-predicted device sales (PLN 7.3m reported vs. PLN 14.0m forecasted).

License expenses amounted to PLN 99.9m (we expected PLN 100.8m), costs of signal transmission were lower than predicted (PLN 21.0m) at PLN 18.0m, as were payroll expenses which came in at PLN 28.4m (we forecasted PLN 31.0m). Other cost lines were in line. Other operating expenses of PLN 11.4m were lower than our PLN 12.3m estimate thanks to slightly lower impairment losses on receivables. The Q4 operating profit came in at PLN 47.6m (vs. PLN 46.5m expected). The impact of the period's financial operations was negligible. After a PLN 10.4m tax,

the bottom-line profit amounted to PLN 36.9m (we forecasted PLN 39.1m).

Summing up, CPL's fourth-quarter performance should have no impact on its stock value. The company's future performance will be shaped by the rate at which it acquires broadband subscribers and whether its main shareholder decides to sell shares. Another potential value driver is the consolidation of the earnings of TV Polsat scheduled to start in Q2 2011. **(P. Grzybowski)**

Reported vs. forecasted Q4 2010 results

(PLN m)	4Q2010	4Q2009	change	4Q2010F	differ.	consensus	differ.	2010	2009	change
Revenue	376.6	337.3	11.7%	382.7	-1.6%	378.0	-0.4%	1482.5	1266.1	17.1%
EBITDA	71.8	64.1	12.0%	70.5	1.8%	69.0	4.0%	406.9	318.0	28.0%
margin	19.1%	19.0%	-	18.4%		18.3%		27.5%	25.1%	-
EBIT	47.6	51.1	-6.8%	46.5	2.3%	45.0	5.8%	325.8	276.1	18.0%
Pre-tax profit	47.6	51.4	-7.3%	45.0	5.7%	-		321.3	284.3	13.0%
Net profit	36.9	41.4	-10.9%	36.1	2.3%	38.0	-2.8%	258.5	230.3	12.2%

Source: Cyfrowy Polsat, F - forecasts by BRE Bank Securities, Consensus estimates by PAP

Robyg

Buy - 07/01/11

Target price: PLN 2.59

Robyg reports slightly disappointing Q4 2010 results

Robyg's Q4 2010 earnings results proved slightly weaker than we predicted, but we consider this irrelevant in light of the company's bright future outlook which is expected to result in a net profit of PLN 100m in 2012, and considering that the lower-than-estimated bottom-line profit was due to a PLN 4.25m higher tax.

A gross margin of 22.6% missed our 25.8% estimate. SG&A costs were in line at PLN 10.1m. Other net operating expenses amounted to PLN 2.4m (we expected PLN 1.9m). Other net financial expenses were low at PLN 0.1m (we expected PLN 3.5m) lower interest expenses (PLN 1.1m reported vs. PLN 3.5m forecasted) and PLN 2.7m interest income from associates.

Robyg paid PLN 2.3m tax in the period (we expected a PLN 2.0m refund). Minority interests amounted to PLN 1.3m (we expected PLN 2.6m). Other balance-sheet items were in line. Operating cash flows in the fourth quarter a positive PLN 124.8m (we estimated PLN 124.9m). **(M. Stokłosa)**

Reported vs. forecasted Q4 2010 results

(PLN m)	Q4 2010	Q4 2010F	differ.	Q4 2009
Revenue	93.0	91.1	2.1%	21.3
Gross profit	21.0	23.5	-10.6%	4.0
%	22.6%	25.8%	-	18.9%
EBIT	13.2	15.5	-14.4%	0.0
%	14.2%	17.0%	-	0.1%
Pre-tax profit	13.1	12.0	9.6%	1.0
Net profit	9.5	11.3	-15.7%	-0.1
%	10.2%	12.4%	-	-0.6%

Source: Robyg, F - forecasts by BRE Bank Securities

More News

Asseco CE

Asseco Central Europe expects 15-20% earnings growth in Q1'11, and a slight increase in FY 2011 as a whole. The current value of orders in the company's backlog is EUR 85.6m. Preliminary acquisition negotiations are being held in the Czech Republic, Slovakia and Hungary. Asseco CE has decided not to sell Slovanet.

Asseco Central Europe will pay a dividend for 2010 in an amount close to last years, i.e. 65-68% of standalone net profit (the absolute cap is 70%).

Asseco SEE reported an FY11 net profit of PLN 43.65m, marking an 14.0% y/y increase. Consolidated EBIT amounted to PLN 51.07m vs. PLN 55.74m in Q4'09, and consolidated sales totaled PLN 450.34m vs. PLN 436.65m a year earlier.

Bowim

Bowim is planning to offer 1.1m shares publicly in Q2'11.

CEZ

CEZ will benefit from Germany's decision to idle some atomic plants, which has already pushed electricity prices up.

Comarch

Comarch expects a 10-15% increase in ERP revenues.

Cyfrowy Polsat	Commercial launch of the LTE service will not come before 1 July.
Real-Estate Developers	<p>The number of building permits declined by 7.9% y/y in February to 10,230.</p> <p>The number of homes whose construction has been completed fell by 13.8% y/y in February to 8,506.</p> <p>The number of house constructions commenced in August increased by 12.8% y/y in February to 7,431.</p>
Enea	Enea's Management signed an agreement on salary increases with trade unions, which closed the labor dispute.
Enea, Bogdanka	Enea's and Bogdanka's union signed an agreement aimed at preventing EdF from buying Enea.
Power utilities	In FY11, PSE Operator wants to invest PLN 700m, and then PLN 8-9m over the next 6 years. By 2020, Poland's electricity import capacity is to increase to 4.5k MW.
Ferrum	The Company posted a PLN 9.9m net loss on continued activities on revenues of just PLN 274.09m, compared to a profit of PLN 8.845m on revenues of PLN 295.65 in 2009.
Coal mining	Unions want a guarantee that the Treasury will remain the main shareholder of JSW.
Impel	Impel wants to pay PLN 1.5/share dividends from 2010 profits.
Infovide-Matrix	Infovide Matrix is collecting funds for acquisitions, expects increasing sales of IT solutions to power utilities in the near future.
MCI	Over the past year, MCI was developing the companies in its portfolio, the objective for this year are purchases. <i>Puls Biznesu</i> speculates that MCI may sell its stake in ABC Data.
Murapol <IPO>	Murapol is planning a PLN 40m share offering for late Q2. The CFO hopes WSE debut will be possible before the summer.
Onet-2-One	One-2-One may float Mobitrust and iFusion on NewConnect in 2011. A share or bond offering are possible if funds are required for Mobitrust's investments or in order to increase interest in SkyCash.
PEP	<p>Shareholders approved an offering of 1.57m shares at PLN 27 per share.</p> <p>Shareholders allocated the entire 2010 profit to a future dividend reserve (PLN 47.34m).</p>
Point Group	AWR Wprost posted a pre-tax profit of PLN 8.6m in 2010, with revenues at PLN 35.3m and an EBITDA of PLN 6.3m.
Manufacturers, steel	Steel price may go up by as much as 66% in 2011 driven by production costs.
Tell	Tell acquired a 30% stake in Toys4Boys.pl for PLN 1.28m, and will buy a further 21% stake by 31 January 2012 for PLN 0.9m. In 2010, Toys4Boys.pl had revenues in excess of PLN 7m, with an EBIT of PLN 0.3m.

Insider Trading and Fund Activity

Avia Solutions Group	ING OFE increased equity interests to 6.62% from 0%.
Dom Development	A close affiliate of a Management Board member sold 270,214 shares at an average price of PLN 46.5 per share.
Integer	Union Investment TFI reduced voting interest to 3.95% from 5/30%.

Macroeconomics

Excellent news on employment again

In February, salaries increased at 4.1% y/y (vs. 5.0% y/y in January), undershooting expectations. Given the rapid and constantly accelerating employment growth, the slower salary growth in February does not represent a trend reversal, but a short-term disturbance (e.g. in such sectors as mining). In the following months, we expect salary growth of 5-6% y/y, which will be supported by



the solidification of the revival in the labor market and continuing economic recovery.

Employment in the enterprise sector increased by 4.1% y/y. Interestingly, it increased by a high 12k jobs from the preceding month. Even more interestingly, with just a couple of dozen more hires, employment growth would have figured to 4.2% y/y. Although the breakdown of employment growth by sector requires a further analysis based on the data from the Statistical Bulletin, it seems that companies are much more likely to hire than it seemed from data published before December, which is perfectly in line with the surely non-accidental rebound in sentiment indicators. If the current trends persist, employment should accelerate now rather than in the second half of the year. If 12k jobs per month continue to be added in the near future, employment growth should figure to some 5% y/y at the end of the year.

The market seemed to only take note of the slower-than-expected salary growth, treating it as a good harbinger for a reduction in monetary tightening expectations. It so happens that the Polish Monetary Policy Council is very conservative and very sensitive to current data, and the President of the NBP did say that slow salary growth constitutes evidence of the lack of inflationary pressure. Therefore, we also believe an interest rate hike at the April meeting of the Council has become less likely. Bond yields have fallen by 3bps following the publication of the data. The data on salaries, coupled with worse-than-expected data from the US labor market, have led to a depreciation of the zloty. That said, the current EUR/PLN exchange rate will not prevent a reduction in bond yields. Still, if the zloty continues to depreciate, a negative impact on Polish bonds is possible.

BRE Bank S.A.

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Corporate Action Calendar

Thursday /17.03.11/

CYFROWY POLSAT	2010 report.
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Friday /18.03.11/

ASSECO POLAND	2010 report.
ASTARTA	Move from sWIG80 to mWIG40 after trading close.
CYFROWY POLSAT	Move from WIG20 to mWIG40 after trading close.
ELEKTROBUDOWA	2010 report.
KERNEL	Move from mWIG40 to WIG20 after trading close.
KERNEL	Removal from sWIG80 after trading close.
LW BOGDANKA	Move from mWIG40 to WIG20 after trading close.
MOSTOSTAL WARSZAWA	Move from mWIG40 to WIG20 after trading close.
POLIMEX MOSTOSTAL	Move from WIG20 to mWIG40 after trading close.
TRAKCJA POLSKA	2010 report.
ZA PUŁAWY	Move from sWIG80 to mWIG40 after trading close.

Monday /21.03.11/

ACTION	2010 report.
BUDIMEX	2010 report.
CERSANIT	2010 report.
GTC	2010 report.
LW BOGDANKA	2010 report.
MOSTOSTAL WAR.	2010 report.
PBG	2010 report.
PGE	2010 report.
RAFAKO	2010 report.
SYGNITY	2010 report.
VISTULA	2010 report.

Wednesday /23.03.11/

GETIN	First day of subscriptions by rights holders and additional subscriptions for 18 million O shares.
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Economic Calendar

Thursday/17.03.11/

Time	Region	Report	Period	Forecast	Previous
10:00	EU	Construction orders	January		-1.8% m/m; -12% y/y
11:00	UK	CBI industrial trends	March		-8
13:00	Poland	PPI	February	6.7% y/y	6.2% y/y
13:30	USA	Core PPI	February	0.1% m/m	0.2% m/m; 1.0% y/y
13:30	USA	CPI	February	0.4% m/m	0.4% m/m; 1.6% y/y
13:30	USA	Capacity utilization	February		76.1% m/m
13:30	USA	Continuing jobless claims	Week		3771,000
13:30	USA	Initial claims	Week		397,000
13:00	Poland	Industrial production	February	3.2% m/m; 10.4% y/y	-6.4% m/m; 10.3% y/y
13:00	Poland	Manufacturing production	January		-5.9% m/m; 14.3% y/y
13:00	Poland	PPI	February	0.4% m/m	0.4% m/m
14:15	USA	Industrial production	February		-0.1% m/m; 5.2% y/y
15:00	USA	Philadelphia Fed Index	March		35.9
15:00	USA	Leading indicators	February		0,1%

Quarterly earnings announcement from Deutsche Lufthansa before US market open.
Quarterly earnings announcement from Nike after US market close.

Friday /18.03.11/

Time	Region	Report	Period	Forecast	Previous
6:00	Japan	Leading indicators	January		101.4
7:00	Germany	PPI	February		1.2% m/m; 5.7% y/y
9:00	EU	Capital account balance	January		2.5bn
9:00	EU	Current account balance	January		-13.3bn
9:00	EU	Financial account balance	January		9.3bn
10:00	EU	Exports	January		132.6bn
10:00	EU	Imports	January		134.9bn
10:00	EU	Trade balance	January		-2.3bn

Monday /21.03.11/

Time	Region	Report	Period	Forecast	Previous
15:00	USA	Existing home sales	February		5.36m

Tuesday /22.03.11/

Time	Region	Report	Period	Forecast	Previous
4:30	Japan	Industry activity index	January		-0.2% m/m
9:30	UK	Core CPI	February		3.0% y/y
9:30	UK	CPI	February		0.1% m/m; 4.0% y/y
9:30	UK	RPI	February		0.3% m/m; 5.1% y/y
13:00	Poland	Core CPI	January		0.1% m/m; 1.6% y/y
15:00	USA	Richmond Fed index	March		25
15:00	USA	House price index	January		-0.3% m/m


Wednesday /23.03.11/

Time	Region	Report	Period	Forecast	Previous
10:30	EU	Business confidence index	March		1.46
10:30	EU	Consumer confidence index	March		-10
10:30	EU	Economic confidence index	March		107.8
10:30	EU	Industrial confidence index	March		6.5
10:30	EU	Industrial new orders	January		2.1% m/m; 18.5% y/y
10:30	EU	Services confidence index	March		11.1
15:00	USA	New home sales	March		284,000


Current recommendations of BRE Bank Securities S.A.

Company	Recommendation	Date issued	Price on report date	Target price	Current price	Upside / Downside	P/E 2010	P/E 2011	EV/EBITDA 2010	EV/EBITDA 2011
Banks										
BZ WBK	Hold	2011-01-18	213.50	219.00	226.30	-3.2%	17.0	15.6		
GETIN	Hold	2011-03-03	13.00	12.70	13.20	-3.8%	22.3	14.6		
HANDLOWY	Hold	2011-01-18	93.00	94.00	94.80	-0.8%	16.4	13.7		
ING BSK	Hold	2011-01-18	840.50	850.00	848.00	0.2%	14.6	12.3		
KREDYT BANK	Accumulate	2011-01-18	15.44	17.40	16.99	2.4%	24.8	13.9		
MILLENNIUM	Reduce	2011-03-03	5.59	5.10	5.26	-3.0%	19.1	14.3		
PEKAO	Hold	2011-03-03	164.00	155.00	165.10	-6.1%	17.2	14.1		
PKO BP	Buy	2011-01-18	41.30	48.00	42.15	13.9%	16.4	12.6		
Insurance										
PZU	Accumulate	2010-12-13	360.50	390.00	339.70	14.8%	13.0	11.8		
Fuels, chemicals										
CIECH	Accumulate	2011-03-03	26.15	27.60	25.15	9.7%	34.4	7.6	6.0	4.5
LOTOS	Sell	2011-01-18	38.49	28.40	41.02	-30.8%	8.2	10.6	9.8	6.3
PGNiG	Buy	2010-12-03	3.61	4.40	3.72	18.3%	10.9	12.7	6.2	6.3
PKN ORLEN	Sell	2011-03-16	50.00	41.60	49.74	-16.4%	9.0	12.2	5.7	6.8
POLICE	Sell	2010-12-03	6.95	5.50	10.94	-49.7%	31.9	31.7	15.0	9.5
ZA PULAWY	Hold	2011-02-04	114.00	106.10	106.70	-0.6%	15.6	10.8	8.5	6.2
Power Utilities										
CEZ	Hold	2010-11-29	124.50	129.50	136.40	-5.1%	9.3	9.6	6.6	7.1
ENEA	Hold	2011-03-03	22.10	21.43	22.10	-3.0%	15.7	14.4	5.5	6.0
PGE	Buy	2010-09-13	23.78	26.73	22.95	16.5%	14.2	11.4	6.6	5.8
TAURON	Buy	2010-09-13	5.56	8.87	6.21	42.8%	12.6	11.8	4.4	4.5
Telecommunications										
NETIA	Hold	2011-01-18	5.15	5.40	5.36	0.7%	34.1	19.1	4.9	4.4
TPSA	Accumulate	2010-12-01	16.17	17.60	16.52	6.5%	132.6	17.2	5.6	4.6
Media										
AGORA	Accumulate	2011-01-03	26.10	28.90	25.81	12.0%	18.3	19.3	7.5	6.4
CINEMA CITY	Accumulate	2011-03-03	36.06	42.90	38.90	10.3%	15.7	13.9	8.6	7.7
CYFROWY POLSAT	Hold	2010-12-17	17.30	15.30	15.40	-0.6%	16.0	14.4	10.1	9.1
TVN	Accumulate	2011-02-16	16.77	18.10	16.51	9.6%	123.8	20.1	13.3	10.4
IT										
AB	Accumulate	2011-01-18	25.42	27.60	26.00	6.2%	11.4	8.3	8.2	6.8
ACTION	Accumulate	2011-01-18	16.65	18.16	19.99	-9.2%	13.1	10.7	8.6	7.6
ASBIS	Accumulate	2011-01-18	3.80	4.32	3.40	27.1%	68.9	8.2	7.4	5.2
ASSECO POLAND	Buy	2010-08-31	55.00	65.30	50.75	28.7%	9.5	10.3	6.0	5.8
COMARCH	Hold	2011-01-18	88.95	88.00	93.00	-5.4%	17.3	17.2	10.3	7.4
KOMPUTRONIK	Accumulate	2011-01-18	9.03	10.12	9.10	11.2%	23.9	12.8	8.5	6.1
SYGNITY	Accumulate	2011-03-11	19.50	22.00	19.75	11.4%	-	40.0	-	6.5
Mining & Metals										
KGHM	Sell	2011-01-18	176.80	145.00	170.10	-14.8%	7.4	6.3	5.1	4.2
LW BOGDANKA	Accumulate	2011-02-04	118.30	125.90	125.50	0.3%	19.0	16.6	10.4	7.8
Manufacturers										
ASTARTA	Sell	2011-01-18	101.00	63.6	80.00	-20.5%	5.6	8.0	1.5	1.2
CENTRUM KLIMA	Buy	2011-03-03	13.91	16.9	13.75	22.9%	15.7	11.6	11.0	7.1
CERSANIT	Reduce	2011-01-18	11.30	10.4	11.55	-10.0%	18.6	18.9	12.2	9.9
FAMUR	Sell	2011-01-18	2.85	2.3	3.70	-37.8%	22.3	23.7	12.6	11.4
IMPEXMETAL	Buy	2011-02-11	5.15	5.9	4.65	26.9%	12.1	11.4	8.1	6.3
KERNEL	Accumulate	2011-02-28	79.25	87.8	80.00	9.7%	13.0	10.0	11.9	7.5
KĘTY	Accumulate	2011-02-22	122.00	134.80	122.70	9.9%	12.5	11.9	7.9	7.0
KOPEX	Reduce	2011-01-18	17.40	15.9	20.19	-21.2%	43.6	18.2	11.1	8.6
MONDI	Suspended	2011-03-03	81.85	-	79.00	-	-	-	-	-
Construction										
BUDIMEX	Reduce	2011-01-17	103.20	91.50	96.00	-4.7%	9.2	12.0	4.7	8.1
ELEKTROBUDOWA	Accumulate	2011-03-03	158.00	178.60	154.00	16.0%	15.3	13.0	9.5	8.3
ERBUD	Hold	2011-03-02	47.90	48.70	40.50	20.2%	33.5	10.9	12.0	6.6
MOSTOSTAL WAR.	Buy	2011-02-11	48.20	59.90	45.00	33.1%	14.8	15.5	6.2	6.6
PBG	Reduce	2010-11-05	226.00	194.00	197.30	-1.7%	12.8	12.8	9.4	9.1
POLIMEX MOSTOSTAL	Accumulate	2011-03-03	3.71	4.03	3.63	11.0%	14.9	13.3	7.1	7.4
RAFAKO	Accumulate	2011-02-01	11.60	13.40	11.00	21.8%	19.1	13.6	9.5	7.4
TRAKCJA POLSKA	Hold	2011-02-22	3.80	3.70	3.36	10.1%	15.4	10.8	7.9	7.0
ULMA CP	Hold	2011-03-03	83.20	85.90	81.90	4.9%	41.3	12.9	5.5	4.3
UNIBEP	Hold	2010-12-03	9.94	9.30	7.98	16.5%	12.2	13.5	9.0	9.9
ZUE	Buy	2010-11-24	14.50	19.30	13.99	38.0%	18.9	10.6	7.8	5.6
Property Developers										
BBI DEVELOPMENT	Buy	2011-03-08	0.44	0.53	0.42	26.2%	16.2	22.0	10.5	30.0
DOM DEVELOPMENT	Buy	2011-01-07	41.49	54.40	47.40	14.8%	29.0	14.1	19.4	13.0
GTC	Accumulate	2011-02-03	20.92	24.03	19.58	22.7%	23.7	7.1	21.5	9.5
J.W.C.	Accumulate	2011-01-18	14.50	16.30	13.95	16.8%	8.2	7.8	7.7	7.1
PA NOVA	Buy	2011-01-07	30.89	40.40	31.07	30.0%	15.9	14.8	13.3	15.1
POLNORD	Buy	2011-01-07	32.20	43.50	31.50	38.1%	13.5	11.8	28.1	15.3
ROBYG	Buy	2011-01-07	1.86	2.59	1.80	43.9%	13.8	13.0	16.7	15.6
Retail/Wholesale										
EMPERIA	Suspended	2010-10-05	99.50	-	111.50	-	-	-	-	-
EUROCASH	Buy	2011-02-04	30.50	37.40	29.06	28.7%	30.9	21.2	17.7	11.6
LPP	Accumulate	2010-12-03	2 140	2 300	2 009.50	14.5%	25.1	16.2	12.7	9.2
NG2	Accumulate	2011-02-23	59.55	63.00	57.00	10.5%	18.2	14.9	14.6	10.6
VISTULA	Hold	2011-03-03	2.10	2.10	2.13	-1.4%	120.4	23.0	11.6	9.3


CEE bank valuations /16.03.2011/

		P/E			ROE			P/BV			D/Y		
	Price	2010	2011	2012	2010	2011	2012	2010	2011	2012	2010	2011	2012
	POLISH BANKS												
BZ WBK	226.3	17.0	15.6	12.2	16%	15%	17%	2.5	2.3	2.0	1.8%	3.5%	2.6%
Getin	13.2	22.3	14.6	11.3	10%	14%	16%	2.1	1.9	1.6	0.0%	0.0%	0.0%
Handlowy	94.8	16.4	13.7	11.6	12%	13%	15%	1.9	1.8	1.7	4.0%	4.2%	5.1%
ING BSK	848.0	14.6	12.3	11.2	14%	15%	15%	2.0	1.7	1.6	0.0%	1.8%	3.7%
Kredyt Bank	17.0	24.8	13.9	10.5	7%	11%	13%	1.6	1.5	1.3	0.0%	0.0%	0.0%
Millenium	5.3	19.1	14.3	10.6	9%	11%	13%	1.6	1.4	1.3	0.0%	1.9%	2.8%
Pekao	165.1	17.2	14.1	12.5	13%	15%	16%	2.1	2.1	2.0	1.8%	5.4%	6.0%
PKO BP	42.2	16.4	12.6	10.7	15%	18%	19%	2.5	2.2	1.9	4.5%	2.4%	4.0%
Median		17.1	14.0	11.2	12%	14%	15%	2.0	1.8	1.7	0.9%	2.2%	3.2%
INVESTORS IN POLISH BANKS													
AIB	0.2	-	-	5.3	-	-	3%	0.1	0.2	0.3	0.0%	0.0%	0.5%
BCP	0.6	11.5	10.1	7.6	4%	5%	6%	0.6	0.6	0.5	3.5%	3.6%	4.9%
Citigroup	4.4	11.3	9.6	8.2	8%	8%	9%	0.8	0.7	0.7	0.0%	0.2%	1.5%
Commerzbank	5.6	6.2	10.7	4.6	9%	7%	12%	0.7	0.6	0.5	0.0%	0.2%	1.4%
ING	8.4	8.8	6.2	5.6	10%	12%	12%	0.8	0.7	0.7	0.1%	1.4%	3.6%
KBC	26.9	5.4	5.4	4.6	15%	15%	15%	0.8	0.8	0.7	3.3%	3.7%	4.6%
UCI	1.7	18.4	9.4	6.6	3%	5%	7%	0.5	0.5	0.5	2.0%	3.9%	5.4%
Median		10.0	9.5	5.6	8%	8%	9%	0.7	0.6	0.5	0.1%	1.4%	3.6%
FOREIGN BANKS													
BEP	4.2	11.7	10.3	7.8	6%	6%	8%	0.7	0.7	0.6	5.3%	5.0%	6.5%
Deutsche Bank	40.1	9.9	6.9	6.1	7%	11%	12%	0.8	0.7	0.7	1.9%	2.5%	3.3%
Erste Bank	33.7	14.3	10.1	7.8	8%	10%	12%	1.1	1.0	0.9	1.8%	2.1%	2.6%
Komerční B.	4200.0	12.6	11.5	10.5	18%	18%	19%	2.2	2.0	1.9	4.8%	5.5%	5.8%
OTP	5300.0	11.4	8.6	6.3	10%	12%	15%	1.1	1.0	0.9	2.6%	3.6%	5.2%
Santander	8.0	8.1	7.1	6.0	12%	13%	14%	0.9	0.9	0.8	7.1%	7.4%	8.3%
Türkiye Garanti B.	7.6	9.5	9.3	8.3	23%	20%	20%	2.0	1.7	1.5	2.0%	2.6%	2.9%
Türkiye Halk B.	12.2	7.9	7.8	7.3	28%	25%	23%	2.1	1.8	1.5	2.8%	3.5%	3.9%
Sberbank	3.3	14.2	8.2	7.1	17%	24%	23%	2.2	1.8	1.5	0.7%	1.6%	2.0%
VTB Bank	6.3	17.7	12.7	10.1	10.1%	12.0%	13.4%	1.7	1.5	1.3	0.6%	1.1%	1.6%
Median		11.5	8.9	7.5	11%	13%	15%	1.4	1.2	1.1	2.3%	3.1%	3.6%

Insurance company valuations /16.03.2011/


													
	Price	P/E			ROE			P/BV			D/Y		
		2010	2011	2012	2010	2011	2012	2010	2011	2012	2010	2011	2012
POLISH COMPANIES													
PZU	339.7	13.0	11.8	10.7	19%	19%	19%	2.3	2.1	1.9	46.7%	3.5%	5.1%
FOREIGN COMPANIES													
Vienna Insurance G.	38.7	12.8	11.3	10.0	9%	10%	10%	1.1	1.1	1.0	2.7%	2.9%	3.3%
Uniqia	14.8	24.3	18.0	17.0	7%	8%	8%	1.4	1.3	1.3	1.9%	2.1%	2.5%
Aegon	4.9	6.7	7.2	6.0	10%	7%	8%	0.5	0.5	0.4	0.0%	2.4%	4.8%
Allianz	90.7	8.1	7.5	7.1	12%	12%	12%	0.9	0.9	0.8	5.1%	5.5%	6.0%
Aviva	4.2	7.2	7.0	6.3	16%	14%	15%	1.1	1.0	0.9	6.1%	6.5%	6.9%
AXA	13.3	8.6	6.7	6.2	8%	9%	9%	0.7	0.6	0.6	5.1%	5.9%	6.4%
Baloise	91.6	9.5	8.6	7.7	11%	11%	11%	1.0	0.9	0.9	5.1%	5.3%	5.5%
Generali	84.0	11.9	11.1	9.4	9%	9%	10%	1.1	1.0	0.9	3.1%	3.3%	3.5%
Helvetia	366.5	9.3	8.3	7.6	11%	12%	12%	1.0	0.9	0.8	4.3%	4.6%	5.7%
Mapfre	2.5	8.1	7.8	7.5	14%	14%	14%	1.1	1.0	1.0	6.1%	6.4%	6.6%
RSA Insurance	1.3	9.4	8.7	8.3	15%	16%	16%	1.2	1.1	1.1	6.8%	7.2%	7.6%
Zurich Financial	240.0	9.4	8.0	7.6	12%	14%	13%	1.1	1.1	1.0	6.9%	7.2%	7.4%
Median		9.3	8.2	7.6	11%	12%	12%	1.1	1.0	0.9	5.1%	5.4%	5.8%

Fuels producer valuations /16.03.2011/


	Oil & Gas Companies															
	Price	EV/EBITDA			EV/S			P/E		EBITDA margin			D/Y			
		2010	2011	2012	2010	2011	2012	2010	2011	2012	2010	2011	2012	2010	2011	2012
OIL COMPANIES																
Lotos	41.0	9.8	6.3	5.1	0.6	0.4	0.4	8.2	10.6	5.7	6%	7%	8%	0.0%	0.0%	0.0%
PKN Orlen	49.7	5.7	6.8	6.6	0.4	0.3	0.3	9.0	12.2	11.5	7%	5%	5%	0.0%	2.3%	1.7%
MOL	22700.0	6.8	6.1	5.3	0.9	0.8	0.8	12.5	9.9	8.3	14%	14%	15%	2.1%	2.9%	3.8%
OMV	29.0	3.5	3.2	3.0	0.6	0.6	0.5	7.6	6.4	5.8	18%	18%	17%	3.5%	3.8%	4.1%
Hellenic Petroleum	7.6	9.3	8.5	6.6	0.6	0.5	0.5	13.1	10.7	7.4	6%	6%	7%	4.8%	5.0%	6.1%
Tupras	41.7	7.8	7.1	6.4	0.4	0.3	0.3	11.9	10.8	10.0	5%	5%	5%	6.7%	7.2%	7.3%
Unipetrol	175.0	5.9	5.3	4.9	0.4	0.4	0.4	22.0	15.3	12.7	7%	7%	7%	1.5%	2.5%	4.0%
Median		6.8	6.3	5.3	0.6	0.4	0.4	11.9	10.7	8.3	7%	7%	7%	2.1%	2.9%	4.0%
GAS COMPANIES																
PGNiG	3.7	6.2	6.3	4.8	1.1	1.1	1.0	10.9	12.7	10.5	18%	18%	21%	2.2%	3.5%	3.2%
Gazprom	223.0	4.9	4.5	4.1	1.9	1.7	1.6	6.0	5.6	5.1	39%	38%	39%	1.4%	1.7%	1.9%
GDF Suez	25.7	6.6	5.8	5.5	1.2	1.1	1.1	13.2	11.6	10.7	18%	19%	19%	5.9%	6.2%	6.7%
Gas Natural SDG	11.8	6.8	6.9	6.5	1.8	1.7	1.6	9.8	9.7	8.6	26%	25%	25%	6.7%	7.2%	7.8%
Median		6.4	6.1	5.1	1.5	1.4	1.3	10.3	10.6	9.5	22%	22%	23%	4.0%	4.9%	4.9%

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


Power Utilities company valuations /16.03.2011/

	EV/EBITDA				EV/S			P/E		EBITDA margin			D/Y			
	Price	2010	2011	2012	2010	2011	2012	2010	2011	2012	2010	2011	2012	2010	2011	2012
	ENERGY COMPANIES															
CEZ	136.4	6.6	7.1	6.7	3.0	3.1	2.9	9.3	9.6	8.7	45%	43%	43%	6.5%	6.2%	5.8%
ENEA	22.1	5.5	6.0	6.3	1.0	1.1	1.2	15.7	14.4	12.8	17%	18%	19%	1.7%	3.4%	2.8%
PGE	23.0	6.6	5.8	5.9	2.1	2.1	2.2	14.2	11.4	10.2	33%	36%	37%	3.1%	3.6%	4.4%
TAURON	6.2	4.4	4.5	4.4	0.8	0.9	0.9	12.6	11.8	10.2	18%	19%	20%	0.0%	2.5%	2.5%
E.ON	21.0	5.7	6.3	6.0	0.9	0.9	0.9	7.9	9.7	9.0	16%	14%	15%	7.1%	6.2%	6.3%
EDF	27.7	5.7	5.7	5.3	1.4	1.4	1.4	13.8	13.4	11.3	25%	25%	26%	4.2%	4.4%	4.7%
Endesa	20.6	5.7	5.8	5.6	1.5	1.5	1.4	8.5	10.0	9.3	27%	26%	26%	5.4%	5.2%	5.7%
ENEL SpA	4.0	5.8	5.7	5.6	1.4	1.4	1.4	8.8	8.7	8.2	25%	24%	25%	6.8%	7.0%	7.4%
Fortum	22.2	10.5	10.4	9.9	4.4	4.3	4.1	13.7	14.0	13.4	42%	41%	41%	4.5%	4.5%	4.6%
Iberdrola	5.8	8.4	8.0	7.5	2.3	2.2	2.1	11.4	11.0	10.1	28%	28%	28%	5.6%	5.7%	6.2%
RWE AG	42.9	4.2	4.5	4.3	0.8	0.8	0.8	6.2	7.4	7.2	19%	17%	17%	8.2%	7.3%	7.2%
Median		5.7	5.8	5.9	1.4	1.4	1.4	11.4	11.0	10.1	25%	25%	26%	5.4%	5.2%	5.7%

Fertilizer producers and chemical company valuations /16.03.2011/


		EV/EBITDA			EV/S			P/E			EBITDA margin			D/Y		
	Price	2010	2011	2012	2010	2011	2012	2010	2011	2012	2010	2011	2012	2010	2011	2012
FERTILIZER PRODUCERS																
POLICE	10.9	15.0	9.5	9.0	0.6	0.5	0.5	31.9	31.7	26.2	4%	6%	6%	0.0%	0.0%	0.0%
ZA Pulawy	106.7	8.5	6.2	5.9	0.8	0.7	0.7	15.6	10.8	10.5	10%	12%	12%	0.9%	3.2%	4.6%
Acron	44.0	8.4	7.0	7.0	1.9	1.6	1.6	12.1	9.8	9.3	22%	23%	22%	1.4%	1.8%	1.3%
Agrium	63.3	8.1	5.9	5.9	1.1	1.0	0.9	13.0	9.3	9.1	14%	16%	15%	0.2%	0.2%	0.2%
DSM	40.4	3.8	3.8	3.8	1.6	1.6	1.5	35.2	32.9	31.4	41%	41%	40%	2.0%	2.1%	2.2%
K+S	49.3	10.9	8.2	7.5	2.1	1.9	1.8	23.0	14.4	12.5	19%	23%	24%	1.8%	2.9%	3.3%
Silvinit	27277.0	10.1	8.1	7.4	5.9	5.0	4.5	16.8	12.8	11.4	59%	61%	61%	0.9%	1.3%	1.3%
Uralkali	7.4	18.2	14.0	11.4	8.9	7.6	6.4	25.4	19.5	20.2	49%	54%	56%	1.5%	2.6%	-
Yara	255.0	7.2	6.5	6.8	1.3	1.1	1.1	11.9	8.9	9.4	18%	18%	16%	2.3%	2.6%	2.7%
Median		8.5	7.0	7.0	1.6	1.6	1.5	16.8	12.8	11.4	19%	23%	22%	1.4%	2.1%	1.8%
CHEMICAL COMPANIES																
Ciech	25.2	6.0	4.5	4.5	0.6	0.5	0.5	34.4	7.6	9.1	10%	11%	11%	0.0%	0.0%	0.0%
Akzo Nobel	45.3	6.3	5.8	5.5	0.9	0.8	0.8	13.8	12.1	10.8	14%	14%	14%	3.1%	3.4%	3.7%
BASF	54.0	5.7	5.4	5.1	1.0	0.9	0.9	10.5	10.1	9.2	18%	18%	18%	3.8%	4.1%	4.4%
Croda	15.7	10.5	9.7	9.1	2.4	2.3	2.2	17.2	15.5	14.3	23%	24%	24%	2.1%	2.4%	2.7%
Dow Chemical	35.2	8.2	7.4	6.5	1.1	1.1	1.0	18.9	14.4	11.3	14%	15%	16%	1.7%	1.8%	1.7%
Rhodia	18.7	3.7	3.5	3.5	0.6	0.6	0.6	7.1	6.0	5.7	17%	16%	16%	2.1%	2.8%	3.1%
Sisecam	3.2	5.9	5.3	5.0	1.4	1.2	1.1	11.1	9.8	8.9	23%	23%	23%	0.6%	1.7%	2.9%
Soda Sanay ii	2.4	6.9	6.6	5.1	1.2	1.1	0.9	9.3	8.1	6.9	17%	17%	17%	4.0%	5.4%	2.9%
Solvay	77.4	4.4	4.4	4.1	0.6	0.7	0.6	24.2	21.3	18.3	14%	15%	15%	3.9%	4.0%	4.1%
Tata Chemicals	320.5	7.3	6.7	6.0	1.4	1.2	1.1	11.4	10.8	8.8	19%	18%	19%	2.6%	2.9%	3.1%
Tessenderlo Chemie	24.1	5.3	4.4	3.8	0.4	0.4	0.4	31.2	12.7	9.1	7%	8%	9%	5.1%	5.1%	5.2%
Wacker Chemie	140.5	6.3	5.6	5.1	1.6	1.5	1.4	14.1	12.3	10.7	25%	26%	27%	1.5%	1.8%	2.1%
Median		6.1	5.5	5.1	1.1	1.0	0.9	14.0	11.4	9.2	17%	17%	17%	2.4%	2.9%	3.0%

European national operator valuations /16.03.2011/


	EV/EBITDA				EV/S			P/E		EBITDA margin			D/Y			
	Price	2010	2011	2012	2010	2011	2012	2010	2011	2012	2010	2011	2012	2010	2011	2012
POLISH COMPANIES																
Netia	5.4	4.9	4.4	4.0	1.1	1.0	0.9	34.1	19.1	15.0	23%	24%	24%	0.0%	3.6%	5.2%
TPSA	16.5	5.6	4.6	4.6	1.7	1.7	1.7	-	17.2	15.8	30%	37%	38%	9.1%	9.1%	9.1%
Median		5.3	4.5	4.3	1.4	1.4	1.3	34.1	18.1	15.4	27%	31%	31%	4.5%	6.3%	7.2%
MID CAPS																
Belgacom	25.6	4.8	5.3	5.3	1.5	1.6	1.6	9.3	10.5	10.4	32%	30%	29%	8.5%	8.6%	8.7%
Cesky Telecom	395.1	5.2	5.4	5.5	2.2	2.3	2.3	11.8	12.4	11.8	43%	42%	41%	9.9%	9.3%	9.2%
Hellenic Telekom	8.1	4.7	4.8	4.7	1.6	1.7	1.7	13.3	11.6	10.2	34%	34%	35%	3.4%	4.0%	5.1%
Matav	565.0	4.4	4.6	4.6	1.6	1.7	1.7	10.5	10.9	10.3	37%	36%	36%	11.3%	10.1%	10.8%
Portugal Telecom	8.1	4.8	4.2	3.9	1.8	1.6	1.5	16.5	10.8	9.5	38%	38%	38%	7.6%	8.0%	8.2%
Telecom Austria	10.0	4.8	4.8	4.8	1.7	1.7	1.7	14.7	14.0	12.0	35%	35%	35%	7.5%	7.5%	7.5%
Median		4.8	4.8	4.8	1.7	1.7	1.7	12.6	11.3	10.4	36%	36%	36%	8%	8%	8%
BIG CAPS																
BT	1.8	4.3	4.1	4.1	1.1	1.2	1.2	12.2	9.4	8.8	26%	28%	29%	3.9%	4.3%	4.7%
DT	9.6	4.7	4.8	4.7	1.5	1.5	1.5	12.3	12.2	11.5	31%	32%	32%	7.5%	7.5%	7.4%
FT	14.7	4.7	4.7	4.7	1.6	1.6	1.6	7.8	8.2	8.2	35%	34%	34%	9.6%	9.6%	9.6%
KPN	11.5	5.4	5.5	5.5	2.2	2.2	2.2	10.0	9.4	8.9	41%	41%	40%	7.0%	7.5%	7.8%
Swisscom	389.2	6.2	6.2	6.2	2.4	2.4	2.4	10.7	10.3	10.0	39%	39%	39%	5.8%	6.3%	6.6%
TELEFONICA	16.9	5.4	5.5	5.4	2.2	2.1	2.0	8.6	8.8	8.5	41%	38%	38%	8.3%	9.2%	10.3%
TeliaSonera	51.2	7.5	7.4	7.2	2.6	2.6	2.5	11.0	10.5	10.1	35%	35%	35%	4.9%	5.4%	5.7%
TI	1.1	4.8	4.7	4.7	2.0	2.0	2.0	8.9	8.7	8.3	42%	42%	42%	5.2%	5.7%	6.1%
Median		5.1	5.1	5.1	2.1	2.0	2.0	10.4	9.4	8.9	37%	36%	37%	6.4%	6.9%	7.0%

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


IT company valuations /16.03.2011/

	EV/EBITDA				EV/S			P/E		EBITDA margin			D/Y			
	Price	2010	2011	2012	2010	2011	2012	2010	2011	2012	2010	2011	2012	2010	2011	2012
POLISH COMPANIES																
AB	26.0	8.2	6.8	7.1	0.2	0.2	0.1	11.4	8.3	9.4	2%	2%	2%	0.0%	0.0%	0.0%
ACTION	20.0	8.6	7.6	6.7	0.2	0.2	0.2	13.1	10.7	9.2	2%	2%	2%	4.0%	2.8%	3.8%
ASBIS	3.4	7.4	5.2	4.0	0.1	0.1	0.1	68.9	8.2	5.1	1%	1%	2%	0.0%	0.0%	0.0%
ASSECO POLAND	50.8	6.0	5.8	5.2	1.3	1.1	1.0	9.5	10.3	9.6	21%	20%	19%	3.1%	2.9%	3.1%
COMARCH	93.0	10.3	7.4	6.3	0.9	0.8	0.7	17.3	17.2	14.6	8%	11%	11%	0.0%	0.0%	2.1%
KOMPUTRONIK	9.1	8.5	6.1	4.8	0.1	0.1	0.1	23.9	12.8	8.5	2%	2%	2%	0.0%	0.0%	1.6%
SYGNITY	19.8	-	6.5	4.8	0.5	0.4	0.4	-	40.0	11.8	-	7%	7%	0.0%	0.0%	2.5%
Median		8.4	6.5	5.2	0.2	0.2	0.2	15.2	10.7	9.4	2%	2%	2%	0.0%	0.0%	2.1%
FOREIGN COMPANIES																
Accenture	49.0	9.0	8.3	7.8	1.4	1.3	1.2	18.6	16.4	14.7	16%	16%	15%	2.0%	1.7%	2.0%
Atos Origin	38.2	5.4	4.6	4.0	0.6	0.5	0.4	14.0	11.8	10.1	10%	11%	11%	0.5%	0.8%	1.0%
CapGemini	37.8	6.8	5.8	5.1	0.6	0.5	0.5	18.8	15.0	12.9	8%	9%	10%	2.4%	2.7%	2.9%
IBM	153.0	8.7	8.1	7.5	2.1	2.0	1.9	13.4	12.1	11.0	24%	25%	26%	1.6%	1.7%	1.7%
Indra Sistemas	13.0	7.3	7.1	6.7	0.9	0.9	0.9	10.6	10.4	9.8	13%	13%	13%	5.0%	5.2%	5.6%
LogicaCMG	1.2	6.7	6.3	5.8	0.6	0.6	0.6	10.1	9.3	8.5	9%	9%	10%	3.3%	3.8%	4.4%
Microsoft	24.8	6.6	5.7	5.4	2.8	2.5	2.3	12.0	10.1	9.2	42%	44%	43%	2.1%	2.5%	2.5%
Oracle	30.2	11.9	9.5	8.8	5.6	4.3	4.0	18.7	15.0	13.6	47%	46%	46%	0.7%	0.7%	0.7%
SAP	39.4	12.6	10.7	9.8	4.0	3.6	3.3	18.7	15.9	14.3	32%	34%	34%	1.4%	1.7%	1.9%
TietoEnator	13.0	6.0	5.1	4.7	0.6	0.6	0.6	11.8	9.9	8.9	10%	11%	12%	4.0%	4.7%	5.6%
Median		7.1	6.7	6.2	1.2	1.1	1.0	13.7	11.9	10.6	14%	14%	14%	2.1%	2.1%	2.3%

Media company valuations /16.03.2011/


	Price	EV/EBITDA			EV/S			P/E		EBITDA margin			D/Y			
		2010	2011	2012	2010	2011	2012	2010	2011	2012	2010	2011	2012	2010	2011	2012
POLISH COMPANIES																
AGORA	25.8	7.5	6.4	5.5	1.1	0.9	0.8	18.3	19.3	15.3	15%	15%	15%	1.9%	2.6%	2.6%
CYFROWY POLSAT	15.4	10.1	9.1	8.2	2.8	2.7	2.5	16.0	14.4	14.2	27%	29%	30%	3.7%	4.4%	4.6%
TVN	16.5	13.3	10.4	8.3	3.3	2.9	2.5	-	20.1	14.3	24%	27%	30%	1.9%	0.0%	1.5%
DAILY																
Arnolgo Mondadori	2.4	6.7	5.9	5.7	0.6	0.6	0.6	10.9	8.6	8.0	9%	10%	11%	6.7%	8.4%	9.6%
Axel Springer	107.0	6.8	6.2	5.7	1.2	1.2	1.1	11.5	10.5	9.6	18%	19%	20%	4.3%	4.6%	5.0%
Daily Mail	4.9	7.5	7.1	6.9	1.4	1.3	1.3	10.5	9.5	8.9	19%	19%	19%	3.1%	3.4%	3.6%
Gruppo Editorial	1.8	5.8	5.1	4.8	1.0	1.0	1.0	13.6	10.9	9.6	17%	19%	20%	4.1%	5.7%	5.9%
Mcclatchy	3.3	5.7	5.9	-	1.6	1.6	-	5.4	7.0	6.1	28%	27%	-	0.0%	0.0%	0.0%
Naspers	382.7	23.2	19.6	16.6	5.6	4.9	4.4	27.3	21.2	16.5	24%	25%	26%	0.6%	0.8%	1.0%
New York Times	8.9	4.8	5.1	4.9	0.8	0.8	0.8	12.9	13.4	12.3	16%	15%	16%	0.0%	0.0%	0.0%
Promotora de Inform	2.0	7.2	6.7	6.4	1.4	1.5	1.5	4.6	5.1	4.4	20%	23%	23%	0.2%	0.1%	2.1%
SPIR Comm	36.0	9.8	7.7	6.3	0.4	0.4	0.4	-	-	28.7	4%	5%	6%	0.0%	0.0%	0.0%
Trinity Mirror	0.5	2.6	2.5	2.6	0.5	0.5	0.5	1.8	1.8	1.7	20%	20%	19%	3.0%	6.0%	8.3%
Mediana		6.8	6.1	5.7	1.1	1.1	1.0	10.9	9.5	9.3	18%	19%	19%	1.8%	2.1%	2.9%
TV																
Antena 3 Televis	6.8	10.0	8.6	7.6	2.0	1.9	1.8	13.0	11.1	9.8	20%	22%	24%	5.8%	7.1%	8.4%
CETV	336.0	20.4	12.2	9.3	3.1	2.7	2.4	-	-	28.5	15%	22%	26%	0.0%	0.0%	0.0%
Gestevision Telecinco	8.3	12.8	8.6	7.3	3.3	2.4	2.3	16.0	12.5	10.5	25%	28%	32%	4.7%	7.0%	8.7%
ITV PLC	0.8	8.3	7.5	6.9	1.7	1.7	1.6	15.5	13.7	11.9	21%	22%	23%	0.4%	1.5%	2.8%
M6-Metropole Tel	17.4	6.3	6.0	6.0	1.3	1.3	1.2	14.8	13.8	13.5	21%	21%	20%	5.3%	5.5%	5.5%
Mediaset SPA	4.4	4.6	4.2	3.9	1.6	1.5	1.4	12.3	10.8	9.5	35%	35%	35%	7.0%	7.8%	8.7%
RTL Group	71.5	8.8	8.2	7.9	1.9	1.8	1.8	17.1	15.1	14.3	22%	22%	22%	6.3%	6.6%	6.9%
TF1-TV Francaise	13.0	9.8	7.4	6.6	1.1	1.1	1.0	21.1	14.5	12.5	11%	14%	15%	3.6%	4.6%	5.5%
Mediana		9.3	7.9	7.1	1.8	1.8	1.7	15.5	13.7	12.2	21%	22%	24%	5.0%	6.0%	6.2%
PAY TV																
BSkyB PLC	8.2	13.4	11.2	9.9	2.7	2.5	2.3	26.9	20.7	17.0	20%	22%	24%	2.3%	2.6%	2.9%
Canal Plus	5.4	4.7	4.6	4.5	0.2	0.2	0.2	16.4	15.9	15.5	5%	5%	5%	5.2%	5.4%	5.4%
Cogeco	43.1	5.9	5.5	5.2	2.3	2.2	2.1	17.7	15.9	13.8	39%	40%	40%	1.3%	1.6%	2.0%
Comcast	23.4	6.3	5.9	5.6	2.4	2.3	2.3	18.6	15.9	13.7	39%	40%	40%	1.6%	1.8%	2.0%
Liberty Global	40.6	8.1	7.3	6.8	3.6	3.3	3.1	-	34.5	17.2	44%	45%	46%	0.0%	0.0%	0.0%
Multimedia	9.6	7.1	6.8	6.5	3.7	3.5	3.3	15.4	13.9	11.5	52%	51%	51%	0.0%	0.0%	0.0%
Shaw Communications	20.2	7.3	6.3	5.9	3.4	2.7	2.4	15.6	13.0	12.2	46%	43%	41%	4.3%	4.5%	4.6%
Mediana		7.1	6.3	5.9	2.7	2.5	2.3	17.1	15.9	13.8	39%	40%	40%	1.6%	1.8%	2.0%

Mining company valuations /16.03.2011/


	EV/EBITDA				EV/S				P/E		EBITDA margin			D/Y		
	Price	2010	2011	2012	2010	2011	2012	2010	2011	2012	2010	2011	2012	2010	2011	2012
POLISH COMPANIES																
KGHM	170.1	5.1	4.2	8.2	2.0	1.7	2.3	7.4	6.3	14.0	40%	41%	28%	1.8%	5.9%	5.9%
FOREIGN COMPANIES																
Anglo Amer.	29.5	4.4	3.5	3.2	1.7	1.5	1.4	7.3	5.6	4.9	39%	42%	43%	2.0%	3.4%	3.8%
BHP Billiton	22.1	5.2	3.5	3.1	2.5	1.9	1.8	9.0	6.0	5.3	48%	55%	56%	3.9%	4.2%	4.4%
Freeport-MCMOR	50.3	2.8	2.4	2.4	1.4	1.2	1.2	5.9	4.9	4.8	51%	52%	49%	2.5%	4.0%	4.1%
Rio Tinto	38.7	3.4	2.8	2.8	1.5	1.4	1.3	5.6	4.6	4.5	46%	48%	48%	2.5%	2.8%	3.1%
Southern Peru	39.9	11.8	7.4	6.4	6.7	4.6	4.1	21.3	12.2	10.7	57%	63%	64%	4.1%	5.3%	6.5%
Median		4.4	3.5	3.1	1.7	1.5	1.4	7.3	5.6	4.9	48%	52%	49%	2.5%	4.0%	4.1%

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


Construction company valuations /16.03.2011/

	EV/EBITDA				EV/S				P/E		EBITDA margin				D/Y	
	Price	2010	2011	2012	2010	2011	2012	2010	2011	2012	2010	2011	2012	2010	2011	2012
POLISH COMPANIES																
Budimex	96.0	4.7	8.1	8.9	0.4	0.4	0.5	9.2	12.0	12.2	8%	5%	6%	7.1%	6.9%	4.2%
Elektrobudowa	154.0	9.5	8.3	7.1	0.9	0.8	0.7	15.3	13.0	11.6	9%	10%	10%	2.3%	2.3%	2.6%
Erbud	40.5	12.0	6.6	5.9	0.4	0.3	0.3	33.5	10.9	9.8	3%	5%	5%	1.2%	0.6%	1.8%
Mostostal Warszawa	45.0	6.2	6.6	5.1	0.3	0.3	0.3	14.8	15.5	11.5	4%	4%	5%	4.0%	3.4%	3.2%
PBG	197.3	9.4	9.1	8.5	1.1	0.8	0.6	12.8	12.8	12.4	12%	8%	8%	1.5%	1.6%	2.4%
Polimex Mostostal	3.6	7.1	7.4	6.4	0.5	0.5	0.4	14.9	13.3	10.3	7%	6%	7%	1.1%	0.0%	0.0%
Rafako	11.0	9.5	7.4	6.8	0.5	0.4	0.4	19.1	13.6	12.5	6%	5%	5%	2.7%	0.0%	0.0%
Trakcja Polska	3.4	7.9	7.0	6.0	0.9	0.5	0.4	15.4	10.8	9.1	11%	7%	7%	0.0%	0.0%	0.0%
Ulmia Construcccion	81.9	5.5	4.3	4.8	2.8	2.2	2.2	41.3	12.9	17.8	50%	50%	47%	0.0%	0.0%	0.0%
Unibep	8.0	9.0	9.9	5.2	0.5	0.4	0.3	12.2	13.5	7.1	5%	4%	6%	0.0%	0.7%	2.8%
Median		8.4	7.4	6.2	0.5	0.4	0.4	15.1	12.9	11.5	8%	6%	7%	1.4%	0.7%	2.1%
FOREIGN COMPANIES																
AMEC	10.9	10.6	9.4	8.3	1.0	0.9	0.8	18.9	16.5	14.1	9%	10%	10%	1.9%	2.0%	2.3%
BILFINGER	56.1	9.5	9.1	8.6	0.6	0.6	0.6	9.8	9.9	8.9	6%	6%	7%	4.3%	4.7%	5.0%
EIFPAGE	39.5	9.4	8.9	8.3	1.3	1.3	1.3	15.0	12.8	10.8	14%	15%	15%	3.1%	3.3%	3.7%
HOCHTIEF	68.6	5.5	4.9	4.5	0.3	0.3	0.3	21.5	18.0	14.8	6%	6%	7%	2.4%	2.8%	3.2%
NCC	160.6	8.2	7.8	7.0	0.4	0.4	0.3	14.2	13.5	11.7	5%	5%	5%	4.0%	4.3%	4.8%
SKANSKA	120.8	7.4	7.5	7.0	0.4	0.4	0.4	14.0	14.7	13.5	5%	5%	5%	4.7%	4.9%	5.0%
STRABAG	20.3	3.6	3.6	3.6	0.2	0.2	0.2	13.5	13.7	13.8	5%	5%	5%	2.5%	2.7%	2.8%
Median		8.2	7.8	7.0	0.4	0.4	0.4	14.2	13.7	13.5	6%	6%	7%	3.1%	3.3%	3.7%


Property Developers company valuations /16.03.2011/

																
		EV/EBITDA			P/BV			P/E			EBITDA margin			D/Y		
	Price	2010	2011	2012	2010	2011	2012	2010	2011	2012	2010	2011	2012	2010	2011	2012
POLISH COMPANIES																
BBI Development	0.4	10.5	30.0	10.4	0.9	0.9	0.8	16.2	22.0	6.7	45%	24%	46%	0.0%	0.0%	0.0%
Dom Development	47.4	19.4	13.0	6.8	1.5	1.4	1.3	29.0	14.1	9.0	12%	16%	17%	1.7%	1.0%	4.3%
GTC	19.6	21.5	9.5	7.3	1.1	0.9	0.8	23.7	7.1	4.8	68%	131%	142%	0.0%	0.0%	0.0%
J.W. Construction	14.0	7.7	7.1	10.1	1.5	1.2	1.1	8.2	7.8	10.2	25%	29%	39%	0.0%	0.0%	0.0%
Polnord	31.5	28.1	15.3	8.7	0.6	0.6	0.5	13.5	11.8	6.9	28%	26%	36%	2.7%	0.0%	0.0%
Median		19.4	13.0	8.7	1.1	0.9	0.8	16.2	11.8	6.9	28%	26%	39%	0%	0%	0%
FOREIGN COMPANIES																
CA IMMO INTERNATIONAL	5.6	32.8	29.1	23.7	0.5	0.6	0.6	-	19.3	9.1	43%	45%	48%	0.0%	1.8%	3.8%
CITYCON	3.1	19.8	18.3	17.4	0.9	0.9	0.9	16.2	14.9	14.0	56%	58%	59%	4.4%	4.6%	4.5%
CORIO	44.9	20.3	18.1	16.2	1.0	1.0	1.0	15.6	15.0	13.9	82%	83%	83%	5.9%	6.1%	6.3%
DEUTSCHE EUROSHOP	26.0	20.0	17.8	16.9	1.1	1.1	1.0	19.8	16.9	16.8	88%	87%	87%	4.2%	4.3%	4.6%
ECHO INVESTMENT	4.8	13.3	9.6	7.9	1.2	1.1	0.9	12.4	8.9	7.7	69%	89%	85%	0.0%	0.0%	0.0%
HAMMERSON	4.2	20.4	20.4	19.9	1.1	0.9	0.9	19.0	20.2	16.7	80%	80%	79%	3.7%	3.8%	4.0%
KLEPIERRE	26.1	17.7	16.7	15.8	1.3	1.0	1.0	17.0	16.1	14.5	85%	86%	88%	4.8%	5.0%	5.1%
SPARKASSEN IMMO	4.5	19.9	17.8	15.9	0.6	0.6	0.6	26.5	11.6	7.5	47%	47%	49%	0.0%	5.2%	4.1%
UNIBAIL-RODAMCO	138.7	19.1	19.1	18.6	1.0	1.1	1.1	15.4	15.7	14.9	86%	84%	84%	8.5%	5.8%	6.0%
Median		19.9	18.1	16.9	1.0	1.0	0.9	16.6	15.7	14.0	80%	83%	83%	4.2%	4.6%	4.5%

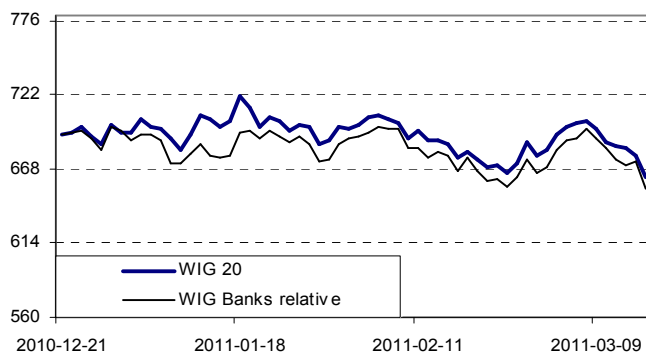
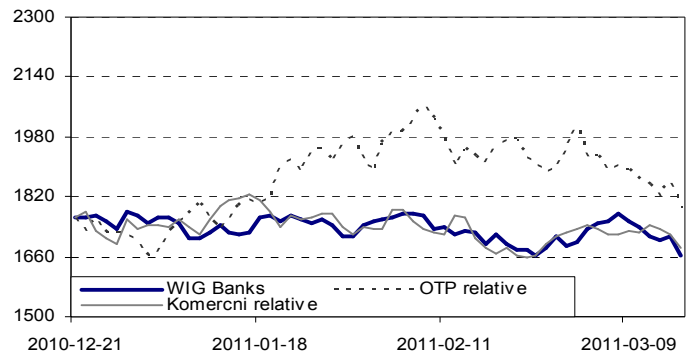
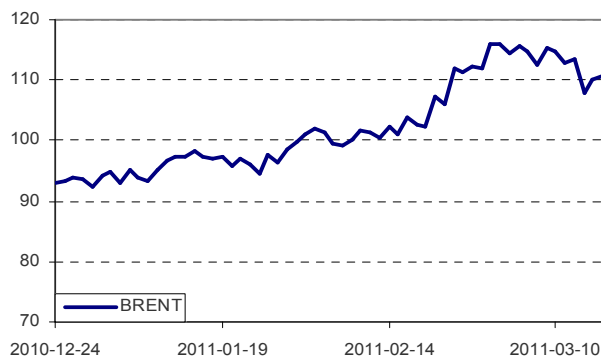
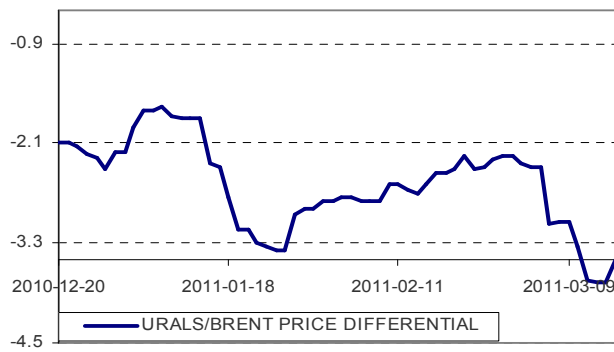
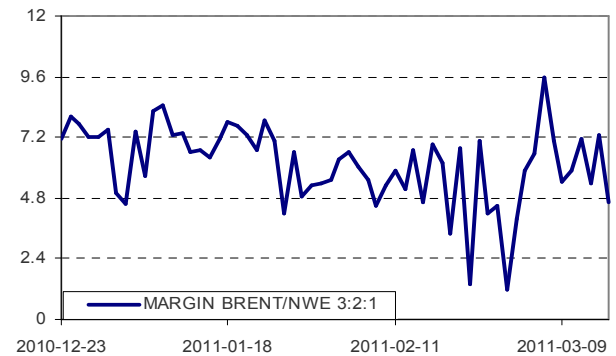
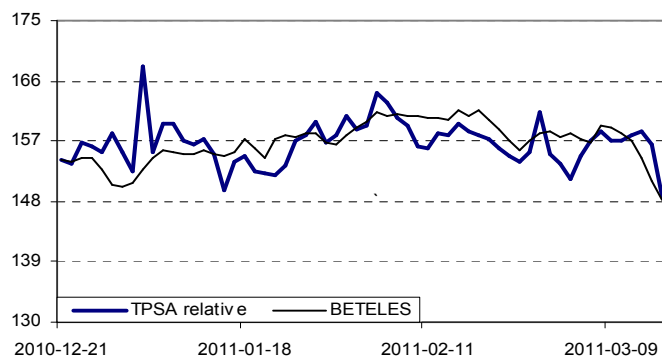
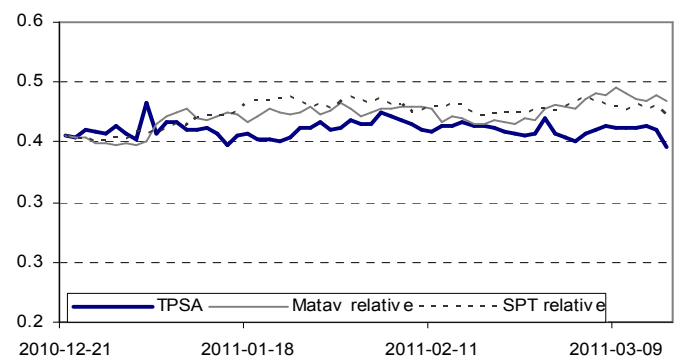
Machinery manufacturer valuations /16.03.2011/

	EV/EBITDA				EV/S				P/E		EBITDA margin			D/Y		
	Price	2010	2011	2012	2010	2011	2012	2010	2011	2012	2010	2011	2012	2010	2011	2012
	POLISH COMPANIES															
FAMUR	3.7	12.6	11.4	9.7	2.0	2.3	2.1	22.3	23.7	19.1	16%	20%	22%	0.0%	0.0%	2.8%
KOPEX	20.2	11.1	8.6	7.8	0.8	0.9	1.0	43.6	18.2	15.9	8%	10%	13%	0.0%	0.0%	3.1%
Median		11.9	10.0	8.8	1.4	1.6	1.6	33.0	21.0	17.5	12%	15%	18%	0.0%	0.0%	3.0%
FOREIGN COMPANIES																
Atlas Copco	151.0	11.9	10.3	9.4	2.8	2.5	2.3	18.6	15.8	14.2	23%	24%	25%	2.5%	2.8%	3.1%
Bucyrus	90.9	12.8	10.3	9.0	2.4	2.0	1.8	22.9	17.4	14.8	19%	19%	20%	0.1%	0.1%	0.1%
Emeco	1.1	5.5	4.6	4.2	2.3	2.1	1.9	17.2	12.1	9.7	41%	45%	45%	1.3%	3.4%	4.9%
Industrea	1.3	-	-	-	-	-	-	26.0	7.2	6.5	-	-	-	2.7%	3.5%	4.2%
Joy Global	88.8	12.3	10.1	8.8	2.6	2.3	2.0	21.2	17.5	15.0	21%	22%	23%	0.8%	0.8%	0.8%
Sandvik	112.4	10.4	8.6	7.6	2.0	1.8	1.7	20.3	14.8	12.5	19%	21%	22%	2.4%	3.2%	3.8%
Median		11.9	10.1	8.8	2.4	2.1	1.9	20.7	15.3	13.3	21%	22%	23%	1.9%	3.0%	3.4%

Paper manufacturer valuations /16.03.2011/

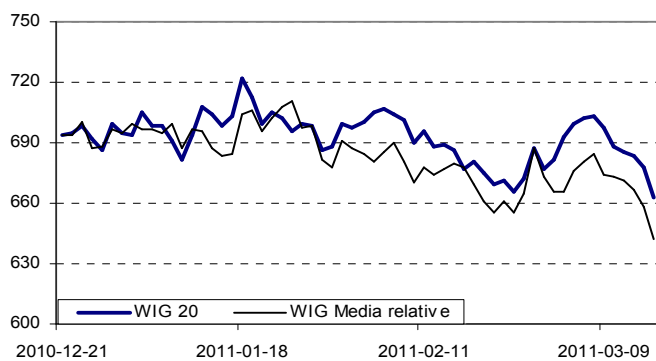
	EV/EBITDA				EV/S			P/E		EBITDA margin			D/Y			
	Price	2010	2011	2012	2010	2011	2012	2010	2011	2012	2010	2011	2012	2010	2011	2012
POLISH COMPANIES																
MONDI	79.0	10.1	7.9	7.6	2.0	1.7	1.7	18.4	11.7	11.1	19%	22%	23%	0.0%	5.4%	8.6%
FOREIGN COMPANIES																
Billerund	62.0	4.4	5.1	5.0	0.8	0.8	0.8	9.5	12.0	11.6	18%	15%	15%	4.0%	4.2%	4.2%
Holmen	224.9	9.9	7.6	7.4	1.5	1.3	1.3	26.3	15.2	14.5	15%	17%	17%	3.1%	3.6%	4.4%
INTL Paper	25.6	5.5	4.9	4.6	0.7	0.7	0.7	12.6	9.4	8.3	13%	15%	15%	1.6%	2.1%	2.8%
M-Real	2.7	5.4	5.1	4.8	0.6	0.6	0.6	12.7	8.8	7.5	12%	12%	12%	0.8%	1.3%	2.0%
Norske Skog	15.8	10.6	6.1	5.5	0.7	0.6	0.6	-	-	-	6%	10%	11%	0.0%	0.0%	0.0%
Portucel EMP.	2.5	6.8	6.4	6.3	1.9	1.8	1.7	11.3	10.3	10.2	27%	28%	27%	5.5%	4.6%	5.1%
Stora Enso	7.8	6.8	6.3	6.1	0.8	0.8	0.8	10.5	10.1	9.8	12%	13%	13%	3.0%	3.0%	3.2%
Svenska	100.4	6.9	6.1	5.8	1.0	1.0	0.9	11.5	9.6	9.0	15%	16%	16%	4.0%	4.4%	4.6%
UPM-Kymmene	13.4	7.1	6.4	6.3	1.2	1.1	1.1	14.2	12.6	11.6	16%	17%	17%	3.5%	3.8%	4.0%
Median		6.8	6.1	5.8	0.8	0.8	0.8	12.1	10.2	10.0	15%	15%	15%	3.1%	3.6%	4.0%

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

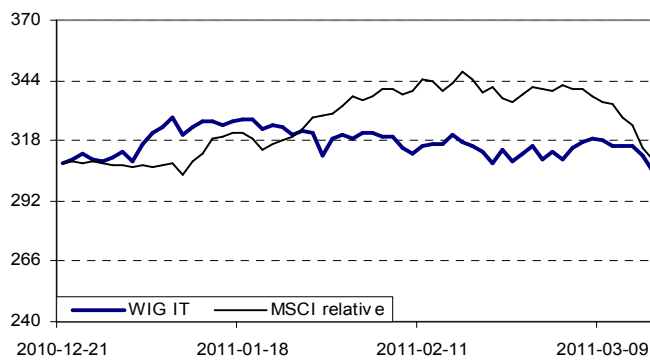
WIG Banks index vs. WIG 20 index (EUR)

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

BRENT (USD/bbl)

BRENT (USD/bbl)

BRENT (USD/bbl)

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

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


Source: Bloomberg

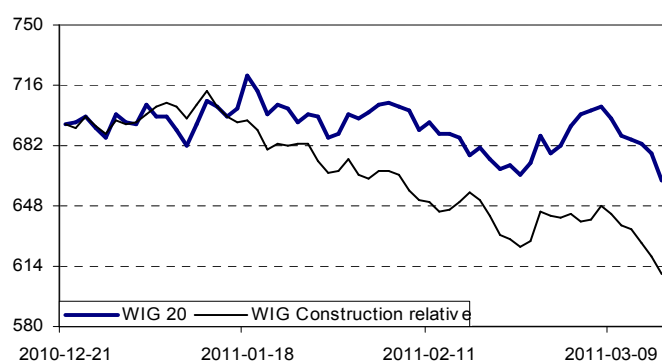
WIG Media index vs. WIG 20 index (EUR)



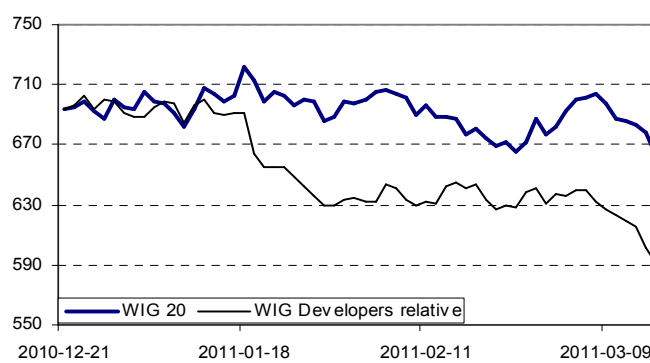
WIG IT index vs. MSCI



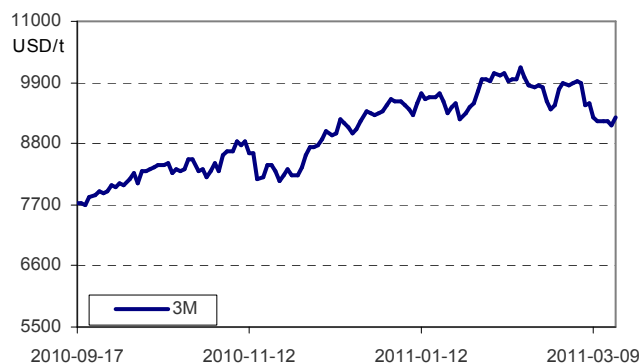
WIG Construction index vs. WIG 20 index (EUR)



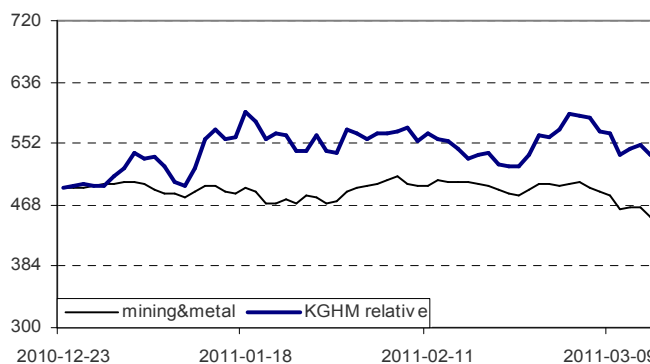
WIG Developers index vs. WIG 20 index (EUR)



Copper price on LME



KGHM vs. mining&metal sector index (USD)



Source: Bloomberg



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List of abbreviations and ratios contained in the report.

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

EBIT – Earnings Before Interest and Taxes

EBITDA – EBIT + Depreciation and Amortisation

PBA – Profit on Banking Activity

P/CE – price to earnings with amortisation

MC/S – market capitalisation to sales

EBIT/EV – operating profit to economic value

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

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

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

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

EBITDA margin – EBITDA/Sales

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

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

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

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

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

Recommendations are updated at least once every nine months.

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