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Morning Comments

Equity Market, Poland

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DJIA	27,137.0	+0.85%	FTSE 100	7,338.0	+0.96%	Copper (LME)	5,772.5	-0.90%
S&P 500	3,000.9	+0.72%	WIG20	2,189.2	+0.06%	Crude Oil (Brent)	61.56	-2.87%
NASDAQ	8,169.7	+1.06%	BUX	40,202.6	+0.61%	USD/PLN	3.9415	+0.48%
DAX	12,359.1	+0.74%	PX	1,043.6	+0.82%	EUR/PLN	4.3395	+0.17%
CAC 40	5,618.1	+0.44%	PLBonds10	2.074	-0.090	EUR/USD	1.1010	-0.30%

Company & Sector News

Banks

Banks should return part of costs in case of early repayment: EU Court

The European Court of Justice ruled on Tuesday that banks should return a portion of all costs linked to a consumer loan to clients in case of an early repayment. If the period of time between the early repayment and the agreed termination of the credit agreement exceeds 1 year compensation may not exceed 1% of the amount of credit whilst if the period does not exceed 1 year, the compensation may not exceed 0.5% of the amount of credit repaid early. Ruling says that reduction of total cost of credit in case of early repayment should include arrangement, insurance premiums and upfront fees. **The news is negative. According to Bloomberg, the ruling might hurt the profits, in particular, of mBank and Santander, the two cases were analyzed by ECJ, however more likely, in our opinion, it will have impact on vast majority of the Polish lenders. As of now it is difficult to calculate precise impact of the new ruling as we don't know percentage of early repaid cases and the time frame which ruling may include. Nonetheless if we assume that early repayments reached about 20% of total consumer loans sold in 2013, and the percentage gradually declined to 3% in 2019, then the total cost to listed banks could come around PLN 260m—a manageable amount. During the last six years, the highest nominal consumer loan origination was reported by PKO BP (highest impact), against the lowest sales at mBank, Millennium and GNB. (M. Konarski, M. Lemańczyk)**

Banks

Polish financial stability committee won't address FX loans problem now

NBP Governor said that Polish financial stability committee (KSF) discussed potential result of ECJ ruling regarding CHF loans, however currently KSF sees no dramatic problem, which should be addressed now. **Nevertheless CHF loans are main threat for Polish banking sector and a burden on banks valuations. We recall that according to ECJ's judicial schedule there shouldn't be a ruling regarding CHF loans before Polish parliament elections (13 October). (M. Konarski, M. Lemańczyk)**

Debt Collection Companies

Lansdowne Partners reduces short position in Arrow Global

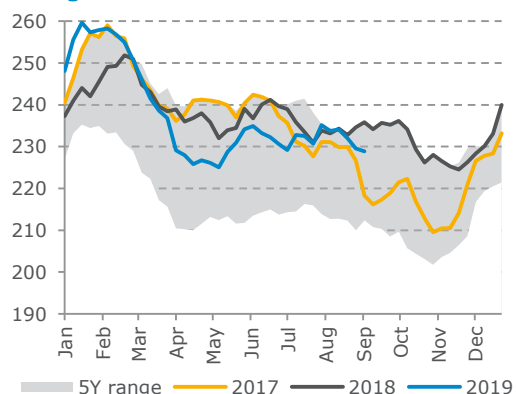
Lansdowne Partners decreased its net short position in Arrow Global by 6.45% to 1.03m shares (0.58% of total shares). According to regulator, seven short positions in Arrow are disclosed. Disclosed short position cover 7.72% of company's stocks. Largest short position is disclosed by Bybrook Capital (2.09%). **(M. Konarski, M. Lemańczyk)**

Oil&Gas

US crude stockpiles decreased more than expected

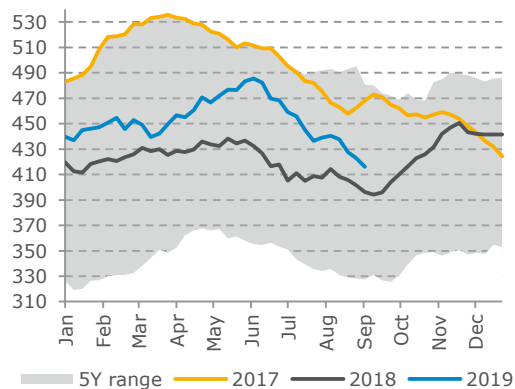
Weekly EIA report showed that US domestic crude inventories decreased by 6.9 mmboe, whereas market consensus stood at -2.9 mmboe. Net import decreased strongly last week by 11%. Refineries' utilization rate was up week on week to 95.1% from 94.8%. Gasoline stocks decreased slightly (-0.7 mmboe vs -1.0 mmboe expected), while diesel inventories built for the seventh time in eleven weeks by 2.7 mmboe (market consensus at -0.9 mmboe). Gasoline consumption 4-weeks moving average dynamics yoy stays at +0.2% with last week deliveries increasing by 3.5%. Diesel demand is not very supportive for refining outlook as well with 4-weeks moving average dynamics at -2.1% yoy. **EIA data were overshadowed by announcement that President Donald Trump had discussed easing sanctions on Iran to help secure a meeting with Iranian President later this month. (K. Kliszcz)**

US gasoline reserves in mmboe



Source: Bloomberg

US crude oil reserves



Source: Bloomberg

Ciech

Buy – 2019-09-05

Target price: PLN 42.03

2019 Q2 earnings conference highlights

- Ciech Management is **optimistic about Q3** given market trends and is on track to meet its 2021 EBITDA guidance, CEO Dawid Jakubowicz told PAP. The Management sees **rebound in demand and prices in soda ash in China** for 2H'19. The situation in the segments Ciech is operating in is good, except for the automotive segment, where Ciech's exposure is small (up to 10% of soda ash sales).
- The Company watches **drop in coal prices**. Ciech already contracted some thermal coal for 2020 year with discount to market price. The coking coal is contracted quarter by quarter so in 3Q'19 and 4Q'19 some savings are going to take place.
- The management was saying that on the European market in 2020 there could be a round of **soda price increases round**.
- Management **reiterated its target for 2021 EBITDA** (exceeding PLN 900 mln in adjusted EBITDA in 2021). Development investments which are being launched and realized are the main drivers behind meeting this goal. Pointing to a new salt plant in Germany, intensive development of products in the agro segment and increasing the share of foreign sales in pesticides sales. Ciech is also focusing on organic growth and strengthening its position on the calcined soda and salt market.
- Development **CAPEX** in H1 stood at PLN 130 mln. Company spent less than a year ago because we introduced a more restrictive procedure of approving capex spending, we want to carefully look at every zloty spent. In line with strategy, company only accept spending giving an at least 15% rate of return, except for replacement spending. Ciech also wants to better plan replacement spending. "We want to know which machines will have to be replaced in 3, 5 or 7 years, we are done with ad-hoc buying. We also actively manage our working capital."
- In line with IFRS, Company had to run **asset impairment tests**. There are two scenarios for talks with our steam supplier - either we reach an agreement or not. We attributed 50% likelihood to each of the scenario. "If we reach an agreement this impairment will be released, if not we will have to add PLN 37 mln in provisions. I assume negotiations will run until September 18, we declare willingness to reach an agreement but economically we cannot accept another price hike."
- In Q2 Ciech set up a **reserve for management incentive program for 2019-2021** which cut Q2 adjusted EBITDA by PLN 10 mln. "The reserve for the incentive program is not subject to adjustments, it is a new element. It will be repeated in the coming years, to end-2021. We estimate the quarterly impact of the provision at ca. PLN 5 mln, but it will depend on how the components impacting the program in a given period will look like. It will burden the adjusted EBITDA in the coming quarters."
- Total **value of possible tax arrears** listed in the H1 report **stands at PLN 144 mln** in CIT (plus interest) and ca. PLN 64 mln when it comes to VAT. "All that had to be provisioned for was included in the provisions and we created nothing new recently. Also, we have already paid a large part. However, I would like to underline that the company and our tax advisors don't agree with the stance of controlling authorities in any of the cases and we are already taking further legal steps" to defend Ciech interests.
- At the conference, the Board seemed to be more cautious about the planned Capex than at the conferences after 4Q'18 and 1Q'19. The management also for the first time fundamentally referred to the claims of the Tax office. In our opinion most of the downside risks that have weighed on Ciech's performance since March 2019 have materialized. With the past risks more than priced in, Ciech's future prospects are seen to be improving with a downward shift observed in the prices of thermal and metallurgical coal, at the current rate indicating savings potential in 2020 of PLN 16m and PLN 42m, respectively. We added Ciech to our Top Picks list in September monthly (link: <https://tinyurl.com/y68epuku>). (J. Szkopek)**

Stelmet

Hold – 2019-09-05

Target price: PLN 6.50

Major shareholder plans tender offer for remaining shares

The Management Board of Stelmet announced that it had received a letter informing Mr. Stanisław Bieńkowski about the finalization of the loan agreement with PKO Bank Polski from which the shareholder intends to acquire all Stelmet shares in the form of a tender offer. **(J. Szkopek)**

Copper**Copper rises as US delays hiking China tariffs by 2 weeks**

London copper prices rose as much as 1% in early trade on Thursday, after U.S. President Donald Trump agreed to delay hiking tariffs on \$250 billion worth of Chinese goods by two weeks. **For more information please visit <https://tinyurl.com/y2nbbbud> (J. Szkopek)**

Iron Ore**China iron ore futures hit 5-week high on restocking demand prospects**

Benchmark Chinese iron ore futures rose in early trade on Thursday to their highest in five weeks, extending gains in anticipation of some restocking demand for the steelmaking raw material ahead of holidays in China. Declining iron ore shipments into China and signs of easing trade frictions between Washington and Beijing added fuel to the rally. **For more information please visit <https://tinyurl.com/yxgw53rz> (J. Szkopek)**

Echo Investment**Echo adopts resolution to pay interim dividends**

The Member Board of Echo Investment adopted a resolution on a conditional payment of an advance dividend for 2019. The total payout will be PLN 206m, implying PLN 0.5 DPS. The dividend payment date was set for 21 October 2019. **Advanced dividend value is above Bloomberg consensus of DPS 0.445 and gives DY at 10%. (A. Szklarczyk)**

Echo Investment**Conclusion of a final agreement to sale of O3 Business Campus III in Krakow**

A subsidiary of Echo Investment signed final agreement with a joint venture (EPP and Henderson Park) for sale O3 Business Campus office building (phase III) for EUR 40.3m. Echo may obtain additional payments of EUR 7.0m related to the completion of fit-out works. With purchase of the third office building, they have already owned the entire O3 Business Campus complex. The final agreement was concluded based on a preliminary conditional agreement from 2016, under which EPP bought a package of 7 office buildings from Echo's portfolio of office buildings. **At the conference of Q1 2019 the Board informed that it is expected to close this transaction by the end of 2019. (A. Szklarczyk)**

Quarterly Earnings Results

TIM

Overweight – 2019-04-29

Set of good results in Q2'19

- From Q1'19 results are reported under IFRS16 methodology, therefore numbers are not comparable on a Y/Y basis - the implementation of IFRS16 resulted in higher D&A, lower external services, higher financial costs.
- Revenue in Q2'19 amounted to PLN 210.2m (+6.1% Y/Y; in-line with our expectations), EBITDA grew to PLN 12.9m (+9.3% Y/Y vs our estimates), and net profit to PLN 4.6m (+15.8% Y/Y vs our estimates; the company reported PLN 0.8m financial revenue, and tax higher than we anticipated, which balanced each other).
- Standalone TIM posted a slight drop in e-commerce sales (-2% Y/Y) and almost 20% Y/Y growth in traditional sales segment. Gross margin in e-commerce grew to 21.1% (vs 18.2% a year ago) but dropped in traditional sales to 15.0% (vs 16.5%). Since e-commerce amounts to ca. 70% of sales it is a positive switch of margins.
- Revenue from logistics services (3LP) increased to PLN 5.0m (almost doubling last year's result), beating our expectations by 13%. In Q2'19, the Company acquired a new, promising client. Logistics services revenue to external clients amounted to 32% (the Company aims for 40% in the mid-term, and 50% in the long-term).
- TIM posted weak OCF of PLN 1.0m (vs PLN -7.5m in Q2'18), which was heavily burdened by changes in the working capital (PLN -8.1m).
- Net debt slightly increased to PLN 118.9m (from PLN 113.9m) which resulted in 2.8x EBITDA'12M ratio - a relatively high level is an effect of heavy leasing utilization.
- In Q2'19, the Company continued to post set of good financials, which are not only a result of IFRS16 implementation, but also of growing sales and operating leverage. Especially positive information is growing gross margin in e-commerce segment and constant expansion of logistics business. (P. Poniatowski)**

2019 Q2 actuals vs. expectations

(PLN m)	Q2'19	Q2'18*	change	Q2'19E	differ.	2019E	YTD*
Revenue	210.2	198.1	6.1%	209.8	0.2%	898.1	46.5%
EBITDA	12.9	8.3	56.0%	11.8	9.3%	48.3	51.2%
EBITDA margin	6.1%	4.2%		5.6%		5.4%	
EBIT	7.6	5.6	36.0%	7.1	7.7%	28.1	52.6%
Net profit	4.6	4.3	8.0%	4.0	15.8%	19.5	43.3%

Source: TIM, E - estimates by Dom Maklerski mBanku; *Q2'18 as reported (without IFRS16)

LPP

Buy – 2018-09-05

Target price: PLN 8,500.00

Final EBIT above preliminary estimates

- LPP generated PLN 2,214m sales (PLN 14m below preliminary figure) and PLN 352.5m EBIT in Q2 2019 (under IFRS 16; PLN 22.5m above preliminary figures. **The difference vs. preliminary figures stem from lower SG&A costs (PLN -16.4m) and lower loss in other operating activities (PLN -8m).**
- Sales revenue in the second quarter was up 8% y/y at PLN 2,214m, **and like-for-like growth was positive at 1.3% despite the high-base effect of 14.6% in Q2 2018.** Revenue per square meter in brick stores decreased by 4.2% y/y in 2Q 2019. **E-commerce increased sales by 44.6% y/y to PLN 258m, continuing robust growth in 2Q 2019.**
- The gross margin showed an decrease of 0.4pp y/y to 59.3%, mainly due to relatively low sales in May as well as less favorable cost of SS'19 collection denominated in USD.
- Total SG&A expenses increased 6.4% y/y to PLN 949m, with per-sqm down by 2.5% to PLN 285 (adj. for IFRS 16). **Brick-and-mortar SG&A per-sqm decreased by 4.7% y/y to PLN 203 in Q2 2019 thanks to lower personnel and rental costs (outsourcing of some processes).**
- **Other operating activity was at PLN -11.7m in Q2 2019 vs. PLN -21.1m in Q2 2018.** Higher profits were due to reversal of provision on receivables (PLN 5.1m).
- Financing activity generated a loss of PLN 10.8m in Q2 2019 vs. a loss of PLN 11.7m in Q2 2018, a consequence of supportive FX movements.
- Operating cash flow comes in at PLN 358m in 2Q 2019 vs. PLN 420m in Q2 2018, due to higher inventory increase (stocking 30 days earlier y/y). Inventories per sqm decreased by 19% y/y to PLN 1,766 in Q2 2019.
- **LPP plans to expand the sales area by 14% this year (vs. 11% previously stated), and it set the CAPEX forecast to PLN 900m (vs. PLN 870m announced after Q1 2019 results).** The gross margin target for the year was is maintained at 54-55% in 2019.
- **Final Q2 2019 results are above preliminary figures on lower SG&A costs as well as lower other operating costs. The company maintained gross margin target for 2019 and increases sales expansion target to 14% y/y. LPP maintained very good costs discipline during Q2 2019. The company intends to deliver at least PLN 1bn sales in e-commerce segment vs. PLN 712m in 2018. In Q2 2019, the company delivered strong operating results despite high base effect. Furthermore, we point out that due to potential favorable weather conditions and low base effect, the company should deliver strong September sales which could positively impact Q3 2019 results.** (P. Bogusz)

2019 Q2 actuals vs. preliminary results

(PLN m)	2Q'19*	2Q'18	change	2Q'19**	Prelim. figures 2Q'19	differ.	2019E	2018	change
Revenue	2214.1	2,049.7	8.0%	2,214.1	2,220.0	-0.3%	9,171.8	8,046.8	14.0%
Gross profit	1312.8	1,224.5	7.2%	1,312.8	1,315.0	-0.2%	4,970.0	4,401.3	12.9%
EBITDA	458.1	397.4	15.3%	594.9	-	-	1,258.9	1,105.7	13.9%
EBITDA margin	20.7%	19.4%	1.3pp	26.9%	-	-	13.4%	13.7%	-0.4pp
EBIT	371.8	311.8	19.3%	352.5	330.0	12.7%	850.8	756.6	12.5%
Pre-tax income	372.6	296.3	25.8%	372.7	-	-	839.2	723.7	16.0%
Net profit	249.6	206.1	21.1%	205.5	-	-	677.2	505.2	34.1%

Source: LPP, E - estimates by Dom Maklerski mBanku; Consensus estimates provided by PAP; *adj. for IFRS 16; **under IFRS 16

More News

Auto Partner	Listed automotive parts distributor Auto Partner expects its weaker margins in Q2 to be only temporary, driven mostly by costs of building up sales network and expanding to new markets, management board member Piotr Janta told PAP. Still, a portion of higher costs comes from wage pressure, he admits.
Banking	Poland's financial market regulator KNF will set capital buffers for other systemically important institutions (OSII) in October, KNF head of communications Jacek Barszczewski told PAP.
Enea	Poland's largest power utility PGE signed an agreement with peer Enea to develop an LTE 450 communications network for their power grids, the Energy Ministry said on its website.
Grupa Azoty	Chemical group Azoty's unit Siarkopol secured a favorable decision of the Environment Ministry to prolong sulphur production license at its Osiek mine to 2040, the company said in a press statement.
Helio	Dried fruit company Helio and its lead shareholder bought 1.14 mln Helio shares at PLN 10.54 per share in the first stage of the tender, tender manager DM BOS said in a statement.
Kaufland, Tesco	Supermarket chain Kaufland wants to take over five stores currently operated by Tesco Polska, anti-trust office UOKiK said on its website citing Kaufland's motion.
Power Prices	Power prices need to be "kept at bay" although it is hard to predict how much they will go up in 2020, Energy Minister Krzysztof Tchórzewski told broadcaster TVP Info.
Serinus Energy	Oil and gas upstream firm Serinus is optimistic about H2, CEO Jeffrey Auld told PAP citing "good" output levels and gas prices.
Social Security, Pension Funds	Pension funds OFE got PLN 39.5 mln in transfers from social insurance board ZUS this week, ZUS said in a statement.
Ultimate Games	Listed game publisher Ultimate Games signed a deal with game developer Art Games Studio on publishing 2-4 developer's games, Art Games Studio said in a statement.
Wielton	Listed trailer and semitrailer producer Wielton sold 2,321 vehicles in 8M 2019, down by 11.6% y/y, registrations data from automotive lobby PZPM suggest.
Wojas	Footwear group Wojas withdrew its court motion to determine ownership rights in the company Chocholowskie Termy, an operator of a spa & hotel facility with the same name, the company said in a market filing.

Corporate Action Calendar

Date	Time	Company	Event
12-Sep	11:00	TIM	Q2'19 earnings conference (Hotel Westin, ul. Jana Pawła II 21, Warsaw)
12-Sep	12:30	LPP	Q2'19 earnings announcement and conference (GPW, ul. Książęca 4, Warsaw)
12-Sep		Atende	Q2'19 earnings announcement
12-Sep		Forte	Q2'19 earnings announcement
12-Sep		Skarbiec	Q4'18/19 earnings announcement
13-Sep	12:00	Atende	Q2'19 earnings announcement (Polonia Palace Hotel, Warsaw)
13-Sep	12:00	Forte	Q2'19 earnings conference (Sheraton Hotel, Warsaw)
17-Sep	10:30	Echo Investment	Q2'19 earnings announcement & conference (Warsaw Brawery, Willa Fabrykanta)
17-Sep		Archicom	Q2'19 earnings announcement
17-Sep		Boryszew	Q2'19 earnings announcement
17-Sep		Idea Bank	Q2'19 earnings announcement
18-Sep	12:00	Wielton	Q2'19 earnings announcement and conference (Hotel Warszawa, pl. Powstańców Warszawy 9, Warsaw)
18-Sep		Ferro	Investor meetings (CC Group, ul. Marszałkowska 89, Warsaw)
19-Sep		ZEPAK	Q2'19 earnings announcement
20-Sep		Kruszwica	Q2'19 earnings announcement
24-Sep		PGE	Q2'19 earnings announcement
25-Sep		Pfleiderer Group	Q2'19 earnings announcement
27-Sep		Energa	Q2'19 earnings announcement
27-Sep		Getin Noble Bank	Q2'19 earnings announcement
27-Sep		Monnari	Q2'19 earnings announcement
27-Sep		Tarczyński	Q2'19 earnings announcement
30-Sep		Ailleron	Q2'19 earnings announcement
30-Sep		Elektrobudowa	Q2'19 earnings announcement
30-Sep		Enea	Q2'19 earnings announcement
30-Sep		Polnord	Q2'19 earnings announcement
30-Sep		Tauron	Q2'19 earnings announcement
1-2 Oct			mBank's European Financials Conference (PGE Narodowy, Warsaw) - registration required

Economic Calendar

Thursday, 12 September 2019					
Time	Region	Data	Period	Forecast	Previous
08:00	Germany	CPI Harmonized (F)	August	-0.10% m/m; 1.00% y/y	
08:00	Germany	CPI (F)	August	-0.20% m/m; 1.40% y/y	
08:45	France	CPI Harmonized	August	-0.20% m/m; 1.30% y/y	
08:45	France	CPI	August	0.10% m/m; 1.10% y/y	
11:00	EU	Industrial Production	July	-1.60% m/m; -2.60% y/y	
13:45	EU	Interest Rate			0.00%
14:30	USA	Core CPI	August	0.30% m/m; 2.20% y/y	
14:30	USA	CPI	August	0.30% m/m; 1.80% y/y	
14:30	USA	Continuing Claims	31 August		1,662,000
14:30	USA	Initial Jobless Claims	7 September		217,000
16:30	USA	Natural Gas Inventory	6 September		2941bn
20:00	USA	Government Budget	August		-119.70bn
Friday, 13 September 2019					
Time	Region	Data	Period	Forecast	Previous
06:30	Japan	Industrial Production (F)	July	-3.30% m/m; -3.80% y/y	
10:00	Poland	CPI	August	0.00% m/m; 2.90% y/y	
11:00	EU	Exports	July		189.90bn
11:00	EU	Imports	July		169.30bn
11:00	EU	Labor Cost	Q2		2.40% y/y
11:00	EU	Trade Balance	July		20.60bn
14:00	Poland	Capital Account Balance	July		946m
14:00	Poland	Current Account Balance	July		21m
14:00	Poland	Financial Account Balance	July		249m
14:30	USA	Exports	August	0.20% m/m; -0.90% y/y	
14:30	USA	Import Price Index	August	0.20% m/m; -1.80% y/y	
16:00	USA	Business Inventories	July	0.00% m/m; 5.20% y/y	
Friday, 16 September 2019					
Time	Region	Data	Period	Forecast	Previous
14:00	Poland	Core CPI	August	0.10% m/m; 2.20% y/y	
14:30	USA	Empire State Manufacturing Index	September		4.80

Current Recommendations by Dom Maklerski mBanku

Company	Recommendation	Issued On	Price At Reco.	Target Price	Current Price	Upside/Downside	P/E		EV/EBITDA	
							2019	2020	2019	2020
Financial Sector						+18.9%	10.1	9.3		
Alior Bank	buy	2019-07-03	51.10	72.30	41.00	+76.3%	7.4	5.7		
Handlowy	accumulate	2019-07-03	53.60	59.45	52.00	+14.3%	13.1	10.8		
ING BSK	accumulate	2019-09-05	187.40	197.53	188.00	+5.1%	14.0	12.8		
Millennium	buy	2019-08-02	7.51	10.00	6.49	+54.1%	10.7	7.7		
Pekao	buy	2019-08-02	99.88	119.75	107.35	+11.6%	12.3	10.8		
PKO BP	buy	2019-08-02	39.34	47.17	41.18	+14.5%	11.7	11.3		
Santander Bank Polska	hold	2019-08-02	319.60	337.00	305.60	+10.3%	13.3	10.9		
Komercni Banka	buy	2019-08-28	817.00	945.02 CZK	811.00	+16.5%	10.2	10.5		
Moneta Money Bank	buy	2019-08-28	75.95	94.33 CZK	74.80	+26.1%	10.0	9.3		
Erste Group	buy	2019-08-28	30.03	40.38 EUR	31.05	+30.0%	8.7	8.0		
RBI	accumulate	2019-08-28	20.44	23.05 EUR	21.41	+7.7%	6.5	6.1		
OTP Bank	buy	2019-08-28	12,000	14,681 HUF	12,680	+15.8%	8.7	8.0		
PZU	buy	2019-09-05	36.59	43.38	37.97	+14.2%	10.1	9.6		
Kruk	buy	2019-04-02	152.30	213.65	157.40	+35.7%	8.9	8.7		
Skarbiec Holding	buy	2019-06-03	16.50	28.17	17.40	+61.9%	6.0	5.2		
Chemicals						+7.3%	7.6	16.2	5.0	6.5
Ciech	buy	2019-09-05	34.00	42.03	37.50	+12.1%	8.5	8.8	5.5	5.4
Grupa Azoty	hold	2019-09-05	39.98	39.77	38.00	+4.7%	6.8	23.5	4.5	7.7
Oil & Gas						+8.8%	11.3	9.9	5.0	4.9
Lotos	sell	2019-08-02	88.66	72.31	85.62	-15.5%	13.0	12.0	6.7	5.6
MOL	accumulate	2019-08-02	3,004	3,258 HUF	2,910	+12.0%	10.5	9.3	4.4	4.1
PGNiG	buy	2019-09-05	4.49	6.33	5.01	+26.5%	12.1	8.3	4.7	3.6
PKN Orlen	hold	2019-08-01	97.36	92.82	94.42	-1.7%	9.0	10.6	5.3	5.6
Power Utilities						+33.8%	3.9	4.4	3.8	3.7
CEZ	accumulate	2019-06-25	544.00	597.80 CZK	523.50	+14.2%	15.6	13.6	7.5	6.9
Enea	buy	2019-06-25	8.53	12.41	9.04	+37.4%	3.4	3.1	3.3	3.1
Energa	buy	2019-06-25	7.33	12.67	6.95	+82.3%	3.9	4.4	3.8	4.1
PGE	buy	2019-06-25	9.00	13.26	8.22	+61.4%	5.0	5.6	3.2	3.3
Tauron	buy	2019-06-25	1.57	2.52	1.61	+56.3%	2.5	2.4	4.1	3.7
Telecoms, Media, IT						+8.7%	19.4	15.3	5.6	5.7
Netia	hold	2018-11-26	4.66	4.70	4.46	+5.4%	30.0	24.8	5.2	5.2
Orange Polska	buy	2019-09-05	6.12	7.50	5.88	+27.6%	38.0	23.9	4.7	4.6
Play	hold	2019-09-05	33.34	34.20	27.16	+25.9%	7.9	7.1	5.6	5.6
Agora	buy	2018-11-27	9.50	16.00	10.05	+59.2%	33.4	17.7	4.6	4.2
Cyfrowy Polsat	reduce	2019-05-31	26.00	24.15	27.96	-13.6%	14.6	12.5	7.1	6.8
Wirtualna Polska	hold	2019-07-03	61.20	61.50	61.80	-0.5%	19.4	16.5	10.3	9.1
Asseco Poland	hold	2019-06-03	51.10	50.80	52.80	-3.8%	14.1	13.8	4.6	4.3
Comarch	buy	2019-07-25	178.50	231.00	179.00	+29.1%	15.5	14.0	6.5	5.9
11 bit studios	buy	2019-05-20	398.00	518.00	408.00	+27.0%	27.3	38.9	19.2	23.7
CD Projekt	accumulate	2019-09-05	251.30	272.50	252.00	+8.1%	-	10.5	-	9.2
Industrials, Mining						+8.5%	6.4	10.7	4.4	4.9
Cognor	accumulate	2019-09-05	1.65	2.00	1.77	+7.3%	6.4	11.5	4.4	5.3
Famur	buy	2019-08-07	4.42	5.33	3.97	+34.3%	5.0	9.2	4.1	4.8
Grupa Kęty	hold	2019-09-05	310.00	327.11	314.50	+4.0%	12.2	11.5	8.6	8.2
JSW	buy	2019-09-05	26.50	39.29	28.04	+40.1%	4.7	-	0.7	2.2
Kemel	reduce	2019-08-19	48.60	42.70	43.60	-2.1%	4.5	8.2	5.0	5.7
KGHM	hold	2019-08-22	74.90	77.51	79.58	-2.6%	6.9	9.8	3.9	4.5
Stelmet	hold	2019-09-05	6.70	6.50	6.80	-4.4%	9.2	12.6	4.7	4.9
Property Developers						+4.3%	8.4	8.3	7.6	7.7
Atal	accumulate	2019-07-03	36.60	41.89	36.90	+13.5%	7.9	8.3	7.4	7.7
Dom Development	hold	2019-09-05	84.00	81.10	83.60	-3.0%	8.9	8.3	7.8	7.6
Retail						-0.5%	38.4	22.2	9.8	8.9
AmRest	buy	2019-04-02	41.20	48.00	43.55	+10.2%	40.9	29.9	13.7	11.0
CCC	buy	2019-09-05	131.90	161.00	144.00	+11.8%	53.8	22.2	7.3	5.8
Dino	hold	2019-08-23	149.60	149.20	159.70	-6.6%	38.4	27.9	22.2	16.6
Eurocash	reduce	2019-09-05	20.62	18.10	22.68	-20.2%	43.8	31.0	9.3	8.3
Jeronimo Martins	reduce	2019-09-05	15.88	14.30 EUR	15.77	-9.3%	22.4	20.1	9.8	8.9
LPP	buy	2019-09-05	7,280.00	8,500.00	7,300.00	+16.4%	20.0	18.0	10.1	9.0
VRG	buy	2019-07-26	4.20	5.20	4.33	+20.1%	13.7	11.9	8.6	7.3



Current Calls by Dom Maklerski mBanku

Company	Relative Positioning	Rated On	Price At Rating	Current Price	Change	P/E		EV/EBITDA	
						2019	2020	2019	2020
IT						11.8	10.8	5.1	4.8
Ailleron	neutral	2019-06-28	8.40	7.40	-11.9%	9.6	8.7	3.3	2.4
Asseco BS	neutral	2019-03-29	29.50	27.60	-6.4%	14.0	13.0	9.4	8.7
Asseco SEE	overweight	2019-04-11	14.20	19.80	+39.4%	14.5	13.8	6.1	5.6
Atende	neutral	2019-01-31	4.40	3.46	-21.4%	8.7	8.1	4.1	4.0
Industrials						10.3	9.5	6.4	6.0
AC	underweight	2019-08-30	43.60	39.00	-10.6%	11.6	11.1	7.5	7.0
Alumetal	underweight	2019-08-30	51.00	36.20	-29.0%	11.5	11.3	7.8	7.8
Amica	neutral	2019-04-29	130.00	116.00	-10.8%	7.6	7.3	5.0	4.7
Apator	neutral	2019-04-29	25.80	22.30	-13.6%	10.6	10.4	6.8	6.7
Astarta	overweight	2019-09-05	23.00	22.90	-0.4%	-	4.2	7.0	4.1
Boryszew	underweight	2019-07-26	4.49	4.25	-5.3%	9.4	8.8	7.5	7.3
Ergis	neutral	2019-08-30	2.48	2.71	+9.3%	11.1	12.5	5.6	5.6
Forte	neutral	2019-04-29	40.60	22.50	-44.6%	11.3	9.8	8.1	7.5
Kruszwica	neutral	2019-04-02	43.90	41.00	-6.6%	9.8	8.9	5.1	4.7
Mangata	neutral	2019-05-29	69.50	65.00	-6.5%	8.7	9.9	6.0	6.5
Pfleiderer Group	underweight	2019-07-29	28.00	26.30	-6.1%	53.6	25.4	7.0	6.6
Pozbud	neutral	2019-09-05	2.14	2.12	-0.9%	4.1	4.4	3.0	3.7
Tarczyński	neutral	2019-05-29	15.40	15.20	-1.3%	6.6	5.5	4.8	4.4
TIM	overweight	2019-04-29	7.90	9.06	+14.7%	10.3	9.1	6.0	5.4
Retail						9.1	9.0	4.2	3.4
Monnari	neutral	2019-07-17	4.66	4.59	-1.5%	9.1	9.0	4.2	3.4

CEE bank valuations

	Price	2019	P/E 2020	2021	2019	ROE 2020	2021	2019	P/BV 2020	2021	2019	DY 2020	2021
Polish banks													
Alior Bank	41.00	7.4	5.7	4.9	10%	12%	12%	0.7	0.6	0.6	0.0%	0.0%	0.0%
Handlowy	52.00	13.1	10.8	10.1	7%	9%	9%	1.0	0.9	0.9	7.2%	8.1%	7.0%
ING BSK	188.00	14.0	12.8	12.0	13%	13%	13%	1.8	1.6	1.5	1.9%	2.1%	2.3%
Millennium	6.49	10.7	7.7	6.9	8%	11%	11%	0.9	0.8	0.7	0.0%	0.0%	0.0%
Pekao	107.35	12.3	10.8	10.2	10%	11%	11%	1.2	1.2	1.1	6.1%	6.1%	6.9%
PKO BP	41.18	11.7	11.3	10.7	11%	11%	11%	1.2	1.2	1.2	3.2%	7.5%	9.1%
Santander BP	305.60	13.3	10.9	10.1	9%	11%	11%	1.2	1.1	1.1	6.5%	3.8%	4.6%
Median		12.3	10.8	10.1	10%	11%	11%	1.2	1.1	1.1	3.2%	3.8%	4.6%
Investors in Polish banks													
BCP	0.202	7.0	6.1	5.2	7%	8%	9%	0.5	0.5	0.4	2.5%	5.4%	6.9%
Citigroup	68.900	9.0	8.1	7.3	10%	10%	10%	0.8	0.8	0.7	2.8%	3.2%	3.6%
Commerzbank	5.685	8.3	6.7	6.2	3%	4%	4%	0.2	0.2	0.2	3.8%	4.8%	5.7%
ING	9.628	7.4	7.4	7.3	10%	9%	9%	0.7	0.7	0.6	7.3%	7.4%	7.6%
UCI	10.760	5.9	6.0	5.7	8%	7%	7%	0.4	0.4	0.4	5.4%	6.6%	7.3%
Median		7.4	6.7	6.2	8%	8%	9%	0.5	0.5	0.4	3.8%	5.4%	6.9%
Foreign banks													
Erste Group	31.05	8.7	8.0	7.5	10%	11%	11%	0.9	0.9	0.8	4.2%	4.8%	5.2%
Komerční Banka	811.00	10.2	10.5	10.1	14%	14%	14%	1.5	1.4	1.3	6.3%	6.3%	6.3%
Moneta Money	74.80	10.0	9.3	9.2	15%	16%	16%	1.5	1.5	1.4	8.2%	7.5%	8.0%
OTP Bank	12,680	8.7	8.0	7.8	20%	18%	17%	1.6	1.4	1.2	1.8%	1.9%	4.3%
RBI	21.41	6.5	6.1	5.6	9%	9%	9%	0.6	0.5	0.5	5.4%	4.6%	4.9%
Akbank	7.40	6.9	4.7	4.0	12%	15%	15%	0.7	0.7	0.6	2.6%	4.5%	5.9%
Alpha Bank	1.67	16.7	10.5	7.5	2%	3%	4%	0.3	0.3	0.3	0.0%	0.0%	0.0%
Banco Santander	3.71	7.7	7.3	7.0	8%	8%	8%	0.6	0.6	0.6	6.0%	6.3%	6.7%
Deutsche Bank	7.49	124.9	18.4	10.5	-1%	1%	3%	0.3	0.3	0.3	0.0%	0.5%	2.4%
Eurobank Ergasias	0.82	9.6	7.0	5.7	5%	9%	9%	0.6	0.5	0.5	0.0%	0.0%	0.0%
National Bank of Greece	2.60	14.4	12.4	9.0	2%	4%	6%	0.5	0.5	0.4	-	0.0%	0.0%
Piraeus Bank	3.05	25.4	9.3	7.1	2%	3%	4%	0.2	0.2	0.2	-	0.0%	0.0%
Sberbank	234.72	5.8	5.1	4.6	22%	22%	21%	1.2	1.0	0.9	8.0%	9.7%	11.0%
Türkiye Garanti Bank	9.58	5.6	4.4	3.6	14%	15%	17%	0.7	0.6	0.6	5.0%	4.2%	5.0%
Türkiye Halk Bank	6.48	4.7	2.5	1.8	7%	9%	9%	0.3	0.2	0.2	1.2%	1.9%	1.9%
Türkiye Vakıflar Bankası	5.03	3.9	2.8	2.3	10%	12%	13%	0.3	0.3	0.3	-	-	-
VTB Bank	0.04	3.6	3.6	3.3	12%	13%	13%	0.4	0.4	0.4	7.0%	7.0%	9.4%
Yapi ve Kredi Bankası	2.54	5.0	3.8	3.0	11%	13%	13%	0.5	0.4	0.4	0.0%	1.1%	-
Median		8.2	7.2	6.3	10%	11%	12%	0.6	0.5	0.5	4.2%	4.2%	4.9%

Insurance company valuations

	Price	2019	P/E 2020	2021	2019	ROE 2020	2021	2019	P/BV 2020	2021	2019	DY 2020	2021
Insurers													
PZU	37.97	10.1	9.6	9.3	22%	23%	23%	2.2	2.1	2.1	7.8%	7.9%	8.4%
Aegon	3.78	5.7	5.3	5.2	7%	8%	8%	0.4	0.4	0.3	8.1%	8.6%	9.0%
Allianz	209.10	11.1	10.3	9.7	12%	12%	12%	1.3	1.2	1.2	4.6%	4.9%	5.2%
Assicurazioni Generali	17.34	10.2	10.2	9.7	11%	10%	10%	1.0	1.0	1.0	5.6%	5.9%	6.3%
Aviva	3.93	6.5	6.4	6.1	12%	13%	14%	0.9	0.9	0.8	7.9%	8.3%	8.6%
AXA	22.46	8.7	7.8	7.6	10%	11%	11%	0.9	0.8	0.8	6.6%	6.9%	7.2%
Baloise	176.80	12.2	12.6	11.9	10%	9%	9%	1.2	1.2	1.1	3.6%	3.8%	4.1%
Helvetia	136.00	12.6	12.6	12.3	11%	10%	10%	1.2	1.2	1.1	3.7%	3.9%	4.0%
Mapfre	2.54	10.3	9.4	8.8	9%	10%	10%	0.9	0.9	0.9	6.1%	6.4%	6.7%
RSA Insurance	5.36	13.2	11.3	10.6	11%	12%	13%	1.4	1.4	1.3	4.6%	5.2%	5.9%
Uniq	8.40	12.1	11.4	10.7	7%	7%	8%	0.9	0.9	0.9	6.6%	6.8%	7.0%
Vienna Insurance G.	23.70	9.9	9.7	8.8	6%	7%	6%	0.6	0.5	0.5	4.1%	4.7%	4.9%
Zurich Financial	379.20	13.9	12.6	12.0	13%	13%	13%	1.7	1.6	1.6	5.4%	5.7%	6.0%
Median		10.3	10.2	9.7	11%	10%	10%	1.0	1.0	1.0	5.6%	5.9%	6.3%

Source: Dom Maklerski mBanku (stocks marked with bold), Bloomberg

Gas & Oil valuations

	Price	EV/EBITDA			EV/S			P/E			EBITDA margin			DY		
		2019	2020	2021	2019	2020	2021	2019	2020	2021	2019	2020	2021	2019	2020	2021
Oil companies																
Lotos	85.62	6.7	5.6	4.9	0.7	0.6	0.6	13.0	12.0	11.0	10%	11%	12%	3.5%	2.3%	2.5%
MOL	2910.00	4.4	4.1	3.7	0.6	0.6	0.5	10.5	9.3	8.0	15%	15%	15%	4.9%	5.2%	5.4%
PKN Orlen	94.42	5.3	5.6	5.4	0.5	0.4	0.4	9.0	10.6	10.8	9%	8%	7%	3.7%	3.2%	3.2%
Hellenic Petroleum	8.60	6.1	4.9	5.2	0.4	0.4	0.4	10.7	6.6	6.8	7%	9%	8%	5.9%	6.7%	6.6%
HollyFrontier	51.26	6.0	6.0	6.3	0.6	0.6	0.6	10.4	9.8	10.8	10%	11%	10%	2.6%	2.7%	2.7%
Marathon Petroleum	54.11	7.5	5.7	5.7	0.6	0.5	0.5	12.2	7.1	7.6	7%	9%	9%	3.9%	4.4%	4.9%
Motor Oil	20.76	4.7	4.2	4.6	0.3	0.3	0.3	7.7	6.5	7.4	6%	7%	7%	6.5%	6.9%	7.1%
Neste Oil	28.40	10.8	9.9	9.5	1.4	1.5	1.4	17.2	15.2	14.5	13%	15%	14%	3.1%	3.4%	3.6%
OMV	46.55	3.8	3.5	3.4	0.9	0.9	0.9	8.9	8.0	7.7	25%	26%	27%	4.1%	4.6%	5.0%
Phillips 66	102.47	8.1	6.9	7.3	0.5	0.5	0.5	13.0	9.9	10.5	7%	7%	7%	3.4%	3.7%	4.0%
Saras SpA	1.50	4.1	2.6	3.6	0.2	0.2	0.1	14.4	5.1	8.5	4%	6%	4%	4.4%	9.2%	6.2%
Tupras	133.40	6.9	4.8	4.6	0.5	0.4	0.4	10.7	5.8	5.3	7%	8%	8%	8.7%	15.0%	16.0%
Valero Energy	82.67	7.8	5.5	5.9	0.4	0.4	0.4	15.8	8.6	9.2	5%	7%	7%	4.4%	4.7%	5.0%
Median		6.1	5.5	5.2	0.5	0.5	0.5	10.7	8.6	8.5	7%	9%	8%	4.1%	4.6%	5.0%
Gas companies																
PGNiG	5.01	4.7	3.6	3.0	0.9	0.8	0.6	12.1	8.3	6.9	18%	22%	22%	2.2%	3.3%	4.8%
A2A SpA	1.62	7.3	6.9	6.6	1.4	1.3	1.3	15.7	13.5	12.8	18%	19%	19%	4.8%	4.9%	5.1%
BP	512.10	4.7	4.3	4.3	0.6	0.6	0.6	12.0	10.5	9.8	14%	14%	15%	0.0%	0.0%	0.0%
Centrica	72.86	4.0	3.8	4.1	0.3	0.3	0.3	10.0	7.4	7.3	7%	8%	7%	0.0%	0.0%	0.0%
Enagas	20.23	9.7	9.5	10.4	7.8	7.9	8.6	11.4	10.6	11.6	80%	83%	83%	7.9%	8.2%	8.1%
Endesa	23.38	8.6	8.5	8.4	1.5	1.5	1.5	16.2	16.0	15.6	18%	18%	18%	6.1%	6.2%	5.3%
Engie	13.60	6.5	6.1	5.8	1.0	1.0	0.9	13.0	11.7	10.7	15%	15%	16%	5.7%	6.1%	6.7%
Eni	14.07	3.6	3.4	3.3	0.9	0.9	0.9	12.6	10.4	9.8	24%	26%	28%	6.1%	6.2%	6.4%
Equinor	174.45	3.2	2.8	2.6	1.1	1.0	1.0	11.8	10.0	9.3	36%	37%	39%	0.1%	0.1%	0.1%
Gas Natural SDG	23.33	9.3	8.9	8.7	1.6	1.6	1.6	16.8	15.7	14.7	17%	18%	18%	5.9%	6.2%	6.5%
Gazprom	235.07	3.6	3.6	3.3	1.0	1.0	1.0	3.6	3.8	3.6	28%	28%	28%	7.0%	8.0%	10.4%
Hera SpA	3.50	7.6	7.3	7.1	1.3	1.2	1.2	17.3	16.8	16.8	17%	16%	17%	2.9%	3.1%	3.2%
NovaTek	1303.60	11.9	11.5	11.4	4.6	4.4	4.1	8.6	7.6	6.4	38%	38%	36%	4.1%	4.9%	5.3%
ROMGAZ	34.25	5.6	5.3	4.9	2.7	2.5	2.3	9.9	9.0	8.3	48%	47%	47%	9.5%	10.4%	11.2%
Shell	25.85	3.4	3.1	3.0	0.5	0.5	0.5	11.7	9.7	9.0	16%	17%	18%	8.0%	8.1%	8.4%
Snam SpA	4.47	12.5	12.2	11.8	10.1	9.9	9.6	14.0	13.8	13.2	81%	81%	81%	5.4%	5.6%	5.9%
Total	47.15	5.2	4.8	4.6	0.9	0.9	0.9	11.5	10.0	9.7	18%	20%	19%	6.2%	6.5%	6.6%
Median		5.6	5.3	4.9	1.1	1.0	1.0	12.0	10.4	9.8	18%	20%	19%	5.7%	6.1%	5.9%

Power generation company valuations

	Price	EV/EBITDA			EV/S			P/E			EBITDA margin			DY		
		2019	2020	2021	2019	2020	2021	2019	2020	2021	2019	2020	2021	2019	2020	2021
Power generation																
CEZ	523.50	7.5	6.9	6.8	2.1	1.9	1.8	15.6	13.6	13.7	29%	28%	27%	4.6%	5.8%	6.6%
Enea	9.04	3.3	3.1	2.8	0.7	0.6	0.6	3.4	3.1	2.5	20%	19%	22%	0.0%	0.0%	3.2%
Energa	6.95	3.8	4.1	4.4	0.7	0.7	0.8	3.9	4.4	4.4	18%	17%	18%	0.0%	0.0%	0.0%
PGE	8.22	3.2	3.3	2.5	0.7	0.6	0.5	5.0	5.6	3.9	21%	18%	22%	0.0%	5.0%	4.4%
Tauron	1.61	4.1	3.7	3.2	0.7	0.6	0.6	2.5	2.4	2.0	17%	17%	19%	0.0%	0.0%	0.0%
EDF	10.55	5.2	4.8	4.6	1.2	1.1	1.1	15.3	12.0	11.1	23%	24%	24%	3.1%	3.8%	4.0%
EDP	3.42	8.7	8.2	7.9	2.0	2.0	1.8	15.6	14.1	13.2	24%	24%	23%	5.6%	5.7%	5.9%
Endesa	23.38	8.6	8.5	8.4	1.5	1.5	1.5	16.2	16.0	15.6	18%	18%	18%	6.1%	6.2%	5.3%
Enel	6.44	7.2	6.9	6.6	1.6	1.5	1.5	13.7	12.6	11.9	22%	23%	23%	5.1%	5.5%	5.9%
EON	8.70	7.5	5.6	5.5	1.2	0.6	0.5	12.7	13.0	12.2	16%	11%	10%	5.3%	5.6%	5.7%
Fortum	20.54	14.3	13.3	12.7	4.4	4.2	4.1	14.8	14.0	12.9	31%	32%	32%	5.4%	5.4%	5.4%
Iberdola	9.19	10.1	9.5	9.0	2.7	2.6	2.5	17.5	16.4	15.7	27%	27%	28%	4.1%	4.3%	4.6%
National Grid	826.10	11.1	10.4	9.9	3.6	3.6	3.5	14.2	14.2	13.4	32%	34%	35%	0.0%	0.0%	0.0%
Red Electrica	18.31	9.5	9.7	9.7	7.5	7.5	7.5	13.8	14.7	15.0	78%	78%	77%	5.8%	5.6%	5.5%
RWE	26.30	9.3	5.4	4.7	1.1	0.8	0.8	23.6	15.2	11.3	12%	15%	16%	3.0%	3.5%	4.0%
SSE	1160.00	10.8	10.0	9.2	0.7	1.4	1.4	17.3	12.7	11.3	7%	14%	15%	0.0%	0.0%	0.0%
Verbund	51.25	9.2	7.7	7.3	3.3	3.1	3.0	31.5	24.7	23.3	36%	39%	40%	1.4%	1.8%	2.0%
Median		8.6	6.9	6.8	1.5	1.5	1.5	14.8	13.6	12.2	22%	23%	23%	3.1%	4.3%	4.4%

Machine and equipment manufacturers

	Price	EV/EBITDA			EV/S			P/E			EBITDA margin			DY		
		2019	2020	2021	2019	2020	2021	2019	2020	2021	2019	2020	2021	2019	2020	2021
Industrials																
Famur	3.97	4.1	4.8	5.6	1.1	1.3	1.3	5.0	9.2	11.6	26%	27%	24%	13.4%	9.9%	8.2%
Caterpillar	133.09	7.9	8.1	7.9	1.6	1.6	1.6	11.2	10.8	10.3	21%	20%	20%	2.8%	3.1%	3.4%
Epiroc	104.65	8.4	7.9	7.5	2.1	2.0	1.9	19.3	18.0	17.0	25%	26%	26%	2.4%	2.7%	2.8%
Komatsu	2456.00	5.7	6.2	6.1	1.1	1.1	1.1	9.2	10.3	10.2	19%	18%	18%	4.3%	4.6%	4.6%
Sandvig AG	155.05	8.6	8.3	7.9	2.0	1.9	1.9	14.5	13.7	12.9	23%	23%	24%	3.0%	3.2%	3.4%
Median		7.9	7.9	7.5	1.6	1.6	1.6	11.2	10.8	11.6	23%	22%	22%	3.0%	3.2%	3.4%

Source: Dom Maklerski mBanku (stocks marked with bold), Bloomberg

Fertilizer producers and chemical companies

	Price	EV/EBITDA			EV/S			P/E			EBITDA margin			DY		
		2019	2020	2021	2019	2020	2021	2019	2020	2021	2019	2020	2021	2019	2020	2021
Fertilizer producers																
Grupa Azoty	38.00	4.5	7.7	8.9	0.6	0.7	0.8	6.8	23.5	23.3	13%	9%	8%	0.0%	0.0%	1.3%
Acron	5020.00	7.1	6.6	6.6	2.4	2.2	2.1	9.2	8.9	8.7	34%	34%	32%	6.7%	7.0%	7.6%
CF Industries	50.38	9.7	8.9	8.5	3.7	3.5	3.5	21.1	17.1	14.8	38%	40%	41%	2.4%	2.4%	2.4%
Israel Chemicals	1681.00	6.5	6.3	6.2	1.5	1.4	1.4	11.3	10.4	10.1	23%	23%	22%	0.0%	0.0%	0.0%
K+S	15.23	8.0	7.0	6.5	1.5	1.4	1.4	13.6	10.4	8.8	19%	21%	21%	2.7%	3.7%	4.4%
Phosagro	2591.00	6.2	6.1	5.7	1.9	1.9	1.8	10.0	10.4	9.7	31%	31%	31%	6.7%	5.3%	5.4%
The Mosaic Company	21.99	7.0	5.7	5.2	1.3	1.2	1.2	18.1	11.1	8.7	19%	21%	23%	0.9%	1.0%	1.3%
Yara International	409.00	53.8	46.2	43.6	8.6	7.9	7.7	-	-	-	16%	17%	18%	0.3%	0.5%	0.6%
ZA Polce	14.30	6.0	4.9	4.9	1.3	1.2	1.2	1.7	1.2	1.2	21%	24%	24%	58.1%	62.9%	69.9%
ZCh Pulawy	95.00	1.9	1.9	-	0.3	0.3	0.3	7.1	7.7	-	15%	15%	-	5.3%	5.3%	-
Median		6.8	6.5	6.5	1.5	1.4	1.4	10.0	10.4	9.3	20%	22%	23%	2.5%	3.1%	2.4%
Chemical companies																
Ciech	37.50	5.5	5.4	5.1	0.9	1.0	0.9	8.5	8.8	8.7	17%	19%	18%	0.0%	0.0%	5.7%
Akzo Nobel	81.48	13.5	11.9	11.1	1.9	1.9	1.8	26.3	19.6	17.5	14%	16%	16%	2.4%	2.6%	2.9%
BASF	64.66	9.5	8.3	7.7	1.3	1.2	1.2	16.5	14.2	12.7	13%	15%	15%	5.0%	5.1%	5.3%
Croda	4910.00	16.7	15.6	14.8	4.8	4.7	4.5	25.7	23.9	22.4	29%	30%	30%	0.0%	0.0%	0.0%
Sisecam	4.58	3.5	3.0	2.5	0.7	0.6	0.5	4.9	4.5	4.2	20%	20%	21%	4.7%	5.1%	5.9%
Soda Sanayii	5.83	4.2	3.5	3.0	1.0	0.8	0.7	4.5	4.6	4.1	24%	24%	24%	5.8%	5.8%	6.7%
Solvay	98.32	5.7	5.5	5.2	1.2	1.2	1.2	11.8	11.2	10.1	21%	22%	22%	3.9%	4.0%	4.2%
Tata Chemicals	591.95	8.3	7.3	6.5	1.5	1.4	1.3	14.4	13.1	11.6	18%	19%	20%	2.0%	2.2%	2.1%
Tessenderlo Chemie	30.20	6.0	5.6	5.2	0.8	0.8	0.7	13.8	12.1	10.2	13%	14%	14%	-	-	-
Wacker Chemie	73.54	5.5	5.2	4.9	0.9	0.9	0.8	23.3	17.0	13.9	16%	17%	17%	3.2%	3.7%	4.1%
Median		5.9	5.5	5.2	1.1	1.1	1.0	14.1	12.6	10.9	18%	19%	19%	3.2%	3.7%	4.2%

Mining company valuations

	Price	EV/EBITDA			EV/S			P/E			EBITDA margin			DY		
		2019	2020	2021	2019	2020	2021	2019	2020	2021	2019	2020	2021	2019	2020	2021
Metals																
KGHM	79.58	3.9	4.5	3.9	0.9	0.9	0.8	6.9	9.8	8.3	23%	20%	21%	0.0%	1.9%	3.1%
Anglo American	1883.00	3.7	4.0	4.3	1.3	1.4	1.3	7.5	8.3	9.1	36%	34%	32%	0.0%	0.0%	0.0%
Antofagasta	893.20	5.6	5.7	5.1	2.7	2.7	2.6	17.6	18.0	15.0	49%	48%	50%	0.0%	0.0%	0.0%
BHP Group LTD	36.92	3.7	3.5	3.9	2.0	1.9	2.0	13.3	11.4	13.0	53%	55%	52%	4.1%	3.0%	2.5%
Boliden	245.30	5.6	5.5	5.6	1.4	1.3	1.3	11.7	11.4	11.6	24%	24%	23%	4.5%	4.5%	4.6%
First Quantum	9.24	7.7	5.3	5.1	3.1	2.3	2.2	15.5	10.2	7.9	41%	43%	44%	0.1%	0.1%	0.1%
Freeport-McMoRan	10.08	10.7	7.7	4.7	2.1	2.0	1.7	-	16.0	7.0	19%	26%	35%	2.0%	2.9%	3.6%
Fresnillo	729.20	9.4	7.6	6.2	3.4	3.2	2.9	38.4	29.7	19.5	36%	42%	47%	0.0%	0.0%	0.0%
Gold Fields	7475.00	4.6	4.0	3.8	2.1	1.9	1.8	21.0	14.3	14.8	44%	48%	48%	0.0%	0.0%	0.0%
Hudbay Min	4.92	3.8	3.3	2.9	1.3	1.2	1.2	-	24.7	11.1	33%	37%	41%	0.2%	0.2%	0.2%
KAZ Minerals	433.10	4.5	4.5	4.3	2.4	2.4	2.3	5.3	5.2	4.7	54%	53%	53%	0.0%	0.0%	0.0%
Lundin Min	6.97	6.7	4.1	3.6	2.4	1.8	1.7	20.7	9.6	7.9	36%	45%	47%	1.1%	1.1%	1.4%
MMC Norilsk Nickel	24.44	6.8	6.6	6.5	3.7	3.8	3.5	9.8	9.8	9.4	55%	57%	55%	9.3%	10.9%	11.2%
OZ Minerals	9.37	6.7	5.2	4.3	2.9	2.3	2.1	17.2	12.6	8.6	43%	45%	48%	2.3%	2.5%	3.0%
Polymetal Intl	1150.50	8.2	7.5	7.5	3.8	3.6	3.6	12.2	10.5	10.3	47%	49%	48%	0.0%	0.0%	0.0%
Polys	7440.00	7.8	7.3	7.6	5.0	4.7	4.8	10.7	10.2	11.1	64%	64%	63%	4.2%	4.7%	4.4%
Sandfire Resources	6.41	2.6	2.2	2.0	1.3	1.2	1.1	9.0	7.0	5.8	51%	55%	57%	3.9%	4.4%	4.9%
Southern CC	34.56	8.8	8.3	7.9	4.4	4.2	4.0	16.2	14.9	14.4	51%	51%	50%	4.4%	4.3%	4.2%
Median		6.1	5.3	4.5	2.4	2.1	2.0	12.8	10.9	9.9	44%	46%	48%	0.7%	1.5%	2.0%
Coal																
JSW	28.04	0.7	2.2	1.7	0.1	0.3	0.3	4.7	-	24.3	19%	12%	16%	6.1%	0.0%	0.0%
Alliance Res Partners	16.50	4.2	4.9	5.4	1.3	1.4	1.5	5.6	10.3	14.1	31%	28%	27%	13.0%	12.0%	11.2%
Arch Coal	82.50	2.8	3.3	3.4	0.5	0.6	0.5	5.2	6.5	6.2	19%	17%	16%	2.2%	2.2%	2.2%
Banpu	12.60	10.7	11.2	10.6	2.1	2.2	2.3	12.4	11.1	10.5	19%	19%	22%	3.9%	4.0%	4.3%
BHP Group	50.56	3.7	3.5	3.9	2.0	1.9	2.0	13.3	11.4	13.0	53%	55%	52%	8.8%	6.5%	5.3%
China Coal Energy	3.30	4.8	4.8	5.2	0.9	0.9	0.9	7.1	7.6	7.3	19%	19%	18%	3.4%	3.2%	2.9%
Cloud Peak Energy	0.03	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
LW Bogdanka	40.10	1.5	1.6	1.6	0.5	0.5	0.5	5.0	6.0	6.4	35%	33%	32%	1.8%	5.4%	6.0%
Natural Res Partners	26.90	1.6	1.8	1.8	1.2	1.4	1.4	5.4	5.0	4.8	77%	78%	78%	6.7%	6.7%	6.7%
Peabody Energy Corp	18.53	2.5	3.2	3.3	0.5	0.5	0.5	11.8	-	-	19%	16%	16%	12.3%	2.9%	3.0%
PT Bukit Asam Tbk	2690.00	4.2	4.2	3.9	1.2	1.2	1.1	6.1	6.8	6.6	29%	28%	28%	10.6%	10.9%	10.7%
Rio Tinto	4288.50	3.5	3.9	4.4	1.7	1.8	1.9	8.1	9.1	11.0	49%	47%	44%	0.0%	0.0%	0.0%
Semirara Mining&Power	23.40	5.5	4.9	4.7	2.7	2.3	2.2	8.5	7.7	7.7	50%	47%	48%	6.5%	6.8%	7.4%
Shaanxi Heima Coking	3.65	-	-	-	0.7	0.7	0.6	14.0	12.2	11.8	-	-	-	-	-	-
Shanxi Xishan Coal&Ele	6.18	5.4	5.5	5.4	1.0	1.0	1.0	9.8	9.8	9.7	19%	19%	19%	3.0%	3.0%	2.9%
Shougang Fushan Res	1.78	1.1	1.1	1.2	0.6	0.6	0.6	7.5	7.0	7.8	53%	52%	49%	8.0%	8.1%	5.3%
Stanmore Coal	1.44	1.9	2.4	3.2	0.7	0.7	0.8	4.3	5.7	8.3	37%	31%	24%	5.6%	5.2%	4.7%
Teck Resources	18.78	3.4	3.6	3.7	1.3	1.4	1.4	6.9	7.4	7.9	40%	39%	38%	1.5%	1.9%	3.8%
Terracom	0.41	1.7	1.4	1.5	0.5	0.4	0.4	3.2	2.1	2.7	30%	28%	26%	-	7.3%	12.2%
Warrior Met Coal	22.56	2.2	3.2	3.4	0.9	1.0	1.1	3.4	5.2	5.3	41%	33%	33%	15.6%	8.4%	11.2%
Yanzhou Coal Mining	8.50	3.6	4.0	4.3	1.0	0.9	0.9	4.5	4.7	4.8	28%	23%	21%	7.9%	5.6%	5.1%
Median		3.4	3.5	3.7	1.0	1.0	1.0	6.5	7.2	7.8	31%	28%	27%	6.3%	5.4%	5.1%

Source: Dom Maklerski mBanku (stocks marked with bold), Bloomberg

European telecom valuations

	Price	EV/EBITDA			EV/S			P/E			EBITDA margin			DY		
		2019	2020	2021	2019	2020	2021	2019	2020	2021	2019	2020	2021	2019	2020	2021
Polish companies																
Netia	4.46	5.2	5.2	5.0	1.3	1.4	1.4	30.0	24.8	21.1	26%	26%	27%	0.0%	0.0%	9.0%
Orange Polska	5.88	4.7	4.6	4.3	1.3	1.3	1.3	38.0	23.9	17.0	29%	29%	29%	0.0%	0.0%	4.3%
Play	27.16	5.6	5.6	5.2	1.9	1.9	1.8	7.9	7.1	7.1	33%	34%	35%	5.3%	4.8%	5.3%
Median		5.2	5.2	5.0	1.3	1.4	1.4	30.0	23.9	17.0	29%	29%	29%	0%	0.0%	5.3%
Mid Caps																
Proximus	26.09	5.9	5.9	5.9	2.0	2.0	2.0	15.3	15.2	15.3	33%	33%	33%	5.8%	5.9%	6.0%
Telefonica CP	216.50	6.9	6.9	7.0	2.1	2.1	2.1	13.0	13.5	13.5	30%	30%	30%	9.6%	9.6%	9.7%
Hellenic Telekom	12.35	5.1	5.0	4.9	1.8	1.8	1.8	17.8	14.0	12.3	36%	36%	36%	4.7%	5.1%	5.5%
Matav	421.50	4.1	4.1	4.2	1.3	1.3	1.3	9.3	9.0	9.1	31%	31%	30%	6.2%	6.6%	7.2%
Telecom Austria	6.57	5.0	4.9	4.8	1.7	1.7	1.7	10.4	9.8	9.4	34%	34%	35%	3.2%	3.9%	4.3%
Median		5.1	5.0	4.9	1.8	1.8	1.8	13.0	13.5	12.3	33%	33%	33%	5.8%	5.9%	6.0%
Big Caps																
BT	173.00	3.8	3.6	3.5	1.2	1.2	1.2	6.6	7.1	6.9	32%	34%	35%	0.0%	0.0%	0.0%
DT	15.09	5.7	5.4	5.1	1.8	1.7	1.7	15.1	13.6	12.1	32%	33%	33%	4.8%	5.1%	5.4%
KPN	2.75	7.5	7.3	6.9	3.2	3.2	3.2	23.7	20.6	17.5	43%	44%	47%	4.8%	5.0%	5.3%
Orange France	13.63	5.0	4.9	4.8	1.6	1.5	1.5	13.0	12.1	11.3	31%	31%	32%	5.2%	5.5%	5.8%
Swisscom	487.90	7.7	7.8	7.7	2.9	2.9	2.9	16.9	17.2	17.1	38%	38%	38%	4.5%	4.5%	4.6%
Telefonica S.A.	6.69	5.3	5.3	5.1	1.8	1.8	1.8	9.8	9.1	8.5	34%	34%	35%	6.0%	6.1%	6.1%
Telia Company	42.40	8.6	8.5	8.3	3.0	3.0	3.0	17.5	16.4	15.2	35%	35%	36%	5.7%	5.9%	6.1%
TI	0.51	4.6	4.6	4.5	1.9	1.9	1.9	8.2	7.8	7.6	42%	42%	42%	0.0%	0.0%	0.0%
Median		5.5	5.3	5.1	1.9	1.9	1.9	14.0	12.9	11.7	35%	35%	36%	4.8%	5.1%	5.4%

Media company valuations

	Price	EV/EBITDA			EV/S			P/E			EBITDA margin			DY		
		2019	2020	2021	2019	2020	2021	2019	2020	2021	2019	2020	2021	2019	2020	2021
Polish companies																
Agora	10.05	4.6	4.2	3.7	0.4	0.4	0.4	33.4	17.7	11.0	9%	10%	11%	5.0%	5.0%	5.0%
Wirtualna Polska	61.80	10.3	9.1	8.2	3.2	2.9	2.6	19.4	16.5	15.1	31%	32%	32%	1.6%	2.7%	3.2%
Median		7.4	6.7	6.0	1.8	1.7	1.5	26.4	17.1	13.1	20%	21%	21%	3.3%	3.8%	4.1%
Daily Mail																
Amolgo Mondadori	1.47	5.6	5.1	5.1	0.5	0.5	0.6	10.7	9.8	9.8	10%	11%	11%	3.9%	4.8%	3.3%
Axel Springer	63.15	9.1	9.2	8.2	2.1	2.0	1.9	24.2	24.7	21.5	23%	22%	24%	3.4%	3.5%	3.7%
Daily Mail	830.00	9.4	10.0	9.3	1.3	1.3	1.3	22.0	20.1	18.7	13%	13%	14%	0.0%	0.0%	0.0%
Gruppo Editoriale	0.27	4.6	4.4	4.5	0.4	0.4	0.4	-	11.7	8.7	8%	9%	9%	1.9%	3.4%	4.5%
New York Times	30.67	21.1	19.2	15.6	2.7	2.6	2.4	40.5	36.4	28.3	13%	13%	15%	0.7%	0.7%	0.7%
Promotora de Inform	1.34	8.3	7.1	6.5	1.7	1.7	1.6	20.6	14.3	9.1	21%	24%	25%	0.0%	0.0%	-
Median		8.7	8.1	7.4	1.5	1.5	1.4	22.0	17.2	14.3	13%	13%	15%	1.3%	2.0%	3.3%
TV																
Atresmedia Corp	3.73	5.7	5.8	6.1	1.0	1.0	1.0	6.7	6.9	7.2	18%	17%	17%	12.1%	11.7%	11.4%
Gestevisión Telecinco	6.19	7.5	8.2	8.5	2.0	2.0	2.0	10.2	10.4	10.5	27%	25%	24%	6.8%	7.6%	7.2%
ITV PLC	125.60	8.5	8.3	7.9	1.9	1.8	1.8	9.7	9.4	9.0	22%	22%	22%	0.0%	0.0%	0.0%
M6-Metropole Tel	16.21	5.5	5.4	5.2	1.4	1.4	1.3	11.7	11.3	10.8	25%	25%	26%	6.0%	6.2%	6.5%
Mediaset SPA	2.77	4.4	4.5	4.0	1.5	1.5	1.5	13.4	11.4	10.3	33%	33%	37%	4.2%	5.6%	5.9%
ProSieben	13.61	6.0	5.8	5.5	1.3	1.3	1.2	6.9	6.6	6.2	23%	22%	23%	7.5%	7.7%	7.3%
RTL Group	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TF1-TV Francaise	8.65	3.7	3.6	3.5	0.8	0.7	0.7	10.3	9.4	8.4	20%	21%	21%	5.3%	5.6%	5.8%
Median		5.7	5.6	5.4	1.4	1.4	1.4	10.3	9.9	9.7	24%	23%	23%	5.6%	5.9%	6.2%
Pay TV																
Cogeco	105.96	6.0	5.8	5.8	2.9	2.8	2.8	15.4	14.0	14.3	48%	48%	48%	2.0%	2.2%	2.4%
Comcast	46.40	9.1	8.5	8.2	2.9	2.7	2.7	15.3	13.7	12.8	31%	32%	32%	1.8%	2.0%	2.2%
Dish Network	36.63	9.3	10.2	11.0	1.7	1.8	1.8	15.1	20.3	22.6	19%	18%	16%	0.0%	0.0%	0.0%
Liberty Global	27.69	5.1	5.1	5.0	2.1	2.1	2.1	-	-	-	41%	42%	42%	0.0%	0.0%	-
Shaw Communications	20.25	8.1	7.7	7.3	3.3	3.2	3.0	20.0	19.5	18.6	41%	41%	42%	7.8%	7.8%	7.9%
Median		8.1	7.7	7.3	2.9	2.7	2.7	15.3	16.8	16.5	41%	41%	42%	1.8%	2.0%	2.3%

IT company valuations

	Price	EV/EBITDA			EV/S			P/E			EBITDA margin			DY		
		2019	2020	2021	2019	2020	2021	2019	2020	2021	2019	2020	2021	2019	2020	2021
Polish companies																
Asseco Poland	52.80	4.6	4.3	4.1	0.7	0.6	0.6	14.1	13.8	13.6	15%	15%	15%	5.8%	4.3%	4.3%
Comarch	179.00	6.5	5.9	5.5	1.0	0.9	0.8	15.5	14.0	13.2	15%	15%	15%	0.8%	0.8%	0.8%
Median		5.6	5.1	4.8	0.8	0.8	0.7	14.8	13.9	13.4	15%	15%	15%	3.3%	2.6%	2.6%
Foreign companies																
Atos Origin	67.16	7.3	7.0	6.5	1.0	1.0	1.0	8.0	7.5	7.0	14%	14%	15%	2.3%	2.6%	2.9%
CapGemini	109.55	8.8	8.3	7.9	1.3	1.3	1.2	16.7	15.3	14.2	15%	15%	15%	1.7%	1.9%	2.0%
IBM	143.60	9.9	9.3	8.8	2.2	2.2	2.1	11.1	10.6	9.9	23%	23%	24%	4.5%	4.7%	4.9%
Indra Sistemas	8.32	5.5	5.2	4.9	0.6	0.6	0.6	11.0	9.5	8.6	11%	11%	12%	1.2%	2.0%	2.4%
Microsoft	136.12	18.3	15.9	14.3	7.8	7.0	6.3	29.7	25.9	22.9	43%	44%	44%	1.3%	1.5%	1.6%
Oracle	56.29	11.0	10.3	10.0	5.1	5.0	4.8	16.3	14.5	13.5	47%	48%	48%	1.5%	1.6%	1.7%
SAP	108.92	17.7	15.0	13.3	5.2	4.9	4.5	22.3	20.0	17.8	30%	32%	34%	1.4%	1.6%	1.8%
TietoEnator	23.32	8.2	7.7	7.5	1.2	1.2	1.1	12.7	12.4	11.8	15%	15%	15%	6.3%	6.6%	6.8%
Median		9.4	8.8	8.4	1.8	1.7	1.7	14.5	13.4	12.7	19%	19%	20%	1.6%	1.9%	2.2%

Source: Dom Maklerski mBanku (stocks marked with bold), Bloomberg

Gaming company valuations

	Price	EV/EBITDA			EV/S			P/E			EBITDA margin			DY		
		2019	2020	2021	2019	2020	2021	2019	2020	2021	2019	2020	2021	2019	2020	2021
Gaming																
11 bit studios	408.00	19.2	23.7	6.1	11.0	9.9	4.0	27.3	38.9	9.7	58%	42%	66%	0.0%	0.0%	0.0%
CD Projekt	252.00	-	9.2	10.2	63.1	7.0	8.2	-	10.5	11.8	21%	76%	80%	0.4%	0.0%	0.0%
PlayWay	181.60	14.4	12.6	11.3	9.4	8.5	7.6	21.7	19.9	18.6	66%	67%	67%	1.4%	3.4%	3.7%
Activision Blizzards	54.91	17.2	14.6	13.4	6.2	5.6	5.1	25.1	22.0	19.0	36%	38%	38%	0.7%	0.7%	0.8%
Capcom	2764.00	13.9	12.7	11.3	3.4	3.7	3.3	22.5	19.1	18.2	24%	29%	29%	1.3%	1.4%	1.5%
Take Two	122.62	16.7	17.3	16.2	4.0	4.3	4.1	25.9	25.9	24.8	24%	25%	26%	-	-	-
Ubisoft	72.10	8.2	8.7	8.2	4.0	3.8	3.5	24.4	25.2	22.4	50%	43%	43%	0.0%	0.0%	0.0%
Electronic Arts	99.11	16.9	14.8	13.1	5.4	5.0	4.7	25.3	21.6	19.4	32%	34%	36%	-	0.0%	0.0%
Paradox Interactive	134.00	18.1	13.8	11.6	10.0	8.1	7.1	43.3	33.4	22.7	55%	59%	61%	1.4%	1.7%	1.4%
Mediana		16.8	13.8	11.3	6.2	5.6	4.7	25.2	22.0	19.0	36%	42%	43%	0.7%	0.4%	0.4%

Source: Dom Maklerski mBanku (stocks marked with bold), Bloomberg

Steam Global Top Sellers

2019-09-12	Company	Position	D/D change	W/W change	1-week average	Price (PLN)	D/D change	W/W change	1-week average
Frostpunk	11 bit studios	186	-	-	164	110.00	-	-	110.00
Frostpunk: SP	11 bit studios	151	-37	-76	108	88.00	0%	0%	88.00
Children of Morta	11 bit studios	65	-32	-57	30	80.00	0%	0%	80.00
Blair Witch	Bloober Team	200+	-	-	155	-	-	-	107.80
Cyberpunk 2077	CD Projekt	27	+24	-8	39	199.00	0%	0%	199.00
The Witcher 3: WH	CD Projekt	200+	-	-	75	-	-	-	44.00
The Witcher 3: WH (GOTY)	CD Projekt	140	+32	-134	53	150.00	0%	+2x	90.00
Green Hell	Creepy Jar	53	-10	+96	31	90.00	0%	+25%	90.00
Dying Light	Techland	200+	-	-	-	-	-	-	-

Steam Wishlist

2019-09-12	Company	Position	D/D change	W/W change	1-week average	Release date
Cyberpunk 2077	CD Projekt	1	-	-	1	2020-04-16
Alaskan Truck Simulator	Movie Games	62	+3	+4	64	2020
Bum Simulator	PlayWay	47	+2	+4	49	2019
I am Your President	PlayWay	60	+3	+2	61	TBA
Junkyard Simulator	PlayWay	56	+3	+3	57	2019
Ship Builder Simulator	PlayWay	84	+2	+2	85	TBA
Tank Mechanic Simulator	PlayWay	74	+2	-2	73	2019
Dying Light 2	Techland	10	-	-	10	Spring 2020
Chernobylite	The Farm 51	48	+2	+4	50	2019

Source: Steam (Valve Corporation), Dom Maklerski mBanku

Construction company valuations

	Price	EV/EBITDA			EV/S			P/E			EBITDA margin			DY		
		2019	2020	2021	2019	2020	2021	2019	2020	2021	2019	2020	2021	2019	2020	2021
Construction																
Acciona	97.90	8.4	8.1	7.8	1.4	1.4	1.4	18.9	18.3	17.2	17%	17%	17%	3.8%	4.0%	4.2%
Astaldi	0.65	4.5	4.4	4.4	0.5	0.5	0.5	1.1	1.0	0.8	10%	10%	11%	-	-	-
Budimex	140.00	8.3	8.1	9.4	0.4	0.4	0.3	20.2	17.9	20.6	4%	5%	4%	8.8%	4.4%	4.8%
Ferrovial	25.31	-	39.4	34.8	4.0	4.0	3.9	-	42.4	36.9	3%	10%	11%	2.9%	3.0%	3.1%
Hochtief	104.60	3.9	3.8	3.5	0.3	0.2	0.2	11.1	10.3	10.1	6%	6%	7%	5.8%	6.2%	6.4%
Mota Engil	2.07	4.2	3.8	3.7	0.6	0.6	0.6	15.9	10.4	8.8	15%	15%	15%	2.5%	4.8%	5.8%
NCC	158.95	6.7	5.4	5.2	0.3	0.3	0.3	16.1	11.1	10.6	4%	5%	5%	4.0%	4.8%	4.9%
Skanska	190.10	8.6	8.6	8.1	0.5	0.5	0.4	14.2	14.3	13.4	5%	5%	6%	3.5%	3.7%	4.1%
Strabag	29.55	2.4	2.5	2.4	0.2	0.2	0.2	9.3	9.5	9.1	6%	6%	6%	4.4%	4.5%	4.7%
Median		5.6	5.4	5.2	0.5	0.5	0.4	15.1	11.1	10.6	6%	6%	7%	3.9%	4.4%	4.8%

Real-estate developers

	Price	EV/EBITDA			P/BV			P/E			EBITDA margin			DY		
		2019	2020	2021	2019	2020	2021	2019	2020	2021	2019	2020	2021	2019	2020	2021
RE Developers																
Atal	36.90	7.4	7.7	7.0	1.7	1.7	1.6	7.9	8.3	7.5	24%	23%	23%	12.7%	11.5%	11.0%
Dom Development	83.60	7.8	7.6	8.5	2.0	1.9	2.0	8.9	8.3	9.2	18%	18%	17%	10.8%	11.2%	12.0%
Develia	2.31	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Echo Investment	4.78	13.2	15.3	13.3	1.2	1.2	1.2	7.1	8.9	11.2	36%	31%	30%	9.3%	9.3%	6.1%
GTC	9.48	15.3	14.6	13.6	1.0	0.9	0.9	10.9	10.6	10.1	84%	81%	80%	0.2%	0.2%	0.3%
CA Immobilien Anlagen	30.70	25.4	22.3	20.4	1.0	1.0	0.9	24.5	21.5	19.5	78%	69%	67%	3.1%	3.4%	3.7%
Deutsche Euroshop AG	24.50	15.3	15.3	15.4	0.7	0.7	0.7	11.4	12.2	12.4	88%	88%	88%	6.3%	6.4%	6.5%
Immofinanz AG	24.55	29.6	26.6	26.1	0.9	0.9	0.8	16.0	16.9	15.1	46%	54%	53%	3.6%	3.9%	4.2%
Klepierre	30.01	19.5	19.0	18.8	0.8	0.8	0.9	11.2	10.8	10.6	84%	85%	85%	7.3%	7.5%	7.7%
Segro	777.80	34.8	31.2	28.5	1.1	1.0	1.0	31.6	29.1	28.2	77%	81%	83%	0.0%	0.0%	0.0%
Median		15.3	15.3	15.4	1.0	1.0	0.9	11.2	10.8	11.2	77%	69%	67%	6.3%	6.4%	6.1%

Source: Dom Maklerski mBanku (stocks marked with bold), Bloomberg

Clothing and footwear company valuations

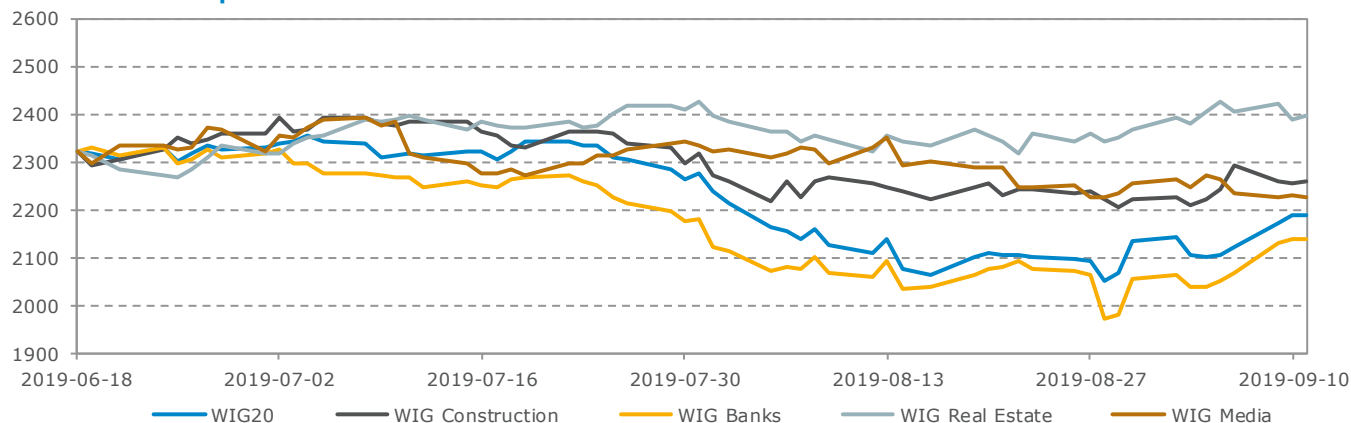
	Price	EV/EBITDA			EV/S			P/E			EBITDA margin			DY		
		2019	2020	2021	2019	2020	2021	2019	2020	2021	2019	2020	2021	2019	2020	2021
Polish companies																
CCC	144.00	7.3	5.8	5.6	1.2	1.0	0.9	53.8	22.2	19.6	16%	18%	16%	0.3%	1.4%	1.4%
LPP	7300.00	10.1	9.0	7.9	1.4	1.2	1.1	20.0	18.0	16.5	14%	14%	14%	0.8%	1.1%	0.8%
Monnari	4.59	4.2	3.4	2.2	0.3	0.2	0.2	9.1	9.0	7.7	7%	7%	7%	0.0%	0.0%	0.0%
VRG	4.33	8.6	7.3	6.4	1.0	0.9	0.8	13.7	11.9	10.8	12%	12%	12%	0.0%	0.0%	0.0%
Median		8.0	6.6	6.0	1.1	1.0	0.8	16.9	15.0	13.6	13%	13%	13%	0.2%	0.5%	0.4%
Foreign companies																
ABC Mart	6870.00	9.1	8.8	8.4	1.7	1.6	1.5	18.6	18.1	17.4	18%	18%	18%	2.3%	2.5%	2.5%
Adidas	270.50	15.3	14.0	12.6	2.3	2.1	2.0	27.6	24.4	21.2	15%	15%	16%	1.4%	1.6%	1.9%
Assoc Brit Foods	2239.00	8.5	7.8	7.3	1.1	1.0	1.0	16.5	14.7	13.8	13%	13%	13%	0.0%	0.0%	0.0%
Caleries	22.66	5.2	4.9	4.7	0.4	0.3	0.3	9.9	9.4	8.3	7%	7%	7%	1.2%	1.2%	1.2%
Crocs	27.40	12.4	10.8	9.5	1.6	1.5	1.4	19.9	17.3	15.4	13%	14%	15%	-	-	-
Foot Locker	41.36	4.3	4.2	4.2	0.5	0.5	0.5	9.1	8.4	8.0	11%	11%	11%	3.3%	3.7%	4.1%
Geox	1.28	7.7	5.7	3.4	0.4	0.4	0.4	-	24.2	14.6	5%	7%	11%	1.8%	3.0%	5.4%
H&M	188.48	10.5	9.9	9.4	1.2	1.2	1.2	24.4	22.6	21.4	12%	12%	12%	5.0%	4.8%	4.8%
Hugo Boss	54.90	6.9	6.4	6.0	1.3	1.3	1.2	14.9	13.4	12.3	19%	20%	20%	5.2%	5.7%	6.3%
Inditex	27.50	14.1	10.8	10.1	3.0	2.8	2.6	24.6	22.6	21.2	21%	26%	26%	2.9%	3.9%	4.2%
KappAhl	19.93	6.9	5.7	5.7	0.4	0.4	0.4	11.4	10.9	10.8	6%	7%	7%	4.4%	5.2%	5.0%
Lululemon	196.41	28.1	23.9	20.6	7.1	6.1	5.3	52.4	42.3	35.6	25%	26%	26%	0.0%	0.0%	0.0%
Nike	86.75	19.2	17.4	15.2	2.8	2.6	2.4	33.6	29.9	25.6	15%	15%	16%	1.0%	1.1%	1.2%
Under Armour	21.36	9.9	8.1	6.5	0.8	0.7	0.7	63.0	44.5	31.9	8%	9%	11%	0.0%	0.0%	0.0%
Median		9.5	8.5	7.9	1.3	1.2	1.2	19.9	20.3	16.4	13%	13%	14%	1.8%	2.5%	2.5%

Luxury, e-commerce, and food retail company valuations

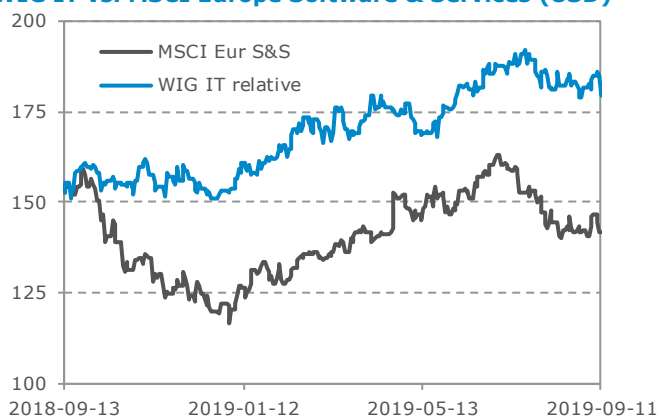
	Price	EV/EBITDA			EV/S			P/E			EBITDA margin			DY		
		2019	2020	2021	2019	2020	2021	2019	2020	2021	2019	2020	2021	2019	2020	2021
Luxury goods																
Estee Lauder	197.27	14.3	12.7	11.5	3.0	2.8	2.6	37.6	33.0	29.6	21%	22%	22%	0.8%	0.9%	1.0%
Hermes International	636.20	24.9	22.8	20.9	9.4	8.6	8.0	44.2	40.3	36.3	38%	38%	38%	0.9%	1.0%	1.1%
Kering	467.50	11.1	10.2	9.6	3.8	3.5	3.3	18.7	16.3	15.0	35%	35%	35%	2.4%	2.8%	3.1%
LVMH	378.15	14.2	13.1	12.2	3.8	3.5	3.3	26.2	23.8	21.8	26%	27%	27%	1.8%	2.0%	2.2%
Moncler	35.37	14.4	12.9	11.6	5.2	4.6	4.1	24.0	22.3	20.0	36%	36%	36%	1.3%	1.5%	1.7%
Median		14.3	12.9	11.6	3.8	3.5	3.3	26.2	23.8	21.8	35%	35%	35%	1.3%	1.5%	1.7%
E-commerce																
Asos	2650.00	20.0	14.0	10.8	0.8	0.7	0.6	-	43.4	29.9	4%	5%	6%	0.0%	0.0%	0.0%
boohoo.com	268.20	36.6	27.0	21.9	3.5	2.7	2.1	67.1	54.7	42.6	10%	10%	10%	0.0%	0.0%	0.0%
Zalando	45.56	31.3	25.3	19.4	1.7	1.4	1.2	-	-	66.6	5%	6%	6%	0.0%	0.0%	0.0%
Median		31.3	25.3	19.4	1.7	1.4	1.2	67.1	49.1	42.6	5%	6%	6%	0.0%	0.0%	0.0%
Retail																
Dino	159.70	22.2	16.6	13.0	2.1	1.6	1.3	38.4	27.9	21.4	10%	10%	10%	0.0%	0.0%	0.0%
Eurocash	22.68	9.3	8.3	7.1	0.1	0.1	0.1	43.8	31.0	21.9	2%	2%	2%	4.4%	1.1%	1.6%
Jeronimo Martins	15.77	9.8	8.9	8.4	0.6	0.5	0.5	22.4	20.1	19.1	6%	6%	6%	1.7%	1.8%	1.9%
Carrefour	16.84	5.3	4.9	4.7	0.3	0.2	0.2	14.5	12.6	11.7	5%	5%	5%	3.0%	3.4%	3.6%
AXFood	203.80	10.4	10.2	10.0	0.9	0.9	0.9	26.3	25.6	25.4	9%	9%	9%	3.4%	3.5%	3.3%
Tesco	234.30	7.5	5.9	5.6	0.4	0.4	0.4	16.5	13.9	12.7	5%	7%	7%	0.0%	0.0%	0.0%
Ahold	22.60	6.3	6.1	6.0	0.5	0.5	0.5	14.0	13.1	12.5	8%	8%	8%	3.3%	3.6%	3.8%
X 5 Retail	2390.00	7.1	6.4	5.9	0.5	0.5	0.4	16.2	14.6	13.2	7%	7%	7%	4.0%	4.9%	6.0%
Magnit	3585.00	5.6	5.0	4.4	0.4	0.4	0.3	12.5	9.8	8.5	8%	8%	8%	6.2%	6.6%	7.4%
Sonae	0.89	9.7	9.1	7.0	0.8	0.7	0.7	12.2	10.5	8.5	8%	8%	10%	4.9%	5.4%	5.5%
Median		8.4	7.4	6.5	0.5	0.5	0.4	16.4	14.3	13.0	7%	7%	7%	3.4%	3.4%	3.4%

Source: Dom Maklerski mBanku (stocks marked with bold), Bloomberg

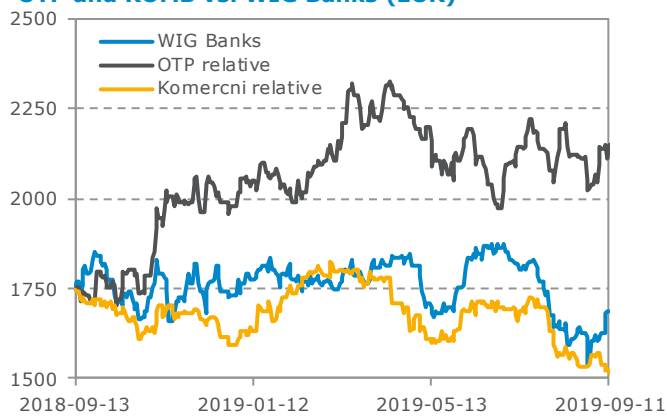
WIG sector index performance



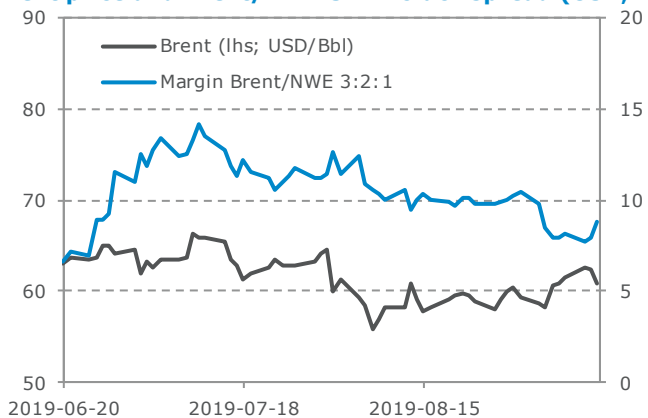
WIG IT vs. MSCI Europe Software & Services (USD)



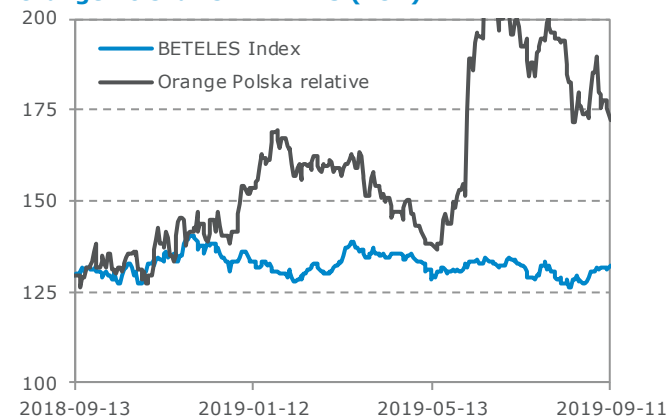
OTP and KOMB vs. WIG Banks (EUR)



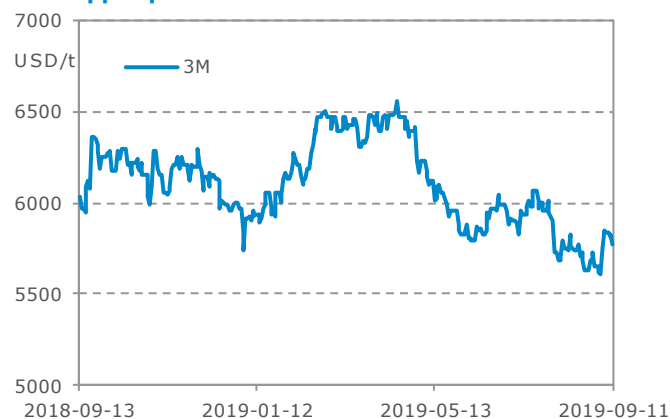
Brent price and Brent/NWE 3:2:1 crack spread (USD, rhs)



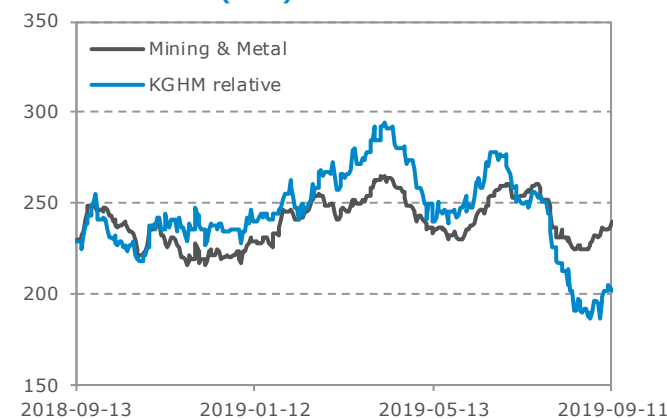
Orange Polska vs. BETELES (EUR)



LME copper prices



KGHM vs. sector (USD)

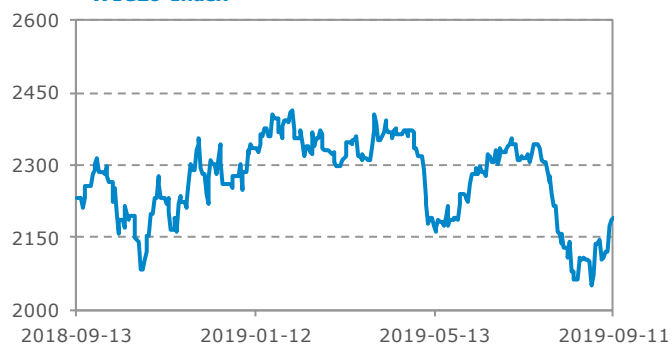


Source: Bloomberg

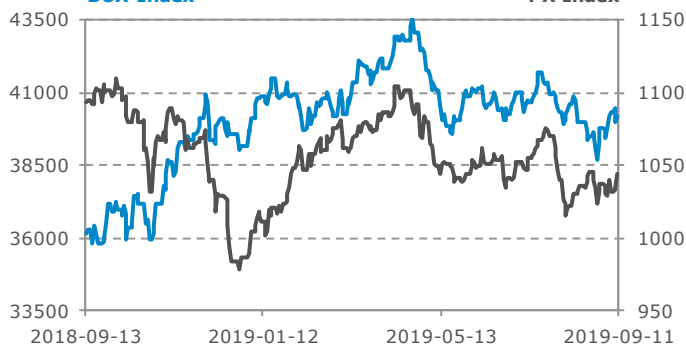
Global Market Overview

Index	Date	Open	Maximum	Minimum	Close	Change
DJIA	2019-09-11	26,928.05	27,137.04	26,885.48	27,137.04	+0.85%
S&P 500	2019-09-11	2,981.41	3,000.93	2,975.31	3,000.93	+0.72%
NASDAQ	2019-09-11	8,091.68	8,169.68	8,081.56	8,169.68	+1.06%
DAX	2019-09-11	12,341.84	12,394.28	12,317.61	12,359.07	+0.74%
CAC 40	2019-09-11	5,606.43	5,626.05	5,606.43	5,618.06	+0.44%
FTSE 100	2019-09-11	7,267.95	7,346.71	7,267.95	7,338.03	+0.96%
WIG20	2019-09-11	2,186.08	2,202.44	2,179.00	2,189.21	+0.06%
BUX	2019-09-11	39,956.96	40,287.91	39,923.14	40,202.61	+0.61%
PX	2019-09-11	1,035.24	1,043.95	1,035.24	1,043.57	+0.82%
RTS	2019-09-11	1,967.72	1,986.37	1,960.37	1,981.71	+0.80%
SOFIX	2019-09-11	576.29	578.22	571.93	578.22	+0.33%
BET	2019-09-11	9,237.79	9,251.21	9,218.76	9,228.59	-0.01%
XU100	2019-09-11	101,597.70	102,187.90	101,352.80	101,922.10	+0.70%
BETELES	2019-09-11	131.54	132.40	131.13	132.38	+0.75%
NIKKEI	2019-09-11	21,466.66	21,619.21	21,437.82	21,597.76	+0.96%
SHCOMP	2019-09-11	3,029.93	3,030.56	3,004.22	3,008.81	-0.41%
Copper (LME)	2019-09-11	5,807.00	5,834.50	5,763.50	5,772.50	-0.90%
Crude Oil (Brent)	2019-09-11	63.49	63.85	61.07	61.56	-2.87%
USD/PLN	2019-09-11	3.9226	3.9494	3.9190	3.9415	+0.48%
EUR/PLN	2019-09-11	4.3320	4.3421	4.3309	4.3395	+0.17%
EUR/USD	2019-09-11	1.1043	1.1056	1.0985	1.1010	-0.30%
USBonds10	2019-09-11	1.7281	1.7507	1.7057	1.7385	+0.0069
GRBonds10	2019-09-11	-0.5470	-0.5280	-0.5730	-0.5640	-0.0170
PLBonds10	2019-09-11	2.1750	2.1840	2.0730	2.0740	-0.0900

WIG20 Index



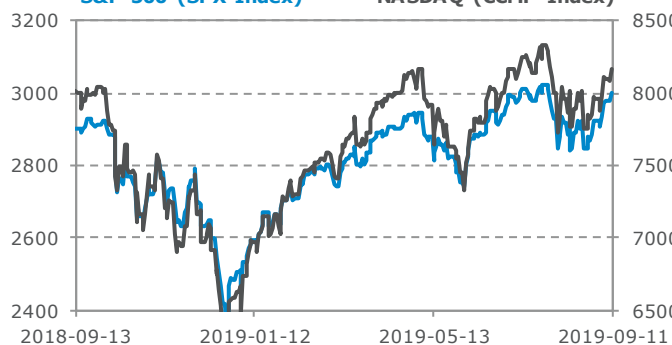
BUX Index



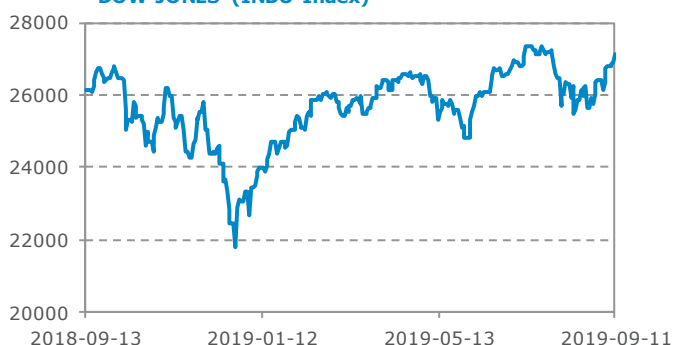
PX Index



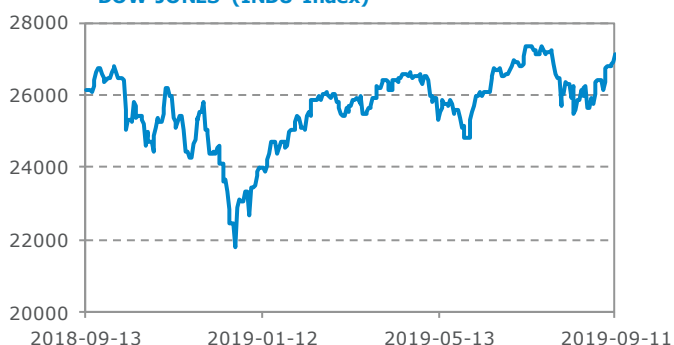
S&P 500 (SPX Index)



NASDAQ (CCMP Index)



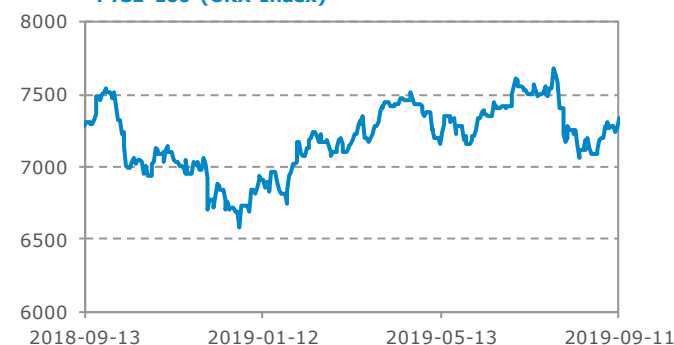
DOW JONES (INDU Index)



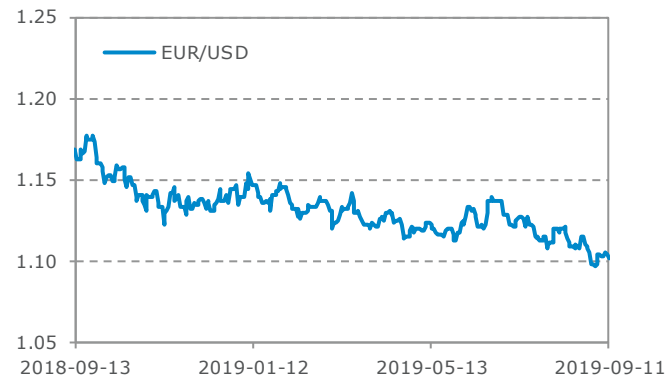
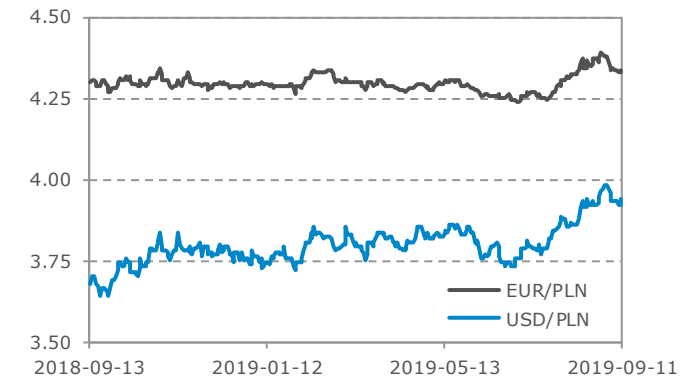
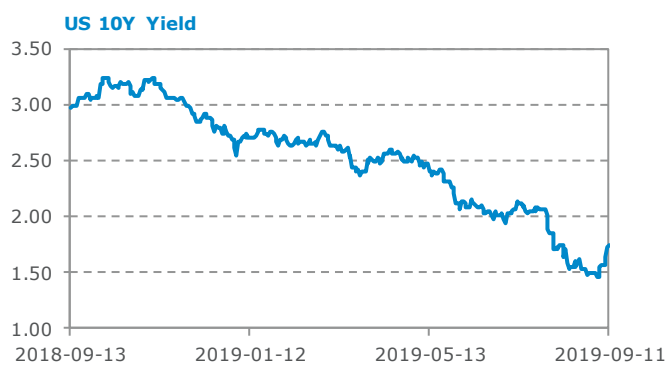
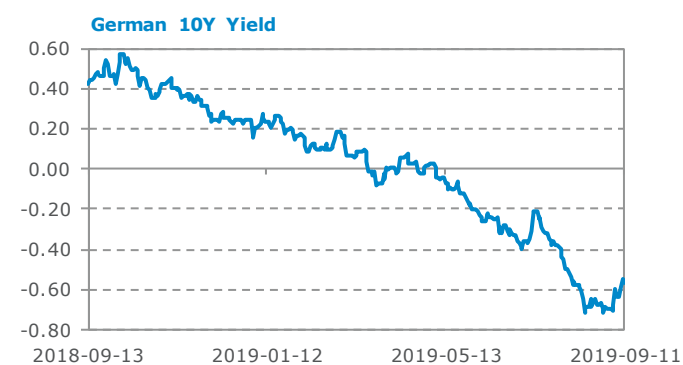
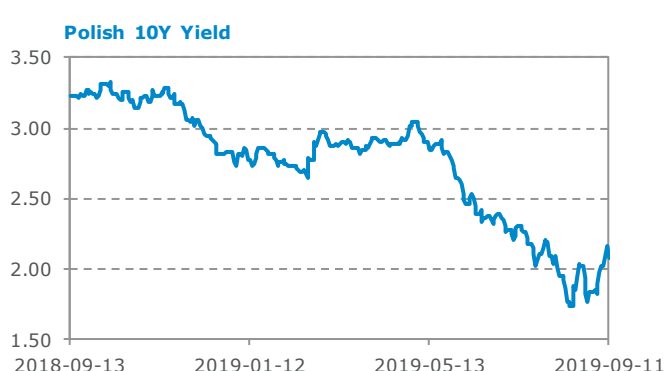
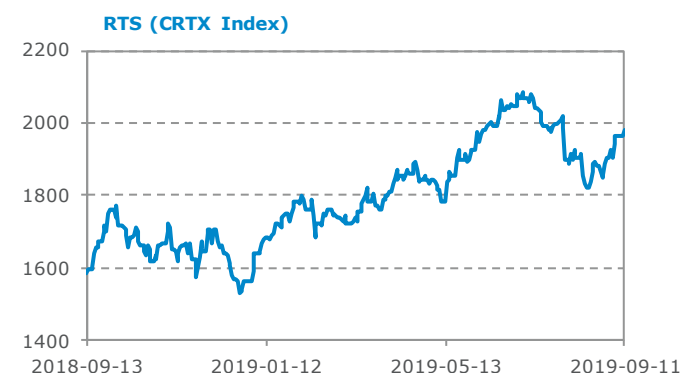
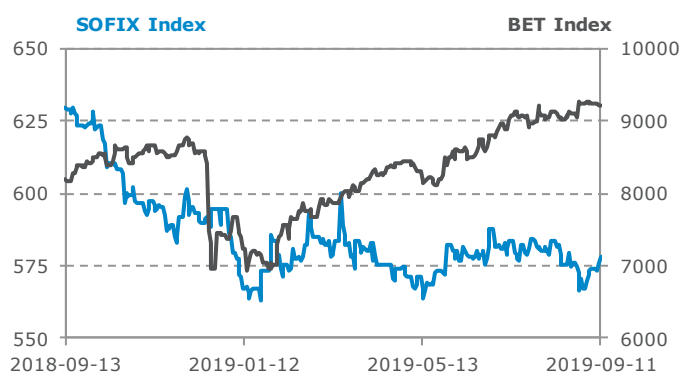
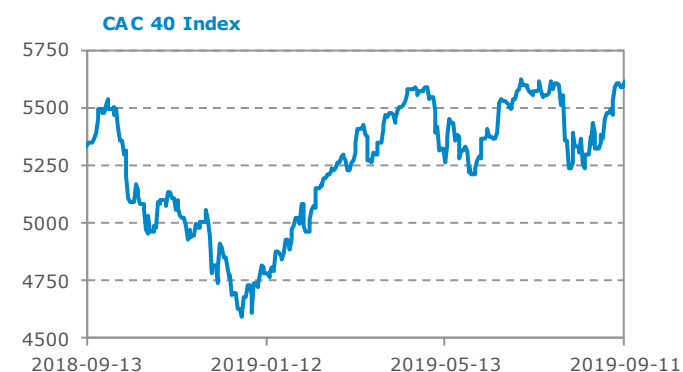
DAX Index



FTSE 100 (UKX Index)



Source: Bloomberg



Source: Bloomberg

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

OVERWEIGHT (OW) – a rating which indicates that we expect a stock to outperform the broad market
NEUTRAL (N) – a rating which indicates that we expect the stock to perform in line with the broad market
UNDERWEIGHT (UW) – a rating which indicates that we expect the stock to underperform the broad market

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A recommendation is valid for a period of 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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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.

Economic profits – discounting of future economic profits; the weak point is high sensitivity to changes in the assumptions made in the valuation model.

Discounted Dividends (DDM) – discounting of future dividends; the weak point is high sensitivity to changes in the assumptions as to future dividends made in the valuation model.

NAV – valuation based on equity value, one of the most frequently used method in case of developing companies; the weak point of the method is that it does not factor in future changes in revenue/profits of a company.

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