

20 January 2011


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	11 825.3	-0.11%	FTSE 100	5 976.7	-1.32%	Copper (LME)	9 575.0	-1.29%
S&P 500	1 281.9	-1.01%	WIG20	2 757.3	-1.33%	Crude Oil (Brent)	97.3	+0.25%
NASDAQ	2 725.4	-1.46%	BUX	22 895.8	+0.24%	USD/PLN	2.87	-0.63%
DAX	7 082.8	-0.85%	PX 50	1 271.7	-0.36%	EUR/PLN	3.87	+0.01%
CAC 40	3 976.7	-0.90%	PLBonds10	6.32	-0.49%	EUR/USD	1.35	+0.64%

Company & Sector Information

Police

Sell – 03/12/11

Target price: PLN 5.5

Management Board changes

The Company announced that Mr. Krzysztof Jałosiński had been appointed CEO effective 1 February 2011, and Mr. Wojciech Naruń had been appointed Deputy CEO effective 25 January 2011. Messrs. Jałosiński and Naruń had previously been employed at ZA Kędzierzyn.

Cinema City

Hold - 18/01/11

Target price: PLN 42.9

Aquisition of selected assets of Palace Cinema

Cinema City announced it had purchases selected assets of Palace Cinema, a cinema operator active in the Czech Republic, Slovakia and Hungary. The value of the transaction is EUR 28m. At the moment, the Palace Cinema network comprises 15 multiplexes with 141 screens. **We consider this purchase a good move on the part of Cinema City. In our opinion, Palace Cinema's theaters in the Czech Republic and Hungary have better locations than Cinema City's. At the same time, the Company managed to stay within thresholds that require the acceptance of local antitrust authorities (thanks to not purchasing some of Palace Cinema's Hungarian multiplexes) The press release does not contain information on the earnings of the purchased entities, but even if they are under par, the combination of CCI's management and the good locations makes reaching the profitability of CCI's other multiplexes possible. The assets are being purchased at EV/screen of PLN 0.77m, while CCI is trading at EV/screen of 3.09, i.e. four times higher. We therefore expect a positive reaction on stock price. (P. Grzybowski)**

Boryszew

Boryszew qualifies for stage two of negotiations for the acquisition of SaarGummi

The Company announced that it had been admitted into the second stage of negotiations for the purchase of the assets of SaarGummi, a leading manufacturer of car sealings. *Puls Biznesu* cites the temporary administrator of SaarGummi as saying that the company's sales in 2010 amounted to some EUR 300m. According to him, there are some 40 bidders. (J. Szkopek)

Construction

PLN 7bn to be shifted from railroads to roads?

Deputy Minister of Infrastructure has admitted that the use of EU funds for railroads will undershoot promises. The final version of the investment program will be prepared in early February. Newspapers suggest that PLN 7bn in EU subsidies could be redirected from railroads to roads. The change would have to be approved by the European Commission, which will not happen before February. **At this stage it is hard to say whether this funding shift could have a positive impact on the number of road construction contracts available already in 2011. In general, we assume that road construction outlays in 2013 will exceed the amounts planned in the National Road Construction Program for 2011-2015 (PLN 15.5bn vs. PLN 10.1bn). An increase in the number of tenders in late 2011 / early 2012 could also lead to a certain increase in outlays in 2012 (here we expect PLN 24.6bn, in line with the estimates in the Program). (M. Stokłosa)**

Rafako

Accumulate - 03/09/10

Target price: PLN 13.7

CEO hopes earnings will grow in 2011

Rafako's CEO expects earnings to grow in 2011 based on steady margins. The results for Q4 2010 were not affected by one-offs. Rafako is competing for high-value contracts for development of new power stations in Opole, Siekierki, Stalowa Wola, Włocławek, Turów, Koźnice, and Jaworzno, but these contracts are not going to materialize yet in 2011 revenues. **Based on the information provided by the CEO, it looks like Rafako's net profit for the fourth quarter of 2010 will be 40+ million zlotys rather than our estimated PLN 51.4m. In turn, the actual EBITDA could be**

higher than our forecast. For 2011, we anticipate profit growth on the back of a strong, PLN 1.25bn order backlog, and one-time provisions reversals. (M. Stokłosa)

Trakcja Polska

Hold - 06/05/10

Target price: PLN 4.16

Shareholders approve merger with Tiltra

Following approval by shareholders, Trakcja Polska's merger with Tiltra is now subject to an OK from the antitrust office (UOKiK). It is expected to be finalized in February. Based on order backlogs of PLN 2.5bn for TRK and PLN 1bn for Tiltra Group, the consolidated 2011 revenue of the merged company may reach PLN 2bn. Tiltra is competing for PLN 2bn-worth of new business in Lithuania and PLN 4bn in Poland. **We think the merger is a bad idea for two reasons: reduced road expenditure budgeted for 2011 and 2012, and the high debt of the merged company. Poland's road budget is expected to be reduced from PLN 33bn in 2011 to PLN 24.6bn in 2012 and PLN 15.5bn in 2013. The debts of the new Trakcja Polska will have to be covered against just the road and real-estate business.** (M. Stokłosa)

GTC

Hold - 05/11/10

Target price: PLN 23.9

Kardan sells GTC shares

GTC's main shareholder Kardan N.V. sold a 15% stake to investors in Poland and abroad at a per-share price reported to be PLN 21.5 (suggesting that the value of the whole transaction was EUR 181m). **The sale is the largest in years in the Polish real-estate sector. The discount to market price offered by Kardan comes as no surprise given the over-10% premium to peers at which GTC was trading prior to the sale. Purchased at PLN 21.5 per share, the stock offers short-term upside potential of about 7% (to ca. PLN 23). Our valuation of GTC based on fundamental analysis is PLN 23.9. We are working on an update of our valuation model for GTC to factor in lower expected rental rates and more extensive building plans.** (M. Stokłosa)

Dom Development

Buy - 07/01/11

Target price: PLN 54.4

DOM commences stage one of Derby 14 residences

Dom Development has started construction of stage one of its Derby 14 residential complex designed to consist of 174 units priced at PLN 5550 to PLN 6750 per square meter. **The Derby 14 project is factored in our model for DOM as 166 flats with an average price of PLN 5600/sqm.** (M. Stokłosa)

Polnord

Buy - 07/01/11

Target price: PLN 43.5

CEO change

Following resignation by Wojciech Ciurzyński for health reasons, the role of Polnord's CEO has been filled by Bartosz Puzdrowski. Mr. Puzdrowski has a track record in commercial real estate as former executive with Quinlan Private Golub (currently Avestus Real Estate) and ECE Projektmanagement Polska. **The CEO reshuffle should not affect Polnord's stock performance.** (M. Stokłosa)

More News

ABC Data

The CEO expects that the Polish IT market will grow at a double-digit rate in 2011. The Company wants to accelerate sales growth and at least sustain its current earnings growth. In 2010, sales exceeded the 2009 level by 14.9%.

Action

Sferis has increased the number of sales points to 131 and closed FY 2010 in the black. The network currently comprises 34 proprietary showrooms, 64 stands and 33 franchises.

Amrest

AmRest revenues rose 5.9% in Q4'10, and by 0.3% y/y in FY 2010.

Ciech

Ciech, which was planning to float on the WSE a 30-40% stake in a soda production company created out of its soda division assets, is not working on this scenario at the moment.

Ciech hopes that its offering of up to 23m D-stock shares will give it PLN 300-400m gross. Subscriptions will be accepted between 3-16 February.

SPO timetable:

- 25 January 2011 – offer price and number of shares announced, information on the number of shares per preemptive rights;
- 2 February 2011 – day of record for preemptive rights;
- 3 February 2011 – subscriptions start;
- 3-11 February 2011 – trading in preemptive rights;
- 16 February: subscriptions end;
- 25 February: shares allotted;
- 28 February 2 March 2011– subscriptions for shares not subscribed for by preemptive rights holders or in additional subscriptions;
- by 3 March 2011– allotment for shares not subscribed for by preemptive rights holders or in additional subscriptions;
- by 10 March 2011 – trading in allotment letters starts.

Shareholders will get new shares at a discount. CEO said that if the sale of Fosfory is concluded by the end of March, the proceeds will be used for investment in full.

Real-Estate Developers	<p>In 2010, Warsaw got 190k square meters of new office space. Vacancies amounted to 7.2% at the end of the year, says Warsaw Research Forum.</p> <p>The number of home deliveries amounted to 15,005 in December, representing a 6.7% drop from December 2009 and a 19.1% decrease from November 2010. In FY 2010, 135,715 homes were delivered (-15.2% y/y).</p> <p>In December, 13,868 building permits were issued (-5.1% y/y, +2.9% m/m), In FY 2010, 174,929 permits have been issued (-12.2% y/y).</p>
Developers, banks	The "Rodzina na swoim" mortgage subsidy program will continue until the end of 2012.
Echo	Echo Investment and PBG Dom, along with three other companies, have been allowed to carry out due diligence at Polbus-PKS.
Lentex	Aleksander Gerega may increase his interest in Lentex from the current 10.02%. He wants his Epicentr home-improvement hypermarket network to grow outside of Ukraine, possibly also in Poland.
MOL	MOL, which wanted to buy 800,910 (8%) shares in the Croatian company Ina, received offers for a total of 10,082 shares.
Multimedia	Shareholders did not approve a resolution authorizing the cancellation of treasury shares.
Netmedia	Shareholders of Netmedia authorized a conditional share capital increase through a non-rights share offering (up to 2.6m J-stock shares over the next three years).
Orbis	Revenue in FY 2010 figured to PLN 817.8m (preliminary data).
ORCO	ORCO resumed construction of the Złota 44 luxury apartment building in Warsaw.
Pragma Inkaso, GF Premium	Pragma Inkaso's tender offer for shares in GF Premium was successful after it received subscriptions for 2,193,000 shares (51% of votes).
Trans Polonia	Estimated 2010 revenue was PLN 22.6m.
Wikana	On 17 February, shareholders will vote on a motion to re-split shares by 10:1.
ZA Tarnów	ZAT signed an agreement for the purchase of ca. PLN 146.9m worth of phenol from Brenntag in 2011.

Insider Trading and Fund Activity

CITY INTERACTIVE	Quercus TFI increased voting interests to 5% from 4.86%.
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Macroeconomics

Good employment and salary data

Employment in the enterprise sector figured to 5,381k in December, i.e. there was no change vs. November. This is a better result than could have been expected from seasonal trends at this stage of the economic cycle. Looking at sentiment indicators, we expect m/m employment growth to slow down somehow in the upcoming months (vs. the recent 11-12k monthly average). However, given the sharp growth in productivity, this situation cannot last long (a strong tendency to return to the average, physical barriers to the use of the current employees) and in the second half of the year employment may be growing at 3% per year again.

Salaries accelerated from 3.6% y/y to 5.4% y/y in December, driven primarily by an increase in the number of working days and further growth in business activity, which is responsible for the acceleration of salary growth in sectors related to manufacturing (in our opinion, salary growth in manufacturing already figures to some 6% y/y). One unknown are salaries in coal mining, but we will not be able to evaluate the impact of this factor until the publication of the Statistical Bulletin on 28 January. Further growth will be facilitated by the ongoing economic revival, strong fiscal stimulation and infrastructural investment.

The data from the labor market provided support for the interest rate hike that preceded it (25bps), and, as we have been saying for a while, they support the launch of a tightening cycle, whose scale will strongly depend on the EUR/PLN exchange rate. The faster salary growth also suggests that the upside risk for industrial production will materialize (we have revised our forecast upward to 12.8% y/y).

BRE Bank S.A.

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Corporate Action Calendar

Thursday /20.01.11/	
FAMUR	EGM re: changes in Articles.
NFI EM&F	Dividend payment, PLN 0.19/share.
ZA PUŁAWY	Dividend record date (PLN 1.00 / share).
Tuesday /25.01.11/	
ZUE	EGM re: Supervisory Board compensation.
Wednesday /26.01.11/	
PKN ORLEN	Preliminary Q4 2010 earnings announcement.

Economic Calendar

Thursday /20.01.11/					
Time	Region	Report	Period	Forecast	Previous
0:50	Japan	Foreigners buying Japan bonds	One week		-329.9bn
0:50	Japan	Foreigners buying Japan stocks	One week		265.6bn
0:50	Japan	Japan buying foreign bonds	One week		557,4 mld
0:50	Japan	Japan buying foreign stocks	One week		30.6bn
3:00	China	CPI	December	4.6% y/y	5.1% y/y
3:00	China	GDP	4Q	9.4% y/y	9.6% y/y
3:00	China	Industrial production	December	13.5% y/y	13.3% y/y
3:00	China	PPI	December	5.6% y/y	6.1% y/y
3:00	China	Retail sales	December	18.4% y/y	18.7% y/y
8:00	Germany	PPI	December	0.5% m/m; 5.1% y/y	0.2% m/m; 4.4% y/y
12:00	UK	CBI Industrial Trends	January	-1	-3
14:00	Poland	Core PPI	December	0.1% m/m; 1.4% y/y	0% m/m; 1.2% y/y
14:00	Poland	Industrial production	December	3.5% m/m; 11.6% y/y	-1,3% m/m; 10.1% y/y
14:00	Poland	Manufacturing output	December		-1,8% m/m; 11.9% y/y
14:00	Poland	PPI	December	0.7% m/m; 5.1% y/y	0,3% m/m; 4.6% y/y
14:30	USA	Continuing jobless claims	Week		3,879,000
14:30	USA	Initial claims	Week	423,000	445,000.
16:00	USA	Philadelphia Fed index	January	21.1	24.3
16:00	USA	Existing home sales	December	4.9m	4.68m
16:00	USA	Leading indicators index	December	0.7%	1.1%
16:30	USA	Natural gas inventories	Week		2959bn
17:00	USA	Crude inventories	Week		333.1m
	Japan	Leading indicators	November		101.0%
Friday /21.01.11/					
Time	Region	Report	Period	Forecast	Previous
5:30	Japan	Industry Activity Index	November	0.2% m/m	-0.2% m/m
10:00	Germany	IFO business confidence survey	January	110	109.9
10:30	UK	Retail sales	December	-0.1% m/m; 1.4% y/y	0.3% m/m; 1.1% y/y
10:30	UK	Retail sales ex-autos	December	-0.3% m/m; 1.8% y/y	0.3% m/m; 1.8% y/y
11:00	EU	Capital account balance	Q3		1.9bn
11:00	EU	Current account balance	Q3		-23.1bn
11:00	EU	Financial account balance	Q3		46.5bn
Monday /24.01.11/					
Time	Region	Report	Period	Forecast	Previous
8:45	France	Business confidence index	January		103
11:00	EU	Industrial new orders	November		1.4% m/m; 14.8% y/y
Tuesday /25.01.11/					
Time	Region	Report	Period	Forecast	Previous
8:45	France	Consumer spending	December		2.8% m/m; 1.5% y/y
10:30	UK	GDP	4Q		0.7% q/q; 2.7% y/y
15:00	USA	S&P/Case-Shiller Composite 20	November		-0.8% y/y
16:00	USA	Consumer confidence index	January		52.5
16:00	USA	Richmond Fed index	January		25%
16:00	USA	House price index	November		0.7% m/m
Wednesday /26.01.11/					
Time	Region	Report	Period	Forecast	Previous
16:00	USA	New home sales	December		290,000
20:15	USA	Interest rate			0%

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	214.00	2.3%	16.8	14.8		
GETIN	Accumulate	2011-01-17	11.75	12.70	12.20	4.1%	22.5	13.5		
HANDLOWY	Hold	2011-01-18	93.00	94.00	94.20	-0.2%	16.5	13.6		
ING BSK	Hold	2011-01-18	840.50	850.00	850.00	0.0%	14.4	12.3		
KREDYT BANK	Accumulate	2011-01-18	15.44	17.40	15.50	12.3%	24.2	12.7		
MILLENNIUM	Hold	2011-01-18	4.90	4.80	4.95	-3.0%	19.8	13.6		
PEKAO	Reduce	2011-01-18	170.00	155.00	174.00	-10.9%	17.6	14.8		
PKO BP	Buy	2011-01-18	41.30	48.00	42.90	11.9%	16.8	12.8		
Insurance										
PZU	Accumulate	2010-12-13	360.50	390.00	350.00	11.4%	13.4	12.1		
Fuels, chemicals										
CIECH	Buy	2010-08-23	28.27	34.50	33.00	4.5%	68.9	10.0	6.9	5.0
LOTOS	Sell	2011-01-18	38.49	28.40	39.56	-28.2%	6.8	10.2	10.1	6.2
PGNiG	Buy	2010-12-03	3.61	4.40	3.58	22.9%	11.0	12.2	6.2	6.1
PKN ORLEN	Reduce	2010-12-03	46.49	40.70	47.81	-14.9%	9.6	10.7	6.3	6.8
POLICE	Sell	2010-12-03	6.95	5.50	10.90	-49.5%	-	31.6	16.7	9.4
ZA PULAWY	Accumulate	2011-01-14	98.00	106.10	109.00	-2.7%	15.9	11.0	8.7	6.3
Power Utilities										
CEZ	Hold	2010-11-29	124.50	129.50	138.50	-6.5%	9.5	10.2	7.1	7.4
ENEA	Reduce	2010-12-03	23.50	21.43	22.50	-4.8%	15.2	14.7	5.6	6.2
PGE	Buy	2010-09-13	23.78	26.73	23.10	15.7%	13.8	11.4	6.4	5.9
TAURON	Buy	2010-09-13	5.56	8.87	6.40	38.6%	12.4	12.2	4.6	4.6
Telecommunications										
NETIA	Hold	2011-01-18	5.15	5.40	5.15	4.9%	26.7	18.3	4.8	4.2
TPSA	Accumulate	2010-12-01	16.17	17.60	16.00	10.0%	128.4	16.7	5.5	4.5
Media										
AGORA	Accumulate	2011-01-03	26.10	28.90	25.04	15.4%	18.9	18.7	7.4	6.2
CINEMA CITY	Hold	2011-01-18	42.35	42.90	41.91	2.4%	19.3	15.8	10.2	8.8
CYFROWY POLSAT	Hold	2010-12-17	17.30	15.30	16.20	-5.6%	15.9	15.2	10.4	9.5
TVN	Hold	2010-11-29	16.50	16.50	17.43	-5.3%	22.9	19.4	12.9	10.8
IT										
AB	Accumulate	2011-01-18	25.42	27.60	25.90	6.6%	11.4	8.2	8.2	6.8
ACTION	Accumulate	2011-01-18	16.65	18.16	16.80	8.1%	11.9	9.0	8.5	6.6
ASBIS	Accumulate	2011-01-18	3.80	4.32	3.75	15.2%	22.0	9.2	6.8	5.7
ASSECO POLAND	Buy	2010-08-31	55.00	65.30	55.10	18.5%	10.6	11.2	6.9	6.3
COMARCH	Hold	2011-01-18	88.95	88.00	90.30	-2.5%	20.8	16.7	11.5	7.2
KOMPUTRONIK	Accumulate	2011-01-18	9.03	10.12	8.77	15.4%	23.1	12.4	8.3	5.9
SYGNITY	Buy	2011-01-18	17.56	18.30	16.99	7.7%	-	94.8	-	5.9
Mining & Metals										
KGHM	Sell	2011-01-18	176.80	145.00	181.50	-20.1%	7.9	6.7	5.5	4.5
LW BOGDANKA	Buy	2010-11-09	105.90	125.90	112.70	11.7%	17.9	14.9	9.3	7.0
Manufacturers										
ASTARTA	Sell	2011-01-18	101.00	63.6	101.40	-37.3%	7.0	10.3	1.5	1.4
CENTRUM KLIMA	Hold	2011-01-18	16.00	16.9	16.36	3.3%	17.6	13.7	14.6	8.5
CERSANIT	Reduce	2011-01-18	11.30	10.4	11.15	-6.7%	17.9	18.3	11.7	9.7
FAMUR	Sell	2011-01-18	2.85	2.3	3.09	-25.6%	17.9	19.8	10.7	9.5
IMPEXMETAL	Buy	2010-11-18	4.10	5.1	4.37	16.7%	12.3	10.8	7.7	6.9
KERNEL	Hold	2011-01-18	78.80	79.1	79.00	0.1%	11.6	9.4	8.1	6.9
KĘTY	Hold	2011-01-18	126.50	125.50	124.10	1.1%	12.7	11.8	6.8	6.1
KOPEX	Reduce	2011-01-18	17.40	15.9	17.75	-10.4%	49.2	16.0	10.8	7.8
MONDI	Hold	2011-01-18	77.80	80.00	77.50	3.2%	18.1	11.5	9.9	7.7
Construction										
BUDIMEX	Reduce	2011-01-17	103.20	91.50	101.00	-9.4%	10.7	12.6	5.6	8.6
ELEKTROBUDOWA	Hold	2010-12-03	161.00	165.70	167.50	-1.1%	16.2	14.6	10.7	9.6
ERBUD	Hold	2011-01-19	54.55	55.00	54.10	1.7%	19.9	13.1	11.5	8.2
MOSTOSTAL WAR.	Accumulate	2010-12-03	60.50	66.10	54.00	22.4%	13.6	14.3	6.8	6.8
PBG	Reduce	2010-11-05	226.00	194.00	206.90	-6.2%	13.8	13.4	9.7	9.5
POLIMEX MOSTOSTAL	Accumulate	2011-01-18	3.86	4.20	3.81	10.2%	16.0	13.9	8.4	7.8
RAFAKO	Accumulate	2010-09-03	12.80	13.70	12.76	7.4%	17.3	14.7	9.4	7.4
TRAKCJA POLSKA	Hold	2010-05-06	4.14	4.16	3.95	5.3%	22.2	13.3	9.8	6.6
ULMA CP	Hold	2010-11-05	83.80	85.90	83.00	3.5%	40.9	13.1	5.6	4.4
UNIBEP	Hold	2010-12-03	9.94	9.30	9.95	-6.5%	15.0	16.9	11.2	12.2
ZUE	Buy	2010-11-24	14.50	19.30	14.00	37.9%	17.9	10.6	7.4	5.6
Property Developers										
BBI DEVELOPMENT	Buy	2010-11-10	0.45	0.55	0.47	17.0%	11.0	10.6	13.4	11.6
DOM DEVELOPMENT	Buy	2011-01-07	41.49	54.40	47.40	14.8%	26.1	14.1	17.8	13.0
GTC	Hold	2010-11-05	23.10	23.90	22.00	8.6%	6.8	7.1	9.2	8.5
J.W.C.	Accumulate	2011-01-18	14.50	16.30	14.05	16.0%	8.0	7.9	7.5	7.2
PA NOVA	Buy	2011-01-07	30.89	40.40	32.00	26.3%	16.4	15.2	13.6	15.4
POLNORD	Buy	2011-01-07	32.20	43.50	32.99	31.9%	15.1	12.4	39.6	15.7
ROBYG	Buy	2011-01-07	1.86	2.59	1.89	37.0%	15.7	13.6	16.3	16.0
Retail/Wholesale										
EMPERIA	Suspended	2010-10-05	99.50	-	99.20	-	-	-	-	-
EUROCASH	Accumulate	2011-01-17	33.70	37.40	33.00	13.3%	34.3	24.1	19.6	13.0
LPP	Accumulate	2010-12-03	2 140	2 300	2 100.00	9.5%	23.8	16.9	12.6	9.6
NG2	Hold	2010-12-03	62.50	62.70	63.00	-0.5%	19.1	16.6	15.4	11.7
VISTULA	Reduce	2010-12-14	2.21	2.10	2.32	-9.5%	42.7	25.0	10.8	9.8

CEE bank valuations /19.01.2011/

	Price	P/E			ROE			P/BV			D/Y		
		2010	2011	2012	2010	2011	2012	2010	2011	2012	2010	2011	2012
POLISH BANKS													
BZ WBK	214.0	16.8	14.8	11.5	15%	15%	17%	2.4	2.1	1.9	1.9%	2.1%	2.7%
Getin	12.2	22.5	13.5	10.4	10%	14%	16%	2.1	1.8	1.5	0.0%	0.0%	0.0%
Handlowy	94.2	16.5	13.6	11.6	12%	13%	15%	1.9	1.8	1.7	4.0%	4.2%	5.1%
ING BSK	850.0	14.4	12.3	11.2	14%	15%	15%	1.9	1.7	1.6	0.0%	2.8%	3.6%
Kredyt Bank	15.5	24.2	12.7	9.6	6%	11%	13%	1.5	1.3	1.2	0.0%	0.0%	0.0%
Millenium	5.0	19.8	13.6	10.3	9%	10%	12%	1.5	1.3	1.2	0.0%	0.0%	2.2%
Pekao	174.0	17.6	14.8	13.2	13%	15%	16%	2.2	2.2	2.1	1.7%	5.1%	5.7%
PKO BP	42.9	16.8	12.8	10.9	15%	18%	19%	2.5	2.2	2.0	4.4%	2.4%	3.9%
Median		17.2	13.5	11.0	13%	14%	15%	2.0	1.8	1.6	0.8%	2.2%	3.2%
INVESTORS IN POLISH BANKS													
AIB	0.3	-	-	7.0	-	-	3%	0.2	0.3	0.4	0.0%	0.0%	0.4%
BCP	0.6	10.8	9.4	7.1	4%	5%	6%	0.5	0.5	0.5	3.7%	3.9%	5.2%
Citigroup	4.8	12.2	10.4	8.9	8%	8%	9%	0.8	0.8	0.7	0.0%	0.2%	1.4%
Commerzbank	5.7	6.3	10.9	4.6	9%	7%	12%	0.7	0.6	0.6	0.0%	0.2%	1.4%
ING	7.7	8.1	5.7	5.1	10%	12%	12%	0.7	0.7	0.6	0.1%	1.5%	3.9%
KBC	27.7	5.6	5.6	4.7	15%	15%	15%	0.8	0.8	0.7	3.2%	3.6%	4.5%
UCI	1.8	19.2	9.7	6.9	3%	5%	7%	0.5	0.5	0.5	1.9%	3.8%	5.2%
Median		9.4	9.6	6.9	8%	8%	9%	0.7	0.6	0.6	0.1%	1.5%	3.9%
FOREIGN BANKS													
BEP	4.3	11.9	10.5	7.9	6%	6%	8%	0.7	0.7	0.7	5.2%	4.9%	6.4%
Deutsche Bank	43.3	10.7	7.4	6.6	7%	11%	12%	0.8	0.8	0.7	1.8%	2.4%	3.0%
Erste Bank	36.5	15.5	11.0	8.4	8%	10%	12%	1.1	1.1	1.0	1.7%	2.0%	2.4%
Komerčni B.	4390.0	13.2	12.1	11.0	18%	18%	19%	2.3	2.1	2.0	4.6%	5.2%	5.6%
OTP	5650.0	12.1	9.1	6.7	10%	12%	15%	1.2	1.1	1.0	2.4%	3.4%	4.9%
Santander	8.7	8.8	7.6	6.5	12%	13%	14%	1.0	0.9	0.9	6.6%	6.9%	7.7%
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.	12.5	8.1	8.0	7.5	28%	25%	23%	2.2	1.9	1.6	2.7%	3.4%	3.8%
Sberbank	3.6	16.2	9.4	8.1	17%	24%	23%	2.6	2.0	1.7	0.6%	1.4%	1.7%
VTB Bank	7.4	21.5	15.4	12.2	10.1%	12.0%	13.4%	2.1	1.8	1.6	0.5%	0.9%	1.3%
Median		12.0	9.3	8.0	11%	13%	15%	1.6	1.4	1.2	2.2%	3.0%	3.4%

Insurance company valuations /19.01.2011/

	Price	P/E			ROE			P/BV			D/Y		
		2010	2011	2012	2010	2011	2012	2010	2011	2012	2010	2011	2012
POLISH COMPANIES													
PZU	350.0	13.4	12.1	11.1	19%	19%	19%	2.4	2.2	2.0	45.3%	3.4%	4.9%
FOREIGN COMPANIES													
Vienna Insurance G.	38.9	12.8	11.3	10.1	9%	10%	10%	1.2	1.1	1.0	2.7%	2.9%	3.2%
Uniqi	14.8	24.2	18.0	17.0	7%	8%	8%	1.4	1.3	1.3	1.9%	2.1%	2.5%
Aegon	5.3	7.2	7.8	6.5	10%	7%	8%	0.5	0.5	0.5	0.0%	2.2%	4.4%
Allianz	96.0	8.6	8.0	7.5	12%	12%	12%	1.0	0.9	0.8	4.8%	5.2%	5.6%
Aviva	4.3	7.3	7.1	6.4	16%	14%	15%	1.1	1.0	1.0	6.0%	6.4%	6.8%
AXA	14.3	9.2	7.2	6.6	8%	9%	9%	0.7	0.7	0.6	4.7%	5.5%	6.0%
Baloise	92.9	9.7	8.8	7.9	11%	11%	11%	1.0	0.9	0.9	5.0%	5.2%	5.4%
Generali	90.9	12.9	12.0	10.2	9%	9%	10%	1.2	1.1	1.0	2.9%	3.0%	3.2%
Helvetia	375.5	9.5	8.5	7.8	11%	12%	12%	1.0	0.9	0.8	4.2%	4.5%	5.6%
Mapfre	2.3	7.6	7.3	7.0	14%	14%	14%	1.0	1.0	0.9	6.5%	6.8%	7.0%
RSA Insurance	1.3	9.8	9.1	8.7	15%	16%	16%	1.3	1.2	1.1	6.5%	6.8%	7.2%
Zurich Financial	252.2	9.9	8.4	8.0	12%	14%	13%	1.2	1.1	1.0	6.6%	6.9%	7.1%
Median		9.6	8.5	7.8	11%	12%	12%	1.1	1.0	0.9	4.8%	5.2%	5.6%

Fuels producer valuations /19.01.2011/

	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
OIL COMPANIES																
Lotos	39.6	10.1	6.2	5.0	0.6	0.4	0.4	6.8	10.2	5.5	6%	7%	8%	0.0%	0.0%	0.0%
PKN Orlen	47.8	6.3	6.8	5.9	0.4	0.4	0.3	9.6	10.7	9.4	6%	6%	6%	0.0%	2.2%	2.0%
MOL	22500.0	6.8	6.0	5.3	0.9	0.8	0.8	12.4	9.8	8.2	14%	14%	15%	2.1%	2.9%	3.8%
OMV	32.4	3.7	3.4	3.2	0.7	0.6	0.6	8.5	7.1	6.5	18%	18%	17%	3.1%	3.4%	3.7%
Hellenic Petroleum	6.4	8.5	7.8	6.0	0.5	0.5	0.4	11.0	9.0	6.1	6%	6%	7%	5.7%	5.9%	7.3%
Tupras	43.5	8.1	7.4	6.7	0.4	0.3	0.3	12.4	11.3	10.5	5%	5%	5%	6.5%	6.9%	7.0%
Unipetrol	192.0	6.5	5.8	5.4	0.4	0.4	0.4	24.2	16.8	14.0	7%	7%	7%	1.3%	2.2%	3.6%
Median		6.8	6.2	5.4	0.5	0.4	0.4	11.0	10.2	8.2	6%	7%	7%	2.1%	2.9%	3.7%
GAS COMPANIES																
PGNiG	3.6	6.2	6.1	4.6	1.1	1.1	1.0	11.0	12.2	10.1	17%	18%	21%	2.2%	3.6%	3.3%
Gazprom	198.5	4.4	4.1	3.7	1.7	1.6	1.4	5.3	5.0	4.6	39%	38%	39%	1.6%	1.9%	2.1%
GDF Suez	29.2	7.1	6.3	5.9	1.3	1.2	1.1	14.9	13.2	12.2	18%	19%	19%	5.2%	5.5%	5.9%
Gas Natural SDG	11.8	6.8	6.9	6.5	1.8	1.7	1.6	9.7	9.6	8.5	26%	25%	25%	6.7%	7.3%	7.9%
Median		6.5	6.2	5.3	1.5	1.4	1.3	10.4	10.9	9.3	22%	22%	23%	3.7%	4.6%	4.6%

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

Power Utilities company valuations /19.01.2011/

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	
ENERGY COMPANIES																
CEZ	138.5	7.1	7.4	7.0	3.2	3.2	3.1	9.5	10.2	9.3	44%	43%	43%	6.1%	5.9%	5.4%
ENEA	22.5	5.6	6.2	6.4	1.0	1.1	1.2	15.2	14.7	13.0	18%	18%	19%	1.7%	3.3%	2.7%
PGE	23.1	6.4	5.9	5.9	2.1	2.1	2.2	13.8	11.4	10.3	33%	36%	37%	3.0%	3.6%	4.4%
TAURON	6.4	4.6	4.6	4.5	0.9	0.9	0.9	12.4	12.2	10.5	19%	19%	20%	0.0%	2.4%	2.5%
E.ON	24.3	6.2	6.9	6.5	1.0	1.0	1.0	9.1	11.2	10.5	16%	14%	15%	6.1%	5.3%	5.4%
EDF	32.3	6.2	6.2	5.7	1.6	1.6	1.5	16.1	15.6	13.2	25%	25%	26%	3.6%	3.7%	4.1%
Endesa	20.0	5.6	5.7	5.5	1.5	1.5	1.4	8.3	9.7	9.1	27%	26%	26%	5.6%	5.4%	5.9%
ENEL SpA	4.0	5.8	5.7	5.5	1.4	1.4	1.4	8.8	8.7	8.2	25%	24%	25%	6.8%	7.0%	7.4%
Fortum	22.8	10.7	10.6	10.1	4.5	4.3	4.1	14.1	14.4	13.8	42%	41%	41%	4.4%	4.4%	4.5%
Iberdrola	6.2	8.7	8.3	7.7	2.4	2.3	2.2	12.1	11.8	10.8	28%	28%	28%	5.2%	5.4%	5.8%
RWE AG	53.3	4.8	5.2	4.9	0.9	0.9	0.9	7.7	9.3	8.9	19%	17%	17%	6.6%	5.8%	5.8%
Median		6.2	6.2	5.9	1.5	1.5	1.4	12.1	11.4	10.5	25%	25%	26%	5.2%	5.3%	5.4%

Fertilizer producers and chemical company valuations /19.01.2011/

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	
FERTILIZER PRODUCERS																
POLICE	10.9	16.7	9.4	9.0	0.6	0.5	0.5	-	31.6	26.1	4%	6%	6%	0.0%	0.0%	0.0%
ZA Pulawy	109.0	8.7	6.3	6.0	0.8	0.8	0.7	15.9	11.0	10.8	10%	12%	12%	0.9%	3.1%	4.5%
Acron	45.0	8.7	7.3	7.3	2.0	1.7	1.6	12.8	10.5	9.9	22%	23%	22%	1.4%	1.7%	1.2%
Agrium	67.8	8.6	6.3	6.3	1.2	1.0	1.0	13.9	9.9	9.7	14%	16%	15%	0.2%	0.2%	0.2%
DSM	43.2	3.9	4.0	4.0	1.6	1.6	1.6	37.6	35.2	33.5	41%	41%	40%	1.9%	2.0%	2.1%
K+S	55.8	12.3	9.2	8.4	2.3	2.2	2.0	26.0	16.4	14.2	19%	23%	24%	1.6%	2.6%	2.9%
Silvinit	28657.1	10.5	8.4	7.8	6.2	5.2	4.7	17.6	13.4	12.0	59%	61%	61%	0.9%	1.2%	1.3%
Uralkali	7.9	19.9	15.3	12.4	9.7	8.3	7.0	27.9	21.4	22.2	49%	54%	56%	1.3%	2.4%	-
Yara	336.2	9.2	8.2	8.7	1.6	1.4	1.4	15.7	11.8	12.3	18%	18%	16%	1.8%	2.0%	2.1%
Median		9.2	8.2	7.8	1.6	1.6	1.6	16.8	13.4	12.3	19%	23%	22%	1.3%	2.0%	1.7%
CHEMICAL COMPANIES																
Ciech	33.0	6.9	5.0	4.9	0.6	0.6	0.6	68.9	10.0	11.9	9%	11%	11%	0.0%	0.0%	0.0%
Akzo Nobel	46.0	6.4	5.9	5.6	0.9	0.8	0.8	14.1	12.3	11.0	14%	14%	14%	3.1%	3.4%	3.7%
BASF	56.0	5.9	5.6	5.2	1.0	1.0	0.9	10.9	10.4	9.5	18%	18%	18%	3.7%	4.0%	4.3%
Croda	15.8	10.6	9.8	9.1	2.4	2.3	2.2	17.3	15.6	14.4	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	23.5	4.3	4.0	4.0	0.7	0.7	0.6	8.9	7.6	7.2	17%	16%	16%	1.6%	2.2%	2.4%
Sisecam	3.4	6.2	5.6	5.2	1.4	1.3	1.2	11.9	10.6	9.6	23%	23%	23%	0.5%	1.6%	2.7%
Soda Sanayi	2.5	7.0	6.7	5.2	1.2	1.1	0.9	9.6	8.3	7.1	17%	17%	17%	3.9%	5.2%	2.9%
Solvay	79.0	4.5	4.5	4.2	0.7	0.7	0.6	24.7	21.7	18.7	14%	15%	15%	3.8%	3.9%	4.0%
Tata Chemicals	379.4	8.2	7.5	6.7	1.6	1.4	1.3	13.5	12.8	10.4	19%	18%	19%	2.2%	2.5%	2.6%
Tessenderlo Chemie	26.7	5.7	4.7	4.1	0.4	0.4	0.4	34.7	14.1	10.2	7%	8%	9%	4.6%	4.6%	4.7%
Wacker Chemie	130.5	5.8	5.3	4.7	1.5	1.4	1.3	13.1	11.4	10.0	25%	26%	27%	1.6%	2.0%	2.2%
Median		6.3	5.6	5.2	1.1	1.0	0.9	13.8	11.9	10.3	17%	17%	17%	2.2%	2.5%	2.7%

European national operator valuations /19.01.2011/

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																
Netia	5.2	4.8	4.2	3.8	1.1	1.0	0.9	26.7	18.3	14.4	23%	24%	24%	0.0%	3.8%	5.5%
TPSA	16.0	5.5	4.5	4.4	1.7	1.7	1.7	-	16.7	15.3	30%	37%	38%	9.4%	9.4%	9.4%
Median		5.1	4.4	4.1	1.4	1.3	1.3	26.7	17.5	14.9	27%	31%	31%	4.7%	6.6%	7.4%
MID CAPS																
Belgacom	25.7	4.8	5.3	5.4	1.5	1.6	1.6	9.4	10.5	10.5	32%	30%	29%	8.5%	8.6%	8.7%
Cesky Telecom	408.0	5.4	5.6	5.7	2.3	2.3	2.4	12.2	12.8	12.2	43%	42%	41%	9.6%	9.0%	8.9%
Hellenic Telekom	7.2	4.5	4.6	4.5	1.5	1.6	1.6	11.9	10.4	9.1	34%	34%	35%	3.8%	4.5%	5.7%
Matav	547.0	4.3	4.5	4.5	1.6	1.6	1.6	10.1	10.5	10.0	37%	36%	36%	11.7%	10.4%	11.1%
Portugal Telecom	8.3	4.9	4.3	4.0	1.9	1.6	1.5	16.9	11.1	9.8	38%	38%	38%	7.4%	7.8%	7.9%
Telecom Austria	10.2	4.8	4.9	4.9	1.7	1.7	1.7	14.9	14.2	12.1	35%	35%	35%	7.4%	7.4%	7.4%
Median		4.8	4.7	4.7	1.6	1.6	1.6	12.0	10.8	10.3	36%	36%	36%	8%	8%	8%
BIG CAPS																
BT	1.8	4.4	4.2	4.1	1.1	1.2	1.2	12.5	9.6	9.0	26%	28%	29%	3.8%	4.2%	4.6%
DT	9.6	4.7	4.8	4.7	1.5	1.5	1.5	12.2	12.1	11.5	31%	32%	32%	7.5%	7.5%	7.5%
FT	15.7	4.8	4.8	4.9	1.7	1.7	1.7	8.3	8.8	8.7	35%	34%	34%	9.0%	9.1%	9.0%
KPN	11.2	5.3	5.4	5.4	2.2	2.2	2.2	9.7	9.1	8.7	41%	41%	40%	7.2%	7.7%	8.0%
Swisscom	414.4	6.5	6.5	6.5	2.5	2.5	2.5	11.4	10.9	10.7	39%	39%	39%	5.4%	5.9%	6.2%
TELEFONICA	17.9	5.5	5.7	5.6	2.3	2.1	2.1	9.1	9.4	8.9	41%	38%	38%	7.8%	8.7%	9.7%
TeliaSonera	52.7	7.7	7.6	7.4	2.7	2.7	2.6	11.3	10.8	10.4	35%	35%	35%	4.8%	5.2%	5.5%
TI	1.0	4.8	4.7	4.6	2.0	2.0	1.9	8.6	8.4	8.0	42%	42%	42%	5.3%	5.8%	6.2%
Median		5.1	5.1	5.1	2.1	2.1	2.0	10.5	9.5	9.0	37%	36%	37%	6.3%	6.7%	6.8%

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

IT company valuations /19.01.2011/

	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																
AB	25.9	8.2	6.8	7.0	0.2	0.2	0.1	11.4	8.2	9.4	2%	2%	2%	0.0%	0.0%	0.0%
ACTION	16.8	8.5	6.6	5.8	0.2	0.2	0.1	11.9	9.0	7.8	2%	2%	2%	4.8%	3.4%	4.5%
ASBIS	3.8	6.8	5.7	4.3	0.1	0.1	0.1	22.0	9.2	5.7	1%	1%	2%	0.0%	0.0%	0.0%
ASSECO POLAND	55.1	6.9	6.3	5.7	1.4	1.2	1.1	10.6	11.2	10.4	20%	20%	19%	2.8%	2.7%	2.9%
COMARCH	90.3	11.5	7.2	6.1	0.9	0.8	0.7	20.8	16.7	14.2	8%	11%	11%	0.0%	0.0%	2.1%
KOMPUTRONIK	8.8	8.3	5.9	4.7	0.1	0.1	0.1	23.1	12.4	8.2	2%	2%	2%	0.0%	0.0%	1.6%
SYGNITY	17.0	-	5.9	4.9	0.4	0.4	0.3	-	-	-	-	7%	6%	0.0%	0.0%	2.1%
Median		8.2	6.3	5.7	0.2	0.2	0.1	16.3	10.2	9.4	2%	2%	2%	0.0%	0.0%	2.1%
FOREIGN COMPANIES																
Accenture	50.2	9.2	8.5	8.1	1.5	1.3	1.2	19.1	16.8	15.1	16%	16%	15%	2.0%	1.7%	2.0%
Atos Origin	39.9	5.7	4.9	4.1	0.6	0.5	0.5	14.7	12.3	10.6	10%	11%	11%	0.4%	0.8%	0.9%
CapGemini	36.9	6.6	5.6	5.0	0.6	0.5	0.5	18.3	14.6	12.6	8%	9%	10%	2.5%	2.8%	3.0%
IBM	155.7	8.9	8.2	7.6	2.1	2.0	1.9	13.6	12.3	11.2	24%	25%	26%	1.6%	1.6%	1.7%
Indra Sistemas	13.5	7.6	7.3	6.9	1.0	0.9	0.9	11.1	10.8	10.1	13%	13%	13%	4.8%	5.0%	5.4%
LogicaCMG	1.4	7.4	7.0	6.5	0.7	0.6	0.6	11.3	10.5	9.5	9%	9%	10%	2.9%	3.4%	3.9%
Microsoft	28.5	7.8	6.7	6.4	3.3	3.0	2.8	13.8	11.6	10.5	42%	44%	43%	1.9%	2.2%	2.2%
Oracle	31.6	12.5	10.0	9.2	5.8	4.5	4.2	19.6	15.7	14.2	47%	46%	46%	0.6%	0.7%	0.7%
SAP	40.5	13.0	11.0	10.1	4.2	3.7	3.4	19.2	16.3	14.7	32%	34%	34%	1.4%	1.7%	1.8%
TietoEnator	15.3	6.9	5.9	5.4	0.7	0.7	0.7	13.9	11.6	10.5	10%	11%	12%	3.4%	4.0%	4.8%
Median		7.7	7.1	6.7	1.2	1.1	1.1	14.3	12.3	10.9	14%	14%	14%	1.9%	1.9%	2.1%

Media company valuations /19.01.2011/

	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	25.0	7.4	6.2	5.3	1.1	0.9	0.8	18.9	18.7	14.9	15%	15%	15%	2.0%	2.6%	2.7%
CYFROWY POLSAT	16.2	10.4	9.5	8.7	2.9	2.8	2.6	15.9	15.2	15.0	28%	29%	30%	3.5%	4.1%	4.4%
TVN	17.4	12.9	10.8	8.5	3.3	2.9	2.5	22.9	19.4	12.9	25%	27%	30%	1.8%	1.3%	1.5%
DAILY																
Arnolgo Mondadori	2.7	7.2	6.3	6.1	0.7	0.7	0.7	12.2	9.7	9.0	9%	10%	11%	6.0%	7.5%	8.6%
Axel Springer	124.2	7.9	7.2	6.6	1.4	1.4	1.3	13.3	12.2	11.2	18%	19%	20%	3.7%	4.0%	4.3%
Daily Mail	5.8	8.3	7.9	7.7	1.6	1.5	1.5	12.2	11.1	10.4	19%	19%	19%	2.7%	2.9%	3.1%
Gruppo Editorial	1.8	5.7	5.0	4.7	1.0	1.0	1.0	13.4	10.7	9.4	17%	19%	20%	4.2%	5.8%	6.0%
Mcclatchy	5.3	6.2	6.4	-	1.7	1.7	-	8.6	11.2	9.7	28%	27%	-	0.0%	0.0%	0.0%
Naspers	398.0	24.1	20.3	17.2	5.8	5.1	4.5	28.4	22.0	17.1	24%	25%	26%	0.6%	0.8%	1.0%
New York Times	10.1	5.2	5.6	5.4	0.8	0.8	0.8	14.7	15.3	14.0	16%	15%	16%	0.0%	0.0%	0.0%
Promotora de Inform	1.9	7.1	6.5	6.2	1.4	1.5	1.4	4.3	4.8	4.2	20%	23%	23%	0.3%	0.1%	2.2%
SPIR Comm	35.9	9.8	7.6	6.3	0.4	0.4	0.4	-	-	28.6	4%	5%	6%	0.0%	0.0%	0.0%
Trinity Mirror	0.9	3.3	3.2	3.3	0.6	0.6	0.6	3.3	3.3	3.2	20%	20%	19%	1.6%	3.2%	4.4%
Mediana		7.1	6.5	6.2	1.2	1.2	1.0	12.2	11.1	10.0	18%	19%	19%	1.1%	1.8%	2.7%
TV																
Antena 3 Televis	7.6	11.0	9.4	8.3	2.2	2.1	2.0	14.4	12.3	10.8	20%	22%	24%	5.2%	6.4%	7.6%
CETV	363.9	21.0	12.6	9.6	3.2	2.8	2.5	-	-	30.1	15%	22%	26%	0.0%	0.0%	0.0%
Gestevision Telecinco	8.8	13.5	9.0	7.6	3.4	2.6	2.4	16.9	13.1	11.1	25%	28%	32%	4.4%	6.7%	8.2%
ITV PLC	0.8	7.8	7.1	6.5	1.6	1.6	1.5	14.6	12.9	11.2	21%	22%	23%	0.4%	1.5%	3.0%
M6-Metropole Tel	18.0	6.6	6.2	6.2	1.4	1.3	1.3	15.3	14.2	14.0	21%	21%	20%	5.2%	5.3%	5.3%
Mediaset SPA	4.5	4.7	4.3	4.0	1.6	1.5	1.4	12.5	11.0	9.7	35%	35%	35%	6.9%	7.6%	8.5%
RTL Group	74.0	9.2	8.5	8.2	2.0	1.9	1.8	17.7	15.6	14.8	22%	22%	22%	6.1%	6.4%	6.7%
TF1-TV Francaise	14.4	10.7	8.2	7.3	1.2	1.2	1.1	23.3	16.0	13.8	11%	14%	15%	3.2%	4.2%	5.0%
Mediana		10.0	8.3	7.5	1.8	1.7	1.7	15.3	13.1	12.5	21%	22%	24%	4.8%	5.8%	6.0%
PAY TV																
BSkyB PLC	7.5	12.3	10.3	9.1	2.5	2.3	2.2	24.5	18.9	15.5	20%	22%	24%	2.5%	2.8%	3.2%
Canal Plus	5.2	4.4	4.3	4.2	0.2	0.2	0.2	15.7	15.2	14.8	5%	5%	5%	5.4%	5.6%	5.6%
Cogeco	41.7	5.8	5.4	5.1	2.3	2.2	2.0	17.1	15.4	13.4	39%	40%	40%	1.3%	1.6%	2.1%
Comcast	23.1	6.2	5.8	5.6	2.4	2.3	2.2	18.4	15.7	13.5	39%	40%	40%	1.6%	1.8%	2.0%
Liberty Global	37.0	7.9	7.1	6.6	3.5	3.2	3.0	-	31.5	15.7	44%	45%	46%	0.0%	0.0%	0.0%
Multimedia	9.4	7.0	6.7	6.4	3.6	3.4	3.2	15.0	13.6	11.2	52%	51%	51%	0.0%	0.0%	0.0%
Shaw Communications	20.9	7.5	6.4	6.1	3.5	2.7	2.5	16.1	13.5	12.6	46%	43%	41%	4.2%	4.3%	4.5%
Mediana		7.0	6.4	6.1	2.5	2.3	2.2	16.6	15.4	13.5	39%	40%	40%	1.6%	1.8%	2.1%

Mining company valuations /19.01.2011/

	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																
KGHM	181.5	5.5	4.5	8.8	2.2	1.8	2.5	7.9	6.7	15.0	40%	41%	28%	1.7%	5.5%	5.5%
FOREIGN COMPANIES																
Anglo Amer.	32.2	4.7	3.8	3.5	1.8	1.6	1.5	7.9	6.1	5.3	39%	42%	43%	1.9%	3.1%	3.5%
BHP Billiton	24.7	5.8	3.9	3.5	2.7	2.1	2.0	10.0	6.7	5.9	48%	55%	56%	3.5%	3.8%	3.9%
Freeport-MCMOR	115.2	6.0	5.2	5.1	3.1	2.7	2.5	13.6	11.3	11.1	51%	52%	49%	1.1%	1.7%	1.8%
Rio Tinto	43.8	3.7	3.2	3.1	1.7	1.5	1.5	6.3	5.2	5.1	46%	48%	48%	2.2%	2.5%	2.8%
Southern Peru	46.7	13.8	8.6	7.5	7.8	5.4	4.8	25.0	14.3	12.6	57%	63%	64%	3.5%	4.5%	5.5%
Median		5.8	3.9	3.5	2.7	2.1	2.0	10.0	6.7	5.9	48%	52%	49%	2.2%	3.1%	3.5%

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

Construction company valuations /19.01.2011/

	Price	EV/EBITDA			EV/S			P/E		EBITDA margin			D/Y			
		2010	2011	2012	2010	2011	2012	2010	2011	2010	2011	2012	2010	2011	2012	
POLISH COMPANIES																
Budimex	101.0	5.6	8.6	9.4	0.4	0.5	0.6	10.7	12.6	12.9	7%	5%	6%	6.7%	6.6%	4.0%
Elektrobudowa	167.5	10.7	9.6	8.2	1.0	0.9	0.8	16.2	14.6	12.4	9%	9%	10%	2.0%	2.3%	2.6%
Erbud	54.1	11.5	8.2	7.0	0.6	0.4	0.4	19.9	13.1	11.1	5%	5%	6%	0.9%	1.0%	1.5%
Mostostal Warszawa	54.0	6.8	6.8	5.6	0.4	0.3	0.3	13.6	14.3	12.4	5%	5%	5%	2.6%	3.7%	3.5%
PBG	206.9	9.7	9.5	8.9	1.0	0.8	0.7	13.8	13.4	13.0	10%	8%	8%	1.5%	1.5%	2.3%
Polimex Mostostal	3.8	8.4	7.8	6.7	0.6	0.5	0.5	16.0	13.9	10.8	7%	6%	7%	1.1%	0.0%	0.0%
Rafako	12.8	9.4	7.4	6.2	0.6	0.4	0.3	17.3	14.7	13.4	7%	5%	5%	0.0%	0.0%	0.0%
Trakcja Polska	4.0	9.8	6.6	4.3	1.0	0.4	0.3	22.2	13.3	10.5	10%	7%	8%	0.0%	0.0%	0.0%
Ulma Construcccion	83.0	5.6	4.4	4.8	2.8	2.2	2.3	40.9	13.1	18.0	50%	50%	47%	0.0%	0.0%	0.0%
Unibep	10.0	11.2	12.2	6.5	0.5	0.5	0.4	15.0	16.9	8.9	5%	4%	6%	0.0%	0.6%	2.2%
Median		9.6	8.0	6.6	0.6	0.5	0.4	16.1	13.6	12.4	7%	6%	7%	1.0%	0.8%	1.9%
FOREIGN COMPANIES																
AMEC	12.0	12.0	10.6	9.4	1.1	1.0	0.9	20.8	18.1	15.6	9%	10%	10%	1.7%	1.8%	2.1%
BILFINGER	62.5	10.1	9.7	9.1	0.6	0.6	0.6	10.9	11.0	9.9	6%	6%	7%	3.9%	4.2%	4.5%
EIFFAGE	36.6	9.2	8.7	8.2	1.3	1.3	1.3	13.9	11.8	10.0	14%	15%	15%	3.3%	3.6%	4.0%
HOCHTIEF	63.2	5.2	4.6	4.3	0.3	0.3	0.3	19.8	16.6	13.6	6%	6%	7%	2.6%	3.0%	3.5%
NCC	154.0	7.9	7.5	6.7	0.4	0.3	0.3	13.6	12.9	11.2	5%	5%	5%	4.1%	4.5%	5.0%
SKANSKA	133.2	8.2	8.4	7.8	0.4	0.4	0.4	15.4	16.2	14.8	5%	5%	5%	4.3%	4.4%	4.6%
STRABAG	21.2	3.8	3.7	3.7	0.2	0.2	0.2	14.1	14.3	14.4	5%	5%	5%	2.4%	2.5%	2.7%
Median		8.2	8.4	7.8	0.4	0.4	0.4	14.1	14.3	13.6	6%	6%	7%	3.3%	3.6%	4.0%

Property Developers company valuations /19.01.2011/

	Price	EV/EBITDA			P/BV			P/E		EBITDA margin			D/Y			
		2010	2011	2012	2010	2011	2012	2010	2011	2010	2011	2012	2010	2011	2012	
POLISH COMPANIES																
BBI Development	0.5	13.4	11.6	12.7	1.0	0.9	0.8	11.0	10.6	7.8	33%	48%	30%	0.0%	0.0%	0.0%
Dom Development	47.4	17.8	13.0	6.8	1.5	1.4	1.3	26.1	14.1	9.0	13%	16%	17%	1.7%	1.0%	4.3%
GTC	22.0	9.2	8.5	8.5	1.1	0.9	0.8	6.8	7.1	6.8	142%	166%	154%	0.0%	0.0%	0.0%
J.W. Construction	14.1	7.5	7.2	10.2	1.5	1.2	1.1	8.0	7.9	10.3	26%	29%	39%	0.0%	0.0%	0.0%
Polnord	33.0	39.6	15.7	8.9	0.6	0.6	0.6	15.1	12.4	7.3	19%	26%	36%	2.6%	0.0%	0.0%
Median		13.4	11.6	8.9	1.1	0.9	0.8	11.0	10.6	7.8	26%	29%	36%	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	3.2	20.2	18.6	17.7	0.9	0.9	0.9	16.9	15.6	14.6	56%	58%	59%	4.2%	4.4%	4.3%
CORIO	47.5	21.0	18.7	16.7	1.1	1.0	1.0	16.5	15.8	14.7	82%	83%	83%	5.6%	5.7%	6.0%
DEUTSCHE EUROSHOP	27.3	20.5	18.2	17.4	1.1	1.1	1.1	20.7	17.7	17.6	88%	87%	87%	4.0%	4.1%	4.4%
ECHO INVESTMENT	4.7	13.2	9.4	7.8	1.1	1.0	0.9	12.1	8.7	7.4	69%	89%	85%	0.0%	0.0%	0.0%
HAMMERSON	4.4	20.8	20.8	20.2	1.1	0.9	0.9	19.6	20.8	17.2	80%	80%	79%	3.6%	3.7%	3.9%
KLEPIERRE	26.8	17.9	16.9	16.0	1.3	1.1	1.0	17.5	16.5	14.9	85%	86%	88%	4.7%	4.8%	4.9%
SPARKASSEN IMMO	5.2	20.5	18.3	16.4	0.7	0.7	0.7	30.8	13.5	8.8	47%	47%	49%	0.0%	4.5%	3.5%
UNIBAIL-RODAMCO	142.2	19.4	19.4	18.9	1.0	1.1	1.1	15.8	16.1	15.3	86%	84%	84%	8.3%	5.7%	5.8%
Median		20.5	18.6	17.4	1.1	1.0	0.9	17.2	16.1	14.7	80%	83%	83%	4.0%	4.4%	4.3%

Machinery manufacturer valuations /19.01.2011/

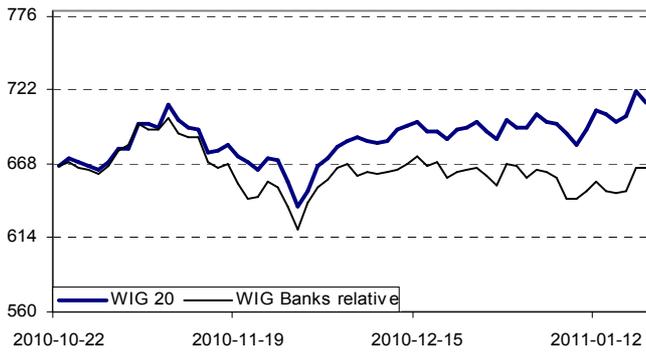
	Price	EV/EBITDA			EV/S			P/E		EBITDA margin			D/Y			
		2010	2011	2012	2010	2011	2012	2010	2011	2010	2011	2012	2010	2011	2012	
POLISH COMPANIES																
FAMUR	3.1	10.7	9.5	8.0	2.0	1.9	1.8	17.9	19.8	15.9	19%	20%	22%	0.0%	0.0%	3.3%
KOPEX	17.8	10.8	7.8	7.1	0.8	0.8	0.9	49.2	16.0	14.0	8%	10%	13%	0.0%	0.0%	3.6%
Median		10.7	8.7	7.6	1.4	1.4	1.3	33.6	17.9	15.0	13%	15%	18%	0.0%	0.0%	3.5%
FOREIGN COMPANIES																
Atlas Copco	157.6	12.4	10.8	9.8	2.9	2.6	2.4	19.5	16.5	14.8	23%	24%	25%	2.4%	2.7%	2.9%
Bucyrus	90.2	12.7	10.3	8.9	2.4	2.0	1.8	22.7	17.3	14.7	19%	19%	20%	0.1%	0.1%	0.1%
Emeco	1.1	5.4	4.5	4.1	2.2	2.0	1.9	16.5	11.6	9.3	41%	45%	45%	1.3%	3.5%	5.1%
Industrea	1.4	-	-	-	-	-	-	29.1	8.0	7.2	-	-	-	2.5%	3.2%	3.7%
Joy Global	90.9	12.6	10.4	9.0	2.7	2.3	2.0	21.7	17.9	15.4	21%	22%	23%	0.8%	0.8%	0.8%
Sandvik	124.6	11.4	9.4	8.3	2.1	1.9	1.8	22.5	16.5	13.9	19%	21%	22%	2.2%	2.9%	3.4%
Median		12.4	10.3	8.9	2.4	2.0	1.9	22.1	16.5	14.3	21%	22%	23%	1.8%	2.8%	3.2%

Paper manufacturer valuations /19.01.2011/

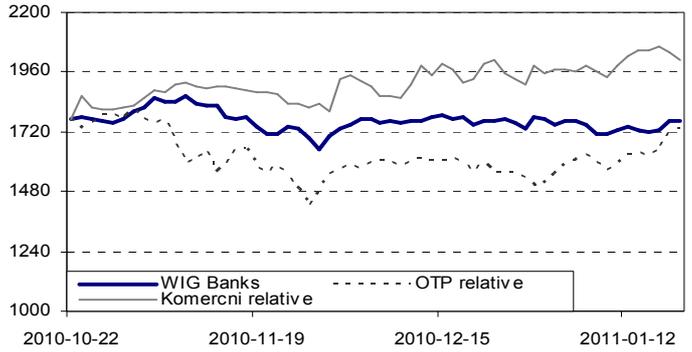
	Price	EV/EBITDA			EV/S			P/E		EBITDA margin			D/Y			
		2010	2011	2012	2010	2011	2012	2010	2011	2010	2011	2012	2010	2011	2012	
POLISH COMPANIES																
MONDI	77.5	9.9	7.7	7.5	2.0	1.7	1.7	18.1	11.5	10.9	20%	22%	23%	0.0%	5.5%	8.7%
FOREIGN COMPANIES																
Billerund	61.5	4.4	5.1	5.0	0.8	0.8	0.8	9.5	11.9	11.5	18%	15%	15%	4.0%	4.2%	4.2%
Holmen	235.0	10.2	7.9	7.6	1.5	1.4	1.3	27.5	15.9	15.2	15%	17%	17%	3.0%	3.4%	4.2%
INTL Paper	28.1	5.8	5.2	4.9	0.8	0.8	0.7	13.9	10.3	9.1	13%	15%	15%	1.4%	1.9%	2.6%
M-Real	2.9	5.7	5.3	5.1	0.7	0.6	0.6	14.0	9.7	8.2	12%	12%	12%	0.7%	1.2%	1.8%
Norske Skog	18.6	11.1	6.4	5.8	0.7	0.6	0.6	-	-	-	6%	10%	11%	0.0%	0.0%	0.0%
Portucel EMP.	2.4	6.5	6.1	6.0	1.8	1.7	1.6	10.7	9.8	9.6	27%	28%	27%	5.9%	4.8%	5.4%
Stora Enso	8.9	7.5	6.9	6.8	0.9	0.9	0.9	12.1	11.7	11.3	12%	13%	13%	2.6%	2.6%	2.8%
Svenska	111.7	7.4	6.5	6.2	1.1	1.0	1.0	12.8	10.7	10.0	15%	16%	16%	3.6%	3.9%	4.1%
UPM-Kymmene	13.8	7.3	6.5	6.4	1.2	1.1	1.1	14.6	12.9	11.9	16%	17%	17%	3.4%	3.7%	3.9%
Median		7.3	6.4	6.0	0.9	0.9	0.9	13.3	11.2	10.7	15%	15%	15%	3.0%	3.4%	3.9%

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

WIG Banks index vs. WIG 20 index (EUR)



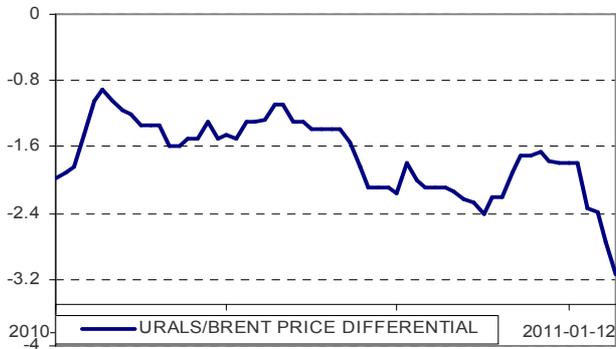
OTP and Komerčni's relative performance vs. WIG Banks index (EUR)



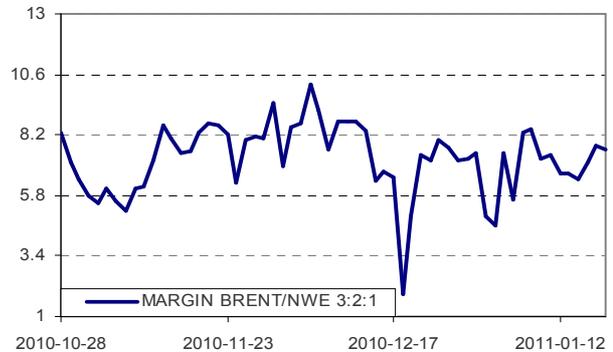
BRENT (USD/bbl)



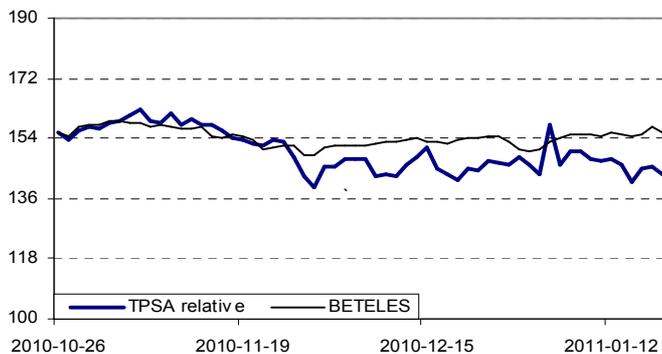
BRENT (USD/bbl)



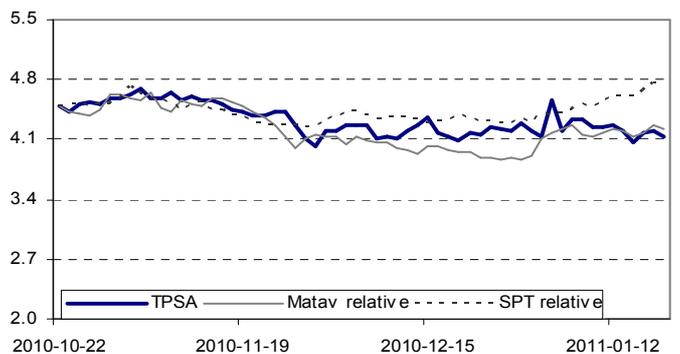
BRENT (USD/bbl)



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

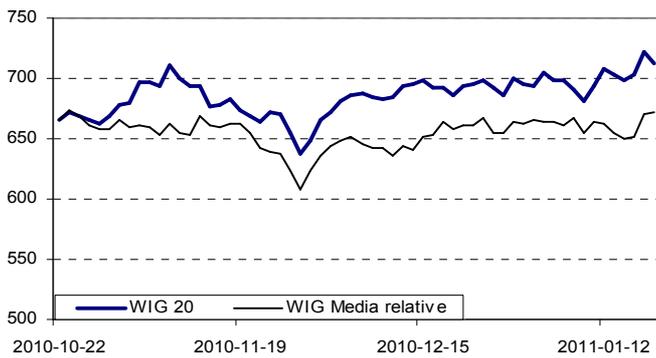


National operator quotations: TPSA, Hungarian Magyar Telecom and Czech SPT (EUR)

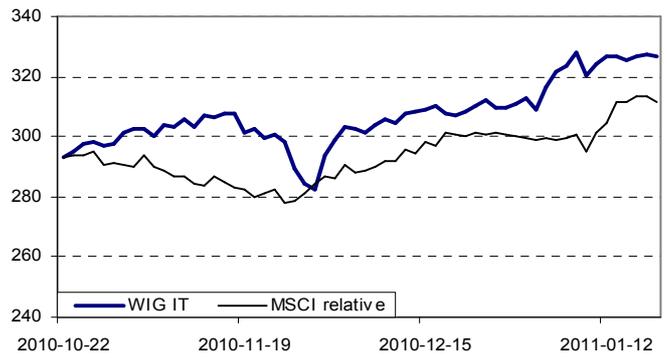


Source: Bloomberg

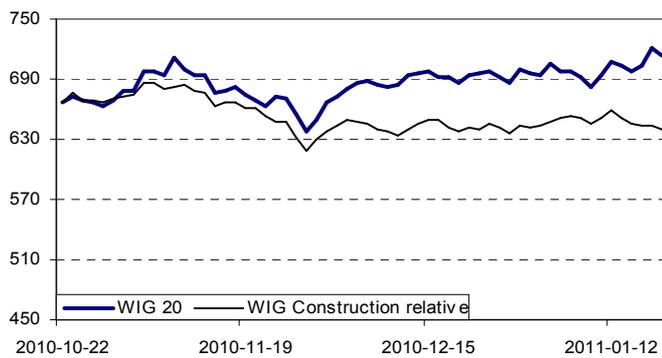
WIG Media index vs. WIG 20 index (EUR)



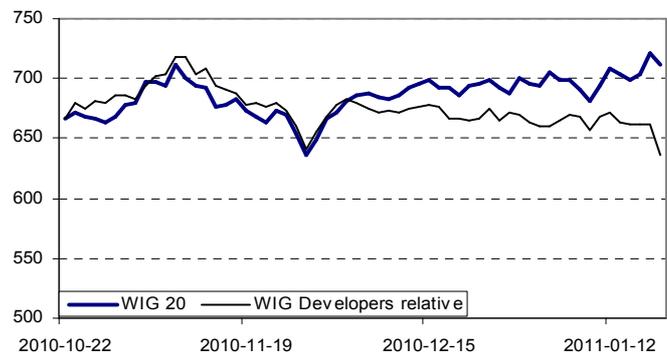
WIG IT index vs. MSCI



WIG Construction index vs. WIG 20 index (EUR)



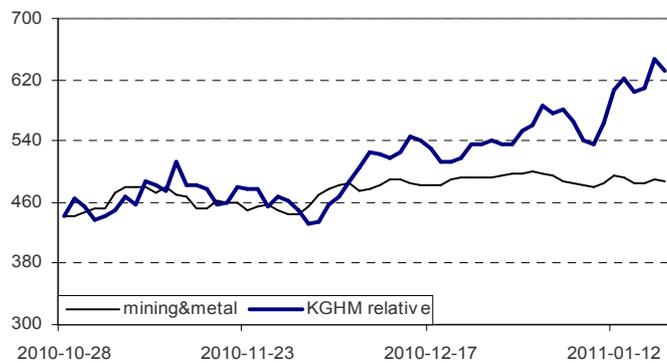
WIG Developers index vs. WIG 20 index (EUR)



Copper price on LME



KGHM vs. mining&metal sector index (USD)



Source: Bloomberg

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List of abbreviations and ratios contained in the report.

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

EBIT – Earnings Before Interest and Taxes

EBITDA – EBIT + Depreciation and Amortisation

PBA – Profit on Banking Activity

P/CE – price to earnings with amortisation

MC/S – market capitalisation to sales

EBIT/EV – operating profit to economic value

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

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

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

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

EBITDA margin – EBITDA/Sales

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

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

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

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

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

Recommendations are updated at least once every nine months.

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