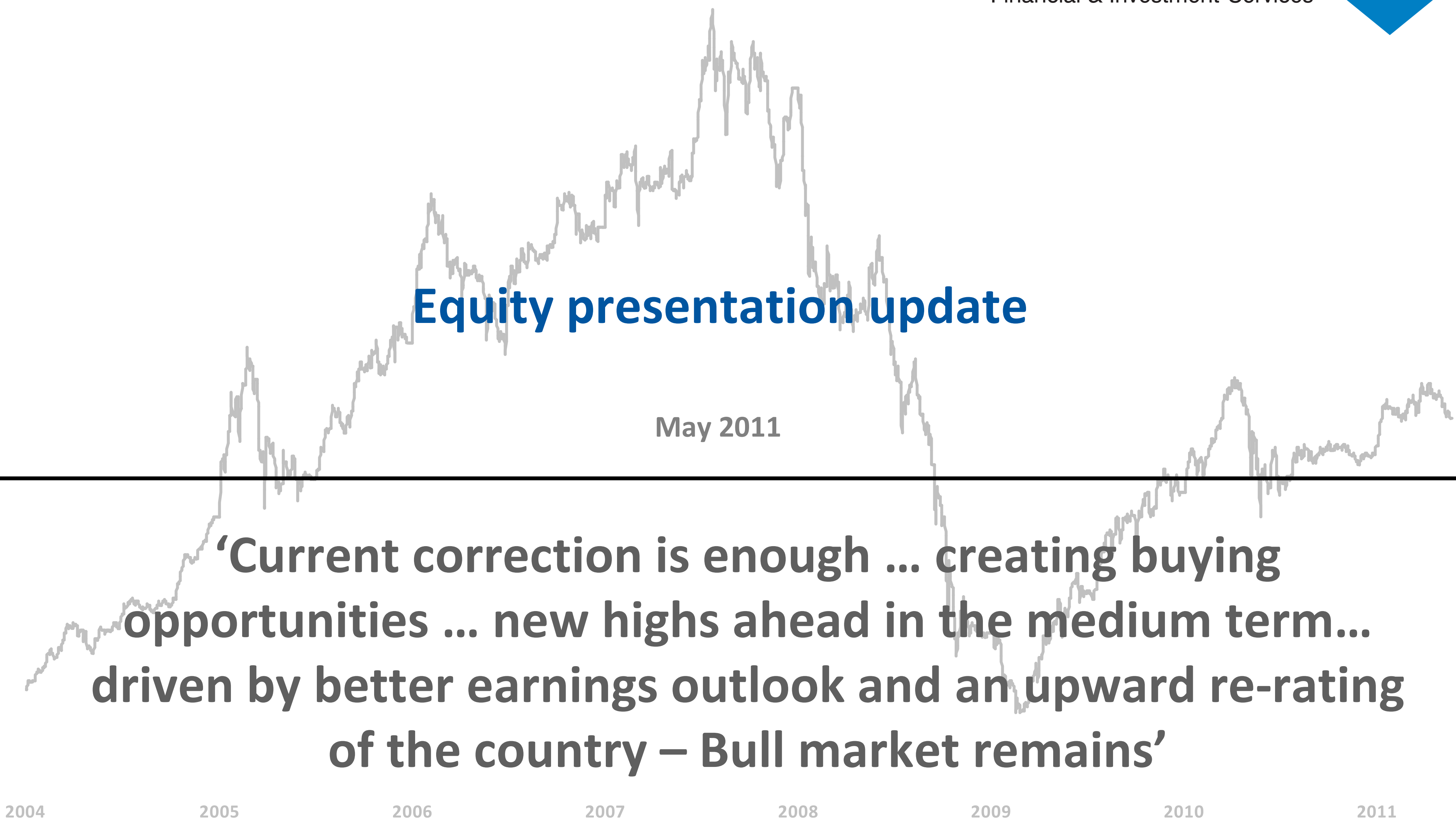
IEBATRUST
Financial & Investment Services

Equity presentation update

May 2011

‘Current correction is enough … creating buying opportunities … new highs ahead in the medium term… driven by better earnings outlook and an upward re-rating of the country – Bull market remains’



Pricing as of 25th of May 2011 – Numbers in RON unless otherwise stated

See last pages for Important Disclaimers

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Sources and abbreviations: IEBA TRUST, FactSet, Bloomberg, National Bank of Romania (BNR), National Statistics Institute (NSI), Bucharest Stock Exchange (BSE), EuroStat and Ministry of Finance (MoF).

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	TOP PICKS (2011)		Themes and other stocks				
	BUY	ACCUMULATE	Value Plays	Growth Plays	M&As	Event Driven (Other than M&As)	Dividend Plays
Highest liquidity	Fondul Proprietatea		Fondul Proprietatea			Fondul Proprietatea	
	OMV Petrom		OMV Petrom			OMV Petrom	
	Banca Transilvania			Banca Transilvania	Banca Transilvania		
		TransGaz	TransGaz			TransGaz	TransGaz
		BRD	BRD				
	SIF2		SIF2				
	SIF3		SIF3			All SIFs	All SIFs
	SIF5		SIF5				
			SIF1 and 4				
				BVB			BVB
			Transelectrica			Transelectrica	
Lower liquidity	Antibiotice		Antibiotice		Antibiotice		
		ALRO				ALRO	ALRO
	Zentiva		Zentiva				Zentiva
	Azomures		Azomures				
	Dafora		Dafora				
		Biofarm	Biofarm				Biofarm
			CONDMAG				

• For the first time since Q1 2009, a GDP growth of 0.3% YoY in Q1 11 offers the first psychological encouragement. FY11 targeted GDP growth at 1.5% and 3.5% for 2012.

• The industrial growth is the main economic driver followed in a lower pace by agricultural and services segments, while the construction sector remains still weak.

• The industrial output growth (+12.7% YoY in February) continues boosting exports (+39% YoY in Q1 11) that have reached record highs. Imports up 25% YoY in Q1 11, but data for consumption not available yet for Q1 11 and retail volume still down.

• Budget deficit continues shrinking (0.8% of GDP in April from 2.4% last year) and the economic sentiment continuously improves.

• Private consumption, investments and credit expansion still weak.

• The inflation steps up pressure on a slow recovering economy yet, mainly on high commodities prices and imports value. Nevertheless, the inflation is expected to significantly normalise in Q3 11 by a major part due to last year's austerity measures.

• CPI reached 8% in March, the policy rate is maintained at 6.25%, 3 Yrs bond yields at 7.3%, 12m avg deposit rates at 6.4% and the stock market performance at c3% YoY.

• For the current year, we see a moderate economic growth preparing grounds for a strong recovery from 2012 onwards.

• 2011 will be a transitional year that the private corporate segment and investments need to start significantly strengthening.

• We do not see any additional austerity measures but a focus on strengthening public and private investments which is the only way for growth for the country.

• The expected normalisation of the inflation in H2 11, an ease of the policy rate and banks' reserves, and increasing investments should be the scenario that will start significantly improving the local economy and further strengthening corporate yields that will further support the stock market.

• Other things being equal, the country's economy should be re-rated early or mid of 2012.

• The Stock Exchange market remains bullish and the recent short-term correction is enough. Our 12m target for the BET index reflects new highs in the medium term.

• In the current bullish sentiment, we follow a selective bottom-up approach and we still see more 'Value' plays than 'Growth' plays for this year.

• The gradual EPS growth, started already in 2010, the improving economy and operational characteristics support the outperformance of Romanian equities.

• Earning yields remain appealing versus bond yields, even with cautious earnings consensus on a slow economic recovery.

Key calls

	Price	Mkt Cap	YTD avg daily turnover (EUR)	Rating	Target price	Upside (Downside)	Free float (%)	Investment / valuation Call	YTD	2011E P/E (x)	EPS ch. (%)	P/BV (x)	ROE (%)	EV / EBITDA (x)	Net debt / EBITDA (x)	DY (%)
BRD	14.15	9,861	375,263	ACCUMULATE	15.46	9%	41%	Relatively cheaper. A value play in banks backed by a coming strong economic recovery. Needs an apparent earnings upgrade to become a strong BUY.	15%	9.4	5%	1.5	17%	-	-	1.6%
Banca Transilvania	1.16	1,714	487,132	BUY	1.38	19%	85%	Better performer in a tough operational environment. Relatively cheaper on a strong earnings outlook that continuously improves.	13%	8.3	41%	0.7	9%	-	-	0.0%
OMV Petrom	0.39	22,289	358,261	BUY	0.48	22%	8%	Positive oil environment remains. Relatively cheaper. Event-driven (further privatisation) in June-July. High upgrade potential on earnings both in 2011 and 2012.	17%	9.9	3%	1.1	12%	4.5	0.3	4.6%
TransGaz	250.40	2,948	179,964	ACCUMULATE	269.95	8%	12%	2011 will be a tough year. Quite stretched relative valuation. However, it remains an Accumulate driven by a second public offer in 2011 and as a dividend play. Currently a value and event-driven play.	-11%	12.9	-33%	0.9	7%	6.8	0.5	4.1%
Transelectrica	21.50	1,576	68,299	HOLD	21.68	1%	13%	Quite stretched relative valuation even assuming a second public offer this year. Rating and outlook remain neutral.	11%	10.2	49%	0.7	7%	5.5	2.1	0.8%
Condmag	0.30	114	17,430	HOLD	0.31	4%	45%	Very gloomy earnings outlook with collapsing Q1 11 results well below from the management guidance.	-35%	9.5	-39%	0.8	8%	4.1	-1.4	0.0%
Biofarm	0.20	220	44,987	ACCUMULATE	0.22	10%	48%	Quite stretched relative valuation. Strong net cash position remains reflecting a strong dividend play backed with high growth expectations of the local pharma market and despite the slowdown of the local market in Q1 11.	-2%	14.3	6%	1.4	10%	7.9	-2.4	0.0%
Azomures	0.70	368	64,146	BUY	0.84	20%	24%	Strong financials for another year in fertilizers. Undervalued.	46%	11.2	-78%	0.5	4%	2.5	-2.7	0.0%
Dafora	0.10	102	34,971	BUY	0.15	44%	51%	Undervalued depsite the weak profitability in Q1 11 which is not indicative yet for the full year.	-16%	13.6	-8%	0.6	5%	3.6	1.6	0.0%
Antibiotice	0.49	232	25,733	BUY	0.64	32%	37%	Despite a weaker profitability in Q1 11, we maintain our positive view with eyes on exports and margins improvement going forward.	-7%	11.7	58%	0.8	7%	6.0	1.4	0.0%
Fondul Proprietatea	0.49	6,683	4,516,885	BUY	0.85	75%	61%	Heavily undervalued. The on-going privatisation with new shares in the market push for lower prices in the short-term.	-25%	15.1	-1%	0.5	4%	12.0	-2.8	7.3%
Zentiva	1.14	475	24,945	BUY	1.67	46%	25%	Heavily undervalued with a strong cash position maintaining the stock as a value and dividend play.Low liquidity is a constraint.	14%	9.2	-10%	1.2	14%	4.0	-3.5	16.3%
Alro	3.85	2,748	10,209	ACCUMULATE	4.30	12%	16%	Another strong year is expected for aluminium prices. It remains a dividend play while intentions for a private placement of 21% will boost liquidity.	29%	11.1	55%	1.6	16%	6.8	0.3	9.0%
BVB	40.87	314	178,815	REDUCE	35.55	-13%	100%	Quite overvalued even including in our assumptions the further privatisations of Petrom, TEL, TGN and FP within 2011-12. The proposed return of share capital being subject to approval offers support but our current organic financial forecasts for 2011-12 do not justify current price levels.	0%	15.6	252%	4.5	25%	20.6	-3.7	6.0%

• **Given our above target prices, the BET index implies a 12-month strong upside of 25% to 7,192, reflecting new highs, however, if we exclude the large upside by FP, the BET index target comes down to 6,410 still implying a solid upside potential of 11% and new highs.**

Quarterly results

Equities	Mkt Cap (in m EUR)	YTD %	Sales (m RON)				EBITDA (m RON)				Net Profits (m RON)			
			Q1 11	ch. YoY	FY11E	ch. YoY	Q1 11	ch. YoY	FY11E	ch. YoY	Q1 11	ch. YoY	FY11E	ch. YoY
OMV Petrom *	5,386	17%	4,978	27%	20,248	9%	1,868	27%	6,382	10%	840	5%	2,257	3%
TRANSGAZ	712	-11%	471	4%	1,268	-3%	280	8%	464	-24%	195	3%	229	-33%
Transelectrica	381	11%	757	8%	2,815	5%	224	90%	465	2%	161	219%	155	49%
BIOFARM	53	-2%	29	26%	93	13%	10	11%	21	-2%	6	21%	15	6%
Antibiotice	56	-7%	71	20%	275	13%	17	-3%	51	16%	13	22%	20	58%
Zentiva	115	14%	65	-4%	246	-5%	23	-4%	63	-13%	19	0%	52	-10%
CONDMAG	27	-35%	12	-78%	208	5%	-4	-192%	24	8%	-5	-273%	13	10%
DAFORA	25	-16%	45	20%	204	5%	5	-40%	55	20%	2	-70%	9	7%
AZOMURES	89	46%	408	44%	1,187	-1%	95	256%	71	-60%	44	96%	33	-78%
BVB	76	0%	6	34%	29	122%	3	168%	13	1233%	2	-11%	21	265%
ALRO	664	29%	564	36%	2,250	24%	142	37%	422	8%	120	138%	248	55%
			Total Income				EBT before provisions				Net Profits			
			Q1 11	ch. YoY	FY11E	ch. YoY	Q1 11	ch. YoY	FY11E	ch. YoY	Q1 11	ch. YoY	FY11E	ch. YoY
BRD	2,383	15%	813	-13%	3,790	3%	457	-22%	2,180	3%	122	-39%	1,055	5%
BT	414	13%	379	-1%	1,561	1%	202	-7%	760	-5%	32	99%	176	32%

** All results of Petrom are in IFRS, while the quarterly results for the rest of the companies are in RAS and full year forecasts in IFRS. Generally there are no material differences between IFRS and RAS in most of the cases.*

Source: IEBA TRUST, companies' results.

Better Q1 11 results - maintain our positive outlook and forecasts: Petrom, BT, Biofarm, Azomures and ALRO.

Better Q1 11 results - maintain our neutral/negative outlook and forecasts: TransGaz and Transelectrica.

Solid Q1 11 results - maintain our positive outlook and forecasts: Zentiva.

Solid Q1 11 results - maintain our neutral outlook and forecasts: BVB.

Weaker Q1 11 results - maintain our positive outlook and forecasts: BRD, Antibiotice and Dafora.

Weak Q1 11 results – worsen our outlook: CONDMAG.

Relative Valuation – **A glass half full or half empty** … still cautious earnings forecast offer moderately appealing valuations

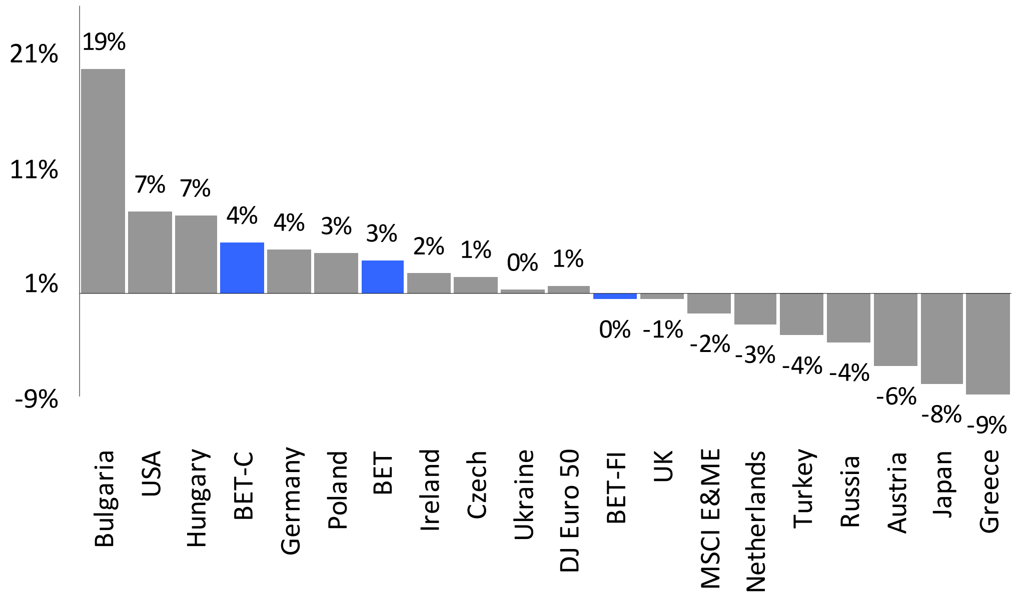
Equities	Mkt Cap (in m EUR)	YTD %	P/E 11E (x)	P/E 12E (x)	EPS 11E chg. (%)	EPS 12E chg. (%)	P/BV 11E (x)	P/BV 12E (x)	ROE (11E)	ROE (12E)	EV / EBITDA 11E	EV / EBITDA 12E	Net debt / EBITDA (11E)	Net debt / EBITDA (12E)	EBITDA mgn 11E	EBITDA mgn 12E	DY (11E)	DY (12E)
BET INDEX	11,126	3%	10.7	10.8	5%	1%	1.1	1.0	11%	10%	4.8	4.4	-0.3	0.3	31%	30%	4%	4%
BET-FI INDEX	2,368	0%	13.9	13.4	-7%	5%	0.6	0.6	5%	5%	-	-	-	-	-	-	6%	5%
BET-XT INDEX	12,081	6%	10.8	10.1	3%	2%	1.1	1.0	11%	10%	-	-	-	-	-	-	4%	4%
Poland	466,159	4%	11.8	10.9	17%	8%	1.6	1.5	-	-	-	-	-	-	-	-	4%	5%
Czech	246,878	1%	11.8	10.5	2%	12%	1.6	1.4	-	-	-	-	-	-	-	-	5%	5%
Hungary	86,742	7%	9.5	8.6	12%	11%	1.2	1.1	-	-	-	-	-	-	-	-	3%	4%
Turkey	854,578	-1%	10.7	9.5	-3%	13%	1.6	1.5	-	-	-	-	-	-	-	-	3%	4%
Russia	3,092,551	-8%	6.8	6.2	25%	9%	1.1	1.0	-	-	-	-	-	-	-	-	2%	3%
Developed Banks		**0%**	**9.1**	**7.4**	**14%**	**12%**	**0.9**	**0.8**	**10%**	**12%**	**-**	**-**	**-**	**-**	**-**	**-**	**4%**	**5%**
Developing & Emerging Banks		**-3%**	**10.0**	**8.5**	**6%**	**13%**	**1.7**	**1.5**	**19%**	**19%**	**-**	**-**	**-**	**-**	**-**	**-**	**2%**	**3%**
BRD-Groupe Societe Generale	2,383	15%	9.4	7.9	5%	19%	1.5	1.3	17%	17%	-	-	-	-	-	-	2%	2%
BANCA TRANSILVANIA	414	13%	8.3	7.2	41%	16%	0.7	0.7	9%	10%	-	-	-	-	-	-	0%	0%
Developed Oil & Gas		**2%**	**8.1**	**6.5**	**22%**	**4%**	**1.3**	**1.2**	**17%**	**17%**	**3.8**	**3.6**	**0.4**	**0.3**	**23%**	**23%**	**4%**	**5%**
Developing & Emerging Oil & Gas		**16%**	**11.5**	**7.6**	**14%**	**7%**	**1.5**	**1.1**	**14%**	**12%**	**5.7**	**5.3**	**0.9**	**-0.9**	**15%**	**16%**	**3%**	**4%**
OMV Petrom	5,386	17%	9.9	10.7	3%	-8%	1.1	1.1	12%	10%	4.5	4.1	0.3	0.2	32%	32%	5%	4%
Gas Distributors peers		**9%**	**13.2**	**11.1**	**-2%**	**4%**	**2.2**	**2.0**	**17%**	**17%**	**8.1**	**9.1**	**3.9**	**3.9**	**74%**	**75%**	**6%**	**6%**
Gas Distribution & Supply		**-1%**	**12.3**	**10.8**	**6%**	**12%**	**1.3**	**1.2**	**11%**	**12%**	**6.0**	**5.5**	**2.3**	**2.1**	**18%**	**19%**	**6%**	**6%**
TRANSGAZ	712	-11%	12.9	11.4	-33%	13%	0.9	0.9	7%	8%	6.8	6.2	0.5	0.5	37%	37%	4%	5%
Electricity Utilities		**2%**	**11.7**	**6.9**	**-4%**	**9%**	**1.2**	**1.2**	**11%**	**11%**	**5.4**	**5.0**	**2.2**	**2.0**	**20%**	**20%**	**5%**	**6%**
Electricity Distributors peers		**10%**	**14.1**	**4.5**	**2%**	**3%**	**2.4**	**2.3**	**18%**	**18%**	**4.9**	**3.4**	**4.5**	**4.6**	**67%**	**67%**	**6%**	**6%**
Transelectrica	381	11%	10.2	12.3	49%	-17%	0.7	0.7	7%	6%	5.5	5.3	2.1	2.0	17%	16%	1%	1%
Developed Pharma		**6%**	**9.4**	**8.6**	**6%**	**5%**	**1.1**	**1.1**	**9%**	**12%**	**4.6**	**6.2**	**0.5**	**0.3**	**34%**	**35%**	**4%**	**4%**
Developing & Emerging Pharma		**-8%**	**12.1**	**5.6**	**3%**	**2%**	**1.4**	**1.3**	**11%**	**11%**	**6.8**	**6.0**	**-0.2**	**-0.6**	**25%**	**23%**	**2%**	**2%**
BIOFARM	53	-2%	14.3	13.7	6%	4%	1.4	1.2	10%	9%	7.9	6.3	-2.4	-2.8	23%	24%	0%	0%
Antibiotice	56	-7%	11.7	9.5	58%	23%	0.8	0.8	7%	8%	6.0	5.3	1.4	1.2	19%	18%	0%	0%
Zentiva	115	14%	9.2	9.0	-10%	2%	1.2	1.3	14%	14%	4.0	4.3	-3.5	-3.0	26%	26%	16%	17%
Engineering & Construction		**-11%**	**12.5**	**10.4**	**2%**	**4%**	**2.3**	**2.0**	**18%**	**19%**	**6.0**	**5.3**	**-0.3**	**-0.6**	**10%**	**9%**	**3%**	**3%**
CONDMAG	27	-35%	9.5	10.6	-39%	-10%	0.8	0.7	8%	7%	4.1	3.7	-1.4	-1.8	10%	10%	0%	0%
Contract drilling & Oilfield		**-4%**	**10.7**	**9.1**	**9%**	**3%**	**1.3**	**1.2**	**10%**	**14%**	**7.0**	**5.2**	**1.8**	**1.5**	**39%**	**47%**	**2%**	**2%**
DAFORA	25	-16%	13.6	9.6	-8%	41%	0.6	0.6	5%	6%	3.6	3.6	1.6	1.6	21%	21%	0%	0%
Chemicals (Fertilizers) peers		**-3%**	**11.9**	**10.0**	**23%**	**4%**	**1.9**	**1.6**	**19%**	**16%**	**5.3**	**6.6**	**0.6**	**0.2**	**32%**	**33%**	**2%**	**3%**
AZOMURES	89	46%	11.2	13.8	-78%	-19%	0.5	0.5	4%	3%	2.5	2.7	-2.7	-3.0	6%	5%	0%	0%
Aluminium peers		**-6%**	**7.2**	**6.8**	**26%**	**6%**	**1.5**	**1.3**	**23%**	**20%**	**9.2**	**8.1**	**2.9**	**2.2**	**25%**	**25%**	**0%**	**1%**
Alro	664	29%	11.1	13.0	55%	-15%	1.6	1.6	16%	13%	6.8	7.4	0.3	0.2	19%	19%	9%	8%
Stock exchange market operator		**8%**	**12.0**	**11.0**	**2%**	**9%**	**3.0**	**2.7**	**26%**	**25%**	**7.4**	**6.6**	**0.0**	**-0.3**	**58%**	**60%**	**4%**	**5%**
Bursa De Valori Bucuresti	76	0%	15.6	30.5	252%	-49%	4.5	5.1	25%	16%	20.6	41.2	-3.7	-5.8	44%	29%	6%	3%

Source: IEBATRUST, FACTSET

- Relatively wise, the market looks attractive but needs further earnings upgrade.
- After a recent shortfall, BRD and BT start becoming attractive again. Potential upgrades for the banking sector should come from Q3 11 onwards.
- OMV Petrom remains attractive, being also supported by a solid Q1 11 and potential upgrades from Q3 11 onwards.
- TGN remains attractive despite a tough 2011 in front, while TEL's multiples seem demanding. Both remain event driven stocks on their coming further privatisation.
- Pharmas remain attractive with Antibiotice as the top pick followed by Biofarm and Zentiva (despite low liquidity).
- AZO and DAFR remains attractively valued, while COMI and BVB still seem very demanding.
- ALRO looks fairly valued but with high dividend yields and strong potential for further upgrades.

The recent correction slashed the strong YTD performance

Equity markets (major indexes) YTD performance



• The BET-XT Index (on the right graph) represents the major and most liquid stocks of the market.

• Petrom was the leader on the back of the coming Second Public Offering and strong results (FY10 & Q1 11).

• The two and only banks in the market were value-driven and on expectations for a coming economic recovery, although their results were marginally supportive until now.

• SIFs' strong performance, particularly of SIF 4 and 2, was mainly driven by exceptionally high dividends this year implying DYs of +8%.

• TransGaz slid on a tough 2011 outlook and a potential lower dividend payout than the one initially guided for all public companies for 2010 profits. A final approval for FY10 dividend has been postponed for the EGM on 9th of June.

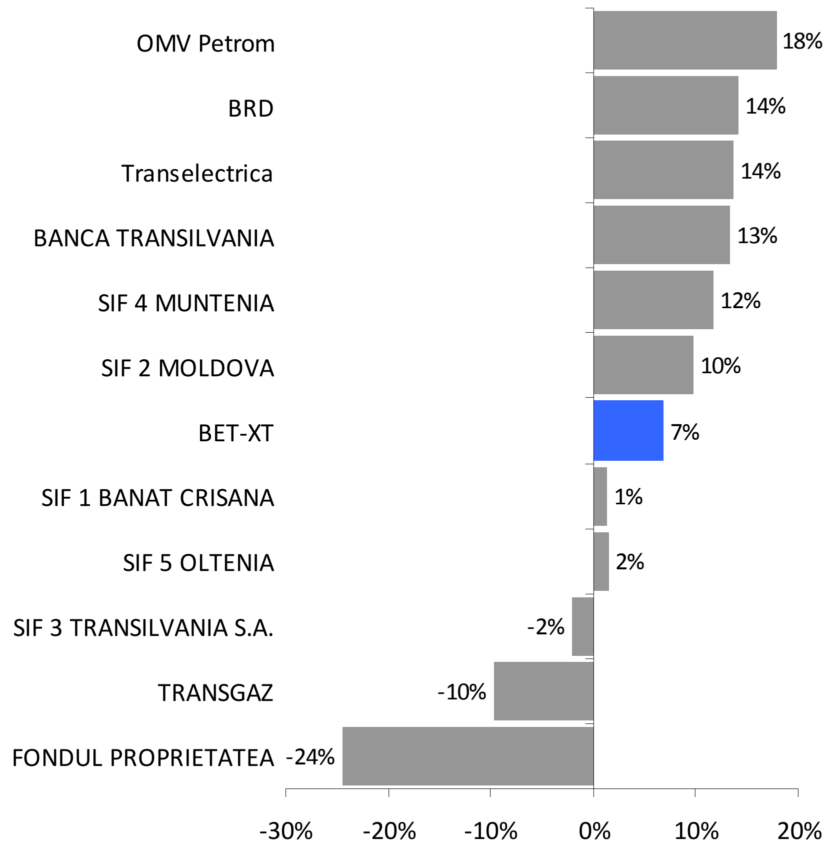
• Fondul Proprietatea dropped on pressures from the on-going reimbursement procedure for new shares in the market.

• Before the recent slide by 10% from this year's highs, the Romanian market was a strong out performer but still remains on the positive territory, particularly, among emerging markets.

• The BET index lost 10% (2/3 of gains) from its YTD highs and the BET-FI lost 20% (the majority of gains).

• The price volatility was c13% YTD, actually similar to most markets, apart from Greece and Japan that recorded c18% YTD.

Most major market movers – sorted by YTD weighted performance on the BET-XT Index



Macro environment continuously improves …..

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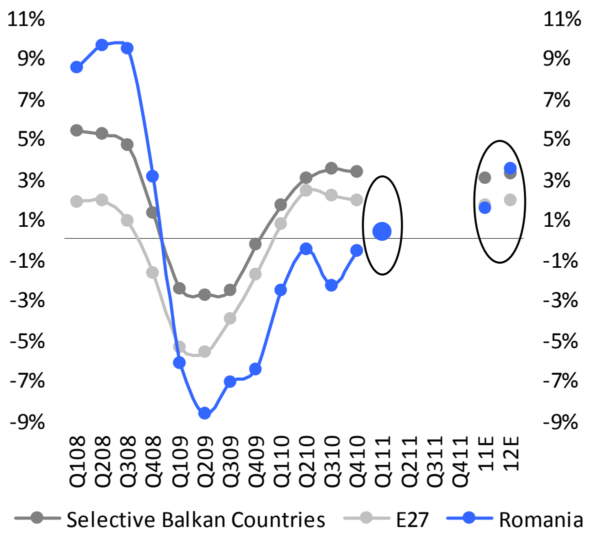
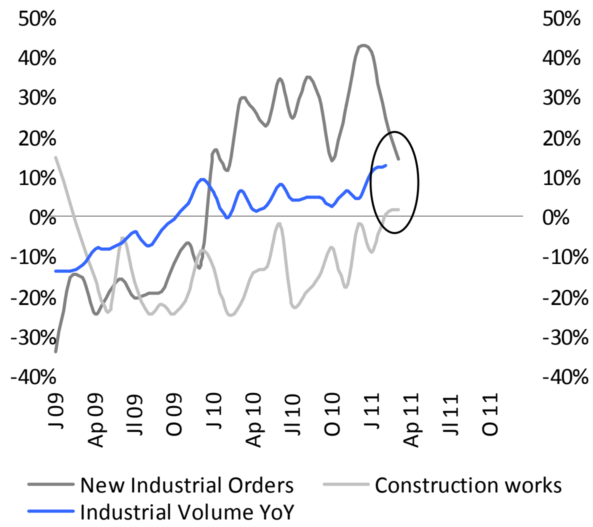
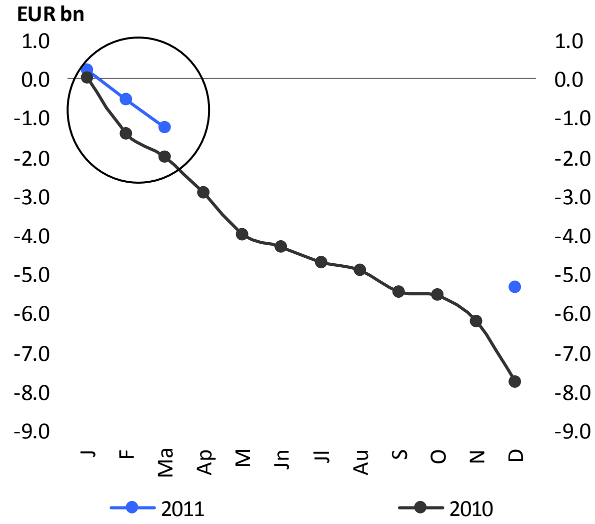
After a long delay GDP started already improving with first signs in Q11 and a strong recovery forecast for 2012



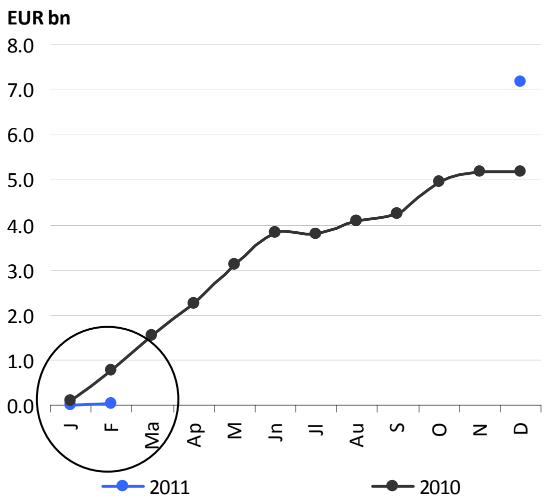
Industry continues its strong growth while construction remains volatile



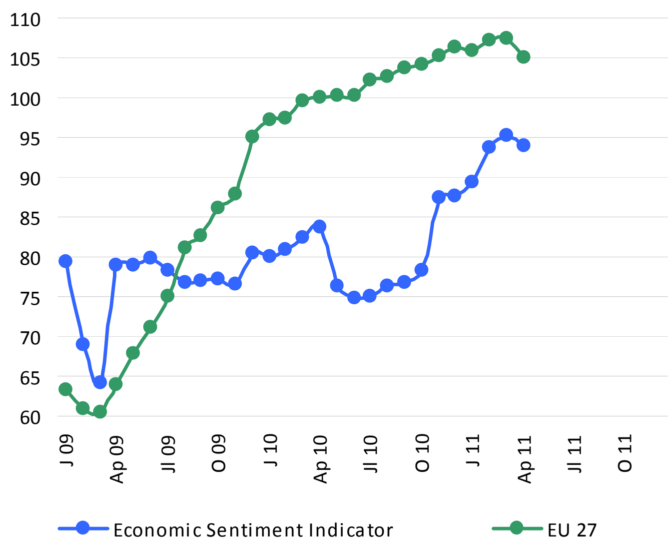
Budget deficit recovers although it is still early for the year and with limited public investments



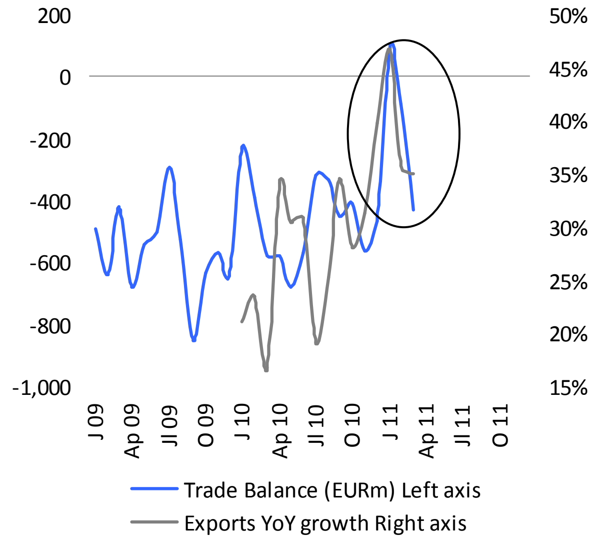
Current Account deficit significantly shrank due to the positive trade balance supported by booming exports



Economic sentiment improved significantly

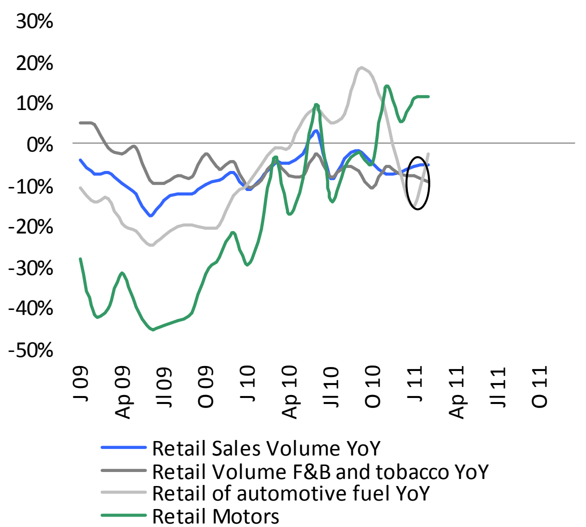


Record highs for exports with a growth exceeding 30% YoY

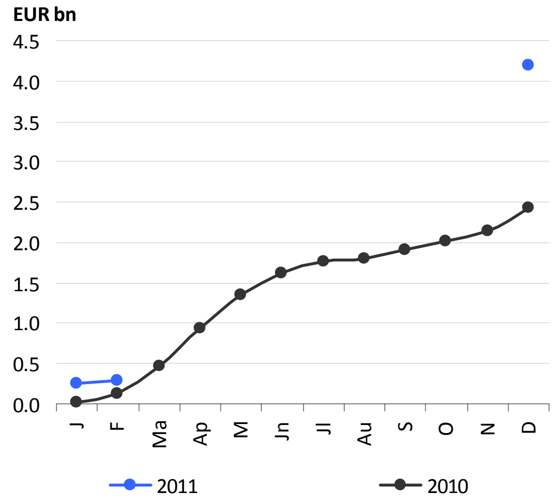


..... But still lack of consumption and investments

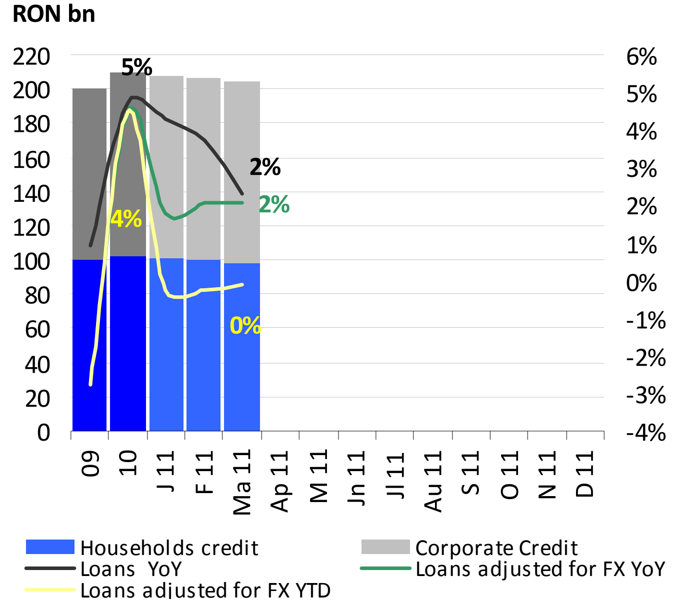
Retail volume apart from motors still lacks and remains very weak until February



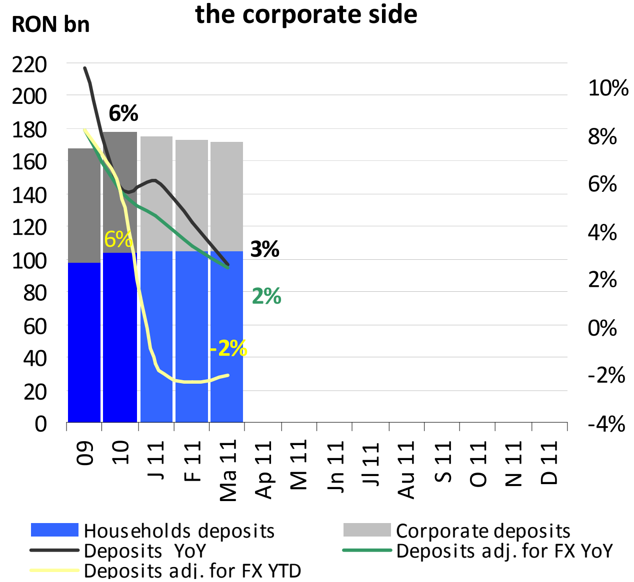
Net FDIs grew 230% YoY in Jan-Feb, but it is still very early to assume a strong recovery for the full year



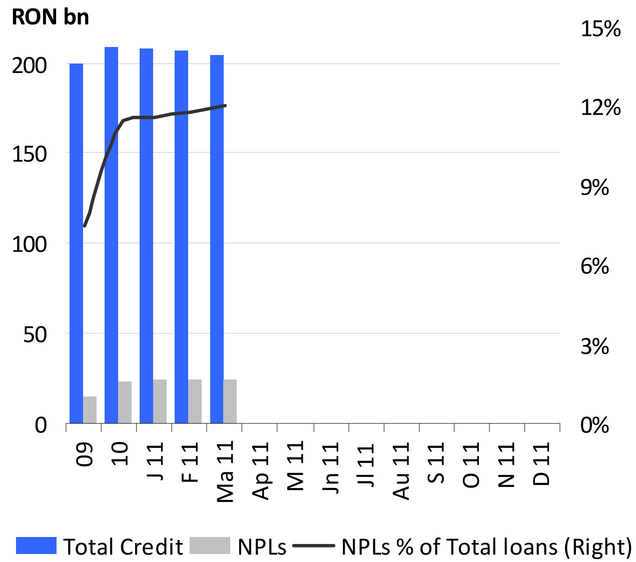
Credit expansion is still very limited being flat YTD and up 2% YoY until March



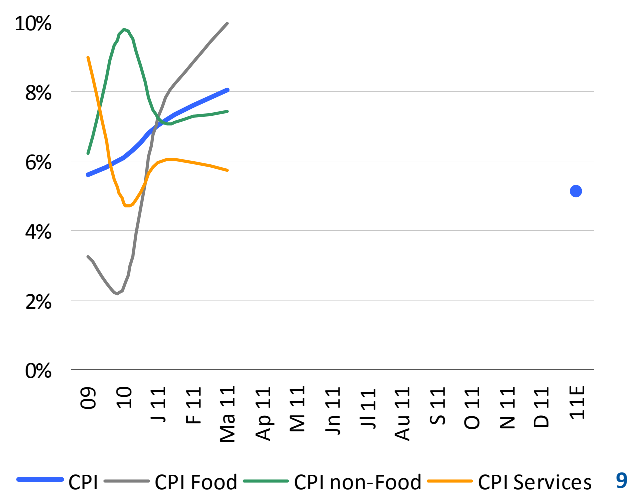
Deposits decreased until March, particularly on the corporate side



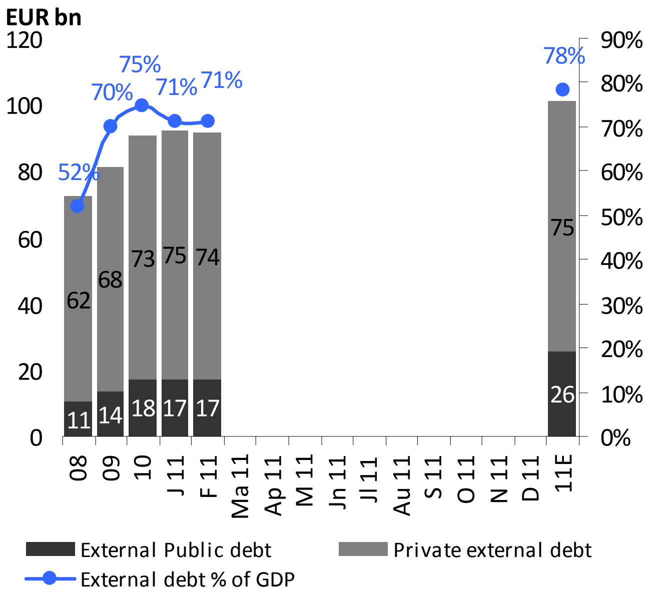
Provisions stabilized but remain high until March



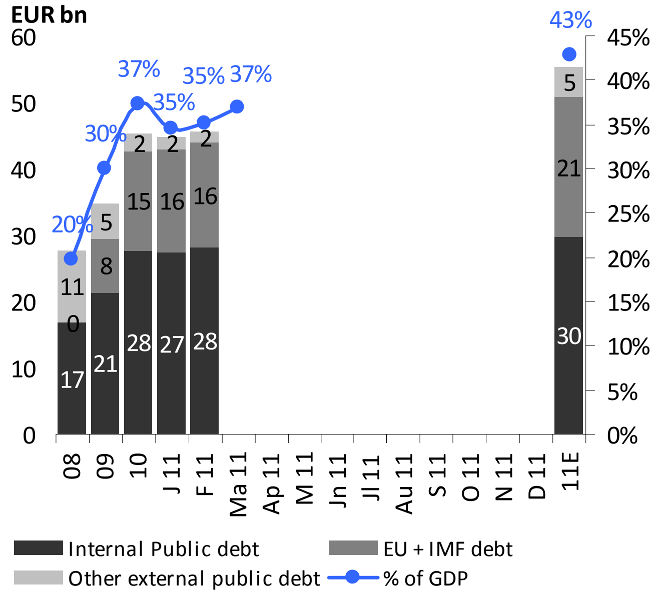
CPI still increases due to a boom in food prices. Normalisation of CPI in July (YoY effect of VAT hike) will affirm or not full year target at 5,1%



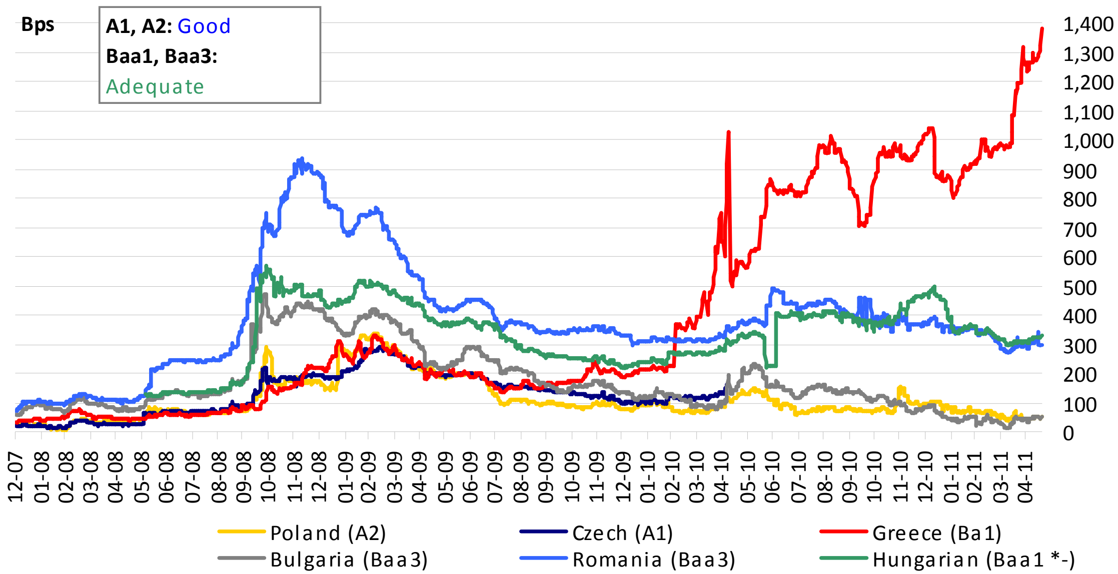
Public and private external debt & % of GDP



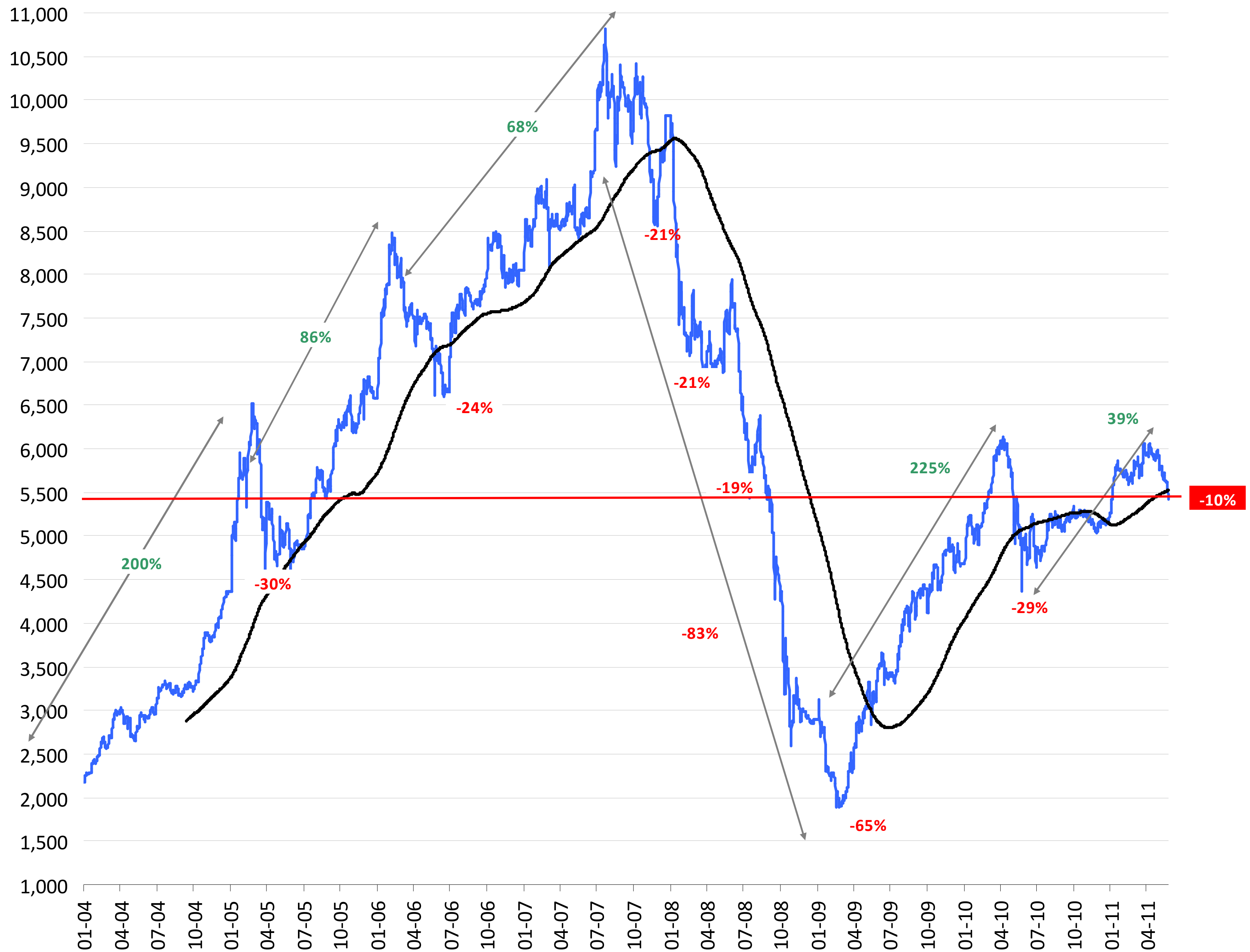
Public debt annual & % of GDP



- The external debt has stabilised at c70% of FY11E GDP until Feb' 11 and forecasts seeing a growth only in the public sector until the end of the year.
- This reflects that the local corporate market is still financed by the local banking sector, similarly to 2010.
- However, given that the local corporate credit had a slight increase in 2010 and is stable YTD, the credit support is still non-existent.
- Obviously, the expected increase in the external public debt highly depends on the budget deficit progress and any change in the public investments throughout the year that in any such necessary case, external funds will be covered by IMF and EU.
- The internal public debt needs are still covered by local banks that prefer to finance public bonds as being the less risky compared to the retail and corporate sector at the current general difficult market conditions.
- The country is still rebalancing between debt-equity, where banks support more the State and expect more equity from the corporate side either through growth or new capital injections. This obviously can initially happen by multinationals or FDIs through the general or sector-specific State's investment motives.
- Additionally, planned privatization this and the next year as well as big infrastructure projects should attract significant proceeds that will gradually boost economy from one side.



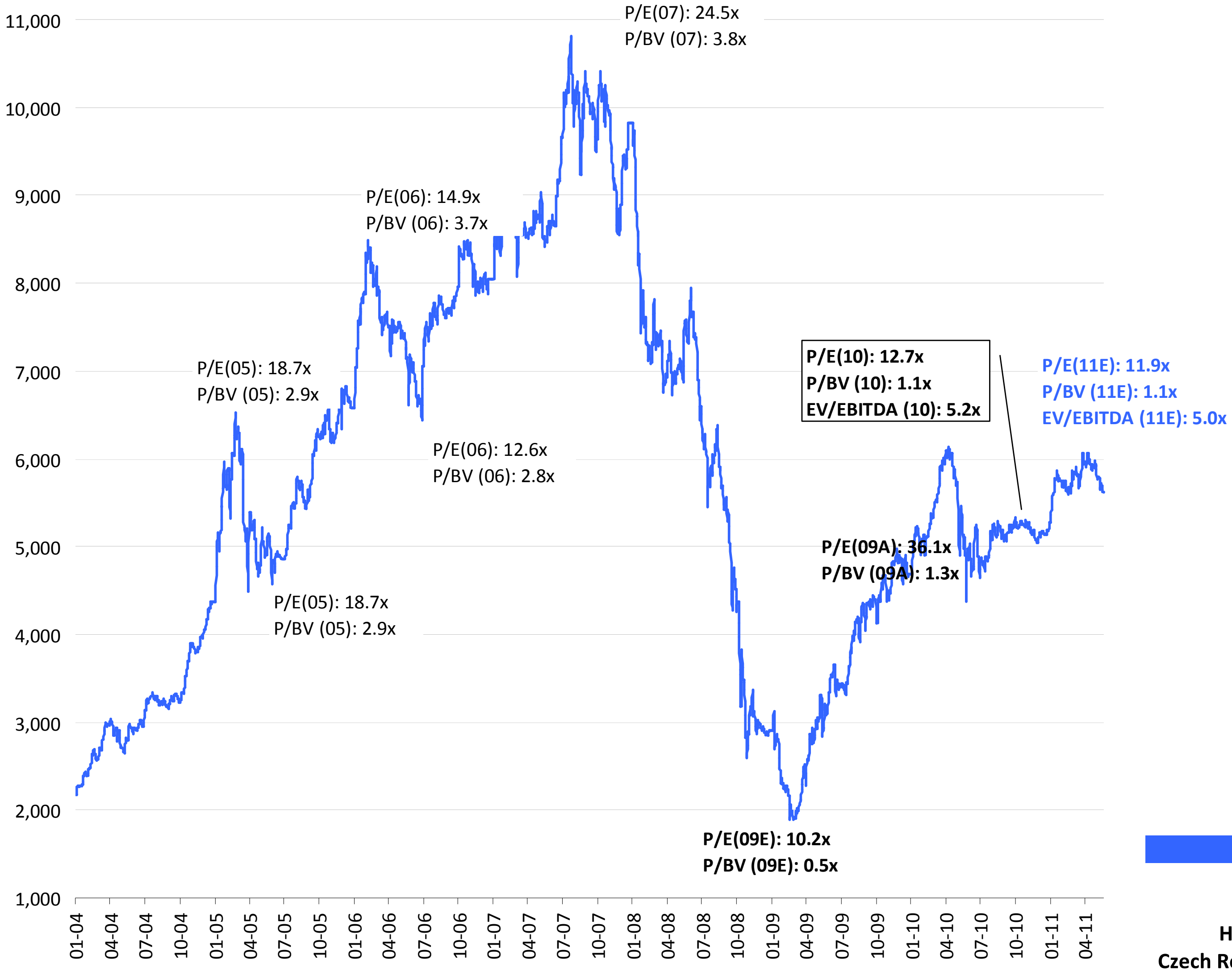
BET Index



- Assuming that the bull market will remain as the economy starts recovering and earnings as well as conditions are improving, even slowly, we do not see a downfall that could change the medium-long term bullish trend.
- For new highs, we need an apparent and substantial improvement of earnings outlook, particularly in banks that should start coming from Q3 11 onwards. Until then, the market will reflect expectations and a short-term profit taking will create buy opportunities again.
- A further upward re-rating of the country that we expect after Q4 11 will further boost upgrades across the board.
- Historically, short corrections reflect a downfall by 10-12% while deeper corrections range from 20-30%. However, a deep correction will be either an oversold situation or a significant weakness for an economic recovery in 2012.

The market is not expensive but needs a stronger macro environment to record new highs

BET Index

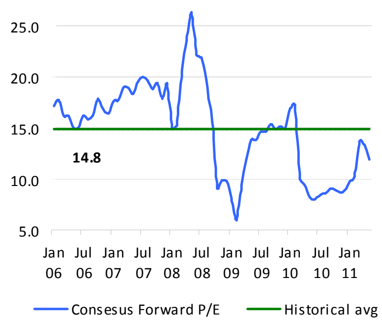


- The market rallied since our previous update in November 2010 and approached for the second time 52wks highs. The market was mainly event-driven as well as because of exceptionally high dividend payouts this year.
- 2010 results did not bring material upgrades or change in consensus, while potential upgrades should come from Q3 11 onwards.
- The listing of the Fondul Proprietatea boosted the market, in the beginning of the year, offering the last years' top listing as well as significant liquidity by doubling volumes.
- The market does not look expensive, relatively wise, but as long the economy remains fragile before material signs of a recovery, we do not expect a second rally soon. Nevertheless, value-plays will dominate the market.

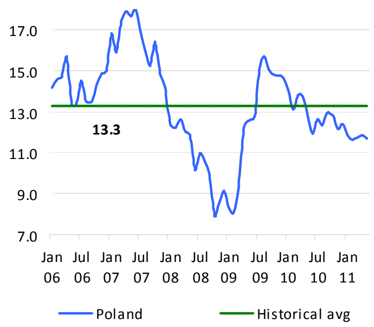
	P/E (11E)	P/BV (11E)	EV/EBITDA (11E)
BET	11.9	1.1	5.0
Poland	11.7	1.8	6.6
Hungary	9.4	1.3	5.1
Czech Republic	11.6	1.6	7.1
Russia	6.5	1.2	5.4
Turkey	10.2	1.8	5.8
DJ Euro Stoxx	10.2	1.3	7.3
Median avg	**10.2**	**1.5**	**6.2**

Relatively to other markets

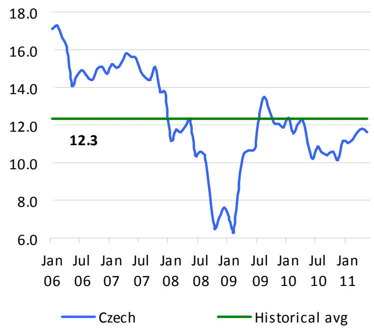
Romania – P/E



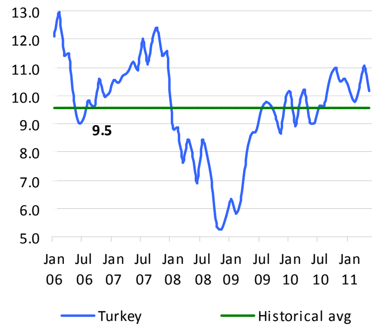
Poland – P/E



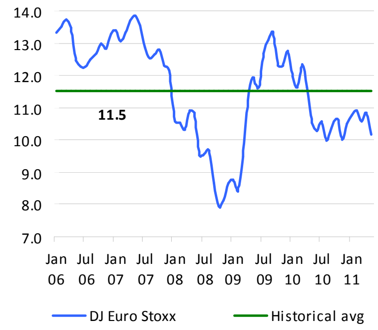
Czech – P/E



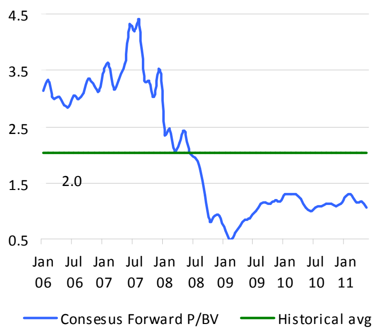
Turkey – P/E



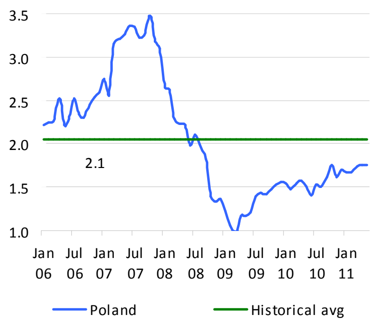
DJ Euro Stoxx – P/E



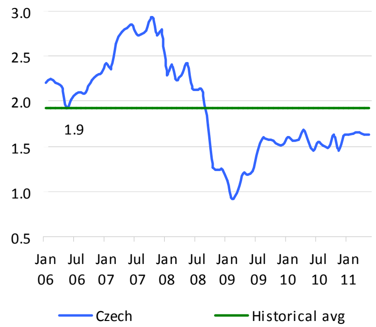
Romania – P/BV



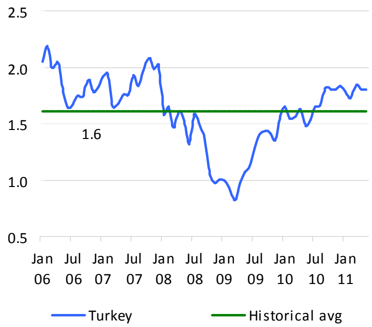
Poland – P/BV



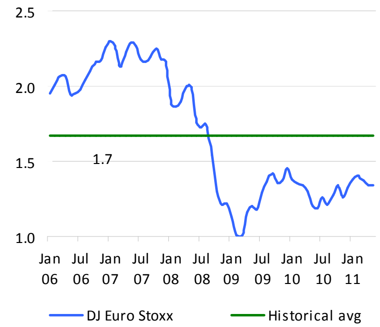
Czech – P/BV



Turkey – P/BV



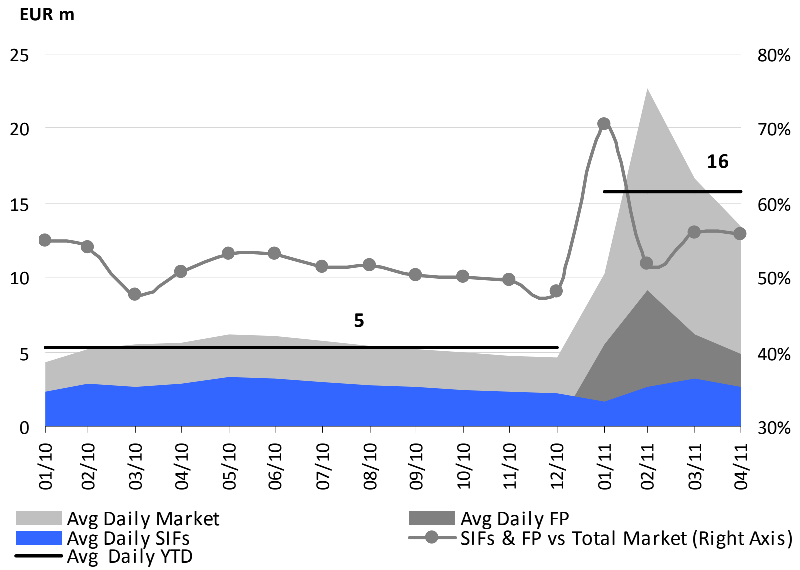
DJ Euro Stoxx – P/BV



- Although the markets have recovered pretty well since June 2009, the majority of the markets cannot either maintain or break upwards their historic multiples due to still a fragile macro and corporate environment, apart from Turkey until now.
- The still fragile earnings outlook for Romania do not justify higher multiples and a strong growth at the moment.
- Obviously Romania's economic and business recovery still lacks compared with the above markets, but assuming other things being equal, we believe that Romania will do a strong come back from H2 11 onwards.

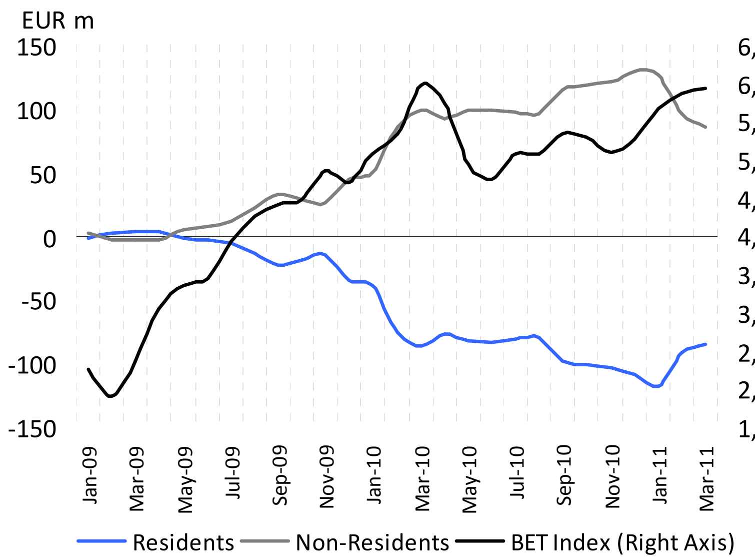
Market liquidity and depth

Daily average turnover



Top in YTD Turnover		In Euro	
Stock	**Sector**	**Total turnover YTD**	**Daily avg turnover**
FP RO EQUITY	Investment Funds	392,968,977	4,465,557
SIFs (Total)	**Investment Funds**	**216,225,945**	**2,457,113**
SIF5 RO EQUITY	Investment Funds	77,343,267	878,901
SIF2 RO EQUITY	Investment Funds	56,593,611	643,109
TLV RO EQUITY	Financial	50,661,692	575,701
BRD RO EQUITY	Financial	39,027,351	443,493
SNP RO EQUITY	Energy Minerals	37,259,161	423,400
SIF3 RO EQUITY	Investment Funds	30,125,287	342,333
SIF4 RO EQUITY	Investment Funds	26,625,452	302,562
SIF1 RO EQUITY	Investment Funds	25,538,329	290,208
TGN RO EQUITY	Utilities	18,716,286	212,685
BVB RO EQUITY	Financial	18,596,806	211,327
TEL RO EQUITY	Utilities	7,103,140	80,718
% of total market turnover		**96%**	

Net Buying



- The listing of the Fondul Proprietatea (FP) at the end of January more than tripled liquidity in Feb. and Mar., while volumes stabilised at double than last year going forward. This was expected given the size and the free-float of FP.
- If we exclude the volumes of FP, volume is just slightly higher than in the same period last year, reflecting that not only nothing has changed in the market's volume but also part of the past volume was attracted by FP.
- Obviously the market cannot easily expand due to lack of depth and only the coming privatisation and further IPOs could grow faster the market.
- From the listing of FP until now, the local funds were net buyers, while foreigners seem that decreased positions.
- 12 stocks represent the 96% of the total market's volume, while 86% is generated by the financial sector (listed funds and banks).
- In our back of the envelope calculations, every EUR 1bn free-floated market cap increases the average daily value by cEUR5m. The coming privatisations within one year would free-float about EUR1.3bn, implying a triple of current volume value.

Not an easy privatization agenda

Targeted or potential privatisations	State's participation	Stake to offer	FP's Stake	Method	Current total mkt value or latest T.Equity (in Euro m)	Estimated proceeds (in Euro m)	Period / year (Planned or Estimation)
OMV Petrom	21%	9.8%	20.1%	SPO	5,941	585	July 2011
Transelectrica	74%	15.0%	13.5%	SPO	373	56	2011
TransGaz	74%	15.0%	15.0%	SPO	712	107	2011
Oltchim	55%	54.8%		Strategic investor or IPO	35	19	By the end of 2011
Antibiotice	53%	n/a		Strategic investor	66	n/a	n/a
Fondul Proprietatea	37%	37.0%		Reimbursement	1,879	none	2011-12
RomTelecom	46%	n/a		Strategic investor or IPO	1,652	n/a	2011-12
RomGaz	85%	15.0%	15.0%	IPO	2,026	304	2011-12
Nuclearelectrica	90%	10.0%	9.7%	Strategic investor or IPO	1,752	175	Est. 2012
Hidroelectrica	80%	10.0%	19.9%	Strategic investor or IPO	4,021	402	Est. 2012
CE Turceni	75%	n/a	24.8%	Strategic investor or IPO	522	n/a	Est. 2012
CE Rovinari	76%	n/a	23.6%	Strategic investor or IPO	268	n/a	Est. 2012
CE Craiova	76%	n/a	24.4%	Strategic investor or IPO	260	n/a	Est. 2012
Electrica Distributie Transilvania Nord	78%	n/a	22.0%	Full privatization	187	n/a	Est. 2012
Electrica Distributie Transilvania Sud	78%	n/a	22.0%	Full privatization	201	n/a	Est. 2012
Electrica Distributie Muntenia Nord	78%	n/a	22.0%	Full privatization	258	n/a	Est. 2012
Electrica Serv	100%	n/a		Full privatization	n/a	n/a	Est. 2012
Termoelectrica	n/a	n/a		Full privatization of viable assets	n/a	n/a	By March 2012
CFR Marfa	100%	20.0%		Strategic investor or IPO	n/a	n/a	By the end of 2011
Tarom	100%	20.0%		Strategic investor or IPO	n/a	n/a	By the end of December 2011
Aeroportul Int. Buc. Henri Coanda	80%	20.0%	20.0%	IPO	393	79	By the end of 2011
Aeroportul Int. Timisoara Traian Vuia	80%	20.0%	20.0%	IPO	6	1	By the end of 2011
Posta Romana	75%	n/a	25.0%	n/a	165	n/a	Est. 2012
Compania Nationala a Huilei	100%	n/a		Privatization of viable assets	n/a	n/a	End of September 2011
Aeroportul Int. Mihail Kogalniceanu	80%	5.0%	20.0%	IPO	3	0.2	Halted since 2008
Adm. Canalelor Navigabile Constanta	80%	5.0%	20.0%	IPO	19	1.0	Halted since 2008
Adm. Porturilor Dunarii Maritime Galati	80%	5.0%	20.0%	IPO	2	0.1	Halted since 2008
Adm. Porturilor Maritime Constanta	80%	5.0%	20.0%	IPO	74	3.7	Halted since 2008
Adm. Porturilor Dunarii Fluviale	80%	5.0%	20.0%	IPO	5	0.2	Halted since 2008
					20,819	**1,733**	

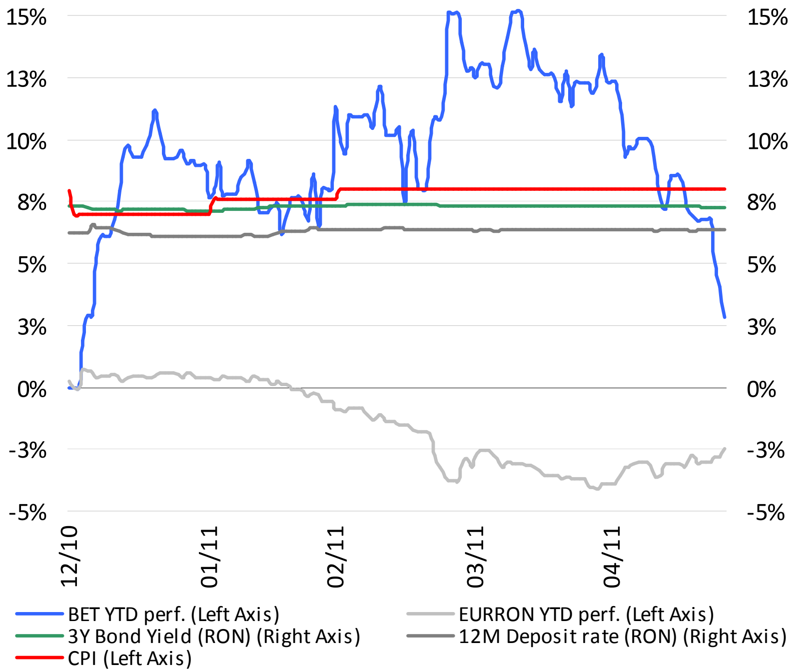
Source: IEBA TRUST, IMF 2011

- The privatisation agenda is long and the total value of the planned privatisations is estimated at cEUR21bn, while proceeds are estimated at cEUR1.8bn (with current available data and in simple and conservative calculations).
- The agenda has an ambitious deadline until the end of 2012.

- The highest priority is for the listed Petrom, Transelectrica, TransGaz, Fondul Proprietatea and Oltchim, while the remaining should past from a long procedure yet including a finalisation of the structure, selection of legal and financial advisors.

Performance: Equity Market (BET), EURRON, Deposit rates (12m) and 3Yrs Bond Yield

YTD Performance



Source: IEBA TRUST, Bloomberg, BNR

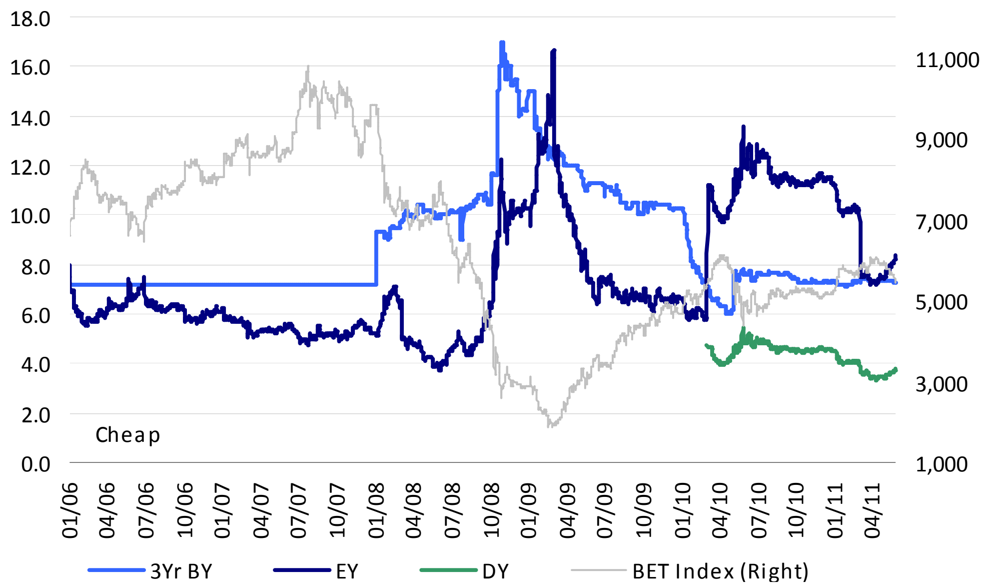
• In the recent downfall, the market lost more than 2/3 of its YTD gains loosing its attractiveness on a YTD performance compared to bond yields and somehow to deposits. Corporate yields remain very appealing but they need a stronger earnings outlook in a growing economy going forward.

• The hike of inflation at 8% makes bond yields (7.30%) and deposits (6.4%) look not attractive since early in 2010. We expect inflation to start declining in Q3 11 and in such a degree that corporate yields should remain more appealing in the expected better operational environment.

• Corporate yields jumped due to strong profitability in 2010, while still cautious forecasts in 2011 dropped yields lower.

• Following the scenario incorporating lower inflation from Q3 onwards, a potential drop in the policy rate and interest rates, and a gradual recovery of the economy, corporate yields should start again picking up for a longer term getting in a growing economic cycle that will bring also the upward re-rating of the country.

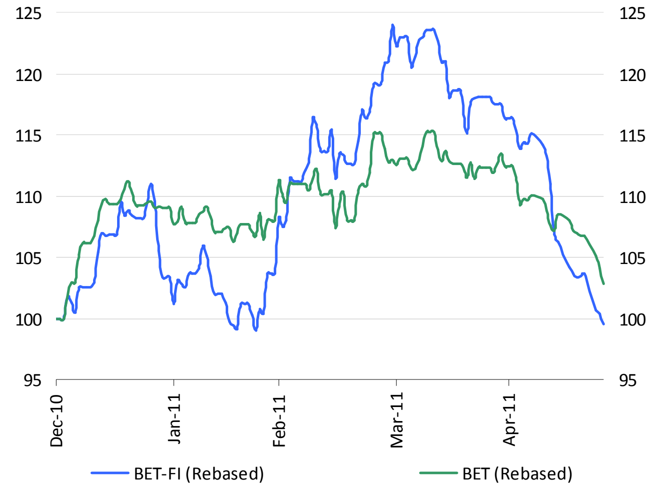
Bonds, Earnings and Dividend Yields



SIFs

BET-FI vs BET … SIFs

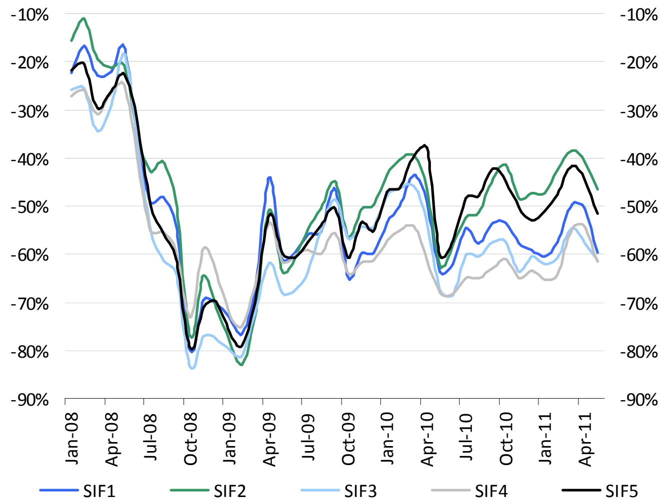
YTD BET-FI vs BET



Source: IEBA TRUST, Bloomberg

- After a rally until March on the back of exceptionally high dividends payout by SIFs, BET-FI significantly slid loosing most of its gains YTD. Without any signs for sustainable high dividends, portfolio restructuring and elimination of the 1% ownership threshold, SIFs loose attractiveness.

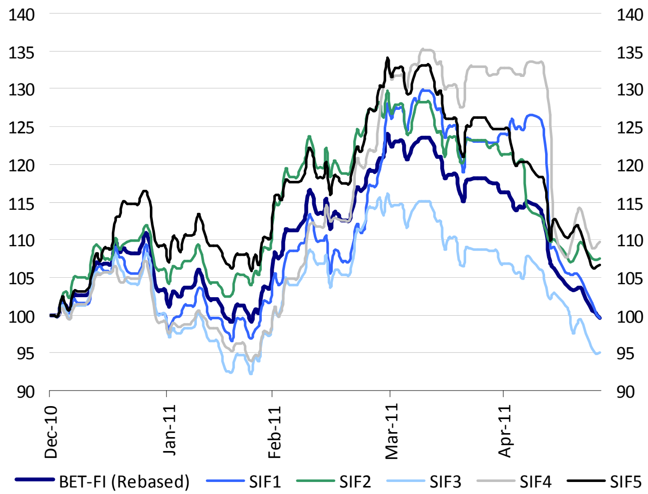
Premium (Discount)



Source: IEBA TRUST, Bloomberg

- SIFs trade at a discount band between 50-60% depending mainly on the market value assumptions of their listed portfolio as well as sustainable dividend capability and policy.

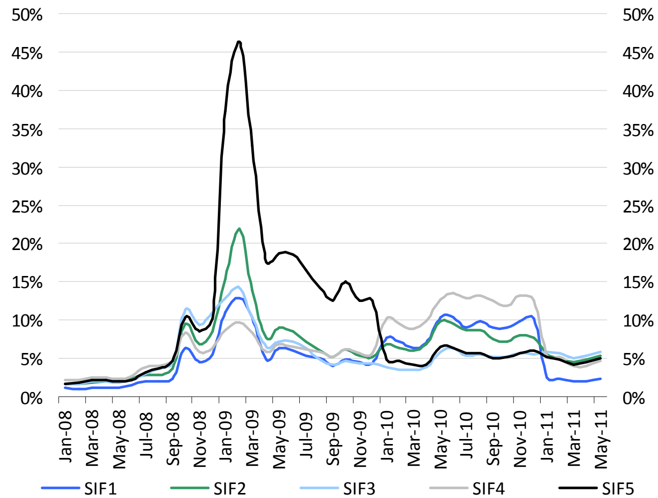
YTD BET-FI vs SIFs



Source: IEBA TRUST, Bloomberg

- Apart from SIF3, the rest of SIFs outperformed the market and also lost altogether their strong gains YTD maintaining at the moment similar performance YTD.

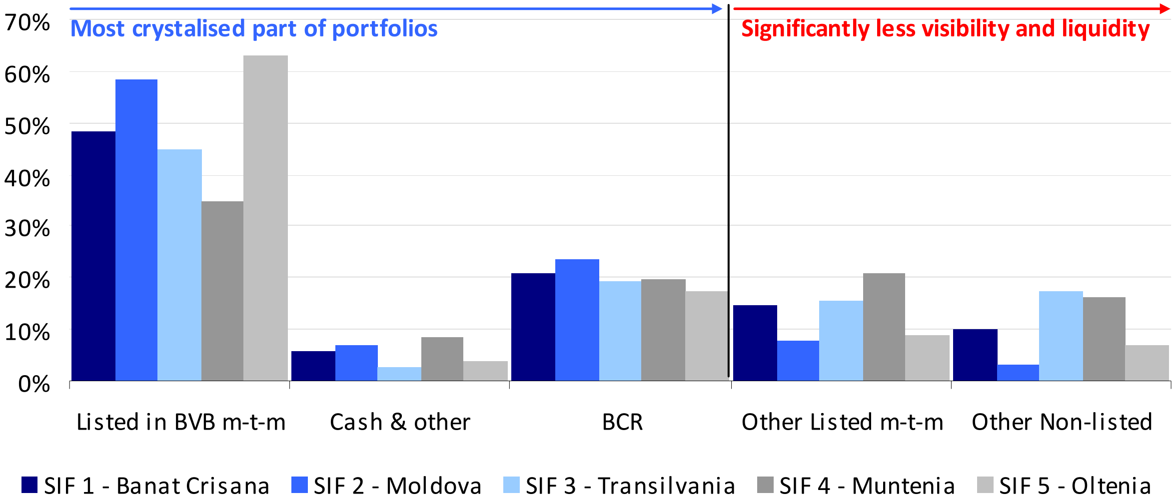
Dividend Yields



Source: IEBA TRUST, Bloomberg

- Since 2009, the minimum dividend imlppied yield (at lowest prices) by SIFs was at c4%.

Weight of assets allocation



Source: IEBA TRUST

- SIF 2 and 5 maintain the most clear structure among SIFs with the highest exposure in the BVB market and the lowest in other listed and unlisted holdings. About 90% of both SIFs portfolios are comprised of listed companies in the BVB, the holding in BCR and cash versus an equivalent average of 65% in the other SIFs.
- On the other side, SIF4, maintains the lowest holdings in the BVB and the highest in other listed and unlisted companies.
- Out top picks, SIF 2, 3 and 5 have the most balanced portfolio with holdings in banks weighting by c65% ,while SIF 1 and 4 holds c85% in banks.

Major positions in BVB														
Per stock	**SIF1**	**%**		**SIF2**	**%**		**SIF3**	**%**		**SIF4**	**%**		**SIF5**	**%**
Total listed in BVB	**724**	*96%*		**751**	*99%*		**719**	*99%*		**514**	*93%*		**1,071**	*95%*
BRD	484	*67%*	BRD	390	*52%*	BRD	425	*59%*	BRD	430	*84%*	BRD	564	*53%*
BT	94	*13%*	BT	102	*14%*	TURISM FELIX	56	*8%*	TURBOMECANICA	21	*4%*	PETROM	215	*20%*
VRANCART	44	*6%*	FP	88	*12%*	EFO	56	*8%*	FP	15	*3%*	BT	104	*10%*
BIOFARM	38	*5%*	PETROM	40	*5%*	PETROM	41	*6%*	PREFAB	14	*3%*	BIOFARM	56	*5%*
TERAPLAST	18	*3%*	TRANSGAZ	34	*5%*	COMCM CONSTANTA	40	*6%*				TRANSELECTRICA	31	*3%*
PETROM	11	*2%*	BIOFARM	28	*4%*	SANTIERUL NAVAL	22	*3%*				ANTIBIOTICE	29	*3%*
ANTIBIOTICE	4	*1%*	BVB	16	*2%*	ERSTE GROUP BANK	17	*2%*				TRANSGAZ	17	*2%*
TRANSGAZ	4	*1%*	AEROSTAR	15	*2%*	BT	13	*2%*				SANTIERUL NAVAL	4	*0%*
			TRANSELECTRICA	15	*2%*	FP	13	*2%*						
			MECANICA CEAHLAU	12	*2%*	ANTIBIOTICE	12	*2%*						
						TRANSGAZ	9	*1%*						
						TRANSELECTRICA	5	*1%*						
Per Sector														
Banks	578	*80%*		491	*65%*		455	*63%*		430	*84%*		667	*62%*
Oil & Gas	11	*2%*		128	*17%*		55	*8%*		15	*3%*		215	*20%*
Utilities	4	*1%*		49	*6%*		14	*2%*		0	*0%*		47	*4%*
Pharma	42	*6%*		28	*4%*		12	*2%*		0	*0%*		85	*8%*
Other	62	*9%*		44	*6%*		174	*24%*		34	*7%*		4	*0%*

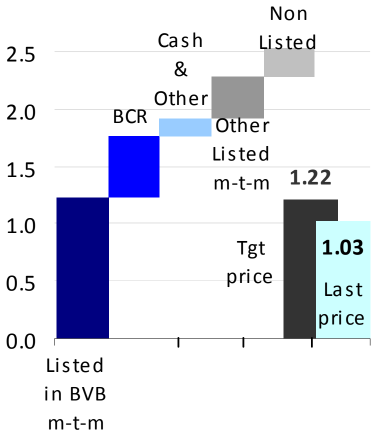
Source: IEBA TRUST, SIFs statements

SIFs multiples and target prices

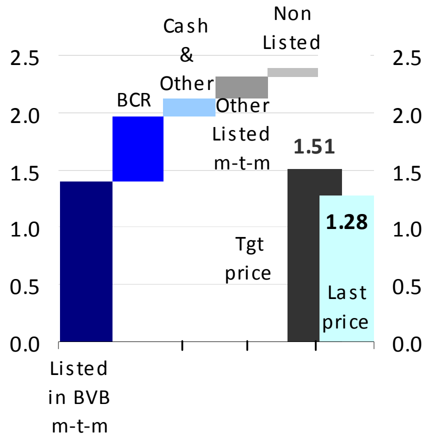
Equities	Mkt Cap (in m EUR)	YTD %	P/E 10 (x)	P/E 11E (x)	EPS 10 chg. (%)	EPS 11E chg. (%)	P/BV 10 (x)	P/BV 11E (x)	DPS 10	DPS 11E	DY09	DY10	DY11E
SIF 1 - Banat Crisana	134	0%	8.8	20.6	-44%	-57%	1.0	1.0	0.10	0.02	6%	10%	2%
SIF 2 - Moldova	157	8%	6.7	9.3	-5%	-27%	1.3	1.1	0.09	0.07	8%	7%	5%
SIF 3 - Transilvania	136	-5%	8.4	8.3	-43%	2%	0.8	0.7	0.03	0.03	6%	6%	6%
SIF 4 - Muntenia	138	10%	8.0	10.4	-13%	-24%	0.4	0.4	0.08	0.03	6%	11%	5%
SIF 5 - Oltenia	189	2%	9.6	9.6	-57%	0%	1.2	1.1	0.08	0.07	18%	6%	5%

Source: IEBA TRUST, Bloomberg, SIFs data

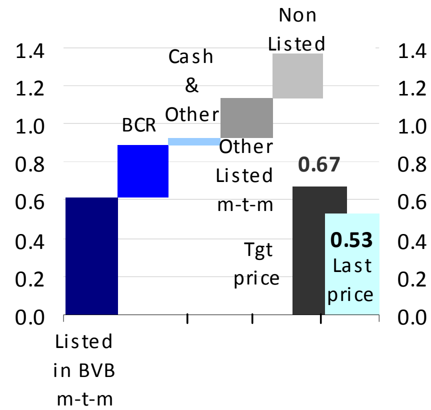
SIF 1 – portfolio per share



SIF 2 – portfolio per share

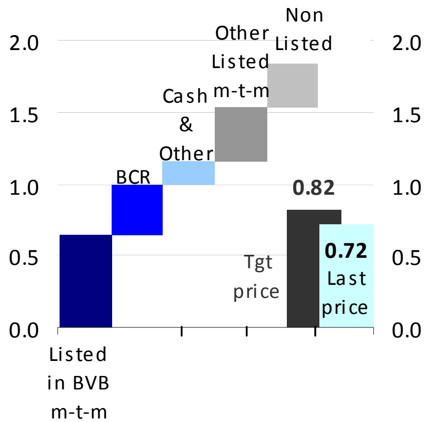


SIF 3 – portfolio per share

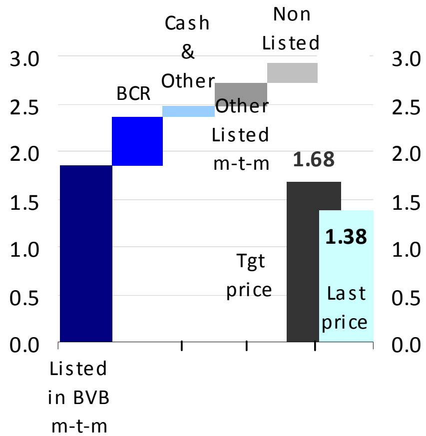


Source: IEBA TRUST, Bloomberg, SIFs data

SIF 4 – portfolio per share



SIF 5 – portfolio per share



Source: IEBA TRUST

- Lower profitability for another year for the most SIFs (based on their management guidance) apart from SIF3 and 5 will not allow attractive dividend distribution.
- However, in our crash-test valuation scenario (next page), given their listed portfolio, stake in BCR, available cash and minimum dividend yield at 4%, we see that the recent strong downfall created upside potential for SIFs.
- We prefer SIF2,3 and 5 offering a more comfortable portfolio structure and higher dividend payout potential.

SIFs latest portfolio breakdown and target prices – Crash test

IEBATRUST Financial & Investment Services

SIF1	Latest Reported	M-t-M	% of total	Discount	IEBATRUST NAV
Listed stocks	**880.4**	**860.1**	**63%**	**33%**	**579.4**
In BET & BET-C	673.6	724.3	53%	20%	579.4
Other	206.8	135.9	10%	100%	0.0
Unlisted	**432.0**	**432.0**	**31%**	**32%**	**292.0**
BCR	292.0	292.0	21%	0%	292.0
Rest unlisted	140.1	140.1	10%	100%	0.0
Money market & bonds	**16.2**	**16.2**	**1%**	**0%**	**16.2**
Cash	**105.4**	**105.4**	**8%**	**0%**	**105.4**
Other assets	**13.5**	**13.5**	**1%**	**0%**	**13.5**
Total Assets (1)	1,447.5	1,427.2		29%	1,006.4
Total liabilities (2)	**51.9**	**51.9**	**4%**	**0%**	**51.9**
NAV (1)- (2)	**1,395.6**	**1,375.3**	**100%**		**954.5**
Per share	**2.54**	**2.51**		-31%	**1.74**
Additional discount					**30%**
Target Price					**1.22**
				Upside (Downside)	**14%**
Last price	**1.07**	**1.07**			**1.07**
Premium (Discount)	**-58%**	**-57%**			**-38%**
		FY11E DY at target price			**2.0%**

SIF2	Latest Reported	M-t-M	% of total	Discount	IEBATRUST NAV
Listed stocks	**822.1**	**849.7**	**67%**	**29%**	**600.7**
In BET & BET-C	726.1	750.8	59%	20%	600.7
Other	96.0	98.9	8%	100%	0.0
Unlisted	**330.8**	**330.8**	**26%**	**12%**	**292.0**
BCR	292.0	292.0	23%	0%	292.0
Rest unlisted	38.8	38.8	3%	100%	0.0
Money market & bonds	**32.9**	**32.9**	**3%**	**0%**	**32.9**
Cash	**58.8**	**58.8**	**5%**	**0%**	**58.8**
Other assets	**17.1**	**17.1**	**1%**	**0%**	**17.1**
Total Assets (1)	1,261.7	1,289.3		22%	1,001.5
Total liabilities (2)	**21.8**	**21.8**	**2%**	**0%**	**21.8**
NAV (1)- (2)	**1,239.9**	**1,267.5**	**100%**		**979.7**
Per share	**2.39**	**2.44**		-23%	**1.89**
Additional discount					**20%**
Target Price					**1.51**
				Upside (Downside)	**21%**
Last price	**1.25**	**1.25**			**1.25**
Premium (Discount)	**-48%**	**-49%**			**-34%**
		FY11E DY at target price			**4.5%**

SIF3	Latest Reported	M-t-M	% of total	Discount	IEBATRUST NAV
Listed stocks	**904.3**	**860.2**	**59%**	**33%**	**575.4**
In BET & BET-C	672.7	719.2	49%	20%	575.4
Other	231.7	141.0	10%	100%	0.0
Unlisted	**551.7**	**551.7**	**38%**	**47%**	**292.0**
BCR	292.0	292.0	20%	0%	292.0
Rest unlisted	259.7	259.7	18%	100%	0.0
Money market & bonds	**18.4**	**18.4**	**1%**	**0%**	**18.4**
Cash	**69.0**	**69.0**	**5%**	**0%**	**69.0**
Other assets	**17.7**	**17.7**	**1%**	**0%**	**17.7**
Total Assets (1)	1,561.2	1,517.0		36%	972.5
Total liabilities (2)	**62.5**	**62.5**	**4%**	**0%**	**62.5**
NAV (1)- (2)	**1,498.7**	**1,454.5**	**100%**		**910.0**
Per share	**1.37**	**1.33**		-37%	**0.83**
Additional discount					**20%**
Target Price					**0.67**
				Upside (Downside)	**21%**
Last price	**0.55**	**0.55**			**0.55**
Premium (Discount)	**-60%**	**-59%**			**-34%**
		FY11E DY at target price			**4.7%**

SIF4	Latest Reported	M-t-M	% of total	Discount	IEBATRUST NAV
Listed stocks	**848.9**	**824.3**	**56%**	**50%**	**411.5**
In BET & BET-C	469.5	514.4	35%	20%	411.5
Other	379.5	309.9	21%	100%	0.0
Unlisted	**535.7**	**535.7**	**36%**	**45%**	**292.0**
BCR	292.0	292.0	20%	0%	292.0
Rest unlisted	243.7	243.7	16%	100%	0.0
Money market & bonds	**69.0**	**69.0**	**5%**	**0%**	**69.0**
Cash	**144.3**	**144.3**	**10%**	**0%**	**144.3**
Other assets	**2.0**	**2.0**	**0%**	**0%**	**2.0**
Total Assets (1)	1,600.0	1,575.4		42%	918.9
Total liabilities (2)	**91.2**	**91.2**	**6%**	**0%**	**91.2**
NAV (1)- (2)	**1,508.8**	**1,484.2**	**100%**		**827.7**
Per share	**1.87**	**1.84**		-44%	**1.03**
Additional discount					**20%**
Target Price					**0.82**
				Upside (Downside)	**17%**
Last price	**0.70**	**0.70**			**0.70**
Premium (Discount)	**-63%**	**-62%**			**-32%**
		FY11E DY at target price			**4.1%**

SIF5	Latest Reported	M-t-M	% of total	Discount	IEBATRUST NAV
Listed stocks	**1,166.9**	**1,219.6**	**72%**	**30%**	**856.5**
In BET & BET-C	985.7	1,070.7	63%	20%	856.5
Other	181.3	149.0	9%	100%	0.0
Unlisted	**418.2**	**418.2**	**25%**	**29%**	**297.8**
BCR	297.8	297.8	18%	0%	297.8
Rest unlisted	120.4	120.4	7%	100%	0.0
Money market & bonds	**3.8**	**3.8**	**0%**	**0%**	**3.8**
Cash	**125.9**	**125.9**	**7%**	**0%**	**125.9**
Other assets	**23.3**	**23.3**	**1%**	**0%**	**23.3**
Total Assets (1)	1,738.1	1,790.8		27%	1,307.3
Total liabilities (2)	**89.4**	**89.4**	**5%**	**0%**	**89.4**
NAV (1)- (2)	**1,648.7**	**1,701.4**	**100%**		**1,217.9**
Per share	**2.84**	**2.93**		-28%	**2.10**
Additional discount					**20%**
Target Price					**1.68**
				Upside (Downside)	**21%**
Last price	**1.39**	**1.39**			**1.39**
Premium (Discount)	**-51%**	**-53%**			**-34%**
		FY11E DY at target price			**4.2%**

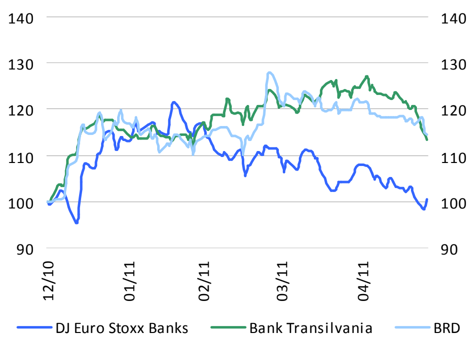
Our valuation based on a crash-test:

- We look for a comfortably minimum fair value of SIFs satisfying the following criterias: (i) most crystallised portfolio structure, (ii) significantly penalise value-destroying assets or with very low visibility and liquidity and (iii) satisfying comfortable dividend yields.
- Our valuation exercise:
  - Discount 20% on m-t-m listed holdings in the main market
  - Discount 100% on holdings in RASDAQ
  - No discount on BCR stake
  - Discount 100% on non-listed holdings
  - Cash and other asses at the latest book value
  - Discount 30% on top of our NAV to account for the limited ownership and to create satisfactory dividend yields at current forecasts based on management guidance for FY11 financials.

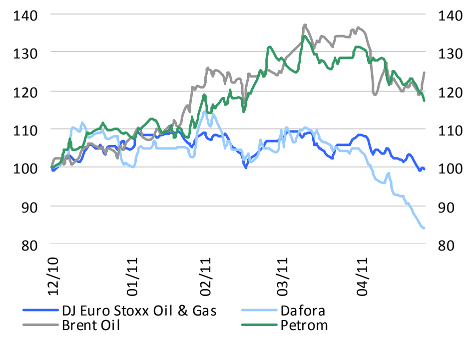
Per sector and stock insight

Sectors’ Performance (YTD)

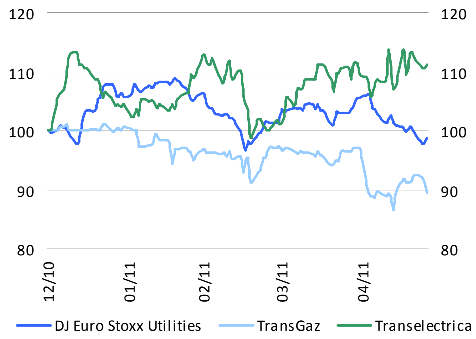
Banks - Rebased YTD



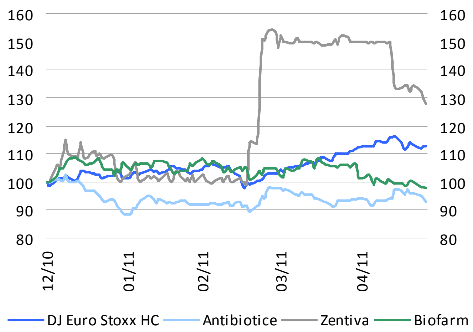
Oil & Gas - Rebased YTD



Utilities - Rebased YTD



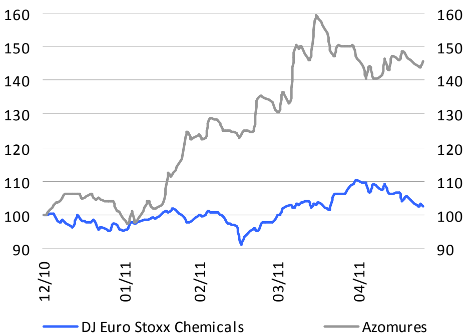
Pharma - Rebased YTD



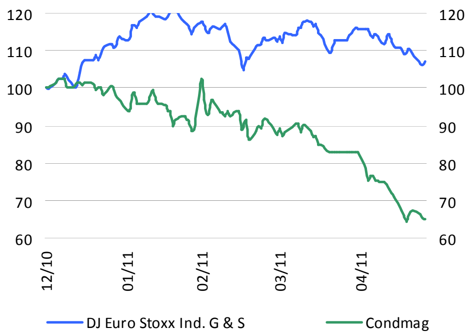
Source: IEBA TRUST, FactSet

- Gainers YTD against DJ Euto Stoxx sectors benchmark: BRD, Banca Transilvania, Petrom, Transelectrica, Zentiva, Azomures and Alro.
- Laggers YTD against DJ Euto Stoxx sectors benchmark: Dafora, TransGaz, Antibiotice, Biofarm, Condmag, BVB and FP.
- Due to the small size of the local market, we do not identify performances depending on sectors but on individual stocks.

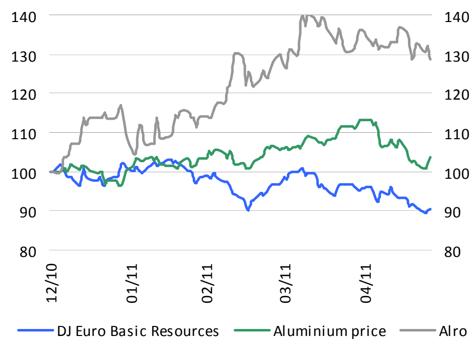
Chemicals - Rebased YTD



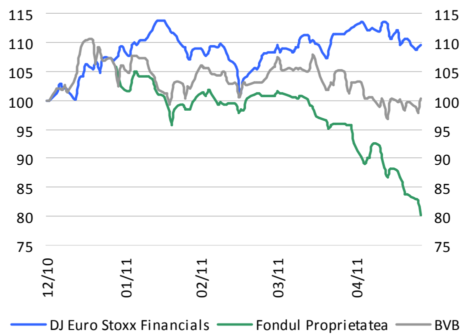
Industrial - Rebased YTD



Basic Resources - Rebased YTD



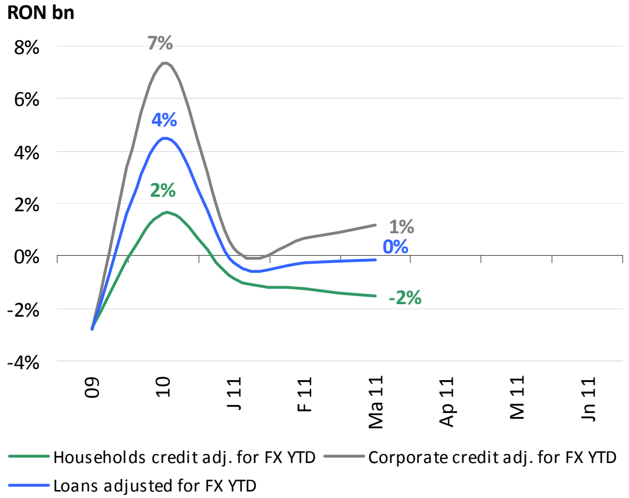
Financials - Rebased YTD



Source: IEBA TRUST, FactSet

YTD Evolution of Banking Environment

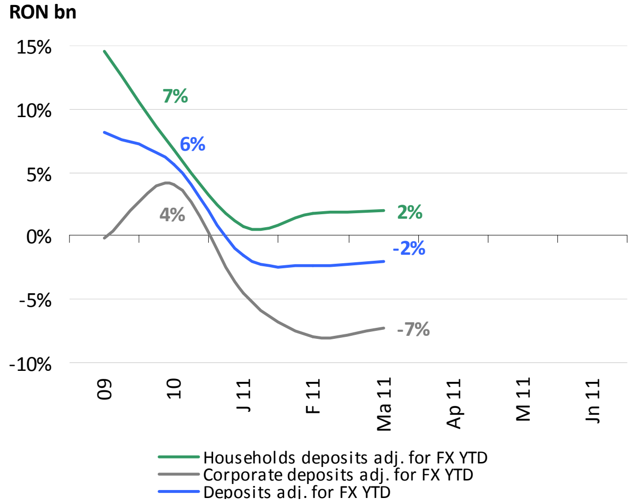
Loans breakdown & growth YTD



Source: IEBA TRUST, BNR

- The total private credit (FX adj.) remained flat YTD with corporate increasing 1% YTD and households declining 2%. The credit recovery remains very sluggish.
- The state guaranteed mortgage loans have not been activated yet in order to even slightly support household credit this year similarly to last year.
- On the corporate side, although new and current businesses are eager for financing, the banking credit remains limited for most of them either because the economic recovery and investments are not encouraging yet to allow the risk for further credit expansion.

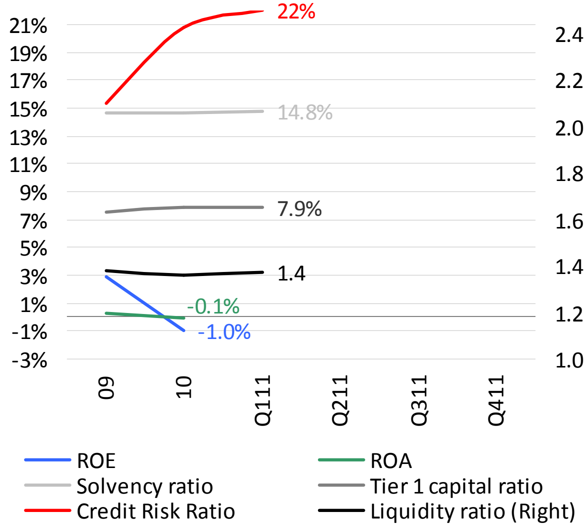
Deposits breakdown & growth YTD



Source: IEBA TRUST, BNR

- A significant drop in corporate deposits reflect either an inevitable spending due to credit limitations or/and investments from their own available cash.
- Consumer spending remains limited with household deposits slightly increasing 2% YTD.
- Overall the deposits declined by 2% YTD. It is the first time since the beginning of the crisis that corporate deposits experienced such a decrease.

Capital risk, Credit risk, Liquidity & profitability

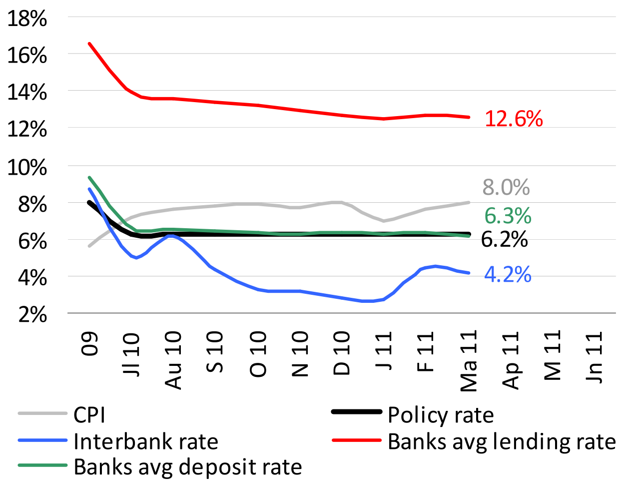


Source: IEBA TRUST, BNR

- Solvency and Tier ratio remain stable but with still a high credit risk hurting profitability.
- Tier 1 capital ratio is maintained at c8% at par with BNR requirement.

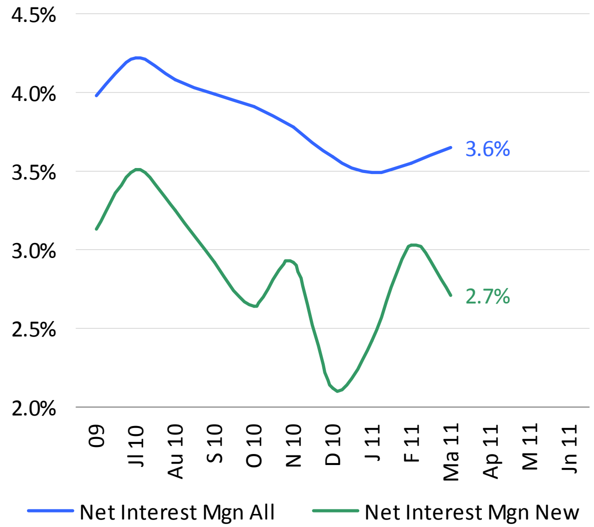
YTD Evolution of Banking Environment

CPI, Policy rate, Interbank, Banks' rates (in RON)

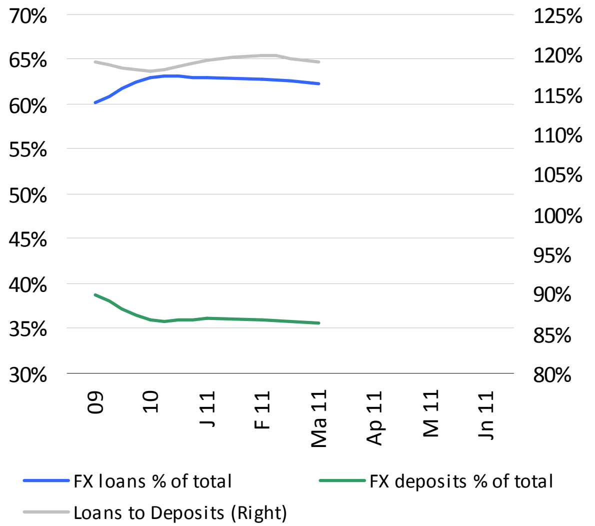


Source: IEBA TRUST, BNR, NSI

Net interest margin All versus New business (Weighted RON+EUR)



FX loans & deposits % of total & Loans to Deposits ratio



Source: IEBA TRUST, BNR, NSI

• The policy rate remains unchanged below CPI since July 2010. FY11 CPI target is at 5.1% assuming a significant normalisation in July 2011 due to the last year's VAT hike. Under this scenario, the policy rate can be maintained at this level until the end of the year and should continue decreasing afterwards supporting more the economic recovery.

• Interbank rates followed a decreasing pattern in 2010 and picked up in Q1 but remain low due to limited interbank transactions.

• Average deposit rates are at par with the policy rate, while average lending rates remain high, double versus deposit rates and the policy rate.

• The average banks' NIM remains above 3.5% being slightly increased from the beginning of the year mainly on higher lending rates in old and new business rather than lower deposit rates that cannot go further down at the moment. Nevertheless new business is very small to affect NIM which is mainly affected by older debts being restructured.

• No change with loans to deposits ratio remaining at 120% and no change in the balance between FX and RON deposits and loans.

BRD Groupe Societe Generale

• **Profile:** The second largest local player in terms of assets and branches number, with important market shares on corporate and individuals, both in terms of loans and deposits. Major shareholders are: The French Societe Generale group 59.4%, SIF1 4.66%, SIF2 4.02%, SIF3 4.91%, SIF4 5.15%, SIF 5 5.51% and a free float of 16.35%.

• **Earning drivers - Triggers:** From one side, the sluggish credit expansion and on the other side the still high provisions remain the major negative catalyst for profitability. BRD has written off c15% of its loans portfolio since 2007. In our calculations, BRD maintains NIM above the market's benchmark and somehow lower NPLs. BRD continues recording a declining loans rate versus almost a flat market and remains a lagger with moderate deposits growth. BRD relied more on get financed through the interbank market rather than deposits (having already a strong base), compared to TLV and has a higher exposure to private lending rather than the public versus TLV. BRD remains very well capitalized with a strong ROE at 17% and a comfortable loans-to-deposits ratio of 100%. In our view, BRD will be one of the first banks to benefit from an improving economic environment and a simultaneous recovery of NPLs boosting significantly profitability from 2012 onwards, not yet in our conservative forecasts. For 2011, we see a still low growth in loans and deposits, slightly higher NII, almost flat cost structure and a low reduction in NPLs.

• **Q111 Results (local GAAP-RAS):** In our calculations, BRD recorded declining rates similarly to the market in loans and deposits, c3% YTD. Loans-to-deposits remained steady at 100%. Q1 11 net profits declined by 39% YoY to RON122.3m mainly on half non-core income, since NII was flat and provisions declined by 11% YoY. Q111 results were not encouraging but we maintained our FY11 forecasts.

• **Forecasts (IFRS):** We remain conservative on our forecasts and valuation as 2011 is considered a transitional year before a more substantial economic recovery and earnings outlook from 2012 onwards. We do not expect the credit expansion to recover unless (i) an economic recovery is substantially apparent in order to boost the corporate side and new investments as well as allow a further decrease of FX obligatory reserves of banks. This year the Central Bank allowed the banks to free up EUR1bn in total but the majority of the inflows were invested in public instruments. As the economy will start becoming more solid, we expect at first stage a continuous decreasing of NPLs supporting earnings growth again. For 2011, we forecast a moderate EPS growth of c5% YoY and 19% YoY for 2012.

• **Valuation:** Our SOTP exercise incorporates equally a GGM model with our base case scenario at FY11(E) and a relative valuation with a targeted P/BV(11E) at 1.8x at par with developing & emerging peers. Based on the relative valuation, BRD can move higher by c18%, being currently traded at an unjustifiable discount, while GGM returns a lower fair value due to still low expectations for 2011. Overall, our fair value is maintained at RON15.46/share and given the recent shortfall of the stock, we revert with a more positive view and we upgrade from Hold to Accumulate.

RON m	2009A	2010A	2011E	2012E	CAGR 08-10A	CAGR 10-12E
Net Interest Income	2,239	2,320	2,420	2,596	11%	6%
Net fees & commissions	810	783	807	813	1%	2%
Core income	**3,050**	**3,103**	**3,227**	**3,409**	**8%**	**5%**
Non-core income	643	561	563	599	-18%	3%
Total Income	**3,693**	**3,664**	**3,790**	**4,008**	**2%**	**5%**
OPEX	1,637	1,553	1,609	1,681	4%	4%
Impairment losses	605	883	894	795	72%	-5%
Operating Profit (Loss)	**1,450**	**1,228**	**1,286**	**1,532**	**-17%**	**12%**
Net Profit (Loss)	**1,146**	**1,008**	**1,055**	**1,258**	**-20%**	**12%**
IEBA Net Profit (Loss)	**1,146**	**1,003**	**1,051**	**1,253**	**-14%**	**12%**
Net Fixed Assets	1,336	1,325	1,345	1,370	0%	2%
Cash & CB Account	9,851	10,041	9,743	9,936	-16%	-1%
Interbank placements	585	662	705	749	6%	6%
Loans, net	32,680	32,243	33,401	35,302	0%	5%
Other Assets	3,839	5,396	5,796	5,866	37%	4%
Total Assets	**48,291**	**49,667**	**50,989**	**53,223**	**-1%**	**4%**
Total Deposits	35,719	31,901	33,271	35,007	-7%	5%
Borrowings	7,137	11,373	10,423	9,823	12%	-7%
Other Liabilities	491	644	644	644	1%	0%
Shareholders Equity	**4,944**	**5,749**	**6,655**	**7,755**	**16%**	**16%**
P/E(x) IEBA	5.7	9.0	9.4	7.9		
P/BV(x) IEBA	1.3	1.6	1.5	1.3		
RoAE IEBA	25.5%	18.8%	17.0%	17.4%		
DY (%)	3.0%	1.4%	1.6%	1.9%		
EPS	1.64	1.45	1.51	1.80		
DPS	0.28	0.18	0.23	0.27		
Net Loans/Assets	67.7%	64.9%	65.5%	66.3%		
Net Deposits/Assets	74.0%	64.2%	65.3%	65.8%		
Total Equity/Assets (Tier I)	10.2%	11.6%	13.1%	14.6%		
Loans/Deposits	91.5%	101.1%	100.4%	100.8%		
Total Equity/Loans	15.1%	17.8%	19.9%	22.0%		
Interbank liabilities/Liabilities	16.5%	25.9%	23.5%	21.6%		
NII/Total income	60.6%	63.3%	63.9%	64.8%		
Impairment losses/Pre-EBT	29.5%	41.8%	41.0%	34.2%		
Impairment losses/NII	27.0%	38.1%	37.0%	30.6%		
NII margin	4.7%	4.7%	4.8%	4.8%		
Cost/Income	44.3%	42.4%	42.5%	41.9%		
Provisions/Gross loans	3.7%	4.9%	4.6%	3.9%		

Source: IEBA TRUST, The Company

• **Profile:** Leading majority private capital bank in terms of assets and equity. Part of BT group with companies active in different fields of the financial sector like brokerage, leasing, asset management, real estate, factoring, consumer finance and business consultancy. The shareholding structure of TLV is comprised of EBRD with 14.6%, SIF1 4.52%, SIF2 4.89%, SIF3 0.65%, SIF4 0.07%, SIF5 5.0%, Bank of Cyprus 9.7% and a free-float of c60.57%.

• **Earning drivers - Triggers:** TLV continues growing in both loans and deposits with rates (2007-10 CAGR 9% and 4%, respectively) above the market, being more flexible compared to the larger local peers. Loans to deposits ratio comfortably stands at c80%, while most of deposits growth finances the public sector rather than the private. In our calculations, although TLV continuously builds a stronger deposits base, its less interbank exposure (cheaper) lead to lower NIM than BRD but still slightly higher than the market's benchmark. Although 2010 was a strong year with pre-provision EBT up 25.5% YoY, NPLs still weighted on the bottom line. TLV has written off c23% of its loans portfolio since 2007. TLV remains well capitalized but with a still low ROE at 9%. Assuming that TLV will continue growing in the current tough environment, a gradual improvement coming from less NPLs will significantly boost the bottom line.

• **Q111 Results (local GAAP-RAS):** In our calculations, TLV recorded declining loan rates for the first time since Q209 compared to a flat market YTD. However, deposits continued growing well above the market's benchmark. At the parent basis, Q1 11 net profits doubled than last year to RON32m mainly on a decline in provisions by 16% YoY, since NII was up 5% and despite a 34% YoY decline in non-core income and a 7% YoY increase in OPEX. At this stage, we feel comfortable with Q111 results and we maintained our FY11 forecasts, while we expect to see a much higher assets and profitability growth going forward this year.

• **Forecasts (IFRS):** We remain cautious on our forecasts and valuation as 2011 is considered a transitional year before a more substantial economic recovery and earnings outlook from 2012 onwards. We do not expect the credit expansion to materially recover this year. As the economy will start becoming more solid, we expect at first stage a continuous decreasing of NPLs supporting earnings growth again. For 2011, we forecast a solid EPS growth of 41% YoY and 16% YoY for 2012, mainly on decreasing NPLs.

• **Valuation:** Our SOTP exercise incorporates equally a GGM model with our base case scenario at FY11(E) and a relative valuation with a targeted P/BV(11E) at c1.3x being discounted by 30% over developing & emerging peers or at 30% premium over developed peers. TLV can be relatively compared to the developed peers carrying still a low ROE, but with a much higher EPS growth outlook. Based on the relative valuation, TLV can move strongly higher, while GGM returns a much lower fair value due to still low ROE expectations for the bank. Overall, our fair value has been recently downwards revised mainly on lower peers' multiples to RON1.38/share and given the recent shortfall of the stock, we revert with a more positive view and we upgrade from Accumulate to BUY.

RON m	2009A	2010A	2011E	2012E	CAGR 08-10A	CAGR 10-12E
Net Interest Income	754	996	1,007	988	30%	0%
Net fees & commissions	371	383	406	370	0%	-2%
Core income	**1,125**	**1,379**	**1,413**	**1,358**	**19%**	**-1%**
Non-core income	230	163	172	213	-35%	14%
Total Income	**1,355**	**1,542**	**1,585**	**1,571**	**7%**	**1%**
OPEX	717	741	802	860	0%	8%
Impairment losses	491	647	556	428	103%	-19%
Operating Profit (Loss)	**147**	**154**	**227**	**283**	**-42%**	**36%**
Net Profit (Loss)	**138**	**134**	**193**	**239**	**-39%**	**34%**
IEBA Net Profit (Loss)	**105**	**134**	**193**	**239**	**0%**	**34%**
Net Fixed Assets	326	345	357	371	-8%	4%
Cash & CB Account	3,187	3,701	4,026	3,877	0%	2%
Interbank placements	1,536	1,237	1,707	1,537	22%	11%
Loans, net	11,482	12,216	12,881	14,430	6%	9%
Other Assets	3,083	4,231	4,282	4,251	78%	0%
Total Assets	**19,613**	**21,730**	**23,254**	**24,465**	**13%**	**6%**
Total Deposits	15,248	17,612	18,894	19,958	20%	6%
Borrowings	2,415	1,851	1,837	1,746	-24%	-3%
Other Liabilities	111	177	177	177	0%	0%
Shareholders Equity	**1,838**	**2,090**	**2,345**	**2,583**	**12%**	**11%**
P/E(x) IEBA	11.4	12.7	8.3	7.2		
P/BV(x) IEBA	0.7	0.8	0.7	0.7		
RoAE IEBA	6.5%	6.9%	8.7%	9.7%		
DY (%)	0.0%	0.0%	0.0%	0.0%		
EPS	0.10	0.10	0.14	0.16		
DPS	0.00	0.00	0.00	0.00		
Net Loans/Assets	58.5%	56.2%	55.4%	59.0%		
Net Deposits/Assets	77.7%	81.0%	81.3%	81.6%		
Total Equity/Assets (Tier I)	9.4%	9.6%	10.1%	10.6%		
Loans/Deposits	75.3%	69.4%	68.2%	72.3%		
Total Equity/Loans	16.0%	17.1%	18.2%	17.9%		
Interbank liabilities/Liabilities	13.6%	9.4%	8.8%	8.0%		
NII/Total income	55.7%	64.6%	63.5%	62.9%		
Impairment losses/Pre-EBT	76.9%	80.8%	71.0%	60.2%		
Impairment losses/NII	65.1%	64.9%	55.2%	43.4%		
NII margin	3.6%	4.4%	4.2%	3.8%		
Cost/Income	52.9%	48.1%	50.6%	54.8%		
Provisions/Gross loans	6.3%	10.0%	13.0%	9.0%		

Source: IEBA TRUST, The Company

Fondul Proprietatea

• **Profile:** FP was set up in December 2005 by the Romanian authorities to indemnify individuals who lost their properties during the communist regime and whose ownership claims could not be settled in-kind. The Fund was listed on 25th of January. The fund holds stakes in 83 companies and the portfolio is heavy weighted in the energy sector, Oil & Gas, utilities and electricity generation and distribution. The Ministry of Finance holds 36.79%, Romanian shareholders 31.41% while foreign investors hold a 31.03% stake.

• **Earning drivers - Triggers:** The level of visibility and the speed of initiations for listing, privatizing or/and selling holdings will lead to a substantial value crystallization of major stakes and therefore will significantly affect the medium to long term value of the fund. The stake in Nuclearelectrica may increase as FP contested in Court the dissolution from 20% to 9.7%. State's stake to drop below 33% that would trigger the dissolution of the current restrictions over the voting rights. The faster the on-going reimbursement finish, the quicker elimination of the current pressure on the stock.

• **Latest NAV (IFRS):** The Fund's official NAV at the end of April '11 increased by 7.9% compared to the end of 2010 and stood at RON16.5bn, or RON1.2004/share following higher valuation of the listed companies, being currently traded at a discount of 60%. The Fund has increased its exposure to Alro (ALR), Azomures (AZO) and BRD Group Societe Generale (BRD), while adding exposure to Austrian banks Erste Bank and Raiffeisen Bank in Q111. Although very small in size scale, FP sold its entire holding in Marlin and Familial Restaurant at prices exceeding the values carried in the NAV.

• **Forecasts (IFRS):** At comparable basis, we forecast FY11 income for the fund to increase 50% YoY to RON536.4m due to the recovery of dividends by Petrom. We expect this to increase FY11 dividend per share by 12% YoY to RON0.035 implying currently a DY at 6.7%. Recall that according to the management guidance, dividends received from participations and income from fixed-income investments would be the minimum distributable dividend of FP.

• **Valuation:** Our FY11 NAV per share forecast stands at RON1.22 (versus the latest official April's NAV of RON1.2004) and after further discounting by 30%, we derive a target price of RON0.85 per share, implying a huge upside potential of 75% since the stock has been heavily undervalued given the on-going reimbursement of new shares started again at the beginning of May. Depending on the speed of the next reimbursement after the stock's listing remain the major negative short-term catalyst before the stock would strongly recover. Our NAV exercise incorporates: (i) our target price for major covered listed stocks, (ii) the maximum value between Equity 2009 and market cap for not covered listed stocks, (iii) the Equity 2009 for unlisted companies and (iv) zero value for companies being under insolvency or bankruptcy stage. At the end, we apply a discount of 30%: (i) 10% for the fund's holding nature, (ii) 10% for the high weight of unlisted companies and low visibility yet, and (iii) 10% for voting rights limitations. The on-going reimbursement should drop the State's stake below 33% that would trigger the elimination of minority rights limitations and will add on our target price another 10% upside (being our current discount).

RON m	2009A	2010A	2011E	2012E	CAGR 08-10A	CAGR 10-12E
Revenues	**1,320**	**577**	**547**	**554**	**5%**	**-2%**
EBITDA	**835**	**468**	**452**	**455**	**-2%**	**-1%**
Depreciation	1	0	0	0	-72%	-90%
EBIT	**834**	**467**	**452**	**455**	**-1%**	**-1%**
Net financials	0	0	0	0	n/a	n/a
EBT	**834**	**467**	**452**	**455**	**-1%**	**-1%**
Tax	104	11	10	10	-8%	-7%
Net Profit (Loss)	**730**	**456**	**442**	**445**	**-1%**	**-1%**
IEBA Net Profit (Loss)	**730**	**456**	**442**	**445**	**-1%**	**-1%**
Net Fixed Assets	1	0	0	0	n/a	n/a
Investments	9,552	10,899	11,746	11,746	8%	4%
Current Assets	516	12	6	6	-85%	-30%
Cash & Cash Equivalents	2,151	1,320	1,260	1,220	17%	-4%
Total Assets	**12,219**	**12,232**	**13,013**	**12,973**	**6%**	**3%**
Total Debts	0	0	0	0	n/a	n/a
Current liabilities	7	69	66	67	175%	-2%
Other liabilities	15	23	12	13	20%	-25%
Shareholders Equity	**12,197**	**12,139**	**12,934**	**12,893**	5%	3%
FCFF	**731**	**458**	**442**	**445**		
FCF	1,181	-831	-60	-40		
EPS	0.05	0.03	0.03	0.03	-1%	0%
DPS	0.08	0.03	0.04	0.04	n/a	7%
EV	10,046	10,819	5,974	6,013		
Mkt Cap *	12,197	12,139	7,234	7,234		
P/E(x) IEBA	16.7	27.2	16.4	16.3		
P/BV(x)	1.0	1.0	0.6	0.6		
EV/Sales (x)	7.6	18.8	10.9	10.9		
EV/EBITDA (x)	12.0	23.1	13.2	13.2		
Mkt cap/Sales (x)	9.2	21.1	13.2	13.1		
ROE (%)	6.3%	3.7%	3.5%	3.4%		
DY (%)	9.2%	3.6%	6.7%	6.9%		
Net debt/EBITDA (x)	-2.6	-2.8	-2.8	-2.7		
Net debt/Equity (x)	-0.18	-0.11	-0.10	-0.09		
Sales growth	151.9%	-56.3%	-5.1%	1.3%		
EBITDA growth	72.5%	-44.0%	-3.4%	0.7%		
EBITDA margin	63.2%	81.1%	82.5%	82.0%		
EPS growth	56.1%	-36.8%	-1.0%	1%		
Payout ratio	154.0%	94.8%	109.9%	112.3%		

** Market Capitalisation = Book Value until the end of 2010, before the company's listing*

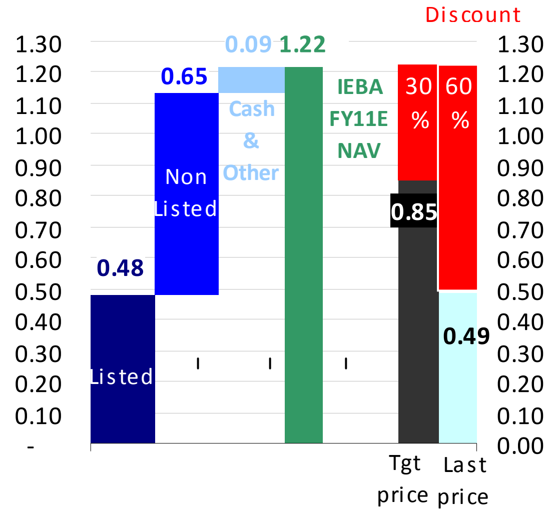
Source: IEBA TRUST, The Company

Fondul Proprietatea – portfolio and NAV breakdown, Discounts and shareholder structure

Portfolio - RON m	No of companies	NAV 2010	% of total	NAV 2011E*	IEBA NAV 11E	% of total
Listed in BVB holdings	**28**	**4,934**	**32%**	**5,883**	**6,561**	**39%**
Petrom	1	3,816	25%	4,691	5,240	31%
TransGaz	1	494	3%	445	476	3%
Transelectrica	1	191	1%	208	215	1%
Alro	1	212	1%	288	252	2%
Romaero	1	18	0%	20	82	0%
Azomures	1	19	0.1%	28	34	0.2%
Other	22	183	1%	202	262	2%
Non-listed companies	**55**	**9,145**	**60%**	**9,014**	**9,014**	**54%**
Hidroelectrica	1	3,287	21%	3,287	3,287	20%
Nuclearelectrica	1	706	5%	706	706	4%
Rest of electricity producers	3	1,049	7%	1,719	1,049	6%
Electricity Utilities	14	1,603	10%	2,549	1,603	10%
RomGaz	1	1,246	8%	1,246	1,246	7%
Airports	3	330	2%	465	330	2%
Gas Distribution	3	411	3%	508	411	2%
Posta Romana	1	169	1%	169	169	1%
Ports	4	82	1%	151	82	0%
Other	24	264	2%	-1,786	133	1%
Total	**83**	**14,079**	**92%**	**14,898**	**15,576**	**93%**
(-) Provisions on the portfolio		14	0.1%	12	12	0.1%
Other investments and receivables		12	0.1%	6	6	0.0%
Cash		1,320	9%	1,260	1,260	8%
(-) Debt (liabilities)		69	0.5%	66	66	0.4%
NAV		**15,328**	**100%**	**16,085**	**16,763**	**100%**
Per share		**1.11**		**1.17**	**1.22**	
(+/-) Discount					30%	
Shareholders' value					11,734	
Shareholders' value per share					**0.85**	

**** Balance sheet NAV according to the official valuation method, incorporating currently m-t-m value for listed holdings.***

Source: IEBA TRUST, The Company



• Since FP's listing. the stock used to trade on average at a 50% discount on NAV, while the restart of reimbursement procedure on 5th of May put more pressure on the stock increasing discount to 60%. It needs another 3.8% in order for the State's stake to drop below 33% and eliminate restrictive voting rights, while the faster the reimbursement (or its majority) complete, the quicker FP's price will recover and decrease discount. Until the end of the year, we expect FP to narrow discount by at least 20%.

Shareholder Type	Stakes: Before listing	Stakes: As of 16th May	ch.%
Ministry of Finance	39%	37%	-2%
Romanian private individuals	34%	25%	-8%
Foreign institutional shareholders	10%	22%	13%
Foreign private individuals	8%	8%	1%
Romanian institutional shareholders	10%	6%	-4%
TOTAL	**100%**	**100%**	**100%**

IEBATRUST Financial & Investment Services

• **Profile:** The largest integrated oil & gas producer in SE Europe and the sole Romanian producer of crude oil. Natural gas production accounts for half of the total domestic output and 35% of Romania's total refining capacity (19% of the total refining capacity without Arpechim). OMV holds 51% in Petrom, the Ministry of Economy 20.64%, the Proprietatea Fund 20.1% and free float stands at 6.97%.

• **Earning drivers - Triggers:** Increase in crude oil price is the major profitability driver as the upstream is the main contributor segment to the EBITDA. The continuous optimization of the refinery operations can significantly improve return on investments and profitability, as it was the example in 2010 for the first time since long years ago. Full liberalisation of the gas market along with natural gas price. Future divestiture of non-core non-productive assets. Shift of yields between fuel oil and middle distillates. A targeted decrease in refinery energy consumption in combination with the start of the group's own combined cycle gas unit estimated to be fully operational in H211 will both support the group's energy efficiency as well as business expansion. The additional free-float increase as Romanian authorities plan to sell in 2011 a 9.8% stake probably within June-July of this year, followed later by a very likely EUR600m capital increase will improve the stock's liquidity and capital structure.

• **Q111 Results (IFRS):** Q111 results came above our expectations on strong crude oil prices. Q111 net sales jumped 27% YoY on a 29% oil price hike YoY. Q111 upstream EBIT was further boosted by 42% YoY on a stronger USDRON and lower downstream and gas EBIT led to Q111 group EBIT increase of 26% YoY. Nevertheless, Q111 bottom line was negatively affected by net hedging financial losses growing just 5% YoY.

•**Forecasts (IFRS):** Following Q111 results, we slightly increased our FY11 forecasts mainly on slightly higher crude oil prices assumptions being partially offset by weaker USDRON assumption. Overall, our full year forecasts increased by c3% on the EBITDA line and by 8% on the bottom line. We now see FY(11E) EBITDA and EPS growth of 10% and 3% YoY, respectively. Despite the strong start this year, we expect a slowdown of crude oil prices that will result to smoother financial headlines this year.

• **Valuation:** Our SOTP exercise incorporates a DCF absolute valuation (weight 50%) and a relative valuation over developing peers at par with EV/EBITDA(11E) of 6.5x. Our recent slight adjustments on our forecasts resulted to a higher fair value by c5% to RON0.48 per share and given the recent downfall of the stock, and the coming secondary placement, we strongly maintain our BUY rating.

* In our forecasts and valuation, we do not incorporate yet any share capital increase of the company that has been decided in the April's AGM and the impact from the start of the new gas-fired plant due to still low visibility.

RON m	2009A	2010A	2011E	2012E	CAGR 08-10A	CAGR 10-12E
Revenues	**16,090**	**18,616**	**20,248**	**20,505**	**-4%**	**5%**
EBITDA	**4,110**	**5,797**	**6,382**	**6,464**	**22%**	**6%**
Depreciation	2,489	2,817	3,168	3,481	3%	11%
EBIT	**1,620**	**2,980**	**3,214**	**2,983**	**57%**	**0%**
Net financials	-451	-380	-528	-501	n/m	n/m
EBT	**1,169**	**2,600**	**2,686**	**2,482**	**52%**	**-2%**
Tax	309	404	418	385	64%	-2%
Net Profit (Loss)	**860**	**2,196**	**2,268**	**2,097**	**50%**	**-2%**
IEBA Net Profit (Loss)	**860**	**2,196**	**2,268**	**2,097**	**50%**	**-2%**
Net Fixed Assets	22,791	25,147	26,479	27,498	10%	5%
Investments	3,437	3,529	3,586	3,370	-3%	-2%
Current Assets	4,299	6,090	5,783	5,755	16%	-3%
Cash & Cash Equivalents	384	1,589	1,738	2,084	67%	15%
Total Assets	**30,527**	**34,765**	**35,847**	**36,622**	**10%**	**3%**
Total Debts	2,998	3,857	3,466	3,466	45%	-5%
Current liabilities	4,707	5,578	5,126	4,725	5%	-8%
Other liabilities	6,631	6,871	7,542	7,669	7%	6%
Shareholders Equity	**16,180**	**18,486**	**19,751**	**20,812**	8%	6%
FCFF	**-455**	**1,101**	**1,844**	**1,388**		
FCF	-189	1,205	150	346		
EPS	0.02	0.04	0.04	0.04	50%	-2%
DPS	0.00	0.02	0.02	0.02	n/a	-2%
EV	20,690	26,009	30,180	30,101		
Mkt Cap	12,501	17,850	22,289	22,289		
P/E(x) IEBA	14.5	8.1	9.8	10.6		
P/BV(x)	0.8	1.0	1.1	1.1		
EV/Sales (x)	1.3	1.4	1.5	1.5		
EV/EBITDA (x)	5.0	4.5	4.7	4.7		
Mkt cap/Sales (x)	0.8	1.0	1.1	1.1		
ROE (%)	5.4%	12.7%	11.9%	10.3%		
DY (%)	0.0%	5.6%	4.6%	4.3%		
Net debt/EBITDA (x)	0.6	0.4	0.3	0.2		
Net debt/Equity (x)	0.2	0.1	0.1	0.1		
Sales growth	-20.1%	15.7%	8.8%	1.3%		
EBITDA growth	6.1%	41.1%	10.1%	1.3%		
EBITDA margin	25.5%	31.1%	31.5%	31.5%		
EPS growth	-12.1%	155.2%	3.3%	-7.6%		
Payout ratio	0.0%	45.7%	45.7%	45.6%		

Source: IEBA TRUST, The Company

• **Profile:** Dafora performs onshore drilling services for oil, gas and geothermal water with a good experience in civil and industrial engineering, airports and infrastructure works. Calburean Gheorghe holds a 48.58% stake and the free float stands at 51.42%. Dafora also holds a stake of 45.82% in the listed company, Condmag (COMI), specialising in the construction of gas, oil, crude oil, water and other fluids pipelines.

• **Earning drivers - Triggers:** An increase in the company's main clients (Transgaz, Romgaz and OMV Petrom) investment activity. Exploring new areas distinct from traditional ones. New projects abroad. Nabucco project to become operational in the long term. Possible involvement in the regional gas pipelines constructions. Management approach toward dividends.

• **Q111 Results (local GAAP): Q**111 turnover was up 20% YoY to RON 45m with very sluggish margins resulting to a drop of the EBITDA by 40% YoY. Due to the business nature of Dafora, we consider the first quarter not indicative as margins can easily recover in the second quarter or even later in the year. As a result of low operational margins in Q11, net profits collapsed by 70% YoY. Overall, Q11 results were weak but we maintain our full year forecasts incorporating a sales growth of 5% YoY, EBITDA up 20% YoY and net profits up 7% YoY.

• **Forecasts (local GAAP):** We maintain our forecasts standing higher on the top line and lower on the profitability side. Particularly, we see FY11 sales growth of 20% YoY versus a management guidance of 5.4% YoY, while we see lower margins than last year resulting to an EBITDA growth of 7% YoY versus a much higher forecast by the management.. We see a decline on the bottom line by 8% YoY on high net financial expenses, 14% below the management guidance that forecasts a growth of 12% YoY.

• **Valuation:** We value Dafora using a SOTP exercise incorporating a DCF absolute valuation (50% weight) and a relative valuation with peers at par applying an average EV/EBITDA (11-12E) at 6.0x, discounted by 15% over selected peers' universe. Our SOTP exercise results to a 12M target price of RON0.15/share with a recommendation at Buy given a strong upside potential. Trading wise, the stock traditionally trades at deep discounts over peers given the liquidity of the stock and the communication visibility. We do not expect discounts to be eliminated but we expect peer group to trade higher multiples going forward. Dafora trades its EV/EBITDA (11E) at 5.6x, 15x its P/E(11E) on a EPS decline of 8% YoY and P/BV(11E) at 0.7x on ROE (11E) of c5%.

RON m	2009A	2010A	2011E	2012E	CAGR 08-10A	CAGR 10-12E
Revenues	**186**	**194**	**233**	**245**	**-15%**	**12%**
EBITDA	**38**	**46**	**49**	**51**	**-2%**	**6%**
Depreciation	15	22	27	28	4%	14%
EBIT	**23**	**24**	**23**	**23**	**-7%**	**-2%**
Net financials	-21	-15	-14	-10	n/m	n/m
EBT	**2**	**9**	**9**	**13**	**84%**	**18%**
Tax	0	1	1	2	n/a	47%
Net Profit (Loss)	**1**	**8**	**7**	**11**	**73%**	**14%**
IEBA Net Profit (Loss)	**1**	**8**	**7**	**11**	**73%**	**14%**
Net Fixed Assets	246	221	209	206	-6%	-3%
Investments	79	82	82	82	-4%	0%
Current Assets	148	133	145	163	1%	11%
Cash & Cash Equivalents	6	16	16	16	72%	0%
Total Assets	**480**	**452**	**453**	**467**	**-2%**	**2%**
Total Debts	118	106	89	96	-3%	-5%
Current liabilities	196	183	191	186	-3%	1%
Other liabilities	2	2	5	6	7%	68%
Shareholders Equity	**164**	**160**	**168**	**178**	-1%	5%
FCFF	**11**	**55**	**37**	**12**		
FCF	1	10	0	0		
EPS	0.00	0.01	0.01	0.01	73%	14%
DPS	0.00	0.00	0.00	0.00	n/a	n/a
EV	286	314	262	259		
Mkt Cap	61	127	102	102		
P/E(x) IEBA	41.9	15.6	13.6	9.6		
P/BV(x)	0.4	0.8	0.6	0.6		
EV/Sales (x)	1.5	1.6	1.1	1.1		
EV/EBITDA (x)	7.6	6.8	5.3	5.0		
Mkt cap/Sales (x)	0.3	0.7	0.4	0.4		
ROE (%)	0.9%	5.0%	4.6%	6.1%		
DY (%)	0.0%	0.0%	0.0%	0.0%		
Net debt/EBITDA (x)	3.0	2.0	1.5	1.6		
Net debt/Equity (x)	0.68	0.56	0.43	0.45		
Sales growth	-31.0%	4.6%	20.0%	5.0%		
EBITDA growth	-21.8%	21.6%	7.1%	4.9%		
EBITDA margin	20.3%	23.6%	21.1%	21.0%		
EPS growth	-46.8%	459.5%	-8.2%	41%		
Payout ratio	0.0%	0.0%	0.0%	0.0%		

Source: IEBA TRUST, The Company

• **Profile:** Monopoly status of the electricity transportation activity. The Ministry of Economy & Finance holds a stake of 73.69%, the Proprietatea Fund 13.5%, SIFs a total of 3.45% and the free float stands at 9.36%.

• **Earning drivers - Triggers:** Higher tariffs and volumes transported on the regulated segment of activity. We expect volume to recover in 2011 and reach somehow similar levels to 2007 pick in 2012. Better pricing should also follow in 2012 in order TEL to support its heavy capex plan. Ability to purchase energy for own consumption freely on the market and not imposed by the regulator. Better operating efficiency that would improve profitability and dividend payout. Additional alleviation in the regulated framework under which transportation revenues are settled. Higher transparency from regulator side, that would improve overview on revenue cap methodology. An additional free-float increase as the State decided to sell a stake of 15% through BSE. Strong CAPEX would burden cash flows in the beginning but will enhance profitability later.

• **Q111 Results (local GAAP):** Top line was below our expectations on the back of much lower income on the balancing market, but an exceptionally lower cost structure almost doubled the EBITDA capturing half of our full year number. FY11 budget was assuming a much heavier cost structure that we expect to come in the coming quarters. In addition, strong net financial income, assumed due to a weaker USDRON, led the bottom line up 219% YoY. Given the volatility on the costs side and much less on the top line, we maintain our cautious forecasts at the moment.

• **Forecasts (IFRS) :** Following Q111 results, we maintain our set of forecasts, incorporating FY11 EBITDA up 28% YoY on sales growth of 29% YoY and a bottom line up 49% YoY on elimination of financial losses due to a stronger RON.

• **Valuation:** We use for valuing Transelectrica a SOTP valuation which incorporates absolute DCF model (50% weight) and a relative valuation over peers at an EV/EBITDA(11E) of 5.5x, c50% discount over developed peers, 20% discount over developing peers and at par over peers with similar margins and ROE. Given the very defensive performance of the stock staying almost completely immune versus the recent downfall of the market, we downgrade from Accumulate to Hold. At the moment, we do not find any reason that TEL should trade higher even due to the coming secondary placement. Recall that the IPO of TEL in 2006 implied P/E(06) of 5.7x, EV/EBITDA(06) 5.1x and P/BV(06) of 1.00x.

•Management also proposed to the Ministry of Economy a share capital increase of about 15% in order to support its investment program. No official response to the proposal has been announced yet.

RON m	2009A	2010A	2011E	2012E	CAGR 08-10A	CAGR 10-12E
Revenues	**2,552**	**2,683**	**2,815**	**3,019**	**-5%**	**6%**
EBITDA	**356**	**456**	**465**	**486**	**0%**	**3%**
Depreciation	257	267	282	299	5%	6%
EBIT	**99**	**188**	**183**	**187**	**-7%**	**0%**
Net financials	-87	-58	-5	-35	n/m	n/m
EBT	**12**	**130**	**178**	**153**	**44%**	**8%**
Tax	-6	26	24	24	46%	-3%
Net Profit (Loss)	**18**	**104**	**155**	**128**	**44%**	**11%**
IEBA Net Profit (Loss)	**81**	**138**	**124**	**128**	**-12%**	**-3%**
Net Fixed Assets	3,000	3,209	3,327	3,449	5%	4%
Investments	6	6	6	6	0%	0%
Current Assets	675	724	740	794	-10%	5%
Cash & Cash Equivalents	164	160	160	160	-15%	0%
Total Assets	**3,845**	**4,099**	**4,234**	**4,409**	**1%**	**4%**
Total Debts	1,150	1,167	1,145	1,138	0%	-1%
Current liabilities	519	635	635	681	-7%	4%
Other liabilities	271	295	296	316	27%	4%
Shareholders Equity	**1,905**	**2,003**	**2,158**	**2,274**	2%	7%
FCFF	**139**	**77**	**26**	**55**		
FCF	-61	-3	0	0		
EPS	1.10	1.88	1.70	1.75	-12%	-3%
DPS	0.05	0.12	0.17	0.14	-38%	11%
EV	1,857	2,311	2,561	2,554		
Mkt Cap	871	1,305	1,576	1,576		
P/E(x) IEBA	10.8	9.5	12.7	12.3		
P/BV(x)	0.5	0.7	0.7	0.7		
EV/Sales (x)	0.7	0.9	0.9	0.8		
EV/EBITDA (x)	5.2	5.1	5.5	5.3		
Mkt cap/Sales (x)	0.3	0.5	0.6	0.5		
ROE (%)	4.2%	7.1%	6.0%	5.8%		
DY (%)	0.4%	0.7%	0.8%	0.7%		
Net debt/EBITDA (x)	2.8	2.2	2.1	2.0		
Net debt/Equity (x)	0.5	0.5	0.5	0.4		
Sales growth	-14.6%	5.2%	4.9%	7.2%		
EBITDA growth	-22.3%	28.1%	2.1%	4.5%		
EBITDA margin	13.9%	17.0%	16.5%	16.1%		
EPS growth	-63.8%	469.6%	48.9%	-17%		
Payout ratio	20.1%	8.2%	8.2%	8.2%		

Source: IEBA TRUST, The Company

TransGaz

• **Profile:** Monopoly status of the natural gas transportation activity. The Ministry of Economy & Finance holds a stake of 73.51%, the Proprietatea Fund 14.99%, SIFs a total of 2% and free float stands at 9.495%.

• **Earning drivers - Triggers:** Higher tariffs and volumes transported on the regulated segment of activity as well as the RON depreciation associated with higher volumes on transit activity is the main EBITDA contributor. Maintenance and transportation costs are the major cost variables. FX related debt also creates volatility on the bottom line. Nabucco project in the long future will offer strong cost efficiencies and higher volumes. Despite the company's heavy ongoing planned capex, network improvements and shift to debt leverage from a current net cash position would improve both profitability and return on equity. Further alleviation in the regulated framework under which transportation revenues are settled. The Government announced that a calendar regarding price deregulation for electricity and gas will be published until the end of September this year. Additional free-float increase as the Government decided to sell a stake of 15% through BSE until the end of 2011.

• **Q111 Results (local GAAP):** Q111 results were much stronger than our FY11 outlook assumptions. Management guidance for FY11 cost structure was quite severe but we did not see it on Q11 results. In Q111 there was no tariff increase as TGN still expects authorities to approve, but revenues jumped 18.6% YoY mainly on much higher regulated and transit volume transported. In addition, Q1 11 EBITDA margins were quite strong, higher than last year, reflecting that a severe increase in maintenance costs has not realised or started yet. Despite high net financial losses, the bottom line surged 133.2% YoY. Overall, Q111 results were well above our and consensus expectations but we remain cautious for the full year.

• **Forecasts (IFRS):** In our FY(11E) IFRS estimates, we see the EBITDA down 24% YoY and net profits down 33% on lower revenues but mainly on higher maintenance and transportation costs. Although Q1 11 results were quite encouraging, we remain cautious for the full year. In our numbers for 2011, we assume tariffs increase of c7%, although we need to revert upon the formal announcement later in the year.

• **Valuation:** We value Transgaz using a SOTP exercise base equally weighted between a DCF valuation and a relative valuations over peers on an EV/EBITDA (11E) of 7.5x (at a current discount of 20%). We downwards revised recently our FY11 forecasts on a tough year and our SOTP returned a lower 12M target price by c7% to RON269.95/share, but given the recent downfall of the stock, our rating is maintained at Accumulate. Recall that the IPO of TGN in 2008 implied P/E(08) of 6.3x, EV/EBITDA(08) 8.5x and P/BV(08) of 1.20x.

• The Ministry of Economy as the major shareholder postponed its decision for a dividend payout of 90% until 9th of June at an EGM. In our assumptions, we incorporate a more rational assumption for a 50% payout or RON16.07/share implying a yield of 6%. Management also proposed to the Ministry of Economy a share capital increase of about 14% in order to support its investment program. No official response to the proposal has been announced yet.

RON m	2009A	2010E	2011E	2012E	CAGR 09A-10E	CAGR 10-12E
Revenues	**1,182**	**1,308**	**1,268**	**1,382**	**8%**	**3%**
EBITDA	**491**	**611**	**464**	**515**	**29%**	**-8%**
Depreciation	185	208	218	230	9%	5%
EBIT	**307**	**403**	**246**	**286**	**45%**	**-16%**
Net financials	18	7	27	23	74%	77%
EBT	**324**	**410**	**273**	**308**	**45%**	**-13%**
Tax	133	66	44	49		-13%
Net Profit (Loss)	**191**	**345**	**229**	**259**	**19%**	**-13%**
IEBA Net Profit (Loss)	**191**	**345**	**229**	**259**	**19%**	**-13%**
Net Fixed Assets	2,921	3,184	3,375	3,546	8%	6%
Investments	21	14	14	14	451%	0%
Current Assets	492	490	488	517	-9%	3%
Cash & Cash Equivalents	197	197	197	197	-19%	0%
Total Assets	**3,435**	**3,688**	**3,878**	**4,077**	**5%**	**5%**
Total Debts	101	216	413	431	12%	41%
Current liabilities	521	410	545	592	-8%	20%
Other liabilities	53	-41	-224	-230	n/m	n/m
Shareholders Equity	**2,760**	**3,104**	**3,144**	**3,284**	7%	3%
FCFF	**37**	**-150**	**-50**	**67**		
FCF	-105	0	0	0		
EPS	16.24	29.27	19.47	22.01	12%	-13%
DPS	13.02	16.07	10.15	11.51	24%	-15%
EV	2,181	1,697	3,165	3,183		
Mkt Cap	2,277	1,678	2,948	2,948		
P/E(x) IEBA	11.9	4.9	12.9	11.4		
P/BV(x)	0.8	0.5	0.9	0.9		
EV/Sales (x)	1.8	1.3	2.5	2.3		
EV/EBITDA (x)	4.4	2.8	6.8	6.2		
Mkt cap/Sales (x)	1.9	1.3	2.3	2.1		
ROE (%)	7.0%	11.8%	7.3%	8.1%		
DY (%)	6.7%	11.3%	4.1%	4.6%		
Net debt/EBITDA (x)	-0.2	0.0	0.5	0.5		
Net debt/Equity (x)	-0.03	0.01	0.07	0.07		
Sales growth	5.8%	10.7%	-3.1%	9.0%		
EBITDA growth	34.1%	24.3%	-24.0%	11.0%		
EBITDA margin	41.6%	46.7%	36.6%	37.3%		
EPS growth	-30.5%	80.2%	-33.5%	13%		
Payout ratio	80.2%	54.9%	52.2%	52.3%		

Source: IEBA TRUST, The Company

BVB – Bucharest Stock Exchange

IEBATRUST Financial & Investment Services

• **Profile:** BVB administrates the Bucharest Stock Exchange since 1995. BVB operates a spot regulated market, a derivatives market, a market segment called Rasdaq, as well as an alternative trading system. BVB holds a 66.8% stake in the Central Depository, 52.51% in the Clearing House, 56.93% in the Investors Compensation Fund and 100% in the Corporate Governance Institute. The company was fully listed in June 2010, while at the end of 2010, 13.3% was belonging to foreign investors.

• **Earning drivers - Triggers:** The main medium-trigger for BVB is the enlargement of the market that could come only from new private IPOs, Secondary Public Offerings, privatizations and increasing attractiveness of the local market by foreigners. The current market of the market stands at EUR27bn while the planned privatisations until now have a value of cEUR12bn. In the long run, the economic development of the country and the awakening of the stock exchange as an additional substantially funding source for the companies moving significantly away from the traditional banking funding that want to transform themselves in public companies would add depth and attractiveness of the local stock market.

• **Q111 Results (IFRS):** BVB reported a 11% lower bottom line of RON2.19m trimmed by the net financial loss of RON0.3m compared to a profit of RON1.6m last year. Revenues stood at RON5.9m (+34% YoY) supporting an operating profitability 2.3x higher YoY, while the EBITDA landed at RON2.9m, 2.7x higher YoY, following stronger margins. The net financial result was harmed by FX losses following the strengthening of RON. Overall results were in line.

•**Forecasts (IFRS):** We see volumes improving this year and supporting the top line up to 122% YoY to RON28.9m following a further floating of a 9.5% in Petrom (SNP), the 15% stake in Transelectrica (TEL) and Transgaz (TGN) and also further reimbursement of certificates into FP shares. Despite increasing operating costs, the EBITDA is seen 12.3x higher YoY at RON12.87m on higher margins, supporting a 3.5x higher YoY bottom line of RON20.1m. In our FY11 market daily average volume assumption, we see RON62.5m, while for 2012 and onwards, we keep a conservative flat volume of RON47m.

• **Valuation:** We value BVB using a DDM absolute valuation capturing both organic forecasted dividends as well as special dividends due to its large net cash position. Our fair value stands at RON35.55 per share, but we see BVB quite overvalued currently maintaining a Reduce rating. Currently, BVB is seen also as an "extraordinary dividend" play with a yield slightly over 12% as management proposed the halving of the share capital by reducing the face value from 10 to 5RON/share, and returning it back to shareholders. If this capital return will be approved on 24^{th} of June, the additional RON5.00 per share will be slashed from our target price.

RON m	2009A	2010A	2011E	2012E	CAGR 08-10A	CAGR 10-12E
Revenues	**12**	**13**	**29**	**23**	**-21%**	**32%**
EBITDA	**0**	**1**	**13**	**7**	**-63%**	**163%**
Depreciation	1	1	1	1	-39%	-1%
EBIT	**-1**	**0**	**12**	**6**	**-76%**	**348%**
Net financials	11	6	11	6	-5%	-5%
EBT	**10**	**6**	**23**	**12**	**-27%**	**34%**
Tax	1	1	3	1	-31%	34%
Net Profit (Loss)	**8**	**6**	**20**	**10**	**-27%**	**34%**
IEBA Net Profit (Loss)	**8**	**6**	**20**	**10**	**-27%**	**34%**
Net Fixed Assets	24	24	24	24	18%	0%
Investments	2.55	1.45	1.45	1.12	-33%	-12%
Current Assets	65	63	63	63	-5%	0%
Cash & Cash Equivalents	93	90	90	90	-2%	0%
Total Assets	**0**	**0**	**0**	**0**	**n/a**	**n/a**
Total Debts	0	0	16	25	n/a	n/a
Current liabilities	0	0	0	0	n/a	n/a
Other liabilities	-90	-88	-85	-86	n/m	n/m
Shareholders Equity	**90**	**88**	**70**	**61**	-2%	-17%
FCFF	**3**	**1**	**12**	**4**		
FCF	-6	-1	0	0		
EPS	1.09	0.74	2.62	1.34	-27%	34%
DPS	1.02	0.70	2.47	1.26	-27%	34%
EV	n/a	196	266	275		
Mkt Cap	n/a	260	314	314		
P/E(x) IEBA	0.0	45.5	15.6	30.5		
P/BV(x)	0.0	2.9	4.5	5.1		
EV/Sales (x)	n/a	15.0	9.2	12.1		
EV/EBITDA (x)	n/a	203.3	20.6	41.2		
Mkt cap/Sales (x)	n/a	19.9	10.8	13.8		
ROE (%)	9.2%	6.4%	25.5%	15.7%		
DY (%)	n/a	2.1%	6.0%	3.1%		
Net debt/EBITDA (x)	660.9	-65.6	-3.7	-5.8		
Net debt/Equity (x)	-0.72	-0.72	-0.69	-0.63		
Sales growth	-40.7%	5.5%	122.0%	-21.7%		
EBITDA growth	-101.4%	-1088.0%	1233.5%	-48.1%		
EBITDA margin	-0.8%	7.4%	44.4%	29.5%		
EPS growth	-21.6%	-31.5%	252.3%	-49%		
Payout ratio	94.2%	94.3%	94.3%	94.3%		

Source: IEBA TRUST, The Company

• **Profile:** The second largest Nystatin global producer with a 25% market share, local leader in generic drugs manufacturing and sole local producer of injectable cephalosporin, main producer of anti-infective drugs in the country using biosynthesis process. Still among first ten players in the local industry. A strategic company in the field. Owned 53% by the State.

• **Earning drivers - triggers:** Power purchase stability together with market overall increase associated with strong brand awareness mandatory for business development, in spite of large prerequisite marketing budgets. The local market highly depends on the State subsidies that affects both the consumption as well as a further expansion of the market with medicines consumption per habitant well below EU average. ATB's sales consist of c75% of Regulated drugs and c25% of OTC products. Higher exports along with a local pharmaceutical market advance are the main turnover drivers. Currently, exports represent a c25% of the total turnover and management plans to exceed 35% in the next couple of years. FX related to debt and operations affect the bottom line. Lowering time lagging cash collection periods and better access of population to pharmaceutical products. Ease of regulatory pricing framework that could improve margins.

• **Q111 Results (local GAAP):** Antibiotice reported higher turnover in Q111 but weaker profitability margins than last year. Q111 EBITDA declined c3% YoY on a strong sales growth of 19.5% YoY. Despite a slowdown of the market's growth in Rx drugs in Q111, we assume that exports well offset the local market with Q111 total revenues up 19.5% YoY. A positive net effect in FX financials resulted to a bottom line increase of 22.5% YoY. We maintained our set of forecasts assuming a sustainability of strong sales, mainly coming from exports, and an improvement in margins throughout the year.

•**Forecasts (local GAAP):** For the full year, we incorporate a FY11 sales growth of 13% YoY, mainly coming from a strong exports growth. On the EBITDA side, we incorporate slightly higher margins than last year mainly due to higher volumes, leading to a growth of 16% YoY. In addition lower expected net FX financial losses on stronger RON lifts our bottom line by 58% YoY. Our forecasts are broadly in line with FY11 management guidance.

• **Valuation:** We value Antibiotice using a SOTP exercise incorporating a DCF absolute valuation (50% weight), and a relative to peers multiples with applied EV/EBITDA (11E) at 7.5x at par over developing peers, despite ATB's lower EBITDA margins and ROE, but with higher potential in a highly growing market and aggressive exports going forward. Given the recent downfall of the market as well as ATB, we raised our rating from Accumulate to Buy.

RON m	2009A	2010A	2011E	2012E	CAGR 08-10A	CAGR 10-12E
Revenues	**220**	**244**	**275**	**307**	**6%**	**12%**
EBITDA	**40**	**44**	**51**	**56**	**6%**	**14%**
Depreciation	14	13	14	14	-1%	5%
EBIT	**26**	**31**	**37**	**42**	**10%**	**17%**
Net financials	-11	-12	-12	-11	n/m	n/m
EBT	**16**	**18**	**25**	**31**	**18%**	**29%**
Tax	4	6	5	6	45%	2%
Net Profit (Loss)	**12**	**13**	**20**	**24**	**9%**	**40%**
IEBA Net Profit (Loss)	**22**	**21**	**28**	**32**	**6%**	**23%**
Net Fixed Assets	159	168	164	160	1%	-3%
Investments	0.08	0.08	0.08	0.08	0%	0%
Current Assets	218	224	253	282	5%	12%
Cash & Cash Equivalents	4	4	4	4	-70%	0%
Total Assets	**377**	**393**	**418**	**442**	**3%**	**6%**
Total Debts	75	69	76	70	-1%	1%
Current liabilities	121	116	120	118	-1%	1%
Other liabilities	-61	-56	-60	-53	n/m	n/m
Shareholders Equity	**242**	**263**	**282**	**307**	3%	8%
FCFF	**-23**	**9**	**3**	**15**		
FCF	-39	0	0	0		
EPS	0.05	0.04	0.06	0.07	3%	23%
DPS	0.00	0.00	0.00	0.00	n/a	n/a
EV	616	330	304	298		
Mkt Cap	545	264	232	232		
P/E(x) IEBA	24.1	12.4	8.2	7.1		
P/BV(x)	2.3	1.0	0.8	0.8		
EV/Sales (x)	2.8	1.4	1.1	1.0		
EV/EBITDA (x)	15.5	7.5	6.0	5.3		
Mkt cap/Sales (x)	2.5	1.1	0.8	0.8		
ROE (%)	8.8%	8.5%	10.3%	11.0%		
DY (%)	0.0%	0.0%	0.0%	0.0%		
Net debt/EBITDA (x)	1.8	1.5	1.4	1.2		
Net debt/Equity (x)	0.29	0.25	0.26	0.22		
Sales growth	1.8%	10.9%	12.9%	11.6%		
EBITDA growth	2.5%	10.0%	16.4%	10.9%		
EBITDA margin	18.1%	18.0%	18.5%	18.4%		
EPS growth	12.7%	0.2%	58.3%	23%		
Payout ratio	0.0%	0.0%	0.0%	0.0%		

Source: IEBA TRUST, The Company

Biofarm

• **Profile:** Medium-sized local pharmaceutical producer with 50% of drug portfolio targeting dietary supplements, 10% directed to cosmetics while the rest is provided by medicine products. AVAS holds a 1.04% stake, SIF1 16.63%, SIF2 12.22%, SIF3 0.45%, SIF4 1.01%, SIF5 24.49% and the free float stands at 44.16%.

• **Earning drivers - Triggers:** Further consolidation of position on dietary supplements market, accession on other regional markets. Continuous portfolio diversification. Position on the low price segment of the market. Biofarm's portfolio consists of 18% of regulated medicines and the rest of OTC and dietary supplements. Business stabilization under softer macroeconomic environment corroborated with an aggressive expanding policy, further business development and management approach toward dividends. Liquidation of the non-core stock portfolio will further improve liquidity and support on core-business development or offer a significant dividend play.

•**Q111 Results (local GAAP):** Biofarm reported very encouraging Q111 results despite a tougher management guidance for the full year. Q1 11 revenues jumped 26% YoY leading the EBITDA up 11.3% YoY on lower margins. Q1 11 bottom line surged 21% YoY. OTC market remained strong overall in Q1 11 although in a lower pace than last year.

•**Forecasts (local GAAP):** Despite positive Q1 11 results, we downwards revised recently our FY11 forecasts on the back of a lower management guidance. For the full year, we see a revenues growth of 13% YoY and a decline in the EBITDA by 2% YoY on much lower margins. FY11 bottom line is seen up 6% YoY.

• **Valuation:** We value Biofarm using a SOTP exercise incorporating a DCF absolute valuation (50% weight) which supports stable margins and good operating cash – flows, and a relative valuation with a targeted EV/EBITDA (11E) multiple at 8.0x. Following also our recent forecasts revision, our 12M target price stands at RON0.22/share, 7% lower than previously, but due to the downfall of the stock, our rating is maintained an Accumulate.

• Biofarm decided this year for the first time to distribute dividend, 42% of net profits, implying a yield of c3%. Biofarm has a strong net cash position of cRON60m plus a stock portfolio valued currently at cRON13m totalling cRON73m (50% of total equity) of available cash to be either distributed as dividend, proceed with acquisitions or expand organically. Nevertheless, management has not expressed any of the above intentions until now.

RON m	2009A	2010A	2011E	2012E	CAGR 08-10A	CAGR 10-12E
Revenues	**67**	**82**	**93**	**100**	**12%**	**10%**
EBITDA	**18**	**22**	**21**	**24**	**8%**	**6%**
Depreciation	5	5	6	7	8%	20%
EBIT	**14**	**17**	**16**	**17**	**8%**	**2%**
Net financials	9	1	3	2		32%
EBT	**23**	**18**	**18**	**19**	**n/a**	**3%**
Tax	3	3	3	3	19%	-6%
Net Profit (Loss)	**20**	**14**	**15**	**16**	**n/a**	**5%**
IEBA Net Profit (Loss)	**14**	**14**	**14**	**16**	**0%**	**7%**
Net Fixed Assets	60	55	73	70	-12%	13%
Investments	13	13	14	14	35%	4%
Current Assets	81	101	96	116	21%	7%
Cash & Cash Equivalents	37	67	51	68	36%	1%
Total Assets	**154**	**168**	**183**	**200**	**7%**	**9%**
Total Debts	0	0	0	0	n/a	n/a
Current liabilities	12	18	17	18	14%	0%
Other liabilities	6	4	5	5	49%	8%
Shareholders Equity	**136**	**146**	**161**	**177**	6%	10%
FCFF	**15**	**35**	**-18**	**15**		
FCF	1	30	-16	17		
EPS	0.01	0.01	0.01	0.01	0%	7%
DPS	0.00	0.01	0.00	0.00	n/a	n/a
EV	137	149	168	152		
Mkt Cap	175	216	220	220		
P/E(x) IEBA	12.9	15.5	15.5	13.7		
P/BV(x)	1.3	1.5	1.4	1.2		
EV/Sales (x)	2.0	1.8	1.8	1.5		
EV/EBITDA (x)	7.5	6.9	7.9	6.3		
Mkt cap/Sales (x)	2.6	2.6	2.4	2.2		
ROE (%)	10.2%	9.9%	9.3%	9.5%		
DY (%)	0.0%	2.8%	0.0%	0.0%		
Net debt/EBITDA (x)	-2.0	-3.1	-2.4	-2.8		
Net debt/Equity (x)	-0.27	-0.46	-0.32	-0.38		
Sales growth	3.1%	22.6%	12.5%	8.0%		
EBITDA growth	-1.9%	18.5%	-1.5%	13.6%		
EBITDA margin	27.2%	26.3%	23.0%	24.2%		
EPS growth	-192.1%	26.6%	6.3%	4%		
Payout ratio	0.0%	41.8%	0.0%	0.0%		

Source: IEBA TRUST, The Company

• **Profile:** Local pharmaceutical and generic drug producer established in 1962, currently controlled by Sanofi Aventis, formerly named Sicomed. The company's portfolio consists of 280 products, out of which 180 in RX segment and 100 in OTC. Zentiva NV Amsterdam holds a 23.93% stake, Venoma Holding Limited Nicosia 50.98% and the free float stands at 25.09%.

• **Earning drivers - Triggers:** Continuous portfolio diversification along with consolidation of the market share and accession on the regional markets. Position on the low price segment of the market. Further business development and management approach to a stable dividend policy. Lowering time lagging cash collection periods and better access of population to pharmaceutical products.

• **Q111 Results (IFRS):** Zentiva reported for the first quarter a slight decrease in sales figures by 4% YoY to RON 64.7m following lower sales volume by 12% YoY to RON 54m but higher sales in value terms, up 85% YoY to RON 10m. Raw materials significantly increased by 14% YoY to RON 10.7m, whereas labor and third parties expenses advanced each by 5% YoY to RON 11.7m and RON 15.6m, respectively. With the operational profitability down 4% YoY to RON 20.8m, but supported by a financial net result of RON 1.85m (+31% YoY), bottom line stood at RON 19.44m, in line with the first quarter of 2010. Q111 results were in line with our full year forecast.

• **Forecasts (IFRS):** Our FY11 bottom line forecast stands at RON 51.6m, slightly above management guidance, but down by 10% YoY on lower operating profitability. FY11E EBITDA is seen down 13% YoY on lower margins and on a sales decline of 5% YoY. For 2011, we see the market continuing expanding with the OTC segment partially supporting our sales forecast at RON 245.86m, in line with management guidance.

• **Valuation:** We value Zentiva using a SOTP exercise incorporating a DCF absolute valuation (50% weight), and a relative to peers multiples with applied EV/EBITDA (11E) at 8.0x at par over developing peers. Our model sets a new 12M target price at RON1.67/share maintaining a BUY rating.

RON m	2009A	2010A	2011E	2012E	CAGR 08-10A	CAGR 10-12E
Revenues	**176**	**260**	**246**	**253**	**9%**	**-1%**
EBITDA	**-1**	**72**	**63**	**65**	**43%**	**-5%**
Depreciation	9	9	10	10	-14%	3%
EBIT	**-10**	**63**	**53**	**55**	**67%**	**-7%**
Net financials	10	6	9	8	-10%	18%
EBT	**-1**	**69**	**62**	**63**	**51%**	**-4%**
Tax	2	12	10	11	30%	-4%
Net Profit (Loss)	**-3**	**57**	**52**	**53**	**57%**	**-4%**
IEBA Net Profit (Loss)	**-3**	**57**	**52**	**53**	**57%**	**-4%**
Net Fixed Assets	0	0	0	0	0%	0%
Investments	151.26	118.10	162.24	167.08	-16%	19%
Current Assets	99	205	221	194	45%	-3%
Cash & Cash Equivalents	330	396	450	427	7%	4%
Total Assets	**0**	**0**	**0**	**0**	**n/a**	**n/a**
Total Debts	0	0	0	0	n/a	n/a
Current liabilities	14	11	15	15	51%	20%
Other liabilities	-296	-350	-406	-382	n/m	n/m
Shareholders Equity	**282**	**339**	**391**	**366**	9%	4%
FCFF	**-16**	**103**	**3**	**41**		
FCF	2	106	16	-28		
EPS	-0.01	0.14	0.12	0.13	57%	-4%
DPS	0.00	0.30	0.19	0.19	n/a	-20%
EV	135	112	254	282		
Mkt Cap	233	317	475	475		
P/E(x) IEBA	-81.0	5.5	9.2	9.0		
P/BV(x)	0.8	0.9	1.2	1.3		
EV/Sales (x)	0.8	0.4	1.0	1.1		
EV/EBITDA (x)	-156.3	1.5	4.0	4.3		
Mkt cap/Sales (x)	1.3	1.2	1.9	1.9		
ROE (%)	-1.0%	18.5%	14.1%	13.9%		
DY (%)	0.0%	39.4%	16.3%	16.7%		
Net debt/EBITDA (x)	114.9	-2.8	-3.5	-3.0		
Net debt/Equity (x)	-0.35	-0.60	-0.57	-0.53		
Sales growth	-19.6%	47.7%	-5.3%	3.0%		
EBITDA growth	-102.4%	8300.7%	-13.1%	3.2%		
EBITDA margin	-0.5%	27.8%	25.6%	25.6%		
EPS growth	-112.4%	2090.3%	-10.1%	2%		
Payout ratio	0.0%	217.9%	150.0%	150.0%		

Source: IEBA TRUST, The Company

• **Profile:** A company specialising in fertilisers, producing ammonium, calcium and calcium ammonium nitrate, urea, nitrogen, phosphorus, potassium, calcium carbonate and melamine. Eurofert Investments LLC New Castle USA holds a 56.83% stake, Azomures Holdings LLC Wilmington USA 19.05%, Fondul Proprietatea 10.23% and the free float stands at 13.89%.

• **Earning drivers - Triggers:** International and local fertilizers prices and USDRON volatility. World-wide demand to continue increasing, while in terms of local demand, about 20% of the fertilizers demand is met by imports. The closing of Doljchim by the end of 2010 leads to a higher domestic demand to be supplied by Azomures. Further business development with an increase in exports and management approach toward dividends.

• **Q111 Results (local GAAP):** Azomures reported strong Q1 results following a 44% YoY sales increase to RON 408.3m, despite a 88% surge in raw materials costs following the cut of the subsidy for cheaper domestically produced gas at the end of last year. Operating profit reached RON 88.9m, almost 4x times higher YoY, leading the EBITDA 3.5x higher YoY at RON94.8m. Q111 bottom line reached RON 44.2m versus a net profit of RON22.6m in Q1 2010, burdened by a a net financial loss of RON 32.9m compared to a RON 4.3m profit in the same period last year due to the appreciation of RON against the Euro.

• **Forecasts (local GAAP):** Following Q1 results we have lowered out net financial results expectations due to the stronger RON this year and therefore trimmed our bottom line assumptions from 2011 onwards. We maintain our FY(11E) revenues and operating expenses with the operating profitability at RON47.9m, down 71% YoY. Assuming 19% higher depreciation charges we now see the EBITDA 4% higher at RON70.68m (-61% YoY). Our FY11E bottom line is seen landing at RON32.96m, down 80% YoY, trimmed by a net financial loss of RON8.7m vs. a profit of RON5.2m in our previous forecasts on assumed RON strengthening against EUR.

• **Valuation:** We value Azomures using a SOTP exercise incorporating a DCF absolute valuation (50% weight) and a relative valuation of EV/EBITDA (11E-12E) of peers discounted by 50% at 4.0x over developing markets selected universe reflecting lower ROE and margins. Our model sets 12M target price at RON0.84/share with a high upside potential and a Buy recommendation. Trading wise, the stock trades at very deep discounts basically due to the difficult earnings visibility and the lack of communication which from one side seems justifiable but on the other side a hard devaluation cannot be ignored.

RON m	2009A	2010A	2011E	2012E	CAGR 08-10A	CAGR 10-12E
Revenues	**743**	**1,202**	**1,187**	**1,187**	**2%**	**-1%**
EBITDA	**35**	**181**	**71**	**65**	**27%**	**-40%**
Depreciation	19	18	23	24	1%	18%
EBIT	**16**	**164**	**48**	**40**	**31%**	**-50%**
Net financials	-7	11	-9	-9		
EBT	**10**	**175**	**39**	**32**	**42%**	**-57%**
Tax	0	21	6	5	-24%	-51%
Net Profit (Loss)	**9**	**154**	**33**	**27**	**75%**	**-58%**
IEBA Net Profit (Loss)	**9**	**154**	**33**	**27**	**75%**	**-58%**
Net Fixed Assets	176	366	378	384	40%	2%
Investments	47	47	47	47	-1%	0%
Current Assets	308	281	363	381	-10%	16%
Cash & Cash Equivalents	94	283	283	283	205%	0%
Total Assets	**625**	**977**	**1,071**	**1,095**	**26%**	**6%**
Total Debts	8	0	91	87	n/a	n/a
Current liabilities	127	157	124	124	76%	-11%
Other liabilities	90	83	87	87	-14%	2%
Shareholders Equity	**401**	**737**	**770**	**796**	37%	4%
FCFF	**51**	**309**	**-29**	**-102**		
FCF	76	252	188	0		
EPS	0.02	0.29	0.06	0.05	75%	-58%
DPS	0.00	0.00	0.00	0.00	n/a	n/a
EV	43	-55	176	172		
Mkt Cap	130	228	368	368		
P/E(x) IEBA	13.7	1.5	11.2	13.8		
P/BV(x)	0.3	0.3	0.5	0.5		
EV/Sales (x)	0.1	0.0	0.1	0.1		
EV/EBITDA (x)	1.2	-0.3	2.5	2.7		
Mkt cap/Sales (x)	0.2	0.2	0.3	0.3		
ROE (%)	2.4%	27.1%	4.4%	3.4%		
DY (%)	0.0%	0.0%	0.0%	0.0%		
Net debt/EBITDA (x)	-2.5	-1.6	-2.7	-3.0		
Net debt/Equity (x)	-0.22	-0.38	-0.25	-0.25		
Sales growth	-35.0%	61.7%	-1.3%	0.0%		
EBITDA growth	-68.8%	415.4%	-61.0%	-8.4%		
EBITDA margin	4.7%	15.1%	6.0%	5.5%		
EPS growth	-81.3%	1525.0%	-78.6%	-19%		
Payout ratio	0.0%	0.0%	0.0%	0.0%		

Source: IEBA TRUST, The Company

IEBATRUST Financial & Investment Services

• **Profile:** The company is specialized in the construction of gas, oil, crude oil, water and other fluids main pipelines and related technological facilities, dominant in the Romanian pipeline constructions market. SC Dafora SA (DAFR) holds a 45.82% stake, OGBBA Van Herk BV Rotterdam NLD 10.91% and the free float stands at 43.27%.

• **Earning drivers - Triggers:** An increase in the company's main clients (Transgaz, Romgaz and OMV Petrom) investment activity. Exploring new areas distinct from traditional ones. Nabucco project to become operational in the long run. Possible involvement in the regional gas pipelines construction. Work of investments in the Romanian oil & gas infrastructure over the next 5 years. Further business development and management approach toward dividends.

• **Q111 Results (local GAAP):** Condmag reported very weak Q111 results under RAS parent with a deep decline in revenues recorded and lower profitability margins. Q111 sales declined 78% YoY to RON11.5m and along with increasing expenses lead to a negative operating profitability of RON 6m vs. a profit of RON 2.43m last year. The EBITDA stood negative at RON 3.9m, as depreciation charges were 14% higher. Accordingly, the bottom line was negative at RON 4.56m compared to a profit of RON 2.6m in Q1 2010.

•**Forecasts (local GAAP):** Following very weak results of the first quarter, we now see FY(11E) revenues at RON201m, almost flat YoY, and the EBITDA at RON20.5m (-6% YoY) on lower margins. while EPS is seen 39% lower YOY. We revised accordingly our full set of forecasts assuming for the next 5 years, an average annual turnover of RON201m (+1% from FY10) and stable EBITDA margins at c10% slightly below 2010. Significant catalysts will be a recovery of utilities' capex and potential developments in the Nabucco project. However, for the time being, we adopt conservative forecasts despite the dominant positioning of the company.

• **Valuation:** We value Condmag using a SOTP exercise incorporating a DCF absolute valuation (50% weight) and a relative valuation at par with peers applying an EV/EBITDA (11E) at 4x over developed peers. Our model sets 12M target price at RON0.31/share, implying a HOLD rating.

RON m	2009A	2010A	2011E	2012E	CAGR 08-10A	CAGR 10-12E
Revenues	**227**	**198**	**208**	**208**	**17%**	**2%**
EBITDA	**30**	**22**	**24**	**24**	**1%**	**4%**
Depreciation	8	8	9	9	6%	9%
EBIT	**22**	**14**	**15**	**14**	**-2%**	**0%**
Net financials	0	0	0	2		144%
EBT	**22**	**14**	**15**	**16**	**18%**	**6%**
Tax	3	3	2	3	31%	1%
Net Profit (Loss)	**18**	**12**	**13**	**14**	**15%**	**7%**
IEBA Net Profit (Loss)	**18**	**12**	**13**	**14**	**15%**	**7%**
Net Fixed Assets	75	83	84	87	13%	2%
Investments	11	15	15	15	26%	0%
Current Assets	84	92	98	109	28%	9%
Cash & Cash Equivalents	24	21	35	46	103%	49%
Total Assets	**171**	**189**	**197**	**210**	**20%**	**5%**
Total Debts	9	9	4	4	-3%	-30%
Current liabilities	43	51	34	34	36%	-18%
Other liabilities	13	12	13	13	-11%	3%
Shareholders Equity	**105**	**117**	**145**	**159**	22%	16%
FCFF	**17**	**2**	**3**	**9**		
FCF	19	-3	14	11		
EPS	0.10	0.05	0.04	0.04	0%	-17%
DPS	0.00	0.00	0.00	0.00	n/a	n/a
EV	121	69	83	72		
Mkt Cap	136	80	114	114		
P/E(x) IEBA	5.9	6.8	7.6	8.4		
P/BV(x)	1.3	0.7	0.8	0.7		
EV/Sales (x)	0.5	0.3	0.4	0.3		
EV/EBITDA (x)	4.1	3.1	3.5	3.1		
Mkt cap/Sales (x)	0.6	0.4	0.5	0.5		
ROE (%)	20.0%	10.6%	9.9%	8.9%		
DY (%)	0.0%	0.0%	0.0%	0.0%		
Net debt/EBITDA (x)	-0.5	-0.5	-1.3	-1.8		
Net debt/Equity (x)	-0.14	-0.10	-0.21	-0.26		
Sales growth	56.1%	-12.5%	4.9%	0.0%		
EBITDA growth	37.6%	-26.0%	8.0%	-0.2%		
EBITDA margin	13.0%	11.0%	11.3%	11.3%		
EPS growth	93.0%	-48.3%	-23.3%	-10%		
Payout ratio	0.0%	0.0%	0.0%	0.0%		

Source: IEBA TRUST, The Company

IEBATRUST Financial & Investment Services

• **Profile:** Alro Slatina is the only primary aluminum and aluminum alloy producer in Romania and the largest aluminum smelter in Central and Eastern Europe (excluding CIS), part of the 7th largest aluminum producer worldwide, Vimetco NV. Company's primary aluminium facilities are located in Slatina and currently comprise a smelter and processing facilities, including a cast house, hot and cold rolling mills and an extrusion shop. Fondul Proprietatea (FP) holds a 10.03% stake, Vimetco NV Amsterdan 84.19% and the free float stands at 5.78%.

• **Earning drivers - Triggers:** International and local aluminium pricing and USDRON volatility. World-wide demand increase. Further business development with an increase in exports.

• **Q111 Results (local GAAP):** Alro reported a 36.3% YoY increase in sales to RON 564.36m on the back of 16% YoY higher aluminum price at USD2,502 compared to USD2,166 in Q1 last year. Despite 39.3% higher operating expenses, the operating profitability soared by 50.4% to RON 119,9m. The EBITDA stood 37% higher YoY at RON 141.57m with the margin flat at 25%. Bottom line was further supportive by net financial gains of RON24.78m vs. a loss of RON 18m last year on FX gains, most probably. Net profit stood at RON120.24m, 2.4x higher YoY.

• **Forecasts (local GAAP):** Following the strong results of the first quarter, we significantly upgraded our FY11 estimates and now see FY(11E) revenues at RON2,249m (+24% YoY), lifting the EBITDA by 8% YoY to RON 421m while net profits are seen 55% higher YoY to RON 248m. We believe that 2011 EBITDA margin will land slightly lower at 18.7% against 21.5% in 2010, due to a steeper increase in operating expenses compared to revenues, and we maintain a 18.8% margin on average for the following two years.

• **Valuation:** We value Alro using a SOTP exercise incorporating a DCF absolute valuation (50% weight) and a relative valuation at par with peers applying an EV/EBITDA (11-12E) at 8.0x over developed peers. Our model sets 12M target price at RON4.3/share, c12% above current price levels implying an Accumulate rating.

*Alro announced a secondary public offering of a 21% stake that will significantly improve liquidity of the stock.

RON m	2009A	2010A	2011E	2012E	CAGR 08-10A	CAGR 10-12E
Revenues	**1,410**	**1,812**	**2,250**	**2,025**	**-4%**	**6%**
EBITDA	**160**	**390**	**422**	**380**	**4%**	**-1%**
Depreciation	98	101	103	107	3%	3%
EBIT	**62**	**289**	**319**	**273**	**4%**	**-3%**
Net financials	23	-96	-30	-28		n/m
EBT	**85**	**193**	**288**	**245**	**-21%**	**13%**
Tax	7	33	40	33	-28%	0%
Net Profit (Loss)	**78**	**160**	**248**	**212**	**-20%**	**15%**
IEBA Net Profit (Loss)	**78**	**160**	**248**	**212**	**-20%**	**15%**
Net Fixed Assets	550	552	552	552	0%	0%
Investments	439.07	545.79	749.30	669.39	-15%	11%
Current Assets	295	301	449	509	95%	30%
Cash & Cash Equivalents	2,264	2,304	2,583	2,517	-3%	5%
Total Assets	**0**	**0**	**0**	**0**	**n/a**	**n/a**
Total Debts	568	630	572	572	7%	-5%
Current liabilities	55	52	52	47	-13%	-5%
Other liabilities	-2,056	-2,141	-2,332	-2,290	n/m	n/m
Shareholders Equity	**1,433**	**1,459**	**1,708**	**1,671**	-3%	7%
FCFF	**393**	**178**	**237**	**341**		
FCF	216	5	149	60		
EPS	0.11	0.22	0.35	0.30	-20%	15%
DPS	0.19	0.22	0.35	0.30	-8%	15%
EV	1,578	2,492	2,871	2,812		
Mkt Cap	1,306	2,163	2,748	2,748		
P/E(x) IEBA	16.7	13.5	11.1	13.0		
P/BV(x)	0.9	1.5	1.6	1.6		
EV/Sales (x)	1.1	1.4	1.3	1.4		
EV/EBITDA (x)	9.9	6.4	6.8	7.4		
Mkt cap/Sales (x)	0.9	1.2	1.2	1.4		
ROE (%)	5.2%	11.0%	15.7%	12.5%		
DY (%)	10.3%	7.4%	9.0%	7.7%		
Net debt/EBITDA (x)	1.7	0.8	0.3	0.2		
Net debt/Equity (x)	0.19	0.23	0.07	0.04		
Sales growth	-28.3%	28.5%	24.1%	-10.0%		
EBITDA growth	-55.7%	144.3%	8.1%	-10.0%		
EBITDA margin	11.3%	21.5%	18.7%	18.8%		
EPS growth	-68.4%	104.3%	55.4%	-15%		
Payout ratio	171.2%	100.0%	100.0%	100.0%		

Source: IEBA TRUST, The Company

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RESEARCH

research@iebatrust.ro

Roxana Dascalu
roxana.dascalu@iebatrust.ro

SALES & TRADING

Catalin Miron
Catalin.miron@iebatrust.ro

George Nistor
George.nistor@iebatrust.ro

Corporate

Andreas Balaskas (Vice-President)
Andreas.balaskas@iebatrust.ro

SSIF IEBA TRUST

18, Mircea Eliade Bvd, Part A,
District 1, Bucharest 012015,
Romania
Tel. : +4021 313 0102
Fax : +4021 313 1595

Email: research@iebatrust.ro