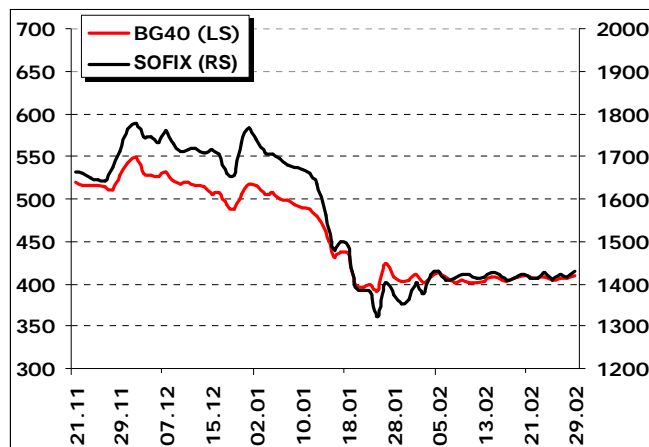


## BSE – SOFIA WEEKLY OVERVIEW

29 February 2008

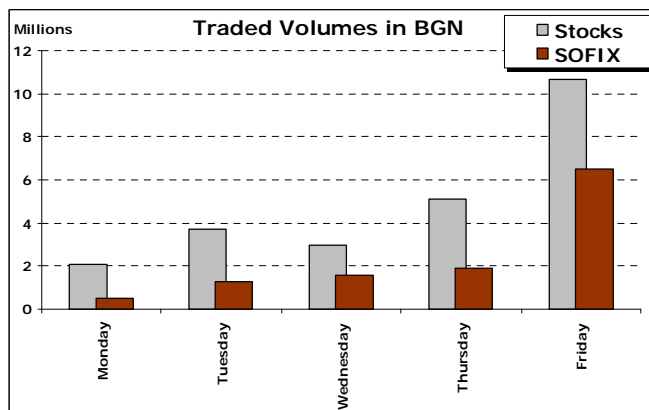
### Market Trend

The market continued to rove between positive and negative territory during the week in light volumes and weak investors' interest. The 4Q 2007 consolidated financial results couldn't move the activity as the participants preferred to stay aside from the market and to wait for some positive news to break the process of consolidation. The picture at the spring of 2007 was similar when IPOs and 30% correction made investors too cautious to respond to the positive earning reports. SOFIX added 1.15% on weekly basis as well as BG40. Both indices were supported by most of their components on Friday's session. BSE managed to break the strong correlation with international markets and indices were flat despite the turmoil in US and Europe. We see this as a positive sign and we don't expect much pain on the downside.



### Trading Activity

The week begun with thin volumes and low trading activity. At the end of the week investors moved up and boosted the trading. Monbat (MONBAT) was subject of broad-based interest after announced financial results as of January, 2008. On Friday's session the battery producer set up 14% from the daily turnover and almost hit the level of BGN 30.00. Bulgarian American Credit Bank (BACB) also remained in market's attention during the week. On March, 07 is the latest date for participation in the IPO of Mekom. FSC approved the changes in Memorandum of Mecom, according which the IPO will be successful if at least 2 500 000 shares are subscribed.



### SOFIX's Components

Most of SOFIX components closed the week in the green. Petrol (PET) was the worst performer after series of sell orders, followed by Toplivo (TOPL). Industrial Holding Bulgaria (IHLBL) announced BGN 11.8 m consolidated 4Q 2007 net profit. Sales improved by 20% y-o-y. P/E of 29 is still higher than the market average. The holdings couldn't keep the market attention during the week. Sopharma (SFARM) gained on weekly basis after announced consolidated 4Q 2007 net profit, which is almost 21% higher as compared to the previous year. Sales grew by 62% y-o-y, mainly due to the increased prices of medicines. Export continued to form large part from the total revenues.

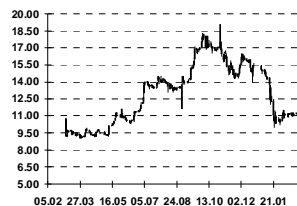
Stock	Last Price	Weekly Change	Bid	Ask
Albena	95.37	0.39%	94.02	95.37
Bulgarian-American Credit Bank	72.92	10.69%	68.01	73.80
Central Cooperative Bank	6.87	-2.41%	6.86	6.98
Chimimport	11.15	0.18%	11.09	11.15
Elana Opportunity Land Fund	2.28	-1.30%	2.27	2.30
Sparky Eltos	13.03	-2.91%	12.84	13.00
Euro Ins	10.8	-0.46%	10.70	10.85
Industrial Holding Bulgaria	7.98	0.63%	7.96	8.00
Kaolin	14.57	-1.89%	14.65	14.80
M+S Hydraulic	11.26	-2.00%	11.27	11.30
Monbat	29.6	8.62%	28.20	29.80
Neochim	57	-1.55%	57.00	57.90
Orgachim	486.95	0.30%	485.00	489.00
Petrol	5.18	-26.63%	5.52	5.98
Sopharma	7.44	2.34%	7.27	7.49
Toplivo	21.31	-3.14%	21.10	21.35

## WEEKLY HIGHLIGHTS

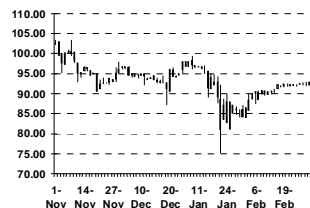
### BULGARIAN AMERICAN CREDIT BANK /BACB/



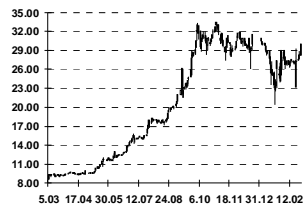
### CHIMIMPORT /CHIM/



### CORPORATE COMMERCIAL BANK /CORP/



### MONBAT /MONBAT/



### PETROL /PET/



FINANCIAL SECTOR		Daily Average Price	Previous Close	Volume	Market Capitalization	Valuation Ratios (ttm)	
Company	Ticker					P/E	P/B
First Investment Bank	FIB	9.9	9.89	2417	1 089 000 000	21.75	3.35
Bulgarian American Credit Bank	BACB	69.51	70.07	14528	877 544 635	16.52	5.64
CB Economic & Investment Bank	BRIB	110.34	110.5	10	769 296 659	18.60	3.78
Central Cooperative Bank	CCB	6.96	7	3869	578 759 440	28.48	2.74
Corporate Commercial Bank	CORP	92.23	92.71	427	553 380 000	23.88	3.54
DZI Insurance & Reinsurance	DZI	150.01	150.01	0.00	579 038 600	n/a	1.99
Bulstrad Insurance & Reinsurance	BSTR	176.99	176.99	0.00	349 378 260	355.06	7.72
Insurance Company Euro Ins	EURINS	10.87	10.99	7289	108 699 913	20.38	5.33
Chimimport	CHIM	11.11	11.16	18071	1 666 499 822	13.88	2.63
Eurohold Bulgaria	EUBG	5.68	5.63	53965	354 986 572	21.50	3.40

INDUSTRIAL SECTOR		Daily Average Price	Previous Close	Volume	Market Capitalization	Valuation Ratios (ttm)	
Company	Ticker					P/E	P/B
Monbat	MONBAT	28.37	28.3	2047	553 215 000	36.7	6.74
Bulgarian River Shipping	BRP	6.18	6.18	542	178 964 612	44.39	4.53
Synergion Holding	PETHL	10.88	11.15	20890	199 744 277	17.42	0.73
Industrial Holding Bulgaria	IHLBL	8	8.01	6158	350 053 864	29.51	2.30
Stara Planina Hold	CENHL	6.29	6.13	32211	132 090 000	15.7	2.53
Odessos	ODES	282.96	280.5	6	165 996 220	18.54	3.24
M+S Hydraulic	MCH	11.32	11.32	0	147 368 288	34.49	4.38
Albena Holding	ALBHL	17.57	17.51	2433	96 635 000	7.18	0.84
Moststroy	MOSTS	159.43	160.02	889	177 754 884	264.12	24.06
Doverie United Holding	DOVUHL	12.41	12.37	11856	163 189 614	9.45	1.32
Emka	EMKA	12.06	12.04	1200	64 839 915	21.2	3.63
Hydraulic Elements & Systems	HES	23.8	23.8	8773	72 168 550	34.19	3.51

BASIC MATERIALS SECTOR		Daily Average Price	Previous Close	Volume	Market Capitalization	Valuation Ratios (ttm)	
Company	Ticker					P/E	P/B
Druzha Staklarski Zavodi	DRUPL	135.01	135.84	15	945 368 902	33.68	5.53
Lead and Zink Complex	OTZK	69.69	69.73	292	586 327 058	25.01	7.60
Kaolin	KAO	14.83	14.93	3437	370 750 000	20.44	3.22
Kremikovtzi	KREM	16.56	16.14	1200	306 650 545	n/a	n/a
Alcomet	ALUM	11.8	11.92	500	211 844 916	53.27	3.19
Svilosa	SVIL	5.95	5.9	225	188 941 917	71.38	3.52
Orgachim	ORGH	490	489.63	15	246 379 350	43.75	3.58
Neochim	NEOH	58	56.4	190	153 952 764	50.48	1.94
Biovet	BIOV	12.06	12.76	212	81 807 539	687.46	1.45
Fazerles	FZLES	220	218.47	3	113 300 000	18.77	6.29
Polimeri	POLIM	7.3	7.1	35	38 868 945	n/a	0.43
Kauchuk	KAU	49.95	52.82	7	47 057 445	68.2	2.03

CYCLICAL CONSUMER SECTOR		Daily Average Price	Previous Close	Volume	Market Capitalization	Valuation Ratios (ttm)	
Company	Ticker					P/E	P/B
Albena	ALB	94.52	94.3	2036	403 895 870	19	1.33
Toplivo	TOPL	21.37	21.59	3125	115 757 636	20.76	1.23
Zlatni Pyasatsi	ZLP	n/a	11.7	0	75 974 851	n/a	0.79
Katex	KTEX	13.99	12.56	2100	34 186 524	2.35	0.44
Slanchev Bryag	SLB	15	15	14	29 367 120	n/a	0.32
Pamporovo	PAMPO	23.18	26.5	300	24 943 998	293.46	1.15
SS Konstantine And Elena Holding	SKELN	32	32	98	73 905 952	36.44	3.67

ENERGY SECTOR		Daily Average Price	Previous Close	Volume	Market Capitalization	Valuation Ratios (ttm)	
Company	Ticker					P/E	P/B
Petrol	PET	5.73	6.56	28765	626 000 277	42.85	3.38
Oil & Gas Exploration & Production	GAZ	10.87	11	490	132 919 034	18.52	2.71

OTHER		Daily Average Price	Previous Close	Volume	Market Capitalization	Valuation Ratios (ttm)	
Company	Ticker					P/E	P/B
Bulgarian Telecommunication Company	BTC	n/a	8.9	0.00	3 392 986 870	26.11	2.84
Sopharma	SFARM	7.13	7.12	12700	941 160 000	33.2	4.81
Blagoevgrad BT	BLABT	92.02	92.5	106	154 076 708	10.43	0.80



## **Disclaimer**

**Analyst Certification:** The research analyst(s) certifies that: (1) all of the views expressed in this document accurately reflect his or her personal views about any and all of the subject securities or issuers; (2) no part of any of the research analyst's compensation was, is, or will be directly or indirectly related to the specific recommendations or views expressed by the research analyst(s) in this document.

**Financial Interest:** ELANA Trading may trade or own shares of the analyzed companies. The research analyst(s) is not holding shares of the analyzed companies, unless otherwise noted.

**Regulatory Authority:** Financial Supervisory Commission, *Shar Planina* Street 33, 1303 Sofia, Bulgaria

**Information Disclosure:** All reasonable care has been taken to ensure the facts stated are accurate and opinions given are fair and reasonable. Our recommendations are based on information available to the public that we consider to be reliable but for the completeness and accuracy of which we assume no liability. Neither ELANA Trading, nor its directors, officers or employees shall in any way be responsible for its contents. The views expressed may differ from the views of other firm departments or representatives. Additional information is available upon request. Unless otherwise noted, sources for all information in charts and tables are ELANA Trading's calculations.

**Risks for Investors:** Information in this document should not be regarded as an offer to buy or sell any financial instruments. The investment possibilities discussed in this document may not be suitable for certain investors depending on their specific investment objectives and time horizon or in the context of their overall financial situation. In particular, the risks associated with an investment in the securities or the financial instruments under discussion are not explained in its entirety. The prices or values of the securities may go down as well as up and can fluctuate and fall against the investor. The securities or investments may cause the investor to lose the amount invested. Past performance is not a guide to future performance. Changes in exchange rates may have an adverse effect on the value, price or income of the securities or investments.

**Valuation Methods:** Company valuations are based on the following methods: multiple-based (P/E, P/B, EV/EBITDA), historical valuation approaches, peer comparisons, discount models (DCF, DDM) or asset-based evaluation methods. Valuation models are dependent on macroeconomic factors, including interest rates, foreign exchange rates, prices of raw materials, and any expectations about the economy, the market sentiment. The valuation is based on expectations that might change rapidly and without notice, depending on developments specific to individual industries and countries. Recommendations and target prices derived from the models might therefore change accordingly. The application of models depends on forecasts of a range of economic variables, thus there is a range of reasonable variations within models. Any valuation is dependent upon inputs that are based on the subjective opinion of the analysts carrying out this valuation.

**Recommendations:** Analyst(s) recommendations are based on the specific factors for the company, sector, country and global developments, as compared to market indices. Recommendations and opinions reflect ELANA Trading's expectations over the 12-month period following publication from the perspective of long-only investment clients. ELANA Trading reserves the right to express different or contrary recommendations and opinions for different timescales or for other types of investment client. Except as otherwise noted, expected performance over next 12 months vary for different recommendations for Bulgarian stocks as follows:

<b>Outperform</b>	More than 5% higher as compared to SOFIX and BG40 performance
<b>Market Perform</b>	Market performance, +/-5% as compared to SOFIX and BG40
<b>Underperform</b>	More than 5% lower as compared to SOFIX and BG40 performance

**Frequency of Recommendations:** No schedule of recommendations is available. The frequency of recommendations depends on specific factors to individual companies and the opinion of the analyst(s) for the necessity of minor or major changes.

**Ownership:** Mrs. Becheva owns shares of CORP.

For more information about the current recommendations, please visit ELANA Trading web page: [http://www.elana.net/analysis/reports/bul\\_f\\_pazar\\_7/LIST\\_Recommendations.pdf](http://www.elana.net/analysis/reports/bul_f_pazar_7/LIST_Recommendations.pdf)

### **For more information, please contact:**

Research analyst  
Tsvetoslav Tsavech  
Tamara Becheva

Phone:  
+359 2 810 00 23  
+359 2 810 07 23

E-mail:  
[tsachev@elana.net](mailto:tsachev@elana.net)  
[becheva@elana.net](mailto:becheva@elana.net)

Internet:  
[www.elana.net](http://www.elana.net)  
[www.elana.net](http://www.elana.net)