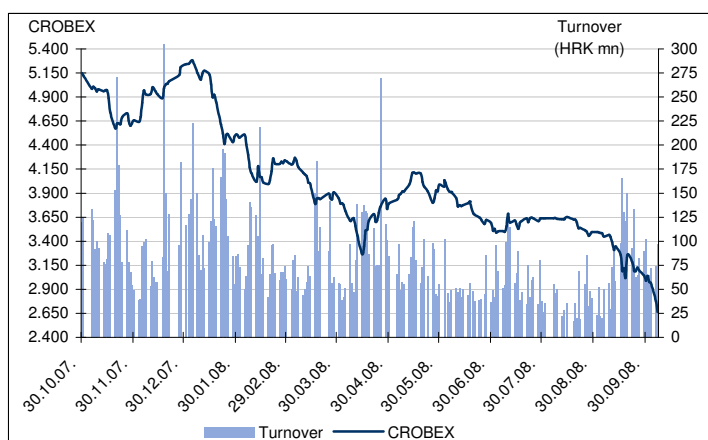




Highlights:

- The CROBEX plunged 4% to 2,662 points, HRK 97mn in turnover
- Croatian government to ask for higher price for INA – press
- Open-end investment funds lost 15.6% of their NAV in September
- AD Plastik becomes 100% owner of Russia's ADP-Luge



Top 10 turnovers

Stock	Turnover (HRK)	Clos. pr.	%chng.
HT-R-A	20.632.560,03	240,01	-1,25%
ATPL-R-A	11.871.038,96	1.590,00	-6,30%
IGH-R-A	10.724.413,04	7.550,00	-2,30%
ERNT-R-A	10.257.672,49	1.661,00	-3,71%
ADRS-P-A	8.679.840,60	279,99	-3,45%
INGR-R-A	4.347.362,62	142,00	-0,70%
DLKV-R-A	4.281.569,15	660,01	0,31%
ULPL-R-A	2.546.387,45	1.130,00	-8,86%
FRNK-R-A	1.458.800,40	1.300,00	-5,79%
KOEI-R-A	1.100.926,12	456,00	-1,09%

Top 5 Winners

Stock	%chng.	Turnover (HRK)	Clos. pr.
SNBA-R-A	13,49%	122.948,91	143,00
BLSC-R-A	3,08%	608.156,07	670,00
HDEL-R-A	1,57%	516.876,60	514,99
TISK-R-A	0,65%	230.994,76	458,98
TUHO-R-A	0,59%	107.730,00	855,00

Top 5 Losers

Stock	%chng.	Turnover (HRK)	Clos. pr.
HRBC-R-A	-28,95%	230.608,00	142,00
ZABA-R-A	-12,89%	829.470,13	250,00
VDKT-R-A	-11,19%	925.568,31	825,00
JDBA-R-A	-10,00%	281.016,95	2.700,00
KNZM-R-A	-10,00%	215.505,07	171,00

Crobex

Last close	2.662,7
Previous close	2.777,1
Turnover, mn (HRK/EUR)	96,9 13,6
Net change - % Change	-114,4 -4,12%
Performance YTD (HRK/EUR)	-49,2% -47,7%

Market comment:

The Croatian equity market suffered severe losses again on Tuesday, with great majority of stocks recording negative movements. Market liquidity somewhat improved compared to the day before, totaling HRK 97mn in regular turnover. The CROBEX plunged 4%, losing for the fourth consecutive day, to 2,662 points, a lowest level since June 2006. Strong pessimism dominating the market is best reflected in the fact that only 4 stocks among 30 top turnovers closed in the green territory. Biggest drops among high turnovers were seen by the biggest Croatian bank Zagrebacka banka, which fell 12.9% on concerns over stability of its majority owner Unicredit, and construction company Viadukt, which dropped 11.2%, closing at the lowest level in almost 3 years. Poor performances were also seen in the shipping sector, particularly by Uljanik plovidba (-8.9%) and Atlantska plovidba (-6.3%). Paper/cardboard company Belisce (+3.1%) and construction company Hidroelektra niskogradnja (+1.6%) gained most among rare winners.

Market outlook:

The Croatian equity market could witness further negative movements, as the crisis on the world markets deepens.

Contacts:

Institutional sales desk	Research
phone: +385 62 37 2840	phone: +385 62 37 2825
fax: +385 62 37 2802	fax: +385 62 37 2801
esz-trading@erstebank.com	esz-research@erstebank.com

Retail sales desk - Zagreb	Retail sales desk - Rijeka
phone: +385 62 37 2841	phone: +385 62 37 2842
fax: +385 62 37 2802	fax: +385 62 37 2804
esz-zagreb@erstebank.com	esz-rijeka@erstebank.com

Ticker	Sector	Weight		Market capitalization			Key financial ratios					Price performance over time				
		Crobex	Price HRK	HRKmn	EURmn	P/E	P/B	P/S	EV/EBIT	EV/EBITDA	RoA	RoE	12M	6M	3M	1M
PBZ-R-A	banking	1,69%	615,0	11.731,0	1.647,9	12,5	1,4	2,6	-	-	1,6%	11,7%	-68,0%	-44,8%	-33,3%	-25,6%
ZABA-R-A	banking	3,50%	250,0	16.012,1	2.249,3	11,3	1,3	2,7	-	-	1,8%	12,0%	-59,4%	-44,1%	-31,9%	-29,8%
DIOK-R-A	chemical	0,64%	333,0	1.346,0	189,1	neg	1,8	0,5	neg	100,1	neg	neg	-23,6%	-29,1%	-25,3%	-18,8%
PTKM-R-A	chemical	1,11%	215,0	718,3	100,9	6,2	0,7	0,3	7,4	3,9	7,0%	11,8%	-23,2%	-12,2%	-5,7%	-10,1%
DLKV-R-A	construction	4,10%	660,0	1.513,9	212,7	18,8	2,7	0,8	17,2	13,1	4,9%	15,6%	-54,2%	-27,5%	-17,9%	-19,2%
HDEL-R-A	construction	0,60%	515,0	321,3	45,1	20,6	1,6	0,3	19,7	12,4	1,8%	7,7%	-73,0%	-48,8%	-30,6%	-24,5%
IGH-R-A	construction	4,87%	7.550,0	1.197,3	168,2	20,5	3,2	1,6	18,7	12,3	5,4%	17,1%	-39,2%	-23,7%	-18,8%	-18,5%
INGR-R-A	construction	3,37%	142,0	1.065,0	149,6	13,2	1,6	1,3	20,7	19,6	6,1%	14,5%	-60,2%	-37,4%	-34,7%	-26,4%
THNK-R-A	construction	1,75%	2.821,5	534,6	75,1	8,1	1,0	0,4	11,1	8,7	4,3%	11,9%	-73,9%	-48,7%	-46,6%	-31,2%
VDKT-R-A	construction	1,03%	825,0	379,9	53,4	94,5	1,8	0,2	45,1	10,6	0,4%	1,9%	-77,7%	-57,9%	-48,4%	-25,6%
KOEI-R-A	engineering	2,28%	456,0	1.172,9	164,8	11,8	0,9	0,4	22,9	11,5	3,4%	8,3%	-64,4%	-30,0%	-26,5%	-25,7%
DDJH-R-A	engineering	0,69%	85,0	275,2	38,7	24,9	0,7	0,3	31,2	11,9	1,4%	3,0%	-61,3%	-43,3%	-27,4%	-19,5%
LEDO-R-A	food/beverage	1,71%	6.487,9	1.428,4	200,7	21,0	2,8	1,3	19,1	13,7	7,4%	14,0%	-53,0%	-46,0%	-39,4%	-28,2%
PODR-R-A	food/beverage	4,21%	322,0	1.745,2	245,2	90,3	0,9	0,5	30,3	11,6	0,5%	1,0%	-40,4%	-19,5%	-13,0%	-11,7%
ERNT-R-A	ICT	4,57%	1.661,0	2.211,9	310,7	10,1	2,0	1,2	13,4	8,7	12,8%	17,1%	-53,9%	-38,5%	-17,0%	-19,0%
HT-R-A	telecom	15,33%	240,0	19.654,1	2.760,9	8,7	1,6	2,2	5,6	3,6	15,3%	18,3%	-36,8%	-23,8%	-10,6%	-14,0%
INA-R-A	oil	15,47%	2.300,0	23.000,0	3.230,9	16,8	1,6	0,8	23,3	10,9	5,6%	10,0%	-18,1%	5,5%	-12,2%	-19,3%
BLSC-R-A	paper/cardboard	2,27%	670,0	780,1	109,6	21,6	1,5	0,6	30,2	10,6	2,3%	7,3%	-24,7%	-25,6%	-13,5%	-14,6%
KNZM-R-A	retailer	1,07%	171,0	3.882,2	545,4	18,1	4,1	0,3	14,3	11,2	4,0%	25,0%	-37,1%	-46,2%	-41,9%	-9,8%
ATGR-R-A	distribution	2,00%	519,9	1.284,2	180,4	19,1	1,9	0,7	13,6	10,1	5,2%	13,0%	-36,2%	-32,9%	-27,1%	-26,0%
LKPC-R-A	sea port	0,91%	2.050,5	456,5	64,1	19,8	2,5	2,7	13,6	10,7	10,4%	13,9%	-62,6%	-41,4%	-33,9%	-27,6%
ATPL-R-A	shipping	10,13%	1.590,0	2.218,9	311,7	3,8	1,7	1,4	4,8	4,0	22,1%	55,9%	-53,0%	-30,9%	-33,8%	-31,1%
JDPL-R-A	shipping	0,71%	306,0	500,8	70,4	9,0	0,4	1,2	4,8	2,3	3,8%	4,9%	-52,7%	-46,0%	-40,9%	-27,3%
TNPL-R-A	shipping	1,22%	2.085,0	1.306,0	183,5	5,8	0,7	1,2	6,1	4,0	7,5%	12,8%	-70,2%	-53,4%	-41,3%	-33,0%
ULPL-R-A	shipping	3,15%	1.130,0	655,4	92,1	3,8	1,0	2,0	9,7	6,7	11,1%	30,2%	-75,9%	-47,1%	-46,2%	-40,3%
VIRO-R-A	sugar	1,38%	641,6	889,6	125,0	17,5	1,9	1,1	19,4	14,6	5,9%	10,4%	-56,4%	-34,1%	-29,0%	-17,5%
ADRS-P-A	tobacco/tourism	9,12%	280,0	6.707,4	942,2	10,2	1,2	2,1	7,5	6,0	9,7%	12,0%	-48,2%	-27,3%	-24,3%	-26,9%
KORF-R-A	tourism	1,13%	63,0	511,1	71,8	neg	0,3	0,7	neg	14,4	neg	neg	-69,4%	-41,7%	-34,1%	-25,9%

*All financial ratios presented in the table above are calculated based on one-year trailing financial reports

Corporate news:

Croatian government to ask for higher price for INA – press INA (Reduce, current price: HRK 2,300.00, target price: HRK 2,550.00)

The Croatian government has allegedly decided on its three main goals in negotiations with MOL over a possible stock swap for INA shares, according to Croatian daily Poslovni dnevnik, which cites anonymous sources close to the government. Firstly, the government aims to swap INA shares at a higher price than the one MOL paid in the takeover offer. Secondly, regarding the period in which gas prices in Croatia will come to market levels, the Croatian government is aiming to negotiate the period for as long as possible, at least until 2012. Finally, the government will insist on getting the right to repurchase INA shares from MOL, in case some significant changes occur within the Hungarian company. *The source also said that a stock swap with MOL is just one of the options for further privatization of INA, adding that the government has not given up on the sale of INA shares as an option or stopping the entire privatization process.* Jakub Zidon +420 224 995 340, Davor Špoljar +385 62 372 825

Open-end investment funds lost 15.6% of their NAV in September

According to data published by HANFA, Croatian open-end investment funds lost 15.6% of their net asset value (NAV) in September, falling to HRK 14.87bn. Their NAV reached the lowest level since 2006. The biggest drop was seen among equity funds (-23.3% to HRK 4.85bn) and balanced funds (-19.2% to HRK 3.67bn). Some losses were seen as well among money and bond funds, which witnessed a decline in their assets under management of 5.88% and 0.49%, respectively.

AD Plastik becomes 100% owner of Russia's ADP-Luge

Croatian manufacturer of automotive plastic components AD Plastik announced that 490 additional shares of Russian company ADP-Luge were acquired. The company already had 510 shares, or 51% of the founders' capital. With this acquisition, AD Plastik became the 100% owner of the Russian company from St. Petersburg. The remaining stake was purchased from Russian company ZAO CK MFPG "Aerocosmic equipment" for 490,000 rubles. After this transaction, AD Plastik increased the founders' capital of ADP-Luge by acquiring 100% of newly issued 263,000 shares for 263mn rubles.

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