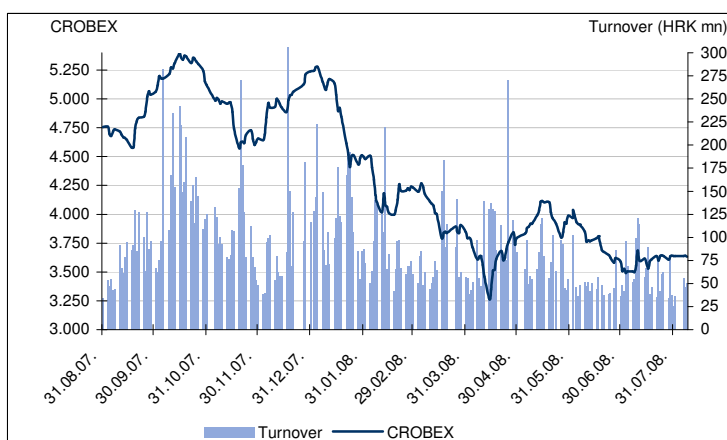




Highlights:

- The market stagnated again on Friday, around HRK 50mn in turnover
- INA to sell its stake in Hotel Belvedere to Cleostone
- Varteks recorded HRK 4.75mn loss in 2Q08



Top 10 turnovers

Stock	Turnover (HRK)	Clos. pr.	%chng.
INA-R-A	19.923.699,22	2.902,50	0,05%
LCDS-R-A	13.823.979,66	50,00	6,61%
ATGR-R-A	5.492.206,62	710,00	-0,70%
HT-R-A	1.738.722,70	282,18	-0,60%
ATPL-R-A	978.096,21	2.417,00	-0,53%
DLKV-R-A	775.773,13	835,00	-0,71%
ZABA-R-A	467.671,22	380,00	0,00%
ERNT-R-A	437.473,85	2.219,99	-0,40%
IGH-R-A	421.422,49	9.770,01	-0,41%
KNZM-R-A	351.328,49	224,00	-2,61%

Top 5 Winners

Stock	%chng.	Turnover (HRK)	Clos. pr.
OPTE-R-A	12,90%	161.614,66	175,00
LCDS-R-A	6,61%	13.823.979,66	50,00
DDJH-R-A	1,78%	106.482,10	111,96
KRAS-R-A	1,68%	167.245,70	483,00
LRH-R-A	1,26%	150.695,03	2.900,00

Top 5 Losers

Stock	%chng.	Turnover (HRK)	Clos. pr.
ADPL-R-A	-3,39%	319.091,12	114,00
BDMR-R-A	-3,03%	160.000,00	1.600,00
KNZM-R-A	-2,61%	351.328,49	224,00
KOEI-R-A	-1,08%	212.092,00	642,00
LEDO-R-A	-0,90%	145.371,01	11.000,00

Crobex

Last close	3.631,8
Previous close	3.640,4
Turnover, mn (HRK/EUR)	50,0 6,9
Net change - % Change	-8,6 -0,24%
Performance YTD (HRK/EUR)	-30,7% -29,7%

Market comment:

The Croatian equity market witnessed another sluggish trading day, with no major movements. The market stagnated again on Friday, as was seen during the entire week. Just slightly less than HRK 50mn was recorded in total regular turnover and only four stocks recorded more than HRK 1mn in turnover. Trading on Friday was concentrated on only two stocks, which accounted for two thirds of the total turnover. Oil company INA was the most liquid stock on Friday, with almost HRK 20mn in turnover, and closed with no significant price change. Holding company Lucidus surged 6.6% and was the second most liquid stock on Friday, after Luko Andabak, the single biggest shareholder, bought an additional 260 thousand company shares. Atlantic Grupa and T-Hrvatksi Telekom were the only other stocks with more than HRK 1mn in turnover, declining 0.7% and 0.6%, respectively.

Market outlook:

Stagnation could continue on the Croatian equity market, with INA most likely in focus.

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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	1,94%	948,0	18.082,9	2.503,8	19,3	2,1	4,1	-	-	1,6%	11,7%	-51,1%	-33,2%	-18,5%	-3,3%
SNBA-R-A	banking	0,75%	195,0	179,2	24,8	17,6	1,2	2,1	-	-	1,0%	6,8%	-58,8%	-47,9%	-26,4%	-2,0%
ZABA-R-A	banking	3,70%	380,0	24.338,4	3.369,9	17,2	2,0	4,1	-	-	1,8%	12,0%	-37,2%	-31,2%	-19,8%	3,5%
PTKM-R-A	chemical	0,80%	246,0	821,9	113,8	7,1	0,8	0,3	8,3	4,4	7,0%	11,8%	-13,4%	-8,2%	0,4%	7,0%
DLKV-R-A	construction	3,33%	835,0	1.915,3	265,2	23,7	3,4	1,0	20,4	15,6	4,9%	15,6%	-31,0%	-38,6%	-23,4%	3,3%
HDEL-R-A	construction	0,86%	777,0	484,8	67,1	31,0	2,4	0,5	25,6	16,2	1,8%	7,7%	-48,3%	-50,5%	-23,8%	5,7%
IGH-R-A	construction	4,29%	9.770,0	1.549,3	214,5	23,3	4,1	2,1	18,7	12,5	6,6%	19,3%	-24,7%	-26,5%	-10,4%	6,5%
INGR-R-A	construction	3,83%	220,0	1.649,9	228,5	20,6	2,5	2,1	25,4	24,2	6,5%	14,5%	-22,4%	-19,5%	-10,3%	-1,5%
THNK-R-A	construction	2,36%	4.920,0	932,1	129,1	15,5	1,5	0,7	19,3	14,8	4,1%	11,3%	-59,0%	-44,5%	-19,3%	-1,6%
VDKT-R-A	construction	1,85%	1.400,0	644,7	89,3	160,4	3,1	0,3	62,2	14,7	0,4%	1,9%	-54,8%	-55,9%	-42,9%	-9,6%
KOEI-R-A	electrical	2,20%	642,0	1.651,3	228,6	16,6	1,3	0,6	29,4	14,8	3,4%	8,3%	-46,1%	-33,1%	-19,4%	2,2%
LEDO-R-A	food/beverage	1,96%	11.000,0	2.421,9	335,3	35,6	4,7	2,2	31,1	22,2	7,4%	14,0%	13,7%	-40,2%	-18,2%	1,4%
PODR-R-A	food/beverage	3,69%	364,9	1.977,8	273,8	102,4	1,0	0,5	32,7	12,6	0,5%	1,0%	-34,8%	-15,1%	-8,8%	0,0%
ERNT-R-A	ICT	5,17%	2.220,0	2.956,2	409,3	13,5	2,7	1,6	18,2	11,9	12,8%	17,1%	-38,0%	-21,8%	-18,2%	10,4%
HT-R-A	telecom	14,48%	282,2	23.107,3	3.199,5	9,6	1,8	2,6	7,0	4,5	15,6%	18,6%	0,0%	-9,3%	-1,7%	4,4%
CROS-R-A	insurance	2,96%	9.250,0	2.845,3	394,0	35,0	1,6	-	-	-	0,9%	4,3%	-49,5%	-42,2%	-19,6%	-10,2%
INA-R-A	oil	14,80%	2.902,5	29.025,0	4.018,9	22,7	2,1	1,1	32,0	14,5	5,2%	9,2%	0,8%	20,9%	27,3%	2,0%
BLSC-R-A	paper/cardboard	2,08%	848,0	987,3	136,7	27,3	1,9	0,8	34,5	12,1	2,3%	7,3%	1,9%	-17,8%	-5,8%	9,3%
MGMA-R-A	retailer	1,10%	171,5	835,9	115,7	neg	3,9	0,9	229,9	28,5	neg	neg	0,0%	-36,5%	-18,3%	-7,8%
ATGR-R-A	distribution	1,69%	710,0	1.790,7	247,9	29,1	2,8	1,0	19,4	14,2	4,1%	9,5%	-16,1%	-17,9%	-6,6%	-2,1%
LKRI-R-A	sea port	1,27%	425,0	1.280,0	177,2	195,8	3,5	5,4	111,8	60,6	1,7%	3,5%	-39,3%	-41,8%	-27,5%	3,2%
LKPC-R-A	sea port	0,87%	3.201,0	712,6	98,7	30,9	3,9	4,2	21,8	17,0	10,4%	13,9%	-5,9%	-22,3%	-17,7%	3,3%
ATPL-R-A	shipping	6,73%	2.417,0	3.373,0	467,0	7,2	2,9	2,2	7,5	6,1	18,5%	48,7%	1,1%	-10,8%	-13,7%	1,2%
JDPL-R-A	shipping	0,80%	500,0	818,3	113,3	12,5	0,6	2,1	7,4	4,1	4,8%	6,5%	-5,7%	-21,3%	-21,3%	-3,3%
TNPL-R-A	shipping	1,51%	3.399,0	2.129,1	294,8	11,2	1,2	2,0	10,2	6,3	6,5%	11,0%	-40,4%	-40,2%	-24,9%	-0,3%
ULPL-R-A	shipping	2,93%	2.000,0	1.160,0	160,6	4,2	1,8	2,4	10,4	7,9	15,2%	43,6%	-40,7%	-35,1%	-7,0%	-3,6%
VIRO-R-A	sugar	1,69%	870,0	1.206,4	167,0	23,7	2,5	1,5	25,4	19,1	5,9%	10,4%	-33,1%	-39,4%	-10,3%	-3,5%
ADRS-P-A	tobacco/tourism	7,70%	394,9	7.486,9	1.036,7	11,5	1,3	2,3	8,5	6,7	9,5%	12,1%	-30,1%	-11,9%	-4,2%	6,7%
HUPZ-R-A	tourism	1,47%	2.189,0	1.084,9	150,2	22,8	2,1	3,0	16,5	8,0	4,2%	9,2%	-11,4%	-18,3%	-4,3%	0,2%
KORF-R-A	tourism	1,18%	95,0	770,7	106,7	11,1	0,5	1,1	neg	15,5	2,6%	4,7%	-56,8%	-36,7%	-56,8%	-56,8%

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

Corporate news:

INA to sell its stake in Hotel Belvedere to Cleostone

Oil company INA and Cleostone Corp. Ltd., owner of a 53% stake in Dubrovnik-based Hotel Belvedere, are finalizing negotiations on the sale of INA's 31.8% stake in the hotel, according to Croatian daily Jutarnji list, citing Dubravko Luetic, president of the supervisory board of Hotel Belvedere. INA's PR officer confirmed that the company received a letter of intent from Cleostone, adding that INA will consider the offer if it receives one, Jutarnji list said.

Varteks recorded HRK 4.75mn loss in 2Q08

The Croatian textile company announced 1H08 results. Sales stagnated in 2Q08, even though 1H08 sales went up 6.4% y/y, on the back of 1Q08 sales. Due to 39% y/y material cost growth in 2Q08, the bottom line suffered strongly and recorded a loss of HRK 4.75mn. On the cumulative level, the loss amounts to HRK 1.66mn, which is a significant increase from the 1H07 HRK 0.43mn loss.

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