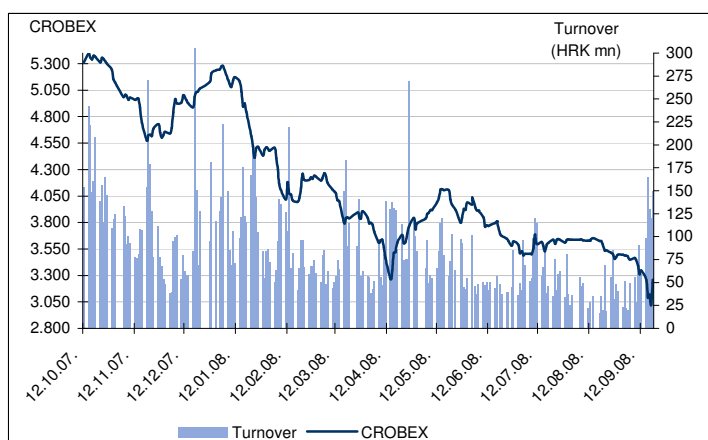




## Highlights:

- The Croatian equity market surged on Friday, the CROBEX jumped 7.9%
- T-HT will fight all claims regarding distribution telecommunications infrastructure (DTI)
- Agrokor – Further acquisition activities on foreign markets
- IGH won new deal worth HRK 9.1mn
- Badel prepares for the first quotation, investment plan and achievements announced



## Top 10 turnovers

Stock	Turnover (HRK)	Clos. pr.	%chng.
INA-R-A	25.907.470,94	2.810,10	0,18%
ATPL-R-A	22.456.470,71	2.180,00	13,84%
HT-R-A	15.999.613,90	266,91	6,76%
IGH-R-A	9.324.719,28	9.000,00	16,16%
DLKV-R-A	6.593.273,93	815,00	22,56%
ADRS-P-A	6.371.438,72	340,40	6,38%
HUPZ-R-A	5.948.678,96	2.300,00	15,00%
INGR-R-A	5.596.184,23	169,90	19,64%
ERNT-R-A	5.456.194,44	1.926,00	7,90%
VIRO-R-A	2.435.751,31	739,99	12,46%

## Top 5 Winners

Stock	%chng.	Turnover (HRK)	Clos. pr.
THNK-R-A	27,55%	942.827,30	3.699,00
HDEL-R-A	23,83%	418.784,19	643,89
DDJH-R-A	23,40%	931.834,22	104,90
DLKV-R-A	22,56%	6.593.273,93	815,00
KNZM-R-A	22,16%	219.427,48	215,00

## Top 5 Losers

Stock	%chng.	Turnover (HRK)	Clos. pr.
OPTE-R-A	-14,26%	27.768,10	120,00
FNVC-R-A	-8,49%	84.765,00	345,00
AUHR-R-A	-4,23%	68.000,00	34.000,00
KBZ-R-A	-3,17%	21.228,00	122,00
MIV-R-A	-1,44%	98.358,01	4.039,01

## Crobex

Last close	3.259,5
Previous close	3.020,7
Turnover, mn (HRK/EUR)	149,8 21,1
Net change - % Change	238,8 7,91%
Performance YTD (HRK/EUR)	-37,8% -35,9%

## Market comment:

The Croatian equity market surged on Friday, after the U.S. government intervened in order to stabilize its financial sector. The market bounced sharply, accompanied by high levels of market liquidity. The market recorded HRK 150mn in regular turnover, with more than 20 stocks exceeding HRK 1mn in turnover. The CROBEX jumped 7.9%, most in more than 6 years, to 3,259 points, a highest level last week. Stocks rally occurring on the market resulted in gains of 60 most liquid stocks. Practically, all stocks with more than HRK 100 thousand in turnover closed in the green territory. Strongest gains among high turnovers were posted by construction company Dalekovod (+22.5%) and shipping company Jadroplov (+20.7%). Oil company INA, the most liquid stock on Friday, gained only 0.2%, while shipping company Atlantska plovidba (+13.8%) and telecom T-Hrvatski Telekom (+6.8%) posted significant gains.

## Market outlook:

The Croatian equity could again be driven by movements on the World equity markets.

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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	1,69%	778,0	14.840,2	2.086,8	15,8	1,8	3,3	-	-	1,6%	11,7%	-57,3%	-32,3%	-27,3%	-14,4%
ZABA-R-A	banking	3,50%	355,0	22.737,2	3.197,3	16,0	1,8	3,8	-	-	1,8%	12,0%	-35,8%	-25,1%	-12,1%	-6,5%
DIOK-R-A	chemical	0,64%	410,0	1.657,2	233,0	neg	2,3	0,6	neg	116,2	neg	neg	7,6%	-13,5%	-22,9%	10,5%
PTKM-R-A	chemical	1,11%	235,0	785,2	110,4	6,8	0,8	0,3	8,0	4,2	7,0%	11,8%	-10,1%	4,4%	1,7%	-2,5%
DLKV-R-A	construction	4,10%	815,0	1.869,5	262,9	23,2	3,4	1,0	20,0	15,3	4,9%	15,6%	-31,5%	-16,4%	-14,2%	-1,8%
HDEL-R-A	construction	0,60%	643,9	401,7	56,5	25,7	2,0	0,4	22,6	14,3	1,8%	7,7%	-58,2%	-35,0%	-28,5%	-15,5%
IGH-R-A	construction	4,87%	9.000,0	1.427,2	200,7	24,4	3,8	1,9	21,2	13,9	5,4%	17,1%	-16,3%	-10,0%	-14,0%	-6,3%
INGR-R-A	construction	3,37%	169,9	1.274,3	179,2	15,8	1,9	1,5	23,3	22,0	6,1%	14,5%	-43,4%	-25,0%	-28,8%	-19,5%
THNK-R-A	construction	1,75%	3.699,0	700,8	98,5	10,7	1,3	0,5	13,7	10,7	4,3%	11,9%	-63,4%	-38,4%	-32,9%	-22,9%
VDKT-R-A	construction	1,03%	1.068,0	491,8	69,2	122,4	2,4	0,3	52,3	12,3	0,4%	1,9%	-63,3%	-52,3%	-41,5%	-14,6%
KOEI-R-A	engineering	2,28%	566,0	1.455,8	204,7	14,6	1,2	0,5	26,7	13,4	3,4%	8,3%	-47,6%	-20,3%	-19,7%	-11,0%
DDJH-R-A	engineering	0,69%	104,9	339,6	47,8	30,7	0,9	0,4	36,1	13,8	1,4%	3,0%	-48,3%	-25,6%	-16,7%	-1,0%
LEDO-R-A	food/beverage	1,71%	8.361,0	1.840,8	258,9	27,1	3,6	1,7	24,1	17,2	7,4%	14,0%	-23,3%	-16,5%	-30,3%	-23,3%
PODR-R-A	food/beverage	4,21%	354,0	1.918,7	269,8	99,3	1,0	0,5	32,1	12,3	0,5%	1,0%	-31,5%	-9,2%	-7,6%	-4,1%
ERNT-R-A	ICT	4,57%	1.926,0	2.564,8	360,7	11,7	2,4	1,3	15,7	10,2	12,8%	17,1%	-41,3%	-26,5%	-15,2%	-13,4%
HT-R-A	telecom	15,33%	266,9	21.856,9	3.073,5	9,6	1,8	2,4	6,5	4,2	15,3%	18,3%	-29,8%	-15,8%	-4,8%	-6,0%
INA-R-A	oil	15,47%	2.810,1	28.101,0	3.951,6	20,5	2,0	1,0	27,5	12,9	5,6%	10,0%	8,0%	27,7%	8,7%	2,0%
BLSC-R-A	paper/cardboard	2,27%	765,0	890,7	125,3	24,6	1,8	0,7	32,5	11,4	2,3%	7,3%	-6,1%	-14,0%	-13,6%	-6,7%
KNZM-R-A	retailer	1,07%	215,0	4.881,1	686,4	22,7	5,1	0,4	16,5	13,0	4,0%	25,0%	-37,1%	-46,2%	-41,9%	-9,8%
ATGR-R-A	distribution	2,00%	670,0	1.654,9	232,7	24,6	2,5	0,9	16,8	12,5	5,2%	13,0%	-22,5%	-18,3%	-8,7%	-5,6%
LKPC-R-A	sea port	0,91%	2.580,0	574,3	80,8	24,9	3,2	3,4	17,4	13,6	10,4%	13,9%	-28,3%	-20,6%	-24,8%	-16,8%
ATPL-R-A	shipping	10,13%	2.180,0	3.042,2	427,8	5,2	2,3	1,9	6,0	5,0	22,1%	55,9%	-11,7%	6,0%	-16,1%	-9,9%
JDPL-R-A	shipping	0,71%	384,0	628,5	88,4	11,3	0,4	1,5	6,1	2,9	3,8%	4,9%	-24,3%	-28,5%	-32,0%	-18,8%
TNPL-R-A	shipping	1,22%	2.655,0	1.663,1	233,9	7,4	0,9	1,6	7,3	4,8	7,5%	12,8%	-54,1%	-35,3%	-33,6%	-16,1%
ULPL-R-A	shipping	3,15%	1.750,0	1.015,0	142,7	5,9	1,6	3,1	12,7	8,7	11,1%	30,2%	-55,7%	-41,8%	-20,8%	-7,4%
VIRO-R-A	sugar	1,38%	740,0	1.026,1	144,3	20,2	2,2	1,3	22,0	16,5	5,9%	10,4%	-39,7%	-37,5%	-24,4%	-11,0%
ADRS-P-A	tobacco/tourism	9,12%	340,4	7.117,3	1.000,8	10,8	1,3	2,2	8,1	6,4	9,7%	12,0%	-33,9%	-10,4%	-10,7%	-9,5%
KORF-R-A	tourism	1,13%	80,0	649,1	91,3	neg	0,4	0,9	neg	16,1	neg	neg	-56,8%	-23,8%	-23,9%	-14,0%

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

## Corporate news:

### **T-HT will fight all claims regarding distribution telecommunications infrastructure (DTI)**

The company announced that the City of Zagreb filed legal action against it, claiming ownership of the distribution telecommunications infrastructure (DTI) in the area of Zagreb and seeking compensation of HRK 120 mn (EUR 16.9mn). The company stated that it will fight all claims and believes that the action taken against it is without merit, as T-HT and not the City of Zagreb built most of the infrastructure in the Zagreb area. This is supported by a newly introduced law, that permits the city only to receive compensation for the use of the land (as the owner) from the operator, but not for the use of the DTI itself, which they are seeking.

*This should not have an effect, as there were no provisions made for this claim and it will not have any other financial implication. Thomas Unger +43 (0)5 01 00 - 17344*

### **Agrokor – Further acquisition activities on foreign markets**

Agrokor Grup, the biggest Croatian food concern, competes with English-Dutch company Unilever on acquiring Russian company Talosto, the biggest producer of frozen foods in Russia, according to Croatian daily Business.hr. Total value of Talosto is estimated at USD 145mn, Business.hr said. Talosto owns 5 production facilities in Russia and holds 12.4% market share on Russian ice-cream market, while its annual sales could reach USD 162mn in 2008.

Separately, Agrokor placed the best offer for acquiring Montenegrin retailer Duvankomerc, as announced by the Montenegrin Tender Commission. Agrokor offered EUR 6.5mn, while the second ranked offer of Serbian company Futuraplus amounted EUR 2.1mn. Agrokor agreed to keep all employees of Duvankomerc in the next 3 years and to increase average salary to EUR 260 per employee. Agrokor already holds majority stakes in Stampa and Trogpres, two other retailers in Montenegro.

### **IGH won new deal worth HRK 9.1mn**

Civil engineering company Institut gradevinarstva Hrvatske (IGH) won on a tender for developing a study on traffic system in Split. Total value of the deal amounts HRK 9.1mn.

### **Badel prepares for the first quotation, investment plan and achievements announced**

According to interview with Ante Perkovic, CEO of beverage producer Badel 1862, company is preparing to be listed in the first quotation of the ZSE. Exact deadlines are not yet released by the company. Mr. Perkovic used this occasion to announce company's investment plan according to which additional 200 hectares should be planted in Korlat. Underway is also relocation of beverage factory from Eurobev to Kalnicke vode, stated in the interview. Performance in 2008 is even ahead of plans where water business should break even this year even this was planned for 2009. Company distributed 28mn liters of water which positions the company as the second largest producer in Croatia, while in spirit products company remains the market leader. Future outlook in water business seems positive as new contracts were signed for placement of water in Iran, Mr. Perkovic said.

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