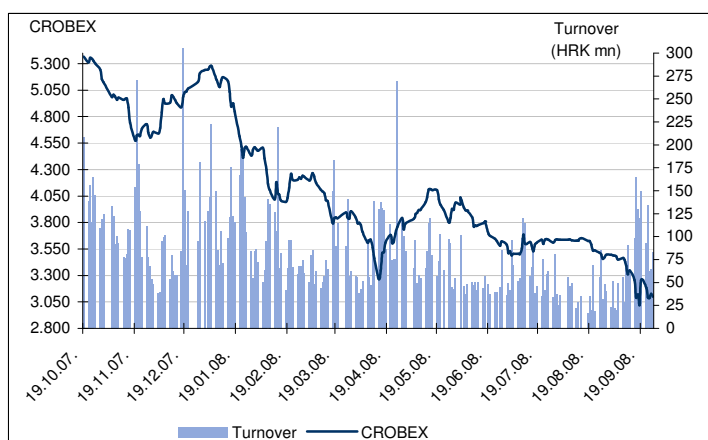




## Highlights:

- The CROBEX closed with a 0.8% decline to 3,100 points
- HANFA eases investment limitations for mutual and pension funds
- MOL will not make new bid for INA, according to MOL executive



## Crobex

|                           |               |
|---------------------------|---------------|
| Last close                | 3.100,2       |
| Previous close            | 3.125,6       |
| Turnover, mn (HRK/EUR)    | 82,9 11,6     |
| Net change - % Change     | -25,4 -0,81%  |
| Performance YTD (HRK/EUR) | -40,8% -39,1% |

## Market comment:

The Croatian equity market had a nervous trading session on Friday, with eyes focused on the development of talks in the US regarding the financial sector bail-out plan. In such circumstances, the market opened rather weakly. The CROBEX sank more than 2% at the opening, but managed to recover somewhat by the end of the day and closed with a 0.8% decline to 3,100 points. Mixed performances could be seen among high turnovers on Friday. The strongest gains were posted by sugar factory Viro, which surged 6.6%, and retail company Magma (+4.9%), both reaching their highest levels in two weeks. On the other hand, food company Podravka (-3.4%) recorded the biggest drop among high turnovers. ICT company Ericsson Nikola Tesla (-3%) and shipping company Atlantska plovidba (-2.1%) also performed poorly, with the latter pressured by negative movements of the BDI index.

## Market outlook:

The results of talks and voting in the US Congress over the rescue plan for the financial sector could have a significant impact on the Croatian equity market on Monday.

## 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   |

## Top 10 turnovers

| Stock    | Turnover (HRK) | Clos. pr. | %chng. |
|----------|----------------|-----------|--------|
| INA-R-A  | 17.502.760,19  | 2.782,00  | 0,04%  |
| HT-R-A   | 13.854.482,40  | 262,70    | -0,27% |
| ERNT-R-A | 11.688.894,96  | 1.872,50  | -2,98% |
| ATPL-R-A | 6.970.627,53   | 1.924,00  | -2,14% |
| MGMA-R-A | 5.474.949,01   | 108,00    | 4,86%  |
| DLKV-R-A | 3.624.829,56   | 741,98    | -0,27% |
| IGH-R-A  | 2.734.527,36   | 8.417,96  | 0,20%  |
| ADRS-P-A | 2.586.421,84   | 325,90    | 0,28%  |
| INGR-R-A | 2.268.524,72   | 164,49    | -0,31% |
| PODR-R-A | 1.329.678,11   | 338,00    | -3,43% |

## Top 5 Winners

| Stock    | %chng. | Turnover (HRK) | Clos. pr. |
|----------|--------|----------------|-----------|
| CEBA-R-A | 14,58% | 446.049,87     | 550,00    |
| CROS-R-A | 10,77% | 119.308,94     | 7.200,00  |
| FRNK-R-A | 7,46%  | 785.876,95     | 1.397,99  |
| VIRO-R-A | 6,61%  | 1.256.036,79   | 758,00    |
| MGMA-R-A | 4,86%  | 5.474.949,01   | 108,00    |

## Top 5 Losers

| Stock    | %chng. | Turnover (HRK) | Clos. pr. |
|----------|--------|----------------|-----------|
| ZABA-R-A | -4,55% | 283.376,58     | 331,51    |
| PTKM-R-A | -4,44% | 481.977,98     | 216,12    |
| PODR-R-A | -3,43% | 1.329.678,11   | 338,00    |
| TISK-R-A | -3,43% | 324.593,72     | 533,01    |
| DIOK-R-A | -3,29% | 376.259,34     | 367,01    |

| 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%  | 770,0     | 14.687,6              | 2.063,5 | 15,7  | 1,7                  | 3,3 | -       | -         | 1,6%  | 11,7%                       | -57,2% | -34,0% | -20,2% | -8,3%  |
| ZABA-R-A | banking         | 3,50%  | 331,5     | 21.232,7              | 2.983,1 | 15,0  | 1,7                  | 3,6 | -       | -         | 1,8%  | 12,0%                       | -45,7% | -32,6% | -15,1% | -7,9%  |
| DIOK-R-A | chemical        | 0,64%  | 367,0     | 1.483,5               | 208,4   | neg   | 2,0                  | 0,6 | neg     | 107,2     | neg   | neg                         | -10,0% | -20,7% | -22,8% | -17,5% |
| PTKM-R-A | chemical        | 1,11%  | 216,1     | 722,1                 | 101,4   | 6,2   | 0,7                  | 0,3 | 7,4     | 3,9       | 7,0%  | 11,8%                       | -17,2% | -10,0% | -4,0%  | -13,5% |
| DLKV-R-A | construction    | 4,10%  | 742,0     | 1.702,0               | 239,1   | 21,1  | 3,1                  | 0,9 | 18,7    | 14,3      | 4,9%  | 15,6%                       | -42,9% | -25,1% | -16,3% | -10,6% |
| HDEL-R-A | construction    | 0,60%  | 584,3     | 364,6                 | 51,2    | 23,3  | 1,8                  | 0,4 | 21,3    | 13,4      | 1,8%  | 7,7%                        | -64,5% | -49,5% | -24,1% | -24,9% |
| IGH-R-A  | construction    | 4,87%  | 8.418,0   | 1.334,9               | 187,6   | 22,8  | 3,6                  | 1,8 | 20,2    | 13,3      | 5,4%  | 17,1%                       | -26,6% | -17,5% | -11,4% | -9,9%  |
| INGR-R-A | construction    | 3,37%  | 164,5     | 1.233,7               | 173,3   | 15,3  | 1,8                  | 1,5 | 22,8    | 21,5      | 6,1%  | 14,5%                       | -47,8% | -33,3% | -22,9% | -20,2% |
| THNK-R-A | construction    | 1,75%  | 3.300,0   | 625,2                 | 87,8    | 9,5   | 1,2                  | 0,4 | 12,5    | 9,8       | 4,3%  | 11,9%                       | -66,4% | -46,8% | -37,1% | -28,7% |
| VDKT-R-A | construction    | 1,03%  | 1.000,0   | 460,5                 | 64,7    | 114,6 | 2,2                  | 0,2 | 50,3    | 11,9      | 0,4%  | 1,9%                        | -68,8% | -54,5% | -41,1% | -16,7% |
| KOEI-R-A | engineering     | 2,28%  | 530,0     | 1.363,2               | 191,5   | 13,7  | 1,1                  | 0,5 | 25,5    | 12,8      | 3,4%  | 8,3%                        | -55,8% | -28,4% | -19,1% | -13,8% |
| DDJH-R-A | engineering     | 0,69%  | 100,0     | 323,7                 | 45,5    | 29,2  | 0,9                  | 0,4 | 34,9    | 13,3      | 1,4%  | 3,0%                        | -52,8% | -37,1% | -15,4% | -9,1%  |
| LEDO-R-A | food/beverage   | 1,71%  | 8.000,0   | 1.761,4               | 247,5   | 25,9  | 3,4                  | 1,6 | 23,1    | 16,5      | 7,4%  | 14,0%                       | -32,3% | -39,6% | -27,3% | -22,0% |
| PODR-R-A | food/beverage   | 4,21%  | 338,0     | 1.832,0               | 257,4   | 94,8  | 0,9                  | 0,5 | 31,2    | 12,0      | 0,5%  | 1,0%                        | -35,0% | -14,6% | -8,6%  | -7,1%  |
| ERNT-R-A | ICT             | 4,57%  | 1.872,5   | 2.493,5               | 350,3   | 11,4  | 2,3                  | 1,3 | 15,2    | 9,9       | 12,8% | 17,1%                       | -44,9% | -30,1% | -14,1% | -9,6%  |
| HT-R-A   | telecom         | 15,33% | 262,7     | 21.512,1              | 3.022,4 | 9,5   | 1,7                  | 2,4 | 6,4     | 4,1       | 15,3% | 18,3%                       | -30,9% | -17,1% | -3,8%  | -6,5%  |
| INA-R-A  | oil             | 15,47% | 2.782,0   | 27.820,0              | 3.908,6 | 20,3  | 2,0                  | 1,0 | 27,2    | 12,8      | 5,6%  | 10,0%                       | 3,0%   | 27,3%  | 7,9%   | -0,2%  |
| BLSC-R-A | paper/cardboard | 2,27%  | 701,0     | 816,2                 | 114,7   | 22,6  | 1,6                  | 0,6 | 31,0    | 10,9      | 2,3%  | 7,3%                        | -15,8% | -18,9% | -17,5% | -12,4% |
| KNZM-R-A | retailer        | 1,07%  | 209,9     | 4.765,3               | 669,5   | 22,2  | 5,0                  | 0,4 | 16,2    | 12,8      | 4,0%  | 25,0%                       | -37,1% | -46,2% | -41,9% | -9,8%  |
| ATGR-R-A | distribution    | 2,00%  | 618,1     | 1.526,8               | 214,5   | 22,7  | 2,3                  | 0,8 | 15,7    | 11,7      | 5,2%  | 13,0%                       | -25,5% | -20,4% | -15,2% | -12,8% |
| LKPC-R-A | sea port        | 0,91%  | 2.600,0   | 578,8                 | 81,3    | 25,1  | 3,2                  | 3,4 | 17,5    | 13,7      | 10,4% | 13,9%                       | -48,5% | -22,8% | -14,8% | -13,3% |
| ATPL-R-A | shipping        | 10,13% | 1.924,0   | 2.685,0               | 377,2   | 4,6   | 2,0                  | 1,6 | 5,5     | 4,6       | 22,1% | 55,9%                       | -34,1% | -12,5% | -23,0% | -19,2% |
| JDPL-R-A | shipping        | 0,71%  | 340,0     | 556,4                 | 78,2    | 10,0  | 0,4                  | 1,4 | 5,4     | 2,5       | 3,8%  | 4,9%                        | -41,6% | -39,3% | -39,2% | -24,4% |
| TNPL-R-A | shipping        | 1,22%  | 2.700,0   | 1.691,2               | 237,6   | 7,6   | 0,9                  | 1,6 | 7,4     | 4,8       | 7,5%  | 12,8%                       | -54,0% | -40,7% | -26,8% | -19,0% |
| ULPL-R-A | shipping        | 3,15%  | 1.570,0   | 910,6                 | 127,9   | 5,3   | 1,4                  | 2,8 | 11,8    | 8,1       | 11,1% | 30,2%                       | -63,5% | -52,0% | -29,4% | -17,3% |
| VIRO-R-A | sugar           | 1,38%  | 758,0     | 1.051,1               | 147,7   | 20,6  | 2,2                  | 1,3 | 22,5    | 16,9      | 5,9%  | 10,4%                       | -39,7% | -35,3% | -21,3% | -8,7%  |
| ADRS-P-A | tobacco/tourism | 9,12%  | 325,9     | 7.018,9               | 986,1   | 10,6  | 1,2                  | 2,2 | 7,9     | 6,3       | 9,7%  | 12,0%                       | -39,2% | -14,6% | -11,0% | -13,3% |
| KORF-R-A | tourism         | 1,13%  | 75,0      | 608,5                 | 85,5    | neg   | 0,4                  | 0,9 | neg     | 15,6      | neg   | neg                         | -61,1% | -32,4% | -25,0% | -16,7% |

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

## Corporate news:

### **HANFA eases investment limitations for mutual and pension funds**

The Croatian Financial Services Supervisory Agency (HANFA) announced on Friday the easing of investment limitations for mutual and pension funds. Namely, HANFA allowed mutual and pension funds to invest in stocks with less than 10% free float, under the condition that its free float market capitalization exceeds HRK 100mn. Prior to this decision, the free float criterion did not allow mutual and pension funds to invest in stocks with less than 20% free float, unless their free float market capitalization exceeded HRK 100mn for mutual funds and HRK 200mn for pension funds. Also, HANFA allowed mutual funds to sign repurchase agreements with funds within the same family.

### **MOL will not make new bid for INA, according to MOL executive**

MOL will not make a new bid for the publicly held shares of Croatian refiner IINA, Reuters reported, citing Co-Chief Executive Officer Gyorgy Mosonyi. The offer of HRK 2,800 per share, which has so far attracted 0.5% of outstanding INA stock, is a "one-off action", Mosonyi said, according to Reuters.

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