

Eurotel

Sector: Consumer discretionary

Fundamental rating: Buy (↑)

Market relative: Neutral (↑)

Price: PLN 13.84

12M EFV: PLN 20.4 (↑)

Market Cap.: US\$ 17 m

Reuters code: EURLWA

Av. daily turnover: US\$ 0.01 m

Free float: 37%

12M range: PLN 13.67-21.20

Investment story & recommendation

Eurotel is one of the leading mobile distributors with a strong market position (the largest authorised dealer of PTC and simultaneously one of the largest authorised dealers of P4). Due to: (i) growth of the Company's stake in its subsidiary – ViaMind (to 100% from 70% previously), (ii) recent purchase of Apple premium reseller shops network, and (iii) the ongoing development of Media System subsidiary, the Company continues its efforts to gain higher diversification of its profit sources, offsetting the volatile environment of its core business.

We expect yoy earnings recovery in the parent Company in 2014 (stemming from awaited improvement in commissioning from PTC after disappointing performance in 2013), while Eurotel's consolidated profits should improve on the back of further development of Eurotel's subsidiary – Media System and development of Apple premium reseller network. Seeing Eurotel's equities undervalued with emergence of double-digit upside towards our 12M EFV for the Company we upgrade our LT fundament rating to Buy from Hold. Expecting satisfactory quarterly results in the coming quarters and awaiting for healthy dividend payout (gross dividend yield in the vicinity of 7-8%) we upgrade our ST market-relative stance towards Eurotel's equities to Neutral from Underweight.

Quarterly results corner; 4Q13 results' forecasts

Eurotel will publish its 4Q13 results on March 21. We expect the Company's 4Q13 profits to be flat yoy, which should be achieved due to improved commissioning from PTC (after massive yoy decrease seen during the last quarters).

We expect the Company's top line to be flat yoy and reach PLN 36.6 million. This should stem from growth of revenues from the sale of new agreements offset by decrease of revenues from the sale of annexes (given value of the single new agreement to exceed value of an average single annex, we forecast the revenues from higher number of new agreements to compensate the slide of revenues deriving from sold annexes).

We forecast that due to positive changes in the Company's structure – i.e. increased stake in the Company's subsidiary – ViaMind (which is a distributor of Play and should remain the key beneficiary of worse yoy performance of T-Mobile network) coupled with expected still worse yoy commissioning from PTC (yet improved on the qoq basis) Eurotel should manage to deliver roughly flat profits in 4Q13E yoy.

Guide to adjusted profits

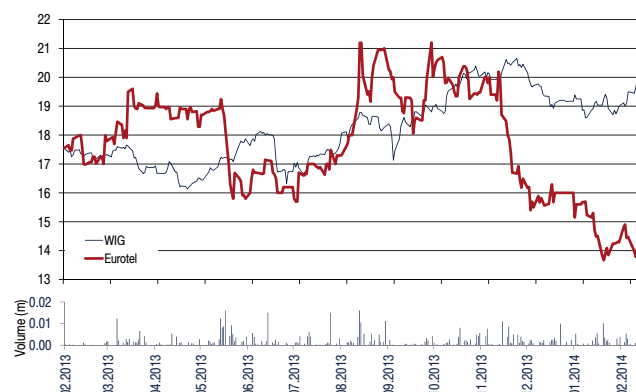
No factors necessitating adjustments.

Key data

IFRS consolidated		2012	2013E	2014E	2015E
Sales	PLN m	127.4	135.7	160.9	162.0
EBITDA	PLN m	11.2	9.6	14.0	14.2
EBIT	PLN m	10.4	8.3	12.3	12.7
Net profit	PLN m	7.7	6.0	9.0	9.5
EPS	PLN	2.06	1.59	2.41	2.53
EPS yoy chng	%	7	-23	51	5
FCFF	PLN m	0.6	-0.8	6.2	10.3
Net debt	PLN m	-4.4	2.5	0.9	-3.0
P/E	x	6.7	8.7	5.7	5.5
P/CE	x	6.1	7.2	4.8	4.7
EV/EBITDA	x	4.2	5.7	3.8	3.4
EV/EBIT	x	4.6	6.5	4.3	3.9
Gross dividend yield	%	10.8	11.6	8.2	12.4
DPS	PLN	1.50	1.60	1.13	1.71
No. of shares (eop)	m	3.7	3.7	3.7	3.7

Source: Company, DM IDMSA estimates

Stock performance



Source: Bloomberg

Upcoming events

1. Release of 4Q13 financial results: March 21, 2014
2. Release of 1Q14 financial results: May 15, 2014
3. Release of 1H14 financial results: September 1, 2014
4. Release of 3Q14 financial results: November 14, 2014

Catalysts

1. Development of P4's retail chain (number of Play's outlets managed by ViaMind subsidiary should gradually increase in 2014)
2. Acceleration of the MNO's post-paid subscriber base
3. Next acquisition(s) if appear may improve diversification of the Company's operations and give exposure to attractive businesses
4. Developing project of call center on the back of acquired stake in Media System
5. Development of iDream project

Risk factors

1. Limited possibility of further organic growth due to high saturation of outlets managed by authorized dealers (apart from Play which has the lowest number of outlets)
2. High concentration of the Company's net profit centre – profitability strictly depends on the postpaid division performance
3. High dependence on current co-operation terms with MNOs
4. Tighter co-operation between different outlet operators, which may marginalise distribution business

Fig. 1 Eurotel; 4Q13 results' forecast

IFRS consolidated PLN m	yoy change			yoy change			Realisation of the FY figures in 4Q:	
	4Q13E	4Q12		1-4Q13E	1-4Q12		2013	2012
Sales	36.6	36.6	0%	135.7	127.4	7%	27%	29%
EBITDA	3.3	3.0	8%	9.6	11.2	-14%	34%	27%
EBITDA margin	8.9%	8.2%	-	7.1%	8.8%	-	-	-
EBIT	2.9	2.8	5%	8.3	10.4	-20%	35%	27%
EBIT margin	7.9%	7.6%	-	6.2%	8.2%	-	-	-
Pre-tax profit	2.8	2.9	-3%	8.3	10.7	-22%	34%	27%
Pre-tax margin	7.7%	7.9%	-	6.1%	8.4%	-	-	-
Net profit	2.1	2.1	1%	6.0	7.7	-23%	35%	27%
Net profit margin	5.8%	5.7%	-	4.4%	6.1%	-	-	-

Source: Company, DM IDMSA estimates

We forecast Eurotel's consolidated EBITDA and EBIT to increase by 8% and 5% yoy, respectively and reach PLN 3.3 million and PLN 2.9 million, correspondingly. Consequently, we forecast Eurotel's consolidated net profit to remain almost flat (up by 1% yoy) and reach PLN 2.1 million. Regarding the details of our quarterly forecasts for the Company, please refer to *Figure 1*.

Acquisition finalized

Eurotel purchased from I-Terra an organized part of an enterprise encompassing 4 Apple Premium Reseller outlets localized in Szczecin, Białystok, Kielce and Częstochowa. Value of the agreement reached PLN 3.1 million (cash payment took place in December). We roughly estimate that the new shops should generate p.a. sales and net profit of PLN 15-20 million and PLN 0.5-1.0 million, respectively.

Financial forecast

Given our forecasts on 4Q13 we make some adjustment of our financial projections for Eurotel on 2013. On the one hand, we expect slightly better operating results and due to execution of an acquisition in December, we forecast higher net debt position at the end of 2013E vs. our previous forecast. Moreover,

including the recently made acquisition of I-Terra outlets we also modify our financial projections for 2014E and onwards. Firstly, we increase our revenue forecasts for the Company – stemming purely from incorporation of acquired Apple stores. Secondly, we increase our EBITDA, EBIT and net profit forecasts. We still stay at the opinion that the Company's 2014E profits should witness yoy recovery deriving from improved terms of co-operation with PTC (after disappointing commissioning seen in 2013) reinforced by: (i) development of Apple Premium Reseller shops network (combined projects of iDream and iTerra), and (ii) further development of Media System subsidiary. Regarding the details of our forecasts changes, please refer to *Figure 2*.

Valuation

On the back of: (i) the above-mentioned change of our financial forecasts, and (ii) valuation horizon forward shift our DCF-derived valuation for Eurotel arrives at PLN 24.4 per share (up 10% vs. our previous assessment). The comparison to a domestic peer (Tell) results in Eurotel's implied share value standing at PLN 16.4 (up 3% vs. our previous assessment). Our ultimate 12M EFV per Eurotel's share – representing a 50%-50% mix of the outcomes of the DCF and peer-relative exercises – increases to PLN 20.4 per share (up 8% from PLN 18.9 previously).

Fig. 2 Eurotel; IDM's financial forecast changes

IFRS consolidated PLN m	2013E			2014E			2015E		
	current	previous	change	current	previous	change	current	previous	change
Sales	135.7	135.7	0%	160.9	140.9	14%	162.0	141.0	15%
EBITDA	9.6	8.9	8%	14.0	12.9	8%	14.2	13.3	7%
EBIT	8.3	7.7	8%	12.3	11.5	7%	12.7	12.0	6%
Net profit	6.0	5.5	9%	9.0	8.5	7%	9.5	9.0	5%
Net debt	2.5	-0.2	n.m.	0.9	-1.8	n.m.	-3.0	-5.3	n.m.

Source: DM IDMSA estimates

Fig. 3 Eurotel; DCF model

PLN m	2014E	2015E	2016E	2017E	2018E	2019E	2020E	2021E	2022E	2023E	>2023E
Cost of equity											
Risk free rate	4.5%	4.5%	4.5%	4.5%	4.5%	4.5%	4.5%	4.5%	4.5%	4.5%	4.5%
Equity market premium	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Unlevered beta	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Leveraged beta	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Required rate of return	9.6%	9.5%	9.5%	9.5%	9.5%	9.5%	9.5%	9.5%	9.5%	9.5%	9.5%
Cost of debt											
Pre-tax cost of debt	8.0%	8.0%	8.0%	8.0%	8.0%	8.0%	8.0%	8.0%	8.0%	8.0%	8.0%
Tax rate	19.0%	19.0%	19.0%	19.0%	19.0%	19.0%	19.0%	19.0%	19.0%	19.0%	19.0%
After-tax cost of debt	6.5%	6.5%	6.5%	6.5%	6.5%	6.5%	6.5%	6.5%	6.5%	6.5%	6.5%
WACC											
Equity share	98%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Debt share	2%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Cost of equity	9.6%	9.5%	9.5%	9.5%	9.5%	9.5%	9.5%	9.5%	9.5%	9.5%	9.5%
After-tax cost of debt	6.5%	6.5%	6.5%	6.5%	6.5%	6.5%	6.5%	6.5%	6.5%	6.5%	6.5%
WACC	9.5%	9.5%	9.5%	9.5%	9.5%	9.5%	9.5%	9.5%	9.5%	9.5%	9.5%
Financial forecasts											
Sales	160.9	162.0	163.2	164.2	165.3	166.4	167.7	169.1	170.7	172.3	
yoy change	19%	1%	1%	1%	1%	1%	1%	1%	1%	1%	
EBIT	12.3	12.7	12.5	12.2	11.9	11.6	11.3	11.0	10.7	10.3	
yoy change	47%	3%	-2%	-2%	-2%	-3%	-3%	-3%	-3%	-3%	
NOPLAT	9.9	10.2	10.1	9.9	9.7	9.4	9.2	8.9	8.6	8.4	
yoy change	47%	3%	-2%	-2%	-2%	-3%	-3%	-3%	-3%	-3%	
D&A	1.7	1.6	1.5	1.4	1.4	1.3	1.3	1.3	1.3	1.3	
NWC change	-2.8	-0.6	-0.1	-0.1	-0.1	-0.1	-0.2	-0.2	-0.2	-0.2	
Capex	-2.6	-0.9	-0.9	-1.1	-1.1	-1.1	-1.2	-1.3	-1.4	-1.5	
FCFF	6.2	10.3	10.5	10.1	9.8	9.5	9.1	8.7	8.4	8.0	
PV of FCFF	-	9.6	8.9	7.8	6.9	6.1	5.4	4.7	4.1	3.6	

Source: DM IDMSA estimates

Fig. 4 Eurotel; DCF summary

PLN m	
FCFF residual growth	-1.0%
WACC in residual period	9.5%
Residual value	75.8
PV of residual value	31.0
PV of FCFF	57.1
EV	88.2
Net debt	0.9
Dividends	4.2
Equity value	91.6
Number of shares (million)	3.7
12M EFV per share (PLN)	24.4

Source: DM IDMSA estimates

Fig. 5 Eurotel; Sensitivity to residual growth rate and WACC

FCF residual growth	Residual WACC				
	9.1%	9.3%	9.5%	9.7%	9.9%
	12M EFV per share (PLN)				
-2.0%	23.9	23.8	23.6	23.5	23.4
-1.5%	24.3	24.2	24.0	23.9	23.7
-1.0%	24.8	24.6	24.4	24.3	24.1
-0.5%	30.5	30.2	29.9	29.6	29.4
0.0%	25.8	25.6	25.4	25.2	25.0

Source: DM IDMSA estimates

Fig. 6 Eurotel; Weighted average overall valuation

	DCF	Peer comparison to Tell
Weights	50%	50%
Valuation (PLN per share)	24.4	16.4
Weighted average overall valuation (PLN per share)	20.4	

Source: DM IDMSA estimates

Fig. 7 Eurotel; Local peer-relative valuation

Company	P/E		EV/EBITDA		EV/EBIT		P/CE	
	2014E	2015E	2014E	2015E	2014E	2015E	2014E	2015E
Tell	6.7	6.8	4.3	4.1	5.0	4.8	5.6	5.6
Eurotel	5.8	5.5	3.8	3.5	4.3	3.9	4.9	4.7
Eurotel's premium (discount) to Tell	-14%	-19%	-12%	-16%	-14%	-19%	-12%	-15%
Implied Eurotel's share price (PLN)	16.2	17.2	15.9	16.4	16.3	17.1	15.9	16.4
Average implied Eurotel's share price (PLN)	16.4							

Multiples priced as of the close of February 14, 2014.

Source: DM IDMSA estimates

BASIC DEFINITIONS

A/R turnover (in days) = $365/(\text{sales}/\text{average A/R})$

Inventory turnover (in days) = $365/(\text{COGS}/\text{average inventory})$

A/P turnover (in days) = $365/(\text{COGS}/\text{average A/P})$

Current ratio = $(\text{current assets} - \text{ST deferred assets})/\text{current liabilities}$

Quick ratio = $(\text{current assets} - \text{ST deferred assets} - \text{inventory})/\text{current liabilities}$

Interest coverage = $(\text{pre-tax profit before extraordinary items} + \text{interest payable})/\text{interest payable}$

Gross margin = $\text{gross profit}/\text{sales}$

EBITDA margin = $\text{EBITDA}/\text{sales}$

EBIT margin = EBIT/sales

Pre-tax margin = $\text{pre-tax profit}/\text{sales}$

Net margin = $\text{net profit}/\text{sales}$

ROE = $\text{net profit}/\text{average equity}$

ROA = $(\text{net income} + \text{interest payable})/\text{average assets}$

EV = $\text{market capitalization} + \text{interest bearing debt} - \text{cash and equivalents}$

EPS = $\text{net profit}/\text{no. of shares outstanding}$

CE = $\text{net profit} + \text{depreciation}$

Dividend yield (gross) = $\text{pre-tax DPS}/\text{stock market price}$

Cash sales = $\text{accrual sales corrected for the change in A/R}$

Cash operating expenses = $\text{accrual operating expenses corrected for the changes in inventories and A/P, depreciation, cash taxes and changes in the deferred taxes}$

IDM S.A. generally values the covered non bank companies via two methods: comparative method and DCF method (discounted cash flows). The advantage of the former is the fact that it incorporates the current market assessment of the value of the company's peers. The weakness of the comparative method is the risk that the valuation benchmark may be mispriced. The advantage of the DCF method is its independence from the current market valuation of the comparable companies. The weakness of this method is its high sensitivity to undertaken assumptions, especially those related to the residual value calculation. Please note that we also resort to other valuation techniques (e.g. NAV-, DDM- or SOTP-based), should it prove appropriate in a given case.

KEY TO INVESTMENT RANKINGS

This is a guide to expected price performance in absolute terms over the next 12 months:

Buy – fundamentally undervalued (upside to 12M EFV in excess of the cost of equity) + catalysts which should close the valuation gap identified;

Hold – either (i) fairly priced, or (ii) fundamentally undervalued/overvalued but lacks catalysts which could close the valuation gap;

Sell – fundamentally overvalued (12M EFV < current share price + 1-year cost of equity) + catalysts which should close the valuation gap identified.

This is a guide to expected relative price performance:

Overweight – expected to perform better than the benchmark (WIG) over the next quarter in relative terms

Neutral – expected to perform in line with the benchmark (WIG) over the next quarter in relative terms

Underweight – expected to perform worse than the benchmark (WIG) over the next quarter in relative terms

The recommendation tracker presents the performance of IDM S.A.'s recommendations. A recommendation expires on the day it is altered or on the day 12 months after its issuance, whichever comes first. Relative performance compares the rate of return on a given recommended stock in the period of the recommendation's validity (i.e. from the date of issuance to the date of alteration or – in case of maintained recommendations – from the date of issuance to the current date) in a relation to the rate of return on the benchmark in this time period. The WIG index constitutes the benchmark. For recommendations that expire by an alteration or are maintained, the ending values used to calculate their absolute and relative performance are: the stock closing price on the day the recommendation expires/ is maintained and the closing value of the benchmark on that date. For recommendations that expire via a passage of time, the ending values used to calculate their absolute and relative performance are: the average of the stock closing prices for the day the recommendation elapses and four directly preceding sessions and the average of the benchmark's closing values for the day the recommendation expires and four directly preceding sessions.

Distribution of IDM's current recommendations

	Buy	Hold	Sell	Suspended	Under revision
Numbers	29	36	13	2	0
Percentage	36%	45%	16%	3%	0%

Distribution of IDM's current market relative recommended weightings

	Overweight	Neutral	Underweight	Suspended	Under revision
Numbers	27	35	16	2	0
Percentage	34%	44%	20%	3%	0%

Banks

Net Interest Margin (NIM) = $\text{net interest income}/\text{average assets}$

NIM Adjusted = $(\text{net interest income adjusted for SWAPs})/\text{average assets}$

Non interest income = $\text{fees\&commissions} + \text{result on financial operations (trading gains)} + \text{FX gains}$

Interest Spread = $(\text{interest income}/\text{average interest earning assets})/(\text{interest cost}/\text{average interest bearing liabilities})$

Cost/Income = $(\text{general costs} + \text{depreciation} + \text{other operating costs})/(\text{profit on banking activity} + \text{other operating income})$

ROE = $\text{net profit}/\text{average equity}$

ROA = $\text{net income}/\text{average assets}$

Non performing loans (NPL) = loans in 'substandard', 'doubtful' and 'lost' categories

NPL coverage ratio = $\text{loan loss provisions}/\text{NPL}$

Net provision charge = $\text{provisions created} - \text{provisions released}$

IDM S.A. generally values the covered banks via two methods: comparative method and fundamental target fair P/E and target fair P/BV multiples method. The advantage of the former is the fact that it incorporates the current market assessment of the value of the company's peers. The weakness of the comparative method is the risk that the valuation benchmark may be mispriced. The advantage of the fundamental target fair P/E and target fair P/BV multiples method is its independence of the current market valuation of the comparable companies. The weakness of this method is its high sensitivity to undertaken assumptions, especially those related to the residual value calculation.

Assumptions used in valuation can change, influencing thereby the level of the valuation. Among the most important assumptions are: GDP growth, forecasted level of inflation, changes in interest rates and currency prices, employment level and change in wages, demand on the analysed company products, raw material prices, competition, standing of the main customers and suppliers, legislation changes, etc.

Changes in the environment of the analysed company are monitored by analysts involved in the preparation of the recommendation, estimated, incorporated in valuation and published in the recommendation whenever needed.

Distribution of IDM's current recommendations for companies that were within the last 12M IDM customers in investment banking

	Buy	Hold	Sell	Suspended	Under revision
Numbers	2	4	0	1	0
Percentage	29%	57%	0%	14%	0%

Distribution of IDM's current market relative recommended weightings for the companies that were within the last 12M IDM customers in investment banking

	Overweight	Neutral	Underweight	Suspended	Under revision
Numbers	1	5	0	1	0
Percentage	14%	71%	0%	14%	0%

LT fundamental recommendation tracker

Recommendation		Issue date	Reiteration date	Expiry date	Performance	Relative performance	Price at issue/ reiteration (PLN)	12M EFV (PLN)	
Eurotel									
Buy	–	29.11.2009	-	07.01.2010	12%	7%	12.79	15.30	–
-	→	-	14.12.2009	-	-	-	13.89	15.30	→
Hold	↓	07.01.2010	-	10.05.2010	24%	21%	14.35	15.30	→
-	→	-	03.02.2010	-	-	-	14.45	15.30	→
-	→	-	01.03.2010	-	-	-	15.49	15.30	→
-	→	-	29.03.2010	-	-	-	18.79	15.30	→
Sell	↓	10.05.2010	-	05.08.2010	-3%	-7%	17.75	16.40	↑
-	→	-	17.05.2010	-	-	-	17.80	16.40	→
-	→	-	06.06.2010	-	-	-	18.85	15.20	↓
-	→	-	14.06.2010	-	-	-	15.28	15.20	→
-	→	-	19.07.2010	-	-	-	15.15	15.20	→
Hold	↑	05.08.2010	-	02.01.2011	0%	-8%	15.95	15.90	↑
-	→	-	31.08.2010	-	-	-	15.48	15.90	→
-	→	-	12.10.2010	-	-	-	16.78	15.90	→
-	→	-	01.11.2010	-	-	-	16.55	15.90	→
-	→	-	15.11.2010	-	-	-	16.50	15.90	→
-	→	-	15.12.2010	-	-	-	15.68	15.90	→
Sell	↓	02.01.2011	-	09.06.2011	11%	6%	16.00	14.10	↓
-	→	-	18.01.2011	-	-	-	14.60	14.10	→
-	→	-	01.03.2011	-	-	-	15.39	14.10	→
-	→	-	24.03.2011	-	-	-	14.84	14.10	→
-	→	-	20.04.2011	-	-	-	15.44	14.10	→
-	→	-	16.05.2011	-	-	-	16.00	14.10	→
Hold	↑	09.06.2011	-	03.08.2011	-5%	5%	17.69	17.90	↑
-	→	-	16.06.2011	-	-	-	16.64	17.80	↓
-	→	-	20.06.2011	-	-	-	16.58	17.80	→
-	→	-	25.07.2011	-	-	-	15.50	17.90	↑
Buy	↑	03.08.2011	-	31.08.2011	-11%	-6%	15.34	17.90	→
Hold	↓	31.08.2011	-	02.09.2012	14%	16%	13.70	15.10	↓
-	→	-	03.10.2011	-	-	-	13.35	15.10	→
-	→	-	24.10.2011	-	-	-	13.36	15.10	→
-	→	-	14.11.2011	-	-	-	13.10	15.10	→
-	→	-	11.12.2011	-	-	-	13.12	15.10	→
-	→	-	01.01.2012	-	-	-	13.69	15.10	→
-	→	-	25.01.2012	-	-	-	14.70	15.10	→
-	→	-	29.02.2012	-	-	-	17.00	15.10	→
-	→	-	20.03.2012	-	-	-	16.59	15.10	→
-	→	-	15.04.2012	-	-	-	16.60	15.10	→
-	→	-	15.05.2012	-	-	-	16.86	15.10	→
-	→	-	16.05.2012	-	-	-	15.31	14.20	↓
-	→	-	21.06.2012	-	-	-	13.83	14.20	→
-	→	-	19.07.2012	-	-	-	13.94	14.20	→
Hold	→	02.09.2012	-	01.09.2013	60%	36%	14.15	14.20	→
-	→	-	10.10.2012	-	-	-	14.60	14.20	→
-	→	-	14.11.2012	-	-	-	14.45	14.20	→
-	→	-	13.12.2012	-	-	-	17.16	17.40	↑
-	→	-	23.01.2013	-	-	-	17.35	17.40	→
-	→	-	18.02.2013	-	-	-	17.06	17.40	→
-	→	-	21.03.2013	-	-	-	18.90	17.40	→
-	→	-	17.04.2013	-	-	-	18.60	17.40	→
-	→	-	15.05.2013	-	-	-	19.24	17.40	→
-	→	-	19.05.2013	-	-	-	17.08	15.80	↓
-	→	-	17.06.2013	-	-	-	17.10	15.80	→
-	→	-	25.07.2013	-	-	-	16.81	15.80	→
-	→	-	30.07.2013	-	-	-	17.30	18.90	↑
Hold	→	01.09.2013	-	17.02.2014	-34%	-40%	21.00	18.90	→
-	→	-	20.10.2013	-	-	-	20.00	18.90	→
-	→	-	29.10.2013	-	-	-	19.44	18.90	→
-	→	-	14.11.2013	-	-	-	19.93	18.90	→
-	→	-	12.12.2013	-	-	-	15.70	18.90	→
-	→	-	21.01.2014	-	-	-	13.67	18.90	→
Buy	↑	17.02.2014	-	Not later than 17.02.2015	-	-	13.84	20.40	↑

Market-relative recommendation tracker

Relative recommendation		Issue date	Reiteration date	Expiry date	Price at issue/ reiteration (PLN)	Relative performance
Eurotel						
Neutral	—	29.11.2009	-	17.05.2010	12.8	32%
-	→	-	14.12.2009	-	13.9	-
-	→	-	07.01.2010	-	14.4	-
-	→	-	03.02.2010	-	14.5	-
-	→	-	01.03.2010	-	15.5	-
-	→	-	29.03.2010	-	18.8	-
-	→	-	10.05.2010	-	17.8	-
Underweight	↓	17.05.2010	-	05.08.2010	17.8	-8%
-	→	-	06.06.2010	-	18.9	-
-	→	-	14.06.2010	-	15.3	-
-	→	-	19.07.2010	-	15.2	-
Neutral	↑	05.08.2010	-	01.11.2010	16.0	-3%
-	→	-	31.08.2010	-	15.5	-
-	→	-	12.10.2010	-	16.8	-
Underweight	↓	01.11.2010	-	02.01.2011	16.6	-6%
-	→	-	15.11.2010	-	16.5	-
-	→	-	15.12.2010	-	15.7	-
Neutral	↑	02.01.2011	-	09.06.2011	16.0	6%
-	→	-	28.01.2011	-	14.6	-
-	→	-	01.03.2011	-	15.4	-
-	→	-	24.03.2011	-	14.8	-
-	→	-	20.04.2011	-	15.4	-
-	→	-	16.05.2011	-	16.0	-
Overweight	↑	09.06.2011	-	31.08.2011	17.7	0%
-	→	-	16.06.2011	-	16.6	-
-	→	-	20.06.2011	-	16.6	-
-	→	-	25.07.2011	-	15.5	-
-	→	-	03.08.2011	-	15.3	-
Neutral	↓	31.08.2011	-	01.01.2012	13.7	12%
-	→	-	03.10.2011	-	13.4	-
-	→	-	24.10.2011	-	13.4	-
-	→	-	14.11.2011	-	13.1	-
-	→	-	11.12.2011	-	13.1	-
Overweight	↑	01.01.2012	-	20.03.2012	13.7	10%
-	→	-	25.01.2012	-	14.7	-
-	→	-	29.02.2012	-	17.0	-
Neutral	↓	20.03.2012	-	13.12.2012	16.6	0%
-	→	-	15.04.2012	-	16.6	-
-	→	-	15.05.2012	-	16.9	-
-	→	-	16.05.2012	-	15.3	-
-	→	-	21.06.2012	-	13.8	-
-	→	-	19.07.2012	-	13.9	-
-	→	-	02.09.2012	-	14.2	-
-	→	-	10.10.2012	-	14.6	-
-	→	-	14.11.2012	-	14.5	-
Overweight	↑	13.12.2012	-	15.05.2013	17.2	13%
-	→	-	23.01.2013	-	17.4	-
-	→	-	18.02.2013	-	17.1	-
-	→	-	21.03.2013	-	18.9	-
-	→	-	17.04.2013	-	18.6	-
Neutral	↓	15.05.2013	-	01.09.2013	19.2	11%
-	→	-	19.05.2013	-	17.1	-
-	→	-	17.06.2013	-	17.1	-
-	→	-	25.07.2013	-	16.8	-
-	→	-	30.07.2013	-	17.3	-
Underweight	↓	01.09.2013	-	28.10.2013	21.0	-17%
-	→	-	20.10.2013	-	20.0	-
Neutral	↑	28.10.2013	-	14.11.2013	19.4	5%
Underweight	↓	14.11.2013	-	17.02.2014	19.9	-31%
-	→	-	12.12.2013	-	15.7	-
-	→	-	21.01.2014	-	13.7	-
Neutral	↑	17.02.2014	-	Not later than 17.02.2015	13.8	-

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