

Closed-end investment fund

FONDUL PROPRIETATEA (FP)

Looking to reach its potential

Buy (12m)

Price **Target Price**
 19/05/2011
 RON 0.5070 RON 0.7906

Sector

Overweight
Neutral

Market Share

na

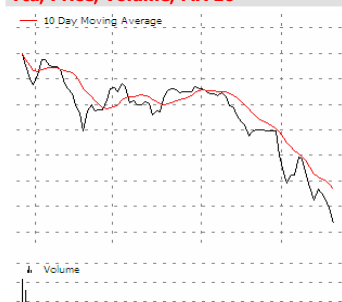
Last Recommendation

Buy (TP RON 0.82, on 26 Apr'11)

NSC NAV* RON 1.2004

*as of 30 April 2011

Ytd, Price, Volume, MA 10



Source: Factset, BRD GSG

Share data

RIC FP.BX, Bloomberg FP RO
 YTD-range
 Fair NAV – Apr'11(RONm) 14,332

Fondul Proprietatea
 on www.fondulproprietatea.ro

▼ **Update** We have updated our Fair NAV calculation for Fondul Proprietatea (FP) and we downgraded our Fair NAV by 3.3% to RON 1.0402 per share and our target price to **RON 0.79** per share from RON 0.82 in our previous report. We keep our **Buy** recommendation given the 55.9% potential upside from market price and the 51.3% discount to our Fair NAV at which FP's shares are trading. The current Fair NAV is computed based on the detailed portfolio as of end-March'11 (released by FP on 13 May'11) and on the April'11 official NAV. Thus, the 3.3% decline in our Fair NAV stems from: 24.4% ytd decline of cash&cash equivalents as of end-April'11; significant increase of total liabilities up to RON 521.67m as of end-April'11 from RON 83.71m as of end-Dec'10, mainly as a result of booking dividend liabilities of FP worth RON 432.78m and almost flat valuation of unlisted companies (-0.83% vs. our last report). However, we have slightly increased the value of listed companies, by 4.48% since our previous update.

▼ **Catalysts for the share price** Since the release of our last report, the discount at which FP shares are trading to its official NAV continues to increase, as the selling pressures were boosted by the resumption of the conversion of indemnification titles into FP shares on 2 May'11 and passing of the dividend date. Additional listing and/or privatization of companies in FP's portfolio should increase demand for FP shares. Of course, active portfolio management as well as good fundamental performance of companies' in its portfolio should increase FP's net asset value. Moreover, FP's listing on an international market and the buy-back programme might prove supportive for the fund's share price, whilst improved transparency and management of unlisted state-owned companies should increase investors' appetite for FP's shares offsetting to some extent the selling pressures coming from the new shareholders of FP, following the resumption of the restitution process.

▼ **12m target price and methodology** We haven't made any change to our SOTP method to derive Fair NAV, keeping unchanged the discounts applied to our Fair NAV to calculate our 12m TP: 20% to account for closed-end investment funds and 5% to reflect restrictive voting rights for its minority stakes. However, on very short-term we will eliminate also the discount for restrictive voting rights as we expect these to be waived by end-Aug-Sep'11, later than our initial estimation of end-Jun'11, due to slow conversion process.

▼ **Alternative scenarios and risk to our scenario** We reiterate main risks, from our previous report, as following: FP's portfolio's high exposure to state-owned companies; slow economic recovery that put in danger some of the companies' ability to pay dividends which are a significant source of FP's revenues and cash; negative evolution of capital markets; a low diversification and liquidity of FP's portfolio; regulatory risks. Still, we experience a quite low visibility on unlisted companies in FP's portfolio, but FP's officials stated that 2010 RAS main numbers of unlisted companies will be published on its web-site by end-June'11.

▼ **Next events** H1'11 results will be made public on 12 Aug'11, whilst the Annual consolidated financial statements will be published on 31 Aug'11.

Performance (%)	1m	3m	1st td*	Financial data(RONm)**	12/10	03/11	04/11	Data	12/10	03/11	04/11
Ordinary shares	-11.8	-14.8	-21.9	Total assets	15,411.9	16,521.2	17,061.5	EPS**	0.0331	0.0010	0.0206
Relative to BET	-7.8	-14	-19.8	Listed shares	4,934.3	6,470.9	6,750.3	BV**	1.1125	1.1943	1.2004
Relative to BET-FI	-2.0	-16.7	-16.3	Unlisted shares	9,145.0	9,145.0	9,217.1	Gross DPS	0.0314	-	-
				Shareholders equity	15,328.2	16,455.2	16,539.9	Div. yield %	na	5.13	6.20
				Cash and deposits	1,078.5	606.4	512.8	P/Fair NAV	na	0.57	0.49
				Bonds & T-Bills	248.0	283.6	298.0	P/Off. NAV	na	0.51	0.42
				Net profit***	456.3	14.1	283.4				

* First trading day – 25 January 2011
 ** Figures based on monthly Official NAVs
 *** YTD cumulative

Source: FP RAS Individual Financial Statements. BSE. BRD-GSG

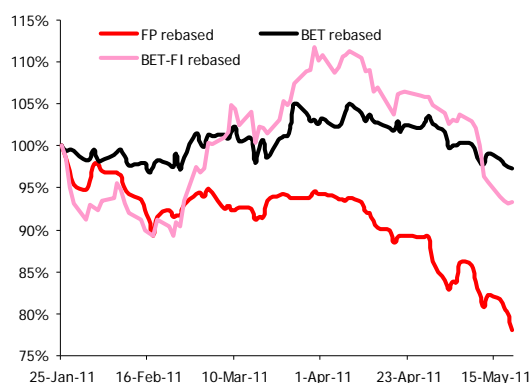
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Market performance

Fondul Proprietatea (FP) shares maintained its downward evolution since our last report published on 26 April 2011, losing 17.2% compared to 31 Mar'11. The resumption of the conversion of indemnification titles into shares starting with 2 May '11 along with passing of the dividend date (transaction date 11 May'11, DPS of RON 0.0314) added significant pressures on selling side in the past two weeks, despite the official NAV growth (+5.74% April'11 vs. Jan'11).

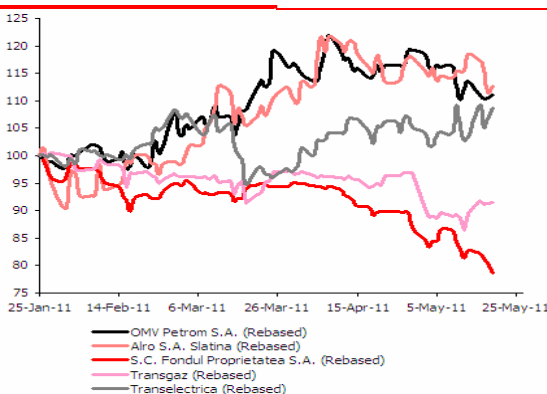
FP vs. BET, BET-FI share price performance, rebased



Source: Fondul Proprietatea, BRD-GSG

FP shares underperformed BET and BET-FI by 9.1% and by 9.2%, respectively on avg. for 25-Jan'11-19 May'11, given the overreaction of investors as regards new FP's shareholders intention to sell their shares.

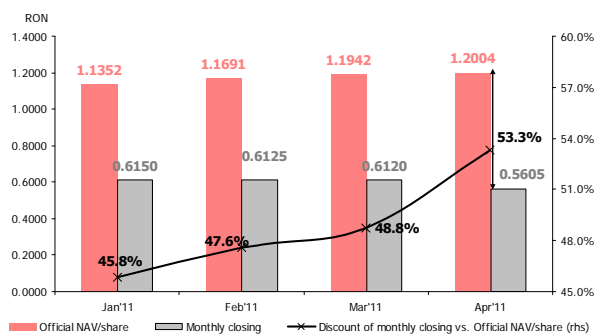
FP vs. SNP, TEL, TGN, ALR share price performance, rebased



Source: FactSet, BRD-GSG

Good evolution of its main listed underlying assets was not supportive for FP shares.

FP official NAV per share vs. end-month closing price

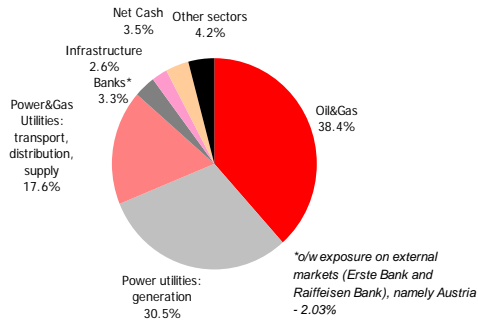


Source: Fondul Proprietatea, BRD-GSG

Discounts at which FP shares are traded compared to its official NAV increases in the past four months due to higher official NAV and lower FP share price.

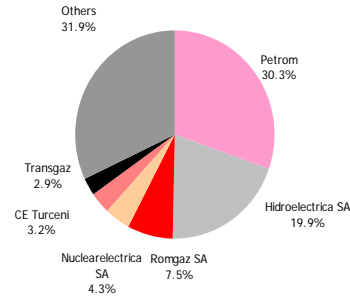
Company anatomy – portfolio overview

NSC NAV breakdown per sector (as of 30 April'11)



68.9% of NSC NAV stems from companies in oil&gas and power generation sectors as of 30 Apr'11.

NSC NAV breakdown per company (as of 30 April'11)

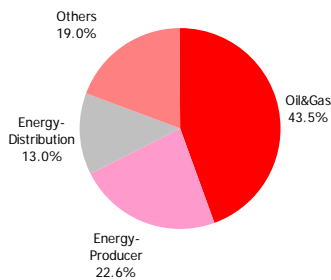


Petrom and Hidroelectrica stakes account for 50.2% NSC NAV as of 30 Apr'11.

Source: Fondul Proprietatea, BRD-GSG

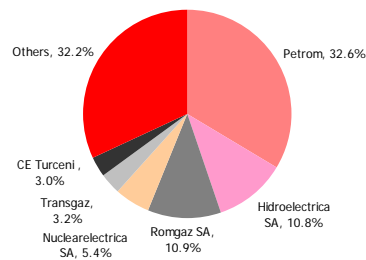
Source: Fondul Proprietatea, BRD-GSG

Fair NAV breakdown per sector (as of 19 May'11)



High exposure towards oil and gas and energy producers confirmed by our Fair NAV calculation.

Fair NAV breakdown per company (as of 19 May'11)



Petrom (RON 4.67bn), Hidroelectrica (RON 1.55bn) and Romgaz (RON 1.56bn) are the most valuable assets according to our Fair NAV calculation.

Source: Fondul Proprietatea, BRD-GSG

Source: Fondul Proprietatea, BRD-GSG

Company anatomy – valuation summary

Fondul Proprietatea Fair NAV according to base scenario assumptions*

**For details regarding the base scenario assumptions please see next page*

Indicator	Value (RONm) ¹	Value (EURm) ¹	% NAV
Listed companies (incl. external assets)	6,262.50	1,518.03	43.70%
Un-listed companies	7,780.74	1,886.06	54.29%
Cash and cash equivalents	810.71	197.06	5.66%
(-)Total liabilities (incl.debt, provisions [#])	521.67	126.80	3.64%
Fair NAV	14,332.28	3,474.16	
No of shares	13,778.39	13,778.39	
NAV per share (RON)	1.0402	0.2521	
<i>discount for closed-end funds</i>	20%	20%	
<i>discount for restrictive voting rights</i>	5%	5%	
Target price per share (RON)	0.7906	0.1916	

[#] NSC NAV calculation as of 30 April 2011 based on RAS figures

¹except values per share

Source: BRD-GSG, Fondul Proprietatea

Fondul Proprietatea Fair NAV according to worse case scenario

**For details regarding the worse scenario assumptions please see next page*

Indicator	Value (RONm) ¹	Value (EURm) ¹	% NAV
Listed companies (Petrom, Transgaz, Transelectrica, Alro, Erste, Raiffeisen)	6,055.97	1,467.97	59.17%
Un-listed companies (50% of base case scenario)	3,890.37	943.03	38.01%
Cash and cash equivalents	810.71	197.06	7.92%
(-)Total liabilities (incl.debt, provisions [#])	521.67	126.80	5.10%
Fair NAV	10,235.39	2,481.07	
No of shares	13,778.39	13,778.39	
NAV per share	0.7429	0.1801	
<i>discount for closed-end funds</i>	20%	20%	
<i>discount for restrictive voting rights</i>	5%	5%	
Target price per share	0.5646	0.1369	

[#] NSC NAV calculation as of 30 April 2011 based on RAS figures

¹except values per share

Source: BRD-GSG, Fondul Proprietatea

Valuation methodology

We have updated our Fair NAV calculation for Fondul Proprietatea (FP) following the release of the FP's detailed investments as of end-March'11, thus updating the stakes held by FP, including, also, the new holdings in Erste Bank and Raiffeisen Bank International. Consequently, we have revised our Fair NAV calculation for Fondul Proprietatea (FP) and we downgraded our Fair NAV by 3.3% to **RON 1.0402** per share and our target price to **RON 0.79** per share from RON 0.82 in our previous report. We keep our **Buy** recommendation given the 55.9% potential upside from market price and the 51.3% discount to our Fair NAV at which FP's shares are trading. The current Fair NAV is computed based on the detailed portfolio as of end-March'11 (released by FP on 13 May'11) and on the April'11 official NAV.

The 3.3% decline in our Fair NAV stems from: 24.4% ytd decline of cash&cash equivalents as of end-April'11; significant increase of total liabilities up to RON 521.67m as of end-April'11 from RON 83.71m as of end-Dec'10, mainly as a result of booking dividend liabilities of FP worth RON 432.78m towards its shareholders and almost flat valuation of unlisted companies (-0.83% vs. our last report). However, we have slightly increased the value of listed companies, by 4.48% since our last report publication, mainly because of: the inclusion of the value of listed companies on external markets (Erste Bank and Raiffeisen Bank International) worth RON 266.91m (zero in our previous report); higher value by RON 113.25m associated to BRD-GSG stake; Transelectrica stake's value increase by 10.66% (+RON 20.88m) vs. our previous report; higher value for Alro stake (+3.95%) from our last report, namely an appreciation of RON 10.58m.

We kept unchanged our SOTP methodology to calculate our Fair NAV and our discounts to compute the target price, as follows: i) 20% discount that we use for any closed-end investment fund to calculate a target price, including SIFs; ii) 5% discount to reflect restrictive voting rights for minority stakes owned in FP. Most probably, we will take out the 5% discount as soon as Ministry Finance stake is below 33%.

We have used the portfolio structure as of end-March'11, released by FP on 13 May 2011. In this report we have presented below the main changes of FP's portfolio in Q1'11.

We have filled in closing prices as of 19 May 2011 (previously 31 March 2011) for all BSE and Vienna listed companies that have been traded within the last 30 trading days. The same methodology is followed by NSC for listed companies to calculate the official NAV. For the companies whose shares were not traded in the past 30 days we have used their book value adjusted with a discount of 20% to account for low liquidity compared with NSC regulation which uses the book value of the company as a proxy for its fair value. Moreover, we have used the EURRON NBR rate of 4.1254 as 19 May 2011 to make the conversion of EUR price into RON.

The unlisted companies' stakes were marked to market using peers valuation multiples, namely different combination of P/BV'09, EV/EBITDA'09 and Marcap/Sales'09 depending on the company's sector features, updated for prices as of 19 May 2011. Moreover, we have applied a 30% discount to reflect lower liquidity of these stakes, regulatory risk for companies in energy and utilities sector and smaller size of the companies compared to their peers. Detailed values for major unlisted companies are showed in *Appendix 1 – Unlisted companies implied value (base scenario)*. The valuation multiples (P/BV'09, EV/EBITDA'09 and Marcap/Sales'09) for selected peers used to value unlisted companies are presented in *Appendix 2 – Peers' multiples*. For unlisted companies with no data available for 2009 shareholders equity we have conservatively used zero value. Also, we assigned zero value for companies with negative

shareholders' equity, companies under insolvency procedure, companies running a judicial re-organization and companies that don't recognize FP as their shareholder.

Thus, we have derived a Fair NAV of RON 1.0402 (down 3.3% from our April 2011 report), resulting in a target price of RON 0.7906.

The summarized results are presented in the table below. Thus, 54.29% of Fair NAV stems from unlisted companies worth RON 7.78bn (EUR 1.89bn), whilst 43.7% from listed ones worth RON 6.26bn (EUR 1.52bn). As we have above mentioned the largest stake is OMV Petrom worth RON 4.67bn (EUR 1.13bn).

Indicator	Fair Value (RON)	% NAV
Listed companies (incl. external assets)	6,262,500,335	43.70%
Un-listed companies	7,780,742,344	54.29%
Cash and cash equivalents	810,707,643	5.66%
(-) Total liabilities (incl. debt, provisions [#])	521,665,771	3.64%
Fair NAV	14,332,284,550	
No of shares	13,778,392,208	
NAV per share	1.0402	
<i>discount for closed-end funds</i>	<i>20%</i>	
<i>discount for restrictive voting rights</i>	<i>5%</i>	
Target price per share	0.7906	

[#] NSC NAV calculation as of 30 April 2011 based on RAS figures
 Source: BRD-GSG, Fondul Proprietatea

Please see below the values estimated under our methodology (Market Value BRD-GSG) and the value estimated according to NSC rules (NSC Value as of end-Apr'11) for each company in FP's portfolio:

Company	Sector	FP stake	Valuation method	Closing Price/ Implied Price (RON)	Market Value BRD-GSG (RONm)	NSC Value as of end-Apr'11 (RONm)	% Total value of listed and unlisted shares	% Fair NAV
Petrom	Oil&Gas	20.10%	mark to market	0.4100	4,670.36	4,875.40	33.26%	32.59%
Transelectrica Bucuresti	Utilities-Electricity Transportation	13.49%	mark to market	21.9000	216.71	195.83	1.54%	1.51%
Alro Slatina	Non-Energy Minerals	10.02%	mark to market	3.8900	278.43	270.55	1.98%	1.94%
Transgaz	Energy-Natural gas transportation	14.98%	mark to market	256.0500	451.83	478.04	3.22%	3.15%
BRD-GSG	Banks	1.69%	mark to market	14.5700	171.73	175.62	1.22%	1.20%
Romaero	Aircraft manufacturer	20.99%	mark to market	15.0000	19.68	17.45	0.14%	0.14%
Compel SA	Transport via pipeline	20.05%	mark to market	41.8000	72.58	62.51	0.52%	0.51%
Oil Terminal SA	Cargo handling	10.00%	mark to market	0.2300	13.40	14.85	0.10%	0.09%
Severnav SA	Building of ships and floating structures	39.10%	0.8xBV'09	3.4402	6.78	6.90	0.05%	0.05%
Azomures SA	Fertilizers	8.75%	mark to market	0.7040	32.44	29.03	0.23%	0.23%
Delfincom SA	Real estate developer	65.50%	mark to market	14.1900	9.16	3.68	0.07%	0.06%
Palace SA (Sinaia)	HoReCa	15.42%	mark to market	0.2500	1.46	1.63	0.01%	0.01%
Mecanoenergetica SA	Manufacturer of metal structures and part of metal structures	10.07%	mark to market	0.0800	0.13	0.10	0.00%	0.00%
Alcom SA Timisoara	Retail sales (food, beverages)	71.89%	mark to market	50.0000	4.46	3.57	0.03%	0.03%
Mecon SA Brasov	Manufacturer of metal structures and part of metal structures	12.51%	0.8xBV'09	46.3496	2.78	0.58	0.02%	0.02%
IOR SA	Manufacturer of optical instruments	2.81%	mark to market	0.3000	0.79	1.78	0.01%	0.01%
Comcereale Cluj SA	Agriculture	11.36%	0.8xBV'09	3.6351	0.93	1.16	0.01%	0.01%
Comcereale Fundulea SA	Farming	5.35%	0.8xBV'09	2.1346	0.13	0.16	0.00%	0.00%
Comcereale Miercurea Ciuc SA	Storage and warehousing	10.03%	0.8xBV'09	4.5489	0.18	0.22	0.00%	0.00%
Forsev SA	Forging, pressing, stamping and roll-forming of metal; powder metallurgy	28.14%	0.8xBV'09	5.8530	5.59	6.98	0.04%	0.04%
Prestari Servicii SA	Other services rendering	70.55%	mark to market	5.0000	1.00	0.07	0.01%	0.01%
Romplumb SA	Manufacturer of lead, zinc and tin bullions	51.00%	0.8xBV'09	3.5084	5.60	7.00	0.04%	0.04%
Transilvania Com SA	Retail sales (textiles)	39.99%	0.8xBV'09	12.7611	0.99	1.23	0.01%	0.01%
Vitacom SA	Retail sales (fruits and vegetables)	46.91%	0.8xBV'09	0.1278	0.09	0.12	0.00%	0.00%
Turdapan SA	Real estate	44.06%	0.8xBV'09	0.5429	0.08	0.10	0.00%	0.00%
Primcom SA	Real estate	78.97%	mark to market	25.0000	28.20	35.24	0.20%	0.20%
Telerom Proiect SA	Architectural consultancy	68.63%	0.8xBV'09	0.1385	0.09	0.12	0.00%	0.00%
Resib SA	Real estate	2.87%	negative sh.equity	0.00	0.00	0.00	0.00%	0.00%
SubTotal Listed Companies on BSE		na	na	na	5,995.59	6,189.93	42.69%	41.83%

Source: BRD-GSG estimates, Fondul Proprietatea

Company	Sector	FP stake	Valuation method	Closing Price/ Implied Price (EUR)	Market Value BRD-GSG (RONm)	NSC Value as of end-Apr'11 (RONm)	% Total value of listed and unlisted shares	% Fair NAV
Erste Group Bank AG	Banks	0.25%	mark to market	33.7500	136.11	143.20	0.97%	0.95%
Raiffeisen Bank International AG	Banks	0.43%	mark to market	37.0550	130.80	137.85	0.93%	0.91%
SubTotal Listed Companies on External Markets		na	na	na	266.91	281.05	1.90%	1.86%

*FX rate EUR/RON (4.1254) as of May 19, 2011

Source: BRD-GSG estimates, Fondul Proprietatea

Company	Sector	FP stake	Valuation method	ClosingPrice/ Implied Price (RON)	Market Value BRD-GSG (RONm)	NSC Value as of end-Apr'11 (RONm)	%Total value of listed and unlisted shares	% Fair NAV
Hydroelectrica SA	Energy-Producer	19.94%	avg. (EV/EBITDA'09,P/BV'09, Marcap/Sales'09)	17.48	1,548.48	3,286.99	11.03%	10.80%
Nuclearelectrica SA	Energy-Producer	9.72%	P/BV'09	31.40	774.87	705.59	5.52%	5.41%
Romgaz SA	Energy-Natural gas producer	14.99%	avg. (EV/EBITDA'09,P/BV'09, Marcap/Sales'09)	271.40	1,558.39	1,245.68	11.10%	10.87%
Complexul Energetic Turceni SA	Energy-Producer	24.78%	avg. (P/BV'09,Marcap/Sales'09)	37.14	422.96	530.12	3.01%	2.95%
Complexul Energetic Craiova SA	Energy-Producer	24.35%	avg. (EV/EBITDA'09,P/BV'09, Marcap/Sales'09)	48.36	304.68	267.32	2.17%	2.13%
Electrica Distributie Muntenia Nord SA	Energy-Distribution	21.99%	avg. (EV/EBITDA'09,P/BV'09)	21.44	167.15	232.23	1.19%	1.17%
ENEL Distributie Banat SA	Energy-Distribution	24.12%	avg. (EV/EBITDA'09,P/BV'09)	32.48	299.41	278.06	2.13%	2.09%
E.ON Moldova Distributie SA	Energy-Distribution	22.00%	avg. (EV/EBITDA'09,P/BV'09)	13.79	151.66	162.53	1.08%	1.06%
Complexul Energetic Rovinari SA	Energy-Producer	23.60%	avg. (EV/EBITDA'09,P/BV'09, Marcap/Sales'09)	33.62	185.72	251.30	1.32%	1.30%
Electrica Distributie Transilvania Sud SA	Energy-Distribution	21.99%	avg. (EV/EBITDA'09,P/BV'09)	15.49	144.47	180.92	1.03%	1.01%
ENEL Distributie Dobrogea SA	Energy-Distribution	24.09%	avg. (EV/EBITDA'09,P/BV'09)	29.33	198.06	194.35	1.41%	1.38%
Aeroportul International Henri Coanda Bucuresti SA (2008)/CN Aeroporturi Bucuresti 2009	Airport	20.00%	avg. (EV/EBITDA'09, Marcap/Sales'09)	70.31	202.17	322.41	1.44%	1.41%
Electrica Distributie Transilvania Nord SA	Energy-Distribution	22.00%	avg. (EV/EBITDA'09,P/BV'09)	16.02	130.86	168.98	0.93%	0.91%
Enel Distributie Muntenia SA	Energy-Distribution	12.00%	avg. (EV/EBITDA'09,P/BV'09)	100.67	327.82	324.62	2.33%	2.29%
Posta Romana SA	National Post Office	25.00%	avg. (P/BV'09,Marcap/Sales'09)	13.19	195.06	169.49	1.39%	1.36%
Societatea Nationala a Sarii SA	Salt production	48.99%	avg. (EV/EBITDA'09,P/BV'09, Marcap/Sales'09)	71.13	142.66	78.51	1.02%	1.00%
E.ON Gaz Distributie SA	Energy-Distribution	11.99%	avg. (EV/EBITDA'09,P/BV'09)	9.11	119.88	108.00	0.85%	0.84%
GDF Suez Energy Romania (ex Distrigaz Sud SA by 2009)	Energy-Distribution	12.00%	avg. (EV/EBITDA'09,P/BV'09, Marcap/Sales'09)	133.53	284.13	302.61	2.02%	1.98%
CN Administratia Porturilor Maritime SA	Port	19.99%	avg. (EV/EBITDA'09,P/BV'09, Marcap/Sales'09)	61.81	84.60	60.39	0.60%	0.59%
Zirom SA	Manufacturer of titanium and titanium alloy ingots	100.00%	avg. (P/BV'09,Marcap/Sales'09)	9.37	33.95	34.72	0.24%	0.24%
Electromecanica Ploiesti SA	Manufacturer of military and civil equipments	49.00%	FP is not recogn. as shareholder	0.00	0.00	0.00	0.00%	0.00%
Uzina Mecanica Bucuresti SA	Defense industry	36.59%	FP is not recogn. as shareholder	0.00	0.00	0.00	0.00%	0.00%
CN Administratia Canalelor Navigabile SA	Port	20.00%	avg. (EV/EBITDA'09,P/BV'09, Marcap/Sales'09)	85.68	17.41	15.72	0.12%	0.12%
Plafar SA - insolvency	Health care	48.99%	insolvency	0.00	0.00	0.00	0.00%	0.00%
Petrotel - Lukoil SA	Refinery	2.18%	negative sh.equity	0.00	0.00	0.00	0.00%	0.00%
Aeroportul Intl' Timisoara - Traian Vuia SA	Airport	20.00%	avg. (EV/EBITDA'09,P/BV'09, Marcap/Sales'09)	406.80	34.25	4.94	0.24%	0.24%
Laromet SA	Manufacturer of non-ferrous semi-products	4.20%	avg. (P/BV'09,Marcap/Sales'09)	0.52	7.06	6.35	0.05%	0.05%
Aeroportul Intl' Mihail Kogalniceanu SA	Airport	20.00%	EV/EBITDA'09	36.73	0.85	2.50	0.01%	0.01%
CN Administratia Porturilor Dunarii Maritime SA	Port	20.00%	avg. (EV/EBITDA'09,P/BV'09, Marcap/Sales'09)	119.12	2.53	1.69	0.02%	0.02%
Carom - Broker Asigurare SA	Insurance	70.00%	P/BV'09	40.96	0.72	1.10	0.01%	0.01%
CN Administratia Porturilor Dunarii Fluviale SA	Port	20.00%	avg. (EV/EBITDA'09,P/BV'09, Marcap/Sales'09)	309.60	8.53	3.76	0.06%	0.06%
Gerovital Cosmetics SA - insolvency	Health care	9.76%	insolvency	0.00	0.00	0.00	0.00%	0.00%
Zamur Targu Mures SA	Food producer	7.18%	avg. (P/BV'09,Marcap/Sales'09)	8.46	3.41	3.07	0.02%	0.02%
Electroconstructia Elco Cluj SA	Montaj Instalatii	7.61%	0.7xBV'09	0.70	0.38	0.54	0.00%	0.00%
Celuloza si Otel SA (absorbition of Remat Timis SA)	Recycling	8.62%	0.7xBV'09	0.70	0.32	0.46	0.00%	0.00%
Salubriserv SA	Waste collection	17.48%	0.7xBV'09	0.70	5.22	7.46	0.04%	0.04%
Commetex SA	Ceramics products wholesale	15.99%	avg. (P/BV'09,Marcap/Sales'09)	3.58	0.24	0.22	0.00%	0.00%
Comsig SA	Retail (food)	69.94%	0.7xBV'09	4.13	0.31	0.16	0.00%	0.00%
Cetatea SA	Real Estate Agent	20.43%	P/BV'09	0.78	0.28	0.42	0.00%	0.00%
Retizoh SA - insolvency	Other special construction	7.37%	insolvency	0.00	0.00	0.00	0.00%	0.00%
World Trade Center Bucuresti SA	HoReCa	19.90%	negative sh.equity	0.00	0.00	0.00	0.00%	0.00%
Ciocarlia SA	HoReCa	1.68%	Marcap/Sales'09	9.29	0.05	0.59	0.00%	0.00%
World Trade Hotel SA	HoReCa	19.90%	0.7xBV'09	0.70	0.01	0.02	0.00%	0.00%
E.ON Energie Romania (ex. E.ON Gaz Romania)	Energy-Natural gas&Electricity supplier	13.39%	P/BV'09	13.49	133.57	130.52	0.95%	0.93%
Electrica Furnizare Muntenia Nord SA	Energy- Electricity supply	22.00%	avg. (P/BV'09,Marcap/Sales'09)	113.45	64.90	0.00	0.46%	0.45%
Electrica Furnizare Transilvania Nord SA	Energy-Electricity supply	22.00%	avg. (P/BV'09,Marcap/Sales'09)	166.78	59.43	0.00	0.42%	0.41%
Electrica Furnizare Transilvania Sud SA	Energy-Electricity supply	22.00%	avg. (P/BV'09,Marcap/Sales'09)	155.82	68.26	0.00	0.49%	0.48%
ENEL Energie SA	Energy-Electricity distribution and supply	12.00%	avg. (P/BV'09,Marcap/Sales'09)	35.85	60.24	23.61	0.43%	0.42%
Enel Energie Muntenia SA	Energy-Electricity distributor	12.00%	avg. (EV/EBITDA'09,P/BV'09)	80.65	35.81	37.03	0.26%	0.25%
Bat Service SA - insolvency	Transportation via road	33.00%	insolvency	0.00	0.00	0.00	0.00%	0.00%
Carbid Fox SA - bankruptcy		7.96%	bankruptcy	0.00	0.00	0.00	0.00%	0.00%
Simtex SA - insolvency	Design of machine tools	30.00%	insolvency	0.00	0.00	0.00	0.00%	0.00%
FECNE SA -judicial reorganization	Nuclear power plant equipment factory	12.12%	judicial reorganization	0.00	0.00	0.00	0.00%	0.00%
SubTotal Unlisted Companies		na			7,780.74	9,144.98	55.41%	54.29%
Total Listed and Unlisted Companies					14,043.24	15,334.91	100.00%	97.98%

Source: BRD-GSG estimates, Fondul Proprietatea

Our worst case scenario considers the market value of Petrom, Transgaz, Transelectrica, Alro, Erste Bank and Raiffeisen Bank International, while applying a 50% discount for un-listed companies' value considered in the base case scenario and keeping a constant level for the cash& cash equivalents position. The resulting Fair NAV is RON 0.7429 per share and target price of RON 0.5646.

Indicator	Fair Value (RON)	% NAV
Listed companies	6,055,972,636	59.17%
Un-listed companies	3,890,371,172	38.01%
Cash and cash equivalents	810,707,643	7.92%
(-)Total liabilities (incl.debt, provisions [#])	521,665,771	5.1%
Fair NAV	10,235,385,680	
No of shares	13,778,392,208	
NAV per share	0.7429	
<i>discount for closed-end funds</i>	<i>20%</i>	
<i>discount for restrictive voting rights</i>	<i>5%</i>	
Target price per share	0.5646	

[#] NSC NAV calculation as of 30 April 2011 based on RAS figures
 Source: BRD-GSG, Fondul Proprietatea

Main risks to our valuation

Main risks to our Fair NAV calculation that might trigger further restatements on our valuation methodology arises from:

- **Low visibility on unlisted company's fundamentals.** The most recent public available financial data for the unlisted companies which represent 54.3% of our Fair NAV as of 19 May'11 are for 2009. The unlisted companies are not obliged to provide FP with full financial statements in due time, so our financial information are quite out of date. However, during the conference call for FP Q1'11 results held on 16 May'11, FP officials stated that the 2010 RAS results for main unlisted companies are going to be published on its website by the end of June'11.
- **Changes to FP's portfolio structure subsequent to Government decision to establish the two giants in energy.** At this moment, the process of the two giants' foundation is stopped and we are waiting to see the first results of the new restructuring and privatization programme for energy sector.
- **Higher/Lower market prices and associated trading multiples for companies included in FP's portfolio;**
- **Listing of some of the companies in FP's portfolio on regulated market will have a positive impact on FP's portfolio transparency and will bring additional public information on its portfolio market value;**
- **Arbitrary decisions of the Government as regards companies in which is the majority shareholder that might be against minority shareholders' interest and value creation process.**

Also, we don't leave out the possibility to add to our valuation methodology other scenarios that might include DCF valuation once more data will be available. In our opinion, we will run a significant risk by performing a DCF valuation based on a restrained range of data.

Dividends expectations by FP from main holdings for 2011

According to latest data, FP should cash around RON 355m as net dividends during 2011 from several companies in which it holds stakes. However, up to now, Petrom, Transelectrica, Alro, BRD-GSG, Enel Distributie Banat, Enel Distributie Dobrogea approved the proposed DPS levels from 2010 net profits within their Ordinary GSMs. Also, the approval of a gross DPS of RON 28.77 by Transgaz will be discussed within the company's OGSM scheduled on 9 Jun'11, as on 29 Apr'11 its shareholders rejected the dividend distribution. The highest net dividend amount to be received by FP comes from Petrom (RON 169.3m or 47.6% of FP's total net dividends) that approved a gross DPS of RON 0.0177. Nevertheless, another RON 90.7m (25.5%) might be added from Romgaz, if the gross DPS worth RON 18.8m will be approved by its shareholders.

Company	Gross Dividends (RONm)	Net Dividends (RONm)	Net Dividends (EURm)	Proposed Gross DPS
Petrom*	201.52	169.28	41.29	0.0177
Romgaz	107.94	90.67	22.12	18.7997
Transgaz	50.74	42.62	10.40	28.77
ENEL Distributie Banat*	20.16	16.94	4.13	2.1876
Alro*	16.01	13.45	3.28	0.2239
ENEL Distributie Dobrogea*	13.54	11.37	2.77	2.0051
CN Aeroporturi Bucuresti	9.94	8.35	2.04	3.4569
BRD-GSG*	2.11	1.78	0.43	0.1796
Transelectrica*	1.15	0.96	0.24	0.116
CE Rovinari	0.02	0.02	0.00	0.0043
Total	423.15	355.45	86.69	na

*dividends distribution approved by company's shareholders, BRD-GSG forecast for 2011 EURRON: 4.10 used for dividends value conversion

Source: FP Q1'11 Quarterly Report, Companies' OGSM resolutions, BRD-GSG

Latest news regarding Government intention for the planned IPOs/SPOs and the two energy champions foundation

Since our last update, Romanian Government announced its new view as regards the planned IPOs/SPOs of state-owned energy/utilities companies, its intention to stop the foundation of the two energy giants along with the intention to appoint specialized managers for state-owned companies regardless of their political affiliation. These plans of the Government were specified within the IMF Letter of Intent drafted at the end of the IMF assessment mission (between 25 April'11 and 9 May'11) for the precautionary agreement signed by the Romanian Government in March 2011.

▪ **IMF to support Government plans for IPOs/SPOs**

In case of the planned IPOs, the Government brought on the list, additionally to Romgaz (15%), two new companies, namely Nuclearelectrica (10%) and Hidroelectrica (10%). Also, a Government Decision approved the SPO for 15% of Transelectrica (TEL), whilst there are preparations for Transgaz (15%). Moreover, we might see a share capital increase, via primary public offering, by 12% for Transelectrica and by up to 10% for Transgaz, respectively, as it has been requested by those companies' managers to the Ministry of Economy. Within the IMF Letter of Intent is mentioned a timeline, according to which a legal-advisor will be appointed for each case by the end-June'11, an investment bank will be nominated by end-September '11

and the tenders should finish by end-2012. Given the IMF support, we assess there is very likely to see the finalization of IPOs/SPOs plans of the Government by the end of the next year.

- ***The foundation of the two energy giants is less likely to materialize***

As the foundation of the two energy giants is still blocked in the court following the Bucharest Court of Appeal irrevocable decisions against the Electra and Hidroenergetica merger projects, the Ministry of Economy elaborate an alternative strategy. According to the new strategy, minority or strategic stakes in each company included initially in the two energy-giants foundation process will be sold. Also, in the IMF Letter it is stressed the full privatization of the energy suppliers companies Transilvania Sud, Transilvania Nord and Muntenia Nord in which Fondul Proprietatea (FP) owns stakes.

Buy-back programme – FTIM has bought 7.5m shares (RON 3.9m)

Given the significant correction suffered by FP's shares within the past weeks, following the anticipation of selling pressure coming from new shareholders whose indemnification titles will be changed for FP shares from the Ministry of Finance stake and passing of the dividend date, Franklin Templeton Investments Management (FTIM) decided to buy-back some FP shares. Thus, it has been announced that it bought back some 7.5m shares worth RON 3.9m in several trades during 11-13 May 2011. However, the impact of this buy-back operation is marginally, as the number of the shares bought back is too small to offset selling orders.

As a reminder, the shareholders approved within EGSM from 6 September 2010 the acquisition of maximum 10% of Fondul Proprietatea share capital (up to 1.375bn shares) at prices between RON 0.2 and RON 1.5, using the Fund' available reserves with the exception of legal reserves and approved dividends. FTIM is allowed to buy up to 25% of the average daily volume of the previous 20 trading sessions, according to the EU rules. According to the annual report FTIM can use RON 120.3m for the buy-back programme, according to 2010 financial statements (represent the value of FP's reserves). But, during 2011, we may see changes to the reserves that might be use for redemption, following H1'11 results mainly.

FTIM future plans for FP

- ***FTIM diversification strategy lead FP to trade on external markets***

FTIM officials expressed their intention to continue to diversify FP's portfolio and to continue to acquire shares of international companies with CEE exposure. Also, on 12 May 2011, FP announced that NSC approved the FTIM request for FP to trade on New York Stock Exchange (NYSE), allowing the fund to sell/buy securities on NYSE.

- ***FTIM intention to sell small stakes of FP's portfolio with minor impact on fund's NAV***

FP announced that put up for sale several other stakes which weigh below 0.01% in FP's Fair NAV (except Laromet that accounts for approx. 0.05% of Fair NAV), according to our latest calculation, as presented in the table below:

Company	Sector	FP's stake	Weight in Official NAV as of end-Mar'11	Weight in Fair NAV (latest calculations)
Commetex	Ceramic products distribution	16%	0.0013%	0.0017%
Electroconstructia Elco Cluj Napoca	Sevices	7.6%	0.0033%	0.0026%
Laromet	Non-ferrous producers	4.20%	0.0386%	0.0493%
Ciocarla	HoReCa	1.68%	0.0036%	0.0003%

Source: Fondul Proprietatea, BRD-GSG

- ***FTIM secondary listing plans***

FTIM officials stated within the 16 May'11 Conference Call for FP's Q1'11 results that they analyze the possibility of listing FP shares on external markets (i.e.: London, Vienna, Warsaw). FTIM is going to make a recommendation to FP's shareholders by the end of June'11.

Fondul Proprietatea – Official NAV as of end-April 2011

Fondul Proprietatea (FP) announced that its official NAV reached RON 1.2004 as of end-Apr'11, almost flat mom (+0.5%), which is consistent with the sideways movement of BET index in monthly terms at end-Apr'11 (-0.1% on 30 Apr'11 vs. 31 Mar'11). Total NAV amounted to RON 16.54bn (EUR 4.1bn), out of which financial assets worth RON 9.20bn (almost flat mom), short term investments came at RON 6.72bn (+4.5% mom) and cash&deposits accounted for RON 512.6m (-15.5%.mom and -52.5% ytd).

The NAV sector breakdown of the report revealed that the Fund's exposure on oil&gas sector has improved to 38.44% as of end-Apr'11 from 37.67% previous month, very likely due to OMV Petrom price increase of 2.8% as of end-Apr'11 vs. end-Mar'11. Also, FP's exposure on banks went up to 3.25% as of end-Apr'11 from 2.78% as of end-Mar'11 and on aluminium to 1.76% (vs. 1.64% as of end-Mar'11).

According to the Top 10 Holdings, OMV Petrom remains the largest exposure of the Fund, with 30.30% of official NAV (vs. 29.63% as of end-Mar'11), followed by Hidroelectrica with 19.87% of official NAV (vs. 19.98% as of end- Mar'11), Romgaz with 7.53% of official NAV (vs. 7.57% as of end-Mar'11), Nuclearelectrica with 4.27% of NAV (vs. 4.29% as of end-Mar'11) and Complexul Energetic Turceni with 3.21% of official NAV (vs. 3.22% as of end-Mar'11).

Country's official NAV breakdown showed that 2% of total assets (vs. 1.7% as of end-Mar'11) are invested in Austria, namely RON 330.4m (EUR 79.6m). We remind you that the Fund is allowed to invest up to 12% of its assets in foreign shares.

Apr'11 official NAV statement points to a whopping evolution of net profit in 4M'11 cumulative, RON 283.4m vs. RON 14.1m in Q1'11, most likely as a consequence of booking the approved dividends from 2010 net profit during April'11.

Fondul Proprietatea – Portfolio changes in Q1'11

In Q1'11, the Fund increased its stakes in Alro (10.02% at end-Mar'11 from 9.92% at end-Dec'10), Azomures (8.75% at end-Mar'11 from 7.69% at end-Dec'10) and BRD-GSG (1.69% at end-Mar'11 from 0.56% at end-Dec'10) and added two new holdings to its portfolio (external exposure), namely Erste Bank (0.25% at end-Mar'11) and Raifeisen Bank (0.43% at end-Mar'11). Based on RAS Q1'11 balance sheet data, total purchases in the first quarter of 2011 amount to almost RON 424m, while the rest of the advance posted by financial assets item came from reversal of impairment adjustment for equity investments in amount of RON 1.03bn. The additional acquisitions impacted on the company's cash position that shed 44% ytd at end-Mar'11.

Moreover, latest news points to another purchase of Azomures (AZO) shares on 4 May'11 leading to a current stake of 10.23% in Azomures share capital (or 53.8m shares). Its impact on May'11 Official NAV should be minimal given that Azomures weight in FP's Fair NAV portfolio is only 0.23% based on our latest calculations.

On the other hand, the stakes held in Marlin (4.95%) and Familial Restaurant (2.75%) were sold at prices above their reported values in the NAV, a fact also reflected by revenues from assets sold item in the RAS Q1'11 P&L account that points to a total of RON 0.067m. By comparison, the corresponding acquisition cost for the two sold stakes piled up to RON 0.036m, while their values as stated in the official NAV as of end-Dec'10 amounted to RON 0.038m. However, the effect of financial assets disposal on the FP's Q1'11 bottom line was only marginal since the revenues stemming from the two selling operations accounted only for 0.2% of total operating revenues.

Q1'11 FP RAS results

According to RAS financial figures released by the Fund for Q1 2011, net profit returned on positive grounds (RON 14.1m) from a loss worth RON 23m in Q1'10. The positive bottom line was mainly a consequence of a 65.8% yoy surge in operating revenues that found support in a RON 9.6m reversal of impairment adjustment for the 2005 dividend receivables from Transgaz and a RON 3.8m income from penalties related to the late payment of 2005 Transgaz dividends receivable. Interest income that accounts for a heavy 52% of total operating revenues increased by 7.3% yoy.

On the expenses side, the 99.2% yoy slump of FX costs managed to offset rising costs with the traditional monthly commissions and fees owed to capital market authorities (RON 4.4m) and other expenses from current activity item growth that almost tripled up to RON 13.8m.

Shareholding structure and the conversion process

FP has 8,475 shareholders, by 4,103 more than the structure reported as of 31 December 2010, according to data published on its website and within its monthly report for April 2011. The stake held by the Ministry of Finance remained unchanged on monthly basis at 36.79% as of 30 April 2011, given that the compensation of persons entitled to receive FP shares was interrupted during 11 January 2011 – 2 May 2011. State's stake in FP at end-Apr'11 is lower than the one reported at end-Dec'10 (38.9%) and according to FP's officials, the Ministry of Finance is expected to hold less than 33% as late as August-September 2011 following the resumption of the conversion process that took place on 2 May 2011. Many investors are seeing the conversion process resumption as an oversupply of FP shares which dragged down share price. However, we believe that there is an overreaction in anticipation of selling pressures coming from new owners of FP shares, given the large discounts at which FP shares are traded compared to its official and Fair NAV and some feeble steps done by the Sole Director in improving performance of unlisted companies. To stop FP's price falling following the conversion of the indemnification titles into FP shares, the Ministry of Finance decided that the allocation of FP shares to new shareholders to be done on discretionary basis.

Moreover, foreign investors (institutional and private) increased their stake up to 30.03% as of end-April'11 from 29.06% as of end-March'11, mainly as Romanian private individuals continued to sell part of their shares. Thus, Romanian private individuals holding declined to 26.11% at the end of April'11 from 28.28% as of end-March'11. By contrast, Romanian institutional shareholders improved their stake up to 6.07% as of end-April'11 vs. 5.87% as of end-March'11.

Shareholder Type	No. of shareholders	No. of shares	Stake (%)
Public Finance Ministry	1	5,069,200,553	36.79%
Romanian private individuals	7,759	3,596,978,409	26.11%
Foreign institutional shareholders	129	3,099,466,615	22.50%
Foreign private individuals	294	1,175,776,064	8.53%
Romanian institutional shareholders	292	836,970,567	6.07%
Total	8,475	13,778,392,208	100.00%

Source: FP Monthly report as of 30 April 2011

Decisions of the Ordinary Shareholders General Meeting held on 27 April 2011

On April 27, 2011, the shareholders of Fondul Proprietatea (FP) approved within their Ordinary Shareholders General Meeting the following: 2010 financial statements, 2010 annual report of Franklin Templeton Investment Management (Sole Director), auditor's report, appointment of Mr. Doru – Petru Dudas as member of FP's Board of Nominees replacing Mrs. Monica Maurer-George whose revocation has been approved previously, appointment of Simion–Dorin Rusu as member of FP's Board of Nominees following the resignation of Mr. Corin–Ioan Trandafir.

Also, FP's shareholders approved the distribution of a gross DPS of RON 0.03141, representing a payout ratio of 94.86%. The gross DPS of RON 0.03141 is 2 times higher than the gross DPS proposed by the FP's Sole Director worth RON 0.01569. The higher DPS has been requested by the Ministry of Finance.

Given the size of the gross DPS, the approval of a higher dividend distribution was perceived as positive news by investors interested in cash. However, it should be considered that once the dividends payment will start (30 Jun'11) the fund's cash available for investments will reduce, thus mitigating the company's ability to diversify its portfolio by further acquisitions. Cash and deposits amounted to RON 512.6m at end-Apr'11 vs. RON 606.38m as of end-Mar'11.

Indicator	2007	2008-2009 (aggregate)	2010
Gross Dividend (RON/per share)	0.006596	0.0816	0.03141
Total number of shares	13,644,179,910	13,778,392,208	13,778,392,208
Total Dividends (RONm)	90.00	1,124.32	432.78

Source: Fondul Proprietatea

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Selected from stocks expected to outperform the market by over 25%.

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Expected to outperform the market by at least 10%.

Hold

Expected to perform in line with the market +/-10%.

Sell

Expected to underperform the market by at least 10%.

Assumptions

12 month time horizon and flat market over forecast period.

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Appendices

Appendix 1 – Unlisted companies implied value (base scenario). Sector multiples are detailed in Appendix 2 – Peers' Multiples.

General sector	Company	Sector detail	Sales'09 (RONm)	EBITDA '09 (RONm)	Net debt'09 (RONm)	BV '09	P/BV '09	EV/EBITDA'09	MkCap/Sales'09	Implied Price (RON)			Implied value (RONm)		
										P/BV	EV/EBITDA	MkCap/Sales	P/BV	EV/EBITDA	MkCap/Sales
Oil&Gas	Romgaz SA	Energy-Natural gas producer	3,193.50	1,826.89	(755.94)	216.91	1.26	7.83	1.73	273.22	393.41	144.40	1,569.09	2,258.83	829.11
	Petrotel - Lukoil SA	Refinery	3,320.93	(180.13)	63.78	-3.69	1.26	7.83	1.73	na	na	58.32	na	na	125.39

Source: Prospectus,FactSet, BRD-GSG

General sector	Company	Sector detail	Sales'09 (RONm)	EBITDA '09 (RONm)	Net debt'09 (RONm)	BV '09	P/BV '09	EV/EBITDA'09	MkCap/Sales'09	Implied Price (RON)			Implied value (RONm)		
										P/BV	EV/EBITDA	MkCap/Sales	P/BV	EV/EBITDA	MkCap/Sales
Electricity generation	Hidroelectrica SA	Energy-Producer	2,420.80	836.41	1,452.87	37.28	1.11	5.11	0.95	41.52	6.36	5.15	3,677.77	563.16	456.47
	Nuclearelectrica SA	Energy-Producer	1,526.66	649.12	2,032.84	28.59	1.11	5.11	0.95	31.85	5.07	5.69	785.97	125.05	140.33
	Complexul Energetic Turceni SA	Energy-Producer	1,125.50	(61.69)	89.26	46.55	1.11	5.11	0.95	51.85	na	23.17	590.51	na	263.74
	Complexul Energetic Craiova SA	Energy-Producer	1,132.42	314.61	131.54	42.42	1.11	5.11	0.95	47.25	57.10	41.39	297.77	359.72	260.76
	Complexul Energetic Rovinari SA	Energy-Producer	845.41	107.49	157.60	45.48	1.11	5.11	0.95	50.66	16.75	34.15	279.93	92.53	188.67

Source: Prospectus,FactSet, BRD-GSG

General sector	Company	Sector detail	Sales'09 (RONm)	EBITDA '09 (RONm)	Net debt'09 (RONm)	BV '09	P/BV '09	EV/EBITDA'09	MkCap/Sales'09	Implied Price (RON)			Implied value (RONm)		
										P/BV	EV/EBITDA	MkCap/Sales	P/BV	EV/EBITDA	MkCap/Sales
Electricity distribution	Electrica Distributie Muntenia Nord SA	Energy-Distribution	611.47	75.59	(103.82)	29.79	0.86	4.44	0.43	25.52	12.40	7.49	198.93	96.63	58.34
	ENEL Distributie Banat SA	Energy-Distribution	526.41	203.30	(400.22)	30.16	0.86	4.44	0.43	25.83	34.09	5.98	238.19	314.26	55.09
	E.ON Moldova Distributie SA	Energy-Distribution	630.07	143.66	15.12	14.78	0.86	4.44	0.43	12.66	12.46	5.47	139.23	137.00	60.15
	Electrica Distributie Transilvania Sud SA	Energy-Distribution	539.19	97.72	(38.09)	19.40	0.86	4.44	0.43	16.62	11.13	5.52	154.98	103.79	51.45
	ENEL Distributie Dobrogea SA	Energy-Distribution	391.46	132.97	(228.35)	28.78	0.86	4.44	0.43	24.65	29.21	6.06	166.48	197.24	40.92
	Electrica Distributie Transilvania Nord SA	Energy-Distribution	495.88	90.58	(1.43)	20.69	0.86	4.44	0.43	17.72	10.87	5.80	144.75	88.79	47.34
	ENEL Distributie Muntenia SA	Energy-Distribution	732.67	189.26	(1,854.93)	99.69	0.86	4.44	0.43	85.39	99.32	11.72	278.08	323.43	38.15

Source: Prospectus,FactSet, BRD-GSG

General sector	Company	Sector detail	Sales'09 (RONm)	EBITDA '09 (RONm)	Net debt'09 (RONm)	BV '09	P/BV '09	EV/EBITDA'09	MkCap/Sales'09	Implied Price (RON)			Implied value (RONm)		
										P/BV	EV/EBITDA	MkCap/Sales	P/BV	EV/EBITDA	MkCap/Sales
Materials	Societatea Nationala a Sarii SA	Salt production	188.41	19.48	(5.41)	39.14	1.17	4.26	3.05	45.81	21.61	140.29	91.89	43.33	281.35
	Zirom SA	Manufacturer of titanium and titanium alloy ingots	7.29	(0.58)	(2.96)	9.58	1.17	4.26	3.05	11.21	0.13	6.13	40.63	0.49	22.22
	Laromet SA	Manufacturer of non-ferrous semi-products	8.99	(136.25)	na	0.70	1.17	4.26	3.05	0.82	na	0.13	11.53	na	1.15
	Romplumb SA	Manufacturer of plumb bullions	35.86	2.88	(3.48)	4.39	1.17	4.26	3.05	5.13	5.04	34.94	8.19	8.03	55.75

Source: Prospectus,FactSet, BRD-GSG

General sector	Company	Sector detail	Sales'09 (RONm)	EBITDA '09 (RONm)	Net debt'09 (RONm)	BV '09	P/BV '09	EV/EBITDA'09	MkCap/Sales'09	Implied Price (RON)			Implied value (RONm)		
										P/BV	EV/EBITDA	MkCap/Sales	P/BV	EV/EBITDA	MkCap/Sales
Transportation	CN Aeroporturi Bucuresti	Airport	395.68	152.64	(17.60)	349.72	1.75	7.64	2.12	611.08	82.30	58.31	1,757.13	236.66	167.67
	Aeroportul Intl' Timisoara - Traian Vuia SA	Airport	41.07	9.27	4.31	153.54	1.75	7.64	2.12	268.29	413.46	541.16	8.59	13.30	17.40
	Aeroportul Intl' Mihail Kogalniceanu SA	Airport	14.07	0.46	(0.74)	107.86	1.75	7.64	2.12	188.47	36.73	257.45	4.36	0.85	5.96
	CN Administratia Porturilor Maritime SA	Port	209.79	41.12	54.72	44.16	1.00	8.03	3.29	44.16	40.23	100.85	60.45	55.05	138.01
	CN Administratia Canalelor Navigabile SA	Port	36.15	6.66	(9.70)	77.39	1.00	8.03	3.29	77.37	62.18	117.11	15.72	12.63	23.79
	CN Administratia Porturilor Dunarii Maritime SA	Port	9.33	(0.17)	(0.13)	79.48	1.00	8.03	3.29	79.47	na	289.15	1.69	na	6.14
	CN Administratia Porturilor Dunarii Fluviale SA	Port	18.64	5.24	(3.27)	153.81	1.00	8.03	3.29	153.78	329.07	445.24	4.24	9.07	12.27

Source: Prospectus,FactSet, BRD-GSG

General sector	Company	Sector detail	Sales'09 (RONm)	EBITDA '09 (RONm)	Net debt'09 (RONm)	BV '09	P/BV '09	EV/EBITDA'09	MkCap/Sales'09	Implied Price (RON)			Implied value (RONm)		
										P/BV	EV/EBITDA	MkCap/Sales	P/BV	EV/EBITDA	MkCap/Sales
Other services	Posta Romana SA	National Post Office	1,435.74	(166.40)	(129.14)	11.62	1.64	4.15	0.32	19.06	na	7.77	283.53	na	113.31
	Electroconstructia Elco Cluj SA	Installations assembly	7.00	na	0.16	1.67	0.70	na	na	1.17	na	na	0.38	na	na
	Celuloza si Otel SA	Recycling	18.95	0.70	1.20	121.27	0.70	na	na	na	84.89	na	0.32	na	na
	Salubriserv SA	Waste collection	25.51	10.46	37.88	172.46	0.70	na	na	120.72	na	na	5.22	na	na
	World Trade Center Bucuresti SA	HoReCa	46.30	5.27	(30.95)	-113.39	1.81	5.62	0.52	na	60.61	23.93	na	12.05	4.76
	World Trade Hotel SA	HoReCa	na	(0.00)	(0.09)	1.00	1.81	5.62	0.52	0.70	0.98	na	0.01	0.02	na
	Ciocarla SA	HoReCa	5.67	na	na	110.54	1.81	5.62	0.52	199.61	na	9.29	1.06	na	0.05

Source: Prospectus,FactSet, BRD-GSG

General sector	Company	Sector detail	Sales'09 (RONm)	EBITDA '09 (RONm)	Net debt'09 (RONm)	BV '09	P/BV '09	EV/EBITDA'09	MkCap/Sales'09	Implied Price (RON)			Implied value (RONm)		
										P/BV	EV/EBITDA	MkCap/Sales	P/BV	EV/EBITDA	MkCap/Sales
Natural gas distribution	E.ON Gaz Distributie SA	Energy-Distribution	724.46	201.32	74.07	8.21	1.22	4.85	0.47	10.01	8.22	3.13	131.66	108.10	41.17
	GDF Suez Energy Romania (ex Distrigaz Sud SA)	Energy-Distribution	3,628.83	537.31	294.82	142.21	1.22	4.85	0.47	173.36	130.22	96.99	368.90	277.09	206.39

Source: Prospectus,FactSet, BRD-GSG

General sector	Company	Sector detail	Sales'09 (RONm)	EBITDA '09 (RONm)	Net debt'09 (RONm)	BV '09	P/BV '09	EV/EBITDA'09	MkCap/Sales'09	Implied Price (RON)			Implied value (RONm)		
										P/BV	EV/EBITDA	MkCap/Sales	P/BV	EV/EBITDA	MkCap/Sales
Natural gas supply	E.ON Energie Romania (ex. E.ON Gaz Romania)	Energy-Natural gas supplier	2,557.67	111.38	(12.76)	12.98	0.86	4.44	0.43	11.29	6.86	15.01	111.81	67.93	148.60

Source: Prospectus,FactSet, BRD-GSG

General sector	Company	Sector detail	Sales'09 (RONm)	EBITDA '09 (RONm)	Net debt'09 (RONm)	BV '09	P/BV '09	EV/EBITDA'09	MkCap/Sales'09	Implied Price (RON)			Implied value (RONm)		
										P/BV	EV/EBITDA	MkCap/Sales	P/BV	EV/EBITDA	MkCap/Sales
Electricity supply	Electrica Furnizare Muntenia Nord SA	Energy- Electricity supply	1,326.21	(11.86)	(7.14)	5.47	0.86	4.44	0.43	4.68	na	221.31	2.68	na	126.60
	Electrica Furnizare Transilvania Nord SA	Energy-Electricity supply	1,175.55	(10.98)	(1.29)	18.20	0.86	4.44	0.43	15.59	na	314.94	5.55	na	112.22
	Electrica Furnizare Transilvania Sud SA	Energy-Electricity supply	1,335.07	(28.84)	25.44	20.25	0.86	4.44	0.43	17.35	na	290.92	7.60	na	127.44
	ENEL Energie SA	Energy-Electricity supply	1,849.63	(114.57)	(159.06)	14.06	0.86	4.44	0.43	12.04	na	57.33	20.23	na	96.31
	Enel Energie Muntenia SA	Energy-Electricity supply	1,919.52	(20.65)	(372.79)	83.40	0.86	4.44	0.43	71.44	75.96	225.08	31.72	33.73	99.95

Source: Prospectus,FactSet, BRD-GSG

General sector	Company	Sector detail	Sales'09 (RONm)	EBITDA '09 (RONm)	Net debt'09 (RONm)	BV '09	P/BV '09	EV/EBITDA'09	MkCap/Sales'09	Implied Price (RON)			Implied value (RONm)		
										P/BV	EV/EBITDA	MkCap/Sales	P/BV	EV/EBITDA	MkCap/Sales
Capital goods	Electromecanica Ploiesti SA	Manufacturer of military and civil equipments	5.48	na	na	22.28	1.40	4.72	0.33	31.13	na	0.89	31.20	na	0.90
	Uzina Mecanica Bucuresti SA	Defense industry	23.01	na	na	5.71	1.40	4.72	0.33	7.98	na	0.95	23.55	na	2.81

Source: Prospectus,FactSet, BRD-GSG

General sector	Company	Sector detail	Sales'09 (RONm)	EBITDA '09 (RONm)	Net debt'09 (RONm)	BV '09	P/BV '09	EV/EBITDA'09	MkCap/Sales'09	Implied Price (RON)			Implied value (RONm)		
										P/BV	EV/EBITDA	MkCap/Sales	P/BV	EV/EBITDA	MkCap/Sales
Retail	Comsig SA	Retail (food)	0.11	0.01	(0.11)	2.03	2.18	7.07	0.30	4.43	1.65	0.30	0.34	0.13	0.02
	Zamur Targu Mures SA	Food producer	32.37	2.81	(17.96)	7.49	2.18	7.07	0.30	16.33	6.65	1.69	6.57	2.72	0.69
	Commetex SA	Ceramics products wholesale	0.93	0.05	(0.07)	3.20	2.18	7.07	0.30	6.97	0.95	0.66	0.47	0.06	0.04

Source: Prospectus, FactSet, BRD-GSG

General sector	Company	Sector detail	Sales'09 (RONm)	EBITDA '09 (RONm)	Net debt'09 (RONm)	BV '09	P/BV '09	EV/EBITDA'09	MkCap/Sales'09	Implied Price (RON)			Implied value (RONm)		
										P/BV	EV/EBITDA	MkCap/Sales	P/BV	EV/EBITDA	MkCap/Sales
Financial services	Carom - Broker Asigurare SA	Insurance	1.13	(0.00)	(0.40)	62.80	0.65	6.72	2.22	40.96	15.33	100.50	0.72	0.27	1.76
	Cetatea SA	Real Estate Agent	0.20	0.06	0.07	1.20	0.65	6.72	2.22	0.78	0.20	0.26	0.28	0.07	0.09

Source: Prospectus, FactSet, BRD-GSG

Appendix 2 - Peers' Multiples

Airport sector																				
Company	Country	Market Cap. (EURm)	Price/Book			Market capitalization/Sales			Ev/EBIDTA			EV (EURm)			Return on assets (ROA)			Return on equity (ROE)		
			2009	2010	2011	2009	2010	2011	2009	2010	2011	2009	2010	2011	2009	2010	2011	2009	2010	2011
Aeroporto di Firenze-A.d.F. S.p.A.	Italy	107	3.82			3.55	2.52		12.31	10.95			115.0	119.4						
Brisa-Autoestradas de Portugal S/A	Portugal	2,681	3.15	1.49	1.38	6.37	4.61	3.87	16.41	11.27	10.15	4,965.7	5,464.3	7,940.3	2.50%	16.27%	2.52%	9.84%	31.75%	6.77%
Derichebourg	France	1,080	2.55	3.46	2.94	0.22	0.28	0.29	16.37	7.15	5.86	1,825.8	1,727.8	1,467.3				-30.45%	27.00%	34.04%
Gemina S.p.A.	Italy	1,062	0.55	0.47	0.63	1.49	1.28	1.61	5.40	9.02	8.65	2,380.2	2,186.0	1,300.7			0.15%	-0.39%	0.08%	0.88%
Kobenhavns Lufthavn A/S	Denmark	1,727	2.89	3.92	3.91	3.34	4.26	3.82	8.89	10.42	9.53	2,215.5	2,363.5	1,725.8			10.26%	20.29%	22.00%	22.51%
Flughafen Wien AG	Austria	868	0.92	1.31	1.01	1.46	2.03	1.53	8.38	10.23	9.34	1,755.5	1,838.6	1,403.5	3.64%	3.75%	3.83%	8.44%	10.00%	9.70%
Shenzhen Airport Co. Ltd.	China	1,754	2.55	1.60	1.55	4.90	7.93	7.70	6.67	14.81	15.84	1,848.3	1,802.5	601.6	6.97%	8.47%	7.29%	10.72%	13.84%	11.35%
Autoroutes Paris-Rhin-Rhone	France	5,603	17.60	25.67	21.85	3.31	3.04	2.76	10.44	9.59	8.68	12,132.0	12,524.5	12,937.1				140.11%	146.21%	245.25%
Japan Airport Terminal Co. Ltd.	Japan	652	1.14	1.06	0.69	0.87	0.77	0.52				984.8	1,375.1		1.13%	0.92%	1.34%	2.27%	1.87%	2.52%
Societa Iniziative Autostradali e Servizi - SIAS S.p.A.	Italy	1,934	1.13	1.20	1.33	1.82	1.67	1.81	7.31	6.41	6.46	3,791.2	3,346.7	3,308.1				8.30%	10.81%	11.93%
TECO Maritime ASA	Norway	3	0.65	0.83	1.47	0.20	0.22	0.14	20.15	2.60		7.5	3.7	4.9	-4.21%	-8.82%	-15.32%	-13.63%	-16.55%	-63.68%
	Average		2.35	2.04	1.90	3.05	3.27	3.14	10.63	10.55	9.89				4.37%	7.69%	3.45%	3.07%	17.45%	14.21%

Source: FactSet

Electricity distribution sector																			
Company	Country	Market Cap (EURm)	Price/Book			Market capitalization/Sales			EV/EBIDTA			Return on assets (ROA)			Return on equity (ROE)				
			2009	2010	2011	2009	2010	2011	2009	2010	2011	2009	2010	2011	2009	2010	2011		
EMASZ Nyrt.	Hungary	225																	
IDGC of Centre JSC	Russia	1,126	1.20	1.16	1.08	0.63	0.83	0.64	3.82	5.28	3.47			6.70%	12.11%	5.74%	12.66%	23.95%	
Interregional Distribution Grid Co. of Siberia	Russia	408	2.10	0.53	0.62	0.54	0.47	0.31	5.99	8.78	3.89			-1.25%	3.48%		-2.49%	0.13%	
Interregional Distribution Grid Co. of South	Russia	150	0.46	0.44	0.24	0.49	0.40	0.24	4.01	5.90	3.81			-0.06%	2.72%			3.85%	
Interregional Distribution Grid Co. of the North-West	Russia	336	1.17	1.20	0.55	0.91	0.62	0.39	6.81	5.50	3.92			1.15%	3.70%			3.19%	
Interregional Distribution Grid Co. of Urals	Russia	460	0.60	1.18	0.41	0.61	0.53	0.30	3.51	4.23	3.10			5.40%	4.96%		9.28%	4.96%	
Interregional Distribution Grid Co. of Volga	Russia	564	0.70	0.83	0.80	0.76	0.80	0.52	5.06	6.91	3.46			3.22%	8.82%		3.54%	11.60%	
Moscow Heat Distribution Co.	Russia	396		1.07														45.03%	
Vst LtI30	Lithuania																		
Elmu Nyrt.	Hungary	585																	
	Average		1.0 x	0.9 x	0.6 x	0.7 x	0.6 x	0.4 x	4.9 x	6.1 x	3.6 x			na	2.53%	5.96%	5.74%	13.60%	7.95%

Source: FactSet

Electricity sector															
Company	Country	Market Cap. (EURm)	Price/Book			Market capitalization/Sales			Ev/EBIDTA			Return on assets (ROA)		Return on Equity (ROE)	
			2009	2010	2011	2009	2010	2011	2009	2010	2011	2009	2010	2009	2010
JKX Oil & Gas PLC	Great-Britain	570	1.68	1.12	1.56	3.78	4.25	2.92	4.79	5.09	4.31	18.13%	11.07%	19.15%	11.79%
Lundin Petroleum AB	Sweden	3,020	1.57	3.49	3.72	1.76	4.70	3.84	4.33	7.82	5.87	0.79%	11.86%	3.09%	6.66%
Etablissements Maurel & Prom	France	1,832	1.36	1.21	1.83	7.68	4.02	3.13	14.82	9.69	6.42	4.46%	2.55%	2.32%	4.39%
Melrose Resources PLC	Great-Britain	319	1.40	0.64	1.35	2.28	1.83	1.46	5.49	5.94	3.36	1.24%	1.10%	7.31%	2.73%
PA Resources AB	Sweden	291	1.67	0.78	0.51	1.93	2.10	0.97	5.18	5.79	3.44	0.87%	-0.81%	1.66%	-1.48%
Premier Oil PLC	Great-Britain	2,476	2.14	3.21	2.66	3.13	4.57	3.49	4.98	8.30	6.42	4.42%	4.15%	9.54%	11.61%
Providence Resources PLC	Ireland	143								10.81					
Sefton Resources Inc.	Great-Britain	13													
Slavneft-Megionneftegaz JSC	Russia	1,331													
Total Gabon S.A.	France	1,728	1.37	1.52	1.39	1.66	1.41	1.63	2.30	1.65	2.27			14.48%	20.09%
Yinggao Holdings PLC	Great-Britain	49													
Gazprom OAO	Russia	113,787	0.84	0.75	0.64	1.51	1.30	1.19	5.09	4.27	3.67	7.83%	9.27%	11.73%	16.42%
PGNiG.	Poland	6,346	1.06	0.92	1.02	1.23	1.02	1.09	9.04	5.96	7.51	3.06%	5.44%	4.55%	8.22%
		Average	1.5 x	1.5 x	1.6 x	2.8 x	2.8 x	2.2 x	6.2 x	6.5 x	4.8 x	5.10%	5.58%	8.20%	8.94%

Source: FactSet

Electricity generation																	
Company	Country	Market Cap. (EURm)	Price/Book			Market capitalization/Sales			Ev/EBIDTA			Return on assets (ROA)			Return on equity (ROE)		
			2009	2010	2011	2009	2010	2011	2009	2010	2011	2009	2010	2011	2009	2010	2011
Cez A.S.	Czech Republic	20,784	2.17	1.91	2.14	2.44	2.13	2.52	6.14	6.61	7.84	9.82%	8.27%	7.14%	25.80%	23.08%	18.59%
Enea S.A.	Poland	2,194	1.01	1.07	0.83	1.41	1.43	1.07	7.85	6.90	3.66	5.21%	5.21%			7.32%	
Enel S.p.A.	Italy	44,478	1.24	1.04	1.17	0.63	0.52	0.61	5.80	4.92	5.17	3.45%	3.02%	2.81%	16.02%	13.00%	12.08%
EnBW Energie Baden-Wuerttemberg AG	Germany	9,875	1.75	1.56	1.51	0.67	0.67	0.67	6.62	6.20	5.96				17.60%	13.11%	4.69%
International Power PLC	Great-Britain	19,031	1.06	1.16	1.20	1.41	1.79	1.30	8.08	8.98	7.63		2.96%	4.34%	11.78%	8.60%	9.27%
Scottish & Southern Energy PLC	Great-Britain	14,103	3.15	3.13	3.04	0.52	0.55	0.57	9.07	9.54	9.23	6.32%	5.85%	5.37%	30.44%	28.35%	26.95%
Zespol Elektrocieplowni Wroclawskich Kogenera	Poland	343															
Elektrocieplownia Bedzin S.A.	Poland	34															
Wholesale Generation Co.-5	Russia	1,986	1.14	1.57	1.15	1.82	1.93	1.34	11.11	11.23	6.74	3.54%	4.71%	7.74%	5.28%	7.94%	11.10%
PGE Polska Grupa Energetyczna S.A.	Poland	11,675	1.40	1.20	1.16	1.92	2.07	1.95	5.25	5.81	5.85		5.80%	7.36%		9.45%	10.69%
Wholesale Generation Co.-1	Russia	1,424	0.91	0.13	0.92	0.70	0.95	0.93	9.14	5.11	4.63	4.05%	4.64%	8.63%	7.69%	1.63%	10.04%
Wholesale Generation Co.-3	Russia	1,533	0.64	0.60	0.62	1.99	1.85	1.46	5.11	12.54	11.82	4.82%	2.36%	2.45%	4.64%	2.54%	1.70%
Yakutskenergo	Russia	6															
Yenisei Territorial Generating Co. (TGC-13)	Russia	279			0.47			0.55			7.81			1.57%			0.00%
Photonike S.A.	Belgium	16															
Tauron Polska Energia S.A.	Poland	2,939		0.81	0.74			0.80		4.29	3.74		3.78%	4.53%		6.82%	7.62%
Yinggao Holdings PLC	Great-Britain	49															
Aksa Enerji Uretim A.S.	Turkey	1,172		4.02	2.69			2.85		1.70	21.35		4.41%	5.93%			20.21%
Energie Europe Service S.A.	France	27															
Kea Petroleum PLC	Great-Britain	66		1.02													
Nopal AD	Serbia	0															
Poltavahimmash	Ukraine					0.44						-4.42%					
Verbund AG	Austria	10,770	2.67	2.44	2.53	2.62	2.93	3.17	10.17	12.57	13.15	6.78%	4.14%	4.25%	21.14%	13.56%	11.55%
Rushydro Jsc Rub1 Issue 2010(Rub																	
		Average	1.6 x	1.5 x	1.4 x	1.4 x	1.6 x	1.3 x	7.7 x	8.9 x	7.5 x	4.40%	4.60%	5.18%	15.60%	11.28%	11.11%

Source: FactSet

Maritime ports and services																	
Company	Country	Market Cap. (EURm)	Price/Book			Market capitalization/Sales			Ev/EBIDTA			Return on assets (ROA)			Return on equity (ROE)		
			2009	2010	2011	2009	2010	2011	2009	2010	2011	2009	2010	2011	2009	2010	2011
Forth Ports PLC	Great-Britain	844	2.36	2.48	2.76	2.91	3.33	3.89	12.70	13.72	14.33	3.86%	3.97%	4.50%	10.41%	10.67%	10.77%
Piraeus Port Authority S.A.	Greece	375	2.02	1.99		2.81	2.30	3.24	14.34	21.40	9.07	2.82%	0.50%	1.26%	3.50%	1.74%	
Thessaloniki Port Authority S.A.	Greece	138	1.25	0.91		3.33	2.17		12.43	7.84					4.24%	-0.67%	
Bintulu Port Holdings Bhd	Malaysia	622	2.99	3.01	3.09	5.91	5.82	5.50	12.06	10.93	10.13	12.17%	14.42%	14.18%	14.32%	18.08%	
Jinzhou Port Co Ltd B USD	China	791		1.35	1.50		8.41	7.95									5.53%
Diana Shipping Inc.	Greece	660	1.17	0.86	0.75	5.07	3.76	3.70	6.88	5.44	5.10	9.15%	8.39%	6.74%	12.94%	12.51%	9.02%
DryShips Inc.	Greece	1,087	0.63	0.62	0.42	1.82	2.15	1.35	7.06	6.45	6.13	2.00%	2.88%	3.40%	6.23%	11.36%	8.48%
Klm Royal Dutch Aircls Com Ny Reg New	Netherlands	263															
Navios Maritime Holdings Inc.	Greece	374	0.70	0.54	0.47	1.09	0.87	0.76	9.17	8.33	6.99	3.03%	4.22%		7.97%	8.13%	7.46%
Seaspan Corp.	Hong Kong	853	1.10	1.03	1.02	2.18	2.10	2.18	11.68	9.95	8.88	2.22%	-3.83%	2.46%	9.44%	8.54%	8.20%
TOP Ships Inc.	Greece	15				0.28			9.88								
Shenzhen Yan Tian Port Holdings Co. Ltd.	China	1,931		1.75	2.35	16.73	30.49	41.24		44.63	63.68	9.23%			10.94%	10.00%	
Thessaloniki Port Authority S.A.	Greece	134	1.16		29.57												
Shenzhen Yantian Port Hldgs Co Ltd	China	716	2.66		23.54												
Jinzhou Port	China	731															
Bintulu Port	Malaysia	529	2.89	3.00	20.83												
Average			1.5 x	1.3 x	9.9 x	4.5 x	7.9 x	9.8 x	8.9 x	15.0 x	18.2 x	5.13%	2.92%	4.20%	9.15%	10.30%	8.63%

Source: FactSet

Gas distributors sector																	
Company	Country	Market Cap. (EURm)	Price/Book			Market capitalization/Sales			Ev/EBIDTA			Return on assets (ROA)			Return on equity (ROE)		
			2009	2010	2011	2009	2010	2011	2009	2010	2011	2009	2010	2011	2009	2010	2011
Acegas APS S.p.A.	Italy	238	0.65			0.49	0.41			6.22							3.32%
ACSM-AGAM S.p.A.	Italy	87		0.60			0.36	0.33		0.04	0.14						
Altergaz	France	318															
Aygaz A.S.	Turkey	1,419	1.07	1.91	1.46	0.55	0.58	0.59	4.40	8.30	8.57	10.90%	8.95%	11.16%	15.42%	15.92%	15.88%
Centrica PLC	Great-Britain	18,866	2.95	3.55	2.78	0.72	0.79	0.75	6.84	6.25	5.81		11.00%	6.90%	21.24%	29.06%	23.29%
Gas Natural SDG S.A.	Spain	12,236	1.29	0.93	1.01	0.80	0.57	0.62	7.93	6.59	6.48	2.86%	2.72%	2.84%	12.05%	10.01%	9.96%
GDF Suez S.A.	France	59,450	1.14	0.97	0.94	0.82	0.72	0.65	6.94	6.39	5.90	2.79%	2.61%	2.31%	7.91%	7.17%	7.24%
Latvijas Gaze AS	Latvia	348															
Leon Gas S.A.	France	0															
Lietuvos Dujos AB	Lithuania	324															
Rubis S.A.	France	1,191	1.38	1.69	1.53	0.63	0.88	0.64	7.53	10.52	8.83		4.91%	4.75%	10.29%	10.30%	9.73%
Vychodoceska Plynacenska a.s.	Czech Republic	191															
PGE Polska Grupa Energetyczna S.A.	Poland	11,675	1.40	1.20	1.16	1.92	2.07	1.95	5.25	5.81	5.90		5.80%	7.26%		9.45%	10.57%
Photonike S.A.	Belgium	16															
Tauron Polska Energia S.A.	Poland	2,939		0.81	0.74		0.80	0.76		4.29	3.74		3.78%	4.53%		6.82%	7.62%
Yinggao Holdings PLC	Great-Britain	49															
Aksa Enerji Uretim A.S.	Turkey	1,172		4.02	2.69		2.85	1.70		21.35	11.51		4.41%	5.93%			20.21%
Energie Europe Service S.A.	France	27															
Nopal AD	Serbia	0															
Poltavahimmash	Ukraine					0.44						-4.42%					
Average			1.4 x	1.6 x	1.5 x	0.7 x	0.6 x	0.6 x	6.7 x	6.3 x	6.0 x	0.1 x	6.04%	5.59%	11.71%	14.49%	13.22%

Source: FactSet



Commodities sector																			
Company	Country	Market Cap. (EURm)	Price/Book			Market capitalization/Sales			Ev/EBIDTA			Return on assets (ROA)			Return on equity (ROE)				
			2009	2010	2011	2009	2010	2011	2009	2010	2011	2009	2010	2011	2009	2010	2011		
European Nickel PLC	Great-Britain	42		0.22	0.22									-9.41%	-7.73%	-2.33%			-2.90%
Gruppo Minerali Maffei S.p.A.	Italy	23																	
Minco PLC	Ireland	19																	
Boliden AB	Sweden	3,607	1.44	2.00	1.50	0.95	1.05	0.80	7.15	6.49	4.56	6.54%	9.86%	11.24%	13.36%	22.08%	20.88%		
Griffin Mining Ltd.	Great-Britain	102	0.84		1.55	6.17	3.38	1.87			1.33	-0.48%		10.38%	-0.55%		18.85%		
Xstrata PLC	Great-Britain	46,828	1.66	1.86	1.37	2.46	2.42	1.83	9.79	7.67	4.75	3.54%	8.15%	10.88%	7.32%	14.91%	18.44%		
China Technology Development Group Corp.	China	29																	
Frontier Mining Ltd.	Great-Britain	92		39.48			16.20	3.09		106.02	6.73								
GoldStone Resources Ltd.	Great-Britain	23																	
Halogen Holdings S.A.	Luxembourg																		
European Nickel	Great-Britain	44																	
Boliden AB	Sweden	2,876	1.41	1.25	11.69														
Griffin Mining Ltd.	Great-Britain	93	0.95	0.86															
Xstrata Plc	Switzerland	40,604	1.62	1.42	18.14														
	Average		1.3 x	10.9 x	1.2 x	3.2 x	5.8 x	1.9 x	8.5 x	40.1 x	4.3 x	0.0 x	3.43%	7.54%	6.71%	18.50%	13.82%		

Source: FactSet

Postal services																		
Company	Country	Market Cap. (EURm)	Price/Book			Market capitalization/Sales			Ev/EBIDTA			Return on assets (ROA)			Return on equity (ROE)			
			2009	2010	2011	2009	2010	2011	2009	2010	2011	2009	2010	2011	2009	2010	2011	
A Toute Vitesse S.A.	France	2																
CargoLifter AG	Germany	2																
Deutsche Post AG	Germany	16,527	1.90	1.62	1.52	0.35	0.30	0.30	6.51	5.26	4.66	2.37%	6.13%	3.73%	10.20%	17.76%	13.74%	
DLO Deutsche Logistik Outsourcing AG	Germany	0																
Financiere de l'Odet S.A.	France	2,457																
Oesterreichische Post AG	Austria	1,548	1.93	2.53	2.22	0.55	0.71	0.67	4.75	5.90	4.92	6.02%	6.10%	7.29%	17.03%	16.80%	18.32%	
Pekaes S.A.	Poland	72																
UK Mail Group PLC	Great-Britain	174	3.11	3.05	2.49	0.45	0.45	0.37	7.05	6.23	5.87			9.24%	21.47%	23.74%	19.69%	
	Average		2.3 x	2.4 x	2.1 x	0.4 x	0.5 x	0.4 x	6.1 x	5.8 x	5.2 x	4.20%	6.12%	6.75%	16.23%	19.44%	17.25%	

Source: FactSet

Appendix 3 - FP's Financial Statements

Balance Sheet	2008	2009	2010	Q1'11
Intangible assets	0.00	0.01	0.00	0.00
Tangible Assets	0.76	0.50	0.00	0.00
Financial Assets	9,410.69	9,552.14	10,890.52	12,342.95
Securities held for LT term	9,410.55	9,552.01	7,004.42	7,400.25
Other claims	0.13	0.13	3,886.11	4,942.70
Total Fixed assets	9,411.45	9,552.64	10,890.52	12,342.95
Inventories	0.00	0.00	0.00	0.00
Receivables	569.83	515.55	12.44	17.61
Short term investments	397.65	0.00	248.02	283.57
Cash and current bank accounts	572.16	2,151.22	1,071.97	603.83
Total Current Assets	1,539.64	2,666.77	1,332.43	905.01
Prepaid expenses	1.04	0.06	0.03	0.18
Total Assets	10,952.13	12,219.47	12,222.99	13,248.14
Liabilities to be paid within one year	9.18	7.38	69.29	51.70
Commercial liabilities	1.92	0.11	25.53	19.68
Other liabilities	7.26	7.27	43.76	32.02
Provisions expenses	16.09	15.06	14.42	14.26
Share Capital	14,240.54	14,240.54	13,778.39	13,778.39
Reserves	(3,832.13)	(3,242.11)	(2,146.21)	(1,117.38)
Reported result	74.14	504.96	74.28	507.09
Net result	467.70	730.14	456.18	14.07
Profit repartization	23.39	36.51	23.37	0.00
Total Shareholders Equity	10,926.86	12,197.03	12,139.28	13,182.18
Total Shareholders Equity and Liabilities	10,952.13	12,219.47	12,222.99	13,248.14

Source: FP's RAS financial statements, BRD-GSG

Profit and Loss Account	2008	2009	2010	Q1'11
Dividend revenues	384.75	118.17	179.05	0.00
Revenues from assets sold	0.00	980.24	0.00	0.07
Provision revenues	11.48	31.57	217.36	9.80
FX revenues	43.36	47.73	47.73	1.13
Interest revenues	84.45	142.47	131.47	17.36
Other current revenues	0.05	0.20	1.02	4.98
Total operating revenues	524.09	1,320.36	576.63	33.33
Losses from stakes held	0.06	0.00	0.00	0.00
Expenses with stakes sold	0.00	428.74	0.00	0.04
FX expenses	23.82	33.00	56.90	0.31
Interest expenses	0.00	0.00	0.00	0.00
Fees expenses	0.10	0.31	6.00	4.43
Banking services expenses	0.12	0.15	0.13	0.01
Depreciations, provisions and oth losses	3.09	0.64	0.24	0.00
Other operating expenses, o/w	15.88	23.33	45.97	13.78
Materials expenses	0.15	0.14	0.16	0.00
Utilities expenses	0.04	0.05	0.03	0.00
Personell expenses	6.61	13.51	4.07	0.28
Third parties expenses	8.85	8.81	33.56	13.49
Other tax expenses	0.24	0.82	8.15	0.00
Total operating expenses	43.09	486.17	109.24	18.56
Operating result	481.00	834.19	467.39	14.77
Total revenues	524.09	1,320.36	576.63	33.33
Total expenses	43.09	486.17	109.24	18.56
Gross profit	481.00	834.19	467.39	14.77
Income tax expenses	13.30	104.05	11.20	0.70
Net profit	467.70	730.14	456.18	14.07

Source: FP's RAS financial statements, BRD-GSG