

# GREEK DAILY BRIEF

Thursday Jun. 17, 2010

## Statistics

### Athens Stock Exchange

			Shares	
MCap(€bn)	59.2	▲	88	
Turnover (€mn / mn shares)	82.2 / 26.65	—	138	
Blocks (€mn / mn shares)	2.3 / .14	▼	70	
Indices	16.06.10	(%) 1day	(%) 30day	(%) Ytd
ASE General	1,523.06	-0.46	-6.82	-30.65
FTSE 20	726.87	-0.86	-8.26	-35.41
FTSE 40	1,790.89	0.41	-3.62	-31.49
FTSE 80	281.32	-0.05	-6.51	-34.22
FTSE International	1,940.81	-0.71	-7.71	-34.86
Banks	1,521.50	-0.07	-8.29	-42.84
Telecoms	1,621.26	-1.83	-15.86	-42.76
Travel & Leisure	2,096.62	-7.07	-9.02	-25.21
Construction	2,260.97	-0.42	-7.43	-33.54
ETF Alpha FTSE 20 ldx	7.47	0.67	-5.80	-33.42
DAX 30	6,190.91	0.26	2.04	3.92
CAC 40	3,675.93	0.39	3.74	-6.62
FTSE 100	5,237.92	0.39	-0.47	-3.23
Dow Jones	10,409.46	0.05	-2.04	-0.18
Nasdaq	2,305.93	0.00	-2.05	1.62
S&P 500	1,114.61	-0.06	-1.96	-0.04
Nikkei 225	9,999.40	-0.67	-2.31	-5.19
Hong Kong (HSI)	20,130.23	0.34	-0.08	-7.97
Russia (RTS)	1,400.99	-0.05	-1.53	-3.02
Turkey (ISE 100)	56,402.91	0.00	0.59	6.77
Romania (Bucharest)	5,099.99	2.74	2.43	8.73
Bulgaria (Sofia)	376.27	0.32	-4.32	-11.94
Cyprus	1,129.96	0.00	-7.96	-29.26
Commodities				
Brent ICE (\$/bbl)	77.80	-0.41	2.22	-4.63
WTI NYM (\$/bbl)	77.10	-0.73	5.30	-6.09
Gold CMX (\$/troy oab.)	1,235.00	0.37	0.41	12.26
Aluminum LME (\$/mt)	2,005.00	1994.00	-4.57	-10.09
Copper LME (\$/mt)	6,650.00	1876.25	-3.98	-9.83
Carbon Fut. (€/mt)	15.92	-1.42	-2.03	19.52
Currencies				
EUR/USD	1.2273	-0.11	-0.32	-14.79
USD/JPY	91.32	-0.36	1.15	1.15
EUR/GBP	0.835	0.61	2.47	6.83
Rates	Price	Yield(%)		
Euribor 3m (%)	-	0.73		
10Yr Bond (GR)	77.24	9.90		
10Yr Bond (GE)	109.79	2.46		
10Yr Bond (US)	99.77	3.16		

ASE Ind. Fut.	16.06.10	(%) day	Prem/Disc % / bps	Volume	Open Interest	Days to Expiry
FT 20 June	723.71	-1.37	-0.43 / -3	15,809	16,585	1
Greek Banks	16.06.10	(%) 1 day	(%) 1 month	(%) Ytd		
National Bank	10.05	0.5	-4.6	-44.5		
EFG Eurobank	4.18	1.0	-12.9	-47.0		
Alpha Bank	4.60	-0.4	-5.2	-43.9		
Piraeus Bank	3.91	-1.0	-20.2	-51.7		
Bank of Cyprus	3.55	0.0	-5.3	-28.0		
Marfin Popular Bank	1.50	-2.0	-11.8	-34.5		
ATEbank	1.10	-1.8	-12.7	-43.3		
Emporiki Bank	2.92	-2.7	-16.1	-33.3		
Hellenic PostBank	2.72	-0.7	-11.7	-38.5		
Bank of Greece	32.11	1.7	-12.1	-30.9		
Egnaia Bank	1.02	-4.7	-13.6	-42.4		
Geniki Bank	0.38	0.0	-32.1	-51.3		
Bank of Attica	1.01	-2.9	-6.5	-40.6		
Aspis bank	0.40	0.0	-7.0	-48.6		
Proton Bank	0.84	0.0	-13.4	-58.0		
FTASE 20						
National Bank	10.05	0.5	-4.6	-44.5		
OTE	5.89	-1.8	-15.9	-42.8		
Coca Cola HBC	17.69	2.3	-2.3	10.6		
EFG Eurobank	4.18	1.0	-12.9	-47.0		
Alpha Bank	4.60	-0.4	-5.2	-43.9		
OPAP	11.70	-8.6	-9.0	-23.7		
Piraeus Bank	3.91	-1.0	-20.2	-51.7		
PPC	12.79	2.0	-0.2	-1.6		
Bank of Cyprus	3.55	0.0	-5.3	-28.0		
Marfin Pop. Bank	1.50	-2.0	-11.8	-34.5		
MIG	1.06	1.9	-13.8	-46.7		
ATEbank	1.10	-1.8	-12.7	-43.3		
Hellenic Petroleum	5.97	-1.5	-16.5	-23.6		
Titan Cement	14.75	-0.4	-7.8	-27.4		
Jumbo	5.31	-3.5	-1.7	-40.1		
Hellenic Technodomiki	2.94	-1.7	-9.3	-42.9		
Hellenic PostBank	2.72	-0.7	-11.7	-38.5		
Motor Oil	7.80	1.2	-7.4	-26.7		
Viohalco	3.24	-2.4	-6.1	-18.4		
Mytilineos	4.28	0.9	-5.7	-14.7		

\* ranked by Market Cap.

Note: Commodities, currencies and rates as at 08:30 today

Source: Bloomberg

## Market Comment

On Wednesday, volatility reigned throughout the equity market session in Athens, with turnover remaining low (€82mn) and the market eventually turning negative for a -0.46% drop in the General index. FTSE 20 and the bank index paths rather were divergent, with -0.86% and -0.07% respectively. Banks reflected mixed sentiments with NBG and Eurobank closing with gains in contrast to other major banks, while the FTSE 20 stock universe closed with almost two thirds of the participants with losses. Opap posted a negative -8.59% on its ex-div day. Coca Cola Hellenic led the large cap upside performances with gains of 2.25%.

European markets closed slightly higher yesterday, with focus remaining on sovereign issues. US markets closed relatively flat, despite a weaker open and with investors monitoring the euro and digesting a large batch of BP headlines. European futures opened slightly lower this morning. We expect a mild open for the Greek market, with European sentiment influencing domestic risk appetite.

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## Highlights

### Economic News

- IMF warned yesterday G20 countries that a sustained unrest in financial and capital markets is likely to harm global recovery.

### Corporate News

- Greek banking sector support fund** (€10bn) is reportedly close to its completion, with its legal framework set within the next ten days.
- OTE** AGM yesterday approved a dividend of €0.19/share (ex-div date July 9<sup>th</sup>), while the state requested a cut by 19% on BoD members' remunerations. During OTE's AGM its President stressed again the need to reduce personnel costs that have risen to 33% of revenues versus 20-22% in other European telecom operators, as he said, while he said OTE does not recognize any additional obligation of the company to pension funds related to its 2005 voluntary retirement program. (The Ministry of Labor is requesting an additional contribution of OTE to pension funds of €340 mn). AGM also gave its approval for taking loans from parent company in order to cover its financing needs.
- OPAP** management press interview. More below.
- Mytilineos Group** Outtakes from presentation to AGII. More below.
- Intralot** announced yesterday the acquisition of a 33% stake in Kelicom (Russia). More below.
- PPC** initiated tender procedures for the construction of a photovoltaic park of 50MW in Megalopolis at a budget of €140 mn, to be operational in 2012.
- Elval** proceeds to a bond issue of €70mn, approved in yesterday's AGM.

## Investment Toolkit

Greek corporate Action Calendar

Earnings Releases

Splits, Bonus, Private placements, Public Offers, Divs-predivs, AGMs-EGMs, stock-options etc

Quants Insight,

Arbitrage, M&As, Share capital increases, IPOs etc

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See Important Disclosures and Analyst Certification at the end

## Economic News

## Corporate News

Mytilineos Holdings (MYTIL GA / MYTr.AT)		Basic Resources		FTSE 20	TP: -	VIEW: NR
Price	Market Cap	L (52wk)	H (52wk)	Ytd (%)	P/E (10e)	P/BV (10e)
€ 4.28	€ 500.7mn	€ 3.53	€ 6.74	-14.74	11.92x	0.59x

  

Metka (METTK GA / MTKr.AT)		Industrial Goods & Services		FTSE 40	TP: € 12.20	VIEW: O
Price	Market Cap	L (52wk)	H (52wk)	Ytd (%)	P/E (10e)	P/BV (10e)
€ 8.60	€ 446.8mn	€ 7.41	€ 11.77	-11.89	8.51x	2.69x

### Mytilineos Group-Metka

In a presentation to AGII, the Group's Chairman re-iterated 2010 goal for over €1bn Group revenue.

LNG imports will assist reduction of alumina-aluminium production costs. AoG has set an ambitious goal for \$250 per tonne cost for alumina compared to \$350 and above for main remaining European peers. Cost cutting implementation has been going forward.

The new tariff agreement with PPC (negotiations are at an advanced stage) will assist AoG's business.

On Metka, lack of acceptance for letters of credit from Greek banks by international partners is becoming an issue for the firm's plans.

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Intralot (INLOT GA / INLr.AT)		Gam ing		FTSE 20	TP: -	VIEW: NR
Price	Market Cap	L (52wk)	H (52wk)	Ytd (%)	P/E (10e)	P/BV (10e)
€ 2.82	€ 448.3mn	€ 2.48	€ 5.20	-31.22	5.85x	1.30x

**Intralot** announced yesterday the acquisition of a 33% stake in Kelicom (Russia), through its subsidiary Intralot Holdings International Ltd. Through this acquisition the Group gains access to the strategic stake that the company holds in Favorit Bookmakers, one of the leading sports betting operators in Russia as well as to its extensive customer data base. Kelicom is Favorit's majority shareholder holding a stake of 74.9%. Intralot has the option of increasing its shareholding in Kelicom to 100% and gaining full control of Favorit. The acquisition is subject to the relative approvals from competition authorities. Currently, Favorit is active in 50 different regions of the Russian Federation and is planning to expand its network within the next months by strengthening its positions in existing regions, as well as entering new ones.

In other news, the Group's CEO Mr. Antonopoulos in an interview with Reuters commented on performance for FY 2010 and market outlook. He argued that revenues will beat the level seen in 2009, posting a double-digit increase as projects start to mature and the consolidation of SVL provides an additional boost to top-line. Nevertheless, profitability is less predictable due to the influence of gaming taxation in some markets and the volatility of exchange rates. Forwarding investments of €525mn over the last 4 years, the Group targets a capex of €100mn for new projects in 2010. Intralot's strategy is concentrated around opportunities that will derive through a process of gaming liberalization globally, while domestic priorities bend towards the support of Greek national operator - OPAP.

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OPAP (OPAP GA / OPAr.AT)		Gam ing		FTSE 20	TP: € 15.41	VIEW: O
Price	Market Cap	L (52wk)	H (52wk)	Ytd (%)	P/E (10e)	P/BV (10e)
€ 11.70	€ 3,732.3mn	€ 10.60	€ 21.31	-23.73	7.16x	6.18x

**OPAP** management in a press interview yesterday commented that the Company has set a committee for technical evaluations that investigates several software programs for internet gaming, targeting to select an appropriate strategic partner. Meanwhile, OPAP targets to cut operating costs by 10% in 2010, and in Q1 it has already saved €17mn. Relative to international prospects, management remains alert on foreign privatization deals that may arise; nevertheless, priority will be given in the domestic market opening. Relative to its future dividend policy, OPAP will be ready to consider it from the beginning of 2011, as substantial investments may be needed following the clarification of the government's plans for new game tenders.

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## DISCLOSURES

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### Share Price

All financial data calculated, are based on the closing price of the previous day, unless otherwise stated.

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### Companies Mentioned in the Report

Company	BBG-RIC Code	Price	Date	View	Disclosures
Mytilineos Holdings	MYTIL GA / MYTr.AT	€ 4.28	16.06.2010	NR	-
Metka	METTK GA / MTKr.AT	€ 8.60	16.06.2010	O	-
OPAP	OPAP GA / OPAr.AT	€ 11.70	16.06.2010	O	-
Intralot	INLOT GA / INLr.AT	€ 2.82	16.06.2010	NR	-
OTE	HTO GA / OTEr.AT	€ 5.89	16.06.2010	NR	-

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- 11 i ATE Securities SA has sent this report to the company prior to publication for factual verification
- ii ATE Securities SA has altered the contents of the report sent initially, on the following issues: NO ALTERATION

## EQUITY RATING SYSTEM

As of Aug.1 2006, ATE Securities SA has adopted a new rating system. Under the old rating system, ratings and definitions were: Buy, when the estimated valuation fair value exceed current market price by 20% or more, Sell, when the current market price exceed the estimated valuation fair value by 20% or more and Hold, when the estimated valuation fair value falls between the two above range points.

### ATE Securities SA - Universe

ATE Securities SA Universe has a universe focused mainly on large capitalisation stocks that represents approx. 76% of ATHEX Market Cap.

### Guide to Investment Research Rating System

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Quantitative factors are updated at least quarterly or when deemed necessary.

### Investment Rating

The five different categories are indicative of expectations of stock return. Stock return includes price appreciation over the next 6-12 months. In specific:

VIEW	Prefix	Definition
Overweight	<b>O</b>	Stock Return > +9%
Neutral	<b>N</b>	Stock Return in the range [-9%, +9%]
Underweight	<b>U</b>	Stock Return < -9%
Not Rated	<b>NR</b>	The company is not covered by ATE Securities SA Research & Analysis Department
Under Review	<b>UR</b>	Rating not currently available
Restricted	<b>R</b>	ATE Securities SA policy and/or law prohibits investment recommendation
Rating Suspended	<b>RS</b>	There is no sufficient fundamental basis for determining an investment rating or target.
Coverage Suspended	<b>CS</b>	We have suspended coverage on this company

### Risk Rating

Risk is measured by a 2-factor equally-weighted model, which takes into account (i) Stock Volatility and (ii) Liquidity

Risk Factor	Definition	Quantification <sup>(1)</sup>
Stock Volatility	The stocks' standard deviation annualized (log scale)	Bottom 25% percentile
		Medium 25% percentile
		Top 50% percentile
Liquidity	Net Shares traded as % of total shares over a 12-month period	Top 20% percentile
		Medium 40% percentile
		Bottom 40% percentile

(1) percentiles of ATE Securities SA Universe

Source: Athens Stock Exchange, Bloomberg, Effect Finance Database

We use a scale of 1 to 3 to describe Low, Medium, High risk respectively, also taking into account qualitative factors.

When a rating is applied on an IPO, the scale 3 - "High Risk" is applied for a 12-month period.

### Income Rating

An Income Rating is produced, based on the forecasted dividend yield for a 12-month period. This is then compared with the YtM of the 10-yr Greek Government bond, as shown below:

Income Measure	Definition	Quantification
Equity Div. Yield	Relative performance w.r.t. the 10-yr Greek Government bond	More than 50bps
		Within the range [-50bps, +50bps]
		Less than 50bps
		No dividend
		<i>High Div. Yields</i> <i>Medium Div. Yields</i> <i>Low Div. Yields</i> <i>No Cash div. Yields</i>

We use a scale of 1 to 4 to describe Low, Medium, High and No Div. income rating respectively.

### ATE Securities SA Ratings Distribution

Ratings Distribution	Total	Overweight	Neutral	Underweight	Not Rated	Under Review	Restricted	Rating Suspended	Coverage Suspended
Equity Universe	25	5 (20%)	3 (12%)	0 (0%)	14 (56%)	2 (8%)	1 (4%)	-	-
Inv est. Banking Services (per category)	0	-	-	-	-	-	-	-	-

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