

# GREEK DAILY BRIEF

Wednesday Nov. 3, 2010

## Statistics

### Athens Stock Exchange

			Shares
MCap(€bn)	57.8	▲	66
Turnover (€mn / mn shares)	93.0 / 26.5	—	132
Blocks (€mn / mn shares)	3.0 / .53	▼	93
<b>Indices</b>	<b>02.11.10</b>	<b>(%) 1day</b>	<b>(%) 30day</b>
ASE General	1,518.64	0.96	3.41
FTSE 20	728.16	0.65	3.47
FTSE 40	1,633.29	-0.87	0.32
FTSE 80	273.97	-0.38	0.09
FTSE International	1,923.32	0.47	3.09
Banks	1,490.88	0.27	1.82
Telecoms	1,563.46	0.18	9.23
Travel & Leisure	2,391.55	0.83	13.54
Construction	2,321.43	1.22	2.03
ETF Alpha FTSE 20 ldx	7.28	-2.93	3.56
DAX 30	6,654.31	0.75	7.13
CAC 40	3,865.72	0.64	4.70
FTSE 100	5,757.43	1.10	2.94
Dow Jones	11,188.72	0.58	3.32
Nasdaq	2,533.52	1.14	6.87
S&P 500	1,193.57	0.78	4.13
Nikkei 225	9,159.98	0.06	-2.60
Hong Kong (HSI)	24,050.28	1.60	7.57
Russia (RTS)	1,605.55	0.07	4.81
Turkey (ISE 100)	68,522.21	-0.80	5.61
Romania (Bucharest)	5,233.26	-0.62	-0.93
Bulgaria (Sofia)	353.00	-2.27	-8.30
Cyprus	1,251.02	-0.65	0.34
<b>Commodities</b>			
Brent ICE (\$/bbl)	85.71	0.35	2.01
WTI NYM (\$/bbl)	84.24	0.41	2.11
Gold CMX (\$/troy oab.)	1,354.50	-0.18	2.78
Aluminum LME (\$/mt)	2,430.00	2.49	3.01
Copper LME (\$/mt)	8,435.00	1.34	4.14
Carbon Fut. (€/mt)	15.01	0.07	-4.15
<b>Currencies</b>			
EUR/USD	1.4022	0.39	2.43
USD/JPY	80.62	0.21	3.34
EUR/GBP	0.875	-1.19	-1.19
<b>Rates</b>			
Euribor 3m (%)	-	-	1.05
10Yr Bond (GR)	71.84	11.21	
10Yr Bond (GE)	110.61	2.31	
10Yr Bond (US)	106.39	2.30	

ASE Ind. Fut.	02.11.10	(%) day	Prem/Disc % / bps	Volume	Open Interest	Days to Expiry
FT20 Dec	715.74	0.56	-1.71 / -12	10,102	25,075	44
<b>Greek Banks</b>	<b>02.11.10</b>	<b>(%) 1 day</b>	<b>(%) 1 month</b>	<b>(%) Ytd</b>		
National Bank	7.51	0.0	4.3	-51.2		
EFG Eurobank	4.33	2.6	1.2	-45.1		
Alpha Bank	4.74	3.0	6.5	-42.2		
Piraeus Bank	3.42	-3.1	-6.0	-57.7		
Bank of Cyprus	3.32	2.8	5.2	-11.4		
Marfin Popular Bank	1.33	-6.3	-8.3	-41.9		
ATEbank	0.80	-3.6	-11.1	-58.8		
Emporiki Bank	1.93	-0.5	-6.8	-55.9		
Hellenic PostBank	3.49	-2.8	-11.9	-21.0		
Bank of Greece	31.47	0.0	5.3	-32.3		
Egnaia Bank	0.89	0.0	-3.3	-49.7		
Geniki Bank	2.21	-10.2	2.3	-71.7		
Bank of Attica	0.98	-1.0	-3.9	-42.4		
Aspis bank	0.33	-2.9	-8.3	-57.6		
Proton Bank	0.88	1.1	-3.3	-56.0		
<b>FTASE 20</b>						
National Bank	7.51	0.0	4.3	-51.2		
OTE	5.68	0.2	9.2	-44.8		
Coca Cola HBC	19.20	2.2	-0.9	20.1		
EFG Eurobank	4.33	2.6	1.2	-45.1		
Alpha Bank	4.74	3.0	6.5	-42.2		
OPAP	13.55	1.1	14.8	-11.7		
Piraeus Bank	3.42	-3.1	-6.0	-57.7		
PPC	12.18	4.8	7.8	-6.3		
Bank of Cyprus	3.32	2.8	5.2	-11.4		
Marfin Pop. Bank	1.33	-6.3	-8.3	-41.9		
MIG	0.73	-5.2	-7.6	-59.9		
ATEbank	0.80	-3.6	-11.1	-58.8		
Hellenic Petroleum	5.39	-0.6	-6.7	-31.0		
Titan Cement	15.40	0.9	1.4	-24.2		
Jumbo	5.20	-2.4	5.7	-41.4		
Hellenic Technodomiki	3.24	3.2	9.5	-37.1		
Hellenic PostBank	3.49	-2.8	-11.9	-21.0		
Motor Oil	7.63	-0.9	5.2	-28.3		
Viohalco	3.73	-1.8	0.0	-6.0		
Mytilineos	4.36	1.6	3.8	-13.1		

\* ranked by Market Cap.

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

Source: Bloomberg

## Market Comment

The Greek market posted a +0.96% on Tuesday amid positive performances internationally and domestic turnover declining to €93mn. Large and mid caps were almost split in two between rising and falling stocks.

European and US markets closed higher yesterday, mainly on positive macro releases (PMI) and in anticipation of today's announcement from Fed on the continuation of its expansionary economic policy.

European futures opened rather flat today. We anticipate a mild open for our domestic market, with investors engaging in a wait-and-see stance at current compressed price levels.

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## Highlights

## Economic News

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## Corporate News

- **OTE** is due to release its Q3 2010 financial results tomorrow bmk.
- **PPC** Strongly denied reports that the Chairman and CEO Mr Zervos intends to resign. On other news, its subsidiary PPC Renewables formed an agreement with EP Global Energy Ltd to found a common holding company with initial share capital of €60,000, with PPC Renewables participation at 49% and EPGE at 51%. The new company will target acquisition of renewable energy units, development of new renewable facilities and energy production, as well as operation and maintenance of such units in the Balkans and the Middle East.
- **Coca Cola Hellenic** presented its successful course in reducing its CO2 emissions at Enterprise 2020 Marketplace in Brussels. CC Hellenic was the only non carbonated drinks company to participate in the annual event organized by CSR Europe.
- **Eurobank** is reportedly scheduling an indirect program for enhancing its capital adequacy by approximately €1bn. The bank is absorbing the investment company Dias, rising its capital by €110mn, while the handover of a majority stake in Polbank is expected to attract a further €600mn. Furthermore, the Bank is expect to take additional steps in early 2011 to boost equity by another €300mn.
- **Hellenic Petroleum** was excluded from the bidding process of Attica gas distribution company due to a relatively low offer. Binding offers will be submitted by Motor Oil-Mytilineos JV (M&M Gas), Eni, Promitheas Gas, Ellaktor, Milos Fund-Apax Partners, and GoldGas. HP is reportedly prioritizing its objectives towards increasing its 35% participation in DEPA, which also controls 51% (without the management) of domestic gas distribution companies. **HP will release its Q3 2010 results on November 24 amkt.** In other news, the Greek state reportedly assigned Rothschild, UBS, and Alpha Bank to be its advisors for the privatization of DEPA.
- **Sprider** two new stores in Bulgaria and Romania were opened. The 700 sqm store is the fourth in Sofia and seventh in Bulgaria. The sixteenth store in Romania at Piatra Neamt is a 1060sqm store.
- **Emmporiki Bank is due to release its Q3 2010 results today amkt.**
- **Geniki Bank** reported €90mn loss in Q3 2010 bringing its 9m loss to €304.1 mn. See table below.
- **Eurobank Properties** For the 9m 2010 period, net income stood at €8.15mn from €34.88mn the previous year (down -77%).

## Published Q2 2010 Results

### Focus List

- **Coca Cola Hellenic**

Released **Wed. Oct 27<sup>th</sup>** bmk

### Other Companies: Geniki Bank

## Consensus Estimates Q2 2010 Results

### Focus List

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## 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

Restricted to ATE Securities SA clientele. Available upon request by the ATE Securities R&A Dpt.

See Important Disclosures and Analyst Certification at the end

## Economic News

## Corporate News

## Published Q2 2010 Results

### Coca Cola Hellenic

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Released **Wed. Oct 27<sup>th</sup>** bmkf

#### Q3 Published Results

(€mn)	Q3 10A	Q3 09A	Q3 10E	(%) A	(A-E) %
<b>Volume (mn unit)</b>	610.5	583.6		4.6%	-
<b>Sales</b>	1,998.6	1,884.8		6.0%	-
<b>EBITDA</b>	381.3	374.7		1.8%	-
<b>Net Income</b>	206.5	206.1		0.2%	-

Source: Published Financial Statements, consensus estimates

#### 9m Published Results

(€mn)	9m 10A	9m 09A	9m 10E	(%) A	(A-E) %
<b>Volume (mn unit ca)</b>	1,619.5	1,617.0		0.2%	-
<b>Sales</b>	5,298.7	5,150.5		2.9%	-
<b>EBITDA</b>	889.0	856.8		3.8%	-
<b>Net Income</b>	403.1	396.1		1.8%	-

Source: Published Financial Statements, consensus estimates

CCH reported Q3 sales of €1,998.6mn (+6% yoy & +0.9% from consensus) on volumes of 610.5mn u.c (+5% yoy). Reported EBITDA grew 2% at €381.3mn, while net profit was flat at €206.5mn. On a comparable basis, net profit stood 3% higher at €216.1mn (albeit -1.5% lower from consensus).

Russia had a strong performance during the quarter, given an exceptionally warm weather in July and August, and fuelled the emerging segment to post 14% volume growth. The developing and established markets had volume declines in Q3, both performing worse than expected, while the key markets of Italy, Greece and Hungary remained challenging.

Revenue was up by 6% with FX benefits coming at 4% in line with our estimates and more than trading off a c.2.5% negative price/mix effect. On a per case basis, revenues were 1% lower on a currency neutral basis with the established segment flat, 5% lower in the developing segment and 2% higher in the emerging markets. Underlying EBITDA stood at €395.1mn, 4% yoy higher. EBITDA margin was 30bps lower at 19.8%. Underlying EBIT came at €300.2mn, posting a 13.8bps improvement. CCH also recorded €20mn pre tax restructuring costs out of the total €25-30mn for the full year.

Management reiterated its FCF and capex guidance for the period 2010-2012 at €1.5bn and €1.4bn respectively.

#### Other Companies:

	Net Interest Income (€mn)			Total Income (€mn)			Net Income (€mn)			Basic EPS (€)		
BANK	9m 10	9m 09	Change	9m 10	9m 09	Change	9m 10	9m 09	Change	9m 10	9m 09	Change
Geniki Bank	99.90	116.90	-14.5%	126.20	146.70	-14.0%	-304.10	-51.40	-491.6%	-8.567	-2.185	-292.0%

## Consensus Estimates Q3 2010 Results

## DISCLOSURES

### GENERAL DISCLOSURES

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- (i) The views expressed in this research report **accurately reflect** their personal view about the relevant securities or issuers on the date the report is issued.
- (ii) **No part of their compensation** was, is, or will be, directly or indirectly, related to the specific views or recommendations expressed in the report.

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#### Share Price

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

#### Frequency of Disclosures

There is no predetermined period for revision updates. ATE Securities SA policy, however, outlines that any major developments in the companies mentioned, should be carefully screened, and it is the analyst's decision whether any such developments materially change their view or opinion stated herein, in order to proceed for an update.

#### Companies Mentioned in the Report

Company	BBG-RIC Code	Price	Date	View	Disclosures
PPC	PPC GA / DEHr.AT	€ 12.18	02.11.2010	NR	-
Hellenic Petroleum	ELPE GA / HEPr.AT	€ 5.39	02.11.2010	O	-
Coca Cola Hellenic	EEEK GA / HLB.AT	€ 19.20	02.11.2010	UR	-
EFG Eurobank	EUROB GA / EFGr.AT	€ 4.33	02.11.2010	NR	-

#### Disclosure Outline

- 1 ATE Securities SA and / or any of its affiliates owns 5% or more of the total share capital of the Company
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- 3 ATE Securities SA acts as a market maker for the securities of the Company
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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

Under the new Investment Research Rating System, in effect as of Aug.1 2006, **Investment Outlook** refers to the overall view of the analyst covering the company and is not a recommendation. The overall assessment of the company includes a *three factor rating system*: **Investment Rating (O, N, U, NR, UR, R, RS, CS) - Risk Rating (1, 2, 3) - Income Rating (1, 2, 3, 4)**.

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. Yielder</i> <i>Medium Div. Yielder</i> <i>Low Div. Yielder</i> <i>No Cash div. Yielder</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%)	-	-
Invest. Banking Services (per category)	0	-	-	-	-	-	-	-	-

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