

April 2007



CONCORDE CAPITAL



Ukrainian Equity Book

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Electric

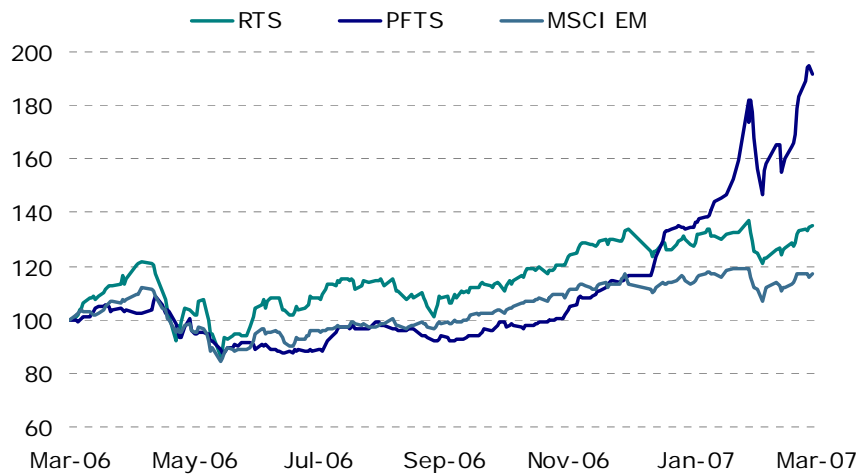
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MARKET PROFILE

PFTS Relative Performance



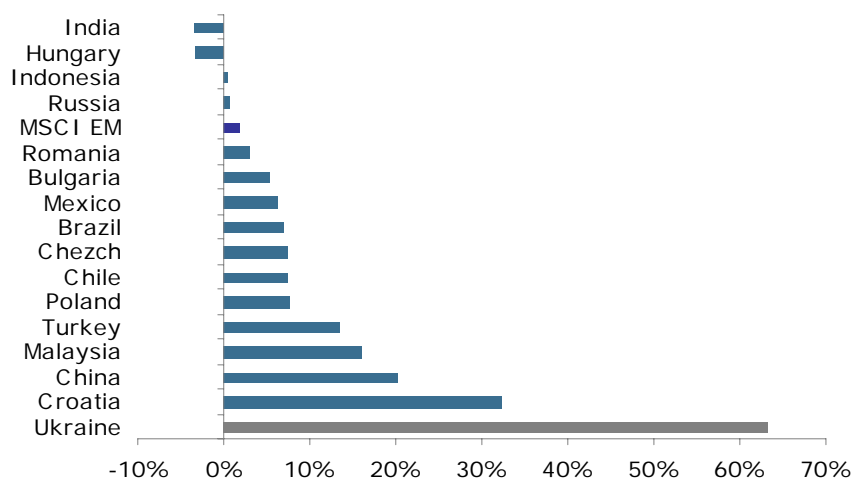
Note: As of March 30, 2007
Source: Bloomberg, PFTS

Ukrainian Market At A Glance

Investable Universe MCap	USD 52.0 bln
Free Float	USD 3.4 bln
Stocks listed on the PFTS	323
Total MCap	USD 60.4 bln
Total Free Float	USD 4.0 bln
PFTS avg daily trading volume	
2006	USD 4.7 mln
1Q07	USD 4.5 mln

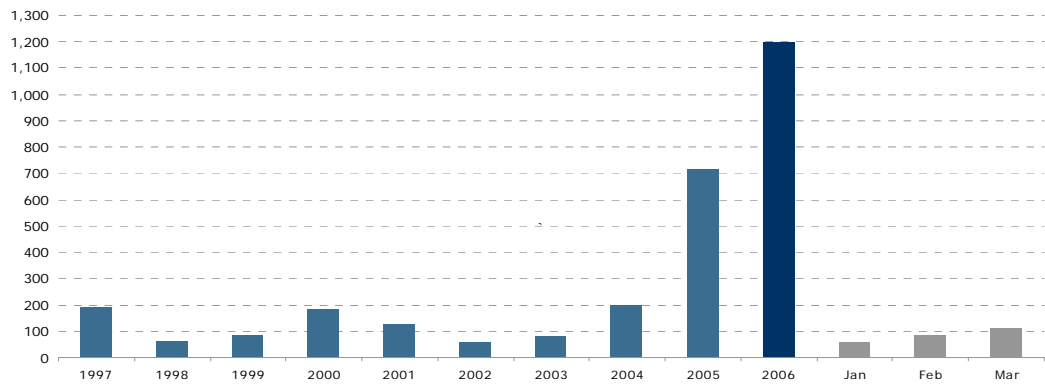
Note: As of March 30, 2007
Source: PFTS, Concorde Capital, Bloomberg

EM Equity Returns, 2007 YTD



Note: As of March 30, 2007
Source: Bloomberg

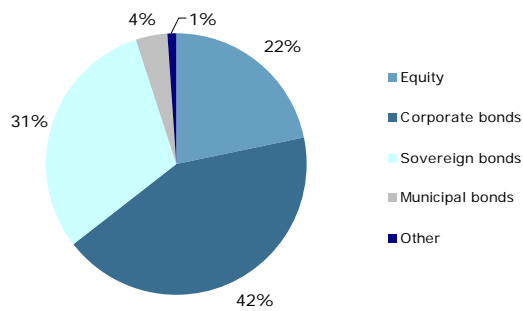
Equity Trading Volumes, USD mln



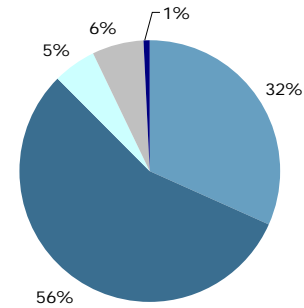
Note: Monthly volumes refer to 2007
Source: PFTS

PFTS Trading Breakdown

2006



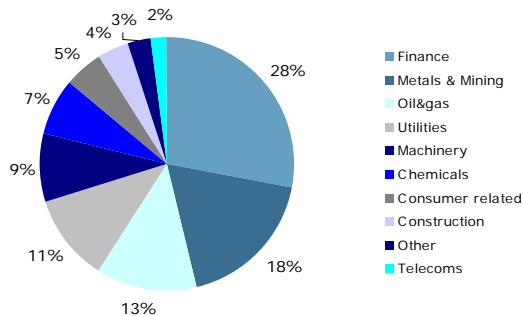
2007 YTD



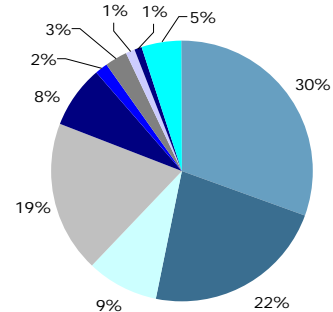
Source: PFTS

Equity Trading by Sector

2006



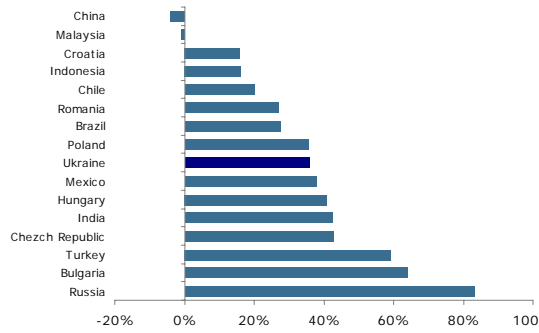
2007 YTD



Note: Including private placements reported on the PFTS
Source: PFTS, Concorde Capital

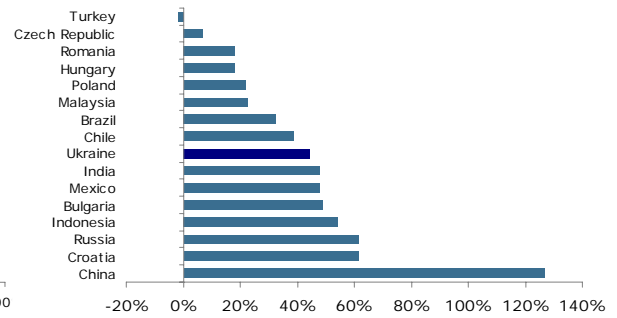
Global Emerging Markets Performance

2005



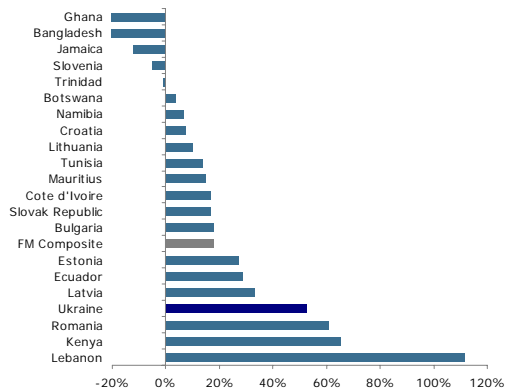
Source: Bloomberg

2006



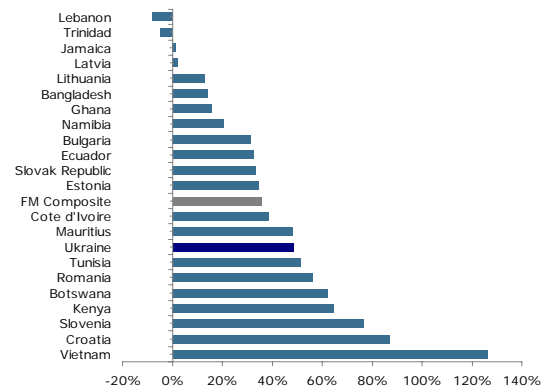
S&P/IFC Frontier Markets

2005

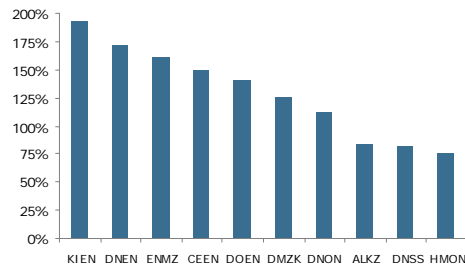


Note: Measured by the S&P/IFC Total Return Index
Source: Standard & Poor's

2006

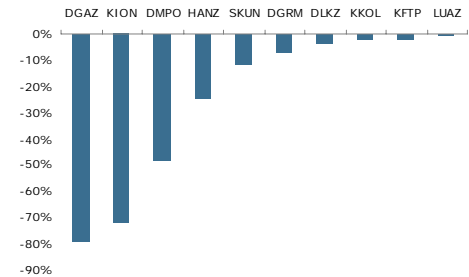


Best Performers, 2007 YTD



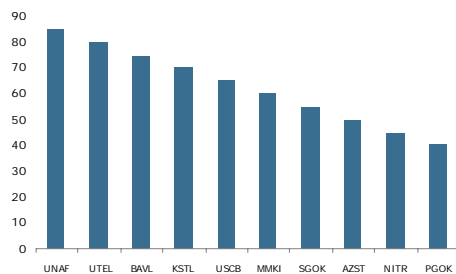
Note: Calculated based on PFTS mid prices

Worst Performers, 2007 YTD

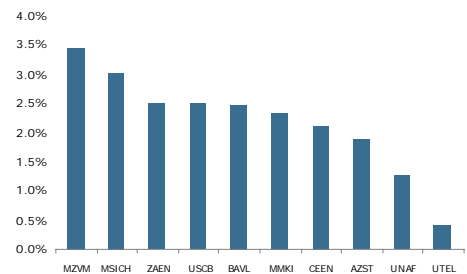


Note: Calculated based on PFTS mid

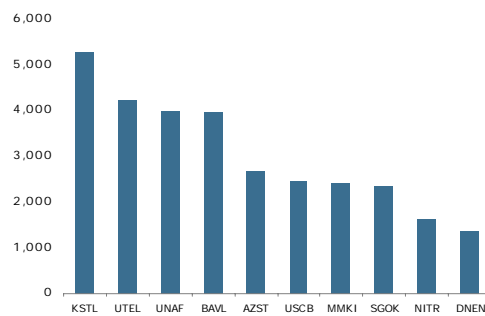
Most Traded Stocks, 2007 YTD USD mln



Tightest Spreads, 6 m avg



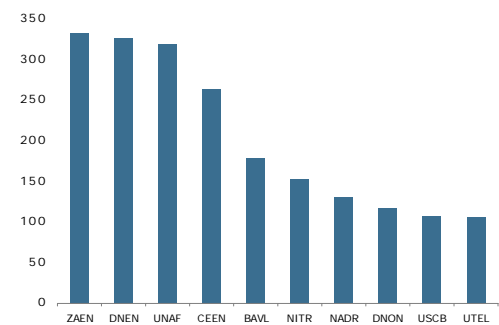
Largest MCap*, USD mln



*as of March 30, 2007

Source: PFTS, Bloomberg, Concorde Capital

Largest Free Float*, USD mln



BASIC MATERIALS

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Centralny Iron Ore
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Pivnichny Iron Ore
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Sukha Balka
Zaporizhstal

Mining

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Ordzhonikidze Manganese Ore

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Chemicals/Coke

Alchevsk Coke
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Donetsk Coke
Yasynivsky Coke
Zaporizh Coke

Forest Products & Paper

Koryukivka Paper
Kyiv Cardboard and Paper
Zhydachiv Pulp and Paper

Alchevsk Iron & Steel ALMK UZ

Iron & Steel

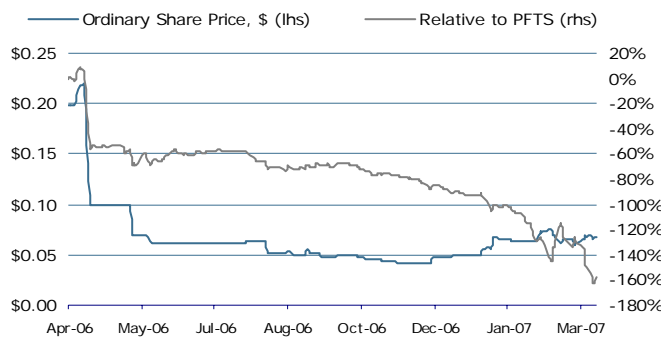
<http://www.amk.lg.ua>

Target Price (USD) 0.07
Upside 4.0%

INVESTMENT CASE

- Problems with iron ore might be solved after merger of IUD and Gasmetal in 2009-2010
- Parent company, the IUD, is an IPO candidate in 2009-2010
- Extensive modernization (USD 1.8 bln) will double capacity by 2010: state-of-the-art concaster already installed, second concaster and two BOFs with a total capacity of 5 mln mt will be installed in 2007 or early 2008
- In-house combined cycle plant constructed by Mitsubishi will fully meet its electricity needs

SHARE PRICE PERFORMANCE*



BUSINESS OVERVIEW

Alchevsk Iron & Steel is the fifth largest steel producer in Ukraine with a 9.1% share of domestic steel output in 2006. The company has six sintering machines, four blast furnaces, six open-hearth furnaces, two plate mills, a heavy-section mill and a booming-slabbing mill. The Industrial Union of Donbass (IUD) owns 95% of the company's shares. Alchevsk Iron & Steel receives sufficient coke supplies through Alchevsk Coke (affiliated with IUD) but lacks an integrated iron ore supplier. The company will launch a new combined heat & power (CHP) unit in 2009, which will have a nameplate capacity of 303 MWt and a total estimated cost of USD 383 mln (an EBRD loan for USD 150 mln for the project was approved in late 2006). This project will make Alchevsk Iron & Steel fully self-sufficient in electricity. The company also hopes to raise its steel production capacity by 88% to 7.5 mln mt p.a. by 2009. The company produced 3.7 mln mt of steel in 2006, on par with 2005. In 2006 ALMK posted a 38% yoy decrease in net income to USD 48.53 mln.

UPCOMING EVENTS

17 Apr 2007 AGM (the charter fund increasing by 139 %)

* PFTS MID Price is used
 ** Price "impact" is the opinion of Concorde's trading desk on stocks to help investors estimate the reliability of quoted prices:
 1: Market price reaction remains within 10% in execution of a market order of about USD 10 mln in size
 2: Market price reaction remains within 10% in execution of a market order of about USD 1 mln in size
 3: All other stocks (quoted price is less reliable and should be considered indicative)

Note: data (market information, price changes) as of 30 Mar 2007

MARKET INFORMATION

Market price*, USD	0.07
Price impact**	3
52 Wk H/L, USD	0.22 / 0.04
Chg 3m/6m/52w	38% / 39% / -66%
Chg vs PFTS 3m/6m/52w	-27% / -66% / -159%
Chg YTD	38%
Avg Mo Tr Vol 6M, USD ths	1370.35
MCap, USD mln	724.9
Free float, %	5.0%
FF MCap, USD mln	36.2
No of shares, mln	10775.3
Par Value, UAH	0.1
XETRA	n/a
DR Ratio	n/a
Avg Mo Tr Vol 6M, USD ths	n/a

STOCK OWNERSHIP

IUD	95.0%
Other	5.0%

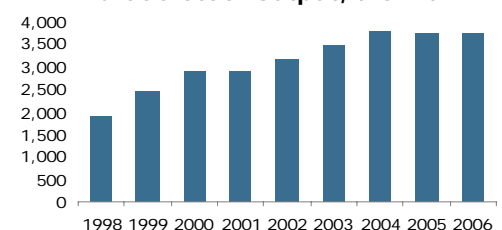
MARKET MULTIPLES

	2006E	2007E
EV/Sales	0.8	0.8
EV/EBITDA	6.6	5.9
P/E	12.3	9.4
P/B	3.3	2.5
P/CF	7.1	8.7

KEY RATIOS

	2005	2006E	2007E
EBITDA margin	13.8%	12%	13%
Net Margin	8%	5%	6%
ROE	107%	37%	36%
Net Debt/Equity	1.1	1.1	0.9

Crude Steel Output, ths mt



INCOME STATEMENT SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Net Revenues	369.7	480.9	803.0	993.6	897.0	n/a	n/a
<i>Change y-o-y</i>	-	30.1%	67.0%	23.7%	23.2%	n/a	n/a
Gross Profit	30.3	47.8	49.4	182.3	155.4	n/a	n/a
EBITDA	10.2	29.1	40.7	136.6	108.6	n/a	n/a
<i>margin, %</i>	2.8%	6.0%	5.1%	13.7%	12.1%	n/a	n/a
Depreciation	(18.5)	(22.0)	(17.5)	(20.5)	(22.1)	n/a	n/a
EBIT	(8.3)	7.0	23.3	116.0	86.5	n/a	n/a
<i>margin, %</i>	-2.2%	1.5%	2.9%	11.7%	9.6%	n/a	n/a
Interest Expense	(1.1)	(1.3)	(1.0)	(5.7)	(15.8)	n/a	n/a
Other income/(expense)	(1.6)	(1.3)	(0.8)	(1.0)	(2.0)	n/a	n/a
PBT	(10.9)	4.4	21.4	109.3	68.7	n/a	n/a
Tax	(0.8)	(3.0)	(12.9)	(30.9)	(27.0)	n/a	n/a
<i>Effective tax rate</i>	-7.5%	66.7%	60.4%	28.3%	39.3%	n/a	n/a
Net Income	(11.7)	1.5	8.5	78.3	41.7	n/a	n/a
<i>Net Margin, %</i>	-3.2%	0.3%	1.1%	7.9%	4.6%	n/a	n/a

BALANCE SHEET SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Current Assets	76.2	99.6	102.3	292.3	445.1	n/a	n/a
Cash & Equivalents	0.1	0.1	3.6	3.1	2.2	n/a	n/a
Trade Receivables	23.0	19.7	22.5	42.1	108.1	n/a	n/a
Inventories	33.3	58.5	42.4	88.4	116.9	n/a	n/a
Other	19.9	21.3	33.7	158.7	217.9	n/a	n/a
Fixed Assets	132.8	121.0	141.5	263.1	535.6	n/a	n/a
PP&E, net	128.3	112.1	108.8	177.4	182.4	n/a	n/a
Other	4.5	8.9	32.7	85.7	353.2	n/a	n/a
Total Assets	209.0	220.6	243.8	555.4	980.6	n/a	n/a
Shareholders' Equity	75.0	67.1	73.5	157.6	377.6	n/a	n/a
Share Capital	23.3	23.3	23.4	24.6	218.5	n/a	n/a
Retained Earnings	(94.9)	(58.8)	(45.4)	33.9	59.2	n/a	n/a
Other	146.6	102.6	95.5	99.1	99.9	n/a	n/a
Current Liabilities	134.0	153.5	170.3	222.8	403.8	n/a	n/a
ST Interest Bearing Debt	4.9	7.1	4.9	5.1	34.7	n/a	n/a
Trade Payables	110.8	122.8	131.8	194.6	303.8	n/a	n/a
Other	18.2	23.6	33.6	23.1	69.8	n/a	n/a
LT Liabilities	0.0	-	-	175.0	199.3	n/a	n/a
LT Interest Bearing Debt	-	-	-	175.0	198.2	n/a	n/a
Other	0.0	-	-	-	1.1	n/a	n/a
Total Liabilities & Equity	209.0	220.6	243.8	555.4	980.6	n/a	n/a

QUARTERLY ANALYSIS, USD mln

	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
Net Revenues	152.5	192.5	219.9	238.1	222.1	272.1	233.8	265.6	188.1	367.1	341.7
<i>Change y-o-y</i>	35.5%	111.2%	55.7%	75.1%	45.6%	41.3%	6.3%	11.5%	-15.3%	34.9%	46.1%
EBITDA	12.3	6.1	13.4	8.9	28.9	48.5	26.3	32.8	12.5	32.3	63.8
<i>margin, %</i>	8.1%	3.2%	6.1%	3.7%	13.0%	17.8%	11.3%	12.4%	6.6%	8.8%	18.7%
EBIT	8.3	1.5	9.3	4.2	24.9	43.6	21.0	26.5	4.9	25.3	56.3
<i>margin, %</i>	5.4%	0.8%	4.2%	1.8%	11.2%	16.0%	9.0%	10.0%	2.6%	6.9%	16.5%
Net Income	3.5	(1.3)	4.6	1.6	18.6	31.6	11.8	16.3	(1.0)	10.2	32.4
<i>Net Margin, %</i>	2.3%	-0.7%	2.1%	0.7%	8.4%	11.6%	5.0%	6.1%	-0.5%	2.8%	9.5%

Azovstal

AZST UZ

Iron & Steel

<http://www.azovstal.com.ua>

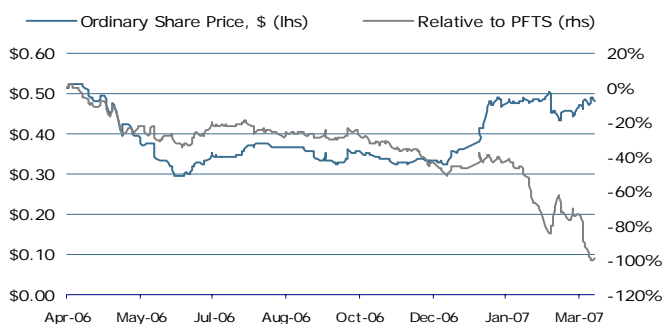
Target Price (USD)
Upside

0.51
6.2%

INVESTMENT CASE

- Completed a merger with coke producer Markokhim in 2005
- Business re-structuring done through two share issues in 2005 and 2006, which were tolerably dilutive to minority investors
- Integration into Metinvest, an IPO candidate in 2008-09, should put an end to adverse corporate governance actions
- Placed Eurobonds in Feb 2006 worth USD 175 mln
- Embarked on USD 800 mln investment program to upgrade equipment
- Management plans to increase steel output by 7% yoy to 6.3 mln mt

SHARE PRICE PERFORMANCE *



BUSINESS OVERVIEW

Azovstal is the third largest steel producer in Ukraine, accounting for 14.4% of domestic steel output in 2006. The company operates a blast furnace shop (six furnaces, total capacity of 6 mln mt of pig iron a year), sinter plant with a capacity in excess of 1.5 mln mt per year, coke plant and steel making facilities (two basic oxygen furnaces and 11 open hearth furnaces, total capacity of 6.5 mln mt). Azovstal's product portfolio includes slabs, plate, strips, square billets, sections and pipes. The company's main suppliers of iron ore and pellets are Pivnichny and Centralny Iron Ore, which are controlled by System Capital Management (SCM).

Azovstal produced 1.44 mln mt of iron ore agglomerate (down 7.4% yoy), 2.1 mln mt of gross coke (up 40.6% yoy) and 4.8 mln mt of steel (up 0.8% yoy) in 10M06. In 2006, the company increased its charter fund by USD 97.23 mln to USD 278.3 mln.

MARKET INFORMATION

Market price*, USD	0.48
Price impact**	2
52 Wk H/L, USD	0.55 / 0.29
Chg 3m/6m/52w	33% / 45% / -9%
Chg vs PFTS 3m/6m/52w	-32% / -60% / -102%
Chg YTD	33%
Avg Mo Tr Vol 6M, USD ths	1132.87
MCap, USD mln	2699.6
Free float, %	1.7%
FF MCap, USD mln	45.9
No of shares, mln	5621.8
Par Value, UAH	0.25
XETRA	DZ8
DR Ratio	1:10
Avg Mo Tr Vol 6M, USD ths	359.41

STOCK OWNERSHIP

SCM	98.3%
Other	1.7%

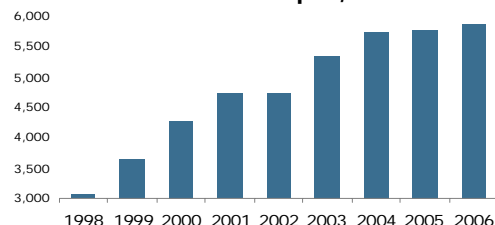
MARKET MULTIPLES

	2006E	2007E
EV/Sales	1.2	1.2
EV/EBITDA	7.2	7.0
P/E	14.1	13.6
P/B	2.0	1.7
P/CF	11.0	10.7

KEY RATIOS

	2005	2006E	2007E
EBITDA margin	16%	17%	17%
Net Margin	9%	8%	8%
ROE	28%	16%	14%
Net Debt/Equity	-0.1	0.1	0.1

Crude Steel Output, ths mt



* PFTS MID Price is used

** Price "impact" is the opinion of Concorde's trading desk on stocks to help investors estimate the reliability of quoted prices:

1: Market price reaction remains within 10% in execution of a market order of about USD 10 mln in size
2: Market price reaction remains within 10% in execution of a market order of about USD 1 mln in size
3: All other stocks (quoted price is less reliable and should be considered indicative)

Note: data (market information, price changes) as of 30 Mar 2007

INCOME STATEMENT SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Net Revenues	690.1	1,025.8	1,745.1	2,417.9	1,759.3	n/a	n/a
<i>Change y-o-y</i>	-	48.6%	70.1%	38.6%	-3.0%	n/a	n/a
Gross Profit	99.2	186.5	348.8	595.0	400.1	n/a	n/a
EBITDA	60.0	127.1	270.5	377.9	288.9	n/a	n/a
<i>margin, %</i>	8.7%	12.4%	15.5%	15.6%	16.4%	n/a	n/a
Depreciation	(38.9)	(29.6)	(31.6)	(37.2)	(38.3)	n/a	n/a
EBIT	21.1	97.4	238.9	340.6	250.7	n/a	n/a
<i>margin, %</i>	3.1%	9.5%	13.7%	14.1%	14.2%	n/a	n/a
Interest Expense	(0.8)	(1.8)	(11.4)	(17.5)	(21.0)	n/a	n/a
Other income/(expense)	(0.0)	0.8	10.7	(13.0)	6.7	n/a	n/a
PBT	20.2	96.5	238.2	310.1	236.4	n/a	n/a
Tax	(10.2)	(48.5)	(57.6)	(83.9)	(95.9)	n/a	n/a
<i>Effective tax rate</i>	50.4%	50.2%	24.2%	27.1%	40.6%	n/a	n/a
Net Income	10.0	48.1	180.6	226.4	140.5	n/a	n/a
<i>Net Margin, %</i>	1.5%	4.7%	10.4%	9.4%	8.0%	n/a	n/a

BALANCE SHEET SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Current Assets	302.7	380.2	697.0	962.2	1,102.3	n/a	n/a
Cash & Equivalents	0.4	6.8	57.7	246.4	256.0	n/a	n/a
Trade Receivables	76.7	75.4	237.9	236.9	331.3	n/a	n/a
Inventories	78.7	107.3	192.4	275.0	277.6	n/a	n/a
Other	146.9	190.8	209.0	203.9	237.4	n/a	n/a
Fixed Assets	349.0	418.8	755.4	804.4	896.4	n/a	n/a
PP&E, net	310.2	331.3	319.9	396.1	433.8	n/a	n/a
Other	38.8	87.5	435.5	408.3	462.6	n/a	n/a
Total Assets	651.7	799.0	1,452.4	1,766.6	1,998.7	n/a	n/a
Shareholders' Equity	507.8	591.0	819.2	1,187.1	1,323.0	n/a	n/a
Share Capital	148.8	148.9	149.6	181.1	181.1	n/a	n/a
Retained Earnings	142.4	245.3	463.5	754.0	889.8	n/a	n/a
Other	216.5	196.9	206.1	252.0	252.2	n/a	n/a
Current Liabilities	136.6	192.8	453.4	402.8	319.0	n/a	n/a
ST Interest Bearing Debt	12.6	24.5	-	46.0	0.0	n/a	n/a
Trade Payables	97.2	110.7	254.8	73.8	49.8	n/a	n/a
Other	26.8	57.6	198.5	283.0	320.0	n/a	n/a
LT Liabilities	7.4	15.2	179.9	176.7	356.7	n/a	n/a
LT Interest Bearing Debt	-	-	173.1	138.9	350.6	n/a	n/a
Other	7.4	15.2	6.8	37.8	6.1	n/a	n/a
Total Liabilities & Equity	651.7	799.0	1,452.4	1,766.6	1,998.7	n/a	n/a

QUARTERLY ANALYSIS, USD mln

	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
Net Revenues	336.5	393.1	443.8	571.7	570.7	707.9	535.4	603.9	481.7	553.7	723.7
<i>Change y-o-y</i>	77.4%	55.9%	67.7%	79.0%	69.6%	80.1%	20.6%	5.6%	-15.6%	-21.8%	35.2%
EBITDA	57.8	61.0	72.1	79.6	94.0	132.6	25.6	125.7	46.7	98.5	143.6
<i>margin, %</i>	17.2%	15.5%	16.2%	13.9%	16.5%	18.7%	4.8%	20.8%	9.7%	17.8%	19.8%
EBIT	49.9	53.0	64.6	71.4	86.2	123.5	15.5	115.3	34.8	85.9	129.9
<i>margin, %</i>	14.8%	13.5%	14.5%	12.5%	15.1%	17.5%	2.9%	19.1%	7.2%	15.5%	17.9%
Net Income	26.5	36.5	36.9	80.8	54.8	83.9	(6.7)	94.4	10.5	62.1	67.9
<i>Net Margin, %</i>	7.9%	9.3%	8.3%	14.1%	9.6%	11.8%	-1.2%	15.6%	2.2%	11.2%	9.4%

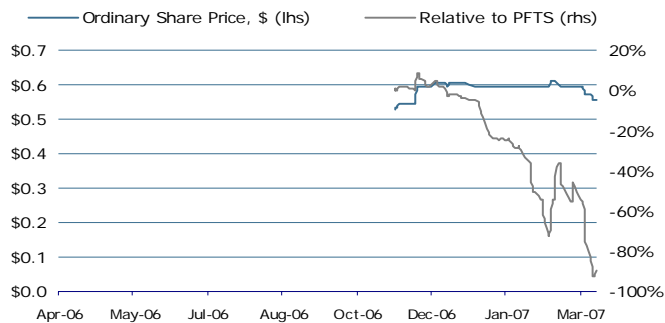
Centralny Iron Ore

CGOK UZ

Iron & Steel

<http://www.cgzk.com.ua>
Target Price (USD)
N/R
Upside
n/a

SHARE PRICE PERFORMANCE*



Listed on PFTS since 14 Nov 2006

BUSINESS OVERVIEW

A medium-sized Ukrainian producer of iron ore sinter feed, Centralny Iron Ore is one of three domestic producers of pellets. The company's share in domestic output of pellets and sinter feed in 10M06 accounts for 10.5% and 9.9%, respectively. It owns the rights to four deposits of iron ore, but only three of them are processed. Ore from the Petrovsk mine has 68% iron content – the highest of any Ukrainian producer. The company supplies its products mostly to steel mills Azovstal and Enakievo/Metalen, which is owned by its holding company, Metinvest.

In 2006 the company reported a 43.8% yoy decline of net income to USD 55.6 mln, and a decrease in its net margin to 14.9% from 21.4% in 2005.

The company's long-term plans call for USD 400 mln in investments to more than double sinter feed production by 2015.

MARKET INFORMATION

Market price*, USD	0.55
Price impact**	3
52 Wk H/L, USD	0.61 / 0.53
Chg 3m/6m/52w	-7% / n/a / n/a
Chg vs PFTS 3m/6m/52w	-55% / -104% / -93%
Chg YTD	-7%
Avg Mo Tr Vol 6M, USD ths	72.31
MCap, USD mln	649.7
Free float, %	0.5%
FF MCap, USD mln	3.2
No of shares, mln	1171.8
Par Value (UAH)	0.25
XETRA	n/a
DR Ratio	n/a
Avg Mo Tr Vol 6M, USD ths	n/a

STOCK OWNERSHIP

SCM-related	99.5%
Other	0.5%

MARKET MULTIPLES

	2006E	2007E
EV/Sales	1.8	n/a
EV/EBITDA	9.1	n/a
P/E	11.7	n/a
P/B	3.2	n/a
P/CF	9.2	n/a

KEY RATIOS

	2005	2006E	2007E
EBITDA margin	0%	20%	n/a
Net Margin	21%	15%	n/a
ROE	121%	38%	n/a
Net Debt/Equity	-0.03	0.11	n/a

* PFTS BID Price is used

** Price "impact" is the opinion of Concorde's trading desk on stocks to help investors estimate the reliability of quoted prices:

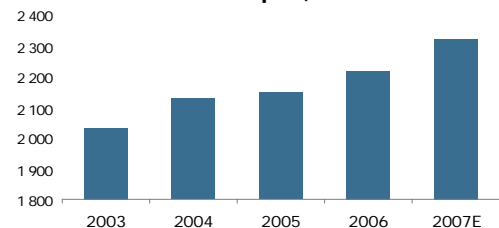
1: Market price reaction remains within 10% in execution of a market order of about USD 10 mln in size

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3: All other stocks (quoted price is less reliable and should be considered indicative)

Note: data (market information, price changes) as of 30 Mar 2007

Pellets Output, ths mt



INCOME STATEMENT SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Net Revenues	80.2	101.5	200.0	451.9	262.3	n/a	n/a
<i>Change y-o-y</i>	-	26.6%	97.1%	125.9%	-26.6%	n/a	n/a
Gross Profit	29.4	42.7	99.4	162.0	71.4	n/a	n/a
EBITDA	11.4	19.1	93.3	144.0	55.3	n/a	n/a
<i>margin, %</i>	14.2%	18.9%	46.7%	31.9%	21.1%	n/a	n/a
Depreciation	(6.7)	(6.3)	(6.9)	(9.4)	(11.3)	n/a	n/a
EBIT	4.7	12.8	86.4	134.6	44.1	n/a	n/a
<i>margin, %</i>	5.9%	12.6%	43.2%	29.8%	16.8%	n/a	n/a
Interest Expense	(3.1)	(19.5)	(1.4)	(0.1)	(1.7)	n/a	n/a
Other income/(expense)	(0.4)	(1.3)	(0.3)	0.2	0.5	n/a	n/a
PBT	1.2	(8.0)	84.8	134.7	42.9	n/a	n/a
Tax	-	-	(21.2)	(38.5)	(8.0)	n/a	n/a
<i>Effective tax rate</i>	0.0%	0.0%	25.0%	28.6%	18.6%	n/a	n/a
Net Income	1.2	(8.0)	63.6	96.7	34.9	n/a	n/a
<i>Net Margin, %</i>	1.5%	-7.9%	31.8%	21.4%	13.3%	n/a	n/a

BALANCE SHEET SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Current Assets	24.6	34.7	136.3	180.9	242.3	n/a	n/a
Cash & Equivalents	0.2	0.8	8.7	8.8	81.3	n/a	n/a
Trade Receivables	7.9	16.1	96.6	112.2	31.0	n/a	n/a
Inventories	10.4	11.8	18.8	24.5	25.9	n/a	n/a
Other	6.2	6.0	12.2	35.3	104.2	n/a	n/a
Fixed Assets	102.3	99.5	113.4	153.1	174.4	n/a	n/a
PP&E, net	97.2	92.7	93.5	120.1	119.7	n/a	n/a
Other	5.0	6.8	19.9	33.1	54.7	n/a	n/a
Total Assets	126.9	134.2	249.7	334.0	416.7	n/a	n/a
Shareholders' Equity	15.1	7.2	80.1	147.4	127.9	n/a	n/a
Share Capital	25.8	25.9	26.0	55.0	58.0	n/a	n/a
Retained Earnings	(102.7)	(110.7)	(38.4)	(6.4)	(33.8)	n/a	n/a
Other	92.0	92.0	92.4	98.9	103.7	n/a	n/a
Current Liabilities	95.6	117.2	166.6	184.6	186.8	n/a	n/a
ST Interest Bearing Debt	18.0	10.7	4.9	2.0	2.1	n/a	n/a
Trade Payables	48.0	52.7	94.7	122.0	87.6	n/a	n/a
Other	29.6	53.9	67.0	60.6	100.0	n/a	n/a
LT Liabilities	16.2	9.8	3.1	2.0	102.0	n/a	n/a
LT Interest Bearing Debt	15.8	9.6	3.0	1.9	101.9	n/a	n/a
Other	0.4	0.2	0.1	0.1	0.1	n/a	n/a
Total Liabilities & Equity	126.9	134.2	249.7	334.0	416.7	n/a	n/a

QUARTERLY ANALYSIS, USD mln

	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
Net Revenues	23.8	28.1	59.2	88.8	151.9	121.0	84.3	94.7	90.0	82.7	89.6
<i>Change y-o-y</i>	12.8%	11.8%	122.3%	211.2%	537.1%	330.5%	42.3%	6.6%	-40.8%	-31.6%	6.3%
EBITDA	2.8	4.3	32.0	54.3	60.8	39.2	19.6	24.3	20.8	13.3	21.2
<i>margin, %</i>	11.5%	15.4%	54.0%	61.1%	40.1%	32.4%	23.3%	25.7%	23.2%	16.0%	23.7%
EBIT	1.2	2.7	30.1	52.5	58.9	37.0	17.0	21.6	17.2	9.5	17.4
<i>margin, %</i>	4.9%	9.5%	50.8%	59.1%	38.8%	30.6%	20.2%	22.9%	19.1%	11.5%	19.4%
Net Income	0.1	1.5	22.2	39.8	42.0	22.4	10.7	21.5	12.2	8.3	14.4
<i>Net Margin, %</i>	0.3%	5.3%	37.5%	44.8%	27.7%	18.5%	12.7%	22.7%	13.6%	10.0%	16.1%

DMK Dzerzhinskogo Steel

DMKD UZ

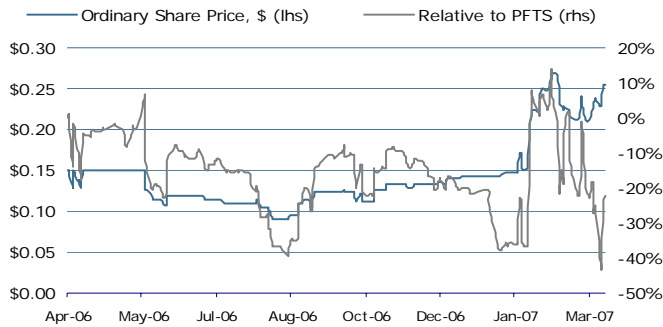
Iron & Steel

<http://www.dmkd.dp.ua>

Target Price (USD)
Upside

N/R
n/a

SHARE PRICE PERFORMANCE*



MARKET INFORMATION

Market price*, USD	0.21
Price impact**	3
52 Wk H/L, USD	0.27 / 0.09
Chg 3m/6m/52w	50% / 73% / 43%
Chg vs PFTS 3m/6m/52w	-15% / -32% / -50%
Chg YTD	50%
Avg Mo Tr Vol 6M, USD ths	114.86
MCap, USD mln	593.8
Free float, %	1.0%
FF MCap, USD mln	5.9
No of shares, mln	2776.5
Par Value, UAH	0.25
XETRA	n/a
DR Ratio	n/a
Avg Mo Tr Vol 6M, USD ths	n/a

BUSINESS OVERVIEW

DMK Dzerzhinskogo Steel is the sixth largest Ukrainian steel producer in terms of output, with 8.9% of total domestic steel production in 2006. Last year, DMK Dzerzhinskogo Steel increased output of finished steel by 8.8% yoy to 3.165 mln mt, pig iron by 11.5% yoy to 3.210 mln mt, crude steel by 12.4% yoy to 3.630 mln mt and sinter by 8.6% yoy to 5.37 mln mt. The company's product mix consists of steel, pig iron, sinter, hot-rolled long and flat products for machine-building and transport industries. Moreover, the company has a monopoly in Ukraine in the production of rolled axial billets and rails for railway transport. DMK Dzerzhinskogo Steel is controlled by the Industrial Union of Donbass.

The company reported a 37.6% growth in net income to USD 85.5 mln. In 2007, the company plans to increase the production of pig iron and steel by 2.7% and 11.8%, respectively.

STOCK OWNERSHIP

IUD	99.0%
Other	1.0%

MARKET MULTIPLES

	2006E	2007E
EV/Sales	0.6	n/a
EV/EBITDA	4.6	n/a
P/E	6.9	n/a
P/B	1.4	n/a
P/CF	5.9	n/a

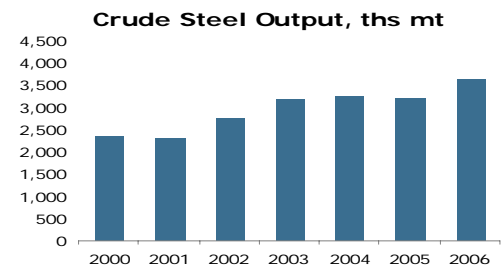
KEY RATIOS

	2005	2006E	2007E
EBITDA margin	11%	13%	n/a
Net Margin	7%	7%	n/a
ROE	25%	25%	n/a
Net Debt/Equity	0.04	0.2	n/a

* PFTS MID Price is used
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- 3: All other stocks (quoted price is less reliable and should be considered indicative)

Note: data (market information, price changes) as of 30 Mar 2007



INCOME STATEMENT SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Net Revenues	416.4	556.7	873.0	921.4	868.6	n/a	n/a
<i>Change y-o-y</i>	-	33.7%	56.8%	5.5%	25.2%	n/a	n/a
Gross Profit	79.2	57.7	72.5	133.1	160.0	n/a	n/a
EBITDA	86.0	27.1	51.2	102.5	112.0	n/a	n/a
<i>margin, %</i>	20.7%	4.9%	5.9%	11.1%	12.9%	n/a	n/a
Depreciation	(18.4)	(16.4)	(12.2)	(12.6)	(11.3)	n/a	n/a
EBIT	67.6	10.8	39.0	89.9	100.7	n/a	n/a
<i>margin, %</i>	16.2%	1.9%	4.5%	9.8%	11.6%	n/a	n/a
Interest Expense	(7.3)	(5.1)	(2.1)	(2.0)	(6.0)	n/a	n/a
Other income/(expense)	(1.7)	(1.1)	(13.5)	(4.3)	(6.1)	n/a	n/a
PBT	58.6	4.5	23.5	83.6	88.5	n/a	n/a
Tax	(4.2)	-	(11.5)	(21.8)	(21.8)	n/a	n/a
<i>Effective tax rate</i>	7.2%	0.0%	49.2%	26.0%	24.6%	n/a	n/a
Net Income	54.3	4.5	11.8	61.7	66.7	n/a	n/a
<i>Net Margin, %</i>	13.0%	0.8%	1.4%	6.7%	7.7%	n/a	n/a

BALANCE SHEET SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Current Assets	165.2	212.8	276.9	287.6	337.6	n/a	n/a
Cash & Equivalents	0.3	0.2	0.4	0.5	4.2	n/a	n/a
Trade Receivables	68.5	113.3	144.3	69.0	93.7	n/a	n/a
Inventories	51.0	70.6	85.1	130.5	134.6	n/a	n/a
Other	45.3	28.6	47.2	87.6	105.1	n/a	n/a
Fixed Assets	337.0	318.1	301.9	334.3	351.5	n/a	n/a
PP&E, net	170.5	162.1	149.8	164.8	168.0	n/a	n/a
Other	166.5	156.0	152.1	169.5	183.5	n/a	n/a
Total Assets	502.3	530.9	578.9	622.0	689.1	n/a	n/a
Shareholders' Equity	257.3	243.5	243.3	347.0	403.9	n/a	n/a
Share Capital	111.4	116.3	112.0	137.5	137.5	n/a	n/a
Retained Earnings	(24.5)	(36.5)	(26.2)	38.0	89.8	n/a	n/a
Other	170.4	163.7	157.5	171.6	176.7	n/a	n/a
Current Liabilities	237.4	271.6	326.8	270.7	228.2	n/a	n/a
ST Interest Bearing Debt	24.4	5.4	15.0	13.0	34.9	n/a	n/a
Trade Payables	88.7	125.0	157.0	125.1	105.0	n/a	n/a
Other	124.3	141.2	154.8	132.6	103.4	n/a	n/a
LT Liabilities	7.6	15.9	8.7	4.3	56.9	n/a	n/a
LT Interest Bearing Debt	6.5	15.8	8.6	1.2	56.7	n/a	n/a
Other	1.1	0.0	0.1	3.1	0.2	n/a	n/a
Total Liabilities & Equity	502.3	530.9	578.9	622.0	689.1	n/a	n/a

QUARTERLY ANALYSIS, USD mln

	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
Net Revenues	151.4	218.4	240.4	262.8	228.4	248.3	217.1	227.6	223.1	310.7	334.7
<i>Change y-o-y</i>	34.2%	85.4%	60.7%	48.9%	50.9%	13.7%	-9.7%	-13.4%	-2.3%	25.2%	54.2%
EBITDA	16.0	12.2	16.1	6.8	13.8	27.1	22.0	39.7	25.2	45.8	41.0
<i>margin, %</i>	10.6%	5.6%	6.7%	2.6%	6.0%	10.9%	10.1%	17.4%	11.3%	14.7%	12.2%
EBIT	13.1	9.2	13.1	3.6	10.9	24.2	18.9	36.0	21.6	42.1	37.0
<i>margin, %</i>	8.6%	4.2%	5.4%	1.4%	4.8%	9.7%	8.7%	15.8%	9.7%	13.5%	11.1%
Net Income	1.3	5.0	10.3	(4.8)	6.5	17.1	12.4	25.7	13.7	30.6	22.4
<i>Net Margin, %</i>	0.9%	2.3%	4.3%	-1.8%	2.8%	6.9%	5.7%	11.3%	6.2%	9.9%	6.7%

DMP Petrovskogo Steel DMZP UZ

Iron & Steel

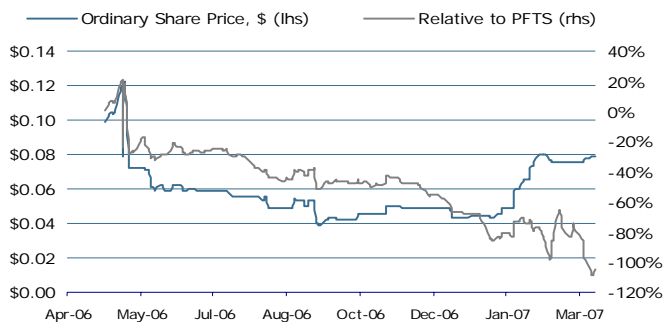
<http://www.dnepr-petrovka.dp.ua>

Target Price (USD) 0.05
Upside -34%

INVESTMENT CASE

- Access to iron ore and coke supplied by related producers also controlled by Privat group
- First candidate for shutdown if adverse market conditions affect Ukrainian steel mills
- Heavy transfer pricing and low quality reported financials
- Highly non-transparent
- Might be rehabilitated if Privat sells it to a strategic investor

SHARE PRICE PERFORMANCE*



Listed on PFTS since 28.04.06

BUSINESS OVERVIEW

DMK Petrovskogo Steel is among Ukraine's oldest steel makers. The company has a blast-furnace shop, two rolling shops, shape-casting, blast oxygen furnace and metal reclamation shops. DMK Petrovskogo Steel specializes in producing crude and rolled steel, pig iron, box iron, crane rails and other steel products. Most of the plant's products are supplied to CIS countries, Europe, Asia, Africa and the U.S.A. Currently, Privat Group is the majority owner of DMK Petrovskogo Steel, controlling an 89.6% stake in the plant. According to 2006 preliminary results the plant produced 1.47 mln mt of pig iron (down 1.9% yoy), 1.22 mln mt of rolled steel (up 10.6% yoy), and 1.33 mln mt of crude steel (up 6.6% yoy). In 9M06 the company posted 25.8% yoy growth in its net revenues to USD 324.3 mln, a decrease in its EBITDA margin to negative 1.1% from 5.9% in 9M05, and a decline in its net margin to negative 3.1% from 0.3% in 9M05.

* PFTS MID Price is used

** Price "impact" is the opinion of Concorde's trading desk on stocks to help investors estimate the reliability of quoted prices:

- 1: Market price reaction remains within 10% in execution of a market order of about USD 10 mln in size
- 2: Market price reaction remains within 10% in execution of a market order of about USD 1 mln in size
- 3: All other stocks (quoted price is less reliable and should be considered indicative)

Note: data (market information, price changes) as of 30 Mar 2007

MARKET INFORMATION

Market price*, USD	0.08
Price impact**	3
52 Wk H/L, USD	0.12 / 0.04
Chg 3m/6m/52w	73% / 75% / n/a
Chg vs PFTS 3m/6m/52w	8% / -30% / -93%
Chg YTD	73%
Avg Mo Tr Vol 6M, USD ths	15.72
MCap, USD mln	63.9
Free float, %	10.4%
FF MCap, USD mln	6.6
No of shares, mln	849.4
Par Value, UAH	0.25
XETRA	n/a
DR Ratio	n/a
Avg Mo Tr Vol 6M, USD ths	n/a

STOCK OWNERSHIP

Privat Group	89.6%
Other	10.4%

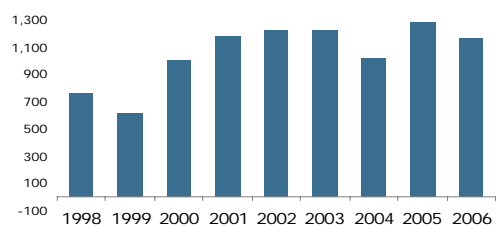
MARKET MULTIPLES

	2006E	2007E
EV/Sales	0.4	0.4
EV/EBITDA	54.0	20.2
P/E	21.3	16.0
P/B	-8.0	-16.0
P/CF	20.0	15.3

KEY RATIOS

	2005	2006E	2007E
EBITDA margin	1%	1%	2%
Net Margin	-2%	1%	1%
ROE	345%	-27%	-50%
Net Debt/Equity	-1.4	-12.3	-24.5

Steel Products Output, ths mt



INCOME STATEMENT SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Net Revenues	191.6	208.8	283.0	389.3	324.3	n/a	n/a
<i>Change y-o-y</i>	-	9.0%	35.5%	37.5%	25.8%	n/a	n/a
Gross Profit	8.7	20.8	(24.0)	24.3	13.8	n/a	n/a
EBITDA	(2.2)	7.2	(37.9)	3.0	(3.4)	n/a	n/a
<i>margin, %</i>	-1.1%	3.5%	-13.4%	0.8%	-1.1%	n/a	n/a
Depreciation	(6.7)	(7.2)	(5.4)	(6.2)	(4.9)	n/a	n/a
EBIT	(8.9)	0.0	(43.3)	(3.1)	(8.3)	n/a	n/a
<i>margin, %</i>	-4.6%	0.0%	-15.3%	-0.8%	-2.6%	n/a	n/a
Interest Expense	(0.0)	(2.4)	(1.9)	(5.0)	(3.2)	n/a	n/a
Other income/(expense)	(0.0)	3.3	4.0	1.3	1.4	n/a	n/a
PBT	(8.9)	0.9	(41.2)	(6.8)	(10.1)	n/a	n/a
Tax	(0.0)	(0.2)	-	-	-	n/a	n/a
<i>Effective tax rate</i>	-0.1%	23.6%	0.0%	0.0%	0.0%	n/a	n/a
Net Income	(8.9)	0.7	(41.2)	(6.8)	(10.1)	n/a	n/a
<i>Net Margin, %</i>	-4.7%	0.3%	-14.5%	-1.8%	-3.1%	n/a	n/a

BALANCE SHEET SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Current Assets	153.5	221.3	182.2	250.3	473.6	n/a	n/a
Cash & Equivalents	0.5	0.5	0.7	3.0	0.8	n/a	n/a
Trade Receivables	59.4	50.9	34.6	66.3	65.6	n/a	n/a
Inventories	19.7	33.2	28.3	36.5	59.5	n/a	n/a
Other	73.8	136.7	118.6	144.5	347.7	n/a	n/a
Fixed Assets	87.8	88.8	94.9	108.1	119.0	n/a	n/a
PP&E, net	72.0	66.7	73.0	74.1	74.0	n/a	n/a
Other	15.7	22.1	21.8	34.0	45.0	n/a	n/a
Total Assets	241.3	310.1	277.0	358.4	592.6	n/a	n/a
Shareholders' Equity	28.3	34.9	(1.6)	(11.2)	(20.7)	n/a	n/a
Share Capital	39.8	39.8	40.0	42.0	42.0	n/a	n/a
Retained Earnings	(58.5)	(53.2)	(90.5)	(105.4)	(114.9)	n/a	n/a
Other	47.0	48.2	49.0	52.1	52.2	n/a	n/a
Current Liabilities	199.5	270.1	278.0	368.3	612.0	n/a	n/a
ST Interest Bearing Debt	18.7	16.9	19.6	18.0	98.0	n/a	n/a
Trade Payables	127.1	20.3	36.2	81.5	91.3	n/a	n/a
Other	53.7	232.9	222.2	268.8	425.4	n/a	n/a
LT Liabilities	13.5	5.2	0.5	1.3	1.3	n/a	n/a
LT Interest Bearing Debt	-	-	-	-	-	n/a	n/a
Other	13.5	5.2	0.5	1.3	1.3	n/a	n/a
Total Liabilities & Equity	241.3	310.1	277.0	358.4	592.6	n/a	n/a

QUARTERLY ANALYSIS, USD mln

	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
Net Revenues	72.5	78.3	65.9	66.3	90.1	97.4	70.3	131.5	94.7	116.2	113.4
<i>Change y-o-y</i>	40.3%	56.2%	18.7%	28.8%	24.2%	24.3%	6.7%	98.4%	5.1%	19.3%	61.2%
EBITDA	(3.7)	(20.0)	(14.1)	(0.0)	(1.6)	10.3	6.4	(12.1)	(13.3)	1.7	8.2
<i>margin, %</i>	-5.1%	-25.6%	-21.4%	-0.1%	-1.8%	10.6%	9.1%	-9.2%	-14.0%	1.5%	7.2%
EBIT	(5.5)	(21.4)	(15.4)	(1.0)	(3.0)	5.4	0.1	(5.7)	(14.9)	0.1	6.5
<i>margin, %</i>	-7.5%	-27.4%	-23.4%	-1.5%	-3.3%	5.6%	0.2%	-4.4%	-15.7%	0.1%	5.7%
Net Income	(5.7)	(21.5)	(14.7)	0.8	(4.0)	4.8	(0.2)	(7.5)	(14.8)	(0.7)	5.4
<i>Net Margin, %</i>	-7.8%	-27.5%	-22.3%	1.2%	-4.4%	5.0%	-0.2%	-5.7%	-15.7%	-0.6%	4.8%

Dnipropetsstal

DNSS UZ

Iron & Steel

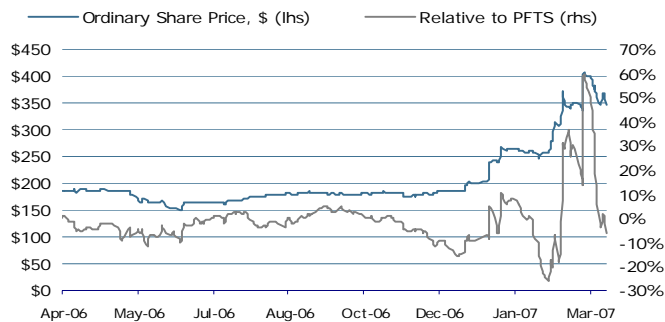
<http://www.dss.com.ua>

Target Price (USD) **210.00**
Upside **-42.7%**

INVESTMENT CASE

- Only producer of specialty steel in Ukraine
- Uses EAF steel smelting process that is not reliant on gas
- Competition thinner than for ordinary steel
- Long-standing shareholder conflicts are close to being resolved
- Shareholders voted to pay dividends for 2004 and 2006 at its recent AGM

SHARE PRICE PERFORMANCE *



BUSINESS OVERVIEW

Dnipropetsstal is the only producer of specialty steel in Ukraine and its leading producer in the CIS. The company makes tool, stainless, high-speed, bearing and structural steel. The plant produces up to 800 grades of high quality alloyed and stainless steel and around 1000 profiles of rolled products. Machine and aircraft-building companies and petrochemical producers are Dnipropetsstal's major customers. The company exports up to 60% of its output, mainly to Europe. Dnipropetsstal's products are certified in accordance with domestic and international standards.

In 2006, Dnipropetsstal produced 312 ths mt of rolled steel (up 4.3% yoy) and 519 ths mt of crude steel (up 2.6% yoy). The company plans to invest USD 2.4 mln to build and launch a gas-purifying system in 2007.

In 2006 the company increased its net income by nearly six times to USD 38.8 mln.

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 2: Market price reaction remains within 10% in execution of a market order of about USD 1 mln in size
 3: All other stocks (quoted price is less reliable and should be considered indicative)

Note: data (market information, price changes) as of 30 Mar 2007

MARKET INFORMATION

Market price*, USD	366.34
Price impact**	3
52 Wk H/L, USD	406 / 152
Chg 3m/6m/52w	83% / 103% / 97%
Chg vs PFTS 3m/6m/52w	19% / -1% / 4%
Chg YTD	83%
Avg Mo Tr Vol 6M, USD ths	894.86
MCap, USD mln	393.8
Free float, %	5.8%
FF MCap, USD mln	22.8
No of shares, mln	1.1
Par Value, UAH	46.25
XETRA	n/a
DR Ratio	n/a
Avg Mo Tr Vol 6M, USD ths	n/a

STOCK OWNERSHIP

Interpipe	60.0%
Privat Group	34.2%
Other	5.8%

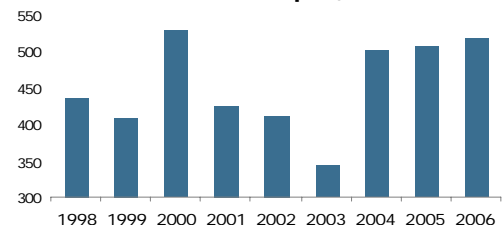
MARKET MULTIPLES

	2006E	2007E
EV/Sales	1.0	0.9
EV/EBITDA	8.4	7.8
P/E	11.9	11.1
P/B	2.9	2.7
P/CF	9.6	9.0

KEY RATIOS

	2005	2006E	2007E
EBITDA margin	6%	11%	11%
Net Margin	1%	7%	7%
ROE	6%	30%	26%
Net Debt/Equity	0.6	0.4	0.3

Crude Steel Output, ths mt



INCOME STATEMENT SUMMARY, USD mln

	2002	2003	2004	2005	2006E	2007E	2008E
Net Revenues	141.2	150.5	305.1	441.5	492.3	544.5	587.5
<i>Change y-o-y</i>	-	7%	103%	45%	5%	11%	8%
Gross Profit	8.7	20.8	65.6	70.4	83.7	92.6	94.0
EBITDA	(9.4)	8.1	31.8	27.7	49.2	54.4	52.9
<i>margin, %</i>	-6.7%	5.4%	10.4%	6.3%	10.0%	10.0%	9.0%
Depreciation	(7.1)	(8.0)	(8.1)	(8.7)	(8.0)	(7.8)	(7.7)
EBIT	(16.6)	0.1	23.7	19.0	41.3	46.6	45.2
<i>margin, %</i>	-11.7%	0.1%	7.8%	4.3%	8.4%	8.6%	7.7%
Interest Expense	(4.6)	(4.8)	(5.5)	(6.3)	(7.1)	(5.8)	(5.9)
Other income/(expense)	(2.0)	0.3	1.1	2.2	-	-	-
PBT	(23.1)	(4.4)	19.2	14.9	34.2	40.9	39.2
Tax	-	(0.3)	(2.3)	(8.6)	(8.6)	(10.2)	(9.8)
<i>Effective tax rate</i>	0.0%	-7.6%	12.0%	57.9%	25.0%	25.0%	25.0%
Net Income	(23.1)	(4.8)	16.9	6.2	25.7	30.7	29.4
<i>Net Margin, %</i>	-16.4%	-3.2%	5.5%	1.4%	5.2%	5.6%	5.0%

BALANCE SHEET SUMMARY, USD mln

	2002	2003	2004	2005	2006E	2007E	2008E
Current Assets	45.4	49.6	110.4	115.3	141.8	156.8	175.1
Cash & Equivalents	0.6	1.0	1.2	1.8	1.5	1.6	1.8
Trade Receivables	9.7	4.7	21.1	23.7	22.2	24.5	26.4
Inventories	23.7	25.7	46.0	55.8	59.1	65.3	70.5
Other	11.5	18.2	42.0	34.0	59.1	65.3	76.4
Fixed Assets	109.9	101.8	95.0	101.1	99.2	101.2	103.0
PP&E, net	78.2	78.9	75.5	75.9	76.6	77.4	79.3
Other	31.7	22.8	19.5	25.2	22.6	23.7	23.7
Total Assets	155.3	151.4	205.4	216.4	241.0	258.0	278.0
Shareholders' Equity	90.5	82.4	99.3	111.7	134.7	147.0	158.8
Share Capital	9.3	9.3	9.4	9.8	9.3	9.3	9.3
Retained Earnings	(17.7)	(26.2)	(9.3)	(2.6)	19.6	31.8	43.6
Other	98.8	99.3	99.2	104.5	105.8	105.8	105.8
Current Liabilities	60.7	60.9	104.4	89.7	88.2	92.9	101.2
ST Interest Bearing Debt	28.3	28.4	45.5	51.2	35.7	34.9	38.6
Trade Payables	20.1	13.2	20.4	19.1	24.6	32.7	41.1
Other	12.3	19.3	38.5	19.4	28.0	25.3	21.4
LT Liabilities	4.1	8.1	1.7	15.0	18.1	18.1	18.1
LT Interest Bearing Debt	2.3	8.0	1.6	14.9	18.0	18.0	18.0
Other	1.8	0.1	0.1	0.1	0.1	0.1	0.1
Total Liabilities & Equity	155.3	151.4	205.4	216.4	241.0	258.0	278.0

QUARTERLY ANALYSIS, USD mln

	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
Net Revenues	49.2	72.2	87.7	96.0	102.2	121.9	118.0	99.4	96.0	118.9	135.1
<i>Change y-o-y</i>	61.8%	147.7%	97.7%	106.3%	107.7%	68.9%	34.6%	3.5%	-6.0%	-2.5%	14.5%
EBITDA	3.2	9.0	10.6	9.0	9.6	6.4	7.6	4.1	7.5	14.0	18.9
<i>margin, %</i>	6.4%	12.4%	12.1%	9.4%	9.4%	5.3%	6.4%	4.1%	7.8%	11.7%	14.0%
EBIT	1.1	7.0	8.6	7.0	7.6	4.2	5.3	1.9	5.4	11.8	16.8
<i>margin, %</i>	2.3%	9.7%	9.8%	7.3%	7.4%	3.5%	4.5%	1.9%	5.6%	9.9%	12.4%
Net Income	0.1	5.8	7.2	3.8	6.3	3.1	1.2	(4.5)	3.4	8.4	11.9
<i>Net Margin, %</i>	0.2%	8.1%	8.2%	3.9%	6.2%	2.6%	1.0%	-4.5%	3.6%	7.0%	8.8%

Donetsk Metal Rolling

DMPZ UZ

Iron & Steel

<http://www.dmpz.chat.ru>

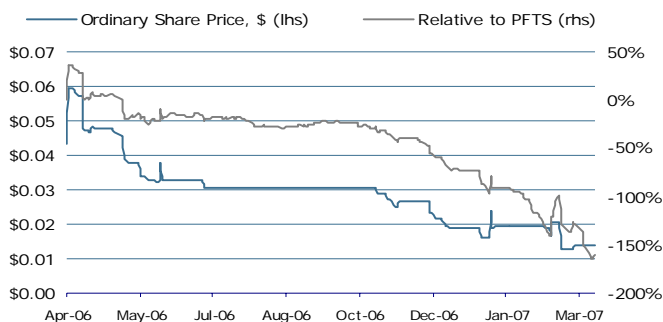
Target Price (USD)
Upside

0.03
37.1%

INVESTMENT CASE

- Pure steel rolling mill with no smelting capacities
- Strong niche player with superior distribution
- Its owners plan to construct an electric mini steel mill with a capacity of 280 ths mt in 2007-2008, which would meet its needs for semis
- Transfer pricing not detected
- Highly non-transparent
- Acquisition candidate

SHARE PRICE PERFORMANCE*



Listed on PFTS since 7 Feb 2006

BUSINESS OVERVIEW

The Donetsk Metal Rolling Plant is a small-sized rolled steel producer without its own steel smelting capacities. It has section rolling, metal wares and casting shops. The plant manufactures long steel products such as rounds, squares, strip, angles, re-bars and hexahedrons. Donetsk Metal Rolling also produces pig iron sewage tubes with outer diameters of 50 mm and 100 mm. Around 70% of its total output is supplied to domestic customers, with the other 30% being exported to Russia, Georgia, Turkmenistan, Slovakia, Moldova, Syria, Baltic countries, African countries and elsewhere.

The plant reduced its production of rolled iron by 9.1% yoy in 11M06 to 122.5 ths mt. In 2006 the company made a decision to increase its charter fund by 70% to USD 1.92 mln in order to replenish working capital.

In 9M06 the company reported a 1.2% yoy decline of net revenues to USD 45 mln, a decrease of its EBITDA margin to 5.5% from 9.3% in 9M05, and a drop in its net margin to 6.8% from 3.1% in 9M05.

MARKET INFORMATION

Market price*, USD	0.02
Price impact**	3
52 Wk H/L, USD	0.06 / 0.01
Chg 3m/6m/52w	16% / -29% / -51%
Chg vs PFTS 3m/6m/52w	-48% / -133% / -144%
Chg YTD	16%
Avg Mo Tr Vol 6M, USD ths	0.79
MCap, USD mln	21.3
Free float, %	7.2%
FF MCap, USD mln	1.5
No of shares, mln	971.8
Par Value, UAH	0.01
XETRA	n/a
DR Ratio	n/a
Avg Mo Tr Vol 6M, USD ths	n/a

STOCK OWNERSHIP

Vtorsyrovyna	79.0%
Bumprom Ltd.	9.4%
Board members	4.4%
Others	7.2%

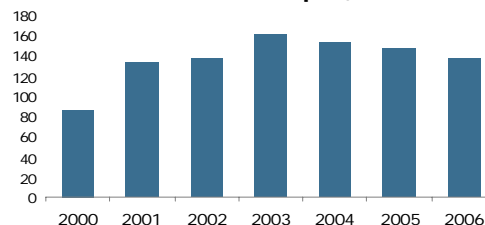
MARKET MULTIPLES

	2006E	2007E
EV/Sales	0.4	0.3
EV/EBITDA	5.6	5.5
P/E	30.4	30.4
P/B	0.8	0.8
P/CF	21.3	21.3

KEY RATIOS

	2005	2006E	2007E
EBITDA margin	10%	6%	6%
Net Margin	8%	1%	1%
ROE	26%	3%	3%
Net Debt/Equity	-0.02	0.0	0.0

Steel Products Output, ths mt



* PFTS MID Price is used

** Price "impact" is the opinion of Concorde's trading desk on stocks to help investors estimate the reliability of quoted prices:

- 1: Market price reaction remains within 10% in execution of a market order of about USD 10 mln in size
- 2: Market price reaction remains within 10% in execution of a market order of about USD 1 mln in size
- 3: All other stocks (quoted price is less reliable and should be considered indicative)

Note: data (market information, price changes) as of 30 Mar 2007

INCOME STATEMENT SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Net Revenues	20.3	40.2	60.4	61.3	45.0	n/a	n/a
<i>Change y-o-y</i>	-	98.2%	50.5%	1.4%	-1.2%	n/a	n/a
Gross Profit	3.5	8.1	11.4	9.0	4.7	n/a	n/a
EBITDA	2.0	6.2	9.3	5.8	2.5	n/a	n/a
<i>margin, %</i>	10.1%	15.5%	15.4%	9.5%	5.5%	n/a	n/a
Depreciation	(0.3)	(0.3)	(0.4)	(0.6)	(0.3)	n/a	n/a
EBIT	1.8	5.9	8.9	5.3	2.2	n/a	n/a
<i>margin, %</i>	8.8%	14.6%	14.7%	8.6%	4.9%	n/a	n/a
Interest Expense	(0.0)	(0.0)	-	-	-	n/a	n/a
Other income/(expense)	(0.0)	(0.1)	(0.0)	0.1	0.1	n/a	n/a
PBT	1.7	5.8	8.9	5.4	2.2	n/a	n/a
Tax	(0.0)	(0.2)	(0.1)	(0.7)	(0.1)	n/a	n/a
<i>Effective tax rate</i>	2.3%	2.8%	1.6%	13.8%	6.6%	n/a	n/a
Net Income	1.7	5.6	8.7	4.7	2.1	n/a	n/a
<i>Net Margin, %</i>	8.3%	14.1%	14.5%	7.6%	4.7%	n/a	n/a

BALANCE SHEET SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Current Assets	7.4	11.5	18.8	23.6	26.7	n/a	n/a
Cash & Equivalents	0.3	0.2	1.3	0.6	0.1	n/a	n/a
Trade Receivables	3.2	3.8	7.2	8.5	14.6	n/a	n/a
Inventories	2.8	5.1	8.1	12.0	9.7	n/a	n/a
Other	1.2	2.5	2.1	2.5	2.3	n/a	n/a
Fixed Assets	2.5	2.8	3.6	11.4	5.4	n/a	n/a
PP&E, net	1.9	2.4	2.8	3.6	3.9	n/a	n/a
Other	0.6	0.4	0.9	7.8	1.4	n/a	n/a
Total Assets	9.9	14.3	22.4	35.0	32.1	n/a	n/a
Shareholders' Equity	3.8	9.4	18.2	23.9	26.0	n/a	n/a
Share Capital	1.1	1.1	1.1	1.1	1.1	n/a	n/a
Retained Earnings	2.3	7.7	16.5	22.2	24.3	n/a	n/a
Other	0.5	0.5	0.5	0.6	0.6	n/a	n/a
Current Liabilities	5.3	4.9	4.2	10.9	5.9	n/a	n/a
ST Interest Bearing Debt	-	0.1	0.1	0.1	0.3	n/a	n/a
Trade Payables	4.7	3.8	3.1	3.9	3.5	n/a	n/a
Other	0.6	1.0	1.1	7.0	2.2	n/a	n/a
LT Liabilities	0.8	0.1	-	0.2	0.2	n/a	n/a
LT Interest Bearing Debt	0.7	-	-	-	-	n/a	n/a
Other	0.1	0.1	-	0.2	0.2	n/a	n/a
Total Liabilities & Equity	9.9	14.3	22.4	35.0	32.1	n/a	n/a

QUARTERLY ANALYSIS, USD mln

	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
Net Revenues	15.4	13.1	15.5	16.4	15.9	14.7	15.0	15.8	14.2	15.3	15.5
<i>Change y-o-y</i>	98.8%	65.0%	51.7%	15.3%	2.8%	11.9%	-3.4%	-3.9%	-10.8%	4.7%	3.3%
EBITDA	2.7	2.1	2.2	2.2	1.4	1.5	1.3	1.6	1.0	0.6	0.9
<i>margin, %</i>	17.5%	16.3%	14.4%	13.6%	9.1%	10.0%	8.9%	10.2%	6.9%	4.0%	5.7%
EBIT	2.6	2.1	2.1	2.1	1.4	1.4	1.3	1.3	0.9	0.5	0.8
<i>margin, %</i>	17.0%	15.9%	13.8%	12.6%	8.6%	9.4%	8.4%	8.2%	6.2%	3.4%	5.1%
Net Income	2.6	2.0	2.1	2.1	1.3	1.2	1.1	1.0	0.8	0.5	0.8
<i>Net Margin, %</i>	16.7%	15.5%	13.4%	12.5%	8.5%	8.2%	7.6%	6.2%	5.7%	3.2%	5.2%

Donetsk Steel Plant

DOMZ UZ

Iron & Steel

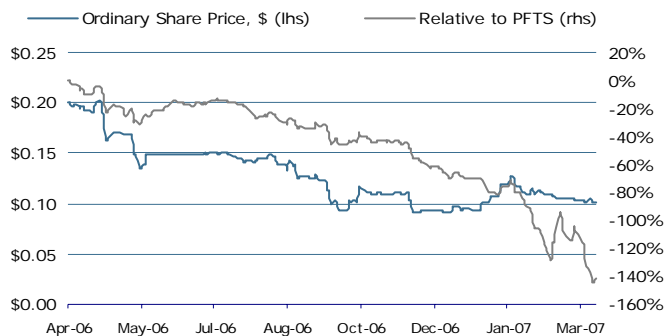
<http://www.dmz.donbass.com>

Target Price (USD) 0.10
Upside 2%

INVESTMENT CASE

- Small-sized producer of rolled steel products and metal wire
- Does not have its own steel making capacities and buys semis from Donetskstal, which operates assets previously spun off from it
- Controlled by the second-tier Donetskstal business group, which does not have iron ore assets, thus it is a potential acquisition target together with Donetskstal
- Among the least transparent steel makers in Ukraine

SHARE PRICE PERFORMANCE*



BUSINESS OVERVIEW

Donetsk Steel Plant's product portfolio includes 290 types of flat and long-steel products. The plant has two blast furnaces and six open-hearth furnaces. The company is EN ISO 9001:2000 certified by the German certifying agency TUV NORD CERT. The plant's rolling capacity is 1 mln mt of rolled steel. Currently, the company sells about 55% of its output domestically and has a good market position due to its ability to execute relatively small orders and its wide product range. In addition, the Donetsk Steel Plant exports its products to 45 countries in Europe, Asia and Africa.

In 2006, the company increased production of finished and crude steel to 951 ths mt, good for growth of 4% yoy. In 2007, Donetsk Steel plans to produce 1.03 mln mt of steel, up another 8.6% yoy. In 9M06 the company reported a 66.8% yoy decline in net revenues to USD 79.8 mln, an increase in its EBITDA margin to 3.6% from 1.6% in 9M05, and improvement in its net margin to 1% from 0.8% in 9M05.

MARKET INFORMATION

Market price*, USD 0.10
 Price impact** 3
 52 Wk H/L, USD 0.22 / 0.09
 Chg 3m/6m/52w 3% / -1% / -51%
 Chg vs PFTS 3m/6m/52w -61% / -105% / -144%
 Chg YTD 3%
 Avg Mo Tr Vol 6M, USD ths 36.52

MCap, USD mln 35.5
 Free float, % 30.0%
 FF MCap, USD mln 10.7

No of shares, mln 362.2
 Par Value, UAH 0.25

XETRA D2K
 DR Ratio 1:100
 Avg Mo Tr Vol 6M, USD ths 0.00

STOCK OWNERSHIP

Concern Energo 70%
 Other 30%

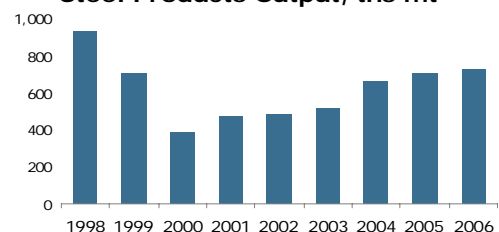
MARKET MULTIPLES

	2006E	2007E
EV/Sales	0.4	0.3
EV/EBITDA	10.4	8.3
P/E	13.2	10.8
P/B	0.4	0.4
P/CF	9.4	8.1

KEY RATIOS

	2005	2006E	2007E
EBITDA margin	2%	4%	4%
Net Margin	1%	3%	3%
ROE	2%	3%	4%
Net Debt/Equity	0.1	0.1	0.1

Steel Products Output, ths mt



* PFTS MID Price is used

** Price "Impact" is the opinion of Concorde's trading desk on stocks to help investors estimate the reliability of quoted prices:

1: Market price reaction remains within 10% in execution of a market order of about USD 10 mln in size
 2: Market price reaction remains within 10% in execution of a market order of about USD 1 mln in size
 3: All other stocks (quoted price is less reliable and should be considered indicative)

Note: data (market information, price changes) as of 30 Mar 2007

INCOME STATEMENT SUMMARY, USD mln

	2002	2003	2004	2005	2006E	2007E	2008E
Net Revenues	204.2	248.2	356.1	269.4	79.8	n/a	n/a
<i>Change y-o-y</i>	-	21.6%	43.5%	-24.4%	-66.8%	n/a	n/a
Gross Profit	25.4	41.9	45.1	20.3	12.6	n/a	n/a
EBITDA	9.2	26.6	25.8	4.5	2.9	n/a	n/a
<i>margin, %</i>	4.5%	10.7%	7.2%	1.7%	3.6%	n/a	n/a
Depreciation	(5.0)	(4.9)	(4.6)	(2.2)	(1.6)	n/a	n/a
EBIT	4.2	21.7	21.2	2.3	1.3	n/a	n/a
<i>margin, %</i>	2.0%	8.7%	6.0%	0.8%	1.6%	n/a	n/a
Interest Expense	(2.9)	(2.0)	(1.0)	(0.5)	(0.7)	n/a	n/a
Other income/(expense)	(3.6)	(0.8)	4.3	3.6	2.1	n/a	n/a
PBT	(2.3)	18.9	24.5	5.3	2.7	n/a	n/a
Tax	(0.6)	(8.4)	(8.2)	(4.0)	(2.0)	n/a	n/a
<i>Effective tax rate</i>	-25.0%	44.5%	33.4%	75.0%	71.7%	n/a	n/a
Net Income	(2.9)	10.5	16.3	1.4	0.8	n/a	n/a
<i>Net Margin, %</i>	-1.4%	4.2%	4.6%	0.5%	1.0%	n/a	n/a

BALANCE SHEET SUMMARY, USD mln

	2002	2003	2004	2005	2006E	2007E	2008E
Current Assets	95.7	75.9	115.9	83.2	82.8	n/a	n/a
Cash & Equivalents	0.0	1.6	2.8	0.1	0.2	n/a	n/a
Trade Receivables	58.5	42.9	85.2	68.4	74.2	n/a	n/a
Inventories	18.1	15.3	18.1	7.7	5.7	n/a	n/a
Other	19.1	16.1	9.9	6.9	2.7	n/a	n/a
Fixed Assets	68.7	75.5	48.6	40.7	39.2	n/a	n/a
PP&E, net	48.5	55.2	28.3	22.5	21.8	n/a	n/a
Other	20.1	20.3	20.3	18.3	17.3	n/a	n/a
Total Assets	164.3	151.4	164.5	123.9	122.0	n/a	n/a
Shareholders' Equity	51.2	60.9	77.1	82.6	82.7	n/a	n/a
Share Capital	17.0	17.0	17.1	17.9	17.9	n/a	n/a
Retained Earnings	(14.2)	(4.3)	29.1	35.8	35.9	n/a	n/a
Other	48.4	48.2	30.9	28.9	28.9	n/a	n/a
Current Liabilities	103.8	81.1	78.1	32.2	30.2	n/a	n/a
ST Interest Bearing Debt	14.8	10.7	6.1	6.1	6.4	n/a	n/a
Trade Payables	76.2	61.6	65.5	23.4	21.6	n/a	n/a
Other	12.7	8.8	6.4	2.8	2.9	n/a	n/a
LT Liabilities	9.4	9.4	9.4	9.1	9.1	n/a	n/a
LT Interest Bearing Debt	-	-	-	-	-	n/a	n/a
Other	9.4	9.4	9.4	9.1	9.1	n/a	n/a
Total Liabilities & Equity	164.3	151.4	164.5	123.9	122.0	n/a	n/a

QUARTERLY ANALYSIS, USD mln

	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
Net Revenues	75.7	90.5	98.9	91.0	112.8	97.3	30.1	29.1	28.2	24.5	27.0
<i>Change y-o-y</i>	29.4%	51.4%	62.3%	32.0%	49.0%	7.5%	-69.5%	-68.0%	-75.0%	-74.8%	-10.3%
EBITDA	6.9	5.6	7.0	6.3	4.4	0.6	(1.1)	0.6	0.7	1.4	0.8
<i>margin, %</i>	9.2%	6.2%	7.1%	6.9%	3.9%	0.6%	-3.6%	1.9%	2.4%	5.9%	2.9%
EBIT	5.6	4.4	5.8	5.5	3.8	0.1	(1.6)	0.0	0.2	0.9	0.2
<i>margin, %</i>	7.4%	4.8%	5.9%	6.0%	3.4%	0.1%	-5.4%	0.0%	0.6%	3.7%	0.9%
Net Income	3.4	2.7	4.9	5.4	2.6	2.1	(2.6)	(0.7)	(0.6)	1.9	(0.5)
<i>Net Margin, %</i>	4.5%	2.9%	5.0%	5.9%	2.3%	2.2%	-8.7%	-2.3%	-2.3%	7.7%	-1.8%

Enakievo Steel

ENMZ UZ

Iron & Steel

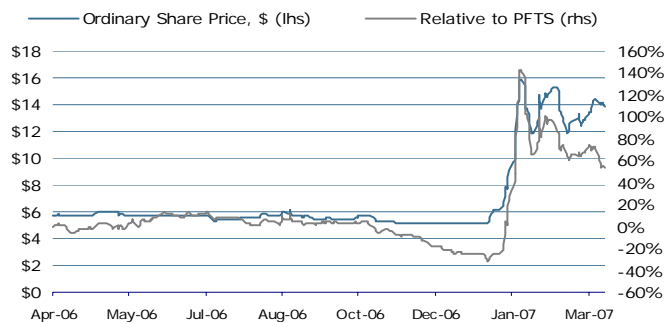
<http://www.emz.com.ua>

Target Price (USD) 14.00
Upside 4%

INVESTMENT CASE

- Controls only a part of steel making product cycle -pig iron production and long steel products rolling
- Improving reported financials and disclosure
- Integration into Metinvest, an IPO candidate in 2008-09, will result in a merger with Metalen and improve corporate governance
- Risk of dilutive share issue as means of integration with Metalen exists

SHARE PRICE PERFORMANCE*



BUSINESS OVERVIEW

Enakievo Steel produces more than 50 types of product including pig iron, steel channels, billets, steel angles, railway rails, round steel bars, rolled products, etc. It operates three blast furnaces, three sinter machines and two rolling shops. Steel smelting unit is not a part of the company starting from 2001 and is operated by a related closely held JV Metalen in which Enakievo Steel has a 38% stake. The company's key export markets are CIS & Baltic countries, Europe, the Middle East Africa and South America. Enakievo Steel and Metalen jointly account for 7% of the total Ukrainian output of metal product and 7.5% of the world's billet production.

In 2006, Enakievo Steel produced 2.2 mln mt of pig iron (up 13% yoy) and 2.1 mln mt of sinter (down 11% yoy). In 9M06 the company posted a 6.2% yoy growth of net revenues to USD 479.9 mln, increase of EBITDA margin to 6.6% from negative 3.6% in 9M05, and improvement of net margin to 1.6% from negative 5.1% in 9M05.

MARKET INFORMATION

Market price*, USD	13.50
Price impact**	3
52 Wk H/L, USD	15.8 / 5.1
Chg 3m/6m/52w	162% / 143% / 139%
Chg vs PFTS 3m/6m/52w	98% / 39% / 46%
Chg YTD	162%
Avg Mo Tr Vol 6M, USD ths	1157.90
MCap, USD mln	140.0
Free float, %	13.8%
FF MCap, USD mln	19.3
No of shares, mln	10.4
Par Value, UAH	15.25
XETRA	n/a
DR Ratio	n/a
Avg Mo Tr Vol 6M, USD ths	n/a

STOCK OWNERSHIP

SCM	68.6%
Azgard LLC	17.9%
Other	13.6%

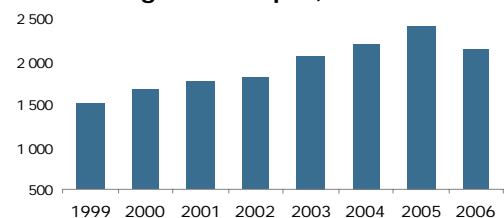
MARKET MULTIPLES

	2006E	2007E
EV/Sales	0.2	0.2
EV/EBITDA	3.2	3.1
P/E	9.6	9.3
P/B	1.1	1.0
P/CF	4.8	4.7

KEY RATIOS

	2005	2006E	2007E
EBITDA margin	-3%	7%	7%
Net Margin	-2%	2%	2%
ROE	-32%	13%	12%
Net Debt/Equity	0.33	-0.01	0.00

Pig Iron Output, ths mt



* PFTS BID Price is used

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- 1: Market price reaction remains within 10% in execution of a market order of about USD 10 mln in size
- 2: Market price reaction remains within 10% in execution of a market order of about USD 1 mln in size
- 3: All other stocks (quoted price is less reliable and should be considered indicative)

Note: data (market information, price changes) as of 30 Mar 2007

INCOME STATEMENT SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Net Revenues	106.0	289.1	592.8	603.2	479.9	n/a	n/a
<i>Change y-o-y</i>	-	172.8%	105.0%	1.8%	6.2%	n/a	n/a
Gross Profit	9.0	6.9	15.7	26.7	36.9	n/a	n/a
EBITDA	(2.0)	(5.4)	(7.9)	(16.3)	31.8	n/a	n/a
<i>margin, %</i>	-1.9%	-1.9%	-1.3%	-2.7%	6.6%	n/a	n/a
Depreciation	(3.8)	(3.8)	(3.9)	(6.0)	(10.6)	n/a	n/a
EBIT	(5.8)	(9.2)	(11.8)	(22.3)	21.2	n/a	n/a
<i>margin, %</i>	-5.5%	-3.2%	-2.0%	-3.7%	4.4%	n/a	n/a
Interest Expense	(0.4)	(0.1)	(0.2)	(0.4)	(0.4)	n/a	n/a
Other income/(expense)	0.4	(1.1)	5.1	10.7	0.2	n/a	n/a
PBT	(5.8)	(10.4)	(6.9)	(12.0)	20.9	n/a	n/a
Tax	-	-	-	-	(13.3)	n/a	n/a
<i>Effective tax rate</i>	0.0%	0.0%	0.0%	0.0%	63.4%	n/a	n/a
Net Income	(5.8)	(10.5)	(6.9)	(11.9)	7.6	n/a	n/a
<i>Net Margin, %</i>	-5.5%	-3.6%	-1.2%	-2.0%	1.6%	n/a	n/a

BALANCE SHEET SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Current Assets	37.4	101.2	161.4	261.4	214.9	n/a	n/a
Cash & Equivalents	0.1	0.1	0.0	0.3	8.0	n/a	n/a
Trade Receivables	22.0	75.9	112.9	188.7	103.3	n/a	n/a
Inventories	10.0	16.9	28.2	39.9	44.5	n/a	n/a
Other	5.2	8.2	20.2	32.5	59.1	n/a	n/a
Fixed Assets	55.8	52.9	74.8	160.2	159.4	n/a	n/a
PP&E, net	30.6	29.7	28.2	62.0	57.8	n/a	n/a
Other	25.2	23.3	46.6	98.1	101.6	n/a	n/a
Total Assets	93.1	154.1	236.2	421.6	374.3	n/a	n/a
Shareholders' Equity	43.4	35.0	36.5	110.1	121.9	n/a	n/a
Share Capital	29.7	29.7	29.8	31.3	31.3	n/a	n/a
Retained Earnings	12.6	4.2	4.9	49.1	57.8	n/a	n/a
Other	1.1	1.1	1.8	29.7	32.8	n/a	n/a
Current Liabilities	43.1	116.7	197.9	278.9	249.0	n/a	n/a
ST Interest Bearing Debt	1.0	0.6	1.7	5.1	5.1	n/a	n/a
Trade Payables	39.0	111.6	87.3	242.1	176.7	n/a	n/a
Other	3.1	4.5	108.9	31.7	73.9	n/a	n/a
LT Liabilities	6.7	2.4	1.8	32.5	3.4	n/a	n/a
LT Interest Bearing Debt	-	-	1.6	31.1	2.0	n/a	n/a
Other	6.7	2.4	0.2	1.4	1.4	n/a	n/a
Total Liabilities & Equity	93.1	154.1	236.2	421.6	374.3	n/a	n/a

QUARTERLY ANALYSIS, USD mln

	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
Net Revenues	89.6	114.4	185.0	203.8	177.7	133.0	141.2	151.3	150.1	154.1	175.6
<i>Change y-o-y</i>	56.7%	56.5%	145.6%	143.8%	98.4%	16.3%	-23.7%	-25.8%	-15.5%	15.9%	24.4%
EBITDA	(0.6)	(3.2)	0.1	(4.2)	(3.6)	(5.4)	(7.3)	0.1	6.1	11.4	14.2
<i>margin, %</i>	-0.7%	-2.8%	0.1%	-2.1%	-2.0%	-4.1%	-5.2%	0.1%	4.1%	7.4%	8.1%
EBIT	(1.6)	(4.2)	(0.8)	(5.1)	(4.8)	(6.9)	(9.2)	(1.5)	2.6	7.9	10.7
<i>margin, %</i>	-1.8%	-3.7%	-0.5%	-2.5%	-2.7%	-5.2%	-6.5%	-1.0%	1.7%	5.1%	6.1%
Net Income	(1.7)	(4.3)	(1.6)	0.8	(5.0)	(7.6)	(10.4)	11.1	2.0	5.0	0.6
<i>Net Margin, %</i>	-1.9%	-3.8%	-0.9%	0.4%	-2.8%	-5.7%	-7.4%	7.4%	1.4%	3.2%	0.4%

Energomashspetsstal

ENMA UZ

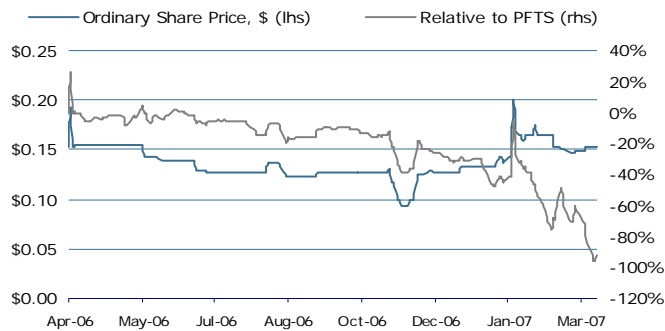
Iron & Steel

<http://www.emss.krm.net.ua>

Target Price (USD)
Upside

N/R
n/a

SHARE PRICE PERFORMANCE*



Listed on PFTS since 11 Jan 2006

BUSINESS OVERVIEW

Energomashspetsstal was established in 1964 as a basic enterprise to provide the nuclear power and energy industry with special cast and forged billets for nuclear plants, reactor equipment, special pumps, steam and water turbines and high-pressure plants. Currently, the company produces castings and forgings for machine-building, metallurgic, iron ore and other industries. Energomashspetsstal has a steel-smelting complex, smith-forging shop, steel-casting shop and a complex of machine shops. The company exports to the United Kingdom, Italy, the U.S.A., Germany, Hungary, Turkey, Bulgaria, Thailand and the Dominican Republic. The plant obtained an ISO 9001:2000 certificate in 2004.

The company improved its financial results in 2006, reporting net income of USD 1.42 mln (up 48.8% yoy). Currently, Energomashspetsstal is modernizing production and plans to invest USD 80 mln in modernization by 2009.

UPCOMING EVENTS

27 Apr 2007 AGM

* PFTS MID Price is used

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- 1: Market price reaction remains within 10% in execution of a market order of about USD 10 mln in size
- 2: Market price reaction remains within 10% in execution of a market order of about USD 1 mln in size
- 3: All other stocks (quoted price is less reliable and should be considered indicative)

Note: data (market information, price changes) as of 30 Mar 2007

MARKET INFORMATION

Market price*, USD	0.14
Price impact**	3
52 Wk H/L, USD	0.21 / 0.09
Chg 3m/6m/52w	6% / 10% / -33%
Chg vs PFTS 3m/6m/52w	-59% / -94% / -126%
Chg YTD	6%
Avg Mo Tr Vol 6M, USD ths	7.77
MCap, USD mln	22.1
Free float, %	10.2%
FF MCap, USD mln	2.3
No of shares, mln	157.4
Par Value, UAH	0.25
XETRA	n/a
DR Ratio	n/a
Avg Mo Tr Vol 6M, USD ths	n/a

STOCK OWNERSHIP

Bondline Ltd	25.0%
Ganado Trade	24.0%
Loofray Investment Ltd	17.0%
Vizavi	10.3%
Other	23.7%

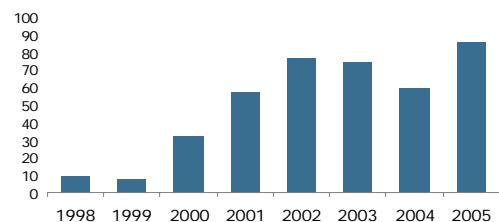
MARKET MULTIPLES

	2006E	2007E
EV/Sales	1.3	n/a
EV/EBITDA	12.4	n/a
P/E	15.6	n/a
P/B	0.3	n/a
P/CF	6.0	n/a

KEY RATIOS

	2005	2006E	2007E
EBITDA margin	7%	10%	n/a
Net Margin	2%	2%	n/a
ROE	2%	2%	n/a
Net Debt/Equity	0.2	0.9	n/a

Steel Products Output, ths mt



INCOME STATEMENT SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Net Revenues	29.2	24.9	44.4	51.7	36.3	n/a	n/a
Change y-o-y	-	-14.9%	78.3%	16.4%	13.7%	n/a	n/a
Gross Profit	3.6	8.8	10.8	14.4	9.8	n/a	n/a
EBITDA	3.1	4.3	4.2	3.8	1.4	n/a	n/a
margin, %	10.7%	17.3%	9.6%	7.3%	3.8%	n/a	n/a
Depreciation	(2.6)	(3.9)	(2.8)	(2.3)	(1.7)	n/a	n/a
EBIT	0.6	0.4	1.4	1.5	(0.3)	n/a	n/a
margin, %	1.9%	1.8%	3.2%	2.8%	-0.9%	n/a	n/a
Interest Expense	(0.1)	(0.2)	(0.3)	(0.5)	(0.3)	n/a	n/a
Other income/(expense)	(0.0)	(0.0)	(0.8)	2.0	0.1	n/a	n/a
PBT	0.4	0.2	0.4	2.9	(0.5)	n/a	n/a
Tax	-	(0.0)	(0.1)	(1.9)	(0.1)	n/a	n/a
Effective tax rate	0.0%	0.1%	35.1%	66.9%	-24.4%	n/a	n/a
Net Income	0.4	0.2	0.3	1.0	(0.7)	n/a	n/a
Net Margin, %	1.4%	0.8%	0.6%	1.9%	-1.9%	n/a	n/a

BALANCE SHEET SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Current Assets	26.5	16.4	19.6	36.4	31.0	n/a	n/a
Cash & Equivalents	0.1	0.1	0.2	0.9	0.1	n/a	n/a
Trade Receivables	15.2	6.6	6.2	5.2	5.2	n/a	n/a
Inventories	10.4	8.0	10.1	12.7	12.4	n/a	n/a
Other	0.8	1.7	3.2	17.5	13.2	n/a	n/a
Fixed Assets	42.4	41.4	42.4	72.7	44.5	n/a	n/a
PP&E, net	37.3	37.3	34.6	66.4	39.1	n/a	n/a
Other	5.1	4.1	7.8	6.3	5.4	n/a	n/a
Total Assets	68.9	57.8	62.0	109.1	75.4	n/a	n/a
Shareholders' Equity	45.6	43.7	43.9	63.8	44.2	n/a	n/a
Share Capital	7.4	7.4	7.4	7.8	7.8	n/a	n/a
Retained Earnings	(5.9)	(1.6)	(1.3)	(0.1)	(2.0)	n/a	n/a
Other	44.1	37.9	37.8	56.1	38.4	n/a	n/a
Current Liabilities	22.7	13.3	17.2	22.5	25.8	n/a	n/a
ST Interest Bearing Debt	0.6	0.8	1.9	-	1.6	n/a	n/a
Trade Payables	18.1	8.4	10.1	10.6	11.8	n/a	n/a
Other	4.0	4.0	5.2	12.0	13.0	n/a	n/a
LT Liabilities	0.7	0.9	1.0	22.8	5.5	n/a	n/a
LT Interest Bearing Debt	0.2	0.9	0.9	14.2	5.4	n/a	n/a
Other	0.4	0.0	0.1	8.6	0.1	n/a	n/a
Total Liabilities & Equity	68.9	57.8	62.0	109.1	75.4	n/a	n/a

QUARTERLY ANALYSIS, USD mln

	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
Net Revenues	7.6	9.6	14.7	12.5	7.9	13.9	14.4	15.4	13.6	18.3	17.5
Change y-o-y	-19.1%	0.1%	41.6%	-377.1%	3.7%	45.5%	-1.8%	23.1%	71.4%	31.1%	21.1%
EBITDA	1.4	1.0	1.1	0.8	0.5	0.3	0.5	2.4	1.0	2.8	1.3
margin, %	17.8%	10.3%	7.7%	6.2%	6.6%	2.3%	3.7%	15.8%	7.2%	15.1%	7.2%
EBIT	0.1	0.5	0.6	0.3	0.0	(0.3)	(0.1)	1.8	(0.9)	0.9	(0.7)
margin, %	1.3%	4.8%	4.2%	2.1%	0.0%	-2.0%	-0.5%	11.7%	-6.5%	4.7%	-3.8%
Net Income	0.0	0.3	0.6	(0.7)	(0.1)	(1.3)	0.7	1.6	(0.3)	1.2	0.7
Net Margin, %	0.6%	2.8%	4.2%	-5.4%	-1.1%	-9.2%	4.9%	10.7%	-2.4%	6.7%	4.1%

Inguletsky Iron Ore

IGOK UZ

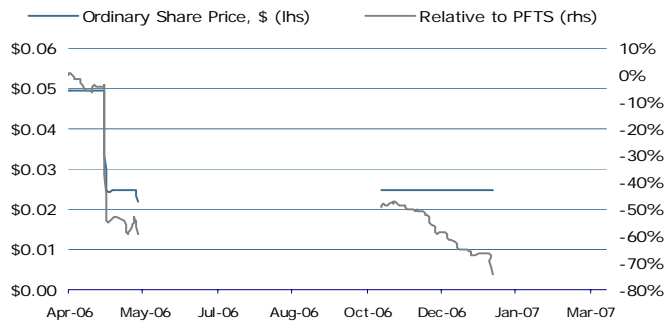
Iron & Steel

<http://www.ingok.com.ua>

Target Price (USD)
Upside

N/R
n/a

SHARE PRICE PERFORMANCE*



BUSINESS OVERVIEW

Inguletsky Iron Ore is the largest sinter feed producer in Ukraine, with 23.2% of domestic iron ore sinter feed output in 10M06 (10,786 ths mt). The company is located in Ukraine's largest iron ore basin – Kryviy Rih. It has 26 departments, including iron ore mining, grinding and ore enrichment factories. The plant's nominal capacity is 36 mln mt of iron ore and 14 mln mt of sinter feed. Inguletsky Iron Ore uses cost-efficient open-pit mines. The company has no pellet or sintering capacities and delivers its sinter feed to Ukrainian steel mills with their own sintering factories. In 2006 the company posted 34.9% yoy decline in net income to USD 37.1 mln.

Under its development strategy, the company will upgrade its transportation equipment, expand production of high-grade sinter feed and install capacity for oxidized ore enrichment by 2010.

* PFTS MID Price is used
 ** Price "impact" is the opinion of Concorde's trading desk on stocks to help investors estimate the reliability of quoted prices:
 1: Market price reaction remains within 10% in execution of a market order of about USD 10 mln in size
 2: Market price reaction remains within 10% in execution of a market order of about USD 1 mln in size
 3: All other stocks (quoted price is less reliable and should be considered indicative)

Note: data (market information, price changes) as of 30 Mar 2007

MARKET INFORMATION

Market price*, USD	n/a
Price impact**	3
52 Wk H/L, USD	0.02 / 0.02
Chg 3m/6m/52w	n/a / n/a / n/a
Chg vs PFTS 3m/6m/52w	n/a / n/a / n/a
Chg YTD	n/a
Avg Mo Tr Vol 6M, USD ths	0.00
MCap, USD mln	n/a
Free float, %	0.5%
FF MCap, USD mln	n/a
No of shares, mln	2751.6
Par Value (UAH)	0.25
XETRA	n/a
DR Ratio	n/a
Avg Mo Tr Vol 6M, USD ths	n/a

STOCK OWNERSHIP

Smart Group	99.5%
Other	0.5%

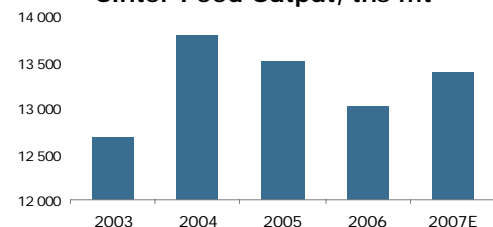
MARKET MULTIPLES

	2006E	2007E
EV/Sales	n/a	n/a
EV/EBITDA	n/a	n/a
P/E	n/a	n/a
P/B	n/a	n/a
P/CF	n/a	n/a

KEY RATIOS

	2005	2006E	2007E
EBITDA margin	24%	19%	n/a
Net Margin	14%	9%	n/a
ROE	41%	16%	n/a
Net Debt/Equity	0.14	0.02	n/a

Sinter Feed Output, ths mt



INCOME STATEMENT SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Net Revenues	166.4	213.1	272.0	401.0	307.0	n/a	n/a
<i>Change y-o-y</i>	-	28.0%	27.6%	47.5%	2.9%	n/a	n/a
Gross Profit	38.8	48.4	68.3	128.8	78.7	n/a	n/a
EBITDA	24.5	28.0	36.5	96.1	59.5	n/a	n/a
<i>margin, %</i>	14.7%	13.1%	13.4%	24.0%	19.4%	n/a	n/a
Depreciation	(15.8)	(16.3)	(25.4)	(27.3)	(19.8)	n/a	n/a
EBIT	8.8	11.6	11.1	68.8	39.7	n/a	n/a
<i>margin, %</i>	5.3%	5.5%	4.1%	17.2%	12.9%	n/a	n/a
Interest Expense	(3.1)	(4.6)	(4.4)	(3.6)	(2.1)	n/a	n/a
Other income/(expense)	0.8	2.3	2.1	5.5	3.8	n/a	n/a
PBT	6.5	9.4	8.7	70.7	41.3	n/a	n/a
Tax	(4.0)	(6.7)	(5.7)	(14.5)	(12.2)	n/a	n/a
<i>Effective tax rate</i>	61.8%	71.1%	65.7%	20.5%	29.5%	n/a	n/a
Net Income	2.5	2.7	3.0	56.5	29.1	n/a	n/a
<i>Net Margin, %</i>	1.5%	1.3%	1.1%	14.1%	9.5%	n/a	n/a

BALANCE SHEET SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Current Assets	65.4	98.8	76.9	165.8	145.7	n/a	n/a
Cash & Equivalents	0.4	0.3	0.8	0.6	0.0	n/a	n/a
Trade Receivables	30.6	68.4	29.7	31.4	23.3	n/a	n/a
Inventories	26.4	23.7	36.5	66.3	58.3	n/a	n/a
Other	7.9	6.3	9.8	67.5	64.1	n/a	n/a
Fixed Assets	169.3	197.3	189.6	236.4	257.8	n/a	n/a
PP&E, net	148.7	171.8	138.6	160.8	159.7	n/a	n/a
Other	20.6	25.5	51.0	75.6	98.1	n/a	n/a
Total Assets	234.7	296.1	266.5	402.2	403.4	n/a	n/a
Shareholders' Equity	140.8	153.3	138.5	226.9	253.8	n/a	n/a
Share Capital	25.5	34.0	44.4	71.7	71.7	n/a	n/a
Retained Earnings	15.0	17.5	27.9	81.6	109.2	n/a	n/a
Other	100.2	101.9	66.2	73.7	73.0	n/a	n/a
Current Liabilities	78.9	129.8	106.4	149.0	133.3	n/a	n/a
ST Interest Bearing Debt	11.7	25.2	17.8	21.6	3.6	n/a	n/a
Trade Payables	43.8	68.5	60.9	90.6	95.0	n/a	n/a
Other	23.3	36.1	27.7	36.9	41.3	n/a	n/a
LT Liabilities	15.1	12.9	21.6	26.2	16.3	n/a	n/a
LT Interest Bearing Debt	6.2	0.7	5.8	10.4	1.7	n/a	n/a
Other	8.9	12.2	15.8	15.8	14.6	n/a	n/a
Total Liabilities & Equity	234.7	296.1	266.5	402.2	403.4	n/a	n/a

QUARTERLY ANALYSIS, USD mln

	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
Net Revenues	61.3	69.7	69.1	71.9	89.6	122.1	86.8	102.6	93.6	105.9	107.5
<i>Change y-o-y</i>	22.3%	32.5%	28.1%	27.3%	46.2%	75.2%	25.5%	42.7%	4.5%	-13.3%	23.9%
EBITDA	13.1	13.0	(11.5)	21.8	20.8	41.0	17.1	17.3	18.4	24.1	17.0
<i>margin, %</i>	21.4%	18.7%	-16.6%	30.4%	23.2%	33.6%	19.7%	16.8%	19.7%	22.7%	15.8%
EBIT	6.4	6.9	1.5	(3.7)	13.6	34.5	10.4	10.3	11.9	17.4	10.4
<i>margin, %</i>	10.4%	9.8%	2.1%	-5.1%	15.2%	28.3%	11.9%	10.1%	12.7%	16.5%	9.6%
Net Income	4.2	4.1	(0.9)	(4.5)	5.8	32.5	8.5	9.7	8.6	12.4	8.2
<i>Net Margin, %</i>	6.9%	5.9%	-1.3%	-6.2%	6.5%	26.6%	9.8%	9.4%	9.1%	11.7%	7.6%

MMK Ilycha Steel

MMKI UZ

Iron & Steel

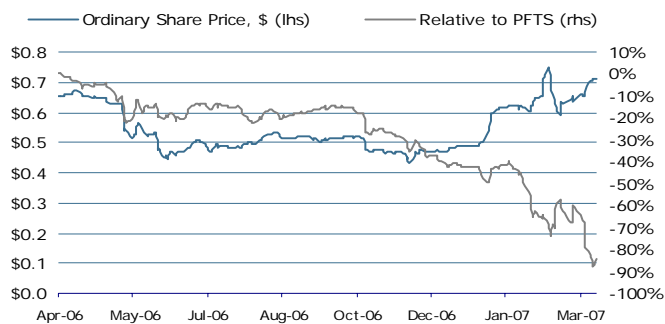
<http://www.ilyich.ua>

Target Price (USD) 0.65
Upside -10%

INVESTMENT CASE

- Reduced dependency on external coke suppliers due to an agreement with Yasynivsky Coke since Jan 2006
- Completed acquisition of a coal mine in 2006 which sets the base for vertical integration in the future
- Dependant of external iron ore suppliers
- Investment in gas free technologies (projected USD 139 mln in 2006)
- Controlled by the management; attractive takeover target for steel majors

SHARE PRICE PERFORMANCE*



BUSINESS OVERVIEW

MMK Ilycha Steel is Ukraine's second largest steel maker with crude steel output of 7.0 mln mt and a share in Ukraine's production of 17.1% in 2006. The company manufactures crude and rolled steel, pig iron, sinter, steel plates, seamless and welded pipes, etc. The plant's products are exported to around 50 countries. The plant's main domestic suppliers of iron ore concentrate and sintering ore are Inguletsky Iron Ore and Kryviy Rih Iron Ore.

In 2006, MMK Ilycha Steel assumed control over the lease of the state-owned Menzhynski coking coal mine in Luhansk region (through 2012), taking the company one further step toward vertical integration.

According to its preliminary 2006 results, MMK Ilycha Steel produced 5.82 mln mt of rolled steel (up 2%), 6.98 mln mt of steel (up 0.5% yoy), 5.43 mln mt of pig iron (up 3.7% yoy), 111 ths mt of pipes (up 13% yoy), 11.26 mln mt of sinter (down 16% yoy). In 2006 the company reported a 7.8% yoy decline of EBIT to USD 345 mln.

The company plans to increase steel production in 2007 by 1.8% to 7.1 mln mt and reduce pig iron production by 1.2% to 5.3 mln mt.

MARKET INFORMATION

Market price*, USD	0.72
Price impact**	2
52 Wk H/L, USD	0.75 / 0.43
Chg 3m/6m/52w	48% / 42% / 9%
Chg vs PFTS 3m/6m/52w	-16% / -63% / -84%
Chg YTD	48%
Avg Mo Tr Vol 6M, USD ths	831.11

MCap, USD mln	2419.2
Free float, %	2.0%
FF MCap, USD mln	48.4

No of shares, mln	3351.7
Par Value, UAH	0.25

XETRA	IWD
DR Ratio	1:20
Avg Mo Tr Vol 6M, USD ths	8.3

STOCK OWNERSHIP

Ilych Stal	91.0%
SCM	7.0%
Other	2.0%

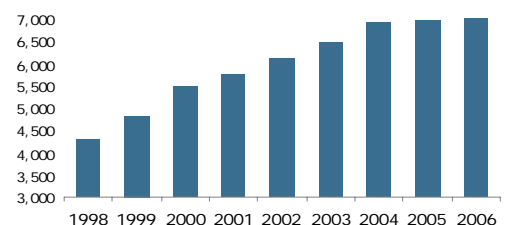
MARKET MULTIPLES

	2006E	2007E
EV/Sales	0.8	0.8
EV/EBITDA	6.4	6.1
P/E	12.5	11.8
P/B	1.4	1.3
P/CF	8.6	8.3

KEY RATIOS

	2005	2006E	2007E
EBITDA margin	16%	13%	13%
Net Margin	9%	7%	7%
ROE	21%	13%	12%
Net Debt/Equity	-0.1	-0.1	-0.1

Crude Steel Output, ths mt



* PFTS MID Price is used
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 2: Market price reaction remains within 10% in execution of a market order of about USD 1 mln in size
 3: All other stocks (quoted price is less reliable and should be considered indicative)

Note: data (market information, price changes) as of 30 Mar 2007

INCOME STATEMENT SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Net Revenues	1,063.8	1,553.5	2,631.3	2,791.6	2,000.5	n/a	n/a
<i>Change y-o-y</i>	-	46.0%	69.4%	6.1%	-6.4%	n/a	n/a
Gross Profit	269.0	472.8	799.8	723.9	505.8	n/a	n/a
EBITDA	145.6	312.2	583.5	438.2	260.8	n/a	n/a
<i>margin, %</i>	13.7%	20.1%	22.2%	15.7%	13.0%	n/a	n/a
Depreciation	(34.4)	(35.2)	(40.2)	(59.2)	(57.6)	n/a	n/a
EBIT	111.2	277.0	543.3	379.0	203.2	n/a	n/a
<i>margin, %</i>	10.4%	17.8%	20.6%	13.6%	10.2%	n/a	n/a
Interest Expense	(4.3)	(1.3)	(1.1)	(0.0)	(0.5)	n/a	n/a
Other income/(expense)	(1.1)	(12.0)	1.2	(13.9)	10.3	n/a	n/a
PBT	105.8	263.6	543.4	365.1	213.0	n/a	n/a
Tax	(57.4)	(108.4)	(165.4)	(120.4)	(84.4)	n/a	n/a
<i>Effective tax rate</i>	54.3%	41.1%	30.4%	33.0%	39.6%	n/a	n/a
Net Income	48.2	153.8	377.2	245.6	128.5	n/a	n/a
<i>Net Margin, %</i>	4.5%	9.9%	14.3%	8.8%	6.4%	n/a	n/a

BALANCE SHEET SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Current Assets	304.1	372.1	656.2	766.5	874.2	n/a	n/a
Cash & Equivalents	2.1	15.6	135.0	168.2	162.0	n/a	n/a
Trade Receivables	78.9	77.1	82.8	102.6	124.8	n/a	n/a
Inventories	128.3	151.9	240.3	293.2	354.9	n/a	n/a
Other	94.7	127.5	198.1	202.5	232.5	n/a	n/a
Fixed Assets	515.9	583.2	733.7	987.8	1,083.8	n/a	n/a
PP&E, net	400.5	418.3	457.5	573.9	638.0	n/a	n/a
Other	115.4	164.9	276.2	413.8	445.9	n/a	n/a
Total Assets	820.0	955.3	1,390.0	1,754.3	1,958.1	n/a	n/a
Shareholders' Equity	661.6	821.6	1,204.7	1,515.3	1,652.7	n/a	n/a
Share Capital	157.1	157.2	157.9	165.9	165.9	n/a	n/a
Retained Earnings	52.3	156.9	378.8	250.7	129.6	n/a	n/a
Other	452.2	507.5	668.0	1,098.6	1,357.2	n/a	n/a
Current Liabilities	153.0	128.8	180.6	235.6	302.6	n/a	n/a
ST Interest Bearing Debt	37.0	0.8	0.8	4.0	15.8	n/a	n/a
Trade Payables	54.6	43.9	58.8	115.8	113.6	n/a	n/a
Other	61.4	84.1	121.0	115.7	195.6	n/a	n/a
LT Liabilities	5.4	5.0	4.7	3.3	2.7	n/a	n/a
LT Interest Bearing Debt	0.0	0.0	0.0	0.0	0.0	n/a	n/a
Other	5.4	5.0	4.7	3.3	2.7	n/a	n/a
Total Liabilities & Equity	820.0	955.3	1,390.0	1,754.3	1,958.1	n/a	n/a

QUARTERLY ANALYSIS, USD mln

	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
Net Revenues	554.8	607.5	688.8	780.1	776.6	774.6	585.3	655.0	550.0	689.1	761.2
<i>Change y-o-y</i>	64.9%	68.7%	72.4%	70.5%	40.0%	27.5%	-15.0%	-16.0%	-29.2%	-11.0%	30.1%
EBITDA	151.1	128.3	126.6	177.5	174.3	168.2	45.6	50.1	14.3	97.7	148.9
<i>margin, %</i>	27.2%	21.1%	18.4%	22.8%	22.4%	21.7%	7.8%	7.7%	2.6%	14.2%	19.6%
EBIT	142.7	119.4	116.5	164.7	162.9	137.5	45.3	33.3	(3.5)	79.9	126.8
<i>margin, %</i>	25.7%	19.7%	16.9%	21.1%	21.0%	17.8%	7.7%	5.1%	-0.6%	11.6%	16.7%
Net Income	99.6	82.4	71.4	123.8	111.7	89.5	22.6	21.7	(12.2)	49.9	90.8
<i>Net Margin, %</i>	18.0%	13.6%	10.4%	15.9%	14.4%	11.6%	3.9%	3.3%	-2.2%	7.2%	11.9%

Mittal Steel Kryviy Rih KSTL UZ

Iron & Steel

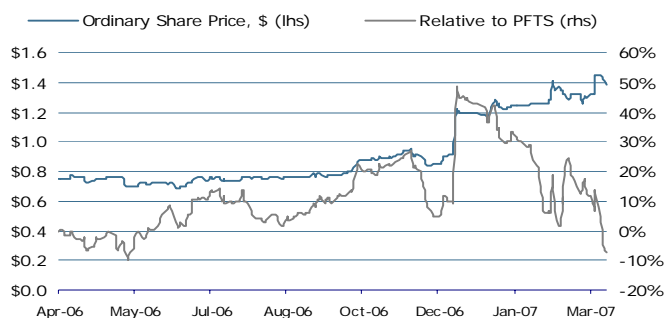
<http://www.mittalsteel.com>

Target Price (USD) 1.22
Upside -11%

INVESTMENT CASE

- Across-the-board cost saving measures and production expansion carried out by a strategic investor Mittal Steel
- Synergy with other Mittal plants (coal from Kazakhstan, coke from Poland/Kazakhstan, sale of steel semis to Europe)
- Benefits from nearly complete vertical integration unseen at other Ukrainian mills

SHARE PRICE PERFORMANCE*



BUSINESS OVERVIEW

Mittal Steel Kryviy Rih (KSTL) is Ukraine's largest steel maker and produced 18.6% (7.6 mln mt) of domestic output in 2006. Mittal Steel's current crude steel capacity stands at ~8 mln mt. The company's core products are rebar, wire rod, billets and merchant bar from bulk and low-alloyed steel. Mittal Steel Kryviy Rih is 90% self-sufficient in iron and coke. In addition, iron ore pellets and met coke are supplied by Poltava Iron Ore and Bagliy Coke, respectively. Mittal Steel Kryviy Rih produced 6.86 mln mt of rolled steel products (12.2%), 7.56 mln mt of crude steel (up 8.9% yoy), 6.80 mln mt of pig iron (up 10.4%), 1.88 mln mt of sintering ore (up 12.9% yoy), 7.77 mln mt of iron ore concentrate (up 10.5% yoy), 2.70 mln tones of gross coke (up 1.3% yoy), and 11.33 mln mt of sinter (up 13.1% yoy) during 2006.

In 2006 the company posted 143.8% yoy growth of net income to USD 774.6 mln.

In 2006, the State Property Fund sold 1.3% of its 1.74% stake in KSTL in four installments for a total of USD 43.47 mln. Mittal Steel Kryviy Rih plans to invest about USD 1.2 bln by 2011 into modernization of its production facilities and increase the annual output of crude steel to 10 mln mt.

MARKET INFORMATION

Market price*, USD	1.37
Price impact**	2
52 Wk H/L, USD	1.45 / 0.69
Chg 3m/6m/52w	15% / 78% / 83%
Chg vs PFTS 3m/6m/52w	-50% / -27% / -10%
Chg YTD	15%
Avg Mo Tr Vol 6M, USD ths	1584.43
MCap, USD mln	5292.5
Free float, %	1.1%
FF MCap, USD mln	57.2
No of shares, mln	3859.5
Par Value, UAH	1.0
XETRA	n/a
DR Ratio	n/a
Avg Mo Tr Vol 6M, USD ths	n/a

STOCK OWNERSHIP

Mittal Steel	94.0%
Invest. & Met. Union	4.5%
SPFU	0.4%
Other	1%

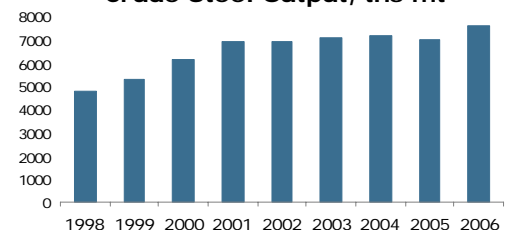
MARKET MULTIPLES

	2006E	2007E
EV/Sales	1.8	1.7
EV/EBITDA	5.9	5.7
P/E	8.4	8.4
P/B	2.8	2.1
P/CF	7.6	7.5

KEY RATIOS

	2005	2006E	2007E
EBITDA margin	22%	31%	29%
Net Margin	15%	22%	20%
ROE	32%	49%	33%
Net Debt/Equity	-0.2	-0.07	-0.03

Crude Steel Output, ths mt



* PFTS MID Price is used
 ** Price "impact" is the opinion of Concorde's trading desk on stocks to help investors estimate the reliability of quoted prices:

1: Market price reaction remains within 10% in execution of a market order of about USD 10 mln in size
 2: Market price reaction remains within 10% in execution of a market order of about USD 1 mln in size
 3: All other stocks (quoted price is less reliable and should be considered indicative)

Note: data (market information, price changes) as of 30 Mar 2007

INCOME STATEMENT SUMMARY, USD mln

	2003	2004	2005	9M06	2007E	2008E
Net Revenues	1,412.6	1,899.1	2,155.5	2,049.9	n/a	n/a
<i>Change y-o-y</i>	-	34.4%	13.5%	27.3%	n/a	n/a
Gross Profit	420.6	643.3	627.4	748.0	n/a	n/a
EBITDA	342.1	551.8	482.6	592.0	n/a	n/a
<i>margin, %</i>	24.2%	29.1%	22.4%	28.9%	n/a	n/a
Depreciation	(32.2)	(46.8)	(60.3)	(40.3)	n/a	n/a
EBIT	309.9	505.0	422.3	551.6	n/a	n/a
<i>margin, %</i>	21.9%	26.6%	19.6%	26.9%	n/a	n/a
Interest Expense	(2.0)	(0.1)	-	(5.5)	n/a	n/a
Other income/(expense)	(12.2)	(6.0)	(12.7)	4.1	n/a	n/a
PBT	295.6	498.9	409.6	550.2	n/a	n/a
Tax	(132.4)	(120.5)	(98.0)	(144.0)	n/a	n/a
<i>Effective tax rate</i>	44.8%	24.2%	23.9%	26.2%	n/a	n/a
Net Income	163.3	378.3	312.3	406.2	n/a	n/a
<i>Net Margin, %</i>	11.6%	19.9%	14.5%	19.8%	n/a	n/a

BALANCE SHEET SUMMARY, USD mln

	2003	2004	2005	9M06	2007E	2008E
Current Assets	336.0	592.8	647.1	1,274.3	n/a	n/a
Cash & Equivalents	92.1	207.4	258.5	325.6	n/a	n/a
Trade Receivables	0.5	25.2	67.9	317.2	n/a	n/a
Inventories	131.7	227.4	230.0	191.3	n/a	n/a
Other	111.7	132.8	90.7	440.2	n/a	n/a
Fixed Assets	625.8	636.8	744.3	772.2	n/a	n/a
PP&E, net	505.6	496.2	486.4	465.8	n/a	n/a
Other	120.2	140.6	257.9	306.3	n/a	n/a
Total Assets	961.8	1,229.6	1,391.3	2,046.5	n/a	n/a
Shareholders' Equity	841.8	1,107.2	1,270.9	1,653.8	n/a	n/a
Share Capital	673.1	727.5	764.3	764.3	n/a	n/a
Retained Earnings	152.2	351.4	457.5	829.4	n/a	n/a
Other	16.6	28.3	49.1	60.1	n/a	n/a
Current Liabilities	120.0	120.8	120.4	188.2	n/a	n/a
ST Interest Bearing Debt	9.3	-	-	-	n/a	n/a
Trade Payables	40.1	29.3	44.9	44.7	n/a	n/a
Other	70.6	91.5	75.6	204.5	n/a	n/a
LT Liabilities	0.0	1.6	-	204.5	n/a	n/a
LT Interest Bearing Debt	-	-	-	200.0	n/a	n/a
Other	0.0	1.6	-	4.5	n/a	n/a
Total Liabilities & Equity	961.8	1,229.6	1,391.3	2,046.5	n/a	n/a

QUARTERLY ANALYSIS, USD mln

	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
Net Revenues	412.7	465.8	499.7	520.9	559.8	501.4	548.5	545.8	558.8	717.9	773.0
<i>Change y-o-y</i>	20.3%	29.3%	41.5%	46.3%	35.6%	7.6%	9.8%	4.8%	-0.2%	43.2%	40.9%
EBITDA	123.0	153.2	128.7	146.9	156.4	101.4	100.2	124.6	141.0	200.3	250.5
<i>margin, %</i>	29.8%	32.9%	25.8%	28.2%	27.9%	20.2%	18.3%	22.8%	25.2%	27.9%	32.4%
EBIT	115.6	142.8	116.0	130.5	141.2	85.0	84.8	111.3	127.6	186.8	237.3
<i>margin, %</i>	28.0%	30.7%	23.2%	25.1%	25.2%	17.0%	15.5%	20.4%	22.8%	26.0%	30.7%
Net Income	90.1	112.8	84.6	90.8	100.1	51.0	52.5	108.8	87.9	138.8	179.5
<i>Net Margin, %</i>	21.8%	24.2%	16.9%	17.4%	17.9%	10.2%	9.6%	19.9%	15.7%	19.3%	23.2%

Pivdenny Iron Ore

PGZK UZ

Iron & Steel

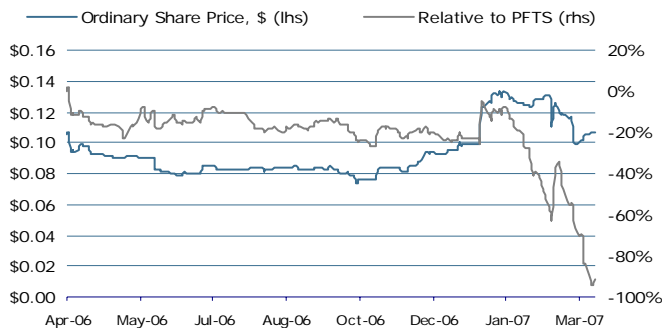
<http://ugok.com.ua>

Target Price (USD) 0.14
Upside 33%

INVESTMENT CASE

- Expanding demand on domestic and export markets for iron ore will lead to enhanced output
- Improving transparency due to government pressure to eliminate tax minimization schemes
- Likely takeover target for steel majors

SHARE PRICE PERFORMANCE*



BUSINESS OVERVIEW

Pivdenny Iron Ore is the fifth largest sinter feed producer in Ukraine by output. The company operates iron ore mines, two grinding and two ore enrichment factories, a sinter shop and 26 support departments. It is the only iron ore producer in Ukraine that makes iron ore sinter. The plant's annual production capacity for iron ore sinter feed and sinter is 9 mln mt and 5 mln mt, respectively. Pivdenny Iron Ore's main customers are domestic steel mills controlled by Privat Group, the Donetskstal group (formerly Concern Energo) and the Industrial Union of Donbas.

In 2006, Pivdenny Iron Ore increased its production of iron ore sinter feed (8,710 ths mt) and sinter (4,652 ths mt) by 7% yoy and 13.5% yoy, respectively. In 9M06 the company posted 34.3% yoy growth in its net revenues to USD 244 mln, a decrease in its EBITDA margin to 10.1% from 17.8% in 9M05, and a decline in its net margin to negative 3.2% from 2.2% in 9M05.

* PFTS MID Price is used
 ** Price "Impact" is the opinion of Concorde's trading desk on stocks to help investors estimate the reliability of quoted prices:
 1: Market price reaction remains within 10% in execution of a market order of about USD 10 mln in size
 2: Market price reaction remains within 10% in execution of a market order of about USD 1 mln in size
 3: All other stocks (quoted price is less reliable and should be considered indicative)

Note: data (market information, price changes) as of 30 Mar 2007

MARKET INFORMATION

Market price*, USD	0.11
Price impact**	3
52 Wk H/L, USD	0.13 / 0.07
Chg 3m/6m/52w	6% / 24% / -3%
Chg vs PFTS 3m/6m/52w	-58% / -80% / -96%
Chg YTD	6%
Avg Mo Tr Vol 6M, USD ths	131.35
MCap, USD mln	225.5
Free float, %	7.5%
FF MCap, USD mln	16.9
No of shares, mln	2143.7
Par Value (UAH)	0.25
XETRA	n/a
DR Ratio	n/a
Avg Mo Tr Vol 6M, USD ths	n/a

STOCK OWNERSHIP

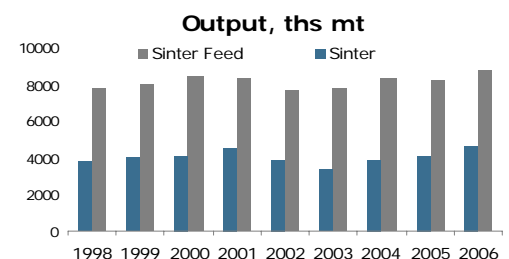
Privat Group	48.0%
Smart Group	44.3%
Other	7.7%

MARKET MULTIPLES

	2006E	2007E
EV/Sales	1.0	0.8
EV/EBITDA	10.7	6.0
P/E	128.9	11.5
P/B	1.2	1.1
P/CF	10.9	5.8

KEY RATIOS

	2005	2006E	2007E
EBITDA margin	14%	9%	13%
Net Margin	2%	1%	5%
ROE	3%	1%	10%
Net Debt/Equity	0.3	0.5	0.5



INCOME STATEMENT SUMMARY, USD mln

	2002	2003	2004	2005	2006E	2007E	2008E
Net Revenues	155.8	165.5	161.0	266.8	315.7	397.8	425.0
<i>Change y-o-y</i>	-	6.2%	-2.7%	65.7%	18.4%	26.0%	6.8%
Gross Profit	52.5	60.5	0.5	80.8	69.9	102.9	115.3
EBITDA	38.8	41.2	(21.6)	37.7	29.2	53.2	61.6
<i>margin, %</i>	24.9%	24.9%	-13.4%	14.1%	9.3%	13.4%	14.5%
Depreciation	(15.6)	(14.8)	(14.3)	(18.2)	(19.0)	(19.4)	(19.8)
EBIT	23.2	26.4	(35.9)	19.5	10.2	33.8	41.8
<i>margin, %</i>	14.9%	15.9%	-22.3%	7.3%	3.2%	8.5%	9.8%
Interest Expense	(2.5)	(2.2)	(1.3)	(5.0)	(7.9)	(7.7)	(8.3)
Other income/(expense)	0.1	0.1	(16.6)	(0.1)	-	-	-
PBT	20.8	24.2	(53.8)	14.4	2.3	26.1	33.5
Tax	(11.1)	(12.1)	-	(9.0)	(0.6)	(6.5)	(8.4)
<i>Effective tax rate</i>	53.2%	49.9%	0.0%	62.5%	25.0%	25.0%	25.0%
Net Income	9.8	12.1	(53.8)	5.3	1.7	19.6	25.1
<i>Net Margin, %</i>	6.3%	7.3%	-33.4%	2.0%	0.6%	4.9%	5.9%

BALANCE SHEET SUMMARY, USD mln

	2002	2003	2004	2005	2006E	2007E	2008E
Current Assets	156.7	201.3	185.9	181.1	180.6	195.7	213.3
Cash & Equivalents	1.0	0.6	0.9	1.3	0.6	0.8	0.8
Trade Receivables	50.9	37.6	33.2	22.3	25.3	31.8	36.1
Inventories	29.2	35.1	33.2	49.2	44.2	51.7	59.5
Other	75.7	127.9	118.6	108.2	110.5	111.4	116.9
Fixed Assets	193.4	193.4	193.1	204.6	208.1	220.3	230.8
PP&E, net	175.7	176.7	166.9	178.1	187.5	198.1	208.0
Other	17.7	16.7	26.2	26.5	20.6	22.2	22.8
Total Assets	350.1	394.7	379.0	385.7	388.7	416.1	444.1
Shareholders' Equity	206.9	219.8	171.4	186.4	187.1	206.7	226.1
Share Capital	100.5	100.5	101.0	106.1	106.1	106.1	106.1
Other	106.4	119.3	70.4	80.3	81.0	100.5	120.0
Current Liabilities	131.1	150.7	164.1	152.6	157.4	159.7	167.0
ST Interest Bearing Debt	2.8	7.9	22.1	48.4	44.4	45.9	51.4
Trade Payables	109.8	85.6	89.9	72.2	78.9	79.6	80.7
Other	18.5	57.3	52.0	32.0	34.1	34.2	34.8
LT Liabilities	12.1	24.2	43.5	46.7	44.2	49.7	51.0
LT Interest Bearing Debt	-	-	-	-	-	-	-
Other	12.1	24.2	43.5	46.7	44.2	49.7	51.0
Total Liabilities & Equity	350.1	394.7	379.0	385.7	388.7	416.1	444.1

QUARTERLY ANALYSIS, USD mln

	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
Net Revenues	43.5	36.1	38.0	43.4	56.0	73.3	52.5	85.0	78.2	73.8	92.0
<i>Change y-o-y</i>	21.3%	-11.5%	-9.4%	-7.3%	28.7%	103.0%	38.2%	95.8%	39.7%	0.7%	75.2%
EBITDA	0.2	(9.4)	(6.4)	(6.0)	(1.8)	28.8	5.3	5.4	7.0	8.4	9.2
<i>margin, %</i>	0.4%	-25.9%	-16.9%	-13.8%	-3.1%	39.3%	10.1%	6.3%	9.0%	11.3%	10.0%
EBIT	(3.5)	(12.7)	(9.4)	(10.3)	(6.0)	24.3	0.8	0.4	2.0	3.9	4.5
<i>margin, %</i>	-8.1%	-35.1%	-24.8%	-23.7%	-10.7%	33.1%	1.5%	0.5%	2.6%	5.2%	4.8%
Net Income	(3.4)	(21.2)	(18.3)	(10.8)	(6.9)	17.0	(6.1)	1.2	(2.5)	(2.0)	(3.2)
<i>Net Margin, %</i>	-7.9%	-58.9%	-48.2%	-24.9%	-12.3%	23.2%	-11.6%	1.5%	-3.2%	-2.7%	-3.5%

Pivnichny Iron Ore

SGOK UZ

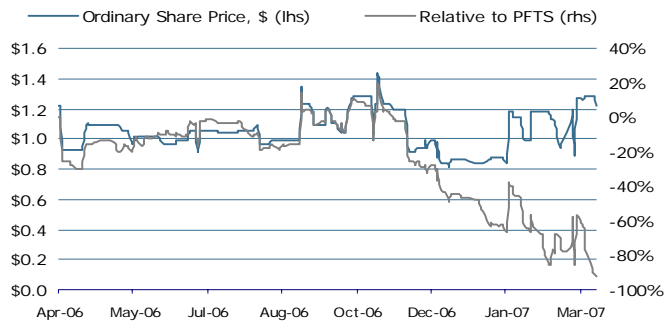
Iron & Steel

<http://www.sevgok.com.ua>

Target Price (USD)
Upside

N/R
n/a

SHARE PRICE PERFORMANCE*



MARKET INFORMATION

Market price*, USD	1.02
Price impact**	3
52 Wk H/L, USD	1.44 / 0.81
Chg 3m/6m/52w	18% / -14% / -16%
Chg vs PFTS 3m/6m/52w	-46% / -118% / -109%
Chg YTD	18%
Avg Mo Tr Vol 6M, USD ths	442.37
MCap, USD mln	2349.7
Free float, %	0.6%
FF MCap, USD mln	14.1
No of shares, mln	2304.1
Par Value (UAH)	0.25
XETRA	n/a
DR Ratio	n/a
Avg Mo Tr Vol 6M, USD ths	n/a

BUSINESS OVERVIEW

Pivnichny Iron Ore, a Ukrainian producer of iron ore sinter feed and pellets, captured 48.7% of the pellet market and 21.2% of the iron ore sinter feed market in 10M06. The plant was established in 1963 with a production design capacity of 25 mln mt of iron ore, 11 mln mt of sinter feed, and 9.6 mln mt of pellets. Pivnichny Iron Ore's domestic customers are metallurgic plants and steel mills. Its major export markets are Russia, Poland, Romania, Czech Republic, Slovakia, Austria, Bulgaria, Serbia, Turkey and China.

In 2006, the first stage of modernization was completed, with total investments of USD 335.6 mln.

In 2006 the company reported a 41.7% yoy decrease of net income to USD 156.1 mln, and a reduction of net margin to 19.3% from 27.4% in 2005.

STOCK OWNERSHIP

SCM-related	99.4%
Other	0.6%

MARKET MULTIPLES

	2006E	2007E
EV/Sales	2.9	n/a
EV/EBITDA	12.1	n/a
P/E	15.1	n/a
P/B	4.1	n/a
P/CF	13.4	n/a

KEY RATIOS

	2005	2006E	2007E
EBITDA margin	39%	24%	n/a
Net Margin	27%	19%	n/a
ROE	139%	37%	n/a
Net Debt/Equity	-0.03	-0.03	n/a

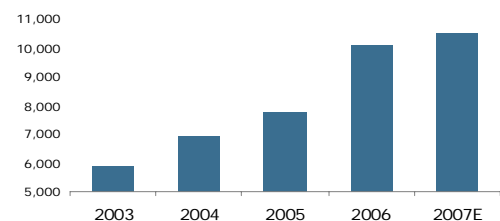
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- 2: Market price reaction remains within 10% in execution of a market order of about USD 1 mln in size
- 3: All other stocks (quoted price is less reliable and should be considered indicative)

Note: data (market information, price changes) as of 30 Mar 2007

Pellets Output, ths ton



INCOME STATEMENT SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Net Revenues	134.4	145.9	471.3	957.7	513.8	n/a	n/a
<i>Change y-o-y</i>	-	8.6%	222.9%	103.2%	-33.7%	n/a	n/a
Gross Profit	30.7	26.0	175.1	396.3	173.1	n/a	n/a
EBITDA	20.2	18.4	152.8	368.9	144.6	n/a	n/a
<i>margin, %</i>	15.0%	12.6%	32.4%	38.5%	28.1%	n/a	n/a
Depreciation	(10.9)	(10.7)	(11.4)	(14.7)	(14.0)	n/a	n/a
EBIT	9.3	7.7	141.3	354.2	130.6	n/a	n/a
<i>margin, %</i>	6.9%	5.3%	30.0%	37.0%	25.4%	n/a	n/a
Interest Expense	(4.1)	(1.4)	(1.4)	(0.0)	(0.2)	n/a	n/a
Other income/(expense)	(3.5)	(1.9)	0.7	(3.0)	(0.1)	n/a	n/a
PBT	1.6	4.4	140.7	351.2	130.3	n/a	n/a
Tax	-	(1.5)	(37.7)	(89.8)	(32.2)	n/a	n/a
<i>Effective tax rate</i>	0.0%	33.6%	26.8%	25.6%	24.7%	n/a	n/a
Net Income	1.6	2.9	102.9	262.2	98.1	n/a	n/a
<i>Net Margin, %</i>	1.2%	2.0%	21.8%	27.4%	19.1%	n/a	n/a

BALANCE SHEET SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Current Assets	119.4	115.9	235.1	278.4	577.8	n/a	n/a
Cash & Equivalents	0.1	0.3	27.7	19.8	320.7	n/a	n/a
Trade Receivables	88.8	82.1	127.7	138.4	33.3	n/a	n/a
Inventories	24.0	27.5	74.0	61.1	50.0	n/a	n/a
Other	6.6	6.0	5.6	59.0	173.8	n/a	n/a
Fixed Assets	152.9	155.5	169.0	322.4	299.6	n/a	n/a
PP&E, net	134.9	131.4	140.5	160.0	169.4	n/a	n/a
Other	18.0	24.1	28.4	162.4	130.2	n/a	n/a
Total Assets	272.4	271.5	404.0	600.8	877.4	n/a	n/a
Shareholders' Equity	91.5	89.6	188.7	417.2	300.7	n/a	n/a
Share Capital	45.5	169.0	45.8	108.7	114.1	n/a	n/a
Retained Earnings	(78.7)	(79.4)	27.3	182.3	47.5	n/a	n/a
Other	124.6	0.0	115.6	126.2	139.2	n/a	n/a
Current Liabilities	170.7	181.8	215.3	182.9	275.9	n/a	n/a
ST Interest Bearing Debt	3.8	17.9	7.3	6.1	6.1	n/a	n/a
Trade Payables	81.4	73.9	166.7	103.4	57.9	n/a	n/a
Other	85.5	90.0	41.2	73.5	220.4	n/a	n/a
LT Liabilities	10.2	0.1	0.1	0.7	300.7	n/a	n/a
LT Interest Bearing Debt	9.8	-	0.1	0.1	300.1	n/a	n/a
Other	0.4	0.1	0.0	0.6	0.6	n/a	n/a
Total Liabilities & Equity	272.4	271.5	404.0	600.8	877.4	n/a	n/a

QUARTERLY ANALYSIS, USD mln

	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
Net Revenues	48.8	58.7	132.7	231.1	318.6	274.8	182.0	182.2	164.0	172.9	176.9
<i>Change y-o-y</i>	41.7%	61.1%	256.8%	510.1%	552.6%	368.5%	37.2%	-21.2%	-48.5%	-37.1%	-2.8%
EBITDA	2.9	4.3	55.9	89.7	133.1	114.7	55.7	65.5	41.8	44.1	58.6
<i>margin, %</i>	5.9%	7.3%	42.1%	38.8%	41.8%	41.7%	30.6%	35.9%	25.5%	25.5%	33.2%
EBIT	(0.4)	1.8	53.2	86.8	129.9	111.2	51.9	61.2	37.3	39.4	53.9
<i>margin, %</i>	-0.9%	3.0%	40.1%	37.6%	40.8%	40.5%	28.5%	33.6%	22.7%	22.8%	30.5%
Net Income	(0.7)	0.8	37.7	65.2	94.6	79.2	37.0	51.4	30.9	25.6	41.6
<i>Net Margin, %</i>	-1.4%	1.4%	28.4%	28.2%	29.7%	28.8%	20.3%	28.2%	18.9%	14.8%	23.5%

Poltava Iron Ore

PGOK U;

Iron & Steel

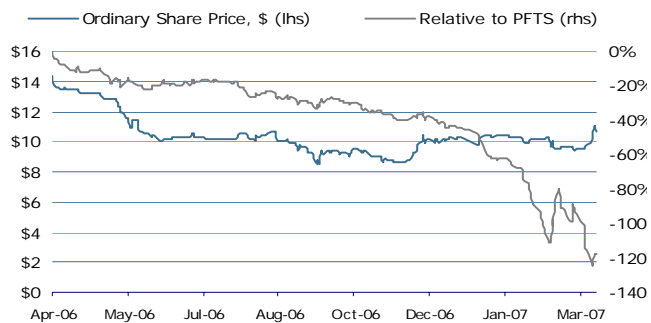
<http://www.ferrexpo.poltava.ua>

Target Price (USD) 8.80
Upside -17%

INVESTMENT CASE

- A crushing/floatation mill for sinter feed production, planned to be completed by 2010, will eliminate the company's dependency on external sinter feed suppliers
- Prospective construction of Kryviy Rih Oxidized Iron Ore in 2008-2009 threatens its markets
- Slow transparency progress expected
- Remains a pre-IPO story

SHARE PRICE PERFORMANCE*



BUSINESS OVERVIEW

Poltava Iron Ore is the largest producer of pellets in Ukraine, accounting for 45% of total domestic pellet output. The company is located in the city of Komsomolsk in Poltava region, which borders Dnipropetrovsk and is close to Zaporizhyya, Donetsk and Luhansk regions – the heart of Ukraine's steel production industry. Poltava Iron Ore is the largest Ukrainian exporter of iron ore. While Ukraine exports 28% of its iron ore, Poltava Iron Ore exports 90% of its output. The company's main export markets are in Central and Eastern Europe.

In 2006, Poltava Iron Ore increased pellet production to 8.5 mln mt (10.2% growth yoy). According to the company, it developed more long-term relationships on China's growing market, notably with Shaoguan Iron and Steel. In 2006, Poltava Iron Ore planned to sell its products to China for USD 43-44 mln (or 10% of total sales in 2005).

In 2006 the company reported a 45.6% yoy decrease of net income to USD 27.98 mln.

MARKET INFORMATION

Market price*, USD	10.64
Price impact**	2
52 Wk H/L, USD	14.6 / 8.5
Chg 3m/6m/52w	3% / 17% / -27%
Chg vs PFTS 3m/6m/52w	-62% / -88% / -119%
Chg YTD	3%
Avg Mo Tr Vol 6M, USD ths	708.02

MCap, USD mln	1228.3
Free float, %	4.0%
FF MCap, USD mln	49.1

No of shares, mln	115.4
Par Value (UAH)	0.25

XETRA	UVT
DR Ratio	1:1
Avg Mo Tr Vol 6M, USD ths	31.68

STOCK OWNERSHIP

Ferrexpo AG	85.8%
Other	14.2%

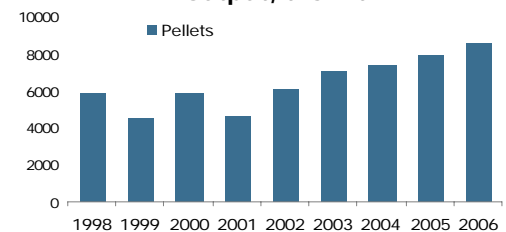
MARKET MULTIPLES

	2006E	2007E
EV/Sales	3.2	2.7
EV/EBITDA	14.8	11.4
P/E	36.6	23.5
P/B	4.1	3.5
P/CF	22.8	15.7

KEY RATIOS

	2005	2006E	2007E
EBITDA margin	24%	22%	24%
Net Margin	13%	7%	9%
ROE	35%	13%	17%
Net Debt/Equity	0.7	0.7	0.8

Output, ths mt



* PFTS MID Price is used

** Price "impact" is the opinion of Concorde's trading desk on stocks to help investors estimate the reliability of quoted prices:

1: Market price reaction remains within 10% in execution of a market order of about USD 10 mln in size
 2: Market price reaction remains within 10% in execution of a market order of about USD 1 mln in size
 3: All other stocks (quoted price is less reliable and should be considered indicative)

Note: data (market information, price changes) as of 30 Mar 2007

INCOME STATEMENT SUMMARY, USD mln

	2002	2003	2004	2005	2006E	2007E	2008E
Net Revenues	164.0	205.7	273.3	434.2	451.7	564.8	663.3
<i>Change y-o-y</i>	-	25.4%	32.9%	58.9%	3.8%	25.0%	17.4%
Gross Profit	53.7	70.6	100.1	178.8	184.8	223.9	271.6
EBITDA	26.6	34.8	47.2	104.6	97.9	133.6	179.8
<i>margin, %</i>	16.2%	16.9%	17.3%	24.1%	21.7%	23.7%	27.1%
Depreciation	(12.8)	(14.0)	(15.0)	(18.1)	(20.3)	(25.8)	(31.1)
EBIT	13.8	20.7	32.3	86.4	77.6	107.8	148.7
<i>margin, %</i>	8.4%	10.1%	11.8%	19.9%	17.2%	19.1%	22.4%
Interest Expense	(10.6)	(11.4)	(14.0)	(15.4)	(33.8)	(39.0)	(44.5)
Other income/(expense)	(1.5)	(2.4)	(2.3)	1.9	(1.0)	(1.0)	(1.0)
PBT	1.7	6.9	16.0	73.0	44.8	69.8	105.1
Tax	(0.8)	(3.5)	(8.7)	(16.8)	(11.2)	(17.4)	(26.3)
<i>Effective tax rate</i>	44.6%	51.1%	54.7%	23.1%	25.0%	25.0%	25.0%
Net Income	1.0	3.4	7.2	56.2	33.6	52.3	78.8
<i>Net Margin, %</i>	0.6%	1.7%	2.6%	13.0%	7.4%	9.3%	11.9%

BALANCE SHEET SUMMARY, USD mln

	2002	2003	2004	2005	2006E	2007E	2008E
Current Assets	65.8	80.2	117.6	147.8	164.9	192.0	189.0
Cash & Equivalents	0.3	5.4	18.5	13.4	13.5	16.9	19.9
Trade Receivables	22.9	12.1	8.9	16.3	31.6	33.9	36.5
Inventories	17.1	18.5	33.9	54.7	56.5	62.1	59.7
Other	25.4	44.2	56.3	63.3	63.2	79.1	73.0
Fixed Assets	165.8	165.2	182.3	368.7	404.3	508.9	603.7
PP&E, net	147.8	147.2	162.7	201.9	237.7	340.1	433.0
Other	18.0	18.0	19.7	166.8	166.6	168.8	170.8
Total Assets	231.5	245.4	300.0	516.5	569.1	701.0	792.8
Shareholders' Equity	109.6	111.7	132.3	267.3	300.1	352.4	431.2
Share Capital	123.1	123.2	137.6	217.0	217.0	217.0	217.0
Other	(13.5)	(11.4)	(5.3)	6.6	83.1	135.4	214.3
Current Liabilities	77.9	107.3	97.6	173.7	171.8	221.3	229.4
ST Interest Bearing Debt	57.0	93.1	70.8	137.3	137.5	178.4	182.3
Trade Payables	16.5	10.2	19.1	24.9	24.8	31.1	33.2
Other	4.4	4.0	7.6	11.5	9.4	11.8	13.9
LT Liabilities	44.0	26.4	70.1	75.4	97.2	127.2	132.2
LT Interest Bearing Debt	35.9	26.1	70.0	74.7	74.7	99.0	99.0
Other	8.1	0.3	0.1	0.8	22.6	28.2	33.2
Total Liabilities & Equity	231.5	245.4	300.0	516.5	569.1	701.0	792.8

QUARTERLY ANALYSIS, USD mln

	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
Net Revenues	57.4	68.9	71.7	75.3	110.8	139.2	94.4	89.7	97.3	117.2	117.7
<i>Change y-o-y</i>	34.2%	36.8%	29.5%	31.8%	93.0%	102.0%	31.7%	19.2%	-12.2%	-15.8%	24.6%
EBITDA	8.5	15.1	13.5	10.2	27.3	57.1	15.2	5.0	12.0	22.2	24.1
<i>margin, %</i>	14.7%	21.8%	18.9%	13.5%	24.7%	41.0%	16.1%	5.5%	12.3%	18.9%	20.5%
EBIT	4.7	11.3	9.8	6.4	23.2	52.8	10.5	(0.1)	6.9	17.0	18.7
<i>margin, %</i>	8.2%	16.4%	13.7%	8.5%	21.0%	37.9%	11.1%	-0.1%	7.1%	14.5%	15.9%
Net Income	0.2	4.6	5.5	(3.1)	15.0	41.1	(0.9)	1.1	(1.3)	7.3	8.3
<i>Net Margin, %</i>	0.4%	6.7%	7.7%	-4.1%	13.5%	29.5%	-1.0%	1.2%	-1.3%	6.2%	7.0%

Sukha Balka

SUBA UZ

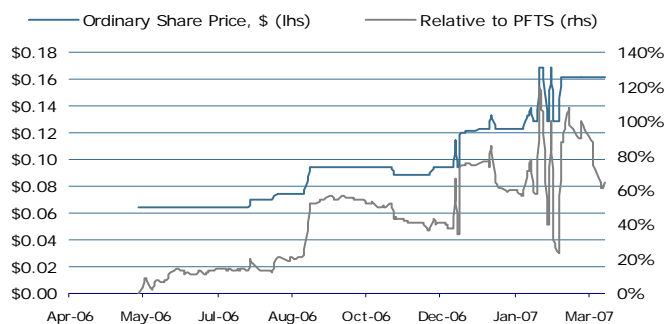
Iron & Steel

Target Price (USD) 0.19
Upside 18%

INVESTMENT CASE

- Strong demand for lump ore will ensure stable output in the mid-term
- Improving financials reporting standards

SHARE PRICE PERFORMANCE*



Listed on PFTS since 19 May 2006

BUSINESS OVERVIEW

Sukha Balka is a Ukrainian iron ore company that specializes in underground mining. The company operates two mines with 2.25 mn mt and 1.05 mn mt capacities and iron content ranging from 56% to 59%. Depth in the mines reaches 1,500–2,000m. In 10M06 the company ranked third among the four Ukrainian iron ore producers, with 18.7% (2,513 ths mt) of overall domestic output. The company's major exports markets include Austria, Bulgaria, Hungary, Poland, Romania, Slovakia and the Czech Republic. We expect Sukha Balka's production to grow by 2% yoy to 3.1 mln mt in 2007 due to an increase in domestic and export deliveries. In 2006 the company reported a 26.8% yoy decline in net income to USD 5.0 mln.

* PFTS MID Price is used
 ** Price "impact" is the opinion of Concorde's trading desk on stocks to help investors estimate the reliability of quoted prices:
 1: Market price reaction remains within 10% in execution of a market order of about USD 10 mln in size
 2: Market price reaction remains within 10% in execution of a market order of about USD 1 mln in size
 3: All other stocks (quoted price is less reliable and should be considered indicative)

Note: data (market information, price changes) as of 30 Mar 2007

MARKET INFORMATION

Market price*, USD	0.16
Price impact**	3
52 Wk H/L, USD	0.17 / 0.06
Chg 3m/6m/52w	34% / 72% / n/a
Chg vs PFTS 3m/6m/52w	-31% / -33% / -93%
Chg YTD	34%
Avg Mo Tr Vol 6M, USD ths	2.41
MCap, USD mln	135.1
Free float, %	3.3%
FF MCap, USD mln	4.5
No of shares, mln	848.5
Par Value (UAH)	0.05
XETRA	S6D1
DR Ratio	1:25
Avg Mo Tr Vol 6M, USD ths	0.0

STOCK OWNERSHIP

Privat Group	94.0%
Other	6.0%

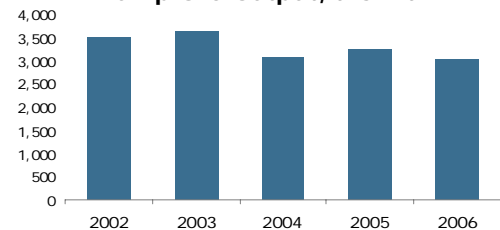
MARKET MULTIPLES

	2006E	2007E
EV/Sales	2.1	2.0
EV/EBITDA	12.6	10.7
P/E	25.8	20.1
P/B	1.9	1.7
P/CF	16.4	13.7

KEY RATIOS

	2005	2006E	2007E
EBITDA margin	20%	16%	19%
Net Margin	11%	7%	9%
ROE	13%	8%	9%
Net Debt/Equity	0.2	0.2	0.1

Lump Ore Output, ths mt



INCOME STATEMENT SUMMARY, USD mln

	2002	2003	2004	2005	2006E	2007E	2008E
Net Revenues	33.5	33.7	28.1	58.6	71.2	71.9	72.0
<i>Change y-o-y</i>	-	0.6%	-16.5%	108.0%	22.0%	0.9%	0.2%
Gross Profit	14.3	13.0	6.0	22.3	26.8	27.4	25.2
EBITDA	5.1	5.7	0.4	12.0	11.7	13.5	12.3
<i>margin, %</i>	15.1%	16.8%	1.6%	20.5%	-2.1%	15.9%	-8.7%
Depreciation	(3.0)	(3.1)	(2.2)	(2.7)	0.2	0.2	0.2
EBIT	2.1	2.6	(1.8)	9.3	8.7	10.4	9.1
<i>margin, %</i>	6.3%	7.6%	-6.4%	15.8%	12.2%	14.4%	12.6%
Interest Expense	(0.5)	(0.8)	(2.4)	(0.9)	(1.7)	(1.4)	(0.7)
Other income/(expense)	0.2	0.1	1.3	(0.0)	-	-	-
PBT	1.8	1.8	(2.8)	8.3	7.0	8.9	8.4
Tax	(1.7)	(0.4)	-	(1.6)	(1.7)	(2.2)	(2.1)
<i>Effective tax rate</i>	95.5%	23.4%	0.0%	18.9%	25.0%	25.0%	25.0%
Net Income	0.1	1.4	(2.8)	6.7	5.2	6.7	6.3
<i>Net Margin, %</i>	0.2%	4.1%	-10.1%	11.5%	7.3%	9.3%	8.7%

BALANCE SHEET SUMMARY, USD mln

	2002	2003	2004	2005	2006E	2007E	2008E
Current Assets	27.3	29.6	25.8	40.9	42.2	42.5	39.0
Cash & Equivalents	0.4	0.1	0.1	0.1	0.1	0.1	0.1
Trade Receivables	10.7	7.3	4.8	12.3	12.8	12.2	10.4
Inventories	3.5	3.5	7.6	12.4	12.8	12.2	10.4
Other	12.6	18.7	13.2	16.0	16.4	18.0	18.0
Fixed Assets	34.2	36.0	40.0	47.0	48.4	51.3	53.0
PP&E, net	22.0	22.0	27.0	29.6	32.7	35.6	37.3
Other	12.2	14.0	13.0	17.3	15.7	15.7	15.7
Total Assets	61.5	65.7	65.8	87.9	90.6	93.8	92.0
Shareholders' Equity	52.4	53.8	51.8	69.0	72.9	79.6	82.8
Share Capital	0.4	0.4	0.4	8.3	8.3	8.3	8.3
Other	52.0	53.4	51.4	60.7	64.6	71.3	74.5
Current Liabilities	7.1	9.4	12.1	16.9	15.2	11.8	6.8
ST Interest Bearing Debt	4.4	5.3	0.1	9.9	10.0	6.7	1.9
Trade Payables	0.4	0.6	1.9	1.7	1.8	1.8	1.8
Other	2.3	3.5	10.1	5.3	3.4	3.4	3.2
LT Liabilities	2.0	2.4	1.9	2.0	2.4	2.4	2.4
LT Interest Bearing Debt	-	-	-	-	-	-	-
Other	2.0	2.4	1.9	2.0	2.4	2.4	2.4
Total Liabilities & Equity	61.5	65.7	65.8	87.9	90.6	93.8	92.0

QUARTERLY ANALYSIS, USD mln

	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
Net Revenues	9.9	5.0	6.0	7.3	10.0	16.6	13.0	19.0	17.8	17.5	16.7
<i>Change y-o-y</i>	4.2%	-17.0%	-32.7%	-22.0%	0.3%	234.1%	117.2%	161.4%	78.7%	5.3%	29.1%
EBITDA	1.2	(0.2)	(0.2)	(0.3)	0.7	6.0	2.6	2.6	2.7	2.2	1.6
<i>margin, %</i>	11.8%	-3.9%	-4.2%	-3.9%	7.0%	36.3%	20.4%	13.7%	15.0%	12.3%	9.3%
EBIT	0.7	(0.6)	(0.7)	(1.1)	0.1	5.4	2.0	1.8	1.9	1.4	0.6
<i>margin, %</i>	6.6%	-11.9%	-12.1%	-15.7%	0.9%	32.5%	15.3%	9.4%	10.7%	7.9%	3.7%
Net Income	0.5	(0.7)	(1.3)	(1.3)	0.0	5.2	1.0	0.5	1.6	0.4	(0.3)
<i>Net Margin, %</i>	4.8%	-15.0%	-21.1%	-18.2%	0.0%	31.4%	7.4%	2.8%	9.0%	2.1%	-2.0%

Zaporizhstal

ZPST UZ

Iron & Steel

<http://www.zaporizhstal.com>

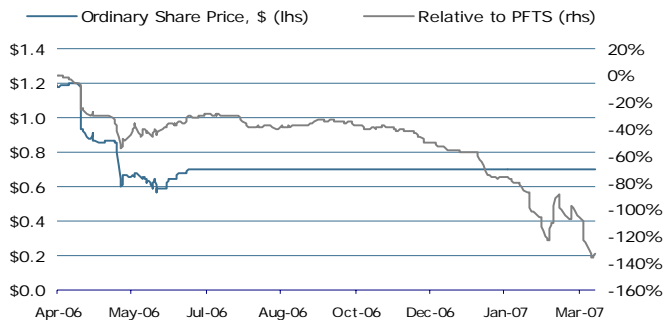
Target Price (USD)
Upside

Susp
n/a

INVESTMENT CASE

- Controlled by a second-tier business group, attractive takeover target for steel majors
- Ownership restructuring in progress
- Corporate governance risk is high; highly dilutive share issue likely to be finalized in 2007
- Modernization program in 2007-2013 (est. USD 2.0 bln) to improve production efficiency will replace open hearths with a converter shop
- Should implementation of its CapEx program fail, the company will remain among Ukraine's least efficient steel makers

SHARE PRICE PERFORMANCE*



BUSINESS OVERVIEW

Zaporizhstal is Ukraine's fourth largest steel producer with output of 4.40 mln mt of steel (up 0.4% yoy) and a capacity of 4.5 mln mt of crude steel p.a. The company has five blast furnaces, six sintering machines, nine open-hearth furnaces and four rolling mills. Iron ore and coke is partly supplied by companies in which Zaporizhstal is a minority shareholder. The main domestic customers of the company's products are machine-building plants, car manufacturers, pipe producers, spare parts manufacturers and construction companies. Zaporizhstal sells over 30% of its output domestically, while around 70% of production is exported mainly to the CIS, the Middle East, Southeast Asia and the EU.

In 9M06 the company reported a 2.5% yoy decline in its net revenues to USD 1.15 bln, an increase in its EBITDA margin to 18.6% from 16% in 9M05, and an improved net margin by 10.7% from 8.5% in 9M05.

In 11M06 the company invested USD 100 mln to modernize production and plans to invest an additional USD 282 mln in 2007. According to Zaporizhstal's plans, a new BOF casting-rolling box for hot rolling with a capacity of 2 mln mt will be constructed and launched by 2010. The company also plans to abandon using natural gas for its blast furnace and will replace it with coal-fired injection technology in 2008.

MARKET INFORMATION

Market price*, USD	n/a
Price impact**	n/a
52 Wk H/L, USD	1.20 / 0.57
Chg 3m/6m/52w	n/a / n/a / n/a
Chg vs PFTS 3m/6m/52w	-65% / -104% / -93%
Chg YTD	n/a
Avg Mo Tr Vol 6M, USD ths	n/a
* Trading suspended from 30.06.2006	
MCap, USD mln	n/a
Free float, %	4.0%
FF MCap, USD mln	n/a
No of shares, mln	843.7
Par Value, UAH	0.25
XETRA	UWP
DR Ratio	1:10
Avg Mo Tr Vol 6M, USD ths	73.8

STOCK OWNERSHIP

Zakhid-Reserv	28.5%
Global Steel Investment Ltd.	22.6%
Mawerton Ltd.	12.4%
Airol Beteiligungen	12.1%
Densec Ltd.	7.9%
Other	16.5%

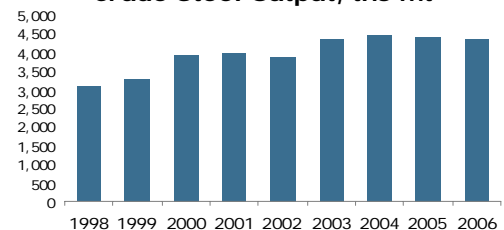
MARKET MULTIPLES

	2006E	2007E
EV/Sales	n/a	n/a
EV/EBITDA	n/a	n/a
P/E	n/a	n/a
P/B	n/a	n/a
P/CF	n/a	n/a

KEY RATIOS

	2005	2006E	2007E
EBITDA margin	16%	19%	19%
Net Margin	10%	11%	11%
ROE	22%	19%	16%
Net Debt/Equity	-0.02	-0.08	-0.03

Crude Steel Output, ths mt



* PFTS MID Price is used
** Price "impact" is the opinion of Concorde's trading desk on stocks to help investors estimate the reliability of quoted prices:

1: Market price reaction remains within 10% in execution of a market order of about USD 10 mln in size
2: Market price reaction remains within 10% in execution of a market order of about USD 1 mln in size
3: All other stocks (quoted price is less reliable and should be considered indicative)

Note: data (market information, price changes) as of 30 Mar 2007

INCOME STATEMENT SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Net Revenues	630.5	886.2	1,327.9	1,554.9	1,151.3	n/a	n/a
<i>Change y-o-y</i>	-	40.6%	49.8%	17.1%	-2.5%	n/a	n/a
Gross Profit	163.6	271.0	306.2	358.1	296.9	n/a	n/a
EBITDA	110.6	206.3	235.7	251.1	214.3	n/a	n/a
<i>margin, %</i>	17.5%	23.3%	17.7%	16.1%	18.6%	n/a	n/a
Depreciation	(24.4)	(27.8)	(30.0)	(43.3)	(36.5)	n/a	n/a
EBIT	86.2	178.5	205.7	207.7	177.7	n/a	n/a
<i>margin, %</i>	13.7%	20.1%	15.5%	13.4%	15.4%	n/a	n/a
Interest Expense	(2.0)	(0.3)	(1.4)	(4.4)	(1.8)	n/a	n/a
Other income/(expense)	(4.8)	(0.7)	3.2	3.2	(8.2)	n/a	n/a
PBT	79.4	177.6	207.5	206.4	167.7	n/a	n/a
Tax	(27.6)	(57.7)	(55.2)	(57.8)	(44.3)	n/a	n/a
<i>Effective tax rate</i>	34.8%	32.5%	26.6%	28.0%	26.4%	n/a	n/a
Net Income	51.8	119.9	152.3	148.6	123.4	n/a	n/a
<i>Net Margin, %</i>	8.2%	13.5%	11.5%	9.6%	10.7%	n/a	n/a

BALANCE SHEET SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Current Assets	158.8	188.2	274.4	300.3	371.3	n/a	n/a
Cash & Equivalents	27.9	62.3	72.1	54.0	119.7	n/a	n/a
Trade Receivables	17.6	14.4	19.1	29.6	21.8	n/a	n/a
Inventories	57.1	66.3	118.0	130.5	138.3	n/a	n/a
Other	56.2	45.1	65.1	86.3	91.6	n/a	n/a
Fixed Assets	376.1	465.3	571.0	721.5	788.8	n/a	n/a
PP&E, net	243.1	252.9	321.3	367.1	384.0	n/a	n/a
Other	133.0	212.5	249.8	354.4	404.8	n/a	n/a
Total Assets	534.9	653.5	845.4	1,021.8	1,160.1	n/a	n/a
Shareholders' Equity	418.3	536.0	694.9	888.0	1,013.2	n/a	n/a
Share Capital	39.3	39.6	39.8	41.8	41.8	n/a	n/a
Retained Earnings	46.3	157.8	306.5	464.4	583.5	n/a	n/a
Other	332.8	338.6	348.6	381.9	387.9	n/a	n/a
Current Liabilities	83.0	83.9	119.8	99.4	106.3	n/a	n/a
ST Interest Bearing Debt	5.0	11.8	8.8	-	-	n/a	n/a
Trade Payables	43.2	37.1	88.7	68.9	68.3	n/a	n/a
Other	34.7	35.0	22.3	30.5	49.2	n/a	n/a
LT Liabilities	33.6	33.6	30.7	34.4	40.7	n/a	n/a
LT Interest Bearing Debt	-	-	3.7	32.7	39.0	n/a	n/a
Other	33.6	33.6	27.1	1.7	1.6	n/a	n/a
Total Liabilities & Equity	534.9	653.5	845.4	1,021.8	1,160.1	n/a	n/a

QUARTERLY ANALYSIS, USD mln

	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
Net Revenues	268.0	319.2	343.8	396.8	404.3	405.6	371.5	373.5	332.0	386.6	432.6
<i>Change y-o-y</i>	19.7%	48.2%	59.6%	71.5%	50.8%	27.0%	8.1%	-5.9%	-17.9%	-4.7%	16.4%
EBITDA	63.8	54.2	43.5	74.2	70.0	60.8	58.2	62.1	47.0	75.9	91.3
<i>margin, %</i>	23.8%	17.0%	12.6%	18.7%	17.3%	15.0%	15.7%	16.6%	14.2%	19.6%	21.1%
EBIT	56.9	47.2	35.9	65.7	60.4	50.3	46.6	50.4	35.7	63.3	78.7
<i>margin, %</i>	21.2%	14.8%	10.4%	16.6%	14.9%	12.4%	12.5%	13.5%	10.8%	16.4%	18.2%
Net Income	40.0	28.4	23.0	60.9	46.6	31.2	22.8	48.0	21.4	46.7	55.3
<i>Net Margin, %</i>	14.9%	8.9%	6.7%	15.3%	11.5%	7.7%	6.1%	12.9%	6.5%	12.1%	12.8%

Marganets Manganese Ore

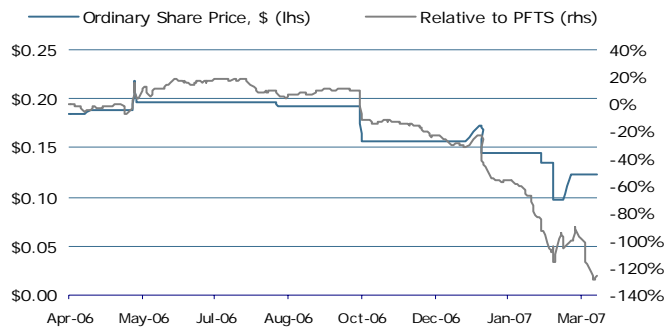
MGZC UZ

Mining

Target Price (USD)
Upside

N/R
n/a

SHARE PRICE PERFORMANCE*



MARKET INFORMATION

Market price*, USD	0.12
Price impact**	3
52 Wk H/L, USD	0.22 / 0.10
Chg 3m/6m/52w	-22% / -36% / -33%
Chg vs PFTS 3m/6m/52w	-87% / -140% / -126%
Chg YTD	-22%
Avg Mo Tr Vol 6M, USD ths	0.00
MCap, USD mln	180.0
Free float, %	2.0%
FF MCap, USD mln	3.6
No of shares, mln	1466.5
Par Value (UAH)	0.25
XETRA	NQ8
DR Ratio	1:100
Avg Mo Tr Vol 6M, USD ths	0.42

BUSINESS OVERVIEW

Marganets Manganese Ore is one of the two (second by output) domestic manganese ore concentrate producers and the only one in Ukraine producing manganese ore from an underground mine. Currently, it mines around 80% of the company's total manganese ore output underground. The company has five underground mines, two open-cast mines and two enrichment plants. Its major consumers are the Zaporizhya and Nikopol ferroalloy plants and domestic steel mills. The company exports around 10% of its total output, up to 70% of which is sent to CIS and Baltic countries.

In 1H06, Marganets Manganese Ore produced 440.5 ths mt of manganese ore concentrate, good for growth of 3.1% yoy. According to the company's plans, manganese ore output will be increased to 2.95 mln mt by 2010.

In 9M06 the company posted a 15.8% yoy growth of net revenues to USD 87.3 mln, increase of EBITDA margin to 7.5% from 5.3% in 9M05, and improvement of net margin to 1% from 0.3% in 9M05.

STOCK OWNERSHIP

Fianex	24.0%
Mosfiliya	24.0%
Kuttenmax	24.0%
Humex	24.0%
Other	4.0%

MARKET MULTIPLES

	2006E	2007E
EV/Sales	1.6	n/a
EV/EBITDA	21.3	n/a
P/E	161.4	n/a
P/B	1.2	n/a
P/CF	22.7	n/a

KEY RATIOS

	2005	2006E	2007E
EBITDA margin	6%	8%	n/a
Net Margin	5%	1%	n/a
ROE	4%	1%	n/a
Net Debt/Equity	0.01	0.04	n/a

* PFTS MID Price is used

** Price "impact" is the opinion of Concorde's trading desk on stocks to help investors estimate the reliability of quoted prices:

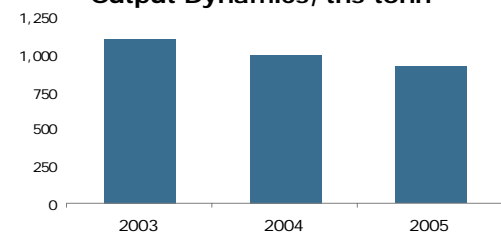
1: Market price reaction remains within 10% in execution of a market order of about USD 10 mln in size

2: Market price reaction remains within 10% in execution of a market order of about USD 1 mln in size

3: All other stocks (quoted price is less reliable and should be considered indicative)

Note: data (market information, price changes) as of 30 Mar 2007

Output Dynamics, ths tonn



INCOME STATEMENT SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Net Revenues	137.4	162.4	162.9	104.5	87.3	n/a	n/a
<i>Change y-o-y</i>	-	18.2%	0.3%	-35.9%	15.8%	n/a	n/a
Gross Profit	22.0	10.4	0.2	18.2	10.9	n/a	n/a
EBITDA	16.2	5.3	(8.1)	6.6	6.6	n/a	n/a
<i>margin, %</i>	11.8%	3.3%	-5.0%	6.3%	7.5%	n/a	n/a
Depreciation	(4.5)	(5.1)	(5.0)	(6.7)	(5.1)	n/a	n/a
EBIT	11.8	0.2	(13.1)	(0.1)	1.4	n/a	n/a
<i>margin, %</i>	8.6%	0.1%	-8.0%	-0.1%	1.7%	n/a	n/a
Interest Expense	(0.2)	(0.2)	(1.1)	(0.1)	(0.4)	n/a	n/a
Other income/(expense)	(0.7)	(0.1)	0.1	6.9	(0.2)	n/a	n/a
PBT	10.8	(0.1)	(14.1)	6.6	0.9	n/a	n/a
Tax	(3.6)	-	-	(1.8)	-	n/a	n/a
<i>Effective tax rate</i>	33.0%	0.0%	0.0%	26.5%	0.0%	n/a	n/a
Net Income	7.2	(0.1)	(14.1)	4.9	0.8	n/a	n/a
<i>Net Margin, %</i>	5.3%	-0.1%	-8.7%	4.7%	1.0%	n/a	n/a

BALANCE SHEET SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Current Assets	68.3	104.2	77.2	101.2	113.2	n/a	n/a
Cash & Equivalents	0.6	0.3	8.0	1.2	0.7	n/a	n/a
Trade Receivables	14.1	37.3	18.9	23.7	39.8	n/a	n/a
Inventories	7.8	14.2	11.9	32.0	27.8	n/a	n/a
Other	45.8	52.3	38.5	44.3	44.9	n/a	n/a
Fixed Assets	54.1	64.3	88.8	59.7	76.8	n/a	n/a
PP&E, net	48.8	52.0	58.8	53.6	50.7	n/a	n/a
Other	5.3	12.3	30.0	6.1	26.1	n/a	n/a
Total Assets	122.4	168.5	166.1	160.9	190.0	n/a	n/a
Shareholders' Equity	93.8	128.0	133.9	144.7	145.5	n/a	n/a
Share Capital	30.5	51.6	69.1	72.6	72.6	n/a	n/a
Retained Earnings	13.2	19.7	7.4	12.8	13.8	n/a	n/a
Other	50.2	56.7	57.4	59.2	59.1	n/a	n/a
Current Liabilities	25.9	38.1	31.7	14.1	42.4	n/a	n/a
ST Interest Bearing Debt	-	23.9	-	3.0	7.2	n/a	n/a
Trade Payables	11.9	3.1	26.1	4.2	21.5	n/a	n/a
Other	13.9	11.1	5.6	6.9	16.2	n/a	n/a
LT Liabilities	2.7	2.4	0.5	2.1	2.1	n/a	n/a
LT Interest Bearing Debt	-	-	-	-	-	n/a	n/a
Other	2.7	2.4	0.5	2.1	2.1	n/a	n/a
Total Liabilities & Equity	122.4	168.5	166.1	160.9	190.0	n/a	n/a

QUARTERLY ANALYSIS, USD mln

	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
Net Revenues	31.5	60.2	27.2	43.9	14.8	30.4	30.1	29.1	18.1	30.0	39.2
<i>Change y-o-y</i>	-30.0%	17.9%	-35.9%	84.4%	-53.0%	-49.4%	10.4%	-33.7%	22.1%	-1.4%	30.1%
EBITDA	1.5	(2.7)	(3.3)	(3.6)	(0.1)	2.2	1.9	2.6	3.6	0.7	2.3
<i>margin, %</i>	4.7%	-4.4%	-12.2%	-8.2%	-0.7%	7.2%	6.4%	9.0%	19.6%	2.4%	5.8%
EBIT	0.2	(3.9)	(4.5)	(4.9)	(1.5)	0.5	0.2	0.7	2.0	(1.1)	0.5
<i>margin, %</i>	0.7%	-6.5%	-16.7%	-11.2%	-9.8%	1.5%	0.6%	2.4%	11.3%	-3.7%	1.3%
Net Income	(0.3)	(3.9)	(4.6)	(5.3)	(1.4)	1.5	0.1	4.7	1.7	(1.3)	0.5
<i>Net Margin, %</i>	-1.0%	-6.6%	-16.8%	-12.0%	-9.2%	4.9%	0.3%	16.1%	9.3%	-4.3%	1.2%

Ordzhonikidze Manganese Ore

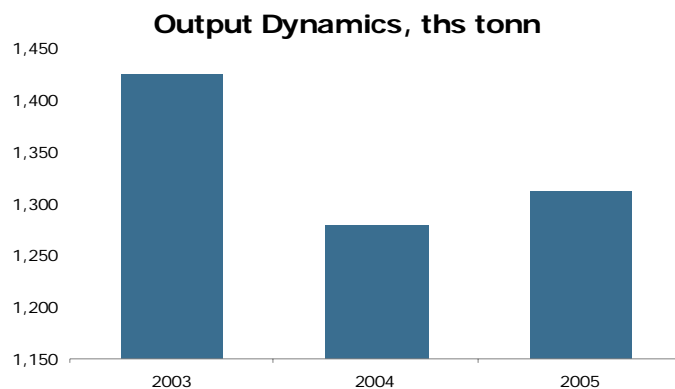
Mining

Target Price (USD)
Upside (%)

N/R
n/a

BUSINESS OVERVIEW

Ordzhonikidze Manganese Ore is the largest manganese ore producer in Ukraine and uses only open-pit mining (around 70% of total domestic output). The company's core products are manganese ore, agglomerate and concentrate of different types with manganese content from 26% to 43%. The company is the major supplier of the core input for manganese-based ferroalloy production. In 8M06, Ordzhonikidze Manganese Ore produced 666 ths mt of manganese concentrate, a 6.5% yoy decrease. In 9M06 the company posted a 32.9% yoy growth of net revenues to USD 102.7 mln, increase of EBITDA margin to 6.7% from 5.5% in 9M05, and decline of net margin to negative 0.4% from 0.2% in 9M05.



* The stock is not listed on PFTS

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2: Market price reaction remains within 10% in execution of a market order of about USD 1 mln in size

3: All other stocks (quoted price is less reliable and should be considered indicative)

Note: data (market information, price changes) as of 30 Mar 2007

MARKET INFORMATION

Market price*, USD	n/a
Price impact**	n/a
52 Wk H/L, USD	n/a
Chg 3m/6m/52w	n/a
Chg vs PFTS 3m/6m/52w	n/a
Chg YTD	n/a
Avg Mo Tr Vol 6M, USD ths	n/a
MCap, USD mln	n/a
Free float, %	2.8%
FF MCap, USD mln	n/a
No of shares, mln	2944.5
Par Value (UAH)	0.25
XETRA	OAC
DR Ratio	1: 100
Avg Mo Tr Vol 6M, USD ths	0.0

STOCK OWNERSHIP

Alexton Ltd	24.3%
Clemente Enterprises Ltd	24.3%
Profetis Enterprises Ltd	24.3%
Exid Investments Ltd	24.3%
Other	2.8%

MARKET MULTIPLES

	2006E	2007E
EV/Sales	n/a	n/a
EV/EBITDA	n/a	n/a
P/E	n/a	n/a
P/B	n/a	n/a
P/CF	n/a	n/a

KEY RATIOS

	2005	2006E	2007E
EBITDA margin	6%	7%	n/a
Net Margin	0.3%	-0.4%	n/a
ROE	0.2%	-0.2%	n/a
Net Debt/Equity	-0.02	0.1	n/a

INCOME STATEMENT SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Net Revenues	102.5	76.1	162.0	101.1	102.7	n/a	n/a
<i>Change y-o-y</i>	-	-25.8%	113.0%	-37.6%	32.9%	n/a	n/a
Gross Profit	14.1	16.6	(3.9)	13.0	11.0	n/a	n/a
EBITDA	9.9	12.7	(7.9)	5.8	6.8	n/a	n/a
<i>margin, %</i>	9.6%	16.7%	-4.9%	5.8%	6.7%	n/a	n/a
Depreciation	(5.5)	(6.8)	(7.1)	(5.4)	(4.3)	n/a	n/a
EBIT	4.4	5.9	(15.0)	0.4	2.5	n/a	n/a
<i>margin, %</i>	4.3%	7.8%	-9.2%	0.4%	2.4%	n/a	n/a
Interest Expense	(0.4)	(0.9)	(0.0)	(0.0)	(2.1)	n/a	n/a
Other income/(expense)	(0.0)	(1.8)	0.4	(0.1)	(0.0)	n/a	n/a
PBT	4.0	3.3	(14.6)	0.3	0.4	n/a	n/a
Tax	(3.2)	-	-	-	(0.8)	n/a	n/a
<i>Effective tax rate</i>	79.7%	0.0%	0.0%	0.0%	203.3%	n/a	n/a
Net Income	0.8	3.3	(14.6)	0.3	(0.4)	n/a	n/a
<i>Net Margin, %</i>	0.8%	4.3%	-9.0%	0.3%	-0.4%	n/a	n/a

BALANCE SHEET SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Current Assets	131.2	152.1	187.4	183.1	160.1	n/a	n/a
Cash & Equivalents	0.0	0.3	14.4	3.4	1.5	n/a	n/a
Trade Receivables	74.3	79.3	68.7	54.3	53.6	n/a	n/a
Inventories	12.5	20.5	17.1	19.1	19.4	n/a	n/a
Other	44.3	52.0	87.3	106.3	85.5	n/a	n/a
Fixed Assets	49.4	61.6	58.5	60.1	121.8	n/a	n/a
PP&E, net	37.4	59.0	56.5	57.5	55.9	n/a	n/a
Other	12.0	2.6	2.0	2.5	65.9	n/a	n/a
Total Assets	180.6	213.7	245.9	243.2	281.9	n/a	n/a
Shareholders' Equity	130.4	194.9	216.5	227.7	226.5	n/a	n/a
Share Capital	69.0	103.6	138.8	145.8	145.8	n/a	n/a
Retained Earnings	11.5	15.0	1.3	2.2	1.9	n/a	n/a
Other	49.9	76.3	76.4	79.7	78.9	n/a	n/a
Current Liabilities	46.7	15.4	27.6	13.8	53.6	n/a	n/a
ST Interest Bearing Debt	8.6	0.8	0.1	-	20.6	n/a	n/a
Trade Payables	20.5	4.0	12.5	6.0	24.2	n/a	n/a
Other	17.5	10.7	15.0	7.8	12.0	n/a	n/a
LT Liabilities	3.5	3.3	1.9	1.7	1.7	n/a	n/a
LT Interest Bearing Debt	-	-	-	-	-	n/a	n/a
Other	3.5	3.3	1.9	1.7	1.7	n/a	n/a
Total Liabilities & Equity	180.6	213.7	245.9	243.2	281.9	n/a	n/a

QUARTERLY ANALYSIS, USD mln

	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
Net Revenues	31.1	44.8	36.2	50.0	44.6	18.0	14.7	23.8	28.9	38.0	35.7
<i>Change y-o-y</i>	48.7%	109.4%	144.5%	163.0%	43.4%	-76.3%	-59.3%	-52.5%	-35.1%	111.4%	142.8%
EBITDA	(0.0)	(0.1)	(2.8)	(5.0)	(0.6)	2.3	2.6	1.6	2.2	1.8	2.9
<i>margin, %</i>	-0.1%	-0.2%	-7.6%	-10.1%	-1.4%	12.8%	17.4%	6.7%	7.6%	4.6%	8.0%
EBIT	(1.5)	(2.1)	(4.5)	(6.8)	(1.9)	0.9	1.2	0.2	0.8	0.3	1.4
<i>margin, %</i>	-4.7%	-4.8%	-12.5%	-13.6%	-4.3%	5.1%	8.1%	1.0%	2.7%	0.8%	3.9%
Net Income	(1.3)	(1.9)	(4.4)	(7.0)	(1.9)	0.6	1.4	0.2	0.4	0.2	(1.0)
<i>Net Margin, %</i>	-4.2%	-4.2%	-12.3%	-14.0%	-4.3%	3.4%	9.8%	0.9%	1.3%	0.5%	-2.7%

Azot Cherkasy

AZOT UZ

Chemicals

<http://www.azot.cherkassy.net>

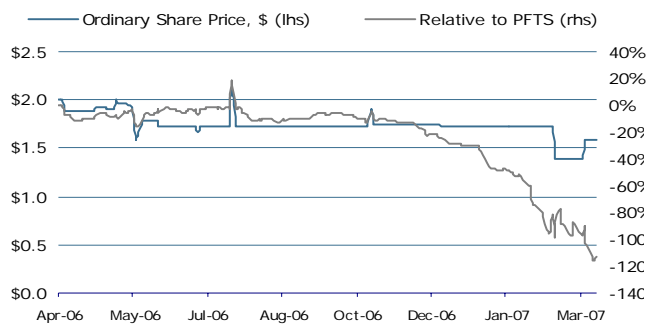
Target Price (USD)
Upside

Susp
n/a

INVESTMENT CASE

- Revealed true sales and profitability in 2006
- Diversified product mix (caprolactam brings in about 1/3 of total revenues) reduces the impact of increasing gas prices
- The corporate conflict is still lingering, affecting liquidity of the stock

SHARE PRICE PERFORMANCE*



BUSINESS OVERVIEW

Azot Cherkasy is Ukraine's fourth largest producer of nitrogen fertilizers and the country's only producer of caprolactam (used in nylon production). The company exports about 45% of its output. In 2006, the company produced 753 ths mt of ammonia (-14% yoy), 688 ths mt of urea (-8% yoy) and 408 ths mt of ammonia nitrate (-20% yoy), accounting for 15%, 20% and 21% of total domestic output, respectively. The decrease was mainly due to a gas supply shortage in April-June and ammonia facility refurbishment in October-November. Investment plans call for USD 28 mln in 2007 to expand ammonia and urea capacity. In 9M06 AZOT posted growth in sales by 61% yoy to USD 277 mln, a four time increase in EBITDA to USD 48 mln and a record change in net income from USD 3 mln net loss in 9M05 to USD 22.5 net profit in 9M06.

UPCOMING EVENTS

26 Apr 2007 AGM

* PFTS MID Price is used

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- 2: Market price reaction remains within 10% in execution of a market order of about USD 1 mln in size
- 3: All other stocks (quoted price is less reliable and should be considered indicative)

Note: data (market information, price changes) as of 30 Mar 2007

MARKET INFORMATION

Market price*, USD	39.88
Price impact**	3
52 Wk H/L, USD	2.13 / 1.39
Chg 3m/6m/52w	n/a / n/a / n/a
Chg vs PFTS 3m/6m/52w	-65% / -104% / -93%
Chg YTD	n/a
Avg Mo Tr Vol 6M, USD ths	0.00
MCap, USD mln	196.9
Free float, %	2.4%
FF MCap, USD mln	4.7
No of shares, mln	124.3
Par Value, UAH	8.5
XETRA	A9T
DR Ratio	1:30
Avg Mo Tr Vol 6M, USD ths	0.0

STOCK OWNERSHIP

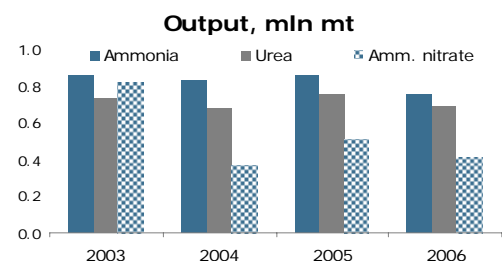
Uksib Group	97.6%
Other	2.4%

MARKET MULTIPLES

	2006E	2007E
EV/Sales	0.6	0.6
EV/EBITDA	2.8	4.7
P/E	4.9	11.2
P/B	0.9	0.8
P/CF	3.2	5.2

KEY RATIOS

	2005	2006E	2007E
EBITDA margin	31%	21%	12%
Net Margin	21%	11%	5%
ROE	93%	22%	8%
Net Debt/Equity	0.03	0.1	0.1



INCOME STATEMENT SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Net Revenues	145.5	232.7	233.8	267.6	276.7	n/a	n/a
<i>Change y-o-y</i>	-	59.9%	0.5%	14.5%	60.7%	n/a	n/a
Gross Profit	28.6	25.8	56.4	62.5	81.6	n/a	n/a
EBITDA	14.5	10.5	15.2	23.5	47.8	n/a	n/a
<i>margin, %</i>	9.9%	4.5%	6.5%	8.8%	17.3%	n/a	n/a
Depreciation	(5.8)	(5.9)	(6.4)	(13.5)	(15.3)	n/a	n/a
EBIT	8.7	4.6	8.9	9.9	32.6	n/a	n/a
<i>margin, %</i>	6.0%	2.0%	3.8%	3.7%	11.8%	n/a	n/a
Interest Expense	(3.5)	(3.4)	(3.6)	(3.4)	(1.7)	n/a	n/a
Other income/(expense)	(0.7)	(0.9)	0.2	1.8	(0.1)	n/a	n/a
PBT	4.5	0.3	5.5	8.3	30.7	n/a	n/a
Tax	(2.8)	(0.1)	(4.3)	(3.1)	(8.3)	n/a	n/a
<i>Effective tax rate</i>	61.9%	46.0%	78.1%	37.8%	26.9%	n/a	n/a
Net Income	1.7	0.2	1.2	5.2	22.5	n/a	n/a
<i>Net Margin, %</i>	1.2%	0.1%	0.5%	2.0%	8.1%	n/a	n/a

BALANCE SHEET SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Current Assets	109.1	147.9	175.7	94.4	102.1	n/a	n/a
Cash & Equivalents	0.5	0.4	1.9	0.2	1.9	n/a	n/a
Trade Receivables	47.5	31.4	63.4	14.5	1.1	n/a	n/a
Inventories	32.6	28.7	40.7	48.0	47.6	n/a	n/a
Other	28.6	87.4	69.7	31.7	51.5	n/a	n/a
Fixed Assets	88.7	92.8	133.3	177.1	250.1	n/a	n/a
PP&E, net	84.7	86.8	113.7	162.0	230.7	n/a	n/a
Other	4.0	6.0	19.6	15.0	19.4	n/a	n/a
Total Assets	197.8	240.7	309.0	271.5	352.2	n/a	n/a
Shareholders' Equity	42.8	43.0	83.1	174.4	254.5	n/a	n/a
Share Capital	80.0	80.0	119.0	210.8	210.8	n/a	n/a
Retained Earnings	(56.8)	(56.8)	(55.9)	(57.5)	(85.5)	n/a	n/a
Other	19.7	19.8	19.9	21.1	129.3	n/a	n/a
Current Liabilities	123.3	160.3	181.0	96.9	49.3	n/a	n/a
ST Interest Bearing Debt	18.1	14.9	22.3	19.7	20.2	n/a	n/a
Trade Payables	81.3	120.3	136.5	61.4	13.4	n/a	n/a
Other	23.9	25.1	22.2	15.9	17.5	n/a	n/a
LT Liabilities	31.7	37.4	44.9	0.2	48.3	n/a	n/a
LT Interest Bearing Debt	-	5.6	9.3	0.2	29.8	n/a	n/a
Other	31.7	31.8	35.6	-	18.5	n/a	n/a
Total Liabilities & Equity	197.8	240.7	309.0	271.5	352.2	n/a	n/a

QUARTERLY ANALYSIS, USD mln

	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
Net Revenues	66.9	45.2	69.6	52.0	62.1	49.9	60.1	95.4	98.0	84.8	93.8
<i>Change y-o-y</i>	7.6%	-27.8%	43.6%	-12.4%	-7.2%	10.4%	-13.6%	83.5%	57.8%	69.9%	55.9%
EBITDA	4.3	3.8	6.6	0.5	8.7	0.9	0.9	13.0	19.8	15.3	12.7
<i>margin, %</i>	6.5%	8.5%	9.5%	0.9%	13.9%	1.8%	1.5%	13.6%	20.2%	18.1%	13.6%
EBIT	2.8	2.3	5.0	(1.2)	6.0	(2.2)	(2.9)	9.1	14.7	10.2	7.6
<i>margin, %</i>	4.1%	5.0%	7.2%	-2.3%	9.6%	-4.5%	-4.8%	9.5%	15.0%	12.1%	8.2%
Net Income	1.5	1.2	4.7	(6.2)	3.3	(2.4)	(3.9)	8.2	10.6	6.3	5.5
<i>Net Margin, %</i>	2.3%	2.6%	6.8%	-12.0%	5.4%	-4.8%	-6.5%	8.6%	10.8%	7.4%	5.9%

Chernigiv Khimvolokno CHIM UZ

Chemicals

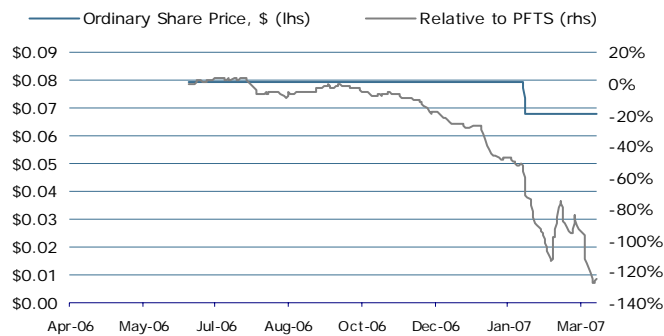
<http://www.him.com.ua>

Target Price (USD) 0.11
Upside 69%

INVESTMENT CASE

- Rapidly capturing the CIS market for tire cord thanks to its cost/quality advantage
- Clear-cut growth strategy; investment program currently in high gear
- Pending IPO and possible take-over are the main catalysts
- Major risk: possibility of a temporary decrease in margins caused by intensive CapEx and aggressively undercutting of its competition's prices

SHARE PRICE PERFORMANCE*



Listed on PFTS since 23 Jun 2006

BUSINESS OVERVIEW

Chernigiv Khimvolokno is the CIS's leading producer of chemical fiber and cord fabrics, mainly catering to tire producers. The company has a monopoly in the CIS on anide cord production. The plant specializes in polyamide fibers – kapron and anide. The company's range of products includes primary polyamide, yarn and tire cord fabrics. The latter is its major source of revenue accounting for ~70% of the company's total revenue. Chernigiv Khimvolokno's capacities are loaded at close to 100%. Backed by strong global trends in the chemical fiber industry, the company has embarked upon a large-scale investment program to increase its capacities by ~60% and enable penetration into non-CIS markets with products that have 8-10% higher gross margin (kapron and anide dipped cord).

* PFTS BID Price is used

** Price "Impact" is the opinion of Concorde's trading desk on stocks to help investors estimate the reliability of quoted prices:

- 1: Market price reaction remains within 10% in execution of a market order of about USD 10 mln in size
- 2: Market price reaction remains within 10% in execution of a market order of about USD 1 mln in size
- 3: All other stocks (quoted price is less reliable and should be considered indicative)

Note: data (market information, price changes) as of 30 Mar 2007

MARKET INFORMATION

Market price*, USD	0.07
Price impact**	3
52 Wk H/L, USD	0.08 / 0.07
Chg 3m/6m/52w	-14% / -14% / -14%
Chg vs PFTS 3m/6m/52w	-79% / -119% / -107%
Chg YTD	-14%
Avg Mo Tr Vol 6M, USD ths	96.32
MCap, USD mln	108.2
Free float, %	12.0%
FF MCap, USD mln	13.0
No of shares, mln	686.1
Par Value, UAH	0.25
XETRA	CKU
DR Ratio	1:100
Avg Mo Tr Vol 6M, USD ths	0.0

STOCK OWNERSHIP

Energotransinvest Corp.	88.0%
Other	12.0%

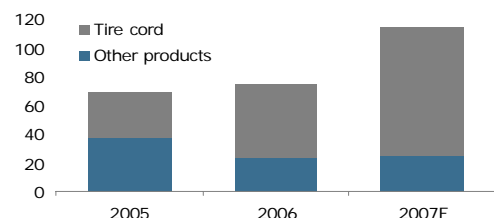
MARKET MULTIPLES

	2006E	2007E
EV/Sales	1.4	1.0
EV/EBITDA	14.9	7.9
P/E	34.9	11.5
P/B	2.7	2.3
P/CF	34.9	11.5

KEY RATIOS

	2005	2006E	2007E
EBITDA margin	9%	10%	13%
Net Margin	1.6%	3.2%	6.3%
ROE	6%	14%	24%
Net Debt/Equity	1.1	0.8	0.9

Net Revenue, USD mln



INCOME STATEMENT SUMMARY, USD mln

	2002	2003	2004	2005	2006E	2007E	2008E
Net Revenues	13.0	22.4	40.5	73.8	96.7	148.4	188.2
<i>Change y-o-y</i>	-	72.5%	81.0%	82.1%	30.9%	53.5%	26.9%
Gross Profit	1.4	3.6	5.1	8.6	14.6	27.6	33.4
EBITDA	(0.8)	0.8	1.6	6.5	9.3	19.4	23.0
<i>margin, %</i>	-6.1%	3.5%	4.0%	8.8%	9.6%	13.1%	12.2%
Depreciation	(1.3)	(1.3)	(1.5)	(1.7)	(2.4)	(3.4)	(4.1)
EBIT	(2.1)	(0.5)	0.1	4.9	6.9	16.0	19.0
<i>margin, %</i>	-16.0%	-2.2%	0.3%	6.6%	7.1%	10.8%	10.1%
Interest Expense	(0.6)	(0.8)	(1.2)	(3.0)	(2.7)	(3.5)	(4.4)
Other income/(expense)	(0.3)	(0.0)	0.1	(0.4)	-	-	-
PBT	(2.9)	(1.3)	(0.9)	1.5	4.2	12.5	14.6
Tax	-	-	-	(0.2)	(1.0)	(3.1)	(3.6)
<i>Effective tax rate</i>	0.0%	0.0%	0.0%	15.4%	25.0%	25.0%	25.0%
Net Income	(2.9)	(1.3)	(0.9)	1.2	3.1	9.4	10.9
<i>Net Margin, %</i>	-22.6%	-6.0%	-2.3%	1.7%	3.2%	6.3%	5.8%

BALANCE SHEET SUMMARY, USD mln

	2002	2003	2004	2005	2006E	2007E	2008E
Current Assets	6.2	18.9	35.4	23.5	24.8	35.3	42.5
Cash & Equivalents	0.1	0.8	1.2	5.0	1.4	1.3	0.9
Trade Receivables	0.7	2.3	4.8	3.8	4.8	7.4	9.4
Inventories	3.8	10.1	15.6	10.8	12.8	19.3	23.7
Other	1.6	5.7	13.8	3.9	5.9	7.3	8.5
Fixed Assets	22.7	23.2	25.5	36.8	52.8	65.9	73.6
PP&E, net	22.2	21.1	24.8	25.6	49.9	65.9	73.6
Other	0.5	2.0	0.7	11.2	3.0	0.0	0.0
Total Assets	28.9	42.1	60.8	60.3	77.7	101.2	116.1
Shareholders' Equity	22.4	21.1	20.2	22.5	39.6	46.6	54.3
Share Capital	20.0	20.0	20.1	21.1	35.0	35.0	35.0
Retained Earnings	(4.0)	(5.4)	(6.3)	(5.3)	(2.1)	4.4	12.1
Other	6.5	6.5	6.4	6.7	6.7	6.8	6.8
Current Liabilities	6.2	20.3	19.6	8.7	6.7	13.5	17.1
ST Interest Bearing Debt	3.1	4.4	-	-	0.5	4.5	5.6
Trade Payables	1.7	5.8	11.1	6.0	4.8	7.4	9.4
Other	1.5	10.0	8.5	2.6	1.4	1.6	2.1
LT Liabilities	0.2	0.7	21.0	29.1	31.3	41.0	44.8
LT Interest Bearing Debt	0.1	0.6	20.9	28.2	31.3	41.0	44.8
Other	0.1	0.1	0.1	0.9	-	-	-
Total Liabilities & Equity	28.9	42.1	60.8	60.3	77.6	101.1	116.2

QUARTERLY ANALYSIS, USD mln

	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
Net Revenues	9.8	11.4	9.2	10.1	16.2	19.7	19.0	18.9	19.8	21.2	22.6
<i>Change y-o-y</i>	402.1%	149.3%	22.1%	21.4%	65.5%	72.4%	107.8%	86.1%	21.8%	7.7%	18.7%
EBITDA	0.6	0.3	0.6	0.1	1.3	3.4	1.8	0.1	1.8	1.2	(0.0)
<i>margin, %</i>	5.7%	3.0%	6.5%	1.1%	7.9%	17.1%	9.3%	0.6%	8.9%	5.6%	-0.2%
EBIT	0.2	(0.0)	0.2	(0.3)	0.9	3.1	1.2	(0.3)	1.3	0.7	(0.5)
<i>margin, %</i>	2.3%	-0.2%	2.4%	-2.9%	5.6%	15.7%	6.3%	-1.7%	6.7%	3.5%	-2.1%
Net Income	0.1	(0.3)	(0.1)	(0.6)	0.0	1.8	0.2	(0.9)	0.3	(0.2)	(1.6)
<i>Net Margin, %</i>	0.6%	-2.5%	-1.4%	-5.8%	0.2%	9.3%	1.3%	-4.6%	1.3%	-0.8%	-6.9%

Dniproazot

DNAZ UZ

Chemicals

<http://www.azot.com.ua>

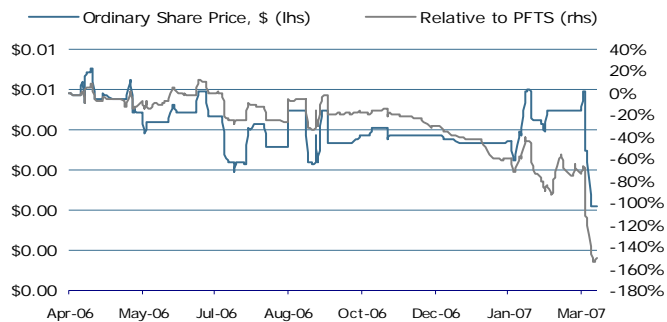
Target Price (USD)
Upside

N/R
n/a

INVESTMENT CASE

- Preparing for sell off its core operating assets
- Compared to other fertilizer producers, less sensitive to gas prices due to lower per unit gas consumption and concentration on urea production, a more profitable product than ammonia
- Diversifying into caustic soda and chlorine (~15% of revenues)

SHARE PRICE PERFORMANCE*



BUSINESS OVERVIEW

Dniproazot ranks fifth out of Ukraine's six nitrogen fertilizer producers by output. The company's core products are urea (21% of Ukraine's total output in 2006), ammonia (10% of domestic output) and caustic soda (32% of domestic output); it also produces liquid chlorine and hydrochloric acid. Dniproazot exports almost 70% of its total output. In 2006, the company produced 739 ths mt of urea (-3% yoy) and 523 ths mt of ammonia (3% yoy). Recently Dniproazot's owner, Privat Group, decided to sell the company's operating assets via an open competition, which is in line with our year-old forecast. As before, we believe, that the most likely buyers will be Russian or Ukrainian companies, able to supply Dniproazot with cheap gas or ammonia for further processing into urea. In 9M06 Dniproazot posted sales growth of 22.4% yoy to USD 158.3 mln and a decrease in net income by 40.8% yoy to USD 15.8 mln.

MARKET INFORMATION

Market price*, USD	0.004
Price impact**	3
9 Wk H/L, USD	0.01 / 0.00
Chg 3m/6m/52w	4% / 4% / -23%
Chg vs PFTS 3m/6m/52w	-61% / -101% / -116%
Chg YTD	4%
Avg Mo Tr Vol 6M, USD ths	1196.73
MCap, USD mln	133.3
Free float, %	1.0%
FF MCap, USD mln	1.3
No of shares, mln	35158.4
Par Value, UAH	0.01
XETRA	UZBA
DR Ratio	1:2500
Avg Mo Tr Vol 6M, USD ths	15.6

STOCK OWNERSHIP

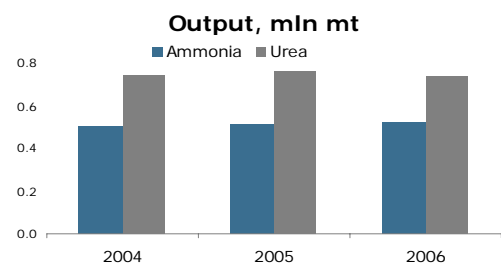
Privat Group	99.0%
Other	1.0%

MARKET MULTIPLES

	2006E	2007E
EV/Sales	0.8	0.8
EV/EBITDA	3.8	10.3
P/E	5.2	21.1
P/B	0.5	0.5
P/CF	4.2	10.8

KEY RATIOS

	2005	2006E	2007E
EBITDA margin	26%	20%	8%
Net Margin	16%	13%	3%
ROE	14%	10%	2%
Net Debt/Equity	0.1	0.1	0.1



* PFTS MID Price is used
** Price "Impact" is the opinion of Concorde's trading desk on stocks to help investors estimate the reliability of quoted prices:

1: Market price reaction remains within 10% in execution of a market order of about USD 10 mln in size
2: Market price reaction remains within 10% in execution of a market order of about USD 1 mln in size
3: All other stocks (quoted price is less reliable and should be considered indicative)

Note: data (market information, price changes) as of 30 Mar 2007

INCOME STATEMENT SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Net Revenues	82.5	126.6	156.2	186.4	158.3	n/a	n/a
<i>Change y-o-y</i>	-	53.5%	23.3%	19.4%	22.4%	n/a	n/a
Gross Profit	23.4	49.9	74.1	87.9	57.5	n/a	n/a
EBITDA	4.4	31.9	40.7	48.9	26.5	n/a	n/a
<i>margin, %</i>	5.3%	25.2%	26.0%	26.2%	16.7%	n/a	n/a
Depreciation	(6.0)	(5.7)	(5.4)	(5.9)	(4.6)	n/a	n/a
EBIT	(1.6)	26.2	35.2	43.0	21.9	n/a	n/a
<i>margin, %</i>	-2.0%	20.7%	22.6%	23.1%	13.8%	n/a	n/a
Interest Expense	(1.0)	(1.4)	(4.8)	(1.6)	(1.3)	n/a	n/a
Other income/(expense)	0.0	(0.1)	(1.6)	(1.6)	(1.9)	n/a	n/a
PBT	(2.7)	24.8	28.8	39.9	18.6	n/a	n/a
Tax	(0.4)	(8.2)	(8.9)	(10.4)	(2.9)	n/a	n/a
<i>Effective tax rate</i>	-16.9%	33.0%	31.0%	26.1%	15.4%	n/a	n/a
Net Income	(3.1)	16.6	19.8	29.4	15.8	n/a	n/a
<i>Net Margin, %</i>	-3.8%	13.1%	12.7%	15.7%	10.0%	n/a	n/a

BALANCE SHEET SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Current Assets	43.0	107.4	150.9	199.7	211.6	n/a	n/a
Cash & Equivalents	0.1	1.0	1.0	2.0	6.6	n/a	n/a
Trade Receivables	6.2	6.5	27.4	45.3	38.0	n/a	n/a
Inventories	13.4	11.9	12.3	13.3	12.8	n/a	n/a
Other	23.3	87.9	110.2	139.1	154.4	n/a	n/a
Fixed Assets	135.9	134.3	122.3	128.0	128.3	n/a	n/a
PP&E, net	110.0	109.0	106.8	111.2	109.4	n/a	n/a
Other	25.9	25.3	15.4	16.8	18.8	n/a	n/a
Total Assets	178.9	241.7	273.1	327.7	339.9	n/a	n/a
Shareholders' Equity	117.7	134.5	208.2	248.8	264.5	n/a	n/a
Share Capital	0.3	0.3	0.3	69.6	69.6	n/a	n/a
Retained Earnings	10.2	27.5	49.4	82.5	95.5	n/a	n/a
Other	107.2	106.6	158.5	96.6	99.4	n/a	n/a
Current Liabilities	60.8	71.1	21.0	54.9	53.1	n/a	n/a
ST Interest Bearing Debt	18.6	1.1	0.0	26.6	33.5	n/a	n/a
Trade Payables	37.4	33.0	3.0	9.9	1.6	n/a	n/a
Other	4.8	37.0	18.0	18.4	20.0	n/a	n/a
LT Liabilities	0.4	36.2	43.9	24.0	22.3	n/a	n/a
LT Interest Bearing Debt	-	28.2	27.1	1.6	-	n/a	n/a
Other	0.4	8.0	16.7	22.3	22.3	n/a	n/a
Total Liabilities & Equity	178.9	241.7	273.1	327.7	339.9	n/a	n/a

QUARTERLY ANALYSIS, USD mln

	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
Net Revenues	41.3	27.4	41.5	46.0	45.7	45.2	38.6	57.0	53.4	52.3	52.6
<i>Change y-o-y</i>	35.0%	-22.9%	61.3%	32.3%	10.6%	64.6%	-7.0%	24.0%	17.0%	15.8%	36.4%
EBITDA	13.1	5.6	13.2	8.8	15.9	13.6	8.0	11.4	10.9	10.4	5.1
<i>margin, %</i>	31.6%	20.6%	31.7%	19.2%	34.9%	30.1%	20.7%	20.0%	20.5%	19.9%	9.7%
EBIT	12.0	4.0	11.8	7.4	14.6	12.1	6.5	9.8	9.4	8.9	3.6
<i>margin, %</i>	29.0%	14.8%	28.4%	16.2%	31.9%	26.9%	16.8%	17.2%	17.6%	17.0%	6.8%
Net Income	11.0	2.5	9.5	(3.1)	13.2	9.6	3.9	2.7	7.8	7.2	0.8
<i>Net Margin, %</i>	26.6%	9.3%	22.9%	-6.9%	28.8%	21.2%	10.1%	4.7%	14.6%	13.7%	1.5%

Krymsoda

KSOD UZ

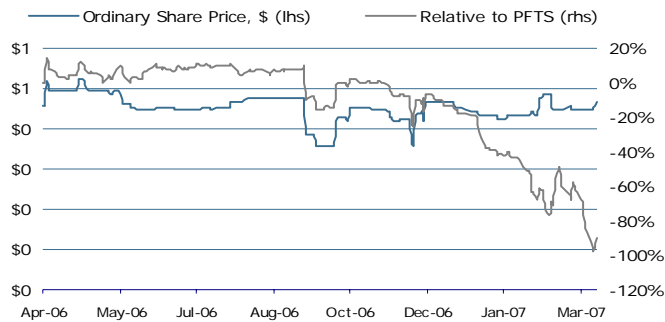
Chemicals

<http://www.cs.ua>

Target Price (USD)
Upside

N/R
n/a

SHARE PRICE PERFORMANCE*



MARKET INFORMATION

Market price*, USD	0.45
Price impact**	3
52 Wk H/L, USD	0.52 / 0.36
Chg 3m/6m/52w	-2% / 25% / -2%
Chg vs PFTS 3m/6m/52w	-67% / -79% / -95%
Chg YTD	-2%
Avg Mo Tr Vol 6M, USD ths	19.44
MCap, USD mln	97.8
Free float, %	10.5%
FF MCap, USD mln	10.3
No of shares, mln	219.6
Par Value, UAH	1.00
XETRA	C6Z
DR Ratio	1:10
Avg Mo Tr Vol 6M, USD ths	0.0

BUSINESS OVERVIEW

Krymsoda is Ukraine's largest soda ash producer, accounting for 80% of domestic output and 2.5% of global production. The plant's nameplate capacity is 698 ths mt/year. It is located in Crimea and is licensed to explore a 2000 sq km salt deposit in the Syvash Gulf - the only inexhaustible salt deposit of the world's five largest salt deposits. Krymsoda exports about 70% of its total output to Russia, Belarus, Spain, Italy and Turkey. Europe accounts for 30% of the company's total exports. In 2006 the company produced 680 ths mt of soda ash, a 5% yoy decrease. In 2006 the company posted a 8 times drop in net income to USD 1.52 mln.

Currently, Krymsoda is implementing a modernization program, expected to complete in 2009, to expand soda ash production to 760 ths mt in 2007.

STOCK OWNERSHIP

RSI Erste Beteiligungsgesellschaft	89.5%
Other	10.5%

MARKET MULTIPLES

	2006E	2007E
EV/Sales	1.0	n/a
EV/EBITDA	7.9	n/a
P/E	64.4	n/a
P/B	1.2	n/a
P/CF	12.4	n/a

KEY RATIOS

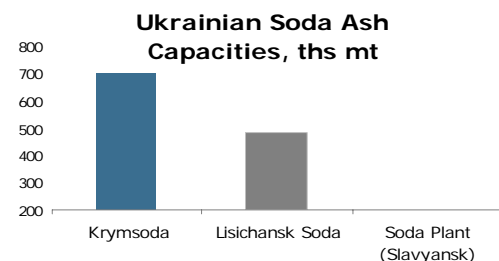
	2005	2006E	2007E
EBITDA margin	25%	13%	n/a
Net Margin	13%	1%	n/a
ROE	20%	2%	n/a
Net Debt/Equity	0.1	0.10	n/a

* PFTS MID Price is used

** Price "impact" is the opinion of Concorde's trading desk on stocks to help investors estimate the reliability of quoted prices:

- 1: Market price reaction remains within 10% in execution of a market order of about USD 10 mln in size
- 2: Market price reaction remains within 10% in execution of a market order of about USD 1 mln in size
- 3: All other stocks (quoted price is less reliable and should be considered indicative)

Note: data (market information, price changes) as of 30 Mar 2007



INCOME STATEMENT SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Net Revenues	44.6	47.4	70.4	93.1	77.2	n/a	n/a
<i>Change y-o-y</i>	-	6.3%	48.6%	32.3%	13.6%	n/a	n/a
Gross Profit	10.1	10.0	22.2	31.5	21.8	n/a	n/a
EBITDA	6.6	5.4	16.8	23.2	10.1	n/a	n/a
<i>margin, %</i>	14.8%	11.5%	23.8%	24.9%	13.1%	n/a	n/a
Depreciation	(3.1)	(3.2)	(3.5)	(4.4)	(4.8)	n/a	n/a
EBIT	3.5	2.2	13.2	18.8	5.3	n/a	n/a
<i>margin, %</i>	7.8%	4.7%	18.8%	20.2%	6.9%	n/a	n/a
Interest Expense	(1.1)	(1.3)	(1.2)	(1.3)	(0.9)	n/a	n/a
Other income/(expense)	(0.1)	(0.1)	(0.9)	0.1	(0.6)	n/a	n/a
PBT	2.3	0.8	11.1	17.6	3.8	n/a	n/a
Tax	(0.9)	(0.2)	(0.5)	(5.1)	(0.8)	n/a	n/a
<i>Effective tax rate</i>	38.8%	28.2%	4.5%	28.8%	21.8%	n/a	n/a
Net Income	1.4	0.6	10.6	12.6	3.0	n/a	n/a
<i>Net Margin, %</i>	3.2%	1.3%	15.1%	13.5%	3.9%	n/a	n/a

BALANCE SHEET SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Current Assets	16.8	16.0	21.2	27.2	29.0	n/a	n/a
Cash & Equivalents	0.3	0.6	1.2	2.1	1.9	n/a	n/a
Trade Receivables	4.0	2.4	2.1	3.9	3.5	n/a	n/a
Inventories	10.7	9.7	12.1	14.8	15.1	n/a	n/a
Other	1.8	3.3	5.8	6.4	8.5	n/a	n/a
Fixed Assets	49.2	49.8	54.0	68.7	127.8	n/a	n/a
PP&E, net	46.1	46.2	49.9	64.8	121.5	n/a	n/a
Other	3.0	3.5	4.1	3.9	6.3	n/a	n/a
Total Assets	66.0	65.7	75.2	95.9	156.7	n/a	n/a
Shareholders' Equity	49.1	49.4	61.3	80.9	142.0	n/a	n/a
Share Capital	34.0	34.0	34.1	43.5	43.5	n/a	n/a
Retained Earnings	1.4	0.6	11.0	19.9	22.2	n/a	n/a
Other	13.7	14.8	16.2	17.5	76.4	n/a	n/a
Current Liabilities	16.1	15.8	13.8	15.0	14.7	n/a	n/a
ST Interest Bearing Debt	8.7	8.0	10.2	10.0	10.0	n/a	n/a
Trade Payables	6.2	4.2	1.5	2.1	3.0	n/a	n/a
Other	1.2	3.6	2.2	2.9	1.7	n/a	n/a
LT Liabilities	0.8	0.5	0.1	-	-	n/a	n/a
LT Interest Bearing Debt	-	-	-	-	-	n/a	n/a
Other	0.8	0.5	0.1	-	-	n/a	n/a
Total Liabilities & Equity	66.0	65.7	75.2	95.9	156.7	n/a	n/a

QUARTERLY ANALYSIS, USD mln

	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
Net Revenues	19.9	22.8	25.3	25.2	25.5	26.4	25.3
<i>Change y-o-y</i>	N/M	N/M	N/M	N/M	28.3%	15.7%	0.2%
EBITDA	6.3	6.4	5.7	4.8	3.2	3.9	3.0
<i>margin, %</i>	31.7%	28.1%	22.4%	19.1%	12.6%	14.7%	11.9%
EBIT	5.3	5.4	4.6	3.5	2.1	2.7	0.6
<i>margin, %</i>	26.9%	23.6%	18.2%	13.8%	8.1%	10.2%	2.2%
Net Income	3.7	3.7	3.0	2.2	1.5	1.9	(0.5)
<i>Net Margin, %</i>	18.5%	16.2%	12.0%	8.6%	6.1%	7.3%	-1.8%

Stirol

STIR UZ

Chemicals

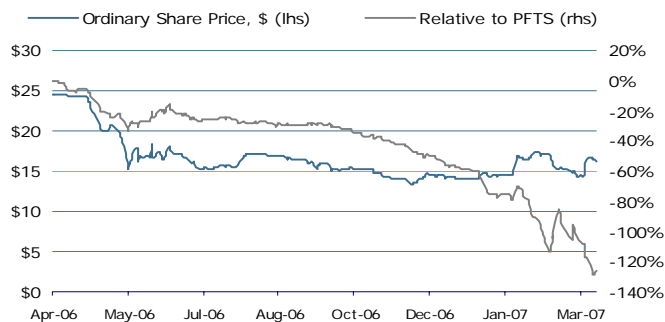
<http://www.stirol.net>

Target Price (USD) 12.50
Upside -24%

INVESTMENT CASE

- Largest Ukrainian producer of nitrogen fertilizers
- Less efficient in terms of gas consumption than other local competitors
- Profitability already affected by ~45% gas price hike in 2006 and will deteriorate further following another 30% increase in 2007
- Sales of non-fertilizer products account for about 20% of the company's revenue
- Is likely to cut ammonia production and to spur development of non-fertilizer segments, e.g. polystyrenes

SHARE PRICE PERFORMANCE*



BUSINESS OVERVIEW

Stirol is the largest Ukrainian producer of nitrogen fertilizer. The company has one of the most diverse product portfolios among domestic fertilizer producers, which includes nitrogen fertilizers, polystyrene, pharmaceuticals, consumer chemicals, etc. Stirol's current ammonia, urea and ammonia nitrate capacities total 1.5 mln mt, 1.0 mln mt, and 0.7 mln mt, respectively. The company exports about 80% of its output to CIS countries, and Western and Eastern Europe, accounting for about 3% of worldwide ammonia exports and 2% of urea exports. In 2006, Stirol produced 1.3 mln mt of ammonia (-4% yoy), 0.82 mln mt of urea (-4% yoy), and 0.53 mln mt of ammonia nitrate (-6% yoy). An almost 45% increase in gas prices has led to 53% lower net income than in 2005. A USD 280 mln modernization program is currently being implemented.

* PFTS MID Price is used

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Note: data (market information, price changes) as of 30 Mar 2007

MARKET INFORMATION

Market price*, USD	16.45
Price impact**	1
51 Wk H/L, USD	25.3 / 13.4
Chg 3m/6m/51w	16% / 3% / -33%
Chg vs PFTS 3m/6m/51w	-48% / -101% / -126%
Chg YTD	16%
Avg Mo Tr Vol 6M, USD ths	644.11
MCap, USD mln	446.1
Free float, %	6.9%
FF MCap, USD mln	30.8
No of shares, mln	27.1
Par Value, UAH	35.0
XETRA	SVX
DR Ratio	1:1
Avg Mo Tr Vol 6M, USD ths	309.7

STOCK OWNERSHIP

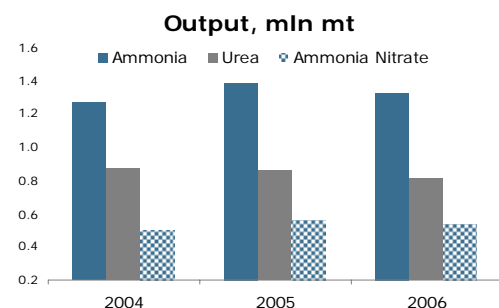
Stirolkhinvest and related securities	94.0%
Other	6.0%

MARKET MULTIPLES

	2006E	2007E
EV/Sales	0.7	0.9
EV/EBITDA	4.0	20.5
P/E	7.0	74.3
P/B	1.2	1.2
P/CF	5.8	19.8

KEY RATIOS

	2005	2006E	2007E
EBITDA margin	28%	18%	4%
Net Margin	22%	13%	1%
ROE	40%	19%	2%
Net Debt/Equity	-0.41	-0.28	-0.02



INCOME STATEMENT SUMMARY, USD mln

	2002	2003	2004	2005	2006E	2007E	2008E
Net Revenues	118.4	245.4	351.5	448.7	480.6	498.3	281.6
<i>Change y-o-y</i>	-	107.2%	43.3%	27.7%	7.1%	3.7%	-43.5%
Gross Profit	45.0	95.6	148.5	191.4	144.6	81.2	94.4
EBITDA	17.1	62.6	108.5	127.6	87.0	21.4	63.4
<i>margin, %</i>	14.5%	25.5%	30.9%	28.4%	18.1%	4.3%	22.5%
Depreciation	(11.2)	(11.6)	(11.1)	(14.0)	(13.3)	(16.6)	(21.5)
EBIT	6.0	50.9	97.4	113.6	73.7	4.9	41.9
<i>margin, %</i>	5.1%	20.8%	27.7%	25.3%	15.3%	1.0%	14.9%
Interest Expense	(7.9)	(1.0)	(1.6)	(3.5)	(11.6)	(10.8)	(6.2)
Other income/(expense)	7.3	0.6	7.2	18.5	23.0	14.0	2.0
PBT	5.3	50.6	103.0	128.7	85.1	8.0	37.6
Tax	(1.4)	(15.2)	(25.7)	(32.2)	(21.3)	(2.0)	(9.4)
<i>Effective tax rate</i>	25.7%	30.0%	25.0%	25.0%	25.0%	25.0%	25.0%
Net Income	3.9	35.4	77.3	96.1	63.8	6.0	28.2
<i>Net Margin, %</i>	3.3%	14.4%	22.0%	21.4%	13.3%	1.2%	10.0%

BALANCE SHEET SUMMARY, USD mln

	2002	2003	2004	2005	2006E	2007E	2008E
Current Assets	57.8	91.5	165.1	397.5	367.6	282.6	98.6
Cash & Equivalents	16.9	43.8	85.2	282.0	230.7	138.8	19.7
Trade Receivables	8.4	7.4	8.9	21.2	19.2	19.8	11.3
Inventories	14.3	23.0	33.6	46.7	50.5	54.5	33.8
Other	18.2	17.3	37.4	47.7	67.3	69.4	33.8
Fixed Assets	124.3	124.3	139.2	170.5	244.1	332.6	360.7
PP&E, net	112.1	105.7	107.2	108.7	137.8	187.1	262.0
Other	12.2	18.6	32.0	61.9	106.4	145.5	98.7
Total Assets	182.0	215.8	304.3	568.1	611.8	615.2	459.3
Shareholders' Equity	142.3	177.1	241.6	342.6	362.4	362.4	379.4
Share Capital	60.1	59.6	51.9	64.5	64.5	64.5	64.5
Retained Earnings	3.9	35.4	77.4	98.0	45.0	48.1	65.0
Other	78.3	82.1	112.2	180.1	253.0	250.5	250.5
Current Liabilities	29.2	34.4	57.4	100.4	124.4	252.8	79.9
ST Interest Bearing Debt	0.6	4.2	14.2	16.9	4.3	131.3	12.3
Trade Payables	10.6	4.8	23.7	18.0	14.4	12.4	5.6
Other	18.0	25.4	19.5	65.5	105.7	109.1	62.0
LT Liabilities	10.5	4.2	5.3	125.1	125.0	-	-
LT Interest Bearing Debt	7.5	3.5	2.7	125.0	125.0	-	-
Other	3.0	0.8	2.6	0.1	-	-	-
Total Liabilities & Equity	182.0	215.8	304.3	568.1	611.8	615.2	459.3

QUARTERLY ANALYSIS, USD mln

	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
Net Revenues	85.8	65.4	90.0	110.4	111.1	105.9	104.6	127.1	118.0	117.5	122.5
<i>Change y-o-y</i>	47.7%	12.7%	25.4%	91.9%	29.4%	62.0%	16.3%	15.2%	6.2%	10.9%	17.1%
EBITDA	26.9	8.5	26.9	46.1	33.1	35.9	21.8	36.8	24.2	18.6	9.4
<i>margin, %</i>	31.4%	13.0%	29.9%	41.8%	29.8%	33.9%	20.8%	29.0%	20.5%	15.8%	7.7%
EBIT	24.6	6.5	24.9	41.3	30.1	32.4	18.2	32.9	20.3	15.0	3.8
<i>margin, %</i>	28.7%	10.0%	27.7%	37.5%	27.1%	30.6%	17.4%	25.9%	17.2%	12.8%	3.1%
Net Income	25.2	4.2	20.9	27.0	35.2	20.5	15.6	24.9	23.2	12.9	(1.6)
<i>Net Margin, %</i>	29.3%	6.4%	23.3%	24.5%	31.7%	19.3%	14.9%	19.6%	19.7%	11.0%	-1.3%

Zaporizhyya Abrasives

ZABR UZ

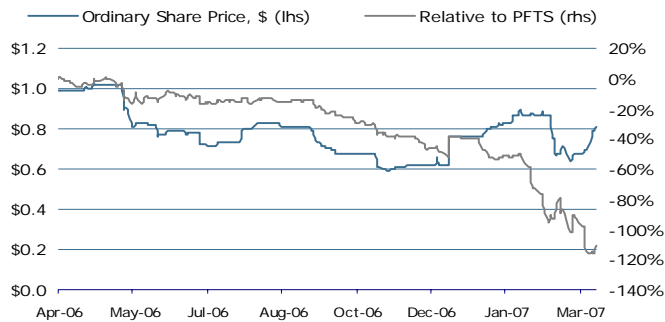
Chemicals

<http://www.abrasive.zp.ua>

Target Price (USD)
Upside

N/R
n/a

SHARE PRICE PERFORMANCE*



MARKET INFORMATION

Market price*, USD	0.71
Price impact**, USD	3
52 Wk H/L, USD	1.03 / 0.59
Chg 3m/6m/52w	-6% / 1% / -28%
Chg vs PFTS 3m/6m/52w	-71% / -103% / -121%
Chg YTD	-6%
Avg Mo Tr Vol 6M, USD ths	135.82
MCap, USD mln	21.5
Free float, %	12.0%
FF MCap, USD mln	2.6
No of shares, mln	30.2
Par Value, UAH	0.05
XETRA	n/a
DR Ratio	n/a
Avg Mo Tr Vol 6M, USD ths	n/a

BUSINESS OVERVIEW

Zaporizhyya Abrasives is the only producer of grinding materials in Ukraine and one of the largest abrasive producers in Eastern Europe. The company's production is ISO 9001:2000 TNO certified. Zaporizhyya Abrasives' major export markets are Russia, Poland, Austria, Czech Republic, Germany, Italy, Japan and the United States. Zaporizhyya Abrasives plans to start producing bonded fabric materials for industrial use.

In September 2006, the State Property Fund failed to sell its 15% stake in Zaporizhyya Abrasives on the Kyiv International Stock Exchange due to a comparatively high starting price of USD 4.2 mln and the absence of bids.

In 9M06 the company posted a 4.4% yoy growth of net revenue, decreased its EBITDA and net margins to 10.6% and 5.5%, respectively, from 17.9% and 9.9% in 9M05.

STOCK OWNERSHIP

Brinkford Ltd	65.0%
Steuermann	8.0%
State	15.0%
Other	12.0%

MARKET MULTIPLES

	2006E	2007E
EV/Sales	0.5	n/a
EV/EBITDA	4.3	n/a
P/E	8.3	n/a
P/B	0.5	n/a
P/CF	5.0	n/a

UPCOMING EVENTS

20 Apr 2007 AGM

* PFTS BID Price is used
** Price "impact" is the opinion of Concorde's trading desk on stocks to help investors estimate the reliability of quoted prices:

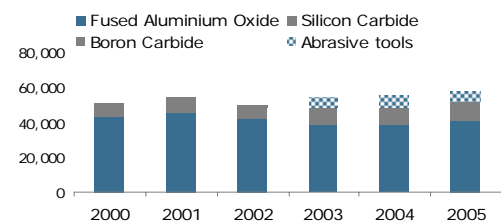
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- 2: Market price reaction remains within 10% in execution of a market order of about USD 1 mln in size
- 3: All other stocks (quoted price is less reliable and should be considered indicative)

Note: data (market information, price changes) as of 30 Mar 2007

KEY RATIOS

	2005	2006E	2007E
EBITDA margin	16%	11%	n/a
Net Margin	9%	6%	n/a
ROE	12%	7%	n/a
Net Debt/Equity	0.03	-0.003	n/a

Output Dynamics, mt



INCOME STATEMENT SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Net Revenues	31.5	33.1	41.8	45.7	35.4	n/a	n/a
<i>Change y-o-y</i>	-	5.2%	26.2%	9.2%	4.4%	n/a	n/a
Gross Profit	9.4	8.3	12.6	14.7	8.8	n/a	n/a
EBITDA	5.4	3.7	7.3	7.5	3.7	n/a	n/a
<i>margin, %</i>	17.3%	11.1%	17.4%	16.3%	10.6%	n/a	n/a
Depreciation	(1.7)	(1.6)	(1.6)	(1.7)	(1.3)	n/a	n/a
EBIT	3.8	2.0	5.6	5.7	2.5	n/a	n/a
<i>margin, %</i>	12.0%	6.2%	13.5%	12.5%	6.9%	n/a	n/a
Interest Expense	(2.0)	(1.1)	(0.6)	(0.0)	(0.0)	n/a	n/a
Other income/(expense)	0.6	0.2	(0.7)	(0.4)	(0.1)	n/a	n/a
PBT	2.4	1.1	4.3	5.3	2.4	n/a	n/a
Tax	(0.6)	(1.0)	(0.2)	(1.4)	(0.4)	n/a	n/a
<i>Effective tax rate</i>	24.0%	88.8%	4.8%	25.9%	17.2%	n/a	n/a
Net Income	1.8	0.1	4.1	3.9	2.0	n/a	n/a
<i>Net Margin, %</i>	5.7%	0.4%	9.8%	8.6%	5.5%	n/a	n/a

BALANCE SHEET SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Current Assets	19.5	17.0	14.4	16.3	17.4	n/a	n/a
Cash & Equivalents	0.1	0.1	0.6	0.6	1.1	n/a	n/a
Trade Receivables	2.2	1.5	1.3	1.8	2.0	n/a	n/a
Inventories	6.9	10.2	7.6	9.5	8.7	n/a	n/a
Other	10.2	5.2	4.8	4.4	5.7	n/a	n/a
Fixed Assets	35.7	32.7	25.2	25.6	25.8	n/a	n/a
PP&E, net	32.1	28.0	22.7	22.9	22.5	n/a	n/a
Other	3.6	4.7	2.5	2.6	3.3	n/a	n/a
Total Assets	55.2	49.7	39.6	41.9	43.3	n/a	n/a
Shareholders' Equity	36.7	33.4	31.6	36.9	38.8	n/a	n/a
Share Capital	0.3	0.3	0.3	0.3	0.3	n/a	n/a
Retained Earnings	3.0	0.1	4.2	4.0	6.0	n/a	n/a
Other	33.5	32.9	27.1	32.6	32.5	n/a	n/a
Current Liabilities	11.4	11.3	4.7	3.4	2.9	n/a	n/a
ST Interest Bearing Debt	6.2	5.1	1.6	1.6	1.0	n/a	n/a
Trade Payables	0.7	2.0	0.4	0.6	0.7	n/a	n/a
Other	4.6	4.2	2.8	1.1	1.7	n/a	n/a
LT Liabilities	7.1	5.0	3.3	1.7	1.5	n/a	n/a
LT Interest Bearing Debt	-	-	-	0.1	-	n/a	n/a
Other	7.1	5.0	3.3	1.6	1.5	n/a	n/a
Total Liabilities & Equity	55.2	49.7	39.6	41.9	43.3	n/a	n/a

QUARTERLY ANALYSIS, USD mln

	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
Net Revenues	9.7	10.6	10.5	11.0	11.8	10.7	11.4	11.7	10.5	12.6	12.4
<i>Change y-o-y</i>	32.1%	31.1%	18.7%	24.2%	21.4%	1.4%	8.5%	6.6%	-11.0%	17.1%	8.4%
EBITDA	1.0	1.6	2.1	2.6	2.9	1.7	1.6	1.4	0.4	1.6	1.7
<i>margin, %</i>	10.0%	15.2%	19.8%	23.9%	24.1%	15.4%	13.9%	11.7%	3.6%	13.0%	14.0%
EBIT	0.6	1.2	1.7	2.1	2.5	1.2	1.2	0.8	(0.0)	1.2	1.3
<i>margin, %</i>	6.0%	11.4%	16.4%	19.4%	21.0%	11.6%	10.6%	6.8%	-0.2%	9.5%	10.3%
Net Income	0.3	1.0	1.6	1.2	1.8	0.8	0.7	0.6	(0.1)	0.9	1.2
<i>Net Margin, %</i>	3.2%	9.6%	15.2%	10.8%	15.1%	7.6%	6.6%	4.8%	-0.8%	7.0%	9.4%

Alchevsk Coke

ALKZ UZ

Chemicals/Coke

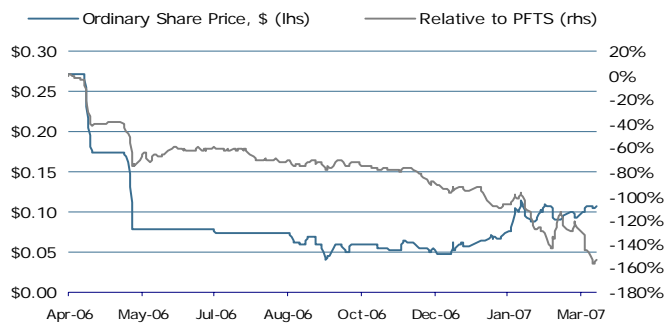
Target Price (USD)
Upside

0.12
13.3%

INVESTMENT CASE

- Transparency improved
- Production should increase by 20% yoy in 2007 (according to management's plans)
- Despite growing production, its holding company stands to benefit due to transfer pricing
- Additional share issue further drained free float
- Assets have been renovated and new equipment installed

SHARE PRICE PERFORMANCE*



BUSINESS OVERVIEW

Alchevsk Coke ranked second in terms of coke production in 2006, producing 2740 ths mt of coke and claiming 14.5% of production in the country. The company operates six batteries (one launched last year) with a total capacity of 3.5 mln mt. Although installed in 1955-1962, four of Alchevsk Coke's batteries were refurbished in 1982-1986 and one battery was upgraded in 1993, which prolonged its useful life. Alchevsk Coke enjoys stable domestic demand for its coke within its holding corporation, the Industrial Union of Donbas. Alchevsk Iron & Steel, DMK Dzerzhinskogo and Kramatorsk Iron & Steel consume all of coke Alchevsk Coke produces.

In 11M06 Alchevsk Coke produced 2.47 mln mt of coke (up 2.1% yoy). In 9M06 the company posted 180% sales growth to USD 290 mln and increased its net income by 179% to USD 8.5 mln.

* PFTS MID Price is used
 ** Price "impact" is the opinion of Concorde's trading desk on stocks to help investors estimate the reliability of quoted prices:
 1: Market price reaction remains within 10% in execution of a market order of about USD 10 mln in size
 2: Market price reaction remains within 10% in execution of a market order of about USD 1 mln in size
 3: All other stocks (quoted price is less reliable and should be considered indicative)

Note: data (market information, price changes) as of 30 Mar 2007

MARKET INFORMATION

Market price*, USD	0.11
Price impact**	3
52 Wk H/L, USD	0.27 / 0.04
Chg 3m/6m/52w	84% / 114% / -61%
Chg vs PFTS 3m/6m/52w	19% / 10% / -154%
Chg YTD	84%
Avg Mo Tr Vol 6M, USD ths	85.33
MCap, USD mln	319.1
Free float, %	2.0%
FF MCap, USD mln	6.4
No of shares, mln	3012.0
Par Value (UAH)	0.25
XETRA	n/a
DR Ratio	n/a
Avg Mo Tr Vol 6M, USD ths	n/a

STOCK OWNERSHIP

IUD	98.0%
Other	2.0%

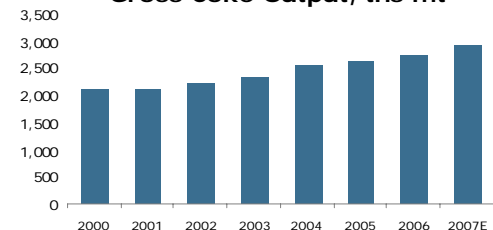
MARKET MULTIPLES

	2006E	2007E
EV/Sales	0.8	0.8
EV/EBITDA	8.2	7.9
P/E	12.3	11.5
P/B	0.7	0.6
P/CF	9.4	8.5

KEY RATIOS

	2005	2006E	2007E
EBITDA margin	12%	10%	10%
Net Margin	4%	6%	5%
ROE	12%	35%	6%
Net Debt/Equity	0.4	0.1	0.2

Gross Coke Output, ths mt



INCOME STATEMENT SUMMARY, USD mln

	2002	2003	2004	2005	2006E	2007E	2008E
Net Revenues	103.8	181.5	168.3	171.4	463.7	528.2	559.9
<i>Change y-o-y</i>	-	74.9%	-7.3%	1.8%	171.5%	13.9%	6.0%
Gross Profit	5.5	16.1	26.8	30.1	60.3	68.7	72.8
EBITDA	2.2	5.7	10.3	20.9	46.4	52.8	56.0
<i>margin, %</i>	2.1%	3.1%	6.1%	12.2%	10.0%	10.0%	10.0%
Depreciation	(3.0)	(3.2)	(3.7)	(4.1)	(7.9)	(9.7)	(10.5)
EBIT	(0.8)	2.5	6.5	16.9	38.5	43.1	45.5
<i>margin, %</i>	-0.8%	1.4%	3.9%	9.8%	8.3%	8.2%	8.1%
Interest Expense	(0.0)	(0.0)	(0.3)	(3.9)	(3.8)	(6.1)	(8.5)
Other income/(expense)	(0.1)	(0.4)	(0.4)	(0.5)	-	-	-
PBT	(0.9)	2.0	5.8	12.4	34.7	37.1	37.0
Tax	(0.2)	(1.2)	(2.2)	(4.8)	(8.7)	(9)	(9)
<i>Effective tax rate</i>	-24.9%	60.0%	37.6%	38.4%	25.0%	25.0%	25.0%
Net Income	(1.2)	0.8	3.6	7.6	26.0	27.8	27.7
<i>Net Margin, %</i>	-1.1%	0.4%	2.1%	4.4%	5.6%	5.3%	5.0%

BALANCE SHEET SUMMARY, USD mln

	2002	2003	2004	2005	2006E	2007E	2008E
Current Assets	24.1	91.0	69.2	155.2	155.6	174.6	174.6
Cash & Equivalents	0.8	1.2	5.2	8.2	9.3	10.6	11.2
Trade Receivables	12.3	34.4	38.6	58.9	74.2	84.5	84.0
Inventories	9.5	30.1	19.5	72.8	60.5	68.9	68.2
Other	1.4	25.2	6.0	15.3	11.6	10.6	11.2
Fixed Assets	43.0	47.4	83.3	132.1	294.8	363.5	351.7
PP&E, net	38.8	40.7	42.1	44.4	131.8	178.3	197.6
Other	4.2	6.6	41.2	87.6	163.0	185.2	154.1
Total Assets	67.1	138.3	152.5	287.3	450.3	538.1	526.3
Shareholders' Equity	60.0	60.4	63.6	74.7	239.4	267.2	294.9
Share Capital	9.9	9.9	10.0	10.5	141.2	141.2	141.2
Retained Earnings	(1.1)	0.4	3.9	11.6	37.7	65.5	93.2
Other	51.2	50.0	49.7	52.6	60.5	60.5	60.5
Current Liabilities	7.1	78.0	50.7	136.0	168.4	208.3	182.9
ST Interest Bearing Debt	-	1.9	0.8	1.9	27.9	48.2	50.3
Trade Payables	6.7	73.1	45.5	93.6	100.9	114.9	107.2
Other	0.4	3.0	4.4	40.5	39.7	45.2	25.5
LT Liabilities	0.0	0.0	38.3	76.6	42.6	62.6	48.4
LT Interest Bearing Debt	-	-	3.8	34.2	3.0	32.9	28.6
Other	0.0	0.0	34.5	42.3	39.6	29.7	19.8
Total Liabilities & Equity	67.1	138.3	152.5	287.3	450.3	538.1	526.3

QUARTERLY ANALYSIS, USD mln

	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
Net Revenues	66.2	39.6	32.0	30.5	31.2	36.1	36.4	67.8	92.7	94.2	103.1
<i>Change y-o-y</i>	80.4%	-3.0%	-35.4%	-44.0%	-52.9%	-8.9%	13.8%	122.1%	197.3%	160.9%	183.4%
EBITDA	1.4	4.8	2.0	2.1	3.3	3.0	7.1	7.5	8.3	6.2	13.1
<i>margin, %</i>	2.1%	12.2%	6.3%	6.7%	10.7%	8.3%	19.5%	11.1%	9.0%	6.6%	12.7%
EBIT	0.5	3.9	1.0	1.1	2.3	2.0	6.0	6.5	7.3	5.1	11.9
<i>margin, %</i>	0.8%	9.9%	3.2%	3.5%	7.5%	5.6%	16.5%	9.6%	7.9%	5.4%	11.6%
Net Income	0.2	2.8	0.5	0.1	0.9	0.8	2.8	3.1	4.1	2.3	6.1
<i>Net Margin, %</i>	0.2%	7.1%	1.7%	0.4%	3.0%	2.3%	7.6%	4.5%	4.4%	2.5%	5.9%

Avdiyivka Coke

AVDK UZ

Chemicals/Coke

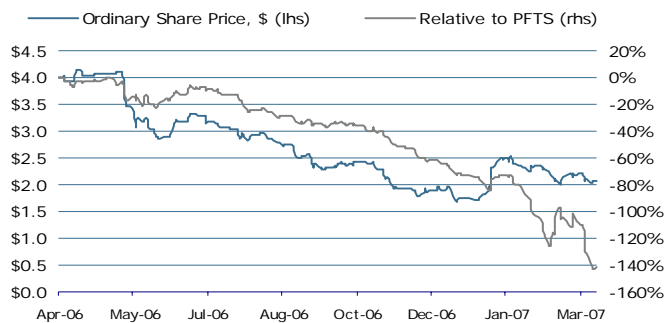
<http://www.akhz.com.ua>

Target Price (USD) 5.14
Upside 153%

INVESTMENT CASE

- Transparency improving
- Operates the newest coke capacities in Ukraine
- Diversified order book
- Coking coal sourced primarily from related mines ensures stable supplies
- Non-coke business (coal, machine-building) creates additional value
- Production to recover in 2007, fueled by domestic demand

SHARE PRICE PERFORMANCE*



BUSINESS OVERVIEW

Avdiyivka Coke is Europe's largest coke maker, operating nine coke batteries with a total capacity of 6.87 mln mt annually. In 2006, it accounted for 17% of Ukraine's total coke output, having produced 3208 ths mt of coke. Most of the company's equipment was put in operation in the early 60s-late 70s and requires modernization, even though it is among the newest in Ukrainian coke industry. In an effort to upgrade the plant in 2004, Avdiyivka Coke replaced one of its old batteries.

The company delivers met coke and coke breeze primarily to MMK Illicha Steel, Azovstal and Enakievo Iron & Steel (both controlled by SCM), and DMK Dzerzhynskogo steel mill (controlled by IUD). Nikopol Ferroalloy is a major consumer of Avdiyivka Coke's coke nut.

Avdiyivka Coke processes both domestically mined coal (~80% and high quality coal imported from Russia (~20%). In Ukraine its key coking coal suppliers are SCM-related mines and the Donetskstal group, which operates Chervonoarmiyska-Zakhidn. mine and has excess coal.

In 9M06 Avdiyivka Coke posted a decrease in sales by 50% to USD 457 mln and a decrease in net income by 83% to USD 16.1 mln, which we mainly attribute to the company scaling back related-party sale schemes.

MARKET INFORMATION

Market price*, USD	2.03
Price impact**	2
52 Wk H/L, USD	4.13 / 1.68
Chg 3m/6m/52w	15% / -12% / -48%
Chg vs PFTS 3m/6m/52w	-49% / -116% / -141%
Chg YTD	15%
Avg Mo Tr Vol 6M, USD ths	191.59
MCap, USD mln	393.0
Free float, %	3.2%
FF MCap, USD mln	12.6
No of shares, mln	193.6
Par Value (UAH)	1.76
XETRA	n/a
DR Ratio	n/a
Avg Mo Tr Vol 6M, USD ths	n/a

STOCK OWNERSHIP

SCM	66.0%
ARS	24.9%
Mariupol Illicha	5.9%
Other	3.2%

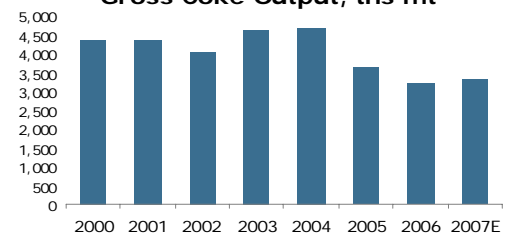
MARKET MULTIPLES

	2006E	2007E
EV/Sales	1.2	1.0
EV/EBITDA	9.5	7.8
P/E	21.2	12.4
P/B	0.7	0.6
P/CF	11.3	8.2

KEY RATIOS

	2005	2006E	2007E
EBITDA margin	17%	13%	13%
Net Margin	7%	3%	5%
ROE	16%	3%	5%
Net Debt/Equity	0.5	0.4	0.4

Gross Coke Output, ths mt



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 3: All other stocks (quoted price is less reliable and should be considered indicative)

Note: data (market information, price changes) as of 30 Mar 2007

INCOME STATEMENT SUMMARY, USD mln

	2002	2003	2004	2005	2006E	2007E	2008E
Net Revenues	245.8	376.5	1,402.4	1,119.8	543.2	607.0	625.2
<i>Change y-o-y</i>	-	53.2%	272.5%	-20.2%	-51.9%	11.8%	3.0%
Gross Profit	34.8	47.0	302.4	182.2	81.5	97.1	103.2
EBITDA	26.7	33.4	210.9	189.0	67.9	78.9	81.3
<i>margin, %</i>	10.9%	8.9%	15.0%	16.9%	12.5%	13.0%	13.0%
Depreciation	(5.2)	(17.1)	(16.1)	(16.9)	(16.3)	(16.0)	(15.7)
EBIT	21.4	16.3	194.7	172.0	51.6	62.9	65.5
<i>margin, %</i>	8.7%	4.3%	13.9%	15.4%	9.5%	10.4%	10.5%
Interest Expense	(1.1)	(0.2)	(15.5)	(49.4)	(26.9)	(20.6)	(18.8)
Other income/(expense)	0.1	(4.8)	59.7	(6.8)	-	-	-
PBT	20.4	11.3	239.0	115.8	24.7	42.3	46.7
Tax	(8.8)	(10.0)	(50.1)	(43.5)	(6.2)	(10.6)	(11.7)
<i>Effective tax rate</i>	43.0%	88.9%	21.0%	37.6%	25.0%	25.0%	25.0%
Net Income	11.6	1.3	189.1	72.5	18.5	31.7	35.0
<i>Net Margin, %</i>	4.7%	0.3%	13.5%	6.5%	3.4%	5.2%	5.6%

BALANCE SHEET SUMMARY, USD mln

	2002	2003	2004	2005	2006E	2007E	2008E
Current Assets	143.1	211.1	302.9	200.3	113.5	126.6	130.3
Cash & Equivalents	0.3	3.7	13.1	36.1	8.1	9.1	9.4
Trade Receivables	69.4	92.4	100.6	46.3	48.9	54.6	56.3
Inventories	8.5	19.4	32.7	35.1	18.5	20.4	20.9
Other	64.9	95.6	156.5	82.7	38.0	42.5	43.8
Fixed Assets	97.1	168.7	955.8	844.1	835.5	846.2	855.0
PP&E, net	71.4	140.3	131.3	134.6	139.2	144.6	150.6
Other	25.7	28.5	824.5	709.5	696.4	701.6	704.4
Total Assets	240.1	379.8	1,258.7	1,044.3	949.1	972.8	985.3
Shareholders' Equity	191.2	271.8	470.7	578.8	597.3	629.0	653.6
Share Capital	63.9	63.9	64.2	67.5	63.9	63.9	63.9
Retained Earnings	119.1	119.0	299.8	389.0	407.5	439.3	463.8
Other	8.2	88.8	106.6	122.3	125.9	125.9	125.9
Current Liabilities	47.3	96.9	282.4	144.3	153.0	180.6	185.5
ST Interest Bearing Debt	4.0	-	-	-	60.5	67.8	69.9
Trade Payables	34.2	80.1	168.4	94.3	64.6	81.6	83.5
Other	9.1	16.8	114.0	50.0	27.9	31.2	32.1
LT Liabilities	1.7	11.2	505.6	321.2	198.7	163.1	146.2
LT Interest Bearing Debt	-	-	479.0	297.7	175.1	139.6	122.6
Other	1.7	11.2	26.6	23.6	23.6	23.6	23.6
Total Liabilities & Equity	240.1	379.8	1,258.7	1,044.3	949.1	972.8	985.3

QUARTERLY ANALYSIS, USD mln

	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
Net Revenues	185.5	320.9	418.9	477.2	458.4	272.3	178.5	210.6	116.6	170.1	170.3
<i>Change y-o-y</i>	233.4%	229.5%	281.7%	319.6%	147.2%	-15.1%	-57.4%	-55.9%	-74.6%	-37.5%	-4.6%
EBITDA	40.3	81.8	72.5	16.2	75.1	39.8	41.8	32.3	16.0	15.6	29.8
<i>margin, %</i>	21.7%	25.5%	17.3%	3.4%	16.4%	14.6%	23.4%	15.3%	13.7%	9.2%	17.5%
EBIT	36.4	77.8	68.5	12.1	70.9	35.6	37.5	27.9	11.9	11.5	25.6
<i>margin, %</i>	19.6%	24.2%	16.3%	2.5%	15.5%	13.1%	21.0%	13.3%	10.2%	6.7%	15.0%
Net Income	25.5	58.0	50.1	55.5	46.6	32.5	21.3	(28.0)	1.1	2.4	13.2
<i>Net Margin, %</i>	13.8%	18.1%	12.0%	11.6%	10.2%	11.9%	11.9%	-13.3%	1.0%	1.4%	7.8%

Bagliy Coke

BKOK UZ

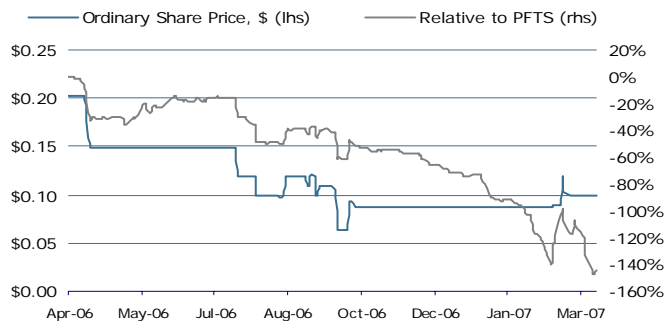
Chemicals/Coke

Target Price (USD) 0.05
Upside -44%

INVESTMENT CASE

- Shrinking export markets is a major threat
- Transparency has been improving, but still far from ideal
- Capacities under-utilized
- Another drop in production is expected in 2007, as the major client, Mariupol Iilicha Iron & Steel, cut its orders
- Planned sale would likely improve business prospects

SHARE PRICE PERFORMANCE*



BUSINESS OVERVIEW

Bagliy Coke is one of the smallest coke makers in Ukraine, with 4.1% of domestic output in 2006. The company's production fell 21% in 2005 and 7.5% in 2006 due to shrinking exports. The company's eight coke batteries built during the 50s have a design capacity of 3.7 mln mt p.a. However, in the 90s, the four most out-of-date batteries were taken out of operation. Currently, Bagliy Coke's effective capacity stands at 1,840 ths mt, with three batteries, renovated in 1985-1987 running and the fourth one, overhauled in 2005, is idle.

Bagliy Coke exports its products to Russia, Romania, Bulgaria, the United States and Kazakhstan. The company's main costumers of met coke in Ukraine are ISD-controlled DMK Dzerzhinskogo, Privat Group-controlled DMK Petrovskogo, Zaporizhstal and Mittal Steel Kryviy Rih.

In 9M06 the company posted 4.6% yoy growth in its ne revenues, a decrease in its EBITDA margin to 4.5% from 6.5% in 9M05, and a decline in its net margin to 3.4% from 5.3% in 9M05.

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 2: Market price reaction remains within 10% in execution of a market order of about USD 1 mln in size
 3: All other stocks (quoted price is less reliable and should be considered indicative)

Note: data (market information, price changes) as of 30 Mar 2007

MARKET INFORMATION

Market price*, USD	0.09
Price impact**	3
52 Wk H/L, USD	0.20 / 0.06
Chg 3m/6m/52w	1% / -18% / -56%
Chg vs PFTS 3m/6m/52w	-63% / -122% / -149%
Chg YTD	1%
Avg Mo Tr Vol 6M, USD ths	8.44
MCap, USD mln	61.2
Free float, %	6.0%
FF MCap, USD mln	3.7
No of shares, mln	686.3
Par Value (UAH)	0.25
XETRA	n/a
DR Ratio	n/a
Avg Mo Tr Vol 6M, USD ths	n/a

STOCK OWNERSHIP

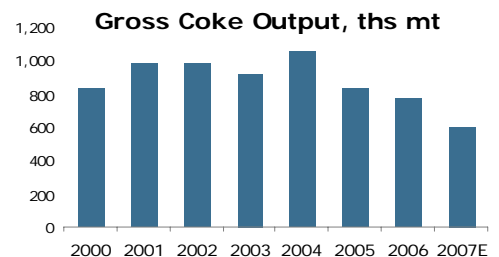
Privat (apprx.)	94.0%
Other	6.0%

MARKET MULTIPLES

	2006E	2007E
EV/Sales	0.5	0.7
EV/EBITDA	19.7	14.5
P/E	49.5	30.2
P/B	1.3	1.2
P/CF	22.2	17.4

KEY RATIOS

	2005	2006E	2007E
EBITDA margin	6%	3%	4%
Net Margin	3%	1%	2%
ROE	16%	4%	4%
Net Debt/Equity	-0.002	0.07	0.21



INCOME STATEMENT SUMMARY, USD mln

	2002	2003	2004	2005	2006E	2007E	2008E
Net Revenues	18.6	25.5	28.9	140.5	130.7	109.5	110.6
<i>Change y-o-y</i>	-	37.3%	13.6%	385.6%	-7.0%	-16.2%	1.0%
Gross Profit	1.2	0.4	3.2	9.7	6.5	7.7	8.8
EBITDA	0.1	(0.3)	2.0	7.9	3.3	4.9	6.1
<i>margin, %</i>	0.5%	-1.2%	6.9%	5.7%	2.5%	4.5%	5.5%
Depreciation	(1.2)	(1.1)	(1.3)	(1.3)	(1.5)	(1.5)	(1.5)
EBIT	(1.1)	(1.4)	0.7	6.7	1.8	3.4	4.6
<i>margin, %</i>	-5.8%	-5.4%	2.5%	4.7%	1.3%	3.1%	4.2%
Interest Expense	-	-	(0.0)	(0.1)	(0.1)	(0.7)	(1.5)
Other income/(expense)	(0.7)	(0.1)	(0.2)	(0.4)	-	-	-
PBT	(1.8)	(1.5)	0.5	6.2	1.6	2.7	3.2
Tax	(0.0)	-	-	(2.4)	(0.4)	(0.7)	(0.8)
<i>Effective tax rate</i>	-0.2%	0.0%	0.0%	39.4%	25.0%	25.0%	25.0%
Net Income	(1.8)	(1.5)	0.5	3.7	1.2	2.0	2.4
<i>Net Margin, %</i>	-9.6%	-6.0%	1.7%	2.6%	0.9%	1.8%	2.1%

BALANCE SHEET SUMMARY, USD mln

	2002	2003	2004	2005	2006E	2007E	2008E
Current Assets	6.5	8.1	47.0	74.8	79.4	58.3	58.2
Cash & Equivalents	0.2	0.1	0.1	0.1	0.4	0.3	0.3
Trade Receivables	1.7	4.2	4.1	16.3	20.9	20.8	21.0
Inventories	2.7	1.6	20.1	10.2	12.4	12.2	15.3
Other	1.8	2.3	22.7	48.3	45.7	24.9	21.6
Fixed Assets	18.0	18.1	20.1	27.2	22.6	22.8	23.2
PP&E, net	14.0	14.5	14.0	14.0	15.4	15.7	16.0
Other	4.0	3.7	6.1	13.2	7.2	7.2	7.2
Total Assets	24.6	26.3	67.1	102.1	102.0	81.1	81.4
Shareholders' Equity	12.1	12.9	24.2	29.2	47.4	49.4	49.9
Share Capital	4.8	4.8	16.1	16.9	32.1	32.1	32.1
Retained Earnings	(6.1)	(5.4)	(4.9)	(4.9)	0.4	2.4	2.8
Other	13.5	13.4	12.9	13.2	15.0	15.0	15.0
Current Liabilities	12.4	13.4	42.9	70.5	52.6	31.7	31.4
ST Interest Bearing Debt	0.1	-	0.0	0.0	1.6	10.7	13.5
Trade Payables	3.7	7.0	33.0	47.7	37.2	20.4	17.3
Other	8.6	6.4	9.9	22.8	13.8	0.6	0.6
LT Liabilities	0.0	0.0	0.0	2.4	2.0	-	-
LT Interest Bearing Debt	-	-	-	-	-	-	-
Other	0.0	0.0	0.0	2.4	2.0	-	-
Total Liabilities & Equity	24.6	26.3	67.1	102.1	102.0	81.1	81.4

QUARTERLY ANALYSIS, USD mln

	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
Net Revenues	6.6	5.6	3.4	13.4	21.9	47.5	32.8	38.3	37.0	38.6	31.3
<i>Change y-o-y</i>	16.1%	-32.3%	-13.9%	74.9%	234.7%	755.1%	867.0%	184.8%	68.8%	-18.7%	-4.4%
EBITDA	0.6	0.1	(0.8)	2.1	2.3	3.1	1.2	1.3	2.7	3.4	(1.3)
<i>margin, %</i>	9.0%	1.9%	-22.7%	15.4%	10.4%	6.6%	3.6%	3.5%	7.4%	8.8%	-4.2%
EBIT	0.3	(0.2)	(1.1)	1.7	2.0	2.8	0.9	1.0	2.4	3.0	(1.7)
<i>margin, %</i>	4.3%	-3.6%	-32.3%	13.0%	9.0%	5.9%	2.6%	2.6%	6.4%	7.7%	-5.4%
Net Income	0.3	(0.3)	(1.2)	1.8	1.6	2.8	0.9	(1.7)	2.4	3.0	(1.7)
<i>Net Margin, %</i>	4.3%	-5.2%	-36.7%	13.1%	7.5%	6.0%	2.7%	-4.4%	6.4%	7.8%	-5.4%

Donetsk Coke

DKOK UZ

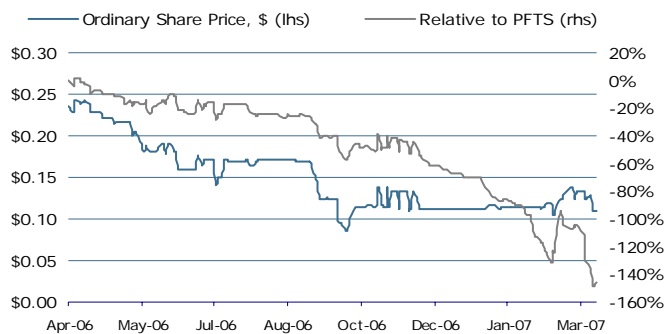
Chemicals/Coke

Target Price (USD) 0.02
Upside -83%

INVESTMENT CASE

- Excess capacity
- Lost its largest consumer, MMK Ilicha
- Tolling plagues financials
- Another drop in production is expected in 2007 due to cuts in domestic orders
- High probability of shutting down

SHARE PRICE PERFORMANCE*



BUSINESS OVERVIEW

In 2006, Donetsk Coke ranked 11th among Ukrainian coke producer by output, with 630 ths mt (down 36.6% yoy). The company consists of three separate plants – Rutchenkivsky, Donetsk and Smolianivsky, all located in the city of Donetsk. The plant operates seven batteries with a total effective capacity of 2.0 mln mt p.a. Capacity utilization, which stood at only 72.8% in 2005, fell to an estimated 32% in 2006. The company was on the brink of closing its doors in 2006, when shareholders seriously considered halting operations at its largest plant, Rutchenkivsky. It still remains uncertain whether the company will continue to be a going concern.

Donetsk Coke's main products are met coke, coal tar, coke breeze, nut coke, crude benzol and foundry coke. Some of the main consumers of Donetsk Coke's met coke are MMK Ilicha Steel, Donetskstal, Mittal Steel Kryvy Rig and Makiyivka Iron & Steel.

In 9M06 Donetsk Coke reported a 47.2% yoy decrease of net revenues to USD 25.1, increase of EBITDA margin to 22.3% from 21.2% in 9M05, and reduction of net margin to 10.2% from 1% in 9M05.

MARKET INFORMATION

Market price*, USD	0.12
Price impact**	3
52 Wk H/L, USD	0.26 / 0.09
Chg 3m/6m/52w	6% / -4% / -50%
Chg vs PFTS 3m/6m/52w	-59% / -108% / -143%
Chg YTD	6%
Avg Mo Tr Vol 6M, USD ths	45.66
MCap, USD mln	29.6
Free float, %	7.7%
FF MCap, USD mln	2.3
No of shares, mln	249.1
Par Value (UAH)	0.25
XETRA	D6N
DR Ratio	1:20
Avg Mo Tr Vol 6M, USD ths	0.00

STOCK OWNERSHIP

SCM	55.5%
ARS	23.8%
Illich Stal (MMKI)	13.0%
Other	7.7%

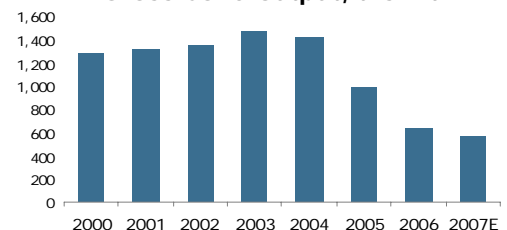
MARKET MULTIPLES

	2006E	2007E
EV/Sales	0.8	0.8
EV/EBITDA	4.2	4.0
P/E	8.9	7.4
P/B	0.4	0.4
P/CF	5.2	4.6

KEY RATIOS

	2005	2006E	2007E
EBITDA margin	20%	20%	19%
Net Margin	8%	10%	9%
ROE	7%	4%	5%
Net Debt/Equity	-0.001	-0.01	0.03

Gross Coke Output, ths mt



* PFTS MID Price is used

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1: Market price reaction remains within 10% in execution of a market order of about USD 10 mln in size
 2: Market price reaction remains within 10% in execution of a market order of about USD 1 mln in size
 3: All other stocks (quoted price is less reliable and should be considered indicative)

Note: data (market information, price changes) as of 30 Mar 2007

INCOME STATEMENT SUMMARY, USD mln

	2002	2003	2004	2005	2006E	2007E	2008E
Net Revenues	61.5	89.9	109.1	56.4	34.2	42.4	38.2
<i>Change y-o-y</i>	-	46.3%	21.3%	-48.3%	-39.6%	24.1%	-10.0%
Gross Profit	5.5	15.9	41.1	17.2	10.9	9.8	8.8
EBITDA	2.9	12.8	35.4	11.0	6.8	8.1	7.4
<i>margin, %</i>	4.8%	14.2%	32.4%	19.5%	20.0%	19.0%	19.5%
Depreciation	(1.5)	(1.5)	(1.3)	(1.7)	(2.3)	(2.5)	(2.6)
EBIT	1.4	11.2	34.1	9.2	4.5	5.6	4.9
<i>margin, %</i>	2.2%	12.5%	31.2%	16.4%	13.1%	13.2%	12.8%
Interest Expense	(0.7)	(0.0)	(0.0)	(0.0)	(0.1)	(0.3)	(0.6)
Other income/(expense)	(0.0)	(0.5)	0.0	(0.2)	0.0	0	0
PBT	0.6	10.7	34.1	9.0	4.4	5.3	4.3
Tax	(0.2)	(2.7)	(9.7)	(4.4)	(1.1)	(1)	(1)
<i>Effective tax rate</i>	28.3%	25.2%	28.6%	49.2%	25.0%	25.0%	25.0%
Net Income	0.4	8.0	24.3	4.6	3.3	4.0	3.2
<i>Net Margin, %</i>	0.7%	8.9%	22.3%	8.2%	9.7%	9.4%	8.5%

BALANCE SHEET SUMMARY, USD mln

	2002	2003	2004	2005	2006E	2007E	2008E
Current Assets	12.7	20.8	44.9	40.0	31.3	33.9	35.1
Cash & Equivalents	1.0	3.4	1.2	0.1	1.7	1.3	1.1
Trade Receivables	2.0	5.7	9.7	17.7	9.5	11.5	11.5
Inventories	6.4	6.7	7.1	5.1	3.0	4.2	5.3
Other	3.3	5.0	26.9	17.2	17.1	17.0	17.2
Fixed Assets	35.6	34.9	46.1	46.0	55.8	59.9	60.4
PP&E, net	20.3	20.8	21.4	23.5	33.4	36.9	39.2
Other	15.3	14.1	24.7	22.4	22.4	23.0	21.2
Total Assets	48.2	55.7	91.0	86.0	87.1	93.8	95.5
Shareholders' Equity	37.1	45.1	69.9	78.7	82.0	84.0	85.3
Share Capital	11.7	11.7	11.7	12.3	11.7	11.7	11.7
Retained Earnings	3.7	11.4	34.5	41.8	45.1	47.1	48.4
Other	21.7	22.1	23.7	24.6	25.2	25.2	25.2
Current Liabilities	9.0	10.6	21.1	7.3	5.1	9.8	10.1
ST Interest Bearing Debt	4.0	-	0.0	-	0.9	3.9	5.3
Trade Payables	4.1	9.6	18.2	6.5	3.7	5.2	4.7
Other	0.9	1.0	2.9	0.7	0.5	0.6	0.2
LT Liabilities	2.1	-	-	0.0	0.0	0.0	0.0
LT Interest Bearing Debt	2.1	-	-	-	-	-	-
Other	-	-	-	0.0	0.0	0.0	0.0
Total Liabilities & Equity	48.2	55.7	91.0	86.0	87.1	93.8	95.5

QUARTERLY ANALYSIS, USD mln

	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
Net Revenues	34.8	31.6	23.1	19.6	17.4	17.7	12.3	8.9	8.5	9.2	7.3
<i>Change y-o-y</i>	66.7%	41.2%	4.8%	-20.3%	-49.9%	-43.9%	-46.6%	-54.7%	-51.2%	-47.8%	-40.5%
EBITDA	8.3	12.1	9.4	5.5	5.2	3.7	1.2	0.9	1.9	2.0	1.7
<i>margin, %</i>	23.8%	38.3%	40.9%	28.1%	29.8%	20.8%	9.6%	10.4%	22.4%	21.4%	23.2%
EBIT	7.9	11.6	9.1	5.5	4.9	3.3	0.8	0.2	1.4	1.5	1.3
<i>margin, %</i>	22.7%	36.7%	39.2%	28.2%	27.9%	18.9%	6.8%	1.9%	16.3%	16.0%	17.3%
Net Income	5.8	8.6	6.4	3.5	3.2	1.9	0.2	(0.6)	0.7	1.0	0.9
<i>Net Margin, %</i>	16.7%	27.2%	27.8%	17.9%	18.3%	10.7%	1.2%	-7.1%	7.9%	10.9%	12.0%

Yasynivsky Coke

YASK UZ

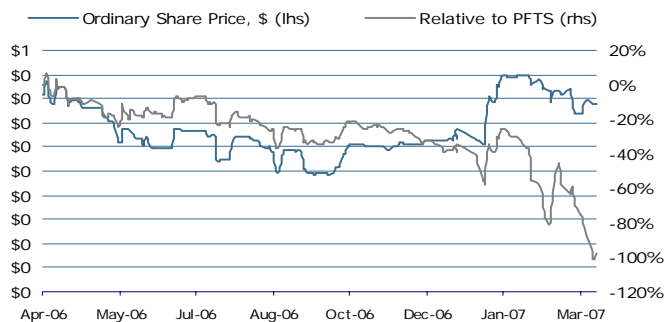
Chemicals/Coke

Target Price (USD) 0.73
Upside 95%

INVESTMENT CASE

- Only producer of a highly demanded premium grade coke
- Fully self-sufficient in coking coal
- Assets rejuvenated
- Coke sales ensured thanks to an arrangement with Mariupol Illich, which was established in 2006

SHARE PRICE PERFORMANCE*



BUSINESS OVERVIEW

Yasynivsky Coke is the sixth largest coke producer in Ukraine, with 2006 coke output of 1524 ths mt, up 19.6% yoy. The company operates six coke batteries that were commissioned in the 50s and have a design capacity of 3.2 mln mt p.a. However, the effective capacity of the plant is estimated at 1.8 mln mt, since two batteries are currently idle and awaiting an overhaul. Yasynivsky Coke is one of only two producers of so-called premium coke in Ukraine. The company is in a better position in terms of coking coal supplies than any other Ukrainian coke maker, because around 70% of coke needed for premium coke production is provided by Ukraine's largest coking coal mine, Chervonoarmiyska Zakhidna, which, as well as Yasynivsky Coke, is controlled by the Donetskstal Group. In 2005 the company officially reported that exports made up only 7.5% of sales, but we estimate that at least 50% of its coke was exported through related-party transactions. In 9M06 the company reported a 12.5% yoy increase in net revenues to USD 192.8 mln, improvement in its EBITDA margin to 10.5% from 8.1% in 9M05 and a reduction in its net margin to 3.1% from 15.6% in 9M05.

MARKET INFORMATION

Market price*, USD	0.37
Price impact**	2
52 Wk H/L, USD	0.47 / 0.24
Chg 3m/6m/52w	11% / 52% / -12%
Chg vs PFTS 3m/6m/52w	-54% / -52% / -105%
Chg YTD	11%
Avg Mo Tr Vol 6M, USD ths	327.96
MCap, USD mln	102.4
Free float, %	9.0%
FF MCap, USD mln	9.2
No of shares, mln	273.6
Par Value (UAH)	0.25
XETRA	n/a
DR Ratio	n/a
Avg Mo Tr Vol 6M, USD ths	n/a

STOCK OWNERSHIP

Donetskstal group	91.0%
Other	9.0%

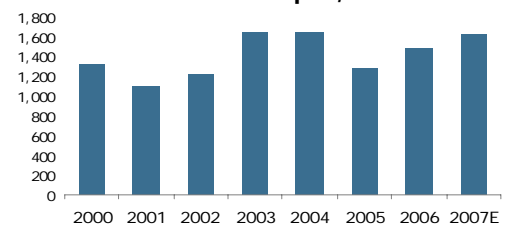
MARKET MULTIPLES

	2006E	2007E
EV/Sales	0.4	0.4
EV/EBITDA	4.8	3.4
P/E	8.2	5.0
P/B	1.3	1.1
P/CF	6.0	4.1

KEY RATIOS

	2005	2006E	2007E
EBITDA margin	8%	9%	11%
Net Margin	4%	5%	7%
ROE	16%	19%	26%
Net Debt/Equity	-0.01	-0.01	0.10

Gross Coke Output, ths mt



* PFTS MID Price is used
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 2: Market price reaction remains within 10% in execution of a market order of about USD 1 mln in size
 3: All other stocks (quoted price is less reliable and should be considered indicative)

Note: data (market information, price changes) as of 30 Mar 2007

INCOME STATEMENT SUMMARY, USD mln

	2002	2003	2004	2005	2006E	2007E	2008E
Net Revenues	64.3	44.5	192.2	212.6	235.1	295.6	301.5
<i>Change y-o-y</i>	-	-30.8%	331.8%	10.6%	10.1%	25.7%	2.0%
Gross Profit	5.7	11.7	28.0	25.8	28.2	41.4	46.7
EBITDA	2.6	3.8	20.5	16.4	21.2	32.5	36.2
<i>margin, %</i>	4.0%	8.6%	10.7%	7.7%	9.0%	11.0%	12.0%
Depreciation	(1.9)	(3.4)	(3.4)	(4.1)	(4.6)	(4.7)	(4.8)
EBIT	0.7	0.4	17.1	12.3	16.6	27.8	31.3
<i>margin, %</i>	1.1%	1.0%	8.9%	5.8%	7.1%	9.4%	10.4%
Interest Expense	(0.3)	(0.8)	(0.6)	(0.2)	(0.0)	(0.7)	(1.5)
Other income/(expense)	0.0	0.0	0.0	(0.1)	-	-	-
PBT	0.4	(0.3)	16.5	12.0	16.6	27.0	29.8
Tax	(0.6)	(1.0)	(4.8)	(4.0)	(4.1)	(6.8)	(7.5)
<i>Effective tax rate</i>	184.2%	-309.4%	29.4%	33.4%	25.0%	25.0%	25.0%
Net Income	(0.3)	(1.3)	11.6	8.1	12.4	20.3	22.4
<i>Net Margin, %</i>	-0.5%	-3.0%	6.1%	3.8%	5.3%	6.9%	7.4%

BALANCE SHEET SUMMARY, USD mln

	2002	2003	2004	2005	2006E	2007E	2008E
Current Assets	17.1	17.5	46.5	39.4	41.2	55.8	60.8
Cash & Equivalents	0.0	0.1	0.3	0.5	1.2	3.0	3.0
Trade Receivables	9.1	10.6	19.2	1.4	16.5	23.6	27.1
Inventories	5.6	5.1	23.5	30.3	16.6	20.3	21.7
Other	2.5	1.7	3.5	7.1	7.1	8.9	9.0
Fixed Assets	39.1	42.9	57.5	76.7	86.9	98.6	104.6
PP&E, net	35.1	37.5	39.5	49.7	54.5	60.6	65.3
Other	4.0	5.5	18.1	27.0	32.4	37.9	39.3
Total Assets	56.3	60.4	104.0	116.1	128.2	154.4	165.5
Shareholders' Equity	39.0	40.3	51.9	64.9	77.3	89.3	97.8
Share Capital	14.5	12.8	12.9	14.4	13.7	13.7	13.7
Retained Earnings	5.9	4.1	15.8	24.3	36.7	48.7	57.2
Other	18.6	23.3	23.2	26.2	26.9	26.9	26.9
Current Liabilities	17.2	20.2	52.2	51.2	50.9	65.1	67.7
ST Interest Bearing Debt	1.3	8.2	0.9	-	0.5	12.0	13.1
Trade Payables	14.7	10.8	48.6	48.4	47.6	49.6	50.9
Other	1.2	1.1	2.7	2.8	2.9	3.6	3.7
LT Liabilities	-	-	-	-	-	-	-
LT Interest Bearing Debt	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
Total Liabilities & Equity	56.3	60.4	104.0	116.1	128.2	154.4	165.5

QUARTERLY ANALYSIS, USD mln

	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
Net Revenues	14.6	47.1	64.9	65.6	70.0	61.6	39.8	41.2	62.6	57.5	72.6
<i>Change y-o-y</i>	52.0%	324.6%	507.1%	399.0%	380.7%	30.7%	-38.7%	-37.1%	-10.6%	-6.5%	82.5%
EBITDA	3.7	6.0	5.5	5.2	6.6	5.1	2.2	2.5	3.8	5.9	10.5
<i>margin, %</i>	25.4%	12.8%	8.5%	8.0%	9.5%	8.2%	5.5%	6.2%	6.0%	10.2%	14.5%
EBIT	2.9	5.2	4.7	4.3	5.7	4.0	1.1	1.4	2.7	4.9	9.2
<i>margin, %</i>	19.6%	11.0%	7.2%	6.6%	8.2%	6.6%	2.8%	3.4%	4.3%	8.5%	12.7%
Net Income	1.8	3.7	3.3	2.9	4.0	2.7	0.7	0.7	1.5	2.9	5.6
<i>Net Margin, %</i>	12.2%	7.9%	5.0%	4.4%	5.7%	4.4%	1.7%	1.7%	2.4%	5.1%	7.8%

ZaporizhCoke

ZACO UZ

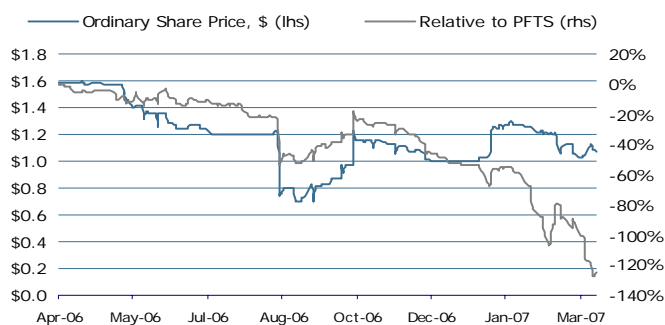
Chemicals/Coke

Target Price (USD) 2.53
Upside 138%

INVESTMENT CASE

- Strong demand from Zaporizhstal boosts production
- Most transparent Ukrainian coke maker
- Likely take-over target in the mid-term

SHARE PRICE PERFORMANCE*



BUSINESS OVERVIEW

ZaporizhCoke is Ukraine's fifth largest coke producer, with coke output of 1936 ths mt (up 2.7%) and a share in total domestic production of 10.2% in 2006. The company's core products are met coke, nut coke, and nitrogen fertilizers. Its key consumer is Zaporizhstal, but ZaporizhCoke also serves Mariupol Illicha, DMK Dzerzhynskogo, Alchevsk Iron & Steel and DniproSpetsStal, whose demand for coke is likely to increase in the near-term due to favorable steel markets. ZaporizhCoke exports around 25% of its total output, including 8% of its met coke and 85% of pitch coke.

In 9M06 the company reported a reduction of net revenues by 7.6% yoy to USD 236.8 mln, decrease of EBITDA margin to 7.7% from 8.6% in 9M05, and lowering of net margin to 4.5% from 5.2% in 9M05.

Three shareholder groups (Zaporizhstal, SCM and ARS) have large stakes in ZaporizhCoke, but none of them have full control over the company's operations.

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 2: Market price reaction remains within 10% in execution of a market order of about USD 1 mln in size
 3: All other stocks (quoted price is less reliable and should be considered indicative)

Note: data (market information, price changes) as of 30 Mar 2007

MARKET INFORMATION

Market price*, USD	1.06
Price impact**	3
52 Wk H/L, USD	1.60 / 0.69
Chg 3m/6m/52w	6% / 28% / -33%
Chg vs PFTS 3m/6m/52w	-58% / -76% / -126%
Chg YTD	6%
Avg Mo Tr Vol 6M, USD ths	100.77
MCap, USD mln	127.0
Free float, %	7.2%
FF MCap, USD mln	9.1
No of shares, mln	119.3
Par Value (UAH)	0.01
XETRA	n/a
DR Ratio	n/a
Avg Mo Tr Vol 6M, USD ths	n/a

STOCK OWNERSHIP

Zaporizhstal	41.8%
SCM	35.7%
ARS	15.3%
Other	7.2%

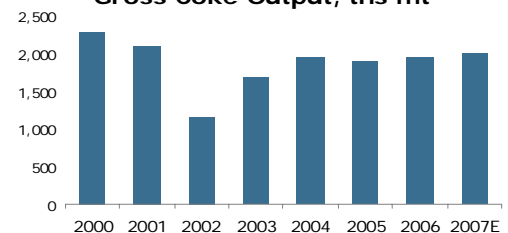
MARKET MULTIPLES

	2006E	2007E
EV/Sales	0.5	0.4
EV/EBITDA	6.3	4.5
P/E	7.8	6.4
P/B	1.3	1.1
P/CF	6.5	5.5

KEY RATIOS

	2005	2006E	2007E
EBITDA margin	8%	8%	8%
Net Margin	5%	5%	5%
ROE	31%	20%	20%
Net Debt/Equity	-0.014	0.31	0.07

Gross Coke Output, ths mt



INCOME STATEMENT SUMMARY, USD mln

	2002	2003	2004	2005	2006E	2007E	2008E
Net Revenues	83.0	155.2	344.8	335.4	311.2	362.6	369.8
<i>Change y-o-y</i>	-	87.0%	122.2%	-2.7%	-7.3%	16.5%	2.0%
Gross Profit	5.3	21.9	60.3	35.7	32.7	39.9	48.1
EBITDA	(2.1)	12.9	47.9	27.6	24.9	30.1	37.0
<i>margin, %</i>	-2.5%	8.3%	13.9%	8.2%	8.0%	8.3%	10.0%
Depreciation	(2.4)	(2.7)	(2.6)	(3.2)	(3.3)	(3.3)	(3.3)
EBIT	(4.5)	10.2	45.3	24.4	21.6	26.8	33.7
<i>margin, %</i>	-5.4%	6.6%	13.1%	7.3%	6.9%	7.4%	9.1%
Interest Expense	(2.3)	(1.6)	(0.4)	(0.1)	-	(0.4)	(1.0)
Other income/(expense)	(1.1)	0.2	(0.0)	0.7	-	-	-
PBT	(7.9)	8.8	44.9	25.0	21.6	26.4	32.7
Tax	-	(3.2)	(11.3)	(6.6)	(5.4)	(6.6)	(8.2)
<i>Effective tax rate</i>	0.0%	36.9%	25.3%	26.4%	25.0%	25.0%	25.0%
Net Income	(7.9)	5.5	33.5	18.4	16.2	19.8	24.5
<i>Net Margin, %</i>	-9.6%	3.6%	9.7%	5.5%	5.2%	5.5%	6.6%

BALANCE SHEET SUMMARY, USD mln

	2002	2003	2004	2005	2006E	2007E	2008E
Current Assets	16.9	24.8	60.5	53.6	56.8	68.3	67.4
Cash & Equivalents	0.0	0.4	4.5	1.1	7.8	9.1	9.2
Trade Receivables	6.5	9.7	4.6	17.2	18.7	29.0	27.7
Inventories	6.4	7.6	36.9	22.8	16.7	19.4	19.3
Other	4.0	7.1	14.4	12.5	13.6	10.9	11.1
Fixed Assets	61.2	57.7	60.7	74.2	81.6	76.2	79.7
PP&E, net	30.8	28.8	30.4	32.4	33.5	34.7	36.4
Other	30.4	28.9	30.3	41.8	48.0	41.4	43.2
Total Assets	78.1	82.5	121.2	127.8	138.3	144.5	147.0
Shareholders' Equity	19.1	24.7	60.1	81.0	97.3	111.1	120.9
Share Capital	0.2	0.2	0.2	0.2	0.2	0.2	0.2
Retained Earnings	(20.4)	(14.9)	20.8	39.3	55.5	69.4	79.2
Other	39.2	39.3	39.0	41.5	41.5	41.5	41.5
Current Liabilities	58.3	57.7	61.1	8.5	3.1	23.5	26.1
ST Interest Bearing Debt	3.8	-	0.4	-	-	7.2	9.5
Trade Payables	19.2	22.6	19.7	5.9	1.6	14.5	14.8
Other	35.3	35.1	41.0	2.6	1.5	1.8	1.8
LT Liabilities	0.7	0.1	0.0	38.2	38.0	9.9	-
LT Interest Bearing Debt	-	-	-	-	-	-	-
Other	0.7	0.1	0.0	38.2	38.0	9.9	-
Total Liabilities & Equity	78.1	82.5	121.2	127.8	138.3	144.5	147.0

QUARTERLY ANALYSIS, USD mln

	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
Net Revenues	63.6	94.9	97.6	88.7	86.5	93.2	76.5	79.2	76.9	79.8	80.1
<i>Change y-o-y</i>	85.8%	127.6%	163.2%	110.4%	36.1%	-1.8%	-21.6%	-10.8%	-11.1%	-14.4%	4.8%
EBITDA	13.4	17.9	8.0	8.7	7.3	6.8	8.0	5.5	5.5	5.1	7.6
<i>margin, %</i>	21.0%	18.9%	8.2%	9.8%	8.5%	7.3%	10.5%	6.9%	7.1%	6.4%	9.5%
EBIT	12.7	17.3	7.3	8.0	6.6	5.7	7.4	4.6	4.5	4.2	6.6
<i>margin, %</i>	20.0%	18.2%	7.5%	9.0%	7.6%	6.1%	9.7%	5.9%	5.9%	5.2%	8.2%
Net Income	9.3	12.1	5.9	6.3	4.8	3.5	5.1	5.0	3.9	2.3	4.4
<i>Net Margin, %</i>	14.6%	12.8%	6.0%	7.1%	5.6%	3.7%	6.7%	6.3%	5.1%	2.9%	5.6%

Koryukivka Paper

KFTP UZ

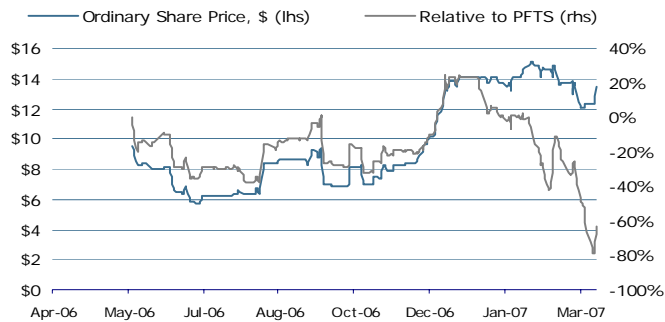
Forest Products & Paper

<http://www.slav-oboι.com.ua>

Target Price (USD)
Upside

N/R
n/a

SHARE PRICE PERFORMANCE*



Listed on PFTS since 25 May 2006

BUSINESS OVERVIEW

Koryukivka Paper (KFTP) is the largest producer of wallpaper in Ukraine and one of the biggest wallpaper producers in the CIS and Eastern Europe. The company produces corrugated, washable, duplex, vinyl and acryl wallpaper with more than 1000 designs under the brand Slavyanskiye Oboι. Its capacity enables the production of 60 mln rolls of wallpaper per year, which significantly exceeds domestic demand. The company exports more than 75% of its products to Belarus, Moldova, the Baltics, the Middle East, Eastern and Western Europe. Modern equipment installed at the factory is made in Switzerland, Britain and France. Koryukivka Paper also produces different printing products (booklets, calendars).

In 2006 Koryukivka Paper produced 50 mln rolls of wallpaper (7.3% drop yoy), that amounts to 56% of Ukrainian wallpaper market. In 2006 the company almost doubled its net income (to USD 6.9 mln).

UPCOMING EVENTS

19 Apr 2007 AGM

* PFTS MID Price is used

** Price "Impact" is the opinion of Concorde's trading desk on stocks to help investors estimate the reliability of quoted prices:

1: Market price reaction remains within 10% in execution of a market order of about USD 10 mln in size

2: Market price reaction remains within 10% in execution of a market order of about USD 1 mln in size

3: All other stocks (quoted price is less reliable and should be considered indicative)

Note: data (market information, price changes) as of 30 Mar 2007

MARKET INFORMATION

Market price*, USD	13.76
Price impact**	3
52 Wk H/L, USD	15.1 / 5.7
Chg 3m/6m/52w	-2% / 97% / 45%
Chg vs PFTS 3m/6m/52w	-67% / -7% / -48%
Chg YTD	-2%
Avg Mo Tr Vol 6M, USD ths	2094.98
MCap, USD mln	82.9
Free float, %	23.1%
FF MCap, USD mln	19.1
No of shares, mln	6.0
Par Value, UAH	8.0
XETRA	n/a
DR Ratio	n/a
Avg Mo Tr Vol 6M, USD ths	n/a

STOCK OWNERSHIP

Slavych Invest	36.9%
Trade House Slavych	20.0%
UkragrosynteZ	20.0%
Other	23.1%

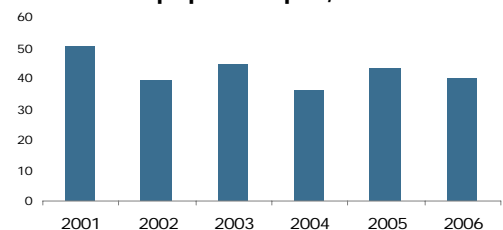
MARKET MULTIPLES

	2006E	2007E
EV/Sales	1.1	n/a
EV/EBITDA	5.7	n/a
P/E	12.0	n/a
P/B	3.5	n/a
P/CF	8.5	n/a

KEY RATIOS

	2005	2006E	2007E
EBITDA margin	14%	19%	n/a
Net Margin	5%	8%	n/a
ROE	27%	42%	n/a
Net Debt/Equity	1.0	0.6	n/a

Wallpaper Output, ths mt



INCOME STATEMENT SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Net Revenues	34.9	44.6	55.5	72.6	66.8	n/a	n/a
<i>Change y-o-y</i>	-	27.7%	24.5%	30.7%	23.3%	n/a	n/a
Gross Profit	4.3	10.1	11.0	14.4	16.8	n/a	n/a
EBITDA	1.1	5.9	4.3	9.8	12.8	n/a	n/a
<i>margin, %</i>	3.2%	13.3%	7.7%	13.5%	19.2%	n/a	n/a
Depreciation	(1.5)	(1.9)	(1.9)	(2.7)	(2.2)	n/a	n/a
EBIT	(0.4)	4.0	2.4	7.1	10.7	n/a	n/a
<i>margin, %</i>	-1.1%	9.0%	4.3%	9.7%	16.0%	n/a	n/a
Interest Expense	(0.9)	(1.3)	(1.6)	(2.0)	(2.1)	n/a	n/a
Other income/(expense)	(0.2)	(0.1)	(0.0)	(0.0)	(0.0)	n/a	n/a
PBT	(1.5)	2.6	0.8	5.0	8.5	n/a	n/a
Tax	-	(0.2)	(0.3)	(1.5)	(2.2)	n/a	n/a
<i>Effective tax rate</i>	0.0%	8.6%	35.3%	29.6%	26.0%	n/a	n/a
Net Income	(1.5)	2.4	0.5	3.5	6.3	n/a	n/a
<i>Net Margin, %</i>	-4.2%	5.4%	0.9%	4.8%	9.5%	n/a	n/a

BALANCE SHEET SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Current Assets	13.2	14.7	14.9	27.7	31.3	n/a	n/a
Cash & Equivalents	0.2	0.1	0.0	0.2	0.7	n/a	n/a
Trade Receivables	3.5	4.1	4.6	8.6	10.5	n/a	n/a
Inventories	5.9	6.4	7.0	12.7	15.3	n/a	n/a
Other	3.6	4.1	3.4	6.2	4.7	n/a	n/a
Fixed Assets	16.5	15.2	18.8	20.8	19.8	n/a	n/a
PP&E, net	15.4	13.9	16.2	19.1	17.9	n/a	n/a
Other	1.1	1.3	2.6	1.7	2.0	n/a	n/a
Total Assets	29.7	30.0	33.7	48.5	51.1	n/a	n/a
Shareholders' Equity	10.4	12.9	12.9	16.6	22.5	n/a	n/a
Share Capital	9.3	9.0	9.1	9.5	9.5	n/a	n/a
Retained Earnings	0.5	2.8	2.8	5.6	11.6	n/a	n/a
Other	0.6	1.0	1.0	1.4	1.4	n/a	n/a
Current Liabilities	14.0	12.3	10.5	16.9	26.0	n/a	n/a
ST Interest Bearing Debt	5.1	7.0	0.5	1.6	13.6	n/a	n/a
Trade Payables	8.1	4.8	9.2	13.9	9.9	n/a	n/a
Other	0.8	0.5	0.8	1.3	4.0	n/a	n/a
LT Liabilities	5.3	4.8	10.3	15.0	2.6	n/a	n/a
LT Interest Bearing Debt	5.3	4.5	10.2	14.6	2.2	n/a	n/a
Other	0.0	0.3	0.1	0.4	0.4	n/a	n/a
Total Liabilities & Equity	29.7	30.0	33.7	48.5	51.1	n/a	n/a

QUARTERLY ANALYSIS, USD mln

	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
Net Revenues	12.0	13.0	18.4	12.1	12.3	16.8	25.2	18.4	15.7	22.7	28.5
<i>Change y-o-y</i>	55.1%	21.6%	17.7%	15.1%	2.4%	28.6%	37.0%	51.7%	27.6%	35.3%	13.2%
EBITDA	1.6	0.9	1.5	0.3	0.8	2.5	4.0	2.5	2.4	4.8	5.7
<i>margin, %</i>	13.1%	6.9%	8.3%	2.5%	6.4%	15.0%	15.9%	13.7%	15.0%	21.0%	20.0%
EBIT	1.1	0.5	1.1	(0.4)	0.2	1.9	3.3	1.7	1.6	4.0	5.0
<i>margin, %</i>	9.4%	3.7%	6.0%	-3.0%	1.7%	11.2%	13.1%	9.2%	10.4%	17.8%	17.6%
Net Income	0.6	0.0	0.6	(0.7)	(0.2)	1.2	2.2	0.4	0.7	2.5	3.1
<i>Net Margin, %</i>	4.9%	0.2%	3.3%	-5.9%	-2.0%	7.2%	8.6%	2.1%	4.4%	11.1%	10.9%

Kyiv Cardboard & Paper

Forest Products & Paper

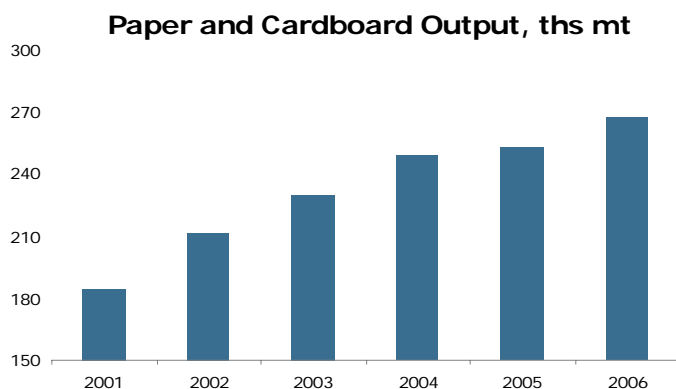
Target Price (USD)
N/R
Upside (%)
n/a

BUSINESS OVERVIEW

Kyiv Cardboard & Paper (KCP) is the largest producer of cardboard and hygienic paper in Ukraine. The company ranks first in sales volume on the Ukrainian pulp & paper industry. The mill consists of four workshops for cardboard, paper, printing and corrugated products production. Kyiv Cardboard & Paper produces different types of cardboard, corrugated products, toilet paper, tissue paper, paper towels and cardboard containers.

Leading Ukrainian confectionary producers (Roshen, Zhytomyrski lasoschi, Kharkiv Biscuit Factory) and other food companies account for half of sales. Kyiv Cardboard & Paper exports its products to the CIS (mainly Russia) and Europe. In 2007 the company plans to invest USD 40 mln in modernization and development.

In 2006 Kyiv Cardboard & Paper increased cardboard output by 5.1% yoy to 198.7 ths mt and its total output volume by 11% yoy. In 9M06 the company posted sales increases of 11% yoy to USD 100.5 mln and growth in net income by 34% yoy to USD 13.8 mln.



MARKET INFORMATION

Market price*, USD	n/a
Price impact**	n/a
52 Wk H/L, USD	n/a
Chg 3m/6m/52w	n/a
Chg vs PFTS 3m/6m/52w	n/a
Chg YTD	n/a
Avg Mo Tr Vol 6M, USD ths	n/a
MCap, USD mln	n/a
Free float, %	4.8%
FF MCap, USD mln	n/a
No of shares, mln	40.0
Par Value, UAH	0.25
XETRA	n/a
DR Ratio	n/a
Avg Mo Tr Vol 6M, USD ths	n/a

STOCK OWNERSHIP

Pulp Mill Holding	95.2%
Other	4.8%

MARKET MULTIPLES

	2006E	2007E
EV/Sales	n/a	n/a
EV/EBITDA	n/a	n/a
P/E	n/a	n/a
P/B	n/a	n/a
P/CF	n/a	n/a

KEY RATIOS

	2005	2006E	2007E
EBITDA margin	15%	16%	n/a
Net Margin	12%	14%	n/a
ROE	25%	26%	n/a
Net Debt/Equity	-0.01	0.1	n/a

* The stock is not listed on PFTS

** Price "impact" is the opinion of Concorde's trading desk on stocks to help investors estimate the reliability of quoted prices:

1: Market price reaction remains within 10% in execution of a market order of about USD 10 mln in size

2: Market price reaction remains within 10% in execution of a market order of about USD 1 mln in size

3: All other stocks (quoted price is less reliable and should be considered indicative)

Note: data (market information, price changes) as of 30 Mar 2007

INCOME STATEMENT SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Net Revenues	74.2	89.1	105.2	123.6	100.5	n/a	n/a
<i>Change y-o-y</i>	-	20.1%	18.1%	17.5%	11.3%	n/a	n/a
Gross Profit	12.6	15.7	21.2	30.2	24.2	n/a	n/a
EBITDA	6.7	6.8	13.2	18.7	15.9	n/a	n/a
<i>margin, %</i>	9.0%	7.6%	12.5%	15.1%	15.8%	n/a	n/a
Depreciation	(3.3)	(3.9)	(4.3)	(4.4)	(3.5)	n/a	n/a
EBIT	3.4	2.9	8.9	14.3	12.4	n/a	n/a
<i>margin, %</i>	4.6%	3.2%	8.4%	11.5%	12.4%	n/a	n/a
Interest Expense	(0.2)	(0.7)	(0.4)	(0.2)	(0.3)	n/a	n/a
Other income/(expense)	(0.1)	0.5	6.0	5.5	5.5	n/a	n/a
PBT	3.1	2.8	14.5	19.6	17.6	n/a	n/a
Tax	(0.9)	(0.9)	(3.5)	(5.0)	(3.8)	n/a	n/a
<i>Effective tax rate</i>	29.5%	32.2%	24.0%	25.2%	21.8%	n/a	n/a
Net Income	2.2	1.9	11.0	14.8	13.8	n/a	n/a
<i>Net Margin, %</i>	3.0%	2.1%	10.4%	11.9%	13.7%	n/a	n/a

BALANCE SHEET SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Current Assets	12.6	20.7	29.4	33.1	35.7	n/a	n/a
Cash & Equivalents	0.0	0.3	6.4	9.2	5.6	n/a	n/a
Trade Receivables	1.4	6.1	5.7	7.8	13.2	n/a	n/a
Inventories	6.7	9.8	11.6	10.7	11.8	n/a	n/a
Other	4.5	4.6	5.8	5.3	5.1	n/a	n/a
Fixed Assets	39.8	40.1	37.7	56.0	58.3	n/a	n/a
PP&E, net	39.3	39.9	37.4	39.9	38.3	n/a	n/a
Other	0.5	0.2	0.3	16.1	20.1	n/a	n/a
Total Assets	52.4	60.8	67.2	89.1	94.0	n/a	n/a
Shareholders' Equity	44.4	46.2	58.0	70.6	75.4	n/a	n/a
Share Capital	0.2	0.2	0.7	2.0	2.0	n/a	n/a
Retained Earnings	8.1	12.4	23.6	36.2	41.2	n/a	n/a
Other	36.1	33.6	33.7	32.5	32.3	n/a	n/a
Current Liabilities	4.8	11.5	8.6	10.3	7.9	n/a	n/a
ST Interest Bearing Debt	0.8	4.0	2.3	0.6	-	n/a	n/a
Trade Payables	3.1	6.4	3.8	6.8	5.6	n/a	n/a
Other	1.0	1.2	2.5	2.9	3.5	n/a	n/a
LT Liabilities	3.2	3.1	0.6	8.1	10.7	n/a	n/a
LT Interest Bearing Debt	3.2	2.9	0.6	8.1	10.7	n/a	n/a
Other	-	0.2	-	-	-	n/a	n/a
Total Liabilities & Equity	52.4	60.8	67.2	89.1	94.0	n/a	n/a

QUARTERLY ANALYSIS, USD mln

	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
Net Revenues	24.3	25.3	14.2	41.4	29.2	28.6	32.5	33.3	32.3	32.6	35.6
<i>Change y-o-y</i>	21.3%	31.0%	-41.7%	63.4%	20.3%	12.9%	128.3%	-19.5%	10.6%	14.1%	9.6%
EBITDA	2.4	2.6	(0.6)	8.7	6.2	4.6	5.8	2.2	5.5	4.7	5.7
<i>margin, %</i>	9.9%	10.4%	-4.2%	21.1%	21.1%	16.1%	17.7%	6.5%	17.0%	14.5%	15.9%
EBIT	1.3	1.6	(1.3)	7.3	5.1	3.6	4.6	1.0	4.3	3.6	4.5
<i>margin, %</i>	5.3%	6.2%	-9.1%	17.7%	17.5%	12.4%	14.1%	3.0%	13.5%	10.9%	12.7%
Net Income	0.8	1.0	(0.4)	9.7	3.9	2.7	3.7	4.5	3.5	7.1	3.2
<i>Net Margin, %</i>	3.1%	4.0%	-3.1%	23.4%	13.2%	9.3%	11.5%	13.5%	10.9%	21.8%	8.9%

Zhydachiv Pulp & Paper

ZCPK UZ

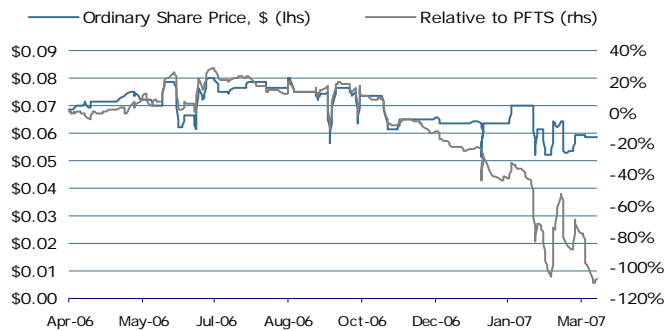
Forest Products & Paper

<http://www.osnova.ua>

Target Price (USD)
Upside

N/R
n/a

SHARE PRICE PERFORMANCE*



MARKET INFORMATION

Market price*, USD	0.06
Price impact**	3
52 Wk H/L, USD	0.08 / 0.05
Chg 3m/6m/52w	-8% / -12% / -11%
Chg vs PFTS 3m/6m/52w	-72% / -116% / -103%
Chg YTD	-8%
Avg Mo Tr Vol 6M, USD ths	40.80
MCap, USD mln	26.6
Free float, %	3.5%
FF MCap, USD mln	0.9
No of shares, mln	456.2
Par Value, UAH	0.05
XETRA	Y1D
DR Ratio	1:400
Avg Mo Tr Vol 6M, USD ths	0.0

BUSINESS OVERVIEW

Zhydachiv Pulp & Paper (ZCPK) is the only producer of newsprint paper in Ukraine, also specializing in wrapping paper, unbleached pulp, pasted board, boxboard and corrugated board.

Jointly with Izmail Pulp & Board, Zhydachiv Pulp & Paper is a part of the Osnova Papir concern. The latter plans to invest USD 5 mln in Zhydachiv Pulp & Paper to modernize its ground-wood mill in 2007 and its wastepaper workshop by 2008.

While about 30% of the pulp made by Zhydachiv Pulp & Paper is currently exported, by 2010 Osnova Papir plans to process 100% of its pulp internally and use it for higher value-added products.

The company's main customers include leading Ukrainian confectionaries (Roshen, Svitoch, Zhytomyrski lasoschi) and publishing houses (Pressa Ukrainy, Kievskaya Pravda, Zarya). Exports account for 15% of sales.

In 9M06, this company posted sales growth of 32% yoy to USD 59.7 mln, an EBITDA increase of 30% yoy to USD 6.3 mln and net income advances of 2% yoy to USD 2 mln.

In 2006 the company increased both its cardboard and paper output -- by 5.8% and 10.2% yoy respectively.

* PFTS MID Price is used

** Price "impact" is the opinion of Concorde's trading desk on stocks to help investors estimate the reliability of quoted prices:

- 1: Market price reaction remains within 10% in execution of a market order of about USD 10 mln in size
- 2: Market price reaction remains within 10% in execution of a market order of about USD 1 mln in size
- 3: All other stocks (quoted price is less reliable and should be considered indicative)

Note: data (market information, price changes) as of 30 Mar 2007

STOCK OWNERSHIP

Privat Group	43.2%
Energetical Standart Group	15.3%
Foyil Services Ltd	10.0%
Other	31.5%

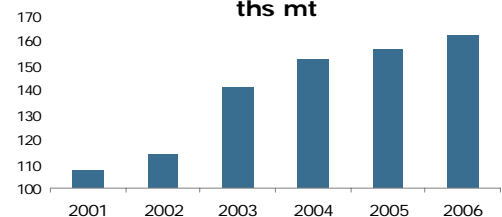
MARKET MULTIPLES

	2006E	2007E
EV/Sales	0.5	n/a
EV/EBITDA	5.1	n/a
P/E	9.8	n/a
P/B	1.0	n/a
P/CF	4.6	n/a

KEY RATIOS

	2005	2006E	2007E
EBITDA margin	10%	11%	n/a
Net Margin	3%	3%	n/a
ROE	10%	12%	n/a
Net Debt/Equity	0.6	0.6	n/a

Paper and Cardboard Output, ths mt



INCOME STATEMENT SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Net Revenues	38.0	49.3	53.6	61.7	59.7	n/a	n/a
<i>Change y-o-y</i>	-	29.8%	8.7%	15.3%	31.9%	n/a	n/a
Gross Profit	6.2	7.4	7.7	10.5	10.5	n/a	n/a
EBITDA	2.5	3.3	4.4	6.2	6.3	n/a	n/a
<i>margin, %</i>	6.7%	6.7%	8.3%	10.0%	10.5%	n/a	n/a
Depreciation	(1.6)	(2.0)	(2.4)	(2.8)	(2.3)	n/a	n/a
EBIT	0.9	1.3	2.0	3.3	3.9	n/a	n/a
<i>margin, %</i>	2.5%	2.6%	3.8%	5.4%	6.6%	n/a	n/a
Interest Expense	(0.9)	(1.3)	(1.5)	(1.6)	(1.4)	n/a	n/a
Other income/(expense)	(0.3)	(0.0)	(0.0)	0.7	(0.1)	n/a	n/a
PBT	(0.2)	(0.0)	0.5	2.5	2.4	n/a	n/a
Tax	(0.3)	(0.1)	-	(0.6)	(0.4)	n/a	n/a
<i>Effective tax rate</i>	-134.6%	-265.3%	0.0%	23.0%	16.3%	n/a	n/a
Net Income	(0.6)	(0.2)	0.5	1.9	2.0	n/a	n/a
<i>Net Margin, %</i>	-1.5%	-0.3%	0.9%	3.1%	3.4%	n/a	n/a

BALANCE SHEET SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Current Assets	7.8	7.9	7.0	9.0	20.1	n/a	n/a
Cash & Equivalents	0.0	0.1	0.1	0.3	0.2	n/a	n/a
Trade Receivables	2.3	0.5	0.5	2.2	10.4	n/a	n/a
Inventories	5.2	6.5	5.0	5.7	6.1	n/a	n/a
Other	0.3	0.8	1.4	0.9	3.3	n/a	n/a
Fixed Assets	30.5	32.0	32.4	35.2	36.5	n/a	n/a
PP&E, net	24.1	24.9	27.8	30.6	30.5	n/a	n/a
Other	6.3	7.1	4.6	4.6	6.0	n/a	n/a
Total Assets	38.3	39.9	39.4	44.2	56.6	n/a	n/a
Shareholders' Equity	19.6	19.3	19.8	22.8	26.3	n/a	n/a
Share Capital	4.3	4.3	4.3	4.6	6.0	n/a	n/a
Retained Earnings	2.6	2.4	2.8	4.9	6.9	n/a	n/a
Other	12.7	12.5	12.6	13.4	13.4	n/a	n/a
Current Liabilities	13.6	12.7	13.6	11.5	16.3	n/a	n/a
ST Interest Bearing Debt	2.5	4.0	6.8	3.2	2.7	n/a	n/a
Trade Payables	10.6	7.8	6.1	7.4	11.2	n/a	n/a
Other	0.6	0.9	0.7	1.0	3.0	n/a	n/a
LT Liabilities	5.0	8.0	6.0	9.9	14.0	n/a	n/a
LT Interest Bearing Debt	5.0	8.0	6.0	9.9	13.9	n/a	n/a
Other	0.0	-	-	0.0	0.0	n/a	n/a
Total Liabilities & Equity	38.3	39.9	39.4	44.2	56.6	n/a	n/a

QUARTERLY ANALYSIS, USD mln

	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
Net Revenues	13.5	12.9	10.4	16.7	13.9	15.4	15.9	16.5	15.7	21.8	22.1
<i>Change y-o-y</i>	35.3%	-10.9%	-15.4%	33.8%	2.5%	19.3%	53.2%	-1.1%	13.3%	41.5%	38.7%
EBITDA	1.4	1.4	(0.3)	2.0	1.5	1.9	1.4	1.4	1.8	2.4	2.0
<i>margin, %</i>	10.0%	10.9%	-2.9%	11.8%	11.0%	12.5%	8.6%	8.2%	11.8%	10.9%	9.2%
EBIT	0.8	0.9	(0.6)	1.0	0.9	1.2	0.7	0.6	1.1	1.6	1.2
<i>margin, %</i>	5.9%	6.6%	-6.2%	6.2%	6.2%	8.0%	4.1%	3.7%	6.9%	7.4%	5.6%
Net Income	0.3	0.5	(0.9)	0.6	0.3	1.5	0.1	(0.1)	0.6	0.9	0.5
<i>Net Margin, %</i>	2.3%	3.7%	-8.9%	3.6%	2.4%	9.9%	0.9%	-0.4%	4.1%	4.3%	2.0%

TELECOMMUNICATIONS

Ukrtelecom

Ukrtelecom

UTEL UZ

Telecommunications

<http://www.ukrtelecom.ua>

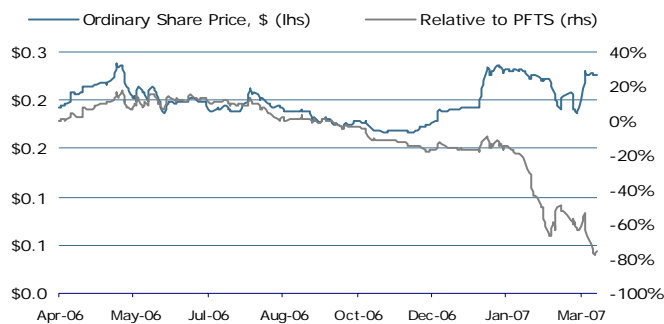
Target Price (USD)
Upside

0.21
-6.2%

INVESTMENT CASE

- Almost exhausted revenue growth potential in fixed line telephone services
- Growth in its mobile division allowed the company to benefit from interconnection fees and fixed-to-mobile calls
- Its new mobile division will most likely reach the breakeven point no earlier than 2009
- Privatization might occur in 2007 by placement on stock exchanges of 5% (in Ukraine) and then 37% (on international stocks exchanges)

SHARE PRICE PERFORMANCE*



BUSINESS OVERVIEW

Ukrtelecom (UTEL) is the largest telecom operator in Ukraine, with about USD 1.3 mln in revenues from providing telecommunication services and 2/3 of the fixed telecom market in 2006. The company provides services to nearly 10 mln customers. Ukrtelecom has 32 regional divisions, a trunk telephone network, and international and local exchanges. Even with the presence of powerful competitors, the company managed to preserve its market share due to its nation-wide network and wide consumer base.

In March 2007, the company's shareholders decided to spend 30% of its 2006 net income for a dividend, 30% into the company's development, 25% to the employees' motivation fund, and the remaining 5% to a reserved insurance fund. We expect Ukrtelecom's local fixed telecom services will contribute to revenue growth in 1H07 since local tariffs increased by 55% during 2H06. Ukrtelecom is planning to start 3G mobile services in the spring-summer 2007 and expects to attract 0.5 mln mobile customers by the end of 2007. The company is now seeking about USD 200 mln in capital to invest in the project this year.

MARKET INFORMATION

Market price, USD	0.22
Price impact*	1
52 Wk H/L, USD	0.24 / 0.17
Chg 3m/6m/52w	18% / 25% / 17%
Chg vs PFTS 3m/6m/52w	-47% / -79% / -75%
Chg YTD	18%
Avg Mo Tr Vol 6M, USD ths	3194.89
MCap, USD mln	4190.2
Free float, %	2.5%
FF MCap, USD mln	104.8
No of shares, mln	18726.2
Par Value, UAH	1000
XETRA	UK1
DR Ratio	1:50
Avg Mo Tr Vol 6M, USD ths	340.35

STOCK OWNERSHIP

State Property Fund	92.9%
Other	7.1%

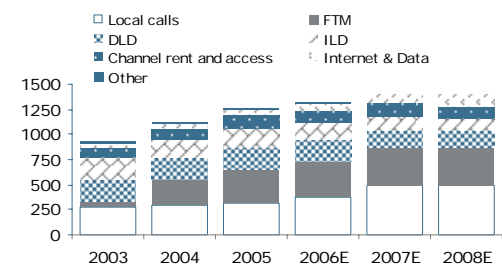
MARKET MULTIPLES

	2006E	2007E
EV/EBITDA	12.0	19.5
P/E	41.2	neg
P/B	2.6	2.6
P/CF	14.7	29.9

KEY RATIOS

	2005	2006E	2007E
Net Margin	8%	8%	-5%
ROE	98%	102%	-68%
Net Debt/Equity	0.2	0.3	0.5

Sales Structure, USD mln



* PFTS MID Price is used
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Note: data (market information, price changes) as of 30 Mar 2007

INCOME STATEMENT SUMMARY, USD mln

	2003	2004	2005	2006	2007E	2008E
Net Revenues	802.4	1,146.0	1,243.0	1,327.0	1,485.0	1,514.0
<i>Change y-o-y</i>	-	8.0%	8.0%	6.8%	2.0%	5.0%
EBITDA	363.5	402.0	353.0	391.1	260.0	323.0
<i>margin, %</i>	45.3%	35.1%	28.4%	29.5%	17.5%	21.3%
Depreciation	(114.4)	(153.0)	(183.0)	(202.9)	(208.0)	(222.0)
EBIT	249.2	249.0	170.0	188.2	53.0	101.0
<i>margin, %</i>	31.1%	21.7%	13.7%	14.2%	3.5%	6.7%
Interest Expense	(9.1)	(27.0)	(29.0)	(55.9)	(77.0)	(105.0)
PBT	206.6	225.0	154.0	134.4	(68.0)	3.0
Net Income	115.5	142.0	98.0	101.7	(68.0)	2.0
<i>Net Margin, %</i>	14.4%	12.0%	8.0%	7.7%	-5.0%	0.0%

BALANCE SHEET SUMMARY, USD mln

	2003	2004	2005	2006E	2007E	2008E
Current Assets	281.2	379.0	640.0	463.0	478.0	488.0
Cash & Equivalents	24.5	82.0	379.0	162.0	148.0	151.0
Trade Receivables	100.6	135.0	137.0	149.0	163.0	167.0
Inventories	73.3	81.0	70.0	95.0	104.0	106.0
Other	82.8	81.0	54.0	57.0	63.0	64.0
Fixed Assets	1,324.7	1,515.0	1,673.0	2,060.0	2,420.0	2,718.0
PP&E, net	1,046.6	1,263.0	1,427.0	1,807.0	2,131.0	2,420.0
Other	278.1	252.0	246.0	253.0	289.0	298.0
Total Assets	1,605.9	1,894.0	2,313.0	2,523.0	2,898.0	3,206.0
Shareholders' Equity	1,243.3	1,376.0	1,441.0	1,615.0	1,614.0	1,655.0
Share Capital	878.3	878.0	856.0	856.0	856.0	856.0
Retained Earnings	115.3	497.0	491.0	574.0	614.0	653.0
Other	249.7	-	94.0	138.0	97.0	98.0
Current Liabilities	175.0	371.0	220.0	282.0	309.0	327.0
ST Interest Bearing Debt	31.0	49.0	10.0	52.0	56.0	70.0
Trade Payables	51.9	108.0	89.0	95.0	104.0	106.0
Other	92.1	358.0	167.0	136.0	149.0	151.0
LT Liabilities	187.6	147.0	651.0	626.0	975.0	1,224.0
LT Interest Bearing Debt	163.0	136.0	639.0	612.0	961.0	1,210.0
Other	24.6	11.0	12.0	14.0	14.0	14.0
Total Liabilities & Equity	1,605.9	1,894.0	2,313.0	2,523.0	2,898.0	3,206.0

QUARTERLY ANALYSIS, USD mln

	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
Net Revenues	217.5	245.1	125.0	397.6	257.4	274.0	343.4	418.0	318.7	312.5	351.5
<i>Change y-o-y</i>	15.7%	26.7%	-39.1%	84.3%	18.3%	11.8%	174.8%	5.1%	23.8%	14.1%	2.3%
EBITDA	84.9	83.7	106.5	74.8	81.7	81.7	93.9	109.1	79.9	68.8	111.5
<i>margin, %</i>	39.0%	34.2%	85.2%	18.8%	31.7%	29.8%	27.4%	26.1%	25.1%	22.0%	31.7%
EBIT	51.5	50.6	89.2	18.2	38.2	40.2	46.5	51.5	31.1	19.6	60.3
<i>margin, %</i>	23.7%	20.6%	71.4%	4.6%	14.8%	14.7%	13.5%	12.3%	9.8%	6.3%	17.1%
Net Income	30.3	89.8	(42.7)	93.9	22.3	23.6	24.7	30.9	5.7	6.5	23.9
<i>Net Margin, %</i>	13.9%	36.7%	-34.1%	23.6%	8.6%	8.6%	7.2%	7.4%	1.8%	2.1%	6.8%

CONSUMER, CYCLICAL

Retail

Ekvin
Galnaftogaz

Auto Manufacturers

AvtoKrAZ
Cherkasy Bus Plant
Lutsk Automobile Plant
Lviv Automobile
UkrAvto

Auto Parts & Equipment

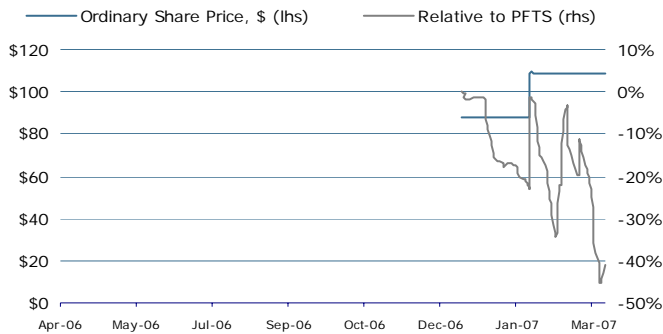
Dniproshyna

Housewares

Nord

Ekvin
KVIN UZ
Retail
<http://www.mks.ua>

Target Price (USD) 160.00
Upside 46.9%

SHARE PRICE PERFORMANCE*


* Listed on PFTS since 26 Dec 2006

BUSINESS OVERVIEW

Ekvin is the operator of Ukraine's leading consumer electronics chain, MKS. Kharkiv-based MKS started as a PC assembly company in 1990 and gradually evolved into the country's third largest consumer electronics retailer in terms of sales. Although it is focused on PC & IT products, MKS has significant exposure to other core consumer electronics segments. Its network of 51 stores, with over 20 ths sq m of retail space at the end of 2006, possesses a footprint in 12 regions of Ukraine, which makes MKS the fourth Ukrainian electronics chain in terms of national coverage. MKS operates three different retail formats: hypermarkets, supermarkets (CE supermarkets and computer supermarkets) and convenience stores.

During the next three years, the company plans to triple it number of outlets to a total of 167 by the end of 2009.

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 2: Market price reaction remains within 10% in execution of a market order of about USD 1 mln in size
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Note: data (market information, price changes) as of 30 Mar 2007

MARKET INFORMATION

Market price*, USD	108.91
Price impact**	3
52 Wk H/L, USD	99.0 / 86.1
Chg 3m/6m/52w	15% / 15% / 15%
Chg vs PFTS 3m/6m/52w	-50% / -89% / -78%
Chg YTD	15%
Avg Mo Tr Vol 6M, USD ths	842.2
MCap, USD mln	84.3
Free float, %	20.0%
FF MCap, USD mln	16.86
No of shares, mln	0.8
Par Value, UAH	1.0
XETRA	n/a
DR Ratio	n/a
Avg Mo Tr Vol 6M, USD ths	n/a

STOCK OWNERSHIP

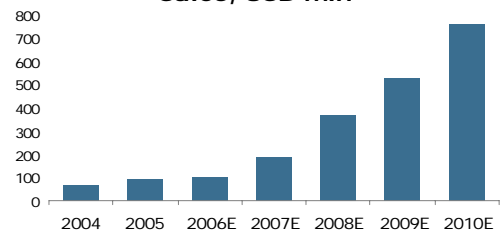
Management	80.0%
Other	20.0%

MARKET MULTIPLES

	2006E	2007E
EV/Sales	1.0	0.5
EV/EBITDA	38.3	19.2
P/E	neg	124.9
P/B	5.5	2.7

KEY RATIOS

	2005	2006E	2007E
EBITDA margin	2%	3%	3%
Net Margin	0.1%	-1%	0.4%
ROE	10%	-110%	4%
Net Debt/Equity	10.0	0.8	0.03

Sales, USD mln


INCOME STATEMENT SUMMARY, USD mln

	2004	2005	2006	2007E	2008E
Net Revenues	71.0	90.0	114.6	185.4	366.9
<i>Change y-o-y</i>	-	27.2%	26.7%	61.7%	97.9%
Gross Profit	7.0	10.0	14.0	24.1	51.4
EBITDA	2.0	2.0	2.5	5.6	11.0
<i>margin, %</i>	2.6%	2.4%	2.2%	3.0%	3.0%
Depreciation	(0.6)	(0.7)	(1.0)	(1.5)	(1.4)
EBIT	1.0	1.0	1.5	4.0	9.6
<i>margin, %</i>	1.8%	1.6%	1.3%	2.2%	2.6%
Interest Expense	(1.0)	(1.0)	(3.8)	(3.0)	(2.9)
Other income/(expense)	(0.2)	(0.2)	(0.0)	-	-
PBT	1.0	0.1	(2.4)	1.0	6.6
Tax	(0.2)	(0.2)	0.1	(0.3)	(1.7)
<i>Effective tax rate</i>	12.0%	9.0%	3.0%	25.0%	24.0%
Net Income	0.0	0.1	(2.3)	0.8	5.0
<i>Net Margin, %</i>	0.6%	0.1%	-2.0%	0.4%	1.4%

BALANCE SHEET SUMMARY, USD mln

	2004	2005	2006	2007E	2008E
Current Assets	18.0	28.0	33.5	54.7	107.5
Cash & Equivalents	2.0	4.0	3.1	7.4	14.7
Trade Receivables	1.0	3.3	6.6	9.3	18.3
Inventories	13.0	17.3	20.4	33.4	65.3
Other	2.0	3.4	3.6	4.6	9.2
Fixed Assets	2.0	7.0	22.3	22.2	21.9
PP&E, net	1.0	5.0	21.4	21.0	21.2
Other	1.0	2.0	0.9	1.2	0.7
Total Assets	20.0	35.0	55.8	76.9	129.4
Shareholders' Equity	1.0	1.0	11.4	32.2	38.6
Share Capital	0.1	0.1	0.1	0.1	0.1
Other	1.0	1.0	11.2	32.1	38.5
Current Liabilities	10.0	28.0	25.0	38.2	84.3
ST Interest Bearing Debt	1.0	8.0	-	0.8	11.3
Trade Payables	8.0	18.0	23.3	35.5	69.4
Other	1.0	2.0	1.6	1.9	3.7
LT Liabilities	9.0	6.0	19.4	6.5	6.5
LT Interest Bearing Debt	9.0	6.0	19.4	6.5	6.5
Other	-	-	-	-	-
Total Liabilities & Equity	20.0	35.0	55.8	76.9	129.4

Galnaftogaz

GLNG UZ

Retail

<http://www.galnaftogas.com>

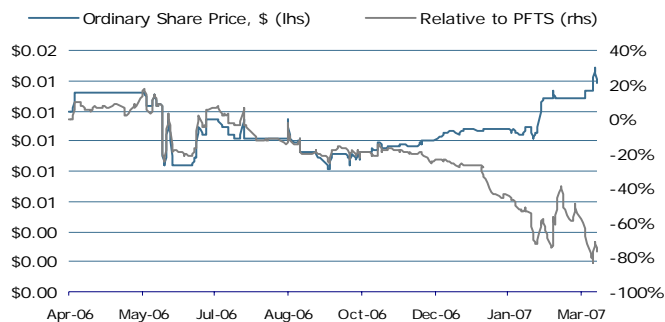
Target Price (USD)
Upside

0.011
-25.9%

INVESTMENT CASE

- Government price caps are likely to continue in 2007 as the government has not shifted away from market intervention
- Exact timing of an IPO, to take place in 2008 at the earliest, is conditional on the company's market capitalization
- Tight operating margins make the valuation very sensitive to profitability. Even a slight improvement in 2007 can trigger a valuation upgrade
- Competition is going to intensify due to strengthening of TNK's franchise and Shell's recent entry as Alliance's partner in operating a network of 150 outlets

SHARE PRICE PERFORMANCE*



BUSINESS OVERVIEW

Galnaftogaz is one of Ukraine's largest automobile fuel retailers and the only public company in the segment. Currently it operates the fifth largest gasoline retail chain in Ukraine with about 210 outlets. Galnaftogaz plans to double its number of filling stations by 2010. The company does not have its own refining capacity, which makes it flexible in choosing its suppliers. The company's western management style and independence from major business groups ensures transparency and high corporate governance standards.

UPCOMING EVENTS

16 Apr 2007 AGM

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 3: All other stocks (quoted price is less reliable and should be considered indicative)

Note: data (market information, price changes) as of 30 Mar 2007

MARKET INFORMATION

Market price*, USD	0.015
Price impact**	3
52 Wk H/L, USD	0.0149/0.008
Chg 3m/6m/52w	38% / 63% / 24%
Chg vs PFTS 3m/6m/52w	-27% / -41% / -68%
Chg YTD	38%
Avg Mo Tr Vol 6M, USD ths	12.90
MCap, USD mln	237.6
Free float, %	23.4%
FF MCap, USD mln	55.6
No of shares, mln	16000.0
Par Value, UAH	0.010
XETRA	C9Z
DR Ratio	1:500
Avg Mo Tr Vol 6M, USD ths	5.29

STOCK OWNERSHIP

F.I.E.H. and related parties	76.6%
Other	23.4%

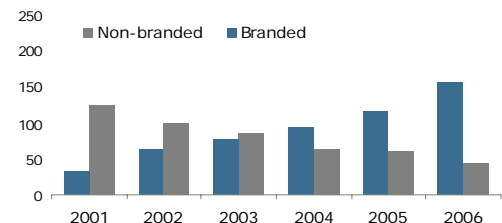
MARKET MULTIPLES

	2006E	2007E
EV/Sales	0.6	0.6
EV/EBITDA	11.8	9.4
P/E	23.9	18.2
P/B	3.3	2.8
P/CF	14.8	9.9

KEY RATIOS

	2005	2006E	2007E
EBITDA margin	4%	5%	6%
Net Margin	2%	2%	2%
ROE	20%	16%	18%
Net Debt/Equity	0.6	1.2	1.6

Number of Fuel Stations



INCOME STATEMENT SUMMARY*, USD mln

	2003	2004	2005	2006E	2007E	2008E
Net Revenues	4.6	6.5	6.1	507.0	645.4	904.8
Change y-o-y	-	43.1%	-7.1%	33.6%	27.3%	40.2%
Gross Profit	2.2	3.5	5.0	37.2	48.5	66.5
EBITDA	2.9	4.7	9.4	27.2	39.5	55.1
margin, %	63.6%	72.5%	154.2%	5.4%	6.1%	6.1%
Depreciation	(1.6)	(2.6)	(3.9)	(6.1)	(10.8)	(17.5)
EBIT	1.4	2.1	5.4	21.1	28.7	37.7
margin, %	29.7%	32.1%	89.3%	4.2%	4.4%	4.2%
Interest Expense	(1.3)	(2.6)	(4.2)	(7.8)	(11.2)	(14.0)
Other income/(expense)	1.9	3.9	8.1	-	-	-
PBT	2.0	3.4	9.2	13.3	17.5	23.7
Tax	(0.1)	(0.3)	(1.1)	(3.3)	(4.4)	(5.9)
Effective tax rate	2.6%	7.7%	12.2%	25.0%	25.0%	25.0%
Net Income	2.0	3.2	8.2	9.9	13.1	17.7
Net Margin, %	43.5%	48.7%	134.3%	2.0%	2.0%	2.0%

* change in reported financials starting from 2006 is due to the expected change in GLNG's accounting policy, that would more closely conform to IFRS

BALANCE SHEET SUMMARY, USD mln

	2003	2004	2005	2006E	2007E	2008E
Current Assets	18.2	26.0	37.6	68.8	68.5	90.2
Cash & Equivalents	0.9	0.8	16.4	6.9	2.6	2.0
Trade Receivables	0.5	4.9	0.8	19.4	19.3	27.1
Inventories	0.2	0.2	0.2	27.8	38.6	54.5
Other	16.6	20.0	20.2	14.6	8.1	6.6
Fixed Assets	35.4	50.7	80.0	131.5	192.7	251.4
PP&E, net	27.3	41.0	50.2	105.9	166.8	232.6
Other	8.1	9.7	29.8	25.6	25.8	18.8
Total Assets	53.6	76.7	117.7	200.3	261.2	341.5
Shareholders' Equity	33.7	44.7	58.6	71.2	83.5	101.2
Share Capital	22.5	28.3	35.6	33.5	33.2	33.2
Retained Earnings	2.2	5.5	13.7	-	-	-
Other	8.9	11.0	9.3	37.7	50.3	68.1
Current Liabilities	5.4	7.7	12.4	48.3	52.8	68.9
ST Interest Bearing Debt	1.3	1.3	8.4	10.1	12.8	18.1
Trade Payables	2.1	3.0	1.1	28.2	35.6	48.6
Other	2.0	3.4	2.9	10.0	4.3	2.2
LT Liabilities	14.5	24.2	46.7	80.8	124.9	171.4
LT Interest Bearing Debt	14.3	24.2	46.3	79.0	123.6	170.3
Other	0.2	-	0.3	1.9	1.3	1.0
Total Liabilities & Equity	53.6	76.7	117.7	200.3	261.2	341.5

AvtoKRAZ

KRAZ UZ

Auto Manufacturers

<http://www.autokraz.com.ua>

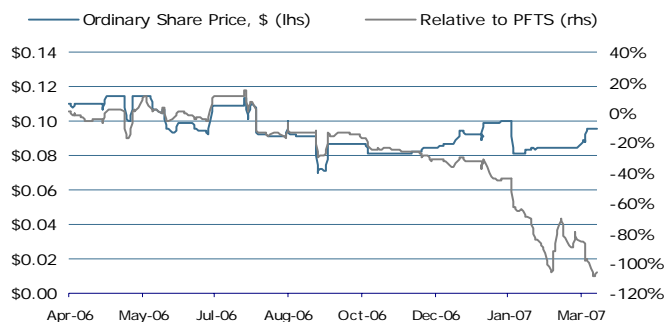
Target Price (USD)
Upside

0.11
16%

INVESTMENT CASE

- Unexpectedly high sales to Russia and Ukraine in 2006
- Strategy of diversifying exports sent its trucks to the CIS, Asia, Africa and South America
- Expected to become the center of Ukraine's largest machine-building holding
- Officially reported financials foggy, need restatement

SHARE PRICE PERFORMANCE*



BUSINESS OVERVIEW

AvtoKRAZ (KRAZ) is the only producer of heavy-duty off-road trucks in Ukraine and is targeting developing economies. Exports accounted for 66% of its sales in 2005, over half of which went to Russia. The company has assembly plants in Vietnam and its returning to markets where AvtoKRAZ trucks were present during Soviet times. Last year, small deliveries were made to Angola, Burma, Bulgaria, Saudi Arabia, Ghana and Liberia.

After EURO-2 engine requirements were introduced in Ukraine and Russia last year, AvtoKRAZ increased its truck production, in accordance with these standards by 7.1 times in 2006 to 1,439.

The company plans to increase production by 20% to 4,200 trucks in 2007. AvtoKRAZ's existing capacity is estimated at 7,000 trucks. Surpassing 4,000 trucks per annum requires minor modernization and upgrades, which are planned for 2007. In 2006 the company reported 30.8% yoy drop in net income to USD 11.4 mln..

UPCOMING EVENTS

18 May 2007 AGM

* PFTS MID Price is used
** Price "impact" is the opinion of Concorde's trading desk on stocks to help investors estimate the reliability of quoted prices:

1: Market price reaction remains within 10% in execution of a market order of about USD 10 mln in size
2: Market price reaction remains within 10% in execution of a market order of about USD 1 mln in size
3: All other stocks (quoted price is less reliable and should be considered indicative)

Note: data (market information, price changes) as of 30 Mar 2007

MARKET INFORMATION

Market price*, USD	0.10
Price impact**	3
52 Wk H/L, USD	0.11 / 0.07
Chg 3m/6m/52w	3% / 10% / -13%
Chg vs PFTS 3m/6m/52w	-61% / -94% / -106%
Chg YTD	3%
Avg Mo Tr Vol 6M, USD ths	128.75
MCap, USD mln	215.1
Free float, %	7.0%
FF MCap, USD mln	15.1
No of shares, mln	2263.0
Par Value, UAH	0.25
XETRA	A6X1
DR Ratio	1:100
Avg Mo Tr Vol 6M, USD ths	1.99

STOCK OWNERSHIP

Finance & Credit	93.0%
Employees	7.0%

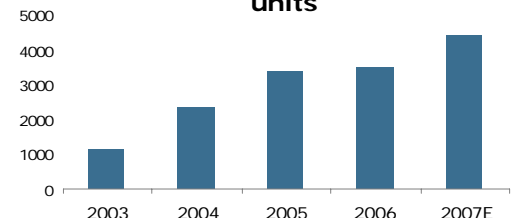
MARKET MULTIPLES

	2006E	2007E
EV/Sales	1.8	1.4
EV/EBITDA	11.3	7.6
P/E	36.5	15.3
P/B	0.9	0.8
P/CF	12.6	8.4

KEY RATIOS

	2005	2006E	2007E
EBITDA margin	4%	16%	18%
Net Margin	8%	4%	7%
ROE	7%	2%	6%
Net Debt/Equity	0.1	0.2	0.2

Trucks Production Dynamics, units



INCOME STATEMENT SUMMARY, USD mln

	2002	2003	2004	2005	2006E	2007E	2008E
Net Revenues	29.3	26.3	62.4	120.0	149.1	198.5	257.4
<i>Change y-o-y</i>	-	-10.3%	137.7%	92.3%	8.8%	33.1%	29.6%
Gross Profit	4.5	(0.5)	7.0	13.7	35.5	52.6	68.2
EBITDA	(4.3)	(23.0)	3.1	4.6	24.1	35.7	43.8
<i>margin, %</i>	-14.6%	-87.6%	5.0%	3.8%	16.2%	18.0%	17.0%
Depreciation	(3.1)	(2.8)	(3.1)	(2.8)	(11.1)	(11.4)	(11.3)
EBIT	(7.4)	(25.8)	0.1	1.8	13.0	24.4	32.4
<i>margin, %</i>	-25.3%	-98.4%	0.1%	1.5%	8.7%	12.3%	12.6%
Interest Expense	(5.8)	(2.6)	(3.2)	(4.8)	(6.7)	(7.2)	(6.9)
Other income/(expense)	13.3	29.3	13.6	12.8	-	-	-
PBT	0.2	0.9	10.6	9.8	7.9	18.7	27.1
Tax	-	(0.6)	(0.8)	-	(2.0)	(4.7)	(6.8)
<i>Effective tax rate</i>	0.0%	74.1%	7.8%	0.0%	25.0%	25.0%	25.0%
Net Income	0.1	0.2	9.7	9.9	5.9	14.1	20.3
<i>Net Margin, %</i>	0.5%	0.8%	15.6%	8.2%	4.0%	7.1%	7.9%

BALANCE SHEET SUMMARY, USD mln

	2002	2003	2004	2005	2006E	2007E	2008E
Current Assets	99.7	137.2	131.6	136.4	177.8	182.6	218.8
Cash & Equivalents	0.1	0.3	0.1	0.0	0.3	1.0	1.3
Trade Receivables	6.9	18.0	32.8	29.3	32.8	38.7	50.2
Inventories	19.5	14.5	22.4	30.3	40.3	49.6	64.3
Other	73.1	104.4	76.3	76.8	104.4	93.3	102.9
Fixed Assets	48.8	46.4	136.3	283.9	244.2	247.8	249.9
PP&E, net	38.6	35.7	33.2	118.9	116.9	124.1	126.3
Other	10.2	10.7	103.1	165.0	127.3	123.7	123.5
Total Assets	148.5	183.6	267.8	420.2	422.0	430.5	468.6
Shareholders' Equity	66.2	66.5	136.1	265.1	250.3	262.6	272.7
Share Capital	49.8	49.9	106.6	112.0	112.0	112.0	112.0
Retained Earnings	(14.0)	(13.7)	(4.1)	12.2	17.5	27.5	37.7
Other	30.4	30.3	33.5	140.9	120.7	123.0	123.0
Current Liabilities	80.2	116.5	129.3	138.4	164.6	161.2	189.4
ST Interest Bearing Debt	14.9	17.5	21.0	27.9	47.2	44.6	51.2
Trade Payables	6.8	11.1	7.6	7.5	10.4	19.9	30.9
Other	58.5	87.8	100.7	103.0	106.9	96.7	107.3
LT Liabilities	2.0	0.6	2.5	16.7	13.0	12.6	12.3
LT Interest Bearing Debt	2.0	-	-	5.1	11.4	11.0	10.7
Other	0.0	0.6	2.5	11.5	1.6	1.6	1.6
Total Liabilities & Equity	148.5	183.6	267.8	420.2	422.0	430.5	468.6

QUARTERLY ANALYSIS, USD mln

	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
Net Revenues	8.6	9.8	16.8	27.3	23.6	24.1	30.1	42.2	14.7	19.0	31.3
<i>Change y-o-y</i>	48.5%	40.1%	177.9%	265.8%	175.3%	146.3%	79.5%	0.5	(0.4)	(0.2)	3.9%
EBITDA	(0.0)	(3.3)	2.0	4.5	1.3	2.7	(0.7)	1.2	(1.1)	(3.8)	(8.8)
<i>margin, %</i>	-0.6%	-33.8%	12.1%	16.4%	5.7%	11.2%	-2.3%	0.0	(0.1)	(0.2)	-28.2%
EBIT	(0.8)	(4.0)	1.3	3.6	0.7	2.0	(1.4)	0.5	(4.1)	(6.8)	(7.3)
<i>margin, %</i>	-9.2%	-41.0%	7.6%	13.2%	2.9%	8.3%	-4.6%	0.0	(0.3)	(0.4)	-23.3%
Net Income	0.4	0.9	0.6	7.8	0.3	3.5	(2.1)	8.2	0.3	4.1	(2.4)
<i>Net Margin, %</i>	5.0%	8.9%	3.7%	28.7%	1.1%	14.6%	-7.0%	0.2	0.0	0.2	-7.8%

Cherkasy Bus Plant

Auto Manufacturers

Target Price (USD)
Upside

N/R
n/a

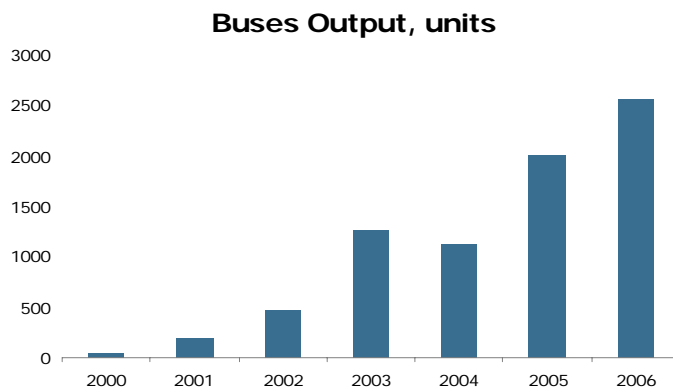
BUSINESS OVERVIEW

Cherkasy Bus is a part of the Bohdan Corporation and specializes in the production of small buses with the Bohdan brand.

In 2006 the Bohdan Corporation increased output of buses by 34% yoy to 2.7 ths buses, most of which were produced by Cherkasy Bus.

Starting in 2005, Bohdan's transferring the production of cars and trucks from LuAZ to Cherkasy Bus, and buses from Cherkasy Bus to LuAZ.

In 9M06 the company increased its net revenues by 135.4% yoy to USD 54.9 mln, EBITDA by 625% yoy to USD 2.2 mln and net income to USD 0.9 mln in comparison with USD 0.1 mln in 9M05. The company's margins also improved: EBITDA margin to 3.9% from 1.3% in 9M05 and net margin to 1.7% from 0.3% in 9M05.



* The stock is not listed on PFTS

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- 1: Market price reaction remains within 10% in execution of a market order of about USD 10 mln in size
- 2: Market price reaction remains within 10% in execution of a market order of about USD 1 mln in size
- 3: All other stocks (quoted price is less reliable and should be considered indicative)

Note: data (market information, price changes) as of 30 Mar 2007

MARKET INFORMATION

Market price*, USD	n/a
Price impact**	n/a
52 Wk H/L, USD	n/a
Chg 3m/6m/52w	n/a
Chg vs PFTS 3m/6m/52w	n/a
Chg YTD	n/a
Avg Mo Tr Vol 6M, USD ths	n/a
MCap, USD mln	n/a
Free float, %	5.0%
FF MCap, USD mln	n/a
No of shares, mln	5.7
Par Value, UAH	2.00
XETRA	n/a
DR Ratio	n/a
Avg Mo Tr Vol 6M, USD ths	n/a

STOCK OWNERSHIP

Concern Ukrprominvset	58.6%
Finance & Credit	9.9%
Hyundai Motors	9.6%
Ukrpromavtoshynoremont	7.8%
Other	14.1%

MARKET MULTIPLES

	2006E	2007E
EV/Sales	n/a	n/a
EV/EBITDA	n/a	n/a
P/E	n/a	n/a
P/B	n/a	n/a
P/CF	n/a	n/a

KEY RATIOS

	2005	2006E	2007E
EBITDA margin	3%	4%	n/a
Net Margin	3%	2%	n/a
ROE	108%	54%	n/a
Net Debt/Equity	0.004	1.4	n/a

INCOME STATEMENT SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Net Revenues	9.9	9.9	11.3	47.2	54.9	n/a	n/a
<i>Change y-o-y</i>	-	0.8%	13.7%	318.0%	135.4%	n/a	n/a
Gross Profit	0.4	0.6	0.1	3.5	3.8	n/a	n/a
EBITDA	0.1	0.2	(0.5)	1.6	2.2	n/a	n/a
<i>margin, %</i>	1.0%	2.2%	-4.2%	3.4%	3.9%	n/a	n/a
Depreciation	(0.1)	(0.2)	(0.3)	(0.4)	(0.4)	n/a	n/a
EBIT	(0.0)	0.0	(0.8)	1.2	1.7	n/a	n/a
<i>margin, %</i>	-0.1%	0.5%	-6.7%	2.6%	3.2%	n/a	n/a
Interest Expense	(0.0)	-	(0.0)	(0.0)	(0.3)	n/a	n/a
Other income/(expense)	(0.0)	(0.0)	(0.0)	0.1	(0.1)	n/a	n/a
PBT	(0.0)	0.0	(0.8)	1.3	1.3	n/a	n/a
Tax	(0.0)	(0.0)	-	(0.1)	(0.4)	n/a	n/a
<i>Effective tax rate</i>	-115.8%	128.9%	0.0%	8.0%	32.0%	n/a	n/a
Net Income	(0.0)	(0.0)	(0.8)	1.2	0.9	n/a	n/a
<i>Net Margin, %</i>	-0.4%	0.0%	-7.1%	2.5%	1.7%	n/a	n/a

BALANCE SHEET SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Current Assets	13.8	5.2	6.1	24.0	39.8	n/a	n/a
Cash & Equivalents	0.0	0.0	0.0	0.7	0.0	n/a	n/a
Trade Receivables	12.1	2.6	2.2	7.5	22.1	n/a	n/a
Inventories	1.2	2.2	3.6	12.2	14.8	n/a	n/a
Other	0.4	0.4	0.3	3.6	2.9	n/a	n/a
Fixed Assets	1.8	3.3	4.2	4.5	5.5	n/a	n/a
PP&E, net	0.7	2.3	3.0	3.4	4.1	n/a	n/a
Other	1.1	1.0	1.2	1.1	1.4	n/a	n/a
Total Assets	15.6	8.6	10.3	28.5	45.3	n/a	n/a
Shareholders' Equity	1.1	1.9	1.1	2.3	3.2	n/a	n/a
Share Capital	1.4	2.2	2.2	2.3	2.3	n/a	n/a
Retained Earnings	(0.5)	(0.5)	(1.3)	(0.2)	0.8	n/a	n/a
Other	0.2	0.2	0.2	0.2	0.2	n/a	n/a
Current Liabilities	14.4	6.7	9.2	26.2	42.1	n/a	n/a
ST Interest Bearing Debt	-	-	0.1	0.7	5.0	n/a	n/a
Trade Payables	14.1	6.4	8.9	23.1	21.9	n/a	n/a
Other	0.4	0.3	0.3	2.3	15.8	n/a	n/a
LT Liabilities	-	-	-	-	-	n/a	n/a
LT Interest Bearing Debt	-	-	-	-	-	n/a	n/a
Other	-	-	-	-	-	n/a	n/a
Total Liabilities & Equity	15.6	8.6	10.3	28.5	45.3	n/a	n/a

QUARTERLY ANALYSIS, USD mln

	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
Net Revenues	2.3	2.2	2.7	4.1	3.2	3.1	16.9	23.9	17.1	19.5	18.3
<i>Change y-o-y</i>	36.1%	-1.8%	-8.5%	33.8%	39.2%	41.7%	537.5%	483.4%	427.8%	521.2%	7.9%
EBITDA	(0.1)	(0.1)	(0.1)	(0.2)	(0.2)	0.1	0.4	1.3	0.4	0.8	0.9
<i>margin, %</i>	-4.2%	-3.1%	-4.4%	-4.5%	-5.8%	3.8%	2.2%	5.5%	2.6%	4.0%	5.1%
EBIT	(0.2)	(0.1)	(0.2)	(0.3)	(0.3)	0.0	0.3	1.2	0.3	0.6	0.8
<i>margin, %</i>	-6.7%	-5.6%	-6.4%	-7.5%	-9.4%	0.8%	1.7%	5.2%	1.9%	3.2%	4.2%
Net Income	(0.2)	(0.1)	(0.2)	(0.3)	(0.3)	0.2	0.2	1.1	0.2	0.4	0.3
<i>Net Margin, %</i>	-7.0%	-5.9%	-7.2%	-7.6%	-10.3%	5.2%	1.5%	4.6%	0.9%	2.3%	1.7%

Lutsk Automobile Plant

LUAZ UZ

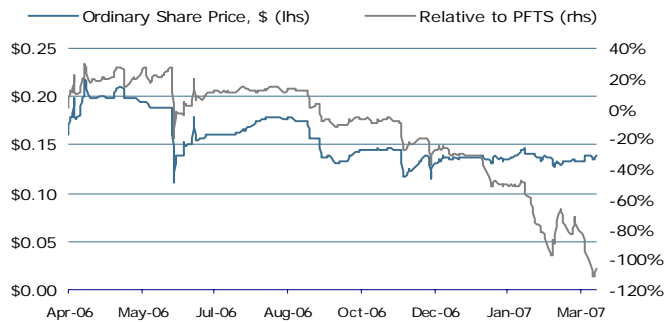
Auto Manufacturers

<http://www.luaz.ua>

Target Price (USD)
Upside

N/R
n/a

SHARE PRICE PERFORMANCE*



MARKET INFORMATION

Market price*, USD	0.13
Price impact**	3
52 Wk H/L, USD	0.22 / 0.11
Chg 3m/6m/52w	-2% / -1% / -7%
Chg vs PFTS 3m/6m/52w	-67% / -106% / -99%
Chg YTD	-2%
Avg Mo Tr Vol 6M, USD ths	397.3
MCap, USD mln	448.1
Free float, %	2.5%
FF MCap, USD mln	11.2
No of shares, mln	3328.0
Par Value, UAH	0.25
XETRA	L4J1
DR Ratio	1:100
Avg Mo Tr Vol 6M, USD ths	0.0

BUSINESS OVERVIEW

Part of the Bohdan Corporation, Lutsk Automobile (LUAZ) is the second largest car producer in Ukraine. The company manufactures cars under the VAZ, Hyundai and Kia brand names and assembles trucks and buses from Chinese, Japanese and Isuzu kits. In 9M06 Lutsk Automobile increased its production by 50.98% yoy to 31,914 ths cars, including 25,136 ths VAZ vehicles, 3,459 ths Kias and 3,319 ths Hyundais. The company conducted an IPO in 2006 and sold 8% of its shares to international investors for USD 16 mln. Also in 2006, it increased its charter fund by USD 128.3 mln to USD 164.75 mln through an additional emission of shares. The company announced plans to hold an IPO in 2009-10 for 10-20% of its shares.

Bohdan Corporation announced plans to increase production at LUAZ by 25.1% yoy to 50.5 ths cars in 2007.

In 2006, Lutsk Automobile reported strong financials: net revenues increased by 119% yoy to USD 355.2 mln, net income – by 6% yoy to USD 19.9 mln.

STOCK OWNERSHIP

Ukrprominvest	90.0%
Other	10.0%

MARKET MULTIPLES

	2006E	2007E
EV/Sales	1.0	n/a
EV/EBITDA	15.3	n/a
P/E	20.5	n/a
P/B	2.8	n/a
P/CF	20.4	n/a

KEY RATIOS

	2005	2006E	2007E
EBITDA margin	11%	6%	n/a
Net Margin	9%	5%	n/a
ROE	46%	35%	n/a
Net Debt/Equity	0.4	0.2	n/a

* PFTS BID Price is used

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Note: data (market information, price changes) as of 30 Mar 2007

Automobiles Output, ths units



INCOME STATEMENT SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Net Revenues	2.3	53.7	159.3	212.6	298.4	n/a	n/a
<i>Change y-o-y</i>	-	2186.9%	196.8%	33.5%	109.1%	n/a	n/a
Gross Profit	0.1	4.2	12.2	42.7	46.0	n/a	n/a
EBITDA	(0.6)	2.2	7.5	22.5	23.2	n/a	n/a
<i>margin, %</i>	-23.6%	4.1%	4.7%	10.6%	7.8%	n/a	n/a
Depreciation	(0.4)	(0.4)	(0.3)	(0.5)	(0.8)	n/a	n/a
EBIT	(0.9)	1.9	7.2	22.1	22.4	n/a	n/a
<i>margin, %</i>	-38.9%	3.5%	4.5%	10.4%	7.5%	n/a	n/a
Interest Expense	(0.0)	(0.2)	(0.8)	(2.2)	(3.4)	n/a	n/a
Other income/(expense)	0.0	0.1	(0.8)	0.2	(0.1)	n/a	n/a
PBT	(0.9)	1.8	5.5	20.0	18.9	n/a	n/a
Tax	-	(0.5)	(0.1)	(1.4)	(1.2)	n/a	n/a
<i>Effective tax rate</i>	0.0%	30.0%	1.1%	6.8%	6.6%	n/a	n/a
Net Income	(0.9)	1.3	5.5	18.6	17.7	n/a	n/a
<i>Net Margin, %</i>	-36.9%	2.4%	3.4%	8.8%	5.9%	n/a	n/a

BALANCE SHEET SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Current Assets	2.2	50.6	92.8	191.5	242.7	n/a	n/a
Cash & Equivalents	0.0	0.9	4.1	2.0	5.5	n/a	n/a
Trade Receivables	0.2	16.2	6.9	42.8	32.5	n/a	n/a
Inventories	1.2	18.3	23.7	62.8	56.5	n/a	n/a
Other	0.8	15.0	58.0	83.9	148.3	n/a	n/a
Fixed Assets	7.2	6.4	6.6	13.8	54.5	n/a	n/a
PP&E, net	5.2	5.4	5.0	6.8	9.5	n/a	n/a
Other	2.0	1.0	1.6	7.0	45.0	n/a	n/a
Total Assets	9.4	57.0	99.4	205.3	297.3	n/a	n/a
Shareholders' Equity	2.7	34.6	40.9	62.0	160.0	n/a	n/a
Share Capital	3.6	34.5	34.7	36.4	116.8	n/a	n/a
Retained Earnings	(6.6)	(5.4)	0.8	19.9	37.6	n/a	n/a
Other	5.7	5.4	5.4	5.6	5.6	n/a	n/a
Current Liabilities	6.8	21.8	58.5	117.1	111.2	n/a	n/a
ST Interest Bearing Debt	0.7	2.0	6.7	1.7	29.3	n/a	n/a
Trade Payables	5.0	16.6	48.4	65.6	49.7	n/a	n/a
Other	1.0	3.2	3.4	49.8	32.9	n/a	n/a
LT Liabilities	-	0.5	-	26.2	26.0	n/a	n/a
LT Interest Bearing Debt	-	-	-	26.2	26.0	n/a	n/a
Other	-	0.5	-	-	-	n/a	n/a
Total Liabilities & Equity	9.4	57.0	99.4	205.3	297.3	n/a	n/a

QUARTERLY ANALYSIS, USD mln

	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
Net Revenues	35.1	64.0	43.5	69.9	92.0	102.9	103.5
<i>Change y-o-y</i>	N/M	N/M	N/M	N/M	161.7%	60.8%	137.7%
EBITDA	7.9	8.9	7.1	(1.5)	6.8	7.5	8.8
<i>margin, %</i>	22.6%	14.0%	16.4%	-2.1%	7.4%	7.3%	8.5%
EBIT	7.9	8.8	7.0	(1.6)	6.7	7.2	8.5
<i>margin, %</i>	22.4%	13.8%	16.1%	-2.3%	7.3%	7.0%	8.2%
Net Income	7.7	8.7	5.9	(3.6)	5.7	5.1	6.9
<i>Net Margin, %</i>	21.8%	13.6%	13.6%	-5.2%	6.2%	5.0%	6.6%

Lviv Automobile

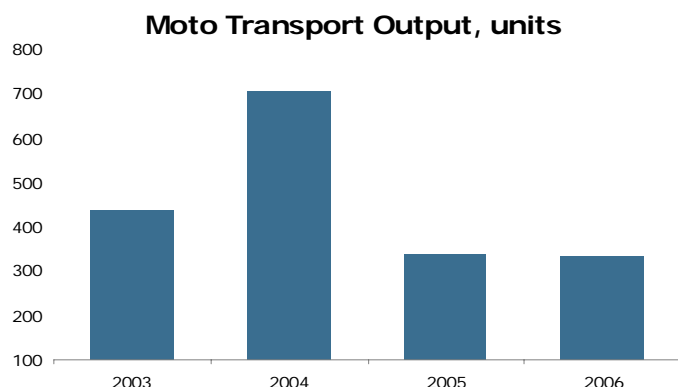
Auto Manufacturers

Target Price (USD)
N/R
Upside (%)
n/a

BUSINESS OVERVIEW

Lviv Automobile is one of the leading bus manufacturers in Ukraine and specializes in the production of municipal and tourist buses. Currently, it controls around 80% of the Ukrainian market for large roomy municipal buses. The company's capacity is 3 ths buses p.a. Lviv Automobile sells its products in Ukraine, Russia and other CIS countries. The company's buses accounts for around 30% of all buses in the CIS. In 11M06, Lviv Automobile increased production by 6.7% to 256 units, including 62 trolley buses.

In 9M06, the company improved its key financial results: net revenues increased by 12.4% yoy to USD 20.3 mln, EBITDA grew to USD 5.8 mln from USD 0.4 mln in 9M05 and net income was up 275% yoy to USD 4 mln. Its EBITDA margin also rose to 28.5% from 2.3% in 9M05 and net margin grew to 19.8% from -12.7% in 9M05.



* The stock is not listed on PFTS

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Note: data (market information, price changes) as of 30 Mar 2007

MARKET INFORMATION

Market price*, USD	n/a
Price impact**	n/a
52 Wk H/L, USD	n/a
Chg 3m/6m/52w	n/a
Chg vs PFTS 3m/6m/52w	n/a
Chg YTD	n/a
Avg Mo Tr Vol 6M, USD ths	n/a
MCap, USD mln	n/a
Free float, %	n/a
FF MCap, USD mln	n/a
No of shares, mln	0.33
Par Value, UAH	1000
XETRA	n/a
DR Ratio	n/a
Avg Mo Tr Vol 6M, USD ths	n/a

STOCK OWNERSHIP

Lviv Bus Plant	50%
Farma Market Kft	25%
Dankar Kft	25%

MARKET MULTIPLES

	2006E	2007E
EV/Sales	n/a	n/a
EV/EBITDA	n/a	n/a
P/E	n/a	n/a
P/B	n/a	n/a
P/CF	n/a	n/a

KEY RATIOS

	2005	2006E	2007E
EBITDA margin	16%	29%	n/a
Net Margin	4%	20%	n/a
ROE	3%	9%	n/a
Net Debt/Equity	0.1	0.2	n/a

INCOME STATEMENT SUMMARY, USD mln

	2003	2004	2005	9M06	2007E	2008E
Net Revenues	6.3	19.5	31.4	20.3	n/a	n/a
<i>Change y-o-y</i>	-	209.5%	60.9%	12.4%	n/a	n/a
Gross Profit	2.3	(1.3)	8.1	8.7	n/a	n/a
EBITDA	1.3	(3.8)	5.1	5.8	n/a	n/a
<i>margin, %</i>	21.1%	-19.3%	16.2%	28.5%	n/a	n/a
Depreciation	(0.8)	(1.5)	(1.9)	(1.2)	n/a	n/a
EBIT	0.5	(5.3)	3.2	4.6	n/a	n/a
<i>margin, %</i>	8.5%	-27.1%	10.1%	22.5%	n/a	n/a
Interest Expense	(0.1)	(1.2)	(1.8)	(0.6)	n/a	n/a
Other income/(expense)	0.0	0.0	0.1	0.0	n/a	n/a
PBT	0.4	(6.4)	1.4	4.0	n/a	n/a
Tax	(0.0)	-	-	-	n/a	n/a
<i>Effective tax rate</i>	0.1%	0.0%	0.0%	0.0%	n/a	n/a
Net Income	0.4	(6.4)	1.4	4.0	n/a	n/a
<i>Net Margin, %</i>	6.5%	-33.1%	4.5%	19.8%	n/a	n/a

BALANCE SHEET SUMMARY, USD mln

	2003	2004	2005	9M06	2007E	2008E
Current Assets	39.4	45.9	65.6	98.6	n/a	n/a
Cash & Equivalents	0.1	2.1	2.6	0.0	n/a	n/a
Trade Receivables	4.8	9.2	23.7	21.9	n/a	n/a
Inventories	5.2	14.9	21.0	35.4	n/a	n/a
Other	29.4	19.7	18.4	41.3	n/a	n/a
Fixed Assets	31.8	32.7	38.0	37.2	n/a	n/a
PP&E, net	26.1	26.6	32.1	21.2	n/a	n/a
Other	5.7	6.1	5.9	16.0	n/a	n/a
Total Assets	71.2	78.6	103.6	135.9	n/a	n/a
Shareholders' Equity	61.7	55.5	59.6	63.6	n/a	n/a
Share Capital	61.2	61.5	64.6	64.6	n/a	n/a
Retained Earnings	0.4	(6.0)	(5.0)	(1.1)	n/a	n/a
Other	-	-	-	-	n/a	n/a
Current Liabilities	9.6	23.1	44.0	72.3	n/a	n/a
ST Interest Bearing Debt	3.8	9.9	9.4	11.0	n/a	n/a
Trade Payables	3.8	4.3	16.4	27.5	n/a	n/a
Other	2.0	8.9	18.2	34.8	n/a	n/a
LT Liabilities	-	-	-	-	n/a	n/a
LT Interest Bearing Debt	-	-	-	-	n/a	n/a
Other	-	-	-	-	n/a	n/a
Total Liabilities & Equity	71.2	78.6	103.6	135.9	n/a	n/a

QUARTERLY ANALYSIS, USD mln

	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
Net Revenues	5.2	5.1	7.7	13.3	7.8	12.5	(0.1)
<i>Change y-o-y</i>	N/M	N/M	N/M	N/M	50.4%	145.1%	-101.2%
EBITDA	(0.4)	(0.1)	0.8	4.7	1.3	7.0	(2.5)
<i>margin, %</i>	-7.2%	-1.1%	10.9%	35.1%	16.1%	55.8%	2687.1%
EBIT	(0.8)	(0.5)	0.3	4.2	0.8	6.5	(2.8)
<i>margin, %</i>	-15.4%	-10.0%	4.2%	31.2%	10.0%	52.2%	3004.2%
Net Income	(1.3)	(0.8)	(0.2)	3.7	0.5	6.4	(2.9)
<i>Net Margin, %</i>	-24.5%	-15.1%	-3.2%	27.7%	6.2%	51.1%	3127.7%

UkrAvto

AVTO UZ

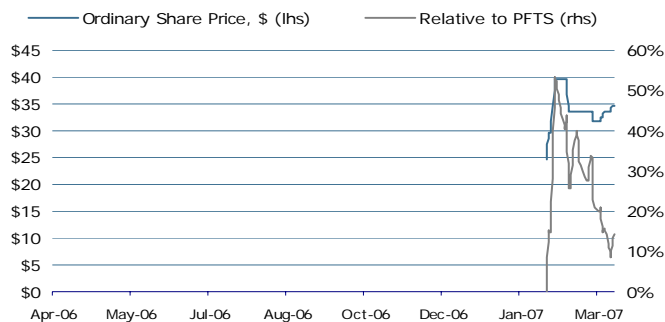
Auto Manufacturers

<http://www.ukrauto.ua>

Target Price (USD)
Upside

N/R
n/a

SHARE PRICE PERFORMANCE*



* Listed on PFTS since 14 Feb 2007

BUSINESS OVERVIEW

UkrAvto is major distributor of automobiles produced by CJSC ZAZ. UkrAvto owns one the biggest networks of dealers in the country, as well as service companies. The group also includes insurance companies and network of filling stations which are not directly owned by Ukravto. CJSC ZAZ is Ukraine's largest car maker, accounting for over 50% of car production in the country, with the capacity 150 ths cars. It is the only company in Ukraine, possessing full-cycle car production capacities. The company makes own-designed Tavria and Slavuta models, VAZ cars, and also – cars under licensing agreements with General Motors and DaimlerChrysler.

In 9M06 the company posted growth in sales by 105% yoy to USD 453.4 mln, and decline in its EBITDA and net margins to 4.8% and 2.3% respectively.

UPCOMING EVENTS

20 Apr 2007 AGM

* PFTS BID Price is used

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MARKET INFORMATION

Market price*, USD	39.60
Price impact**	3
52 Wk H/L, USD	39.6 / 24.8
Chg 3m/6m/52w	n/a / n/a / n/a
Chg vs PFTS 3m/6m/52w	-65% / -104% / -93%
Chg YTD	n/a
Avg Mo Tr Vol 6M, USD ths	13.4
MCap, USD mln	250.7
Free float, %	22.0%
FF MCap, USD mln	55.2
No of shares, mln	6.3
Par Value, UAH	15.00
XETRA	n/a
DR Ratio	n/a
Avg Mo Tr Vol 6M, USD ths	n/a

STOCK OWNERSHIP

Carlson Industries Ltd	24.7%
Holms Ventures Ltd	24.7%
Individuals	20.3%
Other	30.3%

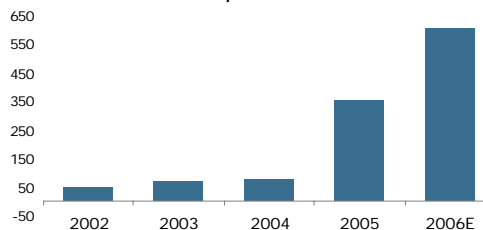
MARKET MULTIPLES

	2006E	2007E
EV/Sales	1.0	n/a
EV/EBITDA	20.5	n/a
P/E	18.4	n/a
P/B	2.2	n/a

KEY RATIOS

	2005	2006E	2007E
EBITDA margin	8%	5%	n/a
Net Margin	5%	2%	n/a
ROE	87%	14%	n/a
Net Debt/Equity	0.4	3.0	n/a

Sales, USD mln



INCOME STATEMENT SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Net Revenues	44.7	67.5	77.9	351.8	453.4	n/a	n/a
<i>Change y-o-y</i>	<i>N/M</i>	<i>51%</i>	<i>15%</i>	<i>352%</i>	<i>104.7%</i>	<i>n/a</i>	<i>n/a</i>
Gross Profit	11.8	24.3	38.2	72.5	67.7	n/a	n/a
EBITDA	5.3	4.1	7.3	28.7	21.8	n/a	n/a
<i>margin, %</i>	<i>11.9%</i>	<i>6.0%</i>	<i>9.4%</i>	<i>8.2%</i>	<i>4.8%</i>	<i>n/a</i>	<i>n/a</i>
Depreciation	(0.8)	(0.8)	(1.3)	(1.8)	(4.2)	n/a	n/a
EBIT	4.5	3.2	6.0	26.9	17.6	n/a	n/a
<i>margin, %</i>	<i>10.0%</i>	<i>4.8%</i>	<i>7.7%</i>	<i>7.6%</i>	<i>3.9%</i>	<i>n/a</i>	<i>n/a</i>
Interest Expense	(2.4)	(2.7)	(3.6)	(5.2)	(11.5)	n/a	n/a
Other income/(expense)	(0.1)	(0.1)	0.5	0.3	7.0	n/a	n/a
PBT	1.9	0.4	2.8	22.0	12.6	n/a	n/a
Tax	(0.7)	(0.2)	(0.3)	(5.5)	(2.6)	n/a	n/a
<i>Effective tax rate</i>	<i>37.2%</i>	<i>40.0%</i>	<i>10.0%</i>	<i>24.9%</i>	<i>20.7%</i>	<i>n/a</i>	<i>n/a</i>
Net Income	1.2	0.2	2.5	16.5	10.2	n/a	n/a
<i>Net Margin, %</i>	<i>2.7%</i>	<i>0.4%</i>	<i>3.3%</i>	<i>4.7%</i>	<i>2.3%</i>	<i>n/a</i>	<i>n/a</i>

BALANCE SHEET SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Current Assets	12.7	15.5	70.0	134.6	391.9	n/a	n/a
Cash & Equivalents	0.4	0.7	0.8	1.8	4.2	n/a	n/a
Trade Receivables	2.7	6.0	10.4	14.3	50.0	n/a	n/a
Inventories	5.0	6.1	7.8	57.5	52.9	n/a	n/a
Other	4.6	2.6	51.0	60.9	284.7	n/a	n/a
Fixed Assets	31.7	36.0	45.0	172.9	182.3	n/a	n/a
PP&E, net	14.0	16.2	24.9	33.6	41.2	n/a	n/a
Other	17.7	19.8	20.1	139.2	141.0	n/a	n/a
Total Assets	44.4	51.4	115.0	307.4	574.1	n/a	n/a
Shareholders' Equity	15.3	15.7	19.0	100.3	110.3	n/a	n/a
Share Capital	5.9	6.0	6.7	7.3	7.3	n/a	n/a
Retained Earnings	2.7	1.9	4.4	21.2	30.3	n/a	n/a
Other	6.6	7.8	7.9	71.8	72.7	n/a	n/a
Current Liabilities	13.5	12.8	52.2	165.3	338.5	n/a	n/a
ST Interest Bearing Debt	7.1	3.5	10.3	5.4	226.3	n/a	n/a
Trade Payables	4.8	7.3	10.6	79.3	102.7	n/a	n/a
Other	1.7	2.0	31.3	80.6	9.5	n/a	n/a
LT Liabilities	15.7	22.9	43.7	41.8	125.4	n/a	n/a
LT Interest Bearing Debt	12.8	21.9	37.9	36.1	122.9	n/a	n/a
Other	2.8	1.0	5.9	5.7	2.4	n/a	n/a
Total Liabilities & Equity	44.4	51.4	115.0	307.4	574.1	n/a	n/a

QUARTERLY ANALYSIS, USD mln

	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
Net Revenues	13.0	18.2	17.1	29.6	23.8	41.8	155.8	130.3	114.4	180.1	158.9
<i>Change y-o-y</i>	<i>-20.0%</i>	<i>26.6%</i>	<i>-2.8%</i>	<i>53.6%</i>	<i>83.8%</i>	<i>129.6%</i>	<i>810.1%</i>	<i>340.7%</i>	<i>379.7%</i>	<i>330.7%</i>	<i>2.0%</i>
EBITDA	0.7	2.5	1.2	2.9	6.1	5.8	7.7	9.1	4.8	9.8	7.2
<i>margin, %</i>	<i>5.1%</i>	<i>13.6%</i>	<i>7.3%</i>	<i>9.9%</i>	<i>25.7%</i>	<i>13.8%</i>	<i>4.9%</i>	<i>7.0%</i>	<i>4.2%</i>	<i>5.4%</i>	<i>4.5%</i>
EBIT	0.4	2.2	1.3	2.2	5.7	5.3	7.3	8.6	3.4	8.5	5.7
<i>margin, %</i>	<i>2.9%</i>	<i>11.9%</i>	<i>7.3%</i>	<i>7.5%</i>	<i>24.1%</i>	<i>12.8%</i>	<i>4.7%</i>	<i>6.6%</i>	<i>3.0%</i>	<i>4.7%</i>	<i>3.6%</i>
Net Income	(0.2)	1.5	0.5	0.8	4.2	3.9	5.1	3.3	1.4	5.4	3.3
<i>Net Margin, %</i>	<i>-1.7%</i>	<i>8.2%</i>	<i>2.9%</i>	<i>2.6%</i>	<i>17.8%</i>	<i>9.3%</i>	<i>3.2%</i>	<i>2.5%</i>	<i>1.3%</i>	<i>3.0%</i>	<i>2.1%</i>

Dniproshyna

DNSH UZ

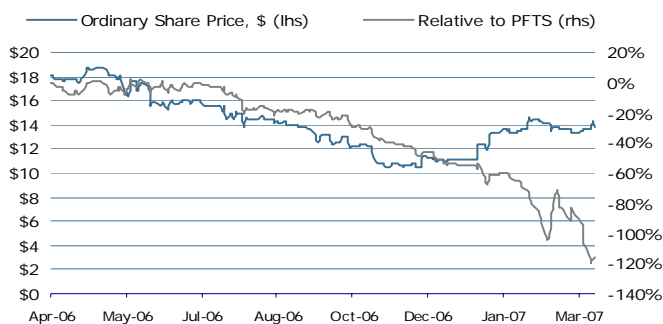
Auto Parts & Equipment

<http://www.dneproshyna.dp.ua>

Target Price (USD)
Upside

N/R
n/a

SHARE PRICE PERFORMANCE*



MARKET INFORMATION

Market price*, USD	12.72
Price impact**	3
52 Wk H/L, USD	18.7 / 10.5
Chg 3m/6m/52w	14% / -3% / -30%
Chg vs PFTS 3m/6m/52w	-51% / -108% / -122%
Chg YTD	14%
Avg Mo Tr Vol 6M, USD ths	266.77
MCap, USD mln	38.0
Free float, %	23.0%
FF MCap, USD mln	8.7
No of shares, mln	3.0
Par Value, UAH	50.00
XETRA	D1V1
DR Ratio	1:1
Avg Mo Tr Vol 6M, USD ths	3.6

BUSINESS OVERVIEW

Dniproshyna is the second-largest tire producer in Ukraine. The company's current capacity of 4.5 mln tires (163 ths mt) enables it to produce over 200 different sized tires and over 1,500 types of other rubber products. Agricultural tires account for 47% of total capacity by weight, truck tires for 41%, followed by car tires with 9%, and motorcycle, bicycle and other types of tires with 3% collectively. In 2006 the company installed new equipment supplied by Slovak tire maker Matador, enabling the production of metal-cord tires. In 2006, Dniproshyna produced 1.09 mln tires, 31.4% less than in 2005. In 9M06 the company reported 1.6% yoy growth in net revenues to USD 102.1 mln, a reduction in its EBITDA by 18% yoy and a decline in its EBITDA margin to 4.3% from 5.3% in 9M05.

STOCK OWNERSHIP

Management	77.0%
Other	23.0%

MARKET MULTIPLES

	2006E	2007E
EV/Sales	0.6	n/a
EV/EBITDA	13.6	n/a
P/E	940.3	n/a
P/B	0.7	n/a
P/CF	12.2	n/a

KEY RATIOS

	2005	2006E	2007E
EBITDA margin	5%	4%	n/a
Net Margin	1%	0.03%	n/a
ROE	3%	0.1%	n/a
Net Debt/Equity	0.6	0.8	n/a

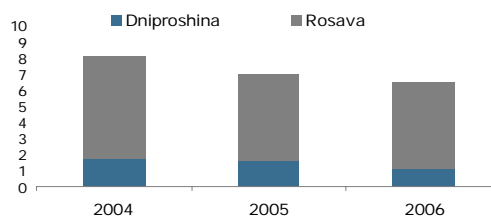
* PFTS MID Price is use

** Price "impact" is the opinion of Concorde's trading desk on stocks to help investors estimate the reliability of quoted prices:

- 1: Market price reaction remains within 10% in execution of a market order of about USD 10 mln in size
- 2: Market price reaction remains within 10% in execution of a market order of about USD 1 mln in size
- 3: All other stocks (quoted price is less reliable and should be considered indicative)

Note: data (market information, price changes) as of 30 Mar 2007

Tire Production in Ukraine, ths units



INCOME STATEMENT SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Net Revenues	72.8	91.8	115.8	138.9	102.1	n/a	n/a
<i>Change y-o-y</i>	-	26.1%	26.1%	19.9%	1.6%	n/a	n/a
Gross Profit	5.5	6.7	17.0	13.2	9.1	n/a	n/a
EBITDA	1.5	4.3	13.0	6.4	4.3	n/a	n/a
<i>margin, %</i>	2.0%	4.7%	11.2%	4.6%	4.3%	n/a	n/a
Depreciation	(2.2)	(1.8)	(2.9)	(3.4)	(2.3)	n/a	n/a
EBIT	(0.7)	2.5	10.1	3.0	2.0	n/a	n/a
<i>margin, %</i>	-1.0%	2.7%	8.8%	2.1%	2.0%	n/a	n/a
Interest Expense	(1.4)	(2.0)	(2.4)	(2.7)	(2.9)	n/a	n/a
Other income/(expense)	0.5	(0.3)	(0.7)	1.9	0.9	n/a	n/a
PBT	(1.7)	0.2	7.1	2.1	0.0	n/a	n/a
Tax	-	(0.0)	(1.3)	(0.6)	-	n/a	n/a
<i>Effective tax rate</i>	0.0%	5.2%	17.8%	30.3%	0.0%	n/a	n/a
Net Income	(1.7)	0.2	5.8	1.5	0.0	n/a	n/a
<i>Net Margin, %</i>	-2.3%	0.2%	5.0%	1.1%	0.0%	n/a	n/a

BALANCE SHEET SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Current Assets	29.3	24.2	26.3	37.1	36.3	n/a	n/a
Cash & Equivalents	0.3	0.1	0.4	0.0	0.2	n/a	n/a
Trade Receivables	4.4	2.0	4.6	1.4	2.2	n/a	n/a
Inventories	17.7	16.2	14.6	21.7	26.0	n/a	n/a
Other	6.9	6.0	6.7	13.9	8.0	n/a	n/a
Fixed Assets	67.6	47.7	51.4	62.0	72.9	n/a	n/a
PP&E, net	63.2	42.2	44.0	53.2	54.1	n/a	n/a
Other	4.5	5.4	7.4	8.9	18.8	n/a	n/a
Total Assets	96.9	71.9	77.7	99.1	109.2	n/a	n/a
Shareholders' Equity	69.0	42.0	47.5	51.7	51.6	n/a	n/a
Share Capital	5.1	5.1	5.2	29.6	29.6	n/a	n/a
Retained Earnings	5.6	5.9	11.6	14.2	8.8	n/a	n/a
Other	58.3	31.0	30.7	7.9	13.3	n/a	n/a
Current Liabilities	27.9	29.9	17.5	31.0	20.8	n/a	n/a
ST Interest Bearing Debt	13.7	14.6	3.6	13.9	4.6	n/a	n/a
Trade Payables	9.3	12.2	11.8	14.1	11.6	n/a	n/a
Other	4.9	3.1	2.0	3.0	5.7	n/a	n/a
LT Liabilities	-	-	12.8	16.4	36.8	n/a	n/a
LT Interest Bearing Debt	-	-	12.2	15.8	36.2	n/a	n/a
Other	-	-	0.6	0.6	0.6	n/a	n/a
Total Liabilities & Equity	96.9	71.9	77.7	99.1	109.2	n/a	n/a

QUARTERLY ANALYSIS, USD mln

	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
Net Revenues	26.0	25.7	30.4	33.7	29.3	37.7	33.6	38.4	32.5	40.4	29.2
<i>Change y-o-y</i>	54.0%	-0.1%	27.2%	33.2%	12.8%	46.2%	10.4%	14.0%	10.9%	7.2%	-12.9%
EBITDA	3.2	4.5	3.1	2.1	1.9	2.5	0.9	1.1	0.6	2.0	1.7
<i>margin, %</i>	12.5%	17.6%	10.4%	6.2%	6.5%	6.7%	2.6%	2.8%	2.0%	5.0%	5.8%
EBIT	2.8	3.8	2.3	1.2	1.1	1.7	0.0	0.1	(0.3)	1.1	1.2
<i>margin, %</i>	10.7%	14.6%	7.7%	3.7%	3.7%	4.5%	0.1%	0.4%	-0.9%	2.7%	4.2%
Net Income	2.2	3.0	1.4	(0.8)	0.6	1.5	(0.6)	0.0	0.0	0.0	0.0
<i>Net Margin, %</i>	8.6%	11.5%	4.5%	-2.2%	2.0%	4.1%	-1.9%	0.0%	0.1%	0.0%	0.0%

Nord

NORD UZ

Housewares

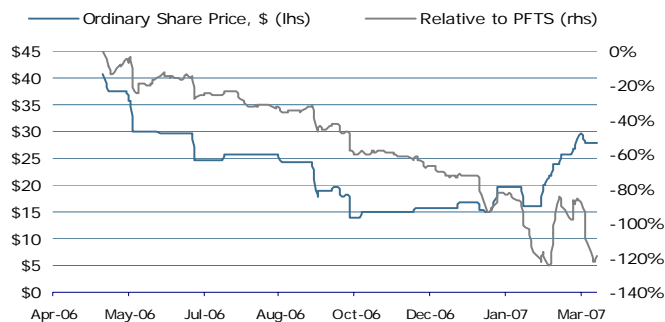
<http://www.nord.ua>

Target Price (USD) 43.00
Upside 45%

INVESTMENT CASE

- Holds 20% of the Ukrainian refrigerator market
- Pursues a cost-leadership strategy
- Increasing competition from Russian and Belarusian-made refrigerators
- Positioned in a free economic zone, Nord will increase its profitability if privileges are returned, as planned by government

SHARE PRICE PERFORMANCE*



Listed on PFTS since 5 May 2006

BUSINESS OVERVIEW

Open JSC Nord is the central company of the Nord Group, which holds 33% of the Ukrainian refrigerator market (including 20% by OJSC Nord itself). The group is diversified into the production of gas and electric stoves, vacuum-cleaners and air conditioners. Compressors for Nord refrigerators are delivered from Compressor Plant, also a member of Nord group with total capacity of 1 mln compressors. Over 50% of Nord's production is exported to Russia and the EU.

Ukraine's market for large household appliances has been growing for 20-25% annually for the last few years and reached 1.2 bln in 2006. Refrigerators account for ~1/3 of the market. Further growth in internal demand will be triggered by increases in the population's disposable income, growth in the number of consumer loans and the need to replace aged refrigerators, 71% of which are used in Ukrainian households. In 2006, Nord posted net income decrease of 16% yoy to USD 0.9 mln. The Nord Group is controlled by Valentyn Landyk of the Party of Regions.

* PFTS BID Price is used

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Note: data (market information, price changes) as of 30 Mar 2007

MARKET INFORMATION

Market price*, USD	29.70
Price impact**	3
52 Wk H/L, USD	40.6 / 13.9
Chg 3m/6m/52w	76% / 58% / -27%
Chg vs PFTS 3m/6m/52w	12% / -46% / -119%
Chg YTD	76%
Avg Mo Tr Vol 6M, USD ths	119.5
MCap, USD mln	80.2
Free float, %	5.0%
FF MCap, USD mln	4.0
No of shares, mln	2.7
Par Value, UAH	0.01
XETRA	n/a
DR Ratio	n/a
Avg Mo Tr Vol 6M, USD ths	n/a

STOCK OWNERSHIP

Landyk Family	75.3%
Management	1.5%
Other	23.2%

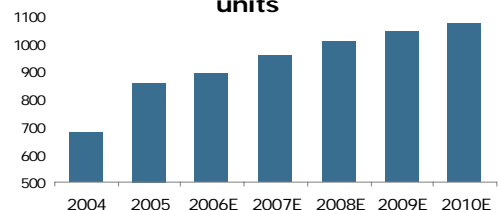
MARKET MULTIPLES

	2006E	2007E
EV/Sales	0.3	0.3
EV/EBITDA	4.7	3.6
P/E	88.7	6.4
P/B	1.1	1.0

KEY RATIOS

	2005	2006E	2007E
EBITDA margin	4%	7%	8%
Net Margin	1%	0.4%	4%
ROE	2%	2%	18%
Net Debt/Equity	0.1	0.1	0.03

Refrigerators Sold Total, ths units



INCOME STATEMENT SUMMARY, USD mln

	2003	2004	2005	2006E	2007E	2008E
Net Revenues	107.3	127.7	196.1	227.5	285.6	333.8
Change y-o-y	-	19.0%	53.6%	16.0%	16.8%	16.9%
Gross Profit	23.9	29.3	33.0	34.1	61.5	76.7
EBITDA	10.7	10.2	7.4	6.4	23.0	31.6
margin, %	10.0%	8.0%	3.8%	2.8%	8.0%	9.5%
Depreciation	(4.7)	(4.8)	(5.3)	(5.5)	(5.2)	(5.4)
EBIT	6.0	5.4	2.0	0.9	17.7	26.3
margin, %	5.6%	4.2%	1.0%	0.4%	6.2%	7.9%
Interest Expense	(0.5)	(1.2)	(0.7)	(0.7)	(0.9)	(1.2)
Other income/(expense)	0.5	0.9	0.8	1.0	-	-
PBT	6.0	5.1	2.1	1.2	16.8	25.1
Tax	(0.4)	(0.5)	(1.0)	(0.3)	(4.2)	(6.3)
Effective tax rate	6.4%	10.3%	49.7%	25.0%	25.0%	25.0%
Net Income	5.6	4.5	1.0	0.9	12.6	18.8
Net Margin, %	5.2%	3.6%	0.5%	0.4%	4.4%	5.6%

BALANCE SHEET SUMMARY, USD mln

	2003	2004	2005	2006E	2007E	2008E
Current Assets	24.7	20.5	22.8	26.5	54.3	65.1
Cash & Equivalents	0.7	2.2	1.4	2.2	8.6	10.0
Trade Receivables	9.3	6.3	7.8	9.6	14.3	16.7
Inventories	9.6	7.8	8.9	8.1	20.0	23.4
Other	5.1	4.3	4.7	6.6	11.4	15.0
Fixed Assets	42.3	46.2	49.9	51.1	56.7	59.3
PP&E, net	39.7	44.2	47.7	47.1	56.5	59.1
Other	2.6	2.0	2.2	4.1	0.2	0.2
Total Assets	67.1	66.8	72.8	77.6	111.0	124.4
Shareholders' Equity	51.2	54.9	56.3	56.7	79.8	89.2
Share Capital	(0.0)	0.0	(0.7)	-	-	-
Retained Earnings	6.7	11.1	11.7	11.9	33.2	42.6
Other	44.4	43.8	45.3	44.8	46.6	46.6
Current Liabilities	11.9	9.2	12.2	20.2	28.6	32.2
ST Interest Bearing Debt	1.6	2.3	0.7	5.9	7.7	7.8
Trade Payables	6.6	5.0	8.9	11.1	14.3	16.7
Other	3.7	1.8	2.6	3.2	6.6	7.7
LT Liabilities	4.0	2.6	4.3	0.7	2.6	3.0
LT Interest Bearing Debt	3.8	2.6	4.2	-	2.6	3.0
Other	0.2	-	0.0	0.7	-	-
Total Liabilities & Equity	67.1	66.8	72.8	77.6	110.9	124.4

QUARTERLY ANALYSIS, USD mln

	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
Net Revenues	25.2	34.9	37.0	30.5	32.2	54.3	57.6	52.0	42.3	61.1	64.5
Change y-o-y	44.9%	18.6%	13.5%	9.6%	27.9%	55.6%	55.6%	70.1%	31.2%	12.5%	12.0%
EBITDA	2.8	3.5	1.5	2.4	2.0	2.8	1.4	1.1	1.6	2.0	0.9
margin, %	11.1%	10.0%	4.1%	7.8%	6.3%	5.2%	2.4%	2.2%	3.9%	3.3%	1.4%
EBIT	1.7	2.2	0.3	1.2	0.7	1.6	0.0	(0.2)	0.2	0.6	(0.7)
margin, %	6.9%	6.4%	0.7%	3.8%	2.2%	2.9%	0.0%	-0.5%	0.6%	1.0%	-1.1%
Net Income	1.7	1.9	0.1	0.9	0.7	1.2	(0.2)	(0.6)	0.3	0.3	(1.0)
Net Margin, %	6.7%	5.3%	0.2%	3.1%	2.2%	2.2%	-0.4%	-1.2%	0.7%	0.4%	-1.5%

CONSUMER, NON-CYCLICAL

Beverages

Slavutych Brewery
Sun Interbrew

Food

Galakton
Khibprom
Korovay
Myroniv Feed and Cereals Plant
Retail Group
Ukrproduct Group

Pharmaceuticals

Farmak
Galychfarm
Hemoplast
Kyivmedpreparat

Slavutych Brewery

SLAV UZ

Beverages

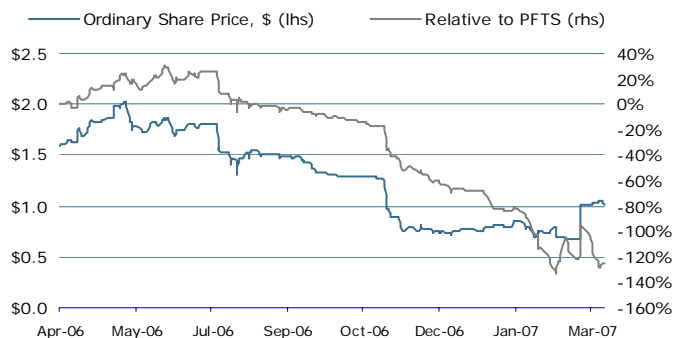
<http://www.slavutich.com>

Target Price (USD) 0.86
Upside -17%

INVESTMENT CASE

- Turnaround strategy will lead to optimization of its product portfolio and strengthening of the company's market share
- Strong position in the promising premium beer segment
- Shareholders will benefit from asset consolidation expected in 2008, receiving exposure to Lvivska Pyvovarnya
- High corporate governance standards from its multinational controlling company

SHARE PRICE PERFORMANCE*



BUSINESS OVERVIEW

Slavutych is the third largest brewery in Ukraine with a 17.8% market share in 2006. The company currently controls breweries in Zaporizhyya and Kyiv with a total capacity of more than 44 mln dal per year. Lvivska Pyvovarnya operates as a separate company, though it is under the close supervision of Slavutych's management

Slavutych also produces non-alcoholic drinks and is an exclusive bottler of Pepsi products in Ukraine. The company is planning to invest heavily in marketing to increase soft drinks' share in the company's revenues from 8% last year to 11% in 2007.

The company's produces seven beer brands in all price segments: economy, mainstream and premium. Slavutich has the strongest position in the premium price segment where it held a 41.2% share in 2006. Production of premium beer brands is conducted under a license agreement.

In 2006, Slavutych raised beer output by 4.4% yoy to 3.1 mln hl, bringing its market share to 11.8% (down 0.9 pp yoy). In 9M06, the company posted sales growth of 26.4% yoy to USD 121.5 mln and net income growth of 31.5% yoy to USD 12.7 mln.

Slavutych is now in the process of increasing its charter fund by USD 59 mln.

MARKET INFORMATION

Market price*, USD	1.04
Price impact**	3
52 Wk H/L, USD	1.86 / 0.51
Chg 3m/6m/52w	-4% / -46% / -58%
Chg vs PFTS 3m/6m/52w	-69% / -151% / -150%
Chg YTD	-4%
Avg Mo Tr Vol 6M, USD ths	149.8
MCap, USD mln	515.3
Free float, %	6.5%
FF MCap, USD mln	33.5
No of shares, mln	495.7
Par Value, UAH	1.00
XETRA	n/a
DR Ratio	n/a
Avg Mo Tr Vol 6M, USD ths	n/a

STOCK OWNERSHIP

BBH	92.0%
Management	1.5%
Other	6.5%

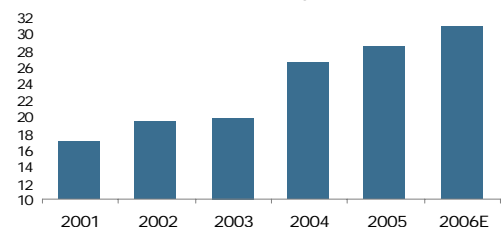
MARKET MULTIPLES

	2006E	2007E
EV/Sales	3.9	3.1
EV/EBITDA	17.8	13.4
P/E	55.4	40.3
P/B	6.6	3.4
P/CF	21.2	16.2

KEY RATIOS

	2005	2006E	2007E
EBITDA margin	18%	22%	23%
Net Margin	3%	6%	7%
ROE	5%	14%	16%
Net Debt/Equity	0.7	0.7	0.2

Beer Production, mln dal



* PFTS MID Price is used

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Note: data (market information, price changes) as of 30 Mar 2007

INCOME STATEMENT SUMMARY, USD mln

	2002	2003	2004	2005	2006E	2007E	2008E
Net Revenues	69.5	70.8	93.1	121.8	145.2	172.8	n/a
<i>Change y-o-y</i>	-	1.8%	31.6%	30.8%	19.2%	19.0%	n/a
Gross Profit	40.7	41.2	51.9	73.0	86.5	108.0	n/a
EBITDA	16.8	14.4	18.6	21.5	31.9	40.6	n/a
<i>margin, %</i>	24.2%	20.3%	20.0%	17.6%	22.0%	23.5%	n/a
Depreciation	(5.6)	(6.2)	(8.7)	(13.5)	(15.0)	(19.0)	n/a
EBIT	11.2	8.2	9.9	8.0	16.9	21.6	n/a
<i>margin, %</i>	16.1%	11.5%	10.6%	6.6%	11.6%	12.5%	n/a
Interest Expense	(1.1)	(1.3)	(2.5)	(3.4)	(4.5)	(4.5)	n/a
Other income/(expense)	(0.3)	(0.3)	5.5	2.7	-	-	n/a
PBT	9.8	6.6	12.9	7.2	12.4	17.1	n/a
Tax	(3.6)	(3.7)	(3.8)	(4.1)	(3.1)	(4.3)	n/a
<i>Effective tax rate</i>	36.7%	56.0%	29.1%	56.0%	25.0%	25.0%	n/a
Net Income	6.2	2.9	9.1	3.2	9.3	12.8	n/a
<i>Net Margin, %</i>	8.9%	4.1%	9.8%	2.6%	6.4%	7.4%	n/a

BALANCE SHEET SUMMARY, USD mln

	2002	2003	2004	2005	2006E	2007E	2008E
Current Assets	17.7	22.9	31.4	40.3	49.9	59.4	n/a
Cash & Equivalents	0.7	0.7	3.0	0.3	0.3	0.4	n/a
Trade Receivables	5.7	5.7	6.2	12.5	15.1	18.0	n/a
Inventories	9.4	11.1	17.7	19.5	22.0	26.2	n/a
Other	1.9	5.5	4.5	8.1	12.5	14.9	n/a
Fixed Assets	35.5	78.7	100.6	112.9	116.4	147.4	n/a
PP&E, net	32.9	34.1	95.7	104.0	102.8	133.8	n/a
Other	2.6	44.6	4.9	8.9	13.6	13.6	n/a
Total Assets	53.2	101.6	132.0	153.3	166.3	206.8	n/a
Shareholders' Equity	22.2	50.0	62.3	68.7	77.9	149.7	n/a
Share Capital	9.2	34.1	37.3	39.1	39.1	98.1	n/a
Retained Earnings	10.5	13.1	22.1	26.0	35.1	47.9	n/a
Other	2.4	2.8	2.9	3.6	3.7	3.7	n/a
Current Liabilities	14.0	29.5	33.3	54.0	62.7	37.8	n/a
ST Interest Bearing Debt	4.3	15.9	6.1	14.8	26.5	10.0	n/a
Trade Payables	6.7	4.7	4.0	11.5	13.3	14.7	n/a
Other	3.1	8.9	23.2	27.7	22.9	13.1	n/a
LT Liabilities	17.1	22.1	36.4	30.6	25.7	19.3	n/a
LT Interest Bearing Debt	17.1	22.1	33.8	27.8	22.8	16.4	n/a
Other	-	-	2.6	2.7	2.9	2.9	n/a
Total Liabilities & Equity	53.2	101.6	132.0	153.3	166.3	206.8	n/a

QUARTERLY ANALYSIS, USD mln

	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
Net Revenues	15.1	29.4	31.1	17.5	18.2	34.6	43.3	25.6	22.6	46.2	52.7
<i>Change y-o-y</i>	23.1%	30.2%	46.0%	19.9%	20.5%	17.6%	39.3%	46.8%	23.9%	33.3%	21.8%
EBITDA	0.0	6.7	8.9	3.1	2.7	11.8	9.3	(2.3)	2.8	11.3	14.8
<i>margin, %</i>	0.0%	22.6%	28.6%	17.6%	14.6%	34.1%	21.5%	-8.9%	12.3%	24.4%	28.0%
EBIT	(1.7)	4.9	6.6	0.1	(0.5)	8.5	5.9	(5.9)	(0.8)	7.7	11.1
<i>margin, %</i>	-10.9%	16.5%	21.3%	0.3%	-2.5%	24.5%	13.5%	-23.0%	-3.4%	16.7%	21.1%
Net Income	(2.3)	9.8	4.2	(2.5)	(1.0)	7.0	3.7	(6.5)	(2.2)	6.4	8.5
<i>Net Margin, %</i>	-15.4%	33.2%	13.4%	-14.2%	-5.8%	20.2%	8.5%	-25.3%	-9.9%	13.9%	16.1%

Sun Interbrew

SUNI UZ

Beverages

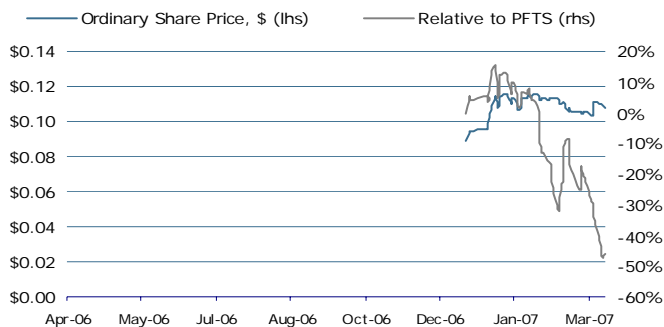
<http://www.suninterbrew.ua>

Target Price (USD) 0.13
Upside 22%

INVESTMENT CASE

- Will maintain its industry-leading 35% market share as further increases might lead to anti-monopoly claims
- Expected to develop export markets and its premium segment
- Well positioned over its rivals, ready to face newcomers
- Professional management and high corporate governance standards

SHARE PRICE PERFORMANCE*



BUSINESS OVERVIEW

Sun Interbrew Ukraine remained the nation's leading beer producer for the sixth year in a row, with a market share of 35% in 2006. The company operates 3 breweries in Chernigiv, Kharkiv and Mykolaiv and has seven regional offices. Sun Interbrew is a part of InBev (formerly Interbrew), the world's largest brewery by volume (almost 14% of the world beer market). In 2006, OJSC Sun Interbrew Ukraine merged with CJSC Chernigiv Desna Brewery, OJSC Rogan Brewery and OJSC Yantar Brewery to form a single legal entity. Sun Interbrew is represented in the premium beer segment by the brands Stella Artois, Becks, Staropramen, and Brahma; in mainstream by: Yantar, Chernigivske, and Taller; and by Rogan in the economy segment. In June 2006, the company got exclusive rights to import Lowenbrau beer from Germany. Of the USD 103.7 mln planned to be invested in the Ukrainian beer industry as a whole in 2006, Sun Interbrew alone invested more than USD 64.8 mln of that amount.

* PFTS MID Price is used
 ** Price "Impact" is the opinion of Concorde's trading desk on stocks to help investors estimate the reliability of quoted prices:

- 1: Market price reaction remains within 10% in execution of a market order of about USD 10 mln in size
- 2: Market price reaction remains within 10% in execution of a market order of about USD 1 mln in size
- 3: All other stocks (quoted price is less reliable and should be considered indicative)

Note: data (market information, price changes) as of 30 Mar 2007

MARKET INFORMATION

Market price*, USD 0.11
 Price impact** 3
 52 Wk H/L, USD 0.12 / 0.09
 Chg 3m/6m/52w 13% / n/a / n/a
 Chg vs PFTS 3m/6m/52w -51% / -104% / -93%
 Chg YTD 13%
 Avg Mo Tr Vol 6M, USD ths 474.41

MCap, USD mln 1017.0
 Free float, % 4.0%
 FF MCap, USD mln 40.7

No of shares, mln 9510.7
 Par Value, UAH 0.01

XETRA n/a
 DR Ratio n/a
 Avg Mo Tr Vol 6M, USD ths n/a

STOCK OWNERSHIP

Interbrew International B.V. 63.7%
 Interbrew DSN Holding B.V. 13.5%
 Yantar Holding 9.4%
 Rogan Holding 9.4%
 Other 4.0%

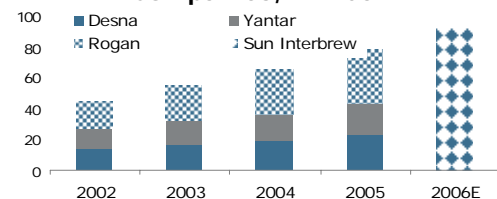
MARKET MULTIPLES

	2006E	2007E
EV/Sales	3.1	2.7
EV/EBITDA	12.4	10.7
P/E	24.8	20.7
P/B	5.6	5.6
P/CF	15.5	13.1

KEY RATIOS

	2005	2006E	2007E
EBITDA margin	17%	25%	25%
Net Margin	5%	12%	12%
ROE	24%	231%	27%
Net Debt/Equity	0.2	0.4	0.3

Beer Production by Companies, mln dal



INCOME STATEMENT SUMMARY, USD mln

	2003	2004	2005	2006E	2007E	2008E
Net Revenues	38.9	59.7	80.5	351.0	403.7	n/a
<i>Change y-o-y</i>	-	53.6%	34.8%	n/a	15.0%	n/a
Gross Profit	37.6	55.1	86.7	217.7	249.7	n/a
EBITDA	(1.7)	12.3	13.5	87.8	100.9	n/a
<i>margin, %</i>	-4.4%	20.6%	16.8%	25.0%	25.0%	n/a
Depreciation	(2.2)	(4.3)	(6.9)	(24.6)	(28.3)	n/a
EBIT	(3.9)	8.1	6.6	63.2	72.6	n/a
<i>margin, %</i>	-10.0%	13.5%	8.2%	18.0%	18.0%	n/a
Interest Expense	(0.9)	(1.4)	(1.0)	(8.5)	(7.0)	n/a
Other income/(expense)	(0.4)	(0.6)	0.8	-	-	n/a
PBT	(5.2)	6.0	6.4	54.7	65.6	n/a
Tax	(0.5)	(1.8)	(2.1)	(13.7)	(16.4)	n/a
<i>Effective tax rate</i>	-10.5%	30.8%	32.6%	25.0%	25.0%	n/a
Net Income	(5.7)	4.1	4.3	41.0	49.2	n/a
<i>Net Margin, %</i>	-14.8%	6.9%	5.4%	11.7%	12.2%	n/a

BALANCE SHEET SUMMARY, USD mln

	2003	2004	2005	2006E	2007E	2008E
Current Assets	15.3	26.1	19.5	89.1	105.5	n/a
Cash & Equivalents	0.6	3.9	1.1	2.3	5.5	n/a
Trade Receivables	9.1	14.0	9.7	3.7	4.5	n/a
Inventories	1.9	2.6	2.7	68.8	79.1	n/a
Other	3.7	5.5	5.9	14.3	16.4	n/a
Fixed Assets	12.6	20.0	28.2	218.1	249.5	n/a
PP&E, net	8.7	14.3	22.7	155.7	187.1	n/a
Other	3.9	5.6	5.5	62.4	62.4	n/a
Total Assets	27.9	46.1	47.7	307.2	355.0	n/a
Shareholders' Equity	(2.7)	1.5	17.8	182.6	231.8	n/a
Share Capital	1.0	1.0	13.1	42.5	42.5	n/a
Retained Earnings	(3.7)	0.5	4.7	128.3	177.5	n/a
Other	-	-	-	11.8	11.8	n/a
Current Liabilities	30.6	44.6	29.9	124.5	123.1	n/a
ST Interest Bearing Debt	16.1	27.0	5.4	74.2	65.0	n/a
Trade Payables	11.9	14.1	16.9	30.8	35.6	n/a
Other	2.5	3.5	7.6	19.5	22.5	n/a
LT Liabilities	-	-	-	0.1	0.1	n/a
LT Interest Bearing Debt	-	-	-	-	-	n/a
Other	-	-	-	0.1	0.1	n/a
Total Liabilities & Equity	27.9	46.1	47.7	307.2	355.0	n/a

QUARTERLY ANALYSIS, USD mln

	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
Net Revenues	8.5	15.5	5.6	30.1	12.2	22.3	28.4	17.6	15.0	157.2	125.6
<i>Change y-o-y</i>	37.3%	34.1%	-52.6%	223.3%	44.0%	43.7%	406.6%	-41.6%	22.7%	605.0%	342.8%
EBITDA	1.1	3.7	(6.3)	13.8	(1.4)	5.7	9.4	(0.2)	0.1	41.4	42.6
<i>margin, %</i>	13.4%	23.6%	-111.8%	45.8%	-11.2%	25.4%	33.1%	-0.9%	0.8%	26.3%	33.9%
EBIT	0.2	2.7	(5.9)	11.0	(2.7)	4.0	7.5	(2.2)	(1.8)	31.8	35.1
<i>margin, %</i>	2.8%	17.7%	-105.0%	36.4%	-22.5%	18.2%	26.5%	-12.4%	-12.3%	20.2%	28.0%
Net Income	(0.1)	2.4	(5.9)	7.8	(3.2)	4.1	6.7	(3.3)	(1.9)	26.1	27.0
<i>Net Margin, %</i>	-1.4%	15.5%	-105.4%	25.7%	-26.0%	18.3%	23.6%	-18.5%	-13.0%	16.6%	21.5%

Galakton

GALTN UZ

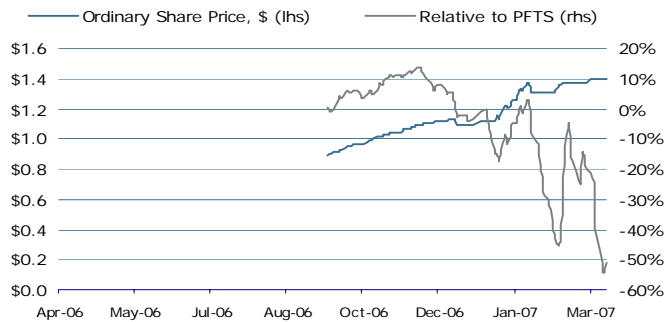
Food

<http://www.galacton.com.ua>

Target Price (USD)
Upside

N/R
n/a

SHARE PRICE PERFORMANCE*



Listed on PFTS since 27 Sep 2006

BUSINESS OVERVIEW

Galakton is one of the largest dairy producers in Ukraine and the only dairy producer listed on the PFTS. The company owns Kyiv Dairy Plant No.2's production complex, which it was based on. Galakton also holds a majority stake in the Kremenchug Municipal Dairy Plant. The companies are part of the Unimilk-Ukraine Group and together account for 14% of the Ukrainian dairy market. Galakton's product mix consists of four primary product groups: whole milk, storable milk, desserts and bio-products. In total, it has 70 products, which carry six brands: Galakton, Balance, Bio-Classic, Bio-Premium, Dyvyna and Letniy Den. Since 1998 the company has cooperated with McDonald's Ukraine to be its exclusive supplier of dairy mixes for milk shakes and ice-cream. Today, the company processes 400 mt of dairy products per year. During 2006 Galakton invested near USD 10 mln to modernize its production lines that will enable it to increase its processing capacities by 10-15%. In 9M06, Galakton posted stable sales (up 0.5% yoy to USD 36.5 mln), EBITDA growth of 27% yoy to USD 3.8 mln and a decrease in net income by 33% to USD 0.7 mln.

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Note: data (market information, price changes) as of 30 Mar 2007

MARKET INFORMATION

Market price*, USD	1.45
Price impact**	3
52 Wk H/L, USD	1.45 / 0.89
Chg 3m/6m/52w	33% / 61% / n/a
Chg vs PFTS 3m/6m/52w	-31% / -44% / -93%
Chg YTD	3.6%
Avg Mo Tr Vol 6M, USD ths	499.52
MCap, USD mln	33.6
Free float, %	6.6%
FF MCap, USD mln	2.2
No of shares, mln	23.1
Par Value, UAH	0.38
XETRA	n/a
DR Ratio	n/a
Avg Mo Tr Vol 6M, USD ths	n/a

STOCK OWNERSHIP

Unimilk Enterprises Ltd	89.8%
Other	10.2%

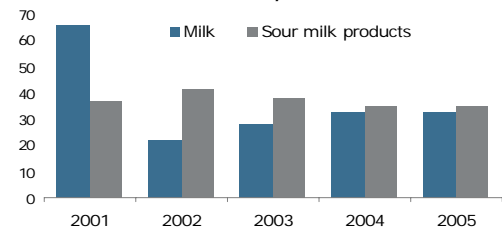
MARKET MULTIPLES

	2006E	2007E
EV/Sales	0.9	n/a
EV/EBITDA	8.7	n/a
P/E	35.5	n/a
P/B	3.2	n/a

KEY RATIOS

	2005	2006E	2007E
EBITDA margin	6%	10%	n/a
Net Margin	1%	2%	n/a
ROE	5%	10%	n/a
Net Debt/Equity	1.0	1.0	n/a

Production, ths mt



INCOME STATEMENT SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Net Revenues	34.3	40.0	48.9	48.5	36.5	n/a	n/a
<i>Change y-o-y</i>	-	16.4%	22.5%	-0.9%	0.5%	n/a	n/a
Gross Profit	8.2	7.9	9.0	8.9	8.5	n/a	n/a
EBITDA	4.2	3.2	2.7	3.0	3.8	n/a	n/a
<i>margin, %</i>	12.2%	8.1%	5.5%	6.2%	10.4%	n/a	n/a
Depreciation	(1.2)	(1.3)	(1.4)	(1.3)	(1.2)	n/a	n/a
EBIT	3.0	1.9	1.3	1.7	2.6	n/a	n/a
<i>margin, %</i>	8.8%	4.7%	2.7%	3.5%	7.2%	n/a	n/a
Interest Expense	(0.3)	(1.1)	(1.3)	(1.2)	(0.8)	n/a	n/a
Other income/(expense)	(0.0)	(0.0)	0.0	0.2	(0.7)	n/a	n/a
PBT	2.7	0.8	0.0	0.8	1.1	n/a	n/a
Tax	(0.9)	(0.4)	(0.1)	(0.3)	(0.4)	n/a	n/a
<i>Effective tax rate</i>	34.6%	45.4%	371.4%	45.0%	37.4%	n/a	n/a
Net Income	1.7	0.4	(0.1)	0.4	0.7	n/a	n/a
<i>Net Margin, %</i>	5.1%	1.1%	-0.2%	0.9%	1.9%	n/a	n/a

BALANCE SHEET SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Current Assets	3.6	5.6	6.9	8.2	8.1	n/a	n/a
Cash & Equivalents	0.1	0.2	0.1	0.0	0.0	n/a	n/a
Trade Receivables	1.1	1.6	2.8	3.5	1.5	n/a	n/a
Inventories	1.9	3.0	2.8	3.8	3.8	n/a	n/a
Other	0.5	0.8	1.3	0.9	2.8	n/a	n/a
Fixed Assets	10.7	19.5	19.3	20.2	22.5	n/a	n/a
PP&E, net	9.3	9.1	8.9	9.1	12.1	n/a	n/a
Other	1.4	10.4	10.4	11.1	10.4	n/a	n/a
Total Assets	14.2	25.1	26.2	28.4	30.6	n/a	n/a
Shareholders' Equity	8.5	8.9	8.8	9.7	10.4	n/a	n/a
Share Capital	1.6	1.6	1.7	1.7	1.7	n/a	n/a
Retained Earnings	3.1	3.5	3.5	4.0	4.7	n/a	n/a
Other	3.7	3.7	3.7	3.9	3.9	n/a	n/a
Current Liabilities	5.1	8.2	11.0	11.7	14.4	n/a	n/a
ST Interest Bearing Debt	1.2	2.1	2.8	3.0	5.6	n/a	n/a
Trade Payables	3.2	3.7	3.7	3.0	3.8	n/a	n/a
Other	0.7	2.4	4.5	5.7	5.3	n/a	n/a
LT Liabilities	0.7	8.0	6.4	7.0	5.8	n/a	n/a
LT Interest Bearing Debt	0.6	7.9	6.4	7.0	4.8	n/a	n/a
Other	0.1	0.1	-	-	1.0	n/a	n/a
Total Liabilities & Equity	14.2	25.1	26.2	28.4	30.6	n/a	n/a

QUARTERLY ANALYSIS, USD mln

	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
Net Revenues	11.4	11.9	4.7	21.0	11.5	12.0	12.9	12.2	12.5	11.8	12.2
<i>Change y-o-y</i>	27.7%	21.3%	-49.3%	74.4%	0.9%	0.0%	177.0%	-41.9%	8.8%	-1.2%	-5.4%
EBITDA	0.8	1.0	0.1	0.8	0.1	1.2	1.7	0.0	1.0	1.5	1.3
<i>margin, %</i>	7.3%	8.2%	2.2%	3.8%	0.9%	10.1%	13.1%	0.1%	8.3%	12.9%	10.3%
EBIT	0.5	0.6	(0.2)	0.4	(0.2)	0.9	1.4	(0.3)	0.7	1.2	0.8
<i>margin, %</i>	4.3%	5.2%	-4.3%	1.8%	-2.0%	7.4%	10.6%	-2.7%	5.4%	10.1%	6.3%
Net Income	0.1	0.2	(0.4)	0.1	(0.7)	0.9	0.9	(0.6)	0.3	0.3	0.1
<i>Net Margin, %</i>	0.5%	1.4%	-8.8%	0.4%	-6.1%	7.2%	7.0%	-5.2%	2.6%	2.4%	0.8%

Khlibprom

HLPR UZ

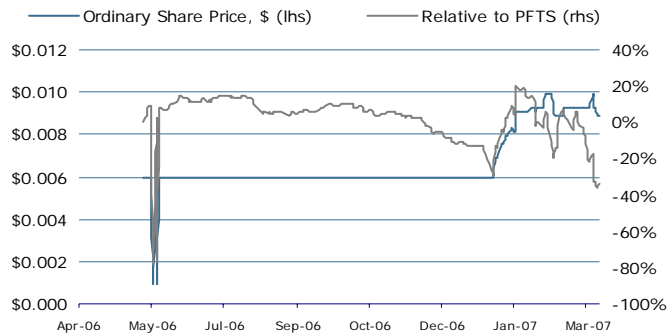
Food

<http://www.hlibprom.com.ua>

Target Price (USD)
Upside

N/R
n/a

SHARE PRICE PERFORMANCE*



Listed on PFTS since 19 May 2006

BUSINESS OVERVIEW

Concern Khlibprom is one of Ukraine's largest bread producers, with 5% of the domestic baked goods market. The company operates 5 ths hectares of plough-lands, 14 bakeries throughout Central and Western Europe with a total capacity of more than 102 ths mt of bread per year and two grain processing complexes (a mill and an elevator) with a grain storage capacities of 42 ths mt/yr and grain processing capacities of 78 ths mt/yr. Khlibprom's harvest covers 25% of its need for grain. It operates its own retail chain under the brand Khlibna Khata, which has more than 100 stores. Khlibprom is a part of the Universal Investment Group. The company plans to increase the total capacity of Khlibprom's enterprises to more than 150 ths mt/yr by 2008 and to extend its market share to 9% by 2009.

In 3Q06 around USD 5 mln was invested in the modernization and development of its production. From July to September 2006, Khlibprom posted output growth of 7.1% yoy to 27.8 ths mt.

* PFTS BID Price is used

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- 2: Market price reaction remains within 10% in execution of a market order of about USD 1 mln in size
- 3: All other stocks (quoted price is less reliable and should be considered indicative)

Note: data (market information, price changes) as of 30 Mar 2007

MARKET INFORMATION

Market price*, USD	0.01
Price impact**	3
52 Wk H/L, USD	0.01 / 0.00
Chg 3m/6m/52w	50% / 50% / 50%
Chg vs PFTS 3m/6m/52w	-15% / -54% / -43%
Chg YTD	50%
Avg Mo Tr Vol 6M, USD ths	60.9
MCap, USD mln	80.8
Free float, %	1.2%
FF MCap, USD mln	1.0
No of shares, mln	9068.4
Par Value, UAH	0.01
XETRA	n/a
DR Ratio	n/a
Avg Mo Tr Vol 6M, USD ths	n/a

STOCK OWNERSHIP

F.I.E.H.	96.7%
Other	3.3%

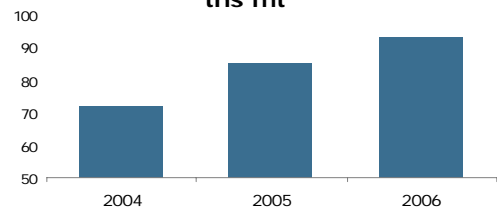
MARKET MULTIPLES

	2006	2007E
EV/Sales	1.8	n/a
EV/EBITDA	46.9	n/a
P/E	78.9	n/a
P/B	3.4	n/a

KEY RATIOS

	2005	2006	2007E
EBITDA margin	7%	4%	n/a
Net Margin	6%	2%	n/a
ROE	38%	12%	n/a
Net Debt/Equity	1.0	1.1	n/a

Bakery Products Production ths mt



INCOME STATEMENT SUMMARY*, USD mln

	2003	2004	2005	2006	2007E	2008E
Net Revenues	3.4	11.4	26.3	59.9	82.3	105.5
<i>Change y-o-y</i>	-	234.9%	131.8%	127.7%	36.7%	28.1%
Gross Profit	0.3	1.0	5.0	13.2	13.6	17.8
EBITDA	(0.1)	0.8	2.0	2.3	12.1	16.2
<i>margin, %</i>	-2.1%	7.0%	7.4%	3.8%	14.7%	15.4%
Depreciation	(0.2)	(0.4)	(0.7)	(1.4)	(2.3)	(2.7)
EBIT	(0.1)	0.7	1.3	0.9	14.4	18.9
<i>margin, %</i>	-1.5%	6.4%	4.9%	1.6%	17.5%	18.0%
Interest Expense	(0.1)	(0.2)	(0.5)	(2.0)	(3.4)	(3.4)
PBT	(0.3)	0.2	1.8	1.4	6.5	10.1
Tax	-	(0.0)	(0.2)	(0.4)	(1.0)	(2.0)
<i>Effective tax rate</i>	-	-18.6%	10.2%	26.2%	-15.0%	-20.0%
Net Income	(0.4)	0.2	1.6	1.0	5.5	8.1
<i>Net Margin, %</i>	-11.6%	1.6%	6.0%	1.7%	6.7%	7.6%

* consolidated financials

BALANCE SHEET SUMMARY, USD mln

	2003	2004	2005	2006	2007E	2008E
Current Assets	6.4	6.8	15.8	41.5	23.4	29.9
Cash & Equivalents	0.2	0.0	0.3	2.5	1.0	1.3
Trade Receivables	3.0	2.1	2.4	5.6	14.8	19.0
Inventories	0.5	0.4	2.5	7.4	7.6	9.6
Other	2.8	4.2	10.5	26.1	-	-
Fixed Assets	2.5	5.2	13.6	20.4	56.3	62.7
PP&E, net	2.5	5.2	12.1	19.9	56.3	62.6
Other	0.0	0.0	1.5	0.6	0.0	0.0
Total Assets	8.9	12.0	29.3	61.9	79.7	92.6
Shareholders' Equity	4.1	4.3	8.3	23.9	40.8	48.8
Share Capital	2.9	2.9	3.4	18.0	26.6	26.6
Reserves and Other	1.2	1.4	4.8	6.0	14.2	22.2
Current Liabilities	4.8	7.0	12.6	16.2	13.0	15.1
ST Interest Bearing Debt	2.0	1.3	0.1	7.5	-	-
Trade Payables	1.1	4.9	6.1	6.1	9.9	12.0
Other	1.7	0.8	6.4	2.6	3.1	3.1
LT Liabilities	-	0.7	8.5	21.8	25.9	28.7
LT Interest Bearing Debt	-	0.7	8.4	21.7	12.7	15.5
Other	-	-	0.1	0.1	13.1	13.1
Total Liabilities & Equity	8.9	12.0	29.3	61.9	79.7	92.6

QUARTERLY ANALYSIS, USD mln

	1Q04	2Q04	3Q04	4Q04	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
Net Revenues	1.7	2.2	(0.8)	3.1	1.8	1.2	1.5	0.9	1.8	1.6
<i>Change y-o-y</i>	59.0%	86.2%	-186.4%	2740.3%	-17.0%	-256.6%	-50.9%	-46.9%	2.2%	31.1%
EBITDA	0.1	(0.0)	(0.1)	0.6	0.5	0.5	0.6	0.5	0.6	0.7
<i>margin, %</i>	5.9%	-1.5%	18.4%	17.7%	29.3%	40.0%	36.8%	48.7%	30.2%	47.0%
EBIT	0.1	0.0	(0.3)	0.4	0.4	0.3	0.4	0.2	0.3	0.4
<i>margin, %</i>	3.1%	0.4%	37.0%	14.2%	22.1%	27.8%	24.5%	23.2%	13.8%	25.5%
Net Income	0.0	0.1	(0.4)	0.5	0.3	0.2	1.3	0.2	1.6	0.3
<i>Net Margin, %</i>	2.3%	6.7%	56.8%	14.7%	15.0%	15.5%	85.5%	22.8%	85.8%	19.5%

* Kviza Trade financials

Korovay

KORV UZ

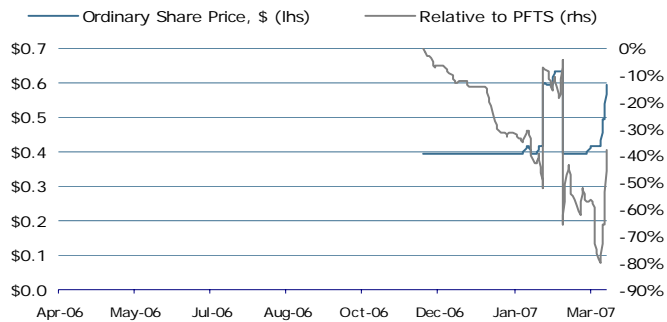
Food

<http://www.korovay.lg.ua>

Target Price (USD)
Upside

N/R
n/a

SHARE PRICE PERFORMANCE*



Listed on PFTS since 29 Nov 2006

BUSINESS OVERVIEW

Korovay is the largest bread producer in Luhansk Region. The company was created to succeed the Luhansk Bakery Union. Today, the company operates eight bakeries throughout Luhansk Region. Korovay operates a retail chain that consists of 154 brand shops. Korovay specializes in bakery and soft confectionary goods: cakes, cookies, biscuits, spice-cakes and more. It has more than 350 different products. Nearly 25-30 new products are launched every year. In the nearest future the company plans to invest USD 6.5 mln in the development and reconstruction of its enterprises. To optimize its assets, the company united bakeries in two neighboring towns (Rubizhne and Severodonetsk) in 2005, closed its Alchevsk bakery (it was unprofitable) in 2006 and sold its Popasnyansky bakery more recently.

In 9M06, Korovay posted sales growth of 11% yoy to USD 41 mln and net income growth of 80% yoy to USD 0.6 mln.

* PFTS BID Price is used
 ** Price "impact" is the opinion of Concorde's trading desk on stocks to help investors estimate the reliability of quoted prices:
 1: Market price reaction remains within 10% in execution of a market order of about USD 10 mln in size
 2: Market price reaction remains within 10% in execution of a market order of about USD 1 mln in size
 3: All other stocks (quoted price is less reliable and should be considered indicative)

Note: data (market information, price changes) as of 30 Mar 2007

MARKET INFORMATION

Market price*, USD	0.79
Price impact**	3
52 Wk H/L, USD	0.63 / 0.40
Chg 3m/6m/52w	n/a / n/a / n/a
Chg vs PFTS 3m/6m/52w	-65% / -104% / -93%
Chg YTD	n/a
Avg Mo Tr Vol 6M, USD ths	95.9
MCap, USD mln	7.7
Free float, %	21.3%
FF MCap, USD mln	1.6
No of shares, mln	9.7
Par Value, UAH	0.30
XETRA	n/a
DR Ratio	n/a
Avg Mo Tr Vol 6M, USD ths	n/a

STOCK OWNERSHIP

West-Lot Ltd	14.1%
Cirdan United	23.4%
LJSC Loture	11.8%
Eamon Associated S.A.	10.0%
Management	3.9%
Other	36.8%

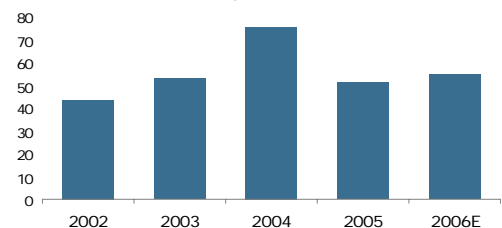
MARKET MULTIPLES

	2006E	2007E
EV/Sales	0.1	n/a
EV/EBITDA	1.5	n/a
P/E	0.0	n/a
P/B	0.0	n/a

KEY RATIOS

	2005	2006E	2007E
EBITDA margin	6%	5%	n/a
Net Margin	2%	1%	n/a
ROE	6%	5%	n/a
Net Debt/Equity	0.2	0.2	n/a

Sales, USD mln



INCOME STATEMENT SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Net Revenues	43.1	52.9	75.8	51.7	41.0	n/a	n/a
<i>Change y-o-y</i>	-	22.6%	43.2%	-31.7%	10.7%	n/a	n/a
Gross Profit	9.0	8.1	9.5	12.3	9.4	n/a	n/a
EBITDA	3.7	2.3	2.8	3.1	2.0	n/a	n/a
<i>margin, %</i>	8.5%	4.4%	3.7%	6.1%	4.9%	n/a	n/a
Depreciation	(0.7)	(0.8)	(0.8)	(0.9)	(0.8)	n/a	n/a
EBIT	2.9	1.5	2.0	2.2	1.2	n/a	n/a
<i>margin, %</i>	6.8%	2.9%	2.6%	4.3%	3.0%	n/a	n/a
Interest Expense	(0.9)	(0.9)	(0.9)	(1.1)	(0.5)	n/a	n/a
Other income/(expense)	0.0	0.0	0.0	0.1	0.1	n/a	n/a
PBT	2.1	0.6	1.1	1.2	0.8	n/a	n/a
Tax	(0.9)	(0.4)	(0.3)	(0.4)	(0.2)	n/a	n/a
<i>Effective tax rate</i>	42.9%	57.2%	24.4%	36.1%	26.8%	n/a	n/a
Net Income	1.2	0.3	0.8	0.8	0.6	n/a	n/a
<i>Net Margin, %</i>	2.7%	0.5%	1.1%	1.5%	1.4%	n/a	n/a

BALANCE SHEET SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Current Assets	7.4	7.4	8.6	6.2	7.7	n/a	n/a
Cash & Equivalents	0.7	0.5	0.5	0.6	0.4	n/a	n/a
Trade Receivables	2.0	2.0	0.4	1.0	1.6	n/a	n/a
Inventories	1.7	1.7	5.2	3.6	3.5	n/a	n/a
Other	3.1	3.2	2.5	1.1	2.3	n/a	n/a
Fixed Assets	13.1	13.3	14.4	17.8	17.6	n/a	n/a
PP&E, net	7.5	7.6	7.5	7.8	8.4	n/a	n/a
Other	5.6	5.7	7.0	10.1	9.2	n/a	n/a
Total Assets	20.5	20.7	23.1	24.1	25.3	n/a	n/a
Shareholders' Equity	13.0	13.2	13.9	15.4	14.9	n/a	n/a
Share Capital	0.4	0.4	0.4	0.5	0.6	n/a	n/a
Retained Earnings	4.9	5.2	5.9	6.8	6.2	n/a	n/a
Other	7.7	7.7	7.7	8.1	8.1	n/a	n/a
Current Liabilities	3.5	2.6	2.7	5.6	10.3	n/a	n/a
ST Interest Bearing Debt	1.4	0.2	0.0	0.2	4.4	n/a	n/a
Trade Payables	1.2	1.5	1.6	4.2	4.7	n/a	n/a
Other	0.9	0.9	1.1	1.2	1.8	n/a	n/a
LT Liabilities	4.1	4.9	6.4	3.1	0.0	n/a	n/a
LT Interest Bearing Debt	4.0	4.9	6.4	3.0	-	n/a	n/a
Other	0.0	0.0	0.0	0.0	0.0	n/a	n/a
Total Liabilities & Equity	20.5	20.7	23.1	24.1	25.3	n/a	n/a

QUARTERLY ANALYSIS, USD mln

	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
Net Revenues	15.8	19.7	21.6	18.7	11.4	13.2	12.4	14.7	11.1	14.6	15.3
<i>Change y-o-y</i>	43.2%	57.7%	55.7%	20.5%	-27.7%	-32.8%	-42.4%	-21.6%	-2.7%	10.7%	22.9%
EBITDA	0.6	0.7	0.6	0.9	0.8	0.6	0.8	1.0	0.7	0.6	0.7
<i>margin, %</i>	4.0%	3.4%	2.9%	4.6%	6.6%	4.8%	6.2%	6.7%	6.2%	4.1%	4.6%
EBIT	0.5	0.5	0.4	0.6	0.5	0.4	0.5	0.7	0.5	0.4	0.4
<i>margin, %</i>	2.9%	2.5%	2.0%	3.3%	4.8%	3.1%	4.3%	5.0%	4.1%	2.4%	2.8%
Net Income	0.2	0.2	0.2	0.2	0.2	(0.0)	0.2	0.5	0.2	0.1	0.3
<i>Net Margin, %</i>	1.3%	1.0%	0.9%	1.3%	1.5%	-0.1%	1.3%	3.2%	1.6%	0.6%	1.9%

Myroniv Feed and Cereal Plant

MZKK UZ

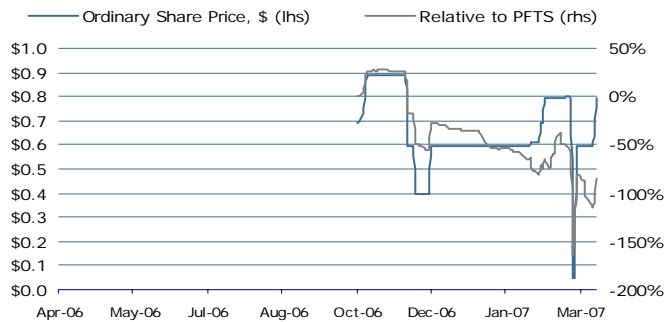
Food

<http://www.miro-hleb.kiev.ua>

Target Price (USD)
Upside

N/R
n/a

SHARE PRICE PERFORMANCE*



Listed on PFTS since 20 Oct 2006

BUSINESS OVERVIEW

Myroniv Feed and Cereal Plant (MFC) is a part of the Myroniv Khlipoproduct Group, the biggest poultry producer in Ukraine. MFC is a diversified industrial complex that includes a mixed fodder factory, protein factory, three grain elevators and a cereal factory. The company's main activities are the production of mixed fodder to satisfy the needs other enterprises in the group. MFC operates three separate elevators: one for olive plants (18600 m³), one for mixed fodder production (96000 m³) and another for cereal production (12600 m³). The capacity of the mixed fodder plant is 440 ths mt of mixed fodder per year. The protein factory enables the processing of more than 600 mt of sunflower shells, the company produces water vapor and electricity, which enables to reduce mixed fodder costs.

At its AGM on Jan. 9, 2007, its shareholders decided to conduct an additional share issue of 144.4 mln shares, which will double the company's charter fund (subscription from March 15, 2007 to April 15, 2007). In 9M06, Myroniv Feed and Cereal Plant posted sales growth of 27% yoy to USD 97.5 mln while its net loss increased by 154% yoy to USD 1.7 mln.

MARKET INFORMATION

Market price*, USD	0.79
Price impact**	3
52 Wk H/L, USD	0.89 / 0.05
Chg 3m/6m/52w	33% / n/a / n/a
Chg vs PFTS 3m/6m/52w	-31% / -104% / -93%
Chg YTD	33%
Avg Mo Tr Vol 6M, USD ths	345.1
MCap, USD mln	126.7
Free float, %	15.0%
FF MCap, USD mln	19.0
No of shares, mln	155.3
Par Value, UAH	0.25
XETRA	n/a
DR Ratio	n/a
Avg Mo Tr Vol 6M, USD ths	n/a

STOCK OWNERSHIP

Myronivsky Poultry	66.1%
Myroniv Khlipoproduct	18.9%
Other	15.0%

MARKET MULTIPLES

	2006E	2007E
EV/Sales	1.1	n/a
EV/EBITDA	37.0	n/a
P/E	-54.7	n/a
P/B	103.4	n/a

KEY RATIOS

	2005	2006E	2007E
EBITDA margin	5%	3%	n/a
Net Margin	0.4%	-2%	n/a
ROE	27%	-65%	n/a
Net Debt/Equity	4.2	15.6	n/a

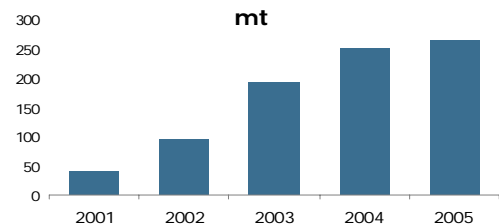
* PFTS BID Price is used

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- 3: All other stocks (quoted price is less reliable and should be considered indicative)

Note: data (market information, price changes) as of 30 Mar 2007

Mixed Fodder Production, ths mt



INCOME STATEMENT SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Net Revenues	14.9	35.4	73.9	102.5	97.6	n/a	n/a
<i>Change y-o-y</i>	-	138.2%	108.6%	38.6%	27.3%	n/a	n/a
Gross Profit	1.0	1.5	2.6	7.5	5.0	n/a	n/a
EBITDA	0.6	0.3	1.1	5.3	3.0	n/a	n/a
<i>margin, %</i>	4.2%	0.8%	1.5%	5.2%	3.0%	n/a	n/a
Depreciation	(0.3)	(0.7)	(1.4)	(3.7)	(3.6)	n/a	n/a
EBIT	0.4	(0.5)	(0.3)	1.6	(0.6)	n/a	n/a
<i>margin, %</i>	2.5%	-1.3%	-0.4%	1.6%	-0.7%	n/a	n/a
Interest Expense	(0.4)	(0.9)	(0.4)	(1.1)	(1.0)	n/a	n/a
Other income/(expense)	0.1	0.7	(0.0)	(0.0)	0.0	n/a	n/a
PBT	0.1	(0.7)	(0.7)	0.5	(1.6)	n/a	n/a
Tax	(0.0)	(0.1)	(0.1)	(0.1)	(0.1)	n/a	n/a
<i>Effective tax rate</i>	53.6%	-7.6%	-7.6%	24.3%	-7.3%	n/a	n/a
Net Income	0.0	(0.8)	(0.8)	0.4	(1.7)	n/a	n/a
<i>Net Margin, %</i>	0.3%	-2.2%	-1.0%	0.4%	-1.8%	n/a	n/a

BALANCE SHEET SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Current Assets	3.5	9.1	34.2	49.5	53.0	n/a	n/a
Cash & Equivalents	0.1	0.3	0.1	0.3	3.5	n/a	n/a
Trade Receivables	1.5	5.5	21.1	23.8	29.1	n/a	n/a
Inventories	1.0	1.7	7.1	12.5	13.0	n/a	n/a
Other	1.0	1.5	5.8	12.9	7.3	n/a	n/a
Fixed Assets	5.7	17.6	27.0	68.5	82.5	n/a	n/a
PP&E, net	5.5	8.6	17.2	52.8	60.2	n/a	n/a
Other	0.2	9.1	9.8	15.7	22.3	n/a	n/a
Total Assets	9.2	26.7	61.2	117.9	135.5	n/a	n/a
Shareholders' Equity	2.9	2.1	1.4	3.5	1.8	n/a	n/a
Share Capital	0.7	0.7	0.7	0.8	0.8	n/a	n/a
Retained Earnings	0.1	(0.7)	(1.5)	(1.2)	(2.9)	n/a	n/a
Other	2.1	2.1	2.1	4.0	4.0	n/a	n/a
Current Liabilities	6.4	23.0	58.2	102.7	114.3	n/a	n/a
ST Interest Bearing Debt	2.5	3.0	3.5	3.5	3.3	n/a	n/a
Trade Payables	3.5	13.3	44.3	92.4	98.6	n/a	n/a
Other	0.3	6.7	10.4	6.8	12.7	n/a	n/a
LT Liabilities	-	1.6	1.7	11.7	19.3	n/a	n/a
LT Interest Bearing Debt	-	1.0	1.1	11.7	19.3	n/a	n/a
Other	-	0.6	0.6	-	-	n/a	n/a
Total Liabilities & Equity	9.2	26.7	61.2	117.9	135.5	n/a	n/a

QUARTERLY ANALYSIS, USD mln

	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
Net Revenues	13.4	17.3	(5.7)	48.9	23.1	25.8	27.8	25.8	28.6	35.3	33.7
<i>Change y-o-y</i>	108.2%	81.2%	-163.7%	369.7%	71.8%	48.6%	-584.7%	-47.2%	23.7%	37.1%	21.0%
EBITDA	0.1	0.5	(0.3)	0.9	0.8	1.3	0.9	2.3	(0.3)	(0.2)	3.5
<i>margin, %</i>	0.8%	2.6%	5.9%	1.9%	3.7%	5.0%	3.2%	9.0%	-1.1%	-0.6%	10.3%
EBIT	(0.1)	0.2	(0.3)	0.0	0.0	0.3	(0.1)	1.4	(1.5)	(1.3)	2.2
<i>margin, %</i>	-1.1%	0.9%	5.5%	0.1%	0.1%	1.3%	-0.5%	5.3%	-5.3%	-3.7%	6.5%
Net Income	(0.2)	0.1	0.2	(0.8)	(0.2)	0.1	(0.6)	1.0	(1.8)	(1.7)	1.8
<i>Net Margin, %</i>	-1.6%	0.3%	-3.7%	-1.6%	-0.7%	0.5%	-2.3%	4.1%	-6.3%	-4.9%	5.3%

Retail Group

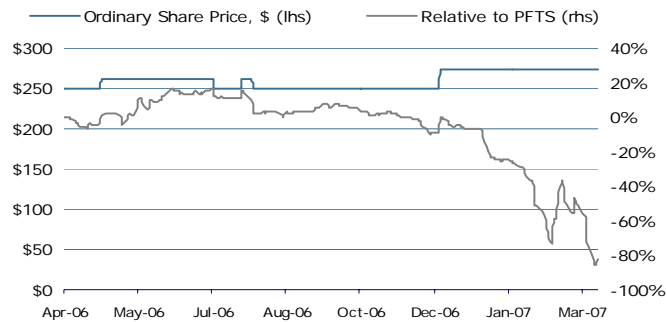
RTGR UZ

Food/Retail

Target Price (USD)
Upside

N/R
n/a

SHARE PRICE PERFORMANCE*



MARKET INFORMATION

Market price*, USD	274.85
Price impact**	3
52 Wk H/L, USD	275 / 250
Chg 3m/6m/52w	n/a / n/a / n/a
Chg vs PFTS 3m/6m/52w	-65% / -104% / -93%
Chg YTD	n/a
Avg Mo Tr Vol 6M, USD ths	45.8
MCap, USD mln	426.0
Free float, %	12.0%
FF MCap, USD mln	51.1
No of shares, mln	1.6
Par Value, UAH	0.25
XETRA	n/a
DR Ratio	n/a
Avg Mo Tr Vol 6M, USD ths	n/a

BUSINESS OVERVIEW

Retail Group is a managing company of supermarket chain Velyka Kyshenya, one of the leading Ukrainian retailers. Velyka Kyshenya was established in 2000 and currently possesses 31 supermarkets and hypermarket and plans to open another 35 new stores in 2006-2008. An average store ranges in size from 3,000 to 10,000 sq.m. Other companies managed by Velyka Kyshenya include pharmacy chain Velyka Apteka and book store chain Moya Knyga.

Retail Group was organized after the restructuring of Velyka Kyshenya in 2005. All retail-related businesses are now operated by Retail Group mostly through its trade operator – LLC Kviza Trade – whereas real estate-related business is passed to VK Development.

In 2006 Retail Group increased its net income from negative USD 1.8 ths in 2005 to USD 2.6 ths in 2006.

In 2005 Retail Group sold 10% of its shares for USD 27.5 mln.

* PFTS BID Price is used

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- 1: Market price reaction remains within 10% in execution of a market order of about USD 10 mln in size
- 2: Market price reaction remains within 10% in execution of a market order of about USD 1 mln in size
- 3: All other stocks (quoted price is less reliable and should be considered indicative)

Note: data (market information, price changes) as of 30 Mar 2007

STOCK OWNERSHIP

Lunin Roman	88.0%
Other	12.0%

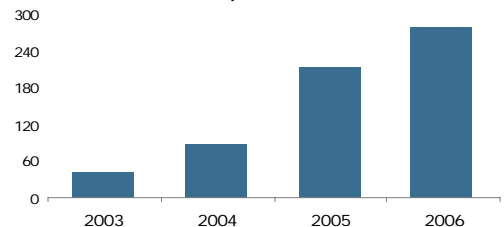
MARKET MULTIPLES

	2006E	2007E
EV/Sales	0.2	n/a
EV/EBITDA	3.8	n/a
P/E	0.0	n/a
P/B	0.0	n/a

KEY RATIOS

	2005	2006E	2007E
EBITDA margin	5%	6%	n/a
Net Margin	1%	0.1%	n/a
ROE	23%	1%	n/a
Net Debt/Equity	3.3	3.6	n/a

Sales, USD mln



INCOME STATEMENT SUMMARY*, USD mln

	2003	2004	2005	9M06	2007E	2008E
Net Revenues	42.1	87.1	214.5	207.0	n/a	n/a
<i>Change y-o-y</i>	<i>N/A</i>	<i>106.7%</i>	<i>146.3%</i>	<i>43.3%</i>	<i>n/a</i>	<i>n/a</i>
Gross Profit	6.0	15.3	40.4	49.1	n/a	n/a
EBITDA	2.2	6.0	11.7	11.6	n/a	n/a
<i>margin, %</i>	<i>5.3%</i>	<i>6.9%</i>	<i>5.5%</i>	<i>5.6%</i>	<i>n/a</i>	<i>n/a</i>
Depreciation	(0.7)	(1.5)	(3.5)	(4.8)	n/a	n/a
EBIT	1.6	4.5	8.2	6.9	n/a	n/a
<i>margin, %</i>	<i>3.8%</i>	<i>5.2%</i>	<i>3.8%</i>	<i>3.3%</i>	<i>n/a</i>	<i>n/a</i>
Interest Expense	(1.1)	(1.8)	(6.2)	(6.5)	n/a	n/a
Other income/(expense)	0.0	-	0.0	0.1	n/a	n/a
PBT	0.5	2.7	2.1	0.4	n/a	n/a
Tax	(0.1)	(0.7)	(0.2)	(0.3)	n/a	n/a
<i>Effective tax rate</i>	<i>30.1%</i>	<i>24.9%</i>	<i>9.7%</i>	<i>61.3%</i>	<i>n/a</i>	<i>n/a</i>
Net Income	0.3	2.0	1.9	0.2	n/a	n/a
<i>Net Margin, %</i>	<i>0.8%</i>	<i>2.3%</i>	<i>0.9%</i>	<i>0.1%</i>	<i>n/a</i>	<i>n/a</i>

BALANCE SHEET SUMMARY*, USD mln

	2003	2004	2005	9M06	2007E	2008E
Current Assets	5.4	24.1	45.5	45.5	n/a	n/a
Cash & Equivalents	1.0	6.4	5.7	2.1	n/a	n/a
Trade Receivables	-	2.0	8.5	14.7	n/a	n/a
Inventories	3.1	11.0	15.7	14.8	n/a	n/a
Other	1.3	4.7	15.5	13.9	n/a	n/a
Fixed Assets	15.7	31.7	77.9	84.5	n/a	n/a
PP&E, net	9.1	13.2	34.0	48.7	n/a	n/a
Other	6.5	18.5	43.9	35.8	n/a	n/a
Total Assets	21.1	55.8	123.4	130.0	n/a	n/a
Shareholders' Equity	3.9	8.4	15.7	15.8	n/a	n/a
Share Capital	3.0	0.0	0.0	0.0	n/a	n/a
Retained Earnings	0.9	3.0	5.2	5.3	n/a	n/a
Other	-	5.4	10.5	10.5	n/a	n/a
Current Liabilities	9.2	20.9	45.9	102.1	n/a	n/a
ST Interest Bearing Debt	-	0.3	0.3	48.6	n/a	n/a
Trade Payables	9.1	20.5	37.4	36.7	n/a	n/a
Other	0.1	0.0	8.1	18.3	n/a	n/a
LT Liabilities	8.0	26.5	61.8	12.0	n/a	n/a
LT Interest Bearing Debt	8.0	21.2	57.6	12.0	n/a	n/a
Other	-	5.2	4.2	0.0	n/a	n/a
Total Liabilities & Equity	21.1	55.8	123.4	130.0	n/a	n/a

QUARTERLY ANALYSIS*, USD mln

	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
Net Revenues	50.0	55.2	70.0	65.9	70.2	70.9
<i>Change y-o-y</i>	<i>N/M</i>	<i>N/M</i>	<i>N/M</i>	<i>68.1%</i>	<i>40.2%</i>	<i>28.6%</i>
EBITDA	2.1	1.7	3.2	3.3	3.5	4.8
<i>margin, %</i>	<i>4.2%</i>	<i>3.1%</i>	<i>4.6%</i>	<i>5.0%</i>	<i>5.0%</i>	<i>6.8%</i>
EBIT	1.3	0.8	2.1	1.9	1.9	3.0
<i>margin, %</i>	<i>2.6%</i>	<i>1.4%</i>	<i>3.0%</i>	<i>2.9%</i>	<i>2.7%</i>	<i>4.3%</i>
Net Income	(0.1)	0.0	0.1	0.0	0.0	0.1
<i>Net Margin, %</i>	<i>-0.2%</i>	<i>0.0%</i>	<i>0.2%</i>	<i>0.0%</i>	<i>0.0%</i>	<i>0.2%</i>

Ukrproduct Group

UKR LN

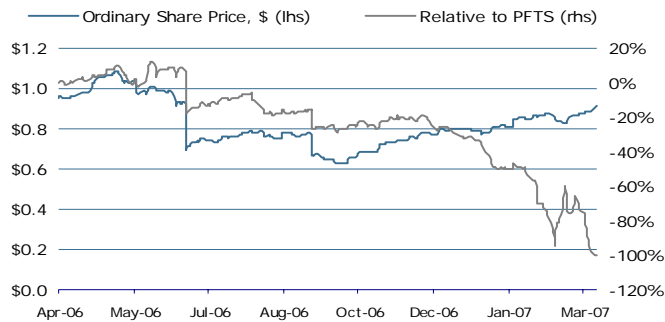
Food

<http://www.ukrproduct.com>

Target Price (USD)
Upside

N/R
n/a

SHARE PRICE PERFORMANCE*



The stock is traded on AIM

BUSINESS OVERVIEW

Ukrproduct Group is a large producer and distributor of branded dairy foods. The company manufactures and sells three main products: packaged butter, processed cheese and dried milk powder. The group is made up of four manufacturing divisions: OJSC Molochnik, Starokonstantinovskiy Dairy Plant (Starkon), Zhmerinka Butter & Cheese Plant (Zhmerinka) and the Letichiv Dairy Plant. Molochnik specializes in the production of dairy products for domestic consumers. The Starkon plant produces skim milk products (SMP), bulk and packaged butter and fat-free cheese. The Zhmerinka and Letichiv plants are regional enterprises manufacturing a range of dairy products. The group installed a new SMP dryer at its Starokonstantinovskiy Plant, which will more than double Ukrproduct's existing SMP capacity while consuming 40% less energy than the company's old SMP-producing equipment.

In 2005 the company placed a 27.2% stake for USD 10 mln on the LSE AIM. In 1H06, the company posted stable net sales and decreased its income by 44% yoy.

MARKET INFORMATION

Market price*, USD	0.93
Price impact**	3
52 Wk H/L, USD	1.2 / 0.7
Chg 3m/6m/52w	15% / 36% / -15%
Chg 2006	-29%
Chg YTD	15%
Avg Mo Tr Vol 6M, USD ths	63.8
MCap, USD mln	155.4
Free float, %	27.2%
FF MCap, USD mln	42.3
No of shares, mln	168.0
Par Value, GBP	0.1
XETRA	n/a
DR Ratio	n/a
Avg Mo Tr Vol 6M, USD ths	n/a

STOCK OWNERSHIP

Management	36.2%
Other	63.8%

MARKET MULTIPLES

	2006E	2007E
EV/Sales	n/a	n/a
EV/EBITDA	n/a	n/a
P/E	n/a	n/a
P/B	n/a	n/a

KEY RATIOS

	2005	2006E	2007E
EBITDA margin	11%	n/a	n/a
Net Margin	5.1%	n/a	n/a
ROE	37%	n/a	n/a
Net Debt/Equity	0.2	n/a	n/a

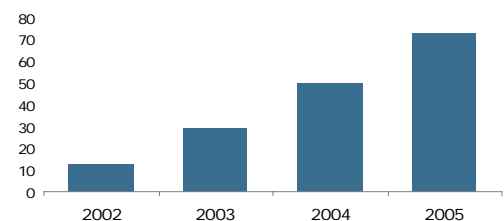
* PFTS 0 Price is used

** Price "Impact" is the opinion of Concorde's trading desk on stocks to help investors estimate the reliability of quoted prices:

- 1: Market price reaction remains within 10% in execution of a market order of about USD 10 mln in size
- 2: Market price reaction remains within 10% in execution of a market order of about USD 1 mln in size
- 3: All other stocks (quoted price is less reliable and should be considered indicative)

Note: data (market information, price changes) as of 30 Mar 2007

Sales, USD mln



INCOME STATEMENT SUMMARY, USD mln

	2002	2003	2004	2005	1H06	2007E	2008E
Net Revenues	13.0	28.7	49.7	72.6	31.1	n/a	n/a
<i>Change y-o-y</i>	-	121.6%	72.8%	46.2%	8.0%	n/a	n/a
Gross Profit	1.7	3.9	8.1	12.3	n/a	n/a	n/a
EBITDA	0.6	4.2	6.5	8.3	2.4	n/a	n/a
<i>margin, %</i>	4.9%	14.7%	13.0%	11.4%	7.8%	n/a	n/a
Depreciation	0.2	2.0	2.7	3.7	1.2	n/a	n/a
EBIT	0.4	2.2	3.8	4.6	1.3	n/a	n/a
<i>margin, %</i>	3.1%	7.7%	7.7%	6.3%	4.0%	n/a	n/a
Interest Expense	(0.2)	(0.2)	(0.5)	(0.3)	(0.1)	n/a	n/a
PBT	0.2	1.6	2.1	3.1	1.1	n/a	n/a
Tax	-	(0.2)	(0.6)	(0.6)	(0.1)	n/a	n/a
<i>Effective tax rate</i>	0.0%	12.3%	29.0%	19.7%	5.4%	n/a	n/a
Net Income	0.2	1.8	2.7	3.7	1.1	n/a	n/a
<i>Net Margin, %</i>	1.8%	6.3%	5.4%	5.0%	3.4%	n/a	n/a

BALANCE SHEET SUMMARY, USD mln

	2002	2003	2004	2005	1H06	2007E	2008E
Current Assets	2.9	7.0	9.3	16.2	12.6	n/a	n/a
Fixed Assets	0.8	2.0	9.9	18.5	16.7	n/a	n/a
Total Assets	3.7	8.9	19.2	34.7	32.3	n/a	n/a
Shareholders' Equity	1.1	2.8	9.9	22.9	24.0	n/a	n/a
Current Liabilities	2.4	5.5	5.6	10.1	6.7	n/a	n/a
LT Liabilities	0.2	0.6	3.6	1.7	1.6	n/a	n/a
Total Liabilities	2.6	6.1	9.3	11.8	8.3	n/a	n/a
Total Liabilities & Equity	3.7	8.9	19.2	34.7	32.3	n/a	n/a

Farmak

FARM UZ

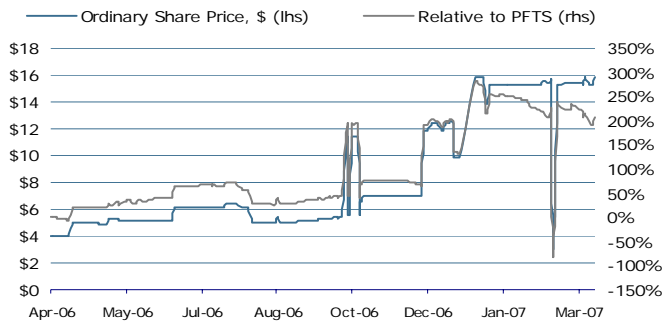
Pharmaceuticals

<http://www.farmak.kiev.ua>

Target Price (USD)
Upside

N/R
n/a

SHARE PRICE PERFORMANCE*



MARKET INFORMATION

Market price*, USD	18.32
Price impact**	3
52 Wk H/L, USD	18.3 / 3.0
Chg 3m/6m/52w	85% / 249% / 363%
Chg vs PFTS 3m/6m/52w	20% / 145% / 270%
Chg YTD	85%
Avg Mo Tr Vol 6M, USD ths	23.75
MCap, USD mln	133.2
Free float, %	10.0%
FF MCap, USD mln	13.3
No of shares, mln	7.3
Par Value, UAH	5.00
XETRA	n/a
DR Ratio	n/a
Avg Mo Tr Vol 6M, USD ths	n/a

BUSINESS OVERVIEW

Farmak is the second largest pharmaceutical producer in Ukraine, enjoying an 11% share in total domestic output. It ranked seventh in pharmaceutical sales via drug-stores with a share of 2.4% in 9M06. The company produces around 150 types of pharmaceutical products and increases its product range annually by 15-20 items. Farmak is a marketing-oriented company that continuously invests in the development and promotion of its products. It exports more than 15% of its total output to CIS, Bulgaria, Poland and Baltic countries. Russia is its priority export market.

The company plans to invest USD 5 mln in the construction of a plant for pharmaceutical raw materials by July 2009. In 2006, Farmak posted a 20.5% decrease in net income to USD 5.1 mln.

STOCK OWNERSHIP

Management	46.0%
Other	54.0%

MARKET MULTIPLES

	2006E	2007E
EV/Sales	3.0	n/a
EV/EBITDA	12.6	n/a
P/E	26.1	n/a
P/B	3.1	n/a
P/CF	15.7	n/a

KEY RATIOS

	2005	2006E	2007E
EBITDA margin	25%	24%	n/a
Net Margin	13%	10%	n/a
ROE	21%	13%	n/a
Net Debt/Equity	0.4	0.5	n/a

* PFTS MID Price is used

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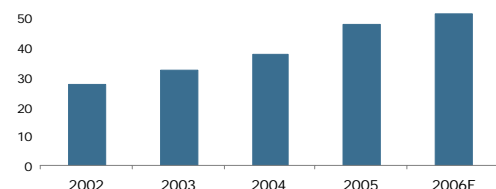
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3: All other stocks (quoted price is less reliable and should be considered indicative)

Note: data (market information, price changes) as of 30 Mar 2007

Net Revenues, USD mln



INCOME STATEMENT SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Net Revenues	27.2	32.1	37.9	47.7	38.6	n/a	n/a
<i>Change y-o-y</i>	-	18.1%	18.1%	25.7%	18.1%	n/a	n/a
Gross Profit	12.7	14.7	16.8	22.1	18.4	n/a	n/a
EBITDA	7.4	8.7	9.1	11.9	9.1	n/a	n/a
<i>margin, %</i>	27.3%	26.9%	24.1%	25.0%	23.6%	n/a	n/a
Depreciation	(1.0)	(1.9)	(2.2)	(2.9)	(2.6)	n/a	n/a
EBIT	6.5	6.7	6.9	9.0	6.6	n/a	n/a
<i>margin, %</i>	23.8%	20.9%	18.3%	18.8%	17.0%	n/a	n/a
Interest Expense	(1.0)	(1.0)	(0.9)	(1.2)	(1.5)	n/a	n/a
Other income/(expense)	(0.4)	(0.7)	0.0	0.6	(0.2)	n/a	n/a
PBT	5.1	5.0	6.0	8.3	4.9	n/a	n/a
Tax	(1.7)	(1.9)	(1.8)	(2.0)	(1.3)	n/a	n/a
<i>Effective tax rate</i>	33.7%	37.1%	30.3%	23.5%	27.0%	n/a	n/a
Net Income	3.4	3.1	4.2	6.4	3.6	n/a	n/a
<i>Net Margin, %</i>	12.4%	9.8%	11.1%	13.4%	9.2%	n/a	n/a

BALANCE SHEET SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Current Assets	10.0	12.4	14.9	19.8	22.7	n/a	n/a
Cash & Equivalents	0.0	0.2	0.1	0.2	0.2	n/a	n/a
Trade Receivables	4.1	6.0	7.1	8.2	10.0	n/a	n/a
Inventories	4.8	5.3	5.9	8.5	9.3	n/a	n/a
Other	1.0	0.9	1.8	3.0	3.2	n/a	n/a
Fixed Assets	25.8	26.0	29.1	42.8	45.8	n/a	n/a
PP&E, net	21.6	21.1	25.1	25.8	32.3	n/a	n/a
Other	4.2	4.8	4.1	17.0	13.5	n/a	n/a
Total Assets	35.8	38.4	44.0	62.6	68.5	n/a	n/a
Shareholders' Equity	24.0	26.8	30.8	38.3	40.8	n/a	n/a
Share Capital	6.8	6.8	6.9	7.2	7.2	n/a	n/a
Retained Earnings	13.7	16.3	20.2	26.9	29.4	n/a	n/a
Other	3.5	3.6	3.8	4.2	4.2	n/a	n/a
Current Liabilities	5.5	10.0	10.1	21.2	20.6	n/a	n/a
ST Interest Bearing Debt	2.1	5.9	4.7	14.2	13.6	n/a	n/a
Trade Payables	2.9	3.2	4.6	6.0	5.4	n/a	n/a
Other	0.5	0.9	0.8	1.0	2.4	n/a	n/a
LT Liabilities	6.3	1.6	3.1	3.1	7.1	n/a	n/a
LT Interest Bearing Debt	6.3	1.6	2.7	2.8	6.8	n/a	n/a
Other	0.0	0.0	0.4	0.2	0.3	n/a	n/a
Total Liabilities & Equity	35.8	38.4	44.0	62.6	68.5	n/a	n/a

QUARTERLY ANALYSIS, USD mln

	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
Net Revenues	7.1	8.7	6.6	15.6	9.7	9.2	13.8	15.0	11.4	13.0	14.2
<i>Change y-o-y</i>	1.5%	20.1%	-18.8%	58.7%	35.9%	6.4%	110.0%	-3.8%	17.5%	41.3%	3.0%
EBITDA	1.7	2.0	2.4	3.1	2.0	2.5	3.7	3.6	2.7	3.1	3.3
<i>margin, %</i>	23.3%	23.2%	36.4%	19.8%	20.9%	27.5%	26.8%	24.3%	24.0%	23.9%	22.9%
EBIT	1.1	1.5	2.6	1.7	1.3	1.8	2.9	2.9	1.9	2.3	2.3
<i>margin, %</i>	16.1%	17.2%	39.9%	10.7%	13.9%	19.6%	21.2%	19.2%	17.1%	17.7%	16.2%
Net Income	0.7	0.9	0.7	1.8	0.8	1.4	2.0	2.2	0.9	1.3	1.4
<i>Net Margin, %</i>	10.2%	10.7%	10.9%	11.8%	8.7%	14.9%	14.4%	14.4%	7.9%	9.8%	9.8%

Galychfarm

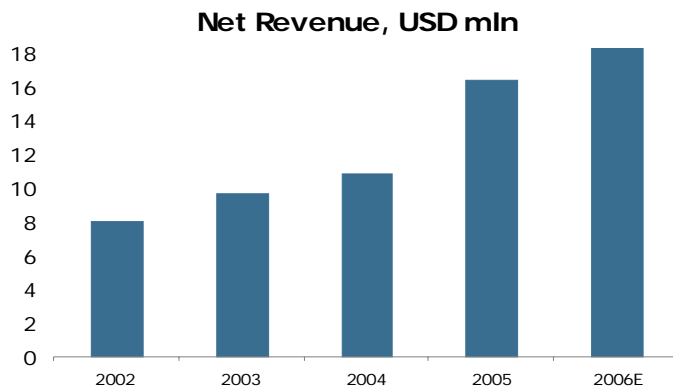
Pharmaceuticals

<http://www.halychpharm.lviv.ua>
Target Price (USD)
N/R
Upside (%)
n/a

BUSINESS OVERVIEW

Galychfarm is a Ukrainian pharmaceutical company engaged in the production of both traditional medical products and phyto-preparations. Its products include about eighty different types of products including pills, ointments, extracts, infusions and other herbal medicines. The company is headquartered in Lviv, in Western Ukraine.

In 2005, Kyivmedpreparat and Galychfarm established the Arterium Corporation, on a parity basis. The corporation is supposed to function as a holding company for both entities, focusing on marketing their products. It also does strategic planning, development and advising to Kyivmedpreparat and Galychfarm. In 2006 Galychfarm posted growth in net income by 13% yoy to USD 1.13 mln.



* The stock is not listed on PFTS

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Note: data (market information, price changes) as of 30 Mar 2007

MARKET INFORMATION

Market price*, USD	n/a
Price impact**	n/a
52 Wk H/L, USD	n/a
Chg 3m/6m/52w	n/a
Chg vs PFTS 3m/6m/52w	n/a
Chg YTD	n/a
Avg Mo Tr Vol 6M, USD ths	n/a
MCap, USD mln	n/a
Free float, %	20.0%
FF MCap, USD mln	n/a
No of shares, mln	1.4
Par Value, UAH	9.00
XETRA	n/a
DR Ratio	n/a
Avg Mo Tr Vol 6M, USD ths	n/a

STOCK OWNERSHIP

Finance & Credit Group	80.0%
Other	20.0%

MARKET MULTIPLES

	2006E	2007E
EV/Sales	n/a	n/a
EV/EBITDA	n/a	n/a
P/E	n/a	n/a
P/B	n/a	n/a
P/CF	n/a	n/a

KEY RATIOS

	2005	2006E	2007E
EBITDA margin	23%	22%	n/a
Net Margin	6%	6%	n/a
ROE	9%	10%	n/a
Net Debt/Equity	1.0	1.0	n/a

INCOME STATEMENT SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Net Revenues	8.0	9.6	10.8	16.4	13.9	n/a	n/a
<i>Change y-o-y</i>	<i>N/M</i>	<i>20.2%</i>	<i>12.2%</i>	<i>51.4%</i>	<i>26.1%</i>	<i>n/a</i>	<i>n/a</i>
Gross Profit	3.5	3.5	4.0	6.1	4.9	n/a	n/a
EBITDA	1.5	1.3	1.0	3.8	3.1	n/a	n/a
<i>margin, %</i>	<i>18.9%</i>	<i>13.4%</i>	<i>9.1%</i>	<i>23.3%</i>	<i>22.3%</i>	<i>n/a</i>	<i>n/a</i>
Depreciation	(0.3)	(0.4)	(0.6)	(0.6)	(0.6)	n/a	n/a
EBIT	1.3	0.9	0.4	3.2	2.5	n/a	n/a
<i>margin, %</i>	<i>15.6%</i>	<i>8.9%</i>	<i>3.6%</i>	<i>19.5%</i>	<i>17.7%</i>	<i>n/a</i>	<i>n/a</i>
Interest Expense	(0.0)	(0.1)	(0.7)	(1.9)	(1.5)	n/a	n/a
Other income/(expense)	0.1	0.0	0.0	(0.0)	(0.0)	n/a	n/a
PBT	1.4	0.7	(0.3)	1.3	1.0	n/a	n/a
Tax	(0.4)	(0.2)	(0.1)	(0.3)	(0.1)	n/a	n/a
<i>Effective tax rate</i>	<i>29.2%</i>	<i>30.0%</i>	<i>-18.4%</i>	<i>23.5%</i>	<i>7.1%</i>	<i>n/a</i>	<i>n/a</i>
Net Income	1.0	0.5	(0.4)	1.0	0.9	n/a	n/a
<i>Net Margin, %</i>	<i>12.1%</i>	<i>5.3%</i>	<i>-3.7%</i>	<i>6.0%</i>	<i>6.6%</i>	<i>n/a</i>	<i>n/a</i>

BALANCE SHEET SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Current Assets	4.7	4.4	15.5	17.8	18.3	n/a	n/a
Cash & Equivalents	0.2	0.1	0.0	0.0	0.0	n/a	n/a
Trade Receivables	1.7	2.1	2.4	2.0	2.0	n/a	n/a
Inventories	2.2	1.8	2.3	4.5	4.6	n/a	n/a
Other	0.6	0.4	10.7	11.3	11.6	n/a	n/a
Fixed Assets	7.4	14.7	6.8	7.7	8.5	n/a	n/a
PP&E, net	4.7	6.8	6.6	6.8	8.4	n/a	n/a
Other	2.6	7.9	0.2	0.9	0.2	n/a	n/a
Total Assets	12.0	19.1	22.3	25.5	26.8	n/a	n/a
Shareholders' Equity	10.4	10.8	10.5	11.4	12.1	n/a	n/a
Share Capital	2.4	2.3	2.4	2.5	2.5	n/a	n/a
Retained Earnings	4.9	5.4	5.1	5.7	6.4	n/a	n/a
Other	3.1	3.1	3.0	3.2	3.2	n/a	n/a
Current Liabilities	1.0	7.3	0.9	2.7	3.3	n/a	n/a
ST Interest Bearing Debt	-	-	0.1	0.7	1.4	n/a	n/a
Trade Payables	0.8	7.1	0.6	1.6	1.4	n/a	n/a
Other	0.2	0.2	0.1	0.4	0.5	n/a	n/a
LT Liabilities	0.6	1.0	10.9	11.4	11.4	n/a	n/a
LT Interest Bearing Debt	0.6	1.0	10.9	10.9	10.9	n/a	n/a
Other	0.0	-	-	0.5	0.5	n/a	n/a
Total Liabilities & Equity	12.0	19.1	22.3	25.5	26.8	n/a	n/a

QUARTERLY ANALYSIS, USD mln

	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
Net Revenues	2.6	2.5	1.4	4.3	3.6	3.5	3.9	5.4	4.8	4.4	4.7
<i>Change y-o-y</i>	<i>20.4%</i>	<i>30.0%</i>	<i>-42.8%</i>	<i>37.2%</i>	<i>38.3%</i>	<i>37.4%</i>	<i>187.6%</i>	<i>24.6%</i>	<i>30.7%</i>	<i>26.9%</i>	<i>21.1%</i>
EBITDA	0.5	(0.5)	1.0	0.0	0.9	0.6	1.1	1.2	1.1	1.2	0.7
<i>margin, %</i>	<i>18.8%</i>	<i>-20.3%</i>	<i>72.0%</i>	<i>0.4%</i>	<i>23.7%</i>	<i>18.2%</i>	<i>28.1%</i>	<i>22.8%</i>	<i>24.1%</i>	<i>27.9%</i>	<i>15.4%</i>
EBIT	0.4	(0.7)	1.0	(0.3)	0.7	0.5	0.9	1.1	1.0	1.0	0.5
<i>margin, %</i>	<i>13.9%</i>	<i>-26.9%</i>	<i>71.6%</i>	<i>-6.4%</i>	<i>19.7%</i>	<i>13.7%</i>	<i>23.7%</i>	<i>20.0%</i>	<i>20.1%</i>	<i>22.0%</i>	<i>11.4%</i>
Net Income	0.2	(0.7)	0.8	(0.8)	0.2	(0.0)	0.4	0.3	0.5	0.4	0.0
<i>Net Margin, %</i>	<i>9.5%</i>	<i>-26.6%</i>	<i>57.3%</i>	<i>-17.5%</i>	<i>5.8%</i>	<i>-0.2%</i>	<i>11.4%</i>	<i>6.3%</i>	<i>10.1%</i>	<i>9.5%</i>	<i>0.3%</i>

Hemoplast

HEMO UZ

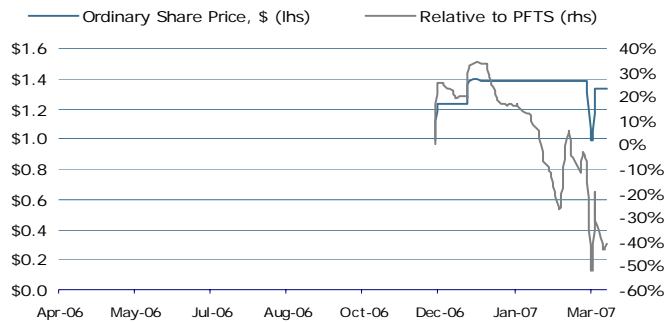
Pharmaceuticals

<http://www.hemoplast.kiev.ua>

Target Price (USD)
Upside

N/R
n/a

SHARE PRICE PERFORMANCE*



Listed on PFTS since 06 Dec 06

BUSINESS OVERVIEW

Hemoplast is a leading manufacturer of medical products made from polymers: disposable syringes, medical sondes, different types of catheters, etc. All the company's products are ISO 9001:2000 and EN 46001:1996 certified. The company sells its products domestically and exports to Russia, Azerbaijan, Georgia, Moldova and Asian countries.

Finance & Credit group and the company's management own 33.6% and 23.5% of Hemoplast's shares, respectively

In 9M06, Hemoplast posted net revenues of USD 17.5 mln, unchanged from 9M05, while its margins improved: EBITDA margin increased to 13.1% from 10.3% in 9M05 and net income margin turned positive to 3.5%, from -1.4% in 9M05.

* PFTS MID Price is used

** Price "Impact" is the opinion of Concorde's trading desk on stocks to help investors estimate the reliability of quoted prices:

- 1: Market price reaction remains within 10% in execution of a market order of about USD 10 mln in size
- 2: Market price reaction remains within 10% in execution of a market order of about USD 1 mln in size
- 3: All other stocks (quoted price is less reliable and should be considered indicative)

Note: data (market information, price changes) as of 30 Mar 2007

MARKET INFORMATION

Market price*, USD	1.29
Price impact**,	3
52 Wk H/L, USD	1.39 / 0.99
Chg 3m/6m/52w	-7% / n/a / n/a
Chg vs PFTS 3m/6m/52w	-72% / -104% / -93%
Chg YTD	-7%
Avg Mo Tr Vol 6M, USD ths	36.60
MCap, USD mln	7.9
Free float, %	42.9%
FF MCap, USD mln	3.4
No of shares, mln	6.1
Par Value, UAH	0.75
XETRA	n/a
DR Ratio	n/a
Avg Mo Tr Vol 6M, USD ths	n/a

STOCK OWNERSHIP

Finance & Credit	33.6%
Management	23.5%
Other	42.9%

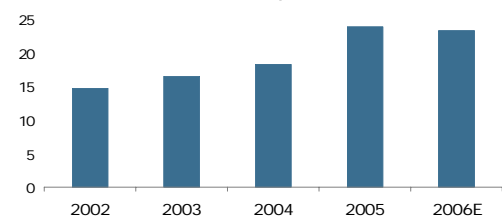
MARKET MULTIPLES

	2006E	2007E
EV/Sales	0.9	n/a
EV/EBITDA	6.5	n/a
P/E	9.6	n/a
P/B	1.5	n/a
P/CF	5.6	n/a

KEY RATIOS

	2005	2006E	2007E
EBITDA margin	10%	13%	n/a
Net Margin	0.4%	4%	n/a
ROE	2%	18%	n/a
Net Debt/Equity	2.7	2.3	n/a

Net Revenue, USD mln



INCOME STATEMENT SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Net Revenues	14.6	16.4	18.3	23.7	17.5	n/a	n/a
<i>Change y-o-y</i>	-	11.8%	11.5%	29.8%	-0.1%	n/a	n/a
Gross Profit	4.2	4.7	4.4	6.2	5.5	n/a	n/a
EBITDA	2.3	0.9	0.3	2.4	2.3	n/a	n/a
<i>margin, %</i>	15.6%	5.4%	1.6%	10.1%	13.1%	n/a	n/a
Depreciation	(0.4)	(0.6)	(0.7)	(0.6)	(0.4)	n/a	n/a
EBIT	1.9	0.3	(0.4)	1.8	1.9	n/a	n/a
<i>margin, %</i>	12.7%	2.0%	-2.4%	7.7%	10.6%	n/a	n/a
Interest Expense	(0.5)	(0.7)	(1.1)	(1.5)	(1.1)	n/a	n/a
Other income/(expense)	(2.3)	0.0	0.5	0.0	0.1	n/a	n/a
PBT	(0.9)	(0.4)	(1.1)	0.3	0.8	n/a	n/a
Tax	(0.0)	(0.2)	(0.2)	(0.3)	(0.2)	n/a	n/a
<i>Effective tax rate</i>	-2.1%	-45.3%	-18.6%	77.6%	27.2%	n/a	n/a
Net Income	(1.0)	(0.6)	(1.3)	0.1	0.6	n/a	n/a
<i>Net Margin, %</i>	-6.5%	-3.5%	-6.9%	0.4%	3.5%	n/a	n/a

BALANCE SHEET SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Current Assets	4.9	4.6	8.4	7.8	8.2	n/a	n/a
Cash & Equivalents	0.2	0.1	0.1	0.1	0.2	n/a	n/a
Trade Receivables	0.7	0.9	1.6	2.0	1.9	n/a	n/a
Inventories	2.2	2.7	3.3	3.8	4.2	n/a	n/a
Other	1.7	1.0	3.5	1.9	1.9	n/a	n/a
Fixed Assets	8.3	12.3	13.5	13.8	13.5	n/a	n/a
PP&E, net	5.8	6.0	6.3	6.9	6.8	n/a	n/a
Other	2.5	6.3	7.2	7.0	6.7	n/a	n/a
Total Assets	13.2	16.9	21.9	21.7	21.7	n/a	n/a
Shareholders' Equity	7.2	6.6	5.4	4.5	5.1	n/a	n/a
Share Capital	0.9	0.9	0.9	0.8	0.8	n/a	n/a
Retained Earnings	(1.0)	(0.6)	(1.3)	1.0	1.8	n/a	n/a
Other	7.3	6.3	5.8	2.7	2.6	n/a	n/a
Current Liabilities	4.4	3.9	5.1	4.9	4.3	n/a	n/a
ST Interest Bearing Debt	1.4	0.5	0.1	0.1	-	n/a	n/a
Trade Payables	1.0	1.6	2.4	2.1	1.7	n/a	n/a
Other	2.1	1.8	2.7	2.7	3.0	n/a	n/a
LT Liabilities	1.5	6.4	11.4	12.2	12.2	n/a	n/a
LT Interest Bearing Debt	1.5	6.4	11.4	12.2	12.2	n/a	n/a
Other	0.1	0.0	-	-	-	n/a	n/a
Total Liabilities & Equity	13.2	16.9	21.9	21.7	21.7	n/a	n/a

QUARTERLY ANALYSIS, USD mln

	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
Net Revenues	4.3	4.5	(8.8)	18.3	5.6	5.9	6.0	6.2	5.9	6.0	5.6
<i>Change y-o-y</i>	14.5%	8.0%	-316.9%	318.2%	29.4%	31.6%	-167.9%	-66.1%	4.1%	2.9%	-7.0%
EBITDA	0.2	0.2	(0.4)	0.3	0.6	0.8	0.4	0.6	0.7	0.7	0.9
<i>margin, %</i>	4.1%	4.4%	4.2%	1.6%	10.3%	13.6%	7.0%	9.6%	11.6%	11.8%	16.1%
EBIT	0.1	0.1	(0.1)	(0.4)	0.4	0.6	0.3	0.5	0.5	0.6	0.8
<i>margin, %</i>	1.4%	1.8%	1.6%	-2.4%	7.8%	11.0%	4.4%	7.5%	9.1%	9.3%	13.5%
Net Income	(0.2)	0.2	0.0	(1.3)	(0.3)	0.2	(0.2)	0.3	0.1	0.2	0.3
<i>Net Margin, %</i>	-4.7%	4.4%	-0.1%	-6.8%	-4.5%	3.6%	-3.3%	5.3%	1.4%	3.2%	6.1%

Kyivmedpreparat

KMED UZ

Pharmaceuticals

<http://www.kievmedpreparat.com>

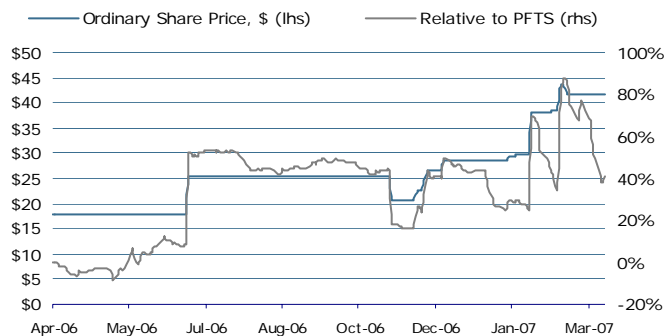
Target Price (USD)
Upside

N/R
n/a

INVESTMENT CASE

- Top-4 Ukrainian pharmaceutical producer
- Major player in the antibiotics niche (20% share of the domestic market)
- Rapidly increasing exports into growing CIS markets
- An attractive acquisition target
- One of the few traded pharmaceutical producers on the PFTS

SHARE PRICE PERFORMANCE*



BUSINESS OVERVIEW

Kyivmedpreparat is one of the largest Ukrainian pharmaceutical producers. Founded in 1847, the plant produced the first penicillin in the USSR in 1947. Since then, the company has focused on the development and production of antibiotics. Kyivmedpreparat was privatized in the 1990s, and now is the core pharmaceutical asset of the Ukrainian Finance & Credit business group.

In 2005, Kyivmedpreparat and Galychfarm, a producer of phyto-preparations also owned by F&C Group, established the Arterium Corporation, on a parity basis. The corporation is supposed to function as a holding company for both entities, focusing on marketing their products. It also does strategic planning, development and advising to Kyivmedpreparat and Galychfarm.

* PFTS MID Price is used
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1: Market price reaction remains within 10% in execution of a market order of about USD 10 mln in size
2: Market price reaction remains within 10% in execution of a market order of about USD 1 mln in size
3: All other stocks (quoted price is less reliable and should be considered indicative)

Note: data (market information, price changes) as of 30 Mar 2007

MARKET INFORMATION

Market price*, USD	41.09
Price impact**	3
52 Wk H/L, USD	43.6 / 17.8
Chg 3m/6m/52w	45% / 63% / 131%
Chg vs PFTS 3m/6m/52w	-20% / -41% / 38%
Chg YTD	45%
Avg Mo Tr Vol 6M, USD ths	2.63
MCap, USD mln	49.5
Free float, %	20.0%
FF MCap, USD mln	9.9

No of shares, mln	1.2
Par Value, UAH	25.00

XETRA	n/a
DR Ratio	n/a
Avg Mo Tr Vol 6M, USD ths	n/a

STOCK OWNERSHIP

Finance & Credit Group	65%
Management	11%
Other	24%

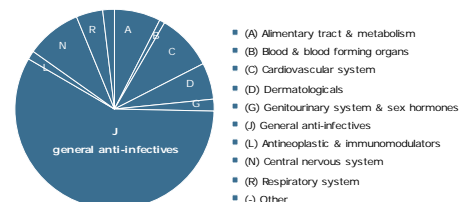
MARKET MULTIPLES

	2006E	2007E
EV/Sales	1.7	1.6
EV/EBITDA	8.4	7.5
P/E	21.8	16.5
P/B	1.6	1.5
P/CF	10.8	9.1

KEY RATIOS

	2005	2006E	2007E
EBITDA margin	18%	20%	21%
Net Margin	8.0%	6%	7%
ROE	18%	8%	10%
Net Debt/Equity	0.5	0.7	0.7

Product Mix in 2005



INCOME STATEMENT SUMMARY, USD mln

	2004	2005	2006E	2007E	2008E
Net Revenues	29.8	39.4	41.0	45.7	54.1
<i>Change y-o-y</i>	<i>N/M</i>	<i>32.0%</i>	<i>4.0%</i>	<i>11.6%</i>	<i>18.3%</i>
Gross Profit	12.1	17.1	15.6	17.4	20.3
EBITDA	4.5	8.5	8.4	9.7	11.6
<i>margin, %</i>	<i>15.2%</i>	<i>21.5%</i>	<i>20.5%</i>	<i>21.2%</i>	<i>21.5%</i>
Depreciation	(1.5)	(1.9)	(2.3)	(2.4)	(2.5)
EBIT	3.1	6.6	6.1	7.3	9.1
<i>margin, %</i>	<i>10.2%</i>	<i>16.7%</i>	<i>14.8%</i>	<i>15.9%</i>	<i>16.8%</i>
Interest Expense	(1.0)	(1.5)	(2.3)	(2.9)	(2.9)
Other income/(expense)	0.0	0.2	(0.4)	-	-
PBT	2.1	5.3	3.4	4.4	6.1
Tax	(0.7)	(1.5)	(1.1)	(1.4)	(1.9)
<i>Effective tax rate</i>	<i>32.1%</i>	<i>28.8%</i>	<i>32.9%</i>	<i>32.0%</i>	<i>31.0%</i>
Net Income	1.4	3.8	2.3	3.0	4.2
<i>Net Margin, %</i>	<i>4.7%</i>	<i>9.6%</i>	<i>5.6%</i>	<i>6.6%</i>	<i>7.8%</i>

BALANCE SHEET SUMMARY, USD mln

	2004	2005	2006E	2007E	2008E
Current Assets	16.7	19.3	27.7	30.7	34.2
Cash & Equivalents	0.5	0.1	0.1	0.1	0.2
Trade Receivables	7.1	9.2	17.5	18.3	19.5
Inventories	8.3	9.3	9.3	11.3	13.5
Other	0.8	0.8	0.8	0.9	1.1
Fixed Assets	26.5	35.8	37.0	40.9	43.3
PP&E, net	13.1	16.0	17.9	20.9	24.1
Other	13.4	19.8	19.1	20.0	19.2
Total Assets	43.2	55.1	64.7	71.6	77.5
Shareholders' Equity	21.0	27.7	30.0	33.0	37.2
Share Capital	3.7	5.8	5.8	5.8	5.8
Reserves and Other	17.3	21.9	24.2	27.1	31.4
Current Liabilities	14.2	14.5	13.2	16.5	17.0
ST Interest Bearing Debt	6.2	6.5	5.0	7.3	6.1
Trade Payables	7.1	5.9	6.6	7.4	8.8
Other	0.9	2.0	1.6	1.8	2.2
LT Liabilities	8.0	12.9	21.5	22.1	23.3
LT Interest Bearing Debt	2.8	7.5	15.8	15.8	15.8
Other	5.2	5.4	5.6	6.3	7.4
Total Liabilities & Equity	43.2	55.1	64.7	71.6	77.5

ENERGY

Oil & Gas

Cardinal Resources
Galychyna Refinery
JKX Oil and Gas
Kherson Refinery
Naftokhimik Prykarpattya
Regal Petroleum
Ukrnafta

Coal

Chervonoarmiyska Zakhidna
Komsomolets Donbasa
Krasnodon Coal
Pavlograd Coal

Cardinal Resources

CDL LN

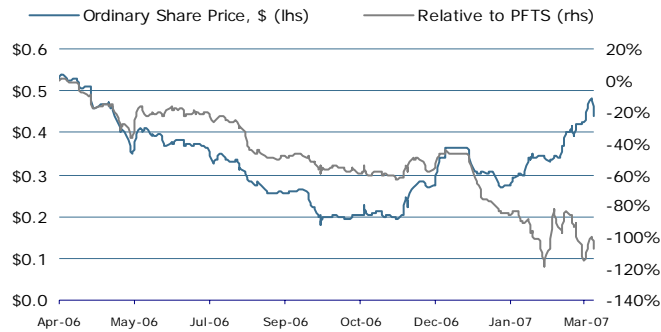
Oil & Gas

<http://www.cardinal-uk.com>

Target Price (USD)
Upside

N/R
n/a

SHARE PRICE PERFORMANCE*



The stock is traded on AIM

BUSINESS OVERVIEW

Cardinal Resources plc (Cardinal) is an independent oil & gas production and exploration company, which has held interests in Ukraine since 1995. It was formerly known as the Carpatsky Petroleum Corporation (Ukraine), a publicly-traded corporation listed in Canada. Cardinal Resources plc was created in April 2004 as the vehicle to restructure Carpatsky Petroleum Corporation. Cardinal Resources plc was listed on the Alternative Investment Market (AiM) of the London Stock Exchange in April 2005. The company holds interests in four fields and three license areas in Ukraine. One of the licenses, Bilousivsko-Chornukhinska (BC), is 100% owned by the company and the remaining licenses and all fields are held through agreements with two Ukrainian state-controlled entities, Ukrnafta and Ukrgazvydobuvannya.

* PFTS 0 Price is used

** Price "impact" is the opinion of Concorde's trading desk on stocks to help investors estimate the reliability of quoted prices:

- 1: Market price reaction remains within 10% in execution of a market order of about USD 10 mln in size
- 2: Market price reaction remains within 10% in execution of a market order of about USD 1 mln in size
- 3: All other stocks (quoted price is less reliable and should be considered indicative)

Note: data (market information, price changes) as of 30 Mar 2007

MARKET INFORMATION

Market price*, USD	0.38
Price impact**	2
52 Wk H/L, USD	0.6 / 0.2
Chg 3m/6m/52w	5% / 86% / -30%
Chg 2006	-26.0%
Chg YTD	5%
Avg Mo Tr Vol 6M, USD ths	1979.0
MCap, USD mln	44.0
Free float, %	81.0%
FF MCap, USD mln	35.6
No of shares, mln (undiluted)	114.6
Par Value, GBP	0.2
XETRA	C5N
DR Ratio	1:1
Avg Mo Tr Vol 6M, USD ths	15.9

STOCK OWNERSHIP

Hares Group	19.2%
QVT Fund	15.4%
Millennium	7.2%
JVL Partners	5.2%
Management	1.8%
Other	51.2%

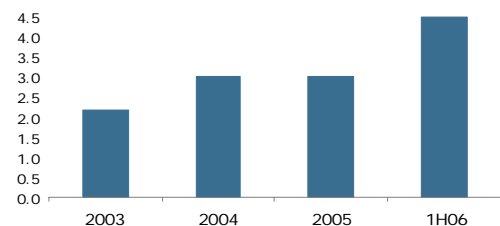
MARKET MULTIPLES

	2006E	2007E
EV/Sales	n/a	n/a
EV/EBITDA	n/a	n/a
P/E	n/a	n/a
P/B	n/a	n/a
P/CF	n/a	n/a

KEY RATIOS

	2005	2006E	2007E
EBITDA margin	-163%	n/a	n/a
Net Margin	-163%	n/a	n/a
ROE	-288%	n/a	n/a
Net Debt/Equity	0.02	n/a	n/a

Sales, USD mln



INCOME STATEMENT SUMMARY, USD mln

	2003	2004	2005	1H06	2007E	2008E
Net Revenues	2.2	3.0	3.0	4.5	n/a	n/a
<i>Change y-o-y</i>	-	37.3%	-0.7%	383.9%	n/a	n/a
Gross Profit	0.5	0.4	1.4	3.0	n/a	n/a
EBITDA	0.3	(4.5)	(7.0)	(1.0)	n/a	n/a
<i>margin, %</i>	13.6%	-149.0%	-232.7%	-22.0%	n/a	n/a
Depreciation	(0.5)	(1.3)	(1.3)	(0.9)	n/a	n/a
EBIT	(0.2)	(5.8)	(8.3)	(1.9)	n/a	n/a
<i>margin, %</i>	-8.6%	-192.1%	-276.7%	-42.2%	n/a	n/a
Interest Expense	0.1	0.4	1.0	(1.5)	n/a	n/a
PBT	(0.1)	(5.4)	(7.3)	(3.4)	n/a	n/a
Tax	(0.2)	(0.2)	(0.5)	(0.6)	n/a	n/a
<i>Effective tax rate</i>	248.5%	3.3%	6.4%	18.8%	n/a	n/a
Net Income	(0.3)	(5.6)	(7.8)	(4.0)	n/a	n/a
<i>Net Margin, %</i>	-13.6%	-185.4%	-259.0%	-88.9%	n/a	n/a

BALANCE SHEET SUMMARY, USD mln

	2003	2004	2005	1H06	2007E	2008E
Current Assets	0.9	5.7	25.7	21.4	n/a	n/a
Cash & Equivalents	0.4	2.2	24.0	14.8	n/a	n/a
Trade Receivables	0.5	3.5	1.5	6.6	n/a	n/a
Inventories	-	-	0.2	-	n/a	n/a
Other	-	-	-	-	n/a	n/a
Fixed Assets	3.5	2.9	17.9	19.4	n/a	n/a
PP&E, net	3.1	2.6	16.3	15.3	n/a	n/a
Other	0.4	0.3	1.6	4.1	n/a	n/a
Total Assets	4.4	8.6	43.6	40.8	n/a	n/a
Shareholders' Equity	0.0	2.6	19.7	17.5	n/a	n/a
Share Capital	8.1	6.8	45.2	45.2	n/a	n/a
Retained Earnings	(12.9)	(18.5)	(27.6)	(30.8)	n/a	n/a
Other	4.8	14.3	2.1	3.1	n/a	n/a
Current Liabilities	4.2	4.7	5.0	3.8	n/a	n/a
LT Liabilities	0.2	1.3	18.9	19.5	n/a	n/a
Total Liabilities & Equity	4.4	8.6	43.6	40.8	n/a	n/a

Galychyna Refinery

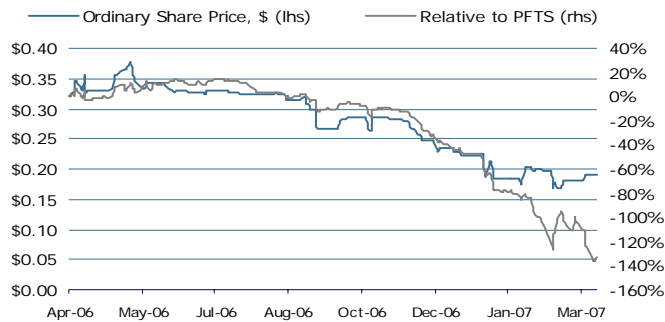
HANZ UZ

Oil & Gas

Target Price (USD)
Upside

N/R
n/a

SHARE PRICE PERFORMANCE*



MARKET INFORMATION

Market price*, USD	0.17
Price impact**	3
52 Wk H/L, USD	0.38 / 0.17
Chg 3m/6m/52w	-24% / -37% / -48%
Chg vs PFTS 3m/6m/52w	-89% / -141% / -141%
Chg YTD	-24%
Avg Mo Tr Vol 6M, USD ths	876.96
MCap, USD mln	146.6
Free float, %	2.0%
FF MCap, USD mln	2.9
No of shares, mln	870.7
Par Value, UAH	0.01
XETRA	n/a
DR Ratio	n/a
Avg Mo Tr Vol 6M, USD ths	n/a

BUSINESS OVERVIEW

Galychyna Refinery, also known as Drogobych NPZ, was founded in 1866 and is the oldest Ukrainian refinery. Its nameplate capacity of 3.5 mln mt/year ranks fifth among the six domestic refineries, though its capacity has been severely underutilized (23% in 2006). The company lacks efficiency and investments: its production facilities are outdated and its refining depth does not exceed 60%. In 2006 the company processed 22% less oil yoy (823 ths mt), which was mainly due to a shortage in crude oil supplies. Following a takeover in early 2006 by Privat Group, the company discontinued processing Russian oil and shifted completely to supplies from domestic oil extraction company Ukrnafta (also controlled by Privat). However, with one more refinery (Naftokhimik Prykarpattya) to process Ukrnafta's oil, Privat could not secure sufficient crude supplies for either refinery or contract for Russian oil.

In 9M06 the company posted growth in sales by 82% yoy to USD 468 mln and increased net loss from USD 1.3 mln in 9M05 to USD 8.7 mln in 9M06.

UPCOMING EVENTS

23 Apr 2007 AGM

STOCK OWNERSHIP

Privat Group	73.0%
State	25.0%
Other	2.0%

MARKET MULTIPLES

	2006E	2007E
EV/Sales	0.3	n/a
EV/EBITDA	25.9	n/a
P/E	106.2	n/a
P/B	2.9	n/a
P/CF	30.1	n/a

KEY RATIOS

	2005	2006E	2007E
EBITDA margin	2%	1%	n/a
Net Margin	0.2%	0.2%	n/a
ROE	1%	3%	n/a
Net Debt/Equity	0.4	0.5	n/a

* PFTS MID Price is used

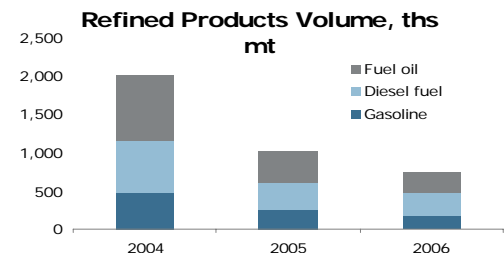
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3: All other stocks (quoted price is less reliable and should be considered indicative)

Note: data (market information, price changes) as of 30 Mar 2007



INCOME STATEMENT SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Net Revenues	57.6	294.7	578.6	347.6	467.7	n/a	n/a
<i>Change y-o-y</i>	-	412.0%	96.3%	-39.9%	81.7%	n/a	n/a
Gross Profit	13.2	22.3	9.6	15.6	20.0	n/a	n/a
EBITDA	4.7	7.7	1.0	6.4	(11.6)	n/a	n/a
<i>margin, %</i>	8.2%	2.6%	0.2%	1.8%	-2.5%	n/a	n/a
Depreciation	(1.2)	(1.6)	(1.9)	(2.6)	(1.7)	n/a	n/a
EBIT	3.5	6.1	(0.9)	3.8	(13.4)	n/a	n/a
<i>margin, %</i>	6.0%	2.1%	-0.2%	1.1%	-2.9%	n/a	n/a
Interest Expense	(1.0)	(1.2)	(22.7)	(3.2)	(9.2)	n/a	n/a
Other income/(expense)	(0.9)	(0.1)	24.6	1.6	13.9	n/a	n/a
PBT	1.6	4.9	1.0	2.2	(8.6)	n/a	n/a
Tax	(1.0)	(4.6)	-	(1.5)	(0.0)	n/a	n/a
<i>Effective tax rate</i>	58.4%	94.6%	0.0%	67.0%	-0.6%	n/a	n/a
Net Income	0.7	0.3	1.0	0.7	(8.7)	n/a	n/a
<i>Net Margin, %</i>	1.2%	0.1%	0.2%	0.2%	-1.9%	n/a	n/a

BALANCE SHEET SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Current Assets	25.1	88.0	101.8	65.6	161.5	n/a	n/a
Cash & Equivalents	0.4	0.0	0.0	0.0	0.0	n/a	n/a
Trade Receivables	11.3	54.6	41.2	4.1	100.2	n/a	n/a
Inventories	3.2	7.1	6.4	22.6	28.2	n/a	n/a
Other	10.1	26.4	54.2	38.9	33.1	n/a	n/a
Fixed Assets	31.8	34.4	38.6	42.0	45.3	n/a	n/a
PP&E, net	15.7	19.8	21.8	20.7	20.5	n/a	n/a
Other	16.2	14.7	16.9	21.2	24.8	n/a	n/a
Total Assets	56.9	122.5	140.4	107.6	206.9	n/a	n/a
Shareholders' Equity	42.8	43.1	48.9	52.0	43.4	n/a	n/a
Share Capital	1.6	1.6	1.6	1.7	1.7	n/a	n/a
Retained Earnings	0.8	1.0	6.7	7.7	(1.0)	n/a	n/a
Other	40.4	40.4	40.6	42.6	42.7	n/a	n/a
Current Liabilities	13.1	72.8	72.5	36.2	155.3	n/a	n/a
ST Interest Bearing Debt	8.6	7.8	7.5	5.5	-	n/a	n/a
Trade Payables	2.2	58.9	45.3	4.2	149.2	n/a	n/a
Other	2.3	6.1	19.6	26.5	8.2	n/a	n/a
LT Liabilities	1.0	6.6	19.0	19.3	8.1	n/a	n/a
LT Interest Bearing Debt	-	1.1	18.2	17.2	5.9	n/a	n/a
Other	1.0	5.5	0.9	2.2	2.2	n/a	n/a
Total Liabilities & Equity	56.9	122.5	140.4	107.6	206.9	n/a	n/a

QUARTERLY ANALYSIS, USD mln

	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
Net Revenues	158.7	48.2	50.4	90.3	78.1	172.5	217.0
<i>Change y-o-y</i>	N/M	N/M	N/M	N/M	-50.8%	257.6%	330.5%
EBITDA	1.4	0.7	(0.1)	4.4	5.2	(0.7)	(16.1)
<i>margin, %</i>	0.9%	1.6%	-0.2%	4.8%	6.6%	-0.4%	-7.4%
EBIT	0.7	0.1	(0.7)	3.7	4.6	(1.3)	(16.7)
<i>margin, %</i>	0.5%	0.2%	-1.5%	4.1%	5.9%	-0.7%	-7.7%
Net Income	0.0	0.2	(1.5)	2.0	9.9	(1.7)	(16.9)
<i>Net Margin, %</i>	0.0%	0.4%	-3.0%	2.2%	12.7%	-1.0%	-7.8%

JKX Oil & Gas

JKX LN

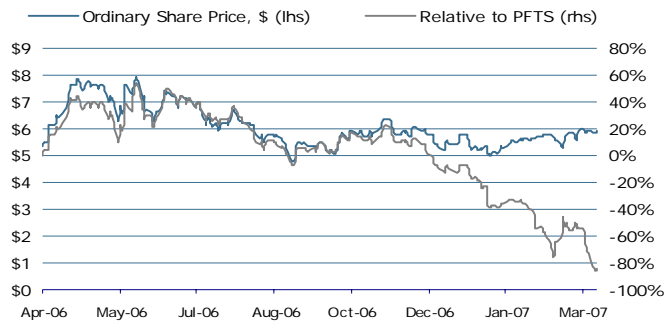
Oil & Gas

<http://www.jkx.co.uk>

Target Price (USD)
Upside

N/R
n/a

SHARE PRICE PERFORMANCE*



The stock is traded on LSE

BUSINESS OVERVIEW

JKX Oil & Gas plc is an exploration and production company that is listed on the London Stock Exchange. The company has license interests in Ukraine, Georgia, Russia, Italy, Bulgaria, Turkey and the United States. Operations in Ukraine account for approximately 100% of the company's net revenue and producing reserves in 2006. JKX has been operating in Ukraine since 1994. The company's wholly owned subsidiary, the Poltava Petroleum Company, is the largest non-state producer of oil and gas in Ukraine.

* PFTS 0 Price is used
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Note: data (market information, price changes) as of 30 Mar 2007

MARKET INFORMATION

Market price*, USD	5.97
Price impact**	1
52 Wk H/L, USD	8.7 / 4.9
Chg 3m/6m/52w	3% / 4% / -3%
Chg 2006	19.0%
Chg YTD	3%
Avg Mo Tr Vol 6M, USD ths	69346.9
MCap, USD mln	913.0
Free float, %	60.1%
FF MCap, USD mln	548.7
No of shares, mln	152.8
Par Value, GBP	0.1
XETRA	JKX
DR Ratio	1:25
Avg Mo Tr Vol 6M, USD ths	42.9

STOCK OWNERSHIP

Glengary Overseas Ltd	16.2%
Benam Holdings Ltd	9.7%
Interneft Ltd	7.4%
Naftogaz Ukrainy	6.6%
Other	60.1%

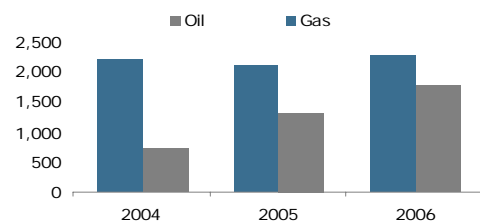
MARKET MULTIPLES

	2006	2007E
EV/Sales	6.3	n/a
EV/EBITDA	6.9	n/a
P/E	11.7	n/a
P/B	4.2	n/a
P/CF	9.8	n/a

KEY RATIOS

	2005	2006	2007E
EBITDA margin	72%	92%	n/a
Net Margin	45%	59%	n/a
ROE	19%	52%	n/a
Net Debt/Equity	-0.4	-0.4	n/a

Oil & Gas Production, Mboe



INCOME STATEMENT SUMMARY, USD mln

	2002	2003	2004	2005	2006	2007E	2008E
Net Revenues	19.9	36.9	46.6	82.9	131.7	n/a	n/a
<i>Change y-o-y</i>	-	85.4%	26.3%	77.9%	58.9%	n/a	n/a
Gross Profit	7.4	16.6	28.2	66.9	127.8	n/a	n/a
EBITDA	7.2	12.3	28.6	59.7	121.0	n/a	n/a
<i>margin, %</i>	36.2%	33.3%	61.4%	72.0%	91.9%	n/a	n/a
Depreciation	(3.8)	(0.4)	(5.0)	(9.7)	(15.2)	n/a	n/a
EBIT	3.4	11.9	23.6	50.0	105.8	n/a	n/a
<i>margin, %</i>	17.1%	32.2%	50.6%	60.3%	80.3%	n/a	n/a
Interest Expense	0.1	(0.0)	0.0	1.3	3.4	n/a	n/a
PBT	3.5	11.9	23.6	51.3	109.2	n/a	n/a
Tax	-	(1.9)	(3.9)	(14.1)	(31.4)	n/a	n/a
<i>Effective tax rate</i>	-	16.0%	16.5%	27.5%	28.8%	n/a	n/a
Net Income	3.5	10.0	19.7	37.2	77.8	n/a	n/a
<i>Net Margin, %</i>	17.6%	27.1%	42.3%	44.9%	59.0%	n/a	n/a

BALANCE SHEET SUMMARY, USD mln

	2002	2003	2004	2005	2006	2007E	2008E
Current Assets	10.0	30.8	54.3	64.0	91.7	n/a	n/a
Cash & Equivalents	3.7	19.7	39.1	56.9	81.1	n/a	n/a
Trade Receivables	6.3	11.1	15.0	6.3	9.5	n/a	n/a
Inventories	0.0	0.0	0.2	0.8	1.0	n/a	n/a
Other	-	-	-	-	-	n/a	n/a
Fixed Assets	56.9	57.7	79.9	102.9	147.9	n/a	n/a
PP&E, net	37.9	47.5	65.5	81.5	119.4	n/a	n/a
Other	19.0	10.2	14.4	21.4	5.0	n/a	n/a
Total Assets	66.9	88.5	134.2	166.9	239.6	n/a	n/a
Shareholders' Equity	61.4	73.9	100.3	148.3	218.6	n/a	n/a
Share Capital	32.6	35.6	43.7	60.8	62.0	n/a	n/a
Retained Earnings	(2.5)	7.0	25.3	57.1	127.6	n/a	n/a
Other	31.3	31.3	31.3	30.4	29.0	n/a	n/a
Current Liabilities	5.5	14.5	33.0	15.2	14.1	n/a	n/a
LT Liabilities	-	0.1	0.9	3.4	6.8	n/a	n/a
Total Liabilities & Equity	66.9	88.5	134.2	166.9	239.6	n/a	n/a

Kherson Refinery

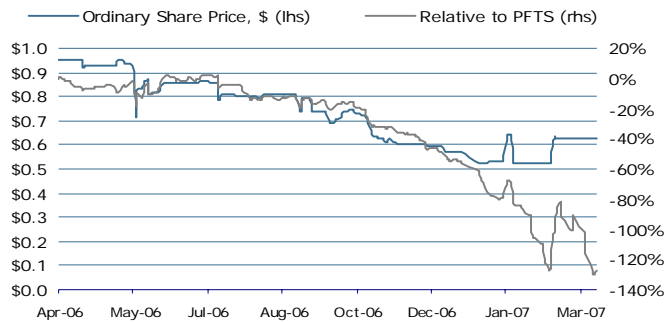
HNPk UZ

Oil & Gas

Target Price (USD)
Upside

N/R
n/a

SHARE PRICE PERFORMANCE*



MARKET INFORMATION

Market price*, USD	0.62
Price impact**	3
52 Wk H/L, USD	0.95 / 0.52
Chg 3m/6m/52w	8% / -16% / -34%
Chg vs PFTS 3m/6m/52w	-57% / -120% / -127%
Chg YTD	8%
Avg Mo Tr Vol 6M, USD ths	0.0
MCap, USD mln	81.5
Free float, %	12.4%
FF MCap, USD mln	10.1
No of shares, mln	131.7
Par Value, UAH	0.05
XETRA	n/a
DR Ratio	n/a
Avg Mo Tr Vol 6M, USD ths	n/a

BUSINESS OVERVIEW

Kherson Refinery is the number three Ukrainian refinery in terms of nameplate capacity (7.1 mln mt/year). Established in 1938, it is one of Ukraine's oldest refineries. It processes crude oil supplied from Russia. The plant was stopped for major overhauls in 1Q06. According to its modernization plan, refining depth will be increased to 90% by 2011, but there has not been any indication that the company has started to implement its modernization program.

In January 2007 HNPk shareholders approved 39% ownership in a new closed joint stock company (CJSC), which implies significant asset stripping risk.

STOCK OWNERSHIP

KazMunaiGaz	60.0%
Alyans Group	27.6%
Other	12.4%

MARKET MULTIPLES

	2006E	2007E
EV/Sales	0.8	n/a
EV/EBITDA	-347.6	n/a
P/E	-19.9	n/a
P/B	4.3	n/a
P/CF	-43.1	n/a

UPCOMING EVENTS

27 Apr 2007 AGM

KEY RATIOS

	2005	2006E	2007E
EBITDA margin	-11%	0%	n/a
Net Margin	-27%	-4%	n/a
ROE	-19%	-18%	n/a
Net Debt/Equity	0.4	0.5	n/a

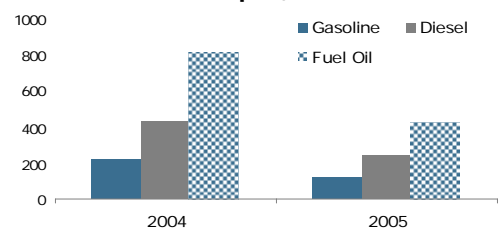
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Note: data (market information, price changes) as of 30 Mar 2007

HNPk Output, ths mt



INCOME STATEMENT SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Net Revenues	36.8	20.8	25.2	17.4	82.7	n/a	n/a
<i>Change y-o-y</i>	-	-43.5%	21.5%	-31.1%	378.8%	n/a	n/a
Gross Profit	7.7	7.8	6.2	0.8	(0.2)	n/a	n/a
EBITDA	4.8	4.1	3.3	(1.9)	(2.9)	n/a	n/a
<i>margin, %</i>	13.0%	19.6%	12.9%	-11.2%	-3.5%	n/a	n/a
Depreciation	(2.3)	(2.3)	(2.6)	(2.7)	(1.7)	n/a	n/a
EBIT	2.5	1.7	0.7	(4.7)	(4.5)	n/a	n/a
<i>margin, %</i>	6.7%	8.4%	2.8%	-27.0%	-5.5%	n/a	n/a
Interest Expense	(0.6)	(0.3)	(0.4)	(0.2)	(0.2)	n/a	n/a
Other income/(expense)	0.1	0.0	0.1	0.0	0.1	n/a	n/a
PBT	2.0	1.5	0.4	(4.8)	(4.6)	n/a	n/a
Tax	(1.0)	(0.8)	(0.4)	-	-	n/a	n/a
<i>Effective tax rate</i>	50.5%	53.9%	98.0%	0.0%	0.0%	n/a	n/a
Net Income	1.0	0.7	0.0	(4.8)	(4.6)	n/a	n/a
<i>Net Margin, %</i>	2.6%	3.2%	0.0%	-27.7%	-5.5%	n/a	n/a

BALANCE SHEET SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Current Assets	9.2	11.5	8.2	5.1	27.9	n/a	n/a
Cash & Equivalents	0.0	1.0	0.0	0.1	0.1	n/a	n/a
Trade Receivables	1.0	0.4	1.4	0.3	23.7	n/a	n/a
Inventories	3.8	4.5	3.4	3.2	2.8	n/a	n/a
Other	4.3	5.7	3.3	1.6	1.3	n/a	n/a
Fixed Assets	30.6	31.4	31.6	37.2	38.0	n/a	n/a
PP&E, net	20.0	20.8	20.9	22.1	20.6	n/a	n/a
Other	10.6	10.6	10.6	15.1	17.4	n/a	n/a
Total Assets	39.7	42.9	39.7	42.3	65.9	n/a	n/a
Shareholders' Equity	24.9	25.5	25.7	23.0	18.4	n/a	n/a
Share Capital	1.2	1.2	1.2	1.3	1.3	n/a	n/a
Retained Earnings	(1.7)	(1.0)	(1.0)	(5.1)	(9.4)	n/a	n/a
Other	25.3	25.3	25.5	26.7	26.5	n/a	n/a
Current Liabilities	7.1	9.1	5.6	10.2	38.5	n/a	n/a
ST Interest Bearing Debt	2.0	2.3	-	-	-	n/a	n/a
Trade Payables	4.1	2.5	4.4	4.2	9.9	n/a	n/a
Other	1.1	4.3	1.2	6.1	28.7	n/a	n/a
LT Liabilities	7.8	8.3	8.5	9.1	9.1	n/a	n/a
LT Interest Bearing Debt	7.6	7.6	8.3	9.1	9.1	n/a	n/a
Other	0.1	0.6	0.3	-	-	n/a	n/a
Total Liabilities & Equity	39.7	42.9	39.7	42.3	65.9	n/a	n/a

QUARTERLY ANALYSIS, USD mln

	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
Net Revenues	4.1	5.5	7.7	7.9	5.6	4.4	7.3	0.1	6.2	32.9	43.7
<i>Change y-o-y</i>	-40.6%	14.1%	104.7%	50.6%	34.8%	-19.4%	-4.9%	-98.7%	11.2%	645.7%	496.8%
EBITDA	0.4	0.4	0.9	1.6	1.2	(0.1)	(0.7)	(2.4)	(2.7)	(1.1)	0.9
<i>margin, %</i>	10.2%	6.9%	11.7%	19.7%	22.1%	-1.7%	-9.7%	-2357.5%	-44.2%	-3.3%	2.1%
EBIT	(0.2)	(0.3)	0.3	0.9	0.6	(0.8)	(1.4)	(3.1)	(3.4)	(1.8)	0.7
<i>margin, %</i>	-5.3%	-4.9%	3.3%	11.7%	10.0%	-17.7%	-18.6%	-3070.9%	-55.8%	-5.4%	1.6%
Net Income	(0.4)	(0.6)	(0.1)	1.1	0.0	(1.0)	(1.4)	(2.5)	(3.4)	(1.8)	0.7
<i>Net Margin, %</i>	-9.0%	-10.5%	-1.6%	13.5%	0.8%	-21.6%	-19.6%	-2442.7%	-55.5%	-5.5%	1.5%

Naftokhimik Prykarpattya

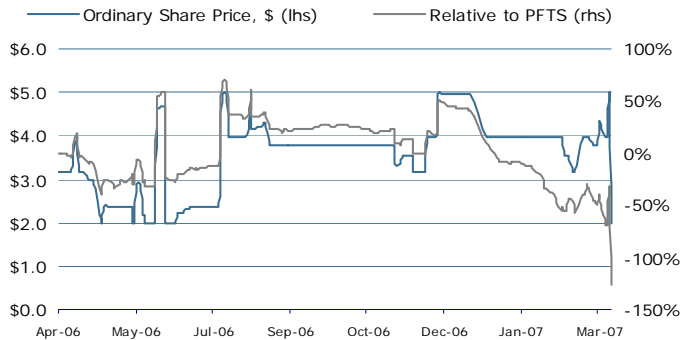
NAFF UZ

Oil & Gas

Target Price (USD)
Upside

N/R
n/a

SHARE PRICE PERFORMANCE*



MARKET INFORMATION

Market price*, USD	1.98
Price impact**	3
52 Wk H/L, USD	4.95 / 1.98
Chg 3m/6m/52w	-60% / -47% / -38%
Chg vs PFTS 3m/6m/52w	-125% / -152% / -130%
Chg YTD	-60%
Avg Mo Tr Vol 6M, USD ths	673.05
MCap, USD mln	26.0
Free float, %	11.0%
FF MCap, USD mln	2.9
No of shares, mln	13.1
Par Value, UAH	0.25
XETRA	N3ZA
DR Ratio	1:1
Avg Mo Tr Vol 6M, USD ths	0.00

BUSINESS OVERVIEW

Naftokhimik Prykarpattya is the smallest Ukrainian refinery with a nameplate capacity of 2.6 mln mt/yr. Light oil products make up 61.5% of its total processing volume. Currently the company refines only Ukrainian oil, which it receives from the largest Ukrainian oil producer, Ukrnafta. In 2006 Ukrnafta redirected about 1.1 mln mt of crude from Naftokhimik to Galychyna, which resulted in a 42% decrease in crude supplies to the first. The company's petroleum products are sold mainly in western Ukraine through Ukrnafta, Alfa-nafta and several other retail networks.

In 2006 Naftokhimik Prykarpattya reported 8 times decrease in net income to USD 1.93 mln and 2.7 times growth in net revenues to USD 721 mln.

Companies affiliated with Privat Group control the refinery.

STOCK OWNERSHIP

Privat Group	63%
State	26%
Other	11%

MARKET MULTIPLES

	2006E	2007E
EV/Sales	0.1	n/a
EV/EBITDA	3.7	n/a
P/E	13.5	n/a
P/B	0.5	n/a
P/CF	6.0	n/a

KEY RATIOS

	2005	2006E	2007E
EBITDA margin	10%	2%	n/a
Net Margin	6%	0.3%	n/a
ROE	44%	4%	n/a
Net Debt/Equity	1.2	0.4	n/a

* PFTS BID Price is used

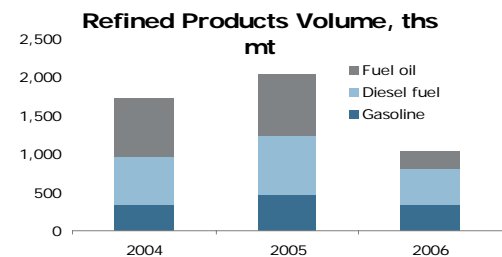
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3: All other stocks (quoted price is less reliable and should be considered indicative)

Note: data (market information, price changes) as of 30 Mar 2007



INCOME STATEMENT SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Net Revenues	62.3	180.4	428.1	265.6	581.1	n/a	n/a
<i>Change y-o-y</i>	-	189.4%	137.4%	-38.0%	190.0%	n/a	n/a
Gross Profit	3.4	12.9	10.8	22.5	12.4	n/a	n/a
EBITDA	2.2	6.8	8.0	27.6	9.9	n/a	n/a
<i>margin, %</i>	3.5%	3.8%	1.9%	10.4%	1.7%	n/a	n/a
Depreciation	(1.1)	(1.1)	(1.3)	(2.2)	(1.8)	n/a	n/a
EBIT	1.1	5.7	6.7	25.4	8.1	n/a	n/a
<i>margin, %</i>	1.8%	3.2%	1.6%	9.6%	1.4%	n/a	n/a
Interest Expense	(0.1)	(0.9)	(2.0)	(3.9)	(4.7)	n/a	n/a
Other income/(expense)	(0.4)	0.0	0.6	0.2	0.2	n/a	n/a
PBT	0.7	4.8	5.3	21.6	3.5	n/a	n/a
Tax	(0.7)	(0.1)	(1.7)	(6.2)	(1.6)	n/a	n/a
<i>Effective tax rate</i>	106.1%	1.5%	32.7%	28.5%	45.3%	n/a	n/a
Net Income	(0.0)	4.8	3.6	15.3	1.9	n/a	n/a
<i>Net Margin, %</i>	-0.1%	2.6%	0.8%	5.8%	0.3%	n/a	n/a

BALANCE SHEET SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Current Assets	25.8	77.3	116.4	135.8	255.6	n/a	n/a
Cash & Equivalents	0.0	0.0	0.0	0.0	0.0	n/a	n/a
Trade Receivables	12.1	44.7	67.7	41.6	154.7	n/a	n/a
Inventories	4.7	6.0	8.3	14.3	21.5	n/a	n/a
Other	8.9	26.6	40.4	80.0	79.4	n/a	n/a
Fixed Assets	17.6	21.0	28.6	36.1	47.5	n/a	n/a
PP&E, net	15.7	15.5	24.1	25.4	25.1	n/a	n/a
Other	1.9	5.5	4.5	10.7	22.3	n/a	n/a
Total Assets	43.4	98.3	145.1	172.0	303.1	n/a	n/a
Shareholders' Equity	26.4	31.2	34.8	50.2	47.8	n/a	n/a
Share Capital	0.6	0.6	0.6	0.6	0.6	n/a	n/a
Retained Earnings	0.2	4.9	7.6	21.6	19.4	n/a	n/a
Other	25.6	25.7	26.6	27.9	27.8	n/a	n/a
Current Liabilities	16.6	56.9	89.1	56.1	226.2	n/a	n/a
ST Interest Bearing Debt	2.1	-	2.7	0.3	-	n/a	n/a
Trade Payables	11.4	46.6	63.2	40.6	205.8	n/a	n/a
Other	3.1	10.2	23.2	15.3	24.8	n/a	n/a
LT Liabilities	0.4	10.3	21.1	65.7	29.0	n/a	n/a
LT Interest Bearing Debt	-	9.9	19.4	59.1	22.4	n/a	n/a
Other	0.4	0.4	1.8	6.7	6.7	n/a	n/a
Total Liabilities & Equity	43.4	98.3	145.1	172.0	303.1	n/a	n/a

QUARTERLY ANALYSIS, USD mln

	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
Net Revenues	70.3	48.8	81.4	65.2	144.1	176.3	260.7
<i>Change y-o-y</i>	N/M	N/M	N/M	N/M	105.0%	261.7%	220.4%
EBITDA	4.6	10.8	7.5	4.7	5.6	1.3	3.0
<i>margin, %</i>	6.5%	22.2%	9.2%	7.1%	3.9%	0.8%	1.1%
EBIT	4.1	10.3	7.0	4.1	5.0	0.7	2.4
<i>margin, %</i>	5.8%	21.1%	8.6%	6.2%	3.5%	0.4%	0.9%
Net Income	3.4	9.4	5.3	(2.8)	2.9	(1.0)	0.1
<i>Net Margin, %</i>	4.9%	19.4%	6.5%	-4.3%	2.0%	-0.6%	0.0%

Regal Petroleum

RPT LN

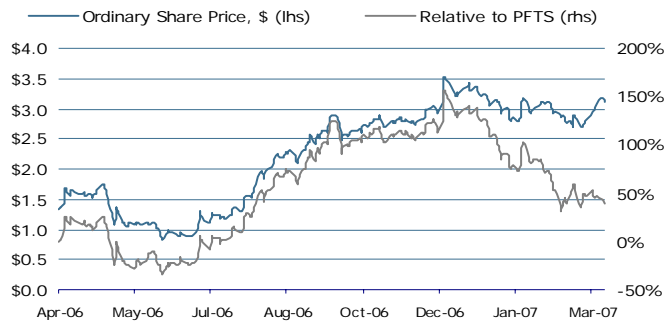
Oil & Gas

<http://www.regalpetroleum.co.uk>

Target Price (USD)
Upside

N/R
n/a

SHARE PRICE PERFORMANCE*



The stock is listed on LSE

BUSINESS OVERVIEW

Regal Petroleum's principal activity is exploring, developing and producing oil and gas. The group operates an under-developed gas and condensate field, located in the Dneiper-Donets basin in the northeast of Ukraine. Together with Chernihivnaftohazheolohia, Regal Petroleum has been developing the Mekhedivsko-Holotovschynske and the Svyrydivske deposits that together account for almost 90% of the company's proved & probable oil and gas reserves. The company estimated that its proved and probable reserves amount to 190.6 MMboe, of which about 89% is located in Ukraine. Natural gas accounts for about 92% of Regal's reserves. The company also has operations in Greece, and E&P interests in Romania, Egypt and Liberia.

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Note: data (market information, price changes) as of 30 Mar 2007

MARKET INFORMATION

Market price*, USD	3.49
Price impact**	1
52 Wk H/L, USD	3.7 / 0.7
Chg 3m/6m/52w	4% / 15% / 136%
Chg 2006	43.9%
Chg YTD	4%
Avg Mo Tr Vol 6M, USD ths	50722.5
MCap, USD mln	448.0
Free float, %	67.3%
FF MCap, USD mln	301.5
No of shares, mln	128.5
Par Value, USD	0.05
XETRA	n/a
DR Ratio	n/a
Avg Mo Tr Vol 6M, USD ths	n/a

STOCK OWNERSHIP

CA Fiduciary Services Ltd	18.9%
Henderson Global Investors	13.8%
Other	67.3%

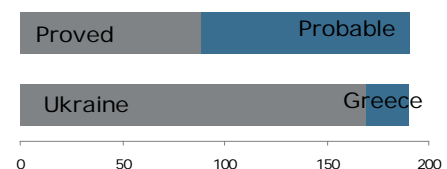
MARKET MULTIPLES

	2006E	2007E
EV/Sales	n/a	n/a
EV/EBITDA	n/a	n/a
P/E	n/a	n/a
P/B	n/a	n/a
P/CF	n/a	n/a

KEY RATIOS

	2005	2006E	2007E
EBITDA margin	-197%	n/a	n/a
Net Margin	-222%	n/a	n/a
ROE	-70%	n/a	n/a
Net Debt/Equity	0.7	n/a	n/a

Oil and Gas Reserves, MMboe



INCOME STATEMENT SUMMARY, USD mln

	2002	2003	2004	2005	2006E	2007E	2008E
Net Revenues	0.4	6.2	23.1	20.6	n/a	n/a	n/a
<i>Change y-o-y</i>	<i>N/M</i>	<i>1490%</i>	<i>272%</i>	<i>-11%</i>	<i>n/a</i>	<i>n/a</i>	<i>n/a</i>
Gross Profit	0.33	0.7	(3.2)	(0.7)	n/a	n/a	n/a
EBITDA	(2.7)	(1.1)	(5.0)	(40.6)	n/a	n/a	n/a
<i>margin, %</i>	<i>-689.7%</i>	<i>-17.9%</i>	<i>-21.5%</i>	<i>-197.4%</i>	<i>n/a</i>	<i>n/a</i>	<i>n/a</i>
Depreciation	(0.0)	(1.4)	(4.2)	(4.2)	n/a	n/a	n/a
EBIT	(2.7)	(2.5)	(9.2)	(44.8)	n/a	n/a	n/a
<i>margin, %</i>	<i>-689.7%</i>	<i>-40.0%</i>	<i>-39.6%</i>	<i>-217.9%</i>	<i>n/a</i>	<i>n/a</i>	<i>n/a</i>
Interest Expense	(0.3)	(0.1)	(0.2)	(0.1)	n/a	n/a	n/a
PBT	(3.0)	(2.6)	(9.3)	(44.9)	n/a	n/a	n/a
Tax	-	-	(0.48)	(0.67)	n/a	n/a	n/a
<i>Effective tax rate</i>	<i>0.0%</i>	<i>0.0%</i>	<i>5.1%</i>	<i>1.5%</i>	<i>n/a</i>	<i>n/a</i>	<i>n/a</i>
Net Income	(3.0)	(1.8)	(7.4)	(45.5)	n/a	n/a	n/a
<i>Net Margin, %</i>	<i>-764.1%</i>	<i>-28.5%</i>	<i>-32.2%</i>	<i>-221.6%</i>	<i>n/a</i>	<i>n/a</i>	<i>n/a</i>

BALANCE SHEET SUMMARY, USD mln

	2002	2003	2004	2005	2006E	2007E	2008E
Current Assets	6.6	24.6	26.7	23.3	n/a	n/a	n/a
Cash & Equivalents	5.6	18.1	15.1	20.3	n/a	n/a	n/a
Trade Receivables	0.6	4.0	5.5	2.8	n/a	n/a	n/a
Inventories	-	2.0	5.3	0.0	n/a	n/a	n/a
Other	0.4	0.5	0.9	0.1	n/a	n/a	n/a
Fixed Assets	3.7	22.8	55.7	51.1	n/a	n/a	n/a
PP&E, net	3.7	20.3	50.99	17.1	n/a	n/a	n/a
Other	-	2.6	4.7	34.0	n/a	n/a	n/a
Total Assets	10.3	47.4	82.4	74.4	n/a	n/a	n/a
Shareholders' Equity	9.5	35.8	65.0	72.9	n/a	n/a	n/a
Share Capital	12.0	39.5	75.0	133.0	n/a	n/a	n/a
Retained Earnings	(7.1)	(7.8)	(14.3)	(64.5)	n/a	n/a	n/a
Other	4.5	4.0	4.3	4.4	n/a	n/a	n/a
Current Liabilities	0.7	8.7	16.0	1.3	n/a	n/a	n/a
LT Liabilities	0.1	2.9	1.4	0.1	n/a	n/a	n/a
Total Liabilities & Equity	10.3	47.4	82.4	74.4	n/a	n/a	n/a

Ukrnafta

UNAF UZ

Oil & Gas

<http://www.ukrnafta.com>

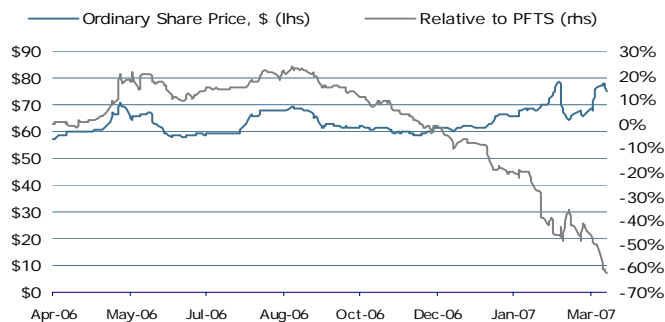
Target Price (USD)
Upside

56.0
-23.9%

INVESTMENT CASE

- Will be affected by yet another royalty hike and below-market gas pricing demanded by the government
- Revenue growth will be determined mainly by the pace of retail expansion
- Suffered from two consecutive 100% dividend payouts in 2005-06, making underinvestment a risk

SHARE PRICE PERFORMANCE *



BUSINESS OVERVIEW

Ukrnafta is the largest oil producer and the second largest gas extractor in Ukraine. In 2006 it accounted for about 71% of total domestic oil and condensate extraction (23.4 mln bbl/year). The company is majority owned by the state-owned oil & gas company Naftogaz Ukrainy (50%+1 share) and the local Privat business group (~42%). Ukrnafta is also involved in gas processing (3 plants) and is the largest fuel retailer in Ukraine with ~560 outlets. Its share in the domestic fuel retail market is about 12-14%. Thanks to the expansion of its retail business, in 9M06 the company posted sales growth of 51.5% yoy and increased its EBITDA by 36.7% yoy. However, its increased focus on fuel retail came at the expense of lower profitability. Over the same period, Ukrnafta's EBITDA margin decreased by about 5 pp to 47.1% and its net margin was down to 29.1%, a drop of about 8 pp.

* PFTS MID Price is used
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Note: data (market information, price changes) as of 30 Mar 2007

MARKET INFORMATION

Market price*, USD	73.61
Price impact**	1
52 Wk H/L, USD	78.2 / 56.8
Chg 3m/6m/52w	18% / 17% / 29%
Chg vs PFTS 3m/6m/52w	-47% / -87% / -64%
Chg YTD	18%
Avg Mo Tr Vol 6M, USD ths	6693.58
MCap, USD mln	3992.0
Free float, %	8.0%
FF MCap, USD mln	319.4
No of shares, mln	54.2
Par Value, UAH	0.25
XETRA	UKAA
DR Ratio	1:6
Avg Mo Tr Vol 6M, USD ths	2212.7

STOCK OWNERSHIP

State	50%+1
Privat Group	42.0%
Other	8.0%

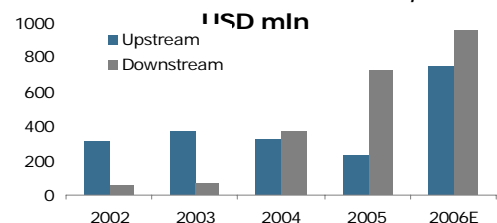
MARKET MULTIPLES

	2006E	2007E
EV/Sales	2.4	2.1
EV/EBITDA	5.8	6.8
P/E	9.3	11.6
P/B	3.3	3.0
P/CF	7.1	8.0

KEY RATIOS

	2005	2006E	2007E
EBITDA margin	54%	41%	30%
Net Margin	34%	25%	17%
ROE	37%	42%	29%
Net Debt/Equity	0.1	0.1	0.2

Oil and Oil Product Sales, USD mln



INCOME STATEMENT SUMMARY, USD mln

	2002	2003	2004	2005	2006E	2007E	2008E
Net Revenues	384.3	554.0	820.6	1,090.0	1,701.9	2,052.6	2,537.9
Change y-o-y	-	44.2%	48.1%	32.8%	56.4%	20.6%	23.6%
Gross Profit	259.6	353.2	511.8	693.2	823.5	767.9	845.3
EBITDA	223.9	320.7	460.7	587.2	704.4	622.2	662.5
margin, %	58.3%	57.9%	56.1%	53.9%	41.4%	30.3%	26.1%
Depreciation	(60.2)	(81.8)	(91.6)	(100.2)	(128.3)	(151.9)	(174.6)
EBIT	163.7	238.9	369.1	486.9	576.1	470.3	487.9
margin, %	42.6%	43.1%	45.0%	44.7%	33.8%	22.9%	19.2%
Interest Expense	(2.4)	(0.7)	(5.8)	(10.5)	(12.0)	(21.6)	(31.8)
Other income/(expense)	(18.8)	(4.7)	(3.3)	10.4	(13.3)	(13.3)	(13.3)
PBT	142.5	233.5	360.1	486.8	574.5	459.1	466.5
Tax	(58.7)	(66.6)	(106.5)	(120.7)	(143.6)	(114.8)	(116.6)
Effective tax rate	41.2%	28.5%	29.6%	24.8%	25.0%	25.0%	25.0%
Net Income	83.7	166.9	253.5	364.8	430.9	344.3	349.9
Net Margin, %	21.8%	30.1%	30.9%	33.5%	25.3%	16.8%	13.8%

BALANCE SHEET SUMMARY, USD mln

	2002	2003	2004	2005	2006E	2007E	2008E
Current Assets	197.4	237.6	422.1	340.6	591.1	688.0	871.5
Cash & Equivalents	8.1	3.9	23.8	14.9	50.8	61.6	76.1
Trade Receivables	78.9	81.1	137.3	38.5	186.3	205.3	253.8
Inventories	58.2	61.6	195.5	160.3	218.5	256.9	338.5
Other	52.2	91.0	65.5	126.8	135.5	164.2	203.0
Fixed Assets	737.5	937.8	1,122.7	1,254.7	1,484.4	1,798.4	2,071.0
PP&E, net	562.4	562.9	848.7	1,055.6	1,274.2	1,577.4	1,835.4
Other	175.1	374.9	274.0	199.1	210.3	221.1	235.6
Total Assets	934.9	1,175.4	1,544.8	1,595.3	2,075.5	2,486.4	2,942.5
Shareholders' Equity	826.4	994.3	1,234.8	1,400.6	1,191.7	1,329.4	1,469.3
Share Capital	2.5	2.5	2.6	2.7	2.7	2.7	2.7
Retained Earnings	567.8	736.4	981.1	1,134.8	-	-	-
Other	256.1	255.4	251.1	263.2	1,189.0	1,326.7	1,466.7
Current Liabilities	105.5	180.3	208.0	106.3	730.4	828.7	1,003.9
ST Interest Bearing Debt	18.0	-	-	-	-	-	-
Trade Payables	36.3	76.8	111.2	42.7	174.8	256.9	338.5
Other	51.2	103.6	96.8	63.6	556.0	572.0	665.0
LT Liabilities	3.0	0.8	102.0	88.4	153.4	328.3	469.3
LT Interest Bearing Debt	0.1	-	100.8	87.7	152.4	327.1	467.8
Other	3.0	0.8	1.2	0.7	1.0	1.2	1.5
Total Liabilities & Equity	934.9	1,175.4	1,544.8	1,595.3	2,075.5	2,486.4	2,942.5

QUARTERLY ANALYSIS, USD mln

	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
Net Revenues	151.7	179.3	54.5	435.1	237.0	231.3	380.9	240.8	402.7	424.6	459.1
Change y-o-y	40.1%	37.7%	-62.8%	157.4%	56.2%	29.0%	599.2%	-44.7%	69.9%	83.6%	20.5%
EBITDA	88.3	94.3	51.3	226.8	127.4	111.9	204.2	143.6	281.7	96.6	228.1
margin, %	58.2%	52.6%	94.1%	52.1%	53.8%	48.4%	53.6%	59.6%	70.0%	22.7%	49.7%
EBIT	68.3	68.7	34.4	197.8	104.4	87.2	178.2	117.1	254.6	67.7	200.1
margin, %	45.0%	38.3%	63.1%	45.5%	44.1%	37.7%	46.8%	48.6%	63.2%	15.9%	43.6%
Net Income	51.9	40.7	16.5	144.4	105.2	33.5	175.6	50.5	187.2	37.4	149.0
Net Margin, %	34.2%	22.7%	30.2%	33.2%	44.4%	14.5%	46.1%	20.9%	46.5%	8.8%	32.5%

Chervonarmiyska Zakhidna SHCHZ UZ

Coal

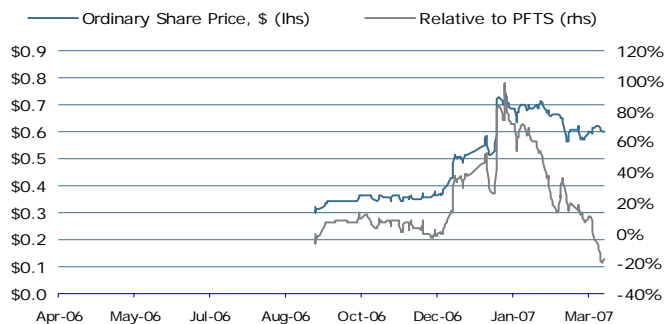
<http://www.kz1.donetsk.ua>

Target Price (USD) 0.80
Upside 34%

INVESTMENT CASE

- Will benefit from the 14-16 mln mt deficit for hard coking coal in Ukraine, twice their capacity
- Competitive to Russia in terms of cost/quality
- Current investment program will increase the company's output by 40% by 2010
- Reports healthy margins

SHARE PRICE PERFORMANCE*



Listed on PFTS since 19 Sep 2006

BUSINESS OVERVIEW

Chervonoarmiyska Zakhidna is Ukraine's largest maker of coking coal. The mine also produces value-added coking concentrate at an in-house enrichment plant. Its major consumers are the related Yasinivsky and Makiyivka coke plants. The company boosted its coal extraction by 10% yoy in 9M06 to 5.1 mln mt.

In 9M06 the company reported a decline in net revenues by 1% yoy to USD 204.6 mln, a decrease in EBITDA margin to 31.8% from 48.1% in 9M05, and a reduction in its net margin to 12.6% from 28.5% in 9M05.

Chervonoarmiyska Zakhidna plans to invest more than USD 230 mln to almost double its output to 10 mln mt by 2010. Specifically, the company will complete construction of Groove #2 (diameter 8m, depth 850m) and buy new mining equipment, which will increase the production capacity of coking coal concentrate to ~6.5 mln mt (up 60%).

* PFTS MID Price is used
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 2: Market price reaction remains within 10% in execution of a market order of about USD 1 mln in size
 3: All other stocks (quoted price is less reliable and should be considered indicative)

Note: data (market information, price changes) as of 30 Mar 2007

MARKET INFORMATION

Market price*, USD	0.60
Price impact**	3
52 Wk H/L, USD	0.78 / 0.30
Chg 3m/6m/52w	10% / 76% / n/a
Chg vs PFTS 3m/6m/52w	-55% / -28% / -93%
Chg YTD	10%
Avg Mo Tr Vol 6M, USD ths	423.95
MCap, USD mln	508.3
Free float, %	2.1%
FF MCap, USD mln	10.7
No of shares, mln	848.5
Par Value (UAH)	0.25
XETRA	n/a
DR Ratio	n/a
Avg Mo Tr Vol 6M, USD ths	n/a

STOCK OWNERSHIP

Donetskstal	46.0%
Investorozvytok LTD	41.0%
Other	13.0%

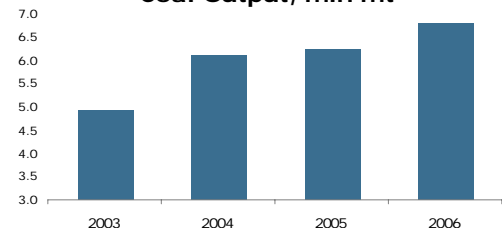
MARKET MULTIPLES

	2006E	2007E
EV/Sales	1.9	1.6
EV/EBITDA	5.0	4.2
P/E	10.9	9.0
P/B	1.7	1.4
P/CF	6.6	5.9

KEY RATIOS

	2005	2006E	2007E
EBITDA margin	43%	37%	38%
Net Margin	23%	17%	18%
ROE	34%	18%	19%
Net Debt/Equity	0.000	-0.001	-0.001

Coal Output, mln mt



INCOME STATEMENT SUMMARY, USD mln

	2003	2004	2005	9M06	2007E	2008E
Net Revenues	95.7	134.9	276.8	204.6	n/a	n/a
<i>Change y-o-y</i>	-	41.0%	105.2%	-1.0%	n/a	n/a
Gross Profit	29.4	36.9	132.7	79.8	n/a	n/a
EBITDA	21.1	27.2	117.4	65.0	n/a	n/a
<i>margin, %</i>	22.1%	20.2%	42.4%	31.8%	n/a	n/a
Depreciation	(16.3)	(17.1)	(24.8)	(23.8)	n/a	n/a
EBIT	4.9	10.1	92.6	41.2	n/a	n/a
<i>margin, %</i>	5.1%	7.5%	33.4%	20.1%	n/a	n/a
Interest Expense	(1.1)	(0.6)	(0.0)	(0.0)	n/a	n/a
Other income/(expense)	(3.8)	(0.8)	(1.3)	(5.0)	n/a	n/a
PBT	(0.1)	8.7	91.2	36.2	n/a	n/a
Tax	-	-	(27.8)	(10.4)	n/a	n/a
<i>Effective tax rate</i>	0.0%	0.0%	30.5%	28.6%	n/a	n/a
Net Income	(0.1)	8.7	63.0	25.9	n/a	n/a
<i>Net Margin, %</i>	-0.1%	6.4%	22.8%	12.6%	n/a	n/a

BALANCE SHEET SUMMARY, USD mln

	2003	2004	2005	9M06	2007E	2008E
Current Assets	46.5	35.0	26.3	51.2	n/a	n/a
Cash & Equivalents	0.0	0.1	0.2	0.3	n/a	n/a
Trade Receivables	26.3	5.9	4.8	23.7	n/a	n/a
Inventories	7.1	13.9	16.9	23.1	n/a	n/a
Other	13.1	15.1	4.3	4.2	n/a	n/a
Fixed Assets	152.4	195.5	271.1	306.6	n/a	n/a
PP&E, net	129.5	160.3	209.6	224.8	n/a	n/a
Other	22.9	35.2	61.5	81.7	n/a	n/a
Total Assets	198.8	230.5	297.4	357.8	n/a	n/a
Shareholders' Equity	176.3	185.0	252.3	290.3	n/a	n/a
Share Capital	39.8	38.5	42.0	42.0	n/a	n/a
Retained Earnings	46.7	54.6	109.0	134.1	n/a	n/a
Other	89.7	91.8	101.3	114.2	n/a	n/a
Current Liabilities	19.7	45.4	45.1	67.5	n/a	n/a
ST Interest Bearing Debt	5.8	0.5	-	-	n/a	n/a
Trade Payables	8.7	37.1	29.6	55.8	n/a	n/a
Other	5.2	7.8	15.5	17.6	n/a	n/a
LT Liabilities	2.9	0.1	0.0	-	n/a	n/a
LT Interest Bearing Debt	2.8	-	-	-	n/a	n/a
Other	0.1	0.1	0.0	-	n/a	n/a
Total Liabilities & Equity	198.8	230.5	297.4	357.8	n/a	n/a

QUARTERLY ANALYSIS, USD mln

	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
Net Revenues	29.6	32.1	28.4	44.7	66.3	71.4	68.9	70.2	69.6	67.7	67.3
<i>Change y-o-y</i>	16.9%	37.8%	32.3%	75.2%	123.7%	122.3%	142.4%	57.1%	4.9%	-5.2%	-2.3%
EBITDA	8.1	7.5	1.8	9.7	31.7	35.7	32.1	17.9	28.8	20.3	15.9
<i>margin, %</i>	27.3%	23.5%	6.5%	21.7%	47.8%	50.0%	46.5%	25.5%	41.3%	30.0%	23.7%
EBIT	4.2	3.4	(2.5)	5.0	26.5	29.5	25.5	11.1	20.7	12.3	8.2
<i>margin, %</i>	14.2%	10.7%	-8.9%	11.1%	40.0%	41.3%	37.0%	15.8%	29.7%	18.2%	12.2%
Net Income	3.6	3.5	(3.4)	5.0	25.5	20.6	12.7	4.2	17.7	7.4	0.8
<i>Net Margin, %</i>	12.2%	10.8%	-12.0%	11.2%	38.5%	28.9%	18.4%	6.0%	25.5%	10.9%	1.1%

Komsomolets Donbasa

SHKD UZ

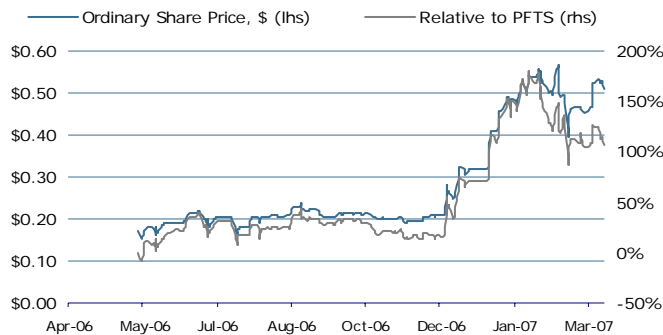
Coal

Target Price (USD)
0.60
Upside
24%

INVESTMENT CASE

- Robust growth and improved profitability
- Competitive on export markets in terms of cost/quality
- Due to its affiliation with SCM, will benefit from growing domestic demand for lean coal and see stable orders from power generators
- Part of SCM's energy holding, DFEC, which is likely to participate in its anticipated IPO

SHARE PRICE PERFORMANCE*



Listed on PFTS since 19 Jun 2006

BUSINESS OVERVIEW

Komsomolets Donbassa is a leading domestic producer of steam coal, with 6% of the country's steam coal production and steadily growing demand thanks to its link with thermal power generator Vostok Energy. The company controls nine coal seams with a maximum depth of 800 m. In late November 2006, the company launched a new coal seam equipped with modern extracting equipment (650 ths mt coal seam). According to management, the new seam will allow the mine to increase output to 3.35 mln mt in 2007 (up 8% yoy).

Komsomolets Donbassa improved its financial results in 2006, sales by 31% yoy to USD 110.2 mln, EBITDA and net margins increased to 26% and 6.6% respectively, compared to 17.1% and 0.9% in 2005.

In July 2006, SCM bought a 26% stake in SHKD and now owns 87% of the mine.

MARKET INFORMATION

Market price*, USD	0.49
Price impact**	3
52 Wk H/L, USD	0.56 / 0.15
Chg 3m/6m/52w	53% / 127% / 180%
Chg vs PFTS 3m/6m/52w	-12% / 23% / 87%
Chg YTD	53%
Avg Mo Tr Vol 6M, USD ths	423.71
MCap, USD mln	162.5
Free float, %	2.5%
FF MCap, USD mln	4.1
No of shares, mln	334.9
Par Value (UAH)	0.25
XETRA	n/a
DR Ratio	n/a
Avg Mo Tr Vol 6M, USD ths	n/a

STOCK OWNERSHIP

DTBK	94.6%
Other	5.4%

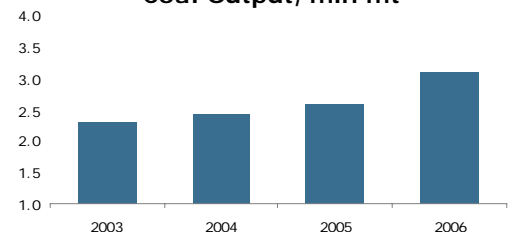
MARKET MULTIPLES

	2006	2007E
EV/Sales	1.5	1.4
EV/EBITDA	5.6	4.6
P/E	22.3	9.2
P/B	3.8	2.7
P/CF	10.0	6.1

KEY RATIOS

	2005	2006	2007E
EBITDA margin	17%	26%	30%
Net Margin	1%	7%	15%
ROE	2%	21%	42%
Net Debt/Equity	-0.02	-0.01	-0.01

Coal Output, mln mt



* PFTS MID Price is used

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- 2: Market price reaction remains within 10% in execution of a market order of about USD 1 mln in size
- 3: All other stocks (quoted price is less reliable and should be considered indicative)

Note: data (market information, price changes) as of 30 Mar 2007

INCOME STATEMENT SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Net Revenues	46.7	45.1	60.3	84.1	79.1	n/a	n/a
<i>Change y-o-y</i>	-	-3.4%	33.5%	39.5%	32.1%	n/a	n/a
Gross Profit	10.7	7.7	16.2	24.8	30.4	n/a	n/a
EBITDA	4.0	1.7	7.7	14.4	23.1	n/a	n/a
<i>margin, %</i>	8.5%	3.7%	12.7%	17.1%	29.2%	n/a	n/a
Depreciation	(4.5)	(4.7)	(5.7)	(7.3)	(6.6)	n/a	n/a
EBIT	(0.6)	(3.1)	1.9	7.1	16.6	n/a	n/a
<i>margin, %</i>	-1.2%	-6.9%	3.2%	8.4%	20.9%	n/a	n/a
Interest Expense	(0.0)	(0.1)	(0.2)	(0.0)	(0.1)	n/a	n/a
Other income/(expense)	(0.5)	3.2	(5.4)	(1.4)	(0.6)	n/a	n/a
PBT	(1.1)	0.0	(3.7)	5.7	15.9	n/a	n/a
Tax	(0.5)	(0.0)	(0.8)	(4.8)	(5.5)	n/a	n/a
<i>Effective tax rate</i>	-45.8%	1052.9%	-20.7%	85.6%	34.5%	n/a	n/a
Net Income	(1.6)	0.2	(4.5)	0.8	10.4	n/a	n/a
<i>Net Margin, %</i>	-3.5%	0.4%	-7.4%	0.9%	13.2%	n/a	n/a

BALANCE SHEET SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Current Assets	16.3	12.9	17.1	19.7	30.7	n/a	n/a
Cash & Equivalents	0.1	0.0	0.1	0.6	0.5	n/a	n/a
Trade Receivables	11.8	7.7	10.4	10.0	17.0	n/a	n/a
Inventories	3.5	2.7	4.3	4.2	2.8	n/a	n/a
Other	0.9	2.5	2.2	4.9	10.3	n/a	n/a
Fixed Assets	58.1	62.7	72.1	80.8	82.1	n/a	n/a
PP&E, net	54.5	59.5	64.0	71.4	69.2	n/a	n/a
Other	3.7	3.2	8.1	9.4	12.9	n/a	n/a
Total Assets	74.4	75.6	89.2	100.4	112.8	n/a	n/a
Shareholders' Equity	41.5	37.0	32.6	35.4	45.9	n/a	n/a
Share Capital	15.7	15.7	15.8	16.6	16.6	n/a	n/a
Retained Earnings	(11.8)	(1.8)	(6.4)	(6.2)	4.1	n/a	n/a
Other	37.6	23.1	23.2	25.1	25.2	n/a	n/a
Current Liabilities	30.1	38.1	56.1	64.7	65.7	n/a	n/a
ST Interest Bearing Debt	0.8	1.7	0.0	-	-	n/a	n/a
Trade Payables	25.0	34.0	37.8	45.9	42.6	n/a	n/a
Other	4.3	2.4	18.3	18.7	28.3	n/a	n/a
LT Liabilities	2.8	0.5	0.4	0.3	1.2	n/a	n/a
LT Interest Bearing Debt	2.1	-	-	-	-	n/a	n/a
Other	0.7	0.5	0.4	0.3	1.2	n/a	n/a
Total Liabilities & Equity	74.4	75.6	89.2	100.4	112.8	n/a	n/a

QUARTERLY ANALYSIS, USD mln

	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
Net Revenues	15.1	17.3	13.0	14.9	14.1	20.3	25.5	24.2	25.3	24.4	29.4
<i>Change y-o-y</i>	23.4%	86.2%	23.7%	13.3%	-6.4%	17.0%	96.6%	62.7%	78.9%	20.4%	15.3%
EBITDA	3.0	4.5	(0.3)	0.5	1.4	2.2	6.8	3.9	7.4	7.0	8.7
<i>margin, %</i>	19.7%	25.7%	-2.3%	3.5%	10.1%	11.1%	26.9%	16.0%	29.1%	28.8%	29.7%
EBIT	1.6	3.0	(1.7)	(1.0)	(0.3)	0.4	4.9	2.1	5.3	5.1	6.2
<i>margin, %</i>	10.4%	17.3%	-13.0%	-6.5%	-2.4%	2.1%	19.3%	8.5%	21.0%	20.8%	21.0%
Net Income	1.2	(1.2)	(2.2)	(2.2)	(1.3)	(0.4)	2.6	(0.1)	3.7	3.2	3.5
<i>Net Margin, %</i>	7.8%	-6.8%	-17.1%	-15.1%	-9.0%	-2.2%	10.2%	-0.5%	14.5%	13.0%	12.1%

Krasnodon Coal

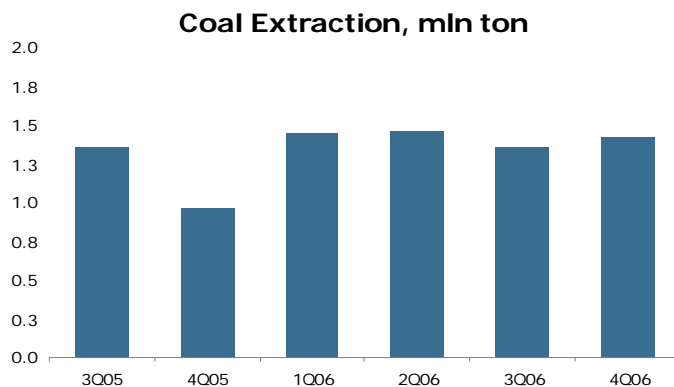
Coal

Target Price (USD)
N/R
Upside (%)
n/a

BUSINESS OVERVIEW

Krasnodon Coal was the fifth Ukrainian coking coal producer in terms of output in 2006. The company operates seven mines and one administration mine (with a total capacity of 4,830 ths mt of coal p.a.), two enrichment plants and several other subsidiaries. Krasnodon Coal has proved recoverable coal reserves of 388 mln mt. The company specializes in the production of semi-hard coking coal. System Capital Management owns a 99.9% stake in Krasnodon Coal, which it acquired in 2004-2005 via two privatization tenders. Krasnodon Coal supplies its products mainly to SCM and IUD-controlled coke companies.

Krasnodon Coal increased its charter fund in 2006 by USD 59.4 mln to USD 292.1 mln. In 2006, the mine produced 5.67 mln mt of coal. In 9M06 the company posted 13.8% yoy growth in its net revenues to USD 190.5 mln, a decline in its EBITDA margin to 7.4% from 20.2% in 9M05, and a decrease in its net margin to negative 5.4% from 0.4% in 9M05.



* The stock is not listed on PFTS

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- 2: Market price reaction remains within 10% in execution of a market order of about USD 1 mln in size
- 3: All other stocks (quoted price is less reliable and should be considered indicative)

Note: data (market information, price changes) as of 30 Mar 2007

MARKET INFORMATION

Market price*, USD	n/a
Price impact**	n/a
52 Wk H/L, USD	n/a
Chg 3m/6m/52w	n/a
Chg vs PFTS 3m/6m/52w	n/a
Chg YTD	n/a
Avg Mo Tr Vol 6M, USD ths	n/a
MCap, USD mln	n/a
Free float, %	0.1%
FF MCap, USD mln	n/a
No of shares, mln	1200.0
Par Value (UAH)	0.25
XETRA	n/a
DR Ratio	n/a
Avg Mo Tr Vol 6M, USD ths	n/a

STOCK OWNERSHIP

SCM-related	99.9%
Other	0.1%

MARKET MULTIPLES

	2006E	2007E
EV/Sales	n/a	n/a
EV/EBITDA	n/a	n/a
P/E	n/a	n/a
P/B	n/a	n/a
P/CF	n/a	n/a

KEY RATIOS

	2005	2006E	2007E
EBITDA margin	15%	7%	n/a
Net Margin	-8%	-5%	n/a
ROE	-8%	-6%	n/a
Net Debt/Equity	0.24	0.2	n/a

INCOME STATEMENT SUMMARY, USD mln

	2003	2004	2005	9M06	2007E	2008E
Net Revenues	107.8	143.7	229.0	190.5	n/a	n/a
<i>Change y-o-y</i>	-	33.3%	59.4%	13.8%	n/a	n/a
Gross Profit	15.1	47.6	66.8	29.7	n/a	n/a
EBITDA	(3.2)	23.1	35.3	14.1	n/a	n/a
<i>margin, %</i>	-3.0%	16.1%	15.4%	7.4%	n/a	n/a
Depreciation	(18.9)	(22.6)	(27.5)	(22.4)	n/a	n/a
EBIT	(22.2)	0.5	7.9	(8.3)	n/a	n/a
<i>margin, %</i>	-20.6%	0.4%	3.4%	-4.4%	n/a	n/a
Interest Expense	(1.9)	(0.2)	(0.6)	(1.7)	n/a	n/a
Other income/(expense)	1.9	2.0	(8.1)	(0.3)	n/a	n/a
PBT	(22.2)	2.3	(0.8)	(10.3)	n/a	n/a
Tax	(0.3)	(4.7)	(17.6)	-	n/a	n/a
<i>Effective tax rate</i>	-1.1%	202.7%	-2271.7%	0.0%	n/a	n/a
Net Income	(22.5)	(2.4)	(18.7)	(10.3)	n/a	n/a
<i>Net Margin, %</i>	-20.9%	-1.7%	-8.2%	-5.4%	n/a	n/a

BALANCE SHEET SUMMARY, USD mln

	2003	2004	2005	9M06	2007E	2008E
Current Assets	35.2	32.5	49.7	74.3	n/a	n/a
Cash & Equivalents	0.8	0.3	1.2	0.3	n/a	n/a
Trade Receivables	7.1	9.0	8.7	35.3	n/a	n/a
Inventories	7.0	12.0	23.4	18.2	n/a	n/a
Other	20.4	11.1	16.4	20.6	n/a	n/a
Fixed Assets	297.3	359.8	386.1	436.7	n/a	n/a
PP&E, net	213.9	258.5	293.4	318.4	n/a	n/a
Other	83.5	101.3	92.7	118.3	n/a	n/a
Total Assets	332.6	392.2	435.8	511.0	n/a	n/a
Shareholders' Equity	184.7	221.3	218.7	239.0	n/a	n/a
Share Capital	160.5	221.5	232.7	232.7	n/a	n/a
Retained Earnings	(89.4)	(7.7)	(27.8)	(29.7)	n/a	n/a
Other	113.7	7.5	13.8	36.0	n/a	n/a
Current Liabilities	138.4	160.9	172.5	238.2	n/a	n/a
ST Interest Bearing Debt	1.8	2.1	19.9	0.0	n/a	n/a
Trade Payables	69.7	95.1	86.3	150.6	n/a	n/a
Other	66.9	63.8	66.3	128.3	n/a	n/a
LT Liabilities	9.5	10.0	44.5	33.9	n/a	n/a
LT Interest Bearing Debt	0.0	-	33.6	33.6	n/a	n/a
Other	9.5	10.0	11.0	0.3	n/a	n/a
Total Liabilities & Equity	332.6	392.2	435.8	511.0	n/a	n/a

QUARTERLY ANALYSIS, USD mln

	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
Net Revenues	35.0	36.6	36.6	35.4	46.8	61.0	59.5	61.7	62.0	63.4	65.0
<i>Change y-o-y</i>	-	-33.8%	45.6%	29.4%	33.7%	66.6%	62.5%	74.1%	32.4%	4.0%	9.3%
EBITDA	4.9	6.6	8.1	3.5	12.2	17.0	4.6	1.5	1.5	5.7	6.8
<i>margin, %</i>	14.1%	18.0%	22.1%	9.9%	26.1%	27.9%	7.7%	2.4%	2.5%	9.0%	10.5%
EBIT	0.1	0.5	2.3	(2.3)	6.1	10.1	(2.7)	(5.6)	(5.9)	(1.9)	(0.5)
<i>margin, %</i>	0.2%	1.3%	6.3%	-6.6%	12.9%	16.5%	-4.5%	-9.1%	-9.6%	-3.0%	-0.8%
Net Income	0.6	0.8	1.8	(5.6)	6.5	0.8	(6.7)	(19.4)	(7.5)	(2.0)	(0.8)
<i>Net Margin, %</i>	1.6%	2.2%	4.9%	-15.9%	13.9%	1.3%	-11.2%	-31.4%	-12.1%	-3.1%	-1.3%

Pavlograd Coal

Coal

Target Price (USD)
N/R
Upside (%)
n/a

BUSINESS OVERVIEW

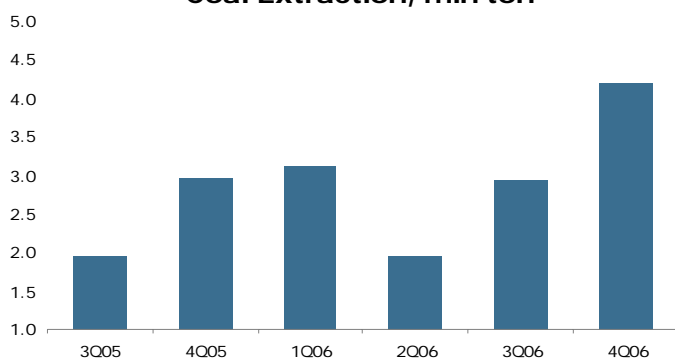
Pavlograd Coal is the largest privately-owned mining company in Ukraine and accounted for 15.3% of total domestic coal extraction in 2006. It has two coal enrichment plants, 10 coal mines, 11 servicing and trading companies, and other subsidiaries. The company produces coal concentrate, coking and steam coal. On Mar 28, 2007, the State Property Fund sold its remaining 7.82% stake in Pavlograd Coal at par value of USD 21.5 mln to SCM-related Ceramet-Invest.

During 9M06, Pavlograd Coal maintained an average daily coal extraction volume of 32.3 ths mts. The company also improved the ash content in its coal, reducing it by 0.4% yoy to 36.9% in 9M06. In 2006, Pavlograd Coal increased coal extraction by 1.4% yoy to 12.1 mln mt.

In 9M06 the company posted 36.4% yoy growth of net revenues to USD 313.3 mln, an increase in its EBITDA margin to 9% from 5% in 9M05, and a declining negative net margin of 0.3% from negative 5% in 9M05.

According to the company's plans, around USD 93 mln will be invested in technology modernization in 2007.

Coal Extraction, mln ton



MARKET INFORMATION

Market price*, USD	n/a
Price impact**	n/a
52 Wk H/L, USD	n/a
Chg 3m/6m/52w	n/a
Chg vs PFTS 3m/6m/52w	n/a
Chg YTD	n/a
Avg Mo Tr Vol 6M, USD ths	n/a
MCap, USD mln	n/a
Free float, %	0.1%
FF MCap, USD mln	n/a
No of shares, mln	554.6
Par Value (UAH)	0.25
XETRA	n/a
DR Ratio	n/a
Avg Mo Tr Vol 6M, USD ths	n/a

STOCK OWNERSHIP

SCM-related	99.9%
Other	0.1%

MARKET MULTIPLES

	2006E	2007E
EV/Sales	n/a	n/a
EV/EBITDA	n/a	n/a
P/E	n/a	n/a
P/B	n/a	n/a
P/CF	n/a	n/a

KEY RATIOS

	2005	2006E	2007E
EBITDA margin	3%	9%	n/a
Net Margin	-7%	0%	n/a
ROE	-5%	0%	n/a
Net Debt/Equity	0.12	0.4	n/a

* The stock is not listed on PFTS

** Price "impact" is the opinion of Concorde's trading desk on stocks to help investors estimate the reliability of quoted prices:

1: Market price reaction remains within 10% in execution of a market order of about USD 10 mln in size

2: Market price reaction remains within 10% in execution of a market order of about USD 1 mln in size

3: All other stocks (quoted price is less reliable and should be considered indicative)

Note: data (market information, price changes) as of 30 Mar 2007

INCOME STATEMENT SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Net Revenues	5.9	5.1	243.7	311.6	313.3	n/a	n/a
<i>Change y-o-y</i>	-	-12.6%	4633.8%	27.9%	36.4%	n/a	n/a
Gross Profit	(1.6)	(1.4)	43.8	51.5	69.1	n/a	n/a
EBITDA	(3.0)	(3.3)	88.6	9.6	28.6	n/a	n/a
<i>margin, %</i>	-51.7%	-63.5%	36.4%	3.1%	9.1%	n/a	n/a
Depreciation	(1.8)	(1.8)	(25.5)	(36.6)	(31.9)	n/a	n/a
EBIT	(4.8)	(5.0)	63.1	(27.1)	(3.4)	n/a	n/a
<i>margin, %</i>	-82.2%	-97.8%	25.9%	-8.7%	-1.1%	n/a	n/a
Interest Expense	-	-	(3.8)	(0.9)	(1.7)	n/a	n/a
Other income/(expense)	(0.3)	(0.6)	6.2	9.1	4.9	n/a	n/a
PBT	(5.2)	(5.6)	65.5	(18.9)	(0.1)	n/a	n/a
Tax	(0.0)	(0.0)	(0.1)	(2.5)	(0.8)	n/a	n/a
<i>Effective tax rate</i>	-0.2%	-0.1%	0.2%	-13.3%	-786.8%	n/a	n/a
Net Income	(5.2)	(5.7)	65.4	(21.4)	(1.0)	n/a	n/a
<i>Net Margin, %</i>	-88.1%	-109.8%	26.8%	-6.9%	-0.3%	n/a	n/a

BALANCE SHEET SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Current Assets	26.7	26.7	73.9	68.5	122.6	n/a	n/a
Cash & Equivalents	0.0	2.8	0.1	1.7	4.1	n/a	n/a
Trade Receivables	10.7	3.5	23.6	25.4	54.8	n/a	n/a
Inventories	2.5	2.3	26.1	20.8	20.2	n/a	n/a
Other	13.5	18.1	24.1	20.5	43.5	n/a	n/a
Fixed Assets	92.2	274.7	514.2	576.8	565.8	n/a	n/a
PP&E, net	82.0	24.5	452.0	513.1	486.4	n/a	n/a
Other	10.1	250.2	62.2	63.8	79.4	n/a	n/a
Total Assets	118.9	301.4	588.1	645.3	688.4	n/a	n/a
Shareholders' Equity	77.5	256.9	413.7	407.3	383.0	n/a	n/a
Share Capital	58.3	260.1	261.3	274.5	274.5	n/a	n/a
Retained Earnings	(15.9)	(109.7)	(48.9)	(63.4)	(80.2)	n/a	n/a
Other	35.1	106.4	201.2	196.1	188.6	n/a	n/a
Current Liabilities	41.2	44.5	115.1	153.7	150.1	n/a	n/a
ST Interest Bearing Debt	11.3	18.4	3.1	6.4	22.3	n/a	n/a
Trade Payables	26.6	22.1	61.8	85.4	73.4	n/a	n/a
Other	3.3	4.0	50.3	61.9	65.8	n/a	n/a
LT Liabilities	0.1	0.1	59.3	84.3	155.3	n/a	n/a
LT Interest Bearing Debt	-	-	9.4	46.2	125.4	n/a	n/a
Other	0.1	0.1	49.9	38.1	29.9	n/a	n/a
Total Liabilities & Equity	118.9	301.4	588.1	645.3	688.4	n/a	n/a

QUARTERLY ANALYSIS, USD mln

	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
Net Revenues	56.8	58.9	59.3	68.8	74.3	80.6	74.7	82.0	94.3	87.2	131.7
<i>Change y-o-y</i>	3799.9%	4027.8%	4267.6%	7468.7%	30.9%	37.0%	26.0%	19.2%	26.9%	8.1%	76.4%
EBITDA	9.2	7.6	0.9	71.0	6.9	5.3	(0.9)	(1.8)	9.8	10.1	8.7
<i>margin, %</i>	16.2%	12.9%	1.6%	103.2%	9.3%	6.6%	-1.2%	-2.2%	10.4%	11.6%	6.6%
EBIT	2.9	1.2	(5.8)	64.9	(1.9)	(2.5)	(10.0)	(12.7)	(0.6)	(0.2)	(2.6)
<i>margin, %</i>	5.1%	2.0%	-9.9%	94.4%	-2.6%	-3.1%	-13.4%	-15.4%	-0.6%	-0.2%	-2.0%
Net Income	3.3	1.6	(5.3)	65.8	(0.5)	(2.5)	(8.6)	(9.7)	(1.7)	1.6	(1.0)
<i>Net Margin, %</i>	5.7%	2.8%	-9.0%	95.7%	-0.7%	-3.1%	-11.6%	-11.8%	-1.8%	1.9%	-0.7%

FINANCIAL

Banks

Factorial Bank
Forum
Khreshchatyk Bank
Megabank
Nadra Bank
Raiffeisen Bank Aval
Rodovid Bank
Ukrgazbank
Ukrinbank
Ukrsotsbank

Insurance

Universalna Insurance

Real Estate

XXI Century

Factorial Bank

FKTB UZ

Banks

<http://www.factorialbank.com>

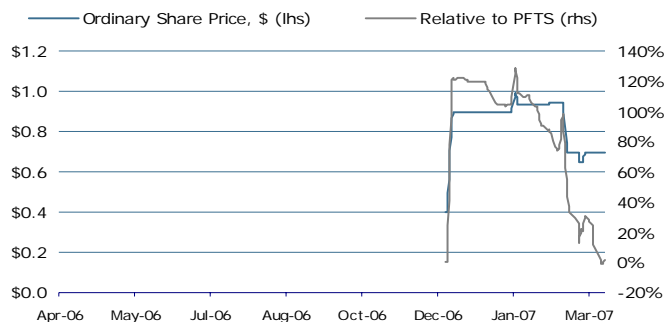
Target Price (USD)
Upside

1.37
103%

INVESTMENT CASE

- Strategic sale imminent in 2007
- New management team implementing a turnaround strategy to streamline the bank's performance
- Expansion into retail segment is above the sector average

SHARE PRICE PERFORMANCE*



listed on PFTS since 14 Dec 2006

BUSINESS OVERVIEW

Founded in 1991, Factorial Bank is headquartered in the industrially-developed Kharkiv region. Factorial is a fully licensed and certified universal banking institution that provides a full range of traditional banking services to more than 50,000 individuals and 6,000 corporate clients.

With total assets of USD 155 mln at the end of 2006, Factorial Bank is Ukraine's 58th largest bank in terms of assets, 61st in terms of its loan portfolio and 55th in terms of equity. According to NBU classifications, Factorial Bank is a mid-size bank (3rd tier) and is in the largest 30% of Ukrainian banks.

Since 2005, the bank has sped up development into the retail banking segment: loans-to-individuals surged 150% CAGR over the past two years, bringing the share of retail in the bank's overall loan book to 36% by the end of 2006. The bank's current network is comprised of seven branches in different Ukrainian regions and 34 outlets.

In December 2006, Factorial's owners placed a 10% stake in the bank with institutional investors at post-money 2.36x P/B. The deal brought in USD 5.8 mln in equity capital and will finance the bank's retail network expansion and development of its retail loan portfolio.

* PFTS MID Price is used
** Price "Impact" is the opinion of Concorde's trading desk on stocks to help investors estimate the reliability of quoted prices:

- 1: Market price reaction remains within 10% in execution of a market order of about USD 10 mln in size
- 2: Market price reaction remains within 10% in execution of a market order of about USD 1 mln in size
- 3: All other stocks (quoted price is less reliable and should be considered indicative)

Note: data (market information, price changes) as of 30 Mar 2007

MARKET INFORMATION

Market price*, USD	0.67
Price impact**	3
52 Wk H/L, USD	0.99 / 0.40
Chg 3m/6m/52w	n/a / n/a / n/a
Chg vs PFTS 3m/6m/52w	-65% / -104% / -93%
Chg YTD	n/a
Avg Mo Tr Vol 6M, USD ths	0.0
MCap, USD mln	41.8
Free float, %	9.9%
FF MCap, USD mln	4.1
No of shares, mln	400.0
Par Value, UAH	1.00
XETRA	n/a
DR Ratio	n/a
Avg Mo Tr Vol 6M, USD ths	n/a

STOCK OWNERSHIP

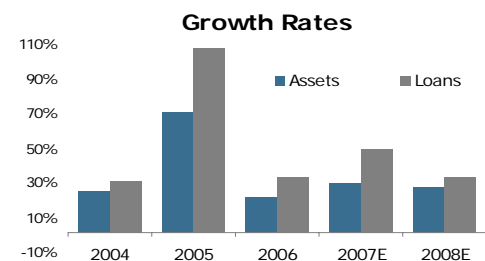
UPEC Group	41.1%
Two individuals	39.5%
Institutional investors	9.9%
Other	9.4%

MARKET MULTIPLES

	2006E	2007E
P/E	69.5	38.0
P/B	2.2	1.5
P/Loans	0.5	0.3
P/Deposits	0.3	0.2

KEY RATIOS

	2005	2006E	2007E
Net Income Mgn	4%	7%	9%
Net Interest Mgn	2%	2%	3%
ROE	1%	3%	5%
Cost/Income	86%	87%	82%



INCOME STATEMENT SUMMARY, USD mln

	2003	2004	2005	2006	2007E	2008E
Interest income	6.4	8.2	10.9	14.0	18.1	22.3
Interest expense	(4.8)	(6.8)	(9.2)	(11.2)	(13.5)	(16.1)
Net interest income	1.6	1.3	1.7	2.8	4.6	6.2
Net fee & commission income	1.1	1.8	2.3	3.7	4.9	6.9
Net trading income	0.9	0.5	0.7	0.8	1.0	1.2
Net other operating income	0.0	2.4	1.5	1.3	1.2	0.9
Net non interest income	2.1	4.8	4.4	5.8	7.1	9.0
Total income	3.7	6.1	6.1	8.7	11.7	15.2
Operating expenses	(3.1)	(3.9)	(5.2)	(7.6)	(9.6)	(12.2)
Operating income	0.5	2.2	0.8	1.1	2.2	3.0
Provision for Loan Losses & Other	(0.2)	(1.5)	(0.4)	(0.4)	(0.7)	(1.0)
Profit before income tax	0.4	0.7	0.4	0.7	0.7	1.0
Income tax expenses	(0.0)	(0.1)	(0.2)	(0.1)	(0.4)	(0.5)
Net income	0.3	0.6	0.2	0.6	1.1	1.5

BALANCE SHEET SUMMARY, USD mln

	2003	2004	2005	2006	2007E	2008E
ASSETS						
Cash & Balances with the National Bank of Ukraine	2.6	2.5	8.1	9.9	14.5	19.3
Due from other banks	6.8	11.0	13.1	11.6	23.5	23.2
Loans and advances to customers	24.2	31.4	64.9	86.1	127.5	168.0
Securities portfolio	8.0	16.9	27.4	30.2	9.8	11.6
Property and equipment	11.0	9.2	10.1	15.3	21.2	27.6
Other assets	9.5	6.1	7.4	6.0	8.0	8.1
TOTAL ASSETS	62.1	77.1	131.0	158.9	204.6	257.9
LIABILITIES						
Due to the banks	10.9	9.4	12.4	4.0	2.8	6.0
Total customer's deposits	34.2	49.1	97.6	132.3	170.4	214.5
Subordinated debt	-	-	-	-	-	-
Other liabilities	5.1	1.9	3.3	3.3	3.5	4.4
TOTAL LIABILITIES	50.3	60.4	113.3	139.6	176.6	224.9
TOTAL EQUITY	11.8	16.6	17.7	19.3	28.0	33.0
TOTAL LIABILITIES & EQUITY	62.1	77.1	131.0	158.9	204.6	257.9

<http://www.forum.com.ua>

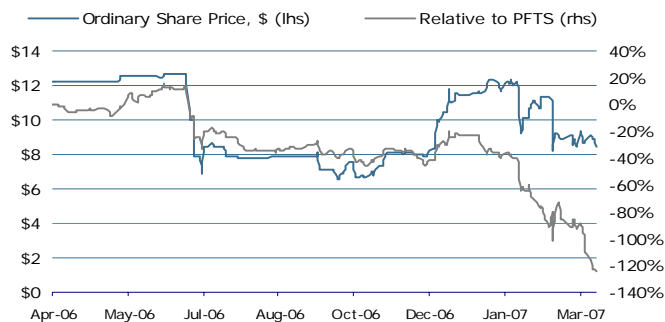
Target Price (USD)
Upside

8.08
-4.0%

INVESTMENT CASE

- For the last few years, its growth rate has outpaced the whole banking sector
- Emphasis on expansion into the promising retail sector
- Raising cheaper foreign debt via syndicated loans, Eurobond placements and EBRD lending programs
- Only Ukrainian banking stock listed on the Frankfurt Stock Exchange
- Owner's intentions to keep a ~25% stake might have deterred some interest, but we believe a strategic sale is highly probable in 2007

SHARE PRICE PERFORMANCE*



BUSINESS OVERVIEW

Bank Forum is Ukraine's 10th largest bank, with USD 1,461 mln in assets at the end of 2006. Founded in 1994, it is a universal financial institution, offering corporate, retail, treasury and investment banking services to over 7.3 ths corporate and 56 ths private customers.

Despite a primary focus on corporate clients, the bank is making a strong shift toward retail. The bank's 165 branch offices and network of 158 ATMs ensures nationwide coverage. In 2006 the bank posted growth in basic financials: the bank's gross loan portfolio expanded by 114% yoy to USD 1,009 mln while its retail lending jumped 149% yoy to USD 164 mln, corporate loans grew 109% yoy to USD 845 mln and customer deposits grew 85% ytd to USD 845 mln.

In March the bank completed an 80% share capital increase by issuing 50 mln new shares at par USD 1.98.

MARKET INFORMATION

Market price*, USD	8.42
Price impact**	2
52 Wk H/L, USD	12.6 / 6.6
Chg 3m/6m/52w	-27% / 19% / -31%
Chg vs PFTS 3m/6m/52w	-91% / -85% / -124%
Chg YTD	-27%
Avg Mo Tr Vol 6M, USD ths	607.0
MCap, USD mln	942.6
Free float, %	10.0%
FF MCap, USD mln	94.3
No of shares, mln	112.0
Par Value, UAH	10
XETRA	B5F
DR Ratio	1:1
Avg Mo Tr Vol 6M, USD ths	136.1

STOCK OWNERSHIP

Provita Insurance	65.0%
LLC Elmak	14.8%
Portfolio investors	9.9%
Kontinental - Ukraine LLC	6.6%
Other	3.7%

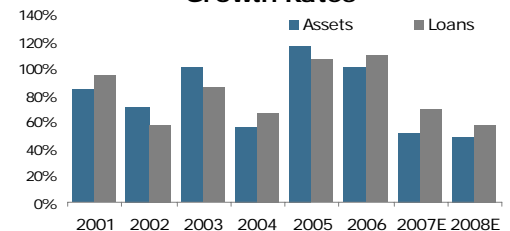
MARKET MULTIPLES

	2006	2007E
P/E	171.5	111.3
P/B	6.2	3.6
P/Loans	1.0	0.6
P/Deposits	1.1	0.7

KEY RATIOS

	2005	2006	2007E
Net Income Mgn	16%	9%	8%
Net Interest Mgn	4%	3%	4%
ROE	9%	5%	4%
Cost/Income	56%	69%	70%

Growth Rates



* PFTS MID Price is used

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2: Market price reaction remains within 10% in execution of a market order of about USD 1 mln in size
3: All other stocks (quoted price is less reliable and should be considered indicative)

Note: data (market information, price changes) as of 30 Mar 2007

INCOME STATEMENT SUMMARY, USD mln

	2003	2004	2005	2006	2007E	2008E
Interest income	20.3	39.7	66.2	120.7	196.9	300.3
Interest expense	(10.8)	(21.7)	(38.7)	(76.6)	(115.7)	(175.4)
Net interest income	9.5	18.0	27.5	44.1	81.2	124.9
Net fee & commission income	2.7	4.3	6.3	10.1	14.8	22.7
Net trading income	0.5	1.5	2.0	4.2	4.3	5.3
Net other operating income	0.1	0.1	0.2	0.8	0.8	0.9
Net non interest income	3.2	5.9	8.6	15.1	19.9	28.9
Total income	12.8	23.9	36.1	59.2	101.1	153.8
Operating expenses	(6.2)	(10.0)	(20.3)	(41.1)	(70.8)	(104.7)
Operating income	6.5	13.9	15.8	18.1	30.3	49.1
Provision for loan losses	(3.6)	(8.7)	(7.2)	(10.9)	(16.2)	(23.1)
Other provisions	(0.2)	(0.3)	(1.0)	0.0	(0.6)	(1.0)
Profit before income tax	2.7	4.9	7.6	7.2	13.5	25.0
Income tax expenses	(1.1)	(1.2)	(2.1)	(1.7)	(3.4)	(6.3)
Net income	1.6	3.7	5.6	5.5	10.2	18.8

BALANCE SHEET SUMMARY, USD mln

	2003	2004	2005	2006	2007E	2008E
ASSETS						
Cash & Balances with the National Bank of Ukraine	21.5	28.8	50.9	50.9	147.2	196.1
Due from other banks	46.2	65.4	178.6	339.3	332.9	395.0
Loans and advances to customers	138.0	229.2	466.9	978.3	1,649.7	2,590.3
Securities portfolio	5.3	2.0	2.1	28.3	16.3	15.9
Property and equipment	6.9	9.4	27.6	51.1	62.9	79.4
Other assets	1.2	6.7	4.0	13.2	10.0	15.0
TOTAL ASSETS	219.1	341.6	730.2	1,461.0	2,219.0	3,291.8
LIABILITIES						
Due to the National Bank of Ukraine	11.5	26.6	12.5	-	12.5	13.6
Due to the other banks	46.5	67.1	204.8	421.6	502.3	676.0
Total customer's deposits	131.7	196.3	424.3	844.6	1,402.0	2,178.8
Debt securities issued	3.1	4.3	6.3	9.5	6.3	6.3
Other liabilities	1.0	1.4	5.7	33.5	34.4	45.7
TOTAL LIABILITIES	193.8	295.7	653.7	1,309.2	1,957.4	2,920.4
TOTAL EQUITY	25.3	45.8	76.5	151.8	261.6	371.4
TOTAL LIABILITIES & EQUITY	219.1	341.6	730.2	1,461.0	2,219.0	3,291.8

Khreschatyk Bank

BXRK UZ

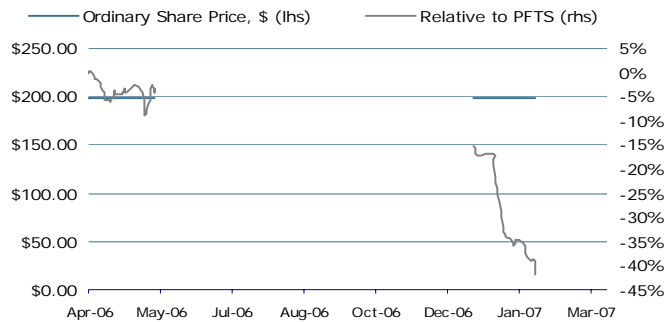
Banks

<http://www.xcitybank.com.ua>

Target Price (USD)
Upside

N/R
n/a

SHARE PRICE PERFORMANCE*



MARKET INFORMATION

Market price*, USD	n/a
Price impact**	3
52 Wk H/L, USD	198 / 198
Chg 3m/6m/52w	n/a / n/a / n/a
Chg vs PFTS 3m/6m/52w	n/a / n/a / n/a
Chg YTD	n/a
Avg Mo Tr Vol 6M, USD ths	0.0
MCap, USD mln	n/a
Free float, %	6.3%
FF MCap, USD mln	n/a
No of shares, mln	0.5
Par Value, UAH	1000
XETRA	n/a
DR Ratio	n/a
Avg Mo Tr Vol 6M, USD ths	n/a

BUSINESS OVERVIEW

Khreshchatyk Bank was established in 1993 and is headquartered in Kyiv. It is a universal bank, offering a standard range of banking services. Currently, the bank's network, which increased by 40% in 2006, consists of 88 branches/offices in Kyiv and other regions throughout Ukraine.

In 2006, the bank posted growth in its key financials: assets increased by 15% yoy to USD 718 mln, its loan portfolio grew by 52% yoy to USD 403 mln, while customer deposits decreased by 3% yoy to USD 479 mln.

In 2006, Khreshchatyk Bank conducted an additional share issue, which increased the bank's charter fund by USD 57.43 mln to USD 106.93 mln. In 2007, the bank plans to finish placing a Eurobond issue it started last year for USD 250 mln and to attract a syndicated loan for USD 35 mln. Khreshchatyk's management is also considering selling the bank to foreign investors.

STOCK OWNERSHIP

Ukrfinkom	51.2%
Kyiv State City Administration	42.0%
Management	0.5%
Other	6.3%

MARKET MULTIPLES

	2006	2007E
P/E	n/a	n/a
P/B	n/a	n/a
P/Loans	n/a	n/a
P/Deposits	n/a	n/a

KEY RATIOS

	2005	2006	2007E
Net Income Mgn	19%	19%	n/a
Net Interest Mgn	3%	4%	n/a
ROE	10%	11%	n/a
Cost/Income	71%	71%	n/a

* PFTS BID Price is used

** Price "impact" is the opinion of Concorde's trading desk on stocks to help investors estimate the reliability of quoted prices:

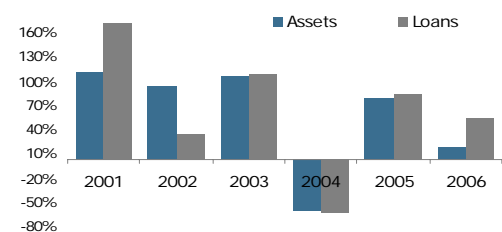
1: Market price reaction remains within 10% in execution of a market order of about USD 10 mln in size

2: Market price reaction remains within 10% in execution of a market order of about USD 1 mln in size

3: All other stocks (quoted price is less reliable and should be considered indicative)

Note: data (market information, price changes) as of 30 Mar 2007

Growth Rates



INCOME STATEMENT SUMMARY, USD mln

	2003	2004	2005	2006	2007E	2008E
Interest income	12.2	20.7	41.6	69.7	n/a	n/a
Interest expense	(6.6)	(12.7)	(28.3)	(47.8)	n/a	n/a
Net interest income	5.6	8.0	13.3	21.9	n/a	n/a
Net fee & commission income	2.7	4.2	6.0	9.4	n/a	n/a
Net trading income	0.4	2.0	2.0	2.5	n/a	n/a
Net other operating income	0.04	0.6	0.1	0.2	n/a	n/a
Net non interest income	3.2	6.9	8.1	12.1	n/a	n/a
Total income	8.7	14.9	21.4	34.0	n/a	n/a
Operating expenses	(6.0)	(10.7)	(15.2)	(24.0)	n/a	n/a
Operating income	2.7	4.2	6.2	10.0	n/a	n/a
Provision for loan losses	0.6	1.1	(1.0)	(1.0)	n/a	n/a
Other provisions	-	-	-	-	n/a	n/a
Profit before income tax	2.1	3.0	5.2	9.0	n/a	n/a
Income tax expenses	(0.9)	(0.8)	(1.3)	(2.6)	n/a	n/a
Net income	1.2	2.2	4.0	6.4	n/a	n/a

BALANCE SHEET SUMMARY, USD mln

	2003	2004	2005	2006	2007E	2008E
ASSETS						
Cash & Balances with the National Bank of Ukraine	103.2	25.8	66.1	39.1	n/a	n/a
Due from other banks	396.9	165.2	246.3	167.0	n/a	n/a
Loans and advances to customers	407.0	143.4	261.9	399.6	n/a	n/a
Securities portfolio	15.0	7.7	24.8	34.9	n/a	n/a
Property and equipment	25.7	9.3	18.5	36.7	n/a	n/a
Other assets	9.5	2.2	5.1	40.3	n/a	n/a
TOTAL ASSETS	957.3	353.6	622.7	717.6	n/a	n/a
LIABILITIES						
Due to the banks	104.9	19.4	55.8	85.8	n/a	n/a
Total customer's deposits	713.0	293.0	491.4	478.6	n/a	n/a
Debt securities issued	12.4	4.7	22.9	19.8	n/a	n/a
Other liabilities	9.4	2.7	5.1	63.8	n/a	n/a
TOTAL LIABILITIES	839.7	319.8	575.2	647.9	n/a	n/a
TOTAL EQUITY	117.6	33.8	47.5	69.7	n/a	n/a
TOTAL LIABILITIES & EQUITY	957.3	353.6	622.7	717.6	n/a	n/a

Megabank

MEGA UZ

Banks

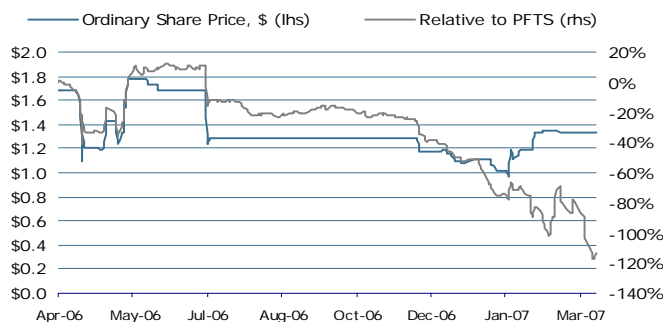
<http://www.megabank.net>

Target Price (USD) 1.55
Upside 17%

INVESTMENT CASE

- Strong regional franchise, approaching nation-wide reach
- Robust retail arm has developed over the past twelve months
- Megabank processes 11% of household utility payments in Ukraine, which ensures strong fees & commissions inflow
- Attractive acquisition target

SHARE PRICE PERFORMANCE*



BUSINESS OVERVIEW

Megabank is a medium-sized universal bank. The bank ranked #45 in terms of assets, with a 0.3% market share at the end of 2006. Megabank focuses on corporate business and servicing household utility payments, where the bank holds a considerable 11% market share. Currently, the bank services around 200 ths individual and corporate clients. Over 2006 Megabank accelerated its efforts on building its retail franchise – loans to individuals jumped by 139% yoy. The bank operates a solid retail network of 171 outlets in 15 regions of Ukraine and plans to bring the total number of outlets to 300 during 2007.

In April 2006, Megabank placed 20% of its shares with institutional investors at post-money 2.6x P/B and the deal brought in USD 19 mln in equity capital. In 2006, the bank posted growth in its key financials, a 38% yoy increase in total assets to USD 221 mln, a 48% yoy increase of loan portfolio to USD 147 mln and 32% yoy growth in customer deposits to USD 164 mln.

UPCOMING EVENTS

19 Apr 2007 AGM

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 2: Market price reaction remains within 10% in execution of a market order of about USD 1 mln in size
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Note: data (market information, price changes) as of 30 Mar 2007

MARKET INFORMATION

Market price*, USD	1.33
Price impact**	3
52 Wk H/L, USD	1.93 / 0.96
Chg 3m/6m/52w	23% / 3% / -31%
Chg vs PFTS 3m/6m/52w	-42% / -101% / -124%
Chg YTD	23%
Avg Mo Tr Vol 6M, USD ths	176.8
MCap, USD mln	152.6
Free float, %	20.0%
FF MCap, USD mln	30.5
No of shares, mln	115.0
Par Value, UAH	1.0
XETRA	n/a
DR Ratio	n/a
Avg Mo Tr Vol 6M, USD ths	n/a

STOCK OWNERSHIP

M-Invest	33.5%
Institutional investors	20.0%
Avtramat	10.0%
Mega-Garant-Life	5.2%
Turboatom	3.2%
Other	28.1%

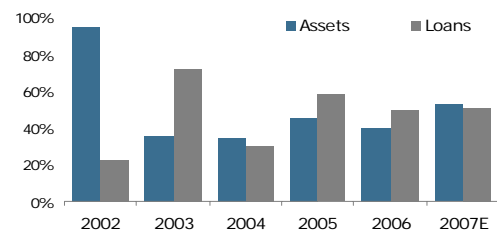
MARKET MULTIPLES

	2006E	2007E
P/E	68.4	44.5
P/B	4.1	3.8
P/Loans	1.1	0.7
P/Deposits	0.9	0.7

KEY RATIOS

	2005	2006E	2007E
Net Income Mgn	13%	12%	14%
Net Interest Mgn	4%	4%	3%
ROE	13%	8%	9%
Cost/Income	78%	75%	72%

Growth Rates



INCOME STATEMENT SUMMARY, USD mln

	2003	2004	2005	2006	2007E	2008E
Interest income	1.2	10.6	15.1	19.8	26.9	36.9
Interest expense	(2.8)	(7.1)	(9.4)	(12.6)	(17.2)	(23.6)
Net interest income	3.7	3.4	5.7	7.2	9.7	13.3
Net fee & commission income	5.2	5.5	8.9	9.7	13.0	18.2
Net trading income	0.1	0.6	0.6	0.5	0.6	0.7
Net other operating income	0.2	1.5	1.5	0.9	0.9	0.6
Net non interest income	5.6	9.6	11.1	11.1	14.4	19.5
Total income	9.3	13.0	16.7	18.3	24.1	32.8
Operating expenses	(8.5)	(11.7)	(13.0)	(13.7)	(17.2)	(22.2)
Operating income	0.8	1.3	3.7	4.6	6.9	10.6
Provision for loan losses	0.0	(0.7)	(0.8)	(1.6)	(2.2)	(3.3)
Other provisions	-	(0.1)	(0.2)	0.1	(0.1)	(0.2)
Profit before income tax	0.9	0.6	2.7	3.1	4.6	7.1
Income tax expenses	(0.5)	(0.2)	(0.4)	(0.9)	(1.1)	(1.8)
Net income	0.3	0.3	2.2	2.2	3.4	5.3

BALANCE SHEET SUMMARY, USD mln

	2003	2004	2005	2006	2007E	2008E
ASSETS						
Cash & Balances with the National Bank of Ukraine	5.7	7.8	15.2	16.6	26.2	34.0
Due from other banks	14.1	21.8	19.5	29.5	50.7	54.5
Loans and advances to customers	47.4	61.6	96.4	143.2	217.1	311.9
Securities portfolio	5.9	8.3	12.5	16.2	18.8	21.8
Property and equipment	7.7	9.3	13.8	14.1	23.9	30.0
Other assets	1.3	1.5	1.2	1.4	1.4	1.9
TOTAL ASSETS	82.0	110.4	158.5	220.9	338.2	454.2
LIABILITIES						
Due to the National Bank of Ukraine	1.8	0.8	0.3	1.5	1.6	1.8
Due to the other banks	7.1	8.2	4.5	5.9	47.0	53.5
Total customer's deposits	52.5	79.1	122.7	161.6	222.3	301.5
Debt securities issued	1.6	7.1	7.2	9.3	11.6	11.2
Other liabilities	7.6	1.0	2.8	5.5	15.9	22.8
TOTAL LIABILITIES	70.5	96.6	137.5	183.7	298.4	390.8
TOTAL EQUITY	11.5	13.8	21.0	37.2	39.7	63.4
TOTAL LIABILITIES & EQUITY	82.0	110.4	158.5	220.9	338.2	454.2

Nadra Bank

NADR UZ

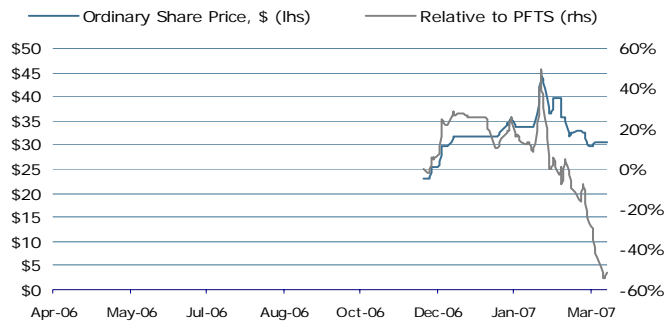
Banks

<http://www.nadra.com.ua>

Target Price (USD)
Upside

N/R
n/a

SHARE PRICE PERFORMANCE*



Listed on PFTS since 30.11.06

BUSINESS OVERVIEW

Founded in 1993, Nadra Bank is the ninth Ukrainian bank by assets, with 3.1% of the market as of 2006. It is a universal bank, offering corporate and SME banking, but retail is its core focus.

At the end of 2006, the bank operated 572 branches/offices, 600 ATMs and around 3,200 multifunctional POS-terminals. Its nationwide network coverage makes Nadra one of the leading retail banks in Ukraine. The bank plans to open 128 new branches/offices by 2008.

In August 2006, Nadra placed 7.7% of its stock with institutional investors at a post-money P/B of 4.1x; the deal brought in USD 51.4 mln in new equity capital.

In 2006, Nadra Bank reported 74% yoy growth in assets to USD 2.04 bln, a 30% yoy increase in corporate loans to USD 674 mln, 66% growth in customer deposits to USD 1.12 bln, and 129% yoy increase in retail loans to USD 761 mln.

In 2006, Nadra conducted an additional 15 mln share issue at USD 1.98 par value, which increased the bank's charter fund by USD 29.77 mln to USD 77.3 mln. Moody's assigned Nadra Bank a long-term rating in foreign currency at the level B2 in 2006.

* PFTS BID Price is used

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Note: data (market information, price changes) as of 30 Mar 2007

MARKET INFORMATION

Market price*, USD	30.69
Price impact**	3
52 Wk H/L, USD	45.1 / 23.0
Chg 3m/6m/52w	-3% / n/a / n/a
Chg vs PFTS 3m/6m/52w	-68% / -104% / -93%
Chg YTD	-3%
Avg Mo Tr Vol 6M, USD ths	73.2
MCap, USD mln	1198.1
Free float, %	7.0%
FF MCap, USD mln	83.9
No of shares, mln	39.0
Par Value, UAH	10.0
XETRA	n/a
DR Ratio	n/a
Avg Mo Tr Vol 6M, USD ths	n/a

STOCK OWNERSHIP

Manmade Enterprises Ltd	30.7%
Novartik Trading Ltd	28.9%
OJSC Agrocom -Ukraine	10.6%
Axis Technologies Ltd	8.5%
East Capital Group	6.1%
Other	15.1%

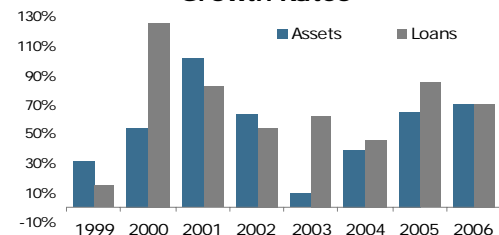
MARKET MULTIPLES

	2006	2007E
P/E	32.4	n/a
P/B	4.6	n/a
P/Loans	0.9	n/a
P/Deposits	1.1	n/a

KEY RATIOS

	2005	2006	2007E
Net Income Mgn	28%	21%	n/a
Net Interest Mgn	6%	6%	n/a
ROE	28%	19%	n/a
Cost/Income	0.6	0.5	n/a

Growth Rates



INCOME STATEMENT SUMMARY, USD mln

	2002	2003	2004	2005	2006	2007E
Interest income		42.8	74.1	111.4	186.1	n/a
Interest expense		(25.6)	(40.1)	(64.7)	(104.6)	n/a
Net interest income	11.1	17.3	33.9	46.7	81.5	n/a
Net fee & commission income	4.0	6.4	12.0	18.0	58.2	n/a
Net trading income	-	3.8	4.1	31.7	36.3	n/a
Net other operating income	4.2	-	2.0	0.5	2.8	n/a
Net non interest income	8.2	10.2	18.0	50.2	97.2	n/a
Total income	19.4	27.5	52.0	96.9	178.8	n/a
Operating expenses	(14.9)	(17.8)	(33.1)	(53.6)	(98.1)	n/a
Operating income	4.5	9.7	18.8	43.3	80.7	n/a
Provision for loan losses	(2.1)	(6.7)	(9.6)	(8.1)	(36.3)	n/a
Other provisions	-	(0.3)	(1.9)	1.0	-	n/a
Profit before income tax	2.4	2.7	7.4	36.2	44.4	n/a
Income tax expenses	(0.1)	(1.7)	(2.6)	(9.1)	(7.4)	n/a
Net income	2.3	1.0	4.8	27.1	37.0	n/a

BALANCE SHEET SUMMARY, USD mln

	2002	2003	2004	2005	2006	2007E
ASSETS						
Cash & Balances with the National Bank of Ukraine	11.1	26.8	53.6	89.3	98.2	n/a
Due from other banks	262.8	139.0	155.5	138.9	325.0	n/a
Loans and advances to customers	188.0	303.3	442.2	814.4	1,374.4	n/a
Securities portfolio	6.8	20.9	17.9	95.5	104.1	n/a
Property and equipment	11.5	33.7	42.1	55.8	70.1	n/a
Other assets	6.2	8.1	21.6	10.6	66.5	n/a
TOTAL ASSETS	486.4	531.7	732.9	1,204.4	2,038.4	n/a
LIABILITIES						
Due to the banks	-	186.5	243.1	276.4	553.5	n/a
Total customer's deposits	48.6	280.4	389.3	659.9	1,118.2	n/a
Debt securities issued	135.1	4.1	-	102.2	65.3	n/a
Subordinated debt	46.6	22.5	18.0	17.7	-	n/a
Other liabilities	245.7	4.1	16.1	20.2	39.1	n/a
TOTAL LIABILITIES	476.1	497.6	666.4	1,076.3	1,776.1	n/a
TOTAL EQUITY	10.4	34.2	66.5	128.0	262.3	n/a
TOTAL LIABILITIES & EQUITY	486.4	531.7	732.9	1,204.4	2,038.4	n/a

Raiffeisen Bank Aval

BAVL UZ

Banks

<http://www.aval.ua>

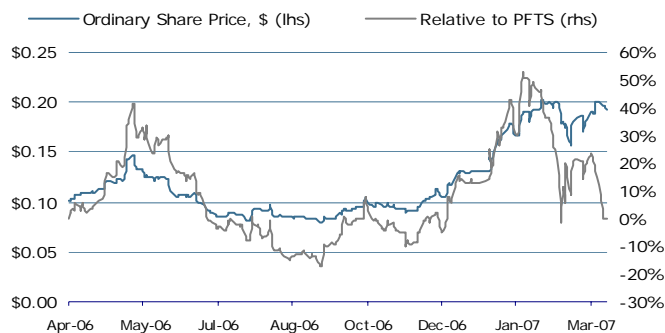
Target Price (USD)
Upside

0.19
0.5%

INVESTMENT CASE

- Strong lending growth fueled by retail loans
- Improved transparency and efficiency
- Upcoming 70% increase of its charter fund will strengthen the bank's position for further growth
- Plans to raise USD 1.0 bln in foreign debt to finance retail lending expansion program

SHARE PRICE PERFORMANCE*



BUSINESS OVERVIEW

Raiffeisen Bank Aval, part of Raiffeisen International Bank Holding AG, is the second largest bank in Ukraine by assets with an 8.2% market share in 2006. Aval is a universal bank, providing services to over 3.2 mln individuals and more than 200 ths corporate clients.

It operates the second largest nationwide retail network with 1,400 retail outlets. The bank, with loans to individuals of USD 4,135 mln as of Jan. 1, 2007, is the second largest retail lender in Ukraine.

In 2006 Aval posted asset growth of 44% yoy, to USD 5.5 bln while the bank's loan portfolio expanded 71% yoy to USD 4.3 bln. Retail loans increased 141% yoy and corporate loans 34% yoy. Customers' deposits were up 13% yoy to reach USD 3.4 mln as of Jan. 1, 2007.

On Oct. 20, 2006, Raiffeisen Bank Aval announced plans to increase its charter fund by 70% to support further rapid expansion.

UPCOMING EVENTS

23 Apr 2007 AGM will vote on USD 297 mln share capital increase. The number of shares, thus the price, is to be issued will be decided at the AGM.

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Note: data (market information, price changes) as of 30 Mar 2007

MARKET INFORMATION

Market price*, USD	0.19
Price impact**	2
52 Wk H/L, USD	0.20 / 0.08
Chg 3m/6m/52w	45% / 122% / 88%
Chg vs PFTS 3m/6m/52w	-19% / 18% / -4%
Chg YTD	45%
Avg Mo Tr Vol 6M, USD ths	4077.1
MCap, USD mln	3971.1
Free float, %	4.5%
FF MCap, USD mln	178.7
No of shares, mln	20999.1
Par Value, UAH	0.1
XETRA	n/a
DR Ratio	n/a
Avg Mo Tr Vol 6M, USD ths	n/a

STOCK OWNERSHIP

Raiffeisen International	95.5%
Ukrtelecom	0.7%
Bank Austria Creditanstalt	0.5%
Other	3.3%

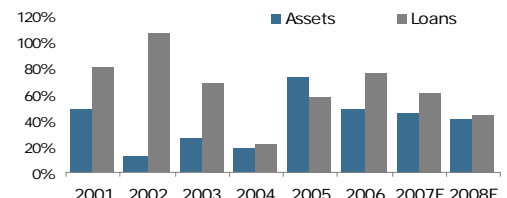
MARKET MULTIPLES

	2006	2007E
P/E	59.3	33.1
P/B	6.2	3.8
P/Loans	1.0	0.6
P/Deposits	1.2	0.9

KEY RATIOS

	2005	2006	2007E
Net Income Mgn	4%	14%	14%
Net Interest Mgn	7%	8%	8%
ROE	6%	14%	14%
Cost/Income	67%	61%	59%

Growth Rates



INCOME STATEMENT SUMMARY, USD mln

	2003	2004	2005	2006	2007E	2008E
Interest income	177.4	233.1	336.9	513.3	795.6	1,119.0
Interest expense	(90.0)	(131.3)	(172.1)	(232.4)	(325.3)	(440.1)
Net interest income	87.4	101.7	164.8	280.9	470.2	678.9
Net fee & commission income	76.2	115.5	120.6	154.5	193.1	261.6
Net trading income	19.8	24.5	30.5	30.1	34.3	42.2
Net other operating income	1.2	1.9	0.7	3.2	0.4	0.6
Net non interest income	97.1	141.8	151.8	187.8	227.9	304.4
Total income	184.5	243.5	316.6	468.7	698.1	983.3
Operating expenses	(138.7)	(173.4)	(212.0)	(285.4)	(413.8)	(579.4)
Operating income	45.8	70.1	104.6	183.3	284.3	403.9
Provision for loan losses	(48.7)	(20.9)	(72.0)	(81.8)	(112.0)	(138.3)
Other provisions	(0.3)	(2.5)	(2.8)	0.0	0.0	0.0
Profit before income tax	(3.2)	46.7	29.8	101.6	172.3	265.6
Income tax expenses	(3.8)	(13.8)	(15.6)	(34.7)	(51.7)	(79.7)
Net income	(7.0)	32.9	14.2	66.9	120.6	185.9

BALANCE SHEET SUMMARY, USD mln

	2003	2004	2005	2006	2007E	2008E
ASSETS						
Cash & Balances with the National Bank of Ukraine	121.9	202.2	632.7	477.5	519.9	709.3
Due from other banks	243.1	178.8	337.5	368.9	399.7	452.2
Loans and advances to customers	1,231.3	1,496.0	2,354.1	4,135.0	6,677.6	9,538.0
Securities portfolio	52.8	57.9	175.1	29.6	123.9	197.9
Property and equipment	125.8	170.8	192.6	331.7	394.0	310.0
Other assets	32.3	36.3	14.0	156.8	71.6	101.8
TOTAL ASSETS	1,807.2	2,142.1	3,706.0	5,499.6	8,186.8	11,309.2
LIABILITIES						
Due to the National Bank of Ukraine	74.9	132.8	13.2	-	13.3	14.4
Due to the other banks	209.1	244.7	496.1	1,316.3	2,382.9	3,363.6
Total customer's deposits	1,387.8	1,588.7	2,827.4	3,382.6	4,521.2	6,448.6
Debt securities issued	7.7	0.1	69.9	-	70.2	70.2
Other liabilities	7.5	9.0	29.0	164.9	142.8	170.0
TOTAL LIABILITIES	1,687.1	1,975.3	3,435.6	4,863.8	7,130.4	10,066.9
TOTAL EQUITY	120.1	166.8	270.5	635.8	1,056.4	1,242.4
TOTAL LIABILITIES & EQUITY	1,807.2	2,142.1	3,706.0	5,499.6	8,186.8	11,309.2

Rodovid Bank

RODB UZ

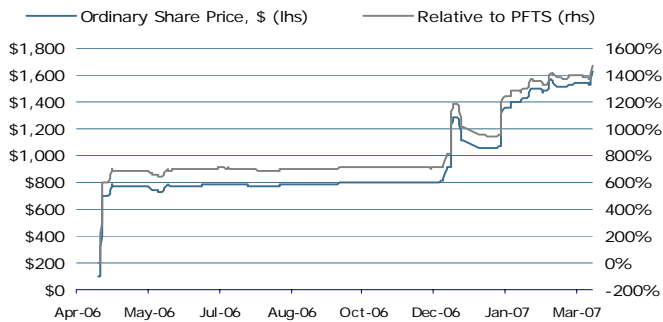
Banks

<http://www.rodovidbank.com>

Target Price (USD)
Upside

N/R
n/a

SHARE PRICE PERFORMANCE*



Listed on PFTS since 27 Mar 2006

BUSINESS OVERVIEW

Rodovid Bank is one of Ukraine's fastest growing banks and was the 21st largest by assets in 2006. It was created in 1990 as open JSC bank Percombank. With the arrival of new shareholders and management in the summer of 2004, the bank was renamed Rodovid. Headquartered in Kyiv, Rodovid is a universal banking institution, providing traditional commercial banking services (corporate and consumer lending, deposits, current accounts, F/X operations and a fixed-income brokerage) to corporate and private customers. Rodovid operates a retail network in Kyiv as well as in other regions that consisted of 210 branches/offices at the end of 2006.

In 2006, Rodovid's assets increased 101% yoy to USD 728 mln, loan portfolio grew 73% yoy to reach USD 436 mln and customer deposits raised 53% yoy to USD 396 mln. The bank is aggressively expanding into retail – loans to individuals jumped 325% yoy to USD 185 mln in 2006.

Rodovid Bank placed a 19% stake with portfolio investors and plans to attract a USD 10 mln syndicated loan and issue Eurobonds for USD 100 mln in 2007.

UPCOMING EVENTS

1-Jun-2007 The ex-right date for subscription on additional 85 ths share issue.

* PFTS MID Price is used

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- 1: Market price reaction remains within 10% in execution of a market order of about USD 10 mln in size
- 2: Market price reaction remains within 10% in execution of a market order of about USD 1 mln in size
- 3: All other stocks (quoted price is less reliable and should be considered indicative)

Note: data (market information, price changes) as of 30 Mar 2007

MARKET INFORMATION

Market price*, USD	1628.7
Price impact**	3
52 Wk H/L, USD	1 633.6 / 99.0
Chg 3m/6m/52w	47% / 108% / n/a
Chg vs PFTS 3m/6m/52w	-18% / 4% / -93%
Chg YTD	47%
Avg Mo Tr Vol 6M, USD ths	3932.4
MCap, USD mln	570.0
Free float, %	19%
FF MCap, USD mln	108.3
No of shares, mln	0.4
Par Value, UAH	1000
XETRA	n/a
DR Ratio	n/a
Avg Mo Tr Vol 6M, USD ths	n/a

STOCK OWNERSHIP

Institutional investors	19.0%
Management affiliated companies	18.0%
RB Capital Group Ltd	63.0%

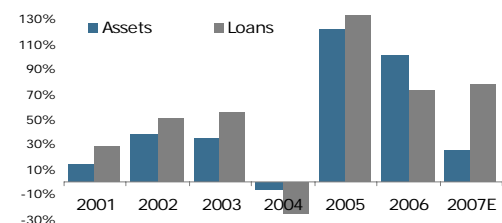
MARKET MULTIPLES

	2006	2007E
P/E	127.7	82.6
P/B	6.4	2.9
P/Loans	1.3	0.8
P/Deposits	1.4	0.8

KEY RATIOS

	2005	2006	2007E
Net Income Mgn	15%	17%	19%
Net Interest Mgn	2%	2%	3%
ROE	6%	7%	5%
Cost/Income	57%	67%	63%

Growth Rates



INCOME STATEMENT SUMMARY, USD mln

	2004	2005	2006	2007E	2008E
Interest income	3.7	22.0	51.3	n/a	n/a
Interest expense	(2.7)	(16.6)	(41.1)	n/a	n/a
Net interest income	1.1	5.4	10.1	n/a	n/a
Net fee & commission income	3.5	5.4	10.5	n/a	n/a
Net trading income	1.1	2.0	3.1	n/a	n/a
Net other operating income	0.1	1.1	2.0	n/a	n/a
Net non interest income	4.7	8.5	15.5	n/a	n/a
Total income	5.8	13.8	25.7	n/a	n/a
Operating expenses	(2.6)	(7.8)	(17.2)	n/a	n/a
Operating income	3.1	5.9	8.5	n/a	n/a
Provision for loan losses	(2.3)	(3.3)	(3.1)	n/a	n/a
Other provisions	-	-	-	n/a	n/a
Profit before income tax	0.8	2.6	5.4	n/a	n/a
Income tax expenses	(0.1)	(0.5)	(1.0)	n/a	n/a
Net income	0.7	2.1	4.5	n/a	n/a

BALANCE SHEET SUMMARY, USD mln

	2004	2005	2006	2007E	2008E
ASSETS					
Cash & Balances with the National Bank of Ukraine	2.6	31.4	45.8	n/a	n/a
Due from other banks	80.0	49.5	192.9	n/a	n/a
Loans and advances to customers	42.9	247.3	428.3	n/a	n/a
Securities portfolio	11.7	9.4	22.3	n/a	n/a
Property and equipment	14.2	19.3	30.8	n/a	n/a
Other assets	0.7	5.4	7.7	n/a	n/a
TOTAL ASSETS	163.0	362.2	727.8	n/a	n/a
LIABILITIES					
Due to the banks	27.6	50.4	191.4	n/a	n/a
Total customer's deposits	103.0	264.0	396.0	n/a	n/a
Debt securities issued	-	-	34.1	n/a	n/a
Other liabilities	0.7	12.6	17.2	n/a	n/a
TOTAL LIABILITIES	131.3	327.0	638.6	n/a	n/a
TOTAL EQUITY	31.7	35.2	89.1	n/a	n/a
TOTAL LIABILITIES & EQUITY	163.0	362.2	727.8	n/a	n/a

Ukrgazbank

UGZB UZ

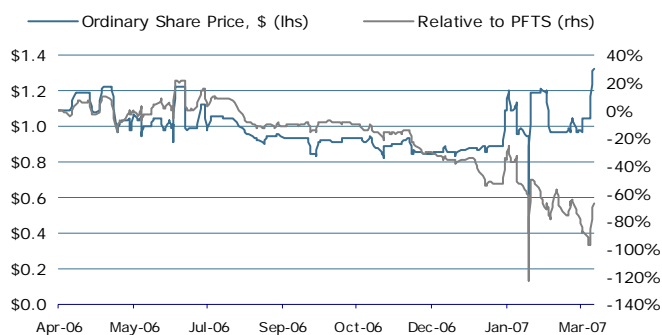
Banks

<http://www.ukrgasbank.com>

Target Price (USD)
Upside

N/R
n/a

SHARE PRICE PERFORMANCE*



Listed on PFTS since 1 Mar 2006

BUSINESS OVERVIEW

Established in 1993, Ukrgazbank is the successor to Intergazbank and Hadjibeybank. Headquartered in Kyiv, the bank operated a network of 149 branches/offices in different regions of Ukraine, as of Oct. 1, 2006. Ukrgazbank is a universal bank, providing standard commercial banking services to 200 ths individuals and 13 ths corporate clients.

As of the end of 2006, the bank was ranked 17th in Ukraine by assets with a 1.3% market share. A charter fund increase of USD 19.8 mln to USD 79.2 mln was completed by the bank's in March 2007.

In 2006, Ukrgazbank posted growth in its key financials: assets by 72% yoy to USD 883 mln, loan portfolio by 80% yoy to USD 428 mln and customer deposits by 76% yoy to USD 532 mln.

After previously focusing more on corporate business, Ukrgazbank accelerated its expansion into retail with consumer lending surging 306% yoy to USD 117 mln in 2006. The bank also plans to expand its retail network by adding 150 new outlets in 2007.

UPCOMING EVENTS

20 Apr 2007 AGM

* PFTS MID Price is used

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Note: data (market information, price changes) as of 30 Mar 2007

MARKET INFORMATION

Market price*, USD	1.33
Price impact**	3
52 Wk H/L, USD	1.11 / 0.50
Chg 3m/6m/52w	34% / 57% / 56%
Chg vs PFTS 3m/6m/52w	-30% / -47% / -36%
Chg YTD	34%
Avg Mo Tr Vol 6M, USD ths	114.3
MCap, USD mln	530.7
Free float, %	10.0%
FF MCap, USD mln	53.1
No of shares, mln	400.0
Par Value, UAH	1.0
XETRA	n/a
DR Ratio	n/a
Avg Mo Tr Vol 6M, USD ths	n/a

STOCK OWNERSHIP

Ukrgazinvest	10.0%
Individuals	11.0%
Investanalytic	10.0%
Finance- Invest Alliance	10.0%
Naftogaz Ukraine	5.0%
Other	54.0%

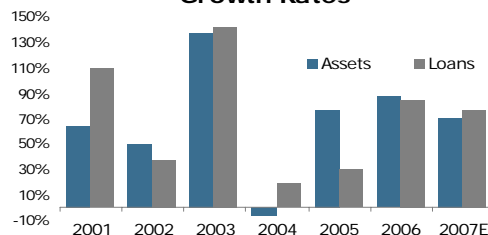
MARKET MULTIPLES

	2006	2007E
P/E	87.0	54.4
P/B	5.6	4.3
P/Loans	1.3	0.7
P/Deposits	1.0	0.6

KEY RATIOS

	2005	2006	2007E
Net Income Mgn	11%	14%	15%
Net Interest Mgn	2%	4%	3%
ROE	8%	9%	9%
Cost/Income	57%	75%	63%

Growth Rates



INCOME STATEMENT SUMMARY, USD mln

	2004	2005	2006	2007E	2008E
Interest income	29.4	47.5	70.8	n/a	n/a
Interest expense	(20.1)	(31.7)	(47.3)	n/a	n/a
Net interest income	9.3	15.9	23.5	n/a	n/a
Net fee & commission income	6.1	7.4	11.3	n/a	n/a
Net trading income	1.8	2.0	6.5	n/a	n/a
Net other operating income	5.8	5.6	0.0	n/a	n/a
Net non interest income	13.7	15.0	17.8	n/a	n/a
Total income	23.1	30.9	44.8	n/a	n/a
Operating expenses	(16.2)	(22.2)	(33.4)	n/a	n/a
Operating income	6.9	8.7	11.4	n/a	n/a
Provision for loan losses	(4.5)	(5.0)	(5.6)	n/a	n/a
Other provisions	-	-	-	n/a	n/a
Profit before income tax	2.4	3.7	5.8	n/a	n/a
Income tax expenses	0.1	(0.5)	0.3	n/a	n/a
Net income	2.4	3.3	6.1	n/a	n/a

BALANCE SHEET SUMMARY, USD mln

	2004	2005	2006	2007E	2008E
ASSETS					
Cash & Balances with the National Bank of Ukraine	25.6	59.3	60.8	n/a	n/a
Due from other banks	35.7	112.3	231.6	n/a	n/a
Loans and advances to customers	174.7	225.2	411.5	n/a	n/a
Securities portfolio	9.6	42.6	93.2	n/a	n/a
Property and equipment	17.8	28.3	71.9	n/a	n/a
Other assets	5.8	4.9	14.4	n/a	n/a
TOTAL ASSETS	269.3	472.7	883.3	n/a	n/a
LIABILITIES					
Due to the banks	29.0	105.3	200.0	n/a	n/a
Total customer's deposits	198.1	303.3	532.4	n/a	n/a
Debt securities issued	-	0.9	28.1	n/a	n/a
Other liabilities	13.7	20.3	28.4	n/a	n/a
TOTAL LIABILITIES	240.9	429.8	788.9	n/a	n/a
TOTAL EQUITY	28.4	43.0	94.4	n/a	n/a
TOTAL LIABILITIES & EQUITY	269.3	472.7	883.3	n/a	n/a

Ukrinbank

UKIB UZ

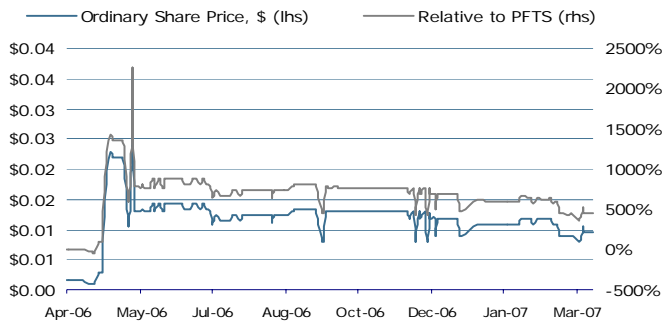
Banks

<http://www.ukrinbank.com>

Target Price (USD)
Upside

N/R
n/a

SHARE PRICE PERFORMANCE*



MARKET INFORMATION

Market price*, USD	0.01
Price impact**	3
52 Wk H/L, USD	0.03 / 0.00
Chg 3m/6m/52w	-6% / -35% / 767%
Chg vs PFTS 3m/6m/52w	-70% / -139% / 675%
Chg YTD	-6%
Avg Mo Tr Vol 6M, USD ths	3.2
MCap, USD mln	171.9
Free float, %	20.0%
FF MCap, USD mln	34.4
No of shares, mln	20427.7
Par Value, UAH	0.01
XETRA	n/a
DR Ratio	n/a
Avg Mo Tr Vol 6M, USD ths	n/a

BUSINESS OVERVIEW

Established in 1988, Ukrinbank is one of the oldest banks in Ukraine. It provides commercial banking services to individual and corporate clients through a comparatively wide retail branch network that consisted of 118 outlets in different regions of Ukraine at the end of 2006. The bank is headquartered in Kyiv. Ukrinbank was Ukraine's 43th largest bank by assets in 2006, enjoying a market share of 0.4%. In 2006, the bank issued 15.4 bln shares at a par value of USD 0.002, which increased its charter fund by USD 30.5 mln to USD 40.45 mln. In addition, Ukrinbank sold 20% of its shares to foreign investors for USD 36.1 mln in 2006.

In 2006, the bank's assets grew by 75% yoy to USD 246 mln, total loans expanded by 53% yoy to USD 140 mln and customer deposits increased by 12% to USD 130 mln.

In 2007 the bank plans to add another 32 outlets to its retail network.

STOCK OWNERSHIP

Shelton	73.4%
Management	1.3%
Institutional investors	20.0%
Other	5.3%

MARKET MULTIPLES

	2006	2007E
P/E	120.6	n/a
P/B	2.0	n/a
P/Loans	1.3	n/a
P/Deposits	1.3	n/a

KEY RATIOS

	2005	2006	2007E
Net Income Mgn	2%	7%	n/a
Net Interest Mgn	7%	8%	n/a
ROE	2%	3%	n/a
Cost/Income	89%	77%	n/a

* PFTS MID Price is used

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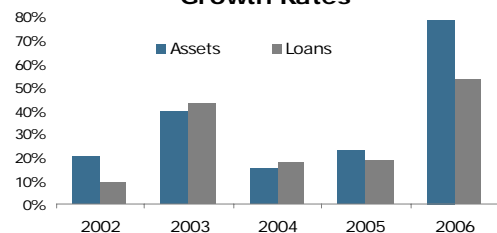
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Note: data (market information, price changes) as of 30 Mar 2007

Growth Rates



INCOME STATEMENT SUMMARY, USD mln

	2003	2004	2005	2006	2007E	2008E
Interest income	10.9	13.5	14.9	18.9	n/a	n/a
Interest expense	(5.1)	(7.9)	(8.3)	(8.3)	n/a	n/a
Net interest income	5.9	5.6	6.6	10.6	n/a	n/a
Net fee & commission income	4.3	4.6	5.1	6.3	n/a	n/a
Net trading income	1.5	2.0	2.5	2.4	n/a	n/a
Net other operating income	0.4	0.7	0.8	1.0	n/a	n/a
Net non interest income	6.2	7.2	8.5	9.8	n/a	n/a
Total income	12.1	12.8	15.1	20.4	n/a	n/a
Operating expenses	(10.4)	(11.7)	(13.3)	(15.8)	n/a	n/a
Operating income	1.7	1.2	1.7	4.6	n/a	n/a
Provision for loan losses	-	(0.6)	(0.6)	(2.2)	n/a	n/a
Other provisions	(0.2)	(0.1)	(0.7)	-	n/a	n/a
Profit before income tax	1.5	0.5	0.4	2.4	n/a	n/a
Income tax expenses	(0.5)	(0.2)	(0.1)	(1.0)	n/a	n/a
Net income	0.9	0.3	0.3	1.4	n/a	n/a

BALANCE SHEET SUMMARY, USD mln

	2003	2004	2005	2006	2007E	2008E
ASSETS						
Cash & Balances with the National Bank of Ukraine	12.9	13.2	23.0	13.4	n/a	n/a
Due from other banks	6.0	8.3	8.1	28.0	n/a	n/a
Loans and advances to customers	63.0	74.1	87.7	134.4	n/a	n/a
Securities portfolio	0.5	0.7	0.7	0.4	n/a	n/a
Property and equipment	14.8	14.9	15.8	66.8	n/a	n/a
Other assets	0.9	1.5	2.5	2.7	n/a	n/a
TOTAL ASSETS	98.0	112.6	137.8	245.8	n/a	n/a
LIABILITIES						
Due to the banks	6.0	11.2	3.3	15.4	n/a	n/a
Total customer's deposits	75.1	83.5	116.5	130.2	n/a	n/a
Subordinated debt	2.0	2.0	-	-	n/a	n/a
Other liabilities	2.5	1.8	3.3	12.9	n/a	n/a
TOTAL LIABILITIES	85.5	98.5	123.1	158.5	n/a	n/a
TOTAL EQUITY	12.5	14.1	14.7	87.3	n/a	n/a
TOTAL LIABILITIES & EQUITY	98.0	112.6	137.8	245.8	n/a	n/a

Ukrasotsbank

USCB UZ

Banks

<http://www.usb.com.ua>

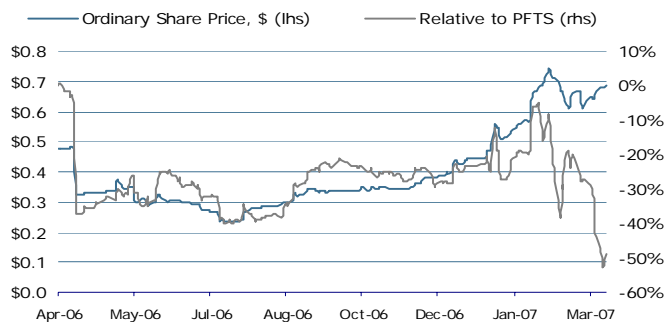
Target Price (USD)
Upside

0.45
-32.1%

INVESTMENT CASE

- Low-cost, diversified deposit base with a sizeable portion of demand deposits
- Stable growth rates outpace the banking sector
- Expansion into higher-yield retail banking
- Foreign borrowing to replace more expensive domestic debt
- Stable, above market average margins
- Prolonged acquisition process is close to an end

SHARE PRICE PERFORMANCE*



BUSINESS OVERVIEW

Founded in 1990, Ukrsotsbank was the sixth-largest bank by assets in 2006 with a market share of 5.2%. Headquartered in Kyiv, its extensive network of 530 branches (23 offices in Kyiv and 507 regional branches), makes it one of the top retail banks in Ukraine. Ukrsotsbank provides commercial banking services to over 1 mln private clients via its broad retail network. On Feb. 15, 2006 Banca Intesa, Italy's second-largest bank, won a tender for Ukrsotsbank with an offer of USD 1.16 bln for an 88% stake.

In 2006 Ukrsotsbank increased its assets 63% yoy to USD 3.47 bln, and customer deposits grew 32% yoy to USD 2.18 bln. The bank's loan portfolio expanded 73% to USD 436 mln with retail lending more than doubled over 2006. Ukrsotsbank is among the leading players in the mortgage segment.

UPCOMING EVENTS

17 Apr 2007 AGM will vote on 176% (or USD 129 mln) share capital increase via the issue of 6.5 bln new shares.

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Note: data (market information, price changes) as of 30 Mar 2007

MARKET INFORMATION

Market price*, USD	0.66
Price impact**	2
52 Wk H/L, USD	0.74 / 0.23
Chg 3m/6m/52w	49% / 97% / 39%
Chg vs PFTS 3m/6m/52w	-15% / -7% / -53%
Chg YTD	49%
Avg Mo Tr Vol 6M, USD ths	11404.0
MCap, USD mln	2452.6
Free float, %	4.4%
FF MCap, USD mln	107.9
No of shares, mln	3700.0
Par Value, UAH	0.1
XETRA	n/a
DR Ratio	n/a
Avg Mo Tr Vol 6M, USD ths	n/a

STOCK OWNERSHIP

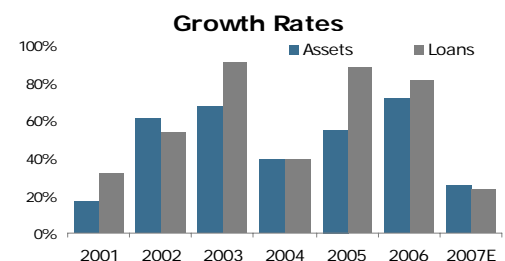
Banca Intesa	88.0%
Tempsford Investments	7.6%
Other	4.4%

MARKET MULTIPLES

	2006E	2007E
P/E	43.0	28.0
P/B	6.4	4.1
P/Loans	1.0	0.8
P/Deposits	1.1	0.7

KEY RATIOS

	2005	2006E	2007E
Net Income Mgn	16%	20%	21%
Net Interest Mgn	6%	6%	7%
ROE	14%	20%	18%
Cost/Income	72%	59%	68%



INCOME STATEMENT SUMMARY, USD mln

	2003	2004	2005	2006	2007E	2008E
Interest income	86.7	122.7	178.0	281.3	470.5	622.0
Interest expense	(40.8)	(70.0)	(107.8)	(162.2)	(251.3)	(306.4)
Net interest income	45.9	52.8	70.2	119.1	219.2	315.6
Net fee & commission income	43.5	51.0	65.9	79.8	112.0	140.0
Net trading income	(0.2)	5.8	12.2	18.6	22.0	30.1
Net other operating income	1.3	2.2	4.5	5.3	7.6	10.0
Net non interest income	44.6	59.0	82.5	103.8	141.6	180.2
Total income	90.5	111.8	152.8	222.9	360.8	495.8
Operating expenses	(68.7)	(84.6)	(109.4)	(131.9)	(220.0)	(311.5)
Operating income	21.8	27.2	43.3	91.0	140.8	184.3
Provision for loan losses	(5.8)	(2.3)	(11.3)	(11.5)	(23.9)	(28.2)
Other provisions	(0.5)	0.3	(0.1)	(0.0)	(0.2)	(0.3)
Profit before income tax	15.6	25.2	31.9	79.5	116.6	155.7
Income tax expenses	(4.7)	(4.2)	(7.9)	(22.6)	(29.2)	(35.1)
Net income	10.9	21.1	24.0	56.9	87.5	120.6
	26%	8%	26%	13%	17%	15%

BALANCE SHEET SUMMARY, USD mln

	2003	2004	2005	2006	2007E	2008E
ASSETS						
Cash & Balances with the National Bank of Ukraine	111.3	170.4	320.3	541.6	466.9	493.4
Due from other banks	99.8	152.3	85.5	40.1	166.9	203.4
Loans and advances to customers	517.9	720.5	1,368.2	2,460.7	3,020.4	3,744.3
Securities portfolio	115.0	94.5	129.6	60.6	229.5	279.7
Property and equipment	78.6	157.8	190.3	293.9	426.3	513.8
Other assets	17.5	12.1	18.5	74.7	32.3	40.1
TOTAL ASSETS	940.2	1,307.6	2,112.5	3,471.6	4,342.2	5,274.7
LIABILITIES						
Due to the banks	98.0	45.8	94.8	757.6	673.0	689.4
Total customer's deposits	747.7	1,078.4	1,668.5	2,176.7	3,012.0	3,795.4
Other liabilities	14.1	29.8	158.6	155.7	59.5	71.6
TOTAL LIABILITIES	859.8	1,154.0	1,921.9	3,090.1	3,744.5	4,556.4
TOTAL EQUITY	80.4	153.6	190.6	381.5	597.7	718.3
TOTAL LIABILITIES & EQUITY	940.2	1,307.6	2,112.5	3,471.6	4,342.2	5,274.7

Universalna Insurance SKUN UZ

Insurance

<http://www.universalna.com>

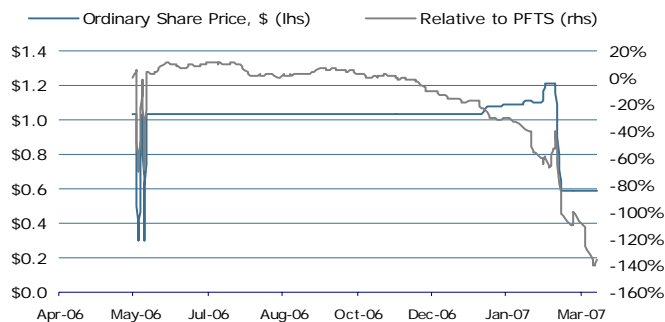
Target Price (USD)
Upside

N/R
n/a

INVESTMENT CASE

- Only insurance stock listed in Ukraine
- Top-10 Ukrainian insurer
- High level of transparency and corporate governance
- Attractive takeover target

SHARE PRICE PERFORMANCE*



Listed on PFTS since 22 May 2006

BUSINESS OVERVIEW

Universalna Insurance, which was established in May 2002, is one of the largest insurance companies in Ukraine and provides 30 types of non-life insurance services to individual and corporate clients. In addition, it has 100% of the market on TIR-Carnet Insurance. As of Oct. 1, 2006, the company's network consisted of 46 outlets with nation-wide coverage in each region of the country and was the second largest insurance network in Ukraine. A charter fund increase of USD 7.92 mln to USD 19.8 mln was completed in Apr. 15, 2007. In 2006, Universalna sold 15% of its shares to international investors for USD 11.25 mln. In 2006, the company increased its collection of insurance payments by 18% yoy to USD 34.15 mln and its insurance reserves – by 6.4% to USD 11.47 mln.

* PFTS BID Price is used
** Price "impact" is the opinion of Concorde's trading desk on stocks to help investors estimate the reliability of quoted prices:

- 1: Market price reaction remains within 10% in execution of a market order of about USD 10 mln in size
- 2: Market price reaction remains within 10% in execution of a market order of about USD 1 mln in size
- 3: All other stocks (quoted price is less reliable and should be considered indicative)

Note: data (market information, price changes) as of 30 Mar 2007

MARKET INFORMATION

Market price*, USD	0.59
Price impact**, USD	3
52 Wk H/L, USD	1.21 / 0.30
Chg 3m/6m/52w	-42% / -42% / -42%
Chg vs PFTS 3m/6m/52w	-107% / -147% / -135%
Chg YTD	-42%
Avg Mo Tr Vol 6M, USD ths	1409.2

MCAp, USD mln	35.6
Free float, %	15.0%
FF MCAp, USD mln	5.3

No of shares, mln	100.0
Par Value, UAH	1.0

XETRA	n/a
DR Ratio	n/a
Avg Mo Tr Vol 6M, USD ths	n/a

STOCK OWNERSHIP

F.I.E.H.	82.8%
Other	17.2%

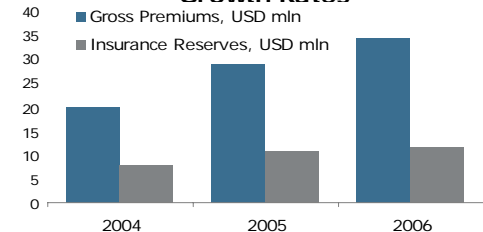
MARKET MULTIPLES

	2006E	2007E
EV/Sales	1.51	n/a
EV/EBITDA	9.9	n/a
P/E	212.4	n/a
P/B	3.6	n/a
P/CF	41.1	n/a

KEY RATIOS

	2005	2006E	2007E
EBITDA margin	9%	15%	n/a
Net Margin	1%	1%	n/a
ROE	2%	2%	n/a
Net Debt/Equity	-0.5	-0.4	n/a

Growth Rates



INCOME STATEMENT SUMMARY, USD mln

	2003	2004	2005	9M06	2007E	2008E
Net Revenues	4.1	4.9	19.4	15.7	n/a	n/a
<i>Change y-o-y</i>	-	19.1%	296.3%	138.9%	n/a	n/a
Gross Profit	2.4	1.9	6.1	4.3	n/a	n/a
EBITDA	1.9	0.6	1.8	2.4	n/a	n/a
<i>margin, %</i>	45.0%	11.2%	9.5%	15.3%	n/a	n/a
Depreciation	(0.3)	(0.5)	(0.6)	(0.7)	n/a	n/a
EBIT	1.6	0.1	1.3	1.7	n/a	n/a
<i>margin, %</i>	38.0%	1.4%	6.5%	10.7%	n/a	n/a
Interest Expense	(0.0)	(0.1)	(0.1)	(0.2)	n/a	n/a
Other income/(expense)	(0.1)	0.1	(0.1)	(0.5)	n/a	n/a
PBT	1.5	0.1	1.0	0.9	n/a	n/a
Tax	(0.3)	(0.5)	(0.9)	(0.8)	n/a	n/a
Net Income	1.2	(0.5)	0.1	0.1	n/a	n/a
<i>Net Margin, %</i>	28.9%	-10.0%	0.7%	0.8%	n/a	n/a

BALANCE SHEET SUMMARY, USD mln

	2003	2004	2005	9M06	2007E	2008E
Current Assets	7.7	10.7	17.5	23.1	n/a	n/a
Cash & Equivalents	2.9	4.5	6.3	6.4	n/a	n/a
Trade Receivables	0.7	1.8	3.0	4.1	n/a	n/a
Inventories	0.1	0.2	0.2	0.3	n/a	n/a
Other	3.9	4.1	8.0	12.3	n/a	n/a
Fixed Assets	6.9	8.0	7.2	8.8	n/a	n/a
PP&E, net	2.1	3.2	4.6	5.8	n/a	n/a
Other	4.7	4.8	2.6	3.0	n/a	n/a
Total Assets	14.5	18.6	24.7	32.0	n/a	n/a
Shareholders' Equity	5.6	9.1	9.7	18.1	n/a	n/a
Share Capital	2.0	3.4	3.7	12.4	n/a	n/a
Retained Earnings	3.1	4.5	4.7	5.0	n/a	n/a
Other	0.5	1.2	1.3	0.8	n/a	n/a
Current Liabilities	5.8	4.1	6.9	3.6	n/a	n/a
ST Interest Bearing Debt	0.6	0.7	0.1	0.4	n/a	n/a
Trade Payables	0.4	0.5	2.9	1.7	n/a	n/a
Other	4.8	2.9	4.0	1.7	n/a	n/a
LT Liabilities	-	-	0.8	2.3	n/a	n/a
LT Interest Bearing Debt	-	-	0.8	1.9	n/a	n/a
Other	-	-	-	0.4	n/a	n/a
Total Liabilities & Equity	11.4	13.1	17.4	24.0	n/a	n/a

QUARTERLY ANALYSIS, USD mln

	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
Net Revenues	1.1	0.9	0.9	2.0	1.9	2.5	2.2	12.9	5.1	5.0	5.6
<i>Change y-o-y</i>	45.0%	-6.6%	-25.1%	62.2%	66.8%	190.5%	149.6%	532.1%	169.2%	99.3%	157.8%
EBITDA	0.5	0.2	0.9	(1.1)	(0.0)	(0.1)	(0.2)	2.2	0.5	1.2	0.8
<i>margin, %</i>	45.4%	20.1%	106.2%	-52.0%	-1.9%	-6.0%	-7.5%	17.0%	9.2%	23.4%	13.8%
EBIT	0.5	0.1	0.8	(1.4)	(0.2)	(0.3)	(0.3)	2.1	0.3	1.0	0.4
<i>margin, %</i>	42.7%	16.4%	97.8%	-69.1%	-9.2%	-12.4%	-15.2%	16.1%	5.9%	20.1%	6.8%
Net Income	0.4	0.0	0.7	(1.6)	(0.4)	(0.6)	(0.8)	1.9	0.1	0.0	0.0
<i>Net Margin, %</i>	35.2%	2.7%	78.3%	-78.3%	-19.3%	-23.0%	-37.3%	14.7%	1.4%	0.8%	0.3%

XXI Century

XXIC LN

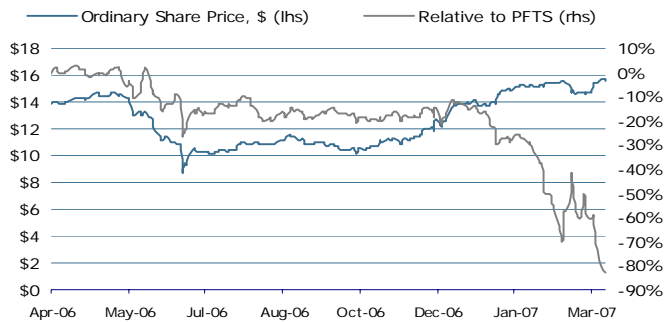
Real Estate

<http://www.21.com.ua>

Target Price (USD)
Upside

N/R
n/a

SHARE PRICE PERFORMANCE*



The stock is traded on AIM

BUSINESS OVERVIEW

Established in 1999, XXI Century is a major Ukrainian real-estate developer and an expert in property investment. The company's project portfolio includes commercial, office, hotel, entertainment and residential property. In 2006 the company started expanding into the regions, targeting the largest cities in Ukraine. On Dec. 16, 2005, XXI Century placed 35.7% of its shares on the London Stock Exchange and attracted USD 139 mln. Among the company's institutional shareholders are leading investment funds: JP Morgan, Merrill Lynch, Union Investment, Raiffeisen, Deka and East Capital.

In 9M06, the company reported a 39.3% ytd decrease in net revenue to USD 1.7 mln, a 361% ytd fall in EBITDA, but its net income improved by 105% ytd to USD 8.6 mln.

* PFTS O Price is used

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- 1: Market price reaction remains within 10% in execution of a market order of about USD 10 mln in size
- 2: Market price reaction remains within 10% in execution of a market order of about USD 1 mln in size
- 3: All other stocks (quoted price is less reliable and should be considered indicative)

Note: data (market information, price changes) as of 30 Mar 2007

MARKET INFORMATION

Market price*, USD	15.75
Price impact**	3
52 Wk H/L, USD	15.8 / 9.4
Chg 3m/6m/52w	13% / 40% / 0%
Chg 2006	0.0%
Chg YTD	13%
Avg Mo Tr Vol 6M, USD ths	6775.9
MCap, USD mln	588.1
Free float, %	35.7%
FF MCap, USD mln	209.9
No of shares, mln	37.3
Par Value, USD	0.01
XETRA	n/a
DR Ratio	n/a
Avg Mo Tr Vol 6M, USD ths	n/a

STOCK OWNERSHIP

Lev Partskhaladze	55.0%
Management	9.0%
Other	36.0%

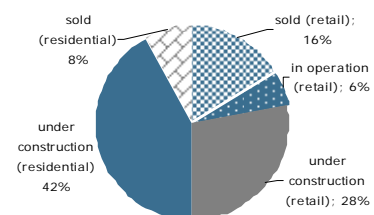
MARKET MULTIPLES

	2006E	2007E
EV/Sales	14.6	n/a
EV/EBITDA	21.7	n/a
P/E	32.3	n/a
P/B	2.4	n/a
P/CF	31.3	n/a

KEY RATIOS

	2005	2006	2007E
		E	
EBITDA margin	11%	67%	n/a
Net Margin	72%	55%	n/a
ROE	29%	7%	n/a
Net Debt/Equity	-0.5	-0.4	n/a

Project Portfolio Structure



INCOME STATEMENT SUMMARY, USD mln

	2004	2005	1H06	2007E	2008E
Net Revenues	5.4	7.1	1.7	n/a	n/a
<i>Change y-o-y</i>	-	31.5%	-39.3%	n/a	n/a
Gross Profit	3.3	4.2	1.2	n/a	n/a
EBITDA	(0.6)	0.8	(3.5)	n/a	n/a
<i>margin, %</i>	-10.9%	10.7%	-205.9%	n/a	n/a
Depreciation	(0.7)	(0.6)	(0.1)	n/a	n/a
EBIT*	(1.3)	0.2	(3.6)	n/a	n/a
<i>margin, %</i>	-24.6%	2.4%	-211.8%	n/a	n/a
Interest Expense	-	-	-	n/a	n/a
Other income/(expense)	2.5	5.1	12.3	n/a	n/a
PBT	1.2	5.3	8.7	n/a	n/a
Tax	(0.1)	(1.1)	(0.1)	n/a	n/a
Net Income	1.1	4.2	8.6	n/a	n/a
<i>Net Margin, %</i>	20.4%	59.2%	505.9%	n/a	n/a

*excluding revaluation effect

BALANCE SHEET SUMMARY, USD mln

	2004	2005	1H06	2007E	2008E
Current Assets	7.5	143.8	144.8	n/a	n/a
Cash & Equivalents	1.5	128.1	109.9	n/a	n/a
Trade Receivables	3.5	7.8	18.3	n/a	n/a
Inventories	2.5	7.9	16.6	n/a	n/a
Other	-	-	-	n/a	n/a
Fixed Assets	19.5	161.3	155.4	n/a	n/a
PP&E, net	3.3	0.4	0.7	n/a	n/a
Other	16.2	160.9	154.7	n/a	n/a
Total Assets	27.0	305.1	300.2	n/a	n/a
Shareholders' Equity	17.9	247.0	246.2	n/a	n/a
Share Capital	1.7	0.4	0.4	n/a	n/a
Retained Earnings	9.4	6.7	15.4	n/a	n/a
Other	6.9	240.0	230.4	n/a	n/a
Current Liabilities	6.3	15.9	12.9	n/a	n/a
ST Interest Bearing Debt	2.0	1.3	0.3	n/a	n/a
Trade Payables	4.3	14.6	12.5	n/a	n/a
Other	-	-	0.1	n/a	n/a
LT Liabilities	2.8	42.2	41.1	n/a	n/a
LT Interest Bearing Debt	2.8	8.1	9.7	n/a	n/a
Other	0.0	34.1	31.4	n/a	n/a
Total Liabilities & Equity	27.0	305.1	300.2	n/a	n/a

INDUSTRIAL

Metal Fabricate & Hardware

Artemivsk Non-Fe Plant
Dniprometiz
Dnipropetrovsk Pipe
Kharkiv Bearing
Khartsyzk Pipe
Kominmet
Nikopol Ferroalloy
Novomoskovsk Pipe
Nyzhnyodniprovsky Pipe
Silur
Stakhaniv Ferroalloy
Zaporizhya Ferroalloy
Zaporizhzhya Aluminum

Machinery Diversified

Azovzahalmash
Dniprovahonmash
Dniprovahonrembud
Kremenchug Wheel
Luhanskteplovoz
Maruipol Heavy Machinery
Poltava Locomotive
Stakhaniv Wagon
Sumy Frunze

Machinery-Construction & Mining

Dongirmash
Druzhkivka Machinery
Svitlo Shakhtarya
Turboatom
Yasynuvatsky Machinery

Engineering & Construction

Khmelnitsk Nuclear Construction
Kyivmetrobud
Kyivmiskbud
Mostobud

Packaging & Containers

Gostomel Glass
Izmayil Pulp and Board
Rubizhne Carton and Package
Ukrplastyk

Electrical Components & Equipment

Odessa Cable
Zaporizhtransformator

Miscellaneous Manufacturers

Dnipropetrovsk Switch
Kharkiv Tractor
Kryukiv Wagon
Ukrgraphite

Building Materials

Kovalska Reinforced Concrete
Kramatorsk Cement Pushka

Shipbuilding

Zaliv

Aerospace

Motor Sich

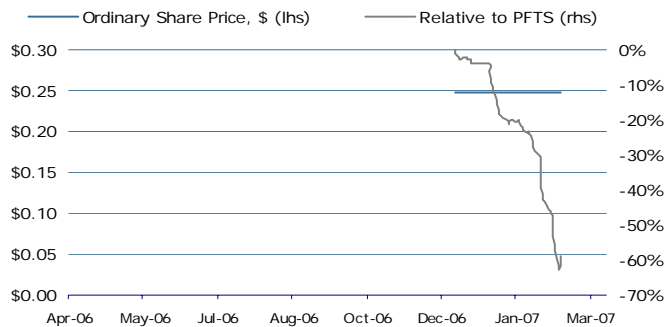
Artemivsk Non-Ferrous Plant ARNF UZ Metal Fabricate & Hardware

<http://www.azocm.dn.ua>

Target Price (USD)
Upside

N/R
n/a

SHARE PRICE PERFORMANCE*



Listed on PFTS since 18 Dec 2006

BUSINESS OVERVIEW

Artemivsky Non-Fe Plant is the only producer of copper and copper alloy products in Ukraine. The company's 10 hectares territory houses its main production complex (including casting production, rolling production, rolled copper production, and press-drawing production), supporting production complex and sewage disposal complex. Artemivsky Non-Fe Plant operates in accordance with international quality management standards, confirmed by an ISO 9001:2000 certificate. Almost 85% of company's output is sold outside Ukraine. Artemivsky Non-Fe Plant's major customers are in Ukraine, Russia, Belarus and Baltic countries (Nord, Azmol, MAZ, AvtoVAZ, Pavlovsk Bus, etc.) The company also exports products to Hungary, Poland, Germany, Slovakia, Turkey, Greece, Bulgaria and the United States.

In 2006, Artemivsky Non-Fe Plant increased production of rolled copper by 13.7% yoy to 48,100 mt. In 2006, the company posted net income growth of 63.6% yoy to USD 5.07 mln.

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 3: All other stocks (quoted price is less reliable and should be considered indicative)

Note: data (market information, price changes) as of 30 Mar 2007

MARKET INFORMATION

Market price*, USD	n/a
Price Impact**	3
52 Wk H/L, USD	0.25 / 0.25
Chg 3m/6m/52w	n/a / n/a / n/a
Chg vs PFTS 3m/6m/52w	n/a / n/a / n/a
Chg YTD	n/a
Avg Mo Tr Vol 6M, USD ths	0.0
MCap, USD mln	n/a
Free float, %	1.7%
FF MCap, USD mln	n/a
No of shares, mln	411.8
Par Value, UAH	0.25
XETRA	n/a
DR Ratio	n/a
Avg Mo Tr Vol 6M, USD ths	n/a

STOCK OWNERSHIP

Ukrpodshypnik Group	98.3%
Other	1.7%

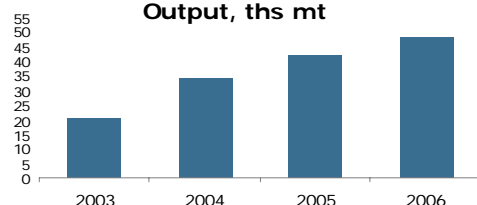
MARKET MULTIPLES

	2006E	2007E
EV/Sales	n/a	n/a
EV/EBITDA	n/a	n/a
P/E	n/a	n/a
P/B	n/a	n/a
P/CF	n/a	n/a

KEY RATIOS

	2005	2006E	2007E
EBITDA margin	18%	5%	n/a
Net Margin	5%	2%	n/a
ROE	10%	15%	n/a
Net Debt/Equity	0.9	1.0	n/a

Rolled Copper Products Output, ths mt



INCOME STATEMENT SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Net Revenues	44.4	61.0	65.1	94.3	70.0	n/a	n/a
Change y-o-y	-	37.4%	6.8%	44.8%	-4.4%	n/a	n/a
Gross Profit	6.8	11.6	13.3	18.1	11.1	n/a	n/a
EBITDA	0.5	4.1	5.7	8.7	2.2	n/a	n/a
margin, %	1.2%	6.7%	8.8%	9.3%	3.1%	n/a	n/a
Depreciation	(2.9)	(2.5)	(2.3)	(3.0)	(2.4)	n/a	n/a
EBIT	(2.4)	1.6	3.4	5.8	(0.2)	n/a	n/a
margin, %	-5.3%	2.7%	5.2%	6.1%	-0.3%	n/a	n/a
Interest Expense	(0.4)	(0.1)	(0.0)	(0.0)	(0.0)	n/a	n/a
Other income/(expense)	0.1	(0.2)	(0.1)	0.0	(0.6)	n/a	n/a
PBT	(2.7)	1.3	3.3	5.8	(0.8)	n/a	n/a
Tax	(0.0)	(0.5)	(1.8)	(2.4)	(0.1)	n/a	n/a
Effective tax rate	0.0%	39.4%	53.4%	40.8%	-7.6%	n/a	n/a
Net Income	(2.7)	0.8	1.5	3.4	(0.9)	n/a	n/a
Net Margin, %	-6.1%	1.3%	2.3%	3.6%	-1.2%	n/a	n/a

BALANCE SHEET SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Current Assets	31.2	28.3	33.9	39.5	43.1	n/a	n/a
Cash & Equivalents	0.3	1.0	1.6	2.1	1.6	n/a	n/a
Trade Receivables	9.8	6.1	5.8	7.5	9.8	n/a	n/a
Inventories	18.6	17.8	23.4	27.6	29.5	n/a	n/a
Other	2.6	3.5	3.0	2.2	2.2	n/a	n/a
Fixed Assets	31.2	31.5	33.7	41.9	39.1	n/a	n/a
PP&E, net	27.1	26.1	26.4	32.9	35.0	n/a	n/a
Other	4.1	5.4	7.3	9.0	4.1	n/a	n/a
Total Assets	62.4	59.8	67.5	81.4	82.2	n/a	n/a
Shareholders' Equity	28.1	37.8	43.1	48.4	74.7	n/a	n/a
Share Capital	14.1	23.3	26.9	28.3	58.1	n/a	n/a
Retained Earnings	(2.7)	1.0	1.8	3.1	(1.0)	n/a	n/a
Other	16.7	13.5	14.3	17.0	17.5	n/a	n/a
Current Liabilities	32.9	21.9	24.3	32.3	6.8	n/a	n/a
ST Interest Bearing Debt	0.9	-	-	0.0	0.0	n/a	n/a
Trade Payables	22.8	21.0	23.0	29.9	4.9	n/a	n/a
Other	9.1	0.9	1.4	2.4	2.9	n/a	n/a
LT Liabilities	1.5	0.1	0.1	0.7	0.7	n/a	n/a
LT Interest Bearing Debt	1.3	-	-	-	-	n/a	n/a
Other	0.2	0.1	0.1	0.7	0.7	n/a	n/a
Total Liabilities & Equity	62.4	59.8	67.5	81.4	82.2	n/a	n/a

QUARTERLY ANALYSIS, USD mln

	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
Net Revenues	15.4	16.8	16.8	16.1	23.5	25.3	24.3	21.1	19.8	24.0	26.2
Change y-o-y	13.3%	4.1%	8.5%	2.2%	53.2%	50.4%	44.7%	30.9%	-16.1%	-5.2%	7.7%
EBITDA	1.7	1.5	2.2	0.3	4.1	3.5	1.6	(0.4)	0.5	0.9	0.7
margin, %	11.4%	8.9%	13.3%	1.6%	17.4%	13.6%	6.6%	-2.1%	2.7%	3.9%	2.7%
EBIT	1.2	0.9	1.7	(0.3)	3.5	2.8	0.8	(1.3)	(0.3)	0.1	(0.1)
margin, %	7.6%	5.5%	9.8%	-2.0%	14.8%	11.0%	3.1%	-6.1%	-1.5%	0.6%	-0.3%
Net Income	0.9	0.7	1.3	(1.4)	2.8	2.1	0.7	(2.1)	(0.7)	(0.0)	(0.2)
Net Margin, %	5.7%	4.0%	7.9%	-8.5%	11.9%	8.1%	2.8%	-10.0%	-3.5%	0.0%	-0.7%

Dniprometiz

DMPO UZ

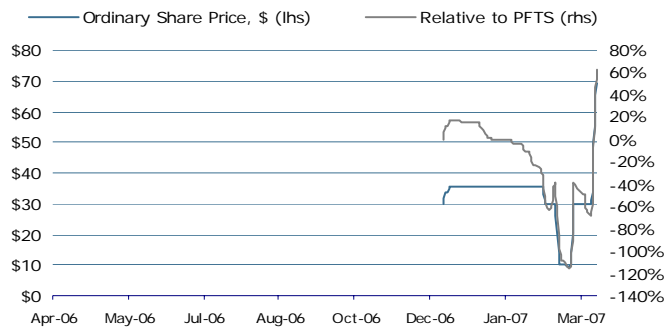
Metal Fabricate & Hardware

Target Price (USD) 154.00
Upside 122%

INVESTMENT CASE

- Enjoys synergy with Severstal-Metiz, a wing of Russian steel giant Severstal Group
- Its new owner led to significant improvements in corporate governance standards
- Three-year development plan foresees increasing production capacity by 30% to 200 ths mt per year, and moreshipments to the capacious European market via Severstal-Metiz's extensive dealer network

SHARE PRICE PERFORMANCE*



Listed on PFTS since 18 Dec 2006

BUSINESS OVERVIEW

Dniprometiz is the largest producer of wire in Ukraine, with 15% of Ukrainian production in 2006. The company's products include wires, nails, screws and grids. Dniprometiz exports to more than 25 countries, including Italy, Greece, Turkey, Russia, Slovakia, Belarus, Poland, France, Moldova and Spain. In 2006 the company was acquired by Russian giant Severstal-Metiz (part of the Severstal group). Rolled wire is the main input for the company's production, the main domestic suppliers of which are Mittal Steel Kryviy Rih and Makiyivka Steel.

In 9M06, the company posted solid growth in key financials, with net revenue improving 62.8% yoy to USD 50 mln, EBITDA increasing 33% yoy to USD 4 mln and net income rising 79% yoy to USD 2.3 mln. In addition, Dniprometiz's sales grew 41% to 89.9 ths mt of wire products in 9M06. The company's management made a decision to make EU markets its main sales target in the mid-term.

MARKET INFORMATION

Market price*, USD	69.31
Price impact**	3
52 Wk H/L, USD	69.3 / 9.9
Chg 3m/6m/52w	94% / n/a / n/a
Chg vs PFTS 3m/6m/52w	30% / -104% / -93%
Chg YTD	94%
Avg Mo Tr Vol 6M, USD ths	77.10
MCap, USD mln	23.8
Free float, %	7.0%
FF MCap, USD mln	1.7
No of shares, mln	0.34
Par Value (UAH)	68.08
XETRA	n/a
DR Ratio	n/a
Avg Mo Tr Vol 6M, USD ths	n/a

STOCK OWNERSHIP

Severstal-Metiz	60.0%
TEKO - Dniprometiz	33.0%
Other	7.0%

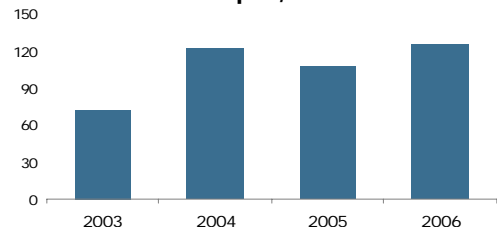
MARKET MULTIPLES

	2006E	2007E
EV/Sales	0.5	0.4
EV/EBITDA	5.2	3.7
P/E	7.9	4.8
P/B	1.4	1.2
P/CF	6.3	4.1

KEY RATIOS

	2005	2006E	2007E
EBITDA margin	10%	9%	10%
Net Margin	4%	4%	5%
ROE	15%	23%	29%
Net Debt/Equity	0.6	0.5	0.5

Wire Output, ths ton



* PFTS BID Price is used
 ** Price "impact" is the opinion of Concorde's trading desk on stocks to help investors estimate the reliability of quoted prices:
 1: Market price reaction remains within 10% in execution of a market order of about USD 10 mln in size
 2: Market price reaction remains within 10% in execution of a market order of about USD 1 mln in size
 3: All other stocks (quoted price is less reliable and should be considered indicative)

Note: data (market information, price changes) as of 30 Mar 2007

INCOME STATEMENT SUMMARY, USD mln

	2002	2003	2004	2005	2006E	2007E	2008E
Net Revenues	17.9	27.3	38.1	42.4	67.3	91.4	110.3
<i>Change y-o-y</i>	-	52.8%	39.4%	11.4%	58.9%	35.8%	20.6%
Gross Profit	3.8	6.7	6.8	7.8	10.2	16.7	20.2
EBITDA	2.2	3.1	3.4	4.2	6.2	9.0	10.8
<i>margin, %</i>	12.5%	11.4%	8.9%	9.9%	47.4%	45.0%	20.6%
Depreciation	(0.8)	(0.7)	(0.7)	(0.7)	(0.8)	(1)	(1)
EBIT	1.5	2.4	2.7	3.5	5.4	8.2	9.8
<i>margin, %</i>	8.2%	8.9%	7.0%	8.3%	8.1%	8.9%	8.9%
Interest Expense	(0.7)	(0.9)	(0.9)	(1.4)	(1.4)	(1.5)	(2.0)
Other income/(expense)	(0.1)	0.0	0.0	0.1	-	-	-
PBT	0.7	1.6	1.7	2.3	4.0	6.6	7.9
Tax	-	(0.0)	(0.6)	(0.7)	(1.0)	(2)	(2)
<i>Effective tax rate</i>	0.0%	0.1%	34.0%	29.6%	25.0%	25.0%	25.0%
Net Income	0.7	1.6	1.1	1.6	3.0	5.0	5.9
<i>Net Margin, %</i>	3.9%	5.9%	3.0%	3.7%	90.6%	64.4%	18.6%

BALANCE SHEET SUMMARY, USD mln

	2002	2003	2004	2005	2006E	2007E	2008E
Current Assets	8.6	9.7	9.4	13.7	17.2	20.7	23.5
Cash & Equivalents	0.0	0.0	0.6	0.1	0.3	0.5	0.6
Trade Receivables	2.2	3.1	1.8	3.0	3.4	5.5	6.6
Inventories	2.0	1.8	3.7	3.4	6.1	7.4	9.0
Other	4.4	4.7	3.4	7.3	7.4	7.4	7.4
Fixed Assets	9.3	8.7	11.8	8.6	11.0	11.9	16.4
PP&E, net	8.6	8.6	8.4	8.3	10.6	11.5	16.1
Other	0.7	0.2	3.5	0.3	0.3	0.3	0.3
Total Assets	17.9	18.4	21.3	22.4	28.2	32.6	39.9
Shareholders' Equity	8.5	9.9	10.9	12.9	17.0	19.8	22.1
Share Capital	1.5	1.5	1.5	1.5	4.6	4.6	4.6
Reserves and Other	7.0	8.4	9.4	11.4	12.3	15.2	17.5
Current Liabilities	6.7	6.3	7.6	6.0	10.7	12.3	17.2
ST Interest Bearing Debt	4.5	4.7	5.2	4.9	8.5	9.4	13.7
Trade Payables	1.4	1.1	0.8	0.1	0.8	1.0	1.3
Other	0.9	0.5	1.6	1.0	1.3	1.8	2.2
LT Liabilities	2.7	2.2	2.8	3.4	0.5	0.6	0.6
LT Interest Bearing Debt	2.0	1.5	2.6	3.4	0.4	0.4	0.4
Other	0.7	0.7	0.2	0.1	0.1	0.2	0.2
Total Liabilities & Equity	17.9	18.4	21.3	22.4	28.2	32.6	39.9

QUARTERLY ANALYSIS, USD mln

	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
Net Revenues	7.3	10.0	10.2	10.5	9.8	10.6	10.3	11.7	11.7	17.8	20.6
<i>Change y-o-y</i>	18.5%	41.7%	51.0%	44.0%	34.7%	5.6%	0.7%	11.0%	18.7%	67.6%	100.1%
EBITDA	0.7	1.0	0.8	0.9	0.9	1.1	1.1	1.2	0.9	1.4	1.7
<i>margin, %</i>	10.3%	9.5%	7.5%	8.6%	8.7%	10.2%	10.7%	10.0%	7.3%	8.1%	8.4%
EBIT	0.6	0.8	0.6	0.7	0.7	0.9	0.9	1.0	0.6	1.4	1.5
<i>margin, %</i>	8.0%	7.8%	5.7%	6.8%	7.0%	8.6%	9.1%	8.5%	5.4%	7.9%	7.4%
Net Income	0.4	0.5	0.2	(0.0)	0.4	0.6	0.3	0.3	0.4	1.0	1.0
<i>Net Margin, %</i>	5.8%	5.3%	2.0%	-0.2%	3.8%	5.9%	3.1%	2.3%	3.3%	5.6%	4.7%

Dnipropetrovsk Pipe

DTRZ UZ

Metal Fabricate & Hardware

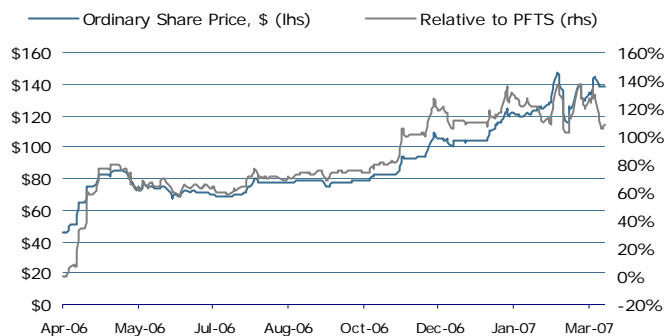
<http://aodtz.ptcor.net>

Target Price (USD) **118.90**
Upside **-18.9%**

INVESTMENT CASE

- Improving product mix
- Advantageous sales diversification across industries and regions
- Well positioned to increase its presence in the EU due to low import duties
- Stable supply of feedstock from IUD-controlled steel makers DMK Dzerzhynskogo and Alchevsk Iron & Steel
- Slow progress in improving transparency

SHARE PRICE PERFORMANCE*



BUSINESS OVERVIEW

Dnipropetrovsk Pipe (DTRZ) is the fourth largest pipe maker in Ukraine in terms of capacity (700 ths mt) and output (238.5 ths mt in 2006, a 9.1% share of the market). The company's product portfolio consists of over 3,000 types and sizes of pipes, including seamless pipes for oil, gas, chemical and machine-building sectors, general use pipes, rectangular profile pipes, and LSAW water and gas pipes. Dnipropetrovsk Pipe has a monopoly in the production of bi-metallic pipes in the CIS. Exports account for ~75% of Dnipropetrovsk Pipe's sales and are growing. The company's largest export markets (Europe, Russia and the Middle East & Africa) jointly accounted for over 55% of sales by weight in 2005.

The company's financials for 9M06 showed 13.5 % yoy growth of net revenues to USD 116.9 mln, an increase in its EBITDA margin to 6.3% from 2.3% in 9M05, and improvement of its net margin to 3% from negative 0.1% in 9M05.

MARKET INFORMATION

Market price*, USD	146.53
Price impact**	2
52 Wk H/L, USD	148 / 46
Chg 3m/6m/52w	41% / 89% / 218%
Chg vs PFTS 3m/6m/52w	-24% / -15% / 126%
Chg YTD	41%
Avg Mo Tr Vol 6M, USD ths	1174.58
MCap, USD mln	154.7
Free float, %	24.8%
FF MCap, USD mln	38.4
No of shares, mln	1.1
Par Value, UAH	82.31
XETRA	n/a
DR Ratio	n/a
Avg Mo Tr Vol 6M, USD ths	n/a

STOCK OWNERSHIP

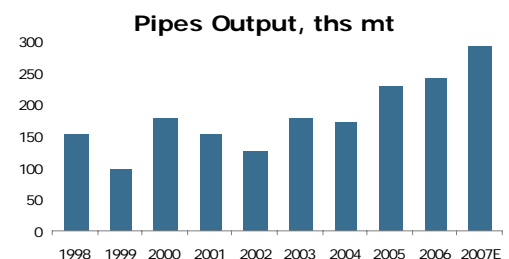
IUD-related entities	75.2%
Other	24.8%

MARKET MULTIPLES

	2006E	2007E
EV/Sales	1.0	0.9
EV/EBITDA	17.3	16.6
P/E	30.5	30.5
P/B	5.2	4.5
P/CF	22.1	21.8

KEY RATIOS

	2005	2006E	2007E
EBITDA margin	17%	6%	5%
Net Margin	15%	3%	3%
ROE	911%	20%	17%
Net Debt/Equity	0.2	0.4	0.5



* PFTS MID Price is used
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 2: Market price reaction remains within 10% in execution of a market order of about USD 1 mln in size
 3: All other stocks (quoted price is less reliable and should be considered indicative)

Note: data (market information, price changes) as of 30 Mar 2007

INCOME STATEMENT SUMMARY, USD mln

	2002	2003	2004	2005	2006E	2007E	2008E
Net Revenues	18.5	47.6	85.2	144.2	161.2	188.3	205.6
<i>Change y-o-y</i>	-	157.4%	79.0%	69.2%	12.0%	16.8%	9.2%
Gross Profit	(0.8)	2.0	7.7	12.6	19.3	21.6	24.5
EBITDA	(1.9)	0.6	2.6	25.3	9.7	10.3	12.1
<i>margin, %</i>	-10.4%	1.3%	3.0%	17.6%	6.0%	5.5%	5.9%
Depreciation	(1.5)	(1.7)	(1.7)	(2.0)	(2)	(2)	(2)
EBIT	(3.4)	(1.0)	0.9	23.3	8	8	10
<i>margin, %</i>	-18.5%	-2.2%	1.1%	16.1%	4.8%	4.4%	4.8%
Interest Expense	(0.1)	(0.1)	(0.2)	(0.7)	(1.4)	(2.0)	(2.2)
Other income/(expense)	0.0	0.1	(0.4)	(0.2)	-	-	-
PBT	(3.6)	(1.1)	0.4	22.4	6.3	6.3	7.7
Tax	-	-	-	(0.4)	(1)	(1)	(2)
<i>Effective tax rate</i>	0.0%	0.0%	0.0%	1.7%	20.0%	20.0%	25.0%
Net Income	(3.6)	(1.1)	0.4	22.0	5.1	5.1	5.8
<i>Net Margin, %</i>	-19.3%	-2.3%	0.4%	15.3%	3.1%	2.7%	2.8%

BALANCE SHEET SUMMARY, USD mln

	2002	2003	2004	2005	2006E	2007E	2008E
Current Assets	27.8	33.4	41.9	55.5	56.4	65.6	72.0
Cash & Equivalents	0.0	0.0	0.6	0.9	0.8	0.9	1.0
Trade Receivables	20.7	19.6	18.6	25.0	22.6	26.2	28.8
Inventories	5.6	10.3	17.4	21.5	24.2	28.1	30.8
Other	1.5	3.6	5.3	8.2	8.9	10.3	11.3
Fixed Assets	20.7	20.2	19.8	21.8	22.8	24.9	30.3
PP&E, net	16.7	16.3	15.8	18.1	19.4	21.4	25.6
Other	4.0	3.9	4.0	3.7	3.4	3.6	4.6
Total Assets	48.5	53.6	61.7	77.3	79.3	90.5	102.2
Shareholders' Equity	3.3	2.0	2.4	24.7	29.8	34.6	40.3
Share Capital	16.3	16.3	16.4	17.2	16.4	16.4	16.4
Retained Earnings	(23.9)	(24.7)	(24.5)	6.2	11.2	16.2	22.0
Other	10.9	10.4	10.5	1.3	2.2	2.0	2.0
Current Liabilities	44.9	51.4	59.3	52.6	49.5	56.0	61.9
ST Interest Bearing Debt	6.7	8.1	3.0	6.9	13.0	17.3	19.5
Trade Payables	33.5	38.5	18.7	33.7	32.2	37.5	41.1
Other	4.7	4.8	37.5	12.0	4.2	1.2	1.3
LT Liabilities	0.2	0.1	0.0	-	-	-	-
LT Interest Bearing Debt	0.1	0.1	-	-	-	-	-
Other	0.1	0.1	0.0	-	-	-	-
Total Liabilities & Equity	48.5	53.6	61.7	77.3	79.3	90.5	102.2

QUARTERLY ANALYSIS, USD mln

	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
Net Revenues	8.4	22.8	25.6	28.5	31.9	34.1	37.1	41.2	35.1	40.2	41.6
<i>Change y-o-y</i>	-16.7%	106.9%	68.6%	150.5%	280.9%	49.9%	44.6%	44.7%	10.3%	17.9%	12.1%
EBITDA	(0.2)	1.1	0.8	0.9	0.5	1.1	0.8	23.0	2.2	1.9	3.2
<i>margin, %</i>	-2.2%	4.7%	3.0%	3.2%	1.5%	3.3%	2.1%	55.8%	6.4%	4.8%	7.6%
EBIT	(0.5)	0.7	0.3	0.4	0.1	0.6	0.2	22.3	1.6	1.4	2.7
<i>margin, %</i>	-6.5%	3.0%	1.2%	1.5%	0.2%	1.9%	0.7%	54.2%	4.7%	3.4%	6.4%
Net Income	(0.6)	0.6	0.1	0.3	(0.1)	0.3	(0.2)	21.9	0.8	0.9	1.8
<i>Net Margin, %</i>	-7.1%	2.7%	0.3%	0.9%	-0.2%	0.9%	-0.4%	53.2%	2.4%	2.2%	4.2%

Kharkiv Bearing

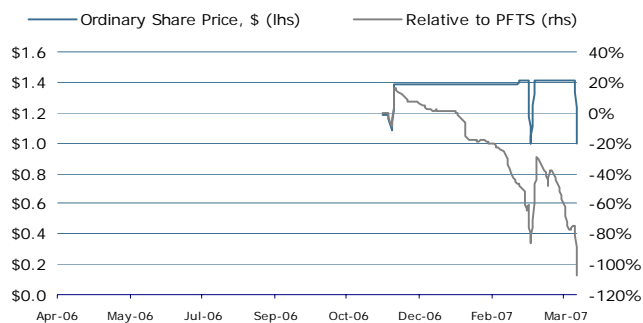
HARP UZ

Metal Fabricate & Hardware

Target Price (USD)
Upside

N/R
n/a

SHARE PRICE PERFORMANCE*



Listed on PFTS since 16 Nov 2006

BUSINESS OVERVIEW

Kharkiv Bearing is one of the largest producers of ball and roller bearings in the CIS. The company produces more than 500 types of ball and roller bearings for agricultural, machine-building, iron ore, metallurgic, electro-technical and engineering purposes. In 2007 Kharkiv Bearing plans to invest USD 1 mln in a production line for large-diameter bearings used in heavy machinery and the production of locomotives. This will shake the monopolist positions of the European Bearings Corporation (Russia), held in the local large-diameter bearings market. Bearings produced by the company are used by more than 200 companies in 26 countries world-wide, including the domestic Kharkiv Tractor plant, ZAZ, Yuzhmash, Russian Volgograd tractor plant, Rostselmash, Belarusian Minsk tractor plant, Gomselmash, etc. In 9M06, the company's net revenues decreased by 7.4% to USD 33 mln, its EBITDA margin fell to -4.7% from 4.3% in 9M05 and its net margin weakened to -9.7% from -0.7% in 9M05.

* PFTS BID Price is used

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1: Market price reaction remains within 10% in execution of a market order of about USD 10 mln in size

2: Market price reaction remains within 10% in execution of a market order of about USD 1 mln in size

3: All other stocks (quoted price is less reliable and should be considered indicative)

Note: data (market information, price changes) as of 30 Mar 2007

MARKET INFORMATION

Market price*, USD	0.99
Price impact**	3
52 Wk H/L, USD	1.41 / 0.99
Chg 3m/6m/52w	-29% / n/a / n/a
Chg vs PFTS 3m/6m/52w	-93% / -104% / -93%
Chg YTD	-29%
Avg Mo Tr Vol 6M, USD ths	0.0
MCap, USD mln	8.8
Free float, %	4.2%
FF MCap, USD mln	0.4
No of shares, mln	8.8
Par Value, UAH	0.25
XETRA	n/a
DR Ratio	n/a
Avg Mo Tr Vol 6M, USD ths	n/a

STOCK OWNERSHIP

World Trading Bearing Ltd	50.1%
UPEC Group	45.4%
Other	4.5%

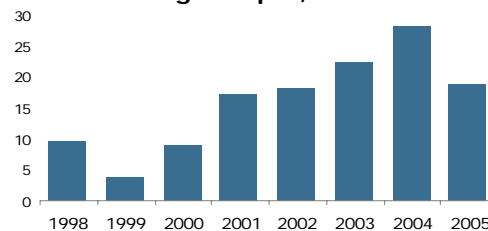
MARKET MULTIPLES

	2006E	2007E
EV/Sales	0.6	n/a
EV/EBITDA	-12.0	n/a
P/E	-2.1	n/a
P/B	0.5	n/a
P/CF	-3.1	n/a

KEY RATIOS

	2005	2006E	2007E
EBITDA margin	6%	-5%	n/a
Net Margin	0.4%	-10%	n/a
ROE	1%	-18%	n/a
Net Debt/Equity	0.6	0.8	n/a

Bearings Output, mln units



INCOME STATEMENT SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Net Revenues	29.0	35.6	59.3	44.3	33.0	n/a	n/a
<i>Change y-o-y</i>	-	23.0%	66.3%	-25.2%	-7.4%	n/a	n/a
Gross Profit	6.6	5.6	13.1	6.9	2.1	n/a	n/a
EBITDA	3.7	1.8	8.8	2.5	(1.6)	n/a	n/a
<i>margin, %</i>	12.8%	5.1%	14.9%	5.6%	-4.7%	n/a	n/a
Depreciation	(1.3)	(1.2)	(1.2)	(1.2)	(1.1)	n/a	n/a
EBIT	2.4	0.7	7.6	1.3	(2.6)	n/a	n/a
<i>margin, %</i>	8.4%	1.9%	12.9%	2.9%	-8.0%	n/a	n/a
Interest Expense	(0.1)	(0.3)	(0.5)	(0.7)	(0.5)	n/a	n/a
Other income/(expense)	(0.7)	(0.1)	(0.6)	(0.4)	(0.0)	n/a	n/a
PBT	1.6	0.3	6.5	0.2	(3.2)	n/a	n/a
Tax	(1.3)	(0.7)	(3.0)	-	-	n/a	n/a
<i>Effective tax rate</i>	81.4%	230.8%	46.5%	0.0%	0.0%	n/a	n/a
Net Income	0.3	(0.4)	3.5	0.2	(3.2)	n/a	n/a
<i>Net Margin, %</i>	1.0%	-1.1%	5.9%	0.4%	-9.7%	n/a	n/a

BALANCE SHEET SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Current Assets	14.5	24.1	30.7	25.1	26.3	n/a	n/a
Cash & Equivalents	0.0	0.3	0.5	0.3	0.1	n/a	n/a
Trade Receivables	1.5	5.3	13.0	5.4	5.8	n/a	n/a
Inventories	11.1	13.3	13.9	17.7	17.5	n/a	n/a
Other	1.9	5.2	3.2	1.6	3.0	n/a	n/a
Fixed Assets	13.2	16.8	27.0	32.4	34.4	n/a	n/a
PP&E, net	10.1	9.4	10.5	10.8	12.7	n/a	n/a
Other	3.1	7.4	16.5	21.6	21.7	n/a	n/a
Total Assets	27.7	40.9	57.6	57.5	60.7	n/a	n/a
Shareholders' Equity	16.0	19.2	28.3	23.3	20.2	n/a	n/a
Share Capital	0.4	0.4	0.4	0.4	0.4	n/a	n/a
Retained Earnings	(5.3)	(5.9)	(2.8)	0.8	(2.3)	n/a	n/a
Other	20.9	24.7	30.7	22.1	22.1	n/a	n/a
Current Liabilities	8.0	14.2	18.7	11.7	16.1	n/a	n/a
ST Interest Bearing Debt	0.8	1.6	3.8	2.4	2.4	n/a	n/a
Trade Payables	2.9	7.2	5.1	5.4	6.6	n/a	n/a
Other	4.2	5.4	9.8	4.0	8.3	n/a	n/a
LT Liabilities	3.7	7.5	10.6	22.4	24.4	n/a	n/a
LT Interest Bearing Debt	3.4	7.5	10.6	11.8	13.8	n/a	n/a
Other	0.3	0.0	-	10.6	10.6	n/a	n/a
Total Liabilities & Equity	27.7	40.9	57.6	57.5	60.7	n/a	n/a

QUARTERLY ANALYSIS, USD mln

	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
Net Revenues	12.8	16.0	14.9	15.6	12.0	12.5	11.1	8.7	8.4	12.9	11.8
<i>Change y-o-y</i>	63.4%	76.1%	59.0%	66.6%	-5.9%	-21.5%	-25.4%	-44.5%	-30.1%	2.6%	5.8%
EBITDA	2.4	2.9	1.7	1.8	0.8	0.7	(0.0)	1.0	(0.9)	(0.6)	(0.1)
<i>margin, %</i>	18.9%	18.4%	11.3%	11.6%	6.9%	5.8%	-0.2%	11.2%	-10.5%	-4.3%	-0.9%
EBIT	2.1	2.6	1.4	1.5	0.5	0.4	(0.3)	0.7	(1.2)	(0.9)	(0.5)
<i>margin, %</i>	16.6%	16.5%	9.4%	9.6%	4.4%	3.3%	-3.1%	7.6%	-14.4%	-7.2%	-4.2%
Net Income	0.9	1.2	0.4	1.0	(0.0)	(0.0)	(0.2)	0.5	(1.3)	(1.2)	(0.7)
<i>Net Margin, %</i>	7.2%	7.5%	2.5%	6.4%	-0.4%	-0.3%	-1.6%	5.2%	-15.5%	-9.0%	-6.2%

Khartsyzk Pipe

HRTR UZ

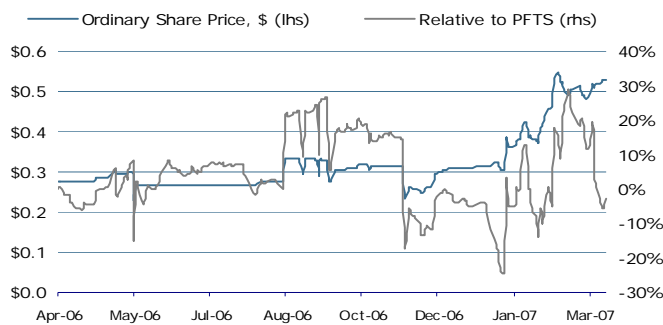
Metal Fabricate & Hardware

<http://1043.ukrindustrial.com>
Target Price (USD)
0.33
Upside
-37.6%

INVESTMENT CASE

- Transparency improvement underway
- High margin product
- Risk of losing its key market, Russia, is high
- Parent company, Metinvest, is likely to go public in 2008-09

SHARE PRICE PERFORMANCE*



BUSINESS OVERVIEW

Khartsyzk Pipe is Ukraine's second largest pipe maker in terms of production volume (581 ths mt and a 22.2% share of Ukrainian production in 2006). The plant is able to produce over 1.5 mln mt of pipes p.a. Khartsyzk Pipe's product portfolio includes over 500 items. Its core product is large diameter steel pipes with corrosion-proof coating, which are used for the construction of oil and gas-main pipelines. Pipes manufactured by the company are both locally and API-certified. In 2006 the company tripled its net income from USD 26.8 mln in 2005 to USD 77.9 mln.

Khartsyzk Pipe exports over 90% of its total output, mainly to Russia. We expect the plant to benefit from growing demand for its LD pipes in Russia in 2007-2008. However, in 2009-2010, sales to the Russian market will be low due to intense competitive pressure from Russian pipe makers.

* PFTS MID Price is used
 ** Price "Impact" is the opinion of Concorde's trading desk on stocks to help investors estimate the reliability of quoted prices:
 1: Market price reaction remains within 10% in execution of a market order of about USD 10 mln in size
 2: Market price reaction remains within 10% in execution of a market order of about USD 1 mln in size
 3: All other stocks (quoted price is less reliable and should be considered indicative)

Note: data (market information, price changes) as of 30 Mar 2007

MARKET INFORMATION

Market price*, USD	0.53
Price impact**	2
52 Wk H/L, USD	0.55 / 0.23
Chg 3m/6m/52w	70% / 91% / 91%
Chg vs PFTS 3m/€	5% / -14% / -2%
Chg YTD	70%
Avg Mo Tr Vol 6M, USD ths	354.75
MCap, USD mln	1347.6
Free float, %	2.0%
FF MCap, USD mln	27.0
No of shares, mln	2548.8
Par Value, UAH	0.05
XETRA	LBY
DR Ratio	1:50
Avg Mo Tr Vol 6M, USD ths	1.43

STOCK OWNERSHIP

SCM & related	98.0%
Other	2.0%

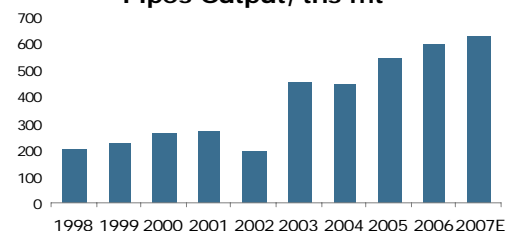
MARKET MULTIPLES

	2006E	2007E
EV/Sales	2.6	2.1
EV/EBITDA	10.7	9.0
P/E	16.5	13.8
P/B	7.9	6.2
P/CF	15.1	12.9

KEY RATIOS

	2005	2006E	2007E
EBITDA margin	17%	24%	23%
Net Margin	9%	15%	15%
ROE	43%	73%	57%
Net Debt/Equity	0.2	0.1	0.03

Pipes Output, ths mt



INCOME STATEMENT SUMMARY, USD mln

	2002	2003	2004	2005	2006E	2007E	2008E
Net Revenues	44.0	75.0	109.1	300.4	528.9	650.4	775.6
<i>Change y-o-y</i>	-	70.4%	45.5%	175.4%	77.5%	23.0%	19.3%
Gross Profit	13.4	24.6	20.4	80.0	153.7	189.0	235.9
EBITDA	6.1	15.1	8.8	51.5	127.2	150.0	181.6
<i>margin, %</i>	13.8%	20.2%	8.0%	17.1%	24.1%	23.1%	23.4%
Depreciation	(4.6)	(5.0)	(4.9)	(6.3)	(6.3)	(6.7)	(7.0)
EBIT	1.5	10.2	3.8	45.2	120.9	143.3	174.6
<i>margin, %</i>	3.4%	13.6%	3.5%	15.0%	22.9%	22.0%	22.5%
Interest Expense	(1.6)	(1.8)	(0.9)	(1.3)	(4.5)	(4.1)	(3.5)
Other income/(expense)	(0.8)	(1.7)	(0.5)	(3.7)	-	-	-
PBT	(1.0)	6.6	2.4	40.1	116.4	139.1	171.1
Tax	(1.4)	(4.5)	(1.9)	(13.2)	(35)	(42)	(51)
<i>Effective tax rate</i>	-144.3%	68.5%	79.5%	32.9%	30.0%	30.0%	30.0%
Net Income	(2.3)	2.1	0.4	26.8	81.5	97.4	119.8
<i>Net Margin, %</i>	-5.3%	2.8%	0.4%	8.9%	15.4%	15.0%	15.4%

BALANCE SHEET SUMMARY, USD mln

	2002	2003	2004	2005	2006E	2007E	2008E
Current Assets	43.8	36.6	38.2	89.7	142.8	181.2	224.9
Cash & Equivalents	0.2	0.3	0.9	11.3	21.2	25.9	31.0
Trade Receivables	19.6	16.7	14.9	10.3	31.7	38.8	46.5
Inventories	13.0	11.1	11.2	42.4	58.2	71.2	85.3
Other	11.0	8.4	11.2	25.6	31.7	45.3	62.0
Fixed Assets	61.7	58.4	58.1	69.1	88.6	97.9	107.3
PP&E, net	57.6	54.9	52.5	52.4	64.9	73.3	81.3
Other	4.1	3.5	5.6	16.6	23.7	24.6	26.1
Total Assets	105.4	95.0	96.3	158.7	231.4	279.1	332.3
Shareholders' Equity	63.7	63.3	62.0	111.9	171.4	218.2	266.1
Share Capital	5.1	5.1	5.2	25.2	24.0	24.0	24.0
Retained Earnings	(1.4)	58.0	56.6	86.5	146.0	193.0	240.9
Other	60.0	0.1	0.2	0.2	1.4	1.2	1.2
Current Liabilities	25.3	26.6	32.9	42.4	50.9	53.1	59.1
ST Interest Bearing Debt	12.4	9.6	8.0	27.8	27.1	23.9	24.1
Trade Payables	6.9	13.2	20.5	2.3	15.9	19.4	23.3
Other	6.1	3.8	4.4	12.3	8.0	9.8	11.7
LT Liabilities	16.3	5.1	1.4	4.4	9.1	7.8	7.1
LT Interest Bearing Debt	-	-	-	3.5	9.1	7.8	7.1
Other	16.3	5.1	1.4	1.0	-	-	-
Total Liabilities & Equity	105.4	95.0	96.3	158.7	231.4	279.1	332.3

QUARTERLY ANALYSIS, USD mln

	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
Net Revenues	14.8	24.7	42.5	27.1	25.4	59.2	102.5	113.3	106.7	138.6	163.7
<i>Change y-o-y</i>	5.8%	23.1%	173.8%	6.5%	71.4%	140.0%	141.1%	318.5%	319.6%	134.1%	59.6%
EBITDA	0.2	5.2	1.3	2.1	5.8	12.5	18.6	14.5	25.0	30.9	38.9
<i>margin, %</i>	1.1%	21.2%	3.1%	7.6%	23.0%	21.1%	18.1%	12.8%	23.5%	22.3%	23.8%
EBIT	(1.0)	4.1	0.1	0.7	4.4	11.0	17.0	12.8	23.4	29.4	32.4
<i>margin, %</i>	-6.9%	16.6%	0.2%	2.5%	17.2%	18.6%	16.5%	11.3%	21.9%	21.2%	19.8%
Net Income	(1.3)	3.2	(0.7)	(0.8)	1.9	11.0	8.2	5.7	16.6	21.7	19.4
<i>Net Margin, %</i>	-9.0%	12.9%	-1.6%	-2.9%	7.5%	18.6%	8.0%	5.0%	15.5%	15.7%	11.9%

Kominmet

DMZK UZ

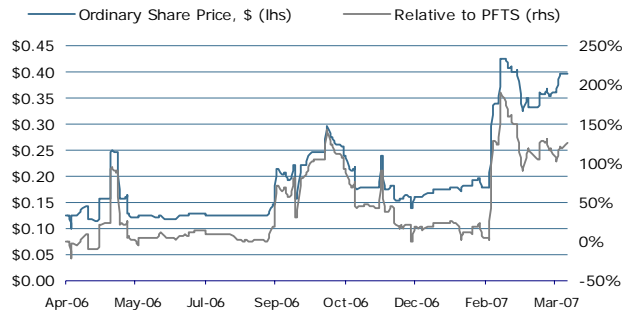
Metal Fabricate & Hardware

Target Price (USD)
0.18
Upside
-54.6%

INVESTMENT CASE

- Cheap on EV/Production metric
- Low margin commodity product
- Least transparent traded pipe maker
- Lacks internal resources for development

SHARE PRICE PERFORMANCE*



BUSINESS OVERVIEW

Kominmet is Ukraine's seventh largest pipe maker in terms of production volume, with a market share of 6.1% in 2006. The company's core product is galvanized small diameter (up to 11 mm) welded pipes that are used in the construction and repair of water and gas lines. Auxiliary production of lead steel sheets, spades and dishware make up a small portion of sales. Kominmet exports pipes mainly to FSU countries and Eastern Europe. Exports make up 50% to 80% of Kominmet's pipe shipments.

In 2006, Kominmet increased production by 26.9% yoy to 160.4 ths mt. However, it is still running far below its annual designed capacity of 282 ths mt. The company's net income decreased from USD 3.3 mln in 2005 to negative USD 2.2 mln in 2006.

In November 2006 an additional issue of 25 mln new shares was registered, which increased Kominmet's charter fund by 24.3% to USD 6.4 mln.

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 1: Market price reaction remains within 10% in execution of a market order of about USD 10 mln in size
 2: Market price reaction remains within 10% in execution of a market order of about USD 1 mln in size
 3: All other stocks (quoted price is less reliable and should be considered indicative)

Note: data (market information, price changes) as of 30 Mar 2007

MARKET INFORMATION

Market price*, USD	0.40
Price impact**	3
52 Wk H/L, USD	0.43 / 0.10
Chg 3m/6m/52w	126% / 60% / 214%
Chg vs PFTS 3m/6m/52w	62% / -44% / 121%
Chg YTD	126%
Avg Mo Tr Vol 6M, USD ths	56.40
MCap, USD mln	51.0
Free float, %	19.8%
FF MCap, USD mln	10.1
No of shares, mln	128.8
Par Value, UAH	0.25
XETRA	n/a
DR Ratio	n/a
Avg Mo Tr Vol 6M, USD ths	n/a

STOCK OWNERSHIP

Energopromresurs	80.2%
Other	19.8%

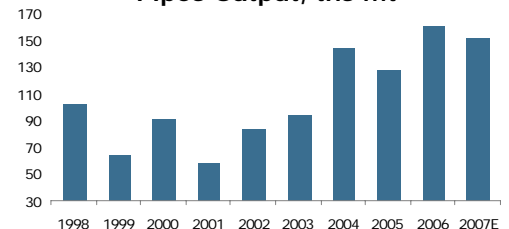
MARKET MULTIPLES

	2006E	2007E
EV/Sales	0.6	0.6
EV/EBITDA	48.1	8.0
P/E	neg	12.8
P/B	-7.9	-42.0
P/CF	85.0	10.2

KEY RATIOS

	2005	2006E	2007E
EBITDA margin	10%	1%	7%
Net Margin	4%	-0.5%	4%
ROE	-37%	7%	-62%
Net Debt/Equity	-0.5	-0.3	-3.7

Pipes Output, ths mt



INCOME STATEMENT SUMMARY, USD mln

	2002	2003	2004	2005	2006E	2007E	2008E
Net Revenues	21.8	33.4	66.3	77.3	87.4	97.2	102.4
<i>Change y-o-y</i>	-	53.0%	98.6%	16.7%	13.1%	11.2%	5.3%
Gross Profit	3.1	3.0	1.6	6.1	5.4	11.7	13.7
EBITDA	1.0	0.7	(0.9)	8.0	1.1	6.9	8.5
<i>margin, %</i>	4.4%	2.0%	-1.4%	10.4%	1.2%	7.1%	8.3%
Depreciation	(0.8)	(0.8)	(0.8)	(1.0)	(1.1)	(1.1)	(1.2)
EBIT	0.2	(0.1)	(1.8)	7.0	(0.1)	5.7	7.4
<i>margin, %</i>	0.9%	-0.4%	-2.6%	9.0%	-0.1%	5.9%	7.2%
Interest Expense	(2.8)	(2.8)	(2.3)	(3.5)	(0.3)	(0.5)	(0.7)
Other income/(expense)	0.1	(0.2)	(0.1)	0.6	-	-	-
PBT	(2.5)	(3.2)	(4.2)	4.0	(0.4)	5.3	6.7
Tax	-	-	(0.1)	(0.7)	-	(1)	(2)
<i>Effective tax rate</i>	0.0%	0.0%	-2.7%	17.3%	20.0%	25.0%	25.0%
Net Income	(2.5)	(3.2)	(4.3)	3.3	(0.4)	4.0	5.0
<i>Net Margin, %</i>	-11.3%	-9.5%	-6.5%	4.3%	-0.4%	4.1%	4.9%

BALANCE SHEET SUMMARY, USD mln

	2002	2003	2004	2005	2006E	2007E	2008E
Current Assets	5.6	5.6	9.5	10.7	17.9	19.8	21.5
Cash & Equivalents	0.1	0.0	0.0	0.2	0.3	0.3	0.3
Trade Receivables	2.1	2.3	0.4	1.9	2.2	2.4	3.1
Inventories	2.0	2.5	7.7	4.7	9.6	10.6	11.3
Other	1.4	0.8	1.3	3.8	5.9	6.5	6.9
Fixed Assets	20.8	20.6	20.4	20.0	19.2	19.7	20.2
PP&E, net	12.8	12.3	12.2	12.7	12.4	12.6	13.2
Other	8.0	8.3	8.2	7.3	6.9	7.0	7.0
Total Assets	26.4	26.2	29.9	30.7	37.1	39.5	41.7
Shareholders' Equity	(5.7)	(8.6)	(8.6)	(6.1)	(6.4)	(1.2)	2.3
Share Capital	4.9	4.9	4.9	5.1	4.9	6.1	6.1
Retained Earnings	(24.1)	(27.0)	(27.0)	(25.3)	(25.6)	(21.5)	(17.9)
Other	13.5	13.5	13.6	14.1	14.31	14.17	14.17
Current Liabilities	22.5	25.1	29.2	33.4	43.6	40.7	39.4
ST Interest Bearing Debt	3.0	3.0	3.0	-	2.2	4.8	6.5
Trade Payables	9.9	10.4	10.3	10.6	17.5	17.4	16.4
Other	9.5	11.7	15.9	22.8	23.9	18.5	16.6
LT Liabilities	9.5	9.7	9.2	3.4	-	-	-
LT Interest Bearing Debt	6.2	6.4	9.2	3.1	-	-	-
Other	3.4	3.4	-	0.3	-	-	-
Total Liabilities & Equity	26.4	26.2	29.9	30.7	37.1	39.5	41.7

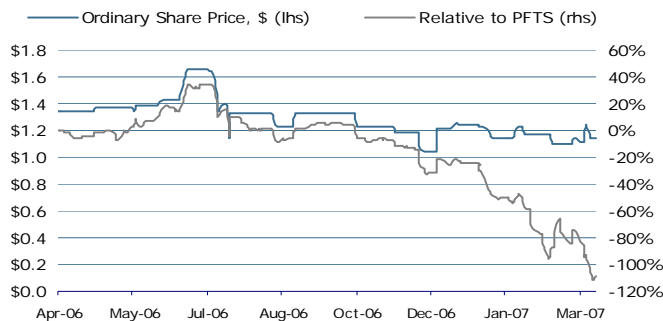
QUARTERLY ANALYSIS, USD mln

	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
Net Revenues	11.5	15.1	18.6	21.1	18.4	18.2	19.8	20.9	20.3	22.9	31.0
<i>Change y-o-y</i>	88.8%	98.9%	99.0%	103.9%	59.6%	21.2%	6.4%	-0.9%	10.3%	25.7%	57.1%
EBITDA	(0.0)	(0.4)	(0.3)	(0.2)	(0.4)	0.6	0.7	7.1	0.9	(1.2)	(0.3)
<i>margin, %</i>	-0.4%	-2.7%	-1.4%	-1.2%	-2.3%	3.1%	3.7%	34.1%	4.7%	-5.3%	-1.0%
EBIT	(0.2)	(0.6)	(0.5)	(0.5)	(0.7)	0.3	0.5	6.9	0.7	(1.5)	(0.6)
<i>margin, %</i>	-2.1%	-4.0%	-2.4%	-2.1%	-3.7%	1.7%	2.4%	32.8%	3.2%	-6.6%	-1.9%
Net Income	(0.9)	(1.1)	(1.0)	(1.3)	(1.2)	0.6	(0.1)	4.1	0.5	(1.5)	(0.7)
<i>Net Margin, %</i>	-8.1%	-7.1%	-5.4%	-6.0%	-6.5%	3.2%	-0.6%	19.4%	2.5%	-6.5%	-2.1%

Nikopol Ferroalloy

NFER UZ

Metal Fabricate & Hardware

Target Price (USD)
N/R
Upside
n/a
SHARE PRICE PERFORMANCE*

MARKET INFORMATION

Market price*, USD	1.34
Price impact**	3
52 Wk H/L, USD	1.66 / 1.04
Chg 3m/6m/52w	8% / 1% / -1%
Chg vs PFTS 3m/6m/52w	-57% / -104% / -93%
Chg YTD	8%
Avg Mo Tr Vol 6M, USD ths	56.17
MCap, USD mln	405.7
Free float, %	2.0%
FF MCap, USD mln	8.1
No of shares, mln	303.5
Par Value (UAH)	0.25
XETRA	N4AA
DR Ratio	1:25
Avg Mo Tr Vol 6M, USD ths	0.0

BUSINESS OVERVIEW

Nikopol Ferroalloy is the largest bulk (manganese-based) ferroalloy producer in the world. The company possesses the most modern equipment of any Ukrainian ferroalloy manufacturer. It operates 16 electric furnaces that were put into operation in the late 60s and have an annual capacity of 1.2 mln mt. Nikopol Ferroalloy produces 55% of Ukraine's ferroalloys. The company exports 70% of its output, mainly to Russia and imports over 70% of its raw materials from Ghana, Gabon and Australia. In 2006, Nikopol Ferroalloy increased its production by 10% yoy to 890 ths mt due to stabilized supplies of manganese ore and high demand from key customers.

Currently, the privatization of a 50%+1 stake is being disputed in court by the State Property Fund and Interpipe.

Nikopol Ferroalloy has implemented an energy-saving program in order to decrease the impact of higher electricity prices, which account for 30% of its total costs.

In 2006 the company posted an increase of net income to USD 0.23 mln (from the negative USD 4.2 mln in 2005).

UPCOMING EVENTS

17 May 2007 AGM

STOCK OWNERSHIP

State/Interpipe	71.0%
Privat Group	27.0%
Other	2.0%

MARKET MULTIPLES

	2006E	2007E
EV/Sales	1.0	0.9
EV/EBITDA	61.7	11.5
P/E	neg	21.4
P/B	3.6	3.4
P/CF	-405.7	16.0

KEY RATIOS

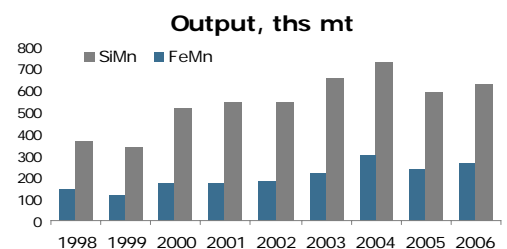
	2005	2006	2007E
EBITDA margin	1%	2%	8%
Net Margin	-1%	-1%	3%
ROE	-3%	-6%	17%
Net Debt/Equity	0.1	0.8	0.7

* PFTS MID Price is used

** Price "Impact" is the opinion of Concorde's trading desk on stocks to help investors estimate the reliability of quoted prices:

- 1: Market price reaction remains within 10% in execution of a market order of about USD 10 mln in size
- 2: Market price reaction remains within 10% in execution of a market order of about USD 1 mln in size
- 3: All other stocks (quoted price is less reliable and should be considered indicative)

Note: data (market information, price changes) as of 30 Mar 2007



INCOME STATEMENT SUMMARY, USD mln

	2002	2003	2004	2005	2006E	2007E	2008E
Net Revenues	272.6	288.1	414.9	480.8	514.8	566.8	603.3
<i>Change y-o-y</i>	-	5.7%	44.0%	15.9%	6.9%	10.1%	6.4%
Gross Profit	56.6	49.6	50.8	41.1	30.9	68.0	84.5
EBITDA	14.3	14.6	26.1	6.3	7.7	42.5	57.3
<i>margin, %</i>	5.3%	5.1%	6.3%	1.3%	1.5%	7.5%	9.5%
Depreciation	(4.8)	(5.1)	(5.1)	(6.4)	(6.4)	(6)	(7)
EBIT	9.6	9.5	21.0	(0.1)	1.3	36	51
<i>margin, %</i>	3.5%	3.3%	5.1%	0.0%	0.3%	6.4%	8.4%
Interest Expense	(2.7)	(0.7)	(0.9)	(1.1)	(8.2)	(10.7)	(10.0)
Other income/(expense)	(0.1)	(0.4)	0.1	0.2	-	-	-
PBT	6.7	8.4	20.1	(0.9)	(6.9)	25.4	40.8
Tax	(3.3)	(4.5)	(6.9)	(3.3)	-	(6)	(10)
<i>Effective tax rate</i>	48.5%	53.7%	34.0%	-356.9%	25.0%	25.0%	25.0%
Net Income	3.5	3.9	13.3	(4.2)	(6.9)	19.1	30.6
<i>Net Margin, %</i>	1.3%	1.4%	3.2%	-0.9%	-1.3%	3.4%	5.1%
							38.0

BALANCE SHEET SUMMARY, USD mln

	2002	2003	2004	2005	2006E	2007E	2008E
Current Assets	74.0	74.3	91.7	91.2	109.2	114.0	118.8
Cash & Equivalents	0.1	0.5	2.4	0.5	0.5	0.6	0.6
Trade Receivables	18.6	25.3	48.7	43.9	46.3	50.8	54.3
Inventories	33.5	23.2	23.2	29.0	31.5	32.3	33.7
Other	21.8	25.4	17.4	17.8	30.9	30.5	30.2
Fixed Assets	81.8	78.7	83.7	95.7	101.6	101.9	102.7
PP&E, net	74.4	76.4	76.9	84.5	82.8	82.2	86.0
Other	7.4	2.4	6.8	11.2	18.8	19.7	16.8
Total Assets	155.8	153.0	175.3	186.9	210.8	215.9	221.5
Shareholders' Equity	99.3	103.3	117.4	119.3	112.4	121.5	129.0
Share Capital	14.2	14.2	14.3	15.0	15.0	14.9	14.9
Reserves and Other	85.0	89.1	103.1	104.3	114.7	106.6	114.1
Current Liabilities	51.1	41.1	49.7	58.2	93.2	91.6	89.5
ST Interest Bearing Debt	26.0	5.6	15.0	7.0	47.8	43.2	38.6
Trade Payables	14.5	25.1	28.7	18.2	14.5	17.4	20.8
Other	10.6	10.4	5.9	33.0	30.9	31.0	30.2
LT Liabilities	5.3	8.6	8.3	9.4	5.1	2.8	3.0
LT Interest Bearing Debt	-	-	-	-	-	-	-
Other	5.3	8.6	8.3	9.4	5.1	2.8	3.0
Total Liabilities & Equity	155.8	153.0	175.3	186.9	210.8	215.9	221.5

QUARTERLY ANALYSIS, USD mln

	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
Net Revenues	83.6	103.1	108.4	119.8	130.1	124.6	107.1	119.0	133.4	100.6	136.7
<i>Change y-o-y</i>	36.0%	-28.9%	68.5%	52.0%	55.7%	20.9%	-1.2%	-0.7%	2.5%	-19.2%	27.7%
EBITDA	2.0	3.9	8.7	11.6	9.6	8.4	(6.7)	(5.0)	(2.0)	(6.3)	9.4
<i>margin, %</i>	2.4%	3.7%	8.0%	9.7%	7.4%	6.8%	-6.3%	-4.2%	-1.5%	-6.3%	6.9%
EBIT	0.7	2.6	7.3	10.3	8.2	6.8	(8.4)	(6.7)	(3.6)	(7.9)	7.8
<i>margin, %</i>	0.9%	2.5%	6.8%	8.6%	6.3%	5.4%	-7.9%	-5.6%	-2.7%	-7.9%	5.7%
Net Income	0.7	0.9	4.6	7.1	7.9	3.7	(12.0)	(3.8)	(3.9)	(8.7)	6.0
<i>Net Margin, %</i>	0.8%	0.9%	4.2%	5.9%	6.1%	2.9%	-11.2%	-3.2%	-2.9%	-8.6%	4.4%

Novomoskovsk Pipe

NVTR UZ

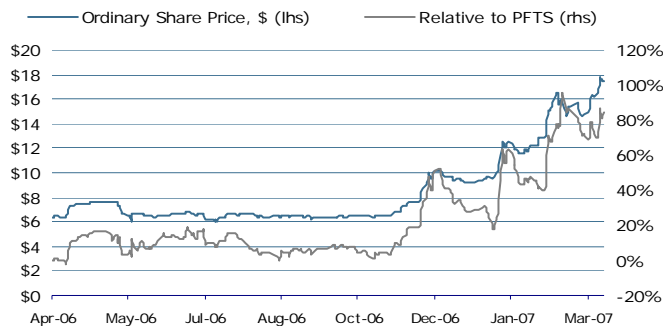
Metal Fabricate & Hardware

<http://www.nmtz.dp.ua>
Target Price (USD)
10.12
Upside
-37.3%

INVESTMENT CASE

- Has exposure to both the oil & gas industry and the construction industry and infrastructural projects
- Highest production growth among Ukraine's big four pipe makers in 2006 (36.3% yoy)
- Demand for its pipes is highly volatile
- Poor financial reporting standards
- Gaining momentum on the back of Russia's booming oil & gas sector
- Parent company, Interpipe, is an IPO candidate in 2008-2009

SHARE PRICE PERFORMANCE*



BUSINESS OVERVIEW

Novomoskovsk Pipe is Ukraine's third largest pipe producer with a capacity of 1.3 mln mt of pipes p.a. and a 9.3% share of domestic total pipe output in 2006. The company's core products are large-diameter (1020 mm) and middle diameter (159 - 529 mm) electric-welded pipes (of which the company is the only producer in the CIS) for oil & gas and general purpose pipelines. Its product portfolio encompasses +/- 70 dimension sizes of pipes made from carbon, alloy and stainless steel. Exports accounted for ~65% of the company's shipments in January-September 2006 (~86% of which was to Russia). In 2006, Novomoskovsk Pipe increased output by 35.6% yoy to 241.2 ths mt, significantly outstripping the industry's average growth of 11.4% yoy. The company's net income increased in almost 6 times to USD 8.4 mln (against USD 1.4 in 2005).

MARKET INFORMATION

Market price*, USD	16.14
Price impact**	2
52 Wk H/L, USD	17.8 / 6.1
Chg 3m/6m/52w	75% / 152% / 151%
Chg vs PFTS 3m/6m/52w	11% / 48% / 58%
Chg YTD	75%
Avg Mo Tr Vol 6M, USD ths	474.65
MCap, USD mln	193.7
Free float, %	13.5%
FF MCap, USD mln	26.1
No of shares, mln	12.0
Par Value, UAH	0.25
XETRA	n/a
DR Ratio	n/a
Avg Mo Tr Vol 6M, USD ths	n/a

STOCK OWNERSHIP

Interpipe	86.5%
Other	13.5%

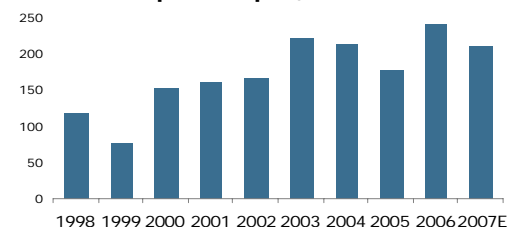
MARKET MULTIPLES

	2006E	2007E
EV/Sales	1.2	1.2
EV/EBITDA	12.4	13.8
P/E	20.0	23.3
P/B	4.2	4.0
P/CF	16.0	17.1

KEY RATIOS

	2005	2006E	2007E
EBITDA margin	4%	9%	9%
Net Margin	1%	6%	5%
ROE	4%	23%	18%
Net Debt/Equity	0.03	0.03	0.04

Pipes Output, ths mt



* PFTS MID Price is used
 ** Price "Impact" is the opinion of Concorde's trading desk on stocks to help investors estimate the reliability of quoted prices:
 1: Market price reaction remains within 10% in execution of a market order of about USD 10 mln in size
 2: Market price reaction remains within 10% in execution of a market order of about USD 1 mln in size
 3: All other stocks (quoted price is less reliable and should be considered indicative)

Note: data (market information, price changes) as of 30 Mar 2007

INCOME STATEMENT SUMMARY, USD mln

	2002	2003	2004	2005	2006E	2007E	2008E
Net Revenues	47.8	84.5	121.4	122.0	153.1	153.3	162.7
<i>Change y-o-y</i>	-	76.6%	43.7%	0.5%	25.4%	0.2%	6.1%
Gross Profit	7.2	11.5	13.1	15.3	22.8	24.9	25.4
EBITDA	2.2	2.2	5.4	4.6	9.2	14.2	15.6
<i>margin, %</i>	4.5%	2.6%	4.5%	3.7%	6.0%	9.3%	9.6%
Depreciation	(1.9)	(1.7)	(1.9)	(2.2)	(2.1)	(2.1)	(2.1)
EBIT	0.2	0.5	3.5	2.4	7.1	12.1	13.5
<i>margin, %</i>	0.4%	0.6%	2.9%	2.0%	4.6%	7.9%	8.3%
Interest Expense	(0.0)	(0.0)	(0.0)	(0.0)	(0.2)	(0.2)	(0.2)
Other income/(expense)	(0.1)	0.0	(0.0)	(0.3)	-	-	-
PBT	0.0	0.5	3.4	2.1	(0.1)	(0.0)	(0.1)
Tax	(1.1)	(0.4)	(1.2)	(0.7)	(2.7)	(3.6)	(4.0)
<i>Effective tax rate</i>	3702.3%	72.0%	36.0%	32.6%	40.0%	30.0%	30.0%
Net Income	(1.0)	0.1	2.2	1.4	4.1	8.3	9.3
<i>Net Margin, %</i>	-2.2%	0.2%	1.8%	1.2%	2.7%	5.4%	5.7%

BALANCE SHEET SUMMARY, USD mln

	2002	2003	2004	2005	2006E	2007E	2008E
Current Assets	11.0	18.5	24.9	25.5	32.7	34.2	36.6
Cash & Equivalents	0.0	0.1	0.0	1.6	0.2	0.6	0.8
Trade Receivables	1.1	7.7	13.7	15.0	19.9	19.8	21.2
Inventories	6.4	6.7	7.7	7.2	8.0	9.2	9.8
Other	3.5	4.1	3.4	1.7	4.6	4.6	4.9
Fixed Assets	28.2	29.2	28.1	29.5	28.8	30.8	31.5
PP&E, net	23.6	23.3	23.7	23.3	23.0	23.0	23.4
Other	4.6	5.8	4.4	6.2	5.8	7.8	8.1
Total Assets	39.1	47.7	53.0	55.0	61.6	65.0	68.1
Shareholders' Equity	34.8	34.2	38.9	41.9	46.0	48.9	51.7
Share Capital	0.1	0.1	3.3	3.5	3.3	3.3	3.3
Retained Earnings	4.2	5.0	7.3	9.2	13.3	16.5	19.3
Other	30.4	29.1	28.3	29.2	29.4	29.1	29.1
Current Liabilities	4.1	10.2	11.4	10.4	14.1	14.0	13.9
ST Interest Bearing Debt	1.1	0.0	0.0	-	0.2	0.3	0.4
Trade Payables	2.6	8.0	10.8	9.4	12.2	12.2	12.2
Other	0.4	2.2	0.6	1.0	1.6	1.4	1.4
LT Liabilities	0.3	3.3	2.6	2.7	1.5	2.2	2.4
LT Interest Bearing Debt	-	2.7	2.6	2.7	1.5	2.2	2.4
Other	0.3	0.6	0.0	-	-	-	-
Total Liabilities & Equity	39.1	47.7	53.0	55.0	61.6	65.0	68.1

QUARTERLY ANALYSIS, USD mln

	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
Net Revenues	18.2	28.7	39.0	35.5	30.4	34.8	29.6	27.2	37.7	32.7	62.7
<i>Change y-o-y</i>	78.0%	7.6%	55.4%	57.7%	66.9%	21.2%	-24.1%	-23.3%	24.1%	-6.1%	112.0%
EBITDA	1.0	1.0	1.1	2.3	2.0	1.3	0.9	0.4	3.3	1.5	7.0
<i>margin, %</i>	5.5%	3.6%	2.8%	6.4%	6.5%	3.7%	3.1%	1.4%	8.6%	4.6%	11.1%
EBIT	0.5	0.6	0.7	1.6	1.5	0.8	0.3	(0.2)	2.8	0.9	6.4
<i>margin, %</i>	3.0%	2.2%	1.8%	4.5%	4.9%	2.2%	1.1%	-0.7%	7.4%	2.8%	10.3%
Net Income	0.4	0.2	0.3	1.3	0.9	0.3	(0.3)	0.4	1.9	0.3	4.3
<i>Net Margin, %</i>	2.2%	0.8%	0.7%	3.7%	3.1%	0.9%	-0.9%	1.5%	5.0%	0.9%	6.8%

Nyzhnyodniprovsky Pipe NITR UZ

Metal Fabricate & Hardware

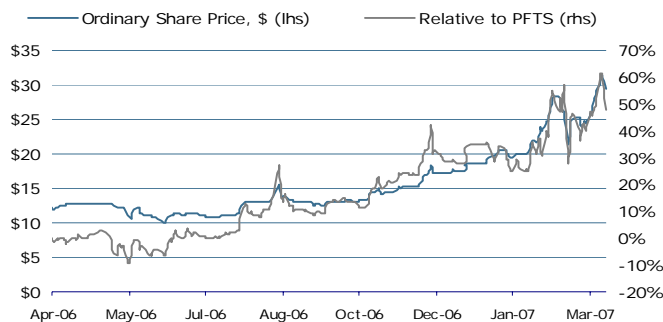
<http://www.ntz.dp.ua>

Target Price (USD) 21.88
Upside -28.0%

INVESTMENT CASE

- Boasts the highest corporate governance standards among Ukrainian pipe makers
- Best product mix among Ukrainian pipe makers
- Diversified in the highly profitable railcar wheel business
- Parent company, Interpipe, is an IPO candidate in 2008-2009
- Risk of unwelcome corporate events brought about by controlling owners still exists

SHARE PRICE PERFORMANCE*



BUSINESS OVERVIEW

Nyzhnyodniprovsky Pipe is Ukraine's largest pipe maker by output. It has a monopoly in the production of railroad wheels, tires & rings in Ukraine and is one of the three rail wheel producers in the CIS. The company's pipe business is focused on high quality casing pipes. Pipe production conforms to local UkrSEPRO and Russian GOST systems, is certified by the API and the TÜV NORD Certification Center (Germany). The plant's pipe making capacity is 900.3 ths mt p.a., its railroad wheel production capacity is 256 ths mt p.a. and its tires & rings capacity is 70 ths mt p.a. Nyzhnyodniprovsky Pipe exports over 70% of its pipes and 50% of its pipe sales (in terms of weight) are to non-CIS markets.

In 2006 pipe output grew 7.8% yoy, which made Nyzhnyodniprovsky Pipe Ukraine's largest pipe maker with a market share of 22.4% (581.2 ths mt production in 2006). In 2006 the company posted growth by 7.6% yoy in net income to USD 111.7 mln.

MARKET INFORMATION

Market price*, USD	30.40
Price impact**	2
52 Wk H/L, USD	31.4 / 10.0
Chg 3m/6m/52w	64% / 132% / 149%
Chg vs PFTS 3m/6m/52w	0% / 27% / 56%
Chg YTD	64%
Avg Mo Tr Vol 6M, USD ths	1730.66
MCap, USD mln	1637.9
Free float, %	9.3%
FF MCap, USD mln	153.0
No of shares, mln	53.9
Par Value, UAH	0.25
XETRA	NYZ
DR Ratio	1:6
Avg Mo Tr Vol 6M, USD ths	157.88

STOCK OWNERSHIP

Interpipe	86.9%
Management	3.8%
Other	9.3%

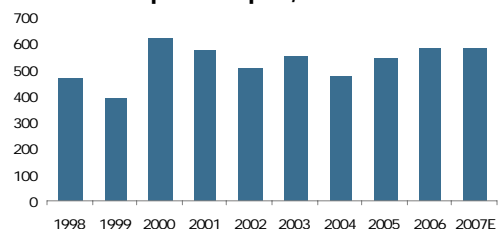
MARKET MULTIPLES

	2006E	2007E
EV/Sales	2.5	2.2
EV/EBITDA	10.8	8.7
P/E	17.2	13.1
P/B	7.4	5.8
P/CF	15.7	12.1

KEY RATIOS

	2005	2006E	2007E
EBITDA margin	20%	23%	25%
Net Margin	17%	13%	15%
ROE	56%	32%	56%
Net Debt/Equity	-0.2	0.8	0.7

Pipes Output, ths mt



* PFTS MID Price is used
 ** Price "impact" is the opinion of Concorde's trading desk on stocks to help investors estimate the reliability of quoted prices:
 1: Market price reaction remains within 10% in execution of a market order of about USD 10 mln in size
 2: Market price reaction remains within 10% in execution of a market order of about USD 1 mln in size
 3: All other stocks (quoted price is less reliable and should be considered indicative)

Note: data (market information, price changes) as of 30 Mar 2007

INCOME STATEMENT SUMMARY, USD mln

	2002	2003	2004	2005	2006E	2007E	2008E
Net Revenues	250.0	315.7	495.1	623.4	734.1	831.7	935.1
<i>Change y-o-y</i>	-	26.3%	56.8%	25.9%	17.9%	13.3%	12.4%
Gross Profit	27.2	47.5	75.3	181.1	251.9	285.4	304.8
EBITDA	12.0	14.0	43.5	125.6	185.8	210.5	220.6
<i>margin, %</i>	4.8%	4.4%	8.8%	20.1%	25.3%	25.3%	23.6%
Depreciation	(7.3)	(7.4)	(7.3)	(7.7)	(9.0)	(10.9)	(13.1)
EBIT	4.7	6.6	36.2	117.9	176.8	199.6	207.6
<i>margin, %</i>	1.9%	2.1%	7.3%	18.9%	24.1%	24.0%	22.2%
Interest Expense	(0.3)	(0.5)	(2.2)	(3.2)	(14.1)	(21.3)	(21.0)
Other income/(expense)	0.1	0.1	(0.2)	28.4	-	-	-
PBT	4.4	6.2	33.8	143.1	162.7	178.3	186.6
Tax	(4.1)	(2.9)	(10.6)	(39.0)	(49)	(53)	(47)
<i>Effective tax rate</i>	93.6%	46.5%	31.3%	27.3%	30.0%	30.0%	25.0%
Net Income	0.3	3.3	23.2	103.8	113.9	124.8	140.0
<i>Net Margin, %</i>	0.1%	1.1%	4.7%	16.7%	15.5%	15.0%	15.0%

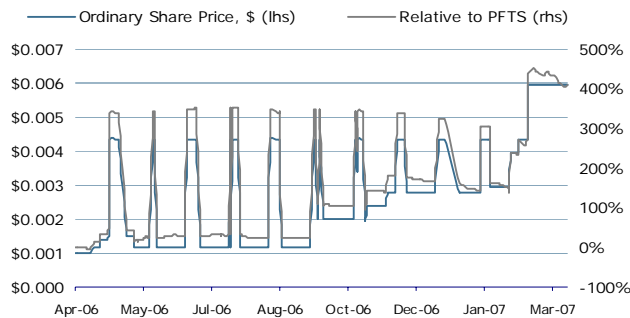
BALANCE SHEET SUMMARY, USD mln

	2002	2003	2004	2005	2006E	2007E	2008E
Current Assets	87.9	102.4	184.9	336.5	341.4	335.2	360.0
Cash & Equivalents	1.2	0.9	26.2	102.1	51.4	24.8	28.1
Trade Receivables	44.9	48.4	34.3	56.9	55.1	62.1	70.1
Inventories	34.2	40.5	51.7	60.1	73.4	82.8	93.5
Other	7.6	12.6	72.7	117.3	161.5	165.5	168.3
Fixed Assets	100.5	152.9	280.8	151.4	167.4	225.5	280.3
PP&E, net	78.7	81.3	79.6	84.2	89.4	130.2	176.7
Other	21.8	71.6	201.2	67.2	77.9	95.3	103.6
Total Assets	188.4	255.3	465.7	487.9	508.7	560.7	640.3
Shareholders' Equity	158.1	166.6	189.7	299.7	221.3	281.2	337.2
Share Capital	9.5	9.5	9.5	10.0	9.5	9.5	9.5
Retained Earnings	54.6	64.0	87.0	193.2	114.8	175.8	231.8
Other	94.0	93.1	93.2	96.4	96.9	95.8	95.8
Current Liabilities	29.1	50.0	140.7	126.9	135.7	172.1	186.5
ST Interest Bearing Debt	3.7	3.2	36.7	51.1	73.4	101.9	107.1
Trade Payables	20.9	41.8	96.1	55.9	51.4	57.9	65.5
Other	4.6	5.0	7.9	19.4	10.9	12.3	13.9
LT Liabilities	1.2	38.6	135.3	61.3	151.7	107.4	116.6
LT Interest Bearing Debt	-	-	-	-	108.2	95.6	104.9
Other	1.2	38.6	135.3	61.3	43.6	11.8	11.8
Total Liabilities & Equity	188.4	255.3	465.7	487.9	508.7	560.7	640.3

QUARTERLY ANALYSIS, USD mln

	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
Net Revenues	98.9	117.0	129.9	149.4	141.0	166.6	165.0	150.9	169.7	192.8	187.4
<i>Change y-o-y</i>	69.3%	31.5%	53.7%	78.1%	42.5%	42.4%	27.0%	1.0%	20.4%	15.7%	13.6%
EBITDA	10.6	(1.1)	8.3	25.7	13.1	39.3	40.4	32.7	46.8	44.9	30.6
<i>margin, %</i>	10.7%	-0.9%	6.4%	17.2%	9.3%	23.6%	24.5%	21.7%	27.6%	23.3%	16.3%
EBIT	8.6	(2.8)	6.4	24.0	11.2	37.4	38.5	30.8	44.6	42.7	28.6
<i>margin, %</i>	8.7%	-2.4%	4.9%	16.1%	8.0%	22.4%	23.3%	20.4%	26.3%	22.2%	15.3%
Net Income	7.0	(5.0)	5.0	16.3	5.8	73.5	(20.3)	44.8	31.8	29.9	10.9
<i>Net Margin, %</i>	7.1%	-4.3%	3.8%	10.9%	4.1%	44.1%	-12.3%	29.7%	18.8%	15.5%	5.8%

Silur

SILUR UZ
Metal Fabricate & Hardware
<http://www.silur.com>
Target Price (USD)
N/R
Upside
n/a
SHARE PRICE PERFORMANCE*

MARKET INFORMATION

Market price*, USD	0.004
Price impact**	3
52 Wk H/L, USD	0.01 / 0.00
Chg 3m/6m/52w	0% / 0% / 340%
Chg vs PFTS 3m/6m/52w	-65% / -104% / 247%
Chg YTD	0%
Avg Mo Tr Vol 6M, USD ths	0.54
MCap, USD mln	20.1
Free float, %	8.2%
FF MCap, USD mln	1.6
No of shares, mln	4609.4
Par Value (UAH)	0.05
XETRA	n/a
DR Ratio	n/a
Avg Mo Tr Vol 6M, USD ths	n/a

BUSINESS OVERVIEW

Silur is one of the largest producers of steel cables and wires in Europe and the only producer of metal cord used in the production of automotive tires in Ukraine. The company includes cable, metal cord, and metal grid shops and other supporting enterprises that specialize in certain products and services. It produces around 2,000 different types and sizes of steel cables and wires.

The plant's main customers are leading companies in Ukraine and all over the world. Silur exports its products to 49 countries in Western Europe, Africa, North and South America, Australia, Asia and the near East.

In 2006, the plant produced 98.4 ths mt of metal wares, a 1.3% yoy decrease. The company's financials for 9M06 reported a 15.6% yoy increase of net revenues to USD 44.7 mln, a reduction in its EBITDA margin to negative 5.2% from 11.4% in 9M05, and a decrease in its net margin to negative 15.2% from 13.5% in 9M05.

STOCK OWNERSHIP

Bank "Pivdenny" related companies	91.8%
Other	8.2%

MARKET MULTIPLES

	2006E	2007E
EV/Sales	0.5	n/a
EV/EBITDA	-9.3	n/a
P/E	-2.2	n/a
P/B	-6.1	n/a
P/CF	-3.0	n/a

KEY RATIOS

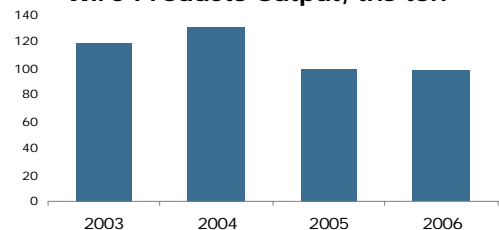
	2005	2006E	2007E
EBITDA margin	9%	-5%	n/a
Net Margin	9%	-15%	n/a
ROE	1725%	-157%	n/a
Net Debt/Equity	5.2	-2.6	n/a

* PFTS BID Price is used

** Price "Impact" is the opinion of Concorde's trading desk on stocks to help investors estimate the reliability of quoted prices:

- 1: Market price reaction remains within 10% in execution of a market order of about USD 10 mln in size
- 2: Market price reaction remains within 10% in execution of a market order of about USD 1 mln in size
- 3: All other stocks (quoted price is less reliable and should be considered indicative)

Note: data (market information, price changes) as of 30 Mar 2007

Wire Products Output, ths ton


INCOME STATEMENT SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Net Revenues	41.7	39.4	59.9	55.1	44.7	n/a	n/a
<i>Change y-o-y</i>	-	-5.4%	51.8%	-8.0%	15.6%	n/a	n/a
Gross Profit	5.2	7.0	15.0	12.8	6.8	n/a	n/a
EBITDA	(0.1)	2.1	3.7	5.0	(2.3)	n/a	n/a
<i>margin, %</i>	-0.3%	5.2%	6.1%	9.0%	-5.2%	n/a	n/a
Depreciation	(2.9)	(2.6)	(2.5)	(2.5)	(1.7)	n/a	n/a
EBIT	(3.0)	(0.5)	1.2	2.5	(4.1)	n/a	n/a
<i>margin, %</i>	-7.3%	-1.4%	2.0%	4.6%	-9.1%	n/a	n/a
Interest Expense	(1.6)	(1.3)	(1.9)	(1.2)	(0.8)	n/a	n/a
Other income/(expense)	(6.4)	(5.0)	(3.5)	4.0	(1.8)	n/a	n/a
PBT	(11.1)	(6.9)	(4.2)	5.3	(6.7)	n/a	n/a
Tax	(0.1)	-	(0.5)	(0.2)	(0.1)	n/a	n/a
<i>Effective tax rate</i>	-0.6%	0.0%	-11.3%	3.5%	-2.2%	n/a	n/a
Net Income	(11.1)	(6.9)	(4.7)	5.1	(6.8)	n/a	n/a
<i>Net Margin, %</i>	-26.7%	-17.4%	-7.9%	9.3%	-15.2%	n/a	n/a

BALANCE SHEET SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Current Assets	15.5	13.2	19.3	24.4	14.4	n/a	n/a
Cash & Equivalents	0.1	0.2	0.3	0.0	0.0	n/a	n/a
Trade Receivables	4.1	2.3	9.3	12.5	3.0	n/a	n/a
Inventories	8.4	7.5	6.9	9.4	9.6	n/a	n/a
Other	2.9	3.2	2.7	2.5	1.8	n/a	n/a
Fixed Assets	30.8	28.3	28.7	29.6	27.9	n/a	n/a
PP&E, net	27.2	24.6	24.5	26.1	24.6	n/a	n/a
Other	3.6	3.7	4.1	3.5	3.3	n/a	n/a
Total Assets	46.3	41.5	48.0	54.0	42.3	n/a	n/a
Shareholders' Equity	10.5	3.5	0.3	5.8	25.9	n/a	n/a
Share Capital	43.2	43.2	43.4	45.6	45.6	n/a	n/a
Retained Earnings	(32.8)	(39.8)	(43.2)	(39.8)	(19.8)	n/a	n/a
Other	0.1	0.1	0.1	-	-	n/a	n/a
Current Liabilities	30.9	36.5	34.1	35.0	6.5	n/a	n/a
ST Interest Bearing Debt	21.6	28.8	26.0	22.8	0.0	n/a	n/a
Trade Payables	6.5	3.5	5.9	10.9	4.4	n/a	n/a
Other	2.8	4.2	2.2	1.3	2.6	n/a	n/a
LT Liabilities	4.9	1.5	13.6	13.2	10.0	n/a	n/a
LT Interest Bearing Debt	4.8	1.5	12.8	7.2	8.7	n/a	n/a
Other	0.1	-	0.7	6.0	1.3	n/a	n/a
Total Liabilities & Equity	46.3	41.5	48.0	54.0	42.3	n/a	n/a

QUARTERLY ANALYSIS, USD mln

	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
Net Revenues	9.9	16.6	19.4	13.9	6.4	17.0	15.3	16.4	13.4	15.3	16.0
<i>Change y-o-y</i>	-9.6%	50.5%	99.8%	81.0%	-35.5%	1.9%	-21.0%	18.0%	108.8%	-9.7%	4.6%
EBITDA	0.4	2.7	1.4	(0.8)	(0.2)	2.5	2.1	0.5	1.0	0.7	(4.0)
<i>margin, %</i>	3.9%	16.0%	7.4%	-5.8%	-3.0%	14.7%	13.8%	3.3%	7.6%	4.3%	-25.0%
EBIT	(0.2)	2.1	0.8	(1.5)	(0.8)	1.9	1.5	(0.1)	0.4	0.1	(4.6)
<i>margin, %</i>	-2.2%	12.4%	4.3%	-10.5%	-13.1%	11.2%	10.1%	-0.5%	3.2%	0.4%	-28.5%
Net Income	(0.1)	1.4	(1.0)	(5.0)	(0.1)	4.1	1.2	(0.1)	(0.5)	(1.1)	(5.2)
<i>Net Margin, %</i>	-1.2%	8.5%	-5.1%	-36.0%	-1.8%	24.3%	8.0%	-0.7%	-3.6%	-7.5%	-32.5%

Stakhaniv Ferroalloy

SFER UZ

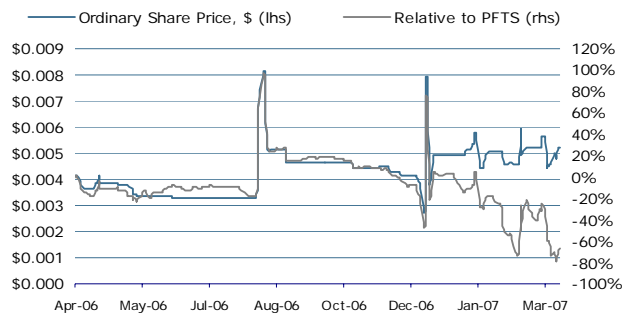
Metal Fabricate & Hardware

Target Price (USD)
0.01
Upside
37.7%

INVESTMENT CASE

- Launch and focus on a new product (SiMn), which is in higher demand worldwide and less cost-consuming, is improved the company's economy
- Expected construction of new domestic electric arc mills and increased capacities at existing mills will increasing demand for ferroalloys from steel smelters
- Transparency improvement is in progress

SHARE PRICE PERFORMANCE*



BUSINESS OVERVIEW

Stakhaniv Ferroalloy is the smallest bulk ferroalloy producer in Ukraine. The plant's annual capacity is 0.3 mln mt of FeSi, SiMn, and FeMn. The company exports 80% of its output, mainly to Russia. The company's output dropped by 14% yoy in 2006 to 178 ths mt versus our previous forecast of 218 ths mt. The decrease was due to lower production of electricity-intensive FeSi (output decreased by 50% in 2006). At the same time, production of manganese alloys grew: SiMn to 114 ths mt by 14% yoy and the production of FeMn began with 11 ths mt in 2006. We forecast a 7% yoy output increase in 2007 due to more manganese based alloy production.

In 9M06 the company posted 42% yoy growth of net revenues to USD 94.1 mln, an increase in its EBITDA margin to 7.5% from negative 2% in 9M05, and an increase in its net margin to 2% from negative 6.3% in 9M05.

Stakhaniv Ferroalloy is controlled by Privat Group, which supplies the plant with manganese ore, sinter and coke.

MARKET INFORMATION

Market price*, USD	0.004
Price impact**	3
52 Wk H/L, USD	0.01 / 0.00
Chg 3m/6m/52w	-12% / -6% / -3%
Chg vs PFTS 3m/6m/52w	-77% / -111% / -96%
Chg YTD	-12%
Avg Mo Tr Vol 6M, USD ths	15.99
MCap, USD mln	62.5
Free float, %	2.0%
FF MCap, USD mln	1.3
No of shares, mln	14356.9
Par Value (UAH)	0.01
XETRA	S5Z1
DR Ratio	1:100
Avg Mo Tr Vol 6M, USD ths	0.0

STOCK OWNERSHIP

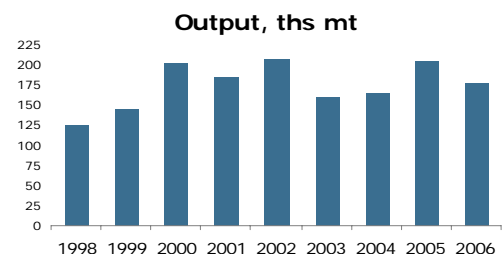
Privat Group	98.0%
Other	2.0%

MARKET MULTIPLES

	2006E	2007E
EV/Sales	0.4	0.4
EV/EBITDA	9.4	7.3
P/E	31.3	15.6
P/B	2.8	2.5
P/CF	12.5	9.2

KEY RATIOS

	2005	2006E	2007E
EBITDA margin	-1%	9%	11%
Net Margin	-6%	2%	3%
ROE	-272%	10%	18%
Net Debt/Equity	1.2	1.9	1.6



* PFTS MID Price is used
 ** Price "Impact" is the opinion of Concorde's trading desk on stocks to help investors estimate the reliability of quoted prices:
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 2: Market price reaction remains within 10% in execution of a market order of about USD 1 mln in size
 3: All other stocks (quoted price is less reliable and should be considered indicative)

Note: data (market information, price changes) as of 30 Mar 2007

INCOME STATEMENT SUMMARY, USD mln

	2002	2003	2004	2005	2006E	2007E	2008E
Net Revenues	46.6	43.1	61.0	94.0	122.9	129.9	133.5
<i>Change y-o-y</i>	-	-7.5%	41.7%	54.1%	30.8%	5.8%	2.7%
Gross Profit	4.3	5.6	3.8	4.3	18.4	22.1	24.0
EBITDA	0.2	3.7	1.6	(1.1)	11.1	14.3	16.0
<i>margin, %</i>	0.5%	8.5%	2.6%	-1.1%	9.0%	11.0%	12.0%
Depreciation	(2.0)	(2.0)	(2.2)	(2.8)	(3.0)	(2.8)	(2.8)
EBIT	(1.7)	1.6	(0.6)	(3.9)	8.0	11.2	12.8
<i>margin, %</i>	-3.7%	3.8%	-1.0%	-4.1%	6.5%	8.6%	9.6%
Interest Expense	(1.6)	(2.4)	(2.5)	(2.1)	(5.9)	(6.1)	(6.0)
Other income/(expense)	0.0	(0.6)	(2.4)	0.2	-	-	-
PBT	(3.3)	(1.3)	(5.6)	(5.8)	2.2	5.1	6.8
Tax	-	-	-	-	(0.5)	(1.3)	(1.7)
<i>Effective tax rate</i>	0.0%	0.0%	0.0%	0.0%	25.0%	25.0%	25.0%
Net Income	(3.3)	(1.3)	(5.6)	(5.8)	1.6	3.8	5.1
<i>Net Margin, %</i>	-7.1%	-3.1%	-9.1%	-6.2%	1.3%	3.0%	3.8%

BALANCE SHEET SUMMARY, USD mln

	2002	2003	2004	2005	2006E	2007E	2008E
Current Assets	20.9	13.0	26.2	29.9	32.0	33.3	34.2
Cash & Equivalents	0.0	0.0	0.0	1.0	1.0	1.0	1.1
Trade Receivables	6.3	1.5	5.4	7.7	8.6	9.1	9.3
Inventories	4.8	3.5	15.1	14.9	15.7	16.1	16.4
Other	9.8	7.9	5.8	6.2	6.8	7.1	7.3
Fixed Assets	16.1	15.7	20.3	30.4	34.7	37.7	39.9
PP&E, net	12.2	11.3	15.5	21.5	28.1	32.2	35.7
Other	4.0	4.4	4.8	8.9	6.6	5.5	4.1
Total Assets	37.0	28.7	46.6	60.3	66.7	71.0	74.0
Shareholders' Equity	8.9	7.8	2.2	20.1	21.8	25.4	29.5
Share Capital	4.4	4.4	4.4	28.4	28.4	28.2	28.2
Other	4.5	3.4	(2.2)	(8.3)	(6.7)	(2.8)	1.3
Current Liabilities	27.3	9.4	36.7	32.0	36.8	37.6	37.7
ST Interest Bearing Debt	12.5	5.4	9.9	16.3	18.2	18.1	17.6
Trade Payables	5.8	2.0	0.9	2.1	2.6	2.7	2.7
Other	9.0	2.0	25.8	13.5	16.0	16.8	17.4
LT Liabilities	0.8	11.6	7.8	8.1	8.1	8.0	6.9
LT Interest Bearing Debt	-	11.6	7.8	8.1	8.1	8.0	6.9
Other	0.8	-	-	-	-	-	-
Total Liabilities & Equity	37.0	28.7	46.6	60.3	66.7	71.0	74.0

QUARTERLY ANALYSIS, USD mln

	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
Net Revenues	2.0	16.3	20.4	22.4	22.4	23.7	20.2	27.7	28.6	32.1	33.4
<i>Change y-o-y</i>	-86.4%	2.4%	63.6%	7286.4%	1041.4%	45.6%	-1.1%	23.8%	27.3%	35.6%	65.8%
EBITDA	0.3	0.9	1.3	(0.9)	(1.2)	(0.9)	0.7	0.3	0.7	3.6	2.8
<i>margin, %</i>	15.9%	5.3%	6.4%	-3.9%	-5.5%	-3.6%	3.6%	1.0%	2.5%	11.1%	8.3%
EBIT	(0.2)	0.3	0.7	(1.5)	(1.9)	(1.5)	0.0	(0.5)	(0.1)	2.7	1.8
<i>margin, %</i>	-9.6%	2.0%	3.6%	-6.6%	-8.3%	-6.5%	0.1%	-1.8%	-0.3%	8.4%	5.5%
Net Income	(1.7)	(0.2)	(1.4)	(2.2)	(2.2)	(2.1)	0.0	(1.7)	(0.8)	1.8	0.9
<i>Net Margin, %</i>	-86.3%	-1.4%	-7.1%	-9.8%	-9.7%	-8.7%	0.2%	-6.0%	-2.8%	5.6%	2.6%

Zaporizhya Ferroalloy

ZFER UZ

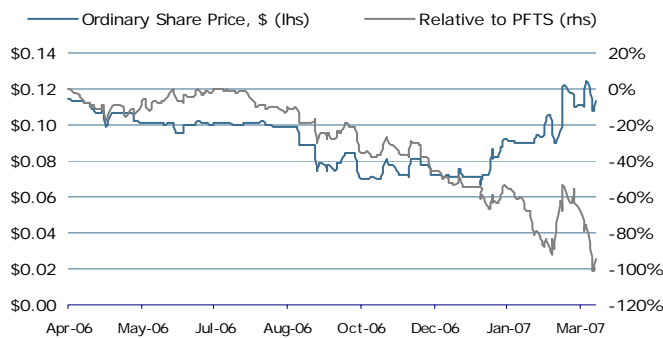
Metal Fabricate & Hardware

<http://www.zfz.com.ua>
Target Price (USD)
0.16
Upside
44.9%

INVESTMENT CASE

- Sound business with respectable margins
- Ensured market and stable raw material supply
- Cost-competitive because of access to cheap manganese ore
- Modified product mix hedges against hikes in electricity tariffs
- Transparency improved in 9M06

SHARE PRICE PERFORMANCE*



BUSINESS OVERVIEW

Zaporizhya Ferroalloy is the second largest producer of bulk ferroalloys in Ukraine (31% share of domestic market) and the third largest in Europe. The plant has the widest product range among Ukrainian competitors, producing SiMn, FeSi, FeMn and metallic Mn. In 2004-2005 the company modernized its ferrosilicon furnaces to produce manganese-based alloys. The share of expensive FeSi dropped from nearly 25% in 2004 to 12% in 2006. Zaporizhya Ferroalloy exports over 70% of its total output, targeting Russian and Asian markets. In July 2006, the company obtained an ISO 9001:2000 certificate. In 2006 the plant decreased its production by 2.6% yoy to 513 ths mt.

In 9M06 the company posted 1.8% yoy growth in its net revenues to USD 234.9 mln, an increase in its EBITDA margin to 5.9% from negative 2.2% in 9M05 and an increase in its net margin to 1.6% from negative 3.7% in 9M05.

* PFTS MID Price is used

** Price "impact" is the opinion of Concorde's trading desk on stocks to help investors estimate the reliability of quoted prices:

- 1: Market price reaction remains within 10% in execution of a market order of about USD 10 mln in size
- 2: Market price reaction remains within 10% in execution of a market order of about USD 1 mln in size
- 3: All other stocks (quoted price is less reliable and should be considered indicative)

Note: data (market information, price changes) as of 30 Mar 2007

MARKET INFORMATION

Market price*, USD	0.11
Price impact**	3
52 Wk H/L, USD	0.12 / 0.07
Chg 3m/6m/52w	55% / 45% / -5%
Chg vs PFTS 3m/6m/52w	-10% / -60% / -97%
Chg YTD	55%
Avg Mo Tr Vol 6M, USD ths	199.83
MCap, USD mln	251.7
Free float, %	8.0%
FF MCap, USD mln	20.1
No of shares, mln	2279.6
Par Value (UAH)	0.1
XETRA	ZL3
DR Ratio	1:100
Avg Mo Tr Vol 6M, USD ths	0.0

STOCK OWNERSHIP

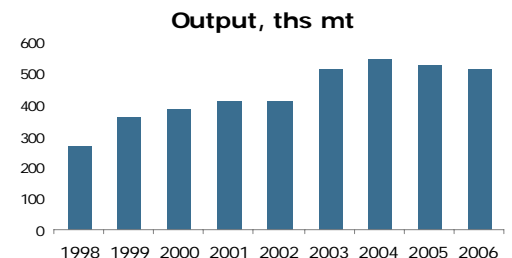
Privat Group	90.0%
Other	10.0%

MARKET MULTIPLES

	2006E	2007E
EV/Sales	0.9	0.9
EV/EBITDA	9.0	7.4
P/E	21.0	15.7
P/B	2.6	2.5
P/CF	14.8	11.7

KEY RATIOS

	2005	2006E	2007E
EBITDA margin	2%	10%	12%
Net Margin	-1%	4%	5%
ROE	-6%	14%	17%
Net Debt/Equity	0.1	0.6	0.4



INCOME STATEMENT SUMMARY, USD mln

	2002	2003	2004	2005	2006E	2007E	2008E
Net Revenues	135.9	190.9	328.3	316.4	328.5	347.7	356.4
<i>Change y-o-y</i>	-	40.5%	71.9%	-3.6%	3.8%	5.8%	2.5%
Gross Profit	16.0	21.3	(10.7)	20.1	46.0	52.2	64.2
EBITDA	10.5	14.9	(20.1)	6.0	34.5	40.0	51.7
<i>margin, %</i>	7.7%	7.8%	-6.1%	1.9%	10.5%	11.5%	14.5%
Depreciation	(4.0)	(4.0)	(4.3)	(4.9)	(5.0)	(5.5)	(5.9)
EBIT	6.5	11.0	(24.4)	1.1	29.5	34.5	45.7
<i>margin, %</i>	4.8%	5.7%	-7.4%	0.3%	9.0%	9.9%	12.8%
Interest Expense	(4.5)	(2.8)	(4.4)	(3.6)	(13.6)	(12.5)	(12.3)
Other income/(expense)	(1.7)	(1.7)	(0.8)	3.1	-	-	-
PBT	0.3	6.4	(29.6)	0.6	15.9	22.0	33.4
Tax	(0.2)	(6.3)	-	(2.2)	(4.0)	(5.5)	(8.4)
<i>Effective tax rate</i>	70.8%	98.2%	0.0%	361.5%	25.0%	25.0%	25.0%
Net Income	0.1	0.1	(29.6)	(1.7)	11.9	16.5	25.1
<i>Net Margin, %</i>	0.1%	0.1%	-9.0%	-0.5%	3.6%	4.7%	7.0%

39.1

BALANCE SHEET SUMMARY, USD mln

	2002	2003	2004	2005	2006E	2007E	2008E
Current Assets	126.6	210.1	137.0	143.2	163.0	167.8	168.2
Cash & Equivalents	2.2	2.9	3.2	3.9	3.3	3.5	3.6
Trade Receivables	14.6	23.4	8.0	26.6	29.6	31.1	32.1
Inventories	12.8	17.4	31.6	36.4	28.3	29.4	29.2
Other	97.0	166.5	94.2	76.3	101.8	103.8	103.4
Fixed Assets	73.0	80.5	80.0	109.4	119.7	124.1	125.6
PP&E, net	49.3	58.2	57.5	80.8	82.9	93.4	102.4
Other	23.7	22.3	22.6	28.6	36.9	30.7	23.1
Total Assets	199.6	290.6	217.0	252.6	282.7	291.9	293.8
Shareholders' Equity	62.4	62.3	37.2	83.3	95.2	101.0	107.8
Share Capital	19.9	19.9	20.0	45.1	45.1	44.7	44.7
Other	42.5	42.4	17.2	38.2	50.1	56.3	63.1
Current Liabilities	93.1	162.5	116.6	105.2	113.8	113.8	107.8
ST Interest Bearing Debt	23.5	34.7	9.6	15.4	40.5	39.9	35.8
Trade Payables	27.9	22.6	27.7	0.7	33.9	32.3	29.2
Other	41.8	105.3	79.3	89.1	39.4	41.5	42.8
LT Liabilities	44.1	65.8	63.2	64.1	73.6	77.0	78.1
LT Interest Bearing Debt	-	-	-	-	7.9	7.8	6.9
Other	44.1	65.8	63.2	64.1	65.7	69.2	71.3
Total Liabilities & Equity	199.6	290.6	217.0	252.6	282.7	291.9	293.8

QUARTERLY ANALYSIS, USD mln

	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
Net Revenues	54.3	88.6	94.1	91.2	76.9	82.2	71.8	85.6	71.1	80.6	83.2
<i>Change y-o-y</i>	22.2%	90.7%	89.1%	81.7%	41.5%	-7.2%	-23.8%	-6.2%	-7.5%	-1.9%	15.9%
EBITDA	1.5	(4.9)	(5.3)	(11.4)	(10.7)	0.0	5.7	11.0	5.3	6.6	1.9
<i>margin, %</i>	2.7%	-5.6%	-5.6%	-12.5%	-14.0%	0.0%	7.9%	12.9%	7.4%	8.2%	2.3%
EBIT	0.4	(6.0)	(6.3)	(12.5)	(11.8)	(1.1)	4.3	9.7	4.0	5.3	0.5
<i>margin, %</i>	0.8%	-6.8%	-6.7%	-13.7%	-15.3%	-1.3%	6.0%	11.3%	5.6%	6.6%	0.6%
Net Income	(1.7)	(5.8)	(7.6)	(14.5)	(12.1)	0.1	3.4	6.9	3.5	3.4	(3.2)
<i>Net Margin, %</i>	-3.1%	-6.5%	-8.1%	-15.9%	-15.7%	0.1%	4.7%	8.1%	4.9%	4.3%	-3.9%

Zaporizhzhya Aluminum ZALK UZ

Metal Fabricate & Hardware

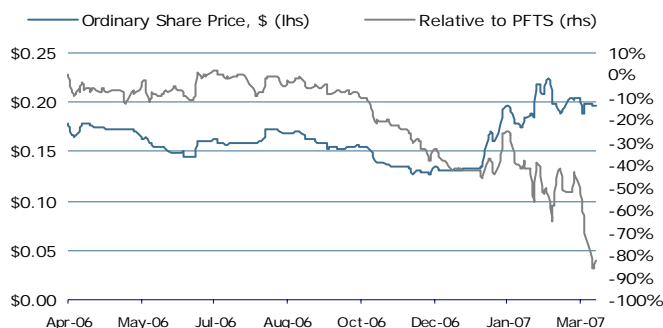
<http://www.zalk.com.ua>

Target Price (USD) 0.19
Upside -3%

INVESTMENT CASE

- Sky-high prices for aluminum are expected to save stable margins in 2006-2007
- Risk of electricity cost inflation is high
- Among most transparent companies in the metals sector

SHARE PRICE PERFORMANCE*



BUSINESS OVERVIEW

Zaporizhzhya Aluminum (ZALK) is the only aluminum smelter in Ukraine. It is a full-cycle producer, able to meet its aluminum production needs with in-house alumina. The company's main products are primary aluminum (cylindrical ingots and bars) used in manufacturing car engines and alumina used in aluminum production, the chemical industry and abrasives. Zaporizhzhya Aluminum also produces aluminum alloys for engineering and value-added aluminum products such as aluminum wire rods, strips and profiles. The mill has an annual design capacity of 110 ths mt of primary aluminum and has been operating at nearly 100% capacity load for the past several years (which we believe will continue). It exports over 60% of its total output, mainly to Russia. We expect Zaporizhzhya Aluminum to complete its USD 50 mln modernization program (2004-2009) to improve environmental protection and conduct a minor overhaul. In 9M06 the company posted a 26.4 % yoy growth of net revenues to USD 226 mln, increase of EBITDA margin to 14.7% from 2.6% in 9M05, and improvement of net margin to 8.8% from negative 1% in 9M05.

MARKET INFORMATION

Market price*, USD	0.20
Price impact**	3
52 Wk H/L, USD	0.22 / 0.13
Chg 3m/6m/52w	48% / 27% / 18%
Chg vs PFTS 3m/6m/52w	-17% / -77% / -75%
Chg YTD	48%
Avg. Mo Tr Volume	84.29
MCap, USD mln	122.1
Free float, %	3.0%
FF MCap, USD mln	3.7
No of shares, mln	622.7
Par Value (UAH)	0.25
XETRA	n/a
DR Ratio	n/a
Avg Mo Tr Vol 6M, USD ths	n/a

STOCK OWNERSHIP

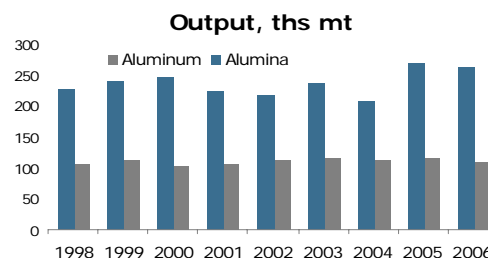
SUAL	97.0%
Other	3.0%

MARKET MULTIPLES

	2006E	2007E
EV/Sales	0.6	0.5
EV/EBITDA	4.0	3.0
P/E	4.6	4.1
P/B	1.2	0.9
P/CF	3.8	3.4

KEY RATIOS

	2005	2006E	2007E
EBITDA margin	2%	16%	17%
Net Margin	-2%	9%	10%
ROE	-6%	34%	28%
Net Debt/Equity	1.0	0.7	0.3



* PFTS MID Price is used

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 3: All other stocks (quoted price is less reliable and should be considered indicative)

Note: data (market information, price changes) as of 30 Mar 2007

INCOME STATEMENT SUMMARY, USD mln

	2002	2003	2004	2005	2006E	2007E	2008E
Net Revenues	160.6	171.3	217.2	240.7	300.3	303.3	259.1
<i>Change y-o-y</i>	-	6.6%	26.8%	10.8%	24.6%	1.0%	-14.6%
Gross Profit	29.3	38.6	45.1	27.0	77.6	78.4	34.4
EBITDA	16.8	22.2	27.7	5.7	52.2	52.9	12.8
<i>margin, %</i>	10.5%	13.0%	12.7%	2.4%	17.4%	17.4%	4.9%
Depreciation	(5.1)	(5.2)	(4.3)	(5.3)	(5.6)	(5.8)	(6.0)
EBIT	11.7	17.0	23.4	0.4	46.6	47.1	6.8
<i>margin, %</i>	7.3%	9.9%	10.8%	0.2%	15.5%	15.5%	2.6%
Interest Expense	(9.9)	(5.9)	(4.0)	(7.4)	(10.0)	(6.9)	(4.6)
Other income/(expense)	2.0	(0.1)	(2.8)	3.9	-	-	-
PBT	3.9	11.0	16.7	(3.1)	36.6	40.1	2.2
Tax	(1.2)	(7.2)	(7.0)	(1.9)	(9.1)	(10.0)	(0.6)
<i>Effective tax rate</i>	30.0%	65.6%	42.1%	-61.2%	25.0%	25.0%	25.0%
Net Income	2.7	3.8	9.6	(5.1)	27.4	30.1	1.7
<i>Net Margin, %</i>	1.7%	2.2%	4.4%	-2.1%	9.1%	9.9%	0.7%

BALANCE SHEET SUMMARY, USD mln

	2002	2003	2004	2005	2006E	2007E	2008E
Current Assets	149.7	102.4	75.4	82.6	85.9	91.3	76.7
Cash & Equivalents	0.2	0.2	0.1	0.3	0.3	0.3	0.3
Trade Receivables	71.9	42.5	19.8	6.9	12.0	12.1	11.7
Inventories	32.4	41.6	39.0	54.4	51.0	54.6	44.0
Other	45.2	18.1	16.5	20.9	22.5	24.3	20.7
Fixed Assets	110.9	106.0	68.9	94.2	102.4	106.0	107.0
PP&E, net	55.1	52.4	51.6	59.6	63.4	66.8	68.7
Other	55.8	53.5	17.2	34.6	39.0	39.2	38.2
Total Assets	260.6	208.3	144.3	176.8	188.3	197.3	183.7
Shareholders' Equity	28.9	26.5	74.4	79.5	105.8	135.9	136.6
Share Capital	29.0	29.2	29.3	30.8	30.8	30.8	30.8
Other	(0.1)	(2.7)	45.1	48.7	75.0	105.1	105.7
Current Liabilities	134.8	95.0	53.0	47.1	47.2	42.0	34.9
ST Interest Bearing Debt	38.0	45.2	18.7	26.6	21.3	15.9	12.7
Trade Payables	94.1	37.3	22.8	14.3	21.0	21.2	18.1
Other	2.7	12.5	11.5	6.2	4.8	4.9	4.1
LT Liabilities	97.0	86.9	16.9	50.2	35.3	19.3	12.2
LT Interest Bearing Debt	96.6	81.6	12.9	49.9	35.0	19.0	11.9
Other	0.4	5.3	3.9	0.3	0.3	0.3	0.3
Total Liabilities & Equity	260.6	208.3	144.3	176.8	188.3	197.3	183.7

QUARTERLY ANALYSIS, USD mln

	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
Net Revenues	51.6	53.4	56.3	55.9	59.2	61.9	57.7	62.0	71.4	76.2	78.5
<i>Change y-o-y</i>	25.2%	31.6%	29.3%	21.8%	14.8%	15.8%	2.5%	10.8%	20.5%	23.1%	36.0%
EBITDA	8.4	5.6	5.2	8.4	5.8	(0.9)	(0.1)	1.0	9.2	13.1	11.1
<i>margin, %</i>	16.3%	10.5%	9.2%	15.1%	9.8%	-1.5%	-0.2%	1.6%	12.8%	17.2%	14.1%
EBIT	7.2	4.4	3.9	7.9	4.6	(2.3)	(1.5)	(0.5)	7.7	11.5	9.4
<i>margin, %</i>	13.9%	8.2%	7.0%	14.2%	7.7%	-3.6%	-2.5%	-0.8%	10.7%	15.0%	11.9%
Net Income	4.5	1.7	1.6	1.9	4.5	(2.2)	(4.1)	(3.3)	5.8	8.5	5.7
<i>Net Margin, %</i>	8.6%	3.1%	2.9%	3.4%	7.6%	-3.5%	-7.1%	-5.3%	8.1%	11.2%	7.2%

Azovzahalbash

AZGM UZ

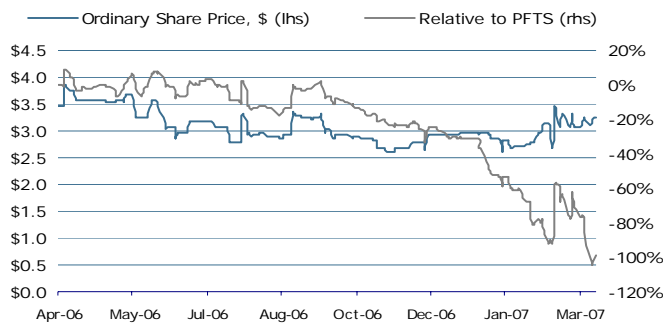
Machinery Diversified

Target Price (USD) 2.10
Upside -27%

INVESTMENT CASE

- Growth triggered by the replacement of Ukraine's and Russia's ageing freight car fleets
- Reported net margins close to zero due to tax optimization
- Orders for tank-cars for aviation refueling trucks expected in 2007 from the Association of CIS Civil Airports

SHARE PRICE PERFORMANCE*



BUSINESS OVERVIEW

Azovzahalbash is part of the Azovmash Group, jointly with Ukraine's other major producer of cars, Mariupol Heavy Machinery (MZVM). Azovzahalbash produces gondola cars, tank cars, tank containers and hoppers. Except for railway machinery, Azovzahalbash is diversified into aviation refueling tanks and harbor cranes.

Exports to Russia and other CIS countries account for over 70% of the company's sales. The company's major domestic rivals are the Dnipropetrovsk railcar plant, Krukivsky railcar plant as well as Uralvagonzavod, Altayvagonzavod and Ruzaevsky Chemical Machine-Building Works in Russia.

The Association of CIS Civil Airports plans to order tank-cars for use as aviation refueling trucks. In 2006, the company started designing these tank-cars with a 10 cubic meter body; next year it will work out designs for tank-cars that can handle volumes of 20, 55 and 60 cubic meters.

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 2: Market price reaction remains within 10% in execution of a market order of about USD 1 mln in size
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Note: data (market information, price changes) as of 30 Mar 2007

MARKET INFORMATION

Market price*, USD	2.87
Price impact**	3
52 Wk H/L, USD	3.85 / 2.60
Chg 3m/6m/52w	-3% / -5% / -22%
Chg vs PFTS 3m/6m/52w	-68% / -109% / -115%
Chg YTD	-3%
Avg Mo Tr Vol 6M, USD ths	23.99
MCap, USD mln	133.5
Free float, %	1.0%
FF MCap, USD mln	1.3
No of shares, mln	46.5
Par Value, UAH	0.25
XETRA	n/a
DR Ratio	n/a
Avg Mo Tr Vol 6M, USD ths	n/a

STOCK OWNERSHIP

Azovmash	26.2%
UITC	18.4%
Derison Holdings	20.2%
CJSV "AZGM Employees"	23.8%
Other	11.5%

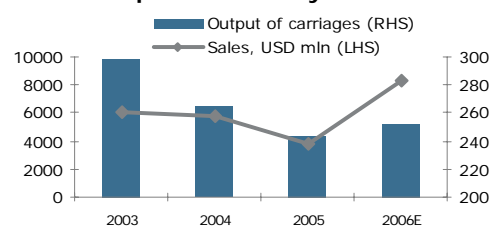
MARKET MULTIPLES

	2006E	2007E
EV/Sales	0.7	0.6
EV/EBITDA	28.5	17.4
P/E	667.6	60.7
P/B	5.0	4.6
P/CF	76.7	35.7

KEY RATIOS

	2005	2006E	2007E
EBITDA margin	4%	3%	3%
Net Margin	0.5%	0.1%	1%
ROE	5%	1%	8%
Net Debt/Equity	1.0	2.7	2.3

Output & Sales Dynamics



INCOME STATEMENT SUMMARY, USD mln

	2003	2004	2005	9M06	2007E	2008E
Net Revenues	260.6	258.2	238.1	224.4	n/a	n/a
<i>Change y-o-y</i>	-	-0.9%	-7.8%	32.3%	n/a	n/a
Gross Profit	30.7	21.8	21.1	15.5	n/a	n/a
EBITDA	17.4	4.6	8.9	6.8	n/a	n/a
<i>margin, %</i>	6.7%	1.8%	3.7%	3.0%	n/a	n/a
Depreciation	(1.3)	(1.4)	(1.5)	(1.2)	n/a	n/a
EBIT	16.2	3.2	7.3	5.6	n/a	n/a
<i>margin, %</i>	6.2%	1.3%	3.1%	2.5%	n/a	n/a
Interest Expense	(0.0)	(1.3)	(3.0)	(4.8)	n/a	n/a
Other income/(expense)	0.0	0.0	0.0	0.0	n/a	n/a
PBT	16.2	2.0	4.4	0.8	n/a	n/a
Tax	(7.8)	(1.9)	(3.3)	(0.6)	n/a	n/a
<i>Effective tax rate</i>	48.0%	97.5%	74.5%	77.9%	n/a	n/a
Net Income	8.4	0.1	1.1	0.2	n/a	n/a
<i>Net Margin, %</i>	3.2%	0.0%	0.5%	0.1%	n/a	n/a

BALANCE SHEET SUMMARY, USD mln

	2003	2004	2005	9M06	2007E	2008E
Current Assets	55.2	64.5	87.8	121.9	n/a	n/a
Cash & Equivalents	0.8	0.3	8.8	2.3	n/a	n/a
Trade Receivables	18.0	22.1	23.2	46.7	n/a	n/a
Inventories	15.6	15.9	28.8	49.7	n/a	n/a
Other	20.9	26.2	27.0	23.2	n/a	n/a
Fixed Assets	21.6	22.5	27.3	33.6	n/a	n/a
PP&E, net	18.2	17.8	22.5	28.5	n/a	n/a
Other	3.4	4.7	4.8	5.2	n/a	n/a
Total Assets	76.9	87.0	115.1	155.5	n/a	n/a
Shareholders' Equity	23.8	24.0	26.4	26.6	n/a	n/a
Share Capital	2.2	2.2	2.3	2.3	n/a	n/a
Retained Earnings	13.5	13.6	15.5	15.6	n/a	n/a
Other	8.2	8.2	8.6	8.6	n/a	n/a
Current Liabilities	53.0	63.0	88.7	128.9	n/a	n/a
ST Interest Bearing Debt	9.6	24.7	35.9	74.1	n/a	n/a
Trade Payables	17.2	8.9	25.0	27.5	n/a	n/a
Other	26.1	29.3	27.8	29.0	n/a	n/a
LT Liabilities	0.0	0.0	-	-	n/a	n/a
LT Interest Bearing Debt	-	-	-	-	n/a	n/a
Other	0.0	0.0	-	-	n/a	n/a
Total Liabilities & Equity	76.9	87.0	115.1	155.5	n/a	n/a

QUARTERLY ANALYSIS, USD mln

	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
Net Revenues	79.2	71.2	48.4	59.3	55.8	50.5	63.3	68.5	66.9	74.3	83.2
<i>Change y-o-y</i>	80.6%	3.3%	-34.3%	-19.9%	-29.6%	-29.2%	30.8%	15.6%	19.9%	47.3%	31.3%
EBITDA	3.5	1.9	(1.1)	0.2	2.6	3.1	2.2	0.9	1.4	2.2	3.2
<i>margin, %</i>	4.5%	2.7%	-2.2%	0.3%	4.6%	6.2%	3.5%	1.4%	2.1%	2.9%	3.8%
EBIT	3.2	1.6	(1.4)	(0.1)	2.2	2.7	1.8	0.5	1.0	1.8	2.8
<i>margin, %</i>	4.0%	2.2%	-2.9%	-0.2%	4.0%	5.4%	2.9%	0.8%	1.5%	2.4%	3.4%
Net Income	2.1	1.4	(3.7)	0.2	0.1	2.0	1.0	(1.9)	0.1	0.0	0.1
<i>Net Margin, %</i>	2.7%	1.9%	-7.6%	0.4%	0.1%	3.9%	1.6%	-2.8%	0.1%	0.0%	0.1%

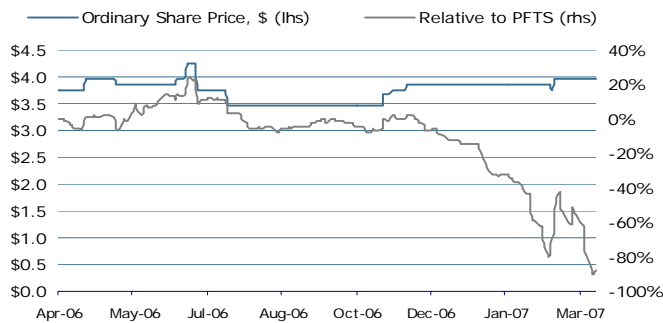
Dniprovahonmash

DNVM UZ

Machinery Diversified

<http://www.dvmash.com>
Target Price (USD)
N/R
Upside
n/a

SHARE PRICE PERFORMANCE*



MARKET INFORMATION

Market price*, USD	3.96
Price impact**	3
52 Wk H/L, USD	4.26 / 3.47
Chg 3m/6m/52w	3% / 14% / 5%
Chg vs PFTS 3m/6m/52w	-62% / -90% / -87%
Chg YTD	3%
Avg Mo Tr Vol 6M, USD ths	38.65
MCap, USD mln	65.9
Free float, %	0.5%
FF MCap, USD mln	0.3
No of shares, mln	16.6
Par Value, UAH	0.50
XETRA	n/a
DR Ratio	n/a
Avg Mo Tr Vol 6M, USD ths	n/a

BUSINESS OVERVIEW

Dniprovahonmash is currently the third largest producer of freight cars in Ukraine, with an annual capacity of 4 ths cars. The company's production capacities enable it to produce up to six types of freight cars simultaneously. Dniprovahonmash has the widest product range of any CIS freight car producer, which consists of 150 freight car types, including flat cars, gondola cars, dump cars, box and hopper cars and specialized cars. The company is targeting markets in CIS countries, China, India, Pakistan, Iran, Baltic and CEE. Exports make up over 80% of the company's total output, including 65% to Russia.

In 2006 the company opened a subsidiary in Moscow in order to fulfill contracts with Russian customers more efficiently. Last year Dniprovahonmash delivered railcars for Russian companies Severstal, EurazHolding, Gazprom, etc.

In 2006 Dniprovahonmash decreased its net revenue by 22.6% yoy to USD 95.8 mln and production fell by 30% yoy.

STOCK OWNERSHIP

TAS Group	48.0%
Privat Group	21.5%
Midland group	30.0%
Other	0.5%

MARKET MULTIPLES

	2006E	2007E
EV/Sales	1.0	n/a
EV/EBITDA	13.6	n/a
P/E	21.5	n/a
P/B	2.8	n/a
P/CF	16.5	n/a

KEY RATIOS

	2005	2006E	2007E
EBITDA margin	5%	7%	n/a
Net Margin	0.1%	3%	n/a
ROE	1%	15%	n/a
Net Debt/Equity	0.8	1.1	n/a

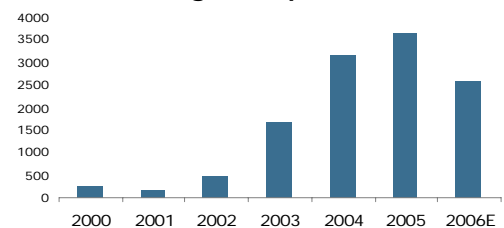
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- 3: All other stocks (quoted price is less reliable and should be considered indicative)

Note: data (market information, price changes) as of 30 Mar 2007

Carriages Output, units



INCOME STATEMENT SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Net Revenues	15.0	40.5	86.6	122.4	68.2	n/a	n/a
<i>Change y-o-y</i>	-	170.1%	113.7%	41.3%	-25.1%	n/a	n/a
Gross Profit	4.0	8.1	8.1	16.1	10.5	n/a	n/a
EBITDA	1.4	2.8	(0.8)	6.2	5.1	n/a	n/a
<i>margin, %</i>	9.1%	6.8%	-0.9%	5.0%	7.5%	n/a	n/a
Depreciation	(0.5)	(0.6)	(0.7)	(1.0)	(0.7)	n/a	n/a
EBIT	0.8	2.2	(1.5)	5.2	4.4	n/a	n/a
<i>margin, %</i>	5.5%	5.4%	-1.7%	4.3%	6.5%	n/a	n/a
Interest Expense	(0.0)	(0.2)	(0.9)	(3.5)	(2.2)	n/a	n/a
Other income/(expense)	(0.2)	0.4	1.0	(0.2)	0.2	n/a	n/a
PBT	0.6	2.3	(1.4)	1.5	2.5	n/a	n/a
Tax	(0.3)	(1.3)	(0.1)	(1.4)	(0.2)	n/a	n/a
<i>Effective tax rate</i>	54.6%	55.0%	-9.8%	93.5%	6.3%	n/a	n/a
Net Income	0.3	1.0	(1.5)	0.1	2.3	n/a	n/a
<i>Net Margin, %</i>	1.9%	2.6%	-1.8%	0.1%	3.4%	n/a	n/a

BALANCE SHEET SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Current Assets	16.7	36.0	45.0	39.8	48.2	n/a	n/a
Cash & Equivalents	0.3	0.4	1.0	3.6	4.0	n/a	n/a
Trade Receivables	3.1	4.6	7.5	4.6	6.1	n/a	n/a
Inventories	8.4	14.2	18.7	19.6	16.2	n/a	n/a
Other	4.8	16.9	17.9	12.0	21.8	n/a	n/a
Fixed Assets	6.9	7.7	8.3	10.0	9.8	n/a	n/a
PP&E, net	5.6	6.3	6.2	7.4	7.3	n/a	n/a
Other	1.2	1.4	2.2	2.7	2.5	n/a	n/a
Total Assets	23.6	43.7	53.4	49.8	58.0	n/a	n/a
Shareholders' Equity	18.2	19.2	19.5	20.5	22.8	n/a	n/a
Share Capital	0.1	0.3	1.7	1.8	1.8	n/a	n/a
Retained Earnings	1.8	0.7	(0.5)	(0.5)	2.0	n/a	n/a
Other	16.3	18.3	18.3	19.2	19.1	n/a	n/a
Current Liabilities	4.4	22.9	32.9	29.3	35.2	n/a	n/a
ST Interest Bearing Debt	2.0	4.1	16.5	20.2	30.9	n/a	n/a
Trade Payables	1.1	1.6	7.0	5.7	2.1	n/a	n/a
Other	1.4	17.3	9.5	3.4	2.7	n/a	n/a
LT Liabilities	0.9	1.6	1.0	-	-	n/a	n/a
LT Interest Bearing Debt	0.0	-	-	-	-	n/a	n/a
Other	0.9	1.6	1.0	-	-	n/a	n/a
Total Liabilities & Equity	23.6	43.7	53.4	49.8	58.0	n/a	n/a

QUARTERLY ANALYSIS, USD mln

	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
Net Revenues	15.2	17.9	28.0	25.6	22.9	30.2	37.9	31.3	14.8	29.4	23.9
<i>Change y-o-y</i>	123.3%	109.9%	147.3%	84.0%	51.1%	68.9%	35.5%	22.5%	-35.2%	-2.5%	-37.0%
EBITDA	1.4	0.2	1.5	(3.8)	(3.9)	2.9	3.6	3.6	0.3	3.2	1.6
<i>margin, %</i>	9.2%	0.9%	5.2%	-14.9%	-16.8%	9.5%	9.5%	11.4%	1.9%	10.9%	6.8%
EBIT	1.2	(0.0)	1.3	(4.0)	(4.1)	2.6	3.3	3.3	0.1	3.0	1.4
<i>margin, %</i>	8.2%	-0.1%	4.6%	-15.7%	-17.8%	8.7%	8.8%	10.6%	0.5%	10.1%	5.7%
Net Income	1.1	(0.1)	0.3	(2.9)	(5.2)	0.3	2.4	2.5	(0.7)	2.3	0.7
<i>Net Margin, %</i>	7.2%	-0.3%	1.2%	-11.4%	-22.5%	1.1%	6.3%	8.1%	-4.6%	7.8%	2.9%

Dniprovahonrembud

Machinery Diversified

Target Price (USD)

N/R

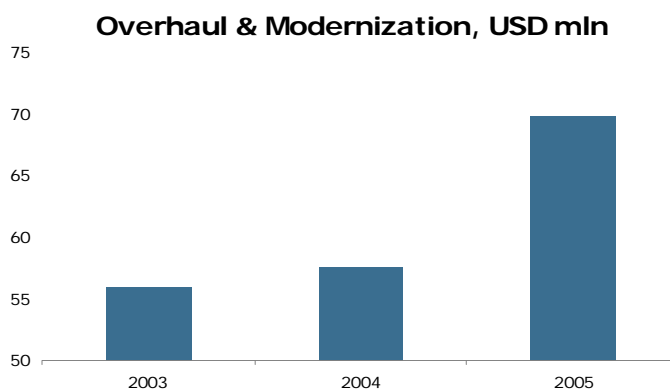
Upside (%)

n/a

BUSINESS OVERVIEW

Dniprovahonrembud specializes in repairing, maintaining and overhauling railway passenger wagons. The company was established in 1898 and currently is affiliated with Interpipe Group. Dniprovahonrembud's capacity allows it to repair 1.8 ths passenger wagons a year. The company exports almost 100% of its output. Its major customers are Russian and CIS railway companies. Demand for the company's services is expected to be stable due to Ukrzaliznitsya's need to repair and overhaul 3.5 ths of its worn-out passenger wagons and additional demand in 15.6 ths worn-out Russian passenger wagons.

In 2006, the company posted a decrease in net income from USD 0.6 mln in 2005 to negative USD 15.4 mln in 2006.



* The stock is not listed on PFTS

** Price "impact" is the opinion of Concorde's trading desk on stocks to help investors estimate the reliability of quoted prices:

- 1: Market price reaction remains within 10% in execution of a market order of about USD 10 mln in size
- 2: Market price reaction remains within 10% in execution of a market order of about USD 1 mln in size
- 3: All other stocks (quoted price is less reliable and should be considered indicative)

Note: data (market information, price changes) as of 30 Mar 2007

MARKET INFORMATION

Market price*, USD	n/a
Price impact**	n/a
52 Wk H/L, USD	n/a
Chg 3m/6m/52w	n/a
Chg vs PFTS 3m/6m/52w	n/a
Chg YTD	n/a
Avg Mo Tr Vol 6M, USD ths	n/a
MCap, USD mln	n/a
Free float, %	0.9%
FF MCap, USD mln	n/a
No of shares, mln	66.3
Par Value, UAH	0.25
XETRA	n/a
DR Ratio	n/a
Avg Mo Tr Vol 6M, USD ths	n/a

STOCK OWNERSHIP

Selekta LLC	53.4%
Invest Holding	25.0%
AZ Brok LLC	15.0%
Other	6.6%

MARKET MULTIPLES

	2006E	2007E
EV/Sales	n/a	n/a
EV/EBITDA	n/a	n/a
P/E	n/a	n/a
P/B	n/a	n/a
P/CF	n/a	n/a

KEY RATIOS

	2005	2006E	2007E
EBITDA margin	8%	-65%	n/a
Net Margin	1%	-59%	n/a
ROE	9%	-196%	n/a
Net Debt/Equity	1.4	-2.4	n/a

INCOME STATEMENT SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Net Revenues	40.8	54.8	62.0	74.7	19.6	n/a	n/a
<i>Change y-o-y</i>	-	34.3%	13.1%	20.4%	-55.1%	n/a	n/a
Gross Profit	(0.7)	9.7	5.1	10.3	(9.1)	n/a	n/a
EBITDA	(4.4)	4.1	1.0	5.8	(12.8)	n/a	n/a
<i>margin, %</i>	-10.7%	7.5%	1.5%	7.8%	-65.2%	n/a	n/a
Depreciation	(0.6)	(0.7)	(0.8)	(0.8)	(0.6)	n/a	n/a
EBIT	(5.0)	3.4	0.2	5.0	(13.4)	n/a	n/a
<i>margin, %</i>	-12.2%	6.2%	0.3%	6.7%	-68.1%	n/a	n/a
Interest Expense	(0.2)	(0.4)	(0.5)	(2.1)	(2.4)	n/a	n/a
Other income/(expense)	5.9	0.0	0.5	0.1	0.1	n/a	n/a
PBT	0.7	3.0	0.2	3.1	(15.6)	n/a	n/a
Tax	(0.5)	(2.7)	-	(2.4)	(0.2)	n/a	n/a
<i>Effective tax rate</i>	70.5%	88.7%	0.0%	77.6%	-1.6%	n/a	n/a
Net Income	0.2	0.3	0.2	0.6	(15.9)	n/a	n/a
<i>Net Margin, %</i>	0.5%	0.6%	0.4%	0.9%	-81.1%	n/a	n/a

BALANCE SHEET SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Current Assets	19.7	30.8	36.4	47.4	31.6	n/a	n/a
Cash & Equivalents	0.9	0.0	0.0	2.6	0.4	n/a	n/a
Trade Receivables	3.7	0.4	0.4	0.6	3.1	n/a	n/a
Inventories	4.4	6.0	10.9	4.7	5.5	n/a	n/a
Other	10.6	24.3	25.1	39.4	22.7	n/a	n/a
Fixed Assets	7.0	6.9	6.9	7.2	6.9	n/a	n/a
PP&E, net	6.8	6.7	6.8	7.1	6.8	n/a	n/a
Other	0.2	0.2	0.2	0.2	0.1	n/a	n/a
Total Assets	26.8	37.7	43.3	54.6	38.5	n/a	n/a
Shareholders' Equity	6.3	6.7	6.9	7.9	(8.7)	n/a	n/a
Share Capital	3.1	3.1	3.1	3.3	3.3	n/a	n/a
Retained Earnings	(0.1)	0.2	0.5	0.9	(15.9)	n/a	n/a
Other	3.3	3.3	3.3	3.7	3.9	n/a	n/a
Current Liabilities	20.0	28.0	33.5	41.4	42.0	n/a	n/a
ST Interest Bearing Debt	3.4	1.7	3.8	13.9	18.3	n/a	n/a
Trade Payables	13.1	9.5	9.4	6.5	4.0	n/a	n/a
Other	3.5	16.8	20.3	21.0	20.2	n/a	n/a
LT Liabilities	0.4	3.1	2.9	5.3	5.3	n/a	n/a
LT Interest Bearing Debt	-	-	-	0.0	-	n/a	n/a
Other	0.4	3.1	2.9	5.3	5.3	n/a	n/a
Total Liabilities & Equity	26.8	37.7	43.3	54.6	38.5	n/a	n/a

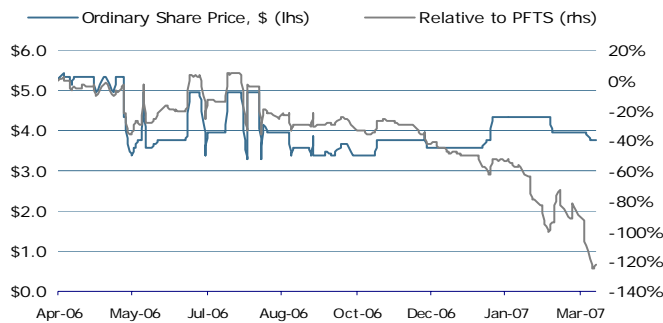
QUARTERLY ANALYSIS, USD mln

	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
Net Revenues	13.4	21.7	14.3	12.6	11.1	10.4	22.2	31.0	1.5	9.2	8.9
<i>Change y-o-y</i>	48.0%	52.3%	1.4%	-27.8%	-17.3%	-52.3%	55.4%	146.6%	-86.9%	-11.0%	-59.9%
EBITDA	1.0	0.4	0.0	(0.4)	0.6	0.8	0.8	3.6	(12.3)	1.0	(1.5)
<i>margin, %</i>	7.2%	1.8%	0.3%	-3.5%	5.5%	7.4%	3.6%	11.8%	-848.4%	11.1%	-16.6%
EBIT	0.8	0.2	(0.1)	(0.6)	0.4	0.6	0.5	3.5	(12.5)	0.8	(1.7)
<i>margin, %</i>	5.9%	0.9%	-1.0%	-5.1%	3.7%	5.8%	2.1%	11.4%	-862.8%	9.0%	-18.6%
Net Income	0.7	0.1	(0.4)	(0.2)	0.1	0.1	(0.0)	0.4	(13.2)	(0.1)	(2.5)
<i>Net Margin, %</i>	5.1%	0.5%	-2.6%	-1.4%	0.9%	1.0%	0.0%	1.4%	-911.1%	-1.4%	-28.4%

Kremenchug Wheel

KKOL UZ

Machinery Diversified

Target Price (USD)
N/R
Upside
n/a
SHARE PRICE PERFORMANCE*

MARKET INFORMATION

Market price*, USD	3.76
Price impact**	3
52 Wk H/L, USD	5.56 / 3.27
Chg 3m/6m/52w	6% / 9% / -31%
Chg vs PFTS 3m/6m/52w	-59% / -96% / -124%
Chg YTD	6%
Avg Mo Tr Vol 6M, USD ths	263.0
MCap, USD mln	32.9
Free float, %	22.8%
FF MCap, USD mln	7.5
No of shares, mln	8.7
Par Value, UAH	6.50
XETRA	n/a
DR Ratio	n/a
Avg Mo Tr Vol 6M, USD ths	n/a

BUSINESS OVERVIEW

Kremenchug Wheel is one of the leading producers of steel wheels in Ukraine. The company produces steel wheels for cars, trucks and agricultural machines.

The company targets markets of CIS, as well as those of the EU, Australia and Middle East. Kremenchug Wheel is continually expanding its product portfolio, launching at least 8-11 new products annually. Currently it produces about 300 types of wheels and spare parts at 12 to 48 inches in diameter.

The company's annual production capacity is 6.5 mln wheels, including 3.5 mln wheels for cars. Last year capacity was loaded at close to 75%. In 2006 the company increased its production by 23% yoy to USD 69.5 mln.

In 9M06 Kremenchug Wheel increased its net revenues by 17.3% yoy to USD 48.7 mln, EBITDA by 193% yoy to USD 7.4 mln and net income by 275% yoy to USD 3.7 mln. In addition, the company's margins also improved in 9M06: its EBITDA margin rose to 15.1% from 6.1% in 9M05 and its net margin increased to 7.5% from 2.3% in 9M05.

STOCK OWNERSHIP

JV Obod	5.8%
Management	49.6%
Other	44.6%

MARKET MULTIPLES

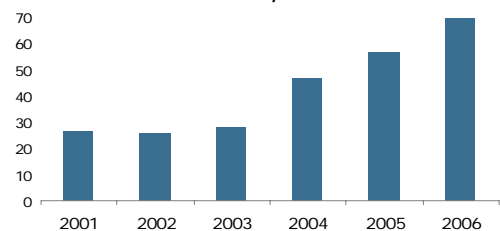
	2006E	2007E
EV/Sales	0.6	n/a
EV/EBITDA	3.7	n/a
P/E	6.7	n/a
P/B	1.1	n/a
P/CF	5.3	n/a

KEY RATIOS

	2005	2006E	2007E
EBITDA margin	7%	15%	n/a
Net Margin	3%	8%	n/a
ROE	6%	19%	n/a
Net Debt/Equity	0.1	0.1	n/a

* PFTS BID Price is used
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 1: Market price reaction remains within 10% in execution of a market order of about USD 10 mln in size
 2: Market price reaction remains within 10% in execution of a market order of about USD 1 mln in size
 3: All other stocks (quoted price is less reliable and should be considered indicative)

Note: data (market information, price changes) as of 30 Mar 2007

Production, USD mln


INCOME STATEMENT SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Net Revenues	24.1	28.7	44.3	58.6	48.7	n/a	n/a
<i>Change y-o-y</i>	-	19.3%	54.1%	32.4%	17.3%	n/a	n/a
Gross Profit	6.8	7.5	10.8	9.6	11.8	n/a	n/a
EBITDA	4.0	4.6	7.0	3.9	7.4	n/a	n/a
<i>margin, %</i>	16.7%	15.9%	15.7%	6.7%	15.1%	n/a	n/a
Depreciation	(1.2)	(1.2)	(1.2)	(1.1)	(1.0)	n/a	n/a
EBIT	2.8	3.4	5.8	2.8	6.4	n/a	n/a
<i>margin, %</i>	11.7%	11.7%	13.1%	4.8%	13.1%	n/a	n/a
Interest Expense	-	-	-	(0.4)	(0.4)	n/a	n/a
Other income/(expense)	(0.5)	(0.6)	(0.5)	(0.3)	(0.3)	n/a	n/a
PBT	2.3	2.7	5.3	2.1	5.7	n/a	n/a
Tax	(0.7)	(1.0)	(1.4)	(0.6)	(2.1)	n/a	n/a
<i>Effective tax rate</i>	30.0%	37.5%	26.8%	28.3%	35.9%	n/a	n/a
Net Income	1.6	1.7	3.9	1.5	3.7	n/a	n/a
<i>Net Margin, %</i>	6.7%	5.9%	8.8%	2.6%	7.5%	n/a	n/a

BALANCE SHEET SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Current Assets	9.4	10.9	15.5	17.7	22.4	n/a	n/a
Cash & Equivalents	0.4	0.6	1.4	1.3	0.5	n/a	n/a
Trade Receivables	0.5	0.7	0.6	0.9	1.7	n/a	n/a
Inventories	6.2	6.6	9.9	11.5	14.3	n/a	n/a
Other	2.3	2.9	3.6	4.0	5.9	n/a	n/a
Fixed Assets	12.2	12.7	13.7	15.9	18.0	n/a	n/a
PP&E, net	9.8	10.7	10.6	13.3	14.7	n/a	n/a
Other	2.4	2.0	3.2	2.6	3.3	n/a	n/a
Total Assets	21.6	23.5	29.3	33.6	40.5	n/a	n/a
Shareholders' Equity	19.4	21.0	24.7	25.8	31.9	n/a	n/a
Share Capital	9.0	10.6	10.7	9.8	11.2	n/a	n/a
Retained Earnings	1.6	1.7	3.9	1.6	3.7	n/a	n/a
Other	8.8	8.7	10.1	14.5	17.0	n/a	n/a
Current Liabilities	2.2	2.5	4.5	7.8	8.6	n/a	n/a
ST Interest Bearing Debt	-	-	1.0	4.4	4.3	n/a	n/a
Trade Payables	0.6	0.4	0.9	1.0	1.3	n/a	n/a
Other	1.6	2.1	2.7	2.5	3.8	n/a	n/a
LT Liabilities	-	-	-	-	-	n/a	n/a
LT Interest Bearing Debt	-	-	-	-	-	n/a	n/a
Other	-	-	-	-	-	n/a	n/a
Total Liabilities & Equity	21.6	23.5	29.3	33.6	40.5	n/a	n/a

QUARTERLY ANALYSIS, USD mln

	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
Net Revenues	9.4	10.6	11.1	13.1	12.2	13.7	15.6	17.1	15.5	16.0	17.1
<i>Change y-o-y</i>	84.1%	64.2%	55.1%	31.6%	29.6%	29.1%	40.3%	30.5%	27.7%	16.7%	9.6%
EBITDA	1.6	2.1	1.6	1.6	0.9	1.1	0.5	1.4	1.9	2.6	2.8
<i>margin, %</i>	16.8%	20.2%	14.6%	12.3%	7.3%	7.9%	3.5%	8.3%	12.4%	16.3%	16.4%
EBIT	1.3	1.8	1.4	1.3	0.6	0.8	0.3	1.1	1.6	2.3	2.5
<i>margin, %</i>	13.6%	17.3%	12.2%	10.3%	5.3%	5.9%	1.6%	6.5%	10.3%	14.4%	14.5%
Net Income	0.9	1.3	0.9	0.8	0.4	0.6	0.0	0.6	0.8	1.2	1.6
<i>Net Margin, %</i>	9.5%	12.4%	8.1%	6.1%	3.1%	4.2%	0.1%	3.2%	5.5%	7.8%	9.1%

Luhanskteplovoz

LTPL UZ

Machinery Diversified

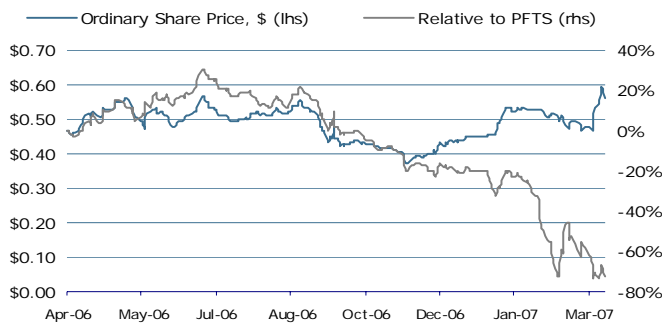
<http://www.contact-teplovov.lugansk.ua>

Target Price (USD) 0.50
Upside -6%

INVESTMENT CASE

- Demand for locomotives triggered by the modernization plans of Ukrainian and Russian Railways
- 83% of capacity is currently unused, which will allow it to increase sales after a strategic investor brings new orders
- Potential inflows of orders by new owner (capacity load expected to increase from the current 17% to 35% in the mid-term)

SHARE PRICE PERFORMANCE*



BUSINESS OVERVIEW

Luhanskteplovoz is a major producer of locomotives in the CIS and needs a strategic investor to ensure orders and supply working capital.

On March 23, 2007, the State Property Fund sold a 76% stake in Luganskteplovoz to Bryansk Heavy Machinery, part of Russian Transmashholding, the largest producer of heavy machinery in Russia, for USD 57.9 mln. As of the date this publication went to press, the legitimacy of this privatization was being investigated by a parliament commission and the outcome was being contested in court.

In 2006, Luhanskteplovovoz posted sales of USD 87.5 mln (10.7% yoy growth). The company tripled its net loss to USD 3.1 mln. Last year production fell 2.7% due lack of orders from Ukrzaliznystya, Ukraine's railway transportation monopoly, because of the late adoption of its financial plan and a lack of orders for locomotives from Russian companies (12 locomotives instead of 20 as planned).

MARKET INFORMATION

Market price*, USD	0.53
Price impact**	2
52 Wk H/L, USD	0.60 / 0.37
Chg 3m/6m/52w	18% / 20% / 16%
Chg vs PFTS 3m/6m/52w	-46% / -85% / -77%
Chg YTD	18%
Avg Mo Tr Vol 6M, USD ths	528.58
MCap, USD mln	117.1
Free float, %	24.0%
FF MCap, USD mln	28.1
No of shares, mln	219.2
Par Value, UAH	0.25
XETRA	n/a
DR Ratio	n/a
Avg Mo Tr Vol 6M, USD ths	n/a

STOCK OWNERSHIP

Transmashholding	76.0%
Other	24.0%

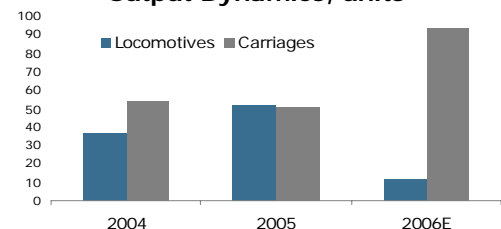
MARKET MULTIPLES

	2006E	2007E
EV/Sales	1.5	1.3
EV/EBITDA	17.2	15.6
P/E	neg	34.4
P/B	4.2	3.8
P/CF	-119.5	21.1

KEY RATIOS

	2005	2006E	2007E
EBITDA margin	6%	9%	8%
Net Margin	-0.1%	-4%	3%
ROE	-0.2%	-10%	12%
Net Debt/Equity	0.5	0.6	0.8

Output Dynamics, units



* PFTS MID Price is used
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- 1: Market price reaction remains within 10% in execution of a market order of about USD 10 mln in size
- 2: Market price reaction remains within 10% in execution of a market order of about USD 1 mln in size
- 3: All other stocks (quoted price is less reliable and should be considered indicative)

Note: data (market information, price changes) as of 30 Mar 2007

INCOME STATEMENT SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Net Revenues	20.8	31.9	76.9	77.6	50.1	n/a	n/a
<i>Change y-o-y</i>	-	53.7%	140.8%	0.9%	10.1%	n/a	n/a
Gross Profit	4.4	7.4	19.4	15.6	10.0	n/a	n/a
EBITDA	11.0	1.9	6.3	4.9	1.9	n/a	n/a
<i>margin, %</i>	52.8%	6.0%	8.2%	6.3%	3.8%	n/a	n/a
Depreciation	(1.6)	(1.8)	(2.6)	(2.1)	(1.8)	n/a	n/a
EBIT	9.3	0.1	3.7	2.8	0.1	n/a	n/a
<i>margin, %</i>	44.8%	0.3%	4.8%	3.6%	0.3%	n/a	n/a
Interest Expense	(11.5)	(1.4)	(2.3)	(2.1)	(1.6)	n/a	n/a
Other income/(expense)	(0.1)	(0.1)	0.2	0.5	0.2	n/a	n/a
PBT	(2.3)	(1.3)	1.6	1.2	(1.3)	n/a	n/a
Tax	-	(0.2)	(1.6)	(1.2)	(0.6)	n/a	n/a
<i>Effective tax rate</i>	0.0%	-16.7%	97.9%	99.3%	-44.6%	n/a	n/a
Net Income	(2.3)	(1.6)	0.0	(0.0)	(1.9)	n/a	n/a
<i>Net Margin, %</i>	-10.9%	-5.0%	0.0%	-0.1%	-3.9%	n/a	n/a

BALANCE SHEET SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Current Assets	22.7	33.5	39.0	49.1	55.7	n/a	n/a
Cash & Equivalents	0.1	1.4	0.7	0.2	0.4	n/a	n/a
Trade Receivables	1.4	2.3	9.7	2.8	2.1	n/a	n/a
Inventories	15.4	22.2	21.7	34.4	40.5	n/a	n/a
Other	5.7	7.6	6.9	11.7	12.8	n/a	n/a
Fixed Assets	39.9	33.4	34.1	36.7	37.7	n/a	n/a
PP&E, net	35.2	28.8	28.8	32.0	33.0	n/a	n/a
Other	4.6	4.6	5.2	4.8	4.7	n/a	n/a
Total Assets	62.5	66.9	73.1	85.8	93.5	n/a	n/a
Shareholders' Equity	36.5	29.4	28.4	30.7	29.9	n/a	n/a
Share Capital	10.3	10.3	10.3	10.9	10.9	n/a	n/a
Retained Earnings	(9.7)	(10.1)	(10.8)	(11.5)	(13.2)	n/a	n/a
Other	35.9	29.2	28.9	31.3	32.2	n/a	n/a
Current Liabilities	24.8	36.8	44.7	46.8	47.3	n/a	n/a
ST Interest Bearing Debt	2.0	8.5	9.0	15.6	12.0	n/a	n/a
Trade Payables	5.6	4.8	5.4	13.6	3.9	n/a	n/a
Other	17.2	23.5	30.2	17.6	32.9	n/a	n/a
LT Liabilities	1.3	0.7	0.0	8.3	16.2	n/a	n/a
LT Interest Bearing Debt	-	-	-	-	7.9	n/a	n/a
Other	1.3	0.7	0.0	8.3	8.3	n/a	n/a
Total Liabilities & Equity	62.5	66.9	73.1	85.8	93.5	n/a	n/a

QUARTERLY ANALYSIS, USD mln

	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
Net Revenues	21.8	11.5	23.2	20.4	11.3	13.5	20.7	32.1	11.5	12.6	25.9
<i>Change y-o-y</i>	171.9%	121.7%	205.0%	83.4%	-48.2%	17.3%	-10.9%	57.3%	2.2%	-6.6%	25.2%
EBITDA	3.7	1.2	1.5	(0.1)	(0.2)	0.9	1.7	2.5	0.1	(0.4)	2.2
<i>margin, %</i>	16.8%	10.4%	6.6%	-0.3%	-1.9%	6.7%	8.4%	7.7%	0.8%	-2.9%	8.5%
EBIT	3.0	0.6	0.8	(0.7)	(0.6)	0.4	1.2	1.8	(0.4)	(0.9)	1.4
<i>margin, %</i>	13.6%	5.3%	3.6%	-3.5%	-5.7%	2.9%	6.0%	5.6%	-3.7%	-7.0%	5.6%
Net Income	2.4	0.1	0.3	(2.7)	(1.0)	0.2	0.7	0.0	(0.9)	(1.3)	0.3
<i>Net Margin, %</i>	11.1%	0.8%	1.1%	-13.4%	-8.8%	1.4%	3.4%	0.2%	-7.8%	-10.5%	1.1%

Mariupol Heavy Machinery **MZVM UZ**

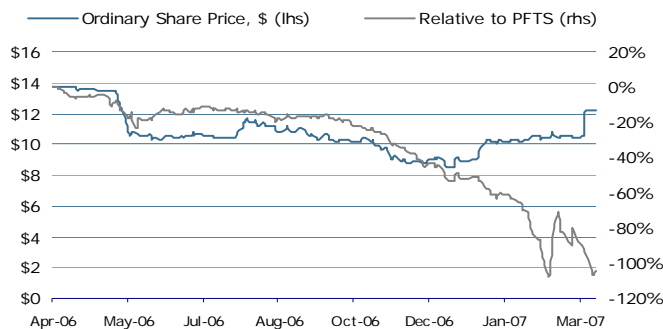
Machinery Diversified
<http://www.azovmash.ua>

Target Price (USD) 12.10
Upside 1%

INVESTMENT CASE

- Growth driven by renovation of the Ukrainian and Russian freight railcar fleets
- Switched its production focus in 2006 from gondola cars to higher-margin railway tank-cars and boxcars
- Practices tax optimization, with a reported net margin close to zero

SHARE PRICE PERFORMANCE*



BUSINESS OVERVIEW

Mariupol Heavy Machinery (MZVM) is a member of the Azovmash group that also includes Azovzahalmarsh (AZGM). Mariupol Heavy Machinery and Azovzahalmarsh are the only producers of railway tank-cars in Ukraine. The company, which is controlled by SCM, also makes gondola cars, boxcars and equipment for metals companies. The sale of the last directly state-owned stake of 11%, which was scheduled for 2006, was postponed, allegedly due to the revaluation of the stake's starting price. This stake is not on the privatization list for 2007, however due to absence of attractive privatization targets to fulfill its revenue goal, the State Property Fund might consider privatizing it this year. Mariupol Heavy Machinery sells its products to the SCM-controlled Armavir Wagon Plant in Russia, and to Iran, which is renovating its rolling stock.

In 2006, Mariupol Heavy Machinery posted 13.5% yoy growth in net revenues to USD 446.5 mln, and a huge drop in net income to USD 0.09 mln (against USD 2.3 mln in 2005). The company's low profitability might be attributed to tax optimization. More transparency is expected in the mid-term, in line with SCM's overall policy.

* PFTS MID Price is used
 ** Price "Impact" is the opinion of Concorde's trading desk on stocks to help investors estimate the reliability of quoted prices:

- 1: Market price reaction remains within 10% in execution of a market order of about USD 10 mln in size
- 2: Market price reaction remains within 10% in execution of a market order of about USD 1 mln in size
- 3: All other stocks (quoted price is less reliable and should be considered indicative)

Note: data (market information, price changes) as of 30 Mar 2007

MARKET INFORMATION

Market price*, USD	11.97
Price impact**	3
52 Wk H/L, USD	13.8 / 8.5
Chg 3m/6m/52w	34% / 13% / -12%
Chg vs PFTS 3m/6m/52w	-30% / -91% / -105%
Chg YTD	34%
Avg Mo Tr Vol 6M, USD ths	871.94
MCap, USD mln	184.2
Free float, %	6.5%
FF MCap, USD mln	12.0
No of shares, mln	15.4
Par Value, UAH	0.25
XETRA	M9X
DR Ratio	1:1
Avg Mo Tr Vol 6M, USD ths	0.80

STOCK OWNERSHIP

Azovmash Group	50%
Derison Holdings Ltd.	19%
State	11%
Other	20%

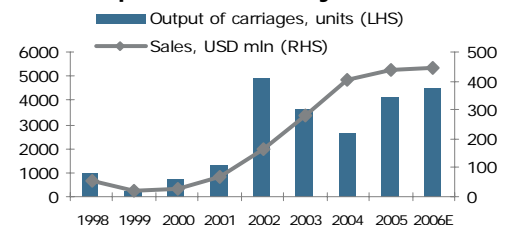
MARKET MULTIPLES

	2006E	2007E
EV/Sales	0.6	0.5
EV/EBITDA	27.3	16.6
P/E	2143.3	51.2
P/B	2.6	2.5
P/CF	41.9	23.3

KEY RATIOS

	2005	2006E	2007E
EBITDA margin	2%	2.0%	3%
Net Margin	1%	0.02%	1%
ROE	3%	0.1%	5%
Net Debt/Equity	0.7	0.9	1.0

Output and Sales Dynamics



INCOME STATEMENT SUMMARY, USD mln

	2003	2004	2005	9M06	2007E	2008E
Net Revenues	245.5	344.3	436.3	373.2	n/a	n/a
<i>Change y-o-y</i>	-	40.3%	26.7%	17.2%	n/a	n/a
Gross Profit	30.0	24.3	36.4	25.5	n/a	n/a
EBITDA	7.3	3.4	13.8	6.9	n/a	n/a
<i>margin, %</i>	3.0%	1.0%	3.2%	1.9%	n/a	n/a
Depreciation	(3.8)	(2.1)	(3.0)	(2.7)	n/a	n/a
EBIT	3.5	1.3	10.8	4.2	n/a	n/a
<i>margin, %</i>	1.4%	0.4%	2.5%	1.1%	n/a	n/a
Interest Expense	(0.3)	(1.6)	(4.5)	(5.8)	n/a	n/a
Other income/(expense)	(0.3)	0.9	(1.3)	2.6	n/a	n/a
PBT	2.9	0.6	4.9	0.9	n/a	n/a
Tax	(2.8)	(0.5)	(2.6)	(0.9)	n/a	n/a
<i>Effective tax rate</i>	97.2%	88.8%	52.5%	95.3%	n/a	n/a
Net Income	0.1	0.1	2.3	0.0	n/a	n/a
<i>Net Margin, %</i>	0.0%	0.0%	0.5%	0.0%	n/a	n/a

BALANCE SHEET SUMMARY, USD mln

	2003	2004	2005	9M06	2007E	2008E
Current Assets	111.8	137.5	158.1	200.9	n/a	n/a
Cash & Equivalents	2.6	0.3	0.6	0.9	n/a	n/a
Trade Receivables	27.6	26.2	56.5	72.9	n/a	n/a
Inventories	38.6	58.6	63.1	83.4	n/a	n/a
Other	43.0	52.5	38.0	43.7	n/a	n/a
Fixed Assets	65.3	69.4	71.0	70.1	n/a	n/a
PP&E, net	47.1	52.3	57.1	55.2	n/a	n/a
Other	18.2	17.0	13.9	14.9	n/a	n/a
Total Assets	177.0	206.9	229.2	271.0	n/a	n/a
Shareholders' Equity	71.0	66.0	70.4	69.7	n/a	n/a
Share Capital	0.7	0.7	0.8	0.8	n/a	n/a
Retained Earnings	17.4	24.0	26.6	28.2	n/a	n/a
Other	52.8	41.3	43.0	40.8	n/a	n/a
Current Liabilities	102.3	139.1	156.8	185.0	n/a	n/a
ST Interest Bearing Debt	5.0	19.2	53.2	39.9	n/a	n/a
Trade Payables	39.5	34.4	49.6	85.6	n/a	n/a
Other	57.8	85.5	54.1	61.1	n/a	n/a
LT Liabilities	3.7	1.7	2.0	16.4	n/a	n/a
LT Interest Bearing Debt	-	-	-	14.5	n/a	n/a
Other	3.7	1.7	2.0	1.9	n/a	n/a
Total Liabilities & Equity	177.0	206.9	229.2	271.0	n/a	n/a

QUARTERLY ANALYSIS, USD mln

	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
Net Revenues	89.4	84.9	84.1	85.9	99.7	102.8	115.8	118.0	119.5	128.5	125.1
<i>Change y-o-y</i>	77.7%	43.2%	27.9%	22.5%	11.6%	21.1%	37.8%	37.3%	19.9%	25.1%	8.0%
EBITDA	4.4	0.2	(0.8)	(0.4)	2.4	4.9	5.3	1.2	2.9	3.4	0.6
<i>margin, %</i>	5.0%	0.2%	-1.0%	-0.4%	2.4%	4.8%	4.6%	1.0%	2.4%	2.7%	0.5%
EBIT	4.0	(0.4)	(1.4)	(0.9)	1.8	4.1	4.5	0.4	2.1	2.5	(0.4)
<i>margin, %</i>	4.5%	-0.5%	-1.7%	-1.0%	1.8%	4.0%	3.9%	0.4%	1.7%	2.0%	-0.3%
Net Income	3.7	(2.3)	(1.3)	(0.0)	0.1	1.1	2.7	(1.6)	0.1	0.0	(0.1)
<i>Net Margin, %</i>	4.1%	-2.7%	-1.6%	0.0%	0.1%	1.1%	2.3%	-1.4%	0.1%	0.0%	0.0%

Poltava Locomotive

PTRZ UZ

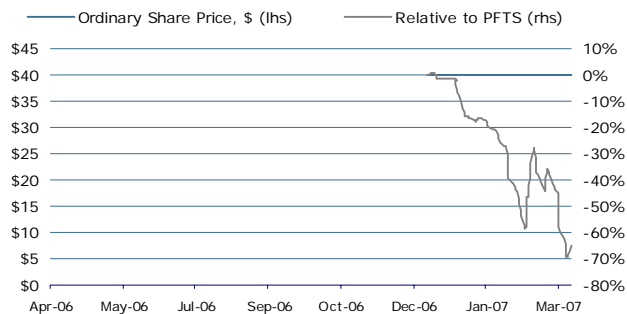
Machinery Diversified

Target Price (USD)
N/R
Upside
n/a

INVESTMENT CASE

- Transforming into an integrated leasing operator to service the two major Eurasian railway systems, Ukraine and Russia
- Since 2H06 it has been the exclusive supplier of repair kits to national railway operator Ukrzaliznitsya
- Launching a leasing business for a fleet of freight locomotives

SHARE PRICE PERFORMANCE*



listed on PFTS since 21 Dec 2006

BUSINESS OVERVIEW

The Poltava Diesel Locomotive Overhaul Plant (DLOP) is a CIS leading provider of overhauling services for Ukrainian, Russian, Mongolian and Baltic Railways. DLOP's core business is to overhaul diesel locomotives (70%-80% of revenues). The company's annual installed capacity of 600 locomotive sections was only 30% loaded in 2005. Diesel/wheel-set repairs and spare parts each made up 9%-10% of sales. DLOP's services include deep overhauls and modernization, which increases the productivity of a locomotive. DLOP has its own full production cycle for metal spare parts. Its own mini-electric arc furnaces and milling allow it to produce spare parts for internal needs and for sale (9% of sales 9M06). Ukraine and Russia are traditionally the two largest markets for the company's products. DLOP's major competitors are the Russian Voronezhsky, Usurysky, Orenburgsky overhaul plants and the Latvian Daugavpils plant.

In 2006, the company signed contracts with world majors, General Electric and Caterpillar, for the delivery of state-of-the-art diesel engines, which brought its modernization capabilities up another notch in terms of quality.

In 2006 the company posted decrease in net income by 40.3% yoy to USD 1.2 mln.

MARKET INFORMATION

Market price*, USD	40.00
Price impact**	3
52 Wk H/L, USD	35.0 / 35.0
Chg 3m/6m/52w	0% / n/a / n/a
Chg vs PFTS 3m/6m/52w	-65% / -104% / -93%
Chg YTD	0%
Avg Mo Tr Vol 6M, USD ths	0.0
MCap, USD mln	28.0
Free float, %	12.0%
FF MCap, USD mln	3.4
No of shares, mln	0.7
Par Value, UAH	5.0
XETRA	n/a
DR Ratio	n/a
Avg Mo Tr Vol 6M, USD ths	n/a

STOCK OWNERSHIP

CJSC "Vneshtorg"	98.0%
Other	2.0%

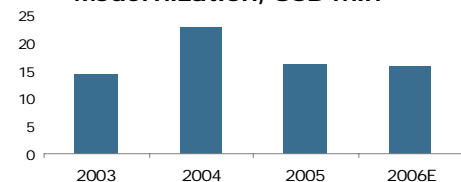
MARKET MULTIPLES

	2006E	2007E
EV/Sales	0.9	0.7
EV/EBITDA	8.0	6.4
P/E	28.0	14.0
P/B	0.2	0.1
P/CF	16.7	10.5

KEY RATIOS

	2005	2006E	2007E
EBITDA margin	14%	11%	10%
Net Margin	8%	3%	4%
ROE	17%	7%	2%
Net Debt/Equity	0.3	0.03	0.02

Locomotive Overhaul & Modernization, USD mln



* PFTS MID Price is used

** Price "impact" is the opinion of Concorde's trading desk on stocks to help investors estimate the reliability of quoted prices:

- 1: Market price reaction remains within 10% in execution of a market order of about USD 10 mln in size
- 2: Market price reaction remains within 10% in execution of a market order of about USD 1 mln in size
- 3: All other stocks (quoted price is less reliable and should be considered indicative)

Note: data (market information, price changes) as of 30 Mar 2007

INCOME STATEMENT SUMMARY, USD mln

	2003	2004	2005	2006E	2007E	2008E
Net Revenues	14.5	22.6	25.5	35.0	48.0	56.4
<i>Change y-o-y</i>	-	55.9%	12.8%	37.5%	37.1%	17.5%
Gross Profit	4.3	5.5	6.4	7.5	10.3	12.1
EBITDA	2.5	2.6	3.5	3.7	5.0	5.9
<i>margin, %</i>	17.0%	11.7%	13.9%	10.5%	10.5%	10.5%
Depreciation	(0.2)	(0.6)	(0.7)	(0.7)	(0.7)	(0.6)
EBIT	2.3	2.1	2.9	3.0	4.4	5.3
<i>margin, %</i>	15.6%	9.1%	11.3%	8.6%	9.1%	9.3%
Interest Expense	(0.1)	(0.3)	(0.5)	(1.0)	(1.1)	(1.2)
Other income/(expense)	0.2	(0.4)	(0.1)	-	-	-
PBT	2.4	1.3	2.3	2.0	3.3	4.1
Tax	(0.7)	(0.3)	(0.2)	(0.5)	(1)	(1)
<i>Effective tax rate</i>	30.0%	19.4%	10.2%	25.0%	25.0%	25.0%
Net Income	1.6	1.1	2.0	1.5	2.4	3.1
<i>Net Margin, %</i>	11.4%	4.8%	8.0%	4.2%	5.1%	5.5%

BALANCE SHEET SUMMARY, USD mln

	2003	2004	2005	2006E	2007E	2008E
Current Assets	8.6	11.0	16.0	19.6	22.7	24.3
Cash & Equivalents	0.1	0.7	0.9	1.1	1.4	2.1
Trade Receivables	2.8	3.0	1.2	2.2	2.9	3.4
Inventories	2.9	4.2	9.1	10.2	11.2	11.5
Other	2.8	3.1	4.7	6.1	7.2	7.3
Fixed Assets	5.4	5.9	5.9	6.1	14.4	14.5
PP&E, net	5.0	5.0	5.4	5.7	5.9	6.2
Other	0.4	0.9	0.5	0.4	8.5	8.3
Total Assets	14.0	16.9	21.9	25.7	37.1	38.8
Shareholders' Equity	10.1	11.9	14.4	15.9	26.4	28.1
Share Capital	0.1	0.7	0.7	0.7	8.9	8.9
Other	10.0	11.2	13.7	15.2	17.5	19.2
Current Liabilities	3.8	4.9	3.5	5.7	6.7	6.7
ST Interest Bearing Debt	1.0	0.2	0.9	0.9	1.0	0.6
Trade Payables	1.1	2.1	1.2	2.3	2.6	2.8
Other	1.7	2.7	1.4	2.5	3.1	3.4
LT Liabilities	0.1	0.0	4.0	4.1	4.0	4.0
LT Interest Bearing Debt	-	-	4.0	4.0	3.9	3.9
Other	0.1	0.0	0.0	0.1	0.1	0.1
Total Liabilities & Equity	14.0	16.9	21.9	25.7	37.1	38.8

QUARTERLY ANALYSIS, USD mln

	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
Net Revenues	3.8	5.6	6.3	6.9	4.9	8.2	7.4	5.1	6.6	7.3	11.8
<i>Change y-o-y</i>	49.6%	59.3%	58.3%	54.6%	28.5%	46.5%	16.0%	-26.1%	33.9%	-11.0%	60.8%
EBITDA	0.8	0.7	1.0	0.2	0.6	1.5	1.1	0.4	1.0	0.7	1.2
<i>margin, %</i>	20.2%	12.8%	15.3%	2.7%	12.6%	17.8%	14.8%	7.6%	14.6%	10.1%	9.8%
EBIT	0.6	0.6	0.8	0.0	0.5	1.3	0.9	0.2	0.8	0.5	0.9
<i>margin, %</i>	16.4%	10.2%	13.1%	0.6%	9.5%	15.8%	12.4%	3.9%	11.6%	7.2%	7.9%
Net Income	0.3	0.4	0.7	(0.3)	0.5	0.9	0.7	(0.0)	0.4	(0.0)	0.6
<i>Net Margin, %</i>	8.5%	7.4%	10.5%	-4.6%	9.5%	11.1%	9.6%	-0.9%	5.9%	-0.3%	4.9%

Stakhaniv Wagon Works SVGZ UZ

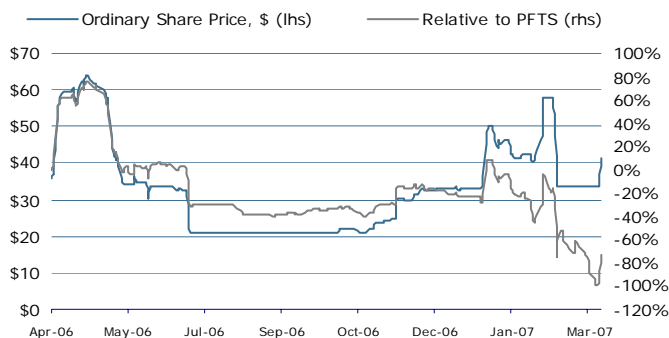
Machinery Diversified

Undiluted Target Price (USD) 80.50
Upside 94%

INVESTMENT CASE

- Specialization in gondola-cars, the most demanded type of cars in Ukraine and Russia
- Output grew by 70% in 2006 to 2,183 cars, in 2007 another 80% growth is planned
- Profitability margins higher than that of Mariupol Heavy Machinery and Azovzahalmarsh, and are continuing to grow
- Launch of metal construction production will bring additional revenues

SHARE PRICE PERFORMANCE*



BUSINESS OVERVIEW

Stakhaniv Wagon Works specializes in the production of hopper cars for transporting mineral fertilizers, but also produces other types of freight cars, including gondola cars for transportation of iron ore, which have the highest demand of all railcars in Ukraine and Russia. The company delivers cars for the transportation of chemicals to Uralkaliy (Russia), Azot Cherkasy (Ukraine) and several private Russian transportation companies. Stakhaniv gondola cars are being used by Poltava and Pivdenny Iron Ore. While almost all of Stakhaniv Wagon Works' exports went to Russia last year, we believe, the company will benefit from AvtoKRAZ' expertise in terms of sales to developing markets. In March 2007 Stakhaniv Wagon Works announced plans to invest over USD 52 mln during 3 years to upgrade the company's production facilities and to launch metal construction production. The company announced a 9.9 times increase in its charter fund to USD 2.6 mln, with subscription on March 1-23, 2007 (first stage) and March 26-30 (second stage). The attracted money will be spent to increase working capital related to further production increases.

In 2006 the company increased sales 84% yoy to USD 92.6 mln and grew its net income to USD 2.2 mln (from USD 0.5 mln in 2005).

MARKET INFORMATION

Market price*, USD	41.49
Price impact**	3
52 Wk H/L, USD	63.8 / 20.8
Chg 3m/6m/52w	25% / 100% / 25%
Chg vs PFTS 3m/6m/52w	-40% / -5% / -68%
Chg YTD	25%
Avg Mo Tr Vol 6M, USD ths	526.26
MCap, USD mln	47.7
Free float, %	22.2%
FF MCap, USD mln	10.6
No of shares, mln	1.1
Par Value, UAH	1.05
XETRA	n/a
DR Ratio	n/a
Avg Mo Tr Vol 6M, USD ths	n/a

STOCK OWNERSHIP

Finance & Credit	77.8%
Other	22.2%

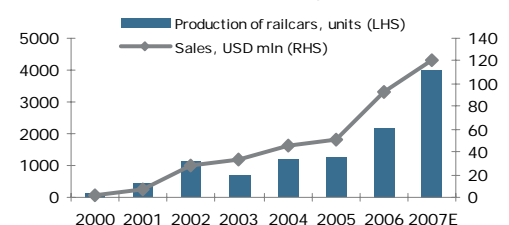
MARKET MULTIPLES

	2006E	2007E
EV/Sales	0.7	0.6
EV/EBITDA	7.3	4.5
P/E	21.7	5.3
P/B	13.2	13.2
P/CF	11.3	4.3

KEY RATIOS

	2005	2006E	2007E
EBITDA margin	6%	10%	14%
Net Margin	1%	2%	8%
ROE	510%	917%	250%
Net Debt/Equity	-0.8	4.7	7.8

Output & Sales Dynamics



* PFTS MID Price is used
 ** Price "Impact" is the opinion of Concorde's trading desk on stocks to help investors estimate the reliability of quoted prices:
 1: Market price reaction remains within 10% in execution of a market order of about USD 10 mln in size
 2: Market price reaction remains within 10% in execution of a market order of about USD 1 mln in size
 3: All other stocks (quoted price is less reliable and should be considered indicative)

Note: data (market information, price changes) as of 30 Mar 2007

INCOME STATEMENT SUMMARY, USD mln

	2002	2003	2004	2005	2006E	2007E	2008E
Net Revenues	25.4	28.7	40.6	49.8	97.9	120.0	147.6
<i>Change y-o-y</i>	-	13.1%	41.4%	22.5%	96.6%	22.6%	23.0%
Gross Profit	3.3	3.0	1.8	5.6	14.7	24.0	31.0
EBITDA	1.7	(1.5)	(1.8)	2.9	8.8	16.8	22.1
<i>margin, %</i>	6.7%	-5.1%	-4.3%	5.9%	9.0%	14.0%	15.0%
Depreciation	(0.9)	(0.9)	(1.1)	(1.2)	(1.5)	(1.8)	(2.5)
EBIT	0.8	(2.4)	(2.9)	1.7	7.3	15.0	19.7
<i>margin, %</i>	3.2%	-8.2%	-7.1%	3.5%	7.5%	12.5%	13.3%
Interest Expense	-	(0.1)	(0.2)	(1.7)	(2.4)	(3.1)	(3.7)
Other income/(expense)	0.8	(0.2)	0.6	0.5	40.0%	40.0%	40.0%
PBT	1.6	(2.7)	(2.5)	0.5	5.3	12.3	16.4
Tax	-	-	-	-	(1.3)	(3.1)	(4.1)
<i>Effective tax rate</i>	0.0%	0.0%	0.0%	0.0%	25.0%	25.0%	25.0%
Net Income	1.6	(2.7)	(2.4)	0.5	4.0	9.2	12.3
<i>Net Margin, %</i>	6.3%	-9.3%	-6.0%	1.0%	4.1%	7.7%	8.3%

BALANCE SHEET SUMMARY, USD mln

	2002	2003	2004	2005	2006E	2007E	2008E
Current Assets	11.6	4.7	6.1	28.3	19.1	23.4	30.3
Cash & Equivalents	0.0	0.0	0.0	18.7	1.0	1.2	1.5
Trade Receivables	3.8	0.4	1.0	0.9	3.9	4.8	7.4
Inventories	4.4	2.7	2.8	3.3	9.8	12.0	14.8
Other	3.4	1.7	2.3	5.4	4.4	5.4	6.6
Fixed Assets	13.9	13.3	13.5	14.0	20.6	33.9	51.4
PP&E, net	12.9	12.9	13.2	13.7	20.6	33.9	51.4
Other	1.0	0.4	0.3	0.3	0.0	0.0	0.0
Total Assets	25.5	18.1	19.6	42.3	39.7	57.3	81.7
Shareholders' Equity	5.8	3.0	0.1	0.2	3.6	12.8	25.1
Share Capital	0.2	0.2	0.2	0.2	0.2	0.2	0.2
Retained Earnings	(14.4)	(17.1)	(19.6)	(20.1)	(17.2)	(8.0)	4.3
Other	20.0	19.8	19.5	20.1	21.0	21.0	21.0
Current Liabilities	19.2	14.9	12.9	39.1	25.0	32.6	41.0
ST Interest Bearing Debt	-	1.8	2.0	18.5	10.8	17.2	19.2
Trade Payables	10.7	8.3	7.2	5.1	3.4	6.0	10.3
Other	8.5	4.8	3.7	15.4	11.0	9.0	11.0
LT Liabilities	0.4	0.2	6.6	3.0	11.1	11.8	15.4
LT Interest Bearing Debt	-	-	-	-	7.1	7.8	12.4
Other	0.4	0.2	6.6	3.0	4.0	4.0	3.0
Total Liabilities & Equity	25.5	18.1	19.6	42.3	39.7	57.3	81.6

QUARTERLY ANALYSIS, USD mln

	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
Net Revenues	3.4	14.7	7.1	15.4	22.2	13.1	3.1	11.3	11.0	26.7	19.9
<i>Change y-o-y</i>	-38.3%	84.9%	-21.7%	148.8%	553.8%	-10.8%	-56.5%	-26.4%	-50.6%	103.1%	544.4%
EBITDA	(0.8)	(0.5)	(0.6)	0.1	0.2	1.2	(0.6)	2.2	0.4	2.3	1.4
<i>margin, %</i>	-24.5%	-3.4%	-7.9%	0.9%	0.7%	8.9%	-20.3%	19.7%	4.0%	8.7%	7.0%
EBIT	(1.1)	(0.8)	(0.9)	(0.1)	(0.1)	0.9	(0.9)	1.9	0.1	2.0	1.1
<i>margin, %</i>	-31.7%	-5.2%	-12.4%	-1.0%	-0.6%	6.7%	-30.3%	16.9%	1.2%	7.6%	5.3%
Net Income	(1.1)	(0.7)	(0.7)	0.1	(0.1)	0.9	(1.4)	1.1	(1.0)	1.1	0.4
<i>Net Margin, %</i>	-32.6%	-4.7%	-9.9%	0.4%	-0.3%	6.5%	-45.1%	9.8%	-8.7%	4.0%	2.1%

Sumy Frunze

SMASH UZ

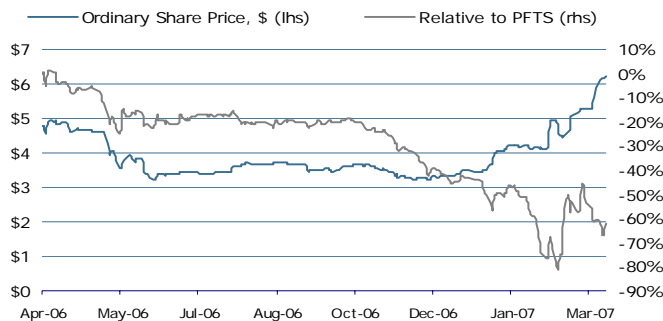
Machinery Diversified

<http://www.frunze.com.ua>
Target Price (USD)
Upside
U/R
n/a

INVESTMENT CASE

- Creating Concern Atommashproject with the Project Institute Energoproject to participate in a tender to construct a nuclear waste depository
- Started realization of an internal reorganization program, through 2016 that will lead to the creation of 26 limited liability companies; risk of asset stripping
- The company's turnkey projects promise higher margins

SHARE PRICE PERFORMANCE*



BUSINESS OVERVIEW

Sumy Frunze is one of largest engineering companies in Ukraine. The company specializes in the production of equipment for the oil & gas and chemical industries. Its product portfolio includes pumps, compressors, centrifuges, fits for gas-main pipelines, heavy-drilling pipes and mobile filling stations. The plant is the only Ukrainian producer of gas pumping units (50-60% of total sales) for gas-main pipelines and pumping equipment for nuclear power plants in the CIS. Sumy Frunze exports around 70% of its total output to more than 20 countries. The company has subsidiaries in Russia, Turkmenistan, Kazakhstan and Azerbaijan. Sumy Frunze supplies its products to pipe operators, steel mills and nuclear power plants. Among the company's major customers are Gazprom, Naftogaz Ukrainy and Turkmennaftogaz. In 2006 the company strengthened its EBITDA and net margins from 6.8% and 0.4%, respectively, in 2005 to 9.7% and 4.6% in 2006.

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 2: Market price reaction remains within 10% in execution of a market order of about USD 1 mln in size
 3: All other stocks (quoted price is less reliable and should be considered indicative)

Note: data (market information, price changes) as of 30 Mar 2007

MARKET INFORMATION

Market price*, USD	6.11
Price impact**	3
52 Wk H/L, USD	6.25 / 3.21
Chg 3m/6m/52w	73% / 74% / 25%
Chg vs PFTS 3m/6m/52w	9% / -30% / -68%
Chg YTD	73%
Avg Mo Tr Vol 6M, USD ths	861.84
MCap, USD mln	434.3
Free float, %	9.8%
FF MCap, USD mln	42.6
No of shares, mln	71.1
Par Value, UAH	10.0
XETRA	M9Y1
DR Ratio	1:20
Avg Mo Tr Vol 6M, USD ths	0.0

STOCK OWNERSHIP

Tecline Invest	25.0%
Torberg Beteiligungen	23.6%
Dastime Group	12.7%
Ogres Komercbanka	9.8%
Hambay Trading	8.9%
Other	20.0%

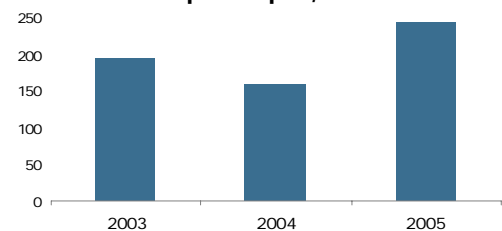
MARKET MULTIPLES

	2006E	2007E
EV/Sales	2.0	1.9
EV/EBITDA	28.7	24.0
P/E	36.5	35.2
P/B	2.3	2.2
P/CF	21.8	19.2

KEY RATIOS

	2005	2006E	2007E
EBITDA margin	7%	7%	8%
Net Margin	0.4%	5%	5%
ROE	1%	7%	7%
Net Debt/Equity	0.1	0.2	0.2

Pumps Output, units



INCOME STATEMENT SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Net Revenues	120.4	174.7	216.6	282.1	171.8	n/a	n/a
<i>Change y-o-y</i>	-	45.0%	24.0%	30.2%	-20.3%	n/a	n/a
Gross Profit	58.0	97.6	123.3	130.3	72.5	n/a	n/a
EBITDA	13.7	(5.6)	26.3	19.1	7.8	n/a	n/a
<i>margin, %</i>	11.4%	-3.2%	12.1%	6.8%	4.6%	n/a	n/a
Depreciation	(5.7)	(5.7)	(6.2)	(7.1)	(5.3)	n/a	n/a
EBIT	8.1	(11.3)	20.1	12.0	2.6	n/a	n/a
<i>margin, %</i>	6.7%	-6.5%	9.3%	4.3%	1.5%	n/a	n/a
Interest Expense	(1.0)	(1.0)	(2.3)	(1.9)	(3.1)	n/a	n/a
Other income/(expense)	(3.6)	(1.4)	(1.2)	(1.9)	(1.2)	n/a	n/a
PBT	3.5	(13.7)	16.5	8.2	(1.7)	n/a	n/a
Tax	(3.1)	(3.9)	(5.1)	(7.2)	(5.3)	n/a	n/a
<i>Effective tax rate</i>	88.6%	-28.2%	31.1%	87.3%	-313.6%	n/a	n/a
Net Income	0.4	(17.6)	11.3	1.2	(7.0)	n/a	n/a
<i>Net Margin, %</i>	0.3%	-10.0%	5.2%	0.4%	-4.1%	n/a	n/a

BALANCE SHEET SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Current Assets	118.4	122.1	177.0	217.6	202.4	n/a	n/a
Cash & Equivalents	1.8	1.0	1.8	5.9	0.4	n/a	n/a
Trade Receivables	12.8	23.1	56.9	25.1	24.5	n/a	n/a
Inventories	66.7	86.5	102.2	151.9	146.7	n/a	n/a
Other	37.2	11.5	16.0	34.8	30.7	n/a	n/a
Fixed Assets	174.2	171.1	167.4	175.1	164.2	n/a	n/a
PP&E, net	64.5	67.8	72.7	75.6	72.9	n/a	n/a
Other	109.7	103.3	94.7	99.6	91.3	n/a	n/a
Total Assets	292.6	293.2	344.3	392.7	366.6	n/a	n/a
Shareholders' Equity	186.9	161.9	162.7	172.9	164.8	n/a	n/a
Share Capital	133.1	133.1	133.9	140.8	140.8	n/a	n/a
Retained Earnings	37.4	13.9	14.7	16.9	8.6	n/a	n/a
Other	16.3	14.9	14.0	15.2	15.4	n/a	n/a
Current Liabilities	34.5	64.5	116.8	154.1	136.1	n/a	n/a
ST Interest Bearing Debt	6.4	12.1	27.2	27.9	46.2	n/a	n/a
Trade Payables	13.1	16.3	21.4	30.3	15.3	n/a	n/a
Other	14.9	36.1	68.2	95.8	79.2	n/a	n/a
LT Liabilities	71.3	66.9	64.8	65.7	65.7	n/a	n/a
LT Interest Bearing Debt	-	-	-	-	-	n/a	n/a
Other	71.3	66.9	64.8	65.7	65.7	n/a	n/a
Total Liabilities & Equity	292.6	293.2	344.3	392.7	366.6	n/a	n/a

QUARTERLY ANALYSIS, USD mln

	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
Net Revenues	31.3	80.3	50.7	54.3	69.8	68.4	77.4	66.6	54.9	57.0	59.9
<i>Change y-o-y</i>	-25.6%	91.4%	-160.3%	-68.9%	122.9%	-14.8%	52.6%	22.6%	-21.3%	-16.7%	-22.6%
EBITDA	3.3	9.2	16.2	(2.5)	(6.3)	2.2	27.5	(4.3)	0.3	7.3	0.2
<i>margin, %</i>	10.4%	11.5%	32.0%	-4.5%	-9.0%	3.2%	35.6%	-6.5%	0.5%	12.9%	0.4%
EBIT	1.8	7.7	14.6	(4.0)	(8.0)	0.6	25.7	(6.3)	(1.5)	5.6	(1.5)
<i>margin, %</i>	5.6%	9.6%	28.8%	-7.4%	-11.4%	0.8%	33.3%	-9.5%	-2.7%	9.8%	-2.6%
Net Income	0.2	5.6	12.0	(6.4)	(14.7)	0.8	24.9	(9.8)	(5.6)	7.0	(8.4)
<i>Net Margin, %</i>	0.7%	7.0%	23.6%	-11.8%	-21.1%	1.2%	32.2%	-14.7%	-10.2%	12.2%	-14.0%

Dongirmash

DGRM UZ

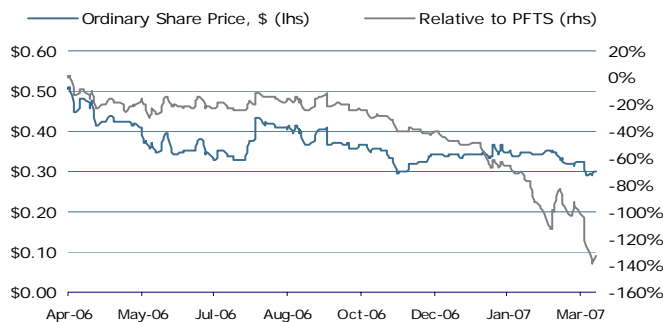
Machinery-Construction & Mining

<http://www.dongormash.donetsk.ua>
Target Price (USD)
0.77
Upside
143%

INVESTMENT CASE

- Through its subsidiaries, major shareholder SCM guarantees stable inflow of orders
- Corporate governance is expected to improve in line with a common SCM-wide strategy

SHARE PRICE PERFORMANCE*



Listed on PFTS since 02 Mar 2006

BUSINESS OVERVIEW

Dongirmash is the most diversified coal mining equipment producer in Ukraine in terms of products. The company produces about 60 types of small-series and tailor-made heavy machinery for mining, steel, electricity generation, railcar and chemical industries, with coal mining equipment accounting for ~70% of the company's sales. Underground conveyors constitute the largest share of the company's coal machinery output, followed by mine fans, conveyors, carriages and excavating equipment. The company sells most of its mining equipment to domestic coal mines and ore-enrichment plants like Pavlogradugol, Makiyivugol and Artemugol. Dongirmash operates its own research and development department, which designs about 85% of company's products.

The company was one of the winners of a May 2, 2006 government tender to provide state-owned mines with mining equipment. The orders are valued at USD 12 mln (32% of 2005 sales). Therefore, we estimate that in 2006 Dongirmash will improve its weak 2005 results.

In 9M06 the company posted a decrease in sales by 9.7% yoy to USD 24.2 mln and a drastic change in net income from 0.1 net profit in 9M05 to negative USD 2.2 mln in 9M06.

* PFTS MID Price is used

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- 1: Market price reaction remains within 10% in execution of a market order of about USD 10 mln in size
- 2: Market price reaction remains within 10% in execution of a market order of about USD 1 mln in size
- 3: All other stocks (quoted price is less reliable and should be considered indicative)

Note: data (market information, price changes) as of 30 Mar 2007

MARKET INFORMATION

Market price*, USD	0.32
Price impact**	3
52 Wk H/L, USD	0.51 / 0.29
Chg 3m/6m/52w	-7% / -15% / -37%
Chg vs PFTS 3m/6m/52w	-72% / -119% / -130%
Chg YTD	-7%
Avg Mo Tr Vol 6M, USD ths	172.43
MCap, USD mln	14.4
Free float, %	20.0%
FF MCap, USD mln	2.9
No of shares, mln	45.5
Par Value, UAH	0.25
XETRA	n/a
DR Ratio	n/a
Avg Mo Tr Vol 6M, USD ths	n/a

STOCK OWNERSHIP

Ukrvuglemash	19.0%
Gorlivsky	
Mashynodivnyk	19.0%
IUD	17.0%
Other	45.0%

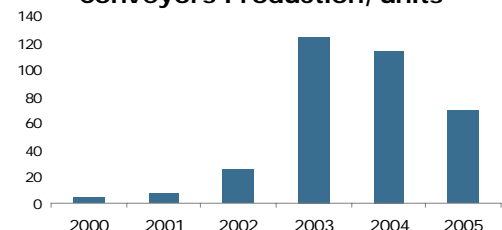
MARKET MULTIPLES

	2006E	2007E
EV/Sales	0.7	n/a
EV/EBITDA	7.5	n/a
P/E	7.2	n/a
P/B	1.2	n/a
P/CF	4.0	n/a

KEY RATIOS

	2005	2006E	2007E
EBITDA margin	7%	9%	n/a
Net Margin	3%	4%	n/a
ROE	18%	19%	n/a
Net Debt/Equity	1.7	1.4	n/a

Conveyors Production, units



INCOME STATEMENT SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Net Revenues	12.0	22.4	56.6	52.4	24.2	n/a	n/a
<i>Change y-o-y</i>	-	86.9%	152.9%	-7.4%	-9.7%	n/a	n/a
Gross Profit	1.8	3.0	8.5	10.3	5.1	n/a	n/a
EBITDA	0.2	(1.9)	2.7	3.7	0.0	n/a	n/a
<i>margin, %</i>	1.9%	-8.4%	4.7%	7.0%	0.0%	n/a	n/a
Depreciation	(0.6)	(0.7)	(0.9)	(1.2)	(0.9)	n/a	n/a
EBIT	(0.4)	(2.6)	1.8	2.4	(0.9)	n/a	n/a
<i>margin, %</i>	-3.2%	-11.4%	3.1%	4.7%	-3.6%	n/a	n/a
Interest Expense	-	-	(0.0)	(0.2)	(0.6)	n/a	n/a
Other income/(expense)	0.1	0.0	0.1	0.0	(0.5)	n/a	n/a
PBT	(0.2)	(2.5)	1.9	2.2	(1.9)	n/a	n/a
Tax	(0.1)	-	(0.4)	(0.5)	(0.3)	n/a	n/a
<i>Effective tax rate</i>	-26.0%	0.0%	21.7%	23.1%	-13.7%	n/a	n/a
Net Income	(0.3)	(2.5)	1.5	1.7	(2.2)	n/a	n/a
<i>Net Margin, %</i>	-2.5%	-11.3%	2.6%	3.3%	-9.0%	n/a	n/a

BALANCE SHEET SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Current Assets	17.1	28.0	27.5	46.2	26.6	n/a	n/a
Cash & Equivalents	0.0	0.0	0.0	0.2	0.9	n/a	n/a
Trade Receivables	5.6	4.7	8.4	15.7	10.5	n/a	n/a
Inventories	10.8	21.1	14.1	11.9	10.9	n/a	n/a
Other	0.6	2.2	4.9	18.4	4.2	n/a	n/a
Fixed Assets	10.2	11.4	13.0	14.7	18.0	n/a	n/a
PP&E, net	9.7	8.9	10.8	12.3	12.3	n/a	n/a
Other	0.6	2.5	2.2	2.5	5.8	n/a	n/a
Total Assets	27.3	39.5	40.5	61.0	44.6	n/a	n/a
Shareholders' Equity	10.9	8.3	9.2	10.5	8.3	n/a	n/a
Share Capital	2.1	2.1	2.1	2.3	2.3	n/a	n/a
Retained Earnings	(1.7)	(4.1)	(0.1)	0.7	(1.5)	n/a	n/a
Other	10.4	10.2	7.1	7.5	7.6	n/a	n/a
Current Liabilities	16.2	31.0	31.1	35.0	23.4	n/a	n/a
ST Interest Bearing Debt	-	-	-	3.2	3.2	n/a	n/a
Trade Payables	15.0	29.9	29.2	24.1	19.0	n/a	n/a
Other	1.2	1.2	1.9	7.7	1.4	n/a	n/a
LT Liabilities	0.2	0.1	0.2	15.5	12.9	n/a	n/a
LT Interest Bearing Debt	-	-	-	14.6	12.1	n/a	n/a
Other	0.2	0.1	0.2	0.8	0.8	n/a	n/a
Total Liabilities & Equity	27.3	39.5	40.5	61.0	44.6	n/a	n/a

QUARTERLY ANALYSIS, USD mln

	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
Net Revenues	8.6	15.5	19.8	12.8	9.4	8.0	9.4	25.6	9.8	6.6	7.8
<i>Change y-o-y</i>	20.3%	284.6%	715.8%	45.0%	10.2%	-48.6%	-52.3%	100.2%	4.0%	-17.4%	-16.9%
EBITDA	0.4	1.0	0.4	0.8	(0.3)	0.4	1.1	2.5	1.1	0.3	(1.4)
<i>margin, %</i>	4.8%	6.7%	2.0%	6.5%	-2.7%	4.5%	11.1%	9.8%	11.7%	3.8%	-17.7%
EBIT	0.2	0.8	0.2	0.6	(0.5)	0.0	0.8	2.2	0.9	(0.1)	(1.7)
<i>margin, %</i>	2.4%	5.3%	0.9%	4.3%	-5.7%	0.3%	8.0%	8.6%	8.7%	-0.9%	-21.3%
Net Income	0.2	0.7	0.2	0.4	(0.6)	0.0	0.7	1.6	0.7	(0.5)	(2.4)
<i>Net Margin, %</i>	2.3%	4.5%	0.9%	3.1%	-6.2%	0.5%	7.4%	6.1%	6.7%	-7.3%	-30.1%

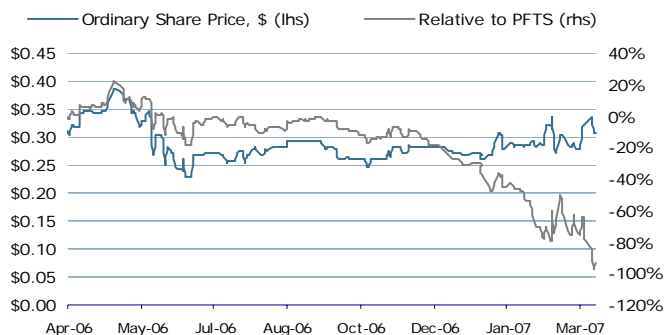
Druzhkivka Machine Building DRMZ UZ Machinery-Construction& Mining

Target Price (USD) **0.48**
Upside **62%**

INVESTMENT CASE

- Stable orders ensured by its major shareholder, SCM
- The government program to construct new mines is an additional top line driver

SHARE PRICE PERFORMANCE*



BUSINESS OVERVIEW

Druzhkivka Machine Building is the largest producer of mining machinery and the monopoly producer of powered supports in Ukraine. It is located in close proximity to its major customers, in the Donetsk region (Eastern Ukraine). The company enjoys stable orders from state tenders for mining equipment thanks to its affiliation with SCM.

The company's management forecasted a 44.3% yoy boost in sales in 2006 to USD 128.2 mln. The company plans to extend its markets by participating in tenders in India, Iran, Vietnam and Russia.

In 9M06 the company posted growth in sales by 12% yoy to USD 54.6 mln and growth in net income by 6.4% yoy to USD 1.3 mln.

PFTS MID Price is used
 * Price "Impact" is the opinion of Concorde's trading desk on stocks to help investors estimate the reliability of quoted prices:
 : Market price reaction remains within 10% in execution of a market order of about USD 10 mln in size
 : Market price reaction remains within 10% in execution of a market order of about USD 1 mln in size
 : All other stocks (quoted price is less reliable and should be considered indicative)

Note: data (market information, price changes) as of 30 Mar 2007

MARKET INFORMATION

Market price*, USD	0.30
Price impact**	3
52 Wk H/L, USD	0.39 / 0.23
Chg 3m/6m/52w	11% / 5% / -6%
Chg vs PFTS 3m/6m/52w	-53% / -99% / -99%
Chg YTD	11%
Avg Mo Tr Vol 6M, USD ths	34.24
MCap, USD mln	61.6
Free float, %	12.0%
FF MCap, USD mln	7.4
No of shares, mln	207.5
Par Value, UAH	0.25
XETRA	n/a
DR Ratio	n/a
Avg Mo Tr Vol 6M, USD ths	n/a

STOCK OWNERSHIP

SCM	65.0%
IUD	12.0%
Other	23.0%

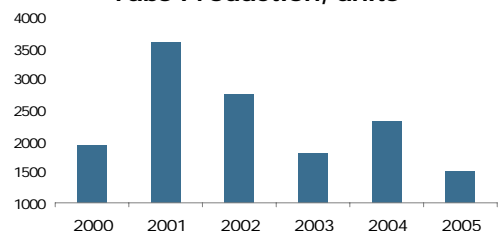
MARKET MULTIPLES

	2006E	2007E
EV/Sales	0.6	n/a
EV/EBITDA	6.4	n/a
P/E	19.3	n/a
P/B	1.6	n/a
P/CF	8.3	n/a

KEY RATIOS

	2005	2006E	2007E
EBITDA margin	7%	9%	n/a
Net Margin	0.4%	3%	n/a
ROE	1%	9%	n/a
Net Debt/Equity	0.1	0.3	n/a

Tubs Production, units



INCOME STATEMENT SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Net Revenues	35.3	59.3	122.8	90.4	54.6	n/a	n/a
<i>Change y-o-y</i>	-	68.2%	107.0%	-26.4%	12.3%	n/a	n/a
Gross Profit	5.4	11.7	28.1	26.2	10.6	n/a	n/a
EBITDA	(1.2)	0.6	7.4	6.6	5.0	n/a	n/a
<i>margin, %</i>	-3.4%	1.0%	6.1%	7.3%	9.2%	n/a	n/a
Depreciation	(2.1)	(1.5)	(0.9)	(4.2)	(2.6)	n/a	n/a
EBIT	(3.4)	(0.9)	6.5	2.3	2.4	n/a	n/a
<i>margin, %</i>	-9.5%	-1.5%	5.3%	2.6%	4.4%	n/a	n/a
Interest Expense	(0.1)	(0.0)	(0.0)	(0.5)	(0.9)	n/a	n/a
Other income/(expense)	(0.1)	(0.0)	(4.0)	0.0	(0.0)	n/a	n/a
PBT	(3.5)	(0.9)	2.5	1.9	1.4	n/a	n/a
Tax	(0.0)	(0.7)	-	(1.6)	(0.7)	n/a	n/a
<i>Effective tax rate</i>	-1.3%	-81.8%	0.0%	82.9%	47.1%	n/a	n/a
Net Income	(3.6)	(1.6)	2.5	0.3	0.8	n/a	n/a
<i>Net Margin, %</i>	-10.1%	-2.8%	2.0%	0.4%	1.4%	n/a	n/a

BALANCE SHEET SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Current Assets	39.1	125.3	99.3	112.6	124.4	n/a	n/a
Cash & Equivalents	0.0	0.5	0.6	2.2	1.4	n/a	n/a
Trade Receivables	8.8	69.5	37.0	27.8	29.6	n/a	n/a
Inventories	27.5	35.3	33.3	37.2	47.8	n/a	n/a
Other	2.7	20.0	28.4	45.3	45.7	n/a	n/a
Fixed Assets	33.4	12.9	33.7	35.9	36.3	n/a	n/a
PP&E, net	28.1	7.5	27.9	26.6	27.0	n/a	n/a
Other	5.3	5.4	5.9	9.2	9.3	n/a	n/a
Total Assets	72.4	138.3	133.0	148.4	160.7	n/a	n/a
Shareholders' Equity	39.1	38.1	35.2	34.6	35.4	n/a	n/a
Share Capital	9.7	9.7	9.8	10.3	10.3	n/a	n/a
Retained Earnings	27.5	25.9	22.9	22.4	23.1	n/a	n/a
Other	1.9	2.5	2.5	2.0	2.0	n/a	n/a
Current Liabilities	33.2	99.7	97.7	113.8	125.4	n/a	n/a
ST Interest Bearing Debt	0.6	0.3	0.3	6.1	6.1	n/a	n/a
Trade Payables	30.6	89.3	65.8	94.0	100.7	n/a	n/a
Other	1.9	10.1	31.6	13.7	19.0	n/a	n/a
LT Liabilities	0.2	0.5	0.1	-	-	n/a	n/a
LT Interest Bearing Debt	-	-	-	-	-	n/a	n/a
Other	0.2	0.5	0.1	-	-	n/a	n/a
Total Liabilities & Equity	72.4	138.3	133.0	148.4	160.7	n/a	n/a

QUARTERLY ANALYSIS, USD mln

	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
Net Revenues	12.7	35.3	46.7	28.0	14.2	17.5	16.9	41.8	9.9	11.9	32.8
<i>Change y-o-y</i>	20.9%	165.6%	127.4%	87.3%	12.0%	-50.5%	-63.8%	48.9%	-30.7%	-31.8%	94.1%
EBITDA	0.2	2.1	2.3	2.9	1.2	1.5	2.0	1.9	0.6	0.6	3.8
<i>margin, %</i>	1.8%	5.9%	4.9%	10.2%	8.3%	8.8%	11.7%	4.5%	6.3%	4.8%	11.6%
EBIT	0.1	1.9	2.1	2.5	0.6	0.9	0.0	0.8	(0.2)	(0.3)	2.9
<i>margin, %</i>	0.5%	5.3%	4.4%	9.0%	4.1%	5.3%	0.2%	1.9%	-2.2%	-2.3%	8.8%
Net Income	0.1	1.6	0.7	0.1	0.2	0.6	(0.3)	(0.1)	(0.6)	(1.2)	2.5
<i>Net Margin, %</i>	0.4%	4.5%	1.6%	0.4%	1.2%	3.3%	-1.9%	-0.3%	-5.8%	-10.1%	7.7%

Svitlo Shakhtarya

HMBZ UZ

Machinery-Construction & Mining

<http://www.shaht.kharkov.ua>

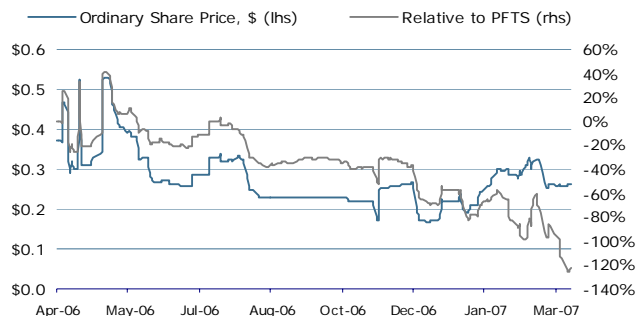
Target Price (USD)
Upside

Susp
n/a

INVESTMENT CASE

- An additional share issue in 2006 was a part of a hostile takeover by SCM
- Ownership situation is not clear

SHARE PRICE PERFORMANCE*



BUSINESS OVERVIEW

Svitlo Shakhtarya is one of the oldest coal machinery producers in the CIS. Initially, the company specialized in the production of lamps for mines, but it later focused on the production of conveyors. Currently, the company is the leading conveyor producer in Ukraine and controls 47% of the domestic market. The company is ISO 9001:2000 certified. In 2006 Svitlo Shakhtarya became the first in Ukraine to produce scraping conveyors for the development of hard-to-reach coal seams. The company's main customers in Ukraine are domestic mines. Major company's export markets are Russia, Belarus, Estonia, Bulgaria and India.

Svitlo Shakhtarya conducted an additional share issue in 2006, increasing its charter fund by USD 442.77 ths to USD 663.96 ths.

In 9M06 the company posted sales at the same level as in 9M05 (USD 27 mln) and a decrease in EBITDA and net income by 20% and 11% yoy respectively.

* PFTS MID Price is used
 ** Price "impact" is the opinion of Concorde's trading desk on stocks to help investors estimate the reliability of quoted prices:
 1: Market price reaction remains within 10% in execution of a market order of about USD 10 mln in size
 2: Market price reaction remains within 10% in execution of a market order of about USD 1 mln in size
 3: All other stocks (quoted price is less reliable and should be considered indicative)

Note: data (market information, price changes) as of 30 Mar 2007

MARKET INFORMATION

Market price*, USD	0.26
Price impact**	3
52 Wk H/L, USD	0.52 / 0.17
Chg 3m/6m/52w	18% / 12% / -30%
Chg vs PFTS 3m/6m/52w	-47% / -92% / -123%
Chg YTD	18%
Avg Mo Tr Vol 6M, USD ths	188.97
MCap, USD mln	86.3
Free float, %	25.0%
FF MCap, USD mln	21.6
No of shares, mln	335.3
Par Value, UAH	0.01
XETRA	n/a
DR Ratio	n/a
Avg Mo Tr Vol 6M, USD ths	n/a

STOCK OWNERSHIP

Individuals	26.4%
Gorlivsky Mashynobudivnyk	15.5%
Keramet Invest	10.9%
Other	47.2%

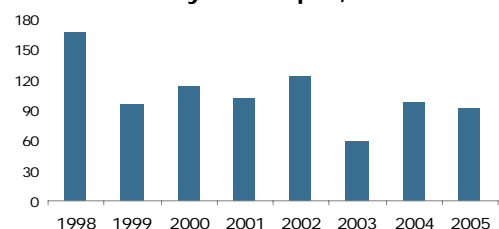
MARKET MULTIPLES

	2006E	2007E
EV/Sales	1.9	n/a
EV/EBITDA	6.9	n/a
P/E	12.0	n/a
P/B	1.6	n/a
P/CF	9.1	n/a

KEY RATIOS

	2005	2006E	2007E
EBITDA margin	32%	27%	n/a
Net Margin	23%	18%	n/a
ROE	27%	16%	n/a
Net Debt/Equity	-0.3	-0.2	n/a

Conveyors Output, units



INCOME STATEMENT SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Net Revenues	20.6	18.5	38.5	40.3	27.0	n/a	n/a
<i>Change y-o-y</i>	-	-10.0%	107.6%	4.9%	-0.1%	n/a	n/a
Gross Profit	9.5	7.1	17.9	18.2	11.5	n/a	n/a
EBITDA	6.8	4.3	11.6	13.2	6.0	n/a	n/a
<i>margin, %</i>	33.3%	23.0%	30.1%	32.6%	22.1%	n/a	n/a
Depreciation	(1.3)	(1.3)	(1.7)	(2.0)	(1.6)	n/a	n/a
EBIT	5.6	2.9	9.9	11.1	4.3	n/a	n/a
<i>margin, %</i>	27.1%	15.8%	25.7%	27.6%	16.0%	n/a	n/a
Interest Expense	-	-	(0.0)	-	(0.0)	n/a	n/a
Other income/(expense)	0.3	(0.2)	0.8	1.2	1.2	n/a	n/a
PBT	5.8	2.7	10.6	12.4	5.6	n/a	n/a
Tax	(2.2)	(1.5)	(3.3)	(2.9)	(1.5)	n/a	n/a
<i>Effective tax rate</i>	37.9%	53.4%	31.0%	23.4%	26.4%	n/a	n/a
Net Income	3.6	1.3	7.3	9.5	4.1	n/a	n/a
<i>Net Margin, %</i>	17.6%	6.9%	19.1%	23.5%	15.1%	n/a	n/a

BALANCE SHEET SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Current Assets	22.4	25.4	30.3	40.8	44.0	n/a	n/a
Cash & Equivalents	5.2	5.8	7.3	12.0	11.8	n/a	n/a
Trade Receivables	5.0	4.5	5.4	4.4	3.3	n/a	n/a
Inventories	10.0	11.2	12.6	16.4	17.4	n/a	n/a
Other	2.3	4.0	5.0	8.0	11.5	n/a	n/a
Fixed Assets	10.1	8.3	7.9	9.0	9.6	n/a	n/a
PP&E, net	9.1	7.7	7.1	7.8	8.3	n/a	n/a
Other	1.0	0.6	0.8	1.2	1.3	n/a	n/a
Total Assets	32.5	33.7	38.2	49.8	53.5	n/a	n/a
Shareholders' Equity	26.5	27.8	34.8	45.9	50.1	n/a	n/a
Share Capital	0.2	0.2	0.2	0.2	0.7	n/a	n/a
Retained Earnings	12.2	13.5	20.9	12.0	16.1	n/a	n/a
Other	14.1	14.1	13.7	33.7	33.3	n/a	n/a
Current Liabilities	2.6	4.2	3.1	3.8	3.5	n/a	n/a
ST Interest Bearing Debt	-	-	-	-	-	n/a	n/a
Trade Payables	1.8	3.5	1.6	1.7	1.3	n/a	n/a
Other	0.8	0.7	1.6	2.2	3.1	n/a	n/a
LT Liabilities	3.4	1.7	0.2	0.1	-	n/a	n/a
LT Interest Bearing Debt	-	-	-	-	-	n/a	n/a
Other	3.4	1.7	0.2	0.1	-	n/a	n/a
Total Liabilities & Equity	32.5	33.7	38.2	49.8	53.5	n/a	n/a

QUARTERLY ANALYSIS, USD mln

	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
Net Revenues	7.7	9.1	9.3	12.3	7.2	7.6	12.2	13.3	8.0	8.5	10.6
<i>Change y-o-y</i>	101.5%	276.3%	84.7%	70.3%	-5.7%	-16.9%	30.8%	7.9%	10.7%	11.5%	-13.6%
EBITDA	2.0	2.1	3.0	4.5	1.3	2.1	4.1	5.7	2.0	1.6	2.3
<i>margin, %</i>	25.8%	23.5%	32.0%	36.3%	17.7%	27.8%	33.2%	42.8%	24.8%	19.3%	22.2%
EBIT	1.6	1.7	2.6	4.0	0.8	1.7	3.6	5.1	1.4	1.1	1.8
<i>margin, %</i>	20.3%	19.1%	27.3%	32.7%	11.2%	21.9%	29.2%	38.4%	17.8%	13.1%	17.0%
Net Income	0.8	1.3	1.9	3.2	0.4	1.5	2.7	4.9	1.6	0.9	1.6
<i>Net Margin, %</i>	11.0%	14.7%	20.6%	26.1%	5.1%	20.0%	22.2%	36.8%	20.3%	10.8%	14.7%

Turboatom

TATM UZ

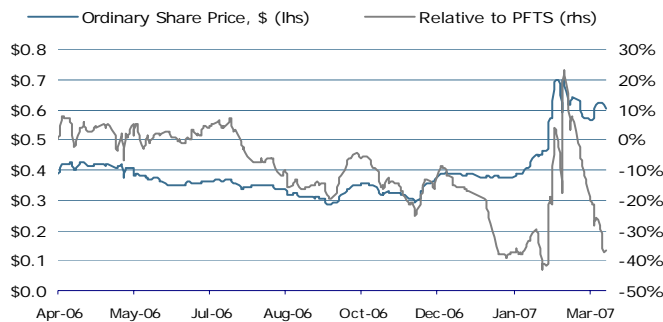
Machinery-Construction & Mining

<http://www.turboatom.kharkov.ua>
**Target Price (USD)
Upside**
**Pend'g
n/a**

INVESTMENT CASE

- Ukratomprom corporation created, State governance rights delivery to newly created corporation
- Rosenergoatom placed an order to modernize 21 turbines in 2007-2009
- Ukrhydroenergo made long-term orders to construct storage plants and reconstruct 46 hydraulic units
- Privatization of a 75.22% stake, which failed to take place in 2006

SHARE PRICE PERFORMANCE*



BUSINESS OVERVIEW

Turboatom, established in 1934, is one of the largest producers of turbine equipment for thermal, hydroelectric, and nuclear power plants in the CIS. The company's designed production capacities enable it to produce 8 GW of thermal power turbines (20 steam turbines) and 2 GW of hydraulic turbines (15 hydro turbines) p.a. Turboatom operates a closed production cycle. Its products are ISO 9001 certified. Turboatom ranks fourth in the world, providing 13% of global nuclear power turbines. A total of 114 turbines with a total capacity above 50 GW have been produced by the company for 26 nuclear power plants. The company exports 60-70% of its products to the CIS, Asia, Europe and Latin America. One of Turboatom's major competitive advantages is its ability to produce low-noise 1 GW turbines for nuclear power plants. The State Property Fund still controls a 75.22% share in the company, however, privatization is expected in 2007. In 2006, the company's net income increased by 11% yoy to USD 4.4 mln.

MARKET INFORMATION

Market price*, USD	0.62
Price impact**	3
52 Wk H/L, USD	0.70 / 0.29
Chg 3m/6m/52w	62% / 116% / 44%
Chg vs PFTS 3m/6m/52w	-3% / 12% / -49%
Chg YTD	62%
Avg Mo Tr Vol 6M, USD ths	275.56
MCap, USD mln	263.5
Free float, %	3.1%
FF MCap, USD mln	8.3
No of shares, mln	422.5
Par Value, UAH	0.25
XETRA	n/a
DR Ratio	n/a
Avg Mo Tr Vol 6M, USD ths	n/a

STOCK OWNERSHIP

State	75.2%
Other	24.8%

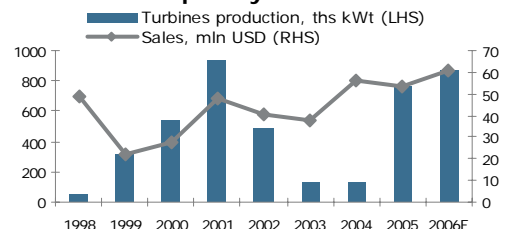
MARKET MULTIPLES

	2006E	2007E
EV/Sales	4.1	2.7
EV/EBITDA	20.1	13.4
P/E	59.9	36.1
P/B	1.7	1.6
P/CF	37.5	25.9

KEY RATIOS

	2005	2006E	2007E
EBITDA margin	14%	20%	20%
Net Margin	7%	7%	8%
ROE	3%	3%	5%
Net Debt/Equity	-0.2	-0.1	-0.1

Output Dynamics



* PFTS MID Price is used
 ** Price "Impact" is the opinion of Concorde's trading desk on stocks to help investors estimate the reliability of quoted prices:
 1: Market price reaction remains within 10% in execution of a market order of about USD 10 mln in size
 2: Market price reaction remains within 10% in execution of a market order of about USD 1 mln in size
 3: All other stocks (quoted price is less reliable and should be considered indicative)

Note: data (market information, price changes) as of 30 Mar 2007

INCOME STATEMENT SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Net Revenues	39.4	34.0	51.9	53.8	33.2	n/a	n/a
<i>Change y-o-y</i>	-	-13.7%	52.5%	3.5%	-17.3%	n/a	n/a
Gross Profit	20.3	14.5	13.6	12.1	12.4	n/a	n/a
EBITDA	17.2	11.7	9.5	7.5	8.2	n/a	n/a
<i>margin, %</i>	43.6%	34.5%	18.3%	13.9%	24.8%	n/a	n/a
Depreciation	(2.8)	(2.6)	(2.4)	(2.5)	(1.6)	n/a	n/a
EBIT	14.4	9.2	7.0	4.9	6.6	n/a	n/a
<i>margin, %</i>	36.4%	26.9%	13.6%	9.2%	19.8%	n/a	n/a
Interest Expense	(0.0)	(0.0)	(0.1)	(0.1)	(0.1)	n/a	n/a
Other income/(expense)	(1.5)	0.8	0.4	0.9	(0.1)	n/a	n/a
PBT	12.9	10.0	7.3	5.8	6.4	n/a	n/a
Tax	(1.2)	(5.6)	(2.8)	(1.8)	(3.4)	n/a	n/a
<i>Effective tax rate</i>	9.4%	55.8%	38.6%	32.0%	53.0%	n/a	n/a
Net Income	11.7	4.4	4.5	4.0	3.0	n/a	n/a
<i>Net Margin, %</i>	29.7%	13.0%	8.7%	7.4%	9.1%	n/a	n/a

BALANCE SHEET SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Current Assets	65.2	77.6	83.4	110.4	115.9	n/a	n/a
Cash & Equivalents	25.5	18.9	22.8	23.8	19.2	n/a	n/a
Trade Receivables	6.7	8.9	11.4	22.3	27.8	n/a	n/a
Inventories	17.8	28.6	38.9	42.9	49.2	n/a	n/a
Other	15.2	21.3	10.4	21.3	19.7	n/a	n/a
Fixed Assets	78.5	72.8	85.0	70.4	85.1	n/a	n/a
PP&E, net	33.5	30.8	29.1	34.3	43.0	n/a	n/a
Other	45.0	42.0	55.9	36.1	42.1	n/a	n/a
Total Assets	143.8	150.5	168.4	180.8	201.0	n/a	n/a
Shareholders' Equity	137.7	139.9	144.6	154.1	163.3	n/a	n/a
Share Capital	19.8	19.8	19.9	20.9	20.9	n/a	n/a
Retained Earnings	39.0	41.8	46.1	45.6	46.1	n/a	n/a
Other	78.9	78.3	78.6	87.6	96.2	n/a	n/a
Current Liabilities	6.0	9.0	23.8	26.6	37.7	n/a	n/a
ST Interest Bearing Debt	-	-	-	-	1.8	n/a	n/a
Trade Payables	1.7	1.8	5.6	4.9	2.6	n/a	n/a
Other	4.3	7.1	18.2	21.7	34.9	n/a	n/a
LT Liabilities	0.1	1.6	-	-	-	n/a	n/a
LT Interest Bearing Debt	0.1	0.1	-	-	-	n/a	n/a
Other	-	1.5	-	-	-	n/a	n/a
Total Liabilities & Equity	143.8	150.5	168.4	180.8	201.0	n/a	n/a

QUARTERLY ANALYSIS, USD mln

	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
Net Revenues	12.1	12.0	12.2	15.5	13.5	7.5	19.1	13.6	11.9	9.1	12.2
<i>Change y-o-y</i>	57.2%	112.2%	25.7%	42.4%	10.8%	-37.1%	56.3%	-12.4%	-11.3%	20.0%	-36.2%
EBITDA	3.6	3.3	2.7	(0.1)	2.5	(3.2)	6.9	1.3	2.4	2.2	3.6
<i>margin, %</i>	29.9%	27.1%	22.1%	-0.7%	18.6%	-43.1%	36.1%	9.5%	20.2%	24.1%	29.7%
EBIT	3.0	2.6	2.1	(0.7)	1.9	(3.9)	6.2	0.8	2.0	1.6	3.0
<i>margin, %</i>	24.9%	21.9%	17.2%	-4.5%	13.9%	-52.1%	32.4%	5.8%	16.4%	17.6%	24.9%
Net Income	1.5	1.4	1.2	0.5	0.8	(4.2)	6.7	0.7	0.9	0.8	1.4
<i>Net Margin, %</i>	12.0%	11.9%	9.5%	3.0%	5.6%	-55.3%	35.0%	5.1%	7.5%	8.5%	11.2%

Yasynuvatsky Machinery YAMZ UZ

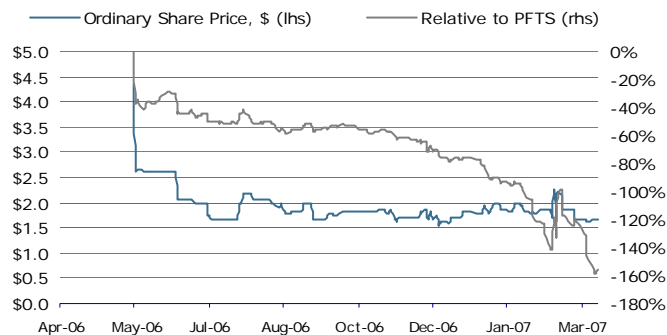
Machinery-Construction & Mining

<http://www.jscymz.com>
Target Price (USD)
3.10
Upside
65%

INVESTMENT CASE

- Stable orders from large Russian mines
- Liberalization of domestic coal market due to privatization is a catalyst for order book growth
- High profitability compared to international peers
- Low risk of unfriendly minority actions

SHARE PRICE PERFORMANCE*



Listed on PFTS since 22 May 2006

BUSINESS OVERVIEW

Yasynuvatsky Machine Building is one of the most active exporters, as it specializes in heading machines, Ukraine's main coal machinery product in demand abroad. The company enjoys stable demand from Russian, Kazakh and domestic (mostly private) mines, as its machines are 3-5 times cheaper than West European analogues of comparable quality.

Yasynuvatsky Machine Building is a family-controlled business; the Trubchianin family owning ~65% of it. The owners manage the company directly and have fought off all external takeover attempts. In 2006, Yasynuvatsky Machine Building increased its charter fund by USD 15.74 mln. The company announced orders for 82 machines in 2006, up 17% yoy. However, 20 of those were preliminary orders from the government that have not been confirmed.

In 9M06 the company posted decrease in sales by 30.3% yoy to USD 15.4 mln (versus USD 22.1 mln in 9M06) and the same drop in net income to USD 2.4 mln (versus USD 3.5 mln in 9M06).

* PFTS MID Price is used
 ** Price "Impact" is the opinion of Concorde's trading desk on stocks to help investors estimate the reliability of quoted prices:

- 1: Market price reaction remains within 10% in execution of a market order of about USD 10 mln in size
- 2: Market price reaction remains within 10% in execution of a market order of about USD 1 mln in size
- 3: All other stocks (quoted price is less reliable and should be considered indicative)

Note: data (market information, price changes) as of 30 Mar 2007

MARKET INFORMATION

Market price*, USD	1.88
Price impact**	3
52 Wk H/L, USD	4.36 / 1.54
Chg 3m/6m/52w	3% / 6% / -57%
Chg vs PFTS 3m/6m/52w	-62% / -99% / -149%
Chg YTD	3%
Avg Mo Tr Vol 6M, USD ths	431.35

MCap, USD mln	42.9
Free float, %	24.0%
FF MCap, USD mln	10.3

No of shares, mln	22.8
Par Value, UAH	4.65

XETRA	WPB1
DR Ratio	1:10
Avg Mo Tr Vol 6M, USD ths	1.0

STOCK OWNERSHIP

Management	76.5%
Employees	7.2%
Other	16.3%

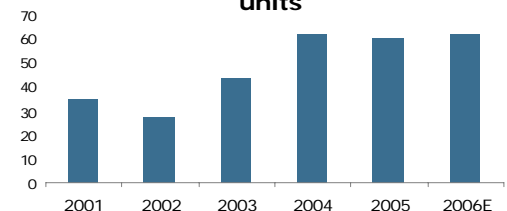
MARKET MULTIPLES

	2006E	2007E
EV/Sales	1.3	n/a
EV/EBITDA	5.9	n/a
P/E	9.5	n/a
P/B	1.6	n/a
P/CF	7.7	n/a

KEY RATIOS

	2005	2006E	2007E
EBITDA margin	23%	23%	n/a
Net Margin	15%	16%	n/a
ROE	27%	20%	n/a
Net Debt/Equity	-0.2	-0.2	n/a

Heading Machines Output, units



INCOME STATEMENT SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Net Revenues	9.8	12.6	23.9	29.5	15.4	n/a	n/a
<i>Change y-o-y</i>	-	28.8%	89.8%	23.3%	-30.3%	n/a	n/a
Gross Profit	5.0	3.9	9.5	12.4	7.2	n/a	n/a
EBITDA	1.5	0.3	4.8	6.6	3.3	n/a	n/a
<i>margin, %</i>	15.6%	2.4%	20.2%	22.5%	21.5%	n/a	n/a
Depreciation	(0.4)	(0.4)	(0.6)	(0.8)	(0.5)	n/a	n/a
EBIT	1.2	(0.1)	4.3	5.9	2.8	n/a	n/a
<i>margin, %</i>	11.8%	-1.2%	17.9%	19.9%	18.0%	n/a	n/a
Interest Expense	(0.6)	-	-	-	-	n/a	n/a
Other income/(expense)	0.6	0.2	0.0	0.1	0.5	n/a	n/a
PBT	1.1	0.0	4.3	6.0	3.3	n/a	n/a
Tax	(0.3)	(0.0)	(1.1)	(1.5)	(0.8)	n/a	n/a
<i>Effective tax rate</i>	30.0%	30.2%	25.0%	25.1%	25.0%	n/a	n/a
Net Income	0.8	0.0	3.2	4.5	2.4	n/a	n/a
<i>Net Margin, %</i>	8.2%	0.2%	13.5%	15.2%	15.9%	n/a	n/a

BALANCE SHEET SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Current Assets	9.2	12.7	12.4	18.1	21.8	n/a	n/a
Cash & Equivalents	1.4	2.5	2.1	4.7	4.0	n/a	n/a
Trade Receivables	1.2	3.2	2.2	3.5	4.7	n/a	n/a
Inventories	4.0	4.9	5.1	6.1	8.3	n/a	n/a
Other	2.5	2.1	3.1	3.9	4.7	n/a	n/a
Fixed Assets	6.8	7.6	9.1	10.2	25.5	n/a	n/a
PP&E, net	4.7	5.5	6.7	6.8	6.6	n/a	n/a
Other	2.1	2.1	2.5	3.4	19.0	n/a	n/a
Total Assets	16.0	20.3	21.6	28.3	47.3	n/a	n/a
Shareholders' Equity	13.7	13.7	17.0	22.4	40.3	n/a	n/a
Share Capital	4.9	5.0	5.0	5.2	20.6	n/a	n/a
Retained Earnings	5.8	5.8	8.9	13.7	16.1	n/a	n/a
Other	3.0	3.0	3.1	3.5	3.5	n/a	n/a
Current Liabilities	1.9	6.3	3.3	3.1	3.7	n/a	n/a
ST Interest Bearing Debt	-	-	-	-	-	n/a	n/a
Trade Payables	0.8	2.9	1.2	1.0	1.2	n/a	n/a
Other	1.1	3.4	2.0	2.1	2.7	n/a	n/a
LT Liabilities	0.4	0.3	1.3	2.7	3.4	n/a	n/a
LT Interest Bearing Debt	-	-	-	-	-	n/a	n/a
Other	0.4	0.3	1.3	2.7	3.4	n/a	n/a
Total Liabilities & Equity	16.0	20.3	21.6	28.3	47.3	n/a	n/a

QUARTERLY ANALYSIS, USD mln

	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
Net Revenues	4.9	5.6	6.7	6.7	6.8	8.6	6.7	7.4	3.9	7.2	4.4
<i>Change y-o-y</i>	121.9%	119.7%	124.9%	38.3%	37.5%	53.4%	0.8%	10.0%	-43.0%	-16.7%	-35.1%
EBITDA	0.9	1.4	1.9	0.6	1.9	2.3	0.9	1.6	0.2	2.7	0.3
<i>margin, %</i>	18.0%	25.9%	28.4%	8.9%	27.9%	26.9%	12.7%	21.2%	6.4%	38.3%	7.4%
EBIT	0.8	1.3	1.8	0.4	1.7	2.1	0.6	1.4	0.1	2.6	0.1
<i>margin, %</i>	15.4%	23.5%	26.3%	6.6%	25.4%	24.8%	9.4%	18.7%	1.6%	35.8%	3.2%
Net Income	0.6	1.0	1.4	0.2	1.5	1.6	0.4	1.0	0.1	2.1	0.2
<i>Net Margin, %</i>	11.8%	18.5%	21.0%	3.2%	21.5%	18.7%	6.6%	13.3%	3.1%	29.9%	4.2%

Khmelnytsk Nuclear Construction

Engineering & Construction

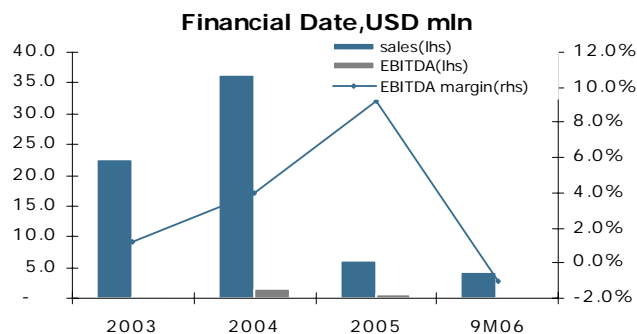
Target Price (USD) **29.20**
Upside (%) **n/a**

BUSINESS OVERVIEW

Khmelnytsk Nuclear Power Plant Construction (in Ukrainian, it is abbreviated UB HAES) is a general contractor for construction works at the Khmelnytsk Nuclear Power Plant. Khmelnytsk NPP operates two nuclear reactors (BBEP-1000), each with an installed capacity of 1GW – the second was commissioned in 2004, and UB HAES was the main contractor there. The construction of additional two power units was started in the mid 80s and frozen in 90s. The government is pushing construction to resume in 2008-2010 – UB HAES is the first candidate to become a general contractor for these projects of total costs of about USD 2 bln.

UB HAES's main activities include: construction at the Khmelnytsk NPP, production of construction materials, construction of auxiliary objects & social-purpose buildings, maintenance of equipment at the power station.

In 9M06 the company posted a decrease in net sales by 19.5% yoy to USD 4.4 mln and its net income changed from a profit of USD 0.6 mln in 9M05 to a net loss of USD 0.3 mln in 9M06.



UPCOMING EVENTS

17 Apr 2007 AGM

* The stock is not listed on PFTS
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 3: All other stocks (quoted price is less reliable and should be considered indicative)

Note: data (market information, price changes) as of 30 Mar 2007

MARKET INFORMATION

Market price*, USD	n/a
Price impact**	n/a
52 Wk H/L, USD	n/a
Chg 3m/6m/52w	n/a
Chg vs PFTS 3m/6m/52w	n/a
Chg YTD	n/a
Avg Mo Tr Vol 6M, USD ths	n/a
MCap, USD mln	n/a
Free float, %	15.0%
FF MCap, USD mln	n/a
No of shares, mln	0.4
Par Value, UAH	1.1
XETRA	n/a
DR Ratio	n/a
Avg Mo Tr Vol 6M, USD ths	n/a

STOCK OWNERSHIP

Management	60.0%
Large holders	25.0%
Other	15.0%

MARKET MULTIPLES

	2006E	2007E
EV/Sales	n/a	n/a
EV/EBITDA	n/a	n/a
P/E	n/a	n/a
P/B	n/a	n/a
P/CF	n/a	n/a

KEY RATIOS

	2005	2006E	2007E
EBITDA margin	9%	4.0%	4%
Net Margin	3.1%	2.3%	2.3%
ROE	2%	4%	4%
Net Debt/Equity	0.04	0.04	0.04

INCOME STATEMENT SUMMARY, USD mln

	2003	2004	2005	9M06	2007E	2008E
Net Revenues	22.6	36.3	6.1	4.4	n/a	n/a
<i>Change y-o-y</i>	<i>N/M</i>	<i>0.6</i>	<i>(0.8)</i>	<i>-19.5%</i>	<i>n/a</i>	<i>n/a</i>
Gross Profit	1.7	3.6	0.3	0.5	n/a	n/a
EBITDA	0.3	1.5	0.6	(0.0)	n/a	n/a
<i>margin, %</i>	<i>1.2%</i>	<i>4.0%</i>	<i>9.2%</i>	<i>-1.1%</i>	<i>n/a</i>	<i>n/a</i>
Depreciation	(0.3)	(0.3)	(0.3)	(0.2)	n/a	n/a
EBIT	(0.1)	1.2	0.3	(0.2)	n/a	n/a
<i>margin, %</i>	<i>-0.2%</i>	<i>3.2%</i>	<i>5.0%</i>	<i>-5.5%</i>	<i>n/a</i>	<i>n/a</i>
Interest Expense	(0.0)	(0.1)	(0.1)	(0.1)	n/a	n/a
Other income/(expense)	0.1	0.0	0.0	0.0	n/a	n/a
PBT	0.0	1.1	0.2	(0.3)	n/a	n/a
Tax	(0.0)	(0.4)	-	-	n/a	n/a
<i>Effective tax rate</i>	<i>8.0%</i>	<i>32.2%</i>	<i>0.0%</i>	<i>0.0%</i>	<i>n/a</i>	<i>n/a</i>
Net Income	0.0	0.8	0.2	(0.3)	n/a	n/a
<i>Net Margin, %</i>	<i>0.1%</i>	<i>2.1%</i>	<i>3.1%</i>	<i>-7.7%</i>	<i>n/a</i>	<i>n/a</i>

BALANCE SHEET SUMMARY, USD mln

	2003	2004	2005	9M06	2007E	2008E
Current Assets	11.7	10.1	9.1	9.0	n/a	n/a
Cash & Equivalents	4.3	0.1	0.1	0.2	n/a	n/a
Trade Receivables	2.2	6.8	3.4	3.6	n/a	n/a
Inventories	3.8	2.2	2.3	2.1	n/a	n/a
Other	1.4	0.9	3.4	3.1	n/a	n/a
Fixed Assets	3.0	3.7	6.4	6.1	n/a	n/a
PP&E, net	2.3	2.3	2.6	2.5	n/a	n/a
Other	0.6	1.3	3.8	3.6	n/a	n/a
Total Assets	14.6	13.7	15.5	15.1	n/a	n/a
Shareholders' Equity	10.0	10.7	11.4	11.1	n/a	n/a
Share Capital	0.1	0.0	0.1	0.1	n/a	n/a
Retained Earnings	7.5	8.5	9.2	8.9	n/a	n/a
Other	2.4	2.2	2.1	2.1	n/a	n/a
Current Liabilities	4.6	2.9	3.7	3.7	n/a	n/a
ST Interest Bearing Debt	0.1	0.4	0.6	0.7	n/a	n/a
Trade Payables	2.8	2.3	0.8	0.9	n/a	n/a
Other	1.7	0.2	2.3	2.1	n/a	n/a
LT Liabilities	0.0	0.1	0.4	0.4	n/a	n/a
LT Interest Bearing Debt	-	-	-	-	n/a	n/a
Other	0.0	0.1	0.4	0.4	n/a	n/a
Total Liabilities & Equity	14.6	13.7	15.5	15.1	n/a	n/a

QUARTERLY ANALYSIS, USD mln

	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
Net Revenues	8.6	12.4	11.0	4.3	0.2	1.1	4.1	0.7	1.9	1.0	1.5
<i>Change y-o-y</i>	<i>106.0%</i>	<i>153.9%</i>	<i>75.2%</i>	<i>-39.9%</i>	<i>-97.9%</i>	<i>-91.1%</i>	<i>-62.2%</i>	<i>-83.7%</i>	<i>961.3%</i>	<i>-7.0%</i>	<i>-64.7%</i>
EBITDA	0.4	0.3	0.2	0.6	(0.4)	0.0	1.2	(0.3)	0.0	(0.0)	(0.1)
<i>margin, %</i>	<i>5.2%</i>	<i>2.1%</i>	<i>1.6%</i>	<i>13.1%</i>	<i>-222.5%</i>	<i>2.6%</i>	<i>29.1%</i>	<i>-39.6%</i>	<i>2.4%</i>	<i>-2.0%</i>	<i>-4.8%</i>
EBIT	0.4	0.2	0.1	0.5	(0.5)	(0.0)	1.1	(0.3)	(0.0)	(0.1)	(0.1)
<i>margin, %</i>	<i>4.4%</i>	<i>1.5%</i>	<i>0.9%</i>	<i>11.4%</i>	<i>-260.0%</i>	<i>-3.4%</i>	<i>27.5%</i>	<i>-47.4%</i>	<i>-1.1%</i>	<i>-8.2%</i>	<i>-9.3%</i>
Net Income	0.3	0.0	0.0	0.4	(0.5)	(0.1)	1.1	(0.4)	(0.1)	(0.1)	(0.2)
<i>Net Margin, %</i>	<i>4.0%</i>	<i>0.0%</i>	<i>0.3%</i>	<i>8.9%</i>	<i>-273.4%</i>	<i>-6.3%</i>	<i>26.8%</i>	<i>-51.8%</i>	<i>-2.8%</i>	<i>-11.2%</i>	<i>-11.6%</i>

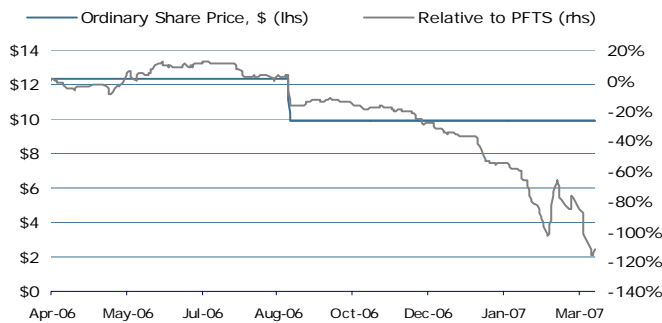
Kyivmetrobud

KMEB

Engineering & Construction

<http://www.metrostroy.kiev.ua>
Target Price (USD)
N/R
Upside
n/a

SHARE PRICE PERFORMANCE*



BUSINESS OVERVIEW

Kyivmetrobud is the only company in Kyiv specializing in the construction of subways, subway tunnels and other underground facilities. The company is also involved in the construction of city sewage collectors, tunnels at the Dnistrovska hydroelectric power station and is taking part in the reconstruction of railway terminals in Uzhgorod and Vinnytsya. Kyivmetrobud was a general contractor for the Kyiv underground shopping mall, Globus.

In 9M06, the company's net revenues decreased by 24.5% yoy to USD 75.1 mln, its EBITDA fell by 108% yoy to negative USD 0.5 mln, and its net income was down by 155% yoy to negative USD 2.1 mln.

* PFTS MID Price is used

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- 1: Market price reaction remains within 10% in execution of a market order of about USD 10 mln in size
- 2: Market price reaction remains within 10% in execution of a market order of about USD 1 mln in size
- 3: All other stocks (quoted price is less reliable and should be considered indicative)

Note: data (market information, price changes) as of 30 Mar 2007

MARKET INFORMATION

Market price*, USD	9.90
Price impact**	3
52 Wk H/L, USD	12.4 / 9.9
Chg 3m/6m/52w	0% / 0% / -20%
Chg vs PFTS 3m/6m/52w	-65% / -104% / -113%
Chg YTD	0%
Avg Mo Tr Vol 6M, USD ths	0.0
MCap, USD mln	39.6
Free float, %	10.4%
FF MCap, USD mln	4.1
No of shares, mln	4.0
Par Value, UAH	0.25
XETRA	n/a
DR Ratio	n/a
Avg Mo Tr Vol 6M, USD ths	n/a

STOCK OWNERSHIP

CJSC Metrobud	50.7%
N. E. Construction Company	17.5%
SKMG Holding AB	21.4%
Other	10.4%

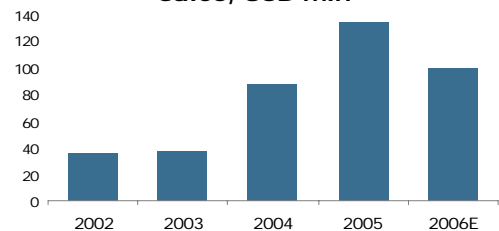
MARKET MULTIPLES

	2006E	2007E
EV/Sales	0.4	n/a
EV/EBITDA	-69.7	n/a
P/E	-14.4	n/a
P/B	3.0	n/a
P/CF	-24.7	n/a

KEY RATIOS

	2005	2006E	2007E
EBITDA margin	5%	-1%	n/a
Net Margin	2%	-3%	n/a
ROE	25%	-17%	n/a
Net Debt/Equity	-0.13	0.37	n/a

Sales, USD mln



INCOME STATEMENT SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Net Revenues	36.3	37.8	87.3	134.3	75.1	n/a	n/a
<i>Change y-o-y</i>	-	4.4%	130.7%	53.9%	-24.5%	n/a	n/a
Gross Profit	4.7	4.0	8.2	9.6	2.4	n/a	n/a
EBITDA	3.5	2.1	6.0	6.2	(0.5)	n/a	n/a
<i>margin, %</i>	9.6%	5.6%	6.8%	4.7%	-0.6%	n/a	n/a
Depreciation	(0.8)	(0.9)	(1.1)	(1.1)	(0.9)	n/a	n/a
EBIT	2.7	1.2	4.8	5.2	(1.3)	n/a	n/a
<i>margin, %</i>	7.3%	3.2%	5.5%	3.8%	-1.8%	n/a	n/a
Interest Expense	-	-	-	-	-	n/a	n/a
Other income/(expense)	0.0	(0.0)	(0.1)	(0.0)	(0.1)	n/a	n/a
PBT	2.7	1.2	4.8	5.2	(1.4)	n/a	n/a
Tax	(1.1)	(0.8)	(1.7)	(2.0)	(0.7)	n/a	n/a
<i>Effective tax rate</i>	40.3%	66.6%	36.2%	39.4%	-47.6%	n/a	n/a
Net Income	1.6	0.4	3.0	3.1	(2.1)	n/a	n/a
<i>Net Margin, %</i>	4.4%	1.0%	3.5%	2.3%	-2.8%	n/a	n/a

BALANCE SHEET SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Current Assets	18.5	15.0	22.9	36.3	45.5	n/a	n/a
Cash & Equivalents	0.3	1.0	1.3	2.1	1.8	n/a	n/a
Trade Receivables	6.7	2.9	7.6	10.2	14.2	n/a	n/a
Inventories	1.9	2.7	4.3	7.5	6.9	n/a	n/a
Other	9.5	8.4	9.7	16.5	22.6	n/a	n/a
Fixed Assets	6.6	7.2	7.1	7.2	7.2	n/a	n/a
PP&E, net	6.5	6.9	7.1	7.2	7.1	n/a	n/a
Other	0.1	0.4	0.0	0.0	0.0	n/a	n/a
Total Assets	25.0	22.2	30.0	43.5	52.6	n/a	n/a
Shareholders' Equity	9.3	9.3	12.3	16.2	14.0	n/a	n/a
Share Capital	4.0	4.4	0.2	0.3	0.3	n/a	n/a
Retained Earnings	0.9	0.9	2.6	5.2	3.0	n/a	n/a
Other	4.3	4.1	9.4	10.7	10.7	n/a	n/a
Current Liabilities	15.7	12.8	17.8	27.3	38.6	n/a	n/a
ST Interest Bearing Debt	-	-	-	-	6.7	n/a	n/a
Trade Payables	6.1	3.0	5.7	7.3	9.0	n/a	n/a
Other	9.6	9.9	12.0	20.0	24.4	n/a	n/a
LT Liabilities	-	-	-	-	-	n/a	n/a
LT Interest Bearing Debt	-	-	-	-	-	n/a	n/a
Other	-	-	-	-	-	n/a	n/a
Total Liabilities & Equity	25.0	22.2	30.0	43.5	52.6	n/a	n/a

QUARTERLY ANALYSIS, USD mln

	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
Net Revenues	25.0	33.4	41.2	34.8	34.8	21.1	19.2
<i>Change y-o-y</i>	N/M	N/M	N/M	N/M	39.3%	-36.8%	-53.4%
EBITDA	2.6	2.6	1.0	0.1	0.7	0.1	(1.3)
<i>margin, %</i>	10.3%	7.7%	2.5%	0.2%	2.0%	0.7%	-6.9%
EBIT	2.3	2.3	0.8	(0.2)	0.4	(0.2)	(1.6)
<i>margin, %</i>	9.3%	6.8%	1.9%	-0.6%	1.2%	-0.8%	-8.4%
Net Income	1.7	1.3	0.7	(0.6)	(0.1)	(0.3)	(1.6)
<i>Net Margin, %</i>	6.8%	4.0%	1.8%	-1.8%	-0.3%	-1.6%	-8.5%

Kyivmiskbud

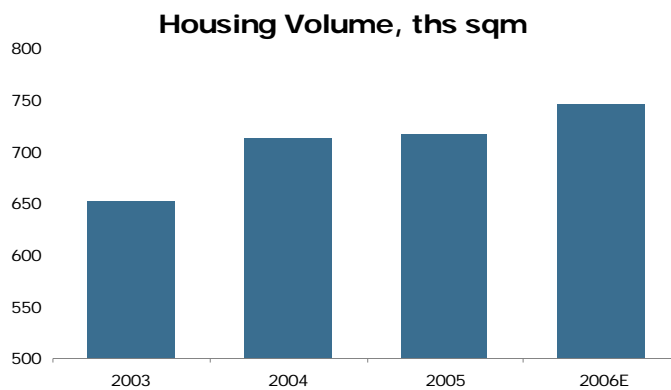
Engineering & Construction

<http://www.kgs.kiev.ua>

Target Price (USD) N/R
Upside (%) n/a

BUSINESS OVERVIEW

Kyivmiskbud is a holding company that owns controlling stakes in 28 residential construction companies, which makes it the largest residential construction company in Ukraine. As a contractor, the company builds more than 50% of residential property in Ukraine. The company works on the primary residential estate market. Kyivmiskbud's major customer is the Kyiv City Administration. In 9M06, the company decreased its net revenues by 25.4% yoy to USD 53.5 mln and EBITDA fell by 12% to USD 3.8 mln but its net income increased by 141% yoy to USD 2.0 mln. The company's margins also improved: EBITDA margin from 6% in 9M05 to 7% in 9M06 and net margin from 1.1% to 3.7% in 9M06.



* The stock is not listed on PFTS
 ** Price "Impact" is the opinion of Concorde's trading desk on stocks to help investors estimate the reliability of quoted prices:
 1: Market price reaction remains within 10% in execution of a market order of about USD 10 mln in size
 2: Market price reaction remains within 10% in execution of a market order of about USD 1 mln in size
 3: All other stocks (quoted price is less reliable and should be considered indicative)

Note: data (market information, price changes) as of 30 Mar 2007

MARKET INFORMATION

Market price*, USD	n/a
Price impact**	n/a
52 Wk H/L, USD	n/a
Chg 3m/6m/52w	n/a
Chg vs PFTS 3m/6m/52w	n/a
Chg YTD	n/a
Avg Mo Tr Vol 6M, USD ths	n/a
MCap, USD mln	n/a
Free float, %	11.4%
FF MCap, USD mln	n/a
No of shares, mln	66.1
Par Value, UAH	0.25
XETRA	n/a
DR Ratio	n/a
Avg Mo Tr Vol 6M, USD ths	n/a

STOCK OWNERSHIP

Kyiv Administration	80.0%
Management	8.6%
Other	11.4%

MARKET MULTIPLES

	2006E	2007E
EV/Sales	n/a	n/a
EV/EBITDA	n/a	n/a
P/E	n/a	n/a
P/B	n/a	n/a
P/CF	n/a	n/a

KEY RATIOS

	2005	2006E	2007E
EBITDA margin	6%	7%	n/a
Net Margin	1.1%	3.7%	n/a
ROE	8%	9%	n/a
Net Debt/Equity	-0.04	-0.09	n/a

INCOME STATEMENT SUMMARY, USD mln

	2003	2004	2005	9M06	2007E	2008E
Net Revenues	70.2	138.4	129.0	53.5	n/a	n/a
<i>Change y-o-y</i>	-	97.0%	-6.8%	-25.4%	n/a	n/a
Gross Profit	5.7	12.0	8.7	3.4	n/a	n/a
EBITDA	4.0	5.0	7.1	3.8	n/a	n/a
<i>margin, %</i>	5.7%	3.6%	5.5%	7.0%	n/a	n/a
Depreciation	(0.9)	(0.6)	(0.6)	(0.3)	n/a	n/a
EBIT	3.1	4.4	6.5	3.4	n/a	n/a
<i>margin, %</i>	4.4%	3.2%	5.1%	6.4%	n/a	n/a
Interest Expense	(0.0)	(0.0)	(0.0)	(0.0)	n/a	n/a
Other income/(expense)	(0.8)	(2.0)	(1.7)	1.6	n/a	n/a
PBT	2.3	2.4	4.8	5.1	n/a	n/a
Tax	(1.1)	(1.4)	(3.4)	(3.1)	n/a	n/a
<i>Effective tax rate</i>	46.6%	57.3%	71.1%	61.0%	n/a	n/a
Net Income	1.2	1.0	1.4	2.0	n/a	n/a
<i>Net Margin, %</i>	1.7%	0.7%	1.1%	3.7%	n/a	n/a

BALANCE SHEET SUMMARY, USD mln

	2003	2004	2005	9M06	2007E	2008E
Current Assets	51.9	64.2	64.4	117.3	n/a	n/a
Cash & Equivalents	4.3	0.7	1.2	2.8	n/a	n/a
Trade Receivables	12.7	26.3	20.4	26.1	n/a	n/a
Inventories	5.3	4.1	5.7	13.9	n/a	n/a
Other	29.7	33.1	37.1	74.6	n/a	n/a
Fixed Assets	427.5	180.6	278.6	368.6	n/a	n/a
PP&E, net	13.9	15.2	25.9	24.5	n/a	n/a
Other	413.6	165.3	252.8	344.0	n/a	n/a
Total Assets	479.4	244.7	343.0	485.9	n/a	n/a
Shareholders' Equity	17.9	16.6	29.0	28.2	n/a	n/a
Share Capital	3.1	3.1	3.3	3.3	n/a	n/a
Retained Earnings	1.3	1.6	2.1	2.0	n/a	n/a
Other	13.5	11.9	23.6	22.9	n/a	n/a
Current Liabilities	461.1	228.2	314.1	457.7	n/a	n/a
ST Interest Bearing Debt	-	-	-	-	n/a	n/a
Trade Payables	14.2	22.1	31.1	23.0	n/a	n/a
Other	446.9	206.1	282.9	437.8	n/a	n/a
LT Liabilities	0.5	-	-	-	n/a	n/a
LT Interest Bearing Debt	-	-	-	-	n/a	n/a
Other	0.5	-	-	-	n/a	n/a
Total Liabilities & Equity	479.4	244.7	343.0	485.9	n/a	n/a

QUARTERLY ANALYSIS, USD mln

	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
Net Revenues	21.0	22.1	28.7	57.2	16.6	22.4	14.5
<i>Change y-o-y</i>	N/M	N/M	N/M	N/M	-20.8%	1.5%	-49.5%
EBITDA	2.6	0.1	1.7	2.8	1.3	1.3	1.2
<i>margin, %</i>	12.3%	0.2%	5.8%	5.0%	7.6%	5.7%	8.5%
EBIT	2.5	(0.1)	1.5	2.7	1.1	1.2	1.1
<i>margin, %</i>	11.9%	-0.7%	5.3%	4.7%	6.9%	5.4%	7.5%
Net Income	2.1	(1.9)	0.7	0.5	0.6	0.4	0.9
<i>Net Margin, %</i>	9.8%	-8.6%	2.3%	0.9%	3.9%	1.8%	6.4%

Mostobud

MTBD UZ

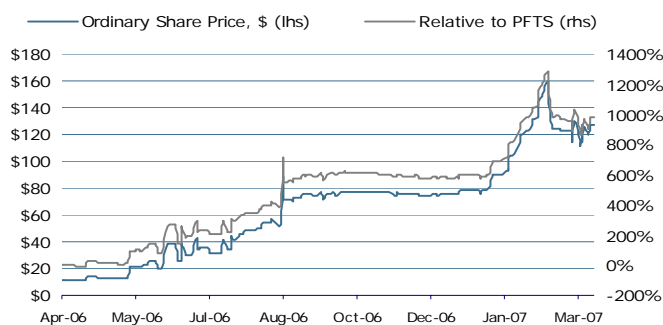
Engineering & Construction

<http://www.mostobud.com.ua>

Target Price (USD)
Upside

N/R
n/a

SHARE PRICE PERFORMANCE*



BUSINESS OVERVIEW

Mostobud is the largest bridge and overpass builder in Ukraine. OJSC Mostobud was created in 1993 during the re-organization of state-owned Mostobud.

The company has built over 5 ths engineering facilities, including over 4 ths road bridges and overpasses, in addition to numerous pedestrian bridges, underground passes and road interchanges in Ukraine and abroad.

The company's major customers include Kyiv and Zaporizhzhya city administrations, Ukrzaliznytsya and state-owned road-servicing companies.

Mostobud has branches located throughout Ukraine, which insures the company's mobility. It obtained an ISO 9001:2001 quality management certificate in 2005.

In 9M06, the company's net revenues increased by 49.1% yoy to USD 100.8 mln, EBITDA grew by 109% yoy to USD 6.4 mln and its net income improved by 52% yoy to USD 1.5 mln.

* PFTS MID Price is used

** Price "impact" is the opinion of Concorde's trading desk on stocks to help investors estimate the reliability of quoted prices:

1: Market price reaction remains within 10% in execution of a market order of about USD 10 mln in size

2: Market price reaction remains within 10% in execution of a market order of about USD 1 mln in size

3: All other stocks (quoted price is less reliable and should be considered indicative)

Note: data (market information, price changes) as of 30 Mar 2007

MARKET INFORMATION

Market price*, USD	128.71
Price impact**	3
52 Wk H/L, USD	160 / 10
Chg 3m/6m/52w	64% / 69% / 1200%
Chg vs PFTS 3m/6m/52w	-1% / -36% / 1107%
Chg YTD	64%
Avg Mo Tr Vol 6M, USD ths	708.6
MCap, USD mln	74.6
Free float, %	34.1%
FF MCap, USD mln	25.5
No of shares, mln	0.6
Par Value, UAH	10.0
XETRA	n/a
DR Ratio	n/a
Avg Mo Tr Vol 6M, USD ths	n/a

STOCK OWNERSHIP

Management	65.9%
Other	34.1%

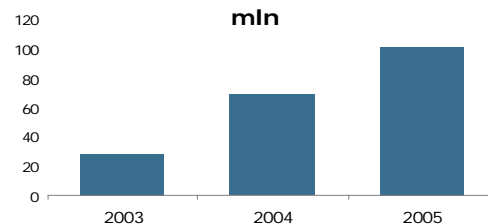
MARKET MULTIPLES

	2006E	2007E
EV/Sales	0.6	n/a
EV/EBITDA	10.0	n/a
P/E	37.1	n/a
P/B	2.3	n/a
P/CF	11.9	n/a

KEY RATIOS

	2005	2006E	2007E
EBITDA margin	6%	6.3%	n/a
Net Margin	0.4%	1.5%	n/a
ROE	2%	7%	n/a
Net Debt/Equity	0.1	0.3	n/a

Construction Volume, USD mln



INCOME STATEMENT SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Net Revenues	14.2	31.9	88.3	102.1	100.8	n/a	n/a
<i>Change y-o-y</i>	-	124.5%	176.6%	15.7%	49.1%	n/a	n/a
Gross Profit	2.4	2.7	2.9	10.8	8.1	n/a	n/a
EBITDA	2.1	2.4	3.4	5.7	6.4	n/a	n/a
<i>margin, %</i>	14.7%	7.4%	3.8%	5.6%	6.3%	n/a	n/a
Depreciation	(1.2)	(1.2)	(2.3)	(3.5)	(3.2)	n/a	n/a
EBIT	0.9	1.2	1.1	2.2	3.2	n/a	n/a
<i>margin, %</i>	6.2%	3.7%	1.2%	2.1%	3.2%	n/a	n/a
Interest Expense	(0.1)	(0.2)	(0.7)	(1.0)	(1.0)	n/a	n/a
Other income/(expense)	(0.0)	(0.0)	(0.0)	0.1	0.0	n/a	n/a
PBT	0.7	1.0	0.4	1.2	2.2	n/a	n/a
Tax	(0.6)	(0.4)	(0.5)	(0.7)	(0.7)	n/a	n/a
<i>Effective tax rate</i>	80.6%	38.3%	133.5%	61.5%	30.9%	n/a	n/a
Net Income	0.1	0.6	(0.1)	0.5	1.5	n/a	n/a
<i>Net Margin, %</i>	1.0%	1.9%	-0.1%	0.4%	1.5%	n/a	n/a

BALANCE SHEET SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Current Assets	7.5	15.8	31.7	47.7	69.8	n/a	n/a
Cash & Equivalents	0.3	0.3	1.5	0.7	0.2	n/a	n/a
Trade Receivables	2.8	5.5	7.6	7.7	18.3	n/a	n/a
Inventories	2.3	4.9	7.7	20.2	20.9	n/a	n/a
Other	2.1	5.0	14.9	19.1	30.3	n/a	n/a
Fixed Assets	8.5	8.8	24.1	35.7	37.5	n/a	n/a
PP&E, net	8.4	8.4	23.3	34.6	34.1	n/a	n/a
Other	0.1	0.4	0.9	1.1	3.4	n/a	n/a
Total Assets	16.0	24.5	55.9	83.4	107.3	n/a	n/a
Shareholders' Equity	11.1	11.4	26.4	30.5	32.0	n/a	n/a
Share Capital	0.8	0.8	0.8	0.9	0.9	n/a	n/a
Retained Earnings	1.0	1.3	0.9	1.3	2.8	n/a	n/a
Other	9.3	9.3	24.7	28.3	28.3	n/a	n/a
Current Liabilities	4.9	13.1	29.4	52.3	70.1	n/a	n/a
ST Interest Bearing Debt	0.7	0.3	4.7	3.3	9.4	n/a	n/a
Trade Payables	1.4	4.4	2.5	5.5	14.5	n/a	n/a
Other	2.7	8.3	22.2	43.4	48.0	n/a	n/a
LT Liabilities	0.1	0.0	0.1	0.6	5.2	n/a	n/a
LT Interest Bearing Debt	-	0.0	0.0	-	1.3	n/a	n/a
Other	0.1	0.0	0.0	0.6	3.9	n/a	n/a
Total Liabilities & Equity	16.0	24.5	55.9	83.4	107.3	n/a	n/a

QUARTERLY ANALYSIS, USD mln

	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
Net Revenues	15.0	26.9	25.8	34.5	29.1	38.5	33.2
<i>Change y-o-y</i>	N/M	N/M	N/M	N/M	94.5%	43.5%	28.6%
EBITDA	(0.4)	1.9	1.6	2.7	2.5	1.1	2.8
<i>margin, %</i>	-2.8%	6.9%	6.2%	7.7%	8.6%	2.8%	8.4%
EBIT	(0.8)	1.4	1.2	0.4	1.4	(0.0)	1.8
<i>margin, %</i>	-5.2%	5.1%	4.6%	1.1%	4.8%	0.0%	5.4%
Net Income	(1.0)	1.2	0.8	(0.5)	1.0	(0.5)	1.0
<i>Net Margin, %</i>	-6.8%	4.4%	3.2%	-1.6%	3.3%	-1.3%	3.1%

Gostomel Glass

GSKZ UZ

Packaging & Containers

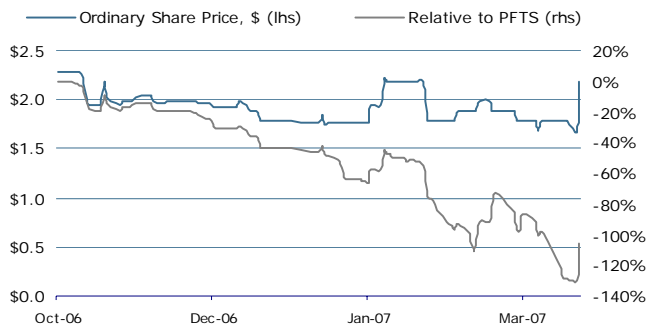
<http://www.gostomelglass.com>

Target Price (USD) 2.30
Upside 5.6%

INVESTMENT CASE

- Ahead of its competition in terms of modernizing its equipment and introducing energy-saving technology
- Glass packaging production will grow at 8% CAGR in 2005-2010
- Reconstruction of its third furnace in 3Q06 is expected to decrease energy consumption by 17% in subsequent years
- Launch of a fifth furnace will increase its capacity by 63% by the end of 2007

SHARE PRICE PERFORMANCE*



In Sep 2006 an additional share issue took place

BUSINESS OVERVIEW

Vetropack Gostomel Glass (GSKZ) is one of Ukraine's largest producers of glass packaging, accounting for ~17% of the entire glass packaging market and for about quarter of bottle production in the country. The company produces bottles for vodka, beer, wine, soft drinks and pharmaceuticals. A furnace launched in April 2005 is used to make bottles for Stella Artois, Beck's and Tuborg beer brands (for Sun Interbrew Ukraine), which up until then had been imported. GSKZ also makes bottles for Coca-Cola, Obolon (a local beer producer with 26% of the market), Nemiroff, Soyuz-Viktan, Olimp, Myagkov and Knyazhy Grad (Ukraine's major vodka brands that account for ~32% of the local glass market), Unipharm and Galychpharm (pharmaceuticals). Ukraine's glass industry is well positioned in terms of inputs - all silica sand used in production is mined in Ukraine; and soda ash producers satisfy 99.9% of demand.

In February 2006, a 75% stake in the company was acquired by Vetropack (Switzerland).

In 9M06 the company posted sales on par with 9M05 (USD 34.6 mln), and decreased in net income 7 times (from USD 7 mln in 9M05 to USD 1 mln in 9M06).

MARKET INFORMATION

Market price*, USD	2.18
Price impact**	3
52 Wk H/L, USD	190 / 2
Chg 3m/6m/52w	24% / -98% / -98%
Chg vs PFTS 3m/6m/52w	-40% / -202% / -191%
Chg YTD	24%
Avg Mo Tr Vol 6M, USD ths	34.06
MCap, USD mln	96.5
Free float, %	25.0%
FF MCap, USD mln	24.1
No of shares, mln	44.3
Par Value, UAH	0.35
XETRA	n/a
DR Ratio	n/a
Avg Mo Tr Vol 6M, USD ths	n/a

STOCK OWNERSHIP

Vetropack Holding AG	75.0%
Management	20.0%
Other	5.0%

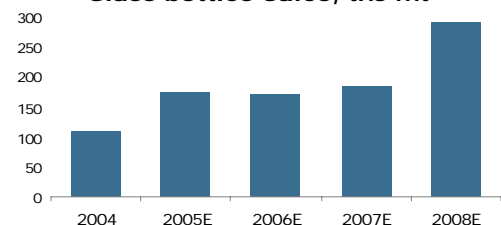
MARKET MULTIPLES

	2006E	2007E
EV/Sales	2.5	2.9
EV/EBITDA	8.2	9.8
P/E	22.4	16.9
P/B	2.4	2.1
P/CF	10.3	8.2

KEY RATIOS

	2005	2006E	2007E
EBITDA margin	33%	30%	30%
Net Margin	18%	9%	10%
ROE	37%	13%	14%
Net Debt/Equity	0.7	0.7	1.4

Glass bottles Sales, ths mt



* PFTS MID Price is used

** Price "Impact" is the opinion of Concorde's trading desk on stocks to help investors estimate the reliability of quoted prices:

- 1: Market price reaction remains within 10% in execution of a market order of about USD 10 mln in size
- 2: Market price reaction remains within 10% in execution of a market order of about USD 1 mln in size
- 3: All other stocks (quoted price is less reliable and should be considered indicative)

Note: data (market information, price changes) as of 30 Mar 2007

INCOME STATEMENT SUMMARY, USD mln

	2002	2003	2004	2005	2006E	2007E	2008E
Net Revenues	21.8	23.2	28.1	46.2	49.6	54.6	88.8
<i>Change y-o-y</i>	-	6.8%	20.4%	64.5%	7.4%	10.1%	62.4%
Gross Profit	8.7	11.2	12.3	20.2	20.2	21.9	35.6
EBITDA	5.2	8.6	8.7	15.2	15.1	16.2	26.4
<i>margin, %</i>	24.1%	36.8%	31.0%	33.0%	30.4%	29.7%	29.7%
Depreciation	(1.6)	(2.3)	(3.1)	(5.1)	(4.6)	(4.9)	(6.7)
EBIT	3.7	6.3	5.6	10.2	10.4	11.3	19.7
<i>margin, %</i>	16.9%	27.0%	19.9%	22.0%	21.1%	20.7%	22.1%
Interest Expense	(0.6)	(0.4)	(1.2)	(1.9)	(2.2)	(3.7)	(5.2)
Other income/(expense)	0.3	1.0	1.9	2.5	-	-	-
PBT	3.4	6.9	6.3	10.8	8.3	7.6	14.4
Tax	(1.2)	(2.7)	(1.8)	(2.4)	(4.0)	(1.9)	(3.6)
<i>Effective tax rate</i>	36.0%	38.6%	28.3%	21.9%	48.0%	25.0%	25.0%
Net Income	2.1	4.2	4.5	8.4	4.3	5.7	10.8
<i>Net Margin, %</i>	9.9%	18.2%	16.1%	18.2%	8.7%	10.4%	12.2%

BALANCE SHEET SUMMARY, USD mln

	2002	2003	2004	2005	2006E	2007E	2008E
Current Assets	5.6	10.9	13.9	15.4	15.6	18.0	28.4
Cash & Equivalents	0.8	3.6	3.1	2.1	1.5	1.6	2.7
Trade Receivables	1.2	3.0	2.2	3.4	3.2	5.5	10.7
Inventories	2.1	2.8	4.2	8.5	6.4	8.2	12.4
Other	1.5	1.4	4.4	1.4	4.5	2.7	2.7
Fixed Assets	15.8	18.1	38.5	45.0	57.4	96.8	103.2
PP&E, net	12.9	14.5	13.7	35.2	45.3	96.8	103.2
Other	2.9	3.6	24.8	9.8	12.1	0.0	0.0
Total Assets	21.3	28.9	52.5	60.5	73.0	114.8	131.7
Shareholders' Equity	12.9	18.4	22.5	32.2	39.5	45.5	56.4
Share Capital	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Retained Earnings	8.0	11.8	15.9	25.4	29.8	35.7	46.6
Other	4.9	6.6	6.6	6.7	9.7	9.8	9.8
Current Liabilities	2.0	3.3	6.3	9.0	5.0	5.7	10.2
ST Interest Bearing Debt	0.2	0.5	0.6	5.0	-	0.5	0.9
Trade Payables	1.2	1.9	3.4	2.4	3.2	3.3	6.2
Other	0.6	0.8	2.4	1.6	1.7	1.9	3.1
LT Liabilities	6.5	7.2	23.6	19.3	28.5	63.6	65.0
LT Interest Bearing Debt	6.5	7.0	23.6	19.3	28.5	63.6	65.0
Other	0.0	0.2	-	0.0	-	-	-
Total Liabilities & Equity	21.3	28.9	52.5	60.5	72.9	114.9	131.6

QUARTERLY ANALYSIS, USD mln

	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
Net Revenues	6.7	6.8	3.9	10.5	8.6	13.0	13.0	11.5	12.9	12.8	8.9
<i>Change y-o-y</i>	25.7%	13.1%	-35.0%	81.1%	28.9%	90.5%	229.8%	8.8%	50.5%	-1.6%	-31.8%
EBITDA	2.0	2.0	2.6	2.1	2.9	4.6	4.4	3.4	3.8	3.7	1.6
<i>margin, %</i>	a	28.8%	64.8%	20.4%	33.5%	34.9%	33.5%	29.8%	29.1%	28.7%	17.8%
EBIT	1.2	1.2	2.4	0.7	1.9	3.2	3.0	2.0	2.4	2.4	0.5
<i>margin, %</i>	18.3%	17.6%	60.7%	7.0%	21.6%	24.9%	23.3%	17.5%	18.9%	19.0%	5.9%
Net Income	1.1	1.0	1.4	1.1	1.6	3.4	2.0	1.4	(0.1)	1.4	(0.3)
<i>Net Margin, %</i>	16.0%	14.1%	35.3%	10.3%	18.5%	26.3%	15.2%	12.3%	-0.8%	11.2%	-3.8%

Izmayil Pulp & Board

Packaging & Containers

<http://www.osnova.ua>
Target Price (USD)
N/R
Upside (%)
n/a

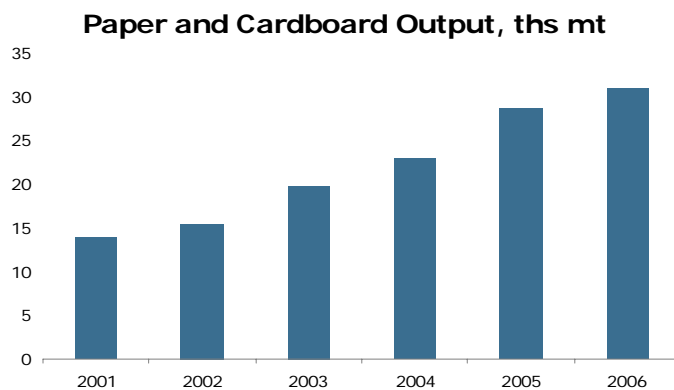
BUSINESS OVERVIEW

Izmayil Pulp & Board, part of the Osnova Papir concern that also includes Zhydachiv Pulp & Paper, is Ukraine's major producer of cardboard and corrugated board packaging. The company produces over 600 types of corrugated products.

The company's major customers include trade brands Shustov, Klinkov (alcohol) and Roshen (confectionary). In summer 2006, the company underwent a major overhaul, including the modernization of board-making machinery and launch of new production lines for corrugated board containers with complex cutting and two-color printing. Osnova Papir Ltd plans to invest another USD 3 mln on modernization in 2007.

In 9M06, the company posted sales growth of 21% yoy to USD 11.1 mln, an EBITDA that rose 3% yoy to USD 1.4 mln and a net income increase of 3% yoy to USD 0.7 mln.

In 2006 the company increased the output of paper and cardboard by 7.8% yoy to 30.9 ths mt.



* The stock is not listed on PFTS

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1: Market price reaction remains within 10% in execution of a market order of about USD 10 mln in size
 2: Market price reaction remains within 10% in execution of a market order of about USD 1 mln in size
 3: All other stocks (quoted price is less reliable and should be considered indicative)

Note: data (market information, price changes) as of 30 Mar 2007

MARKET INFORMATION

Market price*, USD	n/a
Price impact**	n/a
52 Wk H/L, USD	n/a
Chg 3m/6m/52w	n/a
Chg vs PFTS 3m/6m/52w	n/a
Chg YTD	n/a
Avg Mo Tr Vol 6M, USD ths	n/a
MCap, USD mln	n/a
Free float, %	15.9%
FF MCap, USD mln	n/a
No of shares, mln	16.6
Par Value, UAH	0.25
XETRA	n/a
DR Ratio	n/a
Avg Mo Tr Vol 6M, USD ths	n/a

STOCK OWNERSHIP

Privat Group	65.3%
Energetical Standart Group	18.8%
Other	15.9%

MARKET MULTIPLES

	2006E	2007E
EV/Sales	n/a	n/a
EV/EBITDA	n/a	n/a
P/E	n/a	n/a
P/B	n/a	n/a
P/CF	n/a	n/a

KEY RATIOS

	2005	2006E	2007E
EBITDA margin	13%	13%	n/a
Net Margin	5%	6%	n/a
ROE	18%	22%	n/a
Net Debt/Equity	0.6	0.6	n/a

INCOME STATEMENT SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Net Revenues	8.2	9.0	9.9	12.7	11.1	n/a	n/a
<i>Change y-o-y</i>	-	9.6%	9.9%	28.4%	21.2%	n/a	n/a
Gross Profit	1.2	2.4	2.4	3.3	2.5	n/a	n/a
EBITDA	0.4	1.4	1.3	1.6	1.4	n/a	n/a
<i>margin, %</i>	4.8%	16.0%	13.1%	12.5%	12.6%	n/a	n/a
Depreciation	(0.2)	(0.3)	(0.5)	(0.6)	(0.5)	n/a	n/a
EBIT	0.2	1.2	0.8	1.0	0.9	n/a	n/a
<i>margin, %</i>	2.6%	12.9%	8.1%	8.0%	8.2%	n/a	n/a
Interest Expense	(0.1)	(0.2)	(0.3)	(0.3)	(0.2)	n/a	n/a
Other income/(expense)	0.1	(0.4)	0.1	0.1	0.0	n/a	n/a
PBT	0.2	0.5	0.6	0.9	0.7	n/a	n/a
Tax	(0.1)	(0.2)	(0.2)	(0.3)	(0.1)	n/a	n/a
<i>Effective tax rate</i>	78.7%	40.8%	28.9%	34.9%	7.3%	n/a	n/a
Net Income	0.0	0.3	0.4	0.6	0.7	n/a	n/a
<i>Net Margin, %</i>	0.4%	3.2%	4.4%	4.6%	6.0%	n/a	n/a

BALANCE SHEET SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Current Assets	3.8	2.6	2.0	2.3	5.4	n/a	n/a
Cash & Equivalents	0.0	0.0	0.1	0.0	0.0	n/a	n/a
Trade Receivables	2.6	1.2	0.6	0.9	3.0	n/a	n/a
Inventories	0.8	0.9	0.8	1.0	1.1	n/a	n/a
Other	0.5	0.4	0.4	0.2	1.3	n/a	n/a
Fixed Assets	3.3	4.3	4.7	5.2	5.2	n/a	n/a
PP&E, net	2.7	4.3	4.7	5.2	5.0	n/a	n/a
Other	0.6	0.0	0.0	0.0	0.2	n/a	n/a
Total Assets	7.2	6.9	6.7	7.4	10.6	n/a	n/a
Shareholders' Equity	2.5	2.8	3.3	4.1	5.4	n/a	n/a
Share Capital	2.1	2.1	2.1	2.2	2.9	n/a	n/a
Retained Earnings	0.0	0.3	0.4	0.6	1.3	n/a	n/a
Other	0.4	0.4	0.7	1.2	1.2	n/a	n/a
Current Liabilities	2.4	1.1	1.2	1.2	3.0	n/a	n/a
ST Interest Bearing Debt	-	-	-	0.2	0.6	n/a	n/a
Trade Payables	2.3	0.8	1.0	0.7	2.0	n/a	n/a
Other	0.2	0.2	0.2	0.3	0.5	n/a	n/a
LT Liabilities	2.2	3.0	2.2	2.2	2.2	n/a	n/a
LT Interest Bearing Debt	1.7	2.2	2.1	2.2	2.2	n/a	n/a
Other	0.5	0.9	0.0	0.0	0.0	n/a	n/a
Total Liabilities & Equity	7.2	6.9	6.7	7.4	10.6	n/a	n/a

QUARTERLY ANALYSIS, USD mln

	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
Net Revenues	2.6	3.0	3.5	3.6	3.3	3.8	3.9
<i>Change y-o-y</i>	N/M	N/M	N/M	N/M	26.3%	27.2%	12.2%
EBITDA	0.6	0.4	0.4	0.2	0.5	0.5	0.4
<i>margin, %</i>	22.1%	12.4%	11.4%	6.6%	14.9%	12.3%	10.8%
EBIT	0.4	0.2	0.3	0.1	0.3	0.3	0.3
<i>margin, %</i>	16.8%	7.7%	7.3%	2.4%	10.1%	8.2%	6.7%
Net Income	0.3	0.2	0.2	(0.1)	0.3	0.2	0.2
<i>Net Margin, %</i>	12.3%	5.1%	4.9%	-1.7%	7.7%	5.9%	4.7%

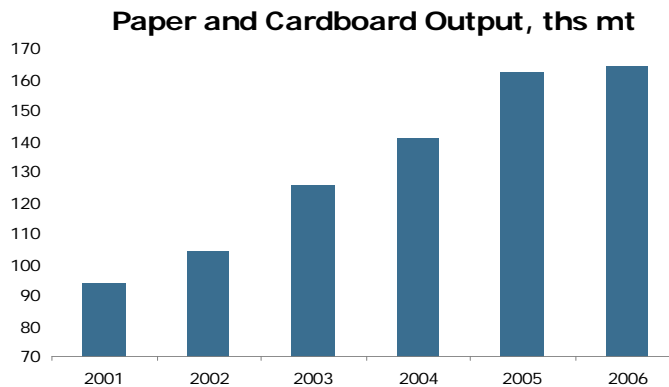
Rubizhne Carton & Package

Packaging & Containers

Target Price (USD) N/R
Upside (%) n/a

BUSINESS OVERVIEW

Rubizhne Carton & Paper (RCP) is a major producer of corrugated containers and cardboard in Ukraine. It holds 30% of the domestic market for corrugated products. Its closest competition is from Osnova Papir Ltd (Zhydachiv Pulp & Paper and Izmayil Pulp & Board). The company's main customers are food processing plants and confectionary producers. Exports to CIS countries account for about 30% of Rubizhne Carton & Paper's sales. The company's shareholders decided to decrease its charter fund to USD 4.16 mln by voiding 3,714,829 shares. The shares will be voided by Dec. 8, 2007. In 2006 Rubizhne Carton & Paper produced 202.7 mln sq m of corrugated boxes (6.5% up yoy) and increased its overall output volume by 13.1% yoy. In 9M06 the company posted growth in sales by 11% yoy to USD 69.4 mln and in net income by 16% yoy to USD 12.9 mln.



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Note: data (market information, price changes) as of 30 Mar 2007

MARKET INFORMATION

Market price*, USD	n/a
Price impact**	n/a
52 Wk H/L, USD	n/a
Chg 3m/6m/52w	n/a
Chg vs PFTS 3m/6m/52w	n/a
Chg YTD	n/a
Avg Mo Tr Vol 6M, USD ths	n/a
MCap, USD mln	n/a
Free float, %	1.6%
FF MCap, USD mln	n/a
No of shares, mln	17.7
Par Value, UAH	1.5
XETRA	n/a
DR Ratio	n/a
Avg Mo Tr Vol 6M, USD ths	n/a

STOCK OWNERSHIP

DSS Eastern Europe Ltd	34.8%
SBM Trading Ltd	22.0%
Paper Investment Company Ltd	18.1%
Other	25.1%

MARKET MULTIPLES

	2006E	2007E
EV/Sales	n/a	n/a
EV/EBITDA	n/a	n/a
P/E	n/a	n/a
P/B	n/a	n/a
P/CF	n/a	n/a

KEY RATIOS

	2005	2006E	2007E
EBITDA margin	28%	28%	n/a
Net Margin	18%	19%	n/a
ROE	14%	13%	n/a
Net Debt/Equity	-0.2	-0.01	n/a

INCOME STATEMENT SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Net Revenues	46.2	60.5	67.1	86.8	69.4	n/a	n/a
<i>Change y-o-y</i>	-	30.9%	10.9%	29.4%	11.2%	n/a	n/a
Gross Profit	20.3	22.2	27.3	34.3	26.9	n/a	n/a
EBITDA	14.3	15.5	18.4	24.3	19.5	n/a	n/a
<i>margin, %</i>	30.8%	25.6%	27.4%	28.0%	28.1%	n/a	n/a
Depreciation	(3.1)	(3.9)	(4.5)	(6.7)	(5.5)	n/a	n/a
EBIT	11.2	11.6	13.9	17.5	14.0	n/a	n/a
<i>margin, %</i>	24.2%	19.1%	20.7%	20.2%	20.1%	n/a	n/a
Interest Expense	(0.0)	(0.0)	(0.7)	(1.0)	(0.8)	n/a	n/a
Other income/(expense)	1.1	1.2	4.8	4.3	3.5	n/a	n/a
PBT	12.2	12.7	18.0	20.8	16.7	n/a	n/a
Tax	(3.8)	(3.8)	(4.0)	(5.1)	(3.8)	n/a	n/a
<i>Effective tax rate</i>	31.1%	30.1%	22.0%	24.6%	22.9%	n/a	n/a
Net Income	8.4	8.9	14.0	15.7	12.9	n/a	n/a
<i>Net Margin, %</i>	18.2%	14.7%	20.9%	18.1%	18.6%	n/a	n/a

BALANCE SHEET SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Current Assets	21.6	29.5	42.3	55.1	67.3	n/a	n/a
Cash & Equivalents	5.4	14.0	23.8	34.0	21.3	n/a	n/a
Trade Receivables	3.5	5.4	3.7	5.3	8.1	n/a	n/a
Inventories	7.7	6.5	8.3	10.6	9.9	n/a	n/a
Other	5.0	3.6	6.6	5.1	28.1	n/a	n/a
Fixed Assets	37.5	44.9	86.6	93.3	105.2	n/a	n/a
PP&E, net	24.9	34.0	76.9	80.1	79.0	n/a	n/a
Other	12.5	11.0	9.7	13.2	26.3	n/a	n/a
Total Assets	59.1	74.4	128.9	148.4	172.5	n/a	n/a
Shareholders' Equity	56.1	65.0	112.5	134.1	147.0	n/a	n/a
Share Capital	11.0	11.0	11.0	11.6	11.6	n/a	n/a
Retained Earnings	22.2	31.5	45.9	64.2	12.9	n/a	n/a
Other	22.9	22.6	55.6	58.3	122.6	n/a	n/a
Current Liabilities	3.0	2.3	2.4	5.9	18.3	n/a	n/a
ST Interest Bearing Debt	-	-	-	2.8	12.7	n/a	n/a
Trade Payables	1.7	1.3	1.4	1.7	3.4	n/a	n/a
Other	1.2	1.0	1.0	1.4	3.8	n/a	n/a
LT Liabilities	0.1	7.1	14.0	8.4	7.3	n/a	n/a
LT Interest Bearing Debt	0.1	7.1	14.0	8.4	7.0	n/a	n/a
Other	-	-	-	0.0	0.3	n/a	n/a
Total Liabilities & Equity	59.1	74.4	128.9	148.4	172.5	n/a	n/a

QUARTERLY ANALYSIS, USD mln

	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
Net Revenues	14.2	17.4	17.2	18.3	18.9	21.7	21.8	24.4	20.5	22.3	26.6
<i>Change y-o-y</i>	13.4%	10.2%	11.0%	9.8%	33.1%	24.4%	26.9%	33.7%	8.6%	2.9%	21.7%
EBITDA	4.1	4.9	4.3	5.0	5.5	5.7	4.4	8.6	5.7	6.0	7.7
<i>margin, %</i>	29.2%	27.9%	25.2%	27.6%	29.1%	26.4%	20.3%	35.3%	27.9%	27.0%	29.1%
EBIT	3.1	3.8	3.2	3.8	4.4	4.0	4.0	5.1	4.0	4.2	5.8
<i>margin, %</i>	21.5%	21.8%	18.8%	21.0%	23.1%	18.6%	18.5%	21.0%	19.4%	18.8%	21.8%
Net Income	3.1	3.4	2.8	4.8	3.7	3.5	4.0	4.6	3.8	3.8	5.2
<i>Net Margin, %</i>	21.6%	19.6%	16.2%	26.1%	19.5%	16.0%	18.2%	18.9%	18.6%	17.2%	19.7%

Ukrplastyk

Packaging & Containers

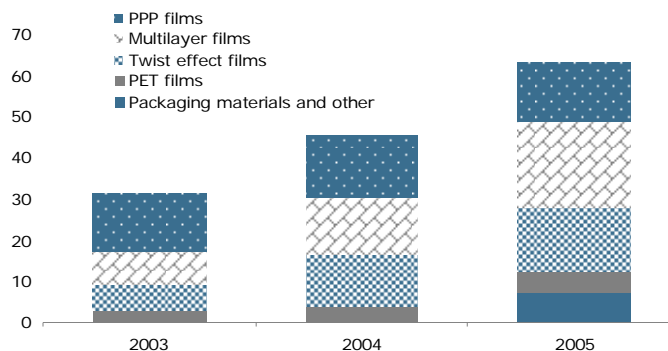
Target Price (USD) N/R
Upside (%) n/a

BUSINESS OVERVIEW

Ukrplastyk is the largest producer of soft plastic packaging for food, cosmetic, tobacco, and pharmaceutical companies, with 25% of the domestic packaging market. The company produces PPP films, multilayer films, PET films, twist effect films, stick labels, packaging materials, plates, etc. Ukrplastyk exports its products mainly to CIS and Baltic countries. Major customers are Ukrainian dairy, confectionary and other food product manufacturers; along with tobacco and beverage producers, these sectors collectively account for 81% of Ukrplastyk's sales.

In 9M06 the company posted a 15.7% yoy growth of net revenue, improved its EBITDA margin to 33.8% from 35.2% in 9M05, and unchanged net margin of 11%.

Output Dynamics, USD mln



* The stock is not listed on PFTS

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- 2: Market price reaction remains within 10% in execution of a market order of about USD 1 mln in size
- 3: All other stocks (quoted price is less reliable and should be considered indicative)

Note: data (market information, price changes) as of 30 Mar 2007

MARKET INFORMATION

Market price*, USD	n/a
Price impact**	n/a
52 Wk H/L, USD	n/a
Chg 3m/6m/52w	n/a
Chg vs PFTS 3m/6m/52w	n/a
Chg YTD	n/a
Avg Mo Tr Vol 6M, USD ths	n/a
MCap, USD mln	n/a
Free float, %	1.5%
FF MCap, USD mln	n/a
No of shares, mln	32.6
Par Value, UAH	7.50
XETRA	n/a
DR Ratio	n/a
Avg Mo Tr Vol 6M, USD ths	n/a

STOCK OWNERSHIP

Management	98.4%
Other	1.6%

MARKET MULTIPLES

	2006E	2007E
EV/Sales	n/a	n/a
EV/EBITDA	n/a	n/a
P/E	n/a	n/a
P/B	n/a	n/a
P/CF	n/a	n/a

KEY RATIOS

	2005	2006E	2007E
EBITDA margin	34%	34%	n/a
Net Margin	11%	11%	n/a
ROE	8%	7%	n/a
Net Debt/Equity	0.2	0.3	n/a

INCOME STATEMENT SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Net Revenues	25.6	33.5	47.2	62.8	55.5	n/a	n/a
<i>Change y-o-y</i>	-	30.6%	40.8%	33.2%	15.7%	n/a	n/a
Gross Profit	8.6	9.6	18.2	23.1	23.5	n/a	n/a
EBITDA	5.8	6.2	14.1	21.5	18.8	n/a	n/a
<i>margin, %</i>	22.6%	18.4%	29.8%	34.3%	33.8%	n/a	n/a
Depreciation	(2.3)	(2.4)	(7.0)	(8.4)	(6.8)	n/a	n/a
EBIT	3.5	3.7	7.0	13.1	12.0	n/a	n/a
<i>margin, %</i>	13.5%	11.1%	14.9%	20.8%	21.5%	n/a	n/a
Interest Expense	(1.0)	(1.3)	(2.3)	(2.3)	(2.2)	n/a	n/a
Other income/(expense)	5.1	0.0	0.2	0.3	0.2	n/a	n/a
PBT	7.6	2.4	5.0	11.1	9.9	n/a	n/a
Tax	(4.5)	(0.1)	(2.7)	(3.8)	(3.8)	n/a	n/a
<i>Effective tax rate</i>	59.0%	6.1%	54.3%	34.5%	38.4%	n/a	n/a
Net Income	3.1	2.3	2.3	7.2	6.1	n/a	n/a
<i>Net Margin, %</i>	12.1%	6.8%	4.8%	11.5%	11.0%	n/a	n/a

BALANCE SHEET SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Current Assets	14.3	18.8	31.3	26.0	35.8	n/a	n/a
Cash & Equivalents	0.3	1.1	0.1	0.1	0.7	n/a	n/a
Trade Receivables	2.4	7.0	10.9	13.8	14.5	n/a	n/a
Inventories	9.0	9.3	9.0	11.7	20.1	n/a	n/a
Other	2.5	1.3	11.3	0.5	0.5	n/a	n/a
Fixed Assets	50.2	57.7	107.9	137.0	171.9	n/a	n/a
PP&E, net	43.8	53.4	72.6	94.2	103.1	n/a	n/a
Other	6.3	4.3	35.3	42.8	68.8	n/a	n/a
Total Assets	64.5	76.5	139.1	163.0	207.7	n/a	n/a
Shareholders' Equity	38.1	45.6	87.6	109.8	118.7	n/a	n/a
Share Capital	0.7	10.0	46.1	48.4	48.4	n/a	n/a
Retained Earnings	6.1	7.4	10.0	13.8	19.2	n/a	n/a
Other	31.3	28.3	31.5	47.6	51.1	n/a	n/a
Current Liabilities	11.5	14.4	27.7	22.4	49.0	n/a	n/a
ST Interest Bearing Debt	3.7	7.8	11.2	11.7	20.8	n/a	n/a
Trade Payables	4.5	5.2	7.2	8.0	27.2	n/a	n/a
Other	3.3	1.4	9.3	2.7	1.6	n/a	n/a
LT Liabilities	14.9	16.4	23.9	30.8	40.0	n/a	n/a
LT Interest Bearing Debt	6.1	6.0	12.8	11.1	18.3	n/a	n/a
Other	8.8	10.4	11.1	19.8	21.8	n/a	n/a
Total Liabilities & Equity	64.5	76.5	139.1	163.0	207.7	n/a	n/a

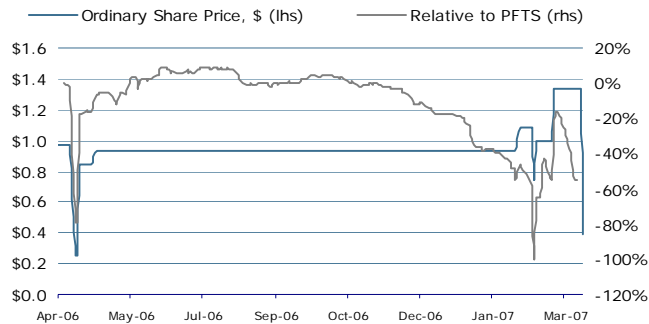
Odessa Cable

OCAB UZ

Electrical Components & Equipment

<http://www.odeskabel.com>
Target Price (USD)
N/R
Upside
n/a

SHARE PRICE PERFORMANCE*



MARKET INFORMATION

Market price, USD	0.40
Price impact*	3
52 Wk H/L, USD	1.34 / 0.25
Chg 3m/6m/52w	-57% / -57% / -59%
Chg vs PFTS 3m/6m/52w	-122% / -162% / -152%
Chg YTD	-57%
Avg Mo Tr Vol 6M, USD ths	0.00
MCap, USD mln	22.2
Free float, %	2.0%
FF MCap, USD mln	0.4
No of shares, mln	56.0
Par Value, UAH	0.25
XETRA	05N1
DR Ratio	1:50
Avg Mo Tr Vol 6M, USD ths	0

BUSINESS OVERVIEW

Odessa Cable is the largest telecommunication cable producer in Ukraine. The company is also a leader in the production of cable and wire products in the CIS. Its product portfolio includes fiber-optic, LAN and communication cables; oxygen-free copper cords; radio frequency and mounting wires; and other products. Odessa Cable mainly supplies its products to telecommunications and broadcasting industries, but they are also used in electric appliances, explosive and copper cable manufacturing, and industrial power equipment.

Odessa Cable posted a net revenue increase of 32.4% yoy to USD 59.8 mln in 9M06, an EBITDA decrease of 40% yoy to USD 3.8 mln and a net income reduction of 68% yoy to USD 1.1 mln.

STOCK OWNERSHIP

Management	76.8%
ING Bank Ukraine	17.3%
Other	5.9%

MARKET MULTIPLES

	2006E	2007E
EV/EBITDA	6.8	n/a
P/E	14.8	n/a
P/B	0.5	n/a
P/CF	6.3	n/a

KEY RATIOS

	2005	2006E	2007E
Net Margin	7%	2%	n/a
ROE	4%	2%	n/a
Net Debt/Equity	0.2	0.3	n/a

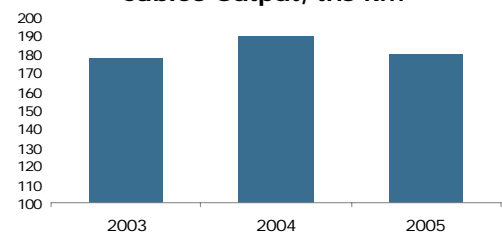
* PFTS MID Price is used

** Price "Impact" is the opinion of Concorde's trading desk on stocks to help investors estimate the reliability of quoted prices:

- 1: Market price reaction remains within 10% in execution of a market order of about USD 10 mln in size
- 2: Market price reaction remains within 10% in execution of a market order of about USD 1 mln in size
- 3: All other stocks (quoted price is less reliable and should be considered indicative)

Note: data (market information, price changes) as of 30 Mar 2007

Cables Output, ths km



INCOME STATEMENT SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Net Revenues	37.9	50.3	65.1	62.6	59.8	n/a	n/a
<i>Change y-o-y</i>	-	32.6%	29.5%	-3.8%	32.4%	n/a	n/a
Gross Profit	7.3	11.9	11.3	13.5	10.0	n/a	n/a
EBITDA	2.5	6.3	4.5	8.0	3.8	n/a	n/a
<i>margin, %</i>	6.5%	12.5%	7.0%	12.8%	6.4%	n/a	n/a
Depreciation	(1.0)	(1.5)	(2.0)	(2.2)	(1.5)	n/a	n/a
EBIT	1.4	4.8	2.6	5.9	2.3	n/a	n/a
<i>margin, %</i>	3.7%	9.5%	4.0%	9.4%	3.9%	n/a	n/a
Interest Expense	(0.3)	(0.3)	(0.8)	(0.8)	(0.9)	n/a	n/a
Other income/(expense)	(0.0)	(0.0)	0.0	0.7	0.0	n/a	n/a
PBT	1.1	4.4	1.8	5.7	1.5	n/a	n/a
Tax	(0.3)	(1.3)	(0.7)	(1.3)	(0.4)	n/a	n/a
<i>Effective tax rate</i>	30.0%	30.0%	40.3%	22.8%	25.0%	n/a	n/a
Net Income	0.8	3.1	1.1	4.4	1.1	n/a	n/a
<i>Net Margin, %</i>	2.0%	6.2%	1.6%	7.0%	1.9%	n/a	n/a

BALANCE SHEET SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Current Assets	18.2	28.7	30.6	30.3	40.1	n/a	n/a
Cash & Equivalents	0.5	0.7	0.8	0.6	0.3	n/a	n/a
Trade Receivables	5.5	6.7	10.8	9.8	15.9	n/a	n/a
Inventories	7.9	10.1	13.7	15.4	15.7	n/a	n/a
Other	4.2	11.1	5.4	4.6	8.2	n/a	n/a
Fixed Assets	14.7	15.0	17.1	35.4	34.8	n/a	n/a
PP&E, net	9.7	13.2	14.7	30.7	32.3	n/a	n/a
Other	5.0	1.8	2.4	4.7	2.5	n/a	n/a
Total Assets	32.9	43.7	47.7	65.7	74.9	n/a	n/a
Shareholders' Equity	15.2	18.4	19.5	40.7	41.8	n/a	n/a
Share Capital	2.6	2.6	2.6	2.8	2.8	n/a	n/a
Retained Earnings	5.9	8.9	10.1	15.3	16.5	n/a	n/a
Other	6.7	6.8	6.8	22.6	22.5	n/a	n/a
Current Liabilities	17.7	25.3	28.2	25.0	31.6	n/a	n/a
ST Interest Bearing Debt	2.2	4.3	7.6	7.9	11.3	n/a	n/a
Trade Payables	15.0	19.3	20.5	15.9	18.6	n/a	n/a
Other	0.5	1.7	0.1	1.2	2.1	n/a	n/a
LT Liabilities	-	-	-	-	1.6	n/a	n/a
LT Interest Bearing Debt	-	-	-	-	1.6	n/a	n/a
Other	-	-	-	-	-	n/a	n/a
Total Liabilities & Equity	32.9	43.7	47.7	65.7	74.9	n/a	n/a

QUARTERLY ANALYSIS, USD mln

	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
Net Revenues	11.8	18.1	15.3	17.4	13.5	21.7	24.6
<i>Change y-o-y</i>	N/M	N/M	N/M	N/M	13.9%	20.1%	61.1%
EBITDA	0.7	3.5	2.2	1.6	0.7	1.8	1.3
<i>margin, %</i>	6.0%	19.5%	14.4%	9.2%	5.5%	8.4%	5.2%
EBIT	0.2	3.0	1.6	1.1	0.2	1.3	0.8
<i>margin, %</i>	1.6%	16.5%	10.8%	6.1%	1.8%	6.1%	3.1%
Net Income	0.0	2.4	1.1	1.0	0.0	0.8	0.3
<i>Net Margin, %</i>	0.2%	13.1%	7.0%	5.5%	0.3%	3.5%	1.3%

Zaporizhtransformator ZATR UZ Electrical Components & Equipment

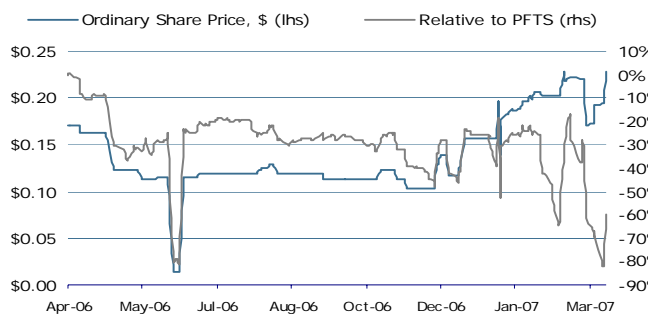
http://www.ztr.ua

Target Price (USD) **N/R**
Upside **n/a**

INVESTMENT CASE

- Opening of Russian and Kazakhstan regional representative offices will bring in more orders
- Launch of authorizing program will increase efficiency

SHARE PRICE PERFORMANCE*



BUSINESS OVERVIEW

Zaporizhtransformator is the only producer of high-voltage transformers for electric power stations in the CIS and a leading transformer producer in the world. The company manufactures power transformers, electric transformers, heavy-current distributors, power blocks and monitoring systems for transformers. More than 85% of energy companies in the CIS are equipped with transformers produced by Zaporizhtransformator. It exports products to 83 countries all over the world, with its sales focus being on the Russian market.

The company almost doubled its sales in 2006, reaching USD 207 mln from USD 108 mln in 2005. In addition, Zaporizhtransformator increased production by 90% in 2006. The company's management has announced plans for 2007 that include increasing production capacities, investing in modernization and increasing sales by 83.6% yoy to USD 380 mln.

MARKET INFORMATION

Market price*, USD	0.23
Price impact**	3
52 Wk H/L, USD	0.23 / 0.01
Chg 3m/6m/52w	46% / 100% / 33%
Chg vs PFTS 3m/6m/52w	-19% / -4% / -60%
Chg YTD	46%
Avg Mo Tr Vol 6M, USD ths	24.5
MCap, USD mln	503.3
Free float, %	2.0%
FF MCap, USD mln	10.1
No of shares, mln	2210.3
Par Value, UAH	0.01
XETRA	n/a
DR Ratio	n/a
Avg Mo Tr Vol 6M, USD ths	n/a

STOCK OWNERSHIP

Energy Standard Group	98.0%
Other	2.0%

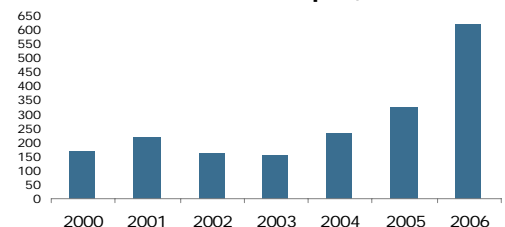
MARKET MULTIPLES

	2006E	2007E
EV/Sales	3.1	n/a
EV/EBITDA	18.5	n/a
P/E	28.0	n/a
P/B	8.9	n/a
P/CF	25.3	n/a

KEY RATIOS

	2005	2006E	2007E
EBITDA margin	11%	17%	n/a
Net Margin	6%	10%	n/a
ROE	31%	47%	n/a
Net Debt/Equity	1.2	0.8	n/a

Transformer Output, units



* PFTS MID Price is used
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 2: Market price reaction remains within 10% in execution of a market order of about USD 1 mln in size
 3: All other stocks (quoted price is less reliable and should be considered indicative)

Note: data (market information, price changes) as of 30 Mar 2007

INCOME STATEMENT SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Net Revenues	36.7	45.8	63.8	110.5	134.5	n/a	n/a
<i>Change y-o-y</i>	-	24.9%	39.3%	73.2%	101.0%	n/a	n/a
Gross Profit	10.6	12.0	13.2	28.3	40.5	n/a	n/a
EBITDA	3.0	5.8	4.7	12.1	22.1	n/a	n/a
<i>margin, %</i>	8.2%	12.7%	7.3%	11.0%	16.5%	n/a	n/a
Depreciation	(1.6)	(1.2)	(1.2)	(1.5)	(1.3)	n/a	n/a
EBIT	1.4	4.6	3.5	10.6	20.8	n/a	n/a
<i>margin, %</i>	3.7%	10.0%	5.5%	9.6%	15.5%	n/a	n/a
Interest Expense	(2.0)	(3.1)	(3.5)	(3.6)	(4.1)	n/a	n/a
Other income/(expense)	(0.2)	0.4	0.4	2.5	(0.6)	n/a	n/a
PBT	(0.8)	1.9	0.5	9.5	16.2	n/a	n/a
Tax	-	(0.5)	(0.4)	(2.0)	(3.9)	n/a	n/a
<i>Effective tax rate</i>	0.0%	24.0%	88.4%	21.2%	24.0%	n/a	n/a
Net Income	(0.8)	1.5	0.1	7.5	12.3	n/a	n/a
<i>Net Margin, %</i>	-2.3%	3.2%	0.1%	6.8%	9.1%	n/a	n/a

BALANCE SHEET SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Current Assets	22.2	32.3	43.6	73.2	84.3	n/a	n/a
Cash & Equivalents	0.1	0.4	1.2	3.6	5.9	n/a	n/a
Trade Receivables	2.1	14.1	15.8	19.2	19.1	n/a	n/a
Inventories	14.6	11.3	18.5	35.6	48.2	n/a	n/a
Other	5.5	6.5	8.1	14.9	11.1	n/a	n/a
Fixed Assets	34.1	31.5	30.3	40.1	43.7	n/a	n/a
PP&E, net	17.6	16.8	17.3	27.8	30.4	n/a	n/a
Other	16.5	14.7	13.1	12.2	13.3	n/a	n/a
Total Assets	56.4	63.8	74.0	113.3	128.0	n/a	n/a
Shareholders' Equity	26.2	24.2	22.8	38.4	45.5	n/a	n/a
Share Capital	4.8	0.8	0.8	4.4	4.4	n/a	n/a
Retained Earnings	(7.2)	0.7	(0.2)	5.0	11.7	n/a	n/a
Other	28.5	22.7	22.2	29.0	29.4	n/a	n/a
Current Liabilities	29.7	33.6	28.5	39.6	48.8	n/a	n/a
ST Interest Bearing Debt	15.3	16.3	7.4	13.5	14.2	n/a	n/a
Trade Payables	8.0	11.3	12.5	15.0	14.9	n/a	n/a
Other	6.4	6.0	8.6	11.1	23.3	n/a	n/a
LT Liabilities	0.5	6.0	22.6	35.2	33.7	n/a	n/a
LT Interest Bearing Debt	-	5.6	22.6	35.2	33.7	n/a	n/a
Other	0.5	0.4	-	-	-	n/a	n/a
Total Liabilities & Equity	56.4	63.8	74.0	113.3	128.0	n/a	n/a

QUARTERLY ANALYSIS, USD mln

	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
Net Revenues	5.9	15.4	13.5	29.1	10.3	22.1	34.5	43.6	26.0	43.7	64.8
<i>Change y-o-y</i>	105.7%	119.8%	4.7%	25.9%	76.1%	43.7%	155.6%	50.0%	151.7%	97.3%	88.1%
EBITDA	(0.5)	0.5	2.4	2.3	(4.8)	4.4	5.1	7.4	1.9	8.6	11.6
<i>margin, %</i>	-7.8%	3.2%	17.7%	7.8%	-46.1%	19.8%	14.7%	17.0%	7.2%	19.8%	17.9%
EBIT	(0.7)	0.2	2.1	2.0	(5.1)	4.2	4.6	7.0	1.5	8.2	11.1
<i>margin, %</i>	-12.7%	1.4%	15.6%	6.7%	-49.2%	18.8%	13.3%	16.0%	5.8%	18.8%	17.2%
Net Income	(1.4)	(0.5)	0.8	1.1	(5.8)	4.3	3.0	6.0	0.0	5.2	7.0
<i>Net Margin, %</i>	-23.7%	-3.3%	6.2%	3.8%	-56.1%	19.2%	8.8%	13.7%	0.1%	12.0%	10.8%

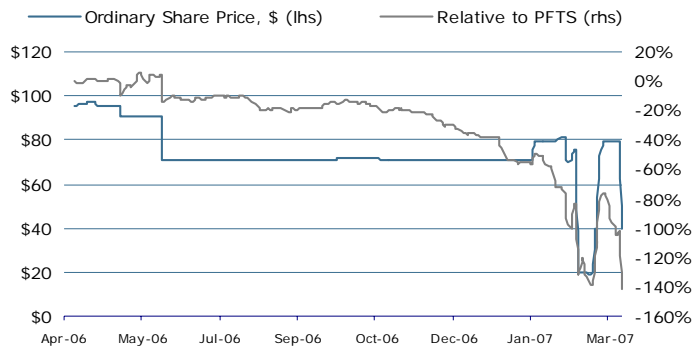
Dnipropetrovsk Switch

DSTR UZ

Miscellaneous Manufacturers

<http://www.dsz.dp.ua>
Target Price (USD)
N/R
Upside
n/a

SHARE PRICE PERFORMANCE*



MARKET INFORMATION

Market price*, USD	39.60
Price impact**	3
52 Wk H/L, USD	97.0 / 19.8
Chg 3m/6m/52w	-44% / -45% / -58%
Chg vs PFTS 3m/6m/52w	-109% / -150% / -151%
Chg YTD	-44%
Avg Mo Tr Vol 6M, USD ths	0.0
MCap, USD mln	10.1
Free float, %	7.0%
FF MCap, USD mln	0.7
No of shares, mln	0.3
Par Value, UAH	10.50
XETRA	n/a
DR Ratio	n/a
Avg Mo Tr Vol 6M, USD ths	n/a

BUSINESS OVERVIEW

Dnipropetrovsk Switch is Ukraine's largest producer of railway switches and approaching lines for industrial companies. The company's major domestic consumer is Ukrzaliznytsya. It also exports products to Russia, Belarus, other CIS countries and the Baltics. Dnipropetrovsk Switch is continuously investing in modernization to improve quality. The company's main competitors are Russian switch plants in Murom and Novosibirsk. After the investigation initiated by Dnipropetrovsk Switch, Ukraine imposed an antidumping import duty in 2002 of 59.4% against switches from Russia, which is valid till July 2007.

In 2006 the company reduced its net income by 11.8% yoy to USD 1.5 mln.

STOCK OWNERSHIP

CJSC Tako	35.1%
CJSC Yugtransstroy	13.8%
Management	16.3%
Other	34.8%

MARKET MULTIPLES

	2006E	2007E
EV/Sales	0.2	n/a
EV/EBITDA	2.5	n/a
P/E	6.7	n/a
P/B	0.4	n/a
P/CF	3.5	n/a

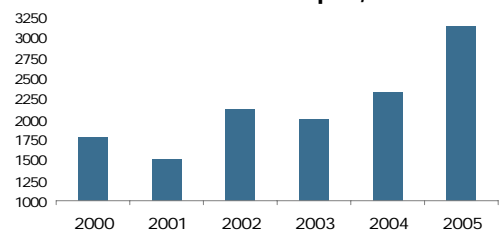
KEY RATIOS

	2005	2006E	2007E
EBITDA margin	9%	8%	n/a
Net Margin	4%	3%	n/a
ROE	7%	6%	n/a
Net Debt/Equity	-0.004	-0.01	n/a

* PFTS BID Price is used
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 2: Market price reaction remains within 10% in execution of a market order of about USD 1 mln in size
 3: All other stocks (quoted price is less reliable and should be considered indicative)

Note: data (market information, price changes) as of 30 Mar 2007

Railroad Switch Output, units



INCOME STATEMENT SUMMARY, USD mln

	2003	2004	2005	9M06	2007E	2008E
Net Revenues	25.5	32.4	40.5	35.9	n/a	n/a
<i>Change y-o-y</i>	-	27.1%	24.9%	12.9%	n/a	n/a
Gross Profit	6.3	8.3	8.3	6.4	n/a	n/a
EBITDA	3.3	3.9	3.8	2.9	n/a	n/a
<i>margin, %</i>	13.1%	12.1%	9.4%	8.2%	n/a	n/a
Depreciation	(1.0)	(1.2)	(1.5)	(1.1)	n/a	n/a
EBIT	2.4	2.7	2.3	1.9	n/a	n/a
<i>margin, %</i>	9.2%	8.4%	5.7%	5.2%	n/a	n/a
Interest Expense	(0.0)	(0.0)	(0.0)	-	n/a	n/a
Other income/(expense)	(0.0)	(0.2)	(0.2)	(0.1)	n/a	n/a
PBT	2.3	2.5	2.1	1.7	n/a	n/a
Tax	(0.6)	(0.7)	(0.4)	(0.5)	n/a	n/a
<i>Effective tax rate</i>	26.9%	29.3%	20.4%	26.9%	n/a	n/a
Net Income	1.7	1.8	1.7	1.3	n/a	n/a
<i>Net Margin, %</i>	6.5%	5.4%	4.1%	3.5%	n/a	n/a

BALANCE SHEET SUMMARY, USD mln

	2003	2004	2005	9M06	2007E	2008E
Current Assets	13.0	13.5	14.8	10.5	n/a	n/a
Cash & Equivalents	0.2	0.4	0.1	0.3	n/a	n/a
Trade Receivables	1.2	2.6	2.0	2.6	n/a	n/a
Inventories	9.3	8.6	11.3	6.9	n/a	n/a
Other	2.3	2.0	1.4	0.7	n/a	n/a
Fixed Assets	16.0	17.5	20.7	20.8	n/a	n/a
PP&E, net	14.5	15.9	19.4	19.4	n/a	n/a
Other	1.5	1.6	1.2	1.4	n/a	n/a
Total Assets	29.0	31.0	35.5	31.2	n/a	n/a
Shareholders' Equity	21.0	22.8	25.5	26.8	n/a	n/a
Share Capital	0.5	0.5	0.5	0.5	n/a	n/a
Retained Earnings	10.9	12.7	15.0	16.4	n/a	n/a
Other	9.5	9.5	10.0	9.8	n/a	n/a
Current Liabilities	7.9	8.2	9.9	4.5	n/a	n/a
ST Interest Bearing Debt	-	-	-	-	n/a	n/a
Trade Payables	7.6	7.8	9.3	3.1	n/a	n/a
Other	0.4	0.4	0.6	2.0	n/a	n/a
LT Liabilities	0.1	0.1	0.0	0.0	n/a	n/a
LT Interest Bearing Debt	-	-	-	-	n/a	n/a
Other	0.1	0.1	0.0	0.0	n/a	n/a
Total Liabilities & Equity	29.0	31.0	35.5	31.2	n/a	n/a

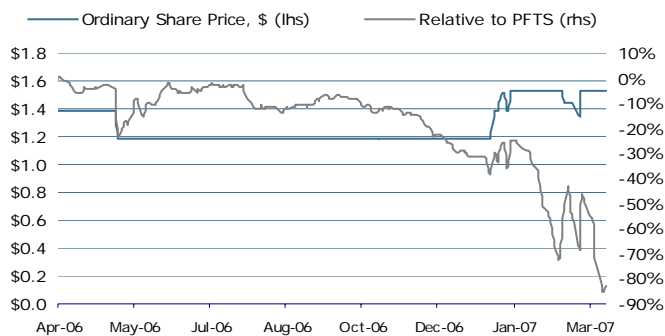
QUARTERLY ANALYSIS, USD mln

	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
Net Revenues	5.9	7.5	9.8	9.1	7.7	11.7	12.4	8.7	11.2	12.5	12.2
<i>Change y-o-y</i>	29.5%	-5.4%	41.9%	51.3%	29.9%	54.9%	26.0%	-4.3%	45.1%	6.8%	-1.4%
EBITDA	0.6	0.9	1.2	1.3	0.6	1.4	1.0	0.7	0.7	1.1	1.1
<i>margin, %</i>	9.4%	12.0%	12.1%	13.8%	8.2%	12.2%	8.2%	8.3%	6.6%	9.0%	8.8%
EBIT	0.3	0.7	0.9	0.9	0.3	1.1	0.6	0.3	0.4	0.8	0.7
<i>margin, %</i>	5.0%	8.7%	8.9%	10.0%	4.1%	9.3%	5.2%	3.2%	3.2%	6.2%	6.1%
Net Income	0.2	0.5	0.6	0.5	0.1	0.9	0.4	0.3	0.3	0.5	0.5
<i>Net Margin, %</i>	2.9%	6.3%	5.9%	5.8%	1.7%	7.4%	3.3%	3.0%	2.4%	3.9%	4.2%

Kharkiv Tractor

HTZD UZ

Miscellaneous Manufacturers

<http://www.traktor-plant.kharkov.com>
Target Price (USD)
N/R
Upside
n/a
SHARE PRICE PERFORMANCE*

BUSINESS OVERVIEW

Kharkiv Tractor is the only producer of general-purpose tractors in Ukraine and the CIS. The company produces agricultural tractors and special-purpose tractors with a capacity of 14-240 h.p., spare parts and more. Currently, the plant produces around 2 ths tractors p.a., while it manufactured up to 50 ths tractors annually during Soviet times.

Its key export markets are Russia, Kazakhstan, Uzbekistan, Lithuania, Moldova, Estonia, Romania, Bulgaria, Hungary, Poland and Mongolia. In 2006 the company accounted for 8.7% of the Ukrainian market and 4.2% of the Russian market.

The company plans to invest USD 105 mln in its development. Tractors sales are planned to increase by 1 ths units in 2007.

The Russian magnate Oleg Deripaska, who has stakes in the other machine building holdings, is interested in purchasing Kharkiv Tractor.

In 9M06, the company's net revenues decreased by 13.3% yoy to USD 54.6 mln, EBITDA by 20% to USD 2.3 mln, and EBITDA margin to 4.2% from 4.6% in 9M05.

In 2006 Kharkiv Tractor slightly reduced its production to 2000 units (down 4.8% yoy).

* PFTS BID Price is used

** Price "Impact" is the opinion of Concorde's trading desk on stocks to help investors estimate the reliability of quoted prices:

1: Market price reaction remains within 10% in execution of a market order of about USD 10 mln in size
 2: Market price reaction remains within 10% in execution of a market order of about USD 1 mln in size
 3: All other stocks (quoted price is less reliable and should be considered indicative)

Note: data (market information, price changes) as of 30 Mar 2007

MARKET INFORMATION

Market price*, USD	1.52
Price impact**	3
52 Wk H/L, USD	1.52 / 1.35
Chg 3m/6m/52w	n/a / n/a / n/a
Chg vs PFTS 3m/6m/52w	-65% / -104% / -93%
Chg YTD	n/a
Avg Mo Tr Vol 6M, USD mln	14.6
MCap, USD mln	26.5
Free float, %	5.6%
FF MCap, USD mln	1.5
No of shares, mln	17.4
Par Value, UAH	0.25
XETRA	n/a
DR Ratio	n/a
Avg Mo Tr Vol 6M, USD ths	n/a

STOCK OWNERSHIP

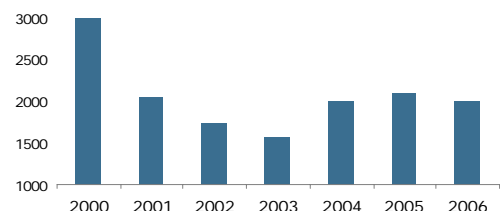
Ukrsib Group	66.8%
State	27.6%
Other	5.6%

MARKET MULTIPLES

	2006E	2007E
EV/Sales	1.3	n/a
EV/EBITDA	30.3	n/a
P/E	-12.4	n/a
P/B	1.4	n/a
P/CF	49.2	n/a

KEY RATIOS

	2005	2006E	2007E
EBITDA margin	3%	4%	n/a
Net Margin	-7%	-4%	n/a
ROE	-19%	-10%	n/a
Net Debt/Equity	2.23	2.4	n/a

Tractor Output, units


INCOME STATEMENT SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Net Revenues	45.9	37.5	54.9	75.3	54.6	n/a	n/a
<i>Change y-o-y</i>	-	-18.4%	46.5%	37.1%	-13.3%	n/a	n/a
Gross Profit	2.0	1.5	8.6	15.4	6.7	n/a	n/a
EBITDA	(4.4)	(4.7)	(1.4)	2.1	2.3	n/a	n/a
<i>margin, %</i>	-9.7%	-12.6%	-2.5%	2.8%	4.2%	n/a	n/a
Depreciation	(3.3)	(3.4)	(3.5)	(3.4)	(2.6)	n/a	n/a
EBIT	(7.8)	(8.1)	(4.8)	(1.3)	(0.3)	n/a	n/a
<i>margin, %</i>	-16.9%	-21.6%	-8.8%	-1.7%	-0.5%	n/a	n/a
Interest Expense	(3.0)	(2.4)	(3.5)	(5.8)	(1.7)	n/a	n/a
Other income/(expense)	0.6	(2.8)	(1.4)	1.7	(0.1)	n/a	n/a
PBT	(10.1)	(13.4)	(9.7)	(5.4)	(2.0)	n/a	n/a
Tax	-	-	-	-	(0.0)	n/a	n/a
<i>Effective tax rate</i>	0.0%	0.0%	0.0%	0.0%	-0.3%	n/a	n/a
Net Income	(10.1)	(13.3)	(9.7)	(5.4)	(2.1)	n/a	n/a
<i>Net Margin, %</i>	-22.0%	-35.6%	-17.7%	-7.2%	-3.8%	n/a	n/a

BALANCE SHEET SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Current Assets	36.5	35.5	41.9	64.7	56.4	n/a	n/a
Cash & Equivalents	0.0	0.1	0.4	1.8	0.1	n/a	n/a
Trade Receivables	6.1	2.4	3.1	9.6	16.4	n/a	n/a
Inventories	27.8	30.1	34.6	46.3	31.7	n/a	n/a
Other	2.5	2.9	3.8	6.9	8.2	n/a	n/a
Fixed Assets	58.1	55.0	52.5	53.8	53.6	n/a	n/a
PP&E, net	55.2	52.3	49.9	48.1	48.2	n/a	n/a
Other	3.0	2.6	2.5	5.7	5.4	n/a	n/a
Total Assets	94.6	90.5	94.4	118.6	110.0	n/a	n/a
Shareholders' Equity	49.4	35.2	29.4	27.6	25.9	n/a	n/a
Share Capital	0.8	0.8	0.8	0.9	0.9	n/a	n/a
Retained Earnings	-	-	-	(4.5)	(6.5)	n/a	n/a
Other	48.6	34.4	28.6	31.2	31.5	n/a	n/a
Current Liabilities	36.5	51.2	59.5	55.8	49.7	n/a	n/a
ST Interest Bearing Debt	12.8	25.9	34.0	31.6	27.5	n/a	n/a
Trade Payables	12.9	9.7	13.4	10.7	10.6	n/a	n/a
Other	10.7	15.6	12.1	13.5	14.5	n/a	n/a
LT Liabilities	8.7	4.1	5.5	35.2	34.4	n/a	n/a
LT Interest Bearing Debt	6.5	2.4	-	31.8	31.9	n/a	n/a
Other	2.3	1.7	5.5	3.4	2.5	n/a	n/a
Total Liabilities & Equity	94.6	90.5	94.4	118.6	110.0	n/a	n/a

QUARTERLY ANALYSIS, USD mln

	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
Net Revenues	14.5	14.3	12.7	13.4	14.0	21.5	27.4	12.4	18.9	18.4	17.3
<i>Change y-o-y</i>	60.0%	52.5%	40.7%	34.0%	-3.6%	50.3%	115.9%	-7.5%	34.9%	-14.4%	-37.0%
EBITDA	(1.0)	0.3	0.3	(1.0)	0.0	0.4	2.5	(0.8)	(0.2)	2.1	0.5
<i>margin, %</i>	-6.6%	1.9%	2.2%	-7.1%	0.1%	2.0%	8.9%	-6.3%	-1.2%	11.2%	2.7%
EBIT	(1.8)	(0.6)	(0.6)	(1.8)	(0.8)	(0.4)	1.6	(1.6)	(1.1)	1.2	(0.4)
<i>margin, %</i>	-12.5%	-4.1%	-4.6%	-13.6%	-5.9%	-2.0%	5.8%	-13.2%	-5.7%	6.6%	-2.3%
Net Income	(2.2)	(1.5)	(1.5)	(4.5)	(0.6)	0.6	(0.0)	(5.5)	(2.2)	0.3	(0.2)
<i>Net Margin, %</i>	-15.3%	-10.4%	-11.9%	-33.6%	-4.1%	2.7%	0.0%	-43.9%	-11.7%	1.9%	-1.2%

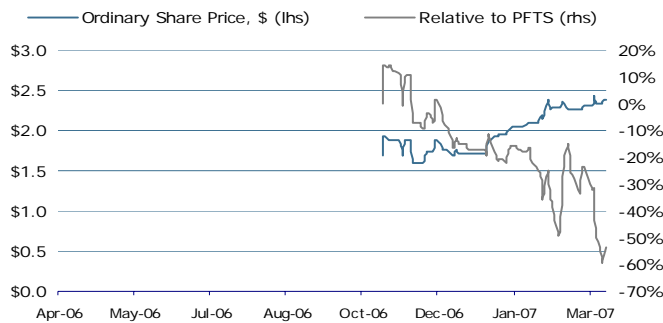
Kryukiv Wagon

KVBZ UZ

Miscellaneous Manufacturers

<http://www.kvsz.com>
Target Price (USD)
N/R
Upside
n/a

SHARE PRICE PERFORMANCE*



ILsted on PFTS since 7 Nov 2006

BUSINESS OVERVIEW

Kryukiv Wagon is the only producer in Ukraine that makes both passenger and freight wagons. The plant's production capacity is 200 ths passenger and 8 ths freight wagons p.a. Kryukiv Wagon exports around 70% of its output to the CIS and Iran.

Ukrzaliznytsya's orders for passenger wagons account for 10% of the company's sales. In 2006, the company reduced production volumes by 27.9% yoy to USD 198 mln. Management explains that the reduction was due to tightening competition and a switch toward the development of a new type of wagon. In reality, the company relied on significant orders from Ukrzaliznytsya, only 10% of which were realized. Kryukiv Wagon produced a total of 4.42 ths wagons of 11 different types in 2006.

In 2006 the company's net income reduced 36.7% yoy to USD 18.3 mln.

* PFTS MID Price is used

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Note: data (market information, price changes) as of 30 Mar 2007

MARKET INFORMATION

Market price*, USD	2.44
Price impact**	3
52 Wk H/L, USD	2.44 / 1.60
Chg 3m/6m/52w	43% / n/a / n/a
Chg vs PFTS 3m/6m/52w	-22% / -104% / -93%
Chg YTD	43%
Avg Mo Tr Vol 6M, USD ths	133.15
MCap, USD mln	279.3
Free float, %	2.0%
FF MCap, USD mln	5.6
No of shares, mln	114.7
Par Value, UAH	0.75
XETRA	n/a
DR Ratio	n/a
Avg Mo Tr Vol 6M, USD ths	n/a

STOCK OWNERSHIP

Severstal Trans	25.0%
TAS Group	27.0%
Physical persons	14.0%
Other	34.0%

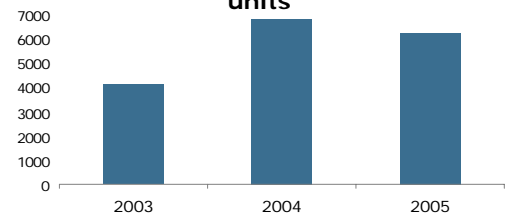
MARKET MULTIPLES

	2006E	2007E
EV/Sales	1.2	1.1
EV/EBITDA	8.2	7.5
P/E	13.1	11.8
P/B	2.3	1.9
P/CF	12.2	11.1

KEY RATIOS

	2005	2006E	2007E
EBITDA margin	15%	14%	14%
Net Margin	11%	9%	9%
ROE	41%	21%	19%
Net Debt/Equity	-0.1	-0.1	-0.01

Freight Carriages Output, units



INCOME STATEMENT SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Net Revenues	64.2	165.1	249.8	272.2	145.1	n/a	n/a
<i>Change y-o-y</i>	-	157.2%	51.3%	9.0%	-27.1%	n/a	n/a
Gross Profit	12.4	32.2	43.0	56.8	27.3	n/a	n/a
EBITDA	9.7	27.2	31.1	40.7	20.1	n/a	n/a
<i>margin, %</i>	15.1%	16.5%	12.5%	15.0%	13.9%	n/a	n/a
Depreciation	(1.2)	(1.5)	(1.4)	(1.5)	(1.5)	n/a	n/a
EBIT	8.5	25.7	29.7	39.2	18.6	n/a	n/a
<i>margin, %</i>	13.2%	15.6%	11.9%	14.4%	12.8%	n/a	n/a
Interest Expense	(0.0)	(0.0)	(0.3)	(0.1)	(0.2)	n/a	n/a
Other income/(expense)	(1.2)	(1.8)	(1.9)	(0.4)	(1.0)	n/a	n/a
PBT	7.2	23.9	27.6	38.8	17.4	n/a	n/a
Tax	(3.3)	(8.1)	(10.5)	(9.7)	(2.0)	n/a	n/a
<i>Effective tax rate</i>	45.8%	33.8%	38.2%	25.1%	11.2%	n/a	n/a
Net Income	3.9	15.8	17.0	28.9	15.5	n/a	n/a
<i>Net Margin, %</i>	6.1%	9.6%	6.8%	10.6%	10.7%	n/a	n/a

BALANCE SHEET SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Current Assets	32.3	50.3	80.2	98.1	106.9	n/a	n/a
Cash & Equivalents	0.5	3.7	7.1	11.2	5.2	n/a	n/a
Trade Receivables	5.6	3.9	9.8	17.9	20.8	n/a	n/a
Inventories	19.2	29.7	40.6	50.3	61.4	n/a	n/a
Other	7.1	13.0	22.6	18.7	19.5	n/a	n/a
Fixed Assets	20.6	23.0	24.5	31.5	36.1	n/a	n/a
PP&E, net	15.0	15.8	19.7	26.5	29.3	n/a	n/a
Other	5.6	7.1	4.8	5.0	6.7	n/a	n/a
Total Assets	52.9	73.3	104.7	129.6	142.9	n/a	n/a
Shareholders' Equity	36.3	52.2	69.7	100.6	115.8	n/a	n/a
Share Capital	0.1	0.3	0.3	17.0	17.0	n/a	n/a
Retained Earnings	6.6	-	14.1	42.2	51.9	n/a	n/a
Other	29.6	51.9	55.3	41.4	46.8	n/a	n/a
Current Liabilities	16.3	20.9	35.0	29.0	27.1	n/a	n/a
ST Interest Bearing Debt	0.8	-	-	1.3	3.2	n/a	n/a
Trade Payables	2.7	2.6	5.7	8.4	5.2	n/a	n/a
Other	12.9	18.3	29.3	19.3	20.0	n/a	n/a
LT Liabilities	0.3	0.2	0.0	0.0	0.0	n/a	n/a
LT Interest Bearing Debt	-	-	-	-	-	n/a	n/a
Other	0.3	0.2	0.0	0.0	0.0	n/a	n/a
Total Liabilities & Equity	52.9	73.3	104.7	129.6	142.9	n/a	n/a

QUARTERLY ANALYSIS, USD mln

	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
Net Revenues	55.6	57.7	66.1	70.4	70.0	71.3	57.8	73.1	40.0	58.5	46.6
<i>Change y-o-y</i>	72.5%	70.0%	39.3%	36.7%	25.8%	23.6%	-12.5%	3.9%	-42.9%	-18.0%	-19.4%
EBITDA	8.3	6.3	7.6	9.0	12.9	9.8	7.4	10.7	6.0	9.1	5.1
<i>margin, %</i>	14.8%	10.9%	11.5%	12.7%	18.4%	13.7%	12.7%	14.6%	14.9%	15.5%	10.9%
EBIT	7.8	5.9	7.3	8.6	12.6	9.4	7.0	10.3	5.5	8.6	4.5
<i>margin, %</i>	14.1%	10.3%	11.1%	12.3%	18.0%	13.2%	12.0%	14.0%	13.8%	14.7%	9.7%
Net Income	7.4	3.1	4.9	1.6	12.5	6.3	4.2	5.9	5.2	6.1	4.1
<i>Net Margin, %</i>	13.3%	5.4%	7.4%	2.3%	17.9%	8.8%	7.3%	8.0%	13.1%	10.4%	8.8%

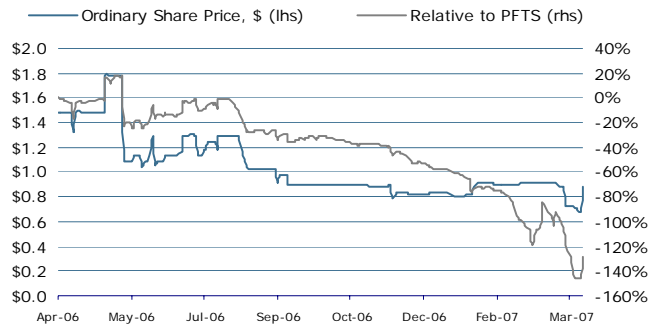
Ukrgraphite

UGRA UZ

Miscellaneous Manufacturers

<http://www.ukrgrafit.com.ua>
Target Price (USD)
N/R
Upside
n/a

SHARE PRICE PERFORMANCE*



MARKET INFORMATION

Market price*, USD	0.88
Price impact**	3
52 Wk H/L, USD	1.78 / 0.67
Chg 3m/6m/52w	10% / -1% / -41%
Chg vs PFTS 3m/6m/52w	-55% / -105% / -133%
Chg YTD	10%
Avg Mo Tr Vol 6M, USD ths	64.58
MCap, USD mln	61.5
Free float, %	9.0%
FF MCap, USD mln	5.5
No of shares, mln	69.8
Par Value, UAH	3.35
XETRA	n/a
DR Ratio	n/a
Avg Mo Tr Vol 6M, USD ths	n/a

BUSINESS OVERVIEW

Ukrgraphite is a leading producer of graphite electrodes (used in electric arc furnaces), carbon paste and carbon-based lining materials for metallurgical, machine-building and chemical industries. Ukrgraphite exports its products to Belgium, Germany, Spain, Hungary, Czech Republic, Slovakia, Poland, Romania, the United States, Brazil, Australia, CIS and Baltic countries, with the latter two accounting for 47% of total sales. Around 45% of the company's sales are made to more than 60 domestic machine-building, chemical and steel plants. In 2006, Ukrgraphite conducted a USD 30 mln share capital increase in order to finance capacity expansion. The company plans to develop cost-cutting measures and further diversify exports.

The company posted decrease in net income from positive USD 3.4 mln in 2005 to negative USD 1.9 mln in 2006.

UPCOMING EVENTS

17 Apr 2007 AGM

* PFTS MID Price is used

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- 2: Market price reaction remains within 10% in execution of a market order of about USD 1 mln in size
- 3: All other stocks (quoted price is less reliable and should be considered indicative)

Note: data (market information, price changes) as of 30 Mar 2007

STOCK OWNERSHIP

SUAL	91.0%
Other	9.0%

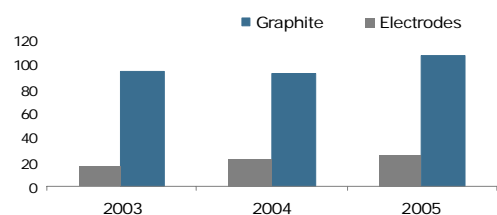
MARKET MULTIPLES

	2006E	2007E
EV/Sales	0.6	n/a
EV/EBITDA	26.9	n/a
P/E	-32.4	n/a
P/B	1.3	n/a
P/CF	45.7	n/a

KEY RATIOS

	2005	2006E	2007E
EBITDA margin	9%	2%	n/a
Net Margin	4%	-2%	n/a
ROE	8%	-4%	n/a
Net Debt/Equity	-0.04	-0.03	n/a

Output, ths mt



INCOME STATEMENT SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Net Revenues	44.4	61.0	65.1	94.3	70.0	n/a	n/a
<i>Change y-o-y</i>	-	37.4%	6.8%	44.8%	-4.4%	n/a	n/a
Gross Profit	6.8	11.6	13.3	18.1	11.1	n/a	n/a
EBITDA	0.5	4.1	5.7	8.7	2.2	n/a	n/a
<i>margin, %</i>	1.2%	6.7%	8.8%	9.3%	3.1%	n/a	n/a
Depreciation	(2.9)	(2.5)	(2.3)	(3.0)	(2.4)	n/a	n/a
EBIT	(2.4)	1.6	3.4	5.8	(0.2)	n/a	n/a
<i>margin, %</i>	-5.3%	2.7%	5.2%	6.1%	-0.3%	n/a	n/a
Interest Expense	(0.4)	(0.1)	(0.0)	(0.0)	(0.0)	n/a	n/a
Other income/(expense)	0.1	(0.2)	(0.1)	0.0	(0.6)	n/a	n/a
PBT	(2.7)	1.3	3.3	5.8	(0.8)	n/a	n/a
Tax	(0.0)	(0.5)	(1.8)	(2.4)	(0.1)	n/a	n/a
<i>Effective tax rate</i>	0.0%	39.4%	53.4%	40.8%	-7.6%	n/a	n/a
Net Income	(2.7)	0.8	1.5	3.4	(0.9)	n/a	n/a
<i>Net Margin, %</i>	-6.1%	1.3%	2.3%	3.6%	-1.2%	n/a	n/a

BALANCE SHEET SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Current Assets	31.2	28.3	33.9	39.5	43.1	n/a	n/a
Cash & Equivalents	0.3	1.0	1.6	2.1	1.6	n/a	n/a
Trade Receivables	9.8	6.1	5.8	7.5	9.8	n/a	n/a
Inventories	18.6	17.8	23.4	27.6	29.5	n/a	n/a
Other	2.6	3.5	3.0	2.2	2.2	n/a	n/a
Fixed Assets	31.2	31.5	33.7	41.9	39.1	n/a	n/a
PP&E, net	27.1	26.1	26.4	32.9	35.0	n/a	n/a
Other	4.1	5.4	7.3	9.0	4.1	n/a	n/a
Total Assets	62.4	59.8	67.5	81.4	82.2	n/a	n/a
Shareholders' Equity	28.1	37.8	43.1	48.4	74.7	n/a	n/a
Share Capital	14.1	23.3	26.9	28.3	58.1	n/a	n/a
Retained Earnings	(2.7)	1.0	1.8	3.1	(1.0)	n/a	n/a
Other	16.7	13.5	14.3	17.0	17.5	n/a	n/a
Current Liabilities	32.9	21.9	24.3	32.3	6.8	n/a	n/a
ST Interest Bearing Debt	0.9	-	-	0.0	0.0	n/a	n/a
Trade Payables	22.8	21.0	23.0	29.9	4.9	n/a	n/a
Other	9.1	0.9	1.4	2.4	2.9	n/a	n/a
LT Liabilities	1.5	0.1	0.1	0.7	0.7	n/a	n/a
LT Interest Bearing Debt	1.3	-	-	-	-	n/a	n/a
Other	0.2	0.1	0.1	0.7	0.7	n/a	n/a
Total Liabilities & Equity	62.4	59.8	67.5	81.4	82.2	n/a	n/a

QUARTERLY ANALYSIS, USD mln

	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
Net Revenues	15.4	16.8	16.8	16.1	23.5	25.3	24.3	21.1	19.8	24.0	26.2
<i>Change y-o-y</i>	13.3%	4.1%	8.5%	2.2%	53.2%	50.4%	44.7%	30.9%	-16.1%	-5.2%	7.7%
EBITDA	1.7	1.5	2.2	0.3	4.1	3.5	1.6	(0.4)	0.5	0.9	0.7
<i>margin, %</i>	11.4%	8.9%	13.3%	1.6%	17.4%	13.6%	6.6%	-2.1%	2.7%	3.9%	2.7%
EBIT	1.2	0.9	1.7	(0.3)	3.5	2.8	0.8	(1.3)	(0.3)	0.1	(0.1)
<i>margin, %</i>	7.6%	5.5%	9.8%	-2.0%	14.8%	11.0%	3.1%	-6.1%	-1.5%	0.6%	-0.3%
Net Income	0.9	0.7	1.3	(1.4)	2.8	2.1	0.7	(2.1)	(0.7)	(0.0)	(0.2)
<i>Net Margin, %</i>	5.7%	4.0%	7.9%	-8.5%	11.9%	8.1%	2.8%	-10.0%	-3.5%	0.0%	-0.7%

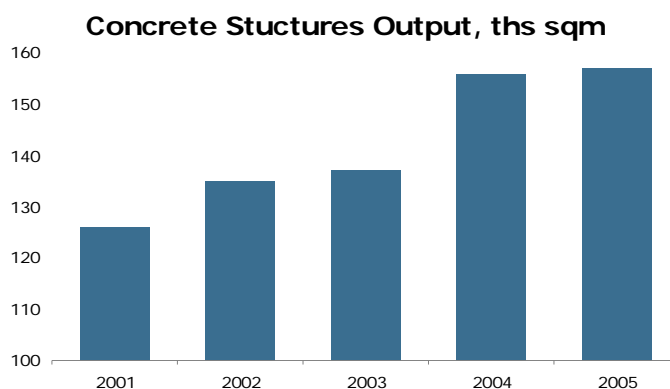
Kovalska Reinforced Concrete

Building Materials

Target Price (USD)
N/R
Upside (%)
n/a

BUSINESS OVERVIEW

Kovalska Reinforced Concrete is currently the largest producer of construction materials in Ukraine and one of the leading producers in Europe. The company manufactures concrete of all types, paving slabs, mortar and other concrete and reinforced concrete products, with 30 types and 300 product titles in total. It also does concrete pouring. All the company's products are ISO 9001:2000 certified. The plant's capacity is 700 ths cm of concrete per year. Kovalska Reinforced Concrete sells 100% of its output domestically. Its main customers are Ukraine's road building monopoly Ukravtodor, railway monopoly Ukrzaliznytsya and city administrations. In 2006 Kovalska Reinforced Concrete posted growth in net income by 40.4% yoy growth to USD 5.6 mln.



* The stock is not listed on PFTS

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- 2: Market price reaction remains within 10% in execution of a market order of about USD 1 mln in size
- 3: All other stocks (quoted price is less reliable and should be considered indicative)

Note: data (market information, price changes) as of 30 Mar 2007

MARKET INFORMATION

Market price*, USD	n/a
Price impact**	n/a
52 Wk H/L, USD	n/a
Chg 3m/6m/52w	14.9%
Chg vs PFTS 3m/6m/52w	n/a
Chg YTD	n/a
Avg Mo Tr Vol 6M, USD ths	n/a
MCap, USD mln	n/a
Free float, %	21.8%
FF MCap, USD mln	n/a
No of shares, mln	18.3
Par Value, UAH	0.25
XETRA	n/a
DR Ratio	n/a
Avg Mo Tr Vol 6M, USD ths	n/a

STOCK OWNERSHIP

Management	78.2%
Other	21.8%

MARKET MULTIPLES

	2006E	2007E
EV/Sales	n/a	n/a
EV/EBITDA	n/a	n/a
P/E	n/a	n/a
P/B	n/a	n/a
P/CF	n/a	n/a

KEY RATIOS

	2005	2006E	2007E
EBITDA margin	6%	6%	n/a
Net Margin	4.4%	4.4%	n/a
ROE	30%	32%	n/a
Net Debt/Equity	-0.4	-0.5	n/a

INCOME STATEMENT SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Net Revenues	30.5	52.1	68.4	89.9	63.7	n/a	n/a
<i>Change y-o-y</i>	-	71.1%	31.3%	31.4%	70.7%	n/a	n/a
Gross Profit	4.7	4.8	8.9	12.2	8.9	n/a	n/a
EBITDA	3.5	3.6	4.7	5.5	4.4	n/a	n/a
<i>margin, %</i>	11.4%	6.9%	6.9%	6.1%	6.9%	n/a	n/a
Depreciation	(0.5)	(0.7)	(0.7)	(0.7)	(0.5)	n/a	n/a
EBIT	2.9	2.9	4.0	4.8	3.9	n/a	n/a
<i>margin, %</i>	9.6%	5.6%	5.8%	5.4%	6.1%	n/a	n/a
Interest Expense	(0.0)	-	-	-	-	n/a	n/a
Other income/(expense)	(0.0)	0.1	0.4	0.5	0.3	n/a	n/a
PBT	2.9	3.0	4.3	5.3	4.2	n/a	n/a
Tax	(0.9)	(1.0)	(1.3)	(1.4)	(1.1)	n/a	n/a
<i>Effective tax rate</i>	29.8%	33.6%	29.4%	25.7%	25.3%	n/a	n/a
Net Income	2.1	2.0	3.1	4.0	3.1	n/a	n/a
<i>Net Margin, %</i>	6.7%	3.9%	4.5%	4.4%	4.9%	n/a	n/a

BALANCE SHEET SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Current Assets	6.0	8.1	11.0	14.9	13.7	n/a	n/a
Cash & Equivalents	2.2	3.5	3.6	7.5	5.7	n/a	n/a
Trade Receivables	1.2	2.5	3.3	4.4	5.1	n/a	n/a
Inventories	2.1	1.1	1.0	1.6	1.5	n/a	n/a
Other	0.4	0.9	3.1	1.3	1.4	n/a	n/a
Fixed Assets	5.3	6.0	6.1	9.3	9.3	n/a	n/a
PP&E, net	4.2	4.3	4.5	7.6	7.6	n/a	n/a
Other	1.2	1.7	1.6	1.7	1.7	n/a	n/a
Total Assets	11.3	14.1	17.2	24.2	23.0	n/a	n/a
Shareholders' Equity	8.3	10.4	13.0	17.3	16.5	n/a	n/a
Share Capital	0.2	0.3	0.3	0.3	0.3	n/a	n/a
Retained Earnings	3.7	5.6	8.2	5.4	4.6	n/a	n/a
Other	4.5	4.5	4.5	11.6	11.6	n/a	n/a
Current Liabilities	2.9	3.7	4.2	5.5	6.5	n/a	n/a
ST Interest Bearing Debt	-	-	-	-	-	n/a	n/a
Trade Payables	2.2	2.2	1.5	2.5	3.0	n/a	n/a
Other	0.8	1.5	2.6	3.0	4.8	n/a	n/a
LT Liabilities	-	-	-	1.4	-	n/a	n/a
LT Interest Bearing Debt	-	-	-	1.4	-	n/a	n/a
Other	-	-	-	-	-	n/a	n/a
Total Liabilities & Equity	11.3	14.1	17.2	24.2	23.0	n/a	n/a

QUARTERLY ANALYSIS, USD mln

	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
Net Revenues	13.5	3.9	19.9	31.1	13.3	22.4	28.0	26.2	20.8	33.1	41.7
<i>Change y-o-y</i>	48.9%	-70.2%	33.3%	109.1%	-1.3%	468.7%	40.5%	-15.8%	56.8%	47.4%	49.0%
EBITDA	1.0	0.5	1.4	1.9	0.9	1.6	1.9	1.1	1.2	1.9	2.5
<i>margin, %</i>	7.1%	11.6%	6.9%	6.1%	6.5%	7.3%	6.9%	4.2%	5.7%	5.9%	6.1%
EBIT	0.8	0.4	1.1	1.7	0.7	1.5	1.7	0.9	0.8	1.6	2.2
<i>margin, %</i>	6.0%	10.4%	5.4%	5.4%	5.2%	6.5%	6.2%	3.5%	3.9%	4.8%	5.3%
Net Income	0.6	0.3	0.6	1.5	0.6	1.1	1.4	0.8	0.8	1.4	1.9
<i>Net Margin, %</i>	4.7%	8.7%	3.1%	4.7%	4.6%	5.0%	5.0%	3.2%	3.8%	4.2%	4.5%

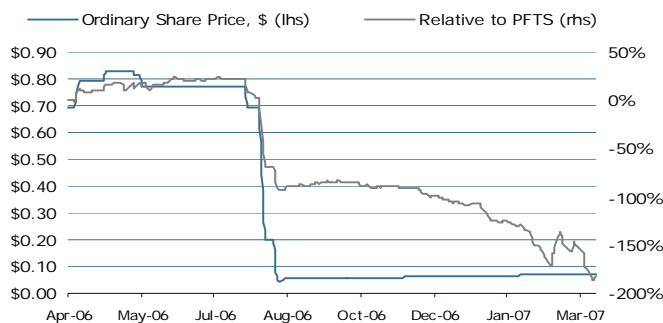
Kramatorsk Cement Pushka

KRCS UZ

Building Materials

<http://www.eurocem.ru>
Target Price (USD)
N/R
Upside
n/a

SHARE PRICE PERFORMANCE*



BUSINESS OVERVIEW

Kramatorsk Cement Pushka (KRCS) is among the top ten producers of cement in Ukraine and is the largest slate producer in the country. The company has a natural resource base of high quality clay and chalk, which ensures a competitive advantage in specialized cements.

The plant's main domestic customers are industrial enterprises in Donetsk, Luhansk, Zaporizhyya, Kharkiv, Sumy and Dnipropetrovsk regions. The company exports its products to CIS countries and Eastern Europe. Exports to Moldova, Hungary and Romania account for 15% of total sales.

In 2005, the company certified 4 types of cement by European quality ISO-9000-9004 international standards. Pushka along with OJSC Baltsem is a part of Eurocement Group Ukraine (a daughter enterprise of the Eurocement Group, Russia that unites 15 plants).

The company's annual capacity is 580 ths mt of cement, 400 ths mt of clinker and 300 mln slates. In 2006 Pushka cut cement production by 8.3% yoy to 604 ths mt, still having worked above its full capacity.

In 9M06 it posted sales growth of 15% yoy to USD 23.1 mln and decreased net income by 45% yoy to USD 0.5 mln.

UPCOMING EVENTS

17 Apr 2007 AGM

* PFTS BID Price is used
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Note: data (market information, price changes) as of 30 Mar 2007

MARKET INFORMATION

Market price*, USD	0.07
Price impact**	3
52 Wk H/L, USD	0.83 / 0.05
Chg 3m/6m/52w	9% / 17% / -90%
Chg vs PFTS 3m/6m/52w	-55% / -88% / -183%
Chg YTD	9%
Avg Mo Tr Vol 6M, USD ths	12.8
MCap, USD mln	29.0
Free float, %	4.2%
FF MCap, USD mln	1.2
No of shares, mln	418.6
Par Value, UAH	0.01
XETRA	n/a
DR Ratio	n/a
Avg Mo Tr Vol 6M, USD ths	n/a

STOCK OWNERSHIP

Eurocement Group	90.1%
Other	9.9%

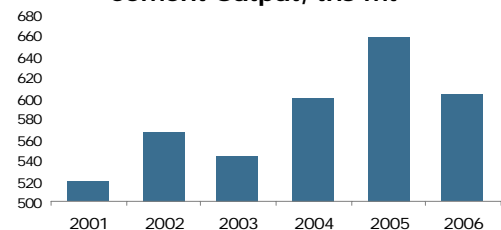
MARKET MULTIPLES

	2006E	2007E
EV/Sales	0.9	n/a
EV/EBITDA	12.2	n/a
P/E	41.2	n/a
P/B	2.5	n/a
P/CF	22.9	n/a

KEY RATIOS

	2005	2006E	2007E
EBITDA margin	8%	7%	n/a
Net Margin	4.1%	2.3%	n/a
ROE	12%	7%	n/a
Net Debt/Equity	-0.04	-0.08	n/a

Cement Output, ths mt



INCOME STATEMENT SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Net Revenues	19.0	21.9	23.0	26.6	23.1	n/a	n/a
<i>Change y-o-y</i>	-	14.8%	5.4%	15.5%	14.8%	n/a	n/a
Gross Profit	3.6	3.8	6.2	7.0	5.3	n/a	n/a
EBITDA	0.9	1.6	3.2	2.1	1.7	n/a	n/a
<i>margin, %</i>	4.5%	7.5%	14.0%	7.8%	7.5%	n/a	n/a
Depreciation	(0.5)	(0.5)	(0.5)	(0.6)	(0.4)	n/a	n/a
EBIT	0.3	1.1	2.7	1.4	1.3	n/a	n/a
<i>margin, %</i>	1.7%	5.2%	11.8%	5.4%	5.7%	n/a	n/a
Interest Expense	(0.1)	(0.1)	(0.0)	(0.0)	-	n/a	n/a
Other income/(expense)	-	0.1	0.1	0.0	(0.0)	n/a	n/a
PBT	0.2	1.1	2.8	1.4	1.3	n/a	n/a
Tax	(0.1)	(0.3)	(0.7)	(0.4)	(0.8)	n/a	n/a
<i>Effective tax rate</i>	29.9%	29.8%	25.0%	24.5%	58.7%	n/a	n/a
Net Income	0.2	0.8	2.1	1.1	0.5	n/a	n/a
<i>Net Margin, %</i>	0.8%	3.5%	9.1%	4.1%	2.3%	n/a	n/a

BALANCE SHEET SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Current Assets	7.2	7.6	5.4	6.6	7.3	n/a	n/a
Cash & Equivalents	0.1	0.3	0.3	0.4	0.9	n/a	n/a
Trade Receivables	0.8	0.8	1.0	1.6	1.6	n/a	n/a
Inventories	4.2	2.6	2.8	3.4	3.2	n/a	n/a
Other	2.1	4.0	1.3	1.2	1.5	n/a	n/a
Fixed Assets	5.6	6.0	7.3	8.5	8.0	n/a	n/a
PP&E, net	5.2	5.6	4.6	4.6	4.4	n/a	n/a
Other	0.4	0.4	2.6	3.9	3.6	n/a	n/a
Total Assets	12.9	13.6	12.7	15.1	15.2	n/a	n/a
Shareholders' Equity	6.3	7.1	9.2	10.7	11.3	n/a	n/a
Share Capital	0.1	0.1	0.1	0.1	0.8	n/a	n/a
Retained Earnings	0.7	1.4	3.5	4.8	4.6	n/a	n/a
Other	5.6	5.6	5.6	5.8	5.9	n/a	n/a
Current Liabilities	6.4	6.2	2.7	3.6	3.1	n/a	n/a
ST Interest Bearing Debt	1.3	2.2	-	-	-	n/a	n/a
Trade Payables	4.8	3.2	1.8	2.5	1.4	n/a	n/a
Other	0.3	0.8	0.9	1.1	2.3	n/a	n/a
LT Liabilities	0.1	0.3	0.8	0.8	0.8	n/a	n/a
LT Interest Bearing Debt	-	-	-	-	-	n/a	n/a
Other	0.1	0.3	0.8	0.8	0.8	n/a	n/a
Total Liabilities & Equity	12.9	13.6	12.7	15.1	15.2	n/a	n/a

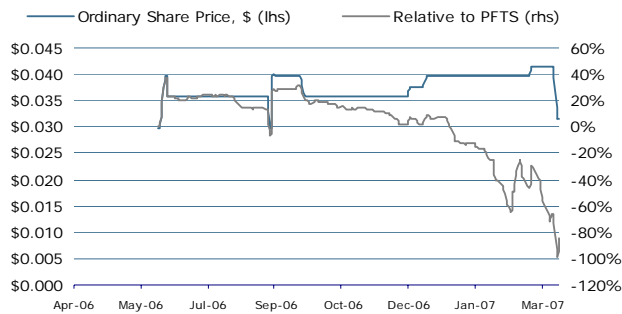
QUARTERLY ANALYSIS, USD mln

	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
Net Revenues	4.8	6.8	6.2	5.2	4.7	7.6	7.8	6.5	4.3	9.3	9.4
<i>Change y-o-y</i>	107.6%	16.8%	-25.2%	-3.4%	-1.0%	11.1%	25.7%	24.2%	-7.5%	22.6%	20.8%
EBITDA	(0.1)	1.3	1.4	0.7	(0.3)	1.4	1.0	(0.1)	(0.4)	1.0	1.1
<i>margin, %</i>	-2.0%	19.0%	21.8%	13.0%	-5.5%	18.6%	13.0%	-1.3%	-8.1%	11.0%	11.3%
EBIT	(0.2)	1.2	1.2	0.5	(0.4)	1.2	0.9	(0.2)	(0.5)	0.9	0.9
<i>margin, %</i>	-4.9%	17.2%	19.9%	10.3%	-8.7%	16.4%	10.9%	-3.7%	-11.4%	9.5%	9.8%
Net Income	(0.3)	0.8	0.6	1.0	(0.6)	0.8	0.7	0.1	(0.5)	0.5	0.5
<i>Net Margin, %</i>	-5.8%	11.7%	10.0%	18.2%	-13.2%	10.9%	9.6%	2.1%	-11.7%	5.9%	5.2%

Zaliv

SZLV UZ

Shipbuilding

<http://zaliv.com>
Target Price (USD)
N/R
Upside
n/a
SHARE PRICE PERFORMANCE*


Listed on PFTS since 8 Jun 2006

BUSINESS OVERVIEW

Zaliv shipyard is a leading producer of large-capacity vessels in Ukraine, specializing in the construction of tankers, small-size container-ships and offshore oil and gas drilling platforms. The company is located in Crimea, on the coast of the Kerchensky strait, between Black and Azov sea at the territory of over 260 ha.

It is able to produce vessels with a capacity of up to 150,000 deadweight mt. The company's management plans to switch from currently producing ship hulls to complete vessels, stating that Zaliv's technical potential allows for it.

Zaliv exports more than 80% of its output to European countries, including Spain, the Netherlands, Greece and Romania, while domestic demand for the company's ships is still low. The company boasts having filled its order book for 2007, enjoying strong foreign demand for merchant ships.

In 2006, the company increased its charter fund by USD 20 mln to USD 45.55 mln. In 9M06 Zaliv posted a 35.8% yoy decrease in net revenues, a negative EBITDA of USD 0.5 mln, down from zero in 9M05 and an unchanged net income of USD 2.1 mln.

* PFTS BID Price is used

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- 3: All other stocks (quoted price is less reliable and should be considered indicative)

Note: data (market information, price changes) as of 30 Mar 2007

MARKET INFORMATION

Market price*, USD	0.04
Price impact**	3
52 Wk H/L, USD	0.04 / 0.03
Chg 3m/6m/52w	5% / 17% / n/a
Chg vs PFTS 3m/6m/52w	-60% / -88% / -93%
Chg YTD	5%
Avg Mo Tr Vol 6M, USD ths	1.0
MCap, USD mln	38.3
Free float, %	13.1%
FF MCap, USD mln	n/a
No of shares, mln	920.2
Par Value, UAH	0.25
XETRA	n/a
DR Ratio	n/a
Avg Mo Tr Vol 6M, USD ths	n/a

STOCK OWNERSHIP

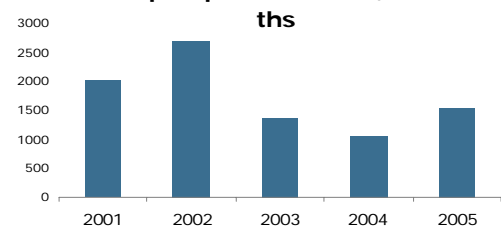
Finance & Credit	86.9%
Other	13.1%

MARKET MULTIPLES

	2006E	2007E
EV/Sales	5.5	n/a
EV/EBITDA	-112.5	n/a
P/E	-13.5	n/a
P/B	1.2	n/a
P/CF	-23.9	n/a

KEY RATIOS

	2005	2006E	2007E
EBITDA margin	-7%	-5%	n/a
Net Margin	-10%	-21%	n/a
ROE	-7%	-8%	n/a
Net Debt/Equity	0.5	1.2	n/a

Ship Repair Services, USD


INCOME STATEMENT SUMMARY, USD mln

	2003	2004	2005	9M06	2007E	2008E
Net Revenues	12.1	9.0	21.0	10.4	n/a	n/a
<i>Change y-o-y</i>	-	-25.6%	133.5%	-35.8%	n/a	n/a
Gross Profit	2.9	2.9	0.6	1.8	n/a	n/a
EBITDA	1.2	0.4	(1.4)	(0.5)	n/a	n/a
<i>margin, %</i>	10.1%	4.3%	-6.7%	-4.9%	n/a	n/a
Depreciation	(0.7)	(0.9)	(1.2)	(0.9)	n/a	n/a
EBIT	0.5	(0.6)	(2.6)	(1.4)	n/a	n/a
<i>margin, %</i>	4.1%	-6.3%	-12.4%	-13.9%	n/a	n/a
Interest Expense	(1.0)	(1.3)	(1.5)	(0.9)	n/a	n/a
Other income/(expense)	(0.5)	0.2	0.2	0.2	n/a	n/a
PBT	(1.0)	(1.7)	(3.9)	(2.1)	n/a	n/a
Tax	-	-	-	-	n/a	n/a
<i>Effective tax rate</i>	0.0%	0.0%	0.0%	0.0%	n/a	n/a
Net Income	(1.0)	(1.7)	(3.9)	(2.1)	n/a	n/a
<i>Net Margin, %</i>	-8.4%	-18.9%	-18.7%	-20.6%	n/a	n/a

BALANCE SHEET SUMMARY, USD mln

	2003	2004	2005	9M06	2007E	2008E
Current Assets	14.6	19.1	21.2	44.9	n/a	n/a
Cash & Equivalents	1.6	0.2	3.8	0.9	n/a	n/a
Trade Receivables	0.4	0.2	4.1	0.2	n/a	n/a
Inventories	9.3	15.6	9.1	17.4	n/a	n/a
Other	3.3	3.1	4.2	26.4	n/a	n/a
Fixed Assets	37.0	39.0	47.6	66.8	n/a	n/a
PP&E, net	35.2	38.6	47.2	46.8	n/a	n/a
Other	1.9	0.4	0.4	20.0	n/a	n/a
Total Assets	51.7	58.0	68.8	111.7	n/a	n/a
Shareholders' Equity	30.8	31.3	35.5	33.4	n/a	n/a
Share Capital	0.2	24.5	25.8	25.8	n/a	n/a
Retained Earnings	(2.4)	(4.0)	(8.2)	(10.1)	n/a	n/a
Other	33.0	10.9	17.9	17.8	n/a	n/a
Current Liabilities	20.6	26.7	19.1	64.1	n/a	n/a
ST Interest Bearing Debt	6.8	11.6	6.5	24.6	n/a	n/a
Trade Payables	2.4	1.0	1.4	0.8	n/a	n/a
Other	11.5	14.1	11.2	39.2	n/a	n/a
LT Liabilities	0.2	-	14.2	14.3	n/a	n/a
LT Interest Bearing Debt	-	-	14.2	14.2	n/a	n/a
Other	0.2	-	-	0.0	n/a	n/a
Total Liabilities & Equity	51.7	58.0	68.8	111.7	n/a	n/a

QUARTERLY ANALYSIS, USD mln

	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
Net Revenues	0.3	0.5	15.3	4.9	0.9	3.3	6.1
<i>Change y-o-y</i>	N/M	N/M	N/M	N/M	181.4%	514.2%	-59.9%
EBITDA	0.0	0.5	(0.5)	(1.4)	(0.2)	(0.1)	(0.2)
<i>margin, %</i>	6.3%	89.1%	-3.2%	-29.1%	-20.6%	-3.9%	-3.1%
EBIT	(0.2)	0.2	(0.8)	(1.7)	(0.5)	(0.4)	(0.5)
<i>margin, %</i>	-74.0%	34.2%	-5.3%	-35.7%	-52.7%	-13.3%	-8.2%
Net Income	(0.7)	(0.4)	(1.1)	(1.8)	(0.5)	(0.5)	(1.1)
<i>Net Margin, %</i>	-200.1%	-68.6%	-7.3%	-36.4%	-58.3%	-14.4%	-18.1%

Motor Sich

MSICH UZ

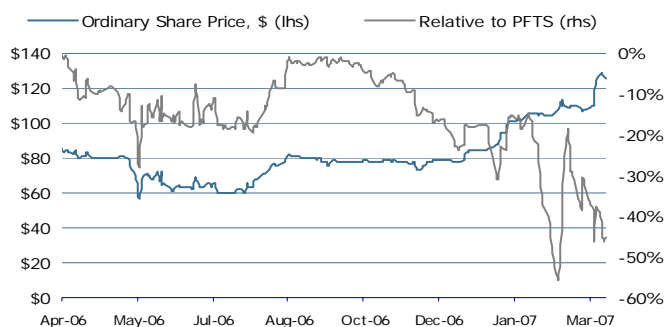
Aerospace

<http://www.motorsich.com>
Target Price (USD)
U/R
Upside
n/a

INVESTMENT CASE

- Certification of AN-148 regional jet in February 2007 will increase company's order book
- JV with Volga-Dniper should restart production of the AN-124 Ruslan, the world's largest cargo plane
- IPO of 15% stake is expected in 2Q07

SHARE PRICE PERFORMANCE*



BUSINESS OVERVIEW

Motor Sich is one of the world's largest producers of aircraft and helicopter engines and the only one in Ukraine. The company's product mix consists of up to 50 different types of aircraft engines for small and mid-size planes, along with engines for the world's largest aircraft, Mriya and Ruslan. Motor Sich also manufactures non-aircraft related products: gas turbines, gas pumping equipment, motor cultivators, separators and board engines, which account for 13-17% of the company's sales. Motor Sich exports more than 80% of its total output, most of which goes to Russia, China and Iran.

In 2Q07 the company is going to conduct an IPO of 15% of its shares on the Frankfurt Stock Exchange. After the IPO, the placement of another significant stake is expected.

In 2006 Motor Sich reported 14.9% yoy growth in net revenues to USD 245.1 mln, and decrease of EBITDA and net margins to 16.2% and 3%, respectively.

* PFTS MID Price is used
 ** Price "Impact" is the opinion of Concorde's trading desk on stocks to help investors estimate the reliability of quoted prices:
 1: Market price reaction remains within 10% in execution of a market order of about USD 10 mln in size
 2: Market price reaction remains within 10% in execution of a market order of about USD 1 mln in size
 3: All other stocks (quoted price is less reliable and should be considered indicative)

Note: data (market information, price changes) as of 30 Mar 2007

MARKET INFORMATION

Market price*, USD	123.7
Price impact**	2
52 Wk H/L, USD	129 / 56
Chg 3m/6m/52w	47% / 57% / 44%
Chg vs PFTS 3m/6m/52w	-17% / -48% / -49%
Chg YTD	47%
Avg Mo Tr Vol 6M, USD ths	1442.25
MCap, USD mln	257.1
Free float, %	12.1%
FF MCap, USD mln	31.2
No of shares, mln	2.1
Par Value, UAH	135.0
XETRA	n/a
DR Ratio	n/a
Avg Mo Tr Vol 6M, USD ths	n/a

STOCK OWNERSHIP

Garant Invest	46.2%
Treasury Stock	15.7%
Physical persons	15.0%
Other	23.1%

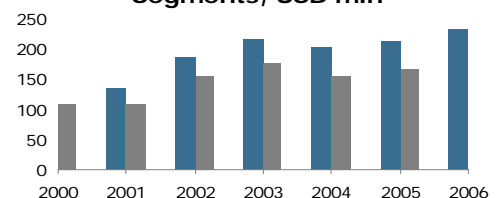
MARKET MULTIPLES

	2006	2007E	
EV/Sales	1.4	1.3	1.5
EV/EBITDA	7.5	7.8	9.2
P/E	26.6	34.3	23.4
P/B	1.0	0.9	0.9
P/CF	9.4	10.0	9.2

KEY RATIOS

	2005	2006	2007E
EBITDA margin	19%	16%	16%
Net Margin	5%	3%	5%
ROE	4%	3%	4%
Net Debt/Equity	0.2	0.2	0.2

Sales Breakdown By Segments, USD mln



INCOME STATEMENT SUMMARY, USD mln

	2003	2004	2005	2006	2007E	2008E
Net Revenues	216.7	203.7	213.2	245.1	n/a	n/a
<i>Change y-o-y</i>	-	-6.0%	4.7%	14.9%	n/a	n/a
Gross Profit	106.4	90.3	89.0	112.1	n/a	n/a
EBITDA	43.3	31.5	40.3	39.8	n/a	n/a
<i>margin, %</i>	20.0%	15.4%	18.9%	16.2%	n/a	n/a
Depreciation	(16.4)	(16.5)	(17.6)	(18.1)	n/a	n/a
EBIT	27.0	14.9	22.7	21.7	n/a	n/a
<i>margin, %</i>	12.4%	7.3%	10.6%	8.8%	n/a	n/a
Interest Expense	(3.8)	(3.7)	(4.9)	(7.0)	n/a	n/a
Other income/(expense)	8.5	2.0	(0.8)	(0.8)	n/a	n/a
PBT	31.6	13.3	17.0	13.9	n/a	n/a
Tax	(9.6)	(3.1)	(7.1)	(6.4)	n/a	n/a
<i>Effective tax rate</i>	30.3%	23.7%	41.9%	46.4%	n/a	n/a
Net Income	22.1	10.0	9.8	7.5	n/a	n/a
<i>Net Margin, %</i>	10.2%	4.9%	4.6%	3.0%	n/a	n/a

BALANCE SHEET SUMMARY, USD mln

	2003	2004	2005	2006	2007E	2008E
Current Assets	174.3	176.3	203.4	241.8	n/a	n/a
Cash & Equivalents	10.5	9.1	14.3	11.0	n/a	n/a
Trade Receivables	20.8	11.4	22.2	28.5	n/a	n/a
Inventories	115.4	126.1	140.2	164.3	n/a	n/a
Other	27.6	29.7	26.7	38.0	n/a	n/a
Fixed Assets	172.4	186.4	204.0	207.2	n/a	n/a
PP&E, net	113.7	121.7	139.3	142.1	n/a	n/a
Other	58.6	64.8	64.7	65.1	n/a	n/a
Total Assets	346.6	362.7	407.4	449.0	n/a	n/a
Shareholders' Equity	235.6	246.2	268.0	276.0	n/a	n/a
Share Capital	50.0	50.1	52.6	58.5	n/a	n/a
Retained Earnings	54.4	64.2	76.6	217.5	n/a	n/a
Other	131.1	131.9	138.8	-	n/a	n/a
Current Liabilities	102.9	109.0	128.3	161.5	n/a	n/a
ST Interest Bearing Debt	25.3	38.5	56.1	63.8	n/a	n/a
Trade Payables	40.2	34.0	28.7	30.9	n/a	n/a
Other	37.4	36.6	43.6	66.9	n/a	n/a
LT Liabilities	8.2	7.5	11.0	11.5	n/a	n/a
LT Interest Bearing Debt	0.6	0.2	-	-	n/a	n/a
Other	7.6	7.3	11.0	11.5	n/a	n/a
Total Liabilities & Equity	346.6	362.7	407.4	449.0	n/a	n/a

QUARTERLY ANALYSIS, USD mln

	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
Net Revenues	45.3	42.7	47.4	68.2	46.5	39.7	60.9	66.1	37.9	43.1	55.2
<i>Change y-o-y</i>	46.0%	-13.5%	-24.6%	-6.9%	2.7%	-7.1%	28.4%	-3.2%	-18.5%	8.4%	-9.3%
EBITDA	9.1	6.5	3.8	12.1	4.8	5.8	14.4	15.3	5.9	5.6	8.0
<i>margin, %</i>	20.1%	15.1%	8.1%	17.7%	10.4%	14.5%	23.6%	23.2%	15.5%	12.9%	14.5%
EBIT	5.2	2.6	(0.5)	7.7	1.3	2.2	7.9	11.3	1.8	1.5	3.6
<i>margin, %</i>	11.4%	6.0%	-1.0%	11.3%	2.8%	5.5%	13.0%	17.1%	4.6%	3.5%	6.4%
Net Income	3.0	2.6	(2.3)	6.7	0.4	(0.3)	5.4	4.3	0.1	0.4	(0.1)
<i>Net Margin, %</i>	6.6%	6.2%	-4.9%	9.8%	0.8%	-0.8%	8.9%	6.5%	0.4%	0.9%	-0.3%

UTILITIES

Electric

Centrenergo
Cherkasyoblenergo
Chernihivoblenergo
Chernivtsioblenergo
Dniproenergo
Dniprooblenergo
Donbasenergo
Donetskoblenergo
Energougol
Kharkivoblenergo
Khersonoblenergo
Khmelnitskoblenergo
Kirovogradoblenergo
Krymenergo
Kyivenergo
Lvivoblenergo
Odessaoblenergo
Poltavaoblenergo
Prykarpatooblenergo
Sevastopolenergo
Sumyoblenergo
Ternopiloblenergo
Vinnitsaoblenergo
Volynoblenergo
Vostokenergo
Zakarpatooblenergo
Zakhidenergo
Zaporizhiaoblenergo
Zhytomiroblenergo

Gas

DnipropetrovskGaz
DonetskoblGaz
Ivano-FrankivskGaz
KharkivGaz
KhmelnitskGaz
KyivoblGaz
LuhanskGaz
LvivGaz
OdessaGaz
PoltavaGaz
ZhytomirGaz

Centrenerg

CEEN UZ

Electric

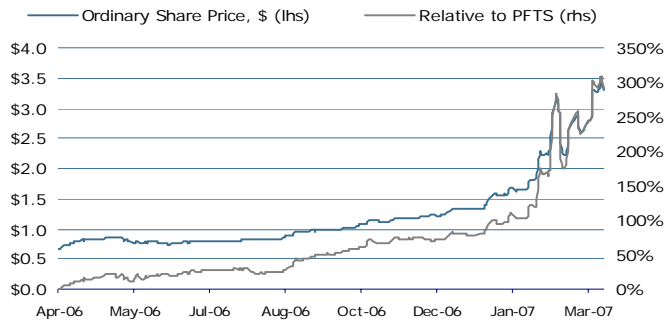
<http://www.centrenerg.com>

Target Price (USD) 3.20
Upside -3%

INVESTMENT CASE

- Improved efficiency and capacity load due to the reconstruction of a 300 MW power unit in 2005, further reconstruction is ahead
- Lower risk of bankruptcy after the company wrote off USD 37 mln in current debt in 3Q06
- Gas-fueled capacity of 3,000 MW (40% of total) is unused due to high gas prices
- 18.3% of the company might be privatized in 2007

SHARE PRICE PERFORMANCE*



BUSINESS OVERVIEW

Centrenerg (CEEN) is the largest thermal power generation company in terms of total installed capacity. The company operates three power plants located in northern and eastern Ukraine: Uglegorsk TPP in Donetsk region, Zmiiv TPP in Kharkiv region and Trypillia TPP in Kyiv region. Centrenerg operates 23 power units with a total capacity of 8.55 GW, 5.55 coal-fueled and 3.0 gas-and-oil-fueled. The latter group has not been in operation since 2004 due to relatively high gas prices. In 2005, a 300 MW power unit at Zmiiv TPP was reconstructed, which allowed the company to increase its profitability and competitiveness on the wholesale market. The company's electricity output grew 16% in 2006 to 14.11 TWh due to export possibilities to Russia.

UPCOMING EVENTS

26 Apr 2007 AGM

* PFTS MID Price is used
 ** Price "Impact" is the opinion of Concorde's trading desk on stocks to help investors estimate the reliability of quoted prices:
 1: Market price reaction remains within 10% in execution of a market order of about USD 10 mln in size
 2: Market price reaction remains within 10% in execution of a market order of about USD 1 mln in size
 3: All other stocks (quoted price is less reliable and should be considered indicative)

Note: data (market information, price changes) as of 30 Mar 2007

MARKET INFORMATION

Market price*, USD	3.31
Price impact**	2
52 Wk H/L, USD	3.42 / 0.68
Chg 3m/6m/52w	150% / 237% / 388%
Chg vs PFTS 3m/6m/52w	85% / 132% / 295%
Chg YTD	150%
Avg Mo Tr Vol 6M, USD ths	3670.21
MCap, USD mln	1221.6
Free float, %	21.7%
FF MCap, USD mln	265.1
No of shares, mln	369.4
Par Value, UAH	1.3
XETRA	DBG
DR Ratio	1:10
Avg Mo Tr Vol 6M, USD ths	519.21

STOCK OWNERSHIP

NC ECU	78.3%
Other	21.7%

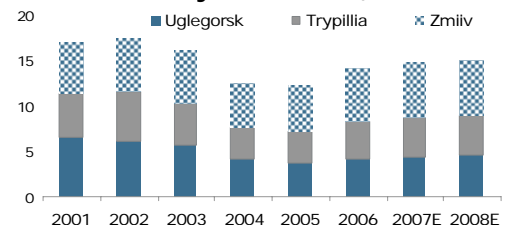
MARKET MULTIPLES

	2006E	2007E
EV/Sales	2.3	2.0
EV/EBITDA	30.4	25.7
P/E	159.2	94.5
P/B	2.9	2.7
P/CF	38.7	30.6

KEY RATIOS

	2005	2006E	2007E
EBITDA margin	10%	8%	9%
Net Margin	3%	1%	2%
ROE	3%	2%	26%
Net Debt/Equity	0.3	0.2	0.6

Electricity Production, TWh



INCOME STATEMENT SUMMARY, USD mln

	2003	2004	2005	2006E	2007E	2008E
Net Revenues	346.4	307.6	380.5	530.6	617.6	686.1
<i>Change y-o-y</i>	-	-11.2%	23.7%	39.1%	16.4%	11.1%
Gross Profit	55.5	51.9	62.9	70.0	84.0	102.9
EBITDA	23.3	38.7	38.3	43.5	57.2	79.0
<i>margin, %</i>	6.7%	12.6%	10.1%	8.2%	9.3%	11.5%
Depreciation	(26.0)	(24.1)	(24.1)	(23.9)	(27.0)	(33.6)
EBIT	(2.7)	14.6	14.1	19.7	30.2	45.4
<i>margin, %</i>	-0.8%	4.7%	3.7%	3.7%	4.9%	6.6%
Interest Expense	(10.3)	(8.9)	(9.2)	(9.4)	(18.4)	(33.4)
Other income/(expense)	(7.1)	(4.5)	14.7	-	-	-
PBT	(20.1)	1.2	19.6	10.2	11.8	12.0
Tax	-	(7.6)	(7.7)	(4.4)	(2.9)	(8.8)
<i>Effective tax rate</i>	0.0%	655.4%	39.4%	25.0%	25.0%	25.0%
Net Income	(20.1)	(6.4)	12.1	7.7	12.9	26.3
<i>Net Margin, %</i>	-5.8%	-2.1%	3.2%	1.4%	2.1%	3.8%

BALANCE SHEET SUMMARY, USD mln

	2003	2004	2005	2006E	2007E	2008E
Current Assets	406.5	380.0	374.1	367.5	377.7	392.7
Cash & Equivalents	3.5	7.9	2.4	5.4	6.4	7.2
Trade Receivables	331.4	325.6	319.0	294.8	293.3	298.5
Inventories	54.6	30.8	37.4	67.3	77.9	87.0
Other	17.0	15.7	15.3	19.0	22.3	25.3
Fixed Assets	535.7	514.0	511.9	520.6	683.6	890.0
PP&E, net	459.7	440.6	498.8	484.7	566.9	746.3
Other	76.0	73.4	13.1	35.9	116.7	143.7
Total Assets	942.2	894.0	886.0	888.1	1,061.3	1,282.8
Shareholders' Equity	403.1	393.7	415.9	422.3	446.3	480.7
Share Capital	90.1	90.5	95.1	90.1	90.1	90.1
Retained Earnings	(99.0)	(110.1)	(102.9)	(99.3)	(92.0)	(70.6)
Other	412.0	413.2	423.7	431.5	448.3	461.3
Current Liabilities	349.7	311.8	317.4	245.8	252.4	273.3
ST Interest Bearing Debt	29.3	27.9	36.2	45.3	50.8	61.7
Trade Payables	238.9	196.4	198.4	117.9	117.3	123.5
Other	81.4	87.4	82.9	82.6	84.3	88.1
LT Liabilities	189.5	188.6	152.7	220.0	362.5	528.7
LT Interest Bearing Debt	90.0	89.6	72.8	60.0	202.5	368.7
Other	99.4	98.9	79.8	160.0	160.0	160.0
Total Liabilities & Equity	942.2	894.0	886.0	888.1	1,061.3	1,282.8

QUARTERLY ANALYSIS, USD mln

	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
Net Revenues	76.0	66.4	115.3	49.8	80.5	78.0	109.0	113.0	144.5	106.1	125.3
<i>Change y-o-y</i>	-33.8%	9.3%	41.5%	-44.1%	5.9%	17.5%	-5.5%	126.7%	79.5%	36.0%	14.9%
EBITDA	4.8	9.4	5.7	18.7	9.7	4.3	21.5	2.7	24.0	8.5	12.2
<i>margin, %</i>	6.3%	14.1%	5.0%	37.6%	12.0%	5.5%	19.8%	2.4%	16.6%	8.0%	9.8%
EBIT	(1.3)	3.2	(1.7)	14.3	4.0	(1.6)	15.2	(3.5)	17.5	1.8	5.6
<i>margin, %</i>	-1.7%	4.9%	-1.5%	28.8%	5.0%	-2.0%	13.9%	-3.1%	12.1%	1.7%	4.5%
Net Income	(0.7)	0.7	(13.2)	6.7	(1.2)	3.1	13.4	(3.2)	9.3	(0.1)	(36.8)
<i>Net Margin, %</i>	-0.9%	1.1%	-11.4%	13.4%	-1.5%	3.9%	12.3%	-2.8%	6.4%	-0.1%	-29.3%

Cherkasyoblenergo

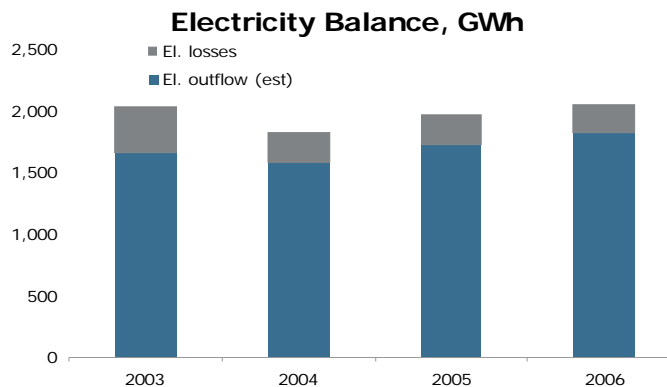
Electric

Target Price (USD)
Upside (%)

N/R
n/a

BUSINESS OVERVIEW

Cherkasyoblenergo (CHON) is an electricity distribution and supply company providing services to the central Cherkasy region (area 20,900 km²; population 1.39 mln). The company owns a 38,500 km transmission grid with a transformer capacity of 3.8 GVA. The company's main customers are chemical enterprises in Cherkasy. The company is controlled by state, which owns only 46% of shares. Other large holders are the state company UkrEsCo (25%) and offshore companies related to Energy Standard. The government might privatize 6% of the company in 2007. The company's operating results are among the lowest in Ukraine. The company supplied 1.82 TWh of electricity in 2006. Preliminary 2006 results show that the company increased sales in 2006 by 24% yoy to USD 68.7 mln, and reduced net income by 15% to USD 3.0 mln.



* The stock is not listed on PFTS
 ** Price "Impact" is the opinion of Concorde's trading desk on stocks to help investors estimate the reliability of quoted prices:
 1: Market price reaction remains within 10% in execution of a market order of about USD 10 mln in size
 2: Market price reaction remains within 10% in execution of a market order of about USD 1 mln in size
 3: All other stocks (quoted price is less reliable and should be considered indicative)

Note: data (market information, price changes) as of 30 Mar 2007

MARKET INFORMATION

Market price*, USD	n/a
Price impact**	n/a
52 Wk H/L, USD	n/a
Chg 3m/6m/52w	n/a
Chg vs PFTS 3m/6m/52w	n/a
Chg YTD	n/a
Avg Mo Tr Vol 6M, USD ths	n/a
MCap, USD mln	n/a
Free float, %	2.3%
FF MCap, USD mln	n/a
No of shares, mln	148.4
Par Value, UAH	0.25
XETRA	n/a
DR Ratio	n/a
Avg Mo Tr Vol 6M, USD ths	n/a

STOCK OWNERSHIP

NC ECU	46.0%
UkrEsCo	25.0%
Other	29.0%

MARKET MULTIPLES

	2006E	2007E
EV/Sales	n/a	n/a
EV/EBITDA	n/a	n/a
P/E	n/a	n/a
P/B	n/a	n/a
P/CF	n/a	n/a

KEY RATIOS

	2005	2006E	2007E
EBITDA margin	13%	11%	11%
Net Margin	5%	5%	5%
ROE	47%	27%	26%
Net Debt/Equity	-0.09	-0.1	-0.04

INCOME STATEMENT SUMMARY, USD mln

	2003	2004	2005	9M06	2007E	2008E
Net Revenues	22.5	57.8	68.7	60.8	n/a	n/a
<i>Change y-o-y</i>	-	156.3%	18.9%	38.2%	n/a	n/a
Gross Profit	11.2	12.4	11.7	12.9	n/a	n/a
EBITDA	2.2	(1.5)	9.2	7.3	n/a	n/a
<i>margin, %</i>	9.7%	-2.5%	13.4%	12.1%	n/a	n/a
Depreciation	(3.3)	(3.6)	(4.0)	(3.1)	n/a	n/a
EBIT	(1.1)	(5.1)	5.2	4.2	n/a	n/a
<i>margin, %</i>	-5.0%	-8.8%	7.6%	6.9%	n/a	n/a
Interest Expense	(0.0)	-	-	(0.0)	n/a	n/a
Other income/(expense)	(0.3)	(0.0)	0.0	(0.3)	n/a	n/a
PBT	(1.4)	(5.1)	5.2	3.9	n/a	n/a
Tax	(1.4)	(1.6)	(1.7)	(2.1)	n/a	n/a
<i>Effective tax rate</i>	-96.4%	-31.4%	31.9%	52.9%	n/a	n/a
Net Income	(2.8)	(6.7)	3.6	1.8	n/a	n/a
<i>Net Margin, %</i>	-12.2%	-11.6%	5.2%	3.0%	n/a	n/a

BALANCE SHEET SUMMARY, USD mln

	2003	2004	2005	9M06	2007E	2008E
Current Assets	21.1	14.6	13.6	11.2	n/a	n/a
Cash & Equivalents	1.3	1.0	1.5	0.7	n/a	n/a
Trade Receivables	14.1	9.4	8.4	6.3	n/a	n/a
Inventories	1.4	1.2	1.3	1.8	n/a	n/a
Other	4.3	2.9	2.4	2.4	n/a	n/a
Fixed Assets	39.2	41.3	50.8	52.1	n/a	n/a
PP&E, net	36.0	38.2	45.6	45.5	n/a	n/a
Other	3.2	3.2	5.2	6.6	n/a	n/a
Total Assets	60.3	55.9	64.4	63.4	n/a	n/a
Shareholders' Equity	14.2	7.6	17.0	18.4	n/a	n/a
Share Capital	7.0	7.0	7.3	7.3	n/a	n/a
Retained Earnings	(43.4)	(50.3)	(49.6)	(48.2)	n/a	n/a
Other	50.6	50.9	59.3	59.3	n/a	n/a
Current Liabilities	46.0	48.2	47.1	44.6	n/a	n/a
ST Interest Bearing Debt	-	-	-	-	n/a	n/a
Trade Payables	40.8	36.8	34.5	27.9	n/a	n/a
Other	5.2	11.4	12.6	18.2	n/a	n/a
LT Liabilities	0.2	0.2	0.4	0.3	n/a	n/a
LT Interest Bearing Debt	-	-	-	-	n/a	n/a
Other	0.2	0.2	0.4	0.3	n/a	n/a
Total Liabilities & Equity	60.3	55.9	64.4	63.4	n/a	n/a

QUARTERLY ANALYSIS, USD mln

	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
Net Revenues	15.8	13.9	14.3	24.7	26.5	17.2	17.1
<i>Change y-o-y</i>	N/M	N/M	N/M	N/M	67.4%	23.8%	19.8%
EBITDA	3.0	2.0	2.3	1.9	0.2	4.1	3.0
<i>margin, %</i>	19.0%	14.8%	15.9%	7.5%	0.8%	23.9%	17.7%
EBIT	2.2	1.1	1.3	0.7	(0.8)	3.0	2.0
<i>margin, %</i>	14.0%	7.7%	8.9%	2.6%	-3.0%	17.7%	11.4%
Net Income	1.6	0.8	1.1	0.0	(1.6)	2.0	1.4
<i>Net Margin, %</i>	10.1%	5.7%	8.0%	0.1%	-6.0%	11.6%	8.5%

Chernihivoblenergo

CHEON UZ

Electric

<http://www.chernigivoblenergo.com.ua>

Target Price (USD)

U/R

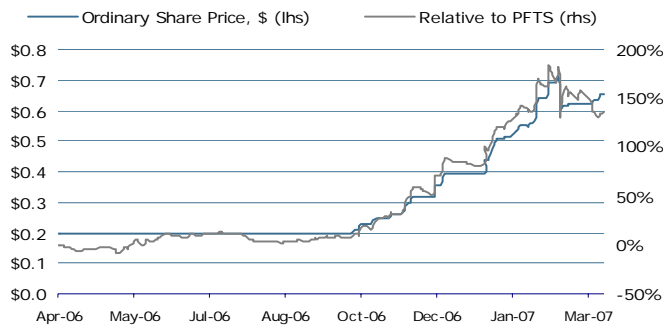
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n/a

INVESTMENT CASE

- No overdue debt to the wholesale energy market
- Among the top GenCos by operating performance
- Conflicts between the two main shareholders; privatization of a 25%+1 stake expected in 2007 is likely to lead to a resolution of the conflict
- Free float is very limited as involved parties have tried to concentrate shares

SHARE PRICE PERFORMANCE*



BUSINESS OVERVIEW

Chernihivoblenergo (CHEON) is an electricity distribution and supply company, providing services to northern Chernihiv region (area 31,900 km²; population 1.2 mln). Its main consumers are Chernigiv Khimvolokno and the Gnidensk Natural Gas Processing Plant. Industrial users account for 38.6% of the company's power supplies, while residential and agricultural users consume 25.8% and 16.2%, respectively. Two rival business groups, Energy Standard and Privat, control 40% of the company's shares, which implies a long corporate conflict. Nevertheless, risks related to this conflict are over-estimated; the company is operated by skilled management and is among the most efficient in the market. We believe that the company is among a group of Oblenergos that are best predisposed to see short-term value growth if tariff policies change. The conflict might be solved in 2007 if the state decides to privatize its 25% stake. In 2007, Chernihivoblenergo intends to spend near USD 5.4 mln on modernization. The company supplied 1.54 TWh of electricity in 2006.

In 9M06 Chernihivoblenergo posted sales growth of 32% yoy to USD 52.7 mln and a 94% yoy decline in net loss to USD 0.04 mln.

MARKET INFORMATION

Market price*, USD	0.63
Price impact**	3
52 Wk H/L, USD	0.71 / 0.20
Chg 3m/6m/52w	60% / 217% / 220%
Chg vs PFTS 3m/6m/52w	-5% / 112% / 127%
Chg YTD	60%
Avg Mo Tr Vol 6M, USD ths	6.5
MCap, USD mln	75.6
Free float, %	9.9%
FF MCap, USD mln	7.5
No of shares, mln	119.3
Par Value, UAH	0.25
XETRA	n/a
DR Ratio	n/a
Avg Mo Tr Vol 6M, USD ths	n/a

STOCK OWNERSHIP

NC ECU	25.0%
EnSt/Privat	40.0%
Privat	25.1%
Other	9.9%

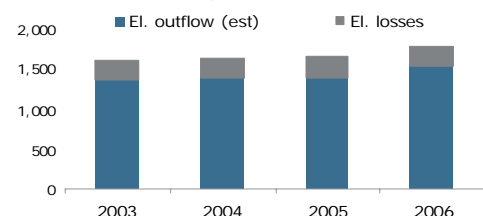
MARKET MULTIPLES

	2006E	2007E
EV/Sales	1.2	0.9
EV/EBITDA	10.9	8.8
P/E	N/M	34.5
P/B	2.4	2.3
P/CF	15.3	10.6

KEY RATIOS

	2005	2006E	2007E
EBITDA margin	9%	11%	11%
Net Margin	-4%	0%	2%
ROE	-6%	0%	7%
Net Debt/Equity	0.27	0.3	0.3

Electricity Balance, GWh



* PFTS BID Price is used
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 2: Market price reaction remains within 10% in execution of a market order of about USD 1 mln in size
 3: All other stocks (quoted price is less reliable and should be considered indicative)

Note: data (market information, price changes) as of 30 Mar 2007

INCOME STATEMENT SUMMARY, USD mln

	2003	2004	2005	9M06	2007E	2008E
Net Revenues	63.0	57.1	56.4	52.7	n/a	n/a
<i>Change y-o-y</i>	-	-9.3%	-1.2%	32.2%	n/a	n/a
Gross Profit	7.7	8.1	6.9	6.6	n/a	n/a
EBITDA	5.8	5.6	4.9	5.0	n/a	n/a
<i>margin, %</i>	9.2%	9.7%	8.8%	9.5%	n/a	n/a
Depreciation	(4.1)	(4.6)	(5.5)	(3.7)	n/a	n/a
EBIT	1.7	0.9	(0.6)	1.3	n/a	n/a
<i>margin, %</i>	2.7%	1.7%	-1.0%	2.5%	n/a	n/a
Interest Expense	(1.2)	(1.5)	(1.9)	(1.3)	n/a	n/a
Other income/(expense)	0.2	(0.2)	0.5	0.0	n/a	n/a
PBT	0.8	(0.7)	(2.0)	(0.0)	n/a	n/a
Tax	(0.8)	(0.2)	-	(0.0)	n/a	n/a
<i>Effective tax rate</i>	100.4%	-29.4%	0.0%	-71.8%	n/a	n/a
Net Income	(0.0)	(0.9)	(2.0)	(0.0)	n/a	n/a
<i>Net Margin, %</i>	0.0%	-1.6%	-3.5%	-0.1%	n/a	n/a

BALANCE SHEET SUMMARY, USD mln

	2003	2004	2005	9M06	2007E	2008E
Current Assets	8.2	8.0	4.6	5.4	n/a	n/a
Cash & Equivalents	0.2	0.1	0.1	0.3	n/a	n/a
Trade Receivables	3.3	2.1	1.5	1.8	n/a	n/a
Inventories	2.7	4.4	2.0	1.9	n/a	n/a
Other	2.1	1.4	1.1	1.4	n/a	n/a
Fixed Assets	41.7	40.6	42.5	42.1	n/a	n/a
PP&E, net	36.0	36.2	39.1	38.8	n/a	n/a
Other	5.6	4.4	3.4	3.3	n/a	n/a
Total Assets	49.9	48.6	47.1	47.4	n/a	n/a
Shareholders' Equity	32.5	31.7	31.4	31.4	n/a	n/a
Share Capital	5.6	5.6	5.9	5.9	n/a	n/a
Retained Earnings	(10.5)	(11.5)	(14.0)	(14.0)	n/a	n/a
Other	37.4	37.6	39.5	39.5	n/a	n/a
Current Liabilities	8.9	11.1	11.4	11.8	n/a	n/a
ST Interest Bearing Debt	4.2	5.2	5.5	5.6	n/a	n/a
Trade Payables	2.9	3.3	1.8	1.6	n/a	n/a
Other	1.7	2.6	4.1	5.4	n/a	n/a
LT Liabilities	8.6	5.7	4.3	4.3	n/a	n/a
LT Interest Bearing Debt	-	4.4	3.0	3.1	n/a	n/a
Other	8.6	1.3	1.2	1.2	n/a	n/a
Total Liabilities & Equity	49.9	48.6	47.1	47.4	n/a	n/a

QUARTERLY ANALYSIS, USD mln

	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
Net Revenues	13.8	14.9	14.6	13.8	14.5	12.4	13.0	16.6	18.8	16.5	17.4
<i>Change y-o-y</i>	-10.2%	39.9%	-13.9%	-31.0%	5.1%	-16.9%	-10.9%	19.7%	29.6%	32.8%	34.4%
EBITDA	1.3	1.6	1.2	1.5	2.5	0.9	1.1	0.5	1.9	1.5	1.5
<i>margin, %</i>	9.2%	10.8%	8.2%	10.7%	17.0%	7.0%	8.4%	3.2%	10.2%	9.4%	8.9%
EBIT	0.3	0.6	(0.1)	0.2	1.2	(0.5)	(0.4)	(0.8)	0.8	0.1	0.3
<i>margin, %</i>	2.1%	3.8%	-0.4%	1.1%	8.2%	-4.0%	-3.2%	-5.1%	4.4%	0.9%	1.9%
Net Income	(0.2)	0.0	(0.5)	(0.2)	0.7	(0.8)	(0.9)	(1.0)	0.3	(0.3)	(0.1)
<i>Net Margin, %</i>	-1.6%	0.2%	-3.5%	-1.4%	5.0%	-6.6%	-6.6%	-6.2%	1.8%	-1.7%	-0.5%

Chernivtsioblenergo

CHEN UZ

Electric

Target Price (USD)

Upside

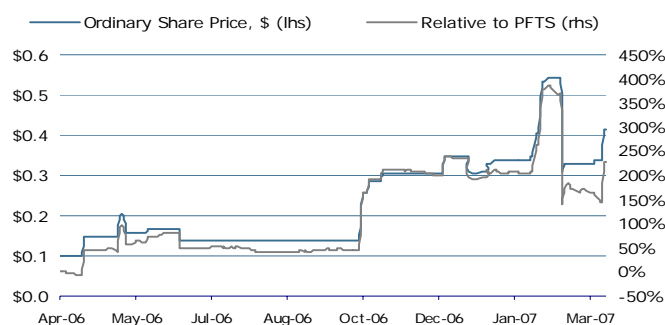
U/R

n/a

INVESTMENT CASE

- Suffers from inefficient management
- Privatization should be the main trigger for value growth

SHARE PRICE PERFORMANCE*



BUSINESS OVERVIEW

Chernivtsioblenergo (CHEN) is an electricity distribution and supply company providing services to the western region of Chernivtsi (area 8,100 km²; population 0.91 mln). The company owns a 17,300 km transmission grid with a 1.44 GVA transformer capacity. Residential users account for around 58.1% of the company's total power supplies; industrial users – 23.3% and agricultural companies and the railway sector together consume 6.2%. The company's main consumers are the water supply company Chernivtsyvodokanal, rubber and shoe manufacturer Rosma, machine-building plant Mashzavod, Lviv Railways, Chernivtsi trolleybus administration and the Bukovinka confectionary company. Due to multiple problems inside the company and considerable capital restrictions, a change in the tariff policy won't bring about sharp profitability growth. The government might privatize 10% of the company in 2007. Chernivtsioblenergo supplied 0.96 TWh of electricity in 2006. In 2006 the company's sales grew 28% yoy to USD 42.0 mln.

* PFTS BID Price is used

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- 2: Market price reaction remains within 10% in execution of a market order of about USD 1 mln in size
- 3: All other stocks (quoted price is less reliable and should be considered indicative)

Note: data (market information, price changes) as of 30 Mar 2007

MARKET INFORMATION

Market price*, USD	0.40
Price impact**	3
52 Wk H/L, USD	0.54 / 0.10
Chg 3m/6m/52w	27% / 186% / 300%
Chg vs PFTS 3m/6m/52w	-37% / 81% / 207%
Chg YTD	27%
Avg Mo Tr Vol 6M, USD ths	104.2
MCap, USD mln	22.5
Free float, %	8.0%
FF MCap, USD mln	1.8
No of shares, mln	56.8
Par Value, UAH	0.25
XETRA	n/a
DR Ratio	n/a
Avg Mo Tr Vol 6M, USD ths	n/a

STOCK OWNERSHIP

NC ECU	70.0%
VS Energy	22.0%
Other	8.0%

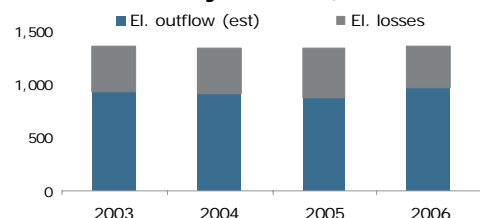
MARKET MULTIPLES

	2006E	2007E
EV/Sales	0.5	0.5
EV/EBITDA	9.3	8.6
P/E	17.4	20.8
P/B	2.5	2.2
P/CF	7.4	8.0

KEY RATIOS

	2005	2006E	2007E
EBITDA margin	6%	6%	6%
Net Margin	0%	3%	2%
ROE	2%	17%	12%
Net Debt/Equity	0.05	0.0	0.0

Electricity Balance, GWh



INCOME STATEMENT SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Net Revenues	25.7	11.6	29.7	32.7	29.1	n/a	n/a
<i>Change y-o-y</i>	-	-54.9%	156.1%	10.2%	29.1%	n/a	n/a
Gross Profit	1.9	8.0	2.0	(1.6)	2.6	n/a	n/a
EBITDA	1.0	1.0	(1.4)	2.1	1.9	n/a	n/a
<i>margin, %</i>	4.0%	8.3%	-4.6%	6.4%	6.4%	n/a	n/a
Depreciation	(1.0)	(1.0)	(1.0)	(1.8)	(1.3)	n/a	n/a
EBIT	0.0	(0.0)	(2.4)	0.3	0.5	n/a	n/a
<i>margin, %</i>	0.1%	-0.3%	-8.1%	0.9%	1.9%	n/a	n/a
Interest Expense	(0.1)	(0.0)	(0.0)	(0.0)	(0.1)	n/a	n/a
Other income/(expense)	0.1	0.1	0.2	0.1	0.0	n/a	n/a
PBT	0.1	0.0	(2.3)	0.4	0.5	n/a	n/a
Tax	-	(0.0)	(0.2)	(0.3)	(0.4)	n/a	n/a
<i>Effective tax rate</i>	0.0%	12.0%	-8.5%	64.3%	80.6%	n/a	n/a
Net Income	0.0	0.0	(2.5)	0.2	0.1	n/a	n/a
<i>Net Margin, %</i>	0.1%	0.3%	-8.3%	0.5%	0.4%	n/a	n/a

BALANCE SHEET SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Current Assets	37.2	41.2	42.7	49.0	47.0	n/a	n/a
Cash & Equivalents	1.1	2.3	0.5	0.2	0.3	n/a	n/a
Trade Receivables	32.4	36.3	38.6	44.2	41.9	n/a	n/a
Inventories	0.8	0.8	1.1	1.1	1.1	n/a	n/a
Other	2.9	1.8	2.5	3.5	3.7	n/a	n/a
Fixed Assets	15.6	15.2	14.6	16.5	18.0	n/a	n/a
PP&E, net	15.3	14.9	14.2	15.7	17.1	n/a	n/a
Other	0.3	0.2	0.4	0.8	0.8	n/a	n/a
Total Assets	52.8	56.3	57.3	65.5	64.9	n/a	n/a
Shareholders' Equity	9.9	10.1	7.2	7.7	9.6	n/a	n/a
Share Capital	2.7	2.7	2.7	2.8	2.8	n/a	n/a
Retained Earnings	(10.5)	(10.5)	(13.1)	(13.5)	(13.4)	n/a	n/a
Other	17.8	18.0	17.5	18.4	20.2	n/a	n/a
Current Liabilities	42.9	46.2	50.1	57.8	55.0	n/a	n/a
ST Interest Bearing Debt	0.5	-	-	0.6	0.1	n/a	n/a
Trade Payables	40.4	43.4	47.2	53.5	51.5	n/a	n/a
Other	2.1	2.8	2.9	3.7	3.8	n/a	n/a
LT Liabilities	-	-	-	-	0.3	n/a	n/a
LT Interest Bearing Debt	-	-	-	-	-	n/a	n/a
Other	-	-	-	-	0.3	n/a	n/a
Total Liabilities & Equity	52.8	56.3	57.3	65.5	64.9	n/a	n/a

QUARTERLY ANALYSIS, USD mln

	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
Net Revenues	3.9	2.4	15.8	7.6	8.2	7.0	7.3	10.1	11.8	8.7	8.6
<i>Change y-o-y</i>	-55.6%	-180.3%	605.8%	112.9%	111.4%	192.4%	-53.7%	33.0%	43.7%	23.8%	17.6%
EBITDA	0.6	(0.1)	(0.1)	(1.8)	(1.3)	0.5	0.3	2.6	0.4	0.6	0.8
<i>margin, %</i>	14.9%	-2.2%	-0.5%	-24.0%	-16.1%	7.3%	4.1%	25.7%	3.6%	7.3%	9.2%
EBIT	0.3	(0.3)	(0.3)	(2.1)	(1.6)	0.2	0.0	1.7	0.0	0.3	0.2
<i>margin, %</i>	8.6%	-12.4%	-2.1%	-27.6%	-19.4%	3.5%	0.1%	16.3%	0.0%	3.7%	2.6%
Net Income	0.4	(0.3)	(0.4)	(2.1)	(2.0)	0.2	0.5	1.5	0.0	0.1	0.0
<i>Net Margin, %</i>	9.4%	-10.5%	-2.8%	-27.9%	-24.1%	2.5%	7.1%	14.3%	0.0%	1.0%	0.2%

Dniproenergo

DNEN UZ

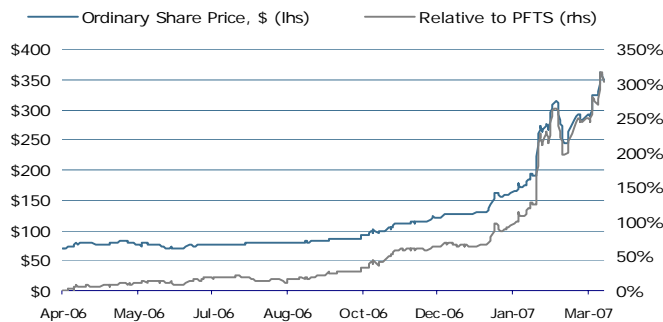
Electric

<http://www.dniproenergo.ua>
Target Price (USD)
383.00
Upside
10%

INVESTMENT CASE

- Gas-fueled capacity of 2,400 MW is unused due to high gas prices
- Might finish its financial recovery process soon; risk of bankruptcy is decreasing
- Margins decreased in 2006 due to a lag between fuel price growth and a corresponding adjustment in tariffs. In 2007 its margins are expected to return to their 2005 level
- 16% of the company might be privatized in 2007

SHARE PRICE PERFORMANCE*



BUSINESS OVERVIEW

Dniproenergo (DNEN) is the largest power generation company in terms of installed coal-fueled capacity (5.76 GW) and second-largest in terms of total capacity (8.16 GW). The company operates three power plants located in Zaporizhyya and Dnipropetrovsk regions. The generator is the most fuel efficient traded GenCo. Nevertheless, its advantage is expected to shrink in the long-term as it has the least ambitious equipment modernization plans of all GenCos. Dniproenergo operates 25 generating units with a capacity ranging from 150 MW to 800 MW. Three 800 MW power units at its Zaporizhyya power plant are gas-fueled and have not been in operation since 2004 due to relatively high gas prices. The company's electricity output grew by 13% yoy in 2006 to 14.89 TWh. The company's revenue grew 34% yoy to USD 551 mln., net income dropped 45% to USD 4.7 mln, mainly due to temporal increase of efficient tax rate.

MARKET INFORMATION

Market price*, USD	347.62
Price impact**	2
52 Wk H/L, USD	360 / 70
Chg 3m/6m/52w	172% / 312% / 392%
Chg vs PFTS 3m/6m/52w	108% / 208% / 299%
Chg YTD	172%
Avg Mo Tr Vol 6M, USD ths	2979.96
MCap, USD mln	1364.1
Free float, %	24.0%
FF MCap, USD mln	327.4
No of shares, mln	3.9
Par Value, UAH	25.0
XETRA	DPG
DR Ratio	4:1
Avg Mo Tr Vol 6M, USD ths	29.3

STOCK OWNERSHIP

NC ECU	76.0%
Other	24.0%

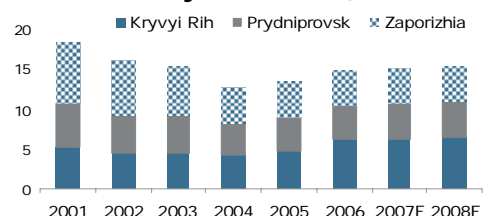
MARKET MULTIPLES

	2006E	2007E
EV/Sales	2.3	2.0
EV/EBITDA	23.8	19.4
P/E	1369.0	70.7
P/B	19.3	15.1
P/CF	42.2	26.6

KEY RATIOS

	2005	2006E	2007E
EBITDA margin	16%	10%	11%
Net Margin	1%	0%	3%
ROE	8%	1%	27%
Net Debt/Equity	0.8	1.2	1.1

Electricity Production, TWh



* PFTS MID Price is used
 ** Price "Impact" is the opinion of Concorde's trading desk on stocks to help investors estimate the reliability of quoted prices:
 1: Market price reaction remains within 10% in execution of a market order of about USD 10 mln in size
 2: Market price reaction remains within 10% in execution of a market order of about USD 1 mln in size
 3: All other stocks (quoted price is less reliable and should be considered indicative)

Note: data (market information, price changes) as of 30 Mar 2007

INCOME STATEMENT SUMMARY, USD mln

	2002	2003	2004	2005	2006E	2007E	2008E
Net Revenues	340.7	335.2	326.9	406.9	585.3	684.6	757.2
<i>Change y-o-y</i>	-	-1.6%	-2.5%	24.5%	43.4%	17.0%	10.6%
Gross Profit	71.4	51.5	61.8	68.7	81.9	100.0	117.8
EBITDA	28.1	142.8	49.4	65.8	60.9	75.3	90.8
<i>margin, %</i>	8.3%	42.6%	15.1%	16.2%	10.4%	11.0%	12.0%
Depreciation	(36.3)	(36.8)	(35.1)	(37.8)	(31.3)	(32.1)	(33.3)
EBIT	(8.1)	105.9	14.2	27.9	29.6	43.2	57.5
<i>margin, %</i>	-2.4%	31.6%	4.4%	6.9%	5.1%	6.3%	7.6%
Interest Expense	(2.4)	(3.7)	(1.7)	(1.9)	(8.0)	(12.2)	(15.0)
Other income/(expense)	(1.2)	(0.4)	(1.0)	(0.3)	(1.6)	(1.2)	(0.8)
PBT	(11.7)	101.8	11.6	25.7	19.9	29.8	41.6
Tax	(5.6)	(29.6)	(16.8)	(20.8)	(18.9)	(12.9)	(10.4)
<i>Effective tax rate</i>	-48.4%	29.1%	144.7%	81.0%	95.0%	40.0%	25.0%
Net Income	(17.4)	72.3	(5.2)	4.6	1.0	19.3	31.2
<i>Net Margin, %</i>	-5.1%	21.6%	-1.6%	1.1%	0.2%	2.8%	4.1%

BALANCE SHEET SUMMARY, USD mln

	2002	2003	2004	2005	2006E	2007E	2008E
Current Assets	155.3	160.6	181.4	193.9	118.2	133.0	146.0
Cash & Equivalents	2.6	2.4	8.8	9.4	11.8	13.7	15.1
Trade Receivables	103.0	113.9	118.9	117.6	26.6	27.4	30.0
Inventories	28.7	36.1	40.8	45.5	79.8	91.8	100.9
Other	21.0	8.2	12.9	21.4	26.6	30.2	33.3
Fixed Assets	365.8	380.6	332.4	355.2	349.4	382.2	443.0
PP&E, net	324.6	328.5	311.0	308.3	296.3	321.3	363.8
Other	41.2	52.1	21.4	46.9	53.0	60.9	79.2
Total Assets	521.1	541.1	513.8	549.1	467.6	515.1	589.0
Shareholders' Equity	37.3	144.3	58.9	68.8	70.5	90.3	124.2
Share Capital	18.4	18.4	18.5	19.4	18.5	18.5	18.5
Retained Earnings	(351.1)	(264.5)	(363.3)	(382.1)	(385.0)	(365.7)	(334.4)
Other	370.0	390.4	403.8	431.5	437.0	437.5	440.1
Current Liabilities	455.2	375.2	413.4	442.9	352.0	241.5	252.9
ST Interest Bearing Debt	15.5	47.2	34.8	52.0	74.3	61.0	65.4
Trade Payables	315.3	201.5	247.7	256.2	140.0	34.2	33.8
Other	124.5	126.4	130.8	134.7	137.7	146.3	153.7
LT Liabilities	28.6	21.6	41.5	37.4	45.1	183.3	211.9
LT Interest Bearing Debt	20.9	18.7	16.8	14.9	21.1	53.3	91.9
Other	7.6	2.9	24.7	22.5	24.0	130.0	120.0
Total Liabilities & Equity	521.1	541.1	513.8	549.1	467.6	515.1	589.0

QUARTERLY ANALYSIS, USD mln

	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
Net Revenues	86.7	68.2	71.8	100.2	89.9	78.1	89.2	149.7	140.6	108.5	130.5
<i>Change y-o-y</i>	-15.2%	15.3%	3.7%	-4.1%	3.7%	14.5%	24.3%	49.4%	56.4%	38.9%	46.3%
EBITDA	1.2	12.8	14.0	21.4	12.6	6.8	7.4	38.9	7.5	14.0	(9.5)
<i>margin, %</i>	1.4%	18.7%	19.5%	21.3%	14.1%	8.7%	8.3%	26.0%	5.3%	12.9%	-7.3%
EBIT	(7.8)	3.9	5.4	12.8	3.4	(2.7)	(1.9)	29.0	(2.1)	4.5	6.7
<i>margin, %</i>	-9.0%	5.7%	7.5%	12.8%	3.8%	-3.4%	-2.1%	19.4%	-1.5%	4.2%	5.2%
Net Income	(8.0)	1.9	6.1	(5.2)	3.3	(2.8)	(13.0)	17.1	(2.5)	(0.7)	2.6
<i>Net Margin, %</i>	-9.2%	2.8%	8.4%	-5.2%	3.6%	-3.6%	-14.6%	11.4%	-1.8%	-0.7%	2.0%

Dniprooblenergo

DNON UZ

Electric

<http://www.doe.dp.ua>

Target Price (USD)

U/R

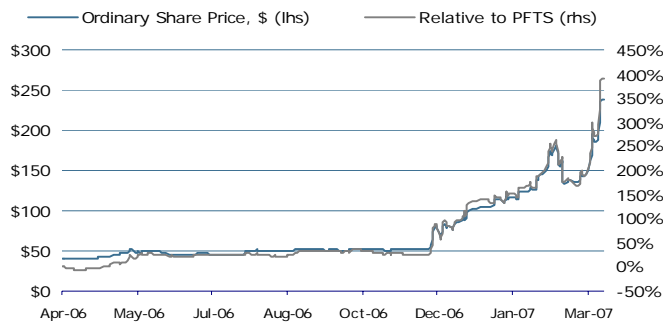
Upside

n/a

INVESTMENT CASE

- Largest electricity company by MCap
- Largest Oblenergo in terms of electricity supplies
- Increased its payment collection levels and reduced electricity losses
- Its debt problem will be solved in the near future
- Supplies gas to a large share of industrial consumers, which could start arranging for electricity supplies themselves
- 15% of the company might be privatized in 2007

SHARE PRICE PERFORMANCE*



BUSINESS OVERVIEW

The largest Oblenergo in terms of electricity supplied, Dniprooblenergo (DNON) is located in Ukraine's most industrialized region, Dnipropetrovsk (area 31,900 km²; population 3.5 mln), where the country's main metal producing assets and iron ore deposits are focused. Industrial consumers (80% of which are metallurgical plants) account for 75% of the company's electricity sales. Its main consumers are Nikopol Ferroalloy, ore enrichment plants in Kryviy Rig, and the Dzerzhynsky and Petrovsky metal plants. The company owns a 63,500 km transmission grid, with a transformer capacity of 10.9 GVA. The main risk to its operations is a possible decrease in its customer base, as most of its industrial consumers are likely to shift to other power suppliers or to start buying power directly on the market in the mid-term. The government might privatize 15% of the company in 2007. Dniprooblenergo supplied 27.3 TWh of electricity in 2006.

In 2006 Dniprooblenergo posted growth in sales by 38% yoy to USD 1,411 mln and positive net income USD 3.95 mln (compared to net losses in 2005 of USD 1.67 mln)

MARKET INFORMATION

Market price*, USD	214.85
Price impact**	3
52 Wk H/L, USD	239 / 40
Chg 3m/6m/52w	113% / 314% / 428%
Chg vs PFTS 3m/6m/52w	48% / 210% / 335%
Chg YTD	113%
Avg Mo Tr Vol 6M, USD ths	320.84
MCap, USD mln	1287.3
Free float, %	9.1%
FF MCap, USD mln	117.1
No of shares, mln	6.0
Par Value, UAH	10.0
XETRA	n/a
DR Ratio	n/a
Avg Mo Tr Vol 6M, USD ths	n/a

STOCK OWNERSHIP

NC ECU	75.0%
EnSt/Privat	15.9%
Other	9.1%

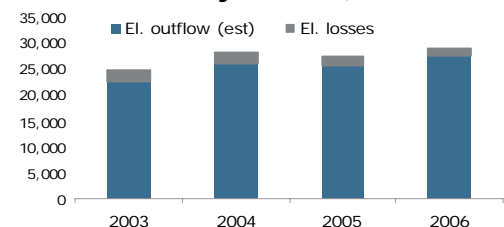
MARKET MULTIPLES

	2006E	2007E
EV/Sales	1.1	0.9
EV/EBITDA	39.6	30.9
P/E	84.1	87.2
P/B	-57.2	-166.1
P/CF	41.3	42.1

KEY RATIOS

	2005	2006E	2007E
EBITDA margin	2%	3%	3%
Net Margin	-0.2%	1%	1%
ROE	5%	-40%	-66%
Net Debt/Equity	0.04	0.3	0.9

Electricity Balance, GWh



* PFTS MID Price is used

** Price "impact" is the opinion of Concorde's trading desk on stocks to help investors estimate the reliability of quoted prices:

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 2: Market price reaction remains within 10% in execution of a market order of about USD 1 mln in size
 3: All other stocks (quoted price is less reliable and should be considered indicative)

Note: data (market information, price changes) as of 30 Mar 2007

INCOME STATEMENT SUMMARY, USD mln

	2003	2004	2005	9M06	2007E	2008E
Net Revenues	72.8	719.9	840.1	837.5	n/a	n/a
<i>Change y-o-y</i>	-	888.3%	16.7%	42.5%	n/a	n/a
Gross Profit	58.5	36.3	24.9	39.8	n/a	n/a
EBITDA	9.0	6.9	15.0	20.6	n/a	n/a
<i>margin, %</i>	12.3%	1.0%	1.8%	2.5%	n/a	n/a
Depreciation	(10.2)	(10.1)	(12.4)	(11.9)	n/a	n/a
EBIT	(1.2)	(3.2)	2.6	8.7	n/a	n/a
<i>margin, %</i>	-1.7%	-0.4%	0.3%	1.0%	n/a	n/a
Interest Expense	(0.0)	(0.2)	-	(0.0)	n/a	n/a
Other income/(expense)	(0.3)	(12.3)	0.5	0.3	n/a	n/a
PBT	(1.5)	(15.7)	3.1	9.0	n/a	n/a
Tax	(9.8)	(0.4)	(4.9)	(5.8)	n/a	n/a
<i>Effective tax rate</i>	-642.0%	-2.6%	158.8%	64.3%	n/a	n/a
Net Income	(11.3)	(16.2)	(1.8)	3.2	n/a	n/a
<i>Net Margin, %</i>	-15.5%	-2.2%	-0.2%	0.4%	n/a	n/a

BALANCE SHEET SUMMARY, USD mln

	2003	2004	2005	9M06	2007E	2008E
Current Assets	348.5	329.3	351.8	323.6	n/a	n/a
Cash & Equivalents	3.2	1.2	1.4	6.9	n/a	n/a
Trade Receivables	283.3	263.3	278.0	264.9	n/a	n/a
Inventories	10.0	7.8	9.9	11.9	n/a	n/a
Other	51.9	57.1	62.6	39.9	n/a	n/a
Fixed Assets	105.6	114.8	125.6	131.4	n/a	n/a
PP&E, net	93.6	90.1	104.1	104.4	n/a	n/a
Other	12.0	24.7	21.5	27.1	n/a	n/a
Total Assets	454.1	444.1	477.5	455.1	n/a	n/a
Shareholders' Equity	(15.3)	(31.4)	(37.8)	(35.3)	n/a	n/a
Share Capital	11.2	11.3	11.9	11.9	n/a	n/a
Retained Earnings	(88.2)	(104.8)	(112.7)	(110.5)	n/a	n/a
Other	61.7	62.1	63.0	63.3	n/a	n/a
Current Liabilities	460.6	469.7	509.5	484.6	n/a	n/a
ST Interest Bearing Debt	-	-	-	-	n/a	n/a
Trade Payables	439.1	442.9	476.3	448.9	n/a	n/a
Other	21.5	26.8	33.2	38.3	n/a	n/a
LT Liabilities	8.7	5.8	5.7	5.7	n/a	n/a
LT Interest Bearing Debt	-	-	-	-	n/a	n/a
Other	8.7	5.8	5.7	5.7	n/a	n/a
Total Liabilities & Equity	454.1	444.1	477.5	455.1	n/a	n/a

QUARTERLY ANALYSIS, USD mln

	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
Net Revenues	14.5	24.1	18.6	662.7	194.9	192.8	199.9	252.6	282.2	268.5	286.8
<i>Change y-o-y</i>	-19.5%	49.1%	-5.2%	3382.2%	1244.0%	399.0%	972.9%	-61.9%	44.8%	39.2%	43.5%
EBITDA	1.2	1.8	1.5	2.4	6.1	5.1	5.6	(1.8)	6.4	7.6	6.6
<i>margin, %</i>	8.3%	7.6%	8.0%	0.4%	3.1%	2.7%	2.8%	-0.7%	2.3%	2.8%	2.3%
EBIT	(0.8)	(1.2)	(0.7)	(0.5)	3.6	2.1	2.2	(5.3)	2.7	4.1	1.9
<i>margin, %</i>	5.5%	5.0%	-3.8%	-0.1%	1.8%	1.1%	1.1%	-2.1%	1.0%	1.5%	0.7%
Net Income	(0.9)	(1.3)	(1.3)	(12.7)	2.4	1.0	0.0	(5.2)	0.9	1.6	0.8
<i>Net Margin, %</i>	-6.1%	-5.5%	-7.0%	-1.9%	1.2%	0.5%	0.0%	-2.1%	0.3%	0.6%	0.3%

Donbasenergo

DOEN UZ

Electric

<http://www.de.com.ua>

Target Price (USD) 27.60
Upside 31%

INVESTMENT CASE

- A new 200 MW CFB power unit to be launched in late 2007 will raise output and efficiency significantly
- Considering the development of its own production boilers in the mid-term
- Emission reductions under the Kyoto protocol over 2010-2012 are expected to bring USD 4-5 mln
- Bankruptcy risk is very low, debt has been restructured
- Margins decreased in 2006 due to a lag between fuel prices increases and a corresponding tariff adjustment. In 2007, margins are expected to return to their 2005 level
- 25.8% of the company might be privatized in 2007

SHARE PRICE PERFORMANCE*



BUSINESS OVERVIEW

Donbasenergo (DOEN) is the smallest thermal power generator, which has recovered after losing three power plants in 2002. The company operates two power plants located in Donetsk region, Ukraine's most energy-consuming region that is close to Russia. Donbasenergo has 10 generating units with a capacity of 175 MW at Starobeshev TPP and a double-boiler unit with a total capacity of 800 MW at Slaviansk TPP. In late 2007 the company is expected to commission a reconstructed 200 MW unit which uses CFB technology, which will allow it to burn even coal refuse and significantly increase efficiency. The company's power output grew only 1% yoy (to 7.40 TWh) in 2006. Sales growth was 20% yoy.

MARKET INFORMATION

Market price*, USD	20.99
Price impact**	2
9 Wk H/L, USD	23.1 / 5.1
Chg 3m/6m/52w	141% / 192% / 282%
Chg vs PFTS 3m/6m/52w	76% / 87% / 189%
Chg YTD	141%
Avg Mo Tr Vol 6M, USD ths	974.77
MCap, USD mln	496.3
Free float, %	14.2%
FF MCap, USD mln	70.5
No of shares, mln	23.6
Par Value, UAH	10.0
XETRA	n/a
DR Ratio	n/a
Avg Mo Tr Vol 6M, USD ths	n/a

STOCK OWNERSHIP

NC ECU	85.8%
Other	14.2%

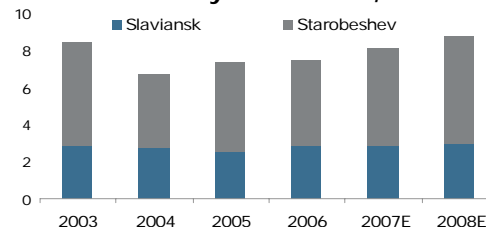
MARKET MULTIPLES

	2006E	2007E
EV/Sales	1.7	1.5
EV/EBITDA	29.4	21.8
P/E	neg	230.4
P/B	3.0	2.7
P/CF	168.5	25.4

KEY RATIOS

	2005	2006E	2007E
EBITDA margin	7%	7%	8%
Net Margin	-3%	-5%	1%
ROE	-5%	-8%	1%
Net Debt/Equity	0.4	0.6	0.5

Electricity Production, TWh



* PFTS MID Price is used
 ** Price "Impact" is the opinion of Concorde's trading desk on stocks to help investors estimate the reliability of quoted prices:

1: Market price reaction remains within 10% in execution of a market order of about USD 10 mln in size
 2: Market price reaction remains within 10% in execution of a market order of about USD 1 mln in size
 3: All other stocks (quoted price is less reliable and should be considered indicative)

Note: data (market information, price changes) as of 30 Mar 2007

INCOME STATEMENT SUMMARY, USD mln

	2003	2004	2005	2006E	2007E	2008E
Net Revenues	202.9	169.4	223.7	289.7	340.6	389.7
<i>Change y-o-y</i>	-	-16.5%	32.0%	29.1%	17.6%	14.4%
Gross Profit	55.9	40.3	52.9	32.4	40.9	56.5
EBITDA	7.4	24.8	40.7	20.1	27.3	41.6
<i>margin, %</i>	3.6%	14.6%	18.2%	6.9%	8.0%	10.7%
Depreciation	(6.0)	(16.7)	(15.9)	(16.2)	(17.4)	(25.2)
EBIT	1.3	8.1	24.8	3.8	9.9	16.3
<i>margin, %</i>	0.6%	4.8%	11.1%	1.3%	2.9%	4.2%
Interest Expense	(3.7)	(4.5)	(4.9)	(6.3)	(11.3)	(13.8)
Other income/(expense)	(23.7)	(3.4)	5.6	-	-	-
PBT	(26.1)	0.2	25.5	(2.4)	(1.4)	2.5
Tax	-	-	(14.2)	(10.8)	(1.8)	(3.0)
<i>Effective tax rate</i>	0.0%	0.0%	55.6%	80.0%	45.0%	25.0%
Net Income	(26.1)	0.1	11.1	(13.3)	2.2	(0.5)
<i>Net Margin, %</i>	-12.8%	0.1%	5.0%	-4.6%	0.6%	-0.1%

BALANCE SHEET SUMMARY, USD mln

	2003	2004	2005	2006E	2007E	2008E
Current Assets	212.1	210.0	204.7	141.4	106.4	107.8
Cash & Equivalents	17.2	17.7	11.9	9.9	10.9	11.0
Trade Receivables	153.3	150.6	139.6	73.1	30.7	27.3
Inventories	24.7	25.5	32.0	58.4	64.8	69.6
Other	16.9	16.2	21.2	26.2	30.8	34.5
Fixed Assets	311.3	313.3	318.4	374.1	426.9	491.7
PP&E, net	215.5	203.7	204.9	203.8	228.5	416.6
Other	95.8	109.7	113.5	170.3	198.4	75.1
Total Assets	523.4	523.3	523.1	515.6	533.2	599.5
Shareholders' Equity	166.6	150.4	172.1	163.3	186.0	207.8
Share Capital	44.4	44.6	46.8	47.3	47.3	47.3
Retained Earnings	(85.4)	(108.3)	(102.2)	(103.7)	(102.4)	(97.1)
Other	207.7	214.2	227.5	219.7	241.1	257.5
Current Liabilities	144.8	175.1	182.4	188.0	185.3	178.8
ST Interest Bearing Debt	23.2	29.9	37.9	50.0	46.5	43.5
Trade Payables	50.9	43.9	41.1	41.0	27.3	29.2
Other	70.8	101.3	103.4	97.1	111.6	106.1
LT Liabilities	211.9	197.8	168.6	164.3	161.9	213.0
LT Interest Bearing Debt	65.7	66.5	49.5	54.3	61.9	123.0
Other	146.2	131.4	119.1	110.0	100.0	90.0
Total Liabilities & Equity	523.4	523.3	523.1	515.6	533.2	599.5

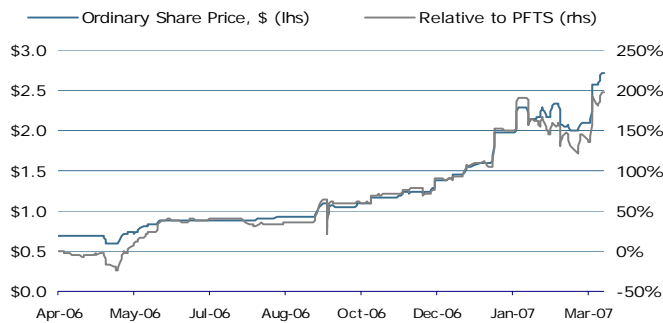
QUARTERLY ANALYSIS, USD mln

	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
Net Revenues	53.6	31.4	37.7	46.8	53.2	38.4	59.8	72.3	81.7	45.2	50.5
<i>Change y-o-y</i>	6.9%	-39.3%	-12.9%	-19.0%	-0.8%	22.6%	58.5%	54.6%	53.7%	17.7%	-15.5%
EBITDA	4.0	5.7	4.7	10.4	4.7	8.9	13.7	13.4	11.6	0.2	(0.5)
<i>margin, %</i>	7.5%	18.0%	12.5%	22.2%	8.9%	23.2%	23.0%	18.5%	14.1%	0.4%	-1.0%
EBIT	(0.4)	1.4	0.6	6.4	0.7	4.7	9.7	9.6	7.7	(3.5)	(3.9)
<i>margin, %</i>	-0.7%	4.4%	1.7%	13.8%	1.4%	12.3%	16.2%	13.3%	9.4%	-7.7%	-7.6%
Net Income	0.2	(0.1)	(0.0)	0.1	0.6	6.2	4.3	0.0	2.0	(5.3)	(7.7)
<i>Net Margin, %</i>	0.3%	-0.3%	-0.1%	0.2%	1.2%	16.1%	7.1%	0.1%	2.4%	-11.7%	-15.1%

Donetskoblenergo

DOON UZ

Electric

Target Price (USD)
Upside
N/R
n/a
SHARE PRICE PERFORMANCE*

MARKET INFORMATION

Market price*, USD	2.70
Price impact**	3
52 Wk H/L, USD	2.72 / 0.59
Chg 3m/6m/52w	75% / 155% / 290%
Chg vs PFTS 3m/6m/52w	10% / 51% / 197%
Chg YTD	75%
Avg Mo Tr Vol 6M, USD ths	214.9
MCap, USD mln	177.1
Free float, %	10.0%
FF MCap, USD mln	17.7
No of shares, mln	65.5
Par Value, UAH	1.25
XETRA	n/a
DR Ratio	n/a
Avg Mo Tr Vol 6M, USD ths	n/a

BUSINESS OVERVIEW

Donetskoblenergo (DOON) is one of the largest Ukrainian electricity distribution and supply companies, providing services to the eastern Donetsk region (area 26,500 km²; population 4.77 mln). The company owns a 73,800 km transmission grid with a transformer capacity of 14.2 GVA. The company has powerful electricity supply competitors in Donetsk region, and its share in total region power supply has been decreasing since 2002. Donetskoblenergo has the highest level of debt of any Oblenergo. The company suffers from inefficient management. The government might privatize 5.1% of the company in 2007; most likely pretender for acquisition is SCM.

Donetskoblenergo supplied 8.84 TWh of electricity in 2006. In 2006 Donetskoblenergo posted 3.7 increase of net losses to USD 122 mln, and raised sales growth of 25% yoy to USD 392 mln.

UPCOMING EVENTS

19 Apr 2007 AGM

STOCK OWNERSHIP

NC ECU	65.1%
SCM	25.0%
Other	10.0%

MARKET MULTIPLES

	2006E	2007E
EV/Sales	0.5	n/a
EV/EBITDA	-4.7	n/a
P/E	-3.8	n/a
P/B	-0.8	n/a
P/CF	-4.8	n/a

KEY RATIOS

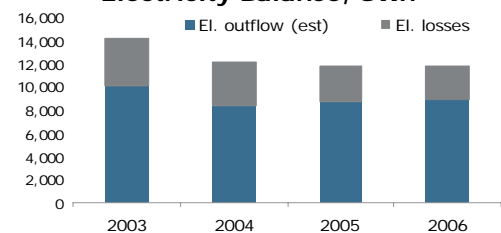
	2005	2006E	2007E
EBITDA margin	-8%	-11%	n/a
Net Margin	-11%	-13%	n/a
ROE	27%	28%	n/a
Net Debt/Equity	-0.03	-0.03	n/a

* PFTS BID Price is used

** Price "impact" is the opinion of Concorde's trading desk on stocks to help investors estimate the reliability of quoted prices:

- 1: Market price reaction remains within 10% in execution of a market order of about USD 10 mln in size
- 2: Market price reaction remains within 10% in execution of a market order of about USD 1 mln in size
- 3: All other stocks (quoted price is less reliable and should be considered indicative)

Note: data (market information, price changes) as of 30 Mar 2007

Electricity Balance, GWh


INCOME STATEMENT SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Net Revenues	412.9	47.0	269.1	309.0	276.3	n/a	n/a
<i>Change y-o-y</i>	-	-88.6%	472.8%	14.8%	27.4%	n/a	n/a
Gross Profit	(13.1)	17.5	(24.4)	(10.9)	(15.3)	n/a	n/a
EBITDA	(18.1)	(35.9)	(70.6)	(24.0)	(28.2)	n/a	n/a
<i>margin, %</i>	-4.4%	-76.5%	-26.2%	-7.8%	-10.2%	n/a	n/a
Depreciation	(7.8)	(7.7)	(9.3)	(10.1)	(7.2)	n/a	n/a
EBIT	(25.9)	(43.6)	(79.9)	(34.1)	(35.4)	n/a	n/a
<i>margin, %</i>	-6.3%	-92.8%	-29.7%	-11.0%	-12.8%	n/a	n/a
Interest Expense	(1.2)	(0.1)	(0.4)	(0.9)	(1.0)	n/a	n/a
Other income/(expense)	0.1	0.3	0.2	2.1	1.5	n/a	n/a
PBT	(27.0)	(43.4)	(80.0)	(32.9)	(34.9)	n/a	n/a
Tax	-	-	(0.1)	(0.3)	-	n/a	n/a
<i>Effective tax rate</i>	0.0%	0.0%	-0.1%	-0.8%	0.0%	n/a	n/a
Net Income	(27.0)	(43.4)	(80.4)	(33.2)	(34.9)	n/a	n/a
<i>Net Margin, %</i>	-6.5%	-92.4%	-29.9%	-10.7%	-12.6%	n/a	n/a

BALANCE SHEET SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Current Assets	495.1	563.0	555.7	598.5	576.8	n/a	n/a
Cash & Equivalents	1.0	0.7	1.0	2.5	0.3	n/a	n/a
Trade Receivables	445.2	507.8	504.3	544.4	526.2	n/a	n/a
Inventories	11.2	12.0	11.2	13.0	13.6	n/a	n/a
Other	37.6	42.6	39.2	38.7	36.7	n/a	n/a
Fixed Assets	107.4	105.8	103.6	107.3	108.4	n/a	n/a
PP&E, net	92.8	89.8	95.5	98.2	96.2	n/a	n/a
Other	14.6	16.0	8.1	9.1	12.2	n/a	n/a
Total Assets	602.5	668.8	659.3	705.8	685.2	n/a	n/a
Shareholders' Equity	(2.2)	(44.6)	(124.7)	(165.4)	(198.3)	n/a	n/a
Share Capital	15.4	15.4	15.4	16.2	16.2	n/a	n/a
Retained Earnings	(112.8)	(150.5)	(231.9)	(277.8)	(312.7)	n/a	n/a
Other	95.2	90.5	91.8	96.1	98.2	n/a	n/a
Current Liabilities	600.4	709.6	772.7	860.7	874.0	n/a	n/a
ST Interest Bearing Debt	-	1.9	2.6	7.4	7.4	n/a	n/a
Trade Payables	582.6	684.5	756.5	837.6	848.2	n/a	n/a
Other	17.9	23.3	13.7	15.8	22.6	n/a	n/a
LT Liabilities	4.3	3.8	11.2	10.5	9.5	n/a	n/a
LT Interest Bearing Debt	-	-	-	-	-	n/a	n/a
Other	4.3	3.8	11.2	10.5	9.5	n/a	n/a
Total Liabilities & Equity	602.5	668.8	659.3	705.8	685.2	n/a	n/a

QUARTERLY ANALYSIS, USD mln

	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
Net Revenues	21.9	4.3	11.7	231.3	80.2	67.2	69.5	92.2	104.1	85.4	86.9
<i>Change y-o-y</i>	-76.1%	-93.2%	-80.1%	-238.2%	267.2%	1448.6%	495.7%	-60.1%	29.7%	27.1%	25.0%
EBITDA	(22.7)	(34.3)	0.6	(14.2)	(14.4)	(1.4)	1.5	(9.8)	(19.5)	(4.5)	(4.2)
<i>margin, %</i>	-103.7%	-791.6%	4.9%	-6.1%	-18.0%	-2.1%	2.2%	-10.6%	-18.7%	-5.3%	-4.8%
EBIT	(24.8)	(36.4)	(1.5)	(17.3)	(16.8)	(3.9)	(1.0)	(12.4)	(22.0)	(6.9)	(6.5)
<i>margin, %</i>	-113.4%	-838.8%	-12.7%	-7.5%	-20.9%	-5.9%	-1.4%	-13.5%	-21.2%	-8.0%	-7.5%
Net Income	(25.1)	(36.4)	(1.4)	(17.5)	(16.4)	(3.6)	(0.7)	(12.5)	(22.0)	(6.7)	(6.2)
<i>Net Margin, %</i>	-114.9%	-839.4%	-11.8%	-7.6%	-20.4%	-5.4%	-1.0%	-13.5%	-21.1%	-7.8%	-7.2%

Energougol

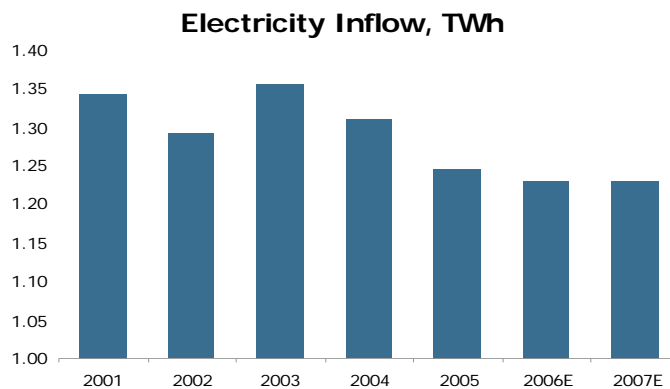
Electric

Target Price (USD)
Upside (%)

U/R
n/a

INVESTMENT CASE

- Doubling coal output in the next 25 years, in accordance with the government's energy plan, is likely to increase demand for its electricity supplies by 60% in the long-term
- Lobbying power of SCM, its parent company, guarantees its market share will not decrease.
- SCM's energy holding, DFEC, plans to invest in upgrading the company's facilities



UPCOMING EVENTS

29 Apr 2007 AGM

* The stock is not listed on PFTS
 ** Price "impact" is the opinion of Concorde's trading desk on stocks to help investors estimate the reliability of quoted prices:
 1: Market price reaction remains within 10% in execution of a market order of about USD 10 mln in size
 2: Market price reaction remains within 10% in execution of a market order of about USD 1 mln in size
 3: All other stocks (quoted price is less reliable and should be considered indicative)

Note: data (market information, price changes) as of 30 Mar 2007

MARKET INFORMATION

Market price*, USD	n/a
Price impact**	n/a
52 Wk H/L, USD	n/a
Chg 3m/6m/52w	n/a
Chg vs PFTS 3m/6m/52w	n/a
Chg YTD	n/a
Avg Mo Tr Vol 6M, USD ths	n/a
MCap, USD mln	n/a
Free float, %	16.0%
FF MCap, USD mln	n/a
No of shares, mln	5.5
Par Value, UAH	1.86
XETRA	n/a
DR Ratio	n/a
Avg Mo Tr Vol 6M, USD ths	n/a

STOCK OWNERSHIP

SCM-related companies	72.6%
Other	27.4%

MARKET MULTIPLES

	2006E	2007E
EV/Sales	n/a	n/a
EV/EBITDA	n/a	n/a
P/E	n/a	n/a
P/B	n/a	n/a
P/CF	n/a	n/a

KEY RATIOS

	2005	2006E	2007E
EBITDA margin	6%	7%	n/a
Net Margin	4%	5%	n/a
ROE	30%	42%	n/a
Net Debt/Equity	-0.01	-0.004	n/a

INCOME STATEMENT SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Net Revenues	31.0	39.0	39.4	44.6	46.3	n/a	n/a
<i>Change y-o-y</i>	-	25.8%	1.0%	13.3%	50.0%	n/a	n/a
Gross Profit	1.9	3.9	3.8	4.1	4.2	n/a	n/a
EBITDA	1.0	2.8	2.6	2.8	4.3	n/a	n/a
<i>margin, %</i>	3.2%	7.1%	6.5%	6.2%	9.4%	n/a	n/a
Depreciation	(0.3)	(0.3)	(0.4)	(0.5)	(0.4)	n/a	n/a
EBIT	0.7	2.5	2.2	2.3	3.9	n/a	n/a
<i>margin, %</i>	2.2%	6.3%	5.6%	5.1%	8.5%	n/a	n/a
Interest Expense	-	(0.0)	(0.0)	-	-	n/a	n/a
Other income/(expense)	(0.3)	(0.6)	(0.2)	0.0	(0.0)	n/a	n/a
PBT	0.4	1.9	2.0	2.3	3.9	n/a	n/a
Tax	(0.3)	(0.5)	(0.7)	(0.6)	(0.8)	n/a	n/a
<i>Effective tax rate</i>	60.8%	28.1%	34.0%	28.0%	19.6%	n/a	n/a
Net Income	0.2	1.4	1.3	1.7	3.1	n/a	n/a
<i>Net Margin, %</i>	0.5%	3.5%	3.4%	3.7%	6.7%	n/a	n/a

BALANCE SHEET SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Current Assets	26.1	32.3	34.1	38.2	26.5	n/a	n/a
Cash & Equivalents	0.1	0.0	0.3	0.0	0.0	n/a	n/a
Trade Receivables	24.6	30.0	31.0	35.2	23.3	n/a	n/a
Inventories	0.3	1.5	2.3	2.6	2.7	n/a	n/a
Other	1.0	0.8	0.5	0.4	0.5	n/a	n/a
Fixed Assets	2.7	3.0	3.3	4.2	5.1	n/a	n/a
PP&E, net	2.2	2.5	2.8	3.5	4.1	n/a	n/a
Other	0.5	0.4	0.5	0.7	1.0	n/a	n/a
Total Assets	28.8	35.3	37.4	42.3	31.6	n/a	n/a
Shareholders' Equity	2.7	4.2	5.6	6.2	9.4	n/a	n/a
Share Capital	1.9	1.9	1.9	2.0	2.0	n/a	n/a
Retained Earnings	0.4	1.7	2.9	3.3	6.3	n/a	n/a
Other	0.5	0.6	0.7	0.8	1.1	n/a	n/a
Current Liabilities	26.1	31.1	31.9	36.2	22.3	n/a	n/a
ST Interest Bearing Debt	-	-	-	-	-	n/a	n/a
Trade Payables	24.4	29.6	30.4	33.6	18.9	n/a	n/a
Other	1.6	1.5	1.5	2.6	4.1	n/a	n/a
LT Liabilities	-	-	-	-	-	n/a	n/a
LT Interest Bearing Debt	-	-	-	-	-	n/a	n/a
Other	-	-	-	-	-	n/a	n/a
Total Liabilities & Equity	28.8	35.3	37.4	42.3	31.6	n/a	n/a

QUARTERLY ANALYSIS, USD mln

	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
Net Revenues	11.1	9.3	8.8	10.2	10.3	9.8	10.7	13.8	16.4	15.1	14.8
<i>Change y-o-y</i>	15.4%	5.1%	-11.9%	-3.2%	-6.7%	5.2%	21.2%	35.7%	58.9%	53.6%	38.2%
EBITDA	0.8	0.7	0.6	0.5	0.5	0.4	0.7	1.2	1.0	1.6	1.8
<i>margin, %</i>	6.9%	7.0%	6.9%	5.3%	4.7%	3.9%	6.3%	8.9%	5.8%	10.7%	12.0%
EBIT	0.7	0.6	0.5	0.4	0.4	0.3	0.5	1.1	0.8	1.5	1.6
<i>margin, %</i>	6.1%	6.0%	5.8%	4.3%	3.7%	2.7%	5.1%	7.9%	5.0%	9.8%	10.9%
Net Income	0.3	0.3	0.4	0.3	0.3	0.1	0.4	0.8	0.6	1.2	1.3
<i>Net Margin, %</i>	3.1%	3.3%	4.2%	3.1%	2.5%	1.4%	4.0%	6.1%	3.9%	8.0%	8.6%

Kharkivoblenergo

HAON UZ

Electric

<http://www.oblenergo.kharkov.ua>

Target Price (USD)

U/R

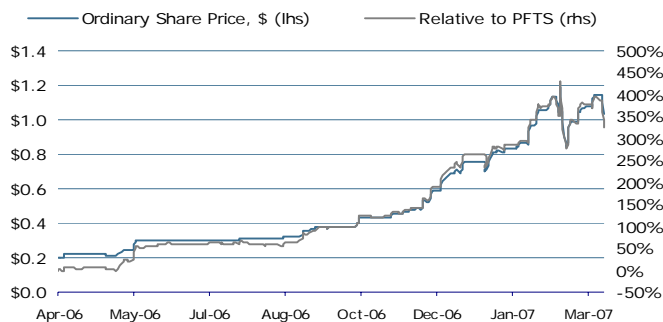
Upside

n/a

INVESTMENT CASE

- Significant improvement in reducing electricity losses and increasing payment collection
- Large debt to the wholesale energy market remains but is expected to be restructured soon
- 5% of the company might be privatized in 2007 and would lead to increased liquidity

SHARE PRICE PERFORMANCE*



BUSINESS OVERVIEW

Kharkivoblenergo (HAON) is the fourth largest Oblenergo and is located in the industrial Kharkiv region (area 31,400 km²; population 2.89 mln). The company owns a 42,000 km transmission grid with a transformer capacity of 7.3 GVA. Even though Kharkiv region is highly industrialized, Kharkivoblenergo has relatively few industrial consumers (near 30% of its energy sales), most of which are machine-building plants. It is unlikely the company will see any customers depart due to a tariff rebalancing that will lead to tariff decreases. Kharkivoblenergo has efficient and skilled management which managed to significantly improve the company's operating performance during the last couple of years. If the tariff policy is changed, its profits will grow significantly. The government might privatize 5% of the company in 2007. The company supplied 4.86 TWh of electricity in 2006. In 2006 Kharkivoblenergo posted 3% net income growth to USD 2.71 mln.

MARKET INFORMATION

Market price*, USD	1.03
Price impact**	3
52 Wk H/L, USD	1.19 / 0.20
Chg 3m/6m/52w	37% / 172% / 420%
Chg vs PFTS 3m/6m/52w	-28% / 68% / 327%
Chg YTD	37%
Avg Mo Tr Vol 6M, USD ths	83.8
MCap, USD mln	264.2
Free float, %	6.2%
FF MCap, USD mln	16.4
No of shares, mln	256.5
Par Value, UAH	0.25
XETRA	n/a
DR Ratio	n/a
Avg Mo Tr Vol 6M, USD ths	n/a

STOCK OWNERSHIP

NC ECU	65.0%
EnStandard	28.8%
Other	6.2%

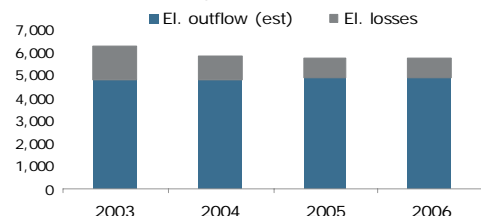
MARKET MULTIPLES

	2006E	2007E
EV/Sales	1.2	1.1
EV/EBITDA	9.2	8.4
P/E	20.7	20.5
P/B	2.8	2.5
P/CF	12.1	12.0

KEY RATIOS

	2005	2006E	2007E
EBITDA margin	7%	13%	13%
Net Margin	1%	6%	5%
ROE	4%	16%	14%
Net Debt/Equity	-0.02	-0.06	-0.05

Electricity Balance, GWh



* PFTS BID Price is used

** Price "Impact" is the opinion of Concorde's trading desk on stocks to help investors estimate the reliability of quoted prices:

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- 2: Market price reaction remains within 10% in execution of a market order of about USD 1 mln in size
- 3: All other stocks (quoted price is less reliable and should be considered indicative)

Note: data (market information, price changes) as of 30 Mar 2007

INCOME STATEMENT SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Net Revenues	35.3	44.9	180.4	193.9	155.6	n/a	n/a
<i>Change y-o-y</i>	-	27.1%	302.0%	7.5%	11.6%	n/a	n/a
Gross Profit	20.4	24.7	19.4	18.8	18.9	n/a	n/a
EBITDA	(9.3)	(19.5)	(11.5)	14.2	17.3	n/a	n/a
<i>margin, %</i>	-26.5%	-43.4%	-6.3%	7.3%	11.1%	n/a	n/a
Depreciation	(4.8)	(14.2)	(9.5)	(9.2)	(6.8)	n/a	n/a
EBIT	(14.1)	(33.7)	(21.0)	5.0	10.5	n/a	n/a
<i>margin, %</i>	-40.1%	-75.1%	-11.6%	2.6%	6.7%	n/a	n/a
Interest Expense	(0.4)	(0.1)	(0.1)	(0.0)	(0.0)	n/a	n/a
Other income/(expense)	(2.9)	(3.0)	0.9	0.6	0.5	n/a	n/a
PBT	(17.4)	(36.8)	(20.1)	5.6	11.0	n/a	n/a
Tax	(0.0)	-	-	(2.9)	(8.9)	n/a	n/a
<i>Effective tax rate</i>	-0.1%	0.0%	0.0%	52.2%	81.0%	n/a	n/a
Net Income	(17.4)	(36.8)	(20.1)	2.6	2.1	n/a	n/a
<i>Net Margin, %</i>	-49.4%	-82.0%	-11.2%	1.3%	1.3%	n/a	n/a

BALANCE SHEET SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Current Assets	127.7	111.9	88.1	80.0	53.6	n/a	n/a
Cash & Equivalents	0.8	1.3	3.5	2.0	2.7	n/a	n/a
Trade Receivables	109.6	94.8	69.0	68.0	41.3	n/a	n/a
Inventories	2.4	7.4	10.0	5.0	4.6	n/a	n/a
Other	14.9	8.4	5.6	5.0	5.0	n/a	n/a
Fixed Assets	186.1	165.6	167.3	167.2	170.2	n/a	n/a
PP&E, net	182.6	153.8	152.1	157.2	156.3	n/a	n/a
Other	3.4	11.9	15.2	10.0	13.9	n/a	n/a
Total Assets	313.8	277.5	255.5	247.2	223.7	n/a	n/a
Shareholders' Equity	163.0	116.3	73.8	81.2	82.8	n/a	n/a
Share Capital	12.0	12.0	12.1	12.7	12.7	n/a	n/a
Retained Earnings	(15.5)	(43.6)	(37.0)	(30.8)	(26.7)	n/a	n/a
Other	166.4	147.8	98.7	99.2	96.8	n/a	n/a
Current Liabilities	150.8	161.2	163.6	147.0	116.4	n/a	n/a
ST Interest Bearing Debt	0.6	-	0.7	-	-	n/a	n/a
Trade Payables	137.0	144.6	144.0	130.3	96.5	n/a	n/a
Other	13.2	16.7	19.0	16.7	23.7	n/a	n/a
LT Liabilities	0.1	-	18.1	19.0	24.6	n/a	n/a
LT Interest Bearing Debt	-	-	-	-	-	n/a	n/a
Other	0.1	-	18.1	19.0	24.6	n/a	n/a
Total Liabilities & Equity	313.8	277.5	255.5	247.2	223.7	n/a	n/a

QUARTERLY ANALYSIS, USD mln

	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
Net Revenues	12.1	9.4	109.8	49.0	54.3	41.7	43.3	54.5	60.1	47.5	48.0
<i>Change y-o-y</i>	N/M	N/M	N/M	N/M	348.5%	343.0%	-60.5%	11.2%	10.7%	13.7%	10.7%
EBITDA	1.0	0.5	1.3	(14.3)	1.1	5.0	3.1	5.0	4.0	9.0	4.3
<i>margin, %</i>	8.4%	5.5%	1.2%	-29.1%	2.1%	12.0%	7.2%	9.1%	6.7%	19.0%	8.9%
EBIT	(1.3)	(1.8)	(1.1)	(16.7)	(0.3)	1.8	0.7	2.9	1.7	6.8	2.0
<i>margin, %</i>	-11.0%	-18.6%	-1.0%	-34.1%	-0.6%	4.2%	1.5%	5.2%	2.8%	14.2%	4.2%
Net Income	(2.3)	(1.8)	(1.9)	(14.1)	0.2	1.6	0.7	0.2	0.8	0.1	1.2
<i>Net Margin, %</i>	-19.1%	-18.6%	-1.7%	-28.8%	0.3%	3.7%	1.6%	0.4%	1.3%	0.3%	2.5%

Khersonoblenergo

HOEN UZ

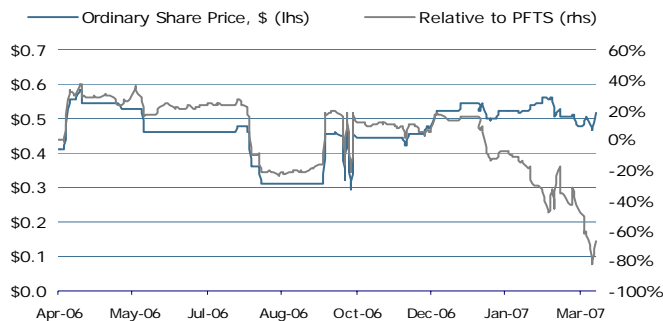
Electric

<http://www.energy.kherson.ua>
Target Price (USD)
U/R
Upside
n/a

INVESTMENT CASE

- Debt problem has not been solved
- Free float is limited as its main shareholder has accumulated more than 96% of shares

SHARE PRICE PERFORMANCE*



BUSINESS OVERVIEW

Khersonoblenergo (HOEN) is electricity distribution and supply company providing services to the Kherson Region (area 28,500 km²; population 1.16 mln). The company owns a 3,300 km transmission grid with a 4.5 GVA transformer capacity. Most of Khersonoblenergo's consumers (60%) are households and agricultural customers. The company was privatized in 2001 by VS Energy, which now owns more than 96% of its shares. In 2005, Khersonoblenergo increased its charter fund by 88% following an additional share issue. Even though Khersonoblenergo belongs to a group of companies privatized in 2001, it has a tariff policy in line with other state-controlled Oblenergos: huge debt to the energy market and the conflict between VS Energy and Energorynok did not allow the company to enjoy a preferential tariff policy. Its profitability is expected to increase under the new tariff policy, giving it a significant potential for short-term growth in value. The company supplied 2.0 TWh of electricity in 2006.

In 2006 Khersonoblenergo posted 2.8 yoy growth in net income to USD 3.1 mln.

UPCOMING EVENTS

17 Apr 2007 AGM

* PFTS MID Price is used
** Price "impact" is the opinion of Concorde's trading desk on stocks to help investors estimate the reliability of quoted prices:
1: Market price reaction remains within 10% in execution of a market order of about USD 10 mln in size
 2: Market price reaction remains within 10% in execution of a market order of about USD 1 mln in size
 3: All other stocks (quoted price is less reliable and should be considered indicative)
Note: data (market information, price changes) as of 30 Mar 2007

MARKET INFORMATION

Market price*, USD	0.46
Price impact**	3
52 Wk H/L, USD	0.46 / 0.22
Chg 3m/6m/52w	-16% / 0% / 11%
Chg vs PFTS 3m/6m/52w	-81% / -104% / -82%
Chg YTD	-16%
Avg Mo Tr Vol 6M, USD ths	14.6
MCap, USD mln	81.5
Free float, %	3.5%
FF MCap, USD mln	2.9
No of shares, mln	178.9
Par Value, UAH	0.25
XETRA	n/a
DR Ratio	n/a
Avg Mo Tr Vol 6M, USD ths	n/a

STOCK OWNERSHIP

VS Energy	96.5%
Other	3.5%

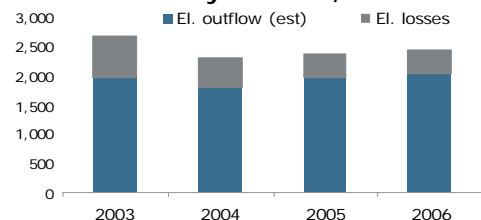
MARKET MULTIPLES

	2006E	2007E
EV/Sales	1.0	0.9
EV/EBITDA	6.4	5.9
P/E	18.4	13.9
P/B	2.0	1.8
P/CF	8.7	7.6

KEY RATIOS

	2005	2006E	2007E
EBITDA margin	12%	16%	16%
Net Margin	1%	5%	6%
ROE	3%	12%	15%
Net Debt/Equity	2.0	0.2	0.2

Electricity Balance, GWh



INCOME STATEMENT SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Net Revenues	55.1	71.7	72.3	77.3	67.2	n/a	n/a
<i>Change y-o-y</i>	-	30.0%	0.9%	6.8%	15.9%	n/a	n/a
Gross Profit	7.1	16.1	11.4	11.6	11.0	n/a	n/a
EBITDA	(2.2)	3.6	6.6	9.1	8.1	n/a	n/a
<i>margin, %</i>	-4.0%	5.1%	9.2%	11.8%	12.1%	n/a	n/a
Depreciation	(4.2)	(5.2)	(5.8)	(5.2)	(3.7)	n/a	n/a
EBIT	(6.4)	(1.6)	0.9	3.9	4.4	n/a	n/a
<i>margin, %</i>	-11.6%	-2.2%	1.2%	5.0%	6.6%	n/a	n/a
Interest Expense	(0.2)	(0.1)	(0.2)	(0.2)	(0.1)	n/a	n/a
Other income/(expense)	0.1	0.2	(2.4)	(0.5)	0.0	n/a	n/a
PBT	(6.5)	(1.5)	(1.7)	3.2	4.4	n/a	n/a
Tax	-	-	(0.1)	(2.1)	(1.6)	n/a	n/a
<i>Effective tax rate</i>	0.0%	0.0%	-7.0%	65.7%	35.7%	n/a	n/a
Net Income	(6.5)	(1.5)	(1.8)	1.1	2.8	n/a	n/a
<i>Net Margin, %</i>	-11.8%	-2.1%	-2.5%	1.4%	4.2%	n/a	n/a

BALANCE SHEET SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Current Assets	86.3	80.3	84.0	83.8	83.9	n/a	n/a
Cash & Equivalents	0.8	0.9	1.2	3.1	2.1	n/a	n/a
Trade Receivables	63.0	64.6	68.9	70.7	69.3	n/a	n/a
Inventories	8.1	3.5	4.6	4.3	8.2	n/a	n/a
Other	14.3	11.2	9.3	5.7	4.3	n/a	n/a
Fixed Assets	60.3	60.1	54.5	56.0	54.4	n/a	n/a
PP&E, net	55.8	55.6	51.1	53.1	51.9	n/a	n/a
Other	4.5	4.5	3.4	2.9	2.5	n/a	n/a
Total Assets	146.6	140.4	138.6	139.8	138.4	n/a	n/a
Shareholders' Equity	36.5	34.8	32.4	35.8	38.7	n/a	n/a
Share Capital	4.5	4.5	4.5	6.0	6.1	n/a	n/a
Retained Earnings	(28.9)	(30.6)	(33.3)	(34.3)	(31.5)	n/a	n/a
Other	61.0	61.0	61.2	64.1	64.1	n/a	n/a
Current Liabilities	45.4	66.0	66.3	88.9	84.9	n/a	n/a
ST Interest Bearing Debt	19.4	50.6	47.6	75.3	74.3	n/a	n/a
Trade Payables	18.5	9.7	13.0	7.4	4.5	n/a	n/a
Other	7.5	5.8	5.8	6.2	7.0	n/a	n/a
LT Liabilities	64.7	39.6	39.8	15.1	14.7	n/a	n/a
LT Interest Bearing Debt	0.6	0.7	0.7	0.8	0.3	n/a	n/a
Other	64.1	38.8	39.1	14.3	14.4	n/a	n/a
Total Liabilities & Equity	146.6	140.4	138.6	139.8	138.4	n/a	n/a

QUARTERLY ANALYSIS, USD mln

	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
Net Revenues	18.9	16.7	17.6	19.2	18.6	17.4	22.0	19.3	23.4	19.1	24.8
<i>Change y-o-y</i>	7.5%	16.6%	19.2%	-23.5%	-1.3%	4.4%	24.7%	0.4%	25.5%	9.7%	12.7%
EBITDA	2.5	1.7	2.0	0.5	1.2	2.8	2.9	2.2	3.2	3.0	2.0
<i>margin, %</i>	13.2%	10.1%	11.1%	2.6%	6.4%	16.3%	13.0%	11.5%	13.5%	15.7%	7.9%
EBIT	1.0	0.3	0.5	(0.9)	(0.0)	1.7	1.4	0.8	1.9	1.8	0.7
<i>margin, %</i>	5.1%	2.0%	2.8%	-4.8%	-0.1%	9.5%	6.5%	4.4%	8.3%	9.5%	2.7%
Net Income	0.1	(1.2)	0.4	(1.1)	(0.3)	1.0	0.4	0.0	1.5	1.2	0.1
<i>Net Margin, %</i>	0.7%	-7.5%	2.1%	-5.7%	-1.4%	5.6%	1.6%	0.1%	6.5%	6.2%	0.4%

Khmelnitskoblenergo HMON UZ

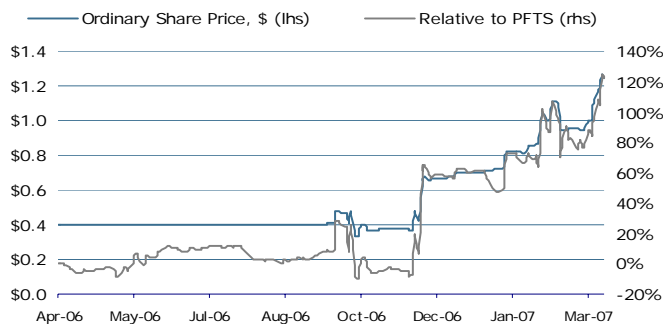
Electric

<http://www.hoe.com.ua>
Target Price (USD)
U/R
Upside
n/a

INVESTMENT CASE

- Most efficient state-controlled energy distribution company
- Qualified and innovative management
- Debt problem will be solved in the near future
- 10% might be privatized in 2007

SHARE PRICE PERFORMANCE*



BUSINESS OVERVIEW

Khmelnitskoblenergo (HMON) is an electricity distribution and supply company, providing services to the western region of Khmelnitski (area 20,600 km²; population 1.41 mln). The company owns a 36,100 km transmission grid with a transformer capacity of 3.0 GVA. The region is characterized by a high percentage of households and the absence of large industrial consumers, which provides for stability in the company's market position in the future. Its main competitor is Southwestern Railroad, which supplies energy to about 9% of consumers in Khmelnitski region, but is not likely to increase its presence in the region further. The company has been one of the best performing state-controlled Oblenergos in recent years. Khmelnitskoblenergo has efficient and skilled management. If the tariff policy is changed, its profits will grow significantly. The arrival of private investors (expected in 2008-2009) will raise its efficiency and profits further. The government might privatize 10% of the company in 2007. The company supplied 1.68 TWh of electricity in 2006.

In 2006 Khmelnitskoblenergo posted sales growth of 23% yoy to USD 59.7 mln, its net income remained almost unchanged, USD 1.5 mln.

MARKET INFORMATION

Market price*, USD	1.24
Price impact**	3
52 Wk H/L, USD	1.27 / 0.34
Chg 3m/6m/52w	76% / 205% / 213%
Chg vs PFTS 3m/6m/52w	11% / 101% / 120%
Chg YTD	76%
Avg Mo Tr Vol 6M, USD ths	244.89
MCap, USD mln	166.5
Free float, %	11.3%
FF MCap, USD mln	18.8
No of shares, mln	134.6
Par Value, UAH	0.25
XETRA	KF3A
DR Ratio	1:40
Avg Mo Tr Vol 6M, USD ths	0.0

STOCK OWNERSHIP

NC ECU	70.0%
VS Energy	18.8%
Other	11.3%

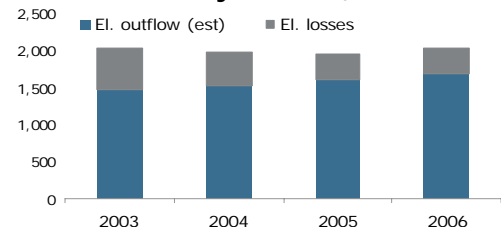
MARKET MULTIPLES

	2006E	2007E
EV/Sales	2.3	2.1
EV/EBITDA	17.7	16.0
P/E	70.6	34.1
P/B	2.9	2.7
P/CF	21.7	16.3

KEY RATIOS

	2005	2006E	2007E
EBITDA margin	9%	13%	13%
Net Margin	3%	3%	6%
ROE	5%	4%	8%
Net Debt/Equity	0.02	0.0	0.0

Electricity Balance, GWh



* PFTS MID Price is used

** Price "Impact" is the opinion of Concorde's trading desk on stocks to help investors estimate the reliability of quoted prices:

1: Market price reaction remains within 10% in execution of a market order of about USD 10 mln in size
 2: Market price reaction remains within 10% in execution of a market order of about USD 1 mln in size
 3: All other stocks (quoted price is less reliable and should be considered indicative)

Note: data (market information, price changes) as of 30 Mar 2007

INCOME STATEMENT SUMMARY, USD mln

	2003	2004	2005	9M06	2007E	2008E
Net Revenues	46.7	51.4	59.7	50.8	n/a	n/a
<i>Change y-o-y</i>	-	9.9%	16.3%	21.8%	n/a	n/a
Gross Profit	6.7	7.2	9.6	8.6	n/a	n/a
EBITDA	3.4	3.4	5.2	5.7	n/a	n/a
<i>margin, %</i>	7.3%	6.6%	8.7%	11.3%	n/a	n/a
Depreciation	(2.9)	(3.1)	(2.5)	(4.0)	n/a	n/a
EBIT	0.5	0.3	2.7	1.7	n/a	n/a
<i>margin, %</i>	1.1%	0.5%	4.6%	3.4%	n/a	n/a
Interest Expense	(0.1)	(0.1)	(0.1)	(0.1)	n/a	n/a
Other income/(expense)	0.1	0.2	(0.1)	0.1	n/a	n/a
PBT	0.4	0.3	2.5	1.8	n/a	n/a
Tax	(0.2)	(0.1)	(0.9)	(0.4)	n/a	n/a
<i>Effective tax rate</i>	37.9%	52.8%	37.9%	22.2%	n/a	n/a
Net Income	0.1	0.1	1.5	1.4	n/a	n/a
<i>Net Margin, %</i>	0.2%	0.2%	2.4%	2.8%	n/a	n/a

BALANCE SHEET SUMMARY, USD mln

	2003	2004	2005	9M06	2007E	2008E
Current Assets	23.0	21.5	20.2	17.5	n/a	n/a
Cash & Equivalents	0.4	0.4	0.2	0.5	n/a	n/a
Trade Receivables	17.6	16.1	15.2	12.3	n/a	n/a
Inventories	1.7	1.8	1.9	2.1	n/a	n/a
Other	3.3	3.3	2.9	2.6	n/a	n/a
Fixed Assets	37.4	66.2	68.6	67.8	n/a	n/a
PP&E, net	34.9	63.3	64.5	63.3	n/a	n/a
Other	2.5	2.9	4.1	4.5	n/a	n/a
Total Assets	60.3	87.7	88.8	85.3	n/a	n/a
Shareholders' Equity	26.8	54.8	55.4	56.0	n/a	n/a
Share Capital	6.3	6.3	6.7	6.7	n/a	n/a
Retained Earnings	(3.2)	(3.1)	0.3	0.8	n/a	n/a
Other	23.6	51.6	48.4	48.5	n/a	n/a
Current Liabilities	33.5	32.9	33.5	29.3	n/a	n/a
ST Interest Bearing Debt	0.8	0.6	1.2	1.1	n/a	n/a
Trade Payables	29.5	28.8	28.4	23.8	n/a	n/a
Other	3.2	3.5	3.9	5.3	n/a	n/a
LT Liabilities	-	-	-	-	n/a	n/a
LT Interest Bearing Debt	-	-	-	-	n/a	n/a
Other	-	-	-	-	n/a	n/a
Total Liabilities & Equity	60.3	87.7	88.8	85.3	n/a	n/a

QUARTERLY ANALYSIS, USD mln

	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
Net Revenues	13.6	11.4	12.0	14.4	14.7	12.8	14.1	18.0	18.8	15.3	16.6
<i>Change y-o-y</i>	9.0%	15.0%	5.8%	10.4%	8.0%	12.5%	18.0%	25.6%	27.6%	19.6%	17.7%
EBITDA	0.2	1.5	1.4	0.3	1.6	0.0	2.1	1.5	2.0	2.1	1.6
<i>margin, %</i>	1.3%	13.5%	11.4%	2.2%	10.7%	0.1%	15.1%	8.4%	10.4%	13.9%	9.9%
EBIT	(0.6)	0.8	0.5	(0.4)	0.8	0.3	0.7	0.9	0.5	0.9	0.3
<i>margin, %</i>	-4.3%	6.9%	4.1%	-2.9%	5.2%	2.7%	5.0%	5.1%	2.9%	5.6%	2.1%
Net Income	(0.6)	0.7	0.5	(0.5)	0.6	0.3	0.3	0.3	0.5	0.8	0.1
<i>Net Margin, %</i>	-4.5%	6.3%	4.3%	-3.5%	4.0%	2.1%	2.3%	1.5%	2.7%	5.1%	0.7%

Kirovogradoblenergo

KION UZ
Electric

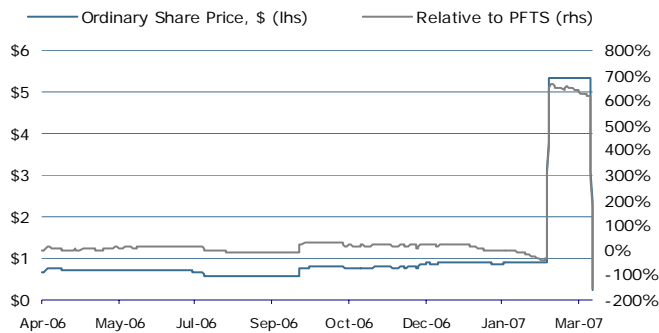
Target Price (USD)

Upside
U/R
n/a

INVESTMENT CASE

- Not a good short-term investment opportunity. Among a group of Oblenergos currently benefiting from preferential tariffs, most likely for the last year.

SHARE PRICE PERFORMANCE*



BUSINESS OVERVIEW

Kirovogradoblenergo (KION) is an electricity distribution company providing services to the central region of Kirovograd (area 24,600 km²; population 1.12 mln). Kirovogradoblenergo is fully controlled by VS Energy group of Alexander Babakov. The company owns a 34,000 km transmission grid with a 3.4 GVA transformer capacity. Kirovograd region is not industrialized and households are the main consumers of electricity. Pobuzk Ferronickel Plant, the largest regions' energy consumer makes Kirovogradoblenergo's revenue volatile by either purchasing power from Kirovogradoblenergo or from the wholesale energy market. The company enjoys a preferable tariff policy since it is an Oblenergo that was privatized in 2001. Though, preferences will terminate in January 2008, when we expect a significant decrease of the company's profits. The company supplied 1.42 TWh of electricity in 2006.

In 2006 Kirovogradoblenergo posted 5.5x yoy net income growth to USD 3.1 mln, and 16% sales growth to USD 66.8 mln.

* PFTS MID Price is used
 ** Price "Impact" is the opinion of Concorde's trading desk on stocks to help investors estimate the reliability of quoted prices:
 1: Market price reaction remains within 10% in execution of a market order of about USD 10 mln in size
 2: Market price reaction remains within 10% in execution of a market order of about USD 1 mln in size
 3: All other stocks (quoted price is less reliable and should be considered indicative)

Note: data (market information, price changes) as of 30 Mar 2007

MARKET INFORMATION

Market price*, USD	0.25
Price impact**	3
52 Wk H/L, USD	5.35 / 0.25
Chg 3m/6m/52w	-72% / -69% / -62%
Chg vs PFTS 3m/6m/52w	-137% / -173% / -155%
Chg YTD	-72%
Avg Mo Tr Vol 6M, USD ths	504.71
MCap, USD mln	29.5
Free float, %	6.0%
FF MCap, USD mln	1.8
No of shares, mln	119.4
Par Value, UAH	0.25
XETRA	n/a
DR Ratio	n/a
Avg Mo Tr Vol 6M, USD ths	n/a

STOCK OWNERSHIP

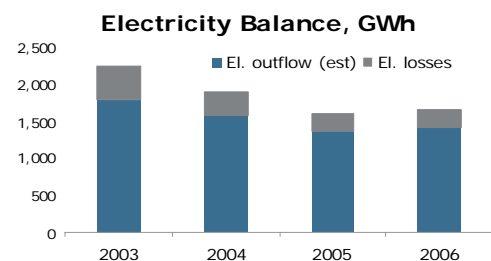
VS Energy	94.0%
Other	6.0%

MARKET MULTIPLES

	2006E	2007E
EV/Sales	0.5	0.5
EV/EBITDA	2.5	2.1
P/E	7.0	6.7
P/B	0.4	0.4
P/CF	2.8	2.7

KEY RATIOS

	2005	2006E	2007E
EBITDA margin	16%	22%	22%
Net Margin	1%	6%	5%
ROE	1%	6%	6%
Net Debt/Equity	0.09	0.1	0.1



INCOME STATEMENT SUMMARY, USD mln

	2003	2004	2005	9M06	2007E	2008E
Net Revenues	58.9	57.1	57.5	50.0	n/a	n/a
<i>Change y-o-y</i>	-	-3.0%	0.6%	21.6%	n/a	n/a
Gross Profit	9.2	8.8	12.9	13.6	n/a	n/a
EBITDA	9.3	8.1	9.3	10.9	n/a	n/a
<i>margin, %</i>	15.7%	14.3%	16.2%	21.9%	n/a	n/a
Depreciation	(10.5)	(9.8)	(7.3)	(4.7)	n/a	n/a
EBIT	(1.3)	(1.7)	2.1	6.2	n/a	n/a
<i>margin, %</i>	-2.2%	-2.9%	3.6%	12.4%	n/a	n/a
Interest Expense	(0.0)	(0.0)	(0.1)	(1.6)	n/a	n/a
Other income/(expense)	(0.2)	0.2	0.3	(0.1)	n/a	n/a
PBT	(1.5)	(1.5)	2.3	4.5	n/a	n/a
Tax	-	-	(1.8)	(1.9)	n/a	n/a
<i>Effective tax rate</i>	0.0%	0.0%	77.1%	42.3%	n/a	n/a
Net Income	(1.5)	(1.5)	0.5	2.6	n/a	n/a
<i>Net Margin, %</i>	-2.6%	-2.6%	0.9%	5.2%	n/a	n/a

BALANCE SHEET SUMMARY, USD mln

	2003	2004	2005	9M06	2007E	2008E
Current Assets	20.6	18.7	14.2	12.0	n/a	n/a
Cash & Equivalents	2.1	0.4	1.4	1.3	n/a	n/a
Trade Receivables	11.1	11.9	8.5	5.0	n/a	n/a
Inventories	1.8	3.2	2.4	4.5	n/a	n/a
Other	5.5	3.2	1.8	1.2	n/a	n/a
Fixed Assets	82.9	80.8	76.8	84.5	n/a	n/a
PP&E, net	75.6	70.7	71.6	69.1	n/a	n/a
Other	7.3	10.2	5.2	15.5	n/a	n/a
Total Assets	103.5	99.5	91.0	96.5	n/a	n/a
Shareholders' Equity	79.9	78.7	75.0	77.1	n/a	n/a
Share Capital	5.6	5.6	5.9	5.9	n/a	n/a
Retained Earnings	(7.8)	(7.6)	(7.5)	(0.5)	n/a	n/a
Other	82.1	80.6	76.7	71.7	n/a	n/a
Current Liabilities	8.6	16.4	14.1	13.5	n/a	n/a
ST Interest Bearing Debt	4.4	4.5	8.2	6.2	n/a	n/a
Trade Payables	1.7	9.2	2.4	2.8	n/a	n/a
Other	2.4	2.8	3.5	5.9	n/a	n/a
LT Liabilities	15.1	4.4	1.8	6.0	n/a	n/a
LT Interest Bearing Debt	-	-	0.0	4.2	n/a	n/a
Other	15.1	4.4	1.8	1.8	n/a	n/a
Total Liabilities & Equity	103.5	99.5	91.0	96.5	n/a	n/a

QUARTERLY ANALYSIS, USD mln

	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
Net Revenues	19.7	12.1	11.1	14.3	15.0	12.9	13.2	16.4	19.5	15.3	15.2
<i>Change y-o-y</i>	24.0%	0.5%	-14.1%	-21.1%	-23.7%	6.7%	18.8%	14.8%	30.0%	18.4%	15.2%
EBITDA	3.5	1.7	2.4	0.5	3.7	2.8	2.8	0.0	4.4	2.5	4.0
<i>margin, %</i>	17.9%	14.3%	21.8%	3.3%	24.6%	21.9%	21.0%	0.2%	22.6%	16.6%	26.3%
EBIT	1.3	(0.7)	(0.2)	(2.0)	1.3	0.4	0.2	0.2	2.9	0.9	2.3
<i>margin, %</i>	6.4%	-5.9%	-1.7%	-14.3%	8.5%	3.2%	1.7%	1.1%	14.9%	6.2%	15.4%
Net Income	0.7	(1.2)	(0.0)	(0.9)	0.6	(0.3)	(0.4)	0.7	2.1	0.4	0.0
<i>Net Margin, %</i>	3.4%	-10.1%	-0.2%	-6.4%	4.0%	-2.7%	-3.4%	4.5%	11.0%	2.7%	0.2%

Krymenergo

KREN UZ

Electric

Target Price (USD)

Upside

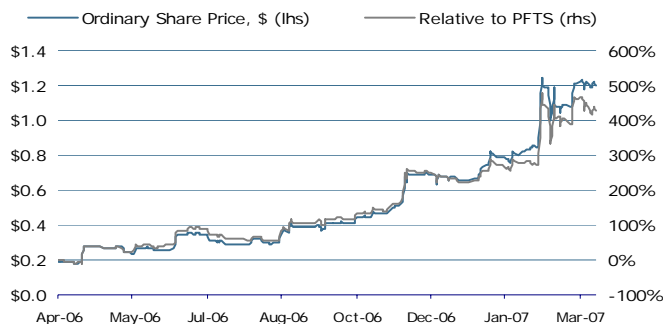
U/R

n/a

INVESTMENT CASE

- Improving fundamentals and the government's plans to invest in upgrading the company's grid make the company attractive investment opportunity
- Large debt to the wholesale energy market remains but is expected to be restructured soon
- 10% of the company might be privatized in 2007

SHARE PRICE PERFORMANCE*



BUSINESS OVERVIEW

Krymenergo (KREN) is an electricity distribution and supply company providing services to southern Ukraine – the Crimea Republic (area 26,100 km²; population 2.13 mln). The company owns a 35,800 km transmission grid with a transformer capacity of 5.9 GVA. Residential consumers account for around 34.2% of the company's total power supplies, industrial consumers – 26.9% and agricultural companies - 14.9%. Krymenergo's largest customers are Krymvodokanal, Brom, Krymsoda and Titan. The company has very little risk of losing its market share and therefore its future looks stable. Krymenergo has shown excellent improvements in commercial losses during 2004-2005, and now is predisposed to showing high profits. The company will benefit from the Ministry of Fuel and Energy's plan to invest heavily in upgrading the Crimean power grid and in the construction of new power plants. The government might privatize 10% of Krymenergo in 2007. The company supplied 3.90 TWh of electricity in 2006. In 2006 Krymenergo posted net income growth by 6% yoy to USD 1.43 mln.

MARKET INFORMATION

Market price*, USD	1.12
Price impact**	3
52 Wk H/L, USD	1.24 / 0.18
Chg 3m/6m/52w	71% / 173% / 478%
Chg vs PFTS 3m/6m/52w	7% / 69% / 385%
Chg YTD	71%
Avg Mo Tr Vol 6M, USD ths	1057.55
MCap, USD mln	193.5
Free float, %	18.4%
FF MCap, USD mln	35.6
No of shares, mln	173.0
Par Value, UAH	0.25
XETRA	n/a
DR Ratio	n/a
Avg Mo Tr Vol 6M, USD ths	n/a

STOCK OWNERSHIP

NC ECU	70.0%
VS Energy	11.6%
Other	18.4%

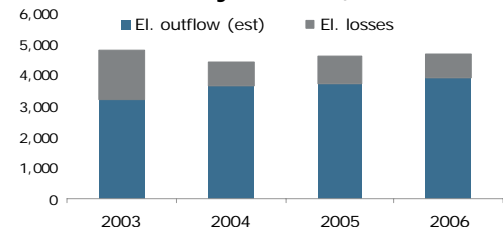
MARKET MULTIPLES

	2006E	2007E
EV/Sales	1.2	1.1
EV/EBITDA	18.1	17.1
P/E	101.3	193.5
P/B	9.2	8.8
P/CF	21.9	24.4

KEY RATIOS

	2005	2006E	2007E
EBITDA margin	7%	7%	7%
Net Margin	1%	1.2%	1%
ROE	neg	9.9%	5%
Net Debt/Equity	0.02	-0.01	-0.01

Electricity Balance, GWh



* PFTS MID Price is used
 ** Price "Impact" is the opinion of Concorde's trading desk on stocks to help investors estimate the reliability of quoted prices:

1: Market price reaction remains within 10% in execution of a market order of about USD 10 mln in size
 2: Market price reaction remains within 10% in execution of a market order of about USD 1 mln in size
 3: All other stocks (quoted price is less reliable and should be considered indicative)

Note: data (market information, price changes) as of 30 Mar 2007

INCOME STATEMENT SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Net Revenues	91.5	102.6	119.5	135.6	121.3	n/a	n/a
<i>Change y-o-y</i>	-	12.1%	16.5%	13.4%	22.8%	n/a	n/a
Gross Profit	(9.1)	2.0	20.9	14.1	21.4	n/a	n/a
EBITDA	(12.9)	(2.6)	5.1	9.1	8.7	n/a	n/a
<i>margin, %</i>	-14.1%	-2.6%	4.3%	6.7%	7.1%	n/a	n/a
Depreciation	(4.4)	(4.4)	(5.1)	(8.9)	(5.2)	n/a	n/a
EBIT	(17.3)	(7.1)	(0.1)	0.3	3.4	n/a	n/a
<i>margin, %</i>	-19.0%	-6.9%	-0.1%	0.2%	2.8%	n/a	n/a
Interest Expense	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	n/a	n/a
Other income/(expense)	0.1	0.0	(7.0)	1.2	0.2	n/a	n/a
PBT	(17.3)	(7.1)	(7.2)	1.4	3.6	n/a	n/a
Tax	-	(1.8)	-	(0.1)	(2.6)	n/a	n/a
<i>Effective tax rate</i>	0.0%	-25.9%	0.0%	7.4%	71.1%	n/a	n/a
Net Income	(17.3)	(8.9)	(7.2)	1.3	1.0	n/a	n/a
<i>Net Margin, %</i>	-19.0%	-8.7%	-6.1%	0.9%	0.9%	n/a	n/a

BALANCE SHEET SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Current Assets	120.7	125.8	135.6	147.7	143.2	n/a	n/a
Cash & Equivalents	0.5	0.4	0.3	0.3	1.1	n/a	n/a
Trade Receivables	99.1	104.3	112.3	128.0	126.3	n/a	n/a
Inventories	4.6	5.5	8.7	4.9	5.0	n/a	n/a
Other	16.4	15.6	14.3	14.6	10.8	n/a	n/a
Fixed Assets	60.7	61.6	99.9	102.4	104.4	n/a	n/a
PP&E, net	52.3	51.9	90.7	90.9	89.9	n/a	n/a
Other	8.4	9.7	9.2	11.5	14.5	n/a	n/a
Total Assets	181.4	187.4	235.5	250.1	247.6	n/a	n/a
Shareholders' Equity	(6.4)	(15.1)	17.7	19.2	20.6	n/a	n/a
Share Capital	8.1	8.1	8.2	8.6	8.6	n/a	n/a
Retained Earnings	(72.9)	(82.5)	(93.9)	(97.8)	(97.0)	n/a	n/a
Other	58.4	59.2	103.5	108.4	109.0	n/a	n/a
Current Liabilities	187.8	200.7	216.2	229.9	226.0	n/a	n/a
ST Interest Bearing Debt	0.3	0.0	0.9	0.6	0.6	n/a	n/a
Trade Payables	181.2	194.5	208.3	221.2	212.8	n/a	n/a
Other	6.2	6.2	7.1	8.2	17.0	n/a	n/a
LT Liabilities	0.0	1.8	1.6	0.9	0.9	n/a	n/a
LT Interest Bearing Debt	0.0	-	-	-	-	n/a	n/a
Other	0.0	1.8	1.6	0.9	0.9	n/a	n/a
Total Liabilities & Equity	181.4	187.4	235.5	250.1	247.6	n/a	n/a

QUARTERLY ANALYSIS, USD mln

	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
Net Revenues	34.6	29.4	34.7	36.8	42.6	36.4	42.2
<i>Change y-o-y</i>	N/M	N/M	N/M	N/M	23.1%	23.8%	21.7%
EBITDA	3.7	3.0	2.3	0.2	4.7	0.0	3.9
<i>margin, %</i>	10.7%	10.3%	6.5%	0.5%	11.1%	0.1%	9.2%
EBIT	1.1	0.3	0.1	(1.2)	1.8	(0.5)	2.1
<i>margin, %</i>	3.3%	1.1%	0.3%	-3.4%	4.3%	-1.4%	5.0%
Net Income	1.1	0.2	0.0	(0.1)	1.3	(0.6)	0.4
<i>Net Margin, %</i>	3.3%	0.7%	0.0%	-0.2%	3.0%	-1.7%	1.0%

Kyivenergo

KIEN UZ

Electric

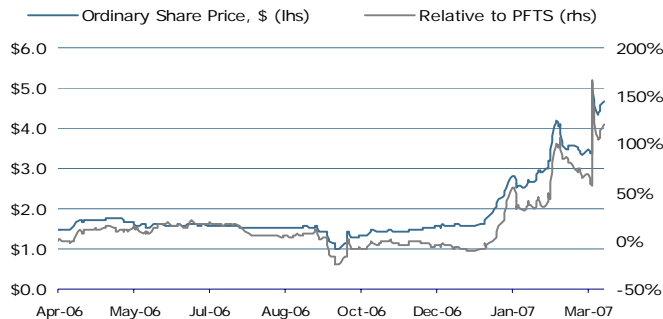
<http://www.kievenergo.com.ua>

Target Price (USD) 4.00
Upside -15%

INVESTMENT CASE

- Its altered business model, which allows it to earn more on electricity production despite a decrease in real output
- Risk that its lease of the city's power plants will stop soon is low

SHARE PRICE PERFORMANCE*



BUSINESS OVERVIEW

Kyivenergo (KIEN) is vertically integrated energy company producing and supplying electricity and heat in the capital of Ukraine. The company leases two gas-fired co-generation plants (with a total installed capacity of 1.2 GW) and other generation equipment from the Kyiv administration at below-market rent in exchange for maintenance. Due to uncertainty with its lease agreement, Kyivenergo's stock was highly volatile in 2006. The final decision on whether to prolong its lease is expected in May-June 2007. We believe the company will renew its lease. Despite a 30% reduction in electricity production in 2006, Kyivenergo increased revenues from its generation business due to a double in sales tariffs to the wholesale energy market and the optimization of its fuel use. However, a three-fold increase in gas prices for Ukrainian heat producers ate away any positive implications on Kyivenergo's business profile in early 2006.

In 2007, with the changes in heat tariffs for the city of Kyiv, we expect the company to increase its net margin from 0% in 2006 up to 6%.

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 ** Price "impact" is the opinion of Concorde's trading desk on stocks to help investors estimate the reliability of quoted prices:
 1: Market price reaction remains within 10% in execution of a market order of about USD 10 mln in size
 2: Market price reaction remains within 10% in execution of a market order of about USD 1 mln in size
 3: All other stocks (quoted price is less reliable and should be considered indicative)

Note: data (market information, price changes) as of 30 Mar 2007

MARKET INFORMATION

Market price*, USD	4.73
Price impact**	2
52 Wk H/L, USD	5.11 / 1.02
Chg 3m/6m/52w	193% / 290% / 207%
Chg vs PFTS 3m/6m/52w	129% / 185% / 114%
Chg YTD	193%
Avg Mo Tr Vol 6M, USD ths	631.46
MCap, USD mln	512.3
Free float, %	9.0%
FF MCap, USD mln	46.1
No of shares, mln	108.4
Par Value, UAH	0.25
XETRA	n/a
DR Ratio	n/a
Avg Mo Tr Vol 6M, USD ths	n/a

STOCK OWNERSHIP

NC ECU	50.0%
Kiev City Council	12.7%
Khmelnitskiy	26.5%
Other	10.8%

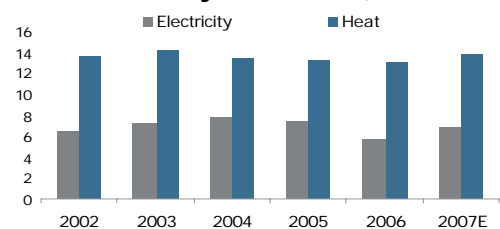
MARKET MULTIPLES

	2006E	2007E
EV/Sales	0.8	0.5
EV/EBITDA	24.1	5.8
P/E	642.2	8.9
P/B	3.2	2.2
P/CF	24.5	6.6

KEY RATIOS

	2005	2006E	2007E
EBITDA margin	7%	4%	10%
Net Margin	0.5%	0.1%	6%
ROE	1%	0.5%	36%
Net Debt/Equity	0.4	0.7	0.4

Electricity Production, TWh



INCOME STATEMENT SUMMARY, USD mln

	2002	2003	2004	2005	2006E	2007E	2008E
Net Revenues	278.1	301.9	309.6	376.5	654.8	1,025.4	1,104.3
<i>Change y-o-y</i>	-	8.6%	2.5%	21.4%	73.9%	56.6%	7.7%
Gross Profit	60.5	83.3	82.2	64.7	74.3	199.0	220.0
EBITDA	19.6	17.7	19.2	27.7	25.7	103.7	118.8
<i>margin, %</i>	7.0%	5.8%	6.2%	7.4%	5.2%	12.5%	13.5%
Depreciation	(14.5)	(14.9)	(16.4)	(20.8)	(20.1)	(21)	(24)
EBIT	5.1	2.7	2.7	6.9	5.7	83	94
<i>margin, %</i>	1.8%	0.9%	0.9%	1.8%	1.1%	10.0%	10.7%
Interest Expense	(2.6)	(1.7)	(1.8)	(3.4)	(5.4)	(7.1)	(6.8)
Other income/(expense)	(1.6)	0.6	0.7	5.5	0.6	1	1
PBT	0.9	1.7	1.6	9.1	1.1	76.8	88.4
Tax	(0.3)	(0.5)	(0.4)	(7.2)	(0.3)	(19)	(22)
<i>Effective tax rate</i>	28.2%	30.2%	25.4%	79.5%	25.0%	25.0%	25.0%
Net Income	0.6	1.2	1.2	1.9	0.8	57.6	66.3
<i>Net Margin, %</i>	0.2%	0.4%	0.4%	0.5%	0.2%	6.9%	7.5%

BALANCE SHEET SUMMARY, USD mln

	2002	2003	2004	2005	2006E	2007E	2008E
Current Assets	131.5	122.7	111.1	135.5	154.5	211.5	222.6
Cash & Equivalents	8.0	6.9	4.3	7.1	9.9	16.6	17.6
Trade Receivables	78.1	60.2	41.9	37.3	44.6	74.6	79.2
Inventories	33.3	41.2	49.4	73.3	81.7	91.2	96.8
Other	12.2	14.4	15.4	17.8	18.3	29.0	29.0
Fixed Assets	268.8	290.8	335.0	371.3	396.2	431.4	438.4
PP&E, net	208.3	205.6	233.1	269.8	272.6	280.8	372.3
Other	60.5	85.3	101.9	101.4	123.6	150.6	66.2
Total Assets	400.3	413.5	446.1	506.8	550.7	642.9	661.0
Shareholders' Equity	236.8	243.6	252.9	160.0	158.6	228.3	262.8
Share Capital	5.1	5.1	5.1	5.1	5.4	5.4	5.4
Retained Earnings	1.2	1.5	1.8	4.0	4.7	40.5	81.5
Other	230.5	237.0	246.0	150.8	148.5	182.4	176.0
Current Liabilities	119.2	111.9	129.8	125.2	151.2	189.8	187.2
ST Interest Bearing Debt	3.5	2.4	7.7	11.2	25.4	24.8	23.5
Trade Payables	72.8	57.0	76.0	82.7	84.2	107.8	105.6
Other	42.9	52.4	46.0	31.3	41.6	57.2	58.1
LT Liabilities	44.2	58.1	63.4	221.6	241.0	224.8	211.1
LT Interest Bearing Debt	25.9	28.4	26.6	65.4	93.7	85.8	80.0
Other	18.4	29.6	36.8	39.9	39.6	39.6	39.6
Total Liabilities & Equity	400.3	413.5	446.1	506.8	550.7	642.9	661.0

QUARTERLY ANALYSIS, USD mln

	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
Net Revenues	113.2	56.6	38.6	101.3	112.8	65.7	49.3	146.2	182.5	126.8	120.7
<i>Change y-o-y</i>	-1.5%	12.7%	-10.3%	7.9%	-0.3%	16.1%	27.6%	44.4%	61.8%	92.9%	145.0%
EBITDA	14.7	4.8	(9.5)	9.2	25.0	(7.9)	(6.2)	15.8	6.9	6.8	(0.8)
<i>margin, %</i>	12.9%	8.4%	-24.5%	9.1%	22.2%	-12.0%	-12.5%	10.8%	3.8%	5.3%	-0.7%
EBIT	10.8	0.6	(12.6)	3.9	20.2	(12.8)	(11.4)	10.2	1.2	0.8	(6.8)
<i>margin, %</i>	9.6%	1.1%	-32.7%	3.9%	17.9%	-19.5%	-23.2%	7.0%	0.7%	0.7%	-5.7%
Net Income	1.9	(2.0)	(4.5)	5.8	16.9	(11.9)	(9.6)	5.8	0.3	(0.0)	(6.1)
<i>Net Margin, %</i>	1.7%	-3.6%	-11.6%	5.8%	15.0%	-18.2%	-19.6%	4.0%	0.2%	0.0%	-5.0%

Lvivoblenergo

LVON UZ

Electric

<http://www.loe.lviv.ua>

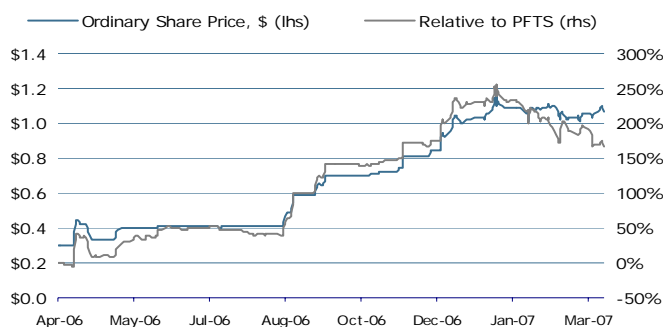
Target Price (USD)
Upside

U/R
n/a

INVESTMENT CASE

- Free float is too low
- 27% of the company might be privatized in 2007

SHARE PRICE PERFORMANCE*



BUSINESS OVERVIEW

Lvivoblenergo (LVON) is an electricity distribution and supply company, providing services to the western Ukrainian region of Lviv (area 21,800 km²; population 2.61 mln). The company owns a 39,200 km transmission grid with a transformer capacity of 4.5 GVA. Industrial users account for around 38.7% of the company's total power supplies, residential users – 20.8% and transportation and utility companies for 24.5%. Lvivoblenergo's largest customers are the Lviv Bus Plant, Lorta, Sokalsky Chemical Fiber Plant, Mykolayiv Cement Plant and Galychyna Oil Refinery. Lvivoblenergo is unlikely to lose its market share. Conflicts between its two main shareholders (Privat and Energy Standart) did not affect the company's operating results much. Lvivoblenergo is operated by skilled management and remains one of the best performing in the sector. The government might privatize 27% of the company in 2007, which might end the conflict among its shareholders since the winner of the privatization tender will obtain more bargaining power. We believe that the company is among a group of Oblenergos that are best predisposed to see short-term value growth if tariff policies change. The company supplied 3.50 TWh of electricity in 2006.

In 2006 Lvivoblenergo posted sales growth of 16% yoy to USD 161 mln and huge growth in net income (from a USD 0.1 mln net loss in 2005 to positive USD 5.9 mln in 2006).

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1: Market price reaction remains within 10% in execution of a market order of about USD 10 mln in size
 2: Market price reaction remains within 10% in execution of a market order of about USD 1 mln in size
 3: All other stocks (quoted price is less reliable and should be considered indicative)

Note: data (market information, price changes) as of 30 Mar 2007

MARKET INFORMATION

Market price*, USD	1.04
Price impact**	3
52 Wk H/L, USD	1.15 / 0.20
Chg 3m/6m/52w	2% / 49% / 252%
Chg vs PFTS 3m/6m/52w	-63% / -55% / 159%
Chg YTD	2%
Avg Mo Tr Vol 6M, USD ths	263.77
MCap, USD mln	202.6
Free float, %	21.1%
FF MCap, USD mln	42.8
No of shares, mln	194.0
Par Value, UAH	0.25
XETRA	n/a
DR Ratio	n/a
Avg Mo Tr Vol 6M, USD ths	n/a

STOCK OWNERSHIP

NC ECU	27.0%
EnSt/Privat	38.7%
Privat	13.3%
Other	21.1%

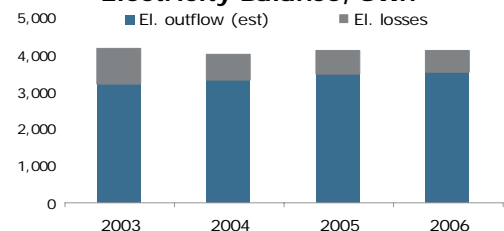
MARKET MULTIPLES

	2006E	2007E
EV/Sales	1.4	1.2
EV/EBITDA	14.9	12.8
P/E	41.9	39.7
P/B	3.9	3.5
P/CF	23.0	22.3

KEY RATIOS

	2005	2006E	2007E
EBITDA margin	8%	9%	9%
Net Margin	-0.1%	3%	3%
ROE	-0.3%	10%	10%
Net Debt/Equity	0.3	0.3	0.3

Electricity Balance, GWh



INCOME STATEMENT SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Net Revenues	88.3	104.9	114.5	133.1	111.7	n/a	n/a
<i>Change y-o-y</i>	-	18.8%	9.1%	16.3%	18.1%	n/a	n/a
Gross Profit	2.7	11.3	15.8	17.2	16.9	n/a	n/a
EBITDA	2.3	10.0	13.8	11.1	19.6	n/a	n/a
<i>margin, %</i>	2.6%	9.5%	12.1%	8.3%	17.5%	n/a	n/a
Depreciation	(3.1)	(7.0)	(6.6)	(6.5)	(5.0)	n/a	n/a
EBIT	(0.8)	2.9	7.2	4.6	14.6	n/a	n/a
<i>margin, %</i>	-0.9%	2.8%	6.3%	3.5%	13.1%	n/a	n/a
Interest Expense	(1.3)	(0.9)	(1.1)	(2.8)	(1.8)	n/a	n/a
Other income/(expense)	(0.1)	0.1	(0.4)	(0.0)	0.1	n/a	n/a
PBT	(2.2)	2.1	5.8	1.8	12.9	n/a	n/a
Tax	-	-	(0.2)	(1.9)	(4.5)	n/a	n/a
<i>Effective tax rate</i>	0.0%	0.0%	3.6%	106.4%	35.1%	n/a	n/a
Net Income	(2.2)	2.1	5.6	(0.1)	8.4	n/a	n/a
<i>Net Margin, %</i>	-2.5%	2.0%	4.9%	-0.1%	7.5%	n/a	n/a

BALANCE SHEET SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Current Assets	37.1	33.2	33.3	21.6	16.1	n/a	n/a
Cash & Equivalents	0.6	0.6	0.4	0.5	0.7	n/a	n/a
Trade Receivables	29.5	23.8	20.0	13.7	7.5	n/a	n/a
Inventories	3.5	4.7	7.1	2.9	2.9	n/a	n/a
Other	3.5	4.1	5.9	4.6	5.0	n/a	n/a
Fixed Assets	68.5	66.8	67.7	74.2	76.3	n/a	n/a
PP&E, net	61.0	58.6	58.1	63.1	63.1	n/a	n/a
Other	7.5	8.1	9.5	11.1	13.2	n/a	n/a
Total Assets	105.7	100.0	101.0	95.8	92.4	n/a	n/a
Shareholders' Equity	41.5	39.6	46.5	47.3	56.4	n/a	n/a
Share Capital	9.1	9.1	9.1	9.6	9.6	n/a	n/a
Retained Earnings	(21.6)	(19.4)	(12.9)	(15.4)	(6.8)	n/a	n/a
Other	54.0	49.9	50.3	53.1	53.5	n/a	n/a
Current Liabilities	49.6	55.8	38.6	32.8	19.5	n/a	n/a
ST Interest Bearing Debt	2.4	19.5	4.4	5.2	5.7	n/a	n/a
Trade Payables	44.3	32.2	29.0	22.2	6.1	n/a	n/a
Other	2.9	4.1	5.2	5.4	12.4	n/a	n/a
LT Liabilities	14.5	4.6	15.8	15.7	16.5	n/a	n/a
LT Interest Bearing Debt	14.5	-	11.9	11.7	12.5	n/a	n/a
Other	-	4.6	4.0	4.0	4.0	n/a	n/a
Total Liabilities & Equity	105.7	100.0	101.0	95.8	92.4	n/a	n/a

QUARTERLY ANALYSIS, USD mln

	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
Net Revenues	31.9	26.5	16.7	39.4	34.2	30.4	30.0	38.5	44.7	34.7	32.3
<i>Change y-o-y</i>	N/M	N/M	N/M	N/M	7.2%	14.9%	79.7%	-2.3%	30.7%	14.2%	7.6%
EBITDA	4.2	4.9	3.7	1.0	1.5	4.5	1.0	4.1	2.5	4.2	12.9
<i>margin, %</i>	13.2%	18.7%	22.2%	2.4%	4.4%	14.7%	3.4%	10.6%	5.6%	12.2%	39.9%
EBIT	2.7	3.3	1.7	(0.4)	(0.1)	2.9	(0.6)	2.4	1.9	1.6	11.2
<i>margin, %</i>	8.4%	12.3%	10.0%	-0.9%	-0.2%	9.4%	-2.1%	6.3%	4.2%	4.5%	34.6%
Net Income	2.4	2.8	1.6	(1.2)	(0.5)	0.9	(0.6)	0.1	0.4	0.2	7.8
<i>Net Margin, %</i>	7.5%	10.7%	9.5%	-3.1%	-1.5%	2.8%	-2.1%	0.4%	0.8%	0.6%	24.1%

Odessaoblenergo

ODEN UZ

Electric

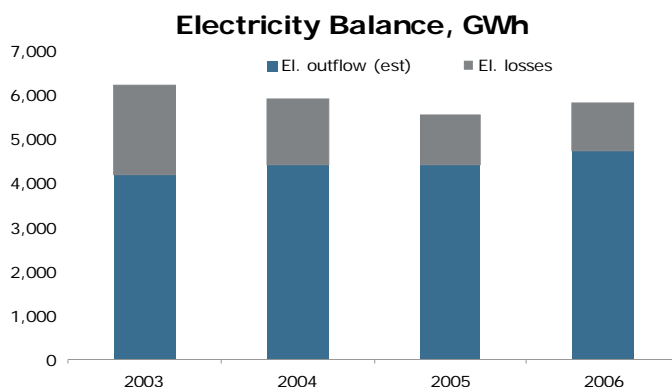
Target Price (USD)
Upside (%)

N/R
n/a

BUSINESS OVERVIEW

Odessaoblenergo (ODEN) is an electricity distribution and supply company, providing services to the largest Ukrainian region by area, Odessa (area 33,300 km²; population 2.45 mln), which is in the south. The company owns a 44,000 km transmission grid with a 5.5 GVA transformer capacity. The company plans to construct two 250MW power plants by 2009, investing a total of USD 290 mln. There is a conflict between main shareholders, the State Property Fund (SPF) and VS Energy, around an additional share issue that would increase its charter fund 2.9 times. In addition, legitimacy of VS Energy's purchase of 35% of Odessaoblenergo is now put under question. Its profitability is expected to increase with the new tariff policy, giving it a significant potential for short-term growth in value. The company supplied 4.75 TWh of electricity in 2006. The company is de-listed from PFTS due to low free-float.

In 2006 net income amounted USD 0.84 mln.



* The stock is not listed on PFTS

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2: Market price reaction remains within 10% in execution of a market order of about USD 1 mln in size

3: All other stocks (quoted price is less reliable and should be considered indicative)

Note: data (market information, price changes) as of 30 Mar 2007

MARKET INFORMATION

Market price*, USD	n/a
Price impact**	n/a
52 Wk H/L, USD	n/a
Chg 3m/6m/52w	n/a
Chg vs PFTS 3m/6m/52w	n/a
Chg YTD	n/a
Avg Mo Tr Vol 6M, USD ths	n/a
MCap, USD mln	n/a
Free float, %	9.2%
FF MCap, USD mln	n/a
No of shares, mln	208.5
Par Value, UAH	0.25
XETRA	n/a
DR Ratio	n/a
Avg Mo Tr Vol 6M, USD ths	n/a

STOCK OWNERSHIP

NC ECU	25.0%
VS Energy	65.8%
Other	9.2%

MARKET MULTIPLES

	2006E	2007E
EV/Sales	n/a	n/a
EV/EBITDA	n/a	n/a
P/E	n/a	n/a
P/B	n/a	n/a
P/CF	n/a	n/a

KEY RATIOS

	2005	2006E	2007E
EBITDA margin	2%	5%	5%
Net Margin	-2%	1%	2%
ROE	-95%	30%	47%
Net Debt/Equity	-0.5	-0.2	-0.1

INCOME STATEMENT SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Net Revenues	120.1	131.8	147.0	162.6	147.3	n/a	n/a
<i>Change y-o-y</i>	-	9.7%	11.5%	10.7%	27.7%	n/a	n/a
Gross Profit	(3.3)	(0.5)	5.8	10.7	11.3	n/a	n/a
EBITDA	(10.6)	(51.0)	(1.5)	3.7	7.8	n/a	n/a
<i>margin, %</i>	-8.9%	-38.7%	-1.0%	2.3%	5.3%	n/a	n/a
Depreciation	(5.2)	(5.6)	(8.6)	(9.1)	(8.1)	n/a	n/a
EBIT	(15.8)	(56.6)	(10.1)	(5.2)	(0.3)	n/a	n/a
<i>margin, %</i>	-13.2%	-42.9%	-6.9%	-3.2%	-0.2%	n/a	n/a
Interest Expense	-	(0.5)	(0.4)	(0.6)	(0.5)	n/a	n/a
Other income/(expense)	(0.1)	0.1	(9.8)	2.5	1.1	n/a	n/a
PBT	(15.9)	(57.0)	(20.4)	(3.4)	0.3	n/a	n/a
Tax	-	-	(7.3)	-	(0.3)	n/a	n/a
<i>Effective tax rate</i>	0.0%	0.0%	-36.1%	0.0%	97.1%	n/a	n/a
Net Income	(15.9)	(57.0)	(27.8)	(3.3)	0.0	n/a	n/a
<i>Net Margin, %</i>	-13.3%	-43.2%	-18.9%	-2.1%	0.0%	n/a	n/a

BALANCE SHEET SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Current Assets	108.6	41.6	50.7	65.1	62.5	n/a	n/a
Cash & Equivalents	3.8	3.1	4.4	4.8	2.1	n/a	n/a
Trade Receivables	85.8	22.8	24.7	26.0	22.4	n/a	n/a
Inventories	5.9	5.8	6.0	7.2	9.5	n/a	n/a
Other	13.1	9.9	15.5	27.1	28.5	n/a	n/a
Fixed Assets	74.1	87.8	170.2	178.6	183.0	n/a	n/a
PP&E, net	70.6	69.5	152.9	159.3	157.0	n/a	n/a
Other	3.5	18.3	17.3	19.3	26.0	n/a	n/a
Total Assets	182.7	129.4	220.9	243.7	245.6	n/a	n/a
Shareholders' Equity	(16.9)	(61.2)	3.5	10.0	12.4	n/a	n/a
Share Capital	9.8	9.8	9.8	10.3	10.3	n/a	n/a
Retained Earnings	(71.1)	(115.4)	(136.9)	(133.6)	(128.8)	n/a	n/a
Other	44.4	44.5	130.6	133.2	130.9	n/a	n/a
Current Liabilities	188.5	176.9	170.6	220.2	72.8	n/a	n/a
ST Interest Bearing Debt	-	0.0	-	-	7.7	n/a	n/a
Trade Payables	183.2	171.0	160.5	207.8	50.2	n/a	n/a
Other	5.3	6.0	10.1	12.4	16.3	n/a	n/a
LT Liabilities	11.1	13.6	46.8	13.6	160.3	n/a	n/a
LT Interest Bearing Debt	8.3	-	36.6	-	-	n/a	n/a
Other	2.8	13.6	10.2	13.6	160.3	n/a	n/a
Total Liabilities & Equity	182.7	129.4	220.9	243.7	245.6	n/a	n/a

QUARTERLY ANALYSIS, USD mln

	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
Net Revenues	41.0	36.4	38.0	47.2	54.7	45.1	47.5				
<i>Change y-o-y</i>	N/M	N/M	N/M	N/M	33.5%	23.6%	25.2%				
EBITDA	(0.7)	1.7	(1.2)	3.9	0.5	3.8	3.5				
<i>margin, %</i>	-1.7%	4.8%	-3.1%	8.2%	0.9%	8.4%	7.4%				
EBIT	(5.2)	(2.9)	(5.8)	8.6	(2.0)	1.2	0.6				
<i>margin, %</i>	-12.7%	-8.0%	-15.2%	18.3%	-3.7%	2.6%	1.2%				
Net Income	(5.2)	(2.8)	(0.2)	4.9	(1.2)	1.2	0.0				
<i>Net Margin, %</i>	-12.8%	-7.8%	-0.6%	10.5%	-2.2%	2.7%	0.0%				

Poltavaoblenergo

POON UZ

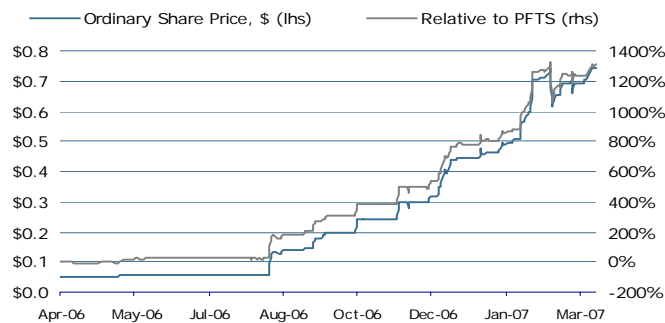
Electric

Target Price (USD)
Upside
U/R
n/a

INVESTMENT CASE

- No overdue debt to the wholesale energy market
- Among the top Oblenergos by operating performance
- Privatization of a 25%+1 stake expected in 2007 is likely to lead to a resolution of the conflict between the two main shareholders
- Free float is very limited as involved parties have tried to concentrate shares

SHARE PRICE PERFORMANCE*



BUSINESS OVERVIEW

Poltavaoblenergo (POON) is an electricity distribution and supply company, providing services to the north-eastern region of Poltava (area 28,800 km²; population 1.61 mln). The company owns a 48,900 km transmission grid with a transformer capacity of 3.96 GVA. Poltavaoblenergo also operates the Kremenchug CHPP, which produces about 35% of the electricity it supplies. This makes the company relatively independent of external electricity supplies. Industrial consumers (largest of them are UkrTatNafta and PoltavaGazVydobuvannia) account for about 54% of Poltavaoblenergo's supplies. Two rival business groups, Energy Standart and Privat, own 40% of its shares and are in a conflict for control. The only negative effect of the conflict has been the failure to hold a shareholders meeting during the last couple of years. The company is operated by skilled management and is among the most efficient on the market. We believe that the company is among those Oblenergos that are best predisposed to see short-term value growth if tariff policies change. The government might privatize 25% of the company in 2007.

The company produced 1.23 TWh and supplied 3.09 TWh of electricity in 2006. In 2006 Poltavaoblenergo posted sales of USD 165.7 mln (+13% yoy) and in net income of USD 0.9 mln.

MARKET INFORMATION

Market price*, USD	0.74
Price impact**	3
52 Wk H/L, USD	0.77 / 0.05
Chg 3m/6m/52w	60% / 213% / 1400%
Chg vs PFTS 3m/6m/52w	21% / 118% / 1323%
Chg YTD	67%
Avg Mo Tr Vol 6M, USD mln	0.02
MCap, USD mln	164.1
Free float, %	0.4%
FF MCap, USD mln	0.7
No of shares, mln	221.0
Par Value, UAH	0.25
XETRA	n/a
DR Ratio	n/a
Avg Mo Tr Vol 6M, USD ths	n/a

STOCK OWNERSHIP

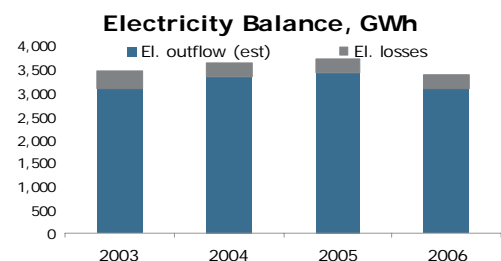
NC ECU	25.0%
EnSt/Privat	40.0%
Privat	35.0%
Other	0.0%

MARKET MULTIPLES

	2006E	2007E
EV/Sales	1.1	1.1
EV/EBITDA	7.1	6.7
P/E	69.5	46.7
P/B	1.8	1.8
P/CF	8.9	8.3

KEY RATIOS

	2005	2006E	2007E
EBITDA margin	13%	16%	16%
Net Margin	1%	1%	2%
ROE	1%	3%	4%
Net Debt/Equity	0.19	0.2	0.2



* PFTS BID Price is used
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 3: All other stocks (quoted price is less reliable and should be considered indicative)

Note: data (market information, price changes) as of 30 Mar 2007

INCOME STATEMENT SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Net Revenues	132.2	125.2	150.8	146.6	118.3	n/a	n/a
<i>Change y-o-y</i>	-	-5.3%	20.4%	-2.8%	12.1%	n/a	n/a
Gross Profit	14.7	17.3	21.1	25.2	21.7	n/a	n/a
EBITDA	9.1	1.9	9.9	19.3	16.6	n/a	n/a
<i>margin, %</i>	6.8%	1.5%	6.6%	13.2%	14.0%	n/a	n/a
Depreciation	(16.8)	(14.1)	(12.9)	(13.2)	(12.1)	n/a	n/a
EBIT	(7.8)	(12.3)	(3.1)	6.1	4.5	n/a	n/a
<i>margin, %</i>	-5.9%	-9.8%	-2.0%	4.2%	3.8%	n/a	n/a
Interest Expense	(0.9)	(1.0)	(1.7)	(1.3)	(1.3)	n/a	n/a
Other income/(expense)	(3.2)	0.2	(0.5)	(2.8)	0.1	n/a	n/a
PBT	(11.9)	(13.0)	(5.2)	2.1	3.3	n/a	n/a
Tax	-	(1.6)	-	(1.0)	(2.1)	n/a	n/a
<i>Effective tax rate</i>	0.0%	-12.3%	0.0%	48.1%	65.4%	n/a	n/a
Net Income	(11.9)	(14.6)	(5.2)	1.1	1.1	n/a	n/a
<i>Net Margin, %</i>	-9.0%	-11.7%	-3.5%	0.7%	1.0%	n/a	n/a

BALANCE SHEET SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Current Assets	38.0	26.8	27.0	18.3	25.3	n/a	n/a
Cash & Equivalents	1.4	1.6	3.5	2.5	2.2	n/a	n/a
Trade Receivables	20.8	5.7	4.5	3.8	7.6	n/a	n/a
Inventories	7.1	4.5	12.2	4.2	7.0	n/a	n/a
Other	8.7	15.0	6.8	7.9	8.4	n/a	n/a
Fixed Assets	103.6	103.2	98.8	103.3	101.1	n/a	n/a
PP&E, net	90.2	86.6	84.5	89.2	86.6	n/a	n/a
Other	13.4	16.5	14.3	14.1	14.5	n/a	n/a
Total Assets	141.7	129.9	125.7	121.7	126.4	n/a	n/a
Shareholders' Equity	103.8	86.0	82.2	87.8	89.3	n/a	n/a
Share Capital	10.4	10.4	10.4	10.9	10.9	n/a	n/a
Retained Earnings	1.2	(16.7)	0.2	7.7	9.1	n/a	n/a
Other	92.2	92.3	71.6	69.2	69.3	n/a	n/a
Current Liabilities	24.8	31.6	35.2	26.3	18.0	n/a	n/a
ST Interest Bearing Debt	2.3	10.3	7.8	12.1	0.8	n/a	n/a
Trade Payables	13.6	10.3	14.4	0.9	3.1	n/a	n/a
Other	8.8	11.0	13.0	13.3	15.7	n/a	n/a
LT Liabilities	13.1	12.3	8.3	7.5	19.1	n/a	n/a
LT Interest Bearing Debt	9.0	8.2	8.0	7.2	18.8	n/a	n/a
Other	4.1	4.1	0.3	0.3	0.3	n/a	n/a
Total Liabilities & Equity	141.7	129.9	125.7	121.7	126.4	n/a	n/a

QUARTERLY ANALYSIS, USD mln

	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
Net Revenues	42.6	38.6	30.6	38.9	40.3	32.5	32.7	41.1	46.0	36.1	36.2
<i>Change y-o-y</i>	29.3%	53.0%	-11.9%	20.7%	-5.4%	-15.8%	6.7%	5.7%	14.0%	11.1%	10.7%
EBITDA	4.7	3.7	3.8	(2.3)	7.2	5.4	1.5	5.2	7.4	4.5	4.7
<i>margin, %</i>	11.1%	9.6%	12.3%	-5.9%	17.9%	16.6%	4.6%	12.7%	16.0%	12.4%	13.0%
EBIT	1.5	0.4	0.1	(5.1)	4.0	2.1	(1.7)	1.7	4.5	1.6	(1.6)
<i>margin, %</i>	3.5%	1.1%	0.4%	-13.1%	9.9%	6.5%	-5.3%	4.2%	9.7%	4.4%	-4.5%
Net Income	0.5	(0.6)	(1.7)	(3.4)	2.6	0.4	(1.9)	0.0	2.5	1.1	(2.4)
<i>Net Margin, %</i>	1.2%	-1.5%	-5.7%	-8.8%	6.4%	1.2%	-5.9%	0.1%	5.4%	3.0%	-6.6%

Prykarpatoblenergo

PREN UZ

Electric

<http://www.oe.if.ua>

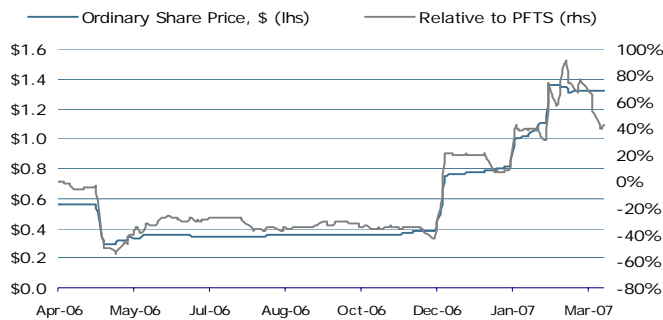
Target Price (USD)
Upside

U/R
n/a

INVESTMENT CASE

- No overdue debt to the wholesale energy market
- Among the top Oblenergos by operating performance
- High payment collection rate
- Free float is very limited as involved parties have tried to concentrate shares
- Most valuable target of rival groups (Privat and EnergyStandard)
- 25% of the company might be privatized in 2007

SHARE PRICE PERFORMANCE*



BUSINESS OVERVIEW

Prykarpatoblenergo (PREN) is an electricity distribution and supply company providing services to the western Ukrainian Ivano-Frankivsk Region (area 13,900 km²; population 1.4 mln). The company owns a 25,300 km transmission grid with a 2.8 GVA transformer capacity. Despite operating in a mountainous region with difficult climatic conditions, the company has been highly successful in cutting electricity losses during the past years. Half of its consumers are industrial companies (the LUKOR chemical plant, Ivano-Frankivsk Cement and Naftokhimik Prykarpattya oil refinery). The company is among the best performing Oblenergos and there is no reason for this to change. Two rival business groups, Energy Standart and Privat, own 34% of its shares, but conflicts between them haven't affected the company's operating results. Prykarpatoblenergo is the only "conflict Oblenergo" that manages to hold AGMs. We believe, that the company is among those Oblenergos that are best predisposed to see short-term value growth if tariff policies change. The government might privatize 25% of the company in 2007. The company supplied 1.93 TWh of electricity in 2006. In 2006 sales grew by 15% yoy to USD 92.4 mln.

MARKET INFORMATION

Market price*, USD	1.31
Price impact**	3
52 Wk H/L, USD	1.36 / 0.30
Chg 3m/6m/52w	70% / 274% / 132%
Chg vs PFTS 3m/6m/52w	5% / 170% / 40%
Chg YTD	70%
Avg Mo Tr Vol 6M, USD ths	35.44
MCap, USD mln	136.0
Free float, %	13.6%
FF MCap, USD mln	18.5
No of shares, mln	103.6
Par Value, UAH	0.25
XETRA	n/a
DR Ratio	n/a
Avg Mo Tr Vol 6M, USD ths	n/a

STOCK OWNERSHIP

NC ECU	25.0%
EnSt/Privat	33.8%
Privat	27.6%
Other	13.6%

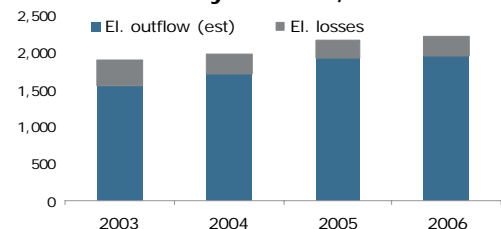
MARKET MULTIPLES

	2006E	2007E
EV/Sales	1.5	1.3
EV/EBITDA	16.0	13.7
P/E	61.8	30.2
P/B	3.5	3.1
P/CF	20.7	15.3

KEY RATIOS

	2005	2006E	2007E
EBITDA margin	7%	10%	10%
Net Margin	0.02%	2%	4%
ROE	0.1%	6%	12%
Net Debt/Equity	0.3	0.3	0.3

Electricity Balance, GWh



* PFTS MID Price is used
 ** Price "impact" is the opinion of Concorde's trading desk on stocks to help investors estimate the reliability of quoted prices:
 1: Market price reaction remains within 10% in execution of a market order of about USD 10 mln in size
 2: Market price reaction remains within 10% in execution of a market order of about USD 1 mln in size
 3: All other stocks (quoted price is less reliable and should be considered indicative)

Note: data (market information, price changes) as of 30 Mar 2007

INCOME STATEMENT SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Net Revenues	45.3	56.8	74.9	80.5	67.8	n/a	n/a
<i>Change y-o-y</i>	-	25.5%	31.8%	7.5%	18.6%	n/a	n/a
Gross Profit	3.3	7.1	7.7	9.0	8.8	n/a	n/a
EBITDA	1.3	3.6	11.7	5.8	5.2	n/a	n/a
<i>margin, %</i>	2.9%	6.3%	15.6%	7.2%	7.6%	n/a	n/a
Depreciation	(2.7)	(3.7)	(4.0)	(4.2)	(3.3)	n/a	n/a
EBIT	(1.4)	(0.1)	7.7	1.6	1.9	n/a	n/a
<i>margin, %</i>	-3.2%	-0.2%	10.2%	2.0%	2.8%	n/a	n/a
Interest Expense	(0.1)	(0.0)	(1.0)	(2.1)	(1.5)	n/a	n/a
Other income/(expense)	0.1	0.1	0.0	0.7	(0.2)	n/a	n/a
PBT	(1.5)	(0.1)	6.7	0.2	0.1	n/a	n/a
Tax	-	(0.2)	(3.3)	(0.2)	(0.3)	n/a	n/a
<i>Effective tax rate</i>	0.0%	-286.4%	48.8%	99.8%	238.7%	n/a	n/a
Net Income	(1.5)	(0.3)	3.4	0.0	(0.2)	n/a	n/a
<i>Net Margin, %</i>	-3.3%	-0.6%	4.5%	0.0%	-0.3%	n/a	n/a

BALANCE SHEET SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Current Assets	24.4	26.5	18.5	14.0	15.4	n/a	n/a
Cash & Equivalents	0.5	0.8	0.6	0.5	0.8	n/a	n/a
Trade Receivables	11.6	10.8	6.8	7.0	6.1	n/a	n/a
Inventories	2.2	3.3	4.8	1.8	2.2	n/a	n/a
Other	10.2	11.7	6.3	4.8	6.3	n/a	n/a
Fixed Assets	42.8	41.4	39.1	41.9	42.5	n/a	n/a
PP&E, net	32.7	31.7	32.0	34.3	34.5	n/a	n/a
Other	10.1	9.7	7.1	7.6	8.0	n/a	n/a
Total Assets	67.3	68.0	57.6	56.0	57.9	n/a	n/a
Shareholders' Equity	31.0	30.8	34.7	36.5	36.6	n/a	n/a
Share Capital	4.9	4.9	4.9	5.1	5.1	n/a	n/a
Retained Earnings	(5.4)	(12.9)	(9.5)	(10.0)	(10.2)	n/a	n/a
Other	31.6	38.9	39.3	41.4	41.7	n/a	n/a
Current Liabilities	21.6	22.4	13.2	11.1	12.7	n/a	n/a
ST Interest Bearing Debt	-	-	4.2	5.5	7.2	n/a	n/a
Trade Payables	18.5	19.7	5.5	0.4	0.2	n/a	n/a
Other	3.1	2.8	3.5	5.2	6.1	n/a	n/a
LT Liabilities	14.7	14.7	9.7	8.3	8.7	n/a	n/a
LT Interest Bearing Debt	14.7	-	8.1	6.7	7.1	n/a	n/a
Other	-	14.7	1.6	1.6	1.6	n/a	n/a
Total Liabilities & Equity	67.3	68.0	57.6	56.0	57.9	n/a	n/a

QUARTERLY ANALYSIS, USD mln

	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
Net Revenues	18.3	18.3	5.6	32.7	20.0	19.9	17.2	23.4	25.1	21.8	20.9
<i>Change y-o-y</i>	12.8%	49.0%	-58.9%	122.6%	9.5%	8.7%	207.5%	-28.5%	25.4%	9.7%	21.1%
EBITDA	1.7	8.9	(7.4)	8.5	1.9	1.5	0.2	2.2	2.8	1.5	0.8
<i>margin, %</i>	9.1%	49.0%	-132.4%	25.9%	9.4%	7.4%	1.4%	9.4%	11.3%	6.8%	4.0%
EBIT	0.7	8.0	(8.2)	7.2	0.9	0.4	(0.8)	1.1	1.8	0.4	(0.3)
<i>margin, %</i>	3.8%	43.5%	-146.7%	22.1%	4.4%	2.2%	-4.9%	4.7%	7.1%	1.8%	-1.3%
Net Income	0.5	7.8	(8.1)	3.2	0.1	0.2	(1.7)	1.3	1.1	(0.4)	(0.9)
<i>Net Margin, %</i>	3.0%	42.8%	-144.9%	9.6%	0.7%	1.2%	-9.6%	5.6%	4.4%	-1.7%	-4.4%

Sevastopolenergo

SMEN UZ

Electric

Target Price (USD)

Upside

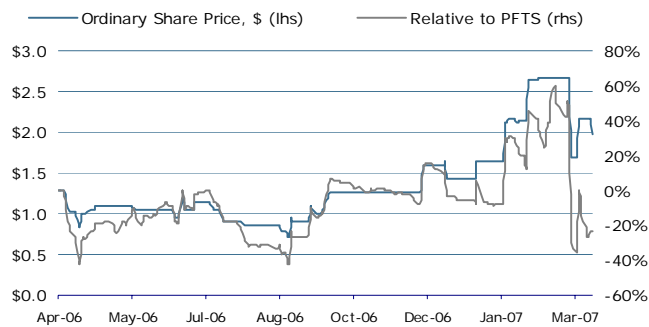
U/R

n/a

INVESTMENT CASE

- Limited free float makes the stock a doubtful investment opportunity, as the price is rather unstable
- Among a group of Oblenergos currently benefiting from preferential tariffs; profitability will shrink in 2008 following expected changes in tariff policies

SHARE PRICE PERFORMANCE*



BUSINESS OVERVIEW

Sevastopoloblenergo (SMEN) is an electricity distribution and supply company providing services to the smallest territorial entity in Ukraine: the city of Sevastopol and its suburbs (area 900 km²; population 0.38 mln) in the southeast of the Crimean peninsula. The company owns a 1,200 km transmission grid with a 0.9 GVA transformer capacity. Despite being the smallest Oblenergo, it is the best performing of the four Ukrainian Oblenergos privatized by VS Energy. The company has a high rate of payment collection, is steadily increasing its electricity sales and pays one of the highest dividends in the sector. As most other Oblenergos that were privatized in 2001 and enjoy preferable tariff policy now, Sevastopoloblenergo is most likely to decrease its profitability in 2008, when the National Electricity Regulatory Commission (NERC) is allowed to decrease the rate of return for the company. Sevastopoloblenergo supplied 0.85 TWh of electricity in 2006.

In 2006 sales grew by 23% yoy to USD 41.9 mln and net income grew 21% to USD 4.01 mln.

MARKET INFORMATION

Market price*, USD	1.98
Price impact**	3
52 Wk H/L, USD	2.67 / 0.71
Chg 3m/6m/52w	38% / 90% / 54%
Chg vs PFTS 3m/6m/52w	-27% / -14% / -39%
Chg YTD	38%
Avg Mo Tr Vol 6M, USD ths	23.81
MCap, USD mln	53.2
Free float, %	4.8%
FF MCap, USD mln	2.6
No of shares, mln	26.9
Par Value, UAH	0.25
XETRA	n/a
DR Ratio	n/a
Avg Mo Tr Vol 6M, USD ths	n/a

STOCK OWNERSHIP

VS Energy	95.2%
Other	4.8%

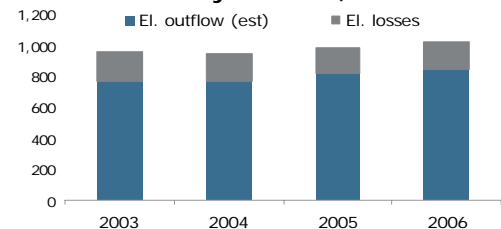
MARKET MULTIPLES

	2006E	2007E
EV/Sales	1.3	1.2
EV/EBITDA	6.0	5.2
P/E	22.4	36.5
P/B	3.8	3.4
P/CF	16.7	23.6

KEY RATIOS

	2005	2006E	2007E
EBITDA margin	15%	22%	23%
Net Margin	9%	6%	3%
ROE	34%	21%	10%
Net Debt/Equity	0.21	0.2	0.1

Electricity Balance, GWh



* PFTS MID Price is used

** Price "impact" is the opinion of Concorde's trading desk on stocks to help investors estimate the reliability of quoted prices:

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 2: Market price reaction remains within 10% in execution of a market order of about USD 1 mln in size
 3: All other stocks (quoted price is less reliable and should be considered indicative)

Note: data (market information, price changes) as of 30 Mar 2007

INCOME STATEMENT SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Net Revenues	19.1	26.3	30.3	33.8	29.9	n/a	n/a
<i>Change y-o-y</i>	-	37.8%	15.2%	11.6%	23.8%	n/a	n/a
Gross Profit	4.1	4.6	5.1	5.7	6.0	n/a	n/a
EBITDA	0.8	4.6	4.6	5.2	5.9	n/a	n/a
<i>margin, %</i>	4.4%	17.6%	15.3%	15.2%	19.6%	n/a	n/a
Depreciation	(0.4)	(0.5)	(0.6)	(0.7)	(0.6)	n/a	n/a
EBIT	0.5	4.2	4.0	4.5	5.3	n/a	n/a
<i>margin, %</i>	2.5%	15.8%	13.3%	13.2%	17.6%	n/a	n/a
Interest Expense	(0.1)	(0.1)	(0.1)	(0.2)	(0.4)	n/a	n/a
Other income/(expense)	(0.0)	(0.0)	(0.2)	(0.0)	(0.0)	n/a	n/a
PBT	0.4	4.1	3.8	4.3	4.8	n/a	n/a
Tax	(0.1)	(1.2)	(0.9)	(1.3)	(1.5)	n/a	n/a
<i>Effective tax rate</i>	29.6%	30.0%	23.7%	30.1%	30.9%	n/a	n/a
Net Income	0.3	2.8	2.9	3.0	3.3	n/a	n/a
<i>Net Margin, %</i>	1.5%	10.8%	9.5%	8.8%	11.1%	n/a	n/a

BALANCE SHEET SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Current Assets	11.7	12.0	12.9	11.9	12.7	n/a	n/a
Cash & Equivalents	0.4	1.4	1.2	0.5	0.4	n/a	n/a
Trade Receivables	7.8	8.1	9.1	9.3	4.4	n/a	n/a
Inventories	0.7	0.9	0.7	1.0	1.0	n/a	n/a
Other	2.9	1.6	1.9	1.1	7.0	n/a	n/a
Fixed Assets	6.3	6.6	6.5	7.8	10.4	n/a	n/a
PP&E, net	5.9	6.0	6.1	6.5	7.4	n/a	n/a
Other	0.4	0.6	0.4	1.3	3.1	n/a	n/a
Total Assets	18.1	18.6	19.4	19.7	23.1	n/a	n/a
Shareholders' Equity	3.7	6.0	8.7	11.6	12.1	n/a	n/a
Share Capital	1.3	1.3	1.3	2.8	1.3	n/a	n/a
Retained Earnings	(2.0)	0.3	2.9	5.4	5.8	n/a	n/a
Other	4.5	4.4	4.5	3.4	5.0	n/a	n/a
Current Liabilities	1.6	11.9	10.0	6.6	6.4	n/a	n/a
ST Interest Bearing Debt	-	-	-	1.5	-	n/a	n/a
Trade Payables	0.1	9.9	6.9	2.4	0.5	n/a	n/a
Other	1.5	2.0	3.1	2.6	6.4	n/a	n/a
LT Liabilities	12.7	0.7	0.7	1.5	4.6	n/a	n/a
LT Interest Bearing Debt	0.7	-	0.7	1.3	4.4	n/a	n/a
Other	12.0	0.7	-	0.2	0.2	n/a	n/a
Total Liabilities & Equity	18.1	18.6	19.4	19.7	23.1	n/a	n/a

Sumyoblenergo

Electric

<http://www.smenergy.com.ua>

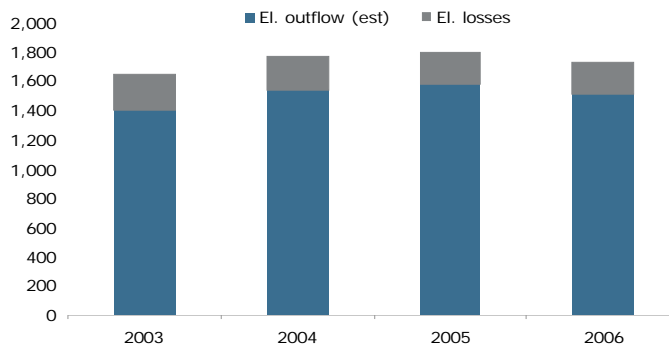
Target Price (USD) N/R
Upside (%) n/a

BUSINESS OVERVIEW

Sumyoblenergo (SOEN) is an electricity distribution and supply company, providing services to the northern Ukrainian region of Sumy (area 23,800 km²; population 1.28 mln). The company owns a 33,300 km transmission grid with a transformer capacity of 3.5 GVA. Its main consumer is the Sumykhimprom Chemicals Plant. The company has the lowest (negative) level of excessive electricity losses, which gives it additional short-term profits. Despite being one of the Oblenergos where the Energy Standard and Privat groups are vying for dominance, no noticeable corporate conflicts have taken place. The company is operated by skilled management and is one of the Oblenergos best predisposed to short-term value growth if tariff policies change. The company was delisted from PFTS, but its shares are available to investors. The government might privatize 25% of the company in 2007. The company supplied 1.51 TWh of electricity in 2006.

In 9M06 Sumyoblenergo posted growth in sales by 9% yoy to USD 51.8 mln, in EBITDA by 5% yoy to USD 6.1 mln and a huge increase in net income (from a net loss of USD 1.4 mln in 9M05 to a positive USD 0.7 mln in 9M06).

Electricity Balance, GWh



MARKET INFORMATION

Market price*, USD	n/a
Price impact**	n/a
52 Wk H/L, USD	n/a
Chg 3m/6m/52w	n/a
Chg vs PFTS 3m/6m/52w	n/a
Chg YTD	n/a
Avg Mo Tr Vol 6M, USD ths	n/a
MCap, USD mln	n/a
Free float, %	9.3%
FF MCap, USD mln	n/a
No of shares, mln	177.1
Par Value, UAH	0.25
XETRA	n/a
DR Ratio	n/a
Avg Mo Tr Vol 6M, USD ths	n/a

STOCK OWNERSHIP

NC ECU	25.0%
EnSt/Privat	40.0%
Privat	25.7%
Other	9.3%

MARKET MULTIPLES

	2006E	2007E
EV/Sales	n/a	n/a
EV/EBITDA	n/a	n/a
P/E	n/a	n/a
P/B	n/a	n/a
P/CF	n/a	n/a

KEY RATIOS

	2005	2006E	2007E
EBITDA margin	11%	15%	15%
Net Margin	-3%	5%	3%
ROE	-3%	5%	4%
Net Debt/Equity	0.1	0.04	0.04

* The stock is not listed on PFTS
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 2: Market price reaction remains within 10% in execution of a market order of about USD 1 mln in size
 3: All other stocks (quoted price is less reliable and should be considered indicative)

Note: data (market information, price changes) as of 30 Mar 2007

INCOME STATEMENT SUMMARY, USD mln

	2003	2004	2005	9M06	2007E	2008E
Net Revenues	61.3	61.1	64.4	51.8	n/a	n/a
<i>Change y-o-y</i>	-	-0.3%	5.3%	9.3%	n/a	n/a
Gross Profit	7.9	8.8	9.3	8.4	n/a	n/a
EBITDA	5.7	6.1	7.2	6.1	n/a	n/a
<i>margin, %</i>	9.3%	10.1%	11.2%	11.8%	n/a	n/a
Depreciation	(4.2)	(5.3)	(6.0)	(4.3)	n/a	n/a
EBIT	1.6	0.9	1.2	1.9	n/a	n/a
<i>margin, %</i>	2.5%	1.5%	1.9%	3.6%	n/a	n/a
Interest Expense	(1.0)	(1.0)	(1.0)	(0.7)	n/a	n/a
Other income/(expense)	(0.1)	1.1	(1.3)	(0.0)	n/a	n/a
PBT	0.5	0.9	(1.1)	1.2	n/a	n/a
Tax	(0.4)	(0.8)	(1.0)	(0.5)	n/a	n/a
<i>Effective tax rate</i>	82.7%	89.3%	-93.4%	45.1%	n/a	n/a
Net Income	0.1	0.1	(2.1)	0.7	n/a	n/a
<i>Net Margin, %</i>	0.1%	0.2%	-3.2%	1.3%	n/a	n/a

BALANCE SHEET SUMMARY, USD mln

	2003	2004	2005	9M06	2007E	2008E
Current Assets	16.2	15.6	12.3	11.5	n/a	n/a
Cash & Equivalents	0.3	0.7	0.7	0.7	n/a	n/a
Trade Receivables	4.8	4.7	4.5	3.6	n/a	n/a
Inventories	4.6	7.1	4.6	4.9	n/a	n/a
Other	6.5	3.1	2.4	2.2	n/a	n/a
Fixed Assets	71.5	70.1	70.4	69.1	n/a	n/a
PP&E, net	63.3	62.8	65.3	63.3	n/a	n/a
Other	8.2	7.3	5.2	5.8	n/a	n/a
Total Assets	87.7	85.7	82.7	80.6	n/a	n/a
Shareholders' Equity	65.5	66.0	67.5	68.2	n/a	n/a
Share Capital	8.3	8.3	8.8	8.8	n/a	n/a
Retained Earnings	(14.2)	(13.4)	(14.9)	(13.6)	n/a	n/a
Other	71.4	71.0	73.7	73.0	n/a	n/a
Current Liabilities	20.6	17.3	13.5	10.7	n/a	n/a
ST Interest Bearing Debt	8.1	4.1	4.2	3.8	n/a	n/a
Trade Payables	9.7	10.4	5.8	4.0	n/a	n/a
Other	2.8	2.8	3.5	3.7	n/a	n/a
LT Liabilities	1.5	2.4	1.7	1.7	n/a	n/a
LT Interest Bearing Debt	-	0.9	-	-	n/a	n/a
Other	1.5	1.5	1.7	1.7	n/a	n/a
Total Liabilities & Equity	87.7	85.7	82.7	80.6	n/a	n/a

QUARTERLY ANALYSIS, USD mln

	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
Net Revenues	15.7	15.5	13.7	16.2	16.7	15.5	15.2	17.0	19.8	16.2	15.7
<i>Change y-o-y</i>	N/M	N/M	N/M	N/M	5.8%	-0.1%	11.0%	5.2%	19.0%	4.8%	3.3%
EBITDA	1.0	0.9	1.7	2.6	2.7	2.2	0.9	1.4	2.6	2.4	1.2
<i>margin, %</i>	6.4%	5.5%	12.2%	16.2%	16.2%	14.0%	6.2%	8.1%	13.2%	14.5%	7.4%
EBIT	(0.2)	(0.4)	0.4	1.2	1.3	0.6	(0.5)	(0.1)	1.2	0.9	(0.2)
<i>margin, %</i>	-1.4%	-2.7%	2.6%	7.3%	7.6%	4.1%	-3.4%	-0.7%	5.9%	5.6%	-1.4%
Net Income	(0.5)	(0.8)	(0.3)	1.7	(0.3)	(0.1)	(1.1)	(0.7)	0.9	0.5	(0.7)
<i>Net Margin, %</i>	-3.1%	-5.1%	-2.1%	10.2%	-1.7%	-0.5%	-7.0%	-3.9%	4.5%	3.0%	-4.6%

Ternopiloblenergo

TOEN UZ

Electric

<http://www.toe.te.ua>

Target Price (USD)

U/R

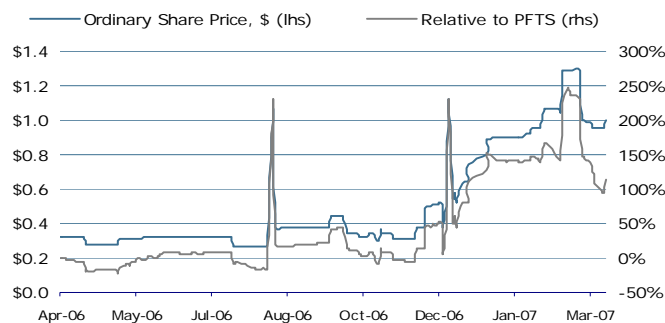
Upside

n/a

INVESTMENT CASE

- One of the smallest Oblenergos
- Large debt to the wholesale energy market remains but is expected to be restructured soon
- Only state-controlled Oblenergo without a stake up for privatization in 2007

SHARE PRICE PERFORMANCE*



BUSINESS OVERVIEW

Ternopiloblenergo (TOEN) is an electricity distribution and supply company providing services to the western Ukrainian region of Ternopil (area 13,800 km²; population 1.13 mln). The company owns a 24,600 km transmission grid with a transformer capacity of 2.1 GVA. The company doesn't supply electricity to any large industrial enterprises whose defection could affect company sales. Its major consumers are the textile union Texterno, interior/exterior light-fixture manufacturing plant Vatra and the Ternopil Agriculture Machine Building Plant. The large percentage of households it supplies guarantees a stable market position in the future. Ternopiloblenergo is the only company privatized in 1998 in which the state has a controlling stake. No stake is being put for privatization in 2007. The company is one of the Oblenergos involved in the Privat-Energy Standard conflict, where rival parties own 40% stakes. If the remaining state stake of 50% is privatized, the state stands to gain a lot as the rivals vie for control. We believe that the company is among those Oblenergos best predisposed to short-term value growth if tariff policies change. The company supplied 0.95 TWh of electricity in 2006.

We expect 2006 sales to grow by 23% yoy to USD 43.1 mln, EBITDA to grow by 48% yoy to USD 4.7 mln, and net income to increase to USD 2.3 mln (versus a net loss of USD 0.4 mln in 2005).

MARKET INFORMATION

Market price*, USD	1.00
Price impact**	3
52 Wk H/L, USD	1.30 / 0.27
Chg 3m/6m/52w	75% / 191% / 297%
Chg vs PFTS 3m/6m/52w	10% / 87% / 204%
Chg YTD	75%
Avg Mo Tr Vol 6M, USD ths	13.54
MCap, USD mln	61.1
Free float, %	8.9%
FF MCap, USD mln	5.4
No of shares, mln	61.1
Par Value, UAH	0.25
XETRA	n/a
DR Ratio	n/a
Avg Mo Tr Vol 6M, USD ths	n/a

STOCK OWNERSHIP

NC ECU	51.0%
EnSt/Privat	25.0%
Privat	15.1%
Other	8.9%

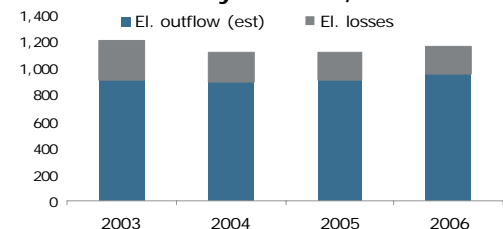
MARKET MULTIPLES

	2006E	2007E
EV/Sales	1.4	1.2
EV/EBITDA	13.3	11.4
P/E	26.6	18.7
P/B	3.6	3.0
P/CF	12.4	10.4

KEY RATIOS

	2005	2006E	2007E
EBITDA margin	9%	11%	11%
Net Margin	-1%	5%	7%
ROE	-3%	16%	19%
Net Debt/Equity	0.1	0.1	0.1

Electricity Balance, GWh



* PFTS MID Price is used

** Price "Impact" is the opinion of Concorde's trading desk on stocks to help investors estimate the reliability of quoted prices:

1: Market price reaction remains within 10% in execution of a market order of about USD 10 mln in size
 2: Market price reaction remains within 10% in execution of a market order of about USD 1 mln in size
 3: All other stocks (quoted price is less reliable and should be considered indicative)

Note: data (market information, price changes) as of 30 Mar 2007

INCOME STATEMENT SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Net Revenues	27.8	11.9	31.3	34.9	29.5	n/a	n/a
<i>Change y-o-y</i>	-	-57.1%	163.1%	11.4%	22.3%	n/a	n/a
Gross Profit	1.7	5.8	5.9	6.7	5.4	n/a	n/a
EBITDA	(0.0)	8.9	0.9	3.2	3.9	n/a	n/a
<i>margin, %</i>	-0.2%	75.1%	2.8%	9.1%	13.1%	n/a	n/a
Depreciation	(4.9)	(3.0)	(3.0)	(2.8)	(2.0)	n/a	n/a
EBIT	(5.0)	5.9	(2.1)	0.4	1.9	n/a	n/a
<i>margin, %</i>	-18.0%	49.6%	-6.8%	1.1%	6.4%	n/a	n/a
Interest Expense	(0.1)	(0.7)	(8.3)	(0.4)	(0.3)	n/a	n/a
Other income/(expense)	0.1	0.8	8.5	0.4	0.2	n/a	n/a
PBT	(4.9)	6.0	(2.0)	0.3	1.8	n/a	n/a
Tax	-	(2.8)	-	(0.7)	(0.7)	n/a	n/a
<i>Effective tax rate</i>	0.0%	46.2%	0.0%	209.4%	37.3%	n/a	n/a
Net Income	(4.9)	3.2	(2.0)	(0.4)	1.1	n/a	n/a
<i>Net Margin, %</i>	-17.8%	27.1%	-6.3%	-1.1%	3.8%	n/a	n/a

BALANCE SHEET SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Current Assets	17.4	23.3	12.6	8.9	8.3	n/a	n/a
Cash & Equivalents	0.2	0.5	0.3	0.4	0.4	n/a	n/a
Trade Receivables	14.1	12.1	7.6	6.9	5.3	n/a	n/a
Inventories	1.0	1.1	3.7	1.4	1.2	n/a	n/a
Other	2.1	9.7	1.0	0.2	1.3	n/a	n/a
Fixed Assets	29.2	25.1	24.8	26.1	26.9	n/a	n/a
PP&E, net	28.3	23.4	22.9	23.9	23.9	n/a	n/a
Other	0.9	1.6	1.8	2.2	3.0	n/a	n/a
Total Assets	46.7	48.4	37.3	35.0	35.2	n/a	n/a
Shareholders' Equity	16.2	14.5	14.3	14.7	16.1	n/a	n/a
Share Capital	2.9	2.9	2.9	3.0	3.0	n/a	n/a
Retained Earnings	(16.8)	(12.1)	(12.3)	(13.4)	(12.2)	n/a	n/a
Other	30.1	23.6	23.8	25.0	25.3	n/a	n/a
Current Liabilities	28.7	29.4	22.4	19.6	18.4	n/a	n/a
ST Interest Bearing Debt	0.0	8.2	0.8	1.7	2.2	n/a	n/a
Trade Payables	27.8	18.6	19.9	16.3	13.8	n/a	n/a
Other	0.8	2.7	1.7	1.5	2.8	n/a	n/a
LT Liabilities	1.8	4.5	0.6	0.7	0.7	n/a	n/a
LT Interest Bearing Debt	1.2	1.2	-	-	-	n/a	n/a
Other	0.6	3.3	0.6	0.7	0.7	n/a	n/a
Total Liabilities & Equity	46.7	48.4	37.3	35.0	35.2	n/a	n/a

QUARTERLY ANALYSIS, USD mln

	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
Net Revenues	8.9	6.8	6.8	8.7	9.0	7.3	7.9	10.8	11.6	8.8	9.1
<i>Change y-o-y</i>	11.0%	-309.0%	88.2%	148.1%	0.8%	6.0%	15.4%	23.4%	28.9%	21.3%	15.7%
EBITDA	1.3	(2.3)	1.0	0.9	0.0	0.8	0.9	1.5	1.0	1.0	1.8
<i>margin, %</i>	14.4%	-33.7%	14.4%	10.6%	0.0%	10.7%	10.9%	14.2%	8.6%	11.9%	20.0%
EBIT	0.2	(3.0)	0.4	0.3	(0.6)	0.1	0.0	0.8	0.3	0.4	1.2
<i>margin, %</i>	2.5%	-44.1%	5.7%	3.0%	-6.8%	1.5%	0.5%	7.7%	2.4%	4.8%	13.1%
Net Income	0.3	(3.9)	0.4	1.2	(0.6)	(0.2)	(0.0)	0.4	0.1	0.2	0.8
<i>Net Margin, %</i>	3.9%	-56.7%	5.6%	13.4%	-6.9%	-2.2%	-0.6%	4.1%	1.2%	2.2%	8.7%

Vinnitsaoblenergo

VIEN UZ

Electric

<http://www.voe.com.ua>

Target Price (USD)

U/R

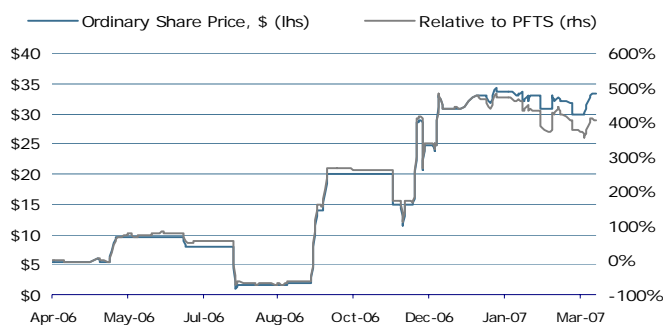
Upside

n/a

INVESTMENT CASE

- 15% of the company might be privatized in 2007

SHARE PRICE PERFORMANCE*



BUSINESS OVERVIEW

Vinnitsaoblenergo (VIEN) is an electricity distribution and supply company, providing services to central Vinnitsa Region (area 26,500 km²; population 1.75 mln). The company owns a 48,400 km transmission grid with a 3.7 GVA transformer capacity. Its high excessive electricity losses are related to regional characteristics: many agricultural customers have poor payment discipline and its lines are often damaged by severe weather. Vinnitsaoblenergo is in a group of Oblenergos that suffer from inefficient management and one where a change in tariff policies won't lead to sharp profitability growth. Full privatization could be the main trigger for value growth, but is unlikely in the short-term. The government might privatize 15% of the company in 2007. The company supplied 1.80 TWh of electricity in 2006.

In 2006 Vinnitsaoblenergo posted growth in sales by 22% yoy to USD 90.1 mln while its net income remained almost unchanged, USD 0.7 mln.

* PFTS MID Price is used
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- Market price reaction remains within 10% in execution of a market order of about USD 1 mln in size
- All other stocks (quoted price is less reliable and should be considered indicative)

Note: data (market information, price changes) as of 30 Mar 2007

MARKET INFORMATION

Market price*, USD	33.66
Price impact**	3
52 Wk H/L, USD	34.2 / 1.0
Chg 3m/6m/52w	9% / 141% / 507%
Chg vs PFTS 3m/6m/52w	-56% / 37% / 414%
Chg YTD	9%
Avg Mo Tr Vol 6M, USD ths	183.44
MCap, USD mln	104.3
Free float, %	4.7%
FF MCap, USD mln	4.9
No of shares, mln	3.1
Par Value, UAH	10.00
XETRA	n/a
DR Ratio	n/a
Avg Mo Tr Vol 6M, USD ths	n/a

STOCK OWNERSHIP

NC ECU	75.0%
VS Energy	20.3%
Other	4.7%

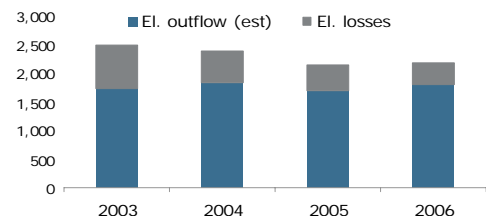
MARKET MULTIPLES

	2006E	2007E
EV/Sales	1.3	1.1
EV/EBITDA	19.6	17.0
P/E	36.8	47.6
P/B	-79.5	118.6
P/CF	17.0	19.0

KEY RATIOS

	2005	2006E	2007E
EBITDA margin	7%	7%	7%
Net Margin	1%	3%	2%
ROE	-12%	-68%	-167%
Net Debt/Equity	-0.1	0.2	-0.3

Electricity Balance, GWh



INCOME STATEMENT SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Net Revenues	23.1	23.6	63.3	64.2	56.5	n/a	n/a
<i>Change y-o-y</i>	-	2.1%	168.5%	1.4%	26.8%	n/a	n/a
Gross Profit	13.0	13.6	5.7	5.6	7.3	n/a	n/a
EBITDA	(2.3)	(1.6)	3.7	4.8	3.5	n/a	n/a
<i>margin, %</i>	-9.8%	-6.9%	5.8%	7.5%	6.1%	n/a	n/a
Depreciation	(2.9)	(3.0)	(3.0)	(3.4)	(2.5)	n/a	n/a
EBIT	(5.2)	(4.6)	0.7	1.4	1.0	n/a	n/a
<i>margin, %</i>	-22.5%	-19.4%	1.1%	2.2%	1.8%	n/a	n/a
Interest Expense	(0.2)	(0.3)	(0.3)	(0.3)	(0.1)	n/a	n/a
Other income/(expense)	0.0	(0.6)	0.1	0.1	0.1	n/a	n/a
PBT	(5.3)	(5.5)	0.4	1.2	1.0	n/a	n/a
Tax	(0.4)	(2.1)	(0.4)	(0.5)	(0.5)	n/a	n/a
<i>Effective tax rate</i>	-7.0%	-37.5%	98.5%	39.5%	55.9%	n/a	n/a
Net Income	(5.9)	(7.5)	0.0	0.7	0.4	n/a	n/a
<i>Net Margin, %</i>	-25.4%	-32.0%	0.0%	1.2%	0.7%	n/a	n/a

BALANCE SHEET SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Current Assets	33.8	33.6	33.8	36.4	31.2	n/a	n/a
Cash & Equivalents	0.2	0.4	0.3	0.8	0.9	n/a	n/a
Trade Receivables	26.9	26.7	26.7	27.8	21.9	n/a	n/a
Inventories	2.5	3.0	3.2	2.8	3.0	n/a	n/a
Other	4.1	3.5	3.6	4.9	5.3	n/a	n/a
Fixed Assets	44.9	43.2	41.8	44.8	47.3	n/a	n/a
PP&E, net	42.2	41.1	39.5	42.3	44.4	n/a	n/a
Other	2.6	2.1	2.3	2.6	2.9	n/a	n/a
Total Assets	78.6	76.8	75.6	81.2	78.5	n/a	n/a
Shareholders' Equity	2.5	(5.8)	(6.2)	(4.1)	(2.5)	n/a	n/a
Share Capital	5.8	5.8	5.8	6.1	6.1	n/a	n/a
Retained Earnings	(35.7)	(43.3)	(43.5)	(43.4)	(43.2)	n/a	n/a
Other	32.4	31.7	31.4	33.1	34.6	n/a	n/a
Current Liabilities	76.1	82.4	81.8	85.3	81.0	n/a	n/a
ST Interest Bearing Debt	1.5	1.2	1.2	1.0	1.0	n/a	n/a
Trade Payables	73.0	79.1	78.9	82.5	77.7	n/a	n/a
Other	1.6	2.0	1.6	1.8	3.7	n/a	n/a
LT Liabilities	0.0	0.2	0.0	0.0	0.0	n/a	n/a
LT Interest Bearing Debt	-	-	-	-	-	n/a	n/a
Other	0.0	0.2	0.0	0.0	0.0	n/a	n/a
Total Liabilities & Equity	78.6	76.8	75.6	81.2	78.5	n/a	n/a

QUARTERLY ANALYSIS, USD mln

	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
Net Revenues	16.6	13.8	14.3	19.7	21.9	17.2	17.5
<i>Change y-o-y</i>	N/M	N/M	N/M	N/M	32.1%	24.7%	22.6%
EBITDA	0.9	0.5	1.2	2.2	1.3	1.0	1.1
<i>margin, %</i>	5.3%	4.0%	8.3%	11.1%	6.0%	6.0%	6.4%
EBIT	0.0	(0.3)	0.3	1.3	0.5	0.2	0.2
<i>margin, %</i>	0.3%	-1.9%	2.3%	6.6%	2.3%	1.4%	1.4%
Net Income	(0.0)	(0.4)	0.1	1.1	0.2	0.0	0.2
<i>Net Margin, %</i>	0.0%	-2.8%	0.4%	5.4%	1.0%	0.2%	1.0%

Volynoblenergo

VOEN UZ

Electric

Target Price (USD)

Upside

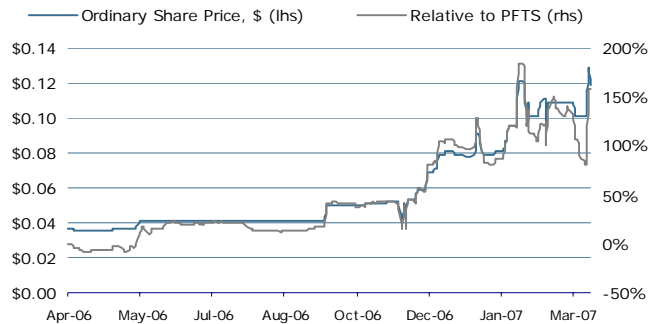
U/R

n/a

INVESTMENT CASE

- One of the smallest and most efficient state-controlled energy distribution companies
- Qualified and innovative management
- 15% of the company might be privatized in 2007

SHARE PRICE PERFORMANCE*



BUSINESS OVERVIEW

Volynoblenergo (VOEN) is an electricity distribution and supply company providing services to the western Ukrainian Volyn region – one of the country's smallest and least industrialized regions (area 20,200 km²; population 1.05 mln). The company owns a 25,600 km transmission grid with a 2.1 GVA transformer capacity. Its small amount of industrial consumers means that there is little threat that its market share will reduce in the long-term. The company is the best performing state-controlled Oblenergo. In the last two years, it reduced its excessive electricity losses. If the tariff policy is changed, its profits will grow significantly. The government might privatize a 15% stake in 2007. The company supplied 1.07 TWh of electricity in 2006.

Volynoblenergo's 2006 net income amounted USD 0.53 mln, +17% yoy.

UPCOMING EVENTS

17 May 2007 AGM

* PFTS BID Price is used

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- 1: Market price reaction remains within 10% in execution of a market order of about USD 10 mln in size
- 2: Market price reaction remains within 10% in execution of a market order of about USD 1 mln in size
- 3: All other stocks (quoted price is less reliable and should be considered indicative)

Note: data (market information, price changes) as of 30 Mar 2007

MARKET INFORMATION

Market price*, USD	0.12
Price impact**	3
52 Wk H/L, USD	0.13 / 0.04
Chg 3m/6m/52w	50% / 140% / 224%
Chg vs PFTS 3m/6m/52w	-15% / 36% / 132%
Chg YTD	50%
Avg Mo Tr Vol 6M, USD ths	21.2
MCap, USD mln	56.7
Free float, %	6.9%
FF MCap, USD mln	3.9
No of shares, mln	477.3
Par Value, UAH	0.05
XETRA	n/a
DR Ratio	n/a
Avg Mo Tr Vol 6M, USD ths	n/a

STOCK OWNERSHIP

NC ECU	75.0%
EnStandard	18.1%
Other	6.9%

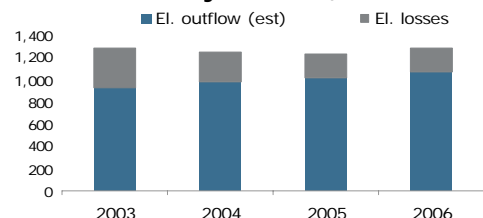
MARKET MULTIPLES

	2006E	2007E
EV/Sales	1.2	1.0
EV/EBITDA	14.4	12.7
P/E	15.5	15.1
P/B	3.3	2.7
P/CF	10.3	10.1

KEY RATIOS

	2005	2006E	2007E
EBITDA margin	7%	8%	8%
Net Margin	1%	8%	7%
ROE	3%	27%	22%
Net Debt/Equity	-0.01	-0.04	-0.03

Electricity Balance, GWh



INCOME STATEMENT SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Net Revenues	11.1	9.1	33.7	38.6	33.9	n/a	n/a
<i>Change y-o-y</i>	-	-18.4%	271.8%	14.5%	25.5%	n/a	n/a
Gross Profit	0.1	5.2	4.4	3.8	5.2	n/a	n/a
EBITDA	(1.5)	0.8	2.7	2.6	2.6	n/a	n/a
<i>margin, %</i>	-13.1%	8.6%	8.1%	6.8%	7.8%	n/a	n/a
Depreciation	(1.2)	(1.2)	(1.5)	(1.8)	(1.4)	n/a	n/a
EBIT	(2.6)	(0.4)	1.2	0.9	1.2	n/a	n/a
<i>margin, %</i>	-23.5%	-4.9%	3.7%	2.2%	3.6%	n/a	n/a
Interest Expense	(0.0)	(0.0)	(0.0)	(0.0)	(0.1)	n/a	n/a
Other income/(expense)	(0.1)	(0.1)	(0.0)	0.1	0.1	n/a	n/a
PBT	(2.8)	(0.5)	1.2	0.9	1.2	n/a	n/a
Tax	-	-	(0.6)	(0.5)	(0.6)	n/a	n/a
<i>Effective tax rate</i>	0.0%	0.0%	52.2%	51.1%	51.9%	n/a	n/a
Net Income	(2.8)	(0.5)	0.6	0.5	0.6	n/a	n/a
<i>Net Margin, %</i>	-25.0%	-5.7%	1.7%	1.2%	1.7%	n/a	n/a

BALANCE SHEET SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Current Assets	10.1	9.7	9.1	9.2	10.1	n/a	n/a
Cash & Equivalents	1.1	1.0	1.1	0.7	1.7	n/a	n/a
Trade Receivables	7.2	7.0	6.3	6.7	6.0	n/a	n/a
Inventories	0.6	0.7	0.8	1.2	1.6	n/a	n/a
Other	1.1	1.1	0.9	0.7	0.8	n/a	n/a
Fixed Assets	16.3	16.5	16.1	17.3	18.2	n/a	n/a
PP&E, net	15.9	15.3	15.1	16.2	17.4	n/a	n/a
Other	0.3	1.2	1.0	1.1	0.9	n/a	n/a
Total Assets	26.4	26.2	25.2	26.5	28.3	n/a	n/a
Shareholders' Equity	12.6	12.4	13.0	13.7	12.5	n/a	n/a
Share Capital	4.5	4.5	4.5	4.7	4.7	n/a	n/a
Retained Earnings	(6.6)	(6.8)	(6.2)	(6.5)	(7.8)	n/a	n/a
Other	14.8	14.7	14.7	15.4	15.6	n/a	n/a
Current Liabilities	13.8	13.8	12.2	12.9	15.8	n/a	n/a
ST Interest Bearing Debt	0.4	0.6	-	0.6	1.0	n/a	n/a
Trade Payables	12.9	13.0	11.3	10.6	10.1	n/a	n/a
Other	0.4	0.3	0.9	1.6	6.6	n/a	n/a
LT Liabilities	-	-	-	-	-	n/a	n/a
LT Interest Bearing Debt	-	-	-	-	-	n/a	n/a
Other	-	-	-	-	-	n/a	n/a
Total Liabilities & Equity	26.4	26.2	25.2	26.5	28.3	n/a	n/a

QUARTERLY ANALYSIS, USD mln

	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
Net Revenues	9.9	8.4	8.7	11.6	13.1	10.3	10.5
<i>Change y-o-y</i>	N/M	N/M	N/M	N/M	32.4%	22.3%	20.8%
EBITDA	0.7	0.5	0.4	1.0	1.3	0.5	0.9
<i>margin, %</i>	7.0%	5.9%	4.7%	8.9%	9.9%	4.4%	8.4%
EBIT	0.3	0.0	(0.1)	0.6	0.9	(0.0)	0.4
<i>margin, %</i>	3.0%	0.5%	-0.7%	5.0%	6.5%	-0.3%	3.7%
Net Income	0.1	(0.1)	(0.1)	0.5	0.5	(0.1)	0.2
<i>Net Margin, %</i>	1.3%	-0.8%	-1.2%	4.2%	3.6%	-0.8%	1.8%

Vostokenergo

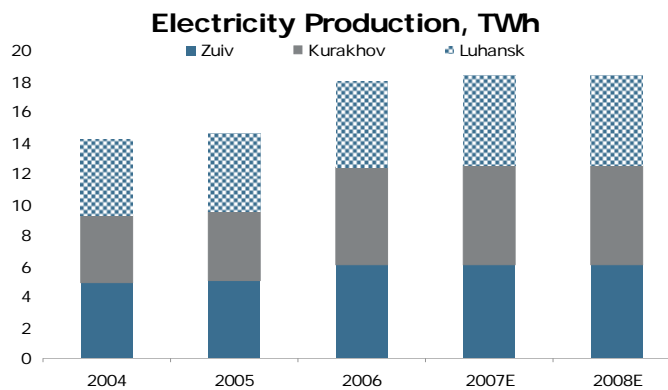
Electric

Target Price (USD)
N/R
Upside (%)
n/a

BUSINESS OVERVIEW

Vostokenergo is the only private thermal power generator in Ukraine and is controlled by the SCM Group. The company operates three coal-fired power plants (Kurakhiv, Zuyiv and Lugansk) with a total installed capacity of 3.89 GW. Vostokenergo is part of the DTEK Corporation, which was created in 2005 by SCM to manage its energy assets. Pavlograd Coal mine (also SCM-owned and the part of DFEC) supplies high quality coal to Vostokenergo at a lower-than-average price, which gives the latter significant advantage over other generators in the price competition. The company increased its output by 29% yoy (to 17.95 TWh) in 2006 and has become the largest thermal power producer in Ukraine. This spectacular performance was due to the artificial limitation of the company's output in 2005.

In 9M06 Vostokenergo posted growth in sales by 50% yoy to USD 529 mln, in EBITDA by 124% to USD 134.4 mln and in net income by 133% to USD 99 mln.



* The stock is not listed on PFTS

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- 3: All other stocks (quoted price is less reliable and should be considered indicative)

Note: data (market information, price changes) as of 30 Mar 2007

MARKET INFORMATION

Market price*, USD	n/a
Price impact**	n/a
52 Wk H/L, USD	n/a
Chg 3m/6m/52w	n/a
Chg vs PFTS 3m/6m/52w	n/a
Chg YTD	n/a
Avg Mo Tr Vol 6M, USD ths	n/a
MCap, USD mln	n/a
Free float, %	n/a
FF MCap, USD mln	n/a
No of shares, mln	n/a
Par Value, UAH	n/a
XETRA	n/a
DR Ratio	n/a
Avg Mo Tr Vol 6M, USD ths	n/a

STOCK OWNERSHIP

SCM	100%
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MARKET MULTIPLES

	2006E	2007E
EV/Sales	n/a	n/a
EV/EBITDA	n/a	n/a
P/E	n/a	n/a
P/B	n/a	n/a
P/CF	n/a	n/a

KEY RATIOS

	2005	2006E	2007E
EBITDA margin	15%	25%	n/a
Net Margin	10%	19%	n/a
ROE	63%	169%	n/a
Net Debt/Equity	0.2	-0.07	n/a

INCOME STATEMENT SUMMARY, USD mln

	2003	2004	2005	9M06	2007E	2008E
Net Revenues	395.9	432.6	473.2	529.3	n/a	n/a
<i>Change y-o-y</i>	-	9.3%	9.4%	50.0%	n/a	n/a
Gross Profit	24.6	65.6	89.8	145.3	n/a	n/a
EBITDA	10.8	52.0	68.8	134.4	n/a	n/a
<i>margin, %</i>	3%	12%	15%	25.4%	n/a	n/a
Depreciation	(0.3)	(0.4)	(0.4)	(0.5)	n/a	n/a
EBIT	10.6	51.6	68.4	133.9	n/a	n/a
<i>margin, %</i>	3%	12%	14%	25.3%	n/a	n/a
Interest Expense	(2.4)	(2.0)	(2.1)	(0.2)	n/a	n/a
Other income/(expense)	(0.3)	0.1	0.3	0.2	n/a	n/a
PBT	7.9	49.7	66.6	133.9	n/a	n/a
Tax	(5.5)	(8.9)	(18.4)	(34.7)	n/a	n/a
<i>Effective tax rate</i>	69%	18%	28%	25.9%	n/a	n/a
Net Income	2.4	40.8	48.2	99.3	n/a	n/a
<i>Net Margin, %</i>	1%	9%	10%	18.8%	n/a	n/a

BALANCE SHEET SUMMARY, USD mln

	2003	2004	2005	9M06	2007E	2008E
Current Assets	113.9	166.3	130.6	109.2	n/a	n/a
Cash & Equivalents	5.3	4.8	12.8	14.1	n/a	n/a
Trade Receivables	69.9	75.6	8.6	33.5	n/a	n/a
Inventories	29.5	40.4	38.4	36.4	n/a	n/a
Other	9.2	45.5	70.8	25.2	n/a	n/a
Fixed Assets	0.4	0.4	10.5	47.8	n/a	n/a
PP&E, net	0.1	0.2	1.6	1.8	n/a	n/a
Other	0.4	0.2	8.9	45.9	n/a	n/a
Total Assets	114.3	166.7	141.1	157.0	n/a	n/a
Shareholders' Equity	35.4	76.4	78.4	100.2	n/a	n/a
Share Capital	0.0	0.0	0.0	0.0	n/a	n/a
Retained Earnings	35.4	76.4	78.4	100.1	n/a	n/a
Other	0.0	0.0	0.0	0.0	n/a	n/a
Current Liabilities	73.4	82.0	62.7	56.9	n/a	n/a
ST Interest Bearing Debt	23.4	18.0	26.0	-	n/a	n/a
Trade Payables	35.5	45.3	15.9	26.5	n/a	n/a
Other	14.5	18.7	20.8	45.1	n/a	n/a
LT Liabilities	5.5	8.3	-	-	n/a	n/a
LT Interest Bearing Debt	-	-	-	-	n/a	n/a
Other	5.5	8.3	-	-	n/a	n/a
Total Liabilities & Equity	114.3	166.7	141.1	157.0	n/a	n/a

QUARTERLY ANALYSIS, USD mln

	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
Net Revenues	76.2	79.2	122.1	155.1	119.1	111.2	122.5	120.4	213.6	153.5	162.1
<i>Change y-o-y</i>	-41%	13%	31%	51%	56%	40%	0%	-22%	79%	38%	32%
EBITDA	0.3	11.3	13.7	26.7	22.7	15.4	21.7	8.9	57.5	36.1	40.9
<i>margin, %</i>	0%	14%	11%	17%	19%	14%	18%	7%	27%	24%	25%
EBIT	0.2	11.2	13.6	26.5	21.7	16.3	21.6	8.8	57.4	35.9	40.7
<i>margin, %</i>	0%	14%	11%	17%	18%	15%	18%	7%	27%	23%	25%
Net Income	(0.4)	10.8	13.2	17.2	15.1	12.6	14.8	5.7	42.9	26.5	29.8
<i>Net Margin, %</i>	-1%	14%	11%	11%	13%	11%	12%	5%	20%	17%	18%

Zakarpatooblenergo

ZOEN UZ

Electric

<http://www.energo.uz.ua>

Target Price (USD)

Upside

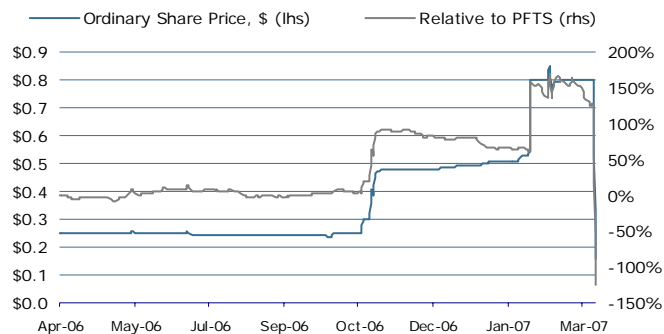
U/R

n/a

INVESTMENT CASE

- Significant improvement in reducing electricity losses and increasing payment collection
- Large debt to the wholesale energy market remains but is expected to be restructured soon
- 15% of the company might be privatized in 2007, leading to increased liquidity

SHARE PRICE PERFORMANCE*



BUSINESS OVERVIEW

Zakarpatooblenergo (ZOEN) is an electricity distribution and supply company providing services to the western Ukrainian Zakarpattya region (area 12,800 km²; population 1.25 mln). The company owns a 17,400 km transmission grid with a 2.3 GVA transformer capacity. Zakarpatooblenergo is one of the smallest Oblenergos in terms of electricity volume sold and the fourth smallest in terms of the length of its network. The company has one of the largest levels of excessive electricity losses among all Oblenergos, which are connected to theft and severe weather. The government might privatize 15% of the company in 2007. Zakarpatooblenergo supplied 1.53 TWh of electricity in 2006.

In 2006 Zakarpatooblenergo posted growth in sales by 19% yoy to USD 63.3 mln; its net income remained almost unchanged, USD 0.55 mln.

UPCOMING EVENTS

11 May 2007 AGM

* PFTS MID Price is used

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Note: data (market information, price changes) as of 30 Mar 2007

MARKET INFORMATION

Market price*, USD	0.16
Price impact**	3
52 Wk H/L, USD	0.85 / 0.16
Chg 3m/6m/52w	-68% / -34% / -36%
Chg vs PFTS 3m/6m/52w	-133% / -138% / -129%
Chg YTD	-68%
Avg Mo Tr Vol 6M, USD ths	11.47
MCap, USD mln	19.7
Free float, %	14.5%
FF MCap, USD mln	2.9
No of shares, mln	124.6
Par Value, UAH	0.25
XETRA	n/a
DR Ratio	n/a
Avg Mo Tr Vol 6M, USD ths	n/a

STOCK OWNERSHIP

NC ECU	75.0%
VS Energy	10.5%
Other	14.5%

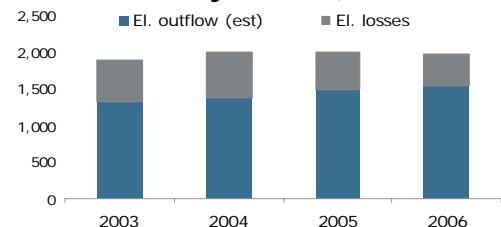
MARKET MULTIPLES

	2006E	2007E
EV/Sales	0.3	0.3
EV/EBITDA	4.9	4.6
P/E	11.7	11.4
P/B	0.6	0.6
P/CF	4.5	4.4

KEY RATIOS

	2005	2006E	2007E
EBITDA margin	7%	7%	7%
Net Margin	1%	3%	3%
ROE	2%	6%	5%
Net Debt/Equity	0.07	0.1	0.1

Electricity Balance, GWh



INCOME STATEMENT SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Net Revenues	36.0	40.3	45.4	53.7	44.8	n/a	n/a
<i>Change y-o-y</i>	-	11.8%	12.7%	18.3%	19.5%	n/a	n/a
Gross Profit	3.3	3.9	3.2	5.1	5.0	n/a	n/a
EBITDA	2.3	2.6	2.1	3.6	2.7	n/a	n/a
<i>margin, %</i>	6.5%	6.6%	4.7%	6.7%	5.9%	n/a	n/a
Depreciation	(2.1)	(2.1)	(2.4)	(2.6)	(2.1)	n/a	n/a
EBIT	0.2	0.6	(0.3)	1.0	0.6	n/a	n/a
<i>margin, %</i>	0.6%	1.5%	-0.7%	1.9%	1.3%	n/a	n/a
Interest Expense	(0.1)	(0.3)	(0.3)	(0.3)	(0.2)	n/a	n/a
Other income/(expense)	0.1	0.0	0.1	0.2	0.2	n/a	n/a
PBT	0.2	0.3	(0.5)	1.0	0.6	n/a	n/a
Tax	-	-	-	(0.4)	(0.2)	n/a	n/a
<i>Effective tax rate</i>	0.0%	0.0%	0.0%	42.3%	35.0%	n/a	n/a
Net Income	0.2	0.3	(0.5)	0.5	0.4	n/a	n/a
<i>Net Margin, %</i>	0.5%	0.9%	-1.1%	1.0%	0.8%	n/a	n/a

BALANCE SHEET SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Current Assets	36.0	43.5	51.9	58.6	58.3	n/a	n/a
Cash & Equivalents	0.1	0.0	0.1	0.1	0.1	n/a	n/a
Trade Receivables	32.5	40.7	48.8	55.6	55.2	n/a	n/a
Inventories	0.9	1.0	1.3	1.3	1.2	n/a	n/a
Other	2.4	1.8	1.7	1.6	1.9	n/a	n/a
Fixed Assets	36.2	35.4	35.3	38.6	38.5	n/a	n/a
PP&E, net	32.3	31.3	31.3	34.5	34.1	n/a	n/a
Other	3.9	4.1	4.0	4.1	4.5	n/a	n/a
Total Assets	72.2	78.9	87.2	97.2	96.8	n/a	n/a
Shareholders' Equity	28.0	28.3	28.2	29.9	30.1	n/a	n/a
Share Capital	5.8	5.8	5.9	6.2	6.2	n/a	n/a
Retained Earnings	(13.7)	(13.4)	(14.0)	(14.4)	(14.2)	n/a	n/a
Other	35.9	35.9	36.3	38.1	38.1	n/a	n/a
Current Liabilities	44.2	50.6	59.0	67.3	66.7	n/a	n/a
ST Interest Bearing Debt	1.2	1.0	2.1	2.1	2.2	n/a	n/a
Trade Payables	41.0	47.0	56.0	63.6	62.3	n/a	n/a
Other	2.0	2.6	1.0	1.6	3.2	n/a	n/a
LT Liabilities	-	-	-	-	-	n/a	n/a
LT Interest Bearing Debt	-	-	-	-	-	n/a	n/a
Other	-	-	-	-	-	n/a	n/a
Total Liabilities & Equity	72.2	78.9	87.2	97.2	96.8	n/a	n/a

QUARTERLY ANALYSIS, USD mln

	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
Net Revenues	14.7	11.7	11.1	16.2	17.9	13.9	13.0
<i>Change y-o-y</i>	N/M	N/M	N/M	N/M	21.5%	19.0%	17.3%
EBITDA	0.6	0.9	0.9	1.2	1.7	0.3	0.6
<i>margin, %</i>	4.2%	7.6%	8.0%	7.4%	9.4%	2.5%	4.9%
EBIT	0.1	0.3	0.2	0.5	1.0	(0.3)	(0.0)
<i>margin, %</i>	0.3%	2.3%	1.9%	2.9%	5.3%	-2.5%	-0.1%
Net Income	0.0	0.2	0.0	0.2	0.8	(0.3)	(0.1)
<i>Net Margin, %</i>	0.1%	2.1%	0.4%	1.5%	4.3%	-2.3%	-0.6%

Zakhidenergo

ZAEN UZ

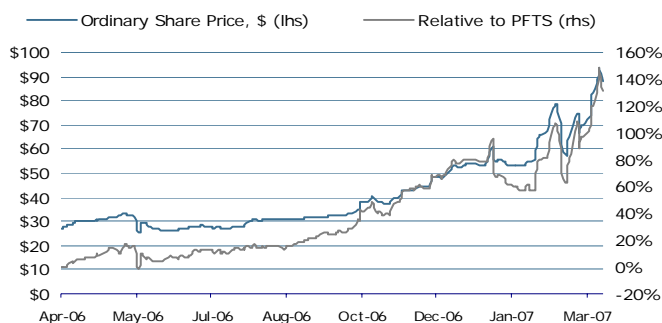
Electric

<http://www.zakhidenergo.ua>
Target Price (USD)
94.30
Upside
8%

INVESTMENT CASE

- High capacity load due to a monopoly in electricity exports to the EU
- Reduced gas use by more than three times yoy in 2006, which allowed its power plants to become price competitive on the local market
- Considering the commission of a new power unit at the Dobrotvir-2 power plant in 2009-2010
- Bankruptcy risk is the lowest among all GenCos
- Least cost efficient power producer due to intensive use of its equipment in changeable mode. Its margins suffer the most from fuel price increases
- 10.1% of the company might be privatized in 2007

SHARE PRICE PERFORMANCE*



BUSINESS OVERVIEW

Zakhidenergo (ZAEN) is the largest traded GenCo by output. It operates three power plants in western Ukraine with a total installed capacity 4.6 GW. Two of Zakhidenergo's power plants (Burshtyn and Dobrotvir TPPs) are located close to the EU border and work in parallel with the European power system, UCTE. The company enjoys an export monopoly to the EU.

According to the Ministry of Fuel and Energy, the state budget is directing USD 600 mln in 2007 to modernize the power generators' capacities and its top priority is Zakhidenergo, which supports our expectations of intensive CapEx. Profitability is very likely to remain the lowest of all GenCos in 2007 and we see no boosters to the bottom line in the mid-term.

Zakhidenergo's power output grew 5% to 15.53 TWh in 2006.

UPCOMING EVENTS

24 Apr 2007 AGM

MARKET INFORMATION

Market price*, USD	87.13
Price impact**	1
52 Wk H/L, USD	93.8 / 25.2
Chg 3m/6m/52w	62% / 170% / 220%
Chg vs PFTS 3m/6m/52w	-2% / 66% / 127%
Chg YTD	62%
Avg Mo Tr Vol 6M, USD ths	2913.79
MCap, USD mln	1114.4
Free float, %	29.9%
FF MCap, USD mln	333.2
No of shares, mln	12.8
Par Value, UAH	10.0
XETRA	WT7
DR Ratio	4:1
Avg Mo Tr Vol 6M, USD ths	231.6

STOCK OWNERSHIP

NC ECU	70.1%
Other	29.9%

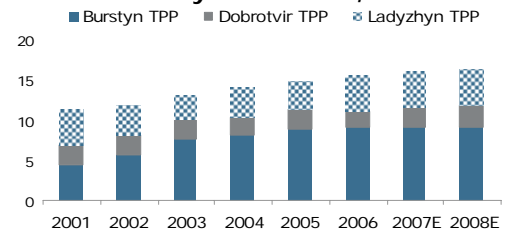
MARKET MULTIPLES

	2006E	2007E
EV/Sales	1.7	1.5
EV/EBITDA	31.6	23.7
P/E	1450.0	62.1
P/B	4.0	3.1
P/CF	84.2	34.1

KEY RATIOS

	2005	2006E	2007E
EBITDA margin	5%	6%	7%
Net Margin	1%	0%	2%
ROE	2%	0%	6%
Net Debt/Equity	0.2	0.2	0.4

Electricity Production, TWh



* PFTS MID Price is used

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2: Market price reaction remains within 10% in execution of a market order of about USD 1 mln in size

3: All other stocks (quoted price is less reliable and should be considered indicative)

Note: data (market information, price changes) as of 30 Mar 2007

INCOME STATEMENT SUMMARY, USD mln

	2003	2004	2005	2006E	2007E	2008E
Net Revenues	309.5	367.2	480.2	667.6	763.6	825.5
<i>Change y-o-y</i>	-	18.7%	30.8%	38.6%	14.4%	8.1%
Gross Profit	44.8	52.0	44.2	66.8	87.8	107.3
EBITDA	36.6	20.9	23.1	37.4	53.6	73.1
<i>margin, %</i>	11.8%	5.7%	4.8%	5.6%	7.0%	8.9%
Depreciation	(17.4)	(11.7)	(12.2)	(12.5)	(14.7)	(19.2)
EBIT	19.2	9.3	10.9	24.9	38.9	53.8
<i>margin, %</i>	6.2%	2.5%	2.3%	3.7%	5.1%	6.5%
Interest Expense	(4.0)	(3.4)	(5.0)	(9.6)	(15.0)	(21.0)
Other income/(expense)	0.1	2.5	0.8	-	-	-
PBT	15.3	8.4	6.7	15.4	23.9	32.9
Tax	(14.1)	-	(2.7)	(14.6)	(12.0)	(11.2)
<i>Effective tax rate</i>	92.4%	0.0%	40.4%	95.0%	40.0%	25.0%
Net Income	1.2	8.3	4.1	0.8	17.9	33.6
<i>Net Margin, %</i>	0.4%	2.3%	0.8%	0.1%	2.3%	4.1%

BALANCE SHEET SUMMARY, USD mln

	2003	2004	2005	2006E	2007E	2008E
Current Assets	199.4	181.9	201.7	209.0	184.9	183.9
Cash & Equivalents	0.3	1.9	1.3	20.2	24.7	7.6
Trade Receivables	132.0	122.3	128.9	101.1	58.0	62.7
Inventories	37.8	31.6	43.2	87.7	102.2	113.5
Other	29.3	26.1	28.4	33.7	41.1	47.5
Fixed Assets	287.3	282.9	307.6	314.2	466.8	671.7
PP&E, net	237.3	228.2	249.2	257.6	316.2	441.6
Other	50.1	54.7	58.5	56.7	150.5	230.0
Total Assets	486.8	464.7	509.4	523.3	651.7	855.6
Shareholders' Equity	249.7	255.5	275.2	276.8	355.0	489.6
Share Capital	24.0	24.1	25.3	24.1	24.1	24.1
Retained Earnings	(63.5)	(57.2)	(60.4)	(62.1)	(51.4)	(31.2)
Other	289.2	288.6	310.3	314.8	382.3	496.7
Current Liabilities	112.8	101.0	147.0	169.9	158.6	157.6
ST Interest Bearing Debt	19.3	19.9	53.0	68.7	54.4	39.2
Trade Payables	62.0	41.7	44.7	40.5	30.5	33.0
Other	31.5	39.4	49.3	60.7	73.6	85.3
LT Liabilities	124.3	108.2	87.1	76.6	138.1	208.4
LT Interest Bearing Debt	11.3	10.3	9.4	16.6	128.1	198.4
Other	113.0	97.9	77.7	60.0	10.0	10.0
Total Liabilities & Equity	486.8	464.7	509.4	523.3	651.7	855.6

QUARTERLY ANALYSIS, USD mln

	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
Net Revenues	93.4	83.0	44.5	146.4	106.4	116.9	122.5	134.4	168.4	144.5	141.2
<i>Change y-o-y</i>	6.1%	31.0%	-35.7%	64.5%	14.0%	40.9%	175.3%	-8.2%	58.3%	23.7%	15.2%
EBITDA	12.3	2.9	3.3	2.3	5.8	9.7	8.5	(0.9)	18.0	4.6	5.5
<i>margin, %</i>	13.2%	3.5%	7.5%	1.6%	5.4%	8.3%	6.9%	-0.7%	10.7%	3.2%	3.9%
EBIT	9.4	0.0	(4.8)	4.6	2.9	6.6	5.4	(4.0)	14.8	1.4	2.4
<i>margin, %</i>	10.1%	0.0%	-10.8%	3.1%	2.7%	5.7%	4.4%	-3.0%	8.8%	1.0%	1.7%
Net Income	6.7	3.1	(7.9)	6.4	0.5	2.8	2.2	(1.4)	8.2	(2.9)	(13.2)
<i>Net Margin, %</i>	7.2%	3.8%	-17.8%	4.4%	0.4%	2.4%	1.8%	-1.0%	4.9%	-2.0%	-9.3%

Zaporizhiaoblenergo

ZAON UZ

Electric

<http://www.zoe.com.ua>

Target Price (USD)

Upside

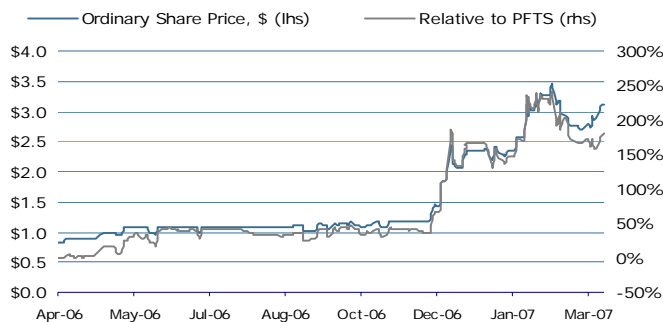
U/R

n/a

INVESTMENT CASE

- Provides electricity to a highly industrialized region, which makes it dependent on large industrial consumers
- Subject to heavy government regulation, which is reflected in its low profitability
- Not slated for privatization in the immediate future because of its strategic importance to the state, only 0.2% of the company can be privatized in 2007

SHARE PRICE PERFORMANCE*



BUSINESS OVERVIEW

Zaporizhiaoblenergo (ZAON) is Ukraine's second largest electricity supplier providing services to the eastern region of Zaporizhyya (area 27,200 km²; population 1.91 mln). The company owns a 41,000 km transmission grid with a transformer capacity of 9.3 GVA. The company's main consumer is Zaporizhyya Aluminum (about 30% of sales), which buys electricity at a regulated preferential rate. Annual investments in grid maintenance are not enough for a company with such a massive infrastructure. The company showed improvements in payment collection and in fighting excessive losses in 2006. The company supplied 10.2 TWh of electricity in 2006.

In 2006 the company reported USD 0.98 net losses (in 2005 USD 3.6 net income was reported).

* PFTS MID Price is used
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- 3: All other stocks (quoted price is less reliable and should be considered indicative)

Note: data (market information, price changes) as of 30 Mar 2007

MARKET INFORMATION

Market price*, USD	3.11
Price impact**	3
52 Wk H/L, USD	3.47 / 0.81
Chg 3m/6m/52w	32% / 199% / 274%
Chg vs PFTS 3m/6m/52w	-33% / 95% / 181%
Chg YTD	32%
Avg Mo Tr Vol 6M, USD ths	831.10
MCap, USD mln	557.6
Free float, %	10.9%
FF MCap, USD mln	60.8
No of shares, mln	179.4
Par Value, UAH	0.25
XETRA	n/a
DR Ratio	n/a
Avg Mo Tr Vol 6M, USD ths	n/a

STOCK OWNERSHIP

NC ECU	60.2%
EnSt/Privat	18.7%
Privat	10.2%
Other	10.9%

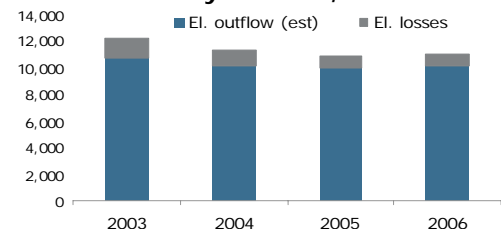
MARKET MULTIPLES

	2006E	2007E
EV/Sales	1.2	1.0
EV/EBITDA	22.4	17.8
P/E	87.0	75.5
P/B	19.8	15.7
P/CF	40.6	37.9

KEY RATIOS

	2005	2006E	2007E
EBITDA margin	4%	5%	5%
Net Margin	1%	1%	1%
ROE	22%	30%	26%
Net Debt/Equity	-0.01	0.02	0.02

Electricity Balance, GWh



INCOME STATEMENT SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Net Revenues	245.6	263.8	275.5	348.8	330.9	n/a	n/a
<i>Change y-o-y</i>	-	7.4%	4.4%	26.6%	35.1%	n/a	n/a
Gross Profit	5.2	9.8	14.4	14.2	15.5	n/a	n/a
EBITDA	3.9	1.0	5.2	12.8	13.4	n/a	n/a
<i>margin, %</i>	1.6%	0.4%	1.9%	3.7%	4.1%	n/a	n/a
Depreciation	(7.7)	(5.8)	(5.4)	(6.4)	(5.5)	n/a	n/a
EBIT	(3.9)	(4.7)	(0.3)	6.4	7.9	n/a	n/a
<i>margin, %</i>	-1.6%	-1.8%	-0.1%	1.8%	2.4%	n/a	n/a
Interest Expense	(0.2)	(0.0)	(0.0)	(0.0)	(0.1)	n/a	n/a
Other income/(expense)	1.2	1.7	0.6	(1.7)	(3.9)	n/a	n/a
PBT	(2.8)	(3.1)	0.3	4.6	3.9	n/a	n/a
Tax	-	-	-	(1.1)	(1.1)	n/a	n/a
<i>Effective tax rate</i>	0.0%	0.0%	0.0%	22.7%	27.2%	n/a	n/a
Net Income	(2.8)	(3.0)	0.3	3.6	2.9	n/a	n/a
<i>Net Margin, %</i>	-1.1%	-1.2%	0.1%	1.0%	0.9%	n/a	n/a

BALANCE SHEET SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Current Assets	143.1	137.2	127.9	102.7	101.0	n/a	n/a
Cash & Equivalents	8.7	3.7	2.0	1.4	0.6	n/a	n/a
Trade Receivables	90.5	93.1	91.5	73.2	76.1	n/a	n/a
Inventories	19.4	16.0	15.1	13.2	13.8	n/a	n/a
Other	24.5	24.4	19.3	14.8	10.6	n/a	n/a
Fixed Assets	70.9	74.5	67.2	74.6	79.5	n/a	n/a
PP&E, net	63.0	62.6	59.9	62.9	65.8	n/a	n/a
Other	8.0	11.8	7.2	11.7	13.7	n/a	n/a
Total Assets	214.1	211.6	195.0	177.3	180.5	n/a	n/a
Shareholders' Equity	32.1	30.0	16.5	21.7	23.0	n/a	n/a
Share Capital	8.4	8.4	8.5	8.9	8.9	n/a	n/a
Retained Earnings	(28.3)	(30.5)	(29.9)	(27.5)	(28.2)	n/a	n/a
Other	51.9	52.1	38.0	40.3	42.4	n/a	n/a
Current Liabilities	182.0	181.6	178.5	155.6	157.5	n/a	n/a
ST Interest Bearing Debt	0.0	-	-	1.2	2.6	n/a	n/a
Trade Payables	168.2	177.0	172.6	148.8	133.9	n/a	n/a
Other	13.7	4.6	5.9	5.6	23.0	n/a	n/a
LT Liabilities	0.0	0.0	-	-	-	n/a	n/a
LT Interest Bearing Debt	-	-	-	-	-	n/a	n/a
Other	0.0	0.0	-	-	-	n/a	n/a
Total Liabilities & Equity	214.1	211.6	195.0	177.3	180.5	n/a	n/a

QUARTERLY ANALYSIS, USD mln

	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
Net Revenues	65.9	65.5	69.4	74.8	79.1	83.1	82.7	103.9	112.0	107.4	111.5
<i>Change y-o-y</i>	962.1%	-45.4%	-1.3%	11.0%	20.0%	27.0%	19.2%	39.0%	41.6%	29.2%	34.9%
EBITDA	1.5	3.6	3.8	(3.7)	1.7	4.5	4.5	2.1	4.5	6.4	2.5
<i>margin, %</i>	2.3%	5.5%	5.5%	-5.0%	2.2%	5.4%	5.4%	2.0%	4.0%	6.0%	2.3%
EBIT	0.2	2.3	2.4	(5.1)	0.2	2.9	2.9	0.4	2.8	4.8	0.3
<i>margin, %</i>	0.3%	3.5%	3.4%	-6.8%	0.2%	3.5%	3.5%	0.4%	2.5%	4.5%	0.3%
Net Income	(0.0)	2.2	2.0	(3.8)	0.1	1.2	2.0	0.2	0.1	2.6	0.2
<i>Net Margin, %</i>	0.0%	3.3%	2.8%	-5.0%	0.2%	1.5%	2.5%	0.1%	0.1%	2.5%	0.1%

Zhytomioblenergo

ZHEN UZ

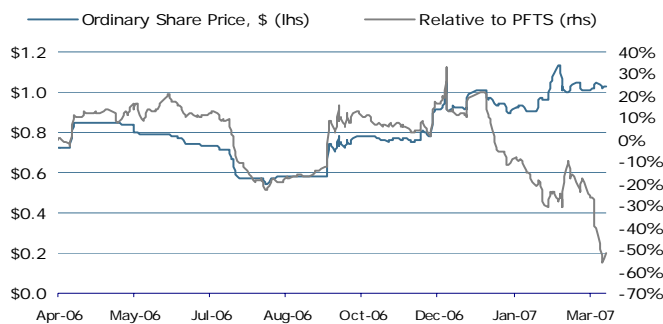
Electric

<http://www.ztoe.com.ua>
Target Price (USD)
U/R
Upside
n/a

INVESTMENT CASE

- Most of the stock is concentrated in one hand (VS Energy), which considerably limits its liquidity and makes the stock price rather unstable
- Among a group of Oblenergos currently benefiting from preferential tariffs; profitability will shrink after 2008 following expected changes in tariff policies
- An expected reduction in profitability is not factored into the market price

SHARE PRICE PERFORMANCE*



BUSINESS OVERVIEW

Zhytomioblenergo (ZHEN) is an electricity distribution and supply company providing services to Ukraine's northern Zhytomyr Region (area 29,900 km²; population 1.37 mln). The company owns a 37,900 km transmission grid with a transformer capacity of 3.3 GVA. Zhytomioblenergo services one of the most stagnant regions in Ukraine. However, this doesn't affect its financial stability and it is one of the top three Oblenergos, with excellent overall results. As an Oblenergo privatized in 2001, Zhytomioblenergo is enjoying the last year of its preferential tariffs. The company is fully controlled by the VS Energy group of Russian businessman Alexander Babakov. The company supplied 1.83 TWh of electricity in 2006.

We estimate 2006 sales grew by 28% yoy to USD 91 mln and EBITDA grew by 88% yoy to USD 16 mln.

* PFTS MID Price is used

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- 3: All other stocks (quoted price is less reliable and should be considered indicative)

Note: data (market information, price changes) as of 30 Mar 2007

MARKET INFORMATION

Market price*, USD	1.04
Price impact**	3
52 Wk H/L, USD	1.13 / 0.54
Chg 3m/6m/52w	5% / 39% / 46%
Chg vs PFTS 3m/6m/52w	-59% / -65% / -47%
Chg YTD	5%
Avg Mo Tr Vol 6M, USD ths	198.2
MCap, USD mln	127.2
Free float, %	8.4%
FF MCap, USD mln	10.7
No of shares, mln	122.4
Par Value, UAH	0.25
XETRA	n/a
DR Ratio	n/a
Avg Mo Tr Vol 6M, USD ths	n/a

STOCK OWNERSHIP

VS Energy	91.6%
Other	8.4%

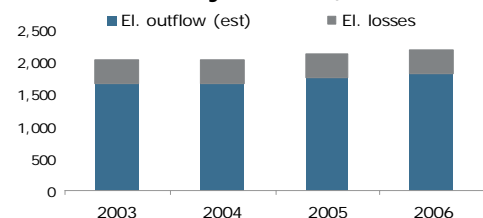
MARKET MULTIPLES

	2006E	2007E
EV/Sales	1.4	1.2
EV/EBITDA	8.0	6.7
P/E	16.1	17.2
P/B	2.3	2.0
P/CF	10.8	11.3

KEY RATIOS

	2005	2006E	2007E
EBITDA margin	12%	18%	18%
Net Margin	3%	9%	7%
ROE	6%	16%	13%
Net Debt/Equity	0.1	0.0	0.0

Electricity Balance, GWh



INCOME STATEMENT SUMMARY, USD mln

	2003	2004	2005	9M06	2007E	2008E
Net Revenues	56.4	60.3	71.1	62.4	n/a	n/a
<i>Change y-o-y</i>	-	6.9%	18.0%	26.3%	n/a	n/a
Gross Profit	11.7	10.9	12.3	10.5	n/a	n/a
EBITDA	10.2	9.7	8.6	9.2	n/a	n/a
<i>margin, %</i>	18.1%	16.2%	12.1%	14.7%	n/a	n/a
Depreciation	(3.1)	(4.1)	(4.2)	(2.9)	n/a	n/a
EBIT	7.1	5.6	4.4	6.2	n/a	n/a
<i>margin, %</i>	12.6%	9.4%	6.2%	10.0%	n/a	n/a
Interest Expense	(0.0)	(0.1)	(0.1)	(0.3)	n/a	n/a
Other income/(expense)	(0.1)	0.1	0.1	0.5	n/a	n/a
PBT	7.0	5.6	4.4	6.4	n/a	n/a
Tax	(2.7)	(1.8)	(2.1)	(2.9)	n/a	n/a
<i>Effective tax rate</i>	38.5%	31.9%	46.8%	44.8%	n/a	n/a
Net Income	4.3	3.8	2.3	3.5	n/a	n/a
<i>Net Margin, %</i>	7.7%	6.4%	3.3%	5.6%	n/a	n/a

BALANCE SHEET SUMMARY, USD mln

	2003	2004	2005	9M06	2007E	2008E
Current Assets	14.8	21.7	10.4	12.5	n/a	n/a
Cash & Equivalents	1.9	4.0	0.8	0.9	n/a	n/a
Trade Receivables	8.1	8.6	6.4	5.8	n/a	n/a
Inventories	2.6	2.6	1.1	4.3	n/a	n/a
Other	2.2	6.4	2.0	1.5	n/a	n/a
Fixed Assets	39.6	40.7	46.2	50.3	n/a	n/a
PP&E, net	34.5	35.8	39.4	38.4	n/a	n/a
Other	5.1	5.0	6.7	11.9	n/a	n/a
Total Assets	54.4	62.4	56.6	62.9	n/a	n/a
Shareholders' Equity	40.9	44.4	48.4	49.7	n/a	n/a
Share Capital	5.7	5.8	6.1	6.1	n/a	n/a
Retained Earnings	4.4	7.2	9.1	10.3	n/a	n/a
Other	30.8	31.4	33.2	33.3	n/a	n/a
Current Liabilities	13.5	15.2	4.6	10.0	n/a	n/a
ST Interest Bearing Debt	-	-	-	-	n/a	n/a
Trade Payables	9.3	7.6	0.4	0.1	n/a	n/a
Other	4.2	7.6	4.2	10.7	n/a	n/a
LT Liabilities	-	2.8	3.5	3.2	n/a	n/a
LT Interest Bearing Debt	-	2.8	3.5	3.2	n/a	n/a
Other	-	-	-	-	n/a	n/a
Total Liabilities & Equity	54.4	62.4	56.6	62.9	n/a	n/a

QUARTERLY ANALYSIS, USD mln

	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
Net Revenues	17.4	15.8	16.2	21.7	23.9	19.5	19.1
<i>Change y-o-y</i>	N/M	N/M	N/M	N/M	37.4%	23.0%	17.7%
EBITDA	3.2	2.3	1.9	1.1	4.0	3.1	2.1
<i>margin, %</i>	18.6%	14.7%	11.9%	4.9%	16.7%	15.9%	10.8%
EBIT	2.2	1.3	1.5	(0.6)	3.0	2.2	1.1
<i>margin, %</i>	12.8%	8.1%	9.1%	-2.7%	12.5%	11.1%	5.7%
Net Income	1.7	0.9	0.7	(1.1)	1.8	1.6	0.1
<i>Net Margin, %</i>	9.9%	6.0%	4.6%	-5.0%	7.6%	8.1%	0.7%

DnipropetrovskGaz

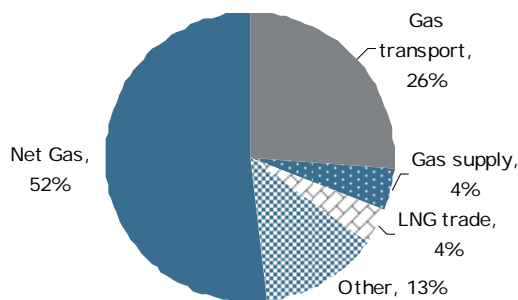
Gas

Target Price (USD) **45.20**
Upside **n/a**

INVESTMENT CASE

- Largest Ukrainian gas distribution company
- Acquisition target for Russian business groups

Revenue Structure in 2005



BUSINESS OVERVIEW

DnipropetrovskGaz is a gas distribution company that is responsible for the transportation and retail supply of natural gas and bottled liquid natural gas (LNG) to most of the Dnipropetrovsk region, except the most industrialized cities of Kryviy Rig and Dnipropetrovsk. The company utilizes a local gas pipeline network that is 21 ths km in length; its gasification level is 70%. DnipropetrovskGaz supplies natural gas to 604 ths end-users (most of which are households). In 9M06, DnipropetrovskGaz posted sales growth of 8% yoy to USD 47.2 mln while its net loss dropped by 2 times from USD 8.9 mln in 9M05 to USD 4.2 mln in 9M06.

* The stock is not listed on PFTS
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 3: All other stocks (quoted price is less reliable and should be considered indicative)

Note: data (market information, price changes) as of 30 Mar 2007

MARKET INFORMATION

Market price*, USD	n/a
Price impact**	n/a
52 Wk H/L, USD	n/a
Chg 3m/6m/52w	n/a
Chg vs PFTS 3m/6m/52w	n/a
Chg YTD	n/a
Avg Mo Tr Vol 6M, USD ths	n/a
MCap, USD mln	n/a
Free float, %	22.0%
FF MCap, USD mln	n/a
No of shares, mln	0.9
Par Value, UAH	2.85
XETRA	n/a
DR Ratio	n/a
Avg Mo Tr Vol 6M, USD ths	n/a

STOCK OWNERSHIP

Naftogaz Ukrainy	51.0%
GAZTEK	23.0%
Other	26.0%

MARKET MULTIPLES

	2006E	2007E
EV/Sales	n/a	n/a
EV/EBITDA	n/a	n/a
P/E	n/a	n/a
P/B	n/a	n/a
P/CF	n/a	n/a

KEY RATIOS

	2005	2006E	2007E
EBITDA margin	-11%	-3%	n/a
Net Margin	-13%	-6%	n/a
ROE	-33%	-29%	n/a
Net Debt/Equity	-0.1	-0.2	n/a

INCOME STATEMENT SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Net Revenues	42.0	59.2	62.6	63.5	47.2	n/a	n/a
<i>Change y-o-y</i>	-	40.9%	5.7%	1.4%	8.2%	n/a	n/a
Gross Profit	4.0	4.4	5.1	4.4	2.8	n/a	n/a
EBITDA	1.3	1.3	(15.3)	(6.7)	(2.6)	n/a	n/a
<i>margin, %</i>	3.1%	2.1%	-24.4%	-10.6%	-5.6%	n/a	n/a
Depreciation	(2.0)	(2.1)	(2.2)	(2.6)	(3.6)	n/a	n/a
EBIT	(0.7)	(0.8)	(17.5)	(9.3)	(6.3)	n/a	n/a
<i>margin, %</i>	-1.8%	-1.4%	-27.9%	-14.7%	-13.3%	n/a	n/a
Interest Expense	(0.1)	(0.1)	(0.5)	(0.0)	(0.1)	n/a	n/a
Other income/(expense)	0.7	0.7	1.4	0.9	2.4	n/a	n/a
PBT	(0.2)	(0.2)	(16.5)	(8.5)	(3.9)	n/a	n/a
Tax	(0.1)	(0.1)	(0.2)	(0.0)	(0.3)	n/a	n/a
<i>Effective tax rate</i>	-44.1%	-68.6%	-1.5%	-0.4%	-7.1%	n/a	n/a
Net Income	(0.2)	(0.3)	(16.8)	(8.5)	(4.2)	n/a	n/a
<i>Net Margin, %</i>	-0.6%	-0.6%	-26.8%	-13.4%	-9.0%	n/a	n/a

BALANCE SHEET SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Current Assets	92.3	101.9	83.1	74.0	65.3	n/a	n/a
Cash & Equivalents	1.4	1.1	2.1	1.5	1.4	n/a	n/a
Trade Receivables	79.1	86.5	64.4	56.0	50.0	n/a	n/a
Inventories	3.7	5.6	7.9	8.6	6.0	n/a	n/a
Other	8.1	8.6	8.7	8.0	7.9	n/a	n/a
Fixed Assets	37.5	37.3	37.5	40.9	41.8	n/a	n/a
PP&E, net	36.4	36.2	35.7	39.0	40.2	n/a	n/a
Other	1.1	1.2	1.7	2.0	1.5	n/a	n/a
Total Assets	129.8	139.2	120.6	114.9	107.0	n/a	n/a
Shareholders' Equity	42.5	42.2	25.6	19.5	16.8	n/a	n/a
Share Capital	0.5	0.5	42.2	0.5	0.5	n/a	n/a
Retained Earnings	0.7	(0.0)	(16.7)	(26.1)	(30.4)	n/a	n/a
Other	41.4	41.7	0.1	45.1	46.7	n/a	n/a
Current Liabilities	86.1	97.0	77.1	68.1	65.3	n/a	n/a
ST Interest Bearing Debt	-	-	-	-	-	n/a	n/a
Trade Payables	17.9	15.4	13.2	13.2	8.5	n/a	n/a
Other	68.2	81.6	63.9	54.9	59.5	n/a	n/a
LT Liabilities	1.2	-	17.8	27.4	24.9	n/a	n/a
LT Interest Bearing Debt	1.2	-	-	-	-	n/a	n/a
Other	-	-	17.8	27.4	24.9	n/a	n/a
Total Liabilities & Equity	129.8	139.2	120.6	114.9	107.0	n/a	n/a

QUARTERLY ANALYSIS, USD mln

	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
Net Revenues	21.8	12.4	8.6	19.9	23.4	11.8	8.5	19.9	25.5	11.3	10.4
<i>Change y-o-y</i>	25.7%	72.4%	37.4%	-30.3%	7.2%	-4.6%	-1.4%	0.0%	9.2%	-4.5%	23.1%
EBITDA	(0.3)	(0.1)	(0.7)	(14.2)	1.0	(7.5)	(0.8)	0.6	0.1	(0.7)	(2.0)
<i>margin, %</i>	-1.3%	-0.9%	-8.4%	-71.4%	4.2%	-63.7%	-9.0%	3.0%	0.6%	-6.4%	-19.6%
EBIT	(0.8)	(0.6)	(1.2)	(14.8)	0.4	(8.2)	(1.4)	(0.1)	(0.7)	(2.2)	(3.4)
<i>margin, %</i>	-3.8%	-5.2%	-14.6%	-74.3%	1.6%	-69.1%	-16.4%	-0.7%	-2.7%	-19.1%	-32.8%
Net Income	(0.6)	(0.5)	(1.0)	(14.7)	0.3	(8.0)	(1.2)	0.4	(0.6)	(1.2)	(2.5)
<i>Net Margin, %</i>	-2.7%	-4.1%	-11.7%	-74.0%	1.3%	-67.4%	-14.4%	2.0%	-2.2%	-10.5%	-23.9%

DonetskObiGaz

DOGZ UZ

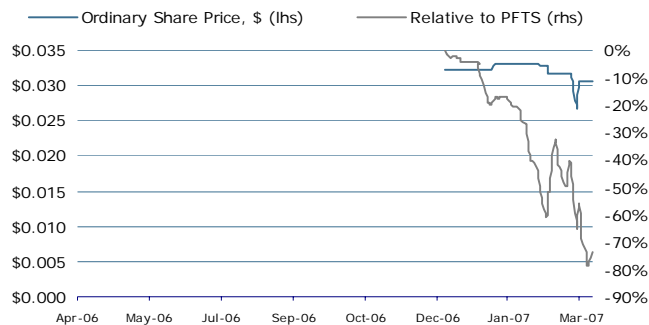
Gas

Target Price (USD) **0.05**
Upside **69%**

INVESTMENT CASE

- Relatively low gasification level means there is a significant potential for it to grow its large customer base
- Valuable asset for acquisition by local and Russian business groups

SHARE PRICE PERFORMANCE*



Listed on PFTS since 18 Dec 2006

BUSINESS OVERVIEW

DonetskObiGaz is gas distribution company, responsible for the transportation and retail supply of natural gas and bottled liquid natural gas (LNG) to part of the Donetsk region. DonetskObiGaz utilizes a local gas pipe network that is 10 ths km length; gasification level of the region is 64%. The company supplies natural gas to 636 ths end-users and liquefied natural gas (LNG) to 220 ths customers. The company's main customers are households and heating enterprises. With an increase in tariffs for GasCos starting in January 2007, we expect the company's profitability to grow. In 2006, DonetskObiGaz posted triple growth of its net loss to USD 11.33 mln (against USD 3.9 mln in 2005), in line with our projections.

UPCOMING EVENTS

25 Apr 2007 AGM

* PFTS MID Price is used
 ** Price "impact" is the opinion of Concorde's trading desk on stocks to help investors estimate the stability of quoted prices:

- 1: Market price reaction remains within 10% in execution of a market order of about USD 10 mln in size
- 2: Market price reaction remains within 10% in execution of a market order of about USD 1 mln in size
- 3: All other stocks (quoted price is less reliable and should be considered indicative)

Note: data (market information, price changes) as of 30 Mar 2007

MARKET INFORMATION

Market price*, USD	0.03
Price impact**	3
52 Wk H/L, USD	0.02 / 0.01
Chg 3m/6m/52w	-9% / n/a / n/a
Chg vs PFTS 3m/6m/52w	-74% / -104% / -93%
Chg YTD	-9%
Avg Mo Tr Vol 6M, USD ths	1.1
MCap, USD mln	21.4
Free float, %	40.0%
FF MCap, USD mln	8.5
No of shares, mln	696.0
Par Value, UAH	0.01
XETRA	n/a
DR Ratio	n/a
Avg Mo Tr Vol 6M, USD ths	n/a

STOCK OWNERSHIP

Naftogaz Ukrainy	38.3%
Other	61.7%

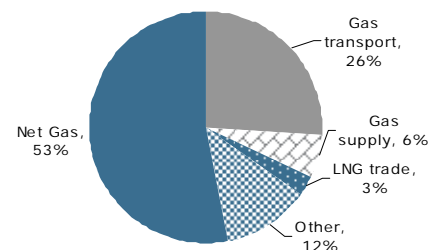
MARKET MULTIPLES

	2006E	2007E
EV/Sales	0.3	n/a
EV/EBITDA	-1.6	n/a
P/E	neg	n/a
P/B	7.2	n/a
P/CF	-1.8	n/a

KEY RATIOS

	2005	2006E	2007E
EBITDA margin	1%	-15%	n/a
Net Margin	-7%	-19%	n/a
ROE	neg	neg	n/a
Net Debt/Equity	-0.1	-0.3	n/a

Revenue Structure in 2005



INCOME STATEMENT SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Net Revenues	33.6	44.6	48.8	52.2	49.6	n/a	n/a
<i>Change y-o-y</i>	-	32.8%	9.5%	7.0%	39.4%	n/a	n/a
Gross Profit	0.1	4.6	6.5	4.2	0.8	n/a	n/a
EBITDA	2.8	(1.5)	17.3	0.2	(9.4)	n/a	n/a
<i>margin, %</i>	8.4%	-3.3%	35.5%	0.4%	-19.0%	n/a	n/a
Depreciation	(2.3)	(2.8)	(3.0)	(3.7)	(2.8)	n/a	n/a
EBIT	0.6	(4.3)	14.3	(3.5)	(12.2)	n/a	n/a
<i>margin, %</i>	1.7%	-9.6%	29.3%	-6.8%	-24.5%	n/a	n/a
Interest Expense	-	-	(0.0)	(0.0)	-	n/a	n/a
Other income/(expense)	(4.6)	(0.9)	(0.6)	0.3	0.5	n/a	n/a
PBT	(4.1)	(5.2)	13.7	(3.3)	(11.6)	n/a	n/a
Tax	-	(0.0)	(2.8)	(0.7)	(0.3)	n/a	n/a
<i>Effective tax rate</i>	0.0%	-0.7%	20.2%	-21.5%	-2.2%	n/a	n/a
Net Income	(4.1)	(5.2)	10.9	(4.0)	(11.9)	n/a	n/a
<i>Net Margin, %</i>	-12.1%	-11.7%	22.4%	-7.6%	-23.9%	n/a	n/a

BALANCE SHEET SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Current Assets	37.3	35.3	29.8	28.4	24.5	n/a	n/a
Cash & Equivalents	0.4	1.8	1.7	1.8	1.1	n/a	n/a
Trade Receivables	22.8	15.8	10.3	8.4	10.4	n/a	n/a
Inventories	4.2	5.1	5.6	5.6	4.0	n/a	n/a
Other	9.9	12.7	12.3	12.6	9.0	n/a	n/a
Fixed Assets	38.0	41.1	42.5	48.3	47.0	n/a	n/a
PP&E, net	32.0	33.8	35.7	40.1	41.5	n/a	n/a
Other	6.0	7.3	6.8	8.1	5.5	n/a	n/a
Total Assets	75.3	76.5	72.2	76.6	71.5	n/a	n/a
Shareholders' Equity	9.0	5.7	17.8	18.8	0.4	n/a	n/a
Share Capital	1.3	1.3	1.3	1.4	1.4	n/a	n/a
Retained Earnings	(3.8)	(9.0)	1.9	(1.3)	(21.8)	n/a	n/a
Other	11.5	13.4	14.6	18.8	20.9	n/a	n/a
Current Liabilities	66.3	70.7	53.8	37.6	52.6	n/a	n/a
ST Interest Bearing Debt	0.0	-	0.0	0.0	-	n/a	n/a
Trade Payables	2.0	1.7	1.7	32.6	20.1	n/a	n/a
Other	64.2	69.0	52.1	5.0	33.5	n/a	n/a
LT Liabilities	0.0	0.0	0.6	20.1	18.5	n/a	n/a
LT Interest Bearing Debt	-	-	0.0	-	-	n/a	n/a
Other	0.0	0.0	0.6	20.1	18.5	n/a	n/a
Total Liabilities & Equity	75.3	76.5	72.2	76.6	71.5	n/a	n/a

QUARTERLY ANALYSIS, USD mln

	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
Net Revenues	17.2	9.5	7.6	14.4	16.4	10.4	8.8	16.6	21.3	14.6	13.8
<i>Change y-o-y</i>	28.7%	16.7%	2.3%	-7.4%	-5.1%	9.9%	15.7%	15.1%	29.9%	39.9%	56.5%
EBITDA	0.5	(1.6)	14.2	4.3	2.2	(2.1)	(1.5)	1.6	1.1	(3.8)	(6.8)
<i>margin, %</i>	2.9%	-17.3%	186.7%	29.4%	13.4%	-19.7%	-17.2%	9.5%	5.3%	-25.7%	-49.3%
EBIT	(0.2)	(2.3)	13.4	3.4	1.3	(3.0)	(2.5)	0.6	0.2	(4.6)	(7.7)
<i>margin, %</i>	-1.2%	-24.6%	176.7%	23.4%	8.2%	-28.5%	-28.0%	3.4%	0.9%	-31.8%	-56.0%
Net Income	(0.4)	(2.5)	13.3	0.4	0.9	(2.9)	(2.1)	0.2	0.3	(4.4)	(7.8)
<i>Net Margin, %</i>	-2.1%	-25.8%	174.9%	3.0%	5.2%	-28.0%	-23.3%	1.0%	1.4%	-30.1%	-56.5%

Ivano-FrankivskGaz

FGAZ UZ

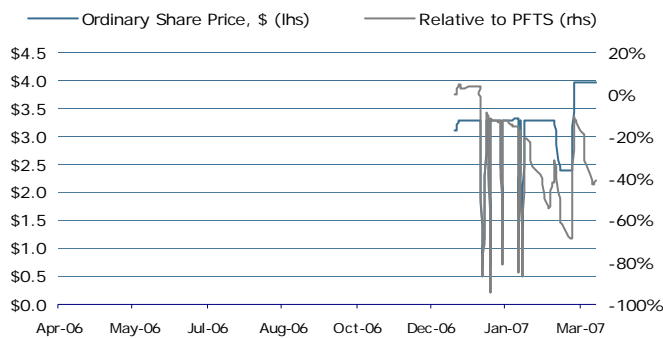
Gas

Target Price (USD)
1.65
Upside
n/a

INVESTMENT CASE

- One of the leaders in pipeline reconstruction and gas meter installation
- Posted positive net income the last couple of years
- Company's shareholders are in the conflict with Naftogaz, which raises the risk its assets lease will not be prolonged
- Acquisition target for Rosukrenergo

SHARE PRICE PERFORMANCE*



Listed on PFTS since 25 Dec 2006

BUSINESS OVERVIEW

Ivano-FrankivskGaz is a gas distribution company, responsible for the transportation and retail supply of natural gas and bottled liquid natural gas (LNG) to most of Ivano-Frankivsk region. Ivano-FrankivskGaz utilizes a local gas pipe network that is 11 ths km in length; the gasification level of the region is 62%. The company supplies natural gas to 303 ths end-users and liquefied natural gas (LNG) to 81 ths customers (most of which are households). Ivano-FrankivskGaz was controlled by the WOG business group of Igor Yermeev, which is rumored to have sold the company to one of the ex-top managers of Naftogaz Ukrainy.

Its main gas consumer is the Burstyn thermal power plant, which brought in about 50% of gas transport revenues in 2004-2005. As the power plant cut gas consumption by more than two times in 2006, Ivano-FrankivskGaz's market has decreased significantly. However, this was not reflected in the company's sales, which grew 57% yoy in 9M06 to USD 43 mln. The company posted a drop in net income (from USD 0.8 mln net profit in 9M05 to a net loss of USD 3.2 mln in 9M06). With an increase in tariffs for GasCos in January 2007, we expect the company's profitability to grow.

MARKET INFORMATION

Market price*, USD	3.96
Price impact**	3
52 Wk H/L, USD	3.96 / 0.68
Chg 3m/6m/52w	n/a / n/a / n/a
Chg vs PFTS 3m/6m/52w	-65% / -104% / -93%
Chg YTD	n/a
Avg Mo Tr Vol 6M, USD ths	0.0
MCap, USD mln	60.0
Free float, %	20.0%
FF MCap, USD mln	12.0
No of shares, mln	15.1
Par Value, UAH	0.25
XETRA	n/a
DR Ratio	n/a
Avg Mo Tr Vol 6M, USD ths	n/a

STOCK OWNERSHIP

Naftogaz Ukrainy	50.0%
Institutional Shareholders	35.0%
Other	15.0%

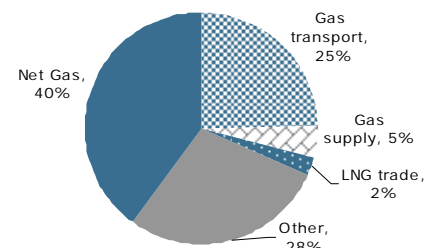
MARKET MULTIPLES

	2006E	2007E
EV/Sales	0.9	n/a
EV/EBITDA	-23.6	n/a
P/E	-13.9	n/a
P/B	-3.6	n/a
P/CF	-25.9	n/a

KEY RATIOS

	2005	2006E	2007E
EBITDA margin	2%	-4%	n/a
Net Margin	-0.1%	-7%	n/a
ROE	0.4%	35%	n/a
Net Debt/Equity	0.3	0.05	n/a

Revenue Structure in 2005



* PFTS BID Price is used
 ** Price "impact" is the opinion of Concorde's trading desk on stocks to help investors estimate the reliability of quoted prices:
 1: Market price reaction remains within 10% in execution of a market order of about USD 10 mln in size
 2: Market price reaction remains within 10% in execution of a market order of about USD 1 mln in size
 3: All other stocks (quoted price is less reliable and should be considered indicative)

Note: data (market information, price changes) as of 30 Mar 2007

INCOME STATEMENT SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Net Revenues	23.0	27.1	35.1	43.9	43.0	n/a	n/a
<i>Change y-o-y</i>	-	17.8%	29.6%	25.1%	57.2%	n/a	n/a
Gross Profit	2.5	2.5	5.1	3.8	0.2	n/a	n/a
EBITDA	(2.2)	(1.2)	1.6	1.0	(1.9)	n/a	n/a
<i>margin, %</i>	-9.7%	-4.3%	4.5%	2.2%	-4.4%	n/a	n/a
Depreciation	(0.9)	(1.1)	(1.2)	(1.5)	(1.5)	n/a	n/a
EBIT	(3.2)	(2.2)	0.4	(0.5)	(3.4)	n/a	n/a
<i>margin, %</i>	-13.9%	-8.2%	1.1%	-1.2%	-7.9%	n/a	n/a
Interest Expense	-	-	-	-	(0.0)	n/a	n/a
Other income/(expense)	0.2	0.2	0.3	0.5	0.2	n/a	n/a
PBT	(3.0)	(2.0)	0.7	(0.1)	(3.2)	n/a	n/a
Tax	(0.3)	(0.1)	-	-	-	n/a	n/a
<i>Effective tax rate</i>	-8.3%	-3.4%	0.0%	0.0%	0.0%	n/a	n/a
Net Income	(3.3)	(2.0)	0.7	(0.0)	(3.2)	n/a	n/a
<i>Net Margin, %</i>	-14.2%	-7.5%	1.9%	-0.1%	-7.6%	n/a	n/a

BALANCE SHEET SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Current Assets	35.7	35.9	15.7	63.5	11.5	n/a	n/a
Cash & Equivalents	0.4	0.8	1.2	3.3	0.7	n/a	n/a
Trade Receivables	28.0	27.7	10.0	19.8	5.7	n/a	n/a
Inventories	1.9	1.7	3.0	38.1	2.6	n/a	n/a
Other	5.4	5.7	1.5	2.2	2.5	n/a	n/a
Fixed Assets	16.9	18.2	20.2	22.6	36.7	n/a	n/a
PP&E, net	15.7	17.1	19.0	21.1	29.2	n/a	n/a
Other	1.2	1.1	1.1	1.5	7.5	n/a	n/a
Total Assets	52.6	54.1	35.8	86.1	48.2	n/a	n/a
Shareholders' Equity	(18.3)	(19.0)	(12.6)	(12.3)	(6.7)	n/a	n/a
Share Capital	0.7	0.7	0.7	0.7	0.7	n/a	n/a
Retained Earnings	(34.5)	(36.6)	(32.0)	(33.6)	(36.9)	n/a	n/a
Other	15.6	16.8	18.6	20.6	29.4	n/a	n/a
Current Liabilities	70.8	73.1	48.5	98.4	55.0	n/a	n/a
ST Interest Bearing Debt	0.5	1.0	-	0.0	3.8	n/a	n/a
Trade Payables	6.0	3.8	8.5	96.4	49.9	n/a	n/a
Other	64.3	68.4	40.0	2.0	1.9	n/a	n/a
LT Liabilities	-	-	-	-	-	n/a	n/a
LT Interest Bearing Debt	-	-	-	-	-	n/a	n/a
Other	-	-	-	-	-	n/a	n/a
Total Liabilities & Equity	52.6	54.1	35.8	86.1	48.2	n/a	n/a

QUARTERLY ANALYSIS, USD mln

	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
Net Revenues	11.0	4.2	3.7	16.1	13.1	7.5	6.8	16.5	21.0	11.4	10.6
<i>Change y-o-y</i>	-3.5%	-2.1%	15.9%	98.0%	19.1%	79.0%	81.4%	2.2%	59.6%	53.3%	56.7%
EBITDA	0.5	(0.1)	(0.7)	1.9	2.4	0.2	(0.8)	(0.9)	0.2	(0.5)	(1.6)
<i>margin, %</i>	4.6%	-2.1%	-19.0%	11.6%	18.5%	2.5%	-11.4%	-5.2%	1.2%	-4.5%	-15.2%
EBIT	0.2	(0.4)	(0.9)	1.5	2.1	(0.2)	(1.2)	(1.2)	(0.2)	(1.0)	(2.1)
<i>margin, %</i>	1.9%	-8.7%	-24.8%	9.1%	15.7%	-2.6%	-17.1%	-7.6%	-1.2%	-8.9%	-20.0%
Net Income	0.2	(0.3)	(0.8)	1.7	2.1	(0.2)	(1.2)	(0.8)	(0.2)	(1.0)	(2.0)
<i>Net Margin, %</i>	1.8%	-8.1%	-22.6%	10.3%	15.8%	-2.1%	-17.1%	-4.8%	-1.1%	-8.9%	-18.8%

KharkivGaz

HRGZ UZ

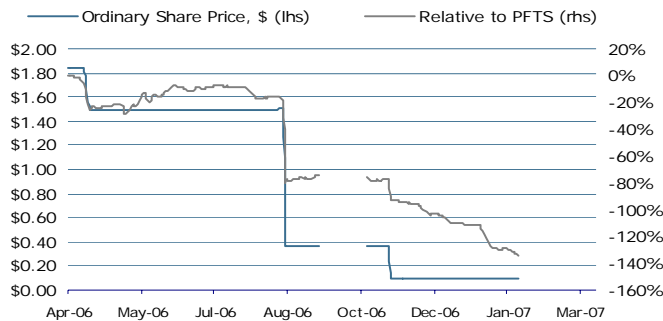
Gas

Target Price (USD)
6.15
Upside
n/a

INVESTMENT CASE

- Absence of debt problems and no dominating consumers make it the least risky GasCo for investors
- Acquired by Russian business group GazEx

SHARE PRICE PERFORMANCE*



BUSINESS OVERVIEW

KharkivGaz is a gas distribution company responsible for the transportation and retail supply of natural gas and bottled liquid natural gas (LNG) to Kharkiv region (not including the city of Kharkiv). The company utilizes a local gas pipeline network that is 14 ths km long; the gasification level of the region is 62%. KharkivGaz supplies natural gas to 383 ths end-users and liquefied natural gas (LNG) to 140 ths customers (most of which are households). The company's main customers are households and heating enterprises. In 2006 the company was purchased by GazEx, a Russian business entity associated with Viktor Vekselberg's Renova Group and became the fifth Ukrainian GasCo in the group. In 9M06, KharkivGaz posted sales growth of 24% yoy to USD 39.7 mln, and a more than five-fold increase in its net loss (from USD 0.5 mln in 9M05 to USD 2.7 mln in 9M06).

* PFTS MID Price is used
 ** Price "impact" is the opinion of Concorde's trading desk on stocks to help investors estimate the reliability of quoted prices:
 1: Market price reaction remains within 10% in execution of a market order of about USD 10 mln in size
 2: Market price reaction remains within 10% in execution of a market order of about USD 1 mln in size
 3: All other stocks (quoted price is less reliable and should be considered indicative)

Note: data (market information, price changes) as of 30 Mar 2007

MARKET INFORMATION

Market price*, USD	n/a
Price impact**	3
52 Wk H/L, USD	1.84 / 0.10
Chg 3m/6m/52w	n/a / n/a / n/a
Chg vs PFTS 3m/6m/52w	n/a / n/a / n/a
Chg YTD	n/a
Avg Mo Tr Vol 6M, USD ths	0.0
MCap, USD mln	n/a
Free float, %	37.0%
FF MCap, USD mln	n/a
No of shares, mln	4.9
Par Value, UAH	0.50
XETRA	n/a
DR Ratio	n/a
Avg Mo Tr Vol 6M, USD ths	n/a

STOCK OWNERSHIP

Naftogaz Ukrainy	17.7%
Institutional Shareholders	70.6%
Other	11.7%

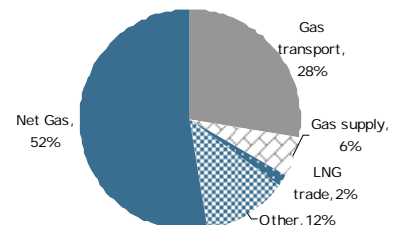
MARKET MULTIPLES

	2006E	2007E
EV/Sales	n/a	n/a
EV/EBITDA	n/a	n/a
P/E	n/a	n/a
P/B	n/a	n/a
P/CF	n/a	n/a

KEY RATIOS

	2005	2006E	2007E
EBITDA margin	10%	2%	n/a
Net Margin	1%	-4%	n/a
ROE	1%	-9%	n/a
Net Debt/Equity	0.02	0.02	n/a

Revenue Structure in 2005



INCOME STATEMENT SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Net Revenues	35.7	41.7	43.0	50.9	39.7	n/a	n/a
<i>Change y-o-y</i>	-	16.8%	3.1%	18.2%	23.7%	n/a	n/a
Gross Profit	4.2	3.0	5.0	5.6	1.3	n/a	n/a
EBITDA	0.0	1.7	3.0	4.8	1.4	n/a	n/a
<i>margin, %</i>	0.1%	4.1%	7.0%	9.5%	3.5%	n/a	n/a
Depreciation	(1.5)	(1.8)	(2.5)	(4.1)	(4.3)	n/a	n/a
EBIT	(1.5)	(0.1)	0.5	0.7	(2.9)	n/a	n/a
<i>margin, %</i>	-4.3%	-0.2%	1.2%	1.5%	-7.2%	n/a	n/a
Interest Expense	(0.1)	(0.1)	(0.2)	(0.2)	(0.2)	n/a	n/a
Other income/(expense)	0.4	0.3	0.5	0.7	0.5	n/a	n/a
PBT	(1.2)	0.0	0.8	1.3	(2.6)	n/a	n/a
Tax	(0.2)	(0.5)	(0.8)	(0.9)	(0.1)	n/a	n/a
<i>Effective tax rate</i>	-14.4%	971.8%	98.7%	70.6%	-3.2%	n/a	n/a
Net Income	(1.3)	(0.4)	0.0	0.4	(2.7)	n/a	n/a
<i>Net Margin, %</i>	-3.8%	-1.0%	0.0%	0.8%	-6.7%	n/a	n/a

BALANCE SHEET SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Current Assets	14.8	14.3	9.9	9.5	7.9	n/a	n/a
Cash & Equivalents	0.6	0.4	0.5	0.2	0.7	n/a	n/a
Trade Receivables	10.2	10.2	5.4	3.3	1.8	n/a	n/a
Inventories	1.1	1.4	1.7	2.5	2.2	n/a	n/a
Other	2.9	2.4	2.3	3.5	3.2	n/a	n/a
Fixed Assets	32.1	34.9	38.4	43.5	43.0	n/a	n/a
PP&E, net	31.1	33.3	35.8	39.9	39.3	n/a	n/a
Other	1.0	1.6	2.7	3.6	3.7	n/a	n/a
Total Assets	46.9	49.2	48.4	53.1	50.9	n/a	n/a
Shareholders' Equity	34.5	35.6	37.6	41.4	38.6	n/a	n/a
Share Capital	0.5	0.5	0.5	0.5	0.5	n/a	n/a
Retained Earnings	0.4	(0.0)	0.0	0.5	(2.2)	n/a	n/a
Other	33.6	35.2	37.1	40.4	40.3	n/a	n/a
Current Liabilities	12.4	13.1	9.7	10.7	12.4	n/a	n/a
ST Interest Bearing Debt	0.6	0.6	-	0.1	2.1	n/a	n/a
Trade Payables	3.4	3.0	1.6	8.1	7.5	n/a	n/a
Other	8.4	9.4	8.1	2.4	3.4	n/a	n/a
LT Liabilities	0.0	0.5	1.1	1.0	0.0	n/a	n/a
LT Interest Bearing Debt	-	0.5	1.1	1.0	-	n/a	n/a
Other	0.0	0.0	0.0	0.0	0.0	n/a	n/a
Total Liabilities & Equity	46.9	49.2	48.4	53.1	50.9	n/a	n/a

QUARTERLY ANALYSIS, USD mln

	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
Net Revenues	14.8	7.1	5.4	15.7	16.8	7.7	7.6	18.8	20.2	9.4	10.1
<i>Change y-o-y</i>	-4.5%	12.6%	21.7%	1.6%	13.5%	8.5%	40.5%	19.3%	20.1%	22.4%	33.0%
EBITDA	1.4	(0.1)	(0.1)	1.9	2.5	(0.2)	0.2	2.4	2.9	(0.7)	(0.8)
<i>margin, %</i>	9.4%	-2.1%	-2.4%	12.1%	14.6%	-2.1%	2.2%	12.6%	14.5%	-7.2%	-8.4%
EBIT	0.8	(0.7)	(0.8)	1.2	1.7	(1.4)	(0.9)	1.2	1.4	(2.2)	(2.1)
<i>margin, %</i>	5.5%	-10.5%	-14.5%	7.8%	10.4%	-17.6%	-11.6%	6.6%	6.9%	-23.2%	-20.4%
Net Income	0.5	(0.6)	(0.7)	0.7	1.4	(1.1)	(0.7)	0.8	1.3	(1.9)	(2.1)
<i>Net Margin, %</i>	3.5%	-8.0%	-12.2%	4.5%	8.2%	-14.8%	-9.1%	4.5%	6.4%	-20.3%	-20.3%

KhmelnytskGaz

HGAZ UZ

Gas

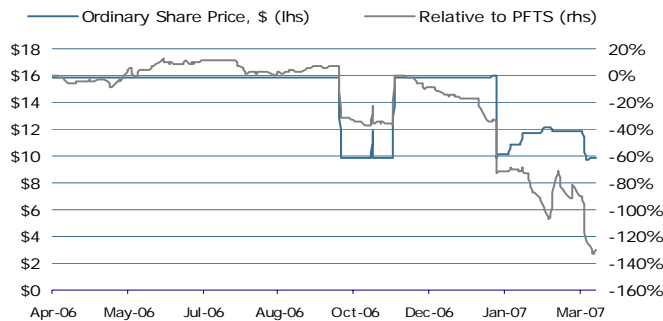
<http://www.hmgaz.com.ua>

Target Price (USD) 59.70
Upside 515%

INVESTMENT CASE

- One of the most profitable and stable GasCos during the last three years

SHARE PRICE PERFORMANCE*



BUSINESS OVERVIEW

KhmelnytskGaz is a gas distribution company, responsible for the transportation and retail supply of natural gas and bottled liquid natural gas (LNG) to most of the Khmelnytsk region. The company utilizes a local gas pipeline network that is 10 ths km long. KhmelnytskGaz supplies natural gas to 218 ths end-users and liquefied natural gas (LNG) to 87 ths customers (most of which are households). The company is controlled by Ukrainian gas holding Gaztek and owns a 24.29% stake in neighboring ZhytomirGaz. KhmelnytskGaz supplies gas to a mostly agricultural region where there are no dominant gas consumers. Like any other GasCo, it is subject to highly seasonal natural gas consumption. KhmelnytskGaz generates most of its revenues during the first and the fourth quarters of the year.

In 9M06 KhmelnytskGaz posted growth in sales of 22% yoy to USD 28.2 mln, and a significant change in net income (from USD 0.2 mln net profit in 9M05 to a net loss of USD 0.5 mln in 9M06).

* PFTS BID Price is used
 ** Price "impact" is the opinion of Concorde's trading desk on stocks to help investors estimate the reliability of quoted prices:
 1: Market price reaction remains within 10% in execution of a market order of about USD 10 mln in size
 2: Market price reaction remains within 10% in execution of a market order of about USD 1 mln in size
 3: All other stocks (quoted price is less reliable and should be considered indicative)

Note: data (market information, price changes) as of 30 Mar 2007

MARKET INFORMATION

Market price*, USD	9.70
Price impact**	3
52 Wk H/L, USD	15.8 / 9.7
Chg 3m/6m/52w	-39% / -39% / -39%
Chg vs PFTS 3m/6m/52w	-103% / -143% / -131%
Chg YTD	-39%
Avg Mo Tr Vol 6M, USD ths	2.2
MCap, USD mln	3.6
Free float, %	24.0%
FF MCap, USD mln	0.9

No of shares, mln	0.4
Par Value, UAH	15.0

XETRA	n/a
DR Ratio	n/a
Avg Mo Tr Vol 6M, USD ths	n/a

STOCK OWNERSHIP

Naftogaz Ukrainy	26.0%
GAZTEK	49.0%
Other	25.0%

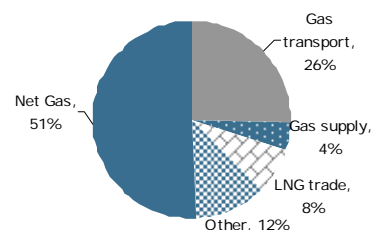
MARKET MULTIPLES

	2006E	2007E
EV/Sales	0.1	n/a
EV/EBITDA	1.9	n/a
P/E	-5.5	n/a
P/B	0.1	n/a
P/CF	1.4	n/a

KEY RATIOS

	2005	2006E	2007E
EBITDA margin	10%	4%	n/a
Net Margin	3%	-1%	n/a
ROE	6%	-3%	n/a
Net Debt/Equity	0.01	0.004	n/a

Revenue Structure in 2005



INCOME STATEMENT SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Net Revenues	20.3	24.1	29.4	35.5	28.2	n/a	n/a
<i>Change y-o-y</i>	-	18.9%	22.0%	20.5%	22.3%	n/a	n/a
Gross Profit	2.1	2.0	3.4	5.1	2.7	n/a	n/a
EBITDA	(0.3)	1.0	1.9	3.6	1.4	n/a	n/a
<i>margin, %</i>	-1.4%	4.1%	6.4%	10.1%	5.1%	n/a	n/a
Depreciation	(1.0)	(1.4)	(2.1)	(2.7)	(2.4)	n/a	n/a
EBIT	(1.3)	(0.4)	(0.2)	0.9	(1.0)	n/a	n/a
<i>margin, %</i>	-6.4%	-1.5%	-0.7%	2.6%	-3.5%	n/a	n/a
Interest Expense	-	(0.0)	(0.1)	(0.2)	(0.1)	n/a	n/a
Other income/(expense)	0.5	0.6	0.7	0.9	0.8	n/a	n/a
PBT	(0.8)	0.2	0.4	1.6	(0.3)	n/a	n/a
Tax	(0.3)	(0.5)	(0.4)	(0.4)	(0.2)	n/a	n/a
<i>Effective tax rate</i>	-41.4%	209.6%	101.3%	25.6%	-51.5%	n/a	n/a
Net Income	(1.1)	(0.2)	(0.0)	1.2	(0.5)	n/a	n/a
<i>Net Margin, %</i>	-5.4%	-1.0%	0.0%	3.3%	-1.7%	n/a	n/a

BALANCE SHEET SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Current Assets	54.0	56.7	16.7	9.6	9.8	n/a	n/a
Cash & Equivalents	0.4	0.8	0.3	0.3	0.2	n/a	n/a
Trade Receivables	48.5	49.0	5.1	4.5	3.7	n/a	n/a
Inventories	1.3	1.8	1.6	1.9	1.6	n/a	n/a
Other	3.9	5.1	9.6	2.8	4.2	n/a	n/a
Fixed Assets	19.7	22.6	27.0	32.5	35.8	n/a	n/a
PP&E, net	19.1	21.3	25.3	29.1	33.0	n/a	n/a
Other	0.7	1.3	1.7	3.4	2.8	n/a	n/a
Total Assets	73.7	79.3	43.8	42.1	45.6	n/a	n/a
Shareholders' Equity	16.3	17.0	20.8	25.2	27.2	n/a	n/a
Share Capital	1.0	1.0	1.0	1.1	1.1	n/a	n/a
Retained Earnings	(4.5)	(4.7)	(2.5)	(0.6)	(1.1)	n/a	n/a
Other	19.7	20.6	22.3	24.8	27.2	n/a	n/a
Current Liabilities	57.5	62.4	22.9	16.8	18.4	n/a	n/a
ST Interest Bearing Debt	0.1	0.3	1.2	0.6	1.1	n/a	n/a
Trade Payables	17.1	16.9	2.1	12.4	12.4	n/a	n/a
Other	40.2	45.2	19.7	3.9	5.7	n/a	n/a
LT Liabilities	0.0	0.0	0.0	0.0	0.0	n/a	n/a
LT Interest Bearing Debt	-	-	-	0.0	0.0	n/a	n/a
Other	0.0	0.0	0.0	-	-	n/a	n/a
Total Liabilities & Equity	73.7	79.3	43.8	42.1	45.6	n/a	n/a

QUARTERLY ANALYSIS, USD mln

	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
Net Revenues	9.2	4.9	4.8	10.5	11.1	6.1	5.8	12.4	14.8	7.1	6.4
<i>Change y-o-y</i>	14.4%	75.7%	28.1%	10.4%	21.3%	24.8%	20.9%	17.7%	32.7%	15.7%	9.3%
EBITDA	0.2	0.1	0.4	1.2	1.8	0.2	(0.1)	1.6	2.0	(0.1)	(0.4)
<i>margin, %</i>	2.1%	1.5%	8.3%	11.6%	16.5%	4.0%	-2.4%	13.2%	13.3%	-1.2%	-6.7%
EBIT	(0.2)	(0.4)	(0.1)	0.5	1.2	(0.4)	(0.9)	1.0	1.2	(1.0)	(1.2)
<i>margin, %</i>	-2.0%	-7.6%	-3.0%	4.6%	10.7%	-6.3%	-14.7%	7.7%	7.9%	-13.8%	-18.6%
Net Income	(0.0)	(0.3)	(0.0)	0.3	1.1	(0.5)	(0.5)	1.0	1.3	(0.8)	(0.9)
<i>Net Margin, %</i>	-0.3%	-5.4%	-0.6%	3.0%	10.0%	-7.9%	-8.2%	8.3%	8.5%	-11.4%	-14.8%

KyivObiGaz

KIGA UZ

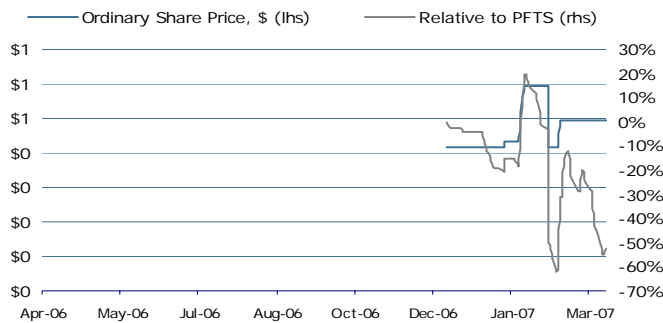
Gas

Target Price (USD)
1.30
Upside
163%

INVESTMENT CASE

- Operates one of the longest gas networks in Ukraine
- Internal capacity to construct plastic pipelines guarantees additional stable revenue sources
- Potentially attractive acquisition target for Russian and local business groups

SHARE PRICE PERFORMANCE*



Listed on PFTS since 18 Dec 2006

BUSINESS OVERVIEW

KyivObiGaz is a gas distribution company that is responsible for the transportation and retail supply of natural gas and bottled liquid natural gas (LNG) to the region around Kyiv and does not have any dominant gas consumers. The company utilizes a local gas pipeline network 28 ths km in length; the gasification level of Kyiv region is 69%. KyivObiGaz supplies natural gas to 618 ths end-users and liquefied natural gas (LNG) to 112 ths customers (most of which are households). Since it is not controlled by major gas groups, KyivObiGaz might become an attractive acquisition target.

In 9M06, KyivObiGaz posted sales growth of 47% yoy to USD 55.5 mln and its net loss jumped four-fold (from USD 0.5 mln in 9M05 to USD 1.9 mln in 9M06).

UPCOMING EVENTS

18 Apr 2007 AGM

* PFTS BID Price is used
 ** Price "Impact" is the opinion of Concorde's trading desk on stocks to help investors estimate the reliability of quoted prices:

- 1: Market price reaction remains within 10% in execution of a market order of about USD 10 mln in size
- 2: Market price reaction remains within 10% in execution of a market order of about USD 1 mln in size
- 3: All other stocks (quoted price is less reliable and should be considered indicative)

Note: data (market information, price changes) as of 30 Mar 2007

MARKET INFORMATION

Market price*, USD	0.50
Price impact**	3
52 Wk H/L, USD	0.59 / 0.42
Chg 3m/6m/52w	19% / 19% / 19%
Chg vs PFTS 3m/6m/52w	-46% / -85% / -74%
Chg YTD	19%
Avg Mo Tr Vol 6M, USD ths	0.0
MCap, USD mln	16.7
Free float, %	43.0%
FF MCap, USD mln	n/a
No of shares, mln	33.7
Par Value, UAH	0.05
XETRA	n/a
DR Ratio	n/a
Avg Mo Tr Vol 6M, USD ths	n/a

STOCK OWNERSHIP

Naftogaz Ukrainy	33.0%
Institutional Shareholders	23.0%
Other	44.0%

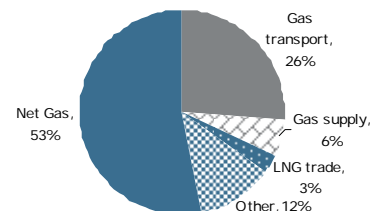
MARKET MULTIPLES

	2006E	2007E
EV/Sales	0.1	n/a
EV/EBITDA	-17.2	n/a
P/E	-6.6	n/a
P/B	0.4	n/a
P/CF	-27.5	n/a

KEY RATIOS

	2005	2006E	2007E
EBITDA margin	6%	-0.4%	n/a
Net Margin	-0.004%	-3%	n/a
ROE	-0.01%	-6%	n/a
Net Debt/Equity	-0.1	-0.2	n/a

Revenue Structure in 2005



INCOME STATEMENT SUMMARY, USD mln

	2003	2004	2005	9M06	2007E	2008E
Net Revenues	52.4	51.0	60.3	55.5	n/a	n/a
<i>Change y-o-y</i>	-	-2.8%	18.2%	46.6%	n/a	n/a
Gross Profit	2.9	1.3	2.0	0.9	n/a	n/a
EBITDA	1.4	2.4	3.4	(0.3)	n/a	n/a
<i>margin, %</i>	2.7%	4.8%	5.7%	-0.6%	n/a	n/a
Depreciation	(1.6)	(2.3)	(2.2)	(1.5)	n/a	n/a
EBIT	(0.2)	0.1	1.3	(1.8)	n/a	n/a
<i>margin, %</i>	-0.3%	0.2%	2.1%	-3.2%	n/a	n/a
Interest Expense	-	-	-	-	n/a	n/a
Other income/(expense)	(0.0)	(0.0)	(0.0)	(0.0)	n/a	n/a
PBT	(0.2)	0.1	1.3	(1.8)	n/a	n/a
Tax	-	(0.0)	(1.3)	(0.1)	n/a	n/a
<i>Effective tax rate</i>	0.0%	26.2%	102.9%	-6.8%	n/a	n/a
Net Income	(0.2)	0.1	(0.0)	(1.9)	n/a	n/a
<i>Net Margin, %</i>	-0.3%	0.2%	0.0%	-3.4%	n/a	n/a

BALANCE SHEET SUMMARY, USD mln

	2003	2004	2005	9M06	2007E	2008E
Current Assets	22.6	16.5	17.5	17.9	n/a	n/a
Cash & Equivalents	4.0	3.5	5.4	4.7	n/a	n/a
Trade Receivables	16.9	8.8	8.2	5.6	n/a	n/a
Inventories	0.9	1.0	1.4	2.3	n/a	n/a
Other	0.8	3.3	2.5	5.4	n/a	n/a
Fixed Assets	38.9	35.6	40.0	43.0	n/a	n/a
PP&E, net	36.8	33.1	38.2	40.7	n/a	n/a
Other	2.1	2.5	1.8	2.3	n/a	n/a
Total Assets	61.5	52.2	57.5	61.0	n/a	n/a
Shareholders' Equity	42.0	40.0	44.5	46.0	n/a	n/a
Share Capital	0.3	0.3	0.3	0.3	n/a	n/a
Retained Earnings	2.9	1.3	1.3	(0.6)	n/a	n/a
Other	38.7	38.4	42.9	46.3	n/a	n/a
Current Liabilities	19.5	12.2	12.9	14.9	n/a	n/a
ST Interest Bearing Debt	-	-	-	-	n/a	n/a
Trade Payables	0.6	1.9	3.2	3.2	n/a	n/a
Other	18.9	10.2	9.7	13.8	n/a	n/a
LT Liabilities	0.0	-	-	-	n/a	n/a
LT Interest Bearing Debt	-	-	-	-	n/a	n/a
Other	0.0	-	-	-	n/a	n/a
Total Liabilities & Equity	61.5	52.2	57.5	61.0	n/a	n/a

QUARTERLY ANALYSIS, USD mln

	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
Net Revenues	19.7	7.4	5.0	18.9	22.8	8.6	6.5	22.4	32.5	10.0	13.0
<i>Change y-o-y</i>	4.6%	30.5%	-33.9%	-7.4%	16.0%	15.6%	29.6%	18.6%	42.4%	17.0%	100.9%
EBITDA	3.7	(0.2)	(3.8)	2.7	1.9	0.5	(0.4)	1.5	1.6	(1.3)	(0.7)
<i>margin, %</i>	18.9%	-2.5%	-76.1%	14.2%	8.1%	5.3%	-5.7%	6.7%	5.1%	-12.8%	-5.4%
EBIT	3.1	(0.8)	(3.8)	1.6	1.2	(0.2)	(0.8)	1.0	1.1	(1.7)	(1.2)
<i>margin, %</i>	15.9%	-10.2%	-76.6%	8.3%	5.4%	-1.9%	-12.9%	4.6%	3.4%	-17.1%	-9.0%
Net Income	2.4	(0.6)	(2.8)	1.1	0.2	(0.2)	(0.5)	0.5	0.9	(1.6)	(1.2)
<i>Net Margin, %</i>	11.9%	-7.6%	-56.0%	5.8%	0.8%	-1.9%	-8.4%	2.4%	2.9%	-16.0%	-9.5%

LuhanskGaz

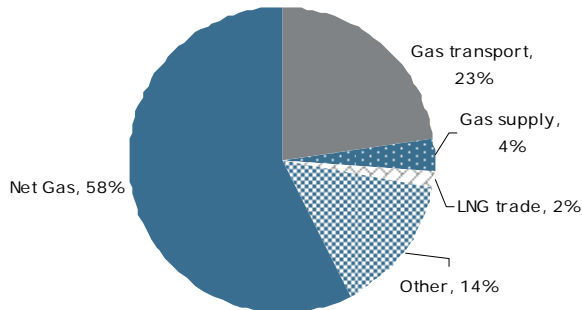
Gas

Target Price (USD) **4.18**
Upside (%) **n/a**

INVESTMENT CASE

- Enjoys one of the highest gasification levels
- A large state stake suggests privatization is likely in the mid-term, which would boost liquidity and the company's valuation

Revenue Structure in 2005



BUSINESS OVERVIEW

LuhanskGaz is a gas distribution company that is responsible for the transportation and retail supply of natural gas and bottled liquid natural gas (LNG) to Luhansk region. The company utilizes a local gas pipeline network that is 15 ths km long; the gasification level of the region is 76%. LuhanskGaz supplies natural gas to 652 ths end-users (most of which are households). Like any other GasCo, it is subject to highly seasonal natural gas consumption.

In 9M06, LuhanskGaz posted growth in sales by 40% yoy to USD 43.8 mln, and a six-fold increase in its net loss (from USD 0.7 mln in 9M05 to USD 4.3 mln in 9M06).

MARKET INFORMATION

Market price*, USD	n/a
Price impact**	n/a
52 Wk H/L, USD	n/a
Chg 3m/6m/52w	n/a
Chg vs PFTS 3m/6m/52w	n/a
Chg YTD	n/a
Avg Mo Tr Vol 6M, USD ths	n/a
MCap, USD mln	n/a
Free float, %	26.0%
FF MCap, USD mln	n/a
No of shares, mln	7.3
Par Value, UAH	0.50
XETRA	n/a
DR Ratio	n/a
Avg Mo Tr Vol 6M, USD ths	n/a

STOCK OWNERSHIP

Naftogaz Ukrainy	51.0%
Institutional Shareholders	31.0%
Other	18.0%

MARKET MULTIPLES

	2006E	2007E
EV/Sales	n/a	n/a
EV/EBITDA	n/a	n/a
P/E	n/a	n/a
P/B	n/a	n/a
P/CF	n/a	n/a

KEY RATIOS

	2005	2006E	2007E
EBITDA margin	3%	-4%	n/a
Net Margin	-1%	-7%	n/a
ROE	26%	989%	n/a
Net Debt/Equity	1.6	0.2	n/a

* The stock is not listed on PFTS

** Price "Impact" is the opinion of Concorde's trading desk on stocks to help investors estimate the reliability of quoted prices:

1: Market price reaction remains within 10% in execution of a market order of about USD 10 mln in size
 2: Market price reaction remains within 10% in execution of a market order of about USD 1 mln in size
 3: All other stocks (quoted price is less reliable and should be considered indicative)

Note: data (market information, price changes) as of 30 Mar 2007

INCOME STATEMENT SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Net Revenues	35.0	39.3	40.9	47.7	43.8	n/a	n/a
<i>Change y-o-y</i>	-	12.3%	4.1%	16.7%	40.1%	n/a	n/a
Gross Profit	3.3	3.0	3.5	2.2	(0.8)	n/a	n/a
EBITDA	(5.3)	(4.3)	(4.9)	1.4	(2.3)	n/a	n/a
<i>margin, %</i>	-15.1%	-10.8%	-12.0%	3.0%	-5.3%	n/a	n/a
Depreciation	(1.7)	(2.1)	(1.9)	(2.2)	(2.0)	n/a	n/a
EBIT	(7.0)	(6.3)	(6.8)	(0.8)	(4.3)	n/a	n/a
<i>margin, %</i>	-19.9%	-16.1%	-16.7%	-1.7%	-9.8%	n/a	n/a
Interest Expense	(0.2)	-	-	-	-	n/a	n/a
Other income/(expense)	0.2	0.4	0.2	0.3	0.4	n/a	n/a
PBT	(6.9)	(5.9)	(6.6)	(0.5)	(3.9)	n/a	n/a
Tax	(0.0)	(0.1)	(0.2)	(0.2)	(0.3)	n/a	n/a
<i>Effective tax rate</i>	0.0%	-1.5%	-3.0%	-34.1%	-8.8%	n/a	n/a
Net Income	(6.9)	(6.0)	(6.8)	(0.7)	(4.3)	n/a	n/a
<i>Net Margin, %</i>	-19.8%	-15.3%	-16.6%	-1.4%	-9.7%	n/a	n/a

BALANCE SHEET SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Current Assets	69.1	66.6	58.9	55.1	54.2	n/a	n/a
Cash & Equivalents	0.3	0.2	1.2	1.6	1.0	n/a	n/a
Trade Receivables	43.1	36.2	32.0	27.0	26.4	n/a	n/a
Inventories	1.1	1.2	1.4	1.7	1.5	n/a	n/a
Other	24.6	29.0	24.3	24.8	25.2	n/a	n/a
Fixed Assets	28.2	30.6	35.5	43.6	47.4	n/a	n/a
PP&E, net	27.0	29.4	31.7	38.7	42.9	n/a	n/a
Other	1.2	1.2	3.8	4.8	4.5	n/a	n/a
Total Assets	97.3	97.2	94.5	98.6	101.6	n/a	n/a
Shareholders' Equity	6.0	3.4	(2.7)	(0.6)	0.1	n/a	n/a
Share Capital	0.0	0.0	0.0	0.7	0.7	n/a	n/a
Retained Earnings	(26.1)	(32.1)	(40.2)	(46.9)	(50.8)	n/a	n/a
Other	32.0	35.4	37.5	45.6	50.2	n/a	n/a
Current Liabilities	91.3	93.9	51.3	23.5	26.2	n/a	n/a
ST Interest Bearing Debt	-	-	0.5	0.6	0.6	n/a	n/a
Trade Payables	2.4	1.4	1.8	1.5	1.3	n/a	n/a
Other	88.9	92.4	49.0	21.4	25.3	n/a	n/a
LT Liabilities	0.0	-	45.8	75.7	75.3	n/a	n/a
LT Interest Bearing Debt	-	-	0.0	-	-	n/a	n/a
Other	0.0	-	45.8	75.7	75.3	n/a	n/a
Total Liabilities & Equity	97.3	97.2	94.5	98.6	101.6	n/a	n/a

QUARTERLY ANALYSIS, USD mln

	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
Net Revenues	14.5	7.2	4.9	14.3	17.9	7.7	5.7	16.5	24.0	10.1	9.7
<i>Change y-o-y</i>	-9.4%	34.6%	11.6%	5.7%	23.7%	7.4%	14.6%	15.0%	33.9%	30.8%	72.2%
EBITDA	0.8	(1.0)	(1.5)	(3.3)	1.2	(0.3)	(0.1)	0.6	0.0	(1.0)	(1.3)
<i>margin, %</i>	5.9%	-14.1%	-29.5%	-22.9%	6.8%	-3.5%	-1.8%	3.6%	0.1%	-10.2%	-13.6%
EBIT	0.4	(1.5)	(1.9)	(3.8)	0.7	(0.8)	(0.7)	0.0	(0.6)	(1.7)	(2.0)
<i>margin, %</i>	3.1%	-20.7%	-39.4%	-26.7%	3.9%	-10.9%	-11.8%	0.0%	-2.4%	-16.8%	-21.0%
Net Income	0.3	(1.6)	(1.5)	(4.0)	0.7	(0.9)	(0.6)	0.1	(0.4)	(1.9)	(1.9)
<i>Net Margin, %</i>	2.3%	-22.9%	-30.2%	-27.7%	4.1%	-11.8%	-10.0%	0.3%	-1.9%	-18.6%	-19.9%

LvivGaz

LGAZ UZ

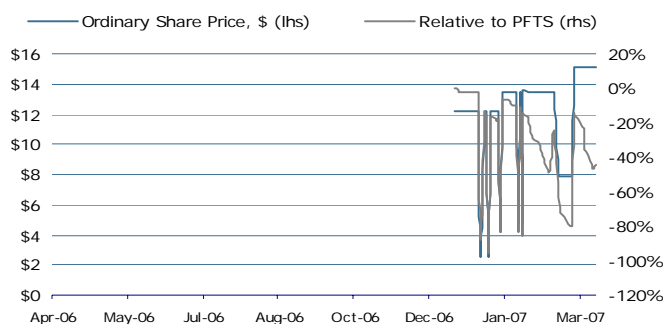
Gas

Target Price (USD) 8.80
Upside -42%

INVESTMENT CASE

- Largest gas distribution company by sales
- Main shareholders are in the conflict with Naftogaz, which raises the risk that tis asset lease will not be prolonged
- Acquisition target for Rosukrenergo

SHARE PRICE PERFORMANCE*



Listed on PFTS since 25 Dec 2006

BUSINESS OVERVIEW

LvivGaz is a gas distribution company that is responsible for the transportation and retail supply of natural gas and bottled liquid natural gas (LNG) to Lviv region. The company utilizes a local gas pipeline network that is 19 ths km in length; the gasification level of the region 88% - the highest in Ukraine. LvivGaz is a leader in terms of its level of gasification in Ukraine and is among the leaders in pipeline reconstruction. LvivGaz supplies natural gas to 675 ths end-users (most of which are households). LvivGaz is controlled by the WOG business group. Current tariff policies have not allowed the company to generate profits.

In 2006 LvivGaz posted an increase in its net loss by 52% yoy to USD 7 mln.

MARKET INFORMATION

Market price*, USD	15.05
Price impact**	3
52 Wk H/L, USD	15.0 / 2.5
Chg 3m/6m/52w	n/a / n/a / n/a
Chg vs PFTS 3m/6m/52w	-65% / -104% / -93%
Chg YTD	n/a
Avg Mo Tr Vol 6M, USD ths	0.0
MCap, USD mln	51.2
Free float, %	9.0%
FF MCap, USD mln	4.6
No of shares, mln	3.4
Par Value, UAH	0.05
XETRA	n/a
DR Ratio	n/a
Avg Mo Tr Vol 6M, USD ths	n/a

STOCK OWNERSHIP

Naftogaz Ukrainy	28.0%
West Oil Group	63.0%
Other	9.0%

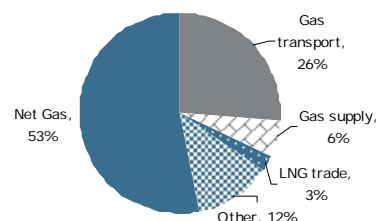
MARKET MULTIPLES

	2006E	2007E
EV/Sales	0.5	n/a
EV/EBITDA	-26.9	n/a
P/E	-7.4	n/a
P/B	-15.7	n/a
P/CF	-14.5	n/a

KEY RATIOS

	2005	2006E	2007E
EBITDA margin	-1%	-2%	n/a
Net Margin	-7%	-6%	n/a
ROE	78%	-190%	n/a
Net Debt/Equity	1	-1	n/a

Revenue Structure in 2005



INCOME STATEMENT SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Net Revenues	42.4	42.6	41.2	69.9	188.5	n/a	n/a
<i>Change y-o-y</i>	-	0.4%	-3.2%	69.8%	419.8%	n/a	n/a
Gross Profit	5.2	4.2	3.2	2.8	21.9	n/a	n/a
EBITDA	(2.8)	(5.9)	(24.1)	(0.7)	(1.5)	n/a	n/a
<i>margin, %</i>	-6.6%	-13.9%	-58.5%	-1.0%	-0.8%	n/a	n/a
Depreciation	(3.2)	(3.9)	(4.7)	(3.4)	(2.5)	n/a	n/a
EBIT	(6.0)	(9.8)	(28.8)	(4.1)	(4.1)	n/a	n/a
<i>margin, %</i>	-14.2%	-23.1%	-70.0%	-5.8%	-2.2%	n/a	n/a
Interest Expense	(0.0)	-	(0.0)	(0.5)	(22.8)	n/a	n/a
Other income/(expense)	(1.2)	0.0	19.3	0.0	21.9	n/a	n/a
PBT	(7.2)	(9.8)	(9.5)	(4.5)	(4.9)	n/a	n/a
Tax	(1.2)	-	(0.0)	(0.0)	(0.0)	n/a	n/a
<i>Effective tax rate</i>	-17.0%	0.0%	-0.3%	-0.7%	-0.2%	n/a	n/a
Net Income	(8.5)	(9.8)	(9.5)	(4.6)	(4.9)	n/a	n/a
<i>Net Margin, %</i>	-20.0%	-23.1%	-23.1%	-6.5%	-2.6%	n/a	n/a

BALANCE SHEET SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Current Assets	245.6	231.9	64.4	147.3	107.2	n/a	n/a
Cash & Equivalents	0.6	0.8	0.5	1.7	1.1	n/a	n/a
Trade Receivables	72.7	54.0	35.1	39.3	33.8	n/a	n/a
Inventories	1.6	2.7	1.8	40.8	12.5	n/a	n/a
Other	170.7	174.4	27.1	65.4	59.8	n/a	n/a
Fixed Assets	30.7	33.4	35.3	39.1	47.6	n/a	n/a
PP&E, net	30.0	32.2	33.9	37.4	45.8	n/a	n/a
Other	0.7	1.1	1.3	1.7	1.7	n/a	n/a
Total Assets	276.3	265.3	99.6	186.3	154.8	n/a	n/a
Shareholders' Equity	6.7	(0.3)	(5.8)	3.6	8.2	n/a	n/a
Share Capital	0.0	0.0	0.0	0.0	0.0	n/a	n/a
Retained Earnings	(30.6)	(41.0)	(49.7)	(45.1)	(50.9)	n/a	n/a
Other	37.3	40.6	43.9	48.7	59.1	n/a	n/a
Current Liabilities	269.4	265.6	105.3	182.7	146.4	n/a	n/a
ST Interest Bearing Debt	-	-	0.3	4.6	9.7	n/a	n/a
Trade Payables	260.7	11.2	5.3	138.4	106.4	n/a	n/a
Other	8.7	254.4	99.7	39.6	30.9	n/a	n/a
LT Liabilities	0.3	0.0	0.2	0.0	0.2	n/a	n/a
LT Interest Bearing Debt	-	-	-	-	-	n/a	n/a
Other	0.3	0.0	0.2	0.0	0.2	n/a	n/a
Total Liabilities & Equity	276.3	265.3	99.6	186.3	154.8	n/a	n/a

QUARTERLY ANALYSIS, USD mln

	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
Net Revenues	17.2	6.3	4.8	12.8	17.7	8.6	9.9	33.7	143.3	13.9	31.3
<i>Change y-o-y</i>	-1.1%	-0.9%	6.1%	-9.9%	3.3%	35.9%	105.4%	162.1%	707.2%	61.0%	216.8%
EBITDA	(0.3)	(5.7)	4.7	(22.8)	1.0	2.1	(2.5)	(1.2)	2.2	(1.6)	(2.2)
<i>margin, %</i>	-1.9%	-89.2%	97.8%	-177.6%	5.6%	24.0%	-25.4%	-3.7%	1.6%	-11.2%	-7.1%
EBIT	(2.3)	(6.7)	4.9	(24.8)	(0.0)	1.1	(3.3)	(1.9)	1.5	(2.6)	(2.9)
<i>margin, %</i>	-13.1%	-106.1%	102.5%	-192.8%	-0.2%	12.4%	-32.9%	-5.5%	1.1%	-19.1%	-9.4%
Net Income	(2.3)	(1.4)	(0.5)	(5.4)	(0.1)	1.2	(3.6)	(2.1)	1.5	(3.4)	(3.1)
<i>Net Margin, %</i>	-13.3%	-21.3%	-10.0%	-41.9%	-0.4%	13.4%	-36.4%	-6.1%	1.1%	-24.5%	-9.8%

OdessaGaz

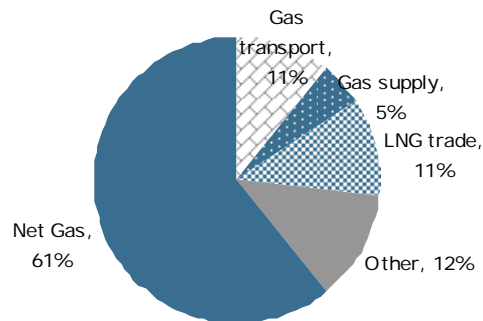
Gas

Target Price (USD) **38.00**
Upside (%) **n/a**

INVESTMENT CASE

- Lowest gasification level of all GasCos suggests a considerable potential for growth
- Most stable profit margins of its peers
- A majority of shares are controlled by the company's current management; free float is very limited

Revenue Structure in 2005



BUSINESS OVERVIEW

OdessaGaz is a gas distribution company, responsible for the transportation and retail supply of natural gas and bottled liquid natural gas (LNG) to the entire region of Odessa. The company utilizes a local gas pipeline network that is 31 ths km in length; the gasification level of the region is 48% - the lowest in Ukraine. This gives the company a significant potential for growth in the mid-term. The company supplies natural gas to 470 ths end-users and liquefied natural gas (LNG) to 315 ths customers (most of which are households). The company's main customers are households and heating enterprises. The company is controlled by its top-management.

In 2006, the company posted a drop in net income of 45% yoy to USD 0.04 mln. The company is planning an additional shares issue that would increase its charter fund fourfold.

* The stock is not listed on PFTS

** Price "Impact" is the opinion of Concorde's trading desk on stocks to help investors estimate the reliability of quoted prices:

- 1: Market price reaction remains within 10% in execution of a market order of about USD 10 mln in size
- 2: Market price reaction remains within 10% in execution of a market order of about USD 1 mln in size
- 3: All other stocks (quoted price is less reliable and should be considered indicative)

Note: data (market information, price changes) as of 30 Mar 2007

MARKET INFORMATION

Market price*, USD	n/a
Price impact**	n/a
52 Wk H/L, USD	n/a
Chg 3m/6m/52w	n/a
Chg vs PFTS 3m/6m/52w	n/a
Chg YTD	n/a
Avg Mo Tr Vol 6M, USD ths	n/a
MCap, USD mln	n/a
Free float, %	20.0%
FF MCap, USD mln	n/a
No of shares, mln	0.6
Par Value, UAH	28.73
XETRA	n/a
DR Ratio	n/a
Avg Mo Tr Vol 6M, USD ths	n/a

STOCK OWNERSHIP

Naftogaz Ukrainy	20.0%
Management	59.0%
Other	21.0%

MARKET MULTIPLES

	2006E	2007E
EV/Sales	n/a	n/a
EV/EBITDA	n/a	n/a
P/E	n/a	n/a
P/B	n/a	n/a
P/CF	n/a	n/a

KEY RATIOS

	2005	2006E	2007E
EBITDA margin	2%	2%	n/a
Net Margin	0.05%	0.04%	n/a
ROE	0.2%	0.2%	n/a
Net Debt/Equity	-0.1	-0.2	n/a

INCOME STATEMENT SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Net Revenues	47.6	63.5	54.4	60.3	57.7	n/a	n/a
<i>Change y-o-y</i>	-	33.4%	-14.3%	10.9%	45.4%	n/a	n/a
Gross Profit	2.8	3.8	3.2	4.3	2.9	n/a	n/a
EBITDA	1.4	2.6	1.2	1.0	1.1	n/a	n/a
<i>margin, %</i>	2.8%	4.1%	2.2%	1.7%	1.9%	n/a	n/a
Depreciation	(0.9)	(0.9)	(1.0)	(1.0)	(0.8)	n/a	n/a
EBIT	0.5	1.6	0.2	(0.0)	0.3	n/a	n/a
<i>margin, %</i>	1.0%	2.6%	0.4%	0.0%	0.5%	n/a	n/a
Interest Expense	(0.4)	(0.1)	(0.1)	(0.0)	(0.0)	n/a	n/a
Other income/(expense)	0.2	0.0	0.1	0.1	0.3	n/a	n/a
PBT	0.2	1.6	0.2	0.0	0.6	n/a	n/a
Tax	(0.1)	(0.5)	(0.2)	(0.0)	(0.3)	n/a	n/a
<i>Effective tax rate</i>	29.8%	30.0%	75.3%	52.2%	46.3%	n/a	n/a
Net Income	0.2	1.1	0.1	0.0	0.3	n/a	n/a
<i>Net Margin, %</i>	0.4%	1.7%	0.1%	0.0%	0.5%	n/a	n/a

BALANCE SHEET SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Current Assets	33.6	24.7	26.3	25.7	25.5	n/a	n/a
Cash & Equivalents	0.5	1.2	2.2	2.1	0.4	n/a	n/a
Trade Receivables	23.3	13.1	11.4	13.3	12.0	n/a	n/a
Inventories	2.4	2.9	3.2	2.4	2.6	n/a	n/a
Other	7.4	7.5	9.6	7.9	10.5	n/a	n/a
Fixed Assets	17.7	19.0	22.2	26.6	27.0	n/a	n/a
PP&E, net	15.9	17.0	19.6	24.2	24.5	n/a	n/a
Other	1.8	2.0	2.5	2.5	2.5	n/a	n/a
Total Assets	51.2	43.7	48.5	52.3	52.6	n/a	n/a
Shareholders' Equity	16.1	15.8	19.5	23.1	24.1	n/a	n/a
Share Capital	3.1	1.5	3.1	3.3	3.3	n/a	n/a
Retained Earnings	0.7	1.1	0.1	0.1	0.5	n/a	n/a
Other	12.3	13.1	16.2	19.8	20.4	n/a	n/a
Current Liabilities	34.4	26.6	27.4	28.9	28.4	n/a	n/a
ST Interest Bearing Debt	-	-	-	-	-	n/a	n/a
Trade Payables	2.2	2.2	2.8	15.4	16.1	n/a	n/a
Other	32.2	24.4	24.6	13.5	13.0	n/a	n/a
LT Liabilities	0.7	1.3	1.7	0.2	-	n/a	n/a
LT Interest Bearing Debt	0.7	1.2	1.6	0.2	-	n/a	n/a
Other	0.0	0.1	0.1	-	-	n/a	n/a
Total Liabilities & Equity	51.2	43.7	48.5	52.3	52.6	n/a	n/a

QUARTERLY ANALYSIS, USD mln

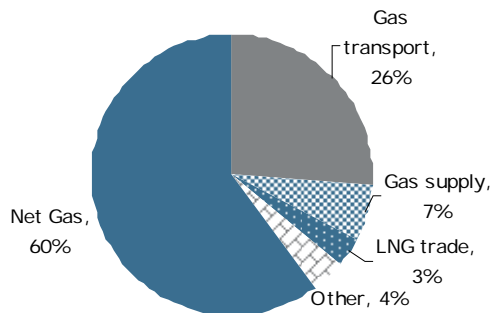
	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
Net Revenues	22.9	9.9	6.9	20.7	33.4	13.8	10.5
<i>Change y-o-y</i>	N/M	N/M	N/M	N/M	46.1%	39.5%	51.7%
EBITDA	1.5	(0.5)	(0.6)	0.6	2.1	(0.0)	(1.0)
<i>margin, %</i>	6.6%	-5.1%	-8.6%	3.0%	6.2%	-0.4%	-9.2%
EBIT	1.3	(0.8)	(0.9)	0.3	1.8	(0.3)	(1.2)
<i>margin, %</i>	5.6%	-7.8%	-12.4%	1.6%	5.4%	-2.4%	-11.6%
Net Income	0.9	(0.6)	(0.7)	0.4	1.4	(0.0)	(1.1)
<i>Net Margin, %</i>	4.1%	-6.2%	-10.8%	2.1%	4.2%	-0.3%	-10.1%

PoltavaGaz

Gas

Target Price (USD) **48.30**
Upside (%) **n/a**

Revenue Structure in 2005



BUSINESS OVERVIEW

PoltavaGaz is a gas distribution company, responsible for the transportation and retail supply of natural gas and bottled liquid natural gas (LNG) to the city of Poltava and central and eastern districts in Poltava Region. The company utilizes a local gas pipeline network that is 19 ths km long; its gasification level is 74%. The company supplies natural gas to 340 ths end-users (most of which are households). Like any other GasCo, it is subject to highly seasonal natural gas consumption.

In 9M06 PoltavaGaz posted growth in sales by 12% yoy to USD 24.7 mln, and increased its net loss from USD 2.4 mln in 9M05 to USD 4.0 mln in 9M06.

* The stock is not listed on PFTS

** Price "Impact" is the opinion of Concorde's trading desk on stocks to help investors estimate the reliability of quoted prices:

- 1: Market price reaction remains within 10% in execution of a market order of about USD 10 mln in size
- 2: Market price reaction remains within 10% in execution of a market order of about USD 1 mln in size
- 3: All other stocks (quoted price is less reliable and should be considered indicative)

Note: data (market information, price changes) as of 30 Mar 2007

MARKET INFORMATION

Market price*, USD	n/a
Price impact**	n/a
52 Wk H/L, USD	n/a
Chg 3m/6m/52w	n/a
Chg vs PFTS 3m/6m/52w	n/a
Chg YTD	n/a
Avg Mo Tr Vol 6M, USD ths	n/a
MCap, USD mln	n/a
Free float, %	8.0%
FF MCap, USD mln	n/a
No of shares, mln	0.4
Par Value, UAH	1.05
XETRA	n/a
DR Ratio	n/a
Avg Mo Tr Vol 6M, USD ths	n/a

STOCK OWNERSHIP

Naftogaz Ukrainy	51.0%
Institutional Shareholders	40.5%
Other	8.5%

MARKET MULTIPLES

	2006E	2007E
EV/Sales	n/a	n/a
EV/EBITDA	n/a	n/a
P/E	n/a	n/a
P/B	n/a	n/a
P/CF	n/a	n/a

KEY RATIOS

	2005	2006E	2007E
EBITDA margin	6%	-8%	n/a
Net Margin	-1%	-10%	n/a
ROE	-1%	-22%	n/a
Net Debt/Equity	0.02	0.1	n/a

INCOME STATEMENT SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Net Revenues	23.9	28.1	33.9	34.0	24.7	n/a	n/a
<i>Change y-o-y</i>	-	17.9%	20.3%	0.5%	11.5%	n/a	n/a
Gross Profit	(0.4)	2.8	3.8	4.4	(0.1)	n/a	n/a
EBITDA	(3.0)	(3.5)	(2.2)	2.2	(3.1)	n/a	n/a
<i>margin, %</i>	-12.4%	-12.3%	-6.5%	6.3%	-12.7%	n/a	n/a
Depreciation	(1.1)	(1.3)	(1.5)	(3.1)	(2.0)	n/a	n/a
EBIT	(4.0)	(4.7)	(3.7)	(1.0)	(5.1)	n/a	n/a
<i>margin, %</i>	-16.9%	-16.8%	-10.8%	-3.0%	-20.7%	n/a	n/a
Interest Expense	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	n/a	n/a
Other income/(expense)	3.5	2.8	3.6	1.0	1.1	n/a	n/a
PBT	(0.5)	(1.9)	(0.1)	(0.0)	(4.0)	n/a	n/a
Tax	-	-	-	(0.3)	-	n/a	n/a
<i>Effective tax rate</i>	0.0%	0.0%	0.0%	-811.6%	0.0%	n/a	n/a
Net Income	(0.5)	(1.9)	(0.1)	(0.3)	(4.0)	n/a	n/a
<i>Net Margin, %</i>	-2.1%	-6.8%	-0.3%	-0.9%	-16.3%	n/a	n/a

BALANCE SHEET SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Current Assets	37.0	32.3	28.3	25.1	24.8	n/a	n/a
Cash & Equivalents	0.4	1.3	0.6	1.4	0.4	n/a	n/a
Trade Receivables	24.9	22.7	18.4	7.9	5.4	n/a	n/a
Inventories	0.6	3.1	4.5	4.4	6.5	n/a	n/a
Other	11.1	5.1	4.9	11.4	12.5	n/a	n/a
Fixed Assets	19.7	24.0	27.3	30.3	30.8	n/a	n/a
PP&E, net	17.9	22.0	25.0	28.7	28.2	n/a	n/a
Other	1.8	2.0	2.3	1.6	2.6	n/a	n/a
Total Assets	56.7	56.3	55.6	55.3	55.6	n/a	n/a
Shareholders' Equity	18.7	17.6	20.7	24.2	20.4	n/a	n/a
Share Capital	0.1	0.1	0.1	0.1	0.1	n/a	n/a
Retained Earnings	(3.2)	(5.1)	(5.3)	(5.5)	(9.3)	n/a	n/a
Other	21.9	22.7	25.9	29.7	29.7	n/a	n/a
Current Liabilities	35.9	36.5	31.9	29.3	33.4	n/a	n/a
ST Interest Bearing Debt	-	-	-	-	-	n/a	n/a
Trade Payables	1.6	4.7	4.4	4.3	6.4	n/a	n/a
Other	34.3	31.9	27.5	25.0	27.4	n/a	n/a
LT Liabilities	2.1	2.1	3.0	1.9	1.9	n/a	n/a
LT Interest Bearing Debt	2.1	2.0	2.0	1.8	1.8	n/a	n/a
Other	0.0	0.1	1.0	0.0	0.0	n/a	n/a
Total Liabilities & Equity	56.7	56.3	55.6	55.3	55.6	n/a	n/a

QUARTERLY ANALYSIS, USD mln

	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
Net Revenues	13.3	5.0	3.0	12.5	13.0	5.1	4.1	11.9	14.4	4.9	5.4
<i>Change y-o-y</i>	20.3%	27.2%	16.4%	18.8%	-2.6%	0.9%	38.5%	-5.4%	10.9%	-2.2%	30.4%
EBITDA	(0.1)	(1.1)	(1.2)	0.1	0.5	(1.1)	(1.2)	3.9	0.0	(1.8)	(1.4)
<i>margin, %</i>	-0.6%	-21.0%	-40.1%	1.1%	4.1%	-21.1%	-28.7%	32.7%	0.3%	-36.3%	-25.7%
EBIT	(0.4)	(1.4)	(1.6)	(0.2)	0.1	(1.5)	(1.6)	2.0	(0.6)	(2.4)	(2.1)
<i>margin, %</i>	-3.3%	-28.6%	-52.4%	-1.9%	1.0%	-29.7%	-39.1%	16.6%	-4.2%	-48.1%	-39.6%
Net Income	(0.3)	(1.3)	0.9	0.6	0.3	(1.3)	(1.4)	2.1	(0.2)	(2.1)	(1.7)
<i>Net Margin, %</i>	-2.3%	-25.9%	29.6%	4.9%	2.4%	-26.2%	-34.4%	17.9%	-1.6%	-42.1%	-32.0%

ZhytomirGaz

ZHGZ UZ

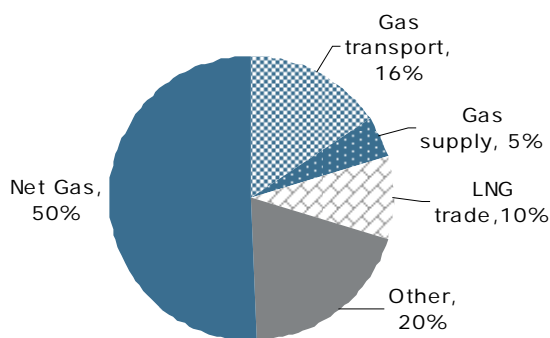
Gas

Target Price (USD)
111.80
Upside (%)
n/a

INVESTMENT CASE

- Only GasCo with depositary receipts

Revenue Structure in 2005



BUSINESS OVERVIEW

ZhytomirGaz is a gas distribution company, responsible for the transportation and retail supply of natural gas and bottled liquid natural gas (LNG) to most of Zhytomir region. The company utilizes a local gas pipeline network that is 9 ths km long. The company supplies natural gas to 299 ths end-users and liquefied natural gas (LNG) to 155 ths customers. ZhytomirGaz has a diverse customer base and has no dominant consumers in its region. Like any other GasCo, it is subject to highly seasonal natural gas consumption. The company generates most of its revenues during the first and fourth quarters of the year.

In 9M06 ZhytomirGaz posted growth in sales by 27% yoy to USD 30 mln, and a net loss of USD 1.7 mln, unchanged from 9M05.

MARKET INFORMATION

Market price*, USD	n/a
Price impact**	3
52 Wk H/L, USD	0.05 / 0.05
Chg 3m/6m/52w	n/a / n/a / n/a
Chg vs PFTS 3m/6m/52w	n/a / n/a / n/a
Chg YTD	n/a
Avg Mo Tr Vol 6M, USD ths	0.0
MCap, USD mln	n/a
Free float, %	11.0%
FF MCap, USD mln	n/a
No of shares, mln	0.2
Par Value, UAH	1.5
XETRA	WBP1
DR Ratio	2:1
Avg Mo Tr Vol 6M, USD ths	0.00

STOCK OWNERSHIP

Naftogaz Ukrainy	16%
GAZTEK	35%
Khmelnitskgaz (GAZTEK)	24%
Other	25%

MARKET MULTIPLES

	2006E	2007E
EV/Sales	n/a	n/a
EV/EBITDA	n/a	n/a
P/E	n/a	n/a
P/B	n/a	n/a
P/CF	n/a	n/a

KEY RATIOS

	2005	2006E	2007E
EBITDA margin	-0.1%	-3%	n/a
Net Margin	-2%	-4%	n/a
ROE	neg	neg	n/a
Net Debt/Equity	0.03	0.2	n/a

* The stock is not listed on PFTS
 ** Price "Impact" is the opinion of Concorde's trading desk on stocks to help investors estimate the reliability of quoted prices:
 1: Market price reaction remains within 10% in execution of a market order of about USD 10 mln in size
 2: Market price reaction remains within 10% in execution of a market order of about USD 1 mln in size
 3: All other stocks (quoted price is less reliable and should be considered indicative)

Note: data (market information, price changes) as of 30 Mar 2007

INCOME STATEMENT SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Net Revenues	17.5	22.5	27.5	36.5	30.0	n/a	n/a
<i>Change y-o-y</i>	-	29.1%	21.8%	33.0%	27.4%	n/a	n/a
Gross Profit	0.7	1.2	1.1	1.6	(0.1)	n/a	n/a
EBITDA	(1.6)	(2.8)	(1.8)	(0.1)	(1.3)	n/a	n/a
<i>margin, %</i>	-9.1%	-12.3%	-6.5%	-0.2%	-4.2%	n/a	n/a
Depreciation	(1.1)	(1.2)	(1.3)	(1.2)	(1.0)	n/a	n/a
EBIT	(2.7)	(3.9)	(3.0)	(1.3)	(2.2)	n/a	n/a
<i>margin, %</i>	-15.5%	-17.5%	-11.0%	-3.5%	-7.5%	n/a	n/a
Interest Expense	(0.1)	(0.1)	(0.1)	(0.2)	(0.2)	n/a	n/a
Other income/(expense)	(0.1)	0.0	0.0	0.5	0.7	n/a	n/a
PBT	(2.9)	(4.0)	(3.1)	(0.9)	(1.7)	n/a	n/a
Tax	(0.2)	-	(0.0)	(0.0)	(0.0)	n/a	n/a
<i>Effective tax rate</i>	-6.9%	0.0%	-0.3%	-1.1%	-1.6%	n/a	n/a
Net Income	(3.1)	(4.0)	(3.1)	(0.9)	(1.7)	n/a	n/a
<i>Net Margin, %</i>	-17.5%	-17.7%	-11.2%	-2.6%	-5.7%	n/a	n/a

BALANCE SHEET SUMMARY, USD mln

	2002	2003	2004	2005	9M06	2007E	2008E
Current Assets	29.8	30.6	14.8	16.5	16.1	n/a	n/a
Cash & Equivalents	0.3	0.4	0.6	1.2	0.3	n/a	n/a
Trade Receivables	23.5	22.8	5.5	5.7	5.2	n/a	n/a
Inventories	0.8	1.0	2.4	2.3	2.3	n/a	n/a
Other	5.3	6.5	6.2	7.3	8.3	n/a	n/a
Fixed Assets	21.0	20.3	23.3	27.8	28.8	n/a	n/a
PP&E, net	18.8	18.9	21.7	24.8	27.0	n/a	n/a
Other	2.2	1.4	1.6	3.0	1.8	n/a	n/a
Total Assets	50.8	50.9	38.1	44.2	44.9	n/a	n/a
Shareholders' Equity	11.8	8.5	8.0	9.0	9.3	n/a	n/a
Share Capital	21.8	0.0	0.0	0.0	0.0	n/a	n/a
Retained Earnings	(10.0)	(14.0)	(17.1)	(19.0)	(20.7)	n/a	n/a
Other	-	22.4	25.1	27.9	29.9	n/a	n/a
Current Liabilities	39.0	42.4	30.1	35.2	35.6	n/a	n/a
ST Interest Bearing Debt	0.2	0.3	0.5	1.5	0.7	n/a	n/a
Trade Payables	2.1	1.4	3.3	30.1	31.0	n/a	n/a
Other	36.7	40.7	26.3	3.6	4.8	n/a	n/a
LT Liabilities	-	-	-	-	-	n/a	n/a
LT Interest Bearing Debt	-	-	-	-	-	n/a	n/a
Other	-	-	-	-	-	n/a	n/a
Total Liabilities & Equity	50.8	50.9	38.1	44.2	44.9	n/a	n/a

QUARTERLY ANALYSIS, USD mln

	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
Net Revenues	11.5	6.7	5.4	13.0	15.5	7.7	6.8
<i>Change y-o-y</i>	N/M	N/M	N/M	N/M	35.2%	15.1%	26.0%
EBITDA	0.3	(0.2)	(0.6)	0.5	0.8	(0.9)	(1.1)
<i>margin, %</i>	2.5%	-3.7%	-12.0%	4.1%	4.9%	-12.1%	-16.4%
EBIT	(0.0)	(0.5)	(0.9)	0.2	0.4	(1.2)	(1.4)
<i>margin, %</i>	-0.1%	-8.1%	-17.6%	1.8%	2.8%	-16.1%	-21.4%
Net Income	(0.0)	(0.7)	(1.0)	0.8	0.8	(1.2)	(1.3)
<i>Net Margin, %</i>	-0.2%	-10.2%	-19.0%	6.0%	4.9%	-15.5%	-19.2%

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