Ukrainian steel makers

Interim 9M07 results in line with our forecasts

December 05, 2007

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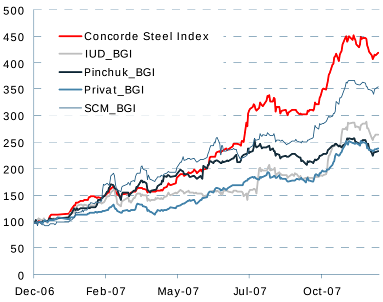
Company	Bloomberg
Arcelor Mittal Kriviy Rih	KSTL UZ
Azovstal	AZST UZ
MMK Illicha	MMKI UZ
Alchevsk Iron & Steel	ALMK UZ
Enakievo Steel	ENMZ UZ
DMK Petrovskogo	DMZP UZ
Donetsk Metal Rolling	DMPZ UZ
Donetsk Steel Plant	DOMZ UZ
Dniprospetsstal	DNSS UZ
Zaporizhstal	ZPST UZ

Sector's market information*

MCap, USD mln	25,250
Target MCap, USD mln	25,239
FF, USD mln	768
Avg sector EV/S '08	1.2
Avg sector EV/EBITDA '08	7.6
Avg sector P/E '08	10.8
Concorde Steel Index, YTD	268.6%

** includes only covered stocks*

Ukr steel & business group indices



- **9M07 preliminary results – no big surprises: sector sales grew 34.3% yoy (we forecast 27.9% yoy growth for 2007); the sector EBITDA margin was 19.3% vs. our annual forecast of 19.8%; and the sector net margin was 12.6% vs. our projection of 12.9% for the year**
- **2007 forecasts – sales upgraded for DMP Petrovskogo and Alchevsk Iron & Steel; EBITDA and net income revised downward for Enakievo Steel (see our note from Dec 4, 2007)**
- **Targets & recommendations maintained except for DMPZ. The stock has jumped 75% since our last update and appears fairly priced. We technically downgrade DMPZ to HOLD**

Steel stock valuation summary

Ticker	Price, *USD*	MCap, *USD mln*	FF, *%*	12M TP, *USD*	Upside, *%*	EV/S '08	EV/EBITDA '08	P/E '08	Rec'
KSTL	3.00	11563.3	1.1%	2.20	-26.6%	2.6	9.1	14.9	SELL
AZST	1.08	4530.7	4.0%	1.35	25.0%	1.2	5.6	8.9	BUY
MMKI	1.28	4274.3	2.0%	1.50	17.6%	1.1	6.6	9.4	BUY
ALMK	0.09	2226.6	5.0%	0.11	27.3%	1.2	8.1	15.4	BUY
ENMZ	80.41	833.9	13.8%	120.00	49.2%	0.7	4.5	7.6	BUY
DMZP	0.36	664.7	10.4%	0.50	39.1%	1.1	5.2	5.2	BUY
DMPZ*	0.07	68.9	7.2%	0.08	12.8%	0.7	7.3	9.5	HOLD
DOMZ	0.12	44.1	30.0%	0.10	-17.9%	0.6	13.0	15.4	SELL
DNSS	970.8	1043.6	5.8%	875.00	-9.9%	1.6	8.5	10.8	HOLD

** First stage of subscription for the additional share issue started December, 03 (please see our alert of July 16). Based on fully diluted number of shares, the target price will be USD 0.032 per share*

Steel companies 9M07 results

	Sales, *USD mln*			EBITDA margin, *%*			Net margin, *%*			Production, *ths mt*			Implied selling price, *USD/mt*		
	9M06	*9M07*	*YoY*	*9M06*	*9M07*	*chg, p.p.*	*9M06*	*9M07*	*chg, p.p.*	*9M06*	*9M07*	*YoY*	*9M06*	*9M07*	*YoY*
Steel producers															
KSTL	2050	2797	36.4%	28.9%	31.0%	2.2%	19.8%	22.1%	2.3%	5093	5316	4.4%	402	526	30.7%
AZST	1759	2364	34.4%	16.4%	21.0%	4.6%	8.0%	14.3%	6.3%	3881	4130	6.4%	453	572	26.3%
MMKI	*2000*	*2591*	*29.5%*	*13.0%*	*16.1%*	*3.1%*	*6.4%*	*10.4%*	*4.0%*	*4356*	*4391*	*0.8%*	*459*	*590*	*28.5%*
ALMK	897	1240	38.3%	12.1%	12.7%	0.6%	4.6%	4.4%	-0.2%	2467	2643	7.1%	364	469	29.0%
ENMZ	480	707	47.4%	6.6%	9.3%	2.7%	1.6%	4.7%	3.2%	1873	1988	6.2%	256	356	38.9%
DMZP	324	466	43.6%	-1.1%	17.3%	18.4%	-3.1%	14.0%	17.2%	919	922	0.3%	353	505	43.1%
DMPZ	45	70	56.2%	5.5%	5.9%	0.4%	4.7%	5.2%	0.5%	98	113	15.2%	458	621	35.5%
DOMZ	80	82	3.3%	3.6%	2.8%	-0.8%	1.0%	0.1%	-0.8%	555	620	11.8%	144	133	-7.6%
ZPST	1151	1387	20.5%	18.6%	13.7%	-4.9%	10.7%	7.2%	-3.5%	2776	2806	1.1%	415	494	19.2%
Average			***34.4%***	**11.5%**	**14.4%**		**6.0%**	**9.2%**					**367**	**474**	*29.1%*
Specialty steel producers															
DNSS	350	562	60.7%	11.5%	16.3%	4.7%	6.8%	11.5%	4.7%	271	287	5.6%	1290	1962	52.1%

Source: Company data, Ukrainian news

Revised forecasts

	Sales, *USD mln*					EBITDA margin, *%*					Net margin, *%*				
	2006	*2007E new*	*2007E new/old*	*2007E 07E/06*	*2008E*	*2006*	*2007E new*	*2007E new/old*	*2007E 07E/06*	*2008E*	*2006*	*2007E new*	*2007E new/old*	*2007E 07E/06*	*2008E*
KSTL	2851	3826.4	0.0%	34.2%	4319.2	29.0%	29.5%	0.0p.p.	0.5%	28.5%	20.4%	20.5%	0.0p.p.	0.1%	18.0%
AZST	2480	3104.8	0.0%	25.2%	3781.5	15.7%	22.0%	0.0p.p.	6.3%	22.0%	8.8%	13.9%	0.0p.p.	5.1%	13.5%
MMKI	2850	3534.1	0.0%	24.0%	3807.5	13.6%	17.0%	0.0p.p.	3.4%	17.0%	6.3%	11.8%	0.0p.p.	5.5%	12.0%
ALMK	1224	1620.0	5.1%	32.4%	2412.0	11.1%	13.5%	0.0p.p.	2.4%	15.0%	4.0%	4.8%	0.0p.p.	0.8%	6.0%
ENMZ	701.9	920.2	0.0%	31.1%	1171	5.8%	10.4%	-4.8p.p.	4.6%	16.4%	4.4%	5.0%	-3.1p.p.	0.6%	9.3%
DMZP	461	590.0	10.8%	28.0%	708.8	3.5%	18.0%	-3.0p.p.	14.5%	21.0%	1.3%	14.0%	-4.0p.p.	12.7%	18.0%
DMPZ	62.31	85.0	5.9%	36.4%	99.9	7.0%	9.5%	0.0p.p.	2.5%	9.4%	5.0%	7.4%	0.0p.p.	2.4%	7.3%
DOMZ	107.6	108.7	0.0%	1.0%	110	3.7%	9.5%	0.0p.p.	5.8%	9.4%	1.2%	2.1%	0.0p.p.	0.9%	2.6%
ZPST	1562	1881.1	0.0%	20.4%	1720.3	16.9%	15.0%	0.0p.p.	-1.9%	15.0%	9.3%	9.5%	0.0p.p.	0.2%	9.3%
DNSS	503.5	710.0	2%	41.0%	745.5	13.2%	16.5%	0.0p.p.	3.3%	18.5%	7.7%	12.5%	0.0p.p.	4.8%	13.0%

Note: For more details please see our reports (Steel of Oct. 19, ALMK of Nov. 11 and ENMZ of Dec. 4)

Steel sector: Financial overview

Aggregate steel company financials

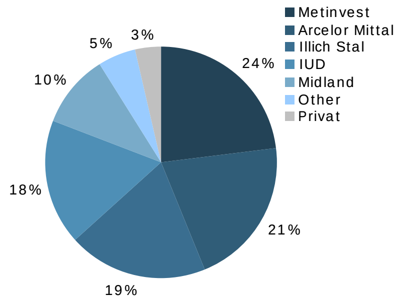
	9M06	9M07	YoY	2006	2007E	YoY	2008E	YoY
Net Revenues	9137	12268	*34.3%*	12803	16380.3	*27.9%*	18876	*15.2%*
EBITDA	1539	2373	*54.2%*	2136	3251	*52.2%*	3829	*17.8%*
EBITDA margin, %	*16.8%*	*19.3%*	*2.5 p.p.*	*16.7%*	*19.8%*	*3.2 p.p.*	*20.3%*	*0.4 p.p.*
EBIT	1320	2104	*59.4%*	-	-	-	-	-
EBIT margin, %	*14.4%*	*17.1%*	*2.7 p.p.*	-	-	-	-	-
Net Income	864	1548	*79.1%*	1252	2115	*68.9%*	2097	*-0.9%*
Net margin, %	*9.5%*	*12.6%*	*3.2 p.p.*	*9.8%*	*12.9%*	*3.4 p.p.*	*11.1%*	*-1.8 p.p.*

Note: Excluding DMK Dzerzhinskogo

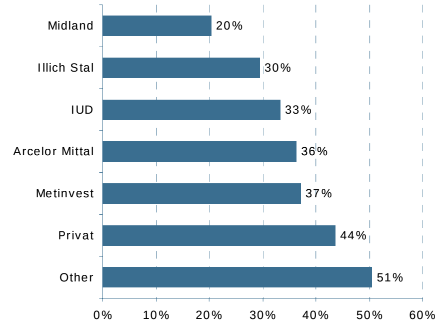
	1Q06	2Q06	3Q06	4Q06	1Q07	2Q07	3Q07
Net Revenues	2494	3144	3499	3667	3695	4263	4309
EBITDA	263	534	741	598	642	940	790
EBITDA margin, %	*10.6%*	*17.0%*	*21.2%*	*16.3%*	*17.4%*	*22.1%*	*18.3%*
EBIT	194	462	664	525	562	848	694
EBIT margin, %	*7.8%*	*14.7%*	*19.0%*	*14.3%*	*15.2%*	*19.9%*	*16.1%*
Net Income	97	323	444	389	376	657	515
Net margin, %	*3.9%*	*10.3%*	*12.7%*	*10.6%*	*10.2%*	*15.4%*	*12.0%*

Note: Excluding DMK Dzerzhinskogo

9M07 sales breakdown

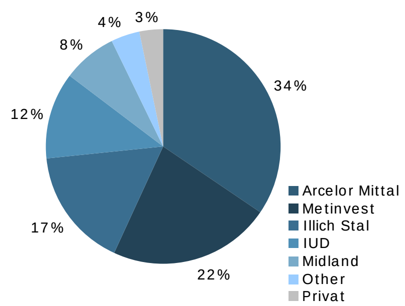


Sales growth, *% yoy*

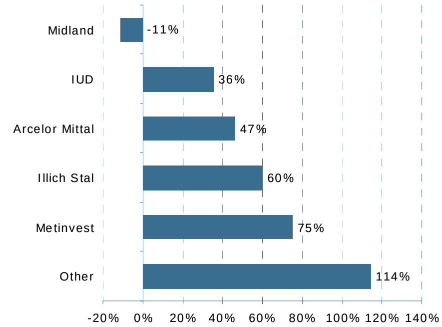


Note: IUD's 9M07 results includes DMK Dzerzhynskogo

9M07 EBITDA breakdown

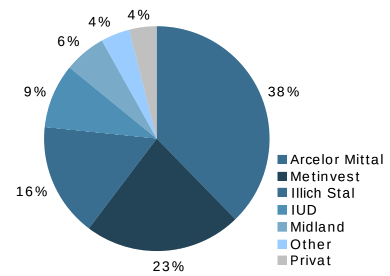


EBITDA growth, *% yoy*

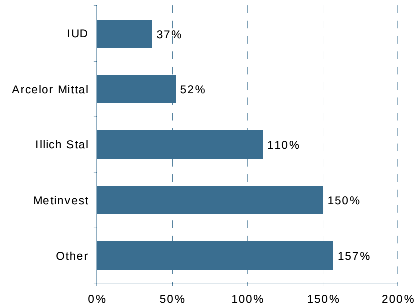


Note: IUD's 9M07 results includes DMK Dzerzhynskogo; in 9M06 Privat reported losses

9M07 net income breakdown



NI growth, *% yoy*



Note: IUD's 9M07 results includes DMK Dzerzhynskogo; in 9M06 Privat & Midland reported losses

Quarterly financials by company

KSTL

	1Q06	2Q06	3Q06	4Q06	1Q07	2Q07	3Q07
Net Revenues	558.8	717.9	773.2	801.4	836.9	983.2	976.9
EBITDA	141.0	200.3	250.6	235.4	227.6	307.9	332.5
EBITDA margin, %	*25.2%*	*27.9%*	*32.4%*	*29.4%*	*27.2%*	*31.3%*	*34.0%*
EBIT	127.6	186.8	237.3	223.0	214.3	293.7	317.5
EBIT margin, %	*22.8%*	*26.0%*	*30.7%*	*27.8%*	*25.6%*	*29.9%*	*32.5%*
Net Income	87.9	138.8	179.5	174.2	162.5	213.1	242.2
Net margin, %	*15.7%*	*19.3%*	*23.2%*	*21.7%*	*19.4%*	*21.7%*	*24.8%*

AZST

	1Q06	2Q06	3Q06	4Q06	1Q07	2Q07	3Q07
Net Revenues	481.7	553.7	723.9	720.6	734.0	797.5	832.7
EBITDA	46.7	98.5	143.7	101.3	151.4	175.9	169.1
EBITDA margin, %	*9.7%*	*17.8%*	*19.8%*	*14.1%*	*20.6%*	*22.0%*	*20.3%*
EBIT	34.8	85.9	129.9	88.8	138.0	160.9	154.1
EBIT margin, %	*7.2%*	*15.5%*	*17.9%*	*12.3%*	*18.8%*	*20.2%*	*18.5%*
Net Income	10.5	62.1	67.9	78.0	87.1	123.9	126.2
Net margin, %	*2.2%*	*11.2%*	*9.4%*	*10.8%*	*11.9%*	*15.5%*	*15.2%*

MMKI

	1Q06	2Q06	3Q06	4Q06	1Q07	2Q07	3Q07
Net Revenues	550.0	689.1	761.4	849.6	814.9	885.7	890.6
EBITDA	14.3	97.7	148.9	127.9	115.6	176.3	125.7
EBITDA margin, %	*2.6%*	*14.2%*	*19.6%*	*15.1%*	*14.2%*	*19.9%*	*14.1%*
EBIT	(3.5)	79.9	126.8	109.6	91.2	151.8	100.4
EBIT margin, %	*-0.6%*	*11.6%*	*16.7%*	*12.9%*	*11.2%*	*17.1%*	*11.3%*
Net Income	(12.2)	49.9	90.9	51.8	44.4	156.3	69.9
Net margin, %	*-2.2%*	*7.2%*	*11.9%*	*6.1%*	*5.5%*	*17.6%*	*7.8%*

ALMK

	1Q06	2Q06	3Q06	4Q06	1Q07	2Q07	3Q07
Net Revenues	188.1	367.1	341.7	326.7	315.5	454.9	469.8
EBITDA	12.5	32.3	63.8	27.2	27.2	74.8	55.0
EBITDA margin, %	*6.6%*	*8.8%*	*18.7%*	*8.3%*	*8.6%*	*16.4%*	*11.7%*
EBIT	4.9	25.3	56.3	19.3	19.5	57.2	35.6
EBIT margin, %	*2.6%*	*6.9%*	*16.5%*	*5.9%*	*6.2%*	*12.6%*	*7.6%*
Net Income	(1.0)	10.2	32.5	6.9	8.6	26.3	20.1
Net margin, %	*-0.5%*	*2.8%*	*9.5%*	*2.1%*	*2.7%*	*5.8%*	*4.3%*

ENMZ

	1Q06	2Q06	3Q06	4Q06	1Q07	2Q07	3Q07
Net Revenues	150.1	154.1	175.6	222.0	209.0	251.0	247.4
EBITDA	6.1	11.4	14.2	8.8	12.6	42.4	10.7
EBITDA margin, %	*4.1%*	*7.4%*	*8.1%*	*4.0%*	*6.0%*	*16.9%*	*4.3%*
EBIT	2.6	7.9	10.7	5.2	8.8	38.7	7.0
EBIT margin, %	*1.7%*	*5.1%*	*6.1%*	*2.4%*	*4.2%*	*15.4%*	*2.8%*
Net Income	2.0	5.0	0.6	23.4	4.8	24.3	4.6
Net margin, %	*1.4%*	*3.2%*	*0.4%*	*10.5%*	*2.3%*	*9.7%*	*1.9%*

DMZP

	1Q06	2Q06	3Q06	4Q06	1Q07	2Q07	3Q07
Net Revenues	94.7	116.2	113.4	136.7	141.5	158.5	165.5
EBITDA	(13.3)	1.7	8.2	19.6	16.6	47.8	16.2
EBITDA margin, %	*-14.0%*	*1.5%*	*7.2%*	*14.3%*	*11.8%*	*30.1%*	*9.8%*
EBIT	(14.9)	0.1	6.5	17.8	15.0	45.7	14.2
EBIT margin, %	*-15.7%*	*0.1%*	*5.7%*	*13.0%*	*10.6%*	*28.8%*	*8.6%*
Net Income	(14.8)	(0.7)	5.4	15.9	12.1	42.8	10.5
Net margin, %	*-15.7%*	*-0.6%*	*4.8%*	*11.7%*	*8.5%*	*27.0%*	*6.3%*

DMPZ

	1Q06	2Q06	3Q06	4Q06	1Q07	2Q07	3Q07
Net Revenues	14.2	15.3	15.5	17.3	20.8	22.9	26.5
EBITDA	1.0	0.6	0.9	1.9	2.1	1.9	0.2
EBITDA margin, %	*6.9%*	*4.0%*	*5.7%*	*10.7%*	*10.1%*	*8.1%*	*0.7%*
EBIT	0.9	0.5	0.8	1.5	2.0	1.7	0.0
EBIT margin, %	*6.2%*	*3.4%*	*5.1%*	*8.8%*	*9.5%*	*7.5%*	*0.2%*
Net Income	0.8	0.5	0.8	1.7	1.9	1.3	0.4
Net margin, %	*5.7%*	*3.2%*	*5.2%*	*9.7%*	*9.2%*	*5.9%*	*1.5%*

DOMZ

	1Q06	2Q06	3Q06	4Q06	1Q07	2Q07	3Q07
Net Revenues	28.2	24.5	27.0	27.8	26.9	26.5	29.0
EBITDA	0.7	1.4	0.8	1.1	0.9	1.1	0.4
EBITDA margin, %	*2.4%*	*5.9%*	*2.9%*	*3.8%*	*3.3%*	*4.1%*	*1.3%*
EBIT	0.2	0.9	0.2	0.5	0.3	0.6	(0.1)
EBIT margin, %	*0.6%*	*3.7%*	*0.9%*	*1.6%*	*1.1%*	*2.3%*	*-0.3%*
Net Income	(0.6)	1.9	(0.5)	0.5	0.3	0.5	(0.8)
Net margin, %	*-2.3%*	*7.7%*	*-1.8%*	*1.8%*	*1.3%*	*2.0%*	*-2.7%*

DNSS

	1Q06	2Q06	3Q06	4Q06	1Q07	2Q07	3Q07
Net Revenues	96.0	118.9	135.1	153.5	174.4	195.2	192.7
EBITDA	7.5	14.0	18.9	26.2	27.0	33.5	31.0
EBITDA margin, %	*7.8%*	*11.7%*	*14.0%*	*17.1%*	*15.5%*	*17.2%*	*16.1%*
EBIT	5.4	11.8	16.8	24.0	24.5	30.8	28.1
EBIT margin, %	*5.6%*	*9.9%*	*12.4%*	*15.6%*	*14.1%*	*15.8%*	*14.6%*
Net Income	3.4	8.4	11.9	15.1	21.4	23.9	19.2
Net margin, %	*3.6%*	*7.0%*	*8.8%*	*9.8%*	*12.3%*	*12.2%*	*10.0%*

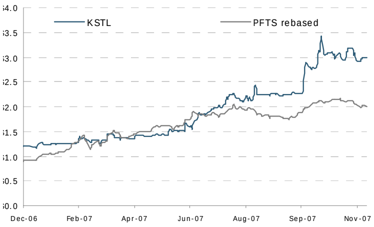
ZPST

	1Q06	2Q06	3Q06	4Q06	1Q07	2Q07	3Q07
Net Revenues	332.0	386.6	432.7	411.1	421.4	487.3	478.3
EBITDA	47.0	75.9	91.3	49.0	61.4	78.9	49.4
EBITDA margin, %	*14.2%*	*19.6%*	*21.1%*	*11.9%*	*14.6%*	*16.2%*	*10.3%*
EBIT	35.7	63.3	78.7	35.4	48.7	66.3	37.0
EBIT margin, %	*10.8%*	*16.4%*	*18.2%*	*8.6%*	*11.6%*	*13.6%*	*7.7%*
Net Income	21.4	46.7	55.3	21.4	32.6	44.5	22.8
Net margin, %	*6.5%*	*12.1%*	*12.8%*	*5.2%*	*7.7%*	*9.1%*	*4.8%*

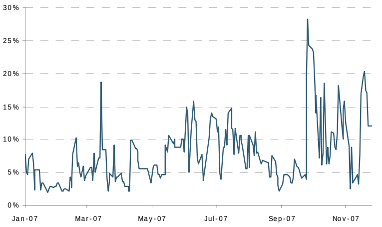
Stock monitor

Arcelor Mittal Kryviy Rih

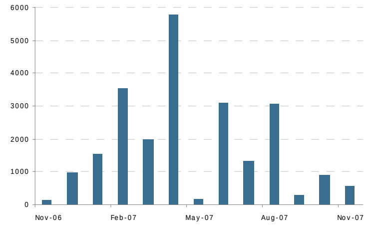
Price vs PFTS index



Spread, %

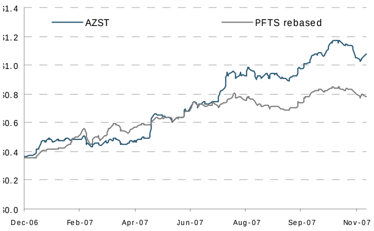


Trading volumes, USD ths

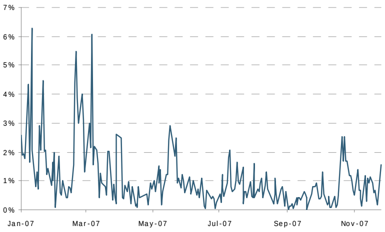


Azovstal

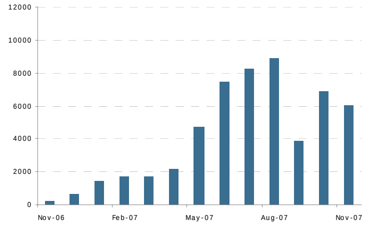
Price vs PFTS index



Spread, %

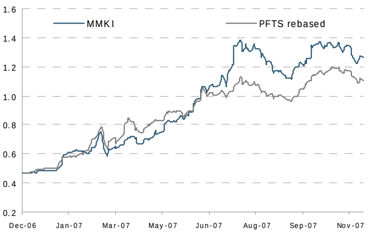


Trading volumes, USD ths



MMK Illicha Steel

Price vs PFTS index



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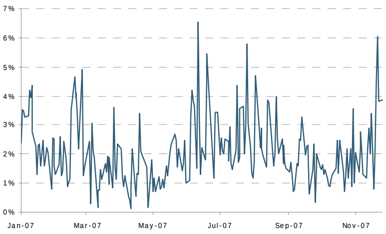
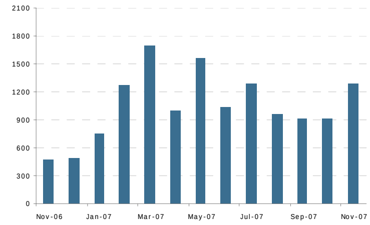
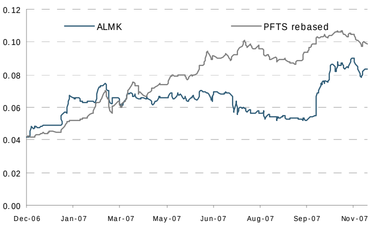


Trading volumes, USD ths

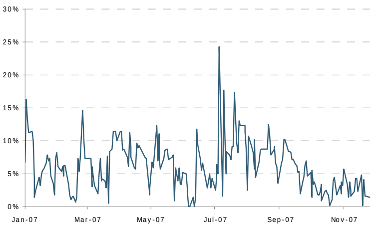


Alchevsk Iron & Steel

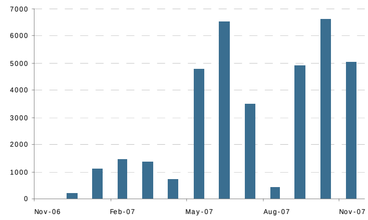
Price vs PFTS index



Spread, %

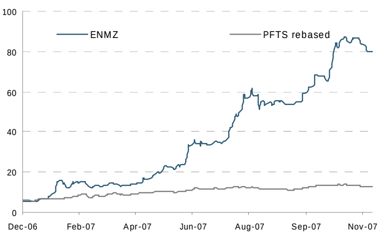


Trading volumes, USD ths

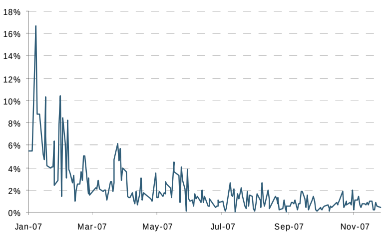


Enakievo Steel

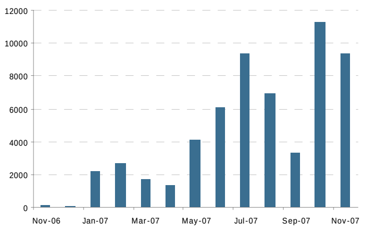
Price vs PFTS index



Spread, %

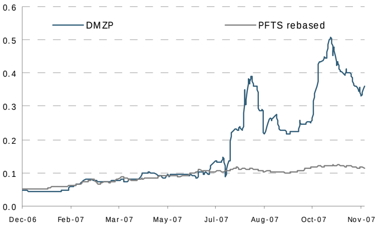


Trading volumes, USD ths

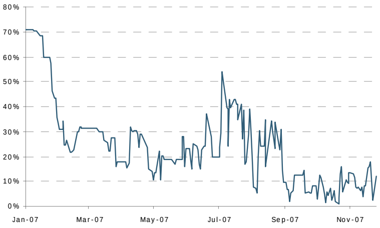


DMK Petrovskogo

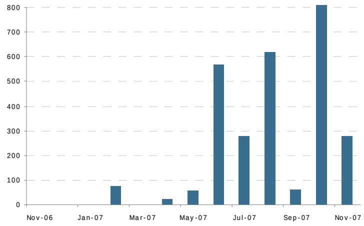
Price vs PFTS index



Spread, %

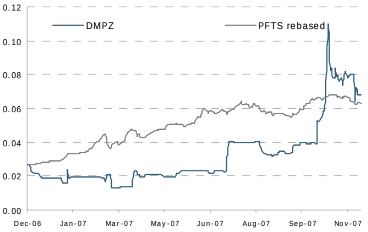


Trading volumes, USD ths

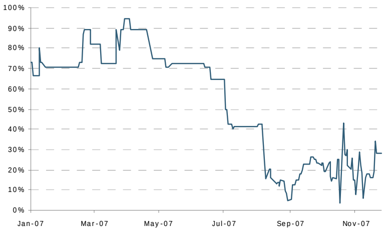


Donetsk Metal Rolling

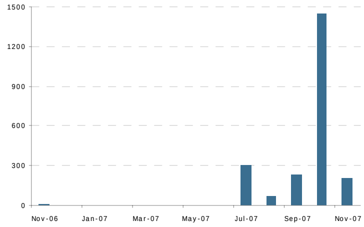
Price vs PFTS index



Spread, %

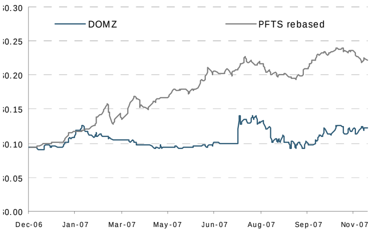


Trading volumes, USD ths



Donetsk Steel Plant

Price vs PFTS index



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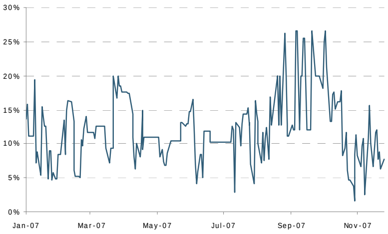
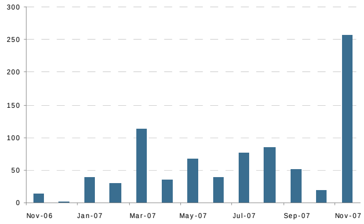
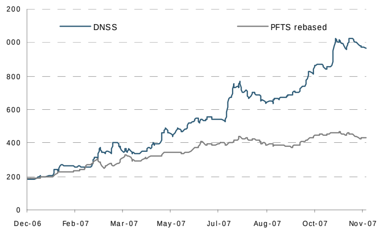


Trading volumes, USD ths

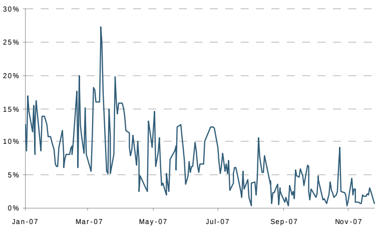


Dniprospetsstal

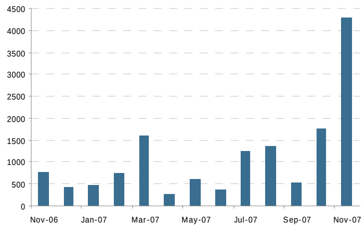
Price vs PFTS index



Spread, %



Trading volumes, USD ths



Appendix - Disclosures

Analyst Certification

I, Eugene Cherviachenko, hereby certify that the views expressed in this research report accurately reflect my personal views about the subject securities and issuers. I also certify that no part of my compensation was, is, or will be, directly or indirectly, related to the specific recommendations or views expressed in this research report.

ALMK

Date	Target , USD	Market ,USD	Rec'	Action
23-Sep-05	0.60	0.38	BUY	Initiating
15-Nov-05	0.60	0.32	BUY	Maintain
14-Dec-05	0.60	0.35	BUY	Maintain
08-Feb-06	0.06	0.03	BUY	Maintain
30-Jun-06	0.07	0.10	HOLD	Downgrade
11-Oct-06	0.07	0.05	BUY	Upgrade
28-Feb-07	0.07	0.04	BUY	Maintain
09-Jun-07	0.04	0.04	BUY	Maintain
27-Jun-07	U/R	0.07	U/R	U/R
19-Oct-07	0.07	0.08	HOLD	Downgrade
01-Nov-07	0.11	0.08	BUY	Upgrade
27-Nov-07	0.11	0.08	BUY	Maintain
04-Dec-07	0.11	0.08	BUY	Maintain

KSTL

Date	Target , USD	Market ,USD	Rec'	Action
04-Jan-05	0.45	0.35	BUY	Initiating
06-Jul-05	Pending	0.48	HOLD	Downgrade
23-Nov-05	0.58	0.65	SELL	Downgrade
07-Dec-05	0.93	0.76	BUY	Upgrade
22-Mar-06	0.93	0.78	HOLD	Downgrade
18-Aug-06	0.91	0.76	BUY	Upgrade
20-Nov-06	1.22	0.94	BUY	Maintain
22-Dec-06	1.22	1.22	HOLD	Downgrade
19-Oct-07	2.20	3.13	SELL	Downgrade
04-Dec-07	2.20	3.00	SELL	Maintain

AZST

Date	Target , USD	Market ,USD	Rec'
04-Jan-05	0.40	0.55	SELL
23-Sep-05	0.45	0.65	SELL
22-Mar-06	0.55	0.59	HOLD
05-May-06	U/R	0.47	U/R
18-Aug-06	0.51	0.47	BUY
14-Jun-07	0.87	0.72	BUY
19-Oct-07	1.35	1.09	BUY
04-Dec-07	1.35	1.07	BUY

DNSS

Date	Target , USD	Market ,USD	Rec'	Action
16-Feb-06	201.60	172.90	BUY	Initiating
22-Mar-06	236.70	186.80	BUY	Maintain
18-Aug-06	210.00	177.60	BUY	Maintain
29-Dec-06	210.00	200.00	BUY	Maintain
26-Apr-07	421.10	374.30	BUY	Maintain
19-Oct-07	875.00	874.00	BUY	Maintain
29-Oct-07	875.00	867.00	HOLD	Downgrade
04-Dec-07	875.00	966.83	HOLD	Maintain

DMPZ

Date	Target , USD	Market ,USD	Rec'	Action
23-Jan-06	0.075	0.050	BUY	Initiating
22-Mar-06	0.060	0.050	HOLD	Downgrade
18-Aug-06	0.050	0.045	HOLD	Maintain
29-Dec-06	0.030	0.030	HOLD	Maintain
10-Jul-07	0.035	0.012	BUY	Upgrade
19-Oct-07	0.080	0.050	BUY	Maintain
04-Dec-07	0.080	0.068	HOLD	Downgrade

MMKI

Date	Target , USD	Market ,USD	Rec'
22-Mar-06	0.80	0.72	HOLD
18-Aug-06	0.65	0.49	BUY
19-Oct-07	1.50	1.36	HOLD
23-Nov-07	1.50	1.27	BUY
04-Dec-07	1.50	1.26	BUY

DOMZ

Date	Target , USD	Market ,USD	Rec'	Action
22-Mar-06	0.10	0.20	SELL	Initiating
18-Aug-06	0.10	0.15	SELL	Maintain
19-Oct-07	0.10	0.12	HOLD	Upgrade
04-Dec-07	0.10	0.12	SELL	Downgrade

ENMZ

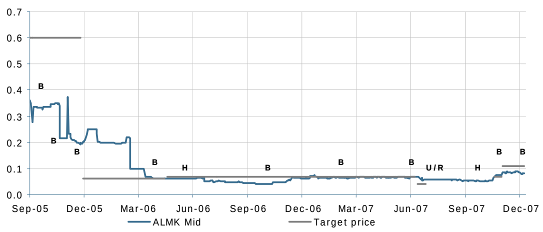
Date	Target , USD	Market ,USD	Rec'	Action
18-Aug-06	14.00	5.59	Spec BUY	Initiating
19-Oct-07	120.00	67.70	BUY	Maintain
26-Oct-07	120.00	72.00	BUY	Maintain
04-Dec-07	120.00	79.81	BUY	Maintain

DMZP

Date	Target , USD	Market ,USD	Rec'
18-Aug-06	0.050	0.045	HOLD
19-Oct-07	0.500	0.030	BUY
04-Dec-07	0.500	0.068	BUY

Recommendation history

ALMK

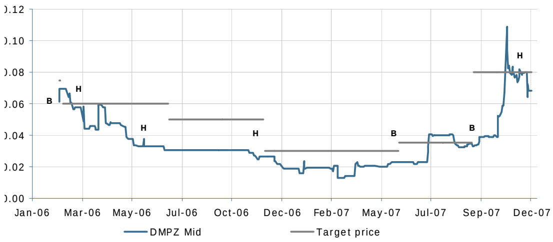


KSTL

AZST

DNSS

DMPZ



MMKI

DOMZ

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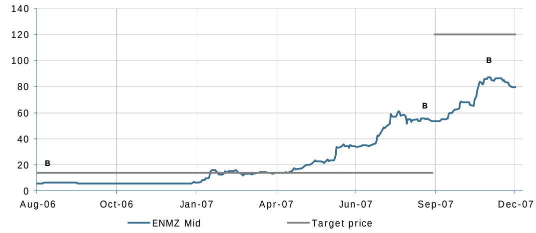

DMZP

Investment Ratings

The time horizon for target prices in Concorde Capital's research is 12 months unless otherwise stated. Concorde Capital employs three basic investment ratings: Buy, Hold and Sell. Typically, Buy recommendation is associated with an upside of 15% or more from the current market price; Sell is prompted by downside from the current market price (upside <0%); Hold recommendation is generally for limited upside within 15%. Though investment ratings are generally induced by the magnitude of upside, they are not derived on this basis alone. In certain cases, an analyst may have reasons to establish a recommendation where the associated range given above does not correspond. Temporary discrepancies between an investment rating and its upside at a specific point in time due to price movement and/or volatility will be permitted; Concorde Capital may revise an investment rating at its discretion. A recommendation and/or target price might be placed Under Review when impelled by corporate events, changes in finances or operations. Investors should base decisions to Buy, Hold or Sell a stock on the complete information regarding the analyst's views in the research report and on their individual investment objectives and circumstances.

Concorde Capital ratings distribution

Buy	37	44%
Hold	29	35%
Sell	7	8%
Under Review	11	13%
Total	84	100%

Investment banking clients*

Buy	8	80%
Hold	2	20%
Sell	0	0%
Under Review	0	0%
Total	10	100%

* *Concorde Capital provided investment banking services to the company within the past 12 months.*

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