



Stakhanovsky Wagon Works

Charter Fund Increase Alert

Olha Pankiv
12 May 2006

+380 44 207 5030
op@concorde.com.ua

Market Price
USD 61.4

Target Price
USD 80.5

Free Float: 15%

Stakhanovsky Wagon Works has announced plans to increase its charter fund 10 times to USD 2.6 mln. The issue is on the agenda of the company's AGM scheduled for June 29th. The company plans to issue 11,428,572 ordinary shares at USD 0.2 par.

Existing shareholders will be able to subscribe on October 2-16. In case of under-subscription, the second stage on October 17-30 will be opened for everyone. Existing shareholders have priority to purchase additionally issued stock proportionately to their share in the charter fund.

Assuming efficient market conditions, with 100% subscription, SVGZ's price, adjusted for the new number of shares will be USD 5.8 lower than its current USD 61.4. Our target of USD 80.5 will be adjusted to USD 7.3.

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