

KEY STOCKS FOR THE WEEK 23/07—27/07

- **PTA Grupp**, Estonian apparel retailer, has concluded its public offer of new shares and will start trading on the **Warsaw Stock Exchange** today, at a reference price of **EUR 5.25**. Due to huge discrepancy in the share price between the Tallinn and Warsaw exchanges, we expect strong corrective push upwards in Warsaw, and respectively downward in Tallinn.
- **Baltika**, Estonian apparel retailer, will announce its H1 result on Tuesday. We expect the company to earn an **EBITDA** of at least **EEK 70M** on the sales of **EEK 536M**. A decrease in the margin would call for a downward adjustment in the share price.
- **Vilniaus Baldai**, Lithuanian furniture manufacturer, will announce its first half results later today. On the already disclosed H1 sales of **LTL 74.3M**, we estimate an **EBITDA** of **LTL 7.1M** to be considered according to expectations. The share price is expected to react to the announced results accordingly.
- **Sanitas**, Lithuanian based manufacturer of pharmaceuticals, is to announce its first half financials on Thursday. Investors should be looking for an H1 **EBITDA** figure of **LTL 55M** to justify their investment. Particularly good results would also benefit **Sanita's** mother company's **Invalda** shares as well.

BALTIC MARKET EVENTS FOR THE WEEK 23/07—27/07

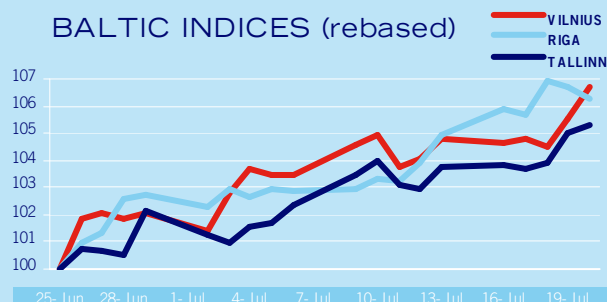
Riga Stock Exchange	Tallinn Stock Exchange	Vilnius Stock Exchange
23 July		Vilniaus Baldai - H1 result
24 July	Baltika - H1 result	
25 July		
26 July		Sanitas - H1 result
27 July		

LAST WEEK IN THE BALTIC STOCK MARKETS

FOREIGN FUNDS AIM FOR THE BULLS EYE...

	OMX RIGA	OMX TALLINN	OMX VILNIUS
	INDEX	INDEX	INDEX
Last Price	724.7	991.6	557.0
Market Cap (€ mln)	2,009.6	5,441.5	3,717.9
52-Week High Price	730.7	1086.4	557.3
52-Week Low Price	587.8	616.7	360.6
1-Week Return	1.3%	1.5%	1.8%
1-Month Return	7.2%	7.5%	8.5%
Year to Date	10.5%	15.8%	13.1%
1-Year Return	22.5%	60.3%	43.0%
% of Index Cap*	85.8%	95.4%	78.6%
P/E*	11.5	15.1	15.9
P/BV*	1.2	3.4	1.7

* - adjusted to include only the most liquid stocks (as listed on page 3)



Ten Most Traded Shares by Weekly Volume

	Last Price	% Change	Volume €
Tallink Grupp	1.43	1.4%	6,443,617
Arco Vara	2.26	-3.8%	4,330,991
Eesti Telekom	8.13	2.4%	3,601,556
Olympic Entertainment Group	6.40	3.2%	3,427,354
Eesti Ehitus	6.20	0.0%	3,155,201
Panevezio Statybos Trestas	19.20	0.3%	3,102,349
City Service	16.30	0.6%	2,584,685
Ukio Bankas	5.09	0.6%	2,444,985
Tallinna Vesi	14.55	0.5%	1,961,795
TEO LT	2.55	3.7%	1,774,497

Movement of the Baltic Markets

Number of Winners	33
Number of Unchanged	4
Number of Losers	12

Largest Winner and Largest Loser (Weekly Volume Exceeding EUR 10,000)

	Last Price	% Change	Volume €
PTA Grupp	6.75	9.8%	293,652
Harju Elekter	3.60	-6.2%	157,723

H1 EXPECTATIONS PULL MARKETS TO NEW HEIGHTS

PTA Grupp, Estonian apparel retailer, has seen its stock price rise by **+9.76%** last week, as public share offer to be listed on the Warsaw Stock Exchange has seen successful conclusion, with trading commencing today.

TEO LT, Lithuania's leader in voice and data communication services, has announced its H1 results on Thursday, with sales and profitability figures beating our expectations. The share price picked up on the news, closing **+3.66%** higher during the week.

Olympic Entertainment Group, Estonian operator of casinos and hotels, has announced further expansion in its Ukraine operations, as well as acquiring an Estonian hotel group. Investors reacted positively to the news, with share price appreciating by **+3.23%** week-on-week.

Harju Elekter, Estonia's leading electric equipment manufacturer, has announced to have sold its **PKC Group Oy** shareholding of **8.9%**, in order to fund investments in new production technologies. Investors did not seem to approve of the fund allocation plan, with share price down by **-6.25%** during the week.

COMPANY	MARKET CAPITAL FREE FLOAT (€ mln)	SHARE PRICE (quoted currency)		YTD	P/E	P/B	EV/EBITDA
		2007.07.16	2007.07.20				
Consumer Discretionary							
Apranga	91.7	18.84	19.80	50.0%	32.5	9.4	17.5
Baltika	116.6	7.91	7.80	5.4%	24.0	7.2	19.9
Express Grupp	36.7	5.80	5.95	0.8%	14.4	6.2	14.5
Norma	29.9	4.70	4.65	-9.0%	10.7	1.1	2.8
Olympic Entertainment Group	553.9	6.20	6.40	44.0%	38.2	6.8	21.9
PTA Grupp*	73.1	6.15	6.75	71.8%	31.6	7.6	23.6
Snaige	17.9	9.75	9.32	-23.0%	-	2.3	24.6
Starman	20.0	5.00	5.01	13.9%	23.0	4.9	11.9
Tallinna Kaubamaja	126.0	9.31	9.21	0.3%	18.7	4.5	15.0
Vilniaus Baldai	7.5	19.95	18.90	4.4%	-	2.9	22.3
Consumer Staples							
Kalev	23.1	1.15	1.18	-25.8%	-	1.2	24.7
Latvijas Balzams	5.7	4.40	4.39	-0.9%	10.3	1.1	8.6
Pieno Zvaigzdes	47.4	4.89	4.93	-8.7%	14.4	2.1	6.4
Rokiskio Suris	39.2	60.55	61.70	12.2%	19.2	1.3	6.5
Saku Olletehas	32.0	15.86	15.98	17.5%	19.8	9.9	8.8
Zemaitijos Pienas	13.2	20.80	20.99	-16.9%	7.7	1.4	4.0
Energy							
Klaipedos Nafta	30.9	1.08	1.08	-6.1%	47.4	0.9	12.6
Latvijas Gaze	18.4	10.45	10.60	2.7%	20.0	1.4	10.6
Latvijas Kugnieciba	120.1	1.35	1.36	27.1%	7.7	1.1	6.4
Lietuvos Dujos	31.8	3.69	3.75	-1.6%	19.6	0.9	10.5
Lietuvos Elektrine	9.2	5.71	6.00	33.6%	-	0.9	15.2
Ventspils Nafta	57.2	2.73	2.83	20.4%	24.7	1.0	114.3
Financials & Real Estate							
Arco Vara	94.4	2.35	2.26	-7.0%	6.1	1.9	8.1
Invalda	61.7	16.30	16.90	35.4%	9.7	2.2	13.0
Siauliu Bankas	112.0	4.11	4.07	4.4%	15.2	2.6	-
Snoras	18.4	5.59	5.69	13.8%	14.9	3.3	-
Ukio Bankas	148.4	5.06	5.09	30.2%	11.7	2.4	-
Healthcare & Pharmaceuticals							
Grindeks	42.0	7.45	7.60	5.6%	11.0	2.2	8.1
Olainfarm	11.1	3.05	3.06	24.9%	32.3	2.9	12.3
Sanitas	158.5	28.00	29.50	116.9%	-	2.8	24.1
Industrials							
Eesti Ehitus	63.9	6.20	6.20	17.3%	16.2	6.1	13.2
Harju Elekter	34.8	3.84	3.60	-13.3%	23.4	1.8	18.1
Lietuvos Juru Laivininkyste	10.1	0.60	0.61	-1.6%	57.0	0.5	6.2
Merko Ehitus	126.3	25.30	25.60	30.3%	11.0	4.2	9.8
Panevezio Statybos Trestas	40.7	19.15	19.20	27.2%	17.7	6.0	12.1
Rigas Kugu Buvetava	7.7	0.92	0.91	-2.2%	86.3	0.8	11.4
Tallink Grupp	513.1	1.41	1.43	11.9%	8.7	1.6	14.3
IT & Telecommunications							
Eesti Telekom	210.7	7.94	8.13	-3.2%	12.4	3.8	7.1
SAF Tehnika	5.2	5.15	5.05	-57.9%	10.5	1.7	7.7
TEO LT	212.9	2.46	2.55	-7.6%	14.0	1.7	4.2
Vilniaus Vingis	8.7	5.65	5.65	-3.4%	2.7	0.7	-
Materials							
Grigiskes	14.5	2.69	2.65	-10.2%	20.3	1.5	7.3
Liepajas Metalurgs	8.3	2.87	2.87	17.1%	4.6	0.8	-
Lifosa	11.9	36.00	37.03	73.0%	27.5	2.0	12.7
Utilities							
City Service	22.1	16.20	16.30	25.9%	36.6	8.9	33.4
Lietuvos Energija	37.0	5.27	5.40	37.1%	-	1.7	20.0
Rytu Skirstomieji Tinklai	47.3	3.92	3.98	6.1%	-	1.0	10.0
Tallinna Vesi	87.6	14.48	14.55	-3.1%	18.4	3.7	13.0
Vakaru Skirstomieji Tinklai	20.4	701.02	710.00	61.4%	-	1.8	8.9
Average	74.1			13.1%	20.8	3.0	15.4
* Values adjusted to include Silvano Fashion Group							

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