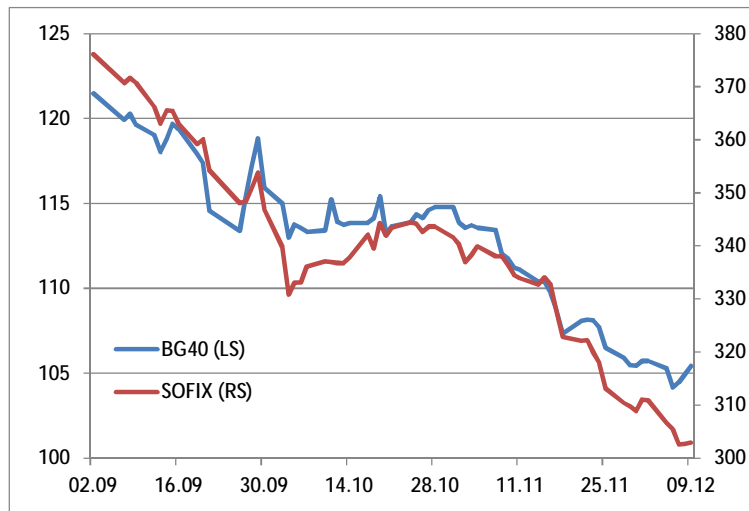


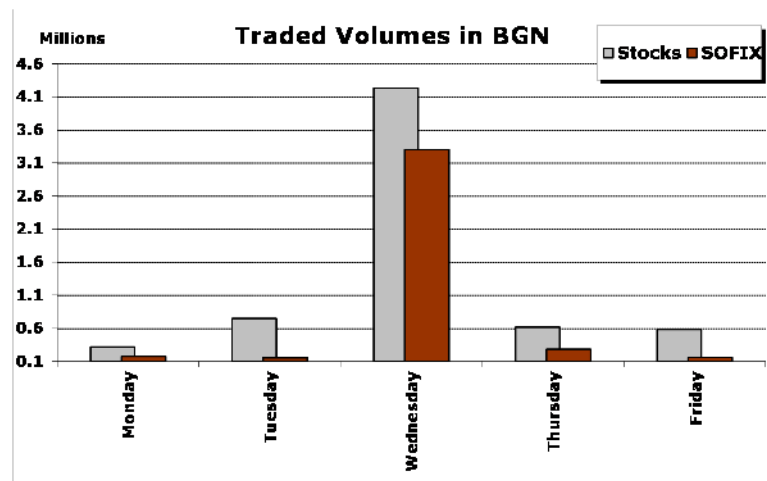
Market Trend



SOFIX lost 2% since the beginning of December, whereas BG40 remained flat. December usually is volatile due to the end of the year and revaluation of assets. The institutional investors will be most active. SOFIX is near the level of 300 points where was in 2009.

On its meeting on December 06, the Financial Supervision Commission approved the Memorandum of the forthcoming public offering of EVN Bulgaria supply of electricity and EVN Bulgaria distribution of electricity. The first issue amounts 188 200 shares at BGN 10 nominal value each. The issue of EVN Bulgaria distribution of electricity amounts 156 400 shares at BGN 10 nominal value. 33% of both issues (the Government stake) will be offer on Privatization market Segment on BSE. The minimum sale price will be defined by the Privatization Agency.

Trading Activity



The overall volumes remained low, excluding Wednesday when 2.2% of Eurohold Bulgaria (4EH) changed hands. Some of the REITs also were actively traded. The lack of investors continued to weight on the market.

SOFIX

Stock	Last Price	Weekly Change	Bid	Ask
Advance Terrafund REIT	1.29	-0.23%	1.29	1.29
Albena	56.00	-1.75%	55.90	56.00
Corporate Commercial Bank	76.50	0.00%	76.50	80.00
Central Cooperative Bank	0.80	0.89%	0.78	0.80
Chimimport	1.30	-8.39%	1.29	1.30
Neochim	30.00	-3.23%	29.80	30.00
M+S Hydraulic	6.64	-1.34%	6.80	6.94
Eurohold Bulgaria	1.16	-1.61%	1.13	1.16
First Investment Bank	1.72	-6.52%	1.69	1.73
Industrial Holding Bulgaria	0.56	-4.44%	0.56	0.57
Kaolin	2.00	0.00%	1.95	2.09
Monbat	5.20	-0.76%	5.20	5.25
Sopharma	3.15	-1.90%	3.14	3.15
Stara Planina Hold	2.13	-11.42%	2.13	2.17
Bulgaria Real Estate Fund REIT	0.63	-1.72%	0.62	0.63

Stara Planina Hold (5SR) underperformed the market last week, followed by Chimimport (6C4). The closing of repo-deals is the most probable reason for the recent decline as the liquid positions are most hurt. The 9M consolidated reports didn't have influence. Central Cooperative Bank (4CF) outperformed SOFIX but remained around BGN 0.80 per share. The position could easily reverse if the market get up.

News

- **05 December 2011:** Sopharma (3JR) notified that in November 2011 the sales of the Company decreased by 23% when compared to the same month of the preceding year. The sales realised on the internal market have retained their share, whilst the export sales have decreased by 29%. The proceeds from sales since the beginning of eleven months of the current year have decreased by 2%, inclusive of a 1% drop on the internal market and a 2% drop of the export where compared to the same period of the year 2010.
- **06 December 2011:** Sopharma (3JR) submitted a translation of the notification to the Polish FSC dated December 06, 2011. The Board of Directors of Sopharma notified that within the period from November 28, 2011 to December 01, 2011 including the Company has bought back 10 998 own shares, constituting 0.0083% of the capital of the Company, at the total value of BGN 39 053.79 on BSE-Sofia. The average buy-back price per share was BGN 3.24.
- **09 December 2011:** On December 08, 2011, the establishment of a joint-stock company Tselum Bulgaria, wherein Corporate Commercial Bank (6C9) holds 10% of the capital, has been recorded in the Companies' Register kept by the Registry Agency. The company is managed and represented by the Executive Director Mr. Vladimir Buyukliev. Tselum Bulgaria AD shall provide services in the scope of the mobile payments, trade by mobile devices (mobile phone) and NCF (Near Field Communications), as its operating activity is envisaged to start at the beginning of the year 2012.
- **09 December 2011:** The management of Lead and Zinc Complex (50TZ) announced all its clients and partners as well as all the interested public that the Zinc plant shall stop operating for one month because of repair works in the Roasting, in the Sulphuric Acid and in the Electrolytic workshops, including the launch of two new cascades to increase the zinc production capacity. The workers and employees, who shall not be busy with the repair works, shall use a paid leave. The investment activities on the site of Lead and Zinc Complex with reference to the New Electrolytic workshop will proceed by plan.

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Financial Interest: ELANA Trading may trade or own shares of the analyzed companies. The research analyst(s) is not holding shares of the analyzed companies, unless otherwise noted.

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Valuation Methods: Company valuations are based on the following methods: multiple-based (P/E, P/B, EV/EBITDA), historical valuation approaches, peer comparisons, discount models (DCF, DDM) or asset-based evaluation methods. Valuation models are dependent on macroeconomic factors, including interest rates, foreign exchange rates, prices of raw materials, and any expectations about the economy, the market sentiment. The valuation is based on expectations that might change rapidly and without notice, depending on developments specific to individual industries and countries. Recommendations and target prices derived from the models might therefore change accordingly. The application of models depends on forecasts of a range of economic variables, thus there is a range of reasonable variations within models. Any valuation is dependent upon inputs that are based on the subjective opinion of the analysts carrying out this valuation.

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Outperform	More than 5% higher as compared to SOFIX and BG40 performance
Market Perform	Market performance, +/-5% as compared to SOFIX and BG40
Underperform	More than 5% lower as compared to SOFIX and BG40 performance

Frequency of Recommendations: No schedule of recommendations is available. The frequency of recommendations depends on specific factors to individual companies and the opinion of the analyst(s) for the necessity of minor or major changes.

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