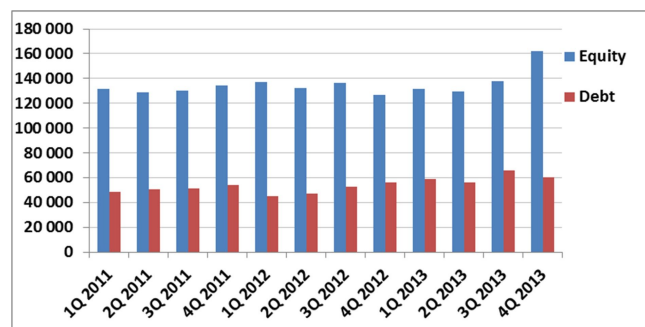
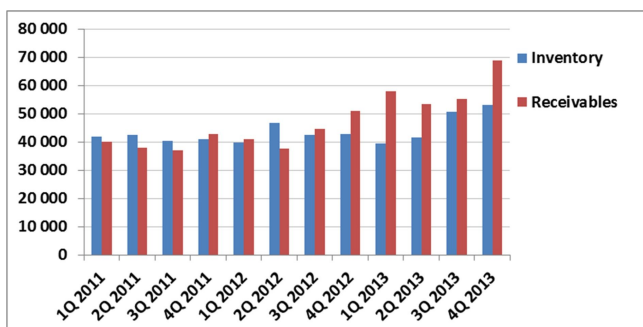
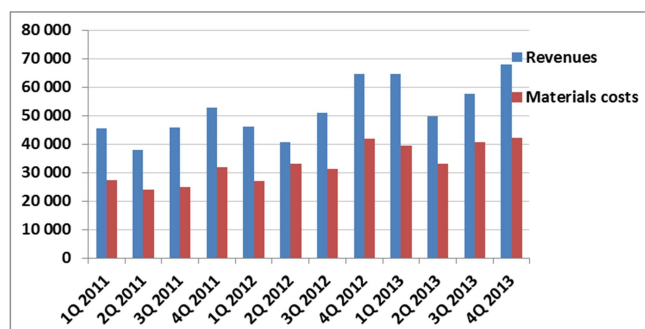
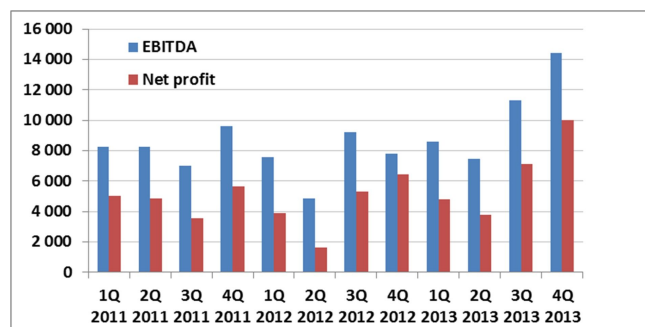


- The net profit of Monbat (**5MB**) during the last quarter of 2013 posted significant increase on both - yearly and quarterly basis. Moreover, this is the best historical profit of the company.
- Improved profitability came from lower cost pressure and rising scale of production. However, the price of lead is at low levels, which made the profitability of recycling business lower than historical averages. This is the main reason to expect better EBITDA margins in the next three years due to global economic growth and lead price increase.
- As seasonal factors are strong due to the bigger demand of car batteries before year-end, results on quarterly basis are

much better than yearly revenues growth.

- Accumulated profits of Monbat improved the debt-to-equity ratio. The company is currently accomplishing its investment program with subsidies from EU funds.
- Inventories and receivables are rising faster than revenues. This is not related to losses from international deliveries. The company reported 8% increase of revenues in January and stable profit margins.
- Recently, the majority owner Prista Oil Holding transferred 20.76% of the capital of Monbat to Prista Holdco Cooperatief, registered in Netherlands. The second deal was made at the end of February.

	4Q 2013	q-o-q	y-o-y
Revenues	67 760	17.58%	4.96%
Costs, incl.	55 848	14.53%	-6.08%
depreciation	2 554	-8.06%	-2.85%
Interest expenses	773	11.38%	34.43%
EBITDA	14 438	27.92%	85.46%
EBIT	11 884	39.66%	130.5%
Net profit	10 006	40.95%	55.8%
Assets	247 574	7.33%	16.47%
Long-term assets	116 356	0.50%	2.38%
Inventories	52 943	4.60%	23.52%
Receivables	68 835	24.71%	34.73%
Cash	7 674	5.95%	192.23%
Equity	162 106	17.51%	28.12%
Long-term loans	10 813	-2.07%	-0.8%
Short-term loans	49 234	-10.27%	7.97%



*Source: Monbat; '000 BGN

Financial Data

Statement of Income (in '000 BGN)	2010	2011	2012	2013
Sales	160 994	182 078	202 068	239 700
Production expenses	125 420	134 173	158 441	182 819
Personnel expenses	11 971	14 656	13 996	14 448
Net income from financial activities	(99)	(116)	(775)	(1 274)
Other revenues and expenses	0	8	569	641
EBITDA	23 504	33 141	29 425	41 800
Depreciation	6 111	8 718	10 323	10 579
EBIT	17 393	24 423	19 102	31 221
Interest expense	2 279	2 841	2 549	2 695
Pretax income	15 114	21 582	16 553	28 526
Taxes	2 484	2 529	1 846	3 516
After-tax income	12 630	19 053	14 707	25 010
Minority interest	(152)	(103)	0	0
Net income	12 782	19 156	17 307	25 010
Earnings per share in BGN	0.34	0.52	0.48	0.64

Balance Sheet (in '000 BGN)	2010	2011	2012	2013
Total Assets	199 717	213 441	212 565	247 574
Equity subscriptions receivable	0	0	0	0
Fixed assets	114 187	125 569	115 744	117 873
Tangible fixed assets	110 739	121 918	113 650	116 356
Financial investments	8	8	8	8
Current assets	85 530	87 872	96 821	129 701
Inventory	42 624	40 836	42 861	52 943
Receivables	40 972	42 735	51 090	68 835
Financial assets	0	0	0	0
Cash and cash equivalents	1 634	4 108	2 626	7 674
Total liabilities + equity	199 717	213 441	212 565	247 574
Equity	126 426	135 063	126 524	162 106
Registered capital	37 326	36 858	36 377	39 000
Capital funds	78 196	83 187	74 353	90 802
Earnings	10 904	15 018	15 794	32 304
Liabilities	73 291	78 378	86 041	85 468
Long-term payables	4 747	18 181	6 640	5 368
Long-term bank loans	17 647	13 461	10 895	10 813
Short-term bank debt	28 104	40 286	45 599	49 234
Short-term payables	19 869	16 504	22 184	19 761
Other liabilities	266	670	996	1 246
Working capital	37 557	31 082	29 038	60 706

Number of shares:	37 325 585	37 095 139	36 370 264	39 000 000
Price in BGN - period end:	6.30	5.25	4.69	9.10
Market cap in BGN - period end:	235 151 186	194 749 480	170 576 538	354 900 000

Cash Flow Statement (in '000 BGN)	2010	2011	2012	2013
Net income	12 782	19 156	17 307	25 010
Depreciation	6 111	8 718	10 323	10 579
Changes in Working capital	(8 137)	(6 475)	(2 044)	31 668
Other operating cash flow items	2 662	3 721	(4 601)	(42 684)
Net cash from operating activities	13 418	25 120	20 985	24 573
Capital expenditures	(15 877)	(19 518)	(7 628)	(12 798)
Other investing cash flow items	(2 318)	(3 042)	(5 052)	(18 680)
Net cash from investing activities	(18 195)	(22 560)	(12 680)	(31 478)
Issuance/ Retirement of Stock, Net	(1 830)	(3 039)	(2 474)	16 617
Issuance/ Retirement of Debt, Net	5 458	8 637	(1 786)	1 538
Dividends paid	(130)	(1 821)	(1 679)	(1 976)
Other financing cash flow items	(2 927)	(3 863)	(3 747)	(4 226)
Net cash from financing activities	571	(86)	(9 686)	11 953
Net change in cash	(4 206)	2 474	(1 381)	5 048
Beginning-of-period cash	5 840	1 634	4 007	2 626
End-of-period cash	1 634	4 108	2 626	7 674
Cash per share	0.04	0.11	0.07	0.20

Financial and Performance Indicators	2010	2011	2012	2013
Valuation Ratios				
Price/Earnings (P/E)	18.40	10.17	9.86	14.19
Book Value (BV)	3.39	3.64	3.48	4.16
Price/Book (P/B)	1.86	1.44	1.35	2.19
Sales Per Share	4.31	4.91	5.56	6.15
Price/Sales (P/S)	1.46	1.07	0.84	1.48
Price/Cash per share	12.45	6.99	6.17	9.97
EV (in BGN)	279 268	244 388	224 445	407 273
EV/Sales	1.73	1.34	1.11	1.70
EV/EBITDA	11.88	7.37	7.63	9.74
EV/EBIT	16.06	10.01	11.75	13.04
Liquidity				
Current ratio	1.78	1.55	1.43	1.88
Quick ratio	0.89	0.83	0.80	1.11
Debt Management				
Debt to total assets	0.37	0.37	0.40	0.35
Interest coverage	7.63	8.60	7.49	11.58
LT Debt/Equity	0.18	0.23	0.14	0.10
Total Debt/Equity	0.58	0.58	0.68	0.53
Asset Management				
Inventory turnover	3.78	4.46	4.71	4.53
Days sales outstanding	92	84	91	103
Fixed asset turnover	1.41	1.45	1.75	2.03
Total asset turnover	0.81	0.85	0.95	0.97
Profitability				
Profit margin on sales	7.9%	10.5%	8.6%	10.4%
EBITDA margin	14.6%	18.2%	14.6%	17.4%
Basic earning power	8.7%	11.4%	9.0%	12.6%
Return on assets	6.4%	9.0%	8.1%	10.1%
Return on equity	10.1%	14.2%	13.7%	15.4%
Return on investments	8.6%	11.5%	12.0%	14.0%
Dividend Information				
Dividend Yield	2.78%	3.28%	4.51%	13.31%
Dividend per share	0.18	0.17	0.21	1.21

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BUY	More than 5% higher as compared to SOFIX and BG40 performance
HOLD	Market performance, +/-5% as compared to SOFIX and BG40
SELL	More than 5% lower as compared to SOFIX and BG40 performance

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