



EV/EBITDA	8.22	P/E	38.99
RoA	1.79%	P/S	0.64
RoE	3.88%	P/B	1.51

Stock Price of Devin



- The consumer demand of mineral water and other non-alcoholic beverages remained stable during the first quarter of the year. The market leader Devin posted 6% increase of non-consolidated revenues on yearly basis to BNG 13.9 million. This is the seasonally weakest quarter as despite its product diversification Devin is mainly relying on water as a source of revenues.

- The loss decreased by 50% to BGN 0.02 per share. The large investment program is resulting to improved profit margin, which would be more visible during the seasonally stronger third quarter. The EBITDA for the period is three times higher but the larger depreciation costs are weighting negatively on the overall results. We expect that this positive trend will persist in the course of the year and will eventually support the net profit to BGN 0.11 EPS for 2009.

- The company began to distribute the natural juice brand Granini and is aiming at 2% market share. It will rely on its well recognized brand and large market penetration.

- Inventories decreased but Devin announced 12% increase of receivables and 27% higher liabilities to suppliers. The other main ratios are unchanged – the long-term debt-to-equity ratio is 0.74.

- We expect that Devin will be much less affected by the economic slump than the other Bulgarian public listed companies. This is the main reason for the price to move higher during the second half of February during the last stage of the market slump. The stock added 107% from its February low. However, the valuation ratios remain above the average for the market but large institutional investors are buying shares of the companies that are least threatened by the decrease of sales and profits. We expect that P/E ratio of Devin will remain well above the market average but EV/EBITDA will continue to improve.

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<b>Market Perform</b>	Market performance, +/-5% as compared to SOFIX and BG40
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