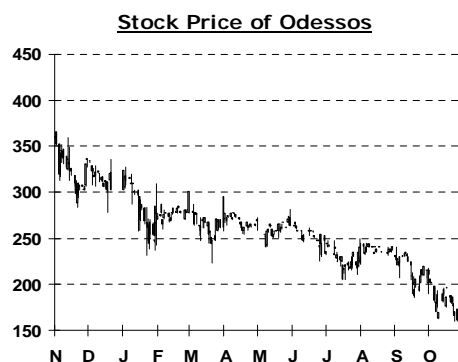


EV/EBITDA	9.09	P/E	7.32
RoA	17.66%	P/S	1.86
RoE	24.67%	P/B	1.81



- The ship repair yard Odessos announced strong improvement of sales and profits during the third quarter. The profit before tax soared to BGN 6.07 million for the quarter and exceeded the cumulative result for the first nine months of 2007. The quarterly revenues were 75% on yearly basis, whereas the cumulative increase of revenues from the beginning of the year is 40.5%. A small part of the positive result is due to the rising US dollar, which supported the revenues from the repair of ships.

- The revenues of Odessos are susceptible to the global conjunction of maritime transportation. The falling transportation costs will pressure down the revenues of the maritime companies and eventually will decrease the freight. However, the lack of free capacity in the regional industry will not result to the same degree of revenues decline but some weakness is possible next year.

- The lower expenses for metals and other materials should also have effect on the future performance of the company. So far this year Odessos' profit margins were squeezed by the rising metal prices. The global recession is already pushing down the metal prices and we can expect a subdued downward pressure on margins as compared to the possible slump of revenues. Moreover, it is likely that growth of labour cost will also decelerate substantially from the reported 37.5% increase of the average salary of Odessos on yearly basis. One significant cost that will not decrease is the price of electricity.

- The huge profit for the quarter improved the P/E ratio to 7.3 but other multiples remain above the average for the Bulgarian blue chips. EV/EBITDA is 9, whereas P/B and P/S are close to 1.8.

- Odessos have lots of cash, which exceeds its long-term liabilities. The company made additional advance payments for the dry dock that is ordered and should enter exploitation in 2010.

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

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