

19 November 2009

Update


IT
Poland

Asseco Poland

Buy

SOBK.WA; ACP.PW

(Reiterated)

Current price	PLN 57.3
Target price	PLN 71.9
Market cap	PLN 4.45bn
Free float	PLN 2.45bn
Avg daily trading volume (3M)	PLN 17.32m

No Reward For Strong Q309 Profits

Asseco Poland's Q3 2009 results came ahead of our expectations and consensus estimates. Such a strong performance was partly owed to one-time gains which boosted pre-tax income by an estimated PLN 11.7m, but the adjusted earnings figures remain better than forecasted. According to our estimates, Asseco is trading on a P/E of 11.9 (or 10.7 after adjustment for treasury stock), which carries a ca. 23% discount to sector median. We feel that such a huge discount is undeserved and will eventually diminish. That is why we are reiterating a buy rating on Asseco Poland, and we set our new per-share price target on its stock at PLN 71.9.

Shareholder Structure

Asseco Poland (treasury shares)	12.00%
Adam Góral	10.42%
CU OFE	9.99%
ING OFE	7.22%
Pioneer Pekao IM	5.28%
Pozostali	55.09%

Q3 2009 results

The highlight of Asseco Poland's stronger-than-expected 2009 third-quarter showing was a major reduction in costs (COGS were 7.7% lower than in Q209 at PLN 114.9m) which facilitated an EBIT of PLN 139.1m and a net profit of PLN 102.3m.

Sector Description

The value of the Polish IT market reached PLN 27.4 billion in 2008. This year's growth is expected to be small at 1.2%. However, the Polish government still has a huge backlog of long-delayed IT projects to complete with support from EU funding which is going to exceed PLN 14 billion by 2013.

Strong order backlog

At 10 November 2009, Asseco's order backlog was 102% higher than a year ago, and included orders for proprietary software and services worth 11% more than last year's sales. The standalone contract portfolio of the parent company as of the same day was equivalent to 99% of last year's sales. Looking at Asseco's past performance and the value of recent contract acquisitions, we are confident that the company can deliver its target PLN 3.0 billion in FY09 sales.

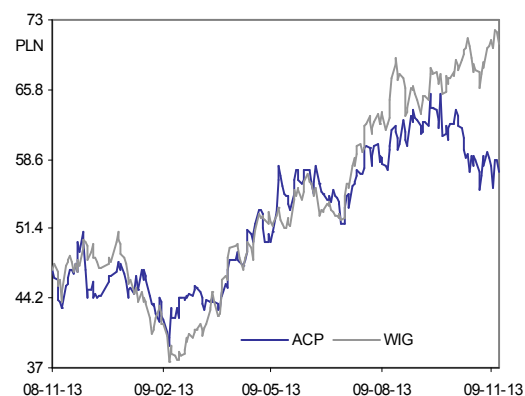
Company Profile

Asseco Poland is Poland's biggest IT integrator and software supplier, and one of Europe's biggest companies of this kind. The Company's core business is the provision of IT services to the financial sector, but in the recent years it has also been expanding the share of industry and public-administration clients in its sales.

Stock offering

Asseco plans to place 3 million out of its 9.3 million treasury shares back on the market in March. The existing shares will be retired and replaced with the same number of new shares which will be offered to investors with rights. A decision about how to handle treasury stock is a welcome step – we think that the uncertainty about the timing and manner of its re-issue weighed on Asseco's value.

Asseco Poland vs. WIG



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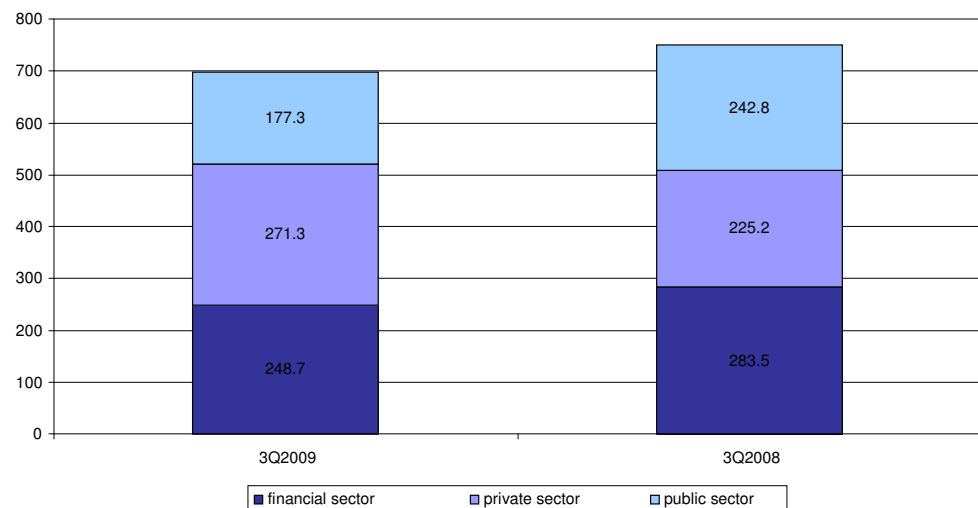
(PLN m)	2007	2008	2009F	2010F	2011F
Revenue	1 282.4	2 786.6	3 023.5	3 193.7	3 389.2
EBITDA	274.5	591.8	652.7	681.0	706.7
EBITDA margin	21.4%	21.2%	21.6%	21.3%	20.9%
EBIT	236.7	494.3	548.6	573.8	596.9
Net profit	161.0	321.6	372.1	365.5	389.4
DPS	0.4	1.5	1.4	1.4	1.5
P/E	18.2	13.8	11.9	12.2	11.4
P/CE	14.7	10.6	9.3	9.4	8.9
P/BV	1.4	1.2	1.0	1.0	0.9
EV/EBITDA	11.5	7.7	7.5	7.2	6.6

Financial Standing

Third-Quarter Results

Asseco Poland's earnings exceeded our expectations. Revenues were PLN 697.2m, which is 0.9% below our expectations and 2.5% below market consensus. In terms of the individual segments, the company recorded lower sales to the financial sector (down from PLN 283.5m a year ago to PLN 248.7m) and to the public sector (from PLN 242.8m to PLN 177.3m). This decline was partially offset by the private sector, with an increase from PLN 225m to PLN 271.3m.

Q3 2009 revenue by segment



Source: Asseco Poland

Gross margin was in line with expectations at 35.3%, which translated to gross profit of PLN 246.5m, PLN 1.8m below our forecasts. We were positively surprised by SG&A costs, which declined from PLN 123.7m in Q3 2008 to PLN 114.9m (we forecasted them at PLN 123m). Other operating income was PLN 7.5m, i.e. much more than the PLN 1.0m we forecasted. The source of the discrepancy was the release of a withholding tax reserve (PLN 6m). As a result, operating earnings amounted to the staggering PLN 139.1m, vs. PLN 126.4m we expected and PLN 128m market consensus.

Finance losses amounted to PLN -3.0m, which comprised PLN 4.1m profit on the sale of Koma Nord, Serum Software and Disig and PLN 7.2m goodwill write-down at Syntagma. In addition, the company recognized share dilution, which added PLN 8.8m to pre-tax income. At 20.72%, effective tax rate was fairly high, which was partially offset by low minority interest (PLN 12.9m vs. PLN 14m we forecasted). As a result, net profit attributable to shareholders of Asseco Poland was PLN 102.3m, vs. PLN 87.4m we forecasted and PLN 89.3m market consensus.

Third-quarter results

(PLN m)	3Q2009	3Q2008	Change	3Q2009F	Difference	Consensus Estimates	Difference
Revenue	697.2	751.5	-7.2%	703.5	-0.9%	715.0	-2.5%
EBITDA	167.3	166.5	0.5%	155.4	7.7%	154.0	8.6%
Margin	24.0%	22.2%	-	22.1%	-	21.5%	-
EBIT	139.1	139.3	-0.2%	126.4	10.0%	128.0	8.6%
Pre-tax income	145.3	122.2	18.8%	119.4	21.7%	-	-
Net income	102.3	76.9	33.1%	87.4	17.1%	89.3	14.6%

Source: Asseco Poland

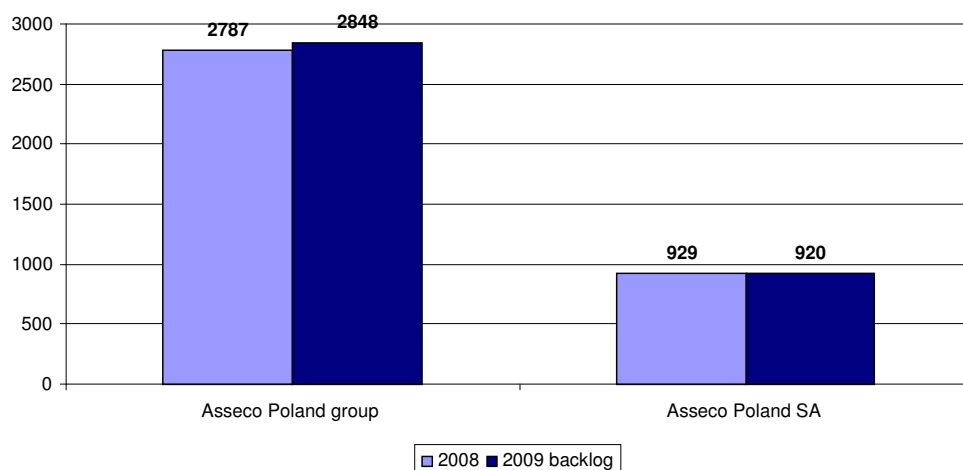
Future Outlook

Contract Backlog

Asseco revealed that its 2009 order backlog as of 10 August was worth PLN 2848m, which is equivalent to 102% of last year's revenue and 94% of our revenue forecast for this year. The portfolio of orders for the company's proprietary solutions amounts to PLN 1888m, or 111% of the proprietary sales generated in 2008. The standalone backlog of the parent company was reported at PLN 920m, representing 99% of last year's sales, and included PLN 622m-worth of orders for proprietary solutions (118% of 2008 sales).

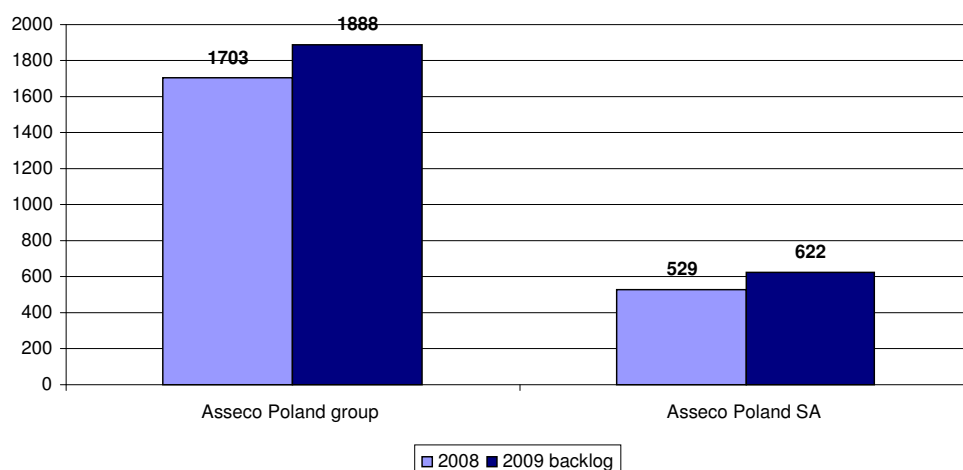
Given what happened in the past, as well as the contracts the company has been able to land recently, we believe our sales forecasts are safe. After three quarters, the gross margin is 35.2%, i.e. 0.2% more than we forecasted for the year. In this case as well we believe the company should be able to sustain the profitability we are forecasting.

Consolidated and standalone order backlogs at 10 November 2009



Source: Asseco Poland

Backlog of orders for proprietary solutions and services as of 10 November 2009



Source: Asseco Poland

Forecast Revision

Based in Asseco's earnings for Q3 2009, we are increasing our net income forecast from PLN 349m to PLN 372m, primarily due to lower than expected profit attributable to minority shareholders. We have not changed our expectations for operating profit in FY2009, nor our forecast for the upcoming year.



Stock Offering in March

Asseco Poland holds about 9.3 million shares of treasury stock which account for 12% of total shares outstanding. The company is planning to sell ca. 3m shares in March in order to finance acquisitions. For tax reasons, however, the company will not sell the shares it currently holds, but rather cancel them and carry out a rights offering instead. We believe the sooner the issue of treasury shares is resolved, the better. Since the moment the company announced it was planning to use them to finance acquisitions, uncertainty as to the time and manner of their return to the trading floor has been having a negative impact on the stock price.

Dividends for FY2009

According to Mr. Adam Góral, the CEO, Asseco will pay out 30-40% of its FY2009 net income. Assuming the lower end of the bracket, dividends will amount to PLN 111m if our net income forecast of PLN 372.1m proves accurate. In FY2008, dividends amounted to PLN 70m. Assuming that all the treasury shares will return to trading and dividends will be allocated to them, the company will pay PLN 1.43 per share.

Valuation Relative to Peers

Under our forecasts for FY09, Asseco Poland is trading at a P/E of 11.9 (2009) and 12.2 (2010), which entails discounts of 23.0% and 9.3% to peer median, respectively. Asseco's 2009-2010 EV/EBITDA multiples of 7.5 and 7.2 entail discounts of 11.9% and 4.3%, respectively. In addition, we should note that these multiples do not factor in Asseco's control of 12% of its own share capital, which would enlarge the discounts further.

Valuation

Valuation overview

	PLN m	Weight	9MTP
DCF valuation	4 919.3	50%	
Relative valuation based on	5 369.2	50%	
P/E	5 487.6	50%	
EV/EBITDA	5 250.9	50%	
Average	5 144.3		5 576.4
Value per share			71.9

Model Assumptions

1. Our forecast horizon is 2009 through 2018.
2. In the forecast horizon and beyond, our assumed risk-free rate is 6.2% (yield on 10Y T-bonds).
3. Expected FCF growth rate after the forecast horizon is 3.0%.
4. We apply a 15% discount to the market value of treasury shares and treat them as additional cash resources.
5. The discounted value of the treasury shares is deducted from the company's market cap for the purposes of relative valuation.

Relative Valuation

We compared the EV/EBITDA and P/E multiples of Asseco and its foreign peers as estimated for the years 2009, 2010, and 2011. The forecast years are given 25%, 45%, and 30% weights respectively.

P/E and EV/EBITDA estimates for comparable IT companies

	Price	EV/EBITDA			P/E		
		2009F	2010F	2011F	2009F	2010F	2011F
Microsoft Corp		9.9	9.8	9.1	17.5	16.5	14.7
Cap Gemini		6.0	5.7	5.0	16.4	13.8	11.8
SAP AG		12.0	10.4	9.5	19.2	16.3	14.6
Oracle Corp		9.5	9.6	8.9	15.7	14.7	13.4
Accenture Ltd		7.5	7.4	6.9	14.9	14.6	13.0
Indra Sistemas		9.2	8.9	8.2	13.7	13.0	11.9
Tietoerator		8.9	7.4	6.6	15.3	12.7	10.8
Atos Origin SA		5.8	5.3	4.7	16.4	12.0	10.2
LOGICA Plc		8.1	7.6	7.2	11.7	10.6	9.8
IBM		7.9	7.4	6.8	12.9	11.7	10.9
Maximum		12.0	10.4	9.5	19.2	16.5	14.7
Minimum		5.8	5.3	4.7	11.7	10.6	9.8
Median		8.5	7.5	7.0	15.5	13.4	11.9
Asseco Poland	57.3	7.5	7.2	6.6	11.9	12.2	11.4
premium / discount		-11.9%	-4.3%	-6.0%	-23.0%	-9.3%	-3.8%



DCF Valuation Model

(PLN m)	2009F	2010F	2011F	2012F	2013F	2014F	2015F	2016F	2017F	2018F	2018+
Revenues	3 023.5	3 193.7	3 389.2	3 616.2	3 886.0	4 089.3	4 280.4	4 479.7	4 653.3	4 831.4	
Change	8.5%	5.6%	6.1%	6.7%	7.5%	5.2%	4.7%	4.7%	3.9%	3.8%	
EBITDA	652.7	681.0	706.7	736.4	774.5	809.7	842.1	875.7	904.7	931.9	
EBITDA margin	21.6%	21.3%	20.9%	20.4%	19.9%	19.8%	19.7%	19.5%	19.4%	19.3%	
Amortization and depreciation	104.1	107.2	109.8	112.4	114.5	116.5	118.7	120.8	123.1	123.1	
EBIT	548.6	573.8	596.9	623.9	660.1	693.1	723.5	754.9	781.7	808.9	
EBIT margin	18.1%	18.0%	17.6%	17.3%	17.0%	17.0%	16.9%	16.9%	16.8%	16.7%	
Tax rate on EBIT	104.2	109.0	113.4	118.5	125.4	131.7	137.5	143.4	148.5	153.7	
NOPLAT	444.4	464.8	483.5	505.4	534.7	561.4	586.0	611.5	633.2	655.2	
CAPEX	-485.9	-311.8	-168.7	-176.6	-136.1	-139.1	-141.3	-143.4	-149.0	-123.1	
Working capital	-60.3	-21.6	-16.1	-18.5	-21.7	-13.5	-13.1	-9.7	-16.8	-17.6	
Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
FCF	2.3	238.5	408.4	422.6	491.3	525.4	550.3	579.2	590.4	637.5	656.7
WACC	11.2%	11.2%	11.2%	11.2%	11.2%	11.2%	11.2%	11.2%	11.2%	11.2%	
discount factor	98.2%	88.4%	79.5%	71.4%	64.3%	57.8%	52.0%	46.7%	42.0%	37.8%	
PV FCF	2.3	210.7	324.5	302.0	315.7	303.6	285.9	270.6	248.1	240.9	
WACC	11.2%	11.2%	11.2%	11.2%	11.2%	11.2%	11.2%	11.2%	11.2%	11.2%	0.0%
Cost of debt	7.2%	7.2%	7.2%	7.2%	7.2%	7.2%	7.2%	7.2%	7.2%	7.2%	7.2%
Risk-free rate	6.2%	6.2%	6.2%	6.2%	6.2%	6.2%	6.2%	6.2%	6.2%	6.2%	6.2%
Risk premium	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%
Effective tax rate	19.0%	19.0%	19.0%	19.0%	19.0%	19.0%	19.0%	19.0%	19.0%	19.0%	0.0%
Net debt / EV	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Cost of Equity	11.2%	11.2%	11.2%	11.2%	11.2%	11.2%	11.2%	11.2%	11.2%	11.2%	11.2%
Risk premium	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Beta	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0

FCF growth after the forecast horizon	3.0%	Sensitivity analysis					
Terminal value	8 008.2	FCF growth in perpetuity					
Present value of the terminal value (PV TV)	3 026.3	0.0%	1.0%	2.0%	3.0%	4.0%	
Present value of FCF in the forecast horizon	2 504.3	WACC +1.0pp	53.4	56.2	59.6	63.9	69.3
Equity value (EV)	5 530.6	WACC +0.5pp	56.8	60.0	63.9	68.9	75.3
Net debt	-259.4	WACC	60.5	64.2	68.7	74.6	82.4
Other non-operating assets	453.5	WACC -0.5pp	64.5	68.8	74.2	81.2	90.7
Minority interests	1 324.3	WACC -1.0pp	69.1	74.1	80.4	88.9	100.6
Equity value	4 919.3						
Number of shares (millions)	77.6						
Equity value per share (PLN)	63.4						
Cost of equity (9M)	8.4%						
Target Price	68.7						
EV/EBITDA('09) for the target price	8.5						
P/E('09) for the target price	14.3						
TV to EV	55%						

**Income Statement**

(PLN m)	2007	2008	2009F	2010F	2011F	2012F	2013F
Revenues	1 282.4	2 786.6	3 023.5	3 193.7	3 389.2	3 616.2	3 886.0
<i>Change</i>	-	117.3%	8.5%	5.6%	6.1%	6.7%	7.5%
Proprietary software and services	553.4	1 519.2	1 654.4	1 753.9	1 868.1	2 000.4	2 157.5
Third-party software and services	218.9	503.5	546.4	577.1	612.4	653.5	702.2
Hardware and infrastructure	305.2	565.7	604.7	629.1	657.5	690.7	730.5
Outsourcing	129.1	100.1	111.6	121.1	131.9	144.4	159.0
Info-communications	68.2	83.5	90.6	95.7	101.6	108.4	116.4
Other	7.5	14.6	15.8	16.7	17.7	18.9	20.3
COGS	848.4	1 810.1	1 966.8	2 074.3	2 216.6	2 381.7	2 577.3
Gross profit	434.0	976.5	1 056.8	1 119.4	1 172.5	1 234.5	1 308.7
Selling expenses	88.1	202.9	220.2	232.6	246.8	263.4	283.0
General and administrative expenses	114.3	276.7	297.2	310.8	326.5	344.9	363.2
Net sales	231.7	496.9	539.4	576.0	599.2	626.3	662.5
Other operating income	5.0	-2.6	9.2	-2.2	-2.3	-2.3	-2.4
EBIT	236.7	494.3	548.6	573.8	596.9	623.9	660.1
<i>Change</i>	-	108.9%	11.0%	4.6%	4.0%	4.5%	5.8%
<i>EBIT margin</i>	18.5%	17.7%	18.1%	18.0%	17.6%	17.3%	17.0%
Profit on financing activity	-16.2	-37.8	-6.5	-3.8	10.4	31.3	55.6
Other	15.1	36.7	3.0	3.1	3.2	3.4	3.5
Pre-tax income	235.4	493.2	545.1	573.1	610.5	658.6	719.2
Tax	-44.7	-93.7	-91.6	-108.9	-116.0	-125.1	-136.6
Minority interests	29.8	77.9	81.5	98.7	105.2	113.5	123.9
Net income	161.0	321.6	372.1	365.5	389.4	420.0	458.6
<i>Change</i>	-	99.7%	15.7%	-1.8%	6.5%	7.9%	9.2%
<i>Margin</i>	12.6%	11.5%	12.3%	11.4%	11.5%	11.6%	11.8%
Amortization and depreciation	37.9	97.6	104.1	107.2	109.8	112.4	114.5
EBITDA	274.5	591.8	652.7	681.0	706.7	736.4	774.5
<i>Change</i>	-	115.6%	10.3%	4.3%	3.8%	4.2%	5.2%
<i>EBITDA margin</i>	21.4%	21.2%	21.6%	21.3%	20.9%	20.4%	19.9%
Shares at year-end (millions)	51.1	77.6	77.6	77.6	77.6	77.6	77.6
EPS	3.2	4.1	4.8	4.7	5.0	5.4	5.9
CEPS	3.9	5.4	6.1	6.1	6.4	6.9	7.4
ROAE	13.1%	10.9%	9.2%	8.2%	8.1%	8.0%	8.1%
ROAA	8.2%	7.2%	6.4%	6.0%	6.0%	6.0%	6.1%

**Balance Sheet**

(PLN m)	2007	2008	2009F	2010F	2011F	2012F	2013F
ASSETS	3 256.1	5 728.6	5 886.0	6 280.4	6 722.4	7 205.3	7 740.3
Fixed assets	2 298.2	4 268.2	4 410.3	4 615.6	4 675.4	4 740.6	4 763.4
Property, plant and equipment	93.0	334.5	391.7	422.4	431.2	440.9	444.1
Intangible assets	1 132.7	2 615.7	2 829.2	3 003.1	3 053.2	3 107.8	3 126.2
Goodwill from consolidation	567.4	1 206.8	1 077.0	1 077.0	1 077.0	1 077.0	1 077.0
Financial assets	338.5	22.8	22.8	22.8	22.8	22.8	22.8
Long-term loans	0.8	11.8	11.8	11.8	11.8	11.8	11.8
Long-term receivables	42.3	40.3	40.3	40.3	40.3	40.3	40.3
Restricted cash	86.3	0.7	0.7	0.7	0.7	0.7	0.7
Deferred income tax assets	35.4	23.3	23.3	23.3	23.3	23.3	23.3
Long-term accruals	1.9	12.3	13.4	14.1	15.0	16.0	17.2
Current assets	957.9	1 460.4	1 475.8	1 664.8	2 047.0	2 464.7	2 976.9
Inventories	36.6	61.3	72.0	81.6	93.3	106.7	122.6
Prepayments	25.7	68.8	82.9	87.6	93.0	99.2	106.6
Trade receivables	345.0	629.9	683.4	730.6	784.6	847.1	921.0
Other	221.5	189.7	229.9	231.1	232.4	234.0	235.9
Financial assets	87.6	59.0	59.0	59.0	59.0	59.0	59.0
Cash	241.5	451.8	348.6	474.9	784.8	1 118.7	1 531.9
(PLN m)	2007	2008	2009F	2010F	2011F	2012F	2013F
LIABILITIES	3 256.1	5 728.5	5 886.0	6 280.4	6 722.4	7 205.3	7 740.3
EQUITY	2 120.7	3 782.8	4 291.6	4 644.3	5 029.2	5 445.8	5 902.4
Share capital	51.1	77.6	77.6	77.6	77.6	77.6	77.6
Reserves	1 636.6	3 552.3	3 524.2	3 524.2	3 524.2	3 524.2	3 524.2
Retained earnings	235.4	451.8	705.5	959.3	1 239.0	1 542.3	1 874.9
Minority interests	197.6	379.9	663.2	761.9	867.1	980.6	1 104.5
Long-term liabilities	492.1	802.6	403.2	411.3	420.5	431.3	444.1
Loans	202.1	88.5	36.9	36.9	36.9	36.9	36.9
Long-term payables	283.5	578.3	219.2	219.2	219.2	219.2	219.2
Provisions	2.6	107.9	117.0	123.6	131.2	140.0	150.4
Long-term accruals	3.0	24.4	26.5	28.0	29.7	31.7	34.0
Other payables	1.0	3.6	3.6	3.6	3.6	3.6	3.6
Short-term liabilities	643.3	1 143.1	1 191.2	1 224.9	1 272.7	1 328.2	1 393.8
Loans	61.1	103.8	103.8	103.8	103.8	103.8	103.8
Trade creditors	188.6	291.0	316.2	333.4	362.4	395.9	435.5
Other debt	307.9	479.3	479.3	479.3	479.3	479.3	479.3
Provisions	11.0	42.9	46.5	49.1	52.1	55.6	59.8
Prepayments	74.7	226.2	245.5	259.3	275.2	293.6	315.5
Debt	263.2	192.3	140.7	140.7	140.7	140.7	140.7
Net debt	21.7	-259.4	-207.9	-334.2	-644.1	-978.0	-1 391.2
(Net debt / Equity)	1.0%	-6.9%	-4.8%	-7.2%	-12.8%	-18.0%	-23.6%
(Net debt / EBITDA)	0.1	-0.4	-0.3	-0.5	-0.9	-1.3	-1.8
BVPS	41.5	48.8	55.3	59.9	64.8	70.2	76.1

**Cash Flows**

(PLN m)	2007	2008	2009F	2010F	2011F	2012F	2013F
Cash flows from operating activities	49.0	531.7	467.8	553.6	577.8	596.1	619.7
Pre-tax income	235.4	493.2	545.1	573.1	610.5	658.6	719.2
Interest	-12.0	37.8	6.5	3.8	-10.4	-31.3	-55.6
Amortization and depreciation	37.9	97.6	104.1	107.2	109.8	112.4	114.5
Working capital	-125.0	140.0	-60.3	-21.6	-16.1	-18.5	-21.7
Tax	-21.6	-77.0	-91.6	-108.9	-116.0	-125.1	-136.6
Other	-65.6	-159.8	-36.0	0.0	0.0	0.0	0.0
Cash flows from investing activities	-422.1	-313.2	-492.4	-315.6	-158.3	-145.3	-80.5
CAPEX	-33.7	-97.6	-455.9	-311.8	-168.7	-176.6	-136.1
Equity investments	-458.2	-177.8	-30.0	0.0	0.0	0.0	0.0
Other	69.8	-37.8	-6.5	-3.8	10.4	31.3	55.6
Cash flows	575.2	-54.2	-78.7	-111.6	-109.6	-116.8	-126.0
Debt	205.4	-70.8	-51.7	0.0	0.0	0.0	0.0
Stock offering	383.2	110.3	91.4	0.0	0.0	0.0	0.0
Dividends/share buy-back	-34.2	-78.1	-118.4	-111.6	-109.6	-116.8	-126.0
Other	20.8	-15.5	0.0	0.0	0.0	0.0	0.0
Change in cash	202.1	164.3	-103.2	126.4	309.8	333.9	413.2
Cash at end of period	241.5	451.8	348.6	474.9	784.8	1 118.7	1 531.9
DPS (PLN)	0.4	1.5	1.4	1.4	1.5	1.6	1.8
FCF	70.9	540.3	44.4	238.5	408.4	422.6	491.3
(CAPEX / Sales)	2.6%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%

Market multiples

	2007	2008	2009F	2010F	2011F	2012F	2013F
P/E	18.2	13.8	11.9	12.2	11.4	10.6	9.7
P/CE	14.7	10.6	9.3	9.4	8.9	8.3	7.8
P/BV	1.4	1.2	1.0	1.0	0.9	0.8	0.8
P/S	2.3	1.6	1.5	1.4	1.3	1.2	1.1
FCF/EV	2.3%	11.8%	0.9%	4.9%	8.8%	9.5%	11.8%
EV/EBITDA	11.5	7.7	7.5	7.2	6.6	6.0	5.4
EV/EBIT	13.3	9.2	8.9	8.5	7.8	7.1	6.3
EV/S	2.5	1.6	1.6	1.5	1.4	1.2	1.1
DYield	0.6%	2.7%	2.5%	2.5%	2.6%	2.8%	3.1%
Price (PLN)							
Shares at year-end (millions)	51.1	77.6	77.6	77.6	77.6	77.6	77.6
MC (PLN m)	2927.5	4444.5	4444.5	4444.5	4444.5	4444.5	4444.5
Equity attributable to minority shareholders (PLN m)	197.6	379.9	663.2	761.9	867.1	980.6	1104.5
EV (PLN m)	3 146.8	4 565.0	4 899.8	4 872.2	4 667.5	4 447.1	4 157.7



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**List of abbreviations and ratios contained in the report:**

EV – net debt + market value
EBIT – Earnings Before Interest and Taxes
EBITDA – EBIT + Depreciation and Amortisation
P/CE – price to earnings with amortisation
MC/S – market capitalisation to sales
EBIT/EV – operating profit to economic value
P/E – (Price/Earnings) – price divided by annual net profit per share
ROE – (Return on Equity) – annual net profit divided by average equity
P/BV – (Price/Book Value) – price divided by book value per share
Net debt – credits + debt papers + interest bearing loans – cash and cash equivalents
EBITDA margin – EBITDA/Sales

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Previous ratings issued for Asseco Poland

Rating	Buy	Buy
Rating date	2009-05-27	2009-09-02
Price on rating day	55.95	61.50
WIG on rating day	29197.11	37372.21