

GREEK DAILY BRIEF

Friday Jun. 25, 2010

Statistics

| Athens Stock Exchange | | | | |
|----------------------------|--------------|----------|-----------|---------|
| | | | | Shares |
| MCap(€bn) | 57,5 | ▲ | 40 | |
| Turnover (€mn / mn shares) | 85,8 / 24,61 | — | 34 | |
| Blocks (€mn / mn shares) | 9,8 / 1,31 | ▼ | 150 | |
| Indices | 24.06.10 | (%) 1day | (%) 30day | (%) Ytd |
| ASE General | 1,468.86 | -3.71 | -4.61 | -33.12 |
| FTSE 20 | 692.03 | -4.16 | -6.86 | -38.51 |
| FTSE 40 | 1,770.57 | -2.66 | -0.17 | -32.27 |
| FTSE 80 | 287.92 | -3.96 | -1.49 | -32.68 |
| FTSE International | 1,856.53 | -3.95 | -6.09 | -37.69 |
| Banks | 1,410.13 | -4.48 | -9.62 | -47.02 |
| Telecoms | 1,679.07 | -2.40 | -5.43 | -40.72 |
| Travel & Leisure | 1,908.79 | -5.50 | -13.56 | -31.91 |
| Construction | 2,268.98 | -3.33 | 0.07 | -33.31 |
| ETF Alpha FTSE 20 ldx | 7.12 | -3.52 | -4.56 | -36.54 |
| DAX 30 | 6,115.48 | -1.44 | 7.86 | 2.65 |
| CAC 40 | 3,555.36 | -2.37 | 6.73 | -9.68 |
| FTSE 100 | 5,100.23 | -1.51 | 3.23 | -5.78 |
| Dow Jones | 10,152.80 | -1.41 | 1.09 | -2.64 |
| Nasdaq | 2,217.42 | -1.63 | 0.29 | -2.28 |
| S&P 500 | 1,073.69 | -1.68 | -0.03 | -3.71 |
| Nikkei 225 | 9,737.48 | -1.92 | 2.93 | -7.67 |
| Hong Kong (HSI) | 20,634.24 | -0.48 | 8.68 | -5.66 |
| Russia (RTS) | 1,405.46 | -0.07 | 14.58 | -2.71 |
| Turkey (ISE 100) | 55,915.67 | 0.00 | 7.00 | 5.85 |
| Romania (Bucharest) | 5,137.95 | -1.05 | 17.68 | 9.54 |
| Bulgaria (Sofix) | 372.61 | 0.00 | 2.03 | -12.79 |
| Cyprus | 1,100.32 | 0.00 | -7.15 | -31.11 |
| Commodities | | | | |
| Brent ICE (\$/bbl) | 76.14 | -0.43 | 8.18 | -6.67 |
| WTI NYM (\$/bbl) | 76.20 | -0.41 | 8.70 | -7.67 |
| Gold CMX (\$/troy oab.) | 1,243.80 | -0.17 | 3.67 | 13.06 |
| Aluminum LME (\$/mt) | 1,965.00 | 1.24 | -5.71 | -11.88 |
| Copper LME (\$/mt) | 6,694.00 | -0.28 | -3.13 | -9.23 |
| Carbon Fut. (€/mt) | 15.57 | -1.02 | 3.32 | 16.89 |
| Currencies | | | | |
| EUR/USD | 1.2333 | 0.38 | 1.11 | -14.38 |
| USD/JPY | 89.56 | 0.32 | -0.13 | 3.16 |
| EUR/GBP | 0.824 | 0.53 | 3.32 | 8.17 |
| Rates | Price | Yield(%) | | |
| Euribor 3m (%) | - | 0.74 | | |
| 10Yr Bond (GR) | 72.11 | 11.00 | | |
| 10Yr Bund (GE) | 110.09 | 2.42 | | |
| 10Yr Bond (US) | 100.75 | 3.03 | | |

| ASE Ind. Fut. | 24.06.10 | (%) day | Prem/Disc | Volume | Open | Days to |
|---------------------|----------|-----------|-------------|---------|--------|---------|
| FT 20 Sept | 678.59 | -4.64 | -1.94 / -13 | 7,734 | 25,345 | 84 |
| Greek Banks | 23.06.10 | (%) 1 day | (%) 1 month | (%) Ytd | | |
| National Bank | 9.65 | -2.9 | -8.2 | -46.7 | | |
| EFG Eurobank | 4.03 | -3.6 | -10.0 | -48.9 | | |
| Alpha Bank | 4.38 | -3.7 | -7.8 | -46.6 | | |
| Piraeus Bank | 3.69 | -4.2 | -18.4 | -54.4 | | |
| Bank of Cyprus | 3.52 | -2.5 | -7.1 | -28.6 | | |
| Marfin Popular Bank | 1.56 | -1.9 | -6.6 | -31.9 | | |
| ATEbank | 1.07 | -3.6 | -13.7 | -44.8 | | |
| Emporiki Bank | 2.96 | -2.6 | -13.2 | -32.4 | | |
| Hellenic PostBank | 2.69 | -5.6 | -10.9 | -39.1 | | |
| Bank of Greece | 30.93 | 0.1 | -14.1 | -33.4 | | |
| Egnaia Bank | 0.97 | -3.0 | -22.4 | -45.2 | | |
| Geniki Bank | 0.38 | -5.0 | -33.3 | -51.3 | | |
| Bank of Attica | 1.11 | -1.8 | 8.8 | -34.7 | | |
| Aspis bank | 0.39 | -2.5 | -4.9 | -49.9 | | |
| Proton Bank | 0.85 | -3.4 | -8.6 | -57.5 | | |
| FTASE 20 | | | | | | |
| National Bank | 9.65 | -2.9 | -8.2 | -46.7 | | |
| OTE | 6.25 | -4.0 | -4.6 | -39.3 | | |
| Coca Cola HBC | 18.27 | -1.2 | 3.6 | 14.3 | | |
| EFG Eurobank | 4.03 | -3.6 | -10.0 | -48.9 | | |
| Alpha Bank | 4.38 | -3.7 | -7.8 | -46.6 | | |
| OPAP | 11.23 | -3.5 | -11.2 | -26.8 | | |
| Piraeus Bank | 3.69 | -4.2 | -18.4 | -54.4 | | |
| PPC | 12.76 | -2.8 | 2.1 | -1.8 | | |
| Bank of Cyprus | 3.52 | -2.5 | -7.1 | -28.6 | | |
| Marfin Pop. Bank | 1.56 | -1.9 | -6.6 | -31.9 | | |
| MIG | 1.11 | -3.5 | -5.1 | -44.2 | | |
| ATEbank | 1.07 | -3.6 | -13.7 | -44.8 | | |
| Hellenic Petroleum | 6.00 | -1.6 | -8.4 | -23.2 | | |
| Titan Cement | 15.28 | -3.9 | -2.9 | -24.8 | | |
| Jumbo | 5.50 | -3.5 | -1.1 | -38.0 | | |
| Hellenic Technodomi | 3.13 | 0.0 | 0.3 | -39.2 | | |
| Hellenic PostBank | 2.69 | -5.6 | -10.9 | -39.1 | | |
| Motor Oil | 7.98 | -2.4 | -0.3 | -25.0 | | |
| Viohalco | 3.58 | -8.7 | 2.9 | -9.8 | | |
| Mytilineos | 4.40 | -2.7 | 0.0 | -12.4 | | |

* ranked by Market Cap.

Note: Commodities, currencies and rates as at 08:30 today

Source: Bloomberg

Market Comment

Amid refueling of rumors by international media and certain institutional investors about Greece's and Europe's debt problems, the Greek market plunged on Thursday, with the General Index falling again under the 1.500 units threshold (-3.71%). Banks were hit the most (-4.48%) as fears of further losses in their AFS portfolios were heightened after yesterday's plunge of Greek bond prices, and they were followed by FTSE Athens 20 Index. Not a single large cap managed to escape the fall, with energy sector stocks PPC and Motor Oil posting the lowest losses and Mytilineos and Marfin Bank posting the heaviest losses (-8.2% and -6.4% respectively). From Mid Caps only Folli-Follie Group stocks and Piraeus Post closed higher, while Intracom and Athens Medical on the other side of the spectrum lost more than 10%. Turnover remained at disappointingly low levels (€86 mn). International equity markets plunged yesterday, extending further their weekly losses as most of them fell for a fourth consecutive session on worries about the sustainability of US recovery, after weak corporate forecasts were announced. European stock futures opened higher this morning, this rise however can be viewed more as a technical reaction after previous session's downward movement. Concerns about the course of the Greek market could be alleviated after Athex authorities decision to extend short selling for another two months, nevertheless, we believe that the Greek market today can hardly move independently from the course of European markets.

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Highlights

Economic News

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Corporate News

- **Athex** authorities renewed short selling prohibition (due to end on June 28th) until August 31st, 2010.
- **National Bank** announced a second covered bonds program for €15 bn, backed by its euro and foreign currency mortgages. Currently covered bonds issued by NBG rise to a total of €3.0 bn in five-seven and nine year bonds bearing a Baa3 rating at floating rates of ECB plus 1700, 2000 and 2300 basis points.
- **Titan Cement** Trading ex-dividend (€0.187 per share).
- **Folli-Follie, HDFS, Elmec** The BoDs proposed to the General meetings the merger by absorption from HDFS of Folli-Follie and Elmec. Read more below.
- **Ellaktor – Folli-Follie** AGMs held today.
- **Alapis** The shares of the company will cease trading on June 30th in order for the 1 for 8 stock split to be effected. The new shares will start trading on July 7th.
- **Alko Hellas** The shares of the company will cease trading on June 30th in order for the stock split to be effected. The new shares will start trading on July 7th.
- **Bank of Cyprus** The 6mn new shares that resulted from the reinvestment of dividend to start trading on June 30th.

Investment Toolkit

Greek corporate Action Calendar

Earnings Releases

Splits, Bonus, Private placements, Public Offers, Divs-predivs, AGMs-EGMs, stock-options etc

Quants Insight,

Arbitrage, M&As, Share capital increases, IPOs etc

Restricted to ATE Securities SA clients. Available upon request by the ATE Securities R&A Dpt

See Important Disclosures and Analyst Certification at the end

Economic News

Corporate News

| Folli Follie (FOLLI GA / FOLr.AT) | | Personal & Household Good FTSE 40 | | | TP: - | VIEW: UR |
|-----------------------------------|------------|-----------------------------------|----------|---------|-----------|------------|
| Price | Market Cap | L (52wk) | H (52wk) | Ytd (%) | P/E (10e) | P/BV (10e) |
| € 16.70 | € 550.2mn | € 12.00 | € 19.00 | 26.80 | 5.60x | 1.31x |

| HDFS (HDF GA / HDFr.AT) | | Retail | FTSE 40 | TP: - | VIEW: NR | |
|-------------------------|------------|----------|----------|---------|-----------|------------|
| Price | Market Cap | L (52wk) | H (52wk) | Ytd (%) | P/E (10e) | P/BV (10e) |
| € 5.00 | € 263.4mn | € 4.29 | € 7.50 | -18.30 | 5.95x | 1.94x |

Folli-Follie, HDFS, Elmec The BoDs proposed to the General meetings the merger by absorption from HDFS of Folli-Follie and Elmec. Currently Folli-Follie participates in HDFS with 56.78% and HDFS in Elmec with 95.6%. The resultant company share capital will amount to €18,176,463 of 60,588,210 shares of €0.30 each. Shareholders of FF will exchange 1 share with 1.5355 shares of the new company participating with 83.5%, minority shareholders of HDFS will exchange 1 share for 0.4325 participating with 16.25% and minority shareholders of Elmec will exchange 1 for 0.0621 shares participating by 0.25%. The company to occur will use the brand names of the merged companies under the name **Folli Follie Group**.

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Share Price

All financial data calculated, are based on the closing price of the previous day, unless otherwise stated.

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Companies Mentioned in the Report

| Company | BBG-RIC Code | Price | Date | View | Disclosures |
|----------------|-----------------------|---------|------------|------|-------------|
| Folli Follie | FOLLI GA / FOLr.AT | € 16.70 | 24.06.2010 | UR | - |
| National Bank | ETE GA / NBGr.AT | € 9.26 | 24.06.2010 | O | - |
| Titan Cement | TITK GA / TTNr.AT | € 14.70 | 24.06.2010 | UR | - |
| Bank of Cyprus | BOC GA / BOCr.AT | € 3.41 | 24.06.2010 | NR | - |
| Ellaktor | ELLAKTOR GA / HELr.AT | € 3.05 | 24.06.2010 | NR | - |

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- 11 i ATE Securities SA has sent this report to the company prior to publication for factual verification
- ii ATE Securities SA has altered the contents of the report sent initially, on the following issues:

NO ALTERATION

EQUITY RATING SYSTEM

As of Aug.1 2006, ATE Securities SA has adopted a new rating system. Under the old rating system, ratings and definitions were: Buy, when the estimated valuation fair value exceed current market price by 20% or more, Sell, when the current market price exceed the estimated valuation fair value by 20% or more and Hold, when the estimated valuation fair value falls between the two above range points.

ATE Securities SA - Universe

ATE Securities SA Universe has a universe focused mainly on large capitalisation stocks that represents approx. 76% of ATHEX Market Cap.

Guide to Investment Research Rating System

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Quantitative factors are updated at least quarterly or when deemed necessary.

Investment Rating

The five different categories are indicative of expectations of stock return. Stock return includes price appreciation over the next 6-12 months. In specific:

| VIEW | Prefix | Definition |
|--------------------|-----------|--|
| Overweight | O | Stock Return > +9% |
| Neutral | N | Stock Return in the range [-9%, +9%] |
| Underweight | U | Stock Return < -9% |
| Not Rated | NR | The company is not covered by ATE Securities SA Research & Analysis Department |
| Under Review | UR | Rating not currently available |
| Restricted | R | ATE Securities SA policy and/or law prohibits investment recommendation |
| Rating Suspended | RS | There is no sufficient fundamental basis for determining an investment rating or target. |
| Coverage Suspended | CS | We have suspended coverage on this company |

Risk Rating

Risk is measured by a 2-factor equally-weighted model, which takes into account (i) Stock Volatility and (ii) Liquidity

| Risk Factor | Definition | Quantification ⁽¹⁾ |
|------------------|---|-------------------------------|
| Stock Volatility | The stocks' standard deviation annualized (log scale) | Bottom 25% percentile |
| | | Medium 25% percentile |
| | | Top 50% percentile |
| Liquidity | Net Shares traded as % of total shares over a 12-month period | Top 20% percentile |
| | | Medium 40% percentile |
| | | Bottom 40% percentile |

(1) percentiles of ATE Securities SA Universe

Source: Athens Stock Exchange, Bloomberg, Effect Finance Database

We use a scale of 1 to 3 to describe Low, Medium, High risk respectively, also taking into account qualitative factors.

When a rating is applied on an IPO, the scale 3 - "High Risk" is applied for a 12-month period.

Income Rating

An Income Rating is produced, based on the forecasted dividend yield for a 12-month period. This is then compared with the YtM of the 10-yr Greek Government bond, as shown below:

| Income Measure | Definition | Quantification |
|-------------------|---|--|
| Equity Div. Yield | Relative performance w.r.t. the 10-yr Greek Government bond | More than 50bps |
| | | Within the range [-50bps, +50bps] |
| | | Less than 50bps |
| | | No dividend |
| | | <i>High Div. Yelder</i> <i>Medium Div. Yelder</i> <i>Low Div. Yelder</i> <i>No Cash div. Yelder</i> |

We use a scale of 1 to 4 to describe Low, Medium, High and No Div. income rating respectively.

ATE Securities SA Ratings Distribution

| Ratings Distribution | Total | Overweight | Neutral | Underweight | Not Rated | Under Review | Restricted | Rating Suspended | Coverage Suspended |
|--|-------|------------|---------|-------------|-----------|--------------|------------|------------------|--------------------|
| Equity Universe | 25 | 5 (20%) | 3 (12%) | 0 (0%) | 14 (56%) | 2 (8%) | 1 (4%) | - | - |
| Inv est. Banking Services (per category) | 0 | - | - | - | - | - | - | - | - |

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