

## Annex – Selected stocks, CEE Equity strategy Q2 2009

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Stocks Erste Group analysts consider being in an excellent position for the current environment post low capital intensity, high internal financing capacity and a net cash position reflected in a negative gearing ratio. Most of these stocks can be found in the Technology, Healthcare and Oil & Gas sectors, as can be seen in the table below.

Name	Sector	CE / Sales 2009 - 2011	ROCE 2009 - 2011	Gearing 2008	12M (%)
Eurocash	RETAIL	3.2%	46.2%	-0.9%	-27.5
Andritz	INDUSTRIAL GOODS & SERVICES	25.8%	15.6%	-29.9%	-33.4
Philip Morris CR	PERSONAL & HOUSEHOLD GOODS	34.6%	73.6%	-54.2%	-20.5
ComArch	TECHNOLOGY	48.7%	18.8%	-32.9%	-50.6
Kapsch TrafficCom	TECHNOLOGY	49.5%	30.1%	-17.5%	-53.5
Ericsson Nikola Tesla	TECHNOLOGY	53.8%	22.0%	-10.0%	-53.4
T-Hrvatski Telekom	TELECOMMUNICATIONS	82.6%	28.7%	-43.7%	-32.7
SNP Petrom	OIL & GAS	94.1%	17.7%	-9.0%	-63.1
Telefonica O2 CR	TELECOMMUNICATIONS	118.8%	17.1%	-1.2%	-20.2
Intercell	HEALTH CARE	125.3%	14.7%	-45.9%	-11.6
<b>Median</b>		<b>51.7%</b>	<b>20.4%</b>	<b>-23.7%</b>	<b>-33.1</b>

Source: Erste Group Research

Unless the picture of the financial sector changes, Erste Group analysts believe that capital-intensive business models will continue to underperform. Having said that, it is also clear that, as soon as the picture brightens with regard to financing conditions, capital-intensive stocks will be the best places to look for outperformers. They estimate that these stocks could be the outperformers once financing conditions brighten.

The tables show that the capital-intensive group (-60.1%) showed a significantly weaker share price performance over the last 12 months compared to the least capital-intensive stocks in our universe (-37%). Only Telekom Austria stands out in the group of stocks that are quite highly indebted and capital-intensive, showing a quite strong performance, losing just 21.4%. This reflects the expected stable cash flow pattern.

Name	Sector	CE / Sales 2009 - 2011	ROCE 2009 - 2011	Gearing 2008	12M (%)
Vienna Int. Airport	TRAVEL & LEISURE	281.4%	5.7%	69.0%	-70.8
Wienberger	CONSTRUCTION & MATERIAL	186.4%	3.2%	39.3%	-82.7
EVN	UTILITIES	181.5%	5.8%	34.8%	-46.7
Telekom Slovenje	TELECOMMUNICATIONS	174.2%	7.7%	37.3%	-45.4
TVN	MEDIA	153.2%	14.0%	56.6%	-60.1
CEDC	FOOD & BEVERAGE	133.8%	6.8%	74.4%	-80.3
Cersanit	CONSTRUCTION & MATERIAL	133.4%	8.4%	60.5%	-60.1
Telekom Austria	TELECOMMUNICATIONS	125.6%	9.4%	202.1%	-21.4
Ceramika Nowa Gala	CONSTRUCTION & MATERIAL	116.1%	9.7%	30.4%	-46.5
voestalpine	BASIC RESOURCES	81.7%	9.3%	96.7%	-76.7
<b>Median</b>		<b>143.5%</b>	<b>8.1%</b>	<b>58.5%</b>	<b>-60.1</b>

Source: Erste Group Research

### Erste Group Asset-Allokation Q2 2009

Cash	Overweight
Bonds	Underweight
Stocks	Neutral

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