

22 June 2010

UPDATE REPORT

Stock rating: Outperform

Current Price: €9.07

New 12M Target price: €14.7

Previous 12M Target price: €14.4

METKA**Excellent visibility and strong earnings momentum offered at an attractive valuation**

We reiterate our Outperform rating whilst slightly increasing our DCF-derived target price on Metka from €14.4 to €14.7/share as we revise our operating margins estimates upwards for '10-'11. We maintain Metka in our top picks list highlighting the following investment themes:

- Based on current **backlog** and information related to potential projects, we anticipate significant growth in both sales and profits as of FY'10. Backlog remains at record-high levels of c. €1.95bn, or 3.5x FY'10e sales (all signed contracts), as a result of significant project intake during the last year.
- Metka has managed to build a quite diversified **project portfolio** characterized by negligible exposure to PPC and a small dependence on domestic projects. The company is increasingly oriented to international markets.
- Project assignments in Pakistan, Romania, Syria and Turkey provide strong evidence that Metka can successfully participate in **international tenders** and win new contracts. We also point out the significant opportunities in various emerging markets (e.g. Turkey and Syria), where there is substantial demand for new power generation capacity.
- Metka boasts very low **leverage** and a €21.6m net cash position at yr-end 2009 in addition to high operating margins and economic returns, very low capex needs and decent dividend yield.
- Based on our estimates, Metka should post an **EPS CAGR** ('09-'12) of 22.7%.
- Attractive **valuation** at current levels. The stock currently trades near record lows (in terms of both historical P/E and EV/EBITDA) and at a significant discount to its indicative peers despite its superior operating margins.

The key risk we identify for Metka is the smooth **execution of the projects overseas** (mainly in Turkey and Syria), which would translate into the implementation of these projects on schedule and within budget.

Metka shares have outperformed the index by 27.9% y-t-d and 59.6% since the inclusion in our Top Picks list on August 12th 2009.

Stock Data

52 week low / high	7.41 - 11.77
Market cap in € m	471.2
Reuters / Bloomberg	MTKr.AT/ METTK
Free float (e)	GA
Institutional ownership (e)	42.6%
	31.8%

Expected return

Upside to price target	61.9%
Dividend yield estimate	4.1%
Total return forecast	66.0%

Trading Data

Absolute	3m	-14%
->>-	12m	12%
Relative to ATG	3m	9%
->>-	12m	56%
3m avg. daily trading vol. in €m		0.3
Weight in ATG		1%

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Key financials	2007	2008	2009	2010E	2011E
Turnover (€ m)	284.2	381.5	339.4	550.4	665.2
EBITDA (€ m)	57.2	66.8	60.6	94.4	108.6
Net Income (€m)	36.8	41.4	35.2	56.1	64.1
reported EPS (€)	0.71	0.80	0.68	1.08	1.23
EPS chng (%)	-9.4%	12.6%	-14.9%	59.1%	14.3%
rep. P/E (x)	21.8	8.3	14.4	8.4	7.4
EV/EBITDA (x)	14.0	5.3	8.3	5.3	4.6
EV/Sales (x)	2.8	0.9	1.5	0.9	0.7
DPS (€)	0.50	0.40	0.20	0.35	0.39
Dividend Yield (%)	3.2%	6.0%	2.0%	3.8%	4.4%

Source: Metka, National Securities estimates

Please refer to important disclaimer on last page

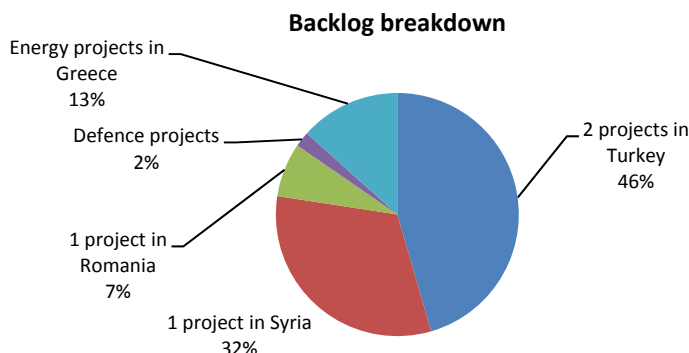


NATIONAL SECURITIES

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Overview - Key business aspects

Backlog breakdown:
€1.95bn provides excellent top line visibility

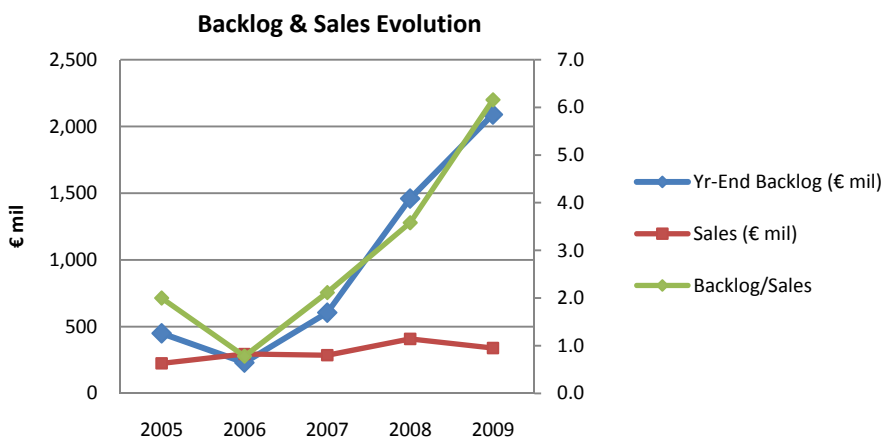


Source: National Securities

According to our estimates, Metka's current backlog amounts to c.€1.95bn and consists of 4 energy projects abroad (in Turkey, Syria and Romania), 3 energy projects in Greece (on behalf of Mytilineos Group and PPC) and 2 small defence projects. Our comments on Metka's backlog are:

- Work-in-hand is close to record-high levels and provides excellent top line visibility for the coming 3 years (5.7x and 3.5x FY'09 and FY'10e Sales respectively).
- Metka's current orderbook consists of signed contracts. There is therefore less probability of project cancellation in the future. The projects' clients outside of Greece are either established utilities (OMV Group and RWE in Turkey) or States (the Syrian government in the case of the 700MW CCGT plant in Syria), which implies almost secured funding in most cases.
- It is a well-diversified project portfolio with over 80% of the work-in-hand outside of Greece. We also highlight that Metka's exposure to PPC projects is only 5%, significantly reduced compared to its heavy dependence on PPC in the past.
- The project assignments in Turkey, Syria, Romania and Pakistan prove that Metka can successfully participate in international tenders winning new projects in different countries. In our view, the company has built the track record and the expertise needed to win new energy projects abroad.

Backlog & Backlog/Sales Evolution (2005-2009)



Source: National Securities

As shown in the previous graph, Metka's top line has not followed the company's remarkable backlog accumulation evidenced during the last three years. As a result, the Backlog/Sales ratio has increased significantly, which in turn implies a material sales growth from 2010 onwards.

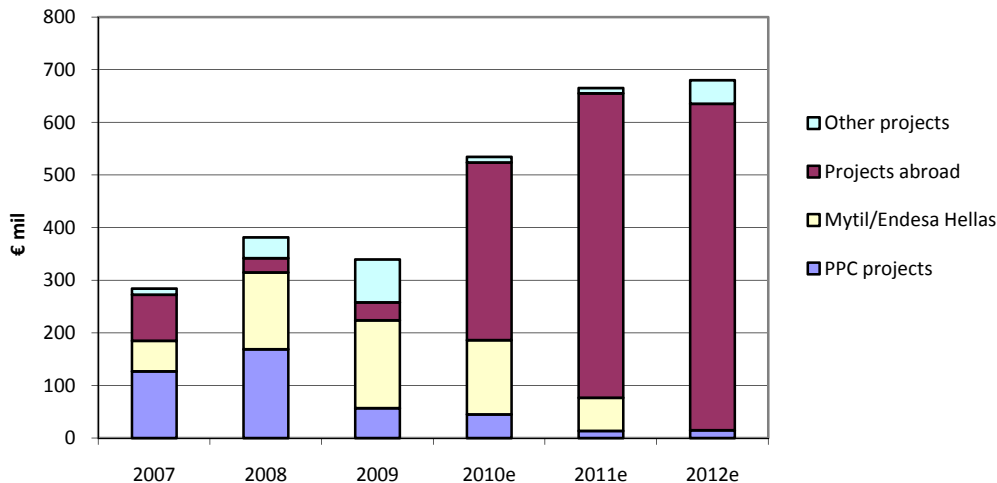
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Our estimates going forward

Sales: Completely new picture as of 2010

We anticipate a sharp increase in Metka's Sales as of 2010 with the construction commencement of the following energy projects: (a) 870MW unit on behalf of OMV in Turkey, (b) 775MW plant on behalf of RWE in Turkey and (c) 700MW power unit in Syria.

Sales Breakdown (2007-2012e)

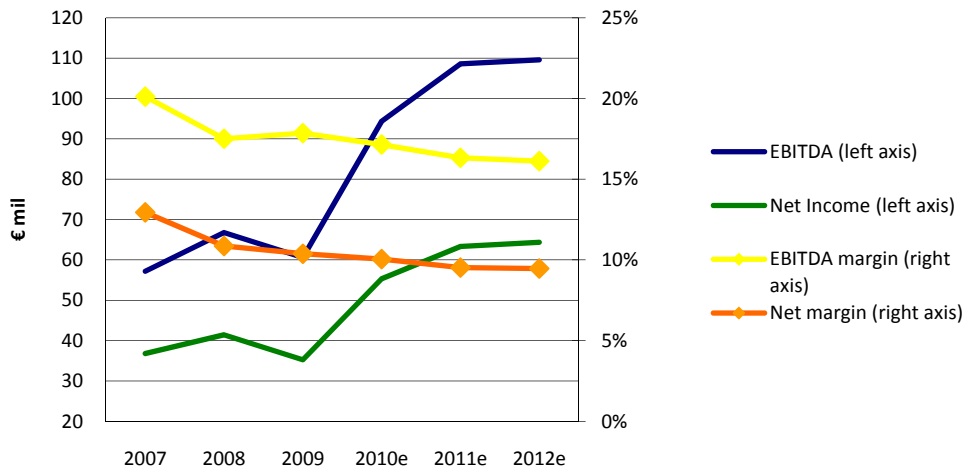


Source: National Securities

Increased profits & slightly lower margins going forward

Apart from the significant improvement in Metka's operating and net profits, we also anticipate a gradual margin compression to more sustainable levels (c.16% in the case of EBITDA margin, in our view) in the medium to longer term. This is mainly attributed to the: (a) lower contribution of defence projects in the company's revenues going forward and (b) the anticipated intensified competition in the years to come.

Profits & Margins (2007-2012e)



Source: National Securities

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Changes in Estimates

We make the following adjustments in our Sales, EBITDA and Net Income projections for '10-'11:

Key figures	2010e	2011e
New Revenues	550.4	665.2
Old Revenues	622.4	699.4
% variance	-11.6%	-4.9%
New EBITDA	94.4	108.6
Old EBITDA	95.2	106.3
% variance	-0.9%	2.2%
New EBITDA margin	17.1%	16.3%
Old EBITDA margin	15.3%	15.2%
New Net Income	56.1	64.1
Old Net Income	58.7	65.6
% variance	-4.5%	-2.3%
New Target Price	14.7	
Old Target Price	14.4	
% variance	2.2%	

Source: National Securities

We revise our FY'10 Sales estimates downwards mainly to account for delays in the Syrian project's construction commencement. We now expect that only the 10% upfront payment for the construction will be invoiced this year but anticipate a gradual acceleration of works and payments in 2011-2012. According to our estimates, 36% of FY'10 turnover will be generated by Metka's two projects in Turkey. On the other hand, we increase our operating margin projections (by 185bps and 113bps in FY'10 and FY'11 respectively) to reflect the quite resilient margins evidenced in FY'09 and Q1'10. Regarding Metka's bottom line profitability, we incorporate in our model our estimated "social responsibility tax" imposed by the government in 2010-2012. The actual figure for FY'10 will amount to €4m.

Valuation

We increase our cost of equity to 9.9%, vs. 9.5% previously, which breaks down into a risk free rate of 5.2% (unchanged) and a risk premium of 4.7% (vs. 4.3% before). Our beta estimate is 0.85 (higher compared to Bloomberg data) that leads to a WACC of 9.3%. We also maintain our long term rate of EBIT growth at 1.3% thereby taking a quite conservative stance in the long term.

We also note that our target price reflects P/Es of 13.6x and 11.9x our FY'10 and FY'11 projected EPS, which implies 4.2% and 2.1% premium to its peers. In our view, these small premiums are perfectly justified taking into account Metka's superior operating margins (*please also refer to our analysis on page 5*). We also highlight that our TP-derived 11.9x P/E for FY'11 is still 7% below Metka's 10-year historical forward P/E of 12.8x.

DCF valuation

	2011e	2012e	2013e	2014e	2015e	2016e	2017e	2018e	2019e	2020e	Term. Value
EBIT	103.3	103.8	105.1	106.5	107.9	109.3	110.7	112.1	113.6	115.1	116.5
Less: Tax	34.1	33.5	26.3	26.6	27.0	27.3	27.7	28.0	28.4	28.8	29.1
After tax EBIT	69.2	70.3	78.8	79.9	80.9	81.9	83.0	84.1	85.2	86.3	87.4
Less: WC additions	42.0	5.4	5.1	5.4	5.7	6.1	6.5	7.0	7.5	8.1	0.0
Plus: depreciation	5.3	5.8	5.9	5.9	6.0	6.0	6.1	6.2	6.2	6.3	0.0
Less: Cap ex	5.0	5.0	5.1	5.1	5.2	5.2	5.3	5.3	5.4	5.4	0.0
Free Cash Flow	27.5	65.7	74.5	75.3	76.0	76.7	77.3	77.9	78.5	79.0	87.4

WACC	9.3%
PV of Cash Flows	430.6
Terminal Value	386.4
Firm Value	817.0
Net Debt	12.8
Minority rights	39.5
Equity Value	764.6
Value per share	14.72

Source: National Securities

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Peer Group analysis

Company	P/E '10e	P/E '11e	EV/EBITDA '10e	EV/EBITDA '11e	EBITDA margin '09
Alstom SA	10.9 x	10.6 x	6.0 x	5.7 x	10.6%
Foster Wheeler Ltd.	11.3 x	9.8 x	5.6 x	4.3 x	10.0%
Technip SA	15.4 x	13.7 x	5.6 x	4.9 x	14.0%
Siemens AG	14.7 x	13.2 x	8.3 x	7.4 x	12.0%
Andritz Ag	18.2 x	15.9 x	7.0 x	6.2 x	6.8%
Finmeccanica SpA	8.0 x	6.9 x	4.0 x	3.8 x	11.8%
Peer group average	13.1 x	11.7 x	6.1 x	5.4 x	10.9%
Metka (National Sec)	8.4 x	7.4 x	5.3 x	4.6 x	17.9%
(Discount)/Premium	-35.8%	-37.1%	-13.1%	-15.3%	64.6%

Source: Factset, National Sec

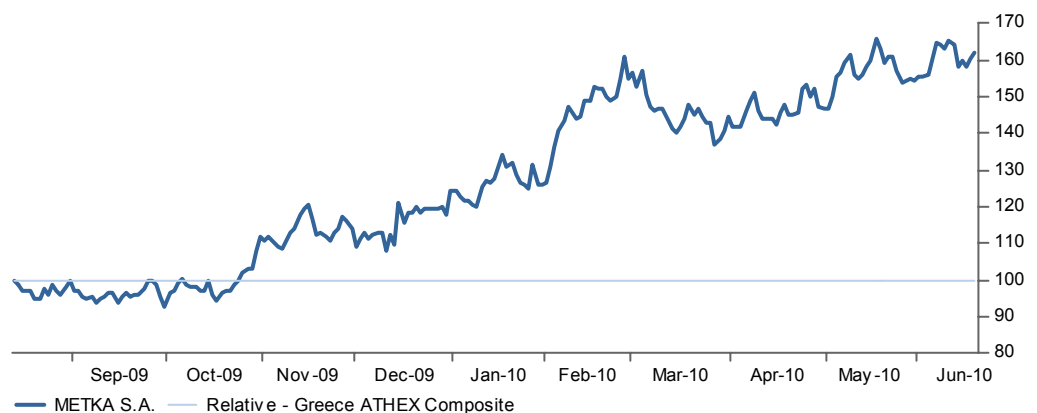
We highlight that the aforementioned companies are not directly comparable to Metka as they are active in various sectors some of which are quite different when compared to Metka's EPC business. This is also evident from the discrepancies in the companies' operating margins. In our analysis, we include a brief presentation of these companies' main activities.

- **Alstom:** Power generation & rail transportation accounted for 70.7% and 29.3% of the Group's FY'09 Sales respectively.
- **Foster Wheeler:** A leading international engineering, construction and project management contractor and power equipment supplier. The Company operates through two business groups: (a) The Global Engineering and Construction (E&C) Group that designs, engineers and construct facilities and related infrastructure for upstream oil and gas processing, LNG, oil refining, chemicals, pharmaceuticals, power generation and distribution, (b) designing and manufacturing steam generating and auxiliary equipment for electric power generating stations.
- **Technip:** A world leader in engineering, technologies and project management for the oil and gas industry.
- **Andritz:** A global market leader for customized plant, systems and services for hydropower, pulp and paper, steel and other specialized industries (solid/liquid separation, feed and biofuel). Key business areas: (a) Hydro, (b) Pulp and Paper, (c) Metals, (d) Environment, (e) Feed and biofuel.
- **Finmeccanica:** FY'09 Sales breakdown: (a) Defence systems & electronics: 43%, (b) Helicopters: 19%, (c) Aeronautics & Space: 19%, (d) Energy: 9%, (e) Transportation: 10%.

Having taken into account the aforementioned information, we point out that the presented "peer group" table should be viewed as a rough indicator of Metka's relative valuation. Key takeaway from the shown metrics is that Metka currently trades at a discount, which is significant in terms of the P/E ratio, despite its superior operating margins.

Metka vs. Athex Index:
60% outperformance since the inclusion in our Top Picks list

Relative Price to Greece ATHEX Composite as of 12 Aug 09

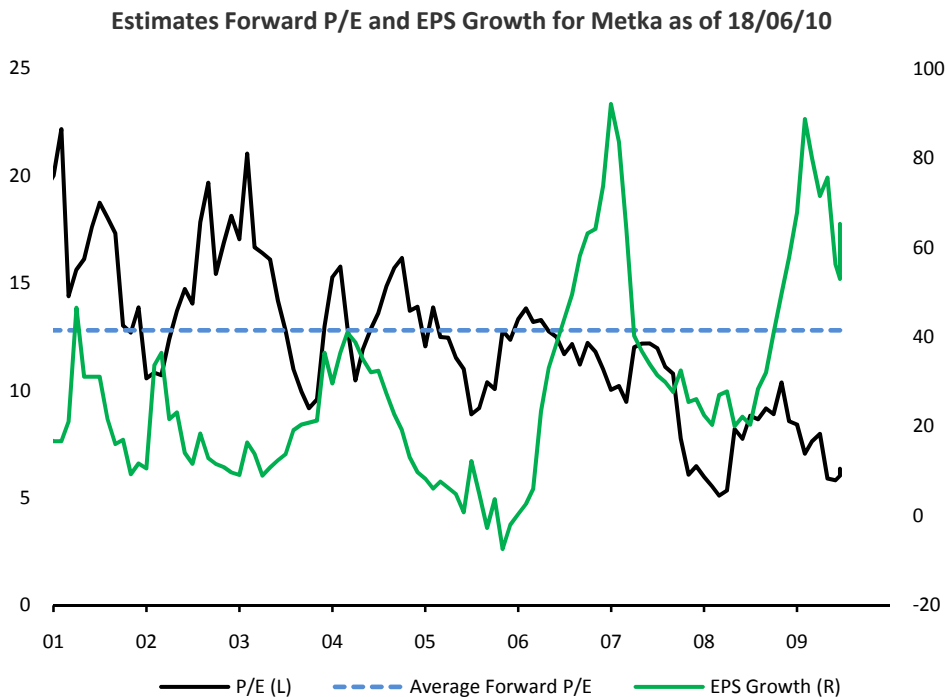


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Historical Multiples

METKA 12M Forward P/E & EPS Growth:

Significant discount vs. historical P/E despite double EPS growth

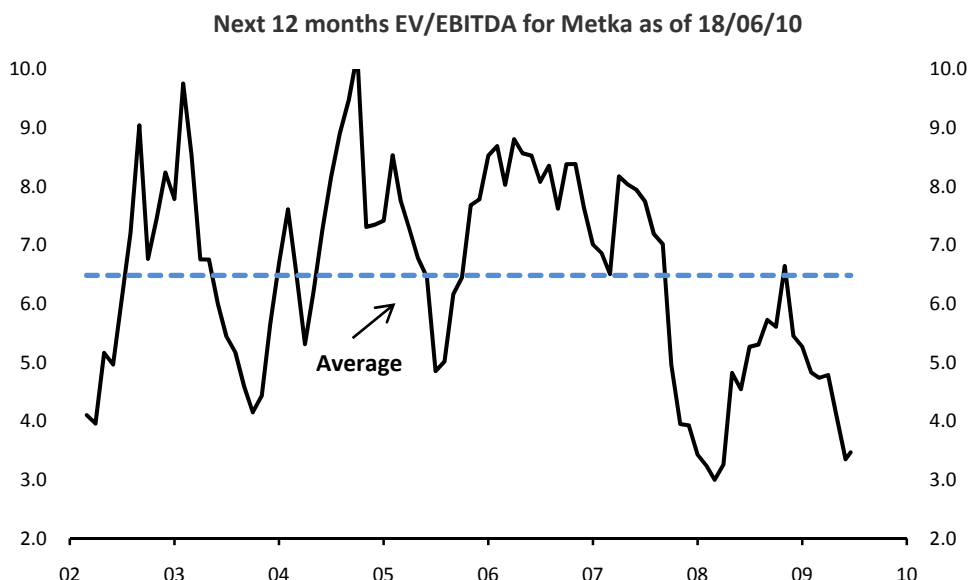


Source: Factset

Key observations/comments from the previous graph are:

- Metka is trading at 50% and 39% discount vs. its 10-year and 5-year historical forward P/E multiples.
- Metka's current EPS growth consensus estimate is almost double its historical EPS growth.

METKA 12M Forward EV/EBITDA:
Trading close to record lows



Source: Factset

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Developments in 2010

05/01/10

New defence projects worth \$51.6m

Metka announced the sign-up of two contracts worth \$51.6m. Both projects refer to the construction of semi-trailers and launcher mechanics for the Patriot surface-to-air missile systems on behalf of the US Raytheon and Greek Intracom Defence Electronics. The defence systems will be sold to the UAE and Taiwan governments.

As mentioned in previous notes/reports, this is a positive development for Metka as defence contracts offer significantly higher margins compared to energy projects. Although quite small (accounting for c.2% of Metka's total backlog), these projects will help the company maintain quite high operating margins in the medium term. The new projects also reaffirm Metka's competitiveness not only in energy tenders but also in defence projects.

11/01/10

Sale of the Megalopolis PPC project to Terna - overall positive

Metka announced the sale of 100% of the shares of wholly-owned subsidiary ETADE for a price of €42.5m to Terna. ETADE holds a 90% stake in the consortium for construction of the PPC Megalopolis V CCGT project, budgeted at €500m. Metka also holds a 10% stake in the same consortium, and will continue to do so, while it also retains its right to participate at 100% in the 6-year maintenance contract for the project, budgeted at c.€94m and scheduled to be signed by PPC at the latest by 15/7/2010.

In our view, this is a positive development for Metka as:

- It will significantly boost the company's FY'10 profits with €32.4m booked in 2010.
- It will avoid the anticipated margin erosion (estimated at nearly 10%) attributed to the "€500m highest acceptable construction cost" condition set by PPC. Recall that the project's final budget was c.10% lower than the initial offers.
- It eliminates the risk of likely delays in the implementation of the project (as in the case of the PPC Aliveri CCGT plant) that would put the proper execution of Metka's remaining projects at risk.

05/02/10

New energy project in Turkey

Metka and its wholly owned Turkish subsidiary Power Projects, on behalf of Borasco (a subsidiary of OMV), announced the signing up of a second EPC contract in Turkey. We remind that the company has already signed an EPC contract for the construction of a 775MW power plant of €450m budget in Turkey. The contract's key characteristics are:

- Total budget for Metka Group: c.€470m, that breaks down into: a) €199.9m+\$172.3m for Metka S.A, b) €142.4m+\$10.8m for Power Projects.
- Scope: The contract comprises the supply of the majority of equipment and construction works for an 870MW natural gas fired power plant, consisting of two (2) single shaft units provided by GE.
- Construction period: 28.5 months.

Metka will not take any FX risk concerning the project as it will be invoicing c.28% of the contract's total value in USD (\$). It's also worth mentioning that Metka is further reducing its exposure to the Greek market, thereby reaching a level of very low dependency on PPC and the Mytilineos Group.

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Investment Positives

- The company continues to deliver solid numbers proving its **resilience** despite the unfavourable economic conditions. We expect **sales and profits growth** of c.60% in FY'10.
 - **Backlog** is close to record high levels reaching c. €1.95bn in March 2010 (or 3.5x FY'10 sales, all signed contracts). Current work-in-hand implies limited downside risk to our updated sales estimates.
 - Sharp reduction of its **dependence on PPC**. Metka has managed to build a quite diversified project portfolio characterized by negligible exposure to PPC projects, with overseas contracts representing over 80% of the company's current backlog.
 - Project assignments in **Pakistan, Romania, Syria and Turkey** provide strong evidence that Metka can successfully participate in international tenders and win new contracts. In our view, Metka is well positioned in regional emerging markets.
 - Negligible **leverage** (net cash position at year-end 2009 and €11.8m net debt in Q1'10).
 - High **operating margins** and **economic returns**, very **low capex** needs (c.2% of annual sales) and decent **dividend yield** - capital return may increase the stock's dividend yield substantially, which is what happened in 2005 when Metka offered 18.3% yield as a result of a €1.35/share capital return.
 - Attractive **valuation** at current levels. Our projections imply an EPS CAGR '09-'12 of 22.7%.
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Risks

- Risks associated with the smooth **implementation of projects** abroad, mainly those in Turkey and Syria.
 - Smooth **financing** of the projects and securing of the needed letters of credit from banks.
 - Volatility in the Group's **working capital** needs along with its increasing turnover.
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Catalysts

- Potential assignment of a **second project in Syria** (700MW CCGT plant). In our view, this is likely to take place by year-end 2010 or early 2011.
- Participation, jointly with Alstom, in the tender for PPC's 550-660MW **lignite plant in Ptolemaida** budgeted at c. €1.2bn. PPC's BoD approved tender documents on 14/4/2010 and the deadline for the submission of offers is set at 1/9/2010. According to PPC, the unit is expected to become operational by 2017.
- The evolution of Metka's **profit margins** in the medium term, as the expansion into new markets and a potential increase in competition could impact margins on the downside.
- **Tendering of new energy projects** in: (a) various emerging markets (e.g. Ukraine, Turkey, Syria and Egypt) where there is a huge need for new electricity generation capacity and (b) selective Western Europe countries (e.g. Ireland, Netherlands and Belgium).
- A potential **capital return** in 2011. Such a scenario is not included in our estimates.

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METKA's consolidated accounts

<i>in € mil</i>	2004	2005	2006	2007	2008	2009	2010e	2011e	2012e
BALANCE SHEET									
Net total assets	80.8	79.0	74.2	72.4	65.9	62.5	61.0	60.7	59.9
Goodwill	0.0	1.8	1.8	7.9	7.9	8.0	8.0	8.0	8.0
Other L/T receivables	3.3	2.2	2.0	0.8	2.2	3.3	10.0	10.0	10.0
Current Assets	156.0	176.1	146.1	270.9	257.0	404.1	604.2	730.1	778.8
Accounts receivable	129.3	123.9	114.3	218.0	222.3	359.3	582.7	704.3	719.9
Inventories	13.2	30.3	23.1	21.8	15.3	12.8	20.7	25.0	25.6
Cash	9.2	19.8	5.0	27.3	17.7	31.3	0.0	0.0	32.6
TOTAL ASSETS	253.7	266.6	225.8	353.5	335.0	482.8	686.5	812.1	860.0
Net debt position	-13.5	-21.1	-6.5	-12.8	-8.0	-21.6	12.8	7.6	-33.3
Shareholders' equity	130.9	86.0	111.0	127.1	142.5	157.0	202.7	248.8	293.5
Minority interest on share capital	13.5	14.7	11.7	12.2	15.5	16.3	17.0	17.8	18.6
Long-term liabilities	44.1	35.9	27.6	35.6	65.6	18.4	18.4	18.4	18.4
Short-term liabilities	65.2	130.1	75.4	178.6	111.3	291.1	448.5	527.1	529.5
Accounts payable	51.2	102.5	58.9	132.5	83.8	247.9	402.1	486.0	496.7
Current tax liabilities	3.2	13.1	6.4	20.7	10.9	29.1	29.1	29.1	29.1
Bank debt	0.0	0.8	2.2	18.3	11.4	10.4	13.6	8.3	0.0
Other S/T liabilities	10.8	13.8	7.9	7.2	5.2	3.7	3.7	3.7	3.7
TOTAL EQUITY & LIABILITIES	253.7	266.6	225.8	353.5	335.0	482.8	686.5	812.1	860.0
RATIO ANALYSIS									
Liquidity: Current ratio	2.39	1.35	1.94	1.52	2.31	1.39	1.35	1.39	1.47
Acid ratio	2.19	1.12	1.63	1.39	2.17	1.34	1.30	1.34	1.42
Financial Structure: Total Liabilities/Equity	0.84	1.27	1.37	1.33	1.45	1.62	2.16	2.24	2.02
Fixed/total assets	0.32	0.31	0.31	0.25	0.20	0.16	0.11	0.08	0.07
Profitability: Return on total assets	8%	14%	17%	13%	12%	9%	10%	9%	8%
Return on Equity	15%	37%	33%	28%	28%	21%	29%	26%	23%
Return on Invested Capital	16%	41%	36%	30%	32%	24%	31%	29%	25%
CASH FLOW									
Profit after tax before minorities	21.3	38.7	40.8	37.3	44.8	37.0	56.8	64.9	66.0
Plus: Depreciation & amortization	4.8	4.7	5.0	5.0	5.3	4.8	5.0	5.3	5.8
Plus: Chng in provisions & non cash items	-1.8	-3.0	0.7	-0.3	-0.3	-0.5	-0.5	-0.5	-0.5
Plus: Interest expenses	-0.5	-0.7	0.3	-0.9	-2.3	0.1	5.3	5.3	5.3
Plus: Chng in taxes payable	0.8	3.1	-6.6	6.2	-9.7	18.2	0.0	0.0	0.0
Gross cash flow	24.5	42.8	40.2	47.3	37.7	59.5	66.5	75.0	76.5
Working capital chng	37.2	-35.0	39.1	4.4	13.3	16.0	77.2	42.0	5.4
Operating cash flow	-12.7	77.8	1.1	42.9	24.4	43.6	-10.6	33.0	71.2
Less: Purchases of fixed assets	8.0	4.0	3.8	2.5	1.8	2.5	3.5	5.0	5.0
Free cash flow	-20.7	69.6	-2.6	32.4	22.6	41.0	-14.1	28.0	66.2
PROFIT & LOSS									
Sales	173.7	225.0	294.1	284.2	381.5	339.4	550.4	665.2	679.9
% chng	n.a	29.5%	30.8%	-3.4%	34.2%	-11.0%	62.2%	20.9%	2.2%
COGS & SG&A	140.0	171.7	233.3	227.1	314.7	278.8	456.1	556.6	570.4
EBITDA	33.7	53.2	60.8	57.2	66.8	60.6	94.4	108.6	109.6
% chng	n.a	58.0%	14.3%	-6.0%	16.8%	-9.3%	55.7%	15.1%	0.9%
EBITDA margin	19.4%	23.7%	20.7%	20.1%	17.5%	17.9%	17.1%	16.3%	16.1%
Depreciation / Amortization	4.4	4.7	5.0	5.0	5.2	4.8	5.0	5.3	5.8
Operating profit (EBIT)	29.3	48.6	55.9	52.2	61.5	55.8	89.4	103.3	103.8
% chng	n.a	66.0%	15.0%	-6.6%	17.9%	-9.3%	60.2%	15.6%	0.4%
EBIT margin	16.8%	21.6%	19.0%	18.4%	16.1%	16.4%	16.2%	15.5%	15.3%
Financial Results (gain/loss)	0.0	4.1	-1.0	-1.7	-3.6	-1.2	-3.6	-4.3	-4.3
Pre-tax profit	29.3	52.7	54.9	50.5	58.0	54.6	85.8	99.0	99.5
% chng	n.a	79.8%	4.2%	-8.0%	14.9%	-5.9%	57.1%	15.4%	0.5%
Income tax	8.0	14.0	14.4	13.2	13.2	17.6	29.0	34.1	33.5
% effective tax rate	27.3%	26.5%	26.3%	26.1%	22.8%	32.2%	33.8%	34.4%	33.7%
Minority stake in profits	1.5	1.3	0.1	0.5	3.4	1.8	0.7	0.8	0.8
Net income	19.8	37.4	40.6	36.8	41.4	35.2	56.1	64.1	65.2
% chng	n.a	89.2%	8.7%	-9.4%	12.6%	-14.9%	59.1%	14.3%	1.6%
Net profit margin	11.4%	16.6%	13.8%	12.9%	10.9%	10.4%	10.2%	9.6%	9.6%
EPS	0.38	0.72	0.78	0.71	0.80	0.68	1.08	1.23	1.25
EPS chng	n.a	0.89	0.09	-0.09	0.13	-14.9%	59.1%	14.3%	1.6%
Dividends	10.4	15.6	20.8	26.0	20.8	10.4	17.9	20.5	20.9
Dividend policy: Payout Ratio	52.6%	41.7%	51.1%	70.6%	50.2%	29.5%	32.0%	32.0%	32.0%
DPS	0.20	0.30	0.40	0.50	0.40	0.20	0.35	0.39	0.40
% chng	n.a	50.0%	33.3%	25.0%	-20.0%	-50.0%	72.7%	14.3%	1.6%
DPS + Capital return	0.20	1.65	0.40	0.50	0.40	0.20	0.35	0.39	0.42
Retained profit and reserves	6.3	-43.1	25.1	16.0	15.5	14.5	45.7	46.2	44.6
BVPS	2.52	1.66	2.14	2.45	2.74	3.02	3.90	4.79	5.65
Market Cap	275.3	468.6	529.9	801.1	343.9	507.0	471.2	471.2	471.2
End-year number of common shares	51,950,600	51,950,600	51,950,600	51,950,600	51,950,600	51,950,600	51,950,600	51,950,600	51,950,600
End-year/current stock price of common	5.30	9.02	10.20	15.42	6.62	9.76	9.07	9.07	9.07
% chng of stock price	18.8%	70.2%	13.1%	51.2%	-57.1%	47.4%	-7.1%	0.0%	0.0%
General Index	2,786.18	3,663.90	4,394.13	5,178.83	1,786.51	2,196.2	1,595.2	1,595.2	1,595.2
GI Performance	23.1%	31.5%	19.9%	17.9%	-65.5%	22.9%	-27.4%	0.0%	0.0%
Out/under performance	-3.5%	29.4%	-5.7%	28.3%	24.5%	19.9%	27.9%	0.0%	0.0%

Source: Metka, National Securities estimates

22 June 2010

Disclosure Appendix

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Disclosure Checklist for Companies mentioned & other price data information

Company Name	Reuters	Rating	Price	Price date / time	Disclosure
Metka	MTKr.AT	Outperform	€9.07	21 June 2010 / Official Close	-

Source: National Securities

1. National Securities and/or its affiliate(s) has acted as manager/co-manager/adviser in the underwriting or placement of securities of this company within the past 12 months.
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Rating and target price latest history (METKA)

Date	Rating	Price	Target price
12 April 2006	Overweight	€ 9.22	€ 10.4
12 October 2006	Overweight	€ 9.04	€ 10.6
25 January 2007	Overweight	€ 10.7	€ 11.8
5 March 2007	Overweight	€ 9.74	€ 12.7
12 April 2007	Overweight	€ 13.22	€ 15.5
3 August 2007	Overweight	€ 15.94	€ 18.1
26 November 2007	Overweight	€ 16.38	€ 17.5 (adj.)
28 March 2008	Overweight	€ 13.00	€ 17.3
26 May 2008	Overweight	€ 13.52	€ 17.3
5 August 2008	Overweight	€ 12.66	€ 16.8
6 November 2008	Overweight	€ 8.50	€ 16.0
30 March 2009	Outperform	€ 6.22	€ 11.5
12 August 2009	Outperform	€ 8.20	€ 12.2
13 November 2009	Outperform	€ 11.00	€ 14.4

Source: National Securities

Risks and sensitivity:

- Execution risk in the implementation of new projects overseas.
- Potential margin erosion due to higher raw material, energy costs and increasing competition in various tenders.
- Potential competition from foreign EPC contractors in tenders for PPC projects.
- Metka's clients facing difficulties in the execution of their investment programmes.
- Changes in management fee paid to Mytilineos parent.
- Our target price and estimates are sensitive to various factors including interest rates, inflation, the local economic environment, market volatility, management continuity or other company specific events.

Ratings Distribution (Last quarter)

	Outperform	Neutral	Underperform
Greek Equity Research Coverage (46)	53%	42%	8%
% of companies in each rating category that are investment banking clients	62%	62%	14%

Source: National Securities

Definition of investment ratings

Outperform, Neutral, Underperform: Denote notional investment ratings (not recommendations) pegged to the performance of the General Index, which imply a positive, neutral and negative view respectively.

Outperform: The stock is expected to perform above the General Index.

Neutral: The stock is expected to perform in line with the General Index.

Underperform: The stock is expected to perform below the General Index.

Further information on the securities referred to herein may be obtained from National Securities and National Securities S.A. – London branch upon request.

All prices and valuation multiples are based on the closing of the market's last session prior to the issue of the report, unless stated otherwise.

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