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The definitions of terms used in the document include:

Polish Residential Developers

NII – Net interest income – interest income minus interest expense.

Net F&C – Net fee and commission income – fee and commission income minus fee and commission expense.

LLP – loan loss provisions – an expense set aside as an allowance for bad loans.

NPL – non-performing loan – loans that are in default or close to be in default.

Cost/Income – operating expenses divided by total banking revenue.

ROE – return on equity – net income (or adjusted net income) divided by the average shareholders' equity.

ROA – return on assets – net income (or adjusted net income) divided by the average assets.

EBIT – earnings before interests and tax.

EBITDA – earnings before interests, tax, depreciation and amortization.

EPS – earnings per share – the net income (or adjusted net income) divided by the number of shares outstanding.

P/E – price to earnings ratio – price divided by earnings per share.

PEG – P/E ratio divided by the annual EPS growth, usually over a certain period of time.

CAGR – compound annual growth rate.

BVPS – book value per share, the book value of the Company's equity divided by the number of shares outstanding.

P/BV – price to book value – price divided by the BVPS.

DPS – dividend per share – dividend of a given year divided by the number of shares outstanding.

DY – dividend yield – dividend of a given year divided by the current price.

DDM – dividend discount model – a fundamental method of valuation based on the assumption that the value of stock equals the sum of all discounted future dividends.

FV – Fair Value, calculated based on valuation methods outlined in the document.

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Rating	Difference between FV and price at recommendation
Buy	Above 10%
Hold	In between (and including) -10% and 10%
Sell	Below -10%

IPOPEMA Research - Distribution by rating category (April 1 – June 30, 2020)

	Number	%
Buy	23	55%
Hold	11	26%
Sell	8	19%
Total	42	100%

Rating History – Dom Development

Date	Recommendation	Fair Value	Price at recommendation	Author
08/11/2018	Under review	n.a.	PLN 67.0	n.a.
03/12/2019	BUY	PLN 106.0	PLN 95.2	Marek Szymański
04/09/2020	BUY	FV adj. to PLN 96.5 (DPS PLN 9.50)	PLN 104.5	Marek Szymański
22/09/2020	HOLD	PLN 93.0	PLN 102.0	Marek Szymański

Rating History – Atal

Date	Recommendation	Fair Value	Price at recommendation	Author
03/12/2019	BUY	PLN 43.0	PLN 36.9	Marek Szymański
22/09/2020	BUY	PLN 40.0	PLN 33.0	Marek Szymański

Rating History – Devella

Date	Recommendation	Fair Value	Price at recommendation	Author
03/12/2019	HOLD	PLN 2.50	PLN 2.50	Marek Szymański
17/09/2020	HOLD	FV adj. to PLN 2.40 (DPS PLN 0.10)	PLN 1.64	Marek Szymański
22/09/2020	BUY	PLN 2.30	PLN 1.64	Marek Szymański

Rating History – Archicom

Date	Recommendation	Fair Value	Price at recommendation	Author
03/12/2019	BUY	PLN 19.2	PLN 15.0	Marek Szymański
22/09/2020	BUY	PLN 22.5	PLN 18.7	Marek Szymański

Rating History – Lokum Deweloper

Date	Recommendation	Fair Value	Price at recommendation	Author
03/12/2019	HOLD	PLN 14.4	PLN 14.5	Marek Szymański
22/09/2020	BUY	PLN 13.4	PLN 11.4	Marek Szymański