

EQUITY NOTE: PANNERGY

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News:

On 6 and 9 February 2018, Pannergy's outstanding shares grew by a total of 593,001, as 120,000 and 473,001 option shares were called under the managerial share option programme. Pannergy's general meeting approved this programme on 28 April 2016 for the period of 2016-2019.

The purchase price was 349.02 HUF/share.

Under the programme 159,999 shares are still available for drawdown.

Comment:

Since our initiation report, the outstanding shares have grown from 17.7 million to 18.37 million (+3.8%).

Calling the remaining shares under the managerial share option programme would raise the outstanding amount to 18.53 million.

The current increase in the outstanding shares would warrant a small decrease in our target price. For now we leave it unchanged until our note that follows the annual report, due out on 23 March 2018.

Notes:

[The initiation report, which contains the assumptions of the models used, is available here.](#)

[The valuation methodology used in this present equity research note to determine our price targets and recommendations is available here. \(Also available in Hungarian\)](#)

This investment recommendation has not used proprietary models.

The risk warning, which includes the adequate explanations of the length of time of the investment to which the recommendation relates as well as a sensitivity analysis of the assumptions, is indicated in the part of this recommendation where the length of time and the risks of the investment are presented.

Any information relating to the date and time for the price mentioned in this recommendation is revealed in the part of the recommendation where the given price is indicated.

OTP Bank Plc's recommendations and price targets history for Pannergy in the past twelve months:

Date	Recommendations	Target Price	Publication
15/12/2017	BUY	HUF 1,024	Initiation of coverage
16/01/2018	BUY	HUF 1,024	Equity note

[The list of all recommendations made in the past 12 months is available here.](#)

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