



P R O M O T I N G   G O O D   R E S E A R C H

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## **PRESS RELEASE FOR AUSTRIA AND CENTRAL EUROPE YEARBOOK 2010**

### ***ERSTE GROUP PRODUCES AUSTRIA'S MOST ACCURATE RESEARCH***

**(Embargoed: 07:00am Feb 15, GMT)**

London, 15 February, 2010 — AQ Research, the independent research analysis firm, today publishes its fourth annual review of equity research in relation to companies in Austria and four Central European markets (Croatia, Czech Republic, Hungary and Poland). The Austria and Central Europe Research Yearbook 2010 evaluates the performance of profit forecasts during calendar years 2008 and 2009. In the Austrian section, the report examines research from 22 houses covering 38 listed companies.

“These have been difficult times for analysts to forecast company results. Analyst forecast accuracy is down by about 15% compared to last year” said William Russell-Smith, Managing Director AQ Research. “But some analysts have been more successful, and in our latest report Erste Group has achieved the best scores for accuracy both in Austria and the region as a whole.”

Highlights of the analysis are as follows:-

- **Erste Group** is the overall winner for forecasts in the Austria and Central Europe region, being best in Austria, Hungary and the Czech Republic. Last year's winner in Austria, **Unicredit Global Research**, was second placed broker this year out of six eligible.
- **Gerald Walek** of **Erste Group** is the winning individual analyst thanks to accurate forecasts on the industrial goods sector.
- In second place was **Roland Rapelius** from **Berenberg Bank**. **Peter Bauernfried** of **Unicredit**, 2008's winner and 2009's second place, is in this year's third place.
- Air travel shows a contrasting story for analysts to predict. The most predictable stock in Austria is the natural monopoly **Flughafen Wien**, the least predictable stock is **Austrian Airlines**

CONTACTS for detailed tables and copies of the Austria and Central Europe Research Yearbook 2010:

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## Notes to Editor:

### About AQ Research

AQ Research provides independent quantitative analysis of analysts' recommendations and eps forecasts, using data obtained from the broking houses involved. AQ has been analysing the accuracy of eps forecasts since 1998 and began publishing its RQ series of reports in 2003. In addition, it provides detailed analysis of the accuracy of research in specific national markets in a series of dedicated country reports.

### 'AQ' Methodology

The AQ measure is designed to measure the accuracy of an analyst's financial forecast. We use the eps as the benchmark measure because that is what is used by the investment research industry. Eps itself is an awkward figure, as there can be different opinions at what level to take the earnings, and how many shares to consider. To get around this problem, we take the so-called headline eps, the figure that by convention the company reports and the figure that is used in compiling the consensus.

The new AQ methodology for determining the accuracy of earnings estimates was launched at the beginning of 2007, following consultations with the industry. The significant change is that it looks at the "error" of the analyst, as expressed by the shaded area on the eps chart below to identify the best forecasting analysts. The default values are used in the publications. When used in AQ Online, the customer can set their own values not only for the annual weightings but also for any estimate, e.g. to highlight analysts who have better early forecasting accuracy during any particular period. AQ scores are in the range 0-100. They can be interpreted as follows:

>60: Small deviations in actual eps vs. the spread of forecasts (generally below 5%) for the past 2 years

40-60: Forecasts falling into this range indicate either deviations of actual eps vs. forecasts up to 10% over past 2 years

20-40: Deviations of actual vs. forecast eps typically between 10% and 15%, possibly for one of past 2 years. Analysts who have initiated within past 2 years can also have low scores

<20: AQ's are often not registered where deviations from actual eps numbers exceed 15%