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21.07.2008 08:48

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Thema TELES - Dividend proposal of EUR 1 - Marcus Pratsch

Dividend proposal of EUR 1

Company: TELES ³⁾⁵⁾⁶⁾
Rating: Buy
Fair Value: 2.10 EUR

Hard Facts:

- According to the AGM agenda published on late Friday afternoon TELES will make the proposal to pay a dividend of EUR 1. The total amount of the dividend payment is EUR 21.13m and is due on October 31, 2008. TELES treasury shares are not entitled to dividend.
- The AGM will take place on August 29, 2007.

Our Opinion:

- The dividend proposal implies that TELES' freenet stake (approximately 2.8%) may be either sold or lend on. Rumours that TELES has already sold the stake are not true. Hence, TELES is still eligible to vote on the freenet AGM on August 8, 2008.
- The fair value of TELES is still predominantly determined by components not belonging to operating business. In addition to the freenet shares TELES has a 20% stake in GRAVIS and holds around 2.17m treasury shares. For the time being, we stick to our BUY recommendation and our fair value of EUR 2.10 per TELES share.

Best regards
Marcus Pratsch
Analyst

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Rating History:

Buy on 4 Jan 2008 at 2.75 EUR
Sell on 6 Sep 2007 at 2.95 EUR
Buy on 10 Nov 2006 at 3.54 EUR
Suspended on 16 Aug 2006 at 3.40 EUR

Time conditions of envisaged updates and of price quotations (Equities)

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Buy	80.6%
Hold	1.7%
Sell	17.7%

Percentage of companies within each category for which DZ BANK, DZ Financial Markets LCC and/or respective affiliates have provided investment banking services within the previous 12 months

Buy	13.8%
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