

Market overview and review of companies listed on NYSE
Alternext - the international market tailor-made for small and mid caps

Third quarter 2011



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Welcome to the latest edition of the NYSE Alternext Quarterly Review.

Edison's analysts have been in contact with the 147 NYSE-Alternext listed companies profiled in this review, aiming to provide investors with a snapshot of each company's activities, strategy and trends within the industries they operate in. Edison's analysts have relied on consensus earnings estimates but have reflected feedback received by companies on historic and forecast numbers. Deinove and Hybrigenics are clients of Edison Investment Research, and their forecasts are those of the analyst.

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Neil Shah
Director of Research

Strategic perspective

- The recent decline in global growth expectations has re-focused attention on the trajectory of developed market debt in the US and Europe. These two economic blocs account for nearly 50% of world GDP.
- The combination of declining growth expectations and the re-emergence of credit stress within the eurozone banking system has substantially raised the risk of a recession. Investors are concerned that policymakers have few tools left to combat waning demand growth. Certainly the appetite for further fiscal measures is now muted on both sides of the Atlantic. For growth, the biggest risk is an over-zealous shift towards austerity.
- In contrast to the fiscal constraints, fiat currencies allow central banks to avoid deflationary outcomes, should they choose to do so. Recent market events have resulted in swift changes in the outlook for interest rates. The Federal Reserve is now indicating US interest rates will be near zero for the next two years and the ECB is also on hold.
- Inflation expectations have been falling but are not yet at the levels that triggered the second round of quantitative easing in 2010. However, the Federal Open Market Committee (FOMC) has disclosed that at its most recent meeting a range of policy tools were discussed to promote a stronger recovery. Further unconventional monetary policy should be expected if US core CPI expectations fall back to 1%.
- While the outlook for GDP growth is highly uncertain the outlook for the European equity markets is much more positive. Even if we have a recession – and if US experience over the past 140 years is a guide – a further catastrophic collapse in European share prices is unlikely from current valuations. While a volatile time lies ahead, conservatively valued markets have in fact generated perfectly adequate returns during recessions.
- European non-financials have given back all of the gains made since 2008 and are trading at their lowest price/book multiples for the last 20 years. Despite all the downbeat commentary, should the world economy *not* go into recession the market rebound would be powerful.
- Rather than trying to handicap the risks of recession we believe that valuation is the best driver of medium-term returns. Value investing is not easy from either an individual or institutional perspective – invariably purchases have to be made when the outlook is most uncertain to get the best price.

Declining growth expectations have re-ignited credit fears

Growth expectations

We believe declining global growth expectations have been responsible for the renewed concerns over eurozone sovereign debts and banking system stability. In the US, growth expectations have been falling since the start of the year. One of the unfortunate effects of quantitative easing was the substantial rise in oil prices, which acted as a brake on discretionary spending. Furthermore, the US housing market has been declining in the first six months of 2011, creating a secondary drag on household wealth and optimism.

In Europe, while GDP expectations rose sharply in Q1, they are likely to have peaked. Eurozone manufacturing PMI has declined sharply in the second quarter to levels just short of contraction while quarter-on-quarter German economic growth stagnated in Q2.

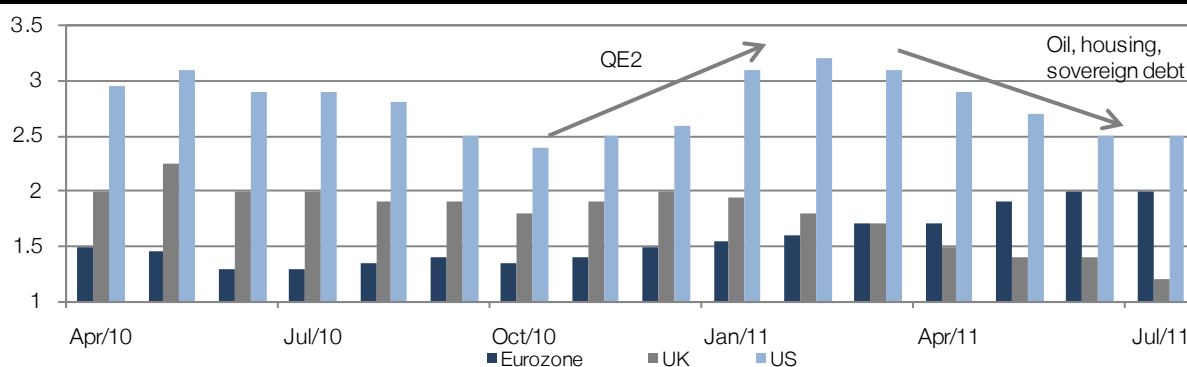
While focused on developed markets we should add that in the background emerging markets have been tightening monetary policy to combat domestic inflation by moderating growth. We note that China's M2 money supply growth has now shrunk to cyclically low levels following the stimulus-led credit binge of 2009.

Re-ignition of credit fears

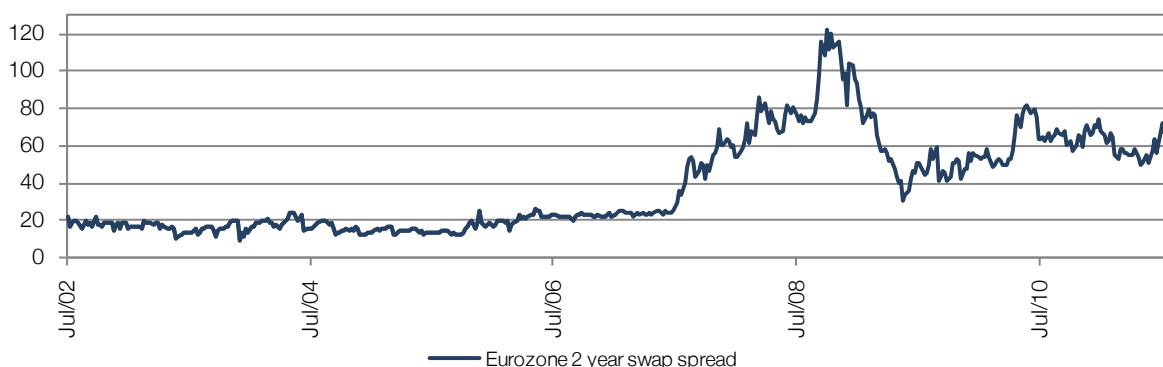
The fiscal response to the credit crisis of 2008 was aimed at stabilising levels of economic output to give nations time to work through problems in an orderly way. This always left the periphery of Europe at the mercy of expectations. If a strong and durable recovery was a rational expectation, we would not be where we are today.

Declining GDP growth expectations have led to the widening of spreads on peripheral sovereign debt which, in turn, have impacted the solvency of banks and directly reduced potential GDP growth in a negative feedback loop. The credit stress has infected the entire eurozone banking system – swap spreads that embed future expectations of LIBOR over equivalent risk-free assets remain at elevated levels, Exhibit 2.

Exhibit 1: Declining growth expectations



Source: Bloomberg

Exhibit 2: Credit stress in the eurozone bank sector


Source: Bloomberg

Monetary policy to the rescue – but when and how?

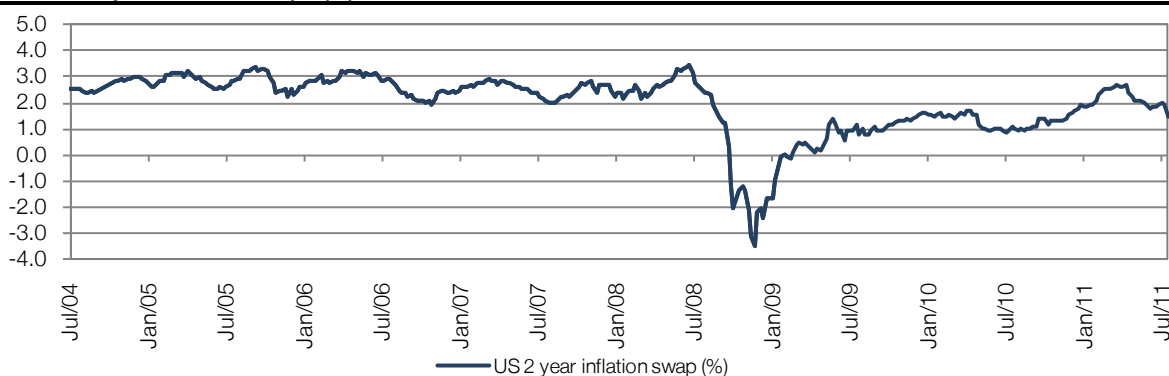
The recent political debacle over the US debt limit and the determination by eurozone institutions to push rapid austerity measures on already rapidly shrinking peripheral economies shows the political appetite for continued fiscal stimulus is limited. Continued attacks on sovereign debt markets are arguably pushing politicians into deficit cutting measures that will cause precisely the economic stagnation that debt investors fear.

In contrast monetary policy is likely to play a key role in preventing a growth slowdown turning into a deep recession or worse. With a fiat currency system, policymakers who wish to prevent deflation should be able to do so (a bull point for commodities and gold but whether this will create real economic growth is another matter).

Further unconventional monetary policy was discussed at the most recent meeting of the FOMC. We believe at the present time that inflation expectations, (Exhibit 3), have fallen insufficiently so far to warrant another round of quantitative easing. However, if inflation expectations were to fall as they did in 2010, the policy response is very likely to be similar and equally positive for asset prices.

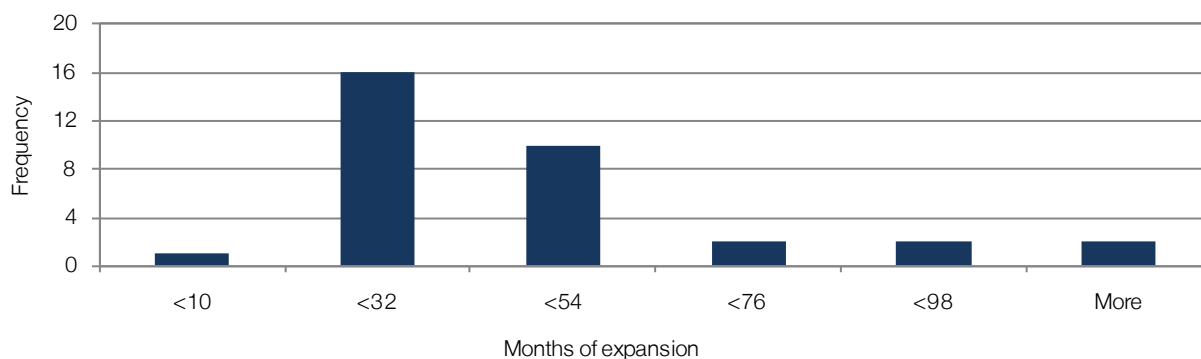
140 years of recessions and S&P returns – the US experience

With substantially higher risk of global recession we have looked at whether recessions are correlated to equity market returns. We have chosen to look at the US as it still represents the world's largest economy, has the world's leading equity market and also publishes high-quality historical data. During recessionary periods equity market returns have been highly variable. But adding a measure of value – in this case Shiller's cyclically adjusted P/E – shows again it is not future prospects that are important but the price being paid for them.

Exhibit 3: US 2-year inflation swaps (%)


Source: Bloomberg

Exhibit 4: Duration of US expansions since 1873



Source: NBER

Recessions are not the end of the economic universe

It is important to remember a recession does not represent the end of the economic universe as fluctuations in economic activity should be regarded as normal. In the US alone there have been 29 recessions since 1873. The average length of an expansion (ie, from trough to peak) has been 40 months since then, although over the last 40 years the duration of expansions has been somewhat longer at 60 months. The length of the expansion is highly variable, skewed and has a standard deviation of 30 months, Exhibit 4.

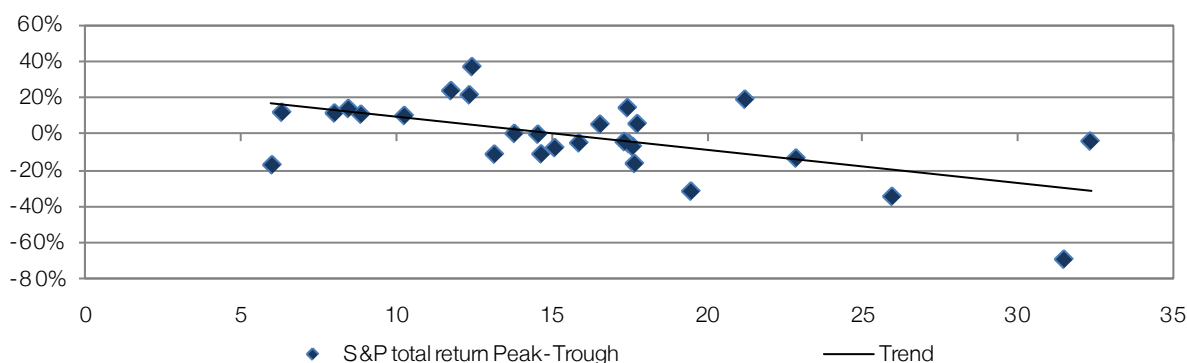
A further important point is that it takes on average 12 months for the US National Bureau of Economic Research (NBER) to determine the date of a peak or trough in economic activity. Therefore, for market participants there can be significant uncertainty as to whether the prevailing environment is recessionary or not.

On the basis of these averages, a peak in US activity would have been expected between late 2012 and 2014. So if a recession were to occur in H211, the expansion would have been one of the shortest of the post-war period. Nonetheless, Martyn Feldstein, a member of the Business Cycle Dating Committee of the NBER, recently put the probability of recession at 50%.

Though certainly an important factor, recession risk is not synonymous with equity risk. In the case of the US, the S&P has risen in 11 of the 29 recessions identified by NBER since 1873. If we include dividends the equity market has delivered positive returns in just over half of the recessionary episodes. Though there is no doubt that *in the event of recession* equity returns are muted, there is no reason to fear catastrophic losses unless medium-term valuations are far too high.

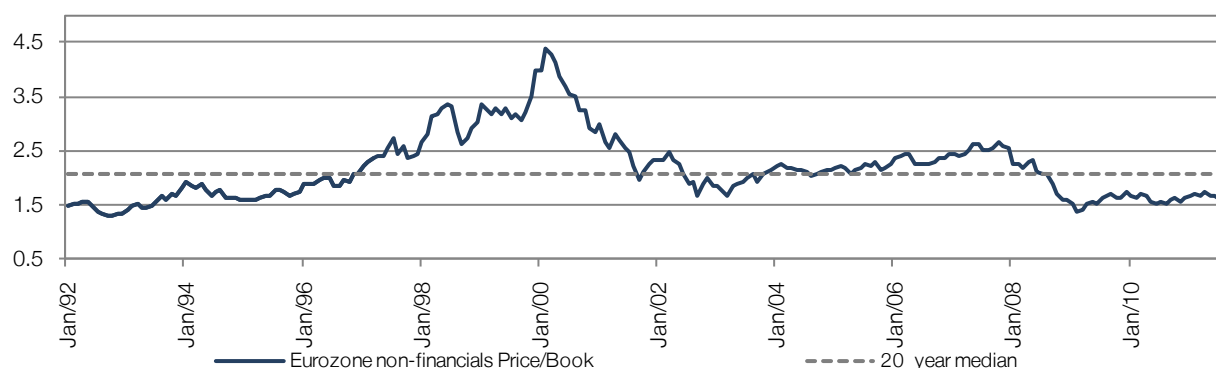
Valuation is a critical factor in a recessionary environment

Exhibit 5: S&P performance during recessions against Shiller (10-year average) P/E



Source: Shiller, Edison Investment Research estimates

Exhibit 6: European non-financials price/book



Source: Edison Investment Research estimates

The relationship between medium-term valuation parameters and recession share price performance is shown in Exhibit 5. When the S&P was valued at below-average multiples of the 10-year cyclically adjusted P/E (also known as the Shiller P/E) when GDP peaked, the median total return from the peak to trough of the cycle was +11%. This represents a 7% pa return over the average recession duration of 18m.

To assess the impact of a recession on portfolio performance equity investors should therefore carefully differentiate between overvalued and undervalued market conditions. At present, European equities are trading significantly below their 20-year median price/book. European equities are particularly cheap on this measure and indices are trading at levels not seen since the peak of the global credit crisis of 2008.

On the basis of these data, *if* a global recession occurs then equity performance is likely to be modest but still positive given the valuation signals in Europe. If there is *no* recession, equities should deliver strong returns as corporate earnings and cashflows will remain at very strong levels. We also note “this time may be different”, but the data show there have been no deflationary US recessions in the post-war period. Bond investors beware.

Exhibit 7: UK non-financials price/book



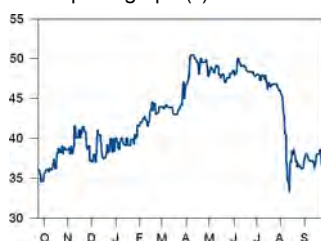
Source: Edison Investment Research estimates

Company profiles

Sector: Media & Entertainment

Price: €37.00
Price as at 23 September 2011

Share price graph (€)



Company description

1000mercis specialises in providing interactive marketing and advertising services. The group's mission is to provide innovative responses to businesses wishing to optimise their advertising and marketing campaigns on interactive media (internet, mobile, etc).

Price performance

%	1m	3m	12m
Actual	1.0	(23.4)	0.4
Relative*	10.0	15.0	28.2

* % Relative to local index

Analyst

Fiona Orford-Williams

1000mercis (ALMIL)

Market cap: €115m

COMPANY COMMENT

Good H111 growth of 12% was nevertheless slower than FY10 as comparatives became tougher. Mobile marketing increased to 30% of group sales, growing faster than the online marketing activities (44%). Increased corporate use of social networks, apps and geolocation drove much of the improvement, with integrated and multi-country programmes becoming more prevalent. In email marketing (26% sales), a new product was launched in June with over a dozen clients, re-targeting prior customers. Initial ROI is very encouraging. Clients cover a range of sectors and include Expedia, BNP Paribas, TF1, Laposte.net and Meetic.

INDUSTRY COMMENT

The French advertising market is estimated to have grown 6% in H111 (Kantar), but growth is expected to moderate in H2 and is forecast to show 2.5% for FY11 (Carat). 2012 will be election year, with associated spend keeping the overall growth rate level for the year. Online marketing continues to outstrip, with Capgemini gauging growth of 12% and sizing the market at €1.275bn.

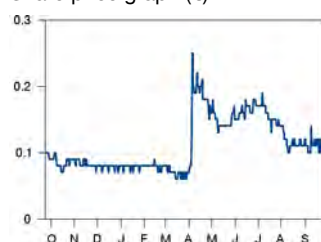
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	28.00	9.50	6.10	2.28	16.23
2010A	34.30	12.60	7.90	2.94	12.59
2011E	40.40	15.00	10.30	3.49	10.60
2012E	46.40	17.30	11.90	4.00	9.25

Where available, consensus data has been sourced from Thomson Datastream

Sector: General Retailers

Price: €0.11
Price as at 23 September 2011

Share price graph (€)



Company description

1855 is a French online distributor of high-quality wines sold to individuals. It offers a variety of Bordeaux, Bordeaux Primeurs (young), Burgundy, Rhône and Languedoc wines, plus different wines from France and other countries (Australia, New Zealand, etc), and champagne.

Price performance

%	1m	3m	12m
Actual	0.0	(31.2)	10.0
Relative*	8.9	113.3	40.5

* % Relative to local index

Analyst

Fiona Orford-Williams

1855 (AL185)

Market cap: €31m

COMPANY COMMENT

H111 like-for-like comparisons show sales growing at 15% to €4.9m, a figure that would have been higher but for the late start this year for the Bordeaux Futures. The April acquisition of ChateauOnline (judged third-best online wine retailer in France by the influential Bordeaux School of Management, BEM) has yet to be reflected in the figures, but its inclusion is expected to drive group revenues over €20m. The group's branding has been reorganised with 1855 targeted at top-end sales, Cave Privée for leading wine makers to knowledgeable enthusiasts (already growing 12%), and ChateauOnline for the mainstream market.

INDUSTRY COMMENT

The purchase of ChateauOnline leaves one substantial competitor in Wineandco (LVMH/Millésima) and BEM's other picks of Vinatis.com and Nicolas.com. French online sales of wine are growing well ahead of the (weak) market and are estimated to hit €410m for FY11, up from €237m in 2009. Domestic consumption levels continue to fall, with the age profile of consumers rising, not helped by strict restrictions on advertising.

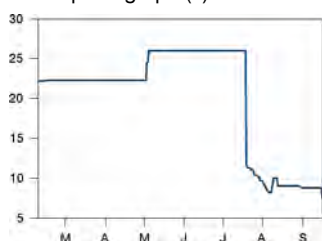
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	11.87	(1.06)	(0.08)	N/A	N/A
2010A	12.40	0.18	(0.21)	N/A	N/A
2011E	N/A	N/A	N/A	N/A	N/A
2012E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Consumer Support Services

Price: €7.48
Price as at 23 September 2011

Share price graph (€)



Company description

A2micile Europe specialises in supplying care services to individuals and professionals. The group offers cleaning, ironing, child care and gardening services, and also assistance to dependant and/or disabled people.

Price performance

%	1m	3m	12m
Actual	(16.9)	(71.2)	N/A
Relative*	(9.5)	(54.5)	N/A

* % Relative to local index

Analyst

Richard Finch

A2micile (ALA2M)

Market cap: €8m

COMPANY COMMENT

A2micile continued to flourish in H111, repeating the 45% sales gain of 2010. Market growth, the company's network expansion and its broadening of services, eg for the disabled/dependent (10% of company sales in first year), were key drivers. More of the same is expected, with a "very good" second half (forecast sales up over 50%) prefacing a potential trebling of sales by the end of 2013. Development will be aided by €2.9m raised at €11.43 per share on A2micile's transfer from the Marche Libre in July. Management is pleased with the current 70:30 BtoC:BtoB business mix. 2010 saw a 20% increase in the company's main activity, cleaning, supplemented by a doubling of sales by childcare and gardening/DIY as well as the launch of home support. H1 results are due in mid-October.

INDUSTRY COMMENT

The personal services market is benefiting from favourable demographics such as an ageing population and more women at work (in France now over 80% of those between 25 and 49) and the relative lack of provision by employers (under 2% against 60% in the US).

Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	14.34	(0.05)	(0.04)	N/A	N/A
2010A	20.87	0.02	(0.03)	N/A	N/A
2011E	34.19	4.50	1.60	0.53	14.11
2012E	40.88	4.89	1.89	1.01	7.41

Where available, consensus data has been sourced from Thomson Datastream

Sector: Support Services

Price: €4.23
Price as at 23 September 2011

Share price graph (€)



Company description

Accès Industrie specialises in leasing elevator cars and baskets mainly intended for the building construction and renovation sector.

Price performance

%	1m	3m	12m
Actual	0.5	(2.1)	69.2
Relative*	9.4	94.7	116.1

* % Relative to local index

Analyst

Roger Leboff

Acces Industrie (ALACI)

Market cap: €25m

COMPANY COMMENT

Further growth in Q1 built on progress in the final quarter of FY10. Sales were up by 10.4% in France to €12.1m, 5.1% for the rest of Europe, ie Spain and Portugal, and by a spectacular 244% in Morocco. This is admittedly the smallest segment, but contributed €0.61m in the period helped by the creation of a new agency in Tangier. The outlook is positive, with further growth expected this year, albeit relative to a less favourable base, and markets remain competitive. H1 sales are due 30 September.

INDUSTRY COMMENT

The group has redeployed resources in new markets where it sees opportunities for better growth and to use its strengths in Southern Europe. Market conditions for equipment rental remain tough, with a shortage of finance affecting new sites, denting customer confidence and driving oversupply. The group has over 20,000 customers via a network of 37 branches - 29 in France, five in Spain, two in Portugal, one in Morocco - and a diversified fleet of aerial lifts and carts, trucks and mini-excavators.

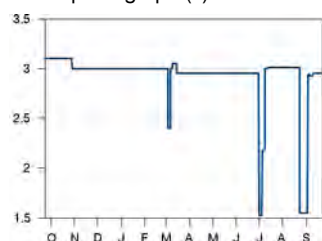
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	55.12	0.70	(7.19)	N/A	N/A
2010A	58.70	8.70	2.10	N/A	N/A
2011E	N/A	N/A	N/A	N/A	N/A
2012E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Electrical Equipment

Price: €2.95
Price as at 23 September 2011

Share price graph (€)



Company description

Acropolis Telecom specialises in IP telephone services and in voice, video, and data convergence. The company offers fixed telephone, mobile telephone, and internet access services.

Price performance

%	1m	3m	12m
Actual	90.3	0.0	(4.8)
Relative*	107.3	35.8	21.5

* % Relative to local index

Analyst

Roger Leboff

Acropolis Telecom (ALACR)

Market cap: €12m

COMPANY COMMENT

H111 sales were €3.2m, 16% ahead y-o-y. Lower sales of IP PBX were more than offset by a customer shift towards rented cloud computing alternatives. This provides the group with attractive, recurring revenues and the product uses the capacity in its data centres in Paris and elsewhere in France. These are part of a series of investments this year, designed to build a scalable offering for a broad base of over 1,200 customers in France. The intention is to expand the business at home and abroad.

INDUSTRY COMMENT

Acropolis appears well placed to deliver IP telephony services (converged voice, video, and data) for SMEs and local government bodies. As a licensed operator with its own telecoms backbone (rather than a distributor) it is in a strong position to address a broad customer base. The group's August 2010 IPO raised €1.8m to fund investment in cloud computing infrastructure, including a data centre in the Paris Stock Exchange in January 2011 and two others in H1.

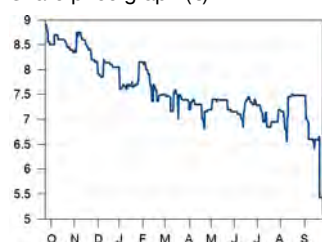
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	5.00	0.23	0.26	N/A	N/A
2010A	6.34	(0.28)	(0.34)	N/A	N/A
2011E	N/A	N/A	N/A	N/A	N/A
2012E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Travel & Leisure

Price: €5.38
Price as at 23 September 2011

Share price graph (€)



Company description

Ada Location provides short-term leasing of utility vehicles, private vehicles, motorised bicycles, scooters and motorcycles in France.

Price performance

%	1m	3m	12m
Actual	(28.1)	(26.8)	(37.4)
Relative*	(21.7)	(1.2)	(20.1)

* % Relative to local index

Analyst

Richard Finch

Ada (ALADA)

Market cap: €16m

COMPANY COMMENT

A broadening of services on offer helped Ada to a 37% rise in H111 trading profit, which is impressive as sales slipped by 7% on airport agency closures. The decline would have been sharper but for the company's focus on local markets (sales +0.5%) rather than airports and stations (ADA is represented in over 500 towns in France). Management remains intent on consolidating market leadership and developing large account and agency business as well as its online presence. A robust H210 performance saw Ada raise trading profit by a quarter on sales up by 13%, reflecting outperformance of a generally quiet market.

INDUSTRY COMMENT

Following August's disappointing French retail sales, which showed their largest monthly decline since February, Markit believes the outlook remains tough, given a stagnating economy (the IMF has just reduced its GDP forecast for 2011 from 2.1% to 1.7% after zero growth in Q2 and for 2012 from 1.9% to 1.4%).

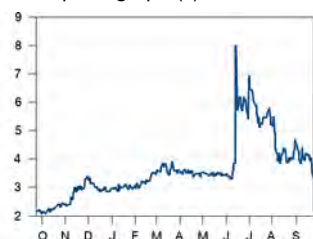
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	39.80	1.36	1.17	N/A	N/A
2010A	46.00	1.80	1.80	N/A	N/A
2011E	N/A	N/A	N/A	N/A	N/A
2012E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Media & Entertainment

Price: €3.33
Price as at 23 September 2011

Share price graph (€)



Company description

ADTHINK Media provides internet services in the areas of publicity services, direct marketing, search referencing and the creation and publishing of websites.

Price performance

%	1m	3m	12m
Actual	(15.3)	(46.2)	52.8
Relative*	(7.7)	25.6	95.1

* % Relative to local index

Analyst

Fiona Orford-Williams

ADTHINK Media (ALADM)

Market cap: €20m

COMPANY COMMENT

ADTHINK Media has continued to grow its sales strongly, with preliminary figures for H111 up 22.7%. Web-publishing services (building sites, directories, portals and games) contributed the bulk of revenues, with the balance coming from managing advertising services for website owners, SEM and SEO. The fastest growth is coming from Advert Stream, which has been approved as an ad provider for Facebook, providing 2bn monthly impressions across 13,000 French-language publishers. Volumes at these levels justify the heavy development spend and should show a good return.

INDUSTRY COMMENT

Internet penetration is estimated to have reached 69.5% of the French population in March 2011, with Facebook alone having built to a 34.9% penetration by end June 2011 (ITU). Online marketing is estimated to have grown by 12.0% in H111, with the fastest growth in mobile (still <2% of the market) and affiliate marketing. SRI expects a similar level of growth for H211, but the overall ad market is set to weaken given the difficult economic backdrop.

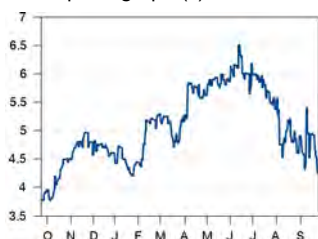
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	19.47	0.93	(1.12)	N/A	N/A
2010A	23.48	2.69	1.61	N/A	N/A
2011E	N/A	N/A	N/A	N/A	N/A
2012E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Media & Entertainment

Price: €4.25
Price as at 23 September 2011

Share price graph (€)



Company description

Adverline is an internet advertising company. It also offers electronic payment services to publishers.

Price performance

%	1m	3m	12m
Actual	(14.7)	(29.2)	7.9
Relative*	(7.1)	20.4	37.8

* % Relative to local index

Analyst

Fiona Orford-Williams

Adverline (ALADV)

Market cap: €22m

COMPANY COMMENT

Adverline had a good FY10, with revenues +24% and pre-tax +34%. Online marketing (+36%) benefited from good new business wins. This has continued in H111, notably with the signing of a four-year contract to manage advertising for a number of French government websites. OTC asset management has injected €2m of new capital at €7.61, a considerable premium to the current price, to help fund the development of an RTB ad-exchange (a new arrival to the French market). Some of the money will also be fed into the full launch of www.dirigeant.com, an online directory of directors and managers of French industry, which is already achieving 340k uniques pm in its beta phase.

INDUSTRY COMMENT

Online advertising in France grew 12% in H111 (CapGemini), with a similar rate pencilled in for the year. Internet penetration in France is now set to breach 70%. Display/social networks are expected to be the main drivers of growth in FY11, with video increasing in prevalence. Search remains the largest category, representing 47% of the online market.

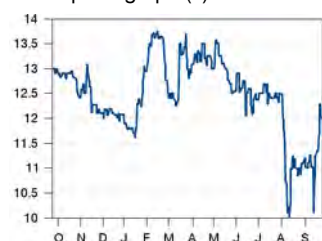
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	18.91	3.11	(0.89)	N/A	N/A
2010A	23.40	4.08	1.08	N/A	N/A
2011E	27.00	N/A	2.10	N/A	N/A
2012E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Alternative Energy

Price: €12.00
Price as at 23 September 2011

Share price graph (€)



Company description

Aéro watt is one of France's leading producers of electricity from renewable energy. Revenues are generated primarily from wind power.

Price performance

%	1m	3m	12m
Actual	9.1	(0.8)	(7.8)
Relative*	18.8	19.0	17.8

* % Relative to local index

Analyst

Richard Finch

Aéro watt (ALWAT)

Market cap: €24m

COMPANY COMMENT

While slower than the previous quarter, energy sales growth of 41% in Q2 is consistent with guidance of an increase of over 40% for 2011, driven by Aerowatt's fast-developing solar activities (sales doubled). Significantly, France accounts for the majority of group energy sales for the first time, thereby reducing the impact of regional climatic disruptions. The current period is expected to see a further substantial rise in EBITDA after its near trebling on a like-for-like basis in 2010. While committed to expanding its own estate, Aerowatt is seeking to adapt to lengthening development times caused by tighter regulation by working with partners (co-investors). Potential projects may involve the sale of turnkey operations, which can then be used to fund expansion of Aerowatt's own estate.

INDUSTRY COMMENT

The move to clean, renewable power can only intensify in view of the EU's binding directive on 20% renewable energy by 2020. France is the fourth-largest market in the EU (Germany and Spain are clear leaders) and has set ambitious objectives well ahead of the EU directive.

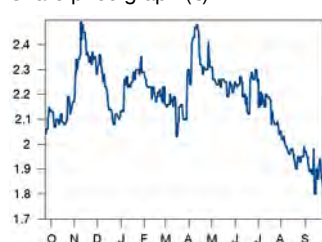
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	11.00	2.70	0.10	0.00	N/A
2010A	15.40	3.60	0.50	0.33	36.36
2011E	21.30	7.05	(0.13)	(0.07)	N/A
2012E	25.20	12.20	1.21	0.68	17.65

Where available, consensus data has been sourced from Thomson Datastream

Sector: Food & Drink

Price: €1.83
Price as at 23 September 2011

Share price graph (€)



Company description

AgroGeneration specialises in producing cereals (wheat, corn, and barley) and oilseeds (rape and sunflower).

Price performance

%	1m	3m	12m
Actual	(6.2)	(19.0)	(10.3)
Relative*	2.2	17.2	14.6

* % Relative to local index

Analyst

Fiona Orford-Williams

AgroGeneration (ALAGR)

Market cap: €64m

COMPANY COMMENT

Having posted maiden profits in FY10, AgroGeneration is now moving into the next phase, funded by a 1.4x oversubscribed offer at €2.05 raising €12.7m. It intends to double its storage capacity in Ukraine, reducing dependence on third-party providers, and giving additional flexibility and offering storage to others. This follows an increase in acreage from 40k to 48k ha, which, with potential acquisitions, puts the group on its 100k ha target by end 2012. The funds will also be spent on more land in Argentina, diversifying risk and smoothing the cash-flow profile; the intention is to achieve 50k ha within five years.

INDUSTRY COMMENT

The black soil and favourable climate make the 32m available hectares of arable land in the Ukraine an attractive proposition. Lack of investment and the historic split of land ownership means this land has been underused. Although the market is still dominated by small players, some larger operators have begun to accumulate large arable land banks. The scale of the opportunity is considerable.

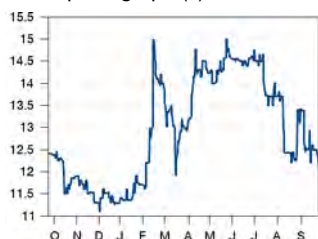
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	4.11	(5.52)	(4.95)	N/A	N/A
2010A	17.63	1.62	0.93	N/A	N/A
2011E	N/A	N/A	N/A	N/A	N/A
2012E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Pcare and household prd

Price: €12.10
Price as at 23 September 2011

Share price graph (€)



Company description

Alès Groupe specialises in the design, manufacturing, and marketing of plant-based cosmetic and hair care products.

Price performance

%	1m	3m	12m
Actual	(1.2)	(16.8)	(4.0)
Relative*	7.6	24.5	22.6

* % Relative to local index

Analyst

Fiona Orford-Williams

Ales Groupe (ALPHY)

Market cap: €171m

COMPANY COMMENT

Ales's preliminary H111 results showed sales up 12.7% y-o-y, a considerable acceleration in Q211. After the change in packaging, French sales were particularly strong, up 18.2%, although this will cover an element of restocking. Export sales (55% group) were 8.6% ahead, with European and US sales outperforming. Ales's key brands are Phyto, Kydra and Ducastel in hair care (37% group), the skincare/make-up brand of Lierac (58%) and Caron in perfume (5%), with skincare the fastest-growing category in H111.

INDUSTRY COMMENT

Markets for cosmetic and hair-care products correlate strongly with consumer confidence. The sector is highly fragmented, with L'Oreal the clear leader. Sales in the natural and organic segment grew to €287m in 2010 (2009:€210m), but the market is very crowded, with over 250 brands launched in five years (Cosmebio). The impact of EU harmonisation of labelling standards under 'Cosmos-Natural' and 'Cosmos-Organic' has been weakened by the lack of a common logo. France has now banned phthalates, alkylphenols and parabens in cosmetics.

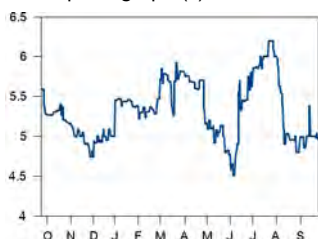
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	164.60	12.80	6.90	0.54	22.41
2010A	173.00	7.70	0.30	0.33	36.67
2011E	195.57	10.50	5.00	0.37	32.70
2012E	219.97	13.20	6.87	0.49	24.69

Where available, consensus data has been sourced from Thomson Datastream

Sector: Media & Entertainment

Price: €4.97
Price as at 23 September 2011

Share price graph (€)



Company description

Antevenio is a leading Spanish provider of interactive marketing and publicity services. The group operates primarily in four areas: publicity management, marketing services, the development and execution of advertising campaigns, and the development of community portals.

Price performance

%	1m	3m	12m
Actual	0.4	(8.8)	(10.9)
Relative*	9.4	18.0	13.7

* % Relative to local index

Analyst

Fiona Orford-Williams

Antevenio (ALANT)

Market cap: €21m

COMPANY COMMENT

H111 has built on the growth achieved in FY10, with revenues moving ahead by 13.7%. This was principally driven by Portals (31% of sales), where new verticals were established and existing ones duplicated in other group operating territories, and in interactive marketing (28% sales), helped by the extensive reach of 18m unique visitors as at end May. Performance marketing was flat after two periods of successive progress. A new technology platform went live in February, which should help operating leverage. The group is targeting double-digit growth in sales for FY11.

INDUSTRY COMMENT

Having been raised to +3.4% earlier in the year, Carat's most recent forecast for the Spanish advertising market shows an expected fall of 2.9%. For FY12, it is looking for a return to modest growth of 1.9%. EU research shows 59% of Spanish households have internet access (70% UK), with a fast-growing proportion using social networks and making online purchases. e-Commerce is a relatively high proportion of consumer sales at 6.2%.

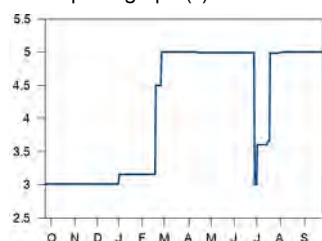
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	16.12	2.10	1.53	0.28	17.75
2010A	20.80	1.90	1.21	0.32	15.53
2011E	22.60	2.10	1.10	0.29	17.14
2012E	25.80	3.00	1.80	0.41	12.12

Where available, consensus data has been sourced from Thomson Datastream

Sector: Technology

Price: €5.00
Price as at 23 September 2011

Share price graph (€)



Company description

Assima provides electronic training services for computer applications. The group also publishes software and provides maintenance services.

Price performance

%	1m	3m	12m
Actual	0.0	0.2	66.1
Relative*	8.9	35.8	112.1

* % Relative to local index

Analyst

Roger Leboff

Assima (ALSIM)

Market cap: €42m

COMPANY COMMENT

H111 turnover, at €10.3m, was 52% ahead y-o-y. It included 38% growth in software sales to €4m and a near sevenfold growth in H1 pre-tax profit to €1.5m. Organic growth (excluding the acquisition of ELS) was 31%. The addition of ELS earlier this year is intended to build Assima's profile in Germany, a key market, particularly for the group's core SAP target customers. Elsewhere, the US and Britain were the most dynamic markets, although the results were adversely affected by a relatively weak dollar vs H110. The FY 2011 outlook is for 20% growth in sales, 50% higher EBITDA.

INDUSTRY COMMENT

Assima's software is designed to improve the productivity of offerings from such companies as SAP, PeopleSoft, Siebel and others. Although the international economic backdrop has deteriorated since the summer, the outlook is supported by its commercial partnerships (SAP Referral Program EcoHub), which places it in the top 25 partners for SAP worldwide, and an OEM agreement with a large software publisher.

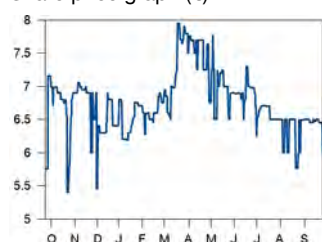
Y/E Dec	Revenue (£m)	Op. Profit (£m)	Net income (£m)	EPS (£)	P/E (x)
2009A	13.95	(0.49)	(0.20)	(1.76)	N/A
2010A	16.45	1.91	1.96	22.04	0.20
2011E	N/A	N/A	N/A	N/A	N/A
2012E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Investment Companies

Price: €6.00
Price as at 23 September 2011

Share price graph (€)



Company description

Assya is an independent international financial services company.

Price performance

%	1m	3m	12m
Actual	0.0	(14.0)	(5.0)
Relative*	8.9	6.5	21.3

* % Relative to local index

Analyst

Richard Finch

Assya (ALASS)

Market cap: €77m

COMPANY COMMENT

Assya remains alert to fresh growth opportunities such as its newly-proposed wealth management operation in Geneva. With its merger last year with Global Equities Capital Markets and February's acquisition of Greek investment house Eurocorp, Assya has rapidly developed a pan-European financial services business with a presence in seven countries and with AUM of c €350m. It operates in equities, corporate finance and asset management, on the lines of an investment bank. Before the Eurocorp transaction, the enlarged Assya was projecting 2012 revenue of over €50m (2010 €24m) with a trading margin of c 15%. H1 results are due soon.

INDUSTRY COMMENT

Recent developments in peripheral Europe have increased the risk premium and cost of insuring Greek debt to record highs. Holders of sovereign debt are increasingly concerned, and see debt re-structuring and significant haircuts as almost a given from Greek, Irish or Portuguese debt, despite the ongoing discussion with the EU/IMF to avoid Greek default.

Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	1.20	(6.97)	(9.70)	N/A	N/A
2010A	0.97	(5.70)	3.33	N/A	N/A
2011E	N/A	N/A	N/A	N/A	N/A
2012E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Technology

Price: €9.75
Price as at 23 September 2011

Share price graph (€)



Company description

Astellia specialises in the design, manufacturing and marketing of hardware material and software solutions dedicated to optimising network performance and quality of service (Qos) for mobile telephone operators in France and other parts of the world (77% of sales).

Price performance

%	1m	3m	12m
Actual	(12.6)	(24.9)	(26.4)
Relative*	(4.8)	1.8	(6.0)

* % Relative to local index

Analyst

Roger Leboff

Astellia (ALAST)

Market cap: €25m

COMPANY COMMENT

H111 turnover was off by 8%. France, down 21%, was affected by seasonality and a strong 2010 comparable, while international sales (80% of turnover) were 5% down y-o-y, with North Africa and the Middle East affected by political upheaval. Astellia reaffirmed its commitment to overseas sales growth. It appointed a new VP of sales and maintained R&D directed at network and mobile internet. A strong order book - €14.6m at end June - underpins a more positive H2 outlook.

INDUSTRY COMMENT

Astellia's hardware and software is used by more than 180 mobile operators and equipment manufacturers to optimise network performance and customer service quality. The product portfolio covers existing mobile technologies (2G/2.5G/3G) and is ready for 4G (LTE). The group is positioned to capitalise on the increase in data traffic driven by increased smartphone adoption and further growth in mobile users worldwide. The group's products are sold in over 80 overseas markets including India, the Gulf, Africa and the Americas.

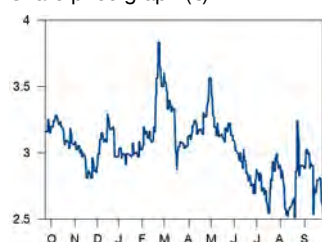
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	25.56	1.05	2.10	0.82	11.89
2010A	33.40	2.01	2.50	0.91	10.71
2011E	37.55	N/A	1.80	0.71	13.73
2012E	42.95	N/A	2.90	1.16	8.41

Where available, consensus data has been sourced from Thomson Datastream

Sector: Mining

Price: €2.59
Price as at 23 September 2011

Share price graph (€)



Company description

Through its two mines located in Guiana (Dieu Merci and Yaou), Auplata is the leading producer of gold in French Guiana.

Price performance

%	1m	3m	12m
Actual	(16.5)	(5.8)	(17.5)
Relative*	(9.0)	16.0	5.4

* % Relative to local index

Analyst

Charles Gibson

Auplata (ALAP)

Market cap: €48m

COMPANY COMMENT

Auclata operates two mines in French Guiana (Yaou and Dieu Merci), with one more (Dorlin) scheduled for near-term production. The company is taking a 34% interest in Canadian junior Columbus Gold via the sale of up to 100% of its 1.9Moz 'inferred' Paul Isnard gold deposit (recently acquired from Golden Star). Under the terms of the agreement, Columbus must invest US\$7m on exploration within two years, with a feasibility study conducted within four years. Auclata was recently granted a five-year exploration permit in the 14 sq km Couriege sector contiguous with Dieu Merci, and has raised €2.45m through issue of equity.

INDUSTRY COMMENT

Auclata is investigating a technique for extracting gold at Dieu Merci using a five-tonne-per-week sodium thiosulphate pilot plant, rather than conventional methods. Output rose steadily throughout 2010, with total gold production of 8,135oz. Production for Q211 was 2830oz, bringing total production for the first half of 2011 to 5175oz, vs 3504oz for the same period 2010.

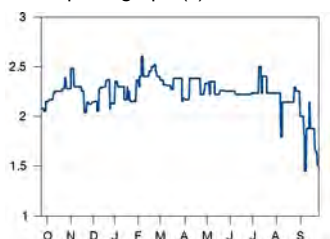
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	5.80	(4.03)	(3.80)	N/A	N/A
2010A	7.30	16.70	16.20	N/A	N/A
2011E	N/A	N/A	N/A	N/A	N/A
2012E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: General Retailers

Price: €1.50
Price as at 23 September 2011

Share price graph (€)



Company description

Auto Escape is France's leading competitive car hire broker with access to the fleets of rental company partners worldwide.

Price performance

%	1m	3m	12m
Actual	(34.5)	(32.4)	(27.9)
Relative*	(28.7)	(14.4)	(7.9)

* % Relative to local index

Analyst

Richard Finch

Auto Escape (ALAUT)

Market cap: €8m

COMPANY COMMENT

Auto Escape has recently accelerated its strategy of international expansion with the acquisition of Car del Mar, one of Germany's leading online car-hire companies with strong positions in several European markets. The transaction, which involves retaining respective brand names, will almost double Auto Escape's volumes and has been secured with investment from majority shareholder, Montefiore. Following low-season trading losses exacerbated by important marketing spend and an unfavourable holiday calendar the company is reportedly trading well during the key second half. Finances are secure and, as a broker, Auto Escape is not burdened by fleet ownership.

INDUSTRY COMMENT

Growth in the car rental industry is closely linked to economic conditions and, in respect of airport rentals (c 40% of the market), to air passenger growth. According to IATA international air travel is up 7% in 2011 but likely to slow, given the current fall in business and consumer confidence. Auto Escape is exposed to the leisure rather than the business rental market.

Y/E Sep	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	27.63	0.43	0.00	N/A	N/A
2010A	30.70	0.83	0.40	N/A	N/A
2011E	N/A	N/A	N/A	N/A	N/A
2012E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Technology

Price: €4.93
Price as at 23 September 2011

Share price graph (€)



Company description

BD Multimédia is a telecommunications service provider.

Price performance

%	1m	3m	12m
Actual	4.0	(2.6)	152.8
Relative*	13.3	108.5	222.9

* % Relative to local index

Analyst

Roger Leboff

BD MultiMedia (ALBDM)

Market cap: €11m

COMPANY COMMENT

A strong set of interims underlined the focus on core areas. Publishing was level y-o-y but Starpass (micropayments) was well ahead, building on progress achieved over the last three years with further above-market growth. Field services division APOG was ahead of target. Other areas such as games and telecoms were lower, as expected. The strategy is to launch and test market new features to build a loyal, paying customer base, while keeping tight control of costs.

INDUSTRY COMMENT

The outlook is for underlying market share growth in 2011. BDM will seek to leverage its customer base through introducing marketing and technology initiatives that target new and existing customers, without adding to overheads. Volumes and margins in core areas such as APOG (services for SME/SMI computer science and management clients, and partners such as Sage and Microsoft) are in line with expectations. Other areas, such as telephony, are now a prepaid card service and wholesale airtime for teleshopping in France.

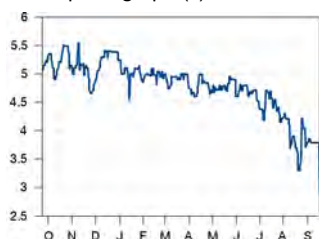
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	13.10	0.11	0.44	0.03	164.33
2010A	14.70	0.32	0.07	0.19	25.95
2011E	N/A	N/A	N/A	N/A	N/A
2012E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Consumer Support Services

Price: €2.90
Price as at 23 September 2011

Share price graph (€)



Company description

Bernard Loiseau specialises in owning and operating restaurants. The group is also involved in hotel operation

Price performance

%	1m	3m	12m
Actual	(17.6)	(38.3)	(42.7)
Relative*	(10.3)	(21.3)	(26.8)

* % Relative to local index

Analyst

Richard Finch

Bernard Loiseau (ALDBL)

Market cap: €4m

COMPANY COMMENT

Ahead of H1 results in late October, Bernard Loiseau continued to trade well in the first quarter with sales up 13%. The Burgundy properties (predominantly the legendary Relais Bernard Loiseau) were again the driver even in their low-season, but encouragingly the Paris restaurants delivered growth (5%) on a par with H110, confirming recovery from the three-month closure of Tante Marguerite late last year caused by third-party water damage. In the face of consumer spending pressures management takes confidence from its success in coping with the recession by rigorous controls, yet not to the detriment of quality, as shown by the Burgundy restaurants' retention of their esteemed Michelin stars.

INDUSTRY COMMENT

According to Deloitte, in the first half of 2011 the premium four/five star hotel sector in the north-east, which includes Saulieu, achieved 8% occupancy-led RevPAR growth. TRI Hospitality shows continued buoyancy in July (RevPAR +11%). Encouragingly, Accor reported in late August "no measurable sign of slowdown in the cycle recovery".

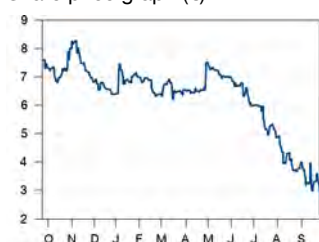
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	7.93	(0.64)	(0.44)	N/A	N/A
2010A	9.04	0.69	0.45	N/A	N/A
2011E	9.80	0.70	0.50	0.32	9.06
2012E	10.10	0.80	0.50	0.38	7.63

Where available, consensus data has been sourced from Thomson Datastream

Sector: Alternative Energy

Price: €2.93
Price as at 23 September 2011

Share price graph (€)



Company description

Bionersis specialises in the development of biogas energy valorization projects, including biogas generated by domestic waste discharge.

Price performance

%	1m	3m	12m
Actual	(21.2)	(53.6)	(60.4)
Relative*	(14.2)	(38.7)	(49.4)

* % Relative to local index

Analyst

Roger Leboff

Bionersis (ALBRS)

Market cap: €10m

COMPANY COMMENT

Growth is still early stage, although optimal production levels should be achieved this calendar year. The last 12 months have seen further investment in existing projects, plus entries into new markets such as Vietnam, Indonesia, Chile, Colombia and Argentina. The group won four new Clean Development Mechanism (CDM) projects and has a portfolio of over 20 projects. In March it raised €2.9m in an oversubscribed share issue, with 0.34m new shares at €8.5/share, and €2.5m at €7.5/share in June.

INDUSTRY COMMENT

Bionersis has invested c €25m in development projects to recover landfill biogas in UN CDM projects to generate Certified Emission Reductions (CERs) in Latin America and Asia. The outlook is supported by the legal processes behind emissions reductions - legally binding targets Kyoto set for developed nations. The group signed strategic partnerships with E.ON and EDF in November 2009 and the opportunity for strong cash-flow generation over the next decade appears intact.

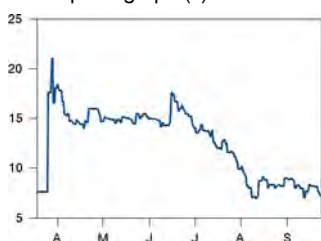
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	1.86	(0.68)	0.06	N/A	N/A
2010A	(0.17)	(1.77)	(1.13)	N/A	N/A
2011E	11.98	0.69	0.08	(0.01)	N/A
2012E	16.71	3.27	2.53	0.62	4.73

Where available, consensus data has been sourced from Thomson Datastream

Sector: Pharma & Healthcare

Price: €7.18
Price as at 23 September 2011

Share price graph (€)



Company description

Biosynex specialises in developing, producing, and marketing in vitro diagnostic tests for healthcare professionals (biologists, clinicians, nurses, and midwives).

Price performance

%	1m	3m	12m
Actual	(10.2)	(54.7)	N/A
Relative*	(2.2)	27.7	N/A

* % Relative to local index

Analyst

Mick Cooper

Biosynex (ALBIO)

Market cap: €8m

COMPANY COMMENT

Biosynex is a growing company selling easy-to-use, rapid diagnostic tests. In H111, its sales rose by 21.4% to €0.6m and its net loss fell from €0.22m to €0.03m. The increased revenue is largely driven by its tests for foetal membrane rupture and anti-tetanus immunity, and its enlarged client base (especially internationally). Its future growth prospects depend on these products, new products such as the norovirus test, launched in April and geographic expansion. Four more tests should be launched in 2012, including ones for C. difficile and vasculitis. Biosynex was listed at €7.60 per share on 25 March, including a capital raise of €3.0m. It raised an additional €2.0m in May and €2.3m at €12.75 per share in June.

INDUSTRY COMMENT

The molecular diagnostic market was estimated to be worth €3bn in 2009 and could double by 2014, because of the demand for better diagnoses to improve clinical decision making. The development risk of diagnostic products is lower than that for drugs, and the route to commercialisation is quicker.

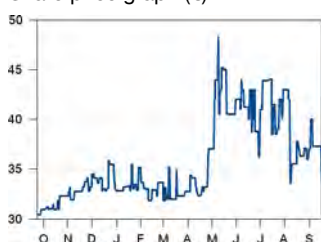
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	0.69	(0.25)	(0.23)	N/A	N/A
2010A	1.01	(0.09)	(0.03)	N/A	N/A
2011E	1.90	N/A	0.30	0.30	23.93
2012E	4.30	N/A	1.40	1.30	5.52

Where available, consensus data has been sourced from Thomson Datastream

Sector: Consumer Support Services

Price: €33.80
Price as at 23 September 2011

Share price graph (€)



Company description

Bricorama specialises in the distribution of DIY, gardening and decoration products.

Price performance

%	1m	3m	12m
Actual	(6.9)	(21.3)	11.0
Relative*	1.4	42.2	41.7

* % Relative to local index

Analyst

Richard Finch

Bricorama (ALBRI)

Market cap: €210m

COMPANY COMMENT

Ahead of imminent H1 results, Bricorama saw a mild slowdown (sales +5% against +7% in Q1) as adverse June weather exacerbated tough economic conditions. Importantly, France, which is much the largest operation (two-thirds of sales), led the way whereas Netherlands was down slightly and Spain (admittedly small at 3% of sales) disappointed in tune with a faltering market. Q1 margin fell as a result of discounting and destocking specifically to reduce the company's material debt (€110m at December). This has not, however, deterred expansion, namely July's purchase of five Dutch stores, which promise significantly above-average revenues. Guidance in May was for sales growth of 5-10% for the full year.

INDUSTRY COMMENT

According to Banque de France, sales in the home improvement market in August were up 1.6% on July but flat year-on-year with a slight decline over the past quarter, confirming a downward trend since the spring. Castorama, a leading operator, grew like-for-like sales in H1 by 4%.

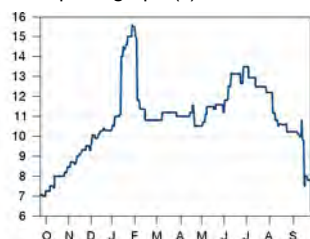
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	675.74	31.70	21.11	3.65	9.26
2010A	698.01	39.58	22.20	3.85	8.78
2011E	N/A	N/A	N/A	N/A	N/A
2012E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Technology

Price: €7.78
Price as at 23 September 2011

Share price graph (€)



Company description

BSB employs over 400 people with offices in Belgium, Luxembourg, France, Switzerland and Ireland. It provides mission-critical solutions: Soliam, a portfolio management system for asset managers; and Solife, a life insurance policy administration system. It signed 15 new clients during 2010 and has over 100 clients in 16 European countries.

Price performance

%	1m	3m	12m
Actual	(23.8)	(38.5)	9.4
Relative*	(19.4)	(9.6)	39.1

* % Relative to local index

Analyst

Roger Leboff

BSB (BSB)

Market cap: €17m

COMPANY COMMENT

Software sales drove the 26% increase in revenues in FY10, 56% ahead and stronger in both domestic and export markets. The services division was also up by a more modest 3%; both divisions were profitable. BSB attributes this to its previous investment in product development and a more confident customer, reinstating spending put on hold in 2008-09. The group has geared up for another good year with a 23% increase in headcount and a new software development in Dublin, opened in H2. The statement included a positive 2011 outlook.

INDUSTRY COMMENT

BSB's domestic and international markets picked up in 2010 and it secured new clients in established and new territories. Momentum has been maintained into 2011 with demand for its applications - asset management and life insurance policy administration, remote access, consultancy services, bespoke applications and integration with partner solutions (SAP, IDIT) - targeted at banks and insurance companies. Core markets are Belgium, France and Luxembourg.

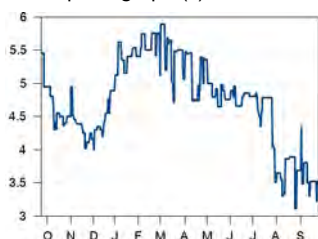
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	24.48	(0.11)	(0.52)	(0.25)	N/A
2010A	30.90	2.20	0.91	0.43	18.09
2011E	N/A	N/A	N/A	N/A	N/A
2012E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Technology

Price: €3.52
Price as at 23 September 2011

Share price graph (€)



Company description

Budget Telecom is an alternative discount telecommunications operator primarily servicing the general public.

Price performance

%	1m	3m	12m
Actual	(9.5)	(27.4)	(29.6)
Relative*	(1.4)	(13.1)	(10.1)

* % Relative to local index

Analyst

Richard Finch

Budget Telecom (ALBUD)

Market cap: €12m

COMPANY COMMENT

Ahead of imminent H1 results, 11% sales decline in Q2 is unwelcome after the consistent growth of the past year and risks derailing Budget Telecom's April guidance of H2 profit recovery. However, encouragingly for the longer term, weakness was centred on the wired market, which is in structural decline, and specifically on B2B wholesale, which is in any case low margin. By contrast, new mobile offerings sold well in B2C both at home and internationally, which especially pleased management. The company has a strong client base, including over 200,000 subscribers, a wide distribution network and healthy finances.

INDUSTRY COMMENT

Across all western economies, pressure on fixed-line revenues continues. However, there is still a major opportunity for alternative telecoms service providers that can typically offer better pricing than incumbents and also offer innovative services and high customer support levels.

Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	23.80	3.60	2.60	N/A	N/A
2010A	25.60	1.30	0.50	N/A	N/A
2011E	N/A	N/A	N/A	N/A	N/A
2012E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Pharma & Healthcare

Price: €84.87
Price as at 23 September 2011

Share price graph (€)



Company description

CARMAT is developing a fully implantable orthotopic artificial heart, its electrical power supply system, and its telediagnosics system.

Price performance

%	1m	3m	12m
Actual	(11.0)	(49.3)	249.4
Relative*	(3.0)	54.4	346.3

* % Relative to local index

Analyst

Mick Cooper

CARMAT (ALCAR)

Market cap: €350m

COMPANY COMMENT

Carmat has developed an implantable artificial heart. It expects the first human implants to take place in Q411, with an update on their performance in Q112. The device is designed to mimic a natural heart, which alters its beating depending on a person's activity. Bench tests indicate that its life expectancy will be over five years. The artificial heart is the result of an alliance between Professor Carpentier (who developed the eponymous heart valve) and the aerospace company, EADS. The company recently raised €29.3m in a rights issue, which should be sufficient for Carmat to operate into 2013 when the product could receive EU approval.

INDUSTRY COMMENT

The implantable artificial heart is being developed to treat patients with end-stage chronic heart failure. These people currently have a life expectancy of 12 months unless they receive a heart transplant (c 4,000 heart transplants are carried out each year). Carmat estimates that its device could treat c 100,000 patients per year and generate sales of up to €16bn.

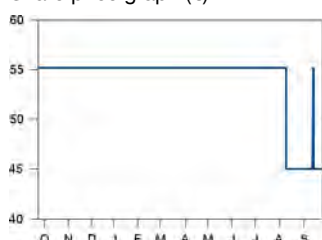
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	4.80	(5.98)	(4.72)	N/A	N/A
2010A	5.00	(10.50)	(7.73)	N/A	N/A
2011E	N/A	N/A	N/A	N/A	N/A
2012E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Basic Industries

Price: €45.00
Price as at 23 September 2011

Share price graph (€)



Company description

Catala specialises in the production of corrugated and triple-corrugation card and paper, as well as in the transformation of corrugated cardboard into packaging.

Price performance

%	1m	3m	12m
Actual	0.0	(18.4)	(18.5)
Relative*	5.8	6.2	3.7

* % Relative to local index

Analyst

Richard Finch

Catala (CAT)

Market cap: €6m

COMPANY COMMENT

Ahead of H1 results due in late October, a substantial trading loss in H210 was all the more disappointing after Catala's return to profit in the two preceding halves. Management attributes the setback to a virulent hike in raw material costs, which collapsed gross margin and could not be recovered by selling prices. Unfortunately, Q111 saw more of the same, with further cost rises in February. Since wholesale cost-cutting has already been implemented, the company advises that profit recovery depends on restoration of gross margin.

INDUSTRY COMMENT

After underlying volume growth of 9% in continental corrugated packaging in the year to April, DS Smith reported recently that its French operations are performing well in terms of revenue growth. Smith's success is due partly to its high share (more than Catala) of FMCG business, the most buoyant area of corrugated demand. Continuing pressure on costs is expected and industry consolidation is afoot, with DS Smith buying Otor last year.

Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	38.88	0.00	(0.60)	N/A	N/A
2010A	42.40	(0.50)	(2.60)	N/A	N/A
2011E	N/A	N/A	N/A	N/A	N/A
2012E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Property

Price: €2.83
Price as at 23 September 2011

Share price graph (€)



Company description

CBo Territoria develops, promotes and manages residential and business real estate on La Réunion Island.

Price performance

%	1m	3m	12m
Actual	(3.7)	(29.8)	(32.0)
Relative*	4.8	(9.2)	(13.1)

* % Relative to local index

Analyst

Roger Leboff

CBo Territoria (ALCBO)

Market cap: €91m

COMPANY COMMENT

The 134% y-o-y increase in first-half sales was boosted by property revenues approximately three times H110 at €35.9m. That reflects the expanded product mix, which includes sales of private and social units, plots and contracting revenues. Rents were up by 5% to €5.3m, on the back of leases signed in 2010, and commercial property contributed 63% vs 61% last year. The FY11 outlook expects €100m of sales. The group paid an 8c/share dividend in FY10, up 14%.

INDUSTRY COMMENT

CBo remains on track to meet its forecast-doubled scale by 2015, with 2011 (€100m revenue target) and 2012 outlooks supported by its €125m order backlog and initiation of new projects. CBo holds a portfolio of commercial space and residential units on La Réunion Island in the Indian Ocean and generates revenue from rent, development, sales and management of the property. La Réunion experienced dynamic GDP growth over the last decade, after government efforts to increase tourism and cut dependence on agriculture.

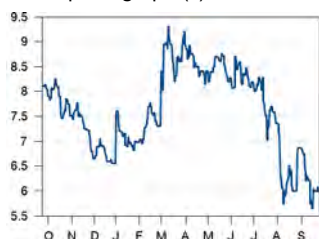
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	59.90	27.80	15.20	N/A	N/A
2010A	71.70	26.20	18.10	N/A	N/A
2011E	N/A	N/A	N/A	N/A	N/A
2012E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Pharma & Healthcare

Price: €6.00
Price as at 23 September 2011

Share price graph (€)



Company description

Collectis is a leader in genome engineering and genomic surgery. Collectis specialises in the development and production of modified meganucleases used for in vivo DNA surgical procedures.

Price performance

%	1m	3m	12m
Actual	0.0	(27.4)	(26.3)
Relative*	8.9	(5.3)	(5.9)

* % Relative to local index

Analyst

Mick Cooper

Collectis (ALCLS)

Market cap: €70m

COMPANY COMMENT

Collectis is following a diversified strategy to exploit its core expertise in meganucleases, which make specific alterations to DNA. It has four subsidiaries: Collectis bioresearch provides meganuclease kits to life sciences researchers; Collectis plant sciences develops genetically modified plants for agricultural companies, including Monsanto; Collectis genome surgery is developing innovative treatments for genetic diseases and various other indications; and Ectycell is developing uses for meganucleases with stem cells. It is in the process of acquiring Cellartis for €16.4m in cash and 1.93m shares, which will become part of Ectycell to create a leading stem cell company. At the same time, Collectis is raising €50m to accelerate the development of its other businesses.

INDUSTRY COMMENT

Collectis's technology has a wide range of applications. The precise manner in which meganucleases modify genetic material means that all of its business lines have significant potential, although with very different risk/reward characteristics and time lines.

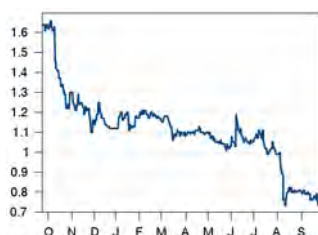
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	10.10	(9.80)	(7.80)	(0.33)	N/A
2010A	15.80	(11.50)	(8.00)	(0.40)	N/A
2011E	21.00	(8.00)	(5.95)	(0.51)	N/A
2012E	27.55	(1.00)	(2.75)	(0.24)	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Pharma & Healthcare

Price: €0.73
Price as at 23 September 2011

Share price graph (€)



Company description

Cerep provides pre-clinical research services to the pharmaceutical industry.

Price performance

%	1m	3m	12m
Actual	(8.8)	(30.5)	(54.4)
Relative*	(0.6)	(9.9)	(41.7)

* % Relative to local index

Analyst

Mick Cooper

Cerep (ALCER)

Market cap: €9m

COMPANY COMMENT

Trading conditions for Cerep continue to be challenging as sales fell 8% to €24.2m in FY10. Many of its clients have frozen research programmes, especially in North America, which caused sales to fall by 20.2%; this decline was partly offset by an increase of 2.4% in Europe and 28.9% in Asia. A focus on operating efficiency limited the operating loss to €3.1m. This led to its net debt position deteriorating by €3.1m to €3.6m in FY10. Its prospects depend on the continued progress of its new Chinese subsidiary and successful launch of the BioPrint database (Shire signed an evaluation license in January).

INDUSTRY COMMENT

Pharmaceutical companies are outsourcing a greater proportion of their pre-clinical work, but the market is very competitive. Restructuring programmes at pharmaceutical companies have put some research projects on hold and many pre-clinical services are becoming commoditised. CROs need to innovate continually to differentiate themselves from their competitors.

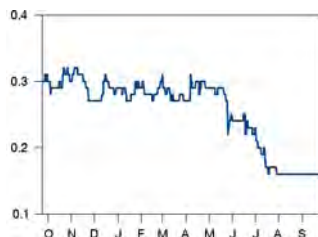
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	26.30	(1.71)	(1.92)	N/A	N/A
2010A	24.20	(3.14)	(4.11)	N/A	N/A
2011E	25.00	(1.00)	(2.00)	(0.12)	N/A
2012E	26.00	0.00	0.00	(0.04)	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Consumer Support Services

Price: €0.16
Price as at 23 September 2011

Share price graph (€)



Company description

César specialises in the design, manufacturing and marketing of party items.

Price performance

%	1m	3m	12m
Actual	0.0	(30.4)	(46.8)
Relative*	8.9	(23.3)	(32.1)

* % Relative to local index

Analyst

Richard Finch

Cesar (ALCES)

Market cap: €9m

COMPANY COMMENT

With the shares suspended since July, caution is understandable after June's essential €7m fund-raising via an offer of shares at €0.20. We are still awaiting results for the year to March, which promise barely a "stabilisation" on last year's very large trading loss (sales were flat thanks only to an unexpectedly strong Q4). Unsurprisingly, management warned in May that market conditions remain difficult across its international markets, the bulk of group sales. News is also awaited about the implementation of a cost-cutting programme, which includes the transfer of some of the company's purchasing from China to Madagascar. Apart from restoring its immediate fortunes, these measures are intended to let Cesar return to profit.

INDUSTRY COMMENT

Eurozone retail sales in July were unexpectedly higher, although only modestly (Eurostat). However, caution appears in order in view of weakening growth indicators. Real GDP in the advanced economies is expected to grow "at an anaemic pace" of c 1.5% in 2011 and c 2% next year.

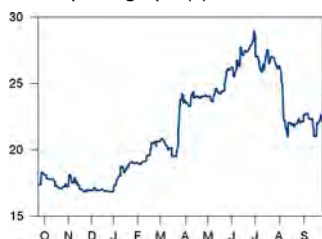
Y/E Mar	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	40.40	(5.80)	(7.20)	N/A	N/A
2010A	34.60	(4.30)	(6.40)	N/A	N/A
2011E	N/A	N/A	N/A	N/A	N/A
2012E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Support Services

Price: €22.05
Price as at 23 September 2011

Share price graph (€)



Company description

Clasquin provides air and maritime transportation engineering and overseas logistical services. It pilots and organises its customers' merchandise flows between France and primarily the Asia-Pacific region and the United States.

Price performance

%	1m	3m	12m
Actual	(0.2)	(20.1)	19.2
Relative*	8.7	37.9	52.2

* % Relative to local index

Analyst

Richard Finch

Clasquin (ALCLA)

Market cap: €51m

COMPANY COMMENT

Clasquin not only defied sluggish growth in world trade in Q211, with an increase of 6% in shipments, but secured a gain of 11% in gross profit thanks to its ability to grow the average value of shipments. Impressively, trading profit in the first half rose by almost 10% despite opening costs in Germany and India and re-launch costs in Italy. Management is confident that for the rest of 2011 Clasquin's strong market position, especially in Asia, the quality of its clients and its continued ability to increase average shipment volumes should sustain significant growth and market outperformance. The company remains securely financed with marginal gearing at June.

INDUSTRY COMMENT

As a result of economic slowdown and the sovereign debt crisis, the IMF has just reduced its forecast for growth in world trade and global GDP to 7.5% and 4% respectively this year and 5.8% and 4% in 2012. Real GDP in the advanced economies is expected to grow "at an anaemic pace" of c 1.5% in 2011 and c 2% next year.

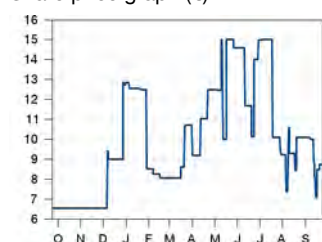
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	114.74	4.51	2.40	1.06	20.80
2010A	179.10	6.50	3.80	1.50	14.70
2011E	189.00	9.17	5.00	2.19	10.07
2012E	199.00	9.67	6.00	2.58	8.55

Where available, consensus data has been sourced from Thomson Datastream

Sector: Alternative Energy

Price: €8.75
Price as at 23 September 2011

Share price graph (€)



Company description

CNPV specialises in the development, manufacturing and marketing of photovoltaic solar modules.

Price performance

%	1m	3m	12m
Actual	(13.5)	(37.5)	34.2
Relative*	(5.7)	11.0	71.4

* % Relative to local index

Analyst

Roger Leboff

CNPV Solar Power (ALCNP)

Market cap: €67m

COMPANY COMMENT

Strong underlying growth was reflected in FY10 total production output nearly five times the figure for 2009, shipment volumes and revenues more than double. Second-half margins benefited from increased operating efficiencies and production of cells in-house, and operating income, at €29.6m was 105% ahead. This performance reflects the strategy to expand sales across distribution segments and markets beyond Europe, into emerging PV markets such as China, South Asia and Australia/New Zealand.

INDUSTRY COMMENT

The group's Solar Photo Voltaic (SPV) products tap into growing demand globally for reliable and environmentally clean electric power to on and off-grid residential, commercial, industrial and utility scale applications. CNPV contributes to improved competitiveness and efficiency of SPV applications. In addition to CNPV's domestic Chinese operation, its export markets (90% of sales) include Spain, Germany, France, US, South Korea and India.

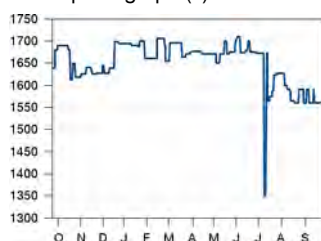
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	72.60	14.40	11.06	2.17	4.03
2010A	260.16	29.56	19.04	3.75	2.33
2011E	N/A	N/A	N/A	N/A	N/A
2012E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Food & Drink

Price: €1560.00
Price as at 23 September 2011

Share price graph (€)



Company description

CoBrHa is Belgium's third largest brewery, through its subsidiary Haacht Brewery. It is also involved in the production and sale of wine and non-alcoholic beverages.

Price performance

%	1m	3m	12m
Actual	(1.9)	(6.9)	(8.0)
Relative*	3.8	21.6	17.0

* % Relative to local index

Analyst

Fiona Orford-Williams

CoBrHa (COBH)

Market cap: €119m

COMPANY COMMENT

Results for H111 are not expected until 30 September, but trading is unlikely to have improved. Price rises to recover higher raw material and energy costs were delayed until after the key summer season, implemented on 5 September, while cost pressures have not abated. FY10 sales were down 4%, but this was mostly due to the withdrawal from distribution agreements with some private-label brands to the off-trade in H210. Market share improved in the on-trade, export sales grew and costs were contained, leading to improved profits.

INDUSTRY COMMENT

Belgian beer consumption continues to fall, with the Union of Belgian Brewers putting it at 78 litres per head for 2010, a fall of 2.8% (implying an acceleration in H2), with the on-trade hardest hit. The market is dominated by InBev (54%) and Heineken/Alken-Maes (11%). Industry consolidation was a theme of FY10 (Alken-Maes buying Afligem; De Koninck taking Duvel Moortgat), leaving Haacht the third-largest brewer. A full smoking ban came into effect on 1 July, further dampening demand.

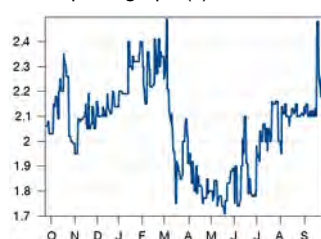
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	95.50	8.27	6.51	N/A	N/A
2010A	91.97	10.14	7.70	N/A	N/A
2011E	N/A	N/A	N/A	N/A	N/A
2012E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Media & Entertainment

Price: €2.30
Price as at 23 September 2011

Share price graph (€)



Company description

Come and Stay provides email-based direct marketing services on the internet.

Price performance

%	1m	3m	12m
Actual	9.5	28.5	20.4
Relative*	19.3	67.9	53.8

* % Relative to local index

Analyst

Fiona Orford-Williams

Come & Stay (ALCSY)

Market cap: €9m

COMPANY COMMENT

Come & Stay specialises in email and mobile advertising through lead generation, e-CRM and social media. The group is moving its larger clients to multi-year contracts of up to five years, with a target of 50% revenues from such business by 2013. H111 revenues grew in line with the market at 12%, with a programme of e-mail retargeting, based on online behaviour, launched in June. A new social media product based on the acquisition of Social Mix Media was launched in July, giving cross-selling opportunities and broadening the offer. The operating leverage is already showing in improved H111 margins.

INDUSTRY COMMENT

Mobile marketing continues to be one of the strongest areas of growth, albeit from a low base, due to increasing smartphone penetration and rapid development of mobile applications. Within the anticipated 12% online marketing growth forecast by Capgemini for FY11, display within social networking platforms is set to be one of the fastest growing areas.

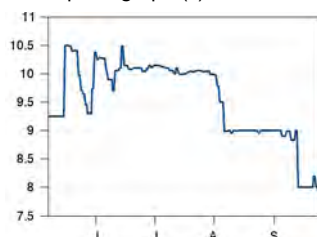
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	15.90	(0.70)	(3.50)	(0.28)	N/A
2010A	11.30	0.80	(9.40)	(0.19)	N/A
2011E	11.90	0.70	0.40	0.11	20.91
2012E	13.10	1.00	0.70	0.17	13.53

Where available, consensus data has been sourced from Thomson Datastream

Sector: Media & Entertainment

Price: €7.80
Price as at 23 September 2011

Share price graph (€)



Company description

Groupe ConcooursMania specialises in developing online marketing game operations.

Price performance

%	1m	3m	12m
Actual	(12.9)	(22.8)	N/A
Relative*	(5.2)	N/A	N/A

* % Relative to local index

Analyst

Fiona Orford-Williams

Concooursmania (ALGCM)

Market cap: €26m

COMPANY COMMENT

Growth has continued strongly in H111, despite the potential distraction of the flotation in May 2011, with organic growth of 49%. Revenues from B2B promotional gaming overtook those from B2C online casual gaming as a number of substantial accounts were won, including France Soir, Vertbaudet and Leroy Merlin. Funds of €10.6m raised at issue will help the group pursue its geographic ambitions (Germany, Scandinavia and the UK) and to invest in its social network-based, mobile and tablet-based gaming offers.

INDUSTRY COMMENT

As the industry is maturing, data is becoming available. A recent survey by Infograph showed 24m active gamers in France, 42% of the population. The growth of gaming within Facebook is a recognised phenomenon, with 16% of gaming hours now spent within the platform, with mobile games accounting for another 11%. Console games remain the market leader, albeit with a reducing share. Research from the US shows very high level of acceptance of marketing within a gaming environment, at 40%.

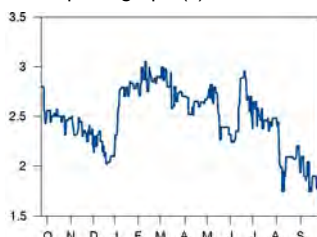
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	4.85	0.16	0.03	N/A	N/A
2010A	7.54	1.50	0.90	N/A	N/A
2011E	11.00	N/A	1.57	N/A	N/A
2012E	15.09	N/A	2.25	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Media & Entertainment

Price: €1.60
Price as at 23 September 2011

Share price graph (€)



Company description

CRM Company Group provides marketing consultation services. Its activities are centred on four divisions: communication consultation services, design and implementation of advertising campaigns, interactive marketing services, and the assessment of campaigns.

Price performance

%	1m	3m	12m
Actual	(22.7)	(39.8)	(39.8)
Relative*	(15.8)	(20.4)	(23.2)

* % Relative to local index

Analyst

Fiona Orford-Williams

CRM Company Group (ALCRM)

Market cap: €6m

COMPANY COMMENT

CRM Company Group and megalogo company trade under the latter name, having merged in October 2010. Interim figures are due imminently, so the latest public newsflow is the AGM statement at end-June that outlined continuing good new account wins and renewals, as well as cuts in overheads. One of the group's key verticals is in Health. It has recently announced a website to be launched in Q411 with Le Figaro to complement Figaro's weekly supplement, which will cover newsflow but also carry personalised programmes and services.

INDUSTRY COMMENT

Carat's latest estimates for the advertising industry (August 2011) trimmed expectations for the French advertising market for FY11 from 2.9% to 2.6%, with growth moderating in H211 as economic worries come to the fore. Indications for FY12 are for 2.5% (2.7%), buoyed by the Presidential Elections. Online will continue to greatly outstrip these rates, with CapGemini now looking for 12% growth as brands increase their online presence.

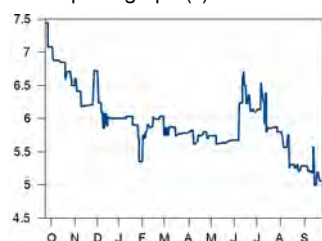
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	15.30	(3.00)	(3.30)	N/A	N/A
2010A	16.80	0.60	(0.40)	N/A	N/A
2011E	N/A	N/A	N/A	N/A	N/A
2012E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Media & Entertainment

Price: €5.06
Price as at 23 September 2011

Share price graph (€)



Company description

Custom Solutions specialises in the supply of marketing services.

Price performance

%	1m	3m	12m
Actual	(2.7)	(17.2)	(28.6)
Relative*	6.0	18.8	(8.9)

* % Relative to local index

Analyst

Fiona Orford-Williams

Custom Solutions (ALSOL)

Market cap: €25m

COMPANY COMMENT

Sales for H111 (end March) were up 35%, a considerable improvement on the 11% growth in H110. A recovery in margins was due to the sales mix shifting further back towards promotional marketing from logistical fulfilment, after November's acquisition of loyalty-scheme specialist Gecip. An exceptional €356k was charged to cover the integration costs. At end March, the group had net cash of €10m (after stripping out cash advances). Its financial targets for the current year are for revenues of €20m and net profits of €2.1m.

INDUSTRY COMMENT

Carat edged down its estimate for French advertising for FY11 from 2.9% to 2.6%, with growth moderating over H211 as economic concerns come to the fore. Indications for FY12 are currently 2.7%, supported by anticipated spending around the presidential election campaign. Online is expected to outperform considerably, growing 12% in both years (CapGemini). E-commerce is also growing strongly, with a recent ComScore survey showing 83% of internet users visiting retailers' sites in July.

Y/E Sep	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	0.86	0.26	1.88	N/A	N/A
2010A	15.70	2.33	1.71	N/A	N/A
2011E	19.50	2.80	1.80	0.38	13.32
2012E	21.50	3.40	2.60	0.53	9.55

Where available, consensus data has been sourced from Thomson Datastream

Sector: Support Services

Price: €6.50
Price as at 23 September 2011

Share price graph (€)



Company description

D.L.S.I. is a temporary recruitment business, placing both skilled and unskilled labour.

Price performance

%	1m	3m	12m
Actual	2.4	(13.6)	(4.7)
Relative*	11.5	11.7	21.7

* % Relative to local index

Analyst

Fiona Orford-Williams

D.L.S.I. (ALDLS)

Market cap: €17m

COMPANY COMMENT

Revenue growth moderated in Q211 to give an overall H111 gain of 45% (14% I-f-I). Full details are due to be published on 3 October, at which time the FY11 forecast may be revisited. It currently stands at €200m, compared to €173m, which itself had exceeded the September forecast of €150m by some way. Overseas revenues continued to expand, accounting for 23% of group and are likely to be at around 25% for the year. Luxembourg and Switzerland are the largest markets outside France, with the Polish start-up broadening the scope further.

INDUSTRY COMMENT

Q211 agency temporary employment was up 10% y-o-y, according to the latest data published by DARES. Eurociett's figures to April 2011 show a 16.5% increase in agency hours worked in France, down from 19.5% in March. Employment growth was still running at 1% for Q211, with unemployment coming in at 9.6%, slightly below the expected figure. French GDP expectations have been revised down to 1.75% (2%) for FY11 and 1.75% (2.25%) for FY12.

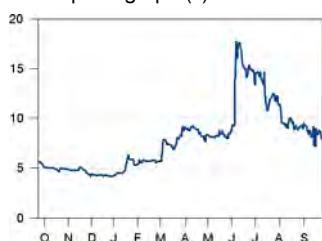
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	117.43	1.36	0.70	N/A	N/A
2010A	172.70	3.64	1.40	N/A	N/A
2011E	N/A	N/A	N/A	N/A	N/A
2012E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Alternative Energy

Price: €7.92
Price as at 23 September 2011

Share price graph (€)



Company description

Deinove designs and develops technologies in biofuels and biochemicals by harnessing the properties of the *Deinococcus* bacterium.

Price performance

%	1m	3m	12m
Actual	(10.5)	(48.2)	39.9
Relative*	(2.5)	35.8	78.7

* % Relative to local index

Analyst

Graeme Moyse

Deinove (ALDEI)

Market cap: €38m

COMPANY COMMENT

Deinove is seeking to develop a commercial method of producing second-generation biofuel using *Deinococci* bacteria. The company identified a particular strain from which to develop its biofuel project during the course of the first half of the current year, for which it received grant funding. We expect further funding in H1 next year on the completion of the lab scale pilot plant. Despite higher than expected costs, the H1 net financial position of £11.1m appears comfortable and we believe Deinove has sufficient cash resources to last until 2013. Our discounted cash-flow analysis (using a 20% discount factor) suggests the market is assuming c 25-30% probability of success for Deinove's project.

INDUSTRY COMMENT

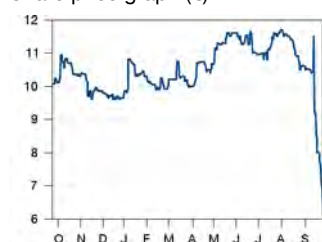
Environmental pressures and issues of security of energy supply should support continued growth in the market for biofuels. Within this mix we assume that second generation biofuels, such as those being developed by Deinove, assume greater importance.

Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	0.00	(1.88)	(1.25)	N/A	N/A
2010A	0.60	(2.50)	(2.25)	N/A	N/A
2011E	0.60	(3.86)	(3.11)	(0.64)	N/A
2012E	0.70	(4.00)	(3.30)	(0.68)	N/A

Sector: Support Services

Price: €6.50
Price as at 23 September 2011

Share price graph (€)



Company description

Demos is a leading French supplier of professional training. Its main activity is the provision of continued education services.

Price performance

%	1m	3m	12m
Actual	(39.3)	(40.9)	(36.3)
Relative*	(33.8)	(13.1)	(18.6)

* % Relative to local index

Analyst

Fiona Orford-Williams

Demos (ALDMO)

Market cap: €39m

COMPANY COMMENT

H111-indicative figures are disappointing, with the increasingly sluggish economic conditions affecting demand for standard inter-company product from SMEs. Custom business performed better, growing 4%, but there was a big drop in consulting income. International sales were good, particularly in English-language markets. The natural seasonality of the business to H2 means the group now expects to register an operating loss for H211. More details are expected with the publication of the full numbers on 10 October.

INDUSTRY COMMENT

In most developed economies, professional training opportunities are a given, enshrined in labour regulation. In many of Demos's newer markets, well-trained employees are seen to provide a competitive edge, with training also improving the calibre of candidates. Most markets are highly fragmented, although until comparatively recently, the French market was dominated by state-owned training company AFPA. E-learning is accelerating the pace of change, although this method is less adopted in France (24%) than in the UK (53%).

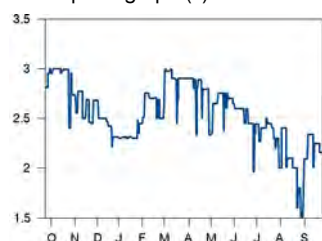
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	96.15	4.41	1.00	N/A	N/A
2010A	102.20	5.66	1.10	N/A	N/A
2011E	109.00	7.00	5.00	0.73	8.90
2012E	116.00	9.00	6.00	0.95	6.84

Where available, consensus data has been sourced from Thomson Datastream

Sector: Oil & Gas

Price: €2.16
Price as at 23 September 2011

Share price graph (€)



Company description

Dietswell provides engineering and drilling services to the oil and gas industries, including well engineering and management of drilling operations, the construction and renovation of drilling equipment and the inspection and auditing of drilling equipment.

Price performance

%	1m	3m	12m
Actual	20.0	(11.8)	(30.3)
Relative*	30.7	1.1	(11.0)

* % Relative to local index

Analyst

Roger Leboff

Dietswell (ALDIE)

Market cap: €11m

COMPANY COMMENT

The first half of 2011 saw 13% sales growth with services particularly strong, ahead by 48% at €4.8m, compensating for lower operations/drilling and engineering returns. Services benefited from the general recovery in O&G markets since H210. Technical assistance revenues at €4m (€2.8m) were boosted by six new contracts (including Petronas, Total ABK and Chevron) signed by the Abu Dhabi office. Audit and inspections doubled to €0.8m and the trend should continue in H2. Other areas are also expected to pick up, after new contracts and development work, which is not yet reflected in reported revenues.

INDUSTRY COMMENT

The group is recovering well after two difficult years and appears well placed to benefit from expected market recovery, on the back of a stronger E&P market bolstered by structurally high oil prices. Its RCR 1200 drilling rig has been entirely rebuilt - renamed SELDAR 160 - and is reported to be attracting interest from various oil and gas operators.

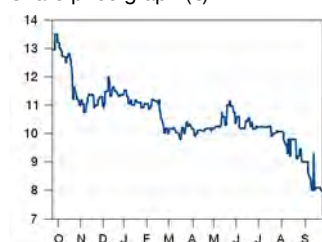
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	14.14	(2.33)	(2.08)	N/A	N/A
2010A	9.17	(1.96)	(5.03)	N/A	N/A
2011E	18.65	N/A	(0.24)	(0.05)	N/A
2012E	24.06	N/A	1.07	0.20	10.80

Where available, consensus data has been sourced from Thomson Datastream

Sector: Technology

Price: €7.95
Price as at 23 September 2011

Share price graph (€)



Company description

DL Software specialises in the publishing and marketing of management software for SMEs.

Price performance

%	1m	3m	12m
Actual	(13.7)	(21.7)	(41.5)
Relative*	(6.0)	4.8	(25.3)

* % Relative to local index

Analyst

Richard Finch

DL Software (ALSDL)

Market cap: €35m

COMPANY COMMENT

DL Software has advised that it will miss its 2011 guidance of 5-10% trading profit improvement owing to the roll-out of new subscription offers in line with its policy of growing recurrent income, which already accounts for over 50% of gross profit. Revised guidance will accompany H1 results in late October. The slowdown was felt in Q2 as like-for-like sales fell by 6%, reversing the resumption in growth in Q1 after last year's 5% shortfall. Management is otherwise confident in the company's robust model and expansion-led strategy (cash-generative DL has scope for c €5-10m acquisitions).

INDUSTRY COMMENT

Capgemini's like-for-like sales in France grew by 6% in the first half of the year, reflecting vigorous recruitment. Capgemini's focus is on national accounts rather than DL Software's target smaller business market, which should resume its correction of long-standing underinvestment in IT as conditions improve.

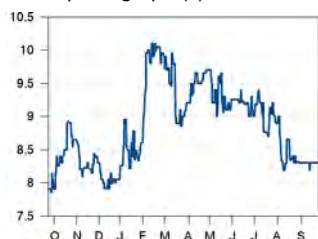
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	39.10	6.00	1.90	N/A	N/A
2010A	44.10	5.70	3.00	N/A	N/A
2011E	N/A	N/A	N/A	N/A	N/A
2012E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Electrical Equipment

Price: €8.30
Price as at 23 September 2011

Share price graph (€)



Company description

ECT Industries designs, manufactures, markets and maintains on-board electronic and electromechanical navigation systems and equipment used primarily in the aeronautics industry.

Price performance

%	1m	3m	12m
Actual	(1.2)	(7.8)	4.3
Relative*	7.6	27.3	33.2

* % Relative to local index

Analyst

Richard Finch

ECT Industries (ALECT)

Market cap: €10m

COMPANY COMMENT

ECT Industries is currently the subject of a takeover bid by French services group, NSE. Having gained acceptances from key shareholders, representing 51% of the capital and at an offer price of €12, NSE intends to buy out remaining investors at the same price, subject to satisfactory clearance by market regulators. Despite a reduction in H1 sales attributed to two significant delivery delays, management envisages a full-year increase of up to 10% as well as improved margin (H1 results due late October). The largest division, Services, whose strongly-recurrent income was affected in H210 by cutbacks, should benefit from a new French Air Force contract. The shares were suspended on 1 September.

INDUSTRY COMMENT

The coming years will see military budgets across Europe coming under pressure. ECT has relatively limited exposure to the regional and business jet sector, which has seen the most significant declines so far.

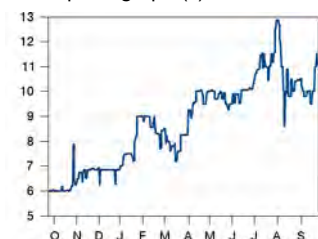
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	24.10	2.06	1.49	N/A	N/A
2010A	22.40	1.43	1.23	N/A	N/A
2011E	25.30	N/A	1.30	1.11	7.48
2012E	27.50	N/A	1.70	1.38	6.01

Where available, consensus data has been sourced from Thomson Datastream

Sector: Technology

Price: €11.10
Price as at 23 September 2011

Share price graph (€)



Company description

eFront offers publishing and software solutions primarily to the financial and insurance sectors in France, the UK and other parts of Europe.

Price performance

%	1m	3m	12m
Actual	6.7	9.9	85.0
Relative*	16.2	82.6	136.3

* % Relative to local index

Analyst

Roger Leboff

eFront (ALEFT)

Market cap: €34m

COMPANY COMMENT

First-half sales growth was 41%, or 43% at constant exchange rates. That was an impressive performance vs a strong FY10 comparable, driven in particular by an 82% increase in license sales on the back of contract wins and the completion of a major project in the Middle East. Maintenance (+44%) and services (+22%) were similarly strong and there was 34% growth in recurring revenues to c 21% of group turnover. Frontinvest Front Analytics secured over 20 new customers. The shares were suspended on 23 September.

INDUSTRY COMMENT

The group's overseas markets outperformed in H111, with sales to UK up 93%, North America by 73% and continental Europe (+39%) and Middle East/Asia (+31%) also contributing. eFront leverages a broad geographical coverage and focus on software used by alternative asset managers, fund administrators and in risk management (governance, risk, compliance). It has over 260 customers in 30 countries in private equity, property investment, banking and insurance. It intends to continue to develop its international presence.

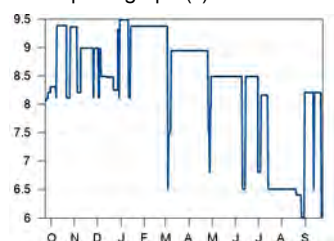
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	20.25	0.69	(1.00)	N/A	N/A
2010A	27.10	2.90	1.90	N/A	N/A
2011E	N/A	N/A	N/A	N/A	N/A
2012E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Technology

Price: €6.01
Price as at 23 September 2011

Share price graph (€)



Company description

Emakina Group is a full service digital agency, providing a range of services related to the design and development of websites and interactive communications.

Price performance

%	1m	3m	12m
Actual	(6.1)	(29.2)	(25.4)
Relative*	(0.7)	(12.5)	(5.2)

* % Relative to local index

Analyst

Roger Leboff

Emakina Group (ALEMK)

Market cap: €23m

COMPANY COMMENT

The first half saw higher profits overall but a slight squeeze on margins reflecting early contributions from recent investment. H111 sales were €19.7m, 22.7% ahead y-o-y, at a 3.9% operating margin (4.3%). Sales growth reflects development of its domestic and international reach into Belgium, France and the Netherlands, and in conjunction its with partner, Pixelpark commercial, in Germany. It has benefited from an explosion in demand for smartphones and digital tablets. Those trends added materially to H1 sales and the mobile division should grow after innovative projects for clients such as Electrabel, Belgacom (TV Anywhere), Colruyt (Collect & Go) and Pygmalion.

INDUSTRY COMMENT

Emakina is well set to exploit growth in smartphone and tablet adoption, having built a full service offering for clients via acquisitions such as Troy Agency in February 2011. It helps customers integrate new digital communications - websites, brand activations and digital applications - into their businesses.

Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	31.80	1.52	(0.36)	(0.01)	N/A
2010A	33.10	1.72	(0.36)	(0.22)	N/A
2011E	49.00	4.00	2.00	0.46	13.07
2012E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Media & Entertainment

Price: €3.15
Price as at 23 September 2011

Share price graph (€)



Company description

Entrepaticuliers.com is a French website dedicated to listing small real estate advertisements. The group also sells the publication Les Annonces Immobilières.

Price performance

%	1m	3m	12m
Actual	(14.9)	(28.4)	(31.7)
Relative*	(7.3)	(8.6)	(12.7)

* % Relative to local index

Analyst

Richard Finch

Entrepaticuliers.com (ALENT)

Market cap: €11m

COMPANY COMMENT

Entrepaticuliers.com's recovery looks to be faltering after just two quarters. Sales were flat in the three months to June (+23% in Q1) on a marked slowdown in premium advertisements (+6% against +23% in the previous quarter). This softness coincided with reorganisation costs as well as a hike in marketing spend in the face of intensifying competition, hence the virtual elimination of already slender trading profit. Despite the lack of guidance (customary), there is reassurance in the company's strong brand, national coverage, healthy finances and added-value services. These are helped by the recently-refreshed website, which offers a low-cost alternative to the estate agent (last year 50% of French properties put up for sale directly by the owner used the site).

INDUSTRY COMMENT

According to Entrepaticuliers.com's respected barometer, the recovery in the French property market may have stalled, with the number of new properties for sale down by 9% in July and prices flat month on month.

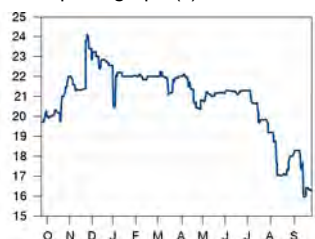
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	11.00	2.60	1.70	N/A	N/A
2010A	10.10	1.20	0.80	N/A	N/A
2011E	N/A	N/A	N/A	N/A	N/A
2012E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Engineering

Price: €16.22
Price as at 23 September 2011

Share price graph (€)



Company description

Environnement designs, manufactures and sells equipment and systems for monitoring the quality of air and water.

Price performance

%	1m	3m	12m
Actual	(6.2)	(23.7)	(15.7)
Relative*	2.1	0.9	7.6

* % Relative to local index

Analyst

Richard Finch

Environnement (ALTEV)

Market cap: €26m

COMPANY COMMENT

Environnement has accompanied solid sales progress (+8%) in H111 with the prospect of more of the same in the rest of the year. Its confidence is based on the buoyancy of its international activities, notably in the US and India, the sustained pick-up at Air Ambient and the significance of Services (c 37% of H1 revenue), which provides recurrent high-margin income. Ahead of H1 results in mid-October, the company looks to benefit increasingly from targeted R&D and overseas expansion, particularly in China, Brazil and India, not forgetting a significant order at the Russian space centre in Guyana late last year. Management claims to be more alert than ever to acquisition opportunities, which, happily, strong finances will allow.

INDUSTRY COMMENT

Veolia Environnement's Water Technologies & Networks division reported a rise of 2.5% in like-for-like revenue in H111 despite the completion of certain large contracts in the Middle East.

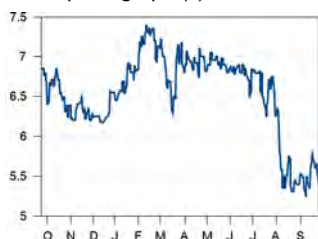
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	41.90	3.10	3.10	1.65	9.83
2010A	40.10	2.70	2.60	1.84	8.82
2011E	43.00	3.20	2.90	1.84	8.82
2012E	45.80	3.40	3.10	1.94	8.36

Where available, consensus data has been sourced from Thomson Datastream

Sector: Technology

Price: €5.40
Price as at 23 September 2011

Share price graph (€)



Company description

Esker develops document process automation software and cloud solutions to help companies Quit Paper in a variety of business processes, such as accounts payable, accounts receivable and sales order management.

Price performance

%	1m	3m	12m
Actual	(0.7)	(20.0)	(18.9)
Relative*	8.1	2.5	3.5

* % Relative to local index

Analyst

Roger Leboff

Esker (ALESK)

Market cap: €25m

COMPANY COMMENT

Q2/H1 2011 figures show the consistent shift towards cloud computing activities. There were 18% y-o-y increases in sales of document process automation for both periods, within which on-demand solutions (FlyDoc and Esker on Demand) were 29% ahead, contributing c 50% of group turnover in Q2, 46% in H111. Sales of traditional licenses were also ahead, by 68% in Q2 (21% in H1). The full year will benefit from significant customer sign ups in Q2 that did not contribute to H1 figures.

INDUSTRY COMMENT

The group sees growing demand for solutions that automate and computerise receipt and despatch of documents (invoices, purchase orders, invoices, letters, e-business and marketing, payroll) by mail, fax, email or SMS. It is a worldwide leader in document process automation and helps over 80,000 companies worldwide (including Adecco, AGF, Aldine, EDF, Flammarion, Lafarge, Manpower, Whirlpool and Samsung) to reduce paper use, eliminate manual processes, improve productivity and reduce environmental impact.

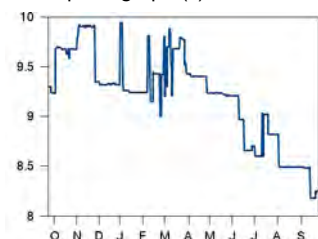
Y/E Mar	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	27.48	0.86	1.16	N/A	N/A
2010A	32.70	1.80	1.47	N/A	N/A
2011E	35.20	2.20	1.60	0.34	15.88
2012E	37.70	3.00	1.90	0.41	13.17

Where available, consensus data has been sourced from Thomson Datastream

Sector: Property

Price: €8.25
Price as at 23 September 2011

Share price graph (€)



Company description

Eurasia Groupe specialises in owning and managing commercial real estate properties (stores/showrooms, warehouses, and offices).

Price performance

%	1m	3m	12m
Actual	(2.8)	(4.7)	(10.7)
Relative*	5.8	14.4	14.0

* % Relative to local index

Analyst

Roger Leboff

Eurasia Groupe (ALEUA)

Market cap: €59m

COMPANY COMMENT

The group owns a portfolio of 29 commercial properties totalling c 0.25m sqm, located in Ile de France, mainly in northern Paris. It has three activities: direct leasing of owned assets (shops, showrooms, warehouses and offices), the subletting and management of leased commercial premises and hotel operation. Its strategy, set out in its offering circular, is to actively manage its existing assets to enhance values and income. This will involve ongoing maintenance, refurbishment and detailed management of tenants and leases to maximise each asset's revenue potential. It will also develop new lettable commercial property, including subdivision of larger assets into smaller units.

INDUSTRY COMMENT

Eurasia Groupe operates in two categories: property directly owned or leased from third-party landlords. The latter is typically subdivided and let to a range of tenants, providing the group with revenue diversification. It also owns parcels of land held for potential future development.

Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	6.89	0.66	0.25	N/A	N/A
2010A	9.11	0.95	0.65	N/A	N/A
2011E	N/A	N/A	N/A	N/A	N/A
2012E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Food & Drink

Price: €16.50
Price as at 23 September 2011

Share price graph (€)



Company description

Eurogerm develops, manufactures and markets milling correctors, bread making improvers, cereal ingredients and auxiliary technologies for millers and bakers. Its products are used to correct imperfections and irregularities in flour.

Price performance

%	1m	3m	12m
Actual	(0.2)	4.7	57.7
Relative*	8.7	54.5	101.5

* % Relative to local index

Analyst

Fiona Orford-Williams

Eurogerm (ALGEM)

Market cap: €71m

COMPANY COMMENT

Margins continued to expand in H211, with a full point gain in gross margin and an increase in normalised operating margin from 4.6% to 6.5%. This reflects both good cost control and the underlying expansion of the business, with export sales particularly strong - now accounting for 48% of revenues. International expansion and new product innovation are core elements of group strategy. The 10-year 50:50 JV with Japanese-quoted bakery products group, Nisshin Seifun, is enabling access to ASEAN markets, while the JV has recently established in Shanghai to address the Chinese market. Eurogerm is now also addressing the US market.

INDUSTRY COMMENT

Good weather over the key growing season means that 2011 may prove a record crop in terms of yield. About half of the 33.5mt is destined for export, with around two-thirds of the balance destined for bakery, with artisan bakers still the largest retail segment. After a long period of falling bread consumption domestically, demand appears to have stabilised at around 58kg per person, per year.

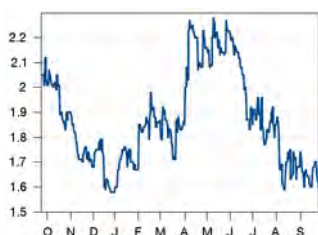
Y/E Mar	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2010A	50.00	3.90	1.80	0.46	35.87
2011A	52.80	4.50	2.90	0.78	21.15
2012E	59.99	N/A	3.41	0.86	19.19
2013E	62.60	N/A	3.72	0.93	17.74

Where available, consensus data has been sourced from Thomson Datastream

Sector: Engineering

Price: €1.60
Price as at 23 September 2011

Share price graph (€)



Company description

Europlasma is a French group specialising in clean technologies and renewable energy production. Founded in 1992, it is made up of four companies and has 260 employees.

Price performance

%	1m	3m	12m
Actual	(6.4)	(14.4)	(18.8)
Relative*	1.9	15.5	3.7

* % Relative to local index

Analyst

Roger Leboff

Europlasma (ALEUP)

Market cap: €22m

COMPANY COMMENT

The 30% increase in turnover and €0.5m operating profit reflected a particularly strong result from Air Pollution Control (61% of sales), with revenues up 19.5% to €24.9m, and an initial €6.5m contribution from renewable energy production, related to construction of the CHO-Power plant in Morcenx. The third activity, processing hazardous waste (23% of sales) saw a 7% fall in revenues, which was in line with lower selling prices per ton. With €13.2m of cash at the year end, the power plant project is fully funded.

INDUSTRY COMMENT

There is a positive FY11 outlook for all three divisions, underpinned by increasingly rigorous anti-pollution legislation. Investment in energy production includes four Electricity from Waste projects launched in 2008. Europe Environnement has c 400 clients and has secured a substantial contract with a leading Spanish household waste collector/processor. The asbestos and hazardous waste destruction operation also recently picked up major French clients.

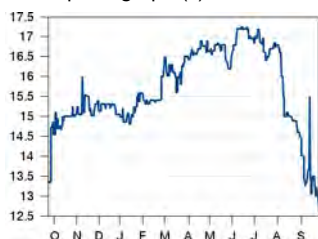
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	31.40	(3.94)	(3.64)	N/A	N/A
2010A	40.80	(0.46)	0.78	N/A	N/A
2011E	N/A	N/A	N/A	N/A	N/A
2012E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Electrical Equipment

Price: €12.77
Price as at 23 September 2011

Share price graph (€)



Company description

Evolis is a global company specialising in designing, manufacturing and selling printers for graphic personalisation and for encoding data on plastic cards, such as access control badges and bank cards.

Price performance

%	1m	3m	12m
Actual	(14.2)	(24.7)	(14.8)
Relative*	(6.5)	6.5	8.9

* % Relative to local index

Analyst

Richard Finch

Evolis (ALTVO)

Market cap: €66m

COMPANY COMMENT

After a surprisingly strong start to the year and confirmed guidance of continued double-digit sales growth, a decline of 6% in Q2 was all the more disappointing. Indeed, while pronounced weakness in its projects business in Japan and Australia, both key markets for Evolis, may have caught the eye, the weakness was widespread as difficult markets and an adverse dollar exchange rate contributed to sales shortfalls in the Americas and MENA. Credit therefore to the company's model and management that it grew trading margin in H1 despite pressure on prices and cost inflation (trading profit +8%). Evolis is confident that new products and services, such as recent key projects signings in Bangladesh, will soon kick-start growth.

INDUSTRY COMMENT

US competitor Zebra Technologies met Q211 sales guidance with 3% like-for-like growth. Q3 sales on a similar basis are forecast flat to +4%. HID, part of the Swedish group ASSA ABLOY, reported strong growth in Q2 in access control and identification technology.

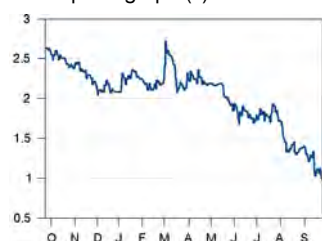
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	32.70	4.80	3.30	N/A	N/A
2010A	42.50	7.20	5.50	N/A	N/A
2011E	48.00	N/A	5.70	1.10	11.61
2012E	56.40	N/A	7.10	1.40	9.12

Where available, consensus data has been sourced from Thomson Datastream

Sector: Pharma & Healthcare

Price: €1.00
Price as at 23 September 2011

Share price graph (€)



Company description

ExonHit uses a proprietary research platform to develop innovative molecular diagnostics and new drugs for CNS and cancer indications.

Price performance

%	1m	3m	12m
Actual	(24.8)	(42.9)	(62.3)
Relative*	(18.1)	(37.4)	(51.8)

* % Relative to local index

Analyst

Mick Cooper

ExonHit (ALEHT)

Market cap: €34m

COMPANY COMMENT

ExonHit continues to advance both its diagnostics and therapeutics products. Its lead diagnostic test for Alzheimer's disease, AclarusDx, received its CE mark and will soon start a 600-patient clinical trial across France. The first stage of a validation study for its breast cancer diagnostic EHT Dx14 has also been successfully completed. Bristol-Myers Squibb, which in-licensed EHT/AGN 0001 from Allergan (ExonHit's collaboration partner), has advanced the drug into Phase II in neuropathic pain, and ExonHit is looking at ways to advance EHT 0202 into Phase IIb in Alzheimer's disease. It ended H111 with €20.6m and is hoping to refinance its €7.8m convertible loan in Q411 to maintain its strong cash position.

INDUSTRY COMMENT

The molecular diagnostic market is worth c \$1.5bn and growing at c 6% as diagnostic products enable patients to receive better treatments. Pharmaceutical companies are also forming more R&D partnerships with biotech companies with promising platform technologies, which increases the likelihood of ExonHit entering new R&D collaborations.

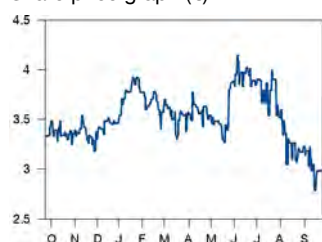
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	4.90	(9.70)	(7.70)	(0.27)	N/A
2010A	8.40	(7.00)	(7.70)	N/A	N/A
2011E	5.00	(8.00)	(6.00)	(0.18)	N/A
2012E	3.00	(10.00)	(8.00)	(0.24)	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Pcare and household prd

Price: €2.98
Price as at 23 September 2011

Share price graph (€)



Company description

Fashion Bel Air, established in 1984, designs and produces ready-to-wear women's clothing, producing a new collection every month. The clothes are made in France (25%), India (25%) and China (50%). France is the main market and exports represent 20% of global sales.

Price performance

%	1m	3m	12m
Actual	(7.2)	(22.2)	(10.2)
Relative*	1.1	14.0	14.6

* % Relative to local index

Analyst

Richard Finch

Fashion B Air (ALFBA)

Market cap: €23m

COMPANY COMMENT

Satisfaction with strong Q2 sales (+23% against flat in Q1) and optimism about second-half activity risks being tempered by a severe reduction in H1 trading profit only partly attributable to strategic investment in owned shops, the 10 new outlets in Galeries Lafayette Groupe stores and marketing. Guidance of H2 profit "ahead of" H1 is welcome but undemanding as the H210 comparative is almost 50% higher. Worryingly as consumer sentiment worsens, this profit is expressly reliant on a "very good" launch of the winter collection, among other things. Efficiencies should derive from online sales boosted by a new agreement with Groupe TF1's popular e-commerce fashion site www.placedestendances.com.

INDUSTRY COMMENT

After August's poor French retail sales (largest monthly decline since February), Markit believes the outlook is tough, given a stagnating economy. Fashion Bel Air's relatively mainstream position despite moving upscale is very competitive owing to cheap imports and low barriers to entry.

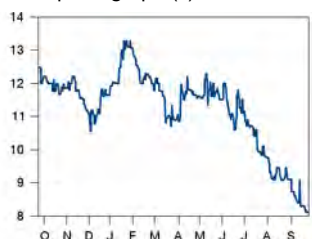
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	15.49	1.77	1.26	N/A	N/A
2010A	19.40	2.50	1.60	N/A	N/A
2011E	N/A	N/A	N/A	N/A	N/A
2012E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Engineering

Price: €8.09
Price as at 23 September 2011

Share price graph (€)



Company description

Fountaine Pajot is a leading builder of cruising catamarans, both sailing and power. It also provides after sales services.

Price performance

%	1m	3m	12m
Actual	(12.1)	(30.0)	(33.1)
Relative*	(4.2)	(3.1)	(14.6)

* % Relative to local index

Analyst

Richard Finch

Fountaine Pajot (ALFPC)

Market cap: €13m

COMPANY COMMENT

Ahead of full-year results in December, caution about the impact of worsening economic conditions is understandable, given Fountaine Pajot's profit collapse during the recent downturn. However, guidance of double-digit sales growth for the year to August (+15% in H1) should still apply. As well as benefiting now from committed investment in its model launch programme during hard times, the company is targeting developing markets, and offering complimentary services such as marina berths. Despite improving finances (33% gearing at February) €1.5m was raised in May at €11.70 per share to accelerate development.

INDUSTRY COMMENT

Market leader Beneteau's expectation of boat sales up by 20% in its year to August endorses industry recovery, as does the doubling of Rodriguez yacht sales in the nine months to June. However, fears of renewed economic downturn awaken memories of luxury boat-builders' calamitous performance during the recent recession.

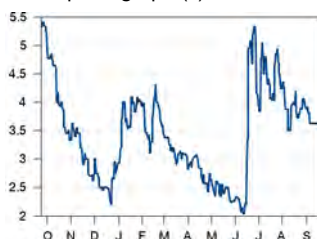
Y/E Aug	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	33.80	1.90	(0.50)	N/A	N/A
2010A	32.20	(1.80)	(1.00)	(0.67)	N/A
2011E	35.50	N/A	(0.20)	(0.14)	N/A
2012E	38.90	N/A	0.60	0.37	21.86

Where available, consensus data has been sourced from Thomson Datastream

Sector: Industrial Support Services

Price: €3.50
Price as at 23 September 2011

Share price graph (€)



Company description

Gaussin specialises in the design, manufacturing and marketing of industrial and port trailers and self-propelled barges.

Price performance

%	1m	3m	12m
Actual	(10.0)	(32.7)	(34.2)
Relative*	(2.0)	58.4	(16.0)

* % Relative to local index

Analyst

Richard Finch

Gaussin (ALGAU)

Market cap: €19m

COMPANY COMMENT

Gaussin is making good headway with the commercial development of its flagship Automatic Terminal Trailer (ATT). A dedicated manufacturing facility (capacity of eight units a day) has recently opened in China, trials are underway with potential clients and memorandums of understanding with five international companies cover c 250 vehicles. Distribution has also been stepped up, with exclusive agreements for at least 78 vehicles over three years. The company raised €4.6m in June via a share placing specifically for ATT development. Meanwhile management expects a pick-up in its bespoke business, which was deliberately scaled back last year in favour of its move to mass production, to favour the second half of 2011. Interim sales were flat (results due in late October).

INDUSTRY COMMENT

The IMF has just reduced its forecasts for growth in world trade and global GDP to 7.5% and 4% respectively this year and 5.8% and 4% in 2012. GDP in the advanced economies is expected to grow "at an anaemic pace" of c 1.5% in 2011 and c 2% next year.

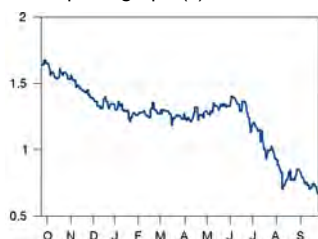
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	11.76	2.05	3.41	1.46	2.40
2010A	3.20	(5.09)	(5.10)	(1.93)	N/A
2011E	N/A	N/A	N/A	N/A	N/A
2012E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Engineering

Price: €0.66
Price as at 23 September 2011

Share price graph (€)



Company description

GEI Aviation, 94% owned by GEI International, specialises in designing, manufacturing and marketing of planes. The group offers two twin-turboprop planes: the F406, the European leader in light aerial surveillance, and the Skylander SK-105, a high-performing, economical plane, set to enter service in 2012.

Price performance

%	1m	3m	12m
Actual	(14.3)	(48.4)	(60.0)
Relative*	(6.6)	(28.3)	(48.9)

* % Relative to local index

Analyst

Richard Finch

GEI Aviation (ALRAI)

Market cap: €44m

COMPANY COMMENT

Following an apparently successful Paris Air Show, GEI Aviation is pleased to confirm varying degrees of customer interest in 51 Skylander aircraft and 17 F-406. The former is now set for its first flight next summer, with deliveries starting a year later (targeted production of 1500 aircraft by 2030). Funding of the Skylander development programme is estimated at €165m, of which c €100m was outstanding at last March, and is being put in place with interim support from majority shareholder GEI International. Financial results for FY11, which are not particularly meaningful during this development phase, showed expected higher losses.

INDUSTRY COMMENT

The market for light aerial surveillance looks to be one of long-term growth owing to the globalisation of threats and their sheer variety, eg drugs, illegal immigration, pillage of precious resources, pollution and terrorism. It is a relatively low-cost option (often the aircraft costs less than the equipment), and fuelled by the miniaturisation of surveillance equipment.

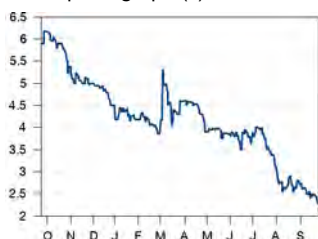
Y/E Dec / Mar	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2010A	9.30	N/A	(2.30)	N/A	N/A
2011A	7.32	N/A	(3.70)	N/A	N/A
2012E	N/A	N/A	N/A	N/A	N/A
2013E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Pharma & Healthcare

Price: €2.27
Price as at 23 September 2011

Share price graph (€)



Company description

Genfit is focused on the development of innovative therapeutic and diagnostic solutions for diabetes and related disorders.

Price performance

%	1m	3m	12m
Actual	(13.7)	(41.5)	(63.1)
Relative*	(6.0)	(28.2)	(52.9)

* % Relative to local index

Analyst

Mick Cooper

Genfit (ALGFT)

Market cap: €30m

COMPANY COMMENT

Genfit's lead drug, GFT505, has considerable potential as a product for patients with diabetes and other metabolic syndromes. Data from a Phase II study in 97 diabetic subjects showed that it improved glucose control and liver function, and lowered triglycerides. The company is planning a Phase IIb study to assess GFT505 ability to prevent non-alcohol hepatic steatosis and cardiovascular complications. It recently raised c €10.4m to help fund this trial. Genfit has two other diabetes drugs in Phase I development, partnered with Sanofi and Solvay. It formed a new drug discovery collaboration with Sanofi in metabolic disorders in March, from which it could receive \$55m in milestones.

INDUSTRY COMMENT

Cardiometabolic diseases are an area of major focus for pharmaceutical companies because of the size of the market and the unmet medical need. It is estimated that the number of diabetics will have increased from 40m in 2007 to 74m in 2025, and current treatments are only successful in slowing the progression of diabetes.

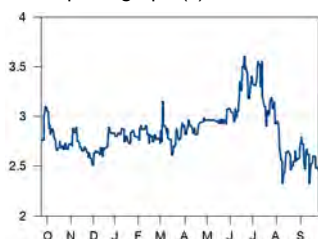
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	10.83	(5.93)	(7.37)	(0.65)	N/A
2010A	7.63	(7.43)	(9.38)	(0.81)	N/A
2011E	N/A	N/A	N/A	N/A	N/A
2012E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Pharma & Healthcare

Price: €2.45
Price as at 23 September 2011

Share price graph (€)



Company description

GenOway develops and markets genetically modified animals (primarily rats and mice) for use in research programmes.

Price performance

%	1m	3m	12m
Actual	(3.9)	(28.8)	(16.4)
Relative*	4.6	19.6	6.8

* % Relative to local index

Analyst

Mick Cooper

GenOway (ALGEN)

Market cap: €14m

COMPANY COMMENT

GenOway supplies over 240 academic institutions and 65 biopharmaceutical companies with its genetically-modified animals. Its proprietary technology is used to establish standard disease models or to generate specific transgenic animals to order. It reported its first profits in FY09 and has maintained its momentum in FY10. Sales rose by 11% over the last year to €7.3m and its net income increased by 380% to €0.56m. The company announced in January that it is developing new animal models for atherosclerosis as part of the micro-Path consortium. GenOway has continued to strengthen its product offering by forming a collaboration with Bluebird Bio in July.

INDUSTRY COMMENT

Genetically-modified animal models enhance the R&D process during the development of novel therapeutic drugs. The recently published UK report on scientific procedures demonstrated the preference for using genetically modified over non-modified animal models. The use of animal models allows researchers to carry out important in vivo analysis.

Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	6.60	0.38	0.10	N/A	N/A
2010A	7.30	0.70	0.60	N/A	N/A
2011E	8.20	1.00	1.00	0.16	15.31
2012E	9.20	1.20	1.20	0.20	12.25

Where available, consensus data has been sourced from Thomson Datastream

Sector: Consumer Support Services

Price: €55.30
Price as at 23 September 2011

Share price graph (€)



Company description

Gévelot specialises in the design, manufacturing and marketing of extruded and machined steel parts for the automotive industry. The group also produces and sells pumps, fuel feed systems, and gas machine equipment.

Price performance

%	1m	3m	12m
Actual	(6.1)	(10.1)	49.5
Relative*	2.3	25.1	90.9

* % Relative to local index

Analyst

Richard Finch

Gevelot (ALGEV)

Market cap: €50m

COMPANY COMMENT

After last year's step-change in profit, reflecting recovery back to pre-recession levels, progress in H111 was more measured with sales up by 13% at slightly reduced margin owing to changes in client programmes and some manufacturing disruption. Indeed, Pumps, the main profit centre (c 75% in 2010), was down, courtesy of international expansion costs in oil and gas markets. Sales growth slowed in Q2 (8% against 18% in Q1) and this trend is expected to intensify in the second half with guidance of only "slightly" higher sales and profit for the full year. A 5% share buy-back was completed recently; finances were healthy at December. Gevelot's listing was transferred from Euronext at the end of June.

INDUSTRY COMMENT

Despite a rise of 8% in August, new car registrations in the EU are down 1% in the year to date. Performance is contrasting with Germany up 12%, France flat, and the UK, Italy and Spain down by 6%, 12% and 22% respectively. Real GDP in the advanced economies is expected by the IMF to grow "at an anaemic pace" of c 1.5% in 2011 and c 2% next year.

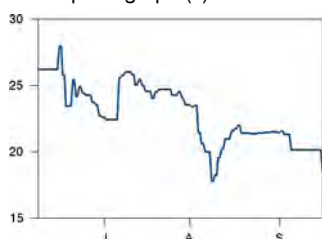
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	160.62	(2.01)	(1.73)	(1.81)	N/A
2010A	189.63	13.30	8.91	9.37	5.90
2011E	N/A	N/A	N/A	N/A	N/A
2012E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Oil & Gas

Price: €18.54
Price as at 23 September 2011

Share price graph (€)



Company description

Global Bioenergies specialises in the development under exclusive license of a biological hydrocarbon production process using renewable resources.

Price performance

%	1m	3m	12m
Actual	(13.1)	(24.0)	N/A
Relative*	(5.4)	N/A	N/A

* % Relative to local index

Analyst

Roger Leboff

Global Bioenergies (ALGBE)

Market cap: €31m

COMPANY COMMENT

The group floated in June and raised €6.6m at €19.85/share. It has since announced a strategic partnership with Synthos, a European rubber manufacturer, to develop a new process for converting renewable resources in butadiene. The agreement included a €1.4m equity investment (3.6% stake) in GB, research funding, development fees, royalty payments and repartition of exploitation rights.

INDUSTRY COMMENT

The group is developing a process to convert renewable resources into hydrocarbons through fermentation (plant resources into isobutene) and has already achieved proof of concept, strain construction and laboratory prototype. Isobutene is one of the most important petrochemical building blocks and can be converted into fuels, plastics, organic glass and elastomers. GB intends to replicate this success to the other members of the gaseous alkene family (propylene, ethylene, linear butylenes, butadiene), key molecules for the petrochemical industry, currently derived exclusively from fossil oil.

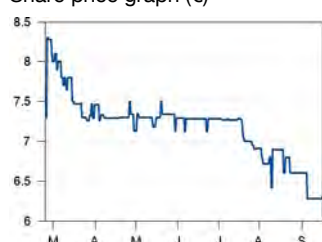
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	N/A	0.00	(0.24)	N/A	N/A
2010A	N/A	0.02	(1.30)	N/A	N/A
2011E	0.20	(2.00)	(1.10)	(0.70)	N/A
2012E	1.00	(2.80)	(2.60)	(1.61)	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Consumer Support Services

Price: €6.31
Price as at 23 September 2011

Share price graph (€)



Company description

Groupe Jemini specialises in designing, developing, and distributing toys and leisure products for children.

Price performance

%	1m	3m	12m
Actual	(4.4)	(13.3)	N/A
Relative*	4.1	17.3	N/A

* % Relative to local index

Analyst

Fiona Orford-Williams

Groupe Jemini (ALJEM)

Market cap: €33m

COMPANY COMMENT

Groupe Jemini listed on Alternext in February, raising €10.6m at €7.29. Its FY10 figures showed growth of 12.3% to €34.9m, with a wide range of character licences and a strong improvement in operating margins as cross-selling benefits come through. The group has diversified its distribution, with the multiple grocers accounting for 38% of sales with the largest representing 12% of group. In the current year, the group has continued to acquire licences and has recently bought Pixi, a manufacturer of mini licensed figurines. Its portfolio includes many of the best-performing evergreens in France, including Disney and Warner Brother characters, as well as Tintin, Babar and Les Schtroumpfs.

INDUSTRY COMMENT

The overall licensing market has been estimated by trade body LIMA at over \$5bn, of which character licensing represents around half. This segment is dominated by a few large players in toys, games and video games, with the other categories widely spread across a plethora of smaller concerns. Groupe Jemini intends to be a consolidator in this sector.

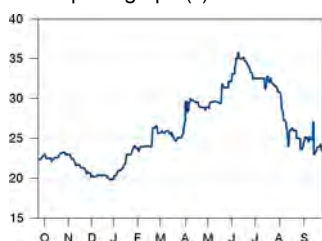
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	31.07	3.35	1.97	N/A	N/A
2010A	34.90	3.53	1.75	N/A	N/A
2011E	N/A	N/A	N/A	N/A	N/A
2012E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Property

Price: €23.40
Price as at 23 September 2011

Share price graph (€)



Company description

Groupe Proméo, a real estate developer, focuses on the sale of new homes, lots for building, outdoor vacation accommodation sites and the development and management of commercial sites and offices.

Price performance

%	1m	3m	12m
Actual	(6.4)	(31.2)	4.2
Relative*	1.9	26.7	33.1

* % Relative to local index

Analyst

Roger Leboff

Groupe Proméo (ALMEO)

Market cap: €72m

COMPANY COMMENT

The group reported strong progress by its outdoor accommodation arm in the period to end August. It included 45% revenue growth to €56m for its leisure business, Village Recreation Center, and a 10% increase in mobile-home sales to €6.3m. Its outdoor accommodation was over 95% booked for the 2011 summer season, assisted by pre-season and internet booking. Late season bookings were also 10% better. The outlook is supported by the addition of nine sites and acquisition in June of Kawan Group, a European network of camping villages with over 600 partner sites/20 countries.

INDUSTRY COMMENT

Groupe Proméo is a specialist developer/operator of French leisure accommodation. Turnover is derived from two divisions, Village Heritage Center (68%) and Village Recreation Center (32%). It sees integration of property development, marketing and site operation as a relatively robust business model with competitive advantages, divisional synergies and a more balanced revenue profile combining rental and property sales.

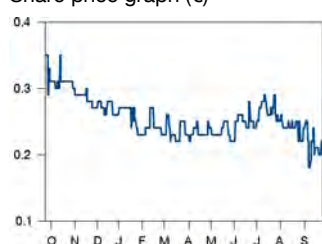
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	122.36	16.60	7.20	2.28	10.26
2010A	126.74	19.30	10.10	3.24	7.22
2011E	176.25	25.50	14.10	4.42	5.29
2012E	171.25	24.55	14.05	4.50	5.20

Where available, consensus data has been sourced from Thomson Datastream

Sector: Basic Industries

Price: €0.20
Price as at 23 September 2011

Share price graph (€)



Company description

H2O Innovation uses environmentally friendly technologies to develop systems and equipment for producing drinking water, industrial process water, and for the treatment of waste water.

Price performance

%	1m	3m	12m
Actual	(9.1)	(20.0)	(28.6)
Relative*	(1.0)	8.6	(8.8)

* % Relative to local index

Analyst

Richard Finch

H2O Innovation (ALHEO)

Market cap: €12m

COMPANY COMMENT

H2O Innovation ended its year to June on a strong note, with Q4 sales up 37% and a record order book (y-o-y +148%) for water treatment systems, its major activity. Significant gross margin gain thanks to a better sales mix, c 11% like-for-like SG&A efficiencies and a satisfactory performance by the new Indian joint venture contributed to a positive EBITDA for the year. Management is notably optimistic about its newly-enhanced synergistic model, which combines the sale of systems in growing energy and mining markets (as well as in the municipal sector) with speciality chemicals and consumables (effectively add-on products, less volatile and higher margin). Guidance is for a move into net profit in the current period.

INDUSTRY COMMENT

It is forecast that by 2030 global water demand will be 40% greater than today's "accessible, reliable, environmentally sustainable supply". Meeting the shortfall with supply-side measures may require an estimated \$200bn pa.

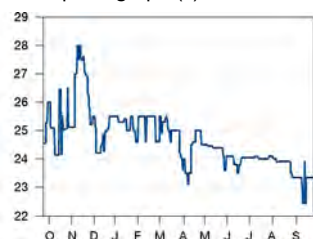
Y/E Jun	Revenue (C\$m)	Op. Profit (C\$m)	Net income (C\$m)	EPS (C\$)	P/E (x)
2010A	27.70	N/A	(10.00)	(0.18)	N/A
2011A	28.80	N/A	(1.62)	(0.03)	N/A
2012E	N/A	N/A	N/A	N/A	N/A
2013E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Technology

Price: €23.34
Price as at 23 September 2011

Share price graph (€)



Company description

Harvest publishes financial, estate and tax decision-making software for banking and insurance professionals.

Price performance

%	1m	3m	12m
Actual	(2.3)	(3.0)	(9.6)
Relative*	6.4	26.7	15.4

* % Relative to local index

Analyst

Richard Finch

Harvest (ALHVS)

Market cap: €32m

COMPANY COMMENT

Guidance of modest growth in the second half, owing to caution among large account customers amid falling financial markets, is all the more disappointing given Harvest's record of effectively unbroken double-digit quarterly sales increases during the downturn. In that regard, the first half saw 10% top-line growth at enhanced trading margin but for an accounting change. Management is nonetheless confident the extent of the company's recurrent income (c 70% of group revenues from maintenance and licence leasing) will deliver a good profit for the year as a whole. The €3m acquisition of a head office in Paris (funded entirely from 2010 cash flow) is expected to benefit 2011 trading profit. Harvest is debt free and is maintaining its interim dividend.

INDUSTRY COMMENT

The French government recently reduced its 2011 GDP forecast to 1.75% from 2% after zero growth in Q2 (+1.5% in 2010). The rise of 1% in the first quarter exceeded the Bank of France's forecast of 0.8%.

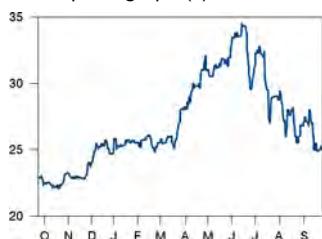
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	13.24	2.72	2.33	N/A	N/A
2010A	15.00	3.14	1.92	N/A	N/A
2011E	N/A	N/A	N/A	N/A	N/A
2012E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Oil & Gas

Price: €25.24
Price as at 23 September 2011

Share price graph (€)



Company description

Heurtey Petrochem supplies engineering, construction and installation services for hydrocarbon furnaces to companies worldwide.

Price performance

%	1m	3m	12m
Actual	(1.0)	(17.4)	9.7
Relative*	7.8	27.4	40.1

* % Relative to local index

Analyst

Ian McLelland

Heurtey Petrochem (ALHPC)

Market cap: €82m

COMPANY COMMENT

Heurtey Petrochem has seen double-digit growth in both its revenue and order book in Q211, reflecting its recently acquired 60% interest in natural gas treatment specialist, Prosernat. The future also looks promising with the company winning a \$15m contract during the quarter for hydrogen production from Petrobras in Brasil. Heurtey is now targeting 2011 full-year revenue between €325m and €345m, an increase of 42% over 2010, with EBIT expected to be up 17-38% to a forecast of €11m to €13m.

INDUSTRY COMMENT

Heurtey Petrochem supplies heating, cracking and refining furnaces to refinery, petrochemical and hydrogen customers. Although oil prices are below previous peak levels, they remain high enough to stimulate demand from refinery producers. However, cost pressures on petrochemical customers may slow order flows in this segment.

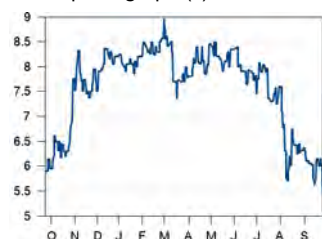
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	200.10	7.40	2.80	0.80	31.55
2010A	235.40	9.40	4.50	1.28	19.72
2011E	336.18	15.90	5.12	1.88	13.43
2012E	368.46	17.80	8.91	3.02	8.36

Where available, consensus data has been sourced from Thomson Datastream

Sector: Technology

Price: €5.46
Price as at 23 September 2011

Share price graph (€)



Company description

Hitechpros operates like a dating site setting up contacts among players in the computer services market.

Price performance

%	1m	3m	12m
Actual	(12.8)	(30.9)	(8.7)
Relative*	(5.0)	(3.7)	16.6

* % Relative to local index

Analyst

Roger Leboff

Hitechpros (ALHIT)

Market cap: €10m

COMPANY COMMENT

First-half turnover was €7.1m, 16% ahead y-o-y, with the key contribution from Staffing. Group operating profit was 13% ahead at €0.6m. At the mid-year Hitechpros was debt free, with around €4m of cash; this supports development of new technologies in the 3D visualisation field. The interim statement reiterated the previous confident outlook, double-digit FY11 sales growth. The group paid a €0.35/share dividend in FY10, c 73% of net earnings.

INDUSTRY COMMENT

Stability has returned to key markets, with 1% overall market growth in FY10; 3% expected in FY11 (Syntec Digital). Hitechpros is France's leading marketplace for specialised outsourcing IT sector services. Two complementary web-based marketplace activities bring together IT sector participants (IT services companies, consultants and training specialists) and brokerage activities. Sales are derived from computer service intermediation and technical assistance via the website and site subscriptions for users to conduct business directly.

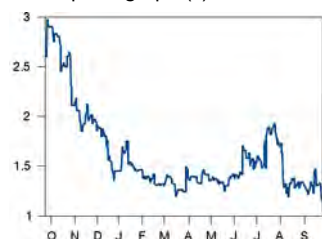
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	10.53	1.04	0.46	N/A	N/A
2010A	12.60	1.30	0.87	N/A	N/A
2011E	14.24	1.30	0.94	0.50	10.92
2012E	15.40	1.30	1.05	0.10	54.60

Where available, consensus data has been sourced from Thomson Datastream

Sector: Technology

Price: €1.14
Price as at 23 September 2011

Share price graph (€)



Company description

Holosfind (previously Referencement.com) is a specialist in digital marketing and search marketing software publishing. It is characterised by the convergence of online advertising channels.

Price performance

%	1m	3m	12m
Actual	(14.9)	(26.5)	(59.5)
Relative*	(7.3)	22.8	(48.3)

* % Relative to local index

Analyst

Roger Leboff

Holosfind (ALHOL)

Market cap: €7m

COMPANY COMMENT

The drop in FY10 revenues reflects a strategic overhaul, with closure of unprofitable activities and increased focus on high value-added software, mobile internet and iPhone activities. These attracted over 90 new accounts in H210, pivoted on the need for advertisers to diversify and grow sources of traffic via iPhone apps. Revenues from the group's Adisem Software Suite (adwords campaign management/ROI optimisation) grew 77% to €1.8m. The full benefits are expected to be seen from H111. Finances have been underpinned by equity issues in January (€0.92m) and July (€2.4m). Interim results are due 28 September.

INDUSTRY COMMENT

Holosfind's products put it in a strong position to capitalise on increased media spending online as they offer customers insight into the efficacy of their online marketing. Over 1,200 clients include Microsoft, Accor, 3 Suisses, Vivendi, Intermarché, Metro, Yellow Pages/Pages Jaunes, Groupe AB, Ricoh, Axa Health and Lenôtre.

Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	15.80	0.70	0.50	N/A	N/A
2010A	6.30	(2.84)	(7.20)	N/A	N/A
2011E	N/A	N/A	N/A	N/A	N/A
2012E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Travel & Leisure

Price: €5.70
Price as at 23 September 2011

Share price graph (€)



Company description

Homair provides mobile homes for vacations in various sites located in France, Spain, Italy, Croatia and Portugal.

Price performance

%	1m	3m	12m
Actual	14.0	3.3	86.9
Relative*	24.2	126.9	138.7

* % Relative to local index

Analyst

Richard Finch

Homair (ALHOM)

Market cap: €75m

COMPANY COMMENT

Homair continues to please with full-year sales guidance raised again to over 30% (11-month bookings up 35%) and EBITDA forecast to grow by 23. This reflects strong benefits from the purchase of Al Fresco, which boosted the company's mobile-home stock by 15% in 45 campsites (mainly France, Italy and Spain), and a prevailing trend of the French to holiday this year in France (like-for-like sales up 7%). Much higher low-season losses were a function of Al Fresco's initial inclusion. Potentially exciting in terms of expansion, Homair recently changed tack on prioritising asset ownership with €20m sale and leaseback of part of its estate.

INDUSTRY COMMENT

Camping is a value product. Eurocamp has reported sales down by just 2% on 3% lower capacity, with strong demand for late bookings in the UK and Dutch markets. The need to invest to meet the longstanding flight to quality, allied with economic pressures on smaller players, may hasten consolidation of a fragmented market, which favours Homair as clear leader.

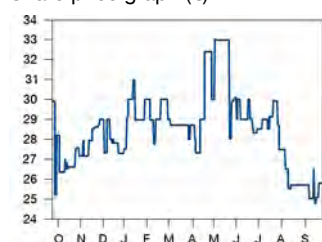
Y/E Sep	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	42.70	5.80	2.41	N/A	N/A
2010A	46.57	7.05	2.15	N/A	N/A
2011E	61.80	N/A	3.10	0.26	21.92
2012E	71.50	N/A	4.00	0.33	17.27

Where available, consensus data has been sourced from Thomson Datastream

Sector: Travel & Leisure

Price: €25.79
Price as at 23 September 2011

Share price graph (€)



Company description

Hôtel Regina Paris owns and operates three four-star hotels in the centre of Paris.

Price performance

%	1m	3m	12m
Actual	0.3	(9.5)	(8.9)
Relative*	9.3	22.0	16.4

* % Relative to local index

Analyst

Richard Finch

Hotel Regina Paris (ALHRP)

Market cap: €61m

COMPANY COMMENT

The company continued to trade well in Q2 with striking occupancy-led RevPAR growth of 26% driving a trebling of trading profit, albeit from a depressed base. Management attributes this success not only to much stronger markets (business as well as leisure) but to better sales and marketing, including via the internet. Resolution of longstanding wage negotiations is also welcome, given persistent pressure on room rate (+1% in H1 despite the benefit of the upscale Majestic for the whole period). While there is no formal guidance, management remains sensibly cautious in the face of economic uncertainty and continuing company restructuring, including room renovations at the Regina and Raphael early next year.

INDUSTRY COMMENT

According to Deloitte, in the first half of 2011 the premium four-star segment in Paris achieved 14% RevPAR growth, driven mainly by room rate. TRI Hospitality shows continued buoyancy in July (RevPAR +11%). Encouragingly, Accor reported in late August "no measurable sign of slowdown in the cycle recovery".

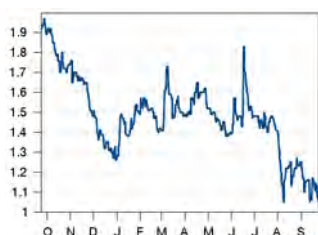
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	17.50	(0.20)	1.10	N/A	N/A
2010A	22.20	(0.30)	(0.40)	N/A	N/A
2011E	N/A	N/A	N/A	N/A	N/A
2012E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Pharma & Healthcare

Price: €1.05
Price as at 23 September 2011

Share price graph (€)



Company description

Hybrigenics is a French drug development company that also provides yeast two-hybrid services to companies and academic institutions. Its lead drug, inecalcitol, is in Phase II and is being developed for prostate cancer and severe psoriasis.

Price performance

%	1m	3m	12m
Actual	(13.9)	(30.5)	(45.3)
Relative*	(6.3)	(6.2)	(30.2)

* % Relative to local index

Analyst

Mick Cooper

Hybrigenics (ALHYG)

Market cap: €14m

COMPANY COMMENT

Hybrigenics is developing an analogue of vitamin D3, inecalcitol, for treating prostate cancer and severe psoriasis. The drug could be launched in 2017 and generate revenues of c \$4bn across these two major indications. A Phase IIa trial in castrate-resistant prostate cancer with inecalcitol in combination with docetaxel (Taxotere) demonstrated its potential in this indication and another Phase II study in 60 patients with severe psoriasis is due to begin shortly (45% of study funded by OSEO). The development of inecalcitol and the preclinical pipeline is partly funded by the income from Hybrigenics's service division, a leader in detecting protein-protein interactions. Hybrigenics had a net cash position of €1.9m at the end of H111 and can draw €8.8m from an equity line with Yorkville, which could fund clinical activity beyond 2012.

INDUSTRY COMMENT

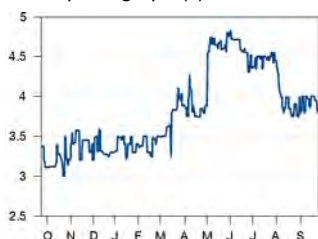
Other potential therapeutic indications of inecalcitol include hormone dependent prostate cancer and psoriasis, where the existing market - TNF alpha targeting therapy - is valued at \$2.9bn/year.

Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	4.60	(4.90)	(3.89)	(35.80)	N/A
2010A	4.60	(4.94)	(4.15)	(34.50)	N/A
2011E	4.80	(4.59)	(3.89)	(28.00)	N/A
2012E	5.00	(4.49)	(3.85)	(22.70)	N/A

Sector: Electrical Equipment

Price: €3.80
Price as at 23 September 2011

Share price graph (€)



Company description

i2S specialises in designing, creating, manufacturing and marketing imaging systems and equipment.

Price performance

%	1m	3m	12m
Actual	(2.6)	(16.5)	12.8
Relative*	6.1	25.8	44.0

* % Relative to local index

Analyst

Roger Leboff

i2S (ALI2S)

Market cap: €7m

COMPANY COMMENT

H111 saw positive contributions from both, Vision (+24.3%) and DigiBook (+19.2%) and aggregate group sales 22.3% ahead. DigiBook sales in emerging markets offset slower investment in more established, Western markets such as Europe and the US, where customers face public budget constraints. Western Europe, 50% of sales last year, fell to 27% in H1, with Eastern Europe (including Russia) at 35% (27%), Latin America 21% (6%) and Middle East 9% (3%). The outlook anticipated better results, but was cautious due to recent Western economic deterioration.

INDUSTRY COMMENT

The group supplies scanners for books, journals, archives and bound documents (DigiBook), for digital enhancement of cultural, administrative and industrial assets. Products address fields such as digital vision, optronics and professional image processing. It also provides high specification digital cameras suitable for surface inspection, used by manufacturers of glass, plastic film, non-woven materials and paper for quality control.

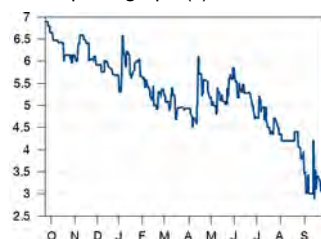
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	9.78	(0.07)	(0.30)	N/A	N/A
2010A	12.90	0.37	0.32	N/A	N/A
2011E	N/A	N/A	N/A	N/A	N/A
2012E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Industrial Support Services

Price: €3.23
Price as at 23 September 2011

Share price graph (€)



Company description

IC Telecom is a multi-play B2B telecommunications operator specialising in the supply of telephone services on IP (ToIP) and in convergence solutions.

Price performance

%	1m	3m	12m
Actual	(20.2)	(37.3)	(52.4)
Relative*	(13.1)	(11.4)	(39.2)

* % Relative to local index

Analyst

Roger Leboff

IC Telecom (ALICT)

Market cap: €7m

COMPANY COMMENT

Figures for the six months to end December 2010 showed revenues, adjusted for refinancing costs, ahead 34% y-o-y to €8.2m. H2 should be better, as it is the stronger half seasonally and has been underpinned by acquisitions designed to enhance the client base and contract renewals. Similarly, a strategic agreement with SFR is designed to improve corporate appeal. The contribution from new offices and recruitment will be reflected in H2 and, despite a 33% increase in the wage bill, growth since the half year inspired a confident full-year outlook.

INDUSTRY COMMENT

IC Telecom intends to use its bespoke in-house technology architecture to capitalise on growing demand for converged services from SOHO and SME customers. The recent launch of new VoIP solutions have improved the group's competitive positioning with its target market. It operates and markets its own range of solutions based on its innovative technology and positions itself as a single, inexpensive source for telephony, internet and mobile.

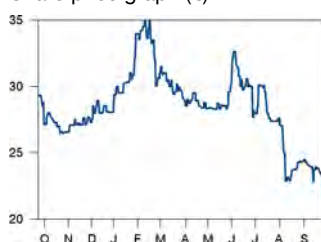
Y/E Jun	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	15.70	3.65	1.08	N/A	N/A
2010A	18.26	2.54	1.26	N/A	N/A
2011E	N/A	N/A	N/A	N/A	N/A
2012E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Financials

Price: €21.90
Price as at 23 September 2011

Share price graph (€)



Company description

IDSUD specialises in supplying financial services.

Price performance

%	1m	3m	12m
Actual	(9.6)	(27.1)	(24.9)
Relative*	(1.6)	0.4	(4.1)

* % Relative to local index

Analyst

Roger Leboff

IDSUD (ALIDS)

Market cap: €21m

COMPANY COMMENT

First-half revenues were flat y-o-y, with an 8% decline in lottery game income to €2m, broadly offset by 10% growth in forex and precious metal operations, and progress by travel agency (+23%) and hotels (+8%). The full year is expected to reflect actions taken to streamline group investments and expenses. Gold trading appears to be building on FY10, its best trading result for three years against a strong backdrop for precious metals; its margin rose 12% to €0.36m.

INDUSTRY COMMENT

The group operates broad activities for investors and traders in precious metals (gold and silver), forex and travel agency services, investment management (own account and on behalf of companies and individuals) and the operation and promotion of lottery games (lottery tickets and instant-win scratch cards in southern regions of France). The outlook for the current year includes plans to seek disposals of elements of the property portfolio.

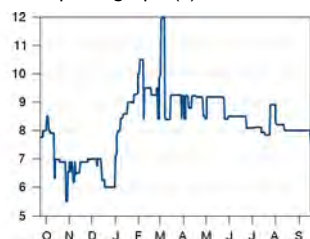
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	2.10	(8.10)	(4.70)	N/A	N/A
2010A	2.30	(4.50)	(3.10)	N/A	N/A
2011E	N/A	N/A	N/A	N/A	N/A
2012E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Pharma & Healthcare

Price: €7.60
Price as at 23 September 2011

Share price graph (€)



Company description

IntegraGen specialises in researching and identifying genetic biomarkers and in developing and marketing molecular diagnostic products and services, primarily in the fields of autism and oncology.

Price performance

%	1m	3m	12m
Actual	(5.1)	(6.2)	(2.3)
Relative*	3.3	11.7	24.8

* % Relative to local index

Analyst

Mick Cooper

IntegraGen (ALINT)

Market cap: €29m

COMPANY COMMENT

IntegraGen is a diagnostics company, developing genomic tests for autism and cancers. It has established a large number of collaborations to help it develop new tests and commercialise its first for familial autism. This test is being marketed in the US by Transgenomic, which has CLIA approved laboratories. Its next test will be for non-familial autism, which is due to be launched in 2012. It has also developed a test for metastatic colorectal cancer and hepatocellular carcinoma, which is expected to be launched in 2013. Sales increased by 14% to €3.2m and its net loss was €2.9m in FY10. Its cash position at FY10 was €11.1m and it raised €6.7m in a private placement before listing on Alternext in June.

INDUSTRY COMMENT

The molecular diagnostic market was estimated to be worth €3bn in 2009 and is expected to double by 2014, as earlier and better diagnoses mean patients receive better treatments. The development risk of diagnostic products is lower than that for drugs, and the route to commercialisation is quicker.

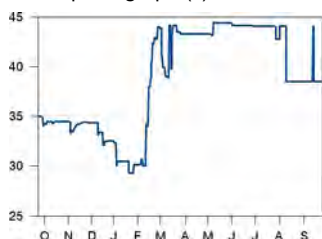
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	2.81	(2.84)	(2.73)	N/A	N/A
2010A	3.21	(2.81)	(2.90)	N/A	N/A
2011E	N/A	N/A	N/A	N/A	N/A
2012E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Support Services

Price: €38.52
Price as at 23 September 2011

Share price graph (€)



Company description

Inventoriste provides complete stocktaking services predominantly for the distribution sector. It trades outside France as Ivalis.

Price performance

%	1m	3m	12m
Actual	0.0	(12.7)	9.9
Relative*	8.9	20.3	40.4

* % Relative to local index

Analyst

Richard Finch

Inventoriste (ALIVT)

Market cap: €51m

COMPANY COMMENT

Inventoriste continued to trade strongly in H111 with sales up by 37% (+46% in 2010), boosted by the opening of two branches in France and one in Italy. Subsequent moves into Germany and the Netherlands similarly reflect clients' growing wish for Inventoriste to serve all their stores across Europe. Ahead of H1 results in October, there is no guidance for the full year. In 2010 the company trumped investor caution after H1's halving of trading profit owing to client budget cuts and stock rationalisation by achieving a full-year outturn up by almost a quarter. Finances are healthy, with net cash at December. Last year, longstanding investor Barberine raised its holding to 95%.

INDUSTRY COMMENT

Eurozone retail sales in July were unexpectedly higher, although only modestly (Eurostat). However, caution appears very much in order in view of weakening growth indicators. Real GDP in the advanced economies is expected to grow "at an anaemic pace" of c 1.5% in 2011 and c 2% next year.

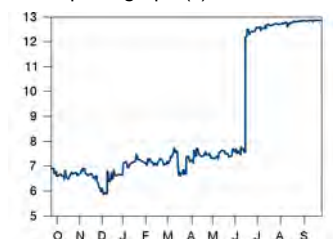
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	17.86	0.67	0.43	N/A	N/A
2010A	26.05	0.86	0.35	N/A	N/A
2011E	N/A	N/A	N/A	N/A	N/A
2012E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Pharma & Healthcare

Price: €12.87
Price as at 23 September 2011

Share price graph (€)



Company description

Ipsogen develops and markets molecular diagnostic tests for various leukemias and breast cancers.

Price performance

%	1m	3m	12m
Actual	0.3	3.6	89.0
Relative*	9.3	156.6	141.4

* % Relative to local index

Analyst

Mick Cooper

Ipsogen (ALIPS)

Market cap: €65m

COMPANY COMMENT

Ipsogen's sales rose by 21% (at constant currencies) to €4.5m during H111. Its key molecular diagnostic tests for leukaemias, BCR-ABL and JAK2, remain the main growth drivers. In the US, JAK2 V617F assay sales increased by 30%, with those from BCR-ABL up by 115%. Ipsogen is on track to make a submission to the FDA to get approval of the JAK2 V617F by the end of 2013, which would significantly enhance its market potential. A breast cancer test could also be approved in the EU before the end of 2011. Its sales momentum and strong IP portfolio led to Qiagen making an offer of c €70m for the company, or €12.90 per share (a 72.5% premium to the share price on 10 June); Qiagen reached a majority stake on 12 July.

INDUSTRY COMMENT

The molecular diagnostic market was estimated to be worth €3bn in 2009 and is expected to double by 2014, because of the demand for better diagnoses and the growing number of therapies available. The development risk of diagnostic products is lower than that for drugs, and the route to commercialisation is quicker.

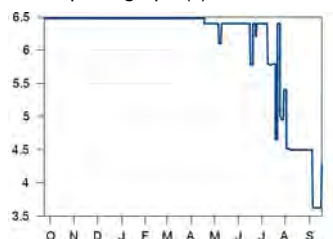
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	6.73	(2.70)	(2.57)	(0.56)	N/A
2010A	8.37	(3.70)	(3.40)	(0.69)	N/A
2011E	10.50	N/A	(1.70)	(0.30)	N/A
2012E	19.00	N/A	1.50	0.28	45.96

Where available, consensus data has been sourced from Thomson Datastream

Sector: Consumer Support Services

Price: €4.28
Price as at 23 September 2011

Share price graph (€)



Company description

IsCool Entertainment (formerly Weka Entertainment) specialises in designing and developing on-line games and social applications.

Price performance

%	1m	3m	12m
Actual	(4.9)	(31.0)	(34.0)
Relative*	3.6	(10.3)	(15.7)

* % Relative to local index

Analyst

Fiona Orford-Williams

IsCool Entertainment (ALISC)

Market cap: €30m

COMPANY COMMENT

IsCool Entertainment listed in June 2010, raising €2.5m. It produces free-to-use mass market games and social applications accessed either via its own portal, www.cafe.com, or, increasingly, via Facebook. The group's intention is to enlarge its portfolio of games and to make them available across additional social networking platforms. It hopes to act as a consolidator in the market and has ambitions to extend its reach across Europe.

INDUSTRY COMMENT

The flotation of Zynga, filed in June, has been delayed due to volatile market conditions and is now expected in November at the earliest. The company had been hoping to raise \$1bn and is one of the largest operators globally. The business economics of social gaming have changed with the substantial increase in the Facebook charging structure introduced 1 July but the effect has not yet been revealed in reported financial results. Corporate interest in the sector remains high, with Shine buying Bossa Studios for an undisclosed sum.

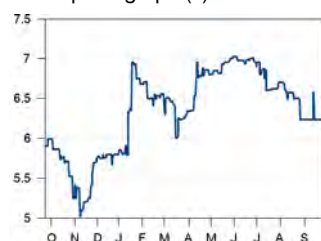
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	1.10	(2.47)	(4.02)	N/A	N/A
2010A	9.10	2.42	1.93	N/A	N/A
2011E	N/A	N/A	N/A	N/A	N/A
2012E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Technology

Price: €6.29
Price as at 23 September 2011

Share price graph (€)



Company description

Keyyo specialises in telephone services via IP intended for teleboutiques (Ipcash.com), technical and small businesses (Keyyo.fr), and individuals (Keyyo.fr and Bladiphone.com).

Price performance

%	1m	3m	12m
Actual	(3.2)	(10.1)	6.4
Relative*	5.4	36.8	35.9

* % Relative to local index

Analyst

Roger Leboff

Keyyo (ALKEY)

Market cap: €19m

COMPANY COMMENT

All divisions contributed to H1 revenue growth and sales for Keyyo's core, business-focused activities were 20% ahead. This was on the back of customer wins supported by the launch of Keyyo Mobile, which helped position the group's converged VoIP/fixed/mobile offering. The fixed telephony business more than tripled operating profit, although overall group profitability reflected the impact of 0.54m of non-recurring costs related to the launch of Keyyo Mobile. The FY11 outlook is 15% higher sales; Keyyo Mobile should break even in FY12.

INDUSTRY COMMENT

As a VoIP operator, Keyyo seeks to leverage the advantages of control over its own technical infrastructure, based on open technologies. The implementation of a fibre-optic network means it can absorb traffic growth for the next three years, while strategic partnerships should enhance sales of high added-value products and services. The group signed an exclusive distribution agreement in 2010 to bring its Call Shop offer to around 100 Central Telecom customers.

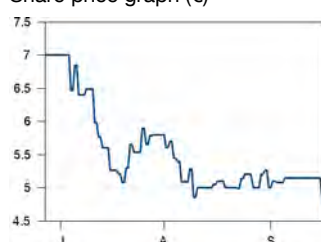
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	18.40	0.92	1.00	0.38	16.55
2010A	20.37	0.59	(0.79)	0.32	19.66
2011E	22.80	0.70	1.10	0.38	16.55
2012E	26.00	1.20	1.70	0.59	10.66

Where available, consensus data has been sourced from Thomson Datastream

Sector: Consumer Support Services

Price: €4.75
Price as at 23 September 2011

Share price graph (€)



Company description

LeadMedia Group specialises in supplying on-line marketing services for acquiring and ensuring the loyalty of prospects and customers on the Internet.

Price performance

%	1m	3m	12m
Actual	(7.6)	N/A	N/A
Relative*	0.7	N/A	N/A

* % Relative to local index

Analyst

Fiona Orford-Williams

LeadMedia (ALLMG)

Market cap: €21m

COMPANY COMMENT

LeadMedia listed on Alternext in July 2011, raising €12.5m in an oversubscribed placing. The group has expanded rapidly since being set up in 2008 and focuses on developing opportunities in lead generation, e-CRM and online loyalty in both the French and the Brazilian market. H111 revenues near-doubled to €9m, split 55% France: 45% Brazil, with the group expected to move into profitability for the year as a whole. As at the half year, LeadMedia had net cash resources of €14m, giving plenty of firepower to continue building through small/medium acquisitions in both its key territories.

INDUSTRY COMMENT

Carat forecast that growth in Latin America is expected to increase 13% in FY11 and FY12, driven by 14% growth in TV, which continues to hold 64% of spend in the region. Digital is expected to take a growing proportion of budgets at 6% (FY11: 5.5%) in Latin America in FY12. In France, digital spend continues to outstrip traditional media by some way, with forecasts of 12% for FY11, with search and display the lead categories.

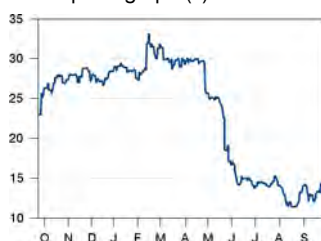
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	N/A	N/A	N/A	N/A	N/A
2010A	N/A	N/A	N/A	N/A	N/A
2011E	N/A	N/A	N/A	N/A	N/A
2012E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Media & Entertainment

Price: €13.55
Price as at 23 September 2011

Share price graph (€)



Company description

LeGuide.com is an independent publisher of e-business information websites. The sites aim to assist consumers with their purchases and to orient them toward the referenced vendor sites.

Price performance

%	1m	3m	12m
Actual	14.3	(9.5)	(45.8)
Relative*	24.5	(38.5)	(30.8)

* % Relative to local index

Analyst

Fiona Orford-Williams

LeGuide.com (ALGUI)

Market cap: €48m

COMPANY COMMENT

Unique visitors grew strongly again in H111 up 22% to 15.3m in June, having dropped back in H210, and the number of merchants covered has risen 16% to 72,000 over 12 months. Revenue growth is running at a lower rate of 7.5%. The threat posed to the business model by the alterations to Google's algorithms is being countered by higher marketing spend designed to generate audiences through a broader range of acquisition routes, which is having a modest impact on margins. The group had net cash resources of €28.5m at the end of June.

INDUSTRY COMMENT

E-commerce continues to gain ground, with the latest ComScore statistics showing that 83% of web users in France visited retail sites in July and LeGuide ranked number seven in the most frequented. Trade body FEVAD reports that the value of online sales in France in H111 rose 20% to €17.5bn. In August, Google altered the algorithms used to generate positioning in search rankings in several European countries (having done so in April in the UK), affecting traffic to price comparison/shopping sites.

Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	23.00	7.10	3.30	N/A	N/A
2010A	26.81	9.80	5.15	N/A	N/A
2011E	26.43	6.40	4.00	1.26	10.75
2012E	26.17	4.75	3.23	1.04	13.03

Where available, consensus data has been sourced from Thomson Datastream

Sector: Technology

Price: €4.45
Price as at 23 September 2011

Share price graph (€)



Company description

Let's Gowex is a telecommunications company organised around the supply of telecom and wireless services.

Price performance

%	1m	3m	12m
Actual	(6.3)	(11.0)	24.0
Relative*	2.0	32.8	58.3

* % Relative to local index

Analyst

Roger Leboff

Lets Gowex (ALGOW)

Market cap: €58m

COMPANY COMMENT

Gowex is developing a sustainable revenue model based on the roll-out of its advanced, proprietary WiFi technology, in conjunction with exclusive agreements with cities and transport agencies. It recently raised €7m via new equity to finance accelerated international expansion, with co-investment in new WiFi cities in Spain, France (where it recently opened a new office) and elsewhere - it already covers over 40 cities in Spain and abroad. It paid a 7c/share dividend on 22 September, equivalent to 20% of FY10 net profit.

INDUSTRY COMMENT

The strategy is to roll out free WiFi in cities in conjunction with local government, corporates and transportation authorities. The financial model is based on securing associated marketing agreements and advertising revenue streams that seek to take advantage of location-based content. The group's Roaming Platform enables users to connect freely in all cities. It has offices in Spain, Argentina, China, Great Britain, France and Costa Rica.

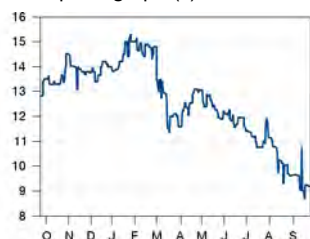
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	35.18	3.58	2.88	N/A	N/A
2010A	49.64	6.26	5.13	N/A	N/A
2011E	N/A	N/A	N/A	N/A	N/A
2012E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Pcare and household prd

Price: €9.16
Price as at 23 September 2011

Share price graph (€)



Company description

With branches in Paris, New York, Los Angeles, Hong Kong and Shanghai, Maesa creates and manufactures tailor-made perfumes, cosmetics and home fragrance for retailers, and packaging and promotional products for brands.

Price performance

%	1m	3m	12m
Actual	(9.0)	(23.3)	(29.5)
Relative*	(0.9)	2.8	(10.0)

* % Relative to local index

Analyst

Richard Finch

Maesa (ALMAE)

Market cap: €28m

COMPANY COMMENT

Although the 39% rise in Q2 sales comfortably made good the shortfall in the preceding quarter, profit expectations look to have been tempered for the full year, from a "significant" rise in May's update to simply a rise in the recent H1 results release. Furthermore, the Q2 increase is flattered by the increasing importance to Maesa of major accounts, which tend to order earlier in the year, so overall 2011 sales may prove to be no more than flat (+12% in H1). The US has been particularly buoyant in contrast to Europe, which has been affected by subdued demand in the Home segment. H1 results and Q3 sales (traditionally the strongest quarter) are due in late October.

INDUSTRY COMMENT

L'Oreal traded well in H111 and has confirmed confidence in its ability to defy consumer spending pressures by growing full-year sales and profit. Q211 saw 5% like-for-like sales growth in North America and a slight pick-up in Western Europe after a flat Q1.

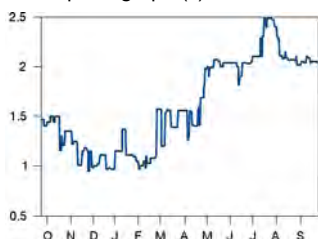
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	62.80	0.60	(2.80)	N/A	N/A
2010A	73.50	4.60	(0.70)	N/A	N/A
2011E	74.10	N/A	3.00	0.97	9.44
2012E	80.60	N/A	4.20	1.36	6.74

Where available, consensus data has been sourced from Thomson Datastream

Sector: Consumer Support Services

Price: €2.04
Price as at 23 September 2011

Share price graph (€)



Company description

The independent communication group MaKheiA Group ranks as the first French provider of corporate contents.

Price performance

%	1m	3m	12m
Actual	(1.0)	0.5	45.7
Relative*	7.9	77.5	86.1

* % Relative to local index

Analyst

Fiona Orford-Williams

MaKheiA Group (ALSEQ)

Market cap: €12m

COMPANY COMMENT

In H111, MaKheiA raised €1.5m to fund its expansion in the brand content and communications market. In July, it started the process with the acquisition of La Forme, which specialises in touch-screen delivery for exhibitions and events and has a high-profile client list. In FY10, MaKheiA restructured and walked away from unprofitable business, realigning towards B2C communications, particularly in social networking and via touch-screen based devices, leading to an improvement on sales pipeline conversion. H111 indications of flat revenues therefore do not reflect the state of the underlying business.

INDUSTRY COMMENT

The rapidly-changing background is complicating the management of brand image, with social media exerting heavy influence and brand owners in danger of losing control. The fast growth in smartphones/tablets is prompting many FMCG brands to accelerate the development of their online and mobile communication strategies. US figures from the Content Marketing Institute indicate 26% of B2B marketing budgets will be directed toward brand content.

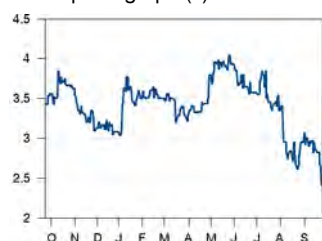
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	27.20	(1.06)	(1.24)	(0.25)	N/A
2010A	23.30	0.89	0.80	0.16	12.75
2011E	N/A	N/A	N/A	N/A	N/A
2012E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Construction & Bldg Mat.

Price: €2.38
Price as at 23 September 2011

Share price graph (€)



Company description

Mastrad designs and markets top-of-the-range, innovative kitchen utensils. It also distributes third-party kitchen products.

Price performance

%	1m	3m	12m
Actual	(10.5)	(33.3)	(30.0)
Relative*	(2.5)	(5.0)	(10.6)

* % Relative to local index

Analyst

Richard Finch

Mastrad (ALMAS)

Market cap: €13m

COMPANY COMMENT

Mastrad's performance remains characterised by relative strength in exports and North America, recovery at Kitchen Bazaar and, discouragingly in view of its significance, accelerating weakness in France (sales -12% in the half to June against -2% in the previous half). Ahead of results due in late October, full-year group sales were flat (-5% in H2). A 23% gain in trading profit in the half to December was creditable in tough consumer markets. Management believes the success of its Blockbuster products, constant innovation and improving e-procurement will deliver further profit growth. A fund raising to expand Kitchen Bazaar, with a potential flotation on the Marche Libre, was considered earlier this year.

INDUSTRY COMMENT

Mastrad should benefit from consumers' tendency to cook more at home and buy fewer prepared meals. Its lifestyle products fit with the French government's Manger Bouger programme to encourage healthy eating and with the trend of cocooning, where people choose to socialise at home rather than go out.

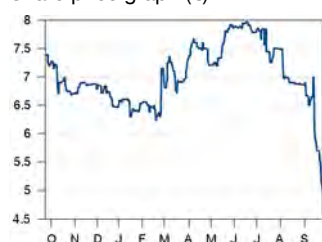
Y/E Jun	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	22.64	0.68	0.81	0.34	7.00
2010A	26.03	N/A	1.50	0.29	8.21
2011E	27.60	2.20	1.50	0.30	7.93
2012E	30.30	2.40	1.70	0.33	7.21

Where available, consensus data has been sourced from Thomson Datastream

Sector: Media & Entertainment

Price: €4.98
Price as at 23 September 2011

Share price graph (€)



Company description

Maximiles designs and markets internet customer reward programmes. These programmes allow internet users to earn points that can be redeemed for gifts by making purchases at the group's customers' websites.

Price performance

%	1m	3m	12m
Actual	(27.5)	(36.5)	(32.2)
Relative*	(21.0)	(2.2)	(13.4)

* % Relative to local index

Analyst

Fiona Orford-Williams

Maximiles (ALMAX)

Market cap: €20m

COMPANY COMMENT

Maximiles's loyalty schemes (53% sales) now have over eight million members in mutual schemes, with strong H111 growth in revenues of 37% reflecting good new business wins in Q410. Online panels (37%), boosted by last year's German acquisition, Panelbiz, more than doubled - organic growth was good at 25%. This more than offset continued difficult trading in direct marketing (11%). The costs of pursuing these levels of growth affected margins in H111, but the balance sheet remains strong with €14m of cash and no debt.

INDUSTRY COMMENT

French e-commerce continues to strengthen, with industry body FEVAD estimating H111 sales up 20% at €17.5bn, with a forecast of €37bn for the year. Numbers of online merchants continue to increase, including many bricks-and-mortar retailers adding online channels. Loyalty programmes are increasingly being used as a customer engagement mechanism (together with increasing the amount of behavioural data for the retailer), drawing customers into communities, rather than simply as a reward for spending.

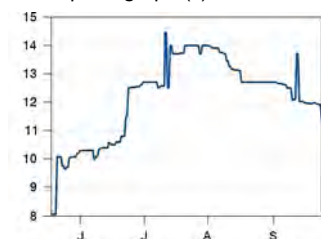
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	15.58	1.90	0.62	N/A	N/A
2010A	17.15	2.18	0.77	N/A	N/A
2011E	21.30	1.80	1.70	0.39	12.77
2012E	24.05	3.00	2.05	0.47	10.60

Where available, consensus data has been sourced from Thomson Datastream

Sector: Technology

Price: €11.39
Price as at 23 September 2011

Share price graph (€)



Company description

Median Technologies specializes in publishing software that aids in interpreting 2D and 3D medical images for detecting, diagnosing, and monitoring cancers.

Price performance

%	1m	3m	12m
Actual	(10.2)	(8.9)	N/A
Relative*	(2.2)	N/A	N/A

* % Relative to local index

Analyst

Roger Leboff

Median Technologies (ALMDT)

Market cap: €66m

COMPANY COMMENT

Underlying H111 turnover was €0.35m (H110: €0.56m), broadly 90% from routine radio-oncology activity and the rest from clinical trial work. Operating expenses were €1.8m, mainly payroll, with €1m of purchases and other expenses. The second half should benefit from contracts signed with three major pharmaceutical companies, plus others in the pipeline. The group had €8.7m net cash at the mid-year, after the €9.5m raised at IPO. In July, Canon acquired a 15% stake for €8.6m, with a view to co-development of new products and distribution into Asia.

INDUSTRY COMMENT

There is a substantial potential market for clinical solutions that seek to improve care and treatment of patients with particular cancers. Median's products are designed for use by radiologists, oncologists and for clinical trials using medical imaging. It can evaluate reliable, reproducible responses to treatment for cancers in solid tumours and metastases, and is readily integrated into the IT systems used in radiology and hospitals.

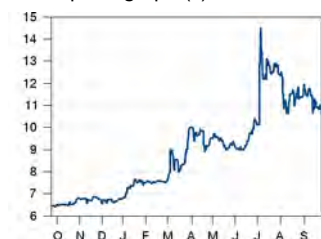
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	1.15	(4.33)	(3.58)	N/A	N/A
2010A	1.15	(3.83)	(3.38)	N/A	N/A
2011E	N/A	N/A	N/A	N/A	N/A
2012E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Pharma & Healthcare

Price: €10.60
Price as at 23 September 2011

Share price graph (€)



Company description

MEDICREA International develops and markets orthopaedic implants for use in spinal surgery.

Price performance

%	1m	3m	12m
Actual	(10.2)	9.2	63.8
Relative*	(2.2)	72.1	109.2

* % Relative to local index

Analyst

Mick Cooper

MEDICREA International (ALMED) Market cap: €85m

COMPANY COMMENT

MEDICREA has worked with some of France's leading orthopaedic surgeons to develop a broad range of innovative spinal implants. They are marketed directly in France, the UK and the US, and the company is expanding its salesforce across Europe, with its products sold by distributors in over 20 other countries. During FY10, sales increased by 39% to €18.2m following sales growth of 47% in H210. This enabled MEDICREA to reach break even (sales of c €1.7m per month) in H210. Its strong sales growth should be maintained by the increased adoption of its products, the expansion of its salesforce and the continued launch of its cervical disk prosthesis, GRANVIA C. MEDICREA has had a good start to 2011, with sales increasing by 39% to €11.0m during H111, and will report its full H111 results on 10 October.

INDUSTRY COMMENT

The orthopaedic implant market for spinal surgery is estimated to be worth \$9bn and to be growing at c 10% per year. The main growth driver for the sector is technological innovation that leads to both price rises and increases in procedure volumes.

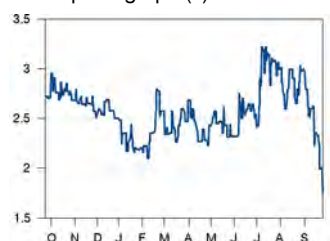
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	13.10	(2.40)	(2.60)	N/A	N/A
2010A	18.20	(1.20)	(2.50)	N/A	N/A
2011E	26.40	2.60	2.00	0.26	40.77
2012E	32.90	4.70	3.90	0.51	20.78

Where available, consensus data has been sourced from Thomson Datastream

Sector: General Retailers

Price: €1.75
Price as at 23 September 2011

Share price graph (€)



Company description

MG International is a major player in the production of pool safety devices. Products include alarm systems and immersion detectors, automatic covers, and ecological water treatment and disinfection systems.

Price performance

%	1m	3m	12m
Actual	(35.9)	(31.9)	(34.7)
Relative*	(30.2)	(8.3)	(16.6)

* % Relative to local index

Analyst

Richard Finch

MG International (ALMGI)

Market cap: €8m

COMPANY COMMENT

MG's early season optimism looks to be justified, with a raising of 2011 sales growth guidance from 20% to 50% after a bumper first half. This was driven by the success of its Dolphin robot pool cleaner, which grew sales sixfold in its first full period after integration. The alarms business also performed well, with sales up 50% owing to enhanced marketing. However, overall returns remain subdued with the H1 sales gain of 89% translating into a modest return to profit at the trading level (the robot cleaner sales were at much lower distributor margin) and the second half is expected to see simply a reduction in seasonal loss, leading to a broad break-even for 2011.

INDUSTRY COMMENT

After August's poor French retail sales (largest monthly decline since February), Markit believes the outlook remains tough, given a stagnating economy (the government has cut its 2011 GDP forecast to 1.75% from 2% after zero growth in Q2). Pressure on consumer purchasing power may well stifle willingness to buy high-ticket items such as swimming pools.

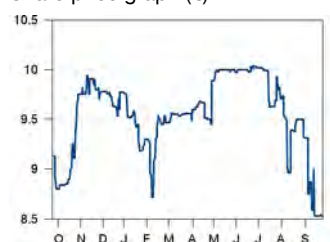
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	5.81	(1.21)	(1.48)	N/A	N/A
2010A	8.03	(1.13)	(1.22)	N/A	N/A
2011E	N/A	N/A	N/A	N/A	N/A
2012E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Electrical Equipment

Price: €8.53
Price as at 23 September 2011

Share price graph (€)



Company description

MGI Digital Graphic Technology offers digital printing systems for printing and graphic arts professionals.

Price performance

%	1m	3m	12m
Actual	(10.2)	(14.8)	(6.4)
Relative*	(2.2)	21.1	19.6

* % Relative to local index

Analyst

Roger Leboff

MGI Dig Graphic Tech (ALMDG)

Market cap: €40m

COMPANY COMMENT

FY10 was positive, with turnover ahead 11% and operating profit up 5%. Group newsflow this year has included appointment of an exclusive UK distributor, sales to Middle East customers and first APAC installation of the JETcard Inkjet Card Factory in Singapore. MGI designs, manufactures and sells equipment for producing plastic cards to customers in France and overseas. Its product range includes innovative digital multi-paper (paper and plastic) printing, finishing and converting devices. It is France's second-largest provider of professional digital presses and also develops and sells management software for the medical and paramedical professions.

INDUSTRY COMMENT

The group has a customer base of several hundred, diversified across a number of sectors. Its principal customers include professional printers, government agencies, major banks and insurance companies, as well as plastic card manufacturers, packaging companies and photo labs. The worldwide market is estimated at c \$20bn per year.

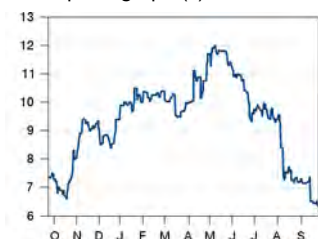
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	17.22	3.21	2.54	N/A	N/A
2010A	19.10	3.40	2.89	N/A	N/A
2011E	22.10	4.00	3.30	0.70	12.19
2012E	25.40	5.00	4.00	0.85	10.04

Where available, consensus data has been sourced from Thomson Datastream

Sector: Electrical Equipment

Price: €6.35
Price as at 23 September 2011

Share price graph (€)



Company description

Microwave Vision produces multi-sensor electronic scanning systems for real-time viewing of electromagnetic wave fields.

Price performance

%	1m	3m	12m
Actual	(13.4)	(36.2)	(15.3)
Relative*	(5.6)	(10.9)	8.1

* % Relative to local index

Analyst

Roger Leboff

Microwave Vision (ALMIC)

Market cap: €23m

COMPANY COMMENT

Q111 sales were €9.5m, 8% ahead y-o-y. The order book was €30.1m at the end of March vs €29.1m at end December 2010, which reflects increased demand from Asian markets. The outlook was positive, with new products and the success of targeted sales and marketing efforts to capitalise on recent turnaround in telecoms investment. FY11 is supported by dynamic markets, 30% recurring revenues from the installed base (maintenance, engineering services), the order book and strong cash generation. Net debt was below €1m at the last year end.

INDUSTRY COMMENT

The group designs, manufactures and sells multi-sensor electronic scanning systems for real-time viewing of electromagnetic wave fields, used by the radio communications, automotive, aeronautics and defence industries. It operates in eight countries and sales are well diversified. It has achieved double-digit annual growth for the last decade and invests over 10% of turnover in R&D to generate a development portfolio to support future growth.

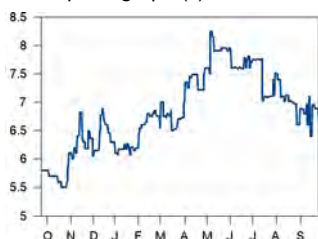
Y/E Mar / Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	34.83	(0.28)	(0.19)	N/A	N/A
2010A	43.99	3.39	3.70	1.05	6.05
2011E	47.50	5.40	3.70	1.19	5.34
2012E	50.10	6.10	4.20	1.40	4.54

Where available, consensus data has been sourced from Thomson Datastream

Sector: Pcare and household prd

Price: €6.69
Price as at 23 September 2011

Share price graph (€)



Company description

Millet Innovation specialises in designing, manufacturing, and marketing medical and cosmetic personal care products. The group's activity is organised around three product families: foot care products; cosmetic products and food supplements; and comfort shoes.

Price performance

%	1m	3m	12m
Actual	(3.9)	(13.6)	15.3
Relative*	4.7	35.5	47.3

* % Relative to local index

Analyst

Roger Leboff

Millet Innovation (ALINN)

Market cap: €13m

COMPANY COMMENT

FY10 sales of €15.6m were 24.5% up y-o-y, with increased contributions from the EPITACT brand in both France (up 9%) and export markets (62% ahead). Working capital for further growth and investment, including R&D, is in place via facilities secured during 2009 and positive cash flow. Reduced operating margins - 13.7% vs 15.0% for earlier period - reflects the success of newer products tailored for more cost-conscious markets and investment in building the EPITACT footcare brand in new international markets. Q1 sales support the stable FY11 outlook.

INDUSTRY COMMENT

Millet's strengths include a broad product portfolio and commitment to maintained investment in R&D at 5% of sales. Products are marketed primarily through pharmacies and wholesalers, mail-order catalogues and distributors. The outlook is supported by valuable IP (21 patents), a significant proportion of which has evolved into saleable products and a growing network both in France and overseas markets.

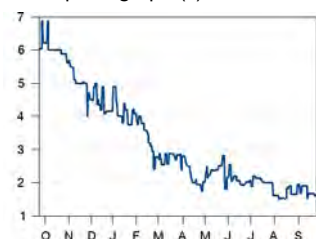
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	12.50	1.86	1.14	N/A	N/A
2010A	15.60	2.14	1.30	N/A	N/A
2011E	15.90	2.30	1.40	0.80	8.36
2012E	16.70	2.50	1.60	0.80	8.36

Where available, consensus data has been sourced from Thomson Datastream

Sector: General Retailers

Price: €1.62
Price as at 23 September 2011

Share price graph (€)



Company description

Monceau Fleurs is a French retail flower and plant distribution company. It markets products through a network of franchises under the names of Monceau Fleurs, Happy and Rapid'Flore.

Price performance

%	1m	3m	12m
Actual	(1.8)	(17.8)	(76.5)
Relative*	6.9	(18.2)	(70.0)

* % Relative to local index

Analyst

Richard Finch

Monceau Fleurs (ALMFL)

Market cap: €9m

COMPANY COMMENT

Monceau Fleurs returned modestly to profit at the EBITDA level in the half to March thanks to better buying and strict cost control, but it still found the going tough as sales fell by 5% despite outlet expansion. The previous year saw group restructuring after substantial development and the integration of Rapid'Flore proved more expensive than expected. Newly-strengthened management believes economies of scale, streamlined logistics and further international expansion (already over 15% of outlets) will pay off in due course. Monceau is heavily borrowed, with gearing above 100% at March.

INDUSTRY COMMENT

The French flower market is extremely fragmented (Monceau has a clear lead with under 10%). However, supermarkets compete on price through their purchasing power and promotions. The market is difficult (spend per head has been static in recent years and is well below the European average), but may perform relatively well as consumers cut their leisure expenditure and spend more time at home and in their gardens.

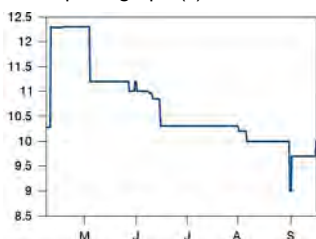
Y/E Sep	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	54.00	0.56	(2.10)	N/A	N/A
2010A	66.19	(3.62)	(5.30)	N/A	N/A
2011E	75.20	N/A	(1.70)	(0.30)	N/A
2012E	83.80	N/A	(1.00)	(0.20)	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: General Industrials

Price: €10.00
Price as at 23 September 2011

Share price graph (€)



Company description

Moulinvest specializes in producing and selling wood products (construction lumber and prefabricated solid wood walls).

Price performance

%	1m	3m	12m
Actual	0.0	(2.9)	N/A
Relative*	8.9	N/A	N/A

* % Relative to local index

Analyst

Richard Finch

Moulinvest (ALMOU)

Market cap: €25m

COMPANY COMMENT

Moulinvest was listed in April at €10.28, raising €5.2m. This followed a robust first half to February, marked by a broad-based 27% advance in sales, including a successful move into prefabricated solid wood walls (3% of sales in its first 10 months). A doubling of trading margin over the full year to last August is all the more creditable given seasonal weakness in H1 and higher raw material costs. Excitingly, the company's plans to produce electricity by co-generation, using biomass, and wood pellets for heating (projected 90K tonnes pa would make it a market leader) are well in hand with the recent opening of a dedicated facility.

INDUSTRY COMMENT

The French construction industry is forecast to improve by 2015 thanks to government stimulus investment, tax breaks and credits and the run-up to the Euro 2016 championship to be hosted in France. Last year the industry contracted by 4.2% despite GDP growth.

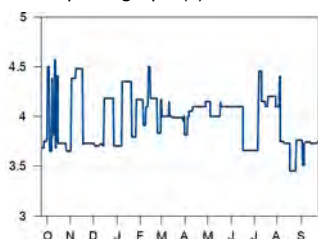
Y/E Aug	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	13.07	0.58	6.98	N/A	N/A
2010A	15.59	0.58	11.53	N/A	N/A
2011E	N/A	N/A	N/A	N/A	N/A
2012E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Electrical Equipment

Price: €3.73
Price as at 23 September 2011

Share price graph (€)



Company description

NEOTION develops digital data reception cards and systems for distributors, assemblers, operators and manufacturers of televisions and computers.

Price performance

%	1m	3m	12m
Actual	8.1	1.9	1.4
Relative*	17.8	26.9	29.4

* % Relative to local index

Analyst

Roger Leboff

NEOTION (ALNEO)

Market cap: €20m

COMPANY COMMENT

The components of the FY10 turnaround underpin the FY11 outlook. There was a strong recovery in MPEG-4 sales, particularly for Neotion's proprietary NP4+ module, to new and existing customers and into new markets, such as Bulgaria, Poland, Finland and France, the latter via a new contract with Fransat. It launched the NKE-1 processor, a highly secure access control component that will benefit FY11 margins. Also, adoption of CI+ as a de facto industry standard has enabled Neotion to establish longer-term, two- and three-year relationships with important operators.

INDUSTRY COMMENT

Neotion provides sophisticated system-on-a-chip processors, turnkey sub-systems and reference designs that enable seamless integration and reduce time to market for consumer electronics. These capitalise on the 'all-digital' revolution, the gradual switch-off of analogue by 2012. In Europe and the US, c 700m analogue TVs will have to be replaced or upgraded. The changes will affect images broadcast by satellite, DTT and internet over ADSL.

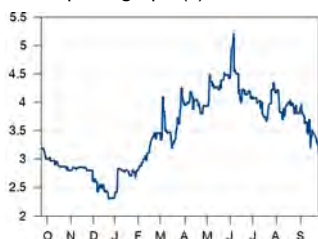
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	5.53	(8.81)	(7.37)	N/A	N/A
2010A	27.49	0.24	1.76	N/A	N/A
2011E	N/A	N/A	N/A	N/A	N/A
2012E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Pharma & Healthcare

Price: €3.12
Price as at 23 September 2011

Share price graph (€)



Company description

Neovacs is developing novel immunotherapies for the treatment of auto-immune and inflammatory diseases.

Price performance

%	1m	3m	12m
Actual	(17.9)	(24.5)	0.6
Relative*	(10.6)	15.1	28.5

* % Relative to local index

Analyst

Mick Cooper

Neovacs (ALNEV)

Market cap: €49m

COMPANY COMMENT

The potential of NeoVacs's kinoids was indicated in its Phase I/II trial with TNF-kinoid in Crohn's disease. This kinoid was well tolerated and a clinical response rate of c 50% was seen at the two higher doses (of three). Also, data from a Phase I/II trial with IFN-kinoid in lupus showed a good safety, immunogenicity and pharmacodynamic profile. Further data on TNF-kinoid is expected before the end of 2011 from a Phase IIa trial in Crohn's disease and a Phase II trial in rheumatoid arthritis. Neovacs had €8.4m in cash at the end of 2010. It raised €2.25m in April and a further €7.6m at €4 per share in June so it can complete the three ongoing clinical trials.

INDUSTRY COMMENT

Neovacs's kinoids are immunotherapeutic products. Its lead product, TNF-kinoid, is being targeted at the anti-TNF market for the treatment of rheumatoid arthritis and Crohn's disease, which is worth over \$20bn. For lupus, there are limited treatments available; the FDA has just approved the first new treatment for this indication in 50 years.

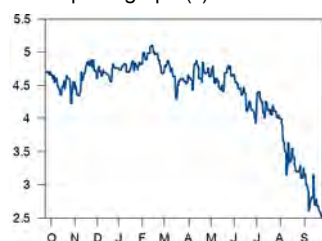
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	0.00	(8.38)	(6.90)	N/A	N/A
2010A	0.00	(0.68)	(8.90)	N/A	N/A
2011E	N/A	N/A	N/A	N/A	N/A
2012E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Media & Entertainment

Price: €2.55
Price as at 23 September 2011

Share price graph (€)



Company description

NetBooster is an interactive agency offering online marketing services in areas such as traffic generation, strategic consulting and referencing for websites.

Price performance

%	1m	3m	12m
Actual	(20.1)	(38.6)	(44.9)
Relative*	(12.9)	(24.4)	(29.7)

* % Relative to local index

Analyst

Fiona Orford-Williams

NetBooster (ALNBT)

Market cap: €27m

COMPANY COMMENT

In April 2011, ODDO AM subscribed to a further €2.3m at €4.70 (August 2010: €2m issue at €5.30). This coincided with the appointment of new CEO, Raphael Zier. A strategic review concluded the group should focus on three key markets (France, Germany and the UK), exiting its other operations including China. In May, the group significantly scaled up with the purchase of Metapeople in Germany, based around SEO, display, affiliate and social marketing across several key verticals. The combined group has set a target of 20% gross margin by end FY13, based on improved productivity through sharing best-practice, performance-related pay and focusing on higher-value add services in RTB ad-exchange and social media.

INDUSTRY COMMENT

The French advertising market is forecast to grow 2.6% in FY11 (Carat), with online continuing to outpace with growth of 12% in FY11 and FY12 (Capgemini), driven by the increasing number of brands launching e-commerce initiatives. Social networking and mobile delivery continue to build their share of budgets.

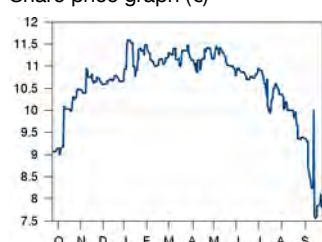
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	31.00	1.00	(3.33)	N/A	N/A
2010A	45.10	0.52	(4.60)	N/A	N/A
2011E	N/A	N/A	N/A	N/A	N/A
2012E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Electrical Equipment

Price: €7.95
Price as at 23 September 2011

Share price graph (€)



Company description

NEXEYA (formerly Groupe Eurilogic) specialises in providing industrial and technical computer engineering services. The group assists its clients in designing, developing, installing and maintaining their products and industrial tools.

Price performance

%	1m	3m	12m
Actual	(15.2)	(25.8)	(11.7)
Relative*	(7.6)	(4.9)	12.8

* % Relative to local index

Analyst

Roger Leboff

NEXEYA (ALNEX)

Market cap: €32m

COMPANY COMMENT

Annual sales were 14.7% ahead y-o-y at €127.9m, broadly stable underlying, excluding acquisitions. A number of encouraging trends were confirmed in Q4. Nexeya Services (31% of sales), a source of sustainable revenues, produced its third consecutive double-digit increase in quarterly turnover; Systems (61%) resumed organic growth. The final component, Products, was 20% ahead y-o-y, reflecting the integration of Antycip, acquired in April. The outlook was optimistic and confirmed a €200m sales target for 2012/13.

INDUSTRY COMMENT

NEXEYA designs, manufactures and supports specialist mission-critical electronic products. It has two divisions: products (complex electronic systems, testing and validation, maintenance and field service solutions) and services (prime contractor assistance, project monitoring, support and maintenance). Revenues are derived from a well-balanced sector spread: defence/security (28%), aeronautics (16%), space (14%), industry (12%), energy (5%), automotive (7%) and IT/telecom (12%).

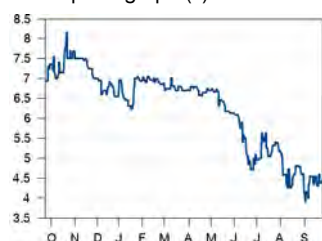
Y/E Jun	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	109.51	7.40	4.20	N/A	N/A
2010A	111.48	7.84	5.34	N/A	N/A
2011E	128.10	8.80	5.60	1.43	5.56
2012E	144.50	10.50	6.80	1.73	4.60

Where available, consensus data has been sourced from Thomson Datastream

Sector: Technology

Price: €4.49
Price as at 23 September 2011

Share price graph (€)



Company description

Notrefamille.com is a French internet portal dedicated to families and identity searching. It has three sites: Notrefamille.com, Genealogie.com and Cadeaux.com (online personalised gifts).

Price performance

%	1m	3m	12m
Actual	(6.5)	(4.5)	(34.9)
Relative*	1.9	(9.0)	(16.9)

* % Relative to local index

Analyst

Richard Finch

Notrefamille.com (ALNFA)

Market cap: €8m

COMPANY COMMENT

Ahead of H1 results in early October, there is encouragement in a clear resumption of like-for-like sales growth in Q2, which made good the Q1 shortfall. The steady buoyancy of Notrefamille.com's traffic (+10% year-on-year in January and +14% in 2010) and material investment (notably in staff, including a new commercial director), persuaded management in its March results release that returns were expected to improve in 2011. However, this is from a low base (H210 saw a continuation of H1 loss at the trading level). Q2 in particular saw continued enrichment of website content dedicated to women and a new genealogy search engine installed.

INDUSTRY COMMENT

French e-commerce continues to flourish with 20% growth in Q211. With average transaction spend under pressure, the drivers were frequency of transaction, new customers and new websites. Genealogy is a mass-market activity in France, with some two-thirds claiming to have engaged in research and know the company's site Genealogie.com.

Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	11.80	0.40	0.90	N/A	N/A
2010A	11.60	(1.09)	(1.00)	N/A	N/A
2011E	N/A	N/A	N/A	N/A	N/A
2012E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Technology

Price: €1.65
Price as at 23 September 2011

Share price graph (€)



Company description

O2i is the clear French market leader in its two activities, software engineering for the digital graphics industry and continuing professional education in IT and multimedia.

Price performance

%	1m	3m	12m
Actual	(14.1)	(30.1)	(35.8)
Relative*	(6.4)	3.2	(18.0)

* % Relative to local index

Analyst

Richard Finch

O2i (ALODI)

Market cap: €5m

COMPANY COMMENT

Ahead of H1 results due soon, H210 sales growth (modest at 2% but the first since H109) and halving of a large trading loss are being taken by management as first signs of recovery, with a return to group profit envisaged over the next two years. In particular, engineering (two-thirds of group revenue) should reasonably move into profit at the trading level in 2011 after breaking even last year. Thanks to vigorous expansion before the downturn, management is confident that O2i has the scale to access large and mid-size accounts and capitalise on its expertise with Apple systems. As well as a promised new commercial strategy (details awaited), the company recently became leader in the growing Provence/Alps/Cote d'Azur market.

INDUSTRY COMMENT

The business benefits from its conglomerate structure. The digital graphics sector continues to go through a cyclical downturn driven by cutbacks in corporate marketing and advertising spend. However, the outlook in education is far more resilient as under-invested schools roll out internet-enabled IT systems.

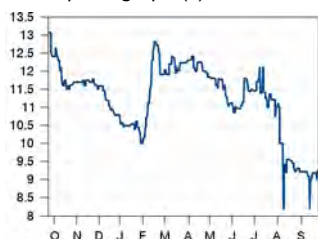
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	49.80	(1.70)	1.70	N/A	N/A
2010A	49.75	(0.87)	1.02	N/A	N/A
2011E	N/A	N/A	N/A	N/A	N/A
2012E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Construction & Bldg Mat.

Price: €9.25
Price as at 23 September 2011

Share price graph (€)



Company description

Under the brand names Oberflex and Marotte, Ober offers deluxe decorative wood panels to stores, offices, hotels and meeting and event rooms, as well as for decorating private homes.

Price performance

%	1m	3m	12m
Actual	0.3	(19.2)	(26.0)
Relative*	9.3	2.8	(5.5)

* % Relative to local index

Analyst

Richard Finch

Ober (ALOB)

Market cap: €13m

COMPANY COMMENT

The current year remains one of transition, given further mixed trading news and the rationalisation of persistent underperformer, Marotte. Ober's important Stramiflex venture has continued to be affected by difficult conditions in Tunisia (Q2 sales down by 21%), while its core Oberflex business suffered its first quarterly sales decline for over a year during Q2, albeit still well ahead of average quarterly sales in 2010. More positively, Marotte achieved a 25% top-line recovery in Q2, admittedly from a depressed base. 2010 results were notable for the success of Ober's transforming Stramiflex deal, which achieved 15% pro-forma sales growth at a double-digit EBITDA margin.

INDUSTRY COMMENT

Both the shipbuilding and construction industries have performed poorly in the current climate, with many wooden features seen as expendable luxuries. Shipbuilding virtually ground to a halt while the industry adjusted to the new climate. We do not expect a near-term recovery.

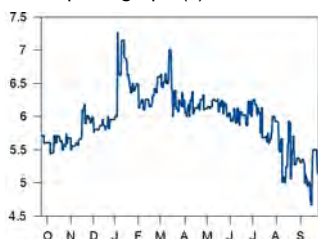
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	24.71	2.17	1.33	N/A	N/A
2010A	41.30	2.57	1.20	N/A	N/A
2011E	42.40	3.80	1.60	1.10	8.41
2012E	43.90	4.50	2.10	1.45	6.38

Where available, consensus data has been sourced from Thomson Datastream

Sector: Technology

Price: €5.20
Price as at 23 September 2011

Share price graph (€)



Company description

OCTO Technology offers consulting and execution services for information system architectures.

Price performance

%	1m	3m	12m
Actual	(1.3)	(11.3)	(7.1)
Relative*	7.5	16.3	18.6

* % Relative to local index

Analyst

Richard Finch

OCTO Technology (ALOCT)

Market cap: €18m

COMPANY COMMENT

Sales growth of just 7% in Q2 compared with strong double-digit gains during the downturn is considered a blip by management, reflecting a relative pause in consultant and architect recruitment during the period. Indeed, the second half has begun well, boosted by a particularly successful USI conference. Trading profit was maintained in the first half despite material investment, notably in continued international expansion (now 14% of group sales, more than double the level of a year ago). Brazil, OCTO's fourth overseas office, opened in April, immediately winning contracts with two large financial groups. €2m was raised in December to fund development (OCTO was already debt free).

INDUSTRY COMMENT

We expect corporates to continue to invest to ensure they have robust architectures for their new IT systems to remain well underpinned. Nevertheless, in the short term we expect continued cutbacks in IT project spend and certainly a push-out of larger projects.

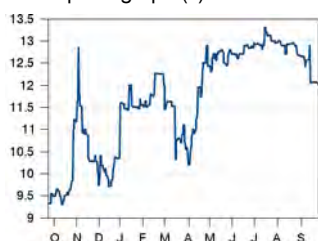
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	15.40	0.91	0.94	N/A	N/A
2010A	18.20	0.89	1.60	N/A	N/A
2011E	N/A	N/A	N/A	N/A	N/A
2012E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Electrical Equipment

Price: €12.04
Price as at 23 September 2011

Share price graph (€)



Company description

Orolia produces electronic precision GPS equipment and systems for use in the space, defence, security, telecommunication and test and measurement sectors.

Price performance

%	1m	3m	12m
Actual	(6.6)	(6.2)	27.4
Relative*	1.7	50.2	62.7

* % Relative to local index

Analyst

Roger Leboff

Orolia (ALORO)

Market cap: €50m

COMPANY COMMENT

Excluding the contribution from Sarbe acquired in June, first-half sales were 6.9% ahead y-o-y, 9.4% at constant exchange rates. Q2 was particularly strong, 18.5% ahead of Q1, 10.3% better y-o-y. That reflects the contribution of services provided under the Galileo program and a major defence project signed in early 2011 with the US Army. Timing (+39%) and Navigation (+25%) were again key and offset a lower performance by Positioning, down 21% vs a strong prior-year comparative.

INDUSTRY COMMENT

The group's high-precision products are critical components for users in defence, security and telecommunication, with terrestrial, marine and aerospace applications. The global recession had the greatest effect on Orolia's test and measurement instruments division, but it has benefited from gradual recovery in the global economy and positive contributions from recent acquisitions. A broad portfolio should enable it to manage exposure to possible weaker areas, ie defence and tourism.

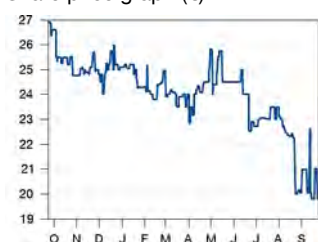
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	31.10	1.58	(3.07)	0.15	80.27
2010A	57.80	5.11	0.99	0.67	17.97
2011E	62.20	4.60	0.60	0.49	24.57
2012E	66.70	5.40	2.40	0.88	13.68

Where available, consensus data has been sourced from Thomson Datastream

Sector: Travel & Leisure

Price: €19.81
Price as at 23 September 2011

Share price graph (€)



Company description

Pairi Daiza (formerly Parc Paradisio) specializes in operating a zoological leisure park. The company also develops scientific programs for preserving endangered species and offers event services.

Price performance

%	1m	3m	12m
Actual	(0.9)	(12.1)	(26.4)
Relative*	4.8	7.9	(6.4)

* % Relative to local index

Analyst

Richard Finch

Pairi Daiza (PARD)

Market cap: €22m

COMPANY COMMENT

Reduced seasonal losses last winter thanks to visitors up by a third happily curbed the H1 profit shortfall resulting from the 25% decline in peak attendance during summer 2010. While the latter appears disappointing, it compares with a bumper 2009 attendance (+ c 30%), boosted exceptionally by the introduction of elephants and the opening of a major Indonesian garden, and was otherwise the most popular of the park's 17 seasons. In addition, there was a creditable increase of 8% in average visitor spend. Although there is no guidance for the current season, it is encouraging to note the new partnership with respected premium caterer Paulus, which should help visitor loyalty, improve purchasing and extend events business. Until 2009 the park was known as Parc Paradisio.

INDUSTRY COMMENT

Consumer confidence in Belgium has weakened sharply since the spring, albeit stabilising of late, according to the National Bank of Belgium. Retail sales rose by just 1% in the seven months to July (Eurostat).

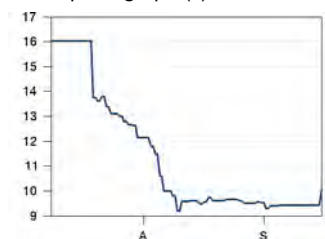
Y/E Mar	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	17.93	3.43	2.55	N/A	N/A
2010A	15.17	1.61	1.09	N/A	N/A
2011E	N/A	N/A	N/A	N/A	N/A
2012E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Industrial Support Services

Price: €10.05
Price as at 23 September 2011

Share price graph (€)



Company description

Phenix Systems specialises in designing, producing, and selling equipment for rapid manufacturing by adding material layer-by-layer.

Price performance

%	1m	3m	12m
Actual	3.9	N/A	N/A
Relative*	13.2	N/A	N/A

* % Relative to local index

Analyst

Roger Leboff

Phenix Systems (ALPHX)

Market cap: €12m

COMPANY COMMENT

Phenix raised €3.52m at its IPO in July, to finance R&D and underpin its technological leadership in key international markets such as the US and Asia. The group has a demonstrable growth and profit record, with a 74% increase in operating profit in FY10 at a 12.5% operating margin. Its technology enables rapid manufacturing of complex components in metals and ceramics, suitable for a wide range of industries including automotive, energy, aerospace, luxury goods (jewellery and watches) and dentistry.

INDUSTRY COMMENT

The group has proprietary selective laser sintering (SLS) technologies, an additive manufacturing technique that uses a high power laser to fuse small particles of plastic, metal, ceramic or glass powders into a mass with a desired 3-dimensional shape. It is expanding at a favourable time in the business investment cycle, with considerable renewal expenditure anticipated in 2012. The IPO documentation refers to an \$81bn global market for machine tools in 2009.

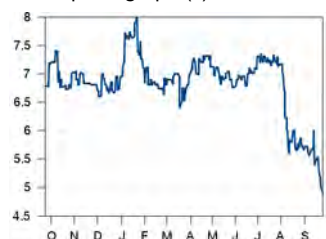
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	4.34	0.74	0.59	N/A	N/A
2010A	5.90	0.43	0.44	N/A	N/A
2011E	N/A	N/A	N/A	N/A	N/A
2012E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Consumer Support Services

Price: €4.88
Price as at 23 September 2011

Share price graph (€)



Company description

Piscines Desjoyaux specialises in producing and marketing private swimming pools. The activity is organized into selling swimming pools, constructing public pools, borders and paved areas around pools, and producing related equipment (solar covers, showers, safety barriers, cover rollers, etc).

Price performance

%	1m	3m	12m
Actual	(14.4)	(30.4)	(28.0)
Relative*	(6.8)	1.4	(8.1)

* % Relative to local index

Analyst

Richard Finch

Piscines Desjoyaux (PDJ)

Market cap: €44m

COMPANY COMMENT

The third quarter to May, the company's most important, saw the boost of an expected pick-up in key domestic sales (+7%) tempered by a lull in exports. While there is no financial guidance for the rest of the year, management expects increasing benefit from ambitious overseas investment with a long-term target of 50% of group sales (29% in the year to date) thanks to exposure to dynamic markets, notably Brazil, US and China. The first-half seasonal trading loss held steady despite substantial branch opening costs. Gearing at February remained low ahead of strong seasonal cash flow.

INDUSTRY COMMENT

Following August's disappointing French retail sales, which showed their largest monthly decline since February, Markit believes that the outlook remains tough, given a stagnating economy (the government recently reduced its 2011 GDP forecast to 1.75% from 2% after zero growth in Q2). Pressure on consumer purchasing power may well stifle willingness to buy high-ticket items such as swimming pools.

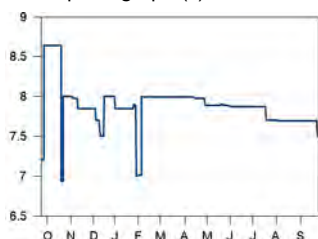
Y/E Aug	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	72.80	7.10	4.00	N/A	N/A
2010A	74.80	7.30	4.30	N/A	N/A
2011E	78.60	N/A	4.70	0.52	9.38
2012E	84.20	N/A	5.80	0.64	7.63

Where available, consensus data has been sourced from Thomson Datastream

Sector: General Retailers

Price: €7.50
Price as at 23 September 2011

Share price graph (€)



Company description

Piscines Groupe manufactures pool shells made of composite materials and concrete products. It also offers maintenance products, covers, tarpaulins, water treatment products and safety equipment.

Price performance

%	1m	3m	12m
Actual	(2.5)	(4.7)	(13.2)
Relative*	6.2	27.3	10.9

* % Relative to local index

Analyst

Richard Finch

Piscines Groupe (ALPGG)

Market cap: €23m

COMPANY COMMENT

Ahead of H1 results in late October, Piscines Groupe was broadly positive at its last update in April, expecting a good performance in its seasonally-stronger first half on the back of a decent orderbook (+4%) and, intriguingly, the raising of prices for the first time for five years in the context of economic pick-up. Finances were also reported to have improved markedly through debt restructuring and stock rationalisation (minimal gearing at December). Investors may nonetheless be cautious after Piscines Groupe's disappointing relapse in H210 (double-digit volume decline and higher low-season losses) was attributed to tough conditions.

INDUSTRY COMMENT

After August's poor French retail sales (largest monthly decline since February), Markit believes the outlook remains tough, given a stagnating economy (the IMF has just reduced its GDP forecast for 2011 to 1.7% after zero growth in Q2 and for 2012 to 1.4%). Pressure on consumer purchasing power may well stifle willingness to buy high-ticket items such as swimming pools.

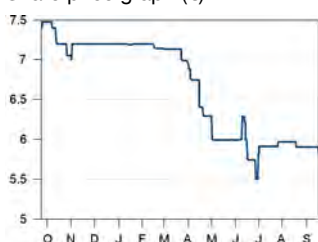
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	31.45	(0.43)	(1.18)	N/A	N/A
2010A	33.10	1.03	1.94	N/A	N/A
2011E	35.10	N/A	1.30	0.42	17.86
2012E	37.80	N/A	2.40	0.77	9.74

Where available, consensus data has been sourced from Thomson Datastream

Sector: Consumer Support Services

Price: €5.80
Price as at 23 September 2011

Share price graph (€)



Company description

Polygone International specialises in services marketing and communications.

Price performance

%	1m	3m	12m
Actual	(1.7)	1.0	(21.6)
Relative*	4.0	7.8	(0.3)

* % Relative to local index

Analyst

Fiona Orford-Williams

Polygone (ALPOL)

Market cap: €14m

COMPANY COMMENT

Polygone listed on Alternext in September 2010, raising €4.2m. The Belgium-based group specialises in marketing and communications services from consulting to campaigns across a wide spread of verticals. Its activities are primarily digital and ROI led, rather than being driven by the creative. They range from advertising, through digital communications to street buzz and guerilla marketing. After losing some significant contracts in FY10, Polygone's French subsidiary was put into liquidation in May.

INDUSTRY COMMENT

Magna figures suggest the Belgian advertising industry has grown more strongly than the French over the last five years, growing at 3% compound against 1%. However, digital will have greatly outstripped this rate. AdEx IAB put growth for the Belgian market for FY10 at 13%, with online taking 11% of total advertising budgets, still some way behind France's proportion of 15.6%. Carat's forecasts for Western European growth are 2.3% and 3.0% for FY11 and FY12 respectively, with the digital market growing 13.3% and 14.4%.

Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	N/A	N/A	N/A	N/A	N/A
2010A	20.12	(4.01)	(4.82)	N/A	N/A
2011E	N/A	N/A	N/A	N/A	N/A
2012E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Construction & Bldg Mat.

Price: €112.02
Price as at 23 September 2011

Share price graph (€)



Company description

Poujoulat is the European leader in the manufacture and marketing of chimney flues and metal roof outlets.

Price performance

%	1m	3m	12m
Actual	(17.0)	(14.9)	20.5
Relative*	(9.6)	32.2	53.8

* % Relative to local index

Analyst

Roger Leboff

Poujoulat (ALPJT)

Market cap: €55m

COMPANY COMMENT

First-half sales, up 20.7% y-o-y, maintained the momentum of the recovery since mid-2010, although exports (13% of total H1 turnover) were 14.9% ahead. Margins are expected to hold despite high prices of raw materials, energy and transport, some of which the group has absorbed to keep sales prices steady. Poujoulat remains well on track to achieve its original 10% sales growth for FY11, on the back of new product launches and investment in energy-efficient products.

INDUSTRY COMMENT

The group has maintained sales and rates despite the difficult market backdrop. Its innovative products meet demands for energy efficient buildings and should benefit from stricter legislation covering new build and refurbishment. It has seven manufacturing sites in Europe and a catalogue of over 200,000 items, 90% manufactured in its factories and shipped across Europe. The acquisition of Frankfurt-based Live in October 2009 expanded its product range and provided access to an important strategic market.

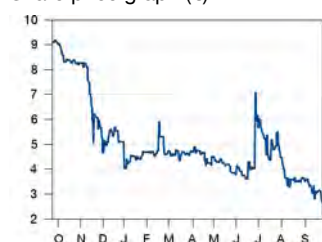
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	136.73	12.56	8.18	16.73	6.70
2010A	151.50	13.10	8.81	N/A	N/A
2011E	N/A	N/A	N/A	N/A	N/A
2012E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Basic Industries

Price: €2.61
Price as at 23 September 2011

Share price graph (€)



Company description

POWEO is the leading independent electricity and gas operator in France.

Price performance

%	1m	3m	12m
Actual	(26.3)	(34.8)	(71.1)
Relative*	(19.7)	(22.6)	(63.0)

* % Relative to local index

Analyst

Richard Finch

POWEO (ALPWO)

Market cap: €43m

COMPANY COMMENT

Direct Energie, a private company developing gas and power supply businesses in France, has succeeded Verbund as POWEO's reference shareholder, subject to competition approval in October. While it paid €4.77 per share for its stake in late July, well above the current share price, Direct Energie is not obliged as a 46% holder to buy out remaining investors. A merger of operations is under review. Ahead of H1 results, POWEO continued to find the going tough in Q1, warning that newly-announced regulated sourcing prices risk being too high for new entrants to break even and so POWEO's supply business is set to remain in loss in 2011. At end-April POWEO had net cash of €55m (the capacity sale-generated resources judged sufficient to meet commitments for the next year at least).

INDUSTRY COMMENT

The French electricity market is viewed as one of long-term growth, even if demand management initiatives prove effective. Government reform is aimed at ensuring new entrants have access to incumbent operators' generation capacity at competitive prices.

Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	564.70	(85.30)	(93.50)	N/A	N/A
2010A	696.30	(146.20)	(150.10)	N/A	N/A
2011E	645.53	N/A	(60.69)	(3.11)	N/A
2012E	586.70	N/A	(50.89)	(2.19)	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Media & Entertainment

Price: €4.20
Price as at 23 September 2011

Share price graph (€)



Company description

Press Index offers information processing services to communication agencies and businesses. Activities include media surveillance, preparation of press articles and analysis of press spin-offs.

Price performance

%	1m	3m	12m
Actual	(5.0)	(11.6)	2.4
Relative*	3.5	26.7	30.8

* % Relative to local index

Analyst

Fiona Orford-Williams

Press Index (ALPRI)

Market cap: €7m

COMPANY COMMENT

Revenue growth accelerated through H111, with increased business from existing customers supplementing new account wins, particularly in the French public sector. Pickanews, a pan-European multimedia monitoring service including radio, TV and Twitter, enables clients to track areas of commercial interest more broadly than just by brand, allowing them to see information in its presentation context. Although revenues are not yet significant, the service has raised the group's profile. The sales momentum has continued into H211 and we would expect the operational gearing to kick in more strongly.

INDUSTRY COMMENT

The proliferation of media channels and globalisation of content has presented real hurdles for monitoring, a traditionally labour-intensive activity. Press Index has invested in technological solutions that have broadened the proposition (including social media monitoring), should give economies of scale and offer the ability to service clients reliably and in real time, on a retained and project basis.

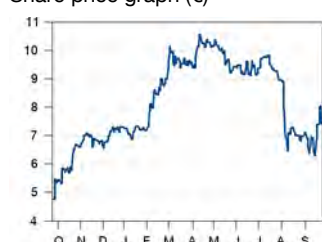
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	16.29	0.20	(0.09)	N/A	N/A
2010A	16.30	0.06	(0.05)	N/A	N/A
2011E	N/A	N/A	N/A	N/A	N/A
2012E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Technology

Price: €7.48
Price as at 23 September 2011

Share price graph (€)



Company description

Prodware specialises in publishing and hosting business computer solutions. Key areas include the integration of management software, the design and implementation of network applications and the engineering of decisional information systems.

Price performance

%	1m	3m	12m
Actual	6.9	(20.4)	37.8
Relative*	16.4	7.3	75.9

* % Relative to local index

Analyst

Roger Leboff

Prodware (ALPRO)

Market cap: €36m

COMPANY COMMENT

First-half operating profit of €8.9m was over double the figure for H110, at a much improved 18.9% operating margin (H110: 10.8%). The performance reflects both sales growth - 19% consolidated, 7% underlying - and a shift in the product mix towards software and SaaS to corporate clients. The outlook anticipates further organic growth, reinforced by its new strategic alliance with Qurius, in which Prodware became the largest shareholder (17.1%) in July, to create a leading EMEA software and services alliance with high growth potential.

INDUSTRY COMMENT

Prodware is one of France's leading software integrators and IT service companies, with c 17,500 domestic and international customers in 10 countries. It has grown steadily via acquisition. A well-diversified customer base and experience provides exposure to sectors including automotive, financial services, food and beverage, life sciences, luxury goods, professional services, retail, telecommunications, transportation and logistics and utilities.

Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	84.30	3.27	5.27	N/A	N/A
2010A	83.50	9.80	8.20	N/A	N/A
2011E	107.20	N/A	9.60	1.68	4.45
2012E	118.90	N/A	13.50	2.30	3.25

Where available, consensus data has been sourced from Thomson Datastream

Sector: Technology

Price: €13.93
Price as at 23 September 2011

Share price graph (€)



Company description

Proservia specialises in providing engineering and computer services.

Price performance

%	1m	3m	12m
Actual	0.1	39.2	132.2
Relative*	9.1	110.1	196.5

* % Relative to local index

Analyst

Richard Finch

Proservia (ALPRV)

Market cap: €27m

COMPANY COMMENT

Proservia is currently the subject of a takeover bid by Manpower France. Having gained acceptances from key shareholders, representing 68% of the capital, at an offer price of Euros 14.39, Manpower intends to buy out remaining investors at the same price, subject to satisfactory clearance by market regulators. Ahead of imminent H1 results, Q2 saw continued strong organic sales growth (8%) and successful integration of NetLevel, acquired late last year. Management remains comfortable with its 2011 target of a trading margin of 6-8% against 5.8% like-for-like in 2010 on an acceleration in sales growth (7% like-for-like in 2010). Strong finances (net cash at December) allow Proservia to invest actively in recruitment (70% of its full-year goal of a 15% increase in staffing achieved in H1). The shares were halted on 22 September.

INDUSTRY COMMENT

Industry body Syntec expects market growth of 3% in the current year. While this is lower than pre-recession levels of c 5% pa, it is slightly ahead of that achieved in 2010.

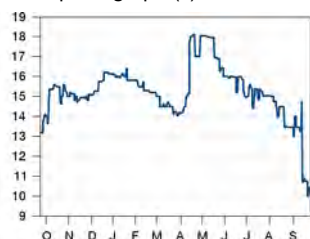
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	44.20	0.67	(0.97)	N/A	N/A
2010A	47.90	2.50	2.70	N/A	N/A
2011E	N/A	N/A	N/A	N/A	N/A
2012E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Technology

Price: €9.98
Price as at 23 September 2011

Share price graph (€)



Company description

ProwebCE specialises in developing and marketing management and communication software for works councils.

Price performance

%	1m	3m	12m
Actual	(25.8)	(37.6)	(24.4)
Relative*	(19.2)	(4.9)	(3.4)

* % Relative to local index

Analyst

Roger Leboff

ProwebCE (ALPRW)

Market cap: €20m

COMPANY COMMENT

Another strong quarter contributed to a 16% y-o-y increase for H1 overall, with contributions from all activities. ProwebCE signed up another 200 customers, representing over 100,000 beneficiaries. Average Meyclub basket size was €130 in H1, vs €9 on average for French e-commerce sites and the conversion rate (site visits into online purchases), at 12.5% was three times the industry average. H2 will benefit from sales booked but not yet recognised and customer use of Meyclub gift certificates in the holiday season.

INDUSTRY COMMENT

There is potential to grow the Meyclub user base materially over the next few years. New initiatives such as online travel agency subsidies and Meyclub e-checks (dematerialised gift certificates) should contribute in future periods. The ProwebCE group has over 5,000 clients, all EC works councils whose budgets consist of subsidies paid by employer companies, and represent over four million beneficiaries. The model provides strong visibility and a loyal client base.

Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	29.50	0.80	0.60	0.63	15.84
2010A	34.84	1.10	0.04	0.62	16.10
2011E	43.53	N/A	1.60	0.83	12.02
2012E	53.86	N/A	2.40	1.20	8.32

Where available, consensus data has been sourced from Thomson Datastream

Sector: Construction & Bldg Mat.

Price: €8.20
Price as at 23 September 2011

Share price graph (€)



Company description

Richel Serres de France produces plastic-roofed greenhouses for horticulturists, vegetable and fruit crops, and tobacco growing and drying.

Price performance

%	1m	3m	12m
Actual	5.8	(17.8)	17.5
Relative*	15.2	26.5	50.0

* % Relative to local index

Analyst

Richard Finch

Richel Serres (ALRIC)

Market cap: €41m

COMPANY COMMENT

As expected, Richel has agreed provisionally to sell Marchegay, its flourishing renewable energy business (41% of FY11 group sales, ie €53m, and strongly profitable), with confirmation due by mid-October. Terms have yet to be announced; in May the company indicated that not only did it intend to retain a significant stake (20-25%) and its close commercial partnership, but there could well be benefits from accelerating Marchegay's development beyond Richel's core agricultural field. The year to March delivered near 40% sales growth (well ahead of management guidance thanks to sustained buoyancy across the board in Q4) and clear margin enhancement despite raw material cost pressures. The current period has begun well.

INDUSTRY COMMENT

Eurostat figures show eurozone industrial production in July up 4.2% year-on-year. However, as a result of economic slowdown and the sovereign debt crisis, the IMF has reduced its forecast for growth in Euro area GDP to just 1.6% this year and 1.1% in 2012. MEPS forecasts continued pressure on steel prices owing to weak demand.

Y/E Mar	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	87.20	3.10	2.00	N/A	N/A
2010A	93.60	6.30	3.60	N/A	N/A
2011E	N/A	N/A	N/A	N/A	N/A
2012E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Construction & Bldg Mat.

Price: €73.25
Price as at 23 September 2011

Share price graph (€)



Company description

Koninklijke Reesink distributes products such as DIY materials, agricultural machinery and steel materials to industrials and specialist distribution chains.

Price performance

%	1m	3m	12m
Actual	6.2	(6.1)	20.9
Relative*	11.6	27.9	52.0

* % Relative to local index

Analyst

Richard Finch

Royalreesink (ALRRE)

Market cap: €49m

COMPANY COMMENT

Reesink achieved creditable double-digit organic growth in both sales and gross profit in the first half, which is arguably more meaningful than the respective reported gains of 5% and 36%, distorted by February's restructuring of its DIY operations. Profit improvement was driven by the green activities, which continued to benefit from higher agricultural prices, whereas industrial returns were depressed by punitive raw material commodity prices. Economic uncertainty precludes guidance for the rest of 2011 but management has warned of continuing pressures in the industrial segment and the negative impact of poor summer weather in the green division. Royalreesink has recently agreed to acquire Bruggeman Mechanisatie, a Dutch agricultural machinery business.

INDUSTRY COMMENT

The CPB has cut its forecast of Dutch GDP growth from 1.75% to 1% for 2012. In view of economic slowdown and the sovereign debt crisis the IMF has newly forecast that GDP in the advanced economies will grow "at an anaemic pace" of c 1.5% in 2011 and c 2% next year.

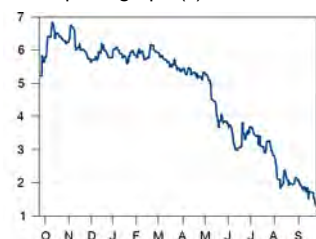
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	163.30	7.70	1.99	2.90	25.26
2010A	189.80	7.00	7.67	8.66	8.46
2011E	N/A	N/A	N/A	N/A	N/A
2012E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Electrical Equipment

Price: €1.31
Price as at 23 September 2011

Share price graph (€)



Company description

SafeTIC specialises in the design, marketing, installation and maintenance of biometric identification and video surveillance systems under IP.

Price performance

%	1m	3m	12m
Actual	(32.8)	(60.3)	(77.6)
Relative*	(26.8)	(67.7)	(71.4)

* % Relative to local index

Analyst

Roger Leboff

SafeTIC (ALEGR)

Market cap: €17m

COMPANY COMMENT

Strong domestic market performance - sales in France ahead by 46% in Q2, 28% for H1 overall - offset lower international turnover, down 16% (Q2) and 5% (H1). Overall, the group was 6% ahead y-o-y (H1) at €58m. In France, sales of biometrics (Biovein) and DOC defibrillators provided further confirmation of their future potential. The weaker areas include Spain and Portugal, where sales and price competitiveness are more affected by the financial crisis. DOC already contributes 17% of group sales, one year after launch. SafeTIC still expects to finance its organic growth from internal cash flows.

INDUSTRY COMMENT

International growth should be maintained this year in France and broad continental European markets. SafeTIC designs, sells, installs and maintains innovative technologies to protect access, goods and people. It operates in 13 European countries as well as the US, with products that cover biometric access control, IP-based video surveillance, access management and control system applications.

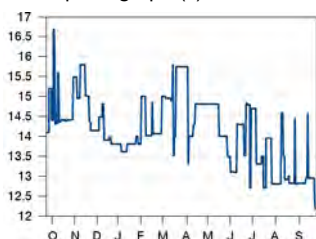
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	27.43	(21.95)	(21.88)	(1.96)	N/A
2010A	40.10	(13.78)	(6.07)	(0.41)	N/A
2011E	N/A	N/A	N/A	N/A	N/A
2012E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Food & Drink

Price: €12.20
Price as at 23 September 2011

Share price graph (€)



Company description

Sapmer specialises in fishing for Patagonian toothfish (Chilean seabass), lobster and tuna. It operates exclusively in the Indian Ocean (tuna) and French Antarctic (Patagonian toothfish and lobster) economic zones, under strict regulation that issues licences to fish and imposes catch quotas on French shipowners in that zone.

Price performance

%	1m	3m	12m
Actual	(4.8)	(17.7)	(13.5)
Relative*	3.7	5.2	10.5

* % Relative to local index

Analyst

Fiona Orford-Williams

Sapmer (ALMER)

Market cap: €42m

COMPANY COMMENT

FE demand for Patagonian toothfish and crayfish drove an 85% y-o-y increase in revenues for H111. Raw tuna sales more than doubled, with the third blast-freezer purse seiner coming into service in January. To cope with the increased volumes, processing and freezing capacity at the JV plant in L'Ile Maurice has been extended to 3,600tonnes from 2,700. Reconfiguring of process could increase capacity to 6,000tonnes. FY11 target revenues are €60-65m, with improving margins. By 2012, tuna is intended to account for 45% of group revenues and two more seiners are under consideration for delivery in 2012.

INDUSTRY COMMENT

Both toothfish and crayfish are highly prized in Asia, with frozen tuna particularly suitable for quality sashimi. Following over-fishing and piracy, TAAF (Terres australes et antarctiques françaises) laws were tightened and are now strictly enforced. Trawling was banned in favour of longline, quotas are fixed annually and all ships carry an independent inspector. The Indian Ocean Tuna Commission has been set up to monitor and manage tuna stocks.

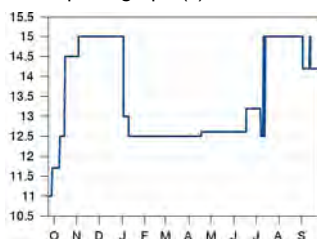
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	33.00	2.70	1.00	N/A	N/A
2010A	48.00	3.40	0.60	N/A	N/A
2011E	N/A	N/A	N/A	N/A	N/A
2012E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: General Industrials

Price: €14.20
Price as at 23 September 2011

Share price graph (€)



Company description

Sical specialises in manufacturing and marketing of packaging.

Price performance

%	1m	3m	12m
Actual	(5.3)	7.6	29.1
Relative*	3.1	54.2	64.9

* % Relative to local index

Analyst

Richard Finch

Sical (ALSIC)

Market cap: €52m

COMPANY COMMENT

Ahead of H1 results, despite double-digit sales growth in the first quarter, Sical expressed caution about profitability as a result of higher input costs and intense competition in tough consumer markets. Last year the company defied its post-H1 results warning of H2 trading profit lower than in H1, with an out-turn c 7% higher, reflecting the sustained buoyancy of sales (+13% in H2). Growth in the corrugated operation, the group's principal activity, was volume rather than price driven. There was also a further step-change in the much smaller paper division as sales more than doubled.

INDUSTRY COMMENT

After underlying volume growth of 9% in continental corrugated packaging in the year to April, DS Smith reported recently that its French operations are performing well in revenue growth. Smith's success is due partly to its high share (more than Catala) of FMCG business, the most buoyant area of corrugated demand. Continuing pressure on costs is expected and industry consolidation is afoot, with DS Smith buying Otor last year.

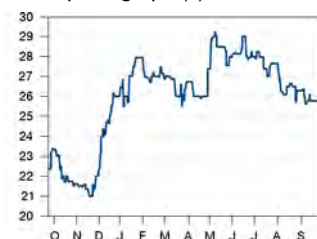
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	173.80	9.30	N/A	N/A	N/A
2010A	191.20	11.40	N/A	N/A	N/A
2011E	N/A	N/A	N/A	N/A	N/A
2012E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Technology

Price: €25.78
Price as at 23 September 2011

Share price graph (€)



Company description

Sidetrade is a major European publisher in the software-as-a-service mode, offering financial departments technology and consulting services for optimising customer relationships, for example reducing payment delays.

Price performance

%	1m	3m	12m
Actual	(2.7)	(7.8)	12.1
Relative*	6.0	37.1	43.1

* % Relative to local index

Analyst

Roger Leboff

Sidetrade (ALBFR)

Market cap: €34m

COMPANY COMMENT

Key to first-half performance - Q2 sales 19% ahead, the 11th consecutive quarter of double-digit growth - was the success of the group's SaaS model, which handled 11.4m invoices in H1 and attracted a range of new customers in France, the Netherlands, Belgium, Germany, Italy and the UK. At the mid-year, the order book for SaaS Sidetrade had doubled y-o-y, which underpins recurring revenues and medium-term visibility out to 2016. The outlook is supported by an expanding client list and sales capability into 40 countries globally.

INDUSTRY COMMENT

IDC forecast average growth in the SaaS market of 26% a year to 2011, with the share of on-demand services in the software market to increase by more than 100% between 2007 and 2011. Sidetrade assists clients with cash management, improving cash flow and reducing working capital. It also helps to reduce late payments, decrease disputes, identify customer risk and secure receivables. It provides services for over 200 large and medium-sized companies.

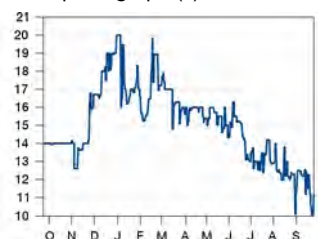
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	9.43	1.23	1.20	N/A	N/A
2010A	11.02	1.81	1.76	N/A	N/A
2011E	13.00	2.20	2.00	1.50	17.19
2012E	14.80	2.70	2.10	1.57	16.42

Where available, consensus data has been sourced from Thomson Datastream

Sector: General Industrials

Price: €11.19
Price as at 23 September 2011

Share price graph (€)



Company description

Siraga designs customised solutions for the Liquefied Petroleum Gas industry (butane & propane).

Price performance

%	1m	3m	12m
Actual	(6.8)	(21.4)	(12.9)
Relative*	1.5	(6.8)	11.2

* % Relative to local index

Analyst

Richard Finch

Siraga (SIRA)

Market cap: €9m

COMPANY COMMENT

Maintained sales in the quarter to June and a strong order book provide welcome reassurance, given Siraga's exposure to Africa and the Middle East (55% of sales in the year to March). Apart from the prospect of market stabilisation there, management is particularly enthusiastic about long-term opportunities in South America, notably Brazil. Encouragingly, the Q410 sale of its loss-making airport equipment business is allowing Siraga to focus now on its Liquefied Petroleum Gas solutions activity, especially relatively high-margin engineering, which struggled in FY11. The company remains low geared.

INDUSTRY COMMENT

As a result of economic slowdown and the sovereign debt crisis, the IMF has just reduced its forecast for growth in world trade and global GDP to 7.5% and 4% respectively this year and 5.8% and 4% in 2012. Real GDP in the advanced economies is expected to grow "at an anaemic pace" of c 1.5% in 2011 and c 2% next year. A higher oil price is positive for energy industry suppliers, despite potentially deterring end-consumer sales.

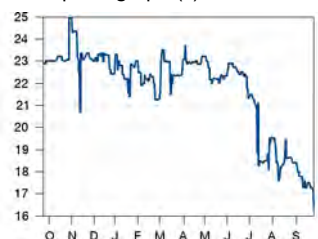
Y/E Mar	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2010A	33.70	2.76	1.71	(0.42)	N/A
2011A	32.36	0.76	(0.01)	(0.21)	N/A
2012E	N/A	N/A	N/A	N/A	N/A
2013E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Technology

Price: €16.35
Price as at 23 September 2011

Share price graph (€)



Company description

Solutions 30 (formerly PC30) provides home and workplace computer repair services to individuals and companies in Europe.

Price performance

%	1m	3m	12m
Actual	(12.3)	(26.7)	(28.4)
Relative*	(4.5)	(0.6)	(8.6)

* % Relative to local index

Analyst

Roger Leboff

Solutions 30 (ALS30)

Market cap: €41m

COMPANY COMMENT

The group remains on track for double-digit sales growth this year. First-half turnover at €27m was 1.1% ahead y-o-y, with the trend improving after Q1 was affected by political upheaval at its Tunisia-based call centre. The second half should be buoyed by recent, earnings accretive acquisitions. In July Solutions 30 paid c €3m for IT maintenance and support company AGEMA, which will expand its service offering and build its profile within France. The international business, which contributed 18.4% of H1 sales (15% FY10), provides another key driver for FY11.

INDUSTRY COMMENT

The group is the market leader in France, with sales more than twice that of identified peers. Among the strengths of its business model is the use of a franchise system to extend the reach of its branch network. It expects to be able to replicate its success in France in other European markets. These are similarly fragmented markets and accessible organically or via consolidation of smaller local players.

Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	44.92	3.89	2.40	N/A	N/A
2010A	54.70	4.50	1.40	N/A	N/A
2011E	60.55	3.85	1.65	0.91	17.97
2012E	77.55	6.50	4.05	1.65	9.91

Where available, consensus data has been sourced from Thomson Datastream

Sector: Media & Entertainment

Price: €8.51
Price as at 23 September 2011

Share price graph (€)



Company description

Sporever publishes sports information and owns the sites Sporever.fr and Football365.fr. It creates and supplies content for sports sites for third parties, and provides SMS, MMS and videos for mobile phones.

Price performance

%	1m	3m	12m
Actual	6.5	(14.3)	(23.3)
Relative*	16.0	2.2	(2.1)

* % Relative to local index

Analyst

Richard Finch

Sporever (ALSP)

Market cap: €21m

COMPANY COMMENT

Ahead of imminent H1 results, Sporever was upbeat in its latest update in April. It showed its potential not only with excellent H110 results (trading profit more than doubled) but with active development throughout 2010 of new media businesses such as the integration of Bouyaka, a broad-based production company, and October's launch of a betting service at paris365.fr, covering a range of sports. Sporever's financial performance in H210 was predictably tempered by seasonal weakness, the loss of web and mobile rights to English football and France's failings at the World Cup (trading profit down by a quarter on sales up 11%).

INDUSTRY COMMENT

France has been amenable to IPTV, but the tendency for it to be bundled free with broadband makes it unclear how financially attractive the service is on its own. The huge subscriber bases of satellite and cable operators are a threat, but the European market is estimated to double by 2012. Web advertising in France is forecast to grow by 12% in 2011 (Observatory).

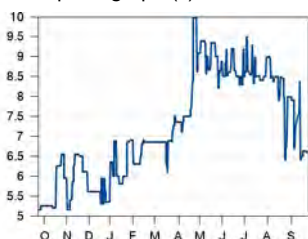
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	13.53	0.68	0.25	N/A	N/A
2010A	15.60	1.08	0.70	N/A	N/A
2011E	17.10	N/A	1.00	0.43	19.79
2012E	18.00	N/A	1.10	0.54	15.76

Where available, consensus data has been sourced from Thomson Datastream

Sector: Financials

Price: €6.60
Price as at 23 September 2011

Share price graph (€)



Company description

Stradim - Espace Finances is in real estate, assisting with the sale of apartments and land for development, and services such as outfitting professional spaces, leasing and management.

Price performance

%	1m	3m	12m
Actual	3.1	(22.4)	41.9
Relative*	12.3	30.8	81.3

* % Relative to local index

Analyst

Roger Leboff

Stradim - Espace Fin. (ALSAS)

Market cap: €11m

COMPANY COMMENT

FY10 turnover was 9.3% ahead, 20.5% over the last three years. The Scellier law encouraged a sharp increase in reservations last year, behind a trebling of operating profit to €5m. Margins benefited from higher market penetration after revisions to product pricing (average apartment prices up 9% to €165,000) and specification, effective marketing and cost savings. It is on target for c 650 deliveries this year (FY10: 600), c 40% home ownership, the balance social and rented housing.

INDUSTRY COMMENT

Revenues are generated from sales of apartments, houses, other buildings and development land, plus estate agency. Stradim has sales operations in Alsace, Aube and the Loire-Atlantic region in France. Changes in the Scellier rules for property investment added uncertainty to the outlook, but all group properties meet low energy consumption rules necessary to maximise tax exemption. In addition, 30% of group output is aimed at first-time buyers, for whom it expects more favourable market conditions.

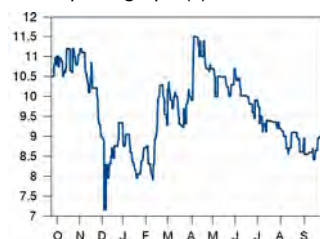
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	59.56	1.52	0.80	0.58	11.38
2010A	48.40	2.40	1.00	0.47	14.04
2011E	N/A	N/A	N/A	N/A	N/A
2012E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Technology

Price: €8.60
Price as at 23 September 2011

Share price graph (€)



Company description

StreamWIDE publishes software used to provide telephone and video-telephone services. Its products are aimed at fixed and mobile telecom operators and internet access providers.

Price performance

%	1m	3m	12m
Actual	(3.8)	(12.2)	(23.1)
Relative*	4.8	25.3	(1.8)

* % Relative to local index

Analyst

Roger Leboff

StreamWIDE (ALSTW)

Market cap: €23m

COMPANY COMMENT

First-half revenues were 4% ahead y-o-y, with better contributions from licenses (60% of the total), maintenance and service provision. An 11% fall in international sales was mainly due to a large license order booked in H110, but the group also experienced some disruption in North African and Middle Eastern markets. There is better order visibility for FY11. The outlook, although cautious, points to a significant increase in operating income, with growth in the customer base from 53 to 72 over the last 12 months.

INDUSTRY COMMENT

StreamWIDE provides next-generation value-added software services for mobile and fixed-line telecoms operators. It offers the benefits of an IP environment (with reduced time to market, capex and opex), quality user interfaces (for laptops, TV, feature-phones, smartphones and tablets) and innovative services to drive up ARPU. There has been some pick-up in the European business, while North America and emerging markets such as Latin America and Africa continue to grow.

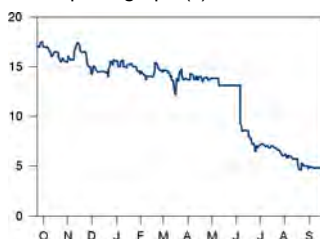
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	7.20	0.47	0.92	N/A	N/A
2010A	10.20	2.30	1.10	N/A	N/A
2011E	12.50	3.70	2.40	0.90	9.56
2012E	15.00	5.60	2.40	0.90	9.56

Where available, consensus data has been sourced from Thomson Datastream

Sector: Technology

Price: €4.00
Price as at 23 September 2011

Share price graph (€)



Company description

STS Group specialises in publishing and marketing a modular electronic legal filing software program.

Price performance

%	1m	3m	12m
Actual	(23.1)	(42.9)	(76.5)
Relative*	(16.2)	(63.1)	(70.0)

* % Relative to local index

Analyst

Roger Leboff

STS Group (ALSTS)

Market cap: €26m

COMPANY COMMENT

Over the last three/four years STS has built a network of trusted digital platforms with local partners in key international markets. The intention is to provide considerable flexibility - STS invests no cash, operates under revenue-sharing agreements and has no dependence on legacy software - to directly access international customers in each territory. This network has arguably achieved critical mass, albeit with some components at relatively early stages. The May 2011 release included an FY11 outlook of c €115m group turnover and €13m operating profit. H1 sales were €54.1m and a 40%:60% H1/H2 weighting is anticipated.

INDUSTRY COMMENT

There is growing demand for cloud-based digital document management services. STS enables businesses, public administration and individuals to securely exchange documents electronically, ensuring integrity, long-term preservation and traceability through its product suite. It has over 250 international corporate, around 1,200 SMBs and 35,000 SOHO clients.

Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	25.13	10.73	6.49	N/A	N/A
2010A	87.22	1.89	(5.71)	N/A	N/A
2011E	N/A	N/A	N/A	N/A	N/A
2012E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Pharma & Healthcare

Price: €4.00
Price as at 23 September 2011

Share price graph (€)



Company description

Tekka designs, manufactures and markets products for cranio-maxillo-facial surgery, orthodontic devices and dental implants

Price performance

%	1m	3m	12m
Actual	2.0	(57.9)	N/A
Relative*	11.1	(47.8)	N/A

* % Relative to local index

Analyst

Mick Cooper

Tekka (ALTKA)

Market cap: €17m

COMPANY COMMENT

Since it was founded in 2000, Tekka has rapidly expanded its product range and commercial operations. Over 80% of its revenues are generated in France, but it is increasing its distribution capabilities elsewhere. It has established sales subsidiaries in six other countries (most recently in the UK in March and Italy in April). It is also expanding its network of distributors in other markets. The product and geographic expansion has led to its revenues increasing by 23% to €4.7m in Q112 (March year end). However, this growth is slower than previously anticipated and working capital requirements in subsidiaries have been greater, so the company is restructuring its operations to cut costs. This will increase losses in H112, but should lead to Tekka's profitability improving in H212.

INDUSTRY COMMENT

The European dental implant market was worth c €1.5bn in 2010, and growing at c 10%. The market has three tiers: premium, middle and low cost; Tekka targets the middle tier, selling innovative products that are competitively priced.

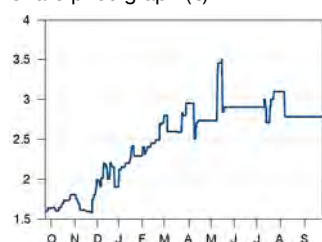
Y/E Mar	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2010A	12.09	(1.86)	(1.92)	N/A	N/A
2011A	14.14	(2.46)	(2.64)	N/A	N/A
2012E	N/A	N/A	N/A	N/A	N/A
2013E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Media & Entertainment

Price: €2.78
Price as at 23 September 2011

Share price graph (€)



Company description

The Marketinggroup specialises in customer relationship management, for example, management of contact centres, and communication and marketing services.

Price performance

%	1m	3m	12m
Actual	0.0	(4.1)	71.6
Relative*	8.9	33.4	119.2

* % Relative to local index

Analyst

Fiona Orford-Williams

The Marketinggroup (ALTMG)

Market cap: €8m

COMPANY COMMENT

In April, the group offered to buy back shares for cancellation at €3, with 422k shares tendered - less than the maximum set at 700k. 51% of the shares are held by the Gladysz family. H111 figures have not yet been released, but FY10 figures showed good progress, with sales ahead 8% and a marked improvement in operating margin to 4.6% (1.0%) helped by better utilisation rates across the five contact centres. Contact centres (phone marketing; outsourced and insourced) accounted for 85% sales, with marketing communications revenues down 29%. The group is targeting 6% revenue growth for FY11.

INDUSTRY COMMENT

The French contact-centre market is the third largest in Europe, after the UK and Germany, worth €1.8bn (SP2C). Industry margins have been affected by overcapacity and high and inflexible labour costs, but cutbacks and overseas outsourcing are politically sensitive. Industry major, Teleperformance, posted I-f-I H111 growth of 6%, but -10.5% in Europe and ME. It closed four of its French centres at the end of June.

Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	33.95	0.49	(0.20)	N/A	N/A
2010A	36.77	1.80	1.20	N/A	N/A
2011E	N/A	N/A	N/A	N/A	N/A
2012E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Support Services

Price: €9.45
Price as at 23 September 2011

Share price graph (€)



Company description

TMC offers consultancy, technology and ICT services. It deploys subject experts on a project basis to clients in the profit and non-profit sectors, mainly in technology and civil engineering.

Price performance

%	1m	3m	12m
Actual	(10.0)	(19.8)	34.8
Relative*	(5.4)	12.2	69.5

* % Relative to local index

Analyst

Roger Leboff

TMC Group (ALTM)

Market cap: €37m

COMPANY COMMENT

The first half of FY11 saw y-o-y strong growth in sales (+36.4%), operating profit (+123.5% to €4m) and margin (15.1% vs 9.2%). Record revenues reflect an increase in numbers of 'employeneurs' deployed at client sites, higher rates and productivity. The figures benefited, despite lower grants received, from termination of knowledge worker arrangements, under which employeneurs were used on non-billable project in 2010. All business units performed ahead of last year and built team complements and competencies to cope with client demand. The outlook expresses some caution for H2. Mid-year net cash was €3.5m (H110: €2.2m).

INDUSTRY COMMENT

Over the last few years TMC has cut overheads and shifted its strategic focus to maintaining profitability and capitalising on existing activities and clients. It benefits from a focus on its clients' core development, but there are signs that levels of activity from the technology sector are coming under pressure, particularly in a weaker consumer electronics market.

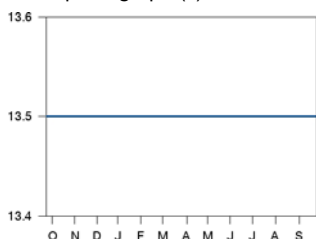
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	37.15	(4.01)	(4.74)	(1.21)	N/A
2010A	42.10	4.70	3.50	N/A	N/A
2011E	51.10	N/A	5.70	1.53	6.18
2012E	54.20	N/A	6.40	1.69	5.59

Where available, consensus data has been sourced from Thomson Datastream

Sector: Pcare and household prd

Price: €13.50
Price as at 23 September 2011

Share price graph (€)



Company description

Toolux Sanding specialises in the design, manufacturing and marketing of metal and plastic tool sets. The group's products include screwdrivers, nozzles, multi-use wrenches, trowels and accessories (toolboxes, gloves, etc).

Price performance

%	1m	3m	12m
Actual	0.0	0.0	0.0
Relative*	8.9	35.8	27.7

* % Relative to local index

Analyst

Roger Leboff

Toolux Sanding (ALTLX)

Market cap: €24m

COMPANY COMMENT

The latest figures are the H110 interims. Sales were €5.1m (H109: €2.6m) and pre-tax profit €0.36m (€0.22m loss). These figures are converted into euros from Chinese renminbi, the group's functional currency and are thus reflect period-to-period changes in average exchange rates. For this period, the average rate was €1=RMB9.24 (H109 €1=RMB9.11). Toolux finished the half with €9.6m of current debt, €5.2m cash and equivalents.

INDUSTRY COMMENT

Toolux Sanding is a Luxembourg-based holding company incorporated in October 2008. The company is engaged in tool production and operates through its direct subsidiaries Giant Dragon Holding, based in Samoa, and Shaoxing Sanding Tools, based in China. It specialises in the design, manufacture and marketing of metal and plastic tool sets. Its products include screwdrivers, nozzles, multi-use wrenches, trowels and accessories. The products are marketed under third-party names (87% of sales) and under its own brand (13%).

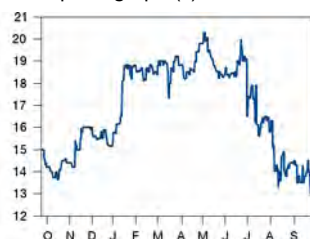
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2008A	8.47	0.19	0.08	N/A	N/A
2009A	9.15	0.15	3.91	N/A	N/A
2010E	N/A	N/A	N/A	N/A	N/A
2012E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Engineering

Price: €13.10
Price as at 23 September 2011

Share price graph (€)



Company description

Trilogiq produces tubular systems for outfitting production lines that are used to reduce non-productive areas, decrease operator movements, and optimise ergonomics, costs and production times, eg packaging and assembly work stations.

Price performance

%	1m	3m	12m
Actual	(8.3)	(32.8)	(12.0)
Relative*	(0.2)	(6.4)	12.4

* % Relative to local index

Analyst

Richard Finch

Trilogiq (ALTRI)

Market cap: €49m

COMPANY COMMENT

Disappointingly, further impressive top-line buoyancy in Trilogiq's second half to March (sales +18%) was not reflected in trading profit, which fell markedly as a result of investment in marketing and staff and continuing raw material (steel and oil) cost pressures. Western Europe, still much the group's largest division, showed decent growth in H2 despite pronounced weakness in France (the UK, Sweden and Germany were notable successes). In H2, North America could not be expected to match its bumper gain of H1, but performed highly creditably all the same. Management is aiming for further international expansion (Italy, Iberia and Russia opened in FY11) and significant productivity gains.

INDUSTRY COMMENT

Owing to economic slowdown and the sovereign debt crisis the IMF has just cut its forecast for growth in world trade and global GDP to 7.5% and 4% this year and 5.8% and 4% in 2012. Real GDP in the advanced economies is set to grow "at an anaemic pace" of c 1.5% in 2011 and c 2% next year. MEPS forecasts continued pressure on steel prices.

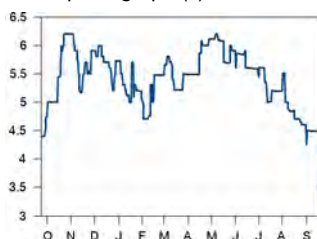
Y/E Mar	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2010A	44.37	8.57	6.02	1.70	7.71
2011A	55.27	9.18	6.36	N/A	N/A
2012E	58.40	N/A	7.50	2.02	6.49
2013E	62.25	13.00	7.85	2.10	6.24

Where available, consensus data has been sourced from Thomson Datastream

Sector: Technology

Price: €3.20
Price as at 23 September 2011

Share price graph (€)



Company description

Travel Technology Interactive specialises in the development, publishing and implementing software intended primarily for air transportation.

Price performance

%	1m	3m	12m
Actual	(31.2)	(42.8)	(27.1)
Relative*	(25.0)	(16.6)	(6.9)

* % Relative to local index

Analyst

Richard Finch

TTI (ALTTI)

Market cap: €14m

COMPANY COMMENT

2011 is set to be a year of consolidation with likely flat turnover as TTI strives to make good the loss of two major clients and invests for the long term in its three main operations in Brazil, the Caribbean and Asia. H1 results are due in late October. By contrast, 2010 was particularly strong with sales up 44% thanks to the continued growth in passenger traffic of its clients across the board as well as a net increase in clients. Investment in staff (net +25%) and R&D was judicious enough to allow trading profit growth of 23%, which is impressive. The company had net cash at December. TTI moved to Alternext in April after four years on the Marche Libre.

INDUSTRY COMMENT

Assuming global economic growth of 2.4% in 2012, IATA expects only "sluggish growth" in air traffic of 4.5%. However, this forecast shows marked variation by region, with likely recovery in Asia from the Japan earthquake and "relatively strong" prospects in Latin America, both key areas for TTI. In the year to date (July) global air traffic was up 6%.

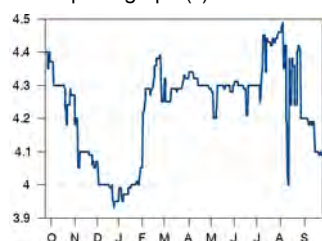
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	8.71	2.14	1.78	0.17	18.82
2010A	12.53	2.72	2.04	0.28	11.43
2011E	12.00	N/A	2.50	0.60	5.33
2012E	12.80	N/A	1.90	0.50	6.40

Where available, consensus data has been sourced from Thomson Datastream

Sector: Financials

Price: €4.09
Price as at 23 September 2011

Share price graph (€)



Company description

Turenne Investissement is an investment company that specialises in holding minority shares in unlisted French companies with strong growth potential. It invests jointly with funds managed by Turenne Capital Partenaires.

Price performance

%	1m	3m	12m
Actual	(7.5)	(4.9)	(6.8)
Relative*	0.8	29.1	19.0

* % Relative to local index

Analyst

Richard Finch

Turenne Invest. (ALTUR)

Market cap: €19m

COMPANY COMMENT

In line with its aim to be more active in 2011 after a year of consolidation, Q2 was marked by Turenne's partial and favourable exit (€2.9m capital gain) from a relatively mature investment (Mediastay) in favour of supporting a high-growth medical business (Somedics) in a crucial phase of its development. While virtually unchanged in the period, NAV per share at June was up by 6% on December, highlighting the solidity of the portfolio. The current quarter has seen another successful disposal (Webhelp), realising a capital gain of €1.8m, and further sales of Turenne's most mature investments can be expected over the next year.

INDUSTRY COMMENT

As a listed vehicle with investments in unquoted companies, Turenne offers investors the opportunity to gain exposure to private equity investment. While such investments are relatively risky, Turenne offers diversification and the chance to piggyback on due diligence conducted by Turenne Capital Partenaires. The manager looks to invest in French companies valued between €10-100m, so Turenne's prospects depend on the French economy.

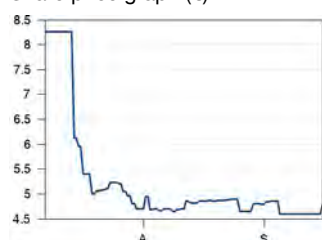
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	0.00	(1.20)	(1.42)	N/A	N/A
2010A	0.00	(1.40)	(1.78)	N/A	N/A
2011E	N/A	N/A	N/A	N/A	N/A
2012E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Consumer Support Services

Price: €4.80
Price as at 23 September 2011

Share price graph (€)



Company description

TUTO4pc.com grouping specialises in commercial advertising on the internet through a service providing free downloadable software tutorials available to the user, in exchange for agreeing to receive advertisements for its internet browsing.

Price performance

%	1m	3m	12m
Actual	(2.0)	N/A	N/A
Relative*	6.7	N/A	N/A

* % Relative to local index

Analyst

Richard Finch

TUTO4pc.com (ALTUT)

Market cap: €17m

COMPANY COMMENT

TUTO4PC.com was listed in July at €6.33 (15% below the minimum indicative price), raising €3.5m. As well as enriching the company's tutorial catalogue (eg, new topics such as DIY and cookery) and boosting R&D, the proceeds are aimed at accelerating international development even if this now risks partial delay owing to the slight shortfall. Italy is targeted following Q1's launch in Spain, which, if successful, could also pave the way for entry into Latin America. The clear improvement in trading profit last year was due to the recovery-led 59% hike in turnover, strict cost control and much lower amortisation. While there is no financial guidance, it is encouraging that sales rose by 15% in the four months to April.

INDUSTRY COMMENT

According to IREP, the French digital advertising market (c €540m in 2010) is forecast to match last year's 12% growth in 2011. The number of internet users in Spain and Latin America rose by 7% and 15% respectively in 2010.

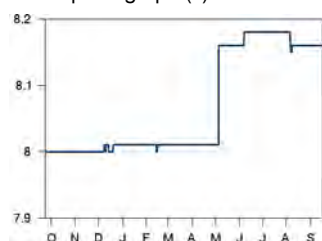
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	4.87	0.12	0.13	0.64	7.50
2010A	7.73	3.18	2.31	11.44	0.42
2011E	N/A	N/A	N/A	N/A	N/A
2012E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Industrial Support Services

Price: €8.16
Price as at 23 September 2011

Share price graph (€)



Company description

TXCOM develops communication solutions for the traceability and thermal printing markets.

Price performance

%	1m	3m	12m
Actual	0.0	(0.2)	2.0
Relative*	8.9	38.3	30.3

* % Relative to local index

Analyst

Roger Leboff

TXCOM (ALTXC)

Market cap: €10m

COMPANY COMMENT

Around 76% of FY10 consolidated turnover was generated outside of TXCOM's home market, France. Growth reflected the addition of AXIOHM, acquired late in FY09, and a more favourable economic backdrop for thermal printing. Operating profit and margin grew to €1.33m and 13.6%, and it ended the year with €6m cash, a threefold increase that included €1m of new equity and underpins growth ambitions.

INDUSTRY COMMENT

TXCOM produces innovative solutions for reading and transmitting bar-code data, designed for end users in industry, logistics, transportation and food retail. It has installed over 40,000 radio terminals and c 2,000 local networks, mainly in Europe but also around the world. Via AXIOHM, it designs, manufactures and sells printing systems for publishing tickets or receipts, which integrate with customer networks, applicable for sports, gas pumps and coupon distribution. The 2010 IPO should help build visibility among customers, distributors and suppliers, and support ongoing investment in R&D.

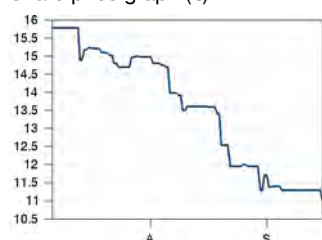
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	3.74	0.30	0.09	(0.39)	N/A
2010A	9.97	1.33	0.48	0.69	11.83
2011E	N/A	N/A	N/A	N/A	N/A
2012E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Consumer Support Services

Price: €10.99
Price as at 23 September 2011

Share price graph (€)



Company description

UCAR specialises in short-, medium-, and long-term leasing of touring and utility vehicles for individuals and businesses.

Price performance

%	1m	3m	12m
Actual	(8.0)	N/A	N/A
Relative*	0.2	N/A	N/A

* % Relative to local index

Analyst

Richard Finch

Ucar (ALUCR)

Market cap: €19m

COMPANY COMMENT

Oversubscribed at €14.89, Ucar was listed in July, raising almost €5m. In addition to lifting the profile of the company, the proceeds are being targeted at developing its rental network, encouraging young franchisees by investing in their businesses and building internet sales. Meanwhile, Ucar's apparent strengths are its comprehensive offering (private cars and utility vehicles, short- and long-term hire), its young fleet, its low-cost positioning and the scale of its network (over 200 points of sale throughout France). Excluding vehicle sales, which do not generate a profit as subject to guaranteed buy-back, 2010 saw rental income rise by 7%. There is no guidance for 2011; results for the first half are awaited.

INDUSTRY COMMENT

Following August's disappointing French retail sales, which showed their largest monthly decline since February, Markit believes the outlook remains tough, given a stagnating economy (the IMF has just reduced its GDP forecast for 2011 from 2.1% to 1.7% after zero growth in Q2 and for 2012 from 1.9% to 1.4%).

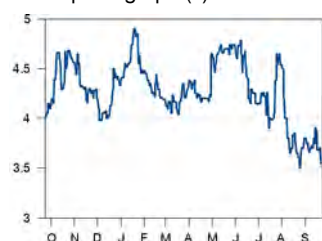
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	39.36	(0.48)	(0.15)	N/A	N/A
2010A	44.08	0.77	0.38	N/A	N/A
2011E	N/A	N/A	N/A	N/A	N/A
2012E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Basic Industries

Price: €3.55
Price as at 23 September 2011

Share price graph (€)



Company description

United Anodisers (formerly Coil) specialises in surface treatment services using continuous and batch anodising, as well as extruded, cast, and laminated aluminium.

Price performance

%	1m	3m	12m
Actual	(1.4)	(16.5)	(11.5)
Relative*	7.4	10.8	13.1

* % Relative to local index

Analyst

Roger Leboff

United Anodisers (ALUAN)

Market cap: €6m

COMPANY COMMENT

Strong Q2 sales, ahead 34.4% y-o-y, contributed to 26% H111 growth. Organic performance justifies recent investment in a new - its sixth - continuous anodising production line in Germany, to strengthen its position in a buoyant aluminium market. The outlook is underpinned by demand for laminated aluminium products, particularly in western countries, as well as the building and architecture sectors. There was also an upturn in the UK batch anodising business, as private sector building picked up, and success in development of new European and emerging markets.

INDUSTRY COMMENT

The group's focus on new markets outside Europe, especially emerging economies has resulted in distribution agreements in North America, South Korea, China, South-East Asia and the Middle East. FY11 efforts are directed towards Indonesia, the Philippines, Vietnam, India and Brazil. The new continuous anodising line at its Bernburg, Germany production site will enable it to increase production capacity to meet global demand.

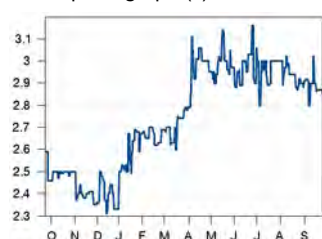
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	22.30	0.73	(1.57)	N/A	N/A
2010A	23.33	1.74	(1.17)	N/A	N/A
2011E	27.20	2.20	1.20	0.71	5.00
2012E	31.50	2.30	1.90	0.78	4.55

Where available, consensus data has been sourced from Thomson Datastream

Sector: General Retailers

Price: €2.85
Price as at 23 September 2011

Share price graph (€)



Company description

VDI Group is a distributor of consumable products in the fields of renewable energy and health & safety at work.

Price performance

%	1m	3m	12m
Actual	(1.4)	(5.9)	13.1
Relative*	7.4	41.2	44.4

* % Relative to local index

Analyst

Richard Finch

VDI Group (ALVDI)

Market cap: €14m

COMPANY COMMENT

VDI continues to defy investor caution with a doubling of trading profit in the half to June and a robust assertion that it is broadly unaffected by economic conditions, targeting further sales and gross margin gain in H2. Portable Energy was again highlighted in the first half with double-digit sales growth, albeit acquisition led, while Health & Safety softened. 2010 was frustrating for VDI as external factors, eg customer destocking after exceptional purchases of H1N1-related products and procurement delays and strikes, depressed its high-margin Health & Safety business, obscuring 10% organic growth in Portable Energy.

INDUSTRY COMMENT

The fragmented nature of the health and safety at work market provides little guidance. However, Bunzl reported that in H111 its French cleaning and hygiene business saw a return to modest sales growth after a challenging 2010, exacerbated by the absence of the previous year's H1N1 boost. Battery demand should reflect consumers' increasingly nomadic lifestyles.

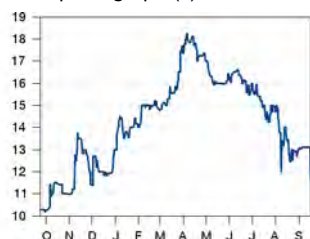
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	49.17	3.34	2.10	N/A	N/A
2010A	50.30	2.20	1.10	N/A	N/A
2011E	N/A	N/A	N/A	N/A	N/A
2012E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Alternative Energy

Price: €11.65
Price as at 23 September 2011

Share price graph (€)



Company description

Velcan Energy specialises in the production of green electricity. The group develops and operates, in India and Brazil, power plants using biomass (agricultural and forest residues) and hydraulic energy.

Price performance

%	1m	3m	12m
Actual	(6.9)	(25.2)	13.2
Relative*	1.4	0.4	44.6

* % Relative to local index

Analyst

Roger Leboff

Velcan Energy (ALVEL)

Market cap: €91m

COMPANY COMMENT

Velcan's business reached a level of maturity in 2010, reflected in its maiden dividend. FY10 was the first full-year exploitation of a hydropower concession (Rodeio Bonito in Brazil), providing confirmation that hydropower is safe, reliable and profitable. Its task is to replicate that first success via other concessions in new, emerging markets. Lower FY10 overheads reflected the sale of group biomass power plants and team reorganisation. The combined effects of that lower cost base and higher concession income drove improved profitability.

INDUSTRY COMMENT

The strategy is to become a market leader in up to 200 MW hydropower concessions in emerging markets including India, Brazil and Laos. These countries suffer from serious under-capacity in electricity production, particularly India, where an estimated 650 million people do not have regular access to electricity. Under-capacity has led governments to liberalise the state controlled electricity market, to encourage private and foreign competition.

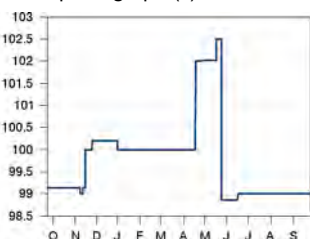
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	3.45	(5.71)	11.29	1.52	7.66
2010A	3.77	(1.67)	8.98	1.36	8.57
2011E	N/A	N/A	N/A	N/A	N/A
2012E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Financials

Price: €99.00
Price as at 23 September 2011

Share price graph (€)



Company description

Ventos is an investment company that acquires holdings in listed and unlisted companies. The portfolio includes companies in the real estate, food processing, financial, venture capital, energy and environment sectors.

Price performance

%	1m	3m	12m
Actual	0.0	0.0	(0.1)
Relative*	8.9	34.4	27.5

* % Relative to local index

Analyst

Richard Finch

Ventos (ALVEN)

Market cap: €141m

COMPANY COMMENT

The second quarter saw an acceleration in expansion of the company's real estate investment, which now accounts for c 75% of total gross asset value, a trebling over the past three years. Investment includes logistics sites around Barcelona and Madrid and offices in central Geneva. Estimated NAV per share at June of €113.97 was just 3% below its level at March, whereas net debt was well up at €68m, c 30% of the total value of investment properties. Management believes the company is well financed with quality assets.

INDUSTRY COMMENT

While Ventos aims for a balance between its investments and a diversification of risk, its real estate involvement is now well ahead of its stated policy of about a third of its assets. The rest is split between venture capital and financial holdings (food processing and environmental strategies are insignificant). Recovery depends on the Swiss, Spanish and Luxembourg real estate markets as well as on the fortunes of the stock market and the economy.

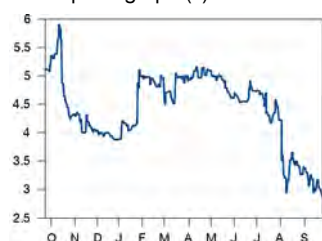
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	12.60	16.90	11.80	N/A	N/A
2010A	10.50	(10.10)	(12.80)	N/A	N/A
2011E	N/A	N/A	N/A	N/A	N/A
2012E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Oil & Gas

Price: €2.85
Price as at 23 September 2011

Share price graph (€)



Company description

Vergnet specialises in the production and installation of wind energy production plants and potable water supply infrastructures.

Price performance

%	1m	3m	12m
Actual	(16.7)	(40.9)	(43.0)
Relative*	(9.2)	(22.5)	(27.2)

* % Relative to local index

Analyst

Richard Finch

Vergnet (ALVER)

Market cap: €26m

COMPANY COMMENT

H1 sales success in both wind power and water/solar (group sales up by 55%) has been overshadowed by management's warning that its target of 50% growth for 2011 will not be met, owing to uncertainty about the phasing of the major Ethiopian contract that helped drive the first half. There is additional concern over disappointing order intake across the estate. While guidance of strong top-line growth in 2012 is unchanged, Vergnet's more immediate goal of significant loss reduction this year therefore risks being delayed. The company recently secured €18m investment from two new financial and industrial partners (c 30% of the enlarged capital) to fund its ambitious expansion, especially overseas.

INDUSTRY COMMENT

The move to clean, renewable power can only intensify in view of the EU's binding directive on 20% renewable energy by 2020. France is the fourth-largest market in the EU (Germany and Spain are clear leaders) and has set ambitious objectives well ahead of the EU directive.

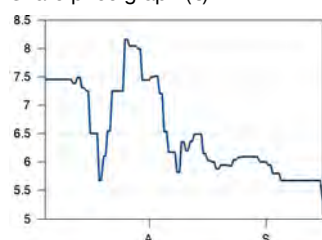
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	29.01	(9.00)	(9.40)	N/A	N/A
2010A	82.40	(6.60)	(6.80)	N/A	N/A
2011E	106.25	(8.00)	(4.60)	(0.50)	N/A
2012E	161.20	2.60	4.00	0.56	5.09

Where available, consensus data has been sourced from Thomson Datastream

Sector: Pharma & Healthcare

Price: €5.31
Price as at 23 September 2011

Share price graph (€)



Company description

Visiomed Group specialises in designing, developing, manufacturing, and selling medical materials.

Price performance

%	1m	3m	12m
Actual	(12.1)	N/A	N/A
Relative*	(4.2)	N/A	N/A

* % Relative to local index

Analyst

Mick Cooper

Visiomed Group (ALVMG)

Market cap: €14m

COMPANY COMMENT

VisioMed has developed and markets several innovative medical devices, which are sold over-the-counter (OTC). Its first product, the ThermoFlash (infrared thermometer), was launched in 2007; it has since released many other products, including TensioFlash (blood pressure monitor), Babydoo Cleaners MX5 (an electronic baby nose cleaner) and various diagnostic tests and dental hygiene products. It sells its devices through a network of over 12,000 pharmacies across France. In FY11 (March year end), sales increased by 14% to €10.3m and its net loss was €2.1m. Its net-debt position at the end of March was €2.3m, but it raised €5.0m at €8 per share when it listed on Alternext in July.

INDUSTRY COMMENT

There is an increased demand by consumers for medical devices that can be bought OTC, such as those developed by VisioMed. It is also relatively easy to develop products for this market. However, sales of OTC products are sensitive to the economic environment.

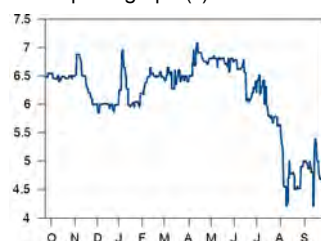
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	N/A	N/A	N/A	N/A	N/A
2010A	10.29	(1.54)	(2.07)	N/A	N/A
2011E	N/A	N/A	N/A	N/A	N/A
2012E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Technology

Price: €4.69
Price as at 23 September 2011

Share price graph (€)



Company description

Vision IT Group offers specialist engineering and consulting services in relation to infrastructure and information system application qualification services.

Price performance

%	1m	3m	12m
Actual	4.0	(23.1)	(28.4)
Relative*	10.0	(6.1)	(8.9)

* % Relative to local index

Analyst

Roger Leboff

Vision IT Group (VIT)

Market cap: €30m

COMPANY COMMENT

H111 turnover, at €60.9m, was 24.6% ahead y-o-y, reflecting 2.3% organic growth with the rest acquisition driven. Sales were well balanced with 38% in France and 11.6% southern Europe, both marginally ahead organically. The balance was 25.2% from Benelux (+162.8%) and 25.2% in Germany/Switzerland (+62.4%), after FY10 acquisitions, such as Qwise in the Netherlands, and four in Germany. Spain returned to growth in Q2 and the group's new Portuguese subsidiary made its first contribution. Vision IT expects further organic growth in H2 and confirmed its target €120m turnover for FY11.

INDUSTRY COMMENT

A confident FY11 outlook expects the group to capitalise on strong customer demand in recent months, with plans to recruit another 400 employees across Europe. It has seen broad recovery in Western Europe over the last year. Sales are diversified by sector and geography, with newer cloud computing offerings that include SaaS, virtual office, ERP and business application development via a host server.

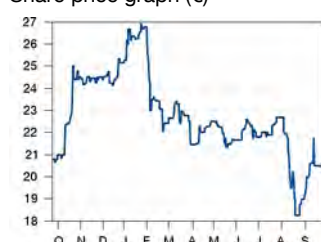
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	81.30	4.40	3.00	0.47	9.98
2010A	106.40	6.02	4.15	0.36	13.03
2011E	125.90	6.50	3.50	0.53	8.85
2012E	137.90	9.10	5.30	0.79	5.94

Where available, consensus data has been sourced from Thomson Datastream

Sector: Travel & Leisure

Price: €20.29
Price as at 23 September 2011

Share price graph (€)



Company description

Voyageurs du Monde is a leading French tour operator, specialising in tailor-made holidays and adventure travel. Marketing is through a network of city-centre 'Cité des Voyageurs' agencies and via the internet.

Price performance

%	1m	3m	12m
Actual	11.2	(6.7)	(2.5)
Relative*	21.1	21.1	24.6

* % Relative to local index

Analyst

Richard Finch

Voyageurs du Monde (ALVDM)

Market cap: €75m

COMPANY COMMENT

Given the lack of trading news from Voyageurs du Monde since late April, there is justifiable concern at the financial impact of unrest in key North African destinations. The company looked to be coping well with a reported increase in current-year bookings of 5% at mid-April. However, this was of course very early in the season and the MENA impact has proved much harsher than the industry expected (see Industry outlook below). Encouragingly, the company's already healthy finances were boosted by strong cash flow in 2010, which is allowing further targeted in-fill expansion, eg the recent Uniktour deal in Canada. A trading update (with H1 results) is due in late October.

INDUSTRY COMMENT

Thomas Cook and TUI Travel recently commented that trading remains very challenging for French tour operators owing to the MENA unrest and a trend to holiday in France. TUI's bookings in this source market for the summer and the coming winter are respectively flat and down by 7%. No substantial improvement is expected in the foreseeable future.

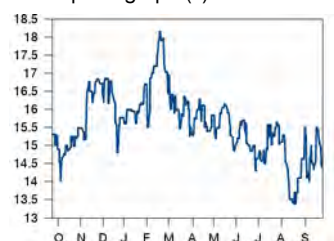
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	239.50	9.60	6.00	N/A	N/A
2010A	260.50	9.30	6.50	N/A	N/A
2011E	274.97	9.70	6.42	1.86	10.91
2012E	292.36	11.60	7.36	2.11	9.62

Where available, consensus data has been sourced from Thomson Datastream

Sector: Media & Entertainment

Price: €14.38
Price as at 23 September 2011

Share price graph (€)



Company description

Weborama provides internet marketing services for advertisers, communication agencies and website publishers.

Price performance

%	1m	3m	12m
Actual	2.0	(4.1)	(5.7)
Relative*	11.1	21.2	20.4

* % Relative to local index

Analyst

Fiona Orford-Williams

Weborama (ALWEB)

Market cap: €49m

COMPANY COMMENT

Weborama's focus on adserving and behavioural targeting continues to help it gain traction with larger clients and maintain high margins. Revenue growth accelerated through Q211, giving H111 gains of 40% (38% I-F-I). International sales increased to 37% of group revenues, with Spain a particularly buoyant market. The Netherlands and the UK saw good progress in winning Rich Media projects and the new Italian office has made its first sales. The group has been working closely with clients and the government to ensure a smooth implementation of the privacy legislation.

INDUSTRY COMMENT

CapGemini forecasts 12% growth in online advertising in France for both FY11 and FY12.

Advertisers' use of behavioural targeting continues to gain ground, with 33% of respondents to the regular EIAA survey saying they plan to incorporate it into their strategy, although from a consumer's perspective, the French remain very suspicious. The EU privacy directive was enacted in France on 29 August, requiring prior approval for cookies.

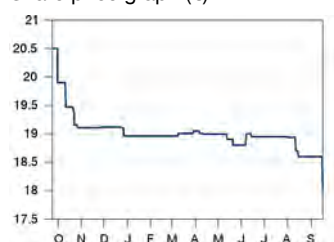
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	10.80	2.11	1.63	N/A	N/A
2010A	15.20	2.89	2.40	N/A	N/A
2011E	21.18	N/A	3.50	1.14	12.61
2012E	26.56	N/A	4.33	1.41	10.20

Where available, consensus data has been sourced from Thomson Datastream

Sector: Technology

Price: €18.00
Price as at 23 September 2011

Share price graph (€)



Company description

Wedia specialises in publishing management software with multi-support content and publication (web, paper, and mobile internet) intended for communication, marketing, and media professionals.

Price performance

%	1m	3m	12m
Actual	(3.2)	(5.0)	(12.2)
Relative*	5.5	28.6	12.1

* % Relative to local index

Analyst

Roger Leboff

Wedia (ALWED)

Market cap: €12m

COMPANY COMMENT

The y-o-y decline in H111 sales reflects the integration of subsidiary Wedia Mobile and a strong H110 comparable, a period in which business rebounded after a difficult 2009. The gross margin was broadly stable at 53% (H110: 54%), and there was a +32% increase in R&D spend on integration and SaaS development. The outlook for software publishing is underpinned by recent customer wins (SNCF, Vallourec and CNAF) and continued deployment at Bouygues Telecom, LCL and Barclays. Software sales should benefit from a gradual switch to SaaS/ASP models that improve volumes, visibility and quality.

INDUSTRY COMMENT

The group has identified opportunities to develop the business in France and abroad, but given the less helpful macroeconomic environment since the summer, expects more moderate growth in H2. The €7.2m stated FY11 sales target incorporates the launch, in late October, of the next version Wedia Crossmedia, its deployment in the US market and offer via the SAAS Orange portal.

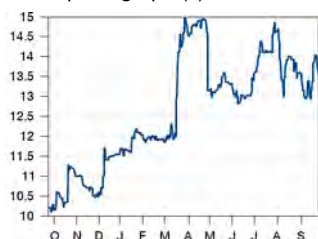
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	4.90	0.10	0.13	N/A	N/A
2010A	5.80	0.10	0.12	N/A	N/A
2011E	N/A	N/A	N/A	N/A	N/A
2012E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Electrical Equipment

Price: €13.50
Price as at 23 September 2011

Share price graph (€)



Company description

XIRING provides security solutions for electronic transactions. It develops security software embedded in smartcard readers for strong authentication and digital signatures for securing electronic transactions in the healthcare and e-ID sectors.

Price performance

%	1m	3m	12m
Actual	(2.4)	3.7	33.7
Relative*	6.3	28.6	70.7

* % Relative to local index

Analyst

Richard Finch

XIRING (ALXIR)

Market cap: €53m

COMPANY COMMENT

XIRING has not only maintained its positive momentum of the first quarter with 12% like-for-like sales growth in Q2, but also achieved a step-change in first-half trading profit (+55%).

Management confidence abounds in view of e-Health schemes being launched in several European countries and the proliferation of e-ID opportunities in France, eg strengthening the security of government workstations, a national e-ID card and a smart-card driving licence.

XIRING's Q1 order for 7,500 terminals for the recently-resumed e-health programme in Germany complements new e-ID work for government agency UGAP as valuable references for exploiting these developing markets. The company's finances remain very healthy (no debt).

INDUSTRY COMMENT

Industry body Eurosmart forecast in May 11% global volume growth in smart secure devices in 2011, with particular strength in government/healthcare and transport. The market was up by about 23% last year, which was more than double the rate forecast in late 2009.

Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	25.50	6.10	15.40	1.60	8.44
2010A	20.00	4.10	2.60	0.77	17.53
2011E	21.40	4.90	3.70	0.94	14.36
2012E	23.50	5.90	4.40	1.12	12.05

Where available, consensus data has been sourced from Thomson Datastream

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