

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

Third quarter 2012



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

Edison's analysts have been in contact with the 145 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, Hybrigenics and Exonhit are clients of Edison Investment Research, and their forecasts are those of the analyst.

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**Neil Shah**  
**Director of Research**

## Global perspectives: Still taking profits

- **Macro risk discounts fully unwound.** Within the space of 10 days earlier this month, central banks took two key near-term risks off the table. The European Central Bank (ECB) has ensured that peripheral European governments can continue to finance themselves while the Federal Reserve has undertaken to underwrite the economy by targeting a return to full US employment.
- **An excellent time to be reviewing portfolios and taking profits where necessary.** Since we published our bullish views on European equities in June, the market has risen by more than 15%. Valuations are not a precise instrument but a shift of this magnitude moves the needle. For sectors, we are no longer bearish on basic industries. Price/book multiples are near decade lows and the recent monetary stimulus has put a floor under commodity prices.
- **New Fed target: unemployment.** We have been surprised by the recent statement by the Federal Open Market Committee (FOMC). Recent data did not match the conditions precedent to other episodes of quantitative easing. Shifting the target of US monetary policy to employment is a notable change and will increase inflation risks substantially. We struggle to see how this policy is going to be effective in lowering employment, but the Fed has made its position clear.
- **In our view, the scenario of only marginally better real growth but significantly higher inflation has risen.** Therefore we would look to add to gold positions even at these higher levels. High-quality government bonds remain our least-favoured asset class while at yields less than targeted inflation. We also believe corporate profits are at risk from a surge in input costs; P/E multiples may therefore expand, but for the wrong reasons.
- **ECB policy absolutely necessary but insufficient.** The recent Outright Monetary Transaction (OMT) initiative has significantly reduced the cost of short-term government funding for peripheral Europe, which is undeniably a positive. The ECB has also acknowledged the prior policy of subordinating private sector creditors was highly counterproductive. But, although theoretically an unlimited programme, the ECB's actions remain subject to politicians accepting conditionality, in other words, fiscal straightjackets. For as long as the prescription is fiscal adjustment without devaluation, the risks remain on the downside in the European periphery.

## Still taking profits

Despite significant policy developments at both the ECB and the Federal Reserve, we believe investors should continue to review portfolios to see where profits might be taken. Following a c 15% rise in European equity markets since June, equity valuations are now insufficiently compelling regardless of the significant risks to economic growth.

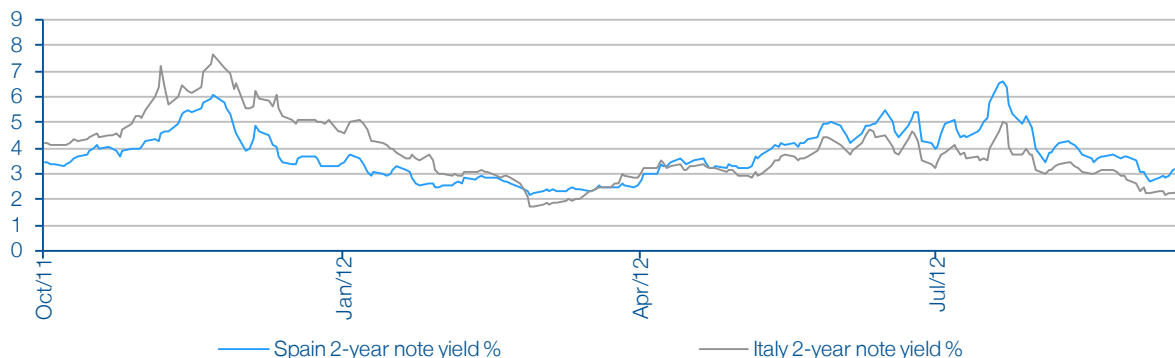
### Exhibit 1: Global equity market performance



Source: Bloomberg

We do not believe European periphery risk has diminished significantly despite a substantial rally in peripheral European debt. Though in the short-term ECB unconventional monetary policy has successfully reduced funding pressures, Spanish and Italian politicians are unlikely to apply for conditionality (i.e. further austerity) until forced to do so. Until conditionality packages have been agreed, any Outright Monetary Transactions (OMT) are prohibited.

### Exhibit 2: Italian and Spanish two-year yields



Source: Bloomberg

## US Federal Reserve – moving to an employment target

We have been caught out by the Fed's recent announcement of QE3 when neither inflation expectations nor US growth seemed to warrant immediate action. Prior episodes of QE have been preceded by a significant softening in asset prices, inflation expectations and the economy. This time was different.

Targeting employment is a seismic shift in Fed policy. Taken at face value the Fed's statement implies open-ended QE until US employment returns to an internal Fed definition of an acceptable level. Fed Chair Bernanke seems concerned that the structural unemployment rate could rise (and potential GDP fall) if no action is taken. This is a valid concern but perhaps action on what is a structural question would seem to be in the domain of politics.

Markets have quite rationally re-priced inflation risk as the amount of QE required to raise employment in the absence of a coordinated government policy may be substantial. An additional risk is that consumers will

respond to higher energy bills and cut their spending. A positive feedback loop – of QE leading to more inflation and less demand and followed by yet more QE – has become a new tail-risk.

### Exhibit 3: QE – ever increasing inflation starting point



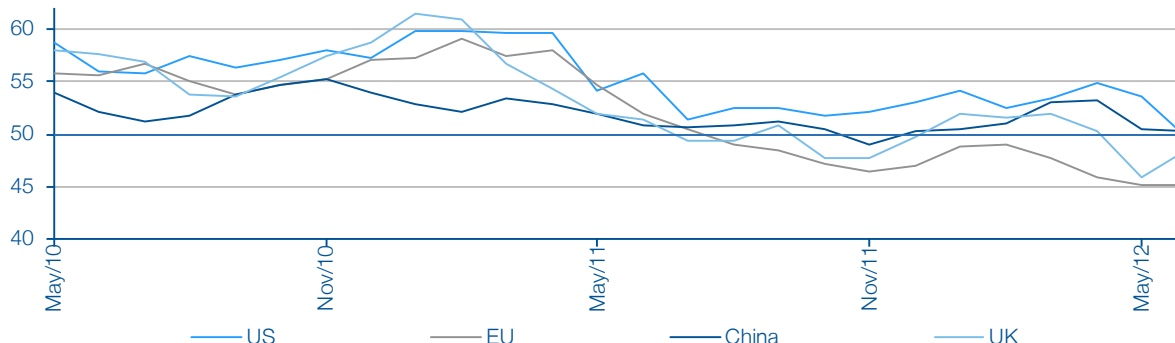
Source: Bloomberg

For investors, we believe sub-2% 10-year US Treasury yields sit uncomfortably with a new Fed policy of prioritising employment growth over inflation, a policy that other central banks may yet emulate.

### Economic growth – policy-induced time extension

Although we have doubts on the medium-term efficacy of more QE, ECB and Fed action is likely to support economic activity into the end of 2012 or at least slow the rate of decline. We had been concerned that activity was declining quickly but US QE3 in particular is likely to provide a near-term boost to demand.

### Exhibit 4: Global PMI indices

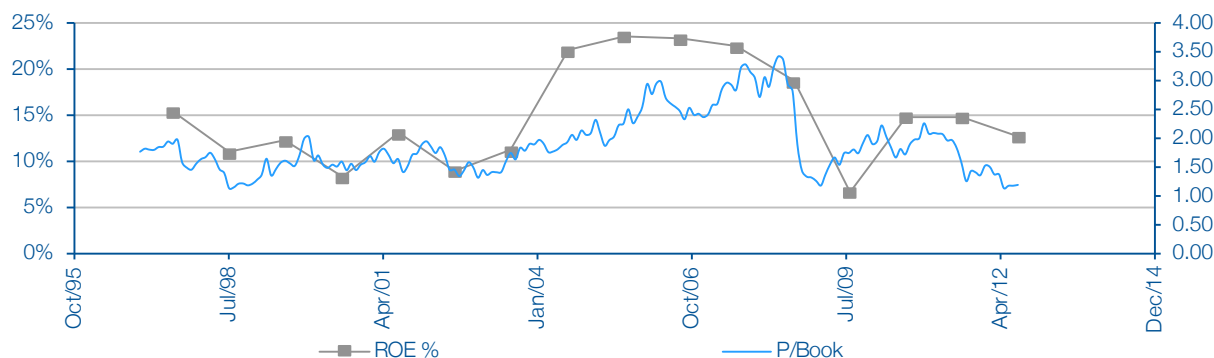


Source: Markit, NAPM, Bloomberg

As a side effect, improved global demand will also take the pressure off the European periphery as distressed nations will be the most responsive to external stimuli. These markets are now a difficult call for investors as the short-term benefits to global demand may quickly fade. We are choosing to remain underweight risk generally and the European periphery in particular as we believe the boost from QE will be transitory.

Both the time-extension for the global economic cycle and the inflationary effects of QE also support basic industries. We note the sector is currently trading near trough price/book multiples for the last decade and have therefore moved to a neutral view from underweight.

Exhibit 5: European basic industries price/book and ROE



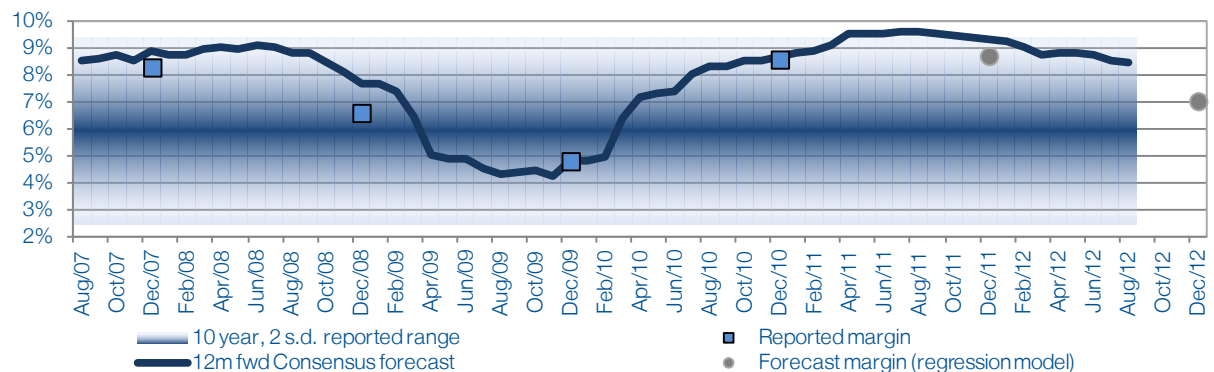
Source: Bloomberg, Edison calculations

## Profit margin forecasts still too high

Bottom-up analyst profit margin forecasts continue to be too bullish compared to our top-down models.

Therefore we believe profit margin risk is rising and that orders will need to pick up soon or the number of profit warnings is likely to increase markedly. A pincer movement of slowing demand and higher input costs is not a helpful environment for corporate profitability.

Exhibit 6: European industrial sector profit margin forecasts – analyst consensus vs Edison's top-down models



Source: Bloomberg, Edison estimates

## Conclusion

We believe that flexibility to respond to events – which means having ample cash on hand – will prove beneficial to investors as there is much higher degree of uncertainty in the economic outlook than is usual. This is driven by the uncertain interaction of slowing economic activity and substantial additional monetary stimuli.

While attractive in the medium term, equity valuations are not nearly as compelling as they were in June and investors should continue to take profits, in our view. This is not a call to exit the equity market however – there are still many defensive blue-chips that have not participated in the recent rally and still trade at attractive multiples.

Long-dated developed nation government bonds remain our least-favoured asset class. Although the market is supported by central bank buying in the US, UK and Japan, investors are unlikely to earn real returns over the medium-term at current yields. Given the new focus on employment at the US Federal Reserve we would continue to hold and add to gold positions, even at current prices.

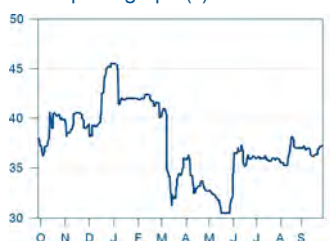


## Company profiles

Sector: Media & Entertainment

Price: €37.19  
Price as at 27 September 2012

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	0.5	2.9	(2.4)
Relative*	0.7	(8.3)	(14.5)

\* % Relative to local index

Analyst

Fiona Orford-Williams

## 1000mercis (ALMIL)

Market cap: €116m

COMPANY COMMENT

H112 revenues were only marginally ahead, following from the slowing of growth in H211 as markets became more difficult, particularly for email marketing. The new email re-targeting product launched in H211 has now gained over 100 clients. The Interactive marketing division benefited from more integrated campaigns across digital media, while mobile marketing activity grew to 34% of revenues. Ex-France sales have now increased to 14% of group, driven by work for luxury brands, implying that domestic revenues are under greater pressure. 1000mercis has now opened a subsidiary in New York to service its clients.

INDUSTRY COMMENT

Forecasts for the French advertising market have slowed as the year has progressed and now stand at 0.4% (WARC consensus) - 0.5% (Carat), down from 1.5% earlier in the year, and following growth of 2.5% in FY11. For 2013, forecasts remain at around 1.9% for now, but all agree that online/mobile will greatly outstrip market growth. Smartphone penetration in France is now 45.4%, with mobile internet users representing half of all internet users.

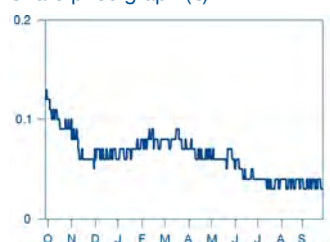
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2010A	34.30	12.60	7.90	2.94	12.65
2011A	35.00	11.10	7.10	2.67	13.93
2012E	36.45	N/A	7.90	2.72	13.67
2013E	38.90	N/A	8.50	2.93	12.69

Where available, consensus data has been sourced from Thomson Datastream

Sector: General Retailers

Price: €0.03  
Price as at 27 September 2012

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	(25.0)	(25.0)	(75.0)
Relative*	(24.9)	(33.1)	(78.1)

\* % Relative to local index

Analyst

Fiona Orford-Williams

## 1855 (AL185)

Market cap: €16m

COMPANY COMMENT

1855 had a very strong FY11, with sales +29% and a return to operating and net profit. This has continued into FY12, with organic growth in Q112 over 20%. Chateau Online (bought April 2011 and judged third-best online wine retailer in France by the influential Bordeaux School of Management, BEM) posted 40% gains in the first five months of 2012. To fund the required higher levels of working capital and improve fulfilment and delivery, 1855 has raised additional finance through a €3m bond and a subscription of €4.5m by the founding shareholders.

INDUSTRY COMMENT

The purchase of Chateau Online left one major dedicated competitor, Wineandco (LVMH/Millésima), alongside Vinatis.com and Nicolas.com. French online wine sales are growing well ahead of the retail market, with the annual SOWINE survey showing 12% of consumers buying online - a market estimated by BEM at €410m in FY11. Private sales, especially Vente-Privée.com, are growing fast and in value terms are now reported to be the largest sector online retailers.

Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2010A	12.40	0.18	(0.21)	N/A	N/A
2011A	16.04	1.41	1.09	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: Consumer Support Services

Price: €5.26  
Price as at 27 September 2012

## 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	3.3	(9.5)	(29.7)
Relative*	3.5	(19.3)	(38.4)

\* % Relative to local index

## Analyst

Richard Finch

## A2micile Europe (ALA2M)

Market cap: €6m

## COMPANY COMMENT

Continued strong sales growth in H112 (+29%) has been boosted by a further broadening of services, eg gym classes at home, and network expansion (five new subsidiaries, including the French Caribbean and the company's first agency in Belgium). Management is especially pleased with its market-leading B2B business (+40%), which accounts now for a third of group sales and is enjoying strong demand despite economic pressures. With healthy finances (€3.6m net cash at December, helped by last year's fund-raising), A2micile stated in February that it was aiming to double sales over the next two years, even given admitted toughening of conditions. H112 results are due in late 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 aged between 25 and 49) and the relative lack of provision by employers (under 2% against 60% in the US).

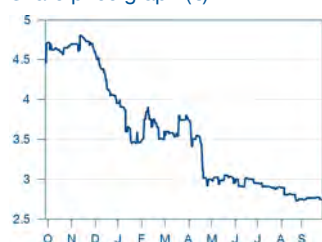
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2010A	20.87	0.31	(0.03)	N/A	N/A
2011A	29.09	0.16	N/A	N/A	N/A
2012E	39.00	N/A	0.90	0.81	6.49
2013E	58.00	N/A	1.50	0.31	16.97

Where available, consensus data has been sourced from Thomson Datastream

## Sector: Support Services

Price: €2.73  
Price as at 27 September 2012

## Share price graph (€)



## Company description

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

## Price performance

%	1m	3m	12m
Actual	(0.7)	(7.5)	(36.8)
Relative*	(0.6)	(17.5)	(44.6)

\* % Relative to local index

## Analyst

Roger Leboff

## Acces Industrie (ALACI)

Market cap: €16m

## COMPANY COMMENT

Acces achieved reasonable progress against a weak economic backdrop in Q112. Sales in France (86% of group turnover) were 5.4% ahead of the first quarter last year, with the impact of very cold weather offset by higher prices. Spain and Portugal were lower, as anticipated, in part due to ongoing reallocation of machinery to stronger regions, but also the impact of the Euro crisis. Morocco was in line with Q411 at €0.5m. That was below €0.6m for Q1 last year but the division is yet to show the benefits of equipment relocated to the Renault site in Tangier.

## INDUSTRY COMMENT

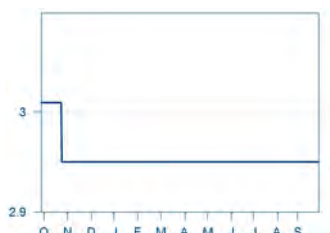
The group has redeployed resources where it sees opportunities for better growth. Market conditions for equipment rental remain tough. Limited finance is affecting new sites, denting customer confidence and driving oversupply. Acces has over 20,000 customers via a network of 37 branches - 29 in France, 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)
2010A	58.70	7.44	2.10	N/A	N/A
2011A	63.50	9.21	3.16	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: Electrical Equipment**

Price: €2.95  
Price as at 27 September 2012

**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	0.0	0.0	(2.0)
Relative*	0.2	(10.8)	(14.1)

\* % Relative to local index

**Analyst**

Roger Leboff

**Acropolis Telecom (ALACR)**

Market cap: €12m

**COMPANY COMMENT**

H1 2012 saw the benefits of two years' investment and evolution of new Cloud-based services. Turnover at €3.5m was 11% ahead y-o-y, EBITDA €0.2m. Acropolis has capacity via three owned and 17 rented data centres to meet the requirements of its target larger corporate customer for subscription-based Cloud and SaaS services, to enable it to build recurring revenues. It will seek to capitalise on recent investment to build a scalable offering for a broad base of 1,200 plus customers in France and expand at home and abroad.

**INDUSTRY COMMENT**

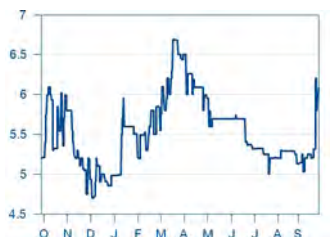
Acropolis appears well placed to deliver IP telephony services (converged voice, video and data) for SMEs and local government bodies. As a licensed operator with its own telecoms backbone (rather than a distributor), it is in a strong position to address a broad customer base. The group's 2010 IPO raised €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)
2010A	6.34	(0.49)	(0.35)	N/A	N/A
2011A	6.24	(0.99)	(0.86)	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: Travel & Leisure**

Price: €6.08  
Price as at 27 September 2012

**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	15.8	13.9	13.0
Relative*	16.0	1.5	(0.9)

\* % Relative to local index

**Analyst**

Richard Finch

**Ada (ALADA)**

Market cap: €18m

**COMPANY COMMENT**

Revenue decline of just 5% in H1 12 is creditable since Ada admits that its market is "in crisis", characterised by a punitive price war and shorter rentals. Further to its credit, trading profit in the period was increased, if marginally, thanks to a broadening of products on offer, eg insurance and lower external costs. Although there is no formal guidance, management remains confident in its strategic focus on local markets, consolidation of market leadership (almost 500 agencies throughout France) and its reputation for low prices. In addition, the company is intent on developing large account business and its online presence. Net debt at June was up slightly year-on-year at €6.7m (32% gearing).

**INDUSTRY COMMENT**

According to Markit, French retail sales fell in August for the fifth month in a row. The OECD's new forecast of only a marginal economic pickup in Q4 after a contraction in Q3 suggests that consumer spending will remain subdued.

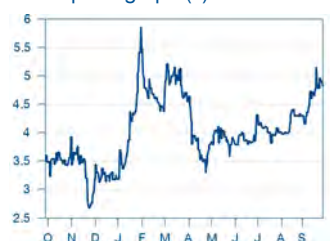
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2010A	46.00	1.80	1.80	N/A	N/A
2011A	43.00	2.20	N/A	N/A	N/A
2012E	N/A	N/A	N/A	N/A	N/A
2013E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

## Sector: Media &amp; Entertainment

Price: €4.82  
Price as at 27 September 2012

## 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	13.4	25.2	33.1
Relative*	13.6	11.6	16.7

\* % Relative to local index

## Analyst

Fiona Orford-Williams

## ADTHINK Media (ALADM)

Market cap: €30m

## COMPANY COMMENT

H112 figures show continued strong growth, with sales up 16% against H111 and operating margins of 9.5%. Web-publishing services (building sites, directories, portals and games) contributed 61% of FY11 revenues, with the balance coming from managing advertising services for website owners, SEM and SEO. The latter grew very strongly as ad exchanges and real time bidding have grown in prominence. The group has a number of new products that it intends to launch in Q412, keeping up momentum in the market. Advert Stream is an approved ad provider for Facebook.

## INDUSTRY COMMENT

Internet penetration is estimated to have reached 77.2% of the French population in December 2011, with 38.5% of the population now on Facebook. Online marketing is set to continue to far outstrip the dull forecast ad spend market (est +0.5% Carat for FY12, revised down from 1.5%, improving to 1.9% for FY13), with eMarketer forecasting growth of 12% in FY12, easing to 8% for FY13. Online video and mobile ads are the fastest growing areas.

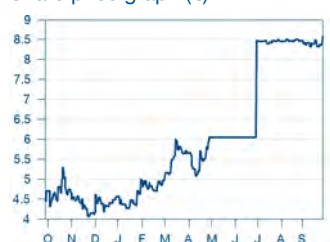
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2010A	23.48	2.69	1.61	N/A	N/A
2011A	29.80	3.40	1.70	N/A	N/A
2012E	28.40	N/A	1.30	0.21	22.95
2013E	36.40	N/A	1.70	0.27	17.85

Where available, consensus data has been sourced from Thomson Datastream

## Sector: Media &amp; Entertainment

Price: €8.59  
Price as at 27 September 2012

## 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	1.4	42.0	90.0
Relative*	1.6	26.6	66.6

\* % Relative to local index

## Analyst

Fiona Orford-Williams

## Adverline (ALADV)

Market cap: €48m

## COMPANY COMMENT

The founding shareholders, Loïc de Kerdrel and Charles Costa de Beauregard, have sold their holdings in Adverline to Mediapost Holding, a subsidiary of La Poste at a price of €8.59. Along with shares from other minority shareholders, Mediapost now holds 68.3% of the equity. The group is valued at €48.4m at this price. A tender offer for the outstanding shares has now been launched.

## INDUSTRY COMMENT

Online advertising in France grew at an estimated 6% in H112, implying a slight slowdown from H211 as the eurozone crisis held sway. Forecasts for FY12, an election year, are around 12%, well ahead of the overall ad market growth forecasts now reduced to around 0.5%. RTB ad-exchanges are rapidly establishing and are set to build revenues from around \$30m in 2011 to over \$200m by 2015 (IDC).

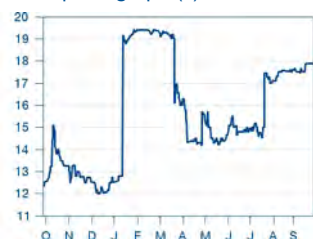
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2010A	23.40	4.08	1.08	N/A	N/A
2011A	25.00	4.78	0.52	N/A	N/A
2012E	N/A	N/A	N/A	N/A	N/A
2013E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Alternative Energy

Price: €17.90  
Price as at 27 September 2012

Share price graph (€)



Company description

Aéro watt is one of France's leading producers of electricity from renewable energy. Revenues are generated from both wind power (59%) and solar power (41%).

Price performance

%	1m	3m	12m
Actual	1.8	19.7	46.1
Relative*	2.0	6.7	28.1

\* % Relative to local index

Analyst

Richard Finch

## Aéro watt (ALWAT)

Market cap: €36m

COMPANY COMMENT

JMB Energie, a fellow producer of green electricity in France, has newly taken control of Aerowatt with the acquisition of the three largest shareholdings (c 60%). Consequently, an offer at the same price of €18 per share will be made for the remaining shares. The aim is to create a new player of critical mass in French renewable energies production (gross capacity of over 300 MW and annual sales of over €60m). Aerowatt has begun the year well with H1 energy sales up 50%, boosted by favourable weather and greater capacity (organic growth was 26%).

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)
2010A	17.20	2.78	0.44	N/A	N/A
2011A	27.50	5.16	(1.78)	N/A	N/A
2012E	21.30	11.30	1.15	0.63	28.41
2013E	25.20	12.20	1.21	0.66	27.12

Where available, consensus data has been sourced from Thomson Datastream

Sector: Food & Drink

Price: €1.90  
Price as at 27 September 2012

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	1.1	21.8	3.8
Relative*	1.2	8.6	(9.0)

\* % Relative to local index

Analyst

Fiona Orford-Williams

## AgroGeneration (ALAGR)

Market cap: €67m

COMPANY COMMENT

Early harvest figures in Ukraine are very encouraging, with higher production volumes (+28%), improved yields (+19%) and higher selling prices. Current year target is to increase to 100k (51k) ha by acquiring further farms and silos, reducing the dependence on third-party storage. The Argentinian JV announced in March should start producing in H212, with the target of producing 50k ha in five years. In July, the company raised €15m through a six-year, 8% fixed-rate bond to fund the working capital requirement of existing operations and to fund other high growth projects. In 2011, the group raised €11.5m and a further \$10m over seven years from the EBRD, with the option of an additional \$3.5m at €2.05.

INDUSTRY COMMENT

The addition of substantial acreage in Argentina reduces the inherent risk in relying on the harvest in one geographic region. Within the Ukraine, Agrogenation has benefited in 2012 from being in the NW of the country, away from the worst of the weather. Lack of investment and the historic split of Ukrainian land ownership means this land has been underexploited.

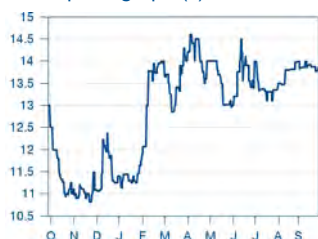
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2010A	17.63	1.62	0.93	N/A	N/A
2011A	23.23	1.38	2.34	N/A	N/A
2012E	N/A	N/A	N/A	N/A	N/A
2013E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

## Sector: Pcare and household prd

Price: €13.87  
Price as at 27 September 2012

## Share price graph (€)



## Company description

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

## Price performance

%	1m	3m	12m
Actual	0.5	2.2	12.3
Relative*	0.7	(8.9)	(1.6)

\* % Relative to local index

## Analyst

Fiona Orford-Williams

## Ales Groupe (ALPHY)

Market cap: €196m

## COMPANY COMMENT

Q212 sales were up 5.1% on much tougher y-on-y comparatives, making +13.3% growth for H112. French sales were +7%, outperformed by overseas sales that now make up 42% of group. Ex-France distributors and subsidiaries performed well, with a new subsidiary opened in Hong Kong and another planned for Turkey. Reduced H112 operating margins reflect higher selling and marketing expenses, but a reduction in other operating charges left the group +74% on a net basis. Key brands are Lierac in cosmetics and Phyto in haircare.

## INDUSTRY COMMENT

Sales of cosmetics and haircare products correlate strongly with confidence, so a weakening consumer environment impacts the overall market. L'Oréal is the clear leader of a highly-fragmented sector. Sales in the natural/organic segment are estimated to have increased 12% in FY11 (Organic Monitor), at c 2.7% of the French market, but offer a clear differentiator in a crowded market. France has banned phthalates, alkylphenols and parabens in cosmetics.

Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2010A	173.00	7.70	0.30	0.33	42.03
2011A	190.90	11.50	0.30	0.30	46.23
2012E	207.20	13.00	0.60	0.42	33.02
2013E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

## Sector: Media &amp; Entertainment

Price: €5.02  
Price as at 27 September 2012

## 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	(1.0)	(2.7)	2.4
Relative*	(0.8)	(13.3)	(10.2)

\* % Relative to local index

## Analyst

Fiona Orford-Williams

## Antevenio (ALANT)

Market cap: €21m

## COMPANY COMMENT

H112 revenue growth slowed to 3% as the performance marketing division struggled in a dire domestic market. This overshadowed a good performance from the portals business which has been working hard to internationalise further, albeit at the expense of H112 margins. Revenues ex-Spain have grown to 43% of group, a proportion that will grow further with the acquisition of Clash-Media France for €1m. Clash-Media specialises in lead generation websites for clients including Nissan, Casino, BrandAlley and Nestle. Display advertising was the second-largest group activity in H112. EBIT for H112 is likely to be at around breakeven.

## INDUSTRY COMMENT

The eurozone crisis hit jobs and confidence badly in Spain, with the inevitable consequence for advertising spend. It is estimated to have retrenched 6.8% in FY11, with Zenith Optimedia's FY12 forecast still standing at -12%. The WARC online consensus forecast is for -7.8% in FY12, with a recovery in FY13 to 1.3%. Internet penetration in Spain was 65.6% at end-2011.

Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2010A	21.30	1.90	0.93	0.22	22.82
2011A	24.20	2.03	1.28	0.30	16.73
2012E	23.20	1.80	1.20	0.29	17.31
2013E	24.90	2.60	1.70	0.40	12.55

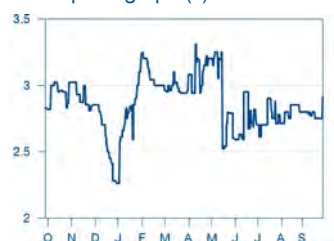
Where available, consensus data has been sourced from Thomson Datastream



Sector: Support Services

Price: €2.91  
Price as at 27 September 2012

Share price graph (€)



Company description

Aquila is a top three French alarm assistance and response supplier. The main services provided are alarm response and remote surveillance, security guard services, site surveillance and the provision of services to individuals.

Price performance

%	1m	3m	12m
Actual	2.1	3.2	2.8
Relative*	2.3	(8.0)	(9.9)

\* % Relative to local index

Analyst

Richard Finch

## Aquila (ALQU)

Market cap: €5m

COMPANY COMMENT

The disappointment of indefinite postponement (not Aquila's fault) of a potentially transformational contract with a major retail chain has been compounded by associated write-off costs that cut H1 trading profit by a third. Although a one-off, as is the prospect of a sizeable bad debt in H2, it risks overshadowing a strong performance in the first half as several new large client contracts drove sales up 18%, thereby fulfilling Aquila's strategy of increasing the share of contracted income from national accounts. Q3 sales are due in mid-October.

INDUSTRY COMMENT

Alarm response has been one of the most buoyant segments of the French security industry, but is also notoriously unprofitable, owing to a price war engendered by a proliferation of very small uneconomic players. The industry is now changing in response to customer demand for added-value services, eg prevention as well as intervention. The bundling of services provides scope for better contract retention and pricing and, consequently, earnings visibility.

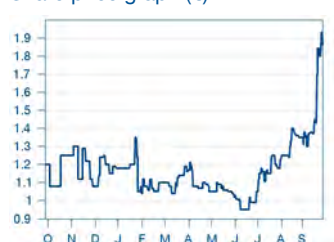
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2010A	11.87	0.67	0.47	N/A	N/A
2011A	12.10	0.76	0.61	N/A	N/A
2012E	N/A	N/A	N/A	N/A	N/A
2013E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Technology

Price: €1.86  
Price as at 27 September 2012

Share price graph (€)



Company description

Arkoon Network Security designs, develops and markets integrated security software and equipment intended for the protection of computer systems and networks belonging to businesses and administrations.

Price performance

%	1m	3m	12m
Actual	38.8	87.9	55.0
Relative*	39.0	67.5	35.9

\* % Relative to local index

Analyst

Roger Leboff

## Arkoon Network Sec. (ALARK)

Market cap: €10m

COMPANY COMMENT

Arkoon and its Skyrecon Systems arm reported encouraging first half performances, which built on a return to growth and profit in FY11. Aggregate H112 turnover was 15% ahead y-o-y, with a favourable outlook for all three product suites. Skyrecon was 85% ahead in France, 37% in the US, benefiting from restructuring in 2010, while 5% growth in core network security and data-protection businesses was driven by 35% better sales of FAST360 appliances and 27% higher SecurityBox license revenues. Arkoon confirmed that it is on track for a sharp rise in full-year turnover.

INDUSTRY COMMENT

Arkoon's solutions appear well placed to benefit from a gradual pick-up in corporate investment in IT security. This fits the business positioning and strategy to be the key provider of IT security for companies and organisations in sensitive sectors. It will continue to focus on innovation and geographical expansion. It targets top- and mid-tier European and global customers, both corporate and government in over 60 countries.

Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2010A	9.94	(1.38)	(5.37)	0.10	18.60
2011A	9.66	(0.80)	0.52	0.98	1.90
2012E	N/A	N/A	N/A	N/A	N/A
2013E	N/A	N/A	N/A	N/A	N/A

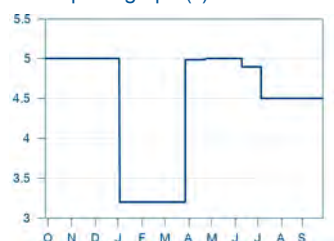
Where available, consensus data has been sourced from Thomson Datastream



## Sector: Technology

Price: €4.50  
Price as at 27 September 2012

## 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	(8.2)	(10.0)
Relative*	0.2	(18.1)	(21.1)

\* % Relative to local index

## Analyst

Roger Leboff

## Assima (ALSIM)

Market cap: €38m

## COMPANY COMMENT

The 15% increase in revenues in FY11 was mainly achieved in H1, with H2 affected by the eurozone crisis. That is reflected in 15% lower EBIDTA and pre-tax profit, but the group is in a stronger financial condition to weather the storm, due to the growing contribution from maintenance income. From a strategic perspective, Assima expects to benefit from recent acquisitions of ELS in Germany, of Kaplan IT assets (USA, UK and South Africa) and sees opportunities to extend its penetration into the ERP market via its partnership with SAP. There was £3.3m of net cash at the year end (FY10:£2m).

## INDUSTRY COMMENT

Although business growth will be affected by financial market turmoil, the growth outlook is supported by market concentration in 2011 and Assima's emphasis on generating revenues via third parties. 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)
2010A	16.45	1.91	2.23	22.04	0.16
2011A	19.00	1.61	1.78	16.49	0.22
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: €12.45  
Price as at 27 September 2012

## Share price graph (€)



## Company description

Astellia specialises in designing, manufacturing and marketing hardware material and software solutions dedicated to mobile telephone operators in France and the rest of the world (80% of sales). Its solutions provide access to relevant indicators to improve both quality of service and of experience, ensure network optimisation and subscribers' loyalty.

## Price performance

%	1m	3m	12m
Actual	10.9	39.9	26.5
Relative*	11.0	24.7	10.9

\* % Relative to local index

## Analyst

Roger Leboff

## Astellia (ALAST)

Market cap: €32m

## COMPANY COMMENT

Export markets fully compensated for slower domestic performance in H1. Interim pre-tax profit was well ahead y-o-y at €0.2m (H111: €3.3m loss). Although sales in France were down 7% at €2.6m they could benefit from potential 4G deployment. International sales - 86% of the H112 total - were 41% up y-o-y at €15.4m, with higher contributions from Africa, the Middle East and the Caribbean, and new contracts with a Canadian operator. The order book stood at €23m at the half year.

## INDUSTRY COMMENT

The outlook is supported by the ongoing development of operations in India and North America and an ability to adapt to operational challenges in Africa and the Middle East. Astellia's technologies are used by over 180 mobile operators and equipment manufacturers to optimise network performance and customer service quality. It is positioned to capitalise on increased data traffic, driven by increased smartphone adoption and growth in mobile users worldwide. Group products are sold in over 80 overseas markets.

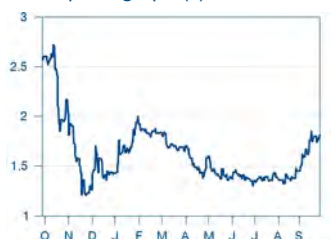
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2010A	33.40	2.01	2.50	0.91	13.68
2011A	34.05	(2.20)	3.48	N/A	N/A
2012E	36.60	(0.50)	(0.20)	(0.34)	N/A
2013E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Mining

Price: €1.81  
Price as at 27 September 2012

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	21.5	35.1	(29.3)
Relative*	21.7	20.4	(38.0)

\* % Relative to local index

Analyst

Charles Gibson

## Auplata (ALAUP)

Market cap: €39m

COMPANY COMMENT

Auclata reported increased gold production from its French Guiana projects, producing 129kg (4,147oz) during Q212, which was a 15% increase over Q112 and the fourth quarter in succession with output exceeding 100kg (3,215oz). Production for H112 was 239kg (7,684oz), representing a 48% increase compared with H111. On 18 June 2012, Auclata announced the appointment of Jean-Francois Fourt as Chairman of the Board of Directors. Subsequently, the roles of Chairman and Chief Executive Officer were combined. As of 29 June 2012, Jean-Francois Fourt is Chairman and CEO of Auclata.

INDUSTRY COMMENT

Auclata operates two mines in French Guiana (Yaou and Dieu Merci) and has rights over a third, Dorlin. In addition, it has injected its 100% interest in the 1.9Moz-inferred Paul Isnard deposit into Canadian junior, Columbus Gold, in return for a 34% interest in the company. Under the terms of the agreement, Columbus must invest US\$7m on exploration within two years, with a feasibility study conducted within four years.

Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2010A	7.30	16.71	16.20	N/A	N/A
2011A	13.24	(5.94)	(5.61)	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: General Retailers

Price: €2.71  
Price as at 27 September 2012

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	6.7	23.2	50.6
Relative*	6.9	9.8	32.0

\* % Relative to local index

Analyst

Richard Finch

## Auto Escape (ALAUT)

Market cap: €14m

COMPANY COMMENT

Auto Escape reported in July that despite a reasonable start to its summer half, it remained cautious since peak period trading was key to the outturn. However, there was some cheer in much-reduced low-season losses as a result of better cost control and 5% higher revenue in unfavourable conditions. Although not consolidated in the accounts, management has focused on the integration of CarDelMar, a leading German online car-hire company with strong positions in several European markets, which should almost double Auto Escape's volumes. In April, the company's reference shareholder made an unsuccessful offer of €2.80 per share.

INDUSTRY COMMENT

Growth in the car rental industry is closely linked to economic conditions and to air passenger volumes for airport rentals. For 2012, IATA forecasts a rise of almost 5% (international traffic +7% in the year to date but slowing markedly in the last quarter), assuming no full-scale eurozone crisis and no oil price spike. Auto Escape is exposed to the leisure rather than business rental market.

Y/E Sep	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2010A	29.90	0.83	0.40	N/A	N/A
2011A	35.10	0.01	0.00	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: Technology

Price: €7.00  
Price as at 27 September 2012

## Share price graph (€)



## Company description

BD Multimedia is a telecommunications service provider.

## Price performance

%	1m	3m	12m
Actual	0.0	(14.8)	45.8
Relative*	0.2	(24.1)	27.8

\* % Relative to local index

## Analyst

Roger Leboff

## BD Multimedia (ALBDM)

Market cap: €16m

## COMPANY COMMENT

Micropayments built on their strong 2011 performance in the first half; €14.4m sales were 169% ahead y-o-y, close to the €14.8m achieved for FY11 overall. Consolidated group sales for H112 were, as a result, 84% ahead y-o-y. Other business areas were broadly in line, but the group is investing in initiatives to meet demand from smartphone users, and a strong increase in registrations and user numbers in the period should be reflected in revenues in future periods.

## INDUSTRY COMMENT

The group will look to build on market share growth in 2012 and 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 management forecasts. Other areas, such as telephony are now a prepaid card service and wholesale airtime for teleshopping in France.

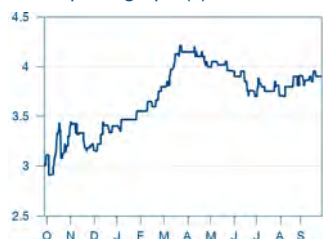
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2010A	14.70	0.36	0.07	0.19	36.84
2011A	25.66	1.60	1.37	N/A	N/A
2012E	N/A	N/A	N/A	N/A	N/A
2013E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

## Sector: Consumer Support Services

Price: €3.90  
Price as at 27 September 2012

## 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	2.4	4.0	34.5
Relative*	2.5	(7.3)	17.9

\* % Relative to local index

## Analyst

Richard Finch

## Bernard Loiseau (ALDBL)

Market cap: €6m

## COMPANY COMMENT

Ahead of H1 results in late October, Bernard Loiseau is justifiably confident about its ability to cope successfully with continued economic pressures, ie robust finances (minimal gearing), which are the envy of its peers, and rigorous cost controls, yet not to the detriment of brand awareness and quality, as shown by the Burgundy restaurants' retention of their esteemed Michelin stars. 2011 saw impressive resilience with occupancy-led sales growth of 5% in Burgundy and like-for-like 6% in Paris (the reported gain of 20% was due to the closure of one of the two restaurants, Tante Marguerite, for over a quarter of 2010). Maintained trading margin reflected effective yield management and marketing as well as improved occupancy.

## INDUSTRY COMMENT

According to Deloitte, the year to date has seen a 2% rise in RevPAR in the premium four/five-star hotel sector in Dijon, which is close to Saulieu (RevPAR +7% in 2011). July (-1%) was depressed by unseasonal weather.

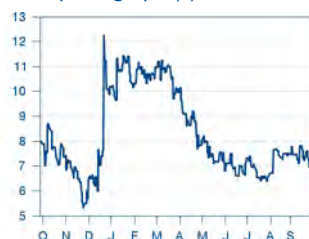
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2010A	9.04	0.69	0.45	0.31	12.58
2011A	9.80	0.74	0.45	0.32	12.19
2012E	9.80	0.70	0.40	0.31	12.58
2013E	10.30	0.80	0.60	0.43	9.07

Where available, consensus data has been sourced from Thomson Datastream

Sector: Pharma & Healthcare

Price: €6.96  
Price as at 27 September 2012

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	(4.4)	4.7	(9.6)
Relative*	(4.2)	(6.7)	(20.8)

\* % Relative to local index

Analyst

Mick Cooper

## Biosynex (ALBIO)

Market cap: €8m

### COMPANY COMMENT

Biosynex is a company selling easy-to-use, rapid diagnostic tests. In H112, sales rose by 2% to €3.0m, of which €2.4m was generated by the acquisition of the German company, DIMA Diagnostika, at the start of the year. Organic sales growth was 16% with revenues of €684k. The intergration of DIMA Diagnostika is proceeding on track. The acquisition has given Biosynex a strong position in Germany, the largest European market for rapid diagnostic tests; 29% of sales were generated in Germany in H112. Its future growth prospects depend on the expansion of its client base (especially internationally) and the launch of new tests, including a rapid diagnostic test for cervical cancer. Full H112 results will be published on 16 October.

### 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.

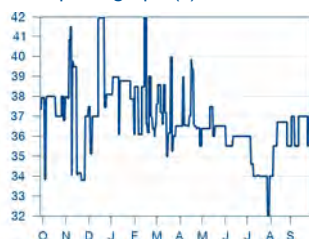
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2010A	1.01	(0.86)	(0.29)	N/A	N/A
2011A	1.05	(0.43)	(0.33)	N/A	N/A
2012E	6.80	N/A	0.30	0.25	27.84
2013E	8.00	N/A	0.60	0.54	12.89

Where available, consensus data has been sourced from Thomson Datastream

Sector: Consumer Support Services

Price: €36.00  
Price as at 27 September 2012

Share price graph (€)



Company description

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

Price performance

%	1m	3m	12m
Actual	(1.9)	0.0	(3.6)
Relative*	(1.7)	(10.8)	(15.5)

\* % Relative to local index

Analyst

Richard Finch

## Bricorama (ALBRI)

Market cap: €224m

### COMPANY COMMENT

Unsurprisingly, Q212 saw a clear slowdown in sales across the Bricorama estate but most significantly in France, which fell by 3% after an increase of 6% in the first quarter. Unfavourable conditions, economic and meteorological, are blamed. Reported growth in Benelux was purely acquisition-led (Goldi), while Spain's decline was double-digit after a stable Q1. Management has nevertheless confirmed full-year guidance of a rise in sales of 3% to 4% (H1 +3%, boosted by inclusion of Goldi) and suggested that trading profit should be similar to 2011. One caveat is the threatened Sunday closure of 31 stores in the Paris area; a legal decision is expected in November. H1 results are due in mid-October.

### INDUSTRY COMMENT

Rival Mr Bricolage stores in France suffered lower like-for-like sales in Q212, ie flat for H1 after +4% in Q1, whereas Castorama's Q2 was effectively flat. The home improvement market was up 1% in H1, according to Banque de France. French consumer spending will most probably remain subdued.

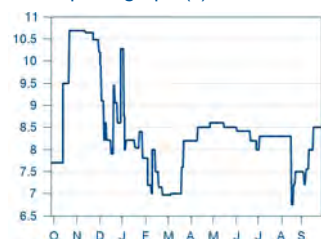
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2010A	698.01	39.58	22.20	3.85	9.35
2011A	733.42	40.42	24.07	N/A	N/A
2012E	N/A	N/A	N/A	N/A	N/A
2013E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

## Sector: Technology

Price: €8.50  
Price as at 27 September 2012

## Share price graph (€)



## Company description

BSB employs more than 300 people at its offices in Belgium, France, Ireland, Luxembourg, Switzerland, the Netherlands and the UK. It provides mission-critical software solutions: Soliam, a portfolio management system for asset and wealth managers; and Solife, a life insurance policy administration system.

## Price performance

%	1m	3m	12m
Actual	13.3	3.7	6.2
Relative*	11.6	(7.9)	(5.0)

\* % Relative to local index

## Analyst

Roger Leboff

## BSB (BSB)

Market cap: €18m

## COMPANY COMMENT

FY11 was affected by customer decisions to defer orders into 2012. There was 13% growth in full-year revenues, but a €2.9m loss before goodwill amortisation reflected license sales rescheduled from end-2011 to 2012, delayed receipt of regulatory approval for the new Luxembourg operation SOLFIA and higher costs - mainly recruitment and training - related to increased workload that did not materialise. To counter these, the group implemented €3m in costs savings during the first half of 2012 and increased its equity by €5m.

## INDUSTRY COMMENT

The pick-up in BSB's domestic and international markets since 2010 has seen it secure new clients in established and new territories. Demand appears robust for its applications - asset management and life insurance policy administration, remote access, consultancy services, bespoke applications and integration with partner solutions (SAP) - targeted at banks and insurance companies. Core markets are Belgium, France and Luxembourg.

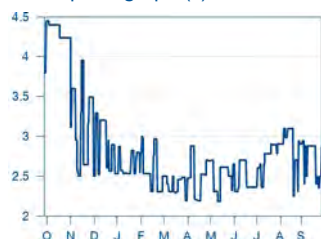
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2010A	30.90	2.20	0.91	0.43	19.77
2011A	34.99	(2.50)	(3.29)	(1.54)	N/A
2012E	N/A	N/A	N/A	N/A	N/A
2013E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

## Sector: Technology

Price: €2.86  
Price as at 27 September 2012

## Share price graph (€)



## Company description

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

## Price performance

%	1m	3m	12m
Actual	24.3	21.2	(18.8)
Relative*	24.6	8.1	(28.8)

\* % Relative to local index

## Analyst

Richard Finch

## Budget Telecom (ALBUD)

Market cap: €10m

## COMPANY COMMENT

Q212 saw further endorsement of Budget Telecom's new strategy in favour of low-cost niches of little interest to major operators, marketing to independent vendors and restructuring its costs. Like-for-like sales were almost maintained, thanks in part to continued buoyant wholesale B2B business (up fivefold in the half), which helped offset the anticipated reduction in international B2C activity (-9% in Q2). Most impressively, efficiencies across the board and better buying of international 'minutes' drove a fourfold improvement in H1 trading profit and consequent achievement of decent double-digit margin. Management happily envisages continued benefit from its focus on value and avoidance of cut-throat markets. The company's finances are robust (debt-free at June).

## 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)
2010A	25.60	1.30	0.50	N/A	N/A
2011A	24.30	0.70	0.60	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: €111.12  
Price as at 27 September 2012

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	3.1	1.2	26.8
Relative*	3.2	(9.8)	11.2

\* % Relative to local index

Analyst

Mick Cooper

## CARMAT (ALCAR)

Market cap: €459m

COMPANY COMMENT

CARMAT has developed an implantable artificial heart. It is in the process of completing endurance tests, which are required to complete its regulatory submission. This should result in its clinical programme starting with four patients receiving implants in H212. CARMAT has already trained surgical teams in three centres in France. The device is designed to mimic a natural heart and is the result of an alliance between Professor Carpentier (who developed the eponymous heart valve) and the aerospace company, EADS. The company's cash position at H112 was €16.6m, which should be enough for CARMAT to operate into 2015, by which time the product could have received EU approval.

INDUSTRY COMMENT

The implantable artificial heart is being developed to treat patients with end-stage biventricular 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 target c 100,000 untreated patients per year, a market of up to €16bn.

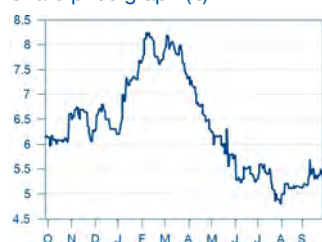
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2010A	5.00	(10.48)	(7.73)	N/A	N/A
2011A	6.10	(16.10)	(13.40)	N/A	N/A
2012E	5.20	N/A	(18.70)	(3.47)	N/A
2013E	22.90	N/A	(17.80)	(2.62)	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Pharma & Healthcare

Price: €5.34  
Price as at 27 September 2012

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	3.3	1.7	(10.9)
Relative*	3.5	(9.3)	(21.9)

\* % Relative to local index

Analyst

Mick Cooper

## Collectis (ALCLS)

Market cap: €109m

COMPANY COMMENT

Collectis has a diversified strategy to exploit its core expertise in meganucleases, which make specific alterations to DNA. It has four subsidiaries: Collectis bioresearch, which provides meganuclease kits to life sciences researchers; Collectis plant sciences, which develops genetically-modified plants for agricultural companies (Bayer has recently extended its partnership); Collectis genome surgery is developing innovative treatments for genetic diseases and various other indications; and Ectycell is developing uses for meganucleases with stem cells (enlarged with the acquisition of Cellartis). In H112, revenues were stable at €7.5m and net loss increased by €1.2m to €11.5m, but Collectis forecasts strong growth for FY12 (+20-30%) and break-even by 2014. It had cash of €27.8m at H112.

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 timelines.

Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2010A	8.16	(11.50)	(8.00)	(0.40)	N/A
2011A	9.90	(19.50)	(23.79)	N/A	N/A
2012E	17.76	(8.00)	(7.65)	(0.45)	N/A
2013E	24.70	(1.00)	(4.41)	(0.20)	N/A

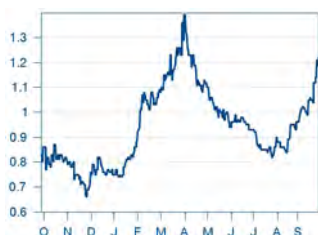
Where available, consensus data has been sourced from Thomson Datastream



## Sector: Pharma &amp; Healthcare

Price: €1.22  
Price as at 27 September 2012

## Share price graph (€)



## Company description

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

## Price performance

%	1m	3m	12m
Actual	28.4	31.2	47.0
Relative*	28.6	17.0	28.8

\* % Relative to local index

## Analyst

Mick Cooper

## Cerep (ALCER)

Market cap: €15m

## COMPANY COMMENT

Cerep returned to profitability in FY11, despite sales falling by 5.6%. Sales in France increased by 35.4% to €5.0m, but the effect of this was offset by a reduction of sales in the US of 15.6% to €9.3m, caused by the loss of two major clients. Its operating profit in FY11 was €792k compared to an operating loss of €3.1m the year before. The company should benefit from the launch of new services (BioPrint, in particular), its new Chinese operation and recent cost-cutting measures. However, some of these gains are required for the company to offset the difficult trading environment. Its cash position at the end of FY11 was €11.2m.

## 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.

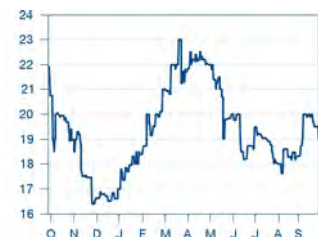
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2010A	24.20	(3.14)	(4.11)	N/A	N/A
2011A	22.80	0.79	0.78	N/A	N/A
2012E	25.00	(1.00)	(2.00)	(0.12)	N/A
2013E	26.00	0.00	0.00	(0.04)	N/A

Where available, consensus data has been sourced from Thomson Datastream

## Sector: Support Services

Price: €19.01  
Price as at 27 September 2012

## 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	4.5	1.6	(14.1)
Relative*	4.6	(9.4)	(24.7)

\* % Relative to local index

## Analyst

Richard Finch

## Clasquin (ALCLA)

Market cap: €44m

## COMPANY COMMENT

Clasquin has coped well with a slowdown in world trade in Q212 by maintaining its volume of shipments and core trading profit despite higher sea freight rates and investment costs, notably last year's expansion in Germany and India, which has yet to pay off. To management's credit, labour costs were kept well in check in terms of both headcount and rate. Guidance is for H2 activity and earnings significantly ahead of that in H1. The company has long been confident that its strong market positions, the quality of its clients and sound finances will allow further outperformance. Encouragingly, the newly-acquired Spanish freight forwarder, Intercargo, has an apparently good growth record and is profitable.

## INDUSTRY COMMENT

As the global economy is curbed by European recession, the OECD has recently forecast that G7 countries will grow at an annualised rate of only 0.3% in Q3 and 1.1% in Q4. While Germany and Japan are set to contract, the US may fare better, with c 2% annualised gain. In July the IMF held its forecast of 2012 global GDP growth of 3.5%, albeit with many caveats.

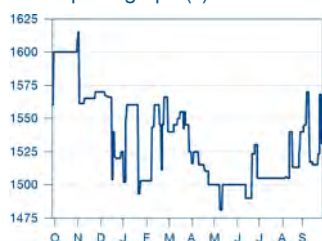
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2010A	179.10	6.50	3.80	1.47	12.93
2011A	171.40	5.80	3.30	1.33	14.29
2012E	171.00	4.60	2.50	1.27	14.97
2013E	183.50	7.00	4.00	1.74	10.93

Where available, consensus data has been sourced from Thomson Datastream

Sector: Food & Drink

Price: €1567.99  
Price as at 27 September 2012

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	2.8	2.5	0.5
Relative*	1.3	(8.9)	(10.1)

\* % Relative to local index

Analyst

Fiona Orford-Williams

## CoBrHa (COBH)

Market cap: €118m

COMPANY COMMENT

Full-year results showed the effects of a miserable summer, with slower H2 sales bringing the progress for the year back to +1.0%. Energy costs rose sharply, over 15% and labour costs were up 3.3%. Market share continued to build in on-trade, and export sales also moved ahead. Price increases were implemented in September and again in mid-April. Malt prices, however, moved ahead in Q311 and costs are likely to stay high in FY12. From Q311, key brands were moved to an exclusive on-trade distribution with a major retailer, the results of which will be evaluated in FY12.

INDUSTRY COMMENT

Belgian beer consumption increased +1.6% in FY11, against the trend of previous years. Pilsners have been losing market share to Abbey, blond, trappist and regional beers. Around 80% of Belgian-produced beers are exported and the on-trade has now fallen to 47% of the overall domestic market. The Belgian market is dominated by InBev (56%) and Heineken/Alken-Maes (11%).

Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2010A	91.97	10.15	7.71	N/A	N/A
2011A	91.96	9.37	6.39	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: Industrial Support Services

Price: €0.68  
Price as at 27 September 2012

Share price graph (€)



Company description

Cofidur specialises in electronic sub-contracting services. Sales by activity are equipping, assembling, and integrating electronic cards (87.2%); design and manufacture of printed circuits (11.1%); other (1.7%). Sales are distributed as France (98.4%), Europe (0.7%) and other (0.9%).

Price performance

%	1m	3m	12m
Actual	(6.8)	(15.0)	(13.9)
Relative*	(6.7)	(24.2)	(24.6)

\* % Relative to local index

Analyst

Richard Finch

## Cofidur (COFI)

Market cap: €5m

COMPANY COMMENT

Cofidur's H112 sales decline of 7% was a disappointment, notwithstanding typically low industry visibility. Only in the spring, guidance was for stable revenues in the period and maybe a fall of 5-10% for the full year (+9% like-for-like in 2011). The shortfall is attributed to macro rather than company factors, which explains perhaps the lack of renewed guidance other than confidence that full-year net profit will be ahead of 2011. The 40% reduction in H1 trading profit also appears disappointing after successful cost-cutting measures, eg site rationalisation and a widening of customer spend, drove 5% trading margin in H211 (under 2% in H112).

INDUSTRY COMMENT

IDC forecasts 4% growth in global semiconductor sales this year as the cyclical downturn eases from Q212. Even stronger growth is expected in 2013, led by continuing robust demand for smartphones and tablets. The Semiconductor Industry Association points to current regional divergence with Japan strong, Asia Pacific stable and the Americas and Europe "lagging."

Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2010A	98.60	(0.90)	(2.30)	(0.20)	N/A
2011A	96.35	(1.25)	2.76	0.32	2.13
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: Industrial Support Services

Price: €5.21  
Price as at 27 September 2012

## Share price graph (€)



## Company description

Cogra 48 specialises in producing and selling wood pellets. The group also imports, distributes, and installs wood pellet stoves and furnaces. At the end of 2010, Cogra 48 had 2 production sites located in France.

## Price performance

%	1m	3m	12m
Actual	5.0	10.4	N/A
Relative*	5.2	(1.6)	N/A

\* % Relative to local index

## Analyst

Richard Finch

## Cogra (COGR)

Market cap: €12m

## COMPANY COMMENT

Cogra has delivered broadly to plan in the year to June, with sales up 26% (guidance c 20%) and at notably higher margin (4% against 2% in FY11) despite a heating market down 11% in France. Such outperformance is impressive in itself, but arguably more important is its endorsement of rising consumer interest in wood pellets as a renewable and inexpensive source of energy. Cogra is accordingly strengthening marketing not only to expand internationally (27% of FY12 sales from exports), but also to capitalise on its integrated model as the only pellet producer and stove distributor in France. €1.9m was raised in April, in part for a new production site, due to open late next year. This should raise capacity by two-thirds.

## 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 and has set ambitious objectives well ahead of the EU directive. Its wood pellet production has risen dramatically in recent years.

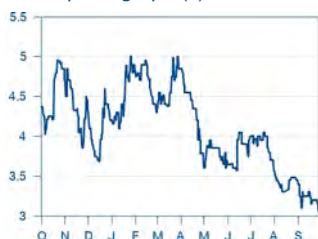
Y/E Jun	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2011A	10.35	0.17	0.16	N/A	N/A
2012A	13.05	0.51	0.35	N/A	N/A
2013E	N/A	N/A	N/A	N/A	N/A
2014E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

## Sector: Basic Industries

Price: €3.07  
Price as at 27 September 2012

## Share price graph (€)



## Company description

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

## Price performance

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

\* % Relative to local index

## Analyst

Roger Leboff

## Coil (ALCOI)

Market cap: €5m

## COMPANY COMMENT

First half sales, at €11.9m, were 4.8% lower y-o-y. Q2 was particularly weak, down 10.5% vs H111 due in part to a strong comparative, but also lower demand from industrial markets across western Europe and modest inventory levels, due to conservative forecasts by metal distributors. Some of this was offset by a ramp up of group activities in Asia, which helped it to secure new business in China. The H1 statement was cautious regarding 2012 and a sixth production line in Germany has temporarily been put on hold, as well as construction of an aluminium service centre.

## 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. Other, newer markets include Indonesia, the Philippines, Vietnam, India and Brazil. Investment in a new continuous anodising line at its German production site has provided scope to increase production capacity to meet global demand.

Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2010A	18.50	2.11	1.61	N/A	N/A
2011A	21.90	1.95	1.37	N/A	N/A
2012E	21.50	1.00	1.00	0.60	5.12
2013E	22.20	1.90	1.10	0.61	5.03

Where available, consensus data has been sourced from Thomson Datastream

Sector: Media & Entertainment

Price: €12.95  
Price as at 27 September 2012

Share price graph (€)



Company description

Groupe ConcoursMania specialises in developing online marketing game operations.

Price performance

%	1m	3m	12m
Actual	(5.5)	(3.4)	56.0
Relative*	(5.3)	(13.8)	36.8

\* % Relative to local index

Analyst

Fiona Orford-Williams

## Concoursmania (ALGCM)

Market cap: €43m

COMPANY COMMENT

Since flotation in May 2011, Concoursmania has announced a steady flow of good new client wins across a broad range of verticals, including media companies and film tie-ins, as well as consumer-facing brands. It intends tripling its FY11 revenues by FY14. Promotional gaming revenues grew 57% over H112 (52% of group), with the balance derived from B2C online casual gaming (+27% in H112). It has a partnership in Japan with Daishinsha, a JV to offer gamification to clients of Grey Europe, and has extended its B2B offer in games for social networks and mobile with the acquisition of Actiplay.

INDUSTRY COMMENT

At 25m active gamers (around 44% of the population), the French market is second in size in Europe to Germany. Growth within Facebook continues apace, with 16% of gaming hours now spent within the platform and mobile games accounting for another 11%. Console games remain the market leader, but the rapid rise in penetration of smartphones and tablets suits the gamification market particularly well.

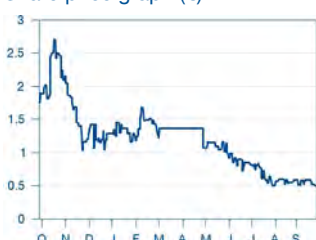
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2010A	7.55	1.50	0.91	N/A	N/A
2011A	10.57	2.48	1.67	N/A	N/A
2012E	16.47	N/A	2.36	0.74	17.50
2013E	21.45	N/A	3.15	0.98	13.21

Where available, consensus data has been sourced from Thomson Datastream

Sector: Media & Entertainment

Price: €0.50  
Price as at 27 September 2012

Share price graph (€)



Company description

CRM Company Group provides marketing 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	(13.8)	(40.5)	(73.5)
Relative*	(13.6)	(46.9)	(76.8)

\* % Relative to local index

Analyst

Fiona Orford-Williams

## CRM Company Group (ALCRM)

Market cap: €10m

COMPANY COMMENT

The refinancing was completed in July, raising €10.48m, including €2.63m cash. Post the subscription, D & P SME IV and the founders together now hold 81.8% of the equity (77% of the voting rights). The group has been reorganised into three business units and the JV with Le Figaro. Megalo & co works with brands on their web-based customer engagement strategies and implementations; bright & co specialises in cross-channel customer relationship management; life & co is working with brands on their web-based interactive health programmes and has recently won a contract with CNAM.

INDUSTRY COMMENT

Social CRM, marketing and customer engagement are taking an increasing proportion of the marketing budgets of major brand owners. The overall estimates for the French advertising industry have been reined in to around 0.5% for the current year, with a modest recovery into FY13. Online will continue to greatly outstrip these rates, with estimates running at around 12% for the current year.

Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2010A	16.82	0.62	(0.90)	N/A	N/A
2011A	16.43	0.30	(1.94)	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 &amp; Entertainment

Price: €6.07  
Price as at 27 September 2012

## Share price graph (€)



## Company description

Custom Solutions specialises in the supply of marketing services.

## Price performance

%	1m	3m	12m
Actual	(3.0)	(2.3)	20.0
Relative*	(2.9)	(12.8)	5.1

\* % Relative to local index

## Analyst

Fiona Orford-Williams

## Custom Solutions (ALSOL)

Market cap: €30m

## COMPANY COMMENT

The first half figures to March 2012 showed very strong growth across the business, with group revenues ahead by 31% and the supply chain business posting a 49% gain with the benefit of new clients won in 2011. This pace of gain may be difficult to maintain in H2, although a further 12 new clients across a range of sectors have been signed in the period. In October 2011, the group launched a pre-loaded customisable Visa card to be used for promotional purposes, which has had strong uptake by clients including Garmin, Pirelli and M6 Mobile. The group is targeting doubling its pan-European business in the current year to 10% of revenues.

## INDUSTRY COMMENT

Estimates of growth in the French advertising market continue to be pulled back, with ZenithOptimedia expecting 0.9% for FY12, improving to around 1.9% for FY13. Online marketing is expected to outperform considerably, with H112 growth of around 6% against an overall market ahead by 1%, with mobile and online video ads the strongest areas.

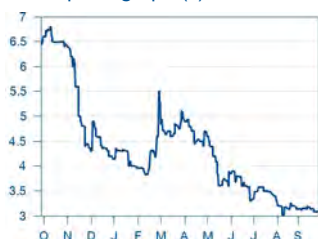
Y/E Sep	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2010A	15.72	2.25	1.71	N/A	N/A
2011A	20.06	2.67	1.81	N/A	N/A
2012E	23.80	2.90	2.70	0.56	10.84
2013E	22.60	3.30	2.60	0.53	11.45

Where available, consensus data has been sourced from Thomson Datastream

## Sector: Support Services

Price: €3.08  
Price as at 27 September 2012

## 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	(4.3)	(6.9)	(52.2)
Relative*	(4.2)	(17.0)	(58.1)

\* % Relative to local index

## Analyst

Fiona Orford-Williams

## D.L.S.I. (ALDLS)

Market cap: €8m

## COMPANY COMMENT

First half revenues were down 12.6%, partly reflecting the closure of unprofitable branches that had been turning over €4.8m. Stripping this out, the decline was only 8.3%, a good outperformance of the underlying market. A new branch was opened in the summer in Toulon. Online recruitment continues to grow strongly. Overseas revenues continued to expand and were ahead by 1.7% to account for 27.2% of group. Luxembourg and Switzerland are the largest markets outside France, with the German operation and the Polish start-up broadening the scope further.

## INDUSTRY COMMENT

Temporary employment in France fell 9.6% in the year to June 2012, but this represents a slight slackening in the rate of decline from the previous quarter (Source: PRISME). The latest EU statistics show unemployment at 10.3% in France, the highest figure since Q399 at over 3m. French GDP now shows three consecutive quarters of zero growth and expectations have again contracted to 0.3% for the full year; 0.8% for FY13.

Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2010A	172.70	3.64	1.40	N/A	N/A
2011A	205.20	5.85	1.46	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: Consumer Support Services

Price: €14.70  
Price as at 27 September 2012

Share price graph (€)



Company description

Damartex is one of Europe's leading distributors of clothing and accessories for seniors. The group's products are sold under the Afibel, Damart, Damart Sport, Happy D. by Damart, Maison du Jersey, Jours heureux, Sedagyl, and Delaby names.

Price performance

%	1m	3m	12m
Actual	(5.2)	(4.5)	(28.3)
Relative*	(5.0)	(14.9)	(37.1)

\* % Relative to local index

Analyst

Richard Finch

## Damartex (ALDR)

Market cap: €108m

COMPANY COMMENT

The company's focus on profit protection in the six months to June paid off with a near 50% rise in trading profit, despite a further decline in sales owing to economic gloom and unfavourable weather. However, such successful cost control could not make good the halving of trading profit in Damartex's seasonally stronger first half. Catalogue sales, the principal distribution channel, continued to be particularly weak (-7% in the year), but there is some encouragement in a pick-up in shop activity in H2 and in the small internet operation (+14%, but small in group terms). Net debt at June was well down on December, thanks to seasonality and better stock management. Caution is in order for the new financial year with the accent on cost control but not to the detriment of investment in the web site and shops.

INDUSTRY COMMENT

According to Markit, French retail sales fell in August for the fifth month in a row. The OECD's new forecast of only a marginal economic pickup in Q4 after a contraction in Q3, suggests that consumer spending will remain subdued.

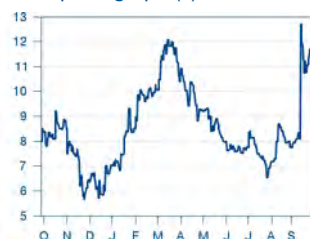
Y/E Jun	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2011A	697.90	35.70	20.40	N/A	N/A
2012A	660.80	27.20	12.00	N/A	N/A
2013E	645.00	N/A	10.00	1.45	10.14
2014E	662.00	N/A	12.00	1.78	8.26

Where available, consensus data has been sourced from Thomson Datastream

Sector: Alternative Energy

Price: €11.54  
Price as at 27 September 2012

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	46.1	50.8	35.3
Relative*	46.3	34.5	18.6

\* % Relative to local index

Analyst

Graeme Moyse

## Deinove (ALDEI)

Market cap: €56m

COMPANY COMMENT

Recent interim results showed a flat profile in operating costs, which helped conserve cash balances that now stand at €7.1m (company definition), despite the absence of revenue in H1. Also, Deinove's recent announcement that the Deinol project has reached the second milestone will trigger payments from OSEO in H2 and provides external validation of its progress. Assuming successful development of its process for the production of advanced biofuels, further milestone payments will be received in 2013 and 2014 and commercial deployment is scheduled to take place in 2014. Our DCF analysis (20% discount rate) suggests the market is assuming c 50% probability of success for Deinove's project. Note: revenue figures represent grant income and do not reflect any commercial progress/success.

INDUSTRY COMMENT

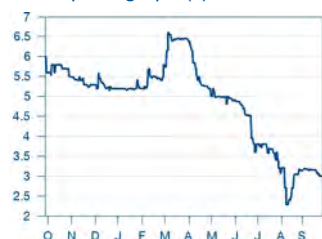
Environmentalism and security of energy supply will continue to underpin support for renewable technology. We believe second-generation biofuels will grow rapidly in the next 20 years.

Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2010A	0.60	(2.55)	(2.24)	N/A	N/A
2011A	0.64	(4.00)	(3.26)	(0.67)	N/A
2012E	0.70	(4.30)	(3.17)	(0.65)	N/A
2013E	1.50	(3.15)	(1.80)	(0.35)	N/A

## Sector: Support Services

Price: €2.99  
Price as at 27 September 2012

## 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	(6.0)	(16.9)	(50.2)
Relative*	(5.8)	(25.9)	(56.3)

\* % Relative to local index

## Analyst

Fiona Orford-Williams

## Demos (ALDMO)

Market cap: €18m

## COMPANY COMMENT

A capital injection of €12m by Montefiore Investment is due to be ratified on 5 October, combined with three seats on the Board. First half revenues down 2.5% comprised a mixed performance; good gains in custom business (50% of revenues) but slow catalogue sales (33%). The former should show stronger progress in H212 as new EU contracts start to kick in. Sales in the UK and US made good progress but conditions in the Iberian peninsula were dire. Ex-France revenues now account for 57% of group. Operational cost savings of €2.5m should be achieved in FY12; €4m in FY13.

## INDUSTRY COMMENT

In most developed economies, CPD is a given, enshrined in labour laws and seen as giving a competitive edge. Most markets are highly fragmented, although until relatively recently the French market was dominated by state-owned training company AFPA, with a long tradition of classroom-based training, holding back the adoption of e-learning. Only 17% of employers use this method for over half their work force, compared to 40% across other European countries.

Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2010A	102.22	5.66	1.12	N/A	N/A
2011A	103.33	0.84	3.99	N/A	N/A
2012E	108.00	4.00	3.00	0.42	7.12
2013E	113.00	6.00	4.00	0.66	4.53

Where available, consensus data has been sourced from Thomson Datastream

## Sector: Oil &amp; Gas

Price: €0.99  
Price as at 27 September 2012

## 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	17.9	(29.3)	(45.9)
Relative*	18.1	(36.9)	(52.6)

\* % Relative to local index

## Analyst

Roger Leboff

## Dietswell (ALDIE)

Market cap: €5m

## COMPANY COMMENT

FY11 results showed a work in progress, with a 32% increase in revenues and profitability edging ahead despite low levels of drilling operations activity, down 63% to €0.58m.

Conversely, there were strong performances from Services (technical assistance), the largest division with sales up 52% to €9.4m, supported by Solutions (engineering and rig design) and Factorig (rig audit and inspection) ahead 93% and 41% respectively. Technical assistance was boosted by new contracts (including Petronas, Total ABK and Chevron) signed by the Abu Dhabi office.

## INDUSTRY COMMENT

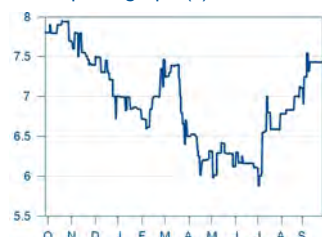
Market recovery continues after two difficult years on the back of a pick up in E&P investment. No drilling activity was logged for Dietswell's SEDLAR 160 drilling rig in 2011, but the year did see the group secure new contracts from Technip on offshore drilling equipment installations and a first contract awarded by CGG Veritas relating to a new seismic vessel. It is also seeing returns from the development of its Abu Dhabi branch office.

Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2010A	9.17	(1.96)	(5.03)	N/A	N/A
2011A	12.08	(1.12)	(1.68)	N/A	N/A
2012E	18.65	N/A	(0.24)	(0.05)	N/A
2013E	16.30	N/A	(0.45)	(0.09)	N/A

Where available, consensus data has been sourced from Thomson Datastream

**Sector: Technology**

Price: €7.43  
Price as at 27 September 2012

**Share price graph (€)**

**Company description**

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

**Price performance**

%	1m	3m	12m
Actual	6.3	21.6	(4.9)
Relative*	6.5	8.4	(16.6)

\* % Relative to local index

**Analyst**

Richard Finch

**DL Software (ALSDL)**

Market cap: €34m

**COMPANY COMMENT**

DL Software has defied a slowing of orders since the start of the year to deliver a further small increase in sales and gross profit in Q2. The company's strategy of growing recurrent income (54% of gross profit against 51% in H111) via investment in new subscription offers is evidently well in hand, with full deployment due by the end of the year. Continued low visibility in difficult times dictates caution but management remains as confident as ever about its robust, cash-generative model and expansion-led strategy. First half results are due in late October.

**INDUSTRY COMMENT**

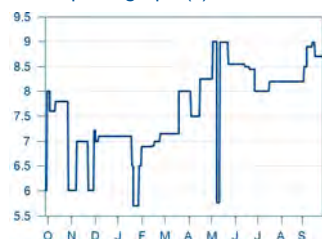
Capgemini's like-for-like sales in France saw a further slowdown in Q212, with a reported "slight fall" for the half, after a 1% rise in Q1; limited organic growth is expected this year, largely owing to public sector cuts. Capgemini's focus is on national accounts rather than DL's smaller business market, 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)
2010A	44.10	5.70	3.00	N/A	N/A
2011A	46.00	4.70	N/A	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: Technology**

Price: €8.70  
Price as at 27 September 2012

**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	8.8	44.8
Relative*	4.5	(3.4)	29.5

\* % Relative to local index

**Analyst**

Roger Leboff

**Emakina Group (ALEMK)**

Market cap: €33m

**COMPANY COMMENT**

First half sales at €24.7m were 25.5% ahead y-o-y, 23.2% like-for-like, at a 10.4% EBITDA margin (H111: 3.9%). Market share gains outside Belgium drove 30% turnover growth for international operations. Recent acquisitions in Geneva and FY12 client wins are behind a strong outlook, which anticipates similar sales growth in H212. Margins should also be ahead of 2011 due to cost control, efficiency gains and other initiatives to optimise production and supplier partnerships.

**INDUSTRY COMMENT**

Emakina helps customers to integrate new digital communications - websites, brand activations and digital applications - into their businesses. It is continuing to benefit from an explosion in demand for smartphones and digital tablets and appears to be well placed to continue to exploit these trends. It has built a full-service offering for clients via acquisitions such as Troy Agency. New national and international clients secured in 2012 include Peugeot, Orange, AG Insurance, Sanofi, SNCF and Mercedes.

Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2010A	33.10	1.72	(0.36)	(0.22)	N/A
2011A	40.30	1.90	(0.84)	(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: Media &amp; Entertainment

Price: €1.90  
Price as at 27 September 2012

## 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	5.0	(13.2)	(38.7)
Relative*	5.1	(22.6)	(46.3)

\* % Relative to local index

## Analyst

Richard Finch

## Entrepaticuliers.com (ALENT)

Market cap: €7m

## COMPANY COMMENT

With revenue down by a further 25% in Q212 and no sustained recovery in sight, profit protection is understandably a priority. To that end, management has done well to double first half trading profit, if from a low level, and to ensure continued healthy finances (debt free at June). For the rest of the year, guidance is only for further strict attention to costs and potential benefits from recent marketing reorganisation (there are initial positive signs in September activity). The company is also looking at value-added services aimed at expediting property transactions, which free sites cannot emulate.

## INDUSTRY COMMENT

Entrepaticuliers.com's respected barometer shows some stabilisation in the French housing market. The number of new properties put up for sale directly by owners, advertising on the internet or in a newspaper is up 5% in the last quarter, if flat in August (-9% in the year to date and -6% in 2011). Price stability (-2% year-on-year) may be simply a function of a lack of vendors.

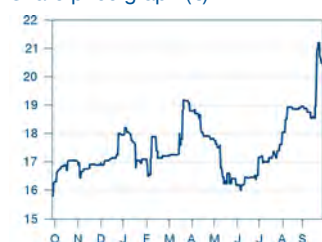
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2010A	10.10	1.20	0.80	N/A	N/A
2011A	9.30	0.60	N/A	N/A	N/A
2012E	N/A	N/A	N/A	N/A	N/A
2013E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

## Sector: Engineering

Price: €20.50  
Price as at 27 September 2012

## Share price graph (€)



## Company description

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

## Price performance

%	1m	3m	12m
Actual	8.5	23.9	29.7
Relative*	8.7	10.5	13.7

\* % Relative to local index

## Analyst

Richard Finch

## Environnement SA (ALTEV)

Market cap: €33m

## COMPANY COMMENT

A small reduction in H112 sales is respectable, given economic pressures on Environnement's key European and US operations. Such resilience is tribute to the international business spread of both group subsidiaries and its distribution network; notable H1 successes were sales gains in Asia and the Middle East of 37% and 60% respectively. Impressively, important new contracts in the US, India and Saudia Arabia underpin guidance that current trading is "very good." In addition, management appears similarly enthusiastic about its July acquisition of the industrial instrumentation activity of OTI Industrie, which apart from adding a high-growth operation (sales up over 10% last year), will broaden Environnement's product range. H1 results are due in late-October.

## INDUSTRY COMMENT

Veolia Environnement's Water Technologies & Networks division grew like-for-like revenue by 8% in H112 (+6% in Q2) as a result of greater industrial client activity as well as the progress of a particular contract in Hong Kong.

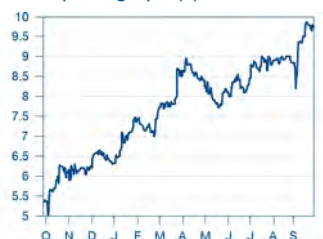
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2010A	40.10	2.70	2.60	1.61	12.73
2011A	44.70	3.00	1.80	1.10	18.64
2012E	45.80	3.20	2.80	1.76	11.65
2013E	47.60	3.30	3.00	1.90	10.79

Where available, consensus data has been sourced from Thomson Datastream

Sector: Technology

Price: €9.73  
Price as at 27 September 2012

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	7.0	17.7	85.3
Relative*	7.2	4.9	62.4

\* % Relative to local index

Analyst

Roger Leboff

## Esker (ALESK)

Market cap: €45m

COMPANY COMMENT

Material acceleration in client adoption of Esker's Cloud-based solutions was behind the 14% y-o-y growth in first half sales (8% at constant exchange rates) and a 40% increase in operating profit. Cloud-based sales were 27% ahead y-o-y and contributed 53% of H112 sales. New business signed during the period sets up the group for the second half - the outlook is 10% growth for FY12 overall - and into 2013. Cash generation was strong again, with over €11m of net cash at the mid-year after payment of a €0.55m dividend.

INDUSTRY COMMENT

Esker is a worldwide leader in document process automation, to reduce paper use, eliminate manual processes and improve productivity and environmental impact. It helps clients automate and computerise receipt and despatch of documents (invoices, purchase orders, invoices, letters, e-business and marketing, payroll) by mail, fax, email or SMS. Over 80,000 corporate clients worldwide include Adecco, AGF, Aldine, EDF, Flammarion, Lafarge, Manpower, Whirlpool and Samsung.

Y/E Mar	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2010A	32.70	1.80	1.47	N/A	N/A
2011A	36.20	3.80	2.64	N/A	N/A
2012E	36.30	2.70	1.95	0.39	24.95
2013E	38.95	3.15	2.20	0.45	21.62

Where available, consensus data has been sourced from Thomson Datastream

Sector: Property

Price: €9.98  
Price as at 27 September 2012

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	1.8	1.8	21.1
Relative*	2.0	(9.2)	6.2

\* % Relative to local index

Analyst

Roger Leboff

## Eurasia Groupe (ALEUA)

Market cap: €71m

COMPANY COMMENT

An increase in returns from warehouse rentals was behind the improvement in full-year turnover, although increases in staff and other expenses resulted in a 37% fall in operating income. The group's portfolio of units sub-let to third parties was 92% occupied at the period end. In August 2011 Eurasia paid €7m for an existing warehouse site in Le Havre - 78,250sqm on a 150,000sqm plot - and plans a €16m redevelopment to meet the needs of local business occupiers. Anticipated gross rent should rise from €0.99m pa to €2.99m pa, an estimated 13% IRR.

INDUSTRY COMMENT

The group owns a portfolio of commercial property (logistics warehouses, retail showrooms and offices) in Ile de France, mainly in northern Paris. It operates in three areas: directly owned, leased from third-party landlords and hotel operation. Its assets are typically subdivided and let to a range of tenants, to provide 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)
2010A	17.80	0.95	0.65	N/A	N/A
2011A	17.46	0.60	0.24	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

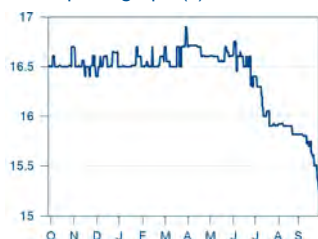
Where available, consensus data has been sourced from Thomson Datastream



## Sector: Food &amp; Drink

Price: €15.26  
Price as at 27 September 2012

## 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	(3.5)	(6.4)	(6.4)
Relative*	(3.4)	(16.5)	(18.0)

\* % Relative to local index

## Analyst

Fiona Orford-Williams

## Eurogerm (ALGEM)

Market cap: €66m

## COMPANY COMMENT

The company is moving to a calendar year basis, so presented its nine-month figures to December. These showed I-f-I growth in sales of 6.7% and a modest advance in both gross and operating margin despite the increase in labour costs following the IDS acquisition. International expansion and new product innovation are core elements of group strategy and overseas sales represented 47% of the total in the period. The 10-year 50:50 JV with Japanese-quoted bakery products group, Nisshin Seifun, is enabling access to ASEAN markets, while markets in Latin and North America, South and East Africa are also targeted. Interims are scheduled for 3 October.

## INDUSTRY COMMENT

Following poor weather in many producing regions, prices for French wheat continued firm and the export market has been strong. Artisan bakers is still the largest retail segment, but across Europe the bake-off market is rising steadily. After a long period of falling bread consumption, French demand appears to have stabilised at around 58kg per person.

Y/E Mar / Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2010A	50.00	3.90	3.14	0.46	33.17
2011A	52.82	4.55	2.88	0.67	22.78
2012E	56.64	N/A	2.89	0.73	20.90
2013E	59.95	N/A	3.33	0.84	18.17

Where available, consensus data has been sourced from Thomson Datastream

## Sector: Engineering

Price: €1.68  
Price as at 27 September 2012

## 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	(0.6)	18.3	3.1
Relative*	(0.4)	5.5	(9.7)

\* % Relative to local index

## Analyst

Roger Leboff

## Europlasma (ALEUP)

Market cap: €23m

## COMPANY COMMENT

FY11 saw growth in all business sectors, and positive or break-even results other than for hazardous waste treatment. Intertam reported record commercial sales but the net result was affected by furnace downtime for technical reasons, overcome by €1.2m of investment to adapt operations for the variable quality of asbestos waste. The CHO Morcenx power plant, completed in June 2012, should from H2 demonstrate the sustainability of the group's plasma torch technology and see higher contributions from renewable energy production. Europe Environnement sales grew 25% with better margins.

## INDUSTRY COMMENT

CHO-Power's new technology can process waste biomass from agricultural and forestry sources to create fuel usable for electricity production. The outlook for all three divisions is underpinned by increasingly rigorous anti-pollution legislation. Group clients include contracts with a leading Spanish household waste collector/processor and for asbestos and hazardous waste destruction, major French clients.

Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2010A	40.80	0.40	0.63	N/A	N/A
2011A	58.00	(0.45)	(1.34)	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: Electrical Equipment

Price: €15.71  
Price as at 27 September 2012

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	(3.9)	5.3	20.8
Relative*	(3.7)	(6.1)	5.9

\* % Relative to local index

Analyst

Richard Finch

## Evolis (ALTV)

Market cap: €81m

COMPANY COMMENT

Evolis has done well in H1 to almost hold trading margin (15% against 17%), given wholesale product renewal, pricing and currency pressures and the underperformance of its Accessories division. With like-for-like sales up 13%, key new products have been well received, especially the Zenius range in Asia Pacific where sales rose by over a third in H1, while synergies from the integration of Sogedex are expected increasingly over the rest of the year. EMEA has proved impressively resilient, with sales up 23% in H1. Although tough conditions and low visibility persist, management remains enthusiastic about its markets and opportunities for expansion (the company is strongly cash generative with €12m net cash at June).

INDUSTRY COMMENT

US competitor Zebra Technologies has reported marked regional divergence in Q212 with high growth in North America, offset by lower sales in Asia Pacific and Europe. Q3 sales are forecast to be flat at best. HID, part of the Swedish group ASSA ABLOY, achieved "strong growth" in Q2 in access control and identification technology.

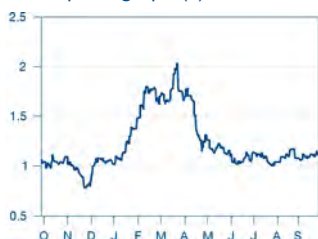
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2010A	42.50	7.20	5.50	N/A	N/A
2011A	44.40	6.80	N/A	N/A	N/A
2012E	44.40	N/A	5.20	1.00	15.71
2013E	48.00	N/A	5.60	1.10	14.28

Where available, consensus data has been sourced from Thomson Datastream

Sector: Pharma & Healthcare

Price: €1.12  
Price as at 27 September 2012

Share price graph (€)



Company description

Exonhit is a biotech company, focused on personalised medicine. It develops innovative diagnostic and therapeutic products, principally for cancer and Alzheimer's disease.

Price performance

%	1m	3m	12m
Actual	2.8	6.7	5.7
Relative*	2.9	(4.9)	(7.4)

\* % Relative to local index

Analyst

Wang Chong

## Exonhit (ALEHT)

Market cap: €39m

COMPANY COMMENT

Exonhit's lead diagnostic test for Alzheimer's disease (AD), AclarusDx, is in a 600-patient clinical trial across France and 160-patient observational study in the US. It has also formed a collaboration with Pfizer to identify new AD biomarkers. 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 to advance EHT 0202 into Phase IIb in AD. Allergan has extended its collaboration until the end of 2013. Exonhit ended H112 with €11.2m cash on stable revenues from its partnership with Allergan.

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)
2010A	8.42	(7.12)	(7.70)	(0.23)	N/A
2011A	5.00	(8.36)	(7.10)	(0.20)	N/A
2012E	5.00	(10.26)	(6.00)	(0.26)	N/A
2013E	5.00	(11.03)	(8.00)	(0.28)	N/A

## Sector: Pcare and household prd

Price: €1.40  
Price as at 27 September 2012

## 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	(17.6)	(1.7)	(52.0)
Relative*	(17.5)	(12.3)	(57.9)

\* % Relative to local index

## Analyst

Richard Finch

## Fashion B Air (ALFBA)

Market cap: €14m

## COMPANY COMMENT

With sales down 29% in the quarter to June, Fashion Bel Air's start to the financial year appears as drab as the economy and unseasonal weather, which continued to depress. However, impressively, like-for-like own-shop sales were slightly up and even with three fewer outlets down by 11%, which compares well with market spend, apparently down by 17%. By contrast, sales by department stores were predictably much less resilient (-54%). Although the recent rights issue (1 for 5 at €1.25) was only 85% subscribed, the €1.7m proceeds should allow the company to capitalise on opportunities for store expansion, afforded by a subdued market. Q2 sales are due in late-October.

## INDUSTRY COMMENT

According to Markit, French retail sales fell in August for the fifth month in a row. The OECD's new forecast of only a marginal economic pickup in Q4 after a contraction in Q3, suggests that consumer spending will remain subdued. Fashion Bel Air's relatively mainstream position despite moving up-scale is very competitive, owing to cheap imports and low barriers to entry.

Y/E Dec / Mar	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2010A	19.40	2.50	0.60	N/A	N/A
2012A	25.00	(0.70)	(1.30)	N/A	N/A
2013E	N/A	N/A	N/A	N/A	N/A
2014E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

## Sector: Engineering

Price: €6.08  
Price as at 27 September 2012

## 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	1.7	(23.4)	(20.5)
Relative*	1.8	(31.7)	(30.3)

\* % Relative to local index

## Analyst

Richard Finch

## Fountaine Pajot (ALFPC)

Market cap: €10m

## COMPANY COMMENT

Ahead of key autumn trade shows, Fountaine Pajot has confirmed that sales for the year just ended, due in mid-October, will be up. The company has earlier reported strong initial orders for its important flagship model, Sanya 57, which drove H1 sales up 10%. Not only is the catamaran market proving more resilient than the boat market as a whole (the company's order book at mid-April was up 18%), but management points to its enhanced product range and marketing, especially in high-potential areas such as Asia Pacific and South America (52% of H112 sales outside Europe) and its expansion of complementary services such as energy efficiency and marina berths.

## INDUSTRY COMMENT

11% sales decline by Beneteau's Boats operation in the quarter to August underlines the difficulty of the boat market in general. The industry leader confirms the buoyancy of Asian demand in contrast to that in Europe. Evidence of renewed economic downturn awakens 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)
2010A	32.20	(1.80)	(1.00)	(0.67)	N/A
2011A	35.30	(0.50)	(2.00)	N/A	N/A
2012E	37.60	N/A	0.00	(0.02)	N/A
2013E	39.40	N/A	0.40	0.24	25.33

Where available, consensus data has been sourced from Thomson Datastream

Sector: Industrial Support Services

Price: €2.39  
Price as at 27 September 2012

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	(10.2)	11.2	(34.9)
Relative*	(10.0)	(0.9)	(42.9)

\* % Relative to local index

Analyst

Richard Finch

## Gaussin (ALGAU)

Market cap: €17m

### COMPANY COMMENT

Gaussin advised in August that it would report by the end of September on measures being taken to carry it through its key marketing phase. Meanwhile it had completed a further fund-raising (€1m), with the possibility of more of the same. Gaussin has long been confident that 2012 would see the initial orders for its flagship automatic terminal trailer (ATT), now that it has a fleet of demonstration vehicles available worldwide rather than a single prototype. At June it had memoranda of understanding with six clients for potentially 458 vehicles, but the challenge remains to convert this interest. There were also agreements (subject to contract) with its international distributors for 282 vehicles over three years.

### INDUSTRY COMMENT

As the global economy is curbed by European recession, the OECD forecasts that G7 countries will grow at an annualised rate of only 0.3% in Q3 and 1.1% in Q4. While Germany and Japan are set to contract, the US may fare better with c 2% annualised gain. In July the IMF held its forecast of 2012 global GDP growth of 3.5%, albeit with many caveats.

Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2010A	3.54	(5.09)	(5.10)	(1.93)	N/A
2011A	3.23	(4.81)	(7.07)	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: €2.68  
Price as at 27 September 2012

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	8.1	84.8	15.5
Relative*	8.2	64.8	1.2

\* % Relative to local index

Analyst

Mick Cooper

## Genfit (ALGFT)

Market cap: €41m

### COMPANY COMMENT

Recent results from a Phase II support the potential of Genfit's lead drug GFT505 in diabetes as all efficacy endpoints were met (increased insulin sensitivity, lower liver dysfunction and inflammatory markers) and no adverse side-effects were detected. A further study showed safety and efficacy at a dose three times higher than the therapeutic dose. In the US, the FDA has recently given approval for a Phase IIb trial for GFT505 in non-alcohol hepatic steatosis and cardiovascular complications. Genfit received in April 2012 the first milestone of up to \$55m payable from its metabolic disorders collaboration with Sanofi. The H112 cash position was €11m, having raised €2.7m in H112.

### 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 40 million in 2007 to 74 million 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)
2010A	7.63	(7.66)	(9.38)	(0.81)	N/A
2011A	6.78	(7.67)	(9.68)	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 &amp; Healthcare

Price: €2.60  
Price as at 27 September 2012

## 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	8.8	9.2	1.6
Relative*	9.0	(2.6)	(11.0)

\* % Relative to local index

## Analyst

Mick Cooper

## GenOway (ALGEN)

Market cap: €15m

## COMPANY COMMENT

GenOway supplies over 285 academic institutions and biopharmaceutical companies with its genetically-modified animals (two prestigious US universities have just become clients). Its proprietary technology is used to establish standard disease models or generate specific transgenic animals to order. In FY11 sales rose by 5% to €7.7m and net income was €0.50m, but the impact of austerity measures led to sales falling by 7.6% to €3.5m and a net loss of €0.41m. However, the company is confident that recently formed collaborations with various companies including StemCells, PhenoPro and Bluebird Bio to assist the development of new animal models and additional services should return the company to growth.

## INDUSTRY COMMENT

Genetically-modified animal models enhance the R&D process during the development of novel therapeutic drugs. A recent 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)
2010A	7.30	0.70	0.60	N/A	N/A
2011A	7.70	0.36	0.50	N/A	N/A
2012E	8.50	0.70	0.80	0.13	20.00
2013E	10.20	1.07	1.20	0.20	13.00

Where available, consensus data has been sourced from Thomson Datastream

## Sector: Consumer Support Services

Price: €53.00  
Price as at 27 September 2012

## 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	0.3	(5.9)	0.0
Relative*	0.5	(16.1)	(12.4)

\* % Relative to local index

## Analyst

Richard Finch

## Gevelot (ALGEV)

Market cap: €48m

## COMPANY COMMENT

Gevelot's caution in the face of a difficult European automotive market was justified with a virtual halving of H1 trading profit on sales down 6%. Weakness was across the board, perhaps most notably in domestic extrusion (-12%) in stark contrast to German resilience. The other major division, Pumps, with sales down 4%, was affected by turbulence in oil and gas markets and a tough comparative. The outlook is arguably no brighter as automotive conditions remain depressed and manufacturers, Gevelot's customers, are preoccupied with restructuring. 2012 guidance is consequently vague, suggesting only that the company may remain profitable at the net level.

## INDUSTRY COMMENT

According to ACEA, new car registrations in the EU were down 7% in the calendar year to August. Performance was especially weak in France (-13%), compared with the UK (+3%) and Germany (-1%). The OECD's new forecast of contraction in the three leading euro economies for the rest of 2012 suggests that consumer spending will remain subdued.

Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2010A	189.63	13.30	8.90	9.37	5.66
2011A	220.80	20.30	13.70	15.01	3.53
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: Oil & Gas

Price: €20.35  
Price as at 27 September 2012

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	5.8	2.2	7.1
Relative*	5.9	(8.9)	(6.1)

\* % Relative to local index

Analyst

Mark Cartlich

## Global Bioenergies (ALGBE)

Market cap: €37m

COMPANY COMMENT

After opening a new US branch and raising €3.04m at €19.8 per share in July, the group has focused on scaling up the lab pilot for isobutene. The new capital is funding the development phase of its isobutene process and studies for an industrial pilot, the construction of which will require further funding next year, before the company starts licensing the process to partners. It is also financing research for other programmes, dedicated to producing other molecules biologically, such as propylene or butadiene. For this last molecule, a partnership with Synthos, a European rubber manufacturer, was signed last year.

INDUSTRY COMMENT

Global Bioenergies is developing a process to convert renewable resources into isobutene, one of the most important petrochemical building blocks. It can be converted into fuels, plastics, organic glass and elastomers. It intends to replicate this success with other members of the gaseous alkene family, key molecules for the petrochemical industry, currently derived exclusively from fossil oil.

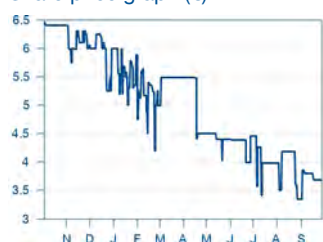
Y/E Jun	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2010A	N/A	(1.57)	(1.30)	N/A	N/A
2011A	N/A	(1.98)	(1.58)	N/A	N/A
2012E	1.00	(2.80)	(2.90)	(1.70)	N/A
2013E	3.20	0.20	(0.10)	(0.04)	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Investment Companies

Price: €3.69  
Price as at 27 September 2012

Share price graph (€)



Company description

Global Equities CF (formerly Assya Compagnie Financière) is an independent international financial services company.

Price performance

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

\* % Relative to local index

Analyst

Richard Finch

## Global Equities CF (ALGS)

Market cap: €53m

COMPANY COMMENT

Ahead of H112 results, Global Equities is re-focusing in the face of economic uncertainty on its core broking, corporate finance and asset management activities in France and Greece.

During 2011, it acquired the Greek investment house Eurocorp and disposed of its real estate division, insurance business and non-French and Greek operations for c €23m, as well as its stake in Saxo Bank. Operating expenses rose significantly due to a 100% increase in employees. Due to this restructuring and notable increase in operating expenses, Assya's net income fell to -€15.4m in 2011 (2010: €3.4m).

INDUSTRY COMMENT

Recent developments in peripheral Europe have increased the risk premium and cost of insuring Greek debt to record highs. Holders of periphery sovereign debt are increasingly concerned about further debt re-structuring, notably Greek and Spanish debt, despite the ongoing support from the EU/IMF to avoid default.

Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2010A	6.50	(2.80)	3.29	0.89	4.15
2011A	22.90	(16.60)	(15.40)	(1.41)	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: Mining

Price: €5.82  
Price as at 27 September 2012

## Share price graph (€)



## Company description

Gold by Gold specialises in buying and recycling gold and silver. The processed products are resold primarily to the jewellery industry. The company's activity is organised essentially around two divisions: gold trading and buying and reprocessing gold and silver items.

## Price performance

%	1m	3m	12m
Actual	7.4	3.7	N/A
Relative*	7.6	(7.5)	N/A

\* % Relative to local index

## Analyst

Roger Leboff

## Gold by Gold (ALGLD)

Market cap: €16m

## COMPANY COMMENT

The group's first update since its April IPO was for sales during the first half of 2012. There was 32% y-o-y growth in gold volumes traded to €1.6m, and 103% higher gold collected in France at €0.14m. The latter was mainly the result of new collection points for Gold&Go, with nine stores as at the end of June 2012 vs six as at end FY11. The figures also reflected 24% y-o-y growth in gold prices during Q212. Gold by Gold plans further investment in consumer activities via the internet and roll-out of more than 20 collection points by 2014.

## INDUSTRY COMMENT

Three operating divisions cover the entire supply chain for precious metals, from extraction/purchase to resale. Created in 1992, operations include collection in France, recycling technology and trading of precious metals. The trading division trades gold between primary source and collectors based in South American countries, mainly Peru and Europe. Other operations cover collection and recycling of gold from individuals in France.

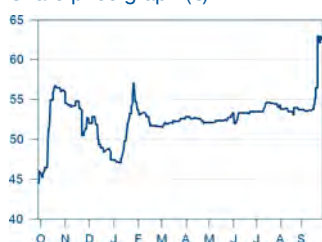
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2010A	60.56	0.58	0.45	N/A	N/A
2011A	111.38	1.68	1.11	N/A	N/A
2012E	N/A	N/A	N/A	N/A	N/A
2013E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

## Sector: Industrial Support Services

Price: €62.80  
Price as at 27 September 2012

## Share price graph (€)



## Company description

Groupe Guillin is one of the largest European manufacturers of plastic food packages. The group also produces packaged delivery equipment. The group's activity is organised around two product families: plastic packages and packaged delivery equipment.

## Price performance

%	1m	3m	12m
Actual	16.9	17.4	41.1
Relative*	17.1	4.7	23.7

\* % Relative to local index

## Analyst

Richard Finch

## Groupe Guillin (ALGI)

Market cap: €116m

## COMPANY COMMENT

Groupe Guillin has defied all manner of challenges, including economic gloom, weather and high raw material prices, to deliver a spectacular 63% increase in trading profit in H112 on sales up just 3%. Although this contrasts markedly with the cautious tone of the company's previous update in April, there had been encouragement in Q411 margin recovery owing to higher sales prices. The predominant business, Packaging, continued in similar a vein in H1 with sales up 4% on almost flat volumes, while Equipment softened on budget cutbacks. Despite the unpredictability of raw material prices management guidance is for 2012 results to be clearly ahead. Gearing at June, the seasonal peak, was 62%, well down year-on-year.

## INDUSTRY COMMENT

RPC, Europe's leading supplier of rigid plastic packaging, has reported that its gross margins in the quarter to June were affected by higher polymer prices, which reached record levels in May before falling significantly. This followed a "relatively benign" raw material price environment in H211.

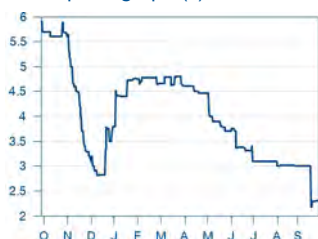
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2010A	403.70	30.40	18.80	N/A	N/A
2011A	457.30	22.20	11.00	N/A	N/A
2012E	403.70	28.00	18.80	9.24	6.80
2013E	457.30	23.30	12.90	6.96	9.02

Where available, consensus data has been sourced from Thomson Datastream

Sector: Consumer Support Services

Price: €2.29  
Price as at 27 September 2012

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	(23.7)	(30.8)	(62.1)
Relative*	(23.5)	(38.3)	(66.8)

\* % Relative to local index

Analyst

Fiona Orford-Williams

## Groupe Jemini (ALJEM)

Market cap: €13m

COMPANY COMMENT

FY11 results showed a heavy downturn, principally due to a fall off in export sales. The eurozone crisis seriously affected demand from Italy, Spain and Greece, while UK sales were hit by a competitor's takeover of a major customer. Problems continued in H112 with order cancellations following overstocking and returns. In May, the group announced the replacement of Daniel Lévi by Patrick Abessira, who is now chairman and CEO. The character licence portfolio includes many of the best-performing evergreens in France, including Disney and Warner Brothers characters, as well as Tintin, Babar and Les Schtroumpts, together with more recent licences such as Les Lapins Crétins, Lulu Vroumte and Angry Birds.

INDUSTRY COMMENT

Trade body LIMA estimates the overall licensing market is worth around over \$5bn in royalty income, of which character licensing represents around half. This segment is dominated by a few large players in toys, games and video games, with other categories widely spread.

Groupe Jemini's intention is to be a consolidator.

Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2010A	16.02	3.33	1.91	N/A	N/A
2011A	33.56	(0.64)	(1.54)	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: Property

Price: €33.46  
Price as at 27 September 2012

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	29.9	52.1	37.1
Relative*	30.2	35.6	20.2

\* % Relative to local index

Analyst

Roger Leboff

## Groupe Proméo (ALMEO)

Market cap: €102m

COMPANY COMMENT

The strong FY11 performance was broadly based. Both divisions were well ahead y-o-y, with Heritage 30% up at €107m as Q4 benefited as buyers took advantage of tax benefits due to expire at the end of 2011. The division seeks to benefit this year from diversification into markets within social housing, home ownership and managed residences. Leisure Village Centers was up 58% to €69m. The group completed a strategic partnership with 21 Centrale Partners in July, creating Europe's leading outdoor park group (38 campsites under management) and providing operational synergies.

INDUSTRY COMMENT

Groupe Proméo is a specialist developer/operator of French leisure accommodation. It has two divisions, Heritage Village Center (residential property) and Leisure Village Center (operation of camping sites and leisure villages). It derives competitive advantages and synergies via integration of property development, marketing and site operation and a more balanced revenue profile, which combines rentals and property sales.

Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2010A	126.74	18.70	10.10	3.24	10.33
2011A	176.30	24.20	12.90	N/A	N/A
2012E	126.85	18.90	10.05	3.27	10.23
2013E	174.65	24.00	12.00	3.76	8.90

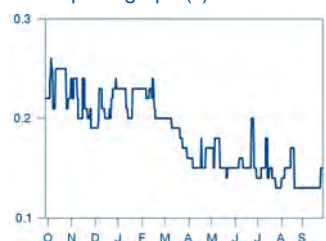
Where available, consensus data has been sourced from Thomson Datastream



## Sector: Basic Industries

Price: €0.15  
Price as at 27 September 2012

## 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	15.4	0.0	(28.6)
Relative*	15.6	(10.8)	(37.4)

\* % Relative to local index

## Analyst

Richard Finch

## H2O Innovation (ALHEO)

Market cap: €9m

## COMPANY COMMENT

Although sales growth in the three months to June held the impressive pace of the previous quarter (+43%), gross margin was materially affected by problems with execution of two significant projects and stock provisions. The impact at the adjusted EBITDA level (C\$0.5m loss against break-even) was compounded by non-recurring expenses including termination costs relating to senior management cutbacks. A consequent strategic review has centred on measures to improve project execution, which are now being implemented. Guidance for the new financial year is that although the order backlog at June was above \$C20m, management is addressing a lower than expected contribution from water treatment systems and equipment. Further double-digit growth in high-margin speciality chemicals is targeted.

## 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.

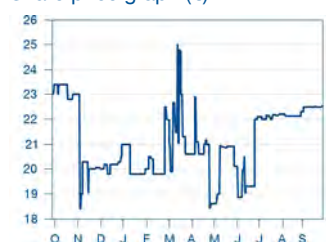
Y/E Jun	Revenue (C\$m)	Op. Profit (C\$m)	Net income (C\$m)	EPS (C\$)	P/E (x)
2011A	27.63	8.16	N/A	N/A	N/A
2012A	35.91	8.28	N/A	N/A	N/A
2013E	N/A	N/A	N/A	N/A	N/A
2014E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

## Sector: Technology

Price: €22.55  
Price as at 27 September 2012

## 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	1.9	2.5	(2.0)
Relative*	2.1	(8.6)	(14.1)

\* % Relative to local index

## Analyst

Richard Finch

## Harvest (ALHVS)

Market cap: €31m

## COMPANY COMMENT

Harvest has consolidated pick-up from H211 weakness with a second quarter of top-line growth (+2%) despite a strong comparative (+9%). Progress has again been virtually across the board and significant in terms of recurrent income (73% of H1 group revenue from maintenance and licence leasing against 71% in the corresponding half). A dip in interim trading margin from 14% to 12% is attributed to a 7% increase in staffing in 2011 and is not expected to upset longstanding margin guidance of approaching 20% for the full year thanks to the company's trading seasonality and a much improved orderbook. Harvest remained debt free at June and has proposed a maintained dividend.

## INDUSTRY COMMENT

As the global economy is curbed by European recession, the OECD has recently forecast that G7 countries will grow at an annualised rate of only 0.3% in Q3 and 1.1% in Q4. The French economy is not expected to fare so well with contraction in prospect in Q3 and only the barest pick-up in Q4.

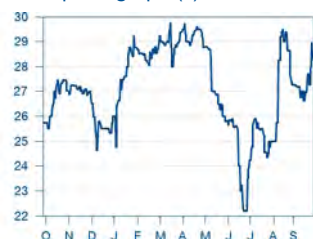
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2010A	15.00	3.14	1.92	1.39	16.22
2011A	15.30	2.60	1.76	1.27	17.76
2012E	N/A	N/A	N/A	N/A	N/A
2013E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Oil & Gas

Price: €28.25  
Price as at 27 September 2012

Share price graph (€)



Company description

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

Price performance

%	1m	3m	12m
Actual	(0.0)	20.3	10.8
Relative*	0.1	7.2	(2.9)

\* % Relative to local index

Analyst

Ian McLelland

## Heurley Petrochem (ALHPC)

Market cap: €96m

COMPANY COMMENT

Heurley continues to make steady progress in terms of financial performance. H112 revenues of €163m are broadly in line with 2011, and we expect full year revenues to be largely similar with €150-160m of the end H112 order book of €440m likely to be converted into revenue. Underlying operating profit appears to be improving (a 10% increase on H111 excluding a €2m legal provision) with the company forecasting €10-12m for 2012 as a result of a strong increase in contracts signed in 2011-2012. Keeping all of this running, of course, requires a replenishing order book for which a recent €59m contract for two ethylene furnaces keeps things on track.

INDUSTRY COMMENT

Heurley Petrochem supplies furnaces to refinery, petrochemical and hydrogen customers along with natural gas treatment equipment. With oil prices approaching peak levels, we would expect demand from integrated oil producers and refiners to remain high. 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)
2010A	235.40	9.40	4.50	1.28	22.07
2011A	344.30	12.70	3.40	(0.93)	N/A
2012E	339.65	14.10	6.61	2.27	12.44
2013E	367.46	14.69	8.92	2.99	9.45

Where available, consensus data has been sourced from Thomson Datastream

Sector: Technology

Price: €6.28  
Price as at 27 September 2012

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	10.8	11.7	11.2
Relative*	10.9	(0.4)	(2.6)

\* % Relative to local index

Analyst

Roger Leboff

## Hitechpros (ALHIT)

Market cap: €11m

COMPANY COMMENT

H112 sales were €6.8m, 3% down y-o-y. Q2 saw a 7% fall after a marginally better first quarter. Staffing was particularly weak, with H112 down 5% y-o-y, adversely affected by slower initiation of projects by large company IT departments, longer decision cycles and pricing pressure. However, subscription sales were 7% up y-o-y and aggregate operating profit margins improved to 9.7%. The group was in sound financial condition at end-H112, with €4.3m of net debt.

INDUSTRY COMMENT

Digital Syntec forecasts see 1% growth in the software industry and IT services this year. The group's recent growth has reflected industry investment and price increases with staffing (c 80% of revenues) key; it has placed 150-200 IT professionals permanently with clients. Hitechpros is France's leading marketplace for specialised outsourcing IT sector services. Two complementary web-based marketplace activities combine IT sector participants (IT services companies, consultants and training specialists) and brokerage activities.

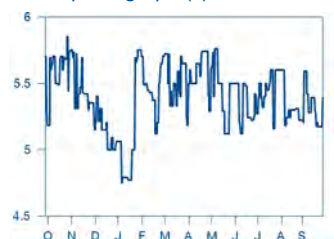
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2010A	12.60	1.30	0.87	N/A	N/A
2011A	14.50	1.30	N/A	N/A	N/A
2012E	N/A	N/A	N/A	N/A	N/A
2013E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

## Sector: Travel &amp; Leisure

Price: €5.39  
Price as at 27 September 2012

## 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	3.3	(0.6)	(4.9)
Relative*	3.4	(11.3)	(16.7)

\* % Relative to local index

## Analyst

Richard Finch

## Homair (ALHOM)

Market cap: €71m

## COMPANY COMMENT

Homair looks set to miss its target of 10% sales growth in the year to September as booked sales for 11 months were up by just 6.5%, as was the case at end May. Management attributes this shortfall to macro rather than company factors, and such progress is in any case creditable in unpromising conditions. A newly-announced €4m bond issue will aid expansion, complementing a developing strategy of sale and leaseback of campsites and a recent reorganisation of the shareholding structure, resulting in a majority holder (67%), which is considered beneficial for expansion. Increased low-season losses are not seen as representative of the full-year outturn (results due late November).

## INDUSTRY COMMENT

Camping is a value product, hence should be favoured in current market conditions. 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.

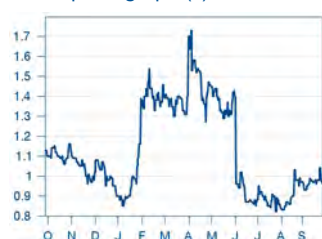
Y/E Sep	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2010A	46.57	7.05	2.15	N/A	N/A
2011A	61.66	8.70	3.95	0.30	17.97
2012E	61.60	8.90	1.80	0.16	33.69
2013E	71.50	10.50	2.60	0.22	24.50

Where available, consensus data has been sourced from Thomson Datastream

## Sector: Pharma &amp; Healthcare

Price: €0.96  
Price as at 27 September 2012

## 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	0.0	9.1	(17.2)
Relative*	0.2	(2.7)	(27.5)

\* % Relative to local index

## Analyst

Mick Cooper

## Hybrigenics (ALHYG)

Market cap: €17m

## COMPANY COMMENT

Hybrigenics is developing a vitamin D3 analogue, inecalcitol, for treating prostate cancer, severe psoriasis and chronic lymphocytic leukaemia (CLL). A Phase IIa trial in castrate-resistant prostate cancer (CRPC) demonstrated its potential in this indication. The company's cash position - €4.2m at H112 - enables it to fund the ongoing development of inecalcitol in CLL. The first two patients were recently dosed in the open label study of inecalcitol in CLL in chemotherapy-naïve patients, which could report data by the end of 2013. The company also recently renewed a \$2.4m contract to provide yeast two-hybrid screening services to a US life sciences company. Hybrigenics seeks to partner ongoing development in CRPC.

## INDUSTRY COMMENT

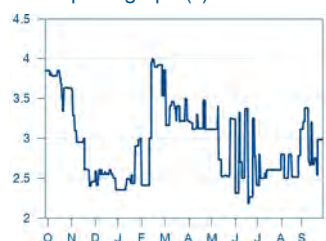
Inecalcitol is being developed in three major indications and faces much competition from existing drugs and those in development. However, its good safety profile could give it an advantage and allow its use in combination with other established therapies.

Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2010A	4.58	(4.94)	(4.15)	(0.35)	N/A
2011A	6.60	(2.71)	(1.88)	(0.14)	N/A
2012E	5.38	(4.22)	(4.57)	(0.26)	N/A
2013E	5.76	(4.53)	(3.96)	(0.20)	N/A

Sector: Electrical Equipment

Price: €2.99  
Price as at 27 September 2012

Share price graph (€)



Company description

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

Price performance

%	1m	3m	12m
Actual	7.6	7.6	(22.3)
Relative*	7.7	(4.1)	(31.9)

\* % Relative to local index

Analyst

Roger Leboff

i2S (ALI2S)

Market cap: €5m

COMPANY COMMENT

A strong end to FY11 - Q4 sales 8.1% better y-o-y - was achieved despite challenging markets in France and internationally. DigiBook had its best-ever quarter as sales into emerging markets compensated for weakness in Europe and the US, where public sector clients face budget constraints. DigiBook divisional sales were 6.3% ahead to €5.8m for the year and Vision 5.8% up at €2.1m in Q4, 13% for FY11 overall at €7.9m.

INDUSTRY COMMENT

The group has been a significant shift in geographical balance. Western Europe fell from 51% of FY10 sales, to 29% (FY11). Russia and Eastern Europe is now the single biggest division, at 34% (30% in FY10), Latin America was 15% (6%) and Middle East & Africa, 10% (2%). A new range of scanners has won tenders in emerging markets and i2S has signed up distributors in the Middle East and China. The latter is a market with significant potential, although documents, formats and practical arrangements are different from Western markets.

Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2010A	12.87	0.37	0.58	N/A	N/A
2011A	14.07	0.40	N/A	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: Financials

Price: €18.79  
Price as at 27 September 2012

Share price graph (€)



Company description

IDSUD specialises in supplying financial services.

Price performance

%	1m	3m	12m
Actual	(0.9)	(8.6)	(14.8)
Relative*	(0.7)	(18.5)	(25.3)

\* % Relative to local index

Analyst

Roger Leboff

IDSUD (ALIDS)

Market cap: €18m

COMPANY COMMENT

Headline FY11 revenues were 11% ahead at €2.4m, with best performances from foreign exchange and precious metals trading, up 28% at €1.3m. A reduced €1.8m operating loss (FY10: €4.5m loss) reflects efforts to cut expenses - at €2.8m, down 23% - particularly related to games operations and real estate, which both made neutral contributions to the bottom line. Consolidated revenues for H1 were 1% ahead y-o-y at €3.3m. The strategy remains further rationalisation of business activities and costs, focused on improving margins within historic activities.

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 this year includes plans to seek disposals of elements of the property portfolio.

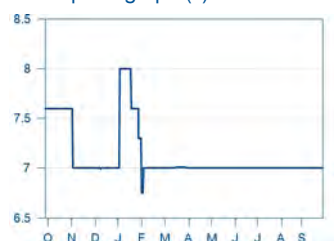
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2010A	2.20	(4.50)	(3.10)	N/A	N/A
2011A	2.40	(1.80)	(0.28)	N/A	N/A
2012E	N/A	N/A	N/A	N/A	N/A
2013E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

## Sector: Pharma &amp; Healthcare

Price: €7.00  
Price as at 27 September 2012

## 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	0.0	0.0	(7.9)
Relative*	0.2	(10.8)	(19.3)

\* % Relative to local index

## Analyst

Mick Cooper

## IntegraGen (ALINT)

Market cap: €29m

## COMPANY COMMENT

IntegraGen has a number of collaborations with the goal of developing molecular diagnostic tests for autism and cancer. The first test developed is for familial autism, ARISK. Results of a study of 2,000 children from multiplex autism families showed the potential for earlier diagnosis of affected children. Its tests for metastatic colorectal cancer and hepatocellular carcinoma are due for launch in 2013. FY11 sales increased by 45% while the FY cash position stood at €4.6m. The sales momentum should be maintained in FY12 because of the launch of an improved ARISK test and the recent signing of two research projects with two pharmaceutical companies. In July IntegraGen raised €2m to invest in R&D and marketing.

## 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 quicker.

Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2010A	3.21	(2.81)	(2.90)	N/A	N/A
2011A	4.65	(2.40)	(2.04)	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: Technology

Price: €6.73  
Price as at 27 September 2012

## Share price graph (€)



## Company description

Intracense specialises in designing and developing software for viewing and analysing medical images. Its activity is organised into three divisions: selling software for viewing and analysing medical images, selling software solutions for clinical trials, and supplying services.

## Price performance

%	1m	3m	12m
Actual	(9.1)	14.8	N/A
Relative*	(8.9)	2.4	N/A

\* % Relative to local index

## Analyst

Roger Leboff

## Intracense (ALNS)

Market cap: €19m

## COMPANY COMMENT

A near 150% increase in turnover y-o-y reflected recurring orders from key customers and a higher average order price. The services business grew by 43%, and exports were 55% of FY11 sales vs 32% in FY10. Intracense maintained investment in R&D (70% of FY11 sales) and launched three new versions of its Myrian software platform, the latest dedicated to monitoring cancer patients aimed at the radiology/ clinical trials market. In July the group was granted a European patent for its technology for automatic detection of tubular structures in imaging 3D CT and MRI.

## INDUSTRY COMMENT

The optimal use of medical images is becoming crucial to health policies and patient management. Myrian software assists with detection, diagnosis and prognosis, collaboration between specialists and therapy efficacy assessment. It is used at 300 client sites around the world and certified for use in over 40 countries. Intracense has operations on five continents and is investing in operations targeting the North American market.

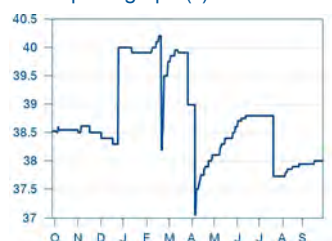
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2010A	1.02	(2.06)	(1.60)	N/A	N/A
2011A	2.54	(2.05)	(1.62)	N/A	N/A
2012E	4.40	N/A	(2.40)	(0.85)	N/A
2013E	7.60	N/A	(1.90)	(0.65)	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Support Services

Price: €38.00  
Price as at 27 September 2012

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	0.3	(2.1)	(1.3)
Relative*	0.4	(12.7)	(13.5)

\* % Relative to local index

Analyst

Richard Finch

## Inventoriste (ALIVT)

Market cap: €50m

COMPANY COMMENT

Despite postponement of some orders, which explained the 13% fall in H112 sales, Inventoriste is more positive about its seasonally stronger second half and thus expects a slight rise in sales for the year. 2011 saw a step-change in profit as productivity gains and cost control, allied with buoyant sales, drove a 150% increase in trading profit. There was vigorous expansion with two new branches in France (now fully covered) as well as openings in Spain, Italy, Germany and the Netherlands. The company is now meeting clients' growing wish for it to serve all their stores across Europe. H1 results are due in October.

INDUSTRY COMMENT

According to Markit, French retail sales fell in August for the fifth month in a row, while in Germany sales showed no growth for only the second time in two years and decline in Italy was "gathering speed." The OECD's new forecast of contraction in these economies for the rest of 2012 suggests that consumer spending will remain subdued.

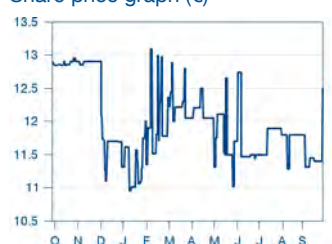
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2010A	26.05	0.86	0.35	N/A	N/A
2011A	32.80	2.50	1.16	N/A	N/A
2012E	N/A	N/A	N/A	N/A	N/A
2013E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Pharma & Healthcare

Price: €12.50  
Price as at 27 September 2012

Share price graph (€)



Company description

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

Price performance

%	1m	3m	12m
Actual	5.9	8.7	(2.8)
Relative*	6.1	(3.1)	(14.8)

\* % Relative to local index

Analyst

Mick Cooper

## Ipsogen (ALIPS)

Market cap: €68m

COMPANY COMMENT

Ipsogen sells a number of molecular diagnostic tests for leukaemias, with its most important tests being BCR-ABL, NPM1 and JAK2, which are the company's main growth drivers. The potential of these products, its pipeline and strong IP portfolio led to Qiagen making an offer of c €70m for the company, or €12.90 per share; Qiagen now owns c 96% of Ipsogen. The company is fully integrated into Qiagen. During H112, Ipsogen's sales increased by 27% to €5.7m and its net income was €2.9m (H111: net loss of €0.85m). Ipsogen also acquired the rights to two new biomarkers associated with brain cancers and other malignancies (IDH1 and IDH2) during the period to increase its growth.

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)
2010A	8.37	(3.70)	(3.40)	(0.69)	N/A
2011A	9.50	(5.80)	(5.60)	N/A	N/A
2012E	9.50	N/A	(2.30)	(0.40)	N/A
2013E	12.10	N/A	0.40	0.07	178.57

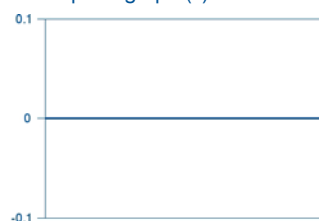
Where available, consensus data has been sourced from Thomson Datastream



## Sector: Technology

Price: €0.00  
Price as at 27 September 2012

## Share price graph (€)



## Company description

ISA - Intelligent Sensing Anywhere - develops telemetry, remote control, automation, and control systems. Its products are intended primarily for the environmental, energy, oil and gas, healthcare, and integrated building management sectors.

## Price performance

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

\* % Relative to local index

## Analyst

Roger Leboff

## ISA (ALISA)

Market cap: €0m

## COMPANY COMMENT

ISA listed in June, raising €3.5m. It has been in operation for over 20 years and provides intelligent telemetry and remote management solutions. Its track record is the oil & gas market, more recently electrical energy and water, and it is now for the first time launching products aimed directly at the consumer market. These are remote healthcare monitoring systems aimed at helping track people living alone who require supervision by a health professional, such as senior citizens and the chronically ill.

## INDUSTRY COMMENT

ISA's Smart Cities technology was recently included in Gartner's "Cool Vendors 2012" report. This referred to innovative solutions that include smart monitoring and management of energy consumption in buildings, houses, water supply and treatment networks. Telemetry and remote management solutions can contribute to a sustainable environment and energy efficiency. Applications encompass gas, electricity, buildings and public lighting. The group operates in over 20 countries across five continents.

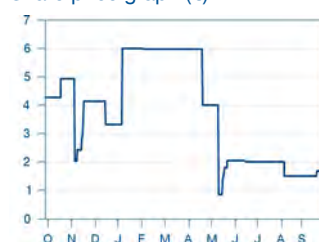
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2010A	3.88	182.00	49.00	N/A	N/A
2011A	5.42	250.00	62.00	N/A	N/A
2012E	N/A	N/A	N/A	N/A	N/A
2013E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

## Sector: Consumer Support Services

Price: €1.69  
Price as at 27 September 2012

## 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	12.7	(15.5)	(60.5)
Relative*	12.9	(24.7)	(65.4)

\* % Relative to local index

## Analyst

Fiona Orford-Williams

## IsCool Entertainment (ALISC)

Market cap: €12m

## COMPANY COMMENT

IsCool produces free-to-use mass market games and social apps accessed either via its own portal, www.cafe.com, or via Facebook. FY11 figures showed good gains in revenue (around half in France), up 13.1%, but the operating profit was hit by further changes in Facebook's payment mechanisms and a heavier investment programme in new single- and multi-player games and apps. The group has recently announced a freemium game/app development in association with Universal Music to exploit its back catalogue. The group is running at just below 0.5m monthly active users (AppData) on Facebook. Amélie Faure took over as CEO in November 2011.

## INDUSTRY COMMENT

BI Intelligence estimates that the US social gaming market will have grown from \$2bn in FY11 to \$5.5bn by FY15. However, industry-giant Zynga continues to disappoint the market with delays in its new game development and citing a more difficult environment on Facebook. Its share price has slid to \$2.84, against a \$10 issue price in December 2011.

Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2010A	9.10	2.42	1.93	N/A	N/A
2011A	10.29	(0.94)	(0.89)	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: Technology

Price: €5.35  
Price as at 27 September 2012

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	(2.7)	(2.7)	(15.1)
Relative*	(2.6)	(13.3)	(25.6)

\* % Relative to local index

Analyst

Roger Leboff

## Keyyo (ALKEY)

Market cap: €17m

COMPANY COMMENT

Despite a slightly weaker Q2 performance, with sales down 2%, turnover for H112 was broadly unchanged y-o-y at €11m. However margins were better, benefiting from a 15% y-o-y increase in the telecoms business, particularly Keyyo Store, which offers 'cloud telephone' products to the SOHO/SME market. That compensated for erosion of the group's retail activities. That refocus on core, business-focused sales to 57.4% of H112 turnover (H111:53.9%) is positive and underpins the positive FY12 outlook. Net cash was close to €4m at the half year.

INDUSTRY COMMENT

Keyyo intends to leverage a converged VoIP/fixed/mobile telecoms offer via an established distribution channel to target business clients. As a VoIP operator, it has the advantage that it controls 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.

Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2010A	20.37	0.59	(0.79)	0.32	16.72
2011A	22.60	0.21	0.28	7.72	0.69
2012E	25.30	1.50	1.60	0.56	9.55
2013E	28.40	2.20	2.30	0.80	6.69

Where available, consensus data has been sourced from Thomson Datastream

Sector: Consumer Support Services

Price: €6.60  
Price as at 27 September 2012

Share price graph (€)



Company description

LeadMedia Group specialises in supplying online marketing services for acquiring and ensuring the loyalty of prospects and customers on the internet.

Price performance

%	1m	3m	12m
Actual	20.0	8.9	37.5
Relative*	20.2	(2.9)	20.5

\* % Relative to local index

Analyst

Fiona Orford-Williams

## LeadMedia (ALLMG)

Market cap: €30m

COMPANY COMMENT

Strong growth in both France and Brazil continued into H112, with like-for-like sales ahead 22% and a notable uplift in both gross and operational margins, with pro forma EBITDA margins of 16.4%. The latest acquisition, SHOPBOT (completed after the half-year), generates qualified leads for e-tail clients and will accentuate the group's ability to offer vertically integrated solutions. H212 should see further benefit from the operational gearing kicking in. The group continues to add to its strong client list, adding Trip and SemPavar (among others) in Brazil and Leroy Merlin, Mondial Assistance and Bouygues Telecom in France.

INDUSTRY COMMENT

Zenith Optimedia estimates that by 2014 Brazil will have overtaken the UK to become the fifth-largest global advertising market, worth \$22,2bn. Carat's forecasts show growth of 12.8% in FY12 and 9.4% in FY13, with digital taking a rapidly growing proportion of budget. In France, digital spend is forecast to increase around 12% in FY12 despite the poor economic backdrop and marginal growth in the overall ad spend.

Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2010A	8.76	0.36	0.19	N/A	N/A
2011A	19.14	1.59	0.27	N/A	N/A
2012E	19.14	N/A	1.00	0.10	66.00
2013E	26.40	N/A	1.70	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

## Sector: Media &amp; Entertainment

Price: €26.52  
Price as at 27 September 2012

## 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	(5.0)	(5.1)	90.1
Relative*	(4.9)	(15.4)	66.6

\* % Relative to local index

## Analyst

Fiona Orford-Williams

## LeGuide.com (ALGUI)

Market cap: €93m

## COMPANY COMMENT

Following the tender offer at €28, which closed on 19 September, Lagadere now holds 96.49% of the LeGuide equity. The group is valued at €98.2m at this price.

## INDUSTRY COMMENT

The takeover will bolster Lagadere's digital revenues, which cover a wide range of publishing and media interests.

Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2010A	26.81	9.80	5.15	N/A	N/A
2011A	28.20	9.30	0.50	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: Travel &amp; Leisure

Price: €31.88  
Price as at 27 September 2012

## Share price graph (€)



## Company description

Les Hotels Baverez owns and operates one four-star and two five-star hotels in the centre of Paris.

## Price performance

%	1m	3m	12m
Actual	(5.1)	0.1	32.8
Relative*	(4.9)	(10.8)	16.4

\* % Relative to local index

## Analyst

Richard Finch

## Les Hotels Baverez (ALLH)

Market cap: €76m

## COMPANY COMMENT

Ahead of imminent Q3 revenue, management is quietly confident about continued buoyancy thanks to substantial refurbishments and improved marketing and distribution, notably online. However, it warns that although trading profit was up 17% in Q2, further material investment is outstanding with an inevitable impact on profit. Effective marketing drove 5% revenue growth in Q2, which is respectable, given significant negatives such as the presidential elections and no Paris Air Show. This followed Q1 returns, depressed by renovations at the Regina and Raphael, with trading loss up 43%. Apart from the impact of refurbishment costs, revenue at the company's largest hotel in terms of beds, the Regina, was subdued by disruption.

## INDUSTRY COMMENT

According to Deloitte, the calendar year to July has seen a rate-driven rise of 3% in RevPAR in the luxury and upscale hotel sector in Paris. Increased room supply makes this all the more creditable yet also suggests caution as the latest quarter saw a marked slowdown.

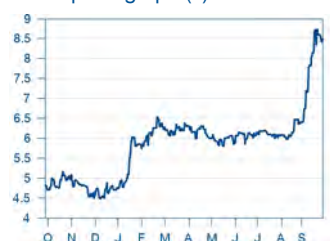
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2010A	22.20	(0.30)	(0.40)	(0.28)	N/A
2011A	25.90	1.30	1.54	0.46	69.30
2012E	N/A	N/A	N/A	N/A	N/A
2013E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Technology

Price: €8.50  
Price as at 27 September 2012

Share price graph (€)



Company description

Lets Gowex is a telecommunications company organised around the supply of telecom and wireless services.

Price performance

%	1m	3m	12m
Actual	33.9	40.3	86.0
Relative*	34.1	25.1	63.0

\* % Relative to local index

Analyst

Roger Leboff

## Lets Gowex (ALGOW)

Market cap: €110m

COMPANY COMMENT

First half turnover was 60% ahead y-o-y, all organic. Gowex Wireless was 67% better at €31.9m and contributed 78% of first half sales (H111: 74%) and should benefit in H2 from the recent launch of free WiFi for the Paris transportation system. The group's 'Wireless Cities' business model provided 52 cities and transport networks with free WiFi coverage at the end of FY11 (FY10: 30) in Latin America, Europe and China. Strategic agreements are in place with public administrations and key internet players such as Skype.

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.

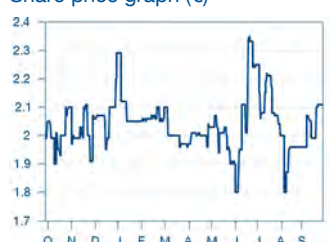
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2010A	49.64	6.26	5.13	N/A	N/A
2011A	66.70	9.50	7.22	N/A	N/A
2012E	82.65	N/A	10.70	0.83	10.24
2013E	101.80	N/A	12.35	0.97	8.76

Where available, consensus data has been sourced from Thomson Datastream

Sector: Consumer Support Services

Price: €2.11  
Price as at 27 September 2012

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	7.7	(5.8)	3.4
Relative*	7.8	(16.0)	(9.3)

\* % Relative to local index

Analyst

Fiona Orford-Williams

## MaKheia Group (ALSEQ)

Market cap: €13m

COMPANY COMMENT

After a strong Q112, MaKheia suffered in Q212 as its predominantly CAC50 clients heavily reined back their marketing budgets. The group extended its reach in the corporate brand identity and consulting market with its July purchase of Teymour Corporate, which is being combined with Sequioa. The other parts of the group are Affinity (affinity marketing with a social media emphasis) and MaKheia Digital. The group aims to earn 30% of revenues in digital in FY12. Conversion rates from pitching have been considerably improved and there were eight notable new client wins in H112 including GDF Suez, le Ministere de la Culture and Exagon Motors.

INDUSTRY COMMENT

The rapidly-changing media background complicates brand management, with social media exerting heavy influence. US figures from the Content Marketing Institute indicate 26% of B2B marketing budgets will be directed toward brand content, with articles, social media and blogs showing the greatest adoption, and tablets and smartphones fast gaining in business use.

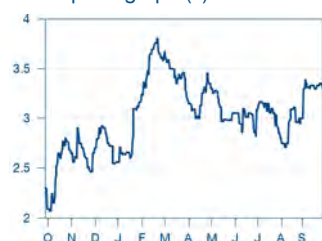
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2010A	23.30	0.89	0.80	0.16	13.19
2011A	22.90	0.94	0.52	N/A	N/A
2012E	N/A	N/A	N/A	N/A	N/A
2013E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

## Sector: Construction &amp; Bldg Mat.

Price: €3.30  
Price as at 27 September 2012

## 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	10.0	15.4	38.1
Relative*	10.2	2.9	21.0

\* % Relative to local index

## Analyst

Richard Finch

## Mastrad (ALMAS)

Market cap: €18m

## COMPANY COMMENT

In unconducive conditions full-year sales growth of 19% is creditable indeed, if slightly less than guidance. The period to June saw an encouraging breakthrough in international activity (37% of sales against 26% in FY11), allowing exposure to new markets such as South Korea and Australia as well as cutting reliance on Mastrad's dominant profit source, France, which has found the going tough (H2 sales -9%). As in the first half, exports were up by a third, with notable marketing success in Europe, while Mastrad Inc. again more than doubled sales thanks to group blockbuster products. Longstanding underperformer Kitchen Bazaar continued its rehabilitation with sales up 25% in H2. Full-year results are due in late October.

## 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)
2011A	26.10	N/A	N/A	N/A	N/A
2012A	31.10	N/A	N/A	N/A	N/A
2013E	31.10	3.10	1.35	0.26	12.69
2014E	37.85	2.70	2.15	0.41	8.05

Where available, consensus data has been sourced from Thomson Datastream

## Sector: Media &amp; Entertainment

Price: €4.02  
Price as at 27 September 2012

## 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	(26.1)	(16.2)	(19.3)
Relative*	(26.0)	(25.3)	(29.2)

\* % Relative to local index

## Analyst

Fiona Orford-Williams

## Maximiles (ALMAX)

Market cap: €16m

## COMPANY COMMENT

After a good year in FY11, Maximiles suffered a marked downturn in Q212 in its Loyalty/CRM activities (46% H112 sales, down 31%) as consumer confidence became more fragile, new contracts were put on hold and existing partners reduced their activity levels. With €400k of non-recurring expense and €350k development spend in mobile in the period, the group reported an operating loss of €940k. The group expects to be able to reduce the operating loss in H212, through a resumption of growth in its Loyalty/CRM and its Online panels businesses. The small direct marketing business held up well. Overseas operations, which represent 40% of the group, have been less badly hit.

## INDUSTRY COMMENT

French e-commerce continues to strengthen, with industry body FEVAD citing 110k active online merchants at end-June and online sales up 22% year-on-year, with reduced basket size but more visits. Loyalty programmes had grown strongly but retailers may be holding back programme implementations until the consumer environment becomes more benign.

Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2010A	17.15	2.18	0.77	N/A	N/A
2011A	20.45	1.74	(0.19)	0.05	80.40
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: €9.36  
Price as at 27 September 2012

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	8.3	27.5	(14.9)
Relative*	8.5	13.7	(25.4)

\* % Relative to local index

Analyst

Roger Leboff

## Median Technologies (ALMDT)

Market cap: €55m

COMPANY COMMENT

FY11 results reflected the fact that Median is in the early stages of commercialising its technologies. The period also included the IPO, which raised €10m; it added to the management team and secured significant new strategic partnerships. It works with four top 10 pharmaceutical companies including Sanofi, and has a strategic agreement with Quintiles, a leading industry service provider (including warrants to acquire 15% of Median). The other partnerships are with Canon (a 15% shareholder) and Kuwait Life Science Company. There was €8.8m of net cash at the period end.

INDUSTRY COMMENT

There is a large potential market for clinical solutions that improve care and treatment of patients with certain 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.

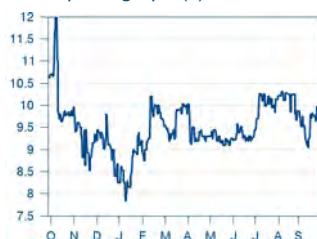
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2010A	1.15	(3.46)	(3.29)	N/A	N/A
2011A	0.74	(4.15)	(3.65)	N/A	N/A
2012E	N/A	N/A	N/A	N/A	N/A
2013E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Pharma & Healthcare

Price: €9.75  
Price as at 27 September 2012

Share price graph (€)



Company description

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

Price performance

%	1m	3m	12m
Actual	(2.4)	5.2	(10.5)
Relative*	(2.2)	(6.2)	(21.5)

\* % Relative to local index

Analyst

Mick Cooper

## MEDICREA International (ALMED) Market cap: €82m

COMPANY COMMENT

MEDICREA has developed a broad range of innovative spinal implants working with some of France's leading orthopaedic surgeons. These implants 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 27 other countries. In FY11 sales grew by just 5% to €19.1m, compared to 39% in FY10, because the US salesforce needed restructuring. This resulted in EBITDA falling from €1.2m to €1.0m. But strong sales growth returned in H112; revenues were flat year-on-year but in Q2 growth accelerated due to the benefits of the restructuring and new products, including PASS MIS and LIGAPASS. Full H112 results are due on 11 October and MEDICREA is holding strategic partnering talks with American companies.

INDUSTRY COMMENT

The orthopaedic implant market for spinal surgery is estimated to be worth \$9bn. The main growth driver for the sector is technological innovation that leads to increases in prices and procedure volumes, but the effect of austerity measures is limiting market growth.

Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2010A	18.20	(1.20)	(2.50)	N/A	N/A
2011A	19.10	(1.70)	(2.40)	N/A	N/A
2012E	24.40	0.70	0.00	0.00	N/A
2013E	30.40	3.20	2.30	0.27	36.11

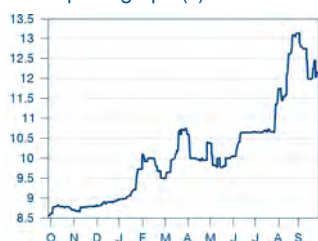
Where available, consensus data has been sourced from Thomson Datastream



## Sector: Electrical Equipment

Price: €12.15  
Price as at 27 September 2012

## 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	(6.5)	14.0	42.4
Relative*	(6.4)	1.6	24.8

\* % Relative to local index

## Analyst

Roger Leboff

## MGI Dig Graphic Tech (ALMDG)

Market cap: €57m

## COMPANY COMMENT

Product sales up 19% y-o-y to €16.1m were behind the 22% growth in FY11 group revenues, 80% of which were generated outside France. In 2011 MGI appointed an exclusive UK distributor, built sales in the Middle East and announced the first APAC installation of the JETcard inkjet card factory in Singapore. MGI recently showcased its next generation of digital inkjet presses at DRUPA, the international graphics industry exhibition in Düsseldorf and reported record numbers of orders and qualified leads.

## INDUSTRY COMMENT

MGI designs, manufactures and sells equipment for producing plastic cards, in France and overseas. Its products include 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. MGI has a broad customer base diversified across a number of sectors. The worldwide market is estimated at c \$20bn pa.

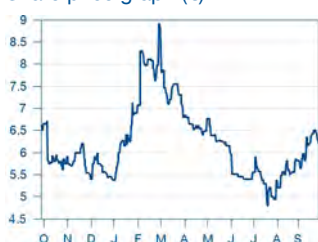
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2010A	16.10	2.18	2.82	N/A	N/A
2011A	19.50	2.30	2.99	N/A	N/A
2012E	22.40	4.00	3.30	0.70	17.36
2013E	26.90	4.90	4.00	0.86	14.13

Where available, consensus data has been sourced from Thomson Datastream

## Sector: Electrical Equipment

Price: €6.19  
Price as at 27 September 2012

## 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	5.8	14.6	(4.8)
Relative*	6.0	2.2	(16.5)

\* % Relative to local index

## Analyst

Roger Leboff

## Microwave Vision (ALMIC)

Market cap: €22m

## COMPANY COMMENT

Entirely organic 6% y-o-y turnover growth in H112 saw equal contributions from the two core divisions. Aerospace and Defence contributed 51%, Telecoms 49% of sales in line with last year and the latter reported strong demand for measurement systems for smart antennas. Pre-tax profit was 109% ahead and the €2m of period-end cash will, with an €8m loan secured in July finance strategic growth, such as the recent €1m acquisition of Manchester-based Rainford EMC systems. A positive outlook expects euro/US dollar weakness to improve competitiveness.

## INDUSTRY COMMENT

The group's well-balanced revenue streams, geographical and industry client base should enable it to offset weaker US demand. It invests over 10% of annual turnover in R&D to sustain a development portfolio able to support future growth. It designs, manufactures and sells multi-sensor electronic scanning systems for real-time viewing of electromagnetic wave fields, used by the radio communications, automotive, defence and aerospace industries.

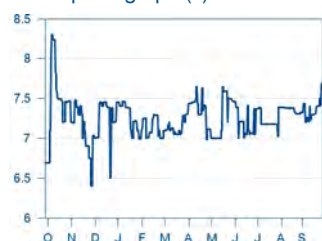
Y/E Mar / Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2010A	43.99	3.39	3.46	1.05	5.90
2011A	21.60	1.39	0.93	N/A	N/A
2012E	44.00	3.50	2.30	0.63	9.83
2013E	49.40	5.20	3.20	0.89	6.96

Where available, consensus data has been sourced from Thomson Datastream

Sector: Pcare and household prd

Price: €7.62  
Price as at 27 September 2012

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	4.2	8.1	13.9
Relative*	4.4	(3.6)	(0.2)

\* % Relative to local index

Analyst

Roger Leboff

## Millet Innovation (ALINN)

Market cap: €14m

COMPANY COMMENT

The first half saw a modest 0.9% y-o-y increase in sales at an improved 18.2% operating margin (H111: 17.4%). That pushed up operating profit by 5.4% to €2.0m, a stable performance in harsher markets, which reflects the success of a new bunion treatment product in France and the benefit of an enlarged product range in other European markets. Higher debt at end-H112 was due to investment in the products, network and R&D. The outlook for FY12 is broadly in line with last year, underpinned by the launch of new products to address the hallux valgus foot deformity and foot care creams.

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)
2010A	15.60	2.14	1.30	N/A	N/A
2011A	16.20	2.45	1.47	N/A	N/A
2012E	17.10	N/A	1.70	0.90	8.47
2013E	18.60	N/A	1.90	1.00	7.62

Where available, consensus data has been sourced from Thomson Datastream

Sector: Media & Entertainment

Price: €2.60  
Price as at 27 September 2012

Share price graph (€)



Company description

Mobile Network Group specialises in mobile marketing services.

Price performance

%	1m	3m	12m
Actual	13.0	6.1	(25.7)
Relative*	13.2	(5.4)	(34.9)

\* % Relative to local index

Analyst

Fiona Orford-Williams

## Mobile Network (ALMNG)

Market cap: €15m

COMPANY COMMENT

Mobile Network Group listed on Alternext in March, valued at €20m. The group, which was only started in 2011, specialises in mobile marketing and advertising, mobile technology and mobile content across five agencies, in a market where many potential clients struggle to see how to achieve a sensible ROI. Despite its relatively recent start, Mobile Network Group has already assembled an impressive client list including Canal+, Eden Parc and Nexity and more recently TF1 and Reebok for its agency business and CDiscount, which has chosen the group to monetise the advertising opportunity within its mobile apps.

INDUSTRY COMMENT

Mobile marketing continues to be one of the fastest growing areas of spend, rising 20% in France in 2011, but still only accounts for 1% of the overall adspend market, compared with around 5% in the UK. The latest Mediametrie figures show smartphone penetration reaching 45.4% in France, with over 40% using their phone to access the internet, albeit mostly for e-mail. Adoption, though, is running well ahead of monetisation.

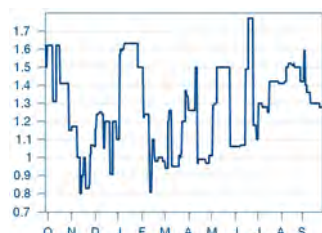
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2010A	0.47	0.04	0.03	N/A	N/A
2011A	0.57	(0.74)	(0.68)	N/A	N/A
2012E	N/A	N/A	N/A	N/A	N/A
2013E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

## Sector: General Retailers

Price: €1.28  
Price as at 27 September 2012

## 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	(14.7)	8.5	(21.0)
Relative*	(14.5)	(3.3)	(30.7)

\* % Relative to local index

## Analyst

Richard Finch

## Monceau Fleurs (ALMFL)

Market cap: €9m

## COMPANY COMMENT

Although a recent private fundraising of €2.5m will aid implementation of Monceau Fleurs' key restructuring plan, which was agreed earlier this year with creditors and shareholders, caution is still in order. Returns at the EBITDA level remain wafer-thin (break-even in the half to March) and net debt is still substantial (€25m at March). Early signs are nevertheless positive, with revitalisation of the Rapid Flore brand attracting extra traffic and annual labour costs already cut by 12%. Unsuccessful non-core activities have been stopped, as will the company's loss-making presence in Spain.

## 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.

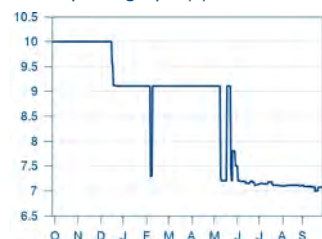
Y/E Sep	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2010A	66.19	(3.62)	(5.30)	N/A	N/A
2011A	61.80	0.10	N/A	N/A	N/A
2012E	75.20	N/A	(1.70)	(0.30)	N/A
2013E	83.80	N/A	(1.00)	(0.20)	N/A

Where available, consensus data has been sourced from Thomson Datastream

## Sector: General Industrials

Price: €7.08  
Price as at 27 September 2012

## 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	(0.3)	(0.7)	(29.2)
Relative*	(0.1)	(11.5)	(37.9)

\* % Relative to local index

## Analyst

Richard Finch

## Moulinvest (ALMOU)

Market cap: €22m

## COMPANY COMMENT

Ahead of final results in November, the move into producing electricity by co-generation using biomass is confirming its potential, accounting for all Moulinvest's 20% sales growth in the half to February. There is similar excitement about producing wood pellets for heating (projected 90k tonnes pa over the medium term would make it a market leader), which began in March. The established operations, which did well to hold steady in H1 in tough conditions, are set to benefit from increasing involvement with eco construction. Guidance is consequently for yet higher top-line growth in the second half to August. Unsurprisingly in view of investment in key new activities, H1 returns were depressed (trading profit down 27%). Moulinvest raised €4m in June (oversubscribed at €7.20 per share).

## 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.

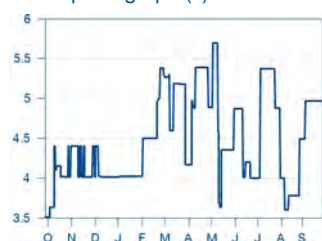
Y/E Aug	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2010A	15.59	0.58	0.19	N/A	N/A
2011A	20.10	0.59	0.08	N/A	N/A
2012E	N/A	N/A	N/A	N/A	N/A
2013E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Electrical Equipment

Price: €4.97  
Price as at 27 September 2012

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	31.5	24.2	41.6
Relative*	31.7	10.8	24.1

\* % Relative to local index

Analyst

Roger Leboff

## NEOTION (ALNEO)

Market cap: €26m

COMPANY COMMENT

The drivers for 36% y-o-y growth in FY11 sales and a tenfold increase in operating profit were strong sales of security products, notably its proprietary NP4+ module to new and existing customers and markets. Neotion also benefited from product migration with validation of suitability of the new NKE-1 platform-based processor for access control applications needing high security levels. Adoption of CI+ as an industry standard should build relationships with major operators; in January it was selected as technology partner by Sourcing et Création for its new French pre-paid Pay TV offer. An enlarged professional CAM product range should attract new operators this year.

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, with c 700m analogue TVs to be replaced or upgraded in the US and Europe by end 2012.

Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2010A	27.49	0.24	1.76	N/A	N/A
2011A	37.36	2.39	3.44	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: €1.75  
Price as at 27 September 2012

Share price graph (€)



Company description

Neovacs is a biotech company, focused on the development of targeted active immunotherapies for the treatment of severe chronic autoimmune and inflammatory diseases.

Price performance

%	1m	3m	12m
Actual	6.1	11.5	(47.0)
Relative*	6.2	(0.6)	(53.5)

\* % Relative to local index

Analyst

Wang Chong

## Neovacs (ALNEV)

Market cap: €27m

COMPANY COMMENT

Neovacs is developing a number of immunotherapeutic products using its proprietary kinoid technology platform. The TNF-Kinoid successfully completed a Phase IIa proof of concept trial for rheumatoid arthritis (RA) with promising efficacy data earlier this year. But interim analysis of a Phase IIa trial for Crohn's disease (CD) failed to show significant improvement in clinical remission, although there was a significant correlation between clinical remission and the levels of antibodies induced by the kinoid. Neovacs is in discussions with potential partners for this product and IFN-Kinoid which has shown encouraging efficacy in a Phase I/II trial for lupus. The company had €6.6m in cash at H112 and since received a €1.5m tax credit.

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.

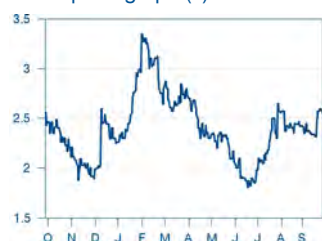
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2010A	0.17	(10.04)	(8.98)	(0.70)	N/A
2011A	0.39	(10.20)	(8.11)	(0.52)	N/A
2012E	0.00	(10.17)	(8.84)	(0.56)	N/A
2013E	0.00	(10.66)	(9.33)	(0.58)	N/A

Where available, consensus data has been sourced from Thomson Datastream

## Sector: Media &amp; Entertainment

Price: €2.55  
Price as at 27 September 2012

## 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	2.4	37.8	(0.8)
Relative*	2.6	22.9	(13.0)

\* % Relative to local index

## Analyst

Fiona Orford-Williams

## NetBooster (ALNBT)

Market cap: €34m

## COMPANY COMMENT

The benefits of the 2011 reorganisation continued in H112, with GP +33% y-o-y and positive EBITDA. The balance sheet was restructured in Jan 2012 with a €5.4/ private placing at €2.50 and a reconfiguring of debt through to 2016. The purchase of Metapeople in Germany in May 2011 considerably scaled up the business, although much of the additional revenue is on a pass-through basis making GP the better indicator of growth. The group now has a stronger emphasis on social media and real-time ad serving, with around one-third of GP generated in France. FY12 targets are for 25% growth in gross profit, with an EBITDA/GP margin of 11%; medium-term targets are for organic growth of 15%+ and EBITDA margin over 20%.

## INDUSTRY COMMENT

Forecasts for the French advertising market are now less than 1% for FY12, although online is growing much more strongly at around 12%. The shift to real-time ad inventory has rapidly picked up pace, forecast to grow at c 20% pa to 2015 (IDC) and currently c 3% of the French market vs 13.6% in the US.

Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2010A	45.10	0.52	(4.60)	N/A	N/A
2011A	84.50	1.40	(7.00)	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: Electrical Equipment

Price: €8.65  
Price as at 27 September 2012

## 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	9.5	40.4	7.3
Relative*	9.7	25.2	(5.9)

\* % Relative to local index

## Analyst

Roger Leboff

## NEXEYA (ALNEX)

Market cap: €35m

## COMPANY COMMENT

The year to end June 2012 saw 3.8% sales growth overall despite a weaker Q4, 9% below Q3 and 10% lower y-o-y. The Systems and Products divisions, 74% of group turnover, produced good performances ahead of FY11; Services was 10.4% lower y-o-y, 21% in Q4 (7% like-for-like excluding divested operations). NEXEYA expects recent efficiency measures to combine with order book growth and Services contract renewals to underpin 2012/13 growth.

## INDUSTRY COMMENT

NEXEYA benefits from a well balanced customer base: defence/security contributed 28% of FY11 revenues, aeronautics (16%), space (14%), industry (12%), energy (5%), automotive (7%) and IT/telecom (12%). It designs, manufactures and supports specialist, mission-critical electronic products in three areas: systems (design, testing & validation, maintenance), products (tools and software for precision control, test and measurement, data transmission, information processing), and services (prime contractor assistance, project monitoring, support and maintenance).

Y/E Jun	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2010A	111.48	7.84	5.34	N/A	N/A
2011A	128.32	8.80	5.91	N/A	N/A
2012E	136.90	7.50	4.80	1.23	7.03
2013E	141.70	10.60	6.20	1.57	5.51

Where available, consensus data has been sourced from Thomson Datastream

Sector: Technology

Price: €3.10  
Price as at 27 September 2012

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	23.0	6.9	(32.6)
Relative*	23.2	(4.7)	(40.9)

\* % Relative to local index

Analyst

Richard Finch

## Notrefamille.com (ALNFA)

Market cap: €5m

COMPANY COMMENT

Ahead of imminent H1 results, management expects an improvement in trading profit owing to a favourable business mix as well as tight cost control. With sales flat in the period, a notable bright spot was advertising; traffic to the Notrefamille.com web site remained buoyant, ie 3.7m unique visitors in May (+9% y-o-y) and fourth most popular French web site dedicated to women, according to Nielsen. While the company continues to invest heavily in genealogy (primarily content after the installation of a new search engine in 2011), a cut in marketing spend should allow a better gross margin from e-commerce despite lower sales.

INDUSTRY COMMENT

French e-commerce grew by 22% in 2011. With average transaction spend under pressure, notably at Christmas, the drivers continued to be frequency of transaction, new customers (an impressive 11%) 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.

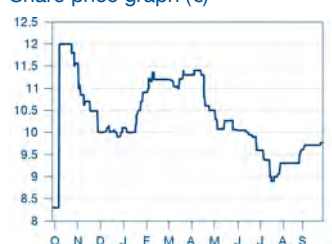
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2010A	11.59	(1.09)	N/A	N/A	N/A
2011A	11.46	(0.48)	N/A	N/A	N/A
2012E	N/A	N/A	N/A	N/A	N/A
2013E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Electrical Equipment

Price: €9.77  
Price as at 27 September 2012

Share price graph (€)



Company description

NSE 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	3.5	1.8	17.7
Relative*	3.7	(9.3)	3.2

\* % Relative to local index

Analyst

Richard Finch

## NSE Industries (ALNSE)

Market cap: €32m

COMPANY COMMENT

Ahead of H1 results in October, NSE Industries (the newly-joined ECT Industries and NSE Holding) will be looking to capitalise as quickly as reasonable on likely opportunities from the merger, which include economies of scale and new overseas markets (NSE is present in Canada, Brazil, Morocco and India). Already it has agreed to acquire Soditech's aeronautics business, c €2m annual sales and scope to strengthen its relationship with a prestigious client, Eurocopter. ECT's 2011 trading profit was slightly ahead of guidance with margin improvement on sales up 6%; H2 buoyancy in equipment and services (notably, burgeoning multi-year maintenance contracts) more than made up for the first-half shortfall, caused by two significant delivery delays. Finances remained robust at December.

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)
2010A	19.60	1.73	1.28	N/A	N/A
2011A	23.61	1.65	1.27	N/A	N/A
2012E	26.50	N/A	1.20	1.00	9.77
2013E	28.20	N/A	1.40	1.20	8.14

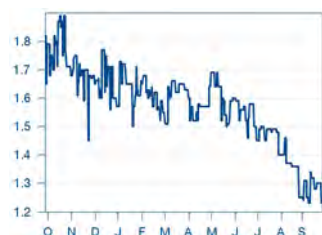
Where available, consensus data has been sourced from Thomson Datastream



## Sector: Technology

Price: €1.23  
Price as at 27 September 2012

## 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	(6.1)	(18.0)	(25.9)
Relative*	(5.9)	(26.9)	(35.1)

\* % Relative to local index

## Analyst

Richard Finch

## O2i (ALODI)

Market cap: €4m

## COMPANY COMMENT

Ahead of H1 results in late October, O2i was hopeful in its May update of defying still very adverse conditions with a return to profit at the net level on sales up 10% in 2012 and a sustained improvement in margin over the longer term. The founder chairman had backed this confidence by more than doubling his holding to 17%, with further investment promised. Assumed benefits of apparently completed restructuring (exceptional €0.6m costs in 2011) underpin O2i's projected recovery, as does a focus on higher-margin equipment business, exports and large accounts. While 2011 was extremely difficult for O2i, management is cheered by its reduction both of H2 trading loss (against H1) and year-end net debt.

## 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.

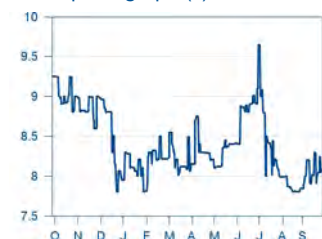
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2010A	32.30	(0.14)	(0.56)	N/A	N/A
2011A	27.80	(1.08)	(1.18)	N/A	N/A
2012E	N/A	N/A	N/A	N/A	N/A
2013E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

## Sector: Construction &amp; Bldg Mat.

Price: €8.06  
Price as at 27 September 2012

## 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	3.3	(9.4)	(12.9)
Relative*	3.5	(19.2)	(23.6)

\* % Relative to local index

## Analyst

Richard Finch

## Ober (ALOBR)

Market cap: €12m

## COMPANY COMMENT

Q212 saw a good acceleration in sales growth (9% from 6% in Q1), excluding the persistent underperformer Marotte (-20%), which is in any case now barely material at the top-line and undergoing rationalisation. Encouragingly, the core Oberflex business, boosted by exports (+20%), confirmed its pick-up after a dip in Q411, while the company's Tunisian venture Stramiflex (sales up 10%) continues to benefit from a recovery in the local economy after the unrest as well as a wider product range and improved marketing. Management expects more of the same during the rest of the year, given the current momentum and potential of projects in hand. H1 results are due in late October.

## 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)
2010A	41.30	2.57	1.20	N/A	N/A
2011A	39.50	1.84	(0.22)	N/A	N/A
2012E	42.90	N/A	3.30	2.27	3.55
2013E	45.20	N/A	2.20	1.54	5.23

Where available, consensus data has been sourced from Thomson Datastream

Sector: Technology

Price: €4.98  
Price as at 27 September 2012

Share price graph (€)



Company description

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

Price performance

%	1m	3m	12m
Actual	(0.4)	3.0	(8.4)
Relative*	(0.2)	(8.2)	(19.7)

\* % Relative to local index

Analyst

Richard Finch

## OCTO Technology (ALOCT)

Market cap: €18m

COMPANY COMMENT

Q212 has delivered the expected pick-up in activity with organic sales growth of 5% (just 2% in Q1) thanks to a significant acceleration in recruitment both in France and abroad (15% of sales are now international). However, in difficult conditions lower prices and flat rates of consultant activity, allied with sustained investment in the new Brazil office and in a web platform, OCTO Online, led to a sharp reduction in trading profit, albeit ahead of break-even in H211. Management is confident that the improved sales momentum in France can be maintained and looks for margin recovery in H2 and beyond. The company remains well financed (net cash at June). Q3 sales are due in October.

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)
2010A	18.20	0.89	1.60	N/A	N/A
2011A	19.50	0.40	0.80	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: Electrical Equipment

Price: €11.42  
Price as at 27 September 2012

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	7.6	2.0	(1.7)
Relative*	7.8	(9.1)	(13.9)

\* % Relative to local index

Analyst

Roger Leboff

## Orolia (ALORO)

Market cap: €48m

COMPANY COMMENT

H112 sales were down 10.6% on a constant currency basis, mainly due to a strong H111 comparable in which Orolia secured French and US defence contracts, and alterations to an important project for the Timing division. The latter is still on track post recent contract wins for Galileo (navigation) and the US military - a €3m new business for delivery of precision timing systems for Northrop Grumman over the next five years secured in June. Positioning was 19% ahead y-o-y and the statement expects the trend to continue in H2.

INDUSTRY COMMENT

The benefits of a broad portfolio are reflected in recent contracts wins by Timing to supply the US Air Force. It should also benefit from French defence spending in areas such as nuclear submarines and is well placed with respect to the European digital broadcast market. Positioning gained two major contracts in FY11: French Lighthouses and Beacons UK. Navigation has ongoing work related to supply of atomic clocks for Galileo (satnav) and ACES (fundamental physics).

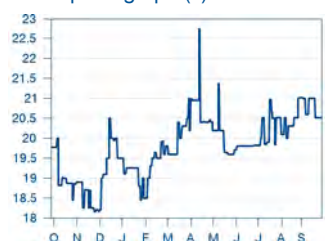
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2010A	57.80	5.11	0.99	(0.22)	N/A
2011A	63.70	5.78	0.80	0.20	57.10
2012E	67.50	7.10	2.90	1.13	10.11
2013E	71.80	6.70	3.90	1.33	8.59

Where available, consensus data has been sourced from Thomson Datastream

## Sector: Travel &amp; Leisure

Price: €20.51  
Price as at 27 September 2012

## Share price graph (€)



## Company description

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

## Price performance

%	1m	3m	12m
Actual	0.0	3.5	3.5
Relative*	(1.4)	(8.1)	(7.4)

\* % Relative to local index

## Analyst

Richard Finch

## Pairi Daiza (PARD)

Market cap: €23m

## COMPANY COMMENT

The 2012 season has enjoyed spectacular success with visitors up 23% in the five months to August and the likelihood of a record attendance for the year. Credit is due particularly to the company's new and most ambitious project, "La Terre des Origines", a celebration of African wildlife. Even more encouragingly, spend per head is impressively 6% ahead, suggesting a substantial rise in H1 revenue (due in November). Pairi Daiza traded well in 2011 with attendance up 15% and revenue boosted by a 5% rise in average spend, confirming the benefit of the company's new partnership with respected caterer Paulus. Park EBITDA was up 18%, a more meaningful indicator than trading profit, which was materially depressed by a change in depreciation policy, ie like-for-like down just 8% despite major investment.

## INDUSTRY COMMENT

Consumer confidence in Belgium has fallen sharply over the summer after a stable Q2. The National Bank of Belgium's June forecast of 2012 GDP growth of 0.6% contrasts with the OECD's newly confirmed expectation of contraction for the major euro economies.

Y/E Mar	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2011A	15.17	1.61	1.10	0.98	20.93
2012A	18.37	1.98	0.23	1.35	15.19
2013E	N/A	N/A	N/A	N/A	N/A
2014E	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: €6.60  
Price as at 27 September 2012

## 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	(2.2)	6.5	(35.9)
Relative*	(2.1)	(5.1)	(43.8)

\* % Relative to local index

## Analyst

Roger Leboff

## Phenix Systems (ALPHX)

Market cap: €8m

## COMPANY COMMENT

A 30% fall in FY11 sales y-o-y reflected delayed orders. Phenix delivered 12 systems in France and internationally last year, growing its installed base to 79 machines worldwide. It also launched two new lasers, opened a new US subsidiary in Chicago and built sales capacity to enter north-eastern European markets and support the existing client base. These initiatives should benefit the 2012 performance, with a presence in Asia also under consideration for later this year.

## INDUSTRY COMMENT

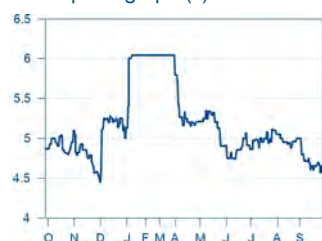
The group reports strong interest from the US market, including the tyre sector, and expects the roll-out of new offices and next-generation products to drive growth over the next few years. It is expanding at a favourable time in the business investment cycle, with considerable renewal expenditure anticipated in 2012 (there was an estimated \$81bn global market for machine tools in 2009). Its technology enables rapid manufacturing of complex components in metals and ceramics, suitable for a wide range of industries.

Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2010A	5.90	0.74	0.58	N/A	N/A
2011A	4.00	0.65	(0.30)	N/A	N/A
2012E	4.00	0.30	(0.30)	(0.27)	N/A
2013E	7.20	1.80	0.20	0.21	31.43

Where available, consensus data has been sourced from Thomson Datastream

**Sector: Consumer Support Services**

Price: €4.57  
Price as at 27 September 2012

**Share price graph (€)**

**Company description**

Piscines Desjoyaux specialises in producing and marketing private swimming pools. The activity is organised 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	(7.9)	(6.9)	(5.4)
Relative*	(7.7)	(17.0)	(17.1)

\* % Relative to local index

**Analyst**

Richard Finch

**Piscines Desjoyaux (ALPDX)**

Market cap: €41m

**COMPANY COMMENT**

Ahead of Q4 sales in late October, Piscines Desjoyaux is understandably satisfied to have limited its sales decline in difficult conditions to under 5% both in its busiest quarter to May and in the nine months of the financial year to date. This resilience is attributed to an established strategy of promotions, international expansion, such as the recent opening in China, and widening of the company's product range. However, latest guidance (after H1 results in May) of flat full-year sales may now be difficult to achieve as a double-digit increase would be required in Q4. Excluding capital gains, trading loss in the seasonally-weaker first half rose by a third owing largely to higher labour costs (three overseas branch openings) and lower sales.

**INDUSTRY COMMENT**

According to Markit, French retail sales fell in August for the fifth month in a row. The OECD's new forecast of only a marginal economic pickup in Q4 after a contraction in Q3 suggests that consumer spending will remain subdued, especially in relation to high-ticket items such as swimming pools.

Y/E Aug	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2010A	74.80	7.30	4.30	N/A	N/A
2011A	76.50	8.20	4.60	N/A	N/A
2012E	78.60	N/A	4.70	0.52	8.79
2013E	84.20	N/A	5.80	0.64	7.14

Where available, consensus data has been sourced from Thomson Datastream

**Sector: General Retailers**

Price: €4.82  
Price as at 27 September 2012

**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	0.0	(12.2)	(31.1)
Relative*	0.2	(21.7)	(39.6)

\* % Relative to local index

**Analyst**

Richard Finch

**Piscines Groupe (ALPGG)**

Market cap: €15m

**COMPANY COMMENT**

Interim results, due in late October, should be notable for quantifying the effect of last year's factory fire. Although production was due to resume in May, there will inevitably have been an impact in the run-up to the main trading season despite the transfer of orders to other group sites. However, encouragingly, marketing has been stepped up in readiness. Trading was predictably subdued after the fire, with H211 sales and invoiced pool volumes down by 8% and 16% respectively and low-season losses sufficient to move the company into a slight loss at the trading level for the full year. This is all the more disappointing in view of Piscines Groupe's optimism before the fire on the back of a decent order book.

**INDUSTRY COMMENT**

According to Markit, French retail sales fell in August for the fifth month in a row. The OECD's new forecast of only a marginal economic pickup in Q4 after a contraction in Q3 suggests that consumer spending will remain subdued, especially in relation to high-ticket items such as swimming pools.

Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2010A	33.10	1.03	1.94	N/A	N/A
2011A	30.88	(0.72)	(0.11)	N/A	N/A
2012E	34.70	N/A	1.80	0.58	8.31
2013E	31.50	N/A	(0.80)	(0.27)	N/A

Where available, consensus data has been sourced from Thomson Datastream

## Sector: Construction &amp; Bldg Mat.

Price: €35.90  
Price as at 27 September 2012

## 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	N/A	N/A	N/A
Relative*	N/A	N/A	N/A

\* % Relative to local index

## Analyst

Roger Leboff

## Poujoulat (ALPJT)

Market cap: €70m

## COMPANY COMMENT

Lower growth in Q212 was blamed on fewer working days vs Q211 and the disruption caused by French elections, but also a confirmed slowdown in the construction market. Exports (13% of Q2 sales) did better, 10% ahead y-o-y vs 7.2% in France and margins were maintained, although Poujoulat reports pressure on prices. Results will be affected by higher depreciation and expenses post new investment, but order books are in line with last year and the outlook 5% plus sales growth in the second half.

## INDUSTRY COMMENT

Poujoulat 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 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)
2010A	151.52	13.11	8.73	N/A	N/A
2011A	175.55	12.38	8.14	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: Basic Industries

Price: €2.57  
Price as at 27 September 2012

## Share price graph (€)



## Company description

Poweo Direct Energie is the leading independent electricity and gas operator in France.

## Price performance

%	1m	3m	12m
Actual	(3.7)	17.4	(6.2)
Relative*	(3.6)	4.6	(17.8)

\* % Relative to local index

## Analyst

Richard Finch

## Poweo Direct Energie (ALPWO)

Market cap: €120m

## COMPANY COMMENT

Ahead of imminent H1 results, Poweo completed in July its merger with its reference shareholder (46%), Direct Energie, the leading alternative supplier of electricity in France with more than 700,000 private and business customers. The transaction creates the first multi-energy alternative operator with critical size in France. The Alternext listing is being maintained with a possible move to Euronext in due course. The 42% decline in POWEO Q112 sales should be seen in the context of the managed reduction (now stabilised) in exposure to low-margin grid network and large account customers and an exceptional energy management comparative as Q111 prices were boosted by the Fukushima disaster.

## 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.

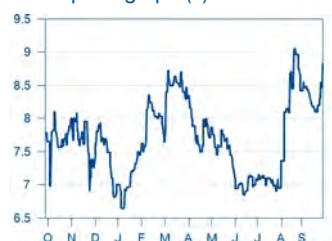
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2010A	696.30	(146.20)	(150.10)	N/A	N/A
2011A	474.69	(88.90)	(104.00)	N/A	N/A
2012E	663.00	N/A	(55.00)	(3.36)	N/A
2013E	691.00	N/A	(39.00)	(2.35)	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Technology

Price: €8.83  
Price as at 27 September 2012

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	(0.8)	26.1	12.8
Relative*	(0.6)	12.5	(1.2)

\* % Relative to local index

Analyst

Roger Leboff

## Prodware (ALPRO)

Market cap: €51m

COMPANY COMMENT

A 43% increase in turnover in H112 reflects the successful integration of new international subsidiaries and a strong performance by Qurius Spain. There was also 12.9% organic growth in Q2, with FocusLive sales 67% ahead. This compares well vs a 1.2% 2012 market growth forecast (Syntec Digital). Gross margins were stable at 26.9%, but operating margins at 15.8% (H111: 18.1%) reflected €2.8m of one-off restructuring charges. Markets remain uncertain, but Prodware strengthened its balance sheet in the period, reducing gearing (including convertibles) to 40.4% (H111: 48.8%).

INDUSTRY COMMENT

Prodware is a leading software integrator and IT service company. It has clients in 10 countries, in sectors including automotive, financial and professional services, food & beverage, life sciences, luxury goods, retail, telecoms, transport and logistics, and utilities. It has grown via acquisition and in July acquired 17.1% of Qurius to create a leading EMEA software and services alliance with high growth potential.

Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2010A	83.50	9.80	8.20	N/A	N/A
2011A	106.90	16.10	12.20	N/A	N/A
2012E	105.20	17.80	14.20	2.56	3.45
2013E	123.60	14.90	12.50	2.13	4.15

Where available, consensus data has been sourced from Thomson Datastream

Sector: Technology

Price: €18.00  
Price as at 27 September 2012

Share price graph (€)



Company description

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

Price performance

%	1m	3m	12m
Actual	0.0	31.9	73.1
Relative*	0.2	17.6	51.7

\* % Relative to local index

Analyst

Roger Leboff

## ProwebCE (ALPRW)

Market cap: €36m

COMPANY COMMENT

A strong first half included 19% y-o-y growth in sales to €24.2m, which generated 94% y-o-y increases in operating profit to €1.57m at a 6.5% margin (H111: 4%) and 106% higher pre-tax profit to €1.61m. There was a €2.24m contribution to the gross margin from the group's Meyclub online travel agency, 40% up, and ProwebCE plans to continue investment in building Meyclub generally, which it regards as a high-growth business.

INDUSTRY COMMENT

There appears to be 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. The ProwebCE group has over 7,000 EC works councils, which represent 5m plus email recipients. These councils' 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)
2010A	34.84	1.10	0.04	0.02	900.00
2011A	43.20	1.32	0.56	0.28	64.29
2012E	43.50	2.00	1.60	0.83	21.69
2013E	53.90	2.80	2.40	1.20	15.00

Where available, consensus data has been sourced from Thomson Datastream



## Sector: Media &amp; Entertainment

Price: €10.00  
Price as at 27 September 2012

## Share price graph (€)



## Company description

Relaxnews specialises in designing, producing, and publishing leisure content (lifestyle, home, entertainment, and tourism news and information) for media, businesses, e-commerce sites, blogs, and institutions. The group develops custom content (text, photos, and videos) for the web as well as for mobile phones, television, radio, printed media, and the social media.

## Price performance

%	1m	3m	12m
Actual	7.5	20.5	N/A
Relative*	7.7	7.4	N/A

\* % Relative to local index

## Analyst

Fiona Orford-Williams

## Relaxnews (ALRL)

Market cap: €14m

## COMPANY COMMENT

Relaxnews floated in December 2011 raising €2.5m at €11.75, supplemented by a further €0.8m at €13.51 in June. The group generates content across traditional and new media, including operating websites in the leisure and recreation space and has been building up its operating base in H112 ahead of targeted revenue growth. It has a strong client list of media owners, brands and e-commerce sites, adding Figaro Classifieds, MSN Lifestyle and Huffington Post among others in France and numerous others across Asia and Europe since the start of the year. The strategic partnership with AFP has been extended to end-2016 and the North American interests now also include a partnership with BUM Interactif in Canada. Client conversion is currently slower but the contracts on offer are larger.

## INDUSTRY COMMENT

Brands are increasingly looking to establish numerous contact points with their customers and markets beyond the traditional advertising sphere. The group estimates that the addressable leisure information market is worth €1bn in Europe and €2bn worldwide.

Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2011A	N/A	N/A	N/A	N/A	N/A
2012A	N/A	N/A	N/A	N/A	N/A
2013E	N/A	N/A	N/A	N/A	N/A
2014E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

## Sector: Construction &amp; Bldg Mat.

Price: €4.70  
Price as at 27 September 2012

## 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	4.9	3.3	(44.0)
Relative*	5.1	(7.9)	(51.0)

\* % Relative to local index

## Analyst

Richard Finch

## Richel Serres (ALRIC)

Market cap: €20m

## COMPANY COMMENT

Sales in the quarter to June showed expected weakness (-24% like-for-like), both in terms of exports (notably Mexico) and in France, which faced a demanding comparative. However, large projects are reportedly under negotiation and the current buoyancy of the company's Venlo glass greenhouses could make up at least in part for likely subdued demand for plastic greenhouses, which tend to be more economically sensitive. Management remains committed to its marketing internationally as well as across its range. In January, shareholders were offered a buyback at €8.50 after the €21m sale of the Marchegay renewable energies business.

## INDUSTRY COMMENT

Eurostat figures show eurozone industrial production in July down by 2.3% year-on-year. As the global economy is curbed by European recession, the OECD has recently forecast that G7 countries will grow at an annualised rate of only 0.3% in Q3 and 1.1% in Q4. In July the IMF held its forecast of 2012 global GDP growth of 3.5%, albeit with many caveats.

Y/E Mar	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2011A	65.95	3.24	4.28	N/A	N/A
2012A	67.94	3.15	21.74	N/A	N/A
2013E	N/A	N/A	N/A	N/A	N/A
2014E	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: €75.20  
Price as at 27 September 2012

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	0.6	(0.3)	0.3
Relative*	1.6	(9.7)	(14.1)

\* % Relative to local index

Analyst

Richard Finch

## Royalreosink (ALRRE)

Market cap: €50m

COMPANY COMMENT

H112 confirmed contrasting expectations for Reesink's two divisions. While the Green segment achieved 14% like-for-like sales growth in line with "reasonably positive" guidance in March, Industrial was predictably subdued (sales down 13%), given macro uncertainty. Green's performance is all the more creditable in view of continuing low agriculture prices, which discourage demand. Encouragingly, its May purchase, Kemp Group, a Belgian importer of leading earth-moving equipment brands, is integrating well and should be complemented by the proposed purchase of its Dutch counterpart. Management is also tackling Industrial's woes, namely the slump in construction, by the proposed rationalisation of steel operations from two sites to one by the end of the year.

INDUSTRY COMMENT

Independent research institute the CPB has recently forecast that Dutch GDP will fall by 0.5% this year, with only a slight recovery (+0.75%) in 2013. Rising unemployment and low household consumption are key determinants.

Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2010A	189.70	6.40	7.67	8.66	8.68
2011A	173.40	7.20	N/A	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: Food & Drink

Price: €26.89  
Price as at 27 September 2012

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	12.6	40.4	99.2
Relative*	12.8	25.2	74.6

\* % Relative to local index

Analyst

Fiona Orford-Williams

## Sapmer (ALMER)

Market cap: €93m

COMPANY COMMENT

Far Eastern demand for Patagonian toothfish and crayfish continues to drive strong sales growth (H112 revenues +24% y-o-y). The fourth blast-freezer purse seiner came into service in May and the next should start October. Total investment will have been €135m. Two further seiners have been ordered for delivery in H213. Sapmer has extended -40#730;C processing and freezing capacity at the JV plant in L'Ile Maurice to 3,600t with total production capacity of 9,000t. A second factory to increase capacity for sashimi, which could account for half the tuna catch by FY13, is now going ahead and will increase freezing capacity to 6,100t.

INDUSTRY COMMENT

Toothfish and crayfish are highly prized in Asia, with frozen tuna especially 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, with fixed annual quotas, and all ships carry an independent inspector. The Indian Ocean Tuna Commission has been set up to monitor and manage tuna stocks.

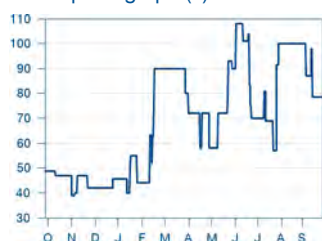
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2010A	48.00	3.40	0.60	N/A	N/A
2011A	77.00	15.20	7.70	N/A	N/A
2012E	N/A	N/A	N/A	N/A	N/A
2013E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

## Sector: Electrical Equipment

Price: €78.50  
Price as at 27 September 2012

## Share price graph (€)



## Company description

Serma Technologies offers a wide range of services to the electronics industry, including technical engineering advice and the design and production of digital and mixed signal integrated circuits.

## Price performance

%	1m	3m	12m
Actual	(21.5)	12.1	60.8
Relative*	(21.4)	(0.0)	40.9

\* % Relative to local index

## Analyst

Roger Leboff

## Serma Technologies (ALSER)

Market cap: €90m

## COMPANY COMMENT

The strong FY11 result included an improved 15% operating margin (FY10: 11.9%). Serma spent €1.4m on R&D, backing projects internally and on behalf of clients, designed to improve access to new markets. Serma has targeted c 11% sales growth this year. It admits that this is ambitious considering the end 2011 economic backdrop, but anticipates further growth in demand from major customers and expects to benefit from recruitment and another €1.4m of capital investment this year. It ended FY11 with €0.2m net cash and paid a €3.95/share dividend.

## INDUSTRY COMMENT

Serma is a specialist in design, industrialisation and production of digital and mixed signal integrated circuits, an important component of the semiconductor market. It is certified by civil aviation authorities to manufacture and maintain in-flight equipment. In Germany, the core competence is development of embedded systems, hardware, software and mechanical engineering, and it assists other group operations with access to the German market.

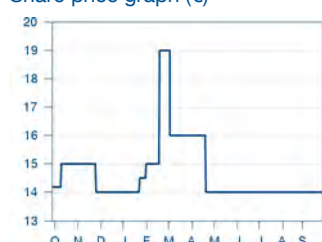
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2010A	55.20	7.61	5.31	3.21	24.45
2011A	63.30	8.83	6.24	N/A	N/A
2012E	N/A	N/A	N/A	N/A	N/A
2013E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

## Sector: General Industrials

Price: €14.00  
Price as at 27 September 2012

## Share price graph (€)



## Company description

Sical specialises in manufacturing and marketing of packaging.

## Price performance

%	1m	3m	12m
Actual	0.0	0.0	(1.4)
Relative*	0.2	(10.8)	(13.6)

\* % Relative to local index

## Analyst

Richard Finch

## Sical (ALSIC)

Market cap: €51m

## COMPANY COMMENT

Ahead of imminent H1 results, Sical has reported that, despite limited visibility on demand and pricing, budgeted results for 2012, based on Q1 raw material costs, are positive, and that group trading profit should be acceptable. Corrugated packaging activity in the first quarter was reportedly slightly ahead. This is encouraging after a challenging 2011 for Sical, marked by the crisis in the Ivory Coast, where Sonaco's sales fell by a third on volume down 43%, c 5% of group sales. In addition, growth slowed in H211, with sales up just 5% against 11% in H1 and driven by price rather than volume, leading to a halving of H2 trading profit.

## INDUSTRY COMMENT

According to the European Federation of Corrugated Board Manufacturers, in the year to March the French market was flat and input costs volatile. DS Smith reports still difficult conditions; its own "particularly encouraging" volume growth since April in Continental Europe reflects its high share (much more than Sical) of FMCG business, the most buoyant area of corrugated demand.

Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2010A	81.83	3.60	4.20	N/A	N/A
2011A	85.22	3.07	4.06	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: Technology**

Price: €26.75  
Price as at 27 September 2012

**Share price graph (€)**

**Company description**

Sidetrade provides financial customer relationship management software known as SaaS. Its solutions are used by more than 800 companies across 65 countries to improve their DSO, accelerate cash and decrease their bad debts.

**Price performance**

%	1m	3m	12m
Actual	1.5	7.0	2.9
Relative*	1.7	(4.6)	(9.8)

\* % Relative to local index

**Analyst**

Roger Leboff

**Sidetrade (ALBFR)**

Market cap: €36m

**COMPANY COMMENT**

Contributions from Sidetrade's SaaS model drove a 30% increase in transaction volumes in the first half, with 14.6m invoices processed (FY11: 24m). Group turnover was €6.9m in H112, 4.8% ahead y-o-y, while SaaS provides visibility via recurring revenues from multinational contracts. Subscriptions in H112 generated €3.7m, 22.6% ahead of last year, and the order book was €15.2m at mid-year, committed revenues out to mid-FY16. That offset a 10.7% fall in services sales, in part due to the loss of a low-margin business process outsourcing contract.

**INDUSTRY COMMENT**

IDC forecast average growth in the SaaS market of over 24% a year to 2012, with the share of on-demand services in the software market to increase by more than 100%. Sidetrade assists its clients with cash management, improved cash flow and reduced working capital. Its software helps to reduce late payments, decrease disputes, identify customer risk and secure receivables. The group 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)
2010A	11.02	1.81	1.76	N/A	N/A
2011A	12.58	2.38	1.66	N/A	N/A
2012E	13.80	2.70	1.70	1.29	20.74
2013E	15.30	3.20	2.00	1.48	18.07

Where available, consensus data has been sourced from Thomson Datastream

**Sector: Financials**

Price: €23.59  
Price as at 27 September 2012

**Share price graph (€)**

**Company description**

Siparex Croissance specialises in investment capital. The group acquires minority holdings in medium-sized, unlisted businesses.

**Price performance**

%	1m	3m	12m
Actual	11.3	14.6	22.2
Relative*	11.5	2.2	7.1

\* % Relative to local index

**Analyst**

Roger Leboff

**Siparex Croissance (LSIP)**

Market cap: €30m

**COMPANY COMMENT**

Siparex is in effective run-down and will make no further investments during the period to end-December 2014. It produced a solid set of first half results, which included a 7% increase in NAV/share to €29.63 as at end-June 2012. The latter reflects the benefit of good results by portfolio companies in recent months. H112 profit was €2.5m, vs €6.3m for FY11 as a whole, and there was a €0.4m reduction in provisions due to better operating performance by certain portfolio companies. A number of negotiations currently underway should help secure further sales in H2. However, as this would reduce the number of holdings, it is possible that future performance could be more volatile.

**INDUSTRY COMMENT**

The group strategy is to continue with the divestment of the portfolio, with several operations underway, subject to changing economic conditions. The reduction in the underlying portfolio may increase the volatility of future performance.

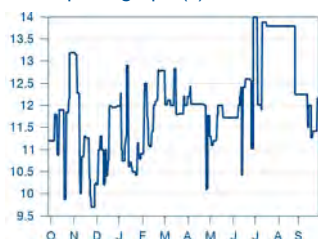
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2010A	5.30	3.59	(3.59)	N/A	N/A
2011A	5.61	4.50	4.50	N/A	N/A
2012E	N/A	N/A	N/A	N/A	N/A
2013E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

## Sector: General Industrials

Price: €12.16  
Price as at 27 September 2012

## Share price graph (€)



## Company description

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

## Price performance

%	1m	3m	12m
Actual	(0.3)	10.3	8.7
Relative*	(0.2)	(1.6)	(4.8)

\* % Relative to local index

## Analyst

Richard Finch

## Siraga (SIRA)

Market cap: €9m

## COMPANY COMMENT

Although a fall of 18% in Q1 sales is disappointing after a strong FY12 (+17%), recent quarterly performance has been volatile and management attributes this shortfall to timing, as its important Brazilian business focused on project completion and certain large orders were postponed. Encouragingly, Siraga's new ability to supply all gas cylinder distribution channels is paying off, with widespread order negotiations in progress. In July the company reported "very good" prospects for its engineering activity on the back of several major new contracts and diversification of turnkey LPG projects in Africa and Saudi Arabia.

## INDUSTRY COMMENT

As the global economy is curbed by European recession, the OECD expects G7 countries to grow at an annualised rate of only 0.3% in Q3 and 1.1% in Q4. While Germany and Japan are set to contract, the US may fare better with c 2% annualised gain. In July the IMF held its forecast of 2012 global GDP growth of 3.5%, albeit with many caveats. A higher oil price is positive for energy industry suppliers, despite potentially deterring end-consumer sales.

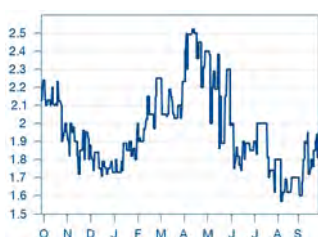
Y/E Mar	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2011A	32.36	0.59	(0.18)	(0.02)	N/A
2012A	38.25	1.24	0.49	0.58	20.97
2013E	N/A	N/A	N/A	N/A	N/A
2014E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

## Sector: Media &amp; Entertainment

Price: €1.95  
Price as at 27 September 2012

## Share price graph (€)



## Company description

Social Mix Media Group provides email-based direct marketing services on the internet.

## Price performance

%	1m	3m	12m
Actual	14.7	5.4	(9.3)
Relative*	14.9	(6.0)	(20.5)

\* % Relative to local index

## Analyst

Fiona Orford-Williams

## Social Mix Media (ALSMM)

Market cap: €8m

## COMPANY COMMENT

Social Mix Media Group has been shifting its focus onto visitor conversion and digital marketing. It is particularly strong in automotive, where it works with 19 of the 25 major marques, but the cyclical downturn in this sector has heavily impacted H112 revenues. Its development programme in social resource capability is based around intelligent dBs, real-time marketing and geolocation marketing across email, social and mobile channels. The group has taken a 25% stake in AppCity and is negotiating with Lagadère to buy its Nextidea agencies and Nextdata Next Premium. Larger clients are being converted to multi-year contracts of up to five years, with a target of 50% revenues from such business by 2013; 25% by end-2012.

## INDUSTRY COMMENT

Online marketing spend slowed in H112 in France to 1.9%, still well ahead of the overall market. For FY12, expected growth in the mainstream advertising market has again been revised down and is now around 0.5%. Automotive and Transport remains the largest category in online display advertising.

Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2010A	11.32	0.85	(8.93)	(0.19)	N/A
2011A	11.90	0.79	1.17	N/A	N/A
2012E	12.70	1.00	0.70	0.16	12.19
2013E	13.20	1.50	1.00	0.24	8.13

Where available, consensus data has been sourced from Thomson Datastream

## Sector: Technology

Price: €3.70  
Price as at 27 September 2012

## Share price graph (€)



## Company description

Softimat (formerly Systemat) is a computer services company primarily active in Belgium and Luxembourg. Systemat is present in the large private accounts sector and public markets through its Systemat Business Services (SBS) division, and also in the mid-market through its Systemat Global Solutions (SGS) division.

## Price performance

%	1m	3m	12m
Actual	19.2	22.9	23.3
Relative*	17.4	9.2	10.2

\* % Relative to local index

## Analyst

Roger Leboff

## Softimat (SOFT)

Market cap: €24m

## COMPANY COMMENT

FY11 turnover was 6% ahead y-o-y, at a 24.5% gross margin. There was 13% growth y-o-y with all areas of the business making positive contributions, and EBIT 156% up at €2.45m. A strong performance by the group's public sector activities included two major new contracts during the year and €1m of additional revenues from outsourcing contacts from SMEs in Belgium and Luxembourg, accounting for 25% growth. Softimat also reported stable revenue from existing customers and improved penetration from cross trading.

## INDUSTRY COMMENT

Softimat is a computer services company based primarily in Belgium and Luxembourg; sales respectively 75.3%/24.7%. It serves large private sector accounts, public and the mid-market. There are three main areas of activity; sale of IT equipment and computer equipment financing and leasing services; supply of IT services; and sale of in-house software solutions: accounting software (Popsy) and solutions ERP (Ypsos and Dimasys). It also develops internet applications and electronic business solutions.

Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2010A	58.21	1.07	0.43	N/A	N/A
2011A	8.91	0.39	0.69	N/A	N/A
2012E	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: €18.24  
Price as at 27 September 2012

## 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	N/A	N/A	N/A
Relative*	N/A	N/A	N/A

\* % Relative to local index

## Analyst

Roger Leboff

## Solutions 30 (ALS30)

Market cap: €45m

## COMPANY COMMENT

A strong Q1, sales 51% ahead y-o-y at €20.2m, was flattered by comparison with the performance in the same period last year, when political upheaval impacted the group's Tunisia-based call centre. The second half of FY11 was buoyed by earnings-accretive acquisitions, but Q1 was 31% organic growth. In July Solutions 30 paid c €0.3m for IT maintenance and support company AGEMIS, which expanded its service offering and built its profile within France. However, the contribution from its international operations nearly doubled in Q1, to 20% of the total, and remains a key driver.

## 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)
2010A	24.10	2.58	1.63	N/A	N/A
2011A	30.40	1.45	1.54	N/A	N/A
2012E	74.00	N/A	4.00	1.32	13.82
2013E	79.00	N/A	4.00	1.49	12.24

Where available, consensus data has been sourced from Thomson Datastream



## Sector: Support Services

Price: €2.20  
Price as at 27 September 2012

## Share price graph (€)



## Company description

Solving Efeso International specialises in business strategy and organisation consulting services. The group's operations revolve around three types of services: analysis and development of strategies, overall management organization and the improvement of function performance.

## Price performance

%	1m	3m	12m
Actual	10.0	25.7	27.9
Relative*	10.2	12.1	12.1

\* % Relative to local index

## Analyst

Roger Leboff

## Solving Efeso (ALOLV)

Market cap: €49m

## COMPANY COMMENT

Over the last year the strategy has been to transition the group away from peripheral, lower margin activities and acquire businesses that improve geographical coverage or expertise. The logic is revealed in the first half, with turnover lower in Europe and emerging markets, but offset by a doubled contribution from North America. Consolidated turnover was €31.1m in H112, 5.1% ahead y-o-y (4% at constant scope). Operating and pre-tax margins were both ahead of last year, benefiting from cost control in FY11 and price increases. The full-year outlook sees turnover growth ahead of the underlying market.

## INDUSTRY COMMENT

Recent acquisitions add to capacity to service international clients in important new markets, enhance the skills base and add new clients in important strategic markets. This provides resilience in an uncertain macroeconomic environment, which should see operating profit growth run ahead of turnover. There are offices in 25 countries in Europe, the Middle East, Asia and the Americas.

Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2010A	50.45	(1.00)	(4.15)	N/A	N/A
2011A	54.81	4.55	3.18	0.14	15.71
2012E	59.20	5.20	2.30	0.10	22.00
2013E	62.00	6.30	3.40	0.15	14.67

Where available, consensus data has been sourced from Thomson Datastream

## Sector: Media &amp; Entertainment

Price: €6.39  
Price as at 27 September 2012

## 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	(2.3)	(3.2)	(24.9)
Relative*	(2.1)	(13.7)	(34.2)

\* % Relative to local index

## Analyst

Richard Finch

## Sporever (ALSPO)

Market cap: €14m

## COMPANY COMMENT

Ahead of imminent H1 results, Sporever is focusing on its core activities of publishing and production in new media. It halted its online sports-betting business in Q1 as it became clear that there was no prospect of decent returns, given French legislation. Losses in sports betting, which had operated since late-2010, account entirely for the 58% fall in 2011 trading profit (core trading margins 7%, as in 2010). The company's small photo operation had already been sold. In line with this new strategy, it is encouraging to note Sporever's recent launch of a sports news TV channel (365Sport), to be distributed by Orange. Finances remain healthy (net cash at December even after a 10% share buyback).

## 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. Online advertising in Europe is forecast to grow by 11% in 2012 (Strategy Analytics).

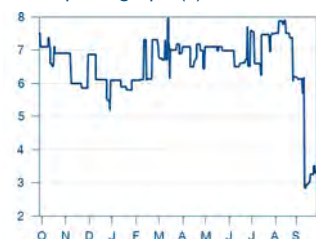
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2010A	15.60	1.07	(0.21)	N/A	N/A
2011A	16.50	0.45	(1.12)	N/A	N/A
2012E	17.10	N/A	1.00	0.43	14.86
2013E	16.70	N/A	0.50	0.51	12.53

Where available, consensus data has been sourced from Thomson Datastream

Sector: Financials

Price: €3.30  
Price as at 27 September 2012

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	8.7	1.4	(12.1)
Relative*	8.9	(9.6)	(23.0)

\* % Relative to local index

Analyst

Roger Leboff

## Stradim - Espace Fin. (ALSAS)

Market cap: €11m

COMPANY COMMENT

The group progressed financially and operationally in FY11, the third year of strong growth. Turnover was 16% ahead y-o-y, 40% ahead over the last four years. Operating profit, at €6.9m, was 38% ahead. It delivered 542 flats (FY10: 450) and recorded 657 contracts worth €107m (FY10: 595 contracts and €97m). Key drivers include the tax benefits of the Scellier law, which encourage investment in rented housing, and the BBC (low energy consumption) standards, which benefit its programs.

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)
2010A	65.10	4.98	3.12	1.87	1.76
2011A	75.80	6.88	3.01	1.75	1.89
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: €9.90  
Price as at 27 September 2012

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	(1.5)	3.7	15.1
Relative*	(1.3)	(7.6)	0.9

\* % Relative to local index

Analyst

Roger Leboff

## StreamWIDE (ALSTW)

Market cap: €26m

COMPANY COMMENT

The first half was behind expectations. Although group revenues were 4% up y-o-y license sales were down 22%, offset by contributions from lower margin maintenance and third-party sales. The second half outlook is better. The fall in license sales should be temporary as it relates to operational delays experienced by clients launching major platforms, already part retrieved in the summer. Based on the mid-year order book, FY12 is expected to be well ahead. A €0.2/share dividend was paid in July.

INDUSTRY COMMENT

The group sees the tough competitive environment for telecom operators in France and abroad as a key driver of future growth. There is clear need for next-generation value-added software services for mobile and fixed-line telecoms operators. It intends to maintain investment in R&D and develop sales channels. StreamWIDE combines an IP environment (reduced time to market, capex and opex), quality user interfaces (laptops, TVs, smartphones and tablets) with innovative services to drive up ARPU.

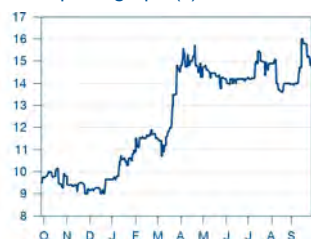
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2010A	10.20	2.30	1.10	N/A	N/A
2011A	11.50	2.50	1.80	N/A	N/A
2012E	N/A	N/A	N/A	N/A	N/A
2013E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

## Sector: Support Services

Price: €15.14  
Price as at 27 September 2012

## 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	8.2	6.7	59.4
Relative*	9.3	(3.4)	36.6

\* % Relative to local index

## Analyst

Roger Leboff

## TMC Group (ALTM)

Market cap: €60m

## COMPANY COMMENT

The FY12 outlook is underpinned by customer demand for high-quality engineers despite a hesitant market. First-half revenues were 6.3% up y-o-y at €28m. Gross margins fell to 31.7% (H111: 38%), which reflects the impact of government measures, specifically lower grants and higher national insurance contributions. TMC reported 12% project growth in the west of the Netherlands vs the year end and new business growth has reduced its dependency on its top three clients. The average number of Employeneurs was 11.7% above the first half last year.

## 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. Its focus is its clients' most important, core R&D development, which requires flexible access to technical personnel. Demand from semi-conductor and automotive industries has grown and TMC expects to benefit from recent fiscal initiatives by the Netherlands government to spur innovation.

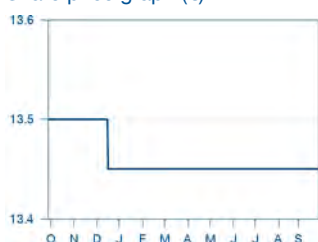
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2010A	42.10	4.70	3.50	N/A	N/A
2011A	52.63	8.04	6.01	N/A	N/A
2012E	53.00	N/A	6.30	1.71	8.85
2013E	57.00	N/A	7.00	1.87	8.10

Where available, consensus data has been sourced from Thomson Datastream

## Sector: Pcare and household prd

Price: €13.45  
Price as at 27 September 2012

## 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	(0.4)
Relative*	0.2	(10.8)	(12.7)

\* % Relative to local index

## Analyst

Roger Leboff

## Toolux Sanding (ALTLX)

Market cap: €24m

## COMPANY COMMENT

Sales fell 12.7% y-o-y in FY11, with profit margins lower post a €0.48m increase in financial expenses and a 56% increase in bank borrowings to €14.7m. Cash balances were healthy at the year end at €4.2m (FY10: €5.7m). Toolux's products mainly consist of injected or extruded handle screwdrivers. Although all sales are contracted in Renmimbi with Chinese distributors, figures are converted into euros at average exchange rates - €1=8.9975RMB for FY11 vs €1=RMB8.98 for FY10.

## 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)
2010A	10.52	0.43	0.30	0.17	79.12
2011A	9.18	0.18	0.15	0.08	168.13
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: €1.95  
Price as at 27 September 2012

Share price graph (€)



Company description

Traqueur specialises in marketing and installing stolen vehicle location products for individuals and vehicle fleet management systems for businesses.

Price performance

%	1m	3m	12m
Actual	14.7	(9.3)	50.0
Relative*	14.9	(19.1)	31.5

\* % Relative to local index

Analyst

Richard Finch

## Traqueur (ALTRA)

Market cap: €6m

COMPANY COMMENT

Ahead of imminent H1 results, Traqueur expects an increase in full-year sales despite no signs of a pickup or new vehicle insurance requirements. Management is encouraged by the resilience of its core after-sales business (H1 sales +7% against a market down by 14%) thanks to improved marketing and a wider client base. Key new business solutions have led to another good performance by fleet management and telematics (+23% in H1), with the latter activity set for a particular boost in the second half. By contrast, there was disappointment in delays in benefiting from recent government confirmation of the legality of the company's "Coyote" radar detector.

INDUSTRY COMMENT

The theft detection and recovery market is tied closely to vehicle registrations as buyers of new cars, especially premium ones, are more likely to protect against theft. Encouragingly, while the French market is down 13% in the calendar year to August (CCFA), Mercedes and Audi sales are up 6% and 4% respectively, while BMW are stable.

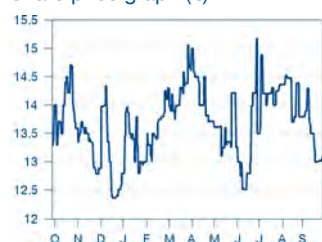
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2010A	16.24	(0.71)	(0.63)	N/A	N/A
2011A	16.69	(0.26)	0.03	N/A	N/A
2012E	N/A	N/A	N/A	N/A	N/A
2013E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Engineering

Price: €13.11  
Price as at 27 September 2012

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	(8.8)	(13.6)	(1.4)
Relative*	(8.7)	(22.9)	(13.6)

\* % Relative to local index

Analyst

Richard Finch

## Trilogiq (ALTRI)

Market cap: €49m

COMPANY COMMENT

Ahead of final results in January, Trilogiq has done well to hold gross margin in the half to March in the face of a hardening of conditions and competition, particularly in Brazil and Mexico. It also markedly curbed the trading margin erosion (attributed to investment in marketing and staff) that had bedevilled the half to September. Sales in Europe, still much the group's largest division, were up 20% for the year thanks to buoyancy in Germany and Central Europe, a strong pick-up in the UK and expansion in Spain, Italy and Russia. In pursuit of its goal of annual sales of €100m within five years and a clear recovery in gross margin, the company looks to grow in the Americas and Africa/Asia and to sell more services.

INDUSTRY COMMENT

As the global economy is curbed by European recession, the OECD has recently forecast that G7 countries will grow at an annualised rate of only 0.3% in Q3 and 1.1% in Q4. While Germany and Japan are set to contract, the US may fare better with c 2% annualised gain. In July the IMF held its forecast of 2012 global GDP growth of 3.5%, albeit with many caveats.

Y/E Mar	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2011A	55.27	9.17	6.36	N/A	N/A
2012A	63.20	8.00	5.62	N/A	N/A
2013E	66.43	N/A	7.27	N/A	N/A
2014E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

## Sector: Technology

Price: €2.00  
Price as at 27 September 2012

## 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	0.5	(12.7)	(44.4)
Relative*	0.7	(22.1)	(51.3)

\* % Relative to local index

## Analyst

Richard Finch

## TTI (ALTTI)

Market cap: €8m

## COMPANY COMMENT

Ahead of H1 results in late October, TTI looks for profitability to pick up in H2 as new clients and rationalisation start to pay off after a disappointing 2011 (break-even at the trading level in H2). Also, its main market, Brazil (66% of sales last year) remains particularly buoyant, while ReservaWeb, its cost-cutting management system, is being targeted at the high-growth Asian market. TTI views 2011 as a period of consolidation in view of its commitment to long-term investment despite the downturn, Arab Spring disruption and the loss of significant clients, which alone accounted for c 15% of group sales. TTI had net cash at December.

## INDUSTRY COMMENT

For 2012 IATA forecasts passenger growth of almost 5% (international traffic +7% in the year to date, but slowing markedly in the last quarter), assuming no full-scale eurozone crisis and no oil price spike. Of the major markets, Europe remains surprisingly resilient while North Atlantic and Asia Pacific are being curbed respectively by capacity cuts and changing trade patterns.

Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2010A	12.53	2.72	2.04	0.28	7.14
2011A	10.98	0.64	0.07	N/A	N/A
2012E	12.00	(0.10)	2.50	0.60	3.33
2013E	11.40	N/A	(0.20)	(0.10)	N/A

Where available, consensus data has been sourced from Thomson Datastream

## Sector: Financials

Price: €4.20  
Price as at 27 September 2012

## 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	(8.3)	2.7	4.2
Relative*	(8.1)	(8.4)	(8.7)

\* % Relative to local index

## Analyst

Richard Finch

## Turenne Invest. (ALTUR)

Market cap: €20m

## COMPANY COMMENT

NAV per share at June was up 1% in the quarter and 9% year-on-year, underlining the resilience of Turenne's portfolio. Strategic disposal of its most mature investments is paying off, notably in capital gains of €3.2m on Capsule Technologie (initial investment in 2008) and €1.3m on Globe Groupe (supported since 2007). At the end of H1, the company backed the purchase of AIM-listed Tekka out of receivership, which is in line with its newly re-affirmed commitment to invest in high-growth opportunities despite harsh conditions.

## INDUSTRY COMMENT

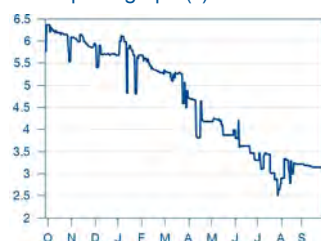
As a listed vehicle with investments in unquoted companies, Turenne offers investors the opportunity to gain exposure to private equity investment. While such investments are relatively risky, Turenne offers diversification and the chance to piggyback on due diligence conducted by Turenne Capital Partenaires. 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)
2010A	N/A	(1.36)	(1.78)	N/A	N/A
2011A	N/A	(1.32)	2.66	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: Consumer Support Services**

Price: €3.14  
Price as at 27 September 2012

**Share price graph (€)**

**Company description**

Tuto4pc.com group 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	(2.2)	(4.8)	(40.2)
Relative*	(2.0)	(15.2)	(47.6)

\* % Relative to local index

**Analyst**

Richard Finch

**Tuto4pc.com (ALTUT)**

Market cap: €11m

**COMPANY COMMENT**

Ahead of imminent H1 results, Tuto4pc.com expects increasing returns from substantial investment, notably in its tutorial catalogue (it has new topics such as DIY and cookery), platform availability, R&D and international development (eg Italy scheduled for Q2 after a successful move into Spain last year). This follows a difficult H211 when sales reversed their 12% gain of the first half (attributed to a general decline in online advertising revenue in the seasonally important fourth quarter and to one-off difficulties accessing Google's advertising programmes) and trading profit fell by 80% (largely due to investment costs and sales shortfall). After missed 2011 guidance, there may be caution about similar optimism for 2012.

**INDUSTRY COMMENT**

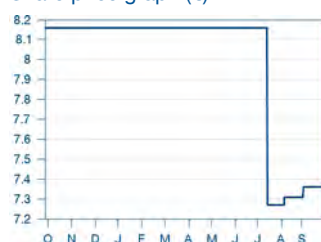
According to IREP, the French digital advertising market saw softer growth in H1 (5% against 13% in H211) with further slowing likely in H2. At 65%, internet penetration in Spain is well below the European Union average and that in France (71% and 77% respectively at end 2011).

Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2010A	7.73	3.18	2.31	11.44	0.27
2011A	7.60	2.00	2.19	0.61	5.15
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: Industrial Support Services**

Price: €7.36  
Price as at 27 September 2012

**Share price graph (€)**

**Company description**

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

**Price performance**

%	1m	3m	12m
Actual	0.7	(9.8)	(9.8)
Relative*	0.9	(19.6)	(20.9)

\* % Relative to local index

**Analyst**

Roger Leboff

**TXCOM (ALTXC)**

Market cap: €9m

**COMPANY COMMENT**

The 22% y-o-y fall in FY11 sales (better than the 27% drop in H1) was due to reduced orders from two of TXCOM's largest clients and the impact of a weak US dollar. Profitability benefited from restructuring, including a 31% fall in payroll expense, although the operating margin was 6.0% vs 13.3% in FY10. The medium-term outlook is supported by the strong technology base and contributions from new distributors (Germany, the US and South America).

**INDUSTRY COMMENT**

TXCOM produces innovative solutions to read and transmit bar code data designed for industry, logistics, transportation and food retail. It has installed over 40,000 radio terminals and c 2,000 local networks in Europe and 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. Its 2010 IPO built 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)
2010A	9.97	1.33	0.48	0.69	10.67
2011A	7.73	0.46	0.28	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: Consumer Support Services

Price: €12.48  
Price as at 27 September 2012

## 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	(12.4)	(22.0)	14.7
Relative*	(12.2)	(30.5)	0.5

\* % Relative to local index

## Analyst

Richard Finch

## UCAR (ALUCR)

Market cap: €22m

## COMPANY COMMENT

UCAR appears undaunted by the virtual elimination of trading profit in the first half. Rather, it has served to underpin its commitment to expand exclusively via its franchise model since the shortfall was in its branches, whose high fixed costs accentuated low-season losses as revenue dwindled in a market down by 5%. Branches now account for only 12% of agencies. Deployment is well on target with completion of 22 of at least 30 agency openings planned for 2012 (25 last year) and the prospect of more "white label" work, eg with Audi. As well as strong finances, which allow rapid expansion as young franchisees are encouraged by the company's investment in their businesses, UCAR is benefiting from the breadth of its rental service, its young fleet, its low-cost positioning and the scale of its network.

## INDUSTRY COMMENT

According to Markit, French retail sales fell in August for the fifth month in a row. The OECD's new forecast of only a marginal economic pickup in Q4 after a contraction in Q3 suggests that consumer spending will remain subdued.

Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2010A	44.08	0.77	0.38	0.02	624.00
2011A	59.41	2.22	1.41	0.81	15.41
2012E	47.30	2.60	1.60	0.92	13.57
2013E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

## Sector: General Retailers

Price: €4.54  
Price as at 27 September 2012

## 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	13.5	25.1	59.3
Relative*	13.7	11.5	39.6

\* % Relative to local index

## Analyst

Richard Finch

## VDI Group (ALVDI)

Market cap: €22m

## COMPANY COMMENT

A doubling of H1 trading margin and continued buoyancy despite tough conditions underpin VDI's re-affirmed target of 5% net profit margin (before goodwill amortisation) this year and next (4.5% in 2011), and indeed 6% in 2014. Growth is being led by the company's major division, Battery (H1 billings +12%), while a pick-up in Health & Safety activity is expected in the second half. Management is intent on ensuring the success of recent investments in Spain and Germany, as well as in its domestic network and commercial website (prorisk.fr). However, strong finances (53% gearing at June) should allow VDI to remain alert to acquisition opportunities.

## INDUSTRY COMMENT

The fragmented nature of the health and safety at work market provides little guidance. However, Bunzl reported that in H112, its French cleaning and hygiene business saw a slight decline in sales, partly owing to continued pressure in the public sector and contract cleaning markets. Battery demand should reflect consumers' increasingly nomadic lifestyles.

Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2010A	50.30	2.18	1.17	0.08	56.75
2011A	53.41	3.76	2.42	0.36	12.61
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: Alternative Energy

Price: €9.02  
Price as at 27 September 2012

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	1.6	8.5	(24.5)
Relative*	1.7	(3.2)	(33.8)

\* % Relative to local index

Analyst

Roger Leboff

## Velcan Energy (ALVEL)

Market cap: €70m

COMPANY COMMENT

FY11 was adversely affected by a €3.6m forex impact, realised and unrealised, due to a depreciation in the Brazilian Real, and another €5.9m of provisions post downgrade to the probability of success of the five Brazilian projects. More positively, it increased its exclusive rights portfolio in Laos, and progressed concessions in Arunachal Pradesh in India to obtain approval and the necessary clearances for construction. It continues an active search for new projects in South America and SE Asia to improve geographical diversification.

INDUSTRY COMMENT

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

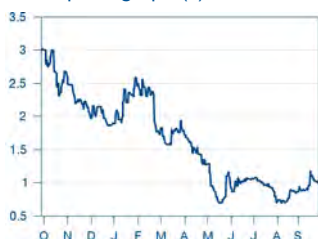
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2010A	3.80	(1.67)	9.00	1.36	6.63
2011A	5.40	(7.14)	(3.10)	(0.49)	N/A
2012E	N/A	N/A	N/A	N/A	N/A
2013E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Oil & Gas

Price: €1.04  
Price as at 27 September 2012

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	22.4	(1.0)	(65.3)
Relative*	22.6	(11.7)	(69.6)

\* % Relative to local index

Analyst

Richard Finch

## Vergnet (ALVER)

Market cap: €10m

COMPANY COMMENT

A €17m funding package has newly been agreed with Vergnet's main financial and industrial partners, subject to approval by shareholders, the courts and financial authorities by the end of the year. Without agreement, the company's ability to operate appears in doubt. Management believes the refinancing will allow it not only to withstand further low demand and intense competition but also to meet development funding requirements, which are projected to peak next year and allow profitable growth from 2014. There is encouragement also from proposed government measures to boost wind power business in the French overseas departments, where Vergnet has been active. Although revenue more than doubled in the first half, thanks to the Ethiopian wind contract, order intake was down across the board.

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.

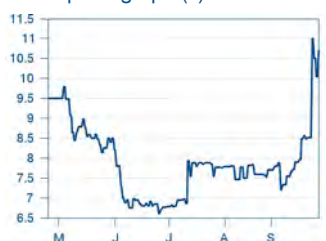
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2010A	82.40	(6.60)	(6.80)	N/A	N/A
2011A	67.70	(9.60)	(18.90)	N/A	N/A
2012E	N/A	N/A	N/A	N/A	N/A
2013E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

## Sector: Pharma &amp; Healthcare

Price: €10.70  
Price as at 27 September 2012

## Share price graph (€)



## Company description

Vexim specialises in developing invasive medical instruments used in preventing and treating vertebral fractures. The company offers the SpineJack titanium implant for anatomical restoration of fractures.

## Price performance

%	1m	3m	12m
Actual	42.9	58.3	N/A
Relative*	43.1	41.1	N/A

\* % Relative to local index

## Analyst

Mick Cooper

## Vexim (ALVXM)

Market cap: €46m

## COMPANY COMMENT

Vexim has developed a novel method of treating vertebral compression fractures; studies indicate it is more effective than the standard practice of kyphoplasty. Its SpineJack technology essentially works like a car jack to restore the original height of a vertebra before its Cohesion bone cement is injected to provide support (kyphoplasty uses a balloon to expand the fractured vertebra). Vexim has its own sales force in France and Germany, and uses distributors in Spain, Portugal, Italy, Turkey, Argentina and South Africa. In FY11, sales rose by 10.3% to €1.2m and its net loss was reduced from €5.6m to €5.1m. In H112, the sales growth was accelerated to 93%, but its operating loss also increased by 20% to €3.5m due to an expanded surgeon training programme. The company had cash of €11.3m at H112.

## INDUSTRY COMMENT

The orthopaedic implant market for spinal surgery is estimated to be worth \$9bn. The main growth driver for the sector is technological innovation that leads to increases in prices and procedure volumes, but the effect of austerity measures is limiting market growth.

Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2010A	1.09	(5.68)	(5.62)	N/A	N/A
2011A	1.21	(5.15)	(5.06)	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: Consumer Support Services

Price: €0.08  
Price as at 27 September 2012

## Share price graph (€)



## Company description

Vidéo Futur Entertainment Group specialises in the distribution of paid video content. The group offers a catalogue of audiovisual products to the general public (films, series, etc) in a variety of formats (DVD, internet download, television, etc), on all digital media, and in the magazines and devices on its network.

## Price performance

%	1m	3m	12m
Actual	0.0	(11.1)	(42.5)
Relative*	0.2	(20.7)	(49.6)

\* % Relative to local index

## Analyst

Richard Finch

## Video Futur (ALVO)

Market cap: €8m

## COMPANY COMMENT

Although up 80% in the year to date, Video Futur's subscriber base (45,000) is at some remove from its three-target of 300,000. Its main marketing weapon is still its Pass Duo, which was launched last year and is the only hybrid cinema offering in the French market to couple DVD with video on demand, allowing access to all films six months before they are shown on television and with unprecedented flexibility. Agreement with Sony for distribution on video on demand was secured in Q2. Video Futur is also expanding via its points-of-sale (target one addition a month, now 38) and the internet, and has newly announced a €2m bond issue. H1 trading loss was reduced by 16% thanks to cost-cutting (like-for-like revenue up only 3%).

## INDUSTRY COMMENT

The national film organisation CNC estimated revenue from video on demand in France (one-time payments and subscriptions) to have risen by 44% in 2011, with likely continued strong expansion from the fast-growing availability of films (+11% last year) and increasing VoD awareness.

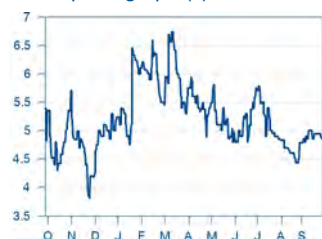
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2010A	8.20	(5.80)	N/A	N/A	N/A
2011A	7.20	(3.90)	N/A	N/A	N/A
2012E	N/A	N/A	N/A	N/A	N/A
2013E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Pharma & Healthcare

Price: €4.86  
Price as at 27 September 2012

Share price graph (€)



Company description

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

Price performance

%	1m	3m	12m
Actual	9.2	(13.1)	(8.1)
Relative*	9.4	(22.5)	(19.5)

\* % Relative to local index

Analyst

Mick Cooper

## Visiomed Group (ALVMG)

Market cap: €13m

### COMPANY COMMENT

VisioMed has developed and markets several innovative medical devices, which are sold over the counter. Its first product, 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 H112, sales increased by 25% to €7.4m. A key driver of this growth was the launch of EthyloFlash (a breathalyser) as all drivers in France will have to have a breathalyser in their possession from November 2012, which should accelerate growth further in H212.

### 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)
2010A	10.29	(1.54)	(2.07)	N/A	N/A
2011A	12.55	(1.80)	(2.30)	N/A	N/A
2012E	19.00	N/A	0.40	0.16	30.38
2013E	19.00	N/A	1.50	0.57	8.53

Where available, consensus data has been sourced from Thomson Datastream

Sector: Technology

Price: €3.70  
Price as at 27 September 2012

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	(2.6)	(25.6)	(18.5)
Relative*	(4.1)	(33.9)	(27.1)

\* % Relative to local index

Analyst

Roger Leboff

## Vision IT Group (VIT)

Market cap: €25m

### COMPANY COMMENT

Cost savings and restructuring in 2011 helped H112 profitability, despite a 2.5% y-o-y fall in sales to €57.9m. Operating margins improved to 4.5% (H111: 3.7%), despite efforts by large customers to reduce prices. The group expects further progress in H2 via economies of scale and synergies derived from integration of existing businesses. After last year's reorganisation in the Netherlands, a similar exercise has been carried out in Luxembourg, plus investment in France and Germany targeted at building margins. Vision IT expects these to feed through to margin improvements in 2013 and 2014 and see a return to organic growth.

### INDUSTRY COMMENT

The group intends to seek to capitalise on strong customer demand in recent months and has plans to add employees across Europe, having seen broad recovery in Western Europe 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)
2010A	106.43	6.02	4.15	0.62	5.97
2011A	117.33	3.91	1.41	(0.20)	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: Travel &amp; Leisure

Price: €20.69  
Price as at 27 September 2012

## 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	(0.3)	7.4	4.2
Relative*	(0.1)	(4.2)	(8.7)

\* % Relative to local index

## Analyst

Richard Finch

## Voyageurs du Monde (ALVDM)

Market cap: €76m

## COMPANY COMMENT

Ahead of a key update in late October, there is reasonable caution since the latest trading news was early in the season, albeit quite reassuring, ie at late-April current year bookings were down just 1% (-3% at the same point last year) and there were signs of recovery in Morocco, if not in Egypt. Q1 departures were ahead, if marginally; however, planned expansion of the distribution network was necessarily on hold. Overall, the MENA impact has proved much harsher than the industry expected. Encouragingly, Voyageurs du Monde's healthy finances are allowing further targeted in-fill expansion, eg its projected alliance with Allibert Trekking to create a major force in adventure and nature travel.

## INDUSTRY COMMENT

Trading has remained very difficult for French tour operators owing to the slow pace of recovery in North Africa and weak economic conditions. TUI and Thomas Cook still describe the market as "challenging", with TUI reporting summer bookings for its French operators at mid-September down 7% even on weak comparatives and a less-subdued August.

Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2010A	260.50	9.30	6.40	N/A	N/A
2011A	278.30	10.10	5.80	N/A	N/A
2012E	276.10	9.30	5.10	1.52	13.61
2013E	275.77	9.80	5.59	1.63	12.69

Where available, consensus data has been sourced from Thomson Datastream

## Sector: Media &amp; Entertainment

Price: €17.14  
Price as at 27 September 2012

## Share price graph (€)



## Company description

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

## Price performance

%	1m	3m	12m
Actual	(16.3)	(12.6)	15.1
Relative*	(16.2)	(22.0)	0.9

\* % Relative to local index

## Analyst

Fiona Orford-Williams

## Weborama (ALWEB)

Market cap: €60m

## COMPANY COMMENT

Q212 has proved a more difficult trading period for the industry and Weborama's impressive growth has slowed, but still showed gains of 20% over H112. This reflects the success of its geotargeting, ad-serving and behavioural targeting, which are gaining traction with larger clients. The additional operating costs associated with expansion will be impacting margins short-term, but this should be recovered through operational gearing. The deal newsflow goes on, with the group taking 51% in Russian Interactive Services. International revenues now account for 42% of group.

## INDUSTRY COMMENT

Advertisers' use of behavioural targeting continues to gain ground, with 33% of respondents to the regular EIAA survey (now IAB Europe) saying they plan to incorporate it into their strategy. The increasing technological complexity and the shift to more real-time data in ad-serving on web and social networks remain strong underlying trends. The Russian online advertising market is growing fast with the increasing internet penetration - now around 43%.

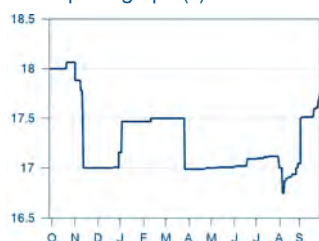
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2010A	15.20	2.89	2.40	N/A	N/A
2011A	22.40	4.10	3.50	N/A	N/A
2012E	14.86	N/A	2.66	0.80	21.43
2013E	21.80	3.90	3.35	1.02	16.80

Where available, consensus data has been sourced from Thomson Datastream

Sector: Technology

Price: €17.74  
Price as at 27 September 2012

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	4.4	3.8	(1.4)
Relative*	4.5	(7.4)	(13.6)

\* % Relative to local index

#### Analyst

Roger Leboff

## Wedia (ALWED)

Market cap: €12m

#### COMPANY COMMENT

Eight new clients signed by Wedia in the first half included Thales, Barclays, Danone Waters and Crédit du Nord. These selected the group to implement a range of projects covering picture libraries, marketing of digital assets and development of iPad hybrid applications to promote mobile marketing. That contributed to a 13% y-o-y increase in turnover during H112 to €3.2m. Most significantly recurring revenues, from rental licenses, maintenance, hosting and customer support were well ahead and accounted for 57% of first-half sales vs 38% in 2011. Wedia now counts more than 60% of CAC 40 companies as clients.

#### INDUSTRY COMMENT

The group sees opportunities to offer global corporate clients multi-channel marketing and communications advice. It plans and delivers campaigns for print media, web, mobile including brochures, point of sale and email campaigns. Wedia has around 80 employees based in Paris, Gothenburg and San Francisco.

Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2010A	5.81	0.10	0.12	N/A	N/A
2011A	5.93	(0.15)	(0.29)	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



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