

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

Fourth 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 Diaxonhit 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: Precious little caution

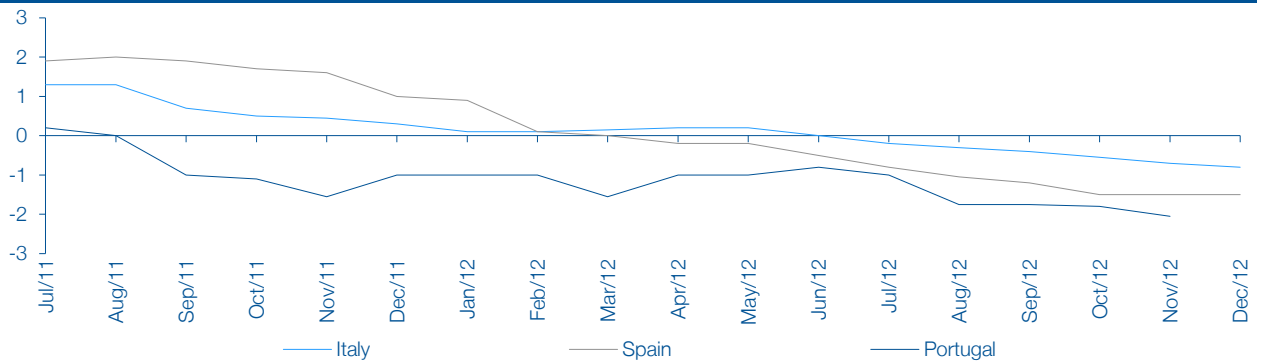
- **Central banks keep short-squeezing the bears.** Ultra-low risk-free rates and ongoing quantitative easing is arm-twisting many investors into riskier assets to maintain expected returns. The policy has also pushed many non-financial equity indices to all-time highs.
- **But growth still remains as elusive as ever.** While PMI indices have moved higher, they are still less than 50 and indicating contraction in Europe. The indices are only just over 50 in the US, UK and China. Consensus economic forecasts for 2013 have continued to decline to arguably more realistic levels for the major economic regions. While lower expectations reduce the risk of negative surprises, it is clear the equity market game has recently been about lowering the cost of capital, not higher growth.
- **The risks are still there.** Governments and central banks have been prepared to socialise excess private sector debt via the quantitative easing/budget deficit mechanism since 2008. Without a return to strong GDP growth, this policy will – one day – run out of road as the unanticipated shortfall in tax revenues will strike at the heart of developed nations' debt sustainability. The IMF forecasts that the UK, France and the US all have government debt/GDP of greater than 85% by 2015. Until governments can clearly demonstrate a path to debt sustainability, there seems little incentive for the private sector to invest.
- **Is the US veering to austerity?** The upcoming negotiations on the US debt limit will soon be upon us. As with the year-end talks over the 'fiscal cliff', a negotiated agreement to raise the debt ceiling is likely to be forthcoming, ultimately. But a sharp fiscal contraction could push the US close to recession in 2013, although the unpredictable nature of US politics makes forecasting difficult. As in the UK, US corporates and households have benefited in recent years from the sovereign sucking up their bad debt risk. Could 2013 be the year of blowback?
- **Equity valuations not nearly as attractive as overall multiples imply.** Un-weighted valuation metrics offer a very different picture of the valuation landscape. Since late-2011, the median price/book valuation for stocks in the UK indices has risen sharply. The recent outperformance of the FTSE 250 versus the FTSE 100 is one of the strongest on record and the 'yield gap' between supposedly faster growing mid-caps and large caps has widened to decade highs. We believe investors should be looking carefully at their mid-cap holdings for profit-taking opportunities. Conversely, there are a number of large caps that have underperformed and still offer value.
- **Profit margins appear to have peaked.** We note that in both the US and across Europe, forecast profit margins peaked in H112 and have since been falling. Stubbornly high inflation may have eroded profitability. Although the pace has slowed, downgrades still represent more than 60% of revisions for developed markets.
- **Investors talk the cautious talk, but are walking a risky walk.** Inflows into equity funds jumped to levels not seen since March 2000 in the first week of January. We will watch this carefully, but note that retail investor interest tends to be a contra-indicator for strong returns.
- **Buy caution – the scarce commodity.** We believe portfolios should be positioned cautiously. Although the value opportunity of late-2011/early-2012 has passed, equity markets still present specific opportunities towards the quality end of the spectrum, provided return expectations and investment time horizons are realistic. By contrast, fixed-income markets remain at historically unattractive yields, both in absolute terms and compared to inflation expectations. Where exposure is necessary, duration should be shortened as far as possible. 2013 may yet present better opportunities as events unfold.

## Precious little caution

Central banks have successfully extended their reach from the realm of interest rates and inflation expectations to influencing a much wider range of assets. The reduction in risk-free rates seems to be arm-twisting investors into riskier assets to maintain expected returns. Equity markets, excluding financials, are at all-time highs and there has been a remarkable recovery in valuations since early-2012.

A reduction in credit market stress and capital flight in the eurozone was always a necessary condition for progress, as well as the trigger for the recent rally. However, we are still in the early stages of establishing the sustainable level of GDP for many European nations, from which any debt sustainability calculation must follow. Reflecting this uncertainty and despite investors' new-found optimism, consensus GDP forecasts are still declining in the European periphery for 2013, Exhibit 1.

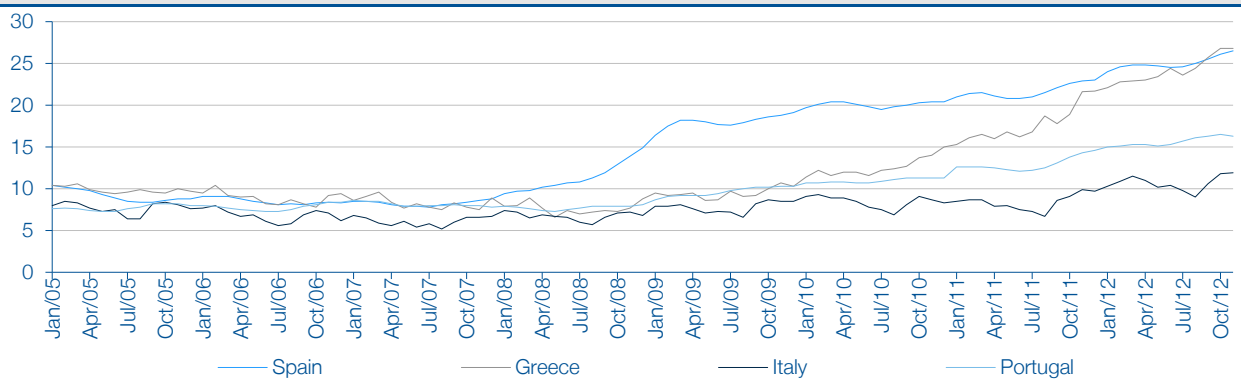
**Exhibit 1: Eurozone periphery consensus growth forecasts – 2013**



Source: Bloomberg

The disturbingly high level of unemployment in the periphery creates a clear danger of significant political volatility during what will be a long period of austerity. In Spain and Greece, unemployment continues to rise, Exhibit 2. In our view, the risks have not gone away in Europe; on the contrary, we have recently seen push-back on the banking union initiative designed to break the link between the banking sector and the sovereign. There is clearly much behind-the-scenes reluctance to pool sovereign debt liabilities.

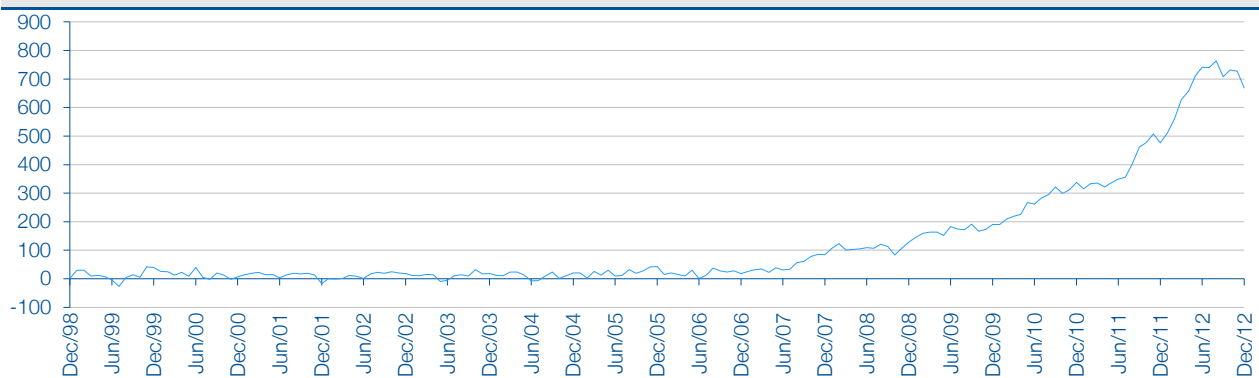
**Exhibit 2: Eurozone periphery unemployment**



Source: Thomson Reuters Datastream

Furthermore, the TARGET2 balances at the Bundesbank, which reflect claims on periphery central banks, have barely fallen over the last 6m as shown in Exhibit 3. Although it may be the flow of capital rather than the stock that sets the price of peripheral European credit, it is clear that very little capital has elected to return to the periphery since the summer thus far.

Exhibit 3: TARGET2 balance at Bundesbank

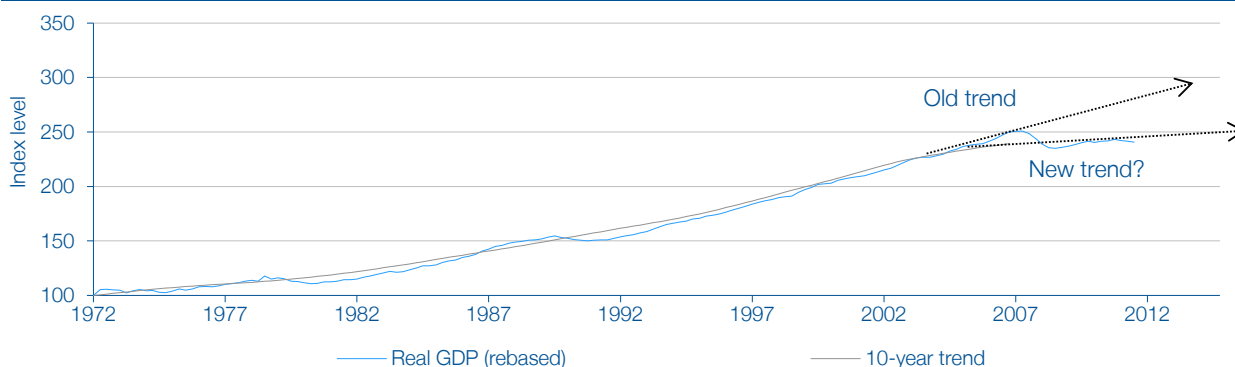


Source: Bloomberg

### Growth remains elusive and corporations remain cautious

In recent notes, we have highlighted the lack of GDP growth as the key element in the fiscal difficulties facing many developed nations. Despite multiple trillions of monetary and fiscal stimulus, globally strong growth remains elusive as the household sector deleverages and the corporate sector holds back on investment, Exhibit 4.

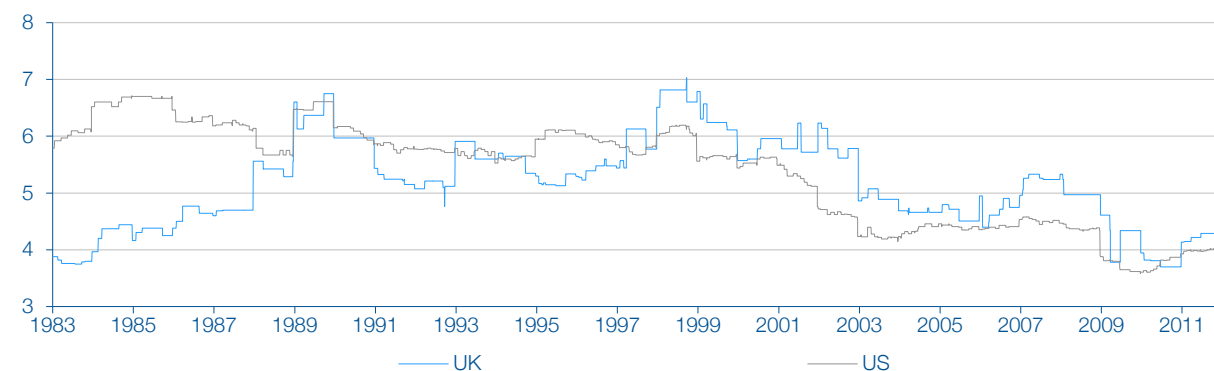
Exhibit 4: UK – GDP growth and pre-2008 trend



Source: Thomson Reuters Datastream

We question how long unconventional monetary policy can be a stepping stone to the promised land of a return to a pre-2008 GDP trajectory. Central bank quantitative easing/deficit financing was never intended to be a permanent state of affairs and has created significant distortions in macro-incentives. The most obvious is the new reliance on blue-chip equities for income, rather than capital growth.

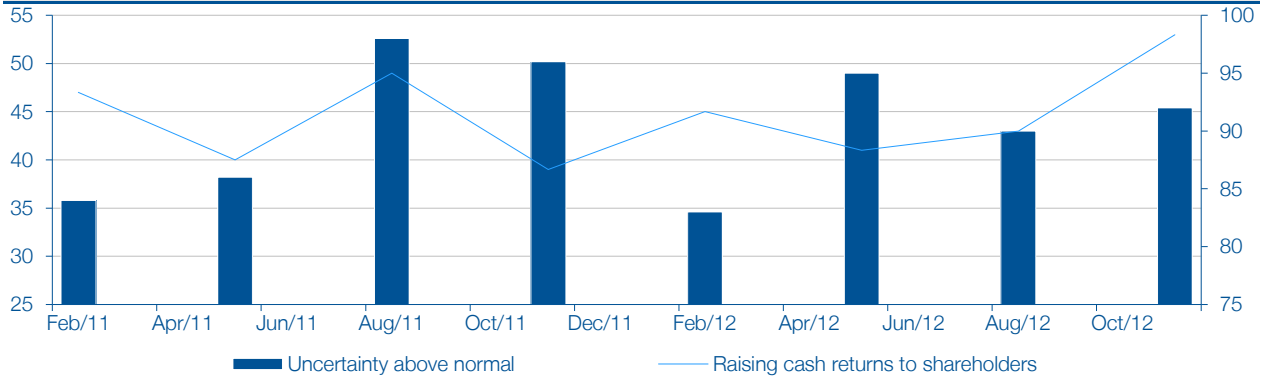
Exhibit 5: US and UK non-financials – Capex/sales



Source: Worldscope

This is pushing corporations to divert cash flow from investment projects to increasing cash distributions to shareholders and may have contributed to the reduction in capital expenditure as a percentage of sales, Exhibit 5. Without investment earnings, growth is falling – as confirmed by a meaningful reduction in analyst consensus sales growth forecasts compared to pre-2008.

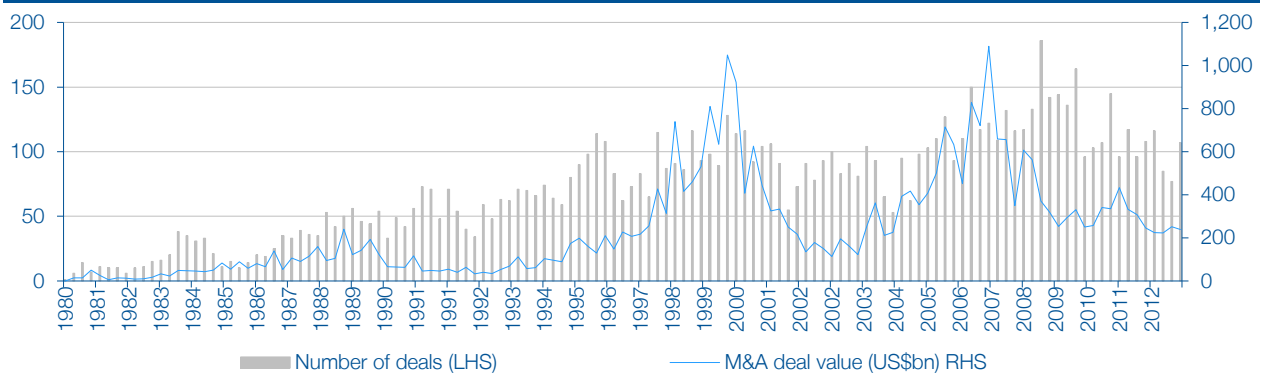
Exhibit 6: Deloitte CFO survey (% respondents)



Source: Thomson Reuters Datastream, Deloitte

We do not believe corporates lack the ‘confidence’ to invest; rather, the corporate sector is making some very rational and prudent investment decisions based on a combination of investors’ increased requirements for yield, weak current demand, but also a degree of caution over the likely path of developed market GDP growth, given the state of sovereign balance sheets. This was most recently made clear in the Deloitte CFO survey, Exhibit 6. More than 90% of respondents believed uncertainty was higher than normal, while there has been a significant swing towards prioritising increased cash returns to shareholders in the last quarter. The deviation between stock market investors’ recent optimism and corporate behaviour in terms of both capital expenditure and subdued M&A activity (Exhibit 7) is striking. It seems likely that this divergence of behaviour cannot continue indefinitely.

Exhibit 7: Global M&A activity subdued

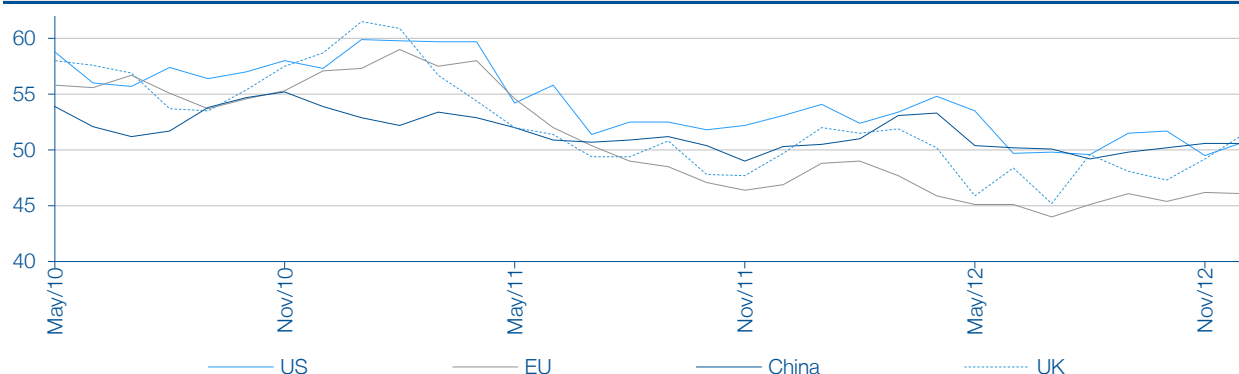


Source: Thomson Reuters Datastream

Global PMI indices have indicated an improvement in economic conditions over the last quarter, but investors should be clear that all the major economic regions are still reporting readings of around 50 or below, signifying stagnation rather than strong growth. The cyclical loss of momentum in the US since 2011 is notable, Exhibit 8.



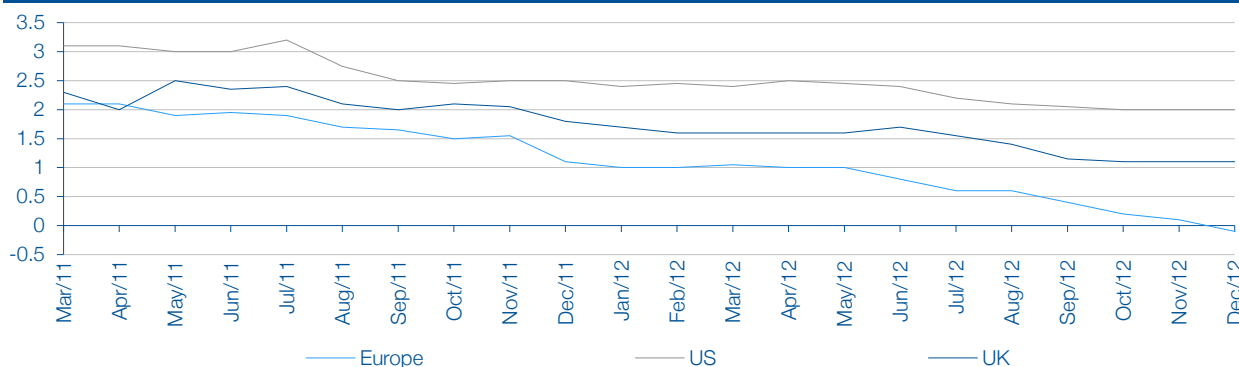
Exhibit 8: Global PMI indices



Source: Bloomberg

Consensus economic forecasts for 2013 have been lowered throughout 2012, reducing the risk of a negative shock. Exhibit 8 shows that 2013 is now not forecasted to be a year of strong growth. Despite the recent euphoria in equities, we do not believe investors can responsibly ignore valuations on the premise that a modest premium now will be absorbed by strong growth in the top-line or through margin expansion – such a thesis does not fit the facts.

Exhibit 9: Consensus GDP forecasts for 2013 (% ch)

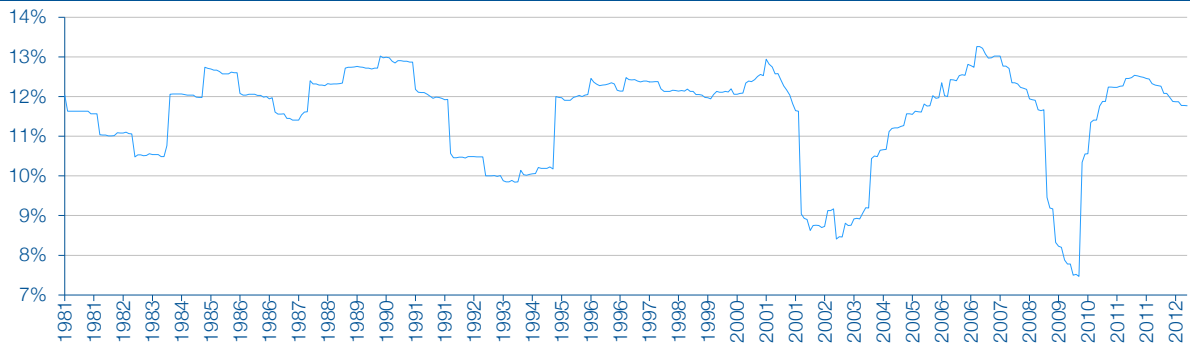


Source: Bloomberg

### US austerity a risk to growth in 2013

A significant tightening of US fiscal policy is likely over 2013, the magnitude of which will be reflected in the outcome of the negotiations in the US Congress to increase the US debt ceiling. Although the risk of a US recession is reasonably clear in these circumstances, the US equity market has continued to rise despite a meaningful slowdown in earnings momentum and a contraction in reported profit margins, Exhibit 9. Academics might argue this counter-intuitive rise in the market was the propagation of a permanently lower cost of capital for equities as market-implied future interest rates are held at low levels across the yield curve. Empirically, we observe the increase in retail fund flows and suspect the rally may not be sustainable.

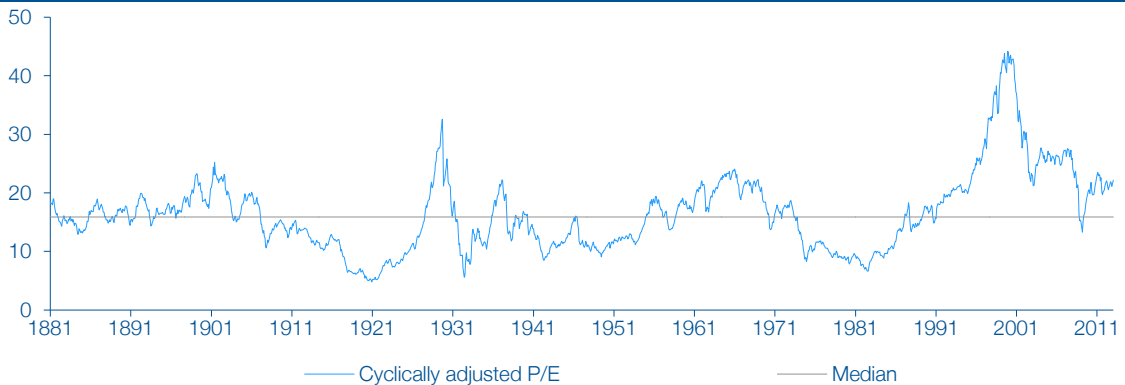
**Exhibit 10: US non-financials – margin contraction underway**



Source: Datastream Worldscope

It is clear that repeated rounds of QE have now pushed the S&P well ahead of medium-term fair value based on Shiller's cyclically adjusted P/E measures, Exhibit 11. This measure has an excellent record for medium-term forecasting and is now at 22x, similar to the level at the end of the 1960s. In the circumstances, we see no good reasons to follow the herd.

**Exhibit 11: S&P500 cyclically adjusted P/E**

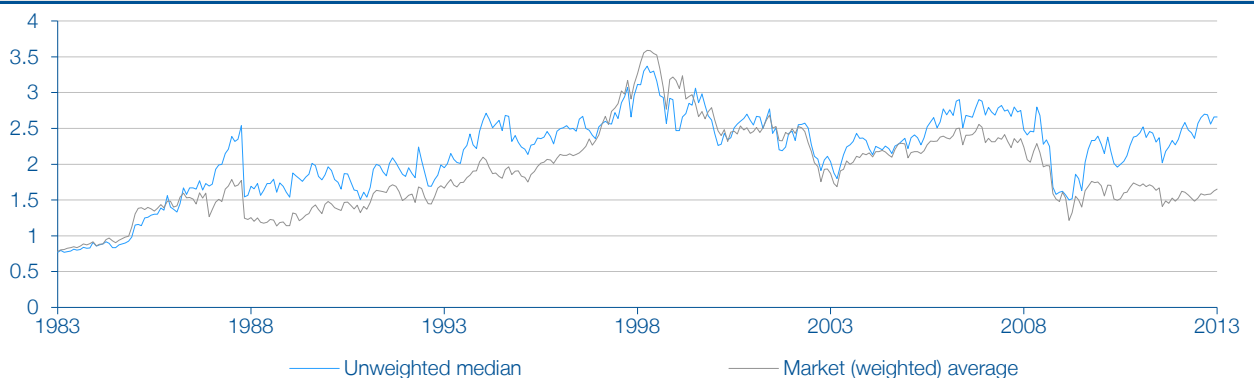


Source: R Shiller

**Bottom-up does not meet top-down**

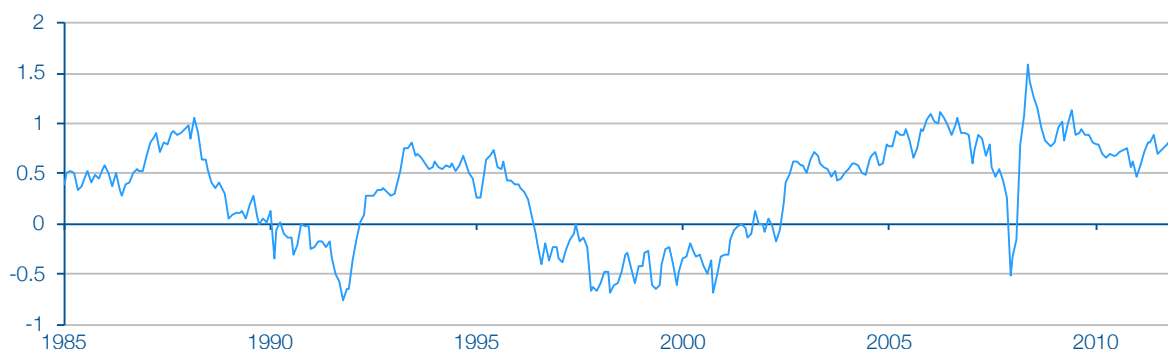
We believe the aggregate market valuation numbers have hidden a marked re-rating of the average equity in the stock market. Exhibit 11 shows the median price/book for the stocks in the FTSE 100 index compared to the (book value) weighted figure for the index as a whole. The chart shows that a large number of stocks have been significantly re-rated. At the same time, the market re-rating has been much more modest, indicating that large caps have underperformed. The median price/book for a UK non-financial is now in the top quartile over the past quarter century.

**Exhibit 11: Price/book – FTSE 100 weighted and un-weighted comparison**



Source: Thomson Reuters Datastream

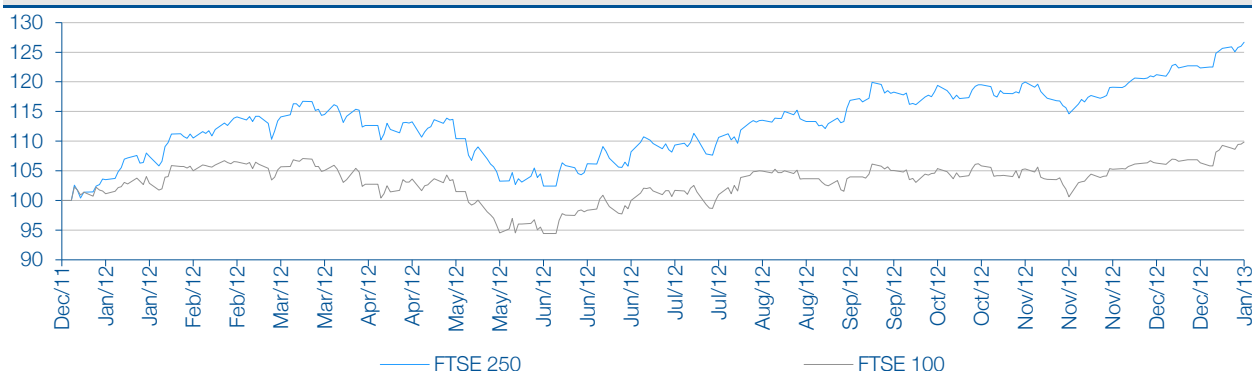
Exhibit 12: Yield differential (%) between FTSE 100 and FTSE 250 at historic highs



Source: Thomson Reuters Datastream

Examining the relative performance of the FTSE 250 to the FTSE 100 (Exhibit 13) also shows a marked outperformance of junior names versus their larger peers. This has also resulted in the yield advantage offered by large caps increasing to historically attractive levels. We believe that adding alpha to portfolios has become much harder with the general re-rating of the mid-cap sector. In the context of maintaining a cautious portfolio positioning, investors may wish to consider focusing on large caps, which selectively still offer good medium-term investment prospects.

Exhibit 13: Outperformance of FTSE 250 vs FTSE 100



Source: Thomson Reuters Datastream

### Buy the scarce commodity – caution

We believe portfolios should still be positioned cautiously. The range of potential outcomes for 2013 is wider than currently implied by credit and equity markets in our view. Although the value opportunity of late-2011/early-2012 has passed, equity markets still present specific opportunities towards the quality and large-cap end of the spectrum, provided return expectations and investment time horizons are realistic. The sector focus should be on non-discretionary, non-government spending to ensure downside protection. Fixed-income markets remain at historically unattractive yields, both in absolute terms and compared to inflation expectations, and it is no surprise government bond prices have been ebbing recently. Where exposure is necessary, duration should be shortened as far as possible. Investors should remember that 2013 still has 11½ months left to run.

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## Company profiles

## Sector: Media &amp; Entertainment

Price: €40.99  
Price as at 11 January 2013

## 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	(0.8)	9.3	(2.4)
Relative*	(2.4)	0.9	(16.5)

\* % Relative to local index

## Analyst

Fiona Orford-Williams

## 1000mercis (ALMIL)

Market cap: €128m

## COMPANY COMMENT

H112 revenues were marginally ahead, following the slowing of growth in H211 as markets became more difficult, particularly for email marketing. The email re-targeting product launched in H211 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 are the growth focus (14% of H112 sales), driven by work for luxury brands. 1000mercis has offices in Paris, London and New York.

## INDUSTRY COMMENT

Estimates for the French advertising market slowed over FY12 to a range of around -0.9% to +0.5%, down from 1.5% early in the year, and following growth of 2.5% in FY11. For 2013, forecasts range from 1.3% to 1.9% for now, but all agree that online/mobile will greatly outstrip market growth. Smartphone penetration in France continues to rise and is now estimated at 51.4%, with mobile internet users representing half of all internet users and around 12% of ecommerce (Mediametrie).

Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2010A	34.30	12.60	7.90	2.94	13.94
2011A	35.00	11.10	7.10	2.67	15.35
2012E	36.22	N/A	8.07	2.78	14.74
2013E	38.50	N/A	8.43	2.90	14.13

Where available, consensus data has been sourced from Thomson Datastream

## Sector: General Retailers

Price: €0.03  
Price as at 11 January 2013

## Share price graph (€)



## Company description

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

## Price performance

%	1m	3m	12m
Actual	0.0	0.0	(50.0)
Relative*	(1.6)	(7.7)	(57.2)

\* % Relative to local index

## Analyst

Fiona Orford-Williams

## 1855 (AL185)

Market cap: €16m

## COMPANY COMMENT

1855 continued to perform well through H112, with 10% like-for-like growth and a headline increase of 21%, despite the marked falls in Bordeaux futures. In July, the group raised €7.5m to fund increased working capital and improve fulfilment and delivery. In October, 1855 purchased long-established retailer Les Caves de la Transat, with four retail branches, as the base for a multi-channel approach, diluting its exposure to the Bordeaux futures market. Buying and operational synergies should start to come through in FY13.

## INDUSTRY COMMENT

Although overall French wine consumption continues to fall, 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. There is one major dedicated competitor, Wineandco (LVMH/Millésima), alongside Vinatis.com and Nicolas.com. French private sales, especially Vente-Privee.com, are growing fast and in value terms are now reportedly the largest sector of online retailers.

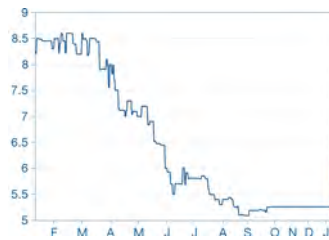
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2010A	12.40	0.18	(0.21)	N/A	N/A
2011A	16.04	1.41	1.09	N/A	N/A
2012E	N/A	N/A	N/A	N/A	N/A
2013E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Consumer Support Services

Price: €6.00  
Price as at 11 January 2013

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	4.7	13.2	(26.9)
Relative*	3.1	4.5	(37.5)

\* % Relative to local index

**Analyst**

Richard Finch

**A2micile Europe (ALA2M)**

Market cap: €7m

**COMPANY COMMENT**

A2micile's vigorous development (H112 sales +29%) has understandably come at a price with first-half trading profit down by a quarter. Nevertheless margins were still above those of 2011 and the company emphasises its commitment to cost control, hence its confirmed guidance of improved returns over 2012 as a whole. There has been 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). The market-leading B2B business, which accounts now for a third of group sales, is enjoying strong demand despite economic pressures. With healthy finances (net cash at June), A2micile stated early in 2012 that it aimed to double sales over the next two years, even given tougher conditions.

**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	38.50	N/A	0.80	0.73	8.22
2013E	54.00	N/A	1.25	0.59	10.17

Where available, consensus data has been sourced from Thomson Datastream

Sector: Support Services

Price: €2.66  
Price as at 11 January 2013

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	15.2	2.3	(26.1)
Relative*	13.4	(5.6)	(36.8)

\* % Relative to local index

**Analyst**

Roger Leboff

**Acces Industrie (ALACI)**

Market cap: €15m

**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 the 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	63.40	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: €2.32  
Price as at 11 January 2013

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	(21.4)	(21.4)	(21.4)
Relative*	(22.6)	(27.4)	(32.7)

\* % Relative to local index

## Analyst

Roger Leboff

## Acropolis Telecom (ALACR)

Market cap: €9m

## COMPANY COMMENT

H112 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 &amp; Leisure

Price: €6.40  
Price as at 11 January 2013

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

\* % Relative to local index

## Analyst

Richard Finch

## Ada (ALADA)

Market cap: €19m

## COMPANY COMMENT

Ahead of 2012 results in March, revenue decline of just 5% in H112 is creditable, since Ada admits 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 December for the ninth month in a row. The OECD's recent forecast of only marginal economic growth this year (real GDP +0.3%) after a similarly subdued 2012 suggests that consumer spending will remain weak.

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 & Entertainment

Price: €4.86  
Price as at 11 January 2013

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	(0.8)	6.8	35.8
Relative*	(2.4)	(1.4)	16.1

\* % Relative to local index  
**Analyst**  
Fiona Orford-Williams

## ADTHINK Media (ALADM)

Market cap: €30m

**COMPANY COMMENT**

H112 figures showed 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 group is stepping up its investment in developing the service offer with three substantial projects; a 'big data' exchange, due for launch in FY13, moving Advertstream into an RTB environment and offering a self-service automated email platform.

**INDUSTRY COMMENT**

Internet penetration is estimated at 77.2% of the French population, with 38.5% now on Facebook. Online marketing is set to continue to far outstrip the dull ad spend market (est +0.5% Carat, -0.9% Zenith Optimedia for FY12, improving to 1.9% for FY13), with eMarketer estimating growth of 12% in FY12, easing to 8% for FY13. SRI has a lower FY12 figure of 6%. Privacy concerns continue, with ad-blocking currently in the news and Big Data solutions cited as a possible counter to cookie regulation.

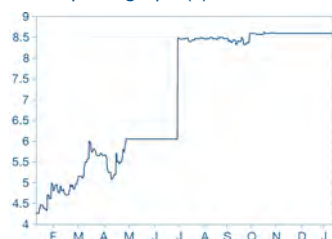
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2010A	23.48	2.69	1.61	N/A	N/A
2011A	29.80	3.40	1.70	N/A	N/A
2012E	35.00	N/A	2.20	0.35	13.89
2013E	42.10	N/A	3.20	0.52	9.35

Where available, consensus data has been sourced from Thomson Datastream

Sector: Media & Entertainment

Price: €8.59  
Price as at 11 January 2013

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	0.0	0.2	101.6
Relative*	(1.6)	(7.5)	72.5

\* % Relative to local index  
**Analyst**  
Fiona Orford-Williams

## Adverline (ALADV)

Market cap: €49m

**COMPANY COMMENT**

The founding shareholders, Loïc de Kerdrel and Charles Costa de Beauregard, sold their holdings in Adverline to Mediapost Holding, a subsidiary of La Poste at a price of €8.59, valuing the group at €48.4m. A tender offer at the same price for the outstanding shares closed with less than 5% remaining and the shares no longer trade on Alternext.

**INDUSTRY COMMENT**

Online advertising in France is estimated to have grown in a range of 6%-12% in FY12, well ahead of the overall ad market growth where forecasts were reduced to between -0.9% to +0.5%. RTB ad-exchanges continue to build rapidly and are set to increase 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 11 January 2013

## 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 (54%) and solar power (46%).

## Price performance

%	1m	3m	12m
Actual	0.4	0.0	39.8
Relative*	(1.1)	(7.7)	19.6

\* % Relative to local index

## Analyst

Richard Finch

## Aéro watt (ALWAT)

Market cap: €36m

## COMPANY COMMENT

Having taken control of Aerowatt with the acquisition of the three largest shareholdings (c 60%), JMB Energie, a fellow producer of green electricity in France, has newly confirmed its intention to make an offer of €18 per share for the remaining shares by early-February once financing has been agreed. The aim is to create a new player of critical mass in French renewable energies production (gross capacity of over 300MW and annual sales of over €60m). Aerowatt is continuing to trade well with Q3 energy sales up 26% (like-for-like +13%). The first half saw a step-change in profitability (EBITDA +72% and trading profit +90%), reflecting bumper energy sales and good control of costs.

## 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 &amp; Drink

Price: €1.70  
Price as at 11 January 2013

## 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	1.8	(8.1)	(15.4)
Relative*	0.2	(15.2)	(27.7)

\* % Relative to local index

## Analyst

Fiona Orford-Williams

## AgroGeneration (ALAGR)

Market cap: €60m

## COMPANY COMMENT

H112 revenues were boosted by sales of previous year stocks, albeit at lower prices than had been hoped for. The Ukrainian harvest was respectable, with improved yields. Proces have recovered since the half year. The Argentinian JV has started producing, with the target of working 50k ha within five years. This geographic diversification will even out the revenues between H1 and H2. 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. A new CFO with broad industrial experience has been appointed.

## INDUSTRY COMMENT

The Argentinian acreage reduces the inherent risk in relying on the harvest in one geographic region. In the Ukraine, Agrogeneration has benefited in 2012 from being in the NW, away from the worst weather. The group's grain was sold before government export restrictions were imposed. Lack of investment and the historic split of Ukrainian land ownership means land has been underexploited.

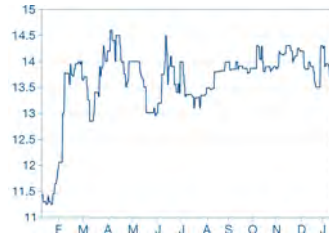
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2010A	17.63	1.62	0.93	N/A	N/A
2011A	23.23	1.38	2.34	N/A	N/A
2012E	N/A	N/A	N/A	N/A	N/A
2013E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Pcare and household prd

Price: €13.60  
Price as at 11 January 2013

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	(1.8)	(4.8)	18.9
Relative*	(3.3)	(12.1)	1.7

\* % Relative to local index

**Analyst**

Fiona Orford-Williams

## Ales Groupe (ALPHY)

Market cap: €195m

**COMPANY COMMENT**

Q312 sales were €42m against €37m, making +13.3% growth for H112 (12.4% like-for-like). French sales accelerated in the quarter, up +11%, while overseas sales increased by 15% and now represent around 43% of group. Ex-France distributors and subsidiaries performed well, with a new subsidiary opened in Hong Kong and another planned for Turkey. Skincare and cosmetics was the strongest performing area, but perfume sales were hit while new US distribution was put in place. 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 affects the overall market. L'Oréal is the clear leader of a highly fragmented sector. The French market for natural/organic product is the second largest in Europe, with these cosmetics accounting for around €400m of sales, c 4% of the French market, offering a clear differentiator in a crowded market. France has banned phthalates, alkylphenols and parabens in cosmetics.

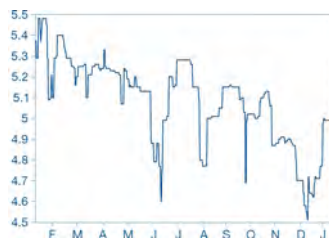
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2010A	173.00	7.70	0.30	0.33	41.21
2011A	190.90	11.50	0.30	0.30	45.33
2012E	207.20	13.00	0.60	0.42	32.38
2013E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Media & Entertainment

Price: €4.99  
Price as at 11 January 2013

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	10.6	(0.2)	(7.1)
Relative*	8.9	(7.9)	(20.5)

\* % Relative to local index

**Analyst**

Fiona Orford-Williams

## Antevenio (ALANT)

Market cap: €21m

**COMPANY COMMENT**

H112 revenue growth of 7% reflected a mix of strong performance from the portals business (+20%) offset by a fall in performance marketing revenues of 19% in a dire domestic market. The emphasis has been on internationalising the business further - Turkey, Poland, Brazil - albeit at the expense of short-term margins. After the acquisition of Clash-Media France for €1m, non-Spanish revenues represent more than half of the group. New portals have also been established in fashion and leisure and FY12 results will also have been held back by restructuring costs in Spain, the benefits of which should start to accrue in FY13.

**INDUSTRY COMMENT**

The eurozone crisis has continued to hit jobs and confidence badly in Spain, with the inevitable consequence for advertising spend. It is estimated to have retrenched between 7% and 12% in FY12, with further (but smaller) falls forecast for FY13. 67.9% of Spanish households had access to the internet in October 2012, while smartphone penetration had risen sharply over the year from 48.4% to 63.2% (ComScore).

Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2010A	21.30	1.90	0.93	0.22	22.68
2011A	24.20	2.03	1.28	0.30	16.63
2012E	23.55	1.80	0.95	0.23	21.70
2013E	27.00	2.60	2.05	0.48	10.40

Where available, consensus data has been sourced from Thomson Datastream

## Sector: Support Services

Price: €3.10  
Price as at 11 January 2013

## 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	2.6	4.0	9.5
Relative*	1.0	(4.0)	(6.3)

\* % Relative to local index

## Analyst

Richard Finch

## Aquila (ALQU)

Market cap: €5m

## COMPANY COMMENT

Ahead of imminent 2012 sales, Aquila is justifiably proud to have continued to defy market turmoil in Q3 (revenue up 17% on broadly contained operating costs) thanks to the breadth of its custom. This is all the more impressive, given the disappointment in H1 about the indefinite postponement (not Aquila's fault) of a potentially transformational contract with a major retail chain, whose write-off costs cut trading profit by a third. Several new large client contracts drove H1 sales up 18% in line with the company's strategy of increasing the share of contracted income from national accounts.

## 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.

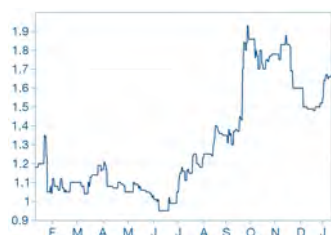
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2010A	11.87	0.67	0.47	N/A	N/A
2011A	12.10	0.76	0.61	N/A	N/A
2012E	N/A	N/A	N/A	N/A	N/A
2013E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

## Sector: Technology

Price: €1.67  
Price as at 11 January 2013

## 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	12.1	(5.6)	41.5
Relative*	10.3	(12.9)	21.0

\* % Relative to local index

## Analyst

Roger Leboff

## Arkoon Network Sec. (ALARK)

Market cap: €9m

## COMPANY COMMENT

Arkoon and its Skyrecon Systems subsidiary reported encouraging first-half performances, building on a return to growth and profit in FY11, which included improvement in gross margins. Aggregate H112 turnover was €6.1m, 15% ahead y-o-y with a favourable outlook for all three product suites. Skyrecon was 85% ahead in France in the period, 37% in the US, while 5% growth in core network security and data protection was driven by 35% better sales of FAST360 appliances and 27% higher SecurityBox licence revenues. Arkoon confirmed it is on track for sharp rises in full-year turnover and profit.

## INDUSTRY COMMENT

Arkoon's solutions appear well placed to benefit from gradual pick-up in corporate investment in IT security, in line with its strategy to be the key provider of IT security for companies and organisations in sensitive sectors, via 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	16.70
2011A	9.66	(0.80)	0.52	0.98	1.70
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: €3.16  
Price as at 11 January 2013

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	5.0	(29.8)	(1.2)
Relative*	3.3	(35.2)	(15.5)

\* % Relative to local index

**Analyst**

Roger Leboff

**Assima (ALSIM)**

Market cap: €26m

**COMPANY COMMENT**

A positive first half included 20% y-o-y growth in revenues to €13.7m, with EBITDA 11% better at €1.8m. That was generated from Assima's software business, which saw a 35% increase in sales to €4.9m vs a flat performance from consultancy. The geographical picture is mixed. The UK and Germany were well ahead, US flat and Spain and Denmark weakest. The group is in strong financial condition despite recent additions, with 3.9m of net cash at end-June 2012 (FY12: £3.3m), available if required to accelerate its acquisition-led strategy.

**INDUSTRY COMMENT**

Although business growth will be affected by financial market turmoil, the 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	0.11
2011A	19.00	1.61	1.78	16.49	0.15
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: Technology

Price: €15.85  
Price as at 11 January 2013

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	21.9	20.1	72.5
Relative*	20.0	10.8	47.5

\* % Relative to local index

**Analyst**

Roger Leboff

**Astellia (ALAST)**

Market cap: €41m

**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 accelerating 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	17.42
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: €1.61  
Price as at 11 January 2013

## 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	0.6	(11.5)	(5.3)
Relative*	(0.9)	(18.4)	(19.0)

\* % Relative to local index

## Analyst

Sheldon Modeland

## Auplata (ALAUP)

Market cap: €35m

## COMPANY COMMENT

Auplata 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, Auplata announced the appointment of Jean-Francois Four 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 Four is Chairman and CEO of Auplata.

## INDUSTRY COMMENT

Auplata 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.

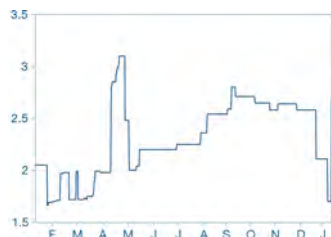
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2010A	7.30	16.71	16.20	N/A	N/A
2011A	13.24	(5.94)	(5.61)	N/A	N/A
2012E	N/A	N/A	N/A	N/A	N/A
2013E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

## Sector: General Retailers

Price: €2.69  
Price as at 11 January 2013

## 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	4.3	1.5	31.2
Relative*	2.6	(6.3)	12.2

\* % Relative to local index

## Analyst

Richard Finch

## Auto Escape (ALAUT)

Market cap: €14m

## COMPANY COMMENT

Auto Escape's caution ahead of peak summer trading proved justified as despite a reasonable start to its key second half, continued aggressive market pricing ensured meagre returns (just 2.7% trading margin in the period). This is all the more disappointing, given much-reduced low-season losses as a result of better cost control, evident growth in some international markets, notably Germany and Scandinavia, and integration of CarDelMar, a European online rental business (not consolidated). 2013 is expected to be just as demanding. 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 2013, IATA forecasts scheduled passenger growth of 4.5%, assuming no full-scale eurozone crisis and no oil price spike. International air traffic was up 6% in the calendar year to November. 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)
2011A	35.10	0.12	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: Technology

Price: €4.90  
Price as at 11 January 2013

Share price graph (€)



**Company description**

BD Multimedia is a telecommunications service provider.

**Price performance**

%	1m	3m	12m
Actual	1.2	(0.8)	2.3
Relative*	(0.3)	(8.5)	(12.5)

\* % Relative to local index

**Analyst**

Roger Leboff

## BD Multimedia (ALBDM)

Market cap: €11m

**COMPANY COMMENT**

Micropayment turnover built on a strong 2011 performance in the first half; €14.4m of sales was 169% ahead y-o-y, close to the €14.8m achieved in 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.

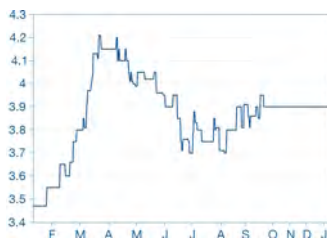
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2010A	14.70	0.36	0.07	0.19	25.79
2011A	25.66	1.60	1.37	N/A	N/A
2012E	N/A	N/A	N/A	N/A	N/A
2013E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Consumer Support Services

Price: €3.95  
Price as at 11 January 2013

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	0.0	6.8	13.8
Relative*	(1.6)	(1.5)	(2.6)

\* % Relative to local index

**Analyst**

Richard Finch

## Bernard Loiseau (ALDBL)

Market cap: €6m

**COMPANY COMMENT**

Despite a move into loss at the trading level in its quieter half to June, Bernard Loiseau remains confident about its ability to cope successfully with sustained economic pressures, ie robust finances, 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. End-October guidance was that trading was good and that 2012 results should be positive. H112 weakness was mainly in the Paris restaurants, which barely broke even on 7% lower revenue in their seasonally stronger period. By contrast, the Burgundy restaurants, which are more significant in terms of revenue, traded well (revenue +8%), suggesting that the slightly higher low-season loss in Burgundy reflects lower hotel revenue.

**INDUSTRY COMMENT**

According to Deloitte, the first nine months of 2012 saw a 5% rise in RevPAR in the premium four/five-star hotel sector in Dijon, which is close to Saulieu (RevPAR +7% in 2011). TRI Hospitality reports mixed fortunes for the Paris hotel market since Q3.

Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2010A	9.04	0.69	0.45	0.31	12.74
2011A	9.80	0.74	0.45	0.32	12.34
2012E	9.80	0.70	0.40	0.31	12.74
2013E	10.30	0.80	0.60	0.43	9.19

Where available, consensus data has been sourced from Thomson Datastream



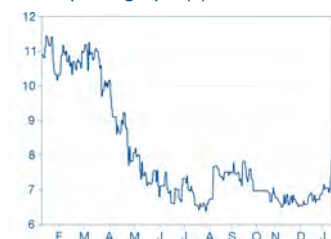
Sector: Pharma &amp; Healthcare

## Biosynex (ALBIO)

Market cap: €9m

Price: €7.87  
Price as at 11 January 2013

## 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	19.2	10.1	(27.2)
Relative*	17.4	1.6	(37.7)

\* % Relative to local index

## Analyst

Mick Cooper

## 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. To strengthen its position further in Germany, it has recently acquired Sensogen, which had sales of c €300k in FY12. Biosynex is due to publish its sales for FY12 on 24 January.

## 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	6.20	N/A	(0.40)	(0.30)	N/A
2013E	7.30	N/A	0.30	0.25	31.48

Where available, consensus data has been sourced from Thomson Datastream

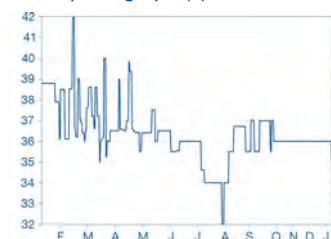
Sector: Consumer Support Services

## Bricorama (ALBRI)

Market cap: €218m

Price: €35.00  
Price as at 11 January 2013

## Share price graph (€)



## Company description

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

## Price performance

%	1m	3m	12m
Actual	0.0	(2.8)	(3.0)
Relative*	(1.6)	(10.3)	(17.1)

\* % Relative to local index

## Analyst

Richard Finch

## COMPANY COMMENT

The going remains tough at Bricorama, with sales and trading profit both down slightly in Q3. Unfavourable conditions, meteorological as well as economic, were apparently to blame, as in the previous quarter. Although full-year sales are still expected to be up, any increase will be acquisition-led (H1 +3% was boosted by inclusion of Goldi in the Netherlands) and Q3's setback has prompted guidance of lower underlying net profit. The financial impact of the newly-imposed Sunday closure of 32 Bricorama stores in the Paris area has yet to be fully assessed but the latest advice from the company is of an annual loss of c €30m revenue. 2012 sales are due in mid-February.

## INDUSTRY COMMENT

Rival Mr Bricolage stores in France suffered lower like-for-like sales in Q312, whereas Castorama's Q3 was effectively flat. The home improvement market was down 2-3% last summer, according to Banque de France. French consumer spending will most probably remain subdued.

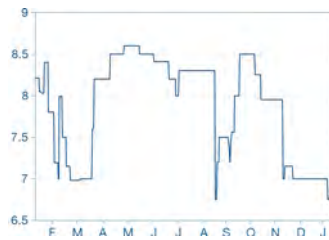
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2010A	698.01	39.58	22.20	3.85	9.09
2011A	733.42	40.42	24.07	N/A	N/A
2012E	N/A	N/A	N/A	N/A	N/A
2013E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Technology

Price: €6.80  
Price as at 11 January 2013

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.

**Price performance**

%	1m	3m	12m
Actual	(2.9)	(17.6)	(17.2)
Relative*	(5.4)	(21.5)	(29.0)

\* % Relative to local index

**Analyst**

Roger Leboff

**BSB (BSB)**

Market cap: €15m

**COMPANY COMMENT**

An 11% y-o-y decline in turnover in H112 reflected customer deferrals and regulatory delays, which hit both sales of software licences and add-ons, at €10.9m around 54% down on H111, and revenues from customer-oriented and third-party software services, down by 21%. Within the former category, maintenance revenues were 30% up, and integration services related to BSB software 35% ahead. A plan to cut structural operating costs saw group headcount fall to 335, from 405 a year earlier. The balance sheet is in decent shape despite a €4.7m H1 pre-tax loss, helped by a €5m equity issue in June 2012.

**INDUSTRY COMMENT**

BSB has secured new clients in domestic and international markets over the last few years. There remains underlying demand for its applications - asset management, 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	15.81
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: €2.87  
Price as at 11 January 2013

Share price graph (€)



**Company description**

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

**Price performance**

%	1m	3m	12m
Actual	12.5	(22.4)	13.0
Relative*	10.8	(28.4)	(3.4)

\* % Relative to local index

**Analyst**

Richard Finch

**Budget Telecom (ALBUD)**

Market cap: €10m

**COMPANY COMMENT**

Ahead of 2012 sales in late-January, Budget Telecom continues to implement its new strategy in favour of low-cost niches of little interest to major operators, marketing to independent vendors and restructuring its costs. Reassuringly, the apparently dramatic fall in sales in Q312 (16% after 5% in the first half) is due to a planned withdrawal from low-margin international B2C activity (specifically Africa) and the wired B2C market; the company's target areas, B2B and mobile B2C, remained buoyant, each achieving double-digit growth. Management envisages continued benefit from its focus on value and avoidance of cut-throat markets. The company's finances appear 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 &amp; Healthcare

**CARMAT (ALCAR)**

Market cap: €545m

Price: €131.99  
Price as at 11 January 2013

## 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	0.7	14.7	30.7
Relative*	(0.9)	5.8	11.8

\* % Relative to local index

## Analyst

Mick Cooper

## 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 H113. 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

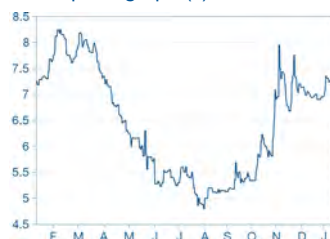
Sector: Pharma &amp; Healthcare

**Cellectis (ALCLS)**

Market cap: €146m

Price: €7.15  
Price as at 11 January 2013

## Share price graph (€)



## Company description

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

## Price performance

%	1m	3m	12m
Actual	1.6	22.2	(2.5)
Relative*	(0.0)	12.8	(16.6)

\* % Relative to local index

## Analyst

Mick Cooper

## COMPANY COMMENT

Cellectis has a diversified strategy to exploit its core expertise in meganucleases, which make specific alterations to DNA. It has four subsidiaries: Cellectis bioresearch, which provides meganuclease kits to life sciences researchers; Cellectis plant sciences, which develops genetically-modified plants for agricultural companies; Cellectis genome surgery is developing innovative treatments for genetic diseases and various other indications (collaboration just formed with University College of London in leukaemia); 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 Cellectis forecasts strong growth for FY12 (+20-30%) and break-even by 2014. It had cash of €27.8m at H112.

## INDUSTRY COMMENT

Cellectis'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.

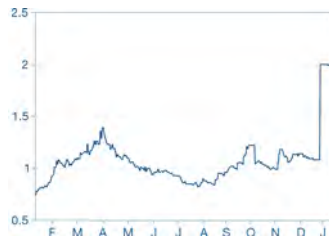
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2010A	8.16	(11.50)	(8.00)	(0.40)	N/A
2011A	9.90	(19.50)	(23.79)	N/A	N/A
2012E	25.11	(8.00)	(10.82)	(0.31)	N/A
2013E	34.28	(1.00)	(5.07)	0.01	715.00

Where available, consensus data has been sourced from Thomson Datastream

Sector: Pharma & Healthcare

Price: €1.99  
Price as at 11 January 2013

Share price graph (€)



**Company description**

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

**Price performance**

%	1m	3m	12m
Actual	79.3	87.7	168.9
Relative*	76.5	73.2	130.0

**Analyst**

Mick Cooper

**Cerep (ALCER)**

Market cap: €25m

**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, the strength of its drug discovery capabilities led to a friendly bid for Cerep from Eurofins valuing the company at €2.00 per share in December.

**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: €18.96  
Price as at 11 January 2013

Share price graph (€)



**Company description**

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

**Price performance**

%	1m	3m	12m
Actual	0.8	4.2	7.1
Relative*	(0.8)	(3.9)	(8.4)

**Analyst**

Richard Finch

**Clasquin (ALCLA)**

Market cap: €44m

**COMPANY COMMENT**

Clasquin continues to outperform, thanks to its strong market positions, the quality of its clients and strong finances. Q312 saw the company maintaining its volume of shipments and slightly increasing gross profit despite sluggish global trade and much higher sea freight rates. Recent expansion in Germany, India and Georgia began to pay off, as did the newly-acquired Spanish freight forwarder, Intercargo, which has a good growth record. Guidance remains for H2 activity and earnings significantly ahead of that in H1. 2012 sales are due in mid-February.

**INDUSTRY COMMENT**

In September, the World Trade Organization reduced its forecasts of global trade growth from 3.7% to 2.5% for 2012 and from 5.6% to 4.5% for this year. A more recent OECD forecast for 2013 looks for continued, if marginal contraction in the euro area and a further slowdown in the US and Japan. Growth in the total OECD is expected to rise from 1.4% to 2.3% next year.

Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2010A	179.10	6.50	3.80	1.47	12.90
2011A	171.40	5.80	3.30	1.33	14.26
2012E	171.00	4.60	2.50	1.27	14.93
2013E	183.50	7.00	4.00	1.74	10.90

Where available, consensus data has been sourced from Thomson Datastream

## Sector: Food &amp; Drink

Price: €1660.00  
Price as at 11 January 2013

## 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	3.2	6.8	6.4
Relative*	0.5	1.7	(8.8)

\* % Relative to local index

## Analyst

Fiona Orford-Williams

## CoBrHa (COBH)

Market cap: €125m

## COMPANY COMMENT

First-half results show the effects of continued unfavorable weather, coupled with sharp increases in input prices (malt up 60%, labour costs ahead 9%, energy costs continuing to rise). These meant that despite a price increase of 6% in April, the brewery returned a small loss in the period. Specialist beers, though, were a bright point, as were sales to France and other export markets. Group performance was also helped by the sale of written-down horeca property (bars, pubs) in the period. Market share in the on-trade has risen slightly. Management has emphasised that it has no intention of buying in stock.

## 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, 80% of those to other EU countries, 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: €0.77  
Price as at 11 January 2013

## 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	11.6	6.9	4.1
Relative*	9.9	(1.3)	(11.0)

\* % Relative to local index

## Analyst

Richard Finch

## Cofidur (COFI)

Market cap: €6m

## COMPANY COMMENT

Ahead of 2012 sales in March, 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 has newly forecast 5% growth in global semiconductor sales in 2013, driven by continuing robust demand for smartphones, tablets, set-top boxes and automotive electronics. 2012 sales were disappointingly flat, reflecting economic uncertainty as well as weak PC demand and pricing and stock rationalisation. Japan and Europe were weak spots.

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	2.41
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: €5.00  
Price as at 11 January 2013

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	(0.2)	2.7	3.8
Relative*	(1.8)	(5.2)	(11.2)

\* % Relative to local index

#### Analyst

Richard Finch

## Cogra (COGR)

Market cap: €11m

#### COMPANY COMMENT

Ahead of imminent H1 sales, Cogra continues to capitalise on increasing consumer interest in wood pellets as a renewable and inexpensive source of energy with sales up 19% in its first quarter to September and confident early guidance of full-year growth thanks to a strong orderbook. Moreover, the company is developing strategically to plan with the recent opening of its first sales outlet, enlarged storage capacity to allow for seasonal demand and construction of a new factory (due to open by the end of the year), which should raise pellet production by two-thirds. Cogra is looking to expand internationally as well as domestically as the only pellet producer and stove distributor in France.

#### 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.

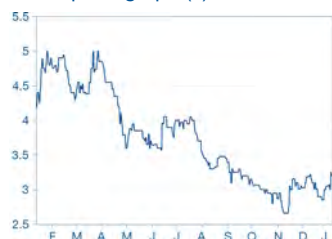
Y/E Jun	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2011A	10.35	0.17	0.16	N/A	N/A
2012A	13.05	0.51	0.35	N/A	N/A
2013E	N/A	N/A	N/A	N/A	N/A
2014E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Basic Industries

Price: €3.20  
Price as at 11 January 2013

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	0.3	6.7	(23.1)
Relative*	(1.3)	(1.6)	(34.2)

\* % 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	5.33
2013E	22.20	1.90	1.10	0.61	5.25

Where available, consensus data has been sourced from Thomson Datastream

## Sector: Media &amp; Entertainment

Price: €14.80  
Price as at 11 January 2013

## Share price graph (€)



## Company description

Groupe ConcooursMania specialises in developing online marketing game operations.

## Price performance

%	1m	3m	12m
Actual	(1.3)	14.6	47.3
Relative*	(2.9)	5.7	26.0

\* % Relative to local index

## Analyst

Fiona Orford-Williams

## Concooursmania (ALGCM)

Market cap: €49m

## COMPANY COMMENT

The group performed well in H1 12, with promotional gaming revenues up 57% (52% of group) and B2C online casual gaming up 27%. The B2B offer, which continues to build its client base both in France and internationally, has been consolidated under the Actiplay brand, which covers the range of digital channels. In November, the group extended its Facebook offer with the acquisition of Telaxo for undisclosed terms (currently nineteenth in AppData Facebook Developer listings worldwide, with a broad spread of 146 games and 17 million active users). The group retains its ambition to treble its revenues to €32m from 2011 to 2014.

## INDUSTRY COMMENT

At 25.3 million active gamers (around 39% of the population), the French market is second in size in Europe to Germany. Growth in Facebook continues apace, with 17% of gaming hours now spent in social networks and mobile games accounting for another 13%. Console games remain the most used, 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	20.00
2013E	21.45	N/A	3.15	0.98	15.10

Where available, consensus data has been sourced from Thomson Datastream

## Sector: Media &amp; Entertainment

Price: €0.43  
Price as at 11 January 2013

## Share price graph (€)



## Company description

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

## Price performance

%	1m	3m	12m
Actual	(14.0)	(10.4)	(66.9)
Relative*	(15.3)	(17.3)	(71.7)

\* % Relative to local index

## Analyst

Fiona Orford-Williams

## CRM Company Group (ALCRM)

Market cap: €8m

## COMPANY COMMENT

The group moved into loss in H112, a result of the start-up investment in the JV with Le Figaro (which is already attracting 4.4% of visitors to the main site) and softening of the overall French advertising market. Results are generally biased towards H2 and the company is confident the position will be corrected without the need to cut overhead, based on a 14% improvement in revenues in Q3 and strong performance in the health segment. A refinancing was completed in July, raising €10.48m, including €2.63m cash. After the subscription, D & P SME IV and the founders together hold 81.8% of the equity (77% of the voting rights).

## 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 came back to a range of -0.9% to +0.5% for FY12, with a modest recovery into FY13. Online will continue to greatly outstrip these rates, with estimates running between 6% to 12% for FY12.

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 & Entertainment

Price: €5.95  
Price as at 11 January 2013

Share price graph (€)



Company description

Custom Solutions specialises in the supply of marketing services.

Price performance

%	1m	3m	12m
Actual	4.0	(2.0)	5.3
Relative*	2.4	(9.6)	(9.9)

\* % Relative to local index

Analyst

Fiona Orford-Williams

## Custom Solutions (ALSOL)

Market cap: €29m

COMPANY COMMENT

Following a very strong H112, revenues declined by 10% in the six months to end-September as consumer confidence in non-grocery waned, leaving growth for the financial year of +10.5%. The group continues to win new clients and investment in new products adds stimulus, but H113 revenues are unlikely to match previous year strong comparatives. The group's pre-loaded customisable Visa card, used for promotional purposes, continues to have good uptake. Group activities have been reorganised into Customer Acquisition, Loyalty and Stimulation, with international expansion and mobile marketing still key focuses.

INDUSTRY COMMENT

Estimates of growth in the French advertising market retrenched through 2012, ending in a range for -0.9% to 0.5%. Online marketing is expected to outperform considerably, with the continuing rise in penetration in smartphones stimulating stronger growth in mobile spend. For FY13, marketing spend projections are for a resumption of modest growth, but the GDP outlook remains difficult.

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	21.80	2.90	2.20	0.47	12.66
2013E	19.10	3.30	1.80	0.38	15.66

Where available, consensus data has been sourced from Thomson Datastream

Sector: Support Services

Price: €2.77  
Price as at 11 January 2013

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	9.1	(7.4)	(35.6)
Relative*	7.4	(14.5)	(44.9)

\* % Relative to local index

Analyst

Fiona Orford-Williams

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

Market cap: €7m

COMPANY COMMENT

A slight amelioration in Q3 led to revenues for the first nine months of 2012 being down 11.8%, partly reflecting the closure of unprofitable branches that turned over €4.8m in FY11. Stripping this out, the decline was 9%, a good outperformance of the underlying market. A new branch was opened in the summer in Toulon and three further branches were bought in October. Overseas revenues continued to expand and were ahead by 1.3% to account for around 27% 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 by 17.1% in the year to November 2012 (Source: PRISME), with industry the hardest-hit sector. Latest EU statistics show unemployment at 10.3% in France, the highest figure since Q399 at over 3m. French GDP was revised to show a small decline in Q2 (from zero) but with 0.2% seasonally adjusted growth for Q3.

Expectations for FY13 have retreated to 0.4%.

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

## Damartex (ALDR)

Market cap: €89m

Price: €12.15  
Price as at 11 January 2013

## 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	3.4	(11.8)	(39.2)
Relative*	1.8	(18.6)	(48.0)

\* % Relative to local index

## Analyst

Richard Finch

## COMPANY COMMENT

Ahead of imminent H1 sales, the quarter to September saw more of the same with a further decline in sales (constant currency -9%) and contrasting fortunes for the company's channels of distribution. Catalogue sales, the principal activity, remained especially weak (-12%), but there was resilience in the shops and in the small internet operation (+13%). However, notwithstanding understandable caution, it is encouraging that the company's focus on profit protection paid off markedly in the six months to June with a near 50% rise in trading profit despite a reduction in sales owing to economic gloom and unfavourable weather. Net debt at June was well down on December, thanks to seasonality and better stock management.

## INDUSTRY COMMENT

According to Markit, French retail sales fell in December for the ninth month in a row. The OECD forecast of marginal economic growth this year (real GDP +0.3%) after a similarly subdued 2012 suggests that consumer spending is likely to remain weak.

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	8.38
2014E	662.00	N/A	12.00	1.78	6.83

Where available, consensus data has been sourced from Thomson Datastream

Sector: Alternative Energy

## Deinove (ALDEI)

Market cap: €54m

Price: €11.10  
Price as at 11 January 2013

## 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	2.3	3.7	62.5
Relative*	0.7	(4.3)	39.0

\* % Relative to local index

## Analyst

Graeme Moyses

## COMPANY COMMENT

Deinove's announcement that the Deinol project has reached its second milestone will have triggered payments from OSEO in H2. 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. The appointment of Emmanuel Petiot as new CEO, whose primary goal is to negotiate new agreements with corporate partners in the markets being targeted by Deinove, should also help accelerate the commercial deployment of Deinove's technology. 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	0.40	(4.30)	(3.17)	(0.65)	N/A
2013E	1.70	(3.15)	(1.80)	(0.35)	N/A

Sector: Support Services

Price: €2.54  
Price as at 11 January 2013

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	1.6	(19.0)	(44.2)
Relative*	0.0	(25.3)	(52.3)

\* % Relative to local index

**Analyst**

Fiona Orford-Williams

## Demos (ALDMO)

Market cap: €20m

**COMPANY COMMENT**

A capital injection of €12m (€8m from Montefiore Investment) was completed in Q3 and Emmanuel Courtois has been confirmed as CEO. Q312 saw difficult trading, with a slowing in custom business (50% revenues), particularly in the US and UK as customers sought to defer or cancel projects. Catalogue sales saw a slightly less onerous quarter. Ex-France revenues now account for 44% of group. Further restructuring to align the overhead is going ahead in Spain, Portugal and the US and the group has indicated that it may not return an operating profit for the year.

**INDUSTRY COMMENT**

In most developed economies, CPD is a given, enshrined in labour laws and seen as providing a competitive edge. Most markets are highly fragmented, but 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. The CEGOS Observatory 2012 put this figure at 23% of the French market vs 53% in the UK.

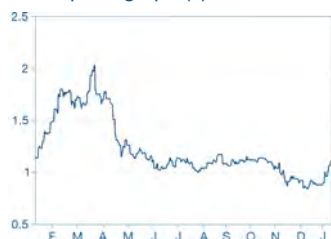
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2010A	102.22	5.66	1.12	N/A	N/A
2011A	103.33	0.84	3.99	N/A	N/A
2012E	103.50	4.00	1.00	0.13	19.54
2013E	0.80	6.00	2.50	0.35	7.26

Where available, consensus data has been sourced from Thomson Datastream

Sector: Pharma & Healthcare

Price: €1.12  
Price as at 11 January 2013

Share price graph (€)



**Company description**

Diaxonhit 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	34.8	2.9	1.1
Relative*	32.7	(5.0)	(13.5)

\* % Relative to local index

**Analyst**

Wang Chong

## Diaxonhit (ALEHT)

Market cap: €62m

**COMPANY COMMENT**

Exonhit has acquired InGen BioSciences, the leading in vitro diagnostics (IVD) distributor in France, for €18m to form Diaxonhit, a new fully integrated IVD company. Diaxonhit will have a diversified R&D portfolio of infectious disease, Alzheimer's disease (AD) and cancer-diagnostic products and a sales force in France. Pro forma 2011 revenue for the combined company is €28.4m. The investment case for the new company will be more broadly based, although will still be driven by the commercial potential of the AclarusDx blood-based aid for the diagnosis of AD. The new company will have an interest in the Phase II trial-stage neuropathic pain programme, EHT/AGN 0001, which is partnered with Allergan and Bristol-Myers Squibb.

**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 Diaxonhit entering new R&D collaborations.

Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2010A	8.42	(7.10)	(7.75)	(0.23)	N/A
2011A	5.00	(8.10)	(6.61)	(0.20)	N/A
2012E	5.00	(10.26)	(8.93)	(0.26)	N/A
2013E	N/A	N/A	N/A	N/A	N/A



## Sector: Oil &amp; Gas

Price: €2.44  
Price as at 11 January 2013

## 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	29.1	74.3	90.6
Relative*	27.1	60.8	63.0

\* % Relative to local index

## Analyst

Roger Leboff

## Dietswell (ALDIE)

Market cap: €13m

## COMPANY COMMENT

A strong first half of 2012 is reflected in 63% turnover growth to €8.1m and a four-fold increase in gross margins due to well controlled administrative costs. Dietswell's key Services division was 27% ahead y-o-y at €5.2m, with Solutions and Contracting producing similarly encouraging performances on the back of much higher drilling activity. The final division, Factorig (Audit and inspection) generated €1.6m of sales, twice the H111 comparable, and commencement of new monitoring contracts should set it up for the full year and beyond.

## INDUSTRY COMMENT

Market recovery continues after two difficult years on the back of a pick up in E&P investment. Having logged no drilling activity for its SEDLAR 160 drilling rig in 2011, work restarted during Q2 in Tunisia for Alpine oil and gas. Solutions benefited from commencement of new contracts from Technip on offshore drilling equipment installations and CGG Veritas for a new seismic vessel, and the group saw returns from 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	17.40	N/A	0.07	0.01	244.00
2013E	19.65	N/A	0.29	0.05	48.80

Where available, consensus data has been sourced from Thomson Datastream

## Sector: Technology

Price: €7.25  
Price as at 11 January 2013

## Share price graph (€)



## Company description

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

## Price performance

%	1m	3m	12m
Actual	(1.4)	1.0	6.1
Relative*	(2.9)	(6.8)	(9.2)

\* % Relative to local index

## Analyst

Richard Finch

## DL Software (ALSDL)

Market cap: €33m

## COMPANY COMMENT

DL Software has continued to defy a slowing of orders since the start of 2012 by achieving a further small increase in sales in Q3, thereby endorsing the company's strategy of growing recurrent income (62% of gross profit against 60% in Q311). In this regard, investment in new subscription offers clearly paid off in the quarter with an acceleration in sales growth to 22% from 7% in Q1. Continued low visibility in difficult times dictates caution and emphasis on cost control, but management remains as confident as ever about its robust, cash-generative model and expansion-led strategy.

## INDUSTRY COMMENT

Capgemini's sales in France saw a further slowdown in Q312, with a 4% decline, after a 1% rise in Q1; limited organic growth is expected in 2013, 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: €8.30  
Price as at 11 January 2013

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	(0.6)	(0.6)	16.9
Relative*	(3.2)	(5.4)	0.2

\* % Relative to local index

**Analyst**

Roger Leboff

## Emakina Group (ALEMK)

Market cap: €32m

**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
2012E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Media & Entertainment

Price: €2.70  
Price as at 11 January 2013

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	(5.3)	33.7	13.4
Relative*	(6.7)	23.3	(3.0)

\* % Relative to local index

**Analyst**

Richard Finch

## Entrepaticuliers.com (ALENT)

Market cap: €10m

**COMPANY COMMENT**

Despite a further sharp reduction in revenue in Q3 (-25%) Entrepaticuliers.com is encouraged by signs of stabilisation, ie the number of new premium contracts in the period was down just 7% year-on-year, compared with a 35% decline in the first half. Nevertheless, profit protection is understandably a priority. Management did well to double first half trading profit, if from a low level, and to ensure continued healthy finances (debt free at September). For the rest of the year, guidance is only for further strict attention to costs and potential benefits from recent marketing reorganisation.

**INDUSTRY COMMENT**

Entrepaticuliers.com's respected barometer shows continued weakness 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 was down 9% in September (-9% in the year to date and -6% in 2011). Price stability (-3% 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: €18.63  
Price as at 11 January 2013

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	0.1	(9.1)	5.0
Relative*	(1.5)	(16.1)	(10.2)

\* % Relative to local index

**Analyst**

Richard Finch

**Environnement SA (ALTEV)**

Market cap: €30m

**COMPANY COMMENT**

Environnement has tempered disappointment at the 80% fall in H1 trading profit with confidence that a pick-up in H2, spurred by significant recent orders, could see margins returning to normal group levels (c 7% trading margin in the last two years but under 2% in H1) by the end of 2012. Moreover, the collapse in profit has been attributed largely to the cost of material overseas investment (notably India and China) and the inevitably depressed returns of start-up businesses there. However, it should also be said that a slowdown in the company's high-margin US operation was also a key factor. Last July's acquisition of the industrial instrumentation activity of OTI Industrie adds a high-growth operation (sales up over 10% in 2011) and broadens Environnement's product range.

**INDUSTRY COMMENT**

Veolia Environnement's Water Technologies & Networks division saw flat like-for-like revenue in Q312. This weakening from Q2 (+6%) is due primarily to "contractual erosion" in France and a slowdown in growth of volumes sold in Europe.

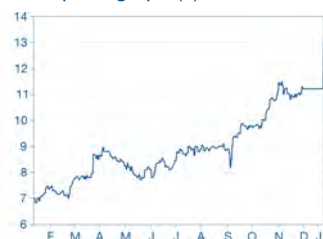
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2010A	40.10	2.70	2.60	1.61	11.57
2011A	44.70	3.00	1.80	1.10	16.94
2012E	45.80	3.20	2.80	1.76	10.59
2013E	47.60	3.30	3.00	1.90	9.81

Where available, consensus data has been sourced from Thomson Datastream

Sector: Technology

Price: €13.00  
Price as at 11 January 2013

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	14.0	33.5	83.1
Relative*	12.3	23.2	56.6

\* % Relative to local index

**Analyst**

Roger Leboff

**Esker (ALESK)**

Market cap: €60m

**COMPANY COMMENT**

Esker reported another positive quarter for its cloud-based solutions. First nine months' sales were 10% ahead y-o-y at constant exchange rates, 57% of group turnover for the year to date. A reported sharp increase in new contracts should provide sustainable revenues and profit in future periods and the outlook is supported by recurring business and US dollar strength. Esker anticipates 10% sales growth for FY12 overall and momentum into 2013. Cash generation was strong, with €11.1m of net cash at end-Q312.

**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 the 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.

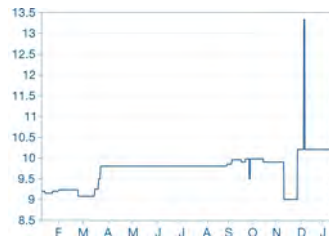
Y/E Mar	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2010A	32.70	1.80	1.47	N/A	N/A
2011A	36.20	3.80	2.64	N/A	N/A
2012E	36.30	2.70	1.95	0.39	33.33
2013E	38.95	3.15	2.20	0.45	28.89

Where available, consensus data has been sourced from Thomson Datastream

Sector: Property

Price: €10.20  
Price as at 11 January 2013

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	0.0	2.2	10.9
Relative*	(1.6)	(5.7)	(5.2)

\* % Relative to local index

**Analyst**

Roger Leboff

## Eurasia Groupe (ALEUA)

Market cap: €73m

**COMPANY COMMENT**

Better returns from warehouse rentals was behind the growth in full-year turnover, but higher staff and other expenses resulted in a 37% fall in operating income. H112 turnover was 18% ahead at €9.9m, with operating profit broadly in line y-o-y at €2.5m net of higher expenses and tax charges. In 2011, Eurasia paid €7m for a warehouse site in Le Havre (78,250sqm on a 150,000 sqm plot) and plans for a €16m redevelopment will 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.

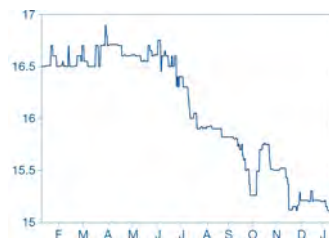
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2010A	17.80	0.95	0.65	N/A	N/A
2011A	17.46	0.60	0.24	N/A	N/A
2012E	N/A	N/A	N/A	N/A	N/A
2013E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Food & Drink

Price: €15.20  
Price as at 11 January 2013

Share price graph (€)



**Company description**

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

**Price performance**

%	1m	3m	12m
Actual	(0.1)	(1.9)	(7.9)
Relative*	(1.6)	(9.5)	(21.2)

\* % Relative to local index

**Analyst**

Fiona Orford-Williams

## Eurogerm (ALGEM)

Market cap: €65m

**COMPANY COMMENT**

H112 figures on the new calendar year basis show sales +8.9% (5.5% on a l-f-l basis), driven primarily by the ingredients activity, which now represents 40.5% of sales. These are high added value sales and have contributed to an improvement in gross 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 have grown to 50% of the total. 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.

**INDUSTRY COMMENT**

Following poor weather in many producing regions, prices for French wheat continued firm through the autumn and the export market was 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.

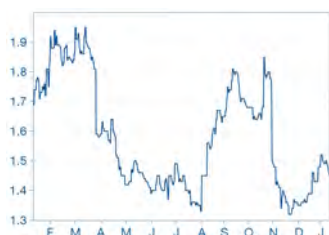
Y/E Mar / Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2011A	52.82	4.55	2.90	0.67	22.69
2012A	N/A	N/A	N/A	N/A	N/A
2013E	56.64	N/A	2.89	0.73	20.82
2014E	59.95	N/A	3.33	0.84	18.10

Where available, consensus data has been sourced from Thomson Datastream

Sector: Engineering

Price: €1.45  
Price as at 11 January 2013

Share price graph (€)



## Company description

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

## Price performance

%	1m	3m	12m
Actual	6.6	(11.6)	(8.2)
Relative*	5.0	(18.4)	(21.5)

\* % Relative to local index

## Analyst

Roger Leboff

## Europlasma (ALEUP)

Market cap: €20m

## COMPANY COMMENT

First half turnover at €21.4m was 17% down y-o-y, with a €1.8m EBITDA loss (H111 €0.4m negative). The fall in sales related to air and gas renewable energies at €12.3m, down from €16.3m - 57% of group revenues vs 63%. That was partially offset by a pick up in hazardous waste disposal (15% ahead) and plasma torch technologies (59% up). Operating losses at €3.6m primarily relate to revised margins recognisable over the contract to build the CHO Morcenx power plant, delayed to H212 and additional costs. This significant investment should be reflected in profits and margins from FY13.

## 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: €16.62  
Price as at 11 January 2013

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	(1.1)	4.2	31.1
Relative*	(2.6)	(3.9)	12.1

\* % Relative to local index

## Analyst

Richard Finch

## Evolis (ALTV)

Market cap: €86m

## COMPANY COMMENT

Ahead of 2012 results in March, Evolis continues to thrive on the success of its key new products with like-for-like sales in H212 up 20%, albeit currency-boosted, thereby maintaining the impressive pace of the first half. In particular, Zenius, in its first full year, all but doubled volume sales of its predecessor range (Tattoo). Although Asia Pacific was again the driver of the group with H2 sales up a third, EMEA, still much the largest revenue source, has been surprisingly resilient (like-for-like +6% in 2012), given economic and pricing pressures. Despite similar challenges in 2013, management is confident about its markets and scope for expansion, notably its imminent venture in India.

## INDUSTRY COMMENT

US competitor Zebra Technologies has also seen marked regional divergence, ie in Q312 almost double-digit gain in North and Latin America, offset by lower sales in Asia Pacific and Europe. Q4 group sales are forecast to be broadly flat. HID, part of the Swedish group ASSA ABLOY, achieved good growth in Q3 in access control and identification technology.

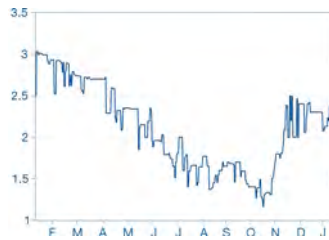
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2010A	42.50	7.20	5.50	N/A	N/A
2011A	44.40	6.80	N/A	N/A	N/A
2012E	56.64	N/A	2.89	0.73	22.77
2013E	59.95	N/A	3.33	0.84	19.79

Where available, consensus data has been sourced from Thomson Datastream

Sector: Pcare and household prd

Price: €2.40  
Price as at 11 January 2013

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	0.0	72.7	(16.3)
Relative*	(1.6)	59.3	(28.4)

\* % Relative to local index

Analyst

Richard Finch

## Fashion B Air (ALFBA)

Market cap: €23m

COMPANY COMMENT

Fashion Bel Air endured a torrid half to September with a significant trading loss on sales down 19% in depressed conditions. However, there is some comfort that Q2 saw a degree of stabilisation (-10% vs -29% in Q1 and a tough comparative). Encouragingly, own-shop sales were up 13% in the half, comparing well with market spend down 5%. Sales by department stores were much less resilient (down by a third) despite a rising online contribution, hence a planned move into affiliate marketing aimed at replacing sales by department stores. With cost control a priority, finances were healthy at September after the €1.7m rights issue. The figures to March 2012 are for 15 months.

INDUSTRY COMMENT

According to Markit, French retail sales fell in December for the ninth month in a row. The OECD's forecast of marginal economic growth this year after a subdued 2012 suggests that consumer spending will remain weak. Fashion Bel Air's relatively mainstream position despite moving up-scale is very competitive owing to cheap imports and low barriers to entry.

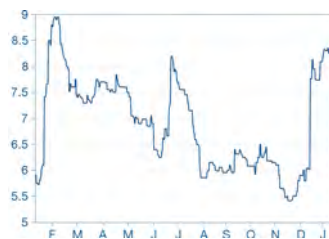
Y/E Mar	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2011A	N/A	N/A	N/A	N/A	N/A
2012A	25.00	(0.70)	(1.30)	N/A	N/A
2013E	N/A	N/A	N/A	N/A	N/A
2014E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Engineering

Price: €8.20  
Price as at 11 January 2013

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	35.5	33.3	41.4
Relative*	33.4	23.0	20.9

\* % Relative to local index

Analyst

Richard Finch

## Fountaine Pajot (ALFPC)

Market cap: €14m

COMPANY COMMENT

Fountaine Pajot has delivered on confident guidance with sales up 9% and a return to profit at the trading level in the year to August. Management can be justifiably proud of its commitment to investment and innovation in troubled times, resulting in an enhanced product range, marketing targeted at high-potential areas such as Asia Pacific and South America and expansion of complementary services such as energy efficiency and marina berths. With current trading reportedly good, the company expects the catamaran market to continue to prove more resilient than the boat market as a whole. Finances remain healthy.

INDUSTRY COMMENT

Beneteau reports signs of recovery in the boat market following the autumn shows but remains cautious until there is clearer evidence, particularly for the French market. While much of Europe is expected to stabilise, North America is proving surprisingly buoyant and growth continues in new markets in Asia and South America. Investors are mindful of luxury boat-builders' calamitous performance during the recession.

Y/E Aug	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2011A	35.30	(0.54)	(2.00)	N/A	N/A
2012A	38.40	0.10	0.80	N/A	N/A
2013E	39.40	N/A	0.40	0.24	34.17
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

## Gaussin (ALGAU)

Market cap: €16m

Price: €2.07  
Price as at 11 January 2013

## 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	5.6	2.0	(43.4)
Relative*	4.0	(5.9)	(51.6)

\* % Relative to local index

## Analyst

Richard Finch

## COMPANY COMMENT

Gaussin advised in November that although it was now implementing measures to carry it through its key marketing phase, there was still a risk to its ability to continue to trade. The shares had hitherto been suspended pending clarification of these measures and the accounts to June. The company has since completed another fund-raising (€1.2m), with the possibility of more of the same. Importantly, Gaussin has at last secured the first firm order for its flagship automatic terminal trailer (ATT), ie 48 vehicles for the port of Tangiers for delivery in H113 (9 already on site after serving as test vehicles). However, manufacturing arrangements have yet to be finalised following the recent termination of a longstanding agreement.

## INDUSTRY COMMENT

The WTO has cut its forecasts of global trade growth from 3.7% to 2.5% for 2012 and from 5.6% to 4.5% for this year. A more recent OECD forecast for 2013 looks for continued, if marginal contraction in the euro area and a further slowdown in the US and Japan. Growth in the total OECD is expected to rise from 1.4% to 2.3% next year.

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 &amp; Healthcare

## Genfit (ALGFT)

Market cap: €54m

Price: €3.37  
Price as at 11 January 2013

## 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	24.8	25.7	69.3
Relative*	22.9	16.0	44.8

\* % Relative to local index

## Analyst

Mick Cooper

## COMPANY COMMENT

Results from a Phase II study in 22 patients indicated the potential of Genfit's lead drug GFT505 in diabetes as all efficacy end points 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. The first patient has just been treated in an international Phase IIb trial in non-alcohol steatohepatitis with 270 patients and data are due in December 2014. Genfit has just received €1m from issuing a convertible loan note and can issue a further seven such notes to allow it to complete the study. 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	(7.75)	(9.68)	(0.77)	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: €1.93  
Price as at 11 January 2013

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	17.0	(5.9)	(12.3)
Relative*	15.1	(13.1)	(25.0)

\* % Relative to local index

**Analyst**

Mick Cooper

## GenOway (ALGEN)

Market cap: €11m

**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	14.85
2013E	10.20	1.07	1.20	0.20	9.65

Where available, consensus data has been sourced from Thomson Datastream

Sector: Consumer Support Services

Price: €49.00  
Price as at 11 January 2013

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	9.4	(3.9)	8.9
Relative*	7.7	(11.3)	(6.9)

\* % Relative to local index

**Analyst**

Richard Finch

## Gevelot (ALGEV)

Market cap: €45m

**COMPANY COMMENT**

Ahead of 2012 sales, 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 (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 although "down sharply" on 2011.

**INDUSTRY COMMENT**

According to ACEA, new car registrations in the EU were down 8% in the calendar year to November, the lowest figure since 1993. Performance was especially weak in Italy (-20%), France (-14%) and Spain (-13%), compared with the UK (+5%) and Germany (-2%). Forecasts of economic contraction in the Euro area in 2013 suggest further consumer softness.

Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2010A	189.63	13.30	8.90	9.37	5.23
2011A	220.80	20.30	13.70	15.01	3.26
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 &amp; Gas

Price: €30.95  
Price as at 11 January 2013

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	0.8	44.6	78.1
Relative*	(0.7)	33.4	52.3

\* % Relative to local index

## Analyst

Mark Cartlich

## Global Bioenergies (ALGBE)

Market cap: €56m

## COMPANY COMMENT

After opening new offices in the US and Hong Kong and raising €3m last year, the group has focused on scaling up the lab pilot for isobutene, funding the development of the process and studies for an industrial pilot. Its construction will require further funding this year, allowing GBE to start licensing the process to industrial partners. It is also financing research dedicated to biologically producing other molecules, such as propylene and butadiene. GBE announced in December it had discovered a direct biological route to butadiene, triggering a €1.5m milestone fee from its partnership with Synthos.

## INDUSTRY COMMENT

Global Bioenergies is developing bio processes to convert renewable resources into some of the most important petrochemical building blocks. Its first success was in isobutene, which 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 fuels.

Y/E Jun	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2011A	N/A	(1.98)	(1.58)	N/A	N/A
2012A	1.50	(3.95)	(3.51)	(1.70)	N/A
2013E	2.00	0.20	(2.80)	(1.52)	N/A
2014E	4.00	N/A	(2.30)	(1.24)	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Investment Companies

Price: €2.16  
Price as at 11 January 2013

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	63.6	(38.3)	(62.0)
Relative*	60.8	(43.5)	(67.5)

\* % Relative to local index

## Analyst

Richard Finch

## Global Equities CF (ALGS)

Market cap: €29m

## COMPANY COMMENT

Despite economic uncertainty the re-focusing of Global Equities on its core broking, corporate finance and asset management activities in France and Greece looks to be on track.

Encouraged by a strong pick-up in Q3 and an improving sales mix, management confirms 2012 guidance of an increase in net banking income and close to break-even at the trading level. The current year is expected to benefit particularly from recent restructuring efficiencies. Unappealing H112 results (€9.3m trading loss) may thus not be meaningful, given the business transformation, notably the 2011 acquisition of Greek investment house Eurocorp and disposal of its real estate division, insurance business and non-French and Greek operations.

## 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	2.43
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: €5.04  
Price as at 11 January 2013

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	(1.2)	(15.3)	N/A
Relative*	(2.7)	(21.8)	N/A

\* % Relative to local index

**Analyst**

Roger Leboff

**Gold by Gold (ALGLD)**

Market cap: €14m

**COMPANY COMMENT**

The group reported 57% higher consolidated sales to €76.4m in H112, which reflected 32% y-o-y growth in gold volumes traded and 103% higher gold collected at better margins, generating 65% growth in pre-tax profit to €1.3m. That was mainly due to new collection points for Gold&Go; nine stores at end June-2012 vs six at end-FY11, assisted by a 24% y-o-y rise in gold prices during Q212. There was also a €1.3m Q2 exceptional loss, which will be offset from an insurance claim still being assessed. Gold by Gold plans further investment in consumer activities via the internet and the 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. 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.

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: €71.65  
Price as at 11 January 2013

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	8.2	13.7	49.4
Relative*	6.5	4.9	27.8

\* % Relative to local index

**Analyst**

Richard Finch

**Groupe Guillin (ALGI)**

Market cap: €133m

**COMPANY COMMENT**

Ahead of 2012 sales in March, Groupe Guillin 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 contrasted 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 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, reports that its gross margins in the quarter to September benefited from less punitive polymer prices, which had reached record levels in May before falling significantly only to approach record levels by the end of the period.

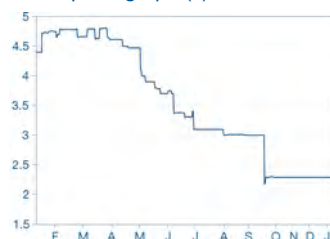
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2010A	403.70	30.40	18.80	N/A	N/A
2011A	457.30	22.20	11.00	N/A	N/A
2012E	403.70	28.00	18.80	9.24	7.75
2013E	457.30	23.30	12.90	6.96	10.29

Where available, consensus data has been sourced from Thomson Datastream

Sector: Consumer Support Services

Price: €2.00  
Price as at 11 January 2013

## 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	0.0	0.0	(54.5)
Relative*	(1.6)	(7.7)	(61.1)

\* % Relative to local index

## Analyst

Fiona Orford-Williams

## Groupe Jemini (ALJEM)

Market cap: €11m

## COMPANY COMMENT

A continued downturn in the toy market led to serious falls in sales in H112 and the shares were suspended at the end of October. Chairman and CEO Patrick Abessira resigned from the group. Unable to secure further funding, on 8 January, Groupe Jemini applied to the Court for protection in bankruptcy.

## INDUSTRY COMMENT

Retail sales tracking company NPD Group estimates that toy sales in the French market were down by 8% over the year to November 2012. Trade body LIMA estimates the overall licensing market to be 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.

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: €16.40  
Price as at 11 January 2013

## 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	1.8	(8.9)	24.2
Relative*	0.2	(15.9)	6.3

\* % Relative to local index

## Analyst

Roger Leboff

## Groupe Proméo (ALMEO)

Market cap: €50m

## COMPANY COMMENT

A change of year end and integration of Kawan means that H1 figures are not directly comparable. However, the first half of this year saw further development of camping activities, including completion of a strategic partnership with 21 Centrale Partners, which consolidated Village Center and Direct Holidays to create the European leader in outdoor hospitality parks, with 38 campsites under management. This diversified the product offering usefully in a more difficult market and the group expects billings to recover in H2 at lower average prices, but steady margins.

## 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.

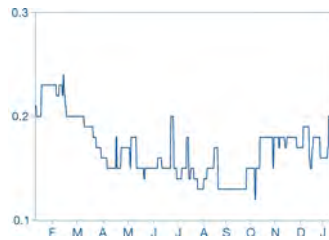
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2010A	126.74	18.70	10.10	3.24	5.06
2011A	176.30	24.20	12.90	N/A	N/A
2012E	126.85	18.90	10.05	3.27	5.02
2013E	174.65	24.00	12.00	3.76	4.36

Where available, consensus data has been sourced from Thomson Datastream

Sector: Basic Industries

Price: €0.20  
Price as at 11 January 2013

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	5.3	33.3	(4.8)
Relative*	3.6	23.0	(18.5)

\* % Relative to local index

**Analyst**

Richard Finch

## H2O Innovation (ALHEO)

Market cap: €12m

**COMPANY COMMENT**

After a disappointing end to FY12, the company's renewed focus on improved project execution soon paid off in its first quarter to September with gross profit up 25% and adjusted EBITDA not only back to positive but more than double year-on-year. SG&A expenses were kept admirably in check (18% of revenue against 25% in Q112), while activity maintained the strong pace of the previous quarter, specifically in water treatment projects, largely in the oil and gas sector in Western Canada. New bookings in the period were as expected, supporting an order backlog of above \$C20m at September (confirmed at \$C21.3m in December). Management is still seeking to develop its high-margin speciality chemicals business, which has been relatively quiet of late (sales up 6% in the first quarter).

**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.

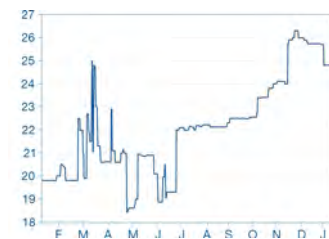
Y/E Jun	Revenue (C\$m)	Op. Profit (C\$m)	Net income (C\$m)	EPS (C\$)	P/E (x)
2011A	27.63	8.16	N/A	N/A	N/A
2012A	35.91	8.28	N/A	N/A	N/A
2013E	N/A	N/A	N/A	N/A	N/A
2014E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Technology

Price: €24.80  
Price as at 11 January 2013

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	(3.7)	6.0	25.2
Relative*	(5.2)	(2.2)	7.1

\* % Relative to local index

**Analyst**

Richard Finch

## Harvest (ALHVS)

Market cap: €34m

**COMPANY COMMENT**

Harvest's double-digit sales growth in Q3 was impressive, even if by its own admission against a weak comparative. As in the previous quarter, progress was virtually across the board and recurrent income was significant (80% of revenue from maintenance and licence leasing) in line with the company's strategy. Encouragingly, longstanding margin guidance of approaching 20% for 2012 (16% in 2011) was duly confirmed (H2 trading seasonality and a much improved orderbook are expected to more than make good the dip in H1 margin). The recent acquisition of Issos, a major competitor in the banking and insurance sector, appears similarly positive as an excellent fit with considerable likely synergies, strong margins and a good growth record.

**INDUSTRY COMMENT**

The OECD has newly forecast that real GDP in France will increase by only 0.3% this year after a similarly subdued 2012. While slightly higher growth is projected for next year (1.3%), unemployment is likely to rise throughout the period.

Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2010A	15.00	3.14	1.92	1.39	17.84
2011A	15.30	2.60	1.76	1.27	19.53
2012E	16.50	N/A	1.80	1.30	19.08
2013E	22.50	N/A	2.70	2.00	12.40

Where available, consensus data has been sourced from Thomson Datastream

Sector: Oil &amp; Gas

Price: €28.96  
Price as at 11 January 2013

Share price graph (€)



## Company description

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

## Price performance

%	1m	3m	12m
Actual	1.6	6.7	5.4
Relative*	0.1	(1.6)	(9.9)

\* % Relative to local index

## Analyst

Ian McLelland

## Heurtey Petrochem (ALHPC)

Market cap: €98m

## COMPANY COMMENT

While Heurtey continues to maintain strong revenues year-on-year, we are encouraged to also note continual growth in the order book reaching an all time high of €456m at end-Q312. This includes growth in both the legacy refining, petrochemical and hydrogen divisions as well as the natural gas treatment business acquired from Prosernat. Conversion of this means the company is now expecting to hit the upper end of its 2012 revenue target of €310-340m. Interestingly, we note that an increasing portion of the order book is now in petrochemicals, reflecting returning demand for services in this sector.

## INDUSTRY COMMENT

Heurtey supplies furnaces to refinery, petrochemical and hydrogen customers along with natural gas treatment equipment. Having businesses that span upstream (gas), midstream (refining) and downstream (petrochemicals), Heurtey's diversity mitigates its exposure to demand changes across its different business streams.

Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2010A	235.40	9.40	4.50	1.28	22.63
2011A	344.30	12.70	3.40	(0.93)	N/A
2012E	339.65	14.10	6.61	2.27	12.76
2013E	367.46	14.69	8.92	2.99	9.69

Where available, consensus data has been sourced from Thomson Datastream

Sector: Technology

Price: €6.24  
Price as at 11 January 2013

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	11.4	(1.0)	23.1
Relative*	9.7	(8.6)	5.3

\* % Relative to local index

## Analyst

Roger Leboff

## Hitechpros (ALHIT)

Market cap: €11m

## COMPANY COMMENT

The slowdown in H112 sales continued into Q3, which was 13.4% down y-o-y. Turnover for the first nine months was €10.6m, 6.5% below the comparable period. Staffing was again the weakest component, with a 9% y-o-y fall reflecting delayed initiation of projects by large company IT departments, longer decision cycles and pricing pressure. Subscription sales were more robust, 7% up y-o-y. The outlook suggests the full year will be broadly in line with performance for the first nine months.

## INDUSTRY COMMENT

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. Group growth reflects industry investment and price trends, particularly for staffing (c 80% of revenues) and thus a more cautious outlook is appropriate. The group has placed 150-200 IT professionals permanently with clients.

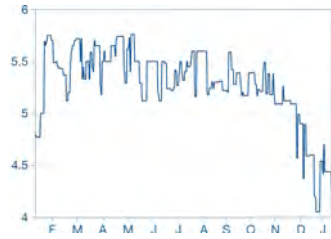
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2010A	12.60	1.30	0.87	N/A	N/A
2011A	14.50	1.30	N/A	N/A	N/A
2012E	N/A	N/A	N/A	N/A	N/A
2013E	N/A	N/A	1.00	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Travel & Leisure

Price: €4.25  
Price as at 11 January 2013

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	(7.4)	(17.8)	(11.3)
Relative*	(8.9)	(24.1)	(24.1)

\* % Relative to local index

**Analyst**

Richard Finch

## Homair (ALHOM)

Market cap: €56m

**COMPANY COMMENT**

While disappointment at missed 2012 guidance is understandable, progress in the year to September was creditable in uncondusive conditions; sales were up 8% (target above 10%) and EBITDA (reported -5%) would have been maintained but for a sale and leaseback and aggressive marketing. Management attributes the top-line shortfall to macro rather than company factors. For the current period, assuming a 2% increase in mobile homes, double-digit EBITDA growth is targeted. September's €4m bond issue should aid expansion, complementing a strategy of sale and leaseback of campsites and a recent reorganisation of the shareholding structure, which is viewed as beneficial for development.

**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.

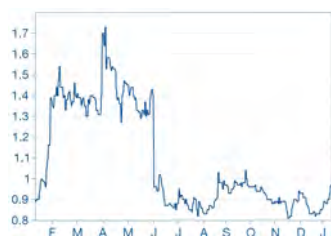
Y/E Sep	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2011A	61.66	8.70	3.95	0.30	14.17
2012A	66.50	6.70	3.98	N/A	N/A
2013E	67.20	10.50	1.60	0.15	28.33
2014E	73.90	N/A	2.60	0.23	18.48

Where available, consensus data has been sourced from Thomson Datastream

Sector: Pharma & Healthcare

Price: €0.96  
Price as at 11 January 2013

Share price graph (€)



**Company description**

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

**Price performance**

%	1m	3m	12m
Actual	10.3	2.1	7.9
Relative*	8.6	(5.8)	(7.7)

\* % Relative to local index

**Analyst**

Emma Ulker

## Hybrigenics (ALHYG)

Market cap: €18m

**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. It is evaluating options to out-license ongoing survival studies in CRPC or to continue independently. Initial study results from the fully funded CLL trial in chemotherapy-naive patients are due in Q113 and the trial could be completed during 2013 depending on the rate of recruitment. The company renewed a \$2.4m contract to provide yeast two-hybrid (Y2H) protein analysis services to a US life sciences company and is aiming to grow the services division.

**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	6.34	(3.36)	(2.64)	(0.15)	N/A
2013E	6.83	(3.57)	(2.90)	(0.15)	N/A



## Sector: Electrical Equipment

Price: €2.13  
Price as at 11 January 2013

## Share price graph (€)



## Company description

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

## Price performance

%	1m	3m	12m
Actual	(11.6)	(7.4)	(11.2)
Relative*	(13.0)	(14.6)	(24.1)

\* % Relative to local index

## Analyst

Roger Leboff

## i2S (ALI2S)

Market cap: €4m

## COMPANY COMMENT

A strong end to FY11 - Q4 sales were 8.1% ahead y-o-y - was achieved despite challenging markets in France and internationally and H112 sales were broadly unchanged y-o-y at €6.5m, with a €0.4m operating loss (H111: €0.1m profit). DigiBook performed well as emerging market sales compensated for weakness in Europe and the US, where public sector clients face budget constraints; divisional sales were 6.3% ahead to €5.8m in FY11, Vision 5.8% up at €2.1m in Q4.

## INDUSTRY COMMENT

The group has seen 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 and 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: €20.35  
Price as at 11 January 2013

## Share price graph (€)



## Company description

IDSUD specialises in supplying financial services.

## Price performance

%	1m	3m	12m
Actual	35.2	15.3	(7.5)
Relative*	33.1	6.4	(20.9)

\* % Relative to local index

## Analyst

Roger Leboff

## IDSUD (ALIDS)

Market cap: €19m

## COMPANY COMMENT

Headline H112 turnover was €0.94m (€1.12m), but a €0.79m operating loss was offset by €2.4m of financial income (including games), for a €1.6m positive result for the period (H111: €0.8m). Positive margins were achieved - despite small declines in turnover - by the group's travel and precious metals businesses, while lottery games contributed €2.2m (H111: €2.0m), back to 2010 levels. Actions taken to reduce group expenses cut €0.2m from costs in the first half and restructuring continues. IDSUD ended the period with €5.7m of net cash, vs €4.1m last year.

## 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

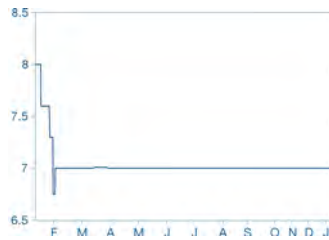
Where available, consensus data has been sourced from Thomson Datastream



Sector: Pharma & Healthcare

Price: €7.00  
Price as at 11 January 2013

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	(12.5)
Relative*	(1.6)	(7.7)	(25.2)

\* % 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 and beyond 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: €5.14  
Price as at 11 January 2013

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	(10.5)	(19.1)	N/A
Relative*	(11.9)	(25.3)	N/A

\* % Relative to local index

**Analyst**

Roger Leboff

**Intracense (ALNS)**

Market cap: €16m

**COMPANY COMMENT**

First half sales of €1.32m were 58% ahead of H111, driven by international business, which contributed 59% of the total vs 55% in FY11 (and 32% in FY10). New strategic partnerships in Russia and Japan helped it win contracts for its Myrian software platform, while its Shanghai subsidiary added new business in South-East Asia. Myrian-advanced clinical modules represent over 90% of licence sales, validating the product implementation strategy, particularly in fields such as oncology and high investment in R&D (70% of FY11 sales).

**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	4.20	N/A	(2.00)	(0.85)	N/A
2013E	7.40	N/A	(2.00)	(0.64)	N/A

Where available, consensus data has been sourced from Thomson Datastream

## Sector: Support Services

Price: €37.16  
Price as at 11 January 2013

## Share price graph (€)



## Company description

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

## Price performance

%	1m	3m	12m
Actual	0.4	(2.5)	(7.1)
Relative*	(1.1)	(10.0)	(20.5)

\* % Relative to local index

## Analyst

Richard Finch

## Inventoriste (ALIVT)

Market cap: €49m

## COMPANY COMMENT

With a weak European distribution sector subject to destocking, cost-cutting and order postponement, Inventoriste's 13% sales decline in H112 is understandable but nonetheless disappointing as the company had hitherto bucked the the downturn with vigorous, if expansion-led growth. A move into loss at the trading level was a function both of this shortfall and, notably, costs of development in Germany and Poland. Management is, however, buoyed by the continuing tendency despite recession for major brands to outsource inventories and the company's ability to serve clients across Europe. Unsurprisingly, H212 guidance is vague.

## INDUSTRY COMMENT

According to Markit, French retail sales fell in December for the ninth month in a row. The OECD forecast of marginal economic growth this year after a subdued 2012 suggests that consumer spending will remain weak. Its expectation for the Euro area is yet more disheartening, ie further contraction in 2013.

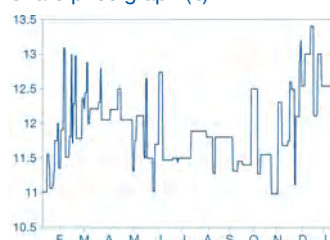
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2010A	26.05	0.86	0.35	N/A	N/A
2011A	32.80	2.50	1.16	N/A	N/A
2012E	N/A	N/A	N/A	N/A	N/A
2013E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

## Sector: Pharma &amp; Healthcare

Price: €12.99  
Price as at 11 January 2013

## Share price graph (€)



## Company description

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

## Price performance

%	1m	3m	12m
Actual	(0.1)	15.3	18.0
Relative*	(1.6)	6.4	0.9

\* % Relative to local index

## Analyst

Mick Cooper

## Ipsogen (ALIPS)

Market cap: €71m

## 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.

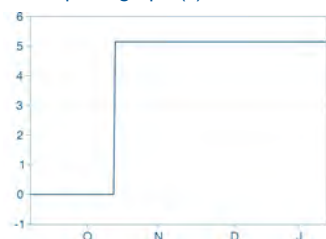
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2010A	8.37	(3.70)	(3.40)	(0.69)	N/A
2011A	9.50	(5.80)	(5.60)	N/A	N/A
2012E	9.50	N/A	(2.30)	(0.40)	N/A
2013E	12.10	N/A	0.40	0.07	185.57

Where available, consensus data has been sourced from Thomson Datastream

Sector: Technology

Price: €5.15  
Price as at 11 January 2013

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	0.0	N/A	N/A
Relative*	(10.4)	N/A	N/A

\* % Relative to local index

#### Analyst

Roger Leboff

## ISA (ALISA)

Market cap: €8m

#### COMPANY COMMENT

ISA continued to develop its differentiated product lines in the first half of 2012, in the fields of intelligent telemetry and remote management for the petroleum industry. It also broadened its global presence via subsidiaries in Brazil and the Middle East, and commercial activities in the US and Africa. H112 turnover was 5% lower y-o-y at €1.9m; a strong oil and gas performance (60% ahead) offset a reduced contribution from the energy division. The H112 pre-tax loss was €0.73 (H111: €0.09m).

#### 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.

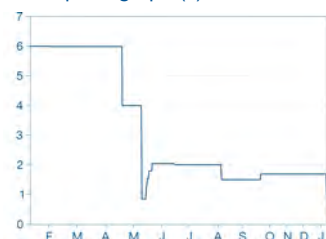
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2010A	3.88	182.00	49.00	N/A	N/A
2011A	5.42	250.00	62.00	N/A	N/A
2012E	N/A	N/A	N/A	N/A	N/A
2013E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Consumer Support Services

Price: €1.00  
Price as at 11 January 2013

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	(40.8)	(40.8)	(83.3)
Relative*	(41.8)	(45.4)	(85.7)

\* % Relative to local index

#### Analyst

Fiona Orford-Williams

## IsCool Entertainment (ALISC)

Market cap: €8m

#### 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. H112 showed the full impact of Facebook credits (carrying 30% commission and also increasing the translational exposure to the \$). Revenues were down 40% on previous year. New game Wordox has performed well and is accounting for the group's highest monthly active users. The first freemium game/app development in association with Universal Music to exploit its back catalogue should be launched in H2 and the group is also working on more multi-user games and games for mobile. The group is running at just below 2.0m monthly active users (AppData) on Facebook.

#### INDUSTRY COMMENT

NewZoo figures estimate 25.3m active gamers in France, up 6% y-o-y, including 14.3m using casual websites and 12.2m playing via social networks, although categories overlap. They play on average 1hr 25mins per day, of which 17% is within social networks and 15% on casual websites. Playing via mobile is rapidly taking share.

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

## Keyyo (ALKEY)

Market cap: €16m

Price: €5.82  
Price as at 11 January 2013

## 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	(1.9)	5.4	0.9
Relative*	(3.4)	(2.7)	(13.7)

\* % Relative to local index

## Analyst

Roger Leboff

## COMPANY COMMENT

There was another y-o-y fall in group turnover in Q312, down 6.3% vs a 2.0% fall in Q2. That puts the first nine months at €16.5m, 2.5% down, but reflects erosion of the group's retail activities while revenues from its higher-margin telecoms business, the Keyyo Store 'cloud telephony' products aimed at the SOHO/SME market, was 12% ahead y-o-y at €10.4m.

Based on the latter performance, full-year turnover is expected to be in line with 2011, with better profitability based on a more attractive business mix.

## 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 of controlling 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	18.19
2011A	22.60	0.21	0.28	7.72	0.75
2012E	22.80	1.50	1.00	0.35	16.63
2013E	24.80	2.20	1.60	0.55	10.58

Where available, consensus data has been sourced from Thomson Datastream

Sector: Consumer Support Services

## LeadMedia (ALLMG)

Market cap: €32m

Price: €7.06  
Price as at 11 January 2013

## 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	4.1	3.2	41.8
Relative*	2.5	(4.8)	21.3

\* % Relative to local index

## Analyst

Fiona Orford-Williams

## 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%. SHOPBOT, bought just after the half year, generates qualified leads for e-tail clients and will accentuate the group's ability to offer vertically integrated solutions. In H212, the group has launched GRAPH INSIDER, a social CRM platform that will facilitate data gathering, in both its core markets and has also opened a New York office to cater for its international clients. Black Friday in Brazil broke all records.

## INDUSTRY COMMENT

With the stimulus of the World Cup in 2014 and the next Olympics/Paralympics in 2016, Brazil is set to overtake the UK to become the fifth-largest global advertising market, worth \$24.1bn by 2015. WARC consensus forecasts show 9.8% growth for 2013, with digital taking a rapidly growing proportion of budget. In France, digital spend is forecast to increase well ahead of the dull overall market given the poor economic backdrop.

Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2011A	19.14	1.59	0.27	N/A	N/A
2012A	19.14	N/A	1.00	0.10	70.60
2013E	19.14	N/A	1.00	0.10	70.60
2014E	26.40	N/A	1.70	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Media & Entertainment

Price: €27.26  
Price as at 11 January 2013

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	1.0	2.9	89.3
Relative*	(0.6)	(5.1)	61.9

\* % Relative to local index

**Analyst**

Fiona Orford-Williams

## LeGuide.com (ALGUI)

Market cap: €96m

**COMPANY COMMENT**

Following the tender offer at €28, which closed on 19 September, Lagadere holds 96.49% of the LeGuide equity, valuing the group at €98.2m. Trading performance continued to be strong over the first nine months of 2012, with organic growth of 12%. The costs associated with the acquisition of price-comparison site Ciao and the tender offer impacted first-half margins, but stripping out these effects, the gross margin was around 30% vs 35% in the comparative period. The group remains the largest shopping guide site in Europe, with 24.3m unique visitors and 78,000 registered merchants.

**INDUSTRY COMMENT**

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

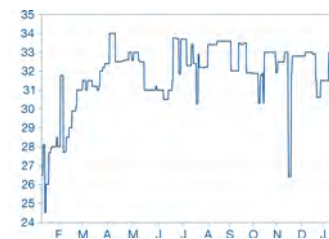
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2010A	26.81	9.80	5.15	N/A	N/A
2011A	28.20	9.30	0.50	N/A	N/A
2012E	45.55	N/A	7.55	2.07	13.17
2013E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Travel & Leisure

Price: €32.50  
Price as at 11 January 2013

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	(1.5)	7.2	22.6
Relative*	(3.1)	(1.1)	4.9

\* % Relative to local index

**Analyst**

Richard Finch

## Les Hotels Baverez (ALLH)

Market cap: €77m

**COMPANY COMMENT**

Ahead of imminent 2012 revenue, Les Hotels Baverez delivered another solid performance in Q3 with revenue up 6% on a 12% rate-led increase in RevPAR, much as in Q2. Management attributes this continued buoyancy not only to the enduring popularity of Paris, but also to the breadth of its own guest mix, substantial refurbishments and improved marketing and distribution, notably online. Despite earlier caution about the impact of material investment on H2 profit, Q3 saw trading margin almost on a par with that of Q2 and trading profit up 90% y-on-y, albeit a relatively weak comparative. Effective marketing drove 5% revenue growth in Q2, which is respectable given the presidential elections and no Paris Air Show.

**INDUSTRY COMMENT**

According to TRI Hospitality, the Paris hotel market has enjoyed mixed fortunes since Q3 with RevPAR up 4% in October but down 5% in November. This compares with a rate-driven rise of almost 3% in the first nine months. The impact of the recession on business travel and increased room supply are obvious depressants.

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	70.65
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

## Lets Gowex (ALGOW)

Market cap: €169m

Price: €11.70  
Price as at 11 January 2013

## 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	0.2	17.1	140.3
Relative*	(1.4)	8.0	105.5

\* % Relative to local index

## Analyst

Roger Leboff

## 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 end-FY11 (FY10: 30) in Latin America, Europe and China, with recent contracts in Dublin, Marseille and Dubai. International growth will be funded by an €18m equity issue in December 2012.

## INDUSTRY COMMENT

The strategy is to roll out free WiFi to 300 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	99.60	N/A	15.10	1.17	10.00
2013E	125.55	N/A	16.95	1.31	8.93

Where available, consensus data has been sourced from Thomson Datastream

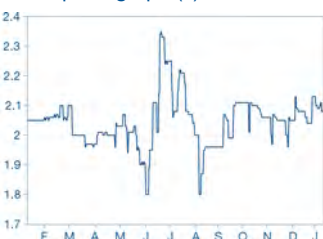
Sector: Consumer Support Services

## MaKheiA Group (ALSEQ)

Market cap: €12m

Price: €2.08  
Price as at 11 January 2013

## 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	0.0	3.5	(1.9)
Relative*	(1.6)	(4.5)	(16.1)

\* % Relative to local index

## Analyst

Fiona Orford-Williams

## 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 has been integrated with Sequoia. The other parts of the group are Affinity (affinity marketing with a social media emphasis) and MaKheiA Digital. The group was aiming to earn 30% of revenues in digital in FY12. Conversion rates from pitching have been considerably improved and the group has now won five new accounts in the social media space and launched a mobile app with Essentiel Santé magazine.

## 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 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	13.00
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

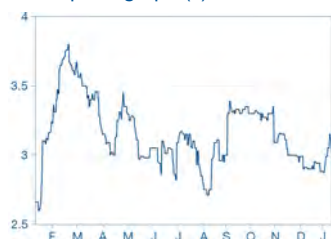
Where available, consensus data has been sourced from Thomson Datastream



Sector: Construction & Bldg Mat.

Price: €3.02  
Price as at 11 January 2013

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	4.1	(8.8)	13.5
Relative*	2.5	(15.8)	(2.9)

\* % Relative to local index

#### Analyst

Richard Finch

## Mastrad (ALMAS)

Market cap: €16m

#### COMPANY COMMENT

Mastrad has tempered disappointment at H2 profit well below guidance with assurance that domestic trading is holding up well in uncondusive conditions and continued optimism about new products and markets. Indeed, it was product development, as well as investment in e-commerce, which drove the profit shortfall in the six months to June. Sales growth of 19% in FY12 was creditable with a breakthrough in international activity (37% of group sales vs 26% in FY11), allowing exposure to potentially exciting markets such as South Korea and Australia and cutting reliance on hard-pressed France. Mastrad Inc. achieved a step-change in profit due to cost control and a doubling of sales thanks to group blockbuster products.

#### 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	1.57	1.30	N/A	N/A
2012A	31.10	1.53	0.98	N/A	N/A
2013E	35.80	3.10	1.65	0.31	9.74
2014E	40.65	2.70	2.40	1.46	2.07

Where available, consensus data has been sourced from Thomson Datastream

Sector: Media & Entertainment

Price: €5.10  
Price as at 11 January 2013

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	3.7	20.0	2.0
Relative*	2.0	10.7	(12.8)

\* % Relative to local index

#### Analyst

Fiona Orford-Williams

## Maximiles (ALMAX)

Market cap: €21m

#### 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 have been able to reduce the operating loss in H212 and announced in October that it had signed up Expedia.fr, a significant coup and the first time an online travel company has offered a loyalty programme of this type.

#### INDUSTRY COMMENT

French e-commerce continues to strengthen, with industry body FEVAD estimating there will have been over 120k active online merchants by the end of 2012. A good Q312 saw online sales up 21% year-on-year, with a higher number of consumers making more visits but with reduced basket size. Overall levels of consumer confidence, though, remain weak.

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	102.00
2012E	17.30	N/A	(1.55)	(0.35)	N/A
2013E	17.95	N/A	(0.65)	(0.14)	N/A

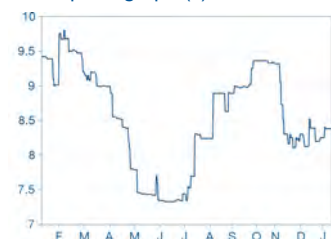
Where available, consensus data has been sourced from Thomson Datastream



Sector: Technology

Price: €8.38  
Price as at 11 January 2013

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	3.2	(11.0)	(10.9)
Relative*	1.6	(17.9)	(23.8)

\* % Relative to local index

## Analyst

Roger Leboff

## Median Technologies (ALMDT)

Market cap: €49m

## COMPANY COMMENT

Median reported commercial acceleration in H112. There was 68% growth in orders from pharmaceutical companies to €0.9m and a €0.64m end-June order book on the back of two contracts from a US pharma group for clinical trials and executions spread over the next three years. That momentum continued into Q3, with another €0.5m of new orders so far. The outlook anticipates further new business acceleration, including the first from its strategic partnerships with Quintiles, in early-2013. Other partnerships are with Canon (a 15% shareholder) and Kuwait Life Science Company.

## 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 &amp; Healthcare

Price: €8.20  
Price as at 11 January 2013

Share price graph (€)



## Company description

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

## Price performance

%	1m	3m	12m
Actual	12.3	(16.3)	(1.1)
Relative*	10.6	(22.8)	(15.4)

\* % Relative to local index

## Analyst

Mick Cooper

## MEDICREA International (ALMED) Market cap: €69m

## 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 FY12, sales grew by just 8.5% to €20.7m, primarily because the US salesforce needed restructuring in H112. However, the company's sales growth accelerated significantly in H212 to 22% with US revenues growing by 41% in Q412. The key product range driving growth is the PASS range to correct severe spinal abnormalities. Cost-control measures have also lowered the break-even point to €5m in sales per quarter to enhance Medicea's profitability. Full FY12 results are due on 25 March.

## 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)
2011A	19.10	(1.70)	(2.40)	N/A	N/A
2012A	20.70	(1.70)	(2.40)	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: Electrical Equipment

Price: €13.07  
Price as at 11 January 2013

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	6.4	13.1	44.4
Relative*	4.8	4.3	23.5

\* % Relative to local index

Analyst

Roger Leboff

## MGI Dig Graphic Tech (ALMDG)

Market cap: €61m

COMPANY COMMENT

FY11 momentum continued into H112; turnover up 20.9% y-o-y to €12.2m in France and international markets. The latter contributed €8.2m, 22.1% up y-o-y and 68% of H1 turnover. A sharp increase in gross margins drove EBITDA to €3.9m, 54% up, and pre-tax profit to €3.1m, 70% better. The first half saw another successful participation at DRUPA, the international graphics industry exhibition in Düsseldorf, where it raised the profile of its innovative products. The full-year outlook is 20% sales growth in line with that achieved in H112.

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. It has a broad customer base diversified across a number of sectors.

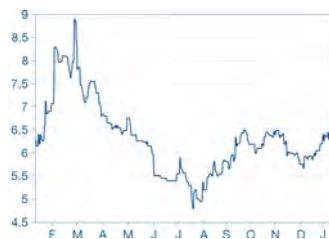
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2010A	16.10	2.18	2.82	N/A	N/A
2011A	19.50	2.30	2.99	N/A	N/A
2012E	27.00	4.00	4.10	0.88	14.85
2013E	30.50	4.90	4.60	0.99	13.20

Where available, consensus data has been sourced from Thomson Datastream

Sector: Electrical Equipment

Price: €6.82  
Price as at 11 January 2013

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	16.4	11.8	8.8
Relative*	14.6	3.2	(7.0)

\* % Relative to local index

Analyst

Roger Leboff

## Microwave Vision (ALMIC)

Market cap: €24m

COMPANY COMMENT

The third quarter was driven by aerospace and defence orders in Europe and Asia, offset by delays from North American markets awaiting the federal budget vote, which may lead to a rebound in order volumes during 2013. The recent acquisition of Manchester-based Rainford EMC systems, integrated during the second half, is expected to have contributed to growth in the final quarter of FY12 and despite the uncertain global market, the outlook was sustained growth and good profitability for the year as a whole.

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.

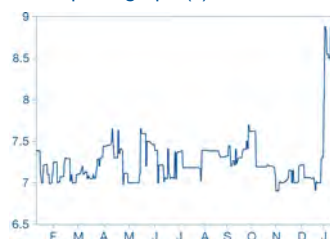
Y/E Mar / Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2010A	43.99	3.39	3.46	1.05	6.50
2011A	21.60	1.39	0.93	N/A	N/A
2012E	44.00	3.50	2.30	0.63	10.83
2013E	49.40	5.20	3.20	0.89	7.66

Where available, consensus data has been sourced from Thomson Datastream

Sector: Pcare and household prd

Price: €8.86  
Price as at 11 January 2013

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	25.5	23.2	19.9
Relative*	23.5	13.7	2.5

\* % Relative to local index

## Analyst

Roger Leboff

## Millet Innovation (ALINN)

Market cap: €17m

## 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 FY12 outlook is 5% growth in turnover to €17m at a c 9.5% net margin, due to better-than-expected sales of the new corrective brace for hallux vulgus foot deformity.

## 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	9.84
2013E	18.60	N/A	1.90	1.00	8.86

Where available, consensus data has been sourced from Thomson Datastream

Sector: Media &amp; Entertainment

Price: €2.38  
Price as at 11 January 2013

Share price graph (€)



## Company description

Mobile Network Group specialises in mobile marketing services.

## Price performance

%	1m	3m	12m
Actual	(1.2)	(4.8)	(15.0)
Relative*	(2.8)	(12.2)	(27.3)

\* % Relative to local index

## Analyst

Fiona Orford-Williams

## Mobile Network (ALMNG)

Market cap: €14m

## COMPANY COMMENT

Mobile Network Group's first results since listing in March showed an H112 26% increase in revenues delivering a loss in line with expectations. The group, 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, it has already built an impressive client list of mostly FMCG brands. It has announced strategic partnerships with TF1, Shazam and Apple Passbook, which should help build profitability.

## INDUSTRY COMMENT

Mobile marketing continues to be one of the fastest-growing areas of spend, rising 20% in France in H112, but still only accounts for 1% of the overall adspend market. Berg Insight expects the proportion of the global adspend to climb to 4.4% by 2017. Latest Mediametrie figures show smartphone penetration reaching 51.4% in France, with over 41.2% using their phone to access the internet. Adoption, though, is running well ahead of monetisation.

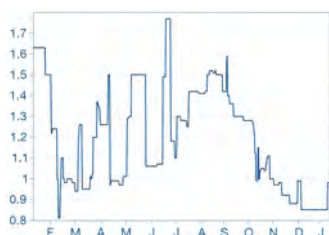
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2010A	0.47	0.04	0.03	N/A	N/A
2011A	0.57	(0.74)	(0.68)	N/A	N/A
2012E	N/A	N/A	N/A	N/A	N/A
2013E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: General Retailers

Price: €0.98  
Price as at 11 January 2013

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'Flöre.

#### Price performance

%	1m	3m	12m
Actual	15.3	(12.5)	(39.9)
Relative*	13.5	(19.3)	(48.6)

\* % Relative to local index

#### Analyst

Richard Finch

## Monceau Fleurs (ALMFL)

Market cap: €7m

#### COMPANY COMMENT

Ahead of full-year results to September due in March, caution appears still to be in order despite last summer's fund-raising of €2.5m, which should aid implementation of Monceau Fleurs' key restructuring plan, as agreed with creditors and shareholders. Reported returns at the EBITDA level remain wafer-thin (break-even in the half to March), with net debt still substantial (€25m at March). Early signs have nevertheless been positive, with revitalisation of the Rapid Flöre brand attracting extra traffic and annual labour costs already cut by 12%. Unsuccessful non-core activities have been stopped, as will a 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.

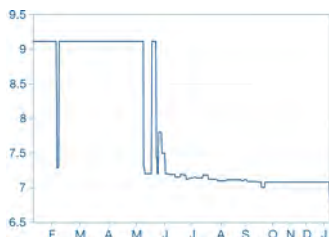
Y/E Sep	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2010A	66.19	(3.62)	(5.30)	N/A	N/A
2011A	61.80	0.10	N/A	N/A	N/A
2012E	75.20	N/A	(1.70)	(0.30)	N/A
2013E	83.80	N/A	(1.00)	(0.20)	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: General Industrials

Price: €6.86  
Price as at 11 January 2013

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	(2.3)	(3.1)	(24.7)
Relative*	(3.8)	(10.6)	(35.6)

\* % Relative to local index

#### Analyst

Richard Finch

## Moulinvest (ALMOU)

Market cap: €21m

#### COMPANY COMMENT

The year to August saw Moulinvest's move into the production of electricity by co-generation using biomass start to realise its potential by driving an 18% growth in company sales. 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 construction activity struggled to hold firm in very demanding conditions (sales down 7%). A strong first quarter supports guidance of FY13 sales gain of c 26%, again led by the new energy business (sales forecast to more than double on a full year of pellet production), while construction may well remain subdued. Predictably, FY12 returns were depressed (trading margin just 3%) by investment in newer activities. Finances were sound at August.

#### 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.

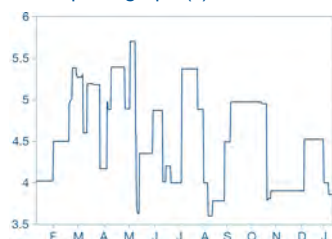
Y/E Aug	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2011A	20.10	0.59	0.08	N/A	N/A
2012A	23.80	0.71	(1.38)	N/A	N/A
2013E	N/A	N/A	N/A	N/A	N/A
2014E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

## Sector: Electrical Equipment

Price: €3.86  
Price as at 11 January 2013

## 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	(14.6)	(22.3)	(4.0)
Relative*	(15.9)	(28.3)	(17.9)

\* % Relative to local index

## Analyst

Roger Leboff

## NEOTION (ALNEO)

Market cap: €20m

## COMPANY COMMENT

The first half result, a 40% y-o-y fall in consolidated turnover to €13.6m and a €1.4m pre-tax loss (H111: €3m profit) reflected the cessation of sales of Neotion's core module. The impact on FY12 overall is expected to be partially offset by increased sales of the enlarged professional CAM range. The latter included the launch of eight new CAM products in H1 into new and existing markets, which contributed to expanded sales coverage in over 30 countries, in total over 100% growth in the last 18 months. Further product launches are possible in Q113.

## 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. New chipsets developed during 2012 will renew the group's full range for CAM and STB decoders by H213.

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 &amp; Healthcare

Price: €2.64  
Price as at 11 January 2013

## 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	6.5	(10.2)	(32.3)
Relative*	4.8	(17.1)	(42.1)

\* % Relative to local index

## Analyst

Wang Chong

## Neovacs (ALNEV)

Market cap: €41m

## 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 in 2012. 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 & Entertainment

Price: €2.70  
Price as at 11 January 2013

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	(1.1)	(6.2)	13.9
Relative*	(2.6)	(13.5)	(2.6)

\* % Relative to local index

**Analyst**

Fiona Orford-Williams

## NetBooster (ALNBT)

Market cap: €36m

**COMPANY COMMENT**

Q312 figures showed continued strong performance, with further progress in EBITDA and 9% growth in GP (a better indicator of sales given the pass-through business within Metapeople) despite much tougher comparatives. The group is now benefiting from its larger size and record on delivering ROI. The Emirates contract is significant both in increased scale and capability, combining search marketing with real-time ad-exchange. A new office in Dubai will further dilute the one-third of GP historically generated in France. FY12 targets look to have been met, with targets in place for organic growth of 15%+ and EBITDA margin over 20%. The management team has been reinforced to better align with these targets.

**INDUSTRY COMMENT**

WARC consensus forecasts for the global advertising market show growth of 3.9% for FY12, 4.0% for FY13 and 5.5% FY14, much ahead of the French market. Online continues strongly, albeit slowing slightly to 13% in FY13. The shift to real-time ad inventory has rapidly picked up pace, forecast to grow at c 20% pa to 2015 (IDC).

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: €8.91  
Price as at 11 January 2013

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	8.5	1.8	(5.1)
Relative*	6.8	(6.0)	(18.8)

\* % Relative to local index

**Analyst**

Roger Leboff

## NEXEYA (ALNEX)

Market cap: €36m

**COMPANY COMMENT**

The 3.7% sales growth for FY12 was achieved despite a weaker Q4, 9% below Q3, 10% lower y-o-y. The various divisions produced mixed performances. Systems was up 5.8%, but profit was affected by restructuring costs. Products was up 44%, including Antycip for the first time; 3.8% up underlying. Services fell 10.4% to €35.6m due to contract losses and weaker technical assistance revenues.

**INDUSTRY COMMENT**

Nexeya expects recent efficiency measures, order book growth and services contract renewals to underpin 2012/13. Defence/security contributed 28% of FY12 revenues, aeronautics (15%), space (14%), industry (11%), energy (5%), transport (7%) and IT/telecom (12%). It designs, manufactures and supports specialist, mission-critical electronic products in systems (design, testing and 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)
2011A	128.32	8.80	5.91	N/A	N/A
2012A	133.02	7.90	5.10	N/A	N/A
2013E	136.90	7.50	4.80	1.23	7.24
2014E	141.70	10.60	6.20	1.57	5.68

Where available, consensus data has been sourced from Thomson Datastream



Sector: Technology

## Notrefamille.com (ALNFA)

Market cap: €6m

Price: €3.47  
Price as at 11 January 2013

## 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	(4.7)	2.7	(6.7)
Relative*	(6.2)	(5.3)	(20.2)

\* % Relative to local index

## Analyst

Richard Finch

## COMPANY COMMENT

A favourable business mix and tight cost control delivered, as expected, a clear improvement in returns in the first half (a return to break even at the trading level). With sales flat, a notable bright spot was advertising; traffic to the Notrefamille.com website was buoyant, ie 3.4m unique visitors in June and fourth most popular French website dedicated to women, according to Nielsen. The impact of 10% lower revenue from e-commerce, the group's largest revenue source, was mitigated by a cut in marketing spend, while management remained committed to investment in genealogy. Activity was again subdued in Q3 (sales -5%).

## 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

## NSE Industries (ALNSE)

Market cap: €34m

Price: €10.50  
Price as at 11 January 2013

## 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	1.0	7.1	5.0
Relative*	(0.6)	(1.1)	(10.2)

\* % Relative to local index

## Analyst

Richard Finch

## COMPANY COMMENT

NSE Industries (the newly-joined ECT Industries and NSE Holding) is at pains to point out that pro forma returns in the first half were affected by costs involved in identifying and maximising synergies that will benefit future results as well some one-off charges. An additional depressant was a significant reduction in non-aeronautical services revenue, but new higher added value contracts should boost the current period. Management is understandably intent on capitalising 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). It has already agreed to acquire Soditech's aeronautics business, c €2m annual sales and scope to strengthen its relationship with a prestigious client, Eurocopter.

## INDUSTRY COMMENT

The coming years will see military budgets across Europe coming under pressure. NSE 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	68.10	N/A	1.40	0.42	25.00
2013E	76.60	N/A	2.80	0.85	12.35

Where available, consensus data has been sourced from Thomson Datastream



Sector: Technology

Price: €1.47  
Price as at 11 January 2013

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	24.6	5.8	(10.9)
Relative*	22.6	(2.4)	(23.8)

\* % Relative to local index

#### Analyst

Richard Finch

## O2i (ALODI)

Market cap: €5m

#### COMPANY COMMENT

After a first half that saw significant loss reduction at the net level (€0.4m against €1.3m) despite very adverse conditions and sales down 10%, O2i looks for further progress this year as Engineering returns to profit thanks to restructuring and enhanced marketing, and its training business M2i, which is now profitable, albeit marginally, enjoys a strong orderbook. Increasing benefit is expected from a focus on higher-margin equipment business, exports and large accounts. Early last year, the founder chairman more than doubled his holding to 17%, with further investment promised. 2012 results are due in May.

#### 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.

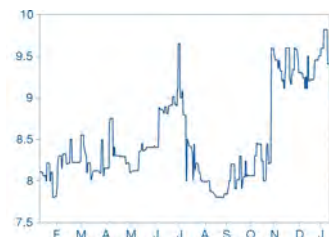
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2010A	32.30	(0.14)	(0.56)	N/A	N/A
2011A	27.80	(1.08)	(1.18)	N/A	N/A
2012E	N/A	N/A	N/A	N/A	N/A
2013E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Construction & Bldg Mat.

Price: €9.40  
Price as at 11 January 2013

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	1.6	11.2	15.9
Relative*	0.0	2.6	(0.9)

\* % Relative to local index

#### Analyst

Richard Finch

## Ober (ALOBR)

Market cap: €14m

#### COMPANY COMMENT

Ober delivered another solid performance in Q3 (sales +2%) with the core Oberflex business stable against a bumper comparative and the company's Tunisian venture Stramiflex up 7% constant currency thanks to a wider product range and improved marketing. There was also a welcome pick-up (sales +18%, albeit from a low base) by persistent underperformer Marotte, which has been undergoing rationalisation including a recent property sale for €1.9m and a change of business model. The first half saw trading profit up 41%, reflecting both higher sales (+6%) and cost control. Management expects improved returns for 2012 as a whole, given the current momentum and potential of projects in hand. Ober remained relatively highly-borrowed at June (80% gearing).

#### 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	4.14
2013E	45.20	N/A	2.20	1.54	6.10

Where available, consensus data has been sourced from Thomson Datastream

Sector: Technology

## OCTO Technology (ALOCT)

Market cap: €18m

Price: €5.09  
Price as at 11 January 2013

## Share price graph (€)



## Company description

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

## Price performance

%	1m	3m	12m
Actual	3.0	2.0	(6.2)
Relative*	1.4	(5.9)	(19.8)

\* % Relative to local index

## Analyst

Richard Finch

## COMPANY COMMENT

Ahead of 2012 results in late-March, Octo has met full-year guidance of 11% sales growth as substantial recruitment both in France and abroad during the first half drove the expected strong pick-up in activity (+18% in H2 after +4% in the first half). Management is confident about continued progress but has offered no specific guidance about the current period. H212 is expected to have seen margin recovery after a difficult first half when harsh 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. The company was well financed at June (net cash).

## 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

## Orolia (ALORO)

Market cap: €48m

Price: €11.39  
Price as at 11 January 2013

## 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	4.5	(0.6)	(0.9)
Relative*	2.9	(8.3)	(15.2)

\* % Relative to local index

## Analyst

Roger Leboff

## COMPANY COMMENT

H112 sales were down 11.4% on a constant currency basis, mainly due to a strong H111 comparable, including €2.9m of French and US defence contracts, and alterations to an important project for the Timing division. The latter is still on track post recent Galileo and US military contract wins (navigation) - 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. In November, Orolia secured a €1.5m contract to supply positioning and tracking beacons for fishing boats and oil slicks.

## 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.

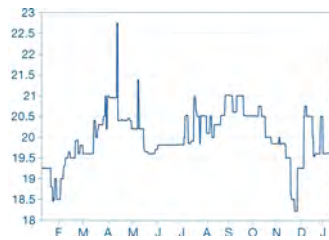
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2010A	57.80	5.11	0.99	(0.22)	N/A
2011A	63.70	5.78	0.80	0.20	56.95
2012E	67.80	7.10	4.00	0.96	11.86
2013E	74.20	6.70	4.90	1.17	9.74

Where available, consensus data has been sourced from Thomson Datastream

Sector: Travel & Leisure

Price: €19.85  
Price as at 11 January 2013

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	(3.2)	(4.3)	3.1
Relative*	(5.7)	(8.9)	(11.6)

**Analyst**

Richard Finch

**Pairi Daiza (PAR)**

Market cap: €22m

**COMPANY COMMENT**

Ahead of H1 13 results in late-January, the 2012 season proved spectacularly successful with visitors up 19% at a record 955,000. Credit is due particularly to the company's new and most ambitious project, "La Terre des Origines", a celebration of African wildlife, as well as continued vigorous investment in animals (the park is now one of the major European zoos). In addition, spend per head was impressively 7% ahead, driving a 28% increase in season revenue. Pairi Daiza also defied consumer weakness in 2011 with attendance up 15% and revenue boosted by a 5% rise in average spend, confirming the benefit of the company's partnership with respected caterer Paulus.

**INDUSTRY COMMENT**

According to the National Bank of Belgium, consumer confidence has fallen sharply to its early-2009 level, its lowest point during the financial crisis. This ties in with the Bank's similarly gloomy forecast, with no activity growth in prospect this year even after likely contraction in 2012. Unemployment is set to rise significantly while disposable income stagnates.

Y/E Mar	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2011A	15.17	1.61	1.10	0.98	20.26
2012A	18.37	1.98	0.23	1.35	14.70
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: €6.70  
Price as at 11 January 2013

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	97.1	12.6	(29.8)
Relative*	94.0	3.9	(39.9)

**Analyst**

Roger Leboff

**Phenix Systems (ALPHX)**

Market cap: €8m

**COMPANY COMMENT**

The first half of 2012 will not reflect the full-year outcome. Revenues are mainly second half weighted and the development of North American subsidiary AMT means that Phenix incurred €0.35m of costs in H1, but revenues projected at c \$1m are due to contribute in H2. That operation also has an encouraging medium-term outlook backed by US government support for manufacturing.

**INDUSTRY COMMENT**

A weak European market is offset by reported strong interest from the US, including the tyre sector and expected roll-out of next-generation products to drive growth over the next few years. 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	3.75	(1.50)	(1.50)	N/A	N/A
2013E	7.20	1.80	0.20	0.21	31.90

Where available, consensus data has been sourced from Thomson Datastream

Sector: Consumer Support Services

Price: €6.00  
Price as at 11 January 2013

## 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	3.4	29.0	0.5
Relative*	1.8	19.1	(14.0)

\* % Relative to local index

## Analyst

Richard Finch

## Piscines Desjoyaux (ALPDX)

Market cap: €54m

## COMPANY COMMENT

Ahead of imminent sales for the quarter to November, Piscines Desjoyaux ended its financial year to August on a positive note, albeit narrowly missing post-H1 guidance of maintained full-year sales. With conditions still unhelpful, the 5% sales pick-up in Q4 is to management's credit, endorsing its strategy of promotions, international expansion, eg last summer's opening in China (medium-term goal of 50% of sales from exports against 31% in FY12) and widening of the company's product range. Management is cautiously optimistic of further recovery in the current year. Excluding capital gains and expansion costs, trading profit in FY12 would have been down 13% (reported -28%). The company was lowly-geared at August.

## INDUSTRY COMMENT

According to Markit, French retail sales fell in December for the ninth month in a row. The OECD forecast of marginal economic growth this year after a similarly subdued 2012 suggests that consumer spending will remain weak, especially in relation to high-ticket items such as swimming pools.

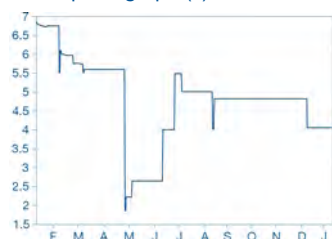
Y/E Aug	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2011A	76.50	8.20	4.60	N/A	N/A
2012A	74.70	5.90	3.00	N/A	N/A
2013E	84.20	N/A	5.80	0.64	9.38
2014E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: General Retailers

Price: €4.05  
Price as at 11 January 2013

## 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	(16.0)	(40.8)
Relative*	(1.6)	(22.5)	(49.4)

\* % Relative to local index

## Analyst

Richard Finch

## Piscines Groupe (ALPGG)

Market cap: €13m

## COMPANY COMMENT

The half to June was predictably difficult as sales weakness (-10%) owing to economic uncertainty and presidential elections combined with extra sub-contracting and logistic costs as a result of last year's factory fire to allow only a break-even at the trading level. However, admittedly with caution, management is encouraged by a stable orderbook and intensified marketing to give guidance of maintained sales in H212. With regard to the factory fire, production resumed in May at a new facility and the outcome of negotiations with insurers about loss of profit is awaited. Competitiveness should be boosted also by planned site rationalisation as excess capacity looks to be of the order of 40%.

## INDUSTRY COMMENT

According to Markit, French retail sales fell in December for the ninth month in a row. The OECD's recent forecast of only marginal economic growth this year (real GDP +0.3%) after a similarly subdued 2012 suggests that consumer spending will remain weak, especially in relation to high-ticket items such as swimming pools.

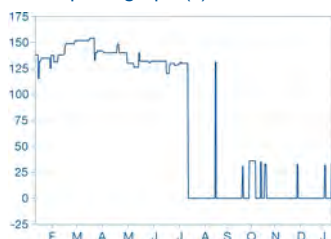
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2010A	33.10	1.03	1.94	N/A	N/A
2011A	30.88	(0.72)	(0.11)	N/A	N/A
2012E	34.70	N/A	1.80	0.58	6.98
2013E	31.50	N/A	(0.80)	(0.27)	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Construction & Blding Mat.

Price: €33.89  
Price as at 11 January 2013

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: €66m

**COMPANY COMMENT**

The group gained market share during Q3 in a difficult economic environment, progressed its international expansion and made further investment in energy efficiency and energy wood products. Consolidated turnover was 6.3% up y-o-y (vs 7.5% in H112), 6.7% ahead in France (87% of group sales) and by 3.9% in its export markets. Poujoulat has reported a sharp upturn in demand since early-October, which supports projected 10% y-o-y FY12 sales growth.

**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: €3.25  
Price as at 11 January 2013

Share price graph (€)



**Company description**

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

**Price performance**

%	1m	3m	12m
Actual	4.8	9.1	31.6
Relative*	3.2	0.6	12.5

\* % Relative to local index

**Analyst**

Richard Finch

## Poweo Direct Energie (ALPWO)

Market cap: €151m

**COMPANY COMMENT**

The integration of Poweo with its reference shareholder, Direct Energie, looks to be proceeding apace and and to plan. The newly-created leading alternative multi-energy operator in France with over 1m customers has confirmed its expectations of initial synergy gains (annualised c €20m fully from 2014) and a strong cash position. In addition, importantly, it has decided to renounce the exercise of its call option on generation assets owned by Verbund, thereby allowing their deconsolidation in the forthcoming 2012 accounts and hence a clearer view of core operations. The 20% decline in pre-merger Poweo H112 sales should be seen in the context of the managed reduction in exposure to low-margin grid network and large account customers.

**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: €8.04  
Price as at 11 January 2013

## 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	5.5	(2.8)	16.4
Relative*	3.9	(10.3)	(0.5)

\* % Relative to local index

## Analyst

Roger Leboff

## Prodware (ALPRO)

Market cap: €53m

## 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 and 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	138.35	17.80	17.50	2.62	3.07
2013E	157.00	14.90	21.25	2.95	2.73

Where available, consensus data has been sourced from Thomson Datastream

Sector: Technology

Price: €18.00  
Price as at 11 January 2013

## 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	0.0	44.8
Relative*	(1.6)	(7.7)	23.9

\* % 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 & Entertainment

Price: €8.00  
Price as at 11 January 2013

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	(7.0)	(15.8)	(13.6)
Relative*	(8.4)	(22.3)	(26.1)

\* % Relative to local index

**Analyst**

Fiona Orford-Williams

**Relaxnews (ALRL)**

Market cap: €11m

**COMPANY COMMENT**

Relaxnews floated in December 2011 raising €2.5m at €11.75, with a further €0.8m at €13.51 raised in June. Focusing on strong leisure brands, it is building an impressive client list of media owners, brands and e-commerce sites internationally, most recently adding a significant relationship with Microsoft. The e-Com'Newsity will combine e-commerce, content and community. A strategic partnership with AFP was extended to end-2016 and other interests include a partnership with BUM Interactif in Canada that has now been extended to Africa. A partnership has also been announced with Adaptive Channel, which will extend the offer in mobile. The investment in additional team members will have held back FY12 performance, but should start to pay back in FY13.

**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)
2010A	5.80	(0.46)	(0.54)	(0.40)	N/A
2011A	6.49	(0.19)	0.02	N/A	N/A
2012E	6.80	N/A	(1.30)	(1.00)	N/A
2013E	8.40	N/A	0.20	0.18	44.44

Where available, consensus data has been sourced from Thomson Datastream

Sector: Construction & Bldg Mat.

Price: €4.03  
Price as at 11 January 2013

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	4.1	(15.0)	(51.4)
Relative*	2.5	(21.6)	(58.4)

\* % Relative to local index

**Analyst**

Richard Finch

**Richel Serres (ALRIC)**

Market cap: €17m

**COMPANY COMMENT**

Despite a stabilisation in sales in the quarter to September (-7% against -24% in the previous quarter), the overall top-line reduction in Richel's first half (-17%) led to a predictable collapse in trading profit (-80%). Unfortunately, there is no quick fix and trading visibility is limited, as management freely admits. The Mexican market is still especially difficult, while competition in general remains intense. However, the continuing buoyancy of the company's Venlo glass greenhouses could make up at least in part for subdued demand for plastic greenhouses, which tend to be more economically sensitive, as should Richel's exposure to certain new markets. The company expects to be profitable in FY13.

**INDUSTRY COMMENT**

Eurostat figures show eurozone industrial production in October down by a striking 3.6% year-on-year. The OECD forecast for 2013 looks for continued, if marginal contraction in the euro area and a further slowdown in the US and Japan. Next year may see some pick-up (growth in the total OECD is expected to rise from 1.4% to 2.3%).

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 &amp; Bldg Mat.

## Royalreosink (ALRRE)

Market cap: €62m

Price: €79.50  
Price as at 11 January 2013

## Share price graph (€)



## Company description

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

## Price performance

%	1m	3m	12m
Actual	4.6	5.0	1.5
Relative*	2.8	(1.2)	(9.6)

\* % Relative to local index

## Analyst

Richard Finch

## COMPANY COMMENT

Reosink's October update confirmed short-term caution with a fall in like-for-like Q3 sales in the usually buoyant activities of its Green segment and, unsurprisingly, continued gloom in the steel business owing to a slump in construction. Group operating profit was down 16% in the first nine months of 2012 on expansion-led sales up 7%. On a more positive note, recent Green acquisitions are trading as expected and integrating well, while rationalisation of steel operations from two sites to one by end-2012 was on course, offering the prospect of "a modest profit" from steel assuming no further market deterioration. Reosink has also recently agreed a €90m bank financing, a €5m share issue (10% private placing at €74 per share) and a joint venture in Kazakhstan.

## INDUSTRY COMMENT

Independent research institute the CPB has recently forecast that Dutch GDP will fall by 0.5% in 2013 (estimated -1% last year). High unemployment (projected to rise from 5% to 6% in 2013) 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	9.18
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 &amp; Drink

## Sapmer (ALMER)

Market cap: €90m

Price: €25.95  
Price as at 11 January 2013

## 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	(0.2)	0.2	85.4
Relative*	(1.7)	(7.6)	58.5

\* % Relative to local index

## Analyst

Fiona Orford-Williams

## COMPANY COMMENT

Strong Asian demand for Patagonian toothfish and crayfish continues to drive sales. The fifth blast-freezer purse seiner is in service, landing its first catch in mid-December, with two more ordered for delivery in H213. Investment to date has been €135m. Sapmer has extended -40&#730;C processing and freezing capacity at the JV plant in L'île Maurice, with the new unit operational from end-March 2013. A second factory to increase capacity for sashimi, which could account for half the tuna catch by FY13, is going ahead and will increase freezing capacity to 6,100t and processing capacity to 30,000t. Sapmer has obtained 'Friend of the Sea' status for its ships and is working on FSSC 22000 accreditation for its plant.

## INDUSTRY COMMENT

Toothfish and crayfish are highly prized in Asia, with frozen tuna especially suitable for quality sashimi. Following over-fishing and piracy, TAAF 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.

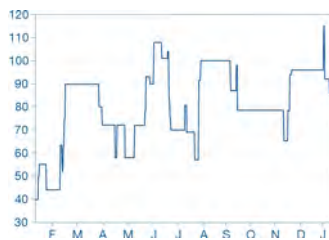
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2010A	48.00	3.40	0.60	N/A	N/A
2011A	77.00	15.20	7.70	N/A	N/A
2012E	N/A	N/A	N/A	N/A	N/A
2013E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Electrical Equipment

Price: €86.00  
Price as at 11 January 2013

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	(10.4)	9.6	88.2
Relative*	(11.8)	1.1	61.0

**Analyst**

Roger Leboff

## Serma Technologies (ALSER)

Market cap: €99m

**COMPANY COMMENT**

Consolidated group turnover was 18.6% ahead y-o-y in H112 at €36.6m, or 11.1% better excluding the first contribution from GLB Group acquired in April 2012. Operating profit for the period was €5.1m, a 13.9% margin and up 35.7% y-o-y, or by 26.2m excluding GLB group, with the period benefiting from the order backlog at the end of FY11. Automotive and Space are currently the group's most dynamic sectors and a positive outlook expects the momentum to be maintained during the second half.

**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 the 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	26.79
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: €13.00  
Price as at 11 January 2013

Share price graph (€)



**Company description**

Sical specialises in manufacturing and marketing of packaging.

**Price performance**

%	1m	3m	12m
Actual	3.9	(7.1)	(7.1)
Relative*	2.3	(14.3)	(20.6)

**Analyst**

Richard Finch

## Sical (ALSIC)

Market cap: €48m

**COMPANY COMMENT**

After a challenging first half, which saw trading profit decline by 21% on sales up just 2% on volume rather than price, Sical expects further margin contraction in H212, although pricing volatility and weak demand make firm guidance difficult. In addition, doubt persists about the strength of recovery at its important subsidiary, Sonaco, whose sales fell by a third in 2011 (volume down 43%) during the crisis in the Ivory Coast, but picked up only 23% in the half to June as competition intensified. However, management is confident about the increasing and significant benefits from major investment.

**INDUSTRY COMMENT**

DS Smith confirms difficult market conditions; its own "robust" performance in Continental Europe since April is testimony rather to its high share (much more than Sical) of FMCG business, the most buoyant area of corrugated demand. According to the European Federation of Corrugated Board Manufacturers, in the year to March the French market was flat and input costs volatile.

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: €24.15  
Price as at 11 January 2013

## 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	(3.4)	(11.5)	(10.6)
Relative*	(4.9)	(18.4)	(23.5)

\* % Relative to local index

## Analyst

Roger Leboff

## Sidetrade (ALBFR)

Market cap: €32m

## COMPANY COMMENT

The group's SaaS cloud-computing subscription revenues were 21.9% ahead y-o-y at €5.7m and contributed 58% of consolidated turnover in the first nine months of 2012 (H111: 49%). For the group as a whole, turnover was 3.3% ahead over the period, which reflected the slower performance of Sidetrade's other business activities, adversely affected by the economic downturn and loss of a low-margin business process outsourcing contract. The latter had been anticipated, with SaaS expected to be the real engine of medium-term growth.

## 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	18.72
2013E	15.30	3.20	2.00	1.48	16.32

Where available, consensus data has been sourced from Thomson Datastream

Sector: Financials

Price: €26.69  
Price as at 11 January 2013

## 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	7.7	8.8	31.8
Relative*	6.0	0.4	12.7

\* % Relative to local index

## Analyst

Roger Leboff

## Siparex Croissance (LSIP)

Market cap: €33m

## 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.

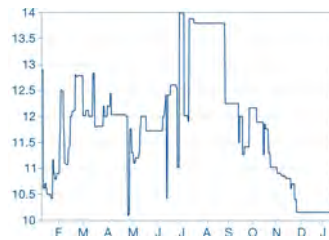
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2010A	5.30	3.59	(3.59)	N/A	N/A
2011A	5.61	4.50	4.50	N/A	N/A
2012E	N/A	N/A	N/A	N/A	N/A
2013E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: General Industrials

Price: €10.15  
Price as at 11 January 2013

Share price graph (€)



**Company description**

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

**Price performance**

%	1m	3m	12m
Actual	0.0	(14.6)	(21.3)
Relative*	(1.6)	(21.2)	(32.7)

\* % Relative to local index

**Analyst**

Richard Finch

## Siraga (SIRA)

Market cap: €8m

**COMPANY COMMENT**

The Al Ayuni Group, a leading player in construction and public works in Saudi Arabia, has newly acquired the 74% interest of Siraga's reference shareholder. The transaction is aimed at securing the stability of the company after a fall in orders, which by its own admission exacerbated an already very difficult financial situation at September. An offer will be made to acquire the remaining shares (the block was purchased for just €0.88 per share); trading is suspended until the introduction of the offer. The half to September had seen substantial losses arising from a collapse in revenue, especially in Brazil (tough conditions, intense competition and postponed orders) and extra costs involved in project completion.

**INDUSTRY COMMENT**

For 2013, the WTO forecasts global trade growth of 4.5%, while the OECD expects continued contraction in the euro area and a further slowdown in the US and Japan (total OECD +1.4%). 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	17.50
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 & Entertainment

Price: €1.87  
Price as at 11 January 2013

Share price graph (€)



**Company description**

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

**Price performance**

%	1m	3m	12m
Actual	(11.0)	3.9	7.5
Relative*	(12.3)	(4.1)	(8.1)

\* % 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. The strong sector vertical in automotive, where it works with 19 of the 25 major marques, proved a handicap in H112 as spend was reined in. The purchase from Lagadère of its Nextidea, Nextdata and Next Premium agencies, for 5x FY12 operating profit, doubles the size of the group giving pro forma revenues of €11.7m. The group's new three-year plan envisages €50m revenues in FY15, based on driving synergies and opportunities from the acquisitions and developing social resource capability based around intelligent dBs, real-time marketing and geolocation marketing across email, social and mobile channels.

**INDUSTRY COMMENT**

Online marketing spend slowed in H112 in France to 1.9%, still well ahead of the overall market, with estimates ranging from 6-12% for the year. Estimated growth in the mainstream advertising market was revised down to a range of -0.5% to +0.5%. Automotive and Transport remains the largest category in online display advertising.

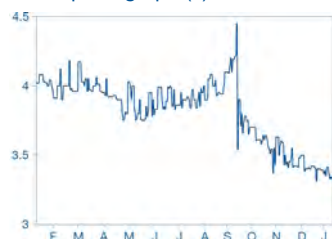
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2010A	11.32	0.85	(8.93)	(0.19)	N/A
2011A	11.90	0.79	1.17	N/A	N/A
2012E	12.70	1.00	0.70	0.16	11.69
2013E	13.20	1.50	1.00	0.24	7.79

Where available, consensus data has been sourced from Thomson Datastream

Sector: Technology

Price: €3.34  
Price as at 11 January 2013

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	(2.1)	(7.5)	6.6
Relative*	(4.6)	(11.9)	(8.7)

\* % Relative to local index

## Analyst

Roger Leboff

## Softimat (SOFT)

Market cap: €21m

## 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 75.3% and 24.7% respectively. 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.

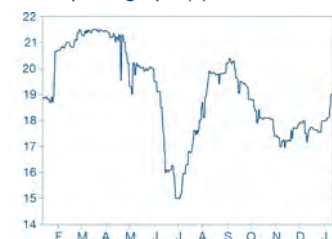
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2010A	58.21	1.07	0.43	N/A	N/A
2011A	8.91	0.39	0.69	N/A	N/A
2012E	N/A	N/A	N/A	N/A	N/A
2012E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Technology

Price: €19.00  
Price as at 11 January 2013

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	9.2	5.0	0.8
Relative*	7.5	(3.1)	(13.8)

\* % Relative to local index

## Analyst

Roger Leboff

## Solutions 30 (ALS30)

Market cap: €47m

## COMPANY COMMENT

Turnover for the first nine months of FY12 was €56.1m, 28.4% ahead y-o-y. That underpins the positive outlook for full-year sales and profit. In July, the group acquired IT maintenance and support company AGEMIS, which expanded its service offering and built its profile in France. The contribution from international operations continues to grow as a proportion of the whole, to 22.1% of consolidated revenues for the period. Solutions 30 secured a substantial new contract in October from one of Europe's largest services groups, worth over €15m over the next three years.

## 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	54.70	4.64	1.41	0.53	35.85
2011A	63.80	2.74	0.45	0.17	111.76
2012E	N/A	N/A	N/A	N/A	N/A
2013E	N/A	N/A	N/A	N/A	N/A

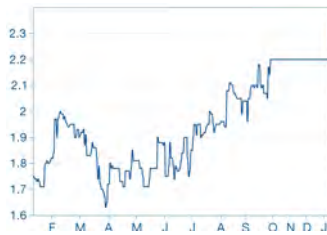
Where available, consensus data has been sourced from Thomson Datastream



Sector: Support Services

Price: €2.33  
Price as at 11 January 2013

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	5.9	6.4	30.2
Relative*	4.3	(1.8)	11.3

\* % Relative to local index

**Analyst**

Roger Leboff

## Solving Efeso (ALOLV)

Market cap: €52m

**COMPANY COMMENT**

The group has successfully followed a strategy to transition the business away from peripheral, lower margin activities and acquire businesses that improve geographical coverage or expertise. Recent additions include in October, Flecto and RightSelect in the Netherlands and in November, Blupeter in Milan, Italy. The benefits are seen in the performance over the first nine months, with 17.8% y-o-y growth in Q3 sales, 11% organic. Turnover for the first nine months was 8.5% ahead y-o-y at €44.1m, 6% on an underlying basis. The full-year outlook anticipates 10% turnover growth.

**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	16.64
2012E	59.20	5.20	2.30	0.10	23.30
2013E	62.00	6.30	3.40	0.15	15.53

Where available, consensus data has been sourced from Thomson Datastream

Sector: Media & Entertainment

Price: €5.96  
Price as at 11 January 2013

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	4.7	(3.6)	(17.9)
Relative*	3.1	(11.0)	(29.8)

\* % Relative to local index

**Analyst**

Richard Finch

## Sporever (ALSPO)

Market cap: €13m

**COMPANY COMMENT**

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. Like-for-like sales were down 5% in H1 (like-for-like profit not disclosed).

**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	13.80	N/A	0.10	0.03	198.67
2013E	16.00	N/A	0.50	0.24	24.83

Where available, consensus data has been sourced from Thomson Datastream

## Sector: Financials

Price: €3.18  
Price as at 11 January 2013

## 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	(9.1)	5.6	4.4
Relative*	(10.6)	(2.5)	(10.7)

\* % Relative to local index

## Analyst

Roger Leboff

## Stradim - Espace Fin. (ALSAS)

Market cap: €11m

## COMPANY COMMENT

Turnover fell 10% y-o-y in H112 relative to a strong H111 performance (up 34%). Operating profit at €2.5m was 44% ahead, at a 7.2% margin (H111: 6.7%). The figures were a fair performance in a period affected by a harsh winter, French presidential elections and the eurozone crisis. The last quarter of 2012 may have presented the last opportunity for buyers to benefit from the tax benefits of the Scellier law, which encouraged investment in rented housing. Espace registered 242 commercial sales for €41m in H112, rising to 435 and €71m by end-Q3.

## 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 and 30% of group output is aimed at first-time buyers.

Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2010A	65.10	4.98	3.12	1.87	1.70
2011A	75.80	6.88	3.01	1.75	1.82
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: €10.01  
Price as at 11 January 2013

## 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	5.0	5.4	13.9
Relative*	3.4	(2.8)	(2.6)

\* % Relative to local index

## Analyst

Roger Leboff

## StreamWIDE (ALSTW)

Market cap: €27m

## COMPANY COMMENT

The first half was behind expectations. Although group revenues were 4% up y-o-y, licence sales were down 22%, offset by contributions from lower margin maintenance and third-party sales. The second half outlook is better. The fall in licence 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	13.25	N/A	1.95	0.69	14.51
2013E	15.60	N/A	2.45	0.86	11.64

Where available, consensus data has been sourced from Thomson Datastream

Sector: Support Services

Price: €17.26  
Price as at 11 January 2013

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	(7.7)	17.0	65.2
Relative*	(9.3)	10.1	47.0

**Analyst**

Roger Leboff

## TMC Group (ALTCM)

Market cap: €68m

**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	10.09
2013E	57.00	N/A	7.00	1.87	9.23

Where available, consensus data has been sourced from Thomson Datastream

Sector: Pcare and household prd

Price: €13.45  
Price as at 11 January 2013

Share price graph (€)



**Company description**

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

**Price performance**

%	1m	3m	12m
Actual	0.0	0.0	0.0
Relative*	(1.6)	(7.7)	(14.5)

**Analyst**

Roger Leboff

## Toolux Sanding (ALTLX)

Market cap: €24m

**COMPANY COMMENT**

A better first half reflected contributions from two major customer wins by Toolux's Chinese subsidiaries and other success in securing export orders. Turnover was 16% ahead y-o-y at €4.7m in H112, at a steady 23% gross margin. A 14% higher operating loss, at €0.27m, was due largely to increased financial expenses from €0.25m to €0.40m. The group should benefit from operational efficiencies in future periods, which have reduced delivery times for finished products from 50 to 35 days, and a new JV with a major Russian wholesaler.

**INDUSTRY COMMENT**

Toolux Sanding is a Luxembourg-based holding company engaged in tool production 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: €1.80  
Price as at 11 January 2013

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	(13.9)	(8.6)	2.9
Relative*	(15.2)	(15.7)	(12.0)

\* % Relative to local index

## Analyst

Richard Finch

## Traqueur (ALTRA)

Market cap: €6m

## COMPANY COMMENT

Traqueur continues to envisage slightly higher 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 about delays in benefiting from recent government confirmation of the legality of the company's "Coyote" radar detector. Trading returns remained depressed in H1 (break-even).

## 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, although the French market is down 14% in the calendar year to November (CCFA), Mercedes and Audi sales are up 9% and 5% 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: €15.00  
Price as at 11 January 2013

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	(1.5)	14.1	11.9
Relative*	(3.0)	5.3	(4.3)

\* % Relative to local index

## Analyst

Richard Finch

## Trilogiq (ALTRI)

Market cap: €56m

## COMPANY COMMENT

Ahead of imminent H1 sales, Trilogiq did 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 previous half. 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

In September, the World Trade Organization reduced its forecasts of global trade growth from 3.7% to 2.5% for 2012 and from 5.6% to 4.5% for this year. A more recent OECD forecast for 2013 looks for continued, if marginal contraction in the euro area and a further slowdown in the US and Japan. Growth in the total OECD is expected to rise from 1.4% to 2.3% next year.

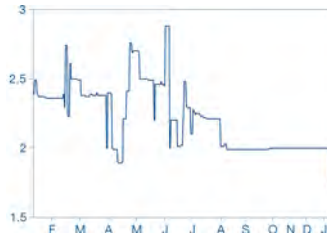
Y/E Mar	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2011A	55.27	9.17	6.36	N/A	N/A
2012A	63.20	8.00	5.62	N/A	N/A
2013E	66.43	N/A	7.27	N/A	N/A
2014E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Technology

Price: €1.80  
Price as at 11 January 2013

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	(7.7)	(14.7)	(24.7)
Relative*	(9.1)	(21.3)	(35.6)

\* % Relative to local index

**Analyst**

Richard Finch

**TTI (ALTTI)**

Market cap: €8m

**COMPANY COMMENT**

As expected, H112 was very difficult for TTI as the impact of the loss of significant clients in 2011 compounded that of global economic gloom. Sales were down by a quarter in the period, driving a sharp move into trading loss despite determined cost-cutting efforts. The company's major market, Brazil, is notably less buoyant and subject to vigorous consolidation, which has been especially harmful for TTI. In addition, weakening of the currency (70% of company sales) against the euro is likely to lead to H212 sales being down on those of the first half. Meanwhile, efficiencies are very much to the fore, as is the continuing development of high-growth Asian and African markets with ReservaWeb, its cost-cutting management system.

**INDUSTRY COMMENT**

For 2013, IATA forecasts scheduled passenger growth of 4.5%, assuming no full-scale eurozone crisis and no oil price spike. International air traffic was up 6% in the calendar year to November despite a recent marked slowdown.

Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2010A	12.53	2.72	2.04	0.28	6.43
2011A	10.98	0.64	0.07	N/A	N/A
2012E	12.00	(0.10)	2.50	0.60	3.00
2013E	11.40	N/A	(0.20)	(0.10)	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Financials

Price: €4.67  
Price as at 11 January 2013

Share price graph (€)



**Company description**

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

**Price performance**

%	1m	3m	12m
Actual	(7.5)	4.2	16.8
Relative*	(9.1)	(4.5)	(0.3)

\* % Relative to local index

**Analyst**

Richard Finch

**Turenne Invest. (ALTUR)**

Market cap: €19m

**COMPANY COMMENT**

NAV per share at September was up 8% in the year to date (marginally down in Q3), underlining the resilience of Turenne's portfolio in unpromising conditions. Indeed, only one of its investments has encountered financial difficulties, requiring a €0.9m provision. Strategic disposal of its most mature investments has paid off, notably in H112 capital gains of €3.2m on Capsule Technologie and €1.3m on Globe Groupe. In view of the marked discount of the share price to net assets (40% at November), the company recently completed a share buyback at €5.80, which was six times oversubscribed.

**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

## Tuto4pc.com (ALTUT)

Market cap: €9m

Price: €2.44  
Price as at 11 January 2013

## 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	(8.3)	(20.3)	(59.2)
Relative*	(9.7)	(26.4)	(65.1)

\* % Relative to local index

## Analyst

Richard Finch

## COMPANY COMMENT

Difficulties accessing Google's advertising programmes continued to dog Tuto4pc.com in H112 as revenue fell by a third and EBITDA by 79%. Encouragingly, although a settlement with Google has been sought, replacement solutions are reportedly increasingly in hand.

Management is also optimistic about returns from substantial investment, notably in its tutorial catalogue (it has new topics such as DIY and cookery) and international development (eg South America and South-East Asia), which can make good weakness in Europe. Wider platform availability is another target; last year's acquisition of Eklairer, a popular app for drivers, provides access to the growing base of Smartphone users.

## INDUSTRY COMMENT

According to IREP, the French digital advertising market saw softer growth in the first half of 2012 (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	0.21
2011A	7.60	2.00	2.19	0.61	4.00
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

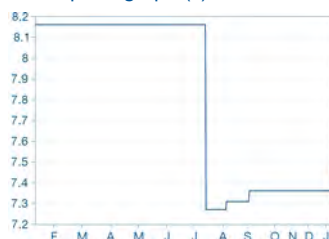
Sector: Industrial Support Services

## TXCOM (ALTXC)

Market cap: €9m

Price: €7.46  
Price as at 11 January 2013

## Share price graph (€)



## Company description

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

## Price performance

%	1m	3m	12m
Actual	0.0	0.0	(8.6)
Relative*	(1.6)	(7.7)	(21.8)

\* % Relative to local index

## Analyst

Roger Leboff

## COMPANY COMMENT

H112 sales at €3.2m were down 22% y-o-y, a knock on from lower orders from two large clients in FY11 and the impact of a weak US dollar. Operating profit at €0.11m (H111: €0.07m) benefited from restructuring, including lower payroll expense, but the operating margin fell again to 2.7% vs 6.0% for FY11 as a whole. The outlook pivots on the group's strong technology base and contributions from new distributors (Germany, 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 supports 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	10.81
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: €14.43  
Price as at 11 January 2013

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	(1.8)	11.0	26.6
Relative*	(3.4)	2.4	8.3

\* % Relative to local index

**Analyst**

Richard Finch

**UCAR (ALUCR)**

Market cap: €25m

**COMPANY COMMENT**

Ahead of 2012 results in late February, UCAR appears undaunted by the virtual elimination of trading profit in H112. 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 account for only 12% of agencies. Deployment is on target with completion of 22 of at least 30 agency openings planned for 2012 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 December for the ninth month in a row. The OECD's recent forecast of only marginal economic growth next year (real GDP +0.3%) after a similarly subdued 2012 suggests that consumer spending will remain weak.

Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2010A	44.08	0.77	0.38	0.02	721.50
2011A	59.41	2.22	1.41	0.81	17.81
2012E	47.30	2.60	1.60	0.92	15.68
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: €4.29  
Price as at 11 January 2013

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	7.5	(3.4)	44.0
Relative*	5.8	(10.8)	23.1

\* % Relative to local index

**Analyst**

Richard Finch

**VDI Group (ALVDI)**

Market cap: €21m

**COMPANY COMMENT**

After a solid end to 2012 (Q4 billings up 2%), VDI has newly confirmed guidance of 3-5% top-line gain in the current period and 6% net profit margin (before goodwill amortisation) in 2014 (5% expected for 2012; results due in April). Growth continues to be led by the company's major division, Battery, albeit more slowly in H2 (4% vs 12% in H1). Management is confident that its business model (B2B, online and network of shops) can be rolled out successfully in Europe after proving itself in Spain, Germany and the UK as well as domestically. Health and Safety should benefit in 2013 from its new marketing strategy (double-digit billings decline in the first nine months of last year owing to reorganisation).

**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	53.63
2011A	53.41	3.76	2.42	0.36	11.92
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: €10.41  
Price as at 11 January 2013

## Share price graph (€)



## Company description

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

## Price performance

%	1m	3m	12m
Actual	6.2	14.8	10.7
Relative*	4.6	5.9	(5.3)

\* % Relative to local index

## Analyst

Roger Leboff

## Velcan Energy (ALVEL)

Market cap: €81m

## COMPANY COMMENT

H112 turnover was €2.6m, 9% down y-o-y, almost entirely generated from sales of electricity from the Rodeio Bonito hydropower plant in Brazil. EBITDA was €0.6m (H111: €0.8m), with operational costs broadly in line with last year, although the €0.7m operating loss (H111: €3.6m loss) comparative reflected the benefit of the reversal of previous provisions post resolution of a dispute with the plant's former promoters. Development of hydropower concessions in India are continuing, as are approvals of technical studies in Laos.

## 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	7.65
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 &amp; Gas

Price: €0.81  
Price as at 11 January 2013

## 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	0.0	(15.6)	(59.3)
Relative*	(1.6)	(22.1)	(65.2)

\* % Relative to local index

## Analyst

Richard Finch

## Vergnet (ALVER)

Market cap: €11m

## COMPANY COMMENT

Vergnet believes that the newly-agreed €17m refinancing by its main financial and industrial partners should allow it not only to withstand further low demand and intense competition but also to meet development funding requirements, which are projected to peak this year and allow profitable growth from 2014. Without agreement, the company's ability to operate appeared in doubt. There is encouragement also from proposed government measures to boost wind power business in the French overseas departments and territories, where Vergnet has been active. Although revenue more than doubled in H112, thanks to the Ethiopian wind contract, order intake was down across the board and increased subcontracting and more restructuring led to yet higher trading loss.

## 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 & Healthcare

Price: €13.10  
Price as at 11 January 2013

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	22.7	25.0	N/A
Relative*	20.7	15.3	N/A

\* % Relative to local index

**Analyst**

Mick Cooper

## Vexim (ALVXM)

Market cap: €57m

**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 has just opened a subsidiary in Spain; it uses distributors in Portugal, Italy, Turkey, Argentina and South Africa. In FY11, sales rose by 128% to €2.7m with the sales growth accelerating to 164% in H212 from 93% in H112. The company had cash of €11.3m at H112 and will publish its complete FY12 results on 20 March.

**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.

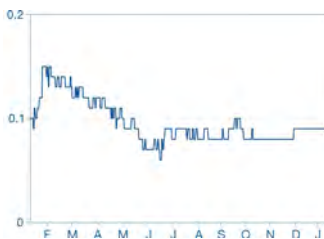
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2010A	1.09	(5.68)	(5.62)	N/A	N/A
2011A	1.21	(5.15)	(5.06)	N/A	N/A
2012E	N/A	N/A	N/A	N/A	N/A
2013E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Consumer Support Services

Price: €0.09  
Price as at 11 January 2013

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	0.0	(10.0)
Relative*	(1.6)	(7.7)	(23.0)

\* % Relative to local index

**Analyst**

Richard Finch

## Video Futur (ALVO)

Market cap: €9m

**COMPANY COMMENT**

Although doubling in 2012, Video Futur's subscriber base (50,000) is at some remove from its three-year target of 300,000. Its main marketing weapon is still its Pass Duo, which was launched in 2011 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, 38 by Q3) and the internet, and has newly completed 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.

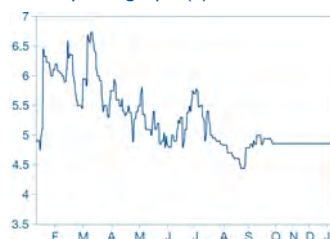
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2010A	8.20	(5.80)	N/A	N/A	N/A
2011A	7.20	(3.90)	N/A	N/A	N/A
2012E	N/A	N/A	N/A	N/A	N/A
2013E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

## Sector: Pharma &amp; Healthcare

Price: €4.00  
Price as at 11 January 2013

## Share price graph (€)



## Company description

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

## Price performance

%	1m	3m	12m
Actual	25.0	(15.8)	(21.6)
Relative*	23.0	(22.3)	(32.9)

\* % Relative to local index

## Analyst

Mick Cooper

## Visiomed Group (ALVMG)

Market cap: €11m

## 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 23% to €7.2m. 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 FY13.

## 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	25.00
2013E	19.00	N/A	1.50	0.57	7.02

Where available, consensus data has been sourced from Thomson Datastream

## Sector: Technology

Price: €3.45  
Price as at 11 January 2013

## Share price graph (€)



## Company description

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

## Price performance

%	1m	3m	12m
Actual	4.9	(12.9)	4.5
Relative*	2.1	(17.1)	(10.4)

\* % Relative to local index

## Analyst

Roger Leboff

## Vision IT Group (VIT)

Market cap: €23m

## COMPANY COMMENT

The third quarter saw a further 6.7% y-o-y decline in turnover to €26.3m, after a 2.5% y-o-y fall to €57.9m in H112. France (40% of sales) performed best, down just 0.6%, with the Netherlands and Luxembourg weakest, respectively 13.5% and 16.1% lower. Restructuring measures are underway to address these divisions and restore profit margins, including new management. The outlook is supported by the group's ability to continue to secure new contracts despite the difficult economic environment. Although reported pressure on pricing will impact H2 profitability, the statement is more confident for 2013 growth and margins.

## INDUSTRY COMMENT

Vision IT's key markets remain under pressure, with remedial actions underway to improve prospects in each geography. Sales are diversified by sector and geography; France (40%), Benelux (25%), Germany (23%) and Southern Europe (12%) and include 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	5.56
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 & Leisure

Price: €21.09  
Price as at 11 January 2013

Share price graph (€)



**Company description**

Voyagers 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	(0.5)	2.1	54.6
Relative*	(2.1)	(5.8)	32.2

\* % Relative to local index

**Analyst**

Richard Finch

**Voyagers du Monde (ALVDM)**

Market cap: €78m

**COMPANY COMMENT**

Voyagers du Monde looks to be outperforming a dull French tourism market by focusing on tailor-made and adventure holidays (85% of sales in the half to June). In lacklustre conditions (market down by 7%) these even delivered the company some organic top-line growth, albeit slender (2%), although this was eliminated by less resilient group and incentive business. Like-for-like low-season trading losses held steady. For 2012, management expects flat revenue and slightly lower trading profit. Thereafter, there should be material benefits from the company's alliance with Allibert Trekking to create a major force in adventure and nature travel. Finances remain sound.

**INDUSTRY COMMENT**

The slow pace of recovery in North Africa and domestic economic uncertainty continue to make trading extremely challenging for French tour operators. While TUI has embarked on radical consolidation of its French business, Thomas Cook is considering various options including restructuring, asset sales, outright disposal and a merger.

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	13.88
2013E	275.77	9.80	5.59	1.63	12.94

Where available, consensus data has been sourced from Thomson Datastream

Sector: Media & Entertainment

Price: €16.75  
Price as at 11 January 2013

Share price graph (€)



**Company description**

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

**Price performance**

%	1m	3m	12m
Actual	(11.8)	(7.5)	(0.3)
Relative*	(13.2)	(14.6)	(14.7)

\* % Relative to local index

**Analyst**

Fiona Orford-Williams

**Weborama (ALWEB)**

Market cap: €58m

**COMPANY COMMENT**

Q312 saw a further deterioration in trading, with published revenues ahead by 2% after a very weak September. The group's geotargeting, ad-serving and behavioural targeting are gaining some traction with larger clients, with Big Data solutions becoming more important. The additional operating costs associated with expansion will doubtless impact margins short term. The group took 51% in Russian digitally-focused agency Interactive Services in September and international revenues have grown to 46% of group on an ongoing basis.

**INDUSTRY COMMENT**

Advertisers' use of behavioural targeting continues to gain ground, especially given privacy concerns regarding placing cookies. 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, with the overall Russian market expected to have grown 12.9% in FY12, with 12.3% and 11.0% pencilled in for FY13 and 14.

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	20.94
2013E	21.80	3.90	3.35	1.02	16.42

Where available, consensus data has been sourced from Thomson Datastream

Sector: Technology

**Wedia (ALWED)**

Market cap: €12m

Price: €17.61  
Price as at 11 January 2013

## 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	0.6	(2.7)	0.8
Relative*	(0.9)	(10.2)	(13.8)

\* % Relative to local index

## Analyst

Roger Leboff

## COMPANY COMMENT

Eight new clients signed by Wedia in the first half included Thales, Barclays, Danone Eaux 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 17% y-o-y increase in turnover during H112 to €3.3m. Most significantly, recurring revenues, from rental licences, 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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