

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

First quarter 2011



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

Edison's analysts have been in contact with the 115 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.

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We welcome any comments/suggestions our readers may have. Should you have any questions or queries, please contact us on +44 (0) 20 3077 5700 or via enquiries@edisoninvestmentresearch.co.uk.

Neil Shah
Director of Research

Equity market overview and strategy

- If someone had told you last month that March would see one of the worst earthquakes ever recorded in Japan causing a catastrophic nuclear disaster, that NATO would effectively invade Libya, and that Brent oil would breach \$117, would you have expected the S&P500 to have been flat m-o-m when the month ended?
- Despite an increasing barrage of negative issues facing the global economy, stock markets – after a brief period of renewed risk-aversion coinciding with the Japanese earthquake – appear nonchalant again. This makes us worry and we think prudent investors should reduce risk and reconsider hedging strategies.
- This is not news to anyone but the key risks remain: sovereign default (most pressingly in Europe, but also ultimately in the US), Middle Eastern conflicts, oil prices (and inflation), monetary policy (and inflation), the housing market (and deflation), China (global growth) and, linking all these together, corporate earnings.
- We have recently espoused the view that central bank activity is key to the equity market momentum in the short term. That view remains, but with rising headline inflation across all regions, it is increasingly clear that central banks are facing pressure to become more hawkish. QE3 is far from a done deal. There is no question that headline inflation has turned markedly up and companies across all industries are fighting to maintain margins as input costs rise. Sustained wage inflation is still some way off, but the monetary policy makers are facing a major challenge to address this issue.
- A key characteristic of today's markets is synchronicity. Markets across all regions are rising and falling in unison. The interconnected nature of global capital and trade flows ensures common issues abound. In many respects UK stock indices are more a call on global asset prices than on UK economic growth. A global perspective therefore is key.
- Equities are still likely one of the least ugly asset classes in an era of monetary stimulus. However, such stimulus cannot be taken for granted, and the many material risks facing the global economy cannot be ignored. It sounds simplistic but our strategy would be to reduce risk considerably, favouring high dividend yield businesses with strong balance sheets and pricing power to weather a prolonged consumer downturn. Plan for the worst, hope for the best.

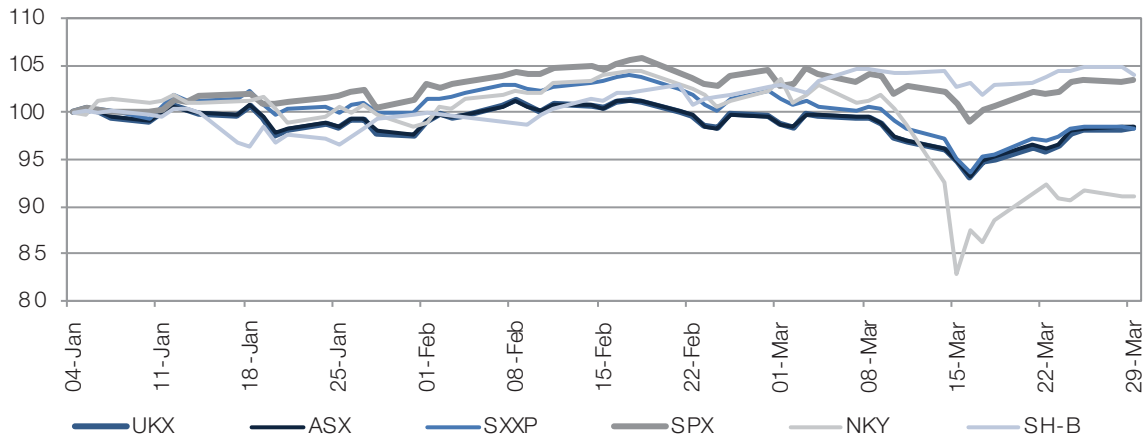
Summary

The pace at which substantial negative economic, geopolitical and natural events have been occurring in recent months has been unprecedented in recent decades. No region has been spared from turmoil of one sort or another: Japan (infrastructure devastation and potential nuclear disaster), Europe (with its ongoing banking and political crisis), the US (housing collapse and pending fiscal crisis) and not least the Middle East, where political uprisings continue unabated. With the obvious exception of Japan (a devastating human tragedy), most of these issues have been 'slow burners' and had become perhaps familiar to investors who seem to be taking the taking such events in their stride, immune perhaps to their looming significance. Even the Japanese catastrophe – which continues to be reflected in the Nikkei – is amazingly not yet seen to be a threat to global trade. The chart below shows the extent to which markets have rebounded: Chinese and US-listed shares have proven most resilient.

So why spend so much time talking about global trends to a European-focused audience? Largely because the European markets (especially the FTSE) are increasingly driven by commodity prices, and because markets

are increasingly in sync. This month we take a cursory tour of the major regions to recap on some of the key macro and micro news events of the month to give investors some context.

Exhibit 1: Global indices year to date (rebased to 100)



Source: Bloomberg

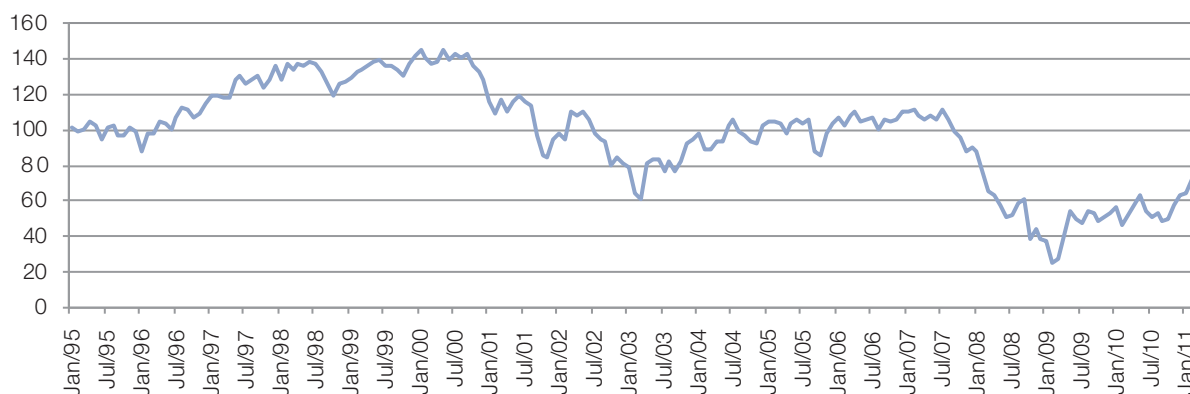
US – Will the QE3 ever set sail?

Investor focus in the US remains squarely on the prospects for further quantitative easing by the Federal Reserve. We agree with the view that further monetary easing is essential to sustain current equity market valuations. Interestingly, the Fed has decided to start giving press conferences from the end of April (the first is scheduled for 27 April, inconveniently close to the US debt ceiling deadline and a key date for the diary). Ironically, the Fed may gain some leeway from the actions of the Bank of Japan, whose own printing presses could take up some of the slack in a bid to weaken the yen. Either way, all investors must keep an eye on global monetary policy – any signs of more hawkish behaviour would have a negative impact on equity valuations. In an interesting turn of events, PIMCO, one of the world's largest manager of bond portfolios, disclosed that its Total Return Fund – the world's largest bond fund – had taken its holdings of US government securities to zero. Ominously, this might suggest that PIMCO is sceptical of another phase of quantitative easing (the so-called 'QE3').

Meanwhile, back on main-street US, the durable goods orders (ex-transportation) fell 0.6% m-o-m in February, which was much worse than the consensus expectation of a 2.0% m-o-m increase. Machinery orders – down for two consecutive months – had the largest decline (\$1.2bn or 4.2% m-o-m). Restaurant behemoth **McDonalds** missed estimates, with I-f-I sales growth of just 2.7% (vs 4% estimates and down from 5% reported in January). The technology sector has proven very resilient in recent quarters (buoyed in particular by a wave of strong demand and stock-building in the smartphone and tablet PC marketplaces). However, US semiconductor supplier **National Semiconductor** (often considered a bellwether of the industry due to its diverse end-market exposure) missed February quarter estimates, citing: "inventory adjustments in the distribution channel and seasonally lower shipments to wireless handset customers following the holiday sales period". Notably too, Taiwan looks to be slowing: February revenue figures for the top PC contract manufacturers on the island fell 20% m-o-m. Even **Hon Hai** (**Apple** and **DELL**'s outsourcing partner) saw an -18% decline. On this side of the Atlantic, consumer electronics manufacturer Logitech's profit warning points to an increasingly risky environment for technology investors as we face Q1 results season.

In that context, it is therefore interesting review the US consumer confidence indicator (not for their absolute levels but for their direction). Broadly speaking, US consumer confidence is rising albeit more tentatively of late.

Exhibit 3: US consumer confidence



Source: Bloomberg

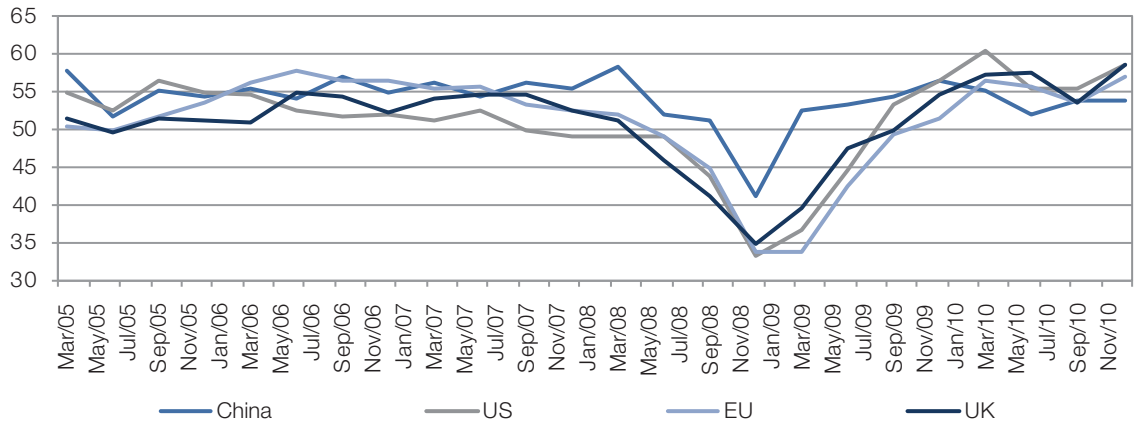
The US has two key issues to deal with: rising inflation (especially food and clothing) and falling real wages. Scott Davis, chief executive of UPS, says his company is evaluating what the world would look like with \$200 oil (for what it is worth, his view is that manufacturing will shift westwards). Wal Mart's head of US operations has stated publically that inflation is "going to be serious" and that the company is "seeing cost increases starting to come through at a pretty rapid rate". US food inflation for finished consumer foods surged 3.9% in February, the largest increase since November 1974 (then +4.2%). That is quite startling. About 70% of the rise was due to higher prices for fresh and dry vegetables (+49%). The fact that corn inventories in the US were 15% lower y-o-y on 1 March is unlikely to help the situation in the US. The dilemma facing the central bankers becomes clear: continue QE and risk further inflation, or cease QE and risk a massive equity market de-rating.

Global corporate activity

Notwithstanding the inflationary pressures facing citizens across the globe, manufacturers remain upbeat. As shown in the chart below, purchasing managers' indices (also in sync) in the US, Europe and UK continue to trend gradually upwards, while China (perhaps worth noting) seems to be rolling over. The Chicago ISM survey just released (better than expected) included some interesting selected comments from participants of the survey (purchasing managers within US corporations). Here is a selection:

- "Commodity inflation hurting profits. Issuing first pricing increase in three years to help recover."
- "Chemical Pricing is through the roof right now. Instability in oil markets as well as high demand & low supply due to crop feedstock are serious concerns. Steel and Plastic have risen. Continued inflation will have negative impacts on our ability to pass costs on to our customers in the short term."
- "1. It seems like it's time for everybody to jump on the "price increase" bandwagon, justified or not.
2. Disasters in Japan will cause inventory to blip upward as contingency plans are placed into effect.
3. Challenges remain for offsetting any price increases incurred during 2011."
- "We are in trade show registration/management. We have seen an increase in show attendance for the past 6 months. People are starting to attend shows again. They are also increasing the number of people sent to the shows from individual companies. We saw a significant drop over the past 2 years as companies sent 1 instead of 3 people or skipped certain shows all together. This may be a sign that things are improving."

Exhibit 4: Purchasing managers (also in sync)



Source: Bloomberg

Sector: Media & Entertainment

Price: €46.78
Price as at 1 April 2011

Share price graph (€)



Company description

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

Price performance

%	1m	3m	12m
Actual	6.6	18.5	46.2
Relative*	6.8	19.0	42.6

* % Relative to local index

Analyst

Fiona Orford-Williams

1000mercis (ALMIL)

Market cap: €145m

COMPANY COMMENT

FY10 was a year of strong progress for 1000mercis, with revenues ahead 22%. The group's technical emphasis is providing a good platform, with mobile marketing increasing its share of sales to 29% and online marketing a further 45%, bolstered by the growth in corporate use of social networking and geolocation. The balance is in email marketing, which is also benefiting from the proliferation of internet-enabled mobile devices. Clients are from a broad range of sectors and include Expedia, BNP Paribas, TF1, Laposte.net and Meetic. Full results are scheduled for 5 April.

INDUSTRY COMMENT

The 1% 'Google' tax on French online advertising was postponed from 1 January to July and it is not yet clear how it will affect the domestic market. CapGemini estimates French online marketing grew at 9% in FY10 and forecasts 12% growth for FY11 as an increasing number of businesses develop an online presence, particularly local advertisers. Email marketing fell 9% in FY10 as stronger anti-spam regulation was introduced.

Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2008A	23.40	8.60	6.00	1.90	24.62
2009A	28.00	9.50	6.10	2.28	20.52
2010E	34.30	11.00	8.00	2.70	17.33
2011E	39.95	13.00	9.25	3.11	15.04

Where available, consensus data has been sourced from Thomson Datastream

Sector: Support Services

Price: €2.96
Price as at 1 April 2011

Share price graph (€)



Company description

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

Price performance

%	1m	3m	12m
Actual	5.3	15.6	0.7
Relative*	5.5	10.3	(1.8)

* % Relative to local index

Analyst

Roger Leboff

Accés Industrie (ALACI)

Market cap: €17m

COMPANY COMMENT

After a very tough 2009, sales were higher across the board in FY10 and growth rates picked up during Q4. Recovery in France, the group's core market (83% of FY10 sales), was slow to emerge after the summer, but accelerated materially in late November, with final quarter sales 7.7% up y-o-y. There were similar performances in Spain and Portugal while the smallest division, Morocco, doubled sales across the year. The outlook anticipates modest further growth in FY11, in competitive markets.

INDUSTRY COMMENT

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

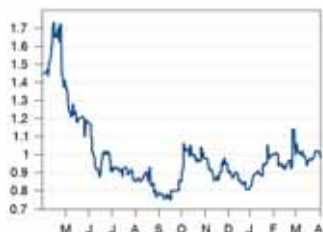
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2008A	66.52	7.48	0.15	N/A	N/A
2009A	55.12	(0.65)	(7.19)	N/A	N/A
2010E	N/A	N/A	N/A	N/A	N/A
2011E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Media & Entertainment

Price: €0.98
Price as at 1 April 2011

Share price graph (€)



Company description

Acheter-Louer.Fr specialises in publishing small professional real estate ads.

Price performance

%	1m	3m	12m
Actual	(2.0)	18.1	(32.4)
Relative*	(1.8)	(3.5)	(34.1)

* % Relative to local index

Analyst

Roger Leboff

Acheter-Louer.Fr (ALALO)

Market cap: €5m

COMPANY COMMENT

Headline revenues appeared stable in FY10, but 8% growth in H2 actually reversed a 6.8% fall in H1. That turnaround reflects much a stronger housing market in the Ile-de-France, where transaction volumes grew by 14.3% in the year to October 2010 and prices by 11.7%. That assisted printing and white label publishing revenues, but also really leveraged recent investment in the internet-based proposition. Online revenues were 36% up in H2 vs H1, with the webmagazine reporting 397 subscribers in January 2011 from a standing start a year earlier, and growth accelerating. The statement anticipated a strong performance in FY11.

INDUSTRY COMMENT

The outlook for sustained growth is supported by a 40-85% market share in Ile-de-France free press, outperformance by the webmagazine and the potential to roll-out editions into provincial French residential markets. Market forecasts expect volumes of housing transactions and unit prices in the group's core markets to continue steady recovery during 2011.

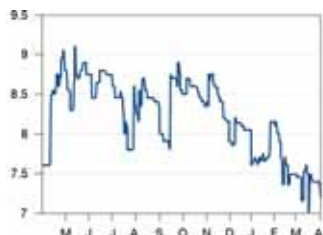
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2008A	8.73	0.09	(0.02)	N/A	N/A
2009A	4.06	(1.51)	(4.16)	N/A	N/A
2010E	N/A	N/A	N/A	N/A	N/A
2011E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Travel & Leisure

Price: €7.20
Price as at 1 April 2011

Share price graph (€)



Company description

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

Price performance

%	1m	3m	12m
Actual	(3.9)	(5.4)	(5.3)
Relative*	(3.7)	(23.3)	(7.6)

* % Relative to local index

Analyst

Richard Finch

Ada (ALADA)

Market cap: €21m

COMPANY COMMENT

A solid H210 performance saw ADA raise trading profit by a quarter on sales up by 13%, reflecting continued outperformance of a generally quiet market, marked recovery by its utility vehicle segment and a broadening of services on offer. There has also been a boost from a growing online presence. Such success vigorously backs ADA's long-standing focus on local markets rather than airports and stations (the company is represented in over 500 towns in France), and its current diversification of product offering. There is no formal guidance on the 2011 out-turn but management confirms its intention to increase profit by consolidating its market leadership and developing large account and agency business.

INDUSTRY COMMENT

Markit's latest survey shows the underlying trend of French retail sales in the first quarter of 2011 to be one of solid growth. Buoyancy in March is attributed variously to higher customer footfall, new product launches and promotional offers. Markit is hopeful that retail sales should hold up despite the pressure on consumer spending from inflation and a weak labour market.

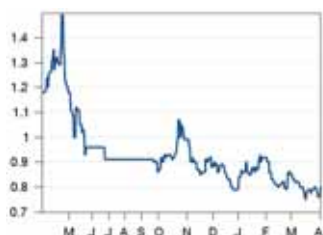
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	39.80	1.36	1.17	N/A	N/A
2010A	46.00	1.80	1.80	N/A	N/A
2011E	N/A	N/A	N/A	N/A	N/A
2012E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Property

Price: €0.80
Price as at 1 April 2011

Share price graph (€)



Company description

Adomos is the French leader in internet distribution of investment real estate assets. The group is also involved in publishing professional real estate ads in free publications and on the internet through quoted subsidiary Acheter-Louer.

Price performance

%	1m	3m	12m
Actual	(5.9)	(4.8)	(32.2)
Relative*	(5.7)	(16.7)	(33.9)

* % Relative to local index

Analyst

Roger Leboff

Adomos (ALADO)

Market cap: €10m

COMPANY COMMENT

FY10 saw steady revenue contributions from both divisions, Adomos and Acheter-Louer.fr.

The year was affected by disruption due to low availability of BBC low-energy building programs and uncertainty over possible changes to the rental property tax regime in 2011. The outlook is enhanced by better availability of new investment products, new network partners that enlarge geographical coverage and entry into the wealth management market.

Acheter-Louer.fr benefited as its new internet strategy paid off in a 36% higher H210 revenues vs H1. Web magazine subscriptions approached 400 in January, from a standing start 12 months earlier.

INDUSTRY COMMENT

The group's markets have returned to normal after a difficult 2009. Industry recovery should be helped by French government initiatives such as the new Scelier Law, a tax incentive scheme launched in January 2010 to encourage investment in rental property. Adomos's revenues should benefit from further internet penetration among property investors.

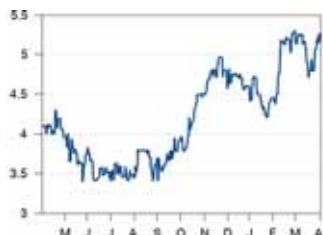
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2008A	16.10	(6.00)	(5.35)	(0.51)	N/A
2009A	13.83	(2.06)	(3.62)	N/A	N/A
2010E	N/A	N/A	N/A	N/A	N/A
2011E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Media & Entertainment

Price: €5.27
Price as at 1 April 2011

Share price graph (€)



Company description

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

Price performance

%	1m	3m	12m
Actual	2.3	19.2	28.5
Relative*	2.5	20.5	25.4

* % Relative to local index

Analyst

Fiona Orford-Williams

Adverline (ALADV)

Market cap: €28m

COMPANY COMMENT

With FY10 figures not due until April, the latest financial information relates to H110, when a series of good new business wins helped drive online marketing revenues forward 38% (59% sales). Within the publishing segment (+21% to 21% sales), societe.com and kelprof.com were relaunched and business was resumed with Orange. An additional site was launched, annuaire.com, enabling smaller corporates to access the internet at low cost. The group's reach is one of the largest in France; 21 million monthly visitors. Micropayment (Optelo) represented 20% H110 sales, diluted by higher growth elsewhere in the business.

INDUSTRY COMMENT

Online advertising in France grew 9% in FY10 according to CapGemini (compared with a 10.2% recovery in offline marketing according to Kantar), with forecast 12% growth in FY11. It is as yet unclear what effect the impending 'Google' tax on online advertising will have. Local advertisers will be one of the main drivers of growth in the current year. CapGemini estimates that 70% of French SMEs still have no website.

Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2008A	24.55	4.53	2.26	N/A	N/A
2009A	18.91	3.11	1.19	N/A	N/A
2010E	22.89	N/A	1.98	N/A	N/A
2011E	26.30	N/A	2.58	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Alternative Energy

Price: €13.09
Price as at 1 April 2011

Share price graph (€)



Company description

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

Price performance

%	1m	3m	12m
Actual	5.5	10.0	(1.1)
Relative*	5.7	(8.1)	(3.6)

* % Relative to local index

Analyst

Richard Finch

Aéro watt (ALWAT)

Market cap: €26m

COMPANY COMMENT

2010 was a banner year for Aerowatt with sales growth of 81% and a near trebling of EBITDA on a like-for-like basis. Although newly developed solar accounted for the bulk of the rise, the more established wind capacity grew sales by almost a third despite unfavourable weather in the Caribbean. For the current year management expects another substantial rise in EBITDA with energy sales up by 45%. While committed to expanding its own estate, Aerowatt is seeking to adapt to lengthening development times caused by tighter regulation by working with partners (co-investors). Potential projects may involve the sale of turnkey operations, which can then be used to fund expansion of Aerowatt's own estate.

INDUSTRY COMMENT

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

Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	11.00	2.70	0.10	0.00	N/A
2010A	15.40	3.60	0.50	0.33	39.67
2011E	21.20	7.60	(1.00)	(0.48)	N/A
2012E	27.40	13.10	0.90	0.50	26.18

Where available, consensus data has been sourced from Thomson Datastream

Sector: Pcare and household prd

Price: €13.18
Price as at 1 April 2011

Share price graph (€)



Company description

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

Price performance

%	1m	3m	12m
Actual	(2.5)	15.6	13.7
Relative*	(2.3)	(3.6)	10.9

* % Relative to local index

Analyst

Fiona Orford-Williams

Ales Groupe (ALPHY)

Market cap: €186m

COMPANY COMMENT

Ales's FY10 results showed sales up 5.1% year-on-year, with French sales (41%) building more strongly at 9% as the Phyto and Lierac brands made progress. Export markets were patchier, with weakness in Italy and the UK partially offsetting progress elsewhere. A restructuring of the sales force and a €7.7m investment in marketing, coupled with higher overheads to support the growth plan, brought operating profits down to €1.7m (€12.4m). The year-end net debt position was €3.1m. Ales's key brands are Phyto Lierac, Ducastel and Caron.

INDUSTRY COMMENT

Markets for cosmetic and hair care products are heavily influenced by consumer confidence. The sector is highly fragmented, with L'Oreal the clear leader. Demand for natural and organic products has been moving ahead more strongly (+20% in 2009), helped by wider distribution and the growth in private label. The impact of EU harmonisation of labelling standards under 'Cosmos-Natural' and 'Cosmos-Organic' has been weakened by the lack of a common logo.

Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	164.60	12.80	6.90	0.54	24.41
2010A	173.00	7.70	0.30	N/A	N/A
2011E	196.80	12.05	5.60	0.40	32.95
2012E	221.40	17.00	8.85	0.63	20.92

Where available, consensus data has been sourced from Thomson Datastream

Sector: Media & Entertainment

Price: €5.75
Price as at 1 April 2011

Share price graph (€)



Company description

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

Price performance

%	1m	3m	12m
Actual	0.7	5.5	4.7
Relative*	0.9	(1.2)	2.2

* % Relative to local index

Analyst

Fiona Orford-Williams

Antevenio (ALANT)

Market cap: €24m

COMPANY COMMENT

Antevenio has now resumed top-line growth with FY10 revenues of €23m, an increase of 25%. Full details will be published in April. The largest element of sales, performance advertising, was subdued in H110 through lack of confidence in the financial sector, but better progress was made in interactive advertising with Paramount and MTV both signing up. The group has been expanding outside its domestic market, recently adding an office in Mexico to add to those in Buenos Aires and Paris. These, and the acquisition of Shopall, will affect operating margins short term, but should make for a more robust business model.

INDUSTRY COMMENT

Carat's most recent commentary on the Spanish market shows a very different picture. Rather than the 1.5% drop in advertising for FY10 it had been predicting in August, its expectation for the actual figure is now +2.0%, with current year estimates increasing from 1.1% to 3.4% growth. It has pencilled in the same rate for 2012. IAB research shows 58% of Spanish households use the internet every week (73% UK).

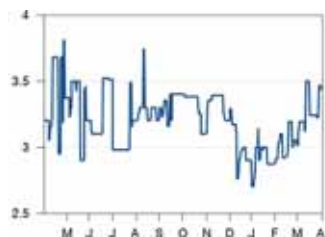
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2008A	19.36	3.44	2.88	N/A	N/A
2009A	16.12	2.10	1.53	N/A	N/A
2010E	20.20	1.90	1.10	0.27	21.30
2011E	23.80	3.00	2.20	0.53	10.85

Where available, consensus data has been sourced from Thomson Datastream

Sector: Support Services

Price: €3.44
Price as at 1 April 2011

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	14.3	27.4	7.5
Relative*	14.5	(8.4)	4.9

* % Relative to local index

Analyst

Richard Finch

Aquila (ALQU)

Market cap: €6m

COMPANY COMMENT

Another quarter of top-line strength in Q410 (+6%) confirms that Q2 (-1%) was a blip after double-digit gains in Q110 and 2009. Aquila deserves credit for continuing to grow its subscriber base (8500 new registrations last year) despite dull market conditions. With current trading still strong, the increasing proportion of contracted income from national accounts, very high client retention (now over 100,000 subscribers) and sound finances underpin management confidence in Aquila's long-term prospects. 2010 results are due late April.

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.

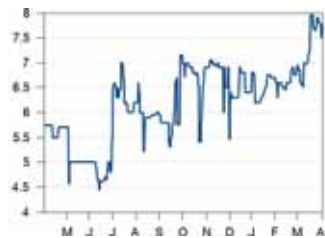
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2008A	10.12	0.51	0.39	N/A	N/A
2009A	11.20	0.70	0.47	N/A	N/A
2010E	N/A	N/A	N/A	N/A	N/A
2011E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Investment Companies

Price: €7.75
Price as at 1 April 2011

Share price graph (€)



Company description

Assya is an independent international financial services company.

Price performance

%	1m	3m	12m
Actual	11.5	14.0	39.0
Relative*	11.7	3.4	35.6

Analyst

Richard Finch

Assya (ALASS)

Market cap: €85m

COMPANY COMMENT

The proposed acquisition of Greek investment house Eurocorp is a significant step in Assya's formation of a pan-European financial services business following its merger late last year with Global Equities Capital Markets. The deal, among other things, reinforces Assya's presence in six countries, increases funds under management by 25% to €325m and adds a proven successful integrated securities operation. Assya operates in key sectors such as equities, corporate finance and asset management on the lines of an investment bank. Before the Eurocorp transaction its revenues were forecast to exceed €50m in 2012 with a trading margin of c 15%.

INDUSTRY COMMENT

Increased economic stability is expected in 2011, along with modest interest rate rises in Europe, widening spreads in the short term. Year to date, the VIX index has fallen, indicating a lower level of volatility. This is positive for commission income and trading volumes, thus benefiting investment banks' bottom lines.

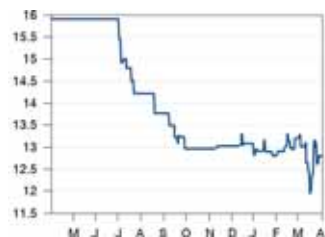
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2008A	2.53	(8.16)	(21.57)	N/A	N/A
2009A	4.66	(6.97)	(9.12)	N/A	N/A
2010E	N/A	N/A	N/A	N/A	N/A
2011E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Technology

Price: €12.80
Price as at 1 April 2011

Share price graph (€)



Company description

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

Price performance

%	1m	3m	12m
Actual	(3.1)	(0.2)	(19.5)
Relative*	(2.9)	(10.6)	(21.5)

Analyst

Roger Leboff

Astellia (ALAST)

Market cap: €33m

COMPANY COMMENT

The group's strong recovery in 2010 - 31% sales growth - demonstrated its ability to outperform its underlying markets. It secured 20 new clients during FY10 and the outlook is supported by its ability to help network operators meet growing demand for bandwidth in line with the increasing popularity of smart phones. International operations contributed 77% of FY10 revenues, up 34% y-o-y, including particularly strong performances in Africa and Middle East, with Russia and India expected to contribute this year.

INDUSTRY COMMENT

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

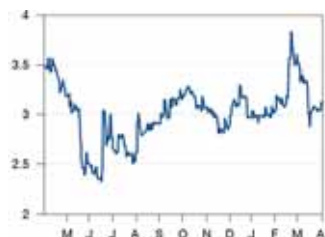
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	25.56	1.05	2.10	0.82	15.61
2010A	33.40	2.01	2.50	N/A	N/A
2011E	38.40	N/A	2.00	0.78	16.41
2012E	43.70	N/A	3.50	1.37	9.34

Where available, consensus data has been sourced from Thomson Datastream

Sector: Mining

Price: €3.13
Price as at 1 April 2011

Share price graph (€)



Company description

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

Price performance

%	1m	3m	12m
Actual	(11.3)	3.3	(10.1)
Relative*	(11.2)	(11.1)	(12.3)

* % Relative to local index

Analyst

Charles Gibson

Auplata (ALAUP)

Market cap: €53m

COMPANY COMMENT

Auplata operates two mines in French Guiana (Yaou and Dieu Merci), with one more (Dorlin) scheduled for near-term production, and has exploration rights over 436 square km and exploitation rights over 410 square km of French Guiana. It is currently taking a 49% interest in Canadian junior Columbus Gold via the sale of a 51% interest in its 1.9Moz 'inferred' Paul Isnard gold deposit (recently acquired from Golden Star) plus a C\$2m cash injection (funded by a €2.2m financing, which resulted in the issue of 614,587 additional Auplata shares).

INDUSTRY COMMENT

Auplata is investigating a technique for extracting gold at Dieu Merci using a five-tonne-per-week sodium thiosulphate pilot plant, rather than conventional cyanidation (or mercury). Output has risen steadily throughout 2010, from 1,736oz in Q1, to 1,768oz in Q2 and 2,379oz in Q3 (exceeding the company's target of 643oz per month). In H110, Auplata made a net loss of €1.4m from €2.7m of revenues.

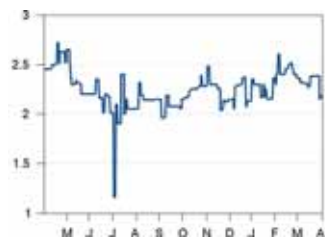
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2008A	6.44	(7.02)	(12.15)	(0.99)	N/A
2009A	5.80	(4.03)	(3.80)	N/A	N/A
2010E	N/A	N/A	N/A	N/A	N/A
2011E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: General Retailers

Price: €2.17
Price as at 1 April 2011

Share price graph (€)



Company description

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

Price performance

%	1m	3m	12m
Actual	(8.1)	(7.7)	(11.4)
Relative*	(7.9)	(8.6)	(13.6)

* % Relative to local index

Analyst

Richard Finch

Auto Escape (ALAUT)

Market cap: €11m

COMPANY COMMENT

Auto Escape defied a difficult market in 2010 with a marked resumption of growth in the all-important summer half (sales +11% at maintained margin against +2% in H1). This is all the more impressive as disruption caused by the Icelandic ash cloud, reduced visibility through later booking and fragile consumer confidence had invited caution after a disappointing 2009. The company continues its strategy of international expansion, with a move across Scandinavia and a growing internet presence (now over 70% of bookings against 27% in 2008). Finances are secure and, as a broker, Auto Escape is not burdened by fleet ownership.

INDUSTRY COMMENT

Growth in the car rental industry is closely linked to economic conditions and, in respect of airport rentals (c 40% of the market), to airline passenger growth. IATA statistics show this to be at an annualised rate of c 6%, which is in line with the long-term trend. Auto Escape is exposed to the leisure rather than the business rental market. Thomas Cook recently reported summer bookings are ahead of last year across most segments.

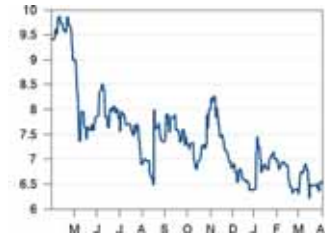
Y/E Sep	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	27.63	0.43	0.00	N/A	N/A
2010A	30.70	0.83	0.40	N/A	N/A
2011E	N/A	N/A	N/A	N/A	N/A
2012E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Alternative Energy

Price: €6.50
Price as at 1 April 2011

Share price graph (€)



Company description

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

Price performance

%	1m	3m	12m
Actual	3.0	1.6	(30.9)
Relative*	3.2	(19.4)	(32.6)

* % Relative to local index

Analyst

Roger Leboff

Bionersis (ALBRS)

Market cap: €21m

COMPANY COMMENT

Growth is in the early stages, with the group having invested c €25m in development projects to recover landfill biogas and generate Certified Emission Reductions (CERs) in Latin America and Asia. Optimal production levels are expected to be achieved this calendar year, but H1 revenues at €1.3m were insufficient to offset operating expenses of €1.7m. The opportunity for strong cash flow generation over the next decade appears intact. The first half saw further investment in existing projects, plus entries into new markets such as Vietnam and Indonesia.

INDUSTRY COMMENT

The outlook is supported by the legal processes behind emissions reductions. Kyoto set legally binding targets for the developed nations that ratified the protocol in 2005 (35 countries, representing c 62% of global emissions). The EU has taken a leading role, imposing a 20% reduction by 2020, vs 1990 levels. The group signed strategic partnerships with E.ON and EDF in November 2009.

Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2008A	0.93	(1.72)	(0.88)	N/A	N/A
2009A	1.86	(0.68)	0.06	N/A	N/A
2010E	N/A	N/A	N/A	N/A	N/A
2011E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Food & Drink

Price: €4.54
Price as at 1 April 2011

Share price graph (€)



Company description

Brossard designs, produces and markets cakes, pastries and frozen products.

Price performance

%	1m	3m	12m
Actual	1.3	(9.2)	(33.3)
Relative*	1.5	(42.5)	(35.0)

* % Relative to local index

Analyst

Fiona Orford-Williams

Brossard (ALBRO)

Market cap: €26m

COMPANY COMMENT

The disposal of Brossard's frozen food operations to Icelandic seafood group, Alfesca, completed in August 2010, with net cash proceeds of €17.7m declared in the accounts to December. Residual revenues for bakery and patisserie (under the Brossard and Savane brands) for H210 were up 4.9% at €35.4m, with operating margins of 11.7%. The group is indicating that it may use some of the proceeds to move into the biscuit segment, a considerably larger market estimated at €2bn. It has purchased an additional 14 square kilometres of land at Neuborg.

INDUSTRY COMMENT

Carrefour, Auchan, Geant Casino, Intermarche, Leclerc and Systeme U (the first three being owners and operators, the latter three being buying groups) dominate the €171bn French food retail market. A relaxation in planning regulations for towns with populations over 20,000, full planning is no longer essential for stores less than 1000 square metres, meaning the major groups are pushing ahead with expansion plans in the convenience sector.

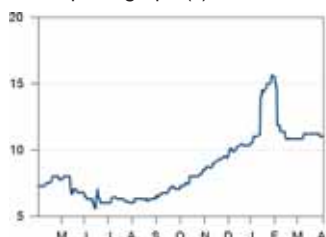
Y/E Jun	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	118.90	7.51	0.67	N/A	N/A
2010A	66.43	8.01	(0.95)	N/A	N/A
2011E	117.71	10.97	3.83	0.68	6.68
2012E	122.46	10.95	5.31	0.94	4.83

Where available, consensus data has been sourced from Thomson Datastream

Sector: Technology

Price: €11.00
Price as at 1 April 2011

Share price graph (€)



Company description

BSB employs over 300 people with offices in Belgium, Luxembourg, France and Ireland. It provides mission-critical solutions: Soliam, a portfolio management system for asset managers; and Solife, a life insurance policy administration system. It signed nine new clients during H110 and has over 80 clients in 16 countries.

Price performance

%	1m	3m	12m
Actual	1.8	4.8	51.1
Relative*	2.6	45.5	50.6

* % Relative to local index

Analyst

Roger Leboff

BSB (BSB)

Market cap: €23m

COMPANY COMMENT

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

INDUSTRY COMMENT

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

Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2008A	21.76	1.59	0.62	0.29	37.93
2009A	24.48	(0.11)	(0.52)	(0.25)	N/A
2010E	N/A	N/A	N/A	N/A	N/A
2011E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Technology

Price: €5.47
Price as at 1 April 2011

Share price graph (€)



Company description

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

Price performance

%	1m	3m	12m
Actual	(7.1)	6.8	(15.8)
Relative*	(7.0)	0.1	(17.9)

* % Relative to local index

Analyst

Richard Finch

Budget Telecom (ALBUD)

Market cap: €19m

COMPANY COMMENT

Ahead of imminent 2010 results, an apparent softening in recovery (Q4 sales up by just 4% against 13% in Q3) only confirms a "difficult" year for the company (H1 saw a sharp fall in trading profit owing to an unfavourable product mix, a trebling of marketing spend and higher labour costs as KAST Telecom was integrated). Nonetheless, management is heartened by the growing importance of its B-2-B activity, which doubled sales in 2010 (now 21%), its base of over 200,000 subscribers, its enhanced distribution and new mobile offerings. Margin gain has been set as the main financial target for 2011.

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.

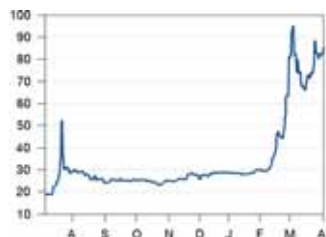
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2008A	26.20	4.80	3.20	0.97	5.64
2009A	23.80	3.90	2.60	N/A	N/A
2010E	N/A	N/A	N/A	N/A	N/A
2011E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Pharma & Healthcare

Price: €85.40
Price as at 1 April 2011

Share price graph (€)



Company description

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

Price performance

%	1m	3m	12m
Actual	5.5	198.8	N/A
Relative*	5.7	206.4	N/A

* % Relative to local index

Analyst

Mick Cooper

CARMAT (ALCAR)

Market cap: €327m

COMPANY COMMENT

Carmat has been developing an implantable artificial heart since 1995 and expects the first human implant to take place in Q411. The device is designed to mimic a natural heart with the same output characteristics, including altering the beats per minute and blood pressure according to a person's activity. Bench tests indicate that its life expectancy will be over five years. The artificial heart is the result of an alliance between Professor Carpentier (who developed the eponymous heart valve) and the aerospace company, EADS. The company raised €15.5m during its IPO in July 2010 and has enough cash to operate until the end of 2011.

INDUSTRY COMMENT

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

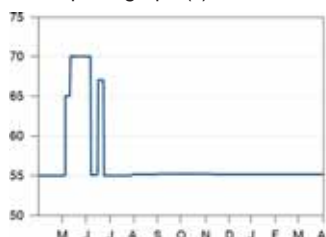
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	4.80	(5.98)	(4.72)	N/A	N/A
2010A	5.00	(10.50)	(7.73)	N/A	N/A
2011E	N/A	N/A	N/A	N/A	N/A
2012E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Basic Industries

Price: €55.15
Price as at 1 April 2011

Share price graph (€)



Company description

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

Price performance

%	1m	3m	12m
Actual	0.0	0.0	0.3
Relative*	0.8	(4.2)	(0.1)

* % Relative to local index

Analyst

Richard Finch

Catala (CAT)

Market cap: €7m

COMPANY COMMENT

Ahead of 2010 results in May, Catala will have been looking to restore margins and finances in H210 in the face of raw material pricing pressures. Continued profit recovery in H1 on an 8% lift in sales was all the more impressive in view of the sharp rise in raw material prices. Management is to be credited for successful cost-cutting, notably in energy and transport, which contributed to a return to marginal profit in H209, and a new early retirement scheme, as well as renegotiation of prices with clients.

INDUSTRY COMMENT

DS Smith has maintained like-for-like volume growth of 8% in corrugated packaging since October. Industry consolidation is afoot, with DS Smith buying Otor, albeit much larger (c 20% of the French corrugated market) and more FMCG-oriented than Catala. In France FMCG, the most buoyant area of corrugated demand owing to food/grocery spend, is estimated to resume 1.6% pa growth over the next four years.

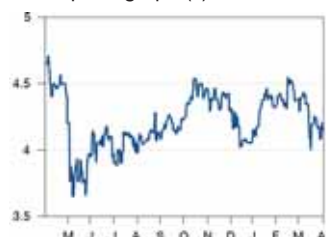
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2008A	52.19	(2.25)	(2.97)	N/A	N/A
2009A	38.88	0.00	(0.60)	N/A	N/A
2010E	N/A	N/A	N/A	N/A	N/A
2011E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Property

Price: €4.16
Price as at 1 April 2011

Share price graph (€)



Company description

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

Price performance

%	1m	3m	12m
Actual	(5.0)	0.2	(10.5)
Relative*	(4.8)	(11.2)	(12.7)

* % Relative to local index

Analyst

Roger Leboff

CBo Territoria (ALCBO)

Market cap: €132m

COMPANY COMMENT

A 28% y-o-y increase in H2 sales (vs 1% for H1) was behind 20% growth in FY10 turnover. CBo remains on track to meet its forecast doubled scale by 2015, with 2011 and 2012 outlooks supported by its €125m order backlog and initiation of new projects. The key component of last year's sales growth was a 31% increase in property sales to €47m, with progress within each component of group operations. There was also a 15% increase in gross rents to €10.1m, 60% derived from commercial property. A confident FY11 outlook expects €120m of sales and a proposed 14% higher dividend at 8c/share.

INDUSTRY COMMENT

CBo holds a portfolio of commercial space and residential units on La Réunion Island in the Indian Ocean. Revenues are derived from rents, development, sales and management of the property. La Réunion experienced dynamic GDP growth over the last decade, post government efforts to increase tourism and cut dependence on agriculture. CBo recently presented plans for new eco-tourism development in St Giles.

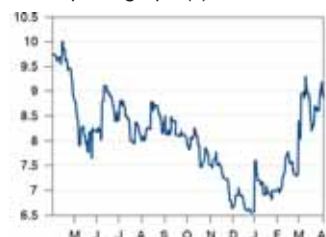
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	59.90	27.80	15.20	N/A	N/A
2010A	71.70	26.20	18.10	N/A	N/A
2011E	N/A	N/A	N/A	N/A	N/A
2012E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Pharma & Healthcare

Price: €8.85
Price as at 1 April 2011

Share price graph (€)



Company description

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

Price performance

%	1m	3m	12m
Actual	8.5	16.4	(9.1)
Relative*	8.7	1.4	(11.4)

* % Relative to local index

Analyst

Mick Cooper

Collectis (ALCLS)

Market cap: €103m

COMPANY COMMENT

Collectis is following a diversified strategy to exploit its core expertise in meganucleases, which make specific alterations to DNA. It has four subsidiaries: Collectis bioresearch provides meganuclease kits to life sciences researchers; Collectis plant sciences develops genetically modified plants for agricultural companies, including Monsanto; Collectis genome surgery is developing innovative treatments for genetic diseases and various other indications; and Ectycell is developing uses for meganucleases with stem cells. Total revenues increased by 55% to €16m, largely because of an increase in research tax credits, and its cash position fell by €21.0m to €24.0m in FY10. Collectis believes it has enough cash to reach profitability in 2012/13.

INDUSTRY COMMENT

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

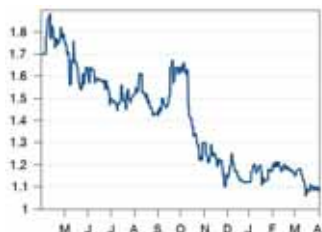
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	10.10	(9.80)	(7.80)	N/A	N/A
2010A	15.80	(11.50)	(8.00)	N/A	N/A
2011E	13.35	(16.00)	(4.85)	(0.40)	N/A
2012E	21.40	(10.00)	(1.05)	(0.06)	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Pharma & Healthcare

Price: €1.09
Price as at 1 April 2011

Share price graph (€)



Company description

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

Price performance

%	1m	3m	12m
Actual	(5.2)	(2.7)	(35.9)
Relative*	(5.0)	(39.1)	(37.5)

* % Relative to local index

Analyst

Mick Cooper

Cerep (ALCER)

Market cap: €14m

COMPANY COMMENT

Trading conditions for Cerep continue to be challenging as sales fell 8% to €24.2m in FY10. Many of its clients have frozen research programmes, especially in North America, which caused sales to fall by 19.6%; this decline was partly offset by an increase of 2.4% in Europe and 28.9% in Asia. A focus on operating efficiency limited the operating loss to €3.1m. This led to its net debt position deteriorating by €3.1m to €3.6m in FY10. Its prospects depend on the continued progress of its new Chinese subsidiary and successful launch of the BioPrint database (Shire signed an evaluation license in January).

INDUSTRY COMMENT

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

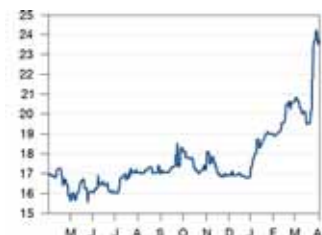
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	26.30	(1.71)	(1.92)	N/A	N/A
2010A	24.20	(3.14)	(4.11)	N/A	N/A
2011E	26.03	(0.30)	0.30	0.02	54.50
2012E	27.10	0.70	(0.43)	(0.03)	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Support Services

Price: €23.50
Price as at 1 April 2011

Share price graph (€)



Company description

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

Price performance

%	1m	3m	12m
Actual	13.0	35.8	38.6
Relative*	13.2	17.6	35.2

* % Relative to local index

Analyst

Richard Finch

Clasquin (ALCLA)

Market cap: €54m

COMPANY COMMENT

2010 saw Clasquin exceed even its own ambitious forecasts despite a moderation in growth in Q4 after two bumper quarters. Full-year sales rose by 60% as higher volumes (+20%) accompanied much firmer freight rates and both gross and trading profit recovered to well in excess of pre-recession levels. Progress was made across the board, with sea freight matching air freight's 27% gross profit gain. Clasquin's strong market position, especially in Asia and more recently in Germany and India, the quality of its clients and its ability to grow the average value of shipments should sustain outperformance of a market forecast to grow by c 5-6% this year. The company continues to have net cash.

INDUSTRY COMMENT

In January the IMF raised its forecast of 2011 global trade growth marginally to 4.5% thanks to higher than expected activity in H210 and new stimulus measures in the US. However, it emphasised that "downside risks remain elevated". The imminent release of the WTO's forecast will reflect the potential impact of the Japanese earthquake in particular.

Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2008A	150.92	6.10	3.87	1.73	13.58
2009A	114.74	4.51	2.40	1.06	22.17
2010E	177.08	6.56	3.39	1.47	15.99
2011E	196.00	7.92	5.35	2.42	9.71

Where available, consensus data has been sourced from Thomson Datastream

Sector: Food & Drink

Price: €1675.76
Price as at 1 April 2011

Share price graph (€)



Company description

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

Price performance

%	1m	3m	12m
Actual	1.3	(1.1)	15.6
Relative*	2.1	(4.9)	15.2

* % Relative to local index

Analyst

Fiona Orford-Williams

CoBrHa (COBH)

Market cap: €127m

COMPANY COMMENT

FY10 sales were down 4%, but this principally represents the withdrawal from distribution agreement with some private-label brands to the off-trade in H210. Market share improved in the on-trade, export sales grew and costs were contained, leading to improved profits. Capex for the year at €18m was ahead of earlier expectations and mainly comprised a new bottling line, commissioned in November and a barrel-filling line, commissioned in December. A further €3.5m was invested in new outlets. Raw material and energy price rises against a dull market will make progress difficult in FY11.

INDUSTRY COMMENT

Belgian beer consumption continues to fall for some time due to low population growth, changing habits and weak consumer confidence, with FY10 seeing a fall of 2.8% (implying an acceleration in H2), with the on-trade hardest hit. The market is dominated by InBev (57%) and Heineken/Alken-Maes (11%). Industry consolidation continues (Alken-Maes buying Afligem; De Koninck taking Duvel Moortgat) and Haacht is the third-largest brewer.

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

Where available, consensus data has been sourced from Thomson Datastream

Sector: Media & Entertainment

Price: €1.95
Price as at 1 April 2011

Share price graph (€)



Company description

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

Price performance

%	1m	3m	12m
Actual	(14.1)	(11.4)	(2.5)
Relative*	(13.9)	(13.0)	(4.9)

* % Relative to local index

Analyst

Fiona Orford-Williams

Come & Stay (ALCSY)

Market cap: €8m

COMPANY COMMENT

Come & Stay specialises in email and mobile advertising through lead generation, e-CRM and social media. The exit from its Northern Europe operations in August 2010 has enabled it to return to profit and given a far stronger financial position. FY10 trading was good within the core sectors of e-commerce and automotive, although tougher H2 comparatives diluted I-f-I revenue growth for the year to 7%. The group is moving its larger clients to multi-year contracts of up to five years, with a target of 50% revenues from such business by 2013. This may have a short-term impact on performance but will improve the quality of earnings.

INDUSTRY COMMENT

Mobile marketing continues to be one of the strongest areas of growth in FY10 (+23% to €27m), due to the rapid development of mobile applications. In Q410, it was estimated that 15.5m French people had accessed the internet via their mobile phone in the previous month (TSM/Mobile Consumer Insight), 25% of all mobile phone users. Forrester predicts that this proportion will increase to 41% by 2014.

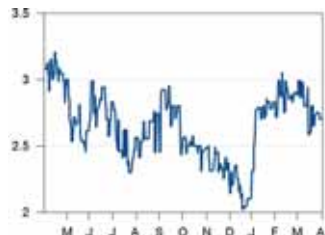
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	15.90	(0.70)	(3.50)	N/A	N/A
2010A	11.30	0.80	(9.40)	N/A	N/A
2011E	12.40	1.10	0.80	0.19	10.26
2012E	13.70	1.30	0.90	0.21	9.29

Where available, consensus data has been sourced from Thomson Datastream

Sector: Media & Entertainment

Price: €2.70
Price as at 1 April 2011

Share price graph (€)



Company description

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

Price performance

%	1m	3m	12m
Actual	(6.3)	20.8	(9.4)
Relative*	(6.1)	(1.3)	(11.6)

* % Relative to local index

Analyst

Fiona Orford-Williams

CRM Company Group (ALCRM)

Market cap: €10m

COMPANY COMMENT

CRM Company Group and megalocompany merged in October 2010 under the latter name, clarifying the online brand management offer. It remains a full-service marketing agency, with key verticals in services, IT, finance, automotive and luxury goods. The group broke even in FY10 after cutting the cost base, which should give some operational leverage in the current year, although there was selective recruitment in H210 to drive sales. Earlier difficult markets had undermined the balance sheet and the group has now issued warrants exercisable at €3.20 until 29 February 2012, which would raise €2.5m if exercised in full.

INDUSTRY COMMENT

Carat's latest estimates for the advertising industry (March 2011) show the French market performing much more strongly in H210, with growth being revised upwards from 2.9% to 4.9%. For FY11, the rate of anticipated growth has increased from 2.7% to 2.9% and first indications for FY12 are for 2.7%. Online will continue to greatly outstrip these rates, with CapGemini looking for 12% growth as brands increase their online presence.

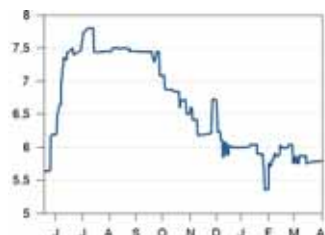
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	15.30	(3.00)	(3.30)	N/A	N/A
2010A	16.80	0.60	(0.40)	N/A	N/A
2011E	N/A	N/A	N/A	N/A	N/A
2012E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Media & Entertainment

Price: €5.80
Price as at 1 April 2011

Share price graph (€)



Company description

Custom Solutions specialises in the supply of marketing services.

Price performance

%	1m	3m	12m
Actual	0.9	(3.3)	N/A
Relative*	1.1	(25.8)	N/A

* % Relative to local index

Analyst

Fiona Orford-Williams

Custom Solutions (ALSOL)

Market cap: €28m

COMPANY COMMENT

Custom Solutions floated in May 10, raising €7m. Sales for the year to September were 11% ahead, but margins were affected by a greater balance towards logistics from promotional marketing in that period. November's purchase of loyalty-scheme specialist GECIP from Omnicom will reverse that bias. The group has c 300 customers, mostly mass market, and its growth plan is predicated on greater selectivity in negotiating contracts, building critical mass in logistics and developing packaged solutions, including support functions.

INDUSTRY COMMENT

French FY10 advertising spend showed a strong y-o-y recovery, with Carat moving its estimate from 2.9% in August to 4.9% in March 11. Current year growth is projected at 2.9%, with online expected to outstrip this considerably, growing 12% (CapGemini) as brands support their online presence. E-commerce is growing much more strongly, with the value of online purchases in FY10 up 24% to €31bn in 340m transactions. Fulfilment and logistics will continue to be a high-growth sector for some time.

Y/E Sep	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	1.42	0.28	1.88	N/A	N/A
2010A	1.57	0.23	1.71	N/A	N/A
2011E	19.70	2.90	2.10	0.44	13.18
2012E	22.40	3.30	2.50	0.52	11.15

Where available, consensus data has been sourced from Thomson Datastream

Sector: Support Services

Price: €8.00
Price as at 1 April 2011

Share price graph (€)



Company description

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

Price performance

%	1m	3m	12m
Actual	(9.6)	(5.9)	14.3
Relative*	(9.4)	11.5	11.5

* % Relative to local index

Analyst

Fiona Orford-Williams

D.L.S.I. (ALDLS)

Market cap: €20m

COMPANY COMMENT

Revenue growth accelerated through FY10, reaching +48% (+14% l-f-l) to €174m, exceeding its September forecast of €150m by some way. Full results are due 29 April; the SME bias of the business will have helped. Overseas revenues continued to expand, albeit at a slower rate, and accounted for 28% of the group total. Luxembourg and Switzerland are the largest markets outside France, with the Polish start-up broadening the scope further. In September, DLSI extended its reach in the south, with the purchase of Exess Interim for an undisclosed sum.

INDUSTRY COMMENT

Eurociett's figures to Dec 2010 show a 20.5% increase in agency hours worked in France, with the market now accounting for 18.1% of the European total. Falls in temporary employment of 29% in FY09 and 12% in FY08 took the industry back to 2001 levels. Unemployment in Jan 2011 was 9.6%, down 0.3% on the month before and 0.4% below the peak in Nov 09. French GDP grew 1.6% in FY10 and is forecast to grow 1.7% in FY11.

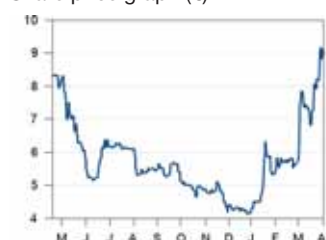
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2008A	149.63	5.51	3.03	N/A	N/A
2009A	117.43	1.36	0.67	N/A	N/A
2010E	N/A	N/A	N/A	N/A	N/A
2011E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Oil & Gas

Price: €8.95
Price as at 1 April 2011

Share price graph (€)



Company description

Deinove specialises in the research, development, and commercial exploitation of innovative technological processes for producing biofuels, chemical products and pharmaceutical products, using bacteria with exceptional natural properties.

Price performance

%	1m	3m	12m
Actual	55.7	108.1	N/A
Relative*	55.9	58.9	N/A

* % Relative to local index

Analyst

Graeme Moyse

Deinove (ALDEI)

Market cap: €43m

COMPANY COMMENT

Deinove is seeking to develop innovative technologies for the production of biofuels and other products of industrial or pharmaceutical interest from deinococci bacteria. The company is in the early stages of a three- to four-year R&D programme and thus pre-revenues, but has sufficient financial resources to support its research to 2013. Deinove plans to grant non-exclusive licences over the use of its technologies and proprietary processes to industrial operating partners. Although royalty payments are not expected before 2014, upfront payments from its partners are being targeted by Deinove from 2012.

INDUSTRY COMMENT

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

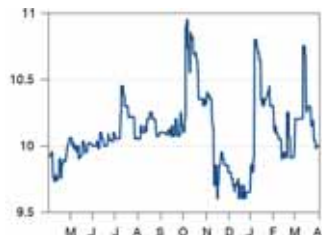
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	0.00	(1.88)	(1.25)	N/A	N/A
2010A	0.60	(2.50)	(2.25)	N/A	N/A
2011E	N/A	N/A	N/A	N/A	N/A
2012E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Support Services

Price: €10.00
Price as at 1 April 2011

Share price graph (€)



Company description

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

Price performance

%	1m	3m	12m
Actual	(2.0)	1.5	0.8
Relative*	(1.8)	(10.3)	(1.7)

* % Relative to local index

Analyst

Fiona Orford-Williams

Demos (ALDMO)

Market cap: €59m

COMPANY COMMENT

Overall revenue growth of 6.3% for FY10 would have been higher but for the spate of industrial action in Q310 that disrupted corporate training programmes. The custom business activities grew 11% to become the largest element of sales and there was also an impressive 29% advance in consulting and advisory revenues. Ex-France sales across 16 territories accounted for 42% of group, a further advance on the prior year as an increasing number of clients take CPD product across markets. Full results are scheduled for 6 April.

INDUSTRY COMMENT

In most developed economies, professional training opportunities are a given, usually enshrined in labour regulation. In many of Demos's newer markets, well-trained employees are seen as providing a competitive advantage, with training also improving the calibre of candidates. Most markets are highly fragmented, although until comparatively recently the broader French market was dominated by state-owned training company AFPA. E-learning is accelerating the pace of change.

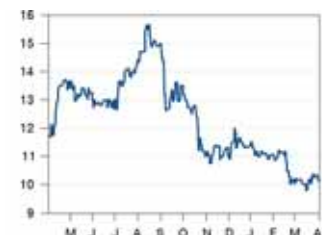
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2008A	97.46	8.71	4.01	0.71	14.08
2009A	96.15	4.41	1.00	N/A	N/A
2010E	107.00	N/A	2.00	0.75	13.33
2011E	112.00	N/A	3.00	0.98	10.20

Where available, consensus data has been sourced from Thomson Datastream

Sector: Technology

Price: €10.16
Price as at 1 April 2011

Share price graph (€)



Company description

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

Price performance

%	1m	3m	12m
Actual	0.8	(11.7)	(13.2)
Relative*	1.0	(30.2)	(15.3)

* % Relative to local index

Analyst

Richard Finch

DL Software (ALSDL)

Market cap: €45m

COMPANY COMMENT

DL Software has done well to deliver 2010 trading profit at the top end of guidance (-5%), despite disappointing Q4 sales (like-for-like -15% after a stable Q3) as laboratory markets remained weak in the face of changing regulation. With organic growth set to resume in H211, contributing to expectation of 5-10% trading profit gain for the full year, management appears justifiably confident in its robust model (strongly cash generative and biased towards recurrent income) and expansion-led strategy (DL has scope for c €5-10m acquisitions). However, ambitious medium-term financial targets have been suspended, given the recent setback.

INDUSTRY COMMENT

Capgemini's like-for-like sales in France recovered further in Q410 (+2% after flat in Q3 and -7% in Q1), suggesting that pressure on prices in technology services is easing as well as activity picking up. Capgemini's focus is on national accounts rather than DL Software's target smaller business market, which should resume its correction of long-standing underinvestment in IT as conditions improve.

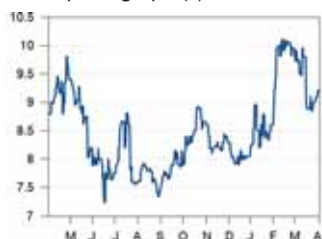
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	39.10	6.00	1.90	N/A	N/A
2010A	44.10	5.70	3.00	N/A	N/A
2011E	N/A	N/A	N/A	N/A	N/A
2012E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Electrical Equipment

Price: €9.20
Price as at 1 April 2011

Share price graph (€)



Company description

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

Price performance

%	1m	3m	12m
Actual	(5.3)	11.5	4.5
Relative*	(5.2)	5.5	2.0

Analyst

Richard Finch

ECT Industries (ALECT)

Market cap: €11m

COMPANY COMMENT

ECT Industries tempered the disappointment of missing an already-reduced 2010 sales guidance with an assurance that profit will be maintained, thanks to a favourable mix (results due late April) and that 2011 is set for a clear increase in sales (-7% last year). Services, whose allegedly strongly-recurrent income was unexpectedly affected in H210 by financial cutbacks, will benefit in particular from a new French air force contract. Systems (under a third of group sales but the highest margin and buoyant in 2010) expects growing demand for its night vision and geolocation products, notably through e-Track (acquired at the start of 2010), which complements ECT's existing mapping expertise, notably its new data transmission by satellite product.

INDUSTRY COMMENT

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

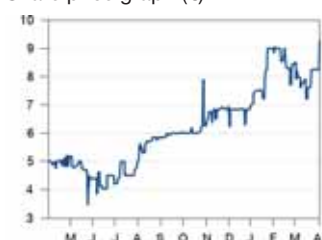
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2008A	19.95	1.12	1.21	N/A	N/A
2009A	24.10	2.06	1.49	N/A	N/A
2010E	22.40	1.80	0.90	0.78	11.79
2011E	26.20	2.10	1.30	1.12	8.21

Where available, consensus data has been sourced from Thomson Datastream

Sector: Technology

Price: €9.26
Price as at 1 April 2011

Share price graph (€)



Company description

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

Price performance

%	1m	3m	12m
Actual	8.9	32.3	85.2
Relative*	9.1	39.8	80.6

Analyst

Roger Leboff

eFront (ALEFT)

Market cap: €28m

COMPANY COMMENT

H2 sales growth of 38% (H1 29% ahead) was behind a 34% increase for FY10 overall; 30% at constant exchange rates. Turnover has more than doubled over the last three years. FY10 progress was organic, with sustained momentum in France and international markets (Europe, Middle East and North America). Exports grew 49% y-o-y and now contribute 70% of group sales. A confident outlook is supported by major contract signings in FY10, 51% higher licence sales and 24% increase in recurring activities such maintenance and ASP software sales.

INDUSTRY COMMENT

The group should benefit from broad geographical coverage and focus on software used by alternative asset managers, fund administrators and in risk management (governance, risk, compliance). More than 160 customers in 22 countries include leaders in such areas as private equity, property investment, banking and insurance. eFront intends to continue to develop its international presence; recent successes include the addition of a large US pension fund.

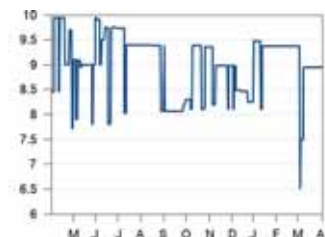
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2008A	14.65	(1.37)	(1.69)	N/A	N/A
2009A	20.25	0.69	(1.00)	N/A	N/A
2010E	N/A	N/A	N/A	N/A	N/A
2011E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Technology

Price: €8.94
Price as at 1 April 2011

Share price graph (€)



Company description

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

Price performance

%	1m	3m	12m
Actual	(4.6)	(5.7)	5.8
Relative*	(3.8)	3.3	5.4

* % Relative to local index

Analyst

Roger Leboff

Emakina Group (ALEMK)

Market cap: €34m

COMPANY COMMENT

A number of positives contributed to FY10 growth. New clients at home and overseas included FEDICT, Degroof Bank, Makro, DG Sanco and Ansell and reflect the value of Emakina's integrated solutions, applicable in multiple markets. There were better operating margins after integration of resource planning, with an ERP system for all subsidiaries and shared CRM tools. The current order book underpins a positive 2011 outlook that anticipates margin growth, additional sales to new and existing clients, and contributions from partnerships with Pixelpark and Troy Agency.

INDUSTRY COMMENT

The group helps customers integrate new digital communications - websites, brand activations and digital applications - into their businesses. Group services cover consultancy, interactive marketing, information websites, transactional applications and e-commerce. Emakina's network covers Belgium, France and the Netherlands, for such clients as Air France KLM, Pfizer Europe, Unilever, the European Commission and the UN.

Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2008A	30.92	2.05	0.03	0.01	894.00
2009A	31.05	1.53	(0.63)	(0.01)	N/A
2010E	39.00	3.00	1.00	0.20	44.70
2011E	49.00	4.00	2.00	0.46	19.43

Where available, consensus data has been sourced from Thomson Datastream

Sector: Media & Entertainment

Price: €4.80
Price as at 1 April 2011

Share price graph (€)



Company description

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

Price performance

%	1m	3m	12m
Actual	4.3	6.7	(6.8)
Relative*	4.5	(6.9)	(9.1)

* % Relative to local index

Analyst

Richard Finch

Entrepaticuliers.com (ALENT)

Market cap: €17m

COMPANY COMMENT

29% sales growth in Q410 saw Entrepaticuliers.com benefit at last from the recovery in the French property market. However, investment in staff and IT and a commitment to marketing spend to exploit the pick-up contributed to a 40% decline in trading profit in H2 (-54% for the year as a whole). While there is no guidance for 2011, management remains confident that it will now make the most of the upturn owing to its strong brand, national coverage and added-value services, aided by the imminent re-launch of its website, which offers, among other things, a low-cost alternative to the estate agent. The company is debt free.

INDUSTRY COMMENT

For the French property market 2011 is forecast to see a stabilisation in volumes (+2% achieved in the first two months) and price (still 4% below the pre-recession peak). This follows a sustained recovery in 2010, with a rise of 35% in new properties put up for sale, according to Entrepaticuliers.com's respected 'barometer'. Prices rose overall by about 5%, albeit with wide geographical variation.

Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2008A	15.60	3.20	2.60	0.74	6.49
2009A	11.00	2.60	1.70	N/A	N/A
2010E	N/A	N/A	N/A	N/A	N/A
2011E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Engineering

Price: €22.00
Price as at 1 April 2011

Share price graph (€)



Company description

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

Price performance

%	1m	3m	12m
Actual	0.0	7.3	7.8
Relative*	0.2	(0.4)	5.1

Analyst

Richard Finch

Environnement (ALTEV)

Market cap: €35m

COMPANY COMMENT

Maintained sales in Q410 supports long-standing management confidence that the recovery has been gathering pace despite lingering weakness in H1 (sales -7%), notably in the US. Although Services softened slightly in H2, importantly in view of its recurrent income, it held its share of group revenue at c 40% for the full year, while Air Ambient accelerated its pick-up with H2 sales up by over 20% after a tough 2009. Last year's investment in Cairpol, a specialist in miniature air quality monitoring systems, looks to have been integrated successfully. 2010 ended on a strong note for Environnement with a significant order at the Russian space centre in Guyana and a €7m buyback of c 16% of shares at €27. 2010 results are due late April.

INDUSTRY COMMENT

Veolia Environnement's Water Solutions & Technologies division reported maintained like-for-like turnover and higher adjusted cash flow in 2010. An acceleration of business wins in Q4 led to an end-December orderbook slightly ahead year-on-year.

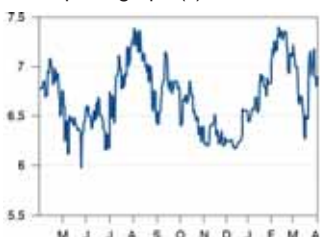
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2008A	44.00	3.40	3.20	1.74	12.64
2009A	41.90	3.10	3.10	1.65	13.33
2010E	41.00	3.10	2.90	1.54	14.29
2011E	43.40	3.60	3.20	1.99	11.06

Where available, consensus data has been sourced from Thomson Datastream

Sector: Technology

Price: €6.90
Price as at 1 April 2011

Share price graph (€)



Company description

Esker specialises in the design and publishing of software for connectivity, automatic faxing, and electronic distribution of paper support materials and connectivity.

Price performance

%	1m	3m	12m
Actual	(4.4)	7.0	1.8
Relative*	(4.3)	(2.4)	(0.7)

Analyst

Roger Leboff

Esker (ALESK)

Market cap: €31m

COMPANY COMMENT

Successful cloud computing initiatives were behind 19% FY10 sales growth (14% constant currency). Some 42% of that was generated via SaaS, 82% in France, including new customers Sodexo, Thompson Reuters UK, PARFIP Lease and Nestlé subsidiary Jenny Craig. The strategy is to accelerate growth in 2011 via development of on-demand services such as a new invoice processing solution. Sales in France, 32% of group sales were up 19%, backed by Germany (up 51%), Spain (43%), Asia-Pacific and US.

INDUSTRY COMMENT

Esker's products and services enable customers to automate and computerise receipt and despatch of documents (invoices, purchase orders, invoices, letters, e-business and marketing, payroll etc), by mail, fax, email or SMS. It helps eliminate paper and handling of business processes, and improves productivity, management cycles and environmental impact. Its solutions are used by over 80,000 organisations worldwide including Adecco, AGF, Aldine, EDF, Flammarion, Lafarge, Manpower, Whirlpool and Samsung.

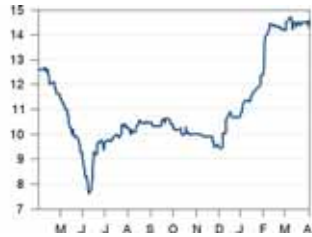
Y/E Mar	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	27.48	0.86	1.16	N/A	N/A
2010A	32.70	1.80	1.47	N/A	N/A
2011E	N/A	N/A	N/A	N/A	N/A
2012E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Food & Drink

Price: €14.60
Price as at 1 April 2011

Share price graph (€)



Company description

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

Price performance

%	1m	3m	12m
Actual	3.2	34.3	15.8
Relative*	3.4	29.4	12.9

* % Relative to local index

Analyst

Fiona Orford-Williams

Eurogerm (ALGEM)

Market cap: €63m

COMPANY COMMENT

Sales were marginally ahead in H111, but with the earlier restructuring now coming through and the extension of the Saint-Apollinaire factory coming onstream, margins moved ahead from 8.2% to 9.5%. Export sales made further gains and now account for 46.4% of revenues. International expansion (with Europe, South America and Africa the primary target markets and Eurogerm USA launched in November) and new product innovation are core elements of group strategy. The 10-year 50:50 JV with Japanese-quoted bakery products group, Nisshin Seifun, enables access to ASEAN markets and allows technology share.

INDUSTRY COMMENT

The repercussions of 2010's weather sent grain prices sharply upwards and French bread prices followed. Wheat stocks remain short, with each €0.30 increase per ton increasing the cost of a baguette by €0.01. The impact on demand is not yet clear. Wheat futures have come back from their end-January peak but remain high. Around two-thirds of wheat production is destined for bakery, with artisan bakers still the largest retail segment.

Y/E Mar	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	51.90	4.20	3.10	N/A	N/A
2010A	50.01	0.00	1.79	0.46	31.74
2011E	52.05	N/A	2.27	0.59	24.75
2012E	53.47	N/A	2.46	0.64	22.81

Where available, consensus data has been sourced from Thomson Datastream

Sector: Engineering

Price: €2.00
Price as at 1 April 2011

Share price graph (€)



Company description

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

Price performance

%	1m	3m	12m
Actual	11.1	25.0	(14.3)
Relative*	11.3	(9.9)	(16.4)

* % Relative to local index

Analyst

Roger Leboff

Europlasma (ALEUP)

Market cap: €26m

COMPANY COMMENT

In a tough market, Air Pollution Control (66% of sales) grew revenues by 10% y-o-y in H110, benefiting from a prior strategy to reposition sales resources on securing government contracts. Other divisions were also ahead. In July the group raised €6.3m in new equity and closed a deal to build a CHO-Power plant in Morcenx (biomass or residual waste power production based on enhanced gasification technique, using plasma torch technologies), with a €26m injection from its financial partner. This €40m contract will see over €15m in revenues recognised in FY10, the balance in FY11.

INDUSTRY COMMENT

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

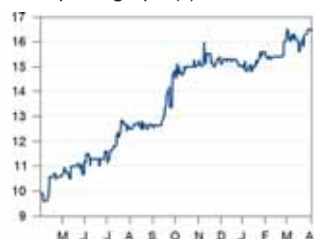
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2008A	2.32	(2.41)	(1.43)	N/A	N/A
2009A	1.02	(3.94)	(3.14)	N/A	N/A
2010E	N/A	N/A	N/A	N/A	N/A
2011E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Electrical Equipment

Price: €16.42
Price as at 1 April 2011

Share price graph (€)



Company description

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

Price performance

%	1m	3m	12m
Actual	(0.4)	9.6	66.0
Relative*	(0.2)	2.2	61.9

* % Relative to local index

Analyst

Richard Finch

Evolis (ALTV)

Market cap: €85m

COMPANY COMMENT

Evolis has topped its own ambitious guidance for 2010 with a 30% increase in sales and trading profit up by a half. Kinder market conditions apart, restructuring, product innovation and enhanced distribution look to explain this success. Progress has been across the board, both by geography and activity, with distribution particularly strong in the Americas, in Asia and latterly in EMEA and the smaller project business growing sales by over 50%. Secure finances (debt free at December and cash generative) will support the company's five-year plan to accelerate its product and services innovation and expand in key markets worldwide.

INDUSTRY COMMENT

US competitor Zebra Technologies continues to please with Q410 sales at the top end of guidance at +11% (+14% constant currency), reflecting improved conditions in all regions, especially in Latin America and Asia Pacific. Q111 sales, adjusted for disposals, are forecast to be up between 6% and 11%. HID/Fargo, part of the Swedish group ASSA ABLOY, reported further strong demand in Q410 for identification solutions and access control.

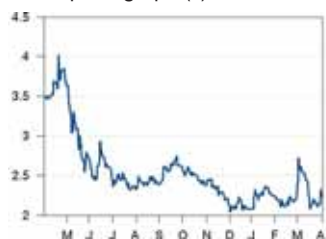
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	32.70	4.80	3.30	N/A	N/A
2010A	42.50	7.20	5.50	N/A	N/A
2011E	N/A	N/A	N/A	N/A	N/A
2012E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Pharma & Healthcare

Price: €2.22
Price as at 1 April 2011

Share price graph (€)



Company description

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

Price performance

%	1m	3m	12m
Actual	(7.9)	6.7	(36.2)
Relative*	(7.7)	(21.2)	(37.8)

* % Relative to local index

Analyst

Mick Cooper

ExonHit Therapeutics (ALEHT)

Market cap: €74m

COMPANY COMMENT

ExonHit continues to make good progress in both its diagnostics and therapeutics divisions. Its lead diagnostic test for Alzheimer's disease, AclarusDx, has received its CE mark and has started a 600-patient clinical trial in the leading memory centres across France. A validation study for its breast cancer diagnostic EHT Dx14 is also underway. In 2010 its collaboration with Allergan was extended and ExonHit earned a \$4m milestone when the EHT/AGN 0001 programme was out-licensed to Bristol-Myers Squibb. One setback in FY10 was the cancelled acquisition of Redpath. It ended 2010 with €25.3m and expects its cash burn to increase to €10m in FY10 because of the launch of AclarusDx.

INDUSTRY COMMENT

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

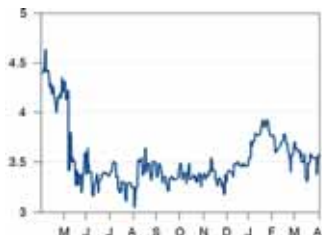
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	4.90	(9.70)	(7.70)	(0.27)	N/A
2010A	8.40	(7.00)	(7.70)	N/A	N/A
2011E	5.00	(8.00)	(6.00)	(0.18)	N/A
2012E	3.00	(10.00)	(8.00)	(0.24)	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Pcare and household prd

Price: €3.55
Price as at 1 April 2011

Share price graph (€)



Company description

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

Price performance

%	1m	3m	12m
Actual	(4.1)	0.3	(3.2)
Relative*	(3.9)	(7.6)	(5.6)

* % Relative to local index

Analyst

Richard Finch

Fashion B Air (ALFBA)

Market cap: €26m

COMPANY COMMENT

2010 ended on a high note with Q4 sales up by half, contributing to a 41% rise in full-year trading profit. The company's policy of developing its own shops paid off spectacularly with 26% like-for-like top-line growth while online sales rose tenfold, albeit from a small base. There was also a clear benefit from moving the fashion collections more upmarket and expanding the range of accessories. 2011 appears set fair with current trading buoyant and a boost from planned new outlets in Galeries Lafayette Groupe stores. December's €8m fund-raising so soon after last summer's €2.5m transaction shows management's eagerness to capitalise on growing awareness of the Bel Air brand.

INDUSTRY COMMENT

Markit's latest survey shows the underlying trend of French retail sales in Q111 to be one of solid growth and provides encouragement that sales may hold up despite inflation and a weak labour market. Bel Air's relatively mainstream position despite moving upscale is highly competitive owing to cheap imports and low barriers to entry.

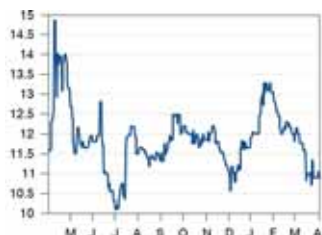
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	15.49	1.77	1.26	N/A	N/A
2010A	19.40	2.50	1.60	N/A	N/A
2011E	N/A	N/A	N/A	N/A	N/A
2012E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Engineering

Price: €10.85
Price as at 1 April 2011

Share price graph (€)



Company description

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

Price performance

%	1m	3m	12m
Actual	(9.6)	(9.0)	(6.3)
Relative*	(9.4)	(19.5)	(8.6)

* % Relative to local index

Analyst

Richard Finch

Fountaine Pajot (ALFPC)

Market cap: €17m

COMPANY COMMENT

Fountaine Pajot's mid-April update should show whether the optimism of its latest report in January holds good (a subdued share price suggests otherwise). The long-promised recovery duly materialised in the half to August as sales rose for the first time since before the recession and profitability was restored (albeit only at a fraction of pre-recession levels). The company is now well placed to benefit from its commitment to its model launch programme during hard times. Longer term, it expects to benefit from developing markets, eg China, the Middle East and Turkey, the offer of complementary services, innovative marketing, such as timeshare, and sustained fleet investment.

INDUSTRY COMMENT

Market leader Beneteau has recently confirmed its forecast of boat sales up by 20% in its year to August, while asserting that it has "outpaced the markets by some way". Recovery is endorsed also by Rodriguez, which grew yacht sales by 54% in the quarter to December.

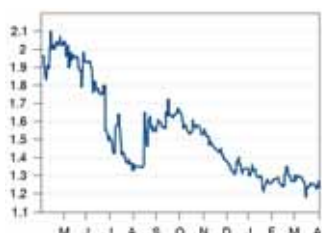
Y/E Aug	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	33.80	1.90	(0.50)	N/A	N/A
2010A	32.20	(1.80)	(2.40)	N/A	N/A
2011E	35.50	1.30	0.60	0.36	30.14
2012E	38.90	2.40	1.20	0.75	14.47

Where available, consensus data has been sourced from Thomson Datastream

Sector: Engineering

Price: €1.23
Price as at 1 April 2011

Share price graph (€)



Company description

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

Price performance

%	1m	3m	12m
Actual	(5.4)	(5.4)	(37.2)
Relative*	(5.2)	(32.5)	(38.8)

* % Relative to local index

Analyst

Richard Finch

GEI Aviation (ALRAI)

Market cap: €82m

COMPANY COMMENT

GEI Aviation reports continued progress in developing a global sales and support network to meet expected demand for the F406, a proven leader in surveillance, and for the new Skylander aircraft (the first prototype is due to fly by the end of 2011 with deliveries starting a year later and targeted production of 1500 aircraft by 2028). An agreement with a Chinese client for 10 F406 underpins a group portfolio of about 30 aircraft (total value c €150m) subject to order or advanced negotiation. Predictably, the group remained loss making at the trading level in the six months to September.

INDUSTRY COMMENT

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

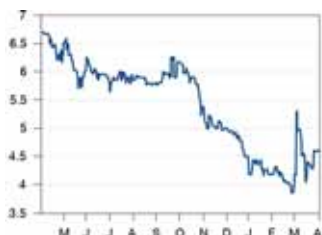
Y/E Dec / Mar	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	5.63	(2.02)	(2.26)	N/A	N/A
2010A	9.30	0.00	(3.60)	N/A	N/A
2011E	18.40	(0.90)	(1.80)	(0.03)	N/A
2012E	22.00	2.30	1.30	0.02	61.50

Where available, consensus data has been sourced from Thomson Datastream

Sector: Pharma & Healthcare

Price: €4.60
Price as at 1 April 2011

Share price graph (€)



Company description

Genfit focuses on drug discovery and development for early diagnosis and prevention of cardiometabolic and neurodegenerative disorders such as prediabetes/diabetes, atherosclerosis, dyslipidaemia, obesity, and Alzheimer's.

Price performance

%	1m	3m	12m
Actual	10.0	10.0	(31.2)
Relative*	10.3	(32.4)	(32.9)

* % Relative to local index

Analyst

Mick Cooper

Genfit (ALGFT)

Market cap: €54m

COMPANY COMMENT

Genfit's lead drug, GFT505, has considerable potential as a diabetes product. It has been shown to potentiate insulin sensitivity in non-diabetic subjects and its ability to reduce HbA1c levels in the blood is now being assessed in a new Phase II trial. The company is negotiating the partnering of this product currently. Genfit also has two other diabetes drugs in Phase I development, which are partnered with Sanofi-Aventis and Solvay. It has recently strengthened its relationship with Sanofi-Aventis by forming a new drug discovery collaboration in metabolic disorders from which it could receive €55m in milestones. Its cash position in June 2010 was €18m, and its cash burn rate is c €1m per month.

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 increase from 40m in 2007 to 74m in 2025, and current treatments are only successful in slowing the progression of diabetes.

Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2008A	14.59	(4.09)	(3.96)	(0.35)	N/A
2009A	10.83	(5.93)	(7.37)	(0.65)	N/A
2010E	N/A	N/A	N/A	N/A	N/A
2011E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Pharma & Healthcare

Price: €2.82
Price as at 1 April 2011

Share price graph (€)



Company description

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

Price performance

%	1m	3m	12m
Actual	(1.4)	0.7	(2.1)
Relative*	(1.2)	(16.3)	(4.5)

Analyst

Mick Cooper

GenOway (ALGEN)

Market cap: €17m

COMPANY COMMENT

GenOway supplies over 240 academic institutions and 65 biopharmaceutical companies with its genetically-modified animals. Its proprietary technology is used to establish standard disease models or to generate specific transgenic animals to order. It reported its first profits in FY09 and has maintained its momentum in FY10. Sales rose by 11% over the last year to €7.3m and its net income increased by 380% to €0.56m. The company announced in January that it is developing new animal models for atherosclerosis as part of the micro-Path consortium. The resultant animals should be a valuable addition to GenOway's product portfolio because of the focus of the pharmaceutical industry on cardiovascular diseases.

INDUSTRY COMMENT

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

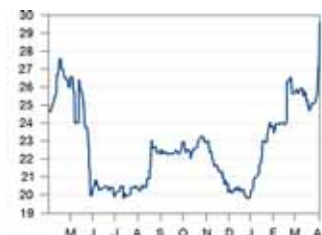
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	8.18	0.40	0.10	N/A	N/A
2010A	8.63	7.00	0.60	N/A	N/A
2011E	N/A	N/A	N/A	N/A	N/A
2012E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Property

Price: €29.57
Price as at 1 April 2011

Share price graph (€)



Company description

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

Price performance

%	1m	3m	12m
Actual	14.9	45.8	20.0
Relative*	15.1	16.8	17.0

Analyst

Roger Leboff

Groupe Proméo (ALMEO)

Market cap: €91m

COMPANY COMMENT

A strong FY10 gives a good foundation for the current year. The property arm, Heritage Village Centre, reported a 27% y-o-y increase in reservations. The leisure operation, Village Recreation Centre, saw 36% revenue growth and intends to continue to build on its position as a leading provider of European camping and caravanning. It acquired nine new hotel sites, which add c 6,500 locations, bringing the portfolio to over 16,000 locations. That coupled with strong cost control is forecast to result in an over-20% increase in operating profit in FY11.

INDUSTRY COMMENT

The group is a specialist developer and operator of French leisure accommodation, with turnover derived from two divisions, Village Heritage Centre (68%) and Village Recreation Centre (32%). It regards the integration of property development, marketing and site operation as a relatively robust business model with competitive advantages, synergies between group divisions and a more balanced revenue profile combining rental and property sales.

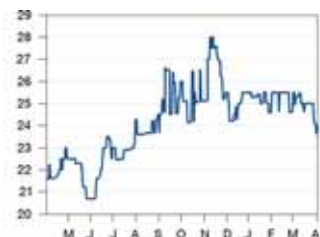
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2008A	105.13	15.07	7.62	N/A	N/A
2009A	122.36	12.60	5.57	N/A	N/A
2010E	132.07	14.55	6.89	2.25	13.14
2011E	159.43	17.83	9.57	2.94	10.06

Where available, consensus data has been sourced from Thomson Datastream

Sector: Technology

Price: €24.00
Price as at 1 April 2011

Share price graph (€)



Company description

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

Price performance

%	1m	3m	12m
Actual	(5.9)	(5.9)	11.1
Relative*	(5.7)	(16.4)	8.4

Analyst

Richard Finch

Harvest (ALHVS)

Market cap: €33m

COMPANY COMMENT

Harvest continues to impress with a strengthening 2011 orderbook (+15% in early March) complementing a c 30% rise in H210 trading profit. The ability to serve key large accounts is paying off as conditions improve, as is Harvest's long-standing focus on recurrent income (two-thirds of group sales are from maintenance and licence leasing). In addition, there has been a marked recovery in the independent financial adviser market, which has been especially affected by the downturn. The €3m acquisition of a head office in Paris (funded entirely from 2010 cash flow) is expected to benefit trading profit in the current year. Harvest remains debt free.

INDUSTRY COMMENT

The French government is forecasting an acceleration in GDP growth to 2% in 2011 from 1.5% last year (-2.5% in 2009). The Bank of France expects GDP to rise by 0.8% in the first quarter.

Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2008A	12.23	2.85	1.92	1.39	17.27
2009A	13.24	2.72	2.33	N/A	N/A
2010E	15.23	3.59	2.25	N/A	N/A
2011E	16.30	3.53	2.45	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Oil & Gas

Price: €28.10
Price as at 1 April 2011

Share price graph (€)



Company description

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

Price performance

%	1m	3m	12m
Actual	8.9	8.9	20.5
Relative*	9.1	13.1	17.6

Analyst

Stephen Rogers

Heurtey Petrochem (ALHPC)

Market cap: €92m

COMPANY COMMENT

A rebounding of the price of oil and subsequent investment in refining capacity boosted Heurtey's results for 2010. Revenues for the year reached €235m, just above the levels reached in 2008. Margins also improved, with the operating margin growing from 3.7% in 2009 to 4% in 2010 as a result of tight cost control of contracts. Refining accounted for just over 50% of group revenues, up from 46% in 2009, while the growing economies of the Far East accounted for about half of turnover, up significantly from the previous year (39%). For 2011 the group has already secured €55m worth of contracts and expects revenue of at least €250m for the year.

INDUSTRY COMMENT

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

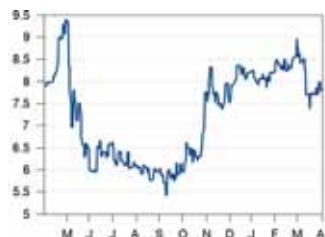
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	200.10	7.40	2.80	0.80	35.13
2010A	235.40	9.40	4.50	1.28	21.95
2011E	231.80	8.50	5.55	1.84	15.27
2012E	253.32	9.00	6.88	2.24	12.54

Where available, consensus data has been sourced from Thomson Datastream

Sector: Technology

Price: €7.80
Price as at 1 April 2011

Share price graph (€)



Company description

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

Price performance

%	1m	3m	12m
Actual	(10.7)	(5.3)	(1.3)
Relative*	(10.5)	18.7	(3.7)

* % Relative to local index

Analyst

Roger Leboff

Hitechpros (ALHIT)

Market cap: €14m

COMPANY COMMENT

FY10 saw 20%, almost entirely organic, increase in sales (well ahead of underlying industry growth), better operating margins and nearly doubled net profit. The momentum built over the year; Q4 turnover was 34% ahead y-o-y. That operating performance and a year-end balance sheet with \$4.3m net cash provides confidence to back new product initiatives for the medium term. The dividend was €0.35/share for FY10, distribution of over 70% of net earnings.

INDUSTRY COMMENT

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

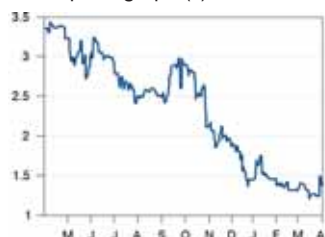
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	10.53	1.04	0.46	N/A	N/A
2010A	12.60	1.30	0.87	N/A	N/A
2011E	12.01	1.08	0.88	N/A	N/A
2012E	13.27	1.19	0.93	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Technology

Price: €1.36
Price as at 1 April 2011

Share price graph (€)



Company description

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

Price performance

%	1m	3m	12m
Actual	2.3	(6.2)	(57.3)
Relative*	2.4	(55.2)	(58.3)

* % Relative to local index

Analyst

Roger Leboff

HoloSfind (ALHOL)

Market cap: €6m

COMPANY COMMENT

The plunge in FY10 revenues reflects a strategic overhaul, with closure of unprofitable activities and increased focus on high value-added software, mobile internet and iPhone activities. These attracted over 90 new accounts in H210, pivoted on the need for advertisers to diversify and grow sources of traffic via iPhone apps. Revenues from the group's Adisem Software Suite (adwords campaign management/ROI optimisation) grew 77% to €1.8m. The full benefits will be seen from H111, while finances were aided by a €0.92m equity issue in January.

INDUSTRY COMMENT

The group's products put it in a strong position to capitalise on increased media spending on the internet. Its specialist divisions offer customers insight into the efficacy of their online marketing. It has over 1,200 clients, including Microsoft, Accor, 3 Suisses, Vivendi, Intermarché, Metro, Yellow Pages/Pages Jaunes, Groupe AB, Ricoh, Axa Health and Lenôtre. The group has offices in Paris, Bucharest, London, New York and Palo Alto (R&D).

Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2008A	17.58	0.09	(0.08)	(0.28)	N/A
2009A	15.80	0.70	0.50	N/A	N/A
2010E	N/A	N/A	N/A	N/A	N/A
2011E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Travel & Leisure

Price: €3.75
Price as at 1 April 2011

Share price graph (€)



Company description

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

Price performance

%	1m	3m	12m
Actual	7.1	8.7	20.6
Relative*	7.3	8.8	17.6

* % Relative to local index

Analyst

Richard Finch

Homair (ALHOM)

Market cap: €50m

COMPANY COMMENT

Homair has recently confirmed full-year guidance of sales growth of more than 20%. This includes Al Fresco, acquired from TUI Travel, which will boost the company's mobile-home stock by 15% in 45 campsites, mainly in France, Italy and Spain; like-for-like sales at the end of March were up by just 4%. Importantly, the deal also strengthens access to the UK market for other company products. Homair's continuing expansion contradicts competitors who have cut capacity (eg Eurocamp -3% for 2011), and have an asset-light model. At September (before the Al Fresco deal), Homair's gearing was over 100% and net debt/EBITDA 2.4x.

INDUSTRY COMMENT

The need to invest to meet the long-standing flight to quality, allied with economic pressures on smaller players, may hasten consolidation of a fragmented market (Homair, as leader, has only 5% of mobile home stock and continues to expand). Camping is a value product, viz Eurocamp's almost flat 2010 sales despite 8% less capacity.

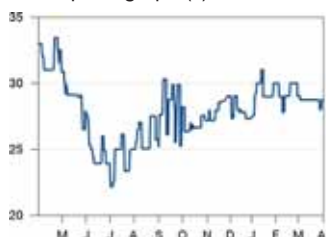
Y/E Sep	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	42.70	5.80	2.41	N/A	N/A
2010A	46.57	7.05	2.15	N/A	N/A
2011E	61.80	N/A	2.80	0.24	15.63
2012E	67.50	N/A	3.40	0.29	12.93

Where available, consensus data has been sourced from Thomson Datastream

Sector: Travel & Leisure

Price: €28.70
Price as at 1 April 2011

Share price graph (€)



Company description

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

Price performance

%	1m	3m	12m
Actual	(1.0)	4.4	(13.0)
Relative*	(0.9)	(7.8)	(15.2)

* % Relative to local index

Analyst

Richard Finch

Hotel Regina Paris (ALHRP)

Market cap: €68m

COMPANY COMMENT

Despite another quarter of double-digit organic revenue growth (Q410 +13%), which reversed Q409's trading loss, Hotel Regina Paris remained marginally unprofitable at the trading level in 2010. This reflected the cost of re-opening one of the group's three properties, the Majestic, in January after a €25m refurbishment, as well as continued pricing pressure (average room rate rose by just 2% despite the inclusion in 2010 of the upscale Majestic). While the Regina benefited (revenue +22%) from a recovery in overseas demand and improved online distribution, the Raphael could only hold revenue owing to fewer Middle East guests in August and nearby construction work. Senior management was reorganised during the year.

INDUSTRY COMMENT

According to Deloitte, in January the Parisian four-star segment achieved 9% RevPAR growth, driven by both occupancy and average room rate, which is impressive as it matches the recovery-led gain in 2010. While the economic outlook is uncertain, the Parisian upscale segment benefits from strong international custom in a branded destination.

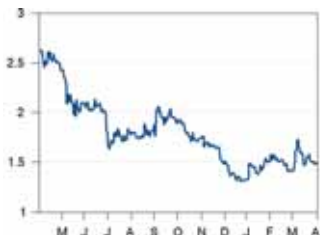
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	17.50	(0.20)	1.10	N/A	N/A
2010A	22.20	(0.30)	(0.40)	N/A	N/A
2011E	N/A	N/A	N/A	N/A	N/A
2012E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Pharma & Healthcare

Price: €1.48
Price as at 1 April 2011

Share price graph (€)



Company description

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

Price performance

%	1m	3m	12m
Actual	5.0	11.3	(43.5)
Relative*	5.2	(30.2)	(44.9)

* % Relative to local index

Analyst

Robin Davison

Hybrigenics (ALHYG)

Market cap: €19m

COMPANY COMMENT

Hybrigenics is developing an analogue of vitamin D3, inecalcitol, for the treatment of prostate cancer and severe psoriasis. The drug could potentially be launched in 2017 and generate revenues of c \$4bn across these two major indications. Data from a Phase IIa trial in castrate resistant prostate cancer provided evidence of inecalcitol's excellent tolerability in combination with docetaxel (Taxotere) and promising indications of efficacy. The development of inecalcitol and the preclinical pipeline is partly funded by the income from Hybrigenics's service division, a leader in detecting protein-protein interactions using yeast two-hybrid techniques. Hybrigenics had a net cash position of €2.4m in at the end of 2010 and can draw €11.6m from an equity line with Yorkville, which could fund clinical activity beyond 2012.

INDUSTRY COMMENT

Other potential therapeutic indications of inecalcitol include hormone dependent prostate cancer and psoriasis, where the existing market - TNF alpha targeting therapy - is valued at \$2.4bn/year.

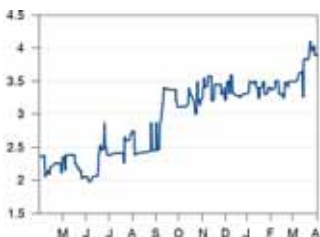
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2008A	4.33	(7.20)	(6.40)	(57.70)	N/A
2009A	4.80	(4.90)	(4.20)	(35.70)	N/A
2010E	4.50	(4.80)	(4.00)	(31.50)	N/A
2011E	4.70	(6.00)	(4.30)	(29.90)	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Electrical Equipment

Price: €3.86
Price as at 1 April 2011

Share price graph (€)



Company description

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

Price performance

%	1m	3m	12m
Actual	10.6	16.6	63.6
Relative*	10.8	12.4	59.5

* % Relative to local index

Analyst

Roger Leboff

i2S (ALI2S)

Market cap: €7m

COMPANY COMMENT

Vision activities were the driver for 32% growth in full-year sales, 52% ahead at €7m. DigiBook was up 13% for FY10, but flat in Q4, as customers in Western economies coped with restrictions on public funding. Vision's highlights included strong performances by OEM (biomedical, sport and clean tech), overall up 280% to €1.5m. The outlook is confident. DigiBook's markets will remain competitive with public finances under pressure, but new sales channels, product launches and broad geographical coverage should contribute in FY11.

INDUSTRY COMMENT

The group is a leading supplier of scanners for books, journals, archives and bound documents (DigiBook), so involves digital enhancement of cultural, administrative and industrial assets. i2S has products in such fields as digital vision, optronics and professional image processing. It also provides high specification digital cameras suitable for surface inspection, used by manufacturers of glass, plastic film, non-woven materials and paper for quality control.

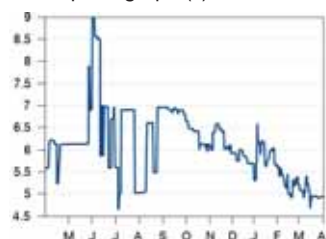
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2008A	13.30	(0.50)	(0.40)	N/A	N/A
2009A	9.78	(0.07)	(0.30)	N/A	N/A
2010E	12.60	0.34	N/A	N/A	N/A
2011E	13.87	0.73	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Industrial Support Services

Price: €4.92
Price as at 1 April 2011

Share price graph (€)



Company description

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

Price performance

%	1m	3m	12m
Actual	(5.7)	(7.3)	(12.0)
Relative*	(5.6)	(33.0)	(14.2)

* % Relative to local index

Analyst

Roger Leboff

IC Telecom (ALICT)

Market cap: €11m

COMPANY COMMENT

Figures for H1 were again affected by change in accounting policy, with revenues (net of refinancing costs) marginally up at €7.4m, vs €7.3m for the equivalent period last year. During the first half the group continued to build sales momentum in Paris and regionally with new offices in Toulouse, Strasbourg and Lyon. The customer base has grown organically and via acquisition, through business assets and IP from Artys Telecom in early 2011. The statement included confidence about the outlook for the current year. Interims are due 14 April.

INDUSTRY COMMENT

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

Y/E Jun	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	15.70	3.65	1.08	N/A	N/A
2010A	19.40	0.00	0.00	N/A	N/A
2011E	N/A	N/A	N/A	N/A	N/A
2012E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Financials

Price: €28.51
Price as at 1 April 2011

Share price graph (€)



Company description

IDSUD specialises in supplying financial services.

Price performance

%	1m	3m	12m
Actual	(9.5)	(2.9)	0.4
Relative*	(9.3)	(4.7)	(2.1)

* % Relative to local index

Analyst

Roger Leboff

IDSUD (ALIDS)

Market cap: €27m

COMPANY COMMENT

The fall in FY10 revenues was chiefly due to closure of the group's international gaming activities, responsible for a €414,000 shortfall vs FY09. Currency and precious metals trading was 6.5% ahead, but travel was level in a difficult market. Group operations appear to be picking up after a difficult 2009, with some reversal of provisions within its real estate (France and Morocco) and gaming activities in overseas territories. The latter was disrupted when market turmoil mean IDSUD could not secure previously agreed bank finance.

INDUSTRY COMMENT

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

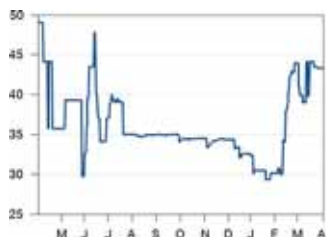
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2008A	2.40	(5.30)	(2.30)	N/A	N/A
2009A	2.10	(8.10)	(4.70)	N/A	N/A
2010E	N/A	N/A	N/A	N/A	N/A
2011E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Support Services

Price: €43.30
Price as at 1 April 2011

Share price graph (€)



Company description

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

Price performance

%	1m	3m	12m
Actual	(1.3)	33.9	(11.7)
Relative*	(1.2)	14.5	(13.9)

* % Relative to local index

Analyst

Richard Finch

Inventoriste (ALIVT)

Market cap: €57m

COMPANY COMMENT

A 78% rise in H210 sales has been driven by international expansion, notably a small acquisition in Belgium and a Polish start-up in H1 and royalties from a new Moroccan franchise from the start of the period. 2010 results, due in April, will show how core trading has performed (H110 group trading profit more than halved owing to continued client budget cuts and stock rationalisation). Last summer, long-standing investor Barberine increased its holding to 95%. In 2009 key investors, holding 87%, offered to buy out minority holders via a price guarantee of €24.

INDUSTRY COMMENT

Markit's latest survey shows the underlying trend of French retail sales in the first quarter of 2011 to be one of solid growth. Buoyancy in March is attributed variously to higher customer footfall, new product launches and promotional offers. Markit is hopeful that retail sales should hold up despite the pressure on consumer spending from inflation and a weak labour market.

Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2008A	23.29	3.46	2.22	1.69	25.62
2009A	17.86	0.67	0.38	N/A	N/A
2010E	N/A	N/A	N/A	N/A	N/A
2011E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Pharma & Healthcare

Price: €7.25
Price as at 1 April 2011

Share price graph (€)



Company description

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

Price performance

%	1m	3m	12m
Actual	1.8	1.7	(20.4)
Relative*	2.0	(0.5)	(22.4)

* % Relative to local index

Analyst

Mick Cooper

Ipsogen (ALIPS)

Market cap: €37m

COMPANY COMMENT

Ipsogen's sales rose by 24% to €8.4m during FY10. This was driven by the number cancer centres using its JAK2 test increasing from six to 22; sales of this kit accounted for 60% of total revenues. However, its operating loss did increase from €2.7m to €3.7m because of its investment in R&D. Its sales growth should be maintained by the continued adoption of the JAK2 kit, the launch of BCR-ABL Mbc test for chronic myeloid leukaemia and initial sales of its first breast cancer test (Ipsogen is looking for a partner to sell its breast cancer tests in the US). Its cash position at FY10 was €9.6m compared to €12.9m at FY09, and the company expects to reach break even by the end of FY12.

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)
2008A	4.12	(1.27)	(1.10)	N/A	N/A
2009A	6.73	(2.70)	(2.57)	N/A	N/A
2010E	N/A	N/A	N/A	N/A	N/A
2011E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Technology

Price: €6.34
Price as at 1 April 2011

Share price graph (€)



Company description

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

Price performance

%	1m	3m	12m
Actual	0.6	8.4	16.5
Relative*	0.8	(4.1)	13.7

* % Relative to local index

Analyst

Roger Leboff

Keyyo (ALKEY)

Market cap: €19m

COMPANY COMMENT

Q410 was another record quarter, 15% ahead of Q409 due to the success of a strategy focused on selling subscriptions of high valued-added VoIP services to SMEs. Business division sales were up 29% and contributed around half group sales. Personal sales, direct to retail customers, were flat overall for FY10, but resumed growth in Q4. In FY11 the group expects to benefit from the recent launch of Keyyo Mobile, white-label partnerships with Alsatis and Nordnet, and the ongoing consolidation of the call shop market in France.

INDUSTRY COMMENT

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

Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2008A	16.10	2.60	3.70	0.15	42.27
2009A	18.40	0.92	1.00	0.38	16.68
2010E	20.15	0.70	(0.90)	0.32	19.81
2011E	23.20	1.40	1.50	0.54	11.74

Where available, consensus data has been sourced from Thomson Datastream

Sector: Media & Entertainment

Price: €29.68
Price as at 1 April 2011

Share price graph (€)



Company description

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

Price performance

%	1m	3m	12m
Actual	(5.8)	2.4	60.4
Relative*	(5.6)	2.2	56.5

* % Relative to local index

Analyst

Fiona Orford-Williams

LeGuide.com (ALGUI)

Market cap: €104m

COMPANY COMMENT

LeGuide.com is a leading European operator of price comparison and shopping search-engine websites (number one in France, two in Spain, four in Germany and two across Europe), with 14.3m unique visitors across Europe, operating primarily on a CPC model. FY10 revenues were well ahead (+17%), implying a slight slowdown in Q4. Investment in technology and in people, particularly in Germany and Italy, led to a 44% increase in the number of international clients and should underpin FY11 targets.

INDUSTRY COMMENT

Use of price comparison sites is greater in France than other European territories, with penetration of 41% against 27% for Europe as a whole. Consumer resistance to online purchasing continues to erode, with 65% of French web-users now confident to transact online. Trade body FEVAD estimates that FY10 e-commerce sales were up 24% year-on-year to €31bn in 340m transactions, with Christmas sales alone accounting for €6bn.

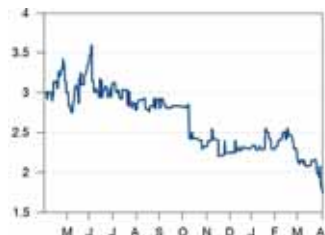
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	23.00	7.10	3.30	N/A	N/A
2010A	26.81	9.80	5.15	N/A	N/A
2011E	N/A	N/A	N/A	N/A	N/A
2012E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Technology

Price: €1.73
Price as at 1 April 2011

Share price graph (€)



Company description

Logic Instrument is a major player in the design and production of heavy-duty computers for use in hostile environments (industry, army, leisure).

Price performance

%	1m	3m	12m
Actual	(19.2)	(25.8)	(42.3)
Relative*	(19.0)	(44.4)	(43.8)

* % Relative to local index

Analyst

Roger Leboff

Logic Instrument (ALLOG)

Market cap: €4m

COMPANY COMMENT

The group reported a sharp 43% decline in revenues in H110, as the impact of the economic crisis caught up with military procurement cycles. The affect was compounded by the delayed launch of Fieldbook, its ultra mobile PC (UMPC), into Q2. A €1.23m capital injection underpins finances and will support development of new products. Profit margins have nonetheless held up well after group restructuring and refocus. During H110 the group signed two major contracts with Melchior (French army) and Atlas (UAE), with Thales. These should add €2.8m in H2, plus \$3.1m from its US subsidiary's deal with General Dynamics.

INDUSTRY COMMENT

Demand for ruggedised computers fell in France and other world markets, in part due to some consolidation after a few years of strong growth. New contracts, most recently with Singapore's Department of Defence and the launch of the new Fieldbook product in France, provide more confidence for the outlook, backed by the sector and geographical spread.

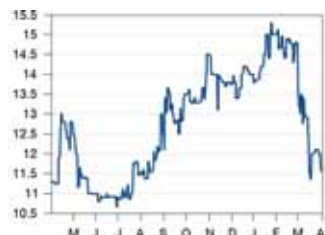
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2008A	10.81	(0.94)	(0.87)	N/A	N/A
2009A	17.91	(0.73)	(0.73)	N/A	N/A
2010E	N/A	N/A	N/A	N/A	N/A
2011E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Pcare and household prd

Price: €11.59
Price as at 1 April 2011

Share price graph (€)



Company description

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

Price performance

%	1m	3m	12m
Actual	(13.8)	(16.0)	2.7
Relative*	(13.6)	(22.3)	0.1

* % Relative to local index

Analyst

Richard Finch

Maesa (ALMAE)

Market cap: €36m

COMPANY COMMENT

Despite a missed EBITDA target (blamed on unexpected one-off US contract costs at the year end), there is reasonable cheer in Maesa's overall 2010 performance as sales rose by almost a third, EBIT doubled and debt ratios improved after adjustment of US earn-outs and June's €3m placing with management. 2010 saw breakthrough reference contracts with leading global retailers such as Zara and Payless and the development of existing accounts such as L'Oreal and Carrefour. The company seeks to reinforce this success by focusing on major accounts, which it now has the scale to access and which bring largely recurrent income. There is no formal guidance for 2011.

INDUSTRY COMMENT

L'Oreal has reported an "encouraging" start to 2011 and confidence in its ability to defy consumer spending pressures by growing full-year sales and profit. Q410 saw a slowdown in organic growth (4% against 6% in the previous nine months). New markets led the way (+8%) while Western Europe and North America were up 2% and 3% respectively.

Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2008A	38.70	5.60	2.00	N/A	N/A
2009A	62.80	0.60	(2.80)	N/A	N/A
2010E	72.10	N/A	1.50	0.48	24.15
2011E	81.70	N/A	3.40	1.10	10.54

Where available, consensus data has been sourced from Thomson Datastream

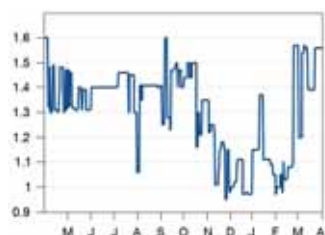
Sector: Consumer Support Services

MaKheiA Group (ALSEQ)

Market cap: €8m

Price: €1.56
Price as at 1 April 2011

Share price graph (€)



Company description

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

Price performance

%	1m	3m	12m
Actual	(0.6)	35.7	(2.5)
Relative*	(0.5)	(1.9)	(4.9)

* % Relative to local index

Analyst

Fiona Orford-Williams

COMPANY COMMENT

MaKheiA's preliminary figures for FY10 show a pick up in Q4 after restructuring and walking away from unprofitable business earlier in the year. Although the improvement was not enough to make up for the year, the group does expect to have returned to profit. Full figures are scheduled for 26 April. The realignment of the business towards B2C communications, particularly in social networking, has led to an improvement on conversion of the sales pipeline, winning new clients including Safran, Total and Alfa-Romeo.

INDUSTRY COMMENT

The rapidly changing background is making the management of brand image a far more complex activity, with social media exerting substantive influence. The fast growth in penetration of smartphones and tablets is prompting many FMCG brands to move a stage further in development of their online and mobile communication strategies. French online adspend is forecast to rise 12% in FY11 (CapGemini).

Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2008A	27.10	(0.20)	(0.17)	(0.03)	N/A
2009A	27.20	(1.06)	(1.24)	(0.25)	N/A
2010E	N/A	N/A	N/A	N/A	N/A
2011E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Construction & Bldg Mat.

Mastrad (ALMAS)

Market cap: €18m

Price: €3.35
Price as at 1 April 2011

Share price graph (€)



Company description

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

Price performance

%	1m	3m	12m
Actual	(3.5)	10.2	(18.3)
Relative*	(3.3)	(14.8)	(20.3)

* % Relative to local index

Analyst

Richard Finch

COMPANY COMMENT

Despite continued unfavourable conditions, Mastrad is at pains to suggest that domestic trading in its core business is on the mend with 14% sales growth in the quarter to December after a very depressed Q3. While the impact of an overall 2% fall in H210 sales in this key activity awaits results in late April, there is further encouragement in improving export and North American sales and especially at Kitchen Bazaar (+20% in H210) thanks largely to successful store openings (group sales +6% for H210). Management remains confident that its fast-expanding product range and a revamped sales team make Mastrad well placed for further profit growth.

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', whereby people choose to socialise at home rather than go out.

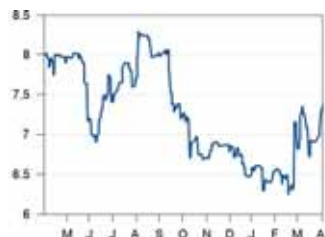
Y/E Jun	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2008A	18.09	0.24	0.00	N/A	N/A
2009A	22.64	0.68	0.81	N/A	N/A
2010E	31.50	2.50	1.80	0.34	9.85
2011E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Media & Entertainment

Price: €7.37
Price as at 1 April 2011

Share price graph (€)



Company description

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

Price performance

%	1m	3m	12m
Actual	8.2	12.0	(8.0)
Relative*	8.4	(8.2)	(10.3)

* % Relative to local index

Analyst

Fiona Orford-Williams

Maximiles (ALMAX)

Market cap: €30m

COMPANY COMMENT

Maximiles' loyalty schemes have 7.8m members in mutual schemes on over 100 merchants' sites, with a further 50 white-label schemes, but revenues (derived mostly in UK and France) were down by 8.3%. Difficult trading in direct marketing affected revenues more heavily and sales teams have been restructured. Growth has been much stronger in Maximiles' online panels business, 90% organic in Panelbiz, the German business bought in August 10. This extended the group's reach to seven European territories with over two million panellists.

INDUSTRY COMMENT

French e-commerce continues to strengthen, with industry body FEVAD estimating FY10 sales up 24% at €341bn in 340m transactions. Spending over the Christmas period was €6bn (+20%). Numbers of online merchants continue to increase, including many bricks-and-mortar retailers adding online channels. Search and price comparison sites have undermined traditional concepts of customer loyalty. If the offer, service level and pricing are right, reward programmes are one of the few remaining options for differentiation.

Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2008A	16.48	2.42	2.70	0.66	11.17
2009A	15.58	1.90	0.62	N/A	N/A
2010E	17.10	2.00	1.65	0.37	19.92
2011E	20.55	2.70	1.50	0.48	15.35

Where available, consensus data has been sourced from Thomson Datastream

Sector: Pharma & Healthcare

Price: €10.00
Price as at 1 April 2011

Share price graph (€)



Company description

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

Price performance

%	1m	3m	12m
Actual	29.7	46.2	57.0
Relative*	29.9	39.3	53.1

* % Relative to local index

Analyst

Mick Cooper

MEDICREA International (ALMED) Market cap: €80m

COMPANY COMMENT

MEDICREA has worked with some of France's leading orthopaedic surgeons to develop a broad range of innovative spinal implants. They are marketed directly in France, UK and US and the company is expanding its salesforce across Europe, with its products sold by distributors in over 20 other countries. During FY10 sales increased by 39% to €18.2m, following sales growth of 47% in H210. This enabled MEDICREA to reach break even (sales of c €1.7m per month) in H210. Its strong sales growth should be maintained by the increased adoption of its products, the expansion of its salesforce and the continued launch of its cervical disk prosthesis, GRANVIA C. MEDICREA has had a good start to 2011 with sales increasing by 52.5% to €5.2m during Q111, so it should become profitable in FY11.

INDUSTRY COMMENT

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

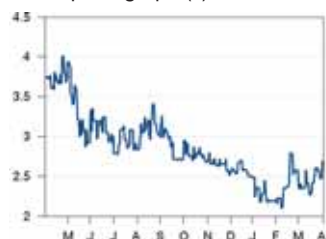
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	13.10	(2.40)	(2.60)	N/A	N/A
2010A	18.20	(1.20)	(2.50)	N/A	N/A
2011E	N/A	N/A	N/A	N/A	N/A
2012E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: General Retailers

Price: €2.68
Price as at 1 April 2011

Share price graph (€)



Company description

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

Price performance

%	1m	3m	12m
Actual	14.5	8.1	(28.3)
Relative*	14.7	(17.7)	(30.1)

* % Relative to local index

Analyst

Richard Finch

MG International (ALMGI)

Market cap: €9m

COMPANY COMMENT

A rise of 18% in like-for-like 2010 sales and a promising orderbook (even stronger growth expected in the current year) bring overdue encouragement. In particular, the Dolphin robot pool cleaner has already generated the level of sales it achieved in the whole of last year and the alarms business has its highest orderbook since 2006, which endorses last year's enhanced investment in marketing. MG is looking also to benefit from the commercial synergies of its Maytronics partnership both in France and internationally. Despite such optimism, overall returns remain subdued with a loss at the trading level persisting in H210.

INDUSTRY COMMENT

The outlook for French retail sales remains uncertain as economic recovery is countered by lower consumer purchasing power and high unemployment, which could stifle willingness to buy high-ticket items such as swimming pools.

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

Where available, consensus data has been sourced from Thomson Datastream

Sector: Electrical Equipment

Price: €9.60
Price as at 1 April 2011

Share price graph (€)



Company description

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

Price performance

%	1m	3m	12m
Actual	1.4	(1.6)	12.9
Relative*	1.6	(1.2)	10.2

* % Relative to local index

Analyst

Roger Leboff

MGI Dig Graphic Tech (ALMDG)

Market cap: €45m

COMPANY COMMENT

FY09 results demonstrated a relatively robust performance given the tough economic environment. Turnover rose 11% to €17.2m, although higher stock, other charges and personal costs resulted in a €0.6m fall in operating profit to €3.2m. MGI designs, manufactures and sells equipment for the production of plastic cards to customers in France and overseas. Its product range includes innovative digital multi-paper (paper and plastic) printing, finishing and converting devices. It is France's second-largest provider of professional digital presses and also develops and sells management software for the medical and paramedical professions.

INDUSTRY COMMENT

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

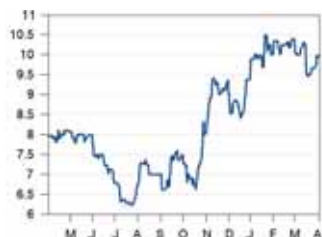
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2008A	15.55	2.96	2.85	N/A	N/A
2009A	17.22	3.21	2.54	N/A	N/A
2010E	19.10	3.50	2.70	0.58	16.55
2011E	22.00	4.00	3.20	0.67	14.33

Where available, consensus data has been sourced from Thomson Datastream

Sector: Electrical Equipment

Price: €9.98
Price as at 1 April 2011

Share price graph (€)



Company description

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

Price performance

%	1m	3m	12m
Actual	(0.9)	0.9	25.5
Relative*	(0.7)	24.1	22.4

* % Relative to local index

Analyst

Roger Leboff

Microwave Vision (ALMIC)

Market cap: €35m

COMPANY COMMENT

The 26% increase in FY10 sales y-o-y was entirely organic; civil telecommunications (43% of turnover) and aerospace & defence (57%) both produced double-digit growth. There was also a particularly strong uplift of 54% in Asia, which contributed 34% of group sales for the year, balancing North America (38%) and Europe (28%). The outlook is supported by dynamic markets, an order book valued at €29m at the end of December and strong cash generation. Full audited results are due 26 April.

INDUSTRY COMMENT

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

Y/E Mar / Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2008A	21.33	(3.00)	(2.10)	N/A	N/A
2009A	34.83	(0.28)	(0.19)	N/A	N/A
2010E	43.90	4.00	3.30	0.92	10.85
2011E	47.50	5.40	3.70	1.03	9.69

Where available, consensus data has been sourced from Thomson Datastream

Sector: Pcare and household prd

Price: €7.35
Price as at 1 April 2011

Share price graph (€)



Company description

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

Price performance

%	1m	3m	12m
Actual	5.0	20.5	30.1
Relative*	5.2	14.8	26.9

* % Relative to local index

Analyst

Roger Leboff

Millet Innovation (ALINN)

Market cap: €14m

COMPANY COMMENT

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

INDUSTRY COMMENT

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

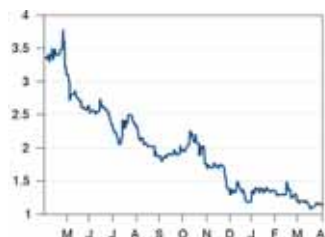
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	12.50	1.86	1.14	N/A	N/A
2010A	15.60	2.14	1.30	N/A	N/A
2011E	15.60	2.35	1.40	N/A	N/A
2012E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: General Retailers

Price: €1.10
Price as at 1 April 2011

Share price graph (€)



Company description

Mindscape is market leader in France in the development and publication of video games and interactive content for the whole family.

Price performance

%	1m	3m	12m
Actual	(7.6)	(17.9)	(67.2)
Relative*	(7.4)	(49.4)	(68.0)

* % Relative to local index

Analyst

Richard Finch

Mindscape (ALMIN)

Market cap: €6m

COMPANY COMMENT

Things arguably went from bad to worse in the seasonally-important Q4, with new product delays marring sales (-26% like-for-like) and cash flow. Management contends that this is simply a matter of timing, with the new product duly paying off early in the new financial year. Otherwise, current shortcomings explain Mindscape's wholesale re-positioning towards markets of high potential via the development of games on new generations of platforms, including its own proprietary system, re-named Karotz. Mindscape's results for the six months to June were weak, with a halving of gross profit and higher trading losses.

INDUSTRY COMMENT

Further c 25% declines in the Nintendo DS and Nintendo Wii markets in H110 risk obscuring the strong growth prospects for global gaming (up by a third by 2014, per PWC forecast). The market is changing structurally, with consumers receiving their gaming entertainment increasingly other than on consoles, eg on mobiles, via social networking sites and downloading from websites.

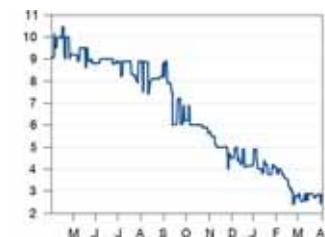
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2008A	54.29	3.02	2.10	N/A	N/A
2009A	32.09	(15.50)	(11.11)	N/A	N/A
2010E	34.00	N/A	(9.40)	(1.90)	N/A
2011E	36.90	N/A	(3.90)	(0.30)	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: General Retailers

Price: €2.79
Price as at 1 April 2011

Share price graph (€)



Company description

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

Price performance

%	1m	3m	12m
Actual	3.3	(43.1)	(69.2)
Relative*	3.5	(59.4)	(69.9)

* % Relative to local index

Analyst

Richard Finch

Monceau Fleurs (ALMFL)

Market cap: €16m

COMPANY COMMENT

Monceau found the going tough in the year to September, with flat sales despite expansion and a move into loss at the EBITDA level. However, management deems this a "year of transition" as the group restructured after the development of recent years and integration of Rapid'Flore proved more expensive than expected. Strengthened management is confident that economies of scale, notably better buying, streamlined logistics and further international expansion (now c 10% of outlets) will pay off in due course. Monceau is heavily borrowed, with €29m long-term debt at September.

INDUSTRY COMMENT

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

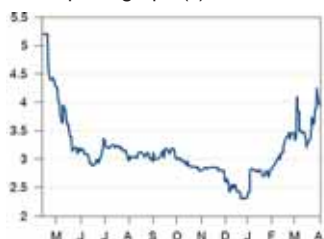
Y/E Sep	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	54.00	0.56	(2.10)	N/A	N/A
2010A	66.19	(3.62)	(5.30)	n/a	N/A
2011E	66.20	N/A	(4.90)	(0.70)	N/A
2012E	75.20	N/A	(1.70)	(0.30)	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Pharma & Healthcare

Price: €3.95
Price as at 1 April 2011

Share price graph (€)



Company description

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

Price performance

%	1m	3m	12m
Actual	18.6	63.9	N/A
Relative*	18.8	19.2	N/A

* % Relative to local index

Analyst

Mick Cooper

Neovacs (ALNEV)

Market cap: €51m

COMPANY COMMENT

Neovacs has made good progress in developing its innovative products. Data from its Phase I/II trial with TNF-kinoid in Crohn's disease gave an indication of their potential, as the drug was well tolerated and a clinical response rate of c 50% was seen at the two higher doses (of three). A Phase I/II trial with IFN-kinoid in lupus should report initial data on 8 April, preliminary data from a Phase IIa trial in Crohn's disease should be reported by the end of Q211, and data from a Phase II trial with TNF-kinoid in rheumatoid arthritis is expected at the end of Q311. Neovacs had €8.4m in cash at the end of 2010 and has recently raised €2.25m so it can complete the latter trial before needing to raise additional capital.

INDUSTRY COMMENT

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

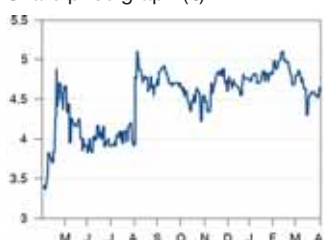
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	0.00	(8.38)	(6.90)	N/A	N/A
2010A	0.00	(0.68)	(8.90)	N/A	N/A
2011E	N/A	N/A	N/A	N/A	N/A
2012E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Media & Entertainment

Price: €4.61
Price as at 1 April 2011

Share price graph (€)



Company description

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

Price performance

%	1m	3m	12m
Actual	(4.0)	(2.5)	35.6
Relative*	(3.8)	(10.2)	32.2

* % Relative to local index

Analyst

Fiona Orford-Williams

NetBooster (ALNBT)

Market cap: €46m

COMPANY COMMENT

The accounts have been aligned between NetBooster and Guava (where the majority was bought in H110) to a December year end, with 18-month headline figures reported. These showed a strong improvement in H210, boosted by more coherent co-ordination of the group after the appointment of the Guava CEO as Group COO. Cross-selling opportunities are now being exploited, with Guava winning the global interactive communications account of Accor. The group operates in eight European countries, China, Brazil and the Philippines. In August 2010, ODDO Asset Mgmt subscribed to a €2m issue at €5.30, 3.8% of the group.

INDUSTRY COMMENT

The French advertising market recovered well in FY10, with estimates increasing as the year progressed. Online continues to outpace the broader market and is forecast to increase 12% in FY11 (Capgemini), driven by the increasing number of brands launching e-commerce initiatives. It is as yet unclear what effect the new online advertising tax will have after its delayed introduction in July 2011.

Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2008A	43.80	1.20	(8.72)	N/A	N/A
2009A	31.00	1.00	(3.33)	N/A	N/A
2010E	N/A	N/A	N/A	N/A	N/A
2011E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Electrical Equipment

Price: €11.13
Price as at 1 April 2011

Share price graph (€)



Company description

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

Price performance

%	1m	3m	12m
Actual	(1.5)	1.8	7.2
Relative*	(1.3)	10.3	4.6

* % Relative to local index

Analyst

Roger Leboff

NEXEYA (ALNEX)

Market cap: €45m

COMPANY COMMENT

The group made an encouraging start to 2010/11, with Q1 (July-September 2010) sales ahead 18% at €27.5m. This was mainly due to the successful integration of BTS Industry, resulting in a 32% increase in systems division (61% of group sales) revenues. The services business produced a flat Q1, continuing its recovery back on an upward trend. The outlook is positive. The addition of BTS has positioned Nexeya among the leaders in the space field, with new product launches planned this year.

INDUSTRY COMMENT

NEXEYA designs, manufactures and supports specialist mission-critical electronic products. It has two divisions: products (complex electronic systems, testing and validation, maintenance and field service solutions) and services (prime contractor assistance, project monitoring, support and maintenance). Revenues are derived from a broad range of industries, well balanced by sector: defence & security (34%), aeronautics (15%), space (12%), industry (8%), energy (6%), automotive (7%) and IT/telecom (15%).

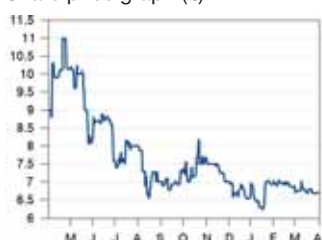
Y/E Jun	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	109.51	7.40	4.20	N/A	N/A
2010A	111.48	7.84	5.34	N/A	N/A
2011E	124.60	9.50	6.10	1.57	7.09
2012E	129.60	10.00	6.60	1.68	6.63

Where available, consensus data has been sourced from Thomson Datastream

Sector: Technology

Price: €6.69
Price as at 1 April 2011

Share price graph (€)



Company description

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

Price performance

%	1m	3m	12m
Actual	(0.1)	(3.9)	(25.7)
Relative*	0.0	(17.7)	(27.5)

* % Relative to local index

Analyst

Richard Finch

Notrefamille.com (ALNFA)

Market cap: €12m

COMPANY COMMENT

A rise of 6% in like-for-like revenue in Q410 suggests that the worst may be over for Notrefamille.com. Moreover, the sustained buoyancy of website traffic (+22% in 2010) and material investment, notably in staff, persuade management that returns will improve in the current year, albeit from a low base (H210 saw a continuation of H1 loss at the trading level). Last summer's acquisition of Archimaine has consolidated the company's market leadership in genealogy and furthers its potential involvement in projects inspired by the government's Grand Emprunt scheme to digitise France's heritage.

INDUSTRY COMMENT

French e-commerce continues to flourish with 24% growth in 2010 (26% in 2009). While average transaction spend was again stable, the drivers were new consumers (+12%, reflecting a market much less developed than in the UK and Germany) and frequency of transaction. 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)
2008A	12.14	1.13	0.91	0.61	10.97
2009A	11.80	0.40	0.90	N/A	N/A
2010E	N/A	N/A	N/A	N/A	N/A
2011E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Technology

Price: €2.25
Price as at 1 April 2011

Share price graph (€)



Company description

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

Price performance

%	1m	3m	12m
Actual	(2.2)	(0.9)	(19.1)
Relative*	(2.0)	(23.4)	(21.1)

* % Relative to local index

Analyst

Richard Finch

O2i (ALODI)

Market cap: €7m

COMPANY COMMENT

At its latest update in October, O2i was upbeat, projecting a clear return to group trading profit in 2011 and specifically for its engineering activity the restoration of a "normalised" margin of 6% in 2012 (forecast 2% for the current year). Training (listed as M2i on the Marche Libre) is expected to achieve 5-7% organic top-line growth in a "normalised" market. The half to June saw mixed fortunes for O2i's two market-leading activities. Engineering returned to profit despite unpromising conditions, whereas training endured higher losses as a result of spending cutbacks being more severe than envisaged. 2010 results are due in the spring.

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.

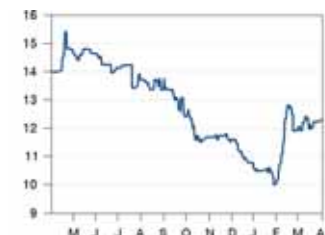
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2008A	47.60	0.88	0.54	N/A	N/A
2009A	49.80	(1.70)	1.70	N/A	N/A
2010E	N/A	N/A	N/A	N/A	N/A
2011E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Construction & Bldg Mat.

Price: €12.30
Price as at 1 April 2011

Share price graph (€)



Company description

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

Price performance

%	1m	3m	12m
Actual	2.2	16.6	(12.1)
Relative*	2.3	(10.2)	(14.3)

* % Relative to local index

Analyst

Richard Finch

Ober (ALOBR)

Market cap: €18m

COMPANY COMMENT

2010 results were notable for the success of Ober's transforming Stramiflex deal, which achieved 15% pro forma sales growth at double-digit EBITDA margin. Stramiflex (60% of Stramica, a major counterpart of Ober in North Africa) has brought new products, economies of scale and scope for expansion in Europe and the Middle East (international doubled its share of group sales in 2010 to 60%). There is also encouragement in a pick-up in the core Oberflex business (H2 sales +7% against H1 -4%, if at lower margin) and proposed rationalisation of persistent underperformer, Marotte (significant 2010 loss). Management expects further top-line growth in 2011, given recovery at Oberflex, a boost from Marotte's alliance with Barbeau and progress at Stramiflex (marginal impact from events in Tunisia).

INDUSTRY COMMENT

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

Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	24.71	2.17	1.33	N/A	N/A
2010A	41.30	2.57	1.20	N/A	N/A
2011E	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

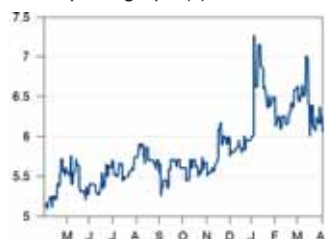
Sector: Technology

OCTO Technology (ALOCT)

Market cap: €21m

Price: €6.05
Price as at 1 April 2011

Share price graph (€)



Company description

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

Price performance

%	1m	3m	12m
Actual	(8.7)	0.8	17.5
Relative*	(8.6)	(2.2)	14.6

* % Relative to local index

Analyst

Richard Finch

COMPANY COMMENT

Investment in growth, eg international expansion, a doubling in the training budget and extra resources for Octo's highly-regarded annual conference (USI), curbed H210 trading profit (-18%), leading to a flat outturn for the year. Impressively, 2010's 18% rise in sales was in line with historic growth rates despite intense competition, reflecting well on sustained investment in consultants and architects during the downturn. Management is now looking to repeat its success abroad (Morocco and Switzerland), with its Q410 opening of a branch in Belgium and an imminent move into Brazil (international sales more than doubled in 2010 to 8% of the group total). €2m was raised in December to fund development (Octo was already debt free).

INDUSTRY COMMENT

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

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

Where available, consensus data has been sourced from Thomson Datastream

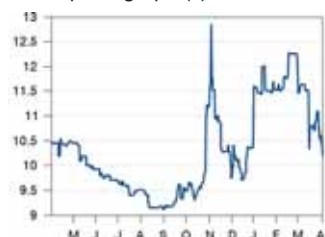
Sector: Electrical Equipment

Orolia (ALORO)

Market cap: €43m

Price: €10.20
Price as at 1 April 2011

Share price graph (€)



Company description

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

Price performance

%	1m	3m	12m
Actual	(10.9)	(12.1)	(2.4)
Relative*	(10.8)	(2.7)	(4.8)

* % Relative to local index

Analyst

Roger Leboff

COMPANY COMMENT

Headline FY10 revenue growth of 86% was still an impressive 25.3% like-for-like, and Q410 was 52% ahead of Q409. Strong performances by Timing and Navigation offset a cyclical downturn for Positioning. Key contributions were contracted work on atomic clocks for Galileo spacecraft and ACES, France's IMUX defence program, UK market share gains and a good performance by test & measurement products. The outlook for 2011 is positive, backed by a new \$3m US army contract and further work for Galileo and ACES.

INDUSTRY COMMENT

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

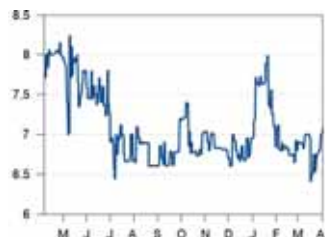
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2008A	28.17	3.20	1.11	0.37	27.57
2009A	31.10	1.60	(3.10)	(1.11)	N/A
2010E	57.80	4.30	1.90	0.88	11.59
2011E	61.30	5.20	2.70	1.02	10.00

Where available, consensus data has been sourced from Thomson Datastream

Sector: Consumer Support Services

Price: €7.07
Price as at 1 April 2011

Share price graph (€)



Company description

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

Price performance

%	1m	3m	12m
Actual	3.2	(7.2)	(10.7)
Relative*	2.1	(10.8)	(12.6)

* % Relative to local index

Analyst

Richard Finch

Piscines Desjoux (PDJ)

Market cap: €63m

COMPANY COMMENT

Ahead of imminent results for the seasonally-weaker half to February, Piscines Desjoux expects this year's growth to be driven by exports (medium-term target 50% of sales against 30% last year) via expansion into southern Europe, the US and Brazil. By contrast, France is expected to show only modest improvement after a decent 9% gain in 2010. Q1 sales, albeit for the least important quarter, reflected this with exports more than making up for weakness (blamed on the weather) in France (overall +5%). The year to August saw a satisfactory performance with a small increase in trading profit despite flat sales. The benefits of production efficiencies and stable raw material prices (especially plastic) absorbed a significant rise in overheads, attributed to investment. Positive cash flow reduced gearing at August to just 7%.

INDUSTRY COMMENT

The outlook for French retail sales remains uncertain as economic recovery is countered by lower consumer purchasing power and high unemployment, which could stifle willingness to buy high-ticket items such as swimming pools.

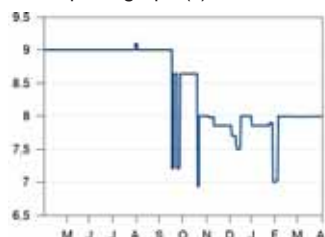
Y/E Aug	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	72.80	7.10	4.00	N/A	N/A
2010A	74.80	7.30	4.30	N/A	N/A
2011E	N/A	N/A	N/A	N/A	N/A
2012E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: General Retailers

Price: €7.99
Price as at 1 April 2011

Share price graph (€)



Company description

Piscines Groupe GA 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	1.8	(11.2)
Relative*	0.2	(16.3)	(13.4)

* % Relative to local index

Analyst

Richard Finch

Piscines Groupe GA (ALPGG)

Market cap: €25m

COMPANY COMMENT

In the absence of corporate news (2010 results due in April), caution is understandable despite the apparent success of continued 20% sales growth in Q210 and a trebling of first-half trading profit. Management is sufficiently wary of consumer demand, aggressive pricing and weak comparatives to tone down its expectation last April of a return to profit in 2010 as a whole. Discouragingly, a volume increase of 25% in the seasonally stronger first half was barely a return to pre-recession levels and delivered lower profit despite substantial cost control. However, finances have improved through debt restructuring and stock rationalisation (minimal gearing at June).

INDUSTRY COMMENT

The outlook for French retail sales remains uncertain as economic recovery is countered by lower consumer purchasing power and high unemployment, which could stifle willingness to buy high-ticket items such as swimming pools.

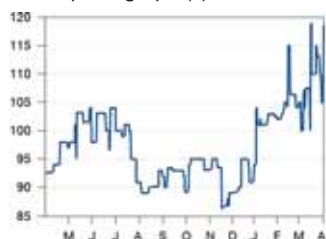
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2008A	35.19	0.74	0.07	N/A	N/A
2009A	31.45	(0.43)	(1.18)	N/A	N/A
2010E	34.70	N/A	1.80	0.58	13.78
2011E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Construction & Blding Mat.

Price: €118.52
Price as at 1 April 2011

Share price graph (€)



Company description

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

Price performance

%	1m	3m	12m
Actual	12.9	26.1	27.9
Relative*	13.1	20.4	24.7

* % Relative to local index

Analyst

Roger Leboff

Poujoulat (ALPJT)

Market cap: €58m

COMPANY COMMENT

The acceleration reported in Q3 was maintained in the final quarter. FY10 saw a 10% increase in sales within France (86% of sales), 16% from export markets, with margins reported as satisfactory despite a sharp rise in raw material and energy prices. The business benefited from the resumption of building activity and favourable climactic conditions for heating. The statement points to 8% growth this year, with changes in commodity prices the key variable.

INDUSTRY COMMENT

The group has managed to maintain sales and rates despite the difficult market backdrop. Its innovative products are suitable to 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 catalogue of over 200,000 items, 90% manufactured in its own factories and shipped across Europe. It acquired Frankfurt-based Live in October 2009, which expanded its product range and access to an important strategic market.

Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2008A	135.78	12.89	7.07	14.19	8.35
2009A	136.73	12.56	8.18	16.73	7.08
2010E	137.49	N/A	N/A	14.96	7.92
2011E	140.27	N/A	N/A	17.42	6.80

Where available, consensus data has been sourced from Thomson Datastream

Sector: Basic Industries

Price: €4.71
Price as at 1 April 2011

Share price graph (€)



Company description

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

Price performance

%	1m	3m	12m
Actual	(0.6)	17.2	(58.6)
Relative*	(0.4)	(52.7)	(59.7)

* % Relative to local index

Analyst

Richard Finch

POWEO (ALPWO)

Market cap: €77m

COMPANY COMMENT

POWEO has reacted to admitted "unsustainable" cash consumption and reform of the French power market by selling its generation capacity (with a buyback option until 2013). Proceeds of €120m are considered sufficient to meet commitments for at least the next year, allowing the company to develop its supply business as electricity market reform takes full effect by 2015. Management is delaying financial guidance until the terms of implementation of the reform have been formally approved (due soon). 2010 saw EBITDA rise by 64% as generation facilities came fully onstream and made up for a sharp fall in Supply profit, owing to higher energy costs and flat regulated tariffs.

INDUSTRY COMMENT

The French electricity market is viewed as one of long-term growth, even if demand management initiatives prove increasingly effective. Reform, aimed at ensuring that new entrants have access to incumbent operators' generation capacity at competitive prices, should benefit alternative energy suppliers although the full effect has yet to be assessed.

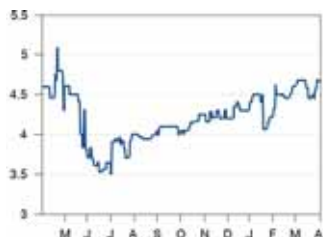
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2008A	577.30	(21.70)	(20.50)	(1.81)	N/A
2009A	564.70	(85.30)	(93.50)	N/A	N/A
2010E	687.50	(56.00)	(105.76)	(5.91)	N/A
2011E	837.40	(35.00)	(46.18)	(2.83)	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Media & Entertainment

Price: €4.66
Price as at 1 April 2011

Share price graph (€)



Company description

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

Price performance

%	1m	3m	12m
Actual	0.9	5.9	1.3
Relative*	1.1	4.2	(1.2)

* % Relative to local index

Analyst

Fiona Orford-Williams

Press Index (ALPRI)

Market cap: €8m

COMPANY COMMENT

Further recovery in Q410 enabled annualised revenues to edge ahead of the prior year, although a reallocation of business from the French to the UK operations affected domestic revenues (66% of group total). Pickanews, a pan-European multimedia monitoring service officially launched in May 2010, enables clients to track areas of commercial interest more broadly than just by brand, allowing them to see information in its presentational context. Although revenues are not yet significant, the service has raised the group's profile.

INDUSTRY COMMENT

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

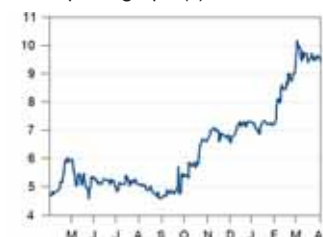
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	16.29	0.20	(0.09)	N/A	N/A
2010A	16.30	0.06	(0.05)	N/A	N/A
2011E	N/A	N/A	N/A	N/A	N/A
2012E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Technology

Price: €9.39
Price as at 1 April 2011

Share price graph (€)



Company description

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

Price performance

%	1m	3m	12m
Actual	(3.1)	29.7	99.8
Relative*	(2.9)	56.3	94.9

* % Relative to local index

Analyst

Roger Leboff

Prodware (ALPRO)

Market cap: €43m

COMPANY COMMENT

FY10 turnover was up 7.5% like-for-like, ahead of underlying markets due to successful sale of software to corporate clients in France and overseas, and growth in SaaS sales. Operating profit and margins were sharply up, in line with increased contribution from software development and investment in R&D maintained in 2010. The strategy is to capitalise on competitive advantages in new international markets in FY11 and beyond. Gearing was cut from 73% to 49% by the year end and the FY10 dividend was 6c per share, up 50%.

INDUSTRY COMMENT

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

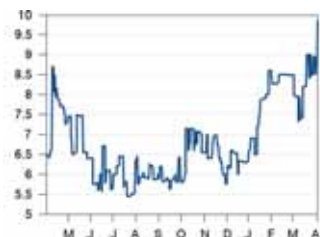
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	84.30	3.27	5.27	N/A	N/A
2010A	83.50	9.80	8.20	N/A	N/A
2011E	107.69	10.49	8.23	1.68	5.59
2012E	118.90	8.68	13.50	2.30	4.08

Where available, consensus data has been sourced from Thomson Datastream

Sector: Technology

Price: €9.84
Price as at 1 April 2011

Share price graph (€)



Company description

Proservia specialises in providing engineering and computer services.

Price performance

%	1m	3m	12m
Actual	16.0	49.1	52.1
Relative*	16.3	53.6	48.3

* % Relative to local index

Analyst

Richard Finch

Proservia (ALPRV)

Market cap: €19m

COMPANY COMMENT

Double-digit sales growth in H210 (2% organic in H1) and a return to pre-recession margin (also double digit) reward investor confidence, which has improved markedly after a dismal H1 when trading profit halved. In particular, the step-change in H2 margin endorses the company's decision to focus on its core activity via last summer's sale of its IPTV venture (WizTiVi), which had proved expensive. Management is looking for a trading margin of 6-8% in the current year against 5.8% like-for-like in 2010 (10% in H2) on an acceleration in sales growth (7% like-for-like in 2010). Strong finances (net cash at December) are allowing Proservia to invest in recruitment (staffing to rise by 15% this year) and growth by acquisition, eg, its recent deal with Finatel (brand NetLevel).

INDUSTRY COMMENT

Industry body Syntec has confirmed modest market growth in 2010 in line with its forecast. A slightly stronger rise (c 3%) is expected in the current year, albeit lower than pre-recession levels of 5% pa.

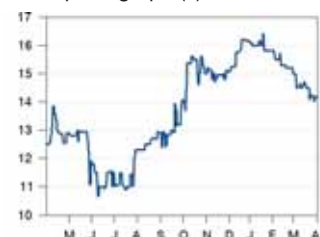
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	44.20	0.67	(0.97)	N/A	N/A
2010A	47.90	2.50	2.70	N/A	N/A
2011E	N/A	N/A	N/A	N/A	N/A
2012E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Technology

Price: €14.20
Price as at 1 April 2011

Share price graph (€)



Company description

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

Price performance

%	1m	3m	12m
Actual	(5.3)	(11.7)	13.5
Relative*	(5.2)	(8.1)	10.7

* % Relative to local index

Analyst

Roger Leboff

ProwebCE (ALPRW)

Market cap: €28m

COMPANY COMMENT

H210 saw strong growth: Meyclub sales up 54% to €25m and average basket size 34% ahead. It also benefited from the issue of c €1m Meyclub e-gift certificates, only launched in September. The conversion rate (visits resulting in online purchases) was also high, at 13% vs 1.9% average for French e-commerce sites. The Software & Services arm produced a solid 7% organic sales growth to €11m. The 2011 outlook is buoyed by a range of initiatives yet to make full-year contributions.

INDUSTRY COMMENT

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

Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2008A	8.08	1.70	1.94	1.01	14.06
2009A	29.50	0.00	0.60	0.63	22.54
2010E	37.90	N/A	1.20	0.62	22.90
2011E	48.70	N/A	2.10	1.07	13.27

Where available, consensus data has been sourced from Thomson Datastream

Sector: Construction & Bldg Mat.

Price: €9.11
Price as at 1 April 2011

Share price graph (€)



Company description

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

Price performance

%	1m	3m	12m
Actual	2.4	13.4	60.4
Relative*	2.5	17.5	56.4

* % Relative to local index

Analyst

Richard Finch

Richel Serres (ALRIC)

Market cap: €46m

COMPANY COMMENT

The quarter to December saw the expected moderation in sales growth (10% against 69% in the previous six months), given tougher comparatives (bumper renewable energy sales flattered domestic summer trading) and seasonality. However, guidance of 20%+ top-line gain for the full year to March would seem cautious as it implies no better than flat Q4 trading, even if growing public sector uncertainty in France weighs against continued export buoyancy. Furthermore, the full-year margin should comfortably exceed that in Richel's H1, which was affected by higher raw material costs (albeit still rising), the sharp step-up in production and increasing competition.

INDUSTRY COMMENT

Eurostat figures show eurozone industrial production to have been up by 0.3% in January compared with December and up by almost 7% year-on-year (capital goods -0.3% and 12% respectively). MEPS forecasts a double-digit rise in EU steel prices in 2011 (up by about a third in first two months) following a 31% increase last year.

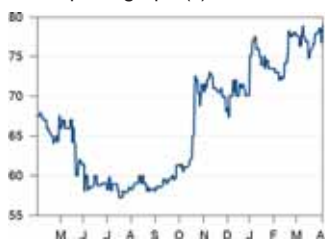
Y/E Mar	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	87.20	3.10	2.00	N/A	N/A
2010A	93.60	6.30	3.60	N/A	N/A
2011E	N/A	N/A	N/A	N/A	N/A
2012E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Construction & Bldg Mat.

Price: €78.95
Price as at 1 April 2011

Share price graph (€)



Company description

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

Price performance

%	1m	3m	12m
Actual	1.7	5.1	17.0
Relative*	1.3	16.3	11.3

* % Relative to local index

Analyst

Richard Finch

Royalreesink (ALRRE)

Market cap: €53m

COMPANY COMMENT

Subject to imminent confirmation, underlying trading profit is forecast to have risen significantly in 2010, which is impressive, given disappointing steel results. Excluding €25m from Jean Heybroek (acquired in July), turnover was flat. After the H1 results, management was optimistic about an early rebound in Green in contrast to DIY, which remained under pressure. Royalreesink has just completed a joint venture with Ter Hoeven Groep to merge their DIY interests and thereby bring scale required to be competitive. The JV, called THR, is 36% held by the company and expected to contribute to profit next year. In H110 Royalreesink maintained sales, thanks to an acquisition in the industrial segment, and improved trading profit slightly.

INDUSTRY COMMENT

The CPB has recently forecast GDP growth of 1.75% (raised from 1.5%) for this year and 1.5% in 2012 (1.75% last year). The increase is assumed to be export driven as, despite likely falling unemployment, consumer purchasing power faces continued contraction.

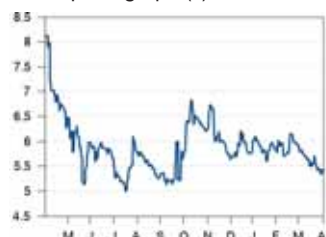
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2008A	198.91	10.50	7.86	11.71	6.74
2009A	163.30	7.70	0.00	N/A	N/A
2010E	N/A	N/A	N/A	N/A	N/A
2011E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Electrical Equipment

Price: €5.44
Price as at 1 April 2011

Share price graph (€)



Company description

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

Price performance

%	1m	3m	12m
Actual	(7.8)	(9.6)	(33.0)
Relative*	(7.6)	(14.9)	(34.7)

* % Relative to local index

Analyst

Roger Leboff

SafeTIC (ALEGR)

Market cap: €69m

COMPANY COMMENT

Despite the impact of December's severe weather on the group's sales and technical field teams, SafeTIC had a record Q4. The 29% revenue growth achieved in 2009 was entirely organic, with all businesses and geographies contributing. Although most of the £5m sales of DOC defibrillators recorded in 2010 was achieved by traditional channels, recent partnerships with SFR and JC Decaux are expected to contribute this year and there are others in the pipeline. The statement looks forward to similar organically-driven growth this year, supplemented by contributions from new contracts and markets.

INDUSTRY COMMENT

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

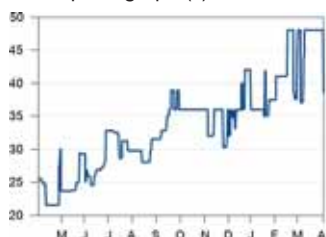
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2008A	105.60	12.90	(1.40)	N/A	N/A
2009A	82.70	(12.00)	(18.90)	N/A	N/A
2010E	111.61	12.63	(1.45)	(0.03)	N/A
2011E	136.92	25.69	3.16	0.30	18.13

Where available, consensus data has been sourced from Thomson Datastream

Sector: Electrical Equipment

Price: €38.42
Price as at 1 April 2011

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	(20.0)	6.7	50.7
Relative*	(19.8)	(3.4)	47.0

* % Relative to local index

Analyst

Richard Finch

Serma Technologies (ALSER)

Market cap: €44m

COMPANY COMMENT

Ahead of 2010 results, robust organic sales growth (11%) at much improved margins in H110 was broadly in line with management's forecast of a 50% gain in full-year 2010 trading profit, before R&D tax credit, on organic sales up by 15%. The late 2009 German acquisition Axeneon (c 15% of enlarged group sales) confirmed Serma's readiness to grow externally (finances have remained sound). H110 saw its initial profit contribution to the group, although at relatively low margin (6% against 13% for the rest of Serma).

INDUSTRY COMMENT

Gartner reports that 2010 was "a banner year" for the global semiconductor market with a rise of 31% against a 10% decline in 2009. Growth is forecast to moderate to about 5% in 2011.

Companies with specific chip solutions in high-growth markets should outperform the sector.

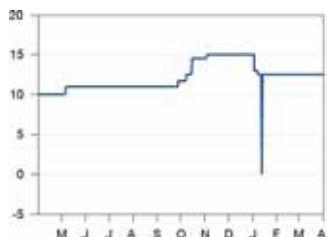
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2008A	41.94	0.00	4.35	3.77	10.19
2009A	42.64	0.00	3.69	3.21	11.97
2010E	N/A	N/A	N/A	N/A	N/A
2011E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: General Industrials

Price: €12.50
Price as at 1 April 2011

Share price graph (€)



Company description

Sical specialises in manufacturing and marketing of packaging.

Price performance

%	1m	3m	12m
Actual	0.0	(3.8)	25.0
Relative*	0.2	(3.2)	21.9

* % Relative to local index

Analyst

Richard Finch

Sical (ALSI)

Market cap: €46m

COMPANY COMMENT

Although Q410 sales repeated the strength of the preceding quarter (+13%), Sical's post-H1 results warning of H2 trading profit lower than in H1 owing to higher raw material costs should not be overlooked (2010 results due soon). Growth in corrugated, the group's principal activity, was volume rather than price driven. There was also a further step-change in the much smaller paper operation as sales more than doubled. 2009 saw a substantial fall in trading profit as sales fell by 14% in the face of economic downturn and lower prices, so immediate recovery is only relative.

INDUSTRY COMMENT

DS Smith has maintained like-for-like volume growth of 8% in corrugated packaging since October. Industry consolidation is afoot, with DS Smith buying Otor, which has c 20% of the French corrugated market. In France FMCG, the most buoyant area of corrugated demand owing to food/grocery spend, is estimated to resume 1.6% pa growth over the next four years.

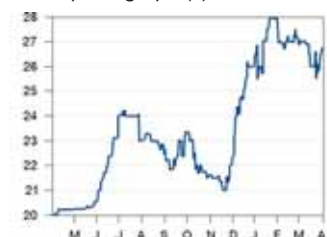
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2008A	202.50	20.77	13.17	3.63	3.44
2009A	173.86	9.35	4.72	1.29	9.69
2010E	N/A	N/A	N/A	N/A	N/A
2011E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Technology

Price: €26.74
Price as at 1 April 2011

Share price graph (€)



Company description

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

Price performance

%	1m	3m	12m
Actual	(0.5)	1.1	33.6
Relative*	(0.3)	3.7	30.3

* % Relative to local index

Analyst

Roger Leboff

Sidetrade (ALBFR)

Market cap: €35m

COMPANY COMMENT

Sales for FY10 and Q4 were both 17% ahead (the ninth consecutive quarter of double-digit growth). The group's SaaS offering continued to gather pace domestically and in Europe. It processed over 21m invoices during 2010 and secured multi-year contracts that provide medium-term revenue visibility. The outlook for 2011 is underpinned by recent client wins such as Darty, Ricoh, Canal CE and Polygon in France, and Michael Page, Adecco and Orange Business Services in its European markets.

INDUSTRY COMMENT

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

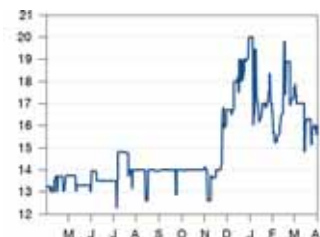
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2008A	7.86	0.70	0.95	N/A	N/A
2009A	9.43	1.23	1.20	N/A	N/A
2010E	11.00	1.70	1.60	1.24	21.56
2011E	12.20	2.20	1.60	1.24	21.56

Where available, consensus data has been sourced from Thomson Datastream

Sector: General Industrials

Price: 16.00p
Price as at 1 April 2011

Share price graph (p)



Company description

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

Price performance

%	1m	3m	12m
Actual	(9.6)	(20.0)	20.8
Relative*	(9.4)	3.5	17.8

* % Relative to local index

Analyst

Richard Finch

Siraga (SIRA)

Market cap: £13m

COMPANY COMMENT

The Q410 sale of its loss-making airport equipment business allows Siraga to focus on its Liquefied Petroleum Gas (LPG) solutions activity, especially engineering. A strong export-led recovery grew its sales by 57% in the half to September but, despite a healthy orderbook at end October, caution may be in order given its exposure (over 60% of H1 sales) to Africa and the Middle East (FY11 results due in July). While Europe (21% of H1 sales) brings recurrent income thanks to longstanding clients, South America and Asia (mainly Indonesia) offer particular scope. Net debt (€4m at September) was halved by the sale of the airport business.

INDUSTRY COMMENT

In January the IMF raised its forecast of 2011 global trade growth to 4.5% thanks to higher than expected activity in H210 and new US stimulus measures. However, "downside risks remain elevated". The imminent release of the WTO forecast will show the potential impact of the Japanese earthquake. A higher oil price is generally positive for energy industry suppliers despite potentially deterring end-consumer sales.

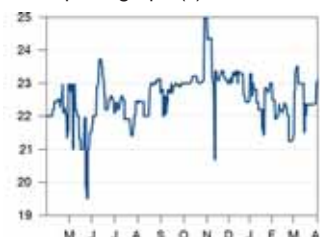
Y/E Mar	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	46.30	(2.20)	(1.60)	N/A	N/A
2010A	47.90	2.50	3.20	N/A	N/A
2011E	N/A	N/A	N/A	N/A	N/A
2012E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Technology

Price: €23.10
Price as at 1 April 2011

Share price graph (€)



Company description

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

Price performance

%	1m	3m	12m
Actual	7.4	(0.8)	5.0
Relative*	7.6	(9.0)	2.4

* % Relative to local index

Analyst

Roger Leboff

Solutions 30 (ALS30)

Market cap: €57m

COMPANY COMMENT

The results were ahead of target, revenues up 21.5% at €54.6m. This reflects performance in France and internationally, the latter generating 15% of FY10 group sales (FY09: 12.8%). The outcome also benefited from full contributions by 2009 acquisitions, new overseas subsidiaries and contracts secured in 2010, particularly for deployment of smart meters for ERDF. Two new brands were launched in February to expand services to cover assistance for paperless payment systems (MONEY30) and installation of safety equipment for protection of property, people and network access (SECURI30).

INDUSTRY COMMENT

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

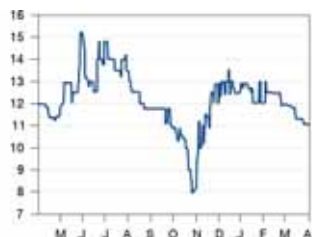
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	44.92	3.89	2.40	N/A	N/A
2010A	54.70	4.50	1.40	N/A	N/A
2011E	N/A	N/A	N/A	N/A	N/A
2012E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Media & Entertainment

Price: €11.05
Price as at 1 April 2011

Share price graph (€)



Company description

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

Price performance

%	1m	3m	12m
Actual	(7.6)	(14.3)	(7.6)
Relative*	(7.4)	(8.2)	(9.9)

* % Relative to local index

Analyst

Richard Finch

Sporever (ALSCO)

Market cap: €27m

COMPANY COMMENT

Ahead of 2010 results in April, progress in the second half is expected to have been tempered by seasonal weakness, the loss of web and mobile rights to English football and France's failings at the World Cup. Excellent H110 results (like-for-like sales growth of 13% and trading margins more than doubled) reflected a busy period for major global sports events, some more profitable contracts and successful integration of Bouyaka, a broad-based production company. There is considerable excitement about October's launch of a betting service at paris365.fr, covering a range of sports, notably football, rugby, tennis and the Tour de France.

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 has been forecast to rise by 8% in 2010 (per Capgemini Consulting).

Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2008A	13.11	0.23	(0.08)	N/A	N/A
2009A	13.53	0.68	0.25	N/A	N/A
2010E	17.10	N/A	1.00	0.43	25.70
2011E	18.10	N/A	1.10	0.47	23.51

Where available, consensus data has been sourced from Thomson Datastream

Sector: Financials

Price: €7.35
Price as at 1 April 2011

Share price graph (€)



Company description

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

Price performance

%	1m	3m	12m
Actual	7.3	15.7	44.1
Relative*	7.5	26.8	40.6

* % Relative to local index

Analyst

Roger Leboff

Stradim - Espace Fin. (ALSAS)

Market cap: €13m

COMPANY COMMENT

The group reported 15% sales growth for H110 and a 165% increase in operating profit, to €1.7m. These results are still affected by the economic crisis due to lead times as long as 18 months, so there should be more growth to come in H2. Strong margin growth reflects a new pricing policy, likely to benefit FY10 and current-year profit. Bookings were well ahead in H110 - 298 contracts for the period vs 279 in H109 - and on track for a revised target of 600 for the full year.

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 add uncertainty to the outlook, but all group properties meet Low Energy Consumption rules necessary to maximise tax exemption. In addition, 30% of group output is aimed at first-time buyers, for whom it expects more favourable market conditions.

Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2008A	48.39	2.40	1.00	0.58	12.67
2009A	59.56	1.52	0.80	N/A	N/A
2010E	N/A	N/A	N/A	N/A	N/A
2011E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

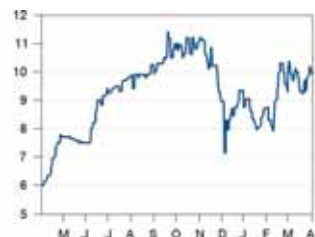
Sector: Technology

StreamWIDE (ALSTW)

Market cap: €26m

Price: €9.90
Price as at 1 April 2011

Share price graph (€)

**Company description**

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

Price performance

%	1m	3m	12m
Actual	(2.9)	13.1	65.0
Relative*	(2.8)	(18.5)	60.9

* % Relative to local index

Analyst

Roger Leboff

COMPANY COMMENT

Domestic and export markets contributed to a 42% increase in FY10 revenues. France (43% of the total) was 59% ahead with other markets - primarily North America - 32% up. The latter secured its first major contract with a Canadian cable operator. The strongest component was licence revenues, up 53%, and telecom carriers were attracted by innovations related to new messaging services (visual voicemail for smartphones and tablets). There was cautious confidence for FY11, in a competitive market with relatively poor revenue visibility.

INDUSTRY COMMENT

StreamWIDE provides next-generation value-added services for mobile and fixed-line telecoms operators, based on a proven carrier-grade, software-patented technology. It offers the benefits of an IP environment (with reduced time to market, capex and opex), plus innovative and efficient tools to drive up ARPU. There has been some pick-up in the European business, while North America and emerging markets such as Latin America and Africa, continue to grow.

Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	7.20	0.47	0.92	N/A	N/A
2010A	10.20	2.30	1.10	N/A	N/A
2011E	10.20	N/A	2.00	0.80	12.37
2012E	12.50	N/A	2.30	0.90	11.00

Where available, consensus data has been sourced from Thomson Datastream

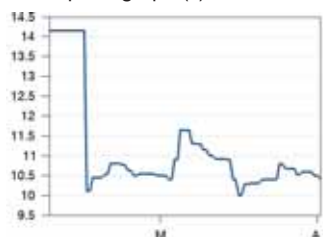
Sector: Pharma & Healthcare

Tekka (ALTKA)

Market cap: €44m

Price: €10.39
Price as at 1 April 2011

Share price graph (€)

**Company description**

Tekka designs, manufactures and markets products for crano-maxillo-faciale surgery, orthodontic devices and dental implants

Price performance

%	1m	3m	12m
Actual	(1.0)	N/A	N/A
Relative*	(0.8)	N/A	N/A

* % Relative to local index

Analyst

Mick Cooper

COMPANY COMMENT

Tekka has rapidly expanded its product range and commercial operations since it was founded in 2000. Over 80% of its revenues are generated in France, but it is rapidly expanding its distribution capabilities elsewhere. It has established sales subsidiaries in five other countries (most recently in the UK in March 2011) and is planning to set up five more. It is also expanding its network of distributors in other markets. The product and geographic expansion has led to its revenues increasing to €12.2m in FY10, growing at a CAGR of 55% since FY01. This momentum should be continued so that it generates its first profits in FY12. Dental implants account for 75% of revenues, maxilo-facial surgery devices for 23% and orthodontic products for 2%. The company raised €11.3m at its IPO in February 2011.

INDUSTRY COMMENT

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

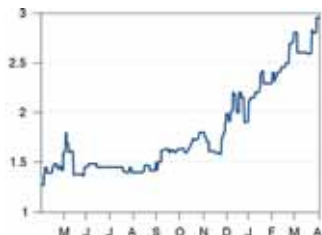
Y/E Mar	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2008A	0.00	0.00	0.00	N/A	N/A
2009A	0.00	0.00	0.00	N/A	N/A
2010E	N/A	N/A	N/A	N/A	N/A
2012E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Media & Entertainment

Price: €2.95
Price as at 1 April 2011

Share price graph (€)



Company description

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

Price performance

%	1m	3m	12m
Actual	5.4	39.2	132.3
Relative*	5.6	63.9	126.6

* % Relative to local index

Analyst

Fiona Orford-Williams

The Marketinggroup (ALTMG)

Market cap: €9m

COMPANY COMMENT

At the time of writing, the group is looking to buy back shares, for cancellation, at a price of €3. The offer closes on 13 April and if more than 700k shares are tendered, tenders will be reduced in proportion. 51% of the shares are currently held by the Gladysz family. Full year results have not yet been published. Contact centres (phone marketing; outsourced and insourced) accounted for 85% H110 sales, as revenues from marketing communications fell away. Better utilisation rates across the five call centres helped to move the group back into profit in H110.

INDUSTRY COMMENT

The French contact-centre market is the third largest in Europe, after the UK and Germany, worth €1.8bn (SP2C). Industry margins have been affected by overcapacity and high and inflexible labour costs, but cutbacks and overseas outsourcing are politically sensitive. Industry major, Teleperformance, has posted improved Q410 results after scaling back its French operations, growing strongly in Iberia and Latin America.

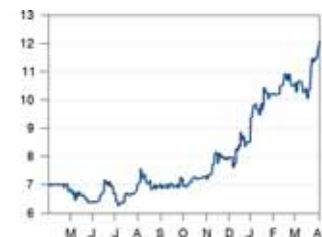
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2008A	34.48	0.42	(0.04)	(0.01)	N/A
2009A	33.95	0.49	(0.20)	N/A	N/A
2010E	N/A	N/A	N/A	N/A	N/A
2011E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Support Services

Price: €12.08
Price as at 1 April 2011

Share price graph (€)



Company description

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

Price performance

%	1m	3m	12m
Actual	14.2	29.1	72.6
Relative*	13.7	56.8	64.2

* % Relative to local index

Analyst

Roger Leboff

TMC Group (ALTMG)

Market cap: €43m

COMPANY COMMENT

FY10 was a recovery year, reflected in both revenues (+13%) and EBITDA (+94%). Margins improved at all levels, providing confidence for a €0.50/share dividend. TMC Technology had a good year, revenues up 25% at €30.6m due to an increase in 'employeneurs' deployed at client sites. TMC IT saw a slight recovery, assisted by healthcare work; rates remained under pressure but productivity improved, resulting in higher profitability. A 14% fall in TMC Adapté revenues to €7.7m reflected the challenges facing the construction industry. Overall, the outlook for 2011 is positive, with group finances and costs in good shape.

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. Technology markets recovered in 2010, particularly the semi-conductor industry. Areas such as healthcare are steady and construction - admittedly from a lower base - is expected to pick up over the next few years.

Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	37.15	(4.01)	(4.74)	(1.21)	N/A
2010A	42.10	4.70	3.50	N/A	N/A
2011E	51.00	N/A	5.00	1.48	8.16
2012E	54.00	N/A	6.00	1.64	7.37

Where available, consensus data has been sourced from Thomson Datastream

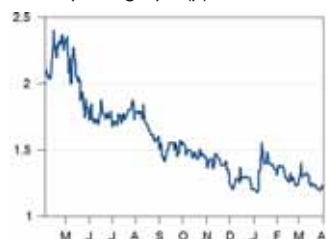
Sector: Technology

TR Services (ALTRS)

Market cap: £44m

Price: 1.21p
Price as at 1 April 2011

Share price graph (p)



Company description

TR Services is an independent IT services integrator and operator, offering a new perspective on telecoms/IT convergence.

Price performance

%	1m	3m	12m
Actual	(1.0)	N/A	N/A
Relative*	(0.8)	N/A	N/A

* % Relative to local index

Analyst

Roger Leboff

COMPANY COMMENT

The group reported an 11.4% increase in H1 revenues to €23.2m, largely due to acquisitions completed in the prior year, notably DATCOM acquired in October 2009. However, the outlook is underpinned by an order book that was 20% ahead y-o-y at the end of September 2010, in line with previous forecasts of a significant increase in order levels and turnover this year.

Results will also benefit from actions taken to reduce overheads and administrative expenses since April 2010.

INDUSTRY COMMENT

Last year saw delays in contract renewals by French public sector clients and some specific industry setbacks that should fall away in 2010/11. Competition and pricing pressure remains tight, but it expects to leverage broad geographic coverage in France and overseas. The group's voice, data and applications solutions are backed by strategic partnerships with manufacturers such as Alcatel-Lucent, Aastra, Avaya and HP. It employs 450 people in France to design and integrate value-added communication solutions.

Y/E Mar	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	38.90	(1.80)	(1.45)	(0.32)	N/A
2010A	44.14	(1.87)	(2.48)	(0.56)	N/A
2011E	N/A	N/A	N/A	N/A	N/A
2012E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

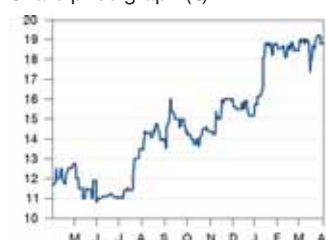
Sector: Engineering

Trilogiq (ALTRI)

Market cap: €70m

Price: €18.82
Price as at 1 April 2011

Share price graph (€)



Company description

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

Price performance

%	1m	3m	12m
Actual	0.2	19.4	60.9
Relative*	0.3	20.0	56.9

* % Relative to local index

Analyst

Richard Finch

COMPANY COMMENT

January's update shows trading to have held the strong momentum of the half to September. Significantly, there has been a clear pick-up in Western Europe, still much the group's largest division. Trilogiq achieved bumper results in H1. Sales rose by nearly a third (+8% in the preceding half) at an almost maintained margin, which is impressive in the light of higher raw material costs (especially steel). Strong finances (virtually debt free at H1) are allowing bold expansion (Italy, Iberia and Russia in the half just ended), and increased investment. Sales for the year to March are due in late May.

INDUSTRY COMMENT

In January, the IMF raised its forecast of 2011 global trade growth marginally to 4.5% owing to higher than expected activity in H210 and new stimulus measures in the US. However, "downside risks remain elevated". The imminent WTO forecast will reflect the potential impact of the Japanese earthquake in particular. MEPS expects a double-digit rise in EU steel prices in 2011.

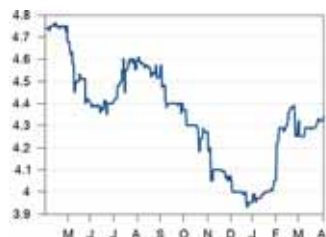
Y/E Mar	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	46.52	8.23	5.34	N/A	N/A
2010A	44.37	8.57	6.02	1.70	11.07
2011E	52.85	10.90	7.65	2.05	9.18
2012E	56.65	10.30	7.65	2.05	9.18

Where available, consensus data has been sourced from Thomson Datastream

Sector: Financials

Price: €4.34
Price as at 1 April 2011

Share price graph (€)



Company description

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

Price performance

%	1m	3m	12m
Actual	0.5	8.8	(8.4)
Relative*	0.6	(10.1)	(10.7)

* % Relative to local index

Analyst

Richard Finch

Turenne Invest. (ALTUR)

Market cap: €20m

COMPANY COMMENT

2010 saw marginal change in NAV per share (€7.16 at December, up by 0.8%) despite upward revaluation of three of Turenne's 15 investments and one addition to the portfolio. Management confirms that it is still seeking to exploit depressed valuations through its €8m fund-raising in 2009, but is also mindful that in line with its strategy of holding stocks for between four and seven years, there may well be disposals (whole or part) in 2011. Turenne has four target sectors (healthcare, sustainable development, the internet and specialist distribution).

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 opportunity 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.

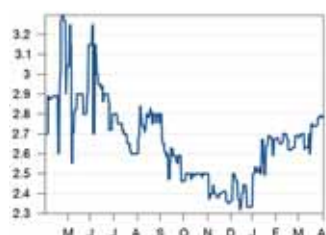
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2008A	0.00	(1.36)	(1.32)	(0.41)	N/A
2009A	0.00	(1.20)	(1.42)	N/A	N/A
2010E	N/A	N/A	N/A	N/A	N/A
2011E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: General Retailers

Price: €2.79
Price as at 1 April 2011

Share price graph (€)



Company description

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

Price performance

%	1m	3m	12m
Actual	3.7	11.6	3.3
Relative*	3.9	2.7	0.8

* % Relative to local index

Analyst

Richard Finch

VDI Group (ALVDI)

Market cap: €14m

COMPANY COMMENT

2010 was frustrating for VDI as external factors, eg customer destocking after exceptional purchases of H1N1-related products and procurement delays and strikes, depressed its high-margin Health & Safety business, thereby obscuring decent growth in Portable Energy (like-for-like sales +10%). Furthermore, trading profit (down by a third) was severely affected by higher freight rates as well as by investment in labour and in international expansion (Germany and Spain). For 2011 management expects a strong recovery in profit, given higher activity (Q1 billings +7%, albeit acquisition-led), initial returns on expansion and tight cost control.

INDUSTRY COMMENT

The fragmented nature of the health and safety at work market provides little guidance.

However, Bunzl reported that in 2010 its French cleaning and hygiene business saw lower sales in difficult conditions (notably public sector cutbacks), exacerbated by the absence of the previous year's H1N1 boost. Battery demand should reflect consumers' increasingly nomadic lifestyles.

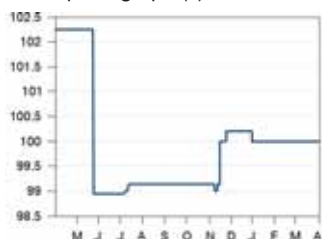
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	49.17	3.34	2.10	N/A	N/A
2010A	50.30	2.20	1.10	N/A	N/A
2011E	N/A	N/A	N/A	N/A	N/A
2012E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Financials

Price: €100.00
Price as at 1 April 2011

Share price graph (€)



Company description

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

Price performance

%	1m	3m	12m
Actual	0.0	0.0	(2.2)
Relative*	0.2	(8.7)	(4.6)

* % Relative to local index

Analyst

Richard Finch

Ventos (ALVEN)

Market cap: €142m

COMPANY COMMENT

A rise of 13% in NAV per share (€118.41 at December) and 10% in proposed dividend confirm a successful 2010 for Ventos despite a quiet share price. The Q3 purchase of a €6m property outside Geneva and the Q4 sale of offices within the city for €2.6m show the company's commitment to developing its real estate investment (51% of total gross asset value at the period end against 25% three years ago), despite having exploited depressed prices in 2009 to expand in venture capital. Continued low indebtedness gives welcome flexibility.

INDUSTRY COMMENT

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

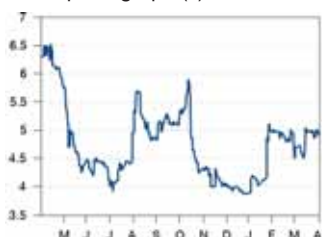
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	12.60	16.90	11.80	N/A	N/A
2010A	10.50	(10.10)	(12.80)	N/A	N/A
2011E	N/A	N/A	N/A	N/A	N/A
2012E	N/A	N/A	N/A	N/A	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Oil & Gas

Price: €4.93
Price as at 1 April 2011

Share price graph (€)



Company description

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

Price performance

%	1m	3m	12m
Actual	9.6	26.7	(21.7)
Relative*	9.8	(16.6)	(23.7)

* % Relative to local index

Analyst

Richard Finch

Vergnet (ALVER)

Market cap: €32m

COMPANY COMMENT

Vergnet has accompanied the achievement of its forecast step-change in 2010 sales and reiteration of ambitious medium-term targets with advice that it is discussing with industrial and financial partners on how best to fund such growth. While high-power wind turbine contracts with Ethiopia and Nigeria are the immediate driver, Vergnet is active on many fronts, not least in the emerging Proxwind medium-power wind market in Europe and of course in Water and Solar, which is flourishing in its own right, even if dwarfed now by Wind. Guidance is for a continued fall in trading loss in H210, if slightly higher than expected last October, with a move into profit in 2011 on sales up by 50% and further robust growth across the board in 2012, including from new wind projects in the French Overseas Territories.

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.

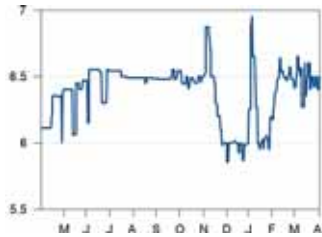
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2008A	20.70	(7.20)	(5.90)	(0.93)	N/A
2009A	29.01	(9.00)	(9.40)	N/A	N/A
2010E	81.20	(4.90)	(5.90)	(0.90)	N/A
2011E	127.20	(0.90)	(0.70)	(0.10)	N/A

Where available, consensus data has been sourced from Thomson Datastream

Sector: Technology

Price: €6.50
Price as at 1 April 2011

Share price graph (€)



Company description

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

Price performance

%	1m	3m	12m
Actual	1.4	4.0	6.4
Relative*	2.3	(4.7)	6.0

* % Relative to local index

Analyst

Roger Leboff

Vision IT Group (VIT)

Market cap: €42m

COMPANY COMMENT

The FY10 outcome - 31% revenue growth - was boosted by contributions from recent acquisitions, GFI Informatik GmbH and SCS in Germany and Qwiser in Holland. Underlying growth was a modest 0.5% for the period but 3% in Q4, and the best performers from an organic perspective were France (41% of Q4 sales) ahead 4.4% and Benelux (17%), which was up 10.2%. Recent acquisitions have extended the group's geographical reach and reduced dependence on France. Benelux/Germany contributed 48% of FY10 sales and, backed by further acquisitions in Q111, Vision IT anticipates €120m FY11 turnover.

INDUSTRY COMMENT

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

Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2008A	81.60	5.70	3.10	0.54	12.04
2009A	81.30	4.40	3.00	0.47	13.83
2010E	100.40	6.63	4.74	0.92	7.07
2011E	110.10	6.87	4.93	0.96	6.77

Where available, consensus data has been sourced from Thomson Datastream

Sector: Travel & Leisure

Price: €21.45
Price as at 1 April 2011

Share price graph (€)



Company description

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

Price performance

%	1m	3m	12m
Actual	(5.3)	(15.2)	8.7
Relative*	(5.2)	(7.5)	6.0

* % Relative to local index

Analyst

Richard Finch

Voyageurs du Monde (ALVDM)

Market cap: €79m

COMPANY COMMENT

April's update, accompanying the 2010 results, should reveal the extent to which Voyageurs has been affected by the disruption caused by the unrest in Egypt and Tunisia, both important destinations for French customers. Thomas Cook and TUI Travel have recently reported a material financial impact, even if programmes there have now resumed and other destinations have been favoured. Voyageurs had hitherto continued to outperform an admittedly lacklustre French market (H110 sales +4% against -3%), with expectation of a gain in 2010 net profit on sales up by 8% to 10%, ie 12% in the key second half, which is impressive. Strong finances are allowing targeted in-fill expansion, eg the recent Chamina Sylva deal, an important part of the group's strategy.

INDUSTRY COMMENT

TUI and Thomas Cook have recently reported depressed bookings in France, eg for TUI -6% for summer 2011 following a 15% net decline since the unrest in North Africa. Its winter sales in France were flat, compared with +9% in the UK and +25% in the Nordic market.

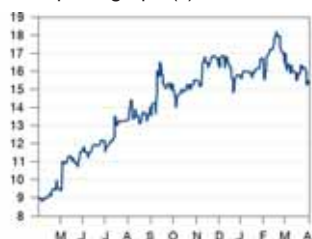
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2008A	244.80	9.50	6.00	1.61	13.32
2009A	239.50	9.60	6.00	N/A	N/A
2010E	262.79	11.20	6.63	1.90	11.29
2011E	279.01	12.30	7.53	2.14	10.02

Where available, consensus data has been sourced from Thomson Datastream

Sector: Media & Entertainment

Price: €15.28
Price as at 1 April 2011

Share price graph (€)



Company description

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

Price performance

%	1m	3m	12m
Actual	(9.8)	(2.1)	70.2
Relative*	(9.6)	(7.1)	66.0

* % Relative to local index

Analyst

Fiona Orford-Williams

Weborama (ALWEB)

Market cap: €51m

COMPANY COMMENT

Weborama's focus on behavioural targeting is helping it gain traction with larger clients and maintain high margins, despite investments in 1) integrating Dutch rich media specialist, Adrime, bought early 2010; 2) a new cloud architecture; and 3) international sales teams. Revenues for FY10 were 40% ahead, with international sales now 32% of group, mostly in Spain and the Netherlands. New offices have been opened in London and Milan. The client base includes 18 of the top 20 online advertisers, as listed by Kantar, against eight in 2009.

INDUSTRY COMMENT

CapGemini forecast 12% growth in online advertising in France in 2011 as an increasing number of brands initiate or enhance their online presence. The use of behavioural targeting by advertisers is gaining ground, with 33% of respondents to the regular EIAA survey saying they plan to incorporate it into their strategy, although from a consumer's perspective, the French remain very suspicious. A recent survey by Market Audit found 70% of internet users unwilling to be marketed to on the basis of their browsing history.

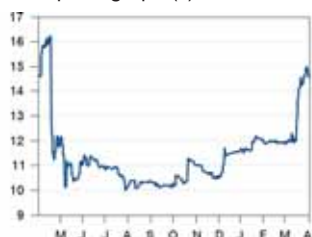
Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2008A	8.69	1.64	1.24	0.43	35.53
2009A	10.80	2.11	1.63	N/A	N/A
2010E	14.86	N/A	2.71	0.83	18.41
2011E	19.56	N/A	3.41	1.15	13.29

Where available, consensus data has been sourced from Thomson Datastream

Sector: Electrical Equipment

Price: €14.52
Price as at 1 April 2011

Share price graph (€)



Company description

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

Price performance

%	1m	3m	12m
Actual	22.5	24.2	(0.5)
Relative*	22.8	29.4	(3.0)

* % Relative to local index

Analyst

Richard Finch

XIRING (ALXIR)

Market cap: €57m

COMPANY COMMENT

XIRING is in good heart after delivering 2010 trading profit well ahead of target and winning key contracts that endorse the company's recent focus on health and e-ID and its confidence in its growth prospects. In particular, an order for 7,500 terminals for the recently-resumed e-health programme in Germany complements e-ID work for the Gendarmerie Nationale, SNCF and government agency UGAP as valuable references for exploiting these emerging markets. XIRING is also buoyed by its improved earnings visibility thanks to the growing importance of its services business (a doubling of its share of group revenue in 2010 to almost 50%). Finances remain healthy (net cash of €14m at December).

INDUSTRY COMMENT

Industry body Eurosmart expects continued strong volume growth in smart security in 2011, ie, global microprocessor card shipments up by 18%, with particular buoyancy in government/healthcare and transport. The market was up by about 18% last year.

Y/E Dec	Revenue (€m)	Op. Profit (€m)	Net income (€m)	EPS (€)	P/E (x)
2009A	25.50	6.10	15.40	N/A	N/A
2010A	20.00	4.10	2.60	0.66	22.00
2011E	21.40	4.90	3.70	0.94	15.45
2012E	22.50	5.60	4.20	1.07	13.57

Where available, consensus data has been sourced from Thomson Datastream

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