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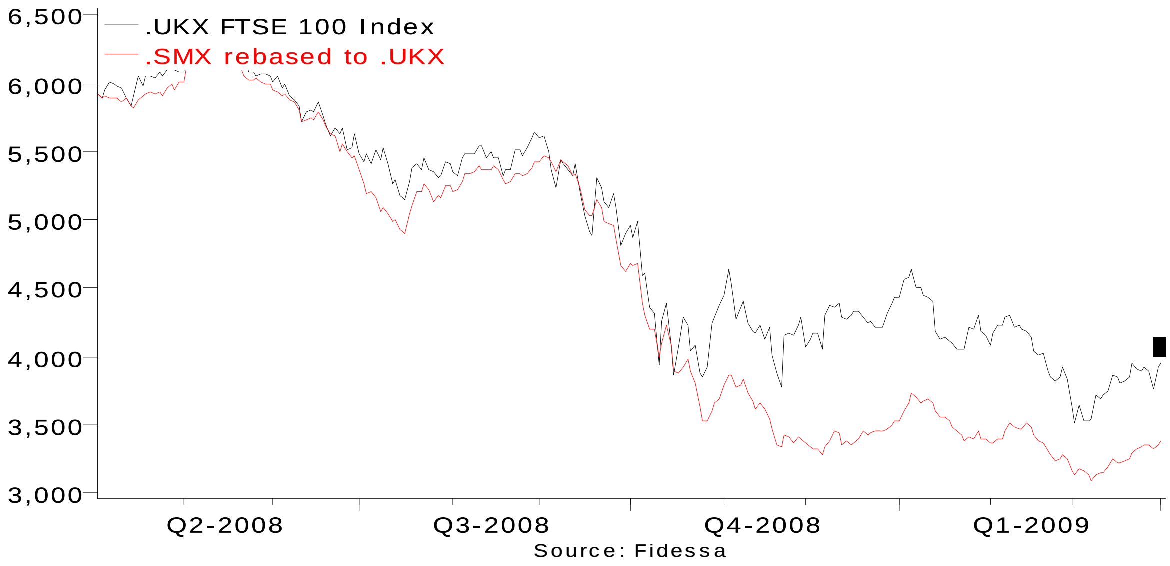
Leaders in Corporate Research

The Monthly April 2009

02 April 2009



FTSE SmallCap vs. FTSE 100

With world leaders gathered in London to discuss what action to take to tackle the continuing global economic crisis thoughts turn to when a recovery might be expected and what this might mean for our stock markets. The latest view from the Bank of England is that the economy might start to improve towards the very end of 2009. The OECD takes a longer term view, not expecting a pick up until some time in 2010.

For the first time in a very long time we are starting to see positive commentary in the news. Indications suggest that the housing market may have bottomed out. February UK mortgage approvals numbered 38,000 versus a widely expected 34,000 and the fall in house prices appears to have slowed. Fidelity's Anthony Bolton has suggested that "the bear market is looking mature and a good part of the fall could be over.**"** Tim Steer, ex New Star Asset Management, believes that "investors who invest in companies with solid fundamentals will be proven right in the medium term." Alan Greenspan himself has suggested that "stock markets around the world have to be close to a turning point."
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Stock market recovery is often a leading indicator of an economic recovery. So while most of us agree that an economic recovery is a long way off this should not preclude investors re-thinking their equities positions. Waiting until one is confident that the market has turned around might just leave re-entry a little too late. Now is the time to seek out and identify good quality fundamentally sound companies whose share prices have faltered through no fault of the companies themselves.

Market Indicator	Price	Previous Month Price	% Change in 1 month	Year High	Year Low
FTSE 100	3893	3499	11.2%	6377	3499
FTSE Small Cap	1766	1646	7.3%	3241	1646

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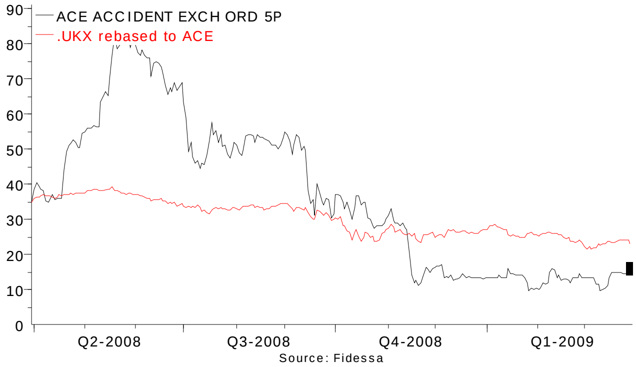
ACCIDENT EXCHANGE



Accident Exchange's recent Interim Management Statement stated that the company is expected to achieve the "objective of trading at cash flow break-even as it enters its new financial year in May." This signals a key turning point in our view and is particularly pleasing given the impacts of the current economic downturn on insurers. Whilst the company is being forced to accept higher than average discounts in exchange for quicker settlement, to date these have not been excessive. It is too early to comment on whether the upward shift in the settlement discount is temporary or permanent, or indeed what percentage of the existing outstanding debtor book is likely to be affected. Investment managers should be aware that any write-down is likely to be taken through the p & l account.

Other exceptional charges to feature this year include a £4.2m increase in commission charges and a £19.6m write-down in the value of the fleet. Whilst the former will obviously hit short-term cash flow, the important point is that this is a one off payment to key dealer referrers to avoid future fleet purchase commitments amounting to in excess of £40m. The existing fleet has reduced by 16% y-on-y with disposals taking place at good prices thanks to an upturn in the second hand car market.

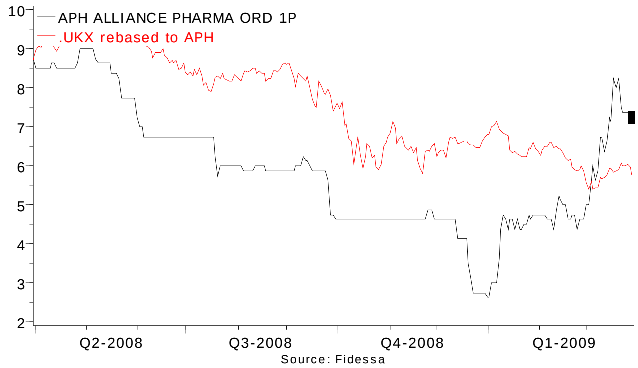
Elsewhere, good progress has been made on the cost cutting programme with annualised savings of £8.75m expected to kick in during the year to end April 2010 consisting of a combination of fleet and headcount reductions.

The latest trading statistics for the four months to 28 February 2009 - rental starts down 3%, rental days down 7% - continue the downward trend highlighted at the time of the interim results and mirror comments made by Helphire last month. A worthwhile new contract with an insurer generating 1,000 plus (predominantly mainstream) claims per month ought to mitigate the usual seasonal spring/summer dip in volumes, however, and is good news.

Accident Exchange				ACE		Price p.	13.0
Full List				Specialty Finance		Cap £m	9.2
Y/E	**Sales**	**Declared**	**Adjusted**	**Adjusted**	**p/e**	**Divi**	**Yield**
April	**£m**	**Profit £m**	**Profit £m**	**Diluted eps**	**ratio**	**p.**	**%**
2007A	119.6	13.6	18.0	18.1	0.7	2.4	18.5%
2008A	165.2	12.1	16.1	13.8	0.9	2.7	20.8%
2009E	181.2	0*	1.0	0.5	26.0	0.0	0.0%
2010E	No	estimates	at present				

**Excludes exceptional items*

ALLIANCE PHARMA



Discipline and focus are now paying dividends for Alliance's shareholders, both figuratively and literally. The company released its full year results to 31 December 2008 last month and reported earnings per share of 1.55p were a vast improvement on the loss of 1.98p per share reported in the year to 31 December 2007. Cash flow generated from operations was a healthy £5.2m while free cash flow generated was £2.5m. £1.9m in debt was repaid during the year reducing the company's total debt burden to £32.5m.

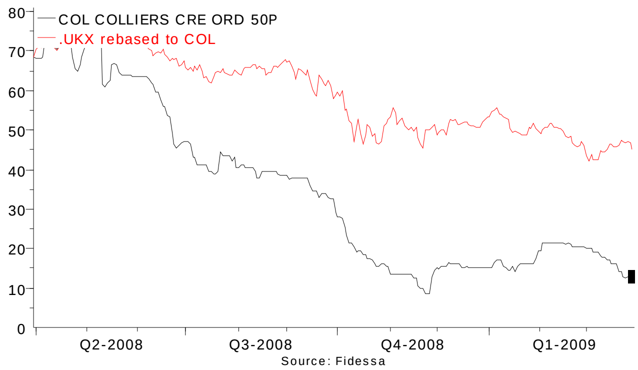
The company has announced that it expects to introduce a modest dividend in its 2009 financial year. After allowing for the headroom necessary to repay £2.5m of company debt per annum we estimate that the company could afford to pay out circa 10% of its earnings in dividends. At the current share price this would translate into an initial 2.2% yield.

Alliance has also brought on board a new cornerstone shareholder, MVM Life Sciences Partners Ltd. MVM is a specialist healthcare investor with over US$500m in funds under management. The institution is reportedly keen to participate in future product acquisitions.

Alliance Pharma				APH		Price p.	7.25
AIM				Pharmaceuticals		Cap £m	11.75
Y/E	**Sales**	**Declared**	**Adjusted**	**Adjusted**	**p/e**	**Divi**	**Yield**
December	**£m**	**Profit £m**	**Profit £m**	**Basic eps p.**	**ratio**	**p.**	**%**
2007A	18.2	-3.21	0.37	0.23	31.5	-	-
2008E	21.8	2.40	2.40	1.55*	4.7	-	-
2009E	23.0	3.50	3.50	1.57	4.6	-	-
2010E	24.0	3.80	3.80	1.71	4.2	0.16	2.2%

**includes the benefit of a £600,000 tax credit*

COLLIERS CRE

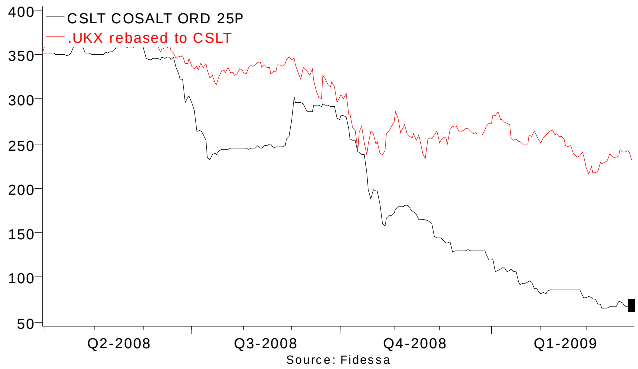


Colliers CRE is expected to release its full year results to 31 December 2008 in the near future. As such the company is heavily in close period. Property shares in general continue to be out of favour with the FTSE 350 Real Estate sector recently testing lows not seen since 1986. That said, the index is up 17% over the last month.

Colliers CRE				COL		Price p.	14.0
AIM				Real Estate		Cap £m	6.3
Y/E	**Sales**	**Declared**	**Adjusted**	**Adjusted**	**p/e**	**Divi**	**Yield**
December	**£m**	**Profit £m**	**Profit £m**	**Basic eps p.**	**ratio**	**p.**	**%**
2006A	93.8	9.7	9.7	17.2	0.8	4.6	32.9%
2007A	117.5	12.2	9.4	11.8	1.2	5.0	35.7%
2008E	78.0	-7.0	-7.0	-11.0	-1.3	-	-
2009E	76.9	1.7	1.7	1.6	8.8	-	-

COSALT

Further to the final results in late February, the Interim Management Statement reaffirmed that trading in both Q1 and for the year to date (19 March 2009) has been in line with management expectations. Despite some signs of month-on-month volatility, both the marine and offshore oil & gas divisions have reported increases in turnover of 21% and 23% respectively in what is the seasonally weaker half for the group. With demand cushioned by strict regulatory/legislative drivers, Cosalt continues to benefit from a good degree of earnings visibility.



Net debt has risen, as expected but with increased and extended banking facilities of £39m committed to 2011, headroom is comfortable and there are no pressures on banking covenants.

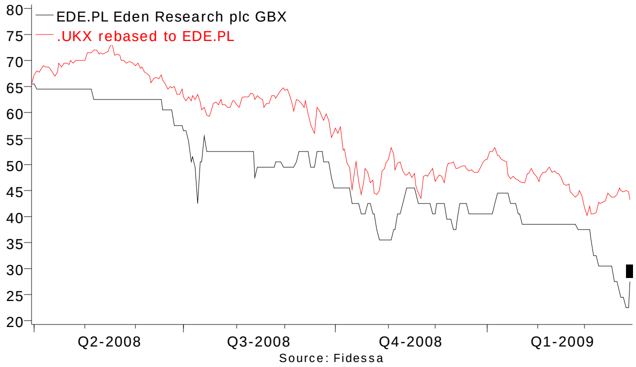
In other news the financial results for GTC have been released and were in line with management's targets, triggering the maximum deferred consideration payment of £3.75m. To benefit cash flow, this payment will now be spread over a longer time period to end February 2012.

Cosalt				CSLT		Price p.	68.0
Full List				Diversified Inds		Cap £m	18.0
Y/E	**Sales**	**Declared**	**Adjusted**	**Headline**	**p/e**	**Divi**	**Yield**
October	**£m**	**Profit £m**	**Profit £m**	**eps p.**	**ratio**	**p.**	**%**
2007A	66.9	0.05	1.00	17.6	3.9	12.0	17.6%
2008A	105.0	1.49	7.23	23.40	2.9	6.0	8.8%
2009E	121.5	6.27	7.97	21.40	3.2	3.0	4.4%
2010E	No	Forecasts	at present				

2008 actual results are calculated on a continuing business basis

EDEN RESEARCH

Eden Research has taken another positive step towards the EU approval of its leading anti-botrytis product 3-AEY. On 30 March 2009 the company announced that the UK Regulator had sent over its key draft assessment report for the product, which effectively evaluates the active substance for Annex I listing. Management expect a European wide Annex I listing to follow in due course.



Meanwhile, full year results to end December 2008 showed revenue down from £0.4m to £0.1m but a smaller loss before tax of £2.1m (2007: £2.6m). Turnover for the year consisted of a milestone payment received from business partner and licensee Cheminova. As soon as Eden achieves 3-AEY registration, Cheminova is contractually obliged to make further payments amounting to €1.6 million (£1.49m) in aggregate. This works out to €400,000 for each country of registration, namely the UK, France, Italy and Spain.

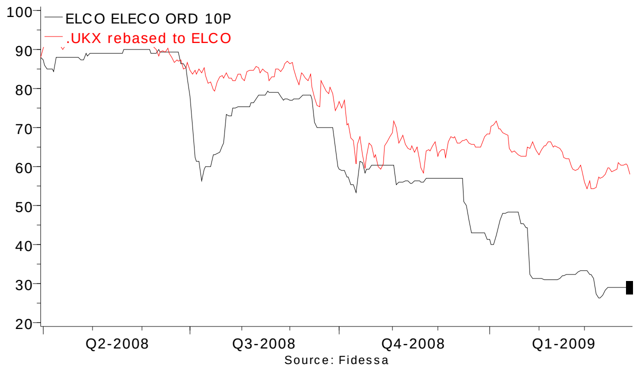
The end December 2008 balance sheet demonstrates the company continues to rely on large funding through shareholders' loans and the number of share options and warrants pending. Eden has the commitment of these shareholders for at least one more year and together with the receipt of milestone payments and near-term royalty revenues, management is confident the group "has sufficient funds to reach commercialisation and be cash generative."

Eden Research				EDE		Price p.	30.5
PLUS				Diversified Inds		Cap £m	16.6
Y/E	Sales	Declared	Adjusted	Adjusted	p/e	Divi	Yield
December	£m	Profit £m	Profit £m	eps p.	ratio	p.	%
2007A	0.4	-2.6	-2.2	-4.2	-	0.0	-
2008A	0.1	-2.1	-1.6	-2.9	-	0.0	-
2009E	No	estimates	at present				
2010E	No	estimates	at present				

ELECO

Interim results, declared at end-February, showed a modest 5.6% reduction in sales, coupled with a serious squeeze in margins. The group had issued a trading statement in January that indicated the recession was starting to have an impact upon trading, and the results as issued were very much in line with the indications given in that trading statement.

Group pre-tax profit was down from £3.7m to £0.27m, earnings per share were down from 4.5p to 0.4p, and the interim dividend was cut from 1.0p to 0.4p.



The construction and building materials sector has been hit particularly badly by the economic downturn. To Eleco's credit, the company is still profitable, is still paying dividends and has net cash in the bank, plus very considerable unused borrowing facilities.

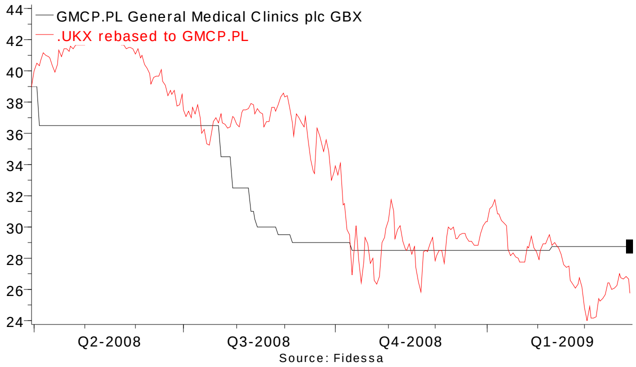
Short term prospects depend largely upon whether the precast concrete activities are given the go-ahead to start work on the large volume of orders sitting in the 'pending' tray.

A new research note together with updated estimates will be available shortly. Please call for further details.

Eleco				ELCO		Price p.	29.0
AIM				Diversified Inds		Cap £m	17.2
Y/E	**Sales**	**Declared**	**Adjusted**	**Adjusted**	**p/e**	**Divi**	**Yield**
June	**£m**	**Profit £m**	**Profit £m**	**eps p.**	**ratio**	**p.**	**%**
2007A	61.9	5.9	6.3	10.3	2.8	2.5	8.6%
2008A	84.9	8.2	9.1	12.1	2.4	3.0	10.3%
2009E	Estimates	Under	Review				
2010E	Estimates	Under	Review				

2007 actual results restated for IFRS.

GENERAL MEDICAL CLINICS



Following the interim results in February, General Medical continues to concentrate on developing its Baker Street Medical clinic. We understand sales in February doubled on the previous month and the company is also close to securing a dentistry deal. We expect a positive reaction to this new service in the West End area.

The management team is also in the final stages of negotiating a potential new contract with a large client who is looking to sign up for Occupational Health services. This is very encouraging news given the market environment GenMed operates in. Whilst the company is benefiting from a high level of contract renewals we note that management continues to take a cautious outlook for the current financial year.
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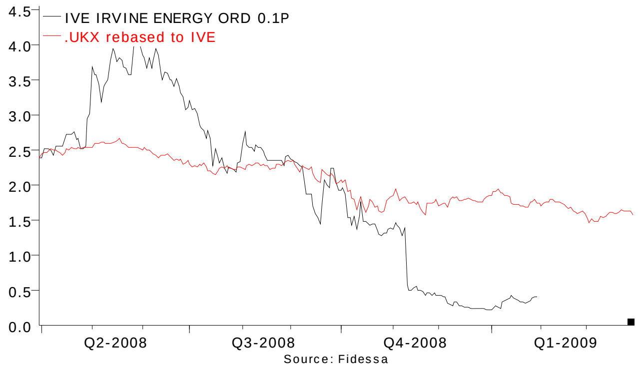
General Medical Clinics				GMCP		Price p.	28.8
UK: PLUS				Healthcare		Cap £m	4.7
Y/E	**Sales**	**Declared**	**Adjusted**	**Adjusted**	**p/e**	**Divi**	**Yield**
May	**£m**	**Profit £m**	**Profit £m**	**eps p.**	**ratio**	**p.**	**%**
2007A	6.40	0.35	0.48	3.0	9.6	0.0	0.0%
2008A	6.54	0.30	0.48	2.1	13.7	0.4	1.4%
2009E	6.90	0.34	0.38	1.7	16.9	0.5	1.7%
2010E	7.21	0.45	0.49	2.2	13.1	0.6	2.1%

IRVINE ENERGY



Irvine Energy plc has entered into an agreement with GasRock Capital LLC to conditionally release Irvine, 'the parent plc company' from the guarantees in the credit agreements over its two US subsidiaries for £370k in cash and an option to subscribe for 100 million ordinary shares in the Company at 0.1 pence per share within an eight week timeframe.

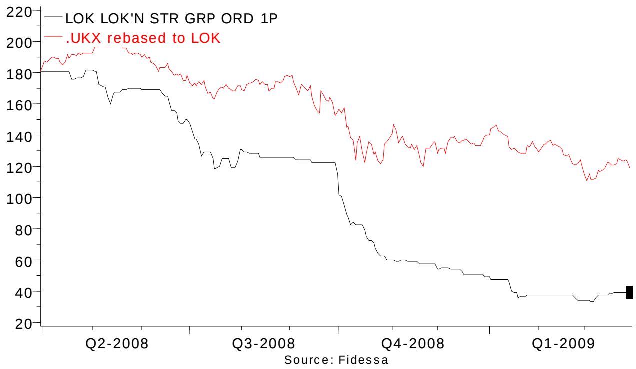
A great deal of value has been lost with the default but this is probably the only solution to recover future value for investors. GasRock's equity option is being forced but it serves to align GasRock's interests with that of Irvine plc's investors. Management continue to explore a range of options which may include using the existing plc structure to bring together a group of unlisted assets or becoming a vehicle for a new venture.

Irvine Energy				IVE		Price p.	suspended
AIM				Oil & Gas		Cap £m	suspended
Y/E	**Sales**	**Declared**	**Adjusted**	**Adjusted**	**p/e**	**Divi**	**Yield**
December	**£m**	**Profit £m**	**Profit £m**	**eps p.**	**ratio**	**p.**	**%**
2006A	0.0	-0.2	-0.3	-0.12	-	-	-
2007A	0.0	-0.9	-1.1	-0.20	-	-	-
2008E	No	estimates	at present	-	-	-	-
2009E	No	estimates	at present	-	-	-	-

LOK'NSTORE

Lok'nStore, the self-storage operator, is currently in close period with H1 results expected to be released on 27 April 2009. We expect these to show pressure on occupancy, and therefore revenues, but we believe margins have remained stable and both loan to value and earnings covenants remain sound. The group's banking facilities, negotiated before the credit crunch, run through to 2012 and are fixed at a competitive LIBOR +1.25%.

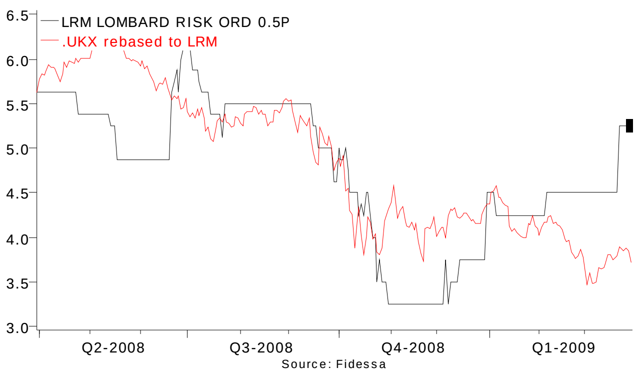
It goes without saying that at the current 39p, the discount to NAV remains compelling.



Lok'nStore				LOK		Price p.	38.5
AIM				Support Services		Cap £m	10.3
Y/E	**Sales**	**Declared**	**Adjusted**	**Adjusted**	**p/e**	**Divi**	**Yield**
July	**£m**	**Profit £m**	**Profit £m**	**Basic eps p.**	**ratio**	**p.**	**%**
2007A	10.67	0.95	0.37	1.20	-	0.67	1.7%
2008A	10.83	-0.74	-0.31	-1.50	-	1.00	2.6%
2009E	10.24	-1.19	-1.19	-4.50	-	1.00	2.6%
2010E	10.71	-1.09	-1.09	-4.10	-	1.00	2.6%

LOMBARD RISK MANAGEMENT

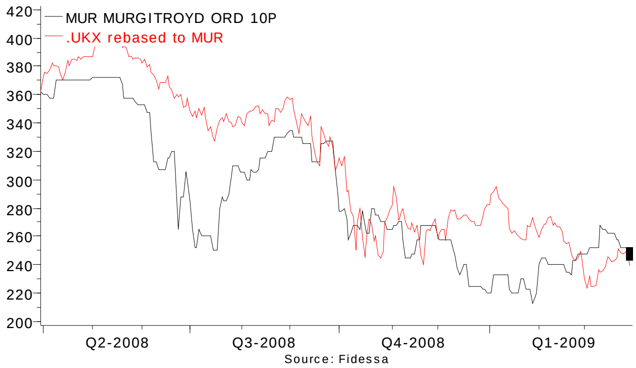
Lombard has announced a further win for its Regulatory Compliance business. A contract has been signed with a major German bank to supply it with Lombard's STB-Reporter product, a software product that automates and reduces the regulatory reporting process**.** The deal is worth in excess of £400,000 over the next 12 months. It covers bank regulatory reporting in London, New York, Hong Kong and Singapore. Importantly this deal further cements Lombard's position as a supplier to this major bank and evidences banks' continued willingness to spend on regulatory products. The deal helps to further validate our pre-tax profit forecast of £750,000 for 2010.



Lombard Risk Mgt				LRM		Price p.	5.3
AIM				Software		Cap £m	7.1
Y/E	**Sales**	**Declared**	**Adjusted**	**Adjusted**	**p/e**	**Divi**	**Yield**
March	**£m**	**Profit £m**	**Profit £m**	**Basic eps p.**	**ratio**	**p.**	**%**
2007A	6.9	-1.3	-1.3	-1.0	-	-	-
2008A	8.5	-1.1	-1.1	-0.7	-	-	-
2009E	8.7	-1.0	-1.0	-0.7	-	-	-
2010E	10.0	0.75	0.75	0.5	10.5	-	-

MURGITROYD

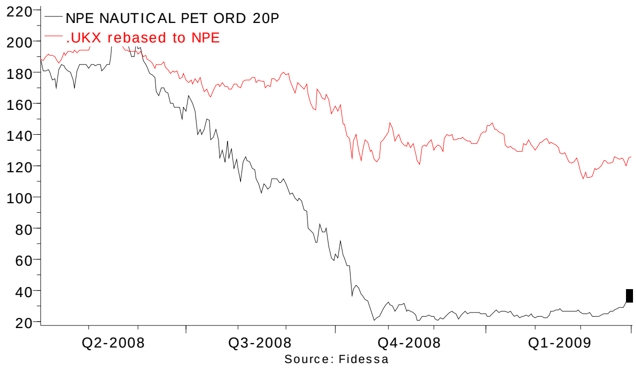
A recent article by The European Patent Office included a comment on the EPO's view of the impact of the credit crunch on IP. Despite growth in Patent applications – applications in 2008 were 3.6% higher than in 2007 – signals are mixed – with there being "an unusually high fluctuation in filing activity from all regions of origin in the second half of 2008." Noticeably, lower growth in filings was seen from Japan and applications from South Korea were also down. While some of Murgitroyd's business does originate in Japan the region accounted for less than 5% of Murgitroyd's 2008 turnover.



The latest statistics from OHIM the office responsible for EU Trade Mark applications, reveal that growth in Trade Mark applications, which are more likely to be put on hold than Patent applications, has slowed significantly. Our organic growth estimate for Murgitroyd's 2009 year is 2.5% and at this time we are leaving our forecasts unchanged.

Murgitroyd				MUR		Price p.	247.5
AIM				Support Services		Cap £m	21.0
Y/E	**Sales**	**Declared**	**Adjusted**	**Adjusted**	**p/e**	**Divi**	**Yield**
May	**£m**	**Profit £m**	**Profit £m**	**Basic eps p**	**ratio**	**p.**	**%**
2007A	22.8	2.9	2.9	23.8	10.4	9.0	3.6%
2008A	25.7	2.9	3.1	25.3	9.8	9.5	3.8%
2009E	29.8	3.6	3.6	29.9	8.3	9.5	3.8%
2010E	31.3	3.9	3.9	32.3	7.7	10.0	4.0%

NAUTICAL PETROLEUM



Nautical's results for the second half of 2008 showed pre-tax losses of £1.83m compared with a pre-tax loss £4.45m for the second half of 2007. This loss includes a £2.4m impairment write-down on the Extended Well Test equipment originally used to appraise Mariner production. Successful farmouts led to both a £0.6m taxable capital gain and a deferred tax credit of £1.0m resulting in a net credit of £0.4m to the p & l account. Overall, this brought the loss after tax down to £1.4m.

Nautical's skilled cash management was again evident during the period with £21.4m of cash and deposits held in Nautical's accounts and £2.4m held in joint venture accounts at 31 December 2008. £11.5m of cash and past cost contributions were received during the period from farmouts. Debt free and with an undrawn £7.5m secured facility in place, management remain resolute that the Company is fully funded to field development plan submissions for both the Mariner and Kraken Fields while continuing a programme of work to add value across its portfolio.

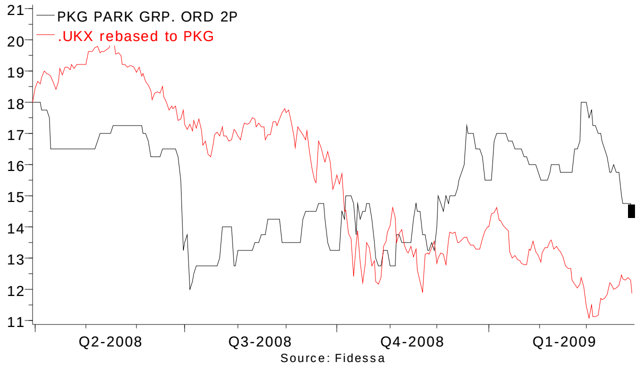
Nautical also acquired a 10 per cent interest in the onshore UK Keddington Field which is currently producing, adding maiden oil revenues to the company. Nautical plans to drill up to four wells this year with a further three in 2010. We are thoroughly revising our financial models at this time and a new research note will be available soon.

Nautical Petroleum				NPE		Price p.	38.3
AIM				Oil		Cap £m	41.2
Y/E	**Sales**	**Declared**	**Adjusted**	**Adjusted**	**p/e**	**Divi**	**Yield**
June	**£m**	**Profit £m**	**Profit £m**	**eps p.**	**ratio**	**p.**	**%**
2007A	0.0	-0.90	-0.40	-0.91	-	-	-
2008A	0.0	-4.50	-4.50	-7.44	-	-	-
2009E	Estimates	under	review				
2010E	Estimates	under	review				

PARK GROUP

Park Group's full year results to end March are scheduled for release on 11 June. We expect these to be in line with our expectations, which would imply the company is on track to report a 19% increase in both pre-tax profit and eps for the 2008/09 financial year.

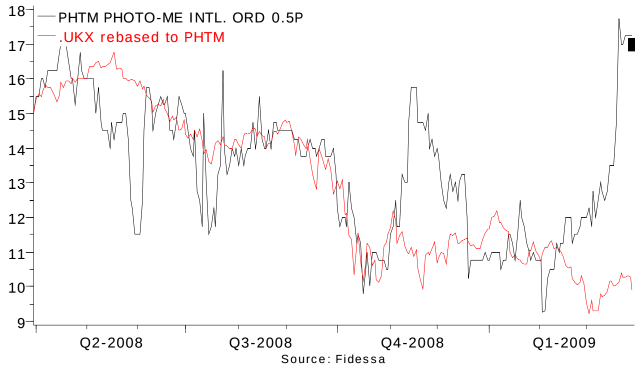
For 2009/10 much depends on what happens to interest rates, as interest income accounts for a significant portion of group profits. We will be revisiting our forward estimates and issuing a new research note after the results.



Park Group				PKG		Price p.	14.5
AIM				Consumer Finance		Cap £m	23.9
Y/E	**Sales**	**Declared**	**Adjusted**	**Adjusted**	**p/e**	**Divi**	**Yield**
March	**£m**	**Profit £m**	**Profit £m**	**eps p.**	**ratio**	**p.**	**%**
2007A	305.2	6.2	10.1	4.0	3.6	1.2	8.3%
2008A	225.1	4.5	5.2	2.2	6.6	1.2	8.3%
2009E	252.5	6.2	6.2	2.7	5.4	1.3	9.0%
2010E	278.1	6.3	6.3	2.7	5.4	1.4	9.7%

PHOTO-ME INTERNATIONAL

Photo-Me shares have risen 42% over the course of the past month, dramatically outperforming the FTSE SmallCap index. The Interim Management Statement showed trading to be on track with our forecast (see below) although we were surprised by the news that CEO Thierry Barel will be leaving the company in September. The statement covers the period from 1 November 2008 to 10 March 2009, but gives more specific information on Q3 November to January 1.

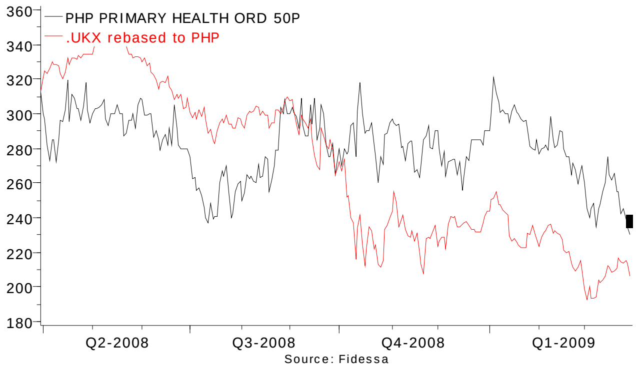


Group revenue for the nine months to January 31 was £168m leading us to believe that if anything, our revenue estimate is on the low side. The statement also points out that EBITDA has made a "further material advance" over the £23.6m reported with the interims. This is obviously encouraging and gives us comfort that our F/Y EBITDA forecast of £29.7m is achievable. Gearing at end-January was slightly improved, from 35% to 33%.

Photo-Me				PHTM		Price p.	17.0
Full List				Support Services		Cap £m	61.1
Y/E	**Sales**	**EBITDA**	**Adjusted**	**Adjusted**	**p/e**	**Divi**	**Yield**
April	**£m**	**£m****	**Profit £m****	**eps p.****	**ratio**	**p.**	**%**
2007A*	212.8	46.0	13.9	2.4	7.1	2.4	14.1%
2008A	209.6	35.8	-6.9	-2.0	-	0.0	-
2009E	210.9	29.7	-7.1	-0.9	-	0.0	-
2010E	199.5	35.2	3.5	0.6	28.3	0.0	-

Restated by management for sale of US business** *****Before exceptional items

PRIMARY HEALTH PROPERTIES



Primary Health Properties (PHP) announced this week that its legal case against the National Health Service Litigation Authority Family Health Services Appeal Unit (the NHSLA) and the Secretary of State for Health has been successfully won. The case was over the dispute resolution procedures that should be followed when determining levels of rent to be reimbursed by the Department of Health for GP's leasehold premises.

Under the current system the NHSLA consults with the CEO of the Valuation Office Agency (VOA) over rental disputes. PHP, one of its subsidiaries and certain of the company's tenants, argued that as original assessments of rents are made by the District Valuer consultation with the VOA is inappropriate, and an independent third party should be involved in setting rents in dispute cases.

The court case has been ongoing for the better part of two years and PHP and the other claimants have been awarded costs incurred. As a result of winning the case PHP expects that "a fairer, more robust and more transparent system for reviewing rent will be implemented". Any uplift in rental reimbursements would be a positive for PHP and its tenants.

PHP has also raised £3.7m before expenses through the placement of 1.7m new shares at 220p per share, a 14% discount to the prior day's closing price. The funds raised are to be used to support general working capital purposes.

The placing was taken up by institutional and private investors, including Nexus Group Holdings Ltd, the parent of Nexus PHP Management Ltd and JO Hambro Capital Management Ltd, who together comprise the Joint Managers of Primary Health Properties. Other company directors also participated in the placing. The investment by company directors demonstrates confidence in the long term growth potential of PHP and in the current environment there are likely to be buying opportunities presenting themselves to this provider of healthcare premises.

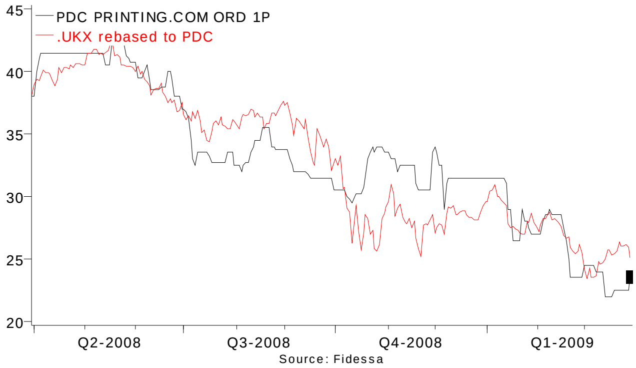
Primary Health	PHP				Price p.	267.0
Full List	Real Estate				Cap £m	89.7
12m to	**Revenue**	**Adjusted**	**Adjusted**	**p/e**	**Divi**	**Yield**
end Dec	**(Rent etc) £m**	**Profit £m**	**eps p.**	**ratio**	**p.**	**%**
2007A	15.7	4.2	13.8	19.3	15.75	5.9%
2008A	19.7	6.3	18.8	14.2	16.50	6.2%
2009E	20.8	6.3	17.6	15.2	17.00	6.4%
2010E	22.2	7.0	19.0	14.1	17.50	6.6%

**With properties at market value*

PRINTING.COM

Printing.com's management purchased a further 25,000 shares for treasury at 22p per share earlier this month, taking the total number held to 668,702 and sending a clear signal to the market that the shares are, in their view, woefully undervalued at current levels.

The full year results to end March 2010 will be released in late June and will be preceded by a pre-close update on Wednesday 8 April. We are happy that our estimates are in the right place.



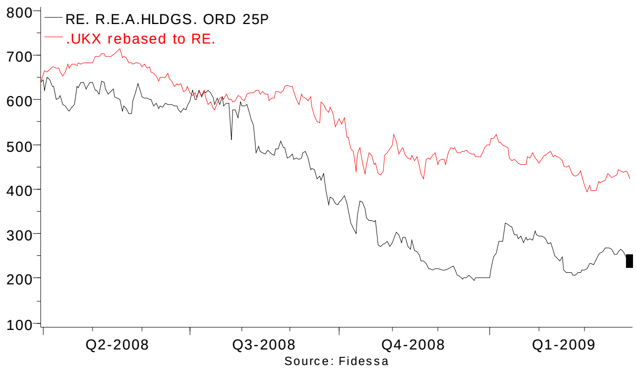
Printing.com				PDC		Price p.	24.0
AIM				Retailing		Cap £m	10.8
Y/E	Sales	Declared	Adjusted	Adjusted	p/e	Divi	Yield
March	£m	Profit £m	Profit £m	eps p.	ratio	p.	%
2007A	12.1	2.3	2.3	3.4	7.1	2.50	10.4%
2008A	13.5	2.4	2.4	3.5	6.9	3.00	12.5%
2009E	14.1	2.1	2.1	3.2	7.5	3.10	12.9%
2010E	14.4	2.1	2.1	3.2	7.5	3.20	13.3%

R.E.A. HOLDINGS

R.E.A. Holdings will be announcing its full year results in late April and is now in close period.

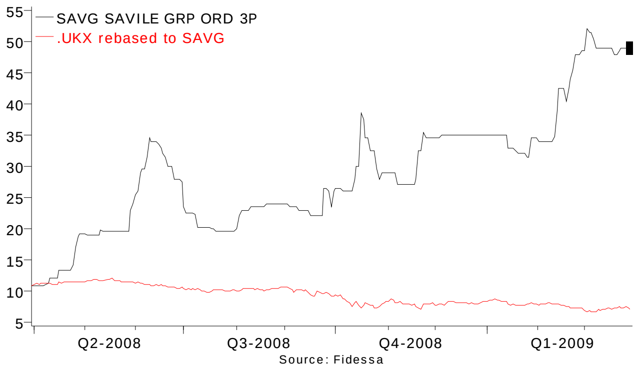
The palm oil price, CIF Rotterdam has held firm in the $550 - $600m/t range since our last research note in February and offtake remains good.

We are maintaining our estimates for both the current financial year and next.



R.E.A. Holdings				RE.		Price p.	244.0
Full List				Food		Cap £m	81.6
Y/E	Sales	Declared	Adjusted	Adjusted	p/e	Divi	Yield
December	USDm	Profit USDm	Profit USDm	eps c/share	ratio	P.	%
2006A	33.1	19.76	11.06	17.8	20.5	1.0	0.3%
2007A	57.6	47.01	38.98	73.0	5.0	2.0	0.5%
2008E	73.8	37.81	39.81	72.82	5.0	3.0	0.8%
2009E	64.9	27.43	29.43	52.84	6.9	3.0	0.8%

SAVILE GROUP



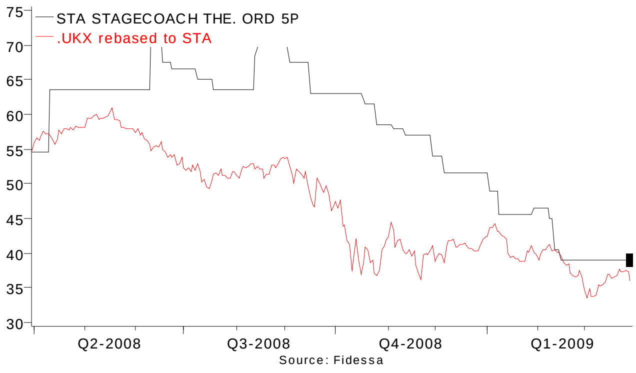
We continue to be happy with progress at Savile Group. The latest redundancies at HSBC, RBS and Legal & General indicate trading conditions in the outplacement industry, which accounts for 65% of group revenues, remains buoyant. In talent management, both IDDAS and CEDAR are achieving year-on-year growth and the strategy is to increase the proportion of revenues generated by this side of the business ahead of the upswing in the economic cycle.

Savile has net funds and is in strong expansion mode. Headcount has risen and the company has increased capacity on a flexible basis both in London and the regions, where it has had limited representation in the past.

The current year propsective p/e of sub 7X is modest, particularly in comparison to larger competitor Penna which is trading on a 2009E PER of 12X. A total of 200,000 shares were purchased for treasury during March.

Savile Group				SAVG		Price p.	49.0
UK:				Support Services		Cap £m	7.2
Y/E	Sales	Declared	Adjusted	Adjusted	p/e	Divi	Yield
June	£m	Profit £m	Profit £m	eps p.	ratio	p.	%
2007A	5.10	-0.19	0.21	2.2	22.5	-	-
2008A	7.02	0.72	0.90	6.0	8.1	-	-
2009E	9.40	1.51	1.53	7.2	6.8	2.0	4.1%
2010E	10.78	1.67	1.69	8.0	6.1	2.2	4.5%

STAGECOACH THEATRE ARTS

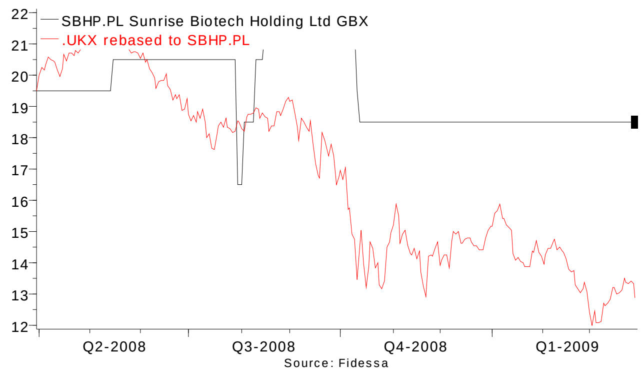


As predicted in our January research note, new school sales and existing school re-sales have been hit hard by the tougher economic climate and continued reluctance on the part of the banks to resume lending. Student numbers have also shown a small decrease across the network, although we can confirm that occupancy remains above 90% which really is very good considering the pressures faced by other consumer-facing businesses.

Stagecoach Theatre Arts has a May year end. Despite the more challenging trading environment, management action to reduce costs has put the business in good shape and we remain comfortable with our current year estimates. These look for a marginal increase in pre-tax profit and eps and a 5% hike in the final dividend because cash generation continues to be strong.

Stagecoach Theatre Arts				STA			Price p.	39.0
AIM				Theatre Arts			Cap £m	3.9
Y/E	Group	Network	Declared	Adjusted	Adjusted	p/e	Divi	Yield
May	Sales £m	Sales £m	Profit £m	Profit £m	eps p.	ratio	p.	%
2007A	6.32	26.54	0.37	0.37	2.5	15.6	0.0	0.0%
2008A	6.33	28.47	0.71	0.71	5.04	7.7	2.0	5.1%
2009E	6.22	29.89	0.72	0.72	5.17	7.5	2.6	6.7%
2010E	6.26	29.96	0.73	0.73	5.26	7.4	2.7	6.9%

SUNRISE BIOTECH HOLDING LTD



In our February monthly, we mentioned that the Japanese Ministry of Agriculture, Forestry and Fisheries was holding a seminar in March to discuss the quality of animal fodders especially targeting the benefits of mulberry fodder additives.

Canariya, Sunrise's Japanese distributor, is seeing increasing popularity of mulberry fodders, especially those containing a higher protein level. It has also received positive feedback from the seminar which has been followed by orders being placed of over 9,000 tonnes. This is a significant increase in orders compared to the c.6,000 tonnes delivered over the course of the previous two years. Of these 9,000 tonnes, over 6,000 tonnes are for the higher protein level fodder, which will require an increase in the pure leaf content of the fodder composition.

In order to secure the further growth of the fodder business, Sunrise has been proactively looking to acquire mulberry leaves from other sources. Trading of mulberry tea and powder is in line with management expectations.

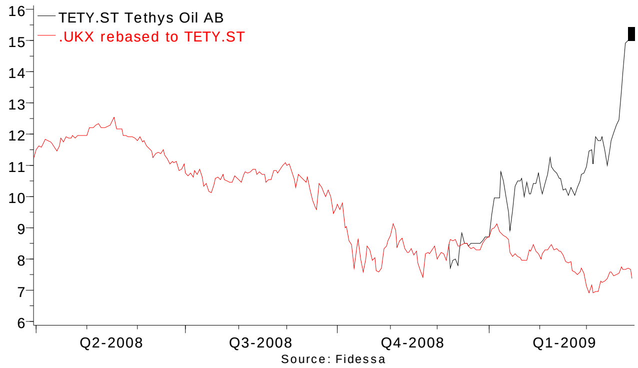
Sunrise is now heavily in close period, with the full year results to end December 2008 expected to be announced later this month.

Sunrise Biotech				SBHP			Price p.	18.5
Plus				Pharmaceutical & Biotechnology			Cap £m	49.9
Y/E	**Sales**	**Sales**	**Declared**	**Adjusted**	**Adjusted**	**p/e**	**Divi**	**Yield**
Dec	**RMB m**	**£m**	**Profit £m**	**Profit £m**	**eps p.**	**ratio**	**p.**	**%**
2007A	56.3	3.70	2.25	2.26	22.54	0.8	-	-
2008E	62.8	5.24	2.19	2.41	0.82	22.6	-	-
2009E	71.1	6.47	2.92	3.04	1.08	17.1	-	-
2010E	82.0	8.20	3.83	3.95	1.42	13.0	-	-

TETHYS OIL

Tethys is extremely active at the moment with drilling operations ongoing in both Oman and Morocco.

In Oman, Tethys has announced that the 1900m deep vertical leg of the Farha South-3 well (which spudded on 9 February) has been successfully completed. Operations to drill a 700m horizontal sidetrack to test the Lower Bashair sandstone for production began on 12 March. Once horizontal drilling has been completed we would expect flow testing to continue for a couple of weeks before any well result is announced.



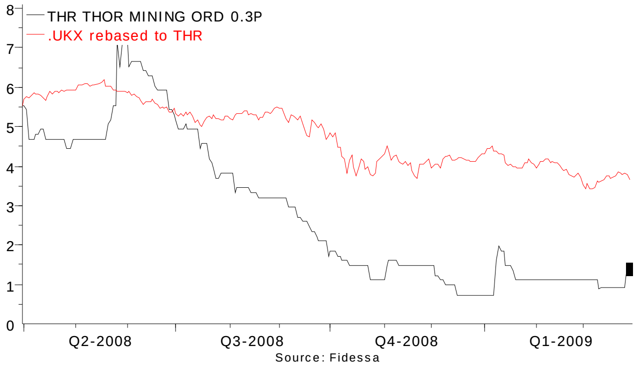
The South Farha oil discovery is thought to contain an estimated 8-10 million barrels of potentially recoverable oil in the structure which is now delineated by three penetrative wells. The original discovery well flowed 260bbl of 40 degree API oil from the regionally productive Lower Bashair Sandstone which is being targeted in current operations.

This month's other new news is that Dana Petroleum has spudded the Tafejjart-1 gas wildcat to test the Taffejart structure, in NE Morocco. The play which was originally generated by Tethys then farmed out to Dana is expected to take two to three months to drill. Dana is carrying Tethys for a 12.5% working interest in the licence through to a total expenditure of $12m.

The Tafejjart structure is very large with a potentially huge upside for Tethys set against a small economic risk after the farm-out.

Tethys Oil				TETY.SE		Price SEK.	15.1
AIM				Oil		Cap MSEK	362.4
Y/E	Sales	Declared	Adjusted	Adjusted	p/e	Divi	Yield
December	SEK m	SEK m	SEK m	eps SEK	ratio	SEK.	%
2006A	0.0	-29.8	-29.8	-1.94	-	-	-
2007A	0.0	-24.7	-24.7	-1.41	-	-	-
2008E	0.0	-8.3	-8.3	-0.37	-	-	-
2009E	No	estimates	at present				

THOR MINING



We have recently visited the Head Office of Thor Mining in Adelaide, Australia, and had detailed discussions with the directors about progress on the key property, the Molyhil molybdenum/tungsten/magnetite deposit.

The drilling programme at Molyhil has been completed, the drill cores are with the assay house and the assay results could be back soon. We don't yet have any clear impression of what they are likely to show.

The moly price is posting $8.90/lb at the moment, so is even lower than when we did our last research note in January. At this price, the tungsten in Molyhil is far more valuable. The tungsten price has held up well, but the pricing is opaque, with possibly as much as 80% of world supply coming from China, and also China being the largest consumer. CITIC which has a mining offtake agreement with Thor, is effectively a Chinese company. We see CITIC as quite possibly turning into a strategic partner, not just a buyer, and even though CITIC has to date expressed no interest in taking a share in either Thor or the Molyhil deposit.

There is good news on the magnetite. It will cost very little to get 20,000 tpa of <75 mu coalwashing grade. At $100/tonne that is roughly $A2m/yr, most of which will go to the bottom line, the only significant extra cost being transport. We believe that output could be raised up to 100,0000 tpa = $A10m/yr extra for a modest extra cost. There may not be a market for that much, but if one assumes 50,000 tpa for $A5m extra, that will be good news indeed. There will also be cost savings, because any magnetite sold reduces the size of the tailings.

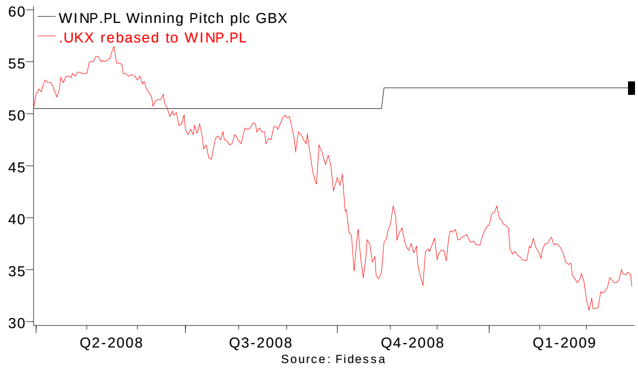
There is a buyer for the magnetite. Thor is talking with a big far east trading house about buying the entire <75 mu output. It is a long way from a contract yet, but encouraging.

Some good work is being done on the cost front generally. Total costs of the project have been cut from the $A65m in the feasibility study to possibly $A40m. The company is looking at partnering with suppliers to reduce upfront capital costs, but of course losing some of the upside. The fall in the oil price is good news, because 20% of costs in the old DFS were for power. Also, Thor is looking at solar energy for part of its power needs.

There will be a new Definitive Feasibility Study in about three months, combining the assay results, the reworking of the mine plan they will undoubtedly trigger, and the lower costs – including any partnering deals that have been done by then. Once that is out, Thor will need more capital. So we look for another fundraising in H2, bigger than the last one so Thor can actually get Molyhil into production.

Thor Mining				THR		Price p.	1.1
AIM				Mining		Cap £m	1.7
Y/E	**Sales**	**Declared**	**Adjusted**	**Adjusted**	**p/e**	**Divi**	**Yield**
June	**£m**	**Profit £m**	**Profit £m**	**eps p.**	**ratio**	**p.**	**%**
2007A	0.0	-1.4	-1.4	-1.27	-	-	-
2008A	0.0	-1.1	-1.1	-0.76	-	-	-
2009E	No	estimates	at present				
2010E	No	estimates	at present				

WINNING PITCH



Winning Pitch's contract with the Northwest Development Agency (NWDA) is continuing to progress well with over 200 businesses having signed up post the contract's initiation in November of last year. The NWDA's agenda is to "stimulate the economic growth and regeneration of England's Northwest", an area that has over seven million residents, almost 12% of the total population of the UK. The region is the UK's largest centre for business and financial services outside of London.

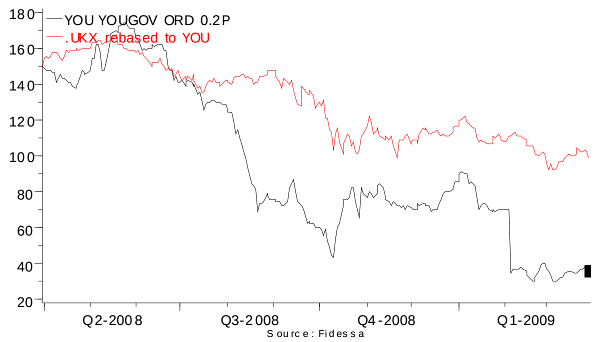
Of late the team at Winning Pitch have noticed a definite shift in emphasis by government agencies from the need to support "high growth" businesses – those with expected turnover growth of greater than 20% - to the need to provide public funding in support of sustaining local employment. This is understandable given the current economic climate.

Winning Pitch's turnover in the twelve months ended 30 September 2008 was 202% higher than that earned in the nine months to 30 September 2007. Turnover for the four months to January 2009 was £525,000 - this amount does not fully reflect benefits from the NWDA programme which commenced in November 2008. Several other initiatives are underway designed at adding to Winning Pitch's growing revenue streams.

Winning Pitch				WINP		Price p.	52.5
PLUS				Support Services		Cap £m	2.7
Y/E	**Sales**	**Declared**	**Adjusted**	**Basic**	**p/e**	**Divi**	**Yield**
December	**£m**	**Profit £m**	**Profit £m**	**eps p.**	**ratio**	**p.**	**%**
2007A*	0.44	0.14	0.14	2.26	23.23	-	-
2008A	1.30	-0.24	-0.03	-4.37	-	-	-
2009E	No	estimates	at present				
2010E	No	estimates	at present				

**nine months to 30 September 2007 based on statutory accounts at time of admission to PLUS*

YOUGOV



With its interim results for the six months ended 31 January 2009 due out on 6 April YouGov is in close period.

Post a profit warning issued in February shares in this online market research company have sunk to levels not seen since the company listed in April of 2005. Since that time YouGov has expanded into the Middle East, Scandinavia, Germany and the US, becoming a truly global market player. The company has continued to invest in new product development and this investment, in combination with a difficult economic environment, has led to profits lower than originally expected by investors.

We look to next week for further enlightenment.

YouGov				YOU		Price p.	35.8
AIM				Media		Cap £m	34.2
Y/E	**Sales**	**Declared**	**Adjusted**	**Adjusted**	**p/e**	**Divi**	**Yield**
July	**£m**	**Profit £m**	**Profit £m***	**Basic eps p.**	**ratio**	**p.**	**%**
2007A	14.3	5.6	6.3	6.3	5.7	-	-
2008A	40.4	4.0	7.9	7.7	4.6	-	-
2009E		Estimates	under	review			
2010E		Estimates	under	review			

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