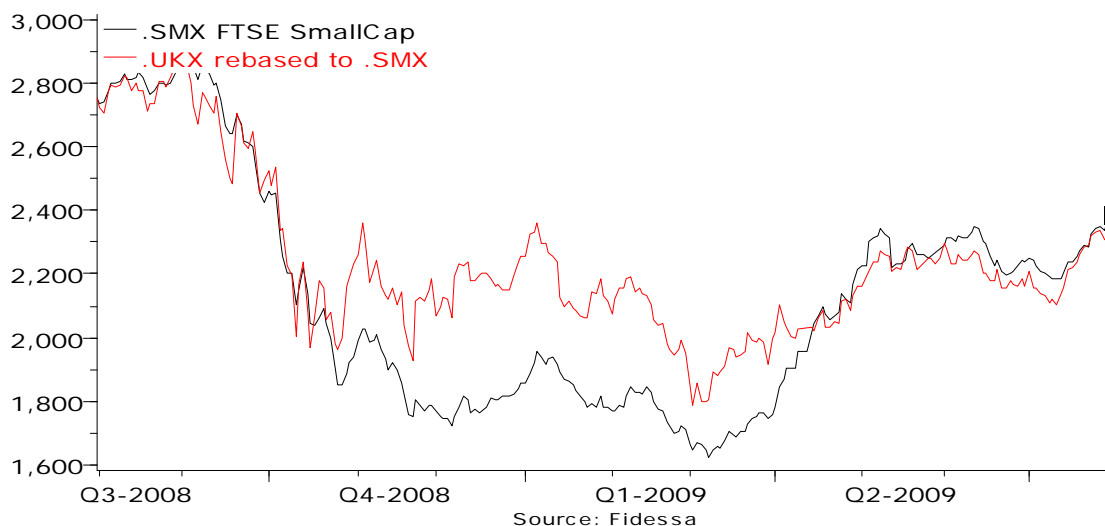


The Monthly September 2009

01 September 2009



FTSE SmallCap vs. FTSE 100

This month, we have initiated coverage on two new companies, **Saturn Minerals**, quoted in Toronto and AIM-listed **Pentagon Protection**.

Saturn Minerals Inc is a Vancouver-based exploration company with a large land-holding on the newly discovered Durango Trend coal province in Saskatchewan, Canada. We initiate coverage as the company is analysing first-pass airborne geophysics and waiting for an independent NI 43-101 compliant assessment report on properties in a coal province that was only discovered in 2008.

Pentagon Protection operates in the enhanced glass protection film industry and specialises in high risk security consulting, training and the supply of security equipment and products. A major acquisition, SDS Group, took place at the end of FY08. SDS, as a leading bespoke security consultancy specialist and equipment supplier, has brought a new dimension of expertise and services to Pentagon. The group is particularly well placed to take advantage of the increasing emphasis on energy saving as well as security threats around the world. Indeed, recently announced contract wins suggest that this is happening already.

Please call or email for a copy of the full research note on either company.

The upward movement in the main FTSE indices has continued in August. Given that both the FTSE 250 Index (+10%) and the FTSE Small Cap Index (+13%) have outperformed the FTSE 100 (+6%), this may include an element of unwinding the earlier flight to size/liquidity. What is not clear, however, is the driving force behind this uptrend. Is it a return of confidence to investors, or does it owe more to technical factors? Or, to put it another way, how robust are the green shoots so eagerly reported by politicians and commentators? Based on recent releases of data, the answer to this second question would seem to be that they are still pretty fragile. ►

Market Indicator	Price	Previous Month Price	% Change in 1 month	Year High	Year Low
FTSE 100	4896	4632	5.7%	5601	3530
FTSE Small Cap	2675	2366	13.1%	2856	1644

Statistics for the labour market, at first glance, suggest an improving situation. Declines in all the key metrics – unemployment, vacancies and redundancies – were reduced in Q209 from the peaks seen in the previous quarter. However, vacancies and the growth in average earnings (excluding bonuses) are at their lowest levels since comparable statistics began in 2001, while the unemployment rate is at its highest for 14 years. Anecdotal evidence, too, suggests that, while fewer companies are now planning large scale redundancies, new hirings have yet to pick up – and may be constrained by skill shortages. Looking forward, historical data suggests that unemployment will continue to rise for some time following the end of the recession – and, indeed, lower tax revenues and the need to reduce government debt could point to layoffs in the public sector – an area that has been pretty well insulated to date.

Industrial surveys by, among others, the CBI and the BoE are predicting that the rate of decline in economic activity is slowing, both in the manufacturing sector – where de-stocking is coming to an end and a period of stability should be followed by stock rebuilding – and in consumer services, though this may have been impacted by the level of “staycations”. Figures for retail sales present a mixed picture. Growth (y-o-y) was much stronger in July than in the three months to July, suggesting that the July 2009 result was heavily influenced by the bringing forward of, and deeper discounting in, summer sales. This tends to be supported by growth in household goods’ sales of 4.5% between June and July, led by furniture and electrical goods.

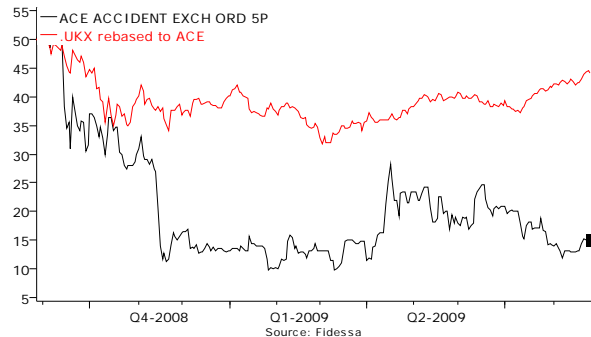
So, is consumer confidence returning or may concerns over job security still influence retail, and therefore manufacturing, demand? It is interesting, for example, to extrapolate into the retail market both the weakness in container shipping rates and the fall off in petroleum product shipments for freight transport. Looking at the recent insolvency statistics, personal insolvencies were up 28% y-o-y in the first half, with no sign of any significant reduction in the rate of growth between the first and second quarters. Corporate insolvencies rose by 43% in the period. While there was a reduction between the two quarters, corporate insolvencies are not expected to peak until 2010.

All in all, we believe that the message that should be drawn out of this raft of statistics is that the equity market is not yet out of the woods. Many companies still need to reduce debt and/or secure funding. In the current banking environment, and with some suggestion of investor indigestion for secondary issues, this will not be easy, especially in the small/mid cap arena. Quality and cash generation are, we think, likely to remain the key watchwords.

ACCIDENT EXCHANGE

2009 was a challenging year for Accident Exchange but the company has downsized and against a more benign trading backdrop (hire days were stable in Q1, the accident and utilisation rate were both up) is now firmly focused on converting its substantial debtor book into cash.

For the current financial year we expect adjusted revenues to decline by 28% and adjusted pre-tax profit to decline by 37%. Our numbers reflect the large-scale reduction in the revenue-generating fleet, a provision for higher depreciation charges and the decision to curtail low margin credit repair work.



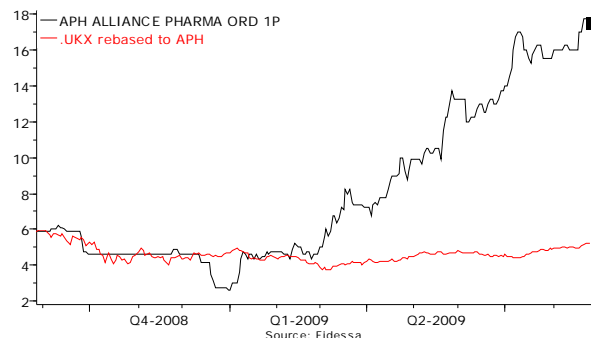
The key challenge for Accident Exchange is to bring cash collections up to break-even and beyond, however, not short-term earnings growth. Until this objective is achieved the shares are unlikely, in our view, to enjoy a re-rating. Please call for a copy of our most recent research note "Targeting cashflows, not growth."

Accident Exchange Full List				ACE Specialty Finance	Price p.	15.0	
					Cap £m	20.6	
Y/E	Sales	Declared	Adjusted	Adjusted	p/e	Divi	Yield
April	£m	Profit/(Loss) £m	Profit £m	Diluted eps p.	Ratio	p.	%
2008A	161.9	9.9	13.9	12.0	1.3	2.5	16.7%
2009A	132.0	-55.4	13.3	9.6	1.6	0.0	0.0%
2010E	120.1	6.9	8.3	7.3	2.1	0.0	0.0%
2011E	120.5	8.2	8.3	7.3	2.1	0.0	0.0%

*2009A sales have been adjusted for the debtor impairment write-down

ALLIANCE PHARMA

Alliance Pharmaceuticals Ltd, a wholly owned subsidiary of Alliance Pharma, has conditionally agreed to buy the worldwide rights to Buccastem, a treatment for nausea and vomiting and Timodine, an anti-fungal and anti-bacterial cream, from Reckitt Benckiser Group plc. Consideration paid for the two brands was £7.5m net of expenses. The brand's combined annual sales are expected to be in the range of £2.6m while gross profit from the brands is expected to be circa £2.2m. Following these acquisitions we have upgraded our 2010 eps forecast by 18%.



Ex merchant banker Nigel Wray has increased his stake in Alliance from 10.3% to 11.1% while Aviva PLC has reduced its stake from 11.7% to 10.9%.

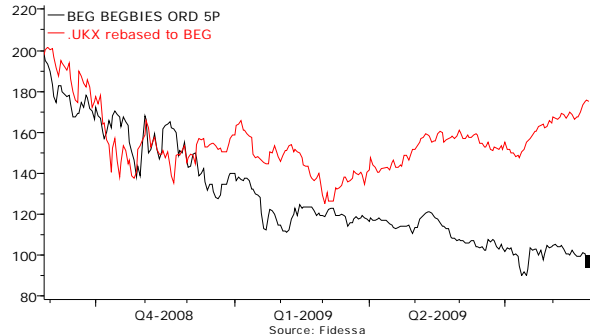
Alliance Pharma AIM				APH Pharmaceuticals	Price p.	17.00	
					Cap £m	27.56	
Y/E	Sales	Declared	Adjusted	Adjusted	p/e	Divi	Yield
December	£m	Profit £m	Profit £m	Basic eps p.	ratio	p.	%
2007A	18.2	-3.21	0.37	0.23	73.9	-	-
2008A	21.8	2.40	2.40	*1.55	11.0	-	-
2009E	27.8	5.70	5.70	2.37	7.2	0.16	1.3%
2010E	28.0	6.10	6.10	2.26	7.5	0.17	1.0%

*2008 eps includes the benefit of a £600,000 tax credit

BEGBIES TRAYNOR

Begbies has paid deferred consideration of c. £0.2m, settled by the issue of shares, in connection with its acquisition of Stellar Financial Partners in May 2007. While no individual details of consideration for this Manchester-based fiscal structuring and investigations consultancy have been released previously, the payment indicates a solid post-acquisition performance.

August saw the release by The Insolvency Service of insolvency statistics for Q2 2009. These showed that insolvencies over the past 12 months continued to represent 0.8% of the register of active companies, up from 0.6% a year ago. The rate of growth in the figures for Begbies' core market (excluding compulsory liquidations) slowed for the second successive quarter, but was still up 43% y-o-y. Insolvencies, which could reach 1% of the active company register, are expected to peak in 2010.

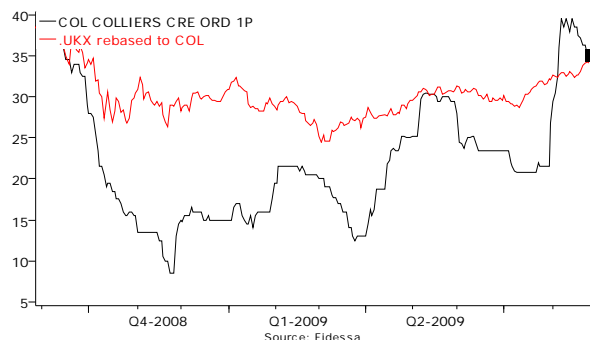


With our Fair Value price for the shares remaining at 183p, to reflect the Group's strong position in insolvency and the prospects for that sector, the shares remain attractive at current levels.

Begbies Traynor				BEG		Price p.	94.00
AIM				Support Services		Cap £m	84.1
Y/E	Group	Declared	Adjusted	Adjusted	p/e	Divi	Yield
April	Sales £m	Profit £m	Profit £m	eps p.	ratio	p.	%
2008A	48.1	5.7	7.0	6.0	15.7	2.5	2.7%
2009A	62.1	7.2	9.8	7.8	12.1	2.8	3.0%
2010E	67.6	10.1	11.6	8.9	10.6	3.1	3.3%
2011E	74.4	12.6	13.7	10.4	9.0	3.4	3.6%

COLLIERS CRE

Shares in Colliers CRE have steamed ahead over the last month and at close to 40p have almost doubled since a trading update issued at the end of last month. In its July update the company signalled that it had seen an improvement in market activity in June and, that should the levels of activity seen continue, a significant improvement could be seen in the second half of the year. Shares in fellow property company DTZ have also performed exceptionally well over the last month, more than doubling in price. It seems that many investors are of the view that the property sector has bottomed out.



Colliers CRE				COL		Price p.	39.0
AIM				Real Estate		Cap £m	18.3
Y/E	Sales	Declared	Adjusted	Adjusted	p/e	Divi	Yield
December	£m	Profit £m	Profit £m	Basic eps p.	ratio	p.	%
2007A	117.5	12.2	9.4	11.8	3.3	5.0	12.8%
2008A	78.0	-11.1	-4.6	-6.5	-6.0	-	-
2009E	66.4	-1.6	-1.2	-1.6	-	-	-
2010E	68.6	1.9	1.9	2.8	13.9	-	-

COSALT

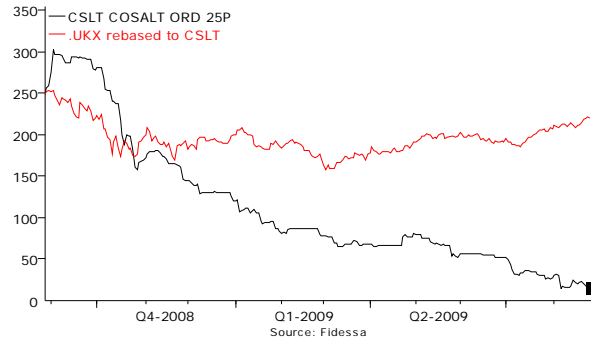
Cosalt's £17.1m Placing and Open Offer and Firm Placing will see a total of 378m new shares at 5p/share admitted to trading on the London Stock Exchange's Full List on 2 September 2009.

The fund raise is subject to shareholder approval and a capital reorganisation reducing the nominal value of each company share to 1p. Assuming both these are achieved, the number of shares in issue post the capital injection will increase by a substantial 1432% to c. 405m.

Just over half the new shares (52%, or 198m) have been distributed in a Firm placing amongst the CEO, FD, new investors and the group's four largest inside shareholders – Sovereign Holdings, David Ross, Hanover Investors and the Melville family. Under the Open Offer, 81%, or 146.94m shares have been placed with qualifying shareholders. The balance has been allocated to the investors to whom they had been conditionally placed.

Cosalt intends to use all of the money raised to pay down its existing debt which at 3 May 2009 stood at £33.4m. Including the new funds, we expect year end net debt to reduce to c. £20m (at end October 2009) boosting headroom to £13m on the reduced facilities of £33m.

The takeover discussions announced on 3 August have been called off by both parties and the company is now no longer on the Takeover Panel List. We will be issuing new estimates in due course.

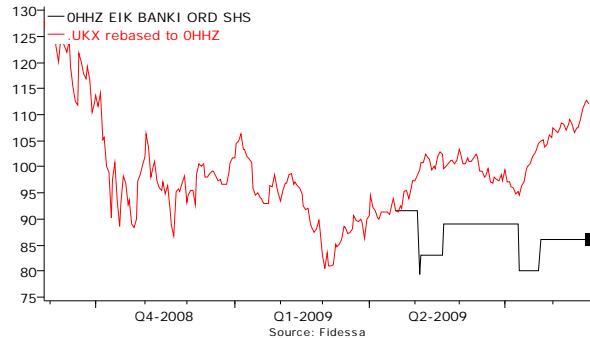


Cosalt				CSLT		Price p.	15.0
Full List				Diversified Inds		Cap £m	4.0
Y/E	Sales	Declared	Adjusted	Headline	p/e	Divi	Yield
October	£m	Profit £m	Profit £m	eps p.	ratio	p.	%
2007A	66.9	0.1	1.0	11.6	1.3	12.00	80.0%
2008A	105.0	1.5	7.2	23.4	0.6	6.0	40.0%
2009E		No	Forecasts				
2010E		No	Forecasts				

EIK BANKI

We have revised our 2009 estimates for Eik Group following the interim results and the latest movements in the share price.

Eik has avoided most of the problems that have plagued the banking sector in Denmark and abroad, but the latest results show that impairment charges against corporate real estate lending in Denmark is higher than we expected. Also interest income and fees compared to 1H 2008 are lower than we expected. However there are also positive points to offset against these. Costs have been reduced, and Market Value Adjustments are positive.



In June Eik Bank Danmark received DKK 295m in hybrid core capital under Credit Package II from the Danish Government. The application from Eik Banki will probably be processed in Q3 2009. A positive outcome will strengthen the Group's solvency by approximately 1.9%, which at 1H 2009 would have implied a solvency of 13.5% for the Group.

The latest movement in the share price confirms our view that Eik Group is undervalued in comparison to its peers. OMXB – the share index for the Danish banking sector - has increased by more than 60% since March while Eik Group's share price has more or less remained level.

A sudden upward spurt from 80 DKK to 130 DKK in late August has compensated for this gap but we still believe there is upside potential. The economic news from Denmark and it's largest trading partners is positive and confirms that we are witnessing the last phase of this recession. Olivier Blanchard from the IMF also stated earlier this week that the recovery from the global crisis has started.

We look forward with interest to progress from H2 onwards.

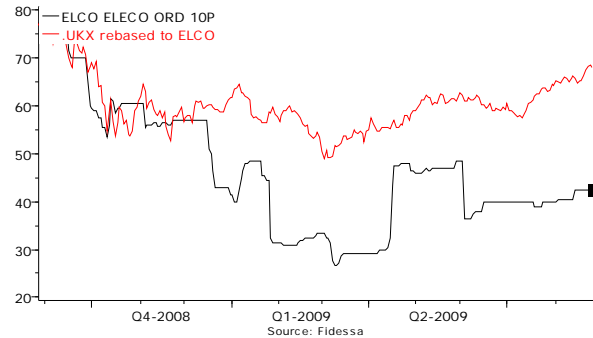
Eik Banki				FO-EIK CSE		Price DKK	122.0
Copenhagen Stock exchange				Banks		Cap DKK	991.9
Y/E	Group Revenue*	Declared Pre-Tax Profit	Adjusted Pre-Tax Profit**	Declared After-Tax	p/e ratio	Divi	Yield
December	DKKm	DKKm	DKKm	eps** DKK		DKK	%
2007A	1,155	465	273	51.57	2.4	10.7	8.7
2008A	1,673	-416	-170	-38.64	-	0.0	-
2009E	1,251	-68	-127	-6.10		0.0	
2010E	No	Forecasts					

*Net interest income + fees etc

**excludes Market Value Adjustments

ELECO

Eleco provided the market with a trading update in August confirming that its operating performance for the year ended 30 June 2009 is expected to be in line with directors' expectations. The company also indicated that impairment charges against goodwill and other intangible assets are likely. Net cash of £1.4m at 30 June is up on cash held on 31 December 2008, which is a good result – we were expecting a small net debt position at end June. We are currently forecasting 2009 net profit before tax of £284,000 and eps of 0.4p. Eleco will announce its results for the 2009 year on 9 October.

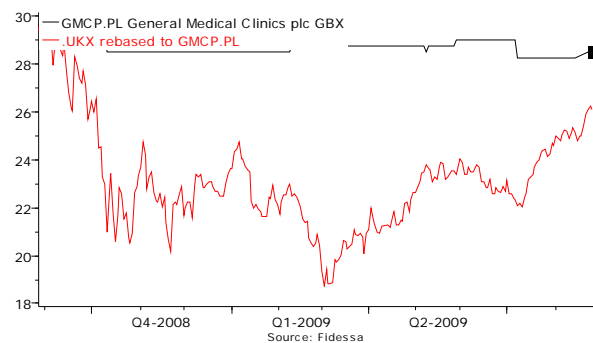


Eleco	ELCO					Price p.	42.5
AIM	Diversified Inds					Cap £m	25.2
Y/E	Sales	Declared	Adjusted	Adjusted	p/e	Divi	Yield
June	£m	Pre-tax Profit £m	Pre-tax Profit £m	eps p.	ratio	p.	%
2007A	61.9	5.9	6.3	10.3	4.1	2.5	5.9%
2008A	84.9	8.2	9.1	12.1	3.5	3.0	7.1%
2009E	77.8	-0.11	0.3	0.4	106.3	1.2	2.8%
2010E	80.3	2.72	3.1	3.8	11.2	2.0	4.7%

2007 actual results restated for IFRS.

GENERAL MEDICAL CLINICS

There have been no new developments from primary health care provider, General Medical, this month. The company is currently in close period and its 2009 full year results are expected to be released later this month.

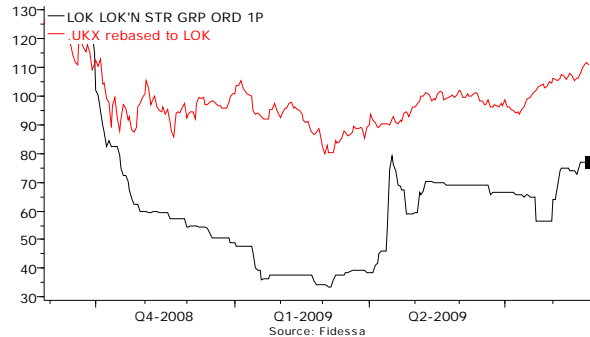


General Medical Clinics	GMCP					Price p.	28.5
UK: PLUS	Healthcare					Cap £m	4.7
Y/E	Sales	Declared	Adjusted	Adjusted	p/e	Divi	Yield
May	£m	Profit £m	Profit £m	eps p.	ratio	p.	%
2007A	6.40	0.35	0.48	3.0	9.5	-	-
2008A	6.54	0.30	0.48	2.1	13.6	0.4	1.4%
2009E	6.64	0.16	0.25	1.0	27.9	0.5	1.8%
2010E	Estimates	Under	Review				

LOK'NSTORE

Lok'nStore shares have risen by 36% over the past month in response to recent news that occupancy is on an improving trend and is currently up 2% y-on-y. Average revenue per sq ft, another key industry metric, is also rising again.

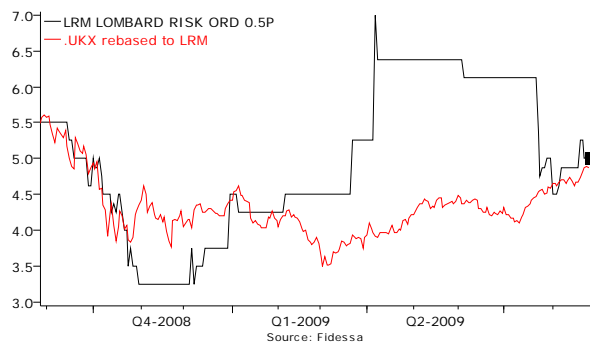
Despite the strong share price performance of late we continue to believe the shares - trading at a 64.5% discount to adjusted NAV (based on the Directors' valuation of 200p/share at 31 January 2009) - are undervalued.



Lok'nStore	LOK					Price p.	77.0
AIM	Support Services					Cap £m	20.6
Y/E	Sales	Declared	Adjusted	Adjusted	p/e	Divi	Yield
July	£m	Profit/(Loss) £m	Profit/(Loss) £m	eps p.	ratio	p.	%
2007A	10.67	0.95	0.37	1.20	64.2	0.67	0.9%
2008A	10.83	-0.74	-0.31	-1.50	-	1.00	1.3%
2009E	9.96	-0.56	-0.56	-2.11	-	0.00	0.0%
2010E	10.32	-0.32	-0.32	-1.20	-	0.00	0.0%

LOMBARD RISK MANAGEMENT

Lombard Risk has announced the appointment of Keith Butcher as Finance Director from 1 September. Mr Butcher was previously Finance Director and Company Secretary of Flomerics Group plc and prior to that Finance Director of DataCash Group plc, both AIM listed technology businesses. Chief Financial Officer, Jane Fineman, is to leave the company in late September. Michael Thomas, Managing Director Asia Pacific, has left the company Board reducing his commitment to that of a part-time role. He will continue to serve on the Boards of Lombard's Asian subsidiaries.



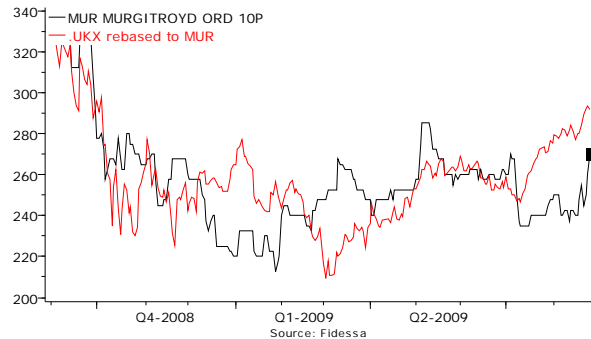
An equity capital raising is anticipated to take place after the summer holiday period and it is expected that the funds raised will enable Lombard which has a record sales pipeline to aggressively pursue the many contract opportunities in front of the company. Meanwhile, two Directors of the company have advanced loans in order to provide Lombard with continuing working capital.

Lombard Risk Mgt	LRM					Price p.	5.0
AIM	Software					Cap £m	6.8
Y/E	Sales	Declared	Adjusted	Adjusted	p/e	Divi	Yield
March	£m	Profit/(Loss) £m	Profit/(Loss) £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	8.6	-1.1	-1.1	-0.8	-	-	-
2010E*	10.0	0.75	0.75	0.5	10.0	-	-

*But see text

MURGITROYD

Patent and Trade Mark Attorney practice, Murgitroyd Group, is now in close period ahead of reporting its financial results for the year ended 31 May 2009. Full year results are expected to be announced on or around 7 September.

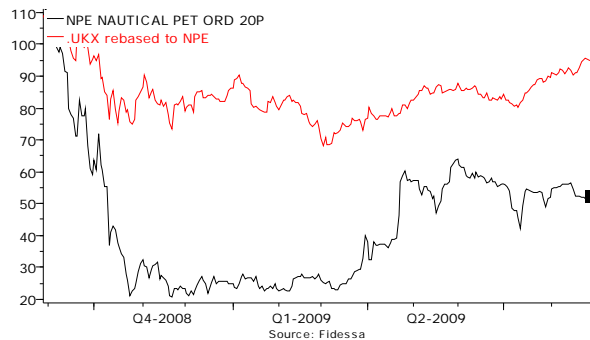


Murgitroyd	MUR					Price p.	277.0
AIM	Support Services					Cap £m	23.5
Y/E	Sales	Declared	Adjusted	Adjusted	p/e	Divi	Yield
May	£m	Profit £m	Profit £m	Basic eps p	ratio	p.	%
2007A	22.8	2.9	2.9	23.8	11.6	9.0	3.2%
2008A	25.7	2.9	3.1	25.3	10.9	9.5	3.4%
2009E	29.6	3.6	3.6	29.9	9.3	9.5	3.4%
2010E	31.3	3.9	3.9	32.3	8.6	10.0	3.6%

NAUTICAL PETROLEUM

While no financial or operational announcements have been made by Nautical during August ongoing appraisal work continues on the core assets and throughout the portfolio.

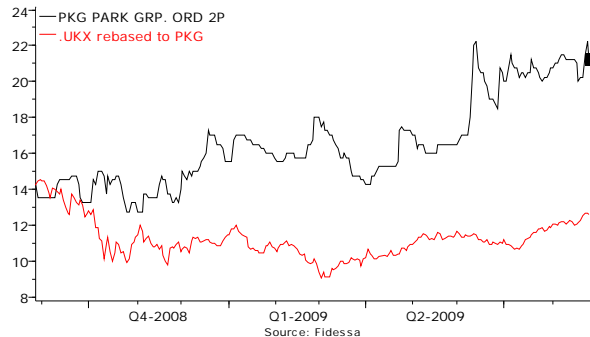
FDP submission is ever nearing though the market still discounts Nautical attributing a heavily discounted value which continues to suffer a disconnect from the value of Nautical's asset portfolio. When the market wakes up to the commerciality of Nautical's portfolio we suspect that investors may well rue an opportunity missed.



Nautical Petroleum	NPE					Price p.	52.3
AIM	Oil					Cap £m	33.1
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

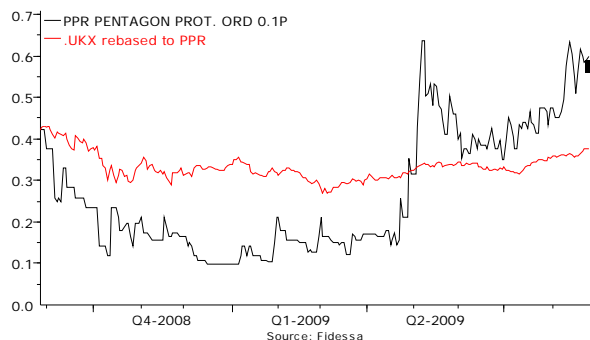
There has been no news from Christmas savings scheme and corporate voucher provider Park Group. We commented last month that the narrowing of the interest rate differential between the Bank of England base rate and 3 month LIBOR may impact Park's investment income generation. This is increasingly likely to be the case with 3 month LIBOR continuing to fall rapidly, now at 0.69% against the base rate of 0.5%. While this may be a slight negative for Park's Christmas savings division (66% of turnover) the rate differential is down from abnormal highs and is now closer to what might be expected in a normal economy. This should be a positive for Park's Corporate Voucher division (34% of turnover).



Park Group	PKG					Price p.	21.3
AIM	Consumer Finance					Cap £m	35.1
Y/E	Sales	Declared	Adjusted	Adjusted	p/e	Divi	Yield
March	£m	Profit £m	Profit £m	eps p.	ratio	p.	%
2008A	225.1	4.5	5.2	2.2	9.7	1.2	5.6%
2009A	250.5	6.2	6.2	2.4	8.9	1.3	6.1%
2010E	252.1	5.3	5.3	2.3	9.2	1.3	6.1%
2011E	No	Forecasts					

PENTAGON PROTECTION

We initiated coverage on Pentagon Protection last month – a protective window film specialist and a specialist in high risk security consulting, training and the supply of security equipment and products. SDS has been awarded a contract for the supply of x-ray generator kits to the MOD with a value of approx. £287,000. The company has little competition in the portable x-ray field when it comes to supplying to the government because this 'best of breed' product supplied by SDS is the only one that complies with UK Health and Safety regulations. The group is confident that this will continue to be the case in the future. SDS also has an ongoing repair and maintenance contract with the MOD. This contract has an estimated value of £35,000 per annum.



The company completed its first hotel security assessment for the Cumberland Hotel in London last month and the results of assessments will be published upon the completion of more hotels. F&S and SDS will conduct a series of three day comprehensive training workshops for hotel security managers and hotel staff in public-facing roles. The first set of courses is scheduled to take place in London later this month.

Pentagon Protection	PPR					Price p.	0.6
AIM	Support Services					Cap £m	3.8
Y/E	Sales	Declared	Adjusted	Adjusted	p/e	Divi	Yield
April	£000	Profit £'000	Profit £'000	eps p.	ratio	p.	%
2007A	1,736	-326	-326	-0.10	-	-	-
2008A	1,444	-2,991	-602	-0.15	-	-	-
2009E	No	Forecasts					
2010E	No	Forecasts					

PHOTO-ME INTERNATIONAL

There has been no recent news from Photo-Me International. Serge Crasnianski continues to act as Interim Chief Executive Officer while the recruitment process for a new permanent CEO takes place. An Interim Management statement is expected to be released in mid September.

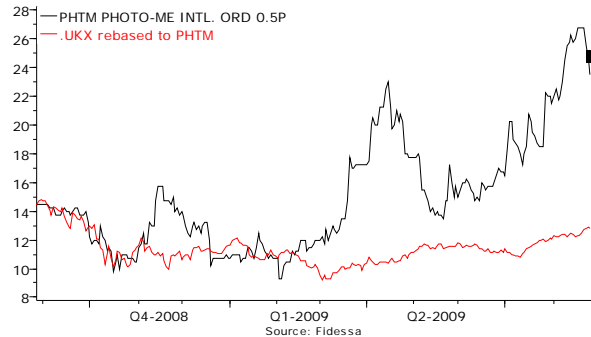
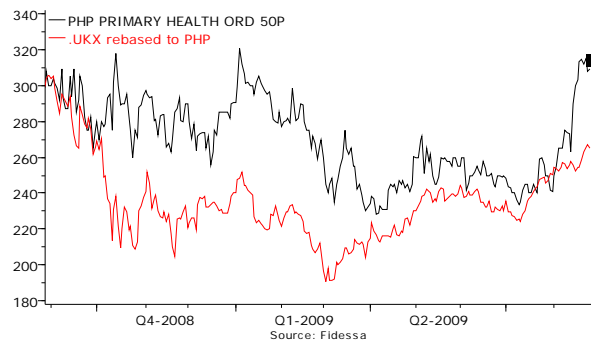


Photo-Me Full List	PHTM Support Services					Price p.	25.8
						Cap £m	76.5
Y/E	Sales	EBITDA	Adjusted	Adjusted	p/e	Divi	Yield
April	£m	£m	Profit £m	eps p.	ratio	p.	%
2008A	193.5	36.5	-6.3	-1.8	-	-	-
2009A	210.9	38.6	1.6	0.2	128.8	-	-
2010E	199.4	34.2	2.2	0.6	42.9	-	-
2011E	No	Forecasts					

PRIMARY HEALTH PROPERTIES

Primary Health Properties has released its interim results for the half year ended 30 June 2009. Rental income is 14.5% ahead of the prior half year and adjusted profits are 10.3% ahead. A valuation loss of £8.0m was recorded on PHP's property portfolio. While larger than the £4.7m recorded in the first half of 2008, the loss was lower than that recorded in the second half of 2008.



The shares have a net asset value of 290p and are valued at 466p on a DCF basis. At 313p PHP's shares are trading at a 33% discount to this DCF value. Signs in the sector suggest that property yields are hardening. Any further signs of hardening can only serve to underpin PHP's value.

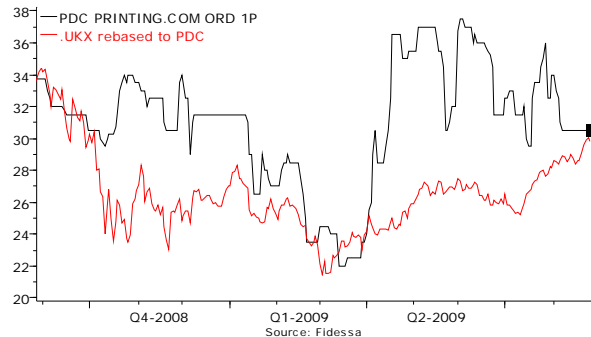
Primary Health Full List	PHP Real Estate					Price p.	313.0
						Cap £m	105.2
Y/E	Revenue	Adjusted	Adjusted	p/e	Divi	Yield	
December	(Rent etc) £m	Profit* £m	Eps* p.	ratio	p.	%	
2007A	15.7	4.2	13.8	22.7	15.75	5.0%	
2008A	19.7	6.3	18.8	16.6	16.50	5.3%	
2009E	20.8	6.3	18.5	16.9	17.00	5.4%	
2010E	22.2	7.0	20.0	15.7	17.50	5.6%	

* EPRA basis

PRINTING.COM

There has been no new news from franchised business to business print specialist Printing.com over the past month. In July the company confirmed that trading volumes had shown no noticeable decline since 1 June 2009 although pricing pressures clearly remain.

Printing.com has a September half year end and usually announces its interims in mid-November.



Printing.com				PDC		Price p.	30.5
AIM				Retailing		Cap £m	13.6
Y/E	Sales	Declared	Adjusted	Adjusted	p/e	Divi	Yield
March	£m	Profit £m	Profit £m	eps p.	ratio	p.	%
2008A	13.5	2.4	2.4	3.5	8.7	3.00	9.8%
2009A	14.5	2.1	2.1	3.3	9.3	5.15	16.9%
2010E	14.4	2.1	2.1	3.2	9.5	3.30	10.8%
2011E	15.3	2.3	2.3	3.6	8.5	3.60	11.8%

2009A Dividend includes a special dividend of 2p/share

R.E.A. HOLDINGS

Interim results to end June showed turnover of £32.4m, a 30% reduction on the previous first half, entirely on account of the lower CPO price (H109 average \$658m/t vs. \$1168m/t in H108). Crop output was actually unchanged on the previous half, at 231,000 tonnes, and just 2% below budget despite widely reported fears of an El Nino weather event.

R.E.A still managed to generate a very decent profit of \$13.3m for the first half, albeit 61% below the previous first half year. The reduction in profit is partly the result of the lower average CPO price referred to above, partly due to a reduction in the IFRS net gain on biological assets following the decision to suspend extension planting activity in October 2008. This decision has since been reversed and management now expect 2,000H of new plantings to make it out to the fields by end December 2009, ramping up to c. 4,000H per annum in 2010 and 2011.



Meanwhile, first revenues from the two small coal mining concessions have been pushed back, but only temporarily. Our estimates below exclude any contribution from this new line of activity and are based on a CPO price of \$640m/t CIF Rotterdam.

R.E.A. Holdings				RE.		Price p.	393.0
Full List				Food		Cap £m	131.3
Y/E	Sales	Declared	Adjusted	Adjusted	p/e	Divi	Yield
December	USDm	Profit USDm	Profit USDm	eps c/share	ratio	P.	%
2007A	57.6	47.0	38.98	73.0	8.1	2.0	0.5%
2008A	79.6	36.3	38.97	77.20	7.6	3.0	0.8%
2009E	66.9	34.20	34.20	66.40	8.9	4.0	1.0%
2010E	73.4	39.50	37.50	73.70	8.0	4.0	1.0%

RENEW HOLDINGS

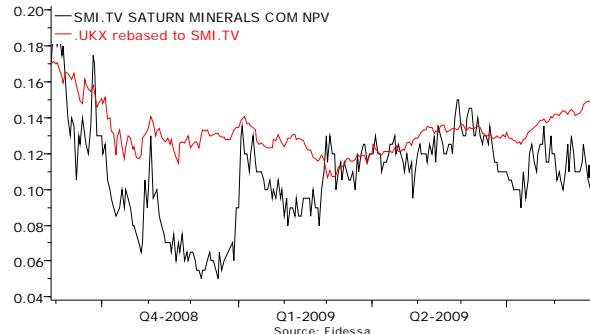
At 36.5p Renew Holdings shares are up 25% since we initiated coverage in July. Following the recent award of over £20m in new orders for Renew's Specialist Engineering stream which focuses on Nuclear, Land Remediation, Water and Rail Infrastructure, trading in Renew's shares has been active. Gartmore Investment Ltd and Octopus Asset Management have increased their stakes in Renew to 16.0% and 9.3% respectively while JP Morgan Chase & Co has reduced its stake from 5.3% to 3.5%. Hargreave Hale Ltd, Brewin Dolphin Ltd and BSPF Trustee Ltd & Corus Engineering Steels Trustee Ltd have become significant shareholders with stakes of 5.5%, 5.0% and 3.2% respectively.



Renew Holdings				RNWH		Price p.	36.5
AIM				Construction		Cap £m	21.9
Y/E	Sales	Declared	Adjusted	Adjusted	p/e	Divi	Yield
September	£m	Profit £m	Profit £m	eps p.	ratio	p.	%
2007A	348.1	7.4	7.4	12.3	3.0	1.8	4.9%
2008A	390.6	6.7	9.5	11.4	3.2	3.0	8.2%
2009E	334.2	1.7	5.5	6.7	5.4	3.0	8.2%
2010E	304.4	4.5	4.8	5.8	6.3	3.0	8.2%

SATURN MINERALS

Saturn Minerals Inc is a specialist geological exploration company based in Vancouver. It's primary focus, with 60:40 JV partner Swift Resources Inc (TSX-V, SWR), is on a new coal province in East Central Saskatchewan, Canada called the Durango Trend. This province was only discovered in 2008 and properties adjacent to Saturn's have been shown to contain good quality and upgradable thermal coal, in fact much better quality coal than is currently being used in the province's coal-fired power plants.



The province's government is committed to developing carbon capture and storage (CCS) in support of its strong energy export industry and, as home to EnCana's Weyburn Enhanced Oil Recovery (EOR) project and most of the specialist skills required for this new industry, is strongly supportive of advanced coal technologies and coal exploration.

The new coal province is primarily a continental energy play rather than having seaborne export potential, but links between the new commodity of carbon dioxide, advanced coal fired-power, cross-border electricity grids and enhanced oil recovery mean that there are some very interesting stories converging around Canadian thermal coal in general and Saturn Minerals Inc in particular.

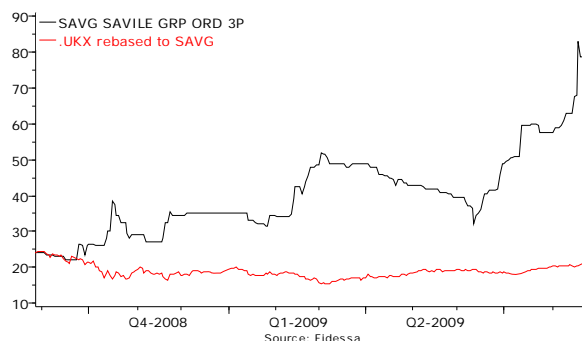
The company is well-connected and continues to cycle hard-rock opportunities along the Americas. Currently it's most interesting hard-rock property is called Beavis and is on the shores of Atlin Lake, BC which was in the past the site of a placer gold rush. However, it's rapid development cycle means that new opportunities are inspected very regularly. Saturn is a geologically-focused company and plans to stick to it's area of expertise rather than attempting to develop properties through to production. We expect news-flow to be on-going and further results from the coal play very soon. For in-depth analysis please read our initiation note 'Saturn Minerals Inc: An Important early Stage Coal Explorer'.

Saturn Minerals Inc				SMI	Price CND\$	0.11	
TSX				Mining	Cap CND\$	5.4	
Y/E	Sales	Declared	Adjusted	Adjusted	p/e	Divi	Yield
December	\$m	Profit \$m	Profit \$m	eps \$.	ratio	c.	%
2007A	0	-0.7		-0.03	N/A	N/A	N/A
2008A	0	-2.6		-0.08	N/A	N/A	N/A
2009E	No	estimates					
2010E	No	estimates					

SAVILE GROUP

Outplacement, talent management and mentoring specialist Savile Group is currently in close period with FY09 results scheduled for release on 22 September 2009.

We recently upgraded our 2009 and 2010 eps forecasts by 12%. The year to June 2009 was a particularly strong one for the core outplacement business as the recession led employers to turn to career transition services to help former employees find new jobs. We expect most of the growth this year to be delivered by the more predictable talent management operations, however, which have recently been expanded.



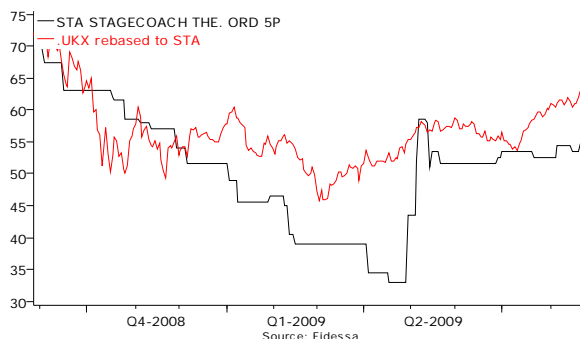
Savile shares have been strong over the past month and are currently trading at a 52 week high.

Savile Group				SAVG		Price p.	84.0
AIM				Support Services		Cap £m	12.3
Y/E	Sales	Declared	Adjusted	Adjusted	p/e	Divi	Yield
June	£m	Profit £m	Profit £m	eps p.	ratio	p.	%
2007A	5.1	-0.19	0.21	2.18	38.5	-	-
2008A	7.0	0.72	0.90	6.04	13.9	-	-
2009E	10.5	1.81	1.81	8.11	10.4	2.0	2.4%
2010E	11.2	2.00	2.00	8.93	9.4	2.2	2.6%

STAGECOACH THEATRE ARTS

The full year results announced on 5 August 2009 showed a modest 2% reduction in revenues but a 2.7% increase in pre-tax profits thanks to a 6% reduction in operating costs. Investors will have been particularly delighted by the 25% increase in the total dividend giving the shares an attractive yield of 4.4%.

The core Stagecoach UK business performed well considering the wider economic environment and pressures on consumer spending. Student numbers were down 5% to 31,468 whilst the number of schools in operation fell from 621 to 617 underlying the popularity of the group's schools.



The balance sheet remains robust. Cash balances at the year end were £1.04m, a 0.5% increase on the previous year, and there is no debt.

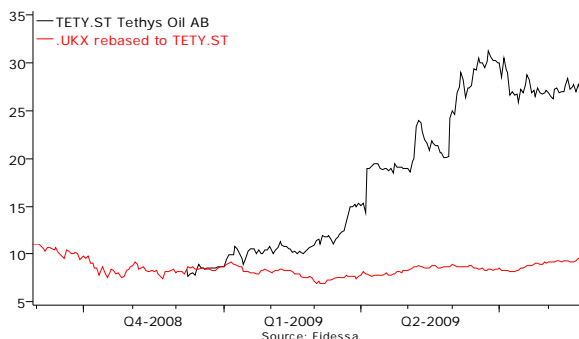
The current year has started in line with management expectations and although we remain cautious on UK main school sales, our estimates look for profits to remain stable in 2009/10 assisted by growth in the SportsCoach UK business and overseas. In 2010/11, as economic conditions turn for the better, we conservatively look for 10% growth in eps to and a dividend yield of 4.6%.

Stagecoach Theatre Arts				STA			Price p.	57.5
AIM				Theatre Arts			Cap £m	5.7
Y/E	Group	Network	Declared	Adjusted	Adjusted	p/e	Divi	Yield
May	Sales £m	Sales £m	Profit £m	Profit £m	eps p.	ratio	p.	%
2008A	6.33	28.47	0.71	0.71	5.09	11.3	2.0	3.5%
2009A	6.20	29.44	0.73	0.73	5.31	10.8	2.5	4.3%
2010E	6.29	29.51	0.73	0.73	5.28	10.9	2.5	4.3%
2011E	6.60	30.99	0.81	0.81	5.83	9.9	2.6	4.6%

TETHYS OIL

Early in the month, Tethys announced that the Tafejjart-1 well (TAJ-1) in the Bouanane licence, showed for gas though interpretation of the well data suggests a tight reservoir with the gas present being sub-commercial. The well has now been plugged back to be permanently safe.

Considering the other opportunities for developments within its portfolio Tethys' management has stated intent to withdraw from the licence to focus on the company's projects in Oman.



Result for the first half 2009 amounted to TSEK – 28,172 (TSEK – 8,631 for the corresponding period last year) and TSEK – 29,740 (TSEK – 3,173) for the second quarter 2009 impacted by net foreign exchange losses amounting to TSEK - 6,370 due to a weaker US dollar.

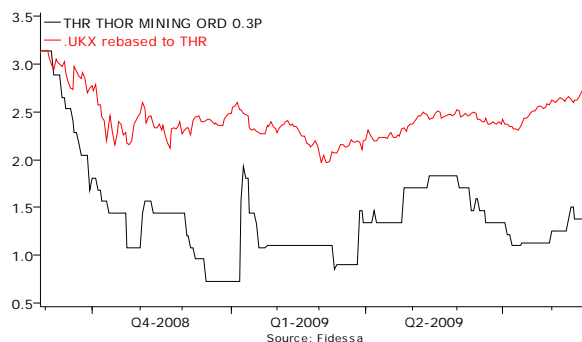
Write downs of TSEK 15,559, mainly regarding Morocco, have also negatively affected the result of the first half 2009. Earnings per share amounted to SEK -1.13 (SEK – 0.40) for the first half 2009 and SEK - 1.17 (SEK – 0.13) for the second quarter 2009. Cash and cash equivalents as per 30 June 2009 amounted to TSEK 29,249 (TSEK 29,886). Oil and gas investments amounted to TSEK 51,983 mainly related to Oman, Blocks 3 and 4.

Tethys Oil AIM	TETY.SE Oil				Price SEK.	27.4	
					Cap MSEK	748.0	
Y/E	Sales	Declared	Adjusted	Adjusted	p/e	Divi	Yield
December	SEK m	SEK m	SEK m	eps SEK	ratio	SEK.	%
2007A	-	-24.7	-24.7	-1.41	-	-	-
2008A	-	-16.4	-16.4	-0.72	-	-	-
2009E	No	estimates	at present		-	-	-
2010E	No	estimates	at present				

THOR MINING

Thor's quarterly report for the period to end June 2009 confirmed that management efforts continue to focus on developing the Molyhill tungsten-molybdenum open cut mine in the Northern Territory of Australia. Thor, through its wholly owned subsidiary Molyhill Mining Pty Ltd, owns 100% of Molyhil.

In order to bring Molyhil into production, Thor needs to raise additional finance. At end July 2009, the company had cash reserves of AUS\$0.4m, including the £450k (AUS\$926k) raised in a recent placing of 45m shares at 1p/share. However, it is clear that more is needed. A revised feasibility study showing a considerable reduction in both the capital costs of getting the project into operation and also in operating costs is due imminently to ascertain just how much more.

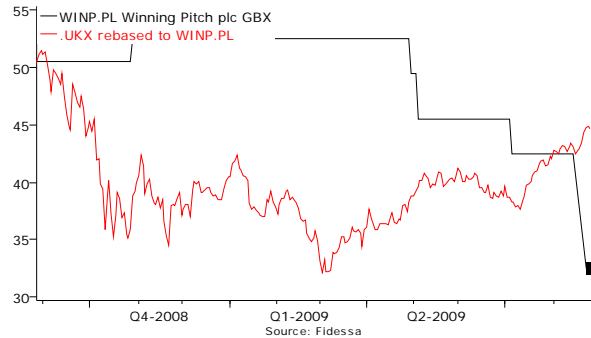


The Molybdenum Roasted Concentrate price has rallied since April, rising 87% to US\$15/lb on 'tight European supply and strong Chinese demand'. This is good news and we await further developments from the company with interest.

Thor Mining				THR		Price p.	1.4
AIM				Mining		Cap £m	2.1
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

There have been no new updates from Manchester based business consultancy Winning Pitch. Shares in this young business are at a low following trading on small volumes. With circa 95% of shares held by CEO, John Leach and Managing/Finance Director, Ian Brookes any trading tends to have a significant impact on share value.

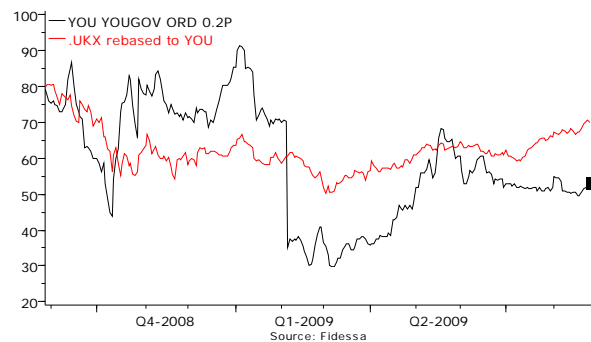


Winning Pitch PLUS				WINP Support Services		Price p.	32.8
						Cap £m	1.7
Y/E	Sales	Declared	Adjusted	Basic	p/e	Divi	Yield
December	£m	Profit £m	Profit £m	eps p.	ratio	p.	%
2007A*	0.44	0.14	0.14	2.26	14.5	-	-
2008A	1.30	-0.24	-0.03	-4.37	-7.5	-	-
2009E	2.50	0.00	0.00	0.00	-	-	-
2010E	3.50	0.50	0.50	10.00	3.3	-	-

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

YOUGOV

Last month YouGov issued a trading update for the year ended 31 July 2009. Trading for the year is in line with current consensus estimates of £3.6m pre-tax profit and 2.1p earnings per share. With the market research market remaining challenging 2010 consensus forecasts have been reduced. YouGov remains cash generative and has a strong balance sheet – at 31 January 2009 YouGov had net cash of £13.7m.



YouGov AIM				YOU Media		Price p.	53.5
						Cap £m	51.2
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	5.7	6.0	8.9	-	-
2008A	40.4	4.0	9.5	9.1	5.9	-	-
2009E	47.1	0.7	3.7	2.3	23.3	-	-
2010E	No	estimates	at	present			

*Adjusted profit after adding back amortisation, exceptional items, share base payments, integration costs etc.

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