

Hardman & Co

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THE MONTHLY JANUARY 2007

Another good month, another good year. During 2006, the companies analysed by Hardman & Co throughout the year increased in value by 24.5%, more than double the rate of gain in the *FTSE 100 Index* of 10%, and well ahead of the *FTSE Small Cap Index*, which was up 16.7%. It is interesting to note that the *AIM All Share Index* made no progress at all over the period.

Comparisons of this nature are of course open to interpretation. But whichever way the figures are examined, the result appears to be good. Our 24.5% figure is unweighted, but on a weighted basis, the calculations are aided by one of the biggest stocks, *YouGov*, being the year's best performer (up 231%) and the two worst performers, *Orbis* and *Palmaris*, being among the smallest stocks in our research coverage. If stocks we began analysing during the year are included, then we would be adding some sparkling performances from stocks such as New Cantech (more than doubled) and Wichford.

Since our last *Monthly*, the shares of the companies we research have increased by an average of 6.8%, compared to the rise in the FTSE Index of 1.0%. Rises outnumber falls by more than 2:1. No less than eight stocks have increased in value by more than 20%, and while some of these companies are quite small, there have been some very good performances among the major stocks as well. *YouGov* rose 27.1%, and *Gladstone Pacific* by 19.2%.

We have produced a new research note on *Leighton & Henley*, a start-up residential property developer. This is run by a management team with a good track record, and has properties with planning permission in hand ready for its start of trading. It will not be quoted on any stock market, so our coverage will be limited to periodic updates, in the manner of our coverage of *British Country Inns*, which is similarly not quoted.

We have two new additions to our research team. **Dr. Tina Cook** joins us having completed an MSc in International Securities, Investment & Banking to add to her DPhil in Experimental Psychology. She already has a strong working background in financial research. **Ian Falconer** joins our national resources team following his MSc in Mining Geology from Camborne School of Mines. He has several years' experience working as a geologist in the natural resources sector.

SHARES UP

Lombard Risk Mgt	48.0%
New Cantech	44.7%
Galleon	39.0%
General Medical	28.6%
YouGov	27.1%
Orbis	25.0%
Dermasalve	22.7%
Lok'nStore	20.8%
Gladstone Pacific	19.2%
Eleco	18.8%
Metnor	17.9%
Palmaris	15.6%
Dori Media	13.7%
SMC	11.5%
Primary Health	11.2%
Colliers CRE	10.9%
Wichford	10.3%
Cosalt	9.5%
Printing.com	8.4%
R.E.A. Holdings	7.2%
Mart Resources	7.1%
Nautical Petroleum	6.3%
Chaco Resources	4.1%
e-pay Asia	3.9%
Vianet	3.6%
Murgitroyd	3.4%
Tellings Golden Miller	1.9%
<i>FTSE Index</i>	<i>1.0%</i>
Touchstone	0.6%
Marchpole	0.5%

SHARES DOWN

Telephone Maint Gp	-1.3%
Park Group	-1.4%
Accident Exchange	-2.0%
Lighthouse Group	-3.8%
Alliance Pharma	-5.5%
Photo-Me	-6.8%
European Nickel	-8.2%
Oak Holdings	-12.5%
Faroe Petroleum	-12.8%
IAF Group	-13.3%
Faces Cosmetics	-18.5%
Sefton Resources	-18.8%
Global Marine Energy	-19.2%
Tethys Oil	-26.4%

Since last Monthly

ACCIDENT EXCHANGE

Interim results showed strong top line growth with revenues up 135% to £52.8m, 129% of which was organic. Core credit hire revenues rose 88% to £38.7m driven by an 85% increase in rental days to 290,000 in the half year. A much more noticeable rise was seen in credit repair with revenues growing almost sixfold to £12.7m year-on-year and further strong growth expected in H2.

Margins declined over the period reflecting both the increase in lower-margin credit repair and mainstream business, and investment in infrastructure, fleet and personnel ahead of the revenue curve. We have reduced our FY 2007 EPS by 8.5% as a result, though EPS will still rise by a substantial 48% in the current financial year.

Please call for a copy of our latest research note published on 21 December 2006.

ALLIANCE PHARMA

In the second half of the financial year ended 31 December 2006 Alliance Pharma acquired the UK marketing rights to Syntometrine, a medicine used in the prevention of haemorrhages in childbirth, and the UK and Ireland marketing rights for wound-care treatment, Permitabs. Combined these two products are expected to add an additional £1.1m per annum to Alliance's top line. The company reported a small loss in the first half of the current financial year, impacted on by both short-term operational issues and

heavy marketing and pre-launch development expenditure. While we expect that Alliance will return to profitability in the second half of the current financial year we believe that the company will have had to work hard on managing its cost base to do so. Given this we do not expect to see any upside from our current forecasts.

BRITISH COUNTRY INNS

British Country Inns 2, the pub investment EIS scheme sponsored by Smith & Williamson, is now fully subscribed having raised £7.8m ahead of the first Offer deadline of 26 January 2007. A third virtually identical scheme, British Country Inns 3, is to be launched shortly.

We are currently in the process of producing a full research note on this latest scheme. Please call for further information.

CHACO RESOURCES

In December Chaco released its interim results recording a loss of £590,000 for the period (£638,000 at an operational level) which equates to 0.11 pence per share.

Ecopetrol, the Operator of the Platanillo Block in Colombia has now obtained approval from the ANH to amalgamate Years 1 & 2 of the Platanillo E&P contract. This has been necessary to give a time extension for the well program on Alea to avoid the use of a heli-rig as environmental permits were delayed with new legislation. The joint venture group now has until the end of the second permit

year on Jan 10th, 2008 to re-enter Alea 1, to drill the Platanillo 1 appraisal well and to drill a second step-out appraisal well. We understand a new timetable will be under early review to set the wheels in motion as soon as possible. When such news is announced, we will look to update our forecasts.

In other news, the Operator of the Primavera Block in the Llanos Basin, Gran Tierra Energy Inc., has secured a contract for a drilling rig to drill two wells on the block with a spud date forecast for the first well Cachapa 1 in first quarter of 2007.

COLLIERS CRE

Colliers CRE has announced that it has acquired two companies – Jansons, an industrial agency specialist and Paul & Company, a provider of services to the outdoor leisure sector. Both acquisitions will help to bolster Colliers CRE's agency business which accounts for around 29% of Colliers CRE's fee income. The company has paid £3.9m for the two acquisitions which are expected to add around £4.3m to Colliers CRE's top line in the financial year ending 31 December 2007. We view these two acquisitions as the first steps in Colliers CRE implementing the growth plans which the company outlined at the time of its £15.9m rights issue in October of this year.

COSALT

In line with its strategy of adding scale in legislation-driven markets, Cosalt has

acquired the Marine Safety Division of the Bofort Group for a total consideration of €12m in cash plus a further €3m in debt.

Headquartered in Belgium, Bofort's Marine Safety Division (MSD) is involved in the supply, maintenance and testing of marine safety equipment. The company also has operations in Germany, the Netherlands and Italy so is well represented across Europe's biggest and busiest ports.

Strategically we think this is an excellent acquisition that will be earnings enhancing in its first year of ownership and consequently we have upgraded our estimates for FY 2007.

The next news from Cosalt will be full year results to end October which we expect to be announced in late February. The company has already confirmed that these will be in line with 'overall market expectations' i.e. pre-tax profits before exceptional items of between £2m and £2.2m.

Please call for a copy of our latest research note published on 21 December 2006.

DERMASALVE

This allergy-free skincare and Omega-3 oils specialist conducted a small capital raising over the Christmas break. The company had spare cash even before the issue of the extra capital, but as the company is only just emerging from its start-up phase we view the share issue as prudent and sensible.

DORI MEDIA

This has been a relatively quiet month for DMG, with little change in the share price, close to year highs at 74.5p.

ELECO

The acquisition of Asta Group has transformed the software division, increasing its size by more than 50% and ensuring that the division will operate at a profit in the financial year to June 2008. The deal will be earnings enhancing in the next financial year. We view the purchase price of £7.65m as a fair price for Eleco, because the business comes with £1.1m of cash and stripping out the cash, and the associated interest income, the p/e ratio is modest for a software business at 12 – 13X.

We have also visited the pre-cast concrete factory at subsidiary Bell & Webster, and have been encouraged by what we have seen. We shall be producing a new research note on the company very shortly. In our previous research note, dated November 3, we had raised our estimates. Please call for a copy of both notes.

E-PAY ASIA

Dato Hassan, Director of business Development and a company founder of the e-Pay Malaysia companies, has been appointed a main board director.

He is highly experienced in the telecommunications industry, and we believe the appointment diversifies the board of the company usefully.

EUROPEAN NICKEL

European Nickel's shares have been one of the stars of 2006, but were knocked back from their high point by news that the company has yet to receive a Forestry Licence at its Caldag, Turkey, project. Without the Forestry Licence, European Nickel is unable to cut down any of the 100,000 trees on the site. The company states that 'there may be some impact on the completion date'.

This is irritating, to say the least, for both management and shareholders. The Authorities had previously informed the company verbally that there would be no problems in obtaining a licence. This may be a storm in a teacup, and indeed the company has indicated that construction activity can be partly accommodated within the overall schedule.

European Nickel has gone the extra mile in meeting environmental concerns. It has already planted 44,000 trees elsewhere, with a further 200,000 to follow, giving a 2.5:1 replacement ratio. Both ethically and environmentally, European Nickel can have a clear conscience.

FACES COSMETICS

FACES made two significant announcements in November. Firstly, the company announced that its Operations Director who was a key player in driving the company's franchise strategy forward has had his contract terminated with immediate effect. The company has adopted an alternative, marketing driven strategy by which to

attract potential franchisees. Secondly, the company announced that it has entered into a £20m subscription agreement with GEM, a US based private equity group. We were somewhat surprised by the first announcement and note that with a £20m subscription agreement facility the potential exists for significant shareholder dilution. On a more positive note FACES has signed a lease to open a new store in Dallas and the company's Master Franchisee for Ireland has plans to open a second store in Navan, Ireland. We expect that FACES' operating subsidiary will be announcing its results for the year to 31 July 2006 in the near future.

FAROE PETROLEUM

There have been no significant developments in the past month.

GALLEON

Further good contract news from Galleon subsidiary Croco, which makes in-pack premiums. The order announced on 21 November, of £78,000, has now been followed up by a larger order worth £585,000, bringing the total value with this client to £1.7m. Croco has achieved excellent success with contracts over the last year. In the short term this creates profits and cash flow which will help Galleon develop its entertainment IP portfolio. In the long term, the success of Croco creates a potential marketing opportunity for the expansion of the children's entertainment brands.

GENERAL MEDICAL CLINICS

General Medical Clinics has had a barnstorming start to stock market life, with the shares rising from 35p to 45p in the first week of trading on PLUS Markets. We are not surprised – General Medical had net cash even ahead of the fundraising that accompanied the arrival on PLUS Markets, and had established a good profits record. There are few companies on PLUS Markets in such a strong position.

This company provides primary health care facilities in the City of London. It currently operates three private clinics and an NHS walk in centre at Liverpool Street Station. In its last financial year the company had sales of £5.65m and made a profit of £0.44m on an adjusted basis.

The money raised in the share issue will probably be used for acquisitions in healthcare within the M25 area.

GLADSTONE PACIFIC

Gladstone Pacific Nickel's shares have had a strong run, as the nickel price has continued to hit new highs and other nickel mines and mining projects worldwide hit problems. The latest development has been the closure by BHP Billiton of certain parts of its nickel mines in Mt. Keith and Leinster because of flooding. There can be no conceivable relationship between BHP Billiton's very short term problems and the outlook for Gladstone Pacific, which

has not yet commenced site development, but in sentiment terms it certainly does no harm.

We continue to believe that Gladstone Pacific Nickel's project has a very much above average probability of reaching full production, and that the project will be purchased by one of the industry majors at some time during the next two years.

GLOBAL MARINE ENERGY

There have been no further developments in the past month.

IAF GROUP

This new stockbroker and corporate finance house has had its development programme affected by the London Stock Exchange's tough new attitude to the admission of new NOMADs to the AIM club. We warned of this in our last *Monthly*, when the issue was being aired privately by the Authorities to some existing NOMADs. Over the New Year the issue has burst into the full glare of publicity. We await developments, as do IAF's management. IAF is doing all the right things to obtain NOMAD status and in our view this is only a timing issue.

The company held its Annual Meeting in December and there were no further announcements.

LEIGHTON & HENLEY

Leighton & Henley is a promising new residential property vehicle that is to specialise in small/medium sized residential

developments in the Northern Home Counties. The management team has already increased investors' money sixfold in a previous vehicle of this type, and management is putting £1.2m of its own money into the vehicle. The 3:1 gearing will permit high returns for investors if conditions in the housing market continue to be favourable.

We have seen other schemes of this nature suffer a) because of greed on the part of the promoters and b) because of undue delay in finding sensible investments for the money raised. Leighton & Henley comes through both these tests with flying colours. Issue costs have been capped by issuers Smith & Williamson at a very acceptable 7.5% of money raised. Management's performance incentives are sensible, only clocking in once an IRR of 13% has been achieved. Also several properties, with planning permission, are held under option, at fixed prices. Investors effectively get a 'free ride' on these, because the housing market has been moving strongly upwards since these options were signed. Also, of course, this gives Leighton & Henley some properties upon which it can start work immediately the funds from the share issue are received.

There will be no stock market quotation.

LIGHTHOUSE

Current trading is in line with management's expectations and we are happy that the company is on track to deliver on our 2006 earnings target.

In other news, the SIPP administration business City Trustees has been re-located from Milton Keynes to London strengthening Lighthouse's core IFA business in the heart of the City.

LOK'NSTORE

Further to its full year results announcement, Lok'nStore has doubled the available letting space at its Fareham self-storage centre to 60,000 sq ft with a new lease that extends the existing store into an adjacent building. This follows the replacement of the existing Portsmouth leasehold business which is now transacting from a new 60,000 sq ft freehold centre just minutes away. In combination these two transactions take the total lettable space of the group to 980,000 sq ft, 60% of which is freehold, and underlines the group's strategy of focusing on larger centres capable of producing higher than average returns.

LOMBARD RISK MANAGEMENT

There has been no news since the interims (on which we published a note), but LRM has seen a sustained rise from just over 6p to the current 8.75p. Clearly the market is beginning to warm to the stock as positive contract news has come from both sides of the business, Colline (collateral management) and STB (regulatory). The modest rating for 2008, in which year we expect LRM to become profitable, underpins the share price.

MARCHPOLE HOLDINGS

Marchpole produced an excellent set of results for the period ending 30 September 2006. Sales were up 159% in the half year, net income was up 343% and operating cashflow up 857%. The company improved its liquidity position, reducing its net gearing ratio from 98% at the end of March 2006 down to 66%. Importantly as we have previously noted this is the final year in which Marchpole will manufacture its Yves Saint Laurent (YSL) line. Marchpole's latest set of financial results clearly indicate that the company's buyers have been stocking up on YSL garments – we believe that YSL sales in the first half of the current financial year have exceeded total full year YSL sales in the prior 2006 year. With company guidance suggesting that sales in the second half of the year are likely to be close to those in the first half we have significantly increased our estimated full year sales. Unfortunately, this has not translated into a significant upgrade in earnings per share owing to sizeable one-off discounts being offered to YSL buyers.

MART RESOURCES

Mart Resources, Inc. and its partners Midwestern Oil and Gas Company PLC and Suntrust Oil Company Nigeria Limited, commenced drilling operations on the Umusadege oil field in early December. The UMU-4 well was spudded with Mart's majority owned rig, Rig 101, on 19th December

and is currently tight-hole status. A second development well (UMU-5) is planned to follow on after the UMU-4 well has been completed and production tested.

Additionally Mart has announced that subject to regulatory approval, it will be conducting a private placement of up to 13,333,333 units. Aggregate gross proceeds before expenses will total up to \$8,000,000CDN with the monies raised to be used for ongoing drilling and development operations and for general working capital. Each unit will have a subscription price equivalent to \$0.60 CDN, and will consist of one common share and one-half of one share purchase warrant. Each whole share purchase warrant will entitle the holder to purchase one additional common share at a price equivalent to \$0.75, exercisable on or before the first anniversary date of the closing of the private placement.

METNOR GROUP

The trading statement in December confirming the sale of the site in Poole, Dorset for a net profit of £1.8m, and resulting in a net cash inflow of £5.6m, has been good for the shares, The sale raised the amount of net cash in the Metnor balance sheet to £14mm – and this is after investing £9m in five freehold property/development sites.

All divisions are trading ‘significantly above management expectations’ and profits for 2006 will be not less than £6.6m pre-goodwill. Stephen Rankin, chief executive officer,

states that Metnor has a very strong development pipeline.

Our last research note was produced in October 2006 and was headed ‘Upgrade’. We are now upgrading again. A new research note follows shortly.

MURGITROYD GROUP

There have been no updates from intellectual property lawyers, the Murgitroyd Group, since the company’s AGM in late October and with the company’s interim results for the half year to 30 November 2006 due for release in January the company is now in close period. We note that RWS Holdings, a company that provides intellectual property support services and which is commonly thought of as being a good comparator to the Murgitroyd Group, released its full year results on 12 December. Sales and profits for the company were at record levels being up 13.7% and 21.5% respectively.

Meanwhile, regulatory issues in the intellectual property area continue to be hotly debated. Plans to establish a central European Court to deal with patent litigation (the European Patent Litigation Agreement – EPLA) and to simplify the language regime (the London Agreement) – both agreements aimed at reducing patent costs - are being actively opposed by several EU states. On top of these agreements The Gowers Review of IP in the UK was released last week. The Gowers Review recommended amongst other things - shifting the focus of the Patent Office to

one of policy and education as opposed to merely rights registration, the fast tracking of patent and trademark applications for small to medium enterprises and increased penalties for intellectual property breaches.

NAUTICAL PETROLEUM

As we anticipated, Nautical announced the completion of the acquisition of a 98.5% interest in the Bluebeard (9/12b) and Skipper (9/21) discoveries in the East Shetland Platform from Engen Resources Ltd (‘Engen’). The consideration was less than US\$2 million (the price worked out less than previously announced due to the drop in share price and the swap to cash for part of the consideration). We understand that Nautical continues to examine farm out opportunities to bring further balance to its asset portfolio.

Importantly, given the current perceived investment climate, Nautical has also announced that it has secured two drilling rig slots from The Peak Group in mid 2007. This meets the Company’s immediate requirements and firms up the appraisal well for Kraken and exploration well for Mermaid.

We still await the results of any successful applications to be announced by the DTI from the 24th Licence Round.

NEW CANTECH VENTURES

This molybdenum specialist was one of the stars of the natural resources sector in the second half of 2006. Both Indicated and Inferred resources have been upgraded, and the economics of this venture, which were good to start with, have been further improved.

Development costs of the project are to be paid by a Korean company, and we do not believe that there will be any further cash calls on shareholders.

The fall in the copper price to a 9 month low is yet more good news for New Cantech shareholders. Most of the world's molybdenum is produced as a by-product from copper mines. A fall in the copper price means that less copper ore will be processed, and that will further tighten the supply situation for molybdenum, which is rapidly becoming one of the world's most sought after metals.

Investors who purchased on our original research note in October have now more than doubled their money.

OAK HOLDINGS

Oak Holdings continues to await final planning permission for YES – the Yorkshire Entertainment Scheme – a venture intended to be the largest indoor leisure and tourism project in Europe. Having spoken to a member of the Planning department at the Rotherham Metropolitan Borough Council with whom the final decision regarding planning approval rests we are of the view that

planning consent for YES! is imminent. We understand from the Council that the details contained in Oak's final application are very much in line with what was outlined by the Council following its Resolution to Support announcement, that is that an agreement be reached in terms of Section 106 of the Town and Country Planning Act 1990. From the date that planning consent is granted there is a period of three months within which a Judicial Review appeal can be lodged but at this point in time there does not seem to be any indication that an appeal is likely.

ORBIS

The results announcement held no surprises and both debt holders and ordinary shareholders will have been satisfied with the financial information that was made available. We are in the process of preparing a new research note.

PALMARIS

There have been no further developments since our research note in November 2006. The shares have strengthened since this research note, in spite of the weakness of many other natural resource stocks.

PARK GROUP

Interim results were pleasing, and now that more information is available we have restored our estimates. We look for 2.1p adjusted eps in the current year, giving a single figure p/e ratio, and a further rise in earnings per share in the following financial year to March 2008.

The core business, cash savings, finished the trading season well, and indications look good for the 2007 season. Agent recruitment is going well, and with every week that goes by it appears less likely that there will be any ill effects from the collapse of one-time rival Farepak. The Farepak issue has turned into a huge financial and political scandal, and Park Group's management has been careful to emphasise to the world at large how very different Park Group is both operationally and ethically. Park Group has contributed £1m to the fund set up to aid Farepak victims.

We expect the Cash Lending Division to lose money again in the current year, but it is important to remember that Cash Savings, which is profitable and has a very strong market position, dominates this company. Consultations are under way in order to identify cost savings in the loan broking operation.

A transfer to AIM is likely at some time during 2007.

PHOTO-ME INTERNATIONAL

Interim Results were in the middle of our forecast range, at £11m. The results showed strong cash flow and cash management. Net debt was negligible given the size of the business and EBITDA showed little change.

We have reduced our profits forecast for the current year and know that some potential investors are put off by the magnitude of changes that can be seen in profits. We are increasingly of the view that cash flow

and EBITDA are what matters at this company, however, and in EBITDA terms this company has a great deal of stability.

The company points to a strong second half for the Manufacturing Division. Rather more important from the point of view of most investors is the capital repayment that is likely to be seen in 2007. We continue to expect a capital repayment of between 30p and 40p a share during the current calendar year, with possibly more to follow if one of the three main operational arms of the business is sold off.

PRIMARY HEALTH PROPERTIES

Primary Health Properties has celebrated its transformation to REIT status by spending £35m on a portfolio of nine primary healthcare facilities, its largest ever transaction. The transaction pushes gearing up from 53% to 65%, which still gives the company plenty of headroom financially. There is no impact on net asset value. The properties have been purchased on a rental yield of 5%, which is probably less than the cost of associated borrowing, so the deal will be slightly earnings dilutive until the first rent reversions come in.

Primary Health Properties has stepped up a gear with this transaction, and we are hugely in favour of it. We look forward to more property acquisitions of this nature. Once again, Primary Health Properties shares have had a very good 2006; they have risen more than

fivefold since we first began researching them.

PRINTING.COM

The interim results for the six months to 15 October contained few surprises following the Annual General Meeting Statement highlighting soft summer trading conditions in July. The key point is that the outlook statement accompanying the results was upbeat, with trading volumes since mid-August back up and in line with revised expectations as market conditions improve and promotional activity is resumed.

In terms of the roll-out programme, Printing.com has 175 outlets in the UK with a further 13 outlets (1 territory franchise, 12 bolt-on's) about to commence trading shortly. Overseas, the New Zealand International Franchise has got off to an encouraging start and three bolt-on franchises have already been signed. In our view, the next International Master Franchisee will probably be based in Europe where an option over Poland has already been signed and discussions with interested parties in France and Germany are continuing.

Our estimates for FY 2007 and 2008 have been very slightly reduced to take account of FRS20, the new accounting standard for share based compensation. It is worth pointing out that this is a non-cash item, however, and our estimates for underlying trading remain broadly unchanged.

R.E.A HOLDINGS

£22m of new guaranteed sterling loan notes payable in 2015/17 have been issued bearing an interest rate of 9.5%. The initial tranche of £15m was issued for cash at 98.33% of par on 1 December 2006. On the 5 January 2007, a second and final tranche raised £7m gross at an issue price of 99.68%. This second tranche is payable in full on subscription, giving a redemption yield at the issue price of 9.75%.

The latest debt issue follows the issue of \$30m, 7.5% dollar loan notes payable in 2012/14 in 2006 and is part of the group's ongoing strategy to replace its short term Indonesian bank borrowings (which currently stand at £19.3m) with longer term debt finance compatible with the growth cycle of its oil palm plantings. The repayment period of the sterling loan notes has therefore been set to commence after the dollar notes have been fully repaid. Further to the £22m sterling loan note issue, the interest charge taken through the company's p & l will increase by £2.1m per annum in FY 2007.

REA has a December year end and will be announcing its full year results sometime in April. In a pre-close trading update the company confirmed that crop volumes for FY 2006 amounted to 333,000 m/t, 9% short of budgeted levels. Despite this reduction, the continued rise in monthly palm oil prices, CIF Rotterdam, we still expect an increase in dollar revenues in H2.

We will be producing a new research note together with new estimates shortly after the full year results statement.

SEFTON RESOURCES

We still await news of a drilling rig being contracted to expand oil production at the Tapia Oilfield. We will look to generate fresh estimates as soon as we are able to do so, when a rig date is confirmed.

SMC

SMC Group has been ranked No 1 in a poll by UK investor publication Shares Magazine of “the Strongest and Steadiest Growing Companies” on both the London Stock Exchange’s Main List and AIM. The poll ranked companies by both their historical earnings growth and by their considered potential for future earnings growth. The company whose recent contract wins have a total construction value of £762m announced in December its intention to launch the “SMC Group Student Bursary Scheme”. The scheme, which is to be launched in 2007, is to be offered to 20 architectural students each year. Part I students will be awarded £2,000 while Part II students will receive £5,000. The most promising undergraduates receiving an SMC Group Student Bursary are then likely to be offered employment within the SMC Group.

TELEPHONE MAINTENANCE GROUP

There have been no further developments at this company.

TELLINGS GOLDEN MILLER

Tellings Golden Miller, the national bus and coach operator, has acquired the National Express coach operations of Arriva Northumbria Ltd, a subsidiary of Arriva Plc for a total cash consideration of £0.6m in cash.

The acquisition consists of 7 coaches running three main routes, the 425 (Newcastle-London), 326 (Newcastle-Cambridge), and 032 (Southampton-London) out of Newcastle and will deliver contracted revenues of £1.6m annually.

We understand the purchase price is in respect of the vehicles only - no other liabilities have been assumed.

Tellings’ existing National Express Coaching operations will turn over c.£5m this year so this acquisition further strengthens the company’s relationship with NX. It will also go some way towards filling excess capacity at North East subsidiary Classic Coaches following the loss of the Dial-a-Ride contract operated out of the Washington, Newcastle depot in April this year.

News of the acquisition was accompanied by an announcement that the company is to dispose of its Aircrews operation, the business acquired in February 2005 providing transport for aircrew at London’s Heathrow Airport. This business operated at a loss in H1 2006 and whilst it has been profitable on a monthly

basis since July 2006, margins remain wafer thin.

Aircrews is being acquired by OFJ Connections, the only other substantial operator at Heathrow airport transporting aircrew. No financial details have been disclosed by either party but as part of the deal OFJ will acquire all 24 vehicles, free of financing. In addition, drivers, management and administration staff with limited exceptions will also transfer over to OFJ.

The loss of the Aircrews business will reduce top line sales by c.£2m in FY 2007. Cash flow should improve, however, and we expect management to work quickly to replace the lost income here with further bolt-on acquisitions that command better margins.

Our coverage of Tellings Golden Miller ceases with this issue.

TETHYS OIL

As detailed in our note 23 November 2006 Tethys Oil AB (publ) has announced that the exploration well at Karlebo in Denmark has been completed but that no significant amounts of hydrocarbons were detected and the well has now being plugged and abandoned.

In Mid December, Tethys issued an operational update detailing progress in other areas.

In Oman, Block 15 –Tethys conducted a tender for drilling rigs and continues to negotiate with rig contractors for suitable rigs to re-enter the Jebel Aswad and Wadi Saylah wells. In parallel with this, contracting for associated

services is ongoing from Tethys' operations office in Muscat which is now fully staffed in anticipation of increased activity during 2007.

Spain, Huermeces – Operator Ascent Resources is gearing up to drill Hontomin well where Tethys has a 50% interest license.

Turkey, Ispandika Licence - Tethys and operator Aladdin Middle East Ltd have been joined by US group Terralliance as a new joint venture partner. Tethys maintains a 10% interest in the license. Given the comparative shortage of seismic coverage, the partners have decided to drill a shallow stratigraphic or geological research well to better understand the near surface lithology in the area. We anticipate news on this well some time after it completes later this month.

TOUCHSTONE

With no news over the past month, Touchstone has continued to trade around the 175-185p level, shading off a little after the good interims last month. We continue to regard the stock as undervalued compared to the computer software and services sector, particularly in the light of the increased quality of its business and positive fundamentals from the Microsoft Business Solutions sector

VIANET

Vianet has carried out a placing, which we believe guarantees it a margin of comfort as it works towards achieving breakeven in the second half of 2007. Recent contract news has

been pleasing; GSK continues to take a steady flow of units, and other customers are now signing up, creating a more diversified revenue stream. However, in the short term Vianet will continue to make losses and while it could probably have traded through to profitability on existing funds, the capital raising gives it a margin for error.

WICHFORD

Wichford plc has produced an excellent set of results for the financial year ended 30 September 2006 with the value of its investment properties up by 71% on the prior year. The company's full year 2006 reported NAV of 220p per share was 5.8% above our forecast NAV of 208p per share. The total number of investment properties held by Wichford at the end of September was 61, up from 43 as at 30 September 2005. The total value of the investment properties increased from £267.1m to £457.9m. For the upcoming year Wichford has announced its intention to enter the Continental European market place where it expects that more favourable investment opportunities might be found.

YOUGOV

YouGov has announced that it has committed to taking up a strategic investment in US based online political and social agency Polimetrix. Polimetrix is the third start-up technology company to have been set up by its founder, Stanford University Professor, Douglas Rivers. YouGov is to pay £3.8m for a 32%

stake in Polimetrix. With the investment to be retained within the company to fund future growth this values the company at close to £12m. Under the terms of YouGov's agreement with Polimetrix both company's technologies will be cross-licenced enabling YouGov to sell Polimetrix's products internationally (excluding the US and Canada) and Polimetrix to sell YouGov's products in the US and Canada. We view this investment as a positive for YouGov giving the company a toehold into the lucrative US market and with £5.5m in the bank at the end of its last financial year we expect YouGov to remain cash positive.

Accident Exchange **ACE** **Price p. 387.0**
Full List **Specialty Finance** **Cap £m 261.2**

Y/E April	Sales £m	Declared Pre-tax Profit £m	Adjusted Profit £m	Adjusted eps p.	p/e ratio	Divi p.	Yield %
2005A	21.7	6.7	7.4	8.3	46.6	1.5	0.4%
2006A	61.4	18.5	16.2	17.4	22.2	3.0	0.8%
2007E	125.6	24.2	25.0	25.8	15.0	4.0	1.0%
2008E	156.2	30.3	31.1	30.5	12.7	5.0	1.3%

All figures are IFRS compliant

Alliance Pharma **APH** **Price p. 13**
AIM **Pharmaceuticals** **Cap £m 21.1**

Y/E December	Sales £m	Declared Pre-tax Profit £m	Adjusted Profit £m	Adjusted eps p.	p/e ratio	Divi p.	Yield %
2004A*	10.4	-2.2	0.9	0.9	15.3	0.0	-
2005A**	12.3	0.7	0.4	0.3	44.8	0.0	-
2006E	17.4	0.8	0.8	0.5	25.0	0.0	-
2007E	22.1	1.0	1.0	0.6	20.6	0.0	-

*February year-end **10 months

Chaco Resources **CHP** **Price p. 12.8**
AIM **Oil & Gas** **Cap £m 68.1**

Y/E March	Sales £m	Earnings Before Tax £ 000	Adjusted Profit £ 000	Eps (p) £ 000	p/e ratio £ 000	Divi p. £ 000	Yield % £ 000
2004A*	0.0	-8,973	-13,623	-3.3	-	0.0	-
2005A	0.0	-971	-971	-0.3	-	0.0	-
2006E	0.0	-904	-851	-0.2	-	0.0	-
2007E	0.0	-987	-827	-0.2	-	0.0	-
2008E	10,220	6,886	4,057	0.8	16.8	0.0	-

*15 months

Colliers CRE **COL** **Price p. 209**
AIM **Real Estate** **Cap £m 94.3**

Y/E December	Sales £m	Declared Profit £m	Adjusted Profit £m	Adjusted eps p.	p/e ratio	Divi p.	Yield %
2004A	66.8	4.6	6.2	10.4	20.1	3.6	1.7%
2005A	79.6	8.2	8.2	16.6	12.6	4.1	2.0%
2006E	90.2	9.6	9.6	17.2	12.2	4.6	2.2%
2007E	103.6	11.5	11.5	15.8	13.2	5.3	2.5%

Cosalt **CSLT** **Price p. 299.5**
Full List **Diversified Inds** **Cap £m 41.8**

Y/E October	Sales £m	Declared Pre-tax Profit £m	Adjusted Profit £m	Declared eps p.	p/e ratio	Divi p.	Yield %
2004A	154.7	5.1	7.3	21.4	14.0	18.75	6.3%
2005A	119.0	-1.1	1.0	-12.1	-	18.75	6.3%
2006E	116.7	3.0	2.2	15.4	19.4	18.75	6.3%
2007E	132.5	4.1	4.1	20.4	14.7	12.00	4.0%

Dermasolve **DRM** **Price p. 13.5**
AIM **Healthcare** **Cap £m 15.1**

Y/E December	Sales £m	Declared Pre-tax Profit £m	Adjusted Profit £m	Adjusted eps p.	p/e ratio	Divi p.	Yield %
2004A	-	-	-	-	-	-	-
2005A	0.0	0.0	0.0	0.0	-	0.0	-
2006E	No estimates at present						
2007E							

Dori Media **DMG** **Price p. 74.5**
AIM **Media** **Cap £m 14.5**

Y/E December	Sales US\$m	Declared Pre-tax Profit £m	Adjusted Profit US\$m	Adjusted eps USc.	p/e ratio	Divi p.	Yield %
2004A	10.4	2.2	2.2	10.0	7.5	0.0	-
2005A	12.1	1.7	1.7	9.1	8.2	0.0	-
2006E	18.5	3.0	5.0	20.6	3.6	0.0	-
2007E	26.1	5.6	6.1	30.7	2.4	0.0	-

Adjusted profit excludes start up costs in Indonesia

Eleco **ELCO** **Price p. 95.0**
AIM **Diversified Inds** **Cap £m 53.5**

Y/E June	Sales £m	Declared Pre-tax Profit £m	Adjusted Profit £m	Adjusted eps p.	p/e ratio	Divi p.	Yield %
2005A	48.0	2.3	2.9	4.6	20.5	1.4	1.5%
2006A	55.2	4.4	4.8	7.6	12.5	2.1	2.2%
2007E	59.0	5.0	5.5	7.7	12.3	2.3	2.4%
2008E	62.7	5.7	6.3	8.8	10.8	2.5	2.6%

e-pay Asia
Full List

EPY
Technology

Price p. 20.0
Cap £m 54.6

Y/E December	Sales AUD m	Declared Pre- Tax Profit AUD m	Net Profit AUD m	Adjusted eps p.	p/e ratio	Divi p.	Yield %
2005A	376.0	4.40	2.7	-	-	-	-
2006E	620.0	14.10	7.0	1.1	18.2	0.40	2.0%
2007E	900.0	21.40	8.9	1.3	15.4	0.50	2.5%
2008E	1134.0	23.80	9.8	1.5	13.3	0.60	3.0%

* eps may not reflect maximum possible level of dilution

European Nickel
AIM

ENK
Mining

Price p. 42
Cap £m 163.8

Y/E September	Sales £m	Declared Pre- tax Profit £m	Adjusted Profit £m	Adjusted eps p.	p/e ratio	Divi p.	Yield %
2004A	0.0	-3.0	-3.0	-4.5	-	0.0	-
2005A	0.0	-6.6	-6.6	-6.2	-	0.0	-
2006E	0.6	0.0	0.0	-9.0	-	0.0	-
2007E	6.0	0.0	0.0	-9.0	-	0.0	-

Faces Cosmetics
AIM

FCE
General Retailing

Price p. 11.0
Cap £m 5.6

Y/E July	Sales C\$m	Declared Pre- Tax Profit C\$m	Adjusted Profit C\$m	Adjusted eps p.	p/e ratio	Divi p.	Yield %
2005A	4.2	0.1	0.5	-	-	0.00	-
2006F	4.1	0.1	0.2	-	-	0.00	-
2007E	7.1	0.6	0.7	-	-	0.00	-
2008E	13.9	1.3	1.4	-	-	0.00	-

Faroe Petroleum
AIM

FPM
Oil & Gas

Price p. 106.0
Cap £m 78.2

Y/E September	Sales £m	Declared Pre- tax Profit £m	Adjusted Profit £m	Adjusted eps p.	p/e ratio	Divi p.	Yield %
2004A	0.0	-0.2	-0.2	-0.4	-	0.00	-
2005A	0.0	-0.3	-0.3	-0.6	-	0.00	-
2006E	0.0	0.0	0.0	0.0	-	0.00	-
2007E	3.3	0.4	0.0	0.6	176.7	0.00	-

Galleon
AIM

GON
Media

Price p. 14.3
Cap £m 7.0

Y/E September	Sales £m	Declared Pre- tax Profit £m	Adjusted Profit £m	Adjusted eps p.	p/e ratio	Divi p.	Yield %
2005A	1.1	-1.4	-1.2	-7.1	-	0.0	-
2006E	1.3	-1.2	-0.9	-2.7	-	0.0	-
2007E	3.5	-0.4	0.0	-0.7	-	0.0	-
2008E	13.0	1.2	2.3	2.5	5.7	0.0	-

General Medical*

-

Price p. 45.0

PLUS Markets (pending)

Health

Cap £m 8.2

Y/E May	Sales £m	Declared Pre- tax Profit £m	Adjusted Profit £m	Adjusted eps p.	p/e ratio	Divi p.	Yield %
2005A	4.1	0.1	0.2	1.5			
2006A	5.7	0.2	0.4	3.5	12.9	0.00	-
2007E	6.5	0.4	0.6	3.3	13.6	0.00	-
2008E	7.1	0.5	0.9	3.4	13.2	0.00	-

* 'Low Field' estimates

Gladstone Pacific

GPN

Price p. 170.5

AIM

Mining

Cap £m 51.2

Y/E December	Sales £m	Declared Pre- tax Profit £m	Adjusted Profit £m	Adjusted eps p.	p/e ratio	Divi p.	Yield %
2003A	0.0	0.0	0.0	-	-	0.00	-
2004A	0.0	0.0	0.0	-	-	0.00	-
2005E	No estimates at present						
2006E							

Global Marine Energy

GME
Oil Services

Price p. 18.8
Cap £m 8.8

Y/E March	Sales £m	Declared Pre- tax Profit £m	Adjusted Profit £m	Adjusted eps p.	p/e ratio	Divi p.	Yield %
2004A	1.3	-0.4	-0.4	-0.1	-	0.00	-
2005A	4.6	-2.2	-2.2	-0.4	-	0.00	-
2006E	No estimates at present						
2007E							

**IAF Group
AIM**

**IAF
Finance**

**Price p. 13.0
Cap £m 7.6**

	Sales £m	Declared Pre-tax Profit £m	Adjusted Profit £m	Adjusted eps p.	p/e ratio	Divi p.	Yield %
	No estimates at present						

Leighton & Henley

**-
Housebuilding**

**Price p. -
Cap £m -**

	Sales £m	Declared Pre-tax Profit £m	Adjusted Profit £m	Adjusted eps p.	p/e ratio	Divi p.	Yield %
	No estimates at present						

**Lighthouse Group
AIM**

**LGT
Specialty Finance**

**Price p. 18.75
Cap £m 14.1**

Y/E December	Sales £m	Declared Pre-tax Profit £m	Adjusted Profit £m	Adjusted eps p.	p/e ratio	Divi p.	Yield %
2004A	26.5	-1.8	-0.9	-2.3	-	0.0	-
2005A	32.6	-0.5	0.4	1.0	18.8	0.0	-
2006E	42.0	-0.2	2.1	2.8	6.7	0.0	-
2007E	46.2	1.9	2.8	3.7	5.1	0.0	-

Lok'nStore

**LOK
Support Services**

**Price p. 226.5
Cap £m 58.9**

Y/E July	Sales £m	Declared Pre-tax Profit £m	Adjusted Profit £m	Adjusted eps p.	p/e ratio	Divi p.	Yield %
2005A	7.8	0.1	0.1	0.5	453.0	0.0	-
2006A	9.0	0.1	0.2	0.2	1132.5	0.0	-
2007E	10.3	0.4	0.4	1.5	151.0	0.0	-
2008E	11.2	0.9	0.9	3.6	62.9	0.0	-

Lombard Risk Mgt

**LRM
Software**

**Price p. 9.25
Cap £m 12.5**

Y/E March	Sales £m	Declared Pre-tax Profit £m	Adjusted Profit £m	Adjusted eps p.	p/e ratio	Divi p.	Yield %
2005A	4.6	-1.1	1.2	-1.1	-	0.0	-
2006A	4.7	3.2	-2.7	-2.2	-	0.0	-
2007E	7.6	0.0	0.1	0.1	92.5	0.0	-
2008E	9.6	1.4	1.6	1.1	8.4	0.1	1.1%

Marchpole

**MPH
General Retailers**

**Price p. 108.0
Cap £m 29.3**

Y/E March	Sales £m	Declared Pre-tax Profit £m	Adjusted Profit £m	Adjusted eps p.	p/e ratio	Divi p.	Yield %
2005A	31.5	4.9	4.9	11.1	9.7	3.5	3.2%
2006A	38.4	4.9	4.0	9.7	11.1	3.5	3.2%
2007E	73.5	8.1	8.2	21.2	5.1	4.0	3.7%
2008E	42.2	5.7	6.0	15.7	6.9	4.0	3.7%

*EPS figures adjusted to reflect 5:1 share consolidation

Mart Resources

**MMT:TSX-V
Oil**

**Price p. 60.0
Cap £m 1.8**

Y/E December	Sales \$CDN 000	Declared Pre-tax Profit \$CDN 000	Adjusted Profit \$CDN 000	Adjusted eps p. CDN Cents	p/e ratio	Divi p.	Yield %
2005A	0.0	-4,438	-4,775	-4.6	-	-	0.0%
2006E	0.0	-5,245	-6,042	-3.8	-	-	0.0%
2007E	146,136	37,280	9,328	5.2	11.5	-	0.0%
2008E	244,929	210,370	89,239	48.1	1.2	-	0.0%

Metnor

**MTG
Steel & Metals**

**Price p. 372.5
Cap £m 57.4**

Y/E December	Sales £m	Declared Pre-tax Profit £m	Adjusted Profit £m	Adjusted eps p.	p/e ratio	Divi p.	Yield %
2004A	67.1	3.3	3.7	17.4	21.4	8.7	2.3%
2005A	78.9	4.4	5.0	24.4	15.3	9.4	2.5%
2006E*	Estimates Under Revision						
2007E							

Murgitroyd				MUR		Price p. 426.0	
AIM				Support Services		Cap £m 35.3	
Y/E May	Sales £m	Declared Pre-tax Profit £m	Adjusted Profit £m	Adjusted eps p.	p/e ratio	Divi p.	Yield %
2005A	14.5	0.9	1.4	11.4	37.4	3.3	0.8%
2006A	18.8	1.4	1.9	14.7	29.0	4.7	1.1%
2007E	25.0	2.1	2.6	21.9	19.5	6.9	1.6%
2008E	27.9	2.4	3.0	24.8	17.2	7.9	1.9%
Nautical Petroleum				NPE		Price p. 8.5	
AIM				Oil		Cap £m 82.8	
Y/E December	Sales £m	Declared Pre-tax Profit £m	Adjusted Profit £m	Adjusted eps p.	p/e ratio	Divi p.	Yield %
2003A	-	-	-	-	-	-	-
2004A	-	-	-	-	-	-	-
2005E (18 mths)	No estimates at present						
2006E							
New Cantech				NCV:TSX-V		Price c. 68.0	
TSX-V				Mining Exploration		Cap £m	
Y/E December	Sales £m	Declared Pre-tax Profit £m	Adjusted Profit £m	Adjusted eps p.	p/e ratio	Divi p.	Yield %
	No estimates at present						
Oak Holdings				OAH		Price p. 1.8	
AIM				Real Estate		Cap £m 13.1	
	Sales £m	Declared Pre-tax Profit £m	Adjusted Profit £m	Adjusted eps p.	p/e ratio	Divi p.	Yield %
	No estimates at present						
Orbis				OBS		Price p. 2.5	
AIM				Support Services		Cap £m 0.3	
Y/E September	Sales £m	Declared Pre-tax Profit £m	Adjusted Profit £m	Adjusted eps p.	p/e ratio	Divi p.	Yield %
3/2004A	40.5	-2.2	2.2	9.8	0.3	0.0	-
3/2005A	40.0	-5.2	0.4	-5.1	-	0.0	-
9/2006E (12m)	39.7	-4.0	1.6	4.2	0.6	0.0	-
9/2007E	42.5	-2.4	2.1	6.8	0.4	0.0	-
Palmaris				PMS		Price p. 13.0	
AIM				Mining		Cap £m 21.5	
Y/E June	Sales £m	Declared Pre-tax Profit £m	Adjusted Profit £m	Adjusted eps p.	p/e ratio	Divi p.	Yield %
2005A	4.6	-0.4	-0.4	-0.3	-	0.0	-
2006A	0.0	-0.2	-0.2	-0.1	-	0.0	-
2007E	5.0	-0.2	-0.2	-0.1	-	0.0	-
2008E							
Park Group				PKG		Price p. 18.25	
AIM				Specialty Finance		Cap £m 30.1	
Y/E March	Sales £m	Declared Pre-tax Profit £m	Adjusted Profit £m	Adjusted eps p.	p/e ratio	Divi p.	Yield %
2005A	215.1	3.9	3.9	1.6	11.5	1.1	6.0%
2006A	233.4	2.0	2.0	1.0	18.3	1.1	6.0%
2007E	294.7	4.1	5.0	2.1	8.6	1.2	6.6%
2008E	335.9	6.0	6.0	2.5	7.4	1.4	7.7%
Photo-Me				PHTM		Price p. 89.5	
Full List				Support Services		Cap £m 326.7	
Y/E April	Sales £m	Declared Pre-tax Profit £m	Adjusted Profit £m	Adjusted eps p.	p/e ratio	Divi p.	Yield %
2005A	237.4	33.9	34.7	6.3	14.2	1.8	2.0%
2006A	230.0	28.4	26.1	4.8	18.6	1.2	1.3%
2007E*	230.2	23.7	22.7	3.7	24.2	2.4	2.7%
2008E	258.0	28.7	28.7	5.1	17.5	See text	-

*The 2.4p in dividend payments in y/e April 2007 have already been paid

Primary Health**PHP**

Price p. 522.5

Full List**Real Estate**

Cap £m 126.7

Y/E June	Sales £m	Declared Pre-tax Profit £m	Adjusted Profit £m	Adjusted eps p.	p/e ratio	Divi p.	Yield %
2005A	9.6	19.4	2.8	13.1	39.9	12.0	2.3%
2006A	11.1	18.4	3.4	16.4	31.9	13.5	2.6%
2007E*	13.7	15.7	4.0	16.2	32.3	15.0	2.9%
2008E*	17.2	20.8	4.4	16.3	32.1	16.5	3.2%

*PHP is in the process of changing its year end and will run an 18 month financial year to December 2007. Results for the 12 months to end June 2007

Printing.com**PDC**

Price p. 51.5

AIM**Retailing**

Cap £m 24.0

Y/E March	Sales £m (Retail)	Declared Pre-tax Profit £m	Adjusted Profit £m	Adjusted eps p.	p/e ratio	Divi p.	Yield %
2005A	14.4	1.5	1.5	2.7	19.1	0.5	1.0%
2006A	18.2	2.4	2.3	3.7	13.9	1.8	3.4%
2007E	21.5	2.4	2.2	3.4	15.1	2.0	3.9%
2008E	27.3	2.9	2.6	4.0	12.9	2.5	4.9%

R.E.A. Holdings**REA**

Price p. 445.0

Full List**Food**

Cap £m 137.5

Y/E December	Sales £m	Declared Pre-tax Profit £m	Adjusted Profit £m	Fully diluted eps p.	p/e ratio	Divi p.	Yield %
2004A	16.1	9.2	9.2	18.0	24.7	0.0	-
2005A	14.9	9.6	9.6	16.7	26.6	0.0	-
2006E	18.2	10.9	10.9	21.9	20.3	1.0	0.2%
2006E	21.0	13.0	13.0	26.7	16.7	1.0	0.2%

Sefton Resources**SER**

Price p. 4.9

AIM**Oil and Gas**

Cap £m 5.3

Y/E July	Sales £m	Declared Pre-tax Profit £m	Adjusted Profit £m	Eps. c/share	p/e ratio	Divi p.	Yield %
December	USD\$ 000	USD\$ 000	USD\$ 000	c			
2004A	563.0	-1,089.0	-1,089.0	-0.073	-	0.0	-
2005A	2,172.0	-694.0	-694.0	-0.047	-	0.0	-
2006E	No estimates at present						
2007E							

SMC**SMC**

Price p. 184.0

AIM**Construction/BM**

Cap £m 94.2

Y/E December	Sales £m	Declared Pre-tax Profit £m	Adjusted Profit £m	Adjusted eps p.	p/e ratio	Divi p.	Yield %
2004A	8.1	1.0	1.1	-	-	0.0	-
2005A	13.1	2.9	3.1	6.6	27.9	1.0	0.5%
2006E	34.7	6.2	7.1	10.9	16.9	1.6	0.9%
2007E	55.4	12.0	13.4	18.3	10.1	2.0	1.1%

Telephone Maint Gp**TEL**

Price p. 74.0

AIM**Telecoms**

Cap £m 3.6

Y/E July	Sales £m	Declared Pre-tax Profit £m	Adjusted Profit £m	Diluted eps p.	p/e ratio	Divi p.	Yield %
2004A	3.7	-0.2	-0.2	-1.2	-	0.00	-
2005A	4.5	0.0	0.0	0.0	-	0.00	-
2006E	No estimates at present						
2007E							

Tellings Golden Miller**TGM**

Price p. 27

AIM**Transport**

Cap £m 6.2

Y/E December	Sales £m	Declared Pre-tax Profit £m	Adjusted Profit £m	Adjusted eps p.	p/e ratio	Divi p.	Yield %
2004A	38.4	2.9	2.9	9.1	3.0	0.0	-
2005A	41.5	14.0	-0.9	-4.0	-6.8	60.0	222.2%
2006E	29.7	0.3	0.3	1.0	27.0	0.0	-
2007E	30.4	0.8	0.8	2.6	10.4	0.0	-

Tethys Oil**TETY.SE**

Price SEK 35.7

AIM**Oil**

Cap SEKm 204.9

Y/E December	Sales TSEK m	Earnings Before Tax TSEK '000	Adj Profit TSEK '000	Adjusted eps SEK	p/e ratio	Divi SEK	Yield %
2004A	0.0	-5,062	-5,062	-1.7	-	0.0	-
2005A	0.0	-14,368	-14,368	-3.3	-	0.0	-
2006E	0.0	-4,990	-4,990	-1.0	-	0.0	-
2007E	0.0	-6,369	-6,369	-1.1	-	0.0	-

**Touchstone
AIM**

**TSE
IT**

**Price p. 177.0
Cap £m 20.5**

Y/E March	Sales £m	Declared Pre-tax Profit £m	Adjusted Profit £m	Adjusted eps p.	p/e ratio	Divi p.	Yield %
2005A	17.3	0.0	1.2	8.9	19.9	3.6	2.0%
2006A	23.1	1.1	2.6	15.8	11.2	4.0	2.3%
2007E	27.2	1.2	3.0	18.1	9.8	4.5	2.5%
2008E	30.2	1.9	3.6	21.4	8.3	5.0	2.8%

**Vianet
AIM**

**VIA
IT Hardware**

**Price p. 3.625
Cap £m 7.4**

Y/E December	Sales £m	Declared Pre-tax Profit £m	Adjusted Profit £m	Adjusted eps p.	p/e ratio	Divi p.	Yield %
2004A	0.4	-2.4	-2.4	-1.9	-	0.0	-
2005A	0.7	-2.3	-2.3	-1.4	-	0.0	-
2006E	0.8	-1.6	-1.6	-0.7	-	0.0	-
2007E	3.3	0.0	0.0	0.0	-	0.0	-

**Wichford
AIM**

**WICH
Property**

**Price p. 224.0
Cap £m 218.0**

Y/E September	NAV (p)	EBIT £m	Declared Profit £m	Declared eps p.	Premium / (Discount) To NAV	Divi p.	Yield %
2005A*	172	14.3	2.4	5.2	+29.0%	9.0	4.0%
2006A	220	21.8	9.9	10.2	+01.1%	9.5	4.2%
2007E	252	29.5	10.1	10.4	-11.7%	10.0	4.5%
2008E	274	33.3	10.4	10.7	-18.7%	10.5	4.7%

*15 months

**YouGov
AIM**

**YOU
Media**

**Price p. 975.0
Cap £m 129.7**

Y/E July	Sales £m	EBIT £m	Pre-tax Profit £m	EPS Diluted p.	p/e ratio	Divi p.	Yield %
2005A	2.9	0.9	0.9	5.6	174.1	0.0	-
2006A	9.6	3.9	4.1	21.1	46.2	0.0	-
2007E	12.3	4.6	4.9	25.7	37.9	0.0	-
2008E	14.2	5.1	5.7	29.4	33.2	0.0	-

Accident Exchange
 ACE www.accidentexchange.com 387p



Dermasalve
 DRM www.dermasalvesciences.com 13.5p



Alliance Pharma
 APH www.alliancepharma.co.uk 13p



Dori Media
 DMG www.dorimedia.com 74.5p



Chaco Resources
 CHP www.chacopl.com 12.8p



Eleco
 ELCO www.eleco.com 95p



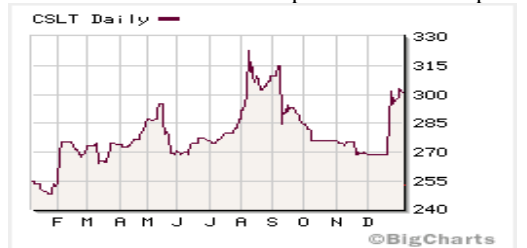
Colliers CRE
 COL www.collierscre.co.uk 209p



e-Pay Asia
 EPY <http://www.e-payasia.com/> 20p



Cosalt
 CSLT www.cosalt.plc.uk 299.5p



European Nickel
 ENK www.enickel.co.uk 42p



Faces Cosmetics
 FCE www.faces-cosmetics.com 11p



IAF Group
 IAF www.iafgroup.com 13.0p



Faroe Petroleum
 FPM 106p



Lighthouse Group
 LGT www.lighthouseifa.com 18.8p



Galleon
 GON www.galleonplc.com 14.3p



Lok'nStore
 LOK www.loknstore.com 226.5p



Gladstone Pacific
 GPN www.gladstonepacific.com 170.5p



Lombard Risk Management
 LRM www.lombardrisk.com 9.3p



Global Marine Energy
 GME www.gme.com 18.8p



Metnor
 MTG www.metnor.co.uk 372.5p



Murgitroyd
MUR www.murgitroyd.com 426p



Palmaris
PMS www.palmariscapital.com 13p



Nautical Petroleum
NPE www.nauticalpetroleum.com 8.5p



Park Group
PKG www.parkgroup.co.uk 18.3p



New Cantech Ventures
CA:NCV www.newcantech.com 68c



PHTM www.photo-me.co.uk 89.5p



Oak Holdings
OAH www.oakholdings.co.uk 1.8p



Primary Health Properties
PHP www.phpgroup.co.uk 470522.5p

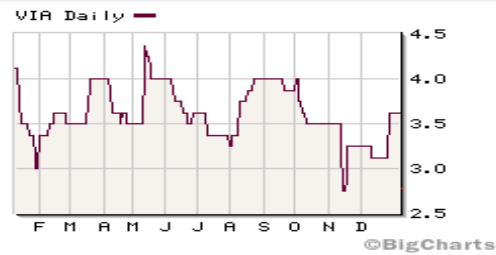


Orbis
OBS www.orbisplc.com 2.5p



Printing.com
PDC www.printing.com 51.5p



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