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THE MONTHLY NOVEMBER 2006

Five new companies have been added to our coverage this month. These are Faces Cosmetics, Faroe Petroleum, General Medical, New Cantech and Marchpole.

Faces Cosmetics is an AIM new issue, and is a cosmetics retailer with over 50 outlets throughout Canada, the US, Puerto Rico, Mexico and Ireland. It has plans to expand its franchise operations aggressively over the next five years, particularly in the USA.

Also this month we have added *Faroe Petroleum* to our coverage. Faroe is an independent AIM quoted oil and gas company with assets in the North Sea and Atlantic Margin. It is fully funded, with estimated current total funds in excess of £40m earmarked for current exploration and appraisal commitments and selected acquisitions/farm-ins. Our core sum of the parts valuation indicates a risked enterprise valuation of GBP202m, or 274p per share – which represents a significant premium to the current market price

General Medical is a new entrant to PLUS Markets. It provides medical facilities in the City of London, is profitable, and had no debt even before the capital raising accompanying the flotation. The money will be used for expansion of medical facilities both in the City and elsewhere in Central London.

Marchpole Holdings is a luxury fashion brand management group that is on the London main market. The management has been actively repositioning the company's offering

SHARES UP

Galleon	78.3%
New Cantech	46.9%
Murgitroyd	31.2%
YouGov	28.5%
Eleco	25.0%
Global Marine Energy	22.1%
Lok'nStore	17.9%
Tellings Golden Miller	17.8%
European Nickel	17.3%
e-pay Asia	13.2%
Faces Cosmetics	12.5%
R.E.A. Holdings	11.9%
Gladstone Pacific	11.3%
Accident Exchange	10.2%
SMC	10.0%
Faroe Petroleum	6.6%
FTSE Index	*5.9%*
Telephone Maint Gp	4.9%
Hardman Average	*4.5%*
Marchpole	4.4%
Park Group	4.2%
Lighthouse Group	4.0%
Tethys Oil	2.8%
Primary Health	2.0%
Metnor	1.1%
Wichford	1.0%

SHARES UNCHANGED

General Medical	0.0%
Orbis	0.0%

SHARES DOWN

Alliance Pharma	-1.8%
Dori Media	-2.2%
Colliers CRE	-2.6%
Touchstone	-3.3%
Printing.com	-4.0%
Cosalt	-4.7%
Photo-Me	-9.6%
Palmaris	-10.0%
IAF Group	-10.4%
Oak Holdings	-11.1%
Chaco Resources	-12.5%
Vianet	-12.5%
Dermasalve	-21.4%
Nautical Petroleum	-22.0%
Lombard Risk Mgt	-28.6%
Sefton Resources	-45.5%

following the discontinuation of its Yves Saint Laurent line – this has been known about for some time and final deliveries will probably be made in December. Increasing sales from other labels will over time fill the gap, and we believe that the market is over-discounting for this. Meantime there is a low p/e ratio and a good yield.

New Cantech Ventures has the second fastest rising share price in our table in spite of us researching the company for only three weeks It is a Canadian company with the rights to a significant, well drilled molybdenum property in British Columbia. Discussions are under way with a South Korean company to joint venture the development of this. There is also the possibility of utilising equipment from a nearby mine that is coming to the end of its working life – or, if the talks with the Koreans fall through, joint venturing with its owners. Either way, there are prospects here that lift New Cantech Ventures out of the normal run of exploration hopefuls, and in addition. molybdenum is a metal with a very interesting supply/demand profile.

In *Islamic Finance* currently 85% of all bonds issued in the Gulf region are *sukuk*, which is similar to a conventional bond with the difference being that they are asset backed and do not pay overt interest. With a market estimated to be worth $45billion, the UK Treasury seeks to introduce legislation next year to support the issuance of sukuk as easily as traditional corporate bonds, boosting the City of London's role in this fast-growing sector of the global capital markets. City institutions are now scrambling to win lucrative business from the Middle East, including mandates from companies to issue sukuk. Call us for further information.
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ACCIDENT EXCHANGE

As predicted in our last research note, Accident Exchange has made the move from AIM to the Official List marking a further significant milestone in the company's development.

The move has not been accompanied by a fresh fund raising (the last fund raising at end September raised £12.5m in a placing of 4million shares at 325p/share) so existing shareholders have not faced any additional dilution. We do expect the shares to attract greater institutional interest now they are on the Official List, however, and this should improve liquidity going forward.

In a separate development, the company has announced it is to adopt IFRS Accountancy Standards for its full year results to end April 2007. This is unlikely to have much impact on the reported numbers; the main effect being the removal ofgoodwill amortisation charges. In the year to end April 2006 this charge to the p & l account amounted to £656k.

ALLIANCE PHARMA

Alliance Pharma which announced its interim results last month had first half sales for the period ended 30 June 2006 that were 13.2% up on the same period in the previous year while gross profits were up 11.3%. Despite these improvements operating profits were down some 43%. This decrease at the bottom line can be attributed to Alliance's heavy marketing and pre-launch budget for the company's development brands, Isprelor – used to induce labour and Posidorm – used in the treatment of sleep disorders. While this expenditure has depressed short to medium term earnings it is exactly these brands that will in the longer term produce significant upside for Alliance and its investors and we believe that at current share prices the market is not attributing any value to these longer term projects. Post balance date Alliance has acquired the UK marketing rights to Syntometrine, a medicine used in the prevention of haemorrhages in childbirth.

BRITISH COUNTRY INNS

This unquoted pub EIS scheme has made pleasing progress since management raised £7.5m in early 2006. Eight pubs (seven freehold, one long-leasehold) have been acquired to date, and the scheme is now fully invested. Given that the company only began trading in late April the pace of the acquisition programme has really been quite impressive, particularly in a difficult single pub freehold market.

Introducing gearing, we understand management is looking to borrow funds of £3m, could push the size of the estate to 12 units. Gearing is eminently sensible for freehold pub companies because the increase in pub operating profit on a larger portfolio more than covers the cost of servicing the debt (based on an average interest rate of c.6%). So far, we understand terms have been agreed on a ninth unit, and a tenth unit is currently under offer.

In light of the success of British Country Inns PLC management is conducting a second round of fundraising offers in the current 2006/07 tax year with the launch of British Country Inns 2. It will be run as a virtually identical venture investing in freehold/long-leasehold food-led pubs in the same patch as the group's existing sites. Investor appetite for the scheme appears to be strong, with £3.6m of the total £7m raised to date. Investors have until 26 January 2007 to meet the Offer deadline, unless the scheme is fully subscribed or extended, of course.

Having revised our estimates model we believe investors could potentially obtain a 26% return before gearing, and before factoring in the tax benefits over a five year period. Including the benefits of operational gearing, the returns rise to 34% on the same basis.

CHACO RESOURCES

We publish our monthly with the news that Chaco's Paraguayan subsidiary, Bohemia S.A., has received approval for an evaluation permit at Canindeyu covering some 17,900 sq km in the Parana Basin. Negotiations have taken some time but with this now settled, Chaco can move forward to begin reprocessing and re-interpreting the seismic shot in the NW portion of the block.

The company is reported to be very close to signing drilling rigs for Puerto Lopez and Primavera. We also anticipate an update soon confirming a time extension at Platinillo so a road to the rig site may be constructed mitigating the need for a more expensive heli-rig. For the time being, we are retracting our estimates until we can be certain of how these anticipated events may affect forecasts.

COLLIERS CRE

Colliers CRE's turnover increased by 9.1% in the six months to 30 June 2006, however, operating profit for the six month period was down. The major contributor to the company's lower operating profit were "retention payments" made to staff in rapidly developing but as yet unprofitable business areas. With Colliers CRE having a 41%/59% first half/second half revenue split with expenses spread relatively evenly throughout the year we expect the second half of the year to be considerably more profitable than the first and the company's full year results to be in line with market expectations. Shortly following the release of its interim results Colliers CRE announced a £15m 1 for 3 rights issue at 140p per share. The funds raised via this issue are to be used to fund new acquisitions, to expand Colliers CRE's European operations, to grow property fund management operations and to fund a further vehicle within Colliers CRE's co-investment business, Deanwater Estates. Colliers CRE management view this as the first step in Colliers CRE executing on its growth agenda. Colliers CRE shares have now gone ex-rights.

COSALT

There have been no further developments at Cosalt since the trading statement in early September. The company has an October year end and we expect the full year results to be announced sometime in January.

DERMASALVE

An EGM is to be held on 16 November to allow the board to allot additional shares in order to pursue acquisition opportunities and to provide additional working capital. Also, Hanson Westhouse has been appointed NOMAD and broker in place of Corporate Synergy, and Hansard Communications has been appointed PR Adviser in place of Cubitt Consulting.

The Interim Results announced at end-September revealed a loss of £1m, but are of limited use to investors or analysts as there has been far more activity since the period end than there was before it. We view the acquisition of Healthy and Essential Ltd., a distributor of Omega-3 fish oils, as key. This company had sales of £1.15m last year and made a pre-tax profit of £104,000.

Also Dermasalve has signed a licence agreement with its Thai joint venture company, DermasalveAsia Pacific Ltd., for the manufacturing marketing and distribution of its Avian Flu Gel in certain territories. Dermasalve will receive a royalty on net sales and also have a 49% interest in NAPL, which will have the exclusive rights to distribute the gel in the Asia Pacific region. Manufacturing is planned to commence before the year end. The gel has been shown by an independent laboratory test to have a 99.99% kill activity, and to remain active for at least 30 minutes after a single application.

DORI MEDIA

No regulatory news from Dori Media this month but we understand the company had a successful MIPCOM. Telenovela screenings at this television industry show saw 35% more buyers attend than last year. Interest has been shown by US and western European networks, as well as the more traditional Latin and Eastern European buyers. ‘Sos mi vida’ struck a number of Eastern European deals but we believe the real importance of this MIPCOM is that it shows the increasing desire for telenovela content outside the existing heartlands. The market is expanding and DMG has a good position to exploit

ELECO

Full year results showed sales of £55m compared to our £51m forecast and underlying profits of £4.8m against the £3.7m that we expected. The Building Systems Division, which accounts for 88% of the business, pushed up sales by 14.7%. Its margins were an impressive 11%. Some powerful operational gearing has been brought into play here. Of every extra £ of sales made last year, Building Systems managed to hold onto 25p in profit. The Construction Software Division once again produced good sales growth, but once again lost money. Operational changes are being made in an effort to stem the red ink.

On the financial front, the pension deficit was down, and Eleco finished the year with net cash. The business is strongly cash generative. The dividend was raised significantly above our expectations, and given the company’s well managed financial position we believe a further dividend increase will be seen in the new, current year.

We expect further forward progress this year, but not at the same rate. We have upgraded our estimates for the second time this year.

E-PAY ASIA

EPY’s recent Q3 results and increased guidance from the company have allowed us to raise our forecasts for the current financial year.

EPY continues to be active on the M&A front, with the signing of a term sheet to acquire a 40% stake in India’s second largest mobile top-up company, E-Charge. We have issued a note with our revised forecasts and cover the proposed acquisition in more detail in this. However, many of the growth areas in which EPY is involved are held through minority stakes, so while shareholder value is being increased, the numbers may not show the full effect of the company’s growth strategy.

EUROPEAN NICKEL

In the past month, European Nickel’s share price has risen 31% to 45p since we last published a note on the company (*4.10.2006*). ENickel is developing the Caldag nickel deposit in Western Turkey and expects to start the production of a nickel-hydroxide concentrate in late 2007. Full production is expected to be achieved in 2009, when it will be one of the lower cost producers in the world. The company is in the progress of finalising the financing for the Caldag project having raised $156m of equity in June 2006. Detailed engineering is underway and it is expected that full-scale construction will start by the end of this year.

A report by the commodity research company - Brook Hunt indicates that higher than average nickel prices will be a factor for the foreseeable future and that there has been little evidence of substitution in the production of stainless steel even at the current high price. It is conceivable that low capital cost projects such as that planned at Caldag will generate significant positive cashflows. We remain confident about ENickel's prospects.

FACES COSMETICS

On 13 September we initiated coverage on cosmetics retailer FACES Cosmetics. FACES has aggressive plans to expand its present franchise operations over the next five years – particularly in the US market and in order to execute on these plans has brought on board additional management, restructured existing debt and raised additional financing. The FACES concept is a simple one – offering consumers good quality cosmetics at a reasonable price, and meeting the needs of all consumers. Significant potential exists for FACES to grow in size – the Body Shop currently has over 1,900 locations worldwide compared to FACES current base of 54 retail outlets. We look forward to seeing FACES executing on its business plan and signing up new franchisees.

FAROE PETROLEUM

Faroe holds a high impact exploration portfolio West of Shetland where the Super Majors are focussing their interests. A significant portion of the Faroese/West of Shetland exploration acreage is on trend with proven fields, 'ridge hunting' along the Corona, Rona and Wyville Thomson Ridges; near to other assets which are either on production (Clair) or are being fast-tracked for appraisal and development (Laggan).

Management is bringing in near term production assets for development and appraisal (eg Minke, Orca, Breagh) to balance its asset portfolio. Mine Main is the first development in this pipeline and we expect news of the well being spudded any day now. This will be a keynote development for Faroe as it treads the path to first gas in April 2007 generating maiden revenues for Faroe in the upcoming financial year.

Faroe scored a coup earlier in the year in attracting the established Norwegian Paladin team after Paladin's takeover by Talisman – fast-tracking expansion into Norwegian waters, where the potential is great and the fiscal regime is very attractive. We anticipate that this new part of the business will grow rapidly. Faroe's recent JV with Liberty Mutual also brings significant bargaining power to the table in future negotiations in the UKCS which we believe is unrecognised.

Please refer to out recent initial note, (25 October "An independent Among the Majors" 114p) for further details.

GALLEON

Galleon has announced two contracts for Croro, its in-pact premium business, as well as a significant agreement for its entertainment division. Sony BMG Music Entertainment (UK) is partnering with Galleon to create a multi-platform, music-based entertainment property, Apollo's Pad. This underpins our estimates for 2007 onwards giving us a greater degree of confidence in our forecasts. The company will remain loss making this year and next, but we have increased our 2008 forecasts to sales of £13m, EBITDA of £2.3m, and eps per share of 2.5p. This is all good news for the company.

GENERAL MEDICAL CLINICS

General Medical Clinics is an established provider of primary health care in the City of London. It currently operates three private clinics and an NHS walk-in centre at Liverpool Street Station. The financial advisers Nexus Corporate Finance, who specialise in healthcare issues, are in the process of raising additional equity for the company prior to a listing on PLUS Markets.

In its last financial year General Medical Clinics had sales of £5.65m and made a profit of £0.44m on an adjusted basis. This gave pro forma earnings of 3.5p a share, so the additional equity that the firm is hoping to raise at 35p will be coming in on a p/e ratio of 10. General Medical Clinics does not pay a dividend, but even before the current equity issue it had no gearing and net cash, so it is clearly capable of starting dividend payments quite quickly

The money raised in the share issue wil probably be used for acquisitions in healthcare within the M25 area. The market for primary care is fragmented and ripe for consolidation.

GLADSTONE PACIFIC

We are pleased with the progress Gladstone Pacific is making in its aim of establishing a new worldscale, vertically integrated, nickel production facility at the port of Gladstone in Queensland, Australia. A new source of higher grade ore has been secured and with the price of nickel having more than doubled since we first published our initial study on Gladstone in June 2005, long term projections are significantly higher than previously. However, the capital cost is now also expected to be higher, that is in excess of $2billion. Nonetheless, we believe that this company will attract a bidder before construction work on the project begins. Since we last published a note on Gladstone (*29.9.2006)*, the share price has risen by almost 20% to 146.5p.

The Annual Report has been released.

GLOBAL MARINE ENERGY

Global Marine has continued to progress with significant additional orders for its Patriot Mechanical Handling subsidiary totalling over US$28m since our last monthly in September .

- US$8.8 million of orders from Eisner Business S.A.,Brazil subsidiary of Queiroz Galvao Perfuracoes S.A. for a mechanical handling rig set
- US$10 million, of orders (including options) from Dalian New Shipbuilding (DSIC), China for the supply of marine deck cranes to new build rigs.
- US$9.6 million of orders from, Schahin Engenharia S.A. ('Schahin') in Brazil and Diamond Offshore Drilling, Inc ('Diamond Offshore') in USA.

Global Marine has also strengthened its management team considerably appointing experienced industry personnel to manage through this rapid growth phase in the business.

Global is in a closed period at the moment and we will seek to expand on recent developments with updated research soon.

IAF GROUP

This new stockbroking and corporate finance house is awaiting the award of NOMAD status from the regulator before it can start taking full responsibility for corporate issues, and until this is granted its earning ability from corporate finance activities will be limited. The Regulator is known to be concerned about the poor behaviour of a number of the corporate finance houses that have won NOMAD status and is adopting a very much tougher approach to new applications as a result. The tightening of the application process is something we very much welcome, but short term it has been unwelcome news for the IAF Group management. The upside is, of course, that these raised barriers to entry will benefit IAF Group once it is in.

The private client business is expanding, and is currently up to five individual brokers. This is, of course, still short of both critical mass and financial breakeven, but numbers are moving in the right direction and we expect more recruitment by the end of the year.

The Annual Report for the last financial year stresses the IAF motto, ‘Old Fashioned Values in a Modern Environment’ and makes a push for the company’s many private investor shareholders to open dealing accounts with the private client stockbroking arm of the business. The Annual Meeting is on Thursday 21 December.

LIGHTHOUSE

Lighthouse reported a first rate set of interim results for the six months to end June 2006. Sales increased 36% over the period, the average annualised productivity per adviser grew 20%, and the group also declared a maiden pre-tax profit. Despite this excellent progress Lighthouse trades on a lowly 2006 Ev/Ebitda multiple of 4 and has a market capitalisation of just £15m.

This is interesting because industry developments suggest corporate activity in the sector continues apace. Just last week, Standard Life took a 10% stake in private IFA support services firm Simply Biz while Thinc Destini, a loss-making private national IFA group with c.700 advisers, was recently acquired by industry giant Axa for a total of £100m (subject to financial targets being met during 2009).

While the take-out price for Thinc Destini indicates a huge disparity in valuations between private companies and those in the quoted space both deals clearly demonstrate the increased value placed on UK financial services distribution by the major Life companies and insurers.

This, in our view, can only be good news for Lighthouse shareholders.

LOK'NSTORE

Full year results from the UK's fourth largest self storage operator were well ahead of our expectations showing sales up 15% and store EBITDA up 24%. Importantly, the more established stores continue to show strong growth, with like-for-like sales in these units rising 9.2% during the year.

A property re-valuation by independent surveyors Cushman Wakefield Healey and Barker has valued the group's 21 trading stores at £66.6m. This is the equivalent of 213p per share and compares favourably to the current share price at 186p.

LOMBARD RISK

Lombard is now in the close season following the end of its first half in September. We spoke to the company shortly before period end and do not expect any major surprises.

MARCHPOLE HOLDINGS

On 5 October we initiated coverage on Marchpole Holdings the luxury fashion brand management group. The company which has 115 staff world-wide and a physical presence in the UK, France, Italy, Asia and the US presently represents the Yves Saint Laurent (YSL), Emanuel Ungaro, Ungaro Homme, JC de Castelbajac (JCC), Boateng and Homebody brands. At the end of September 2006 Marchpole discontinued manufacturing its YSL line and final deliveries of this label are to be made prior to the December year end. It is expected that increasing sales under the Ungaro label will over time fill the gap left by YSL. Marchpole have been aware of the loss of the YSL licence for some time and have been repositioning the company accordingly. We believe that Marchpole's shares will be re-rated once there is further clarity around the impact of the loss of the YSL licence on Marchpole's bottom line.

In our Initiation of Coverage note we commented that Marchpole was involved in an ongoing legal dispute with Bespoke Couture, a company owned by Ozwald Boateng. We are pleased to now be able to report that this dispute has been resolved and that Bespoke Couture's damages claim against Marchpole has been dismissed.

Marchpole's results are to be issued on 15 November.

METNOR GROUP

Metnor Group has changed its NOMAD and broker, moving from Brewin Dolphin to Teather & Greenwood. Also Nigel Little, the Managing Director and Head of Equities at Canaccord Adams Ltd., has been appointed a Non-Executive Director.

The long awaited sale of the Hot Dip Galvanizing business to rival Hill & Smith has now taken place, for £6.5m for the business plus an additional £3.2m for the associated property. This makes a total of £9.7m, compared to the ballpark £10m that we had been expecting, so we are happy – as indeed will be Metnor's shareholders. The final price is subject to adjustment following completion accounts, and we have not yet seen any documentation. From now on, Metnor will be concentrating upon construction, building services and property development. Within this, there will be particular emphasis upon healthcare and student accommodation, both of which are expanding areas.

Our latest research note on this interesting company was issued on 2 October, entitled 'Important Changes – Upgrade'. The shares have continued to be strong, but while we are confident, investment managers need to be aware that our forecasts are dependent upon a property transaction closing before the end of the year.

MURGITROYD GROUP

At Murgitroyd Group's AGM held on 26 October Murgitroyd's management stated that "trading in the first four months of the new financial year has been encouraging". The integration of the Fitzpatricks Group which Murgitroyd acquired in June has gone according to plan and is now "substantially complete". A new office is to be opened in Edinburgh before the end of the year and this will bring Murgitroyd's total number of offices to eleven. At this stage we see no reason to make any adjustments to our full year forecasts.

NAUTICAL PETROLEUM

Being early November, Nautical must now be close to completing the deal to acquire Licence interests in the Bluebeard (9/12b) and Skipper (9/21) discoveries with Engen Resources Ltd. Negotiations for drilling rig contracts also continue for two/four wells starting in 2007 which we also believe are closer to sign off.

In conversation, we understand that Nautical has made applications for further UKCS Licence blocks in the 24th UKCS Licence Round and would anticipate any successful applications to be announced by the DTI towards the end of this month

NEW CANTECH VENTURES

New Cantech Ventures is a Canadian quoted company that has the rights to an important new source of molybdenum in British Columbia. The deposit is well drilled and contains over 50m tonnes of commercial grade ore. Molybenum is used to make special steels harder and corrosion resistant, and is being used in increasing quantities in major projects such as the 5,600km gas pipeline infrastructure project under way to connect Chicago and Alaska by 2015. BP, ExxonMobil and ConocoPhillips will be the main buyers for this pipeline steel, which will contain 0.3% molybdenum whereas previously gas pipe has contained no molybdenum whatsoever.

The economics of molybdenum production are fascinating. Most of the world's molybdenum is produced as a second metal from copper mines, and molybdenum supply is therefore at least partly determined by the level of world copper output. For 20 years this led to such a surplus of molybdenum that most copper mining companies did not even bother trying to retrieve it from copper ore – there is much valuable molybdenum buried as roadfill in new interstates along the West of the USA. The resurgence of demand for high specification steel, especially from the Far East, led to a tenfold increase in the molybdenum price. China currently absorbs 40% of the world's production of iron ore. While copper mining companies the world over are now taking molybdenum recovery much more seriously, the world's largest molybdenum mine will run out of ore and is due to shut down in 2013.

The South Korean conglomerate SK Networks has a non-binding Memorandum of Understanding to enter into a Joint Venture with New Cantech on the molybdenum property. This has been extended to November 14, and while the amount of information available on this potential deal are of necessity limited at present, so far at least it appears likely to be very good news indeed for New Cantech. The extensive drilling that has already taken place on the property plus the presence of the South Koreans lifts New Cantech above the normal run of mining exploration juniors. There is still a high level of risk, of course, but not at the absurdly speculative levels seen in many early stage mining ventures.

OAK HOLDINGS

In our last Monthly update note we suggested that Oak would seek funding in order to support its working capital requirements until the YES! scheme came into fruition. This month the company has appointed Baron Phillips of Baron Phillips Associates as its new public relations adviser. Baron has a breadth of experience in the property sector having acted as an adviser to a number of property companies over the past two decades and has worked with companies both on day to day public relations activities and in mergers and acquisitions. We view the appointment of Baron Phillips as a positive move for Oak in raising its profile and await further news regarding the company's fund raising activities.

ORBIS

This void property protection specialist has reported winning or retaining a number of important contracts in

September. Benefits are now coming through from the restructuring of the business that took place earlier, and the UK sales team has been strengthened. Also, a European finance director has been appointed, and a new managing director and operations director in France. The new alarm service in France is proving successful, and Germany is progressing well.

At the Annual Meeting, Orbis said that it 'remained positive' regarding future opportunities.

PALMARIS

Palmaris Capital released its full year results for the year ended 30th June 2006. Palmaris's operating results only represent the net cost of running the business as a holding company with an investment stake in Perseverance – an Australian gold producer and Mining(Scotland) – a private coal mining company. So the key interest for shareholders is the performance of the two underlying investments as reflected in the share price. This has been disappointing as Palmaris shares have halved in value over the past year to 11p. Whilst Perseverance has returned some pleasing results, Mining(Scotland) has yet to show that its deterioration is reversible. It also has yet to publish its results but we think that there is considerable substance to the prospect of its recovery, for which restructuring and corrective measures are already in place. This is discussed in some detail in a note that we published in early November. Please call for a copy..

PARK GROUP

The collapse of rival Farepak has an impact that far eclipses any of the developments within Park Group over the past month. The bankruptcy follows several months in which the shares of Farepak's parent company, European Home Retail plc, have been suspended; Halifax HBOS has withdrawn banking facilities right at the peak of the cash flow cycle, just when the weekly cash payments from the 170,000 savers and shoppers who used its voucher and Christmas hamper business as a form of saving reached their peak, but before deliveries started taking place. From the banking point of view, pulling the plug on a failing business at this particular point in its annual trading cycle is a no-brainer. From the point of view of its relatively poor customers in the North of England, however, it is horrifying news, and many people who could not afford to lose money will have a miserable Christmas as a result. The collapse is causing considerable repercussions politically, with a number of MPs having become involved on behalf of customers and questions almost certain to be asked in the House of Commons. Parliament has called for a Serious Fraud Office investigation.

The Department of Trade and Industry has initiated an enquiry, and Trade Minister Ian McCartney has called for the Financial Services Authority to regulate Christmas savings schemes.

The negative publicity generated by this scandal is likely to have a greater impact short term on Park Group than the removal of a major competitor from the marketplace. This is ironic, because the financial situation of Park Group has probably never been better. Earlier this year it sold its loss making sub-standard loan business, and it is awash with cash. Financial controls at Park Group have always, in our opinion, been good, and the company's management has always taken a very conservative approach to its stewardship of savers' funds.

Otherwise, trading at Park Group is progressing well, with indications that sales ahead of the coming Christmas have been good. We are happy with the state of Park Group, and would support any move to investigate the collapse of Farepak in order to clarify the confusion surrounding the reasons for its collapse.

PHOTO-ME INTERNATIONAL

Photo-Me International is currently on the Takeover Panel list, therefore we are unable to issue forecasts or to make any comments of substance. The company is conducting a strategic review, the results of which are awaited.

The Annual Meeting at end-September released no further information of any consequence. The company said that the Vending Division had made a 'solid' start to the new year, with the continuing roll out of digital kiosks, mainly in France and Switzerland, producing 'encouraging' returns. In the

Manufacturing Division, the Imaging Solutions wholesale lab business had a satisfactory start to the year, but otherwise the transition between the second and third generation minilabs would have a 'significant adverse impact', especially as volume production of the new DKS 3 has been running slightly behind schedule. The weighting towards the second half of the financial year will be 'accentuated' in the current financial year.

The shares have been actively traded, with UBS taking its holding above the 8% mark, Principle Capital Investment Trust going above 3%, and Citigroup also being active. Barclays, has been one of the sellers.

In circumstances like these, of course, the availability of informed research and estimates becomes especially important to investment managers, but unfortunately our hands are tied.

PRIMARY HEALTH PROPERTIES

The confirmation of the new regulations governing REITS held no unexpected nasty surprises, and following their publication we believe it very likely that Primary Health Properties will decide to convert to REIT status. This ought to be good news for shareholders.

An amendment has been proposed to the company's management agreement with Nexus PHP Management Ltd and J. O. Hambro Capital Management Ltd. This will give Nexus and JOHCM a performance incentive of 15% of anything in excess of an 8% total return. Shareholders will vote on the proposal at an EGM following the Annual General Meeting on 16 November.

Meanwhile additions to the portfolio continue. The latest is a purchase and funding agreement for a £11m GP facility and pharmacy in Northamptonshire.

The business continues to develop well.

PRINTING.COM

Printing.com, the high street print franchise company, is currently in close period with interim results due on 21 November 2006. We downgraded our estimates for both the current year and next in August following news of disappointing trading volumes since June. Apart for the numbers, news on current trading will be key. We await developments with interest.

R.E.A. HOLDINGS

Palm oil plantation company REA produced pleasing interim results earlier this month. These showed a 10% increase in sales, gross profits up 16% and an 8.3% increase in the profit attributable to ordinary shareholders. To our pleasant surprise, the company also announced that it is to resume dividend payments on the ordinary shares with a 1p/share interim dividend declared in lieu of final.

Following some minor delays earlier in the year REA is currently on track to plant an additional 6,000H of palm oil plantings in 2006, rising to 7,000H in 2007. If these ambitious targets are met, we believe REA will become the largest single site plantation company in South East Asia.

With the outlook for palm oil prices robust and crops from trees planted in the 2004 extension planting programme starting to come through for the first time in 2007, we believe investors can look forward to double digit increases in profit and eps from now until the end of the decade.

SMC

Architectural group, SMC, has continued its expansion activity with the acquisition of four new businesses in Scotland and Hickton Madeley in the Midlands. The acquired companies, rebranded under the SMC Scotland umbrella as SMC Parr Architects, SMC Jenkins & Marr Architects, SMC Davis Duncan Architects and SMC Hickton Madeley Architects are expected to add some £16m to SMC's revenues per annum. As in the past SMC was able to complete the deals on favourable terms paying an average of 5.0x normalised profit after tax while the company itself trades on around 15.0x post tax earnings. We expect to see more activity of a similar nature in the near term.

SEFTON RESOURCES

With the ongoing lack of an available drilling rig to expand oil production at the Tapia Oilfield, projected additional revenues will now be pushed past this financial year and we are withdrawing our previous estimates. We understand there is a lot going on within the company at the current time and will look to generate fresh estimates as soon as we are able to do so when a rig date is confirmed.

TELEPHONE MAINTENANCE GROUP

£750,000 has been raised through the issue of 1.1m new shares at 63p each, easing the company’s tight cash position. Also £400,000 of the Convertible Loan Notes and £140,000 of Convertible Preference Shares, both of which bore a near penal 10% interest rate, have been converted into a total of 857,000 new ordinary shares. The issued capital has therefore increased significantly.

There have been board changes. Two non-executive directors have stepped down; these are Sandy Saunders, the well known company rescue specialist, and J F Williams, the founder of the business and the father of the Managing Director Jeff Williams. Both are over normal retirement age. In their place Frank Lewis and Jim McLaughlin have been appointed. Lewis is already an NED of two other AIM telecoms companies, Teleset Networks and MTI Wireless Edge. McLaughlin is a Chartered Accountant whose background encompasses Badgerline, one of the precursor companies to First Group, Heritable Bathrooms, Dillstone Group and Connaught PLC. He will become non-executive Finance Director as the existing finance director, Greg Hallett, takes a less day-to-day role in the business.

Datatel, a specialist telephony solutions provider, has been acquired for £350,000. Its last accounts showed a turnover of £518,000 and a profit of £122,000. Its business is focussed towards Wales. The business is very similar to that of Telephone Maintenance Group, but also brings in strengths in fibre optics and structured cabling that Telephone Maintenance Group has not had until now.

TELLINGS GOLDEN MILLER

Interim results from this bus and coach operator showed a small rise in turnover but a pre-tax loss of £99k. The key issue has been rising fuel, engineering and driver’s payroll costs which continue to hurt margins. In addition, price increases at the National Express and AirCrews operations have taken longer to secure than hoped so these divisions operated at a loss during the first half of the year.

The loss of the Dial-A-Ride flat rate bus service contract run for the Tyne & Wear Passenger Transport Executive has come as a disappointment. It was worth £2.1m per annum and was lost to a competitor on the basis of an uneconomic tender.

On the positive side, some small new contracts have been secured and costs have been cut. Further earnings enhancing acquisitions are also on the cards.

Whilst current year sales and profits will be below our original estimates, we are raising our estimates for 2007 profits and eps.

Please call for a copy of our latest research note published on 6 October 2006.

TETHYS OIL AB

Tethys Oil is currently busy at work drilling the gas prospect at Karlebo. We must say we were impressed by the attention to local sensitivities and the general handling of the work during our recent site visit and eagerly await news from what is now a ‘closed hole’.

Tethys Oil has decided to change the publishing date of its third quarter report from the originally planned date of October 31 to November 14 2006.

TOUCHSTONE

Brewin Dolphin has been appointed broker and NOMAD to the company in place of Teather & Greenwood.

A trading update issued in mid-October stated that Touchstone was expecting to announce ‘another set of record interim results’. Underpinning these results would be a 65% increase in fee-based income and a corresponding 20% increase in headcount. The order books were buoyant and demand continued to be strong, so despite growth phase recruitment depressing overall margins, the company was on track to meet market expectations for the year as a whole. For the half year, turnover will probably be up by 35% and trading profits up by 25%.

VIANET

Interim results were disappointing, mainly for reasons outside Vianet's control, and we have reduced our forecast for 2006 to take account of lower unit sales. MEI was taken over by a private equity company, and has not taken up the units which it was contractually bound to purchase; Vianet is now seeking a settlement. At the same time the Compass/Selecta deal is stymied by the problems of the parent company and we do not expect to see any sales into this account over the near term. This means that two of Vianet's larger prospects have fallen through owing to the customers' circumstances.

On the positive side, the contract with GSK is performing well and early indiciations are that indirect sales into Germany could do well. Also Vianet has moved further into the m2m arena leveraging its relationship with Vodafone.

Vianet has stopped selling outright licences, instead concentrating on recurring revenues through rental and support contracts. This change to the business model accounts for much of the decline on sales in H1. However, it should help the company create a stable base of recurring income for the future.

Vianet will need to raise more cash by the end of the year.

WICHFORD

There has been no news flow from property investor Wichford post our last update. While there has been some moderation the property market in the UK continues to perform strongly, the latest statistics from Capital Economics suggesting that all-office capital value growth in the year to September was 17.5% and all-office rental value growth was 4.2% giving a total all-office return for the year to September of 24.1%. This continuing strength in the property market should ultimately be reflected in Wichford's NAV.

YOUGOV

Online polling and market research company YouGov produced a stellar set of full year results for the financial year ended 31 July 2006. Sales have more than tripled from £2.9m to £9.6m while operating profits have quadrupled from £1.0m to £4.1m – and the company ended the year with £5.5m in the bank. With potential upside available to YouGov from several avenues – higher than forecast growth in the UK potentially through a consolidating market – new contracts in the Middle East where revenues are very contract dependent – the potential for new business in the US, Canada and Europe where YouGov already has experimental panels in place – an attractive cashflow stream and strong balance sheet it is difficult to see much in the way of downside risk with this company.

Accident Exchange | **ACE** | **Price p. 395**

Full List | **Specialty Finance** | **Cap £m 261**

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	47.6	1.5	0.4%
2006E	53.5	17.9	16.3	17.5	22.6	3.0	0.8%
2007E	100.6	26.9	26.9	28.2	14.0	4.0	1.0%
2008E	124.9	30.8	30.8	32.4	12.2	6.0	1.5%

Alliance Pharma | **APH** | **Price p. 13.75**

AIM | **Pharmaceuticals** | **Cap £m 22**

Y/E Dec	Sales £m	Declared Pre-tax Profit £m	Adjusted Profit £m	Adjusted eps p.	p/e ratio	Divi p.	Yield %
2004A	10.4	-2.15	0.94	0.85	16.2	0.0	0.0%
2005A	12.3	0.66	0.43	0.29	47.4	0.0	0.0%
2006E	17.5	0.85	0.85	0.55	25.0	0.0	0.0%
2007E	22.9	0.93	0.93	0.57	24.1	0.0	0.0%

February year-end* * 10 months*

Chaco Res. | **CHP** | **Price p. 12.3**

AIM | **Oil & Gas** | **Cap £m 54**

Y/E March	Sales £m	Earnings Before Tax	Adjusted Profit	Eps (p)	p/e ratio	Divi p.	Yield %
	£ 000	£ 000	£ 000	£ 000	£ 000	£ 000	£ 000
2004 A*	0	-8973	-13,623	-3.3	-	-	-
2005 A	0	-971	-971	-0.3	-	-	-
2006 E	No	Estimates			-	-	-
2007 E					-	-	-

**15 months*

Colliers CRE | **COL** | **Price p. 188.5**

AIM | **Real Estate** | **Cap £m 85**

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	18.1	3.60	1.9%
2005A	79.6	8.1	8.2	16.6	11.4	4.10	2.2%
2006E	90.2	9.6	9.6	18.2	10.4	4.60	2.4%
2007E	99.3	10.7	10.7	19.7	9.6	5.25	2.8%

* *Figures assume completion of rights issue*

Cosalt | **CSLT** | **Price p. 273.5**

Full List | **Diversified Inds** | **Cap £m 36**

Y/E Oct	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	12.8	18.75	6.9%
2005A	119.0	-1.2	1.0	-12.1	-22.6	18.75	6.9%
2006E	116.7	3.0	2.2	15.4	17.8	18.75	6.9%
2006E	121.4	3.6	3.6	18.5	14.8	12.00	4.4%

Dermasalve | **DRM** | **Price p. 11.0**

AIM | **Healthcare** | **Cap £m 7**

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	0.00	0	0.0	-	0	0.0%
2006E	No	Estimates	at	present			
2007E							

Dori Media | **DMG** | **Price p. 65.5**

AIM | **Media** | **Cap £m 13**

Y/E Dec	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	6.6	0	-
2005A	12.1	1.73	1.73	9.1	7.2	0	-
2006E	18.5	2.95	4.95	20.6	3.2	0	-
2007E	26.9	5.6	6.1	30.7	2.1	0	-

Adjusted profit excludes start up costs in Indonesia

Eleco — **ELCO** — **Price p. 80**
AIM — **Diversified Inds** — **Cap £m 40**

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	17.4	1.40	2.2%
2006A	55.2	4.4	4.8	7.6	10.5	2.10	3.3%
2007E	59.0	4.9	5.5	7.7	10.4	2.30	3.6%
2008E	62.7	5.7	6.2	8.8	9.1	2.50	3.9%

e-pay Asia — **EPY** — **Price p. 19.3**
Full List — **Technology** — **Cap £m 53**

Y/E December	Sales AUD m	Declared Pre-Tax Profit AUD m	Adjusted Profit AUD m	Adjusted eps p.	p/e ratio	Divi p.	Yield %
2004A		-	-	-			
2005A							
2006E	620.0	12.50	35.60	1.0	19.3	0.40	2.1%
2007E	1037.0	23.00	54.90	1.4	13.8	0.60	3.1%

** eps may not reflect maximum possible level of dilution*

European Nickel — **ENK** — **Price p. 45.75**
AIM — **Mining** — **Cap £m 178**

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	-	0.00	0.0%
2005A	0.0	-6.0	-6.6	-6.2	-	0.00	0.0%
2006E	0.6	0.0	0.0	-9.0	-	0.00	0.0%
2007E	6.0	0.0	0.0	-9.0	-	0.00	0.0%

Faces Cosmetics — **FCE** — **Price p. 14**
AIM — **Gen. Retailing** — **Cap £m 7**

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	0.1		-	0.00	0.0%
2006F	4.1	0.1	0.1		-	0.00	0.0%
2007E	7.1	0.6	0.6		-	0.00	0.0%
2008E	13.9	1.3	1.3		-	0.00	0.0%

Faroe Petroleum — **FPM** — **Price p. 121.5**
AIM — **Oil & Gas** — **Cap £m 90**

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	0.0%
2005A	0.0	-0.3	-0.3	-0.6	-	0.00	0.0%
2006E	0.0	0.0	0.0	0.0	-	0.00	0.0%
2007E	3.3	0.4	0.0	0.6	202.5	0.00	0.0%

Galleon — **FER** — **Price p. 10.3**
AIM — **Media** — **Cap £m 3**

Y/E September	Sales £m	Declared Pre-tax Profit £m	Adjusted Profit £m	Adjusted eps p.	p/e ratio	Divi p.	Yield %
2004A							
2005A	1.1	-1.4	-1.2	-7.1	-	0.00	0.0%
2006E	1.2	-1.2	-0.9	-2.7	-	0.00	0.0%
2007E	3.5	-0.4	0.0	-0.7	-	0.00	0.0%

General Medical* — **-** — **Price p. 35.0**
PLUS Markets (pending) — **Health** — **Cap £m 6**

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	5.6	0.2	0.4	3.5	-	0.00	0.0%
2007E	6.5	0.4	0.6	3.3	-	0.00	0.0%
2008E	7.1	0.5	0.8	3,4	-	0.00	0.0%

** 'Low Field' estimates*

Gladstone Pacific | **GPN** | **Price p.** | **143.0**
AIM | **Mining** | **Cap £m** | **45**

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	0.0%
2004A	0.0	0.0	0.0	-	-	0.00	0.0%
2005E		No	Forecast		-		
2006E					-		

Global Marine Energy | **GME** | **Price p.** | **23.2**
AIM | **Oil Services** | **Cap £m** | **11**

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	0.0%
2005A	4.6	-2.2	-2.2	-0.4	-	0.00	0.0%
2006E		No	Forecast				
2007E							

Lighthouse Group | **LGT** | **Price p.** | **19.5**
AIM | **Specialty Finance** | **Cap £m** | **15**

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	0.0%
2005A	32.6	-0.5	0.4	1.0	19.5	0	0.0%
2006E	42.0	-0.2	2.1	2.8	7.0	0	0.0%
2007E	46.2	1.9	2.8	3.7	5.3	0	0.0%

Lok'nStore | **LOK** | **Price p.** | **187.5**
AIM | **Support Services** | **Cap £m** | **47**

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	0.10	0.5	375.0	0	0.0%
2006A	8.9	0.1	0.10	0.2	937.5	0	0.0%
2007E	10.3	0.4	0.40	1.5	125.0	0	0.0%
2008E	11.2	0.9	0.90	3.6	52.1	0	0.0%

Lombard Risk Management | **LRM** | **Price p.** | **6.25**
AIM | **Software** | **Cap £m** | **8**

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	0.0%
2006A	4.7	3.2	-2.7	-2.2	-	0	0.0%
2007E	7.6	0.0	0.1	0.1	62.5	0	0.0%
2008E	9.6	1.4	1.6	1.1	5.7	0.1	0.5%

Marchpole | **MPH** | **Price p.** | **108**
Full List | **General Retailers** | **Cap £m** | **29**

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	-	3.5	3.3%
2006A	38.4	4.9	4.0	9.7	-	3.5	3.3%
2007E	56.2	8.0	8.0	20.8	5.2	4.0	3.7%
2008E	41.6	6.3	6.3	16.2	6.6	4.0	3.7%

Metnor | **MTG** | **Price p.** | **316**
AIM | **Steel & Metals** | **Cap £m** | **49**

Y/E Dec	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	17.40	18.2	8.7	2.8%
2005A	78.9	4.4	5	24.40	13.0	9.4	3.0%
2006E*	70.0	4.90	5.20	25.30	12.5	10.0	3.2%
2007E	77.0	5.30	5.60	25.40	12.4	10.5	3.3%

**Before any exceptional profit on the sale of Hot Dip Galvanising*

Murgitroyd | **MUR** | **Price p. 412**
AIM | **Support Services** | **Cap £m 34**

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	36.1	3.3	1.1%
2006A	18.8	1.4	1.9	14.7	28.0	4.7	1.5%
2007E	25.0	2.1	2.6	21.9	18.8	6.9	2.2%
2008E	27.9	2.4	3.0	24.8	16.6	7.9	2.5%

Nautical Petroleum | **NPE** | **Price p. 8.0**
AIM | **Oil** | **Cap £m 78**

Y/E Dec	Sales £m	Declared Pre-tax Profit £m	Adjusted Profit £m	Adjusted eps p.	p/e ratio	Divi p.	Yield %
2003A	-	-	-	-	-	-	-
2004A	-	-	-	-	-	-	-
2005E (18 mths)		New Forecasts to Follow Shortly					
2006E							

Orbis | **OBS** | **Price p. 2**
AIM | **Support Services** | **Cap £m 1**

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	-2.20	2.20	9.80	0.2	0.00	0.0%
3/2005A	40.0	-5.20	0.40	-5.10	-0.4	0.00	0.0%
9/2006E (12m)	39.7	-4.00	1.60	4.20	0.5	0.00	0.0%
9/2007E	42.5	-2.40	2.10	6.80	0.3	0.00	0.0%

Palmaris Capital | **PMS** | **Price p. 11.3**
AIM | **Mining** | **Cap £m 15**

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	-0.36	-0.36	-0.28	-	0.00	0.0%
2006A	0.0	-0.18	-0.18	-0.10	-	0.00	0.0%
2007E	5.0	-0.18	-0.18	-0.10	-	0.00	0.0%
2008E							

Park Group | **PKG** | **Price p. 18.5**
AIM | **Specialty Finance** | **Cap £m 31**

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	-1.40	3.90			1.10	5.9%
2006A	233.4	-13.4	2.0		-	1.10	5.9%
2007E	No	Forecast	At	Present			
2008E							

Photo-Me Intl | **PHTM** | **Price p. 96**
Full List | **Support Services** | **Cap £m 353**

Y/E April	Sales £m	Declared Pre-tax Profit £m	Adjusted Profit £m	Adjusted eps p.	p/e ratio	Divi p.	Yield %
2005A	237	33.9	33.9	6.3	15.2	2.0	0.0
2006A	230	28.5	28.5	4.7	20.4	2.4	0.0
2007E		Forecasts	Withdrawn	for	Regulatory	Reasons	
2008E							

Primary Health Properties | **PHP** | **Price p. 470**
Full List | **Real Estate** | **Cap £m 114**

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	35.9	12.0	2.6%
2006A	11.1	18.4	3.4	16.5	28.5	13.5	2.9%
2007E	13.2	15.8	4.0	16.7	28.1	15.0	3.2%
2008E	15.7	19.0	4.4	18.3	25.7	16.5	3.5%

Printing.com | **PDC** | **Price p. 47.5**
AIM | **Retailing** | **Cap £m 22**

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	17.6	0.50	1.1%
2006A	18.2	2.4	2.4	4.0	11.9	1.75	3.7%
2007E	21.5	2.4	2.4	3.7	12.8	2.20	4.6%
2008E	27.3	2.9	2.9	4.4	10.8	2.50	5.3%

R.E.A. Holdings | **RE.** | **Price p. 415**
Full List | **Food** | **Cap £m 128**

Y/E Dec	Sales £m	Declared Pre-tax Profit £m	Adjusted Profit £m	Fully diluted eps p.	p/e ratio	Divi p.	Yield %
2004 A	16.05	9.19	9.19	18.00	23.1	0.00	0.0%
2005 A	14.94	9.62	9.62	16.70	24.9	0.00	0.0%
2006 E	18.16	10.93	10.93	21.90	18.9	1.00	0.3%
2006 E	20.99	12.96	12.96	26.70	15.5	1.00	0.3%

Sefton | **SER** | **Price p. 6.0**
AIM | **Oil and Gas** | **Cap £m 7**

Y/E July	Sales £m	Declared Pre-tax Profit £m	Adjusted Profit	Eps. c/share	p/e ratio	Divi p.	Yield %
December	USD$ 000	USD$ 000	USD$ 000	c			
2004A	563.0	-1089.0	-1089.0	-0.073	-		
2005A	2172.0	-694.0	-694.0	-0.047	-	-	-
2006E	No	Forecast				-	-
2007E						-	-

SMC | **SMC** | **Price p. 165.0**
AIM | **Construction/BM** | **Cap £m 84**

Y/E Dec	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	-	-	0.00	0.0%
2005A	13.1	2.9	3.1	6.6	22.4	1.00	0.6%
2006E	34.7	6.2	7.1	10.9	12.6	1.60	1.0%
2007E	55.4	12.0	13.4	18.3	9.0	2.00	1.2%

Telephone Maint. Gp. | **TEL** | **Price p. 75**
AIM | **Telecoms** | **Cap £m 4**

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	-0.20	-0.2	-1.20	-	0.00	0.0%
2005A	4.5	0.00	0	0.00	-	0.00	0.0%
2006E	No	Forecast					
2007E							

Tellings Golden Miller | **TGM** | **Price p. 26.5**
AIM | **Transport** | **Cap £m 6**

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	2.9	0.0	0.0%
2005A	41.5	14.0	-0.9	-4.0	-6.6	60.0	226.4%
2006E	29.7	0.3	0.3	1.0	26.5	0.0	0.0%
2007E	30.4	0.8	0.8	2.6	10.2	0.0	0.0%

Tethys Oil | **TETY.ST** | **Price SEK 56.5**
AIM | **Oil** | **Cap SEKm 324**

Y/E December	Sales SEK m	Earnings Before Tax SEK '000	Adj Profit SEK '000	Adjusted eps SEK	p/e ratio	Divi SEK	Yield %
2004A	0.0	-5,062	-5,062	-1.7	-	0.00	-
2005A	0.0	-14,368	-14,368	-3.3	-	0.00	-
2006E	0.0	-4,990	-4,990	-1.0	-	0.00	-
2007E	0.0	-6,369	-6,369	-1.1	-	0.00	-

Touchstone | **TSE** | **Price p.** | **176**
AIM | **IT** | **Cap £m** | **20**

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	19.8	3.6	2.0%
2006A	23.1	1.2	2.4	15.8	11.1	4.0	2.3%
2007E	27.2	1.6	3.0	17.0	10.4	4.5	2.6%
2008E	30.2	2.1	3.6	20.8	8.5	5.0	2.8%

Vianet | **VIA** | **Price p.** | **3.5**
AIM | **IT Hardware** | **Cap £m** | **8**

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	-	0.00	0.0%
2005A	0.7	-2.3	-2.3	-1.4	-	0.00	0.0%
2006E	0.8	-1.6	-1.6	-0.7	-	0.00	0.0%
2007E	3.3	0.0	0.0	0.0	-	0.00	0.0%

Wichford | **WICH** | **Price p.** | **203.0**
AIM | **Property** | **Cap £m** | **198**

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	+5.8%	9.0	4.4%
2006E	208	21.6	9.5	9.8	-12.5%	9.5	4.7%
2007E	234	28.6	11.1	11.4	-22.4%	10.0	4.9%
2008E	256	32.8	14.3	14.7	-28.8%	10.5	5.2%

**15 months*

YouGov | **YOU** | **Price p.** | **767.0**
AIM | **Media** | **Cap £m** | **102**

Y/E July	Sales £m	EBITDA £m	Adjusted Profit £m	Adjusted eps p.	p/e ratio	Divi p.	Yield %
2005A	2.9	0.9	0.9	5.6	-	0.00	-
2006A	9.6	3.9	4.1	21.1	36.4	0.00	-
2007E	12.3	4.6	4.9	25.7	29.8	0.00	-
2008E	14.2	5.1	5.7	29.4	26.1	0.00	-

Accident Exchange
ACE www.accidentexchange.com 395p

Dermasalve
DRM www.dermasalvesciences.com 11p

Alliance Pharma
APH www.alliancepharma.co.uk 13.75p

Dori Media
DMG www.dorimedia.com 65.5p

Chaco Resources
CHP www.chacoplc.co.uk 12.25p

Eleco
ELCO www.eleco.com 80p

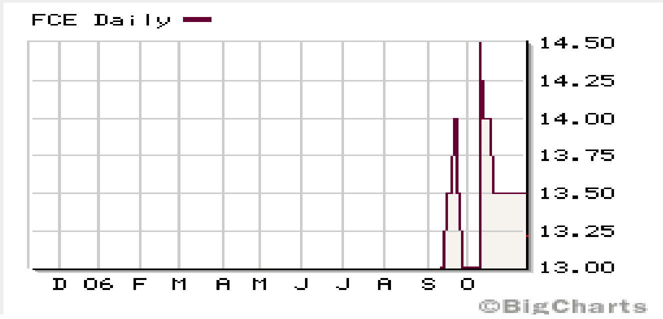
Colliers CRE
COL www.collierscre.co.uk 188.5p

e-Pay Asia
EPY http://www.e-payasia.com/ 19.3p

Cosalt
CSLT www.cosalt.plc.uk 273.5p

European Nickel
ENK www.enickel.co.uk 45.8p

Faces Cosmetics
FCE 5.75p



Faroe Petroleum
FPM 121.5p

Galleon
GON www.galleonplc.com 10.3p

Gladstone Pacific
GPN www.gladstonepacific.com 143.0p

Global Marine Energy
GME www.gme.com 23.25p

IAF Group
IAF www.iafgroup.com 15.0p

Lighthouse Group
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Lok'nStore
LOK www.loknstore.com 187.5p

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Murgitroyd
MUR Qwww.murgitroyd.com 412p

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NPE www.nauticalpetroleumcom 8p

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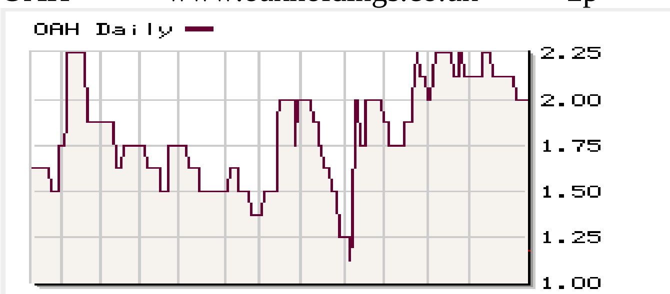
CA:NCV 43c

PHTM www.photo-me.co.uk 96p

Oak Holdings
OAH www.oakholdings.co.uk 2p



Primary Health Properties
PHP www.phpgroup.co.uk 470p

Orbis
OBS www.orbisplc.com 2p

Printing.com
PDC www.printing.com 47.5p

R.E.A. Holdings
RE. www.rea.co.uk 415p

Tethys Oil
SSE:TETY www.tethysoil.com SKR47.2

SMC
SMC www.smcgroupplc.com 165p

Touchstone
TSE www.touchstone.co.uk 182p

Sefton Resources
SER www.seftonresources.com 6p

Vianet
VIA www.vianet.co.uk 4p

Tellings Golden Miller
TGM www.tellings.co.uk 22.5p

Wichford
WICH www.wichford.com 201p

Telephone Maintenance Group
TEL www.tmgteleco.co.uk 71.5p

YouGov
YOU www.yougov.com 597p

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