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"ESN EUROPEAN CONFERENCE IN LONDON"

London, 22ND May 2012

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8 May 2012

ESN Top Picks

Roadshows

Corporate Events

RECOMMENDATION CHANGES

KPN Telecom (Upgrade: Accumulate from Reduce) America Movil bids for 28% of KPN
CSM (Upgrade: Buy from Accumulate) Valuing all the parts
Hes Beheer (Upgrade: Buy from Accumulate) A coal fired growth engine – part II
Hypoport AG (Downgrade: Hold from Buy) Q1 results expectations, downgrade to Hold
Intervest Offices & Warehouses (Upgrade: Accumulate from Hold) Good 1Q12 results: from Hold to Accumulate

STRATEGY NEWS

Macro Flash: France We don't expect major impact of French elections before June
Macro Flash: Greece Greek Elections – Uncertainty Remains…

SECTOR NEWS

Oil & Gas Producers Statoil: Q1 2012 earnings and sharp growth in production

Real Estate Publication Monthly ESN Real Estate Metrics

Portuguese Banks I Exposure to ECB funds decreased EUR 889m in April to EUR 54.43bn (-1.58% MoM)

Portuguese Banks II Bank of Portugal statistical data March 2012 (NPL ratio at 3.53% on private and 7.42% on corporate segment). Total NPL (private + corporate) at 5.27%

BLUE CHIPS COMPANY NEWS

Atlantia (Accumulate) Q1 12 preview: we expect a difficult quarter
BIM (Hold) Strong 1Q12 results
Casino Guichard-P (Buy) Pao de Açucar: 30.1% increase in EBITDA in Q1-2012
Deutsche Post (Buy) Strong Q1 2012 results
Ericsson (Buy) T-Mobile selects Ericsson and NSN as its LTE suppliers
Fugro (Accumulate) PGS 1Q12 encouraging
Gas Natural Fenosa (Accumulate) Results 1Q12
GEA Group (Hold) Final 1Q 12 results in line with preliminaries
Generali (Hold) Q1 12 preview and full year forecast update
Henkel (Hold) Q1/12 results preview
Hochtief (Buy) Q1 2012 broadly in line with our forecast
ING Group (Buy) 1Q12 results are expected to be challenged (Preview)
K+S AG (Buy) Preview Q1: Looking beyond expected weakness in Q1

KPN Telecom (Accumulate) America Movil bids for 28% of KPN
Lagardère (Hold) Small Internet acquisition
LANXESS (Hold) Q1/12 results preview
Luxottica (Accumulate) Q1 12 results: outstanding
Metso (Accumulate) Notes from our meeting with CFO Nikunen
Munich Re (Hold) Strong Q1 results in line with expectations
Nokia (Buy) Google infringed upon Oracle's Java copyrights
Sampo (Accumulate) Q1 better than expected
Solvay (Hold) Strong set of 1Q12 results, ahead of expectations
TeliaSonera (Accumulate) Raises stake in TEO LT
Zurich Financial Services (Accumulate) Q1 12 preview

SMALL & MID CAPS COMPANY NEWS

Aareal Bank (Hold) Slightly weaker Q1 results ahead (10.5.2012)
Agennix (Buy) Q1'12 preview
Agfa-Gevaert (Accumulate) Preview 1Q12 - The traditional Pre-Drupa dip?
Arcadis (Buy) Large contract win EC Harris
Astaldi (Buy) Sound results notwithstanding harsh winter
Augusta Technologie AG (Buy) 1Q12 preview
Banimmo (Accumulate) Built to suit and new tenant
BB BIOTECH (Buy) Another major clinical success in portfolio
BCP (Buy) 1Q12 results - Net profit of EUR 40.8m supported by liability management operations. ROE at 4.5%.
Bekaert (Hold) We anticipate a very weak 1Q12 trading update
BPI (Buy) Angolan company Santoro increases its stake to 19.43% from 9.99% of BPI capital
comdirect (Hold) Solid April trading figures
Credem (Accumulate) Disposal of depositary bank
CSM (Buy) Valuing all the parts
Deceuninck (Hold) 1Q12 trading update: sales better than assumed
Epigenomics AG (Buy) Q1'12 preview
Fcc (Buy) Contract in US
Finmeccanica (Accumulate) The US' Air Force likely to keep its C-27Js and possibly sel them to the ANG
Gildemeister (Buy) Strong 1Q results and there is more to come – Buy!
Hes Beheer (Buy) A coal fired growth engine – part II
Hypoport AG (Hold) Q1 results expectations, downgrade to Hold
Indra Sistemas (Buy) 1Q'12 results preview.
Intervest Offices & Warehouses (Accumulate) Good 1Q12 results: from Hold to Accumulate
Intervest Retail (Hold) Unsurprising 1Q12 results
Italcementi (Hold) Cost inflation expected to weigh on 2012 results
KTG Agrar (Accumulate) Weak FY 11 results; biogas expansion and Frenzel weigh
Lassila & Tikanoja (Accumulate) Lassila & Tikanoja to sell its 50% cut in Recoil
Piaggio (Buy) We expect Q1 to disappoint, good tidings from now on

PostNL (Buy) 12Q1: Slow delivery, not an issue
Prelios (Accumulate) Weak real estate market expected to weigh on Q1 results
Rcs MediaGroup (Hold) Q1 12 preview: focus on cost-cutting efforts
Recordati (Accumulate) Q1 12 preview
Recticel (Hold) Weak 1Q12 trading update
$nomcompagnie$ (Accumulate) RHM officially discloses Auto IPO plans
RIB Software (Buy) Final Q1 results underline positive view
$nomcompagnie$ (Buy) 1Q12 gross result below expectations – outlook kept
$nomcompagnie$ (Buy) 1Q12 in line
Tecnicas Reunidas (Buy) 1Q'12 results preview
Tessi (Buy) 4% organic growth in Q1
TI Media (Accumulate) Corporate action increasingly likely
Tui (Buy) Unspectacular Q2 2011/12 results expected

ESN Top Picks

Blue Chips Top Picks

Company	Country	Sector	Idea	Rating	Price as of 07/05/2012	Target Price	Upside/Downside	Entry date	Entry price	Entry price (Div. Adj)	Total Return Entry To Date
AHOLD	Netherlands	Food & Drug Retailers	Long	Buy	9.66	11.50	19%	11/01/2012	10.36	9.96	**-3.0%**
BNP PARIBAS	France	Banks	Long	Buy	30.21	48.00	59%	11/01/2012	29.58	29.58	**2.1%**
DEUTSCHE POST	Germany	Industrial Transportation & Motorways	Long	Buy	14.26	17.00	19%	11/01/2012	12.55	12.55	**13.7%**
EDENRED	France	Support Services	Long	Accumulate	23.38	25.00	7%	07/03/2012	19.36	19.36	**20.7%**
FERROVIAL	Spain	Construction & Materials	Long	Buy	8.49	13.60	60%	04/04/2012	8.24	8.24	**3.0%**
GALP ENERGIA	Portugal	Oil & Gas Producers	Long	Buy	11.19	18.70	67%	11/04/2012	11.42	11.42	**-2.1%**
GDF-SUEZ	France	Utilities	Long	Buy	17.26	28.00	62%	11/04/2012	18.22	17.55	**-1.6%**
K+S AG	Germany	Chemicals	Long	Buy	36.66	57.00	55%	18/04/2012	37.69	37.69	**-2.7%**
NORDEA	Finland	Banks	Long	Buy	6.47	7.80	21%	11/01/2012	6.14	5.88	**9.9%**
TERNA	Italy	Utilities	Long	Buy	2.83	3.30	17%	11/01/2012	2.76	2.76	**2.5%**
UCB	Belgium	Healthcare	Long	Buy	37.46	39.00	4%	11/01/2012	32.51	32.51	**15.2%**

source: ESN Members' estimates

M/S Caps Top Picks

Company	Country	Sector	Idea	Rating	Price as of 07/05/2012	Target Price	Upside/Downside	Entry date	Entry price	Entry price (Div. Adj)	Total Return Entry To Date
ATOS ORIGIN	France	Software & Computer Services	Long	Buy	46.49	50.00	8%	12/01/2012	34.95	34.95	**33.0%**
CAF	Spain	Industrial Transportation & Motorways	Long	Buy	379.75	540.00	42%	12/01/2012	380.50	380.50	**-0.2%**
DCC	Ireland	General Industrials	Long	Buy	18.75	22.80	22%	12/01/2012	18.50	18.50	**1.4%**
DIA	Spain	Food & Drug Retailers	Long	Buy	3.54	4.51	28%	16/02/2012	3.53	3.53	**0.2%**
EVS	Belgium	Electronic & Electrical Equipment	Long	Accumulate	37.03	51.00	38%	12/01/2012	38.50	38.50	**-3.8%**
KEMIRA	Finland	Chemicals	Long	Buy	9.34	11.50	23%	05/04/2012	10.00	10.00	**-6.6%**
SONAECOM	Portugal	Telecommunications	Long	Buy	1.23	1.70	38%	12/01/2012	1.27	1.27	**-2.8%**
UNITED INTERNET	Germany	Telecommunications	Long	Buy	14.82	17.00	15%	05/04/2012	13.88	13.88	**6.8%**
WESSANEN	Netherlands	Food & Beverage	Long	Buy	2.07	3.50	69%	30/04/2012	2.28	2.28	**-9.3%**
YIT	Finland	Construction & Materials	Long	Buy	16.06	20.00	25%	12/04/2012	15.24	15.24	**5.4%**

source: ESN Members' estimates

This selection of stocks is not intended to provide a recommended portfolio; therefore there is no point in comparing its performance with any benchmark. The performance of each stock has to be considered independently. Risk factors are taken into account when selecting individual stocks but the risk profile of the selection as a whole is not considered. The approach used to select each investment idea is opportunistic with an absolute return target.

Roadshows & Company Visits in ESN for the next two weeks

SUBJECT	LOCATION	EVENT	DATE
MOBISTAR	Boston / New York	Cross-country Company Roadshow	09/05/2012
Sipef	Helsinki	Cross-country Company Roadshow	09/05/2012
BBVA	Milan	Cross-country Company Roadshow	09/05/2012
Mobistar	New York	Cross-country Company Roadshow	09/05/2012
Sipef	Helsinki	Cross-country Company Roadshow	09/05/2012
Boskalis	Helsinki	Cross-country Company Roadshow	10/05/2012
Konecranes	Helsinki	Company visit	10/05/2012
Aryzta	Helsinki	Cross-country Company Roadshow	11/05/2012
Imerys	Paris	Local Company Roadshow	11/05/2012
Solvay	Brussels	Local Company Roadshow	11/05/2012
Atos	Geneva	Cross-country Company Roadshow	15/05/2012
Beter Bed	Zurich	Local Company Roadshow	15/05/2012
Luxempart	Brussels	Cross-country Company Roadshow	15/05/2012
AMPLIFON	Paris	Cross-country Company Roadshow	16/05/2012
Barco	Vienna	Cross-country Company Roadshow	16/05/2012
FRIGOGLASS	New York / Boston	Cross-country Company Roadshow	16/05/2012
EVS	Brussels	Local Company Roadshow	16/05/2012
Luxempart	Luxembourg	Local Company Roadshow	21/05/2012
Cargotec	Amsterdam	Cross-country Company Roadshow	23/05/2012

Source: ESN Members

Corporate Events

Corporate Events today

Company	Bloomberg code	Date	Event Type	Description
AD PEPPER	APM GY	08/05/12	Results	Q1 2012 Results
ALMIRALL	ALM SM	08/05/12	Results	Q1 2012 Results
	ALM SM	08/05/12	Results	Q1 2012 Earnings conference call
ALPHA BANK	ALPHA GA	08/05/12	AGM	EGM re cessation of operations & merger procedure of Alpha Bank A.E. by absorption of EFG Eurobank Ergasias S.A
ARCELORMITTAL	MT NA	08/05/12	AGM	Full year 2011 AGM
BANCA GENERALI	BGN IM	08/05/12	Results	Q1 2012 Earnings conference call
	BGN IM	08/05/12	Results	Q1 2012 Results
BCP	BCP PL	08/05/12	Results	Q1 2012 Earnings conference call
BIM	BIMAS TI	08/05/12	Results	Q1 2012 Earnings conference call
COFINA	CFN PL	08/05/12	Ex Dividend Date	Full year 2011 Ex-dividend date EUR 0.01
DANONE	BN FP	08/05/12	Ex Dividend Date	Full year 2011 Ex-dividend date - proposed EUR 1.39
DECEUNINCK	DECB BB	08/05/12	Trading Update	Q1 2012 Trading statement
	DECB BB	08/05/12	AGM	Full year 2011 AGM
DEMAG CRANES	D9C GR	08/05/12	Results	Interim 2012 Results
DEUTSCHE POST	DPW GR	08/05/12	Results	Q1 2012 Earnings conference call
	DPW GR	08/05/12	Results	Q1 2012 Results
DSM	DSM NA	08/05/12	Results	Q1 2012 Earnings conference call
	DSM NA	08/05/12	Results	Q1 2012 Results
ENCE	ENC SM	08/05/12	Dividend Payment	Full year 2011 Dividend payment date - proposed EUR 0.07
	ENC SM	08/05/12	Ex Dividend Date	Full year 2011 Ex-dividend date - proposed EUR 0.07
ENI	ENI IM	08/05/12	AGM	Full year 2011 AGM - 2nd call & EGM - 3rd call {if required}
FINNAIR	FIA1S FH	08/05/12	Sales	April Traffic Statistics
FLUXYS	FLUX BB	08/05/12	Results	Q1 2012 Results
	FLUX BB	08/05/12	AGM	Full year 2011 AGM & EGM
GAS NATURAL FENOSA	GAS SM	08/05/12	Results	Q1 2012 Earnings conference call / Webcast
	GAS SM	08/05/12	Results	Q1 2012 Results
GEA GROUP	G1A GY	08/05/12	Results	Q1 2012 Earnings conference call / Webcast
	G1A GY	08/05/12	Results	Q1 2012 Results
GILDEMEISTER	GIL GY	08/05/12	Results	Q1 2012 Results
HALKBANK	HALKB TI	08/05/12	Results	Q1 2012 Results
	HALKB TI	08/05/12	Results	Q1 2012 Earnings conference call
HKSCAN	HKSAV FH	08/05/12	Dividend Payment	Full year 2011 Dividend payment date - proposed EUR 0.17
	HKSAV FH	08/05/12	Results	Q1 2012 Results
IBERSOL	IBRS PL	08/05/12	Ex Dividend Date	Full year 2011 Ex-dividend date EUR 0.06
INTERVEST RETAIL	INTV BB	08/05/12	Ex Dividend Date	Full year 2011 Ex-dividend date - proposed EUR 2.53
KENDRION	KENDR NA	08/05/12	Results	Q1 2012 Results
KTG AGRAR	7KT GY	08/05/12	Results	Full year 2011 Preliminary results
LAGARDERE	MMB FP	08/05/12	Ex Dividend Date	Full year 2011 Ex-dividend date - proposed EUR 1.30
LUFTHANSA	LHA GR	08/05/12	AGM	Full year 2011 AGM
MEDIASET	MS IM	08/05/12	Results	Q1 2012 Results
	MS IM	08/05/12	Results	Q1 2012 Earnings conference call / Webcast
MEDIQ	MEDIQ NA	08/05/12	Dividend Payment	Full year 2011 Dividend payment date - proposed EUR 0.31
METKA	METTK GA	08/05/12	AGM	Full year 2011 AGM - 1st call
MILANO ASSICURAZIONI	MI IM	08/05/12	Results	Q1 2012 Results
MUNICH RE	MUV2 GY	08/05/12	Results	Q1 2012 Results

Company	Bloomberg code	Date	Event Type	Description
MYTILINEOS	MYTIL GA	08/05/12	AGM	Full year 2011 AGM - 1st call
OBRASCON HUARTE LAIN	OHL SM	08/05/12	AGM	Full year 2011 AGM - 1st call
PIAGGIO	PIA IM	08/05/12	Results	Q1 2012 Results
POSTNL	PNL NA	08/05/12	Results	Q1 2012 Earnings conference call / Webcast {Analysts}
	PNL NA	08/05/12	Results	Q1 2012 Results
	PNL NA	08/05/12	Dividend Payment	Interim 2011 Dividend payment date - proposed EUR 0.19
	PNL NA	08/05/12	Results	Q1 2012 Earnings conference call / Webcast {Press}
PRELIOS	PRS IM	08/05/12	Results	Q1 2012 Results
PROSEGUR	PSG SM	08/05/12	Results	Q1 2012 Results
RAISIO	RAIVV FH	08/05/12	Results	Q1 2012 Earnings conference call
	RAIVV FH	08/05/12	Results	Q1 2012 Results
	RAIVV FH	08/05/12	Results	Q1 2012 Press & analyst meeting
RECORDATI	REC IM	08/05/12	Results	Q1 2012 Results
	REC IM	08/05/12	Results	Q1 2012 Earnings conference call
RECTICEL	REC BB	08/05/12	Trading Update	Q1 2012 Trading statement
SABAF	SAB IM	08/05/12	AGM	Full year 2011 AGM
SAMPO	SAMAS FH	08/05/12	Results	Q1 2012 Results
	SAMAS FH	08/05/12	Results	Q1 2012 Earnings conference call / Webcast
SEMAPA	SEM PL	08/05/12	Results	Q1 2012 Results
SEVEN PRINCIPLES AG	T3T GR	08/05/12	Results	Q1 2012 Results
SOLVAY	SOLB BB	08/05/12	AGM	Full year 2011 AGM
TECHNIP	TEC FP	08/05/12	Ex Dividend Date	Full year 2011 Ex-dividend date EUR 1.58
VASTNED RETAIL	VASTN NA	08/05/12	Results	Q1 2012 Results
VICAT	VCT FP	08/05/12	Ex Dividend Date	Full year 2011 Ex-dividend date - proposed EUR 1.50
WILLIAM HILL PLC	WMH LN	08/05/12	AGM	Full year 2011 AGM
YAPI KREDI BANK	YKBNK TI	08/05/12	Results	Q1 2012 Earnings conference call

Source: Precise

We don't expect major impact of French elections before June

French elections: the surprise is more the lower than expected score for François Hollande. His victory is hardly surprising given that none of the polls had Nicolas Sarkozy as the winner. Note the following two points, however:

- the gap between the two candidates is narrower than expected. This keeps up the suspense about the outcome of the legislative elections, which alone will really give François Hollande the ability to (or prevent him from) implementing the measures that he has promised. Polling organisations will now be able to give their all to assessing the theoretical makeup of the National Assembly, including based on the local results of the first and second rounds. Note, however, that the main focus will be the standoff between the UMP and the Front National, as the left-wing and green parties seem more willing to work together (in any case the Socialist Party and the Greens), and particularly the willingness, or otherwise, of the UMP to sacrifice a few seats to the Front National to avoid being up against both the left and the Front National in the second round.

The progress of discussions between these two parties is therefore worth watching. Note Marine Le Pen seems little inclined to withdraw her candidates at this stage, in a logical standoff.

- François Hollande gave a particularly rallying first speech as President aimed at the legislative elections in June (the handover of power could take place next Monday).

Aside from setting job creation through re-industrialisation as the key objective of his future policies, he above all: 1/ described reducing France's deficit's as his second priority; 2/ avoided any reference to the world of finance, which he has hitherto referred to as his "enemy", and 3/ placed the redirecting of Europe towards job creation and growth at the bottom of his list of priorities, developing this point further, however, and confirming that this issue would guide his first actions as French President, particularly with regard to the European partners.

It is worth noting: 1/ that an initiative aimed at the European partners straight after the elections is a skilful move as François Hollande will not have control over Parliament until at least mid-June, so why not do as much as possible in the meantime... ; 2/ that he is considering send European leaders a draft memorandum on growth by the end of May, i.e. before the meeting on this issue planned by Herman Van Rompuy for the start of June, and above all before the European Summit at the end of June. Note, however, that we are not expecting François Hollande to fundamentally call into question the Stability Pact agreed to by European leaders in March, instead we believe that he wishes to add to it, a process that the Germans confirmed yesterday evening that they were involved in.

Ultimately, François Hollande seemed to want to rally the French people as much as possible, showing a very proactive approach (is this credible?) to the issue of growth, and above all voluntarily avoiding taking issue with the world of finance, which he will need tomorrow to buy French debt. ***The narrowing of spreads between French and German long-term sovereign bond rates indicates that investors are aware the new President only has tiny room for maneuver, forcing him to implement credible political measures, especially on the fiscal front. It will nevertheless be necessary that such balance between austerity and growth is carefully monitored by the new government for this to be lasting.***

Also note the main measures announced by the socialist candidate during his campaign:

- "Renegotiation" of the European treaty
- 60,000 teaching posts, 150,000 jobs for young people, Generation contract
- Retirement at 60 for those who have contributed for more than 41 years
- Ring-fencing of banking activities
- Elimination of stock options and regulation of bonuses
- 15% increase in the taxation of bank profits and a tax on financial transactions
- 75% to 50% reduction in nuclear's share of electricity generation
- Raising of wealth tax on the largest estates
- 45% income tax bracket, 75% bracket for the highest earners
- Corporation tax according to company size
- Creation of a public investment bank
- Closing of the equivalent of EUR29bn in tax loopholes
- Freezing of the price of fuel for 3 months at the start of the mandate.

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Greek Elections – Uncertainty Remains…

The facts Greek political leaders will meet for a second day today in a bid to form a government, with the mandate being handed to Alexis Tsipras, head of Syriza, after New Democracy leader Antonis Samaras said he failed to forge agreement with the two largest parties. Alexis Tsipras will meet with President Karolos Papoulias today at 14:00 local time (12:00 UK).

Our analysis: More specifically, a first round of government talks in Greece ended in deadlock after the top-seeded conservative party failed to entice parties opposed to the country's EU-IMF bailout deal to join a coalition. Conservative New Democracy leader Antonis Samaras said his efforts to form a national salvation government had failed, meaning that the leftist Syriza party would now be tasked with forming a government. Antonis Samaras stated that "I did whatever I could to secure a result but it was impossible", while he also stated that "I informed (head of state President Carolos Papoulias) and returned the mandate". Antonis Samaras was rebuffed by the second-place leftist Syriza party and the small Democratic Left group, while the nationalist Independent Greeks and the Communist party refused to meet with him. Third-place socialist Pasok, formerly in a coalition with New Democracy, agreed to cooperate but only if the leftists also joined a salvation government. Note that Syriza leader Alexis Tsipras will be summoned by President Karolos Papoulias today and given three days to form a government. Finally, Alexis Tsipras has said he would seek to form a left-wing coalition to reject the loan agreement's "barbaric" measures, noting that "we will exhaust all possibilities to reach an understanding, primarily with the forces of the Left" on forming a government.

Recall that Greek elections produced a fragmented parliament with no single party being able to form a majority government. With all votes counted, conservative New Democracy (ND) gets 18.85% and 108 seats in the 300 seat Parliament, radical left wing Syriza (coalition of left) 16.78% and 52 seats, socialist PASOK 13.18% and 41 seats, far-right Independent Greeks 10.60% and 33 seats, communists KKE 8.48% and 26 seats, extreme right (nationalist) Golden Dawn 6.97% and 21 seats and the left-wing Democratic Left party 6.09% and 19 seats.

The two pro-European parties (PASOK & ND) supporting the former government of Mr. Papademos failed to form a coalition government as their share of votes is less than 50% and their cumulative number of seats in the parliament less than the minimum majority required of 151 seats. According to the Greek Constitution, the leaders of the 3 biggest parties will receive in-turn a three-day mandate to try and form a government. If efforts fail, and after these nine days, the President of the Republic will call all parliamentary leaders together to see if a government can be formed. If leaders fail to agree, then a new round of elections will be called most possibly within mid-June, a scenario which, in our view, is the most likely.

We also note that according to several press reports, EU& IMF officials said that the official sector will delay the disbursement of the bail-out funds until the new program is agreed adding that Greece needs to stick to its fiscal consolidation program - which includes new austerity measures (of EUR 11-12bn for FY13&FY14) in June. Also, according to the same sources, the Troika will not return to Greece before a new government is formed, while the new government will need to stick to the plan agreed upon and illustrate and propose the measures that will allow the country to meet its deficit targets for FY13 and FY14.

Conclusion & Action: *As far as financing needs are concerned, press reports mention that Greece will receive the EUR 5.3bn from the bail-out plan in May in order to re-pay a EUR 4.5bn bond held by the ECB and a EUR 435m bond issued under foreign law which was under the PSI (bond exchange) umbrella and its holders do not accept the exchange offer (haircut). Same sources mention that a Greek official from the Ministry of Finance said that Greece's cash resources are adequate to cover the country's needs up until mid to late June. We also note that there are no major bond redemptions within July and August. This gives some time to Greece's political leaders but a final solution has to be taken soon as there are other important issues that need to be resolved, with the most important being the recap terms and procedures of the Greek banking system.*

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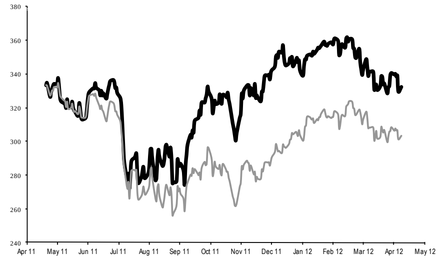
Statoil: Q1 2012 earnings and sharp growth in production



Stoxx Oil & Gas,
DJ Stoxx TMI rebased on sector

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The facts: For Q1 2012 Statoil published recorded adjusted operating income of NOK59.2bn (+25%) and attributable net income of NOK16.8bn, rising by 41%.

Our analysis: Statoil's solid performance comes from the price hike (gas and oil) and above all from the strong growth in production. This in fact grew by 11% vs Q1 2011, to 2193 Kboe/d vs 1973 kboe/d in Q1 2011. This growth is linked to strong gas production (quarter marked by a cold spell in Europe), the first results of investments to increase recovery rates, new startups and the rampup of international production.

The increasing weight of international production is reflected by a fall in Statoil's taxation rate, from 74.8% to 71.6%.

For Statoil, Q1 has also been (especially) marked by its stake in three major discoveries in Norway (Havis, 400 to 600 Mboe, Statoil 50%), in Tanzania (Zafarani, up to 5 Tcf, Statoil 65%) and in Brazil (Pão de Açucar, >250 Mboe minimum, Statoil 35%). In Q2, 3 results are expected from high potential exploration wells: Kilchurn in the Gulf of Mexico, Lavani in Tanzania and King Lear in Norway. Statoil has also acquired new exploration rights in Norway, to the west of Greenland, and offshore Ghana.

Conclusion & Action: *Solid earnings and above all discoveries that bring credibility to Statoil's international production growth targets (662 Kboe/d in Q1 2012, > 1100 kboe/d in 2020^{e}), which should sustain Statoil's performance.*

Publication Monthly ESN Real Estate Metrics

—— Stoxx Real Estate,

—— DJ Stoxx TMI rebased on sector

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The facts: Today we are publishing our monthly ESN Real Estate Metrics, entitled “A dividend doesn’t make a summer”.

Our analysis:

Total return (%)	French REITs	CAC40	Dutch REITs	AEX	Belgian REITs	BEL20
April 2012	-2.8	-5.8	-5.7	-3.6	1.8	-2.9
Year-to-date	8.2	2.3	7.7	0.2	7.2	8.5

Sources: Bloomberg, ESN Research.

“*Do you know the only thing that gives me pleasure? It's to see my dividends coming in*” (J.D. Rockefeller). Total return (i.e. price + dividend return) of REITs was boosted by dividend returns in April, especially in France. Nevertheless, total return in April was largely negative for most REITs (except Belgian REITs), weighing on year-to-date performances, which are still strong however.

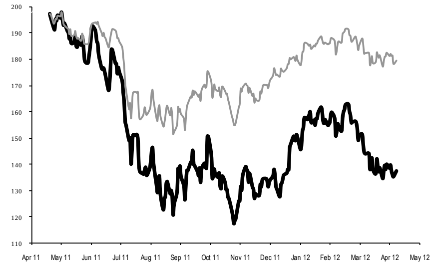
Several REITs already published 1Q12 results, which evidenced strong performance coming from France by the retail REITs. We estimate like-for-like rental growth to be about 4% for Unibail-Rodamco. Klépierre reported 2.4% like-for-like rental growth, which was somewhat held back by weak performance in peripheral countries. Mercialys reported a 4.9% like-for-like rents growth. The latter issued a EUR 650m with a maturity of 7 years at an interest rate of 4.125%, which was oversubscribed 8 times. Gecina’s results were negatively impacted by an increase in its vacancy rate of 1.7 p.p. Cofinimmo released a like-for-like rents growth of 0.9% and a stable portfolio value.

We initiated coverage on Corio last month with an accumulate rating and a TP of EUR 39, which is justified by the attractive valuation multiples and the quality of the portfolio and management in our view. We published a detailed company report on 24 April 2012 (*Shopping centres at a discount*).

During the month of April, our top picks showed a mixed performance, which on average (0.2%) was better than the total companies under coverage (-1.2%). VIB total return was up by 4.6%, Technopolis by 1.8%, while VastNed Retail, which was our best performer in March (18.9%), lost 5.7%. We believe that VastNed’s underperformance was mainly linked to its exposure to Iberia (19%), which was also the reason for us to drop Beni-Stabili from our top picks last month; Beni-Stabili lost 10.1% in April.

Despite the inclusion of Technopolis in our top pick list and a modest but positive and above average performance in April, we have replaced the stock by Citycon, which offers a slightly bigger upside since the recent reviewed TP and the upgrade of the recommendation from accumulate to buy.

Exposure to ECB funds decreased EUR 889m in April to EUR 54.43bn (-1.58% MoM)



Stoxx Banks,

DJ Stoxx TMI rebased on sector

Analyst(s):
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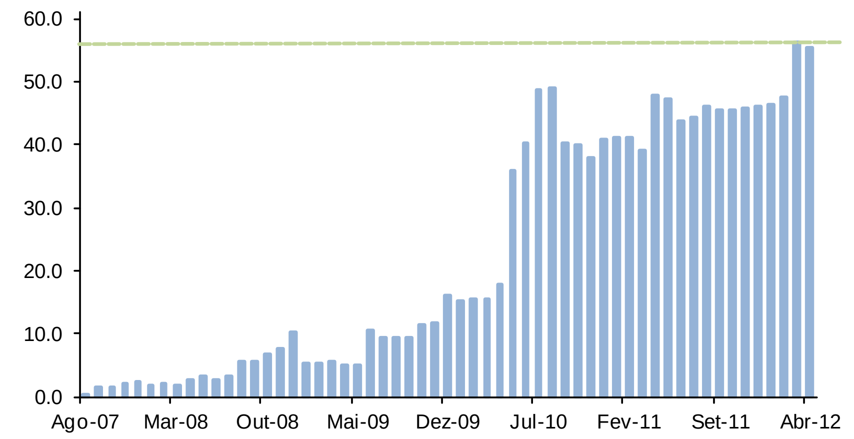
The facts: According to Bank of Portugal the gross exposure of Portuguese banks to ECB funds decreased 1.58% in April 2012 to EUR 54.43bn vs. EUR 56.32bn in March 2012.

Our analysis: We highlight that the exposure of Portuguese banks to ECB funding reached its highest amount ever in March at EUR 56.32bn, surpassing the EUR 49.1bn verified in August 2010 (previous maximum).

After that, it decreased in September 2010 (to EUR 40.3bn) and was almost stabilized at c. EUR 40bn until March 2011. On April and May it increased substantially to a level around EUR 48bn, following the country's request for external financial support. In the most recent months (until March 2012) we had witnessed stabilization around EUR 46bn.

April figures consolidate the amounts verified in March (although with a 1.58% decrease) on the back of the two LTRO operations made available by ECB. Besides, we underline that the average maturity of this ECB funding increased in the last months, as the portion referring to medium and long term funds increased to c. 94% in April 2012 vs. 58% in June 2011.

Exhibit 1: Portuguese banks – total funding via ECB scheme (EUR bn)

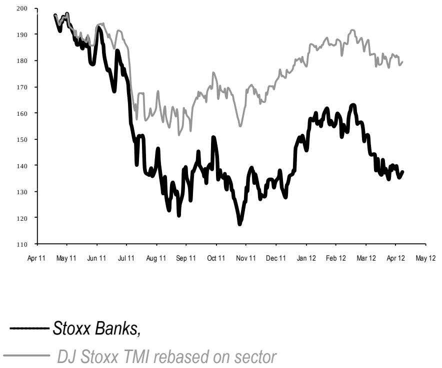


Source: Bank of Portugal & CaixaBI Equity Research

Conclusion & Action: *As referred in our last comments, ECB funding remains (and should remain in the coming quarters) the last resource for Portuguese banking system as we do not see conditions for Portuguese banks to consistently return to wholesale markets soon.*

In order to reduce its commercial gap, all the major Portuguese banks reinforced its balance sheet reductions (lowering credit concession, optimizing RWA and selling noncore assets). The use of ECB funds continues to represent almost 10.5% of Portuguese banks' total assets or c. 32% of Portuguese GDP.

According to the press, Portuguese banks obtained an amount close to EUR 20bn in February's LTRO. According to those sources, BES obtained EUR 5bn, BCP close to EUR 7bn and Banco BPI close to EUR 2bn. Contrary to December LTRO (where Portuguese banks mainly rolled over its short term ECB funds), in this case banks increased its net exposure to ECB, as seen in March data.



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Bank of Portugal statistical data March 2012 (NPL ratio at 3.53% on private and 7.42% on corporate segment). Total NPL (private + corporate) at 5.27%

The facts: Bank of Portugal published the statistical data regarding the evolution of credit and deposits in Portugal (latest data refers to the end of March).

Our analysis: We present below the summary of the key data disclosed.

Exhibit 1: Portuguese Banks – Credit and Deposits data, March 2012

	Mar-12	Mar-11	Δ YoY	Fev-12	Δ MoM
A. Loans					
Private individuals (1. + 2- + 3.)	**138,751**	**141,749**	-2.30%	**139,224**	-0.34%
Non-performing loans - private	4,899	4,164	17.65%	4,867	0.66%
As a % of loans	3.53%	2.94%	0.59 pp	3.50%	0.03 pp
1. Consumption	**14,501**	**15,228**	-7.40%	**14,622**	-0.83%
Non-performing loans - Consumption	1,551	1,302	19.12%	1,549	0.13%
As a % of loans	10.70%	8.55%	2.15 pp	10.59%	0.1 pp
2. Housing	**112,817**	**114,511**	-1.40%	**113,112**	-0.26%
Non-performing loans - Housing	2,190	1,963	11.56%	2,169	0.97%
As a % of loans	1.94%	1.71%	0.23 pp	1.92%	0.024 pp
3. Other purposes	**11,433**	**12,010**	-4.10%	**11,490**	-0.50%
Non-performing loans - Other	1,158	899	28.81%	1,149	0.78%
As a % of loans	10.13%	7.49%	2.64 pp	10.00%	0.13 pp
Corporate	**111,751**	**114,784**	-4.40%	**113,296**	-1.36%
Non-performing loans - Corporate	8,293	5,385	54.00%	8,290	0.04%
As a % of loans	7.42%	4.69%	2.73 pp	7.32%	0.1 pp
Total Loans (Private + Corporate)	**250,502**	**256,533**	-2.35%	**252,520**	-0.80%
Non-performing loans	13,192	9,549	38.15%	13,157	0.27%
As a % of loans	5.27%	3.72%	1.54 pp	5.21%	0.06 pp
B. Deposits					
Deposits - Private individuals	131,328	120,358	9.11%	131,291	0.03%
Deposits - Corporate	31,479	32,488	-3.11%	32,313	-2.58%
Total Deposits	**162,807**	**152,846**	6.52%	**163,604**	-0.49%

Source: BoP & CaixaBI Research. Data as EUR thousands and excludes securitised loans. YoY variations adjusted for write-offs and reclassifications.

March figures presented a 6bps deterioration in the total NPL ratio (private + corporate segments) to 5.27% from 5.21% in February, whereas Portuguese banks continued to deleverage, reducing **volumes** (YoY decrease close to 7.4% in Consumption, 1.4% in Mortgage and 4.4% in corporate segment).

We reinforce the idea that NPL ratios should continue its negative trend in the next months following the deterioration in the macroeconomic fundamentals in Portugal. The total amount of NPL reached EUR 13.19bn (vs. EUR 9.55bn in March 2011). We also highlight the total weight (%) of NPL in some segments, namely Construction (NPL at 13.8%) and Real Estate activities (9.5%).

The interest rate paid in **new deposits** (average) remained at 3.74% (as of February 2012) in private segment, and increased 4bps to 3.01% on deposits made by companies (vs. 2.97% in February). These figures compare with 4.53% and 4.49% in October 2011 (-79bps and -148bps in this 5months, respectively). We remember that this decrease is being driven by the regulation published by Bank of Portugal (implying a penalty in Core TIER I to deposits with remuneration above Euribor and later adjusted with higher penalties (in force only since April).

Atlantia

Italy/Industrial Transportation & Motorways

Analyser

Accumulate

Recommendation unchanged

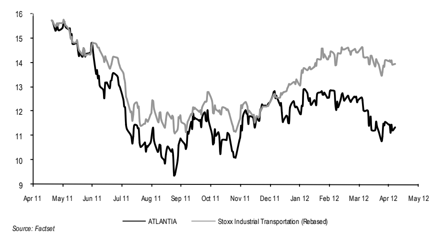
Share price: EUR	**11.34**
closing price as of 07/05/2012	
Target price: EUR	**14.30**
Target Price unchanged	

Reuters/Bloomberg	ATL.MI/ATL IM

Market capitalisation (EURm)	7,505
Current N° of shares (m)	662
Free float	49%

Daily avg. no. trad. sh. 12 mth	2,573,333
Daily avg. trad. vol. 12 mth (m)	32
Price high 12 mth (EUR)	15.75
Price low 12 mth (EUR)	9.37
Abs. perf. 1 mth	-5.66%
Abs. perf. 3 mth	-9.64%
Abs. perf. 12 mth	-28.14%

Key financials (EUR)	12/11	12/12e	12/13e
Sales (m)	3,976	4,207	4,489
EBITDA (m)	2,385	2,566	2,763
EBITDA margin	*60.0%*	*61.0%*	*61.5%*
EBIT (m)	1,776	1,913	2,034
EBIT margin	*44.7%*	*45.5%*	*45.3%*
Net Profit (adj.)(m)	787	673	709
ROCE	7.2%	6.6%	6.8%
Net debt/(cash) (m)	8,970	10,734	11,046
Net Debt/Equity	2.2	2.3	2.2
Debt/EBITDA	3.8	4.2	4.0
Int. cover(EBITDA/Fin. int)	3.6	3.7	4.1
EV/Sales	4.4	4.5	4.3
EV/EBITDA	7.3	7.3	7.1
EV/EBITDA (adj.)	7.3	7.3	7.1
EV/EBIT	9.8	9.8	9.6
P/E (adj.)	9.7	10.9	10.9
P/BV	2.2	1.8	1.7
OpFCF yield	*-0.7%*	*-1.1%*	*-3.1%*
Dividend yield	*6.6%*	*6.6%*	*6.6%*
EPS (adj.)	1.28	1.04	1.04
BVPS	5.70	6.42	6.52
DPS	0.75	0.75	0.75



Shareholders: Edizione Srl 42%; Cassa Risparmio Torino 7%; Blackrock 2%;

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Q1 12 preview: we expect a difficult quarter

The facts: Atlantia will release its Q1 12 results on May 11. We expect a modest top-line decline with bad domestic operations partly mitigated by the consolidation of Triangulo do Sol. Lower domestic toll sales coupled with higher winter costs, are expected to reduce profitability Y/Y. Net debt seen slightly up vs. Dec. 31.

Our analysis: Atlantia already revealed an 8.7% traffic decline on its domestic network, with light vehicles down 8.9% Y/Y and heavy down 7.7% Y/Y. We expect this will translate into lower toll sales (including surcharge to be passed on to ANAS) in the range of EUR 60m; the 3.5% Y/Y tariff increase is expected to bring just EUR 20m additional revenues. Q1 will benefit from the consolidation of Triangulo do Sol (EUR 35m sales), thus pushing group toll revenues down only 0.4% Y/Y. We expect lower sales from the ancillary businesses (mainly constructions) due to bad weather conditions in Italy. The Torino-Savona stretch will be treated as asset available for sale (ATL granted SIAS a call option on its 99.98% stake to be exercised by Sep. 12).

We estimate the 1% revenue decrease will translate into lower EBITDA margin Y/Y; moreover, higher “snow services” costs are expected to further squeeze profitability Y/Y. At the EBIT level, we project higher D&A Y/Y due to the consolidation of TdS assets, while our net profit estimate of EUR 130m includes the EUR 60m capital gain for the disposal of the stake in IGLI.

We expect an increase in capex Y/Y mainly due to the Ecomouv project; Q1 is seasonally weak in terms of capex due to weather conditions. Net debt is expected to slightly worsen vs. December 2011 (EUR 8.97bn); the EUR 90m proceeds from the IGLI disposal will be offset by: 1) the EUR 100m cash out, as a first tranche, from the acquisition of the Chilean stake; 2) the acquisition of the remaining 20% stake in Triangulo do Sol. Focus will be on the NWC dynamic.

ATL Q1 2012 preview (EUR m)

	Q1 11 PF*	Q1 2012e	Y/Y
Revenues	**850**	**845**	***-0.6% (-4.6% org)***
Toll revenues	703	700	*-0.4% (-5.3% org)*
Others	147	145	*-1.6%*
EBITDA	**513**	**490**	***-4.7% (-11.3% org)***
Margin	60%	58%	*-2.4pp*
EBIT	**377**	**342**	***-9.3%***
Net profit	135	132	*-2.1%*
Capex	302	350	*16%*
Net debt	8.6bn	9.1bn	*5%*

Source: Company data, BANCA AKROS estimates, (*) SAT and To-Sv reclassified as available for sale; org: excl. TdS consolidation

Conclusion & Action: *Q1 12 is expected to be the worst 2012 quarter due to several one-off events such as snowfalls and lorry strikes which negatively affected the domestic traffic performance, and high “snow services” costs, which penalised group profitability. We expect improved operating performance in the following quarters thanks to: 1) the absence of one-off events which negatively affected Q1 12; 2) a more favourable comparison base in traffic dynamics; 3) the consolidation of high profitable assets (Chile and Brasil as from July 2012).*

At this price level, the stock is widely factoring in the 9% traffic fall in Q1 and the 5% traffic decline projected by ATL for the full year 2012.

Hold

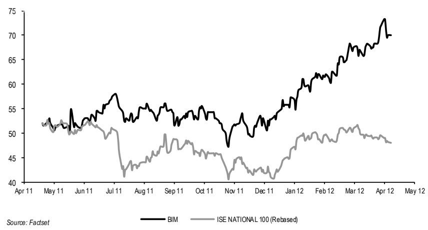
Recommendation unchanged

Share price: TRY	**70.00**
closing price as of 07/05/2012	
Target price: TRY	**56.00**
Target Price unchanged	
Reuters/Bloomberg	BIMAS.IS/BIMAS TI

Market capitalisation (TRYm)	10,626
Current N° of shares (m)	152
Free float	65%

Daily avg. no. trad. sh. 12 mth	219,503
Daily avg. trad. vol. 12 mth (m)	12
Price high 12 mth (TRY)	73.25
Price low 12 mth (TRY)	47.20
Abs. perf. 1 mth	4.87%
Abs. perf. 3 mth	14.75%
Abs. perf. 12 mth	37.25%

Key financials (TRY)	12/10	12/11e	12/12e
Sales (m)	6,574	8,115	9,697
EBITDA (m)	361	433	508
EBITDA margin	*5.5%*	*5.3%*	*5.2%*
EBIT (m)	296	354	418
EBIT margin	*4.5%*	*4.4%*	*4.3%*
Net Profit (adj.)(m)	246	297	358
ROCE	84.2%	88.3%	84.8%
Net debt/(cash) (m)	(250)	(330)	(418)
Net Debt/Equity	*-0.5*	*-0.5*	*-0.5*
Debt/EBITDA	-0.7	-0.8	-0.8
Int. cover(EBITDA/Fin. int)	(34.9)	(20.8)	(17.7)
EV/Sales	1.2	0.9	1.1
EV/EBITDA	21.4	17.7	20.1
EV/EBITDA (adj.)	21.4	17.7	20.1
EV/EBIT	26.1	21.6	24.4
P/E (adj.)	32.4	26.8	29.7
P/BV	15.9	13.0	13.6
OpFCF yield	*4.4%*	*5.6%*	*4.8%*
Dividend yield	*1.7%*	*1.8%*	*2.2%*
EPS (adj.)	1.62	1.96	2.36
BVPS	3.30	4.05	5.14
DPS	1.20	1.27	1.53



Source: Factset

Shareholders: Mustafa Latif Topbas 17%; Ahmet Afif Topbas 9%; Abdulrahman El Khereiji 7%;

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Strong 1Q12 results

The facts: BIM announced strong results for the first quarter of 2012, beating consensus estimates (Bloomberg, 14 analysts). Specifically, revenues grew by 29% y-o-y to TRY 2,428m (4% above consensus), EBITDA came in at TRY 130.7m (+17% y-o-y, 10% above consensus), while net profits settled at TRY 90.7m (+13.7% y-o-y, 6.5% above consensus). On the operational front, BIM opened 91 new stores in Turkey and 9 new stores in Morocco which contributed to the top line growth. On a like-for-like basis, BIM's turnover rose by 19% y-o-y to TRY 1,964m.

BIM's 1Q12 results

TRY m	1Q11	1Q12	% YoY
Sales	1,877.9	2,428.0	29.3%
Reported EBITDA	111.6	130.7	17.1%
Net profit	79.8	90.7	13.7%

Source: The Company, IBG

Our analysis: The positive surprise on the bottom line should be attributed to the stronger than expected sales growth and a higher EBITDA margin (5.4% vs. consensus estimate for 5.1%). On the flip side, the EBITDA margin dropped by 50bps y-o-y as the management is currently implementing its expansionary plans in Morocco and Egypt.

Conclusion & Action: *On the whole, the company maintained its rising momentum and pleasantly surprised the market. The company will host a conference call today at 16:30 Istanbul time (14:30 London time). We are in the process of adjusting our forecasts and target price for the stock.*

Casino Guichard-P

France/Food & Drug Retailers

Analyser

Buy

Recommendation unchanged

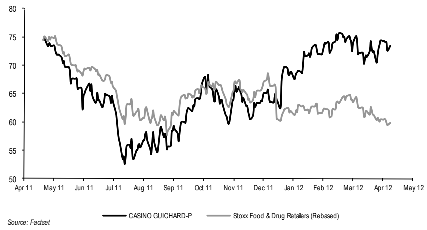
Share price: EUR	**73.41**
closing price as of 07/05/2012	
Target price: EUR	**84.00**
Target Price unchanged	

Reuters/Bloomberg	CASP.PA/CO FP

Market capitalisation (EURm)	8,101
Current N° of shares (m)	110
Free float	45%

Daily avg. no. trad. sh. 12 mth	277,380
Daily avg. trad. vol. 12 mth (m)	22
Price high 12 mth (EUR)	75.62
Price low 12 mth (EUR)	52.64
Abs. perf. 1 mth	1.82%
Abs. perf. 3 mth	7.04%
Abs. perf. 12 mth	-0.80%

Key financials (EUR)	12/09	12/10e	12/11e
Sales (m)	32,145	34,933	41,402
EBITDA (m)	2,194	2,434	2,849
EBITDA margin	*6.8%*	*7.0%*	*6.9%*
EBIT (m)	1,409	1,580	1,838
EBIT margin	*4.4%*	*4.5%*	*4.4%*
Net Profit (adj.)(m)	701	636	668
ROCE	7.5%	7.9%	7.8%
Net debt/(cash) (m)	5,102	4,800	6,893
Net Debt/Equity	*0.5*	*0.5*	*0.7*
Debt/EBITDA	2.3	2.0	2.4
Int. cover(EBITDA/Fin. int)	5.3	5.6	4.7
EV/Sales	0.6	0.5	0.5
EV/EBITDA	8.6	7.6	6.7
EV/EBITDA (adj.)	8.5	7.6	6.7
EV/EBIT	13.4	11.7	10.4
P/E (adj.)	12.2	15.7	13.3
P/BV	1.1	1.2	1.0
OpFCF yield	*11.4%*	*9.5%*	*6.2%*
Dividend yield	*3.6%*	*3.8%*	*4.1%*
EPS (adj.)	6.18	5.59	5.88
BVPS	69.44	72.20	74.64
DPS	3.18	3.34	3.59



Source: Factset

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Pao de Açucar: 30.1% increase in EBITDA in Q1-2012

The facts: The Pao de Açucar group has published quarterly earnings very slightly above expectations. The group's consolidated EBITDA stand at BRL758m (+30.1%), which is a little above the consensus forecast (BRL739.3m, source: Bloomberg).

Our analysis: GPA Food (food banners) reported a 30bp rise in its EBITDA margin to 7.4%. The traditional retail banners recorded a 10bp gain to 8.1% and the group has above all benefited from the strong improvement reported by its Cash & Carry banner Assai (+250bp to 3.8%). We do not know if the earlier Easter holidays (which this year fell in Q1 *vs* Q2 last year) played a positive role. **Viavarejo** posted a 150bp gain in its EBITDA margin to 4.8%, thanks notably to synergies drawn from the merger between Casas Bahia and Ponto Frio. Financial expenses linked to customer receivables grew by 50bp (by percentage of sales) to reach 3.5%. This increase is linked to the rise in the weight of credit cards in the formation of the banners' revenue, which occurred in Q2-2011.

Pao de Açucar group: gross margin, EBITDA & UOI by percentage of sales

	------------ GPA Food ------------				----- Viavarejo (former Globex) -----			
By % of revenue	Q1-11	Q2, Q3 & Q4	2011	Q1-12	Q1-11	Q2, Q3 & Q4	2011	Q1-12
Revenue in BRLm	5,984	19,593	25,578	6,656	4,884	16,133	21,017	5,491
Gross margin (%)	25.7	25.9	25.9	25.9	26.9	29.4	28.8	27.9
EBITDA (%)	$\boxed{7.1}$	**7.8**	**7.6**	$\boxed{7.4}$	$\boxed{3.3}$	**5.8**	**5.2**	$\boxed{4.8}$
UOI (%)	5.0	5.6	5.5	5.2	2.6	5.2	4.6	4.1
UOI in BRLm	297	1,104	1,401	346	127	832	960	226

Source: GPA, CM-CIC Securities

Conclusion & Action: *The Brazilian group will hold a conference call at 4pm CET.*

Deutsche Post

Germany/Industrial Transportation & Motorways

Analyser

Buy

Recommendation unchanged

Share price: EUR	**14.26**

closing price as of 07/05/2012

Target price: EUR	**17.00**

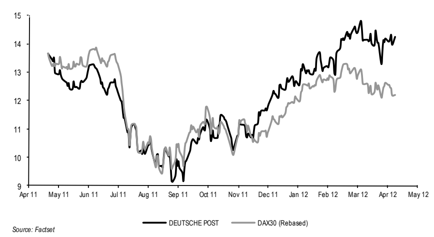
Target Price unchanged

Reuters/Bloomberg	DPWGn.DE/DPW GR

Market capitalisation (EURm)	17,241
Current N° of shares (m)	1,209
Free float	69%

Daily avg. no. trad. sh. 12 mth	4,715,031
Daily avg. trad. vol. 12 mth (m)	57
Price high 12 mth (EUR)	14.83
Price low 12 mth (EUR)	9.13
Abs. perf. 1 mth	0.74%
Abs. perf. 3 mth	9.06%
Abs. perf. 12 mth	5.71%

Key financials (EUR)	12/11	12/12e	12/13e
Sales (m)	52,829	53,637	56,121
EBITDA (m)	3,710	3,872	4,124
EBITDA margin	*7.0%*	*7.2%*	*7.3%*
EBIT (m)	2,436	2,537	2,717
EBIT margin	*4.6%*	*4.7%*	*4.8%*
Net Profit (adj.)(m)	1,393	1,424	1,569
ROCE	8.6%	8.2%	8.6%
Net debt/(cash) (m)	(938)	(949)	(1,141)
Net Debt/Equity	*-0.1*	*-0.1*	*-0.1*
Debt/EBITDA	-0.3	-0.2	-0.3
Int. cover(EBITDA/Fin. int)	4.4	14.7	9.7
EV/Sales	0.3	0.4	0.4
EV/EBITDA	4.9	5.4	5.1
EV/EBITDA (adj.)	4.9	5.4	5.1
EV/EBIT	7.4	8.3	7.7
P/E (adj.)	10.3	12.1	11.0
P/BV	1.3	1.5	1.4
OpFCF yield	*6.1%*	*5.9%*	*7.7%*
Dividend yield	*4.9%*	*4.9%*	*5.3%*
EPS (adj.)	1.15	1.18	1.30
BVPS	9.11	9.70	10.29
DPS	0.70	0.70	0.75



Shareholders: KfW 31%;

Analyst(s):

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Strong Q1 2012 results

The facts: DPW published Q1 2012 results this morning. The company is hosting a conference call at 14:00 CET today.

EURm	Q1 2012	Q1 2012	yoy	equinet	Consensus
Sales	13,364	12,809	4%	12,995	13,063
EBIT	691	629	10%	647	656
Net profit	533	325	64%	507	519
EPS (€)	0.44	0.27	64%	0.42	0.43

Source: Dt. Post, Iquiry Financial, equinet

Our analysis:

For Q1 2012, DPW reported a sales increase of 4.3% to EUR13.4bn, which is above our forecast and consensus expecting about EUR13bn. **EBIT increased by 10% to EUR691m, which is also clearly better than the forecast of about EUR650m (equinet: EUR647m, consensus: EUR656m).** This was mainly driven by a stronger than expected performance of Mail. Consequently, the net profit of EUR533m and EPS of EUR0.44 is also better than the forecasts. As a reminder, net profit benefits from a positive deconsolidation effect from the Postbank assets of EUR186m.

Divisional EBIT distribution in Q1 2012: Mail EUR393m (equinet forecast: EUR379m, consensus: EUR368m), Express EUR231m (equinet: EUR221m, consensus: EUR231m), Global Forwarding/ Freight EUR87m (equinet: EUR76m, consensus: EUR75m), Supply Chain EUR91m (equinet: EUR81m, consensus: EUR87m) and Other EUR-111m (equinet: EUR-110m).

Strong performance of Mail: The division continued to profit from flourishing online shopping and boosted the pace of its growth once again thanks to its broad range of products and services that are tailored specifically to meet customers' needs. **While volume climbed by 14%, revenues rose by 13% to EUR844m (equinet forecast: EUR808m or 8% growth yoy)** during the first quarter. As a result, the company's thriving parcel business generated nearly one-quarter of total revenues in the Mail division and, in combination with strict cost management, contributed to the desired stabilization of the division's profitability.

Guidance confirmed: Following the company's successful performance in the first three months of the year, it is confirming its guidance for 2012 and continues to forecast **Group EBIT to reach between EUR2.5bn and EUR2.6bn (equinet forecast: EUR2.537bn).** As stated before, the earnings of the MAIL division should total between EUR1.0bn and EUR1.1bn. DHL's operating earnings are still expected to rise to around EUR1.9bn. Corporate Center/Other expenditures are forecast to again total about EUR400m. In addition, the Group continues to project that its consolidated net profit adjusted for effects related to the Postbank transaction will increase in line with the operating business.

Conclusion & Action: *DPW reported strong Q1 2012 results beating our expectations in all lines. Especially the Mail division did better than expected and recorded 13% revenue growth in the German parcel business. We maintain our price target of EUR17 and reiterate our Buy recommendation. The good result should trigger a share price increase today.*

Ericsson

Sweden/Telecom Equipment

Analyser

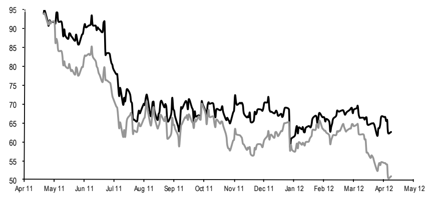
Buy

Recommendation unchanged

Share price: SEK	**62.65**
closing price as of 07/05/2012	
Target price: SEK	**86.00**
Target Price unchanged	
Reuters/Bloomberg	ERICb.ST/ERICB SS

Market capitalisation (SEKm)	205,053
Current N° of shares (m)	3,273
Free float	100%
Daily avg. no. trad. sh. 12 mth	12,505,018
Daily avg. trad. vol. 12 mth (m)	909
Price high 12 mth (SEK)	96.25
Price low 12 mth (SEK)	58.85
Abs. perf. 1 mth	-5.65%
Abs. perf. 3 mth	-2.03%
Abs. perf. 12 mth	-33.49%

Key financials (SEK)	12/11	12/12e	12/13e
Sales (m)	226,921	222,389	247,030
EBITDA (m)	22,388	26,494	31,473
EBITDA margin	*9.9%*	*11.9%*	*12.7%*
EBIT (m)	17,900	21,870	26,673
EBIT margin	*7.9%*	*9.8%*	*10.8%*
Net Profit (adj.)(m)	12,194	18,313	21,850
ROCE	16.4%	18.2%	21.2%
Net debt/(cash) (m)	(34,727)	(35,691)	(44,089)
Net Debt/Equity	*-0.2*	*-0.2*	*-0.3*
Debt/EBITDA	-1.6	-1.3	-1.4
Int. cover(EBITDA/Fin. int)	(101.3)	602.1	(8.5)
EV/Sales	0.7	0.6	0.5
EV/EBITDA	7.5	5.4	4.3
EV/EBITDA (adj.)	7.5	5.4	4.3
EV/EBIT	9.4	6.6	5.1
P/E (adj.)	18.9	11.2	9.4
P/BV	1.6	1.3	1.2
OpFCF yield	*0.3%*	*7.3%*	*6.2%*
Dividend yield	*4.0%*	*4.4%*	*4.8%*
EPS (adj.)	3.73	5.60	6.68
BVPS	44.20	46.85	50.81
DPS	2.50	2.75	3.03



Source: Factset

Shareholders: Investor AB 5%; AB Industrivärden 2%; Handelsbankens Pensionsstiftelse 0.60%;

Analyst(s):

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T-Mobile selects Ericsson and NSN as its LTE suppliers

The facts: T-Mobile has selected Ericsson and Nokia Siemens Networks (NSN) as its partners in its mobile phone network modernisation project worth USD 4bn. Ericsson will supply radio equipment and related support equipment to T-Mobile as well as provide consulting, network installation and system integration services. T-Mobile aims to launch LTE services during 2013. NSN will supply T-Mobile with core network components and base stations.

Our analysis: While the project's contract breakdown has not been made public, we are assuming that Ericsson will be the main contractor.

With this contract, Ericsson further consolidates its position in North America, the forerunner market in 4G services alongside South Korea and Japan. For NSN, gaining access in the region's 4G supplies is a positive indication.

On 3 May, Ericsson announced that it had signed an LTE contract with SK Telecom, South Korea. These contracts are showcasing Ericsson's technological competitiveness. While modernisation projects are low-margin deliveries, they prepare the ground for high-margin capacity expansion projects as well as service business.

Conclusion & Action: *We retain our Buy recommendation on Ericsson and target price of SEK 86.00 intact.*

Accumulate

Recommendation unchanged

Share price: EUR	**52.80**

closing price as of 07/05/2012

Target price: EUR	**63.50**

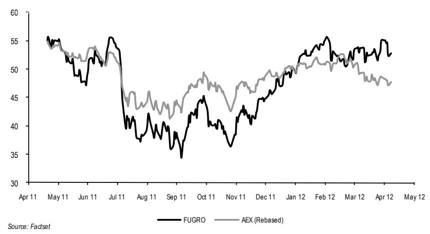
Target Price unchanged

Reuters/Bloomberg	FUGRc.AS/FUR NA

Market capitalisation (EURm)	4,366
Current N° of shares (m)	83
Free float	67%

Daily avg. no. trad. sh. 12 mth	516,584
Daily avg. trad. vol. 12 mth (m)	24
Price high 12 mth (EUR)	61.42
Price low 12 mth (EUR)	34.47
Abs. perf. 1 mth	-1.68%
Abs. perf. 3 mth	0.17%
Abs. perf. 12 mth	-13.03%

Key financials (EUR)	12/11	12/12e	12/13e
Sales (m)	2,277	2,979	3,284
EBITDA (m)	584	710	815
EBITDA margin	*25.7%*	*23.8%*	*24.8%*
EBIT (m)	349	485	585
EBIT margin	*15.3%*	*16.3%*	*17.8%*
Net Profit (adj.)(m)	288	354	435
ROCE	10.2%	11.9%	14.1%
Net debt/(cash) (m)	1,292	1,259	970
Net Debt/Equity	*0.8*	*0.6*	*0.4*
Debt/EBITDA	2.2	1.8	1.2
Int. cover(EBITDA/Fin. int)	43.4	22.2	27.2
EV/Sales	2.2	1.9	1.6
EV/EBITDA	8.5	7.9	6.6
EV/EBITDA (adj.)	8.5	7.9	6.6
EV/EBIT	14.2	11.6	9.2
P/E (adj.)	12.7	12.3	10.2
P/BV	2.2	2.2	1.9
OpFCF yield	*8.4%*	*8.8%*	*12.9%*
Dividend yield	*1.5%*	*1.5%*	*1.8%*
EPS (adj.)	3.53	4.28	5.18
BVPS	20.32	23.52	27.40
DPS	0.79	0.79	0.96



Source: Factset

Shareholders: Columbia Wanger Asset Management 10%; ING 10%; Woestduin Holding 7%; Ameriprise 6%; Blackrock 5%;

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PGS 1Q12 encouraging

The facts: PGS has reported 1Q12 earnings. PGS reported revenue of USD 365m (up 51%) and EBITDA of USD 146m (up 100%). The company stated that it saw record multi client pre-funding revenues (206% of capitalized multiclient investments), strong late sales and an improving marine contract margin. The company states that it has booked almost all of its 2Q and 3Q capacity (with prices that have gone up) while 4Q capacity is also filling up (40% sold currently).

Our analysis: The results and statements from PGS are certainly encouraging for the seismic market. Whereas Polarcus still reported weak utilization in marine contract, PGS is reporting improving contract margins albeit still at a low level (4%). The strong late sales are also an indication that interest is improving significantly while the statements that capacity up until 4Q12 has now been sold is equally positive as clients apparently do not want to run the risk of losing out, which bodes well for pricing and planning.

Conclusion & Action: *The seismic market is clearly improving rapidly with improving 1Q12 results at PGS and Polarcus confirming the trend. Especially the strong late sales and pre-booking of 4Q12 capacity are solid signals that underline our assumption that pricing will improve significantly. With capacity pre-sold earlier, seismic players can also plan better, leading to better utilization again as there is less demob/mob.*

Gas Natural Fenosa

Spain/Utilities

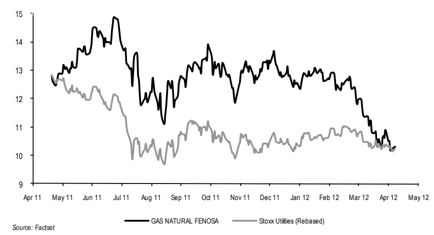
Accumulate

Recommendation unchanged

Share price: EUR	**10.32**
closing price as of 07/05/2012	
Target price: EUR	**15.40**
Target Price unchanged	
Reuters/Bloomberg	GAS.MC/GAS SM

Market capitalisation (EURm)	10,234
Current N° of shares (m)	992
Free float	31%
Daily avg. no. trad. sh. 12 mth	2,896,186
Daily avg. trad. vol. 12 mth (m)	37
Price high 12 mth (EUR)	14.89
Price low 12 mth (EUR)	10.19
Abs. perf. 1 mth	-9.27%
Abs. perf. 3 mth	-19.44%
Abs. perf. 12 mth	-20.59%

Key financials (EUR)	12/11	12/12e	12/13e
Sales (m)	21,076	21,853	22,564
EBITDA (m)	4,645	4,819	4,990
EBITDA margin	*22.0%*	*22.1%*	*22.1%*
EBIT (m)	2,947	2,832	2,931
EBIT margin	*14.0%*	*13.0%*	*13.0%*
Net Profit (adj.)(m)	1,323	1,292	1,361
ROCE	6.0%	6.3%	6.4%
Net debt/(cash) (m)	17,294	15,457	14,617
Net Debt/Equity	*1.2*	*1.0*	*0.9*
Debt/EBITDA	3.7	3.2	2.9
Int. cover(EBITDA/Fin. int)	5.0	5.7	5.9
EV/Sales	1.5	1.3	1.2
EV/EBITDA	6.9	5.7	5.4
EV/EBITDA (adj.)	7.3	5.7	5.4
EV/EBIT	10.9	9.7	9.2
P/E (adj.)	9.9	7.9	7.5
P/BV	1.0	0.7	0.7
OpFCF yield	*28.9%*	*30.8%*	*32.7%*
Dividend yield	*8.0%*	*8.8%*	*9.7%*
EPS (adj.)	1.33	1.30	1.37
BVPS	12.90	14.30	14.77
DPS	0.83	0.91	1.00



Shareholders: La Caixa 35%; Repsol YPF 30%; Sonatrach 4%;

Analyst(s):
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Results 1Q12

The facts: Results broadly in line with estimates: EBITDA EUR 1.3bn, +0.3% (vs. EUR 1.31bn est) and net profit EUR 407m +5.2%, (vs. EUR 416m est).

Gas Natural Fenosa	1Q12	1Q11	Var (%)	1Q12e
EBITDA reported	**1,300**	**1,296**	**0.3%**	**1,310**
Depreciation	-443	-439	1%	-445
Provisions	-55	-37	49%	-30
Other results	17	0		0
EBIT	**819**	**820**	**-0.1%**	**835**
Financial Result	-219	-246	-11%	-215
Equity Method	4	2	100%	2
Extraordinaries	0	0		0
EBT	**604**	**576**	**4.9%**	**622**
Taxes	-150	-144	4%	-159
Fiscal Rate	*25%*	*26%*	*-2.6%*	*26%*
Minorities	-47	-45	4%	-47
Net Profit	**407**	**387**	**5.2%**	**416**

EBITDA	1Q12	1Q11	Var (%)	1Q12e
DISTRIBUTION GAS	**398**	**402**	**-1%**	**404**
Spain	224	238	-6%	230
LatAm	146	141	4%	150
Italy	28	23	22%	24
DISTRIBUTION ELEC.	**249**	**244**	**2%**	**251**
Spain	155	165	-6%	156
Others	94	79	19%	95
ELECTRICITY	**311**	**358**	**-13%**	**323**
Spain	251	291	-14%	260
LatAm	57	63	-10%	58
Others	3	4	-25%	5
GAS	**343**	**262**	**31%**	**302**
Up + Midstream	58	47	23%	57
Supply+Marketing	190	138	38%	160
Unión Fenosa Gas	95	77	23%	85
OTHERS	**-1**	**30**	**-103%**	**30**
EBITDA adjusted	**1,300**	**1,296**	**0.3%**	**1,310**

Source: Bankia Bolsa & Company Data

Our analysis: By divisions, better than expected in the gas liberalized business (EBITDA EUR 343m vs. EUR 302m est). Capex in the quarter EUR 226m and net debt of EUR 16.75bn, -3% vs. closing of 2011. Liquidity available of EUR 9bn.

Conclusion & Action: *Results without relevant surprises. Conference call at 10:00 CET.*

GEA Group

Germany/Industrial Engineering

Analyser

Hold

Recommendation unchanged

Share price: EUR	**23.98**

closing price as of 07/05/2012

Target price: EUR	**26.00**

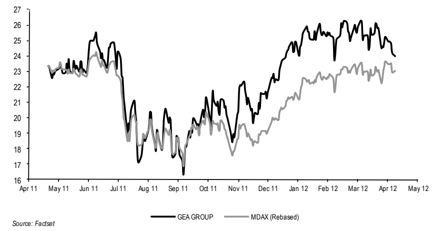
Target Price unchanged

Reuters/Bloomberg	G1AG.DE/G1A GY

Market capitalisation (EURm)	4,772
Current N° of shares (m)	199
Free float	92%

Daily avg. no. trad. sh. 12 mth	710,947
Daily avg. trad. vol. 12 mth (m)	16
Price high 12 mth (EUR)	26.28
Price low 12 mth (EUR)	16.33
Abs. perf. 1 mth	-5.22%
Abs. perf. 3 mth	-7.41%
Abs. perf. 12 mth	1.18%

Key financials (EUR)	12/11	12/12e	12/13e
Sales (m)	5,417	5,750	5,900
EBITDA (m)	681	690	804
EBITDA margin	*12.6%*	*12.0%*	*13.6%*
EBIT (m)	545	540	650
EBIT margin	*10.1%*	*9.4%*	*11.0%*
Net Profit (adj.)(m)	313	408	473
ROCE	10.0%	9.7%	10.9%
Net debt/(cash) (m)	475	317	(112)
Net Debt/Equity	*0.2*	*0.1*	*0.0*
Debt/EBITDA	0.7	0.5	-0.1
Int. cover(EBITDA/Fin. int)	9.0	14.7	21.7
EV/Sales	0.9	1.0	0.9
EV/EBITDA	7.4	8.2	6.5
EV/EBITDA (adj.)	6.9	7.6	6.3
EV/EBIT	9.3	10.5	8.1
P/E (adj.)	12.8	11.7	10.1
P/BV	1.9	2.0	1.7
OpFCF yield	*4.8%*	*5.9%*	*12.0%*
Dividend yield	*2.3%*	*2.5%*	*2.9%*
EPS (adj.)	1.70	2.05	2.38
BVPS	11.77	12.27	14.05
DPS	0.55	0.60	0.70



Shareholders: Kuwait Investment Office 8%;

Analyst(s):
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Final 1Q 12 results in line with preliminaries

Facts: Today GEA announced final 1Q12 results which are in line with preliminary results. Both, order and sales growth beat expectations, whereas profitability failed to match expectations. This was mainly the results of an unforeseen loss (operating + one-off effect) in the new Food Systems division.

Analysis: 1Q 12 profitability weaker than expected, also burdened by one offs: Orders rose +25% yoy (+17% like for like). This was based on a continuously prospering demand out of the global food &beverage end market (i.e. food >+35% yoy, dairy orders +23% yoy) but also from Oil/Gas +36% yoy and Power +14% yoy. Sales jumped +22% yoy (+17% l-f-l). EBIT 1Q 12e ex the acquired Food Solutions (operating loss of up to EUR10m in 1Q 12) should have risen by +20% yoy and thus be around EUR84m which compares to our EBIT estimate of EUR89.2m (or EUR83.2m by stripping out our EBIT forecast for Food Solutions). Including Food Solutions EBIT pre ppa and restr. was EUR74.9m implying an EBIT pre ppa and restr. margin 1Q 12 of 5.9% vs. our estimate of 7.4%. Hence profitability fell short of expectations. Incremental cost savings in the reorganized HX business were offset by ongoing price pressure induced by competitors from Korea and China. Overall this has clearly dampened recent speculations about a potentially stronger improvement in profitability.

Food Solutions (FS) with sound future prospects but responsible for some hick ups and confusion : Food Solutions (previously known as Convenience Food Systems) was acquired in 1H 11. In Feb ‘12, GEA replaced management of the FS segment. As a consequence of a review of the operations by new m’ment, one-off effects totalling ~EUR35m (i.e. turning back of too positive POC accounting of the old FS m’ment, legal issues, and redundancy payments for the old m’ment) burdened 1Q results of FS and thus GEA. Besides, the operating business in FS (operating loss of ~EUR10m) suffered from inefficiencies in the production set up (too high workload in the Netherlands due to closure of a factory in Denmark which caused penalties and too low CU in another plant). We did not foresee both effects. This caused hick ups. Yet, we think this will not repeat in next quarters. Due to sound future prospects for FS (target of raising margin to >10% over the mid-term, but not for 12e) a goodwill impairment is not necessary.

Conclusion: Overall 1Q results provided a mixed picture in our view. The weaker than expected profitability was at least partially offset by stronger orders. Yet, 1Q results should have dampened to eliminated hopes for a stronger improvement in profitability towards the mid-term EBIT margin target of 12% already in the current year. GEA fared better than one its main competitors (Alfa Laval reporting 1Q like for like orders of +6.6% yoy and like for like sales of +3.6% yoy coupled with an adj. EBITA margin decline of ~270bps to 16.5%). To conclude we think that upside for the shares from here now remains limited. Shares are trading in line with the sector. For the moment we stick to Hold with a new PT of EUR 26 whereas we see substantial upside in the mid-term once demand from Power / Energy end markets improve and thus provides sufficient economies of scale in the reorganised HX activities to more than offset current price pressure.

Generali

Italy/Insurance

Hold

Recommendation unchanged

Share price: EUR	**9.97**

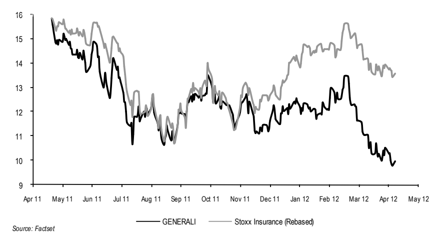
closing price as of 07/05/2012

Target price: EUR	**13.00**

Target Price unchanged

Reuters/Bloomberg	GASI.MI/G IM
Market capitalisation (EURm)	15,522
Current N° of shares (m)	1,557
Free float	80%
Daily avg. no. trad. sh. 12 mth	7,779,148
Daily avg. trad. vol. 12 mth (m)	97
Price high 12 mth (EUR)	15.84
Price low 12 mth (EUR)	9.80
Abs. perf. 1 mth	-9.69%
Abs. perf. 3 mth	-18.41%
Abs. perf. 12 mth	-37.45%

Key financials (EUR)	12/11	12/12e	12/13e
Life Gross premiums (m)	43,207	44,071	44,953
Non-Life Gross prem.(m)	22,765	22,994	23,590
Total Net Revenues (m)	*69,799*	*76,514*	*80,595*
EBIT (m)	2,231	3,488	4,284
Net Profit (adj.) (m)	857	1,762	2,212
Shareholders Equity (m)	15,486	17,039	18,646
ANAV (m)	*13,642*	*15,160*	*16,723*
ROE (adj.) (%)	5.3	10.9	12.6
Combined ratio (%)	97.2	96.9	96.9
P/E (adj.)	21.1	8.8	7.0
P/BV	1.2	0.9	0.8
P/ANAV	1.4	1.0	0.9
P/EbV	0.8	0.6	0.5
Dividend Yield	2.0%	4.5%	5.7%
EPS (adj.)	0.55	1.13	1.42
BVPS	*10.05*	*11.06*	*12.10*
ANAVPS	*8.59*	*9.58*	*10.59*
EbVPS	15.11	18.00	18.48
DPS	0.20	0.45	0.57



Shareholders: Mediobanca 16%; UCI 4%;

Analyst(s):

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Q1 12 preview and full year forecast update

The facts: the company is set to report its Q1 on May 11.

Our analysis: the comparative basis is not favourable for this Q1, contrary to many European peers, since Generali's non-life was not impacted by nat cat events last year, leading to an outstanding combined ratio (96.1%). However, the anticipations from Italian players and the releases from main European peers, as well as the insights into Q4 11, suggest a combined ratio basically flat for this quarter on the back of continuous prior year reserve release, even better than Q1 11 (2.3%) given the present recessionary context and record high oil prices.

Migdal, the Israeli life insurance unit, sold to a local financial entity after this March, will be already deconsolidated from the P&L operating business segment reporting. We estimated a contribution from Migdal in the region of EUR 40 to life operating results in Q1 11.

The consensus, surveyed by the company's IR team, is wide-spread on the P&L numbers, with net profit forecast ranging from EUR 391m to EUR 669m, but it is even more on the IFSR equity. Our estimate for IFRS equity is consistent with the EUR 3.5bn improvement in the ASF equity reserves from December the management recently quantified.

Q1 12 preview

EUR m	IR team Consensus	Y/Y Chg%	AKROS	Y/Y Ch%
pre-Tax	**NA**		**1,037**	***3%***
Operating Profit	**1,132**	***-10%***	**1,287**	***3%***
o/w life	732	*-17%*	885	*0%*
o/w non-life	422	*7%*	413	*5%*
o/w financial	103	*-10%*	127	*10%*
Profit	**529**	***-14%***	**646**	***5%***
IFRS equity	**17,837**	***1%***	**17,237**	***-3%***

Source: BANCA AKROS and consensus estimates for Q1 12

We have also fine tuned our full year estimates

Conclusion & Action: *after hitting a year high above EUR 13/sh right away before the Q4 release in late March, the stock has plunged to the present record low levels amid renewed fears on the euro and PIIGS countries. However, this drop even has gone beyond the spread widening between BTP and Bund benchmarks, and therefore it looks overdone. We estimate that the present spread translates into a negative mk-to-mkt in the region of just EUR 700m compared to March.* ***For trading, play the stock in view of this release is an acceptable risk, in our view, also betting on stronger-than-expected non life results, while we still keep a prudent stance for a 6/12-month horizon, being Generali a macro bet today once again. Target price under review.***

Henkel

Germany/Chemicals

Analyser

Hold

Recommendation unchanged

Share price: EUR	**55.49**

closing price as of 07/05/2012

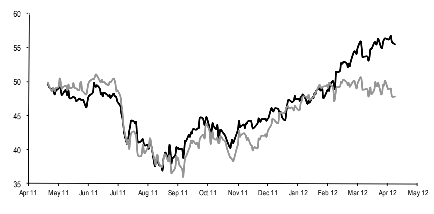
Target price: EUR	**52.00**

Target Price unchanged

Reuters/Bloomberg	HNKG_p.DE/HEN3 GY

Market capitalisation (EURm)	24,067
Current N° of shares (m)	434
Free float	67%
Daily avg. no. trad. sh. 12 mth	849,665
Daily avg. trad. vol. 12 mth (m)	39
Price high 12 mth (EUR)	56.71
Price low 12 mth (EUR)	36.90
Abs. perf. 1 mth	3.39%
Abs. perf. 3 mth	18.18%
Abs. perf. 12 mth	13.36%

Key financials (EUR)	12/11	12/12e	12/13e
Sales (m)	15,605	16,286	17,020
EBITDA (m)	2,261	2,456	2,570
EBITDA margin	*14.5%*	*15.1%*	*15.1%*
EBIT (m)	1,857	2,052	2,158
EBIT margin	*11.9%*	*12.6%*	*12.7%*
Net Profit (adj.)(m)	1,357	1,477	1,499
ROCE	11.7%	12.3%	12.2%
Net debt/(cash) (m)	1,933	1,002	(132)
Net Debt/Equity	*0.2*	*0.1*	*0.0*
Debt/EBITDA	0.9	0.4	-0.1
Int. cover(EBITDA/Fin. int)	14.6	15.9	24.3
EV/Sales	1.4	1.6	1.5
EV/EBITDA	9.8	10.6	9.7
EV/EBITDA (adj.)	9.1	10.1	9.7
EV/EBIT	11.9	12.7	11.5
P/E (adj.)	14.3	16.3	16.1
P/BV	2.2	2.5	2.2
OpFCF yield	*8.0%*	*7.0%*	*8.0%*
Dividend yield	*1.4%*	*1.6%*	*1.6%*
EPS (adj.)	3.13	3.40	3.46
BVPS	19.92	22.34	24.94
DPS	0.80	0.86	0.88



Source: Factset

Shareholders: Henkel family 32%; Treasury shares 1.10%;

Analyst(s):
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Q1/12 results preview

The facts: Henkel (HEN3) will publish its Q1/12 results on May 9th, 2012.

Our analysis:

Forecast Henkel

EUR m	Q1/12e	Q1/11	yoy	cons.	2012e	2011	yoy
Group Sales	**4,005**	**3,823**	**5%**	**4,038**	**16,286**	**15,605**	**4%**
Laundry & Home Care	1,115	1,072	4%	na	4,424	4,304	3%
Cosmetics/Toiletries	855	821	4%	na	3,492	3,399	3%
Adhesives Technologies	1,995	1,884	6%	na	8,211	7,746	6%
EBITDA	606	533	14%	na	2,456	2,261	9%
EBIT adjusted							
Laundry & Home Care	150	133	13%	na	593	570	4%
in % of sales	*13.4%*	*12.4%*	*110bps*	*nm*	*13.4%*	*13.2%*	*10bps*
Cosmetics/Toiletries	121	113	7%	na	489	482	1%
in % of sales	*14.1%*	*13.8%*	*30bps*	*nm*	*14.0%*	*14.2%*	*+-20bps*
Adhesives Technologies	279	247	13%	na	1,150	1,075	7%
in % of sales	*14.0%*	*13.1%*	*+90bps*	*nm*	*14.0%*	*13.9%*	*+20bps*
Group EBIT adjusted	**535**	**473**	**13%**	**536**	**2,172**	**2,029**	**7%**
-EBIT margin adj.	***13.4%***	***12.4%***	**+90bps**	***13.3%***	***13.3%***	***13.0%***	**+40bps**
Special It. (expenses)	30	43	-31%	27	120	172	-30%
Group EBIT reported	**505**	**430**	**17%**	**509**	**2,052**	**1,857**	**10%**
EBT	466	393	19%	479	1,896	1,702	11%
EAT	341	284	20%	355	1,389	1,253	11%
EPS pref.sh. (EUR)	**0.80**	**0.66**	**20%**	**0.83**	**3.22**	**2.90**	**11%**

Source: Henkel, equinet Research

Q1/12e results: We expect HEN3's sales to increase yoy by 5%, driven by both consumer-related divisions (Laundry and Cosmetics) and especially by adhesives business. In Q1/2012e, the room for a profitability improvement should have been rather limited (please note that from Q1/12, HEN3 accounts "for positive structural effect arising from the launch of new products" in the price and not in the volume growth component as previously), due to further increasing input prices, which most likely could not be passed on to customers (especially in Laundry) owing to general price pressure. We expect an increase in EBIT adj. margin yoy (+90bps) and a slight increase qoq by 20bps.

Guidance FY12: For FY2012, HEN3 targets to achieve EBIT adj. margin of 14% (equinet: 13.3%, consensus 13.6%) with a sales growth of 3-5% yoy (equinet: 4.4%, consensus +5.5%). For EPS adj., HEN3 anticipates an increase of at least 10% yoy (consensus +15%). The 14% target is only achievable with further cost cuts, which implies the further (acc. to company's definition) "ongoing restructuring one-offs" of around EUR 100m burdening reported figures.

Conclusion & Action: *We expect HEN3 to deliver a good start into the year. The only downside risk for the company is to miss the 2012 guidance to achieve 14% EBIT adj. margin, which is most likely already anticipated by the market. We confirm Hold.*

Hochtief

Germany/Construction & Materials

Analyser

Buy

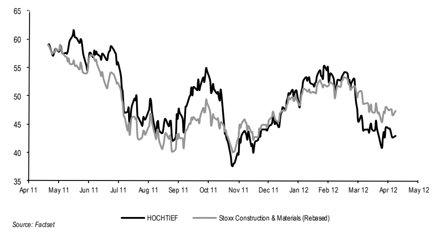
Recommendation unchanged

Share price: EUR	**42.99**
closing price as of 07/05/2012	
Target price: EUR	**67.00**
Target Price unchanged	
Reuters/Bloomberg	HOTG.DE/HOT GY

Market capitalisation (EURm)	3,311
Current N° of shares (m)	77
Free float	37%

Daily avg. no. trad. sh. 12 mth	238,862
Daily avg. trad. vol. 12 mth (m)	12
Price high 12 mth (EUR)	62.52
Price low 12 mth (EUR)	37.63
Abs. perf. 1 mth	-2.48%
Abs. perf. 3 mth	-18.45%
Abs. perf. 12 mth	-31.43%

Key financials (EUR)	12/11	12/12e	12/13e
Sales (m)	23,282	23,632	24,175
EBITDA (m)	1,409	771	1,094
EBITDA margin	*6.1%*	*3.3%*	*4.5%*
EBIT (m)	626	381	680
EBIT margin	*2.7%*	*1.6%*	*2.8%*
Net Profit (adj.)(m)	(122)	191	278
ROCE	11.0%	5.1%	7.5%
Net debt/(cash) (m)	1,137	2,076	2,834
Net Debt/Equity	*0.3*	*0.5*	*0.6*
Debt/EBITDA	0.8	2.7	2.6
Int. cover(EBITDA/Fin. int)	8.1	4.5	5.8
EV/Sales	0.2	0.3	0.3
EV/EBITDA	3.9	8.1	6.4
EV/EBITDA (adj.)	3.9	8.1	6.4
EV/EBIT	8.7	16.5	10.4
P/E (adj.)	nm	17.3	11.9
P/BV	1.3	1.2	1.2
OpFCF yield	*29.8%*	*16.4%*	*23.5%*
Dividend yield	*0.0%*	*2.9%*	*4.2%*
EPS (adj.)	(1.58)	2.48	3.60
BVPS	33.75	34.98	36.79
DPS	0.00	1.24	1.80



Shareholders: ACS 53%; Qatar Holding 10%;

Analyst(s):
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Q1 2012 broadly in line with our forecast

The facts: Hochtief published Q1 2012 results broadly in line with our expectation on EBT level.

Our analysis:

Q1 results reflect the impact from Leighton which brought another profit warning in March. Overall, this led to an EBT of a negative EUR 91m, slightly lower than our forecast of EUR 97m pre-tax loss. Turnover was better than we had expected probably helped by milder weather conditions in Europe (our guess) and the high output at Hochtief Asia/Pacific.

Net loss was lower than we thought most likely because of a more positive minority and tax position than we had estimated. However, as regards quarterly results, we focus more on EBT and would not put too much emphasis on net profit (especially in the seasonally weak Q1).

EURm	Q1 12	%	Q1 2012e	Q1 2011	Q1 Cons.
Sales	5,570.0	13%	4,965.0	4,919.3	5,388.0
Operating profit	n.a.		113.4	-234.5	n.a.
EBT	-90.9	-80%	-96.9	-444.8	-81.0
Net profit (after min.)	-34.1	-80%	-101.9	-169.5	-40.7
EPS (€)	n.a.		-1.32	-2.30	-0.27

Source: Hochtief, ThomsonOne, equinet Bank

Order intake/order backlog: Q1 2012 order intake was strongly up by 42% at EUR 7.69bn. Order backlog was also up by around 10% to EUR 50.3bn reflecting around 22 months capacity utilisation.

Guidance 2012: Remained unchanged for order intake below 2011 level, EBT (ahead of potential effects from asset sales) slightly below EUR 550m and net profit slightly below EUR 180m.

Conclusion & Action: *Q1 results deliver the expected negative EBT due to the losses generated at Leighton. This was known since March 2012 and should not take investors by surprise. More details will be published in the course of the day, especially divisional figures. A CC will be hosted at 2pm.*

Buy

Recommendation unchanged

Share price: EUR	**5.29**

closing price as of 07/05/2012

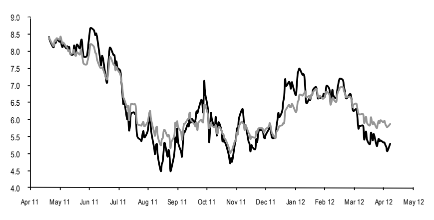
Target price: EUR	**9.50**

Target Price unchanged

Reuters/Bloomberg	ING.AS/INGA NA
Market capitalisation (EURm)	20,275
Current N° of shares (m)	3,832
Free float	100%

Daily avg. no. trad. sh. 12 mth	30,365,629
Daily avg. trad. vol. 12 mth (m)	196
Price high 12 mth (EUR)	8.96
Price low 12 mth (EUR)	4.49
Abs. perf. 1 mth	-8.93%
Abs. perf. 3 mth	-27.82%
Abs. perf. 12 mth	-41.11%

Key financials (EUR)	**12/11**	**12/12e**	**12/13e**
Total Revenue (m)	16,121	19,762	19,175
Pre-Provision Profit (PPP) (m)	4,818	8,622	8,541
Operating profit (OP)	*3,748*	*7,302*	*7,741*
Earnings Before Tax (m)	3,748	7,302	7,741
Net Profit (adj.) (m)	*5,859*	*4,863*	*4,772*
Shareholders Equity (m)	44,379	48,323	52,598
Tangible BV (m)	-18,104	48,323	52,600
RWA (m)	329,000	335,000	334,998
ROE (adj.)	*-23.7%*	*10.0%*	*10.3%*
Tier1 Ratio	11.3%	12.4%	0.0%
Cost/Income	70.1%	56.4%	55.5%
P/PPP	4.4	2.4	2.3
P/E (adj.)	5.0	4.2	4.2
P/BV	0.5	0.4	0.4
P/NAV	nm	0.4	0.4
Dividend Yield	0.0%	7.2%	6.6%
PPPPS	1.26	2.25	2.26
EPS (adj.)	*1.12*	*1.27*	*1.26*
BVPS	*11.58*	*12.61*	*13.90*
NAVPS	-4.72	12.61	13.90
DPS	0.00	0.38	0.35



Source: Factset

Analyst(s):
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1Q12 results are expected to be challenged (Preview)

The facts: ING will report its 1Q12 results on Wednesday 9th of May 2012.

Our analysis:

- ING's retail banking activities are expected to have performed strong across all geographies. ING's retail banking margins are expected to have been pressured in 1Q12. ING's commercial banking pre-tax underlying result is expected to have declined by 29% yoy to EUR 595m due to tough market conditions.
- The pre-tax underlying result of ING's insurance activities is expected to have declined significantly to a loss of EUR 235m. This is mainly attributable to a hedging loss on its closed block US Variable Annuity book.
- We expect that ING's core Tier 1 ratio has strengthened to a 10.6% core Tier 1 ratio at the end of 1Q12. This include the proceeds of ING Direct US a pro-forma basis.

€ million	**1Q11**	**Average**	**SNSe 1Q12**	**% yoy change**
Retail Netherlands	377	260	300	-20%
Retail Belgium	153	117	135	-12%
Retail Germany	372	120	130	-
Retail Rest of World	75	109	110	47%
Retail Banking	**977**	**626**	**675**	-31%
Industry Lending	313	303	290	-7%
General Lending & Transaction Services	92	123	130	41%
Financial Markets	383	153	200	-48%
Bank Treasury, Real Estate & Other	55	9-	25-	-145%
Commercial Banking	**843**	**548**	**595**	-29%
Corporate Line Banking	-125	60-	90-	-28%
Underlying result before tax from Banking	**1695**	**1,098**	**1,180**	-30%
Insurance Benelux	14	23	20	43%
Insurance Central and Rest of Europe	40	38	25	-38%
Insurance United States	184	164	150	-18%
Insurance US Closed block VA	61	496-	510-	-936%
Insurance Asia/Pacific	179	155	170	-5%
ING Investment Management	60	49	45	-25%
Corporate Line Insurance	-158	123-	135-	-15%
Underlying result before tax from Insurance	**380**	**188-**	**235-**	-162%
Underlying result before tax	**2075**	**910**	**945**	-54%
Taxation	630	239	220	-65%
Minority interests	33	19	20	-39%
Underlying net result	**1492**	**618**	**705**	-53%
Net result	**1381**	**1,069**	**1,185**	-14%

Conclusion & Action: *Despite margin pressure we expect that ING's retail banking activities have performed strong in 1Q12. However, its insurance and commercial banking activities are expected to have performed weak due to challenging market conditions.*

Buy

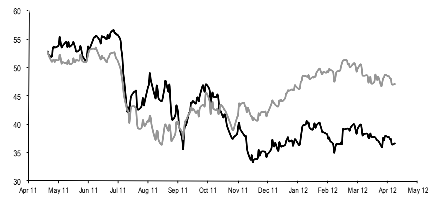
Recommendation unchanged

Share price: EUR	**36.66**
closing price as of 07/05/2012	
Target price: EUR	**57.00**
Target Price unchanged	
Reuters/Bloomberg	SDFG.DE/SDF GY

Market capitalisation (EURm)	7,017
Current N° of shares (m)	191
Free float	91%

Daily avg. no. trad. sh. 12 mth	1,370,760
Daily avg. trad. vol. 12 mth (m)	59
Price high 12 mth (EUR)	56.57
Price low 12 mth (EUR)	33.35
Abs. perf. 1 mth	-4.37%
Abs. perf. 3 mth	-9.70%
Abs. perf. 12 mth	-31.04%

Key financials (EUR)	12/11	12/12e	12/13e
Sales (m)	5,151	5,106	5,325
EBITDA (m)	1,218	1,137	1,214
EBITDA margin	*23.6%*	*22.3%*	*22.8%*
EBIT (m)	976	896	961
EBIT margin	*18.9%*	*17.5%*	*18.0%*
Net Profit (adj.)(m)	674	607	651
ROCE	16.8%	14.2%	13.0%
Net debt/(cash) (m)	(46)	(148)	200
Net Debt/Equity	*0.0*	*0.0*	*0.1*
Debt/EBITDA	0.0	-0.1	0.2
Int. cover(EBITDA/Fin. int)	18.8	19.5	19.5
EV/Sales	1.4	1.5	1.5
EV/EBITDA	6.0	6.7	6.6
EV/EBITDA (adj.)	6.0	6.7	6.6
EV/EBIT	7.5	8.5	8.3
P/E (adj.)	9.9	11.6	10.8
P/BV	2.2	2.0	1.8
OpFCF yield	*7.4%*	*10.2%*	*9.3%*
Dividend yield	*3.5%*	*3.7%*	*3.8%*
EPS (adj.)	3.52	3.17	3.40
BVPS	16.10	17.97	20.03
DPS	1.30	1.35	1.40



Source: Factset

Shareholders: EuroChem 9%;

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Preview Q1: Looking beyond expected weakness in Q1

The facts: K+S is due to report a widely expected decline in EBIT I in Q1 12e tomorrow. We forecast an 11% above-consensus EBIT I of EUR 290m, declining 21% y-y compared to a record Q1 11 result of EUR 368m pushed by a strong de-icing salt business and accelerated P&M sales. 5yrs average- Q1 EBIT I at K+S stand at EUR 226m, including the integration of Morton Salt since Q4 09.

K+S - Preview Q1 2012e results

EUR m	Q1 12e	Q1 11	y-y (%)	2012e	2011	y-y (%)	Q1 12c
Sales	1,436	1,627	-12%	5,106	5,151	-1%	1,449
Adj. EBITDA	**347**	**425**	**-18%**	**1,137**	**1,218**	**-7%**	**322**
Margin (% of sales)	24.2%	26.1%		22.3%	23.6%		24.7%
EBIT I	**290**	**368**	**-21%**	**896**	**976**	**-8%**	**262**
Margin (% of sales)	20.2%	22.6%		17.5%	18.9%		18.1%
o/w P&M	*205*	*202*	*1%*	*736*	*740*	*0%*	*184*
o/w Salt	*70*	*139*	*-50%*	*132*	*211*	*-37%*	*65*
o/w Nitrogen Ferts	*26*	*34*	*-22%*	*73*	*69*	*5%*	*23*
Adj. Pre-tax profit	**276**	**353**	**-22%**	**838**	**912**	**-8%**	**245**
Adj. net income *	200	262	-23%	607	674	-10%	180
Adj. EPS (EUR) *	**1.05**	**1.37**	**-23%**	**3.17**	**3.52**	**-10%**	**0.94**

Source: K+S, equinet (*excl. disc. Operations)

Our analysis: Non-winter and slow fertilizer start weigh on Q1 ... Estimated 41% y-y drop in de-icing sales volumes and P&M segment sales volumes potentially coming in 13% below last year's level at 1.75m t may have sent EBIT I down 21% y-y to EUR 290m in Q1 12e (c: EUR 262m). Adj. EPS mirrors operating profit, declining 23% y-y to EUR 1.05 (c: EUR 0.94).

... but recovery in Q2 and bright outlook for Brazil ahead in P&M Segment: However, we believe that postponed purchase in potash doesn't mean abandoned for the entire season in the Northern Hemisphere. Hence, we forecast a rebound in P&M segment sales volumes to 1.85m t in Q2 12e compared to 1.66m t in 2011 and 5yrs average of 1.71m t. Accumulated H1 12e volume of 3.6m t would still fall slightly short previous year's level of 3.67m t, though. Furthermore, acceptance of BPC's USD 30 / t price lift to USD 550 t MOP by Brazilian importers signals a) firm demand in K+S's key offshore hub and b) upside to our overseas price assumption of USD 510 / t in 2012e, we believe. This may result in above-average Q3 12e P&M shipments, the hot season in Latin America.

Outlook to be confirmed: We expect K+S to confirm its March-guidance for 2012e, looking for a 'moderate decline in Group EBIT I' at 'stable' revenues. We forecast EBIT I to decline 8% y-y to EUR 896m compared to EUR 976m in 2011. EPS 12e may decline 10% y-y to EUR 3.17 compared to EUR 3.52 reported in the previous year.

Conclusion & Action: *The y-y decline in Q1 12e results is more than digested at current share price levels, we believe. Hence, we rather look for a confirmation that momentum in fertilizer sales volumes returned in Q2 12e and, unexpectedly and not yet accounted for, prices, too. Early settlement of Chinese buyers for Q2 12e-deliveries and acceptance of price lifts in Brazil are indicators for this. Upcoming USDA crop outlook report for the 2012/13e marketing year on Thursday may confirm continuing surge in demand from developing countries, absorbing production expansion in the Northern Hemisphere. Hence, the macro and micro framework for K+S looks promising to us. Confirm BUY. PT EUR 57.*

KPN Telecom

Netherlands/Telecommunications

Analyser

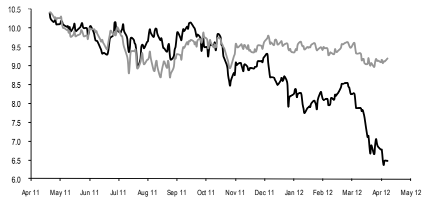
Accumulate

from Reduce

Share price: EUR	**6.48**
closing price as of 07/05/2012	
Target price: EUR	**7.50**
Target Price unchanged	
Reuters/Bloomberg	KPN.AS/KPN NA

Market capitalisation (EURm)	9,319
Current N° of shares (m)	1,438
Free float	95%
Daily avg. no. trad. sh. 12 mth	7,691,553
Daily avg. trad. vol. 12 mth (m)	70
Price high 12 mth (EUR)	10.72
Price low 12 mth (EUR)	6.37
Abs. perf. 1 mth	-17.76%
Abs. perf. 3 mth	-21.10%
Abs. perf. 12 mth	-39.33%

Key financials (EUR)	**12/11**	**12/12e**	**12/13e**
Sales (m)	13,163	12,681	12,549
EBITDA (m)	5,138	4,739	4,850
EBITDA margin	*39.0%*	*37.4%*	*38.7%*
EBIT (m)	2,550	2,348	2,404
EBIT margin	*19.4%*	*18.5%*	*19.2%*
Net Profit (adj.)(m)	1,549	1,259	1,332
ROCE	13.3%	12.0%	12.6%
Net debt/(cash) (m)	12,109	12,674	12,350
Net Debt/Equity	*4.1*	*4.3*	*3.9*
Debt/EBITDA	2.4	2.7	2.5
Int. cover(EBITDA/Fin. int)	6.8	6.4	6.7
EV/Sales	2.0	1.7	1.7
EV/EBITDA	5.0	4.6	4.5
EV/EBITDA (adj.)	5.0	4.6	4.5
EV/EBIT	10.1	9.4	9.0
P/E (adj.)	8.8	7.4	7.0
P/BV	4.7	3.2	3.0
OpFCF yield	*19.4%*	*22.5%*	*22.9%*
Dividend yield	*13.1%*	*13.9%*	*9.3%*
EPS (adj.)	1.05	0.88	0.92
BVPS	1.98	2.05	2.17
DPS	0.85	0.90	0.60



Source: Factset

Shareholders: BlackRock 5%;

Analyst(s):

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America Movil bids for 28% of KPN

The facts: America Movil has announced that it will offer EUR 8 per share in cash to raise its stake in KPN to 28% up from 4.8% currently.

Our analysis: America Movil states that the stake would give it a relevant position in European markets, adding that it hopes to build and develop a lasting relationship with KPN. In recent years, America Movil has looked from time to time to European assets that were up for sale. From a financial point of view, an acquisition of KPN should not be problem. Buying the whole of KPN for EUR 8 per share would increase the net debt/EBITDA ratio for 2012 from America Movil from about 1x to 2x. We believe the 28% stake could be a first step to try to gain full control of KPN. Buying an incumbent operator is politically not without risk, which may explain the cautious approach of first acquiring a 28% stake. Compared to other European incumbents we believe KPN is a less difficult target to acquire: the State has no stake and political resistance is probably not as substantial. On a stand alone basis, the valuation of KPN is not particularly attractive in our view. Synergies are not significant for America Movil, but the acquisition of KPN as a bridgehead for further European expansion may of course justify a premium.

Conclusion & Action: *In view of the chance of a full bid we raise our recommendation from Reduce to Accumulate. Price target under review.*

Hold

Recommendation unchanged

Share price: EUR	**23.73**

closing price as of 07/05/2012

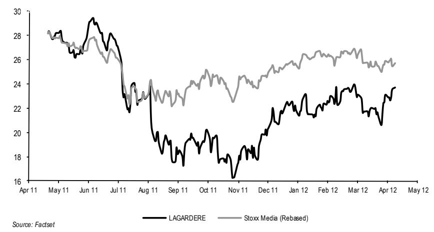
Target price: EUR	**24.00**

Target Price unchanged

Reuters/Bloomberg	LAGA.PA/MMB FP

Market capitalisation (EURm)	3,182
Current N° of shares (m)	134
Free float	89%
Daily avg. no. trad. sh. 12 mth	488,622
Daily avg. trad. vol. 12 mth (m)	13
Price high 12 mth (EUR)	29.49
Price low 12 mth (EUR)	16.25
Abs. perf. 1 mth	9.18%
Abs. perf. 3 mth	8.73%
Abs. perf. 12 mth	-17.96%

Key financials (EUR)	12/10	12/11e	12/12e
Sales (m)	9,570	9,199	8,781
EBITDA (m)	742	(484)	635
EBITDA margin	*7.8%*	*nm*	*7.2%*
EBIT (m)	334	(722)	408
EBIT margin	*3.5%*	*nm*	*4.6%*
Net Profit (adj.)(m)	189	(849)	348
ROCE	8.7%	9.2%	7.6%
Net debt/(cash) (m)	2,129	1,525	1,697
Net Debt/Equity	*0.4*	*0.4*	*0.5*
Debt/EBITDA	2.9	-3.2	2.7
Int. cover(EBITDA/Fin. int)	7.5	(4.2)	7.9
EV/Sales	0.5	0.4	0.4
EV/EBITDA	6.7	nm	5.8
EV/EBITDA (adj.)	5.5	4.5	5.6
EV/EBIT	14.8	nm	9.0
P/E (adj.)	27.8	nm	11.6
P/BV	1.1	0.9	1.0
OpFCF yield	*7.0%*	*0.1%*	*1.8%*
Dividend yield	*5.5%*	*5.5%*	*5.5%*
EPS (adj.)	1.33	(6.01)	2.46
BVPS	34.81	27.09	28.20
DPS	1.56	1.56	1.56



Source: Factset

Analyst(s):

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Small Internet acquisition

The facts: yesterday morning Lagardère announced the launch of a friendly takeover bid for LeGuide.com, at a price of EUR24, vs a closing price on Friday of EUR19.92.

Our analysis: This values LeGuide.com at EUR84m, and EUR52m in terms of EV (net of cash on the balance sheet at end-2011), to be compared to 2011 revenue of EUR28.3m and EBIT of EUR9.3m, i.e. a reasonable multiple of 5.6x 2011 EBIT. LeGuide.com is a shopping guide operator that allows the comparing of 161m offers from 76,200 e-merchants; it totals 16.8m unique visitors (before the recent acquisition of Ciao, a German competitor) and operates in 14 European countries. The management should remain under the company's orders. Lagardère is resuming its Internet acquisitions, the last of which took place in the midst of the bubble, in 2007, and led to large writedowns on the balance sheet; on a group scale, this operation is modest, but it is difficult to see its coherence with the group's Media activities: the company has explained that it wishes to develop and monetise Internet audiences excluding Media (bearing in mind that the monetisation of its Media websites has stalled).

Conclusion & Action: *At the AGM on 3 May, the management indicated that the Q3 revenue (release on 10 May) would fall (we forecast +0.4%, but our forecast of stability in Sport is probably optimistic; we forecast -4% for advertising revenue). We advise waiting for better visibility over withdrawal from Canal+ (despite confirmation of the intention to launch an IPO at the end of 2012) and the paying out of cash to shareholders to awaken interest in a discounted stock; Sport remains a risk factor threatening earnings.*

Hold

Recommendation unchanged

Share price: EUR	**58.99**

closing price as of 07/05/2012

Target price: EUR	**62.00**

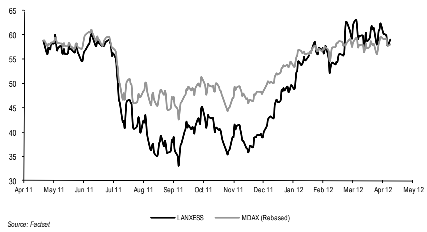
Target Price unchanged

Reuters/Bloomberg	LXSG.DE/LXS GY

Market capitalisation (EURm)	4,908
Current N° of shares (m)	83
Free float	83%

Daily avg. no. trad. sh. 12 mth	588,968
Daily avg. trad. vol. 12 mth (m)	29
Price high 12 mth (EUR)	63.05
Price low 12 mth (EUR)	32.97
Abs. perf. 1 mth	-1.24%
Abs. perf. 3 mth	9.28%
Abs. perf. 12 mth	-3.18%

Key financials (EUR)	12/11	12/12e	12/13e
Sales (m)	8,775	9,112	9,401
EBITDA (m)	1,101	1,124	1,204
EBITDA margin	*12.5%*	*12.3%*	*12.8%*
EBIT (m)	776	672	741
EBIT margin	*8.8%*	*7.4%*	*7.9%*
Net Profit (adj.)(m)	538	458	517
ROCE	11.9%	9.9%	10.8%
Net debt/(cash) (m)	1,570	1,394	952
Net Debt/Equity	*0.8*	*0.6*	*0.3*
Debt/EBITDA	1.4	1.2	0.8
Int. cover(EBITDA/Fin. int)	11.8	9.4	10.9
EV/Sales	0.6	0.8	0.7
EV/EBITDA	5.1	6.2	5.5
EV/EBITDA (adj.)	4.9	6.0	5.3
EV/EBIT	7.2	10.4	8.9
P/E (adj.)	6.2	10.7	9.5
P/BV	1.6	2.0	1.7
OpFCF yield	*12.7%*	*12.4%*	*15.4%*
Dividend yield	*1.4%*	*1.5%*	*1.7%*
EPS (adj.)	6.46	5.51	6.22
BVPS	24.73	29.06	34.04
DPS	0.85	0.90	1.00



Shareholders: Dodge & Cox 8%; JPMorgan 4%;

Analyst(s):
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Q1/12 results preview

The facts: LANXESS (LXS) will publish its Q1/12 results on May 9th, 2012.

Our analysis:

Forecast LANXESS

EUR m	Q1/12e	Q1/11	yoy	cons.	2012e	2011	yoy
Group Sales	**2,447**	**2,073**	**18%**	**2,330**	**9,112**	**8,775**	**4%**
Performance Polymers	1,431	1,084	32%	na	5,322	5,059	5%
Advanced Intermediates	441	416	6%	na	1,576	1,545	2%
Performance Chemicals	565	556	2%	na	2,173	2,130	2%
Reconciliation	10	17	-39%	na	42	41	2%
EBITDA adjusted	**354**	**322**	**10%**	**347**	**1,164**	**1,146**	**2%**
EBITDA margin adj.	**14.5%**	**15.5%**	**-110bps**	**14.9%**	**12.8%**	**13.1%**	**-30bps**
Performance Polymers	229	199	15%	na	798	768	4%
in % of sales	*16.0%*	*18.4%*	*-240bps*	*na*	*15.0%*	*15.2%*	*-20bps*
Advanced Intermediates	75	75	0%	na	251	264	-5%
in % of sales	*17.0%*	*18.0%*	*-100bps*	*na*	*15.9%*	*17.1%*	*-120bps*
Performance Chemicals	95	90	5%	na	293	289	1%
in % of sales	*16.8%*	*16.2%*	*60bps*	*na*	*13.5%*	*13.6%*	*-10bps*
Reconciliation	-45	-42	nm	na	-179	-175	nm
EBITDA	344	317	9%	343	1,124	1,101	2%
EBIT	**236**	**246**	**-4%**	**260**	**672**	**776**	**-13%**
EBT	221	219	1%	229	560	655	-14%
Net income	170	167	2%	177	430	506	-15%
EPS (EUR)	**2.04**	**2.00**	**2%**	**2.12**	**5.17**	**6.08**	**-15%**

Source: LANXESS, Reuters, equinet Research

Q1/12 results forecast: LXS provided no guidance for FY2012, but just an indication for Q1/12 (EBITDA adj. of EUR 330-350m, equinet: EUR 354m). Please note that LXS typically generates ~60% of its EBITDA adj. in H1. Additionally, taking into account that estimated ~EUR 30m EBITDA contribution should come from the DSM Elastomers' acquisition, the upper end of the EBITDA range implies a "no-growth" figure vs. Q1/11 at EUR 322m while sales (adjusted for the consolidation effect) are likely to increase by at least 10% (more driven by price than volume).

View on Q2/12e and FY12e: As one of LXS' key raw materials butadiene continued to increase (spot: +51% yoy, +68% yoy), the company should again face a challenge to pass prices on to customers, otherwise suffering margin deterioration in Performance Polymers.

Conclusion & Action: *Although we appreciate LXS' long-term fundamental perspectives, we believe the share to be fairly valued (2012e EV/EBITDA adj. 6.2x vs. peers 6.1x and PE 10.7x versus peers 11.1x). Hold.*

Luxottica

Italy/Personal Goods

Analyser

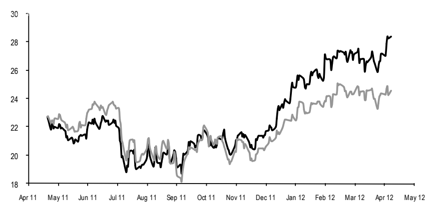
Accumulate

Recommendation unchanged

Share price: EUR	**28.40**
closing price as of 07/05/2012	
Target price: EUR	**31.40**
from Target Price: EUR	**29.80**
Reuters/Bloomberg	LUX.MI/LUX IM

Market capitalisation (EURm)	13,076
Current N° of shares (m)	460
Free float	24%
Daily avg. no. trad. sh. 12 mth	730,316
Daily avg. trad. vol. 12 mth (m)	17
Price high 12 mth (EUR)	28.40
Price low 12 mth (EUR)	18.73
Abs. perf. 1 mth	6.01%
Abs. perf. 3 mth	11.94%
Abs. perf. 12 mth	26.45%

Key financials (EUR)	12/11	12/12e	12/13e
Sales (m)	6,223	6,960	7,499
EBITDA (m)	1,131	1,334	1,521
EBITDA margin	*18.2%*	*19.2%*	*20.3%*
EBIT (m)	807	977	1,137
EBIT margin	*13.0%*	*14.0%*	*15.2%*
Net Profit (adj.)(m)	512	621	732
ROCE	8.7%	10.5%	12.0%
Net debt/(cash) (m)	2,032	1,890	1,465
Net Debt/Equity	*0.6*	*0.5*	*0.4*
Debt/EBITDA	1.8	1.4	1.0
Int. cover(EBITDA/Fin. int)	10.4	12.6	16.3
EV/Sales	2.0	2.2	2.0
EV/EBITDA	11.1	11.7	9.9
EV/EBITDA (adj.)	11.1	11.7	9.9
EV/EBIT	15.6	15.9	13.3
P/E (adj.)	19.6	21.0	17.8
P/BV	2.8	3.6	3.2
OpFCF yield	*7.4%*	*7.2%*	*7.4%*
Dividend yield	*1.7%*	*1.8%*	*1.8%*
EPS (adj.)	1.11	1.35	1.59
BVPS	7.85	7.88	8.78
DPS	0.49	0.50	0.50



Source: Factset

Shareholders: Del Vecchio 68%; Giorgio Armani 5%;

Analyst(s):

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Q1 12 results: outstanding

The facts: Luxottica reported an outstanding set of figures slightly ahead of consensus estimates, yesterday at market closed, conf call followed.

Our analysis: Revenues were up 11.1% CN, with sales in NAM at +9% CN (approx 60% of total sales), Western Europe +6% (mid single digit positive in Italy, flat in Spain, negative only in Portugal and Greece). **Retail channel (+10.5% CN):** every chain reported positive comps (overall comps +6.5%) with the exception of Pearle Vision (NAM); Lenscrafter in NAM: +4.9% comps., SGH worldwide: +9.6% comps., OPSM: +6.3% comps. In Emerging markets retail sales increased by 14%, helped by GMO – now it counts more than 450 stores. Retail EBIT adjusted increased by 120bps in Q1 12 (CN it was up 100 bps). **Wholesale channel** revenues were up 11.9% CN (the organic growth CN was +10.1%) and they were positive in every region (Western Europe +6%, NAM +18%, Emerging markets +19%, RoW +10%); solid performance came from Ray Ban and Oakley (both d/d) and Coach, as well as from licensed brands (especially Chanel, Burberry and Prada). EBIT wholesale increased by 70 bps. FCF generated in the period was EUR 36m, net debt grew by approx EUR 15m vs. YE 11 (Tecnol acquisition weighed for EUR 88m); net Debt/EBITDA CN was stable at 1.7x.

75 / 80% of Tecnol integration should be done, according to the management by YE, with 5 ongoing projects (brand rationalisation and new collections – start of Vogue RX production in Q3 12; commercial organization; IT, warehouse projects; manufacturing unit role definition and organization integration).

Luxottica Q1 results

EUR m	Q1 11	Q1 12 adj.*	*Y/Y % Chg.*	Q1 12 reported
Wholesale	641.1	726.8	*13.4%*	726.8
Retail	915.0	1,061.4	*16.0%*	1,061.4
Total sales	**1,556.1**	**1,788.2**	***14.9%***	**1,788.2**
EBITDA	**283.0**	**345.6**	***22.1%***	**323.9**
EBITDA margin	***18.2%***	***19.3%***		***18.1%***
Wholesale EBIT	147.8	172.9	*17.0%*	172.9
% margin	*23.1%*	*23.8%*		*23.8%*
Retail EBIT	96.8	124.8	*28.9%*	103.2
% margin	*10.6%*	*11.8%*		*9.7%*
Inters. EBIT	-37.2	-39.6		-39.6
Total EBIT	**207.4**	**258.2**	***24.5%***	**236.5**
EBIT margin	**13.3%**	**14.4%**		**13.2%**
Net profit	114.7	146.0	*27.3%*	130.8
% on sales	*7.4%*	*8.2%*		*7.3%*

*Source: company data *retail EBITDA is adjusted for EUR 21.7m one-off related to the OPSM reorganisation; at net income level the adjustment is EUR 15.2m.*

Conclusion & Action: *Although Q1 12 figures were already discounted by the market and no big surprise was reported, the capability to deliver must be outlined this time also. This is the year of Armani, Coach, Tecnol and the retail development in Latam: the impact (ex-Armani) is just material. We have fine tuned our estimates, with no material impacts on our DCF, however, we are now more convinced than before that Lux could deliver another outstanding year being resilient to the negative macroeconomic scenario. Rule of thumb is confirmed.*

We have just moved our beta (WAC from 7.33% to 7.2%) obtaining a new price target of EUR31.4/sh: we still believe in a small potential upside for the stock. The stock trades at premium vs. it luxury peers, but we outline that none of them is market leader in its segment. We do not rule out stock volatility in the short run.

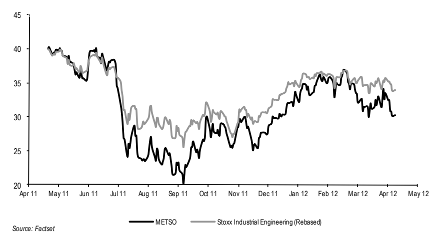
Accumulate
Recommendation unchanged

Share price: EUR	**30.20**
closing price as of 07/05/2012	
Target price: EUR	**38.00**
Target Price unchanged	
Reuters/Bloomberg	MEO1V.HE/MEO1V FH

Market capitalisation (EURm)	4,519
Current N° of shares (m)	150
Free float	90%

Daily avg. no. trad. sh. 12 mth	830,952
Daily avg. trad. vol. 12 mth (m)	26
Price high 12 mth (EUR)	40.35
Price low 12 mth (EUR)	20.12
Abs. perf. 1 mth	-3.91%
Abs. perf. 3 mth	-11.02%
Abs. perf. 12 mth	-24.18%

Key financials (EUR)	12/11	12/12e	12/13e
Sales (m)	6,646	7,081	6,020
EBITDA (m)	743	775	788
EBITDA margin	*11.2%*	*10.9%*	*13.1%*
EBIT (m)	572	602	608
EBIT margin	*8.6%*	*8.5%*	*10.1%*
Net Profit (adj.)(m)	360	389	402
ROCE	14.9%	15.0%	14.3%
Net debt/(cash) (m)	359	398	390
Net Debt/Equity	*0.2*	*0.2*	*0.2*
Debt/EBITDA	0.5	0.5	0.5
Int. cover(EBITDA/Fin. int)	11.4	16.2	15.8
EV/Sales	0.7	0.7	0.8
EV/EBITDA	5.9	6.0	5.9
EV/EBITDA (adj.)	5.9	6.0	5.9
EV/EBIT	7.7	7.7	7.6
P/E (adj.)	11.9	11.6	11.2
P/BV	2.0	2.0	1.9
OpFCF yield	*12.3%*	*12.4%*	*12.9%*
Dividend yield	*5.6%*	*5.0%*	*5.0%*
EPS (adj.)	2.40	2.60	2.69
BVPS	14.13	15.00	16.17
DPS	1.70	1.50	1.50



Source: Factset

Shareholders: Solidium Oy 10%; Ilmarinen Mutual Pension Insurance Company 3%; Varma Mutual Pension Insurance Company 3%;

Analyst(s):

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Notes from our meeting with CFO Nikunen

The facts: We met with Metso's CFO, Harri Nikunen, yesterday.

Mining investment – Metso has given thought to what mining companies said last week about investment curtailments and concludes that these were owners' signals to management rather than a sign of a trend change. According to Metso, equipment represents 30% of mining investments. Thus, if the intention is to cut total investments, the natural choice would be to focus on equipment in existing mines rather than on opening new mines. In our opinion, Nikunen's comments had a somewhat precautionary tone, similar to the end of last summer: the real economy has not changed, but uncertainties were brought up just in case.

Automation's weak Q1 profitability disappointed Metso as well. EBITA slid some EUR 10m from the same period last year. Half of this drop was due to low-margin projects (product mix), in addition to which there were some extra costs from last year and general costs have risen due to determined investments in Automation. Nikunen did not comment on the developments so far in Q2. We believe caution is justified with respect to the Q2 margin.

The **pricing and competition** situation is tight and it is not easy to improve margins/prices through costs. Nikunen observed that this applies to capital goods manufacturers in general. Construction equipment in China is a minor area for Metso and construction. What Caterpillar and the other manufacturers have said about the market's softness is not essential for Metso. Temporary layoffs at paper machines had a smaller negative impact on the Q1 margin than feared as some of the personnel could be employed at other divisions.

According to Nikunen, **consensus for 2012 sales** of EUR 7.3bn seems correct and plausible. We forecast nearly EUR 7.1bn. Visibility into the year is good and sales for the coming quarters will be higher than in Q1. Nikunen did not directly comment on the possibility of an **extraordinary dividend**, but he feels that payment of stable, good dividends is important. Based on the figures, we believe an extra dividend is quite possible.

Conclusion & Action: *The Q1 message was complemented with remarks about mining investments after last week's news – we believe this was mainly to be on the safe side. The real economy is looking favourable. Nikunen highlighted Metso's stable, good performance on a number of occasions, so a profit fall is not likely, but significant profitability leap will not be easy to come by, either. High-margin services account for nearly half of Metso's sales and we find the share price reaction to mining investments (the value of which tends to be overestimated) as excessive.*

Munich Re

Germany/Insurance

Hold

Recommendation unchanged

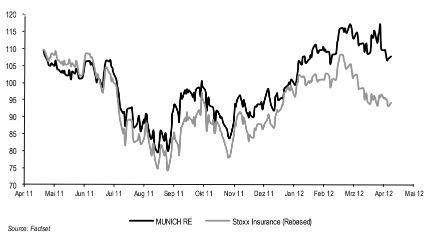
Share price: EUR	**107.80**
closing price as of 07/05/2012	
Target price: EUR	**110.00**
Target Price unchanged	

Reuters/Bloomberg	MUVGn.DE/MUV2 GY

Market capitalisation (EURm)	19,144
Current N° of shares (m)	178
Free float	100%

Daily avg. no. trad. sh. 12 mth	1,016,245
Daily avg. trad. vol. 12 mth (m)	102
Price high 12 mth (EUR)	117.25
Price low 12 mth (EUR)	79.55
Abs. perf. 1 mth	-3.32%
Abs. perf. 3 mth	0.19%
Abs. perf. 12 mth	-3.79%

Key financials (EUR)	12/11	12/12e	12/13e
Life Gross premiums (m)	15,885	16,458	17,051
Non-Life Gross prem.(m)	22,540	23,160	23,797
Total Net Revenues (m)	*42,751*	*44,982*	*46,335*
Life Ins.Tech.Result (m)	-2,641	-3,051	-3,141
Non-Life Ins. Tech.Result	*-2,131*	*740*	*785*
EBIT (m)	585	4,291	4,497
Net Profit (adj.) (m)	702	2,467	2,588
Shareholders Equity (m)	23,062	24,616	26,294
ANAV (m)	*14,754*	*15,983*	*17,324*
ROE (adj.) (%)	3.1	10.3	10.2
Combined ratio (%)	110.3	96.5	96.4
P/E (adj.)	24.1	7.8	7.4
P/BV	0.7	0.8	0.7
P/ANAV	1.1	1.2	1.1
P/EbV	0.7	0.7	0.7
Dividend Yield	5.8%	5.8%	5.8%
EPS (adj.)	3.94	13.89	14.57
BVPS	*129.42*	*138.61*	*148.06*
ANAVPS	*82.79*	*90.00*	*97.55*
EbVPS	140.73	155.36	163.33
DPS	6.25	6.25	6.25



Source: Factset

Strong Q1 results in line with expectations

The facts: As already pre-announced two weeks ago Munich Re has achieved strong Q1 results with a net profit of EUR 780m (equinet: EUR 760m). On an operating profit level the result was fully in line with our forecast of EUR 1.2bn. While investment income came in even strong than expected, other income/expenses were lower than expected. Positively, Munich Re sticks to its full-year net profit target of around EUR 2.5bn. Shareholders' equity increased by 5% qoq to EUR 24.4bn. In the April renewals Munich achieved average price increases of 5%, total premiums declined by 3% yoy.

Our analysis: Gross premiums increased by 2% yoy (7% qoq) to EUR 13.3bn which is fully in line with our estimate of EUR 13.3bn. Net premiums were with EUR 12.4bn (+6% yoy, 0% qoq) slightly above our forecast of EUR 12bn. Both the C/R in the reinsurance business (94.6% vs. 94.1%) and in the primary insurance business (95.3% vs. 95.0%) were in line with our forecasts. Investment income increased by 15% yoy (+16% qoq) to EUR 2,244m (equinet: EUR 1,900m). Main reason for the strong development were better higher than expected other income/expenses – we have not yet any explanation for the delta of EUR 362m. Due to a lower other (operating) income/expenses (EUR -1,042m vs. EUR -700m) operating profit was with EUR 1,202m in line with our estimate. Due to very low tax rate of only 14% net profit was with EUR 780m above our forecast of EUR 760m.

Munich Re Quarterly Results

In EUR m	1Q 12	1Q 12e	4Q 11	yoy	qoq	1Q 12 cons.
Group gross premiums	13,265	13,300	12,406	2.2%	6.9%	13,346
Group net premiums	12,410	12,000	12,371	6.3%	0.3%	na
CR P/C reinsurance	94.6%	94.1%	101.8%	*-64.8%-p*	*-7.2%-p*	93.7%
CR P/C primary insurance	95.3%	95.0%	100.9%	*-2.9%-p*	*-5.6%-p*	na
Investment income	2,244	1,900	1,941	14.7%	15.6%	1,919
Operating result	1,202	1,200	778	-186.8%	54.5%	1,257
Group EBT	1,136	1,100	704	-172.8%	61.4%	na
Group EAT (a. min.)	780	760	627	-182.4%	24.4%	776
EPS	4.39	4.28	3.53	-183.1%	24.5%	na

Sources: Munich Re. equinet

Conclusion & Action: *Munich Re reported strong Q1 results which were however no big surprise anymore as it has already been pre-announced two weeks ago. Price increases of 5% at the April renewals and 3% lower premiums were slightly lower than at Munich Re's competitors. We do not see any share price triggers and stick to our Hold rating with a TP of EUR 110.00. Hannover Re remains our preferred reinsurance stock (Acc., TP EUR 50.00).*

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Nokia

Finland/Telecom Equipment

Buy

Recommendation unchanged

Share price: EUR	**2.40**

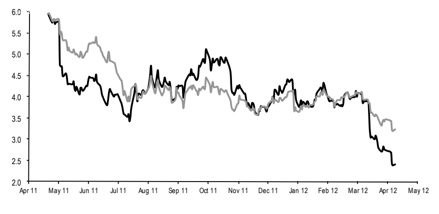
closing price as of 07/05/2012

Target price: EUR	**4.00**

Target Price unchanged

Reuters/Bloomberg	NOK1V.HE/NOK1V FH
Market capitalisation (EURm)	8,919
Current N° of shares (m)	3,710
Free float	100%
Daily avg. no. trad. sh. 12 mth	29,733,059
Daily avg. trad. vol. 12 mth (m)	124
Price high 12 mth (EUR)	6.11
Price low 12 mth (EUR)	2.39
Abs. perf. 1 mth	-38.20%
Abs. perf. 3 mth	-38.11%
Abs. perf. 12 mth	-59.39%

Key financials (EUR)	12/11	12/12e	12/13e
Sales (m)	38,659	32,700	35,708
EBITDA (m)	(351)	456	3,147
EBITDA margin	*nm*	*1.4%*	*8.8%*
EBIT (m)	(1,073)	(224)	2,479
EBIT margin	*nm*	*nm*	*6.9%*
Net Profit (adj.)(m)	971	(253)	1,360
ROCE	-43.6%	-11.9%	-119.8%
Net debt/(cash) (m)	(5,455)	(3,511)	(5,251)
Net Debt/Equity	*-0.4*	*-0.3*	*-0.4*
Debt/EBITDA	15.5	-7.7	-1.7
Int. cover(EBITDA/Fin. int)	(3.4)	2.7	15.7
EV/Sales	0.2	0.1	0.0
EV/EBITDA	nm	6.0	0.3
EV/EBITDA (adj.)	2.3	2.6	0.3
EV/EBIT	nm	nm	0.4
P/E (adj.)	14.4	nm	6.6
P/BV	1.2	0.8	0.7
OpFCF yield	*-13.5%*	*-29.8%*	*16.2%*
Dividend yield	*8.3%*	*0.0%*	*8.3%*
EPS (adj.)	0.26	(0.07)	0.37
BVPS	3.20	2.94	3.30
DPS	0.20	0.00	0.20



Source: Factset

Shareholders: Keskinäinen Eläkevakuutusyhtiö Ilmarinen 1.29%; Keskinäinen työeläkevakuutusyhtiö Varma 1.02%;

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Google infringed upon Oracle's Java copyrights

The facts: Yesterday, a US jury found that Google had breached copyrights held by Oracle on the Java programming language. The decision, however, did not take a stand whether this was a fair use case which would allow the use of copyright material in certain cases without the copyright holder's permission.

In another decision, the jury stated that Google had used the Java programming language's software code in its Android OS without permission. The court considered, however, that Google would only be entitled to statutory damages, although Oracle has sought compensation on indirect income which Google has received by breaching the copyrights of Java. The court did not yet decide upon any damages but it is generally believed that they would remain clearly lower than Oracle has originally demanded.

Google has announced that it would be asking for a mistrial to be declared, based on the fair use doctrine. Oracle, for its part, commented that the court's decision supports the company's view that Google needs to licence Java for use in its Android operating system.

Our analysis: The forthcoming ruling will be interesting for Nokia, because it will determine whether Android will become a software requiring a license and, if so, how would it impact low-end smartphone prices and Google's software strategy. So far, e.g. Microsoft has sued manufacturers of Android devices for copyright infringements, but no-one had sued Google directly. For a long time, rumours have circulated that Nokia would be developing its own Linux-based OS to be used in the low-end smartphone segment, to replace the current S40 operating system. In any case, we believe that uncertainty surrounding Android will benefit competing operating systems.

***Conclusion & Action:** TP and recommendation unchanged.*

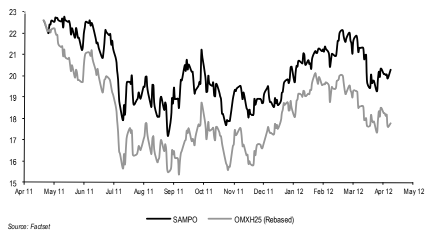
Accumulate

Recommendation unchanged

Share price: EUR	**20.30**
closing price as of 07/05/2012	
Target price: EUR	**22.50**
Target Price unchanged	
Reuters/Bloomberg	SAMAS.HE/SAMAS FH

Market capitalisation (EURm)	11,394
Current N° of shares (m)	561
Free float	86%
Daily avg. no. trad. sh. 12 mth	1,412,351
Daily avg. trad. vol. 12 mth (m)	29
Price high 12 mth (EUR)	22.83
Price low 12 mth (EUR)	17.20
Abs. perf. 1 mth	-4.78%
Abs. perf. 3 mth	-1.46%
Abs. perf. 12 mth	-9.42%

Key financials (EUR)	12/11	12/12e	12/13e
Life Gross premiums (m)	849	879	870
Non-Life Gross prem.(m)	4,201	4,378	4,504
Total Net Revenues (m)	*5,373*	*5,992*	*6,122*
Life Ins.Tech.Result (m)	129	133	125
Non-Life Ins. Tech.Result	*506*	*497*	*503*
EBIT (m)	1,229	1,454	1,490
Net Profit (adj.) (m)	1,039	1,246	1,281
Shareholders Equity (m)	8,920	9,500	10,081
ANAV (m)	*7,886*	*9,500*	*10,081*
ROE (adj.) (%)	11.7	13.5	13.1
Combined ratio (%)	92.2	91.5	91.4
P/E (adj.)	10.4	9.1	8.9
P/BV	1.2	1.2	1.1
P/ANAV	1.4	1.2	1.1
P/EbV	1.4	1.2	1.1
Dividend Yield	5.9%	6.2%	6.4%
EPS (adj.)	1.85	2.22	2.28
BVPS	*15.89*	*16.93*	*17.96*
ANAVPS	*14.05*	*16.93*	*17.96*
EbVPS	14.05	16.93	17.96
DPS	1.20	1.25	1.30



Source: Factset

Shareholders: Solidium Oy 14%; Mutual Pension Insurance Company Varma 9%; Mutual Pension Insurance Company Ilmarinen

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Q1 better than expected

The facts: Sampo's Q1 2012 report was stronger than expected down the line. NAVPS of EUR 16.61 approached the top end of the forecast range and the combined ratio also improved significantly on the same period last year.

Sampo's pre-tax profit also topped consensus estimates. On a sector basis, If's profit was higher and Mandatum Life's lower than anticipated. That of Mandatum Life was nevertheless burdened by a EUR 17m cost due to a lower interest rate used to discount with-profit liabilities. Mandatum Life's comparable profit would have been clearly above expectations at EUR 50m.

Outlook unchanged: If's combined ratio will remain below 95%.

Conclusion & Action: *We expect Sampo's share to react positively today to the strong report.*

Solvay
Belgium/Chemicals

Analyser

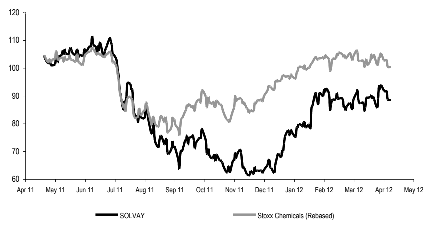
Hold
Recommendation unchanged

Share price: EUR	**88.55**
closing price as of 07/05/2012	
Target price: EUR	**95.00**
Target Price unchanged	
Reuters/Bloomberg	SOLB.BR/SOLB BB

Market capitalisation (EURm)	7,500
Current N° of shares (m)	85
Free float	66%

Daily avg. no. trad. sh. 12 mth	268,013
Daily avg. trad. vol. 12 mth (m)	23
Price high 12 mth (EUR)	111.60
Price low 12 mth (EUR)	61.47
Abs. perf. 1 mth	1.27%
Abs. perf. 3 mth	12.02%
Abs. perf. 12 mth	-10.40%

Key financials (EUR)	12/11	12/12e	12/13e
Sales (m)	8,001	12,543	13,100
EBITDA (m)	1,020	1,732	1,959
EBITDA margin	*12.8%*	*13.8%*	*15.0%*
EBIT (m)	560	997	1,217
EBIT margin	*7.0%*	*7.9%*	*9.3%*
Net Profit (adj.)(m)	350	570	742
ROCE	4.1%	6.0%	7.1%
Net debt/(cash) (m)	1,761	1,737	1,650
Net Debt/Equity	*0.3*	*0.3*	*0.2*
Debt/EBITDA	1.7	1.0	0.8
Int. cover(EBITDA/Fin. int)	8.5	9.7	11.0
EV/Sales	1.1	0.9	0.9
EV/EBITDA	9.0	6.5	5.7
EV/EBITDA (adj.)	7.6	6.1	5.4
EV/EBIT	16.3	11.3	9.2
P/E (adj.)	15.4	13.2	10.1
P/BV	0.9	1.2	1.1
OpFCF yield	*7.6%*	*6.9%*	*9.9%*
Dividend yield	*3.5%*	*3.5%*	*3.7%*
EPS (adj.)	4.13	6.73	8.76
BVPS	72.68	74.33	77.80
DPS	3.07	3.13	3.27



Shareholders: Solvac 30%; Solvay 4%;

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Strong set of 1Q12 results, ahead of expectations

The facts: Solvay released 1Q12 REBITDA well ahead of our and consensus estimates. Full year guidance points toward a FY12 REBITDA in line with the strong 2011 pro forma level (i.e. EUR 2,068m), which is ± 10% above consensus. This figure includes EUR 130m savings out of the EUR 400m expected by end 2014.

Our analysis: Sales are up 8% Q-o-Q and 3% Y-o-Y, with sales price up 4%, FX +1% but volume down 3%. **Rebitda** stand at EUR 523m (-9% Y-o-Y and + 47% on 4Q11). Main drivers were:

- the Chemicals (Rebitda up 11% Y-o-Y and up 50% Q-o-Q), driven by the Essential Chemicals (stable volume but higher price on 1Q11);
- at Rhodia the Consumer Chemicals (driven by all segments) and Acetow & Eco Services realised performance above last year with Rebitda up Y-o-Y by 14% and 17%, respectively;
- the Speciality Polymers performed only slightly below 1Q11 with Rebitda down 5% Y-o-Y, but would by up by 5% without a technical incident at the Spinetta plant. The Vinyls and the Polyamides activities proved to be more resilient than anticipated.

Solvay : P&L pro-forma (in EUR m)	1Q11	2Q11	3Q11	4Q11	FY11	1Q12A	% chg	1Q12e	1Q12e CSS
Net sales	**3,143**	**3,296**	**3,257**	**2,998**	**12,693**	**3,239**	**3.0%**	**3,076**	**3,105**
REBITDA	**574**	**604**	**534**	**356**	**2,068**	**523**	**-8.8%**	**426**	**436**
margin (%)	*18.2%*	*18.3%*	*16.4%*	*11.9%*	*16.3%*	*16.1%*	-11.5%	*13.9%*	*14.0%*
- Chemicals	138	129	120	103	491	154	11.4%	114	117
- Plastics	167	199	155	68	590	137	-18.1%	112	114
- Rhodia	298	309	281	231	1,119	261	-12.4%	235	237
- NBD	-11	-11	-11	-20	-53	-9	-18.2%	-13	-15
- Unalocated	-19	-22	-11	-27	-79	-20	5.3%	-22	-20
Adj. REBIT	**411**	**449**	**366**	**184**	**1,408**	**352**	**-14.3%**	**275**	**264**
margin (%)	*13.1%*	*13.6%*	*11.2%*	*6.1%*	*11.1%*	*10.9%*		*8.9%*	*8.5%*
Non recurring items (ex PPA)	**16**	**9**	**-10**	**2**	**17**	**-69**		**-25**	**-30**
Adj. EBIT	**427**	**458**	**356**	**186**	**1,426**	**283**	**-33.6%**	**250**	**236**
margin (%)	*13.6%*	*13.9%*	*10.9%*	*6.2%*	*11.2%*	*8.7%*		*8.1%*	*7.6%*
Adj. Net earnings (group's share)	**240**	**230**	**144**	**113**	**727**	**116**	**-51.7%**	**107**	**102**
Adj. EPS (in EUR)	2.95	2.82	1.76	1.38	8.92	1.43		1.31	1.25

Sources : Company reports, Bank Degroof estimates. CSS = consensus computed by Solvay on 23/04/2012).
Adj. Figures = data before PPA adjustements

Guidance: although Solvay foresees challenging market conditions globally to remain through the year for the most cycle-sensitive businesses, the company is confident in the success of the ongoing integration and expects to achieve a full-year Rebitda similar to the strong 2011 pro forma level (EUR 2,068m).

The net financial debt increased slightly to EUR 1,827m (debt /equity of 27.2%).

Earnings revisions: We will review our estimates upward following these stronger than assumed 1Q12 results and FY12 Rebitda guidance.

Conclusion & Action: *The strong 1Q12 figures and FY12 guidance will lead us to review our estimates upwards. We remain confident on the ability of the new Solvay to achieve the targeted savings and on the will of the new management, supported by the Board and the family, to continue the transformation of the company.*

We believe the share price will react positively to this news flow. Our TP is likely to be reviewed upwards.

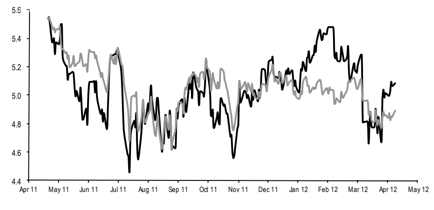
Accumulate

Recommendation unchanged

Share price: EUR	**5.09**
closing price as of 07/05/2012	
Target price: EUR	**5.60**
Target Price unchanged	
Reuters/Bloomberg	TLS1V.HE/TLS1V FH

Market capitalisation (EURm)	22,018
Current N° of shares (m)	4,330
Free float	49%
Daily avg. no. trad. sh. 12 mth	1,173,183
Daily avg. trad. vol. 12 mth (m)	6
Price high 12 mth (EUR)	5.55
Price low 12 mth (EUR)	4.46
Abs. perf. 1 mth	5.67%
Abs. perf. 3 mth	-3.33%
Abs. perf. 12 mth	-6.70%

Key financials (EUR)	12/11	12/12e	12/13e
Sales (m)	10,348	10,958	11,217
EBITDA (m)	4,192	4,197	4,339
EBITDA margin	*40.5%*	*38.3%*	*38.7%*
EBIT (m)	3,340	3,375	3,563
EBIT margin	*32.3%*	*30.8%*	*31.8%*
Net Profit (adj.)(m)	2,072	2,109	2,297
ROCE	15.5%	16.4%	17.1%
Net debt/(cash) (m)	7,408	6,588	7,077
Net Debt/Equity	*0.5*	*0.5*	*0.5*
Debt/EBITDA	1.8	1.6	1.6
Int. cover(EBITDA/Fin. int)	13.1	11.1	16.0
EV/Sales	2.2	2.0	2.0
EV/EBITDA	5.4	5.3	5.2
EV/EBITDA (adj.)	5.4	5.3	5.1
EV/EBIT	6.8	6.6	6.3
P/E (adj.)	10.9	10.4	9.6
P/BV	1.6	1.6	1.5
OpFCF yield	*3.5%*	*10.4%*	*7.7%*
Dividend yield	*6.3%*	*7.1%*	*7.2%*
EPS (adj.)	0.48	0.49	0.53
BVPS	3.31	3.28	3.29
DPS	0.32	0.36	0.37



Source: Factset

Shareholders: Swedish state 37%; Finnish state 14%; Swedbank Robur Funds 3%;

Analyst(s):
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Raises stake in TEO LT

The facts: TeliaSonera announced it is raising its stake in TEO, a Lithuanian fixed-network operator, to just over 76% from the current 68%. The seller is the private equity company East Capital and the consideration totals EUR 38.9m. TeliaSonera is also launching a takeover bid for all outstanding shares (TEO is a listed company) with a total value of EUR 118m, offering a 5% premium to TEO's closing price yesterday.

Our analysis: On our forecasts for this year, **t**he price offered represents about 5.5x TEO's EBITDA. The multiple is not demanding, which is implicit in the reasonably moderate premium. TeliaSonera seeks to increases ownership in core companies.

Conclusion & Action: *The action represents yet another step in the right direction. The news should not have a significant impact on the share price today.*

Zurich Financial Services

Switzerland/Insurance

Analyser

ESN

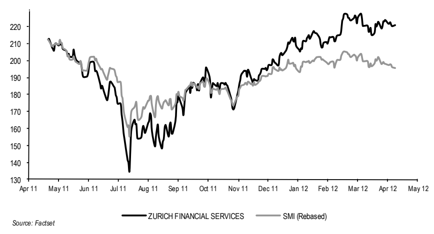
Accumulate

Recommendation unchanged

Share price: CHF	**221.10**
closing price as of 07/05/2012	
Target price: CHF	**260.00**
from Target Price: CHF	**241.78**
Reuters/Bloomberg	ZURZn.S/ZURN VX

Market capitalisation (CHFm)	32,587
Current N° of shares (m)	147
Free float	100%
Daily avg. no. trad. sh. 12 mth	740,681
Daily avg. trad. vol. 12 mth (m)	157
Price high 12 mth (CHF)	227.90
Price low 12 mth (CHF)	134.75
Abs. perf. 1 mth	0.18%
Abs. perf. 3 mth	3.60%
Abs. perf. 12 mth	1.09%

Key financials (USD)	12/11	12/12e	12/13e
Life Gross premiums (m)	11,584	11,871	12,460
Non-Life Gross prem.(m)	38,101	37,201	38,017
Total Net Revenues (m)	*51,792*	*62,583*	*66,878*
EBIT (m)	5,358	4,536	4,854
Net Profit (adj.) (m)	3,801	3,843	4,309
Shareholders Equity (m)	31,636	32,611	34,030
ANAV (m)	*6,114*	*6,551*	*7,432*
ROE (adj.) (%)	12.6	12.5	13.5
Combined ratio (%)	99.7	98.6	97.3
P/E (adj.)	8.2	9.2	8.2
P/BV	1.0	1.1	1.0
P/ANAV	5.1	5.4	4.8
P/EbV	0.9	1.0	1.0
Dividend Yield	7.6%	7.7%	7.6%
EPS (adj.)	25.79	26.08	29.24
BVPS	*214.65*	*221.26*	*230.89*
ANAVPS	*41.48*	*44.45*	*50.43*
EbVPS	233.97	233.97	233.97
DPS	18.13	18.43	18.30



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Q1 12 preview

The facts: the company is set to report its Q1 on May 10.

Our analysis: we expect a strong growth from a year earlier on the back of lower frequency and severity of nat cat claims**.**

Q1 12 estimates

USD m	Consensus Dow Junes	Y/Y Ch%	AKROS	Y/Y Ch%
BOP before tax	**1,134**	***33%***	**1,186**	***40%***
o/w General insurance	NA		601	*118%*
o/w Global life	NA		370	*2%*
o/w Farmers	NA		400	*5%*
profit	**1,032**	***62%***	**889**	***40%***
Sh. equity (*)	**30,586**	***2%***	**31,103**	***3%***

BOP = business operating profit as stated, (*) incl. preferred shares

General insurance	Q1 10	Q1 11	Q1 12 E
reported CR	***99.0%***	***103.6%***	***96.2%***
reserve release	*3.5%*	*3.8%*	*3.8%*
nat cat	*-2.8%*	*-6.8%*	*-2.0%*
large claims	*-6.6%*	*-8.4%*	*-8.0%*
= underlying CR	***93.1%***	***92.2%***	***90.0%***

Source: company, DJ consensus and BANCA AKROS estimates

Our forecasts, however, are quite conservative since they do not include the acquisition of Santander's operations in South America and Malaysia-based business yet: the management said at the FY11 CC that it would give more insights in these businesses' contribution after a more complete review of their accounts under IFRS. In early 2011, Zurich extended the partnership with Santander in LatAm, giving Zurich access to a banking network of 5,600 branches and additional 36 million customers in the region. Zurich, which already had large bancassurance operations with the Spanish bank, acquired 51% of a new entity set up to combine all the insurance operations of Santander in Brazil and other countries. The deal, finalised in late 2011, was expected to add USD 2bn of written premia (70% in protection products to be included in Zurich's global life business segment) and USD300m, before goodwill amortisation, on annual basis.

The management will also disclose the final year-end solvency, expected to stand at 190% and in the 100%-110% range under the binding Swiss regime and the company's internal model respectively, including the impact from the acquisition of Santander and Malaysia. The review of the assumptions used to calculate the solvency under the Swiss regime by Finma, due to have been completed in April with a more conservative stance, is likely to reduce the ratio by 5-10 %-points, also lowering the guided proportion of 1.8x between SST (less conservative) and internal model (more conservative) - the Ceo said in the FY11 CC.

***Conclusion & Action:** we keep Zurich among our buy conviction list in the sector, although more defensive names could be played in the short term to withstand the possible new escalation in the euro crisis due to both the number of political elections ahead and the collapsing confidence indicators in the region. We expect this release to support our stance on the stock as sector top pick in the medium term.*

Aareal Bank
Germany/Banks

Analyser

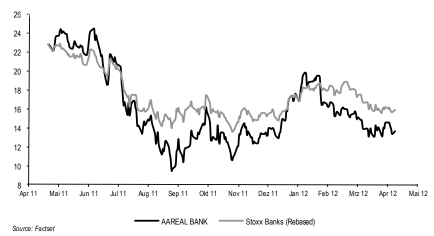
Hold
Recommendation unchanged

Share price: EUR	**13.68**
closing price as of 07/05/2012	
Target price: EUR	**18.00**
Target Price unchanged	
Reuters/Bloomberg	ARLG.DE/ARL GY

Market capitalisation (EURm)	819
Current N° of shares (m)	60
Free float	71%

Daily avg. no. trad. sh. 12 mth	587,976
Daily avg. trad. vol. 12 mth (m)	10
Price high 12 mth (EUR)	24.52
Price low 12 mth (EUR)	9.48
Abs. perf. 1 mth	-1.55%
Abs. perf. 3 mth	-26.05%
Abs. perf. 12 mth	-36.19%

Key financials (EUR)	12/11p	12/12e	12/13e
Total Revenue (m)	708	650	676
Pre-Provision Profit (PPP) (m)	326	295	314
Operating profit (OP)	*214*	*175*	*194*
Earnings Before Tax (m)	185	175	204
Net Profit (adj.) (m)	*93*	*86*	*105*
Shareholders Equity (m)	2,210	2,296	2,402
Tangible BV (m)	2,191	2,277	2,383
RWA (m)	15,300	17,259	17,777
ROE (adj.)	*5.7%*	*4.5%*	*5.2%*
Tier1 Ratio	16.3%	15.0%	15.1%
Cost/Income	54.0%	54.6%	53.5%
P/PPP	2.3	2.8	2.6
P/E (adj.)	8.2	9.5	7.8
P/BV	0.4	0.4	0.4
P/NAV	0.4	0.4	0.4
Dividend Yield	0.0%	0.0%	1.8%
PPPPS	6.00	4.93	5.25
EPS (adj.)	*1.71*	*1.44*	*1.76*
BVPS	*31.91*	*33.35*	*35.11*
NAVPS	31.59	33.03	34.80
DPS	0.00	0.00	0.25



Shareholders: Verwaltungsgesellschaft 29%;

Analyst(s):
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Slightly weaker Q1 results ahead (10.5.2012)

The facts: We expect Aareal Bank to report slightly weaker Q1 results next Thursday (10.5.2012) due to a lower net interest income and a lower trading profit. New business should have amounted to EUR 1.1bn in Q1 and ARL's CT ratio should have increased by 20 basis points qoq to 11.5%. We do not expect Aareal to have become more positive since its Q4 analyst meeting, i.e. the 2012 profit target should remain cautious.

Our analysis: Due to the increased ECB deposits net interest income should have declined by 3% yoy (-11% qoq) to EUR 130m. At the same time commission income should have increased by 27% yoy (-16% qoq) to EUR 38m due to lower SoFFin fees. We forecast a trading profit of EUR -20m due to negative effects from Aareal Bank's cross-currency swaps – the MtM effect of the spread narrowing, seen in Q1, should have been negative. Risk provisions should have increased by 11% yoy (-41% qoq) to EUR 20m, still a very low level. We forecast costs of EUR 90m (-1% yoy, -12% qoq) for Q1. This should have resulted in a pretax profit of EUR 41m (-13% yoy/qoq) and a net profit of EUR 19m (-22% yoy/qoq).

Aareal Bank - Q1 2012

P&L Figures (EUR m)	Q1 2012e	Q4 2011	equinet	qoq	yoy	Consensus
Net interest income	130	146	130	-11.0%	-3.0%	137
Commission Income	38	45	38	-15.6%	26.7%	37
Trading profit	-20	-11	-20	81.8%	150%	na
Other operating profit	0	-4	0	-100.0%	-100%	na
Costs	90	102	90	-11.8%	-1.1%	91
Risk provisions	20	34	20	-41.2%	11.1%	22
Other revenues	3	7	3	-57.1%	-150.0%	na
Pretax Profit	41	47	41	-12.8%	-12.8%	42
Net Profit	19	24	19	-22.1%	-22.1%	22
Total revenues	151	183	151	-17.5%	-11.4%	na
Pre-Provision Profit	61	81	61	-24.7%	-9.0%	na
CIR	59.6%	55.7%	59.6%	nm		na

Source: equinet, Aareal Bank

Conclusion & Action: *For the time being we do not see any share price triggers for Aareal Bank and hence stick to our Hold rating with a TP of EUR 18.00 despite the low valuation (2013e P/NAV: 0.4x).*

Agennix

Germany/Biotechnology

Analyser

Buy

Recommendation unchanged

Share price: EUR	**1.71**

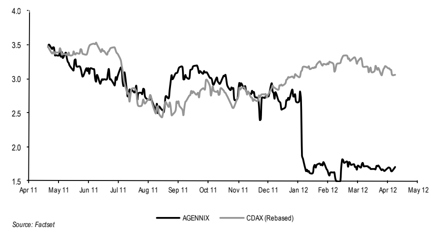
closing price as of 07/05/2012

Target price: EUR	**2.40**

Target Price unchanged

Reuters/Bloomberg	AGX.DE/AGX GR
Market capitalisation (EURm)	88
Current N° of shares (m)	51
Free float	27%
Daily avg. no. trad. sh. 12 mth	8,773
Daily avg. trad. vol. 12 mth (m)	0
Price high 12 mth (EUR)	3.51
Price low 12 mth (EUR)	1.50
Abs. perf. 1 mth	-0.64%
Abs. perf. 3 mth	2.34%
Abs. perf. 12 mth	-52.40%

Key financials (EUR)	12/11	12/12e	12/13e
Sales (m)	0	0	45
EBITDA (m)	(45)	(45)	9
EBITDA margin	*nm*	*nm*	*20.3%*
EBIT (m)	(45)	(46)	8
EBIT margin	*nm*	*nm*	*18.5%*
Net Profit (adj.)(m)	(42)	(47)	8
ROCE	-31.0%	-31.7%	5.8%
Net debt/(cash) (m)	(44)	(1)	(45)
Net Debt/Equity	*-0.3*	*0.0*	*-0.4*
Debt/EBITDA	1.0	0.0	-4.9
Int. cover(EBITDA/Fin. int)	(112.1)	(119.1)	15.5
EV/Sales	nm	nm	0.9
EV/EBITDA	nm	nm	4.6
EV/EBITDA (adj.)	nm	nm	4.6
EV/EBIT	nm	nm	5.0
P/E (adj.)	nm	nm	11.2
P/BV	0.8	0.9	0.9
OpFCF yield	*-38.5%*	*-48.7%*	*51.2%*
Dividend yield	*0.0%*	*0.0%*	*0.0%*
EPS (adj.)	(0.99)	(0.91)	0.15
BVPS	3.32	1.83	1.98
DPS	0.00	0.00	0.00



Shareholders: Dievini Hopp 65%; Cain Family 8%;

Analyst(s):
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Q1'12 preview

The facts: Agennix xis due to release its Q1'12 results on May 9.

Our analysis:

EUR m	Q1 2012e	Q1 2011	%	2012e	2011	%
Sales	0,0	0,0	n.m	0,0	0,0	n.m
EBIT	-13,0	-10,5	23%	-46,0	-45,5	1%
EBT	-12,9	-11,5	12%	-46,9	-42,6	10%
Net profit	-12,9	-8,6	50%	-46,9	-41,8	12%
EPS (€)	-0,25	-0,21	20%	-0,91	-0,98	-7%
net cash	30,2	66,1	-54%	0,7	43,9	-98%

Source: Agennix, equinet Research

Q1 P&L forecasts: While the failure of the OASIS trial in severe sepsis was announced in early February, we expect still relatively high level of R&D in Q1. A large chunk of the OASIS costs should have been paid upfront to the CRO, beside additional expenses related to the closure of certain clinical sites should have weighed in Q1. We expect R&D effort in the range of EUR10m. Admin costs should be up YoY (up 31% to EUR3m) due to intensified launch activities ahead of the FDA decision on talactoferrin approval this summer. All in all we expect a net loss of EUR12.9m in Q1.

Cash position: At the end of March 2012, we forecast Agennix net cash position to amount to EUR30.2m, translating a monthly burn rate of EUR3.5m

News flow: We would not expect significant news flow in the scope of the Q1 reporting. The company is likely to reiterate the time line it provided for the FORTIS M phase III data publication (July/August). Potentially, further details on the OASIS trial might be disclosed by the company. However, we would not expect a clear decision on the next development step in severe sepsis to be made before FORTIS M delivers its phase III results in NSCLC.

Conclusion & Action: *We would not expect meaningful news flow in the Q1 reporting. Key to the investment case will be the upcoming FORTIS M phase III data publication in July/August.*

Agfa-Gevaert

Belgium/Electronic & Electrical Equipment

Analyser

Accumulate

Recommendation unchanged

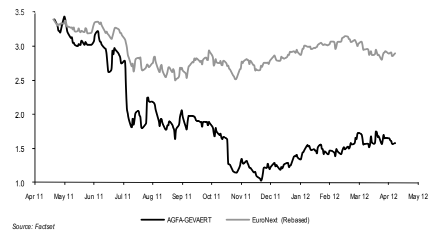
Share price: EUR	**1.58**
closing price as of 07/05/2012	
Target price: EUR	**2.50**
Target Price unchanged	

Reuters/Bloomberg	AGFB.BR/AGFB BB

Market capitalisation (EURm)	265
Current N° of shares (m)	168
Free float	98%

Daily avg. no. trad. sh. 12 mth	532,488
Daily avg. trad. vol. 12 mth (m)	1
Price high 12 mth (EUR)	3.57
Price low 12 mth (EUR)	1.03
Abs. perf. 1 mth	0.64%
Abs. perf. 3 mth	3.27%
Abs. perf. 12 mth	-53.53%

Key financials (EUR)	12/11	12/12e	12/13e
Sales (m)	3,023	3,056	3,105
EBITDA (m)	125	191	242
EBITDA margin	*4.1%*	*6.3%*	*7.8%*
EBIT (m)	36	106	158
EBIT margin	*1.2%*	*3.5%*	*5.1%*
Net Profit (adj.)(m)	(8)	27	77
ROCE	1.3%	3.9%	5.8%
Net debt/(cash) (m)	267	247	171
Net Debt/Equity	*0.3*	*0.8*	*0.5*
Debt/EBITDA	2.1	1.3	0.7
Int. cover(EBITDA/Fin. int)	7.0	9.8	25.9
EV/Sales	0.4	0.6	0.6
EV/EBITDA	8.6	9.4	7.1
EV/EBITDA (adj.)	8.6	9.4	7.1
EV/EBIT	29.8	17.0	10.9
P/E (adj.)	nm	9.9	3.4
P/BV	0.2	1.0	0.8
Dividend yield	*0.0%*	*0.0%*	*0.0%*
EPS (adj.)	(0.05)	0.16	0.46
BVPS	5.72	1.57	1.97
DPS	0.00	0.00	0.00



Shareholders: Treasury Shares 2%;

Analyst(s):

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Preview 1Q12 - The traditional Pre-Drupa dip?

The facts: Agfa-Gevaert is scheduled to report its 1Q12 results on Wednesday, May 9 before market opening. The associated conference call is scheduled the same day at 3:30 pm (CET).

On May 15 Agfa-Geveart is organising an Analyst Event at Drupa, the world's leading trade fair for the printed media industry that takes place every four years. Approximately 1,850 exhibitors from more than 50 countries will be presents at the fair. Given its four annual nature it matches the economic life time of a lot of printing equipment. It is therefore the ideal place for printing companies to make their investment decisions.

Early March the company indicated that given the rather unpredictable economic environment, it was difficult to provide guidance. However assuming that raw material prices will not substantially differ from their current levels, Agfa-Gevaert expressed its ambition to restore its operational efficiency in order to reach a double digit recurring EBITDA percentage in the medium to long term.

Our analysis: We expect 1Q12 to be a fairly weak quarter, especially vs. 1Q11 which was a strong quarter. While Agfa-Gevaert's profitability benefited from a seasonal strong 4Q11, we expect this was not the case in 1Q12. Hence we expect to see pressure on the 1Q12 gross margin due to manufacturing inefficiencies. The company has worked hard on reducing its silver exposure, which resulted in a steady volume decrease of silver, though also led to a lower capacity utilisation rate. Agfa-Geavert already announced it has plans to undertake restructuring measures to restore profitability, though we expect these measures will not have contributed positively to 1Q12. Moreover we expect lower Agfa Graphics equipment sales in 1Q12 as customers were anticipating Drupa.

Considering our and consensus figures vs. the FY12 expectations we feel 1Q12 estimates should be in reach for Agfa-Gevaert, hence we don't expect an earnings disappointment tomorrow.

Agfa-Gevaert : key figures (EUR m)	1Q11	FY11	1Q12e	% Change QoQ	% Change YoY	1Q12 Consensus	FY12e	% Change YoY
Sales	**736**	**3,023**	**732**	**-9.0%**	**-0.5%**	**721**	**3,056**	**1.1%**
- Agfa Graphics	386	1,596	380	-9.2%	-1.6%	377	1,598	0.1%
- Agfa Healthcare	287	1,177	294	-11.7%	2.5%	282	1,230	4.5%
- Agfa Specialty Products	63	250	59	8.3%	-7.1%	62	228	-8.8%
Gross profit	**231**	**846**	**199**	**-8.6%**	**-13.8%**		**883**	**4.3%**
Margin	***31.4%***	***28.0%***	***27.2%***				***28.9%***	
EBIT before restructuring	**40**	**129**	**25**	**-41.8%**	**-37.4%**	**23**	**157**	**21.4%**
Margin	***5.4%***	***4.3%***	***3.4%***				***5.1%***	
- Agfa Graphics	17.0	48.0	8.7	-29.6%	-48.6%	7.0	63.0	31.2%
Margin	4.4%	3.0%	2.3%				3.9%	
- Agfa Healthcare	20.1	78.5	16.7	-46.9%	-16.8%	17.0	91.3	16.3%
Margin	7.0%	6.7%	5.7%				7.4%	
- Agfa Specialty Products	3.5	5.2	0.6	-158.5%	-83.3%	0.0	6.3	20.6%
Margin	5.6%	4.1%	1.0%				2.1%	
- Not allocated cost	-0.6	-2.7	-1.0	-1100.0%	66.7%	0.0	-4.0	48.1%
Restructuring Charges	-8	-93	-14				-51	-45.2%
EBIT after restructuring	**32**	**36**	**12**	**-196.2%**	**-63.9%**	**10**	**106**	**193.2%**
Margin	***4.3%***	***1.2%***	***1.6%***				***3.5%***	
Non operating result	-23	-84	-23	21.1%	0.0%		-88	4.3%
Profit before taxes	**9**	**-48**	**-11**	**-63.0%**	**-227.3%**		**18**	**-137.4%**
Taxes	-4	-23	-6	-52.3%	43.2%		-27	16.7%
Net profit (group share)	**5.0**	**-69.0**	**-17.2**	**-60.0%**	**-443.7%**	**-11.0**	**-8.9**	**-87.1%**
EPS	**0.03**	**-0.44**	**-0.10**	**-60.0%**	**-443.7%**	**-0.07**	**-0.05**	**-87.8%**

Conclusion & Action: *We have an Accumulate rating and a TP of EUR 2.50.*

Arcadis

Netherlands/General Industrials

Buy

Recommendation unchanged

Share price: EUR	**17.28**

closing price as of 07/05/2012

Target price: EUR	**20.00**

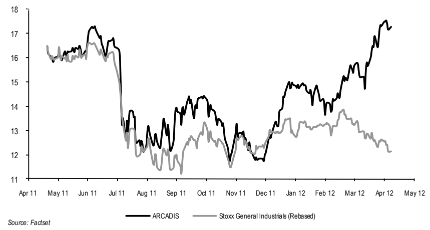
Target Price unchanged

Reuters/Bloomberg	ARDS.AS/ARCAD NA

Market capitalisation (EURm)	1,217
Current N° of shares (m)	70
Free float	57%

Daily avg. no. trad. sh. 12 mth	111,482
Daily avg. trad. vol. 12 mth (m)	2
Price high 12 mth (EUR)	17.54
Price low 12 mth (EUR)	11.75
Abs. perf. 1 mth	13.68%
Abs. perf. 3 mth	16.25%
Abs. perf. 12 mth	2.55%

Key financials (EUR)	12/11	12/12e	12/13e
Sales (m)	2,017	2,386	2,571
EBITDA (m)	167	213	246
EBITDA margin	*8.3%*	*8.9%*	*9.6%*
EBIT (m)	134	174	203
EBIT margin	*6.7%*	*7.3%*	*7.9%*
Net Profit (adj.)(m)	82	101	126
ROCE	11.1%	13.0%	14.8%
Net debt/(cash) (m)	237	227	170
Net Debt/Equity	*0.5*	*0.4*	*0.3*
Debt/EBITDA	1.4	1.1	0.7
Int. cover(EBITDA/Fin. int)	7.2	9.0	11.0
EV/Sales	0.5	0.6	0.5
EV/EBITDA	5.9	6.4	5.4
EV/EBITDA (adj.)	5.9	6.4	5.4
EV/EBIT	7.4	7.9	6.5
P/E (adj.)	10.1	12.0	9.8
P/BV	1.8	2.3	2.6
OpFCF yield	*9.3%*	*4.0%*	*8.1%*
Dividend yield	*2.7%*	*3.1%*	*3.5%*
EPS (adj.)	1.20	1.45	1.76
BVPS	6.68	7.38	6.68
DPS	0.47	0.54	0.61



Source: Factset

Shareholders: St. Lovinklaan 21%; Delta lloyd 5%; Delta Deelnemingen Fd 5%; ASR Nederland 5%;

Analyst(s):
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Large contract win EC Harris

The facts: Last year acquired EC Harris, has won a contract from Lloyds Banking Group, the UK's largest retail bank, as its single source Professional Services Provider (PSP) for the next three years, beginning in April 2012.

EC Harris will support Lloyds Banking Group in the delivery of capital construction across its retail banking network, head offices and data centers throughout the UK. No financial details were disclosed.

Our analysis: Through this contract, Lloyds Banking Group will become one of EC Harris' top five clients in the UK. Currently, Lloyds has over 2,900 retail branches (including Lloyds TSB, Halifax, Bank of Scotland and Cheltenham & Gloucester brands) and over 211 offices which (including data centers), which makes up a portfolio of over 1m m2. This

The scope of work for EC Harris will include commercial management, capital planning, project management and Construction Design Management Coordination (CDMC). A client of this size will have a continuous flow of activities related to new locations, closing location and refurbishing locations and as such, we expect this contract to be worth several tens of millions Euro's a year.

For Lloyds, coping with one single source partner for its network will enable the Group to deliver efficiencies and innovation

Conclusion & Action: *The UK is a large market for EC Harris (around 57% of revenues) and Lloyds Banking Group is another benchmark client (like Shell and BAA). As we believe that there is a lot of value in these type of contracts (multiple discipline, higher margins) we welcome this deal.*

Astaldi

Italy/Construction & Materials

Analyser

ESN

Buy

Recommendation unchanged

Share price: EUR	**5.25**

closing price as of 07/05/2012

Target price: EUR	**7.60**

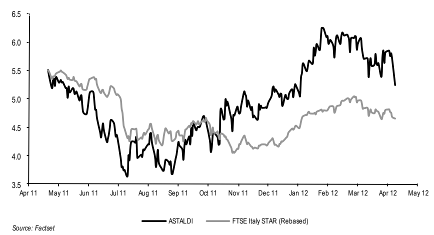
Target Price unchanged

Reuters/Bloomberg	AST.MI/AST IM

Market capitalisation (EURm)	516
Current N° of shares (m)	98
Free float	48%

Daily avg. no. trad. sh. 12 mth	268,774
Daily avg. trad. vol. 12 mth (m)	1
Price high 12 mth (EUR)	6.26
Price low 12 mth (EUR)	3.64
Abs. perf. 1 mth	-8.14%
Abs. perf. 3 mth	-4.46%
Abs. perf. 12 mth	-8.14%

Key financials (EUR)	12/11	12/12e	12/13e
Sales (m)	2,357	2,649	3,006
EBITDA (m)	257	292	324
EBITDA margin	*10.9%*	*11.0%*	*10.8%*
EBIT (m)	198	225	248
EBIT margin	*8.4%*	*8.5%*	*8.2%*
Net Profit (adj.)(m)	68	84	95
ROCE	16.4%	14.4%	14.3%
Net debt/(cash) (m)	480	636	666
Net Debt/Equity	*1.0*	*1.1*	*1.1*
Debt/EBITDA	1.9	2.2	2.1
Int. cover(EBITDA/Fin. int)	3.4	3.4	3.6
EV/Sales	0.4	0.4	0.4
EV/EBITDA	3.8	4.0	3.7
EV/EBITDA (adj.)	3.8	4.0	3.7
EV/EBIT	4.9	5.2	4.8
P/E (adj.)	7.1	6.1	5.5
P/BV	1.0	1.0	0.8
OpFCF yield	*-9.8%*	*11.4%*	*14.1%*
Dividend yield	*3.2%*	*4.1%*	*4.6%*
EPS (adj.)	0.70	0.86	0.96
BVPS	4.77	5.48	6.27
DPS	0.17	0.21	0.24



Source: Factset

Shareholders: Astaldi family 52%;

Analyst(s):
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+39 02 4344 4240

Sound results notwithstanding harsh winter

The facts: Astaldi released its Q1 12 results yesterday before market closing. A conference call is scheduled on May 14 at 3:00 PM CET.

Our analysis: Astaldi's results were higher than our estimates at a net income level mainly as a result of lower than expected financial charges and the contribution of the hydroelectric power plant in Chile (stakes at equity). EBIT was almost in line with our estimate since a lower than expected EBITDA was offset by lower D&A. The decrease in EBITDA margin to 10.3% from 12.6% of Q4 11 and 11.0% of Q1 11 is related to a greater incidence of indirect production (performed through consortia) during Q1 which resulted in decrease in EBITDA margin, made up at EBIT level through a lower incidence of amortisation and depreciation.

	Q1 11	Q1 12a	Y/Y%	Q1 12e
Contract revenues	489.4	504.5		499.6
Total revenues	511.0	522.3	*2.2%*	523.9
Ebitda	56.4	53.9	*-4.3%*	59.5
Ebitda margin	11.0%	10.3%		11.4%
Ebit	44.3	44.9	*1.2%*	45.6
Ebit margin	8.7%	8.6%		8.7%
financial charges	-16.5	-18.6		-20.2
stakes at equity	0.0	2.4		0.2
Profit before taxes	27.8	28.6	*3.0%*	25.6
Taxes	-10.5	-10.8		-9.7
Net income	17.2	17.8	*3.2%*	15.9
Minorities	0.1	0.0		-0.2
Net income	17.3	17.7	*2.5%*	15.7

Excellent new orders and backlog – at the end of Q1 12 the order backlog was EUR 10.4bn with new orders accounting for EUR 907m.

Higher net debt after EUR 87m investments in concessions – Astaldi's net debt increased from EUR 623.7m at the end of 2011 to EUR 703.0m at the end of the first quarter. The main driver of this increase was the concession sector in which the company invested EUR 87m in Q1 (Milas-Bodrum Airport, Gebxe Izmir motorway).

2012 outlook – the company did not provide targets on 2012 but it confirmed its focus on the development of the concession sector which, as from 2012, will make a more significant contribution the group's results. Furthermore the company stated that the new business plan, which is going to be presented in the next few months, will be based on an increased use of project finance and private funding, the development of new markets (Canada and Peru) and sectors (mining and Latin America) as well as on commercial activities in traditional markets and sectors.

Conclusion & Action: *Astaldi's Q1 results were sound notwithstanding a harsh winter. The new orders were excellent while the increase in net debt is consistent with Astaldi's strategy and the development of greenfield concessions.*

Augusta Technologie AG

Germany/Electronic & Electrical Equipment

Analyser

Buy

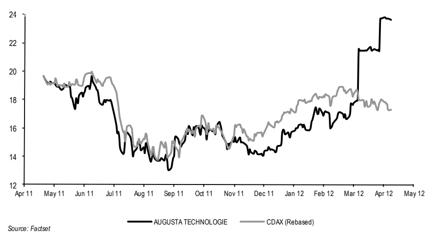
Recommendation unchanged

Share price: EUR	**23.61**
closing price as of 07/05/2012	
Target price: EUR	**28.00**
Target Price unchanged	
Reuters/Bloomberg	ABE1.DE/ABE1 GR

Market capitalisation (EURm)	180
Current N° of shares (m)	8
Free float	70%

Daily avg. no. trad. sh. 12 mth	23,568
Daily avg. trad. vol. 12 mth (m)	0
Price high 12 mth (EUR)	23.78
Price low 12 mth (EUR)	13.01
Abs. perf. 1 mth	10.17%
Abs. perf. 3 mth	47.42%
Abs. perf. 12 mth	21.11%

Key financials (EUR)	12/11	12/12e	12/13e
Sales (m)	101	110	119
EBITDA (m)	19	19	21
EBITDA margin	*18.7%*	*17.1%*	*17.7%*
EBIT (m)	13	14	16
EBIT margin	*12.8%*	*12.5%*	*13.2%*
Net Profit (adj.)(m)	6	12	13
ROCE	9.0%	10.6%	11.5%
Net debt/(cash) (m)	(43)	(48)	(60)
Net Debt/Equity	*-0.3*	*-0.3*	*-0.4*
Debt/EBITDA	-2.2	-2.5	-2.9
Int. cover(EBITDA/Fin. int)	14.2	16.7	20.3
EV/Sales	0.6	1.2	1.0
EV/EBITDA	3.3	6.8	5.8
EV/EBITDA (adj.)	3.5	6.8	5.8
EV/EBIT	4.8	9.3	7.7
P/E (adj.)	17.4	15.3	13.6
P/BV	0.8	1.2	1.1
OpFCF yield	*39.2%*	*4.7%*	*5.2%*
Dividend yield	*2.5%*	*1.7%*	*1.9%*
EPS (adj.)	0.83	1.54	1.73
BVPS	18.96	19.58	20.59
DPS	0.60	0.40	0.45



Shareholders: EQMC 10%; Own Shares 10%; DAH Beteiligungsges. mbH 10%;

Analyst(s):

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1Q12 preview

The facts: Augusta Technologie (ABE1) will report **1Q12 figures on Wednesday, May 9, 2012**.

Our analysis: Clearly, the figures will have limited impact on the share price as ABE1 is in the process of being acquired by TKH. Nevertheless, **it is important to know whether the company's 1Q12 can add confidence that FY12 targets will be reached. The latter should be relevant for valuation statements** as part of the process. Our forecast for the quarter is as follows:

1Q12 preview

in EUR m	1Q12e	1Q11	yoy
Order intake	25.0	23.6	6%
Sales	**24.5**	**24.3**	**1%**
- thereof Sensors	8.5	8.0	6%
- thereof Vision	16.0	16.3	-2%
Adj. EBITDA	**4.2**	**4.0**	**5%**
EBITDA margin	*17.1%*	*16.5%*	*+60bp*
- thereof Sensors	0.7	0.5	48%
EBITDA margin	*8.2%*	*5.9%*	*+230bp*
- thereof Vision	4.5	4.8	-7%
EBITDA margin	*28.1%*	*29.6%*	*-150bp*
- thereof Consolidation/Holding	-1.0	-1.3	-23%
Rep. net result	**2.3**	**3.2**	**-27%**

Source: company data, equinet estimates

We expect management to reiterate the guidance: For the full year, ABE1 guides for sales of EUR 100-110m and an EBITDA of EUR 16-20m. Thus, 1Q12 should contribute at least c. 25% to the lower end of the aforementioned ranges. In a yoy comparison, 1Q12 looks relatively weak, however, one has to take into account that 1Q11 was exceptionally strong and the acquired LMI has to compensate the missing top line contribution of P+S Technik that was accounted at equity as of 4Q11. Overall, we would be very content once the quarter would be released as outlined above.

We hope that the BaFin-approved offering document should be available just before the AGM (May 16) providing the opportunity for official management comments on the planned take over by TKH for EUR 23 per share (already revised upwards from EUR 21). Although those comments should support the deal, **we would still not rule out a higher price at a later stage**. Furthermore, the proposed dividend of EUR 0.60 should be paid.

Conclusion & Action: *We confirm our 'Buy' rating and keep our PT of EUR 28.*

Banimmo

Belgium/Real Estate

Analyser

Accumulate

Recommendation unchanged

Share price: EUR	**9.09**

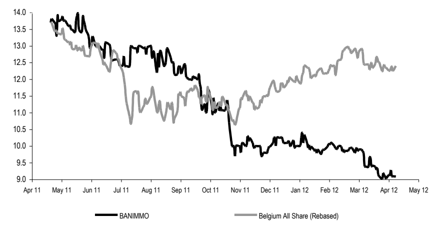
closing price as of 07/05/2012

Target price: EUR	**14.00**

Target Price unchanged

Reuters/Bloomberg	BANI.BR/BANI BB
Market capitalisation (EURm)	103
Current N° of shares (m)	11
Free float	23%
Daily avg. no. trad. sh. 12 mth	1,547
Daily avg. trad. vol. 12 mth (m)	0
Price high 12 mth (EUR)	13.98
Price low 12 mth (EUR)	9.03
Abs. perf. 1 mth	-3.19%
Abs. perf. 3 mth	-8.73%
Abs. perf. 12 mth	-30.08%

Key financials (EUR)	12/11	12/12e	12/13e
Gross Rental Income (m)	18	16	13
EBITDA (m)	8	7	4
EBITDA margin	*47.3%*	*40.7%*	*30.9%*
Portfolio Result (m)	0	8	11
Net Financial Result	*(7)*	*(3)*	*(3)*
Net Profit (adj.)(m)	5	12	13
Funds From Operations	5	12	13
EPS (adj.)	0.47	1.04	1.15
DPS	*0.27*	*0.35*	*0.40*
IFRS NAVPS	11.74	11.74	11.74
EPRA NAVPS	11.78	11.77	11.75
Premium/(Discount)	(14.9%)	(22.6%)	(22.6%)
Earnings adj. yield	*5.2%*	*11.4%*	*12.7%*
Dividend yield	*3.0%*	*3.9%*	*4.4%*
EV/EBITDA	*39.1*	*40.1*	*59.6*
P/E (adj.)	*21.3*	*8.8*	*7.9*
Int. cover(EBITDA/Fin.int)	*0.9*	*0.7*	*0.5*
Net debt/(cash) (m)	*211*	*157*	*132*
Net Debt/Total Assets	*56.1%*	*42.0%*	*37.2%*



Shareholders: Affine 50%; Management 27%;

Analyst(s):

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Built to suit and new tenant

The facts: Banimmo has announced this morning that it will develop a new “built to suit” in Charleroi and also that it has concluded a new renting contract in its building Diamond in Brussels.

The built to suit building will be occupied by a first rank financial group (BNP Paribas Real Estate acted as exclusive agent in this transaction) which has entrusted the construction of a new office building to host its new regional headquarters. The building is located in the well known Boulevard Tirou in Charleroi and will have a total surface of 8,000 sqm on 8 above ground levels. The 3 underground levels will house about 75 parking spots.

The construction will take about 24 months and will allow the tenant to occupy its new regional headquarters as from the end of 2014, based on a 15 years lease contract.

This development will occur through a joint-venture (50/50) with the company Adventis.

Additionally, Banimmo has concluded a new renting contract for a 9-year period in its building Diamond, for an additional office surface of 1,410 sqm at market-conform conditions. This office building, with a total surface of 12,800 sqm, is located at Humaniteits laan 292 in Brussels and is ideally located along the Ring road of Brussels. With this new contract, occupancy rate of the building increases from 67% to 78%.

Conclusion & Action: *the announcement of a built to suit contract is obviously a good news considering the potential comfortable capital gains. This being said, we should not expect in this project capital gains of similar levels than those recorded for the delivery of the Mobistar building (JV with the owner of the land). We stick to our accumulate and TP of EUR 14 built on a discount of 11% to a SOTP.*

BB BIOTECH

Germany/Financial Services

Analyser

ESN

Buy

Recommendation unchanged

Share price: EUR	**63.10**

closing price as of 07/05/2012

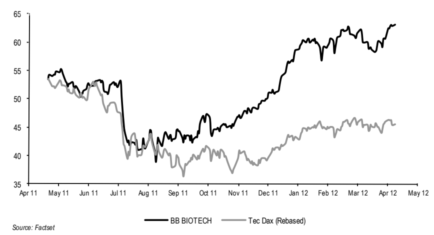
Target price: EUR	**73.00**

Target Price unchanged

Reuters/Bloomberg	BION.DE/BBZA GR

Market capitalisation (EURm)	788
Current N° of shares (m)	12
Free float	100%
Daily avg. no. trad. sh. 12 mth	23,282
Daily avg. trad. vol. 12 mth (m)	1
Price high 12 mth (EUR)	63.10
Price low 12 mth (EUR)	38.85
Abs. perf. 1 mth	5.28%
Abs. perf. 3 mth	4.77%
Abs. perf. 12 mth	21.60%

Estimated NAV breakdown (CHFm)		
Actelion	169.0	14%
Celgene	168.1	14%
Vertex Pharmaceuticals	151.2	13%
Incyte	103.2	9%
Gilead	97.0	8%
Novo Nordisk	79.9	7%
Amylin Pharmaceuticals	53.7	4%
NAV others component	374.6	31%
Total Net Asset Value	1,196.6	100%
NAVPS (EUR)	82.317	
Share price*: EUR	63.10	
Discount/(Premium) to NAV	-23.4%	



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Another major clinical success in portfolio

The facts: Yesterday, the share of Vertex, 4th largest position in BBB's portfolio surged by c. 47% on strong phase II data in Cystic Fibrosis.

Our analysis:

Vertex Pharmaceuticals: Vertex (VRTX) is a US company (mcap: USD7,900m) with two recently approved drugs: Incivek (telaprevir / cleared by the FDA in May 2011) in the treatment of hepatitis C and Kalydeco (ivacaftor / cleared by the FDA on Feb. 2012) for the treatment of Cystic fibrosis (CF). The company had been mostly known for Incivek which brought a major breakthrough in the treatment of hepatitis C. Launched at the end of May last year, Incivek generated close to USD900m revenues in FY11. Kalydeco delivered solid data in a sub group of the Cystic Fibrosis patient population, but the small size of the targeted patient population (individuals with the G551D mutation) was limiting the potential of the drug despite a price tag of USD294,000 a year per patient.

What happened yesterday? Vertex released interim data of a phase II trial investigating the combination of Kalydeco and VX-809 in a broader sub group of the CF population (individuals with the F508del mutation). The data showed a statistically significant improvement in lung function (considered as the holy grail in CF) across the combined treatment groups relative to baseline compared to placebo (p=0.002).

First, the market had been sceptical on that trial as data from an earlier study investigating VX-809 were not that compelling. Second, the drug has been approved in Feb. this year for treating patients with a mutation that signifies about 4% of patients (at USD294,000 p.a. per patient, the commercial opportunity should have been c. USD350m max.). The mutation which has been targeted by the above mentioned trial (F508del homozygote) is seen in 46% of the population, which obviously supports the most optimistic assumption of blockbuster potential for Vertex Cystic Fibrosis franchise.

Another positive news which continue to illustrate the rational of investing in BBB:

Last week, Actelion, 2nd largest holding in BBB's portfolio went up by 18% on solid phase III data for Macitentan, addressing market fears on the long term sustainability of Actelion's franchise in pulmonary arterial hypertension.

With yesterday's news, Vertex, 4th largest holding in BBB's portfolio (9% of BBB's equity) should have another potential blockbuster marketed on top of Incivek.

On the M&A front, 4 of BB BIOTECH companies (Pharmasset, Micromet, Amylin and Human Genome Science) have been targeted by takeover bids. We see no reason to expect a slowdown in deal activity in the Biotech Space.

Beside Actelion, Vertex, Amylin and Human Genome Science, BBB's portfolio consist of 25 other biotech holdings, with upside potential, to which one could get exposed at a c. 23.5% discount to market price via buying BBZA's shares.

Conclusion & Action: *Just one week after Actelion, Vertex is the second core holding of BB BIOTECH to announce a major clinical success. Clinical and regulatory milestones continue to demonstrate the quality of BB BIOTECH's portfolio assets. Intensifying M&A activities should continue to be supportive as well. We confirmed our recommendation to gain exposure to the Biotech sector via an investment into BBZA shares.*

Buy

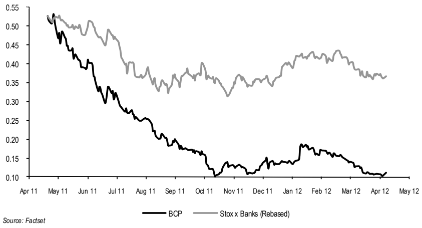
Recommendation unchanged

Share price: EUR	**0.11**
closing price as of 07/05/2012	
Target price: EUR	**0.40**
Target Price unchanged	
Reuters/Bloomberg	BCP.LS/BCP PL

Market capitalisation (EURm)	793
Current N° of shares (m)	7,207
Free float	60%

Daily avg. no. trad. sh. 12 mth	65,810,336
Daily avg. trad. vol. 12 mth (m)	15
Price high 12 mth (EUR)	0.54
Price low 12 mth (EUR)	0.10
Abs. perf. 1 mth	-13.39%
Abs. perf. 3 mth	-37.50%
Abs. perf. 12 mth	-79.91%

Key financials (EUR)	12/11	12/12e	12/13e
Total Revenue (m)	2,555	2,606	2,787
Pre-Provision Profit (PPP) (m)	632	1,040	1,200
Operating profit (OP)	*-1,236*	*160*	*473*
Earnings Before Tax (m)	-1,222	184	498
Net Profit (adj.) (m)	*-849*	*31*	*248*
Shareholders Equity (m)	3,827	2,994	3,184
Tangible BV (m)	5,277	6,148	6,268
RWA (m)	55,254	53,390	51,503
ROE (adj.)	*-16.3%*	*0.5%*	*4.0%*
Tier1 Ratio	8.7%	8.6%	9.0%
Cost/Income	64.0%	56.4%	53.7%
P/PPP	1.6	0.8	0.7
P/E (adj.)	nm	25.8	3.2
P/BV	0.3	0.3	0.2
P/NAV	0.2	0.1	0.1
Dividend Yield	26.7%	0.0%	0.0%
PPPPS	0.09	0.14	0.17
EPS (adj.)	*-0.12*	*0.00*	*0.03*
BVPS	*0.53*	*0.42*	*0.44*
NAVPS	0.73	0.85	0.87
DPS	0.03	0.00	0.00



Source: Factset

Shareholders: Sonangol 12%; Teixeira Duarte Group 6%; Ocidental -Seguros de Vida, S.A. 5%; Fundação Berardo & Metalgest 4%;

Analyst(s):
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1Q12 results - Net profit of EUR 40.8m supported by liability management operations. ROE at 4.5%.

The facts: BCP disclosed its 1Q12 results yesterday after the market close. Today BCP management will host a conference call to discuss the results (15:00 GMT).

Our analysis: BCP disclosed a net profit of EUR 40.8m in 1Q12 (vs. EUR 90.1m net profit in 1Q11, i.e. -54.8% YoY). As described in our preview note, this performance was supported by the **impact of a liability management operation**, namely the repurchase of c. EUR 918.7m of covered bonds issued by BCP (capital gain around EUR 96m, gross of taxes). This one-off operation sustained the banking product (growth of 3.2% YoY) as the core revenues of the bank, margin and commissions decreased 20.9% YoY and 13.1% YoY, respectively (12.4% and 9.4% in our forecasts).

Net interest income ("NII") was significantly impacted by the increased funding costs (namely on customers' deposits), the low interest rate environment and the deleveraging process. We also refer to the impact in the NII of a liability management operations (- c. EUR 48m YoY).

BCP 1Q12 vs. 1Q11 and CaixaBI estimates:

	1Q12	1Q11	Chg. YoY	1Q12e	Δ	Δ (%)
Net interest income	317.8	401.6	-20.9%	351.8	(34.0)	-9.7%
Commissions (net)	169.9	195.4	-13.1%	177.1	(7.2)	-4.1%
Gains and losses in financial operations	191.3	26.5	n.m.	155.7	35.6	n.m.
Operating income and charges	(14.5)	20.2	-171.8%	3.5	(18.0)	-514.3%
Net operating income from banking	**664.6**	**643.7**	**3.2%**	**688.1**	**(23.5)**	**-3.4%**
Personnel costs	(206.6)	(174.6)	18.3%	(202.1)	(4.5)	2.2%
Other administrative expenses	(141.3)	(139.4)	1.4%	(149.5)	8.2	-5.5%
Depreciation of fixed assets	(21.5)	(24.8)	-13.3%	(24.2)	2.7	-11.2%
Total Expenses	**(369.4)**	**(338.9)**	**9.0%**	**(375.8)**	**6.4**	**-1.7%**
Operating profit before provisions	**295.2**	**304.8**	**-3.2%**	**312.3**	**(17.1)**	**-5.5%**
Equity-accounted results of subsidiaries	12.9	16.7	-22.8%	8.6	4.3	50.3%
Loan provisions and impairments (net)	(170.3)	(166.6)	2.2%	(214.6)	44.3	-20.6%
Other impairments and provisions	(46.3)	(31.4)	n.m.	(22.5)	(23.8)	105.8%
Profits before taxes	**91.5**	**123.6**	**-26.0%**	**83.8**	**7.7**	**9.2%**
Corporate income tax	(32.2)	(14.8)	117.6%	(27.7)	(4.5)	n.m.
Minority shareholders' share of profit	(18.5)	(18.8)	-1.6%	(22.4)	3.9	-17.3%
Net Profit	**40.8**	**90.1**	**-54.8%**	**33.8**	**7.0**	**20.7%**

Customer funds increased 6.5% to EUR 54.53bn driven by **customer deposits** which increased 8.8% to EUR 48.83bn. On the other side, the loan portfolio decreased 5.4% to EUR 71.24bn. **Loan-to-Deposits ratio was reduced to 138%, i**n a context where the commercial gap (Loans vs. Deposits) decreased EUR 9bn.

Asset quality deterioration - NPL (>90 days) deteriorated 160bps to 5.0% vs. 3.4% in 1Q11. Overdue and doubtful loans ratio > 90 days increased to 9.7% (6.9% in 1Q11). The provisioning effort made in 2011 strengthened the on-BS provisions to 5% of total loans (EUR 3.6bn of loan impairments on balance sheet) whereas coverage (overdue loans >90 days) stood at 100.3%.

Liquidity - Refinance of EUR 1.9b until the end of FY13. Use of ECB funding increased to EUR 14.7bn vs. EUR 12.7bn in 4Q11 (c. 16% of total assets).

Capital: Core TIER I at 9.2% (Core TIER I increased 253bps in 2011, from 6.7% in 1Q11, boosted by the exchange of subordinated debt by equity, exchange of preference shares, scrip dividend policy and RWA reduction).

Conclusion & Action: Very low profitability supported by one off item, namely one liability management operation (+ EUR 96m capital gain). Strong decrease in NII as the reinforcement of the B/S remained the top priority. International operations maintained a positive performance (international operation net profit reached EUR 26.2m, c. 64% of consolidated net income). **A post results note will be published following the CC with management.**

Bekaert

Belgium/General Industrials

Analyser

Hold

Recommendation unchanged

Share price: EUR	**21.44**

closing price as of 07/05/2012

Target price: EUR	**25.00**

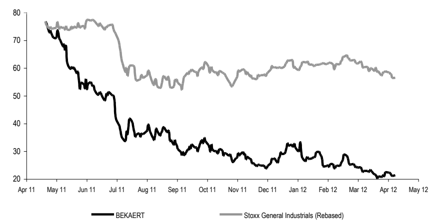
Target Price unchanged

Reuters/Bloomberg	BEKB.BR/BEKB BB

Market capitalisation (EURm)	1,286
Current N° of shares (m)	60
Free float	61%

Daily avg. no. trad. sh. 12 mth	315,687
Daily avg. trad. vol. 12 mth (m)	12
Price high 12 mth (EUR)	83.54
Price low 12 mth (EUR)	20.31
Abs. perf. 1 mth	-6.78%
Abs. perf. 3 mth	-22.04%
Abs. perf. 12 mth	-73.90%

Key financials (EUR)	**12/11**	**12/12e**	**12/13e**
Sales (m)	3,340	3,367	3,527
EBITDA (m)	477	242	392
EBITDA margin	*14.3%*	*7.2%*	*11.1%*
EBIT (m)	268	37	191
EBIT margin	*8.0%*	*1.1%*	*5.4%*
Net Profit (adj.)(m)	202	86	111
ROCE	7.1%	4.6%	5.0%
Net debt/(cash) (m)	860	935	965
Net Debt/Equity	*0.5*	*0.6*	*0.6*
Debt/EBITDA	1.8	3.9	2.5
Int. cover(EBITDA/Fin. int)	7.2	3.0	4.9
EV/Sales	0.7	0.7	0.6
EV/EBITDA	4.9	9.2	5.7
EV/EBITDA (adj.)	4.9	5.9	5.7
EV/EBIT	8.7	60.6	11.7
P/E (adj.)	7.4	14.9	11.6
P/BV	0.9	0.8	0.8
OpFCF yield	*10.5%*	*8.5%*	*12.2%*
Dividend yield	*5.5%*	*5.5%*	*5.6%*
EPS (adj.)	3.36	1.44	1.85
BVPS	28.24	26.71	27.03
DPS	1.17	1.17	1.20



Shareholders: Bekaert Fam. & Rel. 39%;

Analyst(s):

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We anticipate a very weak 1Q12 trading update

The facts: Bekaert will release its 1Q12 trading update on Wednesday 8th of May, before market.

Our analysis: We anticipate a very weak quarter, with 1Q12 consolidated sales down 12% to EUR 802m, despite the boost of the Latin American contribution (sales up 98% y-o-y), driven by the change in the consolidations scope of the Chilean, Peruvian an Canadian operations. The regions the most exposed to sawing wire activities (Asia & EMEA) are expected to show the most significant drop in sales y-o-y, while US sales are expected to have been significantly impacted by the disposal of the Speciality Films activities that took place at the end of 3Q11. Combined sales (consolidated sales + sales of associates) are expected to be down more than 14% on 1Q11.

Sales (EURm)	**1Q11**	**2Q11**	**3Q11**	**4Q11**	**FY11**	**1Q12e**
EMEA	**307**	**307**	**293**	**262**	**1,169**	**275**
% change	*25.8%*	*8.9%*	*8.1%*	*-2.5%*	*9.7%*	*-10.4%*
North America	**176**	**178**	**172**	**139**	**665**	**150**
% change	*24.8%*	*3.5%*	*1.2%*	*-10.3%*	*4.2%*	*-14.8%*
Latin America	**82**	**91**	**97**	**102**	**372**	**162**
% change	*22.4%*	*18.2%*	*9.0%*	*30.8%*	*19.6%*	*97.6%*
Asia	**353**	**286**	**254**	**241**	**1,134**	**220**
% change	*45.9%*	*-7.7%*	*-24.4%*	*-33.0%*	*-9.1%*	*-37.7%*
Consolidated sales	**918**	**862**	**816**	**744**	**3,340**	**807**
% change	*32.3%*	*2.5%*	*-5.8%*	*-13.7%*	*2.4%*	*-12.1%*
EMEA	**305**	**303**	**289**	**259**	**1,156**	**272**
% change	*25.5%*	*8.2%*	*7.4%*	*-2.3%*	*9.4%*	*-10.8%*
North America	**174**	**175**	**171**	**137**	**657**	**148**
% change	*25.2%*	*2.3%*	*1.2%*	*-9.9%*	*4.1%*	*-14.9%*
Latin America	**401**	**413**	**422**	**409**	**1,645**	**418**
% change	*21.9%*	*3.8%*	*0.5%*	*7.3%*	*7.7%*	*4.2%*
Asia	**353**	**288**	**256**	**244**	**1,141**	**220**
% change	*45.9%*	*-7.4%*	*-24.0%*	*-33.0%*	*-9.0%*	*-37.7%*
Combined sales	**1,233**	**1,179**	**1,138**	**1,049**	**4,599**	**1,058**
% change	*29.4%*	*-1.3%*	*-4.8%*	*-9.7%*	*2.9%*	*-14.2%*

Sources : Bekaert / Bank Degroof estimates

We hope Bekaert will provide an update on the restructuring program, with a more clear time table, as well as an update on the associated costs. So far EUR 100m costs were guided. But more is to come in order to achieve the target EBIT margins in the 7-9% range at cruise speed. We currently include EUR 35m costs in our model.

Conclusion & Action: *We do not anticipate seeing real improvement in margin before next year and still believe it is too early to turn positive on this share.*

We stick to our Hold rating and EUR 25 TP ahead of the 1Q12 trading update.

BPI

Portugal/Banks

Analyser

Buy

Recommendation unchanged

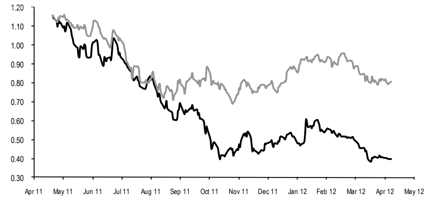
Share price: EUR	**0.40**
closing price as of 07/05/2012	
Target price: EUR	**1.05**
Target Price unchanged	

Reuters/Bloomberg	BBPI.LS/BPI PL

Market capitalisation (EURm)	392
Current N° of shares (m)	990
Free float	29%

Daily avg. no. trad. sh. 12 mth	1,167,704
Daily avg. trad. vol. 12 mth (m)	1
Price high 12 mth (EUR)	1.17
Price low 12 mth (EUR)	0.38
Abs. perf. 1 mth	-12.78%
Abs. perf. 3 mth	-24.71%
Abs. perf. 12 mth	-67.00%

Key financials (EUR)	**12/11**	**12/12e**	**12/13e**
Total Revenue (m)	1,020	1,019	1,003
Pre-Provision Profit (PPP) (m)	-164	334	304
Operating profit (OP)	*-357*	*193*	*182*
Earnings Before Tax (m)	-328	212	206
Net Profit (adj.) (m)	*-285*	*104*	*99*
Shareholders Equity (m)	469	898	993
Tangible BV (m)	469	898	993
RWA (m)	25,182	26,055	26,510
ROE (adj.)	*-29.7%*	*15.2%*	*10.5%*
Tier1 Ratio	9.0%	11.7%	10.7%
Cost/Income	67.2%	63.3%	65.8%
P/PPP	-2.9	1.2	1.3
P/E (adj.)	nm	3.8	3.9
P/BV	1.0	0.4	0.4
P/NAV	1.0	0.4	0.4
Dividend Yield	0.0%	0.0%	0.0%
PPPPS	-0.17	0.34	0.31
EPS (adj.)	*-0.29*	*0.11*	*0.10*
BVPS	*0.47*	*0.91*	*1.00*
NAVPS	0.47	0.91	1.00
DPS	0.00	0.00	0.00



Source: Factset

Shareholders: Caixabank 40%; Santoro Financial Holding 19%;

Analyst(s):
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Angolan company Santoro increases its stake to 19.43% from 9.99% of BPI capital

The facts: Banco BPI informed the market that the Spanish bank CaixaBank sold 9.436% of its stake in the bank to the Angolan company Santoro Finance.

According to the statement sent to the Portuguese watchdog CMVM, CaixaBank will sell that stake for an amount close to EUR 46.7m. The total amount of the deal is equivalent to EUR 0.50 a share, implying a premium close to 26.3% vs. the EUR 0.396 of BPI´ shares last price.

Our analysis: According to the last available information, CaixaBank and Santoro were already the major shareholders of BPI with 48.97% and 9.99%, respectively.

On the other side we highlight that, on April 22nd, Banco BPI already announced that CaixaBank bought the 18.87% stake of Itaú Unibanco in its share capital for a total amount close to EUR 93.m (also equivalent to EUR0.50 a share). As a consequence, with this operation the former 18.87% stake of Itaú was evenly divided between these two shareholders.

Banco BPI: Shareholder structure after this operation:

Shareholder	Number of shares	% of capital
Caixabank	391,410,330	39.54%
Santoro	192,365,325	19.43%
Grupo Allianz	87,243,078	8.81%
HVF SGPS, S.A.	28,351,791	2.86%
"Free float"	283,605,094	28.65%
Treasury stock	7,024,382	0.71%

Voting rights limited to 20%

Even if the direct acquisition of a stake to CaixaBank seems somewhat surprisingly, we highlight that the nature of this transaction is not unexpected as it follows some news flow in the Portuguese press referring Santoro's intention to reinforce its stake in Banco BPI.

On the other side, it is important to reger again that **capital requirements remain the major topic in Banco BPI investment case.** According to BPI management, BPI capital gap to comply with EBA 9% Core TIER I as of June 30, 2012 is close to EUR 1.4bn.

In order to obtain that capital we consider that BPI will likely use the up to EUR **12bn public recapitalization line** made available when Portugal was intervened (potentially through the issue of "CoCo" bonds), probably **mixed with a rights issue** operation.

In this context, we consider that the new regulation specifying the final conditions to access this capital should be disclosed in the short term.

comdirect

Germany/Financial Services

Hold

Recommendation unchanged

Share price: EUR	**8.60**

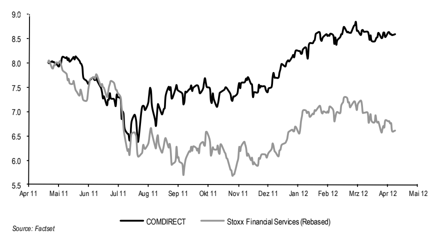
closing price as of 07/05/2012

Target price: EUR	**8.50**

Target Price unchanged

Reuters/Bloomberg	CDBG.DE/COM GR
Market capitalisation (EURm)	1,211
Current N° of shares (m)	141
Free float	20%
Daily avg. no. trad. sh. 12 mth	54,244
Daily avg. trad. vol. 12 mth (m)	0
Price high 12 mth (EUR)	8.86
Price low 12 mth (EUR)	6.38
Abs. perf. 1 mth	-0.58%
Abs. perf. 3 mth	5.10%
Abs. perf. 12 mth	-0.35%

Key financials (EUR)	12/11	12/12e	12/13e
Total Revenue (m)	347	337	336
Pre-Provision Profit (PPP) (m)	115	101	94
Operating profit (OP)	*114*	*100*	*94*
Earnings Before Tax (m)	108	100	94
Net Profit (adj.) (m)	*112*	*73*	*67*
Shareholders Equity (m)	547	547	547
Tangible BV (m)	547	547	547
RWA (m)	514	591	680
ROE (adj.)	*21.1%*	*13.4%*	*12.3%*
Tier1 Ratio	44.1%	40.2%	36.5%
Cost/Income	66.8%	70.0%	71.9%
P/PPP	9.1	12.0	12.8
P/E (adj.)	9.4	16.5	18.0
P/BV	1.9	2.2	2.2
P/NAV	1.9	2.2	2.2
Dividend Yield	6.5%	6.0%	5.6%
PPPPS	0.82	0.72	0.67
EPS (adj.)	*0.79*	*0.52*	*0.48*
BVPS	*3.89*	*3.89*	*3.89*
NAVPS	3.89	3.89	3.89
DPS	0.56	0.52	0.48



Shareholders: Commerzbank 80%;

Analyst(s):
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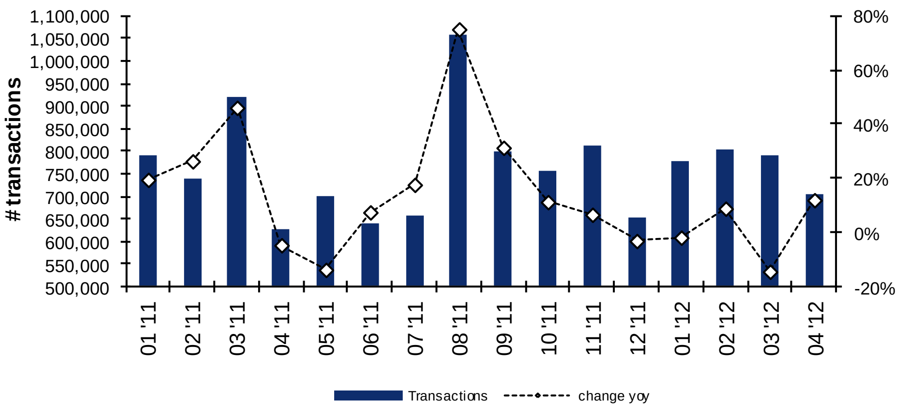
Solid April trading figures

The facts: In April the number of executed trades increased by 12% yoy (-11% mom) and comdirect won 2,660 new B2C clients. Main drivers (like in previous months) were the checking account (+7,012 acc.) and the Tagesgeld PLUS account (+5,580 acc.).

Our analysis:

Monthly development of executed transactions at comdirect



Source: comdirect, equinet

Conclusion & Action: *Solid monthly trading figures for April. We do not see any share price triggers in the short term. Hence, we stick to our Hold rating with a TP of EUR 8.50.*

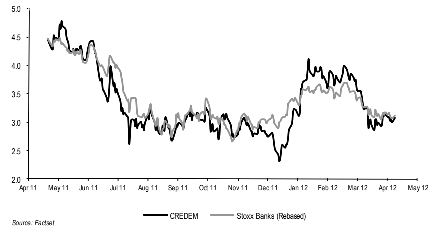
Accumulate

Recommendation unchanged

Share price: EUR	**3.08**
closing price as of 07/05/2012	
Target price: EUR	**4.40**
Target Price unchanged	
Reuters/Bloomberg	EMBI.MI/CE IM

Market capitalisation (EURm)	1,022
Current N° of shares (m)	332
Free float	23%
Daily avg. no. trad. sh. 12 mth	390,087
Daily avg. trad. vol. 12 mth (m)	1
Price high 12 mth (EUR)	4.78
Price low 12 mth (EUR)	2.32
Abs. perf. 1 mth	-4.94%
Abs. perf. 3 mth	-17.97%
Abs. perf. 12 mth	-32.87%

Key financials (EUR)	12/11	12/12e	12/13e
Total Revenue (m)	968	990	1,034
Pre-Provision Profit (PPP) (m)	275	308	348
Operating profit (OP)	*223*	*237*	*275*
Earnings Before Tax (m)	216	272	275
Net Profit (adj.) (m)	*100*	*135*	*151*
Shareholders Equity (m)	1,651	1,774	1,885
Tangible BV (m)	1,364	1,486	1,598
RWA (m)	16,768	17,281	17,819
ROE (adj.)	*5.8%*	*7.9%*	*8.3%*
Tier1 Ratio	8.7%	9.1%	9.4%
Cost/Income	70.0%	68.7%	66.2%
P/PPP	3.3	3.3	2.9
P/E (adj.)	9.2	7.5	6.8
P/BV	0.7	0.7	0.6
P/NAV	0.7	0.7	0.6
Dividend Yield	3.3%	3.9%	4.9%
PPPPS	0.83	0.93	1.05
EPS (adj.)	*0.30*	*0.41*	*0.46*
BVPS	*4.11*	*4.47*	*4.81*
NAVPS	4.11	4.47	4.81
DPS	0.10	0.12	0.15



Shareholders: Credemholding 77%;

Analyst(s):

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Disposal of depositary bank

The facts: Credem has signed an agreement for the disposal of its depositary and correspondent banking activities in Italy and Luxembourg to BNP Paribas Securities Services.

Our analysis: The preliminary price for the sale of Credem activities is estimated in EUR 35m and relates to some EUR 7.5bn assets under depository services and EUR 3.5bn assets under correspondent banking services.

The completion of the transaction is scheduled in Q3 12, when a net capital gain estimated in EUR 25m will be booked, with a positive effect of ca. 15bps on Credem's Core Tier1 ratio.

With this disposal, Credem reinforces its strategy to focus on its core commercial banking business and rationalises its back office activity.

Conclusion & Action: *A positive deal for Credem. Accumulate recommendation reiterated.*

CSM

Netherlands/Food & Beverage

Analyser

Buy

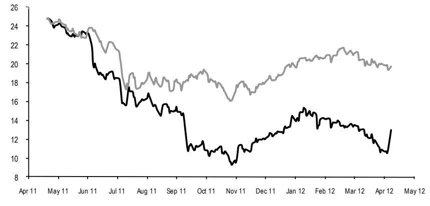
from Accumulate

Share price: EUR	**12.94**
closing price as of 07/05/2012	
Target price: EUR	**18.00**
from Target Price: EUR	**13.00**
Reuters/Bloomberg	CSMNc.AS/CSM NA

Market capitalisation (EURm)	896
Current N° of shares (m)	69
Free float	78%

Daily avg. no. trad. sh. 12 mth	457,503
Daily avg. trad. vol. 12 mth (m)	7
Price high 12 mth (EUR)	25.17
Price low 12 mth (EUR)	9.25
Abs. perf. 1 mth	-0.39%
Abs. perf. 3 mth	-15.35%
Abs. perf. 12 mth	-48.36%

Key financials (EUR)	12/11	12/12e	12/13e
Sales (m)	3,113	3,338	3,536
EBITDA (m)	205	205	268
EBITDA margin	*6.6%*	*6.1%*	*7.6%*
EBIT (m)	(150)	97	157
EBIT margin	*nm*	*2.9%*	*4.4%*
Net Profit (adj.)(m)	63	68	88
ROCE	-7.7%	3.7%	5.9%
Net debt/(cash) (m)	616	601	549
Net Debt/Equity	*0.6*	*0.6*	*0.5*
Debt/EBITDA	3.0	2.9	2.0
Int. cover(EBITDA/Fin. int)	6.9	6.7	9.5
EV/Sales	0.5	0.5	0.4
EV/EBITDA	7.2	7.5	5.6
EV/EBITDA (adj.)	7.2	7.5	5.6
EV/EBIT	nm	15.9	9.6
P/E (adj.)	13.0	13.1	10.4
P/BV	0.9	0.9	0.9
OpFCF yield	*6.5%*	*4.3%*	*8.3%*
Dividend yield	*5.4%*	*5.4%*	*5.4%*
EPS (adj.)	0.93	0.98	1.24
BVPS	14.03	14.05	14.66
DPS	0.70	0.70	0.70



Source: Factset

Shareholders: ING Groep 11%; Fortis Utrecht 6%; BriTel Fund Trustees 6%;

Analyst(s):
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Valuing all the parts

The facts: We have made a detailed valuation analysis of CSM after the announcement to sell the majority of its Bakery Supplies business. We believe the value per share amounts to EUR 15 at the low end and even EUR 26 per share in an optimistic scenario. We set our TP at EUR 18 and move from Accumulate to Buy.

Our analysis: CSM management has never made a secret of its intention to eventually split Purac from the Bakery Supplies businesses. However, yesterday announcement to basically sell the Bakery Supplies divisions came much quicker than expected.

The main reason for the major transformation appear to be the difficult market conditions of recent years as consumers cut down on spending and CSM faced volatile commodity costs. In the meantime, the company's balance sheet ratio's worsened. Finally, there appears to be more interest for some of the businesses that CSM has already put up for sale in February.

Management has indicated that disposal proceeds will initially be re-invested in the new core Purac and Caravan Ingredients businesses. The debt level on the balance sheet of New CSM will also be lower than current levels and finally, funds will be returned to shareholders.

We have valued the to-be-divested Bakery Supplies business based on 2011 earnings, but also based on the average operating margin in the past three years. We have attached multiples of 8.0x EBITDA to the US business and 7.5x EBITDA to the European operations. The low-end valuation of Bakery Supplies is pegged at EUR 940m based on 2011 earnings. Taking the average operating margin in the last 3 years into account, the valuation amounts to EUR 1,220m.

The business to be retained has been valued at peer group multiples, which trade in an EV/EBITDA range of 8-13x. The correlation between profitability and valuation suggests that New CSM should be valued at c. 10x EBITDA. Based on 2011 EBITDA, the mid-point value would be EUR 1,240m. We have also included a low-end and high-end valuation scenario in the report.

At group level, we also need to take central costs into account. We have valued these at 9x EBITDA 2011. Obviously, there will be room to lower these costs in the future. Finally, in the valuation, we have also taken net debt, pensions and financial assets into consideration. Our three scenarios (low, mid, high) generate per share values of EUR 15, EUR 21 and EUR 26 respectively. Our new EUR 18 target price is set broadly halfway the low-end and mid-point valuation.

Conclusion & Action: *CSM has always shown a lot of confidence in Purac, but the decision to sell the vast majority of the Bakery Supplies business still comes much earlier than expected. Difficult market conditions, disappointing results and interest for the activities that have been put up for sale earlier this year all appear to have done the trick. The CSM stock price whereabouts in the near future will be dictated to a large extent by the disposal process. We have analysed various valuation scenarios and find a low-end valuation of c. EUR 15 per share, a mid-point scenario of EUR 21 per share, while the high end would go all the way to EUR 26. We are moving our target price to EUR 18, broadly halfway the low and mid-end valuation scenario. This implies c. 40% upside from current levels. We therefore raise our rating to Buy from Accumulate.*

Deceuninck

Belgium/Construction & Materials

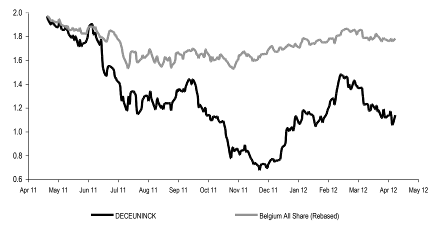
Hold

Recommendation unchanged

Share price: EUR	**1.14**
closing price as of 07/05/2012	
Target price: EUR	**1.30**
Target Price unchanged	
Reuters/Bloomberg	DECB.BR/DECB BB

Market capitalisation (EURm)	123
Current N° of shares (m)	108
Free float	65%
Daily avg. no. trad. sh. 12 mth	156,702
Daily avg. trad. vol. 12 mth (m)	0
Price high 12 mth (EUR)	2.05
Price low 12 mth (EUR)	0.68
Abs. perf. 1 mth	-7.32%
Abs. perf. 3 mth	-0.87%
Abs. perf. 12 mth	-43.28%

Key financials (EUR)	12/11	12/12e	12/13e
Sales (m)	536	542	557
EBITDA (m)	48	50	53
EBITDA margin	*9.0%*	*9.3%*	*9.6%*
EBIT (m)	22	25	28
EBIT margin	*4.2%*	*4.7%*	*5.1%*
Net Profit (adj.)(m)	6	10	14
ROCE	4.8%	5.5%	6.2%
Net debt/(cash) (m)	102	88	72
Net Debt/Equity	*0.5*	*0.4*	*0.3*
Debt/EBITDA	2.1	1.7	1.4
Int. cover(EBITDA/Fin. int)	4.9	5.6	7.8
EV/Sales	0.4	0.4	0.4
EV/EBITDA	4.3	4.8	4.2
EV/EBITDA (adj.)	4.3	4.8	4.2
EV/EBIT	9.4	9.4	7.9
P/E (adj.)	13.3	11.9	8.8
P/BV	0.4	0.6	0.5
OpFCF yield	*6.5%*	*15.3%*	*16.9%*
Dividend yield	*0.0%*	*0.0%*	*0.0%*
EPS (adj.)	0.06	0.10	0.13
BVPS	1.90	1.99	2.11
DPS	0.00	0.00	0.00



Shareholders: Sofina 18%; Desco 18%;

Analyst(s):
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1Q12 trading update: sales better than assumed

The facts: This morning Deceuninck released 1Q12 sales slightly up (+1.3%) y-o-y, which is 3.5% better than assumed by us and the consensus. Given the weak visibility management is still cautious for FY12.

Our analysis: Volume sold was weak as expected and dropped 4.1% y-o-y. FX impacts were also roughly in line with expectations. The price/mix surprised positively with a contribution to the sales growth of 6.9% vs. +3% expected.

In EUR m		1Q11	2Q11	1H11	3Q11	4Q11	FY11	1Q12A	1Q12e	1Q12e Cons.
Sales		**116.5**	**152.3**	**268.8**	**139.9**	**127.3**	**536.1**	**118.0**	**114.0**	**114.1**
% change		6.7%	-2.4%	1.3%	-8.2%	-9.1%	-3.9%	1.3%	-2.2%	-2.1%
of which	Volume	2.4%	-6.1%	-2.6%	-11.2%	-10.0%	-6.8%	-4.1%	-4.0%	-3.9%
	Prices/mix	4.6%	7.7%	6.4%	8.6%	6.4%	7.0%	6.9%	3.1%	3.2%
	FX	-0.2%	-4.2%	-2.5%	-5.6%	-5.5%	-4.1%	-1.5%	-1.2%	-1.5%

Sources: Deceuninck; Bank Degroof

Geographically, Western Europe shows sales down 5.7% y-o-y to EUR 51.2m, in line with our expectations. Central & Eastern Europe performed better than assumed, with 1Q12 sales at EUR 29.7m vs. EUR 26.0m expected, with volume up mainly in Poland, Russia and Germany. Turkey did lower than assumed, with 1Q12 sales at EUR 23.2m vs. EUR 24m expected. Finally, US sales shows growth in 1Q12 (+ 15.9% in EUR and +10% in USD), which is also slightly better than assumed.

Sales (in EUR m)	1Q11	2Q11	1H11	3Q11	4Q11	FY11	1Q12A	1Q12e
Western Europe (ex Germany)	54.3	62.9	117.2	47.5	47.0	211.6	51.2	51.0
Eastern Europe (incl. Germany)	27.8	44.0	71.8	51.2	38.9	161.9	29.7	26.0
Turkey	22.4	30.2	52.6	26.4	27.0	106.0	23.2	24.0
North America	12.0	15.2	27.2	14.8	14.4	56.6	13.9	13.0
Total	**116.5**	**152.3**	**268.8**	**139.9**	**127.3**	**536.1**	**118.0**	**114.0**

Source: Deceuninck; Bank Degroof

Overall trend of stable sales is continuing at the start of 2Q12. The PVC cost trend has been reversed upward since January 2012 (+5% on average versus 4Q12), while titanium dioxide and other additive costs continue to rise. In this context and like in FY10/11, management will focus on costs control and remains committed to pass on increased raw material costs to the market.

Given the weak visibility, management refrains to provide guidance for FY12.

Conclusion & Action: *1Q12 sales proved more robust than anticipated, but visibility remains very low for the balance of the year. We will only fine-tune our estimates for this year.*

The poor outlook for the European construction markets implies a lack of momentum for Deceuninck that will continue to weigh on the share performance in the coming months. 2012 multiples are not particularly undemanding as well. We maintain our neutral stance on this share and our TP at EUR 1.30, in line with our DCF valuation.

Epigenomics AG

Germany/Biotechnology

Analyser

Buy

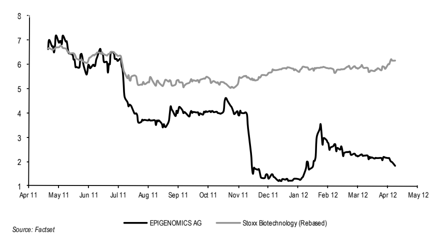
Recommendation unchanged

Share price: EUR	**1.83**
closing price as of 07/05/2012	
Target price: EUR	**5.50**
Target Price unchanged	
Reuters/Bloomberg	ECX.DE/ECX GR

Market capitalisation (EURm)	16
Current N° of shares (m)	9
Free float	61%

Daily avg. no. trad. sh. 12 mth	15,618
Daily avg. trad. vol. 12 mth (m)	0
Price high 12 mth (EUR)	8.10
Price low 12 mth (EUR)	1.21
Abs. perf. 1 mth	-18.67%
Abs. perf. 3 mth	-8.55%
Abs. perf. 12 mth	-77.34%

Key financials (EUR)	**12/11**	**12/12e**	**12/13e**
Sales (m)	1	1	3
EBITDA (m)	(11)	(10)	(8)
EBITDA margin	*nm*	*nm*	*nm*
EBIT (m)	(15)	(10)	(9)
EBIT margin	*nm*	*nm*	*nm*
Net Profit (adj.)(m)	(16)	(10)	(9)
ROCE	-344.9%	-234.7%	-118.2%
Net debt/(cash) (m)	(14)	(4)	7
Net Debt/Equity	*-0.9*	*-0.7*	*-2.4*
Debt/EBITDA	1.3	0.4	-0.8
Int. cover(EBITDA/Fin. int)	(149.8)	high	199.0
EV/Sales	nm	8.1	6.9
EV/EBITDA	0.2	nm	nm
EV/EBITDA (adj.)	0.2	nm	nm
EV/EBIT	0.2	nm	nm
P/E (adj.)	nm	nm	nm
P/BV	0.7	2.8	nm
OpFCF yield	*-79.4%*	*-60.4%*	*-54.8%*
Dividend yield	*0.0%*	*0.0%*	*0.0%*
EPS (adj.)	(1.77)	(1.18)	(0.99)
BVPS	1.84	0.66	(0.32)
DPS	0.00	0.00	0.00



Shareholders: Abingworth LLP 22%; Baker Brothers Life Sciences Capital 5%; VCG 5%; Omega 4%; Gilbert Gerber 3%;

Analyst(s):
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Q1'12 preview

The facts: Epigenomics is due to release its Q1'12 results on May 9. Our expectations are as follow:

Our analysis:

EUR m	Q1 2012e	Q1 2011	%	2012e	2011	%
Sales	0,3	0,6	-53%	1,5	1,4	2%
EBIT	-2,3	-2,7	-17%	-10,4	-15,2	-32%
EBT	-2,2	-2,9	-23%	-10,4	-15,3	-32%
Net profit	-2,2	-2,9	-23%	-10,4	-15,6	-33%
net cash	11,6	23,5	-50%	4,0	14,0	-71%

Source: Epigenomics, equinet Research

<u>Q1'11 revenues and earnings developments:</u> We forecast sales at EUR0.3m, down from EUR0.6m due to declining revenues from licensing and royalty (ECX signed the Qiagen agreement in Feb. 28 2011). On the cost side, we forecast OPEX to be down by 18% YoY to EUR2.6m, primarily driven by reduces R&D costs, reflecting the restructuring of the company announced last summer. All in all, net loss should amount to EUR2.2m in Q1'12, down 23% YoY.

<u>Cash position and cash burn:</u> According to our estimates, company's net cash position should stand at EUR11.6m at the end of Q1'11 which should translate into EUR2.4m cash burn for the period.

<u>News flow:</u> We expect the company to reiterate that it should be able to deliver the results of the head to head study (Epi proColon vs. FIT) by the end of Q4 this year. Note that the company announced recently the initiation of the study (April 11). Our current expectations are the following: collection of the study samples until Q3-Q4, submission of the PMA module 4 before year end, Advisory panel meeting and FDA decision on the test approval in the US around mid-2013.

Conclusion & Action: *Earning loss should come in down YoY, as a result of company's restructuring. However beyond the figures, the most important aspect for Epigenomics is that the filing process of Epi proColon in the US is unrolling smoothly. Regarding that matter, the company should continue to look well on track.*

Buy

Recommendation unchanged

Share price: EUR	**12.73**

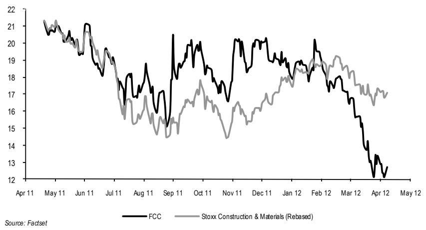
closing price as of 07/05/2012

Target price: EUR	**27.90**

Target Price unchanged

Reuters/Bloomberg	FCC.MC/FCC SM
Market capitalisation (EURm)	1,620
Current N° of shares (m)	127
Free float	32%
Daily avg. no. trad. sh. 12 mth	514,077
Daily avg. trad. vol. 12 mth (m)	9
Price high 12 mth (EUR)	21.86
Price low 12 mth (EUR)	12.14
Abs. perf. 1 mth	-18.85%
Abs. perf. 3 mth	-32.06%
Abs. perf. 12 mth	-44.05%

Key financials (EUR)	12/11	12/12e	12/13e
Sales (m)	11,755	11,904	12,453
EBITDA (m)	1,252	1,254	1,296
EBITDA margin	*10.7%*	*10.5%*	*10.4%*
EBIT (m)	401	635	659
EBIT margin	*3.4%*	*5.3%*	*5.3%*
Net Profit (adj.)(m)	277	219	233
ROCE	1.6%	4.3%	4.4%
Net debt/(cash) (m)	6,277	5,631	5,469
Net Debt/Equity	*2.2*	*1.9*	*1.8*
Debt/EBITDA	5.0	4.5	4.2
Int. cover(EBITDA/Fin. int)	3.0	3.0	3.0
EV/Sales	0.7	0.5	0.5
EV/EBITDA	6.2	4.9	4.7
EV/EBITDA (adj.)	6.2	4.9	4.7
EV/EBIT	19.4	9.8	9.2
P/E (adj.)	9.2	7.4	7.0
P/BV	1.1	0.7	0.6
OpFCF yield	*1.9%*	*33.2%*	*8.8%*
Dividend yield	*10.2%*	*8.1%*	*8.6%*
EPS (adj.)	2.18	1.72	1.83
BVPS	18.69	19.24	20.14
DPS	1.30	1.03	1.10



Shareholders: B-1998 54%; Treasury stock/Other 11%; RBS 3%;

Analyst(s):
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Contract in US

The facts: According to the press, FCC has obtained a contract in US.

Our analysis: The contract apparently includes designing and building a new bridge in Los Angeles as well as demolishing the old bridge. The winning consortium includes FCC (30%), Impregilo (30%) and the local construction company Shimmick (40%). The contract rises to EUR766m and of this amount the consortium could receive EUR498m (FCC: EUR149m, 1.5% backlog at December 2011). This is the second contract obtained by FCC in US having entered this market with the extension of a motorway in Florida. International construction sales represent 65% of the total in 2011 and 51% of the portfolio. In terms of valuation, construction makes up 13% EV and domestic activity 4%.

Conclusion: *Positive news as FCC consolidates its presence in a strategic market – a region that the company is already present in the cement and industrial waste activities. We maintain our positive outlook on the stock.*

Finmeccanica

Italy/Aerospace & Defense

Analyser

Accumulate

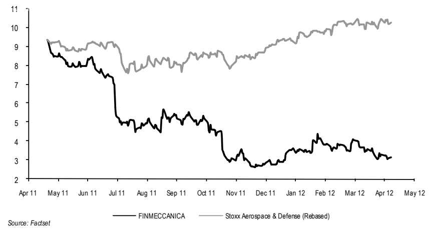
Recommendation unchanged

Share price: EUR	**3.15**
closing price as of 07/05/2012	
Target price: EUR	**5.00**
Target Price unchanged	
Reuters/Bloomberg	SIFI.MI/FNC IM

Market capitalisation (EURm)	1,820
Current N° of shares (m)	578
Free float	60%

Daily avg. no. trad. sh. 12 mth	7,397,517
Daily avg. trad. vol. 12 mth (m)	37
Price high 12 mth (EUR)	9.50
Price low 12 mth (EUR)	2.62
Abs. perf. 1 mth	-13.94%
Abs. perf. 3 mth	-8.28%
Abs. perf. 12 mth	-65.75%

Key financials (EUR)	12/11	12/12e	12/13e
Sales (m)	17,318	17,400	18,156
EBITDA (m)	(893)	1,754	1,900
EBITDA margin	*nm*	*10.1%*	*10.5%*
EBIT (m)	(2,386)	877	1,188
EBIT margin	*nm*	*5.0%*	*6.5%*
Net Profit (adj.)(m)	(754)	488	571
ROCE	-8.5%	9.0%	10.1%
Net debt/(cash) (m)	3,443	3,655	3,699
Net Debt/Equity	*0.7*	*0.7*	*0.7*
Debt/EBITDA	-3.9	2.1	1.9
Int. cover(EBITDA/Fin. int)	(13.5)	5.5	5.8
EV/Sales	0.3	0.3	0.3
EV/EBITDA	nm	2.6	2.4
EV/EBITDA (adj.)	8.9	2.3	2.4
EV/EBIT	nm	5.2	3.9
P/E (adj.)	nm	3.7	3.2
P/BV	0.4	0.4	0.4
OpFCF yield	*-71.4%*	*23.3%*	*18.6%*
Dividend yield	*0.0%*	*5.5%*	*8.7%*
EPS (adj.)	(1.30)	0.84	0.99
BVPS	7.44	8.02	8.69
DPS	0.00	0.17	0.27



Shareholders: Italian Government 32%; Tradewinds GI 5%; Blackrock INC 2%;

Analyst(s):

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The US' Air Force likely to keep its C-27Js and possibly sel them to the ANG

The facts: The US' House Armed Services Committee ("HASC") has added USD 2.8bn to the Pentagon's fiscal 2013 budget request for ships, aircraft and weapons in consistency with the resistance to further cuts in defence spending.

Overall, the committee's bill provides USD 554bn in defence spending with additional USD 88bn for overseas contingency funds; these resources are USD 29bn over the Pentagon's request (USD 525.4bn in base defence spending).

We highlight that aircraft procurement rose USD 389m and that it includes now USD 138m to keep FNC's C-27Js: the committee denied the Air Force the ability to use any money in 2013 "to divest or retire, or prepare to divest or retire," C-27J aircraft. A series of reporting requirements after 2013 would need to be met before the aircraft could be disposed of, including an affordable spending analysis for the plane's operation by the Air National Guard.

Our analysis: FNC sold 21 C-27J aircrafts to the US services, but the new budget terminated the programme a few months ago; the US Air Force was considering selling its C-27Js as second hand; this perspective would have jeopardized FNC's chances to sell its C-27Js to a couple of top US allies as Canada and Australia.

Conclusion & Action: *Today's news is good as it confirms that the US' Air Force's C-27Js will be kept in service until 2013 and possibly sold to the US Air National Guard, thus making the market scenario much more promising.*

Gildemeister

Germany/Industrial Engineering

Analyser

Buy

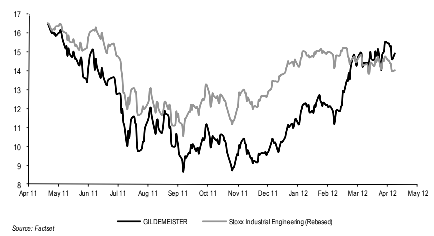
Recommendation unchanged

Share price: EUR	**14.95**
closing price as of 07/05/2012	
Target price: EUR	**17.00**
Target Price unchanged	
Reuters/Bloomberg	GILG.DE/GIL GY

Market capitalisation (EURm)	899
Current N° of shares (m)	60
Free float	80%

Daily avg. no. trad. sh. 12 mth	401,146
Daily avg. trad. vol. 12 mth (m)	5
Price high 12 mth (EUR)	17.02
Price low 12 mth (EUR)	8.69
Abs. perf. 1 mth	3.60%
Abs. perf. 3 mth	23.11%
Abs. perf. 12 mth	-10.72%

Key financials (EUR)	12/11	12/12e	12/13e
Sales (m)	1,688	1,910	2,000
EBITDA (m)	146	175	196
EBITDA margin	*8.7%*	*9.2%*	*9.8%*
EBIT (m)	112	135	150
EBIT margin	*6.7%*	*7.1%*	*7.5%*
Net Profit (adj.)(m)	47	78	92
ROCE	9.8%	10.6%	10.5%
Net debt/(cash) (m)	(71)	(118)	(116)
Net Debt/Equity	*-0.1*	*-0.2*	*-0.1*
Debt/EBITDA	-0.5	-0.7	-0.6
Int. cover(EBITDA/Fin. int)	5.9	15.9	82.1
EV/Sales	0.3	0.4	0.4
EV/EBITDA	3.8	4.7	4.2
EV/EBITDA (adj.)	3.8	4.7	4.2
EV/EBIT	4.9	6.0	5.5
P/E (adj.)	12.5	11.5	9.8
P/BV	0.9	1.3	1.1
OpFCF yield	*20.7%*	*3.7%*	*4.1%*
Dividend yield	*1.7%*	*2.3%*	*2.3%*
EPS (adj.)	0.78	1.30	1.52
BVPS	10.69	11.79	13.06
DPS	0.25	0.35	0.35



Source: Factset

Shareholders: Mori Seiki 20%;

Analyst(s):

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Strong 1Q results and there is more to come – Buy!

Facts: Today GIL reported a strong set of 1Q results with significant yoy increases in all metrics. Additionally the global forecast for machine tool consumption was raised substantially. M'ment guides for higher dividend.

Gildemeister results 1Q 12

EUR m	1Q 12	1Q 12e	1Q 11	yoy	qoq	cons. '1Q
Orders	605.1	515.0	445.9	36%	46%	544.9
Sales	**451.8**	**415.1**	**377.4**	**20%**	**-8%**	**441.6**
EBIT	**18.8**	**14.5**	**10.4**	**81%**	**-59%**	**18.0**
EBIT margin	4.2%	3.5%	2.8%			4.1%
Net income	10.3	5.8	0.3	3333%	-64%	9.4
EPS	**0.17**	**0.10**	**0.01**		**-64%**	**0.16**

Source: Comp. data, Inquiry Financial, equinet Research

Analysis: Gil achieved impressive 1Q 12 results which beat our (conservative) and consensus expectations. Sales rose by 20% yoy to EUR 452m (despite a major setback in sales of *Energy Solutions* (ES) from EUR 60m last year to EUR 9.9m this year) thus providing sufficient economies of scale and fixed cost absorption. Hence, EBIT of EUR 18.8m jumped by 81% yoy implying an EBIT margin for 1Q 12 of 4.2% (equinet: 3.5%). Orders of EUR 605m jumped by 36% yoy driven by orders for Services (+63% yoy, an undisclosed amount is related to the first time consolidation of DMG / Mori Seiki Europe), and an increase of *MT* orders of +22% yoy (highlighting ongoing healthy climate for capital spending) which more than offset a decline in orders in *Energy Solutions*.

Sales in the *MT* business even rose by +25% yoy whilst the EBIT fell by EUR 1.0m to EUR 2.2m implying an EBIT margin in the machine tool business of a meagre ~1%. Sales in the *MT* related service business rose by +68% yoy also triggered by the positive effect from consolidation of DMG / Mori Seiki Europe. By assuming an EBIT loss of ~EUR 10m in energy Solutions which is now reported together with the machine tool service business in the segment "*Industrial Services"* we think that the EBIT margin in machine tool related service business was a strong 17-18%. To sum up, order and sales development are strongly positive whilst the profitability in the machine tool business was slightly disappointing.

<u>Outlook for global machine tool market growth in '12 raised</u>: According to VDW and the Oxford Institute global machine tool consumption is now forecasted to rise by +8.8% yoy (was:+2.5% yoy) in 12e. This bodes well for upcoming quarters whilst it also highlights an ongoing solid capital spending climate despite some difficulties in demand form Southern Europe. This seems to be more than offset by vital demand out of Asia, the US and also Eastern Europe. Growth should reaccelerate in '13e for which the associations are forecasting global machine tool consumption to rise by +5.3% yoy. Dominant drivers of growth in demand will again be Asia (+11% yoy) and the US (+8.6% yoy). Still machine tool consumption in Germany (+5.6% yoy) as well as Europe (+2.7% yoy) as a whole is now also forecasted to rise by ~4% yoy.

Conclusion*: The latest set of results demonstrated the strong positioning of Gil (global No1) in the attractive but disproportionately cyclical end-market for machine tools and services. Widely unaffected from cycles Services provides a strong foundation (EBIT contribution p.a. of >EUR80m) for Gil's earnings. Shares are trading at a discount of up to 20% vs. peers (ESN Industrial Engineering universe for 12e: PER ~12x, EV/EBIT ~8.5x, EV/Sales ~0.7x), which we view as unjustified. The sole risk* ***to the investment*** *case remains the disproportionate level of insecurity related to the future development of the Energy Solutions business. W****e remain positive on Gil's investment case, reiterate Buy with a PT to EUR 17. GIL has been one of our Top Pick in the German industrials universe in recent months and will remain a Top Pick.***

Hes Beheer

Netherlands/Industrial Transportation & Motorways

Analyser

Buy

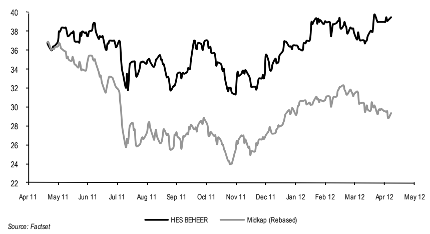
from Accumulate

Share price: EUR	**39.50**
closing price as of 07/05/2012	
Target price: EUR	**51.00**
from Target Price: EUR	**41.50**
Reuters/Bloomberg	HESA.AS/HES NA

Market capitalisation (EURm)	346
Current N° of shares (m)	9
Free float	31%

Daily avg. no. trad. sh. 12 mth	1,354
Daily avg. trad. vol. 12 mth (m)	0
Price high 12 mth (EUR)	39.80
Price low 12 mth (EUR)	31.31
Abs. perf. 1 mth	6.64%
Abs. perf. 3 mth	7.50%
Abs. perf. 12 mth	5.33%

Key financials (EUR)	12/11	12/12e	12/13e
Sales (m)	78	87	93
EBITDA (m)	19	24	29
EBITDA margin	*24.5%*	*27.3%*	*31.0%*
EBIT (m)	13	16	18
EBIT margin	*16.4%*	*17.9%*	*19.7%*
Net Profit (adj.)(m)	24	28	31
ROCE	14.2%	13.9%	14.2%
Net debt/(cash) (m)	49	59	66
Net Debt/Equity	*0.5*	*0.5*	*0.5*
Debt/EBITDA	2.6	2.5	2.3
Int. cover(EBITDA/Fin. int)	1,062.9	12.8	13.2
EV/Sales	3.7	3.7	3.4
EV/EBITDA	14.9	13.5	11.1
EV/EBITDA (adj.)	14.9	13.5	11.1
EV/EBIT	22.3	20.5	17.4
P/E (adj.)	12.8	12.3	11.1
P/BV	3.0	2.9	2.6
OpFCF yield	*8.2%*	*7.9%*	*9.0%*
Dividend yield	*3.3%*	*4.1%*	*4.5%*
EPS (adj.)	2.78	3.22	3.55
BVPS	11.93	13.55	15.32
DPS	1.32	1.61	1.78



Shareholders: Westerduin 21%; Strating/Gestion 12%; PPF 10%; Plimsoll 10%; Menor Investments 7%; Parkland 5%; Onderdijk

Analyst(s):
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A coal fired growth engine – part II

The facts: Although the FY11 OBA results were impacted by adverse weather conditions, impacting group EBITDA modestly, the HES Beheer group did rather well in FY11 with solid revenue (+12%) and net profit growth (+17%) that exceeded our expectations.

The group is benefiting from the investments made in efficiency and capacity in 2010 and 2011 as well as from strong demand for coal from German customers, which are using the well positioned Amsterdam and Rotterdam ports for imports now that German coal mine output is declining and a significant number of nuclear plants have stooped operations.

The HES Beheer group has also successfully diversified now that the Botlek Tank Terminal, a JV with Noble Ltd, has started operations. This liquid bulk facility is focusing on high margin products like biofuels and middle distillates, markets which are expected to grow substantially. This explains why Noble Ltd has already indicated that phase 2 will commence soon, leading to a total capacity of 550,000 cbm that will be expanded (at least that is what we assume) 750,000 cbm.

The acquisition of a stake in ATIC Services strengthens the control of HES Beheer on its affiliates EMO, OBA and Ovet but we are not entirely sure that the other activities of ATIC Services will be beneficial to the HES Beheer group as a whole.

Our analysis: In FY12, HES Beheer will see substantial growth from EMO (because of higher capacity in terms of transhipment equipment), EBS (due to investments in new terrain and equipment), Ovet (because of the quays expansion) and BTT (full year of operations). HES Beheer will also see net profit increase because of the contributions from ATIC Services.

In the years thereafter we forecast continued growth in net profit due to the starting up of 2 new coal fired electricity plants in Rotterdam (both serviced by EMO), the expansion plans of EMO and the expansion plans at BTT. In other words, the future for HES Beheer is looking bright because of coal and liquid bulk, even though steel production may become structurally lower outside Germany.

Conclusion & Action: *Both the FY11 and the 1Q12 results show continued strong growth at HES Beheer. Demand for coal (and storage thereof) continues to increase with HES Beheer companies being in an excellent position to profit from that trend. On top of that, HES Beheer is showing that it can successfully diversify in liquid bulk and other services (BTT and to a lesser extent ATIC), which opens up new growth areas. Although there are long term risks in relation to the increased use of renewable energy sources, in the near and medium term (20 years or even more) the outlook is very positive, even if steel production in Europe continues to decline. This results in a new price target of EUR 51 per share versus our old target of EUR 41.50. With further positive news flow from earnings ahead, we raise our rating to Buy.*

Hypoport AG

Germany/Financial Services

Analyser

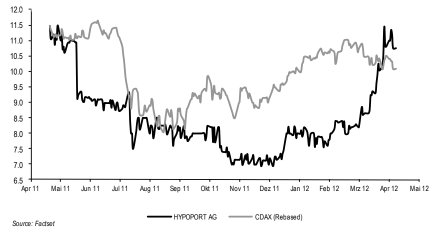
Hold

from Buy

Share price: EUR	10.75
closing price as of 07/05/2012	
Target price: EUR	**11.50**
from Target Price: EUR	**13.00**
Reuters/Bloomberg	HYQGn.DE/HYQ GR

Market capitalisation (EURm)	67
Current N° of shares (m)	6
Free float	43%
Daily avg. no. trad. sh. 12 mth	3,338
Daily avg. trad. vol. 12 mth (m)	0
Price high 12 mth (EUR)	11.49
Price low 12 mth (EUR)	6.95
Abs. perf. 1 mth	24.26%
Abs. perf. 3 mth	36.54%
Abs. perf. 12 mth	2.38%

Key financials (EUR)	12/11	12/12e	12/13e
Sales (m)	84	97	109
EBITDA (m)	11	13	16
EBITDA margin	*13.1%*	*13.8%*	*14.5%*
EBIT (m)	6	8	10
EBIT margin	*7.0%*	*7.8%*	*8.8%*
Net Profit (adj.)(m)	4	5	6
ROCE	9.6%	11.7%	14.0%
Net debt/(cash) (m)	16	13	9
Net Debt/Equity	*0.5*	*0.4*	*0.2*
Debt/EBITDA	1.4	1.0	0.6
Int. cover(EBITDA/Fin. int)	13.7	16.6	19.5
EV/Sales	0.7	0.8	0.7
EV/EBITDA	5.4	5.9	4.8
EV/EBITDA (adj.)	5.4	5.9	4.8
EV/EBIT	10.2	10.5	7.9
P/E (adj.)	12.0	14.0	10.9
P/BV	1.4	1.9	1.6
OpFCF yield	*-2.5%*	*3.7%*	*5.8%*
Dividend yield	*0.0%*	*0.0%*	*0.0%*
EPS (adj.)	0.60	0.77	0.98
BVPS	5.01	5.78	6.76
DPS	0.00	0.00	0.00



Shareholders: Slabke 35%; Kretschmar 13%; Deutsche Bank 10%;

Analyst(s):

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Q1 results expectations, downgrade to Hold

The facts: Hypoport reported Q1 results slightly below expectations on an EBIT level but in line with expectations on a net profit level due to a positive tax effect. Having reached an EBIT of EUR 0.7m in Q1 our full-year EBIT estimate of EUR 9.0m has become too aggressive. Hence, we reduce our EPS estimate from EUR 0.86 to EUR 0.77 and from EUR 1.10 to EUR 0.98 for 2012e and 2013e, respectively. We lower our TP to EUR 11.50 (EUR 13) & d/g the shares to Hold.

Our analysis:

Q1 results below expectations on an EBIT level: While sales came in fully in line with our forecast with EUR 20.7m (+16% yoy, -20% qoq) gross profit was with EUR 11.5m (+11% yoy, -6% qoq) below our expectation of EUR 12.1m. Hence, the gross margin declined by 2.6%-pts. yoy to 56.0%. EBIT declined by 30% yoy to EUR 0.7m which was well below our forecast of EUR 1.1m. This is equivalent to an EBIT margin of 3.3% (-2.2%-pts. yoy) and an adj. (for own work capitalized) EBIT margin of -1.5%. Net profit declined by only 13% yoy to EUR 0.5m due to the activation of tax loss carry-forwards.

Institutional clients with disappointing performance: In Institutional Clients EBIT declined by 81% yoy to EUR 0.2m as Hypoport signed fewer large ticket transactions than in Q1 2011. As Hypoport has a full pipeline EBIT should improve in the coming quarters, i.e. the weak Q1 performance is due to normal quarterly fluctuation. In contrast Europace delivered a strong Q1 performance with a sales increase of 75% yoy and a strong EBIT margin of 15.6%.

Sales growth over-delivered...: With average sales growth of 26% p.a. between 2006 and 2011 Hypoport has proven that its business model works and has gained significant market share during this time. In Q1 sales growth was with 16% once again impressive. Main driver was the Europace business. We expect Hypoport to continue to grow double-digit in the coming years.

...margin expansion – still some homework to do: Negatively, Hypoport's EBIT margin has declined between 2006 and 2011 from 17.6% to 7.0%, adj. for own work capitalized the EBIT margin declined from 7.5% to 2.2%. We understand that Hypoport has focused in recent years on market share gains and not on maximizing its EBIT margin. This was clearly the right strategy to win additional customers for Europace and to improve Dr. Klein's market position. Currently we are somewhat confused about Hypoport's sustainable EBIT margin going forward. Although we remain convinced that Hypoport should be able to reach a double-digit EBIT margin we are not so sure that this will happen in the short term.

EPS revisions for 2012e and 2013e: We reduce our EPS estimate from EUR 0.86 to EUR 0.77 and from EUR 1.10 to EUR 0.98 for 2012e and 2013e, respectively. Reason for the earnings adjustment is that we have become less optimistic regarding future margin expansion. We now calculate with an EBIT margin of 8.8% for 201e (before: 11.2%).

Conclusion & Action: *We reduce our earnings estimates for 2012e and 2013e as they have become too ambitious to meet. On the back of this revised target price and the strong share price performance since early April we see only limited share price upside potential and hence downgrade the shares Hold (Buy) with a new TP of EUR 11.50 (EUR 13.00). We still believe in the growth story of Hypo but want to see more proof of Hypo being able to increase its EBIT margin before turning more positive again.*

Indra Sistemas
Spain/Software & Computer Services

Analyser

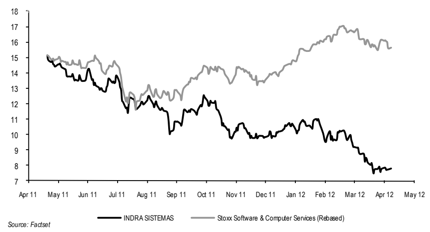
Buy
Recommendation unchanged

Share price: EUR	**7.79**
closing price as of 07/05/2012	
Target price: EUR	**12.00**
Target Price unchanged	
Reuters/Bloomberg	IDR.MC/IDR SM

Market capitalisation (EURm)	1,279
Current N° of shares (m)	164
Free float	60%

Daily avg. no. trad. sh. 12 mth	1,467,314
Daily avg. trad. vol. 12 mth (m)	17
Price high 12 mth (EUR)	15.80
Price low 12 mth (EUR)	7.47
Abs. perf. 1 mth	-10.76%
Abs. perf. 3 mth	-28.07%
Abs. perf. 12 mth	-49.09%

Key financials (EUR)	12/11	12/12e	12/13e
Sales (m)	2,689	2,914	3,149
EBITDA (m)	314	265	325
EBITDA margin	*11.7%*	*9.1%*	*10.3%*
EBIT (m)	268	217	273
EBIT margin	*10.0%*	*7.4%*	*8.7%*
Net Profit (adj.)(m)	181	156	185
ROCE	9.8%	9.0%	10.2%
Net debt/(cash) (m)	514	620	622
Net Debt/Equity	*0.5*	*0.6*	*0.5*
Debt/EBITDA	1.6	2.3	1.9
Int. cover(EBITDA/Fin. int)	8.7	5.7	6.4
EV/Sales	0.7	0.6	0.5
EV/EBITDA	6.2	6.3	5.2
EV/EBITDA (adj.)	6.6	5.7	4.9
EV/EBIT	7.3	7.7	6.1
P/E (adj.)	8.9	8.2	6.9
P/BV	1.5	1.2	1.1
OpFCF yield	*6.1%*	*9.5%*	*12.8%*
Dividend yield	*8.7%*	*7.5%*	*8.6%*
EPS (adj.)	1.10	0.95	1.13
BVPS	6.37	6.65	7.12
DPS	0.68	0.59	0.67



Source: Factset

Shareholders: BFA 20%; Corporación Financiera Alba 10%; Casa Grande Cartagena 5%;

Analyst(s):
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1Q'12 results preview.

The facts: Indra will release 1Q'12 results on May 10th at market close. These results will be affected by the consolidation of: Galyleo (as from 3Q'11) and Politec (as from 4Q'11), with a positive effect in sales and dilutive in EBIT margin. We expect Indra to charge a large amount of the EUR29m extraordinary costs estimated for 2012 against 1Q'12 results.

EUR mll	1Q12e	1Q11	% var.
Total revenues	**715.0**	**657.6**	**8.7%**
COGS	-673.6	-596.4	12.9%
o.w./reestructuring cost	-10.1	0.0	
EBITDA	61.4	78.9	-22.2%
Depreciation	-9.9	-10.0	-1.2%
EBIT	**51.5**	**68.9**	**-25.2%**
Ebit margin	*7.21%*	*10.48%*	
Financial Result	-12.5	-4.3	191.7%
EBT	39.0	64.6	-39.7%
Taxes	-8.2	-14.5	-43.5%
Minorities	0.0	-0.4	-95.4%
Net Profit	**30.8**	**49.7**	-38.1%

Source:Indra & Bankia Bolsa estimates

Our analysis: We estimate:

- ✓ ***Sales:*** Growths will progressively decrease throughout the year due to the initial consolidation of the acquisitions made. Transport & Traffic Finance & Insurance, Energy & Industry and PPAA & Health, will be the vertical markets to benefit most from the acquisitions. **Double digit international growth and single digit drops in Spain.**
- ✓ ***EBIT margin:*** to fall from 10.5% at 1Q'11 to 7.2% due to: a) lower profitability of acquired, namely Politec; and b) extraordinary costs to adapt Indra's productive structure that we expect will be greatly executed in 1Q'12 (35% o/total 12e). **Recurrent EBIT mg 8.6%.**
- ✓ ***Net Profit:*** we estimate -38% due to the fall in EBIT as well as the higher financial results rising from the larger NFD at 2011. Besides, and following the acquisitions, Indra's financial situation is comfortable presenting a **NFD/EBITDA'12e of 2.3x, ratio that we expect will reduce to 1.9x in 2013e.** We have adjusted our estimated tax rate from 22.9% to 22.1% as well as the pay-out against 2011 set at 62% vs. 55% estimated.

Conclusion & Action: *results affected by the sales and margins rising from the new acquisitions.* ***We positively value the recent moves made by Indra as these:*** *1) <u>bolster sales growths in 2012 onwards</u> (+8.4% vs. +1% ex-acquisitions); b) <u>reduce Indra's exposure to Spain</u>, increasing growth in emerging markets, LatAm and Asia (estimated 2012 sales weight in Spain dropping to 49.8%); and c) <u>bases are set to increase IT solution sales globally</u>. For all these reasons, we estimate EBIT margin improving from 7.5% 2012e to 10% 2014e. With the 54% upside potential we reiterate our Buy recommendation.*

Intervest Offices & Warehouses

Belgium/Real Estate

Analyser

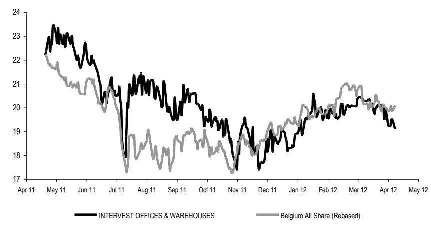
Accumulate

from Hold

Share price: EUR	**19.11**
closing price as of 07/05/2012	
Target price: EUR	**22.00**
Target Price unchanged	
Reuters/Bloomberg	PRIF.BR/INTO BB

Market capitalisation (EURm)	266
Current N° of shares (m)	14
Free float	45%
Daily avg. no. trad. sh. 12 mth	4,524
Daily avg. trad. vol. 12 mth (m)	0
Price high 12 mth (EUR)	23.47
Price low 12 mth (EUR)	17.42
Abs. perf. 1 mth	-5.82%
Abs. perf. 3 mth	-2.00%
Abs. perf. 12 mth	-16.00%

Key financials (EUR)	12/11	12/12e	12/13e
Gross Rental Income (m)	39	42	43
EBITDA (m)	35	38	39
EBITDA margin	*84.4%*	*84.6%*	*84.6%*
Portfolio Result (m)	2	(2)	(2)
Net Financial Result	*(16)*	*(12)*	*(13)*
Net Profit (adj.)(m)	22	26	25
Funds From Operations	22	26	25
EPS (adj.)	1.60	1.85	1.81
DPS	*1.60*	*1.85*	*1.81*
IFRS NAVPS	20.42	19.27	19.09
EPRA NAVPS	20.64	19.49	19.30
Premium/(Discount)	(11.1%)	(0.8%)	0.1%
Earnings adj. yield	*8.4%*	*9.7%*	*9.5%*
Dividend yield	*8.4%*	*9.7%*	*9.5%*
EV/EBITDA	*15.8*	*15.0*	*14.8*
P/E (adj.)	*11.3*	*10.3*	*10.6*
Int. cover(EBITDA/Fin.int)	*2.9*	*3.2*	*2.9*
Net debt/(cash) (m)	*293*	*305*	*308*
Net Debt/Total Assets	*49.3%*	*51.6%*	*52.1%*



Shareholders: VastNed Offices / Industrial NV 55%;

Analyst(s):

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Good 1Q12 results: from Hold to Accumulate

The facts: Yesterday after market close, Intervest Offices & Warehouses published its 1Q12 results.

The net recurring result per share in 1Q12 improved 35% yoy and 20% qoq to EUR 0.48, mainly reflecting the increase in rental income following the large wave of investments in logistics premises made in 2011, but also lower financing costs and stable property costs.

The average interest rate for 1Q12 was 3.7%, including bank margins, compared with 4.9% in 1Q11, which can be explained by the effect of new interest rate swaps at lower interest rates. Intervest O&W does not need to carry out any major refinancing of its credit portfolio in 2012 and 2013.

As a result of additional leases with Biocartis and Verhaeren & Co concluded in 1Q12, 96% of the space previously leased by Tibotec-Virco has been re-leased.

The occupancy rate of the total portfolio remained stable at 86%, made up of a stable 84% rate for the office portfolio and a slightly decreased 88% (91% at year-end 2011) rate for the logistics portfolio.

The fair value of the real estate portfolio slightly increased by EUR 2m to EUR 583m on 31 March 2012. No investments or divestments were done in 1Q12. IFRS NAV per share reached EUR 20.94, up 2.6% on the quarter.

Management is guiding for a continuation of the 86% occupancy rate. Importantly, Intervest O&W has decided to adjust its dividend distribution policy with effect from financial year 2012 (i.e. dividend payable in 2013), so that the pay-out ratio will be between 80% and 100% of the operating result, depending on the compensation received for early termination of rental contracts and other compensation for rental damages.

Our analysis: In the past we repeatedly said we expected strong improvement in 2012, driven by important acquisitions achieved in 2011. 1Q12 results came out even better than expected, thanks to the particularly strong decrease in financing costs and the lease of most of the remainder of the space previously leased by Tibotec-Virco.

Our 2012 bottom line estimate will thus probably prove to be too conservative, and a quick read-through of the 1Q12 results indicates that Intervest O&W is trading at a >10% recurring earnings yield, while the discount to last published NAVps (EUR 20.94) is 9%.

Conclusion & Action: *Good 1Q12 results for Intervest O&W. We change our recommendation from Hold to Accumulate, reflecting the attractive valuation multiples (10% 2012 recurring earnings yield) and the resilience shown by the portfolio.*

Intervest Retail

Belgium/Real Estate

Analyser

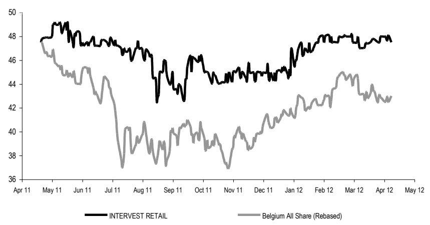
Hold

Recommendation unchanged

Share price: EUR	**47.52**
closing price as of 07/05/2012	
Target price: EUR	**46.00**
Target Price unchanged	
Reuters/Bloomberg	IJX.BR/INTV BB

Market capitalisation (EURm)	241
Current N° of shares (m)	5
Free float	28%
Daily avg. no. trad. sh. 12 mth	606
Daily avg. trad. vol. 12 mth (m)	0
Price high 12 mth (EUR)	49.20
Price low 12 mth (EUR)	42.52
Abs. perf. 1 mth	1.04%
Abs. perf. 3 mth	2.41%
Abs. perf. 12 mth	0.76%

Key financials (EUR)	12/11	12/12e	12/13e
Gross Rental Income (m)	21	22	22
EBITDA (m)	18	19	19
EBITDA margin	*85.5%*	*86.0%*	*86.1%*
Portfolio Result (m)	24	7	6
Net Financial Result	*(5)*	*(5)*	*(5)*
Net Profit (adj.)(m)	13	13	14
Funds From Operations	13	13	14
EPS (adj.)	2.53	2.61	2.70
DPS	*2.53*	*2.61*	*2.70*
IFRS NAVPS	45.04	46.50	47.77
EPRA NAVPS	46.03	47.48	48.75
Premium/(Discount)	(0.1%)	2.2%	(0.5%)
Earnings adj. yield	*5.3%*	*5.5%*	*5.7%*
Dividend yield	*5.3%*	*5.5%*	*5.7%*
EV/EBITDA	*19.8*	*19.7*	*19.2*
P/E (adj.)	*17.8*	*18.2*	*17.6*
Int. cover(EBITDA/Fin.int)	*3.5*	*3.4*	*3.5*
Net debt/(cash) (m)	*131*	*128*	*127*
Net Debt/Total Assets	*36.1%*	*34.5%*	*33.8%*



Shareholders: Vastned Retail NV 72%;

Analyst(s):
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Unsurprising 1Q12 results

The facts: Intervest Retail has published its 1Q12 results.

The net recurring result per share in 1Q12 came out at EUR 0.63, unchanged compared to 1Q11.

The occupancy rate reached 98.8% on 31 March 2012, up from 96.6% at year-end 2011. A lease contract with the Spanish fashion giant, Desigual, for premises in the shopping complex Jardin d'Harscamp in the centre of Namur was concluded.

The property charges slightly increased to EUR 0.6m from EUR 0.5m, but the general costs remained at the same level as in 1Q11.

The average cost of debt remained flat at 4.2%, including bank margins.

The fair value of the portfolio increased by EUR 4m over the quarter to EUR 366m on 31 March 2012, composed of a positive EUR 3m portfolio result and EUR 1m of investments, mainly in the Jardin d'Harscamp shopping centre in Namur.

As a result, IFRS NAV per share came out at EUR 46.24 on 31 March 2012, up 2.7% over the quarter from EUR 45.04 at year-end 2011.

The debt ratio further decreased to 34%. For its new investments, Intervest Retail will focus on prime locations in the city centre of larger cities.

Our analysis: No major surprise in this 1Q12 results. Intervest Retail is trading at a 3% premium to last published IFRS NAV (EUR 46.24 on 31 March 2012) and a 5.3% gross dividend yield. The ex-dividend date for the 2011 gross dividend per share of EUR 2.53 is today.

Conclusion & Action: *No major surprise in this 1Q12 results. Hold recommendation and EUR 46.0 TP maintained.*

Hold

Recommendation unchanged

Share price: EUR	**4.87**

closing price as of 07/05/2012

Target price: EUR	**5.90**

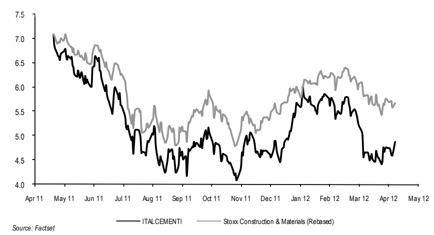
Target Price unchanged

Reuters/Bloomberg	ITAI.MI/IT IM

Market capitalisation (EURm)	1,104
Current N° of shares (m)	283
Free float	38%

Daily avg. no. trad. sh. 12 mth	473,976
Daily avg. trad. vol. 12 mth (m)	2
Price high 12 mth (EUR)	7.32
Price low 12 mth (EUR)	4.09
Abs. perf. 1 mth	4.55%
Abs. perf. 3 mth	-14.52%
Abs. perf. 12 mth	-32.86%

Key financials (EUR)	12/11	12/12e	12/13e
Sales (m)	4,721	4,857	5,152
EBITDA (m)	738	749	858
EBITDA margin	*15.6%*	*15.4%*	*16.7%*
EBIT (m)	129	269	368
EBIT margin	*2.7%*	*5.5%*	*7.1%*
Net Profit (adj.)(m)	(92)	21	60
Net debt/(cash) (m)	2,093	2,104	2,119
Net Debt/Equity	*0.4*	*0.4*	*0.4*
Debt/EBITDA	2.8	2.8	2.5
Int. cover(EBITDA/Fin. int)	7.2	6.8	8.6
EV/Sales	0.9	0.9	0.9
EV/EBITDA	5.8	5.9	5.2
EV/EBITDA (adj.)	5.8	5.9	5.2
EV/EBIT	33.0	16.3	12.0
P/E (adj.)	nm	nm	22.8
P/BV	0.4	0.4	0.4
OpFCF yield	*72.0%*	*64.3%*	*55.7%*
Dividend yield	*3.0%*	*3.3%*	*3.9%*
EPS (adj.)	(0.33)	0.07	0.21
BVPS	12.37	12.30	12.35
DPS	0.14	0.16	0.19



Shareholders: Italmobiliare 60%; First eagle 2%;

Analyst(s):
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Cost inflation expected to weigh on 2012 results

The facts: Italcementi held a conference call on first quarter results yesterday.

Our analysis:

2012 outlook - the company stated it expected operating results in line with 2011 and to contain net financial debt at a slightly higher level (compared to 2011). We highlight that at the beginning of March the company stated it expected 2012 operating results higher than 2011. The management stated that the main reasons for the foregoing revision are: weaker than expected volumes in Italy; higher than expected increase in the cost of fuel and energy.

Mature Markets	Market Volumes(*)	ITC Prices(**)	Emerging Markets	Market Volumes(*)	ITC Prices(**)
Italy	-10 / -20%	+10 / +20%	Egypt	+1.5 / +5%	+5 / +10%
France	flat	flat	Morocco	+5 / +10%	flat
Belgium	-5 / -10%	flat	Bulgaria	+1.5 / +5%	-1.5 / -5%
Spain	-10 / -20%	+1.5 / +5%	Thailand	+1.5 / +5%	-1.5 / -5%
Greece	-10 / -20%	-1.5 / -5%	India (Group mkt Area)	+5 / +10%	+5 / +10%
North America (Group mkt Area)	+1.5 / +5%	+1.5 / +5%	Kazakhstan	+5 / +10%	+1.5 / +5%

Italian market – in Italy Italcementi recorded an improvement in EBITDA in Q1 (EUR -6m recurring EBITDA VS. EUR -19m in Q1 11) notwithstanding a 23% Y/Y decrease in volumes. The main reason of this improvement was a sizeable increase in cement prices in Q1 12 (+27% Y/Y); the management stated the present cement prices are expected to stick in the market and that Italcementi should record a positive EBITDA in Italy in 2012.

Egyptian market - the management stated its outlook on the Egyptian market has improved with volumes now expected up 1.5/5% Y/Y in 2012 vs. the previous estimate of –1.5/-5% Y/Y. The sharp increase in gas prices (+35%) negatively affected the EBITDA margin though the management stated that the present cement prices are higher than 2011 average.

French market .- the management lowered its estimate on 2012 cement prices in France from the previous +1.5/+5% Y/Y to the present flat scenario. In this respect the management stated that this guidance could be considered cautious and that there's some room for a slight increase in prices in 2012. The company keeps on assuming flat volumes in 2012.

Cost increase – overall Italcementi is experiencing a sizeable increase both in fuel and energy costs with the cost of fuel up 10% Y/Y and power up 8% Y/Y in Q1 12.

New investments – the company is going to invest in both efficiency and expansion projects. Particularly the company is going to invest EUR 160m to replace the existing wet lines in Bulgaria and USD 400m for a 3mt/y greenfield project in India (74% stake in JUV with Zuari) in Gulbarga. Italcementi is also going to expand its capacity in Morocco.

Conclusion & Action: *the main issues for Italcementi in 2012 are the Egyptian market because of the political turmoil which plainly limits the visibility on volumes and prices and the French market after a weak start in Q1 also because of bad weather conditions. Rating and target confirmed.*

KTG Agrar
Germany/Food & Beverage

Analyser

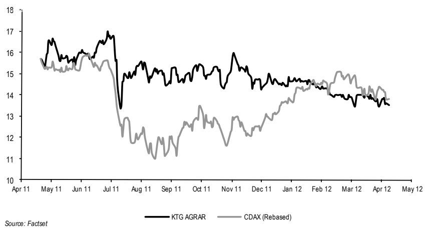
Accumulate
Recommendation unchanged

Share price: EUR	**13.52**
closing price as of 07/05/2012	
Target price: EUR	**16.00**
Target Price unchanged	
Reuters/Bloomberg	7KTG.DE/7KT GY

Market capitalisation (EURm)	77
Current N° of shares (m)	6
Free float	54%

Daily avg. no. trad. sh. 12 mth	6,812
Daily avg. trad. vol. 12 mth (m)	0
Price high 12 mth (EUR)	17.00
Price low 12 mth (EUR)	13.37
Abs. perf. 1 mth	-3.46%
Abs. perf. 3 mth	-7.56%
Abs. perf. 12 mth	-20.03%

Key financials (EUR)	**12/10**	**12/11e**	**12/12e**
Sales (m)	45	62	65
EBITDA (m)	18	24	25
EBITDA margin	*39.2%*	*39.1%*	*37.8%*
EBIT (m)	13	19	17
EBIT margin	*29.9%*	*30.5%*	*26.7%*
Net Profit (adj.)(m)	2	9	7
ROCE	10.6%	11.0%	6.7%
Net debt/(cash) (m)	87	95	128
Net Debt/Equity	*1.4*	*1.4*	*1.7*
Debt/EBITDA	4.9	3.9	5.2
Int. cover(EBITDA/Fin. int)	6.3	3.5	3.3
EV/Sales	3.9	2.9	3.2
EV/EBITDA	9.9	7.5	8.5
EV/EBITDA (adj.)	7.3	6.5	8.5
EV/EBIT	13.0	9.5	12.0
P/E (adj.)	37.9	9.0	10.3
P/BV	1.4	1.2	1.1
OpFCF yield	*-30.8%*	*32.0%*	*7.9%*
Dividend yield	*1.1%*	*1.5%*	*1.8%*
EPS (adj.)	0.39	1.59	1.31
BVPS	10.70	11.56	12.56
DPS	0.15	0.20	0.25



Shareholders: Beatrice Ams 46%;

Analyst(s):
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Weak FY 11 results; biogas expansion and Frenzel weigh

The facts: KTG Agrar reported weaker than expected headline results with EBIT of EUR 15.1m just gaining 13% y-y. This compares to our forecast of EUR 18.91m. Acquired Frenzel frozen food division may have generated an operating loss of EUR -1m rather than the break-even we've hoped for. Not yet disclosed EPS 11 may have amounted to EUR 1.12 compared to our forecast of EUR 1.59. Group results imply a flat EBIT of EUR 8.85m in H2 11 y-y despite a 52% surge in output. Consequently, suggested DPS of EUR 0.18 fell also short our forecast of EUR 0.20.

KTG Agrar - Review FY 2011 results

EUR m	H2 11	H2 10	y-y (%)	2011	2010	y-y (%)	2011e
Total Output	**66.07**	**43.50**	**52%**	**112.20**	**70.77**	**59%**	**76.74**
EBITDA	12.36	10.93	13%	21.10	17.60	20%	24.19
EBIT	**8.85**	**8.86**	**0%**	**15.10**	**13.42**	**13%**	**18.91**
Margin (% of output)	13.4%	20.4%		13.5%	19.0%		24.6%
*o/w Farming **	*n.a.*	*n.a.*		*11.10*	*7.85*	*41%*	*9.30*
*o/w Bioenergy **	*n.a.*	*n.a.*		*4.00*	*5.56*	*-28%*	*8.89*
EBT (e)	4.61	1.26	265%	4.60	4.18	10%	8.36
Net income attr. to shareh.	4.50	-0.35	-1380%	3.24	1.74	87%	5.89
Adj. net income (e)	**4.76**	**1.09**	**335%**	**6.35**	**2.14**		**9.00**
Weighted avrg. # of shares	5.68	5.68	0%	5.68	5.55	2%	5.68
Adj. EPS (EUR per share)	**0.84**	**0.19**	**336%**	**1.12**	**0.39**	**187%**	**1.59**

Source: KTG Agrar, equinet (* estimates for 2010)

Our analysis: Improvement of disclosure starts – bioenergy segment didn't show full earnings power, though ... However, we welcome KTG Agrar's response to our long-term criticism on limited disclosure of earnings drivers while the group structure became significantly more complex in recent years. KTG Agrar for the first time reported a Bioenergy-EBIT of EUR 4m for FY 11, falling short our forecast of EUR 8.9m, though. We reckon that later than expected availability of new capacity and higher than expected ramp-up costs associated to the doubling of installed biogas capacity to 30 MW currently weighed significantly. We expect burden from ramp-up costs to ease in upcoming quarters as capacity expansion decelerates.

... while farming segment outperformed: Implied EBIT at farming activities of EUR 11.1m outperformed out segment forecast of EUR 9.3m.

Outlook for earnings acceleration in years to come – focus on optimization, cash generation, value generation: Five years of strong growth across the farming and bioenergy divisions may reach a plateau in 2012e. Hence, KTG looks forward to a focus on optimisation and cash flow generation in the upcoming years. Without being specific, management hints on strong growth in operating earnings and cash generation in the years to come. Hence, our 2011e forecast of EUR 19m in EBIT may materialize in 2012e. KTG may also realize part of the hidden reserves in the landbank, another trigger for KTG shares.

Conclusion & Action: *Earnings came in below expectations as the company's strong growth weighed on EBIT. However, improved disclosure, which we expect to improve further, as well as growth deceleration may show the true earnings power in the years to come. Assuming 2012e earnings in-line with our 2011-estimates translates into 8.5x PE, an attractive re-entry-level, we believe. With more positive earnings momentum about to kick-in, KTG shares may start outperform from this level as the crop market outlook remains bright. Confirm Accumulate.*

Lassila & Tikanoja

Finland/Support Services

Accumulate

Recommendation unchanged

Share price: EUR	**10.42**

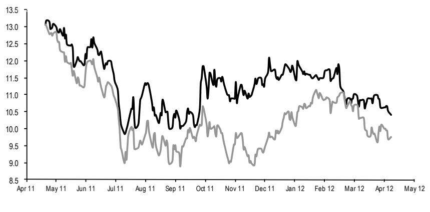
closing price as of 07/05/2012

Target price: EUR	**12.00**

Target Price unchanged

Reuters/Bloomberg	LAT1V.HE/LAT1V FH
Market capitalisation (EURm)	404
Current N° of shares (m)	39
Free float	100%
Daily avg. no. trad. sh. 12 mth	31,069
Daily avg. trad. vol. 12 mth (m)	0
Price high 12 mth (EUR)	13.20
Price low 12 mth (EUR)	9.86
Abs. perf. 1 mth	-3.96%
Abs. perf. 3 mth	-10.33%
Abs. perf. 12 mth	-20.34%

Key financials (EUR)	12/11	12/12e	12/13e
Sales (m)	652	679	707
EBITDA (m)	70	90	99
EBITDA margin	*10.7%*	*13.3%*	*14.0%*
EBIT (m)	26	46	54
EBIT margin	*3.9%*	*6.7%*	*7.6%*
Net Profit (adj.)(m)	32	31	37
ROCE	9.2%	9.2%	10.9%
Net debt/(cash) (m)	128	128	111
Net Debt/Equity	*0.6*	*0.6*	*0.5*
Debt/EBITDA	1.8	1.4	1.1
Int. cover(EBITDA/Fin. int)	15.1	19.8	22.5
EV/Sales	0.9	0.8	0.7
EV/EBITDA	8.2	5.9	5.2
EV/EBITDA (adj.)	6.5	5.9	5.2
EV/EBIT	22.4	11.7	9.5
P/E (adj.)	14.0	13.2	10.9
P/BV	2.0	1.8	1.7
OpFCF yield	*14.8%*	*17.0%*	*22.8%*
Dividend yield	*5.3%*	*5.3%*	*5.3%*
EPS (adj.)	0.82	0.79	0.96
BVPS	5.62	5.85	6.26
DPS	0.55	0.55	0.55



Source: Factset

Shareholders: Keskinäinen Eläkevakuutusyhtiö Ilmarinen 7%; Evald ja Hilda Nissin Säätiö 6%; Mandatum

Analyst(s):

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Lassila & Tikanoja to sell its 50% cut in Recoil

The facts: Lassila & Tikanoja has agreed to sell its 50% holding in the joint venture L&T Recoil to EcoStream, the co-owner of the JV. L&T Recoil's regeneration plant produces raw material i.e. base oil for the lubricant industry using different types of waste oil. It has a capacity of 60,000 tonnes a year.

Our analysis: The consideration comprises EUR 10m in cash and slightly less than 20% of EcoStream's share capital. The transaction, which the two intend to complete by the end of Q2, will have a positive cash flow effect of EUR 10m and a neutral EBIT impact. A similar arrangement was on the table in 2010 already, but then the parties failed to reach a final agreement. The transaction is conditional on the completion of the share issue decided by EcoStream's AGM in April.

Conclusion & Action: *L&T Recoil's earnings figures are not published separately, but in recent years the unit's performance has been mostly unsatisfactory. The exit is a significant step in the company's restructuring as it releases capital for the development of core operations, as well as improving earnings predictability.*

Piaggio

Italy/Automobiles & Parts

Buy

Recommendation unchanged

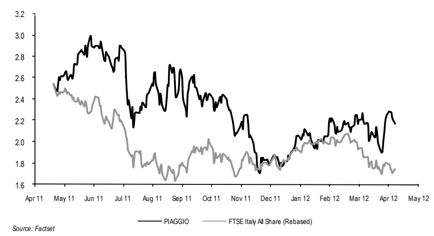
Share price: EUR	**2.17**
closing price as of 07/05/2012	
Target price: EUR	**2.40**
Target Price unchanged	

Reuters/Bloomberg	PIA.MI/PIA IM

Market capitalisation (EURm)	808
Current N° of shares (m)	372
Free float	36%

Daily avg. no. trad. sh. 12 mth	1,268,153
Daily avg. trad. vol. 12 mth (m)	3
Price high 12 mth (EUR)	3.00
Price low 12 mth (EUR)	1.71
Abs. perf. 1 mth	0.09%
Abs. perf. 3 mth	5.53%
Abs. perf. 12 mth	-16.90%

Key financials (EUR)	12/11	12/12e	12/13e
Sales (m)	1,516	1,599	1,715
EBITDA (m)	201	227	249
EBITDA margin	*13.2%*	*14.2%*	*14.5%*
EBIT (m)	106	124	141
EBIT margin	*7.0%*	*7.8%*	*8.2%*
Net Profit (adj.)(m)	47	52	61
ROCE	9.0%	9.6%	10.2%
Net debt/(cash) (m)	336	350	339
Net Debt/Equity	*0.8*	*0.7*	*0.7*
Debt/EBITDA	1.7	1.5	1.4
Int. cover(EBITDA/Fin. int)	7.6	7.6	7.3
EV/Sales	0.7	0.8	0.7
EV/EBITDA	5.3	5.3	4.8
EV/EBITDA (adj.)	4.9	5.0	4.7
EV/EBIT	10.0	9.7	8.5
P/E (adj.)	14.4	15.6	13.3
P/BV	1.5	1.7	1.6
OpFCF yield	*9.6%*	*2.3%*	*4.2%*
Dividend yield	*3.8%*	*4.0%*	*4.3%*
EPS (adj.)	0.13	0.14	0.16
BVPS	1.20	1.26	1.33
DPS	0.08	0.09	0.09



Source: Factset

Shareholders: Omniaholding 54%; Della Valle Diego 5%; Financière de l'Echiquier 5%;

Analyst(s):

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We expect Q1 to disappoint, good tidings from now on

The facts: PIA is going to release Q1 12 results today; the management will hold a conference call at 04.30 CET (dial: +39 06 334 85 042); the results' release was initially set for 27 April and then delayed until today.

Our analysis: We expect 2 wheelers' sales to have been down by ~12% Y/Y in **Italy**, while they should have held in the **rest of EU**; 2 wheelers' sales in **South-East Asia** are expected to have grown by over 45% Y/Y thanks to continuous growth in Vietnam and increasing penetration in Indonesia, Thailand, Taiwan. We expect commercial vehicles' sales to be down ~18% Y/Y in **India** as the comparison base is challenging and the market flattish; EU CV registrations should be down by over 20% Y/Y.

Volumes (/000)	Q1 12e	Q1 11	Δ% Y/Y
- Italy - 2W	16.0	18.2	*-12.0%*
- Rest of Europe - 2W	46.1	46.1	*0.0%*
- Europe – CV	2.8	3.6	*-23.1%*
- Americas - 2W	2.3	2.0	*15.0%*
- India – CV	51.2	61.7	*-17.0%*
- Vietnam - 2W	19.4	14.9	*30.0%*
- Other S/E Asia - 2W	6.3	2.5	*150.0%*
Total	**144.0**	**149.[illegible]**	***-3.3%***

P&L	Q1 12e	Q1 11	Δ% Y/Y
Revenues	**336.9**	**351.7**	***-4.2%***
EBITDA	**30.8**	**33.7**	***-8.7%***
EBITDA margin	*9.1%*	*9.6%*	
D & A	(20.6)	(21.6)	*-4.6%*
EBIT	**10.2**	**12.2**	***-16.0%***
EBIT margin	*3.0%*	*3.5%*	
Net financial charges	(8.8)	(6.5)	*34.2%*
Pre-tax profit	**2.1**	**5.6**	***-62.0[illegible]***
Taxes	(1.0)	(2.6)	*-63.7%*
Net profit	**1.2**	**3.0**	***-60.1%***

Revenues are expected at ~EUR 337m (-4% Y/Y) also reflecting a negative Indian Rupee For-Ex evolution (~-6% Y/Y); we expect a ~EUR 31m **EBITDA** and a EUR 10m **EBIT**; the bottom line should show a EUR 1m **net profit**, assuming a 45% tax rate. We expect the **NFP** to have reached EUR -416m (EUR -350m as at the end of FY11) due to Q1's usual NWC expansion.

Conclusion & Action: *The management had already anticipated that Q1 would have been weak as the Indian business was suffering.*

PIA should benefit from new products launches and the jumbo Poste Italiane contract only from Q2 2012, that's why we are confirming our estimates and positive stance on the stock.

PostNL

Netherlands/Industrial Transportation & Motorways

Analyser

Buy

Recommendation unchanged

Share price: EUR	**3.58**

closing price as of 07/05/2012

Target price: EUR	**5.85**

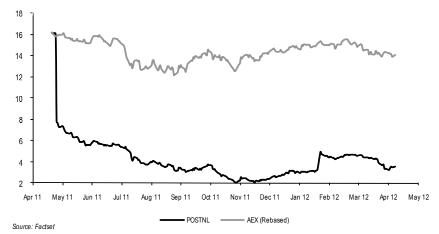
Target Price unchanged

Reuters/Bloomberg	PTNL.AS/PNL NA

Market capitalisation (EURm)	1,450
Current N° of shares (m)	405
Free float	77%

Daily avg. no. trad. sh. 12 mth	3,722,679
Daily avg. trad. vol. 12 mth (m)	15
Price high 12 mth (EUR)	16.42
Price low 12 mth (EUR)	2.03
Abs. perf. 1 mth	-19.39%
Abs. perf. 3 mth	15.08%
Abs. perf. 12 mth	-77.98%

Key financials (EUR)	12/11	12/12e	12/13e
Sales (m)	4,297	4,414	4,507
EBITDA (m)	485	552	593
EBITDA margin	*11.3%*	*12.5%*	*13.2%*
EBIT (m)	375	439	479
EBIT margin	*8.7%*	*10.0%*	*10.6%*
Net Profit (adj.)(m)	221	239	233
ROCE	291.8%	189.2%	153.4%
Net debt/(cash) (m)	1,002	(619)	(297)
Net Debt/Equity	*2.4*	*-0.5*	*-0.8*
Debt/EBITDA	2.1	-1.1	-0.5
Int. cover(EBITDA/Fin. int)	4.8	5.5	6.1
EV/Sales	0.3	0.2	0.3
EV/EBITDA	2.9	1.8	2.1
EV/EBITDA (adj.)	3.3	2.2	2.7
EV/EBIT	3.8	2.2	2.6
P/E (adj.)	4.0	5.5	5.6
P/BV	2.5	1.1	4.1
OpFCF yield	*-5.2%*	*-1.2%*	*1.4%*
Dividend yield	*5.9%*	*5.0%*	*15.1%*
EPS (adj.)	0.61	0.65	0.63
BVPS	0.99	3.13	0.86
DPS	0.21	0.18	0.54



Shareholders: Mackenzie 10%; Causeway 7%; Manning&Napier 6%;

Analyst(s):

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12Q1: Slow delivery, not an issue

The facts: PostNL released first quarter data. Press release at http://bit.ly/IRzWRo.

- Dutch mail volumes -7.9% (as expected, q4/q4 -5%), price +2.4% (expected +6%, q4/q4 +7%), margin 9% (expected 10%, 11q1 12%).
- Parcels volumes +4.6% (expected +2%, q4/q4 +4%), price +0.6% (expected +0.5%, q4/q4 +1.5%), margin 13.7% (expected 17%, 11q1 17%)
- Adjusted EBIT ("Underlying Operating Profit" excluding Other) EUR 79m (expected 94m, 11q1 100m)
- Net debt EUR 1.0bn, TNT Express valued at EUR 9.26 per share. Equity 1.0bn.
- Outlook: no change to plans and stated outlook. Pension fund coverage ratio 100%, top-ups still under discussion. CLA negotiations, in which pensions are a major issue, are progressing without comment. No new news on dividends and other cash spending plans.
- Reorganisation hiccups: has had an impact but no change to plans and programmes, only to implementation momentum.

PostNL	*2010 Q4*	**2011 Q1**	*2,011 Q2*	*2,011 Q3*	*2011 Q4*	**2012E Q1**
Revenue						
Mail NL	*712*	**612**	*577*	*545*	*695*	**579**
Parcels	*157*	**153**	*146*	*143*	*166*	**161**
International	*381*	**371**	*352*	*367*	*377*	**391**
Other	*89*	**94**	*64*	*62*	*65*	**62**
Intra-company	*(120)*	**(118)**	*(115)*	*(121)*	*(138)*	**(132)**
Group Revenue	*1,219*	**1,112**	*1,024*	*996*	*1,165*	**1,061**
EBIT (=UOP)						
Mail NL	*124*	**76**	*40*	*17*	*109*	**52**
Parcels	*21*	**26**	*21*	*16*	*25*	**22**
International	-	**(2)**	*(2)*	*4*	*4*	**5**
Other	*29*	**20**	*30*	*33*	*9*	**44**
Reported UNDERLYING Operating Profit	*174*	**120**	*89*	*70*	*147*	**123**
Adjusted EBIT (excl. "Other")	*145*	**100**	*59*	*37*	*138*	**79**
Cash-out restructuring	*(21)*	**(17)**	*(21)*	*(15)*	*(15)*	**(22)**
Cash-out pensions	*(53)*	**(28)**	*(43)*	*(34)*	*(33)*	**(52)**
Reported Underlying Cash Operating Profit	*100*	**75**	*25*	*21*	*99*	**49**
UOP % revenue						
Mail NL	*17.4%*	**12.4%**	*6.9%*	*3.1%*	*15.7%*	**9.0%**
Parcels	*13.4%*	**17.0%**	*14.4%*	*11.2%*	*15.1%*	**13.7%**
International	*0.0%*	**-0.5%**	*-0.6%*	*1.1%*	*1.1%*	**1.3%**
Underlying Operating Profit % revenue	*14.3%*	**10.8%**	*8.7%*	*7.0%*	*8.5%*	**11.6%**
Adj EBIT % Revenues (excl "Other")	*11.9%*	**9.0%**	*5.8%*	*3.7%*	*11.8%*	**7.4%**

Source: Company data, SNS Securities estimates

Our analysis: Disappointing margins because of pricing in Dutch mail and operating costs in Parcels. In Mail, we may have underestimated the positive seasonal mix effect in 11Q4. In Parcels, the new logistic model makes costs hard to estimate in the short term. No need to change estimates or investment case.

Balance sheet as expected: with TNT Exit at EUR 9.5 and IAS19 pension asset wipe-out, pro-forma Equity would stand at c EUR 100m and net debt would convert to net cash of EUR 540m.

Conclusion & Action: *Buy, target 5.85 for the fundamental value of conglomerate cash flows.*

Prelios

Italy/General Industrials

Analyser

Accumulate

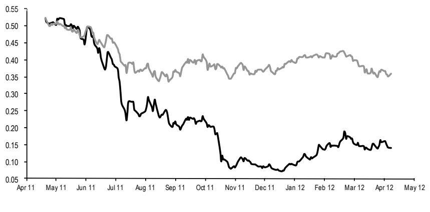
Recommendation unchanged

Share price: EUR	**0.14**
closing price as of 07/05/2012	
Target price: EUR	**0.24**
Target Price unchanged	
Reuters/Bloomberg	PCRE.MI/PRS IM

Market capitalisation (EURm)	117
Current N° of shares (m)	841
Free float	85%

Daily avg. no. trad. sh. 12 mth	9,789,920
Daily avg. trad. vol. 12 mth (m)	2
Price high 12 mth (EUR)	0.54
Price low 12 mth (EUR)	0.07
Abs. perf. 1 mth	-3.66%
Abs. perf. 3 mth	22.35%
Abs. perf. 12 mth	-73.76%

Key financials (EUR)	12/11	12/12e	12/13e
Sales (m)	178	170	196
EBITDA (m)	(24)	19	33
EBITDA margin	*nm*	*11.4%*	*16.8%*
EBIT (m)	(219)	19	33
EBIT margin	*nm*	*11.4%*	*16.8%*
Net Profit (adj.)(m)	(290)	17	34
ROCE	1416.7%	-127.4%	-209.8%
Net debt/(cash) (m)	488	442	385
Net Debt/Equity	*1.5*	*1.3*	*1.0*
Debt/EBITDA	-20.1	22.8	11.7
Int. cover(EBITDA/Fin. int)	(4.1)	1.8	3.6
EV/Sales	nm	nm	nm
EV/EBITDA	3.9	nm	nm
EV/EBITDA (adj.)	3.9	nm	nm
EV/EBIT	0.4	nm	nm
P/E (adj.)	nm	7.0	3.5
P/BV	0.2	0.3	0.3
OpFCF yield	*-44.6%*	*-22.1%*	*-20.2%*
Dividend yield	*0.0%*	*0.0%*	*0.0%*
EPS (adj.)	(0.34)	0.02	0.04
BVPS	0.38	0.40	0.44
DPS	0.00	0.00	0.00



Source: Factset

Shareholders: Camfin 15%;

Analyst(s):

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Weak real estate market expected to weigh on Q1 results

The facts: Prelios is due to publish its Q1 12 results today. A conference call is scheduled today at 3:00pm CET:

Our analysis: we summarize our preview in the following table:

	Q1 11	Q1 12e	Y/Y %
consolidated revenues	46.4	36.0	
o/w services	41.9	32.8	
o/w other revenues	4.5	3.2	
EBIT services	6.1	2.0	*-67.2%*
Investments	13.4	0.3	
o/w shl loans	6.8	5.7	
o/w Income from equity participations	6.6	-5.4	
Ebit incl. IEP and shl loans	19.5	2.3	
restructuring costs	-0.4	0.0	
fair value change	0.0	0.0	
EBIT	19.1	2.3	*-88.0%*
financial expenses	-6.2	-11.1	
PBT	12.9	-8.8	
income taxes	-3.2	-1.5	
net income before minorities	9.7	-10.3	
Minorities	0.3	0.3	
net income	10.0	-10.0	

We expect first quarter results to be negatively affected by a weak real estate market which resulted into an extremely low volume of transactions.

Conclusion & Action: *the main issue for Prelios is the decrease of its net debt (EUR 490m at the end of 2011).The company is struggling to reduce the net debt because of the high loan to value of its German assets and because of the weak real estate market in Italy. The net debt decrease is a key factor for Prelios also because of the high cost the company is paying (around 9%). In the short term the disposal of the German service company could allow Prelios to lower its net debt .We confirm our accumulate rating on the stock.*

Rcs MediaGroup

Italy/Media

Analyser

Hold

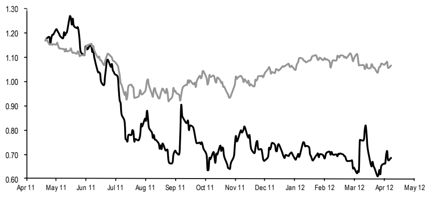
Recommendation unchanged

Share price: EUR	**0.69**
closing price as of 07/05/2012	
Target price: EUR	**0.85**
Target Price unchanged	
Reuters/Bloomberg	RCSM.MI/RCS IM

Market capitalisation (EURm)	522
Current N° of shares (m)	762
Free float	14%

Daily avg. no. trad. sh. 12 mth	348,877
Daily avg. trad. vol. 12 mth (m)	0
Price high 12 mth (EUR)	1.27
Price low 12 mth (EUR)	0.61
Abs. perf. 1 mth	-9.68%
Abs. perf. 3 mth	-8.60%
Abs. perf. 12 mth	-45.42%

Key financials (EUR)	**12/11**	**12/12e**	**12/13e**
Sales (m)	2,075	2,047	2,083
EBITDA (m)	168	199	223
EBITDA margin	*8.1%*	*9.7%*	*10.7%*
EBIT (m)	(284)	100	124
EBIT margin	*nm*	*4.9%*	*5.9%*
Net Profit (adj.)(m)	(180)	38	53
ROCE	-9.4%	2.1%	2.6%
Net debt/(cash) (m)	938	869	801
Net Debt/Equity	*1.3*	*1.2*	*1.0*
Debt/EBITDA	5.6	4.4	3.6
Int. cover(EBITDA/Fin. int)	5.4	5.4	6.2
EV/Sales	0.6	0.6	0.6
EV/EBITDA	7.8	6.4	5.4
EV/EBITDA (adj.)	7.3	6.3	5.4
EV/EBIT	nm	12.6	9.7
P/E (adj.)	nm	14.1	10.1
P/BV	0.8	0.8	0.7
OpFCF yield	*29.7%*	*21.8%*	*26.9%*
Dividend yield	*0.0%*	*4.4%*	*4.4%*
EPS (adj.)	(0.23)	0.05	0.07
BVPS	0.84	0.89	0.92
DPS	0.00	0.03	0.03



Source: Factset

Shareholders: Shareholders' Pact 66%; Pandette fin 8%; Benetton 5%;

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Q1 12 preview: focus on cost-cutting efforts

The facts: RCS will release Q1 2012 results on May 14. We expect declining sales Y/Y on an organic basis, lower but still positive EBITDA thanks to cost containment measures, stable debt in the last three months.

Our analysis: In Q1 12, we expect revenues to be down Y/Y in organic terms, with the reported decline higher due to the de-consolidation of Dada.net (sold in Apr. 11) and the Yatch&Sail activities disposed of in Q4. Core activities, both in Italy and Spain, will suffer from the deterioration of the advertising collection and the structural decline in copies sold. Spain is expected to perform worse than Italy (according to Infoadex, Spanish adv on daily press fell by 21% in Q1 12 Y/Y vs. -23% in Q4; this compares with -5% Y/Y drop in the first two months in Italy, according to NMR).

At the EBITDA level, we don't expect the decline in the top-line to translate into negative figures EBITDA, thanks to significant cost containment measures: with the Q4 earnings release, RCS announced new savings of around EUR 70m by the end of 2012 (including EUR 50m already announced in November); EUR 38m is expected to be achieved in Italy, the remaining EUR 32m in Spain. Note that, due to the business seasonality, Q1 EBITDA is not a significant proxy on the annual profitability of the group.

We expect stable net debt as at March 31, compared to EUR 938m at the end of December, in absence of any cash-out for restructuring costs.

RCS Q1 2012 preview (EUR m)

	Q1 2011	Q1 2012e	Y/Y	Note
Turnover	**473**	**432**	***-8.6%***	**-4% in organic terms**
Newspapers Italy	146	140	*-4.2%*	Adv -3%, circulation -1.5%
Newspapers Spain	117	105	*-9.9%*	Adv -15%, circulation -5%
Magazines	51	49	*-3.4%*	Adv -2%, circulation -5%
Books	100	104	*4.3%*	
TV production	6	5	*-16.9%*	Yatch&Sail activities sold in Q4
Other (corp., DADA, adj.)	54	29	*-45.5%*	Dada.net sold in Apr. 11
EBITDA adjusted	**5**	**3**	***-42.0%***	Operating leverage effect
Margin	1.1%	0.7%	-.4 pp	-
EBITDA reported	**3**	**3**	***-0.8%***	-
Margin	0.7%	0.7%	.1 pp	-
EBIT	**-21**	**-22**	***3.4%***	-
EBT	-27	-29	*7.5%*	-
Net Debt	**950**	**934**	***-1.7%***	**flat vs. Dec 2011 (EUR 938m)**

Source: Company Data, BANCA AKROS estimates

Conclusion & Action: *We expect a mixed set of results, including top-line deterioration, slightly positive EBITDA and neutral cash flow trend in Q1. Speculative appeal on a potential shareholder reshuffle and corporate action (disposal of Flammarion) continue to drive the stock performance.*

Accumulate

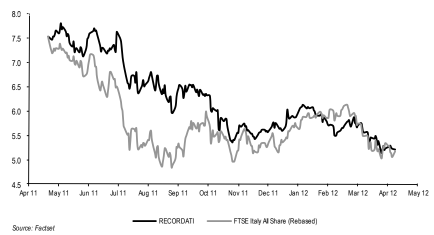
Recommendation unchanged

Share price: EUR	**5.21**
closing price as of 07/05/2012	
Target price: EUR	**7.20**
Target Price unchanged	
Reuters/Bloomberg	RECI.MI/REC IM

Market capitalisation (EURm)	1,088
Current N° of shares (m)	209
Free float	44%

Daily avg. no. trad. sh. 12 mth	380,689
Daily avg. trad. vol. 12 mth (m)	2
Price high 12 mth (EUR)	7.81
Price low 12 mth (EUR)	5.14
Abs. perf. 1 mth	-6.30%
Abs. perf. 3 mth	-13.97%
Abs. perf. 12 mth	-28.31%

Key financials (EUR)	12/11	12/12e	12/13e
Sales (m)	762	819	877
EBITDA (m)	195	194	215
EBITDA margin	*25.5%*	*23.7%*	*24.6%*
EBIT (m)	163	165	185
EBIT margin	*21.5%*	*20.1%*	*21.1%*
Net Profit (adj.)(m)	116	116	131
ROCE	15.2%	14.3%	15.5%
Net debt/(cash) (m)	56	38	(7)
Net Debt/Equity	*0.1*	*0.1*	*0.0*
Debt/EBITDA	0.3	0.2	0.0
Int. cover(EBITDA/Fin. int)	49.5	49.4	69.5
EV/Sales	1.6	1.4	1.3
EV/EBITDA	6.4	5.9	5.1
EV/EBITDA (adj.)	6.4	5.9	5.1
EV/EBIT	7.6	7.0	6.0
P/E (adj.)	10.1	9.4	8.3
P/BV	2.0	1.7	1.5
OpFCF yield	*8.0%*	*11.5%*	*9.8%*
Dividend yield	*5.8%*	*5.8%*	*6.2%*
EPS (adj.)	0.55	0.55	0.63
BVPS	2.84	3.10	3.42
DPS	0.30	0.30	0.32



Shareholders: Recordati Family 56%;

Analyst(s):

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Q1 12 preview

The facts: Q1 12 results are due out today (Conference call at 4:00 pm CET).

Our analysis: during the annual shareholders' meeting in April, the management already announced that Q1 12 sales recorded a growth of 11.0% Y/Y at EUR 219.6m, especially driven by the growth of the international business (+14.5%). We expect a steady positive roll-out of Zanipress, pitavastatin and silodosin in several Western European countries. Furthermore, we expect Recordati to be able to considerably offset the effects of new Italian regulation thanks to the wide local product portfolio.

We forecast the profitability to be substantially flat compared to the same period of the previous year.

The following table shows our sales and profitability forecast.

RECORDATI: Q1 12e preview

	Q1 11a	Q1 12e	*%Chg.*	FY 12 guidance
Sales	197.8	219.6	*+11.0%*	810 - 830
EBIT	44.3	45.0	*+1.6%*	160 - 170
EBIT margin	*22.4%*	*20.5%*		

Source: Company Data and BANCA AKROS estimates

Conclusion & Action: *we are confirming our Accumulate recommendation and our target price of EUR 7.2 per share calculated based on our DCF Model (WACC 8.6% and 1.2% perpetual growth rate).*

Recticel

Belgium/Chemicals

Analyser

Hold

Recommendation unchanged

Share price: EUR	**5.50**

closing price as of 07/05/2012

Target price: EUR	**6.00**

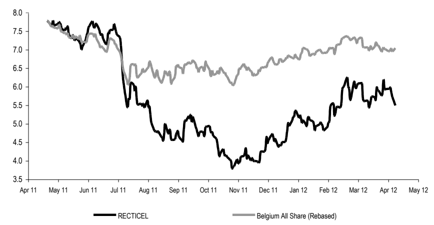
Target Price unchanged

Reuters/Bloomberg	RECT.BR/REC BB

Market capitalisation (EURm)	159
Current N° of shares (m)	29
Free float	61%

Daily avg. no. trad. sh. 12 mth	31,931
Daily avg. trad. vol. 12 mth (m)	0
Price high 12 mth (EUR)	7.80
Price low 12 mth (EUR)	3.80
Abs. perf. 1 mth	-2.14%
Abs. perf. 3 mth	11.11%
Abs. perf. 12 mth	-27.82%

Key financials (EUR)	**12/11**	**12/12e**	**12/13e**
Sales (m)	1,378	1,359	1,408
EBITDA (m)	89	90	103
EBITDA margin	*6.4%*	*6.7%*	*7.3%*
EBIT (m)	42	47	59
EBIT margin	*3.0%*	*3.5%*	*4.2%*
Net Profit (adj.)(m)	17	22	31
ROCE	6.1%	6.6%	8.0%
Net debt/(cash) (m)	150	159	153
Net Debt/Equity	*0.6*	*0.6*	*0.5*
Debt/EBITDA	1.7	1.8	1.5
Int. cover(EBITDA/Fin. int)	6.7	7.8	8.8
EV/Sales	0.2	0.2	0.2
EV/EBITDA	3.4	3.7	3.2
EV/EBITDA (adj.)	3.4	3.7	3.2
EV/EBIT	7.2	7.2	5.6
P/E (adj.)	7.6	7.2	5.1
P/BV	0.5	0.6	0.6
OpFCF yield	*25.7%*	*25.1%*	*26.0%*
Dividend yield	*5.1%*	*5.5%*	*6.4%*
EPS (adj.)	0.60	0.76	1.07
BVPS	8.60	9.08	9.85
DPS	0.28	0.30	0.35



Shareholders: Cie Bois Sauvage 29%; Sihold/Vean/Lennart/Sallas 9%; Rec-Man 1.02%;

Analyst(s):

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Weak 1Q12 trading update

The facts: This morning Recticel released a weak 1Q12 trading update, with consolidated sales down 2.4% to EUR 351.1m. EBITDA margin seems on track with consensus estimates for FY12, but a new round of raw material price increases is ongoing in 2Q12.

Our analysis: Sales dropped in all segments, with the exception of the insulation BU.

Sales (EUR m)	1Q11	2Q11	3Q11	4Q11	FY11	1Q12	% chg
Flexible Foams	159.8	142.4	147.3	146.6	596.1	157.4	-1.5%
Bedding	78.9	62.7	76.8	73.8	292.2	73.6	-6.7%
Insulation	48.4	60.2	54.8	59.7	223.1	53.0	9.5%
Automotive	88.1	87.0	74.3	75.4	324.8	82.4	-6.4%
Coporate/interco	-15.6	-12.2	-16.6	-13.7	-58.1	-15.4	-1.3%
Total	359.6	340.1	336.6	341.8	1,378.1	351.1	-2.4%

Sources: Recticel

In **Flexible foams**, sales held quite well. They are down 1.5% only, we guess thanks to some costs passed on.

In **Bedding**, sales are down 6.7% mainly driven by weak performance in the non-branding segment.

In **Automotive**, sales decreased 6.5%, which is slightly better than the drop in car sales in Europe in 1Q12. The sub-segment Interiors saw sales down 11% as some running programs approach their phase-out stage.

In **Insulation**, sales are up 9.5%, despite difficult climatic conditions in February.

In 1Q12 **raw material prices** have been at levels comparable to those of the first quarter of 2011 and have been quickly rising as last year. It is our understanding that year-to-date raw material costs are up by a high single digit.

However, management indicated that despite lower sales in most segments the **overall profitability was in line with consensus expectations for FY12** (EBITDA margin to sales of about 6.5%). This is due to the progressive pass-through of the higher raw material costs into the selling prices. However, there were **further price increases in April and other price hikes announced for May**. This explains why management is reluctant to provide any guidance for FY12.

Conclusion & Action: *No major surprises in this 1Q12 trading update.* This changes little in our view on the company.

The valuation is not demanding based on short term multiples (P/E of EV/EBITDA), but it is still hard to find triggers that could justify a re-rating in the coming months. This is due to the poor visibility on earnings and on the outcome of the antitrust investigations that could cost up to EUR 3.17 per share (we discount EUR 1.56 per share in our valuation). HOLD.

Accumulate

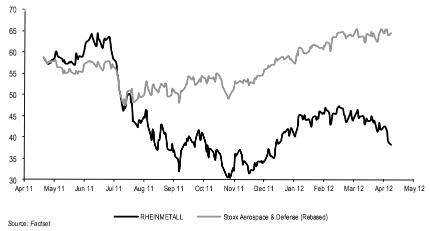
Recommendation unchanged

Share price: EUR	**38.12**
closing price as of 07/05/2012	
Target price: EUR	**52.00**
Target Price unchanged	
Reuters/Bloomberg	RHMG.DE/RHM GR

Market capitalisation (EURm)	1,460
Current N° of shares (m)	38
Free float	86%

Daily avg. no. trad. sh. 12 mth	274,499
Daily avg. trad. vol. 12 mth (m)	12
Price high 12 mth (EUR)	64.43
Price low 12 mth (EUR)	30.34
Abs. perf. 1 mth	-14.88%
Abs. perf. 3 mth	-13.61%
Abs. perf. 12 mth	-37.62%

Key financials (EUR)	12/11	12/12e	12/13e
Sales (m)	4,454	4,879	4,935
EBITDA (m)	520	547	557
EBITDA margin	*11.7%*	*11.2%*	*11.3%*
EBIT (m)	336	346	350
EBIT margin	*7.5%*	*7.1%*	*7.1%*
Net Profit (adj.)(m)	213	213	202
ROCE	9.0%	8.7%	8.4%
Net debt/(cash) (m)	92	(8)	(145)
Net Debt/Equity	*0.1*	*0.0*	*-0.1*
Debt/EBITDA	0.2	0.0	-0.3
Int. cover(EBITDA/Fin. int)	11.8	12.8	13.4
EV/Sales	0.5	0.5	0.4
EV/EBITDA	4.1	4.0	3.8
EV/EBITDA (adj.)	4.1	4.0	3.8
EV/EBIT	6.3	6.4	6.0
P/E (adj.)	6.3	7.0	7.4
P/BV	0.9	1.0	0.9
OpFCF yield	*13.5%*	*13.5%*	*12.0%*
Dividend yield	*4.7%*	*4.7%*	*4.5%*
EPS (adj.)	5.45	5.47	5.17
BVPS	36.13	39.83	43.23
DPS	1.80	1.80	1.70



Source: Factset

Shareholders: Harris Associates 10%; Treasury shares 3%;

Analyst(s):

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RHM officially discloses Auto IPO plans

The facts: According to yesterday's release, RHM plans the IPO of Automotive division in the first half of 2012 – depending on the capital markets environment. The aim is for KSPG AG to be listed in the Prime Standard segment of the Frankfurt Stock Exchange. After the IPO, Rheinmetall will initially remain majority shareholder in KSPG, but it intends to give up control in steps.

Our analysis: RHM makes official what was rumoured quite some time before. The timing aspect will not be trivial again although the profitability of the unit has largely improved. Depending on the allocation of overhead cost and assets, we would roughly value the unit at EUR 875-925m.

Conclusion & Action: *We keep our rating and PT, but might still apply minor model changes as a result of the 1Q12 report.*

RIB Software

Germany/Software & Computer Services

Analyser

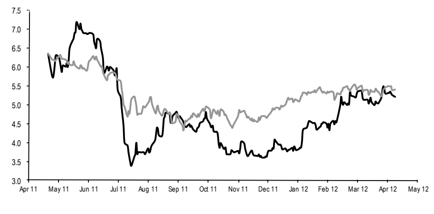
Buy

Recommendation unchanged

Share price: EUR	**5.21**
closing price as of 07/05/2012	
Target price: EUR	**7.00**
Target Price unchanged	
Reuters/Bloomberg	RSTA.DE/RSTA GY

Market capitalisation (EURm)	202
Current N° of shares (m)	39
Free float	37%
Daily avg. no. trad. sh. 12 mth	27,119
Daily avg. trad. vol. 12 mth (m)	0
Price high 12 mth (EUR)	7.19
Price low 12 mth (EUR)	3.40
Abs. perf. 1 mth	1.56%
Abs. perf. 3 mth	18.48%
Abs. perf. 12 mth	-26.58%

Key financials (EUR)	12/11	12/12e	12/13e
Sales (m)	35	43	59
EBITDA (m)	11	17	23
EBITDA margin	*32.4%*	*39.1%*	*39.4%*
EBIT (m)	8	12	18
EBIT margin	*22.5%*	*29.0%*	*31.2%*
Net Profit (adj.)(m)	8	9	14
ROCE	11.7%	16.5%	21.8%
Net debt/(cash) (m)	(107)	(107)	(108)
Net Debt/Equity	*-0.7*	*-0.7*	*-0.7*
Debt/EBITDA	-9.4	-6.4	-4.7
Int. cover(EBITDA/Fin. int)	(15.5)	(20.3)	(28.3)
EV/Sales	1.1	2.3	1.6
EV/EBITDA	3.4	5.9	4.1
EV/EBITDA (adj.)	3.4	5.9	4.1
EV/EBIT	5.0	7.9	5.2
P/E (adj.)	17.3	21.7	14.9
P/BV	1.0	1.3	1.3
OpFCF yield	*3.7%*	*5.4%*	*9.4%*
Dividend yield	*1.5%*	*1.9%*	*2.9%*
EPS (adj.)	0.22	0.24	0.35
BVPS	3.82	3.87	4.07
DPS	0.08	0.10	0.15



Source: Factset

Shareholders: Mr. Wolf & associates 31%; Sander family 8%; SAP 5%; Fil Investments 5%; UBS 5%; Hasso Plattner 4%; Henderson

Analyst(s):
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Final Q1 results underline positive view

The facts: RIB Software published the final Q1 2012 results, which were in line with the preliminaries, yesterday. The company hosted a conference call at 11:00 CEST yesterday.

Our analysis:

Strong Q1 2012 results: RIB reported a year-on-year revenue increase of 14.7% to EUR10.9m in the first quarter of 2012 (Q1 2011: EUR9.5m; equinet forecast: EUR10.4m). Adjusted by the IPO costs in 2011 and currency effects, earnings before interest and taxes (EBIT) increased 25% to EUR4.0m (Q1 2011: EUR3.2m; EUR2.6m) due to the surge in iTWO licence revenues (+106.7%), thus reaching an EBIT margin of 36.7% for the first time.

Strong cash flow: RIB reported an operating cash flow of EUR10.8m and a free cash flow of EUR9.0m in Q1 2012. This strong performance is partly due to prepayments for maintenance contracts. Overall, net cash increased to about EUR115.6m (EUR2.98 per share).

Strong sales pipeline: RIB won two Phase II contracts in Q1 (Heinrich Schmid and Renaissance) and is expecting a further contract in the next weeks (booked in Q2). Three additional contracts to deliver on the guidance of six contracts for the full year should come in Q3. However, delays could not be ruled out. Overall, the strong pipeline is clearly positive.

xTWO cloud starts in June: RIB is preparing the launch of its xTWO could platform for June 2012. The cloud will provide a “bundling register” for suppliers of building services such as workshops, medium-sized construction companies and building material traders.

Guidance confirmed: RIB expects considerable growth in revenue and earnings over the next few years. RIB’s growth in existing and new markets should enjoy sustainable boost from new products, including in particular the new solution RIB ITWO for model-based planning and construction and the new internet platform xTWO.

Acquisitions delayed for good reasons: RIB is in touch with about 20 potential targets and has closely analysed some of them. However, the pricing is currently not attractive enough (PE of more than 30x) and acquisition at these prices would destroy shareholder value. Hence, we do not expect any acquisition in the short-term, but in the mid-term the pricing environment might get more favourable for RIB.

Change of forecasts: We fine-tuned our forecasts only marginally. As we learned in today’s conference call that the full year tax rate is around 30%, we increase our projections in this respect slightly (to 30% from 27%). For details, please refer to our post results note published yesterday.

Conclusion & Action: *The final Q1 2012 results confirm the preliminaries, which had been above our forecasts. The strong cash flow and the strong sales pipeline are clearly positive. We welcome the fact that RIB stays away from overpriced acquisitions. RIB confirmed the full year guidance, which is not a surprise. We fine-tuned our forecasts, but stick to our price target of EUR7.0 and reiterate our Buy recommendation.*

Seven Principles AG

Germany/Software & Computer Services

Analyser

ESN

Buy

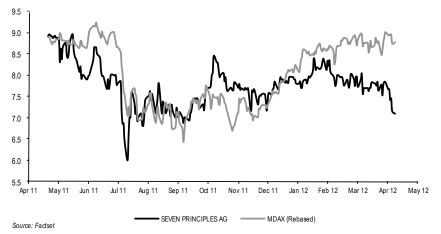
Recommendation unchanged

Share price: EUR	**7.09**
closing price as of 07/05/2012	
Target price: EUR	**10.00**
from Target Price: EUR	**11.00**
Reuters/Bloomberg	T3TG.DE/T3T GR

Market capitalisation (EURm)	29
Current N° of shares (m)	4
Free float	100%

Daily avg. no. trad. sh. 12 mth	2,966
Daily avg. trad. vol. 12 mth (m)	0
Price high 12 mth (EUR)	9.00
Price low 12 mth (EUR)	5.99
Abs. perf. 1 mth	-7.80%
Abs. perf. 3 mth	-9.10%
Abs. perf. 12 mth	-20.34%

Key financials (EUR)	12/11	12/12e	12/13e
Sales (m)	99	104	111
EBITDA (m)	6	7	7
EBITDA margin	*6.1%*	*6.5%*	*6.7%*
EBIT (m)	5	6	6
EBIT margin	*5.1%*	*5.5%*	*5.6%*
Net Profit (adj.)(m)	3	4	4
ROCE	12.0%	12.6%	13.3%
Net debt/(cash) (m)	(8)	(11)	(14)
Net Debt/Equity	*-0.3*	*-0.4*	*-0.5*
Debt/EBITDA	-1.3	-1.6	-1.9
Int. cover(EBITDA/Fin. int)	17.8	43.2	65.4
EV/Sales	0.2	0.2	0.1
EV/EBITDA	4.0	2.8	2.2
EV/EBITDA (adj.)	4.0	2.8	2.2
EV/EBIT	4.8	3.4	2.6
P/E (adj.)	9.4	7.7	6.9
P/BV	1.3	1.1	0.9
OpFCF yield	*12.5%*	*10.3%*	*10.5%*
Dividend yield	*0.0%*	*0.0%*	*0.0%*
EPS (adj.)	0.81	0.92	1.03
BVPS	5.63	6.55	7.58
DPS	0.00	0.00	0.00



Analyst(s):
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1Q12 gross result below expectations – outlook kept

The facts: Seven Principles (T3T) released **1Q12 sales of EUR 24.3m which exceeded our forecast slightly by c. EUR 0.5m**. Thus, T3T managed to show a flat top line yoy whereas our projection of EUR 23.8m equalled minus 2% yoy. Nevertheless, the top line could have been better once the utilisation of consultants had been higher. Here, however, T3T claimed that after the concluded restructuring at the end of the last year, utilisation has still to be improved. Please remember that T3T has guided for a relatively weaker first half and a better second.

At the same time, T3T took obviously a higher share of business as prime contractor. This was the reason for a lower than expected gross margin (60.9% instead of 65.5%). However, this circumstance should pay out in later periods. Nevertheless, **about EUR 1m profit was missing relative to our 1Q12 expectation and the EBITDA came in at EUR minus 0.2m. (equinet: EUR 0.8m)**.

Hence, the **net result was also negative and was released at EUR minus 0.3m (equinet: plus EUR 0.4m)**. The respective EPS at EUR minus 0.08.

1Q12 review

EUR m	1Q12a	1Q12e	delta	1Q11	yoy
Sales	24.3	23.8	2%	24.3	0%
EBITDA	-0.2	0.8	n/a	1.7	n/a
EBITDA margin	*-0.8%*	*3.5%*	*-430bp*	*7.0%*	*-780bp*
Net income	-0.3	0.4	n/a	1.0	n/a
EPS (€)	-0.08	0.09	n/a	0.24	n/a

Source: company data, equinet estimates

The FCF in 1Q12 was negative at EUR minus 5.2m (1Q11: EUR minus 3.1m). **Liquid assets amounted to EUR 3.8m (EUR 4.9m) at the end of 1Q12.**

T3T confirmed the outlook – under the precondition of a positive overall economic climate – and forecasts FY12 sales of EUR 105m and an EBITDA of EUR 7m.

Our analysis: Clearly, 1Q12 should be seen as disappointing. However, there is good chance that T3T can reverse the negative trend in 2H12. Nevertheless, **we have reduced our margin expectation for FY12 and following periods by 0.5%**. Our FY12 EBITDA – that was slightly above guidance – reduces from EUR 7.3m to EUR 6.8m.

Model changes

EUR m	2012e old	2012e new	change	2013e old	2013e new	change	2014e old	2014e new	change
Group Sales	103.8	103.8	0%	110.9	110.9	0%	116.4	116.4	0%
Group EBITDA	7.3	6.8	-7%	8.0	7.4	-7%	8.6	8.0	-6%
EBITDA margin	*7.0%*	*6.5%*	*-50bp*	*7.2%*	*6.7%*	*-50bp*	*7.4%*	*6.9%*	*-50bp*
EPS [EUR]	1.01	0.92	-8%	1.12	1.03	-8%	1.23	1.13	-8%

Source: company data, equinet estimates

Conclusion & Action: *As a consequence of lowered estimates, we reduced our DCF based PT by EUR 1 to EUR 10. We nevertheless confirm our 'Buy' rating.*

Süss MicroTec

Germany/Semiconductors

Analyser

ESN

Buy

Recommendation unchanged

Share price: EUR	**10.19**

closing price as of 07/05/2012

Target price: EUR	**13.00**

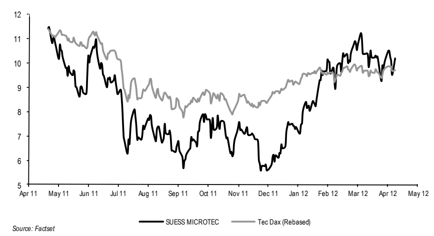
Target Price unchanged

Reuters/Bloomberg	SMHNn.DE/SMH GY

Market capitalisation (EURm)	193
Current N° of shares (m)	19
Free float	100%

Daily avg. no. trad. sh. 12 mth	188,007
Daily avg. trad. vol. 12 mth (m)	2
Price high 12 mth (EUR)	11.93
Price low 12 mth (EUR)	5.57
Abs. perf. 1 mth	-1.74%
Abs. perf. 3 mth	25.03%
Abs. perf. 12 mth	-13.64%

Key financials (EUR)	12/11	12/12e	12/13e
Sales (m)	175	150	185
EBITDA (m)	25	18	30
EBITDA margin	*14.2%*	*11.7%*	*16.5%*
EBIT (m)	19	10	24
EBIT margin	*10.6%*	*6.6%*	*12.8%*
Net Profit (adj.)(m)	14	7	16
ROCE	14.8%	7.3%	14.8%
Net debt/(cash) (m)	(43)	(45)	(49)
Net Debt/Equity	*-0.4*	*-0.4*	*-0.3*
Debt/EBITDA	-1.7	-2.5	-1.6
Int. cover(EBITDA/Fin. int)	(488.7)	787.8	(102.1)
EV/Sales	0.4	1.0	0.8
EV/EBITDA	2.8	8.7	5.0
EV/EBITDA (adj.)	2.7	8.7	5.0
EV/EBIT	3.8	15.3	6.4
P/E (adj.)	7.3	28.5	11.9
P/BV	0.9	1.5	1.4
OpFCF yield	*-1.8%*	*5.8%*	*1.7%*
Dividend yield	*0.0%*	*0.0%*	*0.0%*
EPS (adj.)	0.77	0.36	0.86
BVPS	6.33	6.68	7.54
DPS	0.00	0.00	0.00



Analyst(s):

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1Q12 in line

The facts:

- SMHN released **1Q12 sales of EUR 31.2m which was in line with our forecast of EUR 31.9m**. As far as segments are concerned, deviations were limited with the exception of Bonders (EUR 4.3m vs. equinet: EUR 3m).
- **The company released an EBIT of EUR minus 0.04m which compares to our expectation of EUR minus 0.3m**. According to SMHN, negative fx effects amounting to EUR 0.4m weighed. Otherwise, the company would have achieved a positive result.
- **The net result was said to be EUR 1.3m which included a one-off in discontinued operations** (sold test systems business) amounting to EUR 1.5m. Without this, the net result would have been negative.

1Q12 review

in EUR m	1Q12a	1Q12e	delta	1Q11	yoy
Order intake	39.0	37.0	5%	48.3	-19%
Sales	31.2	31.9	-2%	32.0	-3%
Rep. EBIT	0.0	-0.3	n/m	2.5	n/a
Rep. EBIT margin	*-0.1%*	*-0.9%*	*n/m*	*7.7%*	*n/m*
Rep. Net result	1.3	-0.2	n/a	2.4	n/a
Rep. EPS	0.07	-0.01	n/a	0.13	n/a

Source: company data, equinet estimates

- **The order intake was released at EUR 39m and thus, at the upper end of the management guidance of EUR 30-40m**. Our forecast stood at EUR 37m.
- **The company altered the outlook for FY12 to reflect the acquired Tamarack Scientific:** Management now expects a top line of more than EUR 155m (equinet: more than EUR 150m) at an EBIT margin of 5-10% (as expected).
- **SMHN projects 2Q12 order intake of EUR 30-40m.**

Our analysis: SMHN's 1Q12 is even slightly better on the operating results line. Overall, the meaning of the March quarter is limited as expected. The altered outlook for FY12 comes broadly as expected. **We had however hoped for management to signal further momentum as regards the 2Q12 order intake,** but we would not see this necessarily as a disappointment as the overall 1H12 bookings should be in line with our expectations.

Conclusion & Action: *We confirm our PT of EUR 13 and our Buy rating.*

Tecnicas Reunidas

Spain/Oil Services

Analyser

ESN

Buy

Recommendation unchanged

Share price: EUR	**29.34**

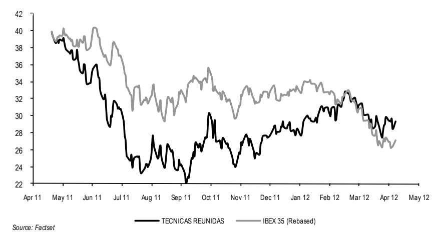
closing price as of 07/05/2012

Target price: EUR	**37.00**

Target Price unchanged

Reuters/Bloomberg	TRE.MC/TRE SM
Market capitalisation (EURm)	1,640
Current N° of shares (m)	56
Free float	52%
Daily avg. no. trad. sh. 12 mth	519,719
Daily avg. trad. vol. 12 mth (m)	15
Price high 12 mth (EUR)	42.00
Price low 12 mth (EUR)	22.12
Abs. perf. 1 mth	-2.48%
Abs. perf. 3 mth	-1.68%
Abs. perf. 12 mth	-29.92%

Key financials (EUR)	12/11	12/12e	12/13e
Sales (m)	2,613	2,751	2,966
EBITDA (m)	160	166	176
EBITDA margin	*6.1%*	*6.0%*	*5.9%*
EBIT (m)	151	158	168
EBIT margin	*5.8%*	*5.7%*	*5.7%*
Net Profit (adj.)(m)	130	141	149
ROCE	-32.3%	-57.9%	-86.8%
Net debt/(cash) (m)	(740)	(650)	(661)
Net Debt/Equity	*-2.1*	*-1.6*	*-1.3*
Debt/EBITDA	-4.6	-3.9	-3.7
Int. cover(EBITDA/Fin. int)	(25.5)	(13.4)	(14.3)
EV/Sales	0.3	0.4	0.3
EV/EBITDA	5.1	6.0	5.6
EV/EBITDA (adj.)	5.1	6.0	5.6
EV/EBIT	5.4	6.3	5.9
P/E (adj.)	12.0	11.6	11.0
P/BV	4.6	4.0	3.4
OpFCF yield	*21.4%*	*-0.3%*	*5.7%*
Dividend yield	*4.6%*	*4.6%*	*4.8%*
EPS (adj.)	2.32	2.53	2.67
BVPS	6.09	7.28	8.61
DPS	1.34	1.34	1.40



Shareholders: Lladó Family 37%; BBVA 8%;

Analyst(s):

Iñigo Recio Pascual, Bankia Bolsa

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1Q'12 results preview

The facts: Técnicas Reunidas will release 1Q'12 results on May 11th. We estimate:

TECNICAS REUNIDAS : 1Q12 ESTIMATES

	1Q11	%sles	1Q12e	%sles	%11/10	4Q11
Sales	**686.3**	100%	**624.0**	100%	**-9.1%**	**620.5**
EBITDA	**41.1**	**6.0%**	**37.9**	**6.1%**	**-7.7%**	**37.7**
Depreciation	-1.9	-0.3%	-2.1	-0.3%	10.5%	-2.1
EBIT	**39.2**	5.7%	**35.8**	5.7%	**-8.6%**	**35.6**
Financial results	-3.9	-0.6%	1.5	0.2%		5.5
Associates	0.5	0.1%	0.0	0.0%		-2.5
EBT	**35.8**	5.2%	**37.3**	6.0%	**4.3%**	**38.6**
Income tax	-5.1	-0.7%	-5.2	-0.8%	2.5%	-2.8
Net profit	**30.7**	4.5%	**32.1**	5.1%	**4.6%**	**35.8**

Source: Bankia bolsa estimates

Our analysis: In this 1Q'12 we estimate EBITDA to drop 7.7% although EBT will grow 4.3%, due to the estimated higher financial results vs. 1Q'11. In our view, these results could be in line with 4Q'11.

No relevant contracts have been announced in 1Q'12, except USD100m with Repsol for the second phase of a gas treatment plant in the Margarita field (Bolivia). Due to the low contracting levels in 1Q'12, we expect net cash to also drop vs. 2011, although it will remain high.

Conclusion: *The focus points are the pointers the company may give regarding tenders attended and those possibly awarded.*

Tessi

France/General Industrials

Analyser

Buy

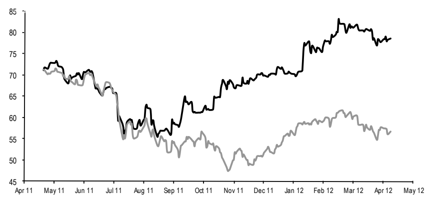
Recommendation unchanged

Share price: EUR	**78.65**
closing price as of 07/05/2012	
Target price: EUR	**110.00**
Target Price unchanged	
Reuters/Bloomberg	TESI.PA/TES FP

Market capitalisation (EURm)	221
Current N° of shares (m)	3
Free float	34%

Daily avg. no. trad. sh. 12 mth	3,074
Daily avg. trad. vol. 12 mth (m)	0
Price high 12 mth (EUR)	83.21
Price low 12 mth (EUR)	55.60
Abs. perf. 1 mth	-2.35%
Abs. perf. 3 mth	10.46%
Abs. perf. 12 mth	11.72%

Key financials (EUR)	**12/10**	**12/11e**	**12/12e**
Sales (m)	283	315	327
EBITDA (m)	59	66	66
EBITDA margin	*20.9%*	*21.0%*	*20.0%*
EBIT (m)	49	56	56
EBIT margin	*17.4%*	*18.0%*	*17.1%*
Net Profit (adj.)(m)	32	35	33
ROCE	32.0%	33.5%	33.4%
Net debt/(cash) (m)	(27)	(37)	(66)
Net Debt/Equity	*-0.2*	*-0.3*	*-0.4*
Debt/EBITDA	-0.5	-0.6	-1.0
Int. cover(EBITDA/Fin. int)	157.4	(137.4)	(109.1)
EV/Sales	0.9	0.8	0.8
EV/EBITDA	4.3	3.9	3.9
EV/EBITDA (adj.)	4.3	3.9	3.9
EV/EBIT	5.1	4.6	4.6
P/E (adj.)	6.9	6.8	8.2
P/BV	2.0	1.8	1.7
OpFCF yield	*10.6%*	*14.7%*	*15.7%*
Dividend yield	*2.5%*	*2.5%*	*2.8%*
EPS (adj.)	10.73	12.31	11.56
BVPS	37.76	46.54	55.45
DPS	2.40	2.40	2.64



Source: Factset

Analyst(s):
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4% organic growth in Q1

The facts: EUR64.1m in Q1 vs. EUR61.7m last year and EUR65m est. By division: CPoR Devises (19% of Q1 revenue) at +4.8%, Tessi Document Services (66%) +5.2%, Marketing Services (15%) +2.2%. Buy maintained.

Our analysis: Gold and currencies held up satisfactorily, with a positive price component (price of gold per kilo) and probably a negative volume effect. For the record, we are forecasting a 12% fall in volumes in 2012, 5% in 2013 and 17% in 2014, based on a price of EUR40,000 per ingot (vs. EUR40.400 at the last fixing).

The cheque division (component not broken down) for its part probably weighed on the performance of Document Services, and conceals organic growth that we estimate at nearly 10% for activities excluding the cheque business.

This earnings release is in line with our general framework for Tessi, with organic growth reduced by a CPoR Devises division at high absolute levels and negative organic growth in the cheque business. At the same time there is no real momentum in marketing. Q1 is in line with our forecast of annual profits of around EUR10m, giving cause to hope for almost stable EBITDA compared to last year, assuming that gold prices are maintained, and that the traded volumes of this particular commodity start falling, over the full year.

Conclusion & Action: *Estimates unchanged, as is our Buy recommendation. Note that any pronounced fall in gold (volumes traded or prices) may lead to a fall in the share price, which we believe currently already prices in this assumption, however. A fall in the stock on this pretext would therefore offer a Buy opportunity.*

TI Media
Italy/Media

Analyser

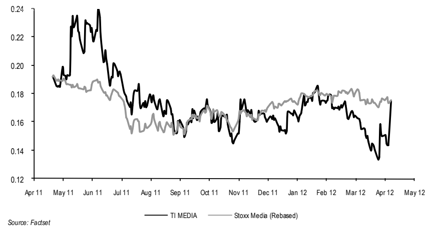
Accumulate
Recommendation unchanged

Share price: EUR	**0.18**
closing price as of 07/05/2012	
Target price: EUR	**0.22**
Target Price unchanged	
Reuters/Bloomberg	TCM.MI/TME IM

Market capitalisation (EURm)	255
Current N° of shares (m)	1,457
Free float	22%

Daily avg. no. trad. sh. 12 mth	2,933,818
Daily avg. trad. vol. 12 mth (m)	1
Price high 12 mth (EUR)	0.24
Price low 12 mth (EUR)	0.13
Abs. perf. 1 mth	12.61%
Abs. perf. 3 mth	1.80%
Abs. perf. 12 mth	-11.57%

Key financials (EUR)	12/11	12/12e	12/13e
Sales (m)	238	241	263
EBITDA (m)	28	15	40
EBITDA margin	*11.8%*	*6.0%*	*15.2%*
EBIT (m)	(87)	(41)	(13)
EBIT margin	*nm*	*nm*	*nm*
Net Profit (adj.)(m)	(18)	(24)	(9)
ROCE	-12.5%	-7.3%	-2.5%
Net debt/(cash) (m)	139	187	175
Net Debt/Equity	*0.6*	*1.0*	*1.0*
Debt/EBITDA	5.0	12.9	4.4
Int. cover(EBITDA/Fin. int)	6.2	2.9	10.0
EV/Sales	1.8	2.1	1.8
EV/EBITDA	15.3	34.3	12.1
EV/EBITDA (adj.)	8.8	34.3	12.1
EV/EBIT	nm	nm	nm
P/E (adj.)	nm	nm	nm
P/BV	1.1	1.5	1.6
OpFCF yield	*16.0%*	*5.2%*	*20.9%*
Dividend yield	*0.0%*	*0.0%*	*0.0%*
EPS (adj.)	(0.01)	(0.02)	(0.01)
BVPS	0.14	0.12	0.11
DPS	0.00	0.00	0.00



Source: Factset

Shareholders: Telecom Italia 78%;

Analyst(s):
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Corporate action increasingly likely

The facts: TI group confirmed in a note that the BoD meeting due tomorrow could consider "strategic options" for its broadcasting subsidiary.

Our analysis: In a recent press interview, Mr De Benedetti, L'Espresso Chairman, said that one year ago L'Espresso was interested in La7 channel; the project could be now resumed.

We have already argued that the approval of the Q1 12 results could stir news in terms of corporate action. TI officially put TME into play last June as it had appointed a financial advisor.

Potential outcomes include: 1) the disposal of La7 channel only (still loss-making at the EBITDA level, but in clearly ascending momentum in terms of audience and advertising); 2) the acquisition of a majority stake by a domestic or international media group; 3) a minority buy-out by the parent company and subsequent break-up (La7 channel, MUX). Recent speculation involved the Qatari SWF.

We note in any case that, as suggested by the press, tomorrow's BoD could just produce for the time being a spin-off of la7 from the holding co TI Media into a fully owned subsidiary; this would easy potential corporate action in a second step.

Conclusion & Action: *Speculative appeal on corporate action continues to drive the stock performance. Our SotP-based fair value is EUR 22c, including above EUR 270m valuation of digital multiplexes.*

Tui
Germany/Hotels, Travel & Tourism

Analyser

Buy
Recommendation unchanged

Share price: EUR	**5.44**

closing price as of 07/05/2012

Target price: EUR	**9.00**

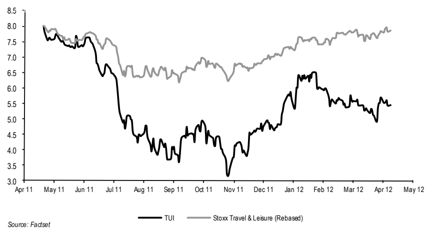
Target Price unchanged

Reuters/Bloomberg	TUIGn.DE/TUI1 GR

Market capitalisation (EURm)	1,369
Current N° of shares (m)	251
Free float	40%

Daily avg. no. trad. sh. 12 mth	1,463,207
Daily avg. trad. vol. 12 mth (m)	8
Price high 12 mth (EUR)	8.27
Price low 12 mth (EUR)	3.14
Abs. perf. 1 mth	0.26%
Abs. perf. 3 mth	-14.94%
Abs. perf. 12 mth	-34.02%

Key financials (EUR)	09/11	09/12e	09/13e
Sales (m)	17,480	17,856	18,394
EBITDA (m)	850	915	1,067
EBITDA margin	*4.9%*	*5.1%*	*5.8%*
EBIT (m)	445	450	596
EBIT margin	*2.5%*	*2.5%*	*3.2%*
Net Profit (adj.)(m)	(1)	46	145
ROCE	10.9%	11.0%	12.7%
Net debt/(cash) (m)	1,112	153	(262)
Net Debt/Equity	*0.5*	*0.1*	*-0.1*
Debt/EBITDA	1.3	0.2	-0.2
Int. cover(EBITDA/Fin. int)	3.5	5.1	7.1
EV/Sales	0.2	0.1	0.1
EV/EBITDA	3.6	2.9	2.2
EV/EBITDA (adj.)	3.1	2.5	2.1
EV/EBIT	6.9	5.8	4.0
P/E (adj.)	nm	29.7	9.4
P/BV	0.4	0.6	0.6
OpFCF yield	*75.4%*	*13.9%*	*23.3%*
Dividend yield	*0.0%*	*0.0%*	*0.0%*
EPS (adj.)	(0.01)	0.18	0.58
BVPS	8.65	8.83	9.41
DPS	0.00	0.00	0.00



Source: Factset

Shareholders: Mordashov 25%; Frederiksen 15%; BlackRock 5%; Riu family 5%; CDG 5%; Caja de Ahorros del Mediterraneo 5%;

Analyst(s):

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Unspectacular Q2 2011/12 results expected

The facts: TUI is due to publish Q2 2011/12 results on the 10th of May 2012.

EURm	Q2 11/12e	Q2 10/11*	yoy	2011/12e	2010/11	yoy
Sales	3,247.0	3,078.2	5.5%	17,856.4	17,480.3	2.2%
EBIT reported	(311.2)	(192.7)	nm	450.0	444.5	1.2%
EBIT underl.	(236.2)	(255.5)	nm	602.0	600.1	0.3%
Net profit	(222.7)	(144.0)	nm	46.1	(1.4)	nm
EPS (€)	(0.89)	(0.57)	nm	0.18	(0.01)	nm

* as reported Source: Company data, equinet

Our analysis:

For Q2 2011/12, we forecast a sales increase of 5.5% to EUR3.247bn. Reported EBIT should come in at EUR-311.2m and underlying EBIT at EUR-236.2m. Hence, we forecast adjustments in an amount of EUR75m inflated by restructuring charges in France. Overall, the underlying EBIT should improve slightly compared to last year. However, net profit is expected to be EUR-222.7m, which is clearly below last year, burdened by the restructuring charges and a negative swing in the results of Hapag-Lloyd.

Outlook should be confirmed: TUI's Executive Board expects moderate turnover growth and a slight improvement in operating earnings (underlying EBITA) for the overall year. TUI expects the overall Group result for the year to be positive.

Conclusion & Action: *We expect an unspectacular Q2 2011/12 result with a sales increase of 5.5% and a slightly better underlying EBIT. Furthermore, TUI should confirm its full year guidance of a slight increase in underlying earnings and a positive group result. We maintain our price target of EUR9.0 per share and reiterate our Buy recommendation.*

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Furthermore, in specific cases and for a limited period of time, the analysts are allowed to rate the stocks as **Rating Suspended (RS)** or **Not Rated (NR)**, as explained below.

Meaning of each recommendation or rating:

- **Buy**: the stock is expected to generate total return of **over 20%** during the next 12 months time horizon
- **Accumulate:** the stock is expected to generate total return of **10% to 20%** during the next 12 months time horizon
- **Hold**: the stock is expected to generate total return of **0% to 10%** during the next 12 months time horizon.
- **Reduce**: the stock is expected to generate total return of **0% to -10%** during the next 12 months time horizon
- **Sell**: the stock is expected to generate total return **under -10%** during the next 12 months time horizon
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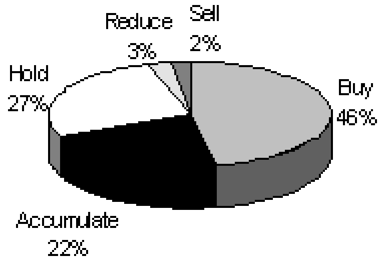
ESN Ratings Breakdown



History of ESN Recommendation System

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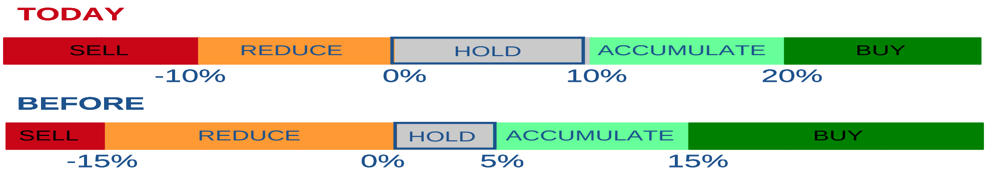
- Time horizon changed to 12 months (it was 6 months)
- Recommendations Total Return Range changed as below:



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