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P R O M O T I N G G O O D R E S E A R C H

FRENCH BROKERS DISPLAY CONSISTENT QUALITY IN CHALLENGING MARKETS

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London, May 15 2008 — AQ Research publishes its 5th annual France Research Yearbook, which analyses the performance of equity research on French listed stocks. The independent research company measures the successes of recommendations on companies and the accuracy of eps forecasts on 334 stocks in the Yearbook. The AQ Online system evaluates the performance of Buy/Hold/Sell recommendations on absolute and relative bases, as well as index and sector performance results throughout the course of the year.

“The very best research houses have proved their ability to continue to deliver alpha for clients” says David O’Hara, France 2008 Research Yearbook editor. “Oddo Securities’ has done well in being top for recommendations and for estimate accuracy. Since the turn of the year we have seen a marked upturn in analyst sentiment in France. The volatile conditions in 2008 will be a real test for the research community and a chance to demonstrate its value.”

- **Oddo Securities** emerged as the best research house on analysis of broker recommendations, following AQ’s analysis compiled from research produced by 62 brokers covering French companies. This is a commendable performance considering the challenging market conditions.
- For the second year running, **Oddo Securities** won for accuracy of eps forecasts, with profit estimates proving more accurate than any other broker. Oddo ranked top on eps forecasts on 47 out of the 168 stocks it covers.
- Independent research house **IDMidCaps** produced the best recommendations among the CACMid100 companies, with Oddo Securities placed second.
- **Dresdner Kleinwort** made the best CAC 40 recommendations.
- **Natixis Securities** won for smallcap recommendations.
- **Robin Down** of **HSBC** was best analyst for recommendations in France, in AQ’s examination of almost 300 analysts issuing recommendations on French companies. His longstanding bearish calls on the big banks were successful, particularly a reduce recommendation on Natexis.
- **Antoine Belge**, also from **HSBC**, topped the league for his accuracy on eps forecasts over 2007-8. His analysis on Hermes was a winner, whilst at UBS Per Lekander’s strong showing on Suez and Gaz de France pushed him up to second place

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Notes to Editor:

AQ Research (www.aqresearch.com) provides quantitative analysis of analysts' recommendations and eps forecasts, using data obtained from the broking houses involved. AQ has been analysing investment research since 1998. AQ Online delivers this analysis through a web browser.

RQ Methodology

AQ scores each research houses differently, depending on whether they have absolute or relative recommendations. The period over which we are examining recommendations in this report is the 12 months April 1 2007 to March 31 2008. Each recommendation made during this period is assessed over its "lifetime" (i.e. until it is changed).

Analysts are scored on the basis of the percentage share price movement (+ or -) during the lifetime of a particular recommendation. Those with absolute recommendations are measured on the basis of the percentage change in the share price during the lifetime of the recommendation, while those with relative recommendations are measured on the price movement relative to the price of the relevant index. This either an index (e.g. SBF120) for those houses which make recommendations on an index relative basis, or it is a sector index (the market sectors within the Dow Jones 600) for those which make sector relative recommendations.

Scores have been calculated as follows:

- A Strong Buy recommendation receives the percentage share price movement x 1.25.
 - A Buy recommendation receives the percentage share price movement times x 1.
 - A Hold has no score.
 - A Reduce recommendation receives the percentage share price movement x -1.
 - A Sell recommendation receives the percentage share price movement x -1.25.
- (Where a share price has fallen (absolutely or relatively), this means that an analyst with a Sell or Reduce recommendation will score positively).

AQ Methodology

The AQ measure is designed to measure the accuracy of an analyst's financial forecast. We use the eps as the benchmark measure because that is what is used by the investment research industry. Eps itself is an awkward figure, as there can be different opinions at what level to take the earnings, and how many shares to consider. To get around this problem, we take the so-called headline eps, the figure that by convention the company reports and the figure that is used in compiling the consensus.

The new AQ methodology for determining the accuracy of earnings estimates was launched at the beginning of 2007, following consultations with the industry. The significant change is that it looks at the "error" of the analyst, as expressed by the shaded area on the eps chart below to identify the best forecasting analysts.

The default values are used in the publications. When used in AQ Online, the customer can set their own values not only for the annual weightings but also for any estimate, e.g. to highlight analysts who have better early forecasting accuracy during any particular period.

AQ scores are in the range 0-100. They can be interpreted as follows:

>60: Small deviations in actual eps vs. the spread of forecasts (generally below 5%) for the past 2 years

40-60: Forecasts falling into this range indicate either deviations of actual eps vs. forecasts up to 10% over past 2 years

20-40: Deviations of actual vs. forecast eps typically between 10% and 15%, possibly for one of past 2 years. Analysts who have initiated within past 2 years can also have low scores

<20: AQ's are often not registered where deviations from actual eps numbers exceed 15%.

Note that individual analyst track records have only been building up since the start of 2007.