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- ODDO SECURITIES RETAINS OVERALL RANKING FOR BEST RECOMMENDATIONS; UBS TOP IN SIX SECTORS -

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London, 8 November, 2004 — AQ Research, the independent rankings firm, today publishes the results of its latest analysis of European stockbrokers' recommendations. RQ Euro 300 evaluates the performance of **Buy/Hold/Sell** recommendations in the 12 months ending October 15. The report covers Europe's largest 300 companies and analyses recommendations from more than 100 research houses and investment banks.

“The 12 month review period was a testing one for analysts, with a number of stocks and sectors performing weakly. That gave a better chance for sector relative houses and individual analysts to show their mettle,” says Graham Field, AQ's Managing Director. “But there were still some stocks which showed a strong appreciation or recovery over the 12 months and those were the ones on which the analysts could really notch up some impressive scores”.

Other key highlights of the RQ Euro 300 analysis are as follows:-

- The best performing house overall was again **Oddo Securities**. Oddo switched to an absolute recommendations structure after its acquisition of Credit Lyonnais Securities and has been top for two quarters in succession. Oddo's team includes two of the best-performing individual analysts in Europe – Charles-Edouard Boissy and Jean-Francois Delpech – who had some very good calls on construction, toll road and telecoms companies. Oddo was also top in both France and Germany for the second quarter in succession.
- **Dresdner Kleinwort Wasserstein (DrKW)** finished second with top scores on 37 of the companies in the report. DrKW remains the highest scoring house in the volatile telecoms sector and Nick Wilson played a major part in their top score in the Industrial Goods sector with some first rate calls on Rolls Royce and Smiths. DrKW was also top in both the UK and Italy.
- The best individual analyst in the report was **Michael Andersson** at Evli Bank in Stockholm, who made the best calls on both Ericsson and Atlas Copco and was second on Electrolux. Second best individual analyst was utilities specialist **Rainer Munch** at DZ Bank in Frankfurt.

- **UBS** finished fifth overall and achieved the best score for recommendations in six sectors: banks; basic resources; chemicals; construction; financial services and retail. UBS analysts were top on a total of 27 stocks.
- **Elan**, the Irish pharmaceutical wonder stock, was the most rewarding stock in the report. Irish analysts correctly called it as a buy as its share price rose more than 300%. The least rewarding was Swiss services group Adecco, which dropped in price while analysts rated it a buy.
- The **European Securities Network** has become the latest research organization to adopt an absolute recommendations structure – testimony to the growing importance of hedge fund investors in the institutional client base.
- Paris-based **CDC-IXIS** was the highest scoring house with sector-relative recommendations and also had the highest average RQ score in Switzerland.

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About AQ Research

AQ Research provides quantitative analysis of analysts' recommendations and eps forecasts, using data obtained from the broking houses involved. AQ has recently launched a database product ("AQUTE") in conjunction with Bureau van Dijk Electronic Publishing (www.bvdep.com), the specialist electronic financial information provider. AQUTE provides details on 2,500 companies and 100 brokers in Europe. AQ has been analysing the accuracy of eps forecasts since 1998 and began publishing its RQ series of reports in 2003. In addition, it provides detailed analysis of the accuracy of research in specific national markets in a series of dedicated country reports. Its first Asian report was published in June and AQ is in the process of expanding its analysis to the US.

'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 first report is the 12 months to October 15, 2004. 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 is a country index (e.g. FTSE All Share) for those houses which make recommendations on a local index basis. For those which make sector relative recommendations, it is a sector index (the market sectors within the Dow Jones 600).

Scores have been calculated as follows:

- **A Strong Buy recommendation will receive the percentage share price movement x 1.25.**
- **A Buy recommendation will receive the percentage share price movement times x 1.**
- **A Hold has no score.**
- **A Reduce recommendation will receive the percentage share price movement x -1.**
- **A Sell recommendation will receive 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).