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EQUITIES	Close	Change	% +/-	P/E '05	YTD
ISEQ	6515 ↑	15	0.24%	11.0	5.11%
FTSE 100	4916 ↑	10	0.20%	13.5	2.12%
DAX 30	4296 ↑	16	0.38%	15.0	0.95%
DOW	10597 ↑	45	0.43%	19.5	-1.73%
NASDAQ	2075 ↑	6	0.31%	15.6	-0.67%
S&P	1193 ↑	4	0.32%	21.0	-1.55%

CURRENCIES	Euro	Dollar	Stg	Yen
Euro	1.0000	1.3014	0.6909	135.6600
Dollar	1.3014	1.0000	1.8839	104.2200
Sterling	0.6909	1.8839	1.0000	195.4100
Yen	135.6600	104.2200	195.4100	1.0000

This Week's Research

Ryanair
Petroceltic
Waterford Wedgwood

Today's Research

Elan

Today's Recommendations

Elan (\$27) Tysabri launch details Tuesday Stuart Draper

- Elan results : Elan will report its results for the 3 months ended 31/12/04 next Tuesday, 8th February. The consensus forecast is for total sales from retained products and eps before exceptional items of \$100m and \$0.27 respectively.
- Tysabri launch : However, the more important information in the results' announcement is likely to be the early details with regard to Tysabri's US launch. This is because with industry data not accurately measuring Tysabri's prescriptions as a result of its speciality distribution channels, the only sources of information available are updates from BiogenIdec and Elan.
- Biogen results : In this regard, much of the juicy details may be announced in conjunction with BiogenIdec's results announcement after the US market closes, on Monday 7th February. Both Elan and Biogen have indicated they will provide details next week on the number of prescriptions written for Tysabri and on the number of patients infused as at 31/01/05.
- Catalyst potential : If this data shows that initial demand for the drug is stronger than current forecasts, it could act as a major positive catalyst for the share price. However, a potential negative catalyst could be Elan's guidance for 2005, with the potential for the current consensus expectation that the company will be cashflow positive in H2 2005 under threat from launch costs and related infrastructure expenditure.
- Novartis competition : Novartis recently announced that its oral MS therapy, FTY720, had shown excellent multiple efficacy in a phase II study. Data from the study showed a more than 50% reduction in the relapse rate and a more than 50% reduction in the number of brain lesions detected by MRI scan, as well as a longer time to first relapse. Tysabri's phase II data showed a 55% reduction in the relapse rate.
- Sero competition : Further evidence that Tysabri will not have the MS market all to itself, was the 33% Q4 sales growth to \$310m reported by Sero's MS drug, Rebif, reported earlier this week, with the company re-iterating its goal of MS market leadership in 2006. Tysabri will also face competition from Biogen's Avonex, Schering's Betaferon and Teva's Copaxone. We had previously assumed a 30% share of the MS market for the drug, as well as growth in the market of 30%.
- Trading opportunities : However, Elan's sensitivity to newsflow, and the vast amount of newsflow likely to be announced over the course of 2005, is likely to continue to generate attractive short term trading opportunities : **NEUTRAL**.

Breaking News

BNP reports slightly higher Q4 earnings

French bank BNP Paribas announced slightly higher fourth-quarter earnings and a new growth plan while saying it would propose a dividend increase after making gains at core units and cutting provisions for bad loans. BNP earned €952m in the quarter compared with €927m a year earlier, falling short of consensus estimates of €979m, but revenues and gross operating profit beat forecasts. BNP said it would propose lifting its annual dividend nearly 38 percent to 2.00 euros a share, and outlined 2007 goals that included retail banking growth and the widening of its wholesale bank in Europe and selectively in the US and Asia. BNP Chief Executive Baudouin Prot said the group aims to expand via targeted acquisitions, with a focus on retail banking and a priority on Europe and the US.

Glanbia to take on CMP brand

It was announced yesterday that Glanbia is to take over the CMP liquid milk, cream and juice branded business of Dairygold Co-Operative Society for €10.05m. The deal is subject to approval from the Competition Authority. 'This development regarding the CMP brands and the contract manufacturing agreement with Dairygold are in line with Glanbia's strategy of maximising scale and efficient in the most appropriate way,' commented Glanbia's Group Managing Director John Moloney. 'The CMP brands will further strengthen Glanbia's consumer foods offering. Likewise, the contract manufacturing agreement is consistent with our strategy of developing further industry alliances and co-operation to achieve mutual efficiencies,' he added.

Ryanair announces record bookings on new Dublin routes

Yesterday Ryanair announced record bookings on its 6 new Dublin routes that went on sale just last week. Over 26,000 passengers across Europe have already booked seats on Ryanair's new routes from Carcassonne, Biarritz, Rome, Doncaster, Frankfurt and Eindhoven to Dublin. The routes, commencing in April are scheduled to carry 500,000 passengers per annum and will create 500 new jobs.

Business Press

- Fed raises rates by quarter point (IT)
- Google stocks outstrip eBay
- Readymix rises 18pc in two days (II)
- Barton Kilcoyne leaves Datalex (IE)
- Ceva revenues and share prices rise (IE)

Investment Press— Lex

- BSKyB: The British are used to efforts by the Murdochs to enter their homes. James Murdoch, British Sky Broadcasting chief executive, is following in the family tradition.



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