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EQUITIES	Close	Change	% +/-	P/E '05	YTD
ISEQ	6806	↓ -13	-0.18%	11.0	9.81%
FTSE 100	5366	↑ 7	0.13%	13.5	11.46%
DAX 30	4988	↑ 20	0.40%	15.0	17.20%
DOW	10634	↑ 44	0.42%	19.5	-1.39%
NASDAQ	2172	↑ 5	0.24%	15.6	3.97%
S&P	1236	↑ 3	0.24%	21.0	2.01%

CURRENCIES	Euro	Dollar	Stg	Yen
Euro	1.0000	1.2442	0.6766	137.1000
Dollar	1.2442	1.0000	1.8384	110.1800
Sterling	0.6766	1.8384	1.0000	202.5700
Yen	137.1000	110.1800	202.5700	1.0000
Oil (Nymex)	64.8000			

This Week's Research  
IL&P

Today's Research  
Horizon

## Breaking News

### Fyffes raises targets for FY

Fyffes has posted a 44 percent jump in earnings per share and raised its earnings target for the full year. The company said that given a strong performance in the second half of last year and significant cost inflation in the industry it was targeting annual EPS growth "in the high teens in percentage terms". Fyffes previously raised its earnings target in June, saying it was looking for mid-teens percentage growth. The group posted first-half EPS of 15.03 cents for the six months to the end of June, while pre-tax profit rose 17.6 percent to €69.3m and revenue grew nearly 18 percent to €1.1bn. Fyffes said trading in July and August had been satisfactory.

### ICG interim results

Irish Continental Group has reported pre-tax profit of €1.7m for the six months to the end of June and has cited the absence of industrial disruption in the period and the flow through of some of its cost reducing initiatives as the drivers behind its improved performance. Many of these cost savings were offset by increases in fuel costs which, for the group. The company also added that its passenger market was weaker while the freight market was stronger. ICG reported that it recorded EPS of 6.4 cent compared with a loss per share of 2.5 cent in the corresponding period in 2004. Revenue for the half year was €139.6 million (2004: €135.8 million). Profit before tax of €1.7 million compared with a loss of €0.5 million in the first half of 2004.

### Anglo Irish Bank names UK CEO designate

Anglo Irish Bank said yesterday it has appointed Declan Quilligan as chief executive designate of the group's UK operations. Quilligan will succeed John Rowan who has announced his intention to leave the bank at the end of the year to pursue private equity opportunities in European real estate. Quilligan currently heads up the group's banking operations in Ireland and he is a member of the bank's senior executive board.

## Business Press

- Petrel Resources' share price rises 134% on Iraqi contract (IT)
- CRH director exercises options (IT)
- Kingspan's Brash sells shares (II)
- Hedging boom in commodities (FT)

## Horizon (€1.18) H1 results announced Stuart Draper

- Results announced : This morning, Horizon Technology announced results for the 6 months ended 30/06/05. Operating profit and earnings per share of €4.6m and 4.5c and were year on year increases of 16% and 14% respectively .
- Margin expansion : Even though some of the revenue growth of the Enterprise Solutions division was offset by a slight decline in distribution revenues, strong overall group profit growth was generated because the Enterprise Solutions division revenues are significantly higher margin revenues.
- Sector discount : Given that Horizon's IT services peers, Morse and Computacenter currently trade at 14x and 17x consensus 2006 eps, and that its distribution peers, Tech Data and Ingram Micro, currently trade at 14x and 12x consensus 2006 eps, Horizon looks to have attractive upside potential from its current valuation of 10.7x consensus 2006 eps of 11c.
- Attractive upside : With both Horizon's operating margin and turnover growth comparing quite favourably with these peers, our current 12 month price target of €1.40 (19% upside) is based on just a 10% discount to a conservative sector multiple of 14x 2006 eps, to reflect Horizon's smaller market cap of c. €87m. Despite the recent difficulties of some of its UK peers, our view is that the Horizon share price has attractive further upside potential on a 12 month investment horizon : BUY.

## Investment Press— Lex

- BAE Systems: A promised recovery at the UK defence business and a strong delivery schedule at Airbus more than made up for lower margins at the support operations in Saudi Arabia. Underlying operating profit increased 20 per cent to £566m.



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