



April 11, 2006

Contact Details:

Email : research@dsl.ie
info@dsl.ie

Tel : +353 1 633 3800
Fax : +353 1 677 4708

EQUITIES	Close	Change	% +/-	P/E '06	YTD
ISEQ	7927 ↑	8	0.10%	11.0	7.65%
FTSE 100	6067 ↑	41	0.68%	13.5	7.98%
DAX 30	6003 ↑	50	0.85%	15.0	11.00%
DOW	11141 ↑	21	0.19%	19.5	3.32%
NASDAQ	2333 ↓	-6	-0.25%	15.6	5.80%
S&P	1297 ↑	1	0.09%	21.0	4.15%

CURRENCIES	Euro	Dollar	Stg	Yen
Euro	1.0000	1.2130	0.6956	143.6900
Dollar	1.2130	1.0000	1.7431	118.4300
Sterling	0.6956	1.7431	1.0000	206.4800
Yen	143.6900	118.4300	206.4800	1.0000
Oil (Nymex)	68.7400			

This Week's Research
Fyffes

Today's Research
Horizon

Today's Recommendation

Breaking News

M&S Q4 results beat forecasts

Marks & Spencer has reported a third consecutive quarter of underlying sales growth, showing its recovery under chief executive Stuart Rose is continuing to gain momentum despite the tough UK retail environment. For the fourth quarter (13 weeks) to April 1 the retailer saw total UK sales increase 9.1 percent and rise 6.8 percent on a like-for-like basis, comfortably beating consensus expectations of growth of 3.2 percent and an acceleration from third quarter growth of 2.9 percent. Within this non-food (clothing and home goods) like-for-like sales were up 8.2 percent, again well ahead of consensus expectations of growth of 1.6 percent M&S' revitalised food division also delivered a strong performance with like-for-like sales up 5.6 percent, compared to consensus estimates of 4.8 percent and growth of 5.1 percent in the third quarter. The retailer forecast a year to April 1 2006 pretax profit of £745-755m.

Brent oil surges to new highs

Oil surged through \$69 on Tuesday, with London Brent crude hitting record-highs, on increased tensions between the United States and Iran over Tehran's nuclear aims and Nigerian supply disruptions. U.S. crude traded up 37 cents at \$69.11 a barrel, an 11-week high. Brent crude traded up 31 cents to \$69.06 a barrel, an all-time record for the contract.

Elan announces dates for upcoming corporate events

Elan today announced the dates for upcoming corporate events. Elan will report its first quarter 2006 financial results on May 4, before U. S. and European financial markets open. Elan will hold its Annual General Meeting on May 25 at the Four Seasons Hotel, Ballsbridge. Data from a phase 1 single ascending dose study of bapineuzumab (AAB-001), a humanized monoclonal antibody to A-beta in Alzheimer's Disease, will be presented at the 9th International Geneva/Springfield Symposium in Alzheimer Therapy on April 20.

Horizon (€1.06) Application consulting acquisition Stuart Draper

- Acquisition announced : Horizon has announced the small bolt-on acquisition of Irish SAP consulting partner, Enterprise Process Consulting (EPC) Group Limited, for €2m, plus a potential further €1.5m depending on results achieved over the next 2 years. EPC specialises in the pharmaceutical and public sector markets, and is the only Irish mySAP consulting partner.
- Growth business : The acquisition should generate synergies with Horizon's current Irish SAP implementation capability and application consulting business. Margins at this consulting business are in excess of 70% and it generated the strongest growth of Horizon's divisions in 2005. As a result, the acquisition is expected to be earnings enhancing in 2006.
- High margin : Even though some of the revenue growth of this division is being offset by a slight decline in distribution revenues, Horizon remains on course to generate strong group profit growth in 2006 and 2007 as its 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 9.6x 2006 earnings per share 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 €1.30 (23% upside) is based on a conservative 10x 2007 eps of 13c to reflect Horizon's smaller market cap of €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**.

Business Press

- Carrefour ex-chief to aid Kingfisher's global drive (FT)
- Eircom suitor edges closer to bid (IT)
- Santander eyeing up AIB (IT)
- Lundin extends Kilkenny drilling (IT)

Investment Press

- Serono: Having failed to find a suitable buyer, Serono, the Swiss pharmaceuticals group, is now on the acquisition trail. But, as any poker player can confirm, showing your hand is not the best way to win a card game.



DOLMEN SECURITIES

Disclaimer: The information in this document has been obtained from sources, which we believe to be reliable. We cannot guarantee its accuracy or completeness. It does not constitute a solicitation for the purchase or sale of any investment. Any person acting on the information contained in this document does so at their own risk. Recommendations in this document may not be suitable for all investors. Individual circumstances should be considered before a decision to invest is taken. Investors should note the following: Past experience is not necessarily a guide to future performance. The value of investments may fall or rise against investors' interests. Income levels from investments may fluctuate. Changes in exchange rates may have an adverse effect on the value of, or income from, investments denominated in foreign currencies. Dolmen Securities is a Member Firm of the London Stock Exchange, and is authorised by the Financial Regulator under the Investment Intermediaries Act 1995. Dolmen Stockbrokers is a Member Firm of The Irish Stock Exchange, The London Stock Exchange, and is authorised by the Financial Regulator under the Stock Exchange Act 1995. Dolmen Stockbrokers is regulated by the Financial Regulator as a Mortgage Intermediary.

DOLMEN SECURITIES → Website : www.dolmenstockbrokers.ie

Dolmen House, 4 Earlsfort Terrace, Dublin 2, Ireland.
45 South Mall, Cork, Ireland.

Tel : +353 1 633 3800
Tel : +353 21 422 2122

Fax : +353 1 677 7044
Fax : +353 21 422 2123

Email : info@dsl.ie
Email : cork@dsl.ie

Disclosures

This report has been prepared by Dolmen Stockbrokers ('Dolmen') for information purposes only to assist investors to make their own investment decisions and is not intended to and does not constitute personal recommendations nor provide the sole basis for any evaluation of the securities discussed. Specifically the information contained in this report should not be taken as an offer or solicitation of investment advice or, encourage the purchase or sale of any particular security, option, future or other derivative investment. Not all recommendations are necessarily suitable for all investors and Dolmen recommend that specific advice should always be sought prior to investment, based on the particular circumstances of the investor. Although the information in this report has been obtained from sources, which Dolmen believes to be reliable and all reasonable efforts are made to present accurate information Dolmen give no warranty or guarantee as to, and do not accept responsibility for, the correctness, completeness, timeliness or accuracy of the information provided or its transmission. Nor shall Dolmen, or any of its employees, directors or agents, be liable to for any losses, damages, costs, claims, demands or expenses of any kind whatsoever, whether direct or indirect, suffered or incurred in consequence of any use of, or reliance upon, the information. Any person acting on the information contained in this report does so entirely at his or her own risk.

All estimates, views and opinions included in this report constitute Dolmen's judgement as of the date of the report but may be subject to change without notice. Changes to assumptions may have a material impact on any recommendations made herein.

Unless specifically indicated to the contrary this report has not been disclosed to the covered issuers(s) in advance of publication.

Past performance is not necessarily a guide to future returns. The value of investments and the income from them can fall as well as rise. Investments denominated in foreign currencies are subject to fluctuations in exchange rates, which may have an adverse affect on the value of the investments, sale proceeds, and on dividend or interest income. Investors may not necessarily recoup the full value of their original investment. Investors should be aware that forwarding looking statements and forecasts may not be realised.

This report may not be reproduced (in whole or in part) altered, transmitted or made available to any other person without the prior written permission of Dolmen.

Dolmen Securities is a Member Firm of the London Stock Exchange, and is authorised by the Financial Regulator under the Investment Intermediaries Act 1995. Dolmen Stockbrokers is a Member Firm of The Irish Stock Exchange, The London Stock Exchange, and is authorised by the Financial Regulator under the Stock Exchange Act 1995. Dolmen Stockbrokers is regulated by the Financial Regulator as a Mortgage Intermediary.

Conflicts of Interest & Share Ownership Policy

Dolmen, its employees, directors or related companies, may have a shareholding in the securities (or related investments/ derivatives) of certain companies covered in this report, or may provide/ solicit investment banking or other services to/ from them.

It is noted that research analysts' compensation is impacted upon by overall firm profitability and accordingly may be affected to some extent by revenues arising other Dolmen business units including Corporate Finance, Fund Management and Stockbroking. Revenues in these business units may derive in part from the recommendations or views in this report. Notwithstanding, Dolmen is satisfied that the objectivity of views and recommendations contained in this report has not been compromised.

Dolmen permits research analysts to own shares and/ or derivative positions in issuers they publish research, views and recommendations on and accordingly analysts involved in the production of this report may own stocks in a company covered in it. Any own account staff trading is undertaken in strict compliance with Dolmen's own account internal rules and therefore Dolmen is satisfied that the impartiality of research, views and recommendations remains assured.

Analyst Certification

Each research analyst responsible for the content of this report, in whole or in part, certifies that: (1) all of the views expressed accurately reflect his or her personal views about those securities or issuers; and (2) no part of his or her compensation was, is, or will be, directly or indirectly, related to the specific recommendations or views expressed by that research analyst in the research report.

For US Persons Only

This report is only provided in the US to major institutional investors as defined by s. 15 a-6 of the Securities Exchange Act, 1934 as amended. A US recipient of this report shall not distribute or provide this report or any part thereof to any other person.