



November 21, 2005

Contact Details:

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

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

EQUITIES	Close	Change	% +/-	P/E '05	YTD
ISEQ	6807 ↑	57	0.84%	11.0	9.82%
FTSE 100	5499 ↑	39	0.71%	13.5	14.23%
DAX 30	5124 ↑	24	0.47%	15.0	20.38%
DOW	10766 ↑	46	0.43%	19.5	-0.15%
NASDAQ	2227 ↑	7	0.30%	15.6	6.61%
S&P	1248 ↑	5	0.44%	21.0	2.99%

CURRENCIES	Euro	Dollar	Stg	Yen
Euro	1.0000	1.1777	0.6855	140.4800
Dollar	1.1777	1.0000	1.7175	119.2700
Sterling	0.6855	1.7175	1.0000	204.8500
Yen	140.4800	119.2700	204.8500	1.0000
Oil (Nymex)	56.1400			

This Week's Research

Today's Research British Land

Breaking News

Eircom receives clearance for Meteor deal

Eircom said on Friday it had received clearance from the Competition Authority for its acquisition of the Meteor. Meteor has around 10 percent of Ireland's mobile phone subscribers, a market share Eircom has said it expects to be able to double over the next three to four years.

Meanwhile, comments that Swisscom is considering other takeover opportunities have raised fresh doubts about its proposed takeover of Eircom. Swisscom has begun a due diligence process at Denmark's TDC AS with a view to a possible takeover, a Swiss newspaper reported on Sunday.

GSK opposes FDA proposals

Shares in GlaxoSmithKline have been hit by a request from the FDA on Friday asking the makers of asthma medications to add new warnings to their labels stating that the drugs could increase the chances of severe asthma episodes that could result in death. GlaxoSmithKline, which manufactures two asthma drugs, Advair and Serevent, disagreed with the proposed labeling changes, saying they were inconsistent with the standard of care for asthma treatment, which could put many patients at risk of uncontrolled asthma.

ECB to raise rates

The European Central Bank is ready to raise interest rates moderately, ECB President Jean-Claude Trichet said on Friday, sending a clear signal it will tighten rates in December for the first time in five years. Trichet said the rate increase would still leave interest rates at a low level to support economic growth while keeping inflationary expectations under control.

British Land (£10.44) Downgrading to NEUTRAL Stuart Draper

- Upcoming results : This Thursday (24th November), British Land will announce its results for the 6 months ended 30/09/05. The consensus forecast is that the group's net asset value (NAV) per share will have increased to £12.10 as at 30/09/05, representing 9% growth on the £11.11 reported as at 31/03/05.
- NAV discount : However, over the summer, when we examined the historical average discounts to NAV at which both British Land and the UK property sector have traded over the past 25 years, we concluded that the historical average midpoint of the range for both British Land and the sector was c.10%, which is also in line with the current UK sector average discount. As a result, our previous share price target of £10 was based on a 10% discount to the NAV per share of £11.11 as at 31/03/05.
- Strategic review : Following a recent strategic review of its property portfolio, British Land has started selling some of its high street retail properties as a result of the buoyant market for such properties. The sale of 9 retail properties from its High Street portfolio for a total of £52.25m was recently announced, which was above their combined book value, and in September, its interest in 2-16 Baker Street, London W1, was sold for £57.2m, which was also above its book value.
- Property sales : Such activity helps to drive strong NAV per share growth. In early September, the company sold its 50% interest in the Ilac Shopping Centre, Dublin, for €121.32m, having purchased the stake in 2001 for €56.6m. Also sold in early September was 10 Fleet Place, London EC4, for £109.12m.
- Recommendation downgrade : However, even if the company reports a NAV per share of £12.10 on Thursday, a 10% discount would imply a fair value per share of £10.90. With limited further upside to this level, we now downgrade our British Land recommendation from BUY to NEUTRAL, the share price having risen by 21% since our BUY note of 24/08/05.
- Take profits : Therefore, with the British Land share price more fairly valued at current levels, some profit-taking may be advisable ahead of Thursday's interim results. Within the FTSE 100, following the 12% fall in its share price last week, Vodafone (£1.28) currently represents an attractive buying opportunity for medium term investors : NEUTRAL.

Business Press

- EU compensation looks sweet for sugar processors but not farmers (IT)
- Timely moves sees Ireland Assist clinch deal with FBD (II)
- Ladbrokes float on the cards if hotels sale falls flat (FT)

Investment Press— Lex

- Corporate credit: Once upon a time, almost all companies aspired to a "AAA" credit rating. No longer. Corporate bond investors now live in fear of share buybacks, special dividends and leveraged buyouts.



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.