

CONTENTS

Market View: European equities open up driven by strong finishes in the US and Asia

Aer Lingus: Full year results

IFG: Reports 2009 revenue of €93.3m

Irish Financials: Minister for Finance due to announce bank plan

McInerney's: Reports loss of €25m

Market Movers

IRISH PAPERS TODAY

Banks will need up to €22bn for losses and new capital rules
(The Irish Times)

AIB blames cost of funds for 0.5% rise in mortgage rate
(The Irish Times)

Triple mortgage rise as taxpayers bail out AIB
(Irish Independent)

INTERNATIONAL PAPERS TODAY

Ireland to launch €81bn "bad bank"
(Financial Times)

Lloyds rejects talk of ousting Daniels
(Financial Times)

Greece's debt costs stay high
(The Wall Street Journal)

Market View

Analyst: Stephen Taylor

European equity markets are higher this morning following strong finishes in the US and Asia overnight. The risk trade continues to remain on at the moment as issues surrounding sovereign debt remain in the background. As we continue to reiterate, we remain positive on equity markets given the improvement in the global economic outlook, increase in M&A, improved corporate profit outlook and favourable monetary policy. That being said, while Greece successfully raised €5bn through its seven year bond issuance, subscription levels were fairly muted with between €6bn to €7bn in orders received indicating a bid to cover ratio of under 1.4x. The new bond is yielding 6.0% which is over twice what a German bond of an equivalent maturity is yielding. While it is positive that Greece got the debt issuance away, the market will be closely watching how the bond performs over the next number of days. As for today from an Irish perspective the main focus will be on Minister for Finance Brian Lenihan's speech that will include details of the recapitalisation for the Irish financial system. In addition the Financial Regulator, Matthew Elderfield will announced details of the new capital ratios that will be required by the banks. On the international front the main focus will be on economic data out of the UK and US. Final GDP figures out of the UK are expected to show the economy grew by 0.3% during the fourth quarter. In the US, the Case-Schiller house price index is expected to show further moderation, while consumer confidence for March should have rebounded sharply from the disappointing reading in February.

Aer Lingus: Neutral

Previous Close €0.72

Analyst Edward Keeling

Aer Lingus released its full year results this morning and post its pre-release last week, the numbers were as expected. It posted an operating loss of €81m. Total revenue declined by 11% to €1,205m amid a 16.8% decline in average fares. The composition of which was a 16% fall on short haul and 12% decline on long haul. The main point of interest from this morning's statement came from its trading update. It has reiterated that trading conditions remain extremely challenging. It remains focused on actively managing yields and capacity. For the first three months of the year, the group has guided there has been higher revenues per passenger with its long haul operations outperforming managements' expectations. Forward bookings are positive and operating profit for the first three months of the year is ahead of last year. Perhaps most importantly for unlocking the value in the airline and restoring an investment thesis, gross cash balances have increased since the start of the year.

IFG

Previous Close €1.37

Analyst Oliver Gilvarry

IFG released full year results this morning, reporting revenue of €93.3m and adjusted operating profit of €18m. Adjusted EPS was stronger than expected at 20.3c. The International Division delivered profits of €12.2m, flat yoy. In the UK, the SIPP book grew by 16% increasing the number of accounts from 6,900 to 8,000. The integration of James Hay will be a key objective of the UK business this year and will significantly grow the SIPP business in the group. In Ireland, management stated mortgage lending fell to 20% of 2007 levels and the mortgage side of the business is now focused on the sale of Life Assurance. The Property side of the Irish business will remain loss making according to today's report in the current environment. On outlook, management stated they have transformed the business with the acquisition of James Hay. The strong market positions and the strong balance sheet leaves the group well positioned for 2010.

Irish Financials

Analyst Oliver Gilvarry

Speculation on the Irish banking system continues in today's press with differing reports on the level of capital required by the institutions. The Financial Regulator is due to announce the new capital levels required by the banks in a statement at 4.30 this evening with an announcement by NAMA on the level of haircuts applied to the loans transferred into the agency by Irish Nationwide and EBS at roughly the same time. Shortly afterwards the Minister for Finance will make a speech in the Dáil outlining the details of the recapitalisation of the banking system. Today's announcement will reduce the level of uncertainty surrounding the banks and will leave a banking system fit for purpose. AIB announced a move in its Standard Variable mortgage Rate (SVR) by 50bps following Permanent TSB's increase earlier in the year.

McInerney's

Previous Close €0.18

Analyst Stephen Taylor

McInerney reported full year results for the 12-month period ending 31/12/2009. The group posted a pre-exceptional pre-tax loss of €25m compared with pre-exceptional loss before tax of €47m in 2008. To date, McInerney has written down its Irish landbank by over 50% and the UK landbank by almost 40% since mid 2008. In Ireland, the home building division completed 131 private homes compared to 296 in 2008, while in the UK, it completed 582 housing units. In relation to its outlook, McInerney is seeing increased demand for social housing in the UK, while in Ireland the continued falls house prices, is beginning to translate into positive demand. McInerney also announced that it has received approval for revised banking facilities from its Irish lenders with the new maturity being March 31st 2011. While in the UK, negotiations regarding an extension of its UK facility is ongoing.



International Equity Markets

Index	Value	1-Day	YTD
ISEQ	3,158	-1.7%	6.2%
FTSE	5,711	0.1%	6.0%
Dow Jones	10,896	0.4%	4.5%
S&P	1,173	0.6%	5.2%
Nikkei	10,986	-0.1%	5.2%
Stoxx 50	2,947	0.2%	0.0%

Sector Performances

Sector	Index	1-Day	YTD
Construction	278	-0.1%	1.4%
Technology	215	0.2%	17.0%
Oil & Gas	333	-0.3%	1.2%
Financials	225	-0.3%	2.1%
Retail	261	0.1%	7.2%
Food & Drink	324	0.1%	6.2%

Commodity Prices

Commodity	Index	1-Day	YTD
Crude Oil	82.2	2.7%	1.8%
Copper	353.6	3.9%	4.6%
Gold	1,109.7	0.2%	1.4%
Silver	17.4	2.8%	3.5%
Wheat	464.8	0.0%	-15.9%
Cattle	92.9	1.4%	6.4%

Currency Exchange Rates

Currency	Index	1-Day	YTD
€/\$	1.348	0.5%	5.9%
€/£	0.900	-0.1%	-1.4%
£/\$	1.499	0.6%	7.5%
\$/JPY	92.470	0.0%	0.4%
€/JPY	124.670	0.5%	6.3%
€/SFR	1.432	0.3%	3.5%

5Yr Credit Spreads

Product	Index	1-Day	YTD
Invest Grade	71.1	-1.8%	1.3%
High Yield	394.9	-2.7%	-7.6%
Financials	80.7	2.9%	12.3%
BoI	203.4	-0.9%	-15.8%
AIB	216.4	-0.2%	-20.3%
RBS	151.2	-4.8%	6.9%

Money Market Rates

Rate	EUR	UK	US
Overnight	0.3%	0.5%	0.2%
3-Month	0.6%	0.6%	0.3%
1-Year	1.1%	1.0%	0.6%
2-Year	1.5%	1.6%	1.2%
5-Year	2.4%	2.9%	2.7%
10-Year	3.3%	3.8%	3.8%

Date	Company	Region	Event
30/03/2010	Wendel SA	FR	Q4
30/03/2010	McInerney Holdings PLC	IE	PRELIM
30/03/2010	Banco Popolare Sc	IT	RESULTS
30/03/2010	SAS AB	SE	RESULTS
30/03/2010	Swiss Life Holding AG	CH	FINAL
30/03/2010	Babcock International Group PLC	GB	TRADE
30/03/2010	Asterand Plc	GB	PRELIM
30/03/2010	Kazakhmys PLC	GB	PRELIM
30/03/2010	Zurich Financial Services AG	CH	AGM
30/03/2010	SAIC	US	Q4
31/03/2010	Theolia SA	FR	Q4
31/03/2010	Aareal Bank AG	DE	FINAL
31/03/2010	3U Holding AG	DE	Q4
31/03/2010	Compass Group PLC	GB	TRADE
31/03/2010	Enterprise Inns PLC	GB	TRADE
31/03/2010	Northern Foods Plc	GB	YRTRADE
31/03/2010	Xyratex Ltd	GB	Q1
31/03/2010	Finnair Oyj	FI	S/HOLDERS
01/04/2010	Mothercare PLC	GB	Q4 TRADE
01/04/2010	MAN SE	DE	AGM
06/04/2010	Banco Espirito Santo SA	PT	AGM
07/04/2010	Finnair Oyj	FI	TRAFFIC

Date	Event	Region	Estimate
30/03/2010	GDP (QoQ)	UK	--
30/03/2010	Current Account (BP)	UK	--
30/03/2010	S&P/CaseShiller Home Price Ind	US	--
30/03/2010	Consumer Confidence	US	--
30/03/2010	ABC Consumer Confidence	US	--
31/03/2010	Producer Prices (MoM)	FR	--
31/03/2010	Unemployment Change (000's)	GE	--
31/03/2010	Unemployment Rate (s.a)	GE	--
31/03/2010	Euro-Zone Unemployment Rate	EC	--
31/03/2010	Euro-Zone CPI Estimate (YoY)	EC	--
31/03/2010	ADP Employment Change	US	--
31/03/2010	Chicago Purchasing Manager	US	--
31/03/2010	Factory Orders	US	--
01/04/2010	Retail Sales (MoM)	GE	--
01/04/2010	PMI Manufacturing	GE	--
01/04/2010	PMI Manufacturing	EC	--
01/04/2010	PMI Manufacturing	UK	--
01/04/2010	Initial Jobless Claims	US	--
01/04/2010	Continuing Claims	US	--
01/04/2010	ISM Manufacturing	US	--
02/04/2010	Change in Nonfarm Payrolls	US	--
02/04/2010	Unemployment Rate	US	--

Regulatory Information

Dolmen Securities Limited is regulated by the Financial Regulator. Dolmen Securities Limited is a member firm of the London Stock Exchange. Dolmen Stockbrokers is regulated by the Financial Regulator. Dolmen Stockbrokers Limited is a member firm of the Irish Stock Exchange and the London Stock Exchange.

This report has been prepared by Dolmen Stockbrokers ('Dolmen') for information purposes in order 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 judgment 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 issuer(s) in advance of publication.

Past performance is not a reliable guide to future performance. The value of your investment may go down as well as up. 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. The income you get from your investment may go down as well as up. Figures quoted are estimates only, they are not a reliable guide to the future performance of this investment. Investors should be aware that forward-looking statements and forecasts may not be realised.

This report is the property of Dolmen and 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.

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 the companies they publish research, views and recommendations on. Accordingly analysts involved in the production of this report may have positions in any securities herein. Dolmen ensures that all staff dealing is undertaken in strict compliance with Dolmen's internal staff dealing procedures. 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. Oliver Gilvarry, Stephen Taylor, Edward Keeling & Brian Gallagher are responsible for the production of this report. Oliver Gilvarry is Head of Research and David Dunk, Stephen Taylor, Edward Keeling & Brian Gallagher are equity analysts.

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.

Dolmen Stockbrokers, 75 St. Stephen's Green, Dublin 2, Ireland.



DOLMEN SECURITIES LTD

75 St. Stephen's Green, Dublin 2, Ireland.
45 South Mall, Cork, Ireland
Theatre Court, Mallow St, Limerick, Ireland.

Tel : +353 1 633 3800/1890 400 300
Tel : +353 21 422 2122
Tel : +353 61 436 500

E-mail: info@dsl.ie
E-mail: cork@dsl.ie
E-mail: Limerick@dsl.ie