

# Quest For Growth

Belgium/Financial Services

Analyser



## Accumulate

vs Buy

**Share price: EUR 5.96**

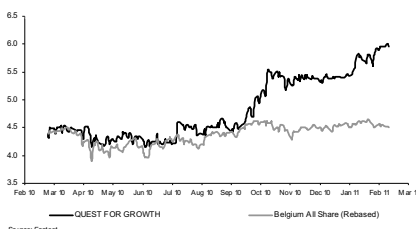
closing price as of 10/03/2011

Reuters/Bloomberg QUGF.BR/QFG.BB

Market capitalisation (EURm)	70
Current N° of shares (m)	12
Free float	76%
Daily avg. no. trad. sh. 12 mth	12,578
Daily avg. trad. vol. 12 mth (m)	0
Price high 12 mth (EUR)	6.00
Price low 12 mth (EUR)	4.15
Abs. perf. 1 mth	3.47%
Abs. perf. 3 mth	9.56%
Abs. perf. 12 mth	33.04%

### Estimated NAV breakdown (EURm)

Listed shares - ICT	25.5	25%
Listed shares - Pharma & biotech	9.9	10%
Listed shares - Other	29.1	28%
Direct private equity stakes	15.9	15%
Venture Capital funds	14.3	14%
Convertible loan notes & warrants	0.5	0%
Other assets	6.9	7%
Net cash/(debt) position	1.8	2%
<b>Total Net Asset Value</b>	<b>104.0</b>	<b>100%</b>
<b>NAVPS (EUR)</b>	<b>9.021</b>	
Share price*: EUR	5.96	
<b>Discount/(Premium) to NAV</b>	<b>-33.9%</b>	



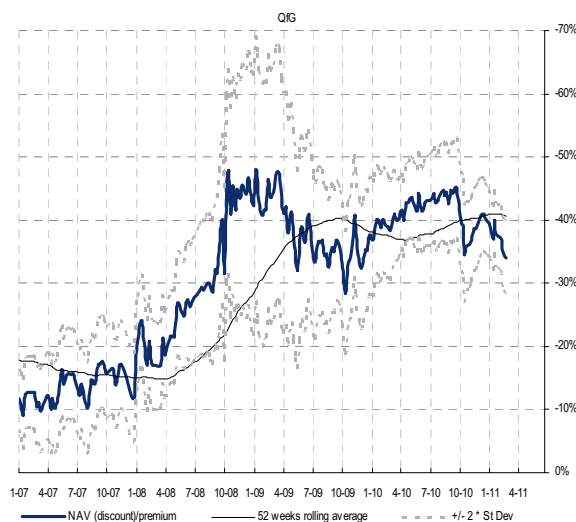
## Rating revision: from Buy to Accumulate after strong share price performance

**The facts:** Today we are reviewing our recommendation for Quest for Growth (QfG) from Buy to Accumulate.

**Our analysis:** QfG's share price has skyrocketed (+27%) after our upgrade to Buy on 14-Oct-10, thereby outperforming the Belgian market by +26%. At the time the company was trading at an excessive discount to NAV of 44%. Given that this strong share price performance has reduced further upward potential, we decided to downgrade from Buy to Accumulate.

We have updated our SOTP model on the basis of the monthly release of the detailed portfolio breakdown. When applying ESN Research target prices for QfG portfolio companies, we come to a 12-months target NAV of EUR 108m or EUR 9.35/share.

**Conclusion & Action:** QfG's share price has had a strong run after our upgrade to Buy in October last year. A target discount to NAV of -29%, which equals the historical average discount QfG has been trading at during the last 5 years, implies a EUR 6.60 TP and still only 11% upside potential. Today we therefore are reviewing our recommendation from Buy to Accumulate for valuation reasons.



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