

28 September 2010

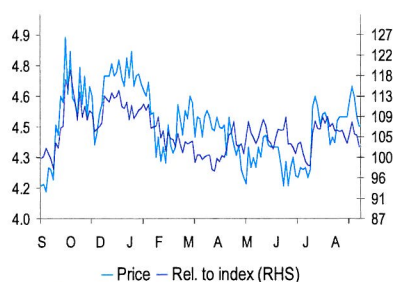
QUEST FOR GROWTH

Laxey reduces stake from 11.99% to 9.86%

EQUITY INVESTMENT INSTRUMENTS
BELGIUM

CURRENT PRICE € 4.45
TARGET PRICE € 5.75

BUY
RATING UNCHANGED



Source: Thomson Financial Datastream

Bloomberg QFG BB
Reuters QUFG.BR
www.questforgrowth.com

Market Cap € 52.5m
Shares outst. 11.8m
Volume (daily) € 26,541
Free float 90.6%

Next corporate event

NAV update 10: 1 October 2010

(€ m)	2007	2008	2009
Net result	0.6	-48.4	18.1
Adj. net result	0.6	-48.4	18.1
Basic EPS (€)	0.05	-4.11	1.53
ROE	0.6%	-41.8%	26.8%
Adj. eq. value	9.87	9.87	7.25
Premium/disc.	14.9%	14.9%	35.9%
DPS (€)	0.05	0.00	0.00
Dividend yield	0.6%	0.0%	0.0%

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Summary:

Quest for Growth's main shareholder Laxey Partners notified that it reduced its stake in Quest from 11.99% to 9.86%.

Our View:

Laxey has been a long time shareholder that on 30 April 2007 announced holding a 6.62% stake, after participating in the capital increase which Quest conducted in 2007. The exact timing of the sale of the 251,431 shares wasn't disclosed, but given the fact that the notification is made just now we assume at least a substantial part of the sale has been done recently. Therefore, we consider Laxey's remaining 9.86% stake as stock overhang from now on.

Conclusion:

Laxey's stake reduction might explain Quest's poor stock price performance over the past couple of months (1M: -5.4%, YTD: -3.4% vs. Euronext 100 Index) and therefore might put a lid on the stock price going forward. Since Quest's NAV has been posting sequential records in 2010, the stock's potential remains huge: our TP leaves 29% upside (despite 30.4% implied discount). Rating unchanged: Quest remains very cheap, despite the fact that we see few triggers in the PE portfolio (Clear2Pay has been "sold", CoreOptics was divested and the bid on Movetis is successful).