

7 April 2015

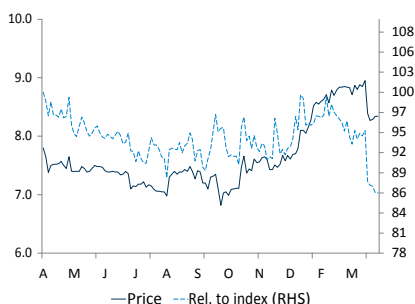
QUEST FOR GROWTH

Strong divestments over March, NAV slightly up

EQUITY INVESTMENT INSTRUMENTS
BELGIUM

CURRENT PRICE €8.34
TARGET PRICE €8.60

HOLD
RATING UNCHANGED



Source: Thomson Reuters Datastream

Bloomberg QFG BB
Reuters QUFG.BR
www.questforgrowth.com
Market Cap €96.2m
Shares outst. 11.5m
Volume (daily) €53,751
Free float 72.9%
Next corporate event

(€ m)	2011	2012	2013
Net result	-13.3	15.7	18.5
Adj. net result	-13.3	0.0	18.5
Basic EPS (€)	-1.15	1.36	1.60
ROE	-12.6%	17.2%	17.3%
Adj. eq. value	7.88	9.26	10.87
Premium/disc.	39.7%	38.4%	24.5%
DPS (€)	0.00	0.00	1.18
Dividend yield	0.0%	0.0%	14.4%

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Quest's end March NAV update signals NAV per share at €10.73 (discount at 22.7%, vs. 21.4% last month), still up vs. the end February number of €10.51 (despite the gross DPS payment of €0.72 during March). Over the month, a \$2m investment was done in Green Biologics, another co-investment with the Capricorn Cleantech Fund. Next to that, the participation in Nemetschek was completely removed from the company's records.

News:

In March, Quest's NAV p.s. increased by €0.22 (correcting for the dividend payment, the increase would be €0.94). Over the month, Quest mostly divested its stakes and added another participation to its co-investment platform with the Capricorn funds, now at a total value of €6.1m or 4.9% of NAV.

Quest opted to divest its stake in Nemetschek (the 7,458 shares were good for a value of €875.2k per end February or 0.67% of NAV). Profit was taken on other participations: Bertrand (-2k shares or 9.2% of the stake), SAP (-3k or 4.5%), LEM (-450 or 17.6%), TKH Group (-7.5k or 5%), Melexis (-17.5 or 27%), Fresenius (-4k or 5.7%), Gerresheimer (-5k or 9.1%), UDG Healthcare (-145k or 20.3%), Andritz (-5k or 7.1%), Arcadis (-12k or 7.6%), Centrotec (-25k or 17.2%), SAFT Groupe (-7.5k or 6.5%) and Schaltbau Holding (-3k or 5.5%).

The company only invested extra in CFE (+3k or 10.3%) and NIBE (+10k or 11%).

The cash pile currently amounts to €1.27m, which compares to the €4.98m balance end February. A total dividend payment of €8.3m and a \$2m investment in Green Biologics explain this decline, which was offset by strong divestment activity over the quarter. Green Biologics is an English company active in the conversion and use of waste as a raw material for chemical and fuel purposes.

Conclusion:

We currently estimate the target equity value per share at €10.72. Our TP of €8.6 hence shows a target discount of 20%, which we deem justified given current market sentiment. We estimate upside potential at 3.08%, explaining our Hold rating for the stock.