

which started in 2012, Capita's total shortfall each year has ranged between 21% and 45% of the Army's requirement.

10.45am: LVMH bid for hotels owner Belmond sparks interest in IHG

Shares in InterContinental Hotels Group PLC (LON:IHG) edged 0.1% higher to 4,138p as investors considered the implications of French luxury group LVMH Moët Hennessy Louis Vuitton's US\$2.6bn deal to buy Belmond, the owner of the Hotel Cipriani in Venice.

LVMH is paying US\$25.00 per share in cash for Belmond, which owns, part-owns and manages 46 luxury hotel, restaurant, train and river cruise properties which includes the Venice Simplon Orient-Express.

The acquisition will significantly increase LVMH's presence in the ultimate luxury hotel world, an area IHG has also been targeting.

10.15am: GVC shareholders set for potential windfall

GVC Holdings PLC (LON:GVC) leapt 8.5% higher to 717p, extending recent gains ahead of next week's parliamentary vote on legislation regarding fixed-odds betting terminals (FOBT).

Analysts at Citigroup reportedly think the vote will be a "significant positive catalyst" for the stock as it could eliminate the possibility the company would have to pay out around £676m to shareholders.

GVC agreed to pay that amount as part of its acquisition of Ladbrokes Coral, which completed in March this year, as a contingent value right linked to the FOBT legislation, which is worth 35p per Ladbrokes Coral share if the legislation is not enacted by 28 March 2019.

Global Online Gambling Market 2018- 888 Holdings Plc, Ladbrokes Coral Group Plc, NetEnt AB and GVC Holdings Plc <https://t.co/8yqQ0W0ujc> pic.twitter.com/pKandHVPV3

— Talkherald (@robertscholz03) December 14, 2018 9.00am: Reach and Balfour Beatty both raise expectations
Shares in newspaper groups have been about as popular as yesterday's chip-wrappers this year, which makes today's update from Reach PLC (LON:RCH) all the more remarkable.

The publisher, formerly known as Trinity Mirror, expects its 2018 performance to be "marginally ahead of market expectations" as its revenues were boosted by its acquisition of the Express and Star papers over the summer.

Broker Peel Hunt commented that the group will generate underlying earnings (EBITDA) of £175m in the full year, which is more than its market capitalisation.

"The company confirms full-year revenue in line with expectation, with a noteworthy improvement in Q4 print advertising performance (-15% from -20% in Q3). Better synergies from the Express & Star deal (£3m vs £2m) and good cost control see PBT [profit before tax] forecast rise from £133.0m to £137.0m (36.1p to 37.2p EPS)," the broker said.

Peel Hunt's target price is 190p, which is not even in the same ballpark (whatever one of those is) as the current share price of 60.8p, up 6.7%.

Balfour Beatty PLC (LON:BBY) settled a few nerves as it raised its guidance for the year following the disposal of further assets from its infrastructure investments arm this month as part of a wider restructuring plan.

The infrastructure group said it estimates profit from disposals will amount to about £65m so now expects its full year performance to be ahead of its previous forecast.

Following the disposal of its interest in Fife Hospital for £43m in September, the group expects to sell an 80% stake in the Edinburgh University student accommodation project for £24m.

Liberum reiterated its 'buy' recommendation and 350p target price as it increased its fiscal 2018 (FY18) fully-diluted

earnings per share (EPS) forecast by 18% due to a £25m profit on the Edinburgh disposal.

"We increase average net cash from £145m to £185m for the FY, due to better working capital. The gross debt has been partially paid down. Order book has remained stable at c. £12bn vs the H1 18 level of £12.6bn, and £11.4bn last year," the broker said.

Balfour Beatty to beat expectations for full year and disastrous Aberdeen bypass contract nearly finished. Debt down. Justifies my decision to stay in and I feel modest share price rise this morning still leaves the shares as a buy.

— Rodney Hobson (@RodneyHobson) December 14, 2018

"We continue to expect industry margins in H2 2018 at Construction and Aberdeen will be complete by the year end. At Investments, we increase expected profit on disposals from £40m to £65m. 2018 cash flow will be messy but 2019 working capital should be neutral and profits should convert to cash," the broker said.

Shares in Balfour Beatty were up 3.5% at 254.6p.

Proactive news headlines:

Block Energy PLC (LON:BLOE) has revealed that the West Rustavi 16a legacy well has flowed 200 barrels of oil over a ten hour test. The company added that a further 300 barrels of oil was recovered in further tests over subsequent days. Big Pic in July.

The cell therapy specialist ReNeuron Group PLC (LON:RENE) is gearing up for a busy 18 months with read-outs from two clinical trials expected in that time-frame. Patient screening and enrolment has commenced for its most advanced programme, a CTX therapy for stroke, which is entering phase IIb clinical trials, with top-line data from the US study expected in early 2020. Big Pic in July.

OptiBiotix Health PLC's (LON:OPTI) subsidiary, ProBiotix Health Limited, has raised around £1m to fund a potential initial public offering (IPO). Big Pic in September.

PhotonStar LED Group PLC (LON:PSL) has raised gross proceeds of £100,000 from a placing of 500,000,000 new ordinary shares with new and existing investors at a price of 0.02p each. The group said the net proceeds will provide the company with additional working capital and will also enable its board to initiate a further cost reduction programme and to evaluate new business opportunities. Big Pic in August.

Wheelsure Holdings PLC (LON:WHLP) is to work with Haydale Graphene Industries PLC (LON:HAYD) on a "smart" graphene pressure sensor for the fastener market. Big Pic in September.

Ormonde Mining PLC (LON:ORM) continues to look forward to a February start-up at its 30% owned Barruecopardo tungsten mine. The company, in a stock market statement, told investors that development schedule at the Spanish project has progressed in line with previous guidance. Big Pic in August.

Chaarat Gold Holdings Ltd (LON:CGH) is preparing to have its suspension on AIM lifted today after securing "further improved terms" for its acquisition of the Kapan Mining and Processing Company. Big Pic in November.

Lithium mine developer Kodal Minerals PLC (LON:KOD) said it had made "excellent progress" towards the delivery of its first mining operation at the Bougouni project. As a pre-revenue company, the emphasis in the company's interim results for the six months to the end of September was naturally on the progress made operationally rather than on the numbers. Big Pic in September.

EQTEC PLC (LON:EQT) said it has drawn down a third tranche amounting to US\$864,000 under the US\$10m financing facility provided by Cuart Investments Fund and associates further details of which were announced by the company on 27 September 2018 and 5 July 2018. It said the total amount drawdown to date under the financing facility amounts to US\$3,328,000 (approximately £2.6m). The proceeds of the drawdown will be used to further develop the company's existing project portfolio, to avail of possible investment opportunities and for general working capital.

Further to the announcement on 26 November 2018, Maistro PLC (LON:MAIS) announced that it has raised gross proceeds of £250,000 through the issue of 25,000,000 open offer shares, with applications for 46,928,175 open offer shares made under the excess application facility.

U.S. Oil & Gas PLC has placed 1,367,566 new ordinary shares with private investors at a placing price of 30p per share to raise gross proceeds of circa US\$527,539. The group said the proceeds will be used to provide US Oil with additional working capital, including the funding of drilling operations.

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