

Company update

BUY (Unchanged)

Target: € 1.84 (Prev. 1.80)

Risk: High

STOCK DATA

Price €	1.4
Bloomberg code	DEA IM
Market Cap. (€ mn)	441
Free Float	37%
Shares Out. (mn)	306.6
52-week range	1.15 - 1.61
Daily Volumes (mn)	0.11

PERFORMANCE

	1M	3M	12M
Absolute	10.0%	1.5%	5.2%
Rel. to FTSE all shares	-1.2%	-8.2%	29.9%

MAIN METRICS

	2010	2011E	2012E
EPS - € cents	-8.8	2.9	-1.0
DPS ord - € cents	0.0	0.0	0.0

NAV

	2010	2011E	2012E
Nav (Equita) ps ord - €	2.0	2.2	2.2
Nav (Reported) ps ord - €	2.60	2.60	2.60
BVPS - € cents	2.49	2.52	2.51

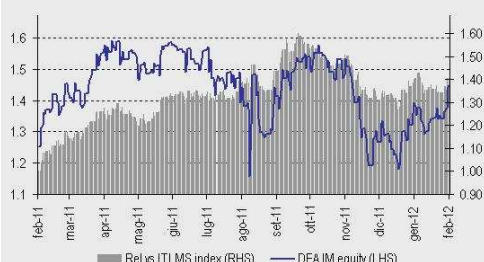
MULTIPLES

	2010	2011E	2012E
P/NAV (Equita)	0.6 x	0.7 x	0.7 x
P/NAV Reported	0.4 x	0.6 x	0.6 x
P/BV	0.5 x	0.6 x	0.6 x

INDEBTNESS

	2010	2011E	2012E
NFP	-20	-65	-68
Debt to assets ratio	n.m.	n.m.	0.1 x
D/E	0.0 x	0.1 x	0.1 x

PRICE ORD LAST 365 DAYS



ANALYSTS

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2 OPTIONS TO CRYSTALLISE VALUE.

With an investment portfolio of over 700mn and AUM of roughly 11bn, DEA is currently one of Italy's main alternative investment companies. The company aims to enhance value and sell the main PE investments and then shift the core business towards alternative AM platforms. The stock trades at a 33% discount to NAV. In our view, selling PE investments and focusing on alternative AM will allow for a narrowing of the discount providing more visibility on recurring business

■ Merger between First Atlantic and FIMIT complete, creating Idea Fimit, the top Italian real estate asset management company.

The merger between First Atlantic Real Estate (FARE) SGR and Fimit SGR became effective as of October 1 and created **Idea Fimit SGR**, the top Italian real estate management company, with **roughly 9.8bn of AUM and 23 managed funds**. DEA is the main shareholder of the new company (40.5% of economic rights or 61.3% of voting rights), with 2012 fees estimated at 64mn and 2012E net profit at around 22mn. Idea Fimit accounts for 25% of our NAV, valuing 100% at 258mn (2012E PE at 11x, P/AUM 2.6%). We met with M. Brunelli, CEO of Idea-Fimit, to get a preliminary overview of the strategy and growth drivers of the company. **Management seems optimistic about the company's growth potential** and in particular on the **growth of AUM**, which in **3-5 years** could rise by **between +30% and +50%** and reach **13-15bn** from the current **9.8bn**.

■ Migros (27% of NAV): improvement in the lending scenario and positive results are prerequisites for exit

Migros is the biggest food retailer in Turkey, with a 22% share of the large scale retail market with 704 stores. Following the sale of the Sok discount business, the company has shifted its attention towards the highly fragmented segment of supermarkets, targeting 100 new store openings per year. **We expect an improvement in the lending scenario over the coming months which, alongside our forecasts for positive results from Migros in 4Q11/1Q12** (partly boosted by the recent appreciation of the Turkish Lira), **may pave the way for an exit from the investment in 2012**. In our NAV, the stake in Migros is valued at market price, or €171mn (TL 15.6ps).

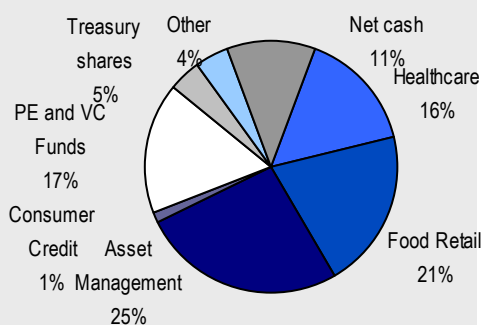
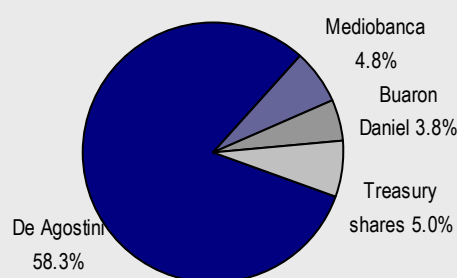
■ Investment case: BUY rating confirmed

We confirm our positive view of the stock in the light of:

1. **The high discount on Equita NAV:** 33% (45% on reported)
2. **Further M&A deals:** for Migros exit in the next 6-12 months is likely while for GDS it is likely as from 2013
3. **Potential distribution of liquidity** via buybacks and/or extraordinary dividends
4. **Focus on alternative asset management** (which assures cash-flow stability): October marked the start of operation of Idea Fimit (merger of First Atlantic and Fimit), the first independent Italian real-estate AM company (with 9.8bn of AUM and 21mn of 2012E earnings), of which DEA will be the majority shareholder (with 61.3% of voting rights)

BUSINESS DESCRIPTION

DeA Capital is an investment company (started-up in 2007 through the takeover of a listed entity -CdB Web Tech- by DeAgostini) focusing on direct and indirect private equity investments and alternative asset management.

NAV BUSINESS SEGMENTATION - 2011**SHAREHOLDER STRUCTURE - 2011**

MAIN FIGURES € mn	2008	2009	2010	2011E	2012E	2013E
AM Commissions	3.8	25.3	27.8	36.6	79.7	83.4
Profit (Loss) on equity	-14.8	-27.9	-15.5	-14.4	-4.0	-4.0
Other investment income (charges)	-28.9	-1.8	-3.4	27.4	0.0	0.0
Other income	4.8	10.2	10.5	8.7	0.0	0.0
Other expenses	-10.8	-34.3	-36.8	-40.5	-53.0	-53.0
Tot. Income & exp.	-45.9	-28.6	-17.3	17.8	22.7	26.4
Growth	n.m.	n.m.	n.m.	n.m.	28%	16%
Financial Income	14.8	-3.6	-4.6	-2.0	-2.0	-2.0
Profit before tax	-31.1	-32.1	-22.0	15.8	20.7	24.4
Growth	n.m.	n.m.	n.m.	n.m.	31%	18%
Results from Discontinued op	0.0	0.0	0.0	0.0	0.0	0.0
Minorities	-0.1	-0.3	-0.9	0.0	-11.7	0.0
Net Income	-38.2	-29.4	-26.3	8.0	-2.7	11.1
Growth	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.
Net income adjusted	-38.2	-29.4	-26.3	8.0	-2.7	11.1
Growth	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.

SHARE DATA	2008	2009	2010	2011E	2012E	2013E
Nav (Reported) ps ord - €	2.55	2.65	2.60	2.60	2.60	2.60
Nav (Equita) ps ord - €	1.6	1.9	2.0	2.2	2.2	2.2
EPS - € cents	-12.7	-10.1	-8.8	2.9	-1.0	3.9
Growth	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.
Adj. EPS - € cents	-12.7	-10.1	-9.1	2.9	-1.0	3.9
Growth	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.
DPS ord - € cents	0.00	0.00	0.00	0.00	0.00	0.00

MARKET RATIOS	2008	2009	2010	2011E	2012E	2013E
P/NAV Reported	0.50 x	0.47 x	0.44 x	0.55 x	0.55 x	0.55 x
P/NAV (Equita)	0.79 x	0.67 x	0.57 x	0.67 x	0.67 x	0.67 x
P/BV	0.5 x	0.5 x	0.5 x	0.6 x	0.6 x	0.6 x
P/E	n.m.	n.m.	n.m.	50.3 x	n.m.	36.5 x
P/E Adj	n.m.	n.m.	n.m.	50.3 x	n.m.	36.5 x

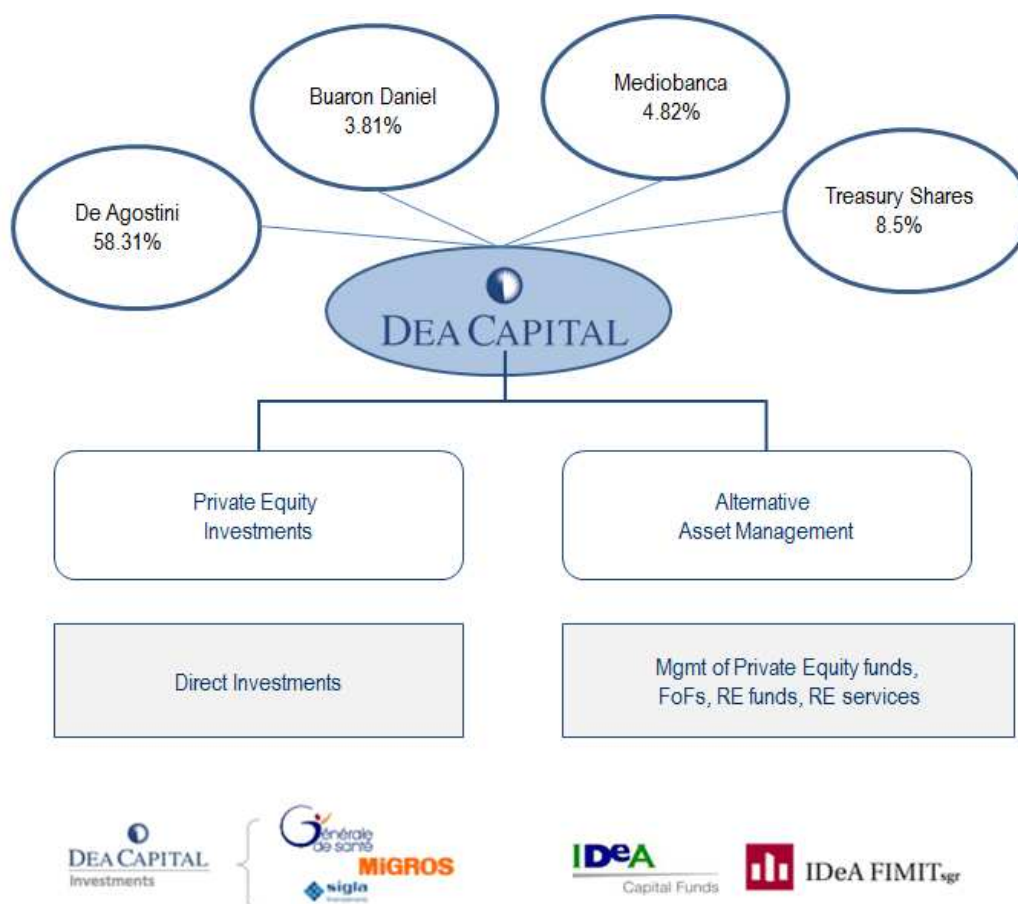
REMUNERATION	2008	2009	2010	2011E	2012E	2013E
Div. Yield ord	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
ROE	-5.0%	-3.8%	-3.4%	1.0%	-0.3%	1.4%

INDEBTNESS - €mn	2008	2009	2010	2011E	2012E	2013E
NFP	17.2	-34.9	-20.4	-65.4	-68.0	-57.0
Holding system NFP	51.3	-10.2	20.9	19.6	-92.4	-92.4
Debt to assets ratio	n.m.	0.02	n.m.	n.m.	12.4%	12.4%
D/E	n.m.	0.04	2.7%	8.5%	8.8%	7.3%

Source: company data and EQUITA SIM estimates

VALUATION: TARGET PRICE TO € 1.84 (FROM 1.8). DISCOUNT TO OUR NAV @ 33% (45% ON REPORTED). UPSIDE AT 27%

DEA CAPITAL: GROUP STRUCTURE



Source: Equita Sim

DEA CAPITAL: NAV (@ target price)

Asset	Sector	Stake %	Shares (mn)	PS	€ mn	%	Valuation method
Santé (Générale de Santé)	Healthcare	43.0%		€ 14.0	127	20%	Equity - Avg.DCF&Multiples (Impl.Ev/Ebitda 12E 6.3x)
Migros Turk (via Kenan)	Food retail	13.7%	24.4	TRL 15.6	173	27%	Market Price
Dea Capital	Treasury shares	8.5%	26.1	€ 1.5	37	6%	Market Price
TOTAL LISTED SHAREHOLDINGS (1)					337	53%	
Idea-Fimit	Real Estate Asset Management	61.3%			158	24%	P/E 13E 10x - P/AUM 2.4%
Sigla	Consumer credit	35.0%			11	2%	P/BV 3Q11 0.5x
IdeA Capital Funds SGR	Alternative Asset Management	100.0%			55	8%	P/E 11E 10x - P/AUM 3.7%
PE funds and Fund of Funds	Fund	n.m.			142	19%	Book Value 3Q11
Venture Capital funds	Funds	n.m.			13	2%	Book Value 3Q11
Blue Skye	Funds	n.m.			10	1%	Book Value 3Q11
FARE services and others participations	-	n.m.			21	3%	P/E 11E 10x
TOTAL UNLISTED SHAREHOLDINGS (2)					409	64%	
ATTRIBUTABLE NET CASH / (DEBT) + HLD SEVERANCE INDEMNITY (3)					-92	-14%	Pro-forma as today
CAPITALISED HOLDING COSTS (4)					-29	-4%	Perpetuity @ 10% net of tax effect
TAXES / TAX CREDITS (5)					18	3%	5yr PV of tax loss carryforwards
STOCK OPTIONS DILUTION (6)					0	0%	
TOTAL NAV (1+2+3+4+5+6)					643	100%	
TOTAL NAV ex treasury shares					606		
Nr. Shares (mn)					306.6		
Nr. Shares (mn) ex treasury shares					280.5		
NAV per share					2.2		
Current discount / (premium)					33%		
P/NAV					0.68		

Source: company data and EQUITA SIM estimates

In fixing out target price we apply a 15% discount to NAV. As a consequence, **starting from a NAV of € 2.2 PS our target price is €1.84.**

The main differences between Equita NAV and the company's reported NAV are the valuations of:

- GDS = € 14.0 PS in our NAV or € 127 mn vs. € 20.7 PS or € 266 mn reported in DEA accounts
- Migros = TL 15.6 PS in our NAV or € 173 mn vs. TL 14 PS or € 154 mn reported in DEA accounts.

The tables below show the current and historical discount (premium) to NAV of the main Italian holding companies. At the current price, DEA is trading at a 45% discount to reported NAV and 33% discount to Equita NAV, compared to the 43% of Italian holding companies (ex Premafin).

ITALIAN HOLDING COMPANIES: CURRENT AND HISTORICAL NAV AND DISCOUNTS

Company	Val. method listed assets	NAV (€ PS) *							Disc. / (Prem.) to NAV							Avg. **	2012
		2006	2007	2008	2009	2010	2011	2012	2006	2007	2008	2009	2010	2011			
ASTM	market price	n.a.	20.9	10.7	12.5	14.5	11.2	12.4	n.a.	31%	50%	23%	33%	35%	34%	39%	
CAMFIN	(1) market price	1.79	2.37	0.49	0.65	0.66	0.56	0.69	20%	40%	40%	54%	45%	58%	35%	61%	
CIR	market price	3.05	3.28	2.15	2.50	2.18	2.20	2.21	18%	24%	65%	30%	36%	45%	33%	42%	
COFIDE	see through	1.52	1.64	1.03	1.21	1.06	1.08	1.09	28%	35%	68%	48%	38%	49%	41%	49%	
DEA CAPITAL	market price	2.61	2.40	1.64	1.88	1.99	2.02	2.20	-8%	22%	50%	53%	56%	49%	37%	33%	
EXOR ord.	(2) market price	8.2	9.2	15.9	25.2	36.6	25.8	30.8	25%	28%	50%	48%	36%	42%	37%	40%	
IMMSI	market price	2.88	2.12	1.24	1.57	1.86	1.30	1.34	25%	35%	44%	47%	55%	56%	44%	51%	
IMPREGILO	market price	n.a.	n.a.	n.a.	n.a.	3.85	3.21	3.45	n.a.	n.a.	n.a.	n.a.	45%	29%	37%	27%	
ITALMOBILIARE	(3) market price	122.3	93.1	53.1	56.4	42.3	29.2	34.2	36%	32%	49%	47%	41%	50%	42%	43%	
MEDIOBANCA	(4) market price	17.4	16.4	14.3	11.1	7.1	7.1	7.1	13%	10%	40%	36%	8%	5%	18%	32%	
MITTEL	market price	n.a.	5.0	4.5	5.0	4.2	3.3	3.3	n.a.	-5%	49%	27%	20%	51%	29%	52%	
PIRELLI & C.	market price	9.01	10.73	4.85	7.03	n.a.	n.a.	n.a.	10%	20%	41%	33%	n.a.	n.a.	21%	-	
PREMAFIN	market price	3.29	2.67	0.71	0.53	0.33	0.33	-0.17	28%	26%	-81%	-98%	-124%	-124%	-42%	267%	
AVERAGE									19%	25%	39%	29%	24%	29%	26%	61%	
											49%	40%	38%	43%	31%	43%	

(1) IFIL ord. until 2007 (assuming total n. shares ord+sav), EXOR ord. (IFIL+IFI) since merger announcement (Sep-08), assuming 30% pref. discount vs ord.

(2) adj. number shares: before Nov-07 based on market discount; after Nov-07 applying avg. between 3-month and market discounts

(3) year-end: June

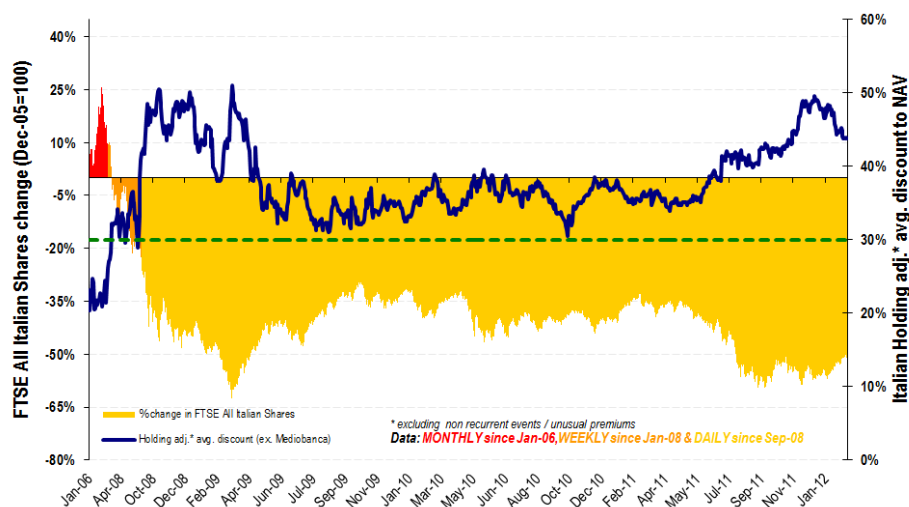
(4) using total n. of shares (ord. + sav.)

* based on estimated year-end net debt and listed assets valued at December avg. market price

** historical 6-year arithmetical average (2004-09 where available)

Source: EQUITA SIM estimates

ITALIAN HOLDING ADJ. AVERAGE DISCOUNT TREND



SECTOR PERFORMANCE

In the last 12 months, DEA has posted a positive performance (+7.7%), outperforming both the Italian FTSEMib index (-25%) and the LPX50TR (-10%). We believe the stock has benefited from the disposal of a minority stake in Migros in addition to – as of September - management comments on the possible disposal of the remaining stake in Migros and the consequent potential distribution of an extraordinary dividend.

DEA: STOCK PRICE PERFORMANCE



Source: Bloomberg

The main Italian listed holdings have posted a negative performance (-23%), in line with the Italian market as a whole.

ITALIAN HOLDING COMPANIES: STOCK PERFORMANCE

Company	DESCRIPTION			PERFORMANCE				
	Currency	Price	Mkt cap (€ mn)	1 m	3 m	6 m	1 y	YTD
AUTOSTRADA TO-MI	EUR	7.5	664	9.9	4.4	4.1	-27.6	0.7
CIR SPA	EUR	1.3	1,031	8.5	-6.7	-11.7	-18.9	5.2
COFIDE SPA	EUR	0.6	397	4.1	-9.6	-16.2	-21.7	-1.0
DEA CAPITAL	EUR	1.5	449	11.8	4.6	-1.7	6.4	10.2
EXOR	EUR	18.5	4,377	16.2	18.7	8.9	-21.5	19.2
IMMSI	EUR	0.6	220	15.0	4.1	3.7	-21.9	14.4
ITALMOBILIARE	EUR	19.5	636	21.5	7.1	-14.4	-32.7	34.1
MEDIOBANCA	EUR	4.9	4,197	9.6	-14.3	-20.4	-37.5	9.6
CAM FINANZIARA	EUR	0.3	187	28.8	-7.2	-8.8	-21.2	23.4
TIP	EUR	1.4	195	0.1	-1.8	-3.4	-7.7	-3.7
MITTEL	EUR	1.6	140	-0.7	-22.9	-27.0	-48.8	-4.9
Average				11.3	-2.1	-7.9	-23.0	9.7
Median				9.9	-1.8	-8.8	-21.7	9.6

Source: EQUITA SIM estimates

A QUICK UPDATE ON THE TWO MAIN PRIVATE EQUITY INVESTMENTS

■ **Migros (Turkish mass-market retailing – 27% of our NAV): improvement in the lending scenario and positive results are prerequisites for exit**

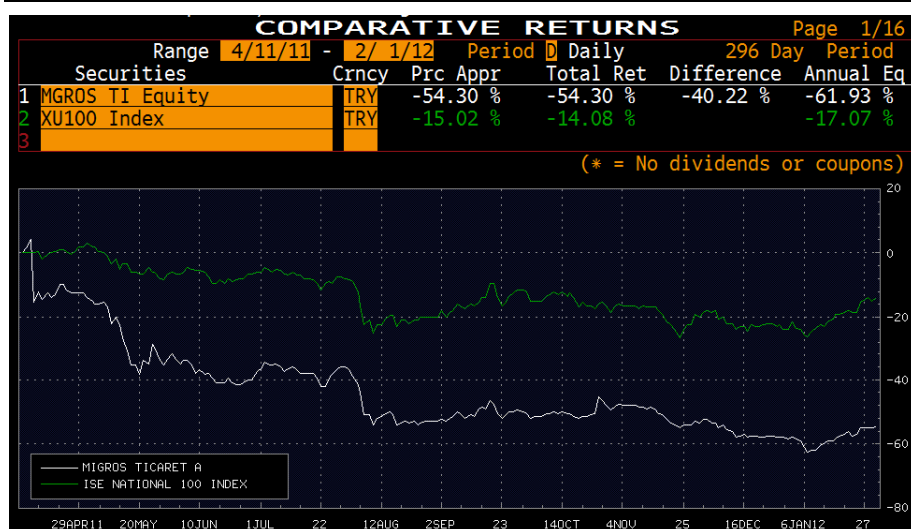
Migros is the biggest food retailer in Turkey, with a 22% share of the large scale retail market with 704 stores. Following the sale of the Sok discount business, the company has shifted its attention towards the highly fragmented segment of supermarkets, targeting 100 new store openings per year. In our NAV, the stake in Migros is valued at market price, or €167mn (TL 15.2 ps).

On 11 April 2011 Kenan closed the placement of 17.4% of Migros at TL 25 PS (2011E-2012E EV/EBITDA = 14x-11x), with a 25% discount vs. market prices, enabling the legal vehicle to collect TL 774 mn (€355 mn) and €50.5 mn for DEA (retaining €50 mn in the Kenan vehicle for possible needs). DEA now consequently has an indirect 13.7% stake in Migros. The stake in Kenan, the legal vehicle controlling 80.6% of Migros Turk (headed by BC Partners and in which DEA owns a 17% interest), is carried in DEA's accounts at a value of €154 mn and corresponds to a valuation of Migros stock of TL 14 PS (vs. a market price of TL 15.6 PS).

At the moment, sell-side consensus for the stock is quite positive, with 15 positive, 5 neutral and 1 sell recommendations, and an average target price for the stock of TL 19.72 PS (62% upside vs. market prices).

Migros has underperformed the Turkish ISE-100 index by 40% since Kenan's placement, despite the defensive nature of the business. It's now trading well below the placement price of TL 25 ps (now TL 15.6ps). In our opinion this was due to forex losses (in 9M11 TL 451mn) caused by depreciation of the Turkish lira vs. the Euro (the company has a net short FX balance sheet position in euro of c€900mn) and also to the sale of Şok at lower multiples than expected (2010 EV/Sales = 0.5x vs. 1x for Migros).

MIGROS: STOCK PRICE PERFORMANCE



Source: Bloomberg data

In our NAV we now value the Migros stake at market prices, i.e. TL 15.6 or €173mn, believing that the price is now meaningful as floating stock has been restored to about 19.5% (the other 80.5% is held by Kenan).

The consortium that controls Migros's preferred form of disposal would be to an industrial operator, in order to maximise the return on investment. Nonetheless, the deterioration in the lending scenario and the economic crisis in Europe, which has led to a deterioration in consumption, has worsened visibility on an M&A deal in the short term between the main European players (Tesco, Metro, Carrefour) potentially interested in increasing their exposure to Turkey (Wal-Mart is the only player that has managed to maintain a solid financial position).

We expect an improvement in the lending scenario over the coming months which, alongside our forecasts for positive results from Migros in 4Q11/1Q12 (partly boosted by the recent appreciation of the Turkish Lira), may pave the way for an exit from the investment in 2012.

Migros's turnover rose by +10.5% LFL YoY in 9M11 to TL 4.2bn, EBITDA +14% to 287mn with margin of 6.7% in 9M11 and 6.9% in 3Q11 vs 6.2% in 2Q11, showing a solid improvement in profitability following the sale of the Sok discount business (at narrow margins) and the repositioning of the Tansas supermarkets into Migros. The company has revised its 2011 EBITDA margin guidance upwards to 6.3-6.5% from 6-6.5%. We expect healthy results in 4Q11/1Q12 (partly thanks to the recent appreciation of the Turkish Lira).

In 2011-2014E, we also expect a reduction in financial leverage at Migros, from 3.7x net debt/EBITDA in 2011E to 1.4x in 2014E. Moreover, we forecast an increase in top line growth at 12% CAGR (driven by +12% CAGR of new openings) and an improvement in margins from 6.4% in 2011E to 7% in 2014E thanks to the company's greater focus on the business of more profitable supermarkets.

MIGROS TURK: MAIN FIGURES (YTL MN)

P&L account (TRY mn.)	2010	%	2011E	%	2012E	%	2013E	%
Revenues	6,365		5,733		6,507		7,158	
Change%	11.4%		-9.9%		13.5%		10.0%	
Organic growth%	11.4%		11.0%		13.5%		10.0%	
Cost of sales	-4,781.4	-75.1%	-4,282.8	-74.7%	-4,860.9	-74.7%	-5,296.9	-74.0%
Gross Profit	1,583.7	24.9%	1,450.5	25.3%	1,646.3	25.3%	1,861.1	26.0%
Change%	10.5%		-8.4%		13.5%		13.0%	
Operating expense	-1,226	-19.3%	-1,084	-18.9%	-1,230	-18.9%	-1,374	-19.2%
EBITDA	357.4	5.6%	366.9	6.4%	416.5	6.4%	486.7	6.8%
Change%	-10.0%		397		13.5%		16.9%	
Depreciation and amortization	-129.5	-2.0%	-150.0	-2.6%	-150.0	-2.3%	-150.0	-2.1%
Others	-9.6	-0.2%	0.0	0.0%	0.0	0.0%	0.0	0.0%
EBIT	218.3	3.4%	216.9	3.8%	266.5	4.1%	336.7	5.0%
Change%	-17.8%		-0.6%		22.8%		26.4%	
Net financial income	-156.7	-2.5%	-110.0	-1.9%	-89.0	-1.4%	-77.0	-1.1%
Due date difference on sale (purchase)	-57.0	-0.9%	-54.5	-1.0%	-61.8	-1.0%	-68.0	-1.0%
FX	74.3	1.2%	-339.0	-5.9%	0.0	0.0%	0.0	0.0%
Net other income/expense	0.0	0.0%	0.0	0.0%	0.0	0.0%	0.0	0.0%
Pre tax profit	78.8	1.2%	-286.5	-5.0%	115.6	1.8%	191.7	2.7%
Change%	-41.5%		-463.5%		-140.4%		65.8%	
Taxes	-34.1	-0.5%	-45.0	-0.8%	-28.9	-0.4%	-47.9	-0.7%
Profit on continuing operations	44.8	0.7%	-331.5		86.7		143.8	
Change%	-59.2%		-840.5%		-126.2%		65.8%	
Profit/(loss) on disc. operations	0.0	0.0%	198.0	3.5%	0.0	0.0%	0.0	0.0%
Minorities	-2.1	0.0%	0.0	0.0%	0.0	0.0%	0.0	0.0%
Net Profit	42.7	0.7%	-133.5	-2.3%	86.7	1.3%	143.8	2.0%
Change%	-60.5%		-412.9%		-165.0%		65.8%	
Adjusted Net Profit	-31.6	-0.5%	7.5	0.1%	86.7	1.3%	143.8	2.0%
Change%	-119.3%		-123.6%		1062.0%		65.8%	
Cash-flow	181.8	2.9%	16.5	0.3%	236.7	3.6%	293.8	4.1%
Change%	-24.2%		-90.9%		1337.9%		24.1%	
Adjusted Cash-Flow	107.6	1.7%	157.5	2.7%	236.7	3.6%	293.8	4.1%
Change%	-63.6%		46.4%		50.3%		24.1%	

Source: EQUITA SIM estimates

In terms of EV/EBITDA (2012E) and EBITDA CAGR (2011-13E), Migros is trading in line with its international peers, while other Turkish companies are trading at a premium.

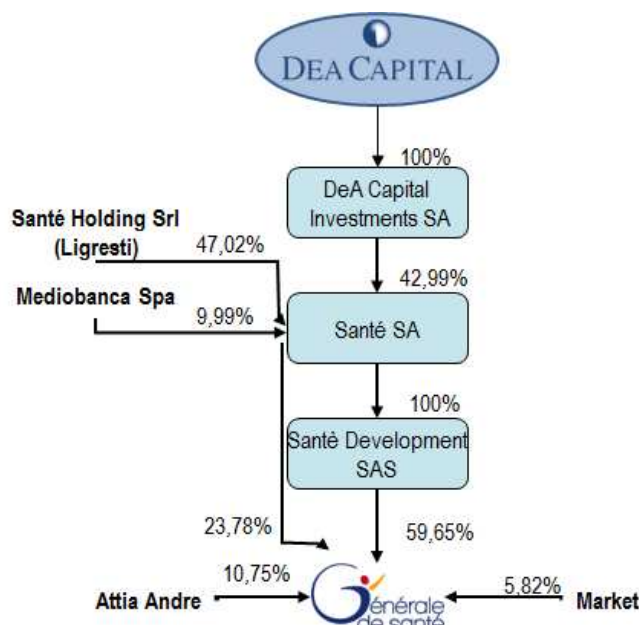
EMERGING MARKET FOOD RETAILER															
Company	DESCRIPTION			EV/SALES			EV/EBITDA			EV/EBIT			P/E		
	Currency	Price	Mkt cap (€ mn)	2011E	2012E	2013E	2011E	2012E	2013E	2011E	2012E	2013E	2011E	2012E	2013E
EUROCASH	PLN	29.9	977	0.5 x	0.3 x	0.3 x	19.0 x	11.2 x	9.3 x	26.1 x	14.0 x	11.3 x	29.1 x	19.0 x	14.7 x
LIANHUA SUPERM-H	HKD	11.7	1,274	0.2 x	0.2 x	0.1 x	4.7 x	3.8 x	2.9 x	8.3 x	6.6 x	4.5 x	17.1 x	15.2 x	13.4 x
WOOLWORTHS LTD	AUD	24.7	24,587	0.6 x	0.6 x	0.6 x	8.1 x	7.9 x	7.2 x	10.3 x	10.1 x	9.3 x	14.1 x	13.8 x	12.7 x
LOTTE SHOPPING	KRW	363,500	7,100	0.8 x	0.7 x	0.6 x	7.7 x	7.0 x	6.3 x	10.3 x	9.3 x	8.3 x	10.5 x	8.8 x	8.1 x
MAGNIT	USD	110.6	7,419	1.0 x	0.8 x	0.6 x	13.9 x	10.3 x	8.6 x	19.6 x	15.0 x	11.9 x	31.3 x	21.0 x	15.5 x
PICK'N PAY STORE	ZAr	4,427	2,092	0.4 x	0.4 x	0.3 x	9.1 x	9.9 x	7.9 x	13.8 x	15.7 x	12.0 x	22.2 x	26.5 x	18.6 x
SHOPRITE HLDGS	ZAr	13,075	6,992	1.0 x	0.9 x	0.7 x	14.5 x	12.3 x	10.4 x	18.1 x	15.1 x	12.7 x	26.2 x	21.3 x	17.7 x
WALMART DE MEX-V	MXN	39.8	41,871	1.8 x	1.6 x	1.4 x	18.5 x	15.5 x	13.0 x	22.9 x	18.8 x	15.9 x	32.5 x	26.9 x	22.9 x
SORIANA-B	MXN	34.0	3,631	0.7 x	0.6 x	0.5 x	9.1 x	8.1 x	7.2 x	12.5 x	11.1 x	10.2 x	20.2 x	16.9 x	14.7 x
LOJAS AMERIC-PRF	BRL	17.3	5,629	1.4 x	1.2 x	1.0 x	10.2 x	8.4 x	6.9 x	12.5 x	10.5 x	8.7 x	38.2 x	28.1 x	21.5 x
BIM BIRLESIK MAG	TRY	60.3	3,928	1.1 x	0.9 x	0.7 x	20.8 x	17.1 x	14.3 x	25.3 x	21.0 x	17.5 x	31.1 x	26.3 x	22.0 x
X 5 RETAIL-GDR	USD	24.0	4,912	0.7 x	0.6 x	0.5 x	9.6 x	8.0 x	6.7 x	15.8 x	13.1 x	10.4 x	25.0 x	18.8 x	13.7 x
JERONIMO MARTINS	EUR	13.1	8,253	0.9 x	0.8 x	0.7 x	12.1 x	10.7 x	9.1 x	17.0 x	14.9 x	12.5 x	22.6 x	19.6 x	16.4 x
Average				0.9 x	0.7 x	0.6 x	12.1 x	10.0 x	8.4 x	16.3 x	13.5 x	11.2 x	24.6 x	20.2 x	16.3 x
Median				0.8 x	0.7 x	0.6 x	10.2 x	9.9 x	7.9 x	15.8 x	14.0 x	11.3 x	25.0 x	19.6 x	15.5 x
Max				1.8 x	1.6 x	1.4 x	20.8 x	17.1 x	14.3 x	26.1 x	21.0 x	17.5 x	38.2 x	28.1 x	22.9 x
Min				0.2 x	0.2 x	0.1 x	4.7 x	3.8 x	2.9 x	8.3 x	6.6 x	4.5 x	10.5 x	8.8 x	8.1 x
MIGROS TURK	TRY	15.4	1,174	0.7 x	0.6 x	0.5 x	11.1 x	9.1 x	7.6 x	18.8 x	13.9 x	11.0 x	n.m.	28.0 x	18.8 x

Source: Bloomberg prices and consensus

■ Générale de Santé (French private healthcare – 20% of our NAV): de-leveraging ahead

DEA controls 43% of Santé, a holding company that in turn owns 83.9% of Générale de Santé (GDS), a leader in private healthcare. Most of the remainder of Santé is owned by Antonio Ligresti (40%), Mediobanca (7%) and Generali (7%). DEA therefore indirectly controls 36.1% of GDS.

GENERALE DE SANTE: SHAREHOLDER STRUCTURE



Source: Equita SIM elaborations on company data *stakes ex-treasury shares in GDS (419k treasury shares or 0.7% of capital)

DEA's exit from the investment is more complex than with Migros in light of the level of debt at GDS and the holdings Santé/SDE

The lending contracts signed by Santé, SDE and GDS involve repayments in various instalments, with expiries from 2014 to 2017. The structure of the credit lines for GDS is summarised as follows:

SANTÉ/ SDE: GROSS DEBT STRUCTURE AND COVENANTS		
Santé/SDE - Name	Amount (€ mn)	Expiry
Junior Pik Bond (in Santé SA)	52.5	2015
Term B Facility	80.7	2018
Term C Facility	80.7	2018
Mezzanine Bonds	129.0	2018
Revolving Credit Facility	48.4	2018
Other net borrowing	-21.2	
Net debt at Santé/SDE level	370.0	
GDS - Name		
A1 tranche	415.0	24/10/2014
A2 tranche	419.8	24/10/2014
Revolving tranche	50.0	24/10/2014
Acquisition/Capex facility	200.0	24/10/2014
Other net borrowing	-210.6	-
Net debt at GDS level	874.2	

Source: Equita SIM estimates and company data

SANTÉ/ SDE / GDS: TOTAL LEVERAGE		
Total Leverage	2011E	2012E
Santé + SDE debt	370	370
GDS debt	874	871
Total Net debt structure	1244	1241
EBITDA GDS	250	258
Net Debt / EBITDA	5.0 x	4.8 x
Covenants	6.5 x	6.5 x
Headroom	31%	35%

Source: Equita SIM estimates and company data

Total debt of the entire structure at €1.1bn. Therefore, in our view, the de-leverage is a priority for the company in 2012 and we think there are 2 possibilities:

1. real estate asset disposals;
2. sale of psychiatric business.

We estimate that the potential cash-in from the sale of RE assets is roughly €220mn (considering the covenant that requires a minimum value for real estate assets in the portfolio of at least 380mn), while for the psychiatric business the potential cash-in could be roughly €120mn (using an EV/EBITDA multiple of 8x – turnover 121mn, EBITDA 15mn).

The two transactions will allow for a reduction in the level of net debt from €1.2bn to 890mn, or from 4.9x net debt/EBITDA to 3.9x.

GDS GROUP STRUCTURE: NFP PRE AND POST POTENTIAL DISPOSAL		
2012	Pre disposals	Post disposals
Ebitda	258	228
NFP	-1231	-891
NFP / Ebitda	4.8	3.9

Source: Equita Sim estimates

From an operating point of view, GDS is implementing a new strategy that envisages:

- Reorganization: with the creation of 20 centres of excellence (known as “poles” in France), each specialized in a specific medical activity
- Development of cost efficiency: purchasing, processes and corporate
- Market share growth: to be achieved vs. both the public sector and to the less efficient part of the private sector, thanks to the higher standard of services offered, thus underpinning organic growth.

The effects of this strategy will become clearer as of 2013 (in the absence of any positive surprises on the tariff front, which we have not included in our estimates). More specifically, we expect EBITDA (on a like-for-like basis) to move from 250mn in 2011E to 278mn in 2013, with EBITDA margin from 12.6% in 2011E to 13.4% in 2013E, and ROCE from 5.7% to 7.2%.

In our view, despite DEA's plans for divestment from PE investments, in GDS's case, the need to reduce debt to increase the appeal of the asset and the potential for improvements in the company's fundamentals mean that an exit is more likely as of 2013.

In the last 12 months, Generale de Santé stock has performed poorly but still better than the French market, nevertheless below the average performance of its comparables, even though limited stock liquidity means that prices are of little significance.

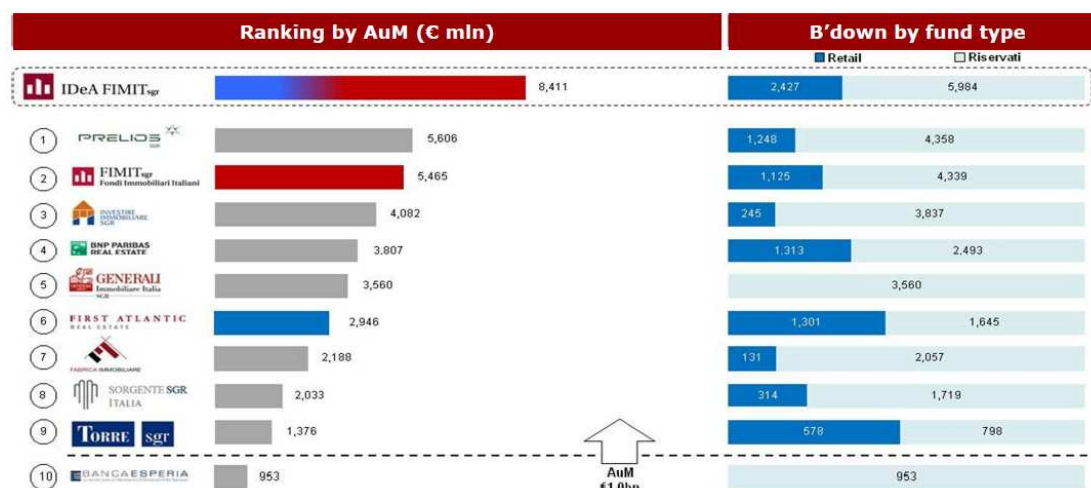
GÉNÉRALE DE SANTÉ: MAIN FIGURES (€ MN)								
P&L account (€ mn.)	2010	%	2011E	%	2012E	%	2013E	%
Revenues	1,926		1,978		2,028		2,078	
Change%	-5.9%		2.7%		2.5%		2.5%	
Labour cost	-881.7	-45.8%	-892.6	-45.1%	-919.1	-45.3%	-934.7	-45.0%
Purchases of consumables	-366.1	-19.0%	-377.9	-19.1%	-383.3	-18.9%	-388.7	-18.7%
Taxes and duties	-83.1	-4.3%	-81.1	-4.1%	-81.1	-4.0%	-83.2	-4.0%
Other operating income and expenses	-231.1	-12.0%	-227.6	-11.5%	-227.6	-11.2%	-227.6	-11.0%
EBITDAR	364.1	18.9%	399.3	20.2%	416.9	20.6%	444.6	21.4%
Change%	-2.0%		9.7%		4.4%		6.6%	
Rental expenses	-134.9	-7.0%	-149.3	-7.5%	-159.3	-7.9%	-166.6	-8.0%
Change%	0.1%		10.7%		6.7%		4.6%	
EBITDA	229.2	11.9%	250.0	12.6%	257.7	12.7%	278.0	13.4%
Change%	-3.3%		9.1%		3.1%		7.9%	
Depreciation and amortization	-120.1	-6.2%	-121.0	-6.1%	-121.0	-6.0%	-121.0	-5.8%
Others	0.0	0.0%	0.0	0.0%	0.0	0.0%	0.0	0.0%
EBIT recurring	109.1	5.7%	129.0	6.5%	136.7	6.7%	157.0	7.6%
Change%	-6.0%		18.2%		5.9%		14.9%	
Others income and expenses	-5.2	-0.3%	-26.8	-1.4%	0.0	0.0%	0.0	0.0%
EBIT	103.9	5.4%	102.2	5.2%	136.7	6.7%	157.0	7.6%
Change%	-20.9%		-1.6%		33.7%		14.9%	
Financial charges	-46.4	-2.4%	-53.9	-2.7%	-55.0	-2.7%	-54.2	-2.6%
Other financial expenses	-5.0	-0.3%	0.0	0.0%	0.0	0.0%	0.0	0.0%
Associates	0.0	0.0%	0.0	0.0%	0.0	0.0%	0.0	0.0%
Pre tax profit	52.5	2.7%	48.3	2.4%	81.7	4.0%	102.8	4.9%
Change%	-26.9%		-8.1%		69.2%		25.9%	
Taxes	-14.6	-0.8%	-20.8	-1.0%	-35.1	-1.7%	-44.2	-2.1%
Minorities	-2.9	-0.2%	-4.0	-0.2%	-4.1	-0.2%	-4.2	-0.2%
Net Profit	35.0	1.8%	23.5	1.2%	42.5	2.1%	54.4	2.6%
Change%	-17.5%		-32.8%		80.6%		28.2%	
Adjusted Net Profit	40.2	2.1%	38.8	2.0%	42.5	2.1%	54.4	2.6%
Change%	28.0%		-3.5%		9.5%		28.2%	
Cash-flow	155.1	8.1%	144.5	7.3%	163.5	8.1%	175.4	8.4%
Change%	-5.0%		-6.8%		13.1%		7.3%	
Adjusted Cash-Flow	160.3	8.3%	159.8	8.1%	163.5	8.1%	175.4	8.4%
Change%	5.3%		-0.3%		2.3%		7.3%	
Tax rate	27.8%		43.0%		43.0%		43.0%	
Capital Expenditure	89.4		90.0		100.0		95.0	
Other net investments	-97.1		-25.0		0.0		0.0	
NFP	-871.4		-874.2		-871.1		-845.9	

Source: Company data and Equita SIM estimates

■ **Merger between FARE and FIMIT complete, creating Idea Fimit, the top Italian real estate asset management company.**

The merger between First Atlantic Real Estate (FARE) SGR and Fimit SGR became effective as of October 1 and created IdeA Fimit SGR, the top Italian real estate management company, with roughly 9.8bn of AUM and 23 managed funds.

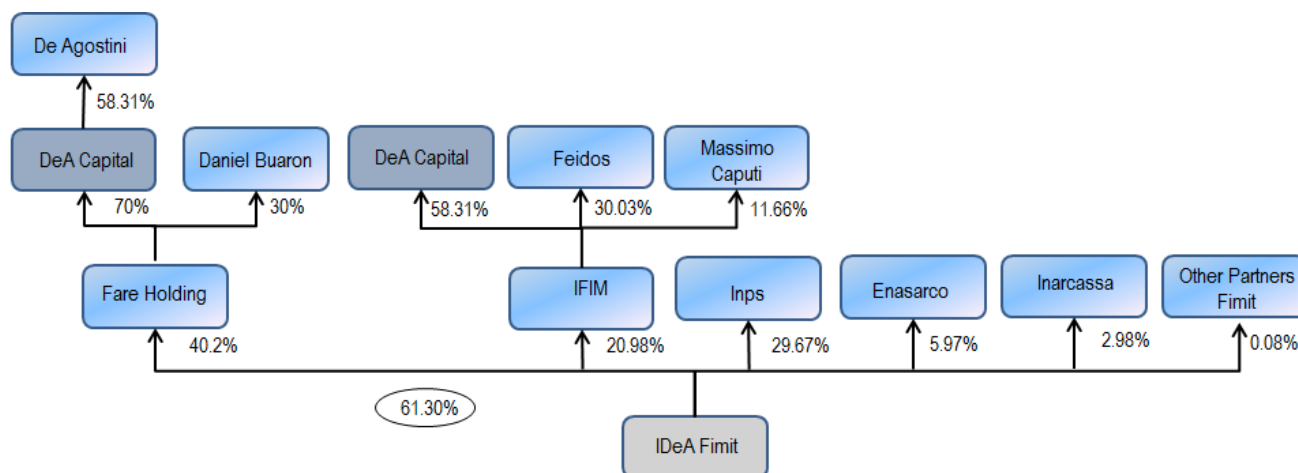
IDEA-FIMIT: A CLEAR LEADERSHIP IN THE ITALIAN MARKET



Source: Company presentation

DEA is the main shareholder of the new company (40.5% of economic rights or 61.3% of voting rights), with 2012 fees estimated at 64mn and 2012E net profit at around 21mn. Idea Fimit accounts for 25% of our NAV, valuing 100% at 258mn (2012E-13E PE at 12x-10x, P/AUM 2.5%).

IDEA-FIMIT: SHAREHOLDER STRUCTURE



Source: Equita SIM elaborations on company data

We met with Massimo Brunelli, CEO of Idea-Fimit, to get a preliminary overview of the strategy and growth drivers of the company. Management seems optimistic about the company's growth potential and in particular on the growth of AUM, which in 3-5 years could rise by between +30% and +50% and reach 13-15bn from the current 9.8bn.

A new business plan has yet to be presented for the new entity. Pending further visibility on the Idea-Fimit business plan and in light of a widening of the spread on government assets/increased premium for the risk on some asset classes (which leads to requests from investors for higher yields on RE funds than in the past), we are adopting a more cautious approach to estimates for the moment. In more detail, in 2012-2014, we expect:

- AUM growth at 10.6bn in 2014E from 9.3bn in 2011 (+14%) with high visibility, given that most of the AUM expiries will take place in 2015/2016 (but the company is already working on a strategy to maintain control of management of these assets);
- net fees at 69.3mn in 2014E from 58mn in 2011, with management fees flat at 67bps;
- net profit at 26mn in 2014E from 16mn in 2011 or 2011-2014E CAGR = +17%.

The asset management company may exploit the following strong points:

- long-standing experience in the real estate sector;
- excellent reputation on the market
- strong focus on asset quality, cost management and leverage in funds (average of 32% in managed funds);
- excellent capacity in property and facility management, with low vacancy levels in the funds managed.

The CEO sees room for growth in both Italy and abroad (currently only 4% of current inflows). In **Italy**, there are roughly 2-3bn potential real estate assets (e.g. properties belonging to social security institutions, excluding public properties). In addition, there is a **plan to sell public real estate assets**, which may be worth **between roughly 5 and 15bn in terms of potential assets**, but visibility on the timing is currently low given the complexity of the plan in terms of its management and organisation of the disposals

The other growth drivers mentioned by the CEO:

1) development of foreign platforms to give Italian investors the possibility to invest overseas (also to encourage them not to distribute proceeds from funds) and vice versa, i.e. **seeking to attract foreign investors and encourage them to invest in Italy**. The company has a specialised team and a structure, Fimit International, in London, which deals specifically with foreign markets.

2) development of the area of non-performing loans, with a high real estate component (total potential market of 50bn in assets to be managed in Italy), where the company is already negotiating with some banks.

Overseas, the growth opportunities are both internal and external: **the CEO is not ruling out the possibility of acquiring a platform abroad**.

As regards management fees, the CEO underlined that they could be used as a competitive leverage, but that the company will not fall below certain levels (40-50bps) in light of the better professional qualities that they can offer compared to their competitors (in 2011 Idea-Fimit reported average management fees of roughly 67bps).

We think that the merger between FARE and Fimit has strengthened the strategic positioning of the two companies, paving the way for future growth, both domestic and overseas, allowing for economies of scale/scope and synergies in the management of real estate funds, raising the growth potential and value creation from Real Estate activity for DEA Capital, as well as increasing the percentage of recurring income for the company.

IDEA-FIMIT					
	2010E	2011E	2012E	2013E	2014E
Management fees	57.1	58.0	63.2	66.9	69.8
Variable fees and others	0.0	0.0	0.0	0.0	0.0
Net commission	57.1	58.0	63.2	66.9	69.8
%change	23%	2%	9%	6%	4%
Costs	-30.2	-35.0	-35.0	-35.0	-34.0
Synergies	0.0	0.0	0.0	1.5	2.0
Extraordinary costs (restructuring costs)	-2.5	-5.5	-2.5	-2.5	0.0
<i>total costs ex extr</i>	<i>-27.7</i>	<i>-29.5</i>	<i>-32.5</i>	<i>-31.0</i>	<i>-32.0</i>
EBIT	27.0	23.0	28.2	33.4	37.8
margin%	47%	40%	45%	50%	54%
Interest charges	0.0	1.0	1.0	1.0	1.0
Others and extraord.	0.0	0.0	0.0	0.0	0.0
Pre tax	27.0	24.0	29.2	34.4	38.8
taxes	-9.2	-7.9	-9.6	-11.4	-12.8
tax rate	34%	33%	33%	33%	33%
Net Income	17.8	16.1	19.6	23.1	26.0
%change	12%	-10%	22%	18%	13%
Adj. Net Income	19.5	19.8	21.3	24.7	26.0
%change	9%	2%	8%	16%	5%
Total AUM (€ mn)	8,241	9,375	10,125	10,834	11,376
%change	-2%	14%	8%	7%	5%
Equity value (100%)	258	258	258	258	258
P/E	14.5	16.0	12.1	10.4	9.9
P/AUM	3.1%	2.7%	2.5%	2.4%	2.3%

Source: EQUITA SIM estimates and company data

SENSITIVITY

DEA: SENSITIVITY TO MIGROS AND GENERALE DE SANTE PRICE			
GDS STOCK PRICE	MIGROS STOCK PRICE		
	TL 9.6 PS	TL 15.6 PS	TL 21.6 PS
€ 11.0 PS	1.7	1.9	2.2
€ 14.0 PS	1.9	2.2	2.4
€ 17.0 PS	2.1	2.4	2.6

Source: EQUITA SIM estimate

STATEMENT OF RISK

The primary elements that **could negatively impact DEA include:**

- Significant deterioration in the main assets reference macroeconomic scenario
- Significant increase in short term interest rates
- Eventual participation to rights issue of main controlled assets just to restore
- Financial flexibility.
- Depreciation of the Turkish lira
- Deterioration of private equity and alternative AM portfolio valuations

INFORMATION PURSUANT TO ARTICLE 69 ET SEQ. OF CONSOB (Italian securities & exchange commission) REGULATION no. 11971/1999

This publication has been prepared by Luigi de Bellis on behalf of EQUITA SIM SpA (licensed to practice by CONSOB resolution no. 11761 of December 22nd 1998 and registered as no. 67 in the Italian central register of investment service companies and financial intermediaries)

In the past EQUITA SIM has published studies on DeaCapital

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EXPECTED TOTAL RETURN FOR THE VARIOUS CATEGORIES OF RECOMMENDATION AND RISK PROFILE

RECOMMENDATION/RATING	Low Risk	Medium Risk	High Risk
BUY	ETR >= 10%	ETR >= 15%	ETR >= 20%
HOLD	-5% <ETR< 10%	-5% <ETR< 15%	0% <ETR< 20%
REDUCE	ETR <= -5%	ETR <= -5%	ETR <= 0%

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Date	Rec.	Target Price (€)	Risk	Comment
11 April 2011	BUY (BUY)	2.0 (1.71)	High	Change in valuation

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EQUITY RATING DISPERSION AS OF DECEMBER 31, 2011 (art. 69-quinquies c. 2 lett. B e c. 3 reg. Consob 11971/99)

	COMPANIES COVERED	COMPANIES COVERED WITH BANKING RELATIONSHIP
BUY	47.6%	53.1%
HOLD	45.2%	42.9%
REDUCE	7.1%	4.1%
NOT RATED	0.0%	0.0%