

# DEA CAPITAL

# BUY

Price (Eu):

1.84

Target Price (Eu):

2.55

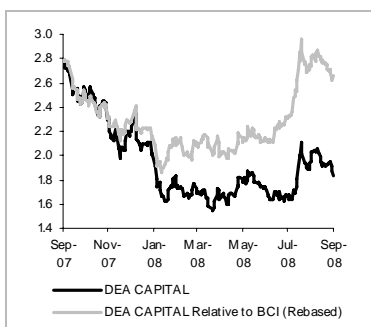
SECTOR: Holdings &amp; RE

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## Well on Track to Accomplish Business Plan

- **1H08 Results are not significant for DeA Capital**, but they were in line with our estimates. NAV stood at Eu2.78ps. The same calculation, with GDS and Migros at market prices, would yield a NAV of Eu2.14p.s. However, GDS stock price, which has the biggest impact, is no longer significant, as the real market float is extremely thin. Net cash stood at Eu262mn (vs. Eu266mn expected); we expect NFP to decline to Eu93mn cash, accounting for the acquisitions carried out in 2H08.
- **Taking a look at the results of the operating companies and the new deals.**
  - GDS reported results in July, with revenues up 4% YoY in 1H08, slightly below our expectations for FY08, despite strongly outperforming market growth (+2.8% YoY). In July, the company also announced the sale and lease back of over Eu200mn of real estate and some new acquisitions, while some of the Italian assets have been sold.
  - MIGROS TURK reported results which are above budget and consensus (we did not have estimates). What's more, the JV which acquired the majority in February has increased its stake from 50.8% to 81.6%, buying shares on the market, and will launch a mandatory take over on the remaining shares soon;
  - First Atlantic – the acquisition will be completed in 4Q08 and therefore results are not consolidated;
  - IDEA ALTERNATIVE INVESTMENTS reported Eu4.4mn net income in 1H08 (but is only consolidated from 2Q08);
  - SIGLA reported strong YoY growth in outstanding loans (+26.6%), though this is below long term targets and our estimates
- **We reiterate our BUY rating on the stock, target price Eu2.55.** The stock has performed well over the last 6 months, partly sustained by the buyback but above all, thanks to a quick execution of the Eu1.1bn investment plan. On the back of operating companies' results, we have revised estimates and valuations, and confirm our target price of Eu2.55, which is calculated applying a 15% discount to the adjusted NAV (averaging fair values of the assets with the market price or book value). Net of this, we would reach a per share valuation of Eu3.36.
- **In order to eliminate or reduce the discount** currently applied to the NAV by the market and to a lesser extent by us, we believe that, apart from further improving the performance of participated companies, in line with or above plans, the company should de-list assets, chiefly 1) Générale de Santé (still seen as a priority by the management) and 2) Migros (already underway), 3) potentially utilise the Eu120mn in losses, which are not expiring; 4) simplify the structure, part of which has been completed, possibly via breaking up the company, separating the Direct investment business from the Indirect one (IDEA and First Atlantic). This last possibility is not on the cards, however.

### DEA CAPITAL - 12m Performance



RATING: Unchanged

TARGET PRICE (Eu): Unchanged

Change in EPS est: 2008E 2009E  
-101.8% -34.4%

#### STOCK DATA

Reuters code: DEA.MI  
Bloomberg code: DEA IM

| Performance    | 1m        | 3m    | 12m    |
|----------------|-----------|-------|--------|
| Absolute       | -5.0%     | 6.5%  | -33.9% |
| Relative       | -3.3%     | 21.5% | -3.1%  |
| 12 months H/L: | 2.77/1.54 |       |        |

#### SHAREHOLDER DATA

|                           |       |
|---------------------------|-------|
| No. of Ord. shares (mn):  | 307   |
| Total No. of shares (mn): | 307   |
| Mkt Cap Ord (Eu mn):      | 563   |
| Total Mkt Cap (Eu mn):    | 563   |
| Mkt Float - ord (Eu mn):  | 196   |
| Mkt Float (in %):         | 34.9% |
| Main shareholder:         |       |
| De Agostini               | 60.3% |

#### BALANCE SHEET DATA

|                            | 2008 |
|----------------------------|------|
| Book value (Eu mn):        | 849  |
| BVPS (Eu):                 | 2.77 |
| P/BV:                      | 0.7  |
| Net Debt (#BadKeyword mn): | -93  |
| NAV (Eu mn)                | 849  |

| Key Figures        | 2006A | 2007A | 2008E | 2009E | 2010E |
|--------------------|-------|-------|-------|-------|-------|
| EBIT (Eu mn)       | (5)   | (4)   | (0)   | 18    | 18    |
| Net profit (Eu mn) | 86    | 6     | 0     | 18    | 27    |
| EPS - New (Eu)     | 0.49  | 0.03  | 0.00  | 0.06  | 0.09  |
| EPS - Old (Eu)     | 0.49  | 0.02  | 0.04  | 0.09  | 0.11  |
| DPS (Eu)           | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  |
| NAVPS (Eu)         | 1.51  | 2.77  | 2.77  | 2.83  | 2.91  |
| Ratios & Multiples | 2006A | 2007A | 2008E | 2009E | 2010E |
| P/E                | 3.8   | 72.4  | nm    | 31.3  | 21.2  |
| Div. Yield         | 0.0%  | 0.0%  | 0.0%  | 0.0%  | 0.0%  |
| P/NAVPS            | 1.2   | 0.7   | 0.7   | 0.6   | 0.6   |
| ROCE               |       |       |       |       |       |

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**DEA CAPITAL - KEY FIGURES**

|                                  |  | 2006A      | 2007A      | 2008E      | 2009E      | 2010E      |
|----------------------------------|--|------------|------------|------------|------------|------------|
| Fiscal year end                  |  | 31/12/2006 | 31/12/2007 | 31/12/2008 | 31/12/2009 | 31/12/2010 |
| <b>PROFIT &amp; LOSS (Eu mn)</b> | Sales                                      | 1          | 0          | 8          | 38         | 39         |
|                                  | EBITDA                                     | (5)        | (4)        | (0)        | 18         | 18         |
|                                  | EBIT                                       | (5)        | (4)        | (0)        | 18         | 18         |
|                                  | Financial income (charges)                 | 13         | 14         | 10         | 5          | 5          |
|                                  | Associates & Others                        | 1          | (5)        | (5)        | 8          | 15         |
|                                  | Pre-tax profit (loss)                      | 11         | 5          | 5          | 30         | 39         |
|                                  | Taxes                                      | (0)        | (1)        | (5)        | (8)        | (8)        |
|                                  | Tax rate (%)                               | 1.2%       | 15.9%      | 92.3%      | 25.7%      | 20.5%      |
|                                  | Minorities & discontinue activities        | 76         | 2          | (1)        | (4)        | (4)        |
|                                  | Net profit                                 | 86         | 6          | 0          | 18         | 27         |
|                                  | Total extraordinary items                  |            |            |            |            |            |
| Ebitda excl. extraordinary items | (5)  | (4)        | (0)        | 18         | 18         |            |
| Ebit excl. extraordinary items   |  |            |            |            |            |            |
| Net profit restated              | 86   | 6          | (0)        | 18         | 27         |            |
| <b>PER SHARE DATA (Eu)</b>       | Total shares out (mn) - average fd         | 177        | 307        | 307        | 307        | 307        |
|                                  | EPS stated fd                              | 0.49       | 0.03       | 0.00       | 0.06       | 0.09       |
|                                  | EPS restated fd                            | 0.49       | 0.03       | 0.00       | 0.06       | 0.09       |
|                                  | BVPS fd                                    | 1.51       | 2.77       | 2.77       | 2.83       | 2.91       |
|                                  | NAVPS fd                                   | 1.51       | 2.77       | 2.77       | 2.83       | 2.91       |
|                                  | Dividend per share (ord)                   | 0.00       | 0.00       | 0.00       | 0.00       | 0.00       |
|                                  | Dividend pay out ratio (%)                 | 0.0%       | 0.0%       | 0.0%       | 0.0%       | 0.0%       |
| <b>CASH FLOW (Eu mn)</b>         | Change in NWC                              | 0          | 0          | 0          | 0          | 1          |
|                                  | Capital expenditure                        | 0          | 0          | 0          | 0          | 0          |
|                                  | Other cash items                           | 0          | 0          | 0          | 0          | 0          |
|                                  | Free cash flow (FCF)                       | 0          | 0          | 0          | 0          | 1          |
|                                  | Acquisitions, divestments & other          |            |            |            |            |            |
|                                  | Dividend                                   |            |            |            |            |            |
| Change in Net Financial Position |  | 178        | (323)      | 20         | 22         |            |
| <b>BALANCE SHEET (Eu mn)</b>     | Total fixed assets                         | 29         | 444        | 756        | 754        | 759        |
|                                  | Net working capital                        | (1)        | (11)       | 0          | 0          | 0          |
|                                  | Long term liabilities                      |            |            |            |            |            |
|                                  | Net capital employed                       | 29         | 433        | 756        | 754        | 759        |
|                                  | Net financial position                     | (238)      | (416)      | (93)       | (113)      | (135)      |
|                                  | Group equity                               | 267        | 849        | 849        | 867        | 893        |
|                                  | Minorities                                 | 0          | 0          | 0          | 0          | 0          |
|                                  | Net equity                                 | 267        | 849        | 849        | 867        | 893        |
| <b>NAV DATA (Eu mn)</b>          | Properties and other assets - Book value   |            |            |            |            |            |
|                                  | Properties and other assets - Market value |            |            |            |            |            |
|                                  | NAV  | 267        | 849        | 849        | 867        | 893        |
| <b>RATIOS(%)</b>                 | EBITDA margin*                             | nm         | nm         | nm         | 47.2%      | 46.6%      |
|                                  | EBIT margin*                               |            |            |            |            |            |
|                                  | Gearing - Debt/equity                      | 89.3%      | 49.0%      | 11.0%      | 13.0%      | 15.1%      |
|                                  | Interest cover on EBIT                     | 0.4        | 0.3        | 0.0        | nm         | nm         |
|                                  | Debt/Ebitda                                | nm         | nm         | nm         | 6.37       | 7.42       |
|                                  | Capex as % sales                           | 0.0%       | 0.0%       | 0.0%       | 0.0%       | 0.0%       |
|                                  | ROCE*                                      |            |            |            |            |            |
| <b>GROWTH RATES (%)</b>          | Sales                                      | nm         | -97.5%     | 21312.8%   | 387.5%     | 3.6%       |
|                                  | EBITDA*                                    | nm         | nm         | nm         | nm         | 2.3%       |
|                                  | EBIT*                                      |            |            |            |            |            |
|                                  | Net profit                                 | nm         | -92.9%     | nm         | nm         | 47.8%      |
|                                  | EPS restated                               | nm         | -94.8%     | nm         | nm         | 47.8%      |

\* Excluding extraordinary items

Source: Intermonte SIM estimates

## DETAILS

Results are not significant for DeA Capital, but the company published half year results that were in line with our estimates. The company recorded a net loss of Eu0.8mn mostly due to non cash-taxes, as pre-tax profit was positive to the tune of Eu4.2mn. We are now publishing estimates, including proportionate consolidation of Idea AI (44.36% from 4/08) and full consolidation of First Atlantic (for 2 months).

NAV stood at Eu2.78ps, with an equity value of Eu848mn and a positive net financial position of Eu262mn (vs. Eu266mn expected). The table below highlights NAV at cost, but includes the operations carried out in 2H08 as far as the NFP is concerned.

**DeA Capital NAV at cost**

| Asset                                 | Value (€ mln) | per share €   | %             | Valuation method |
|---------------------------------------|---------------|---------------|---------------|------------------|
| Santè SA                              | 338.1         | 1.11          | 39.9%         | Cost             |
| Kenan (Migros TURK)**                 | 81.0          | 0.27          | 9.6%          | Cost             |
| Shareholder Loan (Migros TURK)**      | 94.0          | 0.31          | 11.1%         | Cost             |
| ATLANTIC                              | 72.0          | 0.24          | 8.5%          | Cost             |
| IDEA SGR                              | 57.9          | 0.19          | 6.8%          | Cost             |
| Sigla                                 | 41.7          | 0.14          | 4.9%          | Cost             |
| IDeA I Funds                          | 47.1          | 0.15          | 5.6%          | Cost             |
| Venture Cap. Funds                    | 20.6          | 0.07          | 2.4%          | Cost             |
| Minor participations                  | 3.1           | 0.01          | 0.4%          | Fair value*      |
| Fiscal Credit                         | 0.0           | 0.00          | 0.0%          |                  |
| Cash, credits and marketable sec.     | 93.0          | 0.31          | 11.0%         |                  |
| <b>Total</b>                          | <b>848</b>    | <b>2.78</b>   | <b>100.1%</b> |                  |
| <b># shares (mln) net of Buy Back</b> |               | <b>304.69</b> |               |                  |

\* updated quarterly by fund managers

Source: Intermonte SIM and Company Data

The same calculation, with GDS and Migros at market price, leaving the remaining unlisted assets at our fair value, would yield a NAV of Eu2.14 per share; however, the GDS stock price, which has the biggest impact, is no longer significant, as the real market float is extremely thin. As a matter of fact, we believe that the de-listing of GDS is considered a medium-term priority by the controlling company.

**DeA Capital NAV at market price**

| Asset                                 | Value (€ mln) | per share €   | %          | Valuation method |
|---------------------------------------|---------------|---------------|------------|------------------|
| Santè SA                              | 113.2         | 0.37          | 17.3%      | mkt price        |
| Kenan (Migros TURK)**                 | 81.0          | 0.27          | 12.4%      | Cost             |
| Shareholder Loan (Migros TURK)**      | 94.0          | 0.31          | 14.4%      | Cost             |
| ATLANTIC                              | 93.0          | 0.31          | 14.2%      | Cost             |
| IDEA SGR                              | 81.1          | 0.27          | 12.4%      | Cost             |
| Sigla                                 | 12.3          | 0.04          | 1.9%       | Cost             |
| IDEA I Funds                          | 47.1          | 0.15          | 7.2%       | Cost             |
| Venture Cap. Funds                    | 20.6          | 0.07          | 3.2%       | Cost             |
| Minor participations                  | 3.1           | 0.01          | 0.5%       | Fair value*      |
| Fiscal Credit                         | 15.1          | 0.05          | 2.3%       | cost             |
| Cash, credits and marketable sec.     | 93.0          | 0.31          | 14.2%      |                  |
| <b>Total</b>                          | <b>653</b>    | <b>2.14</b>   | <b>98%</b> |                  |
| <b># shares (mln) net of Buy Back</b> |               | <b>304.69</b> |            |                  |

\* quarterly updated by fund managers

Source: Intermonte SIM and Company Data

Net investment in the half year came to Eu154.4mn, of which:

- Eu57.9mn to acquire 44.3% of IDEA Alternative investment;
- Eu81.2mn, i.e. 18.5% of the holding which acquired 50.8% of Migros Turk, through Kenan investment SA;
- Eu11.1mn in capital increases at Sigla Luxembourg (Eu10.2mn) and Santé (Eu0.9mn);
- Eu4.2mn in Idea fund of funds, company investment and venture capital;
- Eu3.2mn treasury shares
- other

However, 1H08 NFP did not yet include :

- the investment in First Atlantic SGR (Eu71mn),
- part of the buyback (Eu0.5mn)
- the additional investment in Migros Turk (Eu75mn).

As a result, the NFP should amount to around Eu93mn after these investments. Additional investment capacity will be granted by a financing agreement signed in July for a maximum of Eu150mn, however. This is needed to complete the Eu1bn investment plan by 2009. This is an unsecured credit line ("Senior Term Loan Facility") expiring in 5 years, which can be used for one or more solutions within 12 months of the signing of the contract, with repayment on 30th July 2013. The rate is the 3-6 month EURIBOR rate increased by a margin with a step up mechanism, up to a maximum of 170 basis points.

With 1H08 results, the company also announced a plan to issue 1.5mn warrants (0.49% of share capital), at a subscription price of Eu 0.58, which can be exercised by 1/10/11 and 31/3/12, provided that the official price registered in a given time-frame is in line with or above Eu2.15. The exercise price of the warrants is Eu1.92.

More interestingly, we take a look at the results of the operating companies, as well as the new deals. Overall,

- o GDS reported results in July, with revenues up 4% YoY in 1H08, slightly below our expectations for FY08, despite strongly outperforming market growth (+2.8% YoY). In July, the company also announced the sale and lease back of over Eu200mn of real estate and some new acquisitions, while some of the Italian assets have been sold
- o MIGROS TURK reported results which are above budget and consensus (we did not have estimates). What's more, the JV which acquired the majority in February has increased its stake from 50.8% to 81.6%, buying shares on the market, and will launch a mandatory take over on the remaining shares soon;
- o SIGLA reported strong YoY growth in outstanding loans (+26.6%), though this is below long term targets and our estimates;
- o First Atlantic – the acquisition will be completed in 4Q08 and therefore results are not consolidated;
- o IDEA ALTERNATIVE INVESTMENTS reported Eu4.4mn net income in 1H08 (but is only consolidated as of 2Q08);

We note that overall, we expect the contribution of the alternative Investment assets (FARE+IDEA AI) in 2009 to be around Eu20mn on consolidated DeA Capital accounts. This compares with around Eu130mn paid for these two acquisitions, i.e. an attractive 6.5x PE 09.

Based on the operating companies' results, we have revised estimates and valuations. The outcome is shown in the table below, which shows how we obtain our target price.

If we were to unlock the value of the participated assets, and apply no discount to the assets below, we would reach a valuation of Eu3.48p.s.. Averaging this with the market value and the price paid to acquire the stake yields a value of Eu2.87 p.s. (net of the shares acquired in the buyback), or Eu2.53 adjusted NAV after applying a 15% discount.

#### DeA Capital Valuation - Adjusted NAV

| Asset                                  | Value (€ mln) | per share €   | %           | Valuation method                      | Value (€ mln) | per share € | %           | Valuation method   |
|--|---------------|---------------|-------------|---------------------------------------|---------------|-------------|-------------|--------------------|
| Santè SA                               | 314           | 1.03          | 34.6%       | DCF & Market Price (including 07 div) | 410           | 1.35        | 38.7%       | DCF                |
| Kenan (Migros TURK)**                  | 228           | 0.75          | 25.1%       | AVG Migros TURK TP                    | 240           | 0.79        | 22.7%       | AVG Migros TURK TP |
| ATLANTIC                               | 93            | 0.31          | 10.3%       | MULTIPLE 08 & 09                      | 93            | 0.31        | 8.8%        | MULTIPLE 08 & 09   |
| IDEA SGR                               | 81            | 0.27          | 8.9%        | MULTIPLE 08 & 09                      | 104           | 0.34        | 9.9%        | MULTIPLE 08 & 09   |
| Sigla                                  | 12            | 0.04          | 1.4%        | MULTIPLE 08 & 09                      | 12            | 0.04        | 1.2%        | MULTIPLE 08 & 09   |
| IDeA I Fund of Funds                   | 47            | 0.15          | 5.2%        | Fair value*                           | 45            | 0.15        | 4.2%        | Fair value*        |
| Venture Cap. Funds                     | 21            | 0.07          | 2.3%        | Fair value*                           | 28            | 0.09        | 2.6%        | Fair value*        |
| Minor participations                   | 3             | 0.01          | 0.3%        | Fair value                            | 3             | 0.01        | 0.3%        | Fair value         |
| Fiscal Credit                          | 15            | 0.05          | 1.7%        | 5Y DCF & zero                         | 30            | 0.10        | 3.3%        | 5Y DCF             |
| Cash, credits and marketable sec. 2008 | 93            | 0.31          | 10.3%       |                                       | 93            | 0.31        | 8.8%        |                    |
| <b>Total</b>                           | <b>907</b>    | <b>2.98</b>   | <b>100%</b> |                                       | <b>1059</b>   | <b>3.48</b> | <b>100%</b> |                    |
| % discount                             |               | 15%           |             |                                       |               |             |             |                    |
| <b>Target price (Eu p.s.)</b>          |               | <b>2.53</b>   |             |                                       |               |             |             |                    |
| % Upside/downside                      |               | 27.1%         |             |                                       |               |             |             |                    |
| <b># shares (mln) net of Buy Back</b>  |               | <b>304.69</b> |             |                                       |               |             |             |                    |

\* quarterly updated by fund managers

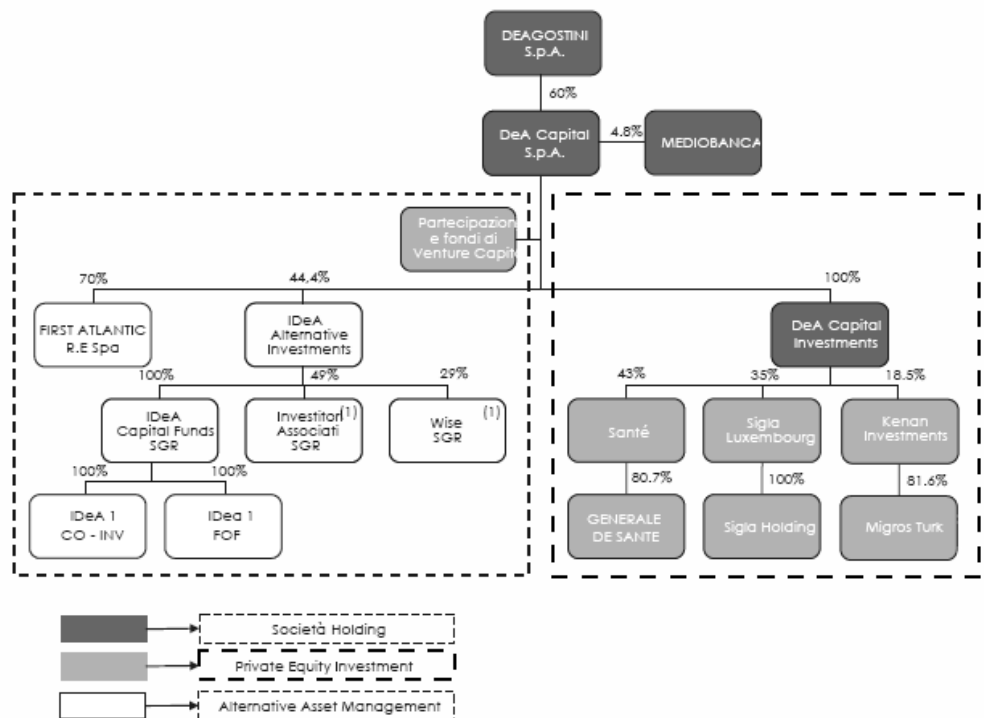
Source: Intermonte SIM and Company Data

In order to eliminate or reduce the discount currently applied to the NAV by the market and to a lesser extent by us, we believe that, apart from the companies where the stake acquired has delivered positive operating results, the company should:

- De-list assets, chiefly Générale de Santé, which suffers from a very limited market float, an issue that on the one hand prevents investors acquiring a significant position, and on the other hand hinders fiscal benefits for GDS. Possibly with the aim of achieving this objective, a buyback programme was authorised in May at GDS, at a maximum price of Eu33 p.s., for up to Eu181mn over the following 12 months. We believe that the de-listing of GDS is considered a medium-term priority by its controlling shareholders.
- De-list Migros; we will outline later how this is a likely outcome, in light of the fact that the JV in which DeA Capital holds a stake has increased its share to over 81% and will launch a residual tender soon, with good chances of success.
- Utilise the Eu120mn in losses, which are not expiring;
- We believe value creation could occur, especially if in the longer term DeA Capital were to simplify the structure of the company, part of which has been completed, possibly breaking up the company, separating the Direct investment business from the Indirect one (First Atlantic and the IDEA umbrella).

While our understanding is that DeA Capital considers the delisting of GDS a medium-term objective, and the process is already underway at Migros, we do not believe that a break-up is on the cards, nor is it among management's objectives.

The current structure is highlighted below:



(1) Oltre diritti di usufrutto sul 51% azioni (senza diritti voto).

## PEER GROUP

| DeA Capital Peers     | Prices as of | 05/09/2008       |                |                |                 |                  |                   |  |
|-----------------------|--------------|------------------|----------------|----------------|-----------------|------------------|-------------------|--|
|                       | Price        | 2007 performance | YTD % change   | Today % change | -1 Day % change | P/NAV (reported) | Mkt Cap (EUR mln) |  |
| Deutsche Beteiligungs | 17.19        | 6.78%            | -7.63%         | -4.02%         | 2.46%           | 0.79             | 235.1             |  |
| Dinamia               | 17.24        | -6.31%           | -14.03%        | 1.06%          | -1.95%          | 0.90             | 206.4             |  |
| Eurazeo               | 65.12        | -14.51%          | -22.08%        | -1.88%         | -0.67%          | 0.78             | 3464.1            |  |
| GIMV                  | 39.20        | 0.89%            | -16.33%        | -2.97%         | -0.37%          | 0.73             | 908.5             |  |
| Ratos                 | 172.00       | 8.31%            | -2.27%         | -4.44%         | -1.10%          | 1.01             | 2168.2            |  |
| Wendel                | 65.50        | -11.55%          | -33.80%        | -4.99%         | -3.61%          | 0.82             | 3295.9            |  |
| 3i (GBP)              | 889.50       | 0.07%            | -11.32%        | -2.63%         | -1.08%          | 0.83             | 4236.0            |  |
| Candover (GBP)        | 2225         | -4.88%           | 24.30%         | 0.45%          | -1.56%          | 1.08             | 603.7             |  |
| Electra (GBP)         | 1455.00      | 10.17%           | -6.69%         | -0.27%         | -1.22%          | 0.73             | 532.5             |  |
| SVG Capital (GBP)     | 601          | -10.67%          | -20.66%        | -1.31%         | -2.09%          | 0.71             | 1038.8            |  |
| KKR PEI (USD)         | 12.69        | -21.56%          | -30.12%        | -0.08%         | 1.60%           | 0.55             | 1803.8            |  |
| <b>avg</b>            |              |                  |                |                |                 | <b>0.81</b>      |                   |  |
|                       | Price        | 2007 performance | YTD % change   | Today % change | -1 Day % change | P/NAV (reported) | Mkt Cap (EUR mln) |  |
| M&Capitali            | 0.74         | -18.68%          | 0.00%          | -1.20%         | -0.13%          | 0.67             | 407.7             |  |
| Tamburi               | 1.72         | -5.57%           | -16.63%        | -0.86%         | 0.52%           | 1.10             | 184.1             |  |
| Mid Industry Capital  | 19.00        | -10.18%          | -15.56%        | 0.00%          | 0.00%           | 0.73             | 72.2              |  |
| Cape Live             | 0.69         | -13.24%          | -24.26%        | 0.00%          | 0.00%           | 0.67             | 35.2              |  |
| <b>DeA Capital</b>    | <b>1.84</b>  | <b>-25.67%</b>   | <b>-13.06%</b> | <b>-1.97%</b>  | <b>-1.99%</b>   | <b>0.65</b>      | <b>563.2</b>      |  |
| LPX Europe (-1 day)   | 305.51       | -8.76%           | -21.26%        | -1.97%         |                 |                  |                   |  |
| MIBTEL                | 21241        | -8.83%           | -27.76%        | -2.28%         |                 |                  |                   |  |
| ALLSTARS              | 12073        | -15.24%          | -15.98%        | -1.37%         |                 |                  |                   |  |

Source: Bloomberg and Intermonte Estimates

## 1H08 Results of Companies Owned or Part-Owned by DeA Capital

### Générale de Santé – Santé SA

Générale de Santé reported its results in mid-July. Revenues came in at Eu512mn, +4.7% YoY, with 5.1% organic growth in the quarter (+0.9% from prices and +3.8% through better volumes and a better mix). These growth rates were below our estimates for the full year but higher than the market average, which stood at +2.8% YoY in the semester.

The EBITDA margin held up well, at 12% in the quarter (total 2Q EBITDA was Eu61mn) and 13.4% for 1H, as did EBIT, benefiting from an easy comparison with 2Q07, which was hit by costs linked to the takeover deal.

Based on these results, we have fine-tuned estimates to incorporate lower organic growth, even if we still expect the company to beat the market average. The French government recently presented a project to reform public hospitals starting from 2009 that is similar to the "regrouping" concept that is being applied to GDS. However, we believe that GDS will be able to face this change better than the competition, as it has adopted the same logic well in advance and has already developed a competitive advantage.

| Generale DE Santé<br>EU mn | 1H07  | 1H08   | 2H07   | 2H08   | 2007     | 2008E  | 2009E  | 2010E  | % change vs OLD EST. |       |       |
|----------------------------|-------|--------|--------|--------|----------|--------|--------|--------|----------------------|-------|-------|
|                            |       |        |        |        |          |        |        |        | 2008E                | 2009E | 2010E |
| Revenues                   | 985   | 1025   | 1024.5 | 968    | 1906     | 1,993  | 2,130  | 2,271  | -1%                  | -2%   | 0%    |
| YoY                        |       | 4.0%   |        | -5.5%  | 9.4%     | 4.6%   | 6.9%   | 6.7%   |                      |       |       |
| Ebitda IFRS                | 132.3 | 137.7  | 106.7  | 98     | 239      | 235    | 261    | 293    | -2%                  | -8%   | -6%   |
| YoY                        |       | 4.1%   |        | -8.5%  | 0.0%     | -1.6%  | 10.9%  | 12.4%  |                      |       |       |
| Ebit IFRS                  | 65.9  | 80     | 65.5   | 97     | 131.4    | 177    | 146    | 178    | 48%                  | -11%  | -7%   |
| YoY                        |       | 21.4%  |        | 48.5%  | 4.3%     | 34.9%  | -17.7% | 22.2%  |                      |       |       |
| Net Income                 | 35.3  | 25.7   | 10.3   | 82.2   | 45.6     | 107.9  | 53.3   | 76.4   | 244%                 | -15%  | -6%   |
| YoY                        |       | -27.2% |        | 698.0% | -80%     | 136.6% | -50.6% | 43.2%  |                      |       |       |
| NFP                        |       |        |        |        | -1,001.0 | -856.6 | -826.2 | -767.3 | -19%                 | -20%  | -21%  |

Source: Company Data and Intermonte SIM estimates

Estimates still include the consolidation of Italian assets in 2008, while we have included the real estate sale and lease back agreement announced in July, which will generate higher rental costs and a Eu62mn pre-tax capital gain in 2008. In fact, Générale de Santé sold four hospital properties for Eu201.7mn (out of its Eu800mn in total real estate assets) and will pay Eu13.7mn in rent starting September 2008. In addition, the group announced the acquisition of the Francilienne clinic in Pontaut-Combault (77 beds), the Orangerie clinic at Perreux-sur-Marne (94 beds), and also reached an agreement to purchase a hospital centre with 292 beds in the Loire region. This acquisition appears to have come at an EV/sales multiple of around 0.5x (revenues amount to Eu60mn), while GDS trades at a multiple of 0.9x. These hospitals are expected to be consolidated by year end, while part of the Italian business (around Eu50mn in revenues, not 100% of Italian revenues, as Fleming labs and one hospital remain within the group) is expected to be de-consolidated in 2009; we expect that this part of the activities, which should bring around Eu 5-6mn Ebitda, could be sold, with a cash in of around Eu 50-60mn.

With these estimates, our valuation comes down slightly to Eu28.6 per GDS share, a value that still represents huge upside on current prices. The GDS stock price is kept down by the thin float, as the company owns 81% and 10% is owned by a single shareholder, which we would hope to see taken out at some point, also in order to enable GDS to exploit tax benefits. GDS has approved a Eu181mn buyback program, which could potentially facilitate a transaction with this single shareholder.



## Générale De Santé

| DCF (Eu mn)               | 2007        | 2008         | 2009        | 2010        | 2011         | 2012         | 2013         | 2014         | TV           |
|---------------------------|-------------|--------------|-------------|-------------|--------------|--------------|--------------|--------------|--------------|
| EBITDA                    | 239.0       | 235.3        | 260.9       | 293.2       | 320.7        | 339.7        | 347.5        | 355.1        | 365.7        |
| Taxes                     | (40.6)      | (61.2)       | (50.3)      | (61.5)      | (71.0)       | (77.5)       | (80.2)       | (82.8)       | (79.9)       |
| tax rate                  | -38.0%      | -34.5%       | -34.5%      | -34.5%      | -34.5%       | -34.5%       | -34.5%       | -34.5%       | -34.5%       |
| Change in WC              | 0.1         | 1.5          | (1.4)       | 1.6         | 1.9          | 1.4          | 4.0          | 0.0          | 0.00         |
| Capex                     | (163.3)     | (215.2)      | (149.1)     | (136.3)     | (119.4)      | (123.3)      | (126.7)      | (130.2)      | (134.1)      |
| Capex/Revenues            | -2.9%       | -10.8%       | -7.0%       | -6.0%       | -5.0%        | -5.0%        | -5.0%        | -5.0%        | -5.0%        |
| <b>FCF</b>                | <b>35.2</b> | <b>-39.6</b> | <b>60.1</b> | <b>97.1</b> | <b>132.3</b> | <b>140.3</b> | <b>144.5</b> | <b>142.0</b> | <b>151.7</b> |
| TV                        |             |              |             |             |              |              |              |              | 3,223        |
| year                      |             | 0.0          | 1.0         | 2.0         | 3.0          | 4.0          | 5.0          | 6.0          | 7.0          |
| Discounted WACC           |             | 1.00         | 0.93        | 0.86        | 0.80         | 0.73         | 0.67         | 0.62         | 0.59         |
| Discounted Free cash flow |             | -39.61       | 55.9        | 83.8        | 105.5        | 103.1        | 97.5         | 87.8         | 1,917        |

|                              |                |
|------------------------------|----------------|
| Discounted Free cash flows   | 494.0          |
| Terminal value               | 1,916.8        |
| <b>Total EV (with DCF)</b>   | <b>2,410.7</b> |
| NET FINANCIAL POS.(end 2007) | -1,001.0       |
| R.E. & Italian disposal      | 220            |
| Minorities                   | -61.7          |
| <b>Total EQUITY</b>          | <b>1,568</b>   |
| # of shares (000.000)        | 54.7           |
| Value per share (Eu)         | 28.6           |
| Price                        | 14.0           |
| Upside/downside              | 105%           |
| WACC                         | 7.7%           |
| Terminal growth              | 3.0%           |

|               |     |
|---------------|-----|
| TV / Total EV | 80% |
|---------------|-----|

Source: intermonte SIM

|                           |            |
|---------------------------|------------|
| % stake of DeAcapital     | 36%        |
| countervalue              | 561        |
| Debt in GDS SA (43%)      | - 151      |
| <b>Impact on DeaC NAV</b> | <b>410</b> |

|           | 2,007 | 2,008 | 2,009 | 2,010 | 2,011 |
|-----------|-------|-------|-------|-------|-------|
| EV/SALES  | 1.5   | 1.3   | 1.2   | 1.1   | 1.0   |
| EV/EBITDA | 10.7  | 10.5  | 9.3   | 8.1   | 7.1   |
| EV/Op FCF | 33.9  | 122.9 | 21.8  | 15.1  | 11.3  |
| PE        | 34.4  | 23.3  | 29.4  | 20.5  | 14.7  |

Source: intermonte SIM

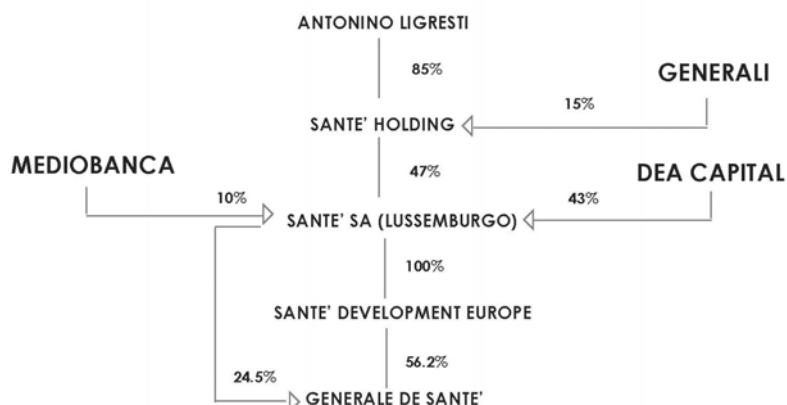
As far as valuations in the sector are concerned, the Blackstone fund tried to sell one of GdS's competitors, Vitalia, for Eu1.3-1.5bn, or an EV/sales ratio of between 2.3 and 2.0 (Vitalia recorded about Eu650mn in revenues last year), compared to the 0.9x EV/sales ratio at which GdS is trading. We do not have profitability indications available for Vitalia so as to draw conclusions about GdS from this transaction. But assuming Vitalia's margins are in line with those of GdS (12.5%) or prospective margins (close to 15%), then the EV/EBITDA multiple would have been around 14-18x. In the end, the transaction did not go through; nonetheless, recent transactions in the sector support similar valuations, which would imply very significant upside to the current price, as well as a 25%+ discount to comparable companies, despite similar growth rates in some cases. Private transactions in recent years have generally occurred at around 12x EV/EBITDA.

The most comparable companies, Rhoen Klinikum and Netcare (see the peer group in the appendix) are trading at 10.3x EV/EBITDA in 2008, as compared to GdS's 7.1x. In particular, Rhoen Klinikum has an enterprise value of Eu800mn, higher than GdS, despite consolidated revenues of Eu2bn, similar profitability and a 4% growth rate.

Finally, the shareholder structure of Antonino Ligresti's investment vehicle Santé Holding, which holds 47% of GDS, has changed, as Generali has entered with a 15% stake (having paid Eu58.8mn). Mediobanca and DeA Capital's stakes have not changed. This transaction implicitly valued GDS at around Eu2.5bn, which is the same price paid by DeA Capital and Mediobanca when they first invested in GDS. Generali has been granted a way out.

Following this deal, DeA Capital has actually become the leading single shareholder in Santé SA and GDS (see-through), based on GDS control chain, as shown in the following chart:

## GDS control Chain: New structure



Source: Sole 24 Ore

## Migros Turk

Migros Turk, the leading food retailer in Turkey with a 22% market share, reported good 1H08 results, higher than the consensus, showing faster growth than the 15% posted in 2007 (excluding disposals) thanks in part to around 100 new store openings. The 2008-12 business plan, which was approved before the takeover, aims for a twofold increase in revenues thanks to new store openings to double the total by 2012; the plan also targets a 7% EBITDA margin. Management expects around YTL 500mn will need to be invested in order to achieve these goals.

| MIGROS TURK<br>EU mn | 1H07   | 1H08   | 2H07  | 2H08  | 2007  | 2008E | 2009E | 2010E |
|----------------------|--------|--------|-------|-------|-------|-------|-------|-------|
| Revenues             | 2028.2 | 2364.3 | 2,387 | 2,678 | 4,415 | 5,042 | 6,050 | 6,958 |
| YoY                  |        | 16.6%  |       | 12.2% |       | 14.2% | 20.0% | 15.0% |
| Ebit                 | 100.6  | 144.3  | 121   | 209   | 222   | 353   | 424   | 487   |
| YoY                  |        | 43.4%  |       | 71.8% |       | 59.0% | 20.0% | 15.0% |
| Net income           | 79.4   | 127    | 91    | 86    | 170   | 213   | n.a.  | n.a.  |
| YoY                  |        | 59.9%  |       | -5.3% |       | 25.1% |       |       |

Source: Company Data, consensus and Intermonte SIM estimates

Moonlight Capital, a consortium including DeA Capital, recently announced that it purchased an additional 16.3mn shares of Migros Turk from the market, thus increasing its stake from 50.1% to 81.6% through purchases made at an average price of YTL 21 per share (vs. YTL 21.24 paid for the first 50.8%). Meanwhile, the Turkish market watchdog has set a residual takeover price of YTL 21.95 per share; the adjustment in the tender call price, however, was calculated by taking into account a 27% interest rate applied on advance payments.

Should the price remain unchanged, this will result in an additional YTL 23.3mn burden for Moonlight Capital to buy the remaining 18.41% stake of the retailer. We believe that at this point, the takeover bid now has a good chance of succeeding and Moonlight capital should be able to take 100% ownership of the company and thus be able to fully exploit fiscal benefits.

For a peer group comparison, which highlights that Migros is currently trading at a 30% discount to peers on 2008 figures, refer to the Appendix.

### IDEA Alternative Investment

IDEA was acquired on April 1<sup>st</sup> 2008. As of June '08, IDEA had about Eu1.8bn of assets under management (Idea Capital Funds, Investitori Associati & Wise). For more details, please refer to the report we published in February, where this acquisition is fully explained. The table below highlights the results of the company from 1/1/08, which are consolidated in DeA Capital's accounts from 1/4/08.

Below, we provide highlights of our estimates for Idea Alternative Investments (100% from 1/1/08, while on DeA Capital accounts it is proportionally consolidated at 44.36% from 1/4/08).

| IDEA ALTERNATIVE INV (1/1/08)<br>EU mn | 1H07 | 1H08 | 2H07 | 2H08 | 2007 | 2008E | 2009E | 2010E |
|--|------|------|------|------|------|-------|-------|-------|
| Commissions<br>YoY                     | n.a. | 4.2  | n.a. | 5.3  | n.a. | 9.5   | 9.5   | 9.5   |
| Associates<br>YoY                      | n.a. | 2.8  | n.a. | 2.8  | n.a. | 5.60  | 13.2  | 1557% |
| Revenues<br>YoY                        | n.a. | 7    | n.a. | 8.1  | n.a. | 15.10 | 22.7  | 2507% |
| Net income<br>YoY                      | n.a. | 4.4  | n.a. | 3.72 | n.a. | 8.12  | 13.4  | 15.0  |
|  |      |      |      |      |      |       | 65%   | 12%   |

Source: Company Data and Intermonte SIM estimates

For a peer group valuation comparison, please refer to the Appendix.

### Acquisition of First Atlantic

In July, DeA Capital announced the acquisition of the asset management company FARE SGR for Eu71.5mn (including its Eu+5mn NFP), a multiple of 10.3x P/E '07 without considering the strong growth expected in '08. Additional payments might arise (up to Eu11mn) if certain equity commitments are met. This multiple is in line with the alternative investment sector average but at a discount in terms of AuM multiples (the sector average is 4.4%, for this transaction it's 3.6%) thanks in part to Berenice, which has been under management since July 2008. A call option (for DeA Capital) and a put option (for Daniel Buaron) have been granted on the residual 30% of FARE Holding. These options can be exercised at market value.

First Atlantic, founded in 1998 by Daniel Buaron, is the number four Italian operator in terms of assets under management in the real estate sector. It has two main assets:

- 1) First Atlantic RE SGR, an asset management company that runs four real estate funds, two of which (Atlantic 1 and Atlantic 2, i.e. the Berenice fund) are listed, with total AuM of about Eu2.8bn, and
- 2) First Atlantic Real Estate S.p.A., which provides asset management and property management services for both the group's own funds and other major international funds. In 2007, these two companies turned Eu9mn in net profit, a figure expected to rise considerably in 2008.

The acquisition fits into DeA's development process in the alternative investment business. While it is currently a standalone participation, it fits into the IDeA Alternative Investments project, which already owns the AM companies Investitori Associati and Wise SGR, with AuM currently at about Eu1.9bn.

Below, we provide highlights of our estimates for First Atlantic (please note that 2007 figures are aggregated and do not reflect holding costs).

| First Atlantic R.E. cons.<br>EU mn | 1H07 | 1H08 | 2H07 | 2H08 | 2007 | 2008E | 2009E | 2010E |
|------------------------------------|------|------|------|------|------|-------|-------|-------|
| SGR<br>YoY                         | n.a. | n.a. | n.a. | n.a. | 10.3 | 14.9  | 19.4  | 20.7  |
| Property<br>YoY                    | n.a. | n.a. | n.a. | n.a. | 11.2 | 12.4  | 14.0  | 14.0  |
| Revenues<br>YoY                    | n.a. | n.a. | n.a. | n.a. | 21.5 | 27.3  | 33.4  | 34.7  |
| Net income<br>YoY                  | n.a. | n.a. | n.a. | n.a. | 8.5  | 12.7  | 14.0  | 14.5  |
|                                    |      |      |      |      |      | 50%   | 10%   | 4%    |

Source: Company Data and Intermonte SIM estimates

For a peer group comparison, please refer to the Appendix

Overall, we expect the contribution of FARE + IDEA Alternative Investment (44.3%) in 2009 to be around Eu20mn on the consolidated DeA Capital accounts. This compares with around Eu130mn paid for the two acquisitions, i.e. an appealing 6.5x PE '09.

## Sigla

Sigla, a consumer credit company, reported strong 26.6% YoY growth in revenues in 1H, though this is below its FY targets. We have therefore cut our estimates for the company (as can be seen in the following table), which is feeling the effects of the credit crunch and the economic slowdown, and has also been negatively affected by a change in equity requirements. DeA Capital injected Eu10.1mn into Sigla and brought its stake to 35% from 30%.

| SIGLA - P&L (Eu mn)<br>Eu mn | 1H07  | 1H08  | 2H07  | 2H08  | 2007  | 2008E | 2009E | 2010E  | % change vs OLD EST. |       |       |
|------------------------------|-------|-------|-------|-------|-------|-------|-------|--------|----------------------|-------|-------|
|                              |       |       |       |       |       |       |       |        | 2008E                | 2009E | 2010E |
| Ousting loans (EOP)          | 128.7 | 161.8 | 170.0 | 211.5 | 170.0 | 211.5 | 267.8 | 342.8  | -20%                 | -25%  | -23%  |
| YoY                          |       | 26%   |       | 24%   | 100%  | 24%   | 27%   | 28%    |                      |       |       |
| Revenues                     | 12.0  | 15.4  | 12.0  | 17.4  | 24.0  | 32.8  | 42.1  | 54.2   | -16%                 | -23%  | -22%  |
| YoY                          |       | 28%   |       | 45%   | 193%  | 37%   | 28%   | 29%    |                      |       |       |
| Net Income                   | n.a.  | -2.9  | 0.1   | 0.0   | -2.8  | -2.9  | -0.3  | 2.6    | n.m.                 | -114% | -42%  |
| YoY                          |       | n.m.  |       | n.m.  | n.m.  | n.m.  | n.m.  | -1086% |                      |       |       |

Source: Company Data and Intermonte SIM estimates

Our valuation has been adjusted accordingly.

## APPENDIX:

## Générale de Santé : Peer group

Peer group Générale de Santé Minibase in EUR as of 05/09/08

| Company                             | Crcy                     | Price | Mkt Cap<br>(Eu mn) | EV/EBITDA    |              |              | PE           |              |              |
|-------------------------------------|--------------------------|-------|--------------------|--------------|--------------|--------------|--------------|--------------|--------------|
|                                     |                          |       |                    | 2007         | 2008         | 2009         | 2007         | 2008         | 2009         |
| Generale De Sante (cons)            | EUR - Euro               | 12.2  | 666                | 6.8x         | 7.1x         | 6.7x         | 11.4x        | 15.0x        | 13.6x        |
| Care Uk                             | GBP - UK Pound Sterling  | 4.2   | 258                | 9.7x         | 8.2x         | 7.0x         | 11.9x        | 13.0x        | 11.1x        |
| Curanum AG                          | EUR - Euro               | 3.8   | 122                | 7.9x         | 7.9x         | 7.2x         | 23.4x        | 12.2x        | 10.2x        |
| Orpea SA                            | EUR - Euro               | 33.9  | 1,243              | 21.8x        | 17.9x        | 15.4x        | 33.6x        | 28.3x        | 22.7x        |
| Rhoen Klinikum                      | EUR - Euro               | 22.3  | 2,310              | 11.3x        | 10.8x        | 10.0x        | 21.7x        | 19.5x        | 17.4x        |
| Netcare Ltd.                        | ZAR - South African Rand | 0.7   | 1,372              | n.m.         | 10.6x        | 10.6x        | 10.2x        | 13.9x        | 11.1x        |
| Athens Medical Centre               | EUR - Euro               | 2.0   | 171                | n.m.         | 7.0x         | 7.0x         | 11.2x        | 9.9x         | 10.2x        |
| Mediclin AG                         | EUR - Euro               | 2.8   | 88                 | n.m.         | 9.2x         | 9.2x         | 15.5x        | 15.7x        | 8.0x         |
| Marseille Kliniken AG               | EUR - Euro               | 8.5   | 103                | n.m.         | 4.9x         | 4.9x         | 9.9x         | 9.5x         | 7.2x         |
| Southern Cross Healthcare Group Plc | GBP - UK Pound Sterling  | 1.8   | 330                | n.m.         | 4.6x         | 4.6x         | 6.9x         | 6.8x         | 6.4x         |
| <b>Total</b>                        |                          |       | <b>6,663</b>       |              |              |              |              |              |              |
| <b>Average</b>                      |                          |       |                    | <b>10.7x</b> | <b>8.6x</b>  | <b>8.1x</b>  | <b>15.2x</b> | <b>14.8x</b> | <b>11.9x</b> |
| <b>Median</b>                       |                          |       |                    | <b>8.8x</b>  | <b>8.0x</b>  | <b>7.1x</b>  | <b>16.8x</b> | <b>17.2x</b> | <b>13.0x</b> |
| <b>Avg x mkt cap</b>                |                          |       |                    |              | <b>11.0x</b> | <b>10.2x</b> | <b>18.9x</b> | <b>18.1x</b> | <b>15.3x</b> |

Source: JCF Consensus

## Migros: Peer group

Peer group

Minibase in EUR as of 05/09/08

| Company                           | Crcy                    | Price  | Mkt Cap<br>l.c. | EV / EBITDA  |              |             | P / E        |              |              |
|-----------------------------------|-------------------------|--------|-----------------|--------------|--------------|-------------|--------------|--------------|--------------|
|                                   |                         |        |                 | 2008         | 2009         | 2010        | 2008         | 2009         | 2010         |
| Ahold (Kon.)                      | EUR - Euro              | 8.73   | 10,405          | 6.7x         | 6.0x         | 5.4x        | 13.1x        | 11.5x        | 10.4x        |
| Carrefour SA                      | EUR - Euro              | 34.01  | 23,970          | 5.8x         | 5.3x         | 4.9x        | 12.1x        | 11.2x        | 10.2x        |
| Casino Guichard Perrachon SA      | EUR - Euro              | 62.76  | 6,789           | 5.8x         | 5.5x         | 5.2x        | 12.7x        | 11.7x        | 10.5x        |
| Colruyt SA                        | EUR - Euro              | 177.24 | 5,911           | 10.0x        | 9.2x         | 8.6x        | 18.2x        | 16.7x        | 15.4x        |
| Delhaize Group SA                 | EUR - Euro              | 43.09  | 4,321           | 5.0x         | 4.7x         | 4.4x        | 10.6x        | 9.9x         | 9.3x         |
| Metro AG                          | EUR - Euro              | 37.69  | 12,316          | 4.7x         | 4.4x         | 4.1x        | 12.3x        | 10.6x        | 9.5x         |
| Tesco                             | GBP - UK Pound Sterling | 4.57   | 35,932          | 8.5x         | 7.6x         | 6.9x        | 13.4x        | 11.9x        | 10.4x        |
| Wal Mart Stores Inc               | USD - US Dollar         | 42.58  | 167,928         | 9.2x         | 8.6x         | 7.9x        | 17.4x        | 15.7x        | 14.2x        |
| Costco Wholesale Inc              | USD - US Dollar         | 48.0   | 20,860          | 11.1x        | 10.2x        | 9.3x        | 23.6x        | 21.1x        | 18.4x        |
| <b>Total</b>                      |                         |        | 63,712          |              |              |             |              |              |              |
| <b>Average</b>                    |                         |        |                 | <b>7.4x</b>  | <b>6.8x</b>  | <b>6.3x</b> | <b>14.8x</b> | <b>13.4x</b> | <b>12.1x</b> |
| <b>Median</b>                     |                         |        |                 | <b>6.7x</b>  | <b>6.0x</b>  | <b>5.4x</b> | <b>13.1x</b> | <b>11.7x</b> | <b>10.4x</b> |
| <b>Average per CAP</b>            |                         |        |                 | <b>6.1x</b>  | <b>5.6x</b>  | <b>5.2x</b> | <b>12.8x</b> | <b>11.6x</b> | <b>10.6x</b> |
| Wal-Mart de Mexico S.A.B. de C.V. | MXN - Mexican Peso      | 2.45   | 20,840          | 12.2x        | 10.7x        | 9.2x        | 20.2x        | 17.0x        | 14.6x        |
| Grupo Famsa S.A. de C.V.          | MXN - Mexican Peso      | 1.8    | 597             | 8.2x         | 7.4x         | 5.2x        | 13.3x        | 8.7x         | 6.7x         |
| X5 Retail Group N.V.              | USD - US Dollar         | 15.91  | 4,194           | 10.2x        | 7.7x         | 6.1x        | 20.4x        | 16.1x        | 12.1x        |
| Seventh Continent                 | USD - US Dollar         | 17.8   | 1,338           | 13.8x        | 10.6x        | 10.1x       | 21.3x        | 17.7x        | 17.2x        |
| Magnit JSC                        | USD - US Dollar         | 24.36  | 1,754           | 8.2x         | 6.3x         | 5.2x        | 19.7x        | 14.4x        | 11.0x        |
| <b>Total</b>                      |                         |        | 253,442         |              |              |             |              |              |              |
| <b>Average</b>                    |                         |        |                 | <b>9.2x</b>  | <b>8.0x</b>  | <b>7.0x</b> | <b>17.3x</b> | <b>14.5x</b> | <b>12.5x</b> |
| <b>Median</b>                     |                         |        |                 | <b>8.5x</b>  | <b>7.6x</b>  | <b>6.3x</b> | <b>17.4x</b> | <b>14.4x</b> | <b>12.1x</b> |
| <i>Deviazione standard</i>        |                         |        |                 | <i>2.4x</i>  | <i>1.8x</i>  | <i>1.9x</i> | <i>3.9x</i>  | <i>3.5x</i>  | <i>3.4x</i>  |
| Migros Turk                       | TRY - New Turkish Lira  | 12.1   | 2,157           | 10.2x        | 10.2x        | 7.9x        | 18.5x        | 16.5x        | 14.9x        |
| BIM Birlesik Magazalar A.S.       | TRY - New Turkish Lira  | 23.39  | 1,775           | 13.4x        | 10.8x        | 7.8x        | 21.4x        | 16.9x        | 12.6x        |
| Tesco-Kipa Kitle Pazarlama Ticare | TRY - New Turkish Lira  | 3.86   | 432             | n.d.         | n.d.         | n.d.        | n.d.         | n.d.         | n.d.         |
| <b>Average</b>                    |                         |        |                 | <b>11.8x</b> | <b>10.5x</b> | <b>7.9x</b> | <b>20.0x</b> | <b>16.7x</b> | <b>13.8x</b> |
| <b>Median</b>                     |                         |        |                 | <b>11.8x</b> | <b>10.5x</b> | <b>7.9x</b> | <b>20.0x</b> | <b>16.7x</b> | <b>13.8x</b> |

\* based on Ebitda according to Swisscom Definition - before extr.

Source: Intermonte SIM estimates, JCF consensus

## IDEA Alternative Investments &amp; FARE Peer group

## IDEA AI &amp; FARE

## Peer group

Minibase in EUR as of 05/09/08

| Company                           | Crcy       | Price | Mkt Cap<br>I.c. | AUM<br>Eu bn | P/AUM       | P / E        |              |              |
|-----------------------------------|------------|-------|-----------------|--------------|-------------|--------------|--------------|--------------|
|                                   |            |       |                 |              |             | 2007         | 2008         | 2009         |
| <b>Traditional Asset Managers</b> |            |       |                 |              |             |              |              |              |
| Aberdeen Asset Managem            | EUR - Euro | 1.63  | 1,168           | 103          | 1.1%        | 10.8x        | 12.7x        | 10.1x        |
| Anima S.G.R.p.A.                  | EUR - Euro | 1.18  | 124             | 10           | 1.2%        | 7.3x         | 7.0x         | 41.9x        |
| Azimut Holding SpA                | EUR - Euro | 5.90  | 842             | 15           | 5.7%        | 8.3x         | 13.9x        | 8.6x         |
| F&C Asset Management              | GBP - UK F | 1.13  | 555             | 99           | 0.6%        | 8.1x         | 9.5x         | 8.5x         |
| Henderson Group                   | EUR - Euro | 1.60  | 1,150           | 10           | 12.1%       | 10.5x        | 11.8x        | 11.5x        |
| Rathbone Brothers                 | EUR - Euro | 11.46 | 490             | 13           | 3.8%        | 10.5x        | 12.0x        | 11.7x        |
| Schroders                         | GBP - UK F | 11.83 | 3,273           | 138          | 2.4%        | 8.4x         | 12.1x        | 11.2x        |
| <b>Alternative Asset Managers</b> |            |       |                 |              |             |              |              |              |
| Blackstone Group Lp               |            | 11.52 | 1,793           | 19           | 9.4%        | 10.4x        | 41.9x        | 14.3x        |
| Fortress Investment Group L.L.C   |            | 6.51  | 616             | 20           | 3.1%        | 9.5x         | 15.7x        | 8.2x         |
| GLG Partners Inc.                 |            | 5.61  | 1,378           | 21           | 6.5%        | 9.3x         | 15.8x        | 9.3x         |
| Man Group                         |            | 6.10  | 10,398          | 22           | 47.0%       | 10.5x        | 11.8x        | 9.9x         |
| Partners Group Holding AG         |            | 94.20 | 2,515           | 23           | 10.9%       | 17.5x        | 16.9x        | 14.1x        |
| Ashmore Group Plc                 |            | 3.03  | 2,145           | 24           | 8.9%        | 17.0x        | 13.3x        | 11.7x        |
| Bluebay Asset Management Plc      |            | 3.20  | 619             | 11           | 5.8%        | 12.5x        | 14.3x        | 12.4x        |
| Charlemagne Capital Ltd.          |            | 0.39  | 111             | 4            | 3.2%        | 2.8x         | 7.9x         | 5.7x         |
| Hargreaves Lansdown Plc           |            | 2.30  | 1,090           | 11           | 10.3%       | 26.4x        | 20.9x        | 18.2x        |
| RAB Capital Plc                   |            | 0.45  | 226             | 5            | 4.7%        | 5.3x         | 13.5x        | 11.0x        |
| <b>Average</b>                    |            |       |                 |              | <b>8.0%</b> | <b>10.9x</b> | <b>14.8x</b> | <b>12.8x</b> |
| <b>Median</b>                     |            |       |                 |              | <b>5.7%</b> | <b>10.4x</b> | <b>13.3x</b> | <b>11.2x</b> |
| <b>RE service Co</b>              |            |       |                 |              |             |              |              |              |
| Colliers CRE Plc                  | EUR - Euro | 0.47  | 22              |              |             | 2.5x         | 4.9x         | 2.3x         |
| Savills                           | EUR - Euro | 3.42  | 451             |              |             | 5.5x         | 10.0x        | 9.8x         |
| Dtz Holdings                      | GBP - UK F | 1.40  | 83              |              |             | 5.9x         | 7.9x         | 5.4x         |
| Rok Plc                           | GBP - UK F | 1.09  | 195             |              |             | 6.2x         | 6.5x         | 6.0x         |
| <b>Average</b>                    |            |       |                 |              |             | <b>5.0x</b>  | <b>7.3x</b>  | <b>5.9x</b>  |
| <b>Median</b>                     |            |       |                 |              |             | <b>5.7x</b>  | <b>7.2x</b>  | <b>5.7x</b>  |

Source: Intermonte SIM estimates, JCF consensus

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- BUY:** stock expected to outperform the market by over 25% over a 12 month period;
- OUTPERFORM:** stock expected to outperform the market by between 10% and 25% over a 12 month period;
- NEUTRAL:** stock performance expected at between +10% and - 10% compared to the market over a 12 month period ;
- UNDERPERFORM:** stock expected to underperform the market by between -10% and -25% over a 12 month period ;
- SELL:** stock expected to underperform the market by over 25% over a 12 month period.

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**OUTPERFORM:** 26.49%

**NEUTRAL:** 26.81%

**UNDERPERFORM:** 19.21%

**SELL:** 1.32%

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**OUTPERFORM:** 29.17%

**NEUTRAL:** 33.33%

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**DETAILS ON STOCK RECOMMENDATION**

| Stock NAME           | DEA CAPITAL |                       |            |
|----------------------|-------------|-----------------------|------------|
| Current Recomm:      | BUY         | Previous Recomm:      | BUY        |
| Current Target (Eu): | 2.55        | Previous Target (Eu): | 2.55       |
| Current Price (Eu):  | 1.84        | Previous Price (Eu):  | 2.02       |
| Date of report:      | 08/09/2008  | Date of last report:  | 28/07/2008 |

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