

DEA CAPITAL

OUTPERFORM

Price (Eu): 1.04

Target Price (Eu): 1.70

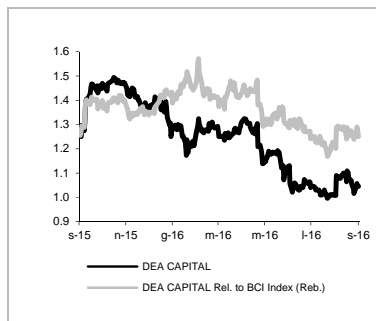
SECTOR: Holdings & RE

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New Initiatives Should Boost Interest in an Undervalued Stock

- **Stable NAV in 2Q16 results.** DeA Capital's NAV came to Eu1.98ps in 2Q16, which after accounting for the Eu0.12ps dividend paid in May, is slightly better than the Eu2.08ps posted in 1Q. AAM, Indirect PE investments and investments in Migros/ Sigla accounted for 31.3%, 36.9% and 16.5% of total NAV respectively. The holding company's net cash position (Eu78.2mn vs. Eu93.3mn in 1Q16) was affected by: the Eu31.6mn dividend payment in May, receipt of Eu9.7mn in dividends from subsidiaries and a Eu9.2mn cash-in from the sale of 55% of the share capital of Innovation Real Estate (Eu5.7mn from the sale, on top of a Eu3.5mn extraordinary dividend distributed prior to the sale). At consolidated level, net distributions from private equity funds generated Eu5.6mn in 1H16, partly offset by a Eu2.2mn buyback. Notably, management has indicated that in 3Q16, up to the announcement of 2Q16 results on 8th September, net distributions from PE came to Eu5.2mn, thus bringing the total for the period to Eu10.8mn. Lastly, net profit was positive at Eu1.6mn.
- **Cash generation and distribution assumptions confirmed.** We expect the company to maintain a stable dividend policy while also continuing its buyback programme (as things stand treasury shares account for 14.6% of the company's total share capital). Assuming a Eu32mn dividend and Eu5mn buyback (Eu13mn in FY15) the yield at current prices reaches 13.5%. A scenario of Eu10mn cash generation from the AAM business (we estimate Eu15mn last year), and a Eu15-20mn net distribution from funds (Eu35mn in FY15 and Eu12mn in FY14) should guarantee visibility on these assumptions. After the disposal of 55% of the share capital of IRE, other potential disposals could allow additional cash-ins: Sigla Credit has already been classified as an asset held for sale with a book value of Eu11.5mn.
- **New initiatives for IDeA CF and IDeA FIMIT, with a focus on the NPLs sector.** DeA Capital wants to devote managerial and financial resources to developing its presence in the NPLs sector, with plans to launch new products. IDeA Capital Funds recently launched the IDeA Corporate Credit Recovery Fund, which has already gathered Eu260mn in the first closing, above our expectations. DeA Capital has also announced the acquisition of a small NPL platform called SPC, which specialises in secured debt recovery. As for IDeA FIMIT, we appreciate the recent deal to acquire up to Eu750mn of historic properties in Rome, which have been conferred to the Trophy Value Added Fund, generating higher than portfolio-average fees. In May 2016 IDeA FIMIT also launched the IDeA NPL Fund, a real estate fund that is set to reach a maximum of Eu500mn in AuM over the next 12 months, and which will invest in distressed real estate. These new initiatives, focused on the promising NPL market and relying on the real estate management expertise of IDeA FIMIT, could generate higher fees than traditional real estate funds.
- **OUTPERFORM and target price confirmed, stock at a 45% discount to NAV.** The recent initiatives mentioned above are part of a strategy to increase the weight of recurring business segments with low capital requirements and visible streams of cash flows vis a vis the past focus on private equity initiatives. From a longer term perspective we think that if this strategy of growing AAM succeeds, investors attitudes towards DeA Capital will change in the future and the discount (one of the largest in the sector) at which the stock trades on its NAV (45%) will likely shrink, also considering the high level of cash and a 10%+ dividend yield.

DEA CAPITAL - 12m Performance



RATING: Unchanged

TARGET PRICE (Eu): Unchanged

Change in EPS est:	2016E	2017E
	nm	nm

STOCK DATA

Reuters code:	DEA.MI
Bloomberg code:	DEA IM

Performance	1m	3m	12m
Absolute	3.7%	-6.1%	-17.3%
Relative	2.5%	-2.9%	-0.9%
12 months H/L:	1.49/1.00		

SHAREHOLDER DATA

No. of Ord. shares (mn):	307
Total No. of shares (mn):	307
Mkt Cap Ord (Eu mn):	320
Total Mkt Cap (Eu mn):	320
Mkt Float - ord (Eu mn):	0
Mkt Float (in %):	
Main shareholder:	
De Agostini	58.3%

BALANCE SHEET DATA

	2016
Book value (Eu mn):	590
BVPS (Eu):	1.92
P/BV:	0.5
Net Debt (Eu mn):	-112
NAV (Eu mn)	502

Please see important disclaimer
on the last page of this report

Key Figures	2014A	2015A	2016E	2017E	2018E
EBIT (Eu mn)	(18)	5	12	14	14
Net profit (Eu mn)	-58	41	6	9	9
EPS - New (Eu)	-0.023	0.029	0.018	0.028	0.030
EPS - Old (Eu)		0.029	0.034	0.040	
DPS (Eu)	0.300	0.121	0.121	0.121	0.121
NAVPS (Eu)	2.493	1.984	1.915	1.915	1.915
Ratios & Multiples	2014A	2015A	2016E	2017E	2018E
P/E	nm	36.4	57.9	37.6	35.2
Div. Yield	28.7%	11.6%	11.6%	11.6%	11.6%
P/NAVPS	0.4	0.5	0.5	0.5	0.5
ROCE					

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DeA Capital 2Q16 Results

DeA Capital NAV at Pro-forma Book Value (as of 30/06/2016)

Asset	Activity	Stake	2Q16 Book Value (Eu mn)	per share Eu	% of NAV	1Q16 Book Value (Eu mn)	per share Eu	% of NAV	vs. OLD Value
IDEA FIMIT	Alternative AM	64.3%	121.2	0.46	23.3%	122.7	0.46	22.2%	-1.2%
IDEA Capital Funds SGR	Alternative AM	100.0%	36.7	0.14	7.1%	40.1	0.15	7.3%	-8.5%
Innovation RE	Alternative AM	45.0%	4.7	0.02	0.9%	13.2	0.04	2.1%	-64.4%
Sigla&other	Consumer Credit	41.4%	11.7	0.04	2.3%	11.7	0.04	2.1%	0.0%
IDEA Funds (FoF & ColInv)	Private Equity	n.m.	191.8	0.73	36.9%	187.3	0.74	35.5%	2.4%
Kenan (Migros)	Food Retailer	17,1% (6,9%)	74.1	0.28	14.3%	76.9	0.29	13.9%	-3.6%
NFP and other*	Net Debt		79.8	0.30	15.3%	95.5	0.35	16.9%	nm
Total ex-treasury shares			520.0	1.98	100%	547.4	2.08	100%	-5.0%
# shares (mln) net of Buy Back				262.1		263.0			

*includes NFP and other liabilities

Source: Company Data

* updated quarterly by fund managers

Breakdown of Kenan (17,11%) stake in Migros		DeA Capital Indirect Stake		Price	Eu mln
Anadolu put option*	9.75%	1.67%	Agreed sale price	26.00	25.2
Remaining stake	30.50%	5.22%	Market price at 30/06/16	16.55	48.9
					74.1

* Exercisable from 30 April 2017

Intermonte SIM Estimates

DeA Capital Consolidated Net Profit

(Eu mn)	1Q15	2Q15	1H15	FY15	1Q16	2Q16	1H16
Private Equity Investments	1.9	15.9	17.8	63.5	(1.9)	(0.9)	(2.7)
Alternative Asset Management	2.3	2.3	4.6	(20.7)	2.6	3.7	6.3
Holding costs	1.6	(0.4)	1.2	(1.8)	(0.5)	(1.2)	(1.6)
Net Profit	5.8	17.8	23.6	41.1	0.3	1.6	1.9
Net cash (Consolidated)	68.8	8.2	8.2	133.8	137.1	98.5	98.5
NAV	655.6	580.5	580.5	547.0	547.4	520.0	520.0
NAVPS	2.45	2.18	2.18	2.07	2.08	1.98	1.98

Source: Company Data

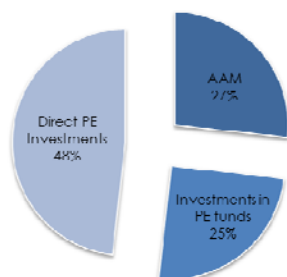
New Initiatives Aim to transform Dea Capital into a Leading Player in Italian Alternative Asset Management

Dea Capital is focusing on the development of its alternative asset management platform. The recent initiatives listed below are part of a strategy to increase the weight of recurring business segments with low capital requirements and visible streams of cash flows vis a vis the past focus on private equity initiatives.

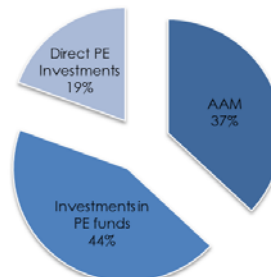
The transformation is already well evident but is due to accelerate further in the future as the company reaps the benefits of recently launched initiatives. AAM assets already represent around 30% of NAV or 37% ex-NFP.

Dea Capital has been pretty active lately in reshuffling the portfolio of its investments thereby taking the right market opportunities to exit some investments and to increase focus on core segments.

Weight on NAV excluding NFP - As of 31/12/2013



Weight on NAV excluding NFP - As of 30/06/2016



If this strategy of growing the weight and size of AAM succeeds, we believe investors attitudes towards Dea Capital will change in the future and the discount (one of the largest in the sector) at which the stock trades on its NAV will likely shrink. This is the main reason why we think the stock is currently undervalued and the market is underestimating the potential upside embedded in the opportunities offered by recent investments. Unfortunately, DeA Capital recently left the MID CAPS index which will reduce investor interest in the short term. However, we expect the company to increase its visibility towards investors by enhancing financial communication and the improving newsflow expected from the new initiatives should be a positive catalyst for the stock.

New funds launched

Corporate Credit Recovery I (IDeA CCR I) Fund: In June 2016, IDeA Capital Funds SGR launched the IDeA Corporate Credit Recovery I fund, which has total assets of Eu262.8mn, of which Eu177.6mn relates to the credit segment and Eu85.2mn to the new finance segment. As the first Italian debtor-in-possession financing fund, IDeA CCR I aims to help relaunch medium-sized Italian companies that are facing financial difficulties but have solid business fundamentals. DeA Capital has subscribed total commitments of Eu15.1mn. Seven banks contributed to the credit segment, namely UniCredit, BNL and BNP Paribas, Banca Popolare di Vicenza, MPS, BPM and Biverbanca, which sold to the fund their loans to eight previously identified companies in exchange for units in the Fund. The new finance segment has obtained a commitment for the financial resources to support the plans to relaunch the companies from both Italian investors (institutional investors and some family offices) and international investors. This includes a partnership with American group H.I.G. Capital which, via its affiliated company Bayside Capital, is providing a contribution of 50% of the new finance segment.

Trophy Value Added Fund: a real estate alternative investment fund, restricted to professional investors, which launched its activities in April 2016 via the purchase/contribution of two trophy assets located in the heart of Rome's historic centre.

IDeA NPL: a real estate closed-end mutual investment fund, restricted to professional investors, which launched its activities in May 2016. The Fund, which is set to reach a maximum of Eu500mn over the next 12 months, will primarily invest in securities resulting from securitisations of nonperforming bank mortgage loans, and in equity instruments of real estate companies created to participate, where the opportunity arises and with a defensive strategy, in judicial auctions in order to acquire property assets to serve as collateral for non-performing loans.

Potential Disposals

Sigla Credit.

DeA Capital currently holds a 41.39% stake in Sigla Luxembourg, the holding company that fully controls Sigla, which operates in Italy and provides consumer credit for non-specific purposes.

Sigla specialises in salary-backed loans and personal loans. The company's product range of salary-backed loans and personal loans includes the servicing of portfolios of unsecured non-performing loans (personal loans and credit cards).

The investment in Sigla Luxembourg, which was reclassified under "assets held for sale" is reported as whichever of the initial carrying value and the estimated realisable value is lower; its value at 1H16 was Eu11.5mn.

In terms of operating performance, Sigla recorded a net profit in 2015, a marked improvement on the 2014 result (non-recurring items for Eu-2.0mn). This was thanks to growth in salary-backed loans in connection with new funding raised in the second half of 2014 (totalling over Eu500mn), the full impact of which was felt as of second quarter of 2015.

Sigla (Eu mn)	2014	2015
Loans to customers	41.5	35.0
Revenues from loans	0.8	0.4
CQS granted	96.7	152.5
Revenues from CQS	5.0	9.6
Group net profit	-2.2	1.2

Source: Company data

Current investments in PE funds

At 30 June 2016, DeA Capital is recording investments in PE of about Eu191.8mn. Residual commitments for all the funds in the portfolio, including the above-mentioned IDeA CCR I, were approximately Eu101.6mn.

Asset	Eu mn	% on NAV
IDeA I FoF	71.8	13.6%
ICF II	43.6	7.8%
ICF III	5.1	0.8%
IDeA OF I	44.9	8.0%
IDeA EESS	10.8	1.3%
IDeA Tol	2.6	0.2%
AVA (FIMIT)	3.7	0.7%
VCs	9.3	1.8%
Indirect PE Investments	191.8	34.2%

IDeA I Fund of Funds: IDeA I FoF (vintage year 2007), which has total assets of approximately Eu681mn, invests its assets in units of unlisted closed-end funds that are mainly active in the local private equity sector in various countries. According to the latest report available, the IDeA I FoF portfolio was invested in 41 funds with different investment strategies; these funds in turn hold 369 positions, with varying maturities, in companies active in geographical regions with different growth rates. The funds are diversified in the buy-out (control) and expansion (minorities) categories, with overweighting towards medium- and small-scale transactions and special situations (distressed debt/equity and turnaround). At 30 June 2016, IDeA I FoF had called up 85.1% of its total commitment and had made distributions totalling 69.5% of that commitment.

ICF II: ICF II (vintage year 2009), with total assets of Eu281mn, invests in units of unlisted closed-end funds that are mainly active in the local private equity sector of various countries. The fund started building its portfolio by focusing on funds in the area of mid-market buy-outs, distressed and special situations, loans, turnarounds and funds with a specific sector slant, targeting, in particular, opportunities offered in the secondary market. According to the latest report available, the ICF II portfolio was invested in 27 funds with different investment strategies; these funds in turn hold positions, with varying maturities, in around 348 companies active in various geographical regions. At 30 June 2016, ICF II had called up around 71.4% of its total commitment and had made distributions totalling 21.6% of that commitment.

IDeA Opportunity Fund I: IDeA OF I (vintage year 2008), with total assets of Eu217mn, invests independently or via syndicates with a lead investor, by purchasing qualified minority interests. At 30 June 2016, IDeA OF I had called up 82.8% of the total commitment and distributed 27.0% of that commitment, after making nine investments (of which eight were still in the portfolio at that date).

DeA Capital – AAM 1H16 results and FY16 Estimates

IDeA Capital Funds SGR

EU mn	1H15	1H16	YoY	FY15	FY16E	YoY
AUM	1599	1937	21.1%	1643	2000	21.7%
Commissions on AuM	7.6	9.0	18.4%	16.9	18.5	9.5%
				1.06%	0.99%	
EBITDA	3.2	2.3	-28.1%	6.6	6.3	-4.5%
Margin	42.1%	25.6%		39.1%	34.1%	
Net income	2.0	1.4	-30.0%	4.2	3.8	-10.2%
Margin	26.3%	15.6%		24.9%	20.4%	

Source: Company Data & Intermonte SIM Estimates

IDeA FIMIT

EU mn	1H15	1H16	YoY	FY15	FY16E	YoY
AUM	8,996	7826	-13.0%	7,884	8,000	1.5%
Revenues on AuM	24.8	20.4	-17.7%	47.7	39.6	-17.1%
				0.56%	0.50%	
EBITDA	10.6	7.6	-28.3%	21.8	15.2	-30.5%
Margin	42.7%	37.3%		46%	38%	
Net income	3.3	2.4	-27.3%	6.7	5.5	-18.3%
Margin	13.3%	11.8%		14.0%	13.8%	

Source: Company Data & Intermonte SIM Estimates

DeA Capital Valuation – Adjusted NAV

Asset	Stake	Value (€ mn)	per share €	%	Valuation Method
IDEA FIMIT	64.3%	106.4	0.41	21.2%	2016 -17 MULTIPLE & NAV
IDeA Capital Funds SGR	100.0%	48.4	0.18	9.6%	2016 -17 MULTIPLE & NAV
Innovation RE	45.0%	4.7	0.02	0.9%	NAV
Sigla	41.4%	11.7	0.04	2.3%	Fair value
IDeA Funds (FoF & CoInv)	n.m.	191.8	0.73	38.2%	Fair value*
Kenan (Migros)	6.9%	79.1	0.30	15.8%	Fair value
NFP and other* (adj for dvd received and paid)		79.8	0.30	15.9%	NAV
Holding Costs and Tax Assets		-20.0	-0.08	-4.0%	Fair Value
Total ex-treasury shares		501.9	1.92	100%	
Fair % discount			15%		
Fair value (Eu p.s.)			1.63		
Current Mkt Price			1.05		
% Upside/downside			55.6%		
# shares (mln) net of Buy Back			261.8		

* quarterly updated by fund managers

Discount to NAV -45%

Discount to investment value -52%

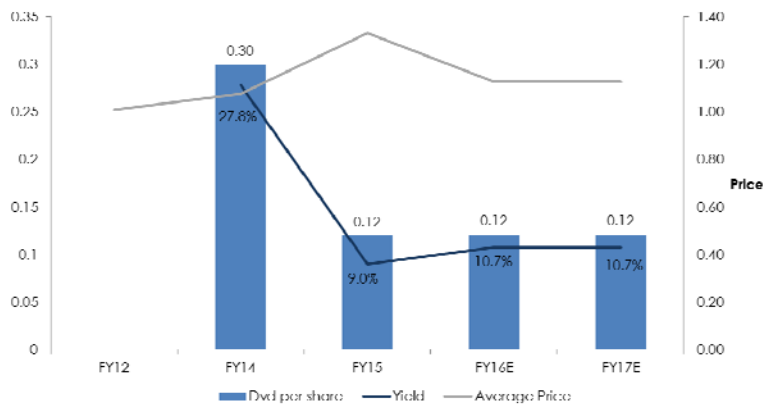
Source: Intermonte SIM and Company Data

From Investment to Cash Distribution

DeA Capital started a capital management process once the bulk of the investment phase had been accomplished, with the holding company starting to repay shareholders and divest from some of its assets. The two largest disposals so far have involved Generale de Santé and Migros in Turkey.

The graphs below show the recent achievements in terms of capital management and our expectations in terms of dividends for the next two years. Our cumulative assumption for 2016/17 dividends amounting to Eu64mn would imply more than 20% of the current market will be paid to shareholders. Furthermore, we expect DeA to continue to actively buy back shares in the future. The 1H16 buyback was in the region of Eu2.2mn, bringing total treasury shares to around 14.6% of outstanding shares. We are assuming the total 2016 buyback could be in the region of Eu5mn. Summing up dividends and buyback, capital management actions in 2016 are expected to reach 13.6% of the current market cap.

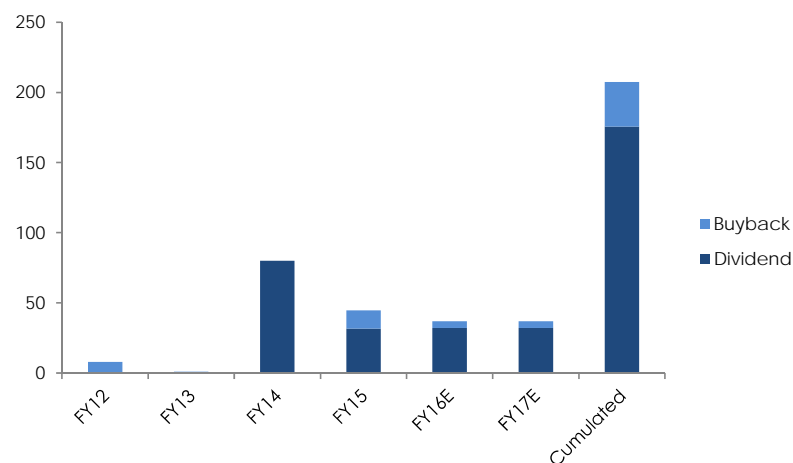
Dividends from FY12 (Eu ps)



(Eu)	FY12	FY14	FY15	FY16E	FY17E
Average Price	1.01	1.08	1.33	1.13	1.13
Dvd per share		0.30	0.12	0.12	0.12
Yield		27.8%	9.0%	10.7%	10.7%

Source: Intermonte SIM Estimates

Dividend & buyback from FY12 (Eu mn)



(Eu mn)	FY12	FY13	FY14	FY15	FY16E	FY17E	Cumulated
Dividend	8.0	0.9	79.9	31.6	32.0	32.0	175.5
Buyback	0.0	0.0	0.0	13.0	5.0	5.0	31.9
Total Cash-out	8.0	0.9	79.9	44.6	37.0	37.0	207.4

Alternative Asset Management Peer Group

IDEA Fimit / IDEA CF - Peer Group - Absolute Performances

Stock	Price	Ccy	Mkt cap	1M	3M	6M	YTD	1Y	2Y
Traditional Asset Managers									
Aberdeen Asset Management PLC	3.3	GBP	4,321	1.0%	22.8%	12.2%	13.3%	-1.0%	-23.9%
Azimut Holding Spa	13.3	EU	1,908	-1.4%	-22.7%	-33.3%	-42.2%	-32.8%	-36.2%
Henderson Group plc	2.3	GBP	2,611	-5.5%	-7.4%	-11.2%	-25.5%	-14.9%	8.0%
Rathbone Brothers Plc	18.4	GBP	887	-0.5%	2.2%	-18.0%	-16.6%	-15.0%	-0.8%
Schroders PLC	27.2	GBP	7,297	-0.4%	11.3%	-1.1%	-8.6%	-4.9%	10.3%
Alternative Asset Managers									
Blackstone Group L.P.	25.8	USD	16,223	-8.4%	3.7%	-7.7%	-11.7%	-23.0%	-20.6%
Fortress Investment Group LLC Class	5.1	USD	1,113	1.8%	14.0%	7.5%	1.0%	-4.8%	-23.5%
Man Group Plc	1.2	GBP	1,964	3.0%	-1.3%	-23.4%	-34.3%	-27.5%	-6.3%
Partners Group Holding AG	491.0	CH	13,110	11.0%	17.7%	31.1%	35.9%	47.1%	95.4%
Ashmore Group plc	3.4	GBP	2,427	-4.7%	19.3%	17.3%	33.8%	29.9%	6.2%
Hargreaves Lansdown plc	12.9	GBP	6,119	-3.1%	5.0%	-2.5%	-14.3%	7.4%	30.8%
Simple mean performance				-0.1%	5.9%	-2.6%	-6.3%	-3.6%	3.6%
RE service Co									
Savills plc	7.4	GBP	1,029	-1.5%	4.6%	-0.9%	-16.9%	-18.6%	16.9%
Euro STOXX	322.2	EU		0.2%	2.1%	-0.9%	-6.7%	-2.8%	-1.6%

Source: Factset

IDEA Fimit / Idea CF Peer Group - Multiple Comparison

Stock	Price	Ccy	Mkt cap	EV/Ebitda 2016	EV/Ebitda 2017	EV/Ebitda 2018	P/E 2016	P/E 2017	P/E 2018	Div Yield 2015	Div Yield 2016	Div Yield 2017
Traditional Asset Managers												
Aberdeen Asset Management PLC	3.3	GBP	4,321	11.5	10.4	9.3	17.3	15.5	13.9	5.9%	5.9%	6.0%
Azimut Holding Spa	13.3	EU	1,908	9.8	6.9	5.9	14.3	11.6	10.0	7.5%	8.3%	9.7%
Henderson Group plc	2.3	GBP	2,611	11.2	10.0	8.9	15.6	14.0	12.7	4.5%	4.8%	5.0%
Rathbone Brothers Plc	18.4	GBP	887	3.4	2.3	1.1	16.9	14.9	13.0	3.1%	3.3%	3.7%
Schroders PLC	27.2	GBP	7,297	9.4	8.3	7.1	16.1	15.2	14.3	3.2%	3.4%	3.6%
Alternative Asset Managers												
Blackstone Group L.P.	25.8	USD	16,223	7.0	5.7	4.3	12.2	8.7	7.4	6.4%	8.6%	9.1%
Fortress Investment Group LLC Class	5.1	USD	1,113				5.6	4.9	7.3	12.3%	12.9%	8.9%
Man Group Plc	1.2	GBP	1,964	6.9	5.1	4.5	11.8	8.8	7.6	5.6%	5.7%	6.3%
Partners Group Holding AG	491.0	CH	13,110	25.3	22.9	21.1	27.1	25.0	23.1	2.7%	2.9%	3.2%
Ashmore Group plc	3.4	GBP	2,427	15.1	13.7	12.2	19.2	20.4	18.6	4.8%	4.8%	4.9%
Median				9.8	8.3	7.1	15.8	14.4	12.8	5.2%	5.2%	6.0%
RE service Co												
Savills plc	7.4	GBP	1,029	6.0	5.2	4.7	11.8	10.9	10.2	3.4%	3.6%	3.8%

Source: Factset consensus estimates for peer group

Migros Peer Group

MIGROS Peer Group - Absolute Performances

Stock	Price	Ccy	Mkt cap	1M	3M	6M	YTD	1Y	2Y
Royal Ahold Delhaize N.V.	21.0	Euro	26,965	-2.3%	10.7%	5.1%	7.9%	21.0%	60.6%
Carrefour SA	22.8	Euro	17,261	4.1%	2.6%	-4.4%	-14.4%	-14.8%	-11.6%
Casino Guichard-Perrachon	43.2	Euro	4,836	-3.4%	-12.3%	-12.5%	1.8%	-11.8%	-52.2%
Etablissements Franz Colruyt	51.2	Euro	7,663	3.9%	-1.7%	0.7%	8.0%	21.4%	40.8%
Delhaize Group SA	102.8	Euro		0.0%	14.8%	10.4%	14.5%	30.0%	90.7%
METRO AG	26.4	Euro	8,631	0.7%	-3.4%	4.7%	-10.6%	6.5%	-1.7%
Tesco PLC	1.8	British Pounds	14,603	12.2%	15.7%	-8.3%	19.5%	2.3%	-22.2%
Costco Wholesale Corporation	151.8	U.S. Dollar	66,494	-9.7%	-2.6%	-0.9%	-6.0%	7.0%	20.0%
Jeronimo Martins, SGPS S.A.	15.0	Euro	9,443	2.3%	10.3%	8.8%	25.1%	24.2%	60.8%
Grupo Famsa SAB de CV Class A	8.7	Mexican Peso	4,941	-9.2%	18.9%	-40.0%	-38.2%	-28.6%	-36.4%
X5 Retail Group N.V. Sponsored G	27.2	U.S. Dollar	7,388	1.7%	40.6%	27.4%	43.6%	75.5%	43.6%
Magnit PJSC Sponsored GDR Reg	39.8	U.S. Dollar	15,166	-1.4%	25.2%	-8.3%	-1.2%	-13.9%	-31.6%
Organizacion Soriana S.A.B.	48.0	Mexican Peso	86,328	3.8%	11.1%	15.5%	21.4%	31.2%	-1.4%
Eurocash S.A.	41.9	Polish Zloty	5,821	-9.7%	-8.4%	-21.5%	-13.7%	-1.5%	30.8%
Wal-Mart de Mexico	41.6	Mexican Peso	726,220	-4.7%	-4.3%	-0.5%	-4.4%	0.6%	19.7%
Migros Ticaret A.S.	18.3	Turkish Lira	3,249	10.6%	11.3%	6.8%	4.6%	13.4%	1.1%
BIM Birlesik Magazalar A.S.	50.6	Turkish Lira	15,347	-1.7%	-9.7%	-16.4%	-1.6%	-8.9%	5.3%
CarrefourSA Carrefour Sabanci T	5.7	Turkish Lira	4,011	0.4%	-19.0%	-28.4%	-9.2%	-22.4%	133.3%
Simple mean performance				0.9%	3.8%	0.4%	5.1%	9.6%	20.6%

Source: Factset

MIGROS Peer Group - Multiple Comparison

Stock	Price	Ccy	Mkt cap	EV/Sales 2016	EV/Sales 2017	EV/Ebitda 2016	EV/Ebitda 2017	P/E 2015	P/E 2016	Div Yield 2014	Div Yield 2015
Royal Ahold Delhaize N.V.	21.0	Euro	26,965	0.5	0.4	7.3	6.5	17.6	15.9	2.7%	3.0%
Carrefour SA	22.8	Euro	17,261	0.3	0.3	5.6	5.1	14.1	12.4	3.3%	3.6%
Casino, Guichard-Perrachon SA	43.2	Euro	4,836	0.2	0.2	4.2	3.8	17.4	13.5	7.1%	7.2%
Etablissements Franz Colruyt N.V.	51.2	Euro	7,663	0.8	0.7	9.5	9.1	19.9	19.2	2.1%	2.1%
Delhaize Group SA	102.8	Euro		0.4	0.4	6.9	6.4	18.3	16.9	1.4%	1.5%
METRO AG	26.4	Euro	8,631	0.2	0.2	4.8	4.6	14.8	13.0	3.8%	4.1%
Tesco PLC	1.8	British Pounds	14,603	0.3	0.3	7.7	6.8	26.8	19.4	0.1%	1.5%
Costco Wholesale Corporation	151.8	U.S. Dollar	66,494	0.6	0.5	13.5	12.2	28.7	25.4	1.1%	1.2%
Jeronimo Martins, SGPS S.A.	15.0	Euro	9,443	0.7	0.6	11.1	9.9	24.2	21.3	2.1%	2.3%
Median				0.4	0.4	7.3	6.5	18.3	16.9	2.1%	2.3%
Grupo Famsa SAB de CV Class A	8.7	Mexican Peso	4,941	1.9	1.6	18.1	15.4	8.2	8.8		
X5 Retail Group N.V. Sponsored G	27.2	U.S. Dollar	7,388	0.6	0.5	8.3	6.9	17.6	13.1	0.0%	0.0%
Organizacion Soriana SAB de CV	48.0	Mexican Peso	86,328	0.7	0.7	9.9	8.8	21.7	18.1	0.1%	0.2%
Eurocash S.A.	41.9	Polish Zloty	5,821	0.3	0.3	11.4	10.2	21.5	19.4	2.7%	2.9%
Wal-Mart de Mexico SAB de CV	41.6	Mexican Peso	726,220	1.3	1.2	13.6	12.5	24.8	22.4	4.0%	3.6%
Median				0.9	0.8	10.6	9.5	21.6	17.9	2.0%	2.6%
Migros Ticaret A.S. (consensus)	18.3	TRY	3,249	0.5	0.4	8.4	6.9	50.2	19.6	0.1%	0.4%
BIM Birlesik Magazalar A.S.	50.6	TRY	15,347	0.7	0.6	15.4	12.9	24.2	20.5	2.4%	2.7%
CarrefourSA Carrefour Sabanci T	5.7	TRY	4,011								
Median				0.6	0.5	11.9	9.9	37.2	20.1	2.4%	3.1%

Source:Factset consensus estimates

DEA CAPITAL Peer Group - Absolute Performances

Stock	Price	Ccy	Mkt cap	1M	3M	6M	YTD	1Y	2Y
DEA CAPITAL	1.05	EUR	320	3.7%	-6.1%	-17.9%	-26.1%	-17.3%	-14.6%
3I	6.53	GBP	6,347	4.4%	17.4%	42.6%	35.5%	41.1%	66.2%
CIR	0.93	EUR	740	-3.0%	-8.5%	-11.0%	-4.0%	13.4%	-2.9%
COFIDE	0.34	EUR	242	-3.2%	-10.4%	-21.8%	-19.2%	-17.5%	-29.9%
EURAZEO	52.96	EUR	3,661	-3.4%	-7.6%	-3.3%	-12.4%	-2.2%	1.3%
EXOR	36.77	EUR	9,054	4.5%	10.1%	15.8%	-12.6%	-5.2%	18.7%
IMMSI	0.38	EUR	130	-0.8%	-7.9%	-3.8%	-18.4%	-21.2%	-36.3%
ITALMOBILIARE	43.98	EUR	1,041	10.9%	30.4%	10.8%	4.5%	13.5%	69.9%
NMAS1 DINAMIA	8.00	EUR	269	1.4%	1.3%	10.7%	9.3%	17.1%	19.9%
SVG	6.70	GBP	1,046	21.8%	22.9%	32.9%	36.0%	41.3%	59.7%
TIP	3.64	EUR	537	-2.7%	2.7%	16.4%	7.3%	9.8%	51.4%
Mean performance				3.1%	4.0%	6.5%	0.0%	6.6%	18.5%
Italy FTSE Mib	16,637.7	EUR	238,755	1.6%	-4.0%	-11.0%	-22.3%	-20.9%	-19.5%

Source: FactSet

Italian Holdings - Average P/NAVPS (@ current mkt price)

Stock	Price (Eu)	Mkt cap (Eu mn)	NAV (Eu ps)	Premium (Discount)	P/NAV
EXOR S.p.A.	36.73	8,852	44.9	-18.1%	0.82
Compagnie Industriali Riunite S.p.A.	0.94	743	1.2	-22.7%	0.77
ASTM S.p.A.	9.73	861	17.9	-45.5%	0.54
Italmobiliare S.p.A.	43.97	1,047	67.5	-34.8%	0.65
DeA Capital S.p.A.	1.05	325	1.92	-45.4%	0.55
COFIDE-Gruppo De Benedetti S.p.A.	0.34	245	0.7	-52.0%	0.48
Immsi S.p.A.	0.39	132	1.1	-64.0%	0.36
TIP S.p.A.	3.62	535	4.3	-16.3%	0.84
Average Italian Holdings				-39.0%	0.61
Adjusted average*				-40.4%	0.60

*Note: excluding Cofide and TIP

**Note: excluding see-through NAV for Cofide

Source: Company data and Intermonte SIM Estimates

DETAILS ON STOCKS RECOMMENDATION

Stock NAME	DEA CAPITAL		
Current Recomm:	OUTPERFORM	Previous Recomm:	OUTPERFORM
Current Target (Eu):	1.70	Previous Target (Eu):	1.70
Current Price (Eu):	1.04	Previous Price (Eu):	1.18
Date of report:	23/09/2016	Date of last report:	30/05/2016