

OTHER NEWS

Dea Capital

HOLD - Risk H - Target 1.33 - Last 1.09 - EUR

3Q results without major news. We appreciate the new initiatives in the non performing sector but we remain Neutral

-NAV=€2.03 (vs €1.98 1H16)

-Holding NFP= €83.7mn vs €79.7mn exp.

All in all 3Q is in line with estimates. NFP was better thanks to higher net cash-in from funds (€11mn nei 9M).

Main hints:

- Results of the AAM companies were in line. Idea Fimit still weak but with growing AUM while Idea CF was solid also excluding some positive one-offs coming from the closing of the fund-raising for a fund. More in details: IdeA FIMIT: fees 10mn vs 10mn exp (c-20% YoY), NI 1.5mn vs 1.6mn exp and AUM 8.0bn vs 7.9bn exp. IDEA CF: fees 6.1mn vs 5.0mn exp, NI 2.4mn vs 1.3mn exp and AUM 1.9bn vs 1.9bn exp.

- Main FoFs present interesting IRR (6% e 13.5% for FoF I and ICF II).

We appreciate the interesting new initiatives in the non performing sector (i.e Corporate recovery fund, Idea NPL fund) but, for the time being, we remain Neutral (target confirmed at 1.33ps, i.e 20% discount to NAV).

We believe that the company's re-rating is subject to: 1) Better operating results for Idea Fimit or/and, 2) Higher visibility on cash utilization (ex buyback) and/or 3) Disposal of Migros (difficult at the moment).

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