

28th April 2016

Food retailing

Carrefour

Price EUR25.75

The Moulin Family has crossed the threshold of 15% of Carrefour's voting rights

Fair Value EUR30 (+17%)

BUY

Bloomberg	CA FP
Reuters	CARR.PA
12-month High / Low (EUR)	32.0 / 22.3
Market Cap (EURm)	19,016
Avg. 6m daily volume (000)	3 197

	1 M	3 M	6 M	31/12/15
Absolute perf.	9.5%	3.0%	-14.0%	-3.4%
Food Retailing	1.2%	5.6%	-3.9%	2.4%
DJ Stoxx 600	3.6%	2.4%	-7.6%	-5.1%

	2015	2016e	2017e	2018e
P/E	16.7x	16.4x	14.1x	12.4x
Div yield (%)	3.5%	4.0%	4.5%	4.9%

ANALYSIS

- After acquiring its first stake (i.e. 6.1%) in the share capital of Carrefour in April 2014 and increased this participation (i.e. 10.1%) in July 2015, the Moulin family, owner of Galeries Lafayette, has crossed the threshold of 15% of Carrefour's voting rights with the allocation of double voting rights within the framework of the implementation of the Florange law.
- According to the AMF (Autorité des Marchés Financiers), Galfa (controlled by the holding company of the Motier Family - Galeries Lafayette - which itself is controlled by the Moulin Family), now owns 85.012.174 Carrefour shares and 136.312.174 voting rights representing 11.51% of the share capital and 15.33% of the voting rights respectively.
- In all evidence, the Moulin family's assiduousness in acquiring Carrefour shares, its long-term vision along with its very long experience in retail make it an ideal shareholder for Carrefour. This flattering shareholding is only a reflection of the strength and serenity that Carrefour is today able to inspire. Definitely good news.

VALUATION

- Carrefour is trading on 2017 PE of 14x vs 16x on average for the sector excl. Tesco

NEXT CATALYSTS

- We see a potential catalyst in terms of communication (more details about e-commerce? potential investor day?)

Antoine Parison, aparison@bryangarnier.com



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BRYAN, GARNIER & CO

London	Paris	New York	Munich	New Delhi
Beaufort House 15 St. Botolph Street London EC3A 7BB Tel: +44 (0) 207 332 2500 Fax: +44 (0) 207 332 2559 Authorised and regulated by the Financial Conduct Authority (FCA)	26 Avenue des Champs Elysées 75008 Paris Tel: +33 (0) 1 56 68 75 00 Fax: +33 (0) 1 56 68 75 01 Regulated by the Financial Conduct Authority (FCA) and the Autorité de Contrôle prudentiel et de résolution (ACPR)	750 Lexington Avenue New York, NY 10022 Tel: +1 (0) 212 337 7000 Fax: +1 (0) 212 337 7002 FINRA and SIPC member	Widenmayerstrasse 29 80538 Munich Germany +49 89 2422 62 11	The Imperial Hotel Janpath New Delhi 110 001 Tel +91 11 4132 6062 +91 98 1111 5119 Fax +91 11 2621 9062 Geneva rue de Grenus 7 CP 2113 Genève 1, CH 1211 Tel +4122 731 3263 Fax+4122731 3243 Regulated by the FINMA

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