

15th April 2016

TMT

Gameloft

Price EUR7.57

Gameloft vs. Vivendi: The saga goes on

Fair Value EUR7.2 (-5%)

BUY

Bloomberg	GFT FP
Reuters	GLFT.PA
12-month High / Low (EUR)	7.6 / 3.2
Market Cap (EUR)	659
Avg. 6m daily volume (000)	376.2

ANALYSIS

- We should have known yesterday (first hearing of the Paris Court of Appeal) whether Gameloft's complaint (about the compliance of the offer) had a suspensive effect on the takeover bid from Vivendi.
- Following oral submissions from both parties, the Court said it would make its decision on the request filed by GFT's management on Wednesday 4th May.
- As a result, on 4th May we will know if Gameloft's legal action will have a suspensive effect on the takeover: 1/ If it does not have a suspensive effect, we should have the results of the offer on 10th May (the initial date); or 2/ if it has a suspensive effect, the offer won't be suspended but the results of the offer should be postponed to late July/early September.

	1 M	3 M	6 M	31/12/15
Absolute perf.	3.8%	41.2%	89.7%	24.9%
Softw.& Comp.				
SVS	0.2%	0.5%	10.1%	-3.3%
DJ Stoxx 600	-0.2%	1.3%	-3.3%	-6.0%

	2015	2016e	2017e	2018e
P/E	NS	34.9x	25.2x	17.6x
Div yield (%)	NM	NM	NM	NM

VALUATION

- We believe investors have nothing to gain by tendering their GFT shares now to Vivendi. We maintain our Buy rating and FV of EUR7.2 and estimate a fair offer in the range of EUR7.6-8.6.

NEXT CATALYSTS

- Q1 sales: 28th April (after trading).
- The Paris Court of Appeal's decision on the request filed by Gameloft: 4th May.

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