

20th May 2016

Construction & Building Materials

Eiffage

Price EUR67.90

Bpifrance to sell 7.8% of the capital, o/w 6.76% through a placement

Fair Value EUR73 (+8%)

BUY

Bloomberg	FGR FP
Reuters	FOUG.PA
12-month High / Low (EUR)	70.1 / 47.8
Market Cap (EURm)	6,660
Avg. 6m daily volume (000)	298.5

	1 M	3 M	6 M	31/12/15
Absolute perf.	1.0%	9.3%	18.0%	14.1%
Cons & Mat	-2.9%	5.9%	-4.5%	-2.0%
DJ Stoxx 600	-4.4%	2.3%	-12.4%	-8.7%

	2015	2016e	2017e	2018e
P/E	20.2x	17.0x	15.2x	12.6x
Div yield (%)	2.2%	2.2%	2.2%	2.2%

ANALYSIS

- Bpifrance has announced the placement of 6.6 million shares of Eiffage, corresponding to 6.76% of the capital, through an accelerated bookbuilding and the sale of 1 million directly to Eiffage. According to Bpifrance press release, there will be a 180-day lock-up period.
- Eiffage is committed to acquire these 1 million shares at the placement price, i.e. EUR66.2 says Bloomberg, 2.5% below last closing price. Order books have been closed last night (Bloomberg)
- Following this operation, Bpifrance will hold 5.67% of Eiffage capital. The other shareholders are the staff (26%), Blackrock (6%); while the free float will increase to 57%. It worth underlying 3% of the capital has been created recently through a capital increase reserved for the employees.

Shareholding structure

Shares in millions	pre deal – shares #	Split	post deal – shares #	Split
Staff	25.3	25.8%	25.3	25.8%
Treasury shares	4.7	4.8%	5.7	5.8%
BPI	13.3	13.5%	5.6	5.7%
Blackrock	6.0	6.1%	6.0	6.1%
Free float	48.9	49.8%	55.5	56.6%
Total	98.1	100.0%	98.1	100.0%

VALUATION

- EUR43 through a SOTP

NEXT CATALYSTS

- APRR Q2 2016 on 21 July 2016

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BUY ratings 72%

NEUTRAL ratings 0%

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