

23rd May 2016

TMT

Gameloft

Price EUR7.99

The game is over as Amber Capital plans to tender its Gameloft stake to Vivendi

Fair Value EUR7.2 (-10%)

TENDER TO THE OFFER

Bloomberg	GFT FP
Reuters	GLFT.PA
12-month High / Low (EUR)	8.0 / 3.2
Market Cap (EUR)	696
Avg. 6m daily volume (000)	304.0

	1 M	3 M	6 M	31/12/15
Absolute perf.	7.2%	24.8%	42.4%	31.8%
Softw.& Comp.				
SVS	-1.5%	3.2%	-3.9%	-3.9%
DJ Stoxx 600	-3.6%	3.6%	-11.5%	-7.6%

	2015	2016e	2017e	2018e
P/E	NS	36.8x	26.6x	18.5x
Div yield (%)	NM	NM	NM	NM

ANALYSIS

- Amber Capital (a US-based hedge fund) plans to tender its entire stake in Gameloft (on 21st April, it owned 14.62% of the capital and 13.17% of voting rights) to Vivendi (which owned 29.37% of the capital and 26.47% of voting rights on 19th May). Amber's decision was made public in a statement issued on the website of French market regulator AMF last Friday.
- Gameloft should hold a board meeting in the coming days to evaluate the Vivendi offer. Note that on 1st April, the Guillemot family owned 21.63% of the capital and 29.02% of voting rights.
- With the support of Amber Capital, Vivendi would have ~44% of Gameloft's capital. It only needs a minimum of 6% for its public offer to be successful. So, the situation is now clear... The game is over.

VALUATION

- We advise investors to tender their shares to Vivendi. In our view, the offer at EUR8.00 per share is very fair and stands in the middle of our estimated range of EUR7.6-8.6.

NEXT CATALYSTS

- Unless the AMF decides to make a change to the calendar, the offer will expire on 27th May.

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