

1st June 2016

TMT

## Gameloft

Price EUR8.23

As expected, the game is now officially over

Fair Value EUR7.2 (-13%)

TENDER TO THE OFFER

Bloomberg	GFT FP
Reuters	GLFT.PA
12-month High / Low (EUR)	8.2 / 3.2
Market Cap (EURm)	717
Avg. 6m daily volume (000)	294.8

### ANALYSIS

- **Vivendi now has the stake it needs to take over Gameloft, i.e. it has reached the 50% threshold of capital and voting rights required for the hostile offer to be successful.** The acquisition of the Amber Capital and CIC stakes is what clearly made the difference (~15% and ~3% of the share capital respectively). More precisely, the French media group now holds 53,728,336 GFT shares, namely **61.71% of the capital and at least 55.61% of the voting rights** (source: Euronext Paris via the AMF website). **The French market regulator AMF will communicate the definitive results by tomorrow at the latest** (time generally required for the settlement and delivery of the shares).
- **The results of the offer imply, as we expected, that the Guillemot family has not yet tendered its shares** (21.63% of the capital and 29.02% of the voting rights). **The offer should be reopened in about five days for a minimum period of 10 trading days.** Afterwards, Vivendi will appoint a majority of the total number of directors comprising the Gameloft board through the AGM on 29th June, and decide on the number and identities of its candidates. **We do not expect a mandatory squeeze out of the GFT shares in the short term.** Indeed, **the family might take some time to tender its shares to Vivendi (6 months? 1 year?)**, since this would be a sign of weakness.
- **After this episode on Gameloft, speculation surrounding Ubisoft (Buy, FV EUR34) has risen a further notch.** Please see our recent report for more details "[The only way is up](#)".

### VALUATION

- **We advise investors to tender their shares to Vivendi.** As a reminder, 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

- The AMF is publish the **definitive results of the offer by 2nd June.**
- **The offer should be reopened in about five days** for a minimum period of 10 trading days.

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## Distribution of stock ratings

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NEUTRAL ratings 34.3%

SELL ratings 9.8%

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