

25th October 2016

Utilities

Voltalia

Price EUR9.98

Exercise price of the warrants at EUR7.46 per share

Fair Value Under Review

BUY

Bloomberg	MLVLT FP
Reuters	MLVLT.PA
12-month High / Low (EUR)	10.5 / 8.3
Market Cap (EURk)	261,596
Avg. 6m daily volume (000)	3.40

	1 M	3 M	6 M	31/12/15
Absolute perf.	6.6%	2.9%	15.4%	-1.5%
Utilities	-1.8%	-6.9%	-4.3%	-7.7%
DJ Stoxx 600	-0.3%	1.2%	-1.2%	-5.9%

	2015	2016e	2017e	2018e
P/E	67.3x	NS	26.3x	23.9x
Div yield (%)	NM	NM	NM	NM

ANALYSIS

- French renewables company **Voltalia** announced yesterday evening the exercise price and the exercise parity of the warrants in the context of its c. **EUR170m capital increase**.
- **The exercise price of the warrants is EUR7.46 per share** (vs. initial range of EUR7.46-8.60 per share) which implies a c. **20% discount** vs. last closing before the launch of the operation (EUR9.29 per share). The exercise parity of the warrants is 15 warrants for 13 new shares which implies **up to 22.7m of new shares to be created**.
- Fixing of the offer price will be published on November 4th.
- As a reminder, **Voltalia Investissement** (owned by the Mulliez family) **should see its stake decreasing from 85% to c.70% following the operation**. **Proparco**, a subsidiary of the French Development Agency, will exercise warrants sold by Voltalia Investissement up to EUR15m and therefore **take a c.4% stake** in Voltalia via the capital increase.
- All in all, this should **enlarge the company's free-float** from c. 7% today **to c. 22%** following the operation.

VALUATION

- Buy, FV Under Review

NEXT CATALYSTS

- **17th November 2016**: Q3-16 revenues

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