



CASE STUDY

Shareholder Dispute

SITUATION

Two partners created a holding company (51%/49%) to carry out a property development project. After voting for a capital increase that diluted the minority shareholder (25%), the majority shareholder voted to sell the subsidiary holding the real estate assets to itself.

The minority shareholder took the majority shareholder to the Paris Commercial Court to challenge this sale, which was allegedly made at a price far below the market value of the property.

OUR ROLE

FTI Consulting was instructed by the minority shareholder to give its opinion on the conditions of the disputed sale transaction.

Our work focused in particular on the following aspects:

- description of the shareholder structure and the real estate transaction (structuring, financing terms, etc.);
- analysis of the evolution of the local real estate market from the acquisition of the property and until its disposal;

- opinion on the value of the subsidiary being sold and comparison with the transaction price;
- drafting of an expert report detailing our analyses and conclusions for the court.

OUR IMPACT



Our work, which was based on a market analysis and a property valuation, showed that the disputed transaction had been carried out at a price that was not in line with the market value.

Our report was communicated to the court and could thus be used by the minority shareholder in support of its allegation of abuse by the majority shareholder.



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