



Technology

Deal Activity Q4

This monthly letter highlights M&A transactions and equity fund raisings announced in April 2017 in the Technology Sector in France

Technology deals

Berger-Levrault 19 April 2017

Berger-Levrault, a French software vendor addressing the public sector as well as health organizations (revenues of €134m in FY16), acquired Absis, a Spanish solutions vendor addressing Spanish local authorities (revenues of €6m in FY16). The transaction should enable Berger-Levrault to strengthen its position in geographic and geospatial information solutions for both public and private markets.

AntemetA 13 April 2017

AntemetA, a French IT services provider (revenues of €60m in FY16), acquired C-Storage, a French specialist in data backup and archiving solutions (revenues of €7m in FY16). The transaction should enable AntemetA to enhance its data management offering and strengthen its presence in the East of France.

Docapost 13 April 2017

Docapost, a French IT services provider and subsidiary of the French group La Poste (revenues of €455m in FY16), acquired Ametix, a French IT services and recruitment company (revenues of €14m in FY16). The transaction should enable Docapost to reinforce its expertise in digital transformation.

Vente-Privee.com 13 April 2017

Vente-Privee.com, a French e-commerce platform operator (revenues of €3bn in FY16), acquired a majority stake in Le Petit Ballon, a French online wine seller on a subscription basis. The transaction is in line with Vente-Privee.com external growth strategy in Europe and should enable the company to expand its presence in the online wine business. Le Petit Ballon generated revenues of €8m in FY16.

3 Li Business Solutions SAS 10 April 2017

3 Li Business Solutions, a French Microsoft solutions integrator, structured a management buy-out backed by the French PE fund Industrie & Finance Partners. The transaction should enable 3 Li Business Solutions to accelerate its external growth in France and internationally. 3 Li Business generated revenues of €17m in FY16.

Capgemini 10 April 2017

Capgemini, the French listed IT services & consulting firm (revenues of €12.5bn in FY16), has acquired the North American business of Ciber Inc., the US listed IT services provider. The acquisition of Ciber Inc. should be concluded by the end of Q2 2017 for a consideration of €47m. The transaction should enable Capgemini to increase its footprint and performance in North America by leveraging synergies with Sogeti, its existing US business. The North America business of Ciber Inc. generated revenues of c.€250m in FY16.

 Fundraising**Availpro**

5 April 2017

AccorHotels, the French listed hotel operator (revenues of €5.6bn in FY16), acquired Availpro, a French software vendor addressing hoteliers. The acquisition of Availpro should enable AccorHotels to reinforce its B2B services division by leveraging synergies with its subsidiary Fastbooking.

OVH

4 April 2017

OVH, the French hosting and telecommunications services provider, acquired the vCloud Air business of VMware, the US listed company specialized in virtualization solutions (revenues of c.€6.4bn in FY16). The transaction should enable OVH to expand globally as well as to extend its offering to hybrid cloud. The transaction is expected to close in Q2 2017.

VeryChic

3 April 2017

AccorHotels, the French listed hotel operator (revenues of €5.6bn in FY16), acquired a 75% stake in VeryChic, a French digital platform for private sale of luxury hotel trips (revenues of €10m in FY16). The transaction should enable AccorHotels to strengthen its expertise in private sales as well as to enable VeryChic to accelerate its international development.

Xee

28 April 2017

Xee, a French start-up operating a connected service platform for cars, raised €12m from a pool of investors led by Bridgestone EMEA, Total and Cofip alongside its historical shareholder Via ID. This second round of financing should enable Xee to fuel its growth and accelerate its development in Europe.

Ivalua

26 April 2017

Ivalua, a French based spend management solutions vendor, raised €64m from the US based PE fund KKR. This round of financing which is rumoured to value the company in the range of €200m to €250m should enable Ivalua to expand its team and its geographical footprint. Ivalua generated revenues of €32m in FY16.

Pitchy

20 April 2017

Pitchy, a French start-up providing B2B video creation software, raised €3m from a pool of investors led by Seventure Partners and Bpifrance. This first round of financing should enable Pitchy to accelerate its commercial development and implement new product features.

Training Orchestra

13 April 2017

Training Orchestra, a French start-up providing training management softwares in SaaS mode, raised €5.3m from a pool of investors led by CM-CIC Innovation and Turenne Capital, alongside its historical shareholder A Plus Finance. This round of financing should enable Training Orchestra to accelerate its international development, especially in the United States. Training Orchestra generated revenues of €5m in FY15.

Actility

12 April 2017

Actility, a French company developing a network solution dedicated to the Internet of Things (IoT), raised €70m from a pool of investors led by Creadev, Bosch and Inmarsat alongside its historical shareholders Idinvest, Bpifrance, Ginko Ventures, KPN, Orange Digital Ventures, Swisscom and Foxconn. This fourth round of financing should enable Actility to improve product offering, accelerate its growth in the US and make strategic acquisitions to broaden its technology portfolio. Actility generated revenues of €16m in FY16.

Fretlink

11 April 2017

Fretlink, a French start-up operating a SaaS platform that connects shippers and carriers, raised €6m from a pool of investors led by Daphni, Elaia Partners, Breega Capital and Tekton Ventures. This first round of financing should enable Fretlink to expand its team to support its product development.

HR Path

7 April 2017

HR Path, a French IT consulting services provider specialized in human resources management systems, raised €30m from a pool of investors led by Activa Capital alongside its historical shareholders Ardian and Société Générale Capital Partenaires. This round of financing should enable HR Path to fuel further growth internationally. HR Path generated revenues of €60m in FY16.

Sparklane

5 April 2017

Sparklane, a French SaaS solution vendor specialized in B2B commercial prospecting, raised €4m from a pool of investors led by Entrepreneur Venture alongside its historical shareholder Siparex. This new round of financing should enable Sparklane to invest in R&D as well as to strengthen its sales team.

Ledger

3 April 2017

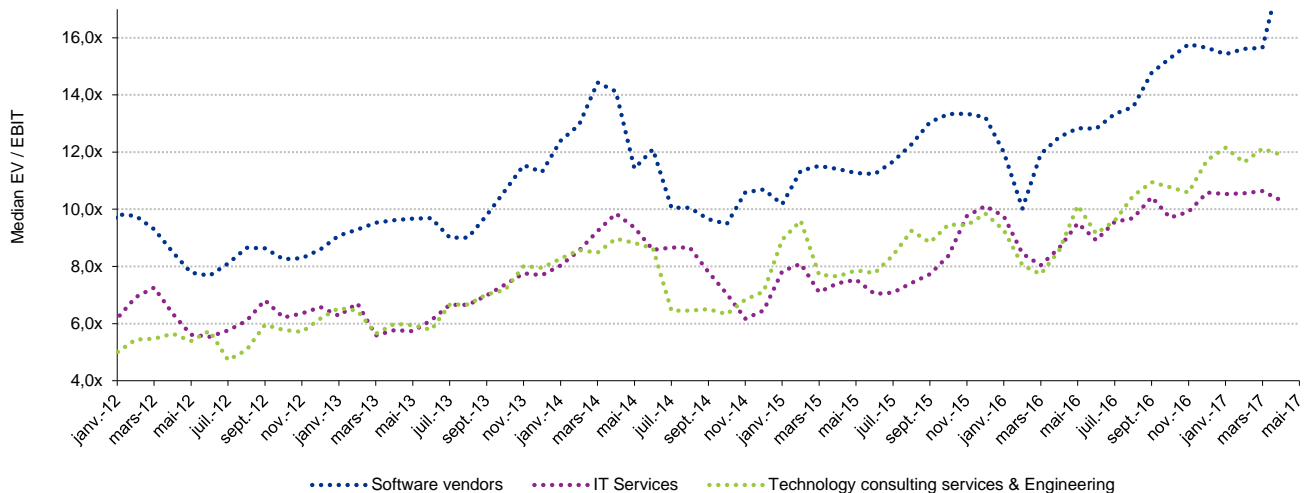
Ledger, a French start-up developing a bitcoin hardware wallet, raised €6.5m from a pool of investors led by MAIF Avenir, alongside Wicklow Capital, GDTRE, Libertus Capital, Digital Currency Group, The Whittemore Collection, Kima Ventures, BHB Network as well as its historical shareholder XAnge Private Equity and business angels. This round of financing should enable Ledger to develop its activities in the B2B segment and open new offices in America and Asia.

Market Multiples

Company	Country	Market cap. (€m)	EV (€m)	EV / Net Sales			EV / EBITDA			EV / EBIT			EBITDA %		EBIT %	
				2016a	2017e	2018e	2016a	2017e	2018e	2016a	2017e	2018e	2016a	2017e	2016a	2017e
Software vendors																
Dassault Systèmes SE	France	20 805	19 629	6,4x	5,9x	5,5x	NA	17,8x	16,1x	NA	18,7x	17,0x	27%	33%	23%	32%
Axway Software SA	France	682	678	2,3x	2,0x	1,9x	13,1x	11,4x	10,1x	16,2x	12,8x	11,2x	17%	18%	14%	16%
Cegedim SA	France	357	595	1,3x	1,3x	1,2x	NA	8,6x	7,2x	NA	18,3x	13,2x	6%	15%	6%	7%
Linedata Services S.	France	347	395	2,4x	2,0x	2,0x	9,2x	7,4x	7,1x	10,1x	9,5x	9,1x	26%	28%	23%	21%
Pharmagest Interacti	France	571	518	4,0x	3,7x	3,5x	15,8x	13,8x	13,1x	16,7x	15,2x	14,5x	25%	27%	24%	24%
Esker SA	France	247	234	3,3x	3,1x	2,7x	19,9x	13,4x	12,1x	NA	19,5x	17,4x	17%	23%	14%	16%
Sidetrade SA	France	64	57	3,2x	2,6x	2,1x	NA	18,0x	11,3x	NA	NA	15,6x	13%	14%	12%	9%
Average				3,3x	2,9x	2,7x	14,5x	12,9x	11,0x	14,3x	15,7x	14,0x	19%	22%	17%	18%
Median				3,2x	2,6x	2,1x	14,5x	13,4x	11,3x	16,2x	16,8x	14,5x	17%	23%	14%	16%

IT Services																
Cap Gemini S.A.	France	15 059	17 822	1,4x	1,4x	1,3x	11,3x	9,9x	9,3x	13,9x	11,8x	11,0x	13%	14%	10%	12%
Atos SE	France	12 669	14 239	1,2x	1,1x	1,1x	9,3x	8,5x	8,0x	13,8x	11,2x	10,7x	13%	13%	9%	10%
Sopra Steria Group	France	2 733	3 604	1,0x	0,9x	0,9x	11,2x	9,7x	9,0x	14,2x	11,8x	10,8x	9%	10%	7%	8%
GFI Informatique SA	France	498	645	0,6x	0,6x	0,6x	8,6x	7,6x	7,1x	11,4x	8,6x	7,9x	7%	7%	6%	7%
Neurones S.A.	France	606	490	1,1x	1,0x	0,9x	9,7x	9,0x	8,2x	11,5x	10,3x	9,7x	11%	11%	10%	9%
Aubay Société Anonym	France	365	375	1,1x	1,1x	1,0x	11,4x	10,7x	10,2x	11,9x	11,3x	10,7x	10%	10%	10%	10%
Groupe Open	France	216	211	0,7x	0,7x	0,6x	9,1x	8,4x	7,6x	9,8x	8,8x	7,9x	8%	8%	7%	7%
SQLi	France	148	155	0,8x	0,8x	0,7x	10,1x	8,6x	7,7x	11,1x	9,7x	8,9x	8%	9%	7%	8%
Devoteam S.A.	France	487	441	0,8x	0,8x	0,7x	9,1x	7,9x	7,1x	9,7x	8,5x	7,6x	9%	10%	8%	9%
Average				1,0x	0,9x	0,9x	10,0x	8,9x	8,2x	11,9x	10,2x	9,5x	10%	10%	8%	9%
Median				1,0x	0,9x	0,9x	9,7x	8,6x	8,0x	11,5x	10,3x	9,7x	9%	10%	8%	9%

Technology consulting services & Engineering																
Altran Technologies	France	2 661	2 911	1,4x	1,2x	1,2x	12,6x	10,7x	9,6x	13,6x	11,9x	10,7x	11%	12%	10%	10%
Alten SA	France	2 585	2 596	1,5x	1,3x	1,3x	14,2x	12,4x	11,5x	15,1x	13,2x	12,3x	10%	11%	10%	10%
Akka Technologies	France	844	1 000	0,9x	0,8x	0,7x	10,7x	8,7x	7,7x	13,0x	10,7x	9,6x	8%	9%	7%	7%
Assystem SA	France	710	752	0,8x	0,7x	0,7x	10,2x	8,7x	8,1x	11,5x	10,0x	9,3x	8%	8%	7%	7%
SII	France	362	356	1,0x	0,8x	NA	12,3x	10,3x	NA	14,8x	12,4x	NA	8%	8%	7%	7%
Average				1,1x	1,0x	1,0x	12,0x	10,2x	9,2x	13,6x	11,6x	10,5x	9%	10%	8%	8%
Median				1,0x	0,8x	1,0x	12,3x	10,3x	8,9x	13,6x	11,9x	10,1x	8%	9%	7%	7%



Source: Capital IQ, KPMG Corporate Finance, and company filings

Notes: Market Capitalization amounts are in millions, based on closing Share Prices as of April 30th 2017 - Enterprise Value (EV) equals Market Capitalization plus Debt, Preferred Equity, and Minority Interest, minus Cash and Cash Equivalents - EBITDA equals Earnings before Interest, Taxes, Depreciation, and Amortization (which can include R&D Capex based on accounting methods)

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