



Technology

Deal Activity 06

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

Technology deals

Featured deals

Legrand 29 June 2017

Legrand, the French industrial listed group (revenues of €5bn in FY16), has acquired Milestone AV Technologies, the US manufacturer of audio-visual products (revenues of €440m). The transaction values the company at €845m (representing a multiple of around 9.0x FY16 EBITDA).

Zenly 22 June 2017

Zenly, a French start-up operating a real-time geolocation app, has been acquired by Snap, the US listed company operating the video and photo sharing app Snapchat (revenues of €383m in FY16). The transaction, which was concluded for a consideration of c. €270m, should enable Snap to develop its own geolocation tool and diversify its product offering.

Dièse Finance 13 June 2017

Dièse Finance, a French SaaS tax management solutions vendor (revenues of €2m in FY14), has been acquired by Exact, the Dutch group specialized in cloud financial management solutions for SMEs (revenues of €222m in FY16). The transaction should enable Exact to increase its market share in France.

Artefact 14 June 2017

NetBooster, the French listed marketing and communication group (revenues of €140m in FY16), has acquired Artefact, a French digital agency (revenues of €5m in FY16). The transaction, which values the company at c. €19m (representing a multiple of around 14.2x FY17 estimated EBITDA), should enable NetBooster to improve its know-how in artificial intelligence and data analytics. The operation is subject to NetBooster's shareholders approval.

KissKissBankBank 13 June 2017

KissKissBankBank, the French crowdfunding platform (revenues of €2m in FY15), has been acquired by La Banque Postale, the banking subsidiary of the French state-owned company Groupe La Poste (revenues of €5.4bn in FY16). This acquisition should enable La Banque Postale to expand its financial digital offering.

Clip Industries 12 June 2017

Clip Industries, a French manufacturing software vendor (revenues of €15m in FY16), has been acquired by Forterro, a US-based group of European management software vendors. This acquisition should enable Forterro to reinforce its presence in France.

Oxalide 1 June 2017

Oxalide, a French managed services provider (revenues of €14m in FY16), has been acquired by Claranet, the British IT company specialized in web hosting and managed services. This acquisition should enable Claranet to strengthen its position in France.

Other deals

27/06 – Ardian Croissance has acquired T2O Media

26/06 – Natixis has acquired a 50.04% stake in Dalenys

23/06 – Legrand has acquired Server Technology

07/06 – TVH Consulting has acquired Cadexpert

Fundraising

Featured deals

Shapr 27 June 2017

Shapr, a French start-up developing a mobile app dedicated to professional networking, raised €8.5m from business angels, the family office iVesta and the French investment platform Anaxago. This new round of financing should enable Shapr to expand its geographical footprint in Europe.

Snips 26 June 2015

Snips, a French Internet of Things start-up developing embedded artificial intelligence solutions for connected objects, raised €12m from a pool of investors led by Maif Avenir, alongside Bpifrance, Korelya Capital as well as its historical shareholder Eniac Ventures. This second round of financing should enable Snips to finance the growth of its sales team.

Kalray 22 June 2017

Kalray, the French company developing manycore microprocessors (revenues of €4m in FY16), raised €23.6m from Safran Corporate Ventures and the Singaporean PE fund Pengpai alongside its historical shareholders. This new round of financing should enable Kalray to invest in product development as well as expand its team.

Rythm 16 June 2017

Rythm, a French digital healthcare start-up manufacturing connected devices aimed at improving sleep quality, raised €10m from Maif Avenir and its historical business angels Xavier Niel and Laurent Alexandre. This new round of financing should enable Rythm to invest in R&D.

Blade 15 June 2017

Blade, a French start-up developing a cloud-based computer, raised €51m from its private historical shareholders. This third round of financing should enable Blade to meet its customers demand through increased production capacity.

Stratumn 9 June 2017

Stratumn, a French start-up providing network solutions securing processes between industrial players through blockchain technology, raised €7m from a pool of investors including Open CNP, the corporate venture arm of CNP Assurances, Otium Venture, Nasdaq and Digital Currency Group. This first round of financing should enable Stratumn to double its team and expand internationally through the opening of an office in the US.

Algolia 9 June 2017

Algolia, a French start-up developing a SaaS search engine solution for websites and mobile applications, raised €47m from a pool of investors led by the US PE fund Accel alongside SaaStr, private individuals as well as its historical shareholders Alven, Point Nine and Storm Ventures. This second round of financing should enable Algolia to fuel its geographical expansion in Europe and Asia.

Clustree 6 June 2017

Clustree, a French start-up operating an automated HR recommendation platform, raised €7m from the Swedish PE fund Creandum alongside Idinvest Partners, as well as its historical shareholder Alven. This second round of financing should enable Clustree to expand its team and fuel its international expansion, targeting the US market.

Other deals

28/06 – Kinaxia raised €3m from M Capital Partners

22/06 – Cosmo Tech raised €3m from a pool of investors led by Sofimac

08/06 – SimpliField raised €3m from Runa Capital and CapHorn Invest

07/06 – CybelAngel raised €3m from Serena Capital

06/06 – Safety Line raised €3m from Ecotechnologies, Safran Corporate Venture and ADP Invest

06/06 – Videdressing raised €5.4m from its historical shareholders

02/06 – Fundshop raised €2.2m from Groupe APICIL

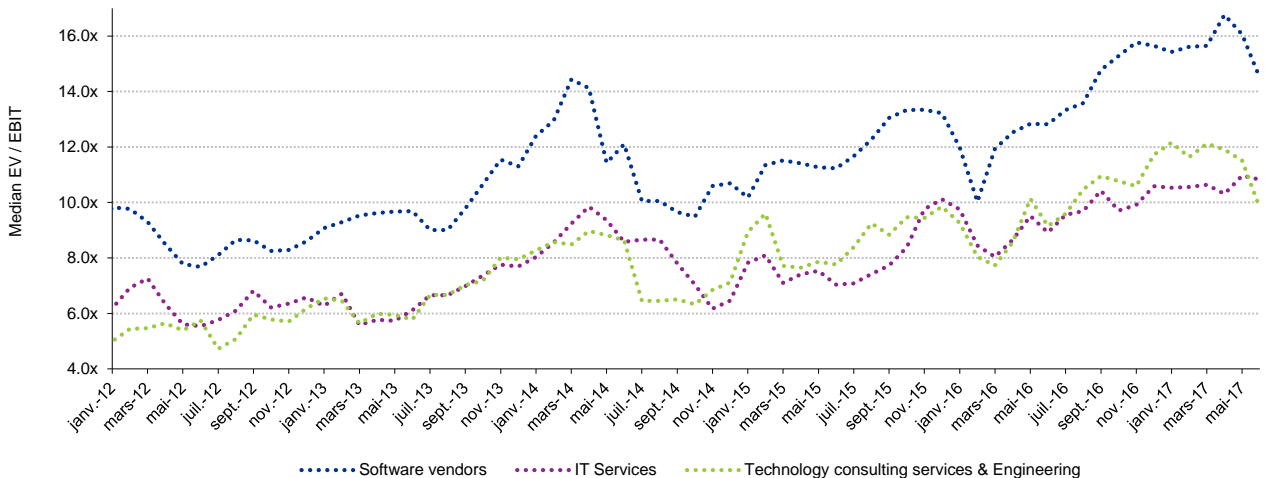
02/06 – Meero raised €4.1m from Aglaé Ventures, Rocket Internet and business angels

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	19 962	18 785	6.1x	5.6x	5.2x	NA	17.0x	15.4x	NA	17.9x	16.2x	27%	33%	23%	32%
Axway Software SA	France	645	642	2.1x	1.9x	1.8x	12.1x	10.4x	9.3x	15.4x	12.0x	10.7x	18%	19%	14%	16%
Pharmagest Interacti	France	579	525	4.1x	3.6x	3.3x	16.1x	13.2x	12.5x	16.9x	14.7x	14.1x	25%	27%	24%	24%
CeGEDIM SA	France	425	663	1.5x	1.4x	1.3x	NA	9.5x	8.0x	NA	19.5x	14.5x	6%	15%	6%	7%
Linedata Services S.	France	379	427	2.6x	2.2x	2.2x	9.9x	8.0x	7.7x	10.9x	10.3x	9.9x	26%	27%	23%	21%
Esker SA	France	276	262	3.7x	3.4x	3.1x	NA	15.1x	13.7x	NA	NA	19.6x	17%	23%	14%	16%
Sidetrade SA	France	78	71	3.9x	3.2x	2.6x	NA	NA	15.2x	NA	NA	19.5x	13%	13%	12%	9%
Average				3.4x	3.1x	2.8x	12.7x	12.2x	11.7x	14.4x	14.9x	14.9x	19%	22%	17%	18%
Median				3.7x	3.2x	2.6x	12.1x	11.8x	12.5x	15.4x	14.7x	14.5x	18%	23%	14%	16%

IT Services																
Cap Gemini S.A.	France	14 826	17 589	1.4x	1.4x	1.3x	11.1x	9.8x	9.3x	13.7x	11.7x	10.8x	13%	14%	10%	12%
Atos SE	France	12 926	14 497	1.2x	1.1x	1.1x	9.5x	8.8x	8.3x	14.0x	11.8x	11.0x	13%	13%	9%	10%
Sopra Steria Group	France	2 805	3 676	1.0x	1.0x	0.9x	11.4x	10.0x	9.2x	14.5x	12.0x	11.0x	9%	10%	7%	8%
Neurones S.A.	France	653	537	1.2x	1.1x	1.0x	10.6x	10.7x	9.9x	12.6x	12.2x	11.3x	11%	10%	10%	9%
GFI Informatique SA	France	521	668	0.7x	0.6x	0.6x	8.9x	7.9x	7.3x	11.9x	8.9x	8.1x	7%	7%	6%	7%
Devotem S.A.	France	548	503	0.9x	0.8x	0.8x	10.4x	8.7x	7.9x	11.1x	9.3x	8.4x	9%	10%	8%	9%
Aubay Société Anonym	France	369	379	1.2x	1.1x	1.0x	11.5x	10.8x	10.3x	12.0x	11.4x	10.8x	10%	10%	10%	10%
Groupe Open	France	228	222	0.7x	0.7x	0.7x	9.6x	8.8x	8.0x	10.4x	9.3x	8.4x	8%	8%	7%	7%
SQLi	France	166	173	0.9x	0.8x	0.8x	11.3x	9.1x	8.0x	12.4x	10.2x	9.0x	8%	9%	7%	8%
Average				1.0x	1.0x	0.9x	10.5x	9.4x	8.7x	12.5x	10.8x	9.9x	10%	10%	8%	9%
Median				1.0x	1.0x	0.9x	10.6x	9.1x	8.3x	12.4x	11.4x	10.8x	9%	10%	8%	9%

Technology consulting services & Engineering																
Altran Technologies	France	2 464	2 715	1.3x	1.2x	1.1x	11.7x	9.9x	9.0x	12.6x	11.1x	10.0x	11%	12%	10%	10%
Alten SA	France	2 402	2 413	1.4x	1.3x	1.2x	13.2x	11.6x	10.7x	14.1x	12.4x	11.4x	10%	11%	10%	10%
Akka Technologies	France	890	1 047	0.9x	0.8x	0.8x	11.2x	9.1x	8.0x	13.6x	11.0x	9.6x	8%	9%	7%	7%
Assystem SA	France	656	698	0.7x	0.7x	0.6x	9.5x	8.1x	7.4x	10.7x	9.0x	8.3x	8%	8%	7%	7%
SII	France	427	421	1.2x	1.0x	NA	14.5x	12.2x	NA	17.5x	14.7x	NA	8%	8%	7%	7%
Average				1.1x	1.0x	0.9x	12.0x	10.2x	8.8x	13.7x	11.6x	9.8x	9%	10%	8%	8%
Median				1.2x	1.0x	0.9x	11.7x	9.9x	8.5x	13.6x	11.1x	9.8x	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 June 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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KPMG Corporate Finance is a unique global team with 2 900 corporate finance professionals in 84 countries and advised on 406 deals in 2016 (source Thomson Reuters SDC).

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