



Technology

Deal Activity Q3 2018

This newsletter highlights M&A and equity fundraising transactions announced in Q3 2018 in the Technology sector in France

Technology deals

Featured deals

Objectware 3 July 2018

Objectware, a French IT service provider specialized in digital transformation (revenues of €42.5m in 2017), has been acquired by its cofounder D. Pinto and BNP Paribas Développement from its second cofounder J. Ruimy. This transaction should enable the company to accelerate its development in France and abroad, as well as to support potential external growth projects.

Doctissimo.fr 12 July 2018

Doctissimo.fr, the French website dedicated to health and well-being information (c. 12m unique visitors in 2017), has been acquired by TF1, the French media group (revenues of €2.1bn in 2017). This acquisition, which values the company at c. €15m, should enable TF1 to strengthen its digital activities, as well as to diversify its audience with a predominant female community and to develop the group's well-being division.

MonDocteur 12 July 2018

MonDocteur, the French online booking platform for medical consultations, has been acquired by its competitor Doctolib (revenues of c. €40m in 2017e). This transaction, which would value the company at c. €45m, should enable the new group to consolidate its position in Europe and to accelerate its growth strategy.

DL Santé 12 July 2018

DL Santé, the DL Software healthcare subsidiary dedicated to private medical biology laboratories (net sales of €9.8m in 2017) has been acquired by Medasys, a French listed software vendor specialized in patient record, care and technical platforms for public and private health facilities (revenues of €23m in 2017). This transaction, which values DL Santé at €8m (representing a multiple of c. 0.8x its 2017 net sales), should enable Medasys to expand in order to become the French leader in the area.

Devoteam 12 July 2018

Devoteam, the French listed provider of technology services (revenues of €540m in 2017), has acquired Alegri (revenues of c. €40m in 2018e), a German IT consulting company in digital transformation specialized in Microsoft and SAP solutions. This transaction should enable Devoteam to strengthen its digital workplace offering and to expand in the strategic DACH area.

PeopleDoc 17 July 2018

PeopleDoc, the French start-up providing cloud-based HR and payroll service delivery solutions (revenues of c. €30m in 2018e), has been acquired by Ultimate Software, a US listed provider of HR management solutions (revenues of €783m in 2017). This transaction, which values PeopleDoc at c. €260m (representing a multiple of c. 8.7x its 2018e revenues), should enable Ultimate Software to provide a more comprehensive offering to its customers by bundling PeopleDoc solutions, as well as to further expand internationally, in particular in Europe.

Atos 22 July 2018

Atos, the French listed IT service provider (revenues of €12.7bn in 2017), has acquired Syntel, a US listed company providing integrated IT and knowledge process services (revenues of \$924m and EBITDA of \$248m in 2017). The transaction, which values Syntel at \$3.6bn (representing a multiple of 3.7x its LTM revenues as of June 2018 and 13.6x its LTM EBITDA), should enable the combined group to benefit from significant cross-selling opportunities through complementary customer bases, as well as to improve the operational efficiency by leveraging Syntel's offshoring, automation and robotisation model.

SmartMeUp 1 August 2018

SmartMeUp, a French company providing embedded computer vision technologies and software solutions for autonomous driving, smart cities and safety technology applications, has been acquired by Magneti Marelli, the Italian group specialized in the design and production of technology systems and components for the automotive industry (revenues of €8.7bn in 2017) and current subsidiary of Fiat Chrysler Automobile. This transaction should enable Magneti Marelli to reinforce its autonomous driving activities, in particular regarding sensing and perception features.

Devoteam 23 August 2018

Devoteam, the French listed provider of technology services (revenues of €540m in 2017), has acquired a 58% stake in Bold International, a Portuguese company specialized in IT consulting services and technological solutions (revenues of €20m in 2017). This acquisition, which is in line with Devoteam's external growth strategy, should enable the group to support international customers in Portugal.

Mention 31 August 2018

Mention, a French software vendor providing real-time social media and online content brand monitoring (revenues of c. €6m in 2017), has been acquired by Mynewsdesk, a Swedish provider of online newsroom and public relations platform. This transaction, which would value Mention at c. 3x its 2017 revenues, should enable Mynewsdesk to reinforce its global position and to create a global player in real-time web and social listening for SMEs.

Teranga 3 September 2018

Extens, a private equity firm focusing on the technology and healthcare sectors, and Bpifrance, the French state investment arm, have acquired a minority stake in Teranga, a French software vendor of management solutions for nursing homes (revenues of c. €9m and EBITDA of c. €3m in 2017). This transaction should enable Teranga to accelerate its national and international expansion.

Loop Software 6 September 2018

Loop Software, a French cloud accounting software (revenues of €4.3m in 2017), has been acquired by Cegid, the French vendor of accounting and management software solutions (revenues of €332m in 2017). This acquisition should enable Cegid to strengthen its expertise in the accounting sector and to accelerate the development of Loop solution through technological and human investment. **KPMG Corporate Finance advised the shareholders of Loop Software on this transaction.**

Akanea 13 September 2018

Akanea, a French software vendor of management solutions for companies in the supply chain and agri-food industries (revenues of c. €20m in 2017), has been acquired by Groupe ISAGRI, the French software vendor of agricultural and accounting solutions, from the French private equity firm Initiative & Finance and company management. This acquisition should enable ISAGRI to strengthen its ERP activities and to benefit from synergies by offering new solutions to its clients. **KPMG Corporate Finance advised the shareholders of Akanea on this transaction.**

Siltéa 18 September 2018

Siltéa, a French management consulting firm specialized in transformation for the banking and insurance market (revenues of c. €13.5m and EBITDA of c. €1m in 2017) has been acquired by Talan, the French IT service provider (revenues of €185m in 2017). This acquisition, which follows the €100m debt raised in July 2018, should enable the group to strengthen its position in the financial sector.

Weave

21 September 2018

Weave, a French consulting firm specialized in operational strategy (revenues of c. €50m in 2017), has been acquired by Onepoint, the French IT service provider specialized in digital transformation (revenues of c. €200m in 2017). The transaction, which values Weave at c. €120m (representing a multiple of c. 1.7x its 2018e revenues), should enable Onepoint to complement its business and organization transformation offering by combining technology services with consulting services.

Devoteam

25 September 2018

Devoteam, the French listed provider of technology services (revenues of €540m in 2017), has acquired a 75% stake in Jayway, a Swedish company specialized in creative digital design, UX and agile development (revenue of €19m in 2017). This acquisition should enable Devoteam to reinforce its creative technology team and to provide key accounts with innovative solutions for their digital transformation projects.

 **Fundraising****Featured deals****Dolead**

3 July 2018

Dolead, a French start-up developing a digital marketing solution based on algorithms and machine learning to optimize online marketing campaigns, raised \$15m from Ring Capital and historical shareholder XAnge. This new round of financing should enable Dolead to accelerate its R&D and to expand geographically in Europe and in the US.

Izicap

4 July 2018

Izicap, a French company providing acquirers a solution to use payment cards as loyalty cards for local merchants, raised €6m from Seventure Partners and Entrepreneur Venture. This new round of financing should enable Izicap to further expand in Europe and to recruit a hundred of new employees in the next 18 months.

Meero

12 July 2018

Meero, a French on-demand photography and video production start-up based on AI image processing, raised \$ 45m from Alven Capital, Idinvest, Aglaé Ventures, Global Founders Capital and White Star Capital. This new round of financing should enable Meero to open a new computer vision center in France and new offices in the US and in Asia.

Deezer

2 August 2018

Deezer, the French company providing a music streaming platform (revenues of €300+m in 2017), raised €160m from Saudi Arabian business tycoon Prince Alwaleed Bin Talal through Kingdom Holding Company and Rotana, and historical shareholders Access Industries, Orange and LBO France. This new round of financing, which values the company at c. €1bn, along with its embedded distribution agreement with Rotana, should enable Deezer to accelerate the development of music streaming in the MENA markets.

Planity

5 September 2018

Planity, a French start-up providing beauty professionals with a platform aimed at facilitating online client bookings, raised €6m from historical shareholder Alven Capital, Bpifrance and AltoInvest. This second round of financing should enable Planity to expand to new cities in France, as well as to recruit additional sales force and to increase its brand awareness.

Evaneos

7 September 2018

Evaneos, a French online marketplace connecting travellers with local travel agents for tailor-made tours, raised €70m from Partech, Level Equity, Quadrille Capital and historical investors XAnge, Serena Capital and Bpifrance. This fourth round of financing should enable Evaneos to accelerate its growth and to expand in the US.

Cosmo Tech

11 September 2018

Cosmo Tech, a French start-up providing decision management solutions based on Augmented Intelligence specialised for the utilities industry, raised \$21m from Inven Capital, C. Entrepreneurs, Cemag Invest and historical shareholders. This new round of financing should enable Cosmo Tech to reinforce its teams, to accelerate its go-to-market for its software solutions, as well as to accelerate its international growth, in particular in Europe.

Qonto

24 September 2018

Qonto, a French neobank providing online banking services to small businesses and freelancers, raised €20m from historical shareholders Valar Ventures and Alven Capital, as well as from the European Investment Bank. This new round of financing should enable the company to launch new banking products, to invest in a new core payment system, as well as to recruit a hundred of employees and to expand in Europe, with a focus on Germany, Italy and Spain.

Jabmo

17 September 2018

Jabmo, a French vendor of industrial account-based marketing software solutions enabling clients to capture online buying behaviours and to adapt advertising strategies by target accounts, raised €10m from investors including Raise Ventures and Idinvest Partners. This new round of financing should enable Jabmo to accelerate its international expansion.

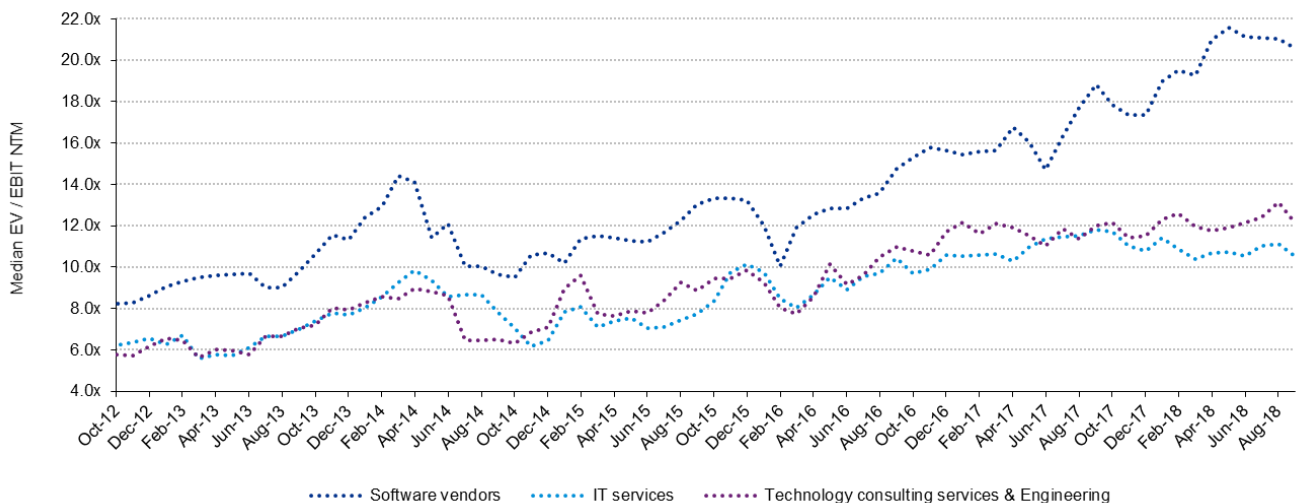
Kayrros

18 September 2018

Kayrros, a French advanced data analytics firm providing oil market intelligence based on real-time data collection, raised €21m from Cathay Innovation, Korelya Capital, Index Ventures, AtlasInvest and Primat Family Office. This second round of financing should enable the company to improve the quality of collected data, to strengthen its coverage of the global crude oil value chain, as well as to expand to new energy market segments such as oil-derived products, natural gas and electricity production.

Market Multiples

Company	Country	Market cap. (€m)	EV (€m)	EV / Net Sales			EV / EBITDA			EV / EBIT			EBITDA %		EBIT %	
				2017	2018e	2019e	2017	2018e	2019e	2017	2018e	2019e	2017	2018e	2017	2018e
Software vendors																
Dassault Systèmes	France	32,916	31,074	9.6x	9.0x	8.2x	35.0x	27.1x	24.0x	40.9x	28.8x	25.4x	27%	33%	24%	31%
Pharmagest Interactive	France	881	860	5.9x	5.8x	5.3x	23.6x	20.0x	17.0x	24.9x	22.5x	19.0x	25%	29%	24%	26%
Axway Software	France	349	362	1.2x	1.2x	1.2x	8.3x	11.0x	11.2x	11.8x	12.1x	12.8x	15%	11%	10%	10%
Cegedim	France	384	557	1.2x	1.2x	1.1x	11.3x	6.9x	6.4x	15.9x	15.6x	12.5x	11%	17%	8%	8%
Linedata Services	France	265	338	1.9x	2.0x	1.9x	9.7x	8.0x	7.9x	11.2x	11.8x	11.7x	19%	24%	17%	17%
Esker	France	348	340	4.5x	3.9x	3.5x	20.3x	17.3x	15.8x	31.2x	26.4x	23.6x	22%	23%	14%	15%
Sidetrade	France	83	79	3.6x	3.2x	2.7x	28.4x	25.9x	17.6x	39.0x	35.8x	22.5x	13%	12%	9%	9%
Average				4.0x	3.8x	3.4x	19.5x	16.6x	14.3x	25.0x	21.8x	18.2x	19%	21%	15%	17%
Median				3.6x	3.2x	2.7x	20.3x	17.3x	15.8x	24.9x	22.5x	19.0x	19%	23%	14%	15%
IT services																
Capgemini	France	18,034	21,443	1.7x	1.6x	1.5x	13.2x	11.7x	11.0x	16.3x	13.7x	12.5x	13%	14%	10%	12%
Atos	France	10,952	12,638	1.0x	1.0x	1.0x	7.9x	7.3x	6.6x	12.2x	9.7x	8.8x	13%	14%	8%	11%
Sopra Steria Group	France	2,792	3,628	0.9x	0.9x	0.8x	10.7x	9.2x	8.4x	13.5x	11.4x	9.8x	9%	10%	7%	8%
Neurones	France	551	432	0.9x	0.9x	0.8x	8.2x	8.0x	7.5x	9.8x	9.9x	9.1x	11%	11%	9%	9%
Devoteam	France	884	867	1.6x	1.3x	1.2x	15.7x	11.4x	9.3x	16.8x	12.0x	10.3x	10%	12%	10%	11%
GFI Informatique	France	695	1,092	1.0x	0.8x	0.8x	13.0x	12.3x	10.5x	17.1x	14.8x	12.1x	7%	7%	6%	6%
Aubay	France	519	536	1.5x	1.3x	1.3x	14.5x	12.7x	11.6x	15.2x	13.2x	12.1x	10%	11%	10%	10%
Groupe Open	France	210	212	0.7x	0.6x	0.6x	9.0x	7.2x	6.7x	9.9x	7.7x	7.2x	8%	9%	7%	8%
SQLi	France	110	139	0.7x	0.6x	0.6x	10.7x	6.7x	5.9x	12.8x	9.0x	7.2x	6%	9%	5%	7%
Average				1.1x	1.0x	1.0x	11.4x	9.6x	8.6x	13.7x	11.3x	9.9x	10%	11%	8%	9%
Median				1.0x	0.9x	0.8x	10.7x	9.2x	8.4x	13.5x	11.4x	9.8x	10%	11%	8%	9%
Technology consulting services & Engineering																
Altran Technologies	France	1,896	3,681	1.6x	1.3x	1.2x	14.1x	9.2x	7.8x	15.3x	10.7x	9.0x	11%	14%	11%	12%
Alten	France	2,956	3,010	1.5x	1.4x	1.3x	15.4x	13.0x	12.0x	16.5x	13.8x	12.9x	10%	10%	9%	10%
Akka Technologies	France	1,227	1,486	1.1x	1.0x	0.9x	13.2x	11.0x	9.0x	16.0x	13.1x	10.9x	8%	9%	7%	8%
Assystem	France	437	521	1.3x	1.2x	1.1x	19.1x	17.4x	14.9x	20.7x	20.2x	17.0x	7%	7%	6%	6%
SII	France	512	515	1.2x	0.8x	0.8x	13.8x	9.5x	8.1x	15.8x	11.1x	9.5x	9%	9%	8%	8%
Average				1.4x	1.1x	1.0x	15.1x	12.0x	10.4x	16.8x	13.8x	11.9x	9%	10%	8%	9%
Median				1.3x	1.2x	1.1x	14.1x	11.0x	9.0x	16.0x	13.1x	10.9x	9%	9%	8%	8%



Source: Capital IQ, KPMG Corporate Finance and company filings

Notes: Market Capitalization amounts are in millions, based on closing Share Prices as of September 30th 2018 - 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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- Valuation services
- Infrastructure & Project financing
- Debt Advisory

KPMG Corporate Finance is a unique global team with 2,900 corporate finance professionals in 84 countries and advised on 402 deals in 2017 (source Thomson Reuters SDC).

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