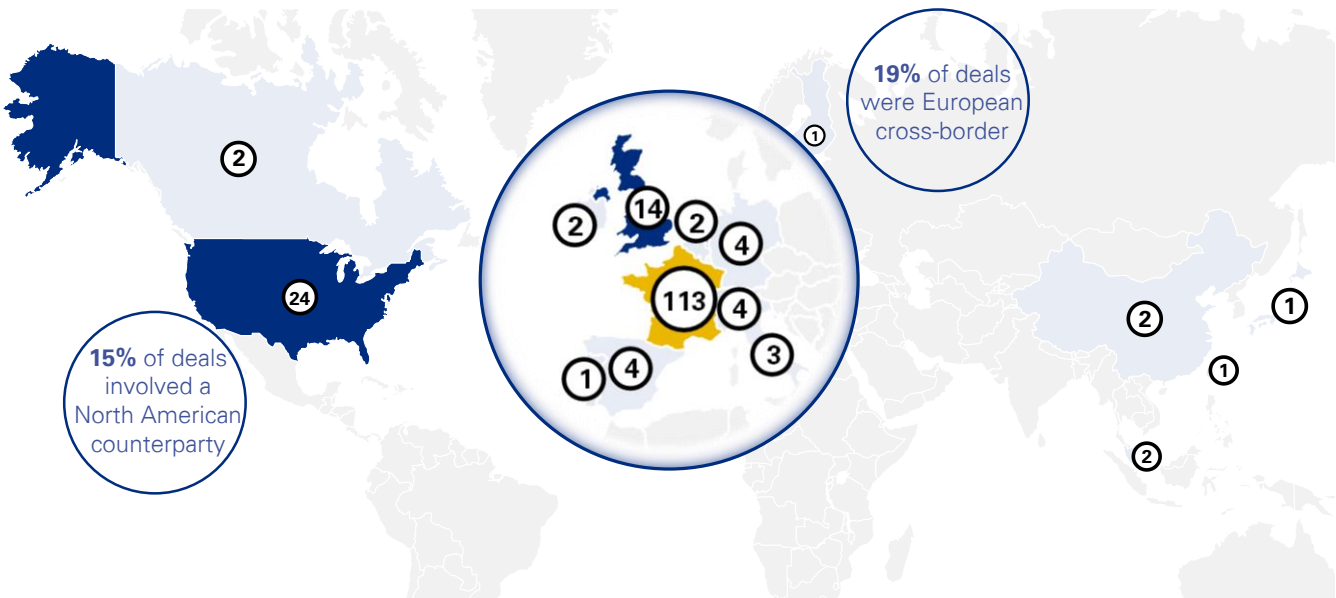
Technology

Deal Activity 12

This monthly letter highlights M&A transactions and equity fund raisings announced in December 2016 in the Technology Sector in France

France is clearly a major global tech creation & innovation platform, confirmed by the growing number of M&A deals and venture capital fund raisings in 2016.

We wish all our readers a happy and successful year 2017



Technology deals

Featured operations

Arismore
21 December 2016

Accenture, the listed Ireland based technology consulting company (revenues of c.€30bn in FY16) has entered into exclusive negotiations to acquire Arismore, a French IT services provider specialized in cybersecurity with revenues of €40m in FY16. The transaction should enable Accenture Security division to reinforce its presence in Europe and strengthen its offering on the Identity and Access Management segment.

Webhelp
21 December 2016

Webhelp, the French company specialized in call center operation and customer relationship outsourcing, has acquired MyStudioFactory, a French IT services provider specializing in digital transformation and addressing the finance and media sectors. The acquisition of MyStudioFactory is in line with Webhelp's strategy to enrich its digital offering. Webhelp is expected to generate revenues of €850m in FY16.

Sogelink
16 December 2016

Sogelink, a French software vendor dedicated to the construction industry, structured a tertiary leveraged buy-out backed by the French PE fund Naxicap Parners. The acquisition of Sogelink, which generates revenues of €32m, should allow the company to bolster its growth strategy through international development and build-up operations.

Umanis
14 December 2016

Umanis, the French listed engineering company (revenues of €150m in FY15) , has acquired Cella Informatique, a French IT services provider addressing the banking and insurance sectors. The acquisition of Cella Informatique should enable Umanis to strengthen its digital and Business Intelligence expertise. Cella generated revenues of €34m in FY15.

Sidetrade
13 December 2016

Sidetrade, a French SaaS solutions vendor specialized in predictive sales-to-cash solutions, has acquired Iko System, a French BtoB solutions vendor developing an automated commercial prospection tool based on machine learning. The transaction should enable Sidetrade to reinforce its predictive analysis offering. Sidetrade generated revenues of €16m in FY15.

Gemalto
12 December 2016

Gemalto, the French listed IT company specialized in digital security and identity authentication solutions (revenues of c.€3bn in FY15), has entered into an agreement with 3M, the US listed conglomerate (revenues of c.€28bn in FY15), to acquire its Identity Management Business generating annual revenues of c.€200m. The transaction which should be concluded for a consideration of c.€800m, should enable Gemalto to complement its current offering on Government Programs by leveraging the target's biometric technology. The transaction is subject to customary regulatory approvals and is expected to close in H1 2017.

Daveo
08 December 2016

Daveo, a French IT services provider specialized in digital transformation and addressing exclusively large corporate accounts in sectors such as services, industry, finance and media, structured a management buy-out backed by the French PE fund Isatis Capital. The transaction should enable Daveo, which generated revenues of €19m in FY16, to accelerate its growth strategy in France through the opening of new agencies.

GFI Informatique
01 December 2016

GFI Informatique, the French listed IT services provider, has acquired Metaware, a French solutions vendor specialized in mainframe migrations. The transaction should enable GFI Informatique to complement its current offering with capabilities in IT migration. GFI Informatique generated revenues of €894m in FY15.

Other operations

30/12 – Deal Informatique has acquired Planilog.

28/12 – Aneo has acquired Nexteem.

27/12 – MaCarteCadeau.com has been acquired by Ifeelgoods.

12/12 – Fruitrouge.com has been acquired by Infiniepassion.com.

09/12 – Dassault Systèmes has acquired Next Limit Dynamics.

08/12 – Infinit has been acquired by Docker.

07/12 – HLD Europe took a 66% stake in Goto Games.

07/12 – CapVisio has acquired Nexes Visio.

06/12 – Mensquare has been acquired by Le Figaro.

06/12 – Mensquare has been acquired by Le Figaro.

02/12 – InnovOrder has acquired La Caisse Tactile.

02/12 – Triber has been acquired by NRJ.

01/12 – MinuteBuzz has been acquired by TF1.

Fundraising

Featured operations

Trusk
19 December 2016

Trusk, a French start-up specialized in transport of oversized items through a platform that connects drivers and customers, has raised €2m from the German PE fund Global Founders Capital alongside TheFamily. This first round of funding should enable the company to expand its team as well as to launch its services in London.

Hopwork
16 December 2016

Hopwork, a French start-up operating a platform that enables companies and freelancers to meet and work with each other, raised €5m from the French PE fund Serena Capital, as well as its historical shareholder Isai. This new round of financing should enable Hopwork to expand its team and deploy its platform in Europe.

Drouot
16 December 2016

Drouot, the French auction house, has raised €2m from the French PE fund NextStage AM. This round of financing should enable Drouot to develop Drouot Digital, its new digital platform dedicated to online art sales, and leverage synergies with Expertissim, the Nextstage's investment specialized in online art sales.

EcoVadis
14 December 2016

EcoVadis, a French company operating a CSR supplier rating platform in a SaaS mode, raised €30m from the US PE fund Partech Ventures. This first round of financing should enable the company to invest in R&D and pursue its geographical expansion through organic growth in Europe and the US.

Adeunis
12 December 2016

Adeunis, a French company developing ready-to-use connected objects and wireless solutions dedicated to Internet-of-Things and Machine-to-Machine markets, raised €5.2m from its historical shareholders, the French PE funds A Plus Finance and Capital Export. This round of funding should enable Adeunis to adapt its offering to connected objects networks.

Octipas
9 December 2016

Octipas, a French SaaS start-up providing digitalization solutions for sales points, has raised €2m from the French PE fund Soridec alongside the UK PE fund The Bulb LLC and Zenobi LLC. This new round of financing should enable Octipas to pursue its strategic repositioning in digital solutions.

Exotec solutions
01 December 2016

Exotec Solutions, a French start-up developing an order preparation solution dedicated to e-commerce retailers and powered by collaborative mobile robots, has raised €3.3m from the French PE funds 360 Capital Partners and Breega Capital alongside its historical shareholders and private individuals. This first round of funding should enable Exotec Solutions to hire new sales representatives.

Other operations

29/12 – Inéolab raised €2m from a business angel.

20/12 – Eeworx raised €1.5m from Tertium Investissements and private individuals.

16/12 – Yelloan raised €1.75m from Seventure Partners.

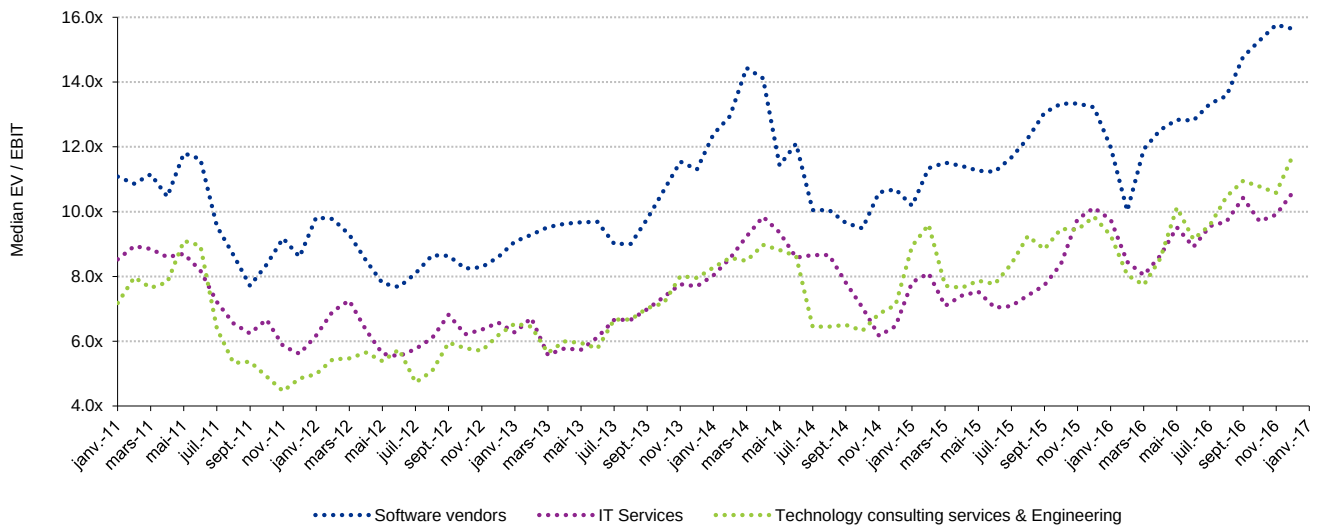
13/12 – Keen Eye raised €1.5m rom Seventure Partners.

02/12 – BiBoard raised €1.5m from Sigma Gestion, Kreaxi, Alpes Capital Innovation and Entrepreneur Factory.

01/12 – Click&Boat raised €1m from Olma Fund.

Market Multiples

Company	Country	Market cap. (€m)	EV (€m)	EV / Net Sales			EV / EBITDA			EV / EBIT			EBITDA %		EBIT %	
				2015A	2016E	2017E	2015A	2016E	2017E	2015A	2016E	2017E	2015A	2016E	2015A	2016E
Software vendors																
Dassault Systèmes	France	18 356	16 911	6.0x	5.6x	5.1x	21.9x	15.7x	14.1x	26.2x	18.0x	16.1x	27%	36%	23%	31%
Axway Software	France	637	614	2.2x	2.0x	1.9x	13.0x	12.1x	10.7x	16.3x	13.0x	11.3x	17%	16%	13%	15%
Cegedim	France	366	544	1.3x	1.2x	1.2x	n/a	n/a	n/a	n/a	n/a	n/a	11%	12%	9%	4%
Cegid Group	France	558	642	2.3x	NA	NA	57.4x	NA	NA	18.3x	NA	NA	4%	NA	12%	NA
Pharmagest Interactive	France	523	472	4.2x	3.6x	3.3x	16.7x	14.9x	13.6x	17.4x	15.6x	14.3x	25%	24%	24%	23%
Linedata Services	France	338	363	2.1x	2.1x	2.1x	8.9x	7.8x	7.7x	9.4x	9.3x	9.2x	24%	27%	22%	23%
Esker	France	229	221	3.5x	3.3x	2.9x	31.8x	17.9x	15.1x	28.9x	22.7x	19.1x	11%	18%	12%	15%
Sidetrade	France	57	50	3.1x	2.7x	2.2x	23.9x	n/a	n/a	26.4x	n/a	n/a	13%	14%	12%	10%
Average				**3.1x**	**2.9x**	**2.7x**	**24.8x**	**13.7x**	**12.3x**	**20.4x**	**15.7x**	**14.0x**	**16%**	**21%**	**16%**	**17%**
Median				**2.7x**	**2.7x**	**2.2x**	**21.9x**	**14.9x**	**13.6x**	**18.3x**	**15.6x**	**14.3x**	**15%**	**18%**	**13%**	**15%**
IT Services																
Cap Gemini	France	13 403	16 392	1.4x	1.3x	1.3x	11.6x	9.7x	9.2x	14.2x	11.4x	10.7x	12%	13%	10%	11%
Atos	France	10 308	11 024	1.0x	0.9x	0.9x	8.3x	7.6x	7.0x	12.9x	10.2x	9.7x	12%	12%	8%	9%
Sopra Steria Group	France	2 143	2 892	0.8x	0.8x	0.8x	10.4x	8.6x	7.9x	13.6x	10.7x	9.5x	8%	9%	6%	7%
GFI Informatique	France	542	621	0.7x	0.6x	0.5x	9.3x	8.0x	7.1x	11.4x	9.3x	8.0x	8%	8%	6%	7%
Neurones	France	542	426	1.1x	1.0x	0.9x	10.0x	9.2x	8.3x	11.4x	10.5x	9.5x	11%	10%	9%	9%
Aubay	France	344	344	1.3x	1.1x	1.0x	12.7x	10.6x	9.9x	13.2x	11.2x	10.5x	10%	10%	10%	9%
Groupe Open	France	192	180	0.6x	0.6x	0.6x	9.5x	7.3x	6.7x	10.4x	7.8x	7.1x	7%	8%	6%	8%
SQLi	France	154	155	0.9x	0.8x	0.8x	12.9x	9.6x	8.2x	14.3x	10.9x	9.4x	7%	8%	6%	7%
Average				**1.0x**	**0.9x**	**0.8x**	**10.6x**	**8.8x**	**8.0x**	**12.7x**	**10.2x**	**9.3x**	**9%**	**10%**	**8%**	**8%**
Median				**0.9x**	**0.9x**	**0.8x**	**10.2x**	**8.9x**	**8.0x**	**13.1x**	**10.6x**	**9.5x**	**9%**	**10%**	**7%**	**8%**
Technology consulting services & Engineering																
Altran	France	2 405	2 575	1.3x	1.2x	1.1x	13.0x	10.9x	9.6x	14.2x	12.5x	10.9x	10%	11%	9%	10%
Alten	France	2 216	2 211	1.4x	1.3x	1.2x	13.6x	11.8x	10.8x	14.6x	12.5x	11.6x	11%	11%	10%	10%
Akka Technologies	France	681	814	0.8x	0.7x	0.7x	10.6x	8.7x	7.4x	13.4x	11.0x	9.1x	8%	8%	6%	7%
Assystem	France	560	385	0.4x	0.4x	0.4x	6.1x	5.3x	5.0x	6.8x	6.3x	5.8x	7%	8%	6%	6%
Ausy	France	301	400	1.0x	0.9x	0.8x	13.0x	9.3x	8.5x	14.4x	9.8x	9.0x	8%	9%	7%	9%
SII	France	366	351	1.1x	1.0x	n/a	14.2x	12.1x	n/a	17.5x	14.6x	n/a	8%	8%	6%	7%
Average				**1.0x**	**0.9x**	**0.8x**	**11.8x**	**9.7x**	**8.3x**	**13.5x**	**11.1x**	**9.3x**	**8%**	**9%**	**7%**	**8%**
Median				**1.1x**	**0.9x**	**0.8x**	**13.0x**	**10.1x**	**8.5x**	**14.3x**	**11.7x**	**9.1x**	**8%**	**9%**	**7%**	**8%**



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

Notes: Market Capitalization amounts are in millions, based on closing Share Prices as of December 31st 2016 - 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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