

17th February 2016

TMT

**SAP**

Price EUR67.16

**Acquisition of the Roambi mobile analytics and reporting assets**

Fair Value EUR74 (+10%)

**NEUTRAL**

Bloomberg	SAP GR
Reuters	SAPG.DE
12-month High / Low (EUR)	74.9 / 55.9
Market Cap (EURm)	82,506
Avg. 6m daily volume (000)	3 315

#### ANALYSIS

- **Yesterday evening SAP announced the acquisition of Roambi assets, for an undisclosed sum.** Launched in 2009 inside the California-based mobile software vendor MeLLmo, Roambi develops and sells mobile analytics and reporting solutions. The rationale behind the deal is to use Roambi as a front end for SAP's Analytics Cloud and leverage enterprise raw data crunched on the HANA platform and deliver it in a 'consumable' fashion (real time interactive graphics) to mobile devices. Roambi developed specific apps for Pharma, Sales and Retail.
- **No material impact to our forecasts.** We estimate Roambi has c. 150 staff and generates less than USD15-20m revenues. This is the kind of 'tuck-in' acquisition SAP is likely to make in the next 18 months in our view, before its net cash position returns to breakeven (BG est.: end 2017). SAP, which launched the Lumira visual BI application in 2012, will combine the latter with Roambi to strengthen its competitiveness against Tableau Software, Qlik Technologies and Microsoft - which are considered as the leaders by Gartner in BI & Analytics platforms.

	1 M	3 M	6 M	31/12/15
Absolute perf.	-5.0%	-7.3%	6.2%	-8.5%
Softw.& Comp.				
SVS	-3.7%	-7.8%	-1.6%	-10.4%
DJ Stoxx 600	-2.9%	-13.6%	-17.1%	-12.4%

  

	2015	2016e	2017e	2018e
P/E	18.2x	17.1x	16.4x	15.3x
Div yield (%)	1.8%	1.9%	2.1%	2.2%

#### VALUATION

- SAP's shares are trading at est. 13.3x 2016 and 12.2x 2017 EV/EBIT multiples.
- Net debt on 31st December 2015 was EUR5,752m (net gearing: 25%).

#### NEXT CATALYSTS

Investor program at CeBIT in Hannover on 15th March from 12pm CET / 11am BST / 6am EDT.

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## Distribution of stock ratings

BUY ratings 72%

NEUTRAL ratings 0%

SELL ratings 28%

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