

27th April 2016

TMT

## Numericable SFR

Price EUR28.66

New CFO appointed

Fair Value EUR28,4 (-1%)

NEUTRAL

Bloomberg	NUM FP
Reuters	NUME.PA
12-month High / Low (EUR)	48.0 / 28.1
Market Cap (EURm)	12,560
Avg. 6m daily volume (000)	277.6

	1 M	3 M	6 M	31/12/15
Absolute perf.	-21.3%	-16.9%	-23.6%	-14.4%
Telecom	0.4%	-2.4%	-10.0%	-6.8%
DJ Stoxx 600	3.5%	3.1%	-8.1%	-5.2%

	2015	2016e	2017e	2018e
P/E	19.8x	20.9x	16.4x	12.2x
Div yield (%)	18.9%	NM	NM	NM

### ANALYSIS

- **Jean Raby** has been appointed **CFO of SFR Group**. Jean Raby was Chief Financial & Legal Officer of **Alcatel-Lucent** and prior to that, enjoyed a career in the Investment Banking Division of Goldman Sachs, holding functions of CEO of Investment Banking in France, Belgium and Luxembourg, and CEO of Investment Banking in Russia and the CIS.
- Following the appointment of a **new CEO**, a **new BtoC Executive Director** and a **new CIO** in January 2016, Jean Raby is joining the list of managers **replacing former Numericable executives** who were appointed after the takeover of SFR by Altice.
- As mentioned in our initiation report on NC-SFR, these changes testify to the fact that the key shareholder recognised that a **reorganisation of the company's management was necessary**, after a year of **mixed results** and a **chaotic share performance**.
- We believe this change is **positive** and should help NC-SFR improve its **economic steering**.

### VALUATION

- We stick to our FV of EUR28.4, with a Neutral recommendation.

### NEXT CATALYSTS

- Q1 results on 10th May.

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## Distribution of stock ratings

BUY ratings 72%

NEUTRAL ratings 0%

SELL ratings 28%

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