

INDEPENDENT RESEARCH
UPDATE

30 mai 2016

Services aux entreprises

Bloomberg	SGS VX
Reuters	SGS.VX
+Haut /+Bas 12 mois (CHF)	2 178 / 1 626
Capitalisation Boursière (MCHF)	16 708
Valeur d'Entreprise	17 219
Volume moyen 6 mois (000 actions)	23,40
Flottant	60,6%
TMVA BPA (3 ans)	7,9%
Gearing (12/15)	24%
Rendement (12/16e)	3,18%

Fin Décembre	12/15	12/16e	12/17e	12/18e
C. d'affaires (MCHF)	5 712	6 125	6 395	6 715
EBIT(MCHF)	916,90	983,80	1 036	1 099
BPA Publié (CHF)	71,98	85,07	92,68	98,86
BPA dilué (CHF)	82,01	89,19	96,91	103,09
EV/CA	3,01x	2,81x	2,69x	2,56x
EV/EBITDA	15,0x	13,3x	12,7x	12,0x
EV/EBIT	18,7x	17,5x	16,6x	15,6x
P/E	26,0x	23,9x	22,0x	20,7x
ROCE	20,9	21,4	21,8	22,4



SGS SA

SGS! Qualité GARANTIE

Fair Value 2400CHF (cours 2 136CHF)

ACHAT

Le net re-rating, notamment dans la foulée des résultats annuels mi-janvier, a confirmé la flexibilité du groupe en matière de coûts dans un environnement manquant de visibilité (titre en hausse de 9% ytd en absolu, soit une surperformance de 17,5% du DJ Stoxx en Euros). Bien que les secteurs historiquement porteurs de croissance (pétrole/gaz, mines et minéraux, industrie) n'affichent pas actuellement des résultats satisfaisants, il semblerait, suite à nos échanges avec l'entreprise, que l'activité se porte néanmoins sensiblement mieux que chez Bureau Veritas dans les différents segments. Compte tenu de cette situation, la croissance du CA à données comparables au premier semestre devrait être en ligne avec les prévisions de la direction pour l'exercice 2016 (entre 2,5 % et 3,5 %) et le haut de la fourchette semble désormais atteignable pour l'exercice complet. Nous revoyons à la hausse notre croissance du CA à données comparables, tout en maintenant la marge opérationnelle ajustée au même niveau que l'an dernier à 16,1 %. Notre Fair Value passe de 2 150 CHF à 2 400 CHF.

■ **Un début d'année qui serait meilleur qu'initialement anticipé.** Alors que la plupart des concurrents ont publié des résultats décevants sur la première partie de l'exercice, ceux de SGS (pas de publication trimestrielle) seraient sur les premiers mois parfaitement en ligne avec les anticipations annuelles de la direction i.e. entre 2.5% et 3.5%. En conséquence, nous avons décidé de modifier notre prévision de croissance du CA à données comparables à 3,3 % (contre 2,5 % auparavant) avec 2,6 % au premier semestre (contre 2,1% précédemment).

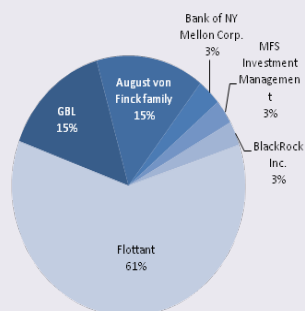
■ **Une stabilité de la marge opérationnelle qui semble en conséquence largement assurée.** Considérant cette situation, l'objectif de la direction d'une marge stable par rapport à l'an passé sur l'ensemble de l'année nous semble largement assuré même en tenant compte de l'impact dilutif des dernières acquisitions. Rappelons que l'exercice 2016 bénéficiera des pleins effets des mesures de restructuration prises en 2015 i.e. 64 MCHF.

■ **Fair Value révisée en hausse à 2 400 CHF vs. 2 150CHF.** Notre FV résulte de la moyenne entre une actualisation des cash flows et le multiple historique médian EV/EBIT des 10 dernières années utilisée comme multiple de sortie sur notre EBIT estimé N+3. A noter qu'au cours actuel les multiples de valorisation demeurent élevés (17,5x EV/EBIT 2016e et 16,6x 2017e vs. un multiple historique médian de 14,8x) mais justifiés selon nous compte tenu des performances du groupe. Par ailleurs, rappelons qu'en 2014, le Conseil d'administration de SGS avait garanti le versement d'un dividende d'au moins 65 CHF par action pour les trois années suivantes. Enfin, un programme de rachat d'actions est en cours pour un montant total de 750 MCHF dont 500 MCHF d'actions seront annulés et 250 MCHF seront utilisés pour des plans d'options d'achat d'actions. Celui-ci doit prendre fin en décembre 2016.



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Activités

Fondée en 1878 avec une offre de services d'inspection agricole, SGS (Société Générale de surveillance) est devenu le leader mondial dans l'industrie de l'inspection, de la vérification, des tests et de la certification en réalisant un CA de près de CHF6mds.

Actuellement, l'offre du groupe se répartie en 10 secteurs d'activité avec une présence dans quelque 140 pays à travers un réseau de 1800 bureaux et laboratoires et l'emploi de plus de 85 000 personnes.

L'introduction en bourse en Suisse à été réalisée en 1985.

Simplified Profit & Loss Account (CHFm)	2013	2014	2015	2016e	2017e	2018e
Revenues	5 830	5 883	5 712	6 125	6 395	6 715
Change (%)	4,5%	0,9%	-2,9%	7,2%	4,4%	5,0%
EBITDA	1 210	1 245	1 144	1 292	1 353	1 434
Adjusted EBIT	977	947	917	984	1 036	1 099
Change (%)	3,8%	-3,1%	-3,2%	7,3%	5,3%	6,1%
Financial results	-38,0	-41,0	-43,0	-39,0	-35,0	-35,0
Pre-Tax profits	874	900	779	910	966	1 029
Exceptionals	23,0	8,1	48,0	7,5	7,5	7,5
Tax	-236	-234	-195	-227	-241	-257
Profits from associates	0,0	0,0	0,0	0,0	0,0	0,0
Minority interests	38,0	37,0	35,0	37,5	39,2	41,1
Net profit	600	629	549	645	685	731
Restated net profit	651	662	625	676	716	762
Change (%)	3,4%	1,7%	-5,6%	8,1%	6,0%	6,4%
Cash Flow Statement (CHFm)						
Operating cash flows	977	1 021	902	1 025	1 076	1 141
Change in working capital	-29,0	-109	160	-13,2	-8,6	-10,2
Capex, net	-341	-299	-286	-337	-352	-369
Financial investments, net	-84,0	-101	-104	-183	-89,5	-94,3
Dividends	-471	-523	-556	-492	-586	-622
Net debt	335	340	480	510	504	492
Free Cash flow	591	607	673	675	716	762
Balance Sheet (CHFm)						
Tangible fixed assets	1 029	1 043	964	958	958	958
Intangibles assets	1 216	1 337	1 306	1 401	1 462	1 535
Cash & equivalents	964	1 341	1 490	1 075	1 069	1 069
current assets	1 597	1 778	1 787	1 916	2 001	2 101
Other assets	233	268	347	372	389	408
Total assets	5 039	5 767	5 894	5 722	5 879	6 071
L & ST Debt	1 308	1 690	2 214	1 847	1 847	1 848
Others liabilities	1 519	1 674	1 699	1 822	1 902	1 997
Shareholders' funds	2 212	2 403	1 981	2 053	2 129	2 226
Total Liabilities	5 039	5 767	5 894	5 722	5 879	6 071
Capital employed	3 316	3 620	3 287	3 449	3 559	3 689
Ratios						
Operating margin	16,76	16,10	16,05	16,06	16,20	16,37
Tax rate	27,01	26,00	25,04	25,00	25,00	25,00
Net margin	11,17	11,26	10,95	11,04	11,20	11,35
ROE (after tax)	30,40	28,46	32,81	34,27	35,03	35,65
ROCE (after tax)	21,50	19,36	20,91	21,39	21,83	22,35
Gearing	15,14	14,15	24,23	24,84	23,69	22,10
Pay out ratio	89,08	86,70	82,94	85,00	85,00	85,00
Number of shares, diluted	7 708	7 702	7 630	7 584	7 397	7 397
Data per Share (CHF)						
EPS	78,43	81,98	71,98	85,07	92,68	98,86
Restated EPS	85,27	82,69	82,01	89,19	96,91	103
% change	3,2%	-3,0%	-0,8%	8,8%	8,7%	6,4%
EPS bef. GDW	85,27	82,69	82,01	89,19	96,91	103
BVPS	287	312	260	271	288	301
Operating cash flows	127	133	118	135	145	154
FCF	76,63	78,80	88,19	89,04	96,77	103
Net dividend	65,00	68,00	68,00	68,00	72,31	78,78

Source: Company Data; Bryan, Garnier & Co ests.

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SELL ratings 9.2%

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