

2nd June 2016

TMT

## Sopra Steria Group

Price EUR118.00

Etienne du Vignaux appointed as CFO

Fair Value EUR130 (+10%)

BUY

Bloomberg	SOP FP
Reuters	SOPR.PA
12-month High / Low (EUR)	119.0 / 78.3
Market Cap (EURm)	2,413
Avg. 6m daily volume (000)	22.70

	1 M	3 M	6 M	31/12/15
Absolute perf.	16.3%	17.5%	7.8%	9.0%
Softw.& Comp.				
SVS	4.7%	3.1%	-2.2%	-0.8%
DJ Stoxx 600	0.8%	1.6%	-10.4%	-5.9%

  

	2015	2016e	2017e	2018e
P/E	16.0x	13.2x	11.4x	10.5x
Div yield (%)	1.4%	1.6%	1.8%	1.9%

### ANALYSIS

- **Yesterday evening, Sopra Steria announced the appointment of Etienne du Vignaux as CFO.** Etienne du Vignaux is 43 years old and began his career in 1997 at Rhône-Poulenc. In 2000, he joined Vivendi Telecom International, and in 2001 was appointed Deputy Director of the Fixed-Line & Internet division of Maroc Telecom, before joining SFR in 2005 as CFO of its Consumer division. In 2012, he was appointed Group CFO of SFR, which he left in 2015. He assumed his new role on 1st June 2016.
- **Reassuring news.** Since the resignation of Laurent Lemaire (formerly at Steria) in January 2016 to join Korian, Sopra Steria has had no CFO. However, since then, the CFO role was assumed by the deputy CFO – and former CFO of Sopra – François Lefebvre. Etienne du Vignaux was CFO at SFR when the CEO of its Consumer division was...Jean-Marc Lazzari, who is now CEO of Axway after being senior advisor for Sopra Steria's Chairman, Pierre Pasquier. The circle is complete.

### VALUATION

- Sopra Steria's shares are trading at est. 9.7x 2016 and 8.0x 2017 EV/EBIT multiples.
- Net debt on 31<sup>st</sup> December 2015 was EUR530.8m (net gearing: 43%).

### NEXT CATALYSTS

AGM on 22<sup>nd</sup> June. H1 16 results on 28<sup>th</sup> July before markets open.

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### Distribution of stock ratings

BUY ratings 72%

NEUTRAL ratings 0%

SELL ratings 28%

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