

Today's comment(s)

[Suez \(BUY, Fair Value EUR17.5\)](#)

H1-16 results – first take: 2016 guidance confirmed thanks to deeper cost cutting

This morning, Suez posted H1-16 metrics that came in slightly above market expectations. EBITDA is down 1.9% lfl to EUR1.27bn vs. EUR1.26bn expected by market, while net income came in at EUR174m, up 24% thanks to a provision reversal and lower minorities. 2016 targets are confirmed thanks to a deeper costs cutting program (+EUR30m), but 2017 EBITDA “ambition” was not reiterated. The macro environment in Europe remains difficult. This is not new, but it has obliged the group to adapt its costs cutting program, which we believe the market should appreciate. Positive.

[Alten \(SELL, Fair Value EUR52 vs. EUR48\)](#)

Q2 2016 sales above our estimates; 2016 outlook reiterated

We reiterate our Sell rating, but raise our DCF-derived fair value to EUR52 from EUR48 as we increase our adj. EPS ests. by 3% for 2016, 5% for 2017 and 6% for 2018. Yesterday evening, Alten reported Q2 2016 sales 3% above our forecasts with 10.6% lfl growth (+6.1% restated from calendar effects). Management is more confident than ever that it can deliver lfl revenue growth above 3.4% in 2016, and we estimate it at +6.3% (vs. +4.5%). We expect the share price to react positively near term.

[Altran Technologies \(NEUTRAL, Fair Value EUR13\)](#)

Q2 2016 sales slightly above expectations; outlook reiterated

This morning, Altran reported Q2 2016 revenues slightly above our forecast (2%) and consensus (1%), with positive growth momentum helped by calendar effects. Unsurprisingly, management considers 2016 will be another year of profitable growth. We expect the share price to show a slightly positive reaction in the short-term.

[Imerys \(BUY-Top Picks, Fair Value EUR72\)](#)

Strong operating margin, modest top line growth in Q2. Cautious guidance.

Top line momentum remained modest, with a 2.6% sales decline in Q2 on an organic basis (-1.8% in Q1) penalised by difficult markets while the comparison basis didn't help. However the run-rate suggests the trough has been hit. Current operating margins are very strong with a 70bps improvement in H1 (+100bps in Q2), thanks to synergies, innovation and usual cost control. The increase in 2016 current net income should be comparable to the H1 level (i.e. 5.2%) vs 7% for our estimates.

[Sopra Steria Group \(BUY, Fair Value EUR127\)](#)

H1 2016 operating margin slightly above expectations; 2016 guidance reiterated

This morning, Sopra Steria reported H1 2016 results slightly ahead of expectations with an operating margin of 7.1%. Net debt, at EUR720m or 2.2x EBITDA, is above our forecast and consensus, due to acquisitions, WCR change and cash taxes. 2016 company guidance is reiterated, as well as 2017 objectives. We do not expect significant share price reaction in the short term.

[Dialog Semiconductor \(BUY, Fair Value EUR37\)](#)

The “transition year” hits again despite Q2 2016 results coming out 6% above ests.

Today, Dialog announced a downward revision to its FY16 guidance. The group now expects a 15% decrease in FY16 sales compared to a high single digit decline previously (cs ests. -8.9%). In addition, the group has reported Q2 results above consensus estimates. Q2 sales increased by 1.8% sequentially to USD246m (down 22.4% yoy). Q2 underlying EBIT was at USD33.2m and EPS came out

at USD0.34, i.e. 6.4% above consensus expectations for EPS at USD0.32. For Q3, the company sees revenue in the range of USD290m to USD320m, which at the mid-point is in line with the current street expectation of USD303m and our estimate at USD304m.

[AccorHotels \(BUY, Fair Value EUR45\)](#)

Lower EBIT despite top line resilience. Broad range FY EBIT guidance to reflect uncertainties

Despite AccorHotels exposure to France (28% of total number of rooms) and Brazil (7%) largely hit by major events, consolidated H1 revenue reached EUR2,598m, in line with consensus at EUR2,611m, and was up 2% on lfl vs. -0.2% from consensus. Nevertheless, EBIT at EUR239m was definitely lower than anticipated by the consensus (EUR260m) or our estimate of EUR266m with a margin lower 40bps vs last year at 9.2%. Beyond, AccorHotels expansion was really strong with the opening of over 19,000 rooms and H1 was marked by major transforming actions and deals for the coming years. For H2 2016, uncertainties remain, largely reflected in Management broad range EBIT guidance of between EUR670m and EUR720m (consensus at EUR716m).

[Ipsen \(BUY-Top Picks, Fair Value EUR64\)](#)

A very solid set of quarterly numbers, upgrade to sales guidance

Largely driven by Somatuline, Specialty Care advanced 18.6% in Q2 and made Ipsen comfortable enough to raise its FY objective, now expecting growth above 12% (vs >10%). Operating margin is still at 21% for FY (although it reached 24.7% in H1) because investments in cabozantinib are set to grow substantially in the second part of the year. Our BUY rating is reinforced.

[Moncler \(BUY, Fair Value EUR17,5 vs. EUR17\)](#)

Solid H1 results highlighting the ongoing growth story

In Q2 alone, sales came in at EUR109m (CS: EUR107m), representing 17% FX-n growth (CS: +15% FX-n) as in Q1. Momentum continued to be fuelled by Asia-Pacific (+30% FX-n) and the Americas (+17% FX-n). Adjusted EBITDA reached EUR78.3m (CS: EUR79m) after a net negative impact of EUR3m related to upfront rent payments. Against this very dynamic H1, the group's management remains confident on the H2 outlook. Buy recommendation and FV nudged up to EUR17.5 vs. EUR17 following a slight revision to our FY estimates.

[STMicroelectronics \(NEUTRAL, Fair Value EUR6.5\)](#)

Business gains momentum, but don't forget the risks

Overall, yesterday's publication and conference call were positive. During the conference call, management was particularly confident regarding the second part of the year and admittedly made more positive comments about the automotive and industrial semiconductor markets. Nevertheless, despite being attractive at first-take in view of improving momentum, we would point out that ST is not a risk-free investment given the approaching change in CEO and the ongoing restructuring plan.

[Axway Software \(BUY vs. NEUTRAL, Fair Value EUR28 vs. EUR20\)](#)

H1 2016 analysts' meeting and conference call feedback: momentum is there now

We upgrade our rating to Buy from Neutral, and raise our DCF-derived fair value to EUR28 from EUR20. We increase our adj. EPS ests. by 8-9% for 2016-18 (+EUR2/share) and reduce our company beta to 1.8x from 2.3x due to a change of stockmarket status of the company since the market cap is close to EUR500m (+EUR6/share). The sales transformation engaged since 2014 and accelerated since the arrival of the CEO Jean-Marc Lazzari one year ago is bearing fruit, while Axway's Digital software see strong growth momentum.

[Coface \(NEUTRAL, Fair Value EUR5.4 vs. EUR10\)](#)

Uncertainty will take time to disappear

Coface's terrible year in 2016 and the future loss of the state guarantees business have considerably disrupted short term earnings/dividends projections, causing a very high level of uncertainty. We

believe it will take some time before this disappears, and hope that the investor day on 22nd September will help. 2017 is likely to be a transition year. 2018 is more likely to start showing what the new Coface can deliver going forward. Based on our new 2018 numbers, our new Fair Value is EUR5.4 but we are maintaining our Neutral recommendation in view of the still very high level of uncertainty. The ongoing management commitment to a high pay-out ratio is a positive message.

[Jeronimo Martins \(NEUTRAL, Fair Value EUR13.5\)](#)

Q2 2016 results (first take): a tough price battle

Q2 sales (EUR3,583m vs EUR3,530m e) and H1 EBITDA (EUR387m vs EUR386m e) are in line with consensus estimates. 1/ On the one hand, we remain impressed by the topline momentum in Poland (+9,9% LFL in Q2 vs +5,0% e), with a healthy focus on cash margin (i.e. modest +13bp increase in Q2 margin). On the other hand, 2/ PD bears the scars of a price war (-1.5% LFL in Q2 and estimated 30bp decline in Q2 margin), while 3/ the wording of the guidance for FY losses at Ara and Hebe is evolving (“are expected not to surpass their 2015 level” at cc vs “are expected to be below the 2015 level” excl F/X previously mentioned in Q1 press release). Anyway, given a very demanding valuation (2017 PE of 24x vs 16.5 for the sector), we keep our Neutral rating.

[Melexis \(SELL, Fair Value EUR48\)](#)

A supportive momentum, but yield problems leads to cut in R&D investments

During the conference call held yesterday by Melexis, the group said that improving momentum has allowed higher expectations and a guidance revision for 2016 (FY16 rev. growth 13-14% vs. 8-12% before). Nevertheless, we note that the group is experiencing low yield on some product lines, leading to the downward revision of the gross margin (45% vs. 47%) and lower investment in R&D in order to maintain EBIT margin guidance at 25%. Finally, despite Melexis revising its FY16 guidance, it only comes into line with our estimates. As a result, we are making no change to our model for now.

Brief comments

[Bureau Veritas \(NEUTRAL, Fair Value EUR21\)](#)

H1 first take: In line with expectations. FY guidance confirmed but at the low end of the bracket.

[Wirecard \(BUY-Top Picks, Fair Value EUR54\)](#)

Strong preliminary H1 results, positive momentum and FY guidance maintained

[DBV Technologies \(BUY, Fair Value EUR91\)](#)

H1 2016 in-line, 3y OLFUS-VIPES data upcoming

[Zealand \(BUY, Fair Value DKK176\)](#)

Lixisenatide approved as Adlyxin in the US

Latest Recommendation Changes

MELEXIS : Looking for lost growth

u-blox : Looking for lost growth

BIOMERIEUX : Sales guidance upgrade priced-in, limited upward revision ahead

CELYAD : No bone to chew until ESC congress in late August

GAMELOFT : Game, set and match

Latest Fair value changes

MONCLER : Solid H1 results highlighting the ongoing growth story

AXWAY SOFTWARE : H1 2016 analysts' meeting and conference call feedback: momentum is there now

ALTEN : Q2 2016 sales above our estimates; 2016 outlook reiterated

WORLDCON : Strong H1 earnings and FY 2016 guidance slightly upgraded

INGENICO GROUP : Still a Buy from a medium/long term horizon but some uncertainties in the very short term

SWORD GROUP : Preliminary H1 2016 results slightly above our estimates; 2016 guidance ex-fx confirmed
ATOS : H1 2016 results in line with our estimates, 2016 guidance raised
SAGE GROUP : Q3 FY16 trading update in line; outlook reiterated

Stocks Factor to watch today on Mid & Small :

ALTEN: 1H SALES EU870.5M; SEES FY ORGANIC GROWTH POSITIVE, HIGHER THAN YEAR EARLIER

ALTRAN: 1H REV EU1.06B; CFO SAYS 'REASONABLY CONFIDENT' FOR 2H; CFO SAYS BREXIT NOT SEEN HAVING NEGATIVE IMPACT

BUREAU VERITAS: SEES FY ORGANIC REV GROWTH IN LOW END OF 1%-3%; SAYS EXPECTS IMPROVEMENT IN 2H REPEATS SEES FY ADJ. OP. MARGIN 16.5%-17%;

CNP: 1H REV. EU17.3B; 1H OPERATING PROFIT EU1.28B

COFACE: REITERATES EXPECTATION OF FY NET LOSS RATIO 63%-66%

DIALOG SEMICONDUCTOR: CUTS 20106 REV.; SEES 2016 REV. DOWN ~15% VS HIGH SINGLE DIGIT PERCENTAGE PREVIOUSLY. 2Q REVENUE \$246M; EST. \$250M; Q2 UNDERLYING GROSS MARGIN 47.1%; Q2 UNDERLYING OP. PROFIT \$33.2M

MONCLER: 1H COMP. STORE SALES REV UP 5%; MONCLER CEO EXPECTS FURTHER GROWTH IN 2016

IPSEN: 1H GROUP SALES EU764M (SPECIALTY CARE SALES EU614M, PRIMARY CARE SALES EU150M) REAFFIRMS TARGET FOR FY CORE OP. MARGIN AROUND 21%

SOPRA STERIA: H1 ORGANIC GROWTH 5.4%. CONFIRMS TARGETS FOR 2016, 2017

ZEALAND PHARMA: SAYS FDA APPROVES LIXISENATIDE AS ADLYXINTM FOR THE TREATMENT OF ADULTS WITH TYPE 2 DIABETES IN THE US

Rating & TP Changes



+JERONIMO MARTINS : TP raised to 15.5€ +3% @Exane

+DIA : TP raised to €7.1 vs. 6.8 @RJ

+ATOS : TP raised to €95 vs. 82 @HSBC

+STM : TP raised to €6 vs. 5.5 @Barclays

+STM : TP raised to €6.2 vs. 5 @UBS

+STM : TP raised to €5.4 vs. 5.2 @Goldman Sachs

+ALTEN : TP raised to €52 vs. 48, SELL @Bryan Garnier

+COFACE : TP restated to €5.4 @Bryan Garnier

+MONCLER : TP raised to €17.5 vs. 17 @Bryan Garnier

+AXWAY : BUY vs. NEUTRAL, FV €28 vs. 20 @Bryan Garnier



Technical analysis

	Last close	%var 1D	% var 31/12/15
FRANCE CAC MID & SMALL	10911.35	+0.85%	-1.29%
STOXX EUROPE TM MID	505.01	+0.71%	-6.17%

*BG Coverage

Highest YTD : ALBIOMA* (ABIO.PA), ALTEN* (LTEN.PA), ASSYSTEM (ASY.PA), ATEME (ATEME.PA), ATOS* (ATOS.PA), BRICORAMA (ALBRI.PA), DAVIDE CAMPARI MILANO* (CPRI.MI), ESI GROUP (ESIG.PA), ESKER

(ALESK.PA), GAMESA CORPN.TEGC. (GAM.MC), GERARD PERRIER (GPIF.PA), GRIFOLS CLASS 'B' SHARE (GRLSbn.MC), HIGH CO (HIGH.PA), LE NOBLE AGE (LNA.PA), LEBON (LEBO.PA), MAISON FRANCE CONFORT (MFCP.PA), MANUTAN INTL. (MATP.PA), NEURONES (NRO.PA), PHARMAGEST INTERACTIVE (PHAI.PA), **SOFTWARE (XET)*** (SOWG.DE), SOLUCOM (WAVE.PA), **STMICROELECTRONICS (PAR)*** (STM.PA), TECHNOFAN DEAD - 04/07/16 (TCFN.PA^G16), **TEMENOS GROUP*** (TEMN.S), **WORLDLINE*** (WLN.PA)

Lowest YTD : ALES GROUPE (ALPHY.PA), INDUSTRIAL HOLDING (MLFIH.PA), LES HOTELS BAVEREZ (ALLHB.PA), SEQUANA (SEQ.PA)

Excess volume/1D : ACTIA GROUP (MRSP.PA), ADVINI (ADVI.PA), AFFINE R E (BTPP.PA), **ALBIOMA*** (ABIO.PA), ALTAMIR (ALMP.PA), ATEME (ATEME.PA), **ATOS*** (ATOS.PA), **AXWAY SOFTWARE*** (AXW.PA), BASTIDE(CONFORT MED.) (BATD.PA), **BONE THERAPEUTIC*** (BOTHE.BR), CEGID GROUP (CEGI.PA), CNIM (CNIM.PA), CR.AGRICOLE MORBIHAN (CMO.PA), CRCAM ILLE-VIL.CCI (CIV.PA), CRCAM LANGUED CCI (CRLA.PA), CREDIT AGR.TOULOUSE (CAT31.PA), CREDIT AGR.TOURAINE (CRTO.PA), **DAVIDE CAMPARI MILANO*** (CPRI.MI), DELTA PLUS GROUP (DLTG.PA), **DIALOG SEMICON.*** (DLGS.F), **DISTRIBUIDORA INTNAC.DE ALIMENTACION*** (DIDA.MC), ECA (ECASA.PA), ENCRE DUBUIT (EDUB.PA), ETAM DEVELOPEMENT (TAM.PA), **FAURECIA*** (EPED.PA), GAUMONT (GAUM.PA), GROUPE GORGE (GOEG.PA), GROUPE OPEN (OPEN.PA), HIPAY GROUP (HIPAY.PA), HOPSCOTCH GROUPE ORG (HOP.PA), IMMOBILIERE DASSAULT (FINA.PA), INFOTEL (ETOF.PA), **INGENICO GROUP*** (INGC.PA), KUONI REISEN 'R' (KUNN.S), LAFUMA (LAFU.PA), AVIATION LATECOERE (LAEP.PA), LE NOBLE AGE (LNA.PA), LOCINDUS (LOCI.PA), MEDIAN TECHNOLOGIES (ALMDT.PA), MEYER BURGER (MBTN.S), MGI COUTIER (MGIP.PA), MGI DIGITAL GRAPHI (ALMDG.PA), NEURONES (NRO.PA), **PENNON GROUP*** (PNN.L), PHARMAGEST INTERACTIVE (PHAI.PA), **SAFILO GROUP*** (SFLG.MI), **SALVATORE FERRAGAMO*** (SFER.MI), SECHE ENVIRONNEMENT (CCHE.PA), SEQUANA (SEQ.PA), SOLUTIONS 30 SE (ALS30.PA), ST DUPONT (DPTP.PA), **STMICROELECTRONICS (PAR)*** (STM.PA), STORE ELECTRONICS (SESL.PA), **SWORD GROUP*** (SWOR.PA), THEOLIA (FTRN.PA), THERMADOR GPE. (THHG.PA), **TOD'S*** (TOD.MI), TRIGANO (TRIA.PA), VIADCO (VIAD.PA), **VOLTALIA*** (VL TSA.PA), **WORLDLINE*** (WLN.PA), **ZEALAND PHARMA*** (ZELA.CO)

⁽¹⁾ Compare the previous day trading volume to last month average volume traded

Calendar

Date	Company name	type
28/07/16	• Sopra Steria Group(SOP FP)	Earnings result : 09:00
	• Elixir Participations SCA(ELIOR FP)	
	• Altran Technologies SA(ALT FP)	
	• QIAGEN NV(QGEN US)	Earnings result : 22:00
	• Altran Technologies SA(ALT FP)	
	• Dialog Semiconductor PLC(DLG GR)	Earnings result :
	• GameLoft SE(GFT FP)	
	• Ipsen SA(IPN FP)	Earnings result :
	• Suez(SEV FP)	Earnings result :
	• DBV Technologies SA(DBV FP)	Earnings result :
29/07/16	• Casino Guichard Perrachon SA(CO FP)	Earnings result : Bef-mkt
	• Indra Sistemas SA(IDR SM)	Earnings result :
	• Rallye SA(RAL FP)	Earnings result :
02/08/16	• Galapagos NV(GLPG NA)	Earnings result :
	• Davide Campari-Milano SpA(CPR IM)	Earnings result : 11:00
	• Euler Hermes Group(ELE FP)	Earnings result : 23:35
	• Salvatore Ferragamo SpA(SFER IM)	Earnings result :
03/08/16	• InterContinental Hotels Group PLC(IHG LN)	Earnings result :
	• Vicat SA(VCT FP)	Earnings result : Aft-mkt
04/08/16	• Safilo Group SpA(SFL IM)	Earnings result :
	• Societe BIC SA(BB FP)	Earnings result : 08:00