

30th September 2016

TMT

**Atos**

Price EUR95.24

**Placement of EUR300m bonds**

**Fair Value EUR102 (+7%)**

**BUY**

Bloomberg	ATO FP
Reuters	ATOS.PA
12-month High / Low (EUR)	96.2 / 62.7
Market Cap (EUR)	9,977
Avg. 6m daily volume (000)	297.4

#### ANALYSIS

- **Yesterday evening Atos announced the placement of Euro private placement bonds for EUR300m**, maturing in October 2023 (seven years) and with a 1.444% fixed interest rate. There is no financial covenant related to this issue. Atos and the bonds are unrated.
- **Seizing the low interest rate opportunity.** Atos has decided to seize current favourable European private placement market conditions and will use the proceeds from the issue for general corporate purposes, including acquisitions. The company adds a third financing source on top of two existing ones: a five-year syndicated loan maturing in November 2020 for EUR1.8bn - with an option to extend the maturity until November 2021 -, and EUR600m in bonds maturing in June 2020 and with a 2.375% interest rate. Obviously, Atos is set to marginally lower its average interest rate in the process.

	1 M	3 M	6 M	31/12/15
Absolute perf.	7.8%	29.3%	33.8%	23.0%
Softw.& Comp.				
SVS	3.2%	17.3%	11.3%	8.1%
DJ Stoxx 600	-0.1%	5.0%	1.8%	-6.3%
	2015	2016e	2017e	2018e
P/E	16.3x	13.7x	11.6x	10.8x
Div yield (%)	0.9%	1.2%	1.5%	1.6%

#### VALUATION

- Atos' shares are trading at est. 8.4x 2016 and 6.1x 2017 EV/EBIT multiples.
- Net cash position on 30th June 2016 was EUR412.3m (net gearing: -10%).

#### NEXT CATALYSTS

Q3 2016 sales on 20th October before markets open (Worldline: 19th October after markets close).

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[Gregory Ramirez, gramirez@bryangarnier.com](mailto:Gregory.Ramirez,gramirez@bryangarnier.com)



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## Distribution of stock ratings

BUY ratings 55,8%

NEUTRAL ratings 32,5%

SELL ratings 11,7%

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**BRYAN, GARNIER & CO**

<b>London</b>	<b>Paris</b>	<b>New York</b>	<b>Munich</b>	<b>New Delhi</b>
Beaufort House	26 Avenue des Champs Elysées	750 Lexington Avenue	Widenmayerstrasse 29	The Imperial Hotel Janpath
15 St. Botolph Street	75008 Paris	New York, NY 10022	80538 Munich	New Delhi 110 001
London EC3A 7BB	Tel: +33 (0) 1 56 68 75 00	Tel: +1 (0) 212 337 7000	Germany	Tel +91 11 4132 6062
Tel: +44 (0) 207 332 2500	Fax: +33 (0) 1 56 68 75 01	Fax: +1 (0) 212 337 7002	+49 89 2422 62 11	+91 98 1111 5119
Fax: +44 (0) 207 332 2559	Regulated by the	FINRA and SIPC member		Fax +91 11 2621 9062
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Financial Conduct Authority (FCA)	Autorité de Contrôle prudentiel et de			rue de Grenus 7
	resolution (ACPR)			CP 2113
				Genève 1, CH 1211
				Tel +4122 731 3263
				Fax+4122731 3243
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