

20 Sep 2022

FPT Corporation (FPT)

Maintain solid growth in August

Global IT services led the growth

- FPT released August business results with VND3.8tn revenue (+35% yoy), and VND739bn PBT (+28% yoy).
- For 8M22, the company recorded revenue of VND27,1tn (+24% yoy) and PBT of VND5,0tn (+23.6% yoy), fulfilling 64% and 65% of its 2022 guidance, respectively.
- Particularly, the technology segment still strengthens its position with revenue of VND15.5tn (+24.1% yoy) and PBT of VND 2.3tn (+25% yoy) in 8M22.
- In which, global IT services posted revenue of VND 11.7tn (+28.7% yoy) and PBT of VND1.9tn (+28.7% yoy). The growth was contributed by the US (+42% yoy) and APAC (+61% yoy), and Japan markets (+18.7% yoy). In September 2022, FPT Software opened an office in Denmark to expand the Northern Europe market.
- Especially, Digital Transformation (DX) is the strongest growth engine with revenue of VND4.7tn (+41% yoy).
- Telecom services revenue recorded double-digit growth (+17%), reaching VND9,6tn, and PBT went up by 21.8% to VND1.9tn in 8M22.
- In September, FPT Play officially introduced to the public the FPT Play 2022 decoder, the first decoder in Vietnam that integrates two technology platforms, IPTV and OTT on one device.
- The education segment continued to see strong growth with revenue of VND2,0tn (+69.3% yoy) and PBT of VND0.8tn (+24.3% yoy) in 8M22.

	2017A	2018A	2019A	2020A	2021A
Sales (VND bn)	42,659	23,214	27,717	29,830	35,657
chg. (% YoY)	7.9	(45.6)	19.4	7.6	19.5
Operating profit (VND bn)	3,167	3,122	4,147	4,605	5,415
Net profit (VND bn)	2,932	2,620	3,135	3,538	4,337
EPS (VND)	4,981	3,333	4,235	3,992	4,204
chg. (% YoY)	15.0	(33.1)	27.1	(5.7)	5.3
EBITDA (VND bn)	4,206	4,286	5,501	6,095	7,059
PE (x)	21.7	32.5	25.6	27.1	25.8
EV/EBITDA (x)	0.6	1.6	2.6	2.6	2.6
PB (x)	4.3	4.5	4.4	4.6	4.6
ROE (%)	28.6	23.1	24.8	25.0	26.7
Dividend yield (%)	2.3	2.6	2.0	2.2	2.3

Note: Net profit, EPS and ROE are based on figures attributed to controlling interest

12M rating **Non-rated**

12M TP **N.A**

Up/Downside **N.A**

Stock Data

VNIndex (19 Sep, pt)	1,205
Stock price (19 Sep, VND)	83,100
Market cap (USD mn)	3,823
Shares outstanding (mn)	1,097
52-Week high/low (VND)	95,177/69,628
6M avg. daily turnover (USD mn)	9.49
Free float / Foreign ownership (%)	84.4/49.0
Major shareholders (%)	
Truong Gia Binh	7.05
SCIC	5.83
Macquarie Bank Limited Obu	4.73

Performance

	1M	6M	12M
Absolute (%)	(3.3)	6.3	7.1
Relative to VNIndex (%p)	1.7	23.4	16.5

Stock price trend



Source: Bloomberg

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