FPT: 1H2022 business results

FPT Corporation (HSX: FPT) announced 1H2022 revenue of VND19,826bn (+22.2% YoY) and EBT of VND3,637bn (+23.9% YoY), completing c.45% of our full-year projections.

FPT's 1H2022 business results:

Segments	Revenue (VND bn)	*YoY growth*	EBT (VND bn)	*YoY growth*
Global IT services	8,622	*29.0%*	1,362	*28.4%*
Domestic IT services	2,630	*8.9%*	263	*7.0%*
Telecom services	6,727	*15.0%*	1,288	*20.6%*
Online advertising	350	*25.6%*	157	*22.4%*
Education, investments & others	1,498	*49.2%*	567	*30.8%*
Total	**19,826**	***22.2%***	**3,637**	***23.9%***

Source: FPT

The global IT services segment's revenue and EBT jumped by 29.0% and 28.4% YoY, to VND8,622bn and VND1,362bn, respectively. Signed revenue increased by 40% YoY. The Japanese market reported JPY-based revenue growth of 17.8%, however, due to the deprecation of the JPY, the local VND currency growth posted just 8.4% YoY. Other markets continued to post high double-digit revenue growth, namely the US (+48.4%), Europe (+24.2%) and APAC (+55.5%). Revenue from digital transformation grew by 64.6% YoY.

The domestic IT services segment delivered VND2,630bn (+8.9% YoY) in revenue and VND263bn in EBT (+7.0% YoY) in 1H2022 despite high double-digit growth in the first quarter. Made-by-FPT products recorded VND406bn in revenue, up by 51.6% YoY.

The telecom services segment reported 15% YoY growth in revenue, to VND6,727bn, and 20.6% YoY growth in EBT, to VND1,288bn in 1H2022. While the broadband business line grew by 8.2% and 10.5% YoY in revenue and EBT, other business lines reported a jump of 24% and 47.8% in EBT, respectively. The segment's overall EBT margin enhanced to 19.2% from 18.3% in the same period last year, which was explained by PayTV's profit growth.

The education segment continued to see good revenue growth of 42% YoY.

Comments: The company maintained healthy growth in its major business segments, which were quite in line with our expectations. Further details will be updated soon.

Chi Luong
chiltk@acbs.com.vn

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