

PRESS RELEASE

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AKKA – FIRST-HALF 2016 REVENUE

Sustained revenue growth in H1:
+19.2% to €550.2 million

Further acceleration of momentum in Q2:
organic growth of 10.1%, after +5.6% in Q1

Q2 2016 REVENUE

Revenue (€ million)	Q2 2016	Q2 2015	% change	% change organic*
Total Group	281.8	235.6	+19.7%	+10.1%
France	126.7	111.3	+13.8%	+2.6%
Germany	97.0	78.9	+23.0%	+23.0%
International (excl. Germany)	58.1	45.4	+28.1%	+6.0%

* change at constant scope and exchange rates

- ✓ The second quarter saw a further acceleration of the business momentum observed since Q3 2015. Q2 2016 revenue accordingly totalled €281.8 million, an increase of +19.7%, with growth of +10.1% at constant scope and exchange rates (organic). This stellar performance is attributable notably to the sharp acceleration of the organic growth of the German operations (+23,0%). Revenue on international activities increased by +6.0% on an organic basis, despite a demanding comparison base. The French operations recorded organic growth of +2.6%, accompanied by a strong increase in profitability.
- ✓ As of 30 June 2016, AKKA Technologies had 12,394 employees, of which 6,088 in France, 3,368 in Germany and 2,938 internationally.

H1 2016 REVENUE

The Group recorded revenue of €550.2million over the first half. Revenue grew by +19.2%, with organic growth of +7.9% (+5.6% in Q1 and +10.1% in Q2). The Group's three business units demonstrated their momentum over the period, with organic growth of +5.1% in France, +13.0% in Germany and +5.5% internationally.

- ✓ **France**, with revenue of €257.1 million, recorded growth of +16.8%, with organic growth of +5.1%. In a market driven by growth in the automotive sector and a resumption of growth in the aerospace and railway sectors, the Group benefited from its positioning in the mobility sector and its ability to gain market share. The acceleration also reflects the effectiveness of the new sales organisation established under the PACT 17 transformation plan. The Group therefore expects to see a significant improvement in operating profitability in the first half, driven by the Margin Improvement Plan and the successful integration of Matis.
- ✓ In **Germany**, revenue grew by +13.0% on an organic basis to €180.0 million in H1 2016. Growth gathered significant pace in the second quarter: +23.0%, vs +3.2% in Q1, thanks to the continued strong pace of diversification combined with a more favourable comparison base and occasional equipment sales. AKKA Technologies accordingly recorded double-digit organic revenue growth with Volkswagen, Bosch and Continental AG. These early successes are attributable to the transformation of the German activities under the PACT 17 plan. Mirroring the trend seen in France, the Group anticipates a year's gap between the resumption of organic revenue growth and the improvement in the operating margins of the German BU.
- ✓ **International activities** (excluding Germany) benefited from the strengthening of their positions through the acquisitions of Epsco, Corialis and Matis. Their revenue totalled €113.1 million in H1 2016, an increase of +37.6% compared with H1 2015. Organic growth was a sustained +5.5%, despite a demanding comparison base and a temporary slowdown in Italy and the United States. Most countries grew rapidly over the period, including Spain, the Czech Republic, Turkey and the United Kingdom. Belgium recorded organic growth of +6.4% and total growth of +62% thanks to the acquisition of Matis. The continued deployment of the Group's business model in recently acquired companies and the acceleration of hiring should result in an improvement in the organic growth of international activities in the coming quarters, sustaining double-digit margins.

H1 2016 HIGHLIGHTS

- ✓ **Continuation of the Group's transformation:** AKKA Technologies is steadily increasing its diversification with new customers, quarter after quarter. In today's dynamic market, customers are keen to increase the proportion of turnkey projects. In this context, AKKA Technologies benefits from its project expertise and its size, which make it a credible partner for international companies. Its innovations and international positioning are further assets, which have allowed it to win a number of major new customers. The biggest include Northrop Grumman, PSA, Stelia, each of which entrusted their first project to the Group in the first half.

- ✓ **Reinforcement of expertise in automotive design:** The Carozzeria Bertone brand, acquired during the second quarter, now houses all of the Group's design activities. Since its creation by Giovanni Bertone in 1912, this prestigious Italian design company has created numerous models for leading Italian automakers, including Ferrari, Maserati and Lamborghini, as well as Alfa Romeo, Chery, FAW and BAIC more recently. Bertone has also diversified into the rail and aerospace business. The acquisition dovetails with the Group's strategy of expanding its offer in certain promising and high value-added niches. It will add an aesthetic dimension to the Group's technological expertise and capacity for innovation, notably the expertise possessed by Proceda, the Group's German subsidiary specialized in prototyping.

OUTLOOK

- ✓ **2016:** Market momentum has been improving for several quarters. AKKA Technologies is gaining market share thanks to its unique positioning.
- ✓ Diversification of German activities continues at a sustained pace. International operations are expanding, while generating double-digit margins. France has benefited from the success of its transformation to continue its growth, while significantly improving its margins as early as 2016.
- ✓ The integration of Matis was performed successfully, resulting notably in a swift improvement in its positioning and operating performance.
- ✓ As such, AKKA Technologies confirms its target of achieving organic revenue growth in each of its three business units in 2016, combined with a further improvement in its margins.
- ✓ **2018:** Robust organic growth and recent acquisitions constitute a sound base for growth in the coming half years.
- ✓ The Group also aims to pursue its external growth strategy through targeted acquisitions generating organic growth.
- ✓ Mirroring its experience in France, which recorded a strong improvement in margins in the first half of 2016, Germany expects its margins to improve gradually under the combined effect of the return to growth, the PACT 17 transformation plan and the Margin Improvement Plan.

The Group accordingly confirms its 2018 objectives:

- Revenue of €1.2 billion,
- Operating profit from ordinary activities* of €100 million,
- Operating margin from ordinary activities of between 8% and 10%,
- Control of financial equilibrium.

* Operating profit from ordinary activities is calculated before non-recurring items and expenses relating to stock options and free shares.

APPENDIX: REVENUE BY QUARTER

Revenue (€ million)	Q1 2016	Q2 2016	H1 2016	Q1 2015	Q2 2015	H1 2015
France	130.4	126.7	257.1	108.9	111.3	220.2
Change	19.7%	+13.8%	+16.8%			
<i>Organic change*</i>	<i>+7.7%</i>	<i>+2.6%</i>	<i>+5.1%</i>			
Germany	83.0	97.0	180.0	80.4	78.9	159.3
Change	+3.2%	+23.0%	+13.0%			
<i>Organic change*</i>	<i>+3.2%</i>	<i>+23.0%</i>	<i>+13.0%</i>			
International (excl. Germany)	55.0	58.1	113.1	36.8	45.4	82.2
Change	+49.4%	+28.1%	+37.6%			
<i>Organic change*</i>	<i>+4.8%</i>	<i>+6.0%</i>	<i>+5.5%</i>			
Total Group	268.3	281.8	550.2	226.1	235.6	461.6
Change	+18.7%	+19.7%	+19.2%			
<i>Organic change*</i>	<i>+5.6%</i>	<i>+10.1%</i>	<i>+7.9%</i>			

* change at constant scope and exchange rates

About AKKA Technologies

“The best way to predict the future is to invent it. Let’s share our passion for technology.”

AKKA Technologies is a European Engineering and Technology Consulting Group that supports large manufacturing and tertiary services companies, seeing their projects through from the initial studies and R&D to large-scale production. AKKA Technologies is an expert in various complementary business lines, and brings real value added to customers in sectors including aerospace, automotive, space/defence, cybersecurity, consumer electronics, telecommunications, chemicals, pharmaceuticals, steel, energy, rail, marine and service industries.

AKKA Technologies is the leader in the automotive and aerospace sectors in Germany and France, and, thanks to the mobility of its staff and its international positioning, works on projects at the cutting edge of technology around the world.

The AKKA Technologies Group has more than 12,000 employees and operates in 20 countries, namely Belgium, Canada, China, Czech Republic, France, Germany, Hungary, India, Italy, Morocco, Netherlands, Romania, Russia, Spain, Switzerland, Tunisia, Turkey, UAE, UK and US. It is focused on building a group of €1.2 billion in revenue, of which more than 50% outside France.

AKKA Technologies is listed on Euronext™ Paris – Segment B – ISIN code FR0004180537.

CAC® Small, CAC® Mid & Small, CAC® All-Tradable, CAC® All-Share indices

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Upcoming events: Interim 2016 results on 21 September 2016

Q1 2016 revenue on 7 November 2016

In case of discrepancy between the French and English versions of this press release, only the French version should be deemed valid.

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