

AKKA TECHNOLOGIES

Passion for Technologies

Lyon, September 9th, 2013 – 5.35 pm

PRESS RELEASE - 2013 First Half results

The first half results reflect the Group's ongoing transformation. Confident in its strategy, AKKA is boosting the mutation of its German activities (creation of MBtech Services and set up of POP optimisation plan) and is confirming its mid-term objectives.

- AKKA generated revenue of €435.7 million in the 1st half of 2013, an increase of 16.5% compared with H1 2012 revenue of €374 million; the Group now has almost 11,000 employees.
- The business operating margin amounted to 5.4% in the first half of 2013 compared with 7.4% in H1 2012, where MBtech was only consolidated from the second quarter.
 - In Germany, the creation of MBtech Services will enable the Group to accelerate its diversification, while the simultaneous roll-out of a POP will improve its performance.
 - In France, the measures taken in 2012 are bearing fruit and are enabling profitability to be increased.
- Group share of net profit amounted to €14.7 million, compared with €17 million in the first half of 2012. Working capital remained under tight control (decrease in DSO) with a sound balance sheet (gearing of 36%).

Consolidated income statement (January 1 st – June 30 th) in € million	H1 2013	H1 2012	Change
Revenue	435.7	374.0	+16.5%
<i>France</i>	<i>224.3</i>	<i>226.9</i>	-1.1%
<i>Germany</i>	<i>152.9</i>	<i>98.5</i>	+55.2%
<i>Rest of the World</i>	<i>58.4</i>	<i>48.6</i>	+20.3%
Profit from business operations	23.7	27.5	-13.8%
Pre-tax income	17.9	23.1	-22.5%
Net income	14.2	18.0	-21.1%
Group share of net profit	14.7	17.0	-13.5%
Gearing	36%	53%	-

The Supervisory Board of AKKA Technologies Group approved the first half 2013 financial statements at its meeting on September 5th, 2013. The audit of the consolidated financial statements under a limited scope has been completed. MBtech has been consolidated since April 1st, 2012.



1. The first half performance reflects the Group's ongoing transformation

- AKKA generated revenue of €435.7 million in the 1st half of 2013, up by 16.5% compared with H1 2012 revenue of €374 million; the period was characterised by a return to growth in France and sustained business dynamic in the Rest of the World.
The pro forma 7.6% decrease in revenue is explained by the slower than anticipated integration of MBtech, the streamlining of certain non-strategic or insufficiently profitable business activities and the impact of fewer business days (124 vs. 126 in 2012).
- Group profit from business operations amounted to €23.7 million, compared with €27.5 million in the first half of 2012.
The business operating margin amounted to 5.4% in the first half of 2013 compared with 7.4% in the 1st half of 2012, where MBtech was only consolidated from the second quarter.

Operating margin	H1 2013	H1 2012
France	4.9%	3.4%
Germany	1.2%	5.9%
Rest of the World	11.2%	14.0%
Group	5.4%	7.4%

- As with revenue, this decline is explained by the slower than anticipated integration of MBtech and the impact of fewer business days. The costs relating to the reorganisation of MBtech also weighed on operating income. However, the business operating margin in Germany remained positive. At the same time, the operating margin in France rose by 1.5 percentage points, while margins in the Rest of the World remained high (11.2%) despite the costs relating to mid-term investments in China and the United States.
- Group share of net profit amounted to €14.7 million compared with €17 million in the first half of 2012, or a net margin of 3.3% compared with 4.8% for H1 2012. This figure included financial expenses of €3.7 million and tax expenses of €3.6 million. Group share of consolidated net profit amounted to €14.7 million.
- Working capital remained under tight control (DSO decreased from 81 to 76 days), with a sound balance sheet and gearing of 36% (vs. 53% in H1 2012). The gross cash position of €92.4 million proves that the group's capacity for action remains intact 15 months after the acquisition of MBtech.

2. The transformation of MBtech in Germany is accelerated through a dual initiative

Creation of MBtech Services in order to accelerate the diversification process

- The Group has chosen to boost its investments in Germany so as to accelerate the diversification of MBtech and create a strong European platform.
- MBtech Services has been set up as Business Line according to the AKKA Business Model, with the

aim of targeting Non-Daimler clients using the same proactive approach and customer relationship that are the hallmark of AKKA.

- These Business Lines will reinforce the current German organisation with managers who have acquired significant experience within the service industry.
- MBtech Services will initially roll out in Germany's three major industrial areas, namely Bavaria, Hamburg and Baden-Wuerttemberg. The Hamburg and Stuttgart launches are scheduled for September 2013, while the Munich launch is scheduled for early 2014.

Implementation of a performance and optimisation plan (POP) at MBtech

- The aim of this plan is to optimise costs (indirect costs, real estate strategy, etc.) and to roll out AKKA's commercial processes at MBtech (recruitment and skills management program, training courses for sales people and engineers, appointment of Key Account Managers, etc.).
- The aim is to ensure MBtech's return to growth by improving the engineer utilisation rate, thereby boosting operating performance.

3. Prospects reinforced by the Group's new positioning

- The in-depth work carried out over the past year has confirmed the merits of the MBtech acquisition and the Group's mid-term potential in Germany.
- AKKA now benefits with MBtech from a global positioning, with a stronger specialist offering and a unique European platform (49% of revenue generated abroad), which provides the Group numerous growth drivers.
- The Group's ability to handle strategic projects of a new size and type will pave the way for future growth:
 - Daimler has just entrusted MBtech with its largest project so far, involving the design of a future vehicle.
 - Renault is relying on AKKA for the industrialisation of three new vehicles in China.
 - Airbus has entrusted the European coordination of one of its major contracts to AKKA.

The measures taken since the beginning of the year confirm the merits of the MBtech acquisition and enable us to perceive the first benefits reflected in current Group projects.

As a result, AKKA's mid-term target of achieving an operating income of €100 million while controlling its financial equilibrium has been confirmed.

Next meetings:

The 2013 first-half results will be presented:

- at 6 pm on September 9th, 2013 – AKKA – 21 Rue Antonin Laborde – 69009 Lyon
- at 11.30 am on September 10th, 2013 – NYSE Euronext – Auditorium – 39 Rue Cambon – 75001 Paris

Next release: 2013 3rd quarter revenue on October 22nd, 2013 after market close

***"The best way to predict the future is to invent it.
Let's spread a passion for technology."***

AKKA Technologies, a European Engineering and Technology Consulting Group, supports large industrial and service companies in the various stages of their projects, from R&D and research to industrialisation. Through its expertise in complementary businesses, AKKA Technologies provides genuine value-added to its customers across all industry sectors, including aeronautics, automotive, space & defence, consumer electronics, telecommunications, chemicals, pharmaceuticals, steel, energy, railways, marine, and services, etc.

As a market leader in the Automotive and Aerospace sectors in France and Germany, and thanks to the mobility of its staff and its international positioning, AKKA Technologies is involved in cutting-edge technology projects throughout the world.

The AKKA Technologies Group has over 11,000 employees and operates in 20 countries, including Germany, Belgium, Canada, China, the UAE, Spain, France, Hungary, Italy, India, Morocco, the Netherlands, the Czech Republic, Romania, the United Kingdom, Russia, Switzerland, Tunisia, Turkey, and the US.

AKKA Technologies is listed on EuronextTM Paris – Compartment B – ISIN Code: FR0004180537.

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

Further details are available at www.akka.eu

Contacts:

AKKA Technologies

Nicolas Valtille – Group CFO – Tel.: +33 (0)4 78 92 60 83 – finances@akka.eu

Dov Lévy – Investor Relations – Tel: +33 (0)6 22 67 41 41 – dov.levy@akka.eu

Actus Lyon

Amalia Naveira – Analyst & Investor Relations - Tel: +33 (0)4 72 18 04 97 – anaveira@actus.fr

Marie-Claude Triquet – Press Relations – Tel: +33 (0)4 72 18 04 93 – mctriquet@actus.fr

