

## PRESS RELEASE

10/02/2015

### AKKA – 2014 REVENUE

2014 revenue: €885.6 million (+0.9%), in line with objectives

- ✓ Good resilience in France in a difficult environment
- ✓ Return to organic growth in Germany
- ✓ Continued fast growth in international operations

Operations outside France accounted for over 50% of consolidated revenue

#### 2014 REVENUE

The resumption of revenue growth in Germany and the acceleration of strong international expansion enabled the Group to generate – for the first time in its history – more than 50% of its revenue outside France.

- ✓ **In 2014**, AKKA Technologies recorded revenue of €885.6 million, an increase of 0.9% at constant scope and exchange rates (lfl)\* compared with 2013. This increase is in line with the objectives given to the market early in 2014.
- ✓ **In the fourth quarter**, Group revenue increased by 1.2% lfl to €234.7 million. In a sluggish environment, France recorded a moderate decline of 3.9% in revenue attributable to the acceleration of the reprofiling of its activities under PACT 17. International activities (including Germany) continued their expansion. They recorded growth above 7% in Q4, at a pace similar to the second and third quarters.

Revenue (€ million)	Q4-2014	Q4-2013	% change	% change organic*
<b>Total Group</b>	<b>234.7</b>	<b>231.4</b>	<b>1.4%</b>	<b>1.2%</b>
France	115.3	120.0	-3.9%	-3.9%
Germany	85.1	81.9	+3.9%	+3.9%
International (excluding Germany)	34.3	29.5	+16.1%	+14.5%

\* Adjusted for currency effects.

## AKKA – 2014 REVENUE

### 2014 REVENUE BY REGION

- ✓ **France** reported 2014 revenue of €440.5 million, an organic decline of 2.3% compared with 2013. In a sluggish environment, revenue suffered from the deferral of a large project with a Russian customer. It was also impacted by the acceleration of the reprofiling of the French activities under the transformation plan PACT17, in the aim of profiling the Group for major international contracts. The transformation is well underway, and is starting to pay off. The decline in revenue in France was moderate in the fourth quarter (-3.9%). Above all, progress is reflected in the resumption of net hires in December and the significant improvement in the operating profitability of the French operations in the second half of 2014.
- ✓ **Germany** confirmed its return to growth started at the end of Q1. Its revenue increased by 3.9% to €85.1 million in the fourth quarter, despite a demanding comparison base. This trend resulted from the improvement in MBtech's competitiveness and performances achieved through the PACT 17 transformation plan. The Powertrain and Design activities enjoyed strong momentum. However, their growth is being dampened by hiring capacity. Overall, and after a decline in the first quarter, the German operations confirmed their upturn in 2014. Their full-year revenue was up 2.2% at €318.2 million. Their activity rate increased in line. It amounted to 86.5% in Q4 and 84.5% over the full year. A recruitment plan has been launched to capture growth in 2015.
- ✓ **International operations** (excluding Germany) maintained a robust growth rate. Their revenue was €34.3 million, an increase of 14.5% lfl in Q4. Among the many high-growth countries, the Middle East benefits from the Group's unique position in the modification and certification of aircraft. China benefits from its expertise in large transnational projects. Spain, Italy and the Czech Republic are reaping the fruit of diversification work carried out in recent years. Overall, international operations recorded organic revenue growth of 10.1% in 2014 to €126.9 million (+7.8% in H1 and +12.4% in H2). The 2014 performance was comprised entirely of organic growth. The BU hired a net total of nearly 330 employees during the year. The number of the BU's employees for the first time exceeded the symbolic threshold of 2,000, reaching 2,165 employees at the end of December.
- ✓ As of 31 December 2014, the Group had 10,605 employees, of which 5,436 in France, 3,003 in Germany and 2,166 internationally. The activity rate increased in each BU. It was 88% over 2014 as a whole.

### Q4-2014 HIGHLIGHTS

- ✓ Following the success of the integration of MBtech, AKKA Technologies announced on 10 December 2014 the acquisition of Auronik, marking the first step in the Group's diversification in Germany. Its strategy is to double in size in Germany over the medium term.

Having grown swiftly since its creation in Munich in 2010, Auronik generated revenue of €12 million in 2014, with a double-digit operating margin. The acquisition of Auronik will be accretive as early as 2015.

The high level of value added generated by Auronik in the fast-growing areas of eMobility and electric battery charging optimisation systems will allow the AKKA Technologies Group to accelerate its growth with strategic customers, including VW (Auronik's biggest customer).

- ✓ In late 2014, AKKA Technologies began exclusive discussions to acquire a company in Germany and another in Italy, with a view to accelerating the deployment of its diversification strategy.
- ✓ With its innovative and cross-cutting positioning, AKKA Technologies has been given a role in the collaborative FEATHER 3SL project. The objective is to design a new generation of lightweight and very comfortable cabin seats for airliners. AKKA will bring to this project its expertise in aerospace and automotive structures and processes, particularly in the fields of architecture, mechanical design, composite and metallic materials, process qualification, certification and testing.
- ✓ Its expertise in driver behaviour analysis (analysis of the state of vigilance and management of emergency situations) and the success of its Link&Go have enabled AKKA Technologies to join the consortium put together by the French National Research Agency in the CoCoVea project. The aim of this project is to develop an extended architecture between driver and support system to facilitate the automated driving of motor vehicles by sharing vehicle control. AKKA will also bring the consortium its expertise in cockpit ergonomics, acquired in aircraft cockpits.

## 2014 LANDING

- ✓ 2014 revenue grew slightly, in line with the Group's objectives. It confirms the recovery of the German operations and the continued strong growth of the international operations. This trend offsets the decline in France attributable to the acceleration of the reprofiling of its activities under PACT 17.
- ✓ The level of revenue and the strong improvement in margins expected in France and Germany in H2 allow the Group to confirm that it will report a 2014 operating margin in line with consensus expectations.

## MEDIUM-TERM OUTLOOK – STRATEGIC PLAN

The 2014 operational performances were in line with the Group's medium-term strategic plan.

- ✓ Success of the first phase of MBtech's integration. The success has:
  - resulted in an improved operating performance by the German activities,
  - enabled the launch of the second phase, which is aimed at stepping up the pace of diversification in Germany and internationally.
- ✓ Launch of the second phase of the PACT 17 transformation plan, with three major objectives :
  - readjusting its position in France to prepare for the production of large comprehensive contracts,
  - establishing a cross-cutting sales (appointment of Global Account Managers) and productivity (centres of expertise) structures,
  - accelerating commercial activity in major transnational programmes.

## Medium-term objectives, reinforced:

- Revenue of €1.2 billion
- Operating income from ordinary operations\* of €100 million
- A recurring operating margin of between 8% and 10%
- Control of Financial equilibrium

\* Operating income calculated before non-recurring items and expenses related to stock options and bonus shares.

**Next release:** 2014 results, 31 March 2015 after trading, followed by a meeting on 1 April at 10:00 a.m. CET.

### 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, 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, collaborates on state-of-the-art technology projects around the world.

The AKKA Technologies Group has nearly 11,000 employees and operates in 20 countries, including 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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*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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## 2014 QUARTERLY REVENUE

Revenue (€ million) Change at constant scope and exchange rates*	Q1-2014	Q2-2014	Q3-2014	Q4-2014	2014
France	113.1	111.0	101.0	115.3	440.5
	-2.2%	2.2%	-5.2%	-3.9%	-2.3%
Germany	75.6	77.2	80.4	85.1	318.2
	-6.9%	+7.7%	+4.9%	+3.9%	+2.2%
International (excluding Germany)	29.6	31.8	31.2	34.3	126.9
	+6.6%	+8.9%	+10.2%	+14.5%	+10.1%
<b>Total Group</b>	<b>218.3</b>	<b>220.1</b>	<b>212.5</b>	<b>234.7</b>	<b>885.6</b>
	-2.8%	+5.0%	+0.5%	+1.2%	+0.9%

## REVENUE AS OF END-DECEMBER 2014 (12 MONTHS)

Revenue (€ million)	2014	2013	% change	% change at constant scope and exchange rates*
France	440.5	450.9	-2.3%	-2.3%
Germany	318.2	311.4	+2.2%	+2.2%
International (excluding Germany)	126.9	116.5	+8.9%	+10.1%
<b>Total Group</b>	<b>885.6</b>	<b>878.8</b>	<b>+0.8 %</b>	<b>+0.9%</b>

\* Adjusted for currency effects.