

PRESS RELEASE

12/05/2015

AKKA – FIRST-QUARTER 2015 REVENUE

Q1-2015 REVENUE: €226.1 MILLION (+3.6%)

- ✓ Better-than-expected performance in France
- ✓ Ongoing growth in Germany
- ✓ Further acceleration of international expansion

Q1-2015 REVENUE

- ✓ AKKA Technologies recorded revenue of €226.1 million in the first quarter of 2015, an increase of 3.6% compared with the revenue of €218.3 million recorded in the first quarter of 2014. Organic growth was 1.3% over the quarter.*
- ✓ The revenue of the France BU is stabilising at a faster pace than anticipated. International activities (including Germany) continued their expansion. They recorded growth around 7% in Q4, at a pace similar to the previous quarters.

Revenue (€ million)	Q1-2015	Q1-2014	% change	% change organic*
Total Group	226.1	218.3	3.6%	1.3%
France	108.9	113.1	-3.7%	-3.7%
Germany	80.4	75.6	+6.4%	+2.0%
International (excluding Germany)	36.8	29.6	+24.4%	+18.1%

* Adjusted for currency effects and the acquisition of Auronik.

AKKA – FIRST-QUARTER 2015 REVENUE

Q1-2015 REVENUE BY REGION

- ✓ **France** recorded a 3.7% decline in revenue to €108.9 million in Q1-2015. This performance reflects a faster-than-expected stabilisation of the BU's revenue, despite a persistently challenging environment and a negative locked-in effect resulting from the acceleration of the reprofiling of the French activities under the PACT 17 transformation plan aimed at preparing the Group for major international contracts.
- ✓ **Germany** recorded growth of 6.4% in revenue to €80.4 million. Growth was dampened by difficulties in recruiting and significant absenteeism resulting from the flu epidemic that gripped the country. Adjusted for this temporary phenomenon, the German BU would have posted revenue growth of 9.4%, with organic growth of nearly 5%. The German activities are expected to resume a normative growth rate in the second quarter.
- ✓ **International activities** (excluding Germany) continued their strong growth. Their revenue was €36.8 million, an increase of 24.4% compared with Q1-2014 (+18.1% organic). The acceleration of growth is attributable to a favourable comparison base and the start of work on the contract with BAIC. Aside from China, which benefits from this contract, the vast majority of countries and regions are enjoying fast growth, particularly the Czech Republic, Spain and Italy. Belgium grew by 6.2%.

Q1-2015 HIGHLIGHTS

- ✓ **Transformation into a European Company:** the Board of Directors, at its meeting of 5 May 2014, decided to undertake the Group's transformation into a European Company (*Societas Europaea* – SE). This change in status reflects the Group's international dimension and its growing presence in Europe, where it is now the leader in automotive and aerospace engineering.

Following the approval of the proposal at the AKKA Technologies bondholders' meeting of 2 June 2014 and the shareholders' meeting of 17 June 2014, and the signing on 30 March 2015 of an agreement with employee representatives on arrangements for the involvement of employees in the European Company, the registration as a European Company was completed on 16 April 2015. The transformation into a European Company will not have an impact on Akka Technologies' governance or the listing of its shares.

- ✓ **Acquisitions:** following the successful integration of MBtech and the issuance of a €140 million Schuldschein-type bond in late October, AKKA Technologies returned to the acquisition market in late 2014 so as to accelerate the deployment of its international diversification strategy. After the acquisition of Auronik in late 2014, which marks the first step in its diversification in Germany, the Group acquired Italian company EPSCO in early 2015.

EPSCO is mainly active in processes in Italy. It recorded revenue of €18 million in 2014, with impressive margins. This acquisition will accelerate the diversification of the AKKA Technologies Group's activities in Italy, allowing it to achieve critical mass in that market. Revenue in Italy will be €35 million, with 420 employees.

- ✓ **Diversification in the energy sector:** the EPSCO acquisition will also allow the Group to accelerate its diversification in the energy sector. The group has won numerous listings and new contracts in this sector (4% of consolidated revenue in 2014). The most recent was signed in April with EDF: AKKA Technologies is to assist EDF in the renovation of two coal-fired units of the Cordemais thermal power plant (Loire-Atlantique), the largest in France. This is the second project of this type in which AKKA will assist assisted EDF, after the recently completed renovation of the Le Havre plant. The project, which will run throughout 2015, is part of EDF's Projet Charbon 2035 plan to modernise and reduce emissions from its coal-fired plants, to keep them operating until 2035.

With 20 years' experience in all forms of energy (nuclear, thermal, hydro and renewables), AKKA Technologies will provide the EDF Group with comprehensive know-how. Jean-Franck Ricci, Chief Operating Officer, said: "Participating in this major project will allow us to strengthen our position and our ambitions in energy. The EDF teams trust us, and we hope this will be the beginning of a long association."

- ✓ **First contract with Middle East Airlines (MEA):** at the Aircraft Interiors trade fair devoted to the interior design and fitting of aircraft, held from 14 to 16 April in Hamburg, AKKA Technologies formalised its partnership with MEA, owner of one of the most modern fleets in the world. True to its values of excellence, Middle East Airlines has chosen Aeroconseil, a subsidiary of AKKA, to integrate the iPad support developed by the Group's experts into its extensive, modern and environmentally respectful fleet.

Reflecting its comprehensive expertise in aerospace, the skills offered by AKKA cover the development of the Service Bulletin and related drawings required to carry out work on the aircraft (including the removal Service Bulletin), the design, production and supply of modification kits, EASA certification of changes and the implementation of additional operational documentation for the plane. Stéphane Bollon, Vice-President International Sales & Development, said: "This partnership with a new customer in the Middle East, strategically located for the Group, demonstrates our ability to assist our foreign customers and enhances our value added in projects of excellence."

OBJECTIVES – SHORT- AND MEDIUM-TERM OUTLOOK

- ✓ The Q1-2015 operational performances were in line with the Group's 2015 budget and its medium-term strategic plan: improved operational performance in France resulting from the gradual stabilisation of the workforce, and good revenue trends for German and international activities.
- ✓ On this basis, the Group can confirm its objective of organic revenue growth in 2015, combined with a further improvement in margins under its 2018 strategic plan.

- ✓ The Group also confirms its 2018 objectives:
- Revenue of €1.2 billion,
 - Recurring operating income* of €100 million,
 - Recurring operating margin of between 8% and 10%,
 - Control of financial equilibrium.

* Recurring operating income before non-recurring items and expenses related to stock options and free shares.

Next releases: Q2-2015 revenue on 28 July 2015

Interim 2015 results on 17 September 2015

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.

AKKA Technology contacts

Nicolas Valtille

Group CFO
Tel.: +33 4 7892 6083
finances@akka.eu

Dov Lévy

Investor Relations & Corporate Development
Tel.: +33 1 5669 2652
dov.levy@akka.eu

Actus contacts

Amalia Naveira / Marie-Claude Triquet

Analyst/Investor Relations
Tel.: +33 4 7218 0493
anaveira@actus.fr / mctriquet@actus.fr
