



PASSION FOR  
TECHNOLOGIES

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## THIRD QUARTER 2019 REVENUE

# Q3 2019 REVENUE : +26% AT € 441M

PRESS RELEASE

### Q3 2019 PRFORMANCE

- Consolidated revenue on 9 months: +25.5% to €1.3Bn
- Sustained activity in France
- Growth in Germany in line with expectations: +2.4%
- Solid momentum in North America: +17% at €78m
- 2019 targets confirmed

### 2019 THIRD QUARTER REVENUE

(€ million)	Q3 2019	Q3 2018	Change	Change Pro-forma
<b>Group</b>	<b>441.1</b>	<b>349.8</b>	<b>+26.1%</b>	<b>+7.4%</b>
<b>France</b>	<b>163.3</b>	<b>152.6</b>	<b>+7.0%</b>	<b>+7.0%</b>
<b>Germany</b>	<b>123.5</b>	<b>120.6</b>	<b>+2.4%</b>	<b>+2.4%</b>
<b>North America*</b>	<b>78.4</b>	<b>6.1</b>	<b>+1,186.6%</b>	<b>+16.8%</b>
<b>International**</b>	<b>75.9</b>	<b>70.4</b>	<b>+7.8%</b>	<b>+7.8%</b>

\* PDS Tech has been consolidated since 1 November 2018

\*\* Excluding Germany and North America

- The Group's revenue **increased by 26.1% in the third quarter of 2019 and by 25.5% YTD**, in a contrasted macroeconomic environment. This dynamic is driven by strong growth in France, International and North America while Germany continues to improve.
- **Mobility, AKKA's main sector, remains buoyant**, with 28% revenue increase YTD.
- AKKA owes its resilience to its expertise in **cutting edge digital technologies**. The Group delivered a **strong performance in communications related to smart infrastructure**, connectivity and CASE<sup>1</sup> related technologies.
- **At the end of September 2019, AKKA's activity pipeline is robust** with several new contracts scheduled to start in Q1 2020. Digital disruption and transformation in the mobility sector offer opportunities in an environment still clouded by international politics and cultural adjustments of large OEMs.

<sup>1</sup> Connected, Autonomous, Shared, Electric

## PRO-FORMA REVENUE GROWTH OF 7.4% IN THE THIRD QUARTER OF 2019

- **Displaying a positive momentum, the French BU delivered a 7% increase in revenue for Q3 and 7.7% growth YTD.** Performance was impacted by slow recruitment levels in the first quarter of 2019. However, France has accelerated its recruitment activity since May in order to fuel future growth.
- **German BU delivered a 2.4% revenue growth in Q3.** This was driven by solid traction in the Automotive sector thanks to contracts with Volkswagen and improved revenue streams with Daimler. The resilience of the group in Germany, and for the Group overall, is the result of AKKA's unique positioning and its capacity to accompany its clients in the automotive industry in their transformation toward digital and technologies in high demand for future products and services.
- **7.8% revenue increase in the International BU in Q3 2019** was mainly driven by growth in Belgium, Italy and Spain thanks to numerous commercial successes as a direct result of the Strategic Customers Department launched earlier this year.
- **AKKA North America confirms its successful growth.** Pro-forma revenue (including PDS Tech) increased by 16.8% and AKKA legacy activities grew by 59.9% in Q3 2019 despite a more demanding comparison basis. YTD performance was 22.7% and 82.5%, respectively.
- As of September 30<sup>th</sup>, 2019, AKKA had 20,901 employees, an increase of 21.9% in comparison with the third quarter of 2018, including 7,717 talents in France, 5,068 in Germany, 4,041 in North America and 3,969 internationally.

## ALL OBJECTIVES FOR 2019 and 2022 CONFIRMED

The Group remains confident in its business outlook despite a contrasted economic environment. This confidence is supported by its ability to benefit from continued investments in high-demand digital technologies aligned with its strategic positioning.

### 2019 OUTLOOK

- Organic growth:  $\geq 6\%$
- Operating margin from ordinary operations:  $\geq 8\%$
- Free cash flow:  $\geq 5\%$

### 2022 OUTLOOK

- Revenue of €2.5 billion
- €250 million in operating profit from ordinary activities<sup>6</sup>
- €150 million in free cash flow

## LISING AT EURONEXT BRUSSELS

AKKA is in the process of listing on Euronext Brussels, as part of its long-term commitment to its Belgium stakeholders.

The listing is expected to be finalized by the end of this month. The company will not issue any new shares and its primary listing will remain with Euronext Paris. This listing is expected to diversify and enlarge its shareholder base, and therefore enhance the global liquidity of its shares.

### Next event:

Full-year 2019 revenue: Thursday, 6 February 2020

Full-year 2019 results: Tuesday, 17 March 2020

*In case of discrepancies between the French and English versions of the press release, only the English version shall be deemed valid.*

## About AKKA

AKKA is the European leader in engineering consulting and R&D services in the mobility segment. As an innovation accelerator for its clients, AKKA supports leading industry players in the automotive, aerospace, rail and life sciences sectors throughout the life cycle of their products with cutting edge digital technologies (AI, ADAS, IoT, Big Data, robotics, embedded computing, machine learning, etc.).

Founded in 1984, AKKA has a strong entrepreneurial culture and is pursuing its fast-paced growth and international development in line with its CLEAR 2022 strategic plan. With approximately 21,000 employees, who are passionate about technology and dedicated to advancing the future of industry, the Group recorded revenues of €1.5 billion in 2018.

AKKA Technologies is listed on Euronext Paris – Segment A – ISIN code: FR0004180537.

For more information, please visit [www.akka-technologies.com](http://www.akka-technologies.com)

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## AKKA Contacts

### Investor Relations

Dov Levy  
VP Investor Relations  
Tel: +32(0) 2 712 61 24  
[dov.levy@akka.eu](mailto:dov.levy@akka.eu)

### Media Relations

Markus Leutert  
Group Head of Communications  
Tel.: +32(0) 4 96 26 27 55  
[markus.leutert@akka.eu](mailto:markus.leutert@akka.eu)

### FTI Consulting

[akka@fticonsulting.com](mailto:akka@fticonsulting.com)  
**Media Relations, France**  
Emily Oliver  
Tel.: +33(0) 1 47 03 68 65

## APPENDIX:

### REVENUE BY QUARTER

Revenue (€ million)	Q1 2019	Q2 2019	Q3 2019	2019 YTD
<b>France</b>	<b>169.1</b>	<b>161.7</b>	<b>163.3</b>	<b>494.1</b>
<i>% change</i>	5.4%	11.0%	7.0%	7.7%
<i>Organic growth<sup>2</sup></i>	5.4%	11.0%	7.0%	7.7%
<b>Economic growth<sup>3</sup></b>	<b>7.1%</b>	<b>11.0%</b>	<b>5.4%</b>	<b>7.7%</b>
<b>Germany</b>	<b>126.2</b>	<b>129.2</b>	<b>123.5</b>	<b>378.9</b>
<i>% change</i>	6.4%	-3.1%	2.4%	1.7%
<i>Organic growth<sup>2</sup></i>	6.4%	-3.1%	2.4%	1.7%
<b>Economic growth<sup>3</sup></b>	<b>6.4%</b>	<b>-1.6%</b>	<b>1.0%</b>	<b>1.7%</b>
<b>North America</b>	<b>75.6</b>	<b>76.8</b>	<b>78.4</b>	<b>230.8</b>
<i>% change</i>	1,433.1%	1,392.7%	1,186.6%	1,327.4%
<i>Organic growth<sup>2</sup></i>	35.9%	60.1%	35.1%	43.3%
<b>Economic growth<sup>3</sup></b>	<b>35.7%</b>	<b>60.3%</b>	<b>34.8%</b>	<b>43.2%</b>
<b>International</b>	<b>75.4</b>	<b>77.4</b>	<b>75.9</b>	<b>228.7</b>
<i>% change</i>	7.7%	4.9%	7.8%	6.7%
<i>Organic growth<sup>2</sup></i>	7.3%	4.4%	6.9%	6.2%
<b>Economic growth<sup>3</sup></b>	<b>7.3%</b>	<b>4.4%</b>	<b>4.4%</b>	<b>5.3%</b>
<b>Total Group</b>	<b>446.3</b>	<b>445.2</b>	<b>441.1</b>	<b>1,332.5</b>
<i>% change</i>	26.1%	24.4%	26.1%	25.5%
<i>Organic growth<sup>2</sup></i>	6.6%	5.1%	5.9%	5.9%
<b>Economic growth<sup>3</sup></b>	<b>7.3%</b>	<b>4.8%</b>	<b>5.0%</b>	<b>5.7%</b>

<sup>2</sup> Growth at constant scope and exchange rates

<sup>3</sup> Growth at constant scope, exchange rates and number of working days