

PRESS RELEASE

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AKKA – FIRST-QUARTER 2016 REVENUE

Sustained growth of 18.7%, with organic growth of 5.6%

Excellent momentum in France: organic growth of 7.7%

Acceleration confirmed

Q1 2016 REVENUE

Revenue (€ million)	Q1 2016	Q1 2015	% change	% change organic*
Total Group	268.3	226.1	+18.7%	+5.6%
France	130.4	108.9	+19.7%	+7.7%
Germany	83.0	80.4	+3.2%	+3.2%
International (excl. Germany)	55.0	36.8	+49.4%	+4.8%

* change at constant scope and exchange rates

Q1 2016 REVENUE

- ✓ The strong sales momentum dating back to Q3 2015 was confirmed in Q1 2016. Q1 2016 revenue amounted to €268.3 million, an increase of 18.7%, with growth of 5.6% at constant scope and exchange rates.
- ✓ The Q1 momentum was driven by the acceleration in France (+ 7.7% organic) and sound organic growth in the German (+3.2%) and international (+4.8%) activities, despite a high comparison base.

- ✓ As of 31 March 2016, the Group had 12,398 employees, of which 6,212 in France, 3,341 in Germany and 2,845 internationally.

REVENUE BY REGION

- ✓ **France** recorded revenue growth of 19.7% in Q1 2016, with organic growth of 7.7%, to €130.4 million. This performance marks a further acceleration that is expected to continue in Q2 2016, driven by the buoyant economic environment, renewed hiring, the Group's ability to gain market share and the integration of Matis. It resulted from strong momentum in the automotive business, and the resumption of growth in the aviation and railway sectors. The acceleration confirms the effectiveness of the new organisation established under our PACT 17 transformation plan. Combined with the margin improvement plan (MIP), we expect it to be accompanied by an improvement in margins in the first half.
- ✓ The revenue of the **German activities** grew by 3.2% on an organic basis to €83.0 million in Q1. The strong momentum of the hybrid engines and the Software and Electronic Solutions businesses drove growth. Diversification of the German businesses continues at a rapid pace among automakers and equipment manufacturers alike. Revenue with Volkswagen grew by 12% on an organic basis. Revenue with Continental AG and Bosch grew by 40% and 130% respectively. Northern Germany recorded strong sales growth, especially in wind turbines. The resumption of growth in the aerospace activities will be another source of diversification for the coming quarters.
- ✓ **International activities** (excluding Germany) benefited from the strengthening of their positions through the acquisitions of Epsco, Corialis and Matis. Their revenue totalled €55.0 million, an increase of 49.4% compared with Q1 2015. Organic growth was 4.8%, despite a high comparison base. Most countries are growing rapidly, including Spain, the Czech Republic, Turkey and the United Kingdom. Belgium reported growth of 63%, with organic growth of 3.2%. 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. Initial contracts with the Jaguar Group, Embraer and Boeing should also contribute to this acceleration.

Q1 2016 HIGHLIGHTS

Shareholder loyalty

- ✓ The Group has decided to reward its shareholders by increasing the dividend and by allocating bonus shares. The purpose of the allocation is both to reward the loyalty of shareholders and to increase liquidity.
- ✓ The Board of Directors of AKKA Technologies has decided to grant bonus shares to the Group's shareholders at a rate of one new share for 10 existing shares. This capital increase is not dilutive. The new shares were issued on 21 April 2016.
- ✓ In the current favourable environment, and given the good performance in 2015, the Board of Directors has decided to propose to the Shareholders' Meeting of 16 June 2016 an increase of 10% of the dividend to €0.50 per share.

OUTLOOK

- ✓ **2016:** Market momentum has been improving for several quarters. AKKA Technologies is gaining market share thanks to its unique positioning.

As such, the Group confirms its target of achieving organic revenue growth in each of its three business units in 2016, combined with a further improvement in margins.

The Group intends at the same time to pursue its external growth strategy through targeted acquisitions with its usual financial discipline criteria.

- ✓ **2018:** The robust organic growth and recent acquisitions constitute a sound base for growth for the coming half-years. Margins are expected to improve at the same time, under the combined effect of this growth, the PACT 17 transformation plan and the margin improvement plan.

The Group accordingly confirms its 2018 objectives:

- Revenue: €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.

Upcoming events:	Combined shareholders' meeting on 16 June 2016
	Q2 2016 revenue on 27 July 2016
	Interim 2016 results on 21 September 2016

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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