

PRESS RELEASE / COMMUNIQUÉ DE PRESSE

Paris, 26th February 2018

SEIZING THE OPPORTUNITIES PROVIDED BY THE LATEST TRENDS IN THE MOBILITY SECTOR: AKKA PRESENTS ITS CLEAR 2022 STRATEGIC PLAN

- Customer focused
- Leadership in Innovation
- Excellence in delivery
- Attractive for talents
- Results-oriented

AKKA's new strategic plan, CLEAR 2022, is designed to accelerate its growth in a booming market and strengthen the Group's leadership position in technology consulting for the mobility sector supported by:

- **2,5 Billion euros** of Revenue
- **250 Million euros** of EBIT¹
- **150 million euros** of Free Cash Flow

A reshaping market with unprecedented growth prospects

The engineering and R&D services market is set to double in size to **266 billion euros by 2022**:²

The **digital revolution and the arrival of new players (start-ups) accelerate technological cycles and transform industrial ecosystems across all sectors**. New technologies such as Artificial Intelligence, Big Data, Virtual Reality shake-up industrial processes and product creation cycles, requiring agility and speed in terms of innovation and production. This is particularly the case in the mobility sector, where the transition from product to service offering drive industrial players to **rethink their business model**.

The industry of tomorrow will therefore no longer simply be a production system but rather a value creation chain built around new services and user behaviors, fully integrated into an interconnected system.

AKKA well positioned to benefit fully from the growth in its markets

Thanks to its previous PACT 17 plan AKKA has established itself as the European leader in the mobility sector in Europe, enabling it to achieve revenue of 1.3 billion euros in 2017. Continuing from this momentum, CLEAR

¹ operating profit calculated before non-recurring items and expenses relating to stock options and free shares

² AKKA, ICCT, McKinsey, PAC, Zinnov Zones

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2022 is supported by its **strategy of balances** that enables it to capitalize on market growth by balancing its geographical, sectoral, client portfolio and financial positioning.

AKKA will pursue its strategy of investing in future technological expertise to capture the **tremendous opportunities for growth in the mobility sector**: autonomous driving, the Internet of Things, robotics which are examples of cross-sector skills that are extremely sought after by players in the automotive, aerospace and rail sectors but also by an entire peripheral ecosystem that will emerge with the development of Smart Cities. Furthermore, the Group will pursue its development in Life Sciences, a booming market also revolutionized by digital (cobots, exoskeleton,...).

CLEAR 2022, a structured action plan built around five priority axis :

- 1. Customer Focused:** AKKA will intensify its relationships with its clients - Daimler, Renault, Airbus – and win new accounts thanks to a more integrated transverse offer and its dual engineering and digital expertise. With continued focus on diversifying its client portfolio, the Group aims at an average value of 50M€ revenue for each of its top 20 clients.
- 2. Leadership in innovation:** to meet its clients' innovation needs, AKKA will implement an active policy of co-innovation through technological and commercial partnerships, with both top-ranking players and promising start-ups all over the world to generate 75% of its activities in digital, in all of its sectors.
- 3. Excellence in delivery:** through a more integrated organization, AKKA will increase its productivity while optimizing the levers around cost, quality and lead times. The Group will draw on its Centres of Excellence and digital expertise to increase the number of transnational and cross-sector projects and also increase its gross margin by 2%.
- 4. Attractive for talents:** AKKA has launched an active recruitment policy to grow to 25,000 employees in four years. The Group will train 3,000 employees each year. The Group's company university, the AKKADEMY will attract and retain talent from all over the world and contribute to the hiring of 10,000 talented "digital natives" between 2018-2022.

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5. **Results-oriented:** with CLEAR 2022, AKKA continues to embrace the profound changes currently under way with confidence and conviction. The various priority axis set out in CLEAR 2022 are among the main levers for the acceleration of the Group's growth and international deployment, the improvement of its margins as well as its cash generation to deliver:
- **Revenues of €2.5 billion**
 - **EBIT of €250 million**
 - **Free Cash Flow of more than €150 million**

When presenting CLEAR 2022, Maurice Ricci, AKKA Group CEO, explained: *"The digital revolution is under way. It is **profoundly transforming the industrial world and structurally changes the mobility sector**. It is a genuine challenge for organizations, but at the same time it offers **tremendous opportunities for growth**. Thanks to its multi-sector approach and its unique ability to anticipate societal, technological and industrial trends, **AKKA is writing the future of mobility alongside its customers**. We have always been able to grasp the dynamics of a fast-growing market **and we will continue to do so in a market undergoing profound changes**. With CLEAR 2022, through a reinforced digital offer and international reach, we will be **more flexible and closer to our customers** to help them tackle the challenges set by the dual revolution in user behavior and technologies".*

Upcoming events:

Publication of the 2017 annual results: Tuesday, 20 March 2018

For further information, please contact our press office.

About AKKA Technologies

"The best way to predict the future is to invent it. Let's share our passion for technology."

Founded in 1984, AKKA Technologies is now the European leader in Engineering Consulting and R&D services in the mobility sector. Supported by 15,000 talents distributed across more than 20 countries, the Group recorded revenue of €1.3 billion in 2017.

AKKA Technologies is THE innovation partner, with clients including all the major European industrial groups in the automotive, aerospace and rail industries, as well as in the Life Sciences, energy, services, telecoms and defence sectors: Airbus Group, Alstom, BMW, Daimler, GlaxoSmithKline, Renault, Safran, Thales, Volkswagen, Volvo and more.

AKKA Technologies provides these major groups with technological solutions enabling them to improve their innovation processes, added value, productivity and efficiency when designing new products or processes, right through to the industrial production phase. Its unique geographical positioning around its Franco-German axis, its ability to deliver cross-sector and transnational solutions and its in-depth expertise in the technologies of the future (AI, ADAS, IoT, Big Data, robotics, embedded computing, machine learning, etc.) allow it to assist its clients in their two key challenges, namely globalisation and digitisation. Digital technologies and the technologies of the future today represent 15% of AKKA's revenue.

AKKA Technologies is listed on Euronext Paris – Compartment B – ISIN code: FR0004180537.

For more information, please visit www.akka-technologies.com

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