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**Q1 2018: ACTIVITY GROWTH OF 10.2%**

- **Excellent performance in France and Germany**
- **Acceleration of International growth to 11%**
- **Gain of numerous digital projects**
- **Strong growth in the workforce: +12% year-on-year**

Revenue (in € millions)	Q1 2018	Q1 2017	Consolidated growth	Economic growth <sup>1</sup>
<b>Total Group</b>	<b>353.9</b>	<b>328.3</b>	<b>+7.8%</b>	<b>+10.2%</b>
France	158.0	145.2	+8.9%	+10.6%
Germany	118.6	110.6	+7.2%	+9.3%
International (excl. Germany)	77.3	72.4	+6.7%	+11.0%

**Q1 2018 REVENUE**

- **2018 got off to an excellent start for AKKA.** The momentum dating back to 2017 continued in the first quarter of 2018. It was driven by the gain of new listings and structuring projects in digital technology, especially in the development of autonomous driving systems for leading OEMs in the automotive, aerospace and rail sectors.
- Consolidated revenue increased by 7.8% to €353.9 million in the first quarter. This strong consolidated growth was entirely organic. Adjusted for the number of working days and currency effects, **economic growth gathered pace to 10.2% (8.1% in 2017).**
- **This strong momentum confirms the maturity of the Group's positioning and the regularity of its performance. It provides a firm foundation for the Clear 2022 strategic plan,** which will cement AKKA's status as a leader in Mobility Technology Consulting, while sustainably improving the company's financial performance. It will lead the Group to double in size by 2022, while greatly improving its profitability and cash generation.

<sup>1</sup> Growth at constant scope, exchange rates and number of working days

## ACTIVITY BY REGION

### Strong momentum in all BUs

- **Economic growth momentum was strong in each of the Group's three business units in the first quarter:** 10.6% in France, 9.3% in Germany and 11.0% in International.

**As in 2017, momentum was driven by an 10.1% year-on-year increase in the workforce**, confirming AKKA's ability to attract talent and skills in the engineering professions of the future. As of 31 March 2018, the Group had 16,051 employees, compared with 15,515 at the end of December 2017 and 14,578 at the end of March 2017. The 3.5% increase in the headcount over the quarter results in the following geographical breakdown: 7,247 in France, 4,842 in Germany and 3,962 in International. Reflecting the Group's growing international footprint, operations outside France now account for 55% of the Group's engineers.

- With revenue of €158.0 million, the **France Business Unit** recorded excellent organic growth of 8.9% in Q1 2018. Economic growth was 10.6%, the same pace as 2017 as a whole. It was driven by numerous contracts in autonomous vehicles. The growth of the French activities is benefiting from a significant acceleration in telecoms, as well as the growth in the automotive, aerospace, life sciences and energy sectors. Recruitment momentum remains strong, with the France BU hiring more than 250 engineers net over the quarter and exceeding 7,000 employees for the first time in its history.
- The **Germany Business Unit** also made an excellent start to the year. It reported revenue of €118.6 million, with economic growth of 9.3%. Organic growth amounted to 7.2%. Leveraging its dual expertise in engineering and digital technology, AKKA is forging ahead in terms of mobility projects. In late January, the BU won a €28 million contract with Volkswagen, as well as a major project from British giant INEOS for the end-to-end development of an off-road 4x4 vehicle. In terms of customers, growth in the first quarter was driven chiefly by renowned OEMs & suppliers including Bosch, Continental, Porsche and the VW Group.
- The Group's **International operations (excluding Germany)** posted revenue of €77.3 million in the first quarter, an organic increase of 8.9% and an economic increase of 11.0%. Growth in the first quarter was driven by North America, Asia, Italy and the United Kingdom. The energy business resumed growth after reaching a low point in 2017. It recorded organic growth of 4.8% over the quarter. Life sciences activities won a promising contract for the construction of a factory of the future for an international group specialising in medical equipment and devices.

## FIRST QUARTER HIGHLIGHTS

### 13th consecutive quarter of organic growth

- As it embarks on its 14th consecutive quarter of organic growth, AKKA is continuing its growth momentum by launching the CLEAR 2022 strategic plan. AKKA successfully rolled out its new, single brand to strengthen its position as an accelerator of innovation for its customers. At the same time, with the opening of the AKKADEMY international university, AKKA is reinforcing its employer brand, broadening its international footprint and cementing its transformation towards high value-added digital technologies.
- The Group's digital expertise irrigates all sectors and wins it numerous contracts, bringing AKKA's economic growth to 10.2% in the first quarter.

**In the automotive sector,** AKKA is to develop a level 5 autonomous car by 2022 on behalf of ICONIQ, the Chinese connected mobility manufacturer.

AKKA will leverage its unique combination of mobility expertise through its expertise in connected technologies, integrated electronics, embedded systems and electromechanical systems.



## OUTLOOK

- **2018:** the strong revenue momentum and strong hiring observed in 2017 continued in early 2018. Combined with the excellent first-quarter performance, these factors point to robust growth, with further improvement in margins in 2018.
- **CLEAR 2022** will enable the Group to capture the growth offered by the digital revolution, permanently improving its financial performance. Its 2022 targets are as follows:
  - **€2.5 billion** in revenue
  - **€250 million** in operating profit from ordinary activities<sup>2</sup>
  - **€150 million** in free cash flow

### Upcoming events:

Q2 2018 revenue: Wednesday 25 July 2018

H1 2018 results: Wednesday 12 September 2018

## APPENDIX: Q1 2018 GROWTH TABLE

Revenue (in € millions)	Q1 2018	Q1 2017	Consolidated growth	Organic growth <sup>3</sup>	Economic growth <sup>4</sup>
<b>Total Group</b>	<b>353.9</b>	<b>328.3</b>	<b>+7.8%</b>	<b>+8.3%</b>	<b>+10.2%</b>
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<sup>2</sup> Profit from business operations calculated before non-recurring items and cost of stock options and free shares

<sup>3</sup> Change at constant scope and exchange rates

<sup>4</sup> Growth at constant scope, exchange rates and number of working days



PASSION FOR  
TECHNOLOGIES

## PRESS RELEASE

About AKKA

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

*Founded in 1984, AKKA today ranks as the European leader in engineering consulting and R&D services in the field of mobility. With 16,300 talented employees working in more than 20 countries, the Group recorded revenue of €1.3 billion in 2017.*

*A partner in innovation, AKKA boasts a prestigious customer portfolio featuring leading companies in the automotive, aerospace and rail sectors, as well as in the life sciences, services, telecommunications and defence. The list includes Airbus Group, Alstom, BMW, Daimler, GE, GlaxoSmithKline, Renault, Safran, Thales, Volkswagen and Volvo.*

*AKKA provides technological solutions to these major groups, enabling them to improve their innovation processes, their added value, their productivity and their efficiency when designing new products or processes, right through to the industrial production phase. Its unique geographical positioning around its Franco-German axis, its capacity 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 customers 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 is listed on Euronext Paris – Segment B – 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  
Nicolas Valtille  
**Group Managing Director**  
Tel.: +33 (0)4 78 92 60 73  
[finances@akka.eu](mailto:finances@akka.eu)

Investor Relations  
Dov Levy  
**VP Investor Relations**  
Tel.: +33 (0)1 56 69 26 51  
[dov.levy@akka.eu](mailto:dov.levy@akka.eu)

Actus contacts  
Théo Martin  
**Analyst/investor relations**  
Tel.: +33 (0)1 53 67 36 75  
[tmartin@actus.fr](mailto:tmartin@actus.fr)

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

DGM Conseil  
Thomas Roborel de Climens  
**Media relations**  
Tel.: +33 1 40 70 11 89  
[thomasdeclimens@dgm-conseil.fr](mailto:thomasdeclimens@dgm-conseil.fr)