

## PRESS RELEASE

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### AKKA – FIRST-QUARTER 2017 REVENUE

**Excellent momentum in the three business units: +22%**

Robust organic growth of **12%**

In two years, AKKA has become a leader in **Digital technology**

Construction of an advanced base of diversification in the **Life Sciences**

Revenue (€ million)	Q1 2017	Q1 2016	% change	% organic*
<b>Total Group</b>	<b>328.3</b>	<b>268.3</b>	<b>+22.3%</b>	<b>+11.7%</b>
France	145.2	130.4	+11.4%	+11.4%
Germany	110.6	83.0	+33.4%	+13.1%
International (excl. Germany)	72.4	55.0	+31.7%	+10.6%

\* change at constant scope and exchange rates

2017 got off to an excellent start for AKKA Technologies. The pace of growth increased in each of its main geographies thanks to its unique positioning in mobility and digital technology.

The acquisition of GIGATRONIK rounds out the Group's digital offering. Today, digital technologies and the technologies of the future represent 15% of the Group's revenue and is a major cross-cutting plan of its international development.

This know-how, combined with the strength of German and French pillars, sets the stage for the next steps in the Group's development.

## Q1 2017 REVENUE

- ✓ **The AKKA Technologies Group has demonstrated its ability to outperform the technology consulting sector.** Its revenue increased by 22.3% to €328.3 million in the first quarter. Organic growth was a robust 11.7%. It exceeded 10% in each of the Group's three business units.
- ✓ In line with revenue growth of 22.3%, the increase in the workforce was 17.5%. This was achieved, in a dynamic market, thanks to an active recruitment policy and the consolidation of newly acquired companies. As of 31 March 2017, the Group had 14,578 employees, compared with 13,252 at the end of December 2016. The geographical breakdown was as follows: 6,480 in France, 4,617 in Germany and 3,481 in International.

## REVENUE BY REGION

- ✓ **France is reaping the full benefit of the success of its transformation launched in 2015. Its revenue increased by 11.4% on an organic basis to €145.2 million in the first quarter of 2017.** This acceleration was accompanied by a further improvement in the operating performance. The environment remains dynamic. The market is driven by growth in the automotive and rail sectors, as well as the return to growth in the aerospace sector. AKKA Technologies continues to gain market share thanks to its positioning in mobility, digital technology and embedded computing. The good sales momentum and the acceleration of recruitments since the second half of 2016 offer the prospect of continued high growth over the full year.
- ✓ **Germany saw its revenue increase by 33.4% to €110.6 million.** Organic growth was strong. It totalled 13.1%, after a very good year in 2016, marked by organic growth of 10.9%. The recent acquisitions of Erbkönig and Auronik have reinforced AKKA's technological know-how, as well as its geographical and customer positioning. The AKKA Technologies Group is now a key player in the entire German OEM ecosystem, enabling it to gain significant market share among both automakers and equipment suppliers, despite an increasingly fierce competitive environment. This positioning should help drive growth in the coming quarters.
- ✓ **The Group's international activities (excluding Germany) resumed double-digit organic growth half a year ahead of the Group's internal target.** Revenue totalled €72.4 million, an increase of 31.7% compared with Q1 2016. Organic growth amounted to +10.6%. The acceleration in organic growth was driven chiefly by Italy, Spain, the Czech Republic, North America and the United Kingdom. Belgium reported organic growth of 4.4%. The continued deployment of the Group's business model in recently acquired companies and the acceleration of hiring hold out the prospect of growth for international activities in the coming quarters.

## Q1 2017 HIGHLIGHTS

- ✓ **Three acquisitions completed in early 2017:** AKKA Technologies completed the strategic acquisitions of CTP System and Edelway in Life Sciences, and GIGATRONIK in the technologies of the future.
- ✓ **With CTP System and Edelway,** AKKA Technologies strengthens its know-how in the Life Sciences segment, becoming a close partner for the world's top 10 healthcare companies. The organic growth of more than 10% recorded by AKKA Life Sciences during the quarter illustrates the Group's potential for expansion in that sector.
- ✓ **In the space of two years, AKKA Technologies has become a leader in digital technology.** The acquisition of Auronik, at the end of 2014, reinforced the Group's know-how in embedded computing and E-Mobility (intelligent and optimised system for charging electric cars). In 2016, Erbkönig added value to the consulting business in electronic strategy, mobility and digitisation. The acquisition of GIGATRONIK, finalised in early 2017, reinforces AKKA Technologies' leadership in digitisation in line with its customers' strategic challenges: hybrid platforms, connected objects, Internet of Things, mobility, autonomous driving, and embedded and real-time computing.

## OUTLOOK

- **The excellent first-quarter performance allows the Group to confirm its 2017 objectives:** the Group is anticipating strong organic revenue growth in each of its three business units in 2017, combined with a further improvement in margins.
- As such, the Board of Directors of AKKA Technologies, at its meeting of 21 March 2017, decided to propose to the shareholders' meeting of 15 June 2017 the payment of a **dividend of €0.60 per share (an increase of 20% compared with the dividend paid in 2016 in respect of 2015).**
- The successful completion of the transformation in France, the diversification in Germany and the maintenance of high margins internationally leave the Group well placed to achieve its operating profit from ordinary activities target of €100 million in 2018, with a margin between 8% and 10%.
- AKKA Technologies aims to continue its rapid growth over the coming years in order to round out its unique position as a global player in technology solutions for industry.

\* Operating profit from ordinary activities is calculated before non-recurring items and expenses relating to stock options and free shares

## Upcoming events:

H1 2017 revenue: Thursday 27 July 2017

H1 2017 results: Wednesday 27 September 2017

Q3 2017 revenue: Thursday 9 November 2017

## 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, Life Sciences, steel, energy, rail, marine and service industries.

Leader in the automotive and aerospace sectors in Germany and France, AKKA Technologies works worldwide on projects at the forefront of technology thanks to the mobility of its teams and its international positioning.

The AKKA Technologies Group has nearly 15,000 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.

AKKA Technologies 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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*In case of discrepancy between the French and English versions of this press release, only the French version should be deemed valid.*

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