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## WITH REVENUE EXCEEDING €1.3B, AKKA LAUNCHES ITS STRATEGIC PLAN CLEAR 2022

- AKKA exceeds its 2018 targets in 2017
- Increase in revenue of +18.9%, which is much higher than expected
- Acceleration of growth in Q4
- Strong recruitment momentum, which will support growth in 2018

### 2017 ACTIVITY

Revenue (€ million)	2017	2016	Variation %	Variation % (organic*)
Group total	1,334.4	1,122.7	+18.9%	+7.0%
France	551.7	509.1	+8.4%	+8.4%
Germany	486.2	386.8	+25.7%	+4.1%
International (excl. Germany)	296.4	226.8	+30.7%	+9.1%

\* at constant scope and exchange rates

- ✓ Growth accelerated during the fourth quarter in our three Business Units (BU). **This was sustained by the numerous projects won in digital technologies**, in the automotive, aerospace, railway and energy sectors.
- ✓ The fourth-quarter revenue amounted to €357.6M, up 19.4% compared to Q4 2016. **Economic growth\*\* was excellent: +9.4%**, with +11.6% in France, +4.9% in Germany and +14.7% internationally.
- ✓ At €1.3B, the 2017 revenue is up 18.9%, **driven in particular by the 17% increase in workforce at the end of 2017**. As at 31 December 2017, the Group had 15,515 employees (compared to 13,252 at the end of 2016), with 6,996 in France, 4,734 in Germany and 3,785 internationally.
- ✓ This **strong recruitment momentum** will sustain the Group's development **internationally and in the new digital technologies sector**.

## ACTIVITY BY REGION

- ✓ With sales of €551.7M, **France** recorded excellent economic growth of 9.2% for the whole of 2017. The acceleration observed during the first nine months of the year increased in Q4. Economic growth amounted to 11.6% for this quarter. In a dynamic environment, **AKKA Technologies accelerated its market share gains in the digital technologies sector**. This acceleration was supported by the strong recruitment momentum. The BU hired 650 engineers and reached 7 000 collaborators at the end of 2017. This dynamic indicates continued strong growth for 2018.
- ✓ **Germany** achieved a revenue of €486.2M, up 25.7% for the whole of 2017. Economic growth amounted to 5.6% for the period, at the same pace as in the first nine months of the year. **The integration of GIGATRONIK continued successfully**, with the deployment of its digital activities across the rest of the Group. After winning its first project to design an autonomous vehicle (Autonomous Driving Assistance Systems) worth €7.5M at the end of 2017, **in late January the BU won a €28M contract regarding strategic activities for the VW Group**. Other contracts are expected to follow. They reflect the success of the BU's digital positioning and its potential for growth.
- ✓ **The Group's international activities (excl. Germany)** recorded a revenue of €296.4M in 2017, up 30.7%. Economic growth touched 10% and further acceleration was observed in the fourth quarter (+14.7%). This respectable momentum was sustained by **the excellent performance of the Life Sciences activity**, which increased organically by 20% in Q4. Italy (+23% in Q4) and Eastern Europe (Romania, Turkey and the Czech Republic) also drove the BU's growth. North America and Asia experienced a strong momentum as well, indicating an acceleration of the Group's development in these regions.

## POSITIVE MOMENTUM DRIVEN BY OUR DIGITAL POSITIONING IN ALL SECTORS

- ✓ **Digital technologies and the technologies of the future** constitute a major transversal and international development axis. The Group's expertise in these domains has been greatly strengthened by the recent acquisitions of Auronik, Erbkönig and GIGATRONIK. This expertise is recognised by its clients and has enabled the Group to win many contracts. Most significant wins:
  - AKKA has been appointed by a German manufacturer to design **new-generation advanced driver-assistance systems**. AKKA works on two technological levels:
    - As a strategic partner on the pre-development of a **new-generation advanced driver systems**, drawing on the Group's know-how in integration and validation of electronic systems, hardware, sensors and software.
    - The development of new features for the final customer regarding the **car's connected parking-assistance system**. These developments rely on the Group's skills in IT, embedded electronics and dependability.
  - AKKA unveiled a **"cockpit of the future"** project for connected and autonomous vehicles at the 2018 Las Vegas CES. Capitalising on its expertise in connected technologies, software, integration and car design, AKKA notably ensured the integration of all components onboard, designed the mechanical structure and contributed to the development of the "Smart Life on Board" concept.

- **AKKA contributes to the mechatronic evolution of the car-to-ground connecting components.** The Group develops a new electromechanic system of transmission which replaces the conventional mechanical connections.
  - The **development of an electric, autonomous and connected demo car** for a significant OEM. This level-4 autonomous vehicle concept, which is close to production vehicles, has two integrated electrical powertrains in the back wheels. AKKA designed the 3D digital model, the electric and electronic architecture, and ensured body in white research as well as the vehicle's development and integration.
  - A project to design and develop a **web app for visualising the waste recovery performance** of all of EDF's sites and those of its contractors.
- ✓ Besides, the Group was awarded in February 2018 for the 3<sup>rd</sup> year running the **"Top Employers" certification in France, and in Germany**<sup>1</sup>. This certification led by an independent body recognises every year the best companies in the world in the field of human resources and staff management. AKKA was awarded this year for the quality of its work environment and its ability to encourage talent development.

## 2017 RESULTS AND PERSPECTIVES

- ✓ **2017 - The Group exceeded its objectives in terms of revenue and margins for the fourth consecutive year.** The strong momentum of its activities in mobility enabled it to achieve organic growth of 8% in 2017, which is amongst the best in the technology consulting sector.
- ✓ AKKA Technologies expects to record a **2017 operating profit from activities\*\*\* that is slightly higher than €95M, up more than 20%** compared to the figure recorded in 2016.

**Overall, the Group will have reached, in 2017, the 2018 objectives of its PACT 17 strategic plan.**

- ✓ **2018 -** The strong recruitment momentum observed in 2017 continued in January 2018. Combined with the increase in the number of digital technologies projects, this momentum indicates a solid growth dynamic and further margin improvements for 2018.
- ✓ **CLEAR 2022** – Following the previous success of its PACT 17 plan, the Group will communicate on 26, February 2018, its new strategic plan CLEAR 2022.

\* growth at constant scope and exchange rates

\*\* growth at constant scope, exchange rates and number of working days

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

<sup>1</sup> Certification "Top Employers Ingenieure Deutschland" for our subsidiaries AKKA Germany et MBtech in Germany.

## Upcoming events:

Presentation of the CLEAR 2022 strategic plan: Monday, 26 February 2018

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

Presentation of the 2017 annual results: Wednesday, 21 March 2018

Publication of the first-quarter revenue of 2018: Monday, 30 April 2018

## 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 today ranks as the European leader in engineering consulting and R&D services in the field of mobility. With more than 15,000 talented employees working in more than 20 countries, the Group recorded revenue of €1.3 billion in 2017.

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

AKKA Technologies 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 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)

Follow us on: [https://twitter.com/AKKA\\_Tech](https://twitter.com/AKKA_Tech)

*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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## APPENDIX 1

### REVENUE PER QUARTER

Revenue (€ million)	Q1 2017	Q2 2017	Q3 2017	Q4 2017	2017
<b>France</b>	<b>145.2</b>	<b>132.1</b>	<b>125.9</b>	<b>148.5</b>	<b>551.7</b>
<b>Growth</b>	<b>+11.4%</b>	<b>+4.3%</b>	<b>+5.9%</b>	<b>+11.6%</b>	<b>+8.4%</b>
<i>Organic growth*</i>	+11.4%	+4.3%	+5.9%	+11.6%	+8.4%
<i>Economic growth**</i>	+7.9%	+9.4%	+7.6%	+11.6%	+9.2%
<b>Germany</b>	<b>110.6</b>	<b>132.9</b>	<b>113.9</b>	<b>128.8</b>	<b>486.2</b>
<b>Growth</b>	<b>+33.4%</b>	<b>+37.0%</b>	<b>+15.6%</b>	<b>+18.9%</b>	<b>+25.7%</b>
<i>Organic growth*</i>	+13.1%	+5.2%	-0.5%	+0.3%	+4.1%
<i>Economic growth**</i>	+7.6%	+10.3%	+1.3%	+4.9%	+5.6%
<b>International (excl. Germany)</b>	<b>72.4</b>	<b>73.2</b>	<b>70.5</b>	<b>80.3</b>	<b>296.4</b>
<b>Growth</b>	<b>+31.7%</b>	<b>+26.0%</b>	<b>+27.0%</b>	<b>+37.9%</b>	<b>+30.7%</b>
<i>Organic growth*</i>	+10.6%	+4.4%	+7.2%	+14.2%	+9.1%
<i>Economic growth**</i>	+8.0%	+8.2%	+8.6%	+14.7%	+9.9%
<b>Group total</b>	<b>328.3</b>	<b>338.2</b>	<b>310.3</b>	<b>357.6</b>	<b>1,334.4</b>
<b>Growth</b>	<b>+22.3%</b>	<b>+20.0%</b>	<b>+13.7%</b>	<b>+19.4%</b>	<b>+18.9%</b>
<i>Organic growth*</i>	+11.7%	+4.6%	+3.8%	+8.0%	+7.0%
<i>Economic growth**</i>	+8.0%	+9.5%	+5.4%	+9.4%	+8.1%

\* Variation in revenue at constant scope and exchange rates

\*\* Growth at constant scope, exchange rates and number of working days