

FY 2019

- Growth¹ of +6.3%, above expectations
- Successful integration of PDS Tech in North America
- Building-up half a billion Euros digital offer

2019 REVENUE - ALL 2019 OBJECTIVES CONFIRMED

(€ million)	FY 2019	FY 2018	Change	Change proforma
Group	1,801.5	1,505.3	+19.7%	+6.3%
France	661.4	625.4	+5.8%	+5.8%
Germany	519.3	511.0	+1.6%	+1.6%
North America*	305.0	70.5	+332.3%	+17.6%
International**	315.9	298.4	+5.8%	+5.8%

* PDS Tech has been consolidated since 1 November 2018

** Excluding Germany and North America

- **€1.8 billion revenue milestone surpassed in 2019** with revenue **growth of 19.7%**. Proforma revenue increased by 6.3% in 2019. This includes a 17.6% growth rate in North America, 5.8% in France and International business units. AKKA Germany continued to outperform its domestic market with a growth rate of 1.6%.
- **2019 was the first year of PDS Tech's integration. It has been a great success as AKKA North America delivered 18% revenue growth.** 2020 will be the year to accelerate the deployment of synergies between AKKA and PDS Tech.
- **With Data Respons, AKKA will benefit from a digital offer which will generate half a billion in revenues this year.** This acquisition is a real game changer. It will create Europe's largest and most comprehensive digital solutions powerhouse for the fast-growing mobility market and will therefore enable AKKA to capture its strong underlying growth.

KEY FACTS

- **In FY 2019, AKKA's French BU delivered revenue growth of 5.8% equal to €661.4m, and Economic growth of 6.2%.** The BU delivered a **strong performance in communications technologies thanks to smart infrastructures, Aerospace and Railway.** In Q4, economic

¹ Growth based on proforma figures

growth of 1.9% suggested a temporary slowdown due to key automotive customers' change in governance in addition to the B737 Max program's impact on aerospace suppliers. Without these difficulties, AKKA would have significantly outperformed in France.

- **The German BU grew organically by 1.5% in Q4, which was in line with the BU's 1.6% revenue growth for FY19 to €519.3m.** The performance during the last quarter of 2019 was driven by momentum in Aerospace off-setting the revenue trend from automotive suppliers. **The strength of the digital platform formed with Data Respons will allow the BU to benefit from the launch of OEM's new digital programs from H2 onward.**
- **PDS Tech integration is a success.** AKKA North America proforma revenue (including PDS Tech) increased by 17.6% to €305m in 2019 and by 4.2% in Q4 2019 despite a high comparison basis in Q4 2018. AKKA's legacy activities in the US increased by 120% in Q4 2019 and by 90% in FY19 thanks to strong commercial synergies with PDS Tech. The commercial dynamics with Boeing and UTC are strong and the sector is expected to accelerate in H2 2020. **2019 focused on integration.** 2020 will be about deploying AKKA engineering solutions.
- **The performance of the International BU is contrasted and has been impacted by a very high comparison basis (+17.4% in Q4 2018).** FY19 revenue increased by 5.8% to €315.9m. Belgium, Spain and Italy, which represented 60% of its revenue, performed well. Temporary difficulties in Switzerland and in the Energy sector have impacted growth this year. China was impacted by a lacklustre economic climate. **The BU delivered 13% growth on a normative approach.**
- The short-term economic environment might be more challenging as some key players in the automotive industry have postponed the launch of their new technology programs to H2 2020 due to internal governance evolutions, and top supply chain players have anticipated a reduction in their R&D spending as a result of Boeing 737 Max's difficulties.
- **Thanks to AKKA's proven strategy of balances and its unique positioning, the Group remains confident in its ability to benefit from the expected acceleration** in high-demand digital technologies from H2 onwards and from R&D spending linked to the successful launch of the 777.

ACQUISITION OF DATA RESPONS TO BOOST AKKA DIGITAL POSITIONING

VOLUNTARY CASH OFFER AT NOK 48.00 PER SHARE

- Following its announcement on 19th December 2019 to acquire Data Respons, AKKA has launched a recommended voluntary cash offer for all of Data Respons' outstanding shares against a settlement in cash of NOK 48.00 per share.
- The Offer is friendly, unanimously recommended by Data Respons' Board of Directors and is welcomed by Data Respons' shareholders.
- On 30th January 2020, the German Federal Cartel Office cleared the Offer. The offer is going as planned and will close on Monday 10th February.

BUILDING UP THE LEADER OF THE DIGITAL INDUSTRY

- AKKA has been developing its digital solutions organically in France and Germany, with the Link&Go concept car in 2009 and through targeted 3 acquisitions in Germany commencing 2014.

This unique positioning has enabled AKKA to accompany the German industry's transformation and to outperform the German market. AKKA aims to accelerate the development of its digital portfolio and to be the Digital trusted partner for digital solutions in mobility.

- In a data driven world, the acquisition of Data Respons is a game changer and will create Europe's largest digital solutions powerhouse. It will address high volumes and the fast-paced growth of the digital market by disrupting mobility and other industry verticals. Data Respons' core technologies include IoT, 5G, AI, embedded software and cloud and mobile services, which are key in enabling future mobility.
- In line with CLEAR 2022, AKKA revenues will be predominantly digital with **75% of revenue coming from digital & embedded IT solutions.**

2019 OUTLOOK AND 2022 OBJECTIVES CONFIRMED

2019 OUTLOOK

- Organic growth: $\geq 6\%$
- Operating margin from ordinary operations: $\geq 8\%$
- Free cash flow: $\geq 5\%$

2022 OUTLOOK

- €2.5 billion Revenue
- €250 million in operating profit from ordinary activities⁶
- €150 million in free cash flow

Upcoming events:

Full-year 2019 results: Tuesday, 17th March 2020

Q1 2020 Revenue: Wednesday, 6th May 2020

In case of discrepancies between the French and English versions of the press release, only the English version shall be deemed valid.

About AKKA

AKKA is the European leader in engineering consulting and R&D services in the mobility segment. As an innovation accelerator for its clients, AKKA supports leading industry players in the automotive, aerospace, rail and life sciences sectors throughout the life cycle of their products with cutting edge digital technologies (AI, ADAS, IoT, Big Data, robotics, embedded computing, machine learning, etc.).

Founded in 1984, AKKA has a strong entrepreneurial culture and is pursuing its fast-paced growth and international development in line with its CLEAR 2022 strategic plan. With approximately 21,000 employees, who are passionate about technology and dedicated to advancing the future of industry, the Group recorded revenues of circa €1.8 billion in 2019.

AKKA Technologies is listed on Euronext Paris and Brussels – Segment A – ISIN code: FR0004180537.



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PRESS RELEASE

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APPENDIX

REVENUE BY QUARTER

Revenue (€ million)	Q1 2019	Q2 2019	Q3 2019	Q4 2019	FY 2019
France	169.1	161.7	163.3	167.2	661.4
<i>% change</i>	5.4%	11.0%	7.0%	0.3%	5.8%
<i>Pro-Forma growth²</i>	5.4%	11.0%	7.0%	0.3%	5.8%
<i>Economic growth³</i>	7.1%	11.0%	5.4%	1.9%	6.2%
Germany	126.2	129.2	123.5	140.4	519.3
<i>% change</i>	6.4%	-3.1%	2.4%	1.5%	1.6%
<i>Pro-Forma growth²</i>	6.4%	-3.1%	2.4%	1.5%	1.6%
<i>Economic growth³</i>	6.4%	-1.6%	1.0%	0.0%	1.3%
North America	75.6	76.8	78.4	74.2	305.0
<i>% change</i>	1,433.1%	1,392.7%	1,186.6%	36.4%	332.3%
<i>Pro-Forma growth²</i>	32.2%	20.5%	16.8%	4.2%	17.6%
<i>Economic growth³</i>	35.7%	60.3%	34.8%	-1.5%	9.1%
International	75.4	77.4	75.9	87.2	315.9
<i>% change</i>	7.7%	4.9%	7.8%	3.6%	5.8%
<i>Pro-Forma growth²</i>	7.7%	4.9%	7.8%	3.6%	5.8%
<i>Economic growth³</i>	7.3%	4.4%	4.4%	1.7%	4.3%
Total Group	446.3	445.2	441.1	469.0	1,801.5
<i>% change</i>	26.1%	24.4%	26.1%	5.7%	19.7%
<i>Pro-Forma growth²</i>	9.9%	6.9%	7.4%	1.8%	6.3%
<i>Economic growth³</i>	7.3%	4.8%	5.0%	1.3%	4.4%

² Growth based on proforma figures

³ Growth at constant scope, exchange rates and number of working days