

Thursday 11 February 2021

2020 TURNOVER REACHES €937.2 MILLION

- Year-on-year decrease limited to -14.9% (-10.9% comparing like-for-like figures.)
- +4.8% growth in Q4 (+13.6% comparing like-for-like⁽¹⁾)
- Current operating income for 2020 expected to exceed €100m

AKWEL (FR0000053027, AKW, PEA-eligible), the automotive and HGV equipment and systems manufacturer specialising in fluid management and mechanisms, posted consolidated turnover of €937.2m in 2020, limiting the year-on-year drop to -14.9%, or -10.9% comparing like-for-like figures.

Consolidated turnover (1 January to 31 December)

In € millions - unaudited	2020	2019	Variation	Like-for-like variation ⁽¹⁾
1 st half-year	387.1	566.5	-31.7%	-31.0%
3 rd quarter	262.0	259.8	+0.9%	+6.7%
4 th quarter	288.1	274.9	+4.8%	+13.6%
Total for 12 months	937.2	1,101.2	-14.9%	-10.9%

⁽¹⁾ Comparing like-for-like figures.

RETURN TO GROWTH CONFIRMED IN Q4 OF 2020

After a first half-year highly impacted by the global public health crisis, the recovery that began in September was confirmed in the 4th quarter, with turnover reaching €288.1m, up +4.8%. Comparing like-for-like figures, revenues for the quarter were up +13.6%, taking account of a foreign exchange impact of -€24.0m, including -€17.6m on the Turkish lira and -€5.2m on the US dollar. AKWEL is still outperforming the global automotive market as a whole, which contracted by -0.7% last quarter.

This performance, which was confirmed quarter after quarter in 2020, can be explained by market share gains among the Group's strategic customers and by buoyant Aftermarket activity, particularly in SCR tanks.

ANALYSIS OF THE BREAKDOWN OF REVENUE

The geographical breakdown of 2020 turnover by production zone was as follows:

- France: €275.5m (-16.9%)
- Europe (excluding France) and Africa: €273.3m (-18.5%)
- North America: €233.2m (-13.5%)
- Asia and the Middle East (including Turkey): €150.1m (-3.8%)
- South America: €5.1m (-42.5%)

Despite revenues in all geographical areas being on the wane due to the crisis, three sites clocked up record sales: Paredes de Coura in Portugal, Villieu in France and Chongqing in China.

In line with previous quarters, the Air product family (€87.0) was the strongest performer, with turnover up +8.8% on the same time last year. Despite focusing primarily on diesel, our activities in Decontamination (down 12.8% at €184.0m) and Fuels (down 15.1% at €113.4m) saw only a limited decline in revenue over the year. The Mechanisms product line, meanwhile, fell -13.5% to €125.9m.

Control revenue was down -8.2% at €42.2m, after an unusual 2019.

HIGH FREE CASH FLOW OVER THE YEAR

The Group's financial situation continued to benefit from the rigorous management and investment control policy adopted before the crisis. AKWEL forecasts free cash flow in excess of €100m over the year and, at the end of December 2020, had net cash flow of nearly €70m, excluding lease debts, with financial debt reduced by €94.2m over the year (-€27.4m in the 4th quarter alone, despite a new €9m payment on account for warranty returns).

BETTER-THAN-EXPECTED PERFORMANCE

Thanks to the commitment of our teams over this demanding period, continued management efforts and sustained activity in the second half-year, the Group's annual results have improved faster than expected, with a forecast current operating income of more than €100m.

AKWEL finished 2020 with a solid financial situation and bolstered market share. However, the Group remains cautious about its outlook for 2021, in a market that remains low-profile, and is determined to maintain the flexibility and efficiency of its production facilities while investing in order to move with market trends, particularly in clean vehicles.

Next press release: 2020 annual results, 8 April 2021, after the markets close.

An independent, family-owned group listed on the Euronext Paris Stock Exchange, AKWEL is an automotive and HGV equipment and systems manufacturer specialising in fluid management and mechanisms, offering first-rate industrial and technological expertise in applying and processing materials (plastics, rubber, metal) and mechatronic integration.

Operating in 20 countries across every continent, AKWEL employs almost 11,200 people worldwide.

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