

# PRESS RELEASE

## Q4 2018 Turnover

Toulouse, 20 February 2019 at 7 am

In € millions	2018*	2017 <sup>(1)</sup>	Var.	2017 <sup>(2)</sup>
Q1	106.9	112.5	(5.0%)	112.7
Q2	119.7	106.2	+12.7%	105.5
Q3	104.0	100.2	+3.8%	99.9
Q4	146.0	114.4	+27.6%	118.1
Of which: Automotive	116.2	102.1	+13.8%	105.1
Telecommunications	29.8	12.2	+143.7%	12.9
<b>Total 2018</b>	<b>476.5</b>	<b>433.3</b>	<b>+10.0%</b>	<b>436.1</b>
Of which: Automotive	418.1	394.2	+6.1%	396.2
Telecommunications	58.3	38.9	+49.7%	39.8

\* Data pending audit.

(1) 2017 data restated for IFRS 15. (2) Data published in 2017 prior to changes to IFRS 15.

Revenue for Q4 reached €146.0 million, up by 27.6% compared to the same period 2017. The strong growth was a reflection of the ramping up of new automotive contracts and the realization of a major telecommunications contract.

For the full year 2018, turnover amounted to €476.5 million, an improvement of 10.0%, demonstrating ACTIA's ability to find new sources of growth and so continue to pursue its development in leading edge electronics for demanding manufacturers.

In Q4, the sales of the foreign subsidiaries reached €71.7 million, up by 13.0%. Whereas the French companies achieved turnover of €74.3 million, up by 45.8%, including a significant new export contract for telecommunications. International customers represented 75.3% of quarterly sales, equivalent to 72.8% for the full year. In 2018, turnover generated by the foreign subsidiaries grew by 4.6%, supported by the growth in the business in Sweden, Belgium and the United States.

The **Automotive Division** generated 79.6% of the Group's quarterly revenues, showing growth of 13.8% for the fourth quarter. The OEM business (79.1% of the Automotive Division's turnover), driven by increases in sales to a number of customers, benefited from the ramping up of new contracts, particularly in the area of heavy and specialist vehicles. After a stable year in 2017, due to ongoing industrial development, the electric vehicles business, particularly the supply of batteries driven by the Battery Management System (BMS), grew by 64.5%, thus becoming a real source of growth for the Group. The Aftermarket business (9.3% of the Automotive Division's turnover) slowed pending the deployment of the new generation of telematic boxes for fleet management, whereas technical inspection benefited from the changes to French regulations at the end of the year, allowing the business to remain more or less stable compared to 2017.

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### ABOUT ACTIA

ACTIA Group is a mid-market company (ETI) founded in 1986. It is at once a family and an international business whose head office is located in France. This family aspect guarantees the long term future of the Group and its independence with an ever present entrepreneurial spirit. ACTIA's business is to design and produce the electronics that control systems in the particularly demanding fields of the automotive industry, rail, aeronautics, the aerospace industry, defence, energy and telecommunications.

The commitments made by ACTIA can be seen in the Group's ambitious contributions to tackling challenges that currently face society: mobility, connectivity, safety and the environment. Control over the design and production of products bearing the ACTIA signature is a true guarantee of quality. All Group employees share this demanding approach to quality in an environment that is fully certified.

#### Key figures

- Consolidated turnover 2018: €477 million.
- Over 3,650 employees globally, of whom 1,000 engineers and technicians working in R&D.
- Present in 16 countries.
- Over 15% of turnover reinvested every year in R&D.

#### Stock Markets

- Euronext C
- ISIN FR0000076655 – Mnemonic: ATI
- Reuters: MRSP.PA – Bloomberg: AIELF: FP
- Indices: ENT PEA-PME150 – CAC PME – CAC Small – CAC Mid & Small – CAC Industrials – CAC EL.&EL.EQ – TECH 40 – Gaïa-Index



For the fully year 2018, the Automotive Division (87.7% of turnover) showed growth of 6.1% to achieve revenues of €418.1 million, thus setting a new historical record. With a market for components that remained problematic, ACTIA made significant progress, especially in the areas of smart batteries and rail, two drivers of long term growth that have performed well in recent years.

The **Telecommunications Division** represented 20.4% of the Group's quarterly sales, amounting to €29.8 million. It achieved growth of 143.7% over the quarter, in line with the acceleration expected by the Group, which started a major SATCOM contract at year end for Egypt.

In 2018, the business generated sales of €58.3 million, an improvement of 49.7%, driven by commercial successes in energy and rail, and the start of a new SATCOM contract. This new dimension to the telecommunications business is a result of the Group's strategy as it has, for several years, made considerable efforts to reinforce its offer and work with an increasingly international customer base. The convergence of telecommunications and the transport industry is now a well established trend and it represents potential for the creation of long term value for ACTIA Group.

## ❖ OUTLOOK

In 2018, ACTIA exceeded its objective of moderate growth. This was due to a business driven by the success of one customer's sales, the regular progress in the historical lines of business and the ramping up of new contracts and sources of growth, both in Automotive and Telecommunications.

Concerning its results, ACTIA is still awaiting the reconstruction of the operating income in H2 compared to H1, but annual profitability is expected to remain at a level well below that of 2017 due to the margins generated by the new contracts that are expected to gradually rise. Indeed, at this stage, the resources allocated to enable this new growth cycle to get under way, combined with the ongoing difficulties in the market for components, are currently limiting any increase in profitability. The gradual ramping up of the new contracts, as well as the measures taken to address the sourcing issues, should start to bear fruit. Increases in WCR related to the needs of the business and the investments in real estate will have an impact on levels of debt, but this will have no material effect on the Group's financial position. As the valuation at 31 December 2018 of the hedging instruments was favourable, net income is expected to be slightly up.

For 2019, ACTIA expecting further growth in sales and has every confidence in its ability to make the most of the available drivers to improve its operating profit.

## FORTHCOMING DATES

- **2018 Annual Results:** Tuesday 26 March (before opening of the stock exchange)
- **2018 Annual Results SFAF briefing:** Wednesday 27 March at 10:00 am
- **Q1 2019 Turnover:** Wednesday 15 May 2019 (before opening of the stock exchange)

## CONTACTS

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Find further information about ACTIA Group, go to [www.actia.com](http://www.actia.com)

