



PRESS RELEASE

Q2 2019 turnover

Toulouse, 31 July 2019 at 7 am

IFRS, in € millions	2019*	2018	Var.
Q1	134.4	106.9	+25.7%
Q2	129.8	119.7	+8.5%
o/w Automotive	117.7	109.4	+7.6%
Telecommunications	12.1	10.3	+17.5%
Q1 2019 total	264.2	226.6	+16.6%
o/w Automotive	232.3	208.5	+11.4%
Telecommunications	31.9	18.0	+77.0%

* H1 2019 data pending audit.

Sales for the second quarter 2019 reached €129.8 million, an improvement of 8.5% compared to the same period 2018, in line with the Group's expectations. There was continued growth, driven by the ramping up of new contracts for the Automotive Division and the extension of an historical contract, as well as by the deployment of a major contract for the Telecommunications Division. At the same time, ACTIA Group continued to pursue its programme of investment and the activation of drivers to improve its operating profitability while ensuring its ability to seek growth in the long term by winning new tenders.

For the second quarter, the sales of foreign subsidiaries amounted to €74.0 million, an increase of 10.4 %. Turnover for the French companies reached €55.8 million, a rise of 5.9%: this includes the new export contract for Telecommunications, billing of which began at end 2018. International sales represented 76.3% of quarterly turnover and continued to be supported, excluding Egypt, by the growth generated in the United States, Belgium and China.

The **Automotive Division**, with turnover of €117.7 million, generated 90.7% of the Group's quarterly revenues and showed growth of 7.6% over the period. The OEM business unit (78.7% of Automotive turnover) enjoyed growth of 10.7% driven by the ramping up of new multi-year contracts and the ongoing rise in telematics solutions for light, industrial and commercial vehicles. During the early part of the year, the newly opened production facility in the United States played a decisive role, especially in terms of new tenders for the North American market, and particularly for electronic drive solutions. The Aftermarket business unit (10.8% of Automotive turnover) was stable with a slight rise of 0.2% in a market affected by regulatory uncertainty.

During this first half, ACTIA strengthened its outlook in terms of development beyond 2020, through a number of commercial successes with coach and bus manufacturers in Brazil and Egypt, and in the area of heavy vehicles for North America. These successes mean increased activity for the engineering design office, which is already busy working to fulfil contracts covering the period 2022 to 2029.

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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 2018 turnover: €476.5 million.
- Over 3,700 employees globally, of whom 1,000 are engineers and technicians working in R&D.
- Present in 16 countries.
- 14 to 17% of turnover reinvested every year in R&D.

Stock Markets

- Euronext B
- 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



The **Telecommunications Division**, with turnover that increased by 17.5% to €12.1 million, represented 9.3% of the Group's quarterly revenues. Following a sharp upturn in growth during the second half 2018, brought about by the start of a major new SATCIOM contract in Egypt, the business remains sensitive to this significant contract and the accompanying levels of billing. At the same time, the Rail and Energy segments were stable pending the launch at year end of products for our customers that are currently undergoing development, whereas the Infrastructures Networks Telecom (IRT) business has been negatively affected by the end of the deployment of 4G.

As discussed in previous press releases, following the breach of covenants on borrowings representing 25.2% of debt, a waiver request had been made. The financial institutions in question had been kept regularly informed about the issue. To date, therefore, 5 out of 6 of the financial partners concerned have responded favourably, which represents €21.2 million out of a total of €41.2 million in reclassified debt. It should be noted that some of these partners have made this agreement conditional upon acceptance by all interested parties. The waiver request is still under consideration by the final financial partner.

❖ 2019 OUTLOOK

ACTIA's business is driven, on the one hand, by the ramping up of a number of sources of growth in various fields and, on the other, by the extension of major Automotive contracts. This development phase involves the gradual integration of the growing profitability from the new contracts being deployed. The major investment drive into infrastructure, new product development, and in terms of digitisation, continues.

For 2019, ACTIA is expecting further sales growth: expected to be well in excess of €500 million at the start of the year, revenue could be more than €520 million thanks to the good performance of our customers in their respective markets and the smooth ongoing operations. This growth is expected to result in an improved EBITDA, due also to measures taken internally, the effect of which will nevertheless be limited by the extension of the automotive telematics contract and the efforts required in R&D related to the latest commercial successes.

FUTURE DATES

- **2019 first half results:** Tuesday 17 September 2019 (before trading)
- **SFAF briefing:** Wednesday 18 September 2019 (2 pm)
- **Q3 2019 turnover:** Wednesday 14 November 2019 (before trading)

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Find further information about ACTIA Group on www.actia.com

