



# PRESS RELEASE

## Q1 2020 Turnover

Toulouse, 13 May 2020 at 7 am

IFRS, in €m	2020*	2019	Var.
<b>Q1</b>	<b>117.1</b>	<b>134.4</b>	<b>(12.8%)</b>
of which: Automotive	108.5	114.6	(5.3%)
: Telecommunications	8.7	19.8	(56.1%)

\* Unaudited data

For the first quarter 2020, marked by the initial effects of the health crisis, sales fell to €117.1 million, down by 12.8% compared to the same period in 2019. The main reasons for this decrease relate, on the one hand, to the suspension of operations in mid-March to slow the spread of the Covid-19 pandemic and, on the other hand, to the basis of comparison for the Telecoms Division, which last year included the Egyptian contract.

ACTIA Group expects the pandemic to have a major impact with sales set to decrease by about 25% across the full year 2020. Given the situation, the Group is implementing the measures needed to protect its financial resources while adjusting its programme for the developments that will enable it to pursue its growth strategy in future years.

For the first quarter, sales of the foreign subsidiaries amounted to €70.2 million, down by 1.0%, and those of the French companies to €46.9 million, a decline of 26.1%. The decrease in sales was more marked for international customers who represented 75.0% of turnover for the quarter at €87.8 million, a decline of 14.7%.

The **Automotive Division** generated 92.6% of the Group's quarterly revenue, a drop of 5.3% over the period. The OEM business, representing 77.3% of the Automotive Division's sales with a decline of 7.4%, proved to be resilient for the first two months of the year, particularly in telematics for Light Vehicles, Off-Highway and Buses & Coaches, before further slowing in March, with the effects of the health crisis amplifying the existing slowdown experienced by the automotive market. Telematics for Trucks and the Electric Vehicle business dropped steeply for the quarter. The Aftermarket business, at 11.2% of the Automotive Division's sales, grew by 10.9% thanks to the good level of international sales of solutions for technical inspection, as well as for fleet management, thus offsetting the decrease for garage equipment, with garages closed due to the crisis. The electronics subcontracting business, or MDS, at 11.5% of the division, has been stopped since mid-March and so declined by 4.6% over the quarter.

The **Telecommunications Division** represented 7.4% of the Group's quarterly revenue with sales of €8.7 million, a drop of 56.1%. This was because the basis for comparison changed due to the Egyptian contract, which saw an exceptionally high level of billing during Q1 2019, while deliveries at the end of this quarter have been delayed, a consequence of the health crisis on flows of goods internationally. Sales in Energy (Smart Grids) suffered from a technical delay to the current programme, while Rail continued to show robust growth.

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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.

#### Consolidated key figures

- 2019 turnover: €520.4 million.
- Over 3,800 employees around the world, of whom more than 1,000 engineers and technicians working in R&D.
- Present in 16 countries.
- 14 to 17% of revenue 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 – Gaia-Index



## ❖ 2020 OUTLOOK

The global Covid-19 pandemic is limiting the Group's operations and those of its suppliers and customers. After a month of April at a near standstill, the various Group companies are gradually resuming their on-site activities, while continuing with teleworking in order to comply with health rules. To date, the best estimate for lost sales due to the health crisis is in the order of 25% compared to 2019, whereas the Group had expected modest growth prior to the outbreak. Despite the economic measures taken, particularly in the area of R&D and the available government assistance, the level of business will result in losses over the full year and, therefore, the breaching of covenants. The first financing agreements guaranteed by the State have been registered over the past few days. The health crisis will create additional debt over the financial year. In the first discussions with the Group's financial partners, they have demonstrated a good understanding of the situation and a willingness to continue to provide support during this exceptional period.

In early May, 60% of the Group's employees in France are operational (30% on-site and 30% working from home), with 15% being on government funded layoffs and the rest of the teams consisting of so-called people at risk, looking after their children, or off work for 'normal' reasons. Outside France, the sites are gradually returning to work depending on local conditions. The Group, highly diversified and international, is prioritising studies and development work on contracts that are either signed or pending signature and the most promising R&D projects in order to prepare to come out of the crisis in the best possible shape and make the most of its position in the mobility and telecoms markets, whose long-term potential remains unchanged.

## ❖ ANNUAL GENERAL MEETING AND PROPOSED DIVIDEND

The Combined General Meeting will take place in camera on 27 May 2020 at 5 pm, as required by the Decree of 25 March 2020, at the Company's head office. Shareholders will be able to vote by post or by proxy and are invited to consult the documentation concerning this General Meeting, which is available on [www.actia.com](http://www.actia.com) (menu "Investors" / "General Meetings").

**At the Meeting, following the meetings of the Executive Board and the Supervisory Board held on 30 March 2020, the shareholders will be asked to approve a gross dividend of €0.15 per ACTIA Group share for the 2019 financial year.** The dividend proposed to the General Meeting has been maintained in accordance with the existing rules for the calculation that take into account changes in EBITDA. The dividend represents a source of financing that can be used to reinforce the equity of Group companies as needed. For LP2C, the majority shareholder and holding company of ACTIA Group, the dividend pays for the work devoted to the development, promotion and implementation of the Group's overall strategy. The resources made available to the holding company are also devoted to activities outside ACTIA Group, the purpose of which is to support innovative industrial initiatives that create jobs and meet the criteria for sustainable development. The holding company has, for example, been supporting a French SME since 2016, which is developing an innovative process to treat and recycle automotive waste.

The 2019 Universal Registration Document, filed on 27 April 2020, is available on [www.actia.com](http://www.actia.com) (menu "Investors" / "Registration Document").

## FUTURE DATES

- **Annual General Meeting:** Wednesday 27 May 2020 at 5 pm (meeting to be held in camera due to the Covid-19 epidemic)
- **Q2 2019 Turnover:** Wednesday 5 August 2020 (before trading hours)
- **Half-yearly results 2019:** Tuesday 22 September 2020 (before trading hours)
- **SFAF Briefing:** Wednesday 23 September 2020 (11:30 am)

## CONTACTS

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Further information on ACTIA Group available on [www.actia.com](http://www.actia.com)

