



PRESS RELEASE

Q2 2018 turnover

Toulouse, 1 August 2018 at 7 am

€ millions	2018*	2017	Var.	2017 ⁽¹⁾
Q1	106.9	112.5	(5.0%)	112.7
Q2	119.7	106.2	+12.7%	105.5
Of which: Automotive	109.4	97.1	+12.6%	96.3
Telecommunications	10.3	9.1	+13.0%	9.2
H1	226.6	218.7	+3.6%	218.2
Of which: Automotive	208.5	199.6	+4.5%	198.9
Telecommunications	18.0	19.1	(5.8%)	19.2

Data pending audit.

(1) Data published in 2017 prior to changes to IFRS 15.

Turnover for the second quarter reached €119.7 million, up by 12.7% compared to the same period 2017. The acceleration in growth over the quarter was the result of the rapid ramping up of new supply contracts in both the Automotive and Telecommunications Divisions. In view of the production cycles of the contracts which cover a number of years, and the current product mix, the increased revenues will not as yet be reflected in the Group's results and so the Group maintains its objective of a return to previous levels of profitability against a backdrop of a tense international market for components.

Sales in foreign subsidiaries were €67.0 million, an increase of 14.6%, while sales in the French companies increased by 10.4% to reach €52.7 million. Over the full period, international customers represented 71.5% of turnover and geographic variances were in line with expectations.

The **Automotive Division** generated 91.4% of the Group's quarterly revenue, showing growth of 12.6%. As expected, the balance of sales shifted in favour of new contracts, with a particularly good level of shipments for heavy and specialist vehicles. The sales of telematic boxes and the good performance of other equipment and services in the Original Equipment Manufacturers segment helped to generate growth of 15.1% in comparison to the second quarter 2017, despite the end of a major contract.

Following an indifferent first quarter, the Aftermarket segment produced growth of 3.7%, driven by a gradual strengthening of international sales; a trend that ACTIA is seeking to further bolster by responding to the regulatory changes expected over the coming months in the area of technical inspection.

Concerning the electric vehicles segment (powertrains and batteries), the Group's sales are not affected by the closure of Autolib in Paris, but remain limited by the current size of the end markets. At the same time, ACTIA is pursuing new opportunities in specialist vehicles and urban transport.

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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 2017 revenue: €436.1 million.
- More than 3,450 employees globally, including 930 engineers and technicians in R&D.
- Present in 16 countries.
- 13 to 15% of revenue 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 – Gaia-Index



The Telecommunications Division represented 8.6% of the Group's quarterly revenue, showing growth of 13.0% this quarter. Sales had almost returned to the levels achieved at end 2017 and are expected to continue to show sustained growth. The business is being driven by the commercial successes of 2017 and the first half in the SatCom segment. New developments are expected in the international business, particularly in North Africa in the area of energy. To accompany this new growth phase, ACTIA has launched a property investment programme of €5 million (H1 2018 / H1 2019).

The **Rail segment**, a testimony to the synergies between the two divisions, has enjoyed significant sales expansion in response to the goals set out by the Group for this growth driver. This progress is expected to further accelerate over the coming months, supported over the long term by multi-year contracts.

In total, turnover for the first half 2018 reached €226.6 million, up by 3.6%, or 6.4% at constant exchange rates. Against the background of a tense market for components and the ramping up of new contracts, initially with lower margins, ACTIA maintains its profitability objective of returning to the excellent margin levels achieved in 2016, after a 2017 financial year marked by non-recurring costs related to the supply difficulties for certain components.

❖ 2018 OUTLOOK

For 2018, ACTIA maintains its objective of moderate growth with a return to previous levels of profitability. The expected and, indeed, actual difficulties experienced in the international components market, could limit any improvements in profitability compared to 2017 and therefore hinder implementation of the drivers leading to a potential overachievement of the initial objective.

The Automotive Division will continue to replace (nearly 10% of sales) the historical contract through the development of new contracts in diverse market segments (both geographic and business wise), with a view to reducing its exposure to commercial risk. Elsewhere, the reinforcement of the partnerships with Alstom and Airbus confirms the bright outlook for the Group in Rail and Aeronautics. Lastly, the Telecommunications Division is well positioned to achieve robust growth starting this year.

With efficient production facilities, considerable international potential, a solid financial position and a widely acknowledged capacity for innovation in areas of strategic excellence, ACTIA is confident in its ability to continue to pursue its strategy of profitable growth.

❖ DIVIDEND (reminder)

Payment of the dividend of €0.12 per share approved by the General Meeting of Shareholders on 30 May 2018 was made on 15 June 2018.

DATES FOR THE DIARY

- **H1 2018 results:** Monday 17 September (after trading)
- **SFAF briefing for H1 2018 results:** Wednesday 19 September (at 2 pm)
- **Q3 turnover 2018:** Wednesday 14 November (before trading)

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For further information about ACTIA Groupe, go to www.actia.com

