

# PRESS RELEASE

## Q3 2018 Turnover

Toulouse, 14 November 2018 at 7 am

In € millions	2018*	2017	Var.	2017 <sup>(1)</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
Of which: Automotive	93.5	92.6	+1.0%	92.1
Telecommunications	10.5	7.6	+38.2%	7.7
<b>Total YTD</b>	<b>330.5</b>	<b>318.9</b>	<b>+3.6%</b>	<b>318.0</b>
Of which: Automotive	301.9	292.1	+3.4%	291.1
Telecommunications	28.5	26.7	+6.6%	26.9

\* Unaudited figures.

<sup>(1)</sup> Data published in 2017 prior to changes to IFRS 15.

Revenue for the third quarter reached €104.0 million, up by 3.8 % in comparison to the same quarter 2017. On the one hand, the figure is the result of a sustained period of robust sales in the Automotive Division (+1.0% over the quarter) with an effective migration of sales generated by new contracts and, on the other, significant progress in the Telecommunications business with a 38.2% increase over the quarter. These trends, the result of a deliberate strategy, are expected to continue and enable the Group to achieve its annual growth objective, along with a forecast recovery in profitability in the second half as compared to the first, although with ongoing negative effects due to the product mix and the purchasing of components.

Sales at the foreign subsidiaries rose by 0.8% to €58.0 million, while turnover from the French companies increased by 7.9% to €46.0 million. International customers represented an overall total of 72.4% of quarterly turnover and 71.7% over the first 9 months, with no material variations in terms of the geographic breakdown.

The **Automotive Division** generated 89.9% of the Group's quarterly turnover and grew by 1.0%. Sales of telematic boxes fell by just 3.8%, absorbing the lion's share of the consequences of the end of a contract with an automobile manufacturer at end 2017. Migration of the business to new contracts helped to offset sales by more than €35 million, thanks to the success of technologies developed for light and heavy vehicles, as well as specialist vehicles. The Aftermarket business stabilised, supported by the sources of new business deployed internationally in the area of Technical Inspection. This new business cycle is benefiting from the strong growth of demand for smart batteries and a robust rail sector, two areas of particular focus over the past few years.

The **Telecommunications Division** represented 10.1% of the Group's quarterly turnover. It enjoyed growth of 38.2% over the quarter, which was in line with the increases forecast by the Group. The business is being driven by commercial successes in energy and rail and a new international contract coming on stream for SATCOM, which more than offsets the decline in the Telecom IRT networks business related to the end of the deployment of 4G. This growth is expected to continue over the coming months, sustained for the longer term by multi-year contracts.

### 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 3,500 employees globally, including 1,000 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 – Gaïa-Index



Total sales for the period ended 30 September 2018 reached €330.5 million, an increase of 3.6% and 6.2% at constant exchange rates.

#### ❖ 2018 OUTLOOK

For 2018, ACTIA expects to exceed its moderate growth target with turnover forecast to be in excess of €460 million (as compared to €436.1 million in 2017). Rebuilding operating income in the second half in relation to the first is expected to reduce annual profitability to below that of 2017. Indeed, the supply difficulties forecast and observed in the international market for components are ongoing and are limiting the recovery in profitability, while the measures taken to find long term solutions to the situation are expected to prove effective as of the 2019 financial year.

The Automotive Division will continue to replace the historical contract (nearly 10% of its turnover) by developing new contracts in diverse market segments (both geographic and business segments), in order to reduce its exposure to commercial risk. Otherwise, the Telecommunications Division is in good shape to be able to pursue the robust growth cycle that began in this quarter.

With high performance industrial facilities, enhanced international potential, a solid financial situation and a widely acknowledged capacity for innovation in its chosen fields of strategic excellence, ACTIA has every confidence in its ability to further pursue its strategy of profitable growth.

#### ❖ New progress on the GAIA Index

At the end of the 2018 Gaia Rating exercise, ACTIA remained in the Gaia Index which includes the 70 most transparent and top performing companies in terms of ESG. ACTIA is ranked 25 out of 230 in the overall ratings (up 5 places) and 6 out of 78 (up 1 place) in the category "turnover €150 to 500 million". With companies increasingly focused on non-financial performance criteria, progress in the Gaia ratings reflects the major efforts made by ACTIA Group.

#### DATES FOR THE DIARY

- Q4 2018 Turnover: Wednesday 20 February 2019 (before opening of the Paris stock exchange)
- Annual 2018 Results: Tuesday 26 March 2019 (before opening of the Paris stock exchange)

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

