

Thursday, September 26, 2019, 5:45 pm

## BUSINESS OUTPERFORMANCE

### RETURN OF POSITIVE FREE CASH FLOW TO €26.1 million

AKWEL, an automotive and heavy goods vehicle components manufacturer and specialist in fluid management and mechanisms, has announced its HY1 2019 results.

Consolidated data - In €millions	06.30.2019	06.30.2018	Change in %
Sales	<b>566.5</b>	559.3	+1.3 %
Gross operating surplus	<b>66.6</b>	74.6	-10.7 %
Current operating income	<b>46.9</b>	57.5	-18.5 %
<i>Current operating margin</i>	<b>8.3 %</b>	10.3 %	-2.0 pts
Operating income	<b>46.7</b>	57.5	-18.9 %
Financial income	<b>(1.1)</b>	(1.1)	n.s.
Net income (group share)	<b>35.5</b>	45.7	-22.4 %
<i>Net margin</i>	<b>6.3 %</b>	8.2 %	-1.9 pts

In HY1 2019, AKWEL recorded sales of €566.5 million, up 1.3% and 3.4% on a like-for-like basis. The continued growth should be compared with a 7% decline in global automotive production over the period, i.e. an outperformance of more than 10%.

Some facilities not sufficiently adapted to the business downturn recorded lower profitability. In the first half year, the Group also maintained significant investments. Lastly, continued pressure regarding raw materials and exchange rate effects led to an increase in some purchase prices over the period.

One of the company's major highlights over the past half-year was that it hit its positive free cash flow target, which stands at €26.1 million vs. -€3.3 million in HY1 2018.

The AKWEL group's net financial debt decreased significantly from €40.6 million to €27.5 million in HY1. Shareholders' equity amounted to €478.5 million at 06.30.2019, vs. €454.0 million at 12.31.2018.

AKWEL now intends to focus more on boosting its profitability. Efforts over the next six months shall focus specifically on improving industrial performance and the agility of facilities to keep resources more efficiently in line with business volume.

Against this backdrop, the Group anticipates higher operating income than in the previous year given the favorable base effect related to an additional €23 million in non-recurring provisions recorded in 2018. AKWEL also confirms its target of achieving approximately €1.2 billion in sales by 2020.

***An independent family-owned group listed on Euronext Paris, AKWEL is an automotive and heavy goods vehicle components manufacturer and specialist in fluid management and mechanisms with cutting-edge industrial and technological expertise in the application and transformation of materials (plastic, rubber, and metal) as well as mechatronics integration.***

***Present in 20 countries on five continents, AKWEL has a headcount of nearly 12,000 employees worldwide.***

***Euronext Paris - ISIN: FR0000053027 – Reuters: AKW.PA – Bloomberg: AKW:FP***