

1<sup>st</sup> quarter consolidated sales 2009/2010

(From 1 April 2009 to 30 June 2009)

**Direct distribution is resisting well  
in a context of tense consumption**

Marseilles, 26 Aug 2009 – The Avenir Telecom Group, a leading distributor of telecom products and services, announces its sales figures for the 1st quarter of the 2009-2010 financial year.

€ m	FY 2009-2010	FY 2008-2009	Change %
1 <sup>st</sup> quarter	150.4	166.6	-9.8%
<b>On a comparable exchange rate scope</b>	<b>152.5</b>	<b>166.6</b>	<b>-8.5%</b>

Consolidated sales for the 1st quarter of the 2009-2010 financial year amounted to 150.4 million euros, down 9.8% compared to the same period in the previous financial year. On a comparable scope and excluding exchange rate differences (Pound Sterling and Romanian Leu), sales are down 8.5% at 152.5 million euros.

**Direct Distribution: sustained activity thanks to the notoriety of the network**

The direct activity over the 1st quarter of the financial year has seen sales drop 1% to 71.6 million euros for an active count of 670 stores. The activity is stable on a comparable exchange rate scope, thanks in part to the value added of the Internity network in France and in Spain, and on the other hand to the price/product mix adapted to the economic context, especially through the multimedia offers (3G internet keys) and accessories/mobile telephones/insurance cross-selling.

The Eastern European countries (Romania, Bulgaria) are feeling the effects of the degradation in household purchasing power and have recorded a drop in sales volume and a change in the mix favouring prepaid and renewals.

Furthermore, electronic phone recharge sales in Romania are negatively affecting sales by 2.8 million euros over the period, due to the change in the accounting method compared to physical recharges.

**Indirect Distribution: Volume affected by the economic context**

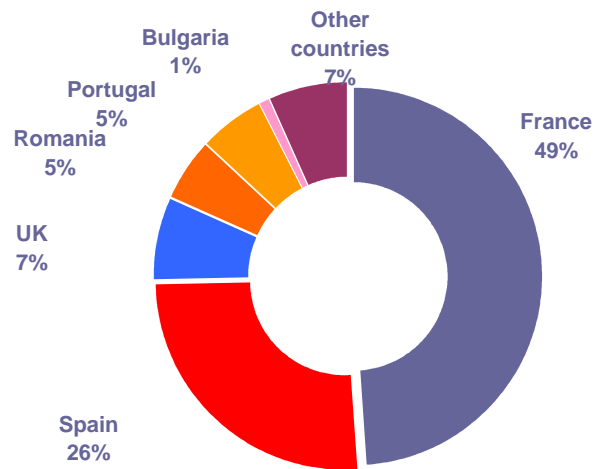
The indirect activity is down 16.5% over the 1<sup>st</sup> quarter of the 2009-2010 financial year, standing at 78.7 million euros. This activity continues to feel the effects of the degradation of the economic context in Europe, and is experiencing sharp drops in volume, particularly in France and in Romania, linked to the low rotation in inventories at dealer customers. Moreover, the Group is applying drastic controls on the credit granted to this clientele in order to minimise the risk of shortfalls in payments.

Portugal has developed its activity pertaining to Key Account customers, the UK has reorganised its commercial policy, now directed to the two operators O2 and Orange and Spain has deployed accessories sales.

### Geographic mix

Sales generated by the international subsidiaries represented 44% of the Group's sales.

- France enjoyed good performance in terms of direct distribution, in light of the growth in its store portfolio and the quality of its offers;
- Spain benefited from the good commercial dynamics of the Vodafone operator combined with the quality of its store locations;
- Romania is now feeling the effect of the economic crisis, which has resulted in a drop in activity volume and a change in the mix towards renewals;
- The UK is still affected by the difficult economic context;
- Portugal, also affected by the drop in purchasing power, has stabilised the drop in volume compared to Q4 n-1;
- Bulgaria has noted a slowdown in its activity in indirect distribution.



### Market trends

Jean-Daniel Beurnier, President and Chief Executive Officer of the Avenir Telecom Group, explains "Operators and manufacturers, thanks to the democratisation of smartphone, notebook, smartbook, etc. products, are going to continue developing the use of mobile data and internet in order to offset the drop in voice ARPU".

"Internet is going to become entirely mobile thanks to the adapting of website to the mobile nature of telephones, their screens, and their browsing, and as such accelerate the convergence between fixed line (ADSL) and the mobile."

#### ► Annual General Meeting

Avenir Telecom's Annual General Meeting will take place on 18 September 2009 at 9 am at the company's headquarters in Marseilles.

Among the resolutions put to the vote will be: the distribution of a repayment of the share premium of €0.066 euro per share

If this resolution is approved by the shareholders, the sums will be paid out on 9 October 2009.

Notice for this meaning was published on the BALO on 5 August 2009 and will be available on the company's internet site at: [www.avenir-telecom.com](http://www.avenir-telecom.com)

#### ► Forthcoming events

- |                                      |                          |
|--------------------------------------|--------------------------|
| - Annual General meeting (Marseille) | 18 September 2009        |
| - Midcap events (Paris)              | 21 and 22 September 2009 |

► **Financial communications agenda**

- |  |                  |
|--|------------------|
| - Half-year consolidated sales and results | 26 November 2009 |
| - 3rd quarter sales                        | 15 February 2010 |
| - Full year sales                          | 14 May 2010      |
| - Annual Results                           | 24 June 2010     |

**The press release and the presentation**

on sales for the 1st quarter of the 2009-2010 financial year on [www.avenir-telecom.com](http://www.avenir-telecom.com)

**About Avenir Telecom**

*Avenir Telecom is one of the leading European distributors of mobile telephone products and services. The Group distributes telephones, subscriptions and accessories directly through its network of over 660 own-branded Internity stores (direct distribution) and to a client base of hypermarkets and independent resellers (indirect distribution).*

*Avenir Telecom employs over 3,000 individuals in six countries: France, UK, Spain, Romania, Portugal and Bulgaria.*

*Avenir Telecom is listed on the NYSE EURONEXT – compartment C (Euronext Paris).*

*The Avenir Telecom share is a constituent of the CAC All shares, CAC Mid & Small 190, CAC Small 90, IT CAC, Next 150, and SBF 250 indices.*

*ISIN: FR0000066052*

*Reuters: AVOM.LN*

*Bloomberg: AVT:FP*

► **Contacts**

**Agnès Tixier**

**Finance Director**

Tel.: +33 4 88 00 61 32

Fax: +33 4 88 00 61 00

e-mail: [atixier@avenir-telecom.fr](mailto:atixier@avenir-telecom.fr)

**Carole Alexandre**

**Financial Communications Manager**

Tel.: +33 4 88 00 61 32

Fax: +33 4 88 00 61 00

e-mail: [calexandre@avenir-telecom.fr](mailto:calexandre@avenir-telecom.fr)

► **Internet Site: [www.avenir-telecom.com](http://www.avenir-telecom.com)**