

Marseille, 11<sup>th</sup> July 2005

## PLAN TO SET UP BUSINESS IN BULGARIA

Following on from the enormous success of its Rumanian subsidiary, Avenir Telecom is pursuing its expansion plans in Eastern Europe with the signature on 17/06/2005 of a draft agreement on the takeover of Sofia-based company AKS in Bulgaria on completion of the current audit.

AKS is one of the four official distributors of Globul, one of the two Bulgarian mobile phone operators.

In addition to its network of independent retailers, AKS has a chain of 35 own-brand outlets (trading under the name of Dada) throughout the country.

The turnover achieved in 2004 by AKS amounted 8.5 million euros.

On the Bulgarian market, Avenir Telecom will be able to draw on its international partnerships with the leading mobile phone manufacturers, and will bring the operator its know-how in the distribution of products and services relating to mobility and digital integration.

On a market with high development potential for structured distribution channels, the introduction of the Internity shop concept will constitute a clear competitive edge.

In 2004, the number of subscribers (all operators taken together) rose by over 50% in Bulgaria. The arrival of a third operator during the summer of 2005 should boost this even more by broadening the offer and stimulating the conquest of new subscribers.

Bulgaria has a population of nearly 8 million and will join the European Union in January 2007. Its annual growth rate of 4.3% and a mobile phone penetration rate under 55% are ideal conditions for the future subsidiary to achieve sustainable growth.

*"The structure we are in the process of acquiring has high potential" says Jean-Daniel BEURNIER, Chairman of the Avenir Telecom Group "and we believe we can expand very rapidly thanks to our marketing expertise and know-how in running and developing distribution channels.*

*Our experience in direct and indirect distribution in Rumania will also be invaluable in our quest to succeed in Bulgaria, in a comparable environment".*

### **Avenir Telecom profile**

*AVENIR TELECOM (Euronext List, Next 150 index) is one of the main European distributors of telephony products and services. The Group distributes telephones, subscriptions and accessories directly through its chain of 520 own-brand stores and those affiliated to the Internity brand (direct distribution), both to business (corporate distribution) and to a clientele of hypermarkets and independent retailers (indirect distribution). AVENIR TELECOM employs 1 700 people in 7 countries: France, Belgium, United Kingdom, Spain, Poland, Rumania and Morocco.*