

Marseille, 7 February 2006

STRONG GROWTH OF 25% IN CONSOLIDATED HALF YEAR SALES

Consolidated sales for the first half of the 2005-2006 rose by 25% from € 316.1 million the previous year to € 395.8 million. On a like-for-like basis, sales grew by 33%.

Sustained growth in all networks

€ thousands	1 st half year		%
	2005/06	2004/05	Growth
IFRS			
Direct Distribution	123 459	88 610	+39%
Indirect Distribution	272 351	227 481	+20%
Total Telecom Distribution	395 810	316 091	+25%

Direct Distribution (network of own store)

This represents 31% of 1st half year sales and it continued to grow strongly by 39% compared to the 1st half of the previous year.

At 31 December 2005, the Avenir Telecom Group operated 398 own stores, which was 90 more in the current year.

Indirect Distribution (wholesale to distributors)

This is the historic business of the Group, and indirect distribution represented 69% of 1st half year sales compared to 72% for the 1st half of 2004-2005. This business benefited from very dynamic end of year sales and reported 20% growth in sales compared to December 2004. Expert sales of mobiles, a non-strategic business, represented 9% of consolidated sales for the half year compared with 8% for the 1st half of the previous year.

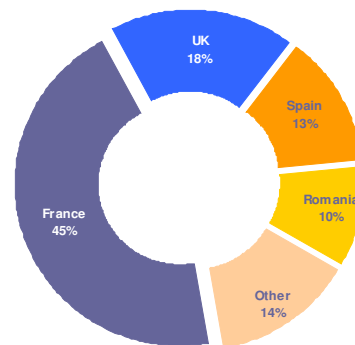
A very dynamic international presence

Sales generated by international subsidiaries amounted to € 180.9 million compared to € 149.2 million for the 1st half of the previous year, equivalent to growth of 21% in one year, to represent 46% of consolidated sales, compared to 45% for France.

Avenir Telecom achieved particularly remarkable performances in certain countries:

- **In France**, sales grew by 26% in a market where the number of mobile phone subscribers grew by 7.9% in 2005 compared to 2004. The rate of penetration was 79.7% compared to 73.9% at 31 December 2004 (source ARCEP). The Internity network reported growth of 9% and operated 79 own stores.
- **In the United Kingdom**, Avenir Telecom UK recorded sales growth of 14% with constant exchange rates). This subsidiary generates 18% of sales and continued to benefit from the strong competition among the five operators whose offerings it distributes, in a market with a penetration rate of 107% at 31 December 2005, compared to 102% at 31 December 2004.
- **In Spain**, growth continued with sales up by 76%. The Internity network had 107 stores at 31 December 2005. The arrival of the operator Orange as a shareholder in Amena in July 2005 as well as the acquisition of O2 by Telefonica in January 2006, should make the Spanish market more competitive, while the penetration rate of the mobile phone market was 98% at 31 December 2005.
- **In Romania**, Avenir Telecom reported growth of 116% (92% with constant exchange rates) in a very dynamic market, where the penetration rate grew by 33% compared to 31 December 2004 to 60% at 31 December 2005. This subsidiary represents 10.2% of consolidated sales, and it operates a very developed indirect distribution business for a number of mass market branch, as well as a direct distribution business through two networks with a total of 99 points of sales at 31 December 2005. The arrival of the 4th operator Cosmote in December 2005 should again increase the level of competition in the Romanian market for mobile phones over the coming months.

Half Year Sales 2005-2006



Highlights of the half year

- **Acquisition of the leader in telecom distribution in Portugal on 17 November 2005.** The financial statements of this business were consolidated within the Avenir Telecom Group with effect from 1 December 2005. Hence, sales generated in the month of December represent 1.6% of the Group's half year sales. The network of 61 own Stores distributes the offering of three operators in the Portuguese mobile phone market. This is extremely dynamic with a penetration rate of 114% at 31 December 2005 compared to 95% at 31 December 2004.
- **Exclusive distribution agreement with VK Mobile, 3rd Korean producer, signed on 30 August 2005, for all countries where the Avenir Telecom Group has a presence;**
- **Exclusive distribution contract in France for the virtual mobile operator NRJ Mobile signed on 2 November 2005, in the specialised distribution networks (own networks and under Avenir Telecom control as well as its independent customer base of resellers);**
- **Completion of an acquisition in Bulgaria.** The Avenir Telecom Group announced in July 2005 that it had entered into negotiation with a company based in Bulgaria, a distributor authorised by the operator Globul. After the completion of an audit, the acquisition process should be completed during February 2006.

In the words of Jean-Daniel BEURNIER, the chairman of the Avenir Telecom Group: *"Thanks to the dynamism and involvement of our staff, we have continued to grow beyond our forecasts. The year 2006 is starting with promising signs: our stronger international positions and the renewed confidence of all our partners, manufacturers and operators constitute a real advantage to provide our customers with the best commercial offerings."*

► Shareholder's agenda

- **6 March 2006:** Publication of 2005-2006 interim results after the close of trading.
- **7 March 2006:** an information meeting reserved for analysts and institutional investors will take place at 8:30 am in the Ritz Hotel, Place Vendôme in Paris.

About Avenir Telecom

Avenir Telecom is one of the principal European distributors of telephone products and services. The group distributes telephones, subscriptions and accessories directly through its own network of 400 Internity shops (direct distribution) and through hypermarkets and independent retailers (indirect distribution).

Avenir Telecom has 2,000 employees in 8 countries: France, Belgium, United Kingdom, Spain, Portugal, Poland, Romania and Morocco.

Avenir Telecom is quoted on the Euronext List – compartment B (Euronext Paris).

The Avenir Telecom share is listed on the following indices: CAC All shares, CAC Mid & Small 190, CAC Small 90, IT CAC, Next 150, Next Economy and SBF 250.

ISIN: FR0000066052

Reuters: AVOM.LN

Bloomberg: AVT:FP

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