

Marseilles, 15 May 2007

Full year sales 2006/2007

Strategic direction in retail distribution confirmed: sales increased by 22%

The Avenir Telecom group, a European leader in mobile telephony products and services, has reported 2006/2007 sales for an exceptional nine month period as a result of the change of year end as approved by the Annual General Meeting of 22 December 2006.

Comparative figures for the 2005/2006 financial year have been provided on a 12-month rolling basis for the period from 1 April to 31 March.

€ million - IFRS	2006/07	2005/06	%	2006/07	2005/06	%
	For the 12 months to 31 March 2007			For the 9 month period from 30 June 2006 to 31 March 2007		
Retail distribution	292.5	239.7	+22%	230.3	190.9	+20.6%
Wholesale distribution	359.6	430.6	-16.5%	271.4	327.5	-17.1%
Total (ex mobile export sales)	652.1	670.3	-2.7%	501.7	518.4	-3.2%
Mobile export sales	35.6	82.1	-56.6%	21.5	62.7	-65.6%
Total	687.7	752.4	-8.6%	523.2	581.0	-10.0%

Full year sales for the 12 months to 31 March 2007 attained €687.7m, 8.6% lower than the comparable level in the previous financial year.

Excluding handset export sales, sales fell by only 2.7% to €652.1m.

For the nine month period to 31 March 2007, consolidated sales were €523.2m.

Retail distribution continues to show dynamic growth : +22%

Retail distribution achieved sales of €292.5m in the 2006/2007 financial year, 22% higher than the previous period.

These results confirm the strategic direction of the group and take into account :

- the growing importance of the Group's European proprietary store portfolio which increased by 103 stores in the year to 31 March 2007
- good performances from Spain, France and Portugal
- the renewed growth of Romania as of October 2006 based on the partnership with the operator Cosmote

On a comparable basis, the retail distribution activity has shown growth over each quarter of the year.

Difficult environment in wholesale distribution (excluding handset exports)

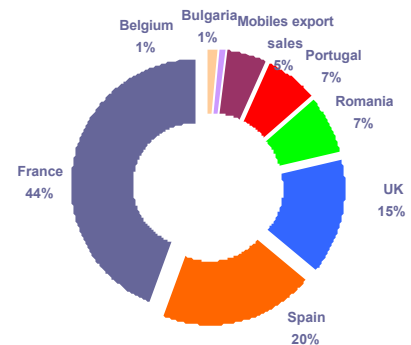
The 16.5% fall in sales in indirect distribution is consistent with the trends that have been apparent since April 2006, notably:

- the fall in handset unit prices initiated by handset manufacturers in a highly competitive market place
- and, correlated to this, the decline in handset subsidies accorded by the operators

International subsidiaries account for 51% of Group sales

International subsidiaries generated sales of €352.6m in the 2006/2007 financial year and account for 51% of Group sales against 46% in the preceding period.

- In France the Internity branded stores (96 directly managed) recorded quarter on quarter growth, notably through the promotion of insurance products. The wholesale division signed distribution agreements with new networks against the background of a weak French market.
- In Spain, the 155 Internity stores recorded strong growth in an active Spanish market, despite the launch of MVNOs
- In the UK, Avenir Telecom UK was selected as one of the 'Top Dealers' for Vodafone and 02
- In Romania, the operator partnerships for the two retail distribution networks, Internity-Cosmote (77 stores) and Global Net-Vodafone (48 stores), performed well
- In Portugal, the network of 66 stores confirmed its leadership of the Portuguese market despite the operators waiting over the past 12 months to observe the outcome of an aborted bid by Sonae for Portugal Telecom



“The growth achieved in retail distribution confirms our strategic choice to pursue this avenue”, said Jean-Daniel Beurnier, President of the Avenir Telecom group. “In an evolving market for telecoms products and services, we are continuing to develop by further strengthening our store portfolio, with a target of 1000 stores in three years time, and by maintaining our strong relationships with operators and handset manufacturers.”

🔗 **Forthcoming events**

- 2006/07 full year results: 4 June 2007 after the markets close
- SFAF meeting: 5 June 2007 8.30am at the Georges V Hotel, Paris
- Annual General Meeting 2006/07 : 27 September 2007

🔗 **The 2006-07 turnover presentation can be found at www.avenir-telecom.com**

About Avenir Telecom

Avenir Telecom is one of the leading European distributors of telecoms products and services. The Group distributes telephones, subscriptions and accessories directly through its network of over 500 own-branded stores (direct distribution) and to a client base of hypermarkets and independent resellers (indirect distribution).

Avenir Telecom employs 2,686 individuals in eight countries: France, Belgium, UK, Spain, Portugal, Poland, Romania and Bulgaria.

Avenir Telecom is listed on Euronext – compartment B (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, Next Economy et SBF 250 indices.

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Reuters: AVOM.LN

Bloomberg: AVT:FP

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