

Marseille, 13 November 2007

## 2007/2008 half-year consolidated sales

### Strong 2<sup>nd</sup>-quarter sales growth

€ millions	2007	2006	Var. %
April to June	151.2	165.1	-8.4%
July to September	187.2	163.6	+14.4%
<b>Half-year Total</b>	<b>338.4</b>	<b>328.7</b>	<b>+3.0%</b>

*In view of the change in the balance sheet date (formerly 30 June, having changed to 31 March, since the start to the financial year on 1 July 2006), the period from April to June 2006 is comparable to the 4<sup>th</sup> quarter of the 2005-2006 financial year ended 30 June 2006 and the period from July to September 2006 is comparable to the 1<sup>st</sup> quarter of the 2006-2007 financial year ended 31 March 2007.*

The Avenir Telecom group's 2<sup>nd</sup>-quarter 2007-2008 sales have grown by 14.4% to 187.2 million, with strong sales in both the direct and indirect distribution channels. This performance results from a broader range of products and offers that perfectly target the different client segments, in an improved seasonal context compared to the comparable period in 2006.

For the half-year, overall activity is up, with growth of 3% (i.e. 8.8% on a like-for-like basis<sup>1</sup> and excluding mobile phone export sales).

#### **Double-figure growth in indirect distribution**

There is renewed growth in indirect sales, in the 2<sup>nd</sup> quarter 2007, an increase of 12.3%, compared to the same period in 2006, to 98.1 million euros.

This strong sales growth is a result of the significant work undertaken to push network sales, over the last two years. The broad and balanced product portfolio has enabled the group to steal a lead on its competitors and to enter new distribution networks. Sales have thus grown strongly in France. Strong sales have also been recorded in Romania, since the reconstitution of its indirect customer base, following the change in the operator contract, in April 2006.

For the half-year, indirect sales have grown by 2.1%, i.e. 2.5% on a like-for-like basis.

#### **Direct distribution increases the pace of growth**

Direct distribution has increased its pace of growth in the 2<sup>nd</sup> quarter, with an increase in sales of 23.4% to 82.2 million euros.

France, Spain and Romania, the main contributors to growth in direct distribution, have continued to achieve strong sales.

Created offers (Kill Deal, Best Prices) and additional sales (accessories, insurance) that feature in catalogues and displayed in shops have been an overriding success.

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<sup>1</sup> Excluding "Call-centre" activities in the UK, "company" activities in France, activities in Morocco and Poland, indirect activities in Belgium, acquisitions in Bulgaria

In the half-year, sales grew by 14.9%, i.e. 17.6% on a like-for-like basis, testifying to the increased number of shops, which now stands at 533 shops, with 77 new shops in the half-year.

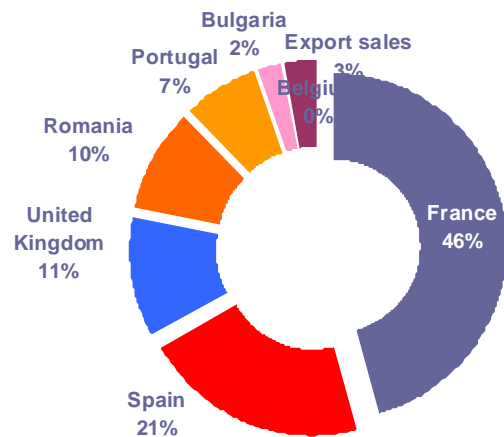
**Balanced and dynamic geographical distribution**

Trends observed in the 1st half-year 2007/2008 with respect to the product mix by geographical zone continued in the 2<sup>nd</sup> quarter, with:

- in Western Europe countries, the continuing significant contribution of loyalty and pre-paid products to sales, in line with the operator partner strategy (SFR in France, Vodafone in Spain). Sales in the 2<sup>nd</sup> quarter 2007/2008 in this zone were up 13.6% compared to the same period in 2006;
- In Eastern Europe countries, the position of challenger of the partner operators in these markets (Cosmote in Romania and Globul in Bulgaria), puts the mix to win post-paid subscribers. 2007/2008 2<sup>nd</sup>-quarter sales in this zone are up 58.8% compared to the same period in 2006.

International subsidiaries together accounted for 51% of sales, as at 30 September 2007, at 171.2 million euros.

- France recorded strong sales in both direct and indirect business, thanks to the excellent management of Internity shops and the winning of market share in indirect markets through new distribution networks ;
- Spain once again made a strong contribution to Group sales, thanks to growing business in its shops, in a market that remains very competitive ;
- In United-Kingdom, the emphasis is on client quality over business volume in tight partnerships with operators ;
- Romania continues to achieve strong sales in both direct and indirect businesses, within the scope of the partnership with the operator, Cosmote.



**The rollout of Internity shops in Europe**

Today, the number of points of sale stands at 683: 533 active shops, as at 30 September 2007, 113 are planned to open before Christmas, and 37 by March 2008.

*“We have all confidence in the performance of the plan for growth that we have undertaken in respect of our direct distribution business. Our Indirect distribution business, thanks to our know-how and involvement of our teams, is winning customer loyalty and market share in new distribution networks”, specifies Jean-Daniel Beurnier, CEO of Avenir Telecom Group. “Besides, our exclusive Christmas offers will meet a very big success to our customers.”*

**Find the press release and presentation  
on the 2007-2008 half-year sales at [www.avenir-telecom.com](http://www.avenir-telecom.com)**

press release

► **Forthcoming events**

- Salon Actionaria: 16 and 17 November 2007, in Paris, at the *Palais des Congrès* (Stand A14 – Hall Passy Niveau 1)
- Analysts meeting: 27 November 2007, at 08:00, in Paris – *Hôtel Ritz*
- London Midcap Event: 5 and 6 December 2007

► **Publications calendar – 2007/2008 financial year**

- 1st half-year net income: 27 November 2007
- 2008 3rd-quarter sales: 14 February 2008
- Annual sales: 13 May 2008
- Net annual income: 2 June 2008

**About Avenir Telecom**

*Avenir Telecom is a leading distributor of mobile telephony products and services in Europe. The Group distributes mobile telephones, subscriptions and accessories directly through its network of 683 own-brand Internity shops (direct distribution) and to hypermarket customers and independent dealers (indirect distribution).*

*Avenir Telecom has 2,802 employees in 7 different countries: France, Belgium, United Kingdom, Spain, Portugal, Romania, Bulgaria.*

*Avenir Telecom is listed on Eurolist – compartment B (Euronext Paris).*

*Avenir Telecom's share is quoted in the following indexes: CAC All shares, CAC Mid & Small 190, CAC Small 90, IT CAC, Next 150, Next Economy et SBF 250.*

*ISIN: FR0000066052*

*Reuters: AVOM.LN*

*Bloomberg: AVT:FP*

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