

## Revenue for the third quarter 2010

IFRS Revenue in M€ Non audited datas	2010	2009	Var in %
1 <sup>st</sup> quarter	15,1	13,1	15%
2 <sup>nd</sup> quarter	15,5	14,7	5%
3 <sup>rd</sup> quarter	17,2	14,0	23%
9 months	47,8	41,8	14%

ARCHOS achieved in the third quarter of 2010, a turnover of € 17.2 million against € 14 million for the same period in 2009, an increase of 23%. The revenue for the nine months period from January to end September 2010 is € 47.8 million.

In M€ IFRS Non Audited datas	Q3 2010	Q3 2009	Var in M€	Var in %
EUROPE	13,8	11,3	2,5	22%
ASIA	0,7	0,4	0,3	59%
USA	2,7	2,3	0,4	18%
<b>TOTAL</b>	<b>17,2</b>	<b>14,0</b>	<b>3,2</b>	<b>23%</b>

The turnover of all regions is increasing in the quarter. The Europe region continues its recovery, led by France and Germany. The activity of Asia rose significantly, marking the start of recovery due to commercial actions set up in the area since June.

This fourth consecutive quarter of growth validates the new strategy implemented by the Group. The business is well balanced in terms of product mix between MP3 and Internet tablets or Home Tablet. In terms of the financial situation, the Group has the means to finance this strategy and the evolution of the dollar exchange rate in recent months enables to optimize the cost of purchasing and control the level of margins.

### Highlights for the third quarter

Operationally, the period was marked by the preparation of the product launch of Generation 8, which will be delivered and invoiced starting October.

On the commercial front, the Group launched this new generation providing users a unique experience of Android combined with functionalities of audio and video playback of Archos tablets. This new line of Internet Tablets is distinguished by the quality of its design, and the range of sizes and prices as it comes in 5 sizes from 2.8 inches to 10 inches and is available in stores at prices ranging € 99 to € 300.

In the Asia-Pacific area, the development of commercial activity is beginning to be reflected in terms of sales. The group has signed a distribution agreement with Korea that provides new opportunities for the fourth quarter.

Finally, the AppsLib platform, which allows access to the best Android applications on tablets, started offering its paid content and now delivers a service that now has more than 10,000 applications and is distributed among a growing number of manufacturers of consumer electronics.

The favorable welcome of the new range by distributors is confirmed by a large backlog which allows the Group to consider a significant growth for the last quarter.

*Note to the reader : This English language version is a free translation from the original press release which is in French and is available on the company's corporate website (archos.com). In the event of inconsistencies between the original French language version and this English translation, the French version will take precedence.*

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## **About ARCHOS**

*ARCHOS introduced the hard-drive-based MP3 player with the Jukebox 6000 in 2000, and since that time has revolutionized consumer electronics devices. The company introduced the portable video player in 2003 and was the first to bring TV recording, wireless and touch screens to the portable media player. In 2008, ARCHOS introduced the first Internet Media Tablets, offering consumers uncompromised access to the Internet, movies, photos, video, music and television anytime, anywhere. Now, ARCHOS introduce Internet Tablet, PC Tablets, Netbooks and MP3/MP4 Player. Established in 1988, ARCHOS has offices in the United States, Europe and Asia, and is quoted on Compartment C of Euronext Paris, ISIN Code FR0000182479.*

*More information is available online at [www.archos.com](http://www.archos.com).*

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