



PRESS RELEASE
Paris - November 15, 2010

2010 third quarter results

DANE-ELEC Memory, manufacturer and distributor of digital products (Dram memory chips and mass storage and hand-held products), has released its results for the third quarter of 2010 which are in line with the first six months of year.

As announced on the publication of its half-yearly results for 2010, Dane-Elec Memory's newly-appointed Head of Operations is currently overseeing the strategic overhaul of its commercial and industrial activities. The aim is to define a development plan for the medium term that will cement the group's return to lasting growth and profitability.

This new plan and its expected impact on results will be presented in full (product lines, industrial organization, etc.) in the early weeks of 2011.

Breakdown of results

| In € million (pre-audit data) | Q3 2009 | Q3 2010 | 9M 2009 | 9M 2010 |
|---------------------------------|--------------|--------------|--------------|---------------|
| Revenue | 52.0 | 41.2 | 124.0 | 119.6 |
| Gross margin | 4.7 | 2.0 | 14.5 | 8.3 |
| as a % of revenue | 9.1% | 5.0% | 11.7% | 7.0% |
| Current operating income | (1.6) | (3.5) | (4.6) | (11.6) |
| Operating income | (1.7) | (3.5) | (4.7) | (11.9) |
| Cost of net financial debt | (0.1) | (0.0) | (0.2) | (0.2) |
| Other financial expenses | (0.3) | (0.6) | (0.3) | (1.1) |
| Tax expense | 0.5 | 0.4 | 0.5 | 0.9 |
| Net income (Group share) | (1.6) | (3.6) | (4.7) | (12.3) |

Consolidated revenues for Dane-Elec Memory stood at € 119.6 million at the end of September 2010 compared with a figure of € 124.0 million one year earlier. Business activity, which has been up since the start of the year, particularly in the United States, dipped slightly during the month. Over the first nine months of the year, sales in the United States (53% of consolidated revenue) increased 12% while sales in Europe fell back 8%.

In order to fully prepare for the launch of its new products, and as the relentless pressure on its gross margin persists, Dane-Elec Memory has begun destocking its existing inventories whilst at the same time continuing to focus on its sales and development. The group posted a current operating loss of € 3.5 million for the quarter and € 11.6 million since the start of the year.

After financial expenses and taxes, Dane-Elec Memory's figures for the third quarter of 2010 reflect a net loss of € 3.6 million for the quarter. Since the start of the year, after non current operating (€ 1.8) and financial (€ 0.8) losses, the company reports net loss of € 12.3 million.

Financial position

Dane-Elec Memory's careful management of its balance sheet items, particularly its inventories and particularly in the third quarter when they were successfully reduced by € 8 million, has enabled the group to cut its working capital requirement by € 10.2 million since the start of the year.

At the end of September 2010, the group's net financial debt amounted to € 13.4 million after € 16.5 million on June 30, and its equity stood at € 24.4 million. Negotiations continue with its financial partners in order to optimize the company's short- and medium-term financing.

Next publication: 2010 revenues on Monday 24 January, 2011 after the close of trading.

About DANE-ELEC Memory

Founded in France in 1985 by David Haccoun and Nessim Bodokh, Dane-Elec Memory is an international company headquartered near Paris. The company specializes in the manufacture and distribution of digital products: Dram memories and storage and hand-held products.

As a global player, Dane-Elec Memory operates in Europe, the United States, Asia, and the Middle East. The group has a manufacturing and assembly plant in Ireland, three assembly units in the United States, Ireland and France, and two packaging logistics platforms in the United States and France, making it extremely responsive to demand.

Dane-Elec Memory also has a hand-held product distribution subsidiary, Intervalle, in France.

In 2009, Dane-Elec Memory generated revenues of € 180 million.

Dane-Elec Memory is listed on Segment C of Euronext Paris and has been awarded the label of Innovative Company by France's National Agency for Industrial Innovation, OSEO innovation.
ISIN: FR000036774, MNEMO: DAN, BLOOMBERG: DAN:FP, REUTERS: DEMY.PA.

All our financial information at www.dane-elec.fr or www.actus-finance.com

■ Actus Finance contacts:

Shareholders / Analysts / Investors:

Jérôme Fabreguettes-Leib

Tel.: +33 (0)1 77 35 04 36

jfl@actus.fr

Journalists:

Nicolas Bouchez

Tel.: +33 (0)1 77 35 04 37

nbouchez@actus.fr

Notes: Quarterly financial data

| In € million (pre-audit data) | Q1 2009 | Q2 2009 | Q3 2009 | Q1 2010 | Q2 2010 | Q3 2010 |
|------------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Europe | 19.1 | 18.0 | 18.6 | 17.3 | 16.5 | 17.1 |
| United States | 12.6 | 16.4 | 27.8 | 15.7 | 25.4 | 22.7 |
| Asia / Middle East | 1.3 | 4.6 | 5.6 | 1.2 | 2.3 | 1.3 |
| Revenue | 33.0 | 39.0 | 52.0 | 34.2 | 44.2 | 41.2 |
| Storage products | 28.9 | 35.2 | 47.9 | 30.1 | 39.8 | 36.5 |
| Dram | 2.2 | 1.7 | 2.2 | 2.0 | 2.2 | 2.2 |
| Distribution of hand-held products | 1.9 | 2.1 | 1.9 | 2.1 | 2.2 | 2.5 |