



PRESS RELEASE
Paris - January 24, 2011

2010 revenue: € 158.1 million

DANE-ELEC Memory, manufacturer and distributor of digital products (Dram memory chips and storage and hand-held products) is pleased to announce its revenues for financial year 2010.

Consolidated data

In € million (pre-audit figures)	2009	2010
Total	180.2	158.1

Dane-Elec Memory achieved consolidated revenues of € 158.1 million in financial year 2010 versus a figure of € 180.2 million one year earlier. Changes in exchange rates had a positive impact of approximately € 4.7 million over the period.

The group's activities in the United States posted the majority of sales (54% compared with 48% in 2009), with Europe and the rest of the world accounting for 42% and 4% respectively.

The breakdown in sales by product line remained relatively stable. Storage products represented 89% of activity, whilst Dram memories generated 5% and hand-held products (via group subsidiary, Intervalle) 6%.

Business review

Despite being a period that is traditionally strong for consumer electronics, the fourth quarter of 2010 was severely penalized as muted consumer demand in both Europe and the United States and the group's decision to pull the plug on hard drives (see press release of December 6, 2010) weighed heavily on sales in the last three months of the year.

Over the financial year as a whole, Dane-Elec's activities in the United States kept pace once again (stable yearly sales), underpinned in particular by the group's exclusive brand licensed products (principally Duracell).

In Europe, activity in France benefited from the rebound by Intervalle (+10% over the year), as the group's distribution subsidiary which specializes in hand-held products built on new contracts, notably with Dell.

2010 will above all be remembered as the year which saw the launch of the first generation of *myDitto*. The fruit of numerous years of research and development, *myDitto* is a highly innovative solution which enables users to access secure data stored at their home or office from anywhere in the world. Widely acclaimed by the specialist and consumer press alike, *myDitto* has won several awards (*CES Innovation Award* and the *Best IT Innovation Award* from *European Consumers Choice*), thus confirming its excellent sales potential at a time where the storage of and secure and easy access to personal and professional data is a priority.

Financial situation

Constantly seeking to improve its financial footing, Dane-Elec Memory focused its efforts on reducing its working capital requirement in the second half of 2010. Particular attention was paid to its inventories, with the group successfully reducing its gross inventories (before depreciation and provisions) by 15% in the space of one year and by close to 50% in relation to the high seen at the end of March 2010.

Negotiations continue with its financial partners in order to optimize the company's short- and medium-term financing. On January 18, 2011, the group disposed of close to € 6 million in cash or unused and available credit lines.

Strategy and outlook

As announced at the end of 2010, Dane-Elec Memory is currently reviewing its positioning, product lines and organizational structure and, once its analysis is complete, the group will soon be unveiling the new roadmap for its sales strategy. The decision to terminate its hard drive activities constitutes the first major step in a new direction.

The full consequences for Dane-Elec Memory's resources and industrial structures as well as the financial implications of its core repositioning will be disclosed when the group presents its results for 2010 at the latest.

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.

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