



**Q1 Net Sales : +29% to €15.9m
Prudence remains the watchword for the coming quarters**

Net sales for Q1 2012

Over the first quarter of 2012, Store Electronic Systems delivered 229 new stores, with net sales amounting to €15.9m, which represents an increase of +29% over Q1 2011.

| €m | Q1 2011 | Q1 2012 | Change |
|-----------------|---------|---------|--------|
| Net sales | 12.3 | 15.9 | +29% |
| - France | 8.6 | 11.4 | +32% |
| - International | 3.7 | 4.5 | +20% |

SES performed well in France with net sales coming in at €11.4m, i.e. organic growth of +32% compared with Q1 2011. This increase was achieved as a result of new installations with integrated corporate customers and independent networks, as well as recurrent net sales. 105 new stores were installed over the quarter (+33% vs. 2011). We can notice for major accounts, the rapid pace of certain roll-outs started since 2011.

International business increased by +20% compared with 2011, with 124 new stores installed over the period. However, due to the poor economic outlook in Europe and an order book which increased only marginally in 2011 this increase is not as strong as it could have been.

Orders

Orders increased by +6% in Q1 2012 compared with the last quarter of 2011, but fell relative to the previous quarter, this is due in particular to the high volumes recorded in the first quarter of 2011 (notably the Monoprix, Multicedi and Dansk/Bilka accounts).

Recurrent business

Re-equipment and service figures increased by 22% to €6.4m, i.e. 40% of total net sales, thus confirming the strong momentum of the installed base.

Prospects

Prospects for the months ahead confirm the prudence expressed at the start of the year regarding the reduced visibility of the order book beyond Q1. Given the wait-and-see attitude being adopted in many markets and the length of the decision cycles, a slowdown in growth is expected for Q2, despite a portfolio of opportunities that is on the increase.

Thierry Gadou, SES's new CEO, said "*Growth over this first quarter has been satisfactory, but the SES economic model (the same as that of our competitors), as a result of its exposure to markets that are still emerging and to overly-complex decision cycles, remains too volatile and does not offer enough visibility. Our strategic plan will shortly be finalized and will aim, in particular, to ensure that the*

company makes use of more predictable drivers of organic growth. We have already, at the same time as preparing this plan, launched a large number of operational projects – new products, new services, customer satisfaction, commercial development in targeted international regions, revitalized and more aggressive marketing. SES will be celebrating its 20th anniversary this year and all the teams are working together to ensure that 2012 will be a key stage in its development.”

Net sales for H1 2012 will be published on 9 August 2012. H1 2012 results will be published on 29 August 2012.

■ **About Store Electronic Systems**

Store Electronic Systems is leader in Electronic Shelf Labeling systems (ESL) for large-scale food and non-food retailers. The company designs, markets and installs all the system's components (software and communication platform, displays, mounts), thus providing clients with a turnkey solution.

The range of products and services offered by SES allows retailers to manage pricing dynamically, while significantly improving store productivity.

Store Electronic Systems is listed on Compartment C of EuronextTM Paris.

Mnémono: SESL Codes - ISIN: FR0010282822 - Reuters: SESL.PA - Bloomberg: SESL.FP

www.store-electronic-systems.com

■ **Your contacts**

Michel Boyer, Executive Vice President and C.F.O, Tel.: 01 34 34 61 66, michel.boyer@ses-esl.com

Guillaume Portier, VP Marketing, Tel.: 01 34 34 61 73, guillaume.portier@ses-esl.com