

Sales for the 3rd quarter of 2012

- Q3 sales stable compared with 2011
- Growth in France: +10%
- 9-month sales growth: +6%
- Upturn in orders reaffirmed: +43%
- Q4 sales expected to rise despite an international environment that remains difficult

Store Electronic Systems (NYSE Euronext: SESL, FR0010282822), leader in Electronic Shelf Labeling (ESL) systems for large-scale food and non-food retailers, today announces its sales for the third quarter to September 30, 2012.

Sales (€m)	France	International	SES
Q1 2011	8.5	3.8	12.3
Q1 2012	11.2	4.7	15.9
Δ	+32%	+24%	+29%
Q2 2011	9.6	6.3	15.9
Q2 2012	9.7	5.2	14.9
Δ	+1%	-18%	-6%
Q3 2011	8.7	6.0	14.7
Q3 2012	9.6	5.1	14.7
Δ	+10%	-15%	0%
2011 9-month sales	26.8	16.1	42.9
2012 9-month sales	30.5	15.0	45.5
Δ	+14%	-7%	+6%

Sales from French Overseas Regions are written down under international sales

Third-quarter sales were stable compared with 2011. Growth in France totaled +10% but international activity was down (-15%) due to the completion of the Dansk deployment in 2011 and the ongoing difficult economic situation in Europe where SES still records most of its sales outside France. Nevertheless, total international activity has improved since the start of the year thanks to the growth outside of Europe. The commercial strategies show their first results with order intake increasing by +43% for the Group (more than 60% for international sales), and should result in sales growth over the 4th quarter.

Activity stable over the 3rd quarter, at €14.7 million

Over the 3rd quarter of 2012, in an international economic environment that remains difficult, SES recorded sales of €14.7 million, stable over the same period last year.

In France, the Group's largest market, sales increased by +10% to €9.6 million, notably thanks to the deployment of Simply Market and the positive impact of the launch of new products and the new marketing and sales strategy.

International sales totaled €5.1 million, stable over the previous quarter but down (-15%) over the 3rd quarter of 2011, which benefited from the intensive rate of the Dansk deployment. Overall international activity was still up compared with the start of the year (sales for the 1st quarter of 2012 came to €4.7 million) thanks to the increase in sales outside Europe.

Sales up +6% at September 30, 2012

Over the first 9 months of the year, SES recorded sales of €45.5 million, up +6% over the same period of 2011.

Activity in France was up +14%, boosted by the Group's product innovation, its efforts in terms of service quality and the commercial strategies implemented at the start of the year. International sales were down -7% over the first 9 months of the year, at €15.0 million, due to the Dansk roll-out completion and the ongoing difficult economic situation in Europe where SES still records most of its sales. At September 30, 2012, 606 new stores were fitted out, 287 in France and 319 overseas, an increase of +3% on the year. The Group's products were thus present in 5,065 stores at the end of September.

Increase of +43% in orders taken during the 3rd quarter and 49% over 9 months

Over the 3rd quarter, order intake was close to 300 stores, an increase of +43% on the year, with a +64% increase in international orders. In total, at the end of September there were orders for over 900 stores, an increase of +49%. The efforts undertaken in terms of new products, quality of service and international sales coverage lie behind this momentum. SES notably signed a contract worth more than €4 million with a major non-European retailer at the end of the quarter. Furthermore, despite a difficult economic context, a growing number of retailers around the world are showing interest in electronic labeling, and are first and foremost seeking solutions that have been proven on a large scale by solid partners.

Outlook

Thierry Gadou, CEO and Chairman of SES, says: *"Despite stable sales, the 3rd quarter marked a first major milestone in SES' transformation. In September, we attended the Equipmag 2012 trade show and presented a revamped product range, further-enhanced wireless infrastructure and a major innovation: the NFC-tag, the first electronic labeling system that enables communication between in-store labels and consumers' smartphones. This innovation was awarded the Gold Shopper Experience award at Equipmag 2012. We have continued to improve our processes and our organization in order to better serve our clients around the world, and notably in France where our growth remains substantial. Overseas, our efforts are beginning to reap their rewards in terms of pipeline growth and the order intake. Lastly, during the 3rd quarter our installed base surpassed 5,000 stores. The global economic climate remains difficult but, thanks to our orders, we are confident that our sales will grow over the latter part of the year driven by international sales."*

Next press release

2012 annual sales: January 30, 2013 (after market)

About Store Electronic Systems

Store Electronic Systems is leader in Electronic Shelf Labeling systems (ESL) for large-scale food and non-food retailers. The Group 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 Euronext™ Paris.
Ticker: SESL – ISIN Code: FR0010282822 – Reuters: SESL.PA – Bloomberg: SESL.FP
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