

2013 HALF YEAR REVENUES: EUR 50.2 MILLION

In EUR thousands	H1 2012	H1 2013	Change
First quarter	25,316	23,081	-8.8%
Second quarter	28,789	27,118	- 5.8%
First half	54,105	50,199	- 7.2%

Unaudited figures

During the first half of 2013, Audika Group posted revenues of EUR 50.2 million, a drop of 7.2% (down 8.3% like-for-like). In an economic environment that continues to be very unfavorable for the hearing correction market, the second quarter nonetheless marked a slightly improved trend due to a more buoyant June.

In France, Audika Group generated revenues of EUR 46.3 million, a drop of 7.5% (down 8.4% like-for-like). The new advertising campaign launched in mid-March, two months later than in previous years, began to have a positive impact on revenues at the end of the period, though not enough to offset a difficult first five months.

In Italy, Audika generated revenues of EUR 3.7 million, down EUR 0.3 million compared to the first half of 2012. In the second half, the Group suffered from cyclical effects and clients' wait-and-see stance.

Finally, in Belgium, new recently acquired centers, which were consolidated into the Group's accounts as of May 1, generated revenues of EUR 0.1 million.

Impact on half-yearly results

The decline in activity will have a knock-on effect on half year results, given that the seasonality of marketing

expenditures (annual budget identical to 2012) is more pronounced this year, with 65% of the budget spent during the first half, compared to 58% in 2012. The half-yearly recurring operating margin is therefore likely to be between 3% and 4% of revenues.

Second half outlook

Although the difficult environment continues, the new marketing campaign led to a gradual increase of in-store traffic since April. Audika therefore expects to take advantage of this new trend and generate greater revenues in the second half than in the first.

Similarly, based on the cost savings program and the seasonality of the marketing budget, the Group expects to see a decline of at least EUR 2 million in operating expenditures in the second half.

Meanwhile, Audika remains confident that the hearing correction market, having deteriorated significantly due to an unfavorable environment, still demonstrates strong and tangible fundamentals, especially in terms of demographic trends. Investments made in recent months should therefore give the Group the opportunity to take full advantage of the market recovery as soon as it begins.

About Audika:

With 460 centers in 91 different regions and a 14% market share, Audika is the number one network offering hearing correction consulting and solutions in France. The Group has been present in Italy since 2007 (54 centers) and in Belgium since 2013 (four centers). Positioned on the market for hearing correction solutions for senior citizens, Audika aims to consolidate its leadership in a sector that remains very highly fragmented. Audika is listed on Euronext Paris, Segment C.

Audika Group will publish its results for the first half of 2013 on September 9, 2013 after market close.

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