

Paris, 16 April 2009, 17H45

**1<sup>st</sup> quarter 2009 revenue: €36.8 million**

- **First contributions of the luxury business**
- **Strong resistance of the distribution business**

ModeLabs Group has recorded consolidated revenue of €36.8 million for the 1<sup>st</sup> quarter of 2009 compared with €39.0 million for the 1<sup>st</sup> quarter of 2008 (like for like), a fall of 5.7%.

The salient features of the Group's activity during this period have been:

- Its concentration on Luxury products as well as the preparation of new Lifestyle products to be launched before the end of the year;
- The increase in production volume for luxury mobiles;
- Strong resistance of the distribution business given a difficult market environment.

| Consolidated revenue<br>(in millions of euros) | Q1 2009     | Q1 2008                   | Change       |
|--|-------------|---------------------------|--------------|
| <b>Manufacturing</b>                           | 1.7         | 4.4                       | -60.3%       |
| <b>Distribution</b>                            | 35.1        | 34.6                      | +1.1%        |
| <b>Like for like total</b>                     | <b>36.8</b> | <b>39.0<sup>(1)</sup></b> | <b>-5.7%</b> |
| ModeLabs Technologies                          | 0           | 1.8 <sup>(2)</sup>        | NA           |
| <b>Total</b>                                   | <b>36.8</b> | <b>40.8</b>               | <b>NA</b>    |

(1) Revenue restated following the deconsolidation of ModeLabs Technologies, business sold during the 4<sup>th</sup> quarter of 2008

(2) Third part contribution of ModeLabs Technologies, business sold during the 4<sup>th</sup> quarter of 2008

Non-audited figures

**Manufacturing: increased production volume and a broadened luxury product range**

During the 1<sup>st</sup> quarter of 2009 ModeLabs manufacture recorded revenue of €1.7 million that is not representative of the division's growth potential.

This reflects the fact that, given the strategic focus on developing luxury mobiles, ModeLabs did not make any Lifestyle product launch during the period (as compared with three launches during the 1<sup>st</sup> quarter of 2008). However, given the success of the first two MTV mobiles launched in 2008 in partnership with SFR, ModeLabs manufacture is currently preparing new 3G MTV products for launch during the 3<sup>rd</sup> quarter of 2009.

During the 1<sup>st</sup> quarter of 2009 the Group broadened its luxury offering by launching very exclusive new products. The Group's strategy of moving up-market and enriching its product offering is designed to respond to consumers' highest expectations by capitalising on its know-how in the industrial production of outstanding products.

So for example, one year after the exceptional success of the first MERIDIIST mobile developed for TAG Heuer, on 26 March 2009 and on the occasion of the Basel World Watch and Jewellery Show ModeLabs Group presented two new models:

- The MERIDIIST DIAMOND, available in two extreme luxury versions, one decorated with 1,232 diamonds and the other, thinner, with 208 diamonds;
- The MERIDIIST BLACK PVD, a luxury sporting model inspired by TAG Heuer's Grand Carrera Calibre 17 RS 2 watch. This mobile is a high technology concentrate, plated in black titanium carbide, guaranteeing extreme resistance to natural wear and scratches.

Finally, the Group has continued increasing its luxury product manufacturing volume within Sony Alsace's Ribeauvillé production facility, with the objective of ensuring total response to increasing demand by the end of 2010.

#### **Distribution: continuing leadership**

Within a difficult market environment characterised by an overall reduction in sales anticipated in 2009 (and confirmed by the announcement by GfK of a fall in the French market of about 10% during the first weeks of the year), ModeLabs Group has succeeded in recording 1<sup>st</sup> quarter revenue for 2009 of €35.1 million up 1.1% compared with 2008.

This performance partly reflects the Group's position as the leading French telecom distributor, but has also been underpinned by the success of its new marketing initiatives and by the exclusive offer of particularly innovative products.

#### **Outlook**

Given its leadership as a French distributor and its know-how in the luxury mobile segment, ModeLabs Group remains confident in its development perspectives. The Group can boast of a very advanced level of expertise in the design and manufacture of exceptional mobile handsets, and of a unique market positioning reflecting its unequalled commercial and marketing skills.

#### **Next dates in our calendar**

- Publication of 2<sup>nd</sup> quarter 2009 revenue on Thursday 16 July 2009.

#### **About ModeLabs Group:**

ModeLabs Group, creator of tailor-made handsets and telecom distributor, is a new generation player in the mobile phone sector. The company designs, develops and markets mobile phone handsets, accessories and services in an integrated and flexible manner for mobile phone operators, retailers and brands.

The Group integrates marketing expertise and technological know-how to respond to the increasing requirement for segmentation of the telecom market by giving brands, operators and distributors the opportunity to create their own range of mobile phones, accessories and services.

Its activity is structured within two businesses:

- *ModeLabs Conception*, designer and developer of tailor-made handsets,

- *ModeLabs Distribution*, specialist in the distribution of mobile telephones and accessories and the number one in France.

**ModeLabs Group is listed on the NYSE Euronext-Paris Eurolist**  
**Isin: FR 0010060665, Mnemo: MDL, Reuters: MDLB.PA, Bloomberg: MDL:FP**  
**www.modelabs.com**

**Contacts:**



**Françoise Grand**  
**Tel : + 33 1 43 12 12 12**  
**finance@modelabs.com**



**Edouard Miffre/Gilles Broquelet**  
**Tel : + 33 1 80 81 5000**  
**emiffre@capvalue.fr**  
**gbroquelet@capvalue.fr**