

Paris, 15 October 2009 at 18H00

4.7% increase in revenue during the 3rd quarter of 2009

- **45.7% increase in manufacturing revenue fuelled by our luxury mobiles**
- **1% progression in distribution revenue based on actual sales territory and 6% based on like for like sales territory**

For the 3rd quarter of 2009, ModeLabs Group has recorded consolidated revenue of €43.9 million compared with €42.0 million on a like for like basis for the 3rd quarter of 2008, an increase of 4.7%. ModeLabs' like for like 9 month revenue amounts to €122.2 million in 2009 compared with €113.8 million in 2008, i.e. an increase of 7.4%.

<i>in millions of euro</i>	Q3 2009	Q3 2008	Change %	30-Sep-09	30-Sep-08	Change %
Manufacture	5.1	3.5	+45.7%	11.1	11.4	-2.6%
Distribution	38.8	38.5	+1.0%	111.1	102.4	+8.5%
Like for like total (1)	43.9	42.0	+4.7%	122.2	113.8	+7.4%
ModeLabs Technologie (2)	0	2.6	NA	0	6.1	NA
Total	43.9	44.6	-1.5%	122.2	119.9	+1.9%

Non-audited figures

(1) Revenue restated to reflect the deconsolidation of ModeLabs Technologies, business sold during the 4th quarter of 2008

(2) Third party contribution of ModeLabs Technologies, business sold during the 4th quarter of 2008

Manufacture: 45.7% increase in revenue, fuelled by our luxury mobiles

Confronted with sustained demand, ModeLabs manufacture has continued developing its luxury mobile production capacity. As a result, and despite the three-week closure of its partner's manufacturing facility in August, the division's revenue reached €5.1 million representing an increase of 45.7% over the 3rd quarter of 2008 and 19% compared to the 2nd quarter of 2009. The Group's manufacturing activity, essentially fuelled by the success of its luxury products, has thus continued its sequential growth in 2009 after reporting revenue of €1.7 million for the 1st quarter and €4.3 million for the 2nd quarter.

Distribution: 6% growth in revenue based on like for like sales territory

Within a market that remains a difficult one, ModeLabs has reinforced its leadership by gaining new market shares. Revenue for the 3rd quarter of 2009 was up 1% at €38.8 million compared with €38.5 million in 2008. It may be recalled that at the beginning of 2009, and as part of its strategy of focusing on its most profitable zones, ModeLabs distribution had reduced its accessory distribution activity in the UK. These sales had amounted to €1.9 million for the 3rd quarter of 2008. On the basis of a like for like sales territory, the increase in distribution activity amounted to 6% for the 3rd quarter of 2009.

A favourable outlook

ModeLabs manufacture continues to deploy its luxury segment sales network: at the end of September 2009, 170 sales outlets were already open compared with 104 at 30 June and an objective of 500 in three years' time. In parallel, ModeLabs manufacture launched new collections of MERIDIIST mobiles for TAG Heuer, and Dior phones for Christian Dior, both of which serve to enrich the existing luxury range and provide an additional vector for sales.

ModeLabs distribution also expects a healthy level of activity until the end of the year and intends to improve its operating margin for the 2nd half of the year despite a probable fall in 4th quarter revenue for 2009 when compared to the last quarter of 2008 (bolstered at the time by exceptional sales promotions).

Next date in our calendar

- Publication of annual revenue for 2009 on Wednesday 20 January 2010

About ModeLabs Group:

ModeLabs Group (Isin: FR 0010060665), 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 major brands.

Its activities are structured within two strategic divisions:

- *ModeLabs Manufacture* integrates conception and design expertise and technological know-how to give luxury (Dior, TAG Heuer) and lifestyle (Lacoste, MTV...) brands the opportunity to create their own range of mobile phones, accessories and services, and ensures qualitative and selective distribution over three continents in department stores, fashion stores and watch and jewellery stores.
- *ModeLabs Distribution*, specialist and leader in France in the distribution of mobile phones and accessories, is present in each distribution sector: networks, MVNO, mass merchandisers, multi-specialists, telecom specialists, other retailers and e-business.

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