

Very strong growth in 1st quarter revenue for 2010: + 27.6%

With 1st quarter revenue for 2010, at €46.9 million, up 27.6% over 2009 ModeLabs Group is currently experiencing very strong growth in its activity attributable to:

- Continued development of the luxury mobile business which grew by 174.1%
- Excellent performance of the distribution business which increased by 20.4% within a mature market

| Consolidated revenue (€m) | Q1 2010 | Q1 2009 | Change |
|---------------------------|-------------|-------------|----------------|
| Manufacture | 4.7 | 1.7 | + 174.1% |
| Distribution | 42.2 | 35.1 | + 20.4% |
| Total | 46.9 | 36.8 | + 27.6% |

Non-audited figures

Manufacture: continued development of the luxury mobile business

ModeLabs manufacture, the Group's division specialising in mobile phones of exception, recorded 1st quarter 2010 revenue of €4.7 million compared with €1.7 million for the 1st quarter of 2009, an increase of 174.1%: an excellent performance given the seasonal impact of the mobile business with a second half of the year always more buoyant than the first half.

During these first three months of 2010, the Group pursued deployment of its selective distribution network which counted 236 points of sale at the end of March 2010 compared with 211 at the end of December 2009. Most of the new openings were in the Middle East and Asia, i.e. the zones where the European luxury brands currently achieve their growth.

Distribution: new gains in market share

ModeLabs distribution recorded 1st quarter 2010 revenue of €42.2 million, an increase of 20.4% over the 1st quarter of 2009 and a performance well in excess of the growth in the market.

Our distribution division thereby once again reinforced its leadership thanks to the extension of its range of accessories and the excellence of the service provided to its customers. The Studio Licensing activity has also proved dynamic given the commercial success of its "Chantal Thomas" accessories for iPhone and "Eden Park" mobiles.

Outlook

Noting the development of its TAG Heuer and Christian Dior mobiles, the launch of its Versace mobile in mid-2010, the excellent trend in its distribution sales and the broadening of its distribution range to include MP3 accessories, ModeLabs Group reiterates its confidence as to the outlook for 2010 and its objective of improved profitability.

Next dates in our calendar

- Annual general meeting on Thursday 20 May 2010
- Publication of 2nd quarter 2010 revenue on Thursday 15 July 2010

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 major brands.

Its activities are structured within two strategic divisions:

- *ModeLabs manufacture* integrates conception and design expertise and technological know-how to give luxury (TAG Heuer, Dior, VERSACE) brands the opportunity to create their own range of mobile phones, 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.

ModeLabs Group is listed on the NYSE Euronext-Paris Eurolist

Isin: FR 0010060665, Mnemo: MDL, Reuters: MDLB.PA, Bloomberg: MDL:FP

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