

2010 ANNUAL RESULTS
FIRST QUARTER 2011 SALES

I. 2010 ANNUAL RESULTS

<i>€m</i>	2010	2009¹	Change
Net sales	1,134.5	1,020.0	+11.2%
<i>Like-for-like and at constant exchange rates</i>			+2.6%
Gross profit	671.5	609.8	+10.1%
Gross margin	59.2%	59.8%	-0.6 pt
EBITDA ²	110.2	90.6	+21.6%
EBIT	50.1	43.9	+14.2%
Operating income	44.7	36.8	+21.5%
Net income (Group share)	18.0	19.4	-7.4%
Fully diluted earnings per share (€)	1.79	1.65	
Net debt/equity	57.2%	24.6%	

¹ The profit and loss statement for the period ending December 31, 2009 was restated to take into account changes linked to the option of recognising actuarial differences as other components of comprehensive income

² EBIT before depreciation and amortisation

Sales

The Etam Group posted sales of €1,134.5 million in 2010, including a positive currency impact of €21.2 million relating mainly to the rise of the yuan against the euro. This constitutes an increase of 11.2% versus December 31, 2009. Like-for-like and at constant exchange rates, net sales increased by 2.6%.

Gross margin

Gross margin fell by 0.6 points year-on-year to 59.2%, thanks to a stable gross margin in Europe and a 1.6 point decrease of gross margin in China.

Operating income

The Group generated EBIT of €50.1 million in 2010, up 14.2% versus 2009, to be compared to a 11.2% increase in sales. In Europe, operating income decreased by €7.8 million between 2009 and 2010, to €19.3 million. In China, operating income rose by €14.0 million between 2009 and 2010, to €30.8 million.

Net income

Consolidated net income came to €24.6 million compared with €24.0 million in 2009. After minority interests of €6.6 million compared with €4.6 million in 2009, due to the Group's performance in China, net income (Group share) totalled €18.0 million in 2010, compared with €19.4 million in 2009.

In order to preserve the Group's financial structure, it will be proposed at the next shareholders' meeting that no dividend be paid for 2010.

Cash flow

EBITDA rose by 21.6% in 2010, amounting to €110.2 million compared with €90.6 million in 2009.

Gross operating investment came to €51.6 million in 2010, compared with €33.9 million in 2009, allowing the pace of renovation and development of the stores network to be accelerated.

The Group's net debt stood at €171.5 million at 31 December 2010, up €81.8 million compared with 31 December 2009, mainly as a result of the €101.6 million share repurchase tender offer in June 2010.

II. FIRST QUARTER 2011 SALES

€m	Q1 2011	Actual change	LFL change ¹
Group sales	336.6	9.8%	0.9%
Europe	190.8	2.8%	-0.3%
China	145.8	20.7%	3.2%
<u>Europe by country</u>			
France ²	165.6	3.5%	-0.4%
Other	25.2	-1.6%	0.0%
<u>Europe by brand</u>			
ETAM ³	148.7	3.8%	0.3%
1.2.3	42.1	-0.9%	-2.2%

¹ like-for-like and at constant exchange rates

² including export sales

³ including Undiz

The Etam Group posted net sales of €336.6 million in the first quarter of 2011, including a positive currency impact of €7.0 million relating to the rise of the yuan against the euro. This constitutes an increase of 9.8% from March 31, 2010 and 0.9% like-for-like and at constant exchange rates.

In Europe, the Group posted sales of €190.8 million, up 2.8% compared with the first quarter of 2010 and nearly stable like-for-like and at constant exchange rates. The commercial margin in the first quarter suffered in particular from a rise in purchase prices in US dollars.

In China, sales in the first quarter were up 20.7% compared with the first quarter of 2010. This growth illustrates the ongoing development of the counter network and includes a positive currency impact of €7.0 million. Like-for-like and at constant exchange rates, sales in China rose by 3.2%.

International retailer of women's ready-to-wear clothing, lingerie and accessories 4,218 sales outlets at 31.03.11

Etam Développement will hold its Shareholders' meeting on May 20, 2011
and release its 2011 half year net sales on July 20th

Information for analysts and investors

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