

1st quarter revenue for 2011: €46.9 million

- **Distribution: growth of 7.1% in sales**
- **Luxury mobiles: fall of 64.0% in sales, as anticipated**

ModeLabs Group registered 1st quarter 2011 revenue of €46.9 million, virtually unchanged from 1st quarter 2010.

Consolidated revenue (€m)	Q1 2011	Q1 2010	Change
Distribution	45.2	42.2	+7.1%
Manufacture	1.7	4.7	-64.0%
Total	46.9	46.9	0%

Non-audited figures

Distribution: sales growth, even compared to a very positive prior year

Our Distribution division experienced strong growth (+37.7%) in 2010, but 1st quarter 2011 sales nevertheless once again grew by 7.1% reflecting improvement in both our product lines: mobiles, including smartphones, and accessories. The Group recalls that its objective for 2011 is to maintain Distribution sales at a similar level to the record achieved in 2010.

Manufacture: sales regression pending the launch of our luxury smartphones

As forecast, sales for our Manufacture division fell steeply in the 1st quarter to €1.7 million compared with €4.7 million for the same period in 2010. The drop was mainly due to greatly reduced demand from distributors who are now consuming their inventories of first generation mobiles pending the launch of our future versions which are the object of keen expectation. This trend will continue until launch of our luxury smartphones expected in the course of the summer of 2011.

Next dates in our calendar

- Annual General Meeting on Thursday 19 May 2011
- Publication of Q2 2011 revenue on Monday 18 July 2011

MOD@LABS

mobile on demand

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 around 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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