

Net sales of €592.7 million to 30 June 2012

€m	2012-Q2	change	change lfl ¹	2012-H1	change	change lfl ¹
Group sales	261.5	2.7%	-5.3%	592.7	0.5%	-7.6%
Europe	186.5	-1.7%	-4.6%	375.1	-0.9%	-4.8%
China	75.0	15.4%	-7.9%	217.6	3.2%	-14.2%
<u>Europe by country</u>						
France ²	162.8	-2.6%	-6.0%	329.3	-1.0%	-5.7%
Other	23.7	5.4%	6.3%	45.8	-0.1%	1.4%
<u>Europe by brands</u>						
ETAM ³	145.7	-3.0%	-8.3%	296.0	-0.3%	-6.8%
1.2.3	40.8	3.4%	10.6%	79.1	-3.1%	2.8%

¹ like-for-like and at constant exchange rates including internet

² including export sales

³ including Undiz

I. BUSINESS TRENDS

In the second quarter of 2012, the Etam Group posted sales of €261.5 million, including a positive currency impact of €10.1 million mainly related to the appreciation of the yuan against the euro. Sales were therefore up 2.7% compared with the second quarter of 2011. Like-for-like and at constant exchange rates, sales decreased by 5.3%.

Over the first half of 2012, the Etam Group generated sales of €592.7 million, including a positive currency impact of €21.5 million mainly related to the appreciation of the yuan against the euro. Sales were therefore up 0.5% compared with the first half of 2011. Like-for-like and at constant exchange rates, sales were down 7.6%.

1. In Europe

In the second quarter of 2012, sales came to €186.5 million, down 1.7% or 4.6% on a like-for-like basis and at constant exchange rates.

Over the first half of 2012, sales came to €375.1 million, down 0.9% or 4.8% on a like-for-like basis and at constant exchange rates.

In the second quarter, the Group's business in France was affected by the lateness of the summer sales* which, to a large extent, explains the drop in sales on a like-for-like and constant exchange rate basis.

Etam's business also suffered from particularly challenging market conditions, enhanced by unfavourable weather conditions.

Against this background, the 1.2.3 brand produced an excellent commercial performance, fruit of the repositioning project implemented by the new management team.

The favourable purchasing conditions, reduction of inventories and control of costs reported at the end of the first quarter continued into the second quarter of 2012.

* Sales began on 27 June in 2012 compared to 22 June in 2011

2. In China

In the second quarter of 2012, sales were €75.0 million, up 15.4%, including a positive currency impact of €10.0 million. Like-for-like and at constant exchange rates, sales decreased by 7.9%.

Over the first half of 2012, sales were up 3.2% to €217.6 million, including a positive currency impact of €21.5 million. Like-for-like and at constant exchange rates, sales were down 14.2%.

The action plan for an overhaul of collections and store concepts, and for a network rationalisation, announced at the end of the first quarter, is being implemented.

II. NETWORK DEVELOPMENT

At 30 June 2012, the Etam Group had 4,451 sales outlets, including 974 in Europe, 3,278 in China and 199 operated by international franchises.

Over the first half in Europe (excluding exports) the Group continued to rationalise its store portfolio and to expand its lingerie businesses. In export markets, it opened 12 new franchises and moved into Kuwait and Estonia. In China, the number of stores was almost stable compared to the end of 2011.

The Etam Group is an international retailer of women's ready-to-wear clothing, lingerie and accessories with 4,451 sales outlets at 30 June 2012

*Next release:
2012 first-half results on 30 August 2012 after the market closes in Paris*

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