



2008/2009 annual results

Continuing roll-out of RueDuCommerce in satisfactory financial conditions

- Sales growth: +8.2% (business volume*), +3.4% (sales)
- Improved gross profit: +19.7% and gross margin: +2.2 pts
- Profitability holding up, with profit from operations for HY 2 higher than a year ago on the same period (€ 1.5 million vs € 1.3 million)
- High free cash flow in spite of the TopAchat / Clust transaction
- Extremely sound financial position: net cash position of € 20.7 million

Saint-Ouen, 9 June 2009 – 5.45pm

The Board of Directors of RueDuCommerce, chaired by Gauthier Picquart, Chairman and Chief Executive Officer, has approved the financial statements for the 2008/09 financial year (1 April 2008 to 31 March 2009).

Main consolidated indicators (summary financial statements attached to the appendices)

(€ millions)	2008/09	2007/08	% change
Business volume*	338.0	312.2	8.2%
Sales	319.7	309.1	3.4%
Gross profit	51.7	43.1	19.7%
Profit from operations	2.2	3.5	(36.6%)
Net profit	2.1	2.8	(25.2%)
Free cash flow	3.8	2.6	46.7%
Net cash position	20.7	19.7	5.0%

Commenting on these results, Gauthier Picquart declared: “The 2008/2009 financial year constitutes a major landmark in the roll-out of our strategy. La Galerie continues its gradual development due to relentless work on the depth of its offering and technological developments. The acquisition in satisfactory operating conditions of the business goodwill of TopAchat and Clust showcases RueDuCommerce’s intent to speed up the development of its original High Tech core business. Lastly, the recent strengthening of our advertising agency operations will prepare RueDuCommerce for a significant enriching of its business model, which is the direct consequence of continuing audience growth.

Beyond the first half of the 2009/2010 financial year, in which a dull economic environment will prevail, these dynamic features validate our plan of becoming the leading e-commerce platform in France.”

* See Glossary at end of document

Audience and sales growth, confirmation of the self-replicating effect of La Galerie

Note: (see press release dated 5 May 2009) the number of visits to the www.rueducommerce.com totalled more than 124 million over the full financial year (Source: Google Analytics), an increase on nearly 17% compared to 2007/2008. Including the TopAchat.com and Clust.com acquisition, Overall Group Traffic* (excluding Spain) amounted to more than 150 million visits.

590,000 new clients joined RueDuCommerce during the financial year. The number of Group Transactions* was 1.74 million, compared with 1.54 million in 2007. Group Average Buying Behaviour* before tax was € 188, which is a 6.8% decline compared to the previous financial year.

RueDuCommerce achieved consolidated sales of € 319.7 million over the full financial year, an increase of 3.4% compared to the previous year (up 2.9% excluding the effect of the integration in March of TopAchat/Clust, which contributed € 1.6 million to sales).

The annual business volume*, which includes all sales of La Galerie's partners, totalled € 338 million, an increase of 8.2% compared to the previous financial year.

Gross profit growth

Gross profit grew by 19.7% to € 51.7 million, representing 16.2% of sales, which is 2.2 percentage points higher than in the previous financial year.

This development confirms the recovery observed during the previous financial year, following three years of a downward trend, from 16.8% in 2003/2004 to 13.4% in 2006/2007.

These new dynamics reflect the effects of the strategy implemented by RueDuCommerce: markedly improved product margin, development of high added value services and advertising and gradual increase in significance of La Galerie, whose business model is notably based on generating higher margins than RueDuCommerce's original business.

Profitability holding up

Profit from operations was € 2.2 million. It was adversely affected by the growth in external charges (+26%) and personnel costs (+30.5%), which exceeded gross profit growth.

External costs were impacted by the decline in the average purchase. This led to an automatic increase in logistics costs as the number of parcels sent over the financial year increased by 9.1%. In addition, the company increased its technical expenses to integrate TopAchat/Clust, and incurred additional advertising costs relating to the "Packs 1 euro" campaign, which contributed to the increase in external costs.

* see Glossary at end of document

Personnel costs recorded, for the first time in RueDuCommerce's history, the recognition of an employee profit sharing provision of € 0.4 million. In addition, personnel were recruited to support the development of La Galerie, IT activities and the "Packs 1 Euros" campaign.

The profit from operations achieved in the second half year (€ 1.5 million) is however higher than the profit from operations achieved in the same half year of the previous year (€ 1.3 million).

After taking into account a € 0.4 million negative goodwill on the acquisition of the TopAchat and Clust brands, a net financial income stable at € 0.6 million and an income tax charge also stable at € 1.1 million, net profit amounted to € 2.1 million, down 25.2% compared to the previous financial year.

€ 1 million increase in cash position in spite of the TopAchat / Clust acquisition

Cash flows from operating activities were € 1.1 million, compared to virtually nil in the previous financial year. This improvement was due to the 46.7% increase, to € 3.8 million, in free cash flow before the cost of the financial debt and the income tax charge.

Cash flows from investing activities were € 1 million. They take account of the acquisition of the e-commerce websites TopAchat.com and Clust.com for a net total of € 0.1 million.

Extremely sound financial position at the service of growth dynamics

The already sound financial position was further strengthened. At 31 March 2009, the Group had equity of € 32.5 million and a net cash position of € 20.7 million.

RueDuCommerce also avails of substantial room for financial manoeuvre, which will enable the Group to cope with an economic environment that will remain difficult throughout 2009, as well as continue to grow through acquisitions.

Shareholders' agenda (2009/2010) – Publication after close of trading

28 July 2009: 1st Quarter sales

12 November 2009: HY1 sales

26 November 2009: HY1 results

Glossary

Business volume: includes consolidated high tech product and service sales, plus sales of La Galerie's partners.

Overall Group Traffic: the number of visits, being the number of individual sessions initiated by all website visitors.

Group Transactions: the number of orders taken by the BtoC business.

Group Average Buying Behaviour: total orders of the BtoC business divided by the number of orders.

About RueDuCommerce

Established 10 years ago, RueDuCommerce is the leading independent e-commerce Group quoted on the Paris Stock Exchange.

A leader in the online selling of High Tech product sales in France, RueDuCommerce now offers its customers almost 600,000 items from a product offering extending to Beauty, Fashion, Home, Electrical Goods, Toys and Games, Sport and DIY.

The TopAchat.com and Clust.com websites, acquired in the first quarter of 2009 and specialised in selling High Tech products, are also part of RueDuCommerce's group structure. With 4 to 8 million monthly unique visitors, RueDuCommerce is a true benchmark in French e-commerce and carried out more than 1.7 million transactions last year.

As the only ISO 9001-certified after-sales-service French e-commerce website, RueDuCommerce was voted the web users' favourite website in 2008.

The Group is listed on Compartment C of the NYSE Euronext Paris Stock Exchange
(ISIN: FR0004053338 – Ticker: RDC)

Please visit our website for more information: www.rueducommerce.com/corporate

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RueDuCommerce Group
Consolidated income statement (€ thousands)
Approved by the Board of Directors

	12 months	12 months
	31 March 08	31 March 09
Net sales	309,087	319,727
of which Merchandise sales	295,871	305,001
of which Provision of services	13,216	14,726
Other revenue from ordinary activities	122	92
Purchases consumed	(266,070)	(268,161)
Gross profit	43,139	51,658
Personnel costs	(11,486)	(14,988)
External costs	(25,343)	(31,937)
Taxes and duties	(1,157)	(1,223)
Amortisation and depreciation charges	(668)	(817)
Impairment and net provision charges	(468)	(414)
Other income from ordinary activities	73	90
Other expenses from ordinary activities	(582)	(144)
Profit from operations	3,508	2,225
Other operating income	0	381
Other operating expenses	0	0
Operating profit	3,508	2,606
Income from cash and cash equivalents	458	643
Gross cost of financial debt	(27)	(60)
Net financial income	431	583
Other financial income	118	175
Other financial expenses	(53)	(163)
Pre-tax profit	4,004	3,201
Income tax	(1,170)	(1,081)
Net profit from continuing ordinary activities	2,834	2,120
Profit from discontinued operations or operations held for disposal	0	0
Net profit for the year	2,834	2,120
Group share	2,834	2,120
Minority interests		
	31 March 08	31 March 09
Average number of shares outstanding	10,994,023	11,041,886
Earnings per share	€ 0.26	€ 0.19
Dilution: potential number of new shares	11,613,097	11,536,721
Diluted earnings per share	€ 0.24	€ 0.18

RueDuCommerce Group
Consolidated balance sheet (€ thousands)
Approved by the Board of Directors

ASSETS	31 March 08	31 March 09
Goodwill	91	91
Intangible assets	196	769
Property, facilities and equipment	734	861
Long-term investments	206	228
Deferred tax assets	242	329
Other non-current assets	0	0
NON CURRENT ASSETS	1,469	2,278
Inventories	18,249	20,374
Trade receivables (net)	14,385	16,744
Other receivables and accruals	4,391	5,424
Cash and cash equivalents	19,694	20,686
CURRENT ASSETS	56,719	63,228
TOTAL ASSETS	58,188	65,506

EQUITY AND LIABILITIES	31 March 08	31 March 09
Share capital	2,748	2,772
Share premium	22,723	23,450
Consolidated reserves	1,397	4,185
Net profit for the year	2,834	2,120
EQUITY	29,702	32,527
Financial debt (non-current portion)	8	0
Deferred tax liabilities	0	185
Provision liabilities and charges	70	131
Other non-current liabilities	0	0
NON-CURRENT LIABILITIES	78	316
Financial debt (current portion)	67	25
Trade payables (net)	21,997	21,978
Other payables and accruals	6,344	10,660
CURRENT LIABILITIES	28,408	32,663
TOTAL EQUITY AND LIABILITIES	58,188	65,506

RueDuCommerce Group
Consolidated cash flow statement (€ thousands)
Approved by the Board of Directors

	31 March 08	31 March 09
Consolidated net profit of companies included in Group structure	2,834	2,120
Attributable to minority interests	0	0
Consolidated net profit, including portion attributable to minority interests	2,834	2,120
+ / - amortisation, depreciation and provision charges/(reversals)	(1,350)	1,233
+ / - expense (income) relating to stock options	399	422
+ / - Capital gain (loss) on disposals	0	(46)
+ / - Other income and expenses	0	(387)
Free cash flow after net cost of financial debt and income tax charge	1,883	3,342
+ / - Net cost of financial debt	(431)	(583)
+ / - Income tax charge (including deferred taxation) (increase)/decrease	1,170	1,087
Free cash flow before net cost of financial debt and income tax charge	2,622	3,846
+ / - Taxes paid / refunded	0	0
- Increase in working capital requirements from operations	(2,683)	(2,749)
Net cash flows generated (used in) operating activities	(61)	1,097
Purchase of PFE and intangible assets	(794)	(945)
Proceeds from disposal of PFE and intangible assets	0	0
Change in loans and advances granted	(15)	(22)
+ / - Impact of changes in Group structure	0	0
Net cash flows used in investing activities	(809)	(967)
+ / - Proceeds from issuance of share capital	37	294
- Cash dividends paid to equity holders of the parent company	0	0
- Cash dividends paid to minority interests	0	0
+ / - Buyback of treasury shares	13	35
Lease repayments	(57)	(50)
+ / - Translation adjustment	0	0
+ / - Movements in current accounts	0	0
+ / - Proceeds from new borrowings and repayment of borrowings	0	0
Net financial income	431	583
Net cash flows generated by financing activities	424	862
Total increase (decrease) in cash and cash equivalents	(446)	992
Opening balance	20,140	19,694
Closing balance	19,694	20,686
Total increase (decrease) in cash and cash equivalents	(446)	992