



Results held up well in H1-2009 Excellent growth prospects

In an environment without visibility, still marked by the consumption crisis and frozen telecommunications investments, HF Company proved the robustness of its economic model and showed positive signs for the future.

In the second quarter the group recorded its best quarterly performance at both the B2C and the Broadband arms since the worsening of the crisis in September 2008. International operations turned out to be particularly dynamic, accounting for more than 56% of the group's H1 sales, helped by buoyant TNT adapter sales in Spain and Italy, where the swith from analog to digital technology is underway.

H1 financial figures

In H1, the group reinvested heavily in the French TV Reception mass market, boosting its market share from 11 to 20% as part of its strategy to be in the pole position at the moment of the switch-off.

This effort temporarily dented the margin, which nevertheless remained satisfactory under the circumstances. Operating profit came to €4.9 m, giving a margin of 6.9%. Net profit reached €3.1 m while earnings per share came to €0.83.

profit & loss account in €m	H1 08	% sales	H1 09	% sales	Change
Sales	70.6	-	71.2	-	+0.8%
Purchases & External charges	53.4	75.6%	54.7	76.8%	+2.4%
Personnel charges	9.2	13.0%	9.4	13.2%	+2.2%
Depreciation, amortisation & provisions	1.8	2.5%	1.3	1.8%	-27.8%
Operating profit	5.4	7.6%	4.9	6.9%	-9.3%
Cost of debt	0.3	0.4%	0.3	0.4%	-
Net attributable profit	3.3	4.7%	3.1	4.4%	-6.0%
EPS	0.87	-	0.83	-	-4.6%

The cash flow remained stable at €4.8 m in the first half, enabling the group to finance considerable working capital requirements, particularly to rebuild stocks at Distributors while maintaining a token free cash-flow.

HF Company's balance sheet remained fundamentally sound with a debt-to-equity ratio of only 0.12 and a debt/EBITDA ratio of only 1.3. This situation preserves the group's freedom of action and allows it to remain a strong and reliable partner of European mass market distributors.

HF Company is confident in its growth prospects

The economic crisis has had a significant adverse impact on the equipment and telecommunications market and the environment is likely to remain difficult in the short term. With a strong leadership position and margins matching the group's profitability criteria, the LEA Broad Band activity can be expected to take off in 2010 as investments start picking up again. Digital technology will remain essential for global economic growth in the years ahead.

The outlook for the group's B2C activities is good thanks to a number of major customers and a series of cutting-edge product innovations.

Next meeting:
Publication of Q3 2009 sales, 20 October 2009 after trading hours

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About HF Company: HF Company is a major player in the market for TV reception, digital peripherals and office automation ergonomics. The Broadband division is the world leader in Splitters. HF Company is listed on Eurolist (compartment C) and has been awarded OSEO ANVAR's innovative business label.

