



**HF Company performs well in 2009:  
Sharp increase in growth in 2<sup>nd</sup> half of +10%  
Organic growth for full-year exceeds 5%  
Strong rise in cash flow of 21.2%**

In 2009, the HF Company Group once again demonstrated that it had a robust business model based on a selection of buoyant technological markets, innovative marketing and an efficient supply chain, both in France and on foreign markets.

In a more than gloomy economic climate marked by depressed consumption and a persisting freeze in telecommunications investments, the Group reported sales of €138.6 million, representing organic growth of more than 5%. Exports amounted to almost €75.3 million, accounting for 54% of consolidated sales.

Sales (€m)	2008	2009	+/-
Q1	35.4	32.9	-7%
Q2	35.2	38.3	+8.8%
<b>H1:</b>	<b>70.6</b>	<b>71.2</b>	<b>+0.8%</b>
Q3	29.3	33.4	+14%
Q4	31.9	34.0	+6.6%
<b>H2</b>	<b>61.2</b>	<b>67.4</b>	<b>+10.1%</b>
<b>Annual</b>	<b>131.8</b>	<b>138.6</b>	<b>+5.2%</b>

### Breakdown of sales by activity segment

TV Activities, which encompass TV Reception and Multimedia, increased sales by almost 20%, boosted by the switchover to digital terrestrial TV in Italy and Spain. The Group invested in anticipation of the switchover in France and was able to double its market share in 2009.

Power line carrier (PLC) technology established itself in 2009 both amongst telecoms companies and the major distribution players such that sales doubled to over €10 million.

The growth that had boosted Office Automation Ergonomics for 17 quarters abated in the 4<sup>th</sup> quarter, due to the reorganisation of marketing methods in Eastern Europe.

Broadband activities continued to suffer from the freeze in expenditure amongst telecoms manufacturers with a 19.2% dip in sales, despite an upswing in business during the 4<sup>th</sup> quarter.

Sales (€m)	2008	2009	+/-
TV Activities	53.9	64.3	+19.3%
Office automation ergonomics	35.8	34.3	-4.2%
Broadband	37.0	29.9	-19.2%
PLC	5.1	10.1	+98.0%
<b>Consolidated</b>	<b>131.8</b>	<b>138.6</b>	<b>+5.2%</b>

**2009 estimated accounts<sup>(1)</sup>**

The Group successfully managed the effect on margins caused by the higher volumes of adaptor sales. The slight fall in margin was principally due to the reconsideration of the marketing method used in Eastern Europe, which made an exceptional impact of €1.4 million on the net profit.

2009 operating profit amounted to €7.2 million, equivalent to an operating margin of 5.2%. Net profit after minority interests amounted to €4.2 million or an EPS of €1.1

Income statement (€m)	08	% sales	09	% sales	+/-
Sales	131.8	-	138.6	-	+5.2%
Operating profit	8.7	6.6%	7.2	5.2%	-17.3%
Borrowing costs	0.8	0.6%	0.6	0.4%	-25.0%
Net profit after minority interests	5.3	4.0%	4.2	3.0%	-20.8%
EPS (after minority interests)	1.4	-	1.1	-	-21.4%

**Financial position**

HF Company was able to generate a high cash flow as a result of a rigorous management of its operations. Operating cash flow thus grew by more than 20% over the year to €10.3 million, due to a healthy level of cash generated from operations and significant levels of working capital.

Net debt fell by €5 million. With a gearing ratio of 4%, the Group has a lot of margin for manoeuvre in order to pursue its growth.

**Outlook**

HF Company is embarking on the 2010 financial year in a confident mood despite continuing difficulties in the business climate. The sales momentum is likely to originate mainly from:

- 1) Growth in TV Activities, where, as the market leader, the Group should fully benefit from the cumulative effects of the switchovers in France, Spain and Italy.
- 2) The strong expansion in PCL technology, which should establish itself on international markets, whilst at the same time playing an important role in product innovation for the various group activities.

**Next meetings:**

**Publication of audited accounts on 17 March 2010, after trading hours**

**Publication of Q1 2010 sales on 19 April 2010, after trading hours**

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**About HF Company:** HF Company is a major player in the market for TV Activities notably DVB, PCL technology and office automation ergonomics. The Broadband business is the leading global provider of splitters. HF Company is quoted on Eurolist (compartment C) and has been awarded the *Entreprise Innovante* (Innovative Business) label by OSEO ANVAR (number A0912002F).



<sup>10</sup> The 2009 annual accounts are currently being audited. The audited accounts will be published on 17 March 2010, after trading hours, this being the date of the next Board of Directors' meeting where the 2009 accounts will be officially finalised.