



H1-2010 sales

Satisfactory performance during a consumer recession

- Turnover was 1.1% up in terms of published data and 3% up like-for-like despite a very high basis of comparison for the first half of 2009.
- All the Group's activities performed well except for the Office Automation business which was negatively impacted by the low level of consumption in southern European countries.
- Profits are expected to continue to rise in the first half.
- Strong growth outlook in the second half under the combined effects of the programmed shutdown of the analogue signal in many areas of France and in Italy, and the rise in the PCL business.

During the first half of 2010, the HF Company Group had a consolidated turnover of €72 m, up by 1.1% in terms of published data and 3% up like-for-like compared with the first half of 2009. The Group's turnover therefore rose for the third consecutive six-month period in spite of the major consumption recession and a high basis of comparison, thus proving the resilience of its economic model.

Sales (€m)	H1 10	H1 09	Change
TV Activities	32.6	31.6	+3.1%
Office Automation Ergonomics	16.6	19.1	-13%
PCL	4.9	4.6	+6.9%
Broadband	17.9	15.8	+13%
Consolidated turnover	72.0	71.2	+1.1%

HF Company benefits from its choice of buoyant technological markets

TV activities turnover rose by 3.1% to €32.6 m in the first half.

In France, where the business benefited from the programmed closure of the analogue signal, sales grew strongly by 52% although this only applied for four months of the period (start-up in March 2010).

On international markets, sales were down by 20% due to a particularly unfavourable basis of comparison, the Group having recorded growth of 260% in the first of 2009 due to the simultaneous switch to DVB in Spain and Italy. In addition, the continuation of the shutdown of the analogue signal in some regions of Italy was postponed to the second half of 2010.

Turnover of the Office Automation activities amounted to €16.6 million, down by 13%. In France, sales were slightly down by 6%. On international markets, turnover fell by 12% in southern Europe (Spain, Portugal and Italy) whilst the activities of the Polish subsidiary were terminated. Excluding Poland, Office Automation turnover was 8.7% down.

PCL activities continued to rise with sales growth of almost 7% in the first half of 2010 confirming the growth potential of this business as well as the Group's good positioning in this technology.

Broadband activities recorded strong growth of 13% reaching €17.9 m. The still-low level of investment by European manufacturers was easily compensated for by the steady growth on the American market. These good performances confirm the Group's worldwide leadership.

Outlook - growth likely to be faster in second half

Over the second part of the year, the Group should benefit from:

- for the TV activities, the increased momentum and the effect of the shutdown of the analogue signal in France for the entire six-month period when five densely populated areas will have to broadcast in digital form.
- a strong rise in PCL sales with telecoms companies,
- the continued investment in broadband on the American market.

The Group therefore remains confident that it will be able to generate strong growth over the whole of 2010 financial year.

Next meeting:

Publication of H1 2010 results on Tuesday 21st September 2010, after trading hours

Contacts

HF Company

☎ : +33(0)2 47 34 38 38

comfi@hfcompany.com

Press contact: Stéphanie Stahr

☎ : +33(0)1 45 96 77 83

stahrst@cmcics.com

ISIN: FR0000038531– Reuters: HFCO.LN - Bloomberg: HFCO NM

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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, which is quoted on the Eurolist (section C), has been awarded the *Entreprise Innovante* (Innovative Business) label by OSEO ANVAR (number A0912002F) and is also eligible for inclusion in FCP (*fonds commun de placement*-French investment funds).