



Adjustment of projections for the first half of 2011 financial year

. The HF Company Group confirms that it will achieve significant sales growth during the first half of 2011.

However, the sales margins inherent to the achievement of this business will mean that the Group will not post its usual levels of profit.

This one-off fall in Group profitability is due to the combination of three parameters which are now under control.

- Firstly, on the B to C (TV, Office Automation) markets:
 1. Soaring raw materials prices and Chinese labour cost inflation are having a direct impact on the prices of HF Company's products. Consequently, the Group will be introducing a general price increase.
 2. The Group's international presence (33% of the B to C activity) is mainly of significance in the Mediterranean region (Portugal, Spain, Italy, Greece), where lifeless sales have caused a significant dip in activity. HF Company began to adapt its structures to this new state of affairs at the end of March.
- On the B to B markets:
 3. The reconfirmed strategic wish to become a major player in the worldwide PLC/operators business has led the group to prioritise acquisition of market shares. As regards sales volumes, currently sharply up, this activity will enter a profitability cycle with the opening of the second PLC product manufacturing plant in partnership with a major player in worldwide subcontracting.

HF Company should close the first half with a small profit. The combination of the measures and decisions made should allow the reestablishment of a pre-normative situation in the second half.

Contacts

HF Company

☎ : +33 (0)2 47 34 38 38

comfi@hfcompany.com

Press: 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 DTT, PLC 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)