



H1-2011 sales in line with projections Buoyant activity in France Soaring growth of the PLC business

During the first six months of the 2011 financial year, HF Company recorded sales of €73.1m, up 1.5% despite a very weak international base effect (termination of switchover to terrestrial digital television in Spain and Italy) and a slumping consumer electronics market (down 7%, source: GFK).

Sales, €m	H1-2011	H1-2010	Change
TV Products	23.5	32.6	(27.9%)
Office automation ergonomics	18.8	16.6	+13.3%
Broadband	14.3	17.9	(20.1%)
PLC	16.5	4.9	x 3.4
Consolidated sales	73.1	72.0	+1.5%

Sales were driven by PLC and Office Automation Ergonomics

PLC sales volumes soared by 350% in the second quarter of 2011. During the first half, revenue rose by €11.6m to €16.5m, driven by new operator clients as well as the development of the "net power" product. In the second quarter, PLC became the Group's top-selling business.

Sales of TV Produces declined under the combined impact of a weak international base effect and lower-than-expected sales volumes in France. Broadband sales slowed down in the wake of historic 31.2% growth in 2010 on the back of a strong US market.

The Office Automation Ergonomics business continued to turn around with strong growth in France, helped by expansion of its digital client population. In a lacklustre environment, sales outperformed the Mediterranean markets.

A positive operating profit in the first half

As explained previously, HF Company expects to post a positive operating profit in the first half. Management confirms that it has implemented the support measures needed to return to habitual profit margins (B-to-C price hikes, merger of Spanish subsidiaries, start-up of a new subcontractor for PLC). These initiatives are already helping to raise the operating margin in the second half.

Next meeting:

Publication of first-half financial statements on 19 September 2011 after trading

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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. Through its broadband activities, the Group is the world's leading supplier 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 FCPI (*fonds commun de placement dans l'innovation*).

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