



**Press Release
Earnings for the first half of 2008/2009**

Laying the groundwork for the future

Paris, 5 December 2008

Télécom Réseaux Services, a key player in the voice-data-applications convergence market, today announced consolidated results for the first half of its 2008/2009 financial year ending 31 March 2009.

| € million | First half 2008/2009 (1) | First half 2007/2008 | Full-year 2007/2008 |
|----------------------|-------------------------------------|-------------------------|------------------------|
| Revenues | 19.70 | 17.30 | 33.96 |
| Operating income | (0.38) | 0.36 | 0.36 |
| Net profit | (0.58) | 0.24 | 0.05 |
| Cash flow | 0.04 | 0.66 | 1.07 |
| Shareholders' equity | 12.40 | 9.10 | 13.25 |
| <i>Gearing</i> | 43% | 54% | 15% |

First half affected by mixed first-quarter performance and major groundwork for the future

First-half revenues⁽¹⁾, announced on 14 November, totalled €19.7 million, up 13% relative to the year-earlier period. In the second quarter alone, revenues rose by 22%.

The Group made an operating loss⁽¹⁾ of €0.38 million in the first half as opposed to a profit of €0.36 million in the equivalent period of 2007/2008. During the period, the Group continued its integration of the Télécom Réseaux Services and Artelcom teams, introduced a new corporate image and defined its new marketing policy. It also acquired new leading-edge skills by hiring technical experts.

After interest and tax, the Group made a net loss⁽¹⁾ of €0.58 million. The whole of this loss came in the first quarter, since the Group broke even in the second quarter.

"The deterioration in operating income resulted from costs related to our new strategy, which has been in place for several months now. Our efforts to acquire new skills show that we are confident in our position as an alternative player in the convergence market," commented CEO Lionel Smeers.

Financial position still solid

The Group's stable gearing has been supported by the merger with Artelcom. Cash flow remained positive in the first half of 2008/2009, even after taking into account the cash used to support the Group's development and to finance a major contract in Algeria.

(1) Since 01/04/2008, Télécom Réseaux Services' consolidated earnings have included those of Group Artelcom following the acquisition of Group Artelcom on 31 March 2008. 1



An exciting project based on an innovative market position

Despite uncertain economic conditions, Télécom Réseaux Services has decided to step up its investments. 2008/2009 is a transitional year for the Group, during which it is building its new organisation.

Its new corporate identity, based on the concept of Alternative Convergence, gives Télécom Réseaux Services an innovative market position. Télécom Réseaux Services intends to be a partner of manageable size, responding quickly to customer needs and capable of designing and integrating innovative solutions to enable customers to revitalise and make the most of their IT systems.

In addition, the Group has reorganised its technical and commercial workforce, is developing new skills and recruiting key profiles to lead the Projects Department and the Group Sales Department. These initiatives demonstrate Télécom Réseaux Services' intention to be a significant market player.

"To boost this development, we have significantly strengthened our links with technology partners such as Alcatel-Lucent, Aastra, Nortel and Avaya. We are also currently negotiating a professional services contract with a world-renowned manufacturer," added Florent Villedey, Head of Strategy.

In the first half of 2008/09, Télécom Réseaux Services was selected for a number of major contracts by customers such as Auchan, CA Cheuvreux, Comexposium, Doméo, Federal Express, Hôpital St Joseph, IUT d'Evry and TNT.

In addition, as previously announced, Télécom Réseaux Services is starting to roll out operations across France's regions, and will gradually take on direct responsibility for its customers' regional technical management from 1 January 2009.

About Télécom Réseaux Services

Independent IT services operator, Télécom Réseaux Services supports its clients from design to outsourcing of comprehensive value-added solutions. A key player in IT convergence, Télécom Réseaux Services capitalises on the expertise of its 430 employees throughout France and serves more than 3,000 large businesses and SMEs. Télécom Réseaux Services has been listed on Euronext since 1999. (ISIN FR0000071763) www.trservices.fr

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