



Third quarter 2013-2014 revenues

6 February 2014

Contents

Overview and highlights

Consolidated revenues for 9 months of 2013 – 2014




Strategy of the Group

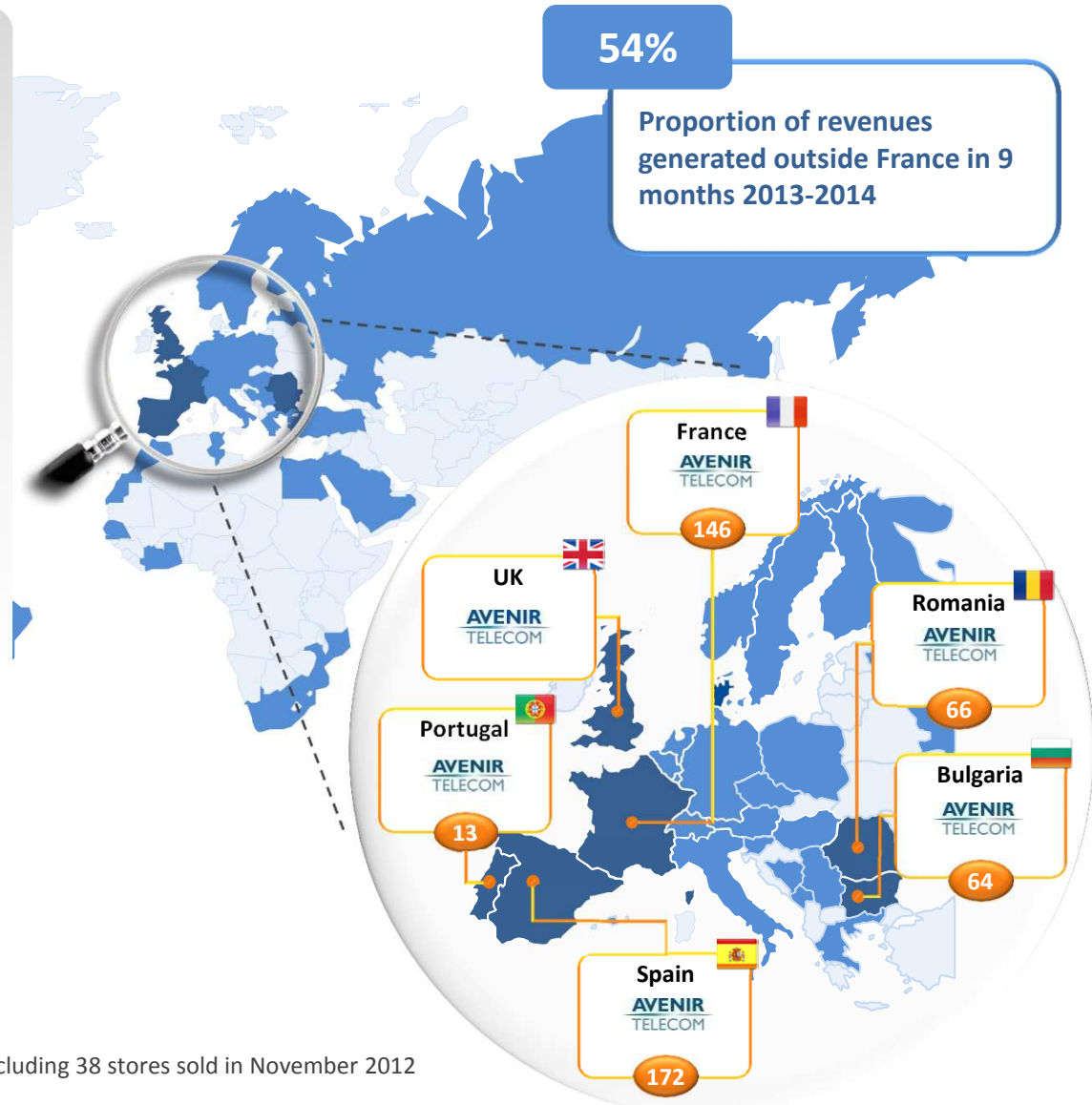
Appendices

A key player in the telecom business in Europe

- Present in 40 countries
- A leading player in the design and distribution of accessories and connected devices
- Present across multiple distribution channels (retail, web, food superstores, specialist superstores, convenience stores)
- 1,895 employees
- Outsourced management of shelf space for 1,500 sales outlets in Europe
- 461 owned stores in 5 countries ¹

As at 30 September 2013

-  Subsidiaries
-  Distribution
-  Number of stores



1. Plus 70 Mobile Hut and 27 Internity franchises in France, excluding 38 stores sold in November 2012

Highlights

- **Launch of a new range of alternative and exclusive mobile handsets** in Europe and Africa with the US manufacturer YEZZ
 - Well positioned range of mobiles with excellent performance that meet market expectations
- **Global launch of the electronic cigarette range L@clope and the L@rôme refills** produced in France
 - Premium positioning and complete solution (displays, shops in shops, specialized store franchises)
- **Boosting of the positioning of Beewi on the connected devices market**
 - Launch of a new range of highly innovative connected devices, winner of the "best innovative product CES 2014" award
- **Launch of a range of protected chargers for Energizer**
- **Opening of new countries:** Asia (Singapore, Vietnam, Philippines), Turkey, first contract in Russia et development of LATAM

Contents

Overview and highlights

Consolidated revenues for 9 months of 2013 – 2014

Strategy of the Group

Appendices

Consolidated revenues for 9 months of 2013 – 2014

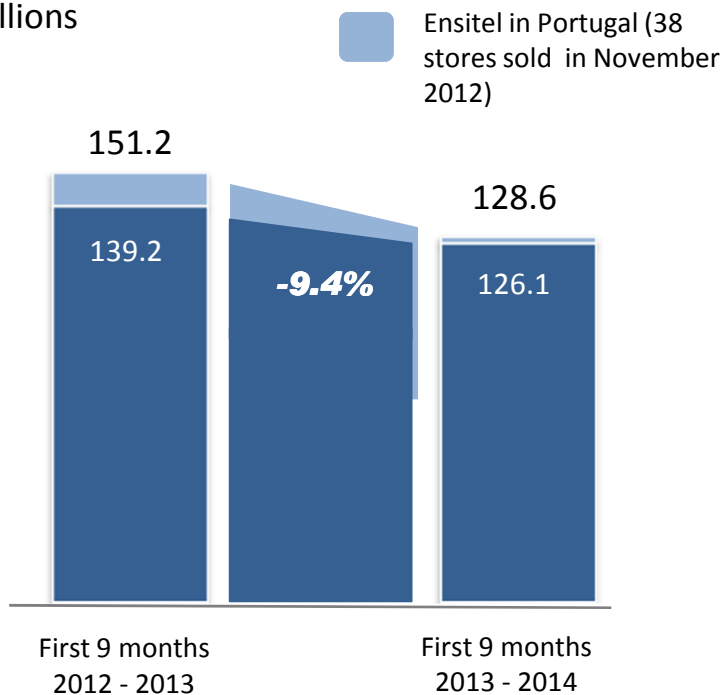
Consolidated revenues - € millions	9 months 2013 – 2014	9 months 2012 – 2013	Change %	Change % excl. mobile sales	Change % excl. mobile handset sales and Ensitel
Direct distribution	128.6	151.2	-14.9%	-14.9%	-9.4%
Indirect distribution	94.6	174.2	-45.7%	-21.1%	-21.1%
Total turnover	223.2	325.4	-31.4%	-17.5%	-14.5%

- Development of the product mix with accessories, connected devices and electronic cigarettes
- Launch in December of the new YEZZ telephone and tablet ranges
- Good start for electronic cigarettes
- 54% of turnover outside of France (presence of the Group in 40 countries)

Direct distribution: repositioning of the product mix on the new ranges

Revenues from direct distribution

€ millions

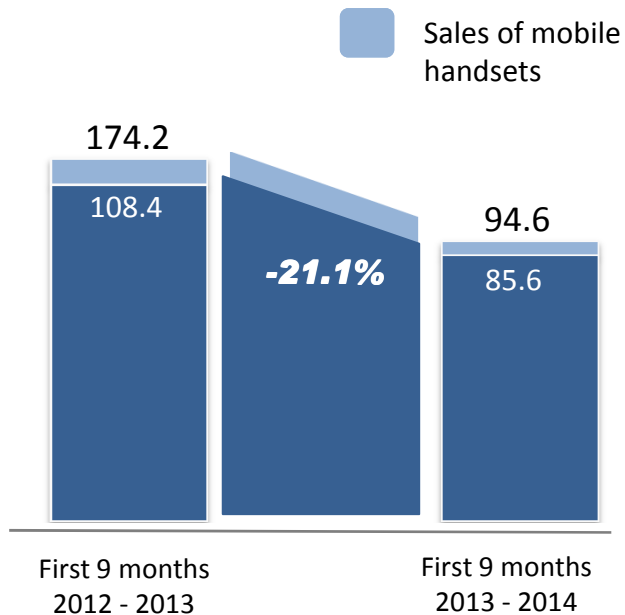


- Active management of the product mix in multi-brand stores
- Significant improvement in business in Eastern Europe
- Revenues under pressure in France with a slowdown in Spain

Indirect distribution: repositioning of the product mix on the new ranges

Revenues from indirect distribution

€ millions



- Substitution of low profit mobile handsets with products that make a greater contribution to the margin and that have a brighter future
- 20% of revenues and over 45% of the gross margin on the new products (accessories and connected objects, electronic cigarettes)
- Good start for electronic cigarettes

Negotiations under way with the Group's partners to adapt its financing structure¹

- Avenir Telecom is pursuing **negotiations with its financial partners** to:
 - Finance requirements linked to development of new activities (accessories and connected devices, new ranges of mobile phones and electronic cigarettes)
 - Offset the decrease in trade payables in its historical activities
- In order to **adapt the Group's financing structure** to the evolution of its activities

1. The consultation process begun by Avenir Telecom in October 2013 offers the pool banks the power to request the company to effect early repayment of all the remaining capital due (€28.8 million as at 30 September 2013), in accordance with the terms of the loan agreement. The Company believes it will be able to implement solutions enabling it to continue its operations and finance its development plans in the framework of the current discussions with its partners.

Contents

Overview and highlights

Consolidated revenues for 9 months of 2013 – 2014

Strategy of the Group

Appendices

Stratégie du Groupe

- Management of **operator offerings** in a dedicated network
- Strengthening the portfolio of **mobile phones**
- Continuing the development of **ranges of accessories and connected devices**
- Rolling out the **e-cigarette offering**

Contents

Overview and highlights

Consolidated revenues for 9 months of 2013 – 2014

Strategy of the Group

Appendices

Third quarter 2012-2013 revenues

Consolidated revenues - € millions	Third quarter 2013 – 2014	Third quarter 2012 – 2013	Change %	Change % excl. mobile sales	Change % excl. mobile handset sales and Ensitel
Direct distribution	45.7	55.7	-18.1%	-18.1%	-13.9%
Indirect distribution	32.9	58.5	-43.7%	-21.7%	-21.7%
Total	78.6	114.2	-31.2%	-19.6%	-17.2%

Information for investors

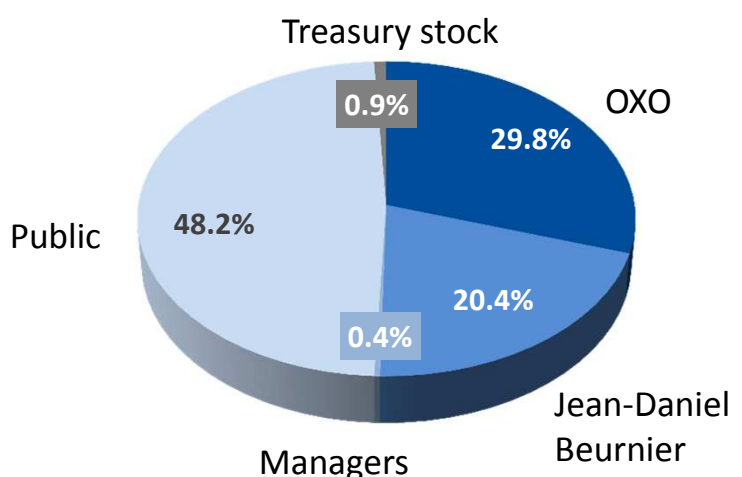
Key dates in 2013-2014¹

Full year 2013-14 revenues	14 May 2014
Full-year 2013-14 results	19 June 2014

Market data as at 31 January 2014

Listing market	Euronext Paris
Code	FR0000066052
Shares in issue	93,440,895
Capitalisation (€m)	32

Shareholding structure as at 31 December 2013



Investors' contact
Agnès Tixier
+33 (0)4 88 00 63 21
atixier@avenir-telecom.fr

1. Press releases will usually be distributed after the close of the market
Third quarter 2013 – 2014 revenues

Glossary

Indirect distribution: professional distribution through customers in mass distribution (food superstores, specialist superstores), independent specialist resellers, affiliates and telecom operators.

Direct distribution: distribution to the general public through the Group's own store networks and through Internet sites.

Signed contracts: contracts signed on behalf of telecom operators which are partners of the Avenir Telecom Group.

Multimedia equipment: products other than mobile phones, smartphones, i.e. IT equipment, e-books, MP3 players, tablets, printers, etc.

Powerline adapter: used to connect electrical equipment (e.g. TV and broadband router) using only domestic mains electricity wiring.

Notice

This document contains forward-looking statements. Although the Avenir Telecom Group believes its expectations are based on reasonable assumptions, these statements are subject to numerous risks and uncertainties. Important factors that could cause actual results to differ materially from the results anticipated in the forward-looking statements include, among other things: the effect of competition; technological developments; the success of the investments of the Avenir Telecom Group in France and abroad; the effects of the economic situation.

A description of the risks borne by the Avenir Telecom Group appears in the section entitled "Facteurs de risque" of the "Document de Référence" of the Avenir Telecom Group filed with the French financial markets authority (AMF) on 15 July 2013. The forward-looking statements contained in this document apply only from the date of this document, and the Avenir Telecom Group does not undertake to update any of these statements to take account of events or circumstances arising after the date of the said document or to take account of the occurrence of unexpected events.