



## **Full-year 2013-2014 turnover**

**14 May 2014**

**Overview and highlights**

Consolidated Full-year 2013-2014 turnover

Strategy of the Group

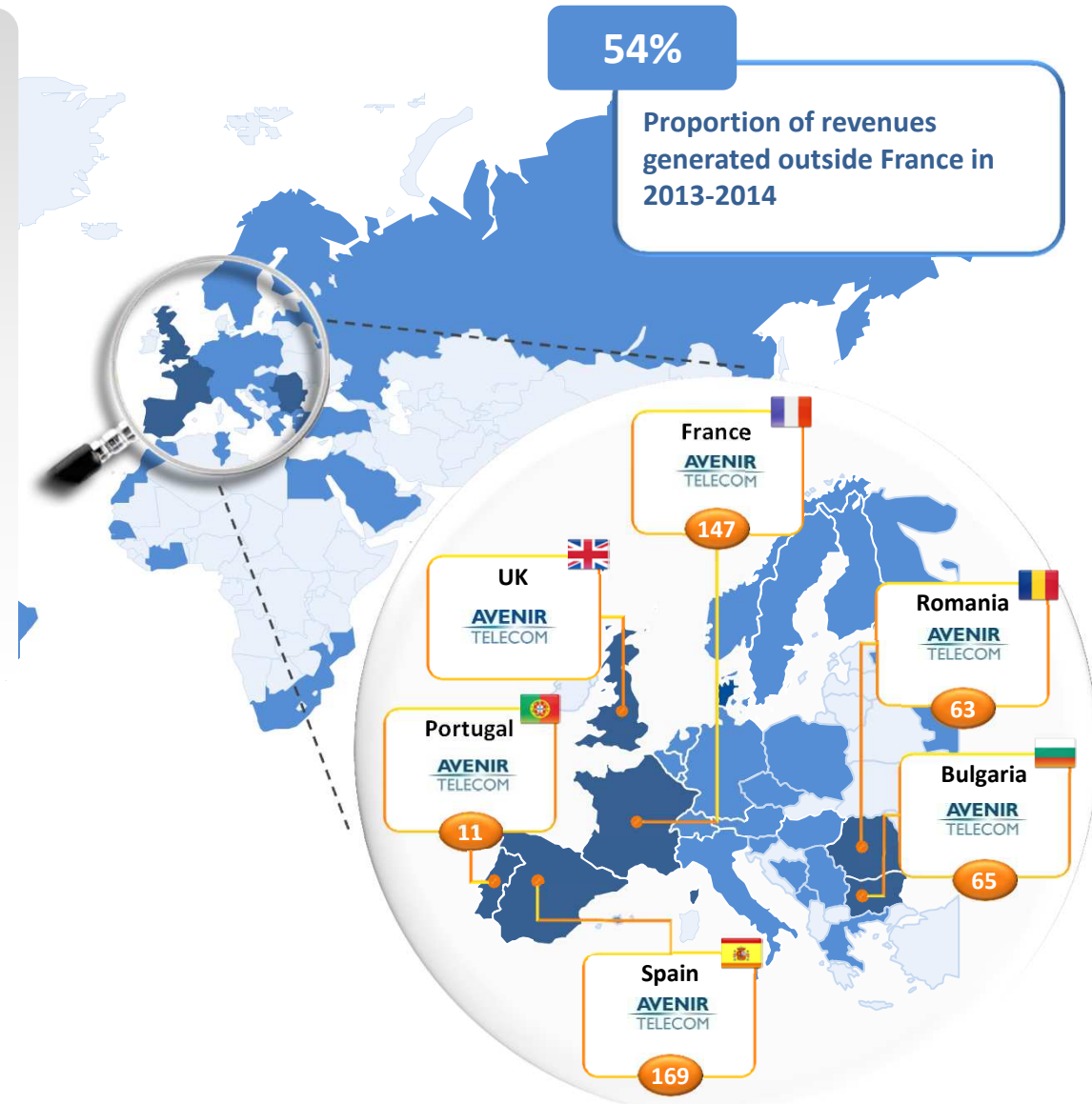
Appendices

# A key player in the telecom business in Europe

- Present in 40 countries
- A key player in the design and distribution of accessories and connected devices
- A player present across multiple distribution channels (retail, web, food superstores, specialist superstores, convenience stores)
- 1,849 employees
- Outsourced management of shelf space for 1,500 sales outlets in Europe
- 455 owned stores in 5 countries

As at 31 March 2014

- Subsidiaries
- Distribution
- Number of stores



# Highlights

- **Development of the new range of alternative mobile products** with exclusivity in Europe, in the Middle East and in Africa with US manufacturer YEZZ
  - Well-positioned range with excellent technical characteristics that meet market expectations
- **Reinforcement of the positioning of Beewi** in the buoyant and innovative market of connected devices
  - Launching of a highly-innovative new range of connected devices, winner of the "best innovative product CES 2014"<sup>1</sup>
  - Advanced commercial contacts with many partners
- **Take-off of the Energizer range** with a premium range (Ultimate 3 Amperes) and a range of protected chargers
- **Deployment worldwide of the range of electronic cigarettes L@clope** and its L@rôme refills made in France
  - Premium positioning and complete solution (displays, shops in shops, franchises in specialist shops)
- **Development of new countries:** Asia (Singapore, Vietnam, Philippines, Thailand), Turkey, strengthening in Russia and installation in LATAM (Peru, Mexico, Chile, Brazil, Panama, Argentina)

1. CES: Consumer Electronics Show, January 2014, Las Vegas

# Contents

Overview and highlights

Consolidated Full-year 2013-2014 turnover

Strategy of the Group

Appendices

## Consolidated Full-year 2013-2014 turnover

Consolidated turnover - € millions	Full year 2013-2014	Full year 2012-2013	Change %	Change % excl. mobile sales	Change % excl. mobile handset sales and Ensitel
Direct distribution	170.6	196.1	-13.0%	-13.0%	-8.8%
Indirect distribution	114.4	216.6	-47.2%	-22.3%	-22.3%
<b>Total turnover</b>	<b>285.0</b>	<b>412.7</b>	<b>-30.9%</b>	<b>-16.8%</b>	<b>-14.5%</b>

- Change in the product mix with accessories, connected devices and electronic cigarettes that represent more than one-third of the gross margin in indirect distribution
- Encouraging start with the new ranges of YEZZ telephones in the buoyant market segment of smartphones
- 54% of turnover outside of France (presence of the Group in 40 countries)

# Consolidated Full-year 2013-2014 turnover

Consolidated turnover - € millions	Full year 2013-2014	Full year 2012-2013	Change %	Change % excl. mobile handsets
Products <sup>1</sup>	147.1	252.9	-41.8%	-19.7%
Services <sup>2</sup>	137.9	159.8	-13.7%	-13.7%
<b>Total turnover</b>	<b>285.0</b>	<b>412.7</b>	<b>-30.9%</b>	<b>-16.8%</b>

## Products

- Sharp drop in the sales of low-profit mobile handsets
- Good performance with Energizer and electronic cigarettes
- Renewal of the Beewi range of accessories and connected devices

## Services

- Low activity of the operator in terms of subscription renewal in Spain
- Refocusing the store base in France and Spain

1. Products and equipment: mobile handsets, multimedia and mobile accessories, connected devices, electronic cigarettes and refills
2. Services for operators: prepaid and postpaid subscription sales, whether or not subsidised by the operators, insurance and related services

## Success in bank renegotiation

- New **amortisation methods** for the current loans
- Deferred repayment **of middle-term loans** until January 2016
- Prorogation of **short-term loans** to January 2016
- Lifting of the **bank covenants** for a period of 24 months



# Contents

Overview and highlights

Consolidated Full-year 2013-2014 turnover

**Strategy of the Group**

Appendices

# Strategy of the Group

- Strengthening of the portfolio of **YEZZ mobile phones**:
  - Launching in June of the first Windows Phone in Europe
- Ongoing development of **ranges of accessories and connected devices**
  - Launching of the range of comfort connected solutions for the home (connected LED bulbs, weather stations, on/off electrical outlets, etc.)
- Management of **operator services** in a dedicated network
  - Deployment of outsourced shelf space and shop management offerings

# Contents

Overview and highlights

Consolidated Full-year 2013-2014 turnover

Strategy of the Group

**Appendices**

# Information for investors

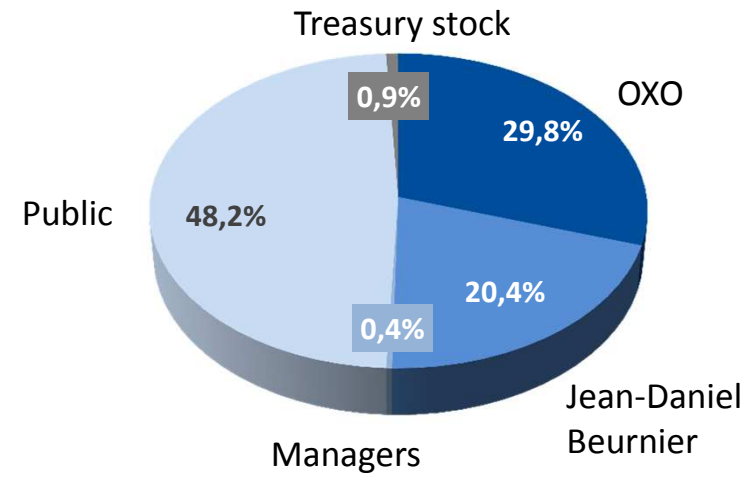
## Key dates in 2013 – 2014<sup>1</sup>

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

## Market data on 14 May 2014

Listing market	Euronext Paris
Code	FR0000066052
Shares in issue	93,440,895
Capitalisation (€m)	39

## Shareholding on 31 March 2014



**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  
Full-year 2013-2014 turnover

## Glossary

**Indirect distribution:** concerns professional distribution to customers in mass distribution (food superstores, specialist superstores), independent specialist resellers, affiliates and telecom operators

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

## 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.