

## Revenues for the First Nine Months of 2014–2015

- Revenues up 32.9% for new business
- Continued Streamlining of the Store Base in France and Spain

*Marseille, 29 January 2015.* The Avenir Telecom Group, a key player in the design and distribution of mobile phones, accessories and connected devices, reported revenues of 139.2 million euros during the first nine months of its 2014–2015 financial year (period from 1 April 2014 to 31 December 2014). This revenue does not comprise the direct activity in Portugal or the indirect activity in England.

In June this year, the Group transferred 11 stores operated on behalf of the operator TMN in Portugal to a partner distributor, bringing an end to its direct service distribution business in Portugal and also transferred its service distribution activity for the O2 operator account in the United Kingdom. These transfers were carried out to focus business on the sale of licensed and own-brand accessories and connected devices and the distribution of alternative smartphones under the YEZZ brand. The consolidated revenues of the Avenir Telecom Group, assuming a comparable range of activity, stood at 139.2 million euros for the period, in comparison with 202.6 million euros during the same period in the previous year.

The revenue for new business – mobile phones, accessories and connected objects - grew 32.9% over the first nine months of the 2014–2015 financial year driven by:

- the good performance of mobile telephone accessories under the Energizer brand - for which the Group holds an exclusive worldwide licence, excluding USA and Canada - especially in Europe with the acquisition of new customers that enjoy high recognition confirming a conquest started during the previous year
- the good start in sales of smartphones under the US brand YEZZ with which the Group has an exclusive contract for Europe, the Middle East, Africa and Russia; thanks to signature of several distribution contacts with major actors in the mobile phones industry and among the operators.

The Group's products are distributed in over 40 countries around the world. The Avenir Telecom Group generated 54.2% of its revenues outside France during the first nine months of the 2014-2015 financial year, a constant progression.

(in millions of euros)	First Nine Months 2014– 2015 <sup>1</sup>	First Nine Months 2013 – 2014 <sup>1</sup>	Var. %
Retail distribution	97.4	126.1	-22.8%
Wholesale distribution	41.8	76.5	-45.4%
<b>Total revenue</b>	<b>139.2</b>	<b>202.6</b>	<b>-31.3%</b>

1. Excluding direct operations in Portugal and indirect operations in England as this they were sold during the period

### Retail distribution Continued Store Base Streamlining

Excluding the perimeter effect associated with the transfer of the 11 stores in Portugal, the revenue for retail distribution showed an income drop of 22.8% over the nine months.

This drop in business is a result of the high pressure on revenues in France, Spain and Romania associated to the change in the perimeter of the store base in France and Spain

leading a reduced amount of business on behalf of operators. On 31 December 2014, the base comprised 368 sales outlets in comparison with 459 on 31 December 2013.

Bulgaria, for its part, showed an 11.3% increase in revenues from its store base.

The sale of new products increased by 8.8% over the first nine months, owing, in particular, to the distribution of alternative YEZZ phones in the stores, which were met with great enthusiasm by consumers.

**Wholesale distribution: Strong growth in revenue for new products - mobile phones, accessories and connected objects - at +39.9%**

The business in this segment reported a constant decrease of 45.4% excluding the effect of the transfer of indirect business in England, in the middle of June 2014.

The Group continued to restructure its mix of products by reducing the volume of sales of low-paying mobile terminals and stopping the sale of operator subscriptions.

The revenue for new business - mobile phones, accessories and connected objects - has reported strong growth, at 39.9%.

**The Financial Situation of the Group:**

On 30 November 2014, given the seasonal nature of the business the Group's net debt (unaudited figures) stood at 22.8 million euros in comparison with 18.6 million euros on 30 September 2014 and available cash stood at 7.4 million euros in comparison with 11.7 million euros on 30 September 2014.

**Avenir Telecom is pursuing its offensive strategy in the distribution of alternative mobile telephones and accessories with added value.**

The world of connected devices met with great success at the most recent Consumer Electronics Show (CES) in Las Vegas at the beginning of January 2015. The true potential for the growth of these products on a planet-wide scale over the next ten years was demonstrated during this event.

Avenir Telecom shall continue to develop its ranges of accessories and connected devices, relying on its strong innovative ability and its worldwide distribution network.

The Group is, in particular, extending its partnership contract with Energizer for the marketing of memory carriers under the Energizer brand and has just signed a distribution agreement for BTP, outdoor, Sport, accessories - a niche market with high added value under the Energizer Hard Case brand (shells, screen protectors).

The group shall continue to extend the BeeWi range for innovative products with a high technological content in the world of connected devices with the placing of Smarthome products on the world market from now on.

On the alternative Smartphone market, the group is benefiting from its distribution agreement for mobile phones under the YEZZ brand on the European, African, Middle Eastern and Russian markets and is bolstering its portfolio of mobile telephones with the YEZZ manufacturer by extending the range to BTP, outdoor, Sport smartphones - a niche market with high added value under the Energizer Hard Case brand.

Avenir Telecom shall announce its annual revenues on 13 May 2015 when the stock market closes.

**About Avenir Telecom**

With revenues of 285 million euros on 31 March 2014, the Avenir Telecom Group (ISIN: FR0000066052 / Reuters: AVOM.LN / Bloomberg: AVT:FP) is a key player in the design and distribution of accessories and connected devices and is one of the leading European distributors of mobile telephony products and services. Avenir Telecom Group, in particular, distributes smartphones with the YEZZ licensed brand, a comprehensive range of accessories under the licensed Energizer brand and designs and distributes connected devices under its own brand, BeeWi. Avenir Telecom employs nearly 2 000 people, is present in more than 40 countries and generates more than half of its sales abroad.

Avenir Telecom is listed on the NYSE EURONEXT – compartment C (Euronext Paris). The Avenir Telecom share is included in the CAC All Shares, CAC Mid & Small, CAC Small, CAC All-Tradable, CAC T.Hard & Eq. and CAC Technology indices.

► **Third Quarter Turnover (1 October to 31 December 2014)**

(in millions of euros)	Third Quarter 2014– 2015 <sup>1</sup>	Third Quarter 2013– 2014 <sup>1</sup>	Var. %
Retail distribution	32.0	45.0	-28.9%
Wholesale distribution	14.1	26.2	-46.2%
<b>Total revenue</b>	<b>46.1</b>	<b>71.2</b>	<b>-35.3%</b>

1. Excluding direct operations in Portugal and indirect operations in England as this they were sold during the period

► **Upcoming Publications<sup>2</sup>**

Event	Date
Full year 2014–2015 revenues	13 May 2015
Full year 2014–2015 results	18 June 2015

► **Press and Investor Contacts**

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<sup>2</sup> This schedule is provided for information only and may be changed if the Company deems such action necessary. As a general rule, press releases shall be distributed after the market closes.