ARTHUR

Results of the 1st half of 2011

	1st half of 2011	1st half of 2010	Change in %	2010 recall
Consolidated revenues	**€7,153,000**	**€7,039,000**	**+1.61%**	**€16,235,000**
of which				
Chain-store network (2)	*€3,791,000*	*€3,862,000*	*-1.84%*	*€8,602,000*
Export	*€698,000*	*€736,000*	*-5.16%*	*€1,604,000*
France (Department stores and multi-brand retailers)	*€2,664,000*	*€2,438,000*	*+9.27%*	*€6,029,000*
Operating income	**(-) €919,000**	**(-) €521,000**	**(-) 76.32%**	**€819,000**
Net financial income/(expense)	(-) €149,000	(-) €151,000	+1.80%	(-) €377,000
Income before tax	**(-) €1,090,000**	**(-) €673,000**	**(-) 62.13%**	**€348,000**
Corporate income tax	€0	€0		€0
Net income before tax - Group share (1)	**(-) €1,090,000**	**(-) €673,000**	**(-) 62.13%**	**€348,000**
Net income after tax - Group share (1)	**(-) €1,090,000**	**(-) €673,000**	**(-) 62.13%**	**€348,000**
Number of shares	1,341,304	1,341,304		1,341,304
Net earnings per share - Group share	**(-) €0.813**	**(-) €0.501**	**(-) 62.13%**	**€0.259**

The financial statements have not been audited by the statutory auditors

- (1) The consolidated income - group share represents the consolidated income of the company in the absence of third parties
- (2) all our directly-operated ARTHUR stores, our commissions-based affiliates and our factory outlets

The launch of the ARTHUR CLUB underwear line induced a significant +2% increase in revenues, despite a slight decline of -1.84% in the network and a major decline of -5.16% in export. However, the launch of this modern line resulted in major advertising expenses and led to a decline in our pre-tax income at (-)€1,090,000 versus (-) €673,000 for 2010.

We were particularly impacted by the decline in revenues from export, due to the crisis in countries in Southern Europe, where we are largely based (Spain, Portugal, Italy) and redeployment prospects seem rather remote.

We will be able to realise annual revenues close to the 2010 revenues due to new products, but also due to commercial operations planned in the network for the second half year. There should be a slight increase in revenues with current income similar to that of 2010.

We are making every effort to contain our financial losses by closely managing our stocks and favouring their rotation in our own stores. In a period of crisis facing multi-brand stores, the increase in revenues is a very good sign thanks to the effort of our field salespersons, the impact of new products and the highly differentiated brand image in times where offers are uniform.