

ARTHUR

Results of the 1st half of 2012

	1st half of 2012	1st half of 2011	Change in %	2011 recall
Consolidated revenues	€6,696,000	€7,153,000	-6.38%	€15,604,000
<i>of which</i>				
<i>Chain-store network (2)</i>	€3,671,000	€3,791,000	-3.17%	€8,232,000
<i>Export</i>	€535,000	€698,000	-23.35%	€989,000
<i>France (Department stores and multi-brand retailers)</i>	€2,490,000	€2,664,000	-6.53%	€6,383,000
Operating income	(-) €588,000	(-) €919,000	+36.02%	€492,000
Net financial income/(expense)	(-) €134,000	(-) €149,000	+10.03%	(-) €348,000
Income before tax	(-) €773,000	(-) €1,090,000	+29.14%	€145,000
Corporate income tax	€0	€0		€43,000
Net income before tax - Group share (1)	(-) €773,000	(-) €1,090,000	+29.14%	€145,000
Net income after tax - Group share (1)	(-) €773,000	(-) €1,090,000	+29.14%	€102,000
Number of shares	1,341,304	1,341,304		1,341,304
Net earnings per share - Group share	(-)€0.576	(-)€0.813	+29.14%	€0.076

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 results for the first half of 2012 are variable with respect to the revenues or income.

The decline in revenues is mainly due to the consumer crisis, which affected France, very poor winter sales in our network and the consistent decline in the export network. The overall decline amounted to 6.38%, but exports saw the maximum decline with -23.35%.

We have considerably reduced our structural costs, which explains a strong improvement in our pre-tax income at (-)€773,000 versus (-)€1,090,000 in 2011. Nevertheless, the trends of the network appear difficult after the poor January and February sales and we are also disappointed with our client sales, primarily the departmental stores with the ARTHUR CLUB underwear line.

We continue to improve the financial income through strict inventory control. Overall, we are satisfied, but we continue to remain attentive at the end of the year with regard to revenues from the directly-owned network, since there is a slight decline in the winter 2012 order book.

We expect a year that is flat or slightly down in terms of revenues, by maintaining suitable profitability of €700,000 in terms of EBIT.

Our cash position is tight and we are still to mobilise our lines fully.

We look forward to a recovery in 2013, especially in terms of consumption in our direct network.