

- **Increase in annual turnover 2010: + 44%**
- **Revenues in the fourth quarter + 120%**
- **Fifth consecutive quarter of growth**

ARCHOS, has achieved annual sales of € 83.3 million compared to € 57.9 million in 2009. Fourth Quarter 2010 sales reached € 35.6 million versus €16.1 million for the same period in 2009, up 120% and registering a fifth consecutive quarter of growth.

M€ unaudited	Q4 2010	Q4 2009	Var° M€	Var° %
EUROPE	24,6	11,4	13,2	116,2%
ASIA	2,2	0,6	1,5	235,8%
USA	8,8	4,1	4,7	113,6%
TOTAL REVENUE	35,6	16,1	19,4	120,3%

In the fourth quarter of 2010 ARCHOS demonstrated its ability to capture growth in rapidly expanding markets through a broad range of products combining technical performance and competitive price positioning.

The growth achieved during the Fourth Quarter was driven in particular by the start of rollout of Generation 8 Internet Tablets in Europe (ARCHOS 2.8, ARCHOS 3.2, ARCHOS 70 IT and ARCHOS 101 IT) where initial deliveries began in October, confirming the wide acceptance of this new expanded range.

Activity was further supported by the significant development of the Home Tablet sales in the U.S.. Year-end sales of MP3/MP4 players increased in Europe and in the U.S.. Asia-Pacific development efforts undertaken earlier in the year also began to bear fruit.

Commenting on the figures, ARCHOS founder and CEO Henri Crohas said: "By year end, the success of the Generation 8, especially ARCHOS 70 and ARCHOS 101 tablets, had exceeded all our expectations. The demand was such that we faced shortages in most stores. The demand is maintained at a high level in the current quarter, confirming the strong development potential of the tablet market and validating the strategic choices made very early in this area, more than two years ago."

An efficient strategy of reconquest: return to growth in 2010

At the close of its fiscal year 2010, ARCHOS recorded an overall revenue growth of 44% marking the sharp turnaround in the group activity and validation of its strategy.

M€ unaudited	FY 2010	FY 2009	Var° M€	Var° %
EUROPE	60,7	43,5	17,2	39,5%
ASIA	4,4	2,7	1,8	66,3%
USA	18,2	11,7	6,4	54,9%
TOTAL REVENUE	83,3	57,9	25,4	43,9%

Through its policy of broadening of the product range, with a portfolio of over 50 references, Archos has regained significant market share in Europe.

Thus, according to a market share study by GFK, ARCHOS rose to second place in France in the MP3/MP4 player under 7 inch segment, going from 5.8% market share by value in 2009 to 7.8%

in 2010, In Germany, the group jumped by 4 places, from 11th to 7th place and in the UK, ARCHOS moved from 7th to 4th place .

Moreover, in a context of strong market deployment of large format Internet tablets (7-inch and above) ARCHOS' innovative products have given the group a unique opportunity for development. In this new segment, ARCHOS has proposed, ahead of its competitors, high quality products at an attractive price, enabling the brand in the fourth quarter to become market leader in the 400 euro and under tablet segment in France, and to hold in this area a market share of 22% all price segments combined².

The forecasts of growth in the market for tablets are promising, with an estimate of over 50 million tablets to be sold worldwide in 2011³, three times more than in 2010. ARCHOS expects to take an important position in this growing market.

Financial Calendar

ARCHOS will release financial results for fiscal 2010 on March 18 2011, pre-market.

Note to the reader : This English language version is a free translation from the original press release which is in French and is available on the company's corporate website (archos.com). In the event of inconsistencies between the original French language version and this English translation, the French version will take precedence.

About ARCHOS

Archos, pioneer in the portable audio and video player market, and now specialized in Android powered Internet Tablets, has repeatedly revolutionized the market for consumer electronics since 1988. Today, ARCHOS offers Internet Tablets, Tablet PCs and MP3/MP4 players. In 2000, ARCHOS launched the Jukebox 6000, the first MP3 player combined with a hard disk. Then in 2003 ARCHOS introduced the first portable multimedia players with TV recording. In 2006 Wi-Fi is implemented and then touch screens in 2007. In 2008, Archos launched the first generation Internet Tablets, and then the first ever Android powered tablets in 2009. ARCHOS has offices in the United States, Europe and Asia. ARCHOS is quoted on Compartment C of Eurolist, Euronext Paris, ISIN CodeFR0000182479. Website: www.archos.com.

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¹ Source: GfK Panel January to August 2010 on France, Germany and the United Kingdom market shares

² Source : GfK February 2011 for November et December 2010

³ Source Nomura, IDC, Morgan Stanley