

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.

ARCHOS: 25% growth in the second quarter of 2015

In €M Unaudited	Q2 2015	Q2 2014	Var in €M	Var in %
Europe	21.8	18.4	3.4	18%
Rest of the world	9.9	7.0	2.9	41%
Logic Instrument	2.4	1.9	0.5	26%
TOTAL	34.1	27.3	6.8	25%

In a relatively stable market (source Gfk), ARCHOS continues to gain market stakes. The company recorded a revenue increase of 25% in the second quarter of 2015 compared to the second quarter of 2014.

This increase is largely due to:

1. Proven success in Africa and the Middle East on the horizon

ARCHOS, by way of its Egyptian partner, has been met with success in Africa. The entry into this market allowed ARCHOS a place in the Top 5 (source GfK) bestselling tablet brands in Egypt in 2015. More recently, ARCHOS has started developing the same strategy in other countries like Saudi Arabia, Senegal, Nigeria, and soon Algeria.

2. A smartphone line that was well-received by retailers and customers

ARCHOS currently offers a large range of smartphones, produced in the biggest mobile phone factories with high quality guarantees. Since its entry into the market at the end of 2013, ARCHOS has become a major player in contract-less smartphones in France and Europe. Strengthened by this success, the brand currently has assets to maintain this growth and compete with other market leaders.

3. A new dynamic in the tablet market and the rise of professional sales

New growth opportunities are emerging on the market. The recent introduction of 4G tablets, the development of convertible 2-in-1 tablets, and the interest in tablets shown by the professional market (Logic Instrument had a growth increase of 26%) have allowed ARCHOS to seize new opportunities in this domain.

Thusly, ARCHOS showed 21% growth in value in the first semester of 2015.

In €M Unaudited	1 st Half 2015	1 st Half 2014	Var in €M	Var in %
Europe	47.3	43.0	4.3	10%
Rest of the world	17.5	11.3	6.2	55%
Logic Instrument *	4.3	3.0	1.3	43%
TOTAL	69.1	57.3	11.8	21%

* 2014 includes Logic Instrument's Sales as of January 23rd 2014, the date of ARCHOS's investment in the entity

ARCHOS

Outlook

ARCHOS forecasts accelerated growth in the third quarter, notably due to:

1. The first sales on the education market

The brand won a contract with the Center region of France and continues to actively promote its education line.

As a reminder, ARCHOS created a line of PCs and tablets specifically for education.



2. The market entry of the Helium 4G line of smartphones

ARCHOS is the first to offer a 5" High Definition 4G smartphone, equipped with a 5MP front camera and a 13MP back camera, starting at 99€ with a reimbursement offer included.

About ARCHOS

ARCHOS, a pioneer in the portable audio and video player market, and now specializing in Android Tablets and Smartphones, has repeatedly revolutionized the market for consumer electronics since 1988. Today, ARCHOS offers its own line of Android Tablets and Smartphones, as well as a full line of OEM devices. In 2000, ARCHOS launched the Jukebox 6000, the first MP3 player combined with a hard disk. In 2008, ARCHOS launched the first generation Internet Tablets, and then the first ever Android powered tablets in 2009. In 2013, ARCHOS launched its first generation of Smartphones with the ARCHOS Platinum series. ARCHOS has offices in the United States, Europe and Asia. ARCHOS is quoted on Compartment C of Eurolist, Euronext Paris, ISIN CodeFR0000182479.

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