

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, strong increase in 2015 turnover: +20%

2015 Turnover

Revenue for 2015 amounted to 158.6 M€, up 20% in comparison to 2014. For the fourth consecutive quarter, ARCHOS continues to record a strong increase in revenue.

In €M Unaudited	Q4 2015	Q4 2014	Var in €M	Var in %
Europe	42.2	41.1	1.4	3%
Rest of the world	9.7	4.9	4.8	99%
Logic Instrument *	2.6	2.1	0.5	25%
TOTAL	54.8	48.1	6.7	14%

In €M Unaudited	FY 2015	FY 2014	Var in €M	Var in %
Europe	114.5	100.2	14.3	14%
Rest of the world	35.7	25.1	10.6	42%
Logic Instrument *	8.4	6.8	1.6	23%
TOTAL	158.6	132.1	26.5	20%

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

The 2015 increase can notably be explained by:

- A high-quality smartphone range in line with the market demands**
 In 2015, ARCHOS has established itself by ranking 7th best smartphone seller (in volume) in Europe. Since its introduction into the competitive smartphone market in 2013, ARCHOS's goal has been to better answer consumer's demands: products with both front and back high-resolution cameras as well as powerful processors with 4G/LTE connectivity at affordable prices, in addition to high battery capacity, appealing design and a wide variety of colours.
- Successful expansions in new countries**
 70% of ARCHOS's turnover is now achieved outside of France and the group successfully continues its expansion in other regions. After Egypt, ARCHOS continues its establishment in Africa (Nigeria, Algeria, Morocco, Senegal) while also focusing on eastern Europe and Russia, where major partnerships have been signed for 2016.
- ARCHOS, in European Top 5 tablet volume sales**
 In a now mature market, with fewer competitors, ARCHOS was able to implement new tablet lines that meet customers' expectations and professional's needs: 4G/LTE connectivity, education line, magnetic keyboards, ruggedized tablets, extended battery life.

Perspectives:

The strategic axes of the company in 2016 are clear:

- Maintain a strong increase by placing itself as a key player in the smartphone, tablet, PC and connected objects markets with innovative and affordable products.
- Improve the gross margin in sale percentage by highlighting high-end products and enriched B2B offers as recently signed contracts for secure smartphones show.

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3. Establish ARCHOS in 2016, through its subsidiary PicoWAN, as a major European network provider for connected objects. The ambition of PicoWAN is to become the first long range, low consumption, collaborative and global network, at a very low cost. The PicoWAN network and the connected objects that go with it will be presented at the Mobile World Congress in Barcelona.

After four quarters of continuous increase, the group intends to continue and accelerate the increase of 2015 to hopefully exceed 200 million euros in revenue in 2016. Orders for the first quarter of 2016 confirm the group's ambitions.

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 Europe and Asia. ARCHOS is quoted on Compartment C of Euronext Paris, ISIN Code FR0000182479. Website: www.archos.com

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