

ARCHOS accelerates strong growth: + 30% in Q3 2015

Revenue Q3 2015 versus Q3 2014

| M€ (unaudited) | Q3 2015 | Q3 2014 | Var in M€ | Var in % |
|-------------------|-------------|-------------|------------|------------|
| Europe | 24.7 | 19.7 | 5.0 | 25% |
| Rest of the World | 8.5 | 5.3 | 3.2 | 60% |
| Logic Instrument | 1.5 | 1.7 | -0.2 | -12% |
| TOTAL | 34.7 | 26.7 | 8.0 | 30% |

Q3 2015 revenue was 30 % higher than Q3 2014, demonstrating a very strong growth. This performance comes from all regions, particularly Europe, and covers all segments.

Year to date September Revenue 2015 versus 2014

First nine months revenues 2015 reached 103.8 M€, an increase of 24 % compared to the same period in 2014.

| M€ (unaudited) | YTD 2015 | YTD 2014 | Var in M€ | Var in % |
|--------------------|--------------|-------------|-------------|------------|
| Europe | 72.0 | 59.0 | 13.0 | 22% |
| Rest of the World | 26.0 | 20.2 | 5.8 | 29% |
| Logic Instrument * | 5.8 | 4.8 | 1.0 | 21% |
| TOTAL | 103.8 | 84.0 | 19.8 | 24% |

* 2014: including Logic Instrument revenue from 23/01/2014, time of the investment in Logic Instrument

Growth was driven by:

- **An accelerated growth in Europe: relevant smartphone range**

ARCHOS, entering the European top 10 of smartphone shipment, has managed to become a major player in the SIM-free segment. Building on this success, the brand now has the assets to further accelerate its growth. The launch of the Diamond range reinforces the brand's ability to innovate.

- **A proven success in new markets**

The group is successfully pursuing its development in the rest of the world. In Egypt, during Q3 2015, ARCHOS ranked fourth (source GfK) among best-selling brands of tablets in 2015.

ARCHOS

ARCHOS has also signed in the same spirit several major contracts: Novaphone in Algeria, PSD in Vietnam, Al Haddad in Saudi Arabia, Reddington in Nigeria and Gasei in Argentina.

- **A new momentum in the tablet market and the rise of sales to professionals**

The recent introduction of LTE tablets, the development of a "2 in 1" convertible tablet and the increase of the mobility for business market enable ARCHOS to seize new opportunities for growth.

Outlook

ARCHOS announced today the launch of PicoWAN, the first low power, long distance RF network. PicoWAN will be global, borderless, and available at a very low price for connected objects. The Group thus demonstrates its ability to innovate in the heart of his technological environment^[1].

After three quarters of sustained growth: + 17% in Q1, + 25% in Q2 and + 30 % in Q3 2015, the group is confident in keeping this momentum to achieve over 20% increase of revenue versus 2014.

The improvement of the gross margin shall come from a favorable product mix and improved management of the value chain, combined with a Euro exchange rate above 1.10 versus USD.

ARCHOS now has a strong opportunity in high-growth markets while having consolidated its position in Europe. Should the economic and geopolitical environment allow, the Group aims to keep this double-digit growth and thus restore the profitability of the group in a sustainable manner within its 3 year strategic plan.

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, 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 Eurolist, Euronext Paris, ISIN Code FR0000182479. Website: : www.archos.com

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^[1] Get all details on this announcement in the « PicoWAN » press release