PRESS RELEASE

Sèvres, August 31, 2010

2010 Second-quarter Revenue
2010 Interim Results

- **Like-for-like revenue up 1.1% in second-quarter 2010**
- **Recurring operating margin up on second-half 2009**
- **High generation of free operating cash flow, at €105.8 million**

In a statement, Richard Bielle, Chairman of CFAO's Management board said:
"The second quarter of 2010 saw a recovery in our Automotive business and further strong growth for our Eurapharma division.
Although our results for the first half of 2010 are down on the high figures posted in first-half 2009, they were significantly higher than in the second half of 2009.
CFAO Automotive has shown a good resilience to the increase of its main purchasing currencies.
Based on this performance we are looking forward to the second half of the year with confidence despite the ongoing rise in the Japanese yen.

In the coming months we intend to continue to roll out our strategy of strengthening our positions and seizing development opportunities in order to enable us to reach the medium-term objectives we set ourselves at the time of our IPO".

1. Second-quarter revenue

Throughout the press release, "like-for-like" changes correspond to changes observed on a comparable structure and exchange rate basis.

The main changes in Group structure in the first half of 2010 resulted from (i) the discontinuation of the trading businesses and (ii) the first-time consolidation of several small subsidiaries. These changes adversely affected revenue in both the second quarter and first half overall, by €9.4 million and €23 million respectively.
Exchange rate fluctuations had a positive €11.4 million impact on the translation of revenue into euro during the second quarter, due to the appreciation of several local currencies. However the currency effect for the full six months was a negative €7.4 million.

	Second-quarter 2010			First-half 2010		
	(in €m)	Change (reported)	Change (like-for-like)	(in €m)	Change (reported)	Change (like-for-like)
CFAO Automotive	**395.8**	+ 2.6%	- 0.5%	**751.7**	- 4.5%	- 4.5%
Eurapharma	**199.1**	+ 8.1%	+ 7.6%	**393.4**	+ 9.7%	+ 10.0%
CFAO Industries	**52.9**	- 19.2%	- 2.0%	**109.8**	- 19.5%	+ 2.9%
CFAO Technologies	**26.3**	- 10.0%	- 11.9%	**45.0**	- 21.1%	- 20.8%
Group total	**674.1**	**+ 1.4%**	**+1.1%**	**1,299.9**	**-2.9%**	**- 0.6%**

Second-quarter revenue came in at €674.1 million, up by a sharp 7.8% on the first quarter of the year, and by 1.4% as reported (1.1% like-for-like) on the second quarter of 2009. The quarter-on-quarter growth in 2010, which followed on from four straight quarters of revenue contraction, was mainly driven by a recovery in CFAO Automotive's performance.

Revenue for **CFAO Automotive** climbed to €395.8 million in the second quarter of 2010 (on a par with the same period of 2009) from €355.9 million in the first quarter, when it was down 8.6% like-for-like on the first three months of 2009. All of the division's geographic areas contributed to this second-quarter growth momentum.
In French-speaking Africa, sales rose quarter on quarter but were still lower than for the same period of 2009. The picture was similar in the Maghreb and English- and Portuguese-speaking Africa, where the Group's sales advanced in buoyant markets, albeit without returning to their historical levels.
Revenue was positively impacted by the application of higher prices by CFAO Automotive in numerous countries. This was primarily in anticipation of higher cost prices resulting from unfavorable exchange rate fluctuations for currencies used to purchase vehicles.
The Group's market share rose in English-speaking Africa and the French overseas territories and held firm in French-speaking Africa and the Maghreb.

Europharma's pharmaceutical products distribution business reported sustained revenue growth in the second quarter of 2010. Sales were particularly strong for the Group's newer business lines – the pre-wholesale and distribution agent businesses – as well as for wholesale-resale operations in French-speaking Africa. Sales edged up year-on-year in the French overseas territories, having been weighed down in 2009 by labor unrest in the French Antilles.

CFAO Industries posted revenue of €52.9 million in the second quarter of 2010, down slightly on the same period of 2009 on a like-for-like basis. This year-on-year contraction primarily reflects a weaker performance in second-quarter 2010 for the motorcycle assembly and industrial equipment businesses as Brasseries du Congo continued on its growth trajectory. The revenue downturn on a reported basis was due to the Group's discontinuation of the trading business which was completed in late 2009.

Second-quarter revenue generated by **CFAO Technologies** was higher than in the first quarter but retreated 11.9% on the second three months of 2009. The decline was particularly steep in the Equipment segment due to an unfavorable basis of comparison with 2009 when the division had major contracts in Nigeria concerning elevators.

2. First-half 2010 financial and operating performance

(in €m)	First-half 2010	First-half 2009	Change
Revenue	**1,299.9**	**1,338.6**	**- 2.9%**
Cost of sales	(1,006.1)	(1,039.8)	+ 3.2%
Gross profit	**293.7**	**298.8**	**-1.7%**
as a % of revenue	*22.6%*	*22.3%*	
Payroll expenses	(95.1)	(94.1)	+ 1.1%
Other recurring operating income and expenses	(96.4)	(83.6)	+ 15.4%
Recurring operating income (expense)	**102.3**	**121.2**	**- 15.6%**
as a % of revenue	*7.9%*	*9.1%*	
Other non-recurring operating income and expenses	1.8	5.2	+ 65.4%
Operating income	**104.0**	**126.4**	**- 17.7%**
as a % of revenue	*8.0%*	*9.4%*	
EBITDA	**123.5**	**140.6**	**- 12.2%**
as a % of revenue	***9.5%***	***10.5%***	
Finance costs, net	(14.0)	(13.2)	+ 5.3%
Income before tax	**90.1**	**113.2**	**- 20.4%**
Income tax	(30.3)	(36.2)	- 16.3%
Overall effective tax rate	*33.6%*	*32.0%*	
Share in earnings of associates	0.5	1.7	- 70.6%
Net income of consolidated companies	**60.3**	**78.7**	**- 23.4%**
Net income attributable to non-controlling interests	18.6	15.7	+ 18.5%
Net income attributable to owners of the parent	**41.8**	**63.0**	**- 33 .7%**
Earnings per share	0.68	1.02	- 33.7%

The Group's **revenue** for the first half of 2010 came in 2.9% lower than in first-half 2009, at €1,299.9 million versus €1,338.6 million.
As stated above, changes in Group structure and fluctuations in exchange rates had negative impacts of €23.0 million and €7.4 million respectively on first-half 2010 revenue.

On a like-for-like basis, revenue dipped by just 0.6%.

Gross profit came in at €293.7 million in the six months ended June 30, 2010, down slightly on the equivalent period of 2009 but inching up as a percentage of revenue to 22.6% from 22.3%. All of the Group's divisions contributed to this increase except for CFAO Automotive where gross margin decline is limited thanks to the ability of the division to manage the impact of purchasing currencies increase.

The discontinuation of the trading business – which had low gross margins – had a positive impact on CFAO Industries gross profit margin.

Recurring operating expenses (comprising payroll expenses and other recurring operating income and expenses) rose by 7.7%. This increase was notably due to (i) higher provisions for doubtful receivables, (ii) depreciation related to recent capital expenditure programs, (iii) a rise in variable production costs for CFAO Industries, (iv) larger commercial investments and (v) an increase in the cost of certain banking services.
In addition, the positive impact of no longer paying management fees to the PPR group after December 2009 was partially offset by the effect of new expenses incurred due to CFAO's new status and organizational structure as a listed company. These expenses include the cost of strengthening the Group's corporate functions and the impact of the stock option plan set up in January 2010.

Recurring operating income came in at €102.3 million, representing 7.9% of revenue, up on the 7.2% recorded for the second half of 2009.

The table below provides a breakdown of recurring operating income by division:

	First-half 2009		**Second-half 2009**		**First-half 2010**	
	(in €m)	**% revenue**	**(in €m)**	**% revenue**	**(in €m)**	**% revenue**
CFAO Automotive	79.6	10.1%	38.5	5.8%	53.0	7.1%
Eurapharma	28.9	8.1%	31.2	8.2%	35.9	9.1%
CFAO Industries	20.6	15.1%	23.7	16.5%	22.8	20.8%
CFAO Technologies	0.0	-0.1%	4.1	7.9%	(1.8)	-4.1%
Holding company	(7.9)	-	(7.8)	-	(7.7)	-
Total	**121.2**	**9.1%**	**89.8**	**7.2%**	**102.3**	**7.9%**

Recurring operating income generated by the Group's two largest divisions was significantly up on the second half of 2009. Conversely, CFAO Technologies was unable to maintain the same profit margin as in second-half 2009 as its sales levels were not sufficient to offset its fixed costs.

Overall, recurring operating income for first-half 2010 was €18.9 million lower than in the same period of 2009. This year-on-year decline was mainly attributable to a sharp drop in sales reported by CFAO Automotive and a falloff in this division's gross margin due to an increase in the exchange rates of its purchasing currencies. This impact was partly offset by higher recurring operating income reported by Eurapharma, powered by strong sales growth and a favorable currency effect. Recurring operating margin posted by CFAO Industries climbed by more than 5 points, fueled mainly by positive changes in its business mix.

CFAO ended the first half of 2010 with **operating income** of €104.0 million (8.0% of revenue), down 17.7% on first-half 2009. As in the previous year, this figure includes the impact of non-recurring income from gains on asset disposals.

EBITDA (corresponding to recurring operating income before net charges to depreciation, amortization and provisions on non-current operating assets) totaled €123.5 million, corresponding to 9.5% of revenue.

Net finance costs edged up to €14.0 million.
The cost of net debt rose €0.7 million during the first half of 2010 to €10.7 million, despite a significant reduction in average debt, primarily reflecting the higher cost of the syndicated credit facility compared with the current account with PPR. This cost includes straight-line amortization of the flat fee charged for setting up the syndicated credit facility.
Other financial income and expenses remained more or less stable, representing a net expense of €3.3 million.

The **overall effective tax rate** inched up from 32.0% to 33.6%, largely due to the slightly unfavorable impact of changes in the earnings/country mix over the first half of the year.

The **Group's share in earnings of associates** totaled €0.5 million in the first half of 2010 compared with €1.7 million in the comparable prior-year period.

Net income attributable to non-controlling interests climbed 18.5% to €18.6 million (30.9% of consolidated net income) versus €15.7 million (20.0% of consolidated net income) in the first half of 2009. This reflects the fact that increases in net income were higher in divisions with significant third-party partnerships (Eurapharma and CFAO Industries) than in CFAO Automotive.

Consequently, **net income attributable to owners of the parent** fell 33.7% to €41.8 million in first-half 2010 from €63.0 million in the same period of 2009.

Earnings per share amounted to €0.68 versus €1.02 in first-half 2009 and €0.45 in the second half of 2009.

3. Cash flow and financial position

Consolidated statement of financial position (condensed)

(in €m)	June 30, 2010	June 30, 2009
Intangible assets	151.2	131.2
Property, plant and equipment	274.7	248.5
Working capital requirement	370.8	367.6
Other assets and liabilities	35.9	39.3
Capital employed	**832.6**	**786.6**
Equity (including equity attributable to non-controlling interests)	**579.5**	**535.0**
Net debt	**253.1**	**251.5**

Consolidated statement of cash flows (condensed)

(in €m)	First-half 2010	First-half 2009
Cash flow from operating activities before tax, dividends and interest)	126.3	**140.7**
as a % of revenue	*9.7%*	*10.5%*
Change in working capital requirement	44.6	**61.5**
Income tax paid	(34.9)	**(49.3)**
Operating capital expenditure, net	(30.2)	**(28.0)**
Free operating cash flow	**105. 8**	**124.9**

Despite the impact of rebuilding inventories of certain vehicles in anticipation of higher demand during the second half of the year, CFAO ended the first six months of 2010 with €105.8 million in **free**

operating cash flow, thanks to tight management of **working capital requirement** and a high level of **cash flow from operating activities**.
The main **capital expenditure items** for the period concerned the ongoing program to modernize and expand the CFAO Automotive network as well as a new tranche of capacity investments for Brasseries du Congo.

At June 30, 2010, **net debt** totaled €253.1 million, down €8.9 million on end-2009. The main items impacting net debt during the period included: (i) dividend payments, in particular the June 2, 2010 payment of €0.78 per share, corresponding to a total payment of €48 million to CFAO shareholders; (ii) the generation of free cash flow (€105.8 million) and (iii) the acquisition of the Moroccan company SIAB. Average net debt for the first half of 2010 was €261 million versus €350 million for the equivalent period of 2009.

The **gearing ratio** stood at 0.44 at end-June 2010 compared with 0.46 at end-December 2009, and the **net debt/EBITDA ratio** was 1.08 versus 1.02.

At June 30, 2010, €130 million had been drawn down on the syndicated credit facility set up in 2009. None of the financial covenants relating to this facility had been breached at that date and CFAO considers it unlikely that they will be breached at end-December 2010.

4. Significant events during the first six months of 2010

In June 2010, CFAO announced that it had entered into an agreement with Renault Maroc and Nissan Motor Co., Ltd. to acquire Morocco-based **SIAB**, an importer-distributor for Nissan on the Moroccan market. This business combination will enable the CFAO Group to strengthen its positions in the Kingdom of Morocco, notably in the high-growth segment of passenger vehicles.

SIAB's integration within the CFAO group is going according to plan.

5. Outlook

CFAO Automotive

Market trends in Sub-Saharan Africa now look more buoyant going forward.
In the Maghreb, Algeria is faring better than expected although the regulatory framework is still very strict, and in Morocco the division's business outlook seems brighter.
The outlook for the second half of 2010 in the French overseas territories is difficult to predict despite the improvement experienced in the first six months.
Meanwhile, the steady rise in the yen and the current level of US dollar are pushing up vehicle purchase prices.

Eurapharma

Sub-Saharan Africa is expected to remain a growth market and the Group will continue to roll out measures to consolidate its market share.
Sales growth will be more contained in the French overseas territories as competition is expected to intensify.
The Algerian market should remain buoyant, and Eurapharma is set to continue its robust expansion in Angola.

CFAO Industries

Sales growth should continue in the second half of the year.

CFAO Technologies

After a downturn in the first half, business is expected to pick up in the second half of the year based on the robust order book at June 30, 2010.

The financial statements for the six months ended June 30, 2010 were approved by CFAO's Management Board on August 27, 2010 and were examined by the Supervisory Board on August 30, 2010. They were subject to a limited review by the Statutory Auditors.

An interim financial report, comprising the condensed interim consolidated financial statements, has been published on the same date at this press release in accordance with the applicable regulations. This report, together with the supporting documents for the presentation of the interim results given today to analysts and journalists by conference call can be viewed on www.cfaogroup.com.

About CFAO

CFAO is the foremost specialized retail brand in its main business areas – vehicle and pharmaceuticals distribution – in Africa and the French Overseas Territories. It is a leading player in these regions in the import and distribution of vehicles and pharmaceutical products, related logistics services, and certain manufacturing operations and technological services. CFAO is present in 34 countries, 31 of which are in Africa and seven in the French Overseas Territories, and had 9,400 employees at the end of 2009.
In 2009, CFAO generated total consolidated revenue of €2,582 million and recorded recurring operating income of €211 million.

CFAO is listed on NYSE Euronext in Paris and is included in the SBF120 index.
Find CFAO on Bloomberg: CFAO:FP and Reuters: CFAO.PA

To find out more, go to www.cfaogroup.com

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APPENDIX

Revenue trends by geographic area

	Second-quarter 2010			First-half 2010		
	(in €m)	Change (reported)	Change (like-for-like)	**(in €m)**	Change (reported)	Change (like-for-like)
French-speaking Sub-Saharan Africa	**278.5**	+2.7%	+2.9%	**536.3**	-0.2%	+0.7%
French Overseas Territories and Other	**136.8**	+4.4%	+2.9%	**274.8**	+6.9%	+5.0%
Maghreb	**143.4**	+4.8%	+0.3%	**263.6**	-3.2%	-2.8%
English- and Portuguese-speaking Sub-Saharan Africa	**84.4**	-9.7%	-3.7%	**164.2**	-18.2%	-4.1%
France (export)	**31.0**	-4.0%	-4.0%	**61.0**	-14.5%	-14.5%
Group total	**674.1**	**+1.4%**	**+1.1%**	**1,299.9**	**-2.9%**	**-0.6%**