PRESS RELEASE

Sèvres, July 28, 2011

2011 Second-quarter Revenue
2011 Interim Results

- **Solid growth with revenue up 13% in the second quarter and 14.4% in the first half of 2011**
- **Recurring operating income up 9.9% at €112.4 million**
- **Attributable net income up 17.8% at €49.2 million**

In a statement, Richard Bielle, Chairman of CFAO's Management Board said:

"Our first-half results once again bear witness to the robustness of our business model and the positive momentum of the African markets, allowing us to look forward to the rest of the year with confidence.
Despite the many events that marked the first six months of 2011, we consolidated our growth and increased our recurring operating income by almost 10%.
CFAO Automotive improved its performance in most markets and successfully integrated the new companies acquired in 2010 and at the beginning of 2011 in Morocco, East Africa and the French overseas departments and territories. Eurapharma and the Group's industrial businesses reported solid consistent growth, while CFAO Technologies refocused on its core businesses and the CFAO Equipment network was rolled out in several countries in line with our objectives."

1. Second-quarter 2011 revenue

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

Changes in Group structure in 2011 resulted mainly from the first-time consolidation of Almameto in New Caledonia, Citroën in Reunion and SIAB in Morocco, as well as the sale of the wooden crates business in Morocco. These changes had a positive impact on revenue in both the second quarter and first half of the year, of €65.5 million and €92.1 million respectively.
Exchange rate fluctuations had a negative €25.5 million impact on the translation of revenue into euros in the second quarter and a negative €30.3 million impact in the first half due to the depreciation of several local currencies against the euro.

	Second-quarter				First-half			
	2010 in €m	2011 in €m	Change (reported)	Change (like-for-like)	2010 in €m	2011 in €m	Change (reported)	Change (like-for-like)
CFAO Automotive	393.6	465.7	+18.3%	+5.2%	746.9	901.9	+20.7%	+9.1%
Eurapharma	199.1	208.8	+4.8%	+6.9%	393.4	418.8	+6.5%	+7.8%
CFAO Industries, Equipment & Services	81.5	87.4	+7.2%	+14.3%	159.5	165.8	+3.9%	+13.4%
Group total	**674.1**	**761.9**	**+13.0%**	**+6.7%**	**1,299.9**	**1,486.5**	**+14.4%**	**+9.2%**

Revenue for 2010 is presented pro forma based on Group structure in 2011.

CFAO's second-quarter revenue was 13% higher than the same period in 2010. The increase was 14.4% for the first half as a whole.

The downturn in business in **Côte d'Ivoire**, sparked by the events that have shaken the country, continued into the second quarter, prompting a 41% drop in revenue for the first six months of the year. Excluding Côte d'Ivoire, the Group's revenue **jumped 18%** over the period.

CFAO Automotive sales rose sharply in the second quarter.
French-speaking Sub-Saharan Africa's first-half performance was hit by the sales downturn in Côte d'Ivoire, although the first signs of recovery were visible in June. The Central African markets, where CFAO has a strong foothold, were particularly buoyant. Excluding Côte d'Ivoire, revenue in French-speaking Sub-Saharan Africa jumped 17.4% during the first half of 2011.
English-speaking Sub-Saharan Africa also reported vigorous 19.2% first-half sales growth thanks to the contribution made by new brands. Ghana and Kenya both turned in strong performances. However, trading in Nigeria failed to pick up during the first six months of the year.
First-half revenue climbed 22.6% in the Maghreb, with a strong contribution from Algeria powered by a 57% surge in truck sales.
Lastly, the Group consolidated its positions in the French overseas territories thanks to the successful integration of newly acquired companies in Reunion and New Caledonia.

The earthquake in Japan in March 2011 heavily disrupted production by Japanese automakers both in Japan and the rest of the world. The impact on CFAO Automotive's revenue was limited in first-half 2011 due to long procurement lead times, relatively large inventory volumes held at the beginning of the year, and the availability of vehicles initially intended for Côte d'Ivoire. Current inventory levels are structurally low for certain Japanese models however.

Eurapharma's pharmaceutical products distribution business reported sustained revenue growth in the second quarter of 2011. Sales declined in Côte d'Ivoire in the first six months of the year, but to a lesser degree than in the Automotive division (down 9%). Revenue for the pre-wholesale business increased sharply, driven by new distribution agreements signed with pharmaceutical companies.

Revenue for the **CFAO Industries, Equipment & Services** division came in at €165.8 million in first-half 2011, up 3.9% on the same prior-year period and 13.4% like-for-like. Sales of beverages and plastic products continued their sharp upward trend, while the new equipment distribution and rental business got off to a successful start. Despite the impact of the downturn in Côte d'Ivoire, **CFAO Technologies** recorded growth of 3.9% over the period.

2. First-half 2011 financial and operating performance

(in €m)	First-half 2011	First-half 2010	Change
Revenue	**1,486.5**	**1,299.9**	**+14.4%**
Cost of sales	(1,158.4)	(1,006.1)	+15.1%
Gross profit	**328.1**	**293.7**	**+11.7%**
as a % of revenue	*22.1%*	*22.6%*	-
Payroll expenses	(107.8)	(95.1)	+13.4%
Other recurring operating income and expenses	(107.9)	(96.4)	+11.9%
Recurring operating income	**112.4**	**102.3**	**+9.9%**
as a % of revenue	*7.6%*	*7.9%*	-
Other non-recurring operating income and expenses	8.2	1.8	**-**
Operating income	**120.6**	**104.0**	**+16.0%**
as a % of revenue	*8.1%*	*8.0%*	**-**
EBITDA	**136.1**	**123.5**	**+10.2%**
as a % of revenue	*9.2%*	*9.5%*	**-**
Finance costs, net	(13.7)	(14.0)	-1.9%
Income before tax	**106.9**	**90.1**	**+18.7%**
Income tax	(36.0)	(30.3)	+19.1%
Overall effective tax rate	*33.7%*	*33.6%*	-
Share in earnings of associates	1.3	0.5	-
Net income of consolidated companies	**72.2**	**60.3**	**+19.7%**
Net income attributable to non-controlling interests	23.0	18.6	+23.7%
Net income attributable to owners of the parent	**49.2**	**41.8**	**+17.8%**
Earnings per share (in €)	0.80	0.68	+17.8%

The Group's **revenue** for the first half of 2011 came in 14.4% higher than in first-half 2010 at €1,486.5 million versus €1,299.9 million. Excluding Côte d'Ivoire, revenue was up 18%.
As stated above, changes in Group structure and fluctuations in exchange rates had a positive impact of €92.1 million and a negative impact of €30.3 million, respectively, on first-half revenue.

On a like-for-like basis, revenue advanced 9.2% (12.3% excluding Côte d'Ivoire).

Gross profit came in at €328.1 million in the six months to June 30, 2011, up 11.7% year-on-year, but slipped back from 22.6% to 22.1% as a percentage of revenue. The gross profit margin is slightly lower for CFAO Automotive, mainly due to the impact of the rise in the yen on the cost of vehicles sold during the period. The average yen/euro exchange rate in second-half 2009, when foreign exchange rate hedges were set up for the purchase of vehicles sold in first-half 2011, was around 20% higher than in the same period in 2010. Eurapharma's gross profit also edged down slightly due to lower foreign currency gains than in the previous period.

Recurring operating expenses (comprising payroll expenses and other recurring operating income and expenses) rose by 12.6%, mainly due to the first-time consolidation of newly acquired companies.

Recurring operating income was up 9.9% at €112.4 million, but down slightly year-on-year as a percentage of revenue, at 7.6%.

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

	First-half 2011		**First-half 2010**	
	(in €m)	**% revenue**	**(in €m)**	**% revenue**
CFAO Automotive	60.5	6.7%	52.1	7.0%
Eurapharma	36.5	8.7%	35.9	9.1%
CFAO Industries, Equipment & Services	28.2	17.0%	22.4	14.1%
Holding company	(12.8)	-	(8.2)	-
Total	**112.4**	**7.6%**	**102.3**	**7.9%**

Recurring operating margin for CFAO Automotive edged back due to the business downturn in Côte d'Ivoire and the slight flattening of gross profit. Excluding Côte d'Ivoire, recurring operating margin widened sharply.

Eurapharma did not benefit from the same favorable currency effect as last year. Operating margin in French-speaking Africa was up significantly, but the French Overseas Territories is stable on their first-half 2010 contribution.

Lastly, the recurring operating margin of the CFAO Industries, Equipment & Services division climbed sharply thanks to a favorable business mix, partly related to the sale of the less profitable wooden crates business in Morocco.

CFAO ended the first half of 2011 with **operating income** of €120.6 million (8.1% of revenue), up 16% on first-half 2010. This figure includes non-recurring income related to the accounting treatment of the merger with the Pentecost group in New Caledonia (€8.4 million gain on the revaluation of the Group's non-controlling interest in the Almameto group).

EBITDA (corresponding to recurring operating income before net charges to depreciation, amortization and provisions on non-current operating assets) totaled €136.1 million, up 10.2% compared to first-half 2010.

Net finance costs edged down to €13.7 million.
The cost of net debt rose €1.8 million during the first half of 2011 to €12.6 million, reflecting an increase in average debt and higher interest rates. However, other net financial expenses fell €2 million on first-half 2010 to €1.1 million due to the impact of foreign currency gains.

The **overall effective tax rate** was stable at 33.7%.

The **Group's share in earnings of associates** totaled €1.3 million in the first half of 2011, versus €0.5 million in the comparable prior-year period.

Net income attributable to non-controlling interests climbed 23.7% to €23.0 million (31.9% of consolidated net income). 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** rose 17.8% to €49.2 million in first-half 2011 from €41.8 million in the same period of 2010.

Earnings per share amounted to €0.80, versus €0.68 in first-half 2010.

3. Cash flow and financial position

Consolidated statement of financial position (condensed)

(in €m)	June 30, 2011	Dec. 31, 2010
Intangible assets	174.8	152.3
Property, plant and equipment	289.7	279.0
Working capital requirement	467.7	383.2
Other assets and liabilities	20.9	32.7
Capital employed	**953.9**	**847.2**
Equity (including equity attributable to non-controlling interests)	**638.2**	**646.7**
Net debt	**315.6**	**200.5**

Consolidated statement of cash flows (condensed)

(in €m)	First-half 2011	First-half 2010
Cash flow from operating activities before tax, dividends and interest	138.6	126.3
as a % of revenue	*9.3%*	*9.7%*
Change in working capital requirement	(69.7)	44.6
Income tax paid	(44.4)	(34.9)
Operating capital expenditure, net	(34.6)	(30.2)
Free operating cash flow	**(10.2)**	**105, 8**

Free operating cash flow was strongly impacted by changes in **working capital requirement** during the period, which reflects the combined impact of strong business levels and lower levels of inventory financing. This financing rate (suppliers/inventories), which attained the exceptionally high level of 77% at December 31, 2010, fell back to a more moderate 69% at June 30, 2011.

The main operating **capital expenditure** items for the period concerned the ongoing program to modernize and expand the CFAO Automotive network and capacity investments for Brasseries du Congo, as well as the purchase of additional vehicles for rental and the organization of the CFAO Equipment network.

At June 30, 2011, **net debt** totaled €315.6 million, up €115.1 million on end-2010. The main items impacting net debt during the period included: (i) dividend payments, in particular the June 9, 2011 payment of a €0.82 dividend per share to CFAO shareholders, corresponding to a total payout of €50 million, and (ii) the change in working capital requirement described above.

The **gearing ratio** stood at 0.50 at end-June 2011 compared with 0.31 at end-December 2010.

The **net debt/EBITDA ratio** came in at 1.16 versus 0.75 previously.

At June 30, 2011, only €110 million had been drawn down on the €300 million 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 2011.

4. Other events during the first six months of 2011

In January 2011, CFAO announced that it had finalized the takeover of the Reunion-based Citroën automobile distribution business. The Group already had business operations in Reunion through its CMM Automobiles subsidiary. The acquisition will broaden the vehicle range that CFAO offers to its customers. The new business represented around 600 new vehicle sales in first-half 2011.

In first-quarter 2011, CFAO finalized an agreement with New Caledonian group Pentecost with a view to pooling their respective interests in the automobile distribution and civil engineering and mining equipment companies that they own in New Caledonia. CFAO and the Pentecost group respectively own 74% and 26% of the shares in the new joint venture, which in turn owns the entire share capital of operating companies Ménard, Almameto, Prestige Motors, Intermotors, NC Motors and Sapas.
Together, the companies covered by this agreement employed 295 people at December 31, 2010 and generated revenue of approximately €170 million.

5. Outlook

CFAO Automotive
In the second half of 2011, the Group expects to see business picking up in Côte d'Ivoire and improving in Nigeria and Morocco. Central Africa and Algeria should remain buoyant, while the new developments will be ramped up in East Africa and the French overseas territories. CFAO Automotive also plans to start operations in Uganda.
The risk of a shortage of certain Japanese vehicle models is set to continue into the second half of the year.

Eurapharma
A return to normal supply levels is anticipated in Algeria. Business in Côte d'Ivoire has returned to pre-crisis levels which means that Eurapharma's sales growth should continue in the second half of the year.
A partnership agreement for the acquisition of a pharmaceutical manufacturing plant in Algeria is due to be finalized in the coming months.

CFAO Industries, Equipment & Services
The Group intends to continue rolling out the construction machinery business and bolstering the Rental services business. CFAO Technologies is expected to continue improving its performance over the year as a whole, despite the downturn in Côte d'Ivoire.
The industrial businesses should continue to grow in the second half of the year.

The financial statements for the six months ended June 30, 2011 were approved by CFAO's Management Board on July 22, 2011 and were examined by its Supervisory Board on July 27, 2011. 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 as this press release in accordance with 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 logistical 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 a headcount of 9,240 at end-2010.
In 2010, CFAO generated consolidated revenue of €2,676 million and recorded recurring operating income of €223.2 million.

CFAO is listed on NYSE Euronext in Paris and is included in the SBF120 and CAC Mid 60 indices.
Find CFAO on Bloomberg: CFAO:FP and Reuters: CFAO.PA

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

Investor and Analyst Relations
Sébastien Desarbres
Director of Financial Communications and Investor Relations
+33 1 46 23 56 51

Press Relations
Laurence Tovi
Director of Communications
+33 1 46 23 58 80

APPENDIX

Revenue trends by geographic area

	Second-quarter				**First-half**			
	2010 in €m	2011 in €m	Change (reported)	Change (like-for-like)	2010 in €m	2011 in €m	Change (reported)	Change (like-for-like)
French-speaking Sub-Saharan Africa	278.5	295.0	+5.9%	+7.0%	536.3	574.1	+7.0%	+7.8%
English- and Portuguese-speaking Sub-Saharan Africa	84.4	93.2	+10.4%	+15.1%	164.2	188.3	+14.7%	+12.6%
French Overseas Territories and other	136.8	186.4	+36.3%	+0.2%	274.8	350.6	+27.6%	+1.9%
Maghreb	143.4	153.4	+7.0%	+7.1%	263.6	300.7	+14.1%	+14.9%
France (export)	31.0	33.8	+9.0%	+19.8%	61.0	72.8	+19.3%	+28.9%
Group total	**674.1**	**761.9**	**+13.0%**	**+6.7%**	**1,299.9**	**1,486.5**	**+14.4%**	**+9.2%**