



Sales for H1 2006: up +142% to 74.9 million euros

Estimated gross margin for H1: > 41%

Estimated operating margin for H1: > 13%

Proforma numbers for the acquisition of Inpro Tecnologia

Paris, August 3rd, 2006 - Parrot, a leader in the development of Bluetooth® hands free car kits and other Bluetooth-enabled peripherals is pleased to announce record revenues for the second quarter and first half of 2006:

- Record growth in revenues over the first six months of 2006: up +142% to 74.9 million euros, driven by stronger performance levels across the entire range of in-vehicle Bluetooth handsfree kits, with sequential growth in relation to H2 2005 coming out at 50%.
- Estimated earnings for H1 2006: the gross margin is expected to be over 41%, with an operating margin – excluding non-recurring stock option allocation expenses linked to capital restructuring efforts – of over 13%.
- Launch of the “Home” product line: the first products dedicated to the new use of photo and music with wireless phones have been launched: the PARROT® PHOTO VIEWER and the PARROT® SOUND SYSTEM. These products, which are currently being listed, will benefit from a major marketing budget starting in September and backed up by a specialized sales team.

SALES	Million euros	Change vs. 2005 (%)
Q1 2006	33.2	+145%
Q2 2006	41.7	+138%
H1 2006	74.9	+142%

Audited Proforma IFRS revenues

Henri Seydoux, Parrot’s Chairman and Chief Executive Officer, declares: “*We are very satisfied with this first half of the year. Indeed, we have seen very strong growth across the entire range of Bluetooth handsfree kit products over the period. 2006 is set to be an undeniably promising year.*”

The detailed results for the first half of 2006 will be published on September 14th.

ABOUT PARROT

Founded in 1994, Parrot has rapidly established itself as a major global player for wireless peripherals around the mobile phone. Capitalising on the know-how acquired in the fields of voice recognition and digital signal processing technologies, Parrot has been one of the first companies to develop Bluetooth® wireless hands-free car kits, having identified this standard’s great potential as early as 1999. In 2005, Parrot sold 865,000 units.

Determined to be part of the mobile telephone’s increasing importance in day-to-day life, Parrot has developed two new products in 2006: the Parrot Photo Viewer, an LCD photo frame designed to display photos transmitted from a mobile telephone via Bluetooth®, and the Parrot Sound System, a wireless hi-fi system with Bluetooth®-enabled speakers.

Today, Parrot has a major international focus, both in terms of client base, with 87.7% of sales generated outside of France, and in terms of production, outsourced to strictly selected and monitored partners enabling to provide superior quality and flexibility. Parrot is now particularly well positioned to capitalize on the multiple opportunities arising from the development of new peripherals around the mobile phone.

Parrot has achieved strong growth in its consolidated revenues, up from 29.2 million euros in 2004 to 62.5 million euros (80.9 million euros pro forma) in 2005.

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