



PRESS RELEASE – Regulated information

Wetteren (Belgium), 10 November 2009

Spector Photo Group: Trading Update for third quarter of 2009

Retail Group:

- Difficult market conditions due to low consumer confidence
- Turnover drops from € 135.52 million to € 121.36 million (-10.4%)
- EBITDA amounts to € 2.44 million compared to € 6.09 million one year ago (-60%)

Imaging Group:

- Slowdown in growth of digital photography due to the current economic conditions
- Turnover increases by 1.8% from € 53.02 million to € 53.95 million
- EBITDA falls from € 3.45 million to € 1.72 million (-50.1%)

Segment information from continuing operations

Unaudited figures prepared in accordance with IFRS

(in €'000)	September 2008	September 2008 revised	September 2009	Δ in %
Revenue				
Total	205 355	187 953	174 725	-7.0%
Retail	152 901	135 515	121 362	-10.4% (1)
Imaging	53 015	53 015	53 953	1.8% (2)
Corporate	573	573	583	1.7%
Intersegment	-1 134	-1 150	-1 173	-2.0%
EBITDA				
Total	8 041	9 153	3 677	-59.8%
Retail	4 981	6 093	2 439	-60.0% (1)
Imaging	3 451	3 451	1 723	-50.1%
Corporate	- 390	- 390	- 484	-24.1%

(1) The figures for 2008 were revised in accordance with IFRS 5, whereby the Hungarian Föfoto Kft was recognised under the discontinued operations. This 100% participation was divested via a management buy-out (MBO) during the second quarter of 2009.

(2) Until the third quarter of 2008, the participating interest in the Italian FLT SpA was consolidated via the proportionate method (49%). With effect from the fourth quarter of 2008, this participating interest was recognised as a financial asset. Without FLT in the first 9 months of 2008, the revenue for the first 9 months of 2009 would have increased by 6.3%.

Retail Group

The slight recovery in consumer confidence of recent months was insufficient to offset the continuing negative impact of the economic crisis. Employment figures remain negatively oriented, and job security decreases day by day. Retail faces the consequences of this in the turnover trend: during the first nine months of 2009, the revenue decreased from € 135.52 million to € 121.36 million (-10.4%). Compared to the third quarter of 2008, revenue fell by 9% on a quarterly basis, after a fall of 9.5% in the second quarter, and 12.5% in the first quarter of 2009.

In the first 9 months of 2009, the EBITDA decreased from € 6.09 million to € 2.44 million (-60%). The EBITDA for the third quarter of 2009 amounted to € 1.32 million, a decline of 32.6% compared to the € 1.96 million that was realised during the same period last year.

The Belgian and Luxembourg markets have been confronted by a number of similar trends. The average price of electronics continued to decrease. Moreover, the market is faced with some saturation due to the lack of new product launches. This concerns MP3 players, wide-screen TVs, digital cameras (with the exception of reflex cameras), GPS equipment and computer games.

On the other hand, the sale of notebooks and netbooks developed positively at the expense of desktop computers. The revenue in telephony saw a slight increase, thanks to the success of new mobile smartphones. DVD and Blu-ray players also did well.

Finally, it is worth noting the good performance in sales of white goods (fridges, washing machines, etc.) in Luxembourg. The white goods market is indeed an important replacement market.

Besides the fall of the turnover, the most important cost items of the retail activities, such as wages and salaries and rent payments, remain relatively high.

On 30 September 2009, the Retail Group had 105 shops: 88 in Belgium, 4 of which are franchises, 16 shops in Luxembourg and one in France. Compared to the end of December 2008, this is an increase of one shop (in Belgium). No new shop opening is planned for the fourth quarter of 2009.

Imaging Group

The revenue for the first 9 months increased by 1.8%. Without taking FLT into account, which was recognised as a financial asset with effect from the fourth quarter of 2008, the growth in revenue was actually 6.3%. The negative evolution of the exchange rates for some Northern European currencies, such as the Swedish krona, also had a negative impact on the revenue of 1.5%. Overall, we can say that the digital photo market was also affected by the economic conditions.

Revenue from the digital products, such as photo books, photo calendars and photo on canvas, however, still continues to show double digit growth. Photo books, for example, continue to do well in the group's extensive range of products, and show a volume increase of 91% in comparison with September last year. A larger proportion of the annual revenue will be concentrated in the fourth quarter. In 2008, the fourth quarter represented 30% of the revenue.

The analogue revenue continues to fall (almost -50%). In addition, the revenue via the Spector channel for the independent photo specialists continues to experience difficulties because of a too limited shift towards the successful digital products with added value.

Filmobel, the wholesaler for the independent photo specialists, however, still continues showing growth after 9 months compared to last year.

PROSPECTS (*)

Photo Hall – Retail Group

In the short term, the group perceives no substantial improvement in market conditions, so that the consumption of durable consumer goods will remain under pressure. The strict cost control will therefore be continued unchanged. The group will also continue to focus sharply on offering products with the best value for money to its customers.

Photomedia – Imaging Group

Notwithstanding the fact that the economic situation seems to be putting pressure on the Imaging activities and is slowing down growth slightly, growth is also expected in the fourth quarter.

Spector Photo Group's profile

Spector Photo Group is a diversified multimedia and photo group with some 800 employees, operating in 14 European countries. Spector Photo Group's shares are traded on Euronext Brussels (ISIN BE000366748, stock code SPEC).

Spector Photo Group has two core activities that are structured in two separate divisions:

The Retail Group, which contains the retailing of consumer electronics and multimedia products under the brand names Photo Hall and Hifi International. At the end of September 2009, the Retail Group had 105 shops, of which 101 are under the group's own management, spread across Belgium, the Grand Duchy of Luxembourg, and France. The group also operates 2 e-commerce points of sale. The Retail Group's revenue represents 69% of the revenue of the group's continuing operations as at the end of September 2009.

The Imaging Group converts digital and analogue photographs into photo prints, photo calendars, photo diaries, photo books, photo on canvas, photo gifts, etc. Imaging uses ExtraFilm™ as its strategic brand name for its mail-order service. In addition, the group reserves its Spector™ brand name for its partnership with specialised photographic businesses. The Imaging Group's revenue represents 31% of the revenue from the group's continuing operations as at the end of September 2009.

Financial calendar

9 February 2010*	(after exchange closed)	Trading Update for 2009
9 March 2010*	(before exchange opens)	2009 Annual results
12 May 2010	(before exchange opens)	Trading Update for first quarter of 2010
30 August 2010*	(after exchange closed)	Half-year results and Half-yearly financial report for 2010
28 October 2010*	(after exchange closed)	Trading Update for third quarter of 2010

* indicative dates

Definitions

Turnover = Revenue.

EBITDA = profit/loss (-) from operating activities corrected for depreciations, amortisations and provisions.

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(*) This press communication contains forward-looking information that is based on the current internal estimates and expectations. The forward-looking statements contain inherent risks and only apply at the date on which they are communicated. It cannot be excluded that the actual results differ considerably from the forward-looking expectations that have been incorporated in this message.

This press release is an English translation of the official Dutch version.