



## PRESS RELEASE

### Spector Photo Group – Trading update for 2009

Wetteren (Belgium), 9 February 2010

- **Retail Group: difficult market conditions persist**
- **Imaging Group: stable turnover on an annual basis**

#### Revenue

Provisional unaudited figures prepared in accordance with IFRS

(in EUR '000)	4 <sup>th</sup> quarter			YTD		
	2008	2009	% change	2008	2009	% change
Retail	54 899	48 559	-11.55%	190 414	169 922	-10.76%
Imaging	23 497	20 868	-11.19%	76 512	74 821	-2.21%
Corporate	189	194	2.65%	762	777	1.84%
Intersegment	- 380	- 369	-2.89%	- 1 530	- 1 542	0.82%
<b>Spector Photo Group</b>	<b>78 205</b>	<b>69 252</b>	<b>-11.45%</b>	<b>266 159</b>	<b>243 977</b>	<b>-8.33%</b>
Discontinued operations	7 014			24 470	3 565	
Intersegment	- 21			- 76		
<b>Total</b>	<b>85 198</b>			<b>290 553</b>	<b>247 542</b>	

(1): Since the fourth quarter of 2008, the Italian company FLT has been recognised as a financial asset and is therefore no longer proportionally consolidated at 49%.

(2): The Hungarian company Föfoto was recognised under 'discontinued operations' for the entire year of 2008 and the first quarter of 2009. This wholly-owned subsidiary was divested via a management buy-out (MBO) during the second quarter of 2009.

### Retail – Photo Hall

The retail operations under the Photo Hall brand realised revenues amounting to EUR 169.92 million in 2009, a decline of 10.8% in comparison with EUR 190.41 million in 2008. The fourth quarter experienced a similar development with an 11.5% drop in turnover. Consumer spending clearly continues to be unfavourably affected by the weak economic conditions.

Photo Hall in Belgium and Hifi International in Luxembourg saw a fall in the number of their sales transactions by a little more than 4%; deflation was responsible for the remainder of the drop in turnover. Market saturation and a lack of innovative products were the underlying reasons for this.

In the product lines, mobile telephony and reflex cameras were the only ones that showed increases in turnover, both in Belgium and in Luxembourg. In Luxembourg, Hifi International achieved an important increase in turnover with its recently introduced range of white goods.

Two new shops were opened during the fourth quarter, one in Schilde and one in Liege's Mediacité complex. Over the entire 2009 year, in Belgium five new shops were opened, two were closed and one franchise shop came under own management.

At the end of 2009, Photo Hall Belgium had a total of 90 shops (+3); Hifi International in Luxembourg counted 16 shops (unchanged), while the group still has one shop in France. Photo Hall Belgium and Hifi International also each have an e-commerce sales point.

## Imaging - Photomedia

The revenue from Photomedia amounted to EUR 74.82 million in 2009, a decrease of 2.2% in comparison with 2008. If the Italian FLT, which was proportionally consolidated in the first three quarters of 2008, and exchange rate differences, particularly the Swedish krona, were not taken into account, the annual turnover would have shown an increase of 1.8%. Undoubtedly, the economic situation has had an unfavourable impact, on top of the continued decline of analogue photography.

Activity increased again during December and developed as planned, whereas October and November showed contrastingly a disappointing development. This led to an 11.2% decrease in turnover for the fourth quarter.

The operating income from ExtraFilm's **digital mail order** activities increased over the entire year by 17% in comparison with 2008, while the analogue activities dropped by 49%. This means that digital photography represents 81% of the mail order revenues (70% in 2008), with analogue now only responsible for 19%. The new product lines such as photo books, calendars, and photos on canvas, are continuing their strong growth, resulting in the pure prints' share of the digital mail order revenue continuing to decrease. Photo books saw a growth of 53%; photo gifts 40%. Focused marketing campaigns in the form of discounts resulted in lower turnover. In contrast to this, the direct marketing and publicity costs have fallen sensitively.

**Filmobel** again realised an increase in its turnover in 2009.

The Spector™ brand, which is used exclusively for supplying **specialised photographic businesses**, saw its turnover decrease in 2009.

### 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 BE0003663748, stock code SPEC).

Spector Photo Group has two core activities that are structured into 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 December 2009, the Retail Group had 107 shops, of which 103 were under the group's own management, spread across Belgium, the Grand Duchy of Luxembourg, and France. The group also operates 2 e-commerce sales outlets. The Retail Group's revenues represented 69.6% of the revenue from the group's continuing operations during the 2009 financial year.

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 represented 30.4% of the revenue from the group's continuing operations during the 2009 financial year.

### Financial calendar

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 closes): Half-year results and Half-year financial report for 2010  
28 October 2010 (after exchange closes): Trading update for third quarter of 2010  
8 February 2011 (after exchange closes): Trading update for 2010

### Definitions

Turnover = Revenue

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