



PRESS RELEASE – Regulated information

Wetteren, Belgium, 8 May 2013

Spector Photo Group – Trading update for first quarter of 2013

Spector Photo Group:

- E-commerce:
 - The revenue amounts to EUR 6.1 million;
 - (R)EBITDA decreases due to start-up costs for new initiatives.
- Wholesale:
 - Increase of the revenues by 4.6% to EUR 4.5 million;
 - (R)EBITDA develops favourably from minus EUR 0.12 million to minus EUR 0.02 million, i.e. +82.4%.
- Group:
 - (R)EBITDA develops from minus EUR 0.55 million to minus EUR 0.67 million
 - Continuing reduction of the interest bearing financial obligations by EUR 0.73 million.

Segment information

Unaudited figures prepared in accordance with IFRS

Reportable segments

	(in € '000)	March 2012	March 2013	Δ in %
Revenue				
Total		11 111	10 577	-4.8%
E-commerce		6 846	6 115	-10.7%
Wholesale		4 265	4 463	4.6%
REBITDA				
Total		- 473	- 567	-19.8%
E-commerce		- 352	- 546	-55.3%
Wholesale		- 122	- 21	82.4%

Reconciliations

	(in € '000)	March 2012	March 2013	Δ in %
Revenue				
Total revenue for reportable segments		11 111	10 577	-4.8%
Elimination of intersegment revenue		- 657	- 510	22.4%
Other			8	-
Total revenue		10 454	10 075	-3.6%
REBITDA				
REBITDA reportable segments		- 473	- 567	-19.8%
REBITDA not allocated to reportable segments		- 81	- 98	-21.6%
Total REBITDA		- 554	- 665	-20.1%

Discontinued operations

	(in € '000)	March 2012	March 2013	Δ in %
Revenue Photo Hall Group (Retail)		29 184		
Intersegment		- 14		
REBITDA Photo Hall Group (Retail)		-1 273		

Due to the divestment of the Retail Group's companies, specifically Hifi International SA and Photo Hall Multimedia NV and their wholly-owned subsidiaries, the comparative figures for the first quarter of 2012 have been restated in accordance with IFRS 5. The Retail Group's results have been recognised under the 'discontinued operations'.

Description of the financial position

The seasonal nature of both the E-commerce operations and the Wholesale operations form the basis for the evolution of the financial position.

The total financial position decreased from EUR 39.60 million at year-end 2012 to EUR 34.02 million at the end of March 2013.

The most important items are the following:

- The total assets compared to December 2012 were minus EUR 5.58 million lower mainly due to a decrease of EUR 2.72 million in current trade and other receivables, and a decrease in cash and cash equivalents by EUR 2.73 million.
- Compared to year-end 2012, the equity has decreased primarily due to the loss for the first three months, and amounted at the end of March 2013 to EUR 19.82 million, i.e. EUR 0.56 for each share entitled to a dividend.
- The interest-bearing financial liabilities have been further reduced by EUR 0.73 million. In addition, the trade and other payables decreased by EUR 3.45 million, and the employee liabilities decreased slightly by EUR 0.30 million.
- The solvency ratio amounts to 58.3% compared to 52.8% at the end of December 2012.

Description of the results

smartphoto Group – E-commerce

The E-commerce operations of the smartphoto Group include all the activities relating to providing photo products to end consumers.

The revenues decreased by minus EUR 0.7 million. Against a downward trend in photo prints, the revenues from photo-related products increased, mainly from photo books, photo cards, and photo gifts.

The crisis in Southern Europe was slightly noticeable in the first quarter; however, measures were already being taken to boost sales and reduce costs.

The REBITDA evolved from minus EUR 0.35 million to minus EUR 0.55 million. Because of the operations' seasonal nature the first quarter traditionally results in a loss.

The REBITDA was unfavourably affected by start-up costs of new initiatives to provide websites for retailers and the further development of mobile solutions for smartphones and tablets.

smartphoto Group – Wholesale

The Wholesale activities aim at companies or independent traders, with a mix of hardware sales and photo products.

The revenues increased despite the difficult economic situation in Belgium.

The REBITDA evolved from minus EUR 0.12 million to minus EUR 0.02 million. The Wholesale operations also have a first quarter that is traditionally loss-making due to the seasonal nature.

Nevertheless, through continued cost optimisation an improvement has been achieved.

Prospects for 2013 ⁽¹⁾

The smartphoto Group expects a slight increase in revenues for the entire 2013 financial year, with profitability remaining the same, despite continued negative economic circumstances.

Spector Photo Group's profile

Spector Photo Group operates in 14 European countries and focuses on both consumers and businesses. Spector Photo Group's shares are traded on Euronext Brussels (ISIN BE0003663748, stock code SPEC).

Spector Photo Group operates in B2C E-commerce with affordable high-quality photo products, such as photo books, photo cards, photo calendars, photos on canvas, and photo gifts, under the brand name *smartphoto*TM.

smartphoto.biz, using the same products, focuses on businesses and organisations that want to offer personalised products.

The Wholesale segment is positioning itself as a distributor of photo hardware to independent traders who do not want to join a franchise concept, and offers 'à la carte' services in this context.

In addition, 'Spector by *smartphoto*' supplies, within the Wholesale segment, high-quality photo products to independent photographers.

smartphotoXL is positioning itself as the professional provider of visual communications, presentation systems, and printed textiles for business-to-business customers and specialised resellers.

Financial calendar

29 August 2013 ⁽²⁾	after exchange closes	Half-year results and half-year financial report for 2013
24 October 2013 ⁽²⁾	after exchange closes	Trading Update for third quarter of 2013
6 March 2014 ⁽²⁾	before exchange opens	2013 Annual Results
14 May 2014	before exchange opens	Trading update for first quarter of 2014

Definitions

REBITDA = Profit/loss (-) from operating activities before non-recurring items, adjusted for depreciation, amortisation, impairment and provisions (Recurrent Earnings Before Interest, Tax, Depreciation and Amortisation).

EBITDA = Profit/loss (-) from operating activities adjusted for depreciation, amortisation, impairment and provisions (Earnings Before Interest, Tax, Depreciation and Amortisation).

Solvency ratio = Total equity as a percentage of the net assets.

For additional information, please contact:

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⁽¹⁾ This press release 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 report.

⁽²⁾ Indicative dates

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