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CECONOMY's majority holding MediaMarktSaturn finds sustainable solution for its Greek activities

- **Foundation of a new entity together with investment company Olympia Group; MediaMarktSaturn to hold 25%, Olympia Group to take over 75% of the new entity**
- **Contribution of MediaMarkt Greece and consumer electronics and entertainment retailer Public in Greece and Cyprus**
- **Continuation of the MediaMarkt Greece and Public store network under their respective brands; full transfer of all guaranties and customer obligations**
- **Participation in a strong local player enables future-oriented positioning in the Greek and Cypriot CE market**

Düsseldorf, 2 July 2019 – Media-Saturn-Holding GmbH (“MediaMarktSaturn”), which is majority-owned by CECONOMY AG (“CECONOMY”), and Olympia Group Ltd. (“Olympia Group”) have signed a deal to create a new corporation covering the Greek and Cypriot market. According to the agreement, Olympia will hold 75% and MediaMarktSaturn will hold 25% of the new company. Both organizations are contributing the operating companies MediaMarkt Greece and the consumer electronics and entertainment retailer Public in Greece and Cyprus to the new company.

The stores of the two companies will continue to operate under their respective brand names. All guarantees and obligations to customers and suppliers will be assumed by the new corporation and thus continue to apply as before. The closing of the deal is subject to merger control clearance and will most likely occur in financial year 2019/20.

With this transaction, CECONOMY's majority holding MediaMarktSaturn has found a sustainable solution for its Greek activities. At the same time, the participation in a strong local player enables the future-oriented positioning in the Greek and Cypriot market. The new entity will have an estimated share of around 14%¹; at eye level with the market leader. Convergenta Invest

¹ Indicative market shares based on publicly available information and own estimates based on own market intelligence.

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GmbH, who holds around 22% of MediaMarktSaturn, also welcomes the decision and supports the solution for the Greek activities.

The transaction is expected to lead to a positive EBIT effect between EUR 20 million and EUR 35 million in CECONOMY's consolidated financial statements in financial year 2019/20. Savings from the elimination of operational losses of the Greek MediaMarkt business will amount to a low to mid single-digit million EUR amount as of closing date. The positive EBIT effect as well as the savings are part of the reorganization and efficiency program of CECONOMY and MediaMarktSaturn, respectively. Depending on the development of the Greek economy, the Greek consumer electronics market and the integration process, the annual contribution of CECONOMY's equity share in the new company is expected to reach a low single-digit million EUR amount as of 2022 onwards. This is also a result of synergies, mainly driven by scale effects and an optimized assortment.

MediaMarkt Greece currently operates 12 stores and the online shop mediamarkt.gr. In the past financial year 2017/18, it generated sales of EUR 186 million, putting it in 4th place in a highly fragmented overall market. With 55 stores and the websites public.gr and public-cyprus.com.cy, Public generated sales of EUR 256 million and increased its EBITDA year-on-year by more than 150 per cent to EUR 9.1 million. The company currently holds 3rd place in the market.

About CECONOMY

CECONOMY AG empowers life in the digital world. It is leading for concepts and brands in the field of consumer electronics. The companies in the current CECONOMY portfolio have billions of consumer contacts per year and provide products, services and solutions that make life in the digital world easy and enjoyable, creating value for consumers and shareholders alike.

About MediaMarktSaturn

The MediaMarktSaturn Retail Group is Europe's leading retailer of consumer electronics and related services. The Group sees itself as a partner, daily companion and navigator in the digital world. With its portfolio of formats and brands, MediaMarktSaturn responds flexibly to the needs of various customer groups and countries: The company includes the MediaMarkt and Saturn brands, which

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comprehensively network their approximately 1,000 stationary stores, of which 430 are in Germany, with online sales platforms. Its own brands PEAQ, KOENIC, ISY and ok. round off the portfolio.

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