

TRADING STATEMENT

**CECONOMY ACHIEVES SALES TARGET FOR FY 2018/19;
FULL-YEAR EARNINGS ON PRIOR-YEAR'S LEVEL**

Düsseldorf, 23 October 2019

Dr Bernhard Düttmann, CEO of CECONOMY: “We made noticeable progress in financial year 2018/19. Nevertheless, it is clear that we need to continue with the further development and execution of the strategy. This includes a customer-centric business model as well as central initiatives such as supply chain and category management. We will present the results of the ongoing strategy process as planned around the turn of the calendar year.”

Karin Sonnenmoser, CFO of CECONOMY: “We achieved our full-year sales. Earnings came in slightly ahead of expectations, which is essentially due to a better than expected business development in Spain, Italy and Germany in the fourth quarter. We are also pleased to see the reorganization and efficiency program fully on track.”

Ferran Reverter, CEO of MediaMarktSaturn: “We have succeeded in stopping the negative trend and at the same time setting the first course for a sustainably successful future. We will drive profitable growth by further improving our digital capabilities and expanding our Services & Solutions offering. Moreover, progress on centralisation is steadily building. This also supports the business to even better plan and steer the upcoming Black Friday season.”

FY 2018/19

CECONOMY AG (“CECONOMY”) successfully stabilised its activities in the past financial year 2018/19 and continued its positive development, particularly in the online business. The declining trend in store traffic was also slowed down. The company has thus created the basis for the successful implementation of its ongoing strategy process.

- **Sales** adjusted for currency effects and portfolio changes increased by +0.8%; reported sales increased by +0.2% to 21,455 €m; sales growth driven by successful activities around Black Friday and further positive momentum from other successful marketing campaigns
- **Online** sales increased by +13% yoy to 13.7% of total sales (FY 2017/18: 12.1%); excl. the online business in the Netherlands, which was strongly impacted by temporary difficulties with product availability due to switch to new online warehouse, online sales increased by +15% yoy; pick-up rate increased strongly to 47% (FY 2017/18: 42%)
- **Services & Solutions** sales according to IAS 18 grew by +1% yoy, accounting for 7.0% of total sales (FY 2017/18: 6.9%); extended warranties due to an improved offer as well as repair services driven by in-store smartbars developed positively; mobile business impacted by high comps due to successful GSM campaign “Tarifsensation” in the prior year

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- **Outlook: Sales targets** achieved; full-year **earnings** on prior-year's level and thus slightly better than expected. The outlook is adjusted for exchange rate effects and before portfolio changes. Expenses in connection with the reorganization and efficiency program announced on 29 April 2019 are not included. Expenses for top management changes in the first quarter of 2018/19 are also not included.

	Sales (€ million)		Change FY 2018/19	Currency effects FY 2018/19	Sales adjusted for currency and portfolio change effects
	FY 2017/18	FY 2018/19			FY 2018/19
Total	21,418	21,455	0.2	-0.6	0.8
DACH	12,410	12,565	1.2	0.1	1.1
Western/Southern Europe	6,777	6,807	0.4	0.0	0.4
Eastern Europe	1,689	1,567	-7.2	-7.4	0.2
Others	542	516	-4.7	-3.0	-1.7

Note: All figures in the previous year are from continuing operations only.

Q4 2018/19

Also in the fourth quarter of the financial year, CECONOMY benefited from the positive momentum of successful campaigns. In Germany, positive impulses from these campaigns (e.g. on the 40th anniversary of MediaMarkt) more than compensated for the effects of the strong VAT campaigns of the previous year. The Netherlands was affected by the challenging competitive situation and temporary difficulties in product availability due to the switch to a new online warehouse. In Turkey, sales continued to develop solidly.

- **Sales** adjusted for currency effects and portfolio changes increased by +0.5%; reported sales increased by +0.9% to 4,996 €m; solid sales growth driven by online business, successful campaigns and a low comparable basis
- **Online** sales rose by +4% yoy, accounting for 12.7% of total sales (Q4 2017/18: 12.3%); excl. the online business in the Netherlands, online sales increased by +9% yoy; strong demand for pick-up option, which increased to 50% vs. 43% in the prior year
- **Services & Solutions** sales according to IAS 18 grew by +1% yoy, accounting for 8.0% of total sales (Q4 2017/18: 8.0%); strong demand for extended warranties and repair services more than compensated weaker mobile and financing business

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	Sales (€ million)		Change	Currency effects	Sales adjusted for
	Q4 2017/18	Q4 2018/19			and portfolio change
			Q4 2018/19	Q4 2018/19	effects
Total	4,953	4,996	0.9	0.3	0.5
DACH	2,843	2,891	1.7	0.2	1.5
Western/Southern Europe	1,622	1,614	-0.5	0.0	-0.5
Eastern Europe	362	374	3.3	3.6	-0.3
Others	126	117	-7.3	-1.8	-5.5

Note: All figures in the previous year are from continuing operations only.

Online and Services & Solutions

	Sales (€m)		Change (%)	in % of total sales	Sales (€m)		Change (%)	in % of total sales
	Q4 2017/18	Q4 2018/19			FY 2017/18	FY 2018/19		
	Online	608	635	4.4	12.7	2,592	2,935	13.2
Services & Solutions (acc. to IAS 18)	396	401	1.2	8.0	1,478	1,497	1.3	7.0

Store network as of 30 September 2019

	30/09/2018	Openings		Closures		30/09/2019
		FY 2018/19	FY 2018/19	FY 2018/19	FY 2018/19	
Germany	432	2	-3			431
Austria	52	-	-			52
Switzerland	27	-	-1			26
Hungary	24	8	-			32
DACH	535	10	-4			541
Belgium	29	-	-2			27
Greece	12	-	-			12
Italy	115	2	-			117
Luxembourg	2	-	-			2
Netherlands	49	-	-			49
Portugal	10	-	-			10
Spain	85	3	-			88
Western/S. Europe	302	5	-2			305
Poland	86	5	-1			90
Turkey	71	8	-1			78
Eastern Europe	157	13	-2			168
Sweden	28	-	-			28
Others	28	-	-			28
CECONOMY	1,022	28	-8			1,042

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Financial calendar

Q4/FY 2018/19 results	Tuesday	17 December 2019
Q1 2019/20 results	Friday	7 February 2020
Annual General Meeting	Wednesday	12 February 2020
Q2/H1 2019/20 results	Thursday	14 May 2020
Q3/9M 2019/20 results	Thursday	13 August 2020
Q4/FY 2019/20 trading statement	Friday	23 October 2020
Q4/FY 2019/20 results	Tuesday	15 December 2020

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