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Press Release

Annual General Meeting 2019: CECONOMY informs on the transformation of the company

- **Higher sales and stabilised earnings in Q1 2018/19, outlook for financial year 2018/19 confirmed**
- **Financial year 2017/18 failed to meet expectations; no basis for a dividend distribution**
- **Focus on reducing costs and centralisation, but also on the growth areas Online and Services & Solutions**

Düsseldorf, 13 February 2019 – At today's Annual General Meeting of CECONOMY AG, the Management Board and Supervisory Board will inform the shareholders about the company's first complete financial year after the demerger. "We have made some important structural and operational progress. We withdrew from the loss-making Russian business, firmly agreed on the sale of our METRO stake and successfully stabilised our equity situation by carrying out a capital increase. Nevertheless, 2017/18 was also a financial year in which we failed to meet many expectations. This applies in particular to our financial development," says Dr. Bernhard Düttmann, CFO of CECONOMY AG.

As announced, CECONOMY closed financial year 2017/18 below its own original earnings forecast. "The significant decline in earnings with a balance sheet loss for CECONOMY AG influences our ability to pay a dividend or, more specifically, the basis for a distribution for the past financial year. There is no basis for a payout," says Dr. Bernhard Düttmann: "The Management Board and the Supervisory Board have therefore decided to use the funds available to advance the transformation of the company as quickly as possible."

After the challenging development in 2017/18, CECONOMY had defined measures for the faster and more focused implementation of its strategic initiatives. In the future, the company plans to focus even more strongly on the strategic growth areas of Online and the Services & Solutions business than before. The transformation has already been initiated with the realignment of the management teams of CECONOMY and MediaMarktSaturn. Shareholders and the public are to be informed about the components of the programme for reorganising and optimising processes and structures in the administrative units no later than in May, when the Q2/H1 results are published. In the first quarter of financial year 2018/19, CECONOMY succeeded in increasing its sales and stabilising its operating business despite a weak October. Against this backdrop, CECONOMY confirms its outlook for financial year 2018/19.

Besides the information of shareholders about current developments and the formal discharge of the Management Board and Supervisory Board for financial year 2017/18, Dr. Fredy Raas is to be re-elected to the Supervisory Board at the Annual General Meeting. Dr. Fredy Raas has been a member of the Supervisory Board of CECONOMY AG as a shareholder representative since July 2013. In addition, Jörn Werner, CEO of CECONOMY AG from 1 March, and Karin Sonnenmoser, CFO of the company from 1 March, will introduce themselves.

From 2015 to 2018, 57-year-old Werner headed the workshop chain A.T.U Auto-Teile-Unger Handels GmbH & Co. KG, of which he was named Chairman of the Supervisory Board last May. Before that, he was responsible for the strategic realignment of the electronics retail chain Conrad Electronic SE as its CEO. Sonnenmoser (49) was most recently responsible for finance and procurement at the listed Austrian lighting manufacturer Zumtobel Group AG. She started her professional career with the VW Group.

Voting results on the Internet

The detailed voting results for the individual agenda items of the Annual General Meeting will be published on Thursday, 14 February 2019, at around 10 a.m. at www.ceconomy.de/Hauptversammlung.

About CECONOMY

CECONOMY AG empowers life in the digital world. It is the leading European platform for companies, 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.

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