

*It's no secret that retail at the moment is excruciatingly hard, but why has Metro Group switched from up-beat to gloom after Q1/Q2? It's not all about Media-Saturn, that's for sure...*

*This text below is direct from Metro's own 2012 H1 business report and it suggests the Media-Saturn business was never easy this year. Media-Saturn were more than 100 million euro off EBIT from last year (and deep in the red) even as the global HQ was reporting a rosier outlook (presumably based on their other assets).*

*One significant point is that **only 3.8% of total sales were generated online** which does not compare well with other CE retailers today (In January 2012, Dixon's Group published its online sales as 19% of business; sure, the online sales can be affected by markets-served as some cultures are more pre-disposed to web buying but the trend line is clear.)*

*Follow the Metro Group 2012 H1 report on Media-Saturn (immediately below) and decide for yourself...*

### **METRO GROUP FINANCIAL REPORT-- SECTION ON MEDIA-SATURN**

"From January to June 2012, sales of Media-Saturn climbed by 2.3% to € 9.5 billion (in local currency: +2.5%) against the backdrop of a persistently difficult economic situation. The online business continued its dynamic growth owing to the acquisition of Redcoon and the successful launch of the German multichannel offerings. Online sales climbed to € 322 million (H1 2011: € 41 million). In the 2nd quarter, sales rose significantly by 4.5% to € 4.5 billion. Quarterly sales also benefitted from the successful marketing campaigns in the framework of the European Football Championship.

Media-Saturn	H1 2011 (€ billion)	H1 2012 (€ billion)	Change	Change in local currency
<b>Sales</b>	<b>9.3</b>	<b>9.5</b>	<b>2.3%</b>	<b>2.5%</b>
Germany	4.1	4.4	5.5%	5.5%
Western Europe (excluding Germany)	4.0	3.9	-2.5%	-3.0%
Eastern Europe	1.1	1.2	5.7%	9.5%
Asia (China)	39 million	69 million	-	-
<b>EBIT (before special items)</b>	<b>22 million</b>	<b>-79 million</b>	<b>-101 million</b>	

Media-Saturn	Q2 2011 (€ billion)	Q2 2012 (€ billion)	Change	Change in local currency
<b>Sales</b>	<b>4.3</b>	<b>4.5</b>	<b>4.5%</b>	<b>4.7%</b>
Germany	1.9	2.1	11.4%	11.4%
Western Europe (excluding Germany)	1.9	1.9	-2.5%	-2.8%
Eastern Europe	0.5	0.6	3.1%	6.6%
Asia (China)	21 million	34 million	-	-
<b>EBIT (before special items)</b>	<b>-44 million</b>	<b>-59 million</b>	<b>-15 million</b>	