



PRESS RELEASE – Regulated information

UNDER EMBARGO UNTIL JULY 24, 2012 – 10.15 a.m.

Photo Hall seeks buyer through the law on the continuity of companies.

Wetteren, Vorst (Belgium), 24 July 2012 – The retail chain for multimedia products Photo Hall Multimedia SA, a subsidiary of Spector Photo Group NV, has informed its Works Council that today the procedure will be started at the commercial court to appeal to the law on the continuity of companies ('Wet op de Continuïteit van Ondernemingen - WCO'). The intention is to use this procedure to find a buyer for the activities of the Retail Group in Belgium and Luxembourg.

For some time the Retail Group is experiencing the impact of the crisis combined with the decline of the market of consumer electronics, the pressure on prices and increased competition.

Since the start of 2011, various measures have been taken to improve the situation. Besides the closure of several shops in 2011 and 2012, the management has changed. Furthermore, there was also a reduction in the number of staff, the inventories were drastically reduced, and the parent company, Spector Photo Group NV, increased its equity in Photo Hall ⁽¹⁾.

The result of these measures turned out to be insufficient in order to find a short term agreement with the lenders. The Board of Directors of Photo Hall Multimedia SA therefore decided to seek a buyer for its activities under the protection of the Law on the continuity of companies - Art. 59 to Art. 70 - "Judicial reorganization through transfer under judicial authority."

Through this procedure, Photo Hall wants to do everything it can to ensure the continuity, to ensure the preservation of jobs, to guarantee the service to its customers and to safeguard the relationship with its commercial partners.

With this decision of the Board of Directors of Photo Hall Multimedia SA, Spector Photo Group NV will record the Retail Group as of July 1, 2012, as assets held for sale in the consolidated figures.

On an annual basis, the Retail Group generated EUR 141.33 million revenues in 2011 and an EBITDA of EUR - 1.23 million. The net financial debt of the Retail Group at year-end 2011 amounted to EUR 29.59 million. For the entire group, the net financial debt at the end of 2011 amounted to EUR 32.13 million.

At final deconsolidation there will be no effect on the consolidated equity of Spector Photo Group under IFRS. Since there are absolutely no financial obligations of Spector Photo Group NV towards the creditors of its subsidiary Photo Hall Multimedia SA, there will be no further financial impact on the group.

Spector Photo Group

Spector Photo Group is a diversified multimedia and photo group with some 650 employees, operating in 15 European countries. Spector Photo Group's shares are traded on Euronext Brussels (ISIN BE000366748, stock code SPEC).

Spector Photo Group has two core activities that are structured into two separate divisions:

The Retail Group, which contains the retailing of consumer electronics and multimedia products under the brand names Photo Hall™ and Hifi International™. At the end of March 2012, the Retail Group had 98 shops spread across Belgium and the Grand Duchy of Luxembourg. The group also operates two e-commerce sales outlets. The Imaging Group's revenues represented 73.6% of the revenue from the group's continuing activities as at the end of March 2012.

The Imaging Group processes digital and analogue photographs into photo prints, photo calendars, photo diaries, photo books, photos on canvas, photo gifts, etc. Imaging uses smartphoto™ as its strategic brand for its mail-order service as well as for its partnership with specialised photographic businesses. The Imaging Group's revenues represented 26.4% of the revenue from group's continuing activities as at the end of March 2012.

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

(1) See press release of March 8, 2012