

PR 56/09

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DSG INTERNATIONAL PLC
Group revenues slightly ahead of expectations

DSG international plc, one of Europe's leading specialist electrical retailers, is today updating the market on trading for the 16 weeks ended 22 August 2009.

- Total Group sales down 6% in sterling and like for like sales down 6%
- Gross margins across the Group were up 0.7% year on year
- Very strong sales performance in the Nordics in a weak market
- UK trading in line with expectations. Sales growth was impacted by:-
 - Anniversary of TV re-pricing
 - Significantly lower levels of B2B sales in PC World
 - Roll out of store refurbishments as part of the Renewal and Transformation plan
- Italian operations performing ahead of expectations as turnaround plan continues to deliver
- Store refit programme roll out at pace with 108 stores now reformatted in the UK
 - On track to reformat an additional 60-80 stores, including 5 further Megastores, by year end
 - Gross profit uplift remains in line with that previously announced
- Successful disposal of operations in Poland
- Overall Group financial performance remains in line with expectations

Sales	16 Weeks ended 22 August 2009		
	Total growth (Sterling)	Total growth (Local Currency)	Like for like growth
UK & Ireland Electricals	(13)%	(14)%	(14)%
UK Computing	(17)%	(17)%	(15)%
Nordics	+16%	+16%	+9%
Southern & Central Europe	(8)%	(14)%	(7)%
e-commerce	+13%	+6%	+6%
Total Group	(6)%	(8)%	(6)%

John Browett, Group Chief Executive, commented:

“Given the challenging environment, this is an encouraging start to the year. Our Nordic business is performing strongly, the UK transformation continues on plan with the refurbished stores continuing to outperform and the Italian turnaround is starting to deliver.

We remain cautious about the economic outlook. However, we are making good progress on our Renewal and Transformation plan to deliver an unbeatable combination of Value, Choice and Service for our customers.”

— Ends —

For further information

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Information on DSG international plc is available at <http://www.dsgiplc.com>

NOTES:

- 1) The change in total sales for the Group exclude discontinued operations and PC City Sweden and Markantalo.
- 2) Like for like sales are calculated based on stores that have been open for a full financial year both at the commencement and end of the financial period. Customer support agreement sales are excluded from all UK like for like calculations. Operations that are subject to closure have sales excluded as of the announcement date. Stores subject to a refurbishment are excluded during the period of refurbishment.
- 3) UK & Ireland Electricals comprises Currys, Currys.digital and Dixons Travel as well as the operations in Ireland.
- 4) UK Computing comprises PC World, DSGi Business and The TechGuys. Like for like sales are for PC World only.
- 5) Nordics comprises the Elkjop group. Markantalo and PC City Sweden, which have been closed, have been excluded from both years.
- 6) Southern & Central Europe comprises Greece (Kotsovolos and ElectroWorld), Italy (UniEuro and PC City Italy store in store), Spain (PC City Spain) and Czech, Slovakia and Turkey (ElectroWorld).
- 7) Poland has been excluded as following its sale it is now a discontinued operation.
- 8) In the comparative 16 weeks to 23 August 2008 total sales in Southern & Central Europe were (4)% with like for like sales of (13)%
- 9) e-commerce division comprises Dixons.co.uk and PIXmania.
- 10) Movements in the financial position, including levels of borrowings, of the Group since the last balance sheet date are reflective of the trading performance outlined above, the raising of £310.6 million from the Placing and Rights Issue which completed on 9 June 2009, the removal of the Group's Hungarian operations which were disposed of on 18 May 2009 and the acquisition of a small Nordic entity for consideration of £11 million which completed on 16 June 2009. These transactions are all disclosed in the Group's most recent Annual Report & Accounts. Other than this, there have been no significant changes in financial position.
- 11) Certain statements made in this announcement are forward looking statements. Such statements are based on current expectations and are subject to a number of risks and uncertainties that could cause actual results to differ materially from any expected future events or results referred to in these forward looking statements. Unless otherwise required by applicable law, regulation or accounting standard, we do not undertake any obligation to update or revise any forward looking statements, whether as a result of new information, future developments or otherwise.