



CODIC



1. Unbeatable offers in Gentofte – El Giganten's biggest store in Denmark. 2. Gigantti doubled its store base in Finland, growing from four to eight stores. 3. Thousands of customers queued to shop in the first Electro World store in Budapest, February 2002. 4. Shopping for fantastic offers at the Electro World opening.



The International Retail division achieved an operating profit of £15.2 million (£22.3 million) on sales increased by 14 per cent to £688 million (£602 million).

**Nordic countries**

Elkjøp's sales increased by 12 per cent to £596 million (£531 million). Although like for like sales were 1 per cent lower, this reflected a downturn in a number of Nordic markets. Elkjøp continued to gain share in each of its markets.



In July 2001, Elkjøp completed the purchase of seven out of town SuperRadio stores in Denmark. These stores have been rebranded under Elkjøp's El Giganten fascia and have shown strong initial results. This acquisition has enabled Elkjøp to grow its base in Denmark, where new store development has traditionally been difficult, and confirms El Giganten's position as the market leader out of town in Denmark.

Elkjøp opened 15 new stores, including five El Gigantens in Sweden and four Gigantti stores in Finland, bringing its total to 148 stores in five countries. We intend to open a further 11 new stores in this financial year.

**Central Europe**

In February, the Elkjøp team launched the Group's first store in Hungary under the Electro World brand. The 43,000 square feet store combines the best of the Group's formats from around Europe. The store has quickly established a strong market presence. We intend to open a further Electro World store in Budapest and our first in Prague this financial year.

**Ireland**

A strong performance in Ireland saw total sales increase by 26 per cent to £56 million (£44 million). Like for like sales increased by 8 per cent. The Group continued to expand outside Dublin, adding our twelfth store, a Dixons in Limerick during the year. We intend to open two further stores this year.



International retail sales up 14%



4. Barkaby is home to the largest El Giganten store in Sweden. 5. Demonstrating the latest in built in cookers at El Giganten, Gentofte, Denmark. 6. UniEuro, Rome. 7. Rafael Gonzalez, sales adviser, PC City, Alicante. 7. Rafael Gonzalez, sales adviser, PC City, Alicante, discusses PC performance with a customer.

## Operating review

### International continued

#### Spain and France

PC City Spain opened its first large superstores in Zaragoza and Madrid. Like for like sales increased by 4 per cent.

In France, PC City opened two stores on the outskirts of Paris, the first of which, in Villebon, attracted 15,000 customers in the first weekend and was the strongest ever opening for a PC City or PC World launch.

The early enthusiasm for PC City in both markets is an encouraging indication of the strength of its proposition across different markets.

#### Italy

In November, the Group acquired a 24.3 per cent stake in UniEuro, one of Italy's leading electrical retailers together with an option to acquire the majority by July 2003 and the balance by July 2004. Since the acquisition, UniEuro has continued to expand aggressively, adding a further 16 stores to bring the total to 77 at year end. Sales in the 12 months to the end of April have grown by 28 per cent. Included in the Group's results is a contribution of £3.8 million, representing the Group's share of operating profits for the five months since acquisition.



169  
stores across  
continental  
Europe



1. The component centre, PC City, Alicante, offers wide component choice. 2. Wanadoo's ADSL offer displayed at PC City, Alicante. 3. Pablo Puerta demonstrates the high quality performance of digital cameras. 4. Choosing from the vast range of PC peripherals in PC City, Alicante.

### European property

The European Property division, Codic, made an operating profit of £16 million (£14.9 million), an increase of 7 per cent, on sales of £78 million (£62 million). We achieved major sales of high-quality office developments in prime locations in Luxembourg, Belgium, France and Germany.

Codic has continued to generate consistently high profits over recent years, while substantially reducing its capital employed.

During the year the management of Codic purchased shares in the company at net asset value. Their initial stake of 4 per cent is expected to increase over time.



European property profits up  
**7%**



5. The Euralliance building in Lille, France, designed and developed by Codic. 6. PC City, Alicante, opened in May 2002 and at 20,000 sq ft, is the largest store in Spain.