

Pentru detalii suplimentare vă stăm la dispoziție:

Adrian Munteanu

Media Relations Officer

4 ACE-pr&publicity

TOUCH THE MOMENT

Str. Horatiu nr. 8 - 10

Telefon/fax: +40 (0) 21 311 30 03

Mobile: +40 728 303 041

<http://www.4ace.ro>

Flamingo Group sales exceeded 150 million euro in 2006 reaching the second place on the market with 18% market share

The process of integrating the retailer Flanco in Flamingo Group and transforming the company in a single strong entity working according the European profitability parameters, cost Flamingo International 13 million euro

The new Flamingo CEO brought a European management style meant to ensure the success of Flamingo Group on medium and long term

Bucharest 15th of 2007: The financial results for 2006 presented by the Group Flamingo International show that the process of making the company's activity efficient cost more than initially estimated. The operational costs caused by the integration process of the Flanco retail chain in the Flamingo structures, meaning 9,6 million euro, alongside with the decrease of the revenues with 3,4 million euro, caused by the sales diminishing, increased the level of company's lost funds to a total of 13 million euro in 2006.

The second player on the IT&C, electronics, electrocasnics and the only rated on the Bucharest Stock Exchange (starting 2005) decided to short the transition towards a company organized according the European management principles trough putting Jiri Rizek in the head of the company and the process of creating a homogenous, coherent structure, better prepared to efficiently operate the restructured shops chains, trough better prepared employees and increased responsibility.

The restructuring process reached all the company's parts. From 2,000, the number of Flamingo International employees in 2005, the number reached 1,400 at the end of 2006 and then 1,200 in March 2007. The unprofitable shops were closed or are the object of the closing process. In the same time, the group strategy was based starting 2006 on opening Flanco World shops, concept based on large surfaces (between 1,300 and 3,000 sqm) and a varied offer of products (more than 4,000).

At the end of 2006, the shops chain functioning under Flamingo International coordination included in 2006 8 Flanco World shops, 61 Flamingo Computers locations and 88 Flanco units, the 45,000 sqm selling surface being divided in the next proportions – 28% Flanco World, 17% Flamingo Computers and 50% for Flanco.

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Flamingo International targets until the end of 2008 a selling surface of 75,000 sqm, trough concentrating over the development of the Flanco World chain – the year 2007 will bring another 13 such locations.

Jiri Rizek, CEO Flamingo declares: "We want that the changes we managed to realize to represent a new beginning for Flamingo International. The first results started to be visible: 80% from all the products inventory is represented of products newer than 6 months, the administrative structure is more efficient, transparent and less expensive, and the shops portfolio is very much improved, functioning at present moment according the profitability criterion. We want to increase the selling surface from 45,000 sqm in 2006, to 59,000 in 2007 and 75,000 in 2008, the estimated increasing percent of sales being of 28% in 2007 and 30% in 2008. In the same time, in 2007 we expect to have a new sales structure – if in 2006 only 12% from all the sales were achieved trough Flanco World, in 2007 the percent increases to 33%. In the same time, the shops functioning under Flamingo Computers brand will maintain their sales share of the group total number, but these will increase as value."

As turnout, Flamingo International estimates that will 172 million euro value in 2007 and a result way superior to assure the group further development until a sales value of 200 million euro in 2008 and 235 million euro in 2009.

About Flamingo International Group

The Group Flamingo International has three retail chains: Flanco World, Flamingo Computers and Flanco and a company for distributing IT products, named FDC. The three retail chains are selling IT&C products, electronics and electrocasnics in Romania, being the leader of the IT&C market from this country.

Flamingo IT&C sales form 44% of the total group revenues, significant more than the market average of only 25% according to internal estimates.

With its 61 opened shops all over the country, Flamingo is the leader of the IT&C market from Romania, keeping its leadership on the computers market, for the 4th year in a raw, with a market share reaching 13,1% in 2006, with 18,5% more than in 2005.

The clients can find in Flamingo shops the newest products and technologies on the market, both in IT and electronics and in entertainment segment, alongside with a great variety of consoles and games. In the same time, the clients benefit from proper consultancy regarding choosing the most suited products, best buying manners and better fit rates systems, taking care in the same time of post-buying services, as transportation and free installation.

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Trough its chain of 88 shops, Flanco maintains its first position in electronics and electrocasnics retail, in what concerns the shops and employees' productivity, expressed in sales per surface and sales per employee.

Flanco World retail chain supposes large surface shops (1300 – 3000 square meters) places in large and medium towns, in easy to find retail centers. The first Flanco World shop was launched in November 2005 in Brasov. At present moment there are 9 Flanco World Shops all over the country.

The distribution company Flamingo Distribution Center (FDC) extended its activity in over five countries and has a very important role in Flamingo Group. An important percent from FDC activity is oriented towards corporate sales.

From June 2005 Flamingo International is listed on the Bucharest Stock Market.

Flamingo International financial reports are audited by PricewaterhouseCoopers.