

Reitangruppen (NO) - Grocery joins forces with consumer electronics: Reitan Group acquires multi media chain Spaceworld

Date: 10-10-2005 02:54 PM CET

Category: [IT, New Media & Software](#)

Press release from: [Reitangruppen \(NO\)](#)

Grocery joins forces with consumer electronics: Reitan Group acquires multi media chain Spaceworld

OSLO, October 10th 2005 - The Reitan Group has acquired all outstanding shares in Spaceworld, the leading Norwegian provider of electronic entertainment. Spaceworld has 43 shops in Norway and estimates a turnover close to NOK 500 million in 2005. The company's shops, from Kristiansand in southern Norway to Bodø in the north, will remain as they are today. Spaceworld is the largest multi media chain in Norway, focusing on electronic entertainment and games, mobile phones, films and MP3. The Reitan Group believes there is a great potential for boosting Spaceworld's consumer electronics sales through its more than 1,400 shops in Norway, Sweden, Denmark and Latvia. Through the acquisition, Reitan acquires access to the Spaceworld trademark in the Nordic region, UK, Germany and Benelux.

- The acquisition of Spaceworld provides us with a unique sales channel for consumer electronics. In addition, we get access to 43 great locations. This acquisition allows us to optimize our product mix and to run campaigns through other chains in The Reitan Group, says Kjell Magnus Reitan, CEO of Reitan Servicehandel.

- This is a historical event for Spaceworld. We believe we have reached a limit with regards to Spaceworld's potential within the current ownership structure. We expect even tougher competition in the future, and The Reitan Group has the necessary financial muscles to further develop Spaceworld's position in the market. The established consumer electronics chains will see a stronger Spaceworld. We really look forward to taking part in this, says Ole Henrik Skirstad, CEO of Spaceworld.

- The acquisition of Spaceworld is an important step towards becoming Scandinavia's leading provider of electronic services, which is our strategy. We see that consumer electronics, multi media and content is becoming increasingly important in our everyday lives, and we believe this trend will strengthen in the coming years. MP3-players, game consoles and mobile phones, in combination with different subscription solutions, are today as common as "bread and butter". This is why we believe in the acquisition of Spaceworld, says Kjell Magnus Reitan.

- When we now enter the specialized trade arena it is important for us to provide our Spaceworld partners with the best conditions. We will also make sure that we keep the uniqueness of Spaceworld. This will be crucial when we plan to expand our business further in Norway and Scandinavia, says Reitan.

Spaceworld will be a separate division of Reitan Servicehandel. Estimated turnover for the combined company is NOK 6.4 billion for 2005.

- Spaceworld gets a strong owner who can develop the entire Norwegian market for consumer electronics in the coming years. We shall be a worthy competitor in this market, says Torstein Schroeder, head of the Norwegian division of Reitan Servicehandel.

By acquiring Spaceworld, The Reitan Group signals renewed interest in consumer electronics. In 2003 The Reitan Group acquired the mobile phone company Sense Communications. Sense was later sold to Chess and Vollvik Gruppen with a financial gain of more than NOK 500 million. The Reitan Group will earn another NOK 100 million if TeliaSonera's acquisition of Vollvik Gruppen receives governmental approval (The Reitan Group has a 10 per cent stake in Vollvik Gruppen.)

The sale of Spaceworld to The Reitan Group will be reported to the authorities, according to normal procedures.

ABG Sundal Collier is financial advisor for The Reitan Group, while HQ Norden has advised Spaceworld.

For further information:

Kjell Magnus Reitan, CEO, Reitan Servicehandel, tel: +47 22 43 31 00,
mobile: +47 47 800 100, e-mail: kjell.magnus.reitan@reitanservicehandel.no

Torstein Schroeder, CEO, Reitan Servicehandel Norway, mobile: +47 982 23 030,
e-mail: torstein.schroeder@reitanservicehandel.no

Ole Henrik Skirstad, CEO Spaceworld, mobile +47 911 86 015,
e-mail: olehenrik@spaceworld.no

For digital photos: Send e-mail to jeanette.kvisvik@no.bm.com

About The Reitan Group:

The Reitan Group owns 1,960 shops split between the chains Rema 1000, Narvesen, Pressbyrå and 7-Eleven in Norway, Sweden, Denmark and Latvia. The Reitan Group is a leading Scandinavian retailer with NOK 28 billion in annual turnover, NOK 1.4 billion in cash flow (EBITDA) and with 16,000 employees. The Reitan Group specializes in organizing and running franchise based retail businesses. The Reitan Group also has a significant real estate portfolio and other financial and strategic investments.

About Reitan Servicehandel:

Reitan Servicehandel includes Narvesen in Norway and Latvia, Pressbyrå in Sweden, 7-Eleven in Norway, Sweden and Denmark, Easy 24 in Norway, Interpress in Norway, Svenska Interpress, DCA in Denmark, a distributor of reading material and Engrospartner in Norway. The company's turnover in 2005 will be NOK 6.4 billion. Reitan Servicehandel serves 200 million customers and counts 1,400 sales points.

About Spaceworld:

Spaceworld is Norway's leading multi media and consumer electronics chain with 43 stores from Bodø in the north of Norway to Kristiansand in the south. The company's turnover in 2005 will be NOK 500 million. Spaceworld has a strong position among youth and enthusiasts within electronic entertainment. The concept is adapted to shopping centres and stands out against the competitors, both in form and content. Spaceworld aims at pure entertainment electronics within mobile phones, games, films, portable sound and multi media. The chain's ambition is to increase the number of shops to 80 and the annual turnover to NOK 1 billion by 2010.

Ole Henrik Skirstad, CEO Spaceworld

Kjell Magnus Reitan, CEO Reitan Servicehandel

Kjell Magnus Reitan and Ole Henrik Skirstad

Reitan Servicehandel acquires Spaceworld (in Norwegian)

The issuer is solely responsible for the content of this announcement.

[You can find this press release here](#)