

PAN VISION GROUP REPORTS 2007

PAN Vision Group today announced its result for 2007. The company reported an operating profit of 22 msek and a turnover of 1254 msek.



Stockholm, Sweden, March 12th // PAN Vision Group, the Nordic region's leading independent home entertainment distributor, today announced its outcome for financial year 2007.

PAN Vision Group has successfully turned around its business and reports an operating profit of 22 msek for 2007, this compared to last year's deficit of -38 msek. Turnover increased to 1254 msek (995) for 2007. The strong revenue growth is primarily related to the video game and hardware business areas, where an increased market share, combined with strong market growth has contributed to increased volumes. Film sales have also improved during the year. The improvement in profitability is the result of increased sales as well as improved margins, the latter mainly relating to a lowered return level and higher productivity.

"Our original ambition to a break-even in 2007 has been greatly surpassed and the operating result for the year is far above our initial expectations. The Turn Around effort launched 2005 has been successfully completed in 2007, and has created the conditions needed for us to capitalize on the positive market development. It will enable us to secure continued growth and profitability in line with the growing market", says Per Almgren, CEO of PAN Vision Group.

The Work During 2007

PAN Vision strengthened its market position by expanding and intensifying several customer collaborations. With special knowledge of the video game market, the company has successfully taken a more consultative role in customers' choice of assortment and pricing structure. Notable advances have been achieved, and efficiency has increased in internal processes relating to returns, logistics and stock keeping.

PAN Vision Distribution

An improved market position with suppliers and customers has contributed to strong growth in all territories. The strategic effort within Category Management has continued, and now represents a considerable part of the business.

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PAN Vision's games publishing operation has been restructured and transferred to the games distribution business in order to be closer to the market. The game productions have been refocused to children and family oriented games.

During the year, PAN Vision Distribution has successfully set-up business in Estonia. PAN Vision will continue its expansion to the rest of the Baltic countries, where exclusive supplier agreements have already been signed.

PAN Vision Publishing

The business area for distribution and publishing of film performed well in 2007. Continued focus has been placed on securing the rights for digital distribution, while the current catalogue has been refined with new titles from existing suppliers.

During 2007, the movie *Underbara Älskade* (*Suddenly*), part of the Sonet collaboration, won the Swedish Film Institute award Guldbaggen in the "People's Choice" category.

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About PAN Vision

PAN Vision Group are the leading independent Nordic publisher and distributor of interactive entertainment. The company had a turnover of \$201 million in 2007 and was created in 2001 through the merger of PAN Interactive, Vision Park, and Levande Böcker. PAN Vision also acquired BJ Electronics in Norway and Toptronics Oy (with operations in Finland, Sweden and Denmark) during 2004. PAN Vision is a part of the KF Group, owned by the Swedish Cooperative Union (KF).