PRESS RELEASE

Maastricht, the Netherlands
August 31, 2010

Macintosh Retail Group

HALF-YEAR REPORT 2010

Net profit up more than 10%

- **Marginally lower turnover (- 1.1%) in non-food retail market under pressure (NL: – 2.7%).**
- **Gross margin up 1.1 percentage points, mainly thanks to Fashion.**
- **Operating result equal. Increase at Fashion; declines at Living and Automotive & Telecom.**
- **Lower finance costs due to decrease in average net debt.**
- **Net profit on continuing operations up € 0.8 million.**
- **Good start of third quarter; no statement on full-year result.**

(in € million)	**H1 2010**	H1 2009
Turnover[1]	**530.9**	536.6
EBITDA[1]	**24.9**	25.3
Operating result (EBIT)[1]	**12.3**	12.2
Net profit[1]	**6.9**	6.1
Total net profit	**6.9**	8.1[2]

1. On continuing operations (excluding BelCompany Belgium, which was sold at June 30, 2009)
2. Including € 2.0 million effect of sale BelCompany Belgium

Frank De Moor, CEO of Macintosh Retail Group:
"Sales in the non-food retail sector have been declining seven quarters in a row. Consumers keep a tight hand on their purses in the home decoration stores in particular. Other markets in which Macintosh Retail Group operates have also not shown real signs of recovery.
The shoe formulas benefited from increased collaboration and an integrated supplier and market approach. Due to the higher gross margin resulting from these efforts, the operating result of Fashion grew by € 5.2 million, almost three times the amount for the first half of 2009. Brantano BeLux and Brantano UK in particular made a strong contribution to the increase. Unfortunately, the sectors Living and Automotive & Telecom did not record higher operating results.
As a result of active working capital management and a further reduction of our debt position, we managed to lower our finance costs once again. Net profit on continuing operations was more than 10% up on the first half of 2009."

Non-food retail market shows no signs of recovery

Whereas initial signs of recovery in the Netherlands became visible at the end of 2009, consumer confidence fell again in 2010. The decline is owing in full to the overall economic situation and the focus on substantial cost-cutting measures in the election campaigns. The same situation existed in Belgium, France and the United Kingdom. As a result, consumers showed restraint in their non-food retail spending and built up savings instead.

According to Statistics Netherlands, non-food retail spending in the Netherlands fell by 2.7% during the first six months of 2010, chiefly owing to a drop in the number of products sold. Trends in the markets relevant to Macintosh Retail Group are set out below.

Market	**Spending patterns**
Home decoration NL:	- 5.3% (Statistics Netherlands - *CBS*); - 0.9% (Dutch Central Bureau for Home Decoration - *CBW*); chains: - 0.3% (CBW)
Shoes:	NL: + 1.6% (GfK); + 0.6% (Dutch Association of Chain-Store Retailers of Shoes - *VGS*) B: + 2.1% (GfK) UK: + 3.7% (GfK)
Telecom NL:	Number of new subscriptions sold: - 3.5% (GfK)
Automotive NL:	Bicycles: - 5.5% (GfK) Navigation: - 21.4% (GfK) Audio: - 9.5% (GfK)

Number of stores down by 18

Compared with June 30, 2009, the number of stores decreased by 18 to 1,245 on balance. During the first half of 2010, 12 stores were opened and 16 closed. The number of stores by sector can be broken down as follows:

	June 30, 2010	December 31, 2009	June 30, 2009
Living	**147**	149	150
Fashion	**743**	740	738
Automotive & Telecom	**355**	360	375
Total	**1,245**	1,249	1,263

Turnover down from € 536.6 million to € 530.9 million

In the first half of 2010, Macintosh Retail Group's turnover fell by € 5.7 million compared with the first half of 2009, with 18 fewer stores. Turnover for the first quarter was the same as for the first quarter in 2009, with the second quarter showing a decline as a result of weather conditions that were unfavourable to the retail market.

Turnover developed as follows:

(amounts in € million)	**H1 2010**	H1 2009	**% +/-**
Living	**121.5**	127.6	- 4.8%
Fashion	**274.8**[1]	273.0	+ 0.6%
Automotive & Telecom	**134.6**	136.0	- 1.0%
Total	**530.9**	536.6	**- 1,1%**

1. Including positive foreign exchange effect of € 2.2 million

Turnover for the Living sector was € 6.1 million lower, with Kwantum Netherlands performing relatively good in a home decoration market under pressure. In Belgium, Kwantum achieved equal turnover. Turnover at GP Décors in France was down, mainly due to the closing of 4 stores.
In the Fashion sector, turnover was € 1.8 million higher. Turnover figures of Brantano BeLux, Brantano UK and Nea International were up, whereas those of Hoogenbosch were similar to, and those of Scapino down on, the first half of 2009.
Turnover of the Automotive & Telecom sector was virtually the same as for the first half of 2009, on balance, based on a marginal rise at Automotive and a modest fall at Telecom.

Operating result unchanged from 2009, due to increase at Fashion
The gross margin was up 1.1 percentage points, from 45.6% to 46.7%, through a combination of active supplier management (at Fashion in particular) and strict inventory and discount management. A substantial increase in the Fashion sector and a limited rise at Living were set off by a fall at Automotive & Telecom.
Expenses rose by € 3.2 million, € 1.3 million being attributable to foreign exchange effects.

Operating results by sector developed as follows:

(amounts in € million)	**H1 2010**	H1 2009
Living	**2.0**	4.6
Fashion	**8.2**	3.0
Automotive & Telecom	**4.8**	8.0
Other[1]	**- 2.7**	- 3.4
Total	**12.3**	12.2

1. The item 'Other' represents all expenses not directly attributable to sectors.

The declining operating result in the Living sector was wholly due to lower turnover as a result of an (expected) difficult year for the home decoration market. Kwantum reported the lowest operating result in years.
The operating result of the Fashion sector came in € 5.2 million above that for the first half of 2009 as a result of higher turnover combined with a higher gross margin. Brantano in particular, both in Belgium/Luxemburg and in the United Kingdom, contributed to this increase. The other shoe companies achieved virtually the same operating results as in the first six months of 2009.
The Automotive & Telecom sector posted a lower operating result of € 3.2 million. Both Telecom and Automotive reported lower operating results, owing to lower gross margin percentages as a result of high action pressure.

Net profit on continuing operations up € 0.8 million (more than 10%)
A lower average net debt position compared with the first half of 2009 caused the finance costs to fall by € 1.0 million to - € 3.7 million. Tax pressure was slightly higher than in the first six months of 2009.
Net profit on continuing operations came in at € 6.9 million (2009: € 6.1 million).

Net profit developed as follows:

(in € million)	**H1 2010**	H1 2009
Net profit on continuing operations	**6.9**	6.1
Net profit on discontinued operations[1]	**-**	2.0
Total net profit	**6.9**	8.1

1. BelCompany Belgium, which was sold at June 30, 2009

Investments, EBITDA, cash flow and ratios

Investments in intangible assets and property, plant and equipment amounted to € 8.7 million (2009: € 7.3 million), with total investments for full 2010 expected to land at some € 25 million (2009: € 12.2 million), as stated earlier.
EBITDA (operating result before depreciation and amortisation) amounted to € 24.9 million in the first six months of 2010 (2009: € 25.3 million).
Net cash flow from continuing operating activities amounted to € 20.4 million in the first half of 2010, compared to € 47.4 million in 2009. It should be noted that active working capital management generated a one-off cash inflow in 2009 of € 20.1 million.

The net debt position improved by € 43.9 million to € 134.4 million compared with June 30, 2009.
The balance sheet was strengthened further with a solvency of 39.6% (2009: 33.5%).
The net debt/EBITDA ratio came to 1.95 at June 30, 2010 (June 2009: 2.49) while the Interest Coverage ratio was 6.00 as against 4.72 in June 2009.

Refinancing

Macintosh Retail Group's current loan agreement expires in mid-March 2011. Negotiations with a banking syndicate have reached an advanced stage, with final agreement on refinancing expected to be reached.

OUTLOOK FOR FULL 2010

At the time of publication of the 2009 annual results in March of this year, we made the following pronouncements about risks and expectations for the sectors for 2010:

- Living: "Another tough year for the home decoration market is expected." The first half of 2010 confirmed this, and the second half is not expected to be any different.
- Fashion: "If market conditions remain unchanged, we expect a higher gross margin and thus a higher operating result." This expectation was confirmed in the first six months and is maintained for the full year.
- Automotive & Telecom: "The sector will face a challenge if it is to equal the excellent operating result for 2009." This prediction remains unchanged with the note that developments in the telecom market are expected to put pressure on smaller players in particular.

Increased salary costs in the Far East and higher raw materials prices, combined with movements in the US dollar against the euro, will drive up purchase prices. Their impact on Macintosh Retail Group's gross margin can be offset by actions taken.

The second half of the year started well although it is too early yet to speak of a trend breakthrough. Given the now falling consumer confidence and the fact that a large part of Macintosh Retail Group's result is usually realised in the final months of the year, we do not make any statement on turnover and operating result for the second half of 2010.

DIRECTORS' STATEMENT

The figures for the first half of 2010 have not been audited.
The Managing Board hereby confirms that, to the best of its knowledge, this half-year report for 2010, which has been prepared in accordance with IAS 34:

a. gives a true and fair view of the assets, liabilities, financial position and profit of Macintosh Retail Group NV and the group companies included in the consolidation; and
b. gives a fair review of the information required pursuant to Section 5:25 d (8) and (9) of the Dutch Financial Supervision Act.

Maastricht, the Netherlands, August 31, 2010
The Managing Board of Macintosh Retail Group NV

Analysts' meeting

The figures for the first half of 2010 will be presented today in the Okura Hotel in Amsterdam at an analysts' meeting at 9.30 a.m.

Should different interpretations arise between the Dutch and the English version of this press release, the Dutch language version prevails.

Retail is our business. Macintosh Retail Group is a large-scale non-food retailer that specialises in the distribution of consumer products in the Living, Fashion and Automotive & Telecom sectors. Macintosh Retail Group operates some 1,250 stores in the Netherlands, Belgium, France and U.K., with a total retail floor space of some 715,000 m².
The Living sector consists of 147 home furnishing stores in the Netherlands, Belgium and France under the names Kwantum and GP Décors.
The Fashion sector comprises 743 shoe stores of Brantano, Dolcis, Invito, Manfield, PRO and Scapino in the Netherlands, Belgium and U.K. Nea International, producer of Push-braces, is also part of the Fashion sector.
In the Automotive & Telecom sector BelCompany is with 173 stores (of which 27 telefoonkopen.nl shops) the largest provider of mobile telecom products and services in the Netherlands.
Halfords is the specialist in bicycles and car and bicycle accessories, with 155 stores in the Netherlands and Belgium.

Annexe to half-year report 2010
MACINTOSH RETAIL GROUP

The half-year report is unaudited.

Condensed consolidated income statement for the first half-year

(in millions of euros)	Note *	first half 2010		first half 2009	
Continuing operations					
Net turnover	4/6a		**530.9**		536.6
Cost of sales			**-283.0**		-292.0
Gross margin on turnover			**247.9**		244.6
As a % of turnover			***46.7%***		*45.6%*
Selling expenses		**-186.3**		-181.8	
General administrative expenses		**-49.3**		-50.6	
Total expenses			**-235.6**		-232.4
As a % of turnover			***-44.4%***		*-43.3%*
Operating result	4		**12.3**		12.2
As a % of turnover			***2.3%***		*2.3%*
Finance revenue and cost	6b		**-3.7**		-4.7
Profit before taxes			**8.6**		7.5
Income tax expense	6c		**-1.7**		-1.4
Net profit on continuing operations			**6.9**		6.1
Net profit on discontinued operations	3		**-**		2.0
Net profit			**6.9**		8.1

* The numbers refer to the notes on page 5 and further of this annexe.

Net profit attributable to holders of ordinary shares	**6.9**	8.1

Data per share first half-year

(in euros)	first half 2010	first half 2009
Net profit attributable to holders of ordinary shares of Macintosh Retail Group NV		
- Total	**0.30**	0.37
- Continuing operations	**0.30**	0.28
Diluted earnings attributable to holders of ordinary shares of Macintosh Retail Group NV		
- Total	**0.30**	0.37
- Continuing operations	**0.30**	0.28
Weighted average number of shares outstanding (x 1,000)	**22,897**	21,741
Diluted number of shares outstanding (x 1,000)	**23,101**	21,806

Condensed consolidated balance sheet (in millions of euros)	**Note ***	**30.06.2010**	31.12.2009	30.06.2009
<u>Assets</u>				
Non-current assets				
Intangible assets	**7a**	**21.3**	21.7	22.2
Goodwill	**7a**	**195.2**	195.2	195.2
Property, plant and equipment		**97.2**	99.8	109.4
Financial assets		**2.6**	2.6	2.2
		316.3	319.3	329.0
Current assets				
Inventories	**7b**	**219.9**	202.0	210.7
Debtors		**49.7**	46.8	52.8
Derivative financial instruments	**7d**	**2.4**	0.4	0.0
Cash and cash equivalents	**7c**	**15.1**	25.0	23.9
		287.1	274.2	287.4
Total		**603.4**	593.5	616.4
<u>Equity and liabilities</u>				
Equity attributable to shareholders of the company	**8**	**238.9**	234.0	206.8
As a % of balance sheet total		***39.6%***	*39.4%*	*33.5%*
Non-current liabilities				
Provisions		**9.1**	10.6	13.7
Long-term borrowings	**7e**	**0.0**	137.9	175.0
Financial lease obligations	**7e**	**1.7**	1.8	1.8
Other non-current liabilities		**18.4**	18.3	16.4
Derivative financial instruments	**7d**	**0.0**	0.1	1.8
		29.2	168.7	208.7
Current liabilities				
Current portion long-term borrowings	**7e**	**145.0**	20.0	20.0
Current account overdrafts with credit institutions	**7c,e**	**2.4**	0.0	5.0
Other interest bearing debts	**7e**	**0.4**	0.4	0.4
Current portion of provisions		**9.2**	9.7	8.1
Other current debts		**174.4**	155.4	161.9
Derivative financial instruments	**7d**	**3.9**	5.3	5.5
		335.3	190.8	200.9
Total		**603.4**	593.5	616.4
Interest bearing debt	**7e**	**149.5**	160.0	202.2
Net debt		**134.4**	135.1	178.3

* The numbers refer to the notes on page 5 and further of this annexe.

Consolidated statement of changes in equity for the first half-year
(in millions of euros)

	Note*	Total	Issued Capital	Share premium	Unrealised exchange differences	Unrealised hedge gains and losses	Retained Earnings
At January 1, 2009		**201.5**	**8.9**	**4.4**	**-5.4**	**-2.9**	**196.5**
Changes in first half-year 2009:							
Net profit		8.1	-	-	-	-	8.1
Other comprehensive income		-2.7	-	-	1.5	-4.2	-
Income tax effect		1.1	-	-	-	1.1	-
Total comprehensive income		6.5	0	0	1.5	-3.1	8.1
Costs of staff options granted		0.6	-	-	-	-	0.6
Dividend distribution for 2008:							
- cash dividend		-1.8	-	-	-	-	-1.8
- stc		0.0	0.5	-0.2	-	-	-0.3
Other changes		-1.2	0.5	-0.2	0	0	-1.5
At June 30, 2009		206.8	9.4	4.2	-3.9	-6.0	203.1

	Note*	Total	Issued Capital	Share premium	Unrealised exchange differences	Unrealised hedge gains and losses	Retained Earnings
At January 1, 2010		**234.0**	**9.4**	**4.2**	**-4.2**	**-3.7**	**228.3**
Changes in first half year 2010:							
Net profit		6.9	-	-	-	-	6.9
Other comprehensive income		5.4	-	-	2.0	3.4	-
Income tax effect		-0.6	-	-	-	-0.6	-
Total comprehensive income		11.7	0	0	2.0	2.8	6.9
Sale of shares in connection with staff options		0.1	-	-	-	-	0.1
Costs of staff options granted		0.5	-	-	-	-	0.5
Repurchases of own shares	**8a**	-3.3	-	-	-	-	-3.3
Dividend distribution for 2009:							
- cash dividend	**8c**	-4.1	-	-	-	-	-4.1
- stock dividend	**8c**	0.0	0.2	-0.1	-	-	-0.1
Other changes		-6.8	0.2	-0.1	0	0	-6.9
At June 30, 2010		**238.9**	**9.6**	**4.1**	**-2.2**	**-0.9**	**228.3**

* The numbers refer to the notes on page 5 and further of this annexe.

Consolidated statement of comprehensive income for the first half-year

(in millions of euros)	**first half 2010**		first half 2009	
Net profit for the period		**6.9**		8.1
Net change in cash flow hedges	**3.4**		-4.2	
Income tax effect	**-0.6**		1.1	
		2.8		-3.1
Exchange gains and losses on investments in associates		**2.0**		1.5
Other comprehensive income net of tax		**4.8**		-1.6
Total comprehensive income net of tax		**11.7**		6.5
Attributable to holders of ordinary shares		**11.7**		6.5

Condensed consolidated cash flow statement for the first half year

(in millions of euros)

	Note *	**first half 2010**		first half 2009	
Profit before tax on continuing operations			**8.6**		7.5
Adjusted for:					
- finance revenue and costs			**3.7**		4.7
- depreciation, amortisation and impairment			**12.7**		13.1
- changes in working capital			**0.4**		20.1
- changes in provisions			**-2.7**		-1.6
- other			**0.5**		0.5
Cash flow from ordinary activities			**23.2**		44.3
Income tax received (paid)			**-2.8**		3.1
Cash flow from operating activities					
- Continuing operations	**9a**		**20.4**		47.4
- Discontinued operations			**-**		-2.1
Net cash flow from operating activities			**20.4**		45.3
Purchases of fixed assets		**-8.7**		-7.3	
Disposal of fixed assets		**-**		0.1	
Cash flow from investing activities					
- Continuing operations	**9b**	**-8.7**		-7.2	
- Discontinued operations		**-**		0.5	
Net cash flow from investing activities			**-8.7**		-6.7
Proceeds from (repayment of) borrowings		**-13.1**		-26.1	
Dividends paid		**-4.1**		-1.8	
Repurchases of own shares		**-3.3**		-	
Staff options exercised		**0.1**		-	
Interest paid		**-3.6**		-5.2	
Cash flow from financing activities					
- Continuing operations	**9c**	**-24.0**		-33.1	
- Discontinued operations		**-**		-0.6	
Net cash flow from financing activities			**-24.0**		-33.7
Change in cash and cash equivalents			**-12.3**		4.9
Net cash and cash equivalents at January 1			**25.0**		14.0
Net cash and cash equivalents at June 30	**7c**		**12.7**		18.9

* The numbers refer to the notes on page 5 and further of this annexe.

<u>Notes to the 2010 half-year figures of Macintosh Retail Group NV</u>

1 General

All amounts are in millions of euros.
Macintosh Retail Group NV is established at Maastricht, the Netherlands.
The half-year figures relate to the period January 1 up to and including June 30.

2 Accounting policies

In line with the 2009 financial statements, the 2010 half-year figures have been drawn up in accordance with the International Financial Reporting Standards (IFRS) adopted by the European Union. By drawing up the half-year figures, the same accounting policies have been applied as used in the 2009 annual report, except for the new and / or amended standards and interpretations as mentioned below.
The half-year report is a brief report; it does not contain all the information and disclosures required for full-year financial statements. The 2010 half-year report should therefore be read in conjunction with the 2009 financial statements.
Please refer to the 2009 financial statements for further details on the accounting policies.

This half-year report has been drawn up in accordance with IAS 34 *"Interim Financial Reporting"* .

The following new and / or amended standards and IFRIC interpretations that are relevant to Macintosh Retail Group were applied for the first time to the 2010 half-year figures:

- IAS 7: An amendment stipulating that only expenses that result in the recognition of an asset in the balance sheet can produce a cash flow from investing activities.
- IAS 17: An amendment concerning how to recognise an operating lease or a finance lease on land and buildings.
- IAS 36: Determination of the maximum size of a cash-generating unit, permitted to measure an impairment of goodwill.
- IAS 38: Clarification of measuring the fair value of an intangible asset in conformity with IFRS 3.
- IAS 38: Clarification of methods for measuring the fair value of an intangible asset acquired as part of a business combination if there is no active market in such assets.
- IFRS 3 /IAS 27 /IAS 28 /IAS 31: extensive revision of processing and accounting for acquisitions, business combinations and changes in participating interest percentages.
- IFRS 5: Clarification of accounting for the intended sale of a controlling interest in a subsidiary.
- IFRS 5 Clarification for the application of IFRS 5 and possible other standards that include instructions applying to assets held for sale and discontinued operations.
- IFRS 8: Clarification of disclosures on assets of operating segments.

IAS 38, IFRS 3 and IFRS 5 are not relevant at the moment, because there were no circumstances they apply to.
The application of the other standards have had little or no effect on the figures of Macintosh Retail Group.

The following new and / or adjusted standards and interpretations may apply to Macintosh Retail Group in future financial years:

- IAS 24: Revised definition and disclosures of "related parties" (2011 financial year)
- IFRS 9: Financial instruments: a new scope for classification and measurement of financial assets (2013 financial year)
- IFRIC 14: Prepayment of contributions on minimum funding requirements of pension funds (2011 financial year)
- IFRIC 19: Extinguishing financial liabilities with equity instruments (2011 financial year)

IAS 24 has no effect on Macintosh Retail Group.
IFRS 9 applies to Macintosh Retail Group.
IFRIC 14 does not apply to Macintosh Retail Group for the present .
IFRIC 19 does not apply to Macintosh Retail Group at the moment, but might be relevant to Macintosh Retail Group in future financial years.

3 Discontinued operations

2009 Net profit on discontinued operations relates to the operating result and the gain on sale of the BelCompany Belgium operations.

4 Segment information

For management purposes, the group is divided into segments, based on products and services provided.
This division leads to the following operating segments for reporting purposes:

- Living
  The Living operating segment comprises stores for home furnishing and decoration.
- Fashion
  Fashion comprises stores for the fashion segment, mainly chain stores that sell shoes, some of them clothing as well.
- Automotive & Telecom
  This operating segment sell products for consumers on the move: bicycles, navigation systems, and mobile telephones and accessories.

The segments reported on are aggregates of operating segments that satisfy the criteria specified in IFRS 8.

Turnover and operating result by operating segment for the firs half of 2010

(in millions of euros)	**first half 2010**		first half 2009	
	turnover	**operating result**	turnover	operating result
Living	**121.5**	**2.0**	127.6	4.6
Fashion	**274.8**	**8.2**	273.0	3.0
Automotive & Telecom	**134.6**	**4.8**	136.0	8.0
Non-allocated		**-2.7**		-3.4
Total according to income statement	**530.9**	**12.3**	536.6	12.2
Finance revenue and cost		**-3.7**		-4.7
Profit before taxes		**8.6**		7.5
Income tax expense		**-1.7**		-1.4
Net profit on continuing operations		**6.9**		6.1
Net profit on discontinued operations		**-**		2.0
Net profit according to income statement		**6.9**		8.1

There are no transactions between operating segments.
The item “non-allocated" operating results relates to all results not directly attributable to the segments.
Such results are those generated by businesses that do not meet the IFRS 8 definition of an operating segment.
As financing activities and tax management are conducted at group level, finance income and expense, as well as tax items, are not allocated to individual segments.

Operating assets by operating segment

Operating assets by operating segment do not materially differ from those presented in the financial statements as at December 31, 2009.

5 Seasonal factors

Seasonal patterns can be distinguished in the markets relevant to Macintosh Retail Group. Under normal circumstances, turnover for the second half of the year, particularly the fourth quarter, is higher than that for the first half.

6 Notes to various items included in the consolidated income statement

a) Net turnover

Net turnover can be broken down as follows:

	first half 2010	first half 2009
Net turnover from goods sold	**524.9**	527.8
Net turnover from services rendered	**6.0**	8.8
Total net turnover	**530.9**	536.6

b) Finance revenue and costs

Net finance costs decreased by € 1.0 million, due to lower funding requirements.

c) Effective tax rate

The effective tax rate for the first half of 2010 was approximately 20%, compared with 18,8% for the same period in 2009.

7 Notes to various items included in the consolidated balance sheet

a) Intangible assets and goodwill

Goodwill relates to the acquisition of Scapino and Brantano in 2006 and 2008 respectively. The goodwill is subject to impairment testing on an annual basis at year-end or more often if circumstances so dictate. No impairment of goodwill was recognised at June 30, 2010.

b) Inventories

Inventories at € 219.9 million (2009: € 210.7 million) relate almost entirely to goods for retailing

The impairment of inventories where their net realisable value is less than their carrying amount is shown below:

	30.06.2010	30.06.2009
At January 1	**9.6**	9.3
Addition charged to the income statement*	**5.9**	0.2
Use*	**-5.1**	-
At June 30	**10.4**	9.5

* Breakdown for 2009 unknown.

c) Cash and cash equivalents

Cash and cash equivalents according to the balance sheet and net cash and cash equivalents according to the cash flow statement are reconciled as follows:

	30.06.2010	30.06.2009
Cash and cash equivalents according to the balance sheet	**15.1**	23.9
Current account overdrafts with credit institutions	**-2.4**	-5.0
Net cash and cash equivalents according to the cash flow statement	**12.7**	18.9

Current account bank balances and overdrafts are closely linked to the amount of working capital. Accordingly, for the purpose of determining the group’s cash and cash equivalents, these current account positions are presented in the cash flows statement net of cash and cash equivalents.

In the balance sheet, the current account overdrafts with banks are presented under current liabilities. This is in accordance with the 2009 financial statements.

In 2009 half-year report, current account overdrafts with banks were presented under "other interest bearing debts".

d) Derivative financial instruments

The positive fair value of derivative financial instruments (€ 2,4 million) relates to foreign exchange contracts.

The negative fair value of derivative financial instruments (€ 3,9 million) relates to interest rate swaps.

e) Interest bearing debt

Total interest-bearing debt fell on balance by € 10.5 million compared with year-end 2009, in spite of dividend distribution (€ 4.1 million) and repurchase of own shares (€ 3.3 million).

The total credit facility at June 30, 2010 amounted to € 285 million, of which € 147.4 million had been used. Although no security has been provided for these facilities, Macintosh Retail Group NV is required to comply with the following ratios at group level:

Net Debt / EBITDA ratio	< 3 (real first half 2010: 1.95)
Interest coverage ratio	> 3 (real first half 2010: 6.00)

Moreover, group companies have undertaken not to encumber their assets.

The present credit agreement expires in mid-March 2011. Negotiations with a banking syndicate have reached an advanced stage, with final agreement on refinancing expected to be reached.

In the balance sheet, all bank loans are presented under the current liabilities, considering the present credit agreement expiring on 20 March 2011, and no formalisation of the refinancing has taken place on balance sheet date.

8 Notes to the consolidated statement of equity

a) Repurchase of own shares

To cover employee stock options outstanding, 200,000 shares were repurchased in the first half 2010 at an average price of € 16.47. The number of repurchased shares by 30 June 2010 amounts to 742,922.

b) Staff options exercised

In the course of the first half 2010, 12,000 options rights have been exercised at a weighted average price of € 9.93. The weighted average market price at the time of exercising was € 14.97.

c) Dividend distribution

In May 2010, cash and stock dividends were distributed, the cash dividend amounting to € 0.55 per ordinary share. Following the choice for a stock dividend by 65% of the shareholders, the cash dividend distributed amounted to € 4.1 million (2009: € 1.8 million), with 538,754 new shares being issued (2009: 1,139,303).

The distribution of the stock dividend resulted in the number of ordinary shares outstanding changing as follows:

(number of shares x 1,000)	**first half 2010**	first half 2009
Number of shares outstanding at January 1	23,407	22,268
Distribution of stock dividend	539	1,139
Number of shares outstanding at June 30	**23,946**	23,407

The weighted average number of ordinary shares is calculated as follows for earnings per share calculation purposes:

(number of shares x 1,000)	**first half 2010**	first half 2009
Weighted average number of shares outstanding	22,887	21,705
Dilution effect of staff share options exercised and stock dividend	10	36
Weighted average number of shares used for earnings per share calculation purposes	**22,897**	21,741
Dilution effect of share options outstanding	204	65
Diluted weighted average number of shares	**23,101**	21,806

9 Notes to the consolidated cash flow statement

The cash flows in 2010 versus those from continuing operations in 2009 are set out below.

a) Net cash flow from operating activities

This item was € 27.0 million down on the same period in 2009. This is mainly owing to the working capital remaining virtually unchanged in 2010, compared with a substantial increase of € 20 million in 2009.
Furthermore, a tax liability of € 2.8 million was settled in 2010, whereas a tax refund of € 3.1 million was accounted for the year before.

b) Net cash flow from investing activities

The net cash outflow from investing activities on continuing operations of € 8.7 million was € 1.5 million higher than in the first half of 2009.

c) Net cash flow from financing activities

The net cash outflow from financing activities amounted to € 24.0 million, compared with an outflow of € 33.1 million in 2009. The net difference was due to lower repayments of borrowings (€ 13 million), a higher amount of dividends paid (- € 2.3 million), repurchasing of shares (- € 3.3 million), and less interest being paid (- € 1.6 million) in 2010.