

Currys sinks to loss after international rivals slash prices

Technology retailer [Currys](#) has sunk to a loss after lower demand left competitors with excess stock, leading to heavy discounting across rival stores.

However, profits in the UK and [Ireland](#) have bucked the trend as it said it was on track to make £300 million in cost savings across the region.

Adjusted earnings reached £25 million in the six months to October 29, up 25% from last year.

Meanwhile, revenues in the UK and Ireland sunk by a tenth on last year and were 19% lower than the same period in 2019.

And across the group, which includes the [Nordic](#) countries and [Greece](#), adjusted pre-tax losses totalled £17 million, plunging by £62 million compared to the same time last year.

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Currys said that it has had a “painful” period internationally with substantial disruption in the Nordic countries and in Greece as competitors were forced to heavily discount excess stock while Currys kept its prices the same.

It is also seeing pressures in the UK with softer demand coupled with cost inflation, which is hitting retailers up and down the country.

Currys acknowledged that its customers are facing cost-of-living pressures and it is trading in a tough environment, which it does not expect to improve over the next six months.

As a result of the international disruption, the group downgraded its full-year profit expectations to between £100 million and £125 million, whereas previous guidance had estimated profits between £125 million and £145 million.

Alex Baldock, Currys group chief executive, said: “Currys UK and Ireland performance continues to strengthen and is showing real momentum, reflecting good progress in our transformation.

“International, however, has had a tough period and faces short-term but intense pressures from a disrupted market.

“It’s a tough environment, and we are planning for that to continue. Still, we expect to maintain the trajectory of improving UK and Ireland profitability and a robust recovery in international profits.

“By focusing on the things we can control, while doing everything we can to support our colleagues and customers, we’ll ride out the current turbulence and emerge an even stronger business well set for long-term success.”