

# The Board of Directors of OJSC “Company “M.video” considered strategic priorities of the Company’s development and their dividend recommendation

12.09.2013 16:48

OJSC “Company “M.video” (MICEX-RTS: MVID), Russia’s largest consumer electronics retailer, announced today the decision of the Company’s Board of Directors.

In the course of its regular session the Board of directors reviewed the strategic priorities of “M.video” development. In the light of mutually suspended negotiations with regard to the potential acquisition of Eldorado, the Company will continue its direction of independent organic growth along with internet channel development. Therefore the Board will propose for Shareholders’ approval a dividend payment in the amount of 2,485 bln RUB or 13,8 RUB per share, comprising 60% of the net profit. The Board will follow similar approach in the future. The decision for the date of the Extraordinary General Shareholders’ Meeting (EGSM), together with the closing date of the record will be set by the Board at its next meeting in October 2013. The EGSM is planned to be held in December 2013.

Peter Gyorffy, Chairman of the Board, commented that: “During our summer strategic review the Board of Directors decided that the Annual dividend amount should be increased to a level which properly reflects the cash flow generation of the Company. In the past we followed a policy of a moderate Annual Dividends along with an Extra Dividend when the Company had additional funds. We have changed our approach and believe that the Company should increase the Annual Dividends to a payout ratio of 60% of profit”.