

M.VideoEldorado

A decorative graphic of a globe with circuit lines. The globe is composed of a grid of lines, and various blue and grey lines with dots are overlaid on it, resembling a network or circuit board. The lines are more prominent on the right side of the globe, which is partially visible.

4Q & FY 2018 M.Video-Eldorado Group

Trading Update

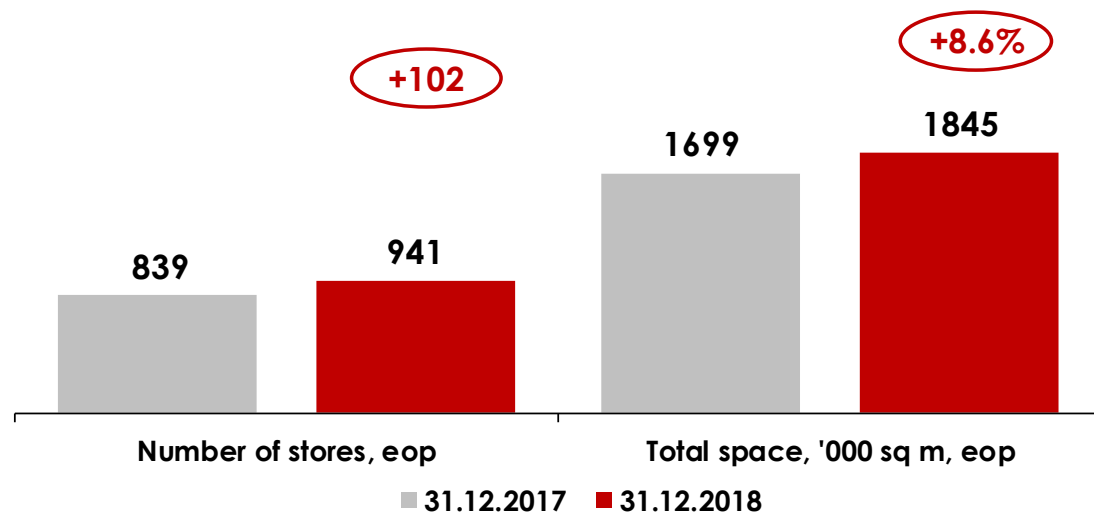
January 18, 2019

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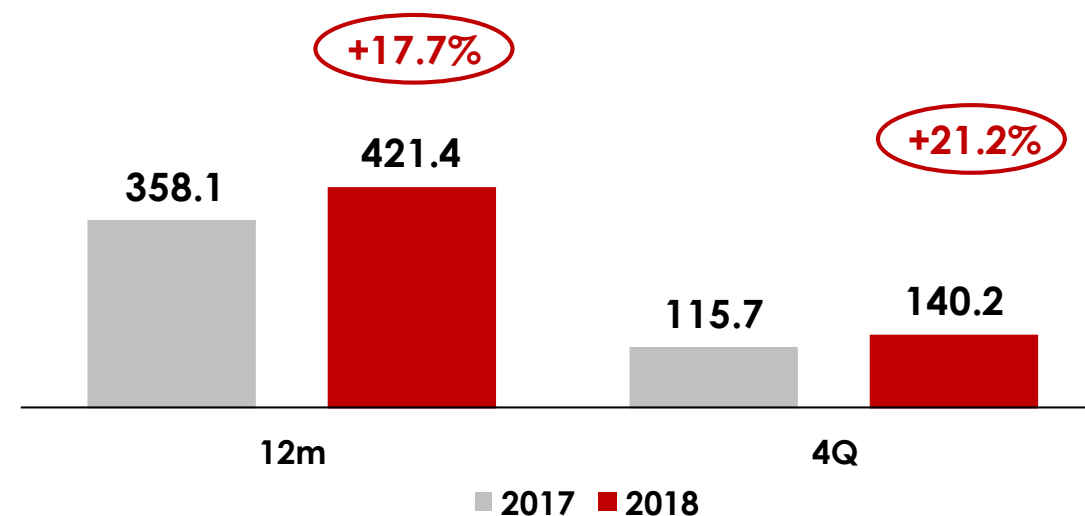
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FY 2018 M.Video-Eldorado Group Operational Highlights

Group Expansion, YoY



Group Net Sales*, RUB bn (with VAT)



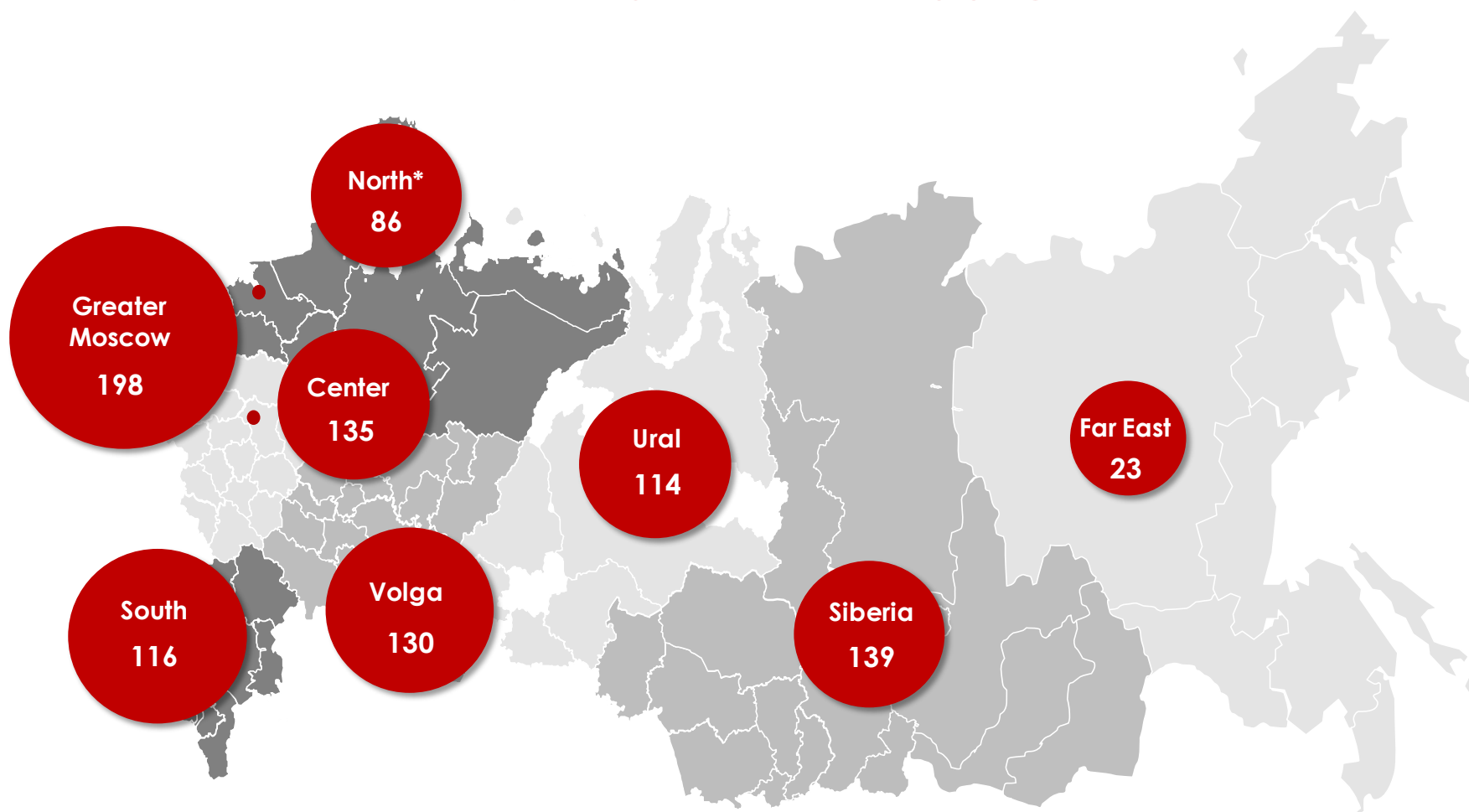
- ▶ The Group opened **102** stores in 2018 and brought the total number of stores to **941** as of Dec 31, 2018;
- ▶ Group's Net Sales (pro-forma**) grew **+21.2%** YoY to **RUB 140.2 bn** (with VAT) in Q4 2018, and rose **+17.7%** YoY to **RUB 421.4 bn** (with VAT) in FY 2018;
- ▶ Group's LFL sales increased by **+14.6%** in Q4, and by **+13.5%** in FY 2018;
- ▶ Group's Online-based Sales (pro-forma) grew **+31.0%** YoY to **RUB 77.3 bn** (with VAT), amounting to **18%** of total Net Sales (**24%** in Moscow and **23%** in St-Petersburg) in FY 2018;
- ▶ Share of pick-up in Group's OBS amounted to **74.4%** in FY 2018

*Net Sales are Total sales for the reporting periods excluding sales of discount coupon cards. Sales numbers for the respective periods of 2017 were restated to Net Sales for comparability purposes.

**Pro-forma combined operational results for the Group include Eldorado numbers starting from the beginning of the earliest comparable period, i.e. from the beginning of 2017.

Group's Footprint as of 31 December 2018

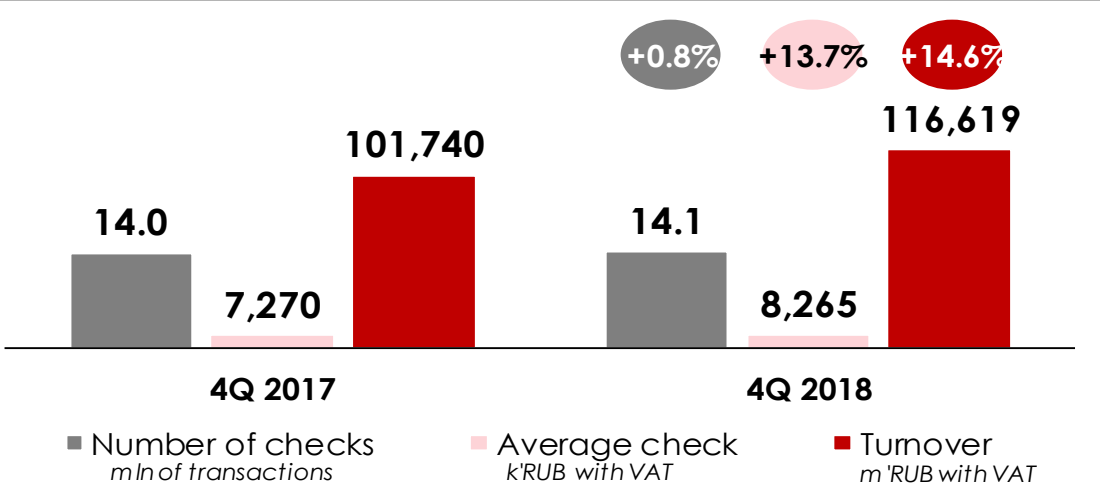
941 Stores in 200 Cities



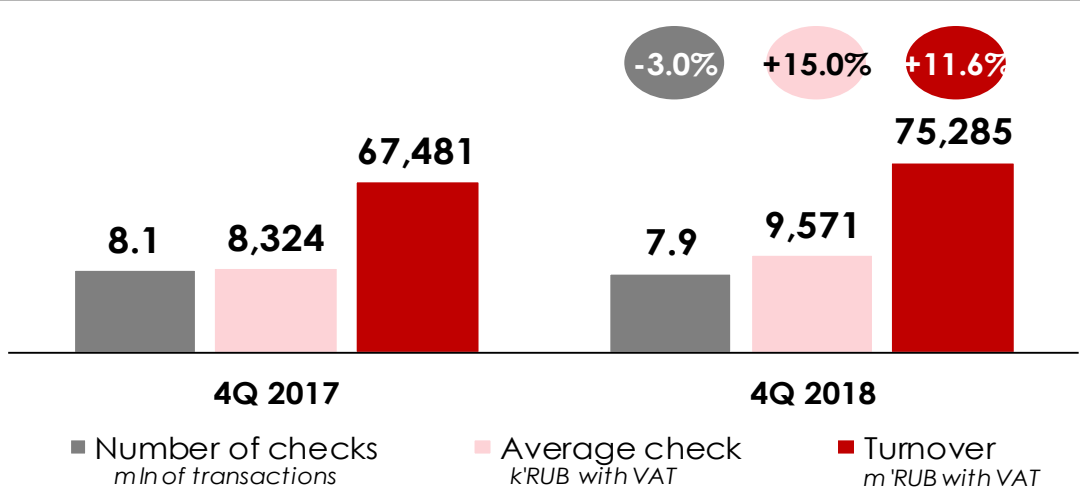
- ▶ **+102** new stores in 2018:
 - **+51** M.Video (incl. 22 rebranded MediaMarkts);
 - **+46** Eldorado (incl. 24 rebranded MediaMarkts);
 - **+5** m_mobile;
- ▶ **941** stores as of Dec 31, 2018:
 - **475** M.Video, **461** Eldorado, and **5** m_mobile stores;
 - **882** stores leased, **59** owned;
 - **824** stores are in shopping malls, **117** are standalone;
- ▶ **100% online** coverage in cities of presence

M.Video-Eldorado Group LFL Performance in Q4 2018

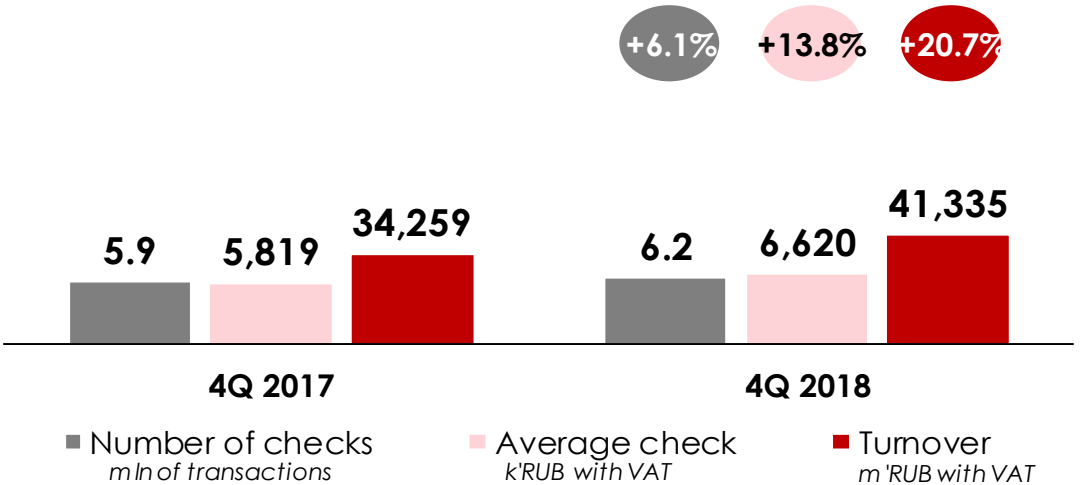
Q4 2018 Group LFL Sales, %



Q4 2018 M.Video LFL Sales, %



Q4 2018 Eldorado LFL Sales, %

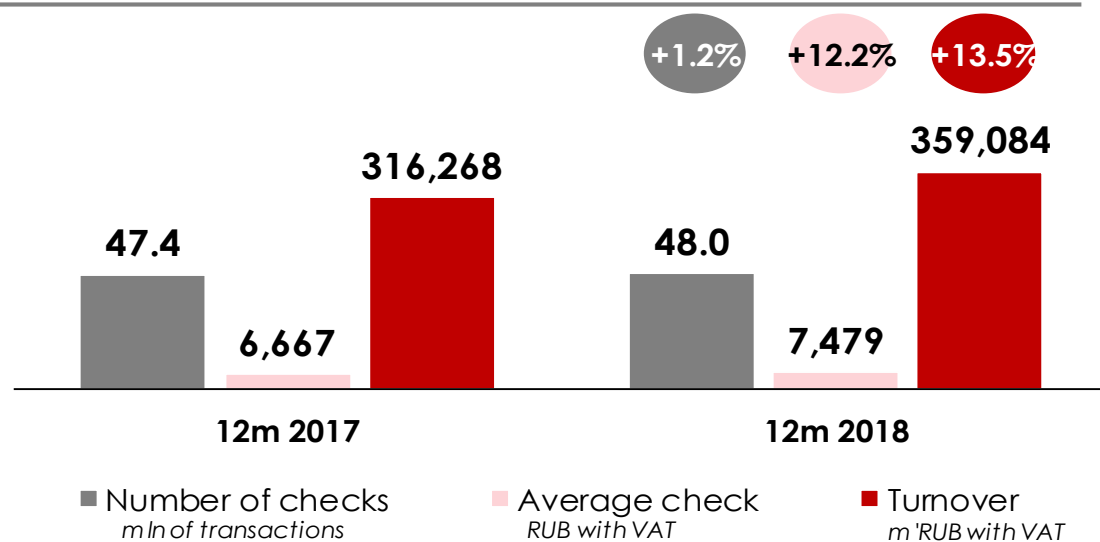


- ▶ The Group showed strong **+14.6%** LFL growth driven by number of checks and average check in Q4 2018
- ▶ M.Video's LFL growth was driven by higher average check supported by promos, consumer credits, and product mix in Q4
- ▶ Eldorado showed record high LFL **+20.7%** in Q4
- ▶ In Q4, Eldorado grew both number of checks and average check, due to product mix, especially, digital category growth

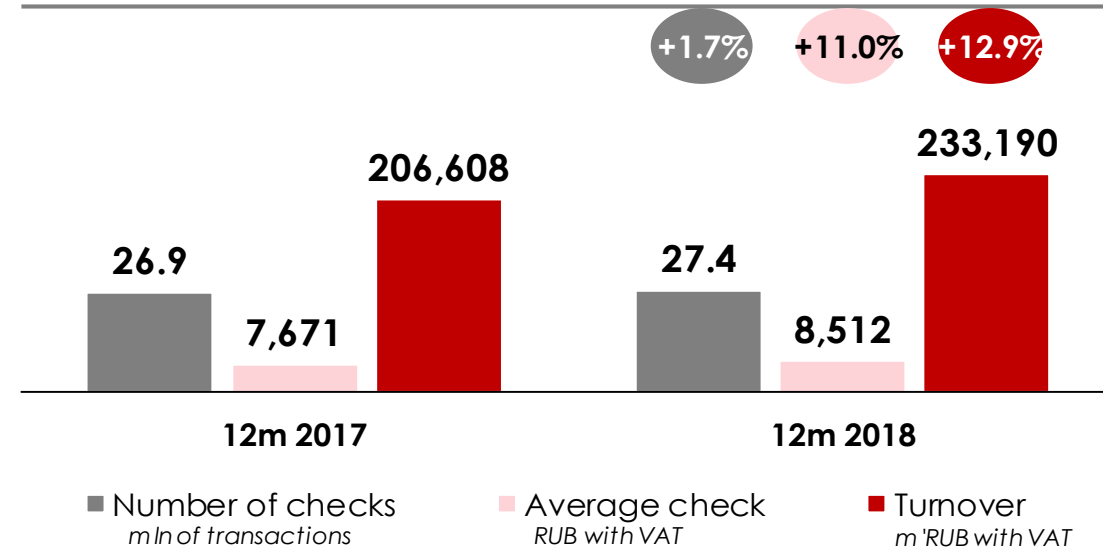
LFL data is based on a comparison of 372 M.Video and 384 Eldorado stores operating as of January 1, 2017 and not closed for more than two weeks, and/or not expanded or downsized by >20% of their total space

M.Video-Eldorado Group LFL Performance in FY 2018

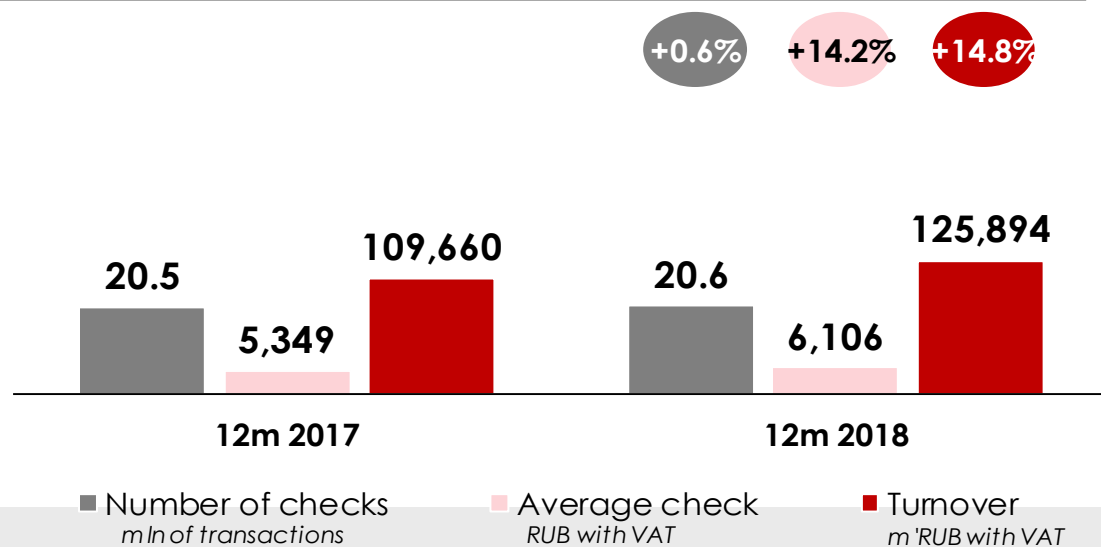
FY 2018 Group LFL Sales, %



FY 2018 M.Video LFL Sales, %



FY 2018 Eldorado LFL Sales, %

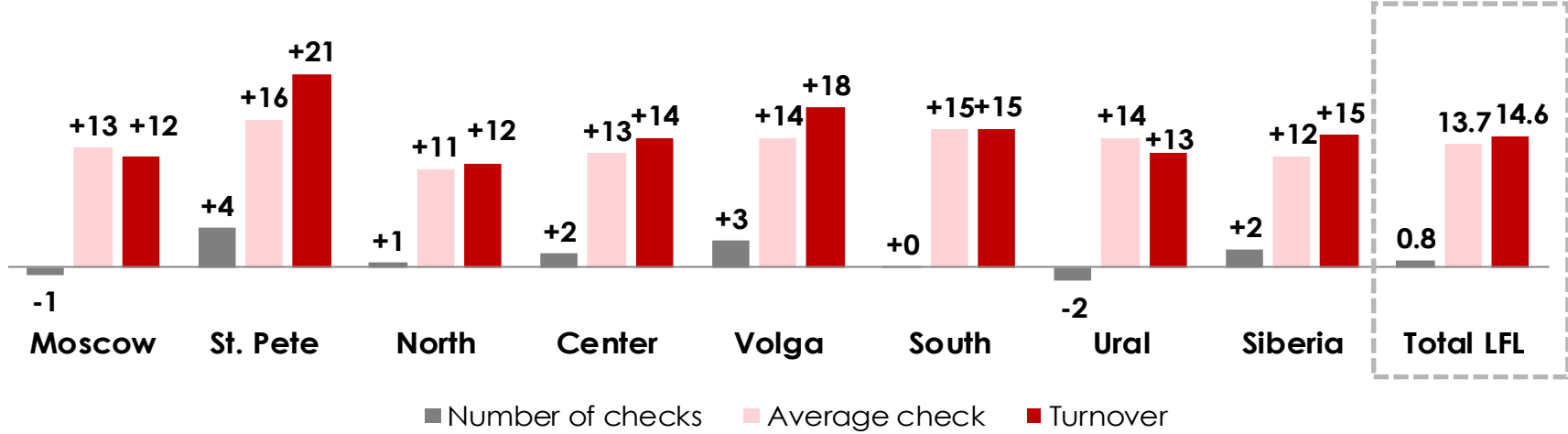


- ▶ The Group's LFL grew **+13.5%** due to number of checks and average check for both chains in 2018
- ▶ Both brands showed strong double-digit LFL sales growth in FY 2018

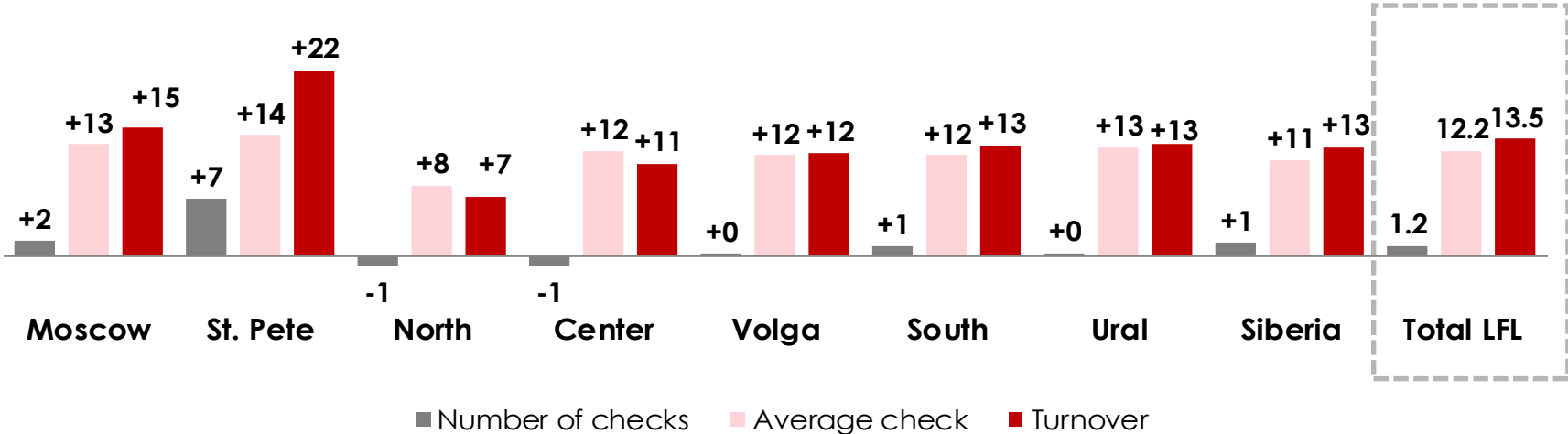
Note: LFL data is based on a comparison of 372 M.Video and 384 Eldorado stores operating as of January 1, 2017 and not closed for more than two weeks, and/or not expanded or downsized by >20% of their total space

M.Video-Eldorado Group LFL Sales by Region in Q4 & FY 2018

Q4 2018 Group LFL Sales by Region, %

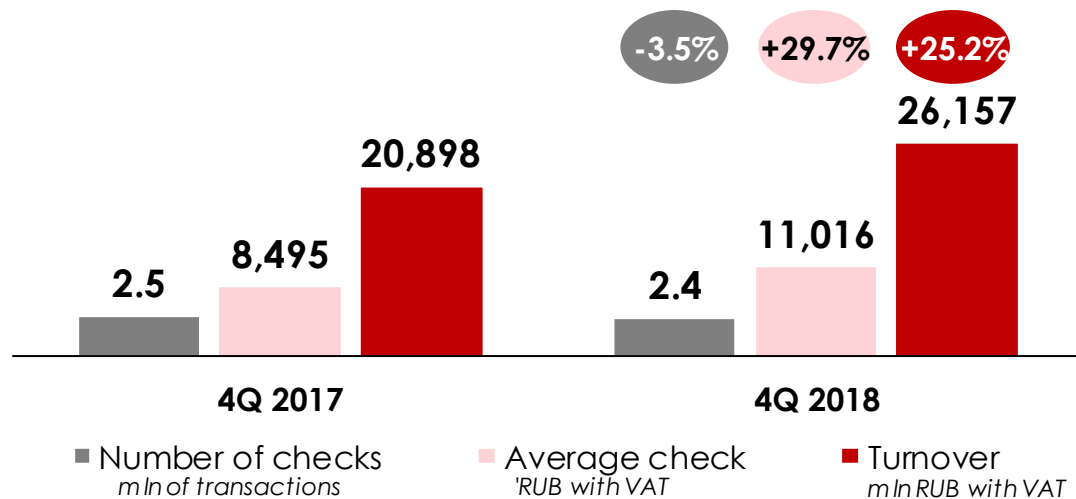


FY 2018 Group LFL Sales by Region, %

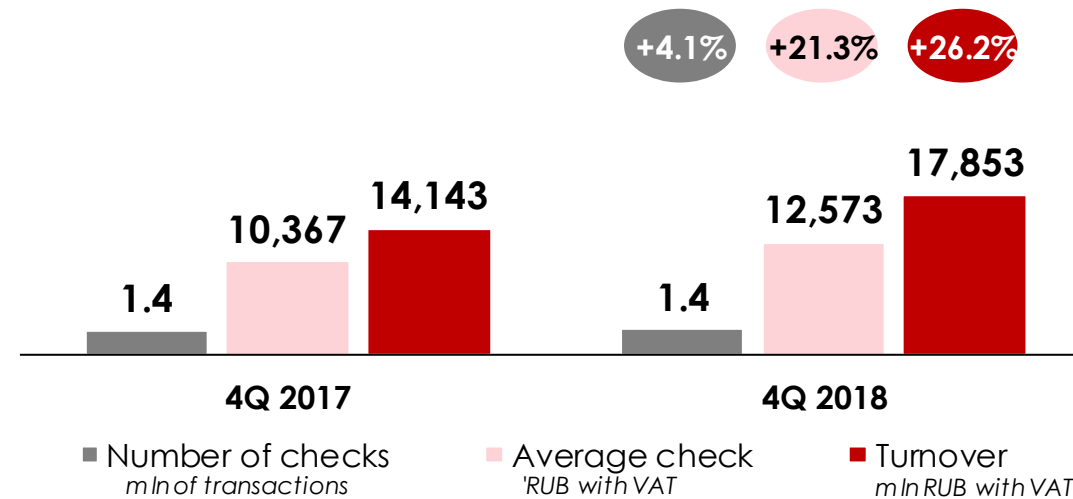


M.Video-Eldorado Group Online-based Sales in Q4 2018

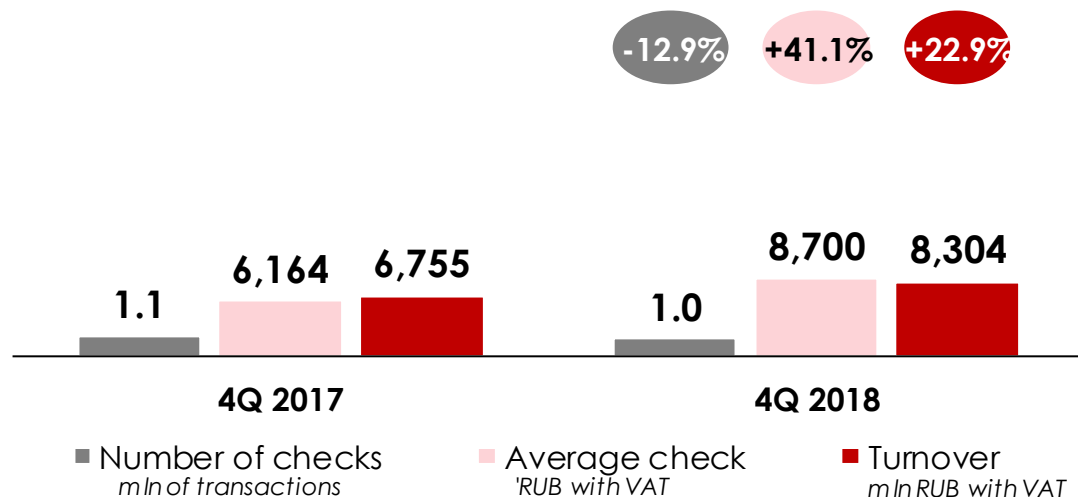
Q4 2018 Group OBS Drivers



Q4 2018 M.Video OBS Drivers



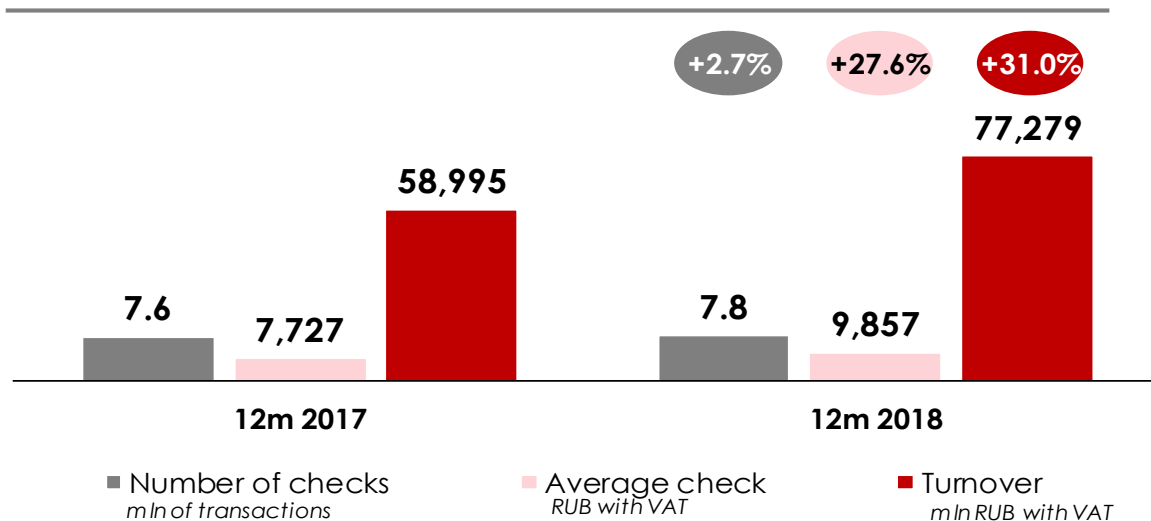
Q4 2018 Eldorado OBS Drivers



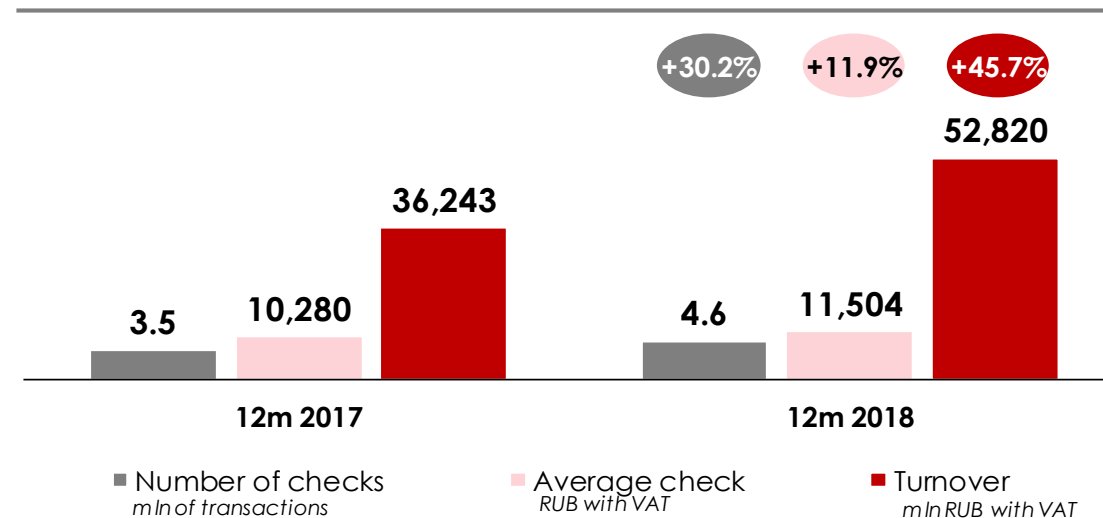
- ▶ M.Video delivered **+26.2%** sales growth in the Internet, driven by number of transactions and average check in Q4
- ▶ In Q4, Eldorado's internet traffic was down YoY, due to online and offline prices alignment and transition to OMNI-model. The temporary traffic drop was offset fully by growing average check, due to improved product mix and digital category growth in Q4
- ▶ Eldorado showed strong OBS growth of **+22.9%** in Q4

M.Video-Eldorado Group Online-based Sales in FY 2018

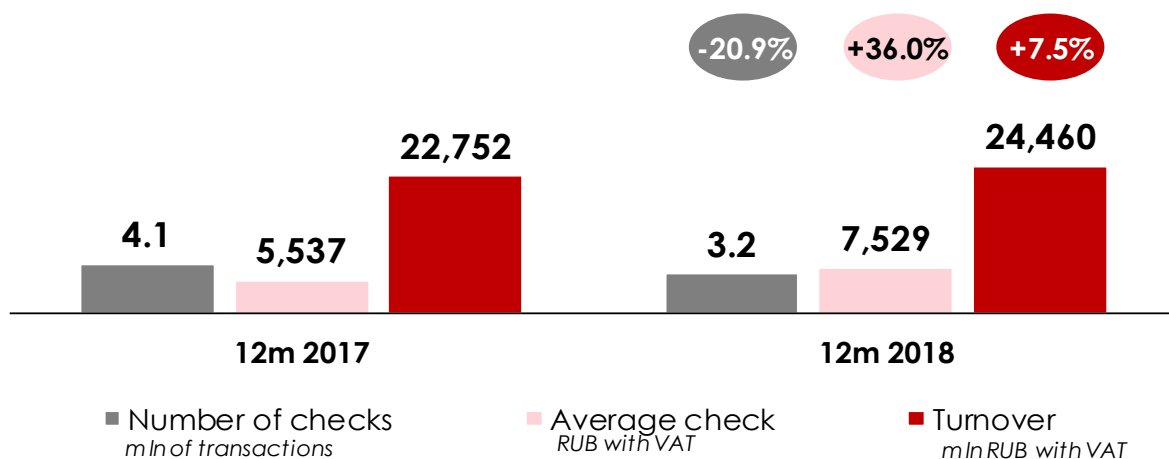
FY 2018 Group OBS Drivers



FY 2018 M.Video OBS Drivers



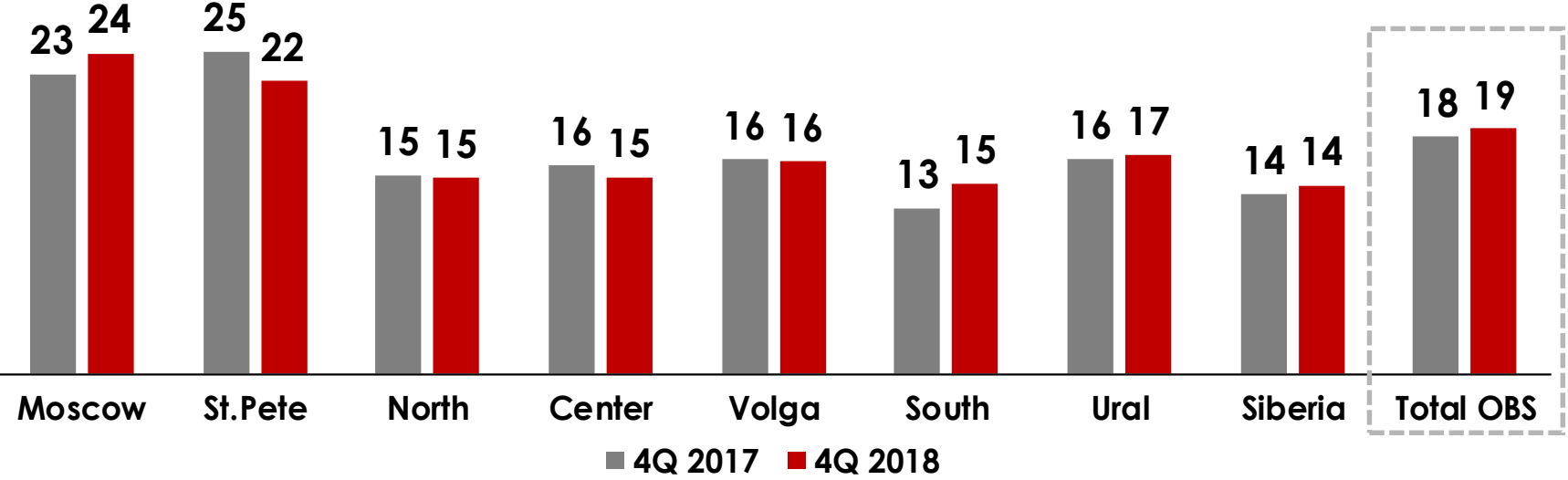
FY 2018 Eldorado OBS Drivers



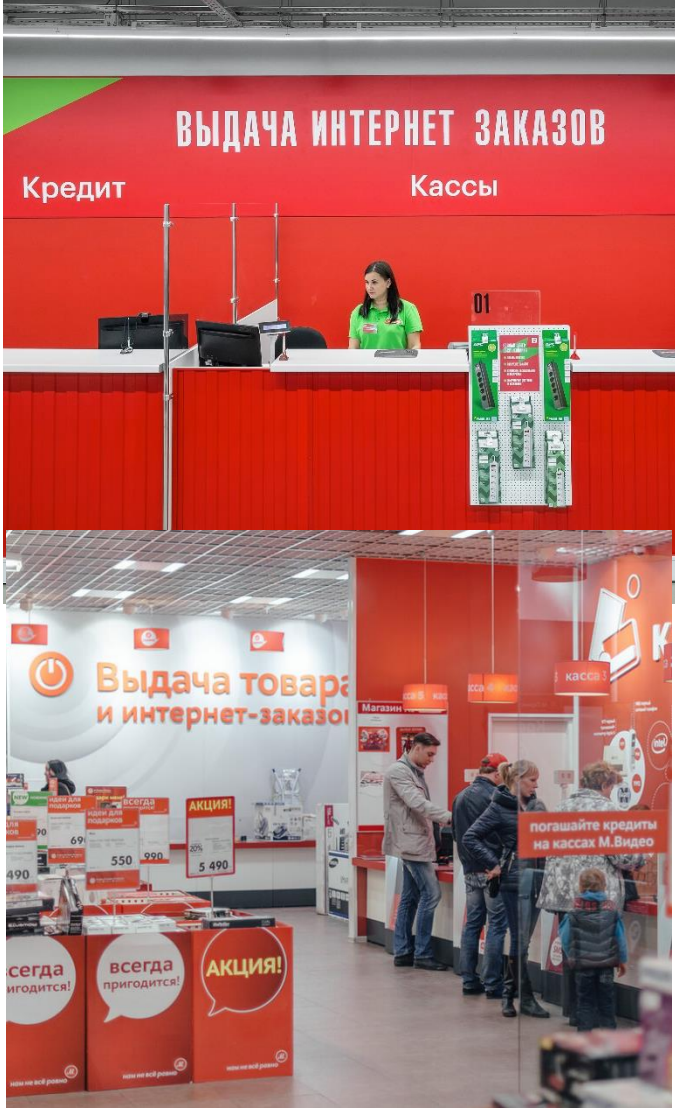
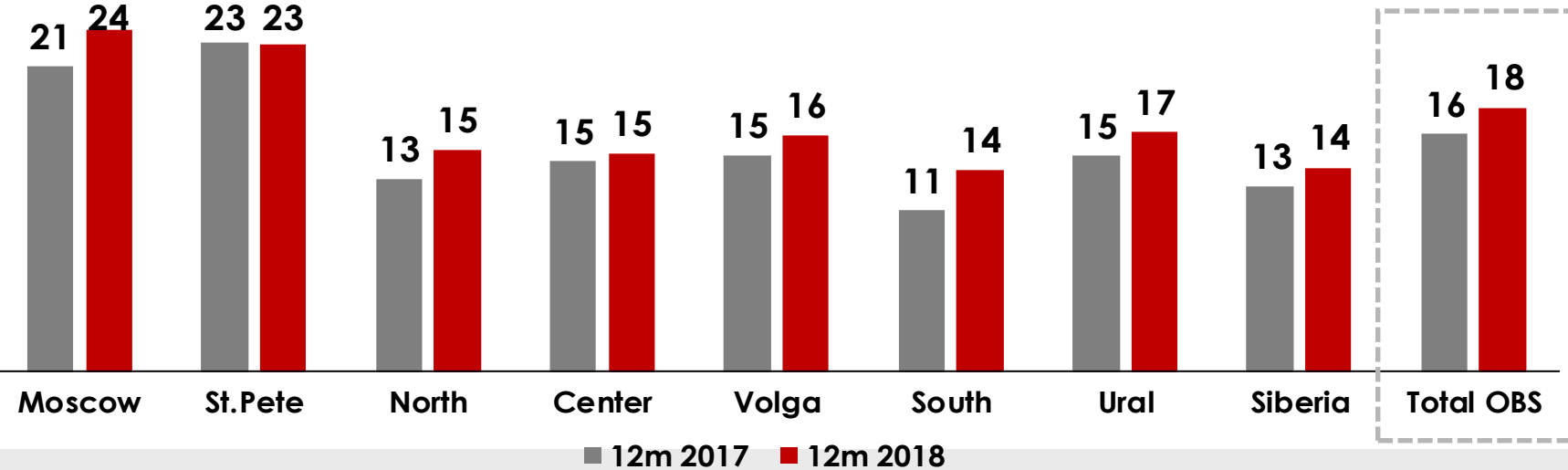
- ▶ In FY 2018, M.Video's OBS grew **+45.7%**, driven by number of transactions and average check
- ▶ Eldorado's OBS rose **+7.5%** in 2018, though speeded up and normalized the pace of growth in Q4
- ▶ The Group's OBS demonstrated **+31.0%** increase in FY 2018

M.Video-Eldorado Group OBS by Region in Q4 & FY 2018

Q4 2018 Group OBS Share by Region, %



FY 2018 Group OBS Share by Region, %



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Ticker: MVID

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