

# M.video reports 31% sales growth in Q1 2012.

16.04.2012 14:53

OJSC "Company M.video" (RTS, MICEX: MVID), Russia's largest consumer electronics retailer, announced today its unaudited sales, like-for-like sales (LfL) and expansion results for the 1<sup>st</sup> quarter of 2012.

Q1 2012 Highlights:

- Sales amounted to approx. 39 billion RUB (with VAT)
- Like-for-like sales increased by almost 19% as compared to Q1 2011
- 7 new stores opened, total space amounted to 664,000 sq.m.

In Q1 2012 M.video sales increased by 31% up to 38.9 billion RUB (with VAT), as compared to 29.8 billion RUB in the first quarter last year. The Company's LfL sales in Q1 2012 grew by 18.8% year-on-year in RUB terms.

M.video opened 7 new stores in Q1 2012 while adding 3 new cities to its coverage; one store was closed in St.Petersburg. The total number of the Company's stores increased to 267 in 118 cities of Russia. The selling space of M.video network amounted to 492,000 while the total space amounted to 664,000 sq.m as of March 31<sup>st</sup>, 2012.

Alexander Tynkovan, President and CEO of OJSC "Company M.video", commented on the results: "We again achieved impressive sales results due to improved consumer confidence as demonstrated by the increased number of transactions. We also benefited from our pro-active approach in Internet sales and introduction of the Omni-Channel strategy in the Russian consumer electronics retail".

He added: "We continued our network expansion, opened seven stores in this quarter and are committed to opening of 25 to 35 new stores this year and maintaining our number one position in the Russian market".

Summary of the Q1 2012 performance:

| Sales Performance |         |         |           |
|-------------------|---------|---------|-----------|
|                   | Q1 2012 | Q1 2011 | change, % |
| RUB million,      | 38,902  | 29,825  | 30.6%     |

|                             |                        |                              |             |           |
|-----------------------------|------------------------|------------------------------|-------------|-----------|
| with VAT                    |                        |                              |             |           |
| RUB million,<br>without VAT | 32,968                 |                              | 25,275      |           |
| LfL Sales Performance*      |                        |                              |             |           |
|                             | Q1 2012 LfL Dynamics   |                              |             |           |
| Russian rubles              | 18.8%                  |                              |             |           |
| Expansion                   |                        |                              |             |           |
|                             | As of 31 March<br>2012 | As of 31<br>December<br>2011 | New Q1 2012 | change, % |
| Stores                      | 267                    | 261                          | 6**         | 2.3%      |
| Selling space,<br>sq.m      | 492,000                | 482,000                      | 10,000**    | 2,1%      |
| Total space,<br>sq.m        | 664,000                | 650,000                      | 14,000**    | 2.2%      |

\* LfL sales is based upon a comparison of sales up to January 1, 2012 and not adjusted for any other sales events or promotional or seasonal discounts of prior years.

\*\* Not all opening stores.