

# OJSC “Company “M.video” reports 3.6% retail sales growth in 2009.

25.01.2010 12:26

OJSC “Company “M.video” (RTS, MICEX: MVID), one of the Russia’s largest consumer electronics retailers, announced today its unaudited retail sales, like-for-like sales (LfL) and expansion results for the full year and the 4th quarter of 2009.

FY 2009 Highlights:

- Retail sales increased 3.6%
- Like-for-like sales decreased by 11.6%
- Net cash position exceeds 6 billion RUB
- 22 new stores opened, total space of 50,000 sq.m added

In FY 2009 M.video retail sales reached 83.3 billion Russian rubles (RUB), including VAT, demonstrating 3.6% growth as compared to FY 2008. The Company’s LfL sales in FY 2009 decreased by 11.6% year-on-year in RUB terms.

In Q4 2009 M.video retail sales increased by 1% in RUB terms as compared to Q4 2008 while LfL sales demonstrated negative year-on-year performance of 13.4% in RUB terms as compared to Q4 2008.

M.video opened 22 new stores in 2009 (7 new stores in Q4 2009). The total number of the Company’s supermarkets reached 177 stores as of December 31st, 2009 located in 71 cities of Russia. The total space of M.video stores amounted to 467,000 sq.m as of December 31st, 2009, demonstrating a 12% increase as compared to FY 2008 results. The Company entered 7 new cities throughout 2009.

The group’s net cash position as of December 31st, 2009 amounted to over RUB 6 billion. During 2009 M.video made significant progress paying off its debt and accumulating substantial cash.

Alexander Tynkovan, President and CEO of OJSC “Company “M.video”, said: “We feel quite positive about our performance in 2009. M.video has shown leadership in the Russian consumer electronic retail sector by demonstrating positive growth in a declining market, opening 22 new stores and capturing market share. The most impressive highlight was that we were able to move from a net debt position in 2008 to a significant net cash position by focusing on our working

capital”.

He also stated: “We see many opportunities for improvement in 2010. We have a best in class management team, talented, enthusiastic sales people in our stores and we are the best placed Russian consumer electronic company to attract and retain customers. Our industry gives the unique chance to supply to the Russian consumers innovative technologies and upgraded electronic devices for their homes and their lives”.

Summary of the full year and the 4th quarter 2009 performance:

Retail Sales Performance*						
	FY 2009	FY 2008	% change y-o-y	Q4 2009	Q4 2008	% change y-o-y
RUB million, with VAT	83 325	80 395	3,6%	25 772	25 524	1%
RUB million, without VAT	70 614	68 131	3,6%	21 841	21 630	1%
LfL Sales Performance**						
	FY 2009 LfL Dynamics, %			Q4 2009 LfL Dynamics, %		
Russian rubles	(11.6%)			(13.4%)		
Expansion						
	As of 31 December 2009		As of 31 December 2008		New 2009	% change
Stores	177		157		20***	12,7%
Total space, sq. m	467 000		417 000		50 000***	11,9%

\* - comparative 2008 numbers are based on the reported audit results.

\*\* - LfL data is based upon a comparison of stores open at January 1, 2008 and not closed for more than two weeks or

permanently, or expanded or downsized by >20% of total space.

\*\*\* - net of closing 2 stores

