



OJSC “Company “M.video” Year 2010 Consolidated Audited Financial Statements Presentation

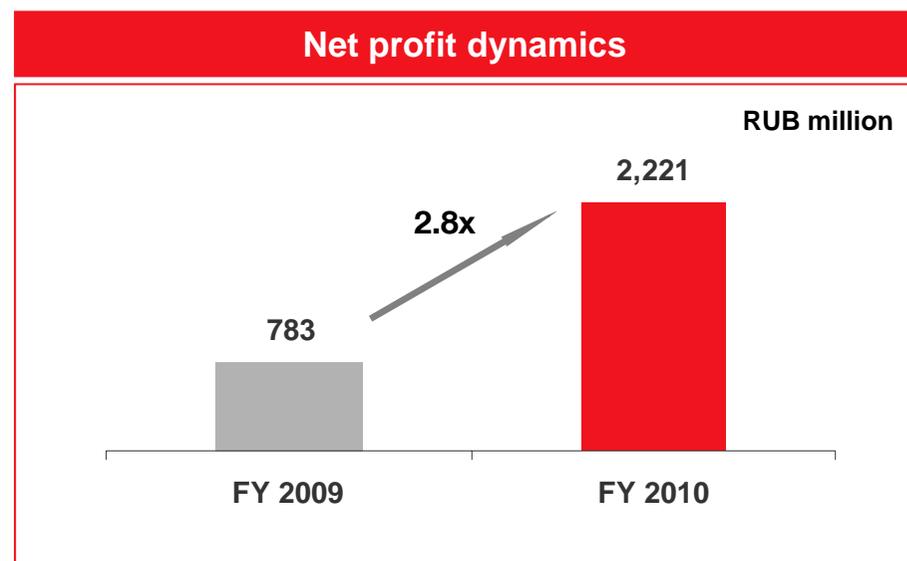
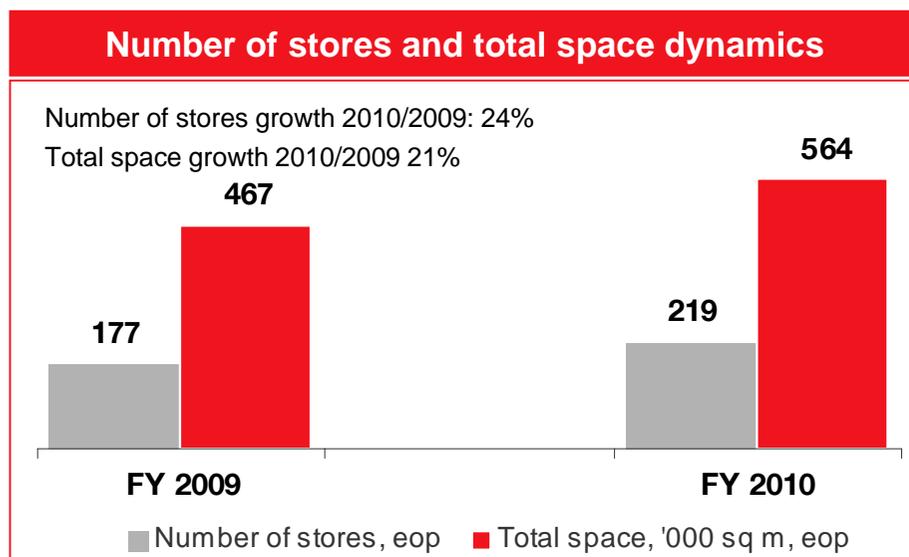


Moscow, April 27, 2011.

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- Impressive FY 2010 results of the Russia's largest consumer electronics retailer
- Retail revenue growth of 23% and strong like-for-like performance of 9% y-o-y
- More than 100 billion Russian Rubles of sales (with VAT) achieved
- Network expansion: opened 44 stores, a record for one year
- Net cash position of more than 7 billion RUB
- Significant improvements in profitability – three times growth in net profit





FY 2010 Key Financial Indicators

<i>Russian rubles, million</i>	2010	2009	y-o-y, %
Net revenue, incl.	86,565	72,507	19.4%
Retail revenue	86,386	70,324	22.8%
Gross profit	22,361	18,360	21.8%
<i>Gross margin, %</i>	25.8	25.3	0.5%
Operating expenses*	19,127	16,243	17.8%
<i>As % of net revenue</i>	22.1	22.4	(0.3%)
Operating profit (EBIT)	3,234	2,117	52.8%
<i>EBIT margin, %</i>	3.7	2.9	0.8%
EBITDA	4,523	3,244	39.4%
<i>EBITDA margin, %</i>	5.2	4.5	0.7%
Net profit	2,221	783	183.7%
<i>Net margin, %</i>	2.6	1.1	1.5%

* - the operating expenses include selling, general and administrative expenses (SGA), other operating income and other operating expenses.



FY 2010 Consolidated Income Statement Highlights

<i>Russian rubles, million</i>	Audited	
	2010	2009
REVENUE	86,565	72,507
COST OF SALES	(64,204)	(54,147)
GROSS PROFIT	22,361	18,360
Selling, general and administrative expenses	(19,960)	(16,597)
Other operating income	971	518
Other operating expenses	(138)	(164)
OPERATING PROFIT	3,234	2,117
Finance income/(cost), net	28	(794)
PROFIT BEFORE INCOME TAX EXPENSE	3,262	1,323
INCOME TAX EXPENSE	(1,041)	(540)
NET PROFIT FOR THE YEAR	2,221	783



Operating Expenses

<i>Russian rubles, million</i>	Audited			
	2010	as % of revenue	2009	as % of revenue
Payroll and related taxes	5,356	6.2	4,292	5.9
Lease expenses (rent)	4,139	4.8	3,310	4.6
Advertising and promotional expenses	2,729	3.2	2,493	3.4
Transportation	1,371	1.6	933	1.3
Warehouse services	1,158	1.3	860	1.2
Utilities	832	1.0	617	0.9
Depreciation & amortization	1,289	1.5	1,127	1.6
Other SG&A	3,086	3.6	2,965	4.1
Subtotal	19,960	23.1	16,597	22.9
Net other operating income	(833)		(354)	
Total	19,127	22.0	16,243	22.4



EBITDA(R)

Russian rubles, million

	2010	2009
Net profit for the year	2,221	783
Income tax expense	1,041	540
Finance cost/(gain)	(28)	794
Depreciation and amortization of non-current assets	1,289	1,127
EBITDA	4,523	3,244
Rent expense	4,139	3,310
EBITDA(R)	8,662	6,554

EBITDA(R) - Earnings before interest, taxes, depreciation & amortization (& rent)



FY 2010 Consolidated Balance Sheet Summary

	Audited	
	31 December 2010	31 December 2009
ASSETS		
NON-CURRENT ASSETS:		
Property, plant and equipment	7,417	6,074
Other	2,821	2,047
Total non-current assets	10,238	8,121
CURRENT ASSETS:		
Inventories	20,751	15,474
Accounts receivable and prepaid expenses	1,048	1,092
VAT recoverable and other taxes receivable	1,229	1,193
Cash and cash equivalents	7,183	6,447
Other	246	226
Total current assets	30,457	24,432
TOTAL ASSETS	40,695	32,553



FY 2010 Consolidated Balance Sheet Summary (continued)

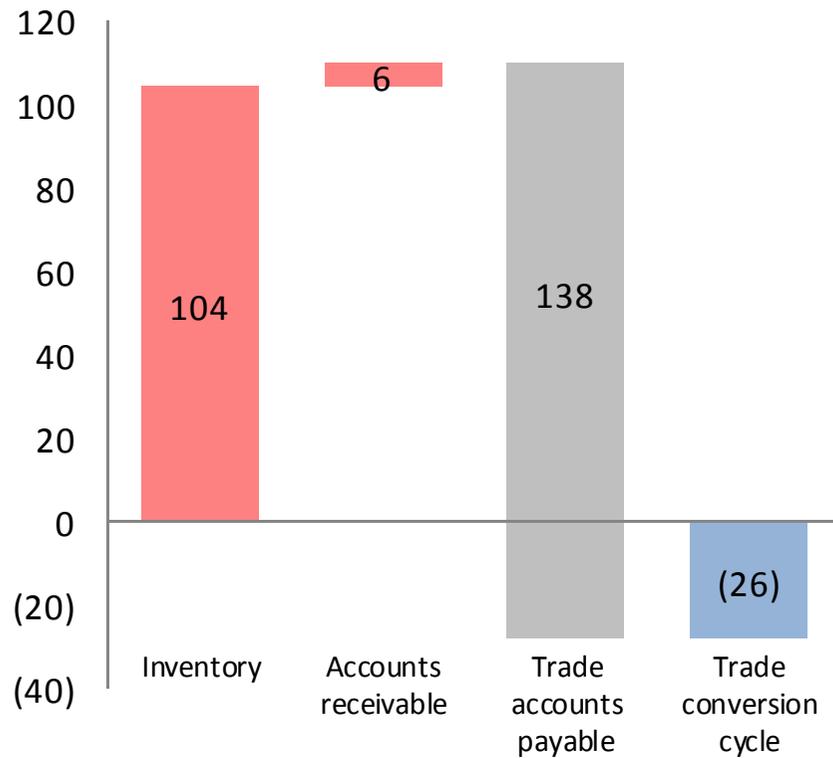
	Audited	
	31 December 2010	31 December 2009
EQUITY AND LIABILITIES		
EQUITY:		
Total equity	10,065	8,759
NON-CURRENT LIABILITIES:		
Total non-current liabilities	474	417
CURRENT LIABILITIES:		
Trade accounts payable	25,046	20,495
Other payables and accrued expenses	1,464	567
Other	3,646	2,315
Total current liabilities	30,156	23,377
Total liabilities	30,630	23,794
TOTAL EQUITY AND LIABILITIES	40,695	32,553



FY 2009 Consolidated Cash Flow Statement

	2010	Audited	2009
OPERATING ACTIVITIES:			
Profit for the year	2,221		783
Non-cash adjustment and tax	3,207		2,928
Operating cash flows before movements in working capital	5,428		3,711
Change in working capital	214		(5,087)
Cash generated by operations	5,642		8,798
Income tax, interest and other	(1,138)		(715)
Net cash generated by operations	4,504		8,083
INVESTING ACTIVITIES:			
PP&E	(2,384)		(1,329)
Proceeds from settlement of short-term investments	-		1,772
Other	(383)		(183)
Net cash (used in)/generated by investing activities	(2,767)		260
FINANCING ACTIVITIES:			
Dividends paid	(413)		-
Purchase of treasury shares	(588)		-
Other	-		7,504
Net cash used in financing activities	(1,001)		(7,504)
Net increase in cash and cash equivalents	736		839
Net foreign exchange difference	-		160
Cash and cash equivalents at the beginning of the year	6,447		5,448
Cash and cash equivalents at the end of the year	7,183		6,447

2009 Trade conversion cycle, days



2010 Trade conversion cycle, days

