



**В шаге. В клике. По звонку.**

🕒 24/7

🌐 mvideo.ru

☎ +7 495 777 777 5

# **OJSC “Company “M.video” FY 2014 Audited Consolidated Financial Statements Presentation**

Moscow, March 26, 2015.



**нам не всё равно 20 лет**

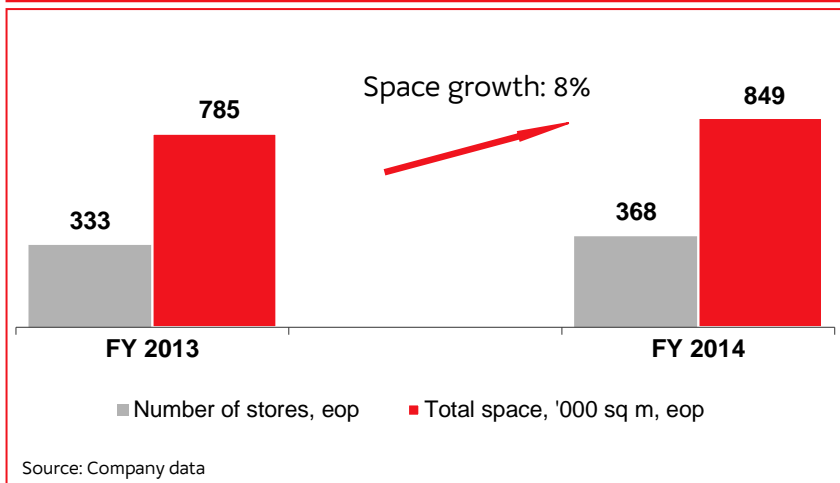
## Content and liability disclaimer

The information contained in this presentation or enclosed herewith is provided and intended for informational purposes only and should not be relied on for any investment decisions. The information provided in the presentation includes assumptions and financial information on M.Video operations and expectations which are "indicative". Specifically, some of the 2008-2014 information presented is taken from the M.Video Group management information system and as such may be unaudited and may include accruals and estimates. Except for numbers which can be traced to the audited Consolidated Financial statements for the year ended 31 December 2007 - 2014 the numbers may not have been subjected to any audit testing nor have the IFRS policies necessarily been applied to these numbers/calculations. All M.Video Group companies information provided in this presentation is provided on an "as is" basis. M.Video believes and has done everything within its power to ensure the information is not misleading, nevertheless M.Video does not take any responsibility for the accuracy or completeness of the information. Likewise, for the forward looking information provided, these are based upon the M.Video Group management high level, longer term views and not on detailed budgeting or forecasting principles. The addressees of the presentation should not take these numbers as the true and accurate numbers and as such not disseminate, or refer to these numbers for any purpose other than for the purpose they were given, namely for informational purpose. A person who uses the information contained in this presentation does so at his/her own risk.

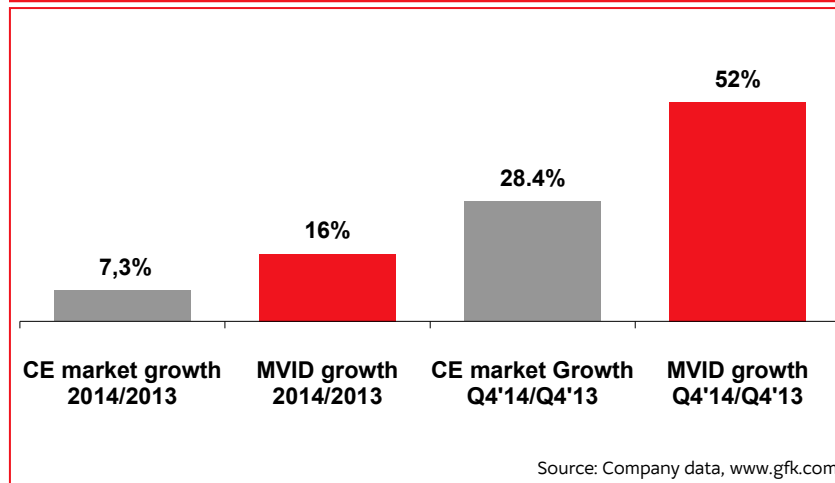
# FY 2014 Highlights

- FY 2014 sales increased to 203 billion RUB (172 billion RUB without VAT), demonstrating a 16.3% growth vs. FY 2013. LfL sales increased by 12%.
- 39 new stores (35 net) added in FY 2014; network reached 368 stores in 158 cities.
- Net cash position of 26 billion RUB.

### 12m 2014 # of stores and total space dynamics



### 12m 2014 and Q4 2014 sales growth vs. market



# Key Financial Indicators

In millions of Russian rubles	2014	2013	y-o-y, %
<b>Sales (including VAT)</b>	<b>203,181</b>	<b>174,690</b>	<b>16.3%</b>
<b>Net revenue</b>	<b>172,187</b>	<b>148,042</b>	<b>16.3%</b>
<b>Gross profit</b>	<b>46,600</b>	<b>38,360</b>	<b>21.5%</b>
<i>As % of net revenue</i>	<i>27.1</i>	<i>25.9</i>	<i>1.2</i>
<b>Operating expenses*</b>	<b>36,500</b>	<b>31,593</b>	<b>15.5%</b>
<i>As % of net revenue</i>	<i>21.2</i>	<i>21.3</i>	<i>(0.1)</i>
<b>Operating profit (EBIT)</b>	<b>10,100</b>	<b>6,767</b>	<b>49.3%</b>
<i>As % of net revenue</i>	<i>5.9</i>	<i>4.6</i>	<i>1.3</i>
<b>EBITDA</b>	<b>12,909</b>	<b>9,400</b>	<b>37.3%</b>
<i>As % of net revenue</i>	<i>7.5</i>	<i>6.3</i>	<i>1.2</i>
<b>Net profit</b>	<b>7,989</b>	<b>5,729</b>	<b>39.4%</b>
<i>As % of net revenue</i>	<i>4.6</i>	<i>3.9</i>	<i>0.7</i>

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

# Consolidated Statement of Profit or Loss and Other Comprehensive Income Highlights

<i>Russian rubles, million</i>	<b>2014</b>	<b>Audited</b>	<b>2013</b>
<b>REVENUE</b>	172,187		148,042
<b>COST OF SALES</b>	(125,587)		(109,682)
<b>GROSS PROFIT</b>	46,600		38,360
Selling, general and administrative expenses	(38,425)		(33,566)
Other operating income	2,526		2,094
Other operating expenses	(601)		(121)
<b>OPERATING PROFIT</b>	10,100		6,767
Finance income, net	368		113
<b>PROFIT BEFORE INCOME TAX EXPENSE</b>	10,468		6,880
Income tax expense	(2,479)		(1,151)
<b>NET PROFIT FOR THE YEAR, being</b>			
<b>TOTAL COMPREHENSIVE INCOME for the year</b>	<b>7,989</b>		<b>5,729</b>

# Operating Expenses

<i>Russian rubles, million</i>	2014	as % of revenue	Audited	2013	as % of revenue
Payroll and related taxes	11,084	6.4%	▼	9,678	6.5%
Lease expenses (net of sublease income)	9,693	5.6%	▲	7,422	5%
Advertising & promotional expenses	3,923	2.3%	▼	3,942	2.7%
Warehouse services (incl.related lease expense)	2,375	1.4%	▼	2,204	1.5%
Utilities	1,705	1%	=	1,491	1%
Bank charges	1,283	0.7%	=	1,034	0.7%
Security	971	0.6%	=	935	0.6%
Transportation to customers	957	0.6%	▼	984	0.7%
Other SG&A	3,625	2.1%	▼	3,243	2.2%
Depreciation, amortization and impairment loss	2,809	1.6%	▼	2,633	1.8%
<b>Subtotal</b>	<b>38,425</b>	<b>22.3%</b>	<b>▼</b>	<b>33,566</b>	<b>22.7%</b>
Net other operating income	(1,925)	( 1.1%)		(1,973)	(1.3%)
<b>Total</b>	<b>36,500</b>	<b>21.2%</b>	<b>▼</b>	<b>31,593</b>	<b>21.3%</b>

# EBITDA(R)

*Russian rubles, million*

## Net profit for the year

Income tax expense

Finance income, net

Depreciation, amortization and impairment loss

## EBITDA

Rent expense (net of income from sublease)

## EBITDA(R)

*As % of net revenue*

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

Effective sustainable income tax rate

	2014	2013
<b>Net profit for the year</b>	<b>7,989</b>	<b>5,729</b>
Income tax expense	2,479	1,151
Finance income, net	(368)	(113)
Depreciation, amortization and impairment loss	2,809	2,633
<b>EBITDA</b>	<b>12,909</b>	<b>9,400</b>
Rent expense (net of income from sublease)	9,693	7,422
<b>EBITDA(R)</b>	<b>22,602</b>	<b>16,822</b>
<i>As % of net revenue</i>	<i>13.1</i>	<i>11.4</i>
Effective sustainable income tax rate	23.7%	23.1%

# Consolidated Statement of Financial Position Summary

*Russian rubles, million*

	<b>Audited</b>	
	<b>31 December 2014</b>	<b>31 December 2013</b> Restated
<b>ASSETS</b>		
NON-CURRENT ASSETS:		
Property, plant and equipment	9,935	9,696
Intangible assets	4,310	3,190
Deferred tax assets, net	3,197	2,570
Other non-current assets	636	707
<b>Total non-current assets</b>	<b>18,078</b>	<b>16,163</b>
CURRENT ASSETS:		
Inventories	35,434	34,215
Accounts receivable and prepaid expenses	10,870	9,151
Income tax and other taxes receivable	1,115	1,454
Cash and cash equivalents	26,122	11,542
Other current assets	12	21
<b>Total current assets</b>	<b>73,553</b>	<b>56,383</b>
<b>TOTAL ASSETS</b>	<b>91,631</b>	<b>72,546</b>



# Consolidated Statement of Financial Position Summary (continued)

*Russian rubles, million*

	<b>Audited</b>	
	<b>31 December 2014</b>	<b>31 December 2013</b> Restated
<b>EQUITY AND LIABILITIES</b>		
EQUITY:		
<b>Total equity</b>	<b>13,895</b>	<b>13,933</b>
NON-CURRENT LIABILITIES:		
<b>Total non-current liabilities</b>	<b>5</b>	<b>10</b>
CURRENT LIABILITIES:		
Trade accounts payable	57,428	47,159
Other payables and accrued expenses	6,894	4,548
Advances received	4,422	1,133
Income tax and other taxes payable	3,554	1,062
Deferred revenue	4,969	4,555
Provisions	464	146
<b>Total current liabilities</b>	<b>77,731</b>	<b>58,603</b>
<b>Total liabilities</b>	<b>77,736</b>	<b>58,613</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>91,631</b>	<b>72,546</b>

# Consolidated Statement of Cash Flows Summary

*Russian rubles, million*

	Audited	
	2014	2013
<b>OPERATING ACTIVITIES:</b>		
Total comprehensive income for the year	7,989	5,729
Adjustments	5,002	4,055
<b>Operating cash flows before movements in working capital</b>	<b>12,991</b>	<b>9,784</b>
Change in working capital	15,134	2,700
<b>Cash generated by operations</b>	<b>28,125</b>	<b>12,484</b>
Income tax, interest paid and other	(1,561)	(2,141)
<b>Net cash generated by operating activities</b>	<b>26,564</b>	<b>10,343</b>
<b>INVESTING ACTIVITIES:</b>		
Purchases of PP&E	(2,491)	(2,308)
Short-term investments with banks	-	981
Purchase of intangible assets	(1,787)	(1,689)
Interest received	322	156
<b>Net cash used in investing activities</b>	<b>(3,956)</b>	<b>(2,860)</b>
<b>FINANCING ACTIVITIES:</b>		
Dividends paid	(8,028)	(2,462)
<b>Net cash used in financing activities</b>	<b>(8,028)</b>	<b>(2,462)</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>14,580</b>	<b>5,021</b>
<b>CASH AND CASH EQUIVALENTS, at the beginning of the year</b>	<b>11,542</b>	<b>6,521</b>
<b>CASH AND CASH EQUIVALENTS, at the end of the year</b>	<b>26,122</b>	<b>11,542</b>

**OJSC “Company “M.video”  
Nizhnaya Krasnoselskaya Str., 40/12  
Moscow 107066  
Russia**

**Tel: +7 495 644 28 48, ext. 7064**

**E-mail: [ir@mvideo.ru](mailto:ir@mvideo.ru)**

**Official web-site: [invest.mvideo.ru](http://invest.mvideo.ru)**

**Official ticker: MVID RU**

**Exchange: Moscow Exchange**

**For investor relations purposes, please contact:**

**Nikolay Surikov**

**Denis Davydov**