M.video reports 39% increase in net profit for FY 2014.

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OJSC “Company “M.video”, Russia's largest consumer electronics retailer by revenue (MOEX: MVID), releases today its audited consolidated financial statements prepared in accordance with International Financial Reporting Standards (IFRS) for the year ended 31 December 2014.

M.video’s sales increased by 16.3% to 203.2 billion Russian rubles (RUB), including VAT, in FY 2014. Revenue growth was mainly driven by opening of new stores, LFL sales growth and increase of internet sales by more than 90%.

The Company’s gross profit increased by 21.5% to 46.6 billion RUB in 2014 (38.4 billion RUB in 2013) or as a % of revenue reached 27.1% (25.9% in 2013).

M.video’s operating profit (EBIT) reached 10.1 billion RUB in 2014 (6.8 billion RUB in 2013) and the EBIT margin improved to 5.9% (4.6% in 2013).

The Company’s EBITDA increased to almost 13 billion RUB versus 9.4 billion RUB in 2013 while an EBITDA margin improved to 7.5% as compared to 6.3% in 2013.

M.video’s net profit for 2014 increased by 39.4% to almost 8 billion RUB as compared to 5.7 billion RUB in 2013.

Alexander Tynkovan, CEO of OJSC “Company “M.video”, commented: “In 2014 we achieved a record profitability while remaining a debt free, growing business. We also sustained our leadership in the Russian Consumer Electronics retail, continued to gain market share and delivered on returns to all our major stakeholders – our staff, our customers, our suppliers and our shareholders”.

He also added: “Our Omni-Channel concept has shown once again that the customers prefer to have a choice in how to shop while knowing that pricing and services are the same. This winning formula brought more people to our stores last year and gave us a chance to almost double our online based sales”.

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