OJSC “Company “M.video” reports 36% Q4 2010 retail sales growth.

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OJSC “Company “M.video” (RTS, MICEX: MVID), Russia’s leading consumer electronics retailer, announced today its unaudited retail sales, like-for-like sales (LfL) and expansion results for the full year and the 4th quarter of 2010.

- Q4 2010 Highlights:

- Retail sales increased 36%
- Like-for-like sales increased by 18%
- Net cash position exceeded 6 billion RUB
- 24 new stores opened, total space of 54,000 sq. m added

FY 2010 Highlights:

- Retail sales increased 23%
- Like-for-like sales increased by 9%
- 44 new stores opened, total space reached 564,000 sq. m

In FY 2010 M.video retail sales reached 102.3 billion Russian rubles (RUB), including VAT, demonstrating 23% growth as compared to FY 2009. The Company’s LfL sales in FY 2010 also increased by 9% year-on-year.

In Q4 2010 M.video retail sales increased by 36% in RUB terms as compared to Q4 2009 while LfL sales grew year-on-year by 18% in RUB terms as compared to Q4 2009.

M.video opened 44 new stores in 2010 (24 new stores in Q4 2010), while closing 2 stores. The total number of the Company’s supermarkets reached 219 stores as of December 31st, 2010 located in 86 cities of Russia. The total space of M.video stores amounted to 564,000 sq. m as of December 31st, 2010, demonstrating more than 20% increase as compared to FY 2009 results. The Company entered 14 new cities throughout 2010.

The group’s net cash position as of December 31st, 2010 amounted to over RUB 6 billion.

Alexander Tynkovan, President and CEO of OJSC “Company “M.video”, said: "We achieved many milestones in 2010. We broke through the 100 billion rubles sales mark for the first time in our history. We also opened our high of 44 stores in one year. These achievements show that the M.video brand is trusted by both customers and landlords and we are the best place to shop for innovative consumer electronics”.

He also stated: “We are quite optimistic about our group’s performance in 2011. We believe that an improving customers’ confidence and growing demand on consumer electronics in the Russian market going along with our ambitious expansion strategy will bring more benefits to M.video as one of the best and leading companies in this sector”.

Summary of the full year and the 4th quarter 2010 performance:

Retail Sales Performance*						
	FY 2010	FY 2009	% change y-o-y	Q4 2010	Q4 2009	% change y-o-y
RUB million, with VAT	102 297	82 982	23%	35 076	25 772	36%
RUB million, without VAT	86 692	70 324	23%	29 725	21 841	36%
LfL Sales Performance**						
	FY 2010 LfL Dynamics, %			Q4 2010 LfL Dynamics, %		
Russian rubles	9%			18%		
Expansion						
	As of 31 December 2010		As of 31 December 2009	New 2010	% change	
Stores	219		177	42***	23,7%	
Total space, sq. m	564 000		467 000	97 000***	20,8%	

* - comparative 2009 numbers are based on the reported audit results.
** - LfL data is based upon a comparison of stores open at January 1, 2009 and not closed for more than two weeks or permanently, or expanded or downsized by >20% of total space.
*** - net of closing 2 stores