



OJSC “Company “M.video” Year 2007 Consolidated Audited Financial Statements Presentation



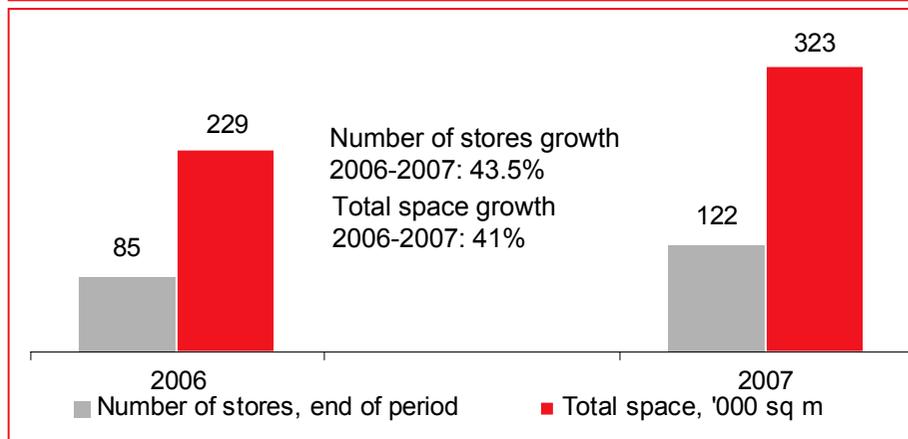
Moscow, July 31, 2008.

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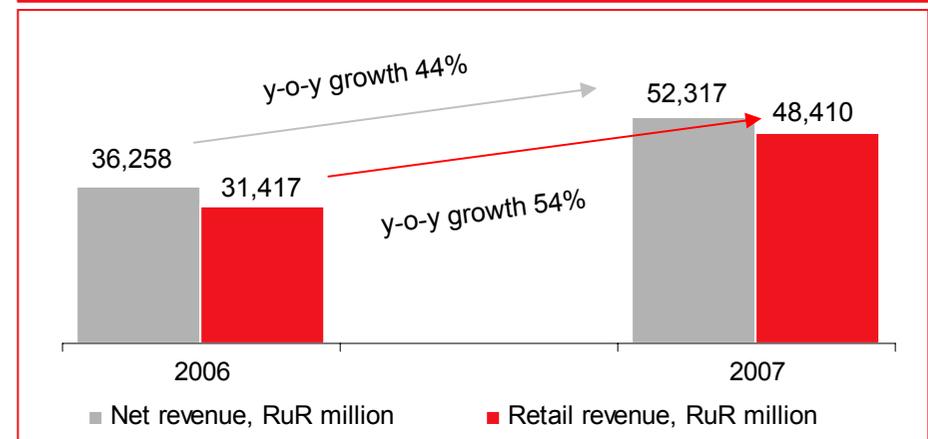
- Excellent FY 2007 results of the Russia's 2nd largest consumer electronics retailer
- Double-digit net revenue and 14% L4L sales growth while achieving strong gross margin performance
- Store Expansion: 37 new hypermarkets opened in 22 cities
- First IPO of the Russian consumer electronics retailer on RTS and MICEX

Number of stores and total space dynamics



Source: Company data.

Retail revenue dynamics



Source: Company data.

<i>Russian Rubles, million (without VAT)</i>	2007	2006	y-o-y, %
Net revenue, incl.	52,317	36,258	44%
Retail revenue	48,410	31,417	54%
Gross profit	12,364	7,825	58%
<i>Gross margin, %</i>	23.6	21.6	
Operating expenses*	10,352	6,678	55%
<i>As % of net revenue</i>	19.8	18.4	
Operating profit (EBIT)	2,012	1,147	75%
<i>EBIT margin, %</i>	3.8	3.2	
EBITDA	2,536	1,446	75%
<i>EBITDA margin, %</i>	4.8	4.0	
Net profit	649	398	63%

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

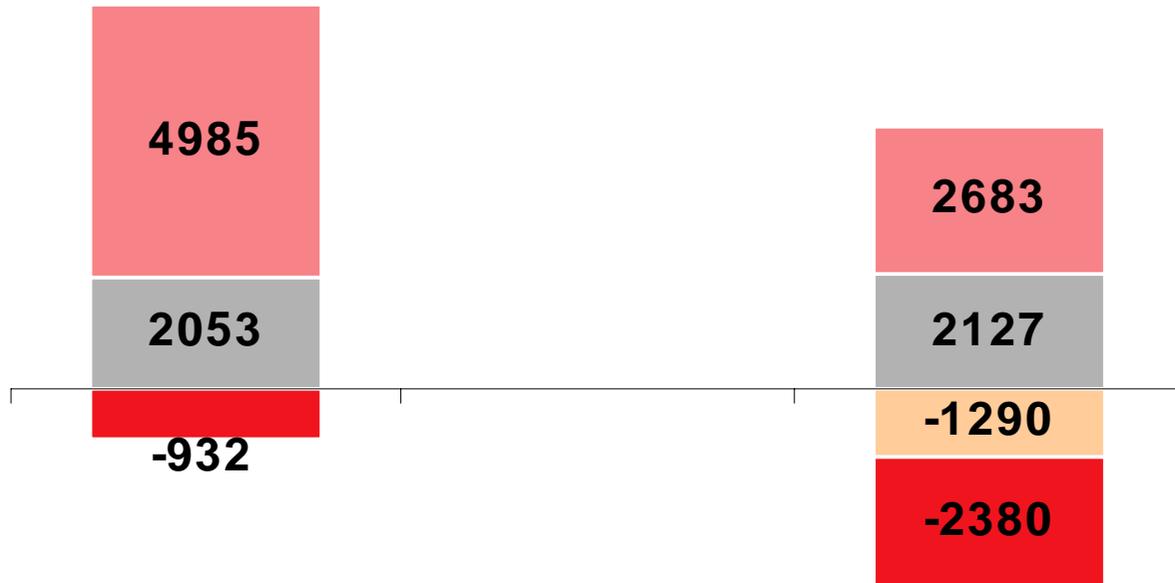
- Long term debt
- Short term investment

- Bonds & short term debt
- Cash

In Russian Rubles, millions

Net debt = 6,106

Net debt = 1,140



Net debt/EBITDA ≈ 4.2x

Net debt/EBITDA ≈ 0.5x

31 Dec 2006

31 Dec 2007

<i>Russian rubles, million (without VAT)</i>	Audited			
	2007	as % of revenue	2006	as % of revenue
Payroll and related taxes	3,058	5.8	1,630	4.5
Lease expenses (rent)	1,940	3.7	1,351	3.7
	1,646	3.1	1,281	3.5
Advertising and promotional expenses				
Transportation	1,131	2.2	559	1.5
Warehouse services	794	1.5	428	1.2
Depreciation and amortization	524	1.0	299	0.8
Other SG&A	2,039	3.8	1,140	3.1
Net other operating income	(780)		(10)	
Total	10,352	19.8	6,678	18.4

Source: Company data.



FY 2007 consolidated income statement highlights

In Russian Rubles, millions (without VAT)	2007	Audited 2006
REVENUE	52,317	36,258
COST OF SALES	(39,953)	(28,433)
GROSS PROFIT	12,364	7,825
Selling, general and administrative expenses	(11,132)	(6,688)
Other operating income	947	205
Other operating expenses	(167)	(195)
OPERATING PROFIT	2,012	1,147
Finance costs, net	(776)	(411)
PROFIT BEFORE INCOME TAX EXPENSE	1,236	736
INCOME TAX EXPENSE	(587)	(338)
NET PROFIT FOR THE YEAR	649	398



FY 2007 consolidated balance sheet summary

In Russian Rubles, millions	Audited	
	2007	2006
ASSETS		
NON-CURRENT ASSETS:		
Property, plant and equipment	4,412	3,424
Other	1,013	506
Total non-current assets	5,425	3,930
CURRENT ASSETS:		
Inventories	10,187	6,961
Accounts receivable and prepaid expenses	1,834	1,974
VAT recoverable and other taxes receivable	1,590	1,666
Short term investment	1,290	-
Cash and cash equivalents	2,380	932
Other	21	153
Total current assets	17,302	11,686
TOTAL ASSETS	22,727	15,616

FY 2007 consolidated balance sheet summary (continued)

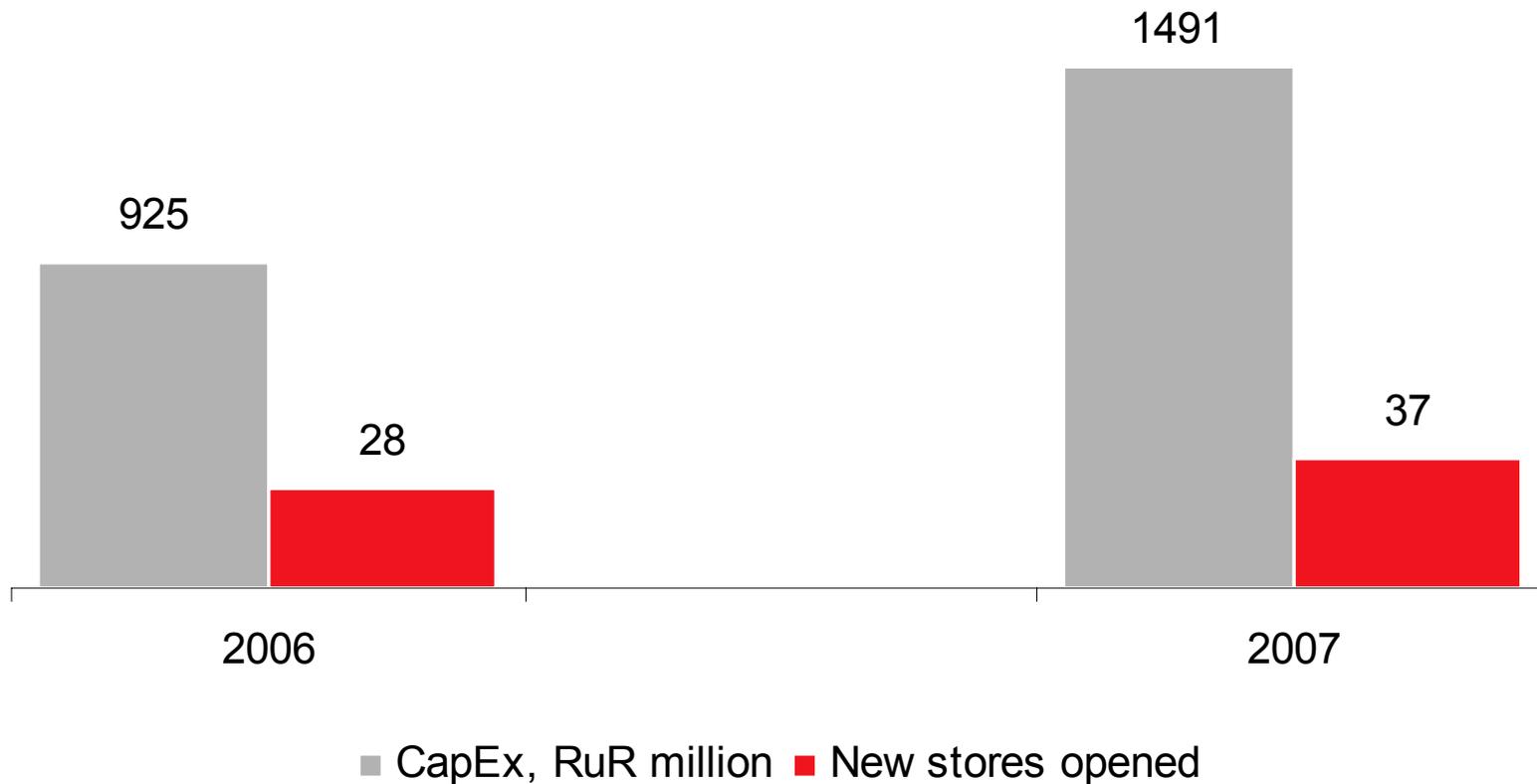
In Russian Rubles, millions	Audited	
	2007	2006
SHAREHOLDERS' EQUITY AND LIABILITIES		
SHAREHOLDERS' EQUITY:		
Total shareholders' equity	6,639	1,095
NON-CURRENT LIABILITIES:		
Long-term loans and borrowings	2,127	2,053
Other	672	561
Total non-current liabilities	2,799	2,614
CURRENT LIABILITIES:		
Trade accounts payable	9,176	5,809
Bonds payable	118	2,000
Short-term loans and borrowings	2,565	2,985
Other	1,430	1,113
Total current liabilities	13,289	11,907
Total liabilities	16,088	14,521
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	22,727	15,616

In Russian Rubles, millions	Audited	
	2007	2006
OPERATING ACTIVITIES:		
Profit for the year	649	398
Adjustments	2,244	1,244
Operating cash flows before movements in working capital	2,893	1,642
Change in working capital	647	(4,908)
Cash generated by/ (used in) operations	3,540	(3,266)
Income tax, interest and other	(2077)	(464)
Net cash generated by/(used in) operations	1,463	(3,730)
INVESTING ACTIVITIES:		
PP&E	(1,476)	(925)
Short term investment with banks, net	(1,290)	0
Other	26	(14)
Net cash used in investing activities	(2,740)	(939)
FINANCING ACTIVITIES:		
Net cash generated by financing activities	2,725	4,863
Net increase in cash and cash equivalents	1,448	194
Cash and cash equivalents at the beginning of the year	932	738
Cash and cash equivalents at the end of the year	2,380	932

In Russian Rubles, millions (without VAT)

	2007	2006
Net profit for the year	649	398
Income tax expense	587	338
Interest income	776	411
Depreciation and amortization	524	299
EBITDA	2,536	1,446
Rent expense	1,940	1,351
EBITDAR*	4,476	2,797

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



Source: Company data.