



Maximizing Brand Value



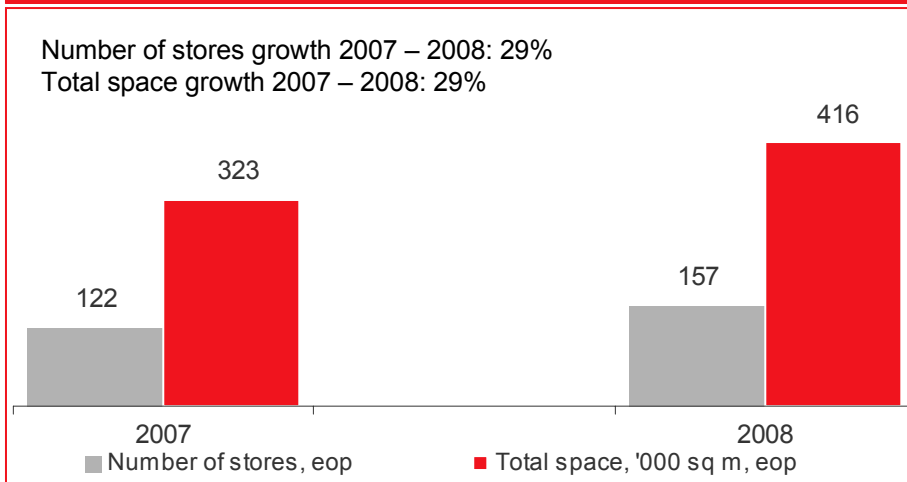
Deutsche Bank "Russia: One-on-one" Conference
February 4-5, 2009.

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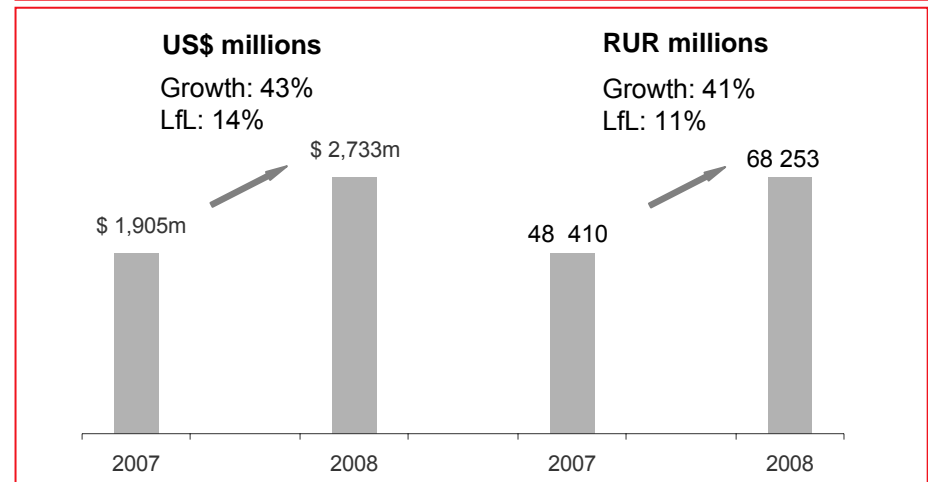
- Russia's 2nd largest consumer electronics retailer
- FY2008 net retail sales reached 68.3 billion RUR, demonstrating 41% growth vs. FY2007
- 157 stores in 64 locations (at December 31st, 2008); 37 new stores opened in 2008.
- Uniform retail store format of 2,000+ sq m of selling space
- 20,000+ SKUs of white, grey, brown and media products

Number of stores and total space dynamics



Source: Company data

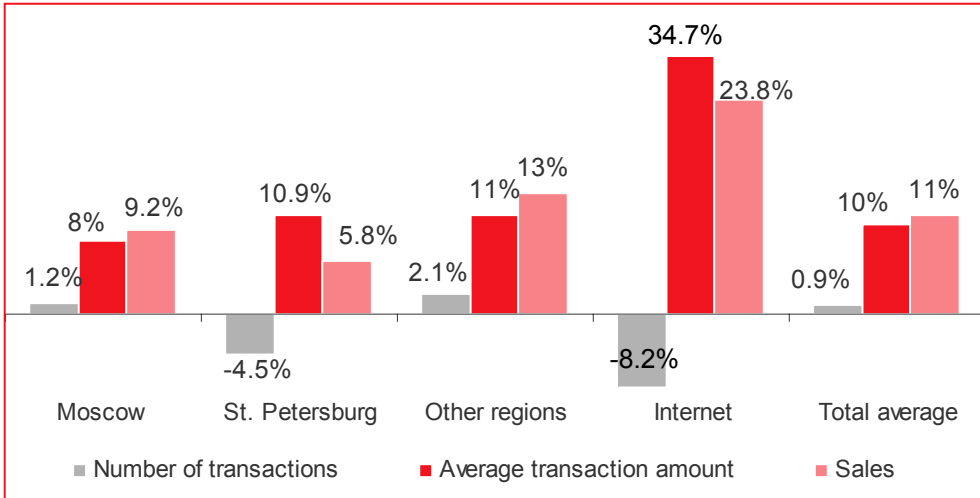
Net retail sales dynamics ⁽¹⁾



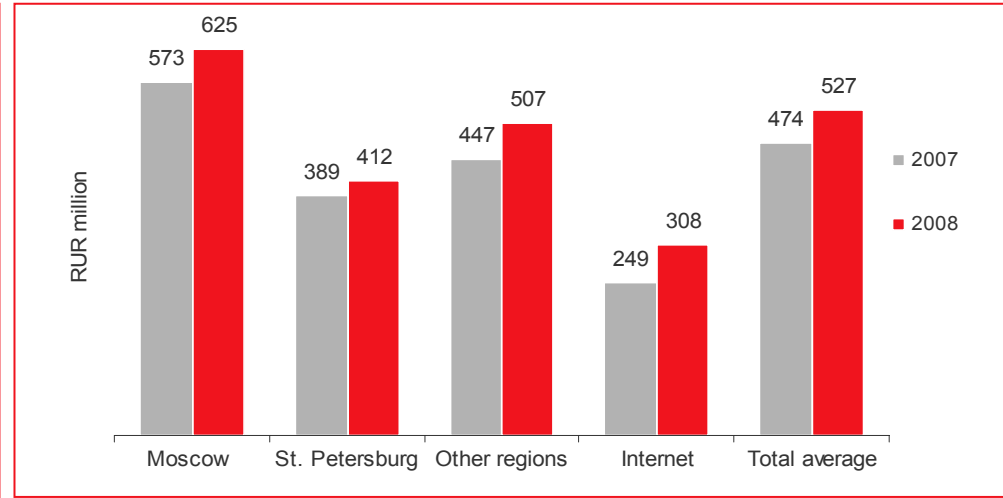
(1) Incl. Internet sales, excl. wholesale sales and other revenue. 2008 data is based on unaudited management accounts. Average exchange rate for the year is weighted for relative quarter sales level.

2007-2008 LfL performance analysis

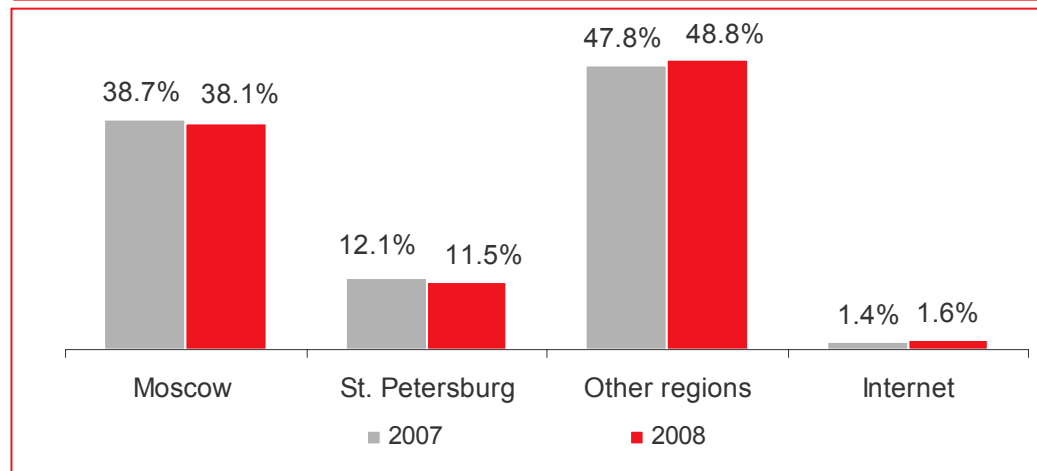
2007-2008 LfL dynamics, %



2007-2008 LfL revenue per store

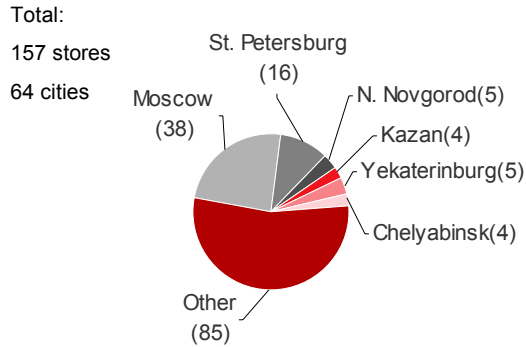


2007-2008 LfL revenue breakdown



Note: LfL data is based upon a comparison of stores open at January 1, 2007 and not closed for more than two weeks or permanently, or expanded or downsized by >20% of total space

Store count at December 31, 2008



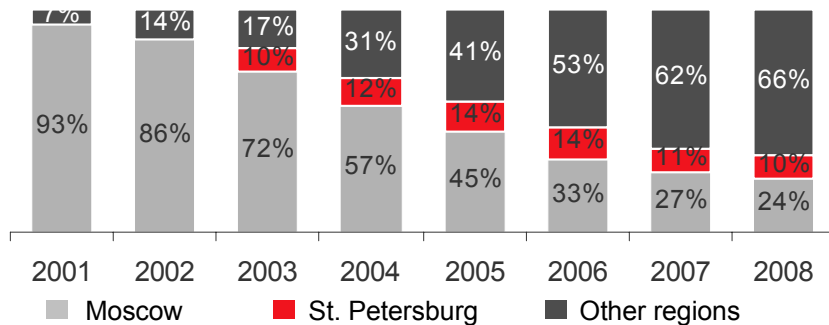
Source: Company data



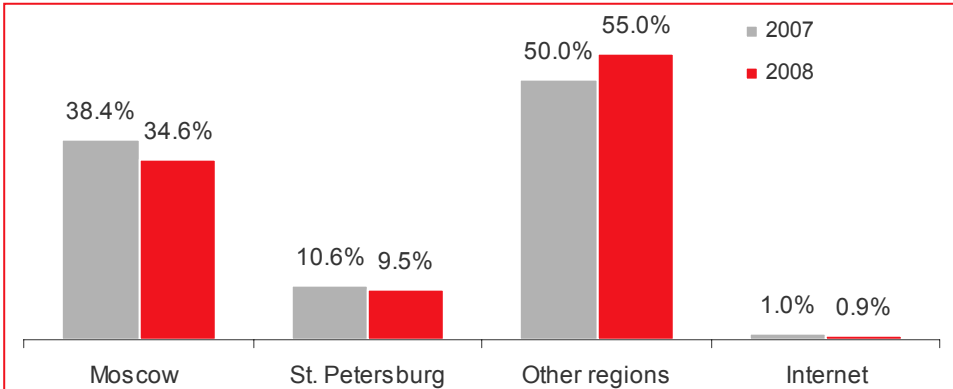
Wide geographic presence with a leading position in major cities

Increasing share of regional operations

Store count by regions (% of total)



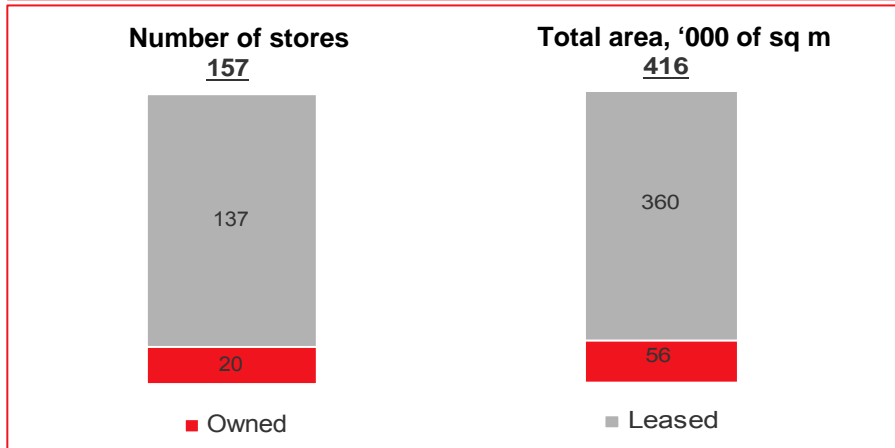
2007-2008 retail revenue breakdown



Replication of the uniform store model and selective approach to new markets

- Store model is easily replicated, maximum flexibility and control over the brand and format standards, no franchise operations
- Cost of store opening ≈ RuR 55 million (excl. working capital)
- “ABC” cities concept – potential cities are categorised by population and analyzed for market potential
- Focus cities to be supported by regional distribution centers within the store clusters
- Potential for increasing number of stores in cities of presence leveraging on existing distribution platform

Real estate structure, as of December 31, 2008



Source: Company data

Shopping centers vs. stand-alone stores, as of 31.12.08

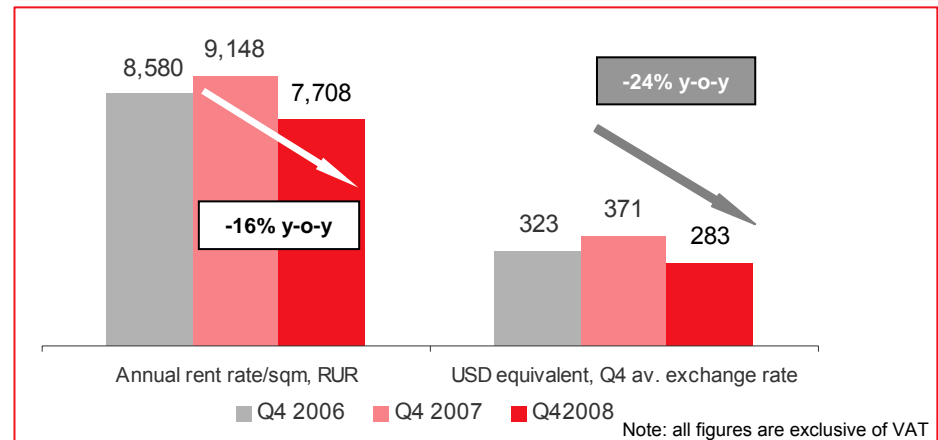
Total number of stores	157
% owned	13%
Number of stores in shopping centers	133
% of total	85%
Number of stand-alone stores	24
% of total	15%

Source: Company data

Expansion plan and delivery

- M.video plans to open up to new 23 stores in 2009
- 2008 expansion: 37 new store opened, 16 new cities entered
- Two store closed during 2008.

Rent rates for stores opened in Q4 2006, 2007 and 2008

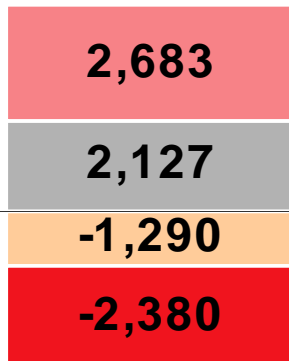


31 December 2008 net debt structure

- Long term debt
- Short term investment

- Bonds & short term debt
 - Cash
- In Russian Rubles, millions

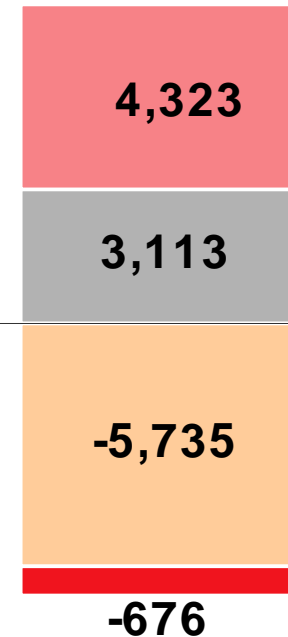
Net debt = 1,140



Net debt/EBITDA ≈ 0.5x

31 Dec 2007

**Net debt = 1,025
(unaudited)**

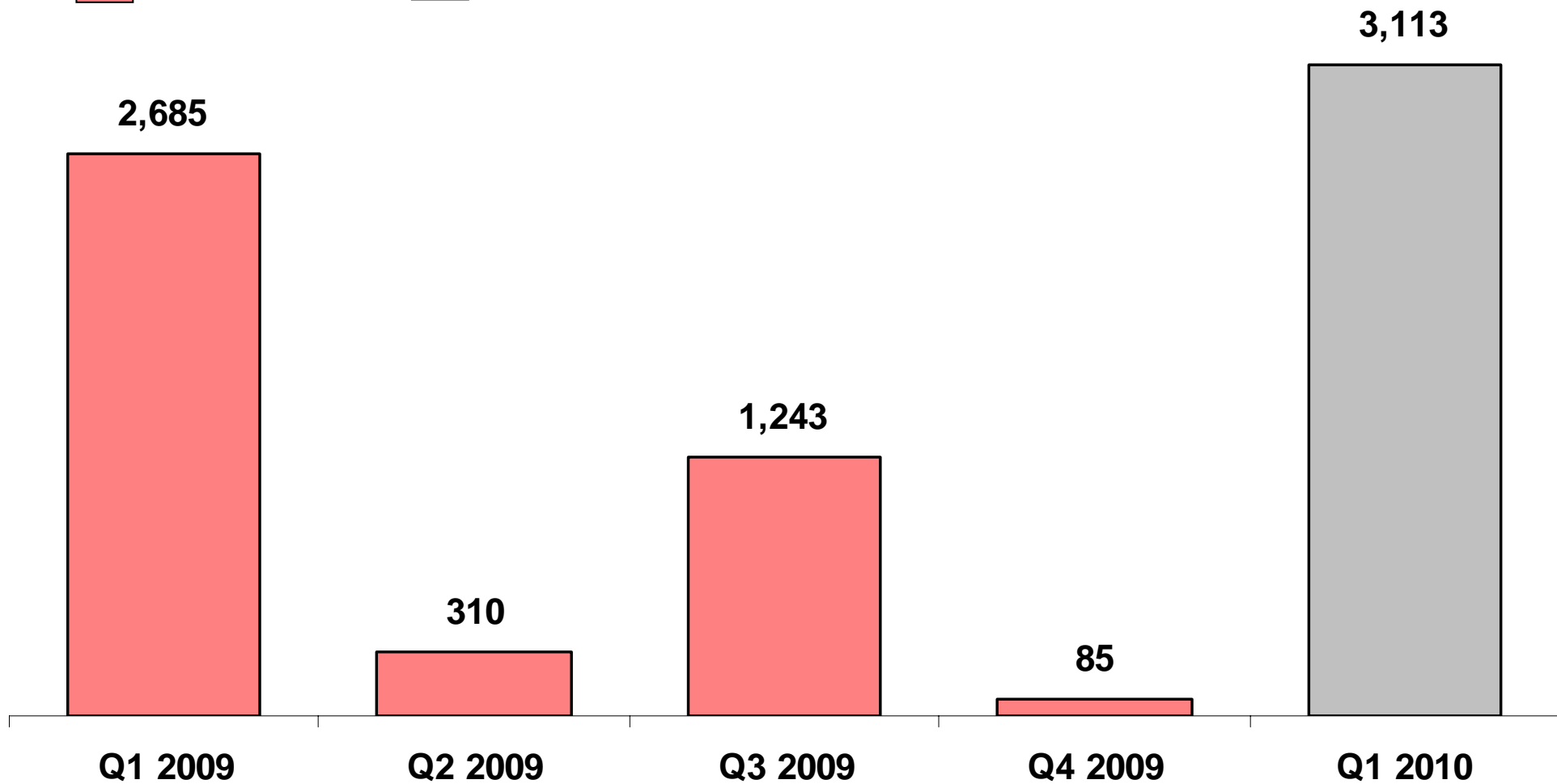


31 Dec 2008

2009-2010 debt repayment schedule

In Russian Rubles, millions

■ - short term debt ■ - long term debt



Experienced international management team...



Alexander Tynkovan
President and CEO
15 years with M.video

In 1993, established the Company where he holds the position of President and sits on the Company's Board of directors

Graduated from the Moscow Energy Institute



Christopher Parks
CFO
3 years with M.video

Prior to joining M.video, worked as the Financial Director of GTS and has spent 9 years with Price Waterhouse in Canada, Belgium and Russia

Holds a Bachelors degree in business administration from Simon Fraser University and is a certified Chartered Accountant of Canada



Janusz Lella
Retail Operations Director
5 years with M.video

Prior to joining M.video, worked as President and CEO of Retail Investment Concepts (Office Depot) (Central Europe)

Before that, worked as the General Manager and Chairman of the Board of Yoplait Polska.

Graduated from Warsaw Technical University in 1980



Enrique Fernandez
Commercial Director
Joined in Jan 2009

Enrique has more than 12 years of experience in retail industry. For the last two years, he worked in the Russian market as Eldorado Company as Vice-President for Procurement. From 2003 till 2007, Mr. Fernandez worked for the Media-Saturn Holding GmbH in various senior positions.



Maxim Zakhir
Marketing Director

Maxim joined M.video in July 2008.

Prior to joining M.video, Maxim worked for 4 years as Marketing Director at Bely Veter DIGITAL chain.

Maxim holds MBA Marketing degree from the Russian Academy of National Economy under the Government of Russia.



Irina Ivanova
Supply Chain Director
2 years with M.video

Irina joined M.video as Supply Chain project manager in 2006

Prior to joining M.video, Irina spent 10 with NESTLE Russia where she was a Supply Chain manager and also was responsible for implementing of the integrated IT solutions (SAP, R3)

Since April 1, 2008 serves as Supply Chain Director



Georges Correia
IT Director
2 years with M.video

Prior to joining M.video, Georges worked at Auchan as an International Project Manger from 1996 – 2002 and headed the Auchan IT department in Russia in 2002 - 2006

Since January 2006 Georges has served as IT Director



Olga Vasiliskova
HR Director
5 years with M.video

Prior to joining M.video as an HR Director in 2004, Olga worked at Philip Morris Int. in 1995-2003

Olga has completed professional courses on HR management in MCE (Brussels), Ashridge (UK), Lausanne PM HQ and INSEAD (France)

She graduated from Moscow State University Economic faculty

Chairman of the Board

Peter Gyoerffy

Independent Director
Chairman of the Board
Member of Remuneration and
Nomination Committee



- Board concept in place for 5 years; formal Board of Directors introduced in 2006
- Board comprises 9 people, including 5 Independent Directors
 - Independent Chairman
- Audit Committee chaired by Independent Director
 - Comprised of independent members only
- Remuneration and Nomination Committee chaired by Independent Director

Members of the Board⁽¹⁾

Alexander Tynkovan	Pavel Breev	Christopher Parks	Mikhail Kuchment	Utho Creusen	David Hamid	Ilo Helander	Stuart Leighton
Shareholder President	Shareholder General Director Expansion Director	CFO	Ex-Commercial Director	Independent Director	Independent Director Chairman of Remuneration and Nomination Committee	Independent Director Member of Audit Committee	Independent Director Chairman of Audit Committee

(1) Corporate logos represent the past experience of our Board

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Official ticker: MVID RU

Exchange: RTS and MICEX

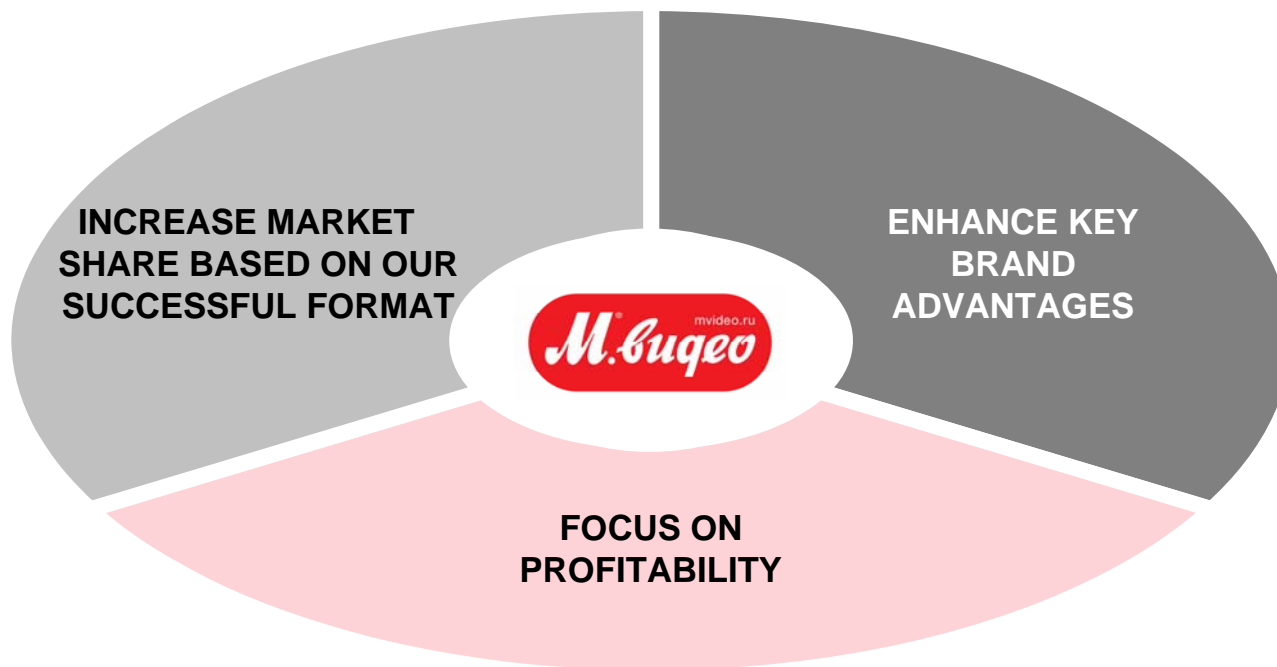
For investor relations purposes, please contact:

Christopher Parks

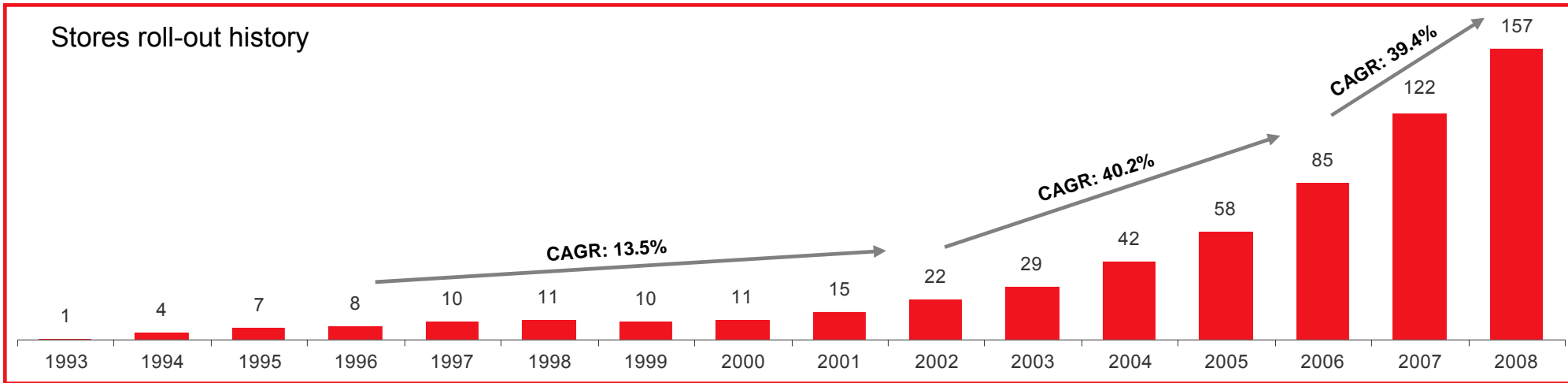
Denis Davydov

Maxim Kravtsov

M.video: selected historical facts



Key historical development stages



Following a period of capital accumulation and restructuring, M.video has embarked on growth and regional expansion

Customer-oriented environment

- Properly selected assortment to fit the demand
- In-store information and navigation
- High quality service and consultation for customers

“Devices are not enough”

- Focus on innovative products, technologies and solutions
- Product information and testing

Creating temptation to buy

- Product presentation and store layout
- Attracting new customers to come in and encourage to spend more time in store
- Modern merchandising techniques
- Stimulating impulse purchasing

Best international practices

- Store concept developed in cooperation with international consultants
- Retail concept adapted and tailored for Russian customers
- Continuous improvements to reflect the most recent market trends

Core store model

Store size

Total area	2,500	sq m
Selling area	2,000	sq m

Product offering

20,000 SKUs

Headcount per store

Day shift	60	people
Night shift (24h stores)	20	people

Product offering by SKU

	SKUs
Audio/Video	1,400
Large Appliances	1,800
Small Appliances	700
IT	200
Telecom	450
Photo	150
Media	10,200
Accessories	5,100
Total	20,000

M.video has created a modern retail concept delivering a compelling shopping experience

Targeting affluent customer base ...

Target customer base

A	▪ Top managers, highly qualified specialists, entrepreneurs
B	▪ Middle managers, middle-sized business entrepreneurs
C	▪ Highly qualified specialists, small business owners, low-middle managers
D	▪ State companies, budget organizations employees
E	▪ Auxiliary workers

Note: Categories definition by Comcon TGI Russia

... through effective advertising and promotion strategy

		Share of 2008 marketing budget
Federal TV channels	<ul style="list-style-type: none"> ▪ Support for regional expansion ▪ Awareness building 	31%
Outdoor	<ul style="list-style-type: none"> ▪ Continuous presence and navigation ▪ Support for promotions 	30%
Leaflets	<ul style="list-style-type: none"> ▪ Regular communication of promotions 	31%

Source: Company data

Selected IFRS 1H 2008 financial statements

1H 2008 key financial indicators (unaudited)

In Russian rubles, millions (without VAT)	1H 2008	1H 2007	<i>y-o-y, %</i>
Net revenue, incl.	30,509	19,925	53%
Retail revenue	29,206	18,418	59%
Gross profit	7,381	4,380	69%
<i>Gross margin, %</i>	24.2%	22.0%	
Operating expenses*	6,507	4,061	60%
<i>As % of net revenue</i>	21.3%	20.4%	
Operating profit (EBIT)	874	319	174%
<i>EBIT margin, %</i>	2.9%	1.6%	
EBITDA	1,247	545	129%
<i>EBITDA margin, %</i>	4.0%	2.7%	
Net profit	397	(159)	-

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

1H 2008 consolidated income statement

In Russian Rubles, millions (without VAT)	unaudited	
	1H 2008	1H 2007
REVENUE	30,509	19,925
COST OF SALES	(23,128)	(15,545)
GROSS PROFIT	7,381	4,380
Selling, general and administrative expenses	(6,886)	(4,298)
Other operating income	416	299
Other operating expenses	(37)	(62)
OPERATING PROFIT	874	319
Finance costs, net	(190)	(401)
PROFIT BEFORE INCOME TAX EXPENSE	684	(82)
INCOME TAX EXPENSE	(287)	(77)
NET PROFIT/(LOSS)	397	(159)

In Russian Rubles, millions

unaudited

	<u>1H 2008</u>	<u>1H 2007</u>
Net profit (loss)	397	(159)
Income tax expense	287	77
Interest income	190	401
Depreciation and amortization of non-current assets	373	226
EBITDA	1,247	545
Rent expense	1,408	631
EBITDAR	2,655	1,176

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

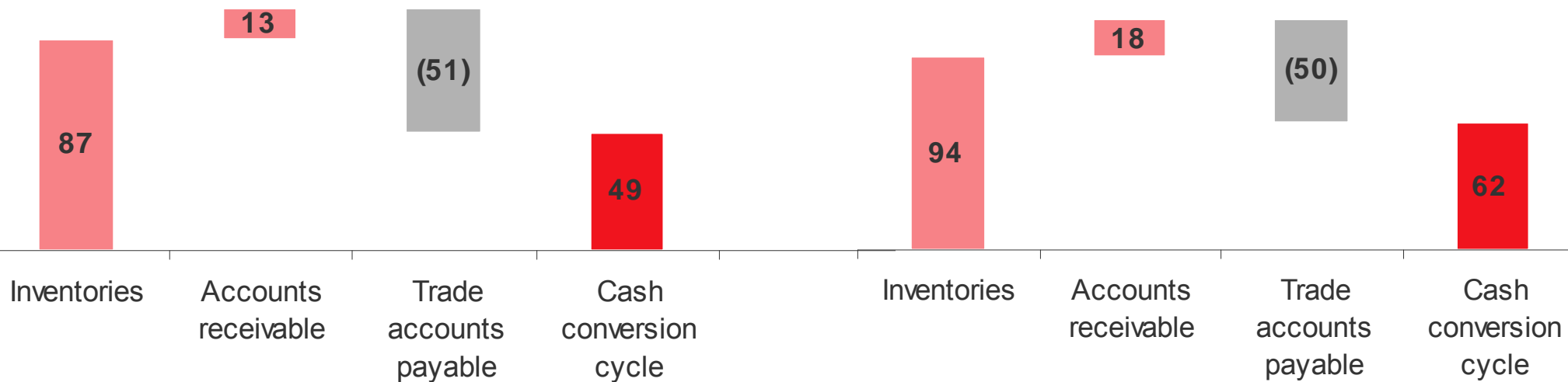
1H 2008 consolidated balance sheet summary

In Russian Rubles, millions	unaudited 1H 2008	December 31, 2007
ASSETS		
NON-CURRENT ASSETS:		
Property, plant and equipment	4,832	4,412
Other	1,069	916
Total non-current assets	5,901	5,328
CURRENT ASSETS:		
Inventories	10,943	10,187
Accounts receivable and prepaid expenses	2,017	1,834
VAT recoverable and other taxes receivable	1,622	1,595
Short term investment	1,770	1,290
Cash and cash equivalents	1,176	2,380
Other	217	113
Total current assets	17,745	17,399
TOTAL ASSETS	23,646	22,727

In Russian Rubles, millions	unaudited 1H 2008	December 31, 2007
SHAREHOLDERS' EQUITY AND LIABILITIES		
SHAREHOLDERS' EQUITY:		
Total shareholders' equity	7,086	6,639
NON-CURRENT LIABILITIES:		
Long-term loans and borrowings	-	2,127
Other	562	575
Total non-current liabilities	562	2,702
CURRENT LIABILITIES:		
Trade accounts payable	6,409	9,176
Bonds payable	118	118
Short-term loans and borrowings	7,804	2,565
Other	1,667	1,527
Total current liabilities	15,998	13,386
Total liabilities	16,560	16,088
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	23,646	22,727

1H 2008 Conversion cycle

1H 2007 Conversion cycle

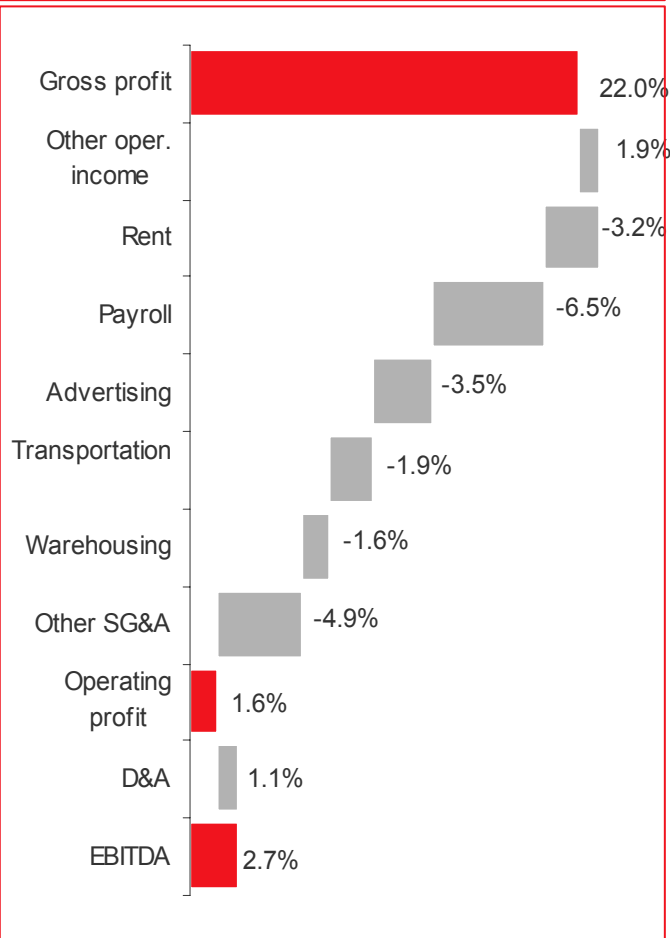


1H 2008 consolidated cash flow statement

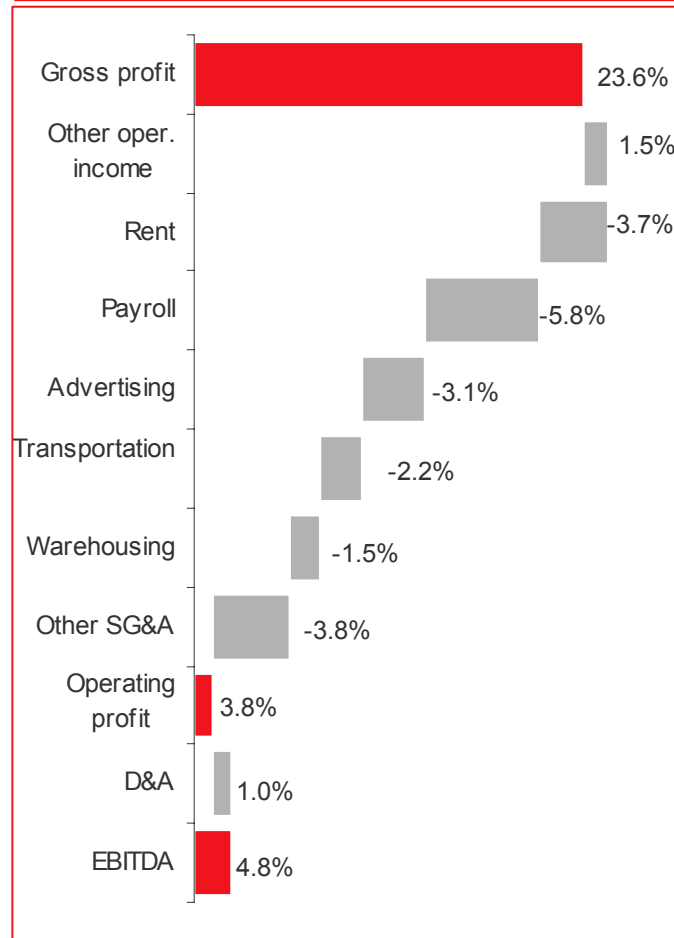
In Russian Rubles, millions	unaudited	
	1H 2008	1H 2007
OPERATING ACTIVITIES:		
Profit (loss) for the half year	397	(159)
Adjustments	898	849
Operating cash flows before movements in working capital	1,295	690
Change in working capital	(3206)	(2,064)
Cash generated by/ (used in) operations	(1,911)	(1,374)
Income tax, interest and other	(1,139)	(1,204)
Net cash generated by/(used in) operations	(3,050)	(2,578)
INVESTING ACTIVITIES:		
PP&E	(786)	(505)
Short term investment with banks, net	(480)	-
Other	41	22
Net cash used in investing activities	(1,225)	(483)
FINANCING ACTIVITIES:		
Net cash generated by financing activities	3,071	2,411
Net increase in cash and cash equivalents	(1,204)	(650)
Cash and cash equivalents at the beginning of the period	2380	932
Cash and cash equivalents at the end of the period	1,176	282

<i>Russian rubles, million</i>	unaudited			
	1H 2008	as % of revenue	1H 2007	as % of revenue
Payroll and related taxes	2,062	6.8%	1,297	6.5%
Lease expenses (rent)	1,408	4.6%	631	3.2%
Advertising and promotional expenses	1,013	3.3%	690	3.5%
Transportation	462	1.5%	316	1.6%
Warehouse services	435	1.4%	388	1.9%
Depreciation and amortization	373	1.2%	226	1.1%
Other SG&A	1,133	3.7%	750	3.8%
Other operating income (net)	(379)		(237)	
Total	6,507	21.3%	4,061	20.4%

1H 2007 (as % of revenue)



2007 (as % of revenue)



1H 2008 (as % of revenue)

