



## OJSC "Company "M.video" 1st Half 2009 Consolidated Financial Statements Presentation



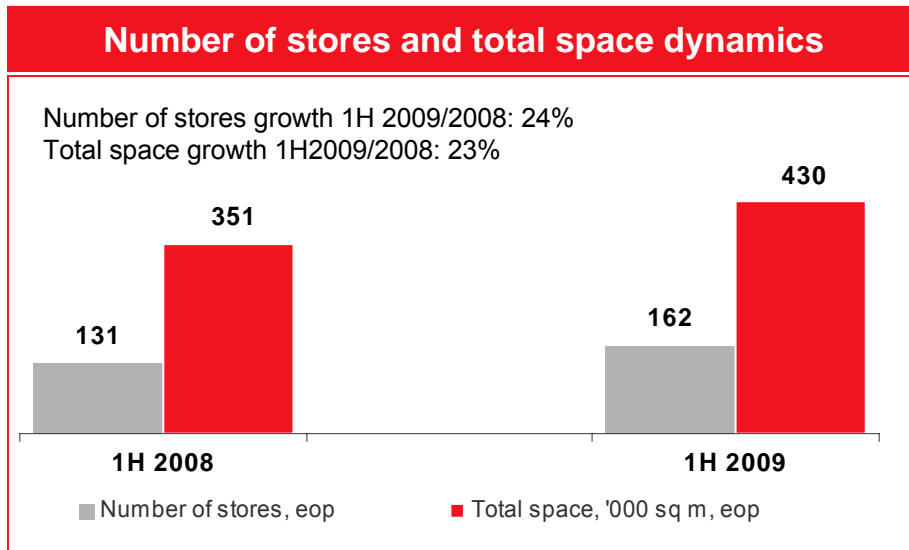
Moscow, September 9<sup>th</sup>, 2009.

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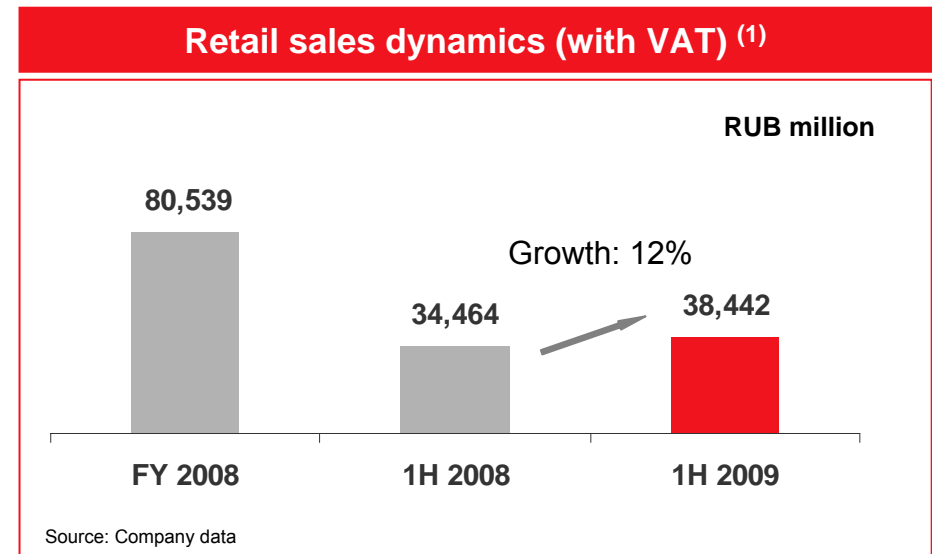
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- Russia's largest consumer electronics retailer with a growing market presence.
- Strong balance sheet and low leverage level.
- 1H 2009 retail sales reached 38.4 billion RUB (32.6 billion RUB without VAT), demonstrating 12% growth vs. 1H 2008.
- 162 stores in 67 cities (as of June 30<sup>th</sup> 2009); 7 new stores opened in 1H 2009\*.

\* Two stores were closed in 1H 2009



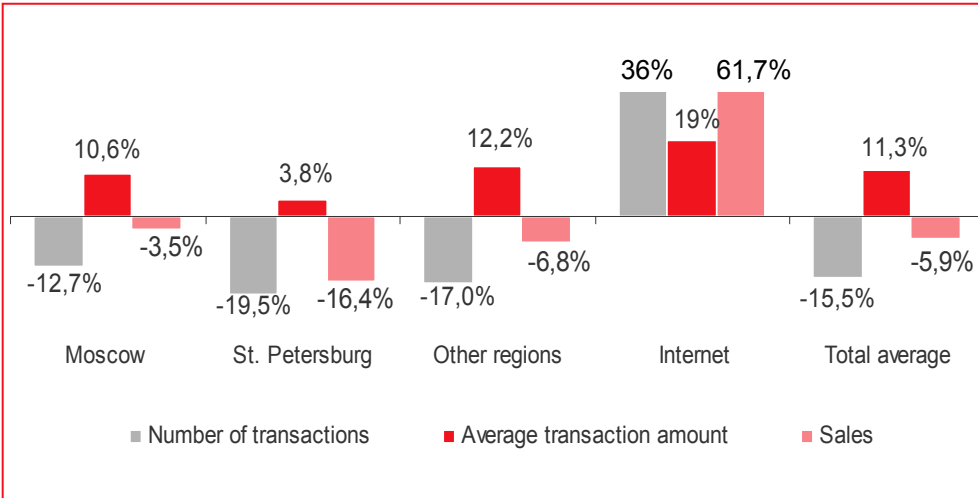
Source: Company data



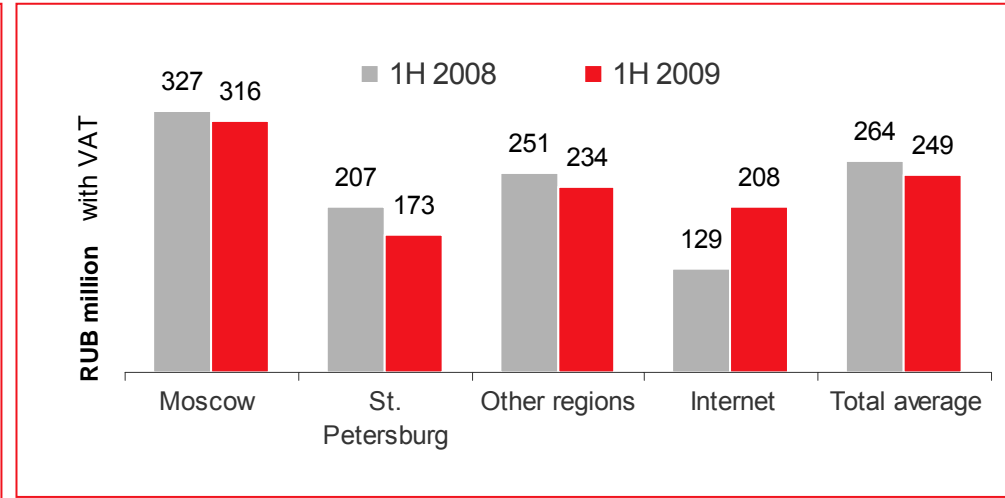
(1) Incl. Internet sales, excl. wholesale sales and other revenue. 2008-2009 data is based on unaudited management accounts.

# 1H 2009 – 1H 2008 LfL performance analysis

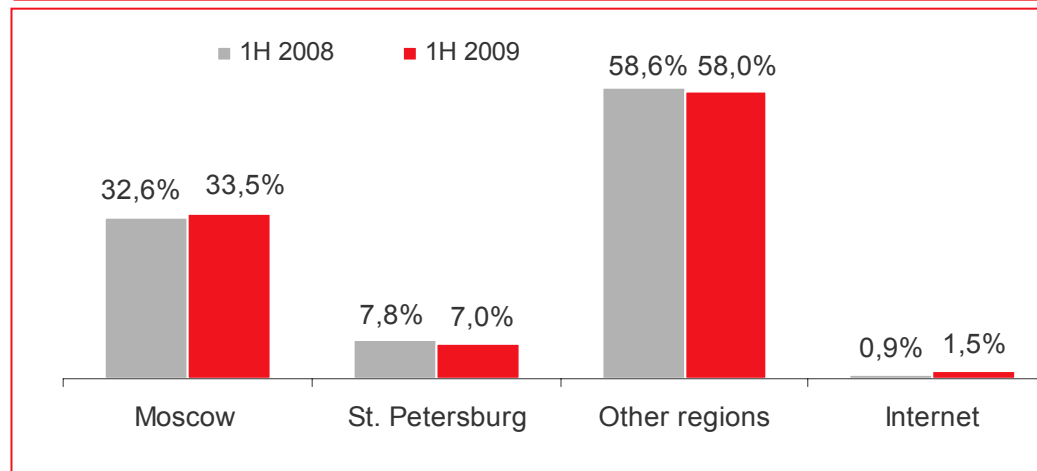
### 1H 2009 – 1H 2008 LfL dynamics, %



### 1H 2009 – 1H 2008 LfL revenue per store



### 1H 2009 – 1H 2008 LfL revenue breakdown, %



Note: LfL data is based upon a comparison of stores open at January 1, 2008 and not closed for more than two weeks or permanently, or expanded or downsized by >20% of total space

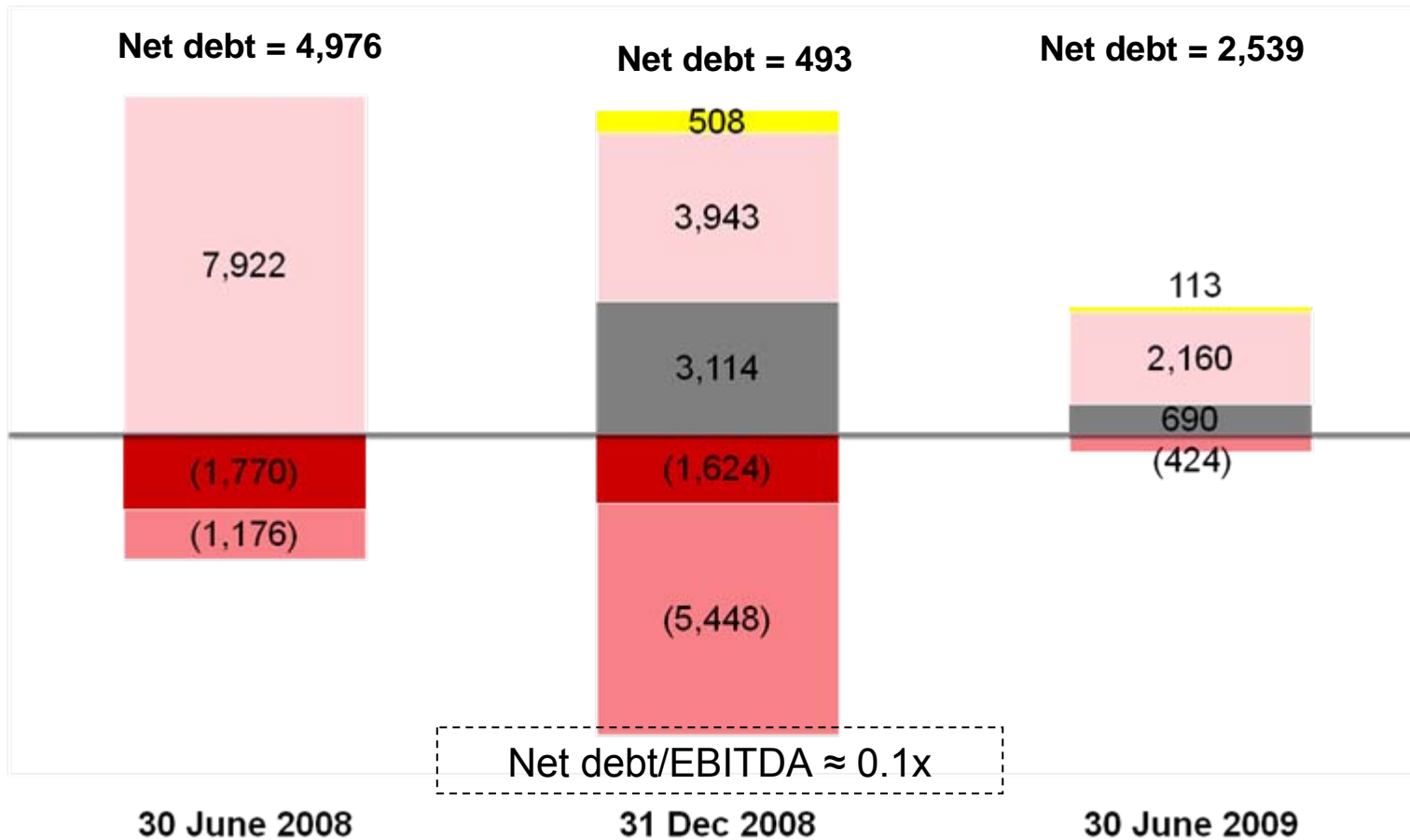
# 1H 2009 key financial indicators (unaudited)

In Russian rubles, millions (without VAT)	1H 2009	1H 2008	<i>y-o-y, %</i>
<b>Net revenue</b>	<b>34,036</b>	<b>30,509</b>	11.6%
Retail revenue	32,596	29,206	11.6%
<b>Gross profit</b>	<b>8,909</b>	<b>7,381</b>	20.7%
<i>Gross margin, %</i>	26.2%	24.2%	-
<b>Operating expenses*</b>	<b>7,757</b>	<b>6,522</b>	18.9%
<i>As % of net revenue</i>	22.8%	21.4%	-
<b>Operating profit (EBIT)</b>	<b>1,152</b>	<b>859</b>	34.1%
<i>EBIT margin, %</i>	3.4%	2.8%	-
<b>EBITDA</b>	<b>1,699</b>	<b>1,232</b>	37.9%
<i>EBITDA margin, %</i>	5.0%	4.0%	-
<b>Net profit</b>	<b>247</b>	<b>397</b>	(37.8%)

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

- Long term debt
- Short term debt and bonds
- Letters of credit
- Short term investments
- Cash and cash equivalents

In Russian rubles, millions



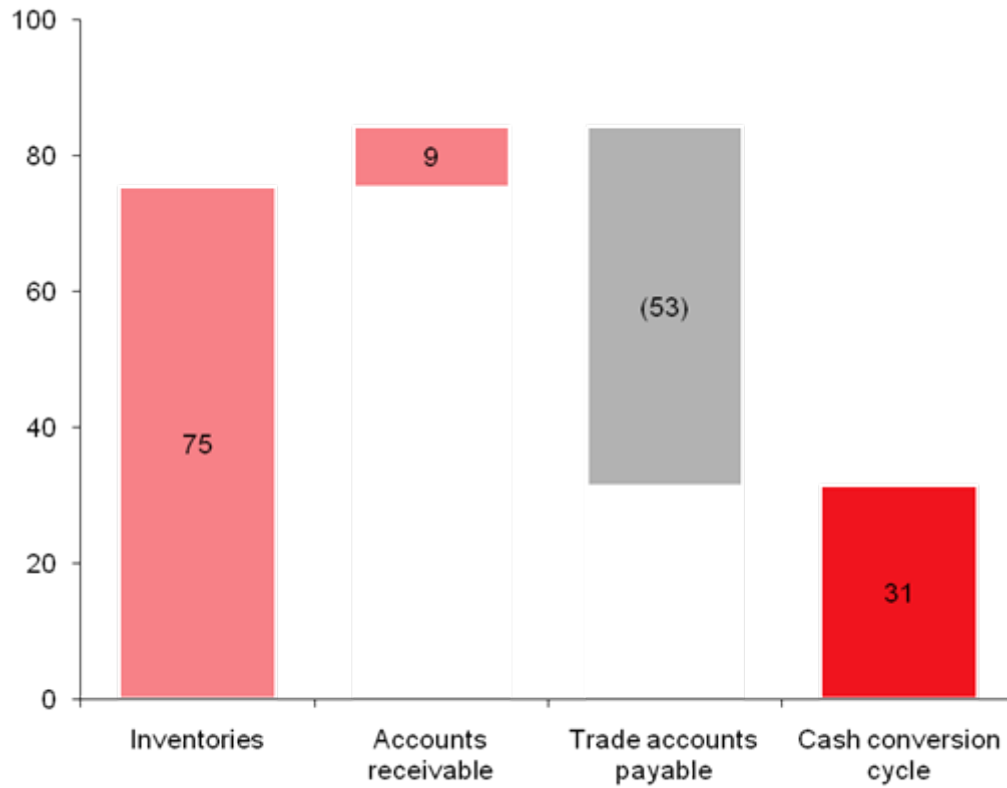
In Russian Rubles, millions	unaudited	
	30 June 2009	30 June 2008
Interest on bank loans	272	255
Coupon yield on corporate bonds	-	6
Change in fair value of forward contract	(62)	38
Loss on realized forward contracts	263	-
Interest income	(46)	(109)
Exchange difference from net foreign currency borrowings	291	(15)
<b>Total</b>	<b>718</b>	<b>175</b>

## 1H 2009 operating expenses

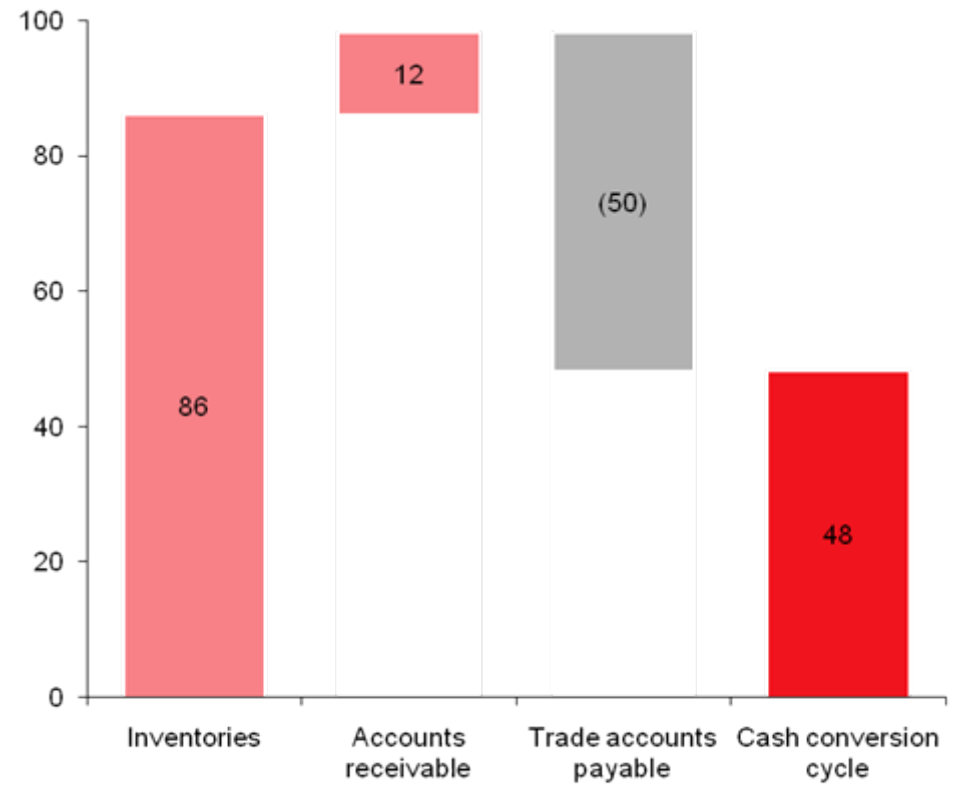
<i>Russian rubles, millions</i>	unaudited			
	1H 2009	as% of revenue	1H 2008	as% of revenue
Payroll and related taxes	2,102	6.2%	2,062	6.8%
Lease expenses (rent)	1,868	5.5%	1,408	4.6%
Advertising and promotional expenses	1,162	3.4%	1,013	3.3%
Transportation	476	1.4%	435	1.4%
Warehouse services	403	1.2%	462	1.5%
Depreciation and amortization	547	1.6%	373	1.2%
Other SG&A	1393	4.1%	1133	3.7%
Net other operating income	(194)	-0.6%	(364)	-1.2%
<b>Total</b>	<b>7,757</b>	<b>22.8%</b>	<b>6,522</b>	<b>21.4%</b>



Cash conversion cycle in 1H2009, days



Cash conversion cycle in 1H2008, days



In Russian Rubles, millions (without VAT)

unaudited

	<u>30 June 2009</u>	<u>30 June 2008</u>
REVENUE	34,036	30,509
COST OF SALES	<u>(25,127)</u>	<u>(23,128)</u>
GROSS PROFIT	8,909	7,381
Selling, general and administrative expenses	(7,951)	(6,886)
Other operating income*	259	420
Other operating expenses*	<u>(65)</u>	<u>(56)</u>
OPERATING PROFIT	1,152	859
Finance costs, net*	<u>(718)</u>	<u>(175)</u>
PROFIT BEFORE INCOME TAX	434	684
INCOME TAX EXPENSE	<u>(187)</u>	<u>(287)</u>
<b>NET PROFIT</b>	<b><u>247</u></b>	<b><u>397</u></b>

# 1H 2009 consolidated balance sheet summary

In Russian Rubles, millions	unaudited	
	30 June 2009	31 December 2008
<b>ASSETS</b>		
<b>NON-CURRENT ASSETS:</b>		
Property, plant and equipment	5,838	5,917
Other	1,402	1,757
<b>Total non-current assets</b>	<b>7,240</b>	<b>7,674</b>
<b>CURRENT ASSETS:</b>		
Inventories	10,456	14,115
Accounts receivable and prepaid expenses	1,695	2,181
VAT recoverable and other taxes receivable	648	1,543
Short term investment	5	1,624
Cash and cash equivalents	424	5,448
Other	175	597
<b>Total current assets</b>	<b>13,403</b>	<b>25,508</b>
<b>TOTAL ASSETS</b>	<b>20,643</b>	<b>33,182</b>

In Russian Rubles, millions	unaudited	
	<b>30 June 2009</b>	<b>31 December 2008</b>
<b>SHAREHOLDERS' EQUITY AND LIABILITIES</b>		
SHAREHOLDERS' EQUITY:		
<b>Total shareholders' equity</b>	<b>8,260</b>	<b>7,989</b>
NON-CURRENT LIABILITIES:		
Long-term loans and borrowings	690	3114
Other	461	565
<b>Total non-current liabilities</b>	<b>1151</b>	<b>3679</b>
CURRENT LIABILITIES:		
Trade accounts payable	7,370	14,878
Short-term loans and borrowings	2,160	3,943
Other	1702	2693
<b>Total current liabilities</b>	<b>11,232</b>	<b>21,514</b>
Total liabilities	12,383	25,193
<b>TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES</b>	<b>20,643</b>	<b>33,182</b>

In Russian Rubles, millions	unaudited	
	1H 2009	1H 2008
<b>OPERATING ACTIVITIES:</b>		
Profit (loss) for the half year	247	397
Adjustments	1,390	898
Operating cash flows before movements in working capital	1,637	1,295
Change in working capital	(2,963)	(3,206)
Cash generated by/ (used in) operations	(1,326)	(1,911)
Income tax, interest and other	(534)	(1,139)
<b>Net cash generated by/(used in) operations</b>	<b>(1,860)</b>	<b>(3,050)</b>
<b>INVESTING ACTIVITIES:</b>		
PP&E	(431)	(786)
Short term investment with banks, net	1,770	(480)
Other	14	41
<b>Net cash used in investing activities</b>	<b>1,353</b>	<b>(1,225)</b>
<b>FINANCING ACTIVITIES:</b>		
<b>Net cash generated by financing activities</b>	<b>(4,668)</b>	<b>3,071</b>
<b>Net increase in cash and cash equivalents</b>	<b>(5,175)</b>	<b>(1,204)</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>5,448</b>	<b>2,380</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>424</b>	<b>1,176</b>

In Russian Rubles, millions	unaudited	
	1H 2009	1H 2008
<b>Profit (loss) for the half year</b>	<b>247</b>	<b>397</b>
Corporate Income Tax	187	287
Interest expense	718	175
D&A	547	373
<b>EBITDA</b>	<b>1,699</b>	<b>1,232</b>
Lease expense	1,868	1,408
<b>EBITDAR*</b>	<b>3,567</b>	<b>2,640</b>

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

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