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# Omni-Channel Strategy in the Russian Consumer Electronic Retail

6m and Q2 2015 Investor and Analyst Presentation



**нам не всё равно 20 лет**

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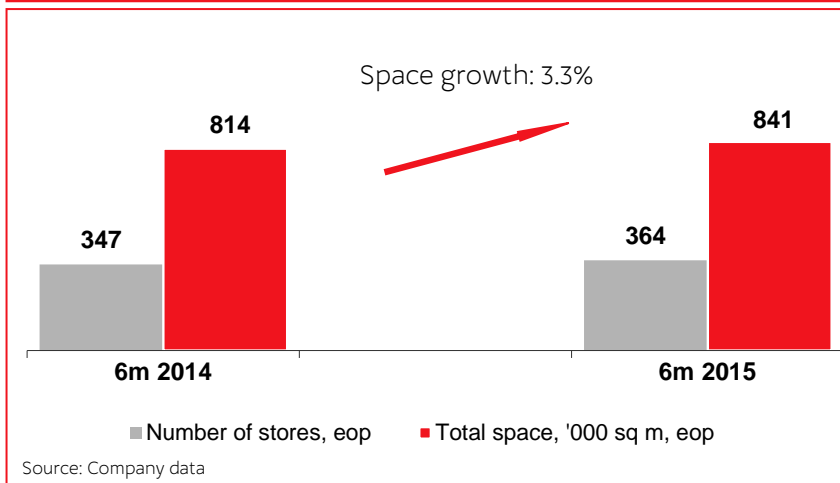
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# 6m and Q2 2015 trading update summary

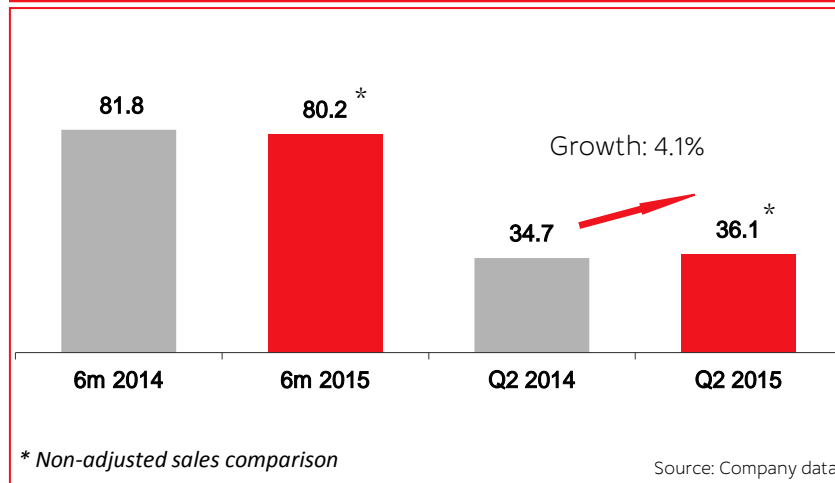
- Q2 2015 sales grew by 4.1% and reached 36 billion RUB (with VAT). LfL sales were (3%).
- 6m 2015 adjusted sales amounted to 83 billion RUB\* (with VAT), grew by 1.7% growth y-o-y. The non-adjusted sales amounted to 80 billion RUB (with VAT). 6m 2015 LfL sales amounted (8.1%).
- 6m 2015 online based sales grew by 29% to 8.3 billion RUB (with VAT).
- 4 new stores added, 8 stores closed in 6m 2015; network has 364 stores and accounts for 625,000 sq.m selling space.

\* As adjusted for 2,941 million RUB (2,492 without VAT) of revenue for goods prepaid in 2014 but delivered to customers in 2015.

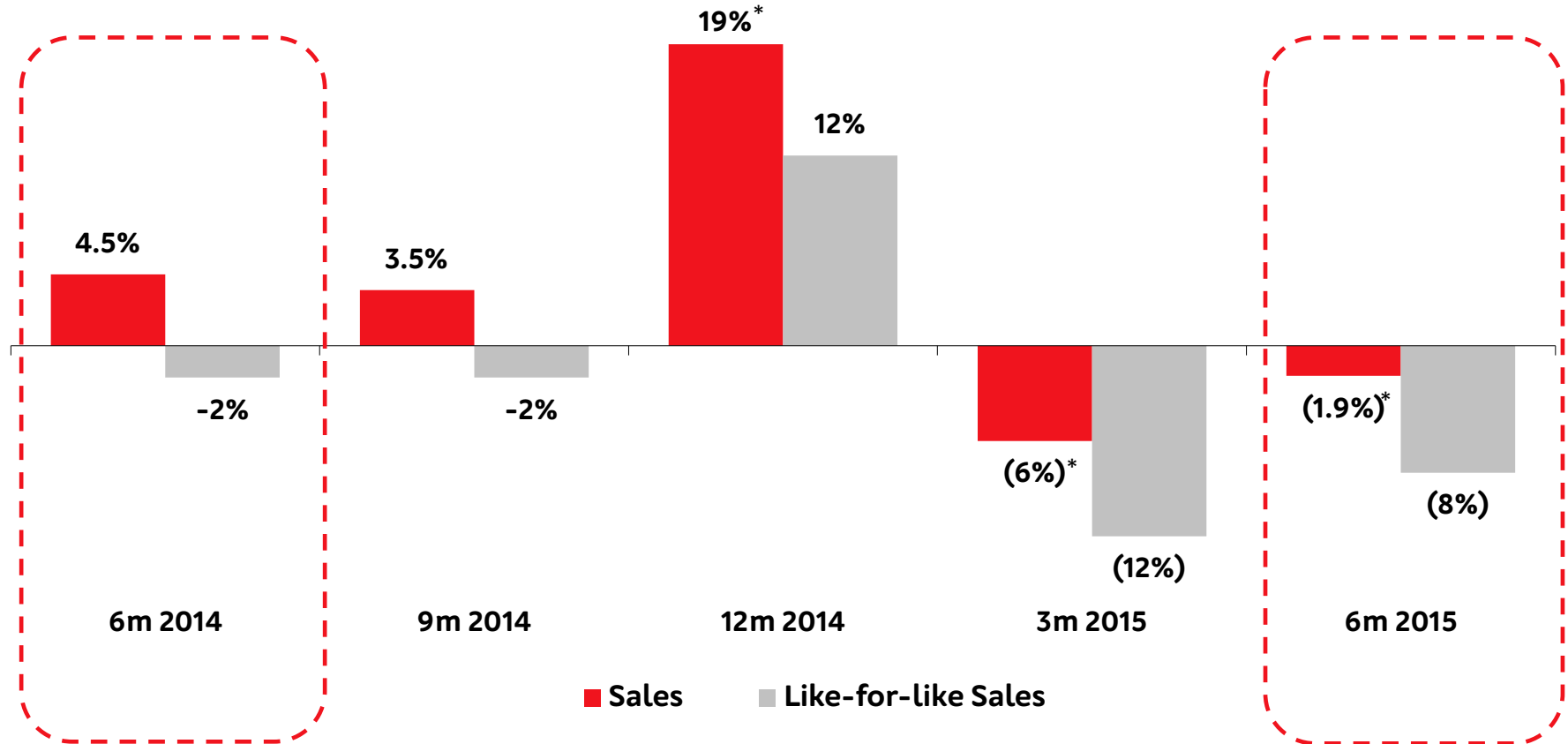
## 6m 2015 # of stores and total space dynamics



## 6m & Q2 2015 sales dynamics (billion RUB, with VAT)



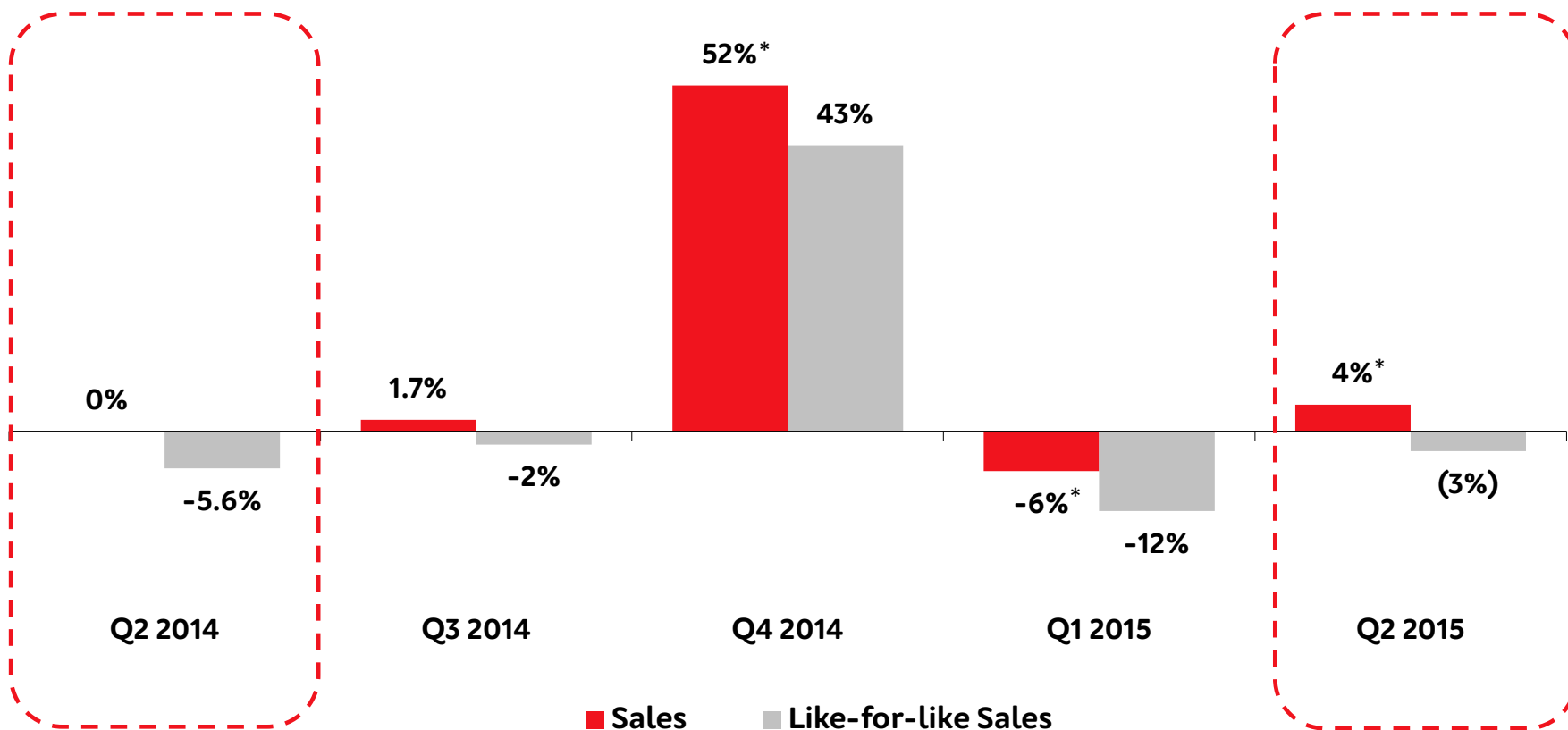
# 6m 2014 – 6m 2015 YTD sales/LfL sales dynamics



\* Non-adjusted sales comparison

Source: Company data

# Q2 2014 – Q2 2015 quarterly sales/LfL sales dynamics



\* Non-adjusted sales comparison

Source: Company data

# 6m 2015: Omni Channel Model Development

- Total: 364 stores, 157 cities of Russia.
- 4 new stores opened, 8 stores closed in 6m 2015
- Full online capacities in all cities of operations



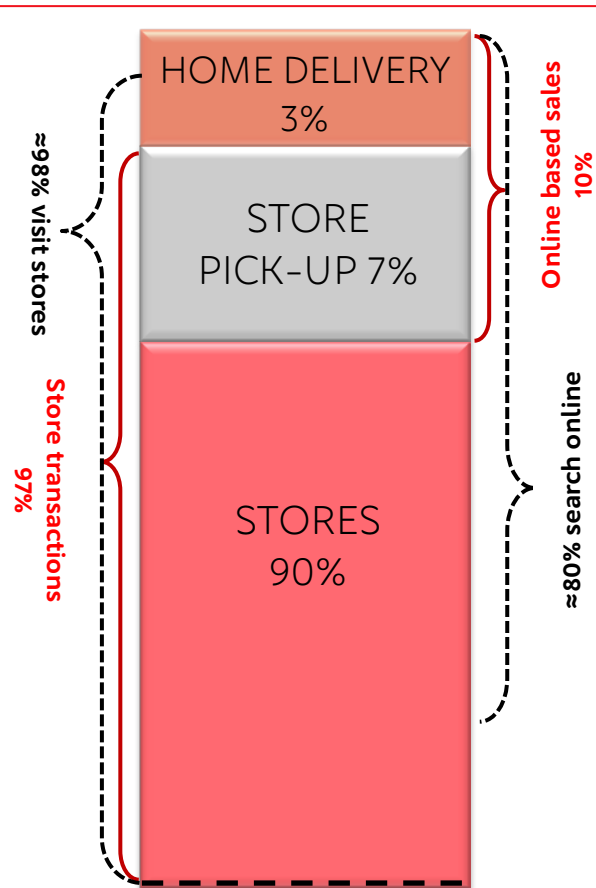
\*Including stores in St.Petersburg

- 340 stores (93%) leased, 24 stores (7%) owned.
- 323 stores are in shopping malls, 41 stores are standalone.

Source: Company data

# 6m 2015: Omni Channel Model Development

## Omni Channel Customer Universe

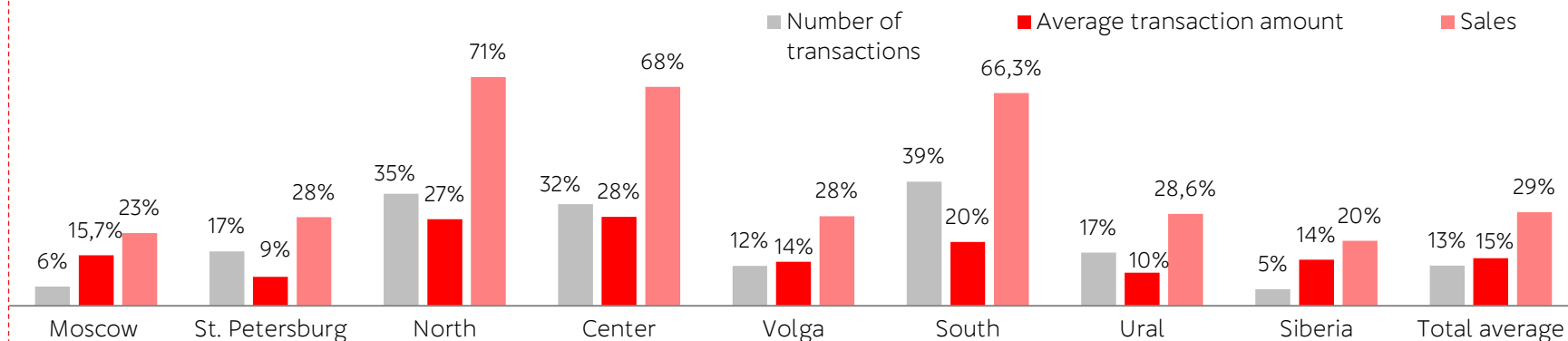


Source: Company data

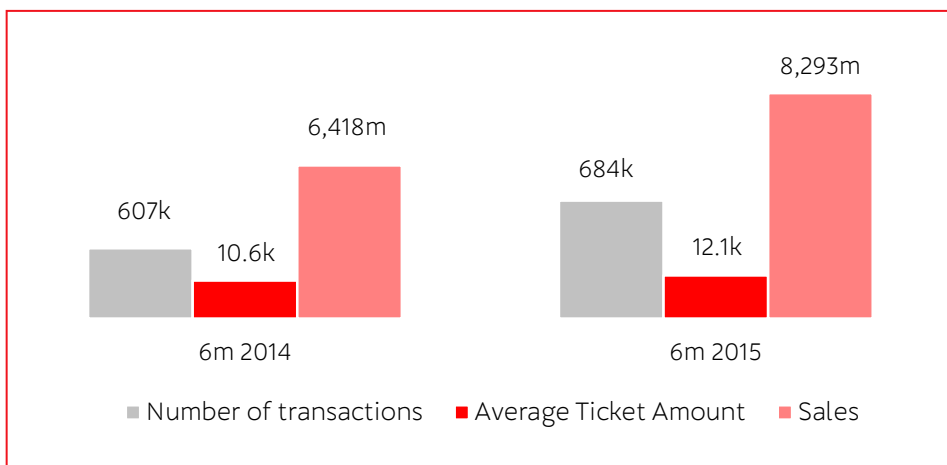
- Online Based Sales (OBS) up 29% year on year, exceeding 10% of sales;
- Pick-up in Store is 68%, home delivery is 32% of OBS;
- Stores are the main focus of the customer:
  - 98% visit stores while 97% buy in Mvideo stores;
  - Online customers continue to come to stores for convenience and selection
- Store pick-ups help to get customer walking through store and feed “impulse buys”;
- People tend to buy accessories and small home appliances as their “second purchase” in store.

# Online based sales 6m 2015 – 6m 2014 LfL dynamics

Home Delivery + Pick-up  
in Stores



## 6m 2014 – 6m 2015 Online indicators comparison (RUB, with VAT)

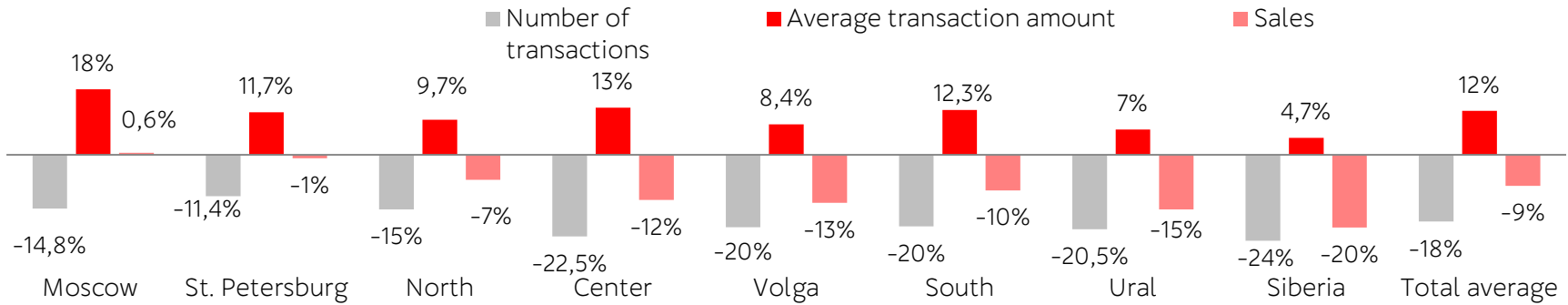


Source: Company data

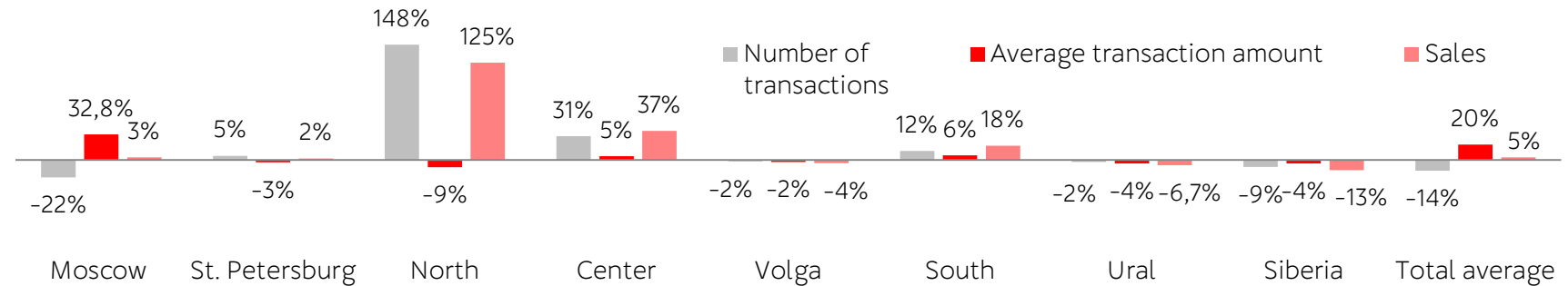


# 6m 2015 – 6m 2014 LfL dynamics, %

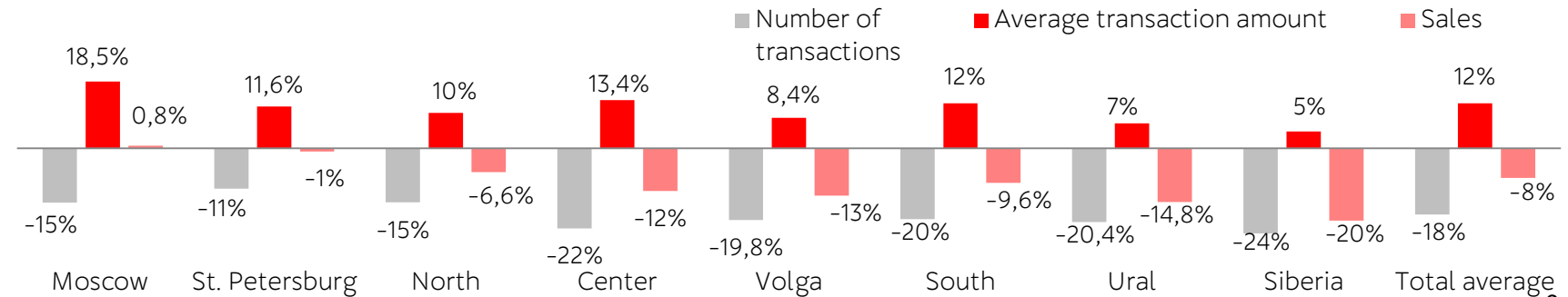
## Stores & Online Pick-up



## Online Orders: Home Delivery

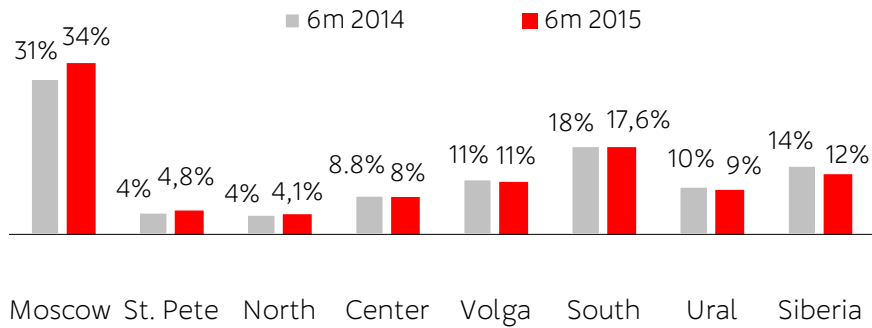


## Total Sales

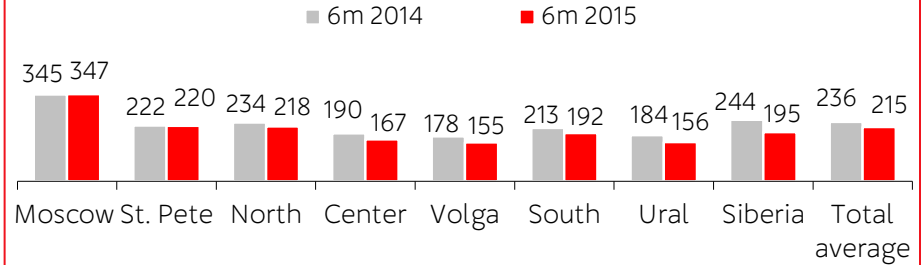


# 6m 2015 LfL stores performance analysis

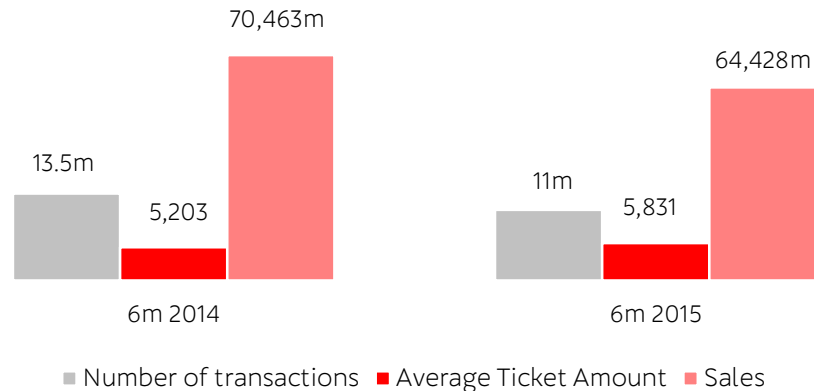
6m 2015 – 6m 2014 LfL revenue breakdown, %



6m 2015 – 6m 2014 LfL revenue per store (RUB mln, with VAT)



6m 2014 – 6m 2015 LfL stores indicators comparison (RUB, with VAT)

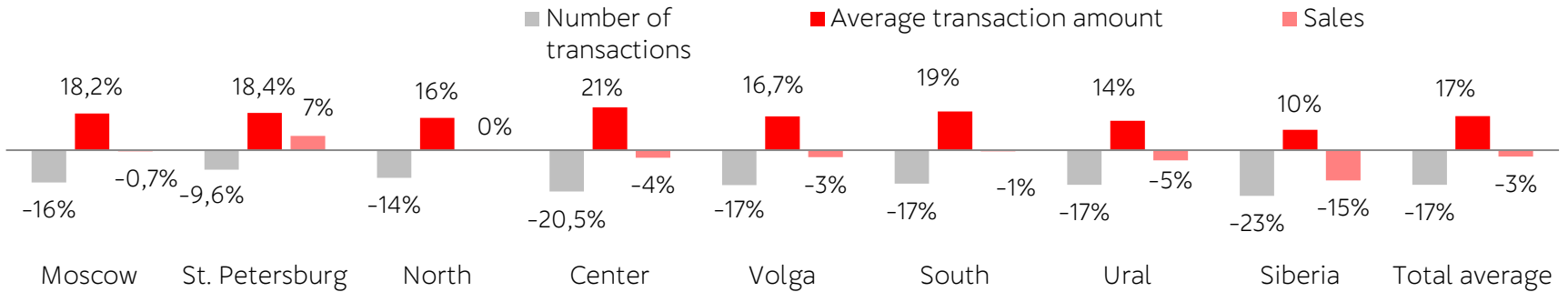


Note: LfL data is based upon a comparison of stores open at January 1, 2014 and not closed for more than two weeks or permanently, or expanded or downsized by >20% of total space.

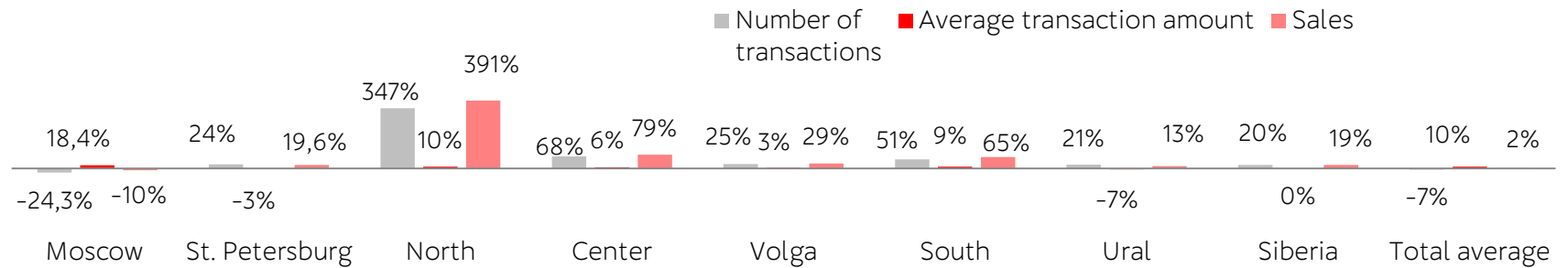
Source: Company data

# Q2 2015 – Q2 2014 LfL dynamics, %

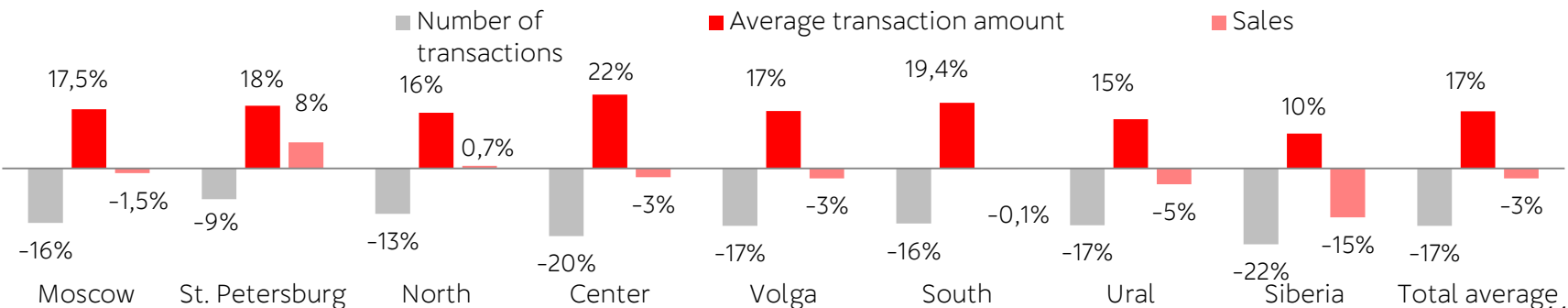
## Stores & Online Pick-up



## Online Orders: Home Delivery

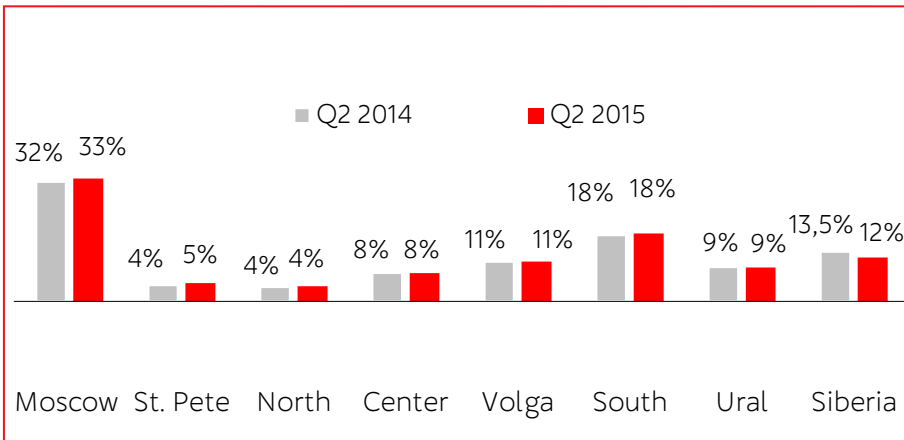


## Total Sales

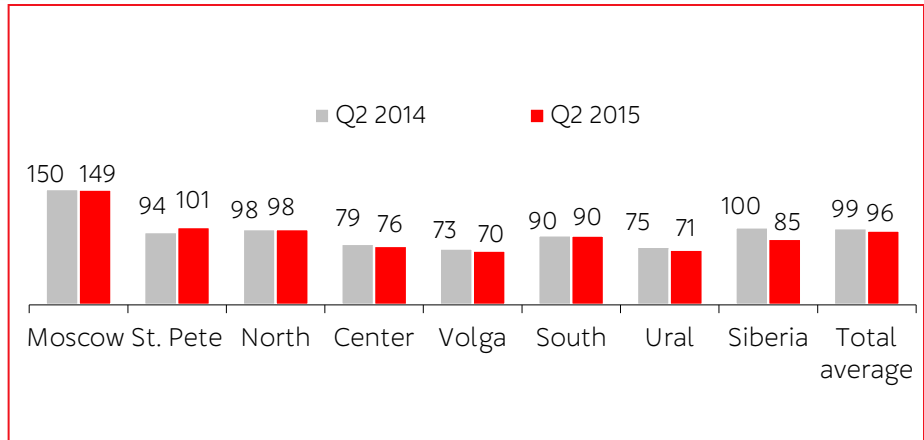


# Q2 2015 LfL stores performance analysis

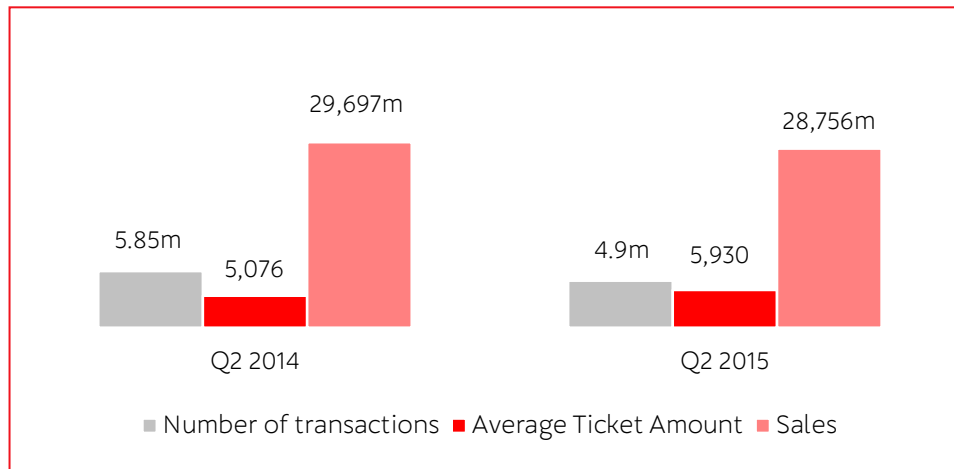
Q2 2015 – Q2 2014 LfL revenue breakdown, %



Q2 2015 – Q2 2014 LfL revenue per store (RUB mln, with VAT)



Q2 2014 – Q2 2015 LfL stores indicators comparison (RUB, with VAT)



Source: Company data

Note: LfL data is based upon a comparison of stores open at January 1, 2014 and not closed for more than two weeks or permanently, or expanded or downsized by >20% of total space.

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