

*М.видео* 25 лет

# PJSC M.Video Investor Presentation

Acquisition of MediaMarkt Russia

June 20, 2018



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# M.Video gets 100% control over MediaMarkt Russian business



- 42 MediaMarkt stores\*
- 90 “shop-in-shops” in Metro Cash&Carry
- ‘www.mediamarkt.ru’, ‘www.003.ru’

Amount to be paid

Euro **146\*\*** mln (RUB **10.7** bn)

Financing sources

Free cash and bank loan

Deal Closure

In Q3, 2018

Condition

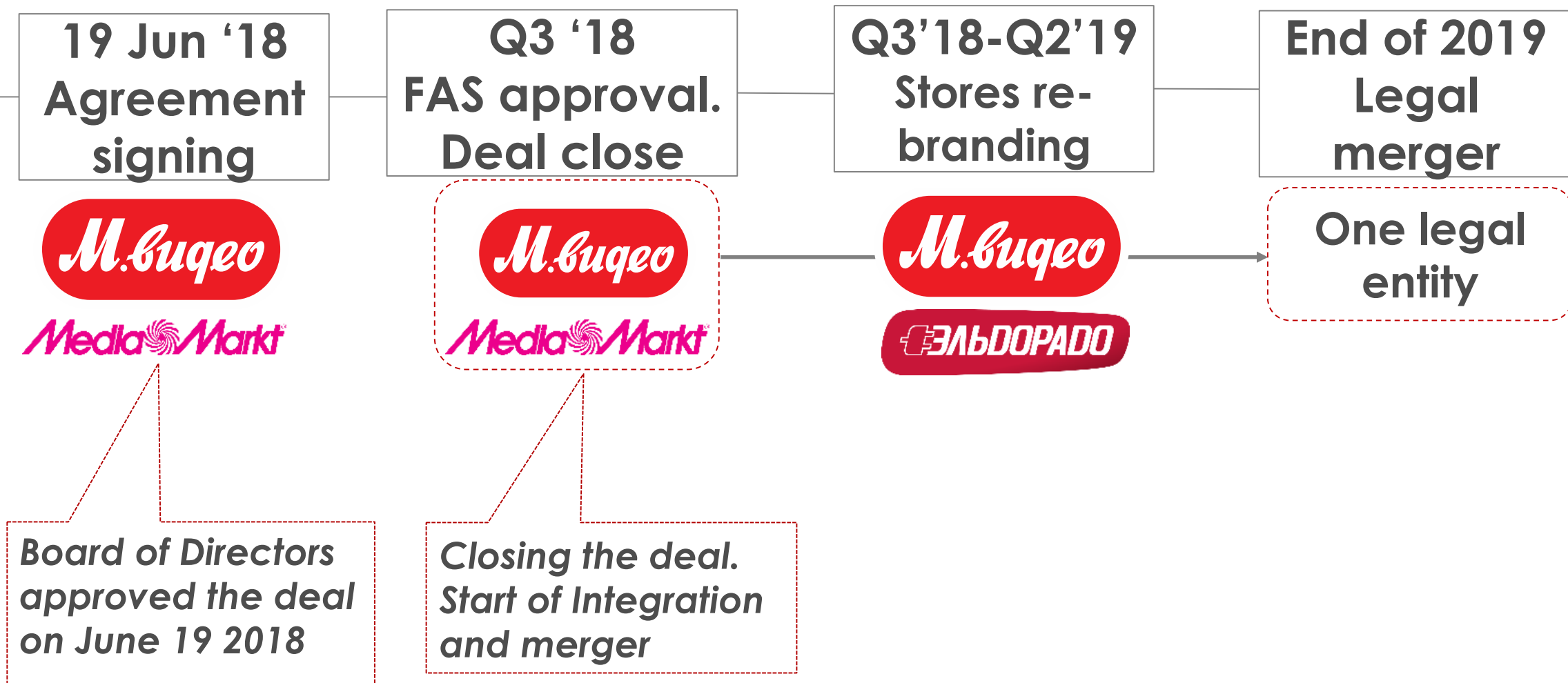
FAS approval

Legal merger

By the end of 2019

of M.Video & MediaMarkt Russia

# MSR integration key milestones



# M.Video acquires premium locations and market share



Market Share (2017)

25.9%

3.0%\*

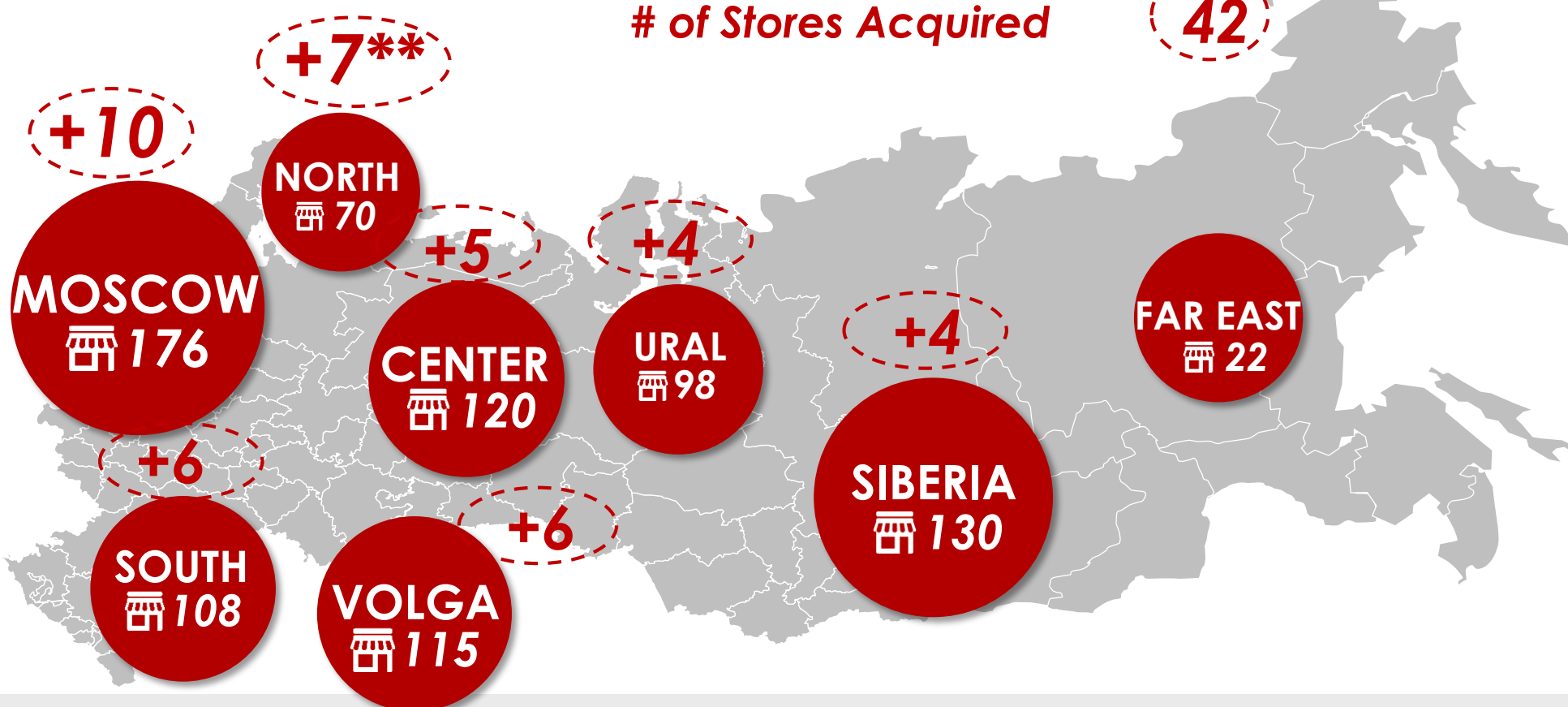
# of Stores (31/12/17)

839

52

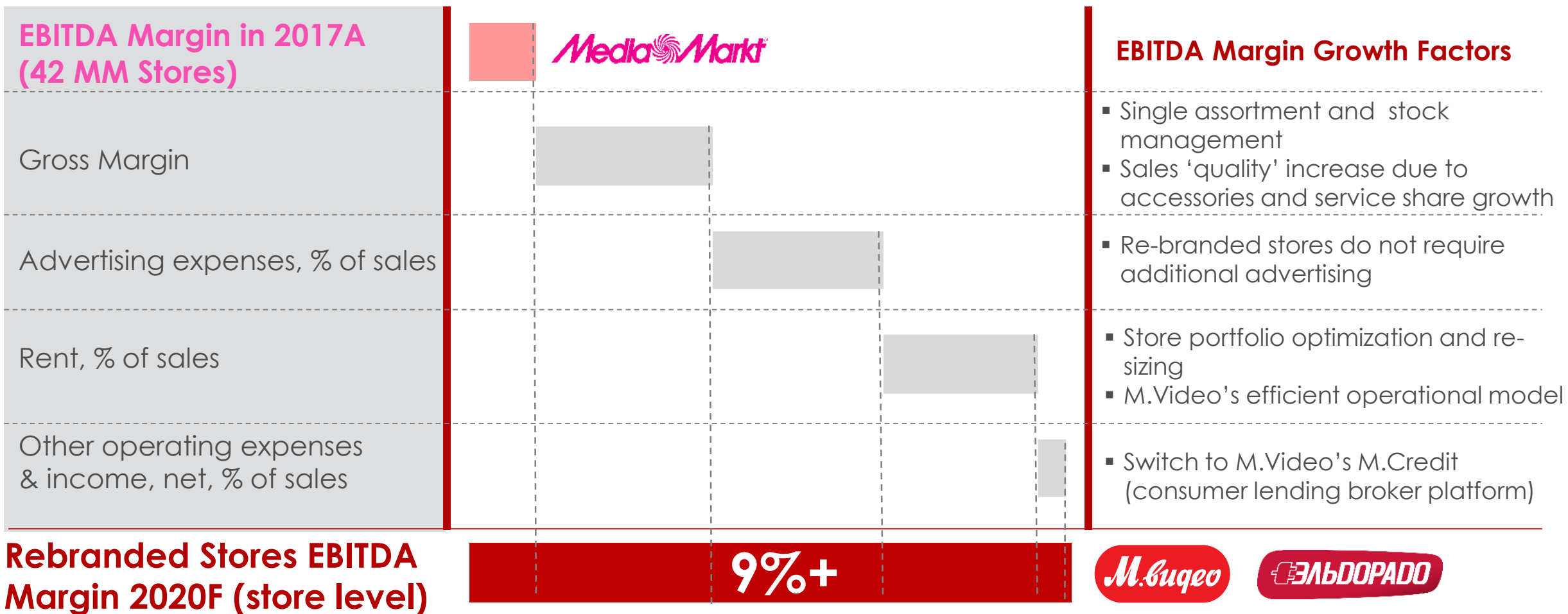
# of Stores Acquired

42



- ✓ Premium locations in A-class trading centers
- ✓ Strong presence in Moscow & St.-Petersburg
- ✓ Rebranded stores sales per SQM in-line with top M.Video and Eldorado shops and 35% higher vs. Group's average
- ✓ Up to RUB 110 bn incremental revenue and up to RUB 11 bn EBITDA for 2019-2022

# MediaMarkt stores transition to profitable model of M.Video



# The main goal of MMR acquisition is to strengthen leadership



## ***Premium locations***

Rebranded stores shall generate sales per 1 SQM in-line with top M.Video & Eldorado stores



## ***Incremental revenue and profits in 2019-2022***

Expected synergies of up to RUB 110 bn Revenue and up to RUB 11 bn EBITDA



## ***Market share growth***

Combined business may have c.29% Consumer Electronics market share in Russia



## ***Key technologies of the global player***

Competence and world's best practices exchange between the management teams

# M.Video Group Adheres to Its Announced Strategic Goals



**ONE COMPANY**

**ONE OPERATING BUSINESS MODEL**

**TWO BRANDS**

**1 Business Model**  
**2018**

**Centralization** of operations keeping **2 brands**

**2 EBITDA Margin 6%**  
**2019**

Sustainable EBITDA margin **6%+**

**3 Market Share**  
**2020+**

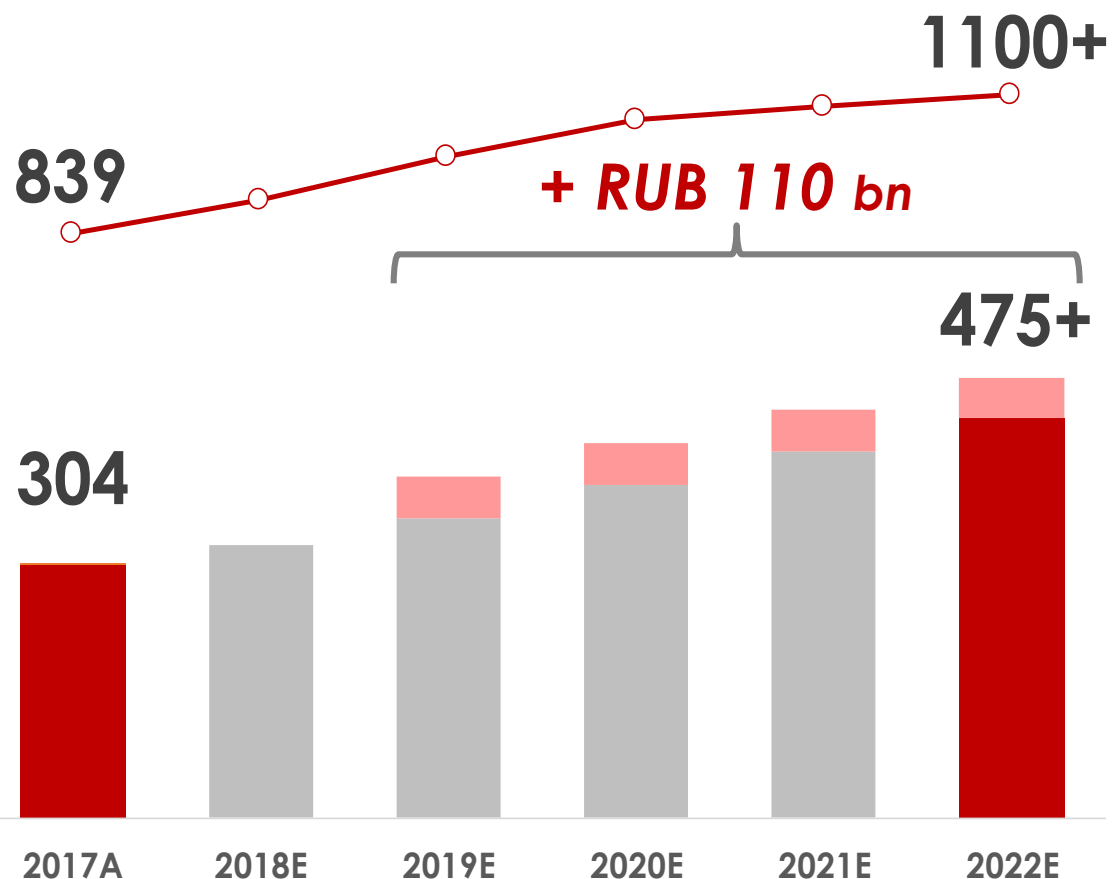
CE market share **30%+**



# Group financial forecasts 2018E-2022E

Revenue (net of VAT), RUB bn

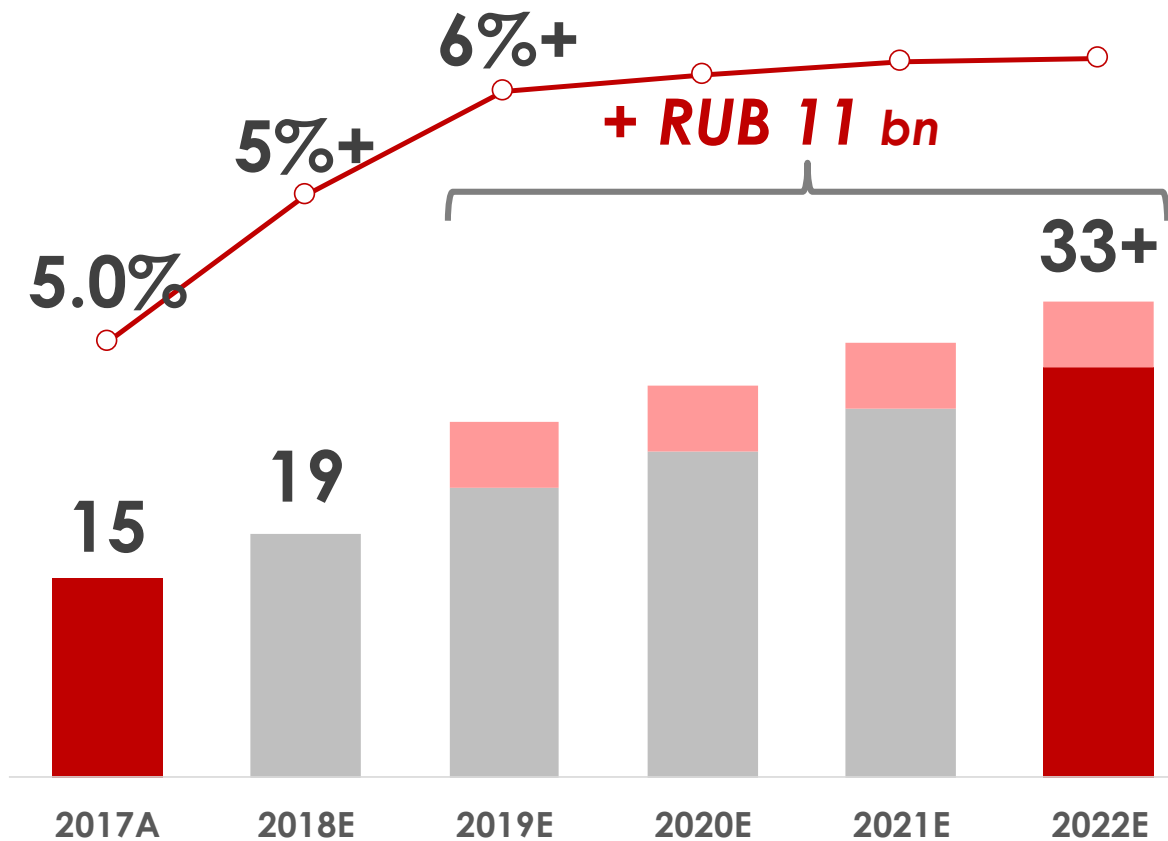
CAGR'17-22F 10%+



Pro-forma    ■ Revenue, RUB bn    ○ No. of stores

EBITDA, RUB bn

CAGR'17-22F 15%+

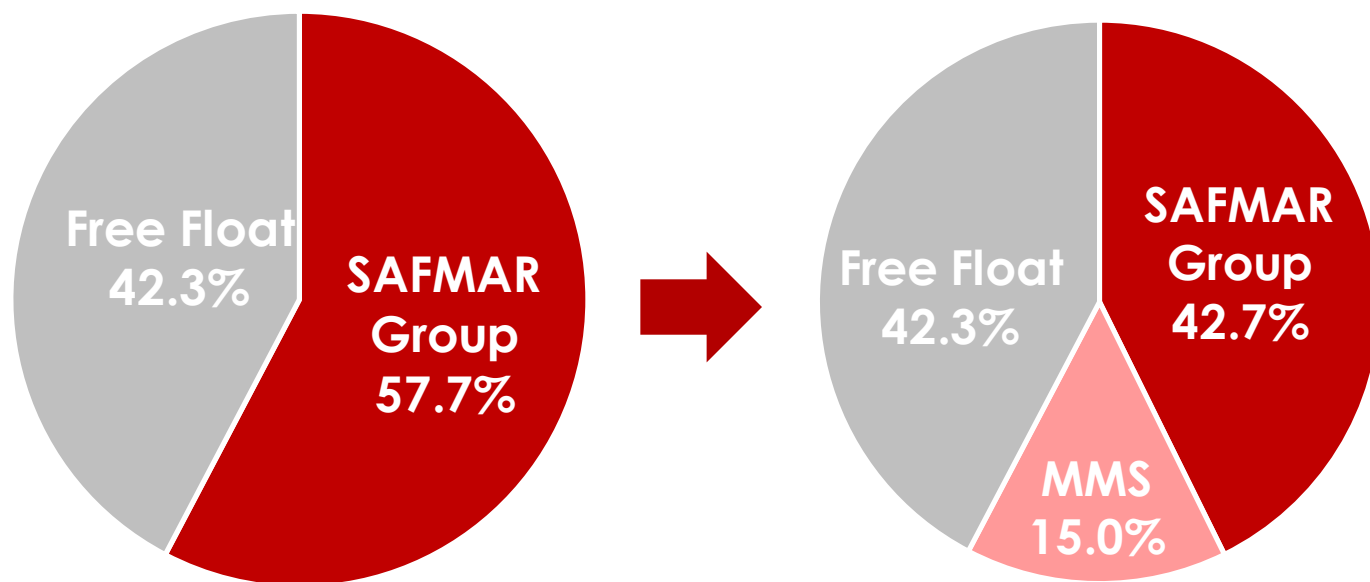


Pro-forma    ■ EBITDA, RUB bn    ○ EBITDA Margin, %

## PJSC M.Video Capital Structure

Before the deal

After the deal



***New shareholders to take seats at M.Video's Board of Directors***