

M.video announces share repurchase program

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OJSC “Company “M.video” (“M.video” or the “Group”), Russia's leading consumer electronics retailer (RTS, MICEX: MVID), announced that the Board of Directors had approved a share repurchase program to fund Long Term Incentive Plan (LTIP).

M.video announces that the Board of Directors has authorized a share repurchase program to allow a wholly owned subsidiary LLC M.video Management to repurchase up to 2.7 million of M.video' shares representing approximately 1.5% of the total number of outstanding shares of the Group at \$7 per share.

The purchases will be made through a reverse-bookbuild process which will commence at 10.30am Moscow time on Wednesday, September 15, 2010 and finish at 15.00 Moscow time on Friday, September 17, 2010. All shareholders in the Group will be eligible to participate in the program pro-rata to their holdings. Renaissance Capital will act as an agent for M.video for the share repurchase.

Alexander Tynkovan, President and CEO of OJSC “Company “M.video” commented: “The Company took a decision to repurchase shares from the market to fund the LTIP so we can retain our key managers who are implementing the strategy and increasing shareholder value. Our strong financial position allows us to do this while continuing the expansion of the network, delivering on major projects aimed to improve efficiency of our business and increasing our profitability. Our capital structure and balance sheet remains robust, and M.video is well-positioned to take advantage of the future market opportunities”.