



DIXY Group 1st Quarter 2011 Results

Conference Call Presentation

Based on 1 Quarter 2011 IFRS unaudited management accounts

25 May 2011

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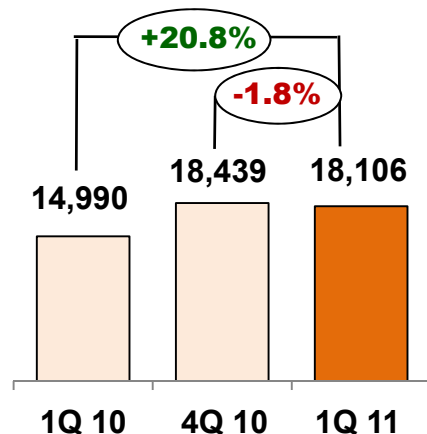
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1Q 2011 Top Line Performance



RUR, million

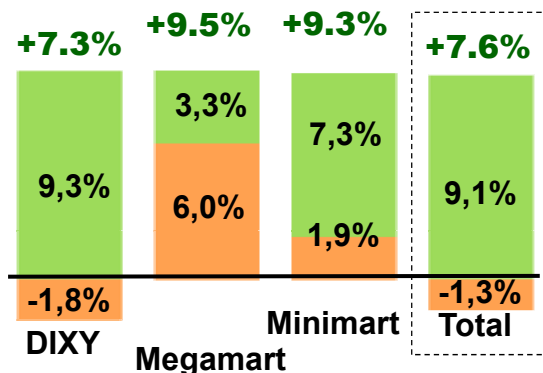
1Q 2010 Net Sales*



4mo 2011 Monthly Net Retail Sales by Format

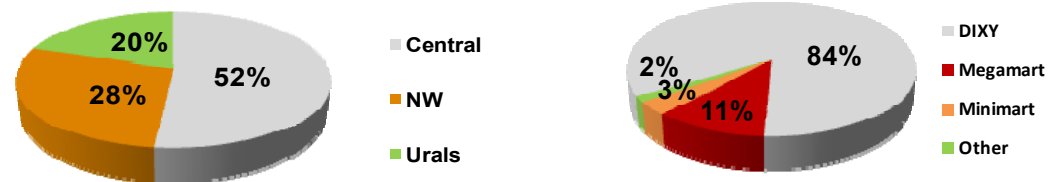
RUR mln	DIXY	Megamart	Minimart	TOTAL
Jan 10	4,063	544	162	4,769
Jan 11	5,023	585	177	5,785
$\Delta\%$	+24%	+8%	+9%	+21%
Feb 10	4,067	531	158	4,756
Feb 11	4,970	587	173	5,730
$\Delta\%$	+22%	+11%	+10%	+20%
Mar 10	4,541	603	180	5,324
Mar 11	5,489	664	197	6,350
$\Delta\%$	+21%	+11%	+10%	+19%
April 10	4,426	572	179	5,178
April 11	5,468	645	198	6,311
$\Delta\%$	+24%	+13%	+10%	+22%

1Q 2011 LFL Total Sales



■ Traffic ■ Basket

Sales Breakdown by Region & Format*

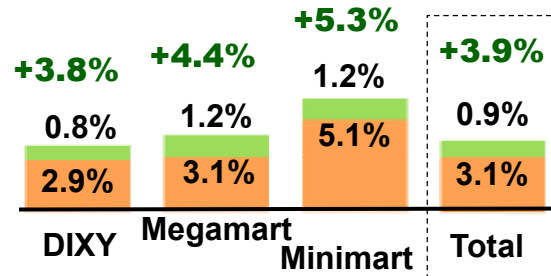


*based on 1Q 2011 unaudited IFRS management accounts

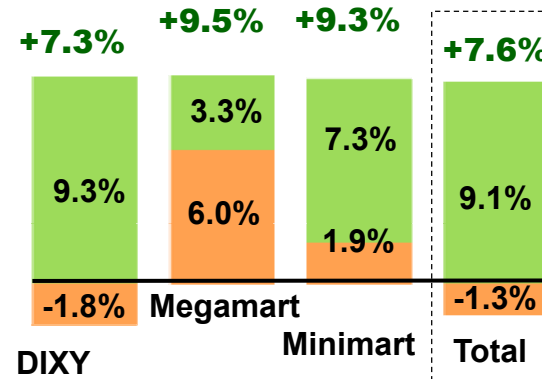
LFL Sales Results 1Q 2010 vs. 1Q 2011



1Q 2010 LFL Total Sales*

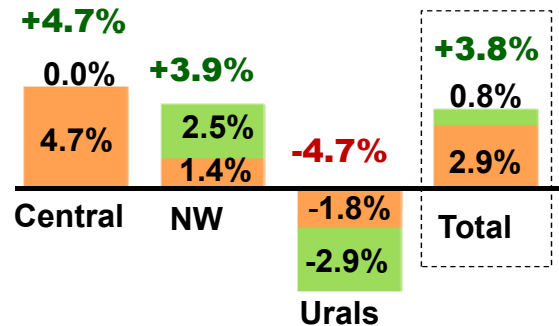


1Q 2011 LFL Total Sales**

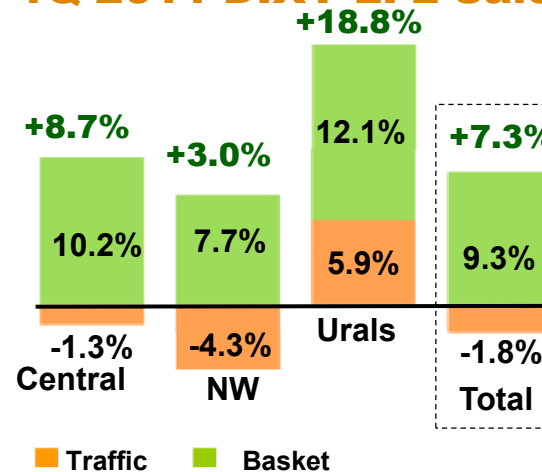


7.6% LFL Sales growth for the 1Q 2011 in line with the 2011 guidance

1Q 2010 DIXY LFL Sales*



1Q 2011 DIXY LFL Sales**



DIXY LFL sales for the 1Q 2011 increased the most in Urals (+18.8%) and Central (+8.7%) Federal Districts

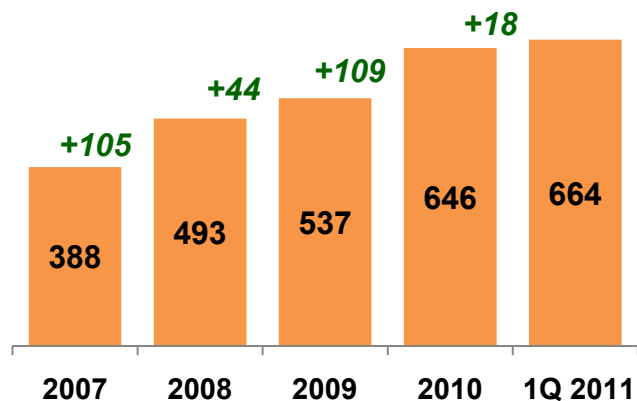
*LFL includes 376 DIXY store, 12 Megamart stores and 8 Minimart stores

**LFL includes 500 DIXY stores, 15 Megamart stores and 8 Minimart stores

1Q 2011: Selling Space Expansion



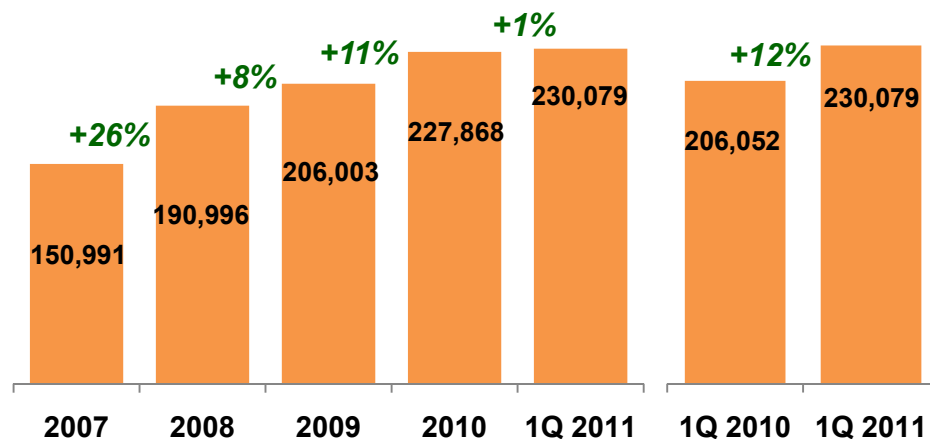
Number of Stores



Stores and Space*

	1Q2010	1Q 2011	Δ%
Stores	542	664	22.5%
New store openings	10	26	1.6%
Total space	498,403	551,612	10.7%
Selling space	206,052	230,079	11.7%
DIXY	170,445	194,472	14.1%
Megamart	30,121	30,121	--
Minimart	5,486	5,486	--

Net Selling Space, sqm



Personnel*

	1Q 2010	1Q 2011	Δ%
Store	12,520	12,906	3.1%
Office	2,025	2,302	13.7%
Warehouse	2,507	2,527	0.8%
Total	17,051	17,735	4.0%

For the 1Q 2010 the DIXY Group added net **18** stores (all in DIXY format) and **12%** of net selling space (**24,027** sqm)

As of **30 April 2011** DIXY Group operated **679** stores (**232,437** sqm of net selling space):

- **656** neighborhood stores **DIXY**
- **15** compact hypermarkets **Megamart**
- **8** supermarkets **Minimart**

*as of March 31, 2011

Geographic Reach & Logistics



Stores by Region* Distribution Centers*

Location	No
Moscow City	51
Moscow Region	225
Vladimir Region	2
Kaluga Region	22
Kostroma Region	17
Ryazan Region	29
Smolensk Region	10
Yaroslavl Region	45
Total Central District	402
St. Petersburg	95
Leningrad Region	42
Republic of Karelia	17
Novgorod Region	13
Pskov Region	12
Vologda Region	8
Total NW District	190
Chelyabinsk City***	51
Ekaterinburg City****	18
Tyumen City*****	3
Total Urals District	72
TOTAL	664

Location	sqm	
Serpukhov	36,216	Owned
Ryazan	15,515	Owned
Yaroslavl	9,360	Owned
	1,500	Leased
St. Pete	15,079	Owned
St. Pete	4,500	Leased
Chelyabinsk	7,307	Leased
TOTAL	89,477	
Owned	86%	



Fleet of **274 trucks***

Improved efficiency of supply chain allowed to maintain the highest in the industry **centralization level of 83%** in 1Q 2011 (85% in Central and 82% in NW Districts) and **general logistics service level** (success of delivery rate) of **88%** in 1Q 2011



DIXY Distribution Center

*as of March 31, 2011

*** includes 2 Megamarts

****8 Minimarts and 10 Megamarts

*****Megamarts only

1Q 2011 Results*



<i>RUR thousand</i>	1Q 2011	1Q 2010	Δ%
Net Sales	18,106,057	14,990,042	20.8%
Gross Profit**	4,321,991	3,465,592	24.7%
EBITDAR	1,742,337	1,380,964	26.2%
EBITDA	1,005,426	785,335	28.0%
Net Profit	164,125	129,289	26.9%
Net Cash from Operating Activities	680,468	300,185	126.7%
Gross Profit**	23.9%	23.1%	
EBITDAR	9.6%	9.2%	
EBITDA	5.6%	5.2%	
Net Profit	0.9%	0.9%	

Selling, General & Administrative Expenses

<i>RUR thousand</i>	1Q 2011	1Q 2010	Δ%
Salaries	1,830,970	1,432,739	27.8%
Lease	736,911	595,629	23.7%
D&A	460,960	424,439	8.6%
Utilities, Repair and Maintenance	332,713	258,053	28.9%
Transportation and Handling**	15,569	10,799	44.2%
Advertising	55,162	53,072	3.9%
Other (decreased by Inventory Allowance)	345,240	329,965	4.6%
Total	3,777,525	3,104,696	21.7%

SGNA as % of Revenue

Salaries	10.1%	9.6%
Lease	4.1%	4.0%
D&A	2.5%	2.8%
Utilities, Repair and Maintenance	1.8%	1.7%
Transportation and Handling**	0.1%	0.1%
Advertising	0.3%	0.4%
Other (decreased by Inventory Allowance)	1.9%	2.2%
Total	20.9%	20.7%

*Based on 1Q 2011 unaudited IFRS management accounts

Change in Reporting Methodology

**Effective 2011, the Gross Profit calculation methodology has been changed in accordance with the industry best practices as follows: Transportation expenses related to movement of goods and Shrinkage expenses (including Inventory Allowance) are transferred to the cost of sales. Without these changes under this methodology of calculating financial results, the Gross Margin in the first quarter of 2011 would have amounted to 26%. For the purposes of correct comparison of financial results, Gross Profit for the first quarter of 2010 is adjusted correspondingly.

Cost of Sales

<i>RUR thousand</i>	1Q 2011	1Q 2010	Δ%
Cost of goods sold	13,338,120	11,090,211	17.8%
Transportation costs	68,123	67,982	0.2%
Shrinkage of inventories (including Inventory Allowance)	377,823	366,257	3.2%
Total	13,784,066	11,524,450	19.6%

Cost of Sales, % of Revenue

<i>RUR thousand</i>	1Q 2011	1Q 2010
Cost of goods sold	73.7%	74.0%
Transportation costs	0.4%	0.5%
Shrinkage of inventories (including Inventory Allowance)	2.1%	2.4%
Total	76.1%	76.9%

1Q 2011 Key P&L Highlights



For the 1Q 2011

RUR Million	1Q 2011	1Q 2010	Δ% y-on-y
Net Sales	18,106	14,990	21%
Gross Profit*	4,322	3,900	25%
Gross margin, %	23.9%	23.1%	
SG&A	(3,778)	(3,105)	22%
SG&A, % of Revenue	20.9%	20.7%	
EBITDA	1,005	785	28%
EBITDA Margin, %	5.6%	5.2%	
Operating Profit (loss)	544	361	51%
Operating Margin, %	3.0%	2.4%	
FX gain (loss)	1	140	
Profit (Loss) before tax	332	320	51%
Income Tax Expense**	(168)	(190)	
Net Profit (Loss)	164	129	27%
Net Margin, %	0.9%	0.9%	

Net Sales increased 21% year-on-year to RUR 18,106 mln

Gross Profit increased 25% year-on-year to RUR 4,322 mln for a Gross Margin of 23.9%*

SG&A as % of Revenue increased by 20 bp year-on-year to 20.9%*

EBITDA increased 28% year-on-year to RUR 1,005 mln (5.6% EBITDA Margin)

Operating Profit increased 51% year-on-year to RUR 544 mln

Profit before tax increased 51% year-on-year to RUR 544 mln

Net Profit increased 27% year-on-year to RUR 164 mln (0.9% Net Margin)

*Adjusted for Shrinkage and part of Transportation expense (see previous slide for details)

Effective tax rate: **50.5% in 1Q 2011

1Q 2011 Cash Flow Highlights



RUR Million	1Q 2011	1Q 2010	Δ% y-on-y
Net cash from operating activities	680	300	127%
Operating cash flows before WC changes	1,028	781	32%
Change in WC	53	(40)	
Net Interest & Income Tax Paid	(401)	(441)	(9%)
Net cash used in investing activities	(1,026)	(379)	171%
Net cash from financing activities	(179)	(754)	(76%)
Net decrease in cash and cash equivalents	(525)	(833)	(37%)
Cash & cash equivalents at the end of the period	1,072	499	115%

Thank you for your attention!



Appendix 1: Store Formats

ДИКСИ

ДИКСИ
УНИВЕРСАМ **DIXY**



Neighborhood store

641 stores*

303 sqm average selling space*

718 sqm average total space*

3,500 SKUs

RUR 80,000

1Q 2011 sales per sqm selling space*

RUR 242 average ticket size*

15 average employees per store*

**as of March 31, 2011*

МИНИМАРТ
Minimart



Economic Supermarket

8 stores*

686 sqm average selling space*

1,533 sqm average total space*

7,500 SKUs

RUR 100,000

1Q 2011 sales per sqm selling space*

RUR 401 average ticket size**

87 average employees per store*

МЕГАМАРТ
Megamart



Hypermarket

15 stores*

2,008 sqm average selling space*

5,259 sqm average total space*

20,500 SKUs

RUR 61,000

1Q 2011 sales per sqm selling space*

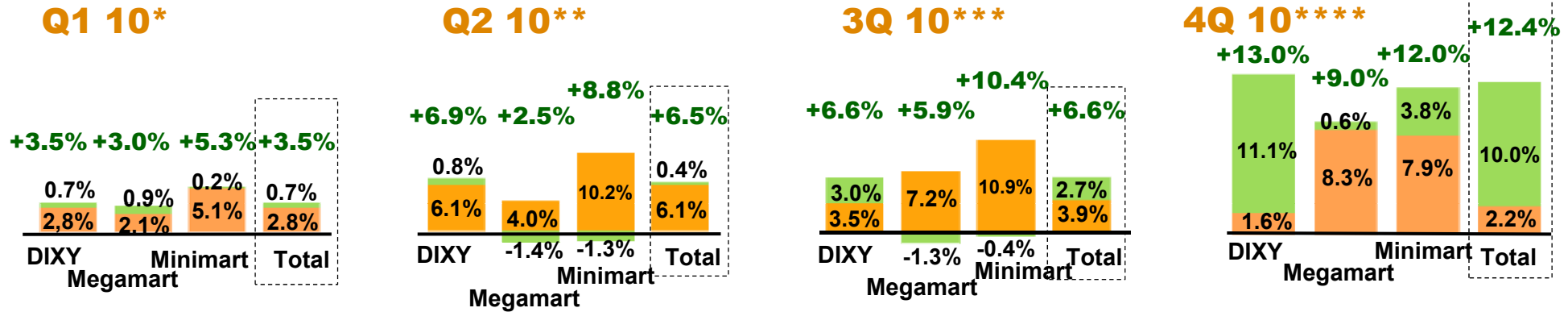
RUR 539 average ticket size*

153 average employees per store*

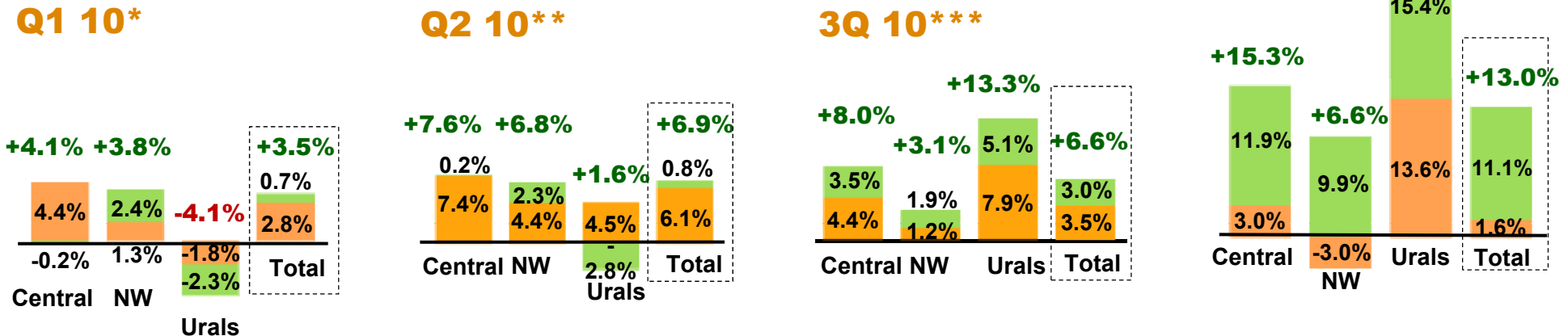
Appendix 2: 2010 LFL Sales Dynamics



Total LFL Sales



DIXY Format LFL Sales



*LFL includes 449 DIXY store, 13 Megamart stores and 8 Minimart stores
 **LFL includes 455 DIXY stores, 13 Megamart stores and 8 Minimart stores
 ***LFL includes 468 DIXY stores, 13 Megamart stores and 8 Minimart stores
 ****LFL includes 487 DIXY stores, 15 Megamart stores and 8 Minimart stores

■ Traffic ■ Basket